

ECONOMIC
DEVELOPMENTS
IN PORTUGUESE-
SPEAKING AFRICAN
COUNTRIES AND
TIMOR-LESTE
2013 | 2014



BANCO DE PORTUGAL
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AND TIMOR-LESTE

2013|2014



Lisbon, 2014 • www.bportugal.pt

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PORTUGAL'S ECONOMIC AND FINANCIAL RELATIONSHIPS WITH PORTUGUESE-SPEAKING AFRICAN COUNTRIES AND TIMOR-LESTE

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Foreword to the English version

The publication *Economic Developments in Portuguese-speaking African Countries and Timor-Leste 2013/2014* is a condensed version of the Portuguese *Evolução das Economias dos PALOP e de Timor-Leste 2013/2014*.

This English version includes the text on the international environment, an overview of the

current economic conditions in Portuguese-speaking African Countries and Timor-Leste and of these countries' financial relations with Portugal, and the extensive statistical annexes of the Portuguese original.

October 2014

Foreword

As in previous editions, the publication *Economic Developments in Portuguese-speaking African Countries and Timor-Leste* aims to contribute to a better knowledge of current economic conditions in those countries, focusing both on key macroeconomic data and economic and financial relations with Portugal.

The overview of the current economic conditions in Portuguese-speaking African Countries and Timor-Leste and of these countries' financial relations with Portugal were prepared on the basis of information received up to the end

of July 2014. In some cases, this information corresponds to preliminary data or estimates which may be revised.

We thank the entities contacted for their kind cooperation, in particular the Central Banks of Angola, Cabo Verde, Mozambique, São Tomé and Príncipe and Timor-Leste, and the national branch of the Central Bank of West African States in Guinea-Bissau. Their assistance was crucial in obtaining the information needed to prepare this report.

September 2014





INTERNATIONAL ENVIRONMENT

Recent developments and outlook*

The global economy has been recovering in 2014 – in an uneven way across regions, as expected, but at a slower pace than initially foreseen – while there are still considerable risks that the macroeconomic environment may deteriorate. The most recent data (see Chart 1) seem to confirm that certain cross-cutting and ongoing trends are expected to persist and have a net growth-accelerating impact in the short to medium term. By contrast, this impact is due to have been partially mitigated by a number of negative temporary factors (at a regional level but with global repercussions) in the first months of 2014.

In turn, inflationary pressures have mostly remained subdued (notably, but not exclusively, in the better known cases of certain advanced economies – see Chart 2) and the external positions of the world's main regions seem to be stabilising in 2014, broadly keeping the relative pattern of global imbalances seen last year (which reflected a number of changes from 2012 – see Chart 3).

Among the above-mentioned cross-cutting trends that favour a short-term increase in

growth, a few stand out, most notably the maintenance of an accommodative monetary policy stance by the main advanced economies and developments in public finances and global financial conditions. Advanced economies as a whole have moved to a slower pace of fiscal consolidation than up to 2012, while a number of the main emerging economies have adopted a more expansionary fiscal stance (see Chart 4). Turning to financial conditions, the trend of decreasing bond market yields in advanced economies has continued (also as regards sovereign debt markets), together with a broadly based moderation in financial volatility and a recovery in capital flows towards emerging and developing economies.

Despite the favourable effects induced by these trends, the acceleration in growth expected for 2014 has turned out to be relatively modest. However, the scenario of a recovery in advanced economies as a whole seems to be confirmed (although more uneven and, in most cases, less pronounced than initially expected), as well as that of a slight slowdown in the majority of the

* This text was prepared on the basis of information available up to 12 September 2014, and, as such, does not yet include the annually updated macroeconomic projections typically released by major international financial institutions in the weeks following that date. For this reason, charts presented here are supported by figures that may have been revised under that regular update (more specifically figures for 2014, which correspond to the projections released by the IMF, in its World Economic Outlook database, as at the date mentioned above). However, the analysis presented in the text takes into account various partial data and leading indicators through which it was possible to obtain a more up-to-date and accurate overview of the recent macroeconomic environment.

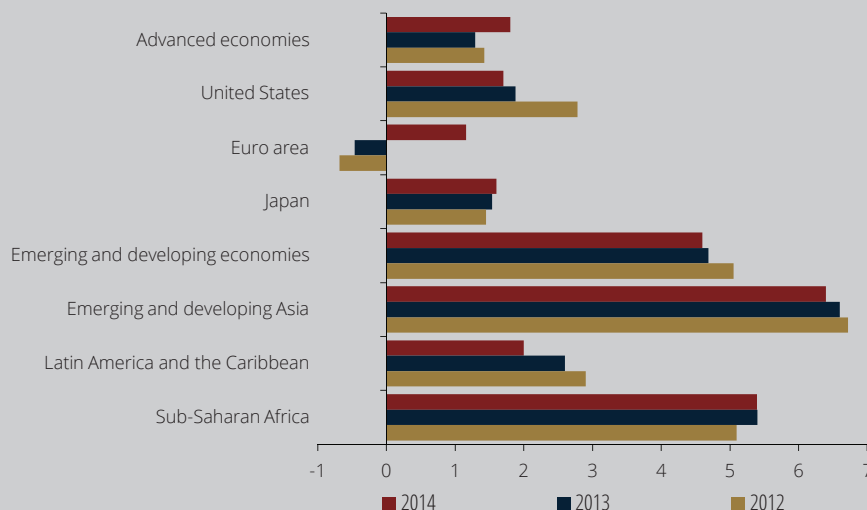


Chart 1 •
Real GDP
Annual percent change; Selected economies

Source: IMF, World Economic Outlook Database, August 2014.

main emerging and developing economies. As mentioned above, this slightly less robust performance is partially associated with a variety of unfavourable factors that were mostly felt at the start of 2014 – from severe weather conditions and a stronger decrease in inventories in the United States to a weakening real estate market in China.

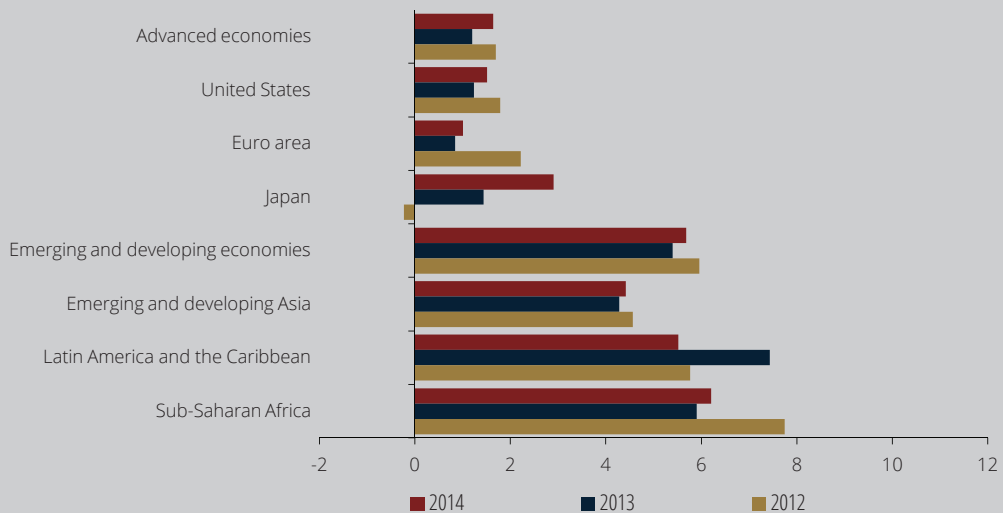
The importance of these factors may be only temporary, i.e. they may not significantly undermine the previous prospects of sustained recovery in 2015. Nevertheless, two other adverse risks have recently joined the unfavourable ones already identified, thereby increasing the probability of a negative bias in the economic environment. The risks incorporated in previous analyses included inter alia potential disturbances associated with a withdrawal of monetary stimulus in the United States, a potential worsening of the disinflation process in the euro area and a possible deterioration in the conditions prevailing in several segments of the Chinese financial market. The two new risks are a worsening of geopolitical tensions, particularly in the Near and Middle East and in Ukraine, (which may potentially cause global disturbances through various channels, notably the commodity markets) and an increased likelihood that the exceptionally benign conditions prevailing in global capital markets may lead to financial bubbles.

As regards the macroeconomic environment specific to major global economies or groups of economies, the **United States** continues to show signs of a growth acceleration, after the moderation in 2013 – which unexpectedly extended into early 2014, mostly owing to the above-mentioned factors (exceptionally adverse weather conditions and sharper than expected changes in inventories). This acceleration is expected to continue to be reflected in a labour market recovery and is supported by the persistence of favourable conditions: from an accommodative monetary policy stance (with a gradual withdrawal of standard and non-standard stimulus measures) to a reduction in the pace of fiscal consolidation and favourable developments in several financial market segments, including the real estate market.

The **euro area** as a whole is expected to return to positive growth rates in 2014, although unevenly across countries (including as regards its positive impact on unemployment). However, this recovery seems to be less pronounced than initially anticipated, in part owing to weaker than expected domestic demand in some of the main euro area countries (while their external positions continue to post a surplus and/or tend mostly to improve). In turn, inflation persistently below the medium-term objectives has given the ECB leeway for a more accommodative monetary policy stance, thus

Chart 2 • Inflation
End-of-period percent changes in the CPI; Selected economies

Source: IMF, World Economic Outlook Database, August 2014.



helping maintain growth-friendly conditions, reflected in particular in a trend decline in interest rates on both sovereign debt and corporate loans.

With regard to **Japan**, the macroeconomic scenario already outlined for 2014 and 2015 remains valid, i.e. sustained (albeit modest) growth recovery and an acceleration in the inflation pace to levels that are low by international standards, but considerably above the levels of near deflation typical of the Japanese economy over much of the past two decades. The impact of last April's hike in the consumption tax rate was also confirmed – an impact that is expected to be only temporary and offset by other factors favourable to a recovery in private investment. In turn, the extent of fiscal consolidation in the Japanese economy – mainly resulting from this measure – is expected to be the most pronounced of the main advanced economies both in terms of deficit and debt. Among these economies, Japan nevertheless remains in the worst position as regards both these indicators (although the Japanese State's funding needs continue to be mostly met by domestic savings).

Emerging Asia as a whole is still the major driver of global economic growth, as the slowdown anticipated for 2014 and 2015 is not expected to be significant. Indeed, its main national economies are projected to move in different

directions, with the recovery expected to particularly intensify in India. Despite this trend, inflationary pressures in the Indian economy seem to be slowing down, while remaining subdued in most countries in the region. The latter continues to be characterised by a positive external position – with a tendency to improve further, given the expected increase in demand by advanced economies. This effect is supposed to be particularly beneficial to China, which experienced a lower than projected pace of growth at the start of 2014, leading the authorities to introduce fiscal and monetary stimulus measures, as the Chinese economy had room to accommodate them. In turn, developments in this economy continue to be largely conditioned by its gradual transition to a production structure geared more towards private consumption and less towards investment and external demand.

Turning to **Latin America and the Caribbean**, the slowdown anticipated for 2014 was the most marked of all the major global economic regions, with the exception of the Commonwealth of Independent States (especially Russia, which was particularly affected by tensions in Ukraine). Only two of the main Latin-American economies are expected not to be affected by the global trend slowdown (Mexico and Colombia), but not the largest of them (Brazil) and even less so two other economies which may even experience recession (Argentina and Venezuela) – against a

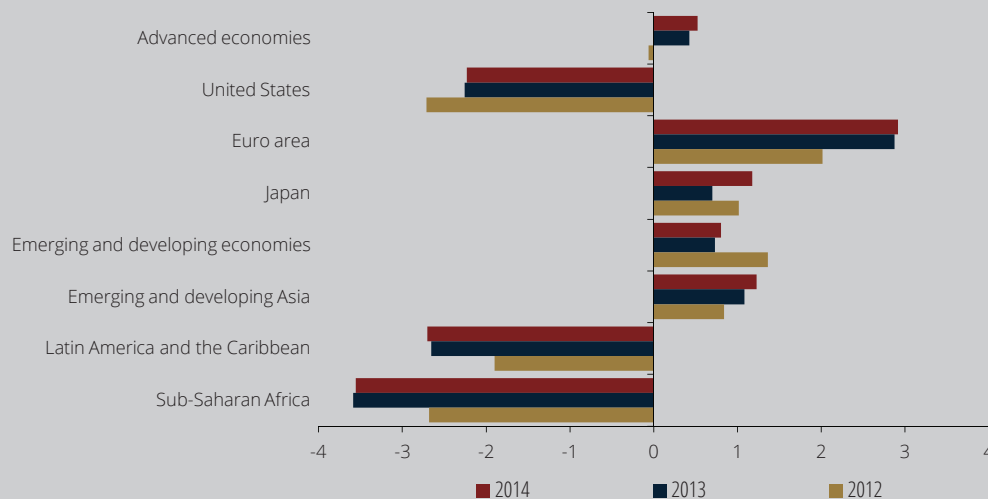


Chart 3 •
External
current
account

Percentage
of GDP;
Selected
economies

Source: IMF, World
Economic Outlook
Database, August
2014.

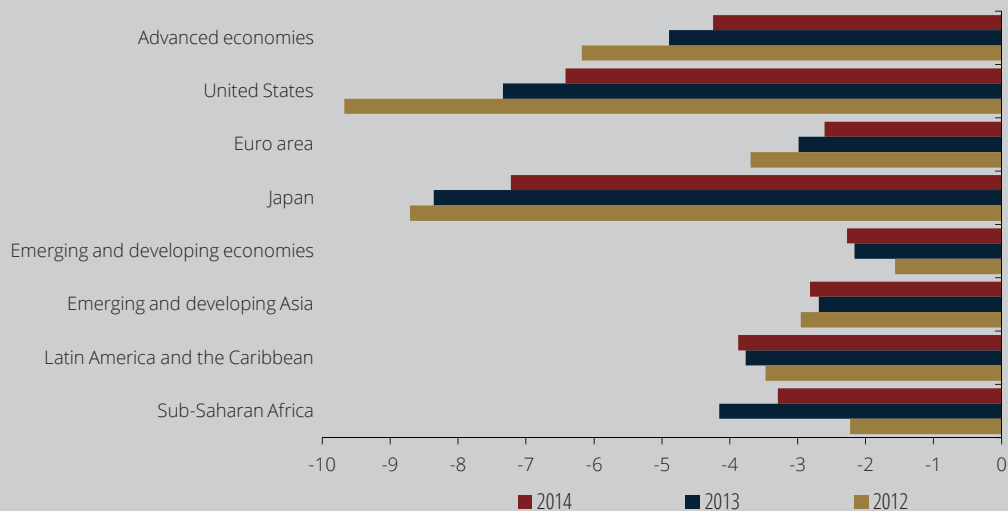
background characterised, to differing degrees, by a slowdown in foreign demand and deteriorating terms of trade, but also by various phenomena with an unfavourable impact on domestic demand. However, the external position is not expected to deteriorate significantly, and inflationary pressures, already fought since 2013 in some of the main countries in this region through a tightening of monetary policy (which indeed favoured a recovery in foreign capital inflows), are also not expected to intensify.

As regards **Sub-Saharan Africa**, the outlook indicates sustained high regional growth, although with considerable differences across countries. In effect, the pace of growth seems to tend to accelerate mostly in oil-producing countries (virtually all of them), but also in several lower-income countries, while many of the middle-income countries are facing greater relative difficulties (specifically South Africa, most affected by constraints in infrastructures and labour relations). The expansion in Sub-Saharan economies continues to benefit from favourable conditions in terms of foreign demand, but has been mostly supported by buoyant domestic consumption and investment (which have also contributed, particularly public investment, to additional pressure on the fiscal side in some of these countries). In addition, access to international markets has expanded in several Sub-Saharan countries, while some of them have

also revised their national accounts. Overall, the latter resulted in a landscape of economies that are larger and more diversified than previously thought, particularly Nigeria (which is now considered the continent's main economy, overtaking South Africa).

Chart 4 •
Fiscal balance
Percentage
of GDP; Selected
economies

Source: IMF, World
Economic Outlook
Database, August 2014.





ECONOMIC DEVELOPMENTS IN PORTUGUESE- SPEAKING AFRICAN COUNTRIES AND TIMOR-LESTE

1. Angola
2. Cabo Verde
3. Guinea-Bissau
4. Mozambique
5. São Tomé and Príncipe
6. Timor-Leste

1. ANGOLA

Area: 1,246,700 Km²

Capital city: Luanda

Population: 21.6 milion
(2013; source: UN)

Currency: Kwanza

The ongoing recovery dynamics of the Angolan economy continued to prevail in 2013 and the early months of 2014, following the adjustment process launched in 2009 to absorb the impact of the international financial crisis. Such dynamics were reflected simultaneously in an acceleration of economic growth and a downturn in inflation to historical lows. The unfavourable oil sector developments and the fiscal stimulus focusing on investment expenditure have determined, however, a significant decline in the budget and external surpluses (that have been nonetheless preserved).

1.1. Angola overview

According to the best, partly preliminary, estimates available for 2013 and the early months of 2014, the Angolan economy maintained the recovery dynamics that have mainly predominated since 2010, following the IMF-supported adjustment programme then adopted, in order to overcome the impact caused by the international financial crisis. Such dynamics were particularly visible in the estimated acceleration of economic growth (with the performance of non-oil activities again exceeding the oil sector's) and in the sustained slowdown of the inflationary pace (that had previously suffered, in particular, from foreign-exchange depreciation within the scope of the mentioned adjustment effort) – see Table 1.

Notwithstanding the extension of positive trends as shown by such crucial indicators, some signs of stress in the macroeconomic environment were also visible, particularly clear with respect to external accounts and public finances. In effect, there was a considerable decline in both cases in the substantial “twin surpluses” of previous years as regards the external current account and the overall budget balance (see Table 1), due to the combination of two main factors: the planned fiscal stimulus implementation (chiefly translated into intensified investment spending, started in 2012) and the marginally unfavourable developments of oil activities.

The latter continue to be critically relevant in the Angolan economy (approximately 44 per

cent of GDP, 73 per cent of public revenue and 97 per cent of merchandise exports, according to most recent data) and therefore developments in this area always have significant pass through. During the period under review, the sector has been affected by negative volume and price effects (penalising exports, and determining more than 2/3 of the decline in the external current account surplus in 2013). Adding to these effects, other circumstances also had an impact, such as the fact that extraction is being moved to new areas (where the income share for the Angolan State is initially smaller, in order to offset high investments made by oil companies) – as a whole, all these factors led public revenue to decline from 37.9 per cent of GDP in 2012 to an estimate close to 30.6 per cent in 2013.

It should be highlighted, however, that both the external and the fiscal positions remain comfortable, while sundry reforms continue to be implemented by the Angolan authorities, who expect to gain benefits from them over time, in terms of economic diversification, efficiency and equity. This was the case of initiatives during the period under review, such as the new foreign exchange framework of the oil sector, the reform of non-oil taxation and the operationalisation of the Angolan Sovereign Wealth Fund – broadly in line with the larger efforts to reduce structural constraints in fields such as infrastructures, human resources, and the business environment.

Table 1 • Main economic indicators

	2010	2011	2012	2013		2014
	Est.	Est.	Est.	Proj.	Est.	Proj.
Real GDP (annual % change)	3.4	3.9	5.2	7.1	6.8	3.9
Inflation (end-of-period % change)	15.3	11.4	9.0	9.0	7.7	8.0
Broad money (annual % change)	7.1	34.0	6.0	49.4	14.3	22.5
Current account (% of GDP)	9.1	12.6	12.2	4.2	4.9	2.2
Overall fiscal balance (% of GDP)	5.3	10.2	6.7	-3.8	0.3	-4.9
External public debt (% of GDP)	21.6	20.2	19.9	20.4	22.7	22.7

Sources: Banco Nacional de Angola, Ministry of Finance (Angola) and International Monetary Fund.

Table 2 • Main economic indicators

		2009	2010	2011	2012	2013		2014	
		Est.	Est.	Est.	Est.	Proj.	Est.	Proj.	Est.
Output and prices									
Nominal GDP	AOK Billions	5,989	7,579	9,780	10,830	11,951	11,745	12,767	
	EUR billions	54.1	62.1	74.9	88.3		91.6		
	USD billions	75.2	82.4	104.2	113.5	124.1	123.0	130.3	
Real GDP	Annual % change	2.4	3.4	3.9	5.2	7.1	6.8	3.9	
Oil sector	Annual % change	-5.1	-3.0	-5.4	4.5	6.6	-1.1	-3.5	
Other sectors	Annual % change	8.1	7.6	9.5	5.5	7.3	10.8	7.3	
Inflation (CPI-Luanda)	E-o-p % change	14.0	15.3	11.4	9.0	9.0	7.7	8.0	7.0 May
	Average % change	13.7	14.5	13.5	10.3		8.8		8.1 May
Public finances									
Total revenue	% of GDP	34.6	43.5	48.8	46.7	38.2	41.9	37.2	
Oil revenue	% of GDP	24.2	33.0	39.0	37.9	27.5	30.6	26.0	
Total expenditure ^(a)	% of GDP	44.2	38.2	38.6	39.9	42.0	41.5	42.1	
Current expenditure	% of GDP	31.7	28.5	29.9	29.4	28.0	29.3	28.8	
Capital expenditure	% of GDP	12.4	9.7	8.6	10.6	14.1	12.2	13.3	
Overall balance (commitment base)	% of GDP	-9.6	5.3	10.2	6.7	-3.8	0.3	-4.9	
Overall balance (cash basis)	% of GDP	-8.6	4.3	11.8	9.4	-3.8	0.2	-4.9	
Money and credit									
Net foreign assets	Annual % change	-23.8	50.4	70.3	9.4	55.0	-1.5	9.8	-7.7 Apr.
Credit to the economy	Annual % change	55.4	25.8	28.5	23.7	8.0	9.9	7.8	15.1 Apr.
Broad money (M3)	Annual % change	21.5	7.1	34.0	6.0	49.4	14.3	22.5	28.4 Apr.
Interest rates									
Credit in national currency ^(b) (180 d)	Annual rate	15.6	19.0	18.1	15.3		15.1	17.3 May	
Deposits in national currency (180 d)	Annual rate	12.6	10.0	6.7	4.7		3.9	4.5 May	
Deposits in foreign currency (180 d)	Annual rate	4.9	7.2	2.7	2.3		2.2	2.5 May	
Central bank bills (63 d)	Annual rate	21.4	10.0	7.2	4.1		4.0		
Treasury bills (182 d)	Annual rate		11.6	4.8	3.7		4.6	3.8 Jun.	
Treasury bonds ^(c) (3 years)	Annual rate	5.5	7.0	7.0	7.3		7.3	7.8 Jun.	
Balance of payments									
Exports (current USD)	Annual % change	-36.1	23.9	33.0	5.6	-9.8	-0.2	0.7	
Imports (current USD)	Annual % change	8.0	-26.4	21.4	17.2	3.3	6.4	12.3	
Trade balance	% of GDP	24.1	41.2	45.2	41.7	31.9	37.2	33.1	
Current account	% of GDP	-10.1	9.1	12.6	12.2	4.2	4.9	2.2	
Foreign reserves (gross)	USD billions	13.2	19.4	28.4	33.0	34.4	33.1	33.9	32.4 Apr.
External public debt									
Total external public debt	EUR billions	10.9	13.4	15.1	17.6		20.8		
	USD billions	15.1	17.8	21.0	22.6	25.3	28.0	29.6	
	% of GDP	20.1	21.6	20.2	19.9	20.4	22.7	22.7	
Exchange rates									
Bilateral rate EUR/AOK	Average rate	110.7	122.0	130.5	122.6		128.2	134.3 May	
Bilateral rate USD/AOK	Average rate	79.6	92.0	93.9	95.4		95.5	97.7 May	
Nominal EERI [appreciation: +] ^(d)	Annual % change	-5.8	-13.0	-4.8	-1.5		-2.4	-1.8 May	
Real EERI [appreciation: +] ^(d)	Annual % change	7.7	-2.7	3.7	6.1		4.3	3.0 May	

Sources: Banco Nacional de Angola, Ministry of Finance (Angola) and Banco de Portugal calculations.

Notes: (a) Includes, for all years shown, current and capital expenditure incurred by state-owned enterprises (mainly Sonangol) and now included in the budget (quasi-fiscal operations); (b) Credit granted to enterprises. (c) Bonds issued in AOK but indexed to the USD/AOK exchange rate. (d) Effective exchange rate index (EERI), calculated on the basis of exchange rates applied to the currencies of the four major trading partners over the period 2005/2009.

Table 3 • Gross domestic product

Current prices, billions of kwanzas

	2009	2010	2011	2012	2013		2014
	Est.	Est.	Est.	Est.	Proj.	Est.	Proj.
Primary sector	3,326	4,213	5,638	5,936			
Agriculture, fishing and related products	611	746	909	1,138			
Mining and quarrying	2,715	3,467	4,730	4,798			
Oil and gas	2,662	3,396	4,641	4,709			
Other (incl. diamonds)	54	71	89	89			
Secondary sector	821	1,075	1,346	1,587			
Manufacturing	364	464	584	685			
Electricity and water	7	10	11	15			
Construction	450	602	751	888			
Tertiary sector	1,694	2,103	2,565	3,062			
Trade and tradable services	1,240	1,555	1,896	2,294			
Non-tradable services	454	548	669	767			
Gross domestic product (at factor costs)	5,841	7,392	9,549	10,584			
Indirect taxes and subsidies	147	188	231	246			
Gross domestic product (market prices)	5,989	7,579	9,780	10,830	11,951	11,745	12,767
Memo items:							
Nominal GDPmp (EUR billions)	54.1	62.1	74.9	88.3		91.6	
Nominal GDPmp (USD billions)	75.2	82.4	104.2	113.5	124.1	123.0	130.3
Nominal GDPmp (in Kz, annual % change)	-5.2	26.6	29.0	10.7	10.4	8.4	8.7
Real GDP (annual % change)	2.4	3.4	3.9	5.2	7.1	6.8	3.9
Oil sector	-5.1	-3.0	-5.4	4.5	6.6	-1.1	-3.5
Other sectors	8.1	7.6	9.5	5.5	7.3	10.8	7.3

Sources: Banco Nacional de Angola, IMF and Banco de Portugal calculations.

Table 4 • Consumer price index

Per cent

		Monthly change	Cumulative change	End-of-period change	Average change
		[1]	[2]	[3]	[4]
2000	December		268.4	268.4	325.0
2001	December		116.1	116.1	152.6
2002	December		105.6	105.6	109.0
2003	December		76.6	76.6	98.2
2004	December		31.0	31.0	43.5
2005	December		18.5	18.5	23.0
2006	December		12.2	12.2	13.3
2007	December		11.7	1.7	12.2
2008	December		13.2	13.2	12.5
2009	December		14.0	14.0	13.7
2010	December		15.3	15.3	14.5
2011	December		11.4	11.4	13.5
2012	December		9.0	9.0	10.3
2013	December		7.7	7.7	8.8
2012	January	0.7	0.7	11.5	13.2
	February	0.7	1.4	11.3	12.9
	March	0.6	2.0	11.1	12.6
	April	0.7	2.7	10.9	12.3
	May	0.7	3.4	10.5	11.9
	June	0.7	4.1	10.1	11.6
	July	0.7	4.8	10.0	11.2
	August	0.6	5.4	9.9	10.9
	September	0.6	6.0	9.7	10.7
	October	0.9	7.0	9.8	10.6
	November	0.9	8.0	9.8	10.5
	December	1.0	9.0	9.0	10.3
	December (proj.)			9.6	10.8
2013	January	0.6	0.6	8.9	10.1
	February	0.8	1.4	9.1	9.9
	March	0.7	2.1	9.1	9.7
	April	0.6	2.7	9.0	9.6
	May	0.9	3.6	9.2	9.5
	June	0.6	4.3	9.2	9.4
	July	0.5	4.8	9.0	9.3
	August	0.5	5.4	9.0	9.2
	September	0.5	5.9	8.9	9.2
	October	0.4	6.3	8.4	9.1
	November	0.5	6.9	7.9	8.9
	December	0.7	7.7	7.7	8.8
	December (proj.)			9.0	
2014	January	0.8	0.8	7.8	8.7
	February	0.5	1.2	7.5	8.6
	March	0.5	1.8	7.3	8.4
	April	0.5	2.3	7.2	8.3
	May	0.6	2.9	7.0	8.1
	December (proj.)			8.0	

Sources: Banco Nacional de Angola, IMF and Banco de Portugal calculations.

Notes: [1] month (n) / month (n-1); [2] month (n) / previous December; [3] month (n) / month (n) of the previous year; [4] last 12 months / previous 12 months.

Table 5 • Balance of payments

USD millions

	2009	2010	2011	2012	2013		2014
		Est.	Est.	Est.	Proj.	Est.	Proj.
1. Current account	-7,572	7,506	13,085	13,853	5,170	6,038	2,823
Trade balance	18,168	33,928	47,082	47,376	39,647	45,725	43,132
Exports (f.o.b.)	40,828	50,595	67,310	71,093	64,144	70,951	71,450
Oil sector	39,803	49,352	65,591	69,716	62,700	69,119	69,513
of which: crude oil	39,271	48,629	64,539	68,871	61,718	67,865	68,180
Diamonds	814	976	1,205	1,159	1,110	1,243	1,331
Other	212	267	514	218	334	589	606
Imports (f.o.b.)	-22,660	-16,667	-20,228	-23,717	-24,497	-25,226	-28,318
Services and income	-25,369	-25,984	-32,635	-31,761	-34,013	-39,464	-40,084
Services (net)	-18,546	-17,897	-22,938	-21,339	-23,068	-26,996	-27,375
Credit	623	857	732	780	724	760	802
Debit	-19,169	-18,754	-23,670	-22,119	-23,792	-27,756	-28,177
of which: Transportation and travel	-4,288	-3,237	-3,810	-4,597			
Construction	-4,676	-4,643	-7,932	-6,230			
Technical assistance	-7,114	-6,158	-9,173	-8,908			
Income (net)	-6,823	-8,087	-9,697	-10,422	-10,945	-12,468	-12,709
of which: Interest on public debt	-504	-392	-534	-662			
Dividends and profits	-6,130	-7,525	-9,040	-9,722			
Current transfers (net)	-370	-438	-1,362	-1,762	-464	-223	-225
2. Capital and financial accounts	2,955	-897	-3,997	-9,210	-2,050	-6,351	-1,539
Capital transfers (net)	11	1	2	0	3	3	2
Foreign direct investment (net)	2,199	-4,568	-5,116	-9,639	597	-2,992	-1,755
In reporting country (net) ^(a)	2,205	-3,227	-3,024			-1,044	-1,000
Abroad (net)	-7	-1,340	-2,093			-1,948	-755
Other investment (net) (incl. errors and omissions)	185	3,670	1,117	428	-2,650	-3,362	214
3. Overall balance: [1 + 2]	-4,616	6,609	9,088	4,643	3,120	-313	1,284
4. Financing	4,616	-6,609	-9,088	-4,643	-3,120	313	-1,284
Change in official reserves (net) [increase: -]	4,631	-6,101	-9,054	-4,642	-3,120	313	-1,284
Exceptional financing ^(b)	-15	-508	-34	-1	0	0	0
5. Financing gap	0	0	0	0	0	0	0
Memo items:							
Trade balance (% of GDP)	24.1	41.2	45.2	41.7	31.9	37.2	33.1
Current account (% of GDP)	-10.1	9.1	12.6	12.2	4.2	4.9	2.2

Sources: Banco Nacional de Angola, IMF and Banco de Portugal calculations.

Notes: (a) Negative values from 2010 onwards (disinvestment in Angola) reflect mostly the higher weight of the recovery of prior investment by foreign oil companies; (b) Mainly change in arrears and debt forgiveness or rescheduling.

Table 6 • Merchandise exports

Products, USD millions ; Destinations, % of total

	2006	2007	2008	2009	2010	2011	2012	2006 to 2012
					Est.	Est.	Est.	Est.
Total exports	31,862	44,396	63,914	40,828	50,595	67,310	71,093	
Crude oil	29,929	42,352	61,666	39,271	48,629	64,539	68,871	
Refined oil products and gas	554	652	792	532	722	1,052	845	
Diamonds	1,155	1,182	1,210	814	976	1,205	1,159	
Other	225	211	247	212	267	292	292	
Exports by destination ^(a)								
South Africa	1.8	3.9	4.1	3.2	3.1	2.6	4.2	3.4
Canada	5.5	5.9	5.2	5.4	5.8	8.7	5.0	6.0
China	30.1	26.4	29.7	38.5	42.8	37.7	49.6	37.4
United States	31.4	24.0	23.3	19.0	18.1	15.9	8.7	18.7
France	3.5	5.2	5.0	7.6	3.7	3.2	1.6	4.0
India	2.0	5.5	4.3	9.4	10.1	10.7	10.1	7.9
Portugal	0.0	1.0	0.8	0.5	1.8	2.4	2.5	1.5
Taiwan	5.2	4.2	2.5	2.9	4.8	8.2	6.1	5.0
Other	20.5	24.0	25.1	13.5	9.8	10.6	12.2	16.1

Sources: Banco Nacional de Angola, IMF and Banco de Portugal calculations.

Note: (a) Crude oil exports only.

Table 7 • Merchandise imports

Products, USD millions ; Origins, % of total

	2006	2007	2008	2009	2010	2011	2012	2006 to 2012
					Est.	Est.	Est.	Est.
Total imports	8,778	13,662	20,982	22,660	16,667	20,228	23,717	
of which: SNA ^(a)	5,664	8,590	14,828	22,548	16,667	20,228	23,717	
Imports by origin								
South Africa	8.7	6.6	5.7	3.9	4.0	3.8	3.8	4.6
Belgium	4.8	5.0	4.5	6.4	7.3	6.0	6.7	6.1
Brazil	8.7	7.7	8.2	6.2	5.1	4.2	4.4	5.8
China	9.6	4.3	10.0	7.4	8.5	7.6	9.2	8.2
United States	6.4	11.0	9.1	10.7	7.4	8.2	5.5	8.3
Portugal	18.5	19.3	17.7	14.0	14.5	15.4	16.4	15.9
United Kingdom	3.4	4.8	3.6	4.4	5.1	2.9	2.4	3.7
Other	39.8	41.3	41.3	46.9	48.1	52.0	51.7	47.5

Sources: Banco Nacional de Angola, IMF and Banco de Portugal calculations.

Note: (a) Data from the National Customs Service of Angola.

Table 8 • External public debt and foreign reserves

USD millions

	2009	2010	2011	2012	2013		2014
		Est.	Est.	Est.	Proj.	Est.	Proj.
1. Net foreign assets	12,628	18,425	30,341	33,011	48,909	31,916	31,289
of which: foreign reserves (gross)	13,238	19,444	28,393	33,035	34,416	33,125	33,931
2. Total external public debt (incl. arrears)	15,125	17,829	20,992	22,583	25,317	27,980	29,573
Commercial	9,002	10,676	13,125	13,786		18,522	
Banking	8,114	9,882	12,105	12,813		17,549	
Enterprises	888	794	1,020	974		973	
Official bilateral	5,386	5,816	6,221	6,978		7,809	
Official multilateral	738	1,328	1,640	1,813		1,645	
Fees		8	5	6		4	
Memo items:							
Net foreign assets (% of GDP)	16.8	22.4	29.1	29.1	39.4	25.9	24.0
Gross foreign reserves (% of GDP)	17.6	23.6	27.3	29.1	27.7	26.9	26.0
Total external public debt (% of GDP)	20.1	21.6	20.2	19.9	20.4	22.7	22.7

Sources: Banco Nacional de Angola, IMF and Banco de Portugal calculations.

Table 9 • Government operations

Billions of kwanzas

	2009	2010	2011	2012	2013			2014
	Est.	Est.	Est.	Est.	Budg.	Est.	l.e. ^(a)	Budg.
1. Total revenue	2,070	3,295	4,776	5,054	4,571	4,920	107.6	4,745
Tax revenue	1,988	3,094	4,528	4,826	4,401	4,571	103.9	4,540
Oil revenue	1,449	2,500	3,817	4,103	3,282	3,599	109.7	3,313
Non-oil revenue	539	594	711	723	1,119	972	86.8	1,227
Non-tax revenue	80	199	246	226	169	347	204.8	205
Grants	2	2	2	2	0	2		0
2. Total expenditure ^(b)	2,644	2,894	3,774	4,325	5,021	4,879	97.2	5,375
Current expenditure	1,901	2,161	2,928	3,180	3,341	3,442	103.0	3,674
Compensation of employees	665	714	877	1,031	1,296	1,155	89.1	1,369
Goods and services	539	619	1,031	1,297	1,156	1,403	121.4	1,431
Debt interest	103	90	95	101	65	99	152.7	128
Domestic	24	27	56	69	27	59	217.3	69
External	79	63	38	33	38	40	106.2	59
Transfers and subsidies	594	738	926	752	824	785	95.3	746
Capital expenditure	743	733	846	1,145	1,680	1,437	85.5	1,701
3. Overall balance (commitment basis) [1 - 2]	-575	402	1,002	729	-450	41		-630
4. Change in arrears (net)	59	-73	150	289	0	-18		0
Domestic ^(c)	95	-73	150	289	0	-18		0
External interest	-36	0	0	0	0	0		0
5. Overall balance (cash basis) [3 + 4]	-516	328	1,153	1,018	-450	23		-630
6. Financing	516	-328	-1,153	-1,018	450	-23		630
External financing (net)	111	16	51	218	596	233		733
Disbursements	380	154	186	384	775	432		1,036
Amortisation	-269	-138	-135	-166	-179	-199		-303
Domestic financing (net)	405	-344	-1,203	-1,236	-146	-256		-103
Bank financing	514	-324	-826	-432	289	29		116
Non-bank financing (incl. errors and omissions)	-109	-20	-378	-804	-434	-285		-219
Memo item:								
Overall balance, commitment basis (% of GDP)	-9.6	5.3	10.2	6.7	-3.8	0.3		-4.9

Sources: Banco Nacional de Angola, Ministry of Finance (Angola), IMF and Banco de Portugal calculations.

Notes: (a) Level of budget execution (%); (b) Includes, for all years shown, current and capital expenditure incurred by state-owned enterprises (mainly Sonangol) and now included in the budget (quasi-fiscal operations); (c) Net of changes in arrears to suppliers (expenditure) and changes in Sonangol's arrears to the Treasury (revenue).

Table 10 • Monetary survey

Billions of kwanzas

	2009	2010	2011	2012	2013		2013 / 2012		2014	Apr.14 / Dec.13		2014
	Dec.	Dec.	Dec.	Dec.	Dec.	Dec.	[1]	[2]	[1]	[2]	Dec.	
			Est.	Est.	Proj.	Est.	[1]	[2]	Est.	[1]	[2]	Proj.
Net foreign assets	1,129	1,698	2,891	3,163	4,904	3,116	-1.5	-1.2	3,029	-2.8	-2.0	3,422
Net foreign assets, USD billions	13	18	30	33	49	32	-3.3		31	-2.8		31
Banco Nacional de Angola	1,127	1,683	2,568	3,014	3,399	3,097	2.7	2.1	3,009	-2.8	-2.0	3,252
Net international reserves	1,128	1,605	2,485	2,935	3,219	3,021	2.9	2.2	2,966	-1.8	-1.2	3,499
Gross reserves	1,183	1,792	2,705	3,166		3,234	2.1	1.8	3,159	-2.3	-1.7	
Gross reserves, USD billions	13	19	28	33	34	33	0.3		32	-2.3		34
Short-term liabilities	-55	-186	-220	-230		-213	-7.6	0.4	-193	-9.3	0.4	
Other foreign assets (net)	-2	78	82	79	180	76	-3.9	-0.1	43	-43.2	-0.7	-247
Commercial banks	2	14	323	149	1,505	19	-87.4	-3.4	20	5.2	0.0	170
Net domestic assets	1,419	1,031	765	713	887	1,316	84.7	15.6	1,867	41.9	12.4	2,005
Domestic credit (net)	1,728	1,782	1,742	1,733	1,595	2,277	31.3	14.0	2,851	25.2	13.0	3,047
Claims on general government (net)	396	106	-412	-931	-1,282	-651	30.1	7.2	-231	64.5	9.5	-108
Credit to the economy	1,332	1,676	2,154	2,664	2,877	2,928	9.9	6.8	3,083	5.3	3.5	3,155
Other domestic assets (net)	-309	-751	-977	-1,021	-708	-961	5.9	1.6	-984	-2.5	-0.5	-1,042
Total assets	2,548	2,728	3,656	3,876	5,791	4,432	14.3	14.3	4,896	10.5	10.5	5,427
Broad money (M3)	2,548	2,728	3,656	3,876	5,791	4,432	14.3	14.3	4,896	10.5	10.5	5,427
Money and quasi-money (M2)	2,304	2,626	3,506	3,799	5,641	4,379	15.3		4,838	10.5		5,375
Money	1,635	1,700	2,151	2,215		2,574	16.2		2,932	13.9		
Currency in circulation	170	172	209	245	325	276	12.9		259	-6.3		350
Demand deposits	1,466	1,528	1,942	1,970		2,298	16.6		2,673	16.3		
in national currency	609	733	956	1,041	1,490	1,463	40.5		1,683	15.1		1,755
in foreign currency	857	795	986	929		835	-10.1		990	18.5		
Quasi-money	669	926	1,356	1,584		1,805	13.9		1,906	5.6		
Time deposits in national currency	260	409	596	724		899	24.2		1,073	19.4		
Time deposits in foreign currency	409	517	759	861		907	5.3		833	-8.1		
Repurchase agreements	244	102	150	77	150	52	-32.1		58	11.1		52

Sources: Banco Nacional de Angola, IMF and Banco de Portugal calculations.

Notes: [1] Percent changes from the end of the previous year; [2] Changes as a percentage of the initial stock of broad money (expansion/contraction determinants)..

Table 11 • Interest rates

Annual rates, per cent

	2009	2010	2011	2012	2013			2014		
	Dec.	Dec.	Dec.	Dec.	Jun.	Sep.	Dec.	Mar.	May	Jun.
Deposits										
(in national currency)										
Demand deposits	2.56	2.44	5.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Time deposits										
Up to 90 days	12.06	8.18	4.32	3.07	2.91	2.97	3.32	3.11	4.05	
91-180 days	12.59	9.99	6.67	4.69	4.13	4.01	3.87	4.47	4.45	
181-365 days	11.62	6.81	5.55	4.90	4.28	5.36	5.10	6.02	5.93	
Over 1 year	4.62	1.65	8.58	7.02	7.23	5.50	5.56	4.87	4.95	
(in foreign currency)										
Demand deposits	0.95	0.08	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Time deposits										
Up to 90 days	4.05	2.32	2.38	1.84	1.82	1.79	2.10	1.99	1.83	
91-180 days	4.91	7.15	2.68	2.32	1.92	1.98	2.25	1.83	2.46	
181-365 days	5.78	2.73	3.72	2.65	2.47	2.74	2.87	2.57	2.88	
Over 1 year	5.95	1.12	3.88	3.11	3.88	2.73	4.96	4.77	4.96	
Credit (to enterprises)										
(in national currency)										
Up to 180 days	15.62	18.96	18.09	15.32	15.35	14.62	15.08	15.51	17.33	
181-365 days	19.39	18.23	15.98	14.36	14.42	14.11	13.86	13.88	14.31	
Over 1 year	19.02	23.74	17.70	15.09	15.33	14.47	13.11	12.91	13.67	
(in foreign currency)										
Up to 180 days	11.32	14.84	10.17	8.94	12.64	7.70	11.78	14.53	11.21	
181-365 days	9.90	8.72	10.03	11.54	10.32	10.81	12.07	13.11	12.85	
Over 1 year	8.57	9.86	10.42	11.29	12.99	11.71	9.83	10.12	9.58	
BNA intervention rates										
Rediscount	30.00	25.00	20.00	20.00	15.00	15.00	15.00	10.00	10.00	10.00
Reference rate			10.50	10.25	10.00	9.75	9.75	9.25	9.25	9.25
Standing facilities										
Liquidity provision facility			12.50	11.50	11.25	11.00	10.25	10.00	10.00	10.00
Overnight deposit facility			2.00	1.50	1.00	0.75	0.75	1.50	1.75	1.75
Open market operations										
Liquidity provision			15.45							
Liquidity absorption			5.22		2.00	2.11	3.00	3.50	3.50	3.50
LUIBOR ^(b) overnight	21.94	17.12	6.39	6.20	6.13	5.53	4.71	3.15	2.96	2.94
Central bank bills										
14 days		7.00								
28 days	20.04	8.50								
63 days	21.44	9.99	7.18	4.12			3.97			
91 days	23.28	10.82								
182 days	20.88	11.55	6.80	5.08						
364 days		13.69								
Treasury bills										
91 days	23.28	10.82	3.94	3.35	3.00	2.46	3.64	3.82	3.71	3.64
182 days		11.55	4.82	3.71	4.31	2.94	4.60	4.06	3.94	3.75
364 days		13.69	5.18	5.10	5.96	3.97		5.07	4.84	5.41
Treasury bonds ^(a)										
1 year	4.46									
2 years	4.96			7.00	7.00	7.00	7.00	7.00	7.00	7.00
3 years	5.46	7.00	7.00	7.25	7.25	7.25	7.25	7.75	7.75	7.75
4 years	6.46	7.00	7.25	7.50		7.50	7.50	8.00	8.00	8.00
5 years		7.00	7.75	7.75	7.75	7.75	7.75	8.25	8.25	8.25
6 years			8.00							
Memo item:										
Inflation (end-of-period % change)	14.00	15.30	11.38	9.02	9.19	8.93	7.70	7.31	6.96	

Source: Banco Nacional de Angola.

Notes: (a) Luanda Interbank Offered Rate (weighted average rate of liquidity-providing operations without collateral, applied by banks in the interbank money market). (b) Treasury bonds issued in kwanzas but indexed to the USD/AOK exchange rate.

Table 14 • Exchange rates

Average rates (primary market - BNA reference rates)

		EUR / AOK	USD / AOK	EER ^(a) / ^(b)	
				Nominal	Real
2000		9.02	9.89	100.00	100.00
2001		19.58	21.84	45.45	112.68
2002		41.21	43.34	22.74	116.98
2003		83.98	74.35	12.91	129.34
2004		103.56	83.36	11.33	157.98
2005		108.91	87.24	10.75	179.92
2006		100.79	80.38	11.54	213.65
2007		105.11	76.71	11.66	233.84
2008		110.44	75.03	11.30	243.61
2009		110.66	79.59	10.65	262.39
2010		122.00	91.98	9.26	255.38
2011		130.53	93.90	8.82	264.84
2012		122.65	95.42	8.69	280.90
2013		128.19	95.47	8.48	292.84
2012	January	122.77	95.29	8.70	272.95
	February	125.99	95.30	8.65	272.78
	March	125.84	95.32	8.66	273.09
	April	125.53	95.33	8.65	274.59
	May	122.19	95.35	8.69	278.18
	June	119.41	95.36	8.76	283.25
	July	117.46	95.38	8.78	285.88
	August	118.07	95.39	8.78	285.89
	September	122.60	95.42	8.70	283.84
	October	123.78	95.38	8.65	285.20
	November	122.54	95.71	8.63	287.32
	December	125.56	95.80	8.58	287.80
2013	January	127.23	95.89	8.55	287.40
	February	128.42	95.95	8.53	286.56
	March	124.48	95.97	8.56	289.91
	April	124.98	96.01	8.54	290.73
	May	124.77	96.10	8.50	292.69
	June	126.83	96.25	8.47	293.03
	July	125.91	96.28	8.48	294.72
	August	128.28	96.34	8.44	294.15
	September	129.26	96.79	8.39	292.81
	October	132.97	97.44	8.30	290.90
	November	131.57	97.42	8.30	293.07
	December	133.63	97.56	8.27	293.43
2014	January	133.03	97.62	8.25	293.54
	February	133.20	97.61	8.27	294.78
	March	135.01	97.60	8.31	296.94
	April	134.87	97.62	8.34	299.80
	May	134.27	97.66	8.35	301.41

Sources: Banco Nacional de Angola and Banco de Portugal calculations.

Notes: (a) Effective exchange rate index (EERI, nominal and real), calculated on the basis of official exchange rates applied to the currencies of the four main trading partners over the period 2005/2009; (b) An increase / decrease in the EERI (nominal or real) corresponds to an appreciation / depreciation of the kwana.

2. CABO VERDE

Area: 4,033 Km²

Capital city: Praia

Population: 512 thousand
(2013; source: ONU)

Currency: Cabo Verde escudo

Weak domestic demand and the unfavourable external context caused near stagnation in the Cabo Verde economy in 2013. However, the resulting reduction in imports and the ongoing growth of tourism improved the external accounts and strengthened foreign exchange reserves, supporting the exchange rate peg to the euro. The slowdown of economic activity had a negative impact on public revenue, requiring further cost containment to curb the State's financing needs.

2.1. Cabo Verde overview

The unfavourable external environment and the low confidence levels among economic actors in Cabo Verde affected the macroeconomic developments in the country during 2013. The continuation of the difficulties in certain EU countries negatively impacted tourism revenue, official transfers, foreign direct investment (FDI) and emigrant remittances.

The continuing low expectations and the stagnation of credit to the economy reflected negatively on domestic demand, above all in household consumption and investment. Domestic product is likely to have continued its slowing trend, reaching real growth of 0.5 per cent, versus 1.2 per cent in 2012.

The price decrease of certain imported goods as well as the contraction in domestic demand and the increase of national production of fresh food items had an impact on inflation, which reached negative values year-on-year in the second quarter of 2014. They also led to the reduction in the amounts of goods and services imports in 2013, which caused a sharp improvement in the external current deficit (to 2.8 per cent of GDP), aided also by the growth in goods exports and tourism revenue. The current deficit improvement led to the accumulation of EUR 50 million of foreign exchange reserves, covering an equivalent of 5.0 months of goods and services imports.

The economic slowdown also restricted tax collection, while grants also fell. The authorities introduced measures to reduce current expenditure and adjustments to the investment programme, closing 2013 with a budget deficit of 9 per cent of GDP (less than the 10.5 per cent of 2012). The difficulties mainly affected income taxes and international transaction taxes. The containment measures taken mostly affected the investment programme expenditure.

As usual, the Cabo Verde State financed itself mainly through external credit lines, with stock rising to 75.9 per cent of GDP. Nonetheless it also used domestic financing, lifting domestic debt to 24 per cent of GDP (excluding the consolidated financial mobilisation securities - "TCMF").

The external improvement and the growth of credit to the general government accelerated monetary expansion in 2013, in a context of excess liquidity, with high excess reserves and increasing access to the permanent deposit facility of Banco de Cabo Verde (BCV). Limited internal opportunities and strong risk aversion led the banks to restrict lending to the private sector and to find alternative solutions, including deposits abroad. The low profitability of these investments and the reduction of Treasury Bill and BCV securities rates, along with the deterioration in creditworthiness, had a consequence for the profitability and solvency of most of the banking institutions.

Table 15 • Main economic indicators

	2011	2012	2013 Est.	2014 Prog.
Real GDP (annual % change)	4.0	1.2	0.5	3.0
Inflation (end-of-period % change)	3.6	4.1	0.1	2.2
Broad money (annual % change)	3.6	6.0	10.8	7.8
Current account (% of GDP)	-16.3	-10.9	-2.8	-9.2
Official reserves (months of imp.)	3.2	4.0	5.0	5.0
Fiscal balance (% of GDP)	-7.7	-10.5	-9.0	-8.1
Public debt (% of GDP)	86.0	98.4	107.2	-

Sources: International Monetary Fund, Banco de Cabo Verde, Ministry of Finance (Cabo Verde) and Cabo Verde National Institute of Statistics.

Some economic recovery is expected in 2014, with a positive impact on the public accounts, through a reduction of the budget deficit (not confirmed by the results to March), including an increase in revenue and above all the planned slowdown in the investment programme. The expected resumption of domestic consumption and investment should lead to the deterioration of the external accounts, chiefly through the increase of imports. The first quarter of this year revealed a year-on-year

reduction in tourism revenue, with fewer domestic and foreign tourists, mainly from the United Kingdom, Germany and Portugal.

The main risks continue to relate to potentially prolonged difficulties in the EU and an increase in competition from North Africa as a tourism destination. Internally, the developments in the public finances and public debt will have to be taken into account and monitored closely, along with the financial situation of the banks.

Table 16 • Main economic indicators

		2009	2010	2011	2012	2013		2014	
		Est.	Est.	Est.	Est.	Prog.	Est.	Prog.	Est.
Output and prices									
GDP m.p.	EUR millions	1,232	1,257	1,342	1,367	1,473	1,409	1,484	
	Real % change	-1.3	1.5	4.0	1.2	1.5	0.5	3.0	
Inflation (CPI)	E-o-p % change	-0.4	3.4	3.6	4.1	2.2	0.1	2.2	-0.1 Jun.
	Avg % change	1.0	2.1	4.5	2.5	3.3	1.5	3.3	0.3 Jun.
Public finances									
Total revenue	% of GDP	27.6	28.6	25.6	24.1	25.3	24.1	27.3	
Grants	% of GDP	5.5	6.8	2.9	2.8	3.1	2.4	3.2	
Total expenditure	% of GDP	33.3	39.0	33.3	34.6	33.0	33.0	35.2	
Overall balance (commitment basis)	% of GDP	-5.8	-10.6	-7.7	-10.5	-7.5	-9.0	-8.1	
Excluding grants	% of GDP	-11.3	-17.4	-10.6	-13.3	-10.6	-11.4	-11.3	
Domestic debt	% of GDP	28.3	29.5	29.1	30.5		31.3	31.9 May	
of which: TCMF ^(a)	% of GDP	8.4	8.2	7.7	7.6		7.3	7.0 May	
Money and credit									
Claims on general government (net)	Annual % change	7.0	-10.3	12.7	20.3	24.6	10.3	19.6	13.0 May ^(e)
Credit to the economy	Annual % change	11.8	12.0	11.8	0.3	4.5	1.2	13.0	-0.9 May ^(e)
Broad money (M3)	Annual % change	3.3	5.9	3.6	6.0	5.8	10.8	7.8	0.7 May ^(e)
Interest rates ^(b)									
One-year deposits (average of OMs)	Annual rate	4.14	4.53	4.22	3.80		4.29	4.34 May	
Rediscount	Annual rate	7.50	7.50	7.50	9.75		9.75	8.25 May	
Liquidity provision	Annual rate	8.25	7.25	7.25	8.75		8.75	7.25 May	
Treasury bills (91 days)	Annual rate	3.59	4.00	4.10	4.06		2.88	1.50 May	
Balance of payments									
Exports (current USD)	Annual % change	-19.1	46.0	56.0	-13.1	-2.4	7.8	7.2	
Imports (current USD)	Annual % change	-12.0	6.2	29.5	-20.9	6.0	-2.0	15.1	
Current account	% of GDP	-14.6	-13.5	-16.3	-10.9	-9.8	-2.8	-9.2	
Excluding official transfers	% of GDP	-19.6	-19.9	-20.0	-14.3	-11.9	-5.8	-10.9	
Current and capital account	% of GDP	-11.9	-11.1	-15.6	-10.2	-10.3	-2.4	-9.0	
Net international reserves	Months of imports ^(d)	4.2	4.2	3.2	4.0	4.1	5.0	5.0	4.5 May
External debt									
Total	EUR millions	527.9	638.8	762.5	928.7		1,069.8	1,101.2 May	
	% of GDP	42.8	50.8	56.8	67.9		75.9	74.2 May	
	% of exports ^(d)	128.4	133.1	134.5	152.9		167.5	161.5 May	
Debt service	% of exports ^(d)	5.5	4.7	4.1	4.3		4.6	4.5 May	
Exchange rates (averages)									
EUR/CVE (official market)	Average rate	110.3	110.3	110.3	110.3	110.3	110.3	110.3	110.3 Jun.
USD/CVE (official market)	Average rate	79.4	83.3	79.3	85.8	84.2	83.1	83.0	81.1 Jun.
Nominal EERI (Index, 100: 2000) ^(c)	Annual % change	0.3	-1.3	0.0	0.6		1.0	-0.4 Jun. ^(e)	
Real EERI (Index, 100: 2000) ^(c)	Annual % change	1.3	-0.9	0.9	0.3		1.2	-2.4 Jun. ^(e)	

Sources: Banco de Cabo Verde, Ministry of Finance (Cabo Verde), IMF and Banco de Portugal calculations.

Notes: (a) Títulos Consolidados de Mobilização Financeira (consolidated financial mobilisation securities); (b) Monthly averages (corresponding to December for annual figures); (c) Effective exchange rate index (EERI), calculated on the basis of official exchange rates applied to the currencies of Cape Verde's four main trading partners over the period 2005/09 (appreciation: +; depreciation: -); (d) Imports and exports of goods and services; (e) Change from the previous December.

Table 17 • Gross domestic product

Current prices, CVE millions

	2007	2008	2009	2010	2011	2012	2013	2014
						Est.	Est.	Proj.
Primary sector	11,191	11,456	12,077	11,779	12,214	12,975		
Agriculture, livestock and forestry	9,386	9,655	10,043	9,705	10,595			
Fishing and aquaculture	1,003	786	1,261	1,367	1,030			
Mining and quarrying	802	1,014	774	708	589			
Secondary sector	19,816	24,253	25,398	24,441	25,666	25,275		
Food, beverages and tobacco products	2,704	3,365	3,810	3,974	4,632			
Other manufactured products	2,837	3,161	2,879	3,554	3,452			
Electricity, gas, water	900	1,318	2,125	1,940	2,227			
Construction	13,376	16,409	16,584	14,973	15,355			
Tertiary sector	74,355	80,511	81,782	84,751	89,645	93,685		
Whole. & retail trade, repair of motor vehicles	15,389	15,540	16,833	17,610	18,994			
Accommodation and food service activities	4,255	4,712	4,653	4,793	5,976			
Transportation, storage and communication	19,929	22,083	20,917	21,035	20,296			
Financial and insurance activities	4,844	6,016	5,316	5,119	5,030			
Other market services	13,897	15,465	15,587	16,668	17,899			
Non-market services	16,041	16,695	18,476	19,526	21,450			
Gross value added	105,362	116,219	119,258	120,970	127,525	131,935		
Taxes and subsidies on products	16,612	18,479	16,621	17,598	20,399	18,789		
Gross domestic product (m.p.)	121,974	134,698	135,879	138,569	147,924	150,724	155,359	163,659
Consumption	98,067	104,603	111,547	112,865	120,265	122,813	131,698	138,769
Public	21,296	22,739	24,708	25,536	27,401	29,499	30,358	33,425
Private	76,770	81,864	86,839	87,328	92,864	93,314	101,340	105,344
Investment	60,731	65,376	59,501	66,024	70,277	54,128	45,415	46,299
Gross fixed capital formation	53,944	57,285	52,337	62,625	69,128	49,177	41,249	42,883
Public	10,085	14,828	14,403	23,935	17,286	19,765	17,560	16,959
Private	43,858	42,457	37,934	38,690	51,842	29,412	23,689	25,924
Changes in inventories	6,787	8,091	7,164	3,399	1,149	4,951	4,166	3,416
Domestic demand	158,798	169,979	171,048	178,889	190,542	176,941	177,113	185,068
Exports of goods and services	38,470	43,242	36,699	40,059	46,555	52,638	55,699	59,013
Overall demand	197,268	213,221	207,747	218,948	237,098	229,579	232,812	244,081
Imports of goods and services	75,294	78,523	71,867	80,379	89,173	78,855	77,453	80,422
Memo items:								
Gross domestic savings								
Nominal GDPmp (EUR millions)	23,907	30,095	24,332	25,704	27,659	27,911	23,660	24,890
Nominal GDPmp (USD millions)	1,106	1,222	1,232	1,257	1,342	1,367	1,409	1,484
GDP deflator (annual % change)	1,513	1,788	1,712	1,664	1,866	1,756	1,870	1,971
Nominal GDP (annual % change)	3.9	3.5	2.2	0.5	2.7	0.6	2.6	2.3
Real GDP (annual % change)	13.5	10.4	0.9	2.0	6.8	1.9	3.1	5.3
PIB real (variação anual em %)	9.2	6.7	-1.3	1.5	4.0	1.2	0.5	3.0

Sources: Cabo Verde National Institute of Statistics, Banco de Cabo Verde, IMF and Banco de Portugal calculations.

Table 18 • Consumer price index

Per cent

		Monthly change	End-of-period change	Average change
		[1]	[2]	[3]
2001	December	–	4.14	3.35
2002	December	–	2.98	1.88
2003	December	–	-2.28	1.19
2004	December	–	0.61	-1.89
2005	December	–	1.80	0.40
2006	December	–	5.81	4.85
2007	December	–	3.97	4.40
2008	December	–	6.69	6.78
2009	December	–	-0.37	0.98
2010	December	–	3.43	2.08
2011	December	–	3.58	4.47
2012	December	–	4.15	2.54
2013	December	–	0.08	1.51
2012	January	-0.61	2.95	4.45
	February	0.70	2.48	4.32
	March	0.00	2.03	4.13
	April	0.43	1.04	3.77
	May	0.86	2.00	3.50
	June	0.26	1.55	3.19
	July	1.02	2.50	2.97
	August	-0.17	2.15	2.80
	September	0.59	2.23	2.59
	October	0.75	3.62	2.52
	November	-0.17	3.81	2.49
	December	0.42	4.15	2.54
	December (proj.)	–	4.00	2.60
2013	January	-0.25	4.52	2.67
	February	-0.67	3.11	2.73
	March	-0.50	2.59	2.77
	April	0.17	2.32	2.88
	May	0.00	1.45	2.83
	June	0.00	1.19	2.80
	July	0.50	0.67	2.64
	August	0.42	1.26	2.57
	September	0.42	1.09	2.47
	October	-0.25	0.08	2.17
	November	-0.25	0.00	1.85
	December	0.50	0.08	1.51
	December (proj.)	–	2.20	3.30
2014	January	-0.33	0.00	1.14
	February	-0.17	0.50	0.93
	March	-0.42	0.59	0.76
	April	-0.67	-0.25	0.55
	May	0.08	-0.17	0.42
	June	0.08	-0.08	0.31
	December (proj.)	–	2.20	3.30

Sources: Banco de Cabo Verde and Banco de Portugal calculations.

Notes: [1] month (n)/month (n-1); [2] month (n)/month (n) of the previous year; [3] last 12 months/previous 12 months.

Table 19 • Balance of payments

CVE millions

	2010	2011	2012	2013		2014		
	Est.	Est.	Est.	Proj.	Q I	Est.	Proj.	Q I
1. Current account	-18,722	-24,093	-16,456	-15,878	688	-4,288	-15,106	134
Trade balance	-56,822	-67,206	-56,176	-59,653	-11,159	-51,801	-60,866	-11,162
Exports (f.o.b.) ^(a)	11,282	16,759	15,777	15,106	3,264	16,462	17,642	5,054
Imports (f.o.b.)	-68,104	-83,965	-71,953	-74,760	-14,423	-68,263	-78,509	-16,216
Services	16,529	20,448	23,936	28,338	7,865	30,393	31,426	7,966
Exports	41,634	45,749	51,208	54,140	13,719	53,951	57,558	12,632
of which: Transport	14,321	11,749	10,806		2,979	10,149		2,544
Tourism	22,026	27,851	33,799	36,718	8,965	36,716	40,247	8,656
Imports	-25,105	-25,300	-27,272	-25,802	-5,854	-23,558	-26,133	-4,666
of which: Transport	-8,472	-8,953	-8,589		-2,143	-6,981		-1,359
Tourism	-4,838	-4,579	-4,343		-924	-3,728		-581
Income	-6,710	-5,798	-6,448	-5,513	-959	-5,137	-6,065	-1,532
Exports	1,171	1,124	1,068	1,103	155	1,121	1,158	130
of which: Income f/ the TF ^(b) (prev. year)	518	486	373	373	0	373	373	0
Imports	-7,881	-6,922	-7,515	-6,616	-1,115	-6,258	-7,222	-1,662
of which: Interest on sched. public debt	-667	-805	-1,151	-1,213	-351	-1,407	-1,433	-363
Current transfers	28,281	28,463	22,233	20,950	4,941	22,257	20,399	4,862
Official transfers	8,790	5,535	5,084	3,528	842	4,796	2,757	1,102
Private transfers	19,492	22,928	17,148	17,422	4,100	17,461	17,642	3,760
of which: Emigrant remittances	10,338	13,381	14,446		2,906	13,762		3,372
2. Capital and financial account	27,944	22,115	23,811	17,312	4,489	16,306	20,399	2,029
Capital account	3,311	985	1,122	-882	120	533	441	389
Capital transfers	3,311	985	1,122	-882	120	533	441	389
Financial account	24,634	21,130	22,689	18,194	4,369	15,773	19,958	1,640
Direct investment	9,645	8,312	4,832	6,120	1,404	3,017	4,411	-534
Portfolio investment	458	0	-134	0	20	19	0	0
Other transactions	14,531	12,818	17,990	12,074	2,945	12,737	15,547	2,174
of which: Disburs. of loans to gen. gov.	16,488	16,043	18,930	19,737	2,774	17,787	18,635	4,874
Scheduled amortisation	-1,832	-1,778	-1,723	-1,875	-351	-1,811	-1,985	-555
3. Errors and omissions	-6,969	-2,454	-3,329	0	-3,942	-6,516	0	-2,746
4. Overall balance: (1)+(2)+(3)	2,253	-4,432	4,026	1,433	1,235	5,502	5,293	-583
5. Financing	-2,253	443	-4,026	-1,433	-1,235	-5,502	-5,293	583
Change in internat. reserves (increase: -)	-2,185	3,676	-4,026	-1,433	-1,235	-5,502	-5,293	583
Exceptional financing	-68	756	0	0	0	0	0	0
of which: Drawings from ACC Facility ^(c)	0	0	0	0	0	0	0	0
Reimb. of ACC Facility ^(c)	0	0	0	0	0	0	0	0
Change in arrears (increase: +)	-68	756	0	0	0	0	0	0
6. Financing GAP ^(d) : (4)+(5)	0	0	0	0	0	0	0	0
Memo items:								
Current account (% of GDP)	-13.5	-16.3	-10.9	-10.2	-	-2.8	-9.2	-
Current and capital account (% of GDP)	-11.1	-15.6	-10.2	-10.8	-	-2.4	-9.0	-
International reserves (in months of imports) ^(e)	4.2	3.2	4.0	4.1	4.1	5.0	5.0	4.3

Sources: Banco de Cabo Verde, IMF and Banco de Portugal calculations.

Notes: (a) Includes sales of fuel to ships and re-exports; (b) Offshore fund (Trust Fund) to support the conversion of domestic debt; (c) Foreign exchange cooperation agreement (Acordo de Cooperação Cambial) between Portugal and Cabo Verde; (d) Net lending (+) / net borrowing (-); (e) Net external assets of Banco de Cabo Verde and imports of goods and services in the year.

Table 20 • Merchandise exports

Destinations as a percentage of total exports

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2005 to 2013
Germany	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Spain	21.3	27.3	20.9	37.2	62.0	72.6	70.2	76.3	67.4	56.8
The Netherlands	0.6	0.6	0.2	0.5	0.5	0.3	0.2	0.2	0.2	0.3
Portugal	51.6	49.8	58.3	40.6	33.6	22.7	18.0	16.0	16.2	29.0
USA	12.3	1.4	1.4	0.4	0.9	1.6	0.5	1.3	1.1	1.9
Other	14.1	20.9	19.2	21.3	3.0	2.8	11.1	6.2	15.0	12.0
Total exports	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Sources: Banco de Cabo Verde, IMF and Banco de Portugal calculations.

Table 21 • Merchandise imports

Origins as a percentage of total exports

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2005 to 2013
Germany	0.7	1.1	1.4	1.6	2.3	0.4	0.5	1.0	1.4	1.2
Brazil	8.0	6.4	6.3	5.7	4.5	3.7	2.7	4.0	3.6	4.7
Spain	7.6	5.6	4.5	7.3	9.8	10.6	9.9	7.2	7.9	8.0
USA	2.7	1.4	1.2	0.9	1.0	1.6	0.9	5.3	1.2	1.8
The Netherlands	15.7	11.2	16.3	17.0	16.7	16.8	19.1	15.0	20.8	16.9
Portugal	45.6	50.2	45.2	50.3	48.3	51.4	44.7	48.2	43.8	47.5
Other	19.6	24.1	25.1	17.3	17.3	15.4	22.0	19.3	21.4	20.1
Total imports	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Sources: Banco de Cabo Verde, IMF and Banco de Portugal calculations.

Table 22 • Public debt

CVE millions

	2007	2008	2009	2010	2011	2012	2013	May 14	
				Est.	Est.	Est.	Est.	Est.	
Total external debt	48,664	51,880	58,210	70,433	84,074	102,404	117,962	121,426	
Multilateral creditors	40,391	42,248	46,185	48,274	49,777	53,261	54,159	54,026	
Bilateral creditors	8,273	9,632	12,026	22,159	34,297	49,143	63,803	67,400	
Government	5,608	7,375	9,846	13,369	18,131	21,800	23,993	24,225	
Other	2,665	2,257	2,179	8,790	16,166	27,343	39,810	43,175	
Total domestic debt	38,991	36,492	38,519	40,907	43,106	45,934	48,618	52,140	
of which: Treasury bills	4,285	3,005	1,730	600	1,550	680	682	2,630	
Treasury bonds	21,207	20,182	23,870	27,369	28,609	32,254	34,870	36,470	
Banking system	16,082	13,421	14,379	15,162	17,236	17,429	20,801	25,067	
Non-banking system	11,520	11,682	12,752	14,356	14,482	17,117	16,428	15,685	
TCMF ^(a)	11,389	11,389	11,389	11,389	11,389	11,389	11,389	11,389	
				(% of GDP)					
Total external debt	39.9	38.5	42.8	50.8	56.8	67.9	75.9	74.2	
Total domestic debt (excluding TCMF)	22.6	18.6	20.0	21.3	21.4	22.9	24.0	24.9	
TCMF	9.3	8.5	8.4	8.2	7.7	7.6	7.3	7.0	
Total domestic debt (including TCMF)	32.0	27.1	28.3	29.5	29.1	30.5	31.3	31.9	
				(% of exports of goods and services)					
Total external debt	105.9	97.3	128.4	133.1	134.5	152.9	167.5	161.5	
Medium and long-term debt service	5.1	4.6	5.5	4.7	4.1	4.3	4.6	4.5	

Sources: Banco de Cabo Verde, Ministry of Finance (Cabo Verde), IMF and Banco de Portugal calculations.

Notes: (a) Títulos Consolidados de Mobilização Financeira (consolidated financial mobilisation securities).

Table 23 • Government operations

CVE millions

	2010	2011	2012	2013				2014		
	Est.	Est.	Est.	Budg.	Q I	Est.	I.e. ^(a)	Budg.	Q I	I.e. ^(a)
1. Total revenue	39,679	37,915	36,385	41,079	8,690	37,420	91.1	44,623	12,326	27.6
1.1. Current revenue	30,239	33,573	32,183	36,054	8,271	33,629	93.3	39,346	7,984	20.3
Taxes	26,241	29,581	27,268	29,639	6,708	27,500	92.8	32,692	6,726	20.6
Income taxes	7,892	8,678	8,311	8,497	2,307	8,325	98.0	9,572	2,110	22.0
Taxes on goods and services	12,015	13,840	12,512	14,440	2,970	12,808	88.7	16,159	3,216	19.9
of which: VAT	10,521	11,603	10,405	11,500	2,398	10,522	91.5	12,893	2,536	19.7
Taxes on international trans.	5,634	6,228	5,778	5,816	1,267	5,700	98.0	6,129	1,208	19.7
Other taxes	701	835	668	885	164	668	75.4	832	191	23.0
Social contributions	42	37	43	4	9	38	-	17	10	59.7
Transfers (Public Admin)	0	0	0	26	0	0	-	0	3	-
Other revenue	3,956	3,956	4,872	6,386	1,553	6,091	95.4	6,637	1,245	18.8
1.2. Grants	9,440	4,342	4,203	5,021	419	3,791	75.5	5,241	4,342	82.9
1.3. Transf. f/ state owned entrep. ^(b)	0	0	0	4	0	0	0.0	36	0	0.0
2. Total expenditure ^(c)	54,060	49,214	52,127	53,578	10,309	51,344	95.8	57,662	22,854	39.6
2.1. Current expenditure ^(d)	33,099	34,329	34,464	39,181	7,727	35,720	91.2	43,694	7,968	18.2
of which: From invest. projects	5,602	5,515	4,668	6,379	650	4,477	70.2	8,372	5,515	65.9
Compensation of employees	14,810	15,679	15,886	17,761	3,929	16,495	92.9	18,486	4,129	22.3
Goods and services	5,171	5,248	4,995	6,591	672	4,757	72.2	8,396	729	8.7
Interest	2,173	2,276	2,863	3,681	703	3,426	93.1	4,200	743	17.7
of which: Domestic debt	1,460	1,425	1,715	1,850	314	1,878	101.5	2,266	368	16.2
External debt	699	852	1,142	1,753	383	1,489	84.9	1,838	376	20.4
Subsidies	752	994	274	434	38	101	23.3	170	31	18.5
Transfers	4,939	4,309	4,070	4,636	889	4,073	87.9	5,371	862	16.0
Social benefits	2,893	3,715	3,918	3,852	1,013	4,148	107.7	3,986	1,047	26.3
Other expenditure	2,362	2,107	2,457	2,227	274	2,046	91.8	3,085	216	7.0
of which: Scholarships	455	465	565	585	110	568	97.2	584	75	12.9
2.2. Investment programme	20,961	14,885	17,663	14,397	2,582	15,624	109	13,968	14,885	106.6
3. Non-financial assets: (3.1-3.2)	248	27	81	-315	3	27	-8.4	198	27	13.4
3.1. Purchase of non-financial assets	252	97	81	35	3	41	116.0	198	97	48.7
3.2. Sale of non-financial assets	4	70	0	350	0	14	4.1	1	70	-
4. Current balance: (1.1-2.1)	-2,860	-755	-2,281	-3,127	544	-2,090	-	-4,348	16	-
5. Overall balance excl. grants: (1-2-3-1.2)	-24,069	-15,667	-20,025	-17,205	-2,041	-17,741	-	-18,477	-14,896	-
6. Overall balance (commitment basis): (1-2-3)	-14,629	-11,325	-15,823	-12,184	-1,622	-13,950	-	-13,237	-10,554	-
7. Financing	14,629	11,325	15,823	12,184	1,572	13,950	-	13,236	11,325	-
7.1. Financial assets	-1,445	-5,350	-6,645	-7,265	-1,544	-7,718	-	-8,244	-5,350	-
Loan repay. to state ow. enterpr.	29	58	0	238	0	4	-	354	58	-
Loans to state owned enterprises	-1,459	-5,362	-5,601	-4,941	-990	-7,175	-	-7,652	-5,362	-
Shares and other equity	-15	-46	-1,044	-1,500	-553	-546	-	-500	-46	-
Other financial assets	0	0	0	-1,062	0	0	-	-446	0	-
7.2. Financial liabilities	16,075	16,676	22,468	19,449	3,116	21,668	-	21,480	16,676	-
External (net)	14,524	14,237	17,728	15,724	2,780	19,722	-	17,257	14,237	-
Disbursements	16,498	16,052	19,474	17,724	3,403	21,497	-	19,319	16,052	-
Amortisation	-1,975	-1,815	-1,746	-2,001	-623	-1,775	-	-2,062	-1,815	-
Domestic (net)	1,551	2,439	4,740	3,726	336	1,946	-	4,224	2,439	-
Banking system	-1,936	2,143	3,849	2,658	1,451	2,350	-	3,186	2,143	-
Other	3,486	296	891	1,067	-1,115	-404	-	1,037	296	-
8. Fin. gap/discrepancy ^(e) : (6+7)	0	0	0	0	-49	0	-	0	771	-

Sources: Banco de Cabo Verde, Ministry of Finance (Cabo Verde), IMF and Banco de Portugal calculations.

Notes: (a) Level of budget execution (%); (b) Share of capital expenditure of public enterprises (usually to finance infrastructures related to the activities of these enterprises); (c) Includes expenditure on arrears and expenditure that is not classified; (d) Includes values to settle in 2011 and 2012; (e) Net borrowing (+) / net lending (-).

Table 24 • Monetary survey
CVE millions

	2009		2010		2011		2012		2012/2011		2013		2013/2012		2014		2014p/2013		2014	
	Est.	Proj.	Est.	Proj.	Est.	Proj.	Est.	Proj.	[1]	[2]	Est.	Proj.	[1]	[2]	Est.	Proj.	[1]	[2]	March	May
External position	28,442	29,417	23,060	27,897	21,0	4.2	29,420	35,270	26.4	6.0	35,270	38,619	9.5	2.5	37,345	37,345	9.5	2.5	37,345	35,637
Foreign assets (net)	31,064	33,686	26,810	29,164	8.8	2.0	36,394	36,394	24.8	5.9	36,394	38,437	38.437	37,106	38,437	38,437	38.437	37,106	38,437	37,106
Banco de Cabo Verde	30,445	32,505	28,837	32,861	14.0	3.5	38,360	38,360	16.7	4.5	38,360	37,777	37,777	39,402	37,777	37,777	37,777	39,402	37,777	39,402
Net foreign assets	30,242	32,427	28,752	32,778	14.0	3.5	34,450	38,280	16.8	4.5	38,280	43,652	14.0	4.0	37,697	43,652	14.0	4.0	37,697	39,321
Other assets (net)	203	78	86	83	-2.8	0.0	80	80	-3.8	0.0	80	80	80	81	80	80	80	81	80	81
Commercial banks	619	1,181	-2,028	-3,698	82.4	-1.4	-1,965	-1,965	-46.8	1.4	-1,965	660	660	-2,296	660	660	660	-2,296	660	-2,296
Medium and long-term liabilities	-2,622	-4,269	-3,750	-1,267	-66.2	2.1	-1,124	-1,124	-11.2	0.1	-1,124	-1,091	-1,091	-1,469	-1,091	-1,091	-1,091	-1,469	-1,091	-1,469
Domestic assets (net)	77,010	82,245	92,589	94,693	2.3	1.8	100,265	100,586	6.2	4.8	100,586	107,773	7.1	5.3	100,961	107,773	7.1	5.3	100,961	101,177
Total domestic credit	93,324	100,330	112,326	116,458	3.7	3.6	126,319	119,956	3.0	2.9	119,956	137,204	14.4	12.7	121,395	137,204	14.4	12.7	121,395	122,347
Net claims on general government	18,784	16,848	18,992	22,841	20.3	3.3	28,454	25,191	10.3	1.9	25,191	30,131	19.6	3.6	27,212	30,131	19.6	3.6	27,212	28,457
of which: on Central government	7,528	5,954	8,362	12,176	45.6	3.3	16,468	14,268	17.2	1.7	14,268	17,872	25.3	2.7	16,941	17,872	25.3	2.7	16,941	18,126
investment in TCMF ^(a)	11,339	11,597	10,802	11,192	3.6	0.3	11,499	11,192	0.0	0.0	11,192	11,499	2.7	0.2	11,192	11,499	2.7	0.2	11,192	11,192
Credit to the economy	74,540	83,481	93,334	93,617	0.3	0.2	97,865	94,765	1.2	0.9	94,765	107,073	13.0	9.1	94,183	107,073	13.0	9.1	94,183	93,890
Public enterprises	189	174	863	824	-4.5	0.0	721	721	-12.5	-0.1	721	726	726	708	726	726	726	708	726	708
Private sector	74,351	83,307	92,471	92,794	0.3	0.3	94,044	94,044	1.3	1.0	94,044	93,457	93,457	93,182	93,457	93,457	93,457	93,182	93,457	93,182
Credit to NMFH	0	0	0	0	-	-	0	0	-	-	0	0	0	0	0	0	0	0	0	0
Other items (net)	-16,314	-18,085	-19,737	-21,765	-10.3	-1.8	-26,054	-19,369	11.0	2.0	-19,369	-29,431	-51.9	-7.4	-20,434	-29,431	-51.9	-7.4	-20,434	-21,170
Total assets	105,452	111,662	115,649	122,590	6.0	-	129,685	135,856	10.8	-	135,856	146,392	7.8	-	138,306	146,392	7.8	-	138,306	136,814
Broad money	105,452	111,662	115,649	122,590	6.0	6.0	129,685	135,856	10.8	10.8	135,856	146,392	7.8	7.8	138,306	146,392	7.8	7.8	138,306	136,814
Base money	26,830	25,922	24,439	32,574	33.3	7.0	33,791	38,427	18.0	4.8	38,427	43,201	12.4	3.5	40,131	43,201	12.4	3.5	40,131	41,549
Currency in circulation	8,362	8,514	8,376	7,886	-5.9	-0.4	7,553	8,096	2.7	0.2	8,096	9,125	12.7	0.8	7,526	9,125	12.7	0.8	7,526	7,452
Demand deposits in national currency	31,505	35,050	31,113	33,187	6.7	1.8	40,416	39,462	18.9	5.1	39,462	45,024	14.1	4.1	40,788	45,024	14.1	4.1	40,788	40,019
Quasi-money	65,585	68,098	76,159	81,517	7.0	4.6	81,715	88,298	8.3	5.5	88,298	92,243	4.5	2.9	89,993	92,243	4.5	2.9	89,993	89,343
Total liabilities	105,452	111,662	115,649	122,590	6.0	-	129,685	135,856	10.8	-	135,856	146,392	7.8	-	138,306	146,392	7.8	-	138,306	136,814

Sources: Banco de Cabo Verde, IMF and Banco de Portugal calculations.

Notes: (a) Offshore fund (Trust Fund) to support the conversion of domestic debt by issuing Títulos Consolidados de Mobilização Financeira (consolidated financial mobilisation securities).

[1] Change from the end of the previous year; [2] Change in per cent of the initial stock of money supply (expansion / contraction determinants).

Table 25 • Interest rates

Annual rates, per cent

	2007	2008	2009	2010	2011	2012	2013				2014	
	Dec.	Dec.	Dec.	Dec.	Dec.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	May
Lending rates												
7 - 30 days	12.84	11.59	12.99	13.91	9.33	11.54	12.33	11.42	12.98	12.46	11.84	12.91
31 - 90 days	9.79	11.80	12.09	11.55	9.38	11.69	12.07	12.77	11.52	11.33	10.90	11.36
91 - 180 days	10.78	10.17	11.26	11.80	9.04	10.11	10.03	10.14	11.17	11.20	10.57	10.57
181 days - 1 year	9.83	9.33	9.30	9.04	9.52	9.31	9.41	9.18	8.47	8.97	9.45	9.02
1 - 2 years	11.81	11.82	10.69	10.08	10.13	10.03	10.88	10.51	10.43	10.38	10.46	10.68
2 - 5 years	12.03	11.15	10.84	10.05	10.07	10.21	10.14	9.99	10.22	10.46	10.66	10.77
5 - 10 years	10.71	10.27	10.20	10.23	9.55	9.51	9.27	9.40	9.49	9.47	9.66	9.72
Over 10 years	10.77	10.43	10.12	9.83	9.22	8.83	8.79	8.80	8.84	8.91	8.83	8.80
Overdraft	16.04	15.38	14.95	15.72	16.27	16.30	16.55	16.51	18.31	17.85	18.02	18.07
Deposit rates												
Residents												
7 - 30 days	4.10	3.06	3.01	2.94	2.91	3.35	3.39	3.38	4.59	4.43	2.00	2.53
31 - 90 days	3.05	2.83	3.40	3.39	3.40	4.08	4.40	4.20	4.22	4.26	4.19	3.90
91 - 180 days	3.69	3.85	4.26	4.10	4.04	4.13	4.04	4.00	4.14	4.15	3.73	3.61
181 days - 1 year	4.16	4.15	4.14	4.53	4.22	3.80	4.27	4.28	4.28	4.29	4.33	4.34
1 - 2 years	4.17	4.19	4.47	4.14	4.67	4.85	5.18	5.39	4.93	4.91	4.90	4.83
Non-residents												
7 - 30 days	2.25	2.21	1.62	2.98	2.98	2.06	2.20	2.16	4.24	4.01	2.35	2.59
31 - 90 days	3.56	3.81	1.81	2.88	3.13	4.06	3.52	3.89	3.39	3.75	2.78	2.53
91 - 180 days	3.99	3.99	3.52	3.92	3.76	3.77	4.03	3.88	4.07	3.85	3.78	3.50
181 days - 1 year	4.31	4.19	3.96	3.91	3.98	3.42	4.01	4.05	4.04	4.12	4.22	3.91
1 - 2 years	4.08	4.14	4.59	4.66	4.72	5.09	5.29	5.60	5.24	4.79	5.08	4.95
Emigrants												
7 - 30 days	3.70	3.42	3.49	3.49	3.49	1.76	1.77	1.77	4.28	4.31	2.54	2.36
31 - 90 days	3.41	3.43	3.48	3.51	3.52	5.56	5.47	5.48	4.25	4.49	3.42	3.34
91 - 180 days	4.20	4.13	4.08	4.10	4.22	4.04	4.45	4.32	4.34	4.33	3.67	4.68
181 days - 1 year	4.33	4.32	3.71	4.14	4.17	3.69	4.15	4.15	4.16	4.17	4.13	4.17
1 - 2 years	4.36	4.25	4.44	4.93	4.99	5.48	5.63	5.63	5.48	5.42	5.40	5.32
Reference rates												
BCV instruments												
Rediscount	8.50	7.50	7.50	7.50	7.50	9.75	9.75	9.75	9.75	9.75	8.25	8.25
Liquidity provision	7.50	8.25	8.25	7.25	7.25	8.75	8.75	8.75	8.75	8.75	7.25	7.25
Liquidity absorption	1.00	2.75	2.75	1.75	1.75	3.25	3.25	3.25	1.00	1.00	1.00	1.00
TRM (14 days)	4.00	5.25	5.25	4.25	4.25	5.75	5.75	3.49	2.16		0.64	0.73
Treasury bills												
91 days		3.40	3.59	4.00	4.10			3.63				1.50
182 days	3.49				4.19							1.94
364 days	3.49					4.50						
Memo item:												
Inflation (e-o-p % change)	3.97	6.69	-0.37	3.43	3.58	4.15	2.59	1.19	1.09	0.08	0.59	-0.17

Sources: Banco de Cabo Verde and Banco de Portugal calculations.

Notes: Lending and deposit rates shown refer to effective interest rates by calculating average rates weighted by the amounts of credit / investments regarding lending / deposit operations applied to residents, non-residents and emigrants.

Table 26 • Exchange rates

Average rates

	USD/CVE	EERI ^(a) Index, 100: 2000		
		Nominal	Real	
2001	123.21	101.59	100.47	
2002	117.26	103.41	100.28	
2003	97.80	105.53	99.60	
2004	88.74	105.91	95.64	
2005	88.65	104.42	92.31	
2006	87.93	103.67	94.35	
2007	80.62	103.47	96.16	
2008	75.34	103.46	99.75	
2009	79.38	103.75	101.01	
2010	83.28	102.45	100.14	
2011	79.28	102.43	101.01	
2012	85.84	103.00	101.33	
2013	83.07	104.01	102.52	
2012	January	85.58	102.38	99.76
	February	83.47	102.26	100.09
	March	83.51	102.57	99.34
	April	83.77	102.80	99.54
	May	86.01	103.10	100.87
	June	88.02	103.19	101.45
	July	89.69	102.96	101.99
	August	89.05	103.04	101.83
	September	85.89	103.31	102.21
	October	85.01	103.39	102.73
	November	85.98	103.44	102.92
	December	84.10	103.66	103.41
2013	January	83.09	103.58	103.97
	February	82.45	103.40	102.94
	March	84.95	103.20	100.87
	April	84.81	103.31	100.98
	May	84.92	103.41	100.90
	June	83.64	104.04	101.49
	July	84.31	104.26	102.23
	August	82.83	104.70	103.53
	September	82.70	104.49	103.42
	October	80.91	104.37	103.07
	November	81.72	104.65	103.33
	December	80.54	104.94	103.86
2014	January	80.95	105.02	104.64
	February	80.82	105.05	104.56
	March	79.76	104.96	102.88
	April	79.84	104.63	101.43
	May	80.23	104.54	101.39
	June	81.14	104.50	101.42

Sources: Banco de Cabo Verde and Banco de Portugal calculations.

Notes: (a) Effective exchange rate index (EERI), calculated on the basis of official exchange rates applied to the currencies of Cabo Verde's four main trading partners over the period 2005 – 2009 (appreciation: +; depreciation: -).

3. GUINEA-BISSAU

Area: 36,125 Km²

Capital city: Bissau

Population: 1,716 thousand
(2013; source: ONU)

Currency: CFA franc

Political instability continued to affect Guinea-Bissau's economy in 2013, which grew modestly, accompanied by a generalised drop in prices. In spite of decreased support from development partners, the external accounts showed signs of recovering from the imbalances seen in the previous year, while public finances deteriorated, mainly due to weak revenue collection, resulting in an accumulation of arrears and an increase in external debt.

3.1. Guinea-Bissau overview

Throughout 2013, economic developments in Guinea-Bissau continued to be affected by the April 2012 political instability. Nevertheless, the economy showed some signs of recovering from the previous year, with gross domestic product increasing by 0.3 per cent. The election of a new President of the Republic and a new National Popular Assembly as a result of the general elections that took place in the first half of 2014 is expected to help normalise the country's political climate and create the conditions needed for a stronger economic recovery. The latest forecasts from the International Monetary Fund (IMF) predict growth of 2.7 per cent this year. More optimistic forecasts for economic developments are also supported by more favourable price prospects for cashew nuts, Guinea-Bissau's main export. Support by traditional donors is expected to return, after decreasing markedly as a result of the country's political situation, and to be another factor driving economic growth in 2014.

Weak economic performance and subdued domestic demand in the past few years help explain the stronger downward trend in overall prices that started in mid-2011, to such an extent that the economy recently started experiencing deflation. Nevertheless, prices are expected to recover in the second half of this year, in view of a more optimistic outlook for the economy.

The external accounts improved somewhat from 2012, in spite of a decrease in support from the country's development partners. The

trade deficit (although affected by a sharp drop in the international price of cashew nuts) registered a decrease and the current account balance improved considerably. In addition, a recovery in foreign direct investment and other investment categories resulted in the balance of payments returning to a surplus. The external transactions balance is projected to remain positive and fairly stable in 2014 compared with 2013, with the increase in the trade deficit expected to be financed by a recovery in grants and new disbursements.

The improvement in the external accounts resulted in an accumulation of foreign exchange reserves, which had clearly declined in 2012, markedly contributing to a decrease in broad money. As a result of this recovery and moderate growth in domestic credit, broad money returned to growth in 2013, in the absence of inflationary pressures. This growth in broad money extended into April 2014, although projections point to a new contraction.

Developments in public finances were less positive (particularly revenue collection, mainly due to a decrease in grants and tax revenue). In spite of the fiscal restraint efforts, public deficit worsened from 2012, resulting in an accumulation of arrears, having a negative effect on external public debt. Revenue collection is expected to recover considerably in 2014 and thereby fund a significant increase in expenditure (particularly public investment). At the end of the year, the fiscal deficit is expected to increase slightly (0.3 percentage points) from 2013.

Table 27 • Main economic indicators

	2010	2011	2012	2013	2014
	Est.	Est.	Est.	Est.	Proj.
Real GDP (annual % change)	4.5	5.3	-1.5	0.3	2.7
Inflation (end-of-period % change)	5.6	3.4	1.7	-0.1	2.8
Broad money (annual % change)	29.6	39.1	-6.0	14.8	-4.8
Current account (% of GDP)	-8.4	-1.4	-9.1	-4.9	-4.9
Fiscal balance (% of GDP)	-0.2	-0.6	-2.7	-3.4	-3.7
External public debt (% of GDP)	35.3	30.1	33.0	33.5	-

Sources: BCEAO branch in Guinea-Bissau and International Monetary Fund.

Table 28 • Main economic indicators

		2009	2010	2011	2012	2013		2014	
			Est.	Est.	Est.	Proj.	Est.	Proj.	Est.
Output and prices									
Nominal GDP	Billions of CFA francs	390.5	418.5	465.1	469.0	501.0	480.4	505.6	
	EUR millions	595.3	638.0	709.0	714.9	763.8	732.4	770.8	
Real GDP	annual % change	3.4	4.5	5.3	-1.5	3.5	0.3	2.7	
Inflation (Consumer Price Index)	end-of-period % change	-4.5	5.6	3.4	1.7	1.7	-0.1	2.8	-1.9 Jun.
	average % change	-2.4	2.3	5.0	2.1	2.6	0.7	2.5	-0.5 Jun.
Public finances									
Total revenue	% of GDP	25.0	20.2	19.5	15.1	14.7	11.2	14.2	
Total expenditure	% of GDP	21.3	20.4	20.1	17.9	14.8	14.5	17.8	
Overall balance	% of GDP	3.7	-0.2	-0.6	-2.7	-0.1	-3.4	-3.7	
Overall balance without grants	% of GDP	-12.2	-9.8	-8.8	-8.1	-4.5	-6.0	-8.1	
Money and credit									
Net claims on government	annual % change	-114.0	n/a	183.3	90.7	-8.4	1.5	-25.8	5.4 Apr. ^(d)
Credit to the economy	annual % change	24.9	56.4	48.3	27.2	14.6	3.6	19.4	-8.9 Apr. ^(d)
Broad money (M2)	annual % change	6.8	29.6	39.1	-6.0	3.1	14.8	-4.8	8.6 Apr. ^(d)
Interest rates									
Deposit (1-year)	annual rate	3.0	3.0	3.0	3.0	3.0	3.0		
Lending (1-year)	annual rate	10.0	11.0	11.0	11.0	11.0	11.0		
Balance of payments									
Exports f.o.b.	annual % change	-5.2	15.8	57.8	-41.4	25.5	5.5	8.2	
Imports f.o.b.	annual % change	7.4	8.5	8.3	-19.1	19.3	-4.4	14.1	
Current account	% of GDP	-5.7	-8.4	-1.4	-9.1	-5.2	-4.9	-4.9	
Current account excl. official transf. ^(a)	% of GDP	-13.0	-10.8	-5.1	-11.6	-9.0	-5.7	-7.0	
External debt									
Total stock	USD millions	1,048.2	298.2	293.1	302.7	270.3	326.0		
	% of GDP	126.7	35.3	30.1	33.0	27.0	33.5		
	% of exports ^(b)	678.0	174.7	104.9	197.7	123.5	195.2		
Debt service	% of exports ^(b)	4.6	5.8	0.3	0.5	1.7	1.0		
Exchange rates									
Bilateral rate EUR/CFA franc (official market)	average rate	656.0	656.0	656.0	656.0	656.0		656.0 Jun.	
Bilateral rate USD/CFA franc (official market)	average rate	472.2	495.0	477.5	510.5	494.1		479.0 Jun.	
Nominal EERI (Index, 100: 2000) ^(c)	annual % change	1.5	-4.5	5.3	1.2	5.9		-1.5 Jun. ^(d)	
Real EERI (Index, 100: 2000) ^(c)	annual % change	-3.8	-4.4	2.6	-0.5	4.1		-2.7 Jun. ^(d)	

Sources: BCEAO branch in Guinea-Bissau, International Monetary Fund and Banco de Portugal calculations.

Notes: (a) Official transfers exclude revenue from fishing licences; (b) Exports of goods and services; (c) Effective Exchange Rate Index (EERI), calculated on the basis of official exchange rates applied to the currencies of Guinea-Bissau's four main trading partners over the period from 2005 to 2009; (d) Changes from the previous December.

Table 29 • Gross domestic product

Current prices, billions of CFA francs

	2009	2010	2011	2012	2013	2014
			Est.	Est.	Est.	Proj.
Primary sector	170.4	188.7	211.4	216.0	223.8	233.7
Agriculture, forestry and fishing	170.4	188.7	211.4	216.0	223.8	233.7
Secondary sector	49.9	53.2	57.2	56.4	59.1	63.1
Industry ^(a)	46.7	48.5	51.9	51.3	53.6	56.6
Construction	3.2	4.7	5.2	5.1	5.5	6.5
Tertiary sector	150.8	153.1	170.7	171.2	172.8	183.0
Trade, restaurants and hotels	80.1	74.6	83.5	80.8	82.9	87.6
Transportation and communication	15.9	16.9	18.9	18.0	19.0	20.1
Public administration	40.5	46.3	51.3	54.8	52.6	55.9
Banking, insurance and other services	14.3	15.3	16.9	17.6	18.3	19.3
Gross Domestic Product (at factor cost)	371.1	395.0	439.2	443.6	455.6	479.8
Indirect taxes	19.4	23.5	25.9	25.3	24.8	25.8
Gross Domestic Product (at market prices)	390.5	418.5	465.1	469.0	480.4	505.6
Consumption	429.3	454.0	458.3	493.2	495.5	526.7
Public	54.0	57.5	58.7	61.6	51.4	58.9
Private	375.3	396.5	399.6	431.6	444.1	467.8
Investment	24.6	28.1	33.8	27.5	26.6	31.2
Public	17.1	18.1	19.4	14.8	13.3	16.6
Private	7.5	10.0	14.4	12.7	13.3	14.6
Domestic demand	453.9	482.1	492.1	520.6	522.0	557.9
Exports	73.0	84.5	133.4	78.2	82.5	89.3
Overall demand	526.9	566.6	625.5	598.8	604.5	647.2
Imports	136.5	148.1	160.4	129.8	124.1	141.6
Memo items:						
Gross domestic savings	-38.9	-35.5	6.8	-24.2	-15.0	-21.1
Nominal GDPmp (USD millions)	827.0	845.5	974.1	918.6	972.4	1,055.6
GDPmp deflator (annual % change)	-2.4	2.6	5.5	2.3	2.1	2.5
Nominal GDPmp (annual % change)	0.9	7.2	11.1	0.8	2.4	5.2
Real GDPmp (annual % change)	3.4	4.5	5.3	-1.5	0.3	2.7

Sources: BCEAO branch in Guinea-Bissau, International Monetary Fund and Banco de Portugal calculations.

Notes: (a) Includes electricity and water.

Table 30 • Consumer price index

Per cent

		Monthly change	Cumulative change	Year-on-year change	Average change
		[1]	[2]	[3]	[4]
2000	December		16.7	16.7	8.6
2001	December		-1.9	-1.9	3.3
2002	December		-0.5	-0.5	1.8
2003	December		0.7	0.7	-5.0
2004	December		2.9	2.9	0.9
2005	December		0.3	0.3	3.4
2006	December		3.2	3.2	2.0
2007	December		9.3	9.3	4.6
2008	December		4.6	4.6	7.9
2009	December		-4.5	-4.5	-2.4
2010	December		5.6	5.6	2.3
2011	December		3.4	3.4	5.0
2012	December		1.7	1.7	2.1
2013	December		-0.1	-0.1	0.7
2012	January	0.2	0.2	2.1	4.8
	February	0.1	0.4	3.1	4.7
	March	-0.3	0.0	2.2	4.5
	April	0.9	0.9	2.0	4.1
	May	1.4	2.3	2.2	3.7
	June	0.5	2.8	1.7	3.3
	July	-0.3	2.5	1.6	2.8
	August	0.2	2.7	2.2	2.7
	September	0.4	3.0	2.2	2.5
	October	-1.3	1.7	2.3	2.4
	November	0.3	2.0	2.3	2.3
	December	-0.3	1.7	1.7	2.1
2013	January	0.1	0.1	1.6	2.1
	February	0.3	0.4	1.7	2.0
	March	0.0	0.4	2.1	2.0
	April	-0.4	0.0	0.7	1.9
	May	0.4	0.4	-0.2	1.7
	June	-0.2	0.2	-0.8	1.4
	July	0.6	0.7	0.0	1.3
	August	0.8	1.6	0.6	1.2
	September	-0.4	1.2	-0.1	1.0
	October	0.6	1.8	1.8	0.9
	November	-0.5	1.3	1.0	0.8
	December	-1.4	-0.1	-0.1	0.7
2014	January	-0.3	-0.3	-0.5	0.5
	February	-1.4	-1.7	-2.1	0.2
	March	-0.4	-2.1	-2.5	-0.2
	April	0.8	-1.3	-1.4	-0.4
	May	0.5	-0.8	-1.3	-0.4
	June	-0.8	-1.6	-1.9	-0.5

Sources: BCEAO branch in Guinea-Bissau and Banco de Portugal calculations.

Notes: [1] month (n) / month (n-1); [2] month (n) / previous December; [3] month (n) / month (n) of the previous year; [4] last 12 months / previous 12 months.

Table 31 • Balance of payments

Billions of CFA francs

	2010	2011	2012	2013		2014
		Est.	Est.	Proj.	Est.	Proj.
Current account	-35.0	-6.6	-42.5	-26.3	-23.6	-25.0
Excluding official transfers ^(a)	-45.3	-23.9	-54.4	-45.2	-27.4	-35.6
Trade balance	-34.6	-1.0	-25.7	-32.4	-19.9	-29.3
Exports (f.o.b.)	62.7	112.3	67.1	79.4	71.0	77.3
Imports (f.o.b.)	-97.3	-113.3	-92.8	-111.8	-90.9	-106.6
Services	-29.0	-26.0	-25.9	-29.6	-21.7	-23.0
Income	-1.1	-8.7	-16.9	-0.4	-7.5	-4.3
of which: Scheduled interest	-0.9	-0.7	-0.3	-0.4	-1.5	-1.8
Current transfers	29.7	29.1	26.0	36.2	25.5	31.6
Public	15.5	17.3	11.9	18.9	3.8	10.6
of which: Balance of payments support	9.4	12.4	11.9	12.0	3.8	10.6
Fishing licences	5.2	-	0.0	0.0	0.0	0.0
Private	14.2	11.8	14.1	17.3	21.7	21.0
Capital and financial account	49.3	35.7	14.1	24.3	30.9	37.2
Capital account	490.4	27.0	15.9	8.0	8.9	12.3
Capital transfers	490.4	27.0	15.9	-	8.9	12.3
of which: Debt relief	454.0	0.0	0.0	-	0.0	0.0
Financial account	-441.0	8.7	-1.8	16.3	22.0	24.9
Public administration	-450.8	9.8	7.6	4.7	9.1	14.5
– Medium/long-term loans						
of which: Disbursements	4.7	10.2	7.6	5.0	9.2	16.7
Amortisation	-455.5	-0.4	0.0	-0.3	-0.1	-2.2
Other assets (net)	9.8	-1.1	-9.3	11.6	12.9	10.4
of which: Foreign direct investment	13.7	11.4	3.5	0.0	7.0	9.0
Other investment – Other sectors	-4.0	-12.5	-12.8	11.6	5.1	0.4
Errors and omissions	-2.1	-2.3	-4.8	0.0	3.0	0.0
Overall balance	12.2	26.8	-33.2	-2.0	10.3	12.2
Financing	-12.2	-26.8	33.2	2.0	-10.3	-12.2
Change in official reserves (increase: -) ^(b)	-11.4	-26.8	33.2	2.0	-10.3	-12.2
Change in arrears (decrease: -)	-0.8	0.0	0.0	0.0	0.0	0.0

Sources: BCEAO branch in Guinea-Bissau, International Monetary Fund and Banco de Portugal calculations.

Notes: (a) Revenue from fishing licences is not considered official transfers; (b) Includes the effects of exchange rate fluctuations.

Table 32 • Merchandise exports

By country of destination, as a percentage of total

	2005	2006	2007	2008	2009	2010	2011	2012	2005 to 2012
Cabo Verde	0.6	0.1	0.0	0.1	0.1	0.1	0.0	0.0	0.1
China	0.1	0.0	0.0	0.2	0.2	0.9	0.7	0.7	0.4
France	0.0	0.0	0.2	0.3	0.8	1.3	0.6	0.0	0.4
The Gambia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
India	61.5	51.6	62.5	75.5	65.5	57.2	66.4	62.6	63.6
Netherlands	0.1	0.0	0.1	0.1	0.4	0.3	0.0	0.1	0.1
Portugal	1.8	0.5	6.2	1.3	1.5	1.7	0.7	0.1	1.6
Senegal	0.4	22.5	26.2	17.4	26.9	26.2	16.3	22.4	19.7
Singapore	14.9	22.8	1.5	2.1	0.0	0.8	6.7	5.0	5.9
Other	20.5	2.4	3.3	3.0	4.6	11.3	8.6	9.2	8.0

Sources: BCEAO branch in Guinea-Bissau, International Monetary Fund and Banco de Portugal calculations.

Table 33 • Merchandise imports

By country of origin, as a percentage of total

	2005	2006	2007	2008	2009	2010	2011	2012	2005 to 2012
China	2.3	1.6	0.3	2.4	2.6	2.9	2.9	1.3	2.1
Spain	1.1	0.9	1.7	4.7	4.0	1.3	2.2	1.7	2.2
France	4.5	2.6	0.8	3.2	4.1	8.0	4.5	3.4	4.0
The Gambia	1.4	7.4	1.9	1.3	0.9	0.8	0.5	1.0	1.7
India	0.6	0.3	1.7	0.3	0.3	0.7	0.5	3.6	1.0
Japan	0.7	0.7	1.9	1.5	2.9	3.1	2.4	0.6	1.8
Netherlands	8.0	6.3	2.1	3.4	6.4	3.9	2.8	3.2	4.3
Portugal	21.0	16.1	17.1	23.4	24.4	23.6	27.1	25.1	22.7
Senegal	45.6	44.5	43.3	28.4	25.8	33.5	27.0	30.2	33.8
Other	14.9	19.8	29.1	31.4	28.8	22.2	30.1	29.9	26.3

Sources: BCEAO branch in Guinea-Bissau, International Monetary Fund and Banco de Portugal calculations.

Table 34 • External public debt

USD millions

	2009	2010	2011	2012	2013
Medium and long-term debt	1,047.1	297.1	292.0	301.7	325.0
Multilateral creditors	493.2	125.1	113.7	135.0	152.7
Bilateral creditors	553.9	171.9	178.2	166.7	172.2
Short-term debt	1.1	1.1	1.1	1.1	1.0
Total external debt	1,048.2	298.2	293.1	302.7	326.0
of which: Arrears	571.9	0.0	8.1	7.6	7.9
Scheduled medium and long-term debt service	7.0	9.9	0.9	0.8	1.6
Principal	5.2	7.7	0.6	0.6	0.6
Interest	1.8	2.2	0.3	0.2	1.1
		(% of exports of goods and services)			
Total external debt	678.0	174.7	104.9	197.7	195.2
Scheduled medium and long-term debt service	4.6	5.8	0.3	0.5	1.0
Principal	3.4	4.5	0.2	0.4	0.3
Interest	1.2	1.3	0.1	0.1	0.6
		(% of GDP)			
Total external debt	126.7	35.3	30.1	33.0	33.5

Sources: BCEAO branch in Guinea-Bissau, International Monetary Fund and Banco de Portugal calculations.

Notes: Figures from 2009 on reflect the impact of debt relief under the HIPC initiative and the MDRI.

Table 35 • Government operations

Billions of CFA francs

	2009	2010	2011	2012	2013		2014	
	Est.	Est.	Est.	Est.	Budg.	Est.	I.e. ^(a)	Budg.
1. Total revenue	97.5	84.6	90.7	71.0	73.8	53.6	72.6	71.6
1.1. Current revenue	35.4	44.6	52.6	46.0	51.7	41.2	79.7	49.0
Non-tax revenue	8.8	11.5	12.3	7.1	6.5	5.8	89.2	7.3
of which: Fishing licences	3.0	5.2	-	0.0	0.1	0.0	0.0	0.0
Tax revenue	26.6	33.1	40.3	38.9	45.2	35.4	78.3	41.7
1.2. Grants	62.1	40.0	38.1	25.0	22.1	12.4	56.1	22.6
of which: Projects	33.6	30.6	25.7	15.9	10.1	8.6	85.1	12.0
Budget support	28.5	9.4	12.4	9.1	12.0	3.8	31.7	10.6
2. Total expenditure	83.2	85.5	93.3	83.9	74.1	69.9	94.3	90.1
2.1. Current expenditure	47.2	49.3	56.3	62.2	55.5	51.9	93.5	59.5
Compensation of employees	20.5	20.7	23.6	25.1	25.6	24.2	94.5	25.0
Transfers	11.0	10.7	11.8	12.8	11.7	12.9	110.3	14.0
Scheduled debt interest	1.8	0.7	0.4	0.1	0.5	0.0	0.0	0.6
Other expenditure	13.9	17.2	20.5	24.2	17.7	14.8	83.6	19.9
2.2. Capital expenditure	36.0	36.2	37.0	21.7	18.5	18.0	97.3	30.6
3. Current balance: (1.1.) - (2.1.)	-11.8	-4.7	-3.7	-16.2	-3.8	-10.7	-	-10.5
4. Overall balance excl. grants: (1.) - (2.) - (1.2.)	-47.8	-40.9	-40.7	-37.9	-22.4	-28.7	-	-41.1
5. Overall balance: (1.) - (2.) (commitment basis)	14.3	-0.9	-2.6	-12.9	-0.3	-16.3	-	-18.5
6. Change in arrears	-3.6	-7.7	-3.5	2.9	0.0	3.1		0.0
6.1. Domestic	-4.9	-7.7	-3.5	2.9	0.0	3.1		0.0
6.2. External	1.3	0.0	0.0	0.0	0.0	0.0		0.0
7. Items in transit, errors and omissions	0.0	-1.6	-6.4	-3.8	0.0	-1.6		0.0
8. Overall balance: (5.) + (6.) + (7.) (cash basis)	10.7	-10.3	-12.5	-13.8	-0.3	-14.8		-18.5
9. Financing	-10.7	10.3	12.6	13.8	0.3	14.8		18.5
9.1. Domestic (net)	-10.5	7.1	3.5	9.0	-4.4	5.7		4.0
of which: Banking system	-10.5	7.1	3.5	9.0	-4.4	5.7		4.0
9.2. External (net)	-0.2	3.2	9.1	4.8	4.7	9.1		14.5
of which: Disbursements	1.0	4.7	9.4	5.0	5.0	9.2		16.7
of which: Amortisation	-10.7	-455.5	-0.4	-0.2	-0.3	-0.1		-2.2
of which: Debt relief	5.7	454.0	0.0	0.0	0.0	0.0		0.0
10. Financing gap ^(b)	0.0	0.0	0.0	0.0	0.0	0.0		0.0

Sources: BCEAO branch in Guinea-Bissau, International Monetary Fund and Banco de Portugal calculations.

Notes: (a) Level of budget execution: as a percentage of budgeted amounts; (b) Net lending (+)/net borrowing (-).

Table 40 • Monetary survey

Billions of CFA francs

	2009	2010	2011	2012	2013		2013/2012		2014 Apr	Apr. 2014/2013		2014 Proj.
					Proj.	Est.	[1]	[2]		[1]	[2]	
Net foreign assets	80.6	93.3	119.3	84.5	82.1	94.9	12.2	6.3	128.8	35.7	18.1	79.8
Central Bank	61.4	64.4	95.4	65.0	63.0	72.1	10.9	4.4	93.7	30.0	11.6	61.3
Commercial banks	19.2	28.9	23.9	19.5	19.1	22.8	16.6	2.0	35.1	54.0	6.6	18.5
Total domestic credit	20.2	38.0	61.7	85.6	93.2	88.3	3.1	1.6	83.5	-5.3	-2.5	95.6
Net claims on government	-1.6	4.0	11.2	21.4	19.6	21.7	1.5	0.2	22.9	5.4	0.6	16.1
Credit to the economy	21.8	34.0	50.5	64.2	73.6	66.6	3.6	1.4	60.7	-8.9	-3.2	79.5
Other assets (net)	-4.7	-6.7	-7.7	-7.3	-7.5	3.8	-	6.8	-9.3	-347.6	-7.0	2.5
Total assets	96.1	124.6	173.3	162.8	167.8	186.9	14.8		203.0	8.6		177.9
Broad money (M2)	96.1	124.6	173.3	162.8	167.8	186.9	14.8		203.0	8.6		177.9
Currency in circulation	57.1	64.1	85.5	83.4	86.3	90.9	9.1		109.3	20.2		91.5
Demand deposits	33.1	49.3	63.4	53.8	58.6	72.3	34.4		71.1	-1.7		
Quasi-money / time deposits	5.8	11.1	24.3	25.6	22.9	23.7	-7.7		22.6	-4.6		86.4*
Total liabilities	96.1	124.6	173.3	162.8	167.8	186.9	14.8		203.0	8.6		177.9

Sources: BCEAO branch in Guinea-Bissau, BCEAO, International Monetary Fund and Banco de Portugal calculations.

Notas: [1] Percentage change from the end of the previous year; [2] Percentage change from the broad money at the end of the previous year (liquidity expansion/contraction factors).

*The figure shown corresponds to the amount of demand deposits and quasi-money/time deposits due to lack of broken-down data.

Table 41 • Interest rates

Annual rates, per cent

	2009	2010	2011	2012	2013
	Dec.	Dec.	Dec.	Dec.	Dec.
Deposits					
Time deposits:					
Up to 90 days	1.5	1.5	1.5	1.5	1.5
91-180 days	1.80	1.75	1.75	1.75	1.75
181-365 days	3.0	3.0	3.0	3.0	3.0
Credit					
Up to 90 days	13.0	13.0	12.0	12.0	12.0
90-180 days	12.0	8.0	10.0	10.0	10.0
181-365 days	10.0	11.0	11.0	11.0	11.0
Overdraft on demand deposits	18.0	18.0	18.0	18.0	18.0
Central Bank operations					
Banking system					
Discount rate	4.25	4.25	4.25	4.00	3.50
Reserve ratio	3.0	7.0	7.0	5.0	5.0
Memo item:					
Inflation (end-of-period % change)	-4.5	5.6	3.4	1.7	-0.1

Sources: BCEAO branch in Guinea-Bissau and International Monetary Fund.

Table 42 • Exchange rates

Average rates

		EUR/XOF	USD/XOF	INR/XOF	EER ^(a) Index 100: 2000	
					Nominal	Real
2000		655.96	711.64	15.87	100.00	100.00
2001		655.96	732.89	15.54	100.74	99.96
2002		655.96	696.87	14.33	103.58	101.89
2003		655.96	581.54	12.48	108.65	99.03
2004		655.96	528.28	11.67	111.19	99.33
2005		655.96	527.57	11.97	110.21	98.97
2006		655.96	523.13	11.56	111.54	98.59
2007		655.96	479.50	11.63	111.32	98.36
2008		655.96	448.19	10.34	115.92	104.27
2009		655.96	472.15	9.76	118.27	103.72
2010		655.96	494.96	10.83	114.07	98.29
2011		655.96	477.45	10.13	116.75	100.05
2012		655.96	510.54	9.57	119.07	99.92
2013		655.96	494.09	8.47	124.15	101.50
2012	January	655.96	508.37	9.93	117.55	99.56
	February	655.96	496.08	10.08	116.93	98.84
	March	655.96	496.92	9.86	117.84	98.73
	April	655.96	498.40	9.62	118.84	100.07
	May	655.96	513.07	9.42	119.71	102.46
	June	655.96	523.69	9.35	120.02	102.86
	July	655.96	533.87	9.63	118.79	100.71
	August	655.96	529.04	9.53	119.24	100.25
	September	655.96	510.33	9.36	119.95	100.35
	October	655.96	505.60	9.53	119.24	97.71
	November	655.96	511.39	9.33	120.11	98.75
	December	655.96	499.67	9.15	120.91	99.29
2013	January	655.96	493.71	9.10	121.13	100.09
	February	655.96	490.98	9.12	121.05	100.13
	March	655.96	506.10	9.30	120.25	99.19
	April	655.96	504.00	9.27	120.37	99.76
	May	655.96	505.08	9.18	120.78	100.46
	June	655.96	497.40	8.52	123.94	103.17
	July	655.96	501.55	8.39	124.57	101.60
	August	655.96	492.86	7.81	127.67	103.99
	September	655.96	491.49	7.69	128.36	103.28
	October	655.96	481.11	7.81	127.70	102.39
	November	655.96	486.16	7.76	127.96	102.31
	December	655.96	478.69	7.74	128.10	103.39
2014	January	655.96	481.97	7.76	127.96	101.84
	February	655.96	480.24	7.72	128.19	101.22
	March	655.96	474.54	7.78	127.85	100.26
	April	655.96	474.88	7.87	127.36	100.57
	May	655.96	477.68	8.06	126.34	100.40
	June	655.96	484.51	8.08	126.22	100.60

Sources: BCEAO branch in Guinea-Bissau, European Central Bank, International Monetary Fund and Banco de Portugal calculations.

Notes:(a) Effective Exchange Rate Index (EERI), calculated on the basis of official exchange rates applied to the currencies of Guinea-Bissau's four main trading partners over the period from 2005 to 2009. An increase / decrease in the EERI (nominal or real) corresponds to an appreciation / depreciation of the CFA franc.

4. MOZAMBIQUE

Area: 799,380 Km²

Capital city: Maputo

Population: 23.2 million
(2013; source: Mozambique National Institute of Statistics)

Currency: Metical

Growth in Mozambique continued to be high in 2013, with the contribution of large-scale projects, mainly through the natural gas sector and coal exports. The considerable current account deficit, although smaller than in 2012, was compensated by foreign direct investment and the State's external indebtedness. Such inflows allowed foreign exchange reserves to accumulate and, in view of the accommodative stance of monetary policy, in a context of restrained inflation, resulted in an expansion of credit to the economy.

4.1. Mozambique overview

In 2013 Mozambique's economy showed once more a high pace of growth (7.4 per cent), in spite of the floods early in the year, standing among the most dynamic economies in Sub-Saharan Africa. During the last decade, real growth in Mozambique has averaged 7.4 per cent, clearly above the 4.8 per cent for the countries, as a whole, of the Southern African Development Community (SADC), of which it is a member.

The country's macroeconomic stabilisation process has been continuously supported by the IMF. A three-year programme is in force, signed in June 2013, under the IMF's Policy Support Instrument (PSI).

Although maintaining a high pace of investment, mainly large-scale projects in the natural resources sector, economic activity in 2013 seems to have been spurred by consumption and goods exports, in spite of the resulting increase in imports of capital and consumer goods.

Import growth has boosted public revenue (VAT and taxes on international trade), which have also benefitted from capital gains taxes from the sale of shares in the gas sector. However, in spite of some containment in current expenditure and investment (related to project delays), the State's financial transactions (loans to public enterprises) led to a deterioration of the budget deficit to 5.3 per cent of GDP, which was fully financed by external debt.

Such inflows to the State, together with further foreign direct investment (FDI) growth, have made it possible to finance the current account deficit

(which declined in 2013 to 37.5 per cent of GDP, in view of lower services imports and increased official transfers) and to build up foreign reserves, to 4.2 months of imports of goods and services, excluding those relating to large-scale projects.

In the context of an increase in net foreign assets, and considering the moderate behaviour of prices – the inflation rate increased slightly during the year – the central bank continued to ease its monetary policy stance, cutting the rates on its lending and deposit facilities.

Monetary expansion, although slowing down, maintained a high pace in 2013 (16.3 per cent), combining a rise in net foreign assets and growth of credit to the economy, chiefly by households, for the acquisition of durable consumer goods, but also by some business sectors.

Growth is expected to accelerate in 2014 (to 8.3 per cent), based on the activity of the coal sector and investment (FDI and public). The planned increase in public capital expenditure (accommodating projects delayed from 2013), expenditure related to the electoral process and new pressure from financial operations are expected to lead to a further deterioration of the budget deficit to 12 per cent of GDP. The rise in large-scale projects imports will cause a widening of the current account deficit to 46.8 per cent of GDP. However, strong FDI and higher net indebtedness by the State and other sectors will make it possible not only to finance the current account deficit but also to raise external reserves to 4.4 months of imports.

Table 43 • Main economic indicators

	2011	2012	2013	2014
		Est.	Est.	Proj.
Real GDP (annual % change)	7.4	7.1	7.4	8.3
Inflation (end-of-period % change)	5.5	2.2	3.0	6.0
Broad money (annual % change)	7.8	29.4	16.3	18.5
Current account (% of GDP)	-23.1	-42.4	-37.5	-46.8
Overall fiscal balance (% of GDP)	-4.5	-4.6	-5.3	-12.0
External public debt (% of GDP)	31.8	32.1	36.9	-

Sources: Banco de Moçambique, IMF, Mozambique National Budget Directorate and Mozambique National Institute of Statistics.

Such an increase in net external assets and the ongoing buoyancy of credit to the economy are likely to contribute to the acceleration of monetary expansion to 18.5 per cent in 2014. Monetary policy is not expected to change its stance, provided that inflation (which seems to have stabilised) is in line with medium-term objectives.

The main risks associated with the developments of the Mozambique economy are linked

to possible exogenous shocks, such as climate disasters, commodity price changes or falls in global demand for its main exports. Disturbances may also be caused by possible political tensions arising from the elections or fiscal risks stemming from public enterprises or public-private partnerships.

Table 44 • Main economic indicators

		2009	2010	2011	2012	2013		2014	
		Est.	Est.	Est.	Est.	Proj.	Est.	Proj.	Est.
Output and prices									
Nominal GDP	EUR millions	7,579	7,597	9,558	11,627	11,363	11,847	12,896	
Real GDP	Annual % change	6.5	7.1	7.4	7.1	7.0	7.4	8.3	
Inflation (Consumer Price Index)	E-o-p % change	3.0	16.6	5.5	2.2	6.1	3.0	6.0	3.0 Jun.
	Average % change	4.2	12.7	10.4	2.1	5.5	4.2	4.6	3.5 Jun.
Public finances									
Total revenue	% of GDP	24.4	26.2	28.2	29.7	29.6	31.5	35.3	
Total expenditure	% of GDP	29.4	30.0	32.7	34.2	36.3	36.7	47.2	
Overall balance	% of GDP	-5.0	-3.8	-4.5	-4.6	-6.7	-5.3	-12.0	
Overall balance excl. grants	% of GDP	-13.5	-12.0	-11.7	-11.0	-11.8	-9.8	-17.7	
Money and credit									
Net claims on general gov.	Annual % change	-1.6	-6.5	53.6	99.0	-7,587.3	-23,869.0	-83.9	-80.7 May ^(d)
Credit to the economy	Annual % change	58.6	29.3	6.4	18.3	21.5	30.5	20.7	7.7 May ^(d)
Broad money (M3)	Annual % change	32.6	24.6	7.8	29.4	16.2	16.3	18.5	2.6 May ^(d)
Interest rates									
Deposit (1-year)	Annual rate	10.2	12.2	13.4	11.5	9.1		10.0 May	
Lending (1-year)	Annual rate	19.2	21.7	23.7	21.4	19.8		21.2 May	
Balance of payments									
Merchandise exports (in USD)	Annual % change	-19.1	8.7	33.6	23.7	2.5	6.9	19.3	
Merchandise imports (in USD)	Annual % change	-6.1	2.6	52.8	47.2	-10.0	7.3	16.9	
Current account	% of GDP	-11.0	-10.6	-23.1	-42.4	-37.2	-37.5	-46.8	
Current acc. excl. offic. transf.	% of GDP	-17.2	-16.4	-29.0	-47.1	-	-44.4	-	
International reserves	Months of imports ^(b)	4.8	3.3	2.4	2.6	2.7	2.5	2.6	
	Months of imports ^(c)		4.2	3.0	3.9	4.4	4.2	4.4	
External debt									
Total stock	EUR millions	2,707	2,717	3,040	3,736	4,367			
	% of GDP	35.7	35.8	31.8	32.1	36.9			
	% of exports ^(b)	124.7	121.6	109.7	107.5	122.2			
Debt service	% of exports ^(b)	1.6	2.2	1.9	2.2	2.5			
Exchange rates									
MZM/EUR (official market)	Average rate	38.95	45.44	40.28	36.49	39.71		41.62 Jun.	
MZM/USD (official market)	Average rate	26.71	32.99	29.06	28.23	29.91		30.63 Jun.	
MZM/USD (parallel market)	Average rate	29.24	35.65	31.04	29.45	31.50		32.48 Jun.	
Nominal EERI (Index, 100: 2000) ^(a)	% change ^(d)	-30.5	-7.1	35.4	-9.2	6.2		-0.8 Jun.	
Real EERI (Index, 100: 2000) ^(a)	% change ^(d)	-30.9	5.2	36.9	-10.9	5.7		-0.5 Jun.	

Sources: Banco de Moçambique, Fundo Monetário Internacional e cálculos do BP.

Notas: (a) Effective exchange rate index (EERI), calculated on the basis of official exchange rates applied to the currencies of Mozambique's four main trading partners over the period 2005/09 (appreciation: +; depreciation: -); (b) Prospective imports of goods and services; (c) Imports of goods and services, excluding megaprojects; (d) Change from the previous December.

Table 45 • Gross domestic product

Current prices, MZM millions

	2008	2009	2010	2011	2012	2013	2014
					Est.	Est.	Proj.
Primary sector	74,712	84,521	96,920	109,056	115,337	127,720	
Agriculture and livestock	71,483	80,538	90,650	102,533	108,476	120,241	
Fishing	3,229	3,983	6,270	6,523	6,861	7,479	
Secondary sector	52,203	56,560	67,070	73,587	82,995	91,564	
Mining and quarrying	4,111	4,489	5,744	8,663	13,333	15,405	
Manufacturing	35,390	35,860	40,797	42,909	44,818	47,843	
Electricity and water	7,847	10,197	12,369	12,402	13,571	15,100	
Construction	4,856	6,014	8,160	9,613	11,273	13,215	
Tertiary sector	120,776	132,443	156,381	173,583	192,689	210,001	
Trade and repairs	28,125	29,567	36,435	39,229	43,605	49,888	
Restaurants and hotels	6,872	7,639	9,833	10,661	11,202	12,438	
Transport and communication	24,422	27,002	32,703	35,818	40,398	43,612	
Financial services	7,477	9,374	11,485	14,392	17,212	22,415	
Real estate renting	21,278	22,715	25,070	27,128	29,591	32,654	
General government	11,078	13,540	16,705	18,860	20,108	21,494	
Education	18,424	20,041	22,202	25,345	28,717	28,210	
Healthcare and social work	4,191	4,790	5,248	5,997	6,937	7,019	
Other	-1,090	-2,225	-3,300	-3,847	-5,081	-7,730	
Gross Domestic Product (at factor costs)	247,690	273,524	320,371	356,226	391,021	429,285	
Indirect taxes	20,255	21,654	24,846	28,773	33,239	41,187	
Gross Domestic Product (market prices)	267,945	295,178	345,217	384,999	424,260	470,472	527,552
Consumption	249,949	277,811	319,534	351,207	387,708	424,335	459,533
Public	47,102	54,191	65,270	71,574	85,924	96,027	
Private	202,847	223,619	254,264	279,634	301,784	328,309	
Investment	41,858	45,608	60,853	86,693	75,131	94,000	114,037
Gross Fixed Capital Formation	34,579	42,340	55,325	67,081	64,722	81,974	
Changes in inventory	7,279	3,268	5,528	19,612	10,409	12,026	
Domestic demand	291,807	323,419	380,387	437,900	462,839	518,335	573,569
Exports of goods and services	77,627	84,564	101,559	111,655	126,764	141,971	165,297
Overall demand	369,434	407,983	481,946	549,555	589,603	660,306	738,867
Imports of goods and services	101,489	112,805	136,729	164,556	165,343	189,834	211,315
Memo items:							
Gross domestic savings	17,996	17,367	25,683	33,792	36,552	46,137	68,019
Nominal GDPmp (USD millions)	11,084	11,052	10,466	13,249	15,030	15,730	17,104
GDPmp deflator (annual % change)	22.0	3.5	9.2	3.8	2.9	3.2	3.5
Nominal GDPmp (annual % change)	29.0	10.2	17.0	11.5	10.2	10.9	12.1
Real GDPmp (annual % change)	5.8	6.5	7.1	7.4	7.1	7.4	8.3

Sources: Banco de Moçambique, IMF and Banco de Portugal calculations.

Table 46 • Consumer price index

Per cent

		Monthly change	End-of-period change	Average change
		[1]	[2]	[3]
2002	December	2.5	9.1	17.3
2003	December	2.8	11.4	11.5
2004	December	1.9	9.3	11.4
2005	December	3.9	13.1	7.0
2006	December	2.2	8.1	13.6
2007	December	3.2	12.1	9.2
2008	December	0.9	11.8	14.5
2009	December	2.1	3.0	4.2
2010	December	3.5	16.6	12.7
2011	December	1.3	5.5	10.4
2012	December	1.0	2.2	2.1
2013	December	0.6	3.0	4.2
2012	January	0.9	4.3	9.3
	February	-0.5	2.5	8.2
	March	0.3	2.7	7.2
	April	-0.1	2.5	6.4
	May	-0.4	1.6	5.6
	June	-0.5	1.6	4.9
	July	-0.1	1.5	4.4
	August	-0.1	1.1	3.8
	September	0.1	1.2	3.3
	October	0.3	1.5	2.8
	November	1.4	2.5	2.4
	December	1.0	2.2	2.1
2013	January	1.1	2.3	1.9
	February	1.4	4.3	2.1
	March	0.3	4.3	2.2
	April	0.6	5.1	2.4
	May	-0.4	5.1	2.7
	June	-0.5	5.2	3.0
	July	-0.3	4.9	3.3
	August	-0.5	4.5	3.6
	September	-0.1	4.3	3.9
	October	0.2	4.2	4.1
	November	0.6	3.3	4.1
	December	0.6	3.0	4.2
2014	January	1.1	3.0	4.3
	February	0.7	2.3	4.1
	March	1.5	3.5	4.0
	April	0.1	3.1	3.9
	May	-0.4	3.1	3.7
	June	-0.5	3.0	3.5

Sources: Banco de Moçambique, Mozambique National Institute of Statistics and Banco de Portugal calculations.

Notes: [1] month (n) / month (n-1); [2] month (n) / month (n) of the previous year; [3] last 12 months / previous 12 months.

Table 47 • Balance of payments

USD millions

	2009	2010	2011	2012	2013			2014		
					Prog.	Q.1	Est.	Proj.	Q.1	Est.
Current account	-1,220	-1,113	-3,056	-6,371	-5,854	-1,278	-5,892	-8,007	-1,079	-904
Excluding official transfers	-1,901	-1,718	-3,848	-7,084	-	-1,629	-6,980	-	-1,686	-1,509
Trade balance	-1,275	-1,179	-2,250	-4,048	-3,163	-859	-4,357	-4,990	-909	-997
Exports (f.o.b.)	2,147	2,333	3,118	3,856	3,950	861	4,123	4,920	763	2,243
of which: Megaprojects	1,311	1,668	2,015	2,219	2,623	-	2,430	3,071	-	1,648
Imports (c.i.f.)	-3,422	-3,512	-5,368	-7,903	-7,112	-1,720	-8,480	-9,910	-1,672	-3,240
of which: Megaprojects	-791	-900	-1,547	-2,143	-2,494	-	-2,319	-3,111	-	-883
Services	-457	-506	-1,482	-3,136	-3,225	-776	-2,717	-3,950	-731	-493
Income	-251	-85	-190	-16	-23	-19	-52	-176	-60	-85
of which: Dividends f/ megaproj.	-224	0	-157	0	-17	-	-6	-166	-	-222
Scheduled interest	-20	-30	-35	-40	-	-4	-49	-	-21	-30
Current transfers	763	657	866	829	557	377	1,234	1,109	621	671
Official transfers	682	605	792	713	-	351	1,087	-	608	605
of which: External grants	687	605	785	538	520	88	475	585	88	605
Private transfers	82	52	74	116	-	26	147	-	14	66
Capital and financial account	1,288	1,116	3,364	6,725	5,954	958	6,240	8,407	1,276	1,059
Capital account	422	348	432	456	384	82	486	583	75	351
Financial account	866	768	2,932	6,269	5,571	876	5,754	7,825	1,200	708
FDI (net)	890	790	2,599	5,626	4,719	1,744	5,935	4,883	2,510	790
General gov. borrowing (net)	434	468	531	546	961	77	1,055	1,776	66	381
Private sector borrowing (net)	-487	-348	-39	515	-43	-744	-132	902	-1,525	-146
Other transactions (net) ^(a)	28	-142	-159	-419	-66	-201	-1,105	264	149	-316
Errors and omissions	126	56	17	23	0	-9	49	0	0	-69
Overall account	194	58	322	377	100	-329	396	400	197	87
Financing	-194	-58	-322	-377	-100	329	-396	-400	-197	-87
Change in international reserves (net) ^(a)	-352	-87	-321	-375	-97	335	-393	-397	-197	-84
Use of IMF funds (net) ^(b)	156	18	-2	-2	-3	-6	-3	-3	-1	-3
Exceptional financing	2	10	0	0	0	0	0	0	0	0
Change in arrears (decrease: -)	0	0	0	0	0	0	0	0	0	0
Financing gap ^(c)	0	0	0	0	0	0	0	0	0	0

Sources: Banco de Moçambique, IMF and Banco de Portugal calculations.

Notes: (a) In 2009, includes the use of an SDR allocation of SDR 108.8 million under investment liabilities of the monetary authorities, resulting in an increase in international reserves; (b) Disbursements in 2009 and 2010 under the Exogenous Shocks Facility arrangement; (c) Net borrowing (-) / net lending (+).

Table 48 • Merchandise exports

Destinations as a percentage of total exports

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2005 to 2013
South Africa	16.2	15.2	17.2	9.2	21.4	21.6	18.7	19.8	19.7	17.9
Belgium	0.1	0.1	0.3	0.5	0.7	0.4	0.6	1.1	1.2	0.6
China	1.9	1.4	1.7	1.6	3.5	3.9	5.4	18.2	2.5	5.2
Spain	1.9	1.8	1.5	1.3	1.5	1.7	2.7	1.5	1.8	1.7
United States	2.2	0.3	0.2	0.5	1.9	0.9	0.8	2.5	3.6	1.6
Netherlands	59.7	59.7	61.8	55.5	41.6	51.0	43.5	24.1	27.3	44.1
India	1.5	1.3	0.7	0.8	2.6	1.5	1.8	4.5	16.5	4.4
Malawi	2.8	1.0	0.7	1.4	2.2	1.2	1.5	0.8	1.0	1.3
Portugal	1.2	1.2	1.3	0.8	1.5	4.7	1.4	0.5	2.5	1.7
Zimbabwe	2.9	3.2	2.9	2.1	3.4	3.2	2.5	2.4	2.0	2.7
Other	9.6	14.7	11.7	26.2	19.6	10.0	21.1	24.5	22.1	18.8

Sources: Banco de Moçambique, IMF and Banco de Portugal calculations.

Table 49 • Merchandise imports

Origins as a percentage of total imports

	2005	2006	2007	2008	2009	2010	2011	2012	2012	2005 to 2013
South Africa	42.9	36.3	32.4	29.1	35.5	51.2	34.0	27.2	25.7	32.6
Australia	0.7	0.1	0.3	0.1	0.6	0.1	1.0	0.5	1.1	0.6
China	2.5	2.6	3.5	3.9	4.6	5.7	7.0	5.3	7.5	5.4
United States	2.6	2.2	2.7	4.0	3.6	0.5	2.8	11.9	2.2	4.4
France	0.9	0.8	0.8	0.6	0.8	0.3	1.2	1.4	0.8	0.9
Netherlands	11.5	15.6	14.5	17.4	13.0	16.5	12.6	6.6	4.9	10.9
India	3.6	3.2	4.4	3.6	6.5	1.1	5.6	2.9	3.7	3.8
Japan	0.8	0.6	3.1	3.2	3.8	5.5	3.5	2.2	2.6	2.9
Portugal	3.6	3.3	3.5	2.9	3.8	8.0	4.2	4.0	5.7	4.5
Other	30.9	35.3	34.9	35.2	28.0	11.0	28.2	38.0	45.9	34.1

Sources: Banco de Moçambique, IMF and Banco de Portugal calculations.

Table 50 • External debt

USD millions

	2007	2008	2009	2010	2011	2012	2013	
	Est.	Est.	Est.	Est.	Est.	Est.	Est.	
Medium or long-term debt	3,424.0	3,581.3	3,947.7	3,743.6	4,214.4	4,829.2	5,798.3	
Multilateral creditors	1,543.4	1,672.9	2,229.0	2,436.6	2,505.4	2,926.9	3,383.1	
Bilateral creditors	1,880.6	1,908.4	1,718.8	1,307.0	1,709.0	1,902.4	2,415.2	
OECD countries	639.6	560.1	216.9	326.7	515.1	520.2	581.5	
OPEC countries	159.9	159.9	159.7	158.1	491.8	498.8	500.8	
Eastern European countries	107.1	107.2	227.5	148.5	112.3	136.6	190.2	
Other countries	974.0	1,081.2	1,114.8	673.7	589.8	746.8	1,142.7	
Short-term debt								
Total external debt	3,424.0	3,581.3	3,947.7	3,743.6	4,214.4	4,829.2	5,798.3	
Scheduled medium/long-term debt service	47.6	69.1	49.2	66.7	72.7	97.0	120.5	
Principal		41.5	28.7	36.6	37.7	57.0	71.8	
Interest		27.6	20.4	30.1	35.0	40.0	48.7	
			(% of exports of goods and services)					
Total external debt	136.4	111.5	124.7	121.6	109.7	107.5	122.2	
Debt service	1.9	2.2	1.6	2.2	1.9	2.2	2.5	
			(% of GDP)					
Total external debt	42.2	32.3	35.7	35.8	31.8	32.1	36.9	

Sources: Banco de Moçambique, IMF and Banco de Portugal calculations.

Table 51 • Government operations

MZM billions

	2009	2010	2010	2013				2014		
				R.Budg.	Q. 1	Est.	I.e. ^(a)	R.Budg.	Q.1	I.e. ^(a)
1. Total revenue ^(b)	90.33	108.44	125.81	143.72	27.43	148.08	103.0	185.98	36.02	19.4
1.1. Current revenue	61.63	81.06	98.48	120.49	24.80	126.91	105.3	153.08	31.90	20.8
Non-tax revenue	7.94	12.80	14.02	19.66	3.86	18.76	95.4	20.81	4.93	23.7
Tax revenue	53.69	68.26	84.46	100.83	20.94	108.15	107.3	132.26	26.97	20.4
Income taxes	18.48	24.90	36.80	39.12	7.52	49.39	126.3	59.24	11.94	20.1
Consumption taxes	28.84	33.76	36.91	47.12	10.22	45.20	95.9	56.50	11.68	20.7
Taxes on international trade	5.26	6.73	7.54	9.58	2.40	10.02	104.6	10.84	2.44	22.5
Other taxes	1.10	2.88	3.21	5.02	0.80	3.55	70.6	5.68	0.91	16.1
1.2. Grants	28.34	27.38	27.33	23.23	2.62	21.17	91.1	30.40	4.12	13.5
2. Total expenditure ^(c)	103.52	125.93	145.25	188.72	28.44	172.86	91.6	249.09	36.91	14.8
2.1. Current expenditure ^(d)	57.89	70.99	83.80	100.47	21.25	95.47	95.0	121.21	26.79	22.1
Compensation of employees	29.11	35.81	41.59	50.55	12.42	49.51	98.0	58.44	14.37	24.6
Goods and services	10.69	10.99	14.32	19.48	3.63	18.72	96.1	26.46	5.66	21.4
Transfers and subsidies	15.42	16.52	18.77	19.42	4.05	18.77	96.7	20.83	4.90	23.5
Interest	2.67	3.50	4.13	5.62	0.98	3.98	70.7	6.07	1.20	19.8
2.2. Capital expenditure	43.70	51.01	53.46	79.98	6.92	63.05	78.8	104.54	8.71	8.3
Domestic financing	20.03	20.41	24.93	34.61	4.63	33.60	97.1	46.26	5.85	12.6
External financing	23.67	30.60	28.53	45.37	2.29	29.45	64.9	58.28	2.86	4.9
2.3. Net lending	1.93	5.93	7.98	8.27	0.18	14.33	173.3	23.35	1.41	6.0
3. Current balance: (1.1-2.1)	3.74	10.07	14.67	20.02	3.55	31.43	-	31.87	5.11	-
4. Overall bal. excl. grants: (1-2-1.2)	-41.53	-44.87	-46.77	-68.23	-3.64	-45.95	-	-93.52	-5.00	-
5. Overall balance: (1-2)	-13.19	-17.49	-19.44	-45.00	-1.02	-24.77	-	-63.12	-0.89	-
6. Financing	13.19	17.49	19.44	45.00	-6.10	24.77	-	63.12	0.89	-
6.1. Domestic (net) ^{(e),(f)}	-0.05	2.62	3.81	3.57	-6.98	-4.98	-139.2	5.72	-1.73	-30.3
of which: Banking system	-0.74	6.55	5.61	-	-6.36	-13.97	-	-	-21.02	-
6.2. External (net)	13.25	14.88	15.63	41.42	0.87	29.75	71.8	57.40	2.62	4.6
Disbursements ^(g)	14.28	15.92	17.24	-	1.51	32.30	-	-	3.28	-
Amortisation	-1.03	-1.05	-1.61	-	-0.64	-2.55	-	-	-0.66	-
7. Financing gap ^(g)	0.00	0.00	0.00	0.00	-7.12	0.00	-	0.00	0.00	-

Sources: Banco de Moçambique, IMF and Banco de Portugal calculations.

Notes:(a) Level of budget execution, %; (b) Includes revenue that has not been classified; (c) Includes expenditure that has not been classified; (d) Includes other current expenditure; (e) Includes movements related to a government account set abroad with the proceedings of the Moatize coal mine concession; (f) For 2009, 2010 and 2011, includes privatisation receipts; (g) Net borrowing (-) / net lending (+).

Table 52 • Monetary survey

MZM billions

	2009	2010	2011	2012		2013		2013/2012		2014		2014p/2013		2014		
				Est.	Proj.	Est.	Proj.	[1]	[2]	Proj.	[1]	[2]	Mar.	Apr.	May	
Net foreign assets	63.8	79.9	73.0	95.7	112.3	100.0	4.4	2.3	124.3	24.4	11.3	107.0	108.5	108.7		
Central Bank	49.7	57.1	56.9	73.1	81.9	85.7	17.2	6.8	103.1	20.3	8.0	95.6	95.8	95.1		
Foreign assets	59.6	68.9	66.9	84.2	-	97.0	15.3	6.9	-	-	-	108.0	108.0	107.6		
Foreign liabilities	-10.0	-11.8	-10.0	-11.1	-	-11.3	2.4	-0.1	-	-	-	-12.3	-12.2	-12.5		
Commercial banks	14.1	22.8	16.1	22.6	30.5	14.3	-36.9	-4.5	21.2	48.8	3.2	11.4	12.7	13.5		
Net domestic assets	60.0	80.2	92.6	116.2	136.8	137.6	18.4	11.5	157.3	14.3	9.1	132.5	138.6	138.0		
Net claims on gen. gov.	-11.5	-12.2	-5.7	-0.1	-4.5	-14.0	-	-7.5	-25.8	83.9	-5.4	-25.5	-21.1	-25.4		
Credit granted	28.7	22.9	37.7	45.5	-	67.8	49.2	12.0	-	-	-	67.4	69.6	67.1		
Deposits	-38.7	-34.3	-43.0	-45.4	-	-81.8	80.0	-19.5	-	-	-	-92.8	-90.6	-92.4		
National currency	-38.0	-34.0	-42.9	-45.4	-	-81.7	80.1	-19.5	-	-	-	-92.8	-90.6	-92.4		
Foreign currency	-0.7	-0.3	-0.1	0.0	-	0.0	13.0	0.0	-	-	-	0.0	0.0	0.0		
Earmarked funds	-1.5	-0.9	-0.3	-0.1	-	-0.1	0.2	0.0	-	-	-	-0.1	-0.1	-0.1		
Credit to the economy	71.4	92.4	98.3	116.3	141.3	151.7	30.5	19.0	183.1	20.7	14.5	158.0	159.7	163.4		
National currency	48.7	65.2	76.5	87.5	111.6	117.3	34.1	16.0	145.2	23.8	12.9	123.9	125.7	128.8		
Foreign currency	22.8	27.2	21.8	28.8	29.7	34.4	19.3	3.0	37.9	10.3	1.6	34.2	33.9	34.6		
Other items (net)		-26.6	-21.8	-25.9	-33.0	-21.2	-18.3	2.5	-25.2	18.8	-1.8	-23.2	-27.0	-24.5		
Total assets		133.4	143.8	186.0	216.2	216.4	16.3	-	256.5	18.5	-	216.3	220.1	222.2		
Broad money (M3)	107.1	133.4	143.8	186.0	216.2	216.4	16.3	16.3	256.5	18.5	18.5	216.3	220.1	222.2		
Base money	24.5	31.6	34.3	41.1	48.4	47.5	15.7	3.5	55.6	17.0	3.7	45.3	46.8	48.1		
Currency in circulation	13.1	17.4	17.5	19.7	20.2	22.7	15.5	-	27.4	20.5	-	21.4	21.7	23.2		
Demand deposits	60.8	73.7	80.1	109.5	123.8	123.3	12.6	-	145.0	17.6	-	122.1	125.7	129.0		
Quasi-money	33.2	42.3	46.2	56.8	72.2	70.4	23.9	-	84.2	19.6	-	72.9	72.6	70.0		
Total liabilities	107.1	133.4	143.8	186.0	216.2	216.4	16.3	-	256.5	18.5	-	216.3	220.1	222.2		

Sources: Banco de Moçambique, IMF and Banco de Portugal calculations.

Notes: [1] Percentage change from the previous period; [2] Change in per cent of the initial stock of money supply (expansion/contraction determinants).

Table 53 • Interest rates

Annual rates, per cent

		2008	2009	2010	2011	2012	2013	2014		
		Dec.	Dec.	Dec.	Dec.	Dec.	Dec.	Mar.	Apr.	May
Deposits	91-180 days	11.2	8.8	11.5	12.7	10.2	8.5	8.5	8.6	9.3
	181-365 days	11.6	10.2	12.2	13.4	11.5	9.1	9.3	9.4	10.0
	1-2 years	11.1	9.4	14.3	13.2	9.6	6.1	6.8	6.8	7.8
Crédito	Up to 180 days	22.0	18.6	22.0	24.4	20.6	19.8	19.6	19.6	19.8
	181-365 days	21.8	19.2	21.7	23.7	21.4	19.8	21.0	21.1	21.2
	1-2 years	20.7	18.8	22.6	24.9	21.0	21.1	22.2	22.1	22.2
Reference rates										
	Standing liquidity provision facility	14.5	11.5	15.5	15.0	9.5	8.3	8.3	8.3	8.3
	Treasury bills (91 days)	14.0	9.5	14.7	11.8	2.6	6.6	5.6	6.4	5.3
	Unsecured IMM (up to 7 days)	12.4	8.0	13.1	11.7	2.9	3.4	3.2	3.1	3.1

Sources: Banco de Moçambique, IMF and Banco de Portugal calculations.

Table 54 • Exchange rates

Average rates

	EUR/MZM			USD/MZM					ZAR/MZM	EERI ^(a) Index, 100: 2000	
	Official	Open	Op/Of	Official	Parallel	Open	Pa/Of	Op/Of	Open	Nom.	Real
	(Of)	(Op)	(%)	(Of)	(Pa)	(Op)	(%)	(%)	Open		
2000	13,979.9	14,044.8	0.46	15,140.9	15,995.9	15,254.1	5.65	0.75	2,187.1	100.00	100.00
2001	18,293.7	18,515.4	1.21	20,455.5	21,145.4	20,706.5	3.37	1.23	2,537.1	82.03	87.03
2002	21,896.4	22,370.7	2.17	23,180.4	24,281.3	23,665.4	4.75	2.09	2,373.7	76.88	90.51
2003	26,360.4	26,874.1	1.95	23,340.9	24,248.7	23,782.3	3.89	1.89	3,187.7	60.26	76.18
2004	27,457.0	27,782.7	1.19	22,130.9	23,165.5	22,581.3	4.67	2.04	3,523.4	56.51	78.36
2005	28,337.5	28,576.1	0.84	22,936.3	23,614.4	23,068.4	2.96	0.58	3,617.1	54.19	78.38
2006 ^(b)	32.18	31.38	-2.47	24.98	26.93	26.03	7.82	4.18	3.77	50.60	80.72
2007	35.57	35.02	-1.55	25.56	26.64	25.84	4.24	1.09	3.67	47.95	80.30
2008	35.72	35.49	-0.65	24.17	25.15	24.30	4.05	0.52	2.98	52.18	94.03
2009	38.95	37.25	-4.37	26.71	29.24	27.52	9.47	3.03	3.33	47.33	85.83
2010	45.44	43.63	-3.99	32.99	35.65	33.96	8.09	2.95	4.65	37.13	73.77
2011	40.28	40.46	0.45	29.06	31.04	29.07	6.81	0.03	4.04	42.58	89.93
2012	36.49	36.29	-0.56	28.23	29.45	28.40	4.34	0.61	3.47	48.00	99.52
2013	39.71	39.97	0.65	29.91	31.50	30.10	5.31	0.65	3.13	48.13	100.06
2012 January	35.74	35.08	-1.85	27.18	29.50	27.26	8.54	0.29	3.41	48.57	103.76
February	35.99	35.94	-0.14	27.17	29.05	27.27	6.90	0.38	3.57	47.78	100.96
March	36.85	36.25	-1.63	27.46	28.73	27.64	4.62	0.64	3.64	46.50	97.42
April	36.53	36.51	-0.05	27.76	29.05	27.98	4.65	0.80	3.58	47.43	98.79
May	34.98	35.33	1.00	27.63	28.63	27.88	3.63	0.92	3.42	49.82	103.37
June	34.82	34.95	0.37	27.89	28.60	28.09	2.56	0.70	3.36	50.25	103.80
July	34.68	34.44	-0.69	28.03	28.97	28.21	3.35	0.66	3.42	49.66	101.98
August	35.91	35.37	-1.50	28.53	29.47	28.80	3.29	0.96	3.49	48.15	98.61
September	36.92	36.94	0.05	28.72	29.79	28.79	3.73	0.24	3.49	47.69	97.14
October	37.68	37.51	-0.45	28.91	29.86	29.09	3.29	0.61	3.37	47.75	96.99
November	38.53	38.23	-0.78	29.80	30.45	29.97	2.19	0.56	3.41	46.85	96.60
December	39.24	38.88	-0.92	29.66	31.32	29.81	5.60	0.51	3.46	46.08	95.97
2013 January	39.54	39.88	0.85	29.76	30.98	30.01	4.10	0.84	3.42	46.41	97.55
February	40.06	40.73	1.67	30.00	31.48	30.50	4.93	1.67	3.43	46.15	97.59
March	38.95	39.62	1.71	30.06	31.90	30.57	6.12	1.70	3.33	47.47	99.58
April	39.11	39.70	1.50	30.05	31.78	30.55	5.76	1.66	3.35	47.20	99.36
May	38.91	39.03	0.31	29.98	31.74	30.07	5.87	0.30	3.21	47.94	100.61
June	39.38	39.29	-0.23	29.87	30.84	29.75	3.25	-0.40	2.98	49.18	102.76
July	39.00	39.15	0.37	29.84	31.35	29.95	5.06	0.37	3.02	49.33	101.77
August	39.72	39.85	0.34	29.84	31.51	29.94	5.60	0.34	2.98	49.24	100.97
September	39.84	40.00	0.40	29.86	31.66	29.98	6.03	0.40	3.01	49.00	100.03
October	40.70	40.74	0.09	29.84	31.68	29.87	6.17	0.09	3.02	48.22	98.74
November	40.33	40.50	0.41	29.89	31.49	30.00	5.35	0.38	2.95	49.02	101.15
December	40.99	41.18	0.46	29.92	31.56	30.06	5.48	0.46	2.90	48.93	101.50
2014 January	41.06	41.42	0.88	30.17	32.17	30.44	6.63	0.89	2.79	49.75	104.29
February	41.86	43.21	3.23	30.62	33.14	31.60	8.23	3.21	2.89	48.92	102.54
March	42.15	43.43	3.03	30.50	32.68	31.45	7.15	3.12	2.93	48.44	102.01
April	42.25	43.30	2.48	30.58	32.50	31.34	6.27	2.47	2.97	47.94	100.64
May	42.06	43.05	2.35	30.64	32.55	31.35	6.23	2.33	3.01	47.71	99.85
June	41.62	42.61	2.39	30.63	32.48	31.36	6.04	2.37	2.94	48.54	101.04

Sources: Banco de Moçambique, IMF and Banco de Portugal calculations.

Notes:(a) Effective exchange rate index (EERI), calculated on the basis of official exchange rates applied to the currencies of Mozambique's four main trading partners over the period 2005/09 (appreciation: +; depreciation: -); (b) A monetary reform was carried out in July 2006 with a conversion rate of 1 to 1,000.

5. SÃO TOMÉ AND PRÍNCIPE

Area: 997 Km²

Capital city: São Tomé

Population: 195 thousand
(2013; source: ONU)

Currency: Dobra

The Santomean economy continued to grow below expectations in 2013 (albeit still at a robust pace), largely reflecting recurrent difficulties in external financing. In turn, the correction of macroeconomic imbalances has progressed, with inflation reaching new historical lows (particularly benefiting from the dobra's exchange rate peg to the euro), intensified fiscal consolidation and a further strengthening of the external position – which culminated in a reduction in the relative burden of external debt and the reinforcement of foreign exchange reserves.

5.1. São Tomé e Príncipe overview

The persistence of a downward trend in macroeconomic imbalances – which has been broad-based over the past few years, particularly as regards inflation, public finances and external accounts – was one of the key elements for the Santomean economy in 2013 and early 2014. However, these favourable developments continued to unfold against a backdrop of persistent pressures and significant risks, notably difficulties in accessing external financing (mostly public, but also private), which were likely crucial to the maintenance of a pace of economic growth below expectations.

External financing shortfalls were most conspicuously reflected in the public accounts, with grants and loans standing at only 59.1% and 18.5% respectively of the 2013 budget. Consequently, capital expenditure was severely affected (standing at only 41.2% of the budget) – although, in turn, this became crucially instrumental to the substantial reduction in the overall fiscal deficit. However, the latter was only possible due to the restraint applied using the fiscal tools more directly under the control of Santomean authorities – despite a marked increase in compensation of employees, which placed a greater burden on other current expenditure (supplemented by an efficient collection of direct taxes).

Progress in fiscal consolidation had a positive impact on monetary conditions, contributing to

a more subdued expansion in liquidity – which also reflected a slight contraction in credit to the economy (affected by the ongoing deleveraging and restructuring of the banking system). In turn, fiscal and monetary restraint, the absence of significant shocks on the supply side, the decline in inflation among the main foreign partners and the exchange rate anchor effect provided by the dobra's exchange rate peg to the euro (which, as decided by the Santomean authorities, draws on the Economic Cooperation Agreement between Portugal and São Tomé and Príncipe) were the key determinants upholding the downward trend in inflation which has prevailed over the past few years – reaching a new historical low in April 2014.

The sustainability of the exchange rate regime mainly hinges on a strict conduct of economic policy by the Santomean authorities, but may be gauged through indicators such as the maintenance of foreign reserves at suitable levels. Therefore, the trend reinforcement in the latter since mid-2012 was particularly relevant – standing in April 2014 close to the levels reached (for precautionary reasons) when the exchange rate regime was launched, in 2010. That reinforcement and the lower external debt burden are, in fact, the most notable expressions of an improvement in the Santomean external position in 2013 – clearly reflected in a further (consecutive) reduction in the main deficits.

Table 55 • Main economic indicators

	2010	2011	2012	2013		2014
	Est.	Est.	Est.	Proj.	Est.	Proj.
Real GDP (annual % change)	4.5	4.9	4.0	4.5	4.0	5.0
Inflation (end-of-period % change)	12.9	11.9	10.4	8.0	7.1	6.0
Broad money (annual % change)	25.1	10.5	20.3	12.6	14.0	10.3
Current and capital account (% of GDP)	-23.1	-25.4	-23.0	-20.4	-19.0	-18.9
Overall fiscal balance (% of GDP)	-10.5	-12.6	-10.8	-13.1	-2.0	-14.6
Domestic primary balance (% of GDP)	-4.1	-3.0	-3.3	-3.1	-2.7	-3.0
External public debt (% of GDP)	78.6	74.2	66.1		70.2	

Sources: Banco Central de São Tomé e Príncipe, Ministry of Planning and Finance (São Tomé and Príncipe) and IMF.

Table 56 • Main economic indicators

		2009	2010	2011	2012	2013		2014	
		Est.	Est.	Est.	Est.	Proj.	Est.	Proj.	Est.
Output and prices									
Nominal GDP	Billions of dobras	3,185	3,719	4,376	5,021	5,780	5,732	6,524	
	EUR millions	141.5	151.8	178.6	204.9	235.9	234.0	266.3	
	USD millions	196.5	200.2	246.5	261.4	309.2	307.9	359.1	
Real GDP	Annual % change	4.0	4.5	4.9	4.0	4.5	4.0	5.0	
Inflation (Consumer Price Index)	E-o-p % change	16.1	12.9	11.9	10.4	8.0	7.1	6.0	6.9 May
	Average % change	17.0	13.3	14.3	10.6	9.0	8.1	7.1	6.8 May
Public finances									
Total revenue	% of GDP	36.1	39.2	40.3	33.6	38.4	30.5	30.5	
Current revenue	% of GDP	16.6	19.0	18.0	15.3	16.5	16.6	16.5	
Grants	% of GDP	19.5	20.2	21.5	17.4	20.6	12.3	14.0	
of which: Debt relief	% of GDP	1.0	0.9	1.1	0.5	0.6	0.4	0.5	
Oil bonuses	% of GDP	0.0	0.0	0.8	0.8	1.3	1.6	0.0	
Total expenditure	% of GDP	54.1	49.7	52.9	44.3	51.5	32.5	45.1	
of which: Current expenditure	% of GDP	20.2	20.6	19.4	17.4	17.8	18.4	17.9	
Capital expenditure	% of GDP	32.9	28.5	32.8	26.6	33.2	13.8	26.7	
Domestic primary balance ^(a)	% of GDP	-8.1	-4.1	-3.0	-3.3	-3.1	-2.7	-3.0	
Overall balance (commitment basis)	% of GDP	-18.0	-10.5	-12.6	-10.8	-13.1	-2.0	-14.6	
Excl. debt relief and oil bonuses	% of GDP	-19.0	-11.3	-14.5	-12.1	-15.0	-4.0	-15.1	
Overall balance (cash basis)	% of GDP	-18.1	-12.5	-11.2	-9.1	-13.1	-1.5	-14.6	
Money and credit									
Net credit to central government	Annual % change	37.7	78.4	63.5	-459.2	-39.6	-102.7	5.3	-142.3 Apr.
Credit to the economy	Annual % change	39.1	40.0	14.7	9.6	7.6	-0.9	22.3	-6.8 Apr.
Broad money	Annual % change	8.2	25.1	10.5	20.3	12.6	14.0	10.3	7.7 Apr.
BCSTP reference interest rate	Annual rate	16.0	15.0	15.0	14.0		14.0		12.0 Jun.
Balance of payments									
Exports f.o.b.	Annual % change	17.6	18.7	0.5	37.6	-0.2	-14.8	25.9	
Imports f.o.b.	Annual % change	-9.1	14.8	20.3	3.0	0.0	7.7	0.6	
Trade balance	% of GDP	-37.9	-42.6	-42.5	-39.8	-33.6	-37.5	-31.4	
Services balance	% of GDP	-4.4	-5.5	-5.3	-2.6	-2.7	-2.7	-3.2	
Current account	% of GDP	-40.1	-43.7	-42.9	-37.8	-33.4	-28.3	-31.3	
Excluding official transfers	% of GDP	-42.9	-46.7	-46.8	-41.3	-34.3	-32.7	-31.9	
Current and capital account	% of GDP	3.3	-23.1	-25.4	-23.0	-20.4	-19.0	-18.9	
BCSTP net foreign assets	EUR millions	50.9	40.7	36.4	43.3	39.8	52.7	55.0	58.0 Apr.
	USD millions	73.1	53.7	46.5	56.7		72.1		79.6 Apr.
External public debt									
Total external public debt	USD millions	136	157	183	204		216		215 Mar.
	% of GDP	69.2	78.6	74.2	78.2		70.2		
External debt service	% of exports	30.4	30.0	27.2	26.8		31.2		
Exchange rates									
Bil. rate EUR/STD (official market)	Average rate	22,510	24,500	24,500	24,500	24,500	24,500	24,500	24,500 Jun.
Bil. rate USD/STD (official market)	Average rate	16,208	18,574	17,754	19,211		18,618		17,951 May
Nominal ^(b) EERI [appreciation: +]	Annual % change	-4.0	-6.1	1.5	-1.4		1.0		1.6 May
Real ^(b) EERI [appreciation: +]	Annual % change	9.8	2.1	9.8	4.6		6.8		7.4 May

Sources: Banco Central de São Tomé e Príncipe (BCSTP), Ministry of Planning and Finance (São Tomé and Príncipe), IMF and Banco de Portugal calculations.

Notes: (a) Overall balance (commitment basis), excluding grants, oil revenue (signature bonuses and other), debt interest and capital expenditure financed by external sources. (b) Effective exchange rate index (EERI), calculated on the basis of official exchange rates applied to the currencies of the four main trading partners over the period 2005/09.

Table 57 • Gross domestic product

Current prices, billions of dobras

	2009	2010	2011	2012	2013		2014
	Est.	Est.	Est.	Est.	Proj.	Est.	Proj.
Primary sector	584	716	892				
Agriculture, livestock, hunting and forestry	371	456	576				
Fishing	194	237	290				
Mining and quarrying	19	22	26				
Secondary sector	550	607	671				
Manufacturing	215	246	281				
Electricity, gas and water	69	73	74				
Construction	266	288	316				
Tertiary sector	2,058	2,414	2,843				
Trade	750	888	1,052				
Accommodation and food	43	52	63				
Transportation, storage and communication	454	488	525				
Financial activities	394	462	542				
Real estate activ., rental and serv. to enterprises	135	155	179				
Public admin., defence and social security	109	128	151				
Education	15	18	21				
Health and social work	9	11	15				
Other activities	149	210	295				
FISIM ^(a)	-281	-366	-478				
Indirect taxes	273	349	447				
Gross domestic product m.p.	3,185	3,719	4,376	5,021	5,780	5,732	6,524
Consumption	2,985	3,859	4,253		5,449		
Private	2,476	3,313	3,579		4,630		
Public	508	546	674		819		
Investment	1,548	1,802	2,173		2,652		
Private	606	710	872		1,116		
Public	941	1,092	1,301		1,537		
Domestic demand	4,532	5,661	6,426		8,101		
Exports of goods and services	318	450	512	634	681	602	643
Overall demand	4,850	6,111	6,938		8,782		
Imports of goods and services	1,665	2,392	2,563	2,762	3,002	2,903	2,903
Memo items:							
GDPmp (real % change)	4.0	4.5	4.9	4.0	4.5	4.0	5.0
GDPmp (nominal % change)	18.1	16.8	17.7	14.8	15.1	14.2	13.8
Nominal GDP (EUR millions; current prices)	141.5	151.8	178.6	204.9	235.9	234.0	266.3
Nominal GDP (USD millions; current prices)	196.5	200.2	246.5	261.4	309.2	307.9	359.1

Sources: Banco Central de São Tomé e Príncipe, Ministry of Planning and Finance (São Tomé and Príncipe), IMF and Banco de Portugal calculations.

Note: (a) Financial intermediation services indirectly measured.

Table 58 • Consumer price index

Per cent

		Monthly change	Cumulative change	End-of-period change	Average change
		[1]	[2]	[3]	[4]
2000	December		9.6	9.6	12.2
2001	December		9.4	9.4	9.2
2002	December		9.0	9.0	10.1
2003	December		10.0	10.0	9.8
2004	December		15.2	15.2	13.3
2005	December		17.2	17.2	17.2
2006	December		24.6	24.6	23.1
2007	December		27.6	27.6	18.5
2008	December		24.8	24.8	32.0
2009	December		16.1	16.1	17.0
2010	December		12.9	12.9	13.3
2011	December		11.9	11.9	14.3
2012	December		10.4	10.4	10.6
2013	December		7.1	7.1	8.1
2012	January	0.4	0.4	11.8	14.2
	February	0.6	1.0	11.5	14.1
	March	0.3	1.3	9.5	13.6
	April	0.9	2.2	8.0	12.9
	May	1.4	3.6	8.6	12.1
	June	2.4	6.1	10.9	11.7
	July	0.9	7.0	11.6	11.4
	August	0.6	7.6	11.4	11.2
	September	0.3	7.9	11.4	11.0
	October	0.5	8.4	11.4	10.8
	November	0.7	9.1	11.1	10.8
	December	1.2	10.4	10.4	10.6
	December (proj.)			8.3	9.0
2013	January	0.4	0.4	10.4	10.5
	February	0.7	1.1	10.5	10.4
	March	-0.3	0.8	9.8	10.5
	April	1.7	2.5	10.7	10.7
	May	0.3	2.8	9.6	10.8
	June	0.2	3.0	7.2	10.4
	July	0.2	3.2	6.5	10.0
	August	0.5	3.7	6.4	9.6
	September	0.3	4.0	6.4	9.1
	October	0.6	4.6	6.5	8.7
	November	1.0	5.6	6.8	8.4
	December	1.5	7.1	7.1	8.1
	December (proj.)			8.0	9.0
2014	January	0.3	0.3	7.0	7.8
	February	0.5	0.8	6.8	7.5
	March	0.2	1.0	7.4	7.3
	April	0.7	1.7	6.3	7.0
	May	0.9	2.6	6.9	6.8
	December (proj.)			6.0	7.1

Sources: Banco Central de São Tomé e Príncipe, Ministry of Planning and Finance (São Tomé and Príncipe), IMF and Banco de Portugal calculations.

Notes:[1] month (n) / month (n-1). [2] month (n) / previous December. [3] month (n) / month (n) of the previous year. [4] last 12 months / previous 12 months.

Table 59 • Balance of payments

USD millions

	2009	2010	2011	2012	2013		2014
			Est.	Est.	Proj.	Est.	Proj.
1. Current account	-78.8	-87.6	-105.7	-98.8	-103.1	-87.2	-112.3
1.1. Trade balance	-74.6	-85.3	-104.7	-104.0	-104.0	-115.4	-112.8
Exports (f.o.b.)	9.2	10.9	11.0	15.1	15.1	12.9	16.2
of which: Cocoa	5.4	4.3	5.3	5.3	5.6	5.4	5.1
Re-exports	3.0	5.2	5.1	8.8	9.4	5.9	9.6
Imports (f.o.b.)	-83.8	-96.2	-115.7	-119.1	-119.1	-128.3	-129.0
of which: Food	-29.0	-25.5	-33.6	-34.7	-34.1	-38.4	-35.6
Capital goods	-30.0	-36.0	-40.2	-36.4	-35.5	-38.5	-41.1
Fuel	-14.7	-15.2	-26.6	-28.7	-25.9	-33.2	-30.9
1.2. Services	-8.6	-10.9	-13.0	-6.7	-8.5	-8.2	-11.6
Exports	10.4	13.4	18.4	17.9	19.0	19.5	19.1
of which: Travel and tourism	8.3	11.1	15.6	12.6	14.4	13.3	14.2
Imports	-19.0	-24.3	-31.4	-24.6	-27.5	-27.6	-30.8
of which: Freights and insurance	-15.4	-19.2	-23.1	-19.3		-20.9	-22.1
1.3. Income	-0.3	-0.4	-0.4	-2.2	-2.5	0.7	-1.5
Credit	1.6	1.9	1.9	1.0		4.2	2.1
Debit	-1.9	-2.3	-2.3	-3.2		-3.5	-3.6
of which: Scheduled debt interest	-1.4	-1.6	-1.7	-1.9		-2.3	-1.9
1.4. Current transfers	4.6	9.0	12.4	14.1	11.9	35.7	13.6
Private transfers	-0.9	3.0	2.8	4.9	9.0	22.2	11.5
of which: Emigrants' remittances	2.0	6.4	6.9	6.4		23.1	13.2
Official transfers	5.6	6.0	9.6	9.2	2.9	13.5	2.2
2. Capital and financial account	71.4	70.3	110.8	103.6	112.5	101.7	110.3
2.1. Capital account	85.2	41.3	43.0	38.7	40.1	28.7	44.6
Capital transfers	85.2	41.3	43.0	38.7	40.1	28.7	44.6
of which: Debt relief	52.8	0.0	3.1	0.0	0.0	0.0	0.0
2.2. Financial account	-13.7	29.0	67.8	64.9	72.4	72.9	65.7
General government – Medium/long-term loans	-28.8	12.6	19.9	19.2	27.7	1.9	43.2
of which: Disbursements	28.6	18.2	29.2	26.1	36.3	9.7	47.9
Amortisation	-57.4	-5.7	-9.4	-6.9	-8.6	-7.7	-4.7
Other assets (net)	32.6	45.0	40.7	51.2	41.9	46.2	24.7
of which: Foreign direct investment	15.3	50.5	33.9	22.1	28.0	29.5	9.7
of which: Oil signature bonuses	0.0	0.0	2.0	2.0	4.9	5.0	0.0
Short-term capital, errors and omissions	-17.6	-28.6	7.2	-5.5	2.8	24.8	-2.2
3. Overall balance: (1) + (2)	-7.3	-17.2	5.1	4.7	9.4	14.5	-2.1
4. Financing	7.3	17.2	-5.1	-4.7	-9.4	-14.5	2.1
Change in foreign reserves, excl. NOA ^(a) (increase: -)	4.4	14.7	-4.6	-4.5	-6.7	-12.4	0.9
National Oil Account (increase: -)	2.4	1.9	-0.5	-0.8	-3.2	-3.2	0.7
Use of IMF resources (net)	0.5	0.6	0.0	0.6	0.5	1.1	0.5
5. Financing gap: ^(b) (4) + (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memo items:							
Current account (% of GDP)	-40.1	-43.7	-42.9	-37.8	-33.4	-28.3	-31.3
Current and capital account (% of GDP)	3.3	-23.1	-25.4	-23.0	-20.4	-19.0	-18.9

Sources: Banco Central de São Tomé e Príncipe (BCSTP), IMF and Banco de Portugal calculations.

Notes: In 2014, a number of methodological changes were introduced, which modified the structure and some figures within the balance of payments, including the adoption by BCSTP of new procedures for the compilation of emigrants remittances to banks (so far, with an impact only on 2013 figures).

(a) National Oil Account. (b) Net borrowing (-) / net lending (+)

Table 60 • Merchandise exports

Destinations, as a percentage of total exports

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 Q1	2004 to 2013
Angola	1.8	4.1	1.1	1.8	0.9	1.1	2.2	2.1	1.4	3.7	2.1	2.0
Belgium	9.5	11.0	14.2	16.8	7.9	18.9	20.2	29.5	13.9	20.7	35.8	17.0
Netherlands	51.7	39.1	26.9	13.3	28.2	26.8	10.9	37.4	38.8	29.1	30.2	29.7
Portugal	25.5	38.0	33.1	44.9	49.2	32.3	44.4	13.2	7.7	6.2	1.6	27.7
Other	11.5	7.7	24.6	23.2	13.8	20.8	22.3	17.9	38.2	40.3	30.4	23.6
Total exports	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Sources: Banco Central de São Tomé e Príncipe, Ministry of Planning and Finance (São Tomé and Príncipe), IMF and Banco de Portugal calculations.

Table 61 • Merchandise imports

Origins, as a percentage of total imports

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 Q1	2004 to 2013
Angola	16.0	20.3	18.3	20.1	22.9	14.8	12.1	9.6	21.9	24.3	22.5	18.1
Belgium	8.8	6.1	4.6	2.3	1.7	1.9	1.8	1.7	3.3	1.9	1.2	2.8
China	0.1	0.2	0.3	1.7	0.9	1.4	2.4	2.0	1.4	1.6	2.6	1.4
France	0.5	0.3	1.1	0.3	0.2	0.7	5.0	2.4	0.6	0.7	0.5	1.3
Gabon	1.4	0.6	3.5	2.2	3.0	2.7	5.3	2.0	2.1	1.4	1.2	2.5
Japan	6.0	7.4	0.7	0.2	0.8	4.4	1.2	2.5	1.5	1.4	1.8	2.1
Netherlands	1.0	0.3	0.8	1.4	0.1	0.4	0.5	0.3	0.4	0.3	0.2	0.5
Portugal	60.4	57.1	63.6	66.2	61.3	56.4	60.9	58.9	55.7	59.8	60.3	59.7
Other	5.8	7.7	7.1	5.6	9.2	17.4	10.8	20.6	13.1	8.6	9.6	11.5
Total imports	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Sources: Banco Central de São Tomé e Príncipe, Ministry of Planning and Finance (São Tomé and Príncipe), IMF and Banco de Portugal calculations.

Table 62 • External public debt

USD millions

	2009	2010	2011	2012	2013	2014
				Est.	Est.	Est. Q1
1. Medium and long-term debt	122.6	139.7	155.2	166.7	176.2	174.9
of which: Arrears	65.7	69.1	67.7	68.7	70.3	70.6
1.1 Multilateral debt	37.0	38.6	42.1	41.0	43.7	42.1
of which: Arrears	0.0	0.0	0.0	0.0	0.0	0.0
BADEA	4.2	5.1	5.8	5.9	5.8	5.7
AfDB/ADF	2.2	3.2	2.2	2.1	5.5	5.3
EIB	2.1	1.4	0.9	0.9	0.6	0.3
IFAD	5.7	6.5	7.9	8.0	7.7	7.5
IMF	4.4	5.0	4.9	5.5	6.0	6.0
IDA	13.7	13.4	14.9	14.1	14.0	14.0
OPEC	4.7	4.0	5.5	4.5	4.1	3.3
1.2 Bilateral official debt	59.8	75.3	87.3	98.9	107.7	108.0
of which: Arrears	39.9	43.3	41.9	41.9	45.5	45.8
1.2.1 Paris Club members	0.2	0.9	0.9	0.9	1.0	1.1
of which: Arrears	0.0	0.0	0.0	0.0	0.0	0.0
Germany	0.0	0.0	0.0	0.0	0.0	0.0
Belgium	0.2	0.9	0.9	0.9	1.0	1.1
Spain	0.0	0.0	0.0	0.0	0.0	0.0
France	0.0	0.0	0.0	0.0	0.0	0.0
Russia	0.0	0.0	0.0	0.0	0.0	0.0
1.2.2 Other official creditors	59.6	74.4	86.4	98.0	106.7	107.0
of which: Arrears	39.9	43.3	41.9	41.9	45.5	45.8
Angola	32.0	32.0	32.0	32.0	32.0	32.0
Algeria	1.3	3.1	0.0	0.0	0.0	0.0
China	17.0	17.0	17.3	17.3	18.6	18.8
Former Yugoslavia	8.8	8.8	8.8	8.8	8.8	8.8
Portugal	0.4	13.4	28.2	39.8	47.3	47.3
1.3 Commercial debt	25.8	25.8	25.8	26.8	24.8	24.8
of which: Arrears	25.8	25.8	25.8	26.8	24.8	24.8
Italy	25.8	25.8	25.8	25.8	24.3	24.3
MSF				1.0	0.5	0.5
2. Short-term debt	13.4	17.7	27.7	37.7	39.8	39.8
of which: Arrears	3.4	13.4	17.7	17.7	3.4	13.4
Angola	3.4	3.4	3.4	3.4	3.4	3.4
Brazil	0.0	4.3	4.3	4.3	4.3	4.3
Equatorial Guinea	0.0	0.0	0.0	0.0	2.1	2.1
Nigeria	10.0	10.0	20.0	30.0	30.0	30.0
Total external public debt [1 + 2]	136.0	157.4	182.9	204.4	216.0	214.7
of which: Arrears	69.1	82.5	85.4	86.4	73.7	84.0
Memo items:						
Scheduled external debt service (% of exports of goods and services)	30.4	30.0	27.2	26.8	31.2	
Total external public debt (% of GDP)	69.2	78.6	74.2	78.2	70.2	
Total arrears (% of GDP)	35.2	41.2	34.7	27.9	23.9	

Sources: Banco Central de São Tomé e Príncipe, Ministry of Planning and Finance (São Tomé and Príncipe), IMF and Banco de Portugal calculations.

Table 63 • Government operations

Billions of dobras

	2009	2010	2011	2012		2013		2014
				Est.	Budg.	Est.	I.e. ^(a)	Budg.
1. Total revenue	1,149	1,459	1,765	1,685	2,222	1,746	78.6	1,988
1.1. Current revenue	528	707	787	771	954	953	99.8	1,076
Tax revenue	472	647	726	704	878	851	97.0	999
Direct taxes	150	181	235	222	250	280	111.9	300
Indirect taxes	247	374	355	388	499	460	92.3	569
of which: Customs revenue	168	312	299	334	438	398	90.9	496
Other tax revenue	75	91	136	93	129	111	86.0	130
Non-tax revenue	56	60	61	67	77	102	132.4	77
1.2. Grants	621	752	942	876	1,190	704	59.1	912
Project grants	576	699	817	706	964	509	52.7	0
Other grants	13	20	77	142	193	173	89.4	881
Debt relief-related grants	31	33	49	28	32	22	69.7	31
1.3. Oil signature bonuses	0	0	35	39	78	90	115.6	0
2. Total expenditure	1,724	1,847	2,317	2,226	2,978	1,864	62.6	2,943
2.1. Current expenditure	642	767	851	875	1,030	1,056	102.5	1,171
Compensation of employees	252	338	369	419	449	521	116.2	542
Goods and services	195	191	234	198	236	216	91.6	229
Subsidies and transfers	144	193	181	190	287	256	89.0	304
Public debt interest	16	16	24	30	24	28	119.4	37
Other current expenditure	35	29	43	39	34	34	99.1	58
2.2. Capital expenditure	1,048	1,060	1,437	1,336	1,920	791	41.2	1,741
With domestic financing	126	87	65	74	99	60	61.3	108
With external financing	922	972	1,373	1,262	1,821	730	40.1	1,634
2.3. HICP Initiative-related expenditure	33	21	29	14	28	17	62.3	31
3. Overall balance (commitment basis) [1] - [2]	-575	-389	-552	-540	-756	-117		-955
4. Change in arrears [decrease: -]	0	0	59	33	0	-22		0
External arrears (interest)	0	0	0	0	0	0		0
Domestic arrears	0	0	59	33	0	-22		0
5. Items in transit, errors and omissions	-2	-77	5	51	0	51		0
6. Overall balance (cash basis) [3] + [4] + [5]	-577	-466	-488	-456	-756	-89		-955
7. Financing	577	466	488	456	756	89		955
7.1. Domestic financing	182	184	11	-86	0	52		0
Net bank credit (excl. NOA ^(b))	149	166	11	-86	0	-69		0
Non-bank financing	33	17	0	0		121		
7.2. External financing	356	246	450	558	800	94		909
Direct disbursements to the GSBudget	9	1	1	75	0	0		0
Disbursements for projects	388	293	528	532	857	159	18.5	974
Scheduled amortisation (incl. relief)	-43	-48	-79	-49	-58	-64		-65
Bilateral rescheduling	2	0	0	0	0	0		0
Change in arrears (capital)	0	0	0	0	0	0		0
7.3. Transfer from/to NOA ^(b) [entered into GSB: +]	39	36	27	-15	-44	-58		45
8. Financing gap [6] + [7]	0	0	0	0	0	0		0
Memo items:								
Overall balance, commitment basis (% of GDP)	-18.0	-10.5	-12.6	-10.8	-13.1	-2.0		-14.6
excluding debt relief (% of GDP)	-19.0	-11.3	-13.7	-11.3	-13.6	-2.4		-15.1
excl. debt relief and oil bonuses (% of GDP)	-19.0	-11.3	-14.5	-12.1	-15.0	-4.0		-15.1
Domestic primary balance ^(c) (% of GDP)	-257	-152	-133	-163	-178	-153		-197
	-8.1	-4.1	-3.0	-3.3	-3.1	-2.7		-3.0

Sources: Banco Central de São Tomé e Príncipe, Ministry of Planning and Finance (São Tomé and Príncipe), IMF and Banco de Portugal calculations.

Notes: (a) Level of budget execution, per cent. (b) National Oil Account (NOA). (c) Overall balance (commitment basis), excluding grants, oil revenue (signature bonuses and other), debt interest and capital expenditure financed by external sources.

Table 64 • Monetary survey

End-of-period stocks, billions of dobras

	2009	2010	2011	2012	2013		2013 / 2012		2014	Apr 2014 / Dec. 2013		2014
					Proj.	Est.	(A)	(B)	Est.	(A)	(B)	Proj.
1. Net foreign assets	1,279	1,364	1,263	1,630	1,409	1,648	1.1	0.9	1,812	10.0	7.7	1,947
1.1. Central bank	1,228	998	891	1,062	975	1,292	21.7	12.2	1,420	10.0	6.0	1,347
1.2. Commercial banks	50	367	372	568	434	356	-37.4	-11.3	392	10.1	1.7	600
2. Net domestic assets	-145	53	303	254	712	500	96.7	13.0	255	-48.9	-11.4	422
2.1. Net domestic credit	810	1,466	1,728	1,795	1,893	1,651	-8.0	-7.6	1,358	-17.7	-13.6	2,088
2.1.1. Net credit to centr. gov.	-280	-60	-22	-123	-172	-250	-102.7	-6.7	-508	-103.0	-12.0	-237
2.1.1.1. Gross loans	158	261	267	236	236	246	4.5	0.6	241	-2.1	-0.2	229
2.1.1.2. Deposits	-438	-321	-290	-359	-408	-496	38.2	-7.3	-749	50.9	-11.8	-466
2.1.2. Credit to the economy	1,090	1,526	1,750	1,918	2,065	1,902	-0.9	-0.9	1,866	-1.8	-1.6	2,325
2.2. Other assets and liabilities	-955	-1,412	-1,424	-1,541	-1,181	-1,152	25.3	20.7	-1,103	4.2	2.2	-1,666
3. Broad money	1,133	1,417	1,566	1,884	2,121	2,147	14.0	14.0	2,067	-3.7	-3.7	2,369
3.1. Currency in circulation	149	163	177	173	192	187	8.2		162	-13.3		170
3.2. Demand deposits	718	922	955	1,070		1,404	31.2		1,352	-3.7		
3.2.1. In national currency	288	399	493	561	644	872	55.5		757	-13.2		823
3.2.2. In foreign currency	431	524	462	510		532	4.5		595	11.8		
3.3. Other deposits	266	331	434	641		556	-13.2		553	-0.5		
3.3.1. In national currency	116	23	53	184	143	303	64.9		351	15.7		435
3.3.2. In foreign currency	150	308	381	457		253	-44.7		202	-19.9		

Sources: Banco Central de São Tomé e Príncipe, IMF and Banco de Portugal calculations.

Notes: (A) Percentage changes from the previous December. (B) Changes as a percentage of the initial stock of broad money (expansion / contraction determinants).

Table 65 • Interest rates

Annual rates, per cent

	2009	2010	2011	2012	2013			2014		
	Dec.	Dec.	Dec.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Apr.
1. BCSTP reference rate	16.0	15.0	15.0	14.0	14.0	14.0	14.0	14.0	14.0	12.0
2. Lending rates										
2.1. Credit (91-180 days)	31.2	26.8	26.0	26.0	23.8	23.7	23.3	23.0	22.5	22.6
2.2. Credit (181 days-1 year)	28.7	27.0	26.0	26.0	23.1	23.3	23.4	23.3	22.2	21.8
2.3. Credit (over 1 year)	28.0	26.7	26.5	26.5	26.5	25.1	25.1	25.1	24.9	24.6
3. Deposit rates										
3.1. Deposits (up to 90 days)	10.2	11.6	12.2	12.2	7.7	7.7	6.3	7.6	7.8	6.7
3.2. Deposits (91 days-1 year)	11.3	13.2	13.7	13.7	8.2	8.1	7.2	8.0	6.9	6.2
3.3. Deposits (over 1 year)	Negotiable	13.9	12.8	12.8	8.0	8.0	8.0	6.3	9.0	
Memo item:										
Inflation (end-of-period % change)	16.1	12.9	11.9	10.4	9.8	7.2	6.4	7.1	7.4	6.3

Source: Banco Central de São Tomé e Príncipe (BCSTP).

Note: Indicative rates (calculated on the basis of raw information provided by banks). The series after 2012 are not comparable with historical data, due to improvements in data compilation.

Table 66 • Exchange rates

Average rates

	Euro / Dobra		USD / Dobra		EERI ^{(a)(b)}		
	Exchange rate	Annual change	Exchange rate	Annual change	Nominal	Real	
2000	7,367	-3.7	7,978	12.0	197.8	140.0	
2001	7,901	7.2	8,842	10.8	218.6	133.4	
2002	8,586	8.7	9,088	2.8	236.9	131.8	
2003	10,568	23.1	9,348	2.9	225.1	115.5	
2004	12,306	16.4	9,902	5.9	202.4	106.8	
2005	13,123	6.6	10,519	6.2	191.9	111.4	
2006	15,630	19.1	12,445	18.3	158.4	107.6	
2007	18,558	18.7	13,537	8.8	134.6	103.8	
2008	21,602	16.4	14,685	8.5	116.9	113.5	
2009	22,510	4.2	16,208	10.4	112.3	124.7	
2010	24,500	8.8	18,574	14.6	105.4	127.3	
2011	24,500	0.0	17,754	-4.4	107.0	139.8	
2012	24,500	0.0	19,211	8.2	105.5	146.1	
2013	24,500	0.0	18,618	-3.1	106.5	156.1	
2012	January	24,500	0.0	19,153	3.5	105.5	141.6
	February	24,500	0.0	18,682	3.2	106.1	142.8
	March	24,500	0.0	18,694	5.9	106.1	141.8
	April	24,500	0.0	18,758	9.5	106.0	142.5
	May	24,500	0.0	19,251	12.0	105.4	143.7
	June	24,500	0.0	19,705	14.8	104.9	146.5
	July	24,500	0.0	20,048	16.0	104.5	147.1
	August	24,500	0.0	19,931	15.7	104.6	147.9
	September	24,500	0.0	19,212	7.4	105.5	148.7
	October	24,500	0.0	19,030	5.5	105.7	149.0
	November	24,500	0.0	19,243	5.9	105.5	149.8
	December	24,500	0.0	18,831	0.6	106.0	151.9
2013	January	24,500	0.0	18,858	-1.5	106.4	154.3
	February	24,500	0.0	18,451	-1.2	106.6	155.3
	March	24,500	0.0	19,030	1.8	105.8	151.7
	April	24,500	0.0	18,983	1.2	105.9	154.3
	May	24,500	0.0	19,011	-1.3	105.9	154.2
	June	24,500	0.0	18,723	-5.0	106.3	154.8
	July	24,500	0.0	18,883	-5.8	106.1	155.0
	August	24,500	0.0	18,544	-7.0	106.5	156.9
	September	24,500	0.0	18,511	-3.6	106.7	156.8
	October	24,500	0.0	18,110	-4.8	107.4	158.6
	November	24,500	0.0	18,292	-4.9	107.1	159.8
	December	24,500	0.0	18,026	-4.3	107.5	162.0
2014	January	24,500	0.0	18,120	-3.9	107.4	163.8
	February	24,500	0.0	18,082	-2.0	107.4	164.6
	March	24,500	0.0	17,852	-6.2	107.7	163.6
	April	24,500	0.0	17,872	-5.9	107.7	164.3
	May	24,500	0.0	17,951	-5.6	107.6	165.6

Sources: Banco Central de São Tomé e Príncipe and Banco de Portugal calculations.

Notes: (a) Effective exchange rate index (EERI), calculated on the basis of official rates applied to the currencies of the four main trading partners over the period 2005/09. (b) An increase/decrease in the EERI (nominal or real) corresponds to an appreciation / depreciation of the dobra (Index, 100: January 1999).

6. TIMOR-LESTE

Area: 14,954 Km²

Capital city: Dili

Population: 1,212 thousand
(2014; source: General Directorate of Statistics)

Currency: US dollar

Economic activity in Timor-Leste slowed after the high growth rates recorded from 2007 to 2011. This slowdown had a positive impact on inflation – which is now virtually nil – and is mainly the result of a less expansionary fiscal policy. The exploitation of energy resources started to follow a downward path, leading to a decrease in oil revenue. As this revenue, however, remains significant, the value of the Petroleum Fund has continued to increase.

6.1. Timor-Leste overview

Economic developments in Timor-Leste have shown a sharp turnaround during the period under analysis from their pattern in previous years: non-oil domestic output slowed down markedly from its growth levels up to 2011, and inflation (which stood at a two-digit level in mid-2013) is currently nil.

The level of economic activity (assessed by the real rate of change in non-oil GDP) grew by 7.8 per cent in 2012 and estimates for 2013 and 2014 are lower (5.4 and 6.6 per cent respectively), in strong contrast with rates between 10 and 15 per cent seen from 2007 to 2011¹.

This slowdown mainly reflects a decrease in fiscal stimulus, after a phase of high public investment (specifically in infrastructures for the production and distribution of electricity in 2011 and 2012). In turn, this new understanding is the combination of two factors: on the one hand, a continuous decrease in oil revenue, on the other, the fact that high public expenditure in previous years led to unsustainable levels of inflation and imports (in view of an inadequate response from the domestic economy).

Oil production (accounting for around three quarters of total output) is already clearly declining, as seen in the negative rates of change in total GDP recorded in 2012 and 2013, and is expected to continue to decline in the following years.

However, in spite of a decrease (already seen in 2013 and expected to be more marked in 2014

and the following years), the amount of oil revenue remains above fiscal funding needs. The value of the Petroleum Fund assets therefore continues on a growth path, having amounted to over USD 16.6 billion this past June.

External trade flows remain highly unbalanced: imports continued to grow (although not as strongly as in previous years), while exports (mostly coffee) decreased, owing to a decline in the international price of coffee and the fact that coffee plantations were not renewed. This imbalance in the trade balance stems from the fact that oil sales are not accounted for in time as exports, but rather as income from abroad, which is only adjusted with the publication of the National Accounts (with a delay of around two years).

The characteristics of the monetary system are strongly influenced by the dollarisation and the small size of the banking system. Credit has a relatively small role (around 3 per cent of national income; 10 per cent of non-oil GDP). This is the result of limited productive investment opportunities and deficiencies in the applicable legal framework (specifically in registering property and granting and executing guarantees). Nevertheless, credit has grown somewhat in the past few years, in contrast with the second half of the previous decade.

The dollarisation clearly marks the country's exchange rate relationship with its economic partners, resulting in a continued appreciation vis-à-vis the currencies of its main trading partners in the past few years.

Table 67 • Main economic indicators

	2011	2012	2013	2014
			Est.	For.
Total GDP (real % change)	7.9	-10.4	-10.7	-10.2
Non-oil GDP (real % change)	14.7	7.8	5.4	6.6
Inflation (e-o-p % change) ^(a)	17.4	11.7	4.0	0.0
Broad money (rate of change) ^(a)	10.6	26.2	23.1	-11.5
Current account (% of non-oil GDP)	209	210	160	68
Fiscal balance (% of non-oil GDP)	220	228	141	55
Oil revenue (% of non-oil GDP)	308	312	246	137
Petroleum Fund (% of non-oil GDP)	829	927	1077	972

Sources: BCTL, Ministry of Finance (Timor-Leste) and International Monetary Fund.

Note: (a) The figure for 2014 corresponds to the change recorded at the end of July.

Table 68 • Main economic indicators

		2009	2010	2011	2012	2013		2014	
						For.	Est.	For.	Est.
Output and prices									
Gross domestic income	USD millions	2,556	3,295	4,732	4,690	6,305	4,175	3,737	
Total GDP	USD millions	3,299	4,215	5,726	5,579	6,129	4,941	4,510	
Total GDP	real % change	-6.7	-1.4	7.9	-10.4	-3.2	-10.7	-10.2	
Non-oil GDP	USD millions	818	935	1,123	1,270	1,791	1,392	1,609	
Non-oil GDP	real % change	12.9	9.4	14.7	7.8	8.1	5.4	6.6	
Inflation	e-o-p % change	1.8	9.2	17.4	11.7	11.0	4.0	1.0	0.0 Jul.
Inflation	average % change	0.7	6.8	17.4	11.8	11.4	10.8	2.5	4.0 Jul.
Public finances									
Total revenue	% of non-oil GDP	249	293	343	343	176	248	159	
Domestic revenue	% of non-oil GDP	8	10	10	11	8	10	10	
Oil revenue	% of non-oil GDP	207	250	308	312	156	221	138	
Other revenue	% of non-oil GDP	34	33	25	22	14	15	8	
Total expenditure	% of non-oil GDP	70	114	123	114	103	107	105	
Current expenditure	% of non-oil GDP	27	54	45	54	47	53	62	
Capital expenditure	% of non-oil GDP	43	60	78	60	56	54	43	
Overall balance	% of non-oil GDP	179	179	220	228	72	141	55	
Petroleum Fund	% of non-oil GDP	657	738	829	927	793	1,077	1,028	1034 Jun.
Money and credit									
Net foreign assets ^(a)	USD millions	443	622	689	1,179	986	1,130	1,108	661 Jun.
	rate of change ^(b)	15.7	40.4	10.8	71.1	-16.4	14.6	-1.9	-40.3 Jun.
	months of imports	4.8	5.9	4.6	8.3	6.4	7.3	6.3	3.8 Jun.
Credit to the economy (priv. s.)	USD millions	104	110	133	160	194	182	236	189 Jun.
	rate of change ^(b)	5.1	5.8	20.9	20.3	21.3	-6.2	29.7	-19.9 Jun.
Public sector net deposits	USD millions	206	331	413	841	648	651	770	286 Jun.
	rate of change ^(b)	-10.4	60.7	24.8	103.6	-22.9	0.5	18.3	-62.9 Jun.
Broad money	USD millions	268	296	326	412	493	507	600	449 Jun.
	rate of change ^(b)	40.3	10.4	10.1	26.4	19.7	2.8	18.3	-25.2 Jun.
Balance of payments									
Merchandise exports ^(c)	USD millions	15	27	29	33	37	18	20	
Merchandise imports	USD millions	-337	-307	-402	-672	-769	-694	-753	
Oil income ^(d)	USD millions	1,660	2,331	3,461	3,960	3,273	3,427	2,199	
Current account	USD millions	1,285	1,678	2,352	2,668	2,105	2,224	1,098	
	% of non-oil GDP	157	179	209	210	118	160	68	
Capital and financial account	USD millions	-1,243	-1,505	-2,249	-2,242	-2,299	-2,574	-1,113	
	% of non-oil GDP	-152	-161	-200	-177	-128	-185	-69	
Overall balance	USD millions	39	156	55	422	-194	-197	-15	
	% of non-oil GDP	4.8	16.7	4.9	33.2	-10.8	-14.1	-0.9	
Exchange rates									
USD / IDR (Indonesia)	average rate	10,412	9,085	8,777	9,384		10,463	11,689 Jul.	
USD / AUD (Australia)	average rate	1.28	1.09	0.97	0.97		1.04	1.06 Jul.	
Nominal EERI (Index 100, 2001) ^(e)	rate of change ^(b)	-13.5	-5.3	-0.2	1.3		18.4	-3.1 Jul.	
Real EERI (Index, 100: 2001) ^(e)	rate of change ^(b)	-13.3	-1.0	13.1	6.6		20.9	-3.7 Jun.	

Sources: BCTL, Bank Indonesia, Reserve Bank of Australia, Monetary Authority of Singapore, International Monetary Fund and Banco de Portugal calculations.
Notes: (a) Does not include Petroleum Fund assets; (b) Rate of change compared with the previous December; (c) Does not include oil / gas exports; (d) Includes payments to the State by energy companies and income from Petroleum Fund investments; (e) Effective Exchange Rate Index (EERI), calculated on the basis of the exchange rates of the main trading partners of Timor-Leste (appreciation: +; depreciation: -).

Table 69 • Gross domestic product

Current prices, USD millions

	2008	2009	2010	2011	2012	2013 Est.	2014 For.
Agriculture, fishing and forestry	171	173	191	193	236		
Mining and quarrying	3,746	2,473	3,281	4,605	4,310		
of which: Oil and gas	3,745	2,472	3,281	4,604	4,309		
Manufacturing	12	12	11	11	12		
Construction	91	139	155	248	239		
Trade and services	325	364	410	436	479		
Trade (whole and retail)	164	183	187	203	222		
Telecommunications	30	38	45	56	62		
Financial activities	4	4	3	8	9		
Real estate activities	71	74	84	92	113		
Professional, scient., technical and admin. activities	5	7	25	30	34		
Other services	51	58	66	47	39		
Public administration	94	148	175	216	279		
Non-oil Gross Domestic Product (at factor costs)	694	837	942	1,105	1,246		
Non-oil Gross Domestic Product (market prices)	694	818	934	1,123	1,270	1,392	1,609
Total GDP (incl. oil production)	4,438	3,290	4,215	5,707	5,545	4,941	4,510
Consumption	1,239	1,416	1,551	1,707	1,995		
Private consumption	511	569	637	723	906		
Government consumption	728	847	914	984	1089		
Gross investment	203	490	550	829	831		
Gross Fixed Capital Formation	202	489	549	828	798		
Changes in inventories	1	1	1	1	33		
Domestic demand	1,442	1,906	2,101	2,536	2,826		
Exports of goods and services (incl. oil and gas)	4,259	3,066	3,960	5,283	5,187		
Overall demand	5,700	4,972	6,061	7,819	8,013		
Imports of goods and services	932	1,316	1,461	1,629	1,598		
Memo item:							
Non-oil GDP (% of total GDP)	16.0	25.0	22.2	19.6	22.8	28.2	35.7
Non-oil GDP (real % change)	14.3	12.9	9.5	14.7	7.8	5.4	6.6

Sources: General Directorate of Statistics (Timor-Leste) (2000/2012 National Accounts), International Monetary Fund and Banco de Portugal calculations.

Table 70 • Consumer price index

Per cent

		Monthly change	Year-on-year change	Average change
		[1]	[2]	[3]
2002	December		9.5	
2003	December		4.2	7.2
2004	December		1.8	3.2
2005	December		0.9	1.1
2006	December		7.3	3.9
2007	December		8.6	10.3
2008	December		7.5	9.0
2009	December		1.8	0.7
2010	December		9.2	6.8
2011	December		17.4	13.5
2012	December		11.7	11.8
2013	December		4.0	10.8
2012	January	1.4	17.7	14.3
	February	-0.7	12.6	14.4
	March	0.7	10.1	14.0
	April	0.8	11.0	13.8
	May	0.3	11.2	13.6
	June	0.2	11.0	13.3
	July	0.3	11.1	13.1
	August	0.4	11.3	13.0
	September	1.1	11.4	12.8
	October	1.1	11.5	12.5
	November	1.9	11.6	12.2
	December	3.8	11.7	11.8
2013	January	1.3	11.2	11.3
	February	0.6	12.7	11.3
	March	1.0	12.2	11.4
	April	0.5	12.6	11.6
	May	0.3	12.6	11.7
	June	0.3	13.0	11.9
	July	-0.4	12.0	12.0
	August	0.2	11.8	12.0
	September	-0.1	10.5	11.9
	October	0.3	9.7	11.8
	November	0.1	7.7	11.4
	December	-0.1	4.0	10.8
2014	January	0.1	2.8	10.0
	February	0.0	2.2	9.1
	March	0.1	1.3	8.2
	April	0.1	0.9	7.2
	May	-0.6	0.0	6.1
	June	-0.3	-0.6	5.0
	July	0.2	0.0	4.0

Sources: BCTL, General Directorate of Statistics (Timor-Leste) and Banco de Portugal calculations.

Notes: [1] month (n) / month (n-1); [2] month (n) / month (n) of the previous year; [3] last 12 months / previous 12 months.

Table 71 • Balance of payments

USD millions

	2009	2010	2011	2012	2013		2014
					Proj.	Est.	Proj.
Current account	1,285	1,678	2,352	2,668	2,105	2,224	1,098
Trade account	-323	-280	-373	-638	-731	-676	-732
Exports ^(a)	15	27	29	33	37	18	20
of which: Coffee	8	17	12	19	33	16	19
Imports	-337	-307	-402	-672	-769	-694	-753
of which: Consumer and intermediate goods	-279	-257	-303	-506	-628	-522	-563
Capital goods	-56	-50	-99	-166	-141	-171	-189
Services	-776	-961	-1,385	-998	-1,004	-581	-547
Exports	52	75	79	69	86	45	51
of which: Travel	16	31	24	21	26	29	33
Imports	-828	-1,036	-1,464	-1,068	-1,090	-627	-598
Income	1,933	2,435	3,577	3,873	3,394	3,304	2,191
of which: Oil revenue ^(b)	1,660	2,331	3,461	3,960	3,273	3,427	2,199
Current transfers	451	484	533	432	447	177	186
of which: Official grants	444	445	457	395	290	152	-
Capital and financial account	-1,243	-1,505	-2,249	-2,242	-2,299	-2,574	-1,113
Capital account	27	31	26	23	28	20	28
Financial account	-1,273	-1,536	-2,275	-2,265	-2,326	-2,594	-1,141
of which: Investment of oil savings	-1,330	-1,509	-2,424	-2,465	-2,431	-2,283	-1,492
Foreign direct investment	50	55	14	31	53	31	109
External debt flows	0	0	0	22	44	44	31
Items in transit, errors and omissions	2	-17	-48	-4	0	154	0
Overall balance	39	156	55	422	-194	-197	-15
Financing	-39	-156	-55	-422	194	197	15
Change in net foreign assets (increase: -)	-39	-156	-55	-422	194	197	15
Memo items:				(% of non-oil GDP)			
Oil income ^(b)	203	249	308	312	183	246	137
Current account	157	179	209	210	118	160	68
Capital and financial account	-152	-161	-200	-177	-128	-185	-69
Overall balance	4.8	16.7	4.9	33.2	-10.8	-14.1	-0.9

Sources: BCTL, International Monetary Fund and Banco de Portugal calculations.

Notes: (a) The value of revenue from oil exports is accounted for as income and therefore is not recorded as merchandise exports; (b) Includes income from Petroleum Fund investments; the forecast for 2014 is calculated by the IMF, differing from the 2014 Overall State Budget.

Table 72 • Merchandise exports

Destinations, as a percentage of total exports

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
United States	47.5	49.1	40.8	45.9	26.2	33.8	43.2	23.3	26.1	36.3
Germany	5.9	20.7	24.2	2.4	26.3	27.9	25.3	45.1	25.4	48.0
Singapore	2.2	1.1	7.6	17.6	10.8	3.4	9.0	4.2	36.0	1.7
Indonesia	17.1	5.0	13.6	5.0	16.4	4.9	4.2	3.7	0.9	0.0
Portugal	7.8	11.9	2.1	2.6	6.3	8.9	4.3	0.9	0.6	0.9
Australia	12.5	5.5	3.6	7.8	2.1	3.0	4.1	2.3	0.3	3.4
Japan	1.2	1.2	1.4	0.0	5.0	4.7	3.7	5.4	3.8	6.4
Other	5.9	5.4	6.7	18.7	6.9	13.4	6.1	15.1	6.9	3.2
Value of exports ^(a)	8.0	9.0	9.3	6.6	14.1	14.6	27.1	28.7	33.3	17.7

Sources: BCTL, Ministry of Finance (Timor-Leste) and Banco de Portugal calculations.

Note: (a) USD millions.

Table 73 • Merchandise imports

Origins, as a percentage of total imports

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Indonesia	53.0	47.0	43.0	22.7	40.9	31.2	32.2	28.8	22.2	26.1
Singapore	13.4	14.6	19.4	11.3	16.4	18.1	15.1	6.3	6.8	9.0
China	1.0	1.7	2.5	2.7	2.0	3.9	7.2	17.6	6.5	5.7
Malaysia	0.6	0.8	0.9	0.0	4.4	2.7	1.7	4.0	7.7	11.5
Vietnam	4.6	4.5	5.0	1.7	6.7	11.7	4.7	2.2	4.6	5.9
Australia	17.7	13.9	12.5	29.2	13.3	16.0	8.4	4.5	3.5	2.3
Japan	1.1	10.4	2.5	7.4	2.2	2.6	3.4	1.7	3.5	1.6
Portugal	1.5	1.6	2.2	0.7	1.2	3.2	2.4	1.4	1.6	1.8
Thailand	1.2	1.1	3.5	0.0	2.0	1.1	1.1	2.4	1.7	1.0
Other	5.9	4.5	8.5	24.3	11.0	9.3	23.8	30.9	41.9	35.2
Value of imports ^(a)	113.5	101.6	87.7	206.1	268.6	295.1	307.4	401.9	671.6	693.5

Sources: BCTL, Ministry of Finance (Timor-Leste) and Banco de Portugal calculations.

Note: (a) USD millions.

Table 74 • Government operations

USD millions

	2010	2011	2012	2013			2014
				Budg.	Est.	I.e. ^(a)	Budg.
Total revenue	2,744	3,854	4,351	3,148	3,455	110	2,564
Domestic revenue	96	109	138	146	140	96	166
Direct taxes	18	28	37	42	40	95	45
Indirect taxes	32	51	61	64	61	95	75
Other domestic revenue	46	30	39	41	39	97	46
Oil revenue ^(b)	2,338	3,461	3,960	2,798	3,070	110	2,213
Tax revenue from oil exploration	2,117	3,240	3,559	2,309	2,693	117	1,443
Income from Petroleum Fund investments	221	221	401	489	377	77	770
Grants (to infrastructures)	309	284	254	203	245	120	185
Total expenditure	1,070	1,381	1,451	1,851	1,492	81	1,685
Current expenditure	506	509	691	841	739	88	993
Compensation of employees	92	112	131	161	142	88	177
Expenditure on goods and services	246	254	342	442	395	89	480
Current transfers	169	143	219	239	203	85	336
Capital expenditure ^(c)	564	872	760	1,010	753	75	692
Overall balance	1,675	2,473	2,900	1,297	1,963	151	879
Overall balance (excl. oil revenue)	-664	-989	-1,060	-1,501	-1,107	74	-1,334
Financing	664	989	1,060	1,501	1,107		1,334
Change in treasury balances (increase: -)	-147	-70	-478	671	190		400
Drawings from the Petroleum Fund (sust. income)	650	657	654	787	730		632
Drawings from the Petroleum Fund (above sust. income)	161	399	841	0	0		271
Indebtedness (disbursements)	0	0	22	44	43		31
Other (including errors and omissions)	0	4	21	-1	144		0
Memo items:							
Non-oil GDP (USD millions)	935	1,123	1,270	1,791	1,392		1,609
Overall balance (% of non-oil GDP)	179	220	228	72	141		55
Overall balance, excl. oil revenue (% of non-oil GDP)	-71	-88	-83	-84	-80		-83
Petroleum Fund (cumulated, USD millions)	6,904	9,310	11,775	14,206	14,986		15,639
Petroleum Fund (% of non-oil GDP)	738	829	927	793	1,077		972

Sources: BCTL, Ministry of Finance (Timor-Leste), International Monetary Fund and Banco de Portugal calculations.

Notes: (a) Level of budget execution, per cent; (b) Includes tax revenue from oil exploration and income from the Petroleum Fund's financial investments; (c) Includes investment projects in infrastructures financed by grants from donors.

Table 75 • Monetary survey
USD millions

	2009		2010		2011		2012		2013		2013/2012		2014		2014 Jun/2013	
	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Dec	[1]	[2]	June	[1]	[2]	
Net foreign assets	443	622	689	1,179	1,130	1,130	-4.1	-11.8	661	-41.5	-92.7					
Foreign assets	469	650	756	1,251	1,148	1,148	-8.2	-25.0	763	-33.5	-76.0					
Banco Central de Timor-Leste	250	406	498	884	687	687	-20.2	-47.7	294	-57.2	-77.5					
Commercial banks	219	244	259	368	462	462	25.4	22.7	469	1.6	1.5					
Foreign liabilities	-26	-28	-68	-72	-18	-18	-75.1	13.2	-103	469.7	-16.7					
Banco Central de Timor-Leste		-12	-14	-12	-12	-12	-0.3	0.0	-12	0.4	0.0					
Commercial banks		-16	-53	-60	-6.1	-6.1	-89.9	13.2	-91	1,385.2	-16.7					
Net domestic assets	-174	-327	-362	-767	-623	-623	-18.7	34.9	-212	-66.0	81.2					
Net claims on government	-206	-331	-413	-841	-651	-651	-22.6	46.3	-286	-56.1	72.0					
Gross loans	1	22	6	0	0	0			0							
Government deposits	-207	-353	-419	-841	-651	-651	-22.6	46.3	-286	-56.1	72.0					
Credit to the private sector	104	110	133	160	182	182	13.6	5.3	189	3.8	1.5					
Other assets (net)	-72	-105	-83	-86	-155	-155	79.3	-16.6	-116	-25.2	7.7					
Total assets	268	295	326	412	507	507	23.1		449	-11.5						
Broad money (M3)	268	295	326	412	507	507	23.1		449	-11.5						
Currency in circulation (coin) ^(a)	2.8	3.4	3.9	4.8	6.7	6.7	41.3		8.3	23.9						
Demand deposits	155	138	163	206	279	279	35.8		247	-11.5						
Time deposits and other deposits	111	154	160	201	221	221	9.7		194	-12.2						
Memo items:																
Petroleum Fund assets (USD millions)	5,377	6,904	9,310	11,775	14,986	14,986	27.3		16,634	11.0						
Net foreign assets (in months of imports)	4.8	5.9	4.6	8.5	7.3	7.3			3.8							

Sources: BCTL, International Monetary Fund and Banco de Portugal calculations.

Notas: [1] Percentage change from the previous period. [2] Percentage change from the broad money at the end of the previous period (liquidity expansion / contraction factors).

(a) Circulation: this aggregate only includes coins (centavos, sub denominations of the USD) issued by Banco Central de Timor-Leste, excluding USD banknotes, as these do not correspond to liabilities of the banking system of Timor-Leste.

Table 82 • Exchange rates

Average rates

		USD / AUD	USD / IDR	EUR / USD	EERI ^(a)	
					Nominal	Real
2002		1.84	9,319	0.94	92.92	87.27
2003		1.54	8,574	1.13	84.35	81.25
2004		1.36	8,938	1.24	83.43	79.46
2005		1.31	9,709	1.24	86.59	78.70
2006		1.33	9,167	1.26	82.53	72.17
2007		1.20	9,140	1.37	71.26	69.96
2008		1.20	9,690	1.47	71.42	71.22
2009		1.28	10,412	1.39	75.10	73.75
2010		1.09	9,085	1.33	67.61	68.45
2011		0.97	8,777	1.39	63.93	70.53
2012		0.97	9,384	1.29	65.95	78.81
2013		1.04	10,463	1.33	71.46	91.10
2012	January	0.96	9,109	1.29	65.14	76.87
	February	0.93	9,026	1.32	64.27	75.37
	March	0.95	9,165	1.32	46.11	54.30
	April	0.97	9,176	1.32	46.27	54.80
	May	1.00	9,290	1.28	46.91	55.66
	June	1.00	9,451	1.25	66.96	79.42
	July	0.97	9,442	1.23	66.44	78.50
	August	0.95	9,490	1.25	66.20	78.02
	September	0.96	9,556	1.29	66.21	78.83
	October	0.97	9,598	1.30	66.43	81.82
	November	0.96	9,627	1.28	66.38	81.75
	December	0.95	9,679	1.31	66.44	81.83
2013	January	0.95	9,723	1.33	67.03	85.29
	February	0.97	9,684	1.34	67.70	86.16
	March	0.97	9,710	1.30	67.70	87.13
	April	0.96	9,723	1.30	67.66	87.68
	May	1.01	9,760	1.30	68.56	89.04
	June	1.06	9,882	1.32	69.76	90.41
	July	1.10	10,073	1.31	70.91	90.12
	August	1.11	10,589	1.33	73.07	92.29
	September	1.08	11,346	1.33	75.45	95.30
	October	1.05	11,367	1.36	74.87	94.61
	November	1.07	11,613	1.35	76.15	96.16
	December	1.11	12,087	1.37	78.69	98.96
2014	January	1.13	12,180	1.36	79.45	99.46
	February	1.12	11,935	1.37	78.27	97.75
	March	1.10	11,427	1.38	76.18	94.99
	April	1.07	11,436	1.38	75.62	94.51
	May	1.07	11,526	1.37	75.92	94.17
	June	1.07	11,893	1.36	77.18	95.32
	July	1.06	11,689	1.35	76.27	

Sources: BCTL, European Central Bank, Bank Indonesia, Reserve Bank of Australia, Monetary Authority of Singapore and Banco de Portugal calculations.

Notes: (a) Effective Exchange Rate Index (EERI), calculated on the basis of the exchange rates applied to the currencies of the main trading partners of Timor-Leste (appreciation: +; depreciation: -). Index, 2001 = 100



PORTUGAL'S
ECONOMIC
AND FINANCIAL
RELATIONSHIPS
WITH PORTUGUESE-
SPEAKING AFRICAN
COUNTRIES AND
TIMOR-LESTE

Overview

In 2013 trade in goods between Portugal and Portuguese-speaking African countries and Timor-Leste continued to grow, accounting for 7.9 and 4.9 per cent of Portuguese total exports and imports respectively, while Portuguese gross investment in these countries fell by 78 per cent.

The larger volume of disbursements from concessional credit lines boosted official debt of Portuguese-speaking African countries to Portugal, which rose by 3.5 per cent. Angola continues to be the main partner amongst this set

of countries, in terms of exports, imports, gross investment and debt (83, 97, 53 and 41 per cent of the total respectively).

Table 83 • Portuguese banks represented in Portuguese-speaking African countries and Timor-Leste

As at July 2014

Country / Bank	Form of Representation	Country / Bank	Form of Representation
Angola		Mozambique	
Banco BPI	Banco de Fomento Angola	Banco BPI ^(a)	Banco Comercial e Investimentos
Banco Comercial Português	Banco Millenium Angola	Banco Comercial Português	Banco Internacional de Moçambique
Banco Espírito Santo	Banco Espírito Santo Angola	Banco Espírito Santo ^(a)	Moza Banco
Banco Santander Totta ^(a)	Banco Caixa Geral Totta de Angola	Caixa Geral de Depósitos	Banco Comercial e Investimentos
Caixa Geral de Depósitos ^(a)	Banco Caixa Geral Totta de Angola		
Montepio Geral	Finibanco Angola		
Cabo Verde^(b)		São Tomé and Príncipe	
Banco Espírito Santo	Banco Espírito Santo Cabo Verde	Caixa Geral de Depósitos ^(a)	Banco Internac. S. Tomé e Príncipe
BANIF, SGPS	Banco Cabo-Verdiano de Negócios		
Caixa Geral de Depósitos	Banco Interatlântico	Timor-Leste	
Caixa Geral de Depósitos ^(a)	Banco Comercial do Atlântico	Caixa Geral de Depósitos	Branch

Source: Banco de Portugal.

Notes: (a) Minority stake; (b) Banks with offshore operations: Banco Espírito Santo (branch), Central Mutual Agricultural Credit Bank (branch and CA Finance-Gestão de Ativos) and Montepio Geral (Banco Montepio Geral Cabo Verde).

Table 84 • Portugal / Portuguese-speaking African countries and Timor-Leste: merchandise imports and exports (Portugal's perspective)

EUR millions

	Angola		Cabo Verde		Guinea-Bissau		Mozambique		S. Tomé and Príncipe		Timor-Leste		Total	
	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.
1996	10	305	8	97	4	22	24	40	0	13			45	476
1997	39	394	9	109	2	25	27	43	0	13			79	584
1998	22	368	9	118	2	16	28	61	1	17			62	580
1999	10	277	10	138	0	17	39	67	4	19			64	517
2000	58	371	10	170	1	28	45	69	9	19			123	657
2001	127	504	9	135	3	23	40	63	3	21			182	745
2002	70	570	9	148	3	21	37	54	0	30	1	1	121	823
2003	2	652	9	137	2	17	38	54	0	25	1	5	52	890
2004	2	671	11	140	1	18	26	55	0	24	1	1	41	909
2005	25	803	7	149	1	24	32	65	0	22	1	1	67	1,064
2006	53	1,210	7	190	1	27	29	73	1	28	1	2	92	1,530
2007	369	1,682	7	228	1	35	26	89	0	33	0	1	403	2,067
2008	408	2,260	9	257	1	40	34	91	0	36	1	2	452	2,687
2009	151	2,236	7	223	1	33	43	120	0	36	1	9	204	2,656
2010	563	1,901	7	262	0	43	29	149	0	43	1	7	602	2,404
2011	1,178	2,330	10	254	0	64	42	217	0	47	1	5	1,231	2,916
2012	1,781	2,991	9	216	0	71	16	287	0	46	0	8	1,807	3,619
2013	2,632	3,112	11	203	0	70	63	327	0	50	1	7	2,707	3,770

Source: Statistics Portugal (INE).

Table 85 • Share of trade with Portuguese-speaking African countries and Timor-Leste in portuguese trade

Per cent

	Angola		Cabo Verde		Guinea-Bissau		Mozambique		S. Tomé and Príncipe		Timor-Leste		Total	
	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.
1996	0.0	1.6	0.0	0.5	0.0	0.1	0.1	0.2	0.0	0.1			0.2	2.5
1997	0.1	1.8	0.0	0.5	0.0	0.1	0.1	0.2	0.0	0.1			0.3	2.7
1998	0.1	1.6	0.0	0.5	0.0	0.1	0.1	0.3	0.0	0.1			0.2	2.5
1999	0.0	1.2	0.0	0.6	0.0	0.1	0.1	0.3	0.0	0.1			0.2	2.2
2000	0.1	1.4	0.0	0.6	0.0	0.1	0.1	0.3	0.0	0.1			0.3	2.4
2001	0.3	1.8	0.0	0.5	0.0	0.1	0.1	0.2	0.0	0.1			0.4	2.7
2002	0.2	2.0	0.0	0.5	0.0	0.1	0.1	0.2	0.0	0.1	0.0	0.0	0.3	2.9
2003	0.0	2.2	0.0	0.5	0.0	0.1	0.1	0.2	0.0	0.1	0.0	0.0	0.1	3.0
2004	0.0	2.2	0.0	0.5	0.0	0.1	0.1	0.2	0.0	0.1	0.0	0.0	0.1	2.9
2005	0.1	2.6	0.0	0.5	0.0	0.1	0.1	0.2	0.0	0.1	0.0	0.0	0.1	3.4
2006	0.1	3.4	0.0	0.5	0.0	0.1	0.1	0.2	0.0	0.1	0.0	0.0	0.2	4.3
2007	0.6	4.4	0.0	0.6	0.0	0.1	0.0	0.2	0.0	0.1	0.0	0.0	0.7	5.4
2008	0.7	5.8	0.0	0.7	0.0	0.1	0.1	0.2	0.0	0.1	0.0	0.0	0.7	6.9
2009	0.3	7.0	0.0	0.7	0.0	0.1	0.1	0.4	0.0	0.1	0.0	0.0	0.4	8.3
2010	1.0	5.1	0.0	0.7	0.0	0.1	0.1	0.4	0.0	0.1	0.0	0.0	1.1	6.4
2011	2.1	5.4	0.0	0.6	0.0	0.1	0.1	0.5	0.0	0.1	0.0	0.0	2.1	6.8
2012	3.3	6.6	0.0	0.5	0.0	0.2	0.0	0.6	0.0	0.1	0.0	0.0	3.3	8.0
2013	4.8	6.5	0.0	0.4	0.0	0.1	0.1	0.7	0.0	0.1	0.0	0.0	4.9	7.9

Sources: Statistics Portugal (INE) and Banco de Portugal calculations.

Table 86 • Portugal / Portuguese-speaking African countries and Timor-Leste: exports by group of products (Portugal's perspective)

EUR millions

	2012					2013					Total			
	Angola	C. Verde	G. Bissau	Moz.	S. Tomé	Timor-L.	Total	Angola	C. Verde	G. Bissau		Moz.	S. Tomé	Timor-L.
Agricultural	194.07	30.54	2.65	8.63	7.95	0.54	244.38	217.82	31.57	3.26	9.80	10.36	0.76	273.56
Food	480.97	29.46	12.27	21.85	10.77	1.17	556.49	510.14	29.17	12.50	25.41	12.11	1.65	590.98
Mineral fuels	34.75	4.59	34.85	3.17	1.22	0.02	78.60	30.00	2.18	31.70	2.21	0.81	0.06	66.91
Chemicals	206.65	18.87	1.18	15.75	3.49	0.04	245.99	223.55	19.16	1.36	20.15	3.68	0.06	267.95
Plastics, rubber products	144.29	11.36	1.16	12.97	2.11	0.06	171.95	148.55	10.60	0.85	14.30	2.14	0.05	176.49
Leather, leather products	6.71	1.92	0.02	0.83	0.10	0.00	9.58	11.33	2.84	0.02	0.98	0.11	0.07	15.34
Wood, cork	28.13	4.00	0.26	3.20	0.21	0.02	35.83	34.19	4.19	0.19	3.62	0.18	0.01	42.38
Pulp, paper	94.70	7.10	0.43	16.30	0.67	1.50	120.71	99.28	6.44	0.46	15.81	0.91	1.21	124.11
Textile products	36.23	2.97	0.51	4.24	0.42	0.12	44.49	42.01	3.34	0.59	3.35	0.49	0.00	49.80
Clothing	42.37	2.63	0.67	3.21	0.72	0.01	49.61	47.57	1.98	0.19	4.05	0.37	0.01	54.18
Footwear	14.74	0.36	0.27	1.83	0.32	0.00	17.52	27.01	0.30	0.04	2.03	0.32	0.00	29.71
Minerals, ores	109.94	19.45	4.53	8.68	2.52	0.03	145.14	116.88	17.57	6.39	9.52	2.52	0.10	152.98
Base metals	439.76	22.33	2.17	32.62	3.60	0.62	501.10	374.37	21.83	2.06	40.65	3.73	0.37	443.02
Machinery, equipment	740.10	40.48	5.50	108.78	6.67	3.26	904.80	792.26	34.30	6.24	120.25	8.04	2.38	963.47
Motor vehicles, other transport equipment	147.09	7.04	3.23	23.22	2.60	0.10	183.27	141.08	5.54	2.05	28.43	2.31	0.04	179.45
Optical and precisions instruments	62.51	3.16	0.10	4.40	0.80	0.01	70.98	78.63	3.15	0.18	5.24	0.40	0.01	87.63
Other products	207.80	9.48	1.68	16.94	2.05	0.57	238.53	217.43	9.03	2.18	21.04	1.95	0.51	252.14
Total	2,990.80	215.75	71.47	286.62	46.24	8.07	3,618.96	3,112.11	203.19	70.27	326.84	50.45	7.24	3,770.09

Source: Statistics Portugal (INE).

Table 87 • Portugal / Portuguese-speaking African countries and Timor-Leste: imports by group of products (Portugal's perspective)
EUR millions

	2012										2013				
	Angola	C. Verde	G. Bissau	Moz.	S.Tomé	Timor-L.	Total	Angola	C. Verde	G. Bissau	Moz.	S.Tomé	Timor-L.	Total	
Agricultural	0.76	0.99	0.02	7.52	0.05	0.22	9.56	0.29	1.38	0.02	10.22	0.01	0.70	12.62	
Food	0.07	0.30	0.00	7.63	0.04	0.00	8.04	0.15	0.29	0.00	49.14	0.02		49.60	
Mineral fuels	1,776.08	0.00	0.00	0.00		0.00	1,776.08	2,627.84	0.01		0.00			2,627.85	
Chemicals	0.00	0.01	0.00	0.03	0.00		0.05	0.02	0.00	0.00	0.00	0.00		0.02	
Plastics, rubber products	0.01	0.03		0.01			0.05	0.02	0.10	0.00	0.04	0.00		0.16	
Leather, leather products	0.02	0.03			0.02		0.08	0.00	0.01		0.00	0.00		0.02	
Wood, cork	0.34	0.01	0.00	0.02			0.37	0.74	0.00	0.04	0.01			0.78	
Pulp, paper	0.01	0.02	0.00	0.01			0.03	0.00	0.02	0.00	0.00	0.00		0.03	
Textile products	0.05	0.04	0.00	0.82			0.91	0.01	0.16	0.00	1.54	0.00	0.07	1.79	
Clothing	0.01	1.74	0.00	0.01	0.01		1.76	0.01	3.15	0.00				3.15	
Footwear	0.00	3.60					3.60	0.00	3.98	0.00				3.99	
Minerals, ores	0.24	0.02	0.00	0.02			0.28	0.39	0.07	0.00	0.00	0.00		0.46	
Base metals	0.09	0.22	0.01	0.01	0.00		0.33	0.04	0.29	0.08	1.03	0.00		1.43	
Machinery, equipment	1.42	1.74	0.01	0.05	0.01	0.00	3.23	1.08	1.38	0.03	0.64	0.01	0.02	3.16	
Motor vehicles, other transport equipment	0.40	0.23	0.00	0.07	0.09	0.00	0.79	0.61	0.42	0.01	0.00			1.04	
Optical and precisions instruments	1.35	0.04	0.00	0.03	0.02		1.44	0.94	0.12	0.00	0.03	0.00		1.10	
Other products	0.03	0.08	0.00	0.20		0.00	0.31	0.22	0.01	0.00	0.05	0.00		0.28	
Total	1,780.88	9.11	0.04	16.43	0.25	0.23	1,806.93	2,632.36	11.38	0.18	62.72	0.04	0.79	2,707.48	

Source: Statistics Portugal (INE).

Table 88 • Current and capital accounts with Portuguese-speaking African countries and Timor-Leste (Portugal's perspective)

EUR millions

		Current account										
		Merchandise			Services	Income	Current transfers				Balance	Capital account
		Exp.	Imp.	Bal.			Total	of which: Remittances				
						Emig.	Immig.					
Angola	2009	2,241.4	151.7	2,089.7	549.1	359.9	112.1		12.3	3,110.9	-4.5	
	2010	1,904.1	552.8	1,351.3	689.1	510.3	154.8		13.5	2,705.5	-2.8	
	2011	2,331.4	1,139.3	1,192.1	951.3	874.9	169.6	147.3	12.9	3,187.8	3.8	
	2012	2,994.7	1,723.9	1,270.8	1,183.1	1,019.7	291.1	270.7	15.4	3,764.7	4.5	
	2013	3,119.6	2,517.7	601.9	1,240.5	236.7	355.3	304.3	18.8	2,434.5	2.1	
Cabo Verde	2009	222.6	7.5	215.1	29.2	5.2	-35.9	2.5	20.9	213.7	-1.3	
	2010	262.4	8.0	254.4	10.0	22.1	-25.9	3.1	12.9	260.6	-1.7	
	2011	254.1	11.1	243.0	5.5	30.7	-6.6	2.8	13.3	272.6	-1.0	
	2012	215.8	14.4	201.4	-8.4	42.9	-10.0	2.4	14.1	226.0	2.7	
	2013	203.3	15.9	187.4	-3.6	12.8	-6.8	3.4	13.1	189.8	-0.2	
Guinea-Bissau	2009	33.4	1.4	32.1	3.7	-1.1	-4.5	0.3	5.1	30.2	-1.5	
	2010	42.7	0.7	42.1	4.3	6.5	-5.5	0.3	4.8	47.4	-2.5	
	2011	64.3	2.1	62.2	5.5	3.0	-5.3	0.2	4.3	65.3	-1.0	
	2012	71.5	2.7	68.8	3.4	1.2	-3.9	0.2	2.5	69.5	-0.5	
	2013	70.3	1.4	68.8	2.8	0.5	0.3	0.5	2.6	72.5	0.0	
Mozambique	2009	120.8	46.6	74.2	19.8	46.5	-3.2	2.4	3.2	137.3	-14.2	
	2010	150.6	32.7	117.9	33.9	60.8	-3.8	2.7	4.5	208.8	-14.6	
	2011	217.0	45.7	171.3	49.6	72.4	7.3	4.7	5.7	300.6	-14.8	
	2012	286.7	27.8	258.9	45.2	109.9	-1.5	5.0	8.8	412.4	-17.3	
	2013	327.2	74.8	252.5	50.5	47.2	-3.5	7.6	10.0	346.7	-18.3	
S. Tomé and Príncipe	2009	35.5	2.0	33.5	6.0	0.8	0.4	0.2	0.4	40.7	-1.4	
	2010	42.6	1.8	40.8	7.2	0.9	-1.3	0.1	1.3	47.6	-1.3	
	2011	46.5	1.2	45.3	9.0	1.0	0.0	0.3	0.8	55.3	-1.1	
	2012	46.2	1.9	44.3	6.8	0.1	-1.3	0.3	1.3	50.0	-1.0	
	2013	50.4	1.4	49.0	0.7	0.6	0.3	0.7	1.0	50.6	-0.8	
Timor- Leste	2009	9.3	1.0	8.3	0.7	7.9	-0.9	0.3	0.1	16.0	-1.0	
	2010	6.7	1.2	5.5	-3.8	16.2	0.1	0.3	0.1	17.9	-0.2	
	2011	5.2	1.1	4.1	1.1	18.5	-5.0	0.4	0.1	18.7	-0.6	
	2012	8.1	0.3	7.8	3.1	15.9	-5.3	0.8	0.1	21.5	-0.5	
	2013	7.3	1.0	6.3	3.2	-2.8	0.7	0.3	0.1	7.4	-0.1	
Total of Portuguese-speaking African countries and Timor-Leste	2009	2,663.1	210.2	2,452.9	608.6	419.3	67.9	109.1	42.0	3,548.7	-23.9	
	2010	2,409.1	597.2	1,811.9	740.8	617.0	118.4	141.5	37.1	3,287.9	-23.1	
	2011	2,918.4	1,200.4	1,718.0	1,021.9	1,000.4	160.0	155.8	37.0	3,900.2	-14.7	
	2012	3,623.0	1,770.9	1,852.1	1,233.2	1,189.8	269.1	279.4	42.0	4,544.1	-12.1	
	2013	3,778.2	2,612.2	1,166.0	1,294.0	295.1	346.3	316.9	45.7	3,101.4	-17.3	

Source: Banco de Portugal.

Table 89 • Portuguese direct investment in Portuguese-speaking African countries and Timor-Leste
By sector of activity, EUR millions

		2012		2013	
		Inv.	Desinv.	Inv.	Desinv.
Angola	Prof., scientific and tech. activ. and administrative and support service activ.	1.8	9.1	2.7	31.8
	Information and communication activities	0.5	0.8	0.0	
	Real estate activities	-0.1	2.5	0.2	2.6
	Agricultural, animal prod., hunting, forestry, fishing and mining and quarrying	0.4	6.3	-0.1	
	Trade; repair of motor vehicles; transp. and storage; accomm., food service	230.0	25.0	44.2	24.6
	Construction	148.1	362.0	23.4	191.6
	Electricity, gas, steam, water, sewerage, waste manag. and remediation activ.	3.3	0.8	0.2	0.4
	Manufacturing	0.6	8.4	-0.3	7.3
	Monetary intermediation	507.7	60.1	57.5	5.2
	Other financial and insurance activities	3.0		3.3	
	Other activities	-3.2	4.8	-1.3	2.3
Total		892.1	479.7	129.6	265.8
Cabo Verde	Prof., scientific and tech. activ. and administrative and support service activ.	0.3	0.3	0.5	0.3
	Information and communication activities	0.2		0.3	
	Real estate activities	0.0	2.1	0.0	
	Agricultural, animal prod., hunting, forestry, fishing and mining and quarrying		1.2		
	Trade; repair of motor vehicles; transp. and storage; accomm., food service	0.0	1.5	0.6	
	Construction	31.5	40.9	7.9	41.5
	Electricity, gas, steam, water, sewerage, waste manag. and remediation activ.	0.1	0.1	0.0	
	Manufacturing	2.9	0.2	0.6	
	Monetary intermediation	10.8	0.5	6.0	0.3
	Other financial and insurance activities			0.0	
Other activities	2.1		0.7		
Total		47.9	46.7	16.5	42.0
Guinea-Bissau	Prof., scientific and tech. activ. and administrative and support service activ.	0.1		0.1	0.3
	Trade; repair of motor vehicles; transp. and storage; accomm., food service	0.0		0.0	
	Construction	0.1	10.1	-0.3	
	Manufacturing	0.5		0.3	
	Monetary intermediation			0.0	
	Other activities	0.0	0.0	0.2	
Total		0.7	10.1	0.2	0.3
Mozambique	Prof., scientific and tech. activ. and administrative and support service activ.	3.2	12.1	1.0	6.9
	Information and communication activities	0.8		0.8	0.4
	Real estate activities	3.9		1.5	1.6
	Agricultural, animal prod., hunting, forestry, fishing and mining and quarrying	-0.1		0.0	
	Trade; repair of motor vehicles; transp. and storage; accomm., food service	15.2	29.6	2.1	1.1
	Construction	38.2	117.6	27.7	135.9
	Electricity, gas, steam, water, sewerage, waste manag. and remediation activ.	0.0		0.0	
	Manufacturing	7.1		4.3	0.8
	Monetary intermediation	89.0	60.3	58.4	
	Other financial and insurance activities	2.7		0.1	
Other activities	-6.8	-3.2	-2.6	1.6	
Total		153.1	216.4	93.3	148.2
S. Tomé and Príncipe	Prof., scientific and tech. activ. and administrative and support service activ.	0.9	0.0	0.0	
	Information and communication activities			0.0	
	Trade; repair of motor vehicles; transp. and storage; accomm., food service	-2.0		0.4	
	Construction	4.4	5.6	3.6	0.4
	Manufacturing			0.0	
	Monetary intermediation	0.6		0.2	
	Other activities	0.0		0.0	
Total		3.9	5.6	4.2	0.4
Timor-Leste	Prof., scientific and tech. activ. and administrative and support service activ.	0.0		0.0	
	Information and communication activities			0.0	
	Construction			0.0	
	Manufacturing			0.0	
	Monetary intermediation	13.4		2.5	
	Other activities	0.5		0.1	
Total		14.0	0.0	2.6	0.0
Total Portuguese-speaking African countries and Timor-Leste		1,111.6	758.5	246.5	456.7

Source: Banco de Portugal. Statistics prepared on the basis of the Survey on Portuguese Investment Abroad.

Table 90 • Direct investment of Portuguese-speaking African countries and Timor-Leste in Portugal
By sector of activity, EUR millions

		2011		2012	
		Inv.	Desinv.	Inv.	Desinv.
Angola	Prof., scientific and tech. activ. and administrative and support service activ.	5.3	0.1	9.2	0.7
	Information and communication activities	0.1		2.2	
	Real estate activities	5.3	0.6	7.6	0.0
	Agricultural, animal prod., hunting, forestry, fishing and mining and quarrying	6.3		1.7	
	Trade; repair of motor vehicles; transp. and storage; accomm., food service	10.2	4.1	2.6	1.0
	Construction	11.1	1.7	11.3	0.1
	Electricity, gas, steam, water, sewerage, waste manag. and remediation activ.			0.4	
	Manufacturing	2.7		0.2	0.0
	Monetary intermediation	180.3	16.2	42.0	1.2
	Other activities	5.2	0.2	5.8	0.6
	Total	226.5	22.8	83.1	3.7
Cabo Verde	Prof., scientific and tech. activ. and administrative and support service activ.	0.1		0.2	0.6
	Information and communication activities	0.2		0.4	
	Real estate activities	0.8		1.7	
	Agricultural, animal prod., hunting, forestry, fishing and mining and quarrying			0.2	
	Trade; repair of motor vehicles; transp. and storage; accomm., food service				0.1
	Construction	0.6			0.0
	Electricity, gas, steam, water, sewerage, waste manag. and remediation activ.				0.0
	Monetary intermediation	0.2			
	Other activities	0.1	0.1	0.7	0.0
	Total	2.0	0.1	3.2	0.7
Guinea-Bissau	Other activities	0.1			
	Total	0.1	0.0	0.0	0.0
Mozambique	Prof., scientific and tech. activ. and administrative and support service activ.	0.0	0.0	0.0	0.0
	Information and communication activities				0.0
	Real estate activities	0.3		0.2	0.2
	Trade; repair of motor vehicles; transp. and storage; accomm., food service	0.0		0.1	0.1
	Construction	0.0	0.0	0.5	3.1
	Manufacturing	0.0	0.0	0.0	0.0
	Monetary intermediation	0.0	1.6	0.2	0.3
	Other activities	0.0	0.1	0.1	0.1
	Total	0.4	1.6	1.1	3.7
S. Tomé and Príncipe	Real estate activities		0.9		
	Construction		0.1		0.8
	Monetary intermediation				0.1
	Total	0.0	1.1	0.0	0.8
Timor-Leste	Prof., scientific and tech. activ. and administrative and support service activ.	0.0		0.0	
	Other activities	0.0		0.0	
	Total	0.0	0.0	0.0	0.0
Total Portuguese-speaking African countries and Timor-Leste		229.0	25.6	87.4	8.9

Source: Banco de Portugal. Statistics prepared on the basis of the Survey on Portuguese Investment Abroad.

Table 91 • Official debt of Portuguese-speaking African countries to Portugal

USD millions

		Direct debt to the State (1)			Medium and long-term State-guaranteed debt (2)			Official debt (1)+(2)		
		Due	In arrears	Total	Due	In arrears	Total	Due	In arrears	Total
Angola	2009	670		670	686		686	1,356		1,356
	2010	642		642	799		799	1,441		1,441
	2011	614		614	994		994	1,608		1,608
	2012	586		586	984		984	1,570		1,570
	2013	558		558	897		897	1,456		1,456
Cabo Verde	2009	114		114	55		55	169		169
	2010	134		134	133		133	268		268
	2011	154		154	202		202	355		355
	2012	187		187	318		318	505		505
	2013	208		208	451		451	659		659
Guinea-Bissau	2009	81	53	134				81	53	134
	2010	74	53	126				74	53	126
	2011	70	55	125				70	55	125
	2012	70	60	129				70	60	129
	2013	71	66	138				71	66	138
Mozambique	2009	391		391	45		45	436		436
	2010	388		388	135		135	523		523
	2011	383		383	680		680	1,063		1,063
	2012	376		376	803		803	1,178		1,178
	2013	367		367	878		878	1,245		1,245
S. Tomé and Príncipe	2009	35		35	2		2	37		37
	2010	35		35	14		14	49		49
	2011	35		35	29		29	64		64
	2012	38		38	37		37	75		75
	2013	44		44	39		39	83		83
Total of Portuguese-speaking African countries	2009	1,291	53	1,344	788		788	2,079	53	2,132
	2010	1,273	53	1,326	1,081		1,081	2,354	53	2,407
	2011	1,256	55	1,310	1,905		1,905	3,161	55	3,215
	2012	1,256	60	1,316	2,142		2,142	3,398	60	3,458
	2013	1,248	66	1,315	2,265		2,265	3,514	66	3,580

Source: Ministry of Finance - GPEARI.

Notes

1. In a recent study based on the use of conjunctural indicators, Banco Central de Timor-Leste presents a less optimistic perspective for this variable: growth of 2.5 per cent in 2013 and 4.0 per cent in 2014.