



CENTRAL BANK OF THE GAMBIA

Monetary Policy Report

May 2025

Preface

The Central Bank of The Gambia Monetary Policy Report summarizes developments and outlook for key economic sectors that informed the decision of the Monetary Policy Committee (MPC). The objective is to keep the public informed of the MPC decision as part of the accountability and transparency obligation in the conduct of monetary policy.

Monetary Policy in The Gambia

The mandate of the Central Bank of The Gambia (CBG) is to achieve and maintain price and financial sector stability as well as create an enabling environment for sustainable economic growth. The Bank continues to operate a monetary targeting framework. Targets for key monetary aggregates are set in line with the Bank's medium-term inflation objective of 5 percent. In addition, the MPC meets to set the monetary policy rate (MPR) to signal the policy stance of the Bank.

Monetary Policy Committee

The Monetary Policy Committee (MPC) was established by the CBG Act 2005 (amended 2018 Act) as the apex monetary policy decision-making body of the Bank. The membership comprises the Governor (Chairman), the two Deputy Governors, heads of Banking, Financial Supervision, and Economic Research Departments of the Bank, and three persons from outside the Bank appointed by the Minister of Finance and Economic Affairs. The MPC meets every quarter to review developments and near-term outlook in the international and domestic economy and set the monetary policy rate. This signals the policy stance of the Bank. The decision-making process is by consensus. The Chairman communicates the decision of the Committee in a press statement and a press conference. The press release and the minutes of each meeting are posted on the Bank's website for wider access by the public.

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Executive Summary

The Monetary Policy Committee (MPC) of the Central Bank of The Gambia convened on June 11–12, 2025, to assess recent economic developments and adjust its monetary policy stance accordingly. Following a comprehensive review, the Committee decided to maintain the Monetary Policy Rate (MPR) at 17.0 percent, reaffirming its commitment to anchoring inflation expectations and restoring price stability. Other policy parameters, including the required reserve ratio and standing facility rates, were also left unchanged, in line with the Bank's tight policy stance to curb persistent inflationary pressures.

Global economic activity is expected to grow by 2.8 percent in 2025, marking a slowdown from the 3.2 percent expansion recorded in 2024 and reflecting a downward revision from previous forecasts. This moderation is driven by persistent global uncertainties, including tighter financial conditions and ongoing geopolitical tensions. Inflation is projected to ease to 4.3 percent in 2025, down from 5.8 percent in the previous year. Advanced economies are making progress toward price stability, with average inflation expected to decline to 2.1 percent. In contrast, emerging markets and developing economies (EMDEs) continue to face elevated inflationary pressures, primarily due to currency depreciation, higher energy costs, and climate-related disruptions to food supplies. Sub-Saharan Africa, while experiencing a downward inflation trend, is projected to maintain relatively high inflation at 9.8 percent in 2025, underscoring the region's ongoing macroeconomic vulnerabilities.

The Gambian economy maintained strong growth momentum in 2024, supported by robust performance in financial services, trade, construction, and mining. Stable remittance inflows and increased public investment further bolstered domestic demand. Looking ahead, growth prospects remain positive, with real GDP projected to expand by 6.5 percent in 2025 and 5.8 percent in 2026—an upward revision driven by improved external conditions, fiscal adjustments, and stronger domestic activity. This outlook is underpinned by rising investment in infrastructure and social services, resilient private sector activity, and continued strength in tourism and remittance flows.

Inflation continues its downward trend, falling to 8.1 percent in April 2025, the lowest level over two years—driven mainly by declining food prices and improved supply conditions.

Despite this progress, inflation remains above the Central Bank's medium-term target of 5 percent, with core inflation indicators still rising, reflecting persistent underlying price pressures. Additionally, administered prices linked to recent tax and tariff adjustments are keeping overall inflation elevated. While the global environment supports further disinflation, domestic risks remain. These include exchange rate pressures, climate-related agricultural challenges, and supply chain disruptions. Together, these factors pose ongoing risks to achieving price stability.

The Gambia's external sector showed signs of improvement in the first quarter of 2025, despite ongoing pressures from a persistent goods account deficit. The current account deficit narrowed to US\$13.2 million (0.6 percent of GDP), down from US\$21.1 million (0.9 percent of GDP) in the previous quarter. This was driven by a rebound in tourism, reduced construction-related imports, and steady remittance inflows. However, the financial account recorded a deficit of US\$9.7 million, reflecting a recovery in non-resident investment, though down from the larger deficit of US\$174.5 million in the prior quarter.

Preliminary estimates for the first quarter of 2025 indicate a stronger fiscal position for The Gambia, supported by improved revenue performance and effective tax administration reforms. Key initiatives—including the introduction of a single window platform, a digital weighbridge, and broader tax base coverage—have enhanced revenue collection efficiency and reduced bottlenecks in trade clearance. As a result, the overall budget deficit, including grants, narrowed significantly to D1.3 billion (0.8 percent of GDP), down from D2.4 billion (1.4 percent of GDP) in the same period in 2024. On the debt front, the total domestic debt stock declined slightly to D45.57 billion in March 2025, from D46.37 billion in 2024. This reduction, driven mainly by lower Treasury Bond issuances, contributed to a fall in the domestic debt-to-GDP ratio from 27.0 percent to 23.4 percent, reflecting improved fiscal discipline and a growing economic base.

In the first quarter of 2025, the banking sector's total capital rose to D13.37 billion from D11.97 billion in December 2024, driven by retained earnings. All commercial banks met the revised minimum capital requirement. Although risk-weighted assets increased slightly, reflecting higher credit activity—the capital adequacy ratio remained above the regulatory threshold. Loan quality improved modestly, with the non-performing loan (NPL)

ratio declining to 13.50 percent from 14.55 percent. However, it remains high due to legacy issues in two major banks, which have since restructured their distressed loans. The sector remains resilient and well-capitalized, supported by D95 million in surplus provisions.

In view of prevailing conditions, the MPC emphasized the importance of maintaining tight monetary policy to consolidate disinflation gains and prevent a resurgence in inflation. The Central Bank will continue deploying all available instruments to manage excess liquidity and ensure that inflation converges to its 5.0 percent medium-term target. The Committee also underscored the need for structural reforms to address supply-side bottlenecks, enhance food and energy security, and strengthen macroeconomic resilience.

Global Economic Developments

Global economic activity is projected to grow by 2.8 percent in 2025, a deceleration from 3.2 percent in 2024 and a downward revision from earlier projections. The outlook

remains shaped by persistent fragmentation.

Advanced economies are expected to expand modestly by 1.6 percent, reflecting tighter financial conditions, investment weakness, and ageing demographics.

In contrast, growth in emerging markets and developing economies (EMDEs) is expected to

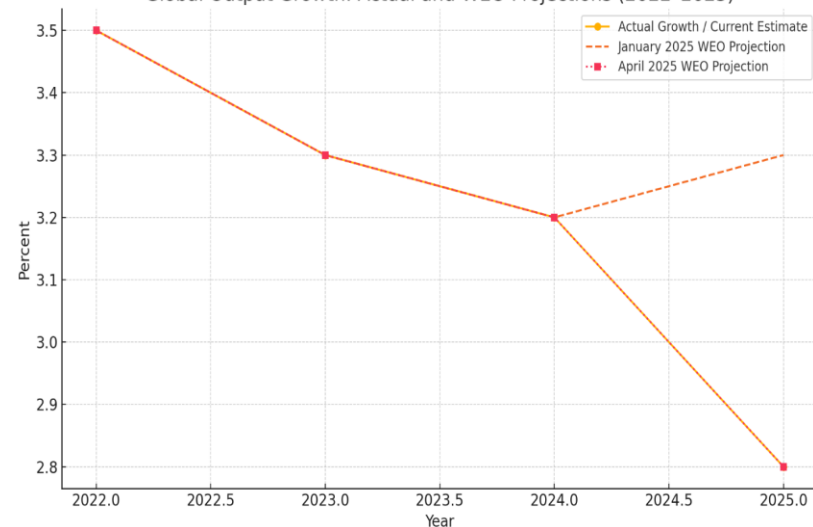
reach 4.2 percent, led by strong domestic demand in Asia and macroeconomic improvements across parts of Africa. The African Development Bank forecasts a regional acceleration to 4.1 percent, although vulnerabilities related to conflict, climate, and financing persist.

Global inflation is projected to moderate to 4.3 percent in 2025 from 5.8 percent in 2024. Advanced economies are broadly returning to

price stability, with inflation averaging 2.1 percent, while many EMDEs continue to experience price pressures due to exchange rate depreciation, energy costs, and

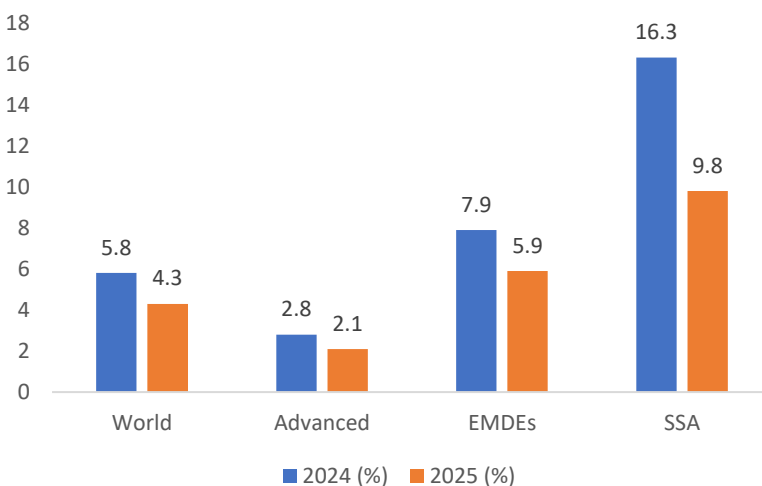
Figure 2: Global Output Growth

Global Output Growth: Actual and WEO Projections (2022–2025)



Source: April 2025 WEO Update Projections

Figure 1: Global Inflation Trends,



Source: April 2025 WEO Update Projections

climate-induced food supply disruptions. Sub-Saharan Africa's regional inflation, although declining, remains elevated at a projected 9.8 percent.

Trade activity continues to weaken, with global trade volume growth revised down to 1.7 percent. Tariff escalation, export restrictions, and supply chain fragmentation have disrupted trade flows, with services trade providing only partial offset. Financial conditions have eased in some jurisdictions following the onset of monetary policy normalization, yet sovereign risks and market volatility remain pronounced, particularly in low-income and frontier markets.

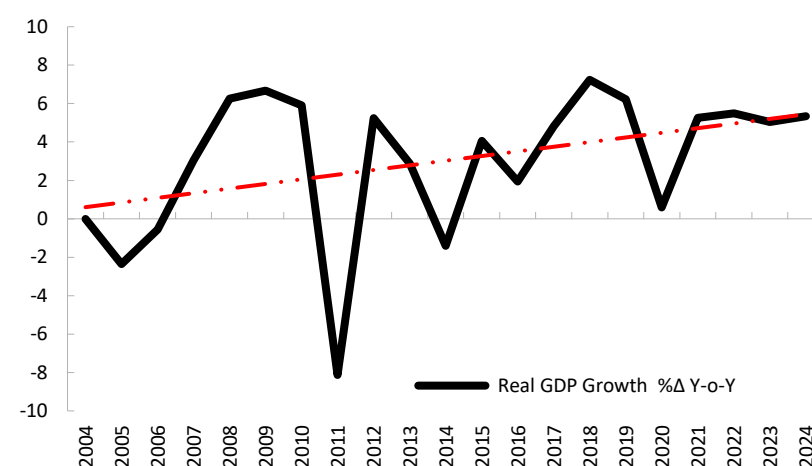
The external environment in 2025 presents a complex configuration of slowing growth, easing but uneven disinflation, and rising structural headwinds. For highly open economies such as The Gambia, sustained policy discipline, close monitoring of global risks, and coordinated macroeconomic management will be critical to safeguarding stability and reinforcing the resilience of the domestic economy.

The Domestic Economy

Real Sector

Recent data from The Gambia Bureau of Statistics (GBoS) indicated that in 2024, the Gambian economy continues to exhibit strong growth on an annual basis, setting a favourable trajectory for macroeconomic improvement. This strong performance in real GDP growth was precipitated by solid growth in financial services, redistributive trade, construction, mining & quarrying. In addition, stable remittance inflows and strong public investment aided domestic demand.

Figure 3: Real GDP Growth

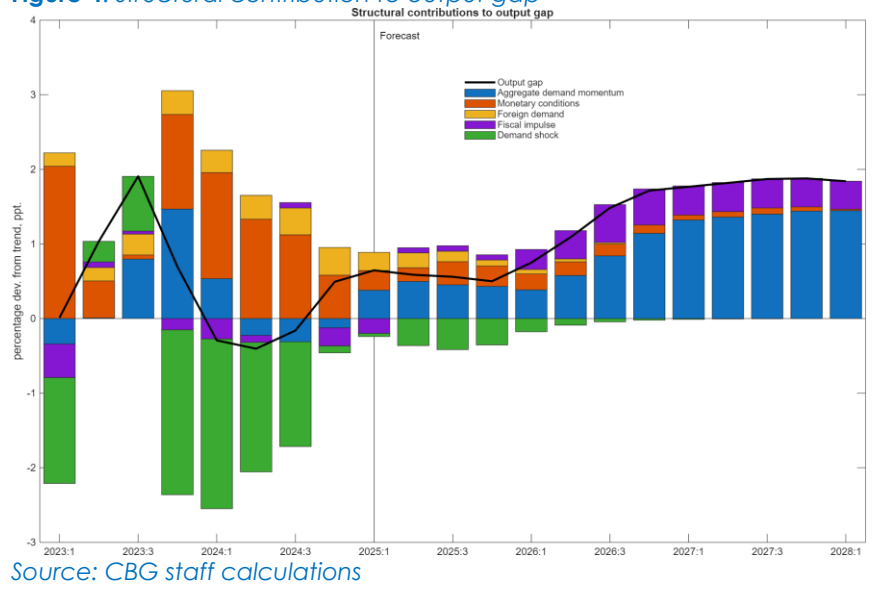


Source: GBoS, CBG staff calculations

Economic growth is expected to strengthen over the medium term, with real GDP growth projected at 6.5 percent in 2025 and 5.8 percent in 2026. These projections represent an upward revision of 0.6 and 0.5 percentage points, respectively, compared to the

February 2025 forecast. The upward revision reflects adjustments in key macroeconomic assumptions, including external conditions, fiscal policy adjustments, and domestic economic developments. The projected growth is

Figure 4: Structural contribution to output gap

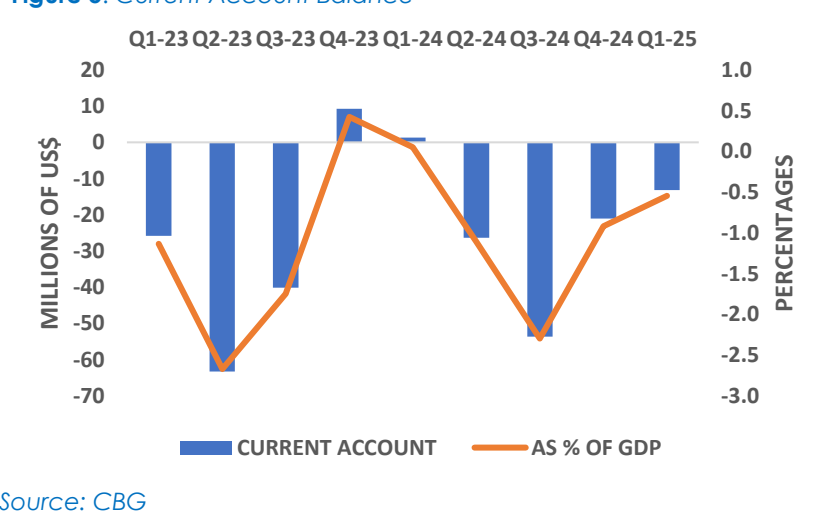


driven by higher public investment in infrastructure and social services, coupled with rising private sector activity, improved external demand for Gambian services, tourism, and strong remittances inflow which goes to finance private consumption and investment (construction) demand.

Balance of Payments

Balance of payments pressures continue to persist for the quarter under review, due to a persistence deficit in the goods account. Preliminary estimates show the current account balance deficit narrowed to US\$13.2 million (0.6 percent of

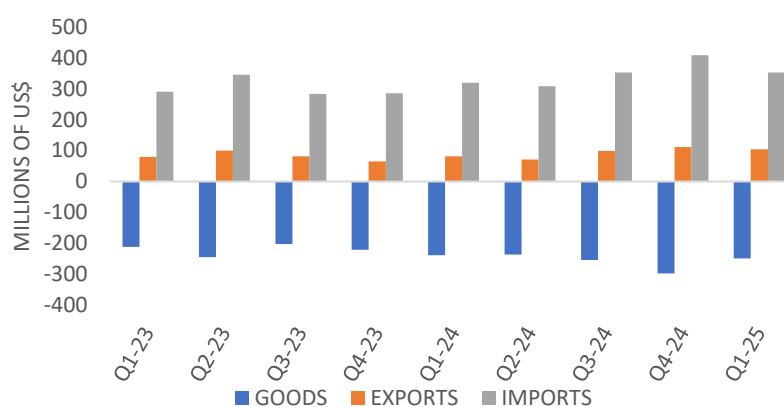
Figure 5: Current Account Balance



GDP) in the first quarter of 2025 from US\$21.1 million (0.9 percent of GDP) in the previous quarter. This improvement is attributed to a rebound in tourism, reduced construction-related imports as major projects near completion, and steady growth in remittance inflows.

Quarter-on-quarter, the deficits in the goods account narrowed to a deficit of US\$248.1 million (10.3 percent of GDP) in the first quarter of 2025, from a deficit of US\$297.1 million (13.0 percent of GDP) in the preceding quarter. This is explained by the decrease in imports (FOB), mainly resulting from the reduction in the importation of construction-related materials, and vegetables and animal

Figure 6: Goods Account



Source: CBG

products, which are within the seasonality of high production. The reduction in the electricity imports from Senegal mitigated the impact on the goods account.

Total imports (FOB) amounted to US\$352.2 million (14.6 percent of GDP) in the first quarter of 2025, compared to US\$408.4 million (17.8 percent of GDP) in the preceding quarter of 2024. Globally, Belgium is the main import partner while Senegal leads the regional block.

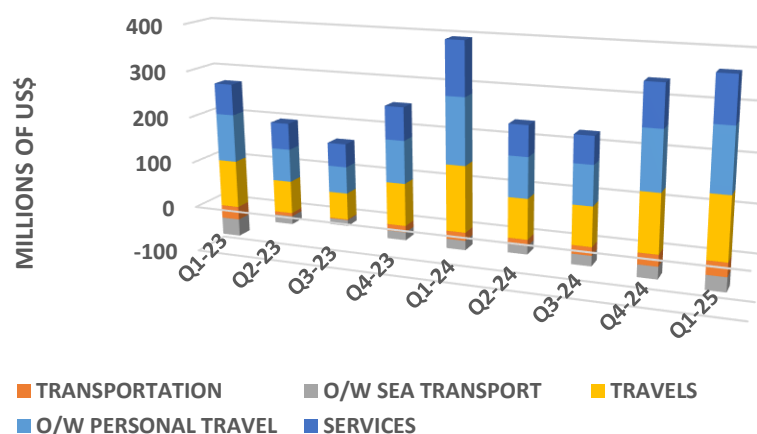
Exports (FOB) amounted to US\$104 million in the review period, from US\$111.3 million in the final quarter of 2024. This is mainly due to an increase in re-exports, which amounted to US\$86.9 million, 83.5 percent of total exports during the review period. In the ECOWAS region, Senegal is the main export partner while Mali and Guinea Bissau lead the re-export sector.

Following a near collapse during the pandemic period, tourism activity is rebounding with arrival numbers approaching pre-pandemic levels. Quarter on quarter, the services account balance is estimated to have registered a surplus of US\$96.0 million in the first

quarter of 2025, from US\$88.5 million in the previous quarter, on the back of an increase in tourist arrivals.

Secondary income account over the review period amounted to US\$139.9 million, compared to a net inflow of US\$169.7 million in the previous quarter of

Figure 7: Service Account Balance



Source: CBG

2024. This is a decrease of 17.6 percent quarterly associated with the lower official inflow of program grants and an increase in the official outflow of transfers in the review period.

Personal transfers, mainly workers' remittances (net), increased to US\$135.3 million in the first quarter of 2025, from US\$128.2 million in the preceding quarter of 2024. The surge was partly aided by seasonality due to Ramadan and lent periods. There was significantly lower official program grant inflow, US\$4.7 million in the first quarter of 2025, compared to large disbursement of over US\$41.5 million in the previous quarter.

The capital accounts in the first quarter of 2025 moderated to a surplus of US\$17.4 million, from a surplus of US\$39.3 million in the preceding quarter. This can be attributed to a decline in the substantial amount of project funds disbursed during the quarter.

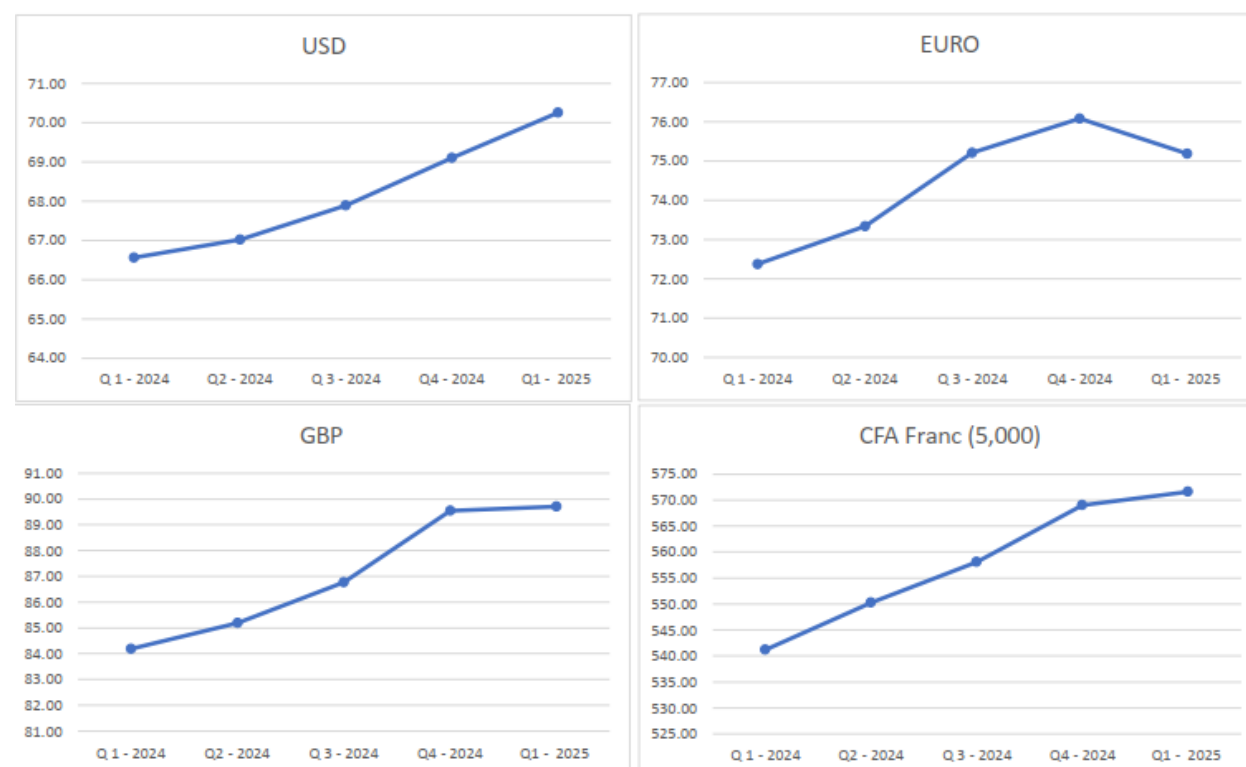
Financial account balances deteriorated to a deficit of US\$9.7 million in the review quarter, compared to a deficit of US\$174.5 million in the preceding quarter of 2024, reflecting a growth in non-resident investment during the quarter under review. Of the components of financial accounts, direct investments registered a positive inflow of US\$64.2 million, from an inflow of US\$70.4 million in the previous quarter. The change in reserve assets recorded an increase in liability of US\$24.5 million, while other investments registered an inflow of US\$30.1 in the review quarter.

Exchange Rate Developments

In the first quarter of 2025, activity in The Gambia's domestic foreign exchange (FX) market showed notable growth. Total FX transactions in the interbank market for the year ending March 2025 rose to US\$2.2 billion, representing a 15.5 percent increase from US\$1.91 billion recorded in the same period the previous year. This growth was largely driven by the post-pandemic rebound in tourism and strong remittance inflows from Gambians living abroad, which boosted foreign currency supply and overall market activity.

On a quarterly basis, FX volumes increased significantly by 36.9 percent, rising from US\$489.5 million in Q4-2024 to US\$670.1 million in Q1-2025. Compared to the same quarter last year, volumes also improved by 11.5 percent, supported by robust private remittances and increased demand and supply during the peak tourist season. However, activity levels are expected to taper off in the second quarter as the tourist season ends and the economy enters a traditionally slower period.

Figure 8: Nominal Exchange Rates



Source: CBG

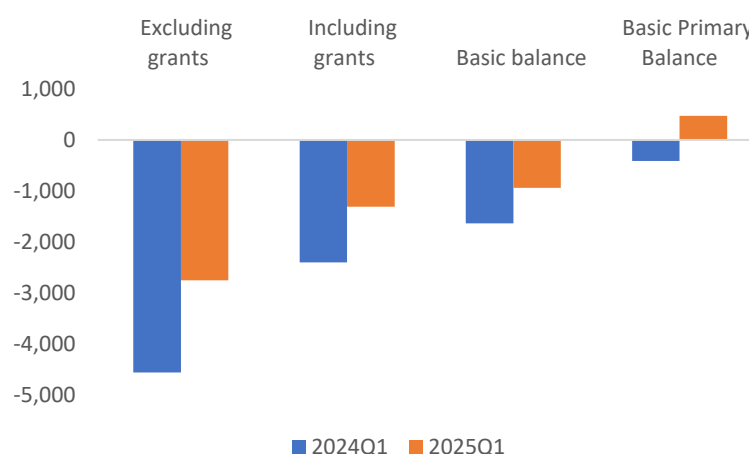
Exchange rate movements during Q1-2025 indicated a marginal depreciation of the Dalasi against major currencies relative to the previous quarter, except for the Euro, which

depreciated by 1.18 percent against the Dalasi. The Dalasi weakened against the US Dollar by 1.68 percent, the British Pound by 0.17 percent, and the CFA Franc by 0.45 percent. On a year-on-year basis, the Dalasi recorded broader depreciation: 5.56 percent against the US Dollar, 3.89 percent against the Euro, 6.56 percent against the Pound, and 5.61 percent against the CFA Franc.

Government Fiscal Operations

Preliminary estimates of government operations indicated a strong revenue performance, and an improved fiscal position in the first quarter of 2025 compared to the same period in 2024. The overall deficit, excluding grants, decreased from D4.6 billion (2.6 percent of GDP) in 2024 to D2.7 billion (1.6 percent of GDP) in 2025. Similarly, the overall budget deficit, including grants, also narrowed to D1.3 billion (0.8 percent of GDP) in 2025, compared to D2.4 billion (1.4 percent of GDP) in 2024. In the first quarter of 2025, the basic

Figure 9: The Fiscal Balances (GMD' billion)



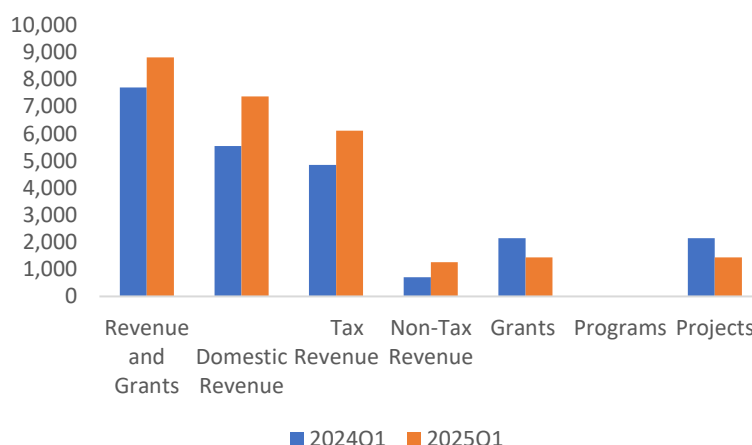
Source: MOFEA & ERD Calculations

balance deficit declined to D0.9 billion (0.5 percent of GDP), from D1.6 billion (0.9 percent of GDP) in the same period last year. Likewise, the primary balance improved to a surplus of D 0.5 billion (0.3 percent of GDP), from a deficit of 0.4 billion (0.2 percent of GDP) in the same period in 2024.

Revenue performance continues to strengthen, thanks to improvements in tax administration. Key reforms such as the introduction of a single window platform, digital weighbridge and broadening of the tax base have not only facilitated smoother revenue collection processes but have also substantially reduced obstacles in the clearance and shipment of goods. In addition, the automation of aspects of tax processes has enhanced efficiency in administration and revenue collections.

Total revenue and grants mobilized in the first quarter of 2025 increased to D8.8 billion (5.1 percent of GDP), marking a substantial 14.5 percent rise from the same period last year. This performance mirrors the increase in domestic revenue. Domestic revenue, encompassing both tax and non-tax revenues, rose by 32.9 percent to D7.4 billion (4.2 percent of GDP) in the first quarter of 2025, from D5.5 billion (3.1 percent of GDP) the same period a year ago.

Figure 10: Government Receipts – GMD' billion



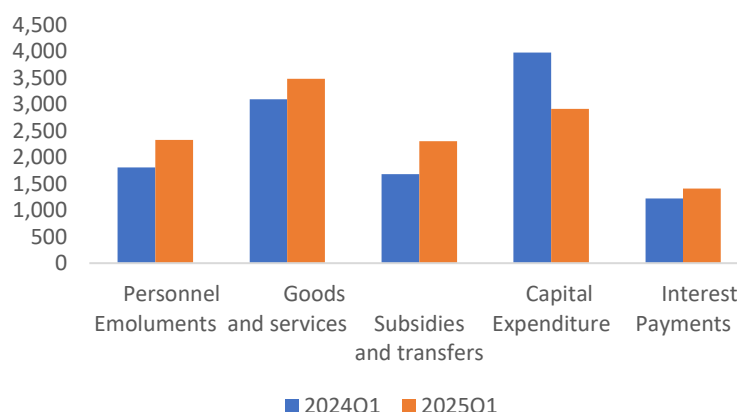
Source: MOFEA CBG staff calculations

Tax revenue rose by 26.2 percent to D6.1 billion (3.5 percent of GDP) during the period under review, from D4.8 billion (2.8 percent of GDP) a year ago. Revenue from direct taxes rose by 33.2 percent to D2.1 billion in the first quarter of 2025, from D1.6 billion in the same period in 2024. Similarly, indirect taxes increased, by 22.8 percent to D3.9 billion in the first quarter of 2025 from D3.2 billion the same period a year ago. Revenue from corporate taxes stood at D1.5 billion during the reviewed period, an increase of 35.6 percent compared to the same period last year. Likewise, personal taxes stood at D 0.5 billion in 2025, a surge by 31. 4 percent compared to the same period a year ago. Similarly, non-tax revenue surged by 78.4 percent to D1.3 billion (0.7 percent of GDP) in first quarter of 2025 from D0.7 million (2.7 percent of GDP) in 2024. Grants (programs and projects) decreased in the first quarter of 2025, recording D1.4 billion (0.8 percent of GDP), from D2.2 (1.2 percent of GDP) the same period a year ago.

Government expenditure and net lending in the first quarter of 2025 slightly increased by 0.2 percent to D10.1 billion (5.8 percent of GDP), from D10.2 billion (5.7 percent of GDP) in the same period in 2024. Recurrent expenditure continues to be the main driver of government expenditure and net lending. Recurrent expenditure increased modestly by 17.7 percent to D7.2 billion (5.0 percent of GDP), compared to D6.1 billion (4.3 percent

of GDP) the same period of 2024 and accounted for the bulk (72 percent) of total expenditure and net lending. Most of the components of recurrent expenditure increased in the first quarter of 2025. Notably, other charges, which are composed of goods and services, and subsidies and transfers increased by 12.4 percent. In the same vein, subsidies and transfers expanded by 37.0 percent, whereas goods and services declined by 16.8 percent. Spending on personal emoluments increased by 28.7 percent to D 2.3 billion

Figure 11: Expenditures in billions



Source: MOFEA CBG staff calculations

(1.6 percent of GDP) from D1.8 (1.3 percent of GDP). Similarly, current interest payments on domestic debt rose to 27.1 percent, while external interest declined by 52.3 percent respectively. This indicates a shift toward domestic financing which has implications for debt and fiscal sustainability.

Capital expenditure declined by 26.8 percent to 2.9 billion (1.7 percent of GDP) in the first quarter of 2025, from D3.9 billion (2.3 percent of GDP) during the same period in 2024. Of the components of capital expenditure, externally financed activities declined by 37.9 percent. However, GLF capital slightly increased by 4.1 percent to 0.6 percent of GDP. Capital expenditure financed by external loans declined by 52.0 percent, while those financed by grants contracted by 4.1 percent.

Domestic Debt

The total domestic debt stock declined slightly from D46.37 billion in 2024 to D45.57 billion as of March 2025. This modest reduction was primarily driven by lower Treasury Bond issuances. Consequently, the domestic debt-to-GDP ratio fell from 27.0 percent to 23.4 percent, reflecting both an expanding GDP base and the nominal decline in the debt stock.

The share of short-term instruments—comprising Treasury Bills and Sukuk Al-Salam Bills—increased marginally to 49.2 percent, indicating a continued reliance on short-term borrowing. Meanwhile, the shares of medium- and long-term debt remained relatively stable. This composition suggests a cautious borrowing strategy aimed at addressing short-term liquidity needs while maintaining fiscal prudence.

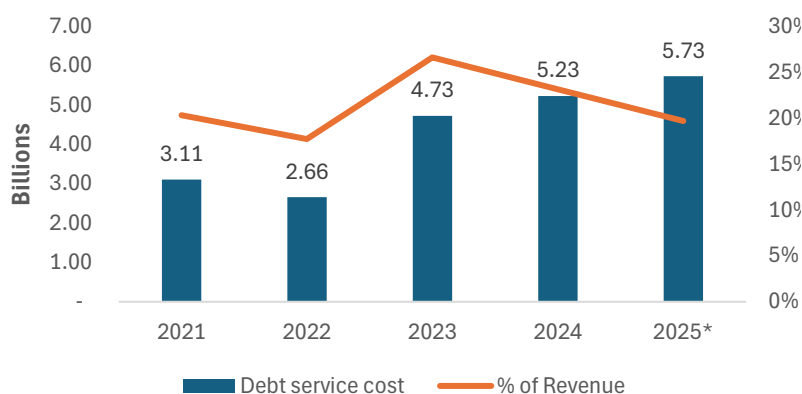
Figure 12: Domestic debt stock in billions of GMD



Source: MOFEA CBG staff calculations

Debt service costs are projected to rise from D5.23 billion in 2024 to D5.73 billion in 2025, assuming the successful rollover of maturing bonds. Despite the nominal increase in debt servicing, the debt service-to-revenue ratio is expected to decline from 23.12 percent to 19.69 percent, signalling an improvement in government revenue performance. In the first quarter of 2025, actual debt service payments

Figure 13: Debt servicing in billions GMD



Source: MOFEA & CBG staff calculations

stood at D1.59 billion, equivalent to 5.46 percent of domestic revenue—compared to D1.5 billion or 6.63 percent in the same period of 2024.

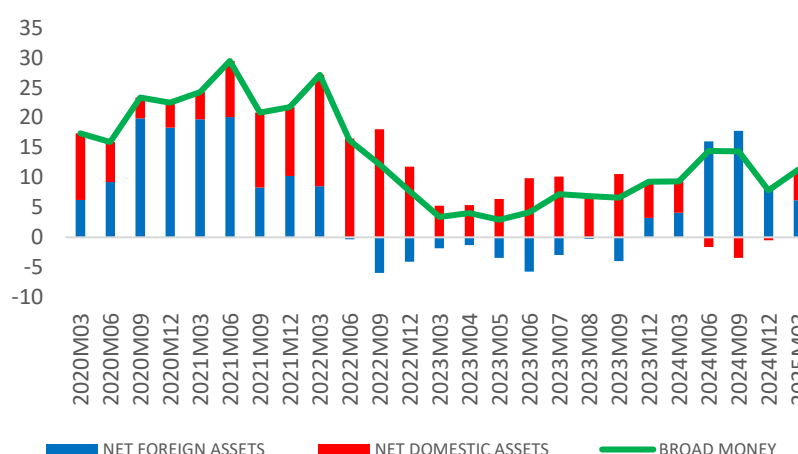
New borrowing moderated in the first quarter of 2025, D5.36 billion, a decline from D7.41 billion recorded in the corresponding period of 2024. Treasury and Sukuk Bills accounted for 81.33 percent of the total issuances as of March 2025. Maturities during the period totalled D6.12 billion, resulting in negative net new borrowing of D0.76 billion, equivalent

to -2.61 percent of domestic revenue. This outcome indicates a net repayment position, aligning with the government's commitment to debt consolidation.

Monetary Aggregates

Annual broad money growth accelerated to 11.3 percent in March 2025, up from 9.4 percent growth recorded in 2024. This increase reflects a combined contribution from NFA and NDA of depository corporations, indicating a continued expansion of domestic liquidity.

Figure 14: Sources of M2 growth



Source: CBG staff calculations

The NFA was the primary source of liquidity in March 2025, contributing 6.2 percentage points.

On the demand side, narrow money (M1) growth accelerated to 12.8 percent in March 2025, up from 11.0 percent the previous year, highlighting an acceleration in the demand for the most liquid form of money. Furthermore, transferable and other deposits also increased, reflecting increased liquid asset holdings by individuals and businesses.

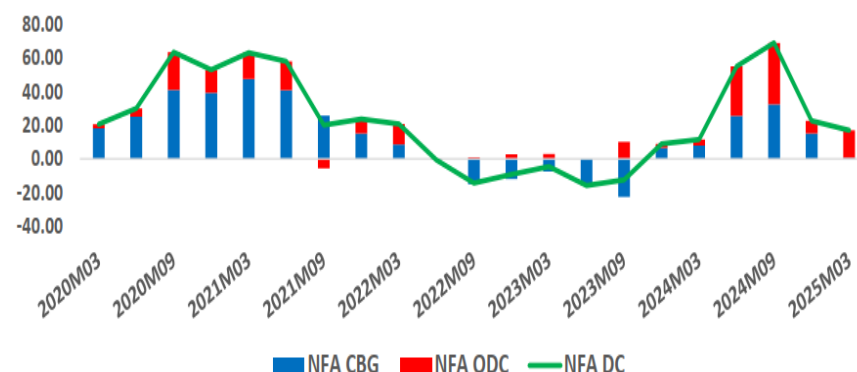
On a quarterly basis, broad money growth increased to 3.6 percent in Q1 2025, up from 1.9 percent in Q4 2024, signalling a resurgence in money supply expansion. This uptick is primarily driven by a 14.3 percent increase in currency outside banks, relative to 7.8 percent growth observed in the previous quarter.

The NFA of depository corporations continued to grow, supported by improved foreign currency inflows. Year-on-year, the NFA grew by 16.9 percent to D30.4 billion in March 2025, compared to a growth of 11.4 percent registered in the same period of 2024. However, quarter-on-quarter, NFA of depository corporations contracted by 5.02

percent in Q1 2025, compared to a growth of 12.1 percent growth in Q4 2024. The contraction is primarily attributed to a decrease in the Central Bank's NFA during the quarter.

The Central Bank's NFA reached D16.1 billion in March 2025, a modest 0.8 percent

Figure 15: Net Foreign Assets (NFA) of Depository Corporations

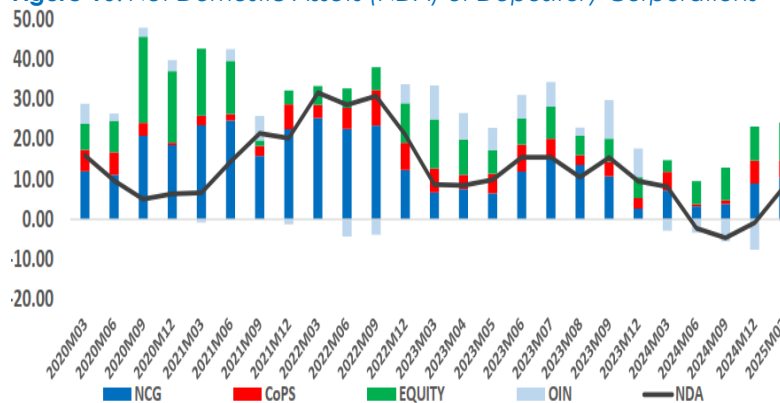


Source: CBG staff calculations

growth compared to the previous year. This growth is largely attributed to a 7.5 percent rise in claims on non-residents, which is due to increased official inflows from development partners and investments held by the Central Bank. Furthermore, liabilities to non-residents also grew by 13.6 percent to D19.7 billion, primarily due to IMF programs and SDR allocations. Similarly, the NFA of Other Depository Corporations (ODCs) also continued to recover, increasing by 42.5 percent in March 2025, higher than 9.3 percent recorded in the same period last year, indicating stronger external positions. Claims on non-residents rose by 41.8 percent, up from 1.6 percent in March 2024. Moreover, ODCs' liabilities to non-residents also increased by 39.9 percent to D5.3 billion, reversing a 14.5 percent contraction a year ago.

The banking system's NDA increased to 8.1 percent in March 2025 to D48.7 billion, a slight deceleration from 8.2 percent registered a year ago. While net domestic claims grew from 10.4 percent to 13.1 percent in March 2025, indicating robust credit expansion.

Figure 16: Net Domestic Assets (NDA) of Depository Corporations

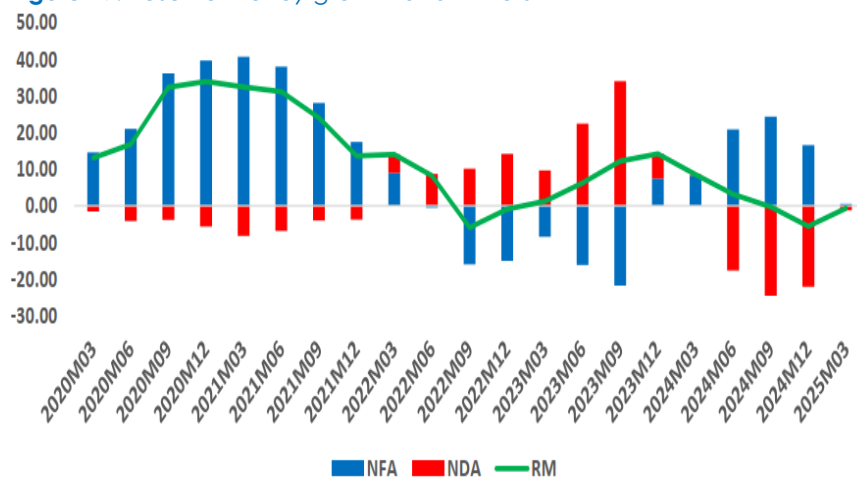


Source: CBG staff calculations

Net Claims on Government (NCG) contributed 10.4 percentage points to NDA growth, compared to 7.2 percentage points a year ago. Claims on Private Sector (CoPS), which grew by 15.3 percent in March 2025, contributed 4.4 percentage points, down from 4.6 percentage points. The Central Bank gross claims on the government remain elevated, largely due to persistent overdrafts in the Treasury Main Account (TMA).

In March 2025, reserve money (RM), contracted by 0.7 percent year-on-year, reversing the 8.5 percent growth recorded the previous year. The decline reflects a 3.7 percent drop in currency in circulation, although liabilities to other depository corporations record moderate growth, partially offsetting the negative impact. The NDA contributed -1.2 percentage points to RM growth, with CBG

Figure 17: Reserve money growth and Drivers



Source: CBG staff calculations

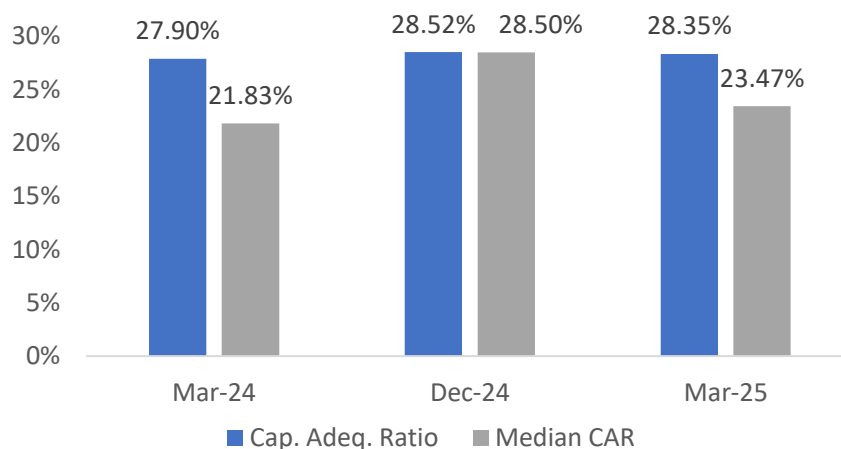
net claims on government increasing by 6.0 percent year-on-year, compared to 1.9 percent growth a year ago. Quarterly RM increased by 6.2 percent, compared to 0.2 percent in the previous quarter.

Banking Sector

During the first quarter of 2025, total capital in the banking industry rose to D13.37 billion, up from D11.97 billion recorded in December 2024. This increase is primarily attributed to profit retention across the industry, with banks channelling earnings into capital buffers. As of end-March 2025, all commercial banks had successfully met the revised minimum capital requirement of D300 million. The Banking Supervision Department conducted multiple rounds of capital verification exercises to ensure full compliance with regulatory directives.

However, the rise in capital was accompanied by a modest increase in risk-weighted assets, particularly loans and advances, which impacted the industry's capital adequacy ratio. Total risk-weighted assets grew to D45.53 billion from D44.43 billion in the previous quarter, driven by expanded credit activity, investment in fixed assets, and exposures in trade finance and contingent liabilities

Figure 18: Banking sector Capital Adequacy Ratio

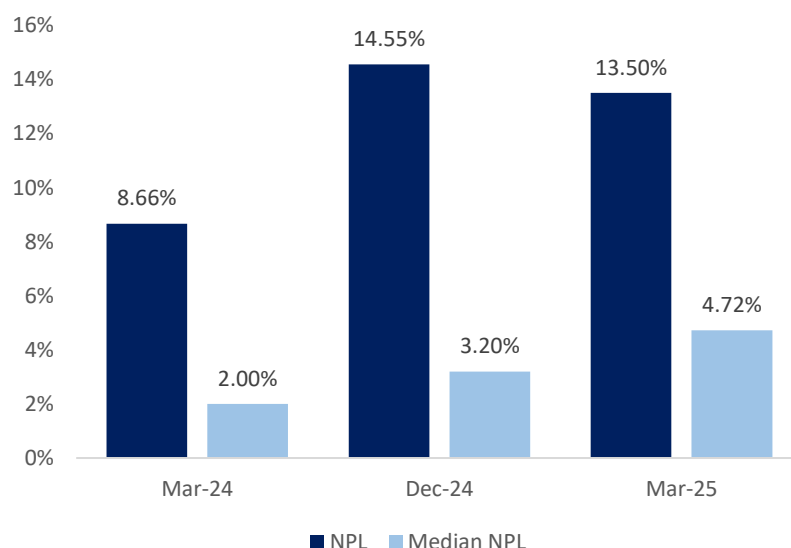


Source: CBG staff calculations

such as letters of credit. As a result, the capital adequacy ratio experienced a slight decline, though it remains above the regulatory threshold.

The quality of the banking sector's loan portfolio showed modest improvement over the quarter. The non-performing loan (NPL) ratio declined to 13.50 percent from 14.55 percent in December 2024. Nonetheless, it remains elevated compared to the 8.66 percent recorded in the same period last year. The sustained double-digit NPL ratio is largely attributable to deteriorated loan performance in two major banks. However, these distressed facilities

Figure 19: Non-Performing Loans Ratios



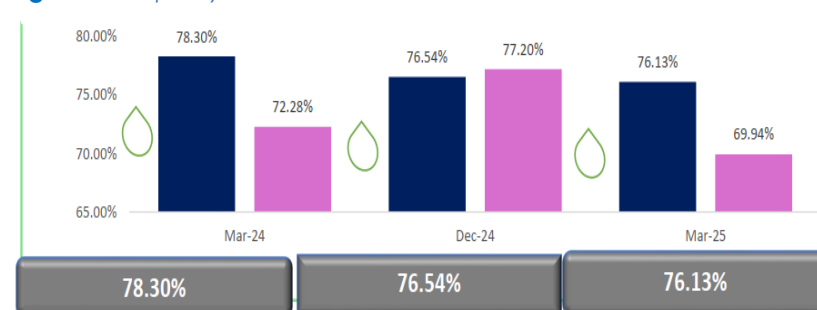
Source: CBG staff calculations

have since been restructured, and recent updates indicate that repayments are

progressing in line with the revised terms. Despite the elevated NPL levels, the industry remains well capitalized, with provisions of excess surplus by D95 million.

Liquidity conditions in the sector slightly moderated to 76.13 percent, from 76.54 percent in December 2024 and 78.30 percent in Q1-2024. The marginal decline is partially linked to reduced investments by the government sector. Meanwhile, the loan-to-deposit ratio remained relatively unchanged at 27.25 percent, compared to 27.15 percent in the

Figure 20: Liquidity Ratios



Source: CBG

previous quarter and 27.70 percent in the corresponding period last year. The persistently low intermediation rate highlights the need for enhanced credit allocation to productive sectors to improve financial sector contribution to economic growth.

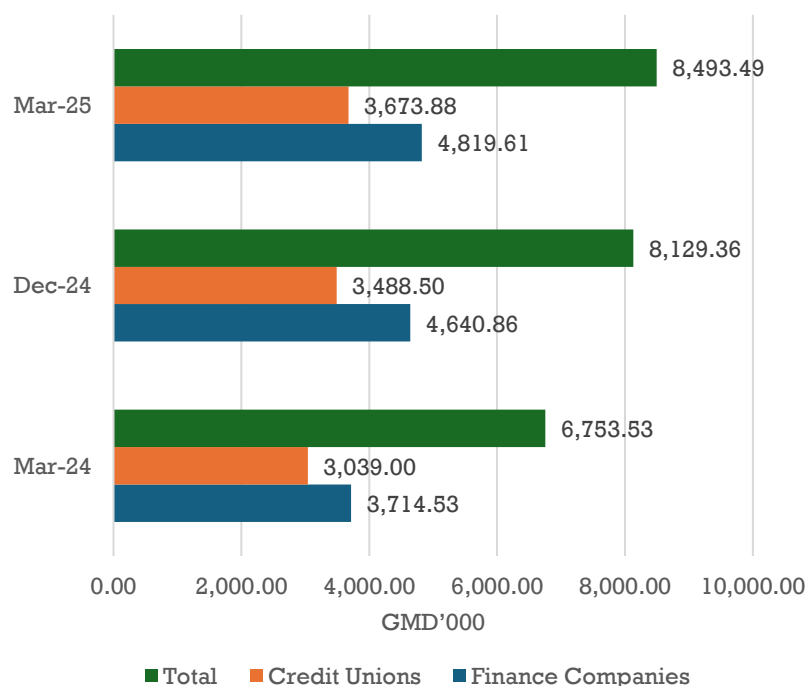
Non-Bank Financial Sector

The non-bank deposit-taking financial institutions sector is experiencing steady growth, driven by the combined contributions of Finance Companies and Credit Unions. While Finance Companies continue to dominate the sector in terms of size, Credit Unions are expanding at a faster pace, underscoring their increasing relevance in the financial system.

During the first quarter of 2025, total assets of finance companies and large credit unions rose to GMD 8.49 billion, up from GMD 8.13 billion in December 2024—marking a 4 percent quarterly increase. This expansion was supported by strong performance in key asset categories, including a 10 percent growth in loans and a 16 percent rise in cash and bank balances, reflecting improved liquidity management across institutions. On an annual basis, total combined assets expanded by a substantial 26 percent, signalling continued sectoral momentum.

Deposit mobilization also remained strong, with total deposits increasing by 2 percent to GMD 6.19 billion in March 2025, up from GMD 6.06 billion in the previous quarter. Year-on-year, deposits surged by 26 percent, indicating growing public confidence and deepening financial intermediation among non-bank institutions.

Figure 21: Assets Size of Non-Banks Financial Sector



Source: CBG staff calculations

Lending activity maintained positive momentum, with the credit portfolios of finance companies and large credit unions increasing by 3 percent to GMD 3.63 billion from GMD 3.53 billion in December 2024. Compared to the same period a year earlier, credit grew by 23 percent, further highlighting the sector's vital role in supporting micro, small, and medium enterprises (MSMEs) and advancing financial inclusion.

Capital adequacy in the sector remains robust. The Capital Adequacy Ratio (CAR) rose to 37 percent in March 2025 from 32 percent in the previous quarter, well above the regulatory benchmark of 20 percent. All finance companies remained in compliance with the minimum capital requirement during the review period, demonstrating the sector's resilience and capacity to absorb financial shocks.

However, asset quality warrants close monitoring. The Non-Performing Loan (NPL) ratio increased to 8 percent in March 2025, up from 7 percent in December 2024, exceeding the regulatory threshold of 5 percent. This upward trend highlights the need for

strengthened credit risk management practices to ensure sustained financial stability across the sector.

Business Sentiment Survey

The first quarter of 2025 Private Sector Business Sentiment Survey presents a complex yet revealing snapshot of The Gambia's economic conditions. While there are encouraging developments,

particularly in capital spending, domestic business activity, and overall satisfaction, these are tempered by ongoing structural and external challenges. The improvements are largely supported by greater macroeconomic stability and targeted

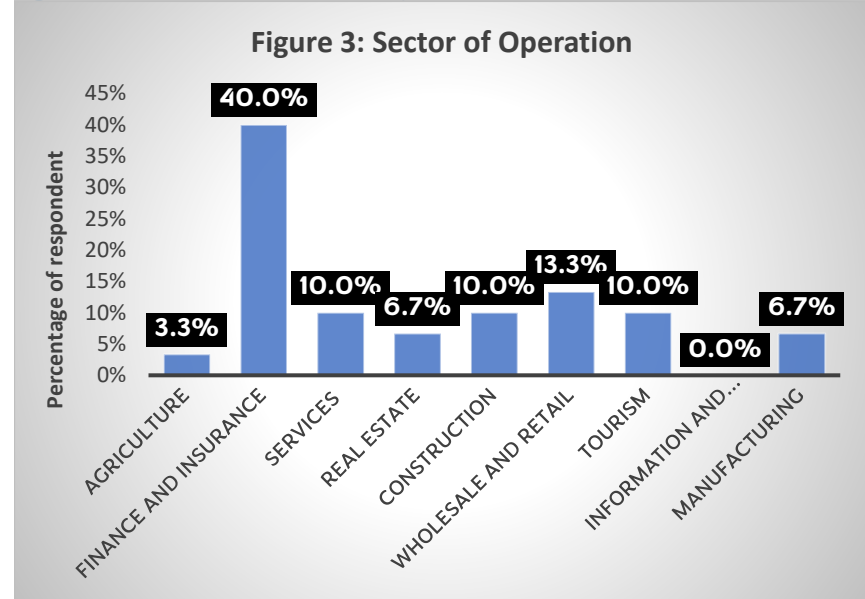
government interventions, which have helped boost confidence in some sectors.

Despite these gains, business sentiment remains cautious. Major concerns persist, including the country's high dependency on imports and external uncertainties stemming from global geopolitical tensions and trade disruptions. These issues have kept overall optimism in check and highlight the fragility of the current recovery.

Looking ahead, the outlook is one of cautious optimism. Modest improvements in business operations, hiring plans, and credit conditions suggest a slow but steady recovery is underway. However, this progress remains vulnerable to shocks and will require sustained policy commitment to support private sector growth and economic resilience.

An increase in the Business Satisfaction Index reflects positive movement in key indicators such as GDP growth, inflation moderation, and some stability in the foreign exchange

Figure 22: Sentiment on Sectors Operation



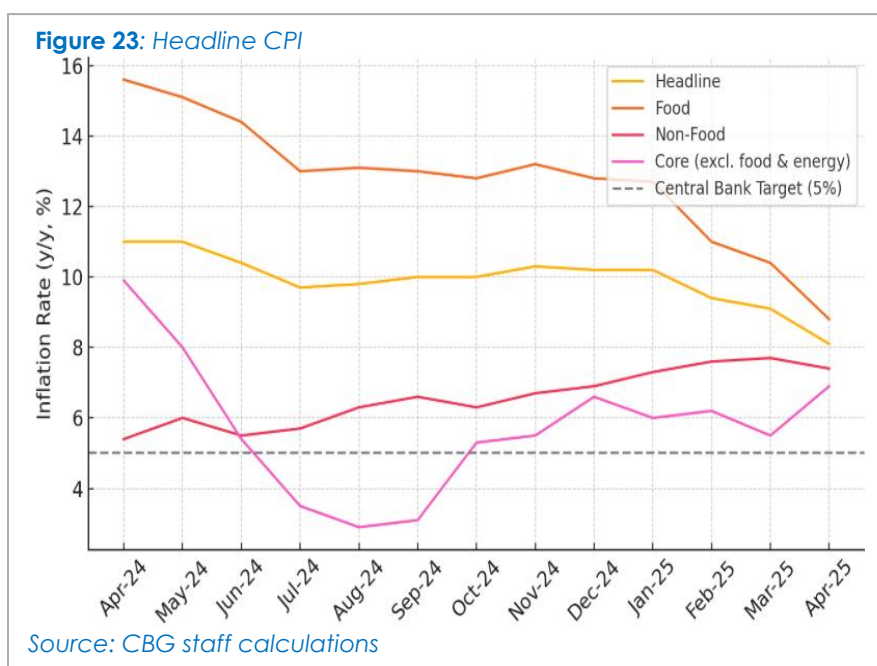
Source: CBG

market. Still, achieving a durable and inclusive recovery demands more than short-term gains. Continued efforts are needed to improve access to affordable finance, reduce regulatory bottlenecks, and foster a more enabling environment for investment.

Price Developments

Headline inflation in The Gambia declined to 8.1 percent in April 2025, continuing a steady disinflationary trend from a peak of over 18.5 percent in late 2023. This marks the lowest inflation reading in more than two years, driven primarily by easing food prices and improved supply conditions. Nonetheless, inflation remains above the Central Bank's 5 percent medium-term target, and core inflation measures are rising, indicating that underlying price pressures persist.

Food inflation fell to 8.8 percent, aided by



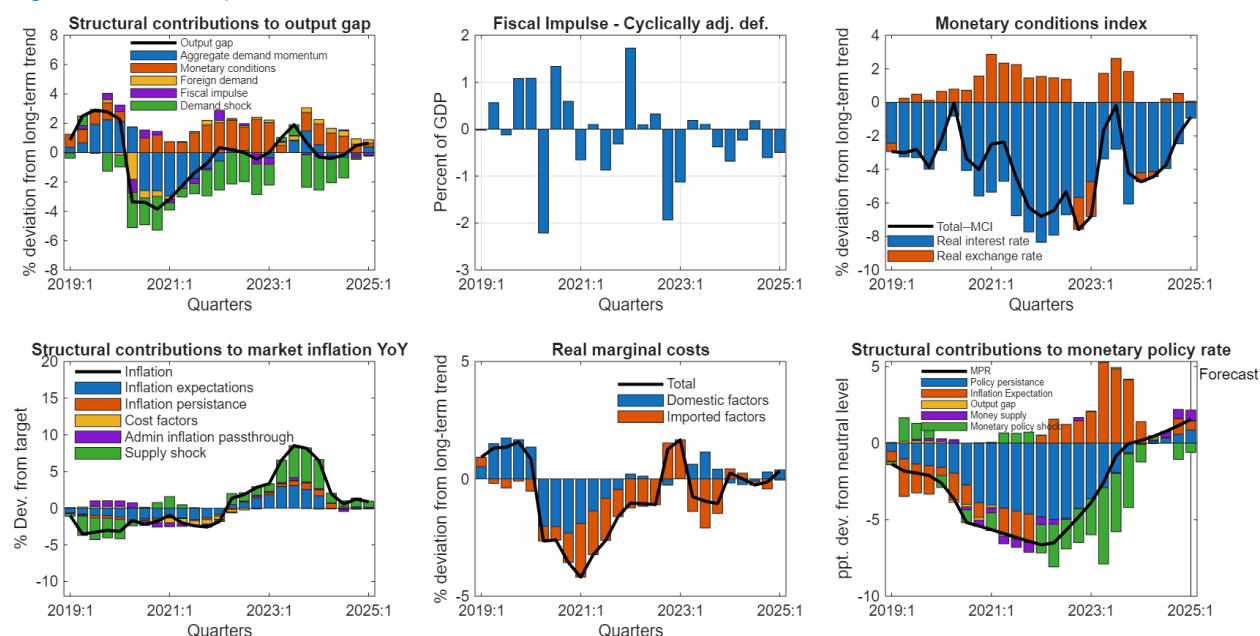
improved domestic cereal harvests and a decline in international grain and oil prices. Notably, bread and cereals, meat, and oils and fats all saw moderated, though inflation in perishables such as milk, vegetables, and fruits remains elevated. Non-food inflation eased slightly to 7.4 percent, but housing and utility costs remain high at 21.9 percent. Core-1 and Core-2 inflation rose to 4.6 percent and 6.9 percent, respectively, pointing to entrenched pressures in services and regulated sectors.

Assessment of the Medium-Term Economic Outlook

In the first quarter of 2025, staff assessment of current economic conditions revealed that headline inflation resumed its downward trend following a brief pause in late 2024, driven by declining food and non-food prices. Both market and non-market inflation

moderated, reflecting easing price pressures and lower inflation expectations. However, underlying inflation edged up slightly, influenced by rising domestic cost factors. The positive output gap persisted due to robust demand and slightly accommodative monetary conditions, although excess liquidity kept market interest rates relatively low. The dalasi remained stable despite depreciation pressures linked to interest rate differentials and elevated inflation expectations.

Figure 24: Summary of current economic conditions



Source: CBG

Looking ahead, real GDP growth is projected at 6.5 percent in 2025 and 5.8 percent in 2026, supported by strong domestic and external demand alongside expansionary fiscal policy. Inflation is expected to converge to the 5 percent target sooner than earlier anticipated, aided by the gradual withdrawal of excess liquidity. Consequently, monetary policy is anticipated to shift gradually toward an easing stance. These growth projections reflect an upward revision of about 0.5 percentage points from earlier estimates.

Decision

Although growth and inflation outlook are favourable, the Committee assessed that significant risks remain, particularly the potential impact of trade fragmentation on domestic inflation. To this end, the Committee believed that it was necessary to keep

policy tight to ensure that the disinflation process continues, and inflation gradually returns to its medium-term target. Thus, the Committee decided to maintain the monetary policy rate at 17 percent. The Committee also decided to maintain the required reserve (RR) at 13 percent, the interest rate on the standing deposit facility at 4 percent and the standing lending facility at 18.0 percent or 1 percentage point over the MPR.

Next MPC Meeting

The next Monetary Policy Committee (MPC) meeting is scheduled for Wednesday, August 27, 2025. The meeting will be followed by the announcement of the policy decision on Thursday, August 28, 2025.

APPENDIX

Table 1: Summary of current account balance

	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25
C/ACCOUNT	-25.84	-63.33	-40.14	9.25	1.28	-26.33	-53.68	-21.06	-13.19
GOODS	-211.21	-244.35	-201.79	-220.04	-238.12	-236.32	-253.44	-297.13	-248.07
SERVICES	66.50	56.08	49.28	69.82	113.30	64.30	57.49	88.53	95.97
PRIMARY INCOME	-6.5	-6.1	-3.9	-7.9	1.6	13.1	15.0	17.8	-1.0
SECONDARY INCOME	125.4	131.1	116.3	167.4	124.5	132.6	127.2	169.7	139.9
CAPITAL ACCOUNT	9.6	51.8	14.2	66.8	31.4	28.11	19.08	39.32	17.35
FINANCIAL ACCOUNT	-104.7	-38.7	-10.9	-112.7	-101.8	-34.3	-3.7	-174.5	-9.7

Source: CBG

Table 2: Summary of goods account balance

	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25
GOODS	-211.21	-244.35	-201.79	-220.04	-238.12	-236.32	-253.44	-297.13	-248.07
EXPORTS	78.97	100.42	81.14	65.37	81.37	71.32	99.32	111.30	104.12
IMPORTS	290.18	344.77	282.93	285.41	319.49	307.64	352.76	408.43	352.19

Source: CBG

Table 3: Summary of services account balance

	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25
SERVICES	66.50	56.08	49.28	69.82	113.30	64.30	57.49	88.53	95.97
TRANSPORTATION	-28.31	-7.00	-1.38	-13.73	-17.04	-13.33	-17.82	-24.26	-29.02
O/W SEA TRANSPORT	-37.05	-17.34	-12.57	-16.97	-19.95	-17.39	-21.88	-26.08	-30.72
TRAVELS	102.10	69.86	56.77	90.48	140.40	85.12	83.24	123.81	132.46
O/W PERSONAL TRAVEL	102.68	70.28	56.97	90.87	140.76	85.55	83.58	124.64	132.80

Source: CBG

Table 4: Summary of capital and financial account balance

	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25
FINANCIAL ACCOUNT	-104.7	-38.7	-10.9	-112.7	-101.8	-34.3	-3.7	-174.5	-9.7
O/W DIRECT INVESTMENT	-63.1	-60.0	-48.3	-34.2	-46.8	-60.3	-54.8	-70.4	-64.2
O/W OTHER INVESTMENT	-24.7	-24.8	-6.9	28.7	-32.3	31.7	30.2	-28.7	30.1
O/W CHANGE IN RESERVE ASSET	-16.9	46.1	44.3	-107.3	-22.7	-5.7	20.9	-75.3	24.5

Source: CBG

Table 5: Inter-bank Transactions Volumes, Annual (in US 'millions)

PERIOD	PURCHASES	SALES	MARKET TURNOVER	EXCESS DD
	USD (m)	USD (m)	USD (m)	USD (m)
April 2023 - March 2024	934.21	972.52	1,906.73	38.31
April 2024 - March 2025	1,074.10	1,127.91	2,202.01	53.81

Source: CBG

Table 6: Inter-bank Transactions Volumes (in US 'millions)

PERIOD	PURCHASES	SALES	MARKET TURNOVER
	USD (m)	USD (m)	USD (m)
Q 1 - 2024	284.71	316.21	600.92
Q2 - 2024	259.42	303.59	563.01
Q 3 - 2024	229.82	249.57	479.39
Q4 - 2024	244.12	245.39	489.51
Q1 - 2025	340.73	329.37	670.10

Source: CBG

Table 7: Quarterly mid-market transaction rates

Period	USD	EURO	GBP	CFA
Q 1 - 2024	66.56	72.38	84.18	541.19
Q2 - 2024	67.02	73.34	85.19	550.25
Q 3 - 2024	67.89	75.21	86.77	558.09
Q4 - 2024	69.10	76.09	89.55	569.00
Q1 - 2025	70.26	75.19	89.70	571.57
Q1 o Q4	-1.68%	1.18%	-0.17%	-0.45%
YoY	-5.56%	-3.89%	-6.56%	-5.61%

Source: CBG

Table 8: The Overall Budget Balance

	GMD' Million		Percent of GDP		Y-o-Y percent
Overall balance	2024Q1	2025Q1	2024Q1	2025Q1	
Excluding grants	-4,551.91	-2,750.08	-2.6	-1.57	-39.58
Including grants	-2,399.99	-1,306.62	-1.37	-0.75	-45.55
Basic balance	-1,633.09	-938.61	-0.93	-0.54	-42.53
Basic Primary Balance	-409.12	469.03	-0.23	0.27	-214.64
CBG Financing	873.62	4,312.36	0.61	3.01	171.42

Source: CBG

Table 9: Revenue and Grants

Government Receipts	2024Q1	2025Q1	2024Q1 -2025Q1
	GMD' million	GMD' million	Y-o-Y percent Δ
Total Revenue & Grants	7,702.44	8,818.82	14.49
Percent of GDP	4.41	5.05	
Domestic Revenue	5,550.52	7,375.36	32.87
Percent of GDP	3.18	4.22	
Tax Revenue	4,844.00	6,114.93	26.24
Percent of GDP	2.77	3.5	
Direct Tax	1,611.12	2,146.22	33.21
Personal	400.12	525.9	31.44
Corporate	1,102.11	1,494.61	35.61
Indirect Tax	3,232.88	3,968.71	22.76
Domestic Tax on goods & services	1,024.37	1,576.66	53.92
Tax on Int'l. Trade	307.06	691.07	125.06
Duty	419.67	853.16	103.29
Sales tax on imports	556.12	668.67	20.24
Non-tax Revenue	706.51	1,260.43	78.40
Percent of GDP	0.4	0.72	
Grants	2,151.92	1,443.46	-32.92
Percent of GDP	1.23	0.83	
Program	-	-	-
Projects	2,151.92	1,443.46	-32.92

Source: MoFEA, CBG Staff calculations

Table 10: Total Expenditure and Net Lending

Government Expenditures	2024Q1		2025Q1		2024Q1-2025Q1
	GMD' Million	percent of GDP	GMD' Million	percent of GDP	Y-o-Y percent Δ
Expenditure & Net Lending	10,102.43	5.7	10,125.44	5.79	0.23
Current Expenditure	6,128.80	4.27	7,216.05	5.03	17.74
Personal Emoluments	1,808.37	1.26	2,327.54	1.62	28.73
Other Charges	3,096.46	1.77	3,480.88	1.99	12.41
Goods and services	1,414.30	0.81	1,176.21	0.67	-16.83
Subsidies and transfers	1,682.16	0.96	2,304.67	1.32	37.01
Interest Payments	1,223.97	0.70	1,407.64	0.81	15.01
External	194.36	0.11	92.75	0.05	-52.28
Domestic	1,029.61	0.59	1,314.88	0.75	27.71
Capital Expenditure	3,973.63	2.27	2,909.39	1.66	-26.78
Externally Financed	2,918.82	1.67	1,811.47	1.04	-37.94
Loans	766.9	0.44	368.01	0.21	-52.01
Grants	2,151.92	1.23	1,443.46	0.83	-32.92
GLF Capital	1,054.81	0.6	1,097.92	0.63	4.09

Source: MoFEA, CBG Staff calculations

Table 11: Composition of Domestic Debt (in GMD millions)

Instruments	2021	2022	2023	2024	2025-Mar
Treasury Bills	19,034.39	17,262.51	20,394.92	19,890.20	19,728.25
Sukuk Al-Salam Bills	1,036.94	1,046.64	1,376.23	2,633.63	2,679.65
Treasury Bonds	7,529.75	10,825.75	11,179.00	15,941.40	15,441.40
Nawec Bond	602.30	361.38	120.46		-
7% -30 Year Gpv't Bond	8,982.64	8,623.33	8,264.03	7,904.72	7,725.07
Total	37,186.02	38,119.61	41,334.63	46,369.95	45,574.37
Debt growth	7.63%	2.51%	8.43%	12.18%	-1.72%
Perentage Shares					
Short-term	54.0	48.0	52.7	48.6	49.2
Medium-term	21.9	29.3	27.3	34.4	33.9
Long-term	24.2	22.6	20.0	17.0	17.0

Source: CBG

Table 12: Total New borrowing, Book value (in GMD millions)

	2022	2023	2024	Mar-24	Mar-25
Gross domestic borrowing	22,611.45	25,847.64	29,135.73	7,408.69	5,355.81
Treasury & Sukuk Bills	19,202.49	22,350.26	22,073.33	4,110.19	4,355.81
T-bonds	3,408.96	3,497.38	7,062.40	3,298.50	1,000.00
Maturities	21,057.68	23,695.18	23,294.50	7,105.67	6,116.13
Treasury & Sukuk Bills	20,937.68	20,585.43	20,994.50	5,555.67	4,616.13
T-bonds	120.00	3,109.75	2,300.00	1,550.00	1,500.00
New borrowing	1,553.77	2,152.46	5,841.23	303.02	(760.32)

Source: CBG

Table 13: Summary of Monetary Developments

Depository corporations	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
<i>Levels - in millions of GMD</i>					
Net foreign assets	26,048.6	29,341.8	28,600.1	32,058.8	30,448.9
Gross reserves	31,798.2	32,101.3	31,457.4	36,676.1	34,265.8
Other claims on nonresidents	15,379.3	18,504.2	22,186.7	19,084.3	21,190.0
Liabilities to nonresidents	21,128.9	21,263.7	25,044.0	23,701.7	25,006.9
Net domestic assets	45,018.1	44,937.5	46,315.8	44,290.8	48,660.5
Net domestic claims	61,633.7	62,670.4	64,485.5	64,752.8	69,684.3
Net claims on central government	44,795.0	46,046.6	47,237.3	45,017.0	49,463.5
Claims on central government	50,096.7	50,774.1	51,901.2	56,501.1	55,102.0
Liabilities to central government	5,301.7	4,727.5	4,663.9	11,484.1	5,638.4
Claims on public nonfinancial corporations	3,827.4	4,092.9	4,228.2	4,403.7	5,216.1
Claims on private sector	12,996.9	12,515.8	13,004.8	15,316.7	14,989.2
Of which: Credit to Private Sector	12,758.1	12,277.0	12,766.0	15,006.4	14,679.0
Claims on other financial corporations	14.4	15.1	15.1	15.3	15.5
Equity	20,693.7	19,606.4	21,662.4	23,456.6	24,905.5
Other items (net)	4,078.1	1,873.5	3,492.8	2,994.7	3,881.6
Broad money	71,066.6	74,279.3	74,915.9	76,349.7	79,109.3
Narrow money	42,802.2	45,851.9	45,061.3	45,923.0	48,292.9
Currency outside banks	14,416.6	13,634.1	11,271.1	12,157.6	13,894.8
Transferable deposits	28,385.6	32,217.8	33,790.2	33,765.4	34,398.1
Other deposits	28,264.5	28,427.4	29,854.5	30,426.7	30,816.5

Central bank	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
<i>Levels - in millions of GMD</i>					
Net foreign assets	15,986.2	16,357.4	14,284.1	19,302.3	16,112.3
Claims on nonresidents	33,324.1	33,637.0	32,945.4	38,181.8	35,813.9
Gross reserves	31,798.2	32,101.3	31,457.4	36,676.1	34,265.8
Other claims on nonresidents	1,525.8	1,535.7	1,488.0	1,505.7	1,548.1
Liabilities to nonresidents	17,337.8	17,279.6	18,661.3	18,879.5	19,701.6
Reserve-related liabilities	9,312.7	9,229.6	10,315.4	10,716.3	11,114.8
Other liabilities to nonresidents	8,025.1	8,050.0	8,345.9	8,163.2	8,586.8
Net domestic assets	8,143.0	7,540.4	8,218.2	3,253.4	7,845.5
Net domestic claims	15,789.8	16,297.7	16,354.7	11,325.6	16,773.2
Net claims on central government	15,386.6	15,889.6	15,948.6	10,851.8	16,304.4
Claims on central government	20,688.2	20,617.2	20,612.5	22,335.9	21,942.8
Government securities	12,848.8	12,823.8	12,644.1	12,835.7	12,530.6
Liabilities to central government	5,301.7	4,727.5	4,663.9	11,484.1	5,638.4
Claims on private sector	388.8	392.9	391.0	458.5	453.3
Of which: Credit to private sector	150.0	154.1	152.2	148.2	143.1
Claims on other financial corporations	14.4	15.1	15.1	15.3	15.5
Equity	10,127.3	9,776.3	10,873.7	11,492.0	11,534.3
Other items (net)	2,480.5	1,019.1	2,737.2	3,419.8	2,606.6
Transferable deposits	6.6	8.0	9.0	9.8	11.2
Monetary base	24,129.3	23,897.8	22,502.3	22,555.8	23,957.8
Currency in circulation	15,609.1	15,034.6	12,514.1	13,723.7	15,025.2

Other depository corporations	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
<i>Levels - in millions of GMD</i>					
Net foreign assets	10,062.3	12,984.4	14,316.0	12,756.5	14,336.6
Claims on nonresidents	13,853.4	16,968.5	20,698.7	17,578.7	19,641.9
Liabilities to nonresidents	3,791.1	3,984.1	6,382.7	4,822.2	5,305.3
Net domestic assets	46,581.0	47,652.8	49,319.8	51,425.7	50,866.7
Net domestic claims	55,556.5	56,636.5	59,362.0	63,825.3	62,974.1
Net claims on central government	29,408.4	30,156.9	31,288.8	34,165.2	33,159.2
Claims on central government	29,408.4	30,156.9	31,288.8	34,165.2	33,159.2
Government securities	29,408.4	30,156.9	31,288.8	34,165.2	33,159.2
Claims on public nonfinancial corporations	3,827.4	4,092.9	4,228.2	4,403.7	5,216.1
Claims on private sector	12,608.0	12,122.9	12,613.8	14,858.2	14,535.9
Of which: Credit to private sector	12,608.0	12,122.9	12,613.8	14,858.2	14,535.9
Claims on financial corporations	9,712.7	10,263.7	11,231.2	10,398.1	10,063.0
Claims on central bank	9,712.7	10,263.7	11,231.2	10,398.1	10,063.0
Equity	10,566.4	9,830.1	10,788.7	11,964.6	13,371.2
Other items (net)	1,590.9	846.4	746.5	-435.0	1,263.8
Net interbank assets	797.6	1,391.2	1,227.1	-434.5	-85.2
Net unclassified assets	885.1	-90.5	-122.4	1,478.0	1,717.1
Liquid liabilities	56,643.4	60,637.2	63,635.8	64,182.2	65,203.3
Transferable deposits	28,378.9	32,209.8	33,781.2	33,755.5	34,386.8
Other deposits	28,264.5	28,427.4	29,854.5	30,426.7	30,816.5
Holdings of national currency	1,192.5	1,400.5	1,243.0	1,566.0	1,130.4

Source: CBG

Table 14: Summary of Macroprudential Indicators (Banking Sector)

Indicator	Mar-24	Dec-24	Mar-25	Change
Total Asset to GDP	75.3%	62.1%	64.7%	-10.6%
Loan to GDP	14.0%	11.6%	11.4%	-2.6%
Deposit to GDP	49.4%	41.1%	41.8%	-7.6%
Private Credit to GDP	7.92%	8.45%	8.45%	0.5%

Source: CBG

Table 15: Summary of Macroprudential Indicators (Banking Sector)

		Ratings	Ratio %	Mar-24	Dec-24	Mar-25	Prudential Limit
Risk	Credit	Satisfactory	NPL (%)	8.66%	14.55%	13.50%	Single Digit
	Liquidity	Strong	Liquidity Ratio (%)	78.30%	76.54%	76.13%	30
			NOP	8.66%	4.55%	8.00%	+25
Mitigants	Earnings	Satisfactory	ROA (%)	1.55%	2.92%	3.80%	Positive
			ROE (%)	13.00%	26.41%	30.16%	Positive
	Capital	Satisfactory	CAR (%)	27.90%	28.52%	28.35%	10

Source: CBG

Table 16: Key Financial Indicators for the Non-Bank financial sector

	Mar-24	Dec-24	Mar-25	Benchmark
Capital-Based				
Capital Adequacy Ratio (CAR)	44%	32%	37%	20%
Tier 1 Capital/Assets	19%	17%	18%	
Profitability				
Return on Assets (ROA)	1%	1%	0.80%	
Returns on Equity (ROE)	4%	5%	4%	
Asset Quality				
Non-Performing Loans (NPL)	9%	7%	8%	5%
Liquidity Indicator				
Liquidity Ratio	78%	80%	81%	30%
Loan to Deposit Ratio	43%	40%	39%	60%
Liquid Assets/Total Assets	54%	57%	55%	
Efficiency Indicator				

Source: CBG

Table 17: Food Price Development (Annual Percentage Change)

Y-O-Y INFLATION	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Apr-25
FOOD INFLATION	25.0	22.5	20.3	14.4	13.0	12.8	10.4	8.8
BREAD CEREALS	24.5	15.3	16.8	11.4	11.9	13.4	9.8	7.4
MEAT	16.3	18.4	10.8	7.5	9.3	10.2	10.8	8.5
FISH	35.9	42.9	32.9	18.8	18.1	15.6	13.4	11.2
MILK, CHEESE AND EGGS	25.9	16.8	14.0	13.8	15.0	17.0	13.0	11.6
OILS AND FATS	9.5	6.7	5.9	0.8	0.8	4.4	5.3	4.5
FRUITS & NUTS	18.2	19.9	22.4	14.8	12.8	12.9	11.7	11.5
VEGETABLES	34.4	33.0	27.9	25.6	16.0	14.1	11.3	11.1
SUGAR, JAM, HONEY & SWEETS	19.9	19.9	21.4	17.2	17.3	8.6	5.1	4.5
NON-ALCOHOLIC BEVERAGES	13.0	12.8	8.6	5.0	4.8	4.8	4.9	3.7

Source: CBG

Table 18: Non-Food Price Development (Annual Percentage Change)

Y-O-Y NON-FOOD INFLATION	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Apr-25
NON-FOOD PRODUCTS AND SERVICES	11.2	11.2	8.7	5.5	6.3	6.9	7.7	7.4
CLOTHING & FOOTWEAR	31.2	32.3	19.6	15.9	9.9	8.3	8.7	5.0
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	29.7	29.3	19.6	5.4	14.9	18.4	21.8	21.9
HEALTH	2.3	1.9	0.9	0.4	0.6	0.6	0.6	0.6
TRANSPORT	1.5	3.6	3.3	6.3	5.2	2.9	2.0	1.5
COMMUNICATION	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
RECREATION AND CULTURE	35.4	6.4	2.7	3.1	3.8	4.1	5.4	4.9
NEWSPAPERS, BOOKS AND STATIONERY	46.0	0.6	0.6	0.2	0.1	0.0	0.0	0.0
HOTELS, CAFES, AND RESTAURANTS	22.1	20.9	15.5	4.6	6.6	8.3	9.7	9.7
MISCELLANEOUS GOODS AND SERVICES	6.8	9.6	8.4	6.8	4.4	4.1	3.5	3.2

Source: CBG

Table 19: Annual Core inflation

Y-o-Y Inflation	Jun-23	Sept-23	Dec-23	Mar-24	Jun-24	Sept-24	Dec-24	Mar-25	Apr-25
Headline Inflation	17.8	18.5	17.3	14.9	10.4	10.0	10.2	9.1	8.1
Core 1 Inflation	23.1	24.2	20.8	15.4	4.5	2.2	3.5	3.4	4.6
Core 2 Inflation	20.8	22.5	19.2	15.4	5.4	3.1	5.3	5.7	6.9

Source: CBG