

# BANK OF GUYANA

Annual Report



2018





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# **BANK OF GUYANA**

## **STATEMENT OF PURPOSE**

The role of the Bank of Guyana is to act as the Central Bank for Guyana. Its primary purpose is to formulate and implement monetary policy so as to achieve and maintain price stability. The other major purpose is to foster a sound, progressive and efficient financial system. In the discharge of its functions, the Bank strives to:

- promote a sustained and non-inflationary growth of the economy;
- maintain the integrity and value of the Guyana dollar; and
- secure the credibility of the financial system, including payments arrangement, through supervision and oversight.

## **CORPORATE PHILOSOPHY**

The Bank's corporate philosophy in relation to its customers, staff and people of Guyana, is to adopt a consultative and a constructive approach, seek market-based solutions, generate greater awareness and understanding of issues directly related to the Bank's functions, maintain transparency and public accountability and provide the highest quality output possible.

***LETTER OF TRANSMITTAL***

*March 29, 2019*

*Honourable Mr. Winston Jordan, M.P.  
Minister of Finance  
Ministry of Finance  
Main Street  
GEORGETOWN*

*Dear Minister,*

*As required under Section 58 of the Bank of Guyana Act 1998, No.19 of 1998, I have the honour to submit to you the Bank's Report on its operations in 2018, together with the Statement of Financial Position and Statement of Income as certified by the external auditors appointed in accordance with Section 60 of the Act. A review of economic developments in Guyana in 2018 and an assessment of Guyana's financial stability are also incorporated in the Report.*

*The original of the auditors' report and certificate is also attached.*

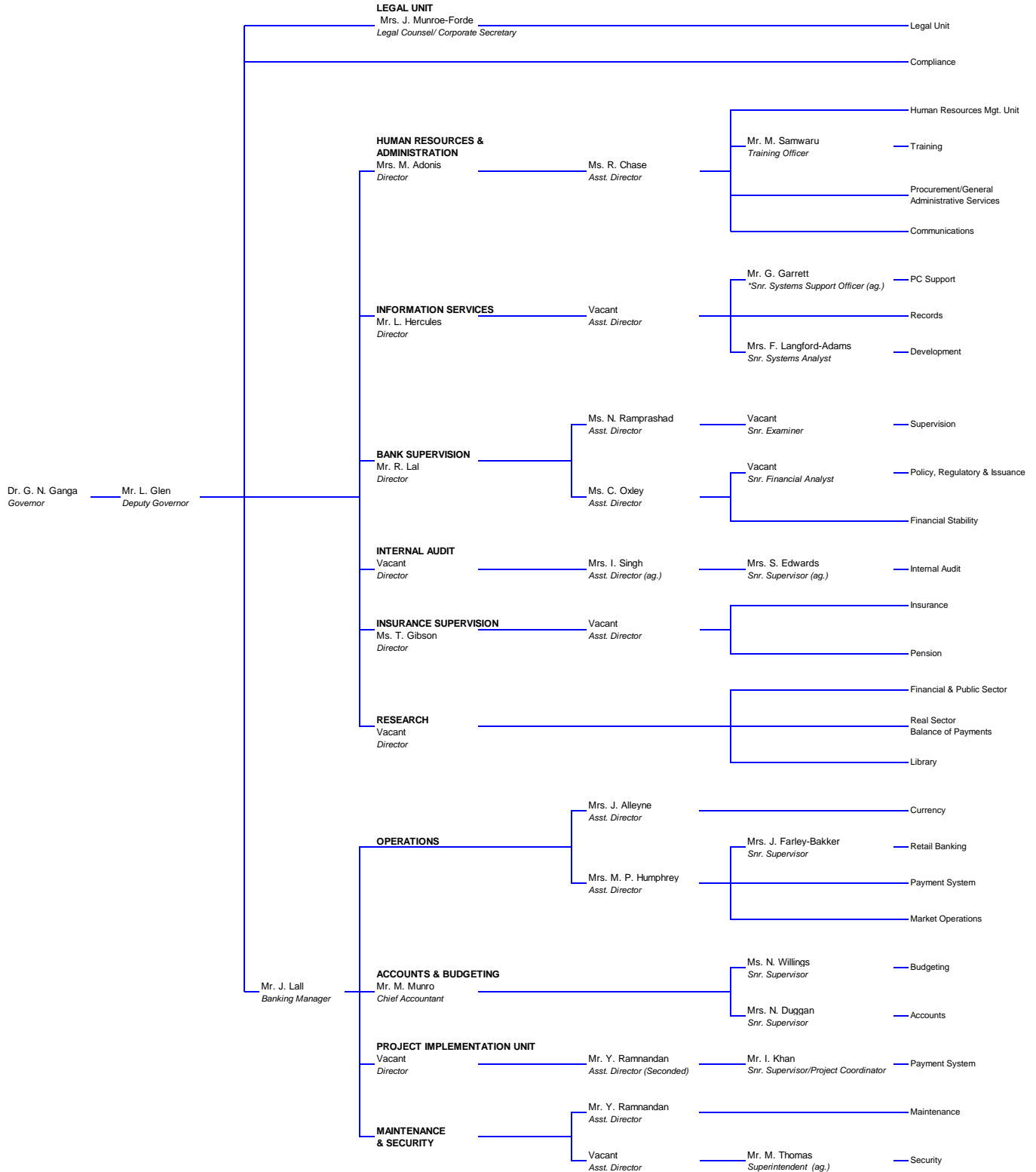
*Yours sincerely,*

*Signed  
Dr. Gobind N. Ganga  
Governor*

## BOARD OF DIRECTORS DURING 2018

Dr. Gobind Ganga (Chairman)  
Mr. Leslie Glen (Deputy Chairman)  
Dr. Maurice Odle  
Dr. Patrick Kendall  
Mr. Rawle Lucas  
Mrs. Sharon Roopchand-Edwards  
Ms. Sonya Roopnauth (Ex-Officio Member)  
Mrs. Jeanenime Munroe-Forde (Corporate Secretary)

## ORGANISATION OF THE BANK as at December 31, 2018



\* Ms. M. Mc Pherson has been seconded to e-Government

## ***INTRODUCTION***

*The fifty-fourth Annual Report of the Bank is presented in accordance with Section 58 of the Bank of Guyana Act. Developments in the domestic economy are described in Part I, which is complemented by annexed statistical tables. An assessment of Guyana's financial stability is compiled in Part II. The international economic environment is overviewed in Part III. The functions, policies and activities of the Bank that were undertaken against the economic background outlined in Parts I and II are summarized in Parts IV & V. The Bank's financial statements are presented in Part VI.*



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# I

## THE GUYANA ECONOMY

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### 1. SUMMARY

Global economic growth remained steady at 3.7 percent in 2018 and is projected to decline to 3.5 percent in 2019. Growth in advanced economies declined, reflecting weaker performance in the Euro Area and the UK. The Euro Area experienced reduced domestic demand and political uncertainty. The United Kingdom experienced declining growth as the effects of Brexit continue to take a toll on the economy. Emerging and developing economies' growth declined due to decreased internal demand and volatile commodity markets, respectively. Inflation increased on account of high food and energy prices while unemployment rates were largely unchanged in most of the world economies.

Guyana's economic growth rate was stronger at 4.1 percent for 2018 when compared to the 2.1 percent growth in 2017. This outturn was on account of higher production of bauxite, livestock, forestry and other crops as well as increases in construction, manufacturing and service activities. Favourable commodity prices, greater investment expenditure and moderate domestic demand were major factors influencing growth. However, the output of sugar, rice, gold and fishing declined, reflecting poor weather and road conditions as well as lower domestic demand from regulatory requirements. The urban inflation rate was contained at 1.6 percent, despite moderate increases in the prices of food and fuel.

The overall balance of payments deficit widened due to a relatively larger current account deficit, reflecting foreign direct investments (FDIs) in the oil and gas sector for both merchandise and service imports. The capital account surplus resulted from higher inflows to the private sector in the form of FDIs and to the Non-Financial Public Sector in the form of disbursements. The overall deficit was financed from the gross foreign reserves of the Bank of Guyana and debt forgiveness. Gross international reserves was equivalent to approximately 2.3 months of import cover.

The total volume of foreign exchange transactions increased by 19.6 percent to US\$8,548.1 million. The market was impacted by increases in transactions in most segments – licensed bank and non-bank cambios, as well as hard currency and foreign currency accounts. Money transfer transactions were valued at US\$276.1 million or 0.9 percent below the 2017 level. There was a net purchase of US\$146.0 million in the market enabling the Guyana dollar to remain stable against the United States dollar at G\$208.50.

The public sector total financial operations recorded a reduced deficit in 2018, owing to expansions in Central Government's current revenues that outweighed current expenditures. However, the Non-Financial Public Enterprises' (NFPEs) balance further deteriorated from its 2017 position due to heightened current expenditures. Budget 2019 states that Central Government fiscal deficit is estimated to increase significantly from higher current and capital spending, while the NFPEs' overall deficit is estimated to decline on account of larger increments in current receipt relative to the increase in current expenses.

The total stock of government's public debt increased by 1.5 percent, representing 43.9 percent of Gross Domestic Product (GDP). The stock of government's domestic bonded debt, which represented 10.0 percent of GDP, declined by 9.3 percent during the review period. This outturn reflected a reduction in the issuance of treasury bills coupled



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with the redemption of the second National Insurance Scheme (NIS) debenture certificate. The stock of external debt increased by 5.5 percent and accounted for 33.9 percent of GDP. The increase in the external debt stock reflected higher disbursements received mainly from the International Development Association (IDA) and the Inter-American Development Bank (IADB) for project financing.

The monetary aggregates of reserve and broad money grew by 14.4 percent and 7.5 percent respectively. The former is attributed to an increase in net domestic assets while the latter resulted primarily from a growth in net domestic credit and other items (net)<sup>1</sup>. Credit to both the public and private sectors increased by 94.8 percent and 4.2 percent respectively. Commercial banks' interest rates were lower during the review period. The financial resources of Non-Bank Financial Institutions (NBFIs), which include depository and non-depository licensed and unlicensed financial institutions, expanded by 14.3 percent or G\$33,458 million to G\$268,242 million. The sector's share of total assets in the financial sector increased from 33.3 percent to 34.8 percent.

The Bank of Guyana's Financial Stability Committee continuously assesses a number of risk indicators pertinent to the financial and economic systems. The technicalities are mainly manoeuvred through its financial stability frameworks to ceaselessly help build financial system resilience. The Bank views the analytics of micro and macro prudential indicators, banking stress tests and macroeconomic data to be critical for all Licensed Depository Financial Institutions (LDFIs) in its comprehensive framework. In addition, the Bank extended the framework to include analyses of the insurance and pension sectors' soundness indicators. In 2018, the results from the framework suggested that risks to the financial system increased but were at controllable levels.

The eight LDFIs maintained high levels of capital and recorded greater profits when compared with the previous year. The Capital Adequacy Ratio (CAR) remained above the prudential 8.0 percent benchmark by an average 29.4 percentage points. The loan portfolio grew by 4.2 percent but non-performing loans deteriorated by 2.6 percent. Notwithstanding, the LDFIs generally held adequate provision and collateral against adversely classified loans.

The insurance sector, which comprises long-term insurance and general insurance, accounted for 7.8 percent of total financial assets and 29 percent of non-bank assets as at December 31, 2018. The sector was adequately capitalised as both the long term and general insurance sectors' assets exceeded their respective solvency requirements in keeping with the Insurance Act 2016. The insurance sector's assets accounted for 9.4 percent of the country's GDP. Potential risks stirring from the volatile global conditions were prudently managed and had no major adverse effect on the industry.

The private pension sector continued to experience consistent growth while maintaining its prominence as an institutional investor with a relatively low penetration rate and impact to systemic risk. In 2018, total assets in the sector increased and accounted for 8.0 percent of GDP, 6.5 percent of the total financial sector's assets and 24.1 percent of those of the NBFIs. Pension plans experienced sufficient solvency levels with an average of 147.6 percent recorded for the sector, which indicated that total pension obligations were fully backed by total assets to meet promised benefits with a corresponding asset reserve of more than 40 percent.

The Bank of Guyana received support from the World Bank to the tune of US\$6 million to modernize Guyana's Payment System infrastructure. This entailed implementing a new Payments System Act with supporting regulations and modernization of the Payment System infrastructure. The latter include the implementation of a Real Time Gross Settlement (RTGS) and a Central Securities Depository (CSD) systems. The modernization efforts from paper-based

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<sup>1</sup> Includes commercial banks' undistributed profits.

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instruments to electronic payments will result in significant cost savings and efficiency improvements while reducing operational, credit, legal, liquidity investment and custody risks.

The conduct of monetary policy remained focused on price stability, ensuring an adequate level of liquidity in the banking system and creating an enabling environment for credit and economic growth. Bank of Guyana utilised the issuance of treasury bills and foreign exchange intervention as the variable tools of monetary policy, while the reserve requirement ratio remained fixed at 12.0 percent and the discount rate was unchanged at 5.0 percent. At the end of December 2018, there was a net redemption of G\$56.9 billion in government treasury bills issued for monetary purpose, while the Bank transacted net-purchases in foreign currencies of US\$178.2 million. In addition, the Bank facilitated efficient intermediation through the issuance of notes and coins as well as promotion of an enhanced payment system operation.

Global growth in 2019 is projected to decline to 3.5 percent, partly because of the negative effects of tariff increases enacted in the US and China. Growth in advanced economies is expected to decline to 2.3 percent. Additionally, economic expansion in emerging markets and developing economies is expected to hold steadfast in 2019 at 4.5 percent. Latin America and the Caribbean is expecting growth of 2.0 percent in 2019. The recovery in the region will be supported by improved demand from external trading partners and accommodative financial conditions on account of a less volatile international financial market and resilient capital inflows. In the Caribbean, overall growth projections for 2019 shows an expansion to 2.0 percent.

The economy is projected to grow by 4.4 percent at the end of 2019 on account of growth in the major economic sectors. The agriculture sector is expected to increase by 3.2 percent, due to the increases in other crops by 4.0 percent, production of rice by 3.4 percent and the output of sugar by 3.2 percent. The mining & quarrying sector is forecasted to expand by 3.4 percent due to increases in the production of bauxite by 10.0 percent and gold by 1.7 percent. The services industry is estimated to grow by 3.7 percent on account of higher outturns of wholesale & retail trade by 5.0 percent and transportation & storage activities by 3.5 percent. The construction and manufacturing industries are projected to increase by 10.5 percent and 3.8 percent respectively. The inflation rate is forecasted at 2.5 percent on account of moderate increases in food and fuel prices. □

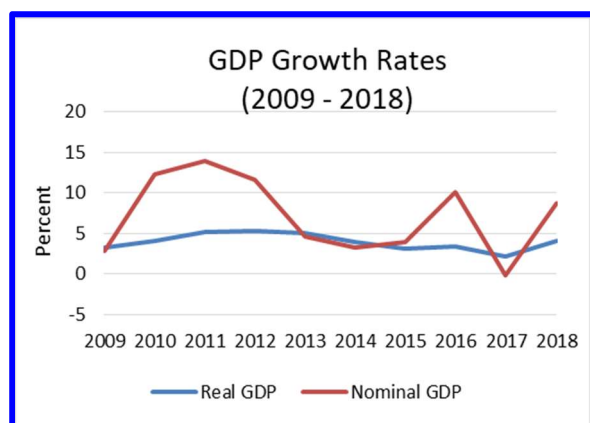
## 2. PRODUCTION, AGGREGATE EXPENDITURE, EMPLOYMENT AND INFLATION

Guyana's economic growth rate was stronger at 4.1 percent for 2018 when compared to the 2.1 percent growth in 2017. This outturn was on account of higher production of bauxite, livestock, forestry and other crops as well as increases in construction, manufacturing and service activities. Favourable commodity prices, greater investment expenditure and moderate domestic demand were major factors influencing growth. However, the output of sugar, rice, gold and fishing declined, reflecting poor weather and road conditions as well as lower domestic demand from regulatory requirements. The urban inflation rate was contained at 1.6 percent, despite moderate increases in the prices of food and fuel.

### GROSS DOMESTIC PRODUCT (GDP)

Real and nominal GDP grew by 4.1 percent and 8.8 percent respectively. This outcome was due to higher production of bauxite, livestock, forestry and other crops as well as increases in the activities of construction, manufacturing, wholesale & retail trade, rental of dwellings and other services. In contrast, the output of sugar, rice, gold and fishing declined.

Figure I



In terms of the sectoral composition of real GDP, there were marginal movements in most industries from the 2017 level. The contribution of services and construction activities increased to 53.8 percent and 11.7 percent relative to 53.7 percent and 11.0 percent respectively at end-2017. Conversely, the agriculture and mining sectors' contribution fell to 16.1 percent

and 13.6 percent after registering 16.6 percent and 13.7 percent respectively in 2017. Manufacturing and electricity & water activities declined to 6.4 percent and 1.7 percent respectively from 6.6 percent and 1.8 percent respectively in 2017.

### PRODUCTION

#### Agriculture, Fishing and Forestry

The agriculture sector expanded by 1.5 percent compared to the 0.4 percent growth in 2017. Agricultural growth was buoyed by higher output of livestock, forestry and other crops, which more than offset the shortfalls in sugar, rice and fishing output.

Table I

| Selected Production Indicators<br>Agriculture, Fishing & Forestry |         |         |         |
|---|---------|---------|---------|
| Commodity   | 2016    | 2017    | 2018    |
| Sugar (tonnes)  | 183,491 | 137,307 | 104,642 |
| Rice (tonnes)   | 534,450 | 630,104 | 626,684 |
| Fish (tonnes)   | 20,296  | 18,777  | 18,549  |
| Shrimp (tonnes)   | 21,351  | 23,399  | 21,941  |
| Poultry ( tonnes)   | 32,763  | 30,668  | 41,922  |
| Eggs ('000)   | 20,052  | 28,673  | 32,077  |
| Total logs (cu.mt.)   | 272,309 | 280,889 | 293,081 |
| Sawnwood (cu.mt.)   | 42,082  | 47,935  | 44,539  |
| Plywood (cu. mt.)   | 14,956  | 7,334   | 14,572  |

## Sugar

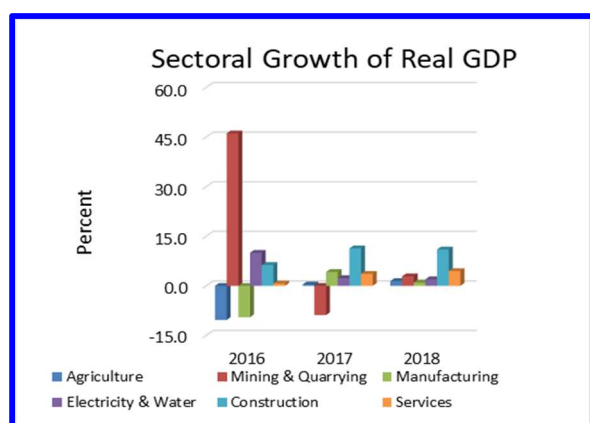
Sugar output decreased by 23.8 percent and represented 90.6 percent of the targeted amount of 115,447 tonnes for 2018. This outturn was due to structural reforms of GUYSUCO, unfavourable weather conditions and lesser supply of quality canes. Output was lower in both the first half and latter half of 2018 by 30.6 percent at 34,451 tonnes and 20.0 percent at 70,191 tonnes respectively.

## Rice

Rice production declined by 0.5 percent to approximately 626,684 tonnes, which was 101.5 percent of the targeted amount of 617,353 tonnes for 2018. This outcome stemmed from poor weather conditions, paddy bug infestation, lesser hectares harvested and lower crop investments.

In the first half of 2018, output of rice was 3.8 percent lower than the 2017 level and was 52.6 percent of the overall production. Acreage harvested reduced by 4.1 percent to 86,631 hectares compared with 90,341 hectares in 2017. Further, during the second half of 2018, production was 297,173 tonnes. Acreage harvested decreased by 1.7 percent to 80,528 hectares compared with 81,914 hectares in 2017.

**Figure II**



## Fishing and Livestock

The fishing sub-sector declined by 6.2 percent compared with a 1.0 percent growth in 2017. The overall amount of shrimp and fish catches decreased by 6.2 percent and 1.2 percent respectively, attributed to market challenges, the implementation of rigorous international certification requirements and increased seaweed infestation.

The livestock sub-sector expanded by 23.1 percent from a decline of 2.8 percent in 2017. This performance was due to increased output of poultry meat and eggs by 36.7 percent and 11.9 percent respectively, resulting from strong consumer demand. Livestock growth was also driven by higher pork and beef production of 21.6 percent and 0.7 percent, respectively due to enhanced production practices and better breeds.

## Forestry

Output of roundwood and total logs increased by 13.4 percent and 4.3 percent respectively, on account of favourable demand in the construction industry and improved foreign market conditions. However, the output of sawnwood declined by 7.1 percent, attributed to poor road and weather conditions.

## Mining and Quarrying

The mining sector improved by 2.9 percent following an 8.8 percent decline in 2017. This outturn was due to the increase in bauxite output and quarrying activities which offset the shortfall in gold declarations.

## Bauxite

Output of bauxite increased by 31.9 percent and represented 101.4 percent of the targeted amount of 1,897,205 tonnes for 2018. The bauxite industry experienced greater production of Metal Grade (MAZ), Chemical Grade (CGB) and Refractory Grade (RASC) bauxite by 34.4 percent, 29.2 percent and 9.6 percent respectively, as a result of stable demand.

**Table II**

| Selected Production Indicators<br>Mining & Quarrying |           |           |           |
|--|-----------|-----------|-----------|
| Commodity  | 2016      | 2017      | 2018      |
| Bauxite (tonnes)                                     | 1,479,090 | 1,459,223 | 1,924,558 |
| RASC   | 145,725   | 165,404   | 181,272   |
| CGB  | 260,865   | 135,827   | 175,465   |
| MAZ  | 955,499   | 1,036,579 | 1,393,389 |
| Gold (oz)  | 712,706   | 653,753   | 613,073   |
| Diamond (mt. ct.)                                    | 139,890   | 52,161    | 62,111    |
| Stone (tonnes)                                       | 412,177   | 448,161   | 637,708   |

### Gold and Diamonds

Total gold declaration declined by 6.2 percent and represented 83.3 percent of the targeted amount of 736,000 troy ounces for 2018. This level of production reflected lower declarations from small & medium scale miners by 14.5 percent. The local gold mining industry was hampered by increased smuggling activities and impassable roads in the hinterland regions, caused by heavy rainfall which delayed maintenance works. In contrast, the two large foreign gold mining companies' combined production increased by 8.6 percent. This higher declaration was due to increased output of Troy Resources Ltd. by 37.3 percent while the output of Guyana Goldfields Inc. declined by 2.7 percent, owing to higher operational costs. The foreign companies' share of overall declarations was higher at 41.5 percent compared to 35.8 percent last year.

Total diamond declaration increased by 19.1 percent to 62,111 carats, due to favourable market demand and an increase in average export price by 5.8 percent to US\$180.1 per metric carat from US\$170.3 per metric carat end-2017.

### Manufacturing

Manufacturing output increased marginally by 1.0 percent, relative to the 4.2 percent growth in 2017. This outturn was due to increased production of light manufacturing products and rice milling by 5.2 percent

and 0.2 percent respectively. However, sugar value added was lower by 28.6 percent.

Manufacturing goods grew on account of increased production of stockfeed, paints, liquid pharmaceuticals and alcoholic beverages by 11.8 percent, 6.5 percent, 4.5 percent and 3.8 percent respectively due to higher market demand.

**Table III**

| Selected Production Indicators<br>Manufacturing |        |        |        |
|---|--------|--------|--------|
| Commodity                                       | 2016   | 2017   | 2018   |
| Alcoholic Beverages ('000 litres)               | 26,176 | 26,907 | 27,938 |
| Malta ('000 litres)                             | 558    | 544    | 566    |
| Non-Alcoholic Beverages ('000 litres)           | 53,853 | 56,040 | 49,844 |
| Liquid Pharmaceuticals ('000 litres)            | 481    | 512    | 536    |
| Paints ('000 litres)                            | 2,666  | 2,802  | 2,982  |
| Electricity ('000 MWH)                          | 790    | 809    | 823    |

### Construction

The construction industry experienced growth of 11.0 percent after registering 11.4 percent increase in 2017. This outturn was bolstered by greater investments in private construction, such as residential houses.

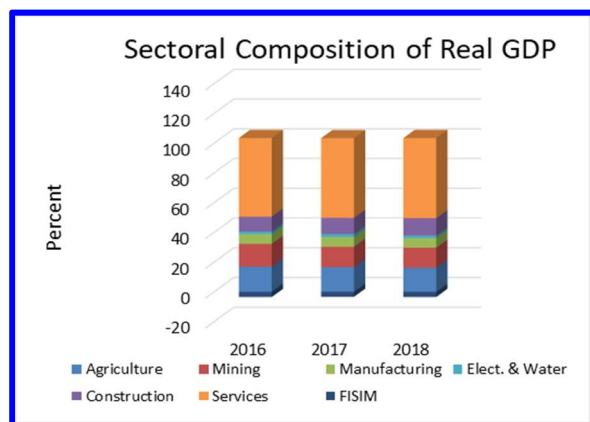
### Electricity and Water

The electricity & water industry expanded by 2.0 percent relative to the 2.3 percent expansion in 2017. Electricity generation increased by 1.7 percent to 823,223 megawatt hours.

### Services

The services sector, which accounted for 53.7 percent of GDP in 2018, grew by 4.5 percent relative to 3.6 percent growth the previous year. This outcome reflected increased activities of wholesale & retail trade, rental of dwellings, financial and insurance as well as other services by 8.1 percent, 7.5 percent, 5.2 percent and 14.0 percent respectively.

**Figure III**



Wholesale & retail trade grew by 8.1 percent compared with 8.7 percent expansion in 2017. This was fuelled by an upsurge in imports of consumption goods by 1.8 percent.

Rental of dwellings increased by 7.5 percent compared with a 5.0 percent growth in 2017, due to increased rentals from visitors attending social & cultural events and oil & gas related activities.

Financial & insurance activities rebounded to grow by 5.2 percent compared with a 2.0 percent decline at end-2017. This performance reflected higher credit for distribution and real estate activities.

Other service activities expanded by 14.0 percent relative to the 3.5 percent growth end-2017 due to social and cultural activities in the first half of 2018 alongside seasonal demand.

## AGGREGATE EXPENDITURE

Aggregate expenditure increased by 10.7 percent to G\$942.8 billion from G\$851.3 billion in 2017. Total share of investment expenditure increased to 36.6 percent from 26.6 percent at end-2017. In contrast, total consumption expenditure as a share of aggregate expenditure decreased to 63.4 percent from 73.4 percent in 2017.

The resource gap (the difference between GDP at purchaser prices and aggregate expenditure as a percentage of GDP at purchaser prices) widened to 17.0 percent from 16.0 percent end-2017.

**Table IV**

| Aggregate Expenditure<br>(Base Year: 2006=100) |       |       |       |  |
|--|-------|-------|-------|--|
| G\$ Billion                                    |       |       |       |  |
|  | 2016  | 2017  | 2018  |  |
| GDP at Market Price                            | 723.6 | 734.2 | 805.7 |  |
| Expenditure                                    | 786.7 | 851.3 | 942.8 |  |
| Investment                                     | 214.4 | 226.6 | 345.0 |  |
| Private  | 157.3 | 163.2 | 281.6 |  |
| Public   | 57.1  | 63.4  | 63.4  |  |
| Consumption                                    | 572.3 | 624.7 | 597.8 |  |
| Private  | 448.4 | 498.5 | 454.1 |  |
| Public   | 123.9 | 126.2 | 143.7 |  |
| Resource Gap                                   | 63.1  | 117.1 | 137.1 |  |

## Total Consumption Expenditure

Total consumption expenditure decreased by 4.3 percent to G\$597.8 billion and represented 74.2 percent of GDP at purchaser prices. Private and public consumption expenditure represented 48.2 percent and 15.2 percent respectively of aggregate expenditure.

## Private Consumption Expenditure

Private consumption expenditure decreased by 8.9 percent to G\$454.1 billion, attributed to lower income earnings in the gold, sugar and fishing industries.

## Public Consumption Expenditure

Public consumption expenditure increased by 13.9 percent to G\$143.7 billion from G\$126.2 billion in 2017. This was attributed to increased expenditure on employment costs, goods & services and transfer payments.

## Total Investment Expenditure

Total investment expenditure increased by 52.2 percent to G\$345.0 billion and represented 42.8 percent of GDP at purchaser prices. Private and public investment expenditure as a share of aggregate expenditure represented 29.9 percent and 6.7 percent respectively.

## Private Investment Expenditure

Private investment expenditure increased by 72.6 percent to G\$281.7 billion. This performance was attributed to improved investments in the housing and distribution sectors.

## Public Investment Expenditure

Public investment expenditure decreased marginally by 0.1 percent to G\$63.36 billion from G\$63.43 billion in 2017. This outturn was attributed to lesser disbursements for capital projects.

## EMPLOYMENT, EARNINGS & INFLATION

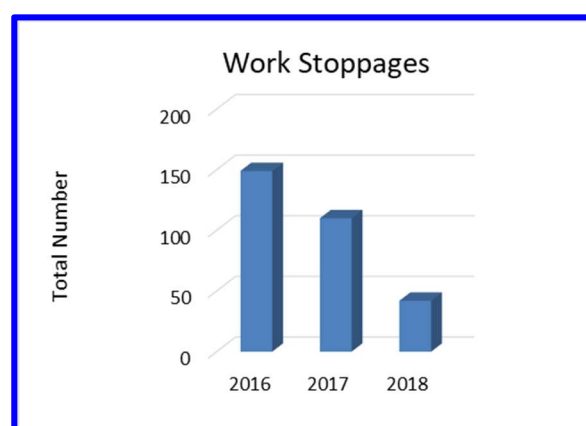
### Employment

Public sector employment declined by 11.1 percent at end-2018. There was lower recruitment in the core civil services by 0.5 percent, which represented 63.1 percent of total public sector employment. In the rest of the public sector, employment fell by 29.4 percent. Employment in public corporations contracted on account of lower recruitment by GUYSUCO and financial institutions by 39.2 percent and 0.6 percent respectively.

Although private sector employment data is unavailable, developments were mixed in the private labour market. The distribution, construction, transportation & storage and other services industries experienced job creation. Conversely, the local gold mining and fishing industries experienced reduced employment.

Industrial unrest decreased in 2018; the number of strikes decreased to approximately 44 from 110 in 2017. GUYSUCO was accountable for most of the strikes, which were related to wages, working conditions and other disputes. When compared with 2017, there were lower total man-days lost by 58.0 percent to 10,449 from 24,892 and wages lost fell by 56.9 percent to G\$28.7 million from G\$66.5 million. The reduced loss of man-days and wages in 2018 was attributed to the downsized operations at Rose Hall, Wales, Skeldon and Enmore Sugar Estates.

Figure IV



### Earnings

During late 2018, the government awarded public servants salary increases ranging from 0.5 percent for the highest scale, that is G\$1.0 million and above per month, to 7.0 percent on the lowest scale, that is up to G\$100,000 per month. Public servants who earned salaries between G\$100,000 and G\$299,999 per month gained an increase of 6.5 percent, while those earning salaries between G\$300,000 and G\$499,999 per month gained an increase of 5.0 percent. The salary increases were retroactive from January 1st, 2018 and was free of income tax.

The public sector monthly minimum wage increased to G\$64,200 per month. The income tax threshold remained at G\$60,000. Central Government employment cost as a percent of GDP at purchaser



prices remained approximately the same at 7.4 percent at end-2018 from end-2017's position.

## Inflation

Consumer prices measured by the Urban Consumer Price Index (CPI) registered an inflation of 1.6 percent relative to 1.5 percent end-2017. The monthly average inflation rate was 0.8 percent. The monthly change (year to date) in the Consumer Price level ranged from as low as -0.4 percent in April to a high of 1.8 percent in October.

The domestic basket of food cost increased by 3.0 percent, which reflected higher prices of fruits, meat, fish & eggs, alcoholic beverages & intoxicants and milk & milk products by 10.9 percent, 8.2 percent, 4.2 percent and 2.3 percent respectively. The unpredictable weather conditions influenced food cost. Conversely, there were declines in the prices of pulse & pulse products, vegetables, sugar, honey & related products and cereals by 8.4 percent, 1.7 percent, 1.5 percent and 0.3 percent respectively.

**Table V**

| Consumer Price Index<br>December 2009 = 100 |              |              |              |
|---|--------------|--------------|--------------|
| Commodity                                   | Dec.<br>2017 | Jun.<br>2018 | Dec.<br>2018 |
| All Items                                   | 115.2        | 116.2        | 117.1        |
| Food  | 134.4        | 135.9        | 138.5        |
| <i>Meat, Fish &amp; Eggs</i>                | <i>170.3</i> | <i>169.4</i> | <i>184.2</i> |
| <i>Cereals &amp; Cereal Products</i>        | <i>118.4</i> | <i>118.2</i> | <i>118.0</i> |
| <i>Milk &amp; Milk Products</i>             | <i>105.2</i> | <i>103.5</i> | <i>107.6</i> |
| <i>Vegetables &amp; Vegetable Products</i>  | <i>142.7</i> | <i>151.1</i> | <i>140.3</i> |
| Clothing                                    | 95.7         | 97.2         | 94.2         |
| Housing                                     | 99.3         | 100.1        | 100.4        |
| Footwear and Repairs                        | 94.3         | 87.9         | 82.4         |
| Furniture                                   | 91.9         | 90.8         | 90.6         |
| Transport & Communication                   | 118.0        | 120.2        | 120.3        |
| Medical Care & Health Services              | 126.9        | 126.7        | 129.6        |
| Education, Recreational & Cultural Service  | 97.7         | 96.6         | 96.0         |
| Miscellaneous Goods & Services              | 119.8        | 119.7        | 120.3        |

There was an increase in the price index of housing by 1.1 percent compared to 0.4 percent rise for 2017. This was due to the upward movement in fuel & power (domestic gas, kerosene & electricity) by 4.8 percent compared with the 1.9 percent increase at end-Dec 2017.

The transportation & communications category registered an increase of 1.9 percent relative to 1.1 percent decline at end-Dec 2017. The sub-category of operation/personal transport (tyres, gas, parts & repairs) increased by 9.8 percent compared to an 8.3 percent decline at end-Dec 2017.

Other price indices that registered increases were medical care & health services and miscellaneous good & services by 2.1 percent and 0.4 percent respectively.

Conversely, there were declines in the price indices of footwear & repairs, education, recreation & culture, clothing and furniture by 12.6 percent, 1.7 percent, 1.6

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percent and 1.3 percent respectively attributed to lesser domestic spending.

## **Outlook for 2019**

The economy is projected to grow by 4.4 percent at the end of 2019 on account of growth in the major economic sectors. The agriculture sector is expected to increase by 3.2 percent, due to the increases in other crops by 4.0 percent, production of rice by 3.4 percent and the output of sugar by 3.2 percent. The mining & quarrying sector is forecasted to expand by 3.4 percent due to increases in the production of bauxite by 10.0 percent and gold by 1.7 percent. The services industry is estimated to grow by 3.7 percent on account of higher outturns of wholesale & retail trade by 5.0 percent and transportation & storage activities by 3.5 percent. The construction and manufacturing industries are projected to increase by 10.5 percent and 3.8 percent respectively. The inflation rate is forecasted at 2.5 percent on account of moderate increases in food and fuel prices. □

### 3. INTERNATIONAL TRADE AND BALANCE OF PAYMENTS

The overall balance of payments deficit widened due to a relatively larger current account deficit, reflecting FDIs in the oil and gas sector for both merchandise and service imports. The capital account surplus resulted from higher inflows to the private sector in the form of FDIs and to the Non-Financial Public Sector in the form of disbursements. The overall deficit was financed from the gross foreign reserves of the Bank of Guyana and debt forgiveness. Gross international reserves was equivalent to approximately 2.3 months of import cover.

#### CURRENT ACCOUNT

The current account deficit expanded to US\$679.7 million compared with a deficit of US\$297.2 million in 2017. This outturn was mainly on account of an expansion in the merchandise trade and services deficits, reflecting FDIs in oil and gas.

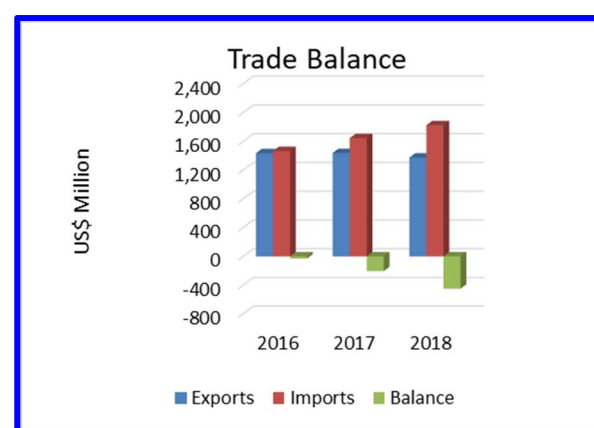
Table VI

|                                   | Balance of Payments<br>US\$ Million |                |                |
|-----------------------------------|-------------------------------------|----------------|----------------|
|                                   | January – December                  |                |                |
|                                   | 2016                                | 2017           | 2018           |
| <b>CURRENT ACCOUNT</b>            | <b>(12.4)</b>                       | <b>(297.2)</b> | <b>(679.7)</b> |
| Merchandise Trade                 | (30.8)                              | (206.6)        | (451.2)        |
| Services (Net)                    | (302.1)                             | (372.3)        | (726.6)        |
| Transfers                         | 320.4                               | 281.7          | 498.2          |
| <b>CAPITAL ACCOUNT</b>            | <b>(13.2)</b>                       | <b>228.0</b>   | <b>549.1</b>   |
| Capital Transfers                 | 14.8                                | 23.2           | 23.5           |
| Non-financial Public Sector (net) | (21.8)                              | 43.9           | 70.0           |
| Private Capital                   | (1.8)                               | 159.3          | 460.4          |
| Other                             | -                                   | -              | -              |
| Short term Capital                | (4.4)                               | 1.6            | (4.8)          |
| <b>ERRORS &amp; OMISSIONS</b>     | <b>(27.7)</b>                       | <b>(0.3)</b>   | <b>(1.7)</b>   |
| <b>OVERALL BALANCE</b>            | <b>(53.3)</b>                       | <b>(69.5)</b>  | <b>(132.2)</b> |

#### Merchandise Trade

The merchandise trade deficit amounted to US\$451.2 million, US\$244.6 million above the 2017 level. This position was on account of an 11.0 percent or US\$181.0 million growth in the value of imports owing to increased importation of intermediate and capital goods for the oil and gas sector. Export earnings declined by 4.4 percent or US\$63.6 million.

Figure V



#### Exports

Total export receipts declined by 4.4 percent or US\$63.6 million to US\$1,373.8 million from US\$1,437.3 million in 2017. Receipts from sugar, rice, timber and gold declined by 44.1 percent, 7.5 percent, 6.9 percent and 6.2 percent respectively. Higher receipts were from bauxite and “other exports” which increased by 22.6 percent and 1.0 percent respectively.

#### Sugar

Sugar export earnings amounted to US\$27.1 million, 44.1 percent less than the 2017 earnings. This outturn was attributed to a 28.0 percent decline in the volume of sugar exported as well as a decline in the average export price. The volume of sugar exported amounted to 77,796 metric tonnes or 30,191 metric tonnes less than the level exported in 2017. As a percent of total sugar exports, those to the EU under the ACP/EU

Sugar Protocol was 47.9 percent compared with the 57.2 percent recorded in 2017. Exports to the CARICOM region amounted to 29.3 percent compared with 23.7 percent recorded at end-2017.

Average export price for sugar declined by 22.4 percent or US\$100.8 to US\$348.4 per metric tonne, compared to US\$449.2 per metric tonne in 2017.

**Table VII**

| Exports of Major Commodities |            |           |           |           |
|------------------------------|------------|-----------|-----------|-----------|
| January – December           |            |           |           |           |
| Product                      | Unit       | 2016      | 2017      | 2018      |
| Sugar                        | Tonnes     | 158,451   | 107,986   | 77,796    |
|                              | US\$Mn.    | 73.4      | 48.5      | 27.1      |
| Rice                         | Tonnes     | 499,192   | 539,387   | 470,312   |
|                              | US\$Mn.    | 178.8     | 201.0     | 186.1     |
| Bauxite                      | Tonnes     | 1,493,678 | 1,443,475 | 1,943,367 |
|                              | US\$Mn.    | 92.1      | 104.5     | 128.1     |
| Gold                         | Ounces     | 677,788   | 664,848   | 611,234   |
|                              | US\$Mn.    | 830.7     | 817.5     | 766.8     |
| Timber                       | Cu. Metres | 118,565   | 115,172   | 105,427   |
|                              | US\$Mn.    | 40.4      | 35.8      | 33.3      |

## Rice

Rice export earnings amounted to US\$186.1 million, 7.5 percent below the 2017 level as a result of lower export volume for the commodity. The volume of rice exports amounted to 470,312 metric tonnes, 12.8 percent or 69,075 metric tonnes less than the 539,387 metric tonnes exported in 2017. The EU's share of rice exports fell to 28.0 percent from 30.7 percent in 2017, while CARICOM's share increased to 21.9 percent from 21.2 percent in 2017. Latin America and the rest of the world's share was 34.6 percent compared with 33.9 percent in 2017 due to the inclusion of the Mexican market. The West African market accounted for 15.5 percent of total rice exported.

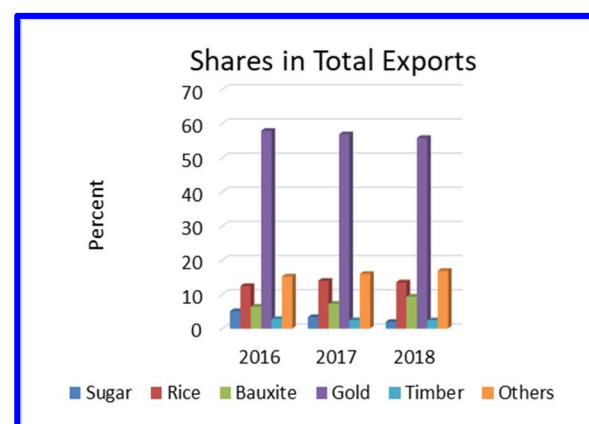
The average export price of rice increased by 6.1 percent or US\$22.9 to US\$395.6 per metric tonne compared to US\$372.7 per metric tonne in 2017.

## Bauxite

Bauxite export earnings totalled US\$128.2 million, 22.6 percent above the 2017 level of US\$104.5 million due to an increase in its export volume. Export volume expanded by 34.6 percent or 499,892 metric tonnes from 1,443,475 metric tonnes in 2017 to 1,943,367 metric tonnes. This outturn was as a result of higher export volumes of metal and dried grade bauxite, which increased by 38.9 percent and 38.3 percent from the 2017 level.

The average export price of bauxite decreased by 8.9 percent or US\$6.5 from US\$72.4 to US\$65.9 per metric tonne in 2018.

**Figure VI**



## Gold

Gold export receipts was US\$766.8 million, 6.2 percent or US\$50.7 million lower than the 2017 level of US\$817.5 million. This outturn was attributable to lower export volume for the metal which declined by 8.1 percent or 53,614 ounces to 611,234 ounces in 2018.

The average export price per ounce of gold was higher by 2.0 percent or US\$24.9 moving to US\$1,254.5 per ounce from US\$1,229.6 per ounce in 2017.

## Timber

The value of timber exports was US\$33.3 million, 6.9 percent below the 2017 value on account of lower export volume. The average export price per cubic metre increased by 1.7 percent or US\$5.4 to US\$315.8 in 2018.

Receipts from plywood exports increased by 31.0 percent to US\$1.6 million from US\$1.2 million in 2017, while that from 'other timber' exports declined by 8.2 percent to US\$31.7 million from US\$34.5 million in 2017.

## Other Exports

Total earnings from all other exports, which included re-exports, were US\$232.4 million, 1.0 percent higher than the value in 2017. The increase reflected higher receipts for "other" exports, beverages, rum & other spirits and wood products as shown in Table VIII.

**Table VIII**

| Commodities          | Other Exports<br>US\$ Million |              |              |
|----------------------|-------------------------------|--------------|--------------|
|                      | January - December            |              |              |
|                      | 2016                          | 2017         | 2018         |
| Fish & Shrimp        | 82.8                          | 99.7         | 97.2         |
| Fruits & Vegetables  | 7.8                           | 8.7          | 8.0          |
| Pharmaceuticals      | 3.3                           | 4.0          | 3.0          |
| Garments & Clothing  | 1.1                           | 0.4          | 0.3          |
| Wood Products        | 2.1                           | 3.5          | 3.7          |
| Prepared Foods       | 29.3                          | 28.5         | 29.9         |
| Rum & Other Spirits  | 37.0                          | 43.1         | 48.2         |
| Beverages            | 3.4                           | 2.5          | 3.0          |
| Diamond              | 18.2                          | 13.6         | 12.3         |
| Molasses             | 8.2                           | 6.0          | 0.4          |
| Re-Exports           | 12.8                          | 9.4          | 8.9          |
| Others <sup>1)</sup> | 13.0                          | 10.6         | 17.5         |
| <b>Total</b>         | <b>219.0</b>                  | <b>230.0</b> | <b>232.3</b> |

Notes:

(1) This category includes exports of wild life, personal effects, handicrafts and nibbi-furniture.

## Imports

The value of merchandise imports increased by 11.0 percent or US\$181.0 million to US\$1,825.0 million.

This increase was on account of higher imports of consumption, intermediate and capital goods. The growth in intermediate and capital goods was due to higher imports for the oil and gas sector.

**Table IX**

| Items                     | Imports<br>US\$ Million |                |                |
|---------------------------|-------------------------|----------------|----------------|
|                           | January - December      |                |                |
|                           | 2016                    | 2017           | 2018           |
| <b>Consumption Goods</b>  |                         |                |                |
| Food-Final Consumption    | 143.9                   | 158.0          | 158.9          |
| Beverage & Tobacco        | 42.2                    | 38.2           | 38.1           |
| Other Non-Durables        | 85.5                    | 115.4          | 98.5           |
| Clothing & Footwear       | 19.0                    | 25.6           | 27.4           |
| Other Semi-Durables       | 31.2                    | 33.3           | 38.4           |
| Motor Cars                | 34.6                    | 34.7           | 38.7           |
| Other Durables            | 65.4                    | 66.0           | 79.8           |
| <b>Sub-total</b>          | <b>421.8</b>            | <b>471.1</b>   | <b>479.8</b>   |
| <b>Intermediate Goods</b> |                         |                |                |
| Fuel & Lubricants         | 344.7                   | 411.4          | 496.0          |
| Food-Intermediate use     | 78.2                    | 67.7           | 81.3           |
| Chemicals                 | 83.0                    | 93.6           | 98.1           |
| Textiles & Fabrics        | 5.9                     | 5.3            | 4.7            |
| Parts & Accessories       | 75.4                    | 95.4           | 107.2          |
| Other Intermediate Goods  | 154.5                   | 185.6          | 206.4          |
| <b>Sub-total</b>          | <b>741.8</b>            | <b>858.9</b>   | <b>993.5</b>   |
| <b>Capital Goods</b>      |                         |                |                |
| Agricultural Machinery    | 41.1                    | 37.2           | 31.0           |
| Industrial Machinery      | 24.0                    | 23.5           | 37.7           |
| Transport Machinery       | 52.2                    | 46.8           | 51.3           |
| Mining Machinery          | 34.7                    | 66.1           | 71.9           |
| Building Materials        | 82.3                    | 81.7           | 84.5           |
| Other Goods               | 59.7                    | 51.6           | 67.4           |
| <b>Sub-total</b>          | <b>294.0</b>            | <b>306.9</b>   | <b>343.7</b>   |
| <b>Miscellaneous</b>      | <b>7.6</b>              | <b>7.0</b>     | <b>7.9</b>     |
| <b>Total Imports</b>      | <b>1,465.2</b>          | <b>1,644.0</b> | <b>1,825.0</b> |

In the consumption goods sub-category, imports amounted to US\$479.8 million, 1.8 percent or US\$8.7 million above the 2017 level. This position was due to a higher value of imports of other durable goods, other semi-durable goods, motor cars, clothing & footwear and food for final consumption by 21.0 percent, 15.4 percent, 11.5 percent, 7.0 percent and 0.6 percent respectively. Import value of other non-durable goods and beverages & tobacco decreased by 14.7 percent and 0.2 percent respectively.

In the intermediate goods sub-category, imports rose by 15.7 percent or US\$134.6 million to US\$993.5 million from US\$858.9 million in 2017. This outturn

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was due to an increase in imports of fuel & lubricants, food for intermediate use, parts and accessories, other intermediate goods and chemicals, by 20.6 percent, 20.1 percent, 12.4 percent, 11.2 percent and 4.7 percent respectively. Lower imports were realised for textiles & fabrics by 11.2 percent.

In the sub-category of capital goods, imports expanded by 12.0 percent or US\$36.8 million to US\$343.7 million. This outturn was due to an increase in imports of industrial machinery, other capital goods, transport machinery, mining machinery and building machinery by 60.2 percent, 30.6 percent, 9.6 percent, 8.8 percent and 3.4 percent respectively. Lower imports were realized for agricultural machinery by 16.6 percent, as shown in Table IX.

### **Services and Unrequited Transfers**

Net payments for services were US\$726.6 million, 95.2 percent or US\$354.4 million above the level in 2017. This increase was due to higher net outflows of both factor and non-factor services by US\$12.6 million to US\$24.1 million and US\$341.8 million to US\$702.5 million, respectively.

Factor services recorded a higher net outflow of US\$24.1 million, compared to US\$11.5 million last year. This was mainly the result of lower investment income and interest payments.

Net payment for non-factor services increased by 94.7 percent or US\$341.8 million to US\$702.5 million from US\$360.8 million in 2017. This performance was on account of higher payments for other business services (which includes services contracted for oil exploration) and transportation services, which increased from US\$45.4 million to US\$368.9 million and US\$217.3 million to US\$232.9 million, respectively. Payments for consulting & management services increased from US\$75.1 million to US\$86.6 million, while insurance services and advertising & marketing research expanded from US\$34.4 million to US\$45.6 million and US\$26.7 million to US\$40.0 million, respectively. Similarly, payments for

communication services grew from US\$1.6 million to US\$7.5 million at the end of 2018.

Net current transfers increased by 76.9 percent to US\$498.2 million, reflecting higher inflows of other current transfers. Inflows of current transfers were higher at US\$754.2 million from US\$676.7 million in 2017. Outflows of current transfers were lower at US\$256.0 million from US\$395.0 million in 2017. Inflows of workers' remittances increased by 3.4 percent or US\$10.7 million to US\$327.9 million whereas receipts from bank accounts abroad increased by 24.1 percent or US\$64.4 million to US\$331.6 million. The main sources of outflows were remittances to bank accounts abroad, and workers' remittances which amounted to US\$130.4 million and US\$101.3 million respectively.

### **CAPITAL ACCOUNT**

The capital account recorded a surplus of US\$549.1 million from US\$228.0 million in 2017. This outturn reflected higher inflows to the private sector in the form of foreign direct investment inflows which increased by US\$282.7 million to US\$494.8 million compared to US\$212.2 million in 2017. The Non-Financial Public Sector's disbursements amounted to US\$125.1 million.

Short-term private capital recorded a decline of US\$6.4 million in the net foreign assets of the commercial banks.

**Table X**

|                      | Disbursements<br>US\$ Million<br>January – December |             |              |
|----------------------|---|-------------|--------------|
|                      | 2016  | 2017        | 2018         |
| IDA                  | 5.6   | 8.4         | 42.1         |
| CDB                  | 9.8   | 11.0        | 36.4         |
| IFAD                 | 0.0   | 0.0         | 6.7          |
| IDB                  | 8.1   | 25.1        | 0.8          |
| INDIA                | 0.0   | 0.0         | 0.7          |
| CHINA                | 32.4  | 37.3        | 34.7         |
| BOP                  | 0.0   | 0.0         | 0.0          |
| Support              |   |             |              |
| Others <sup>1)</sup> | 1.8   | 2.3         | 3.6          |
| <b>Total</b>         | <b>57.7</b>   | <b>84.1</b> | <b>125.1</b> |

Notes:

(1) This category includes Credits associated with the PetroCaribe Agreement.

Capital grants and debt relief received by the combined public sector increased by US\$0.3 million to US\$23.5 million from US\$23.2 million in 2017. The other grants were associated with projects under the Public Sector Investment Programme (PSIP).

## Overall Balance and Financing

The higher overall deficit of US\$132.2 million was financed mainly by the gross foreign reserves of the Bank of Guyana and debt forgiveness. The gross international reserves of the Bank of Guyana were equivalent to approximately 2.3 months of import cover at the end of the year.

## Outlook for 2019

The overall balance of payments is expected to record a surplus in 2019. The current account deficit is projected to contract due to higher export receipts. The capital account is forecasted to record a lower surplus due to reduced inflows to the private and public sectors. □



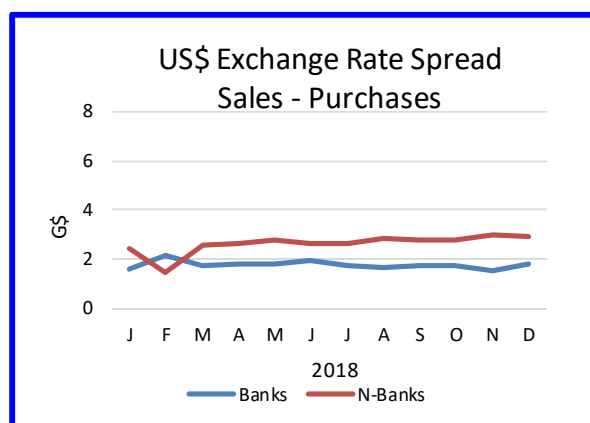
## 4. FOREIGN EXCHANGE MARKET DEVELOPMENTS

The total volume of foreign exchange transactions increased by 19.6 percent to US\$8,548.1 million. The market was impacted by increases in transactions in most segments – licensed bank and non-bank cambios, as well as hard currency and foreign currency accounts. Money transfer transactions were valued at US\$276.1 million or 0.9 percent below the 2017 level. There was a net purchase of US\$146.0 million in the market enabling the Guyana dollar to remain stable against the United States dollar at G\$208.50.

### OVERALL MARKET VOLUMES

Total foreign currency transactions increased by 19.6 percent to US\$8,548.1 million from US\$7,149.3 million in 2017 due to increases in licensed bank and non-bank cambio transactions, hard currency and foreign currency accounts transactions. Purchases and sales in the market were US\$4,347.0 million and US\$4,201.1 million respectively. Net purchases were US\$146.0 million compared with net purchases of US\$50.2 million in 2017.

Figure VII



The licensed bank and non-bank cambios, which accounted for 43.9 percent of the total volume, recorded a 21.7 percent increase in turnover to US\$3,751.7 million. The combined transactions of the six bank cambios were US\$3,640.3 million, an expansion of US\$663.0 million or 22.3 percent from the 2017 level. Interbank transactions totalled

US\$54.3 million, an increase of US\$4.9 million or 9.9 percent from the US\$49.4 million for the preceding year. The twelve non-bank cambios' transactions amounted to US\$111.4 million, an increase of US\$5.9 million or 5.6 percent. Non-bank cambios' market share remained negligible at 1.3 percent.

Hard currency transactions conducted at the Bank of Guyana totalled US\$1,219.4 million, an increase of US\$141.7 million or 13.2 percent over the previous year. Purchases and sales were US\$581.2 million and US\$638.2 million respectively. Receipts increased by US\$49.1 million or 9.2 percent. The Bank also recorded an increase in net hard currency payments of US\$92.6 million or 17.0 percent. Fuel imports constituted 58.2 percent of total payments. The Bank sold US\$8.1 million to commercial banks, a decline of 4.7 percent from the 2017 level of US\$8.5 million. Purchases from commercial banks and non-bank institutions totalled US\$186.3 million for the period under review. The Banks' share of all transactions declined to 14.3 percent from 15.1 percent in 2017.

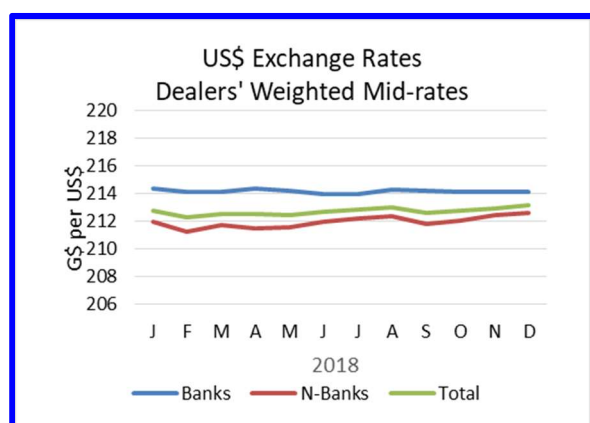
Approved foreign currency accounts transactions increased by 22.2 percent to US\$3,280.6 million. The major categories of activities included government, non-resident transactions, other, rice, hotel/tourism, forestry, shipping and engineering. The debits and credits to these accounts totalled US\$1,636.7 million and US\$1,643.9 million respectively, compared with the previous year amounts of US\$1,351.4 million and US\$1,334.3 million respectively. The Bank approved applications for twenty three new foreign currency accounts in 2018.

## THE EXCHANGE RATES

The weighted mid-rate, based on the rates of the three largest banks' turnover, remained stable at G\$208.50 at the end of 2018. The un-weighted mid-rate using the same method depreciated by 0.85 percent to G\$212.72 compared with G\$210.92 in 2017.

The commercial banks and non-bank cambios' average buying and selling rates fluctuated during the review period. The commercial banks cambios' average buying and selling rates were G\$213.31 and G\$215.06 from G\$213.11 and G\$215.37 respectively in 2017. The non-bank cambios' average buying and selling rates were G\$210.98 and G\$213.28 from G\$211.22 and G\$212.96 respectively.

**Figure VIII**



The disparity between the buying rates of the bank and non-bank cambios increased from G\$1.77 to G\$2.12 in 2018. The difference in the selling rates was also lower at G\$0.97 from G\$2.30 in 2017.

The average market spread was lower at G\$1.57 compared with G\$2.25 in 2017. The bank and non-bank spreads fluctuated at G\$1.57 and G\$1.39 from G\$2.27 and G\$1.74 respectively in the previous year.

In the cambio market, the majority of foreign currency transactions involved the United States dollar accounting for 94.3 percent of the total trades. The Euro, Canadian dollar and Pound Sterling each held

2.8 percent, 2.2 percent, and 0.7 percent respectively of the market shares.

## CARICOM CURRENCIES

The CARICOM currencies traded on the market declined by 17.7 percent to US\$20.3 million in 2018. The main currencies transacted on the market were Trinidad & Tobago dollar, Barbados dollar and the Eastern Caribbean dollar. The Trinidad and Tobago dollar comprised US\$11.4 million or 56.4 percent of the overall regional volume while Barbados and the Eastern Caribbean dollar comprised US\$7.0 million or 34.4 percent and US\$1.9 million or 9.2 percent respectively.

The exchange rates of the Barbados and Eastern Caribbean dollars remained fixed against the US dollar. The Trinidad & Tobago currency appreciated against the US dollar by 23.9 percent to TT\$6.74 while the Jamaican currency depreciated by 5.2 percent to J\$128.58.

## MONEY TRANSFER ACTIVITIES

The Bank licensed four agencies with a total number of certified agents of 233. Of the ten Administrative Regions in Guyana, Region Four held 38.9 percent of the total registered agents, Region Six held 20.5 percent, Region Three held 14.8 percent, while Region Ten totalled 5.7 percent. The remaining six Regions accounted for 20.1 percent.

The aggregated value of transfers by money transfer entities amounted to US\$276.1 million, 0.9 percent lower than the previous year. Inbound and outbound transactions were US\$237.1 million and US\$39.0 million respectively. The highest volume of transfers occurred in the months of December, March and June of 2018.

## Outlook for 2019

The exchange rate of the Guyana dollar to the US dollar is expected to remain relatively stable due to a net supply of foreign exchange to the market.

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The Bank is projecting purchases of US\$615.9 million primarily from Guyana Gold Board and GUYSUCO. Sales to accommodate imports and debt servicing are projected at US\$640.3 million. Foreign exchange

flows to the market are expected to adequately cover imports and support a stable exchange rate. □

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## 5. PUBLIC FINANCE

The public sector total financial operations recorded a reduced deficit in 2018, owing to expansions in Central Government's current revenues that outweighed current expenditures. However, the Non-Financial Public Enterprises' (NFPEs) balance further deteriorated from its 2017 position due to heightened current expenditures. Budget 2019 states that Central Government fiscal deficit is estimated to increase significantly from higher current and capital spending, while the NFPEs' overall deficit is estimated to decline on account of larger increments in current receipt relative to the increase in current expenses.

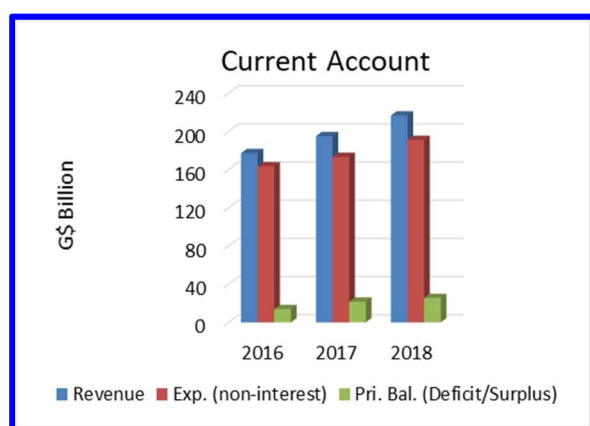
### CENTRAL GOVERNMENT

The Central Government's overall deficit was lower at G\$27,287 million in 2018 from G\$32,759 million end-2017, which was a result of expansions in tax revenues.

#### Current Account

The current account surplus expanded by G\$3,401 million to G\$17,061 million. This development was due to increases in current revenues by G\$21,664 million, which more than offset the increases in current expenditures.

Figure IX



#### Revenue

Total current revenue grew by 11.1 percent to G\$216,724 million. This performance was attributed to enhanced collection of value added taxes (VAT)

and excise taxes; income taxes from private corporations and personal taxes; greater earnings on trade taxes, and increased collection of other tax revenues. In contrast, non-tax revenues declined by 23.8 percent.

VAT & excise taxes expanded by 15.2 percent to G\$87,951 million. This was accredited to increased collection of VAT by 13.2 percent to G\$48,181 million and excise taxes by 18.6 percent to G\$39,680 million. Conversely, other local consumption taxes decreased by 70.7 percent to G\$89 million.

Income tax revenues increased by 15.5 percent to G\$78,235 million. Private companies' income taxes, personal income taxes, and withholding taxes expanded by 10.4 percent, 19.1 percent, and 38.8 percent to G\$38,576 million, G\$25,808 million, and G\$12,703 million respectively. However, public corporation taxes declined by 42.2 percent to G\$1,148 million.

Trade taxes grew by 18.9 percent to G\$21,986 million, on account of increased collection of import duties, travel tax, and export duties by 18.7 percent, 18.2 percent, and 44.9 percent to G\$19,321 million, G\$2,603 million, and G\$33 million respectively.

Other taxable current revenues increased by 20.4 percent to G\$10,341 million. Property & estate taxes grew by 22.2 percent to G\$4,421 million. Vehicle licensing, environmental levy, and other (professional fees, surtax, etc.) increased by 5.4 percent, 16.2 percent, and 7.9 percent to G\$1,095 million, G\$1,979

million, and G\$1,626 million respectively. Revenues from other tax receipts amounted to G\$1,220 million.

On the other hand, non-tax revenues declined by G\$5,699 million to G\$18,212 million, due to reductions in other public department receipts, Bank of Guyana surplus, and other private sector revenues by G\$5,300 million, G\$419 million, and G\$299 million respectively. Nevertheless, rents & royalties, and fees, fines & charges increased by G\$436 million, and G\$133 million respectively.

**Table XI**

| Central Government Finances<br>G\$ Million |                 |                 |                 |
|--|-----------------|-----------------|-----------------|
|  | 2016            | 2017            | 2018            |
| <b>CURRENT ACCOUNT</b>                     |                 |                 |                 |
| Revenue                                    | 177,322         | 195,060         | 216,724         |
| Non-interest Exp.                          | 163,425         | 173,373         | 191,153         |
| <b>Current Primary Bal.</b>                | <b>13,897</b>   | <b>21,687</b>   | <b>25,572</b>   |
| less Interest                              | 6,727           | 8,027           | 8,511           |
| <b>Current a/c Balance</b>                 | <b>7,170</b>    | <b>13,660</b>   | <b>17,061</b>   |
| <b>CAPITAL ACCOUNT</b>                     |                 |                 |                 |
| Receipts                                   | 7,877           | 12,199          | 10,772          |
| Expenditure                                | 46,618          | 58,618          | 55,119          |
| <b>Capital a/c Balance</b>                 | <b>(38,741)</b> | <b>(46,419)</b> | <b>(44,348)</b> |
| <b>OVERALL BALANCE</b>                     | <b>(31,571)</b> | <b>(32,759)</b> | <b>(27,287)</b> |
| <b>FINANCING</b>                           | <b>31,571</b>   | <b>32,759</b>   | <b>27,287</b>   |
| Net External Borrowing                     |                 |                 |                 |
| (+) / Savings (-)                          | 7,837           | 8,740           | 7,745           |
| Net Domestic Borrowing                     |                 |                 |                 |
| (+) / Savings (-) <sup>1)</sup>            | 23,734          | 24,019          | 19,541          |
| o/w Net Banking Loans                      | (8,482)         | (1,536)         | (24,060)        |
| o/w Net Govt. Securities                   | 1,588           | 1,985           | (1,620)         |

Notes:

1) Domestic Financing includes other financing.

## Expenditure

Total current expenditure (including debt charges) increased by 10.1 percent to G\$199,663 million, due to increases in non-interest current expenditures and interest charges by 10.3 percent and 6.0 percent respectively.

Total non-interest current expenditure grew by G\$17,779 million to G\$191,153 million due to increases in transfer payments, employment costs, and other goods & services expenses by 15.4 percent, 9.2 percent, and 4.1 percent respectively.

Transfer payments increased by G\$10,719 million to G\$80,412 million resulting from greater payouts to subsidies & contribution to local & foreign organisations, pensions, and education subventions, grants & scholarships by 20.0 percent, 9.3 percent, and 9.5 percent to G\$50,464 million, G\$22,003 million, and G\$7,583 million respectively. However, rates & taxes and subvents to local authorities fell by 39.8 percent to G\$345 million.

Employment costs rose by G\$5,030 million to G\$59,474 million, reflecting developments in wages, salaries, and benefits of public servants.

Purchases of other goods & services expanded by G\$2,030 million to G\$51,266 million. There were increased spending on materials & supplies by 6.2 percent, maintenance of infrastructures by 8.9 percent, transport, travel & postage by 2.0 percent, fuels & lubricants expenses by 11.0 percent, and miscellaneous goods & services by 7.3 percent. Conversely, rental & maintenance of buildings, electricity charges, and water charges declined by 2.4 percent, 15.0 percent, and 11.4 percent respectively.

Interest charges rose by G\$484 million to G\$8,511 million. External interest charges increased by 18.5 percent to G\$7,178 million, while domestic interest costs declined by 32.4 percent to G\$1,333 million due to lower interest payments on treasury bills and debentures.

## Capital Account

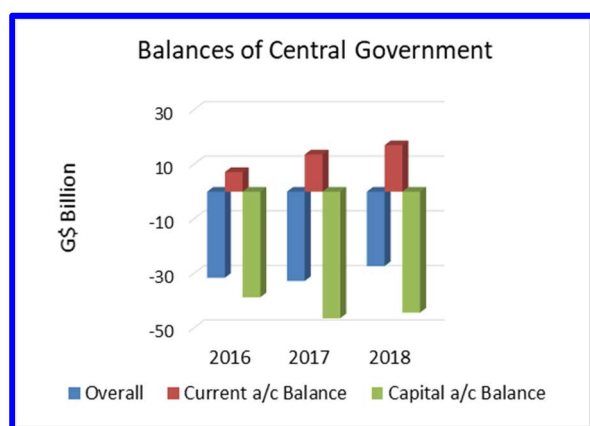
The capital account deficit, after grants, reduced by 4.5 percent to G\$44,348 million, due to reductions in disbursements to capital projects relative to last year. However, capital revenue earned domestically (excluding grants) continues to be miniscule.

Capital revenue (including grants) declined by 11.7 percent to G\$10,772 million. Revenues earned domestically declined by 91.8 percent to G\$1.4 million, while grants & debt relief received from external agents declined by 11.6 percent to G\$10,771 million. The latter was due to reductions in grant

proceeds for non-projects by 51.8 percent, and projects by 0.2 percent. Enhanced HIPIC relief decreased by 0.1 percent, whereas CMCF transfers increased by 200.0 percent to G\$966 million.

Capital expenditure declined by 6.0 percent to G\$55,119 million and was below the budgeted amount of G\$59,702 million. This was due to reductions in disbursements to construction by 15.3 percent, environment & pure water by 0.6 percent, agriculture by 0.9 percent, education by 8.7 percent, social welfare by 29.9 percent, public safety by 19.5 percent, culture & youth by 1.2 percent, tourist development by 95.1 percent, and administration by 2.9 percent. In contrast, capital spending increased in the areas of transport & communication by 41.4 percent, manufacturing by 13.6 percent, housing by 68.4 percent, national security & defence by 21.3 percent, fishing by 111.9 percent, financial transfers by 51.1 percent, and power generation by 0.3 percent.

**Figure X**



### Overall Balance and Financing

The overall deficit reduced by G\$5,472 million to G\$27,287 million end-2018. Central government financing amounted to G\$19,541 million by domestic and G\$7,745 million by external. The net domestic financing amount was mainly due to net banking advances of G\$24,060 million and net government securities of G\$1,620 million.

### Outlook for 2019

The Central Government's overall deficit is expected to expand by G\$14,211 million to G\$41,498 million. Both current revenue and expenditure are projected to increase by 10.0 percent and 11.1 percent to G\$238,323 million and G\$221,763 million respectively; as a result, the current account surplus is projected to decrease to G\$16,560 million.

The capital account deficit (after grants) is projected to widen by G\$13,710 million to G\$58,057 million. This position will result from higher budgeted capital expenditures of G\$69,279 million, while capital revenue (including grants & relief) is estimated to increase by 4.2 percent to G\$11,221 million.

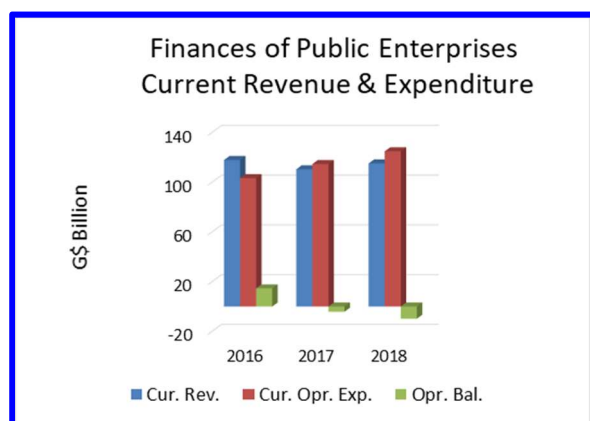
### NON-FINANCIAL PUBLIC ENTERPRISES

The overall balance of the Non-Financial Public Enterprises (NFPEs), which includes GUYSUCO, Guyana Oil Company Limited (GUYOIL), Guyana National Shipping Company (GNSC), Guyana Power & Light (GPL), and the National Insurance Scheme (NIS), further deteriorated to a deficit of G\$17,313 million in 2018 from a deficit of G\$12,957 million in 2017. Expansions in current expenditures were the main resultant of the higher deficit position.

### Current Account

The current primary operating balance worsened to a deficit of G\$9,806 million from a deficit of G\$4,218 million the previous year. This was due to surges in current expenditures, which overshadowed the G\$4,695 million increase in current revenue.

**Figure XI**



## Receipts

Current cash receipts increased by 4.3 percent to G\$115,118 million, due to greater contributions by NIS and GUYOIL. Receipts from debtors grew by 25.0 percent to G\$27,779 million, on account of higher debt collection by GUYOIL of G\$5,446 million. VAT refunds also increased by G\$2,248 million. Conversely, local sales decreased by 0.9 percent to G\$49,659 million, occurring from G\$1,461 million decline in domestic sales by GPL. Export sales and other income contracted by 46.6 percent and 4.6 percent to G\$6,352 million and G\$24,863 million respectively. Furthermore, financing from NICIL/SPU amounted to G\$4,058 million.

In specific, total receipts of NIS grew by 21.4 percent to G\$43,428 million, reflecting 6.4 percent improvement in contributions by the employed, self-employed, and recovery of arrears. Conversely, contributions by investment income decreased by 9.0 percent to G\$1,000 million.

## Expenditure

Total current expenses (including interest charges) increased by 8.6 percent to G\$125,737 million, mainly due to increases in non-interest current expenditures.

Non-interest current expenditure grew by 9.0 percent to G\$124,924 million, on account of greater spending by GUYOIL and GPL. Payments to creditors

expanded by 20.2 percent to G\$35,539 million, where GUYOIL accounted for 97.4 percent of the increase. Charges for materials & supplies were higher by 17.7 percent to G\$29,781 million that was attributed to G\$4,837 million increase by GPL. In contrast, expenditures on employment costs, repairs & maintenance, payments of local government rates & taxes, and VAT payments to GRA declined by 6.4 percent, 13.8 percent, 10.0 percent, and 6.4 percent respectively. In addition, corporation & property taxes paid declined by 38.2 percent to G\$1,305 million, while transfers to the Central Government, in the form of dividends, etc., amounted to G\$1,200 million.

NIS current expenditure expanded by 12.4 percent to G\$23,881 million. This was due to increases in employment costs 4.6 percent and materials & supplies by 3.5 percent. In addition, payment of benefits and other administration amounted to G\$21,886 million and G\$578 million respectively.

Interest payments decreased by 31.6 percent to G\$814 million from G\$1,189 million in 2017, primarily due to decreases in domestic interest payments by GPL and GUYSUCO.

## Capital Account

The NFPEs' capital account usually runs a deficit due to little or no capital receipt transactions. Moreover, capital expenditures remain high, but it experienced a reduction in 2018 by 11.3 percent to G\$6,694 million from G\$7,550 million in 2017, resulting mainly from declines by GUYSUCO and GUYOIL.



**Table XII**

| Summary of Public Enterprises Finances<br>G\$ Million |                 |                 |                 |
|---|-----------------|-----------------|-----------------|
|   | 2016            | 2017            | 2018            |
| <b>CURRENT ACCOUNT</b>                                |                 |                 |                 |
| Revenue   | 117,899         | 110,423         | 115,118         |
| Non-interest Exp.                                     | 99,362          | 111,328         | 122,419         |
| <i>less Taxes</i>                                     | 1,747           | 2,114           | 1,305           |
| <i>less Dividends</i>                                 | 2,200           | 1,200           | 1,200           |
| <b>Primary Operating Bal.</b>                         | <b>14,590</b>   | <b>(4,218)</b>  | <b>(9,806)</b>  |
| <b>Sur.(+)/Def. (-)</b>                               |                 |                 |                 |
| <i>less Interest</i>                                  | 1,521           | 1,189           | 814             |
| <b>Current Balance</b>                                | <b>13,069</b>   | <b>(5,407)</b>  | <b>(10,619)</b> |
| <b>Sur.(+)/Def. (-)</b>                               |                 |                 |                 |
| <b>CAPITAL ACCOUNT</b>                                |                 |                 |                 |
| Revenue   | -               | -               | -               |
| Expenditure   | 1,977           | 7,550           | 6,694           |
| <b>Capital a/c Bal.</b>                               | <b>(1,977)</b>  | <b>(7,550)</b>  | <b>(6,694)</b>  |
| <b>OVERALL BALANCE</b>                                | <b>11,092</b>   | <b>(12,957)</b> | <b>(17,313)</b> |
| <b>FINANCING</b>                                      | <b>(11,091)</b> | <b>12,957</b>   | <b>17,313</b>   |
| Ext. Borrowing (net)                                  | (1,901)         | (819)           | 92              |
| Domestic Fin. (net) <sup>1)</sup>                     | (9,190)         | 13,776          | 17,222          |
| <i>o/w Transfers from Cent. Govt.</i>                 | 470             | 11,505          | 10,682          |


Notes:

1) Domestic Financing includes other financing.

## Overall Balance and Financing

The NFPEs recorded an overall deficit of G\$17,313 million in 2018. Financing needs amounted to G\$17,222 million for domestic and G\$92 million for external. Net banking system advances of G\$1,189 million, transfers from Central Government of G\$10,682 million, and net holdings of government securities of G\$1,505 million were some of the main components of domestic financing.

## Outlook for 2019

The NFPEs overall deficit is expected to reduce to G\$13,301 million. Total receipts of the public enterprises are projected to increase by 17.4 percent to G\$135,200 million, while total expenses are projected to expand at a lower rate of 12.1 percent to amount to G\$148,501 million. 

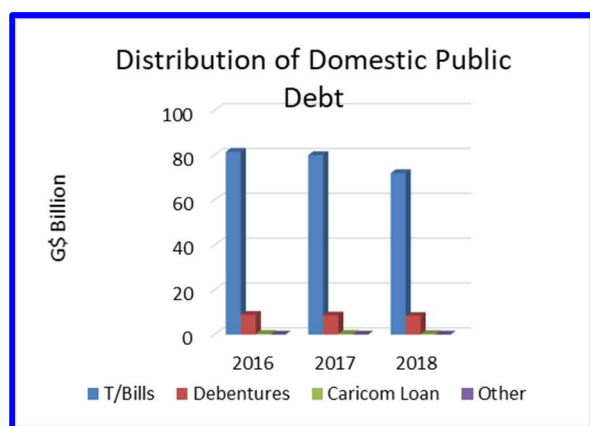
## 6. PUBLIC DEBT

The total stock of government's public debt increased by 1.5 percent, representing 43.9 percent of GDP. The stock of government's domestic bonded debt, which represented 10.0 percent of GDP, declined by 9.3 percent during the review period. This outturn reflected a reduction in the issuance of treasury bills coupled with the redemption of the second NIS debenture certificate. The stock of external debt increased by 5.5 percent and accounted for 33.9 percent of GDP. The increase in the external debt stock reflected higher disbursements received mainly from the International Development Association (IDA) and the Inter-American Development Bank (IADB) for project financing.

### Stock of Domestic Debt

The outstanding stock of government's domestic bonded debt, which consists of treasury bills, bonds, debentures and the CARICOM loan, declined by 9.3 percent to G\$80,552 million primarily on account of lower issuance of treasury bills to promote economic growth through the stimulation of credit to the private sector. In addition, the second certificate of the Non-Negotiable Debenture issued to NIS was redeemed at a value of G\$244 million. This debenture was issued to NIS for offsetting its loss on investment in the Colonial Life Insurance Company Limited (CLICO).

Figure XII



The total outstanding stock of treasury bills fell by 10.0 percent to G\$72,005 million as a result of lower issuance of the 182-day and 364-day treasury bills during the review period. There was no issuance of the 91-day treasury bills in 2018.

The maturity structure of treasury bills revealed that the share of 364-day bills represented 89.8 percent of the total stock of treasury bills compared with 84.6 percent at end-2017. The share of the 182-day bills was lower at 8.8 percent from 14.2 percent at end-2017, while that of the 91-day bills (K-Series) was higher at 1.4 percent from 1.2 percent at end-2017.

Table XIII

| Central Government Bonded Debt by Holders<br>G\$ Million |               |               |               |
|--|---------------|---------------|---------------|
|  | 2016          | 2017          | 2018          |
| <b>TOTAL BONDED DEBT</b>                                 | <b>90,572</b> | <b>88,816</b> | <b>80,552</b> |
| <b>Treasury Bills</b>                                    | <b>81,469</b> | <b>79,992</b> | <b>72,005</b> |
| 91-day <sup>(1)</sup>                                    | 5,998         | 997           | 997           |
| 182-day  | 7,152         | 11,333        | 6,353         |
| 364-day  | 68,319        | 67,662        | 64,655        |
| <b>CARICOM Loan</b>                                      | <b>319</b>    | <b>284</b>    | <b>251</b>    |
| <b>Debentures</b>  | <b>8,781</b>  | <b>8,537</b>  | <b>8,293</b>  |
| <b>Defense Bonds</b>                                     | <b>3</b>      | <b>3</b>      | <b>3</b>      |

Notes:

(1) This category includes K-Series.

Commercial banks continued to retain the largest share of the outstanding stock of treasury bills with 79.8 percent, 12 basis points higher from the corresponding period one year ago. The public sector's share, which includes NIS and GPL, declined to 9.9 percent from 10.9 percent at end-2017 while that of other financial intermediaries rose to 8.9 percent from 8.2 percent at end-2017.

Redemption of treasury bills declined by 12.5 percent to G\$89,437 million resulting primarily from lower redemptions of the 91-day bills, which fell by 100.0

percent or G\$10,000 million in 2018. In addition, redemption of the 182-day and 364-day bills fell by 10.7 percent or G\$2,134 million to G\$6,353 million and 1.0 percent or G\$657 million to G\$64,655 million respectively, at the end of 2018.

The stock of debentures fell by 2.9 percent to G\$8,293 million due to the redemption of the second Non-Negotiable NIS Debenture certificate of G\$244 million during the review period.<sup>2</sup>

## Domestic Debt Service

Total domestic debt service payments declined considerably by 28.3 percent to G\$1,613 million from G\$2,250 million in 2017, largely on account of a decline in total interest payments by G\$637 million or 32.4 percent in 2018.

**Table XIV**

| Domestic Debt Service<br>G\$ Million |              |              |              |
|--------------------------------------|--------------|--------------|--------------|
|                                      | 2016         | 2017         | 2018         |
| <b>TOTAL DEBT SERVICE</b>            | <b>1,920</b> | <b>2,250</b> | <b>1,613</b> |
| Principal Payments                   | 35           | 280          | 280          |
| Total Interest                       | 1,885        | 1,970        | 1,333        |
| Treasury Bills                       | 1,795        | 1,715        | 1,083        |
| 91-day <sup>1)</sup>                 | 171          | 56           | 15           |
| 182-day                              | 22           | 150          | 100          |
| 364-day                              | 1,602        | 1,509        | 968          |
| CARICOM Loans                        | 17           | 16           | 14           |
| Debentures                           | 73           | 134          | 130          |
| Other <sup>2)</sup>                  | 0            | 106          | 106          |

Notes:

(1) This category includes K-Series.

(2) Unpaid Interest on Treasury bills to Bank of Guyana.

Interest costs on treasury bills redeemed declined by 36.8 percent to G\$1,083 million resulting primarily from a 35.8 percent or G\$541 million reduction in interest charges on the volume of 364-day bills redeemed during the year. This was due to an average decline of 78 basis points in the yield for 364-day bills. Additionally, interest charges for 182-day bills and 91-

day bills fell by 33.6 percent or G\$50 million and 72.6 percent or G\$40 million, respectively during the review period. The former was on account of a reduction in the average yield of 42 basis points coupled with lower redemption while the latter was owing to non-issuance of the 91-day bill in 2018. Interest cost for debentures and the Caricom loan fell by 3.1 percent and 10.6 percent, respectively in 2018.

## Outlook for 2019

Total domestic debt stock is projected to increase as a result of higher issuance of treasury bills, while domestic debt service payments are estimated to decline at end-2019 on account of lower yields from treasury bills as well as the redemption of the 3rd NIS Non-Negotiable Debenture certificate.

## Stock of External Debt

The stock of outstanding public external debt increased by 5.5 percent to US\$1,309 million from US\$1,241 million at end-2017, accounting for 33.9 percent of GDP at purchaser prices. This increase reflected higher loan disbursements primarily by the International Development Association (IDA) and the Inter-American Development Bank (IADB) for project financing targeting citizen security strengthening, sanitation improvement, economic diversification, education sector improvement and financial & fiscal stability.

**Table XV**

| Structure of External Public Debt<br>US\$ Million |                |                |                |
|---|----------------|----------------|----------------|
|   | 2016           | 2017           | 2018           |
| <b>TOTAL EXTERNAL PUBLIC DEBT</b>                 | <b>1,162.5</b> | <b>1,240.6</b> | <b>1,309.4</b> |
| Multilateral                                      | 693.8          | 725.5          | 787.9          |
| Bilateral   | 451.0          | 479.9          | 487.2          |
| Suppliers' Credit                                 | 12.5           | 12.5           | 12.5           |
| Financial Markets/Bonds                           | 5.2            | 22.7           | 21.8           |

<sup>2</sup> The government is required to pay the principal in twenty equal annual instalments and 1.5 percent fixed interest rate on the

outstanding balance of each certificate on the first working day of the first month every year for 20 years.

Obligations to multilateral creditors, which accounted for 58.5 percent of total external debt, increased by 8.6 percent or US\$62 million to US\$788 million. Liabilities to the IADB increased by 4.3 percent to US\$525 million, reflecting a change in the debt stock of US\$22 million during 2018. Indebtedness to the International Development Association (IDA) expanded by 112.2 percent or US\$40 million to US\$75 million. Commitments to the “Other”<sup>3</sup> category of multilateral creditors rose by 4.5 percent to US\$38 million. In contrast, obligations to the Caribbean Development Bank (CDB) decreased slightly by 0.5 percent or US\$1 million to US\$150 million.

Total bilateral obligations, which represented 37.2 percent of total external debt, increased by 1.5 percent to US\$487 million. Indebtedness to the EximBank of China increased by 10.7 percent or US\$19 million to US\$201 million. Liabilities to Kuwait and Libya rose by 2.9 percent and 0.7 percent to US\$80 million and US\$44 million respectively. Conversely, obligations to Venezuela, the EximBank of India and Trinidad & Tobago declined by 4.7 percent, 6.9 percent and 64.4 percent to US\$115 million, US\$16 million and US\$4 million respectively.

Liabilities to Commercial Banks declined by 4.3 percent to US\$18 million from US\$19 million in 2017.

## External Debt Service

External debt service payments increased by 27.7 percent to US\$78 million from US\$61 million in 2017. This represented 5.1 percent of export earnings and 7.5 percent of Central Government’s current revenue. Principal and interest payments amounted to US\$55 million and US\$23 million respectively.

Payments to multilateral creditors rose by 14.2 percent to US\$40 million, and represented 51.3 percent of total external debt service. Similarly, payments to bilateral creditors were higher by 49.3 percent to US\$36

million, accounting for 46.3 percent of external debt service payments.

Debt servicing to the IADB and CDB were higher by 16.2 percent and 4.4 percent to US\$25 million and US\$11 million respectively, jointly representing 90.6 percent of total repayments by multilateral creditors and 46.5 percent of total external debt service. While, in the bilateral category, repayments to the EximBank of China, which accounted for 50.8 percent of bilateral repayments and 23.5 percent of total external debt service, increased by 66.6 percent to US\$18 million at end-2018.

**Table XVI**

| External Debt Service Payments |             |             |             |
|--------------------------------|-------------|-------------|-------------|
| US\$ Million                   |             |             |             |
|                                | Principal   | Interest    | Total       |
| <b>End-December 2018</b>       |             |             |             |
| <b>Total</b>                   | <b>55.1</b> | <b>22.6</b> | <b>77.7</b> |
| Multilateral                   | 24.6        | 15.3        | 39.9        |
| Bilateral                      | 29.8        | 6.2         | 36.0        |
| Private Creditors              | 0.7         | 1.1         | 1.8         |
| <b>End-December 2017</b>       |             |             |             |
| <b>Total</b>                   | <b>40.2</b> | <b>20.6</b> | <b>60.8</b> |
| Multilateral                   | 21.3        | 13.6        | 34.9        |
| Bilateral                      | 18.9        | 5.2         | 24.1        |
| Private Creditors              | 0.0         | 1.8         | 1.8         |

## HIPC Assistance and Multilateral Debt Relief Initiative

Total assistance under the Heavily Indebted Poor Countries (HIPC) Initiative was US\$59 million. Relief under the Original-HIPC (O-HIPC) Initiative totalled US\$14 million, while debt relief accruing under the Enhanced-HIPC (E-HIPC) Initiative totalled US\$45 million. Debt relief under the Multilateral Debt Relief Initiative (MDRI) totalled US\$25 million, with the IDA and the IADB providing US\$5 million and US\$20 million respectively, as stock-of-debt relief.

<sup>3</sup> The “Other” category of multilateral creditors include OPEC fund, EEC, EIB and IFAD

**Table XVII**

| <b>Actual HIPC Assistance and Multilateral Debt Relief</b> |                                    |                 |              |
|--|------------------------------------|-----------------|--------------|
|  | <b>Initiative<br/>US\$ Million</b> |                 |              |
|  | <b>Principal</b>                   | <b>Interest</b> | <b>Total</b> |
| <b>End-December 2018</b>                                   |                                    |                 |              |
| <b>TOTAL</b>   | <b>73.6</b>                        | <b>10.5</b>     | <b>84.1</b>  |
| <b>MDRI</b>  | <b>19.5</b>                        | <b>5.5</b>      | <b>25.0</b>  |
| <b>Total HIPC</b>  | <b>54.2</b>                        | <b>4.9</b>      | <b>59.1</b>  |
| O-HIPC   | 12.0                               | 2.3             | 14.3         |
| E-HIPC   | 42.2                               | 2.7             | 44.8         |
| <b>End-December 2017</b>                                   |                                    |                 |              |
| <b>TOTAL</b>   | <b>63.4</b>                        | <b>13.4</b>     | <b>76.8</b>  |
| <b>MDRI</b>  | <b>20.1</b>                        | <b>5.8</b>      | <b>26.0</b>  |
| <b>Total HIPC</b>  | <b>43.2</b>                        | <b>7.6</b>      | <b>50.8</b>  |
| O-HIPC   | 11.4                               | 4.0             | 15.4         |
| E-HIPC   | 31.8                               | 3.6             | 35.4         |

**Outlook for 2019**

The stock of outstanding public external debt is projected to increase by 5.6 percent to US\$1,370 million at the end of 2019. This outturn is expected to be on account of higher multilateral and bilateral debt

by 8.2 percent and 2.2 percent to US\$834 million and US\$503 million respectively. Liabilities to IADB and CDB are forecasted to increase by 5.1 percent and 3.2 percent to US\$535 million and US\$154 million respectively. Liabilities to the EximBank of China are also estimated to increase by 2.1 percent to US\$204 million while liabilities to Venezuela are likely to decline by 4.2 percent to US\$110 million.

Total external debt service payments are projected to increase by 3.6 percent to US\$80 million during 2019 compared with US\$77 million in 2018, resulting primarily from an increase in principal and interest payments to multilateral creditors. Principal payments are expected to increase by 1.6 percent to US\$56 million while interest payments are projected to increase by 8.7 percent to US\$24 million. Payments to multilateral creditors are likely to rise by 9.0 percent to US\$43 million, while payments to bilateral creditors are expected to decline by 2.9 percent to US\$35 million. □

## 7. FINANCIAL SECTOR DEVELOPMENTS

The monetary aggregates of reserve and broad money grew by 14.4 percent and 7.5 percent respectively. The former is attributed to an increase in net domestic assets while the latter resulted primarily from a growth in net domestic credit and other items (net)<sup>4</sup>. Credit to both the public and private sectors increased by 94.8 percent and 4.2 percent respectively. Commercial banks' interest rates were lower during the review period. The financial resources of Non-Bank Financial Institutions (NBFIs), which include depository and non-depository licensed and unlicensed financial institutions, expanded by 14.3 percent or G\$33,458 million to G\$268,242 million. The sector's share of total assets in the financial sector increased from 33.3 percent to 34.8 percent.

### MONETARY DEVELOPMENTS

#### Reserve Money

Reserve money expanded by G\$23,463 million or 14.4 percent to G\$186,490 million. This increase was due to higher net domestic assets of G\$33,890 million while net foreign assets fell by G\$10,428 million.

Table XVIII

| Reserve Money<br>G\$ Million |                |                |                |
|------------------------------|----------------|----------------|----------------|
|                              | 2016           | 2017           | 2018           |
| Net Foreign Assets           | 122,502        | 119,888        | 109,460        |
| Net Domestic Assets          | 36,168         | 43,139         | 77,030         |
| Credit to Public Sector      | 12,230         | 12,314         | 41,227         |
| <b>Reserve Money</b>         | <b>158,671</b> | <b>163,027</b> | <b>186,490</b> |
| Liabilities to:              |                |                |                |
| Commercial Banks             | 75,709         | 70,877         | 83,709         |
| Currencies                   | 8,353          | 8,828          | 9,713          |
| Deposits                     | 67,295         | 61,988         | 73,936         |
| EPDs                         | 61             | 61             | 61             |
| Currency in Circulation      | 82,962         | 92,150         | 102,781        |
| <b>Monthly Average</b>       |                |                |                |
| Reserve Money                | 148,499        | 157,681        | 174,245        |
| Broad Money (M2)             | 338,516        | 352,071        | 374,377        |
| Money Multiplier             | 2.28           | 2.23           | 2.15           |

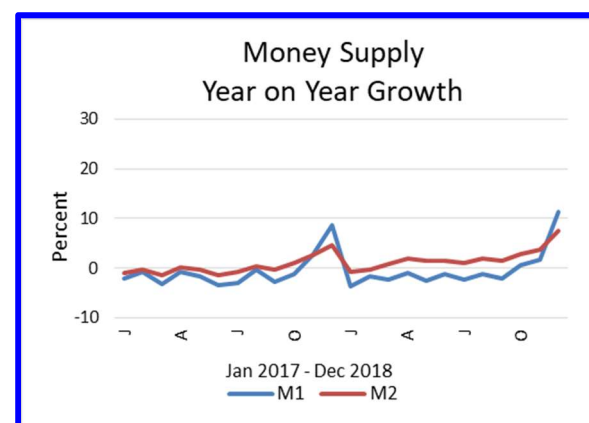
The growth in reserve money reflected an 11.5 percent or G\$10,630 million increase in currency in

circulation. Similarly, liabilities to the commercial banks were higher by 18.1 percent or G\$12,832 million which resulted mainly from a 19.3 percent or G\$11,947 million expansion in their deposits.

#### Money Supply

Broad money (M2) grew by 7.5 percent in 2018 compared with a growth of 4.6 percent one year ago. The growth was attributed to a 15.7 percent and 7.5 percent increase in net domestic credit and other items (net) respectively, while net foreign assets declined by 5.0 percent.

Figure XIII



<sup>4</sup> Includes commercial banks' undistributed profits.

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Narrow money (M1) grew by 11.2 percent faster than the 8.6 percent growth recorded at the end of 2017. This position resulted from the expansions in demand deposits and currency in circulation by 12.9 percent and 11.5 percent respectively, while cashiers' cheques and acceptances contracted by 4.3 percent. Quasi money was also higher by 4.8 percent, reflecting an increase of 6.2 percent in savings deposits which offset a contraction in time deposits by 6.6 percent.

## **COMMERCIAL BANKS DEPOSITS AND INVESTMENTS**

### **Deposits**

Deposits by residents (comprising the public & private sectors and the non-bank financial institutions) amounted to G\$378,766 million, an increase of 7.7 percent compared with a 2.6 percent decline for the corresponding period last year.

Private sector deposits, which accounted for 75.1 percent of total deposits by residents, grew by 6.5 percent to G\$284,522 million. Business enterprises' and individual customers' deposits grew by 9.0 percent and 5.8 percent respectively to G\$66,271 million and G\$218,251 million.

The deposits of the public sector amounted to G\$58,783 million, an increase of 16.0 percent from the December 2017 position. This performance reflected an increase in the deposits of central government by G\$12,641 million compared with a growth of G\$525 million for the corresponding period last year. In contrast, the deposits of the public non-financial enterprises declined by 3.5 percent or G\$977 million resulting mainly from lower deposits by GPL.

The deposits of the non-bank financial institutions were higher by 4.3 percent to G\$1,476 million at the end of 2018 compared with an increase of 19.7 percent one year ago.

## **Domestic Investments**

Commercial banks' gross investments, comprising of private sector loans and advances as well as securities, expanded by 6.5 percent to G\$219,749 million and accounted for 43.7 percent of the banks' total assets.

Loans and advances, inclusive of the public sector loans, which accounted for 65.7 percent of the total domestic investment, increased by 4.9 percent to G\$144,427 million. Securities, which accounted for the remaining 34.3 percent of the banks' investment portfolio, grew by 9.7 percent to G\$75,321 million.

Holdings of commercial banks' securities comprised of government treasury bills and debentures, amounting to G\$57,067 million and G\$14,145 million respectively, during the review period.

## **BANKING SYSTEM**

### **Net Domestic Credit**

Net domestic credit of the banking system grew by 15.7 percent or G\$34,428 million compared with an increase of 10.3 percent or G\$20,395 million in 2017. This position resulted from increased credit to the private and public sectors.

### **Net Position of the Public Sector**

The public sector, which consists of deposits net of loans and advances, treasury bills and debentures, had a net credit position with the banking system of G\$54,758 million compared with a net credit position of G\$28,111 million one year ago. This performance was attributed to lower deposits by the other category of the public sector which includes Local Government and the NIS.

The public enterprises (net) deposits amounted to G\$26,152 million, a 4.8 percent increase from December 2017. Conversely, net deposits of the other category of the public sector decreased by 14.2 percent to G\$22,744 million.



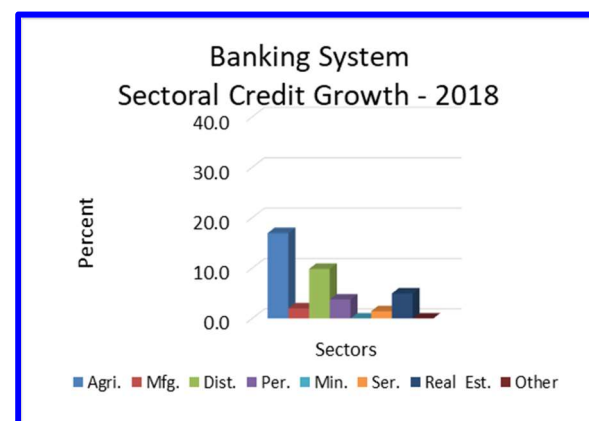
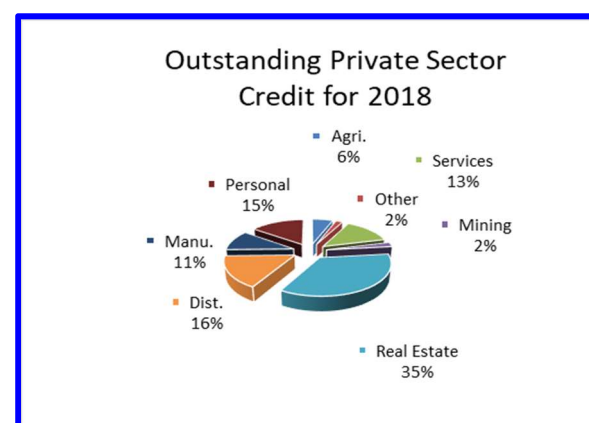
**Table XIX**

| Monetary Survey<br>G\$ Million        |                 |                 |                 |
|---------------------------------------|-----------------|-----------------|-----------------|
|                                       | 2016            | 2017            | 2018            |
| Narrow Money                          | 144,827         | 157,322         | 174,998         |
| Quasi Money                           | 206,208         | 209,892         | 219,933         |
| <b>Money Supply (M2)</b>              | <b>351,035</b>  | <b>367,214</b>  | <b>394,932</b>  |
| <b>Net Domestic Credit</b>            | <b>198,882</b>  | <b>219,276</b>  | <b>253,705</b>  |
| Public Sector (Net)                   | 6,929           | 28,111          | 54,758          |
| Private Sector Credit                 | 219,092         | 224,192         | 233,560         |
| <i>Agriculture</i>                    | <i>11,172</i>   | <i>11,359</i>   | <i>13,285</i>   |
| <i>Manufacturing</i>                  | <i>16,841</i>   | <i>14,195</i>   | <i>14,481</i>   |
| <i>Construction &amp; Engineering</i> | <i>11,866</i>   | <i>10,327</i>   | <i>9,978</i>    |
| <i>Distribution</i>                   | <i>32,977</i>   | <i>34,920</i>   | <i>38,358</i>   |
| <i>Personal</i>                       | <i>32,584</i>   | <i>33,507</i>   | <i>34,774</i>   |
| <i>Mining</i>                         | <i>4,172</i>    | <i>5,348</i>    | <i>5,130</i>    |
| <i>Other Services</i>                 | <i>29,108</i>   | <i>30,953</i>   | <i>31,403</i>   |
| <i>Real Estate Mortgages</i>          | <i>74,542</i>   | <i>77,894</i>   | <i>81,771</i>   |
| <i>Other</i>                          | <i>5,830</i>    | <i>5,690</i>    | <i>4,382</i>    |
| Non-bank Fin. Inst.                   | (27,140)        | (33,026)        | (34,614)        |
| <b>Net Foreign Assets</b>             | <b>179,934</b>  | <b>176,991</b>  | <b>168,105</b>  |
| <b>Other Items (Net)</b>              | <b>(27,781)</b> | <b>(29,052)</b> | <b>(26,878)</b> |

### Credit to the Private Sector

Loans and advances to the private sector grew by 4.2 percent reflecting a mixed allocation of credit to the various sectors at end-December 2018. Credit to all the sectors increased except to the other category of the private sector<sup>5</sup>, mining and construction & engineering sectors. Loans extended to the agriculture and distribution sectors were higher by 17.0 percent and 9.8 percent respectively. Similarly, credit to the mortgage loans and personal sectors also rose by 5.0 percent and 3.8 percent respectively. In contrast, lending to the other category of the private sector, mining and construction & engineering sectors were lower by 23.0 percent, 4.1 percent and 3.4 percent respectively.

<sup>5</sup> Includes investments in local securities and shares & other equity in local companies.

**Figure XIV****Figure XV**

### Net Position of the Non-Bank Financial Institutions

The non-bank financial institutions continued to be net depositors with the banking system. Net deposits increased by 4.8 percent to G\$34,614 million. This outturn stemmed from a 4.3 percent growth in the deposits of the private non-bank financial institutions.

### Net Foreign Assets

The net foreign assets of the banking system decreased by 5.9 percent to US\$806.3 million. This reduction

resulted from a decline in the net foreign assets of the Bank of Guyana. The Bank of Guyana's net foreign assets decreased by 9.6 percent to US\$525.0 million, resulting mainly from a 9.5 percent decline in its gross foreign assets while liabilities declined by 1.0 percent respectively. Conversely, the commercial banks' net foreign assets grew by 1.7 percent to US\$281.3 million mainly on account of a 1.3 percent growth in its gross foreign assets while foreign liabilities declined by 0.1 percent respectively.

### Interest Rates and Spreads

The Bank rate was stable at 5.0 percent at end-December 2018. The 182-day and 364-day treasury bill yields declined by 16 basis points to 0.96 percent and 2 basis points to 1.23 percent respectively which resulted from the competitive bidding for those treasury bills. In contrast, the 91-day treasury bill yield remained unchanged at 1.54 percent due to the non-issuance of the bill during the review period. The commercial banks' interest rates trended downwards over the review period. The weighted average time deposit rate of the banks declined by 4 basis points to 1.10 percent while the weighted average lending rate fell by 17 basis points to 10.02 percent respectively. The small savings rate was also lower by 7 basis points to 1.04 percent while the prime lending rate remained stable at 13.00 percent. The interbank market interest rate ranged between 4.00 percent and 4.50 percent during the review period.

The commercial banks' interest rate spread between the prime lending rate and small savings rate increased by 7 basis points to 11.96 percent. Similarly, the spread between the 91-day treasury bill rate and the small savings rate also fell by 7 basis points at end-December 2018. The high spreads reflected the commercial banks' strategy to maintain profit margins.

**Table XX**

| Commercial Banks<br>Selected Interest Rates and Spread<br>All interest rates are in percent per annum |              |              |              |
|---|--------------|--------------|--------------|
|   | 2016         | 2017         | 2018         |
| 1. Small Savings Rate   | 1.26         | 1.11         | 1.04         |
| 2. Weighted Avg. Time Deposit Rate  | 1.31         | 1.14         | 1.10         |
| 3. Weighted Avg. Lending Rate   | 10.43        | 10.19        | 10.02        |
| 4. Prime Lending Rate   | 13.00        | 13.00        | 13.00        |
| 5. End of period 91-day Treasury Bill Discount Rate   | 1.68         | 1.54         | 1.54         |
| <b>Spreads</b>  |              |              |              |
| <i>A (3-1)</i>  | <i>9.17</i>  | <i>9.08</i>  | <i>8.98</i>  |
| <i>B (4-1)</i>  | <i>11.74</i> | <i>11.89</i> | <i>11.96</i> |
| <i>C (5-1)</i>  | <i>0.43</i>  | <i>0.43</i>  | <i>0.50</i>  |
| <i>D (3-2)</i>  | <i>9.12</i>  | <i>9.04</i>  | <i>8.92</i>  |
| <i>E (4-2)</i>  | <i>11.69</i> | <i>11.86</i> | <i>11.90</i> |

### Liquidity

Total liquid assets of the commercial banks expanded by 7.4 percent to G\$120,265 million. This position resulted from higher balances due from other banks abroad as well as higher excess reserves. Holdings of government treasury bills which accounted for 47.5 percent of total liquid assets contracted by 9.8 percent. The banks' excess liquid assets amounted to G\$36,352 million or 43.3 percent above the required amount.

Total reserves deposited with the Bank of Guyana increased by 20.3 percent to reach G\$75,048 million. The required statutory reserves of the banks expanded by G\$3,126 million reflecting an increase in deposit liabilities. Reserves in excess of the minimum requirement stood at G\$28,082 million at the end of 2018.

## NON-BANK FINANCIAL INSTITUTIONS

The financial resources of Non-Bank Financial Institutions (NBFIs), which include depository and non-depository licensed and unlicensed financial institutions, expanded by 14.3 percent or G\$33,458 million to G\$268,242 million. The sector's share of total assets in the financial sector increased from 33.3 percent to 34.8 percent.

The increase in total NBFIs' resources resulted mainly from foreign liabilities, pension funds and other liabilities. Foreign liabilities and pension funds expanded by 59.4 percent or G\$10,682 million and 21.4 percent or G\$11,395 million respectively. Other liabilities which comprise capital and reserves were also higher by G\$11,409 million to G\$118,342 million while insurance premium grew at a slower pace of G\$1,076 million to G\$5,796 million. In contrast, deposits decreased by 2.1 percent or G\$1,105 million with other and share deposits contracting by 3.0 percent or G\$277 million and 1.9 percent or G\$828 million respectively.

Investments in all sectors increased during the period under review as shown in Table XXI. Claims on the non-resident sector expanded by 62.0 percent or G\$20,305 million, resulting from the G\$20,720 million increase in other foreign securities (which excludes debentures and treasury bills). The acquisition of other assets and claims on the banking sector also recorded increases of 10.0 percent or G\$3,094 million and 8.2 percent or G\$2,965 million respectively. Investments in the private sector, which accounted for 50.6 percent of total assets, grew at a slower rate of 5.5 percent or G\$7,058 million, owing mainly to the 8.0 percent growth in the holdings of private sector securities. Similarly, mortgage loans, which accounted for 41.2 percent of the private sector's claims, increased by 1.5 percent or G\$811 million. Investments in the public sector grew marginally by 0.5 percent to G\$6,506 million.

**Table XXI**

| NON-BANK FINANCIAL INSTITUTIONS <sup>1)</sup> |                |                |                |
|---|----------------|----------------|----------------|
| Selected Sources & Uses of Funds              |                |                |                |
| G\$ Million                                   |                |                |                |
|   | Balances       |                |                |
|   | 2016           | 2017           | 2018           |
| <b>Sources of Funds:</b>                      | <b>219,735</b> | <b>234,784</b> | <b>268,242</b> |
| Deposits                                      | 50,026         | 51,786         | 50,681         |
| Share Deposits                                | 40,826         | 42,561         | 41,733         |
| Other Deposits                                | 9,201          | 9,226          | 8,949          |
| Foreign Liabilities                           | 16,502         | 17,976         | 28,658         |
| Premium                                       | 4,451          | 4,721          | 5,796          |
| Pension Funds                                 | 47,298         | 53,368         | 64,763         |
| Other Liabilities                             | 101,458        | 106,933        | 118,342        |
| <b>Uses of Funds:</b>                         | <b>219,735</b> | <b>234,784</b> | <b>268,242</b> |
| Claims on:                                    |                |                |                |
| Public Sector                                 | 6,828          | 6,470          | 6,506          |
| Private Sector                                | 119,855        | 128,716        | 135,774        |
| Banking System                                | 31,377         | 36,032         | 38,997         |
| Non-Residents                                 | 31,521         | 32,736         | 53,042         |
| Other Assets                                  | 30,154         | 30,829         | 33,923         |

Notes:

1) Adjustments in the valuation method used by the pension companies contributed to the significant increase in the balance sheet of the non-bank financial institutions from December 2016.

## The New Building Society

Total resources of the New Building Society (NBS) increased by 3.0 percent or G\$1,892 million to G\$65,141 million and accounted for 24.3 percent of total assets of the NBFIs. This performance was mainly due to the 14.7 percent or G\$2,088 million expansion in other liabilities and the 10.1 percent or G\$570 million growth in foreign liabilities. Other deposits also grew by 7.3 percent or G\$61 million, while share deposits declined by 1.9 percent or G\$828 million.

Funds mobilized by the NBS were largely invested in the private sector in the form of loans and advances alongside investments in local securities. Claims on the private sector increased by 3.8 percent or G\$1,525 million and accounted for 63.8 percent of total assets. The acquisition of other assets were also higher by G\$750 million to G\$2,843 million while there was no claims on the non-resident sector. Conversely,

investments in Government of Guyana treasury bills decreased by 6.2 percent or G\$359 million and represented 8.4 percent of total assets. Similarly, claims on the banking system decreased marginally by 0.2 percent or G\$24 million, owing mainly to the G\$24 million decline in deposits at local commercial banks.

**Table XXII**

| NEW BUILDING SOCIETY<br>Selected Sources & Uses of Funds<br>G\$ Million |               |               |               |
|---|---------------|---------------|---------------|
|   | Balances      |               |               |
|   | 2016          | 2017          | 2018          |
| <b>Sources of Funds:</b>  | <b>60,040</b> | <b>63,249</b> | <b>65,141</b> |
| Share Deposits  | 40,826        | 42,561        | 41,733        |
| Other Deposits  | 881           | 838           | 899           |
| Foreign Liabilities   | 5,299         | 5,656         | 6,226         |
| Other Liabilities   | 13,035        | 14,194        | 16,282        |
| <b>Uses of Funds:</b>   | <b>60,040</b> | <b>63,249</b> | <b>65,141</b> |
| Claims on:  |               |               |               |
| Public Sector   | 6,314         | 5,812         | 5,453         |
| Private Sector  | 38,812        | 40,011        | 41,536        |
| Banking System  | 12,644        | 15,333        | 15,309        |
| Non-Residents   | 52            | -             | -             |
| Other Assets  | 2,217         | 2,093         | 2,843         |

## Trust Companies

The resources of the trust companies, which include Hand-in-Hand Trust Corporation Incorporated and Trust Company Guyana Limited, decreased by 2.2 percent or G\$249 million. Deposits, which represented 71.0 percent of total liabilities, contracted by 3.6 percent or G\$297 million, resulting from the 6.4 percent or G\$172 million decline in deposits of NIS. Conversely, foreign liabilities and other liabilities increased by 20.2 percent or G\$30 million and 0.6 percent or G\$18 million respectively.

Claims on the banking sector decreased by 20.6 percent or G\$317 million, resulting mainly from the 59.3 percent or G\$301 million contraction in deposits at local commercial banks. Investments in the private sector also contracted by 0.4 percent or G\$27 million and accounted for 64.4 percent of total assets. This

outturn was attributed to the 2.0 percent or G\$6 million decline in holdings of private sector securities. In contrast, the acquisition of other assets and claims on the non-resident sector grew by 17.4 percent or G\$51 million and 1.8 percent or G\$45 million respectively.

**Table XXIII**

| TRUST COMPANIES<br>Selected Sources & Uses of Funds<br>G\$ Million |               |               |               |
|--|---------------|---------------|---------------|
|  | Balances      |               |               |
|  | 2016          | 2017          | 2018          |
| <b>Sources of Funds:</b>   | <b>11,228</b> | <b>11,552</b> | <b>11,303</b> |
| Deposits   | 8,147         | 8,324         | 8,027         |
| Foreign Liabilities  | 131           | 148           | 178           |
| Other Liabilities  | 2,950         | 3,080         | 3,098         |
| <b>Uses of Funds:</b>  | <b>11,228</b> | <b>11,552</b> | <b>11,303</b> |
| Claims on:   |               |               |               |
| Public Sector  | -             | -             | -             |
| Private Sector   | 7,869         | 7,302         | 7,274         |
| Banking System   | 1,724         | 1,535         | 1,218         |
| Non-Residents  | 1,444         | 2,424         | 2,469         |
| Other Assets   | 191           | 291           | 341           |

## Finance Companies

Financial resources of the finance companies increased by 7.5 percent or G\$2,377 million compared to 1.0 percent or G\$317 million expansion recorded one year earlier. This improvement was due to the 9.3 percent or G\$1,715 million expansion in other liabilities, which includes capital & reserves and the 4.6 percent or G\$555 million growth in retained earnings. Similarly, loans received locally from companies' affiliates and foreign liabilities were also higher by G\$72 million and G\$34 million to G\$1,144 million and G\$83 million respectively.

Claims on the non-residents sector, which represented 58.1 percent of finance companies' total assets, grew by G\$17,441 million to G\$19,836 million. This performance was attributed mainly to the G\$17,477 million expansion in investments in other foreign

securities (which excludes debentures and treasury bills). Similarly, claims on the banking system and the acquisition of other assets (comprising of other real estate, prepayments, accounts receivable and stocks) expanded by 26.1 percent or G\$77 million and 9.5 percent or G\$444 million respectively. In contrast, investments in the private sector declined by 63.9 percent or G\$15,584 million, owing mainly to the 73.5 percent or G\$15,666 million contraction in the holdings of private sector securities.

**Table XXIV**

| FINANCE COMPANIES <sup>1)</sup>  |               |               |               |
|----------------------------------|---------------|---------------|---------------|
| Selected Sources & Uses of Funds |               |               |               |
| G\$ Million                      |               |               |               |
|                                  | Balances      |               |               |
|                                  | 2016          | 2017          | 2018          |
| <b>Sources of Funds:</b>         | <b>31,422</b> | <b>31,739</b> | <b>34,116</b> |
| Loans Received                   | 1,036         | 1,071         | 1,144         |
| Retained Earnings                | 11,712        | 12,150        | 12,706        |
| Foreign Liabilities              | 57            | 49            | 83            |
| Other Liabilities                | 18,616        | 18,468        | 20,183        |
| <b>Uses of Funds:</b>            | <b>31,422</b> | <b>31,739</b> | <b>34,116</b> |
| Claims on:                       |               |               |               |
| Public Sector                    | -             | -             | -             |
| Private Sector                   | 22,957        | 24,395        | 8,811         |
| Banking System                   | 638           | 295           | 372           |
| Non-Residents                    | 4,045         | 2,395         | 19,836        |
| Other Assets                     | 3,781         | 4,654         | 5,098         |

Notes:

(1) Finance Companies consist of: one stock broker (Beharry Stock Brokers Limited), one investment company (Secure International Finance Company Incorporated), one merchant bank (Guyana Americas Merchant Bank Inc.) and two micro-finance institutions (Institute of Private Enterprise Development and Small Business Development Trust).

## Asset Management Companies

The resources of the asset management companies, which consist of Guyana Co-operative Financial Service (GCFS) and Guyana National Co-operative Bank (GNCB), grew by 1.9 percent or G\$375 million. Provision for outstanding loans, which represented

50.0 percent of total liabilities, increased by 4.1 percent or G\$390 million to G\$10,016 million.

Interest receivable, which represents 50.0 percent of total assets, expanded by 4.1 percent or G\$390 million. Claims on the banking system were also higher by G\$16 million to G\$76 million, resulting from the 27.5 percent expansion in deposits at local commercial banks. Conversely, the acquisition of other assets and claims on the private sector decreased by G\$30 million and G\$1 million respectively.

**Table XXV**

| ASSET MANAGEMENT COMPANIES       |               |               |               |
|----------------------------------|---------------|---------------|---------------|
| Selected Sources & Uses of Funds |               |               |               |
| G\$ Million                      |               |               |               |
|                                  | Balances      |               |               |
|                                  | 2016          | 2017          | 2018          |
| <b>Sources of Funds:</b>         | <b>19,281</b> | <b>19,644</b> | <b>20,020</b> |
| Provisions for                   | 9,236         | 9,626         | 10,016        |
| Loans                            |               |               |               |
| Other Liabilities                | 10,046        | 10,019        | 10,004        |
| <b>Uses of Funds:</b>            | <b>19,281</b> | <b>19,644</b> | <b>20,020</b> |
| Claims on:                       |               |               |               |
| Private Sector                   | 7,573         | 7,573         | 7,572         |
| Interest Receivable              | 9,236         | 9,626         | 10,016        |
| Banking System                   | 37            | 60            | 76            |
| Other Assets                     | 2,436         | 2,386         | 2,356         |

## Pension Schemes

The consolidated resources of the pension schemes expanded by 21.3 percent or G\$11,488 million compared to 12.8 percent or G\$6,130 million growth in 2017, owing mainly to the 21.4 percent increase in pension funds. The pension schemes share represented 24.4 percent of total NBFIs' resources.

Investments in all sectors of the pension schemes increased during the period under review. Investments in the private and non-resident sectors grew by 23.6 percent or G\$7,353 million and 17.6 percent or

G\$2,118 million respectively. The former was largely due to the 34.3 percent expansion in the holdings of private sector securities and the latter from higher investment of 22.3 percent in other foreign securities (which excludes debentures and treasury bills). Claims on the banking system which represents 14.6 percent of total assets, also recorded increases of G\$1,652 million to G\$9,550 million, resulting mainly from the 21.3 percent growth in deposits at local commercial banks. Likewise, investments in the public sector and the acquisition of other assets by the various pension schemes increased by G\$245 million and G\$120 million to G\$903 million and G\$2,250 million respectively.

**Table XXVI**

| <b>PENSION COMPANIES<sup>1)</sup></b><br><b>Selected Sources &amp; Uses of Funds</b><br><b>G\$ Million</b><br><b>Balances</b> |               |               |               |
|---|---------------|---------------|---------------|
|   | 2016          | 2017          | 2018          |
| <b>Sources of Funds:</b>  | <b>47,747</b> | <b>53,877</b> | <b>65,364</b> |
| Pension Funds   | 47,298        | 53,368        | 64,763        |
| Other Liabilities   | 449           | 509           | 601           |
| <b>Uses of Funds:</b>   | <b>47,747</b> | <b>53,877</b> | <b>65,364</b> |
| Claims on:  |               |               |               |
| Public Sector   | 515           | 658           | 903           |
| Private Sector  | 27,758        | 31,135        | 38,488        |
| Banking System  | 6,690         | 7,897         | 9,550         |
| Non-Residents   | 10,316        | 12,056        | 14,174        |
| Other Assets  | 2,469         | 2,130         | 2,250         |

Note:

(1) Adjustments in the valuation method contributed to the significant increase in the balance sheet of the pension companies from December 2016.

## Domestic Insurance Companies

The total resources of the domestic insurance companies (life and non-life segments), expanded by 32.1 percent or G\$17,575 million. The life component accounted for 68.2 percent of the industry's resources and grew by 33.8 percent while the non-life

component increased by 28.6 percent and accounted for 31.8 percent of the industry's resources.

Total insurance premium increased by 9.2 percent or G\$1,275 million, of this, local life premium increased by 22.8 percent. Conversely, non-residents premium decreased marginally by 0.1 percent or G\$6 million and accounted for 55.1 percent and 38.9 percent of life insurance fund and life insurance foreign liabilities respectively.

**Table XXVII**

| <b>DOMESTIC INSURANCE COMPANIES</b><br><b>Selected Sources &amp; Uses of Funds</b><br><b>G\$ Million</b><br><b>Balances</b> |               |               |               |
|---|---------------|---------------|---------------|
|   | 2016          | 2017          | 2018          |
| <b>Sources of Funds:</b>  | <b>50,017</b> | <b>54,723</b> | <b>72,298</b> |
| Premium   | 4,451         | 4,721         | 5,796         |
| Foreign Liabilities   | 11,014        | 12,123        | 22,170        |
| Other Deposits  | 172           | 63            | 22            |
| Other Liabilities   | 34,380        | 37,817        | 44,310        |
| <b>Uses of Funds:</b>   | <b>50,017</b> | <b>54,723</b> | <b>72,298</b> |
| Claims on:  |               |               |               |
| Public Sector   | -             | -             | 150           |
| Private Sector  | 14,885        | 18,300        | 32,093        |
| Banking System  | 9,642         | 10,913        | 12,473        |
| Non-Residents   | 15,627        | 15,801        | 16,487        |
| Other Assets  | 9,863         | 9,709         | 11,096        |

Total private sector investments, in the form of securities and loans & advances to residents, expanded by 75.4 percent or G\$13,793 million to G\$32,093 million. Investments in private sector securities, which constituted 88.8 percent of total private sector investment, increased by 79.9 percent or G\$12,656 million to G\$28,489 million. Claims on the banking system and the acquisition of other assets were also higher by G\$1,560 million and G\$1,387 million respectively. Similarly, claims on the non-resident sector, in the form of foreign securities, foreign loans & advances, foreign deposits and net balances due from same offices abroad, expanded by 4.3 percent to

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G\$16,487 million. This improvement was due to the 75.6 percent or G\$273 million expansion in foreign debentures and the 22.9 percent or G\$915 million growth in other foreign securities (which excludes debentures and treasury bills). Conversely, deposits with foreign banks, which represented 41.7 percent of non-resident claims, contracted by 10.3 percent or G\$792 million.

## **Interest Rates**

The interest rate structure of the NBFIs remained unchanged during the year 2018. The small savings rate of NBS was 1.4 percent, while the rates of the five-dollar shares and the save & prosper shares were 1.5 percent and 2.75 percent respectively. The low income mortgage rate and the average ordinary mortgage rate were 4.25 percent and 6.45 percent respectively. The interest rates offered by Hand-in-Hand Trust on domestic and commercial mortgages were 10.0 percent and 13.0 percent, while the average deposit rate remained stable at 1.68 percent. □



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## II

### FINANCIAL STABILITY ASSESSMENT

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#### 1. SUMMARY

The Bank of Guyana's Financial Stability Committee continuously assesses a number of risk indicators pertinent to the financial and economic systems. The technicalities are mainly manoeuvred through its financial stability frameworks to ceaselessly help build financial system resilience. The Bank views the analytics of micro and macro prudential indicators, banking stress tests and macroeconomic data to be critical for all LDFIs in its comprehensive framework. In addition, the Bank extended the framework to include analyses of the insurance and pension sectors' soundness indicators. In 2018, the results from the framework suggested that risks to the financial system increased but were at controllable levels.

The eight LDFIs maintained high levels of capital and recorded greater profits when compared with the previous year. CAR remained above the prudential 8.0 percent benchmark by an average 29.4 percentage points. The loan portfolio grew by 4.2 percent but non-performing loans deteriorated by 2.6 percent. Notwithstanding, the LDFIs generally held adequate provision and collateral against adversely classified loans.

The stress tests performed by the Bank of Guyana aimed to determine the quantitative measures of vulnerability of deposit taking financial institutions' capital to hypothetical shocks under various scenarios in areas of investments, credit, foreign currency exposure, and liquidity. During the previous year, the stress test was expanded to include all LDFIs in the areas of investments, liquidity and credit (large exposure)<sup>6</sup>. The results indicated that the industry's and individual institutions' shock absorptive capacities remained adequate under the various scenarios, save for vulnerability in the investment and credit portfolios.

Macroprudential Supervision involves the use of analytic tools and policies to identify, measure, and mitigate systemic risk. The notion of systemic risk reflects an event that will trigger a loss of economic value or confidence in a substantial portion of the financial system resulting in adverse 'nation-wide' and 'region-wide' effects. Measuring systemic risk requires the implementation of indicators tailored to mitigate the time-varying and cross-sectional dimensions of system wide risk.

The domestic financial system experienced increased risks during 2018; however, some positive macro indicators provided some assurance. Uncertainty in the global environment emanating from the ongoing geopolitical tensions, perturbing trade wars, unfavourable commodity prices, slowing demand, narrowed finances, and climate change disruptions have had some negative impacts on the Guyanese economy. Domestic industries in agriculture and manufacturing, which account for a fair share of the labour force, experienced some setbacks. Nevertheless, the economy saw favourable performances in the construction and services sectors. In addition, an improved fiscal

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<sup>6</sup> The foreign currency and sectoral credit stress tests only focus on banks due to limited data on non-banks for these tests.


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balance, rather stable exchange rates, manageable debt levels, and profitable financial institutions have helped to build confidence, despite the edging political tension in the economy. However, major foreign exchange outflows, relatively large NPLs, high interest rate spreads, and fragilities in the international market remain major downside risks to domestic financial stability.

The insurance sector, which comprises long-term insurance and general insurance, accounted for 7.8 percent of total financial assets and 29 percent of non-bank assets as at December 31, 2018. The sector was adequately capitalised as both the long term and general insurance sectors' assets exceeded their respective solvency requirements in keeping with the Insurance Act 2016. The insurance sector's assets accounted for 9.4 percent of the country's GDP. Potential risks stirring from the volatile global conditions were prudently managed and had no major adverse effect on the industry.

The private pension sector continued to experience consistent growth while maintaining its prominence as an institutional investor with a relatively low penetration rate and impact to systemic risk. In 2018, total assets in the sector increased and accounted for 8.0 percent of GDP, 6.5 percent of the total financial sector's assets and 24.1 percent of those of the NBFIs. Pension plans experienced sufficient solvency levels with an average of 147.6 percent recorded for the sector, which indicated that total pension obligations were fully backed by total assets to meet promised benefits with a corresponding asset reserve of more than 40 percent.

The Bank of Guyana received support from the World Bank to the tune of US\$6 million to modernize Guyana's Payment System infrastructure. This entailed implementing a new Payments System Act with supporting regulations and modernization of the Payment System infrastructure. The latter include the implementation of a RTGS and a CSD systems. The modernization efforts from paper-based instruments to electronic payments will result in significant cost savings and efficiency improvements while reducing operational, credit, legal, liquidity investment and custody risks.

In its assessment of potential risks to financial stability, the Bank would anticipate possibility of risks materializing and work on reducing its impact to the financial system. Further, both global and domestic risks were carefully watched and relatively provisioned for by the Bank's Financial Stability Committee, in order to mitigate negative spillovers and disruptions to the domestic financial system. Overall, the financial sector remained sound, well capitalised, liquid, and profitable in year 2018. 

## 2. MICROPRUDENTIAL REVIEW

The eight LDFIs maintained high levels of capital and recorded greater profits when compared with the previous year. The CAR remained above the prudential 8.0 percent benchmark by an average 29.4 percentage points. The loan portfolio grew by 4.2 percent but non-performing loans deteriorated by 2.6 percent. Notwithstanding, the LDFIs generally held adequate provision and collateral against adversely classified loans.

### Composition of Capital

The average Capital Adequacy Ratio (CAR) for the LDFIs at end-December 2018 was 31.1 percent, 1.6 percentage points above end-December 2017 level, resulting from the LDFIs' improved capital levels.

**Table XXVIII**

| Licensed Depository Financial Institutions<br>(LDFIs) |                           |                           |             |
|---|---------------------------|---------------------------|-------------|
| Capital Adequacy Profiles                             |                           |                           |             |
| G\$ Million   |                           |                           |             |
|   | Dec<br>2016 <sup>1)</sup> | Dec<br>2017 <sup>2)</sup> | Dec<br>2018 |
| Total Qualifying Capital                              | 64,928                    | 70,841                    | 83,301      |
| Total Tier I capital (Net)                            | 65,193                    | 71,523                    | 84,206      |
| Risk-weighted Assets (Net)                            | 234,331                   | 240,412                   | 267,583     |
| Percent   |                           |                           |             |
| Average CAR   | 27.7                      | 29.5                      | 31.1        |
| Tier I ratio  | 27.8                      | 29.8                      | 31.5        |

Notes:

1) RBL's tier I capital was amended July 12, 2017.

2) BNS' deficiency in provision was amended February 13, 2018 following their submission of the LPRS as at December 2017.

The LDFIs' total qualifying capital of G\$83,301 million reflected respective increases of 17.6 percent and 28.3 percent above end-December 2017 and end-December 2016 levels. This period's increase resulted mainly from a 17.7 percent expansion in net Tier I capital (G\$84,206 million at end-December 2018), due largely to a 19.5 percent increase in retained earnings over the end-December 2017 level. GBTI and RBL were mainly responsible for this expansion in

retained earnings, with respective increases of 41.9 percent and 32.5 percent.

### Net Risk-weighted Assets

The LDFIs' aggregate net risk-weighted assets expanded by 11.3 percent to reach G\$267,583 million at end-December 2018, an increase from the 2.6 percent growth the previous year. The increase in risk-weighted assets reflected growth in credit primarily to the services, real estate mortgages and household sectors of six percent, five percent and 4.1 percent respectively.

The LDFIs' capital and reserves to total assets ratio as at December 2018 was 15.8, 40 basis points higher when compared to the previous year.

## ASSET QUALITY

### Non-performing loans

The level of non-performing loans (NPLs) deteriorated by 2.6 percent (following the 4.3 percent reduction at end-December 2017), to close at G\$29,737 million at end-December 2018. The deterioration was attributed to increases in three LDFIs' portfolios ranging from 4.6 percent to 34.9 percent, taking the aggregate level of NPLs 2.6 percent (G\$767 million) above the \$28,970 million reported at end-December 2017. The five LDFIs with improved loan portfolios recorded declines ranging from 0.2 percent to 27.8 percent in non-performing loans.

Non-performing loans to total loans represented an improved 10.6 percent, 20 basis points below end-

December 2017. Total loans grew by 4.2 percent over the comparative period to G\$280,524 million, with five LDFIs recording increases ranging from 3.4 percent to 12.3 percent.

### Sectoral Non-Performing Loans

Non-performing loans in the business enterprises sector rose 5.1 percent (G\$1,012 million), while the households sector showed a reduction of 2.7 percent (G\$245 million) when compared with 2017. Increases in the mining & quarrying, services and manufacturing sub-sectors of 25.7 percent, 13.7 percent and 5.7 percent respectively were responsible for the overall increase in the business enterprises NPLs.

**Table XXIX**

| Licensed Depository Financial Institutions<br>(LDFIs) |               |               |               |
|---|---------------|---------------|---------------|
| G\$ Million   |               |               |               |
|   | Dec<br>2016   | Dec<br>2017   | Dec<br>2018   |
| <b>Economic Sector</b>                                |               |               |               |
| <b>Business Enterprises</b>                           | <b>22,210</b> | <b>19,863</b> | <b>20,875</b> |
| Agriculture   | 4,191         | 3,134         | 2,127         |
| Mining & Quarrying                                    | 673           | 855           | 1,075         |
| Manufacturing   | 5,781         | 4,729         | 4,997         |
| Services  | 11,565        | 11,145        | 12,676        |
| <b>Households <sup>1)</sup></b>                       | <b>8,076</b>  | <b>9,107</b>  | <b>8,862</b>  |
| <b>Total</b>  | <b>30,286</b> | <b>28,970</b> | <b>29,737</b> |

Notes:

(1) Households include personal loans only.

### NPLs concentration

The highest concentration of NPLs were in:

- (i) Construction & engineering - 62.3 percent of manufacturing;
- (ii) Distribution (wholesale and retail trade) - 50.3 percent of services; and
- (iii) Sugar cane - 39.1 percent of agriculture.

### Provision for loan losses

Provision for loan losses covered 38.9 percent of NPLs at end-December 2018, compared with 47.7 percent at end-December 2017.

### Risk Assessment

The overall assessment of the banks' credit risk remained high and increasing, despite the slight reduction in NPLs ratio to 11.9 percent, down from 12.2 percent at end-December 2017. Two banks and one non-bank were rated as high and increasing. One non-bank credit risk rating was assessed as low and stable.

### Loan Concentration

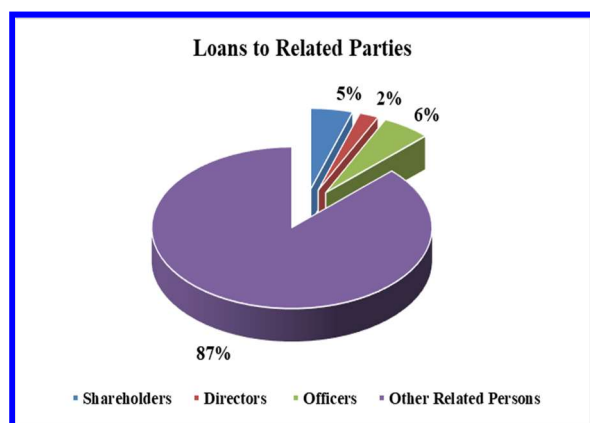
Loan concentration among large borrowers deepened further, with exposure to the industry's top twenty borrowers at end-December 2018 of G\$79,483 million, reflecting a 16.9 percent (G\$11,480 million) expansion over end-December 2017. Three LDFIs recorded increases ranging from 0.4 percent to 81.4 percent, while four LDFIs recorded decreases ranging from 12.9 percent to 74.9 percent. One LDFI did not record any exposure to the industry top twenty borrowers. The ratio of the industry's top twenty borrowers to total exposure was 18.3 percent, 2.1 percentage points above end-December 2017.

### Loans to Related Parties

Related Parties' Loans of G\$7,193 million were 9.5 percent below the end-December 2017 level, following a 12.9 percent falloff the previous year. The ratio of related parties' loans to total loans was 2.6 percent, 40 basis points below the previous year.

Loans to other related persons accounted to 87 percent (G\$6,286 million) of related parties' loans. See figure XIV for the classes of related parties' loans.

**Figure XVI**



## Risk Assessment

The banks' concentration risk was assessed as moderate and stable. NBS' concentration risk was assessed as moderate and stable while HIHT's was rated as high and increasing. The industry's top twenty borrowers to total loans ratio was 28.3 percent. Fifty-nine percent of these accounts were favourably classified.

## EARNINGS

### Income

LDFIs' operating income for the year 2018 amounted to G\$37,239 million, 0.9 percent (G\$319 million) below the 2017 level and less than one percent (G\$159 million) above the 2016 level. Interest income of G\$28,757 million fell 1.6 percent (G\$476 million) and 2.6 percent (G\$756 million) below the 2017 and 2016 levels respectively. Additionally, fees and commissions of G\$2,737 million were 5.0 percent (G\$144 million) and 1.4 percent (G\$39 million) below the 2017 and 2016 levels respectively. On the other hand, other operating income of G\$1,452 million was 25.6 percent (G\$296 million) and 45.1 percent (G\$451 million) above the 2017 and 2016 respective levels, while gains from foreign exchange activities of G\$4,293 million, were less than 1 percent (G\$5 million) and 13.3 percent (G\$503 million) above the 2017 and 2016 levels respectively.

**Table XXX**

| Consolidated Income Statement of LDFIs    |               |               |               |
|---|---------------|---------------|---------------|
| G\$ Million                               |               |               |               |
| January – December                        |               |               |               |
|   | 2016          | 2017          | 2018          |
| <b>Operating Income</b>                   | <b>37,080</b> | <b>37,558</b> | <b>37,239</b> |
| Interest Income                           | 29,513        | 29,233        | 28,757        |
| Foreign exchange gains                    | 3,790         | 4,288         | 4,293         |
| Fees and Commission                       | 2,776         | 2,881         | 2,737         |
| Other operating income                    | 1,001         | 1,156         | 1,452         |
| <b>Non-operating income</b>               | <b>5</b>      | <b>-</b>      | <b>5</b>      |
| <b>Operating Expenses</b>                 | <b>21,755</b> | <b>21,526</b> | <b>19,310</b> |
| Interest Expense                          | 5,137         | 4,713         | 4,258         |
| Salaries and other staff costs            | 5,947         | 6,231         | 6,740         |
| Foreign exchange losses                   | 27            | -             | (170)         |
| Provision for loan losses                 | 3,380         | 2,886         | 1,617         |
| Bad debts written off/Recovered           | (76)          | (502)         | (74)          |
| Other operating expenses                  | 7,341         | 8,198         | 6,939         |
| <b>Non-Operating Expenses</b>             | <b>1</b>      | <b>31</b>     | <b>31</b>     |
| <b>Net income before tax</b>              | <b>15,330</b> | <b>16,001</b> | <b>17,903</b> |
| <b>Taxation</b>                           | <b>4,401</b>  | <b>4,136</b>  | <b>4,474</b>  |
| <b>Net income/loss after tax</b>          | <b>10,929</b> | <b>11,865</b> | <b>13,429</b> |
| <b>Profitability Ratios - Percent (%)</b> |               |               |               |
| Return on Assets (ROA)                    | 2.13          | 2.25          | 2.45          |
| Return on Equity (ROE)                    | 15.13         | 15.19         | 15.69         |

### Expenses

LDFIs' operating expenses of G\$19,311 million reflected decreases of 10.3 percent (G\$2,215 million) and 11.2 percent (G\$2,445 million) below the 2017 and 2016 levels, as three of the six expense categories contracted.

LDFIs' provision for loan losses of G\$1,617 was 44 percent (G\$1,268 million) and 52.2 percent (G\$1,763 million) below the respective 2017 and 2016 levels.

Other operating expenses amounted to G\$6,939 million, 15.4 percent (G\$1,259 million) and 5.5 percent (G\$402 million) below the 2017 and 2016 respective levels, while interest expense of G\$4,258 declined 9.7 percent (G\$455 million) and 17.1 percent (G\$879 million) from the two comparative periods.

Conversely, salaries and other staff costs of G\$6,740 million rose 8.2 percent (G\$510 million) and 13.3 percent (G\$793 million) above the 2017 and 2016 levels respectively. Further, LDFIs' losses from foreign exchange activities amounted to G\$170 million in 2018.

For the year under review, LDFIs recovered G\$74 million (net of bad debts written-off), compared to G\$502 million and G\$76 million in 2017 and 2016 respectively.

### Net profit after tax and profitability ratios

LDFIs' net income after tax of G\$13,429 million) was 13.2 percent (G\$1,564 million) above the 2017 level and 22.9 percent (G\$2,500 million) above the 2016 level.

For the January – December 2018 period, both ROA and ROE were greater than the previous years' level by 20 basis points and 50 basis points respectively.

### Risk Assessment

The risk to LDFIs' earnings remained 'moderate and increasing'. Despite the core profitability ratios showing slight resurgence, the persistent high level of NPLs continues to be cause for concern.

## LIQUIDITY

The level of liquidity in the financial sector remained high throughout 2018, with all the LDFIs exceeding the minimum statutory requirements. During the year, excess liquid assets holdings for individual LDFIs ranged from 7.0 percent to 306 percent. The average aggregate amount of liquid assets held at end-December 2018 exceeded the statutory liquid assets requirement by 91.0 percent (G\$81,897 million) compared with an 88.1 percent (G\$73,956 million) excess at end-December 2017.

At end-December 2018, the average level of liquid assets held by LDFIs amounted to G\$171,937 million, an 8.8 percent (G\$13,999 million) increase from the

average level recorded for the same period in 2017. This expansion resulted mainly from increases in deposits with BOG and net balances due from other banks abroad of 19.1 percent (G\$11,749 million) and 26.0 percent (G\$3,243 million) respectively; stymied by a decline in local treasury bills of 6.6 percent (G\$1,366 million).

**Table XXXI**

| <b>Licensed Depository Financial Institutions (LDFIs)</b> |                 |                 |                 |
|---|-----------------|-----------------|-----------------|
| <b>Liquidity Indicators</b>                               |                 |                 |                 |
| <b>G\$ Million</b>  |                 |                 |                 |
|   | <b>Dec 2016</b> | <b>Dec 2017</b> | <b>Dec 2018</b> |
| Avg. Actual Liq. Assets                                   | 160,320         | 157,939         | 171,937         |
| Avg. Required Liq. Assets                                 | 84,842          | 83,983          | 90,040          |
| Avg. Excess Liq. Assets                                   | 75,478          | 73,956          | 81,897          |
| <b>Liquidity Ratios - Percent (%)</b>                     |                 |                 |                 |
| Liquid Asset Ratio (LAR)                                  | 30.6            | 29.8            | 30.3            |
| Customer deposits to total (non-interbank) loans          | 163.7           | 158.4           | 162.4           |


Endnote: This section examines the stability and soundness of the financial system. In particular, it analyses the performance of the following Licensed Depository Financial Institutions (LDFIs) for the year ended December 31, 2018: Republic Bank (Guyana) Ltd (RBL), Guyana Bank for Trade and Industry Limited (GBTI), Demerara Bank Limited (DBL), Citizens Bank Guyana Incorporated (CBI), Bank of Baroda (Guyana) Inc. (BOB), Bank of Nova Scotia (BNS), Hand-in-Hand Trust Corporation Incorporated (HIHT), New Building Society (NBS).

The average liquid assets ratio (LAR) increased 50 basis points above the end-December 2017 position to 30.3 percent at end-December 2018. Customers' deposits to total (non-interbank) loans ratio, which indicates the ability of the LDFIs to support loan growth with deposits, also increased by 400 basis points to 162.4 percent at end-December 2018. This higher ratio is indicative of deposits increasing at a faster rate than lending signalling marginal tightening of intermediation in the industry. A year-on-year comparison revealed increases in customers' deposits and non-interbank loans by 6.9 percent and 4.2 percent respectively.

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## **Risk Assessment**

The liquidity risk among the LDFIs was assessed as moderate and stable due to their continued high levels.

Six institutions were rated as moderate and stable, while two were moderate and increasing. 



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### 3. STRESS TESTING

The stress tests performed by the Bank of Guyana aimed to determine the quantitative measures of vulnerability of deposit taking financial institutions' capital to hypothetical shocks under various scenarios in areas of investments, credit, foreign currency exposure, and liquidity. During the previous year, the stress test was expanded to include all LDFIs in the areas of investments, liquidity and credit (large exposure)<sup>7</sup>. The results indicated that the industry's and individual institutions' shock absorptive capacities remained adequate under the various scenarios, save for vulnerability in the investment and credit portfolios.

#### a) Investments

The investment stress test estimates the impact on LDFIs' capital when their investment portfolios were assumed to suffer three levels of shocks as follows:

- **Level 1** – the investment portfolio will assume provisioning requirements on each investment based on credit ratings,
- **Level 2** – the credit rating of each investment will be downgraded by one provisioning level for sovereign securities only, corporate securities only, and both sovereign and corporate securities simultaneously and assessed in two areas (the Caribbean and unspecified countries) and,
- **Level 3** – a further provisioning of 20 percent will be estimated on speculative graded investments.

The industry reflected resilience to this stress test under all three levels when its investment portfolios for both Caribbean and unspecified countries were observed. However, three institutions (two banks and one non-bank), displayed significant susceptibility to the shocks.

#### b) Credit

The credit stress test measures the impact on banks' provisioning requirements and capital by economic

sectors and the default of largest borrowers of each institution (large exposure).

#### Sectoral Stress Test

The shocks applied under this test are 10 percent and 20 percent deteriorations (downward migrations), in the various economic sectors. While the banking sector showed resilience to both shocks, it was found that a shock of 86.5 percent to the sectoral credit exposure would result in the sector's CAR deteriorating to the prudential minimum requirement. Additionally, three banks reflected CARs below eight percent when the extreme downward migration was applied. The high levels of NPLs remain the most significant risk facing banks' credit portfolio.

#### Large Exposure Stress Test

This test assessed the largest borrowers under three default levels:

**Level 1** – the top borrower of each institution,

**Level 2** – the top 3 borrowers of each institution and,

**Level 3** – the top 5 borrowers of each institution.

The industry passed the large exposure stress test under all three levels at end-December 2018, with the post-stress CAR well above 8.0 percent, while the banking sector failed the test at the level three shock due to failure by three banks.

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<sup>7</sup> The foreign currency and sectoral credit stress tests only focus on banks due to limited data on non-banks for these tests.

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### c) Foreign Currency

The foreign currency stress test estimates the impact on the banks' capital of a depreciation or appreciation of the Guyana dollar (G\$) against the four major trading currencies (US\$, EURO, GBP & CAN), as well as all other foreign currencies in which the banks have assets and liabilities.


The test revealed a still resilient banking sector to the applied shocks. It was estimated that an appreciation of the G\$ by 91.1 percent would deteriorate the sector's CAR to the prudential requirement. However, only two banks showed vulnerability to this extreme shock.

### d) Liquidity

The liquidity stress test sought to determine the number of days an institution can withstand a deposit

run before exhausting its liquid assets given no infusions of liquidity from external sources.

The respective *run-off rates* and *percentage of liquidity drawn from 'other assets'* are standardized to reflect three scenarios: **5/5**; **3/7** and **0/10**.

For the quarter under review, an initial 5 percent daily run on deposits and an additional 5 percent of liquidity drawn from non-liquid assets when used in conjunction with total liquid assets to boost liquidity, resulted in the industry enduring for **seven days** before depleting its total liquid assets, the same as the previous quarter. Furthermore, under an extreme scenario of a 10 percent daily run off of deposits, the industry would go illiquid after three days. 

## 4. MACROPRUDENTIAL REVIEW

Macroprudential Supervision involves the use of analytic tools and policies to identify, measure, and mitigate systemic risk. The notion of systemic risk reflects an event that will trigger a loss of economic value or confidence in a substantial portion of the financial system resulting in adverse ‘nation-wide’ and ‘region-wide’ effects. Measuring systemic risk requires the implementation of indicators tailored to mitigate the time-varying and cross-sectional dimensions of system wide risk.

Tools currently used to measure systemic risks include:

1. Micro-prudential Index
2. Absorption Ratio
3. Banking Stability Index
4. Macro-financial ‘Signals’ Index
5. Credit to GDP Gap
6. Composite Indicator for Systemic Stress (CISS)
7. Aggregate Financial Stability Index (AFSI)
8. Financial Stability Cobweb

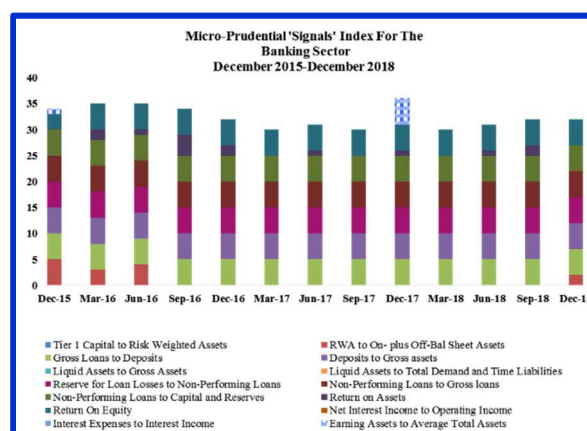
### 1. Micro-prudential Index (Guyana’s Banking Sector)

The Micro-prudential Index (MiPI) exhibited a moderately stable banking sector in 2018. Compared to the tranquil<sup>8</sup> period, the index improved to 32 points relative to a 31 points average during the first three quarters of the year and 36 points from the corresponding period in 2017.

The improvement of the MiPI was mainly reflected by marginal reduction of risks in the earnings and profitability indicators, primarily an improvement in asset returns in 2018 relative to 2017. Conversely,

these improvements were stymied by the recurrent risk emanating from the liquidity and asset quality indicators.

**Figure XVII**



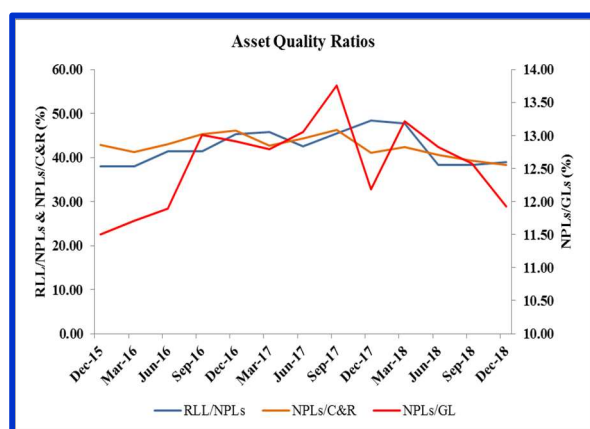
**Note:** The MPI is a signal-based index computed using scores for indicators based on the number of standard deviations of each indicator from its the ‘tranquil period’ mean value. The higher the aggregate score, the more severe is the signal of financial vulnerability.

Despite the marginal decline in non-performing loans (both as a percentage of gross loans and capital & reserves), asset quality indicators continued to negatively influence the MiPI (see Figure XVII). Similarly, while the reserves for loan losses to non-performing loans ratio marginally declined from the corresponding period in 2017, the indicator continued to signal a high level of risk.

<sup>8</sup> The tranquil period December 2011 to September 2013 for the MiPI reflects a period where the level of economic growth and inflation in

Guyana were relatively stable, averaging 5.3 percent and 2.6 percent respectively.

**Figure XVIII**



Banks' gross loans to deposits showed a slight decline despite a higher deposit to gross assets ratio. This suggested that while the deposits of customers increased, loan disbursements relative to these deposits declined. Moreover, the ROE continued to signal high risk, consistent with the threat to banks' profitability posed by the current quality of assets in the MiPI.

Notwithstanding, the aforementioned vulnerabilities signalled in the MiPI were off-set mainly by commercial banks' high adequate capital, which signalled no immediate vulnerabilities to the sector.

**Table XXXII**

| Macro-prudential Index<br>Guyana's Banking Sector |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|
|   | Dec-17 | Mar-18 | Jun-18 | Sep-18 | Dec-18 |
| <b>Risk Ratios</b>                                |        |        |        |        |        |
| RLL/NPLs  | 48.48  | 47.86  | 38.32  | 38.31  | 38.99  |
| NPLs/GL   | 12.19  | 13.22  | 12.83  | 12.58  | 11.93  |
| NPLs/C&R  | 41.1   | 42.35  | 40.61  | 39.25  | 38.38  |
| ROE   | 3.9    | 4.25   | 3.86   | 3.69   | 3.95   |
| ROA   | 0.57   | 0.6    | 0.57   | 0.55   | 0.59   |

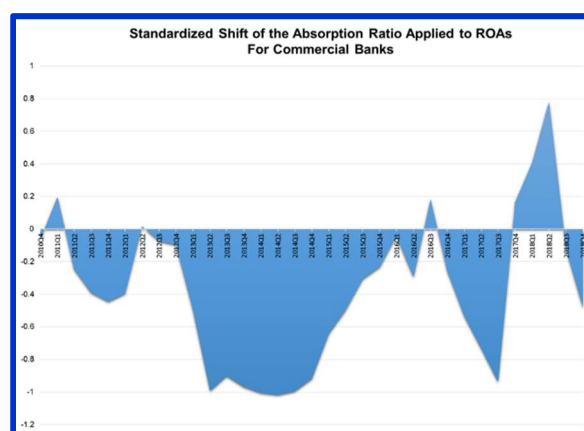
## 2. Absorption Ratio

The Standardised Shift in the Absorption Ratio (SAR) measures the degree of linkage of asset returns across the banking portfolios as reflected in their return on

assets (ROA). The value of the SAR, had shown a considerable decoupling in the asset portfolios of commercial banks during the third quarter, indicating a de-linkage of commercial banks' common asset holdings. However, the SAR trended upwards since the fourth quarter of 2017.

The significant reduction of the SAR from 0.78 in June 2018 to negative 0.48 in the last quarter of 2018, indicates a high level divergence among commercial banks' profitability ratios. This downward movement in the value also implies improvements in commercial banks' resilience to systemic risk.

**Figure XIX**



## 3. Banking Stability Index

During 2018, the banking stability fluctuated to end the year with a lower level of stability relative to last year. As at end-December 2018, the BSI sled to negative 0.15 from negative 0.05 in December 2017, driven primarily by deteriorations in foreign exchange, liquidity, and capital adequacy indicators, which stymied marginal improvements in the profitability, interest rate, and total asset quality indicators.

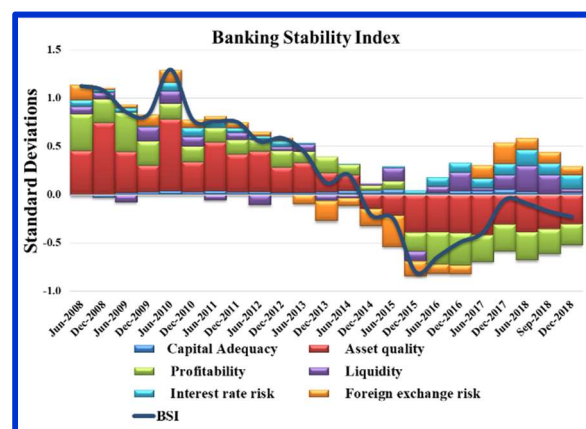
Table XXXIII

| Weighted Components of the<br>Banking Stability Index |              |              |              |
|---|--------------|--------------|--------------|
|   | Dec          | Jun          | Dec          |
|   | 2017         | 2018         | 2018         |
| <b>BSI</b>  | <b>-0.05</b> | <b>-0.09</b> | <b>-0.15</b> |
| Capital Adequacy                                      | 0.05         | 0.03         | 0.02         |
| Asset Quality   | -0.31        | -0.39        | -0.30        |
| Profitability   | -0.27        | -0.29        | -0.22        |
| Liquidity   | 0.15         | 0.27         | 0.11         |
| Interest Rate Risk                                    | 0.12         | 0.17         | 0.15         |
| Foreign Exchange Risk                                 | 0.22         | 0.12         | 0.09         |

Over the review period, the foreign exchange spread increased by 7 basis points, thus signalling increased foreign exchange risk in the banking sector. On the liquidity side, gross loans to deposits declined by 2.2pp when compared to the corresponding period in 2017, which resulted in a 400 basis point fall in the liquidity indicator. In relation to capital adequacy, the banking sector's Tier II capital to risk weighted assets ratio as at December 2018 declined 83 basis points from the December 2017 position.

Given the aforementioned, along with the low liquidity and interest rate risks relative to 2017's level, the BSI continues to signal moderate stability in the banking sector.

Figure XX



## 2. Macro-Financial 'Signal' Index

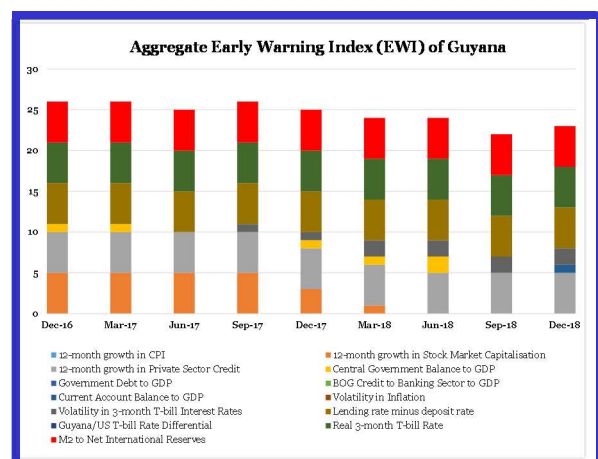
The Early Warning Index (EWI)<sup>9</sup> allows for the monitoring of the overall macroeconomic environment to capture various degrees of risk exposures to the economy. The EWI scored 28 points at end-December 2018, which signalled a 1 point increase in the exposure of risks against the previous quarter. This outcome was due mainly to the deterioration in the external current account balance to GDP.

Further, five indicators continued to signal high levels of risks; these include the slowing of private sector credit growth, high interest rate spread, falling real 3-mth T-bill rate, low net foreign assets to total assets, and augmenting ratios for M2 to net international reserves. These indicators show persistent vulnerabilities and requires ongoing surveillances and risk-assessments, as they can pose serious threats to the financial soundness. Nevertheless, the good performances by other variables should continue to provide buffers in future unfavourable situations.

<sup>9</sup> The Macro-financial Early Warning Index (EWI) is constructed to reflect the influences of the financial sector, the real sector, the private sector, the public sector, and the external sector on bank soundness. As such, the framework shows the potential impact of the macroeconomic environment on bank fragility. It is based on the performance of a basket of key macroeconomic and financial indicators, each scored by severity

levels ranging from 0 point (no or minimal amount of risk) to 5 points (most severe). An increase in this index indicates an elevation in the overall level of risk in the system, while a fall demonstrates declined vulnerability to systemic threats.

**Figure XXI**



## Credit to GDP Gap

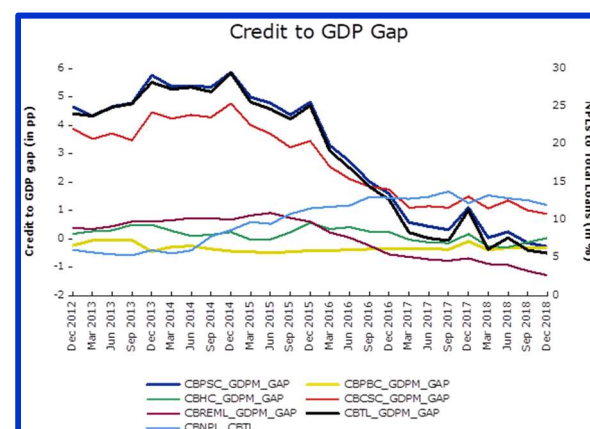
The credit to GDP gap, an early warning indicator of financial stress or crises, captures the build-up of credit relative to the long run trend. The gap is measured by the difference between the credit to GDP ratio and the ratio's long term trend.

As at December 2018, the total credit to GDP gap was negative 0.51 percentage points (pp), indicating that the credit to GDP ratio was below its long run trend. Both the private and public sector credit to GDP gaps were below their long run trends at negative 0.28 pp and negative 0.31 pp, respectively, indicating no heightened risks from rapid credit growth as the gaps are close to zero.

The credit to GDP ratio of 29.6 percent remained on a slight downward trend from a record high of 32.5 percent in December 2015. This downward trend resulted from a slowdown in year-on-year credit growth with fluctuating GDP (at purchaser's price) growth.

Total credit of the commercial banking sector was estimated at G\$234 billion as at December 2018, a growth of 3.0 percent over the previous quarter. The year-on-year growth of 4.2 percent was supported by a 4.9 percent (G\$10.7 billion) growth in private sector credit, which overrode the G\$2.1 billion decline in public sector credit.

**Figure XXII**



All three subcategories contributed to the growth in private sector credit to G\$229.2 billion. Household credit expanded by 5.2 percent, while real estate credit expanded 5.0 percent, and business sector credit by 4.7 percent (G\$4.9 billion).

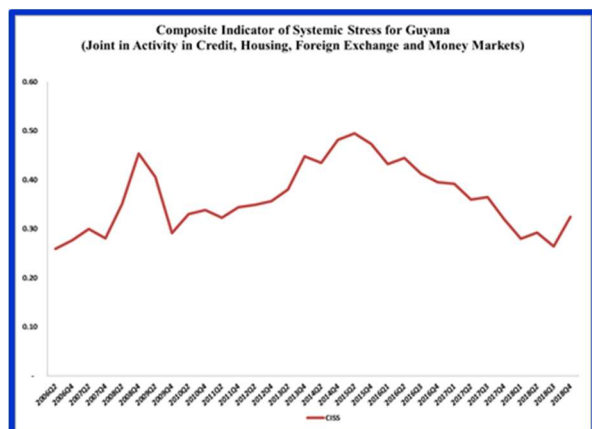
The level of non-performing loans to total loans decreased marginally over the year and was 11.9 percent at end-December 2018. Credit growth of the commercial banking sector has improved over the last year, and most banks have signalled a positive outlook towards oil production in 2020.

## 6. Composite Indicator for Systemic Stress (CISS)

The Composite Indicator of Systemic Stress (CISS) captures the potential stress in the banking system by assessing the vulnerabilities arising from the correlation in Guyana's four key markets (housing, credit, money and foreign exchange). As at end December 2018, the CISS signalled a constant level of aggregate stress, with mixed signals during the year in the four markets assessed. Following falling levels during 2018, the foreign exchange and money markets showed a slight uptick in risks during the fourth quarter, while the housing and credit markets showed contracted levels. The lower levels experienced across markets were offset by increased stress levels in the fourth quarter. Consequently, the CISS signalled a constant level of stress in 2018 relative 2017 level.



**Figure XXIII**



**a) The Foreign Exchange Market**

As at December 2018, the bid-ask spread widened to its largest gap since 2017Q1 (up \$2.56). This is consistent with observed behaviour during the holiday season as cambio dealers sought to capitalise on the increased volume of US dollar trades. Returns on the sale of US dollars were \$0.04 per dollar at the end of the quarter, pushing the cumulative return on the US dollar for 2018 up to \$0.58 per dollar. Consequently, the market index rose 9 points above the 2017 level and is not expected to significantly increase in the short term as the relative stability of the Guyana to US dollar is projected to remain over the near term.

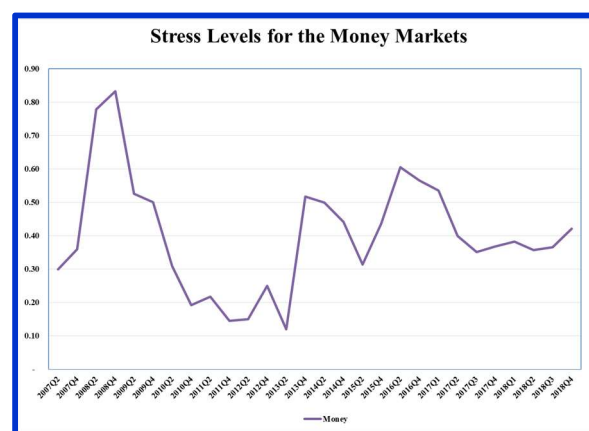
**Figure XXIV**



**b) The Money Market**

The stress level in the money market was up 5 points above December 2017 level, on account of increased stress levels in both market indicators. The volatility in the 3-months treasury bill rate rose 6.82 basis points in response to a 105 basis points increase in the US 3-months treasury bill rate, while the spread between the 364-day and 182-day treasury bills' rates expanded by 18.1 basis points above 2017 levels. The 91-day treasury bill rate remained stable at 1.54 percent due to no issuance of the instrument in 2018, while there were greater supply and demand for longer term instruments. Collectively, both indicators signalled higher stress levels for 2018Q4 compared to 2017Q4.

**Figure XXV**



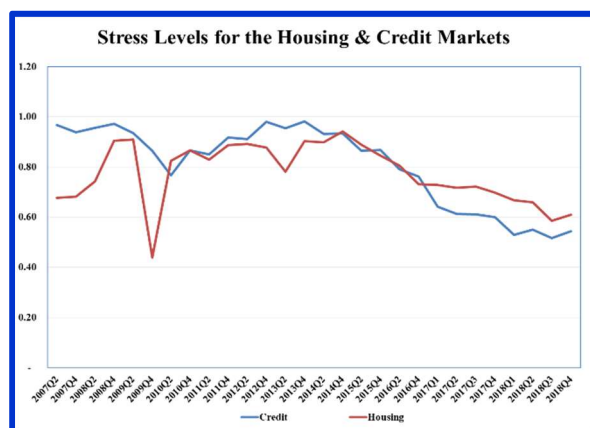
**c) The Housing & Credit Markets**

The housing and credit markets continued to track each other, as both markets reflected a slight uptick in stress levels in the last quarter of 2018. However, a year on year comparison showed stress levels below the 2017 levels. Within both markets, all indices trended towards their respective long term level, as gaps narrowed. In quarter four, greater demand for mortgages stemmed from expansions in both Government and private developers housing projects across the country, leading to aggregate increases in housing and total credit by 6.4 percent (est.) and 3.0 percent (est.) respectively. Additionally, non-performing loans (NPLs) in both markets also



increased but at lower percentages. However, no significant increase in the markets' stress levels are expected within the near term despite the political uncertainty.

**Figure XXVI**



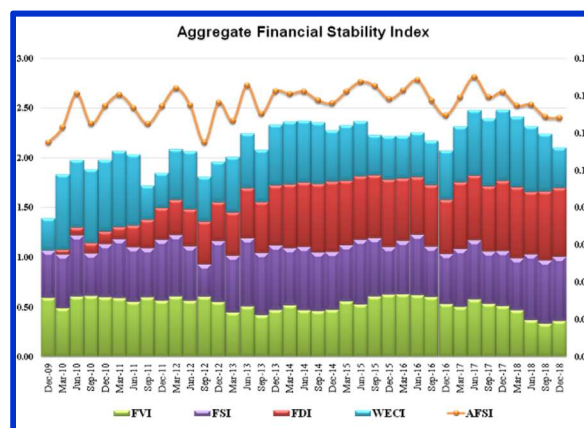
## 7. Aggregate Financial Stability Index (AFSI)

The Aggregate Financial Stability Index (AFSI)<sup>10</sup> continued on its usual quarterly trend<sup>11</sup>, registering a decline in the index at 0.128 end-December 2018 from 0.129 the previous quarter (September 2018). This outcome was due to deteriorations in two of the four sub-indices – the WECI and FDI, with increased vulnerabilities in the world economic climate index, global growth, equity market volatility index, and total assets HHI. In addition, the current account balance to GDP, liquid assets to total assets ratio, and the foreign exchange bid-ask spread also worsened. On the upside, the FVI and FSI improved, particularly in the net international reserves to external debt, commercial banks' net foreign assets to total assets, fiscal balance

to GDP, NPLs to total loans, and Tier I capital to risk weighted assets.

Conversely, the AFSI also weakened from 0.142 the same period last year (December 2017), with increased vulnerabilities observed in three sub-indices – the FVI, WECI and FDI. The variables which contributed to the erosion were the current account balance to GDP, M2 to net international reserves, net international reserves to external debt, total credit to GDP, total assets HHI, and some world economic climate variables. On the other hand, improved outcomes were in the stock market capitalisation to GDP, fiscal balance to GDP, NPLs to total loans, Tier I capital to risk weighted assets and liquid assets to total assets indicators. The Guyanese economy saw increased risks during 2018 which calls for careful monitoring and building sustainable buffers to prevent further deterioration, as fragile global conditions continue to be major risks to domestic growth and financial stability.

**Figure XXVII**



<sup>10</sup> The Aggregate Financial Stability Index (AFSI), which can be used as an early warning system, is an aggregate of four component indicators or sub-indexes covering microeconomic, macroeconomic, and international measures of vulnerability, which are used to capture and forecast the stability of the financial system. An increasing index signals improvement in the stability of the financial system, while a decreasing index signals deterioration.

<sup>11</sup> Fluctuations in the AFSI i.e. seasonal changes in the macroeconomic environment are mainly responsible for the pattern

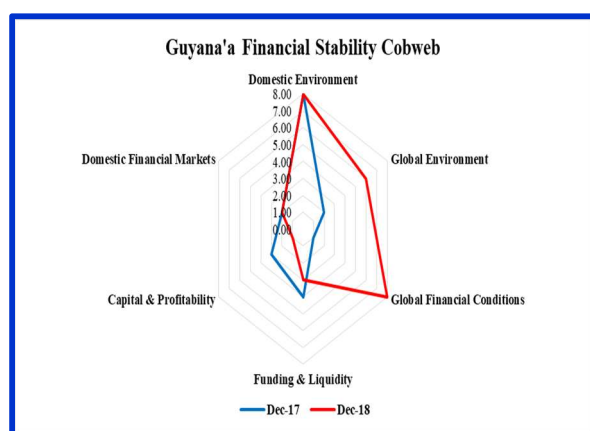
of the AFSI curve. According to trending data, economic activities in Guyana usually peaks in the latter half of the year, predominantly in the fourth quarter, where productivity, trade, and debt would usually heighten, thus increasing vulnerabilities to the economy; therefore, reducing the overall AFS-Index. Then after, the economy comes a general slowdown in the first quarter, followed by elevated activities and lower debt in the second quarter, then in the third quarter, the preparations for activities in the fourth quarter intensify, which would result in a dip in the index.

## 8. Financial Stability Cobweb

The financial stability cobweb is a measure of the system's risk level that aids in identifying stress in the domestic and global macroeconomic environments, and financial market conditions that can trigger major difficulties for financial institutions. The ability of financial institutions to absorb the shocks from the aforementioned areas, is reflected by the capital, profitability, funding, and liquidity indicators. Reduction in financial stability risk is represented by movement towards the center of the diagram and vice versa.

Risks to financial stability within the global environment (both financial market and general environment) increased in 2018 when compared to last year. The World Economic Climate Indicator fell from 17.1 in 2017 to negative 2.2 in 2018. Experts opined that the global economic climate deteriorated significantly, as their economic expectations were considerably scaled back due to waning growth in the world economy, particularly the emerging and developing countries<sup>12</sup>. The global financial arena also displayed high levels of market volatility when compared to the previous year reflecting an increase in financial stability risks.

**Figure XXVIII**



<sup>12</sup> <http://www.cesifo-group.de/ifoHome/facts/Survey-Results/World-Economic-Survey/World-Economic-Climate/Archive/2018/World-Economic-Climate-20181112.html>

The Domestic Financial Markets and Domestic Environment indicated low levels of risk to financial stability as it did the previous year. While, there was increased volatility in the US and Guyana 3-months T-bill differential rate, moderately low risk was maintained in the domestic financial market by positive stock market growth. In the Domestic environment, while there was a marginal improvement in the fiscal balance and sovereign debt to GDP, the increase in money stock to a declining international reserves sustained the risk within this facet of the financial environment. *International reserves fell by 9.5 percent in 2018. (It should be noted that the international reserves has been improving over the last three quarters.)*

The financial system continues to be adequately liquid and well capitalized. A growth in liquid assets to total demand & time liabilities to total assets, resulted in the reduction of risks in the Funding and Liquidity dimension of the banking sector. Increases in Tier I capital to total risk weighted assets and return on assets indicated an improvement in the capital and profitability dimension, reducing the level of risk in the banking sector when compared to last year.

Despite challenges in the global environment, low risk to financial stability was maintained in the funding & liquidity, capital & profitability, and the domestic financial markets, indicating the domestic financial sector's resilience and ability to absorb shocks.

## Conclusion

The systemic risk indicators largely signalled sustained degrees of resilience despite increased vulnerabilities in the global environment. While the micro & macroprudential indices signalled marginally lower levels of risk, the BSI reflected reduced stability at end December 2018. Persistent levels of NPLs continued to directly impact asset quality and threaten profitability indicators. The aggregate financial

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stability indicator also signalled a lower stability levels with major risk emanating from the global environment. Consistent with the AFSI, the financial sector's cobweb showed amplified risk to financial stability from the global environment (including the global financial market), while the domestic environment remained subdued. However, the degree of resilience in the domestic environment increased relative to the previous year.

Credit to GDP remained below its long term trend as the credit to GDP gap stayed on a slightly downward trajectory from a record high in December 2015. The CISS reflected a constant level of risk relative to year 2017. Stress levels in the housing and credit markets were subdued while the foreign exchange and money

markets exhibited a slight uptick in stress levels. Further, the absorption ratio indicated increased resilience by banks as de-linking of common assets were observed.

In light of the foregoing, the financial system remained stable and required no immediate policy action. However, increase monitoring of risks, both domestic and global, are necessary to ensure that timely policies and strategies are executed to mitigate any negative effects from identified risks. □

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## 5. MACROECONOMIC REVIEW

The domestic financial system experienced increased risks during 2018; however, some positive macro indicators provided some assurance. Uncertainty in the global environment emanating from the ongoing geopolitical tensions, perturbing trade wars, unfavourable commodity prices, slowing demand, narrowed finances, and climate change disruptions have had some negative impacts on the Guyanese economy. Domestic industries in agriculture and manufacturing, which account for a fair share of the labour force, experienced some setbacks. Nevertheless, the economy saw favourable performances in the construction and services sectors. In addition, an improved fiscal balance, rather stable exchange rates, manageable debt levels, and profitable financial institutions have helped to build confidence, despite the edging political tension in the economy. However, major foreign exchange outflows, relatively large NPLs, high interest rate spreads, and fragilities in the international market remain major downside risks to domestic financial stability. The forecast for 2019 indicates expansions in all the economic sectors, and together with prudent fiscal and accommodative monetary policies should continue to help build financial sector resilience.

The global economy underwent intensified challenges during 2018 that resulted in lowered estimated growth of 3.7 percent from the previously projected 3.9 percent. Heightened geopolitical conflict, controversial trade policies, poor global demand, unfavourable commodity prices, fragile financial conditions, exchange rate pressures, and climate change disasters have weighed on potential growth prospects. Momentum in advanced economies decelerated as political and trade tensions were unresolved, and global trade plummeted. Although the dollar appreciated and fed rates increased in the United States, the US yields declined and productivity and consumer confidence sank. Performance weakened and risks were elevated in the Euro Area and UK with dismal outlooks, while Japan performed better than expected with positive growth despite the number of natural disasters and adverse trading environment. The emerging & developing economies had mixed outcomes, China growth slowed amid trade disputes with the US (its largest trading partner); while, growth in India was strong due to increasing private consumption. Economic activity in Latin America & the Caribbean appeared modest due to low demand, currency depreciations, and tight financial conditions. In addition, natural disasters (earthquakes, floods, droughts, etc.) around the world (specifically in Indonesia, Japan, India, and Nigeria) have exacerbated and disrupted the livelihood of many in 2018; thus,

affecting the rate of recovery of the global economy. The IMF WEO Report (January 2019) strongly advised against any further slowdown in the world economy by encouraging nations to find cooperative solutions that promote international trade and global economic integration, reinforce financial market sentiment, and reduce overall uncertainty; employ policies and reforms that are more growth inclusive to bolster and sustain economic activities; strengthen financial resilience against possibly higher market volatility; moderate the devastating effects of climate change on humanity and economic soundness; and exercise a good mix of fiscal and monetary policies that would respectively create good buffers and sustainable debt, and achieve growth and inflation targets.

The Guyanese economy saw increasing risks from an unsettling global atmosphere, stemming from the lack of trade confidence, sluggish global demand, vulnerable commodity prices, insecure global financial conditions, and risky international securities. Further, the US restrictions on Iran and the reduction in fuel supply by Venezuela had sent fuel prices soaring during the first half of 2018, which caused some upheavals in Guyana, but after some deliberations by policymakers, gas-oil was reduced by 1.8 percent in early July. Unfavourably, fuel prices remained high, and fuel being a major import

commodity and input for other products and processes, had negatively affected businesses' financial operations, consumers' spending brackets, and the country's balance of payments. Notwithstanding these downside risks and underperformances in a few major industries (gold, sugar, and rice), the economy recorded GDP growth of 4.1 percent. Output expanded in construction, wholesale & retail trade, transportation & storage, information & communication, financial & insurance activities, livestock, other crops, and other manufacturing. Fundamentally, the general increases in income/revenue, specifically for the business sector, had positively impacted the financial system, resulting in higher deposits at banks to make loans thus registering net profitability.

Urban inflation (year-to-date) was recorded at 1.6 percent end-Dec 2018, while the average rate for the year was 1.3 percent. Price increases were mainly in the categories and sub-categories of food and fuel, where fuel being a major input for other goods and services contributed to price surges in other items of the CPI basket. Essentially, appropriate price increases give indications to changes in revenue/income, which in turn can positively influence the asset value of households and businesses, their ability to service debt, and consequently the improvement of banks' asset quality and profitability.

The commercial banking industry recorded higher net profits and maintained capital reserves above the required amount end-2018. Loans to the private sector increased by 4.9 percent, of which 49.1 percent were loans to the economic sectors that grew by 5.2 percent. Adversely, the stock of NPLs increased by 2.0 percent; however, the ratio of NPLs to total loans declined to 11.9 percent. Households and agriculture NPLs declined, while services, manufacturing, and mining & quarrying worsened. However, households' NPLs still remain relatively high and should be under close surveillance.

Commercial banks average interest rate spread was lower at 8.99 percent end-Dec 2018 from 9.08 percent end-Dec 2017, due to reductions in both the weighted-

average lending rate to 10.03 percent and the average savings rate to 1.04 percent. Nevertheless, the spread remains high and investors are faced with small returns on savings (and smaller when measuring in real terms). In addition, high lending rates continue to discourage potential clients and viable investment opportunities, while existing borrowers are overwhelmed with high-cost burdens. Persistent high interest costs have led to some loans underperforming, especially during economic slowdowns where businesses may be cash-strapped, which eventually affect banks' profitability and their performance indicators. This calls for better assessment of the savings and lending rates with a long-term trajectory in improving not only profitability, but also including the robustness of the economy. In addition, healthy competition among banks need to be encouraged, as the market is fairly concentrated in this setting of an oligopolistic structure, and banks being price setters can manipulate the market to their best advantage.

The money market remained relatively stable in 2018, as transactions among banks and some favourable money indicators reflected a fairly liquid banking system. Interbank market activities recorded lower values and number of trades compared to last year, thus indicating no excessive funding or liquidity pressures in the financial market.

In addition, the Bank of Guyana continues to aptly manage excess liquidity in the system through open market operations and foreign exchange market interventions; at the same time, facilitating conditions for credit creation and economic growth. Total treasury bills transacted on behalf of the government registered a net-redemption of G\$8.0 billion. T-bills issued for sterilisation amounted to G\$28.6 billion, and for fiscal purposes were G\$48.9 billion end-Dec 2018. The 364-day rate increased by 0.02 percentage points, while the 182-day rate fell by 0.16 percentage points; however, the 91-day rate remained stable at 1.54 percent.

Macroeconomic indicators such as the external balance, foreign reserves, exchange rate, fiscal balance, and external & domestic debt levels, in Table

XXXIV, are important indicators that may signal vulnerabilities to the country's financial system soundness.

The external sector recorded a larger balance of payments deficit and represented 3.4 percent of GDP. This was mainly due to greater expenditures on imports of goods & services, while exports of goods & services declined. Disappointingly, the increase in trade prices for gold and rice did not result in a similar expansion in earnings; this was probably due to uncompetitive prices and/or low demand for the product(s). On the upside, the capital account registered a higher surplus due to increased FDIs. To note, small open economies, like Guyana, would incur larger import bill than export bill; but, the problem lies where the level of imports (particularly for consumption and intermediate goods) are not consistent with the country's level of development and standard of living, and also the issue of decelerating exports. This gives indication of high income inequality and 'spending more than earnings' concept, where more is spent on less lucrative/non-essential goods & services (with fewer turnover opportunities) relative to what is locally produced and exported; hence, enlarging the debt burden. However, increasing imports of capital goods (which grew by 12.0 percent) can signal growing business ventures and social infrastructure developments.

The external account is also an imperative variable to the stock of foreign reserves and the exchange rate, and requires thorough attention. Gross international reserves at the Bank declined in 2018. It was 9.5 percent lower than 2017 and represented 2.6 months of import cover end-Dec 2018. The average declines during the year were largely due to increased payments for high fuel costs, and reductions in foreign receipts by Guyana Gold Board (GGB) and Guyana Sugar Corporation (GUYSUCO). Furthermore, in keeping with the Bank's foreign assets management mandate (Bank of Guyana Act 1998, Section 22), the Bank was a net buyer of foreign currencies, not only to fulfil foreign reserves requirements, but to facilitate the operations of Government's payouts and external

debt obligations; and importantly, moderating risks to the exchange rate and liquidity level.

Guyana's foreign exchange market registered an increase in the volume of foreign exchange transactions by 24.6 percent to US\$8,563 million, which amounted to US\$146 million in net-purchases of foreign currencies. Commercial banks accounted for approximately 43.4 percent of total purchases and 44.6 percent of total sales. The market FX mid-rate depreciated marginally by 0.28 percent to G\$213.16/US\$ from Dec-2017, while the Bank of Guyana's mid-rate depreciated by 0.97 percent to G\$208.50/US\$. Moreover, the relatively sound Forex environment had helped to foster financial system stability and some confidence in the economy during the year.

The fiscal balance recorded a reduced deficit and was 3.4 percent of GDP, due to lower disbursements for capital spending by 6.0 percent. Capital projects, known to vastly contribute to the country's structural and social development, reduced in the areas of construction, agriculture, environment & pure water, education, and public safety. Favourably, current revenue grew by 11.1 percent on account of increased collections of VAT & excise taxes, personal & corporation income taxes, and trade taxes, which have helped to some degree to cushion some expenditure activities. Although the fiscal deficit declined, central government operational spending needs to be carefully managed, while capital spending should be geared towards social infrastructural development, so as to complement advancements in the various economic sectors and to improve people's wellbeing.

Guyana's total debt stock as a percent of GDP decreased to 43.9 percent end-Dec 2018. Domestic debt stock to GDP decreased to approximately 10.0 percent due to lower issuance of government securities, and external debt to GDP decreased to approximately 33.9 percent on account of the growth in GDP that overshadowed the increases in external disbursements. The solvency indicators for both domestic and external debts, respectively, remained below the 25 percent and 40 percent debt sustainability

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thresholds for medium policy income countries. Moreover, liquidity indicators namely total debt service as a percent of GDP, external debt service as a percent of exports of goods & non-factor services, and domestic debt service as a percent of government revenue, were also lower than the pre-defined thresholds. Overall debt remains at a manageable level, which implies greater fiscal space for taking on additional debt, particularly domestic debt, to facilitate developmental projects and the country's standard of living.

Increased risks to the domestic economy have raised some concerns and would require structural adjustments (particularly to the traditional sectors) combined with complementing policies to promote desired/potential growth. To emphasize, vulnerabilities in the traditional sectors still remain, as possible underperformance of mining, rice production & manufacturing, construction, and wholesale & retail trade, can significantly slow GDP growth, export earnings, foreign reserves, and increase debt burdens. Deficiencies in these sectors/sub-sectors would

eventually affect households' and businesses' abilities to pay their loans, hence affecting the overall performance of the financial system. Efforts to vigorously address structural constraints and activate workable solutions are pertinent and urgent, so as to enhance and broaden growth prospects and ultimately generate efficient and aggressive growth sectors, amplify effective employment, spur competitiveness and export revenue, and to burgeon the domestic financial system.

Domestic outlook for 2019 suggest favourable outcomes, with projected growth in all of the economic sectors. Inflation is estimated to increase, but at low single-digits, and macroeconomic policies should be aligned to promote sustainable debt, stable money, and sound financial market outcomes. Altogether and robustly addressing the constraints should help to strengthen the financial system and moderate vulnerabilities to the domestic economy.



Table XXXIV

| PRUDENTIAL INDICATORS' VULNERABILITY SIGNAL                      |        |        |        |        |        |           |                       |            |            |            |            |
|--|--------|--------|--------|--------|--------|-----------|-----------------------|------------|------------|------------|------------|
|  |        |        |        |        |        |           | Vulnerability Signals |            |            |            |            |
|  | Dec-14 | Dec-15 | Dec-16 | Dec-17 | Dec-18 | Threshold | Dec-14                | Dec-15     | Dec-16     | Dec-17     | Dec-18     |
| <b>Money, Credit and Interest Rates</b>                          |        |        |        |        |        |           |                       |            |            |            |            |
| Velocity of Money  | 1.91   | 1.96   | 2.06   | 1.99   | 2.03   | 2.0       | 1                     | 1          | 0          | 0          | 0          |
| Total Deposits % of GDP  | 53.4   | 54.0   | 51.7   | 50.2   | 49.5   | 45.0      | 0                     | 0          | 0          | 0          | 0          |
| M2 % of Net International Reserves                               | 244.8  | 272.4  | 284.9  | 304.5  | 338.5  | 190.0     | 1                     | 1          | 1          | 1          | 1          |
| Weighted Avg. Lending Rate - Small Savings Rate                  | 9.6    | 9.3    | 9.2    | 9.1    | 9.0    | 7.0       | 1                     | 1          | 1          | 1          | 1          |
|  |        |        |        |        |        |           | <b>Sub Total</b>      | <b>3.0</b> | <b>3.0</b> | <b>2.0</b> | <b>2.0</b> |
| <b>Banking &amp; Household Debt</b>                              |        |        |        |        |        |           |                       |            |            |            |            |
| Total Loans to Total Deposits                                    | 60.0   | 60.2   | 58.5   | 60.9   | 58.7   | 70.0      | 0                     | 0          | 0          | 0          | 0          |
| Net Private Sector Credit % of GDP                               | 31.8   | 32.5   | 30.3   | 30.5   | 29.0   | 45.0      | 0                     | 0          | 0          | 0          | 0          |
| Bank Capital % of Total Assets                                   | 12.6   | 13.3   | 13.4   | 14.6   | 14.8   | 8.0       | 0                     | 0          | 0          | 0          | 0          |
| Comm. Banks' Credit to Households % of GDP <sup>1</sup>          | 14.1   | 15.2   | 14.5   | 14.8   | 14.2   | 17.0      | 0                     | 0          | 0          | 0          | 0          |
| Loans to Economic Sectors % of Private Sector Loans <sup>2</sup> | 53.7   | 51.2   | 49.8   | 49.0   | 49.1   | 65.0      | 0                     | 0          | 0          | 0          | 0          |
|  |        |        |        |        |        |           | <b>Sub Total</b>      | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |
| <b>Public Sector</b>   |        |        |        |        |        |           |                       |            |            |            |            |
| Fiscal Deficit/Suplus % GDP                                      | -5.5   | -1.4   | -4.4   | -4.5   | -3.4   | -4.5      | 1                     | 0          | 0          | 0          | 0          |
| Domestic Debt Stock % of GDP                                     | 12.3   | 12.4   | 12.5   | 12.1   | 10.0   | 25.0      | 0                     | 0          | 0          | 0          | 0          |
| External Debt Stock % of GDP                                     | 39.5   | 35.8   | 33.2   | 34.9   | 33.9   | 40.0      | 0                     | 0          | 0          | 0          | 0          |
|  |        |        |        |        |        |           | <b>Sub Total</b>      | <b>1.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |
| <b>External Account</b>  |        |        |        |        |        |           |                       |            |            |            |            |
| Trade Balance % of GDP   | -20.3  | -10.6  | -0.9   | -5.4   | -11.6  | -20.0     | 0                     | 0          | 0          | 0          | 0          |
| Current Account Balance % of GDP                                 | -12.5  | -5.5   | -0.4   | -7.9   | -17.5  | -10.0     | 1                     | 0          | 0          | 0          | 1          |
| Import Cover (months)  | 3.5    | 3.7    | 3.6    | 3.1    | 2.6    | 4.0       | 1                     | 1          | 1          | 1          | 1          |
| BOG Exchange Rate (Period Average)                               | 206.5  | 206.5  | 206.5  | 206.5  | 208.5  |           |                       |            |            |            |            |
|  |        |        |        |        |        |           | <b>Sub Total</b>      | <b>2.0</b> | <b>1.0</b> | <b>1.0</b> | <b>2.0</b> |
| <b>Real Sector</b>   |        |        |        |        |        |           |                       |            |            |            |            |
| Real GDP Growth Rate   | 3.9    | 3.1    | 3.4    | 2.1    | 4.1    | 4.5       | 1                     | 1          | 1          | 1          | 1          |
| Inflation Rate   | 1.2    | -1.8   | 1.4    | 1.5    | 1.6    | 3.5       | 0                     | 0          | 0          | 0          | 0          |
|  |        |        |        |        |        |           | <b>Sub Total</b>      | <b>1.0</b> | <b>1.0</b> | <b>1.0</b> | <b>1.0</b> |
|  |        |        |        |        |        |           | <b>TOTAL</b>          | <b>7.0</b> | <b>5.0</b> | <b>4.0</b> | <b>5.0</b> |

Source : Bank of Guyana

Disclaimer: Please note that the "Threshold" levels provided are not all official international benchmarks. Some of the thresholds were computed (by the Bank of Guyana) based on the indicator's safe level(s) for the Guyanese economy.

<sup>1</sup> Household Credit provided by Commercial Banks includes general purpose loans (vehicle, travel, education, etc.), credit cards, and real estate (private dwellings) mortgages.

<sup>2</sup> Loans to Economic Sectors are commercial banks' loans (private component) to the agriculture, mining, manufacturing and services sectors.

'1' rep. exceeding the safety range

'0' rep. rather stable condition



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## 6. INSURANCE SECTOR REVIEW

The insurance sector which comprises long-term insurance and general insurance, accounted for 7.8 percent of total financial assets and 29 percent of non-bank assets as at December 31, 2018. The sector was adequately capitalised as both the long term and general insurance sectors' assets exceeded their respective solvency requirements in keeping with the Insurance Act 2016. The insurance sector's assets accounted for 9.4 percent of the country's GDP. The long-term and general insurance sectors' assets exceeded liabilities by 70.9 percent and 174.5 percent, respectively. The sector experienced decreases in both its penetration and density in the domestic market when compared with the previous year. The average per capita spending on insurance has reduced which indicates that there has been a decrease in the density of insurance products in the market. The sector's penetration into the domestic market has also seen a decline as its total gross written premium now represents 1.6 percent (Dec 2017 – 1.8 percent) of the economy's GDP. Reinsurance for the long-term insurance sector increased marginally to 8.4 percent, indicating that more risks were transferred to reinsurers. In contrast, reinsurance for the general insurance sector decreased to 22.4 percent from 22.5 percent. Potential risks stirring from the volatile global conditions were prudently managed and had no major adverse effect on the industry.

### CAPITAL TO TOTAL ASSETS

Capital to total assets ratio for the long-term and general insurance sectors stood at 41.5 percent and 65.8 percent relative to 25 percent and 58.3 percent respectively in 2017. The increases by both sectors reflects an improvement in the sectors' ability to meet their financial obligations when compared with how much financial risks they have acquired.

### NET PREMIUMS TO CAPITAL

The long-term insurance sector's net premiums to capital ratio decreased as at end-December 2018 to 20.5 percent from 52.2 percent, while the general insurance sector decreased to 37.5 percent from 48.2 percent. The reduced ratios by both sectors indicates that companies in the industry were unable to maximise their full potential.

### INVESTMENT ASSETS TO TOTAL ASSETS

The industry's investment assets portfolio was seen as fairly stable. The ratio of investment assets to total assets for the long-term and general sectors were 62.9 percent and 52.9 percent at end 2018 when compared with the previous year's 86.3 percent and 63.6 percent respectively. Both sectors continues to benefit from

investment income generated from the holding of large investment asset portfolio. The sectors' investments were mainly in the form of cash, fixed interest securities and equities.

### REINSURANCE

This ratio measures the risk transferred from the insurer to the reinsurer. It was observed that most companies in the sector have policies in place to ensure that risks are ceded to top-rated and credit worthy reinsurers. The financial strength of each reinsurer is monitored on an annual basis.

The cession rates are varied depending on the level of risks arising from exposures estimated by various companies. Reinsurance risks were only ceded for Class 1 (General Life) business for the long-term insurance sector while for the general insurance sector, these risks were ceded for all classes of business. Cession rates, which measure the risks ceded to reinsurance, increased to 8.4 percent for the long-term insurance category and decreased to 22.4 percent for the general insurance category, when compared to the respective 6.7 percent and 22.5 percent ceded in the previous year.

The increased cession rate by the long-term sector indicated that companies in this sector were

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transferring an increased portion of risk in relation to any potential claims incurred.

## **ACTUARIAL LIABILITIES**

Net technical provision to average of net written premium in the last three years for the long-term sector was 559.2 percent, an increase of 86.3 percentage points from 472.9 percent at end 2017. This ratio implies that the long-term sector's actuarial liabilities were approximately 5.5 times its average triennial net written premiums. This suggests that the sector would be required to increase its annual premiums by approximately five times in order to adequately meet these liabilities solely from its net written premium. However, the actuarial liabilities represent amounts accumulated over time and as such the company would have accumulated reserves to meet these liabilities.

## **COMBINED RATIO (CLAIMS + EXPENSE RATIOS)**

The combined ratio for the long-term insurance sector decreased to 44.1 percent from 71.1 percent at end-December 2017. In contrast the general insurance sector ratio increased to 82.4 percent from 77.9 percent. The drop in the ratio by the long-term insurance sector resulted from combined decreases in claims and underwriting expenses while the increased ratio of the general insurance sector resulted from an increase in claim expenses. The reduced combined ratio by the long-term sector implies that the sector generated improved underwriting profit, thus signalling better underwriting performance of the companies in this sector.

## **RETURN ON ASSETS**

Returns on assets were 6.2 percent and 3.2 percent respectively for the long-term and general insurance sectors. Comparatively for December 2017, these were 5.9 percent and 6.2 percent, respectively. The increased ratio by the long-term sector indicated that the companies in this sector were more efficient in

utilizing their income generating assets, which can also be attributed to the increase in the sector's underwriting performance.

## **RETURN ON EQUITY**

Returns on Equity were 14.9 percent and 4.8 percent respectively for the long-term and general insurance sectors. Comparatively for December 2017, they were 23.6 percent and 10.6 percent respectively. The decrease ratio by the general insurance sector resulted from a reduced after tax net profit by companies in this sector. On the contrary, the decrease by the long-term sector resulted mainly from the sector's weighty increase in capital in comparison to the increase in after tax net profits.

## **INVESTMENT INCOME TO AVERAGE INVESTED ASSETS**

The ratios of investment income to average invested assets for the long-term sector decreased to 2.4 percent when compared with 3 percent the previous year. Similarly, the general insurance sector's ratio declined to 2.0 percent from 2.8 percent the previous year. The reduction by both sectors resulted mainly from a reduction in investment income generated from the sector's investment assets.

## **LIQUIDITY**

The industry's liquid assets to current liabilities ratios for the long-term and general insurance sectors were 488.6 percent and 295.2 percent at end-December 2017 when compared with the previous year's 513.1 percent and 326.8 percent respectively. The high liquidity levels reflect the sectors' ability to meet their current financial obligations from the available liquid assets.


## **OUTLOOK & THE WAY FORWARD**

Although the concentration of assets was centered around only few companies, the insurance sector is solvent and stable. There is a general confidence

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within the insurance industry of continued stability spurring industry growth with moderate risk exposures that may not have any major destabilising impact on industry's performance. The systemic failures by CLICO have reinforced the need for enhanced regulation in the insurance sector. The Insurance Act 2016 and its attendant regulations officially commenced on the 16 and 17 April 2018. Supervisory Guidelines, namely Guide to Intervention and Investment Guidelines dated 23 May 2018 were also issued under the new Insurance Act. The sector is in a transitionary stage of adaption to the new regulatory regime, which is expected to lead to improved resilience in the sector to withstand adverse shocks.

This in turn will serve to strengthen the sector's financial stability.

There will be continued dialogue with participants of the insurance sector to ensure that they are aware of the requirements of the new regulatory regime, while seeking to enhance inclusion, penetration and overall profitability. The road ahead is full of opportunities that the industry should exploit. 

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## 7. PENSION SECTOR REVIEW

The private pension sector continued to experience consistent growth while maintaining its prominence as an institutional investor with a relatively low penetration rate and impact to systemic risk. In 2018, total assets in the sector increased and accounted for 8.0 percent of GDP, 6.5 percent of the total financial sector's assets and 24.1 percent of those of the NBFIs. High liquidity levels, which was almost 35 percent of total pension assets continued to surpass the long-term nature of pension liabilities. Defined Benefit (DB) plans were sensitive to market risk due to significant asset exposure in capital uncertain investments, particularly in equities. On the other hand, Defined Contribution (DC) plans were exposed to the Deposit Administration Contracts (DACs) offered by the life insurance companies. Further, 22 percent of pension assets were exposed to foreign market risk, however these investments were below the 30 percent statutory threshold. Additionally, though pension funds benefited from positive real net investment returns (1.5 percent), the rate was subdued mainly due to the impact of inflation, limited investment opportunities and the fees charged to pension funds. Regardless, the sector's exposure to credit risk remained insignificant. Sector coverage also increased marginally to 5.7 percent due to an overall growth in pension schemes' membership to 17,089 participants at the end of 2018. Notwithstanding, pension plans experienced sufficient solvency levels with an average of 147.6 percent recorded for the sector, which indicated that total pension obligations were fully backed by total assets to meet promised benefits with a corresponding asset reserve of more than 40 percent.

### SYSTEMIC RISK

The assets of the private pension sector continued to exhibit positive growth, however, the sector's relationship to systemic risk remained diminutive. At the end of 2018, pension assets represented 8.0 percent of gross domestic product, an increase when compared to 7.2 percent in 2017. Similarly, the sector remained an important institutional investor as reflected in the respective increases in the share of pension assets to total financial assets and NBFIs, 6.5 percent from 5.7 percent and 24.1 percent from 22.1 percent respectively in 2017.

### FUNDING RISK

The principal risk of pension plans is its ability to meet pensionable obligations from total assets. This risk is particularly important to DB pension plans since DC pension plans by nature are fully funded. In 2018, the estimated solvency level of reporting plans improved with an overall ratio of 147.6 percent compared to 132.2 percent in 2017. This indicated that total pension obligations were fully backed by total assets to meet

promised benefits with a corresponding asset reserve of more than 40 percent. Similarly, the average funding level of DB plans improved to 158 percent despite there being some DB plans in an actuarial deficit at the end of the same period.

### LIQUIDITY RISK

At the end of 2018, the sector's liquid assets with maturities less than one year represented 34.8 percent of total pension assets. The latter reflected an increase from 32.1 percent in 2017 with the value of liquid assets at the end of the current period exceeding the pension related payments projected for the next three months by an estimate of 30 times over. Pension liabilities have an inherently long-term nature and therefore, the December 2018 liquidity level was considered a mismatch with the corresponding long-term nature of the sector's accumulated liabilities.

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## MARKET RISK

### Asset Allocation

Market risk arises from pension funds' investments in capital uncertain assets. There were no significant changes in the exposure of pension funds' investments to various asset classes. At the end of 2018, the percentage of pension assets invested in treasury bills and real estate remained unchanged at 2 percent while loans stood at 1 percent. Whereas, the percentage of investments held in time and savings deposits, bonds (private and government), and DACs, offered directly by insurance companies respectively contracted to 24 percent, 16 percent and 15 percent. On the other hand, other investments, largely inclusive of mutual funds and equities, which represented the highest investment exposure of which both categories increased from the previous year and accounted for 4 percent and 36 percent of total pension assets respectively.

### DB & DC Investments

DB pension plans were sensitive to market risk emanating from investments mainly held in equities, bonds and real estate. In aggregate, these investments accounted for 60 percent of DB assets of which 40 percent represented DB investments in equities alone. On the contrary, DC pension investments were largely exposed to the life insurance companies through insured investment arrangements under DACs. The DACs represented approximately 85 percent of DC assets at the end of the year.

### Foreign Exposure of Pension Assets

Pension funds' foreign exposure, these being solely investments, accounted for approximately \$14 billion or 22 percent of total pension assets at the end of 2018. In particular, pension funds' foreign investments were mainly exposed to overseas bond markets and other fixed interest securities – 61 percent, equities – 16 percent, time and savings deposits – 10 percent and mutual fund investments – 10 percent.

## INFLATION RISK

Inflation risk is especially applicable to pension funds when there is volatile domestic inflation that negatively impacts real interest earnings. At the close of 2018, 41 percent of the sector's assets were exposed to domestic inflation volatility, a 9 percent decrease when compared with 50 percent in 2017. Conversely, pension funds did not benefit from this out-turn since real net investment returns decreased to 1.5 percent from a revised 3.0 percent in the corresponding year.

## CREDIT RISK

The sector's credit risk exposure arising from monies owed to pension funds was insignificant at the end of 2018. Accounts receivable as a ratio of total assets remained comparably low and stable at 1.6 percent. Further, the exposure to DB and DC pension plans was also insignificant with both recording ratios below 5 percent at the end of 2018. In addition, credit risk exposure may also arise as a result of companies issuing corporate bonds becoming insolvent and unable to fully meet debt obligations. In this regard, the credit risk exposure deriving from the sector's investment portfolio in private bonds to total bonds was particularly high at 78 percent. However, the measurable impact on pension funds in the sector remained low with only 13 percent of the sectors' assets invested in corporate bonds at the end of 2018.

## QUALITY OF MANAGEMENT

The quality of management is an expression of the sector's coverage, that is, the number of individuals who benefit directly from contributing to a pension plan. At the end of 2018, the sector continued to be constrained by limited coverage. Approximately 6 percent of the estimated labour force contributed to a private pension plan and for every covered individual, approximately \$3.8 million of pension assets was under management. On the other hand, payments with respect to early withdrawals declined to 41.7 percent of total benefit payments at the end of the year from 49.9 percent in 2017. Despite the decreased level, the high rate of early withdrawals

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persisted. This is directly as a result of long vesting periods and lack of locking-in provisions in the rules of pension plans, which allow the premature withdrawal of pension benefits and in turn, a negative impact on the coverage of the sector.

## **THE WAY FORWARD**

For 2019, it is expected that the sector will continue to grow consistently. It is envisaged that better organised and well managed pension plans with appropriate governance structures will propel the sector forward and increase its prominence among institutional investors. Additionally, conducive capital market outcomes, especially positive changes in stock market prices and low domestic inflation volatility will

significantly benefit pension funds' real interest earnings from investments. Nonetheless, the sector will continue to experience returns that are reflective of the investment climate and those particularly accessible to pension funds domestically. Finally, enhanced regulatory monitoring is expected on DB pension funds' actuarial risk. There will also be enhanced monitoring of pension schemes' governance risk. The on-going industry consultations on a new draft of the Private Pensions Act will continue into 2019. This will be coupled with appropriate training of trustees and a national pension awareness program to assist members of the public with their immediate and long-term pension literacy, which is aimed to build trust and improve public confidence in the industry. ☐



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## 8. PAYMENTS SYSTEM REVIEW

The Bank of Guyana (BoG) received support from the World Bank to the tune of US\$6 million to modernize Guyana's Payment System infrastructure. This entailed implementing a new Payments System Act with supporting regulations and modernization of the Payment System infrastructure. The latter include the implementation of a RTGS and a CSD systems. The modernization efforts from paper-based instruments to electronic payments will result in significant cost savings and efficiency improvements while reducing operational, credit, legal, liquidity investment and custody risks.

The Project Implementation Unit (PIU) has been functioning and continues to execute its mandate since it was formed in fiscal year 2017 to implement the project which had a shelf life of four years (2017–2021). The project has three main components:

### Component 1

Developing the Payment System Infrastructure (US\$4.30 million). This component will finance the hardware and software for the RTGS and CSD to be operated by the BoG.

### Component 2

Capacity Building of the Bank (US\$1.38 million). This component will focus on the capacity building of BoG staff in the specific technical areas required for the ongoing operations and management of the Information Systems.

### Component 3

Project Implementation Unit (US\$0.32 million). This sum supports the implementation agency to execute the project.

During 2018, the project progressed well in line with its scheduled Work Plan. Its major accomplishment was the finalization of the National Payments System Act 2018 which was assented to by the President in August 2018. Four (4) supporting regulations on Agents, Electronic Funds Transfer, Electronic Money and Oversight are at the draft stage of development.

Work also commenced on procurement activities relating to the hiring of a Procurement and Implementation Consultant and a Vendor for the supply and implementation of the RTGS and CSD systems. Additionally, the required fibre optic interconnectivity activity for networking is well under way. The Oversight functions with respect to the Oversight Payments Unit within the Bank of Guyana along with the Council for guidance are at the initial stage of development.

During the planning and procurement phase of the project, which occurred in 2018, the Bank of Guyana continued to monitor the payment services that currently exist within the system.

Meanwhile, the Bank of Guyana continues to monitor payment services. The number of Mobile Money accounts at the end of December 2018 increased by 6.8 percent from 37,157 (19,814 inactive and 17,343 active) to 39,666 (30,253 inactive and 9,413 active) while the value of payments increased by 19.0 percent from G\$379.3 million to G\$449.7 million for the same period. The number of merchants accepting mobile money payments also increased from 42 (33 inactive and 9 active) to 61 (53 inactive and 8 active). MMG's e-wallet increased from \$175 million in December 2017 to \$225 million in February 2018. The use of the electronic switch continued in 2018. The value of transactions settled through the switch increased from G\$1,355 million at the end of 2017 to G\$1,687 million at the end of 2018. □

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# III

## INTERNATIONAL ECONOMIC AND MONETARY DEVELOPMENTS

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### The World Economy

**G**lobal economic growth remained steady at 3.7 percent in 2018 and is projected to decline to 3.5 percent in 2019. Growth in advanced economies declined, reflecting weaker performance in the Euro Area and the UK. The Euro Area experienced reduced domestic demand and political uncertainty. The United Kingdom experienced declining growth as the effects of Brexit continue to take a toll on the economy. Emerging and developing economies' growth declined due to decreased internal demand and volatile commodity markets, respectively. Inflation increased on account of high food and energy prices while unemployment rates were largely unchanged in most of the world economies.

### ADVANCED ECONOMIES

#### Growth

Growth in the advanced economies moved downward to 2.3 percent, a slight decrease from the 2.4 percent recorded in 2017. The decline in growth mostly reflected weakened domestic demand amid diminished political risk and policy uncertainty. The US economy expanded by 2.9 percent stemming from private sector activity buoyed by a sizable fiscal stimulus. The Euro Area experienced a decline in growth of 1.8 percent. Higher energy imports dampened demand in energy importers, while some countries were also affected by political uncertainty and industrial actions. Within the Euro Area, Spain experienced a decline from 3.0 percent in 2017 to 2.5 percent in 2018 while growth in Germany was 1.5 percent from 2.5 percent in 2017. France also grew by 1.5 percent.

Growth in the UK decreased to 1.4 percent from 1.8 percent in 2017 partly because of weather-related disruptions in the first quarter and BREXIT-related forces. Canada's economy grew by 2.1 percent while Japan's growth of 0.9 percent was driven by

unfavorable demographics and a trend decline in the labor force. In most of the other advanced economies, the pace of economic activity has been stable.

#### Inflation

In advanced economies, inflation increased from 1.7 percent in 2017 to 2.0 percent in 2018, reflecting the continued cyclical recovery in demand as well as the impact of currency depreciations and rising energy prices. The US inflation rate was 2.3 percent while that of the Euro Area was 1.7 percent. Headline inflation in Japan also increased to 1.7 percent while both the UK and Canada recorded inflation rates of 2.1 percent.

#### Employment

Employment improved in most developed countries. There was development in the US job market as unemployment declined to 3.5 percent, driven by the continued upward trend in professional and business services, manufacturing and health care. Spain's unemployment rate remained high at 14.7 percent. Unemployment in the Euro Area stood at 8.0 percent, slightly lower than the previous year. Unemployment

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in Canada was 6.2 percent while that of the UK was 4.2 percent. Japan remained at 2.9 percent.

## **Monetary and Exchange Rates**

Developed countries continue to experience supportive monetary policy to promote growth. The US Federal Reserve increased its Federal Fund Rate from 1.25 percent in 2017 to 2.25 percent in 2018. The European Central Bank cut its main interest rate to zero from 0.05 percent as part of stimulus measures intended to boost lending, consumption and to ensure the continued sustained convergence of inflation. The Bank of England rate increased to 0.75 percent from 0.50 percent one year earlier.

The US dollar strengthened against the world major currencies during the year. The dollar was US\$1.14 vis-à-vis the Euro while the Pound Sterling weakened against the dollar to US\$1.26. The Japanese Yen decreased to ¥113.20 against the dollar.

## **EMERGING ECONOMIES**

### **Growth**

The growth rate for emerging economies declined to 4.6 percent in 2018. In India, growth spiked to 7.3 percent reflecting strengthened investment and robust private consumption. China's economic growth was 6.6 percent on account of slowing external demand and financial regulatory tightening. Mexico's growth remained steady at 2.1 percent. Russia's growth of 1.7 percent reflected the increase in oil prices and recovering domestic demand. In Brazil, growth was 1.3 percent driven by a recovery of private demand.

### **Inflation**

Inflationary rates increased in emerging economies to 4.9 percent in 2018 from 4.3 percent in 2017. Russia's inflation accelerated to 5.7 percent, reflecting moderately tight monetary policy. Inflation accelerated in Brazil to 4.2 percent in 2018 as monetary policy remained supportive and food price

inflation rebounded. Inflation in China picked up at 2.3 percent, driven by higher food and energy prices.

## **Employment**

Unemployment levels relatively improved in most emerging economies. Brazil's unemployment rate decreased to 10.7 percent from 12.8 percent in 2017. Russia's unemployment rate declined to 5.3 percent. India's unemployment hovered around 5.3 percent while that of China was 4.0 percent.

## **DEVELOPING COUNTRIES**

### **Growth**

Growth in developing countries declined to 4.6 percent in 2018. Economic growth in Sub-Saharan Africa remained steady at 2.9 percent in 2018. Nigeria's growth reached 1.9 percent buoyed by the impact of recovering oil production and prices. In South Africa, growth subdued at 0.8 percent in 2018 due to heightened political uncertainty that sapped consumer and business confidence.

Asia has grown by a steady 6.5 percent. In Latin America and the Caribbean, growth declined to 1.1 percent from 1.3 percent in 2017 as a result of escalating trade tensions, tighter financial conditions and volatile commodity markets. Although growth held up well in Central America, domestic demand continues to underperform in the Caribbean.

### **Inflation**

Inflation in developing economies (excluding Venezuela) increased in 2018 to 4.9 percent. The Sub-Saharan African Region's inflation stood at 9.7 percent. Headline inflation in South Africa hovered around 5.3 percent in 2018. The Latin American and Caribbean Region's inflation level was 4.9 percent while inflation in the Asian region averaged 3.2 percent.

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## Employment

Unemployment remained high in developing countries. Diminished foreign investment impacted negatively on the labour market. New jobs in the manufacturing and services sectors were stymied by a decline in international trade and impending protectionist policies. Unemployment hovered around 9.4 percent in Latin America and the Caribbean.

## CARIBBEAN ECONOMIES

### Growth

Growth in the Caribbean region continued to escalate although recovery was uneven. Rising tourism demand triggered an acceleration in growth to 3.7 percent in 2018. St. Kitts & Nevis' growth accelerated to 3.5 percent while that of Antigua & Barbuda hovered around 3.0 percent. Guyana's growth was 4.1 percent. The economies of Suriname and Jamaica experienced growths of 2.2 percent and 1.5 percent respectively. Trinidad and Tobago's growth rate increased to 0.9 percent while Barbados' growth contracted to 0.1 percent. High debt and large negative fiscal balances continue to present major downside risk to most Caribbean economies.

### Inflation

Inflation in most Caribbean economies rose in 2018. The inflation rates in Jamaica and Trinidad and Tobago were 5.0 percent and 3.1 percent on account of moderate increase in food and fuel prices. Guyana and Barbados's inflation rates were 1.6 percent and 1.4 percent respectively from 1.5 percent and 4.4 percent in 2017.

### Employment

The labour market in the Caribbean continued to be weak due to slow FDI flows. The unemployment rate in Guyana hovered around 12.0 percent while that of Jamaica was 11.0 percent. Barbados's unemployment rate was 10.6 percent compared to Trinidad & Tobago's at 4.9 percent.

## Exchange Rates

Barbados, Belize and ECCU continued their policy of fixed exchange rates vis-à-vis the US dollar. The Guyana dollar depreciated to G\$208.50 against the US dollar. The Jamaican dollar hovered around J\$128.58 to the US dollar while the Trinidad & Tobago dollar was under extreme pressure at TT\$6.74 vis-à-vis the US dollar.

## Commodity Markets

Prices of industrial commodities continued to strengthen while most agricultural prices remain broadly stable. Sugar prices averaged around US\$0.27 per kilogram while the price of rice stood at US\$420.18 per metric tonne. Gold prices hovered around US\$1,259.94 per ounce while oil prices increased to US\$72.40 per barrel at the end of 2018.

## Outlook for 2019

Global growth in 2019 is projected to decline to 3.5 percent, partly because of the negative effects of tariff increases enacted in the US and China. Growth in advanced economies is expected to decline to 2.3 percent. Additionally, economic expansion in emerging markets and developing economies is anticipated to hold steadfast in 2019 at 4.5 percent. Latin America and the Caribbean is expecting growth of 2.0 percent in 2019. The anticipated recovery in the region will be supported by improved demand from external trading partners and accommodative financial conditions on account of a less volatile international financial market and resilient capital inflows. In the Caribbean, overall growth projections for 2019 shows an expansion to 2.0 percent. □

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## IV

### MONETARY POLICY AND BANK ACTIVITIES

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The conduct of monetary policy remained focused on price stability, ensuring an adequate level of liquidity in the banking system and creating an enabling environment for credit and economic growth. Bank of Guyana utilised the issuance of treasury bills and foreign exchange intervention as the variable tools of monetary policy, while the reserve requirement ratio remained fixed at 12.0 percent and the discount rate was unchanged at 5.0 percent. At the end of December 2018, there was a net redemption of G\$56.9 billion in government treasury bills issued for monetary purpose, while the Bank transacted net-purchases in foreign currencies of US\$178.2 million. In addition, the Bank facilitated efficient intermediation through the issuance of notes and coins as well as promotion of an enhanced payment system operation.

#### MONETARY POLICY

Monetary policy recommendations were determined within the framework of monetary programming and the evolving circumstances impinging on inflation expectance, liquidity condition, and macroeconomic stability. The Bank's principal instrument of monetary control continued to be the auction of treasury bills at the primary market level, and to a lesser extent, foreign exchange intervention. However, the transmission mechanism of the reserve requirement ratio (RRR) and the discount rate is minimal or none at all, since the market is rather liquid and commercial banks rarely need to borrow.

#### MONETARY PROGRAMMING

In principle, monetary programming allowed the Bank to set a targeted path for the growth of broad money, consistent with economic growth and inflation. Its foundation rested on the observation that the Bank controls the supply of reserve or base money, which comprises currency in circulation and commercial banks' reserves at the Bank. The underlying assumption for the effective operation of the reserve money programme is the long term stability of the money multiplier, which is defined as the relationship between reserve money and broad money supply.

Reserve money is influenced mainly by the operations of the Bank. Changes in the Bank's net foreign assets

and net domestic assets (which are largely affected by the operations of the central government) impact on the level of reserve money. The Bank's intervention in the foreign exchange market will affect the liquidity condition in the system when it buys or sells foreign currency. Since the counterparties to the Bank's foreign currency transactions are the commercial banks, the transactions affect the net foreign assets and the net domestic assets of the commercial banks.

A sale of foreign currency by the Bank will increase the net foreign assets and reduce the net domestic assets of the commercial banks and vice versa. On the Bank's balance sheet a sale of foreign currency will reduce its net foreign assets as well as its liabilities to commercial banks as well as reserve money. On the other hand, a purchase of foreign currency by the Bank will increase its net foreign assets as well as reserve money.

The operations of the government will either add or withdraw liquidity from the system. An increase in net credit to the government, which will increase the net domestic assets of the Bank, results in an increase in reserve money. This usually occurs through a relative increase in expenditure compared with the increase in revenue. The net deposits of the central government are therefore affected.

During the review period, weekly forecasts of the Bank's balance sheet were produced based on

estimated liquid reserve positions of the commercial banks and the public. These forecasts were compared with the weekly targeted monetary growth which was consistent with the set nominal output objective. The deviations established by this comparison indicated the baseline scenario level of the open market operation necessary to bring the forecasted money supply in line with its targeted annual growth. The actual weekly intervention was determined by the Open Market Operation Committee (OMOC) on the baseline scenario and prevailing developments.

The OMOC adopted a consultative approach during the review period by liaising closely with agencies which impacted directly on liquidity in the financial sector. Additionally, other information such as the state of the foreign exchange market, the interbank market, the structure of interest rates and the liquidity position of the non-bank financial institutions facilitated more informed decisions by the OMOC.

Reserve money was G\$186.5 billion, G\$23.5 billion more than the end-December 2017 level due to an increase in net domestic assets. Treasury bills issued for monetary purposes were G\$32.6 billion while redemptions amounted to G\$89.4 billion, resulting in a net redemption of G\$56.9 billion. The commercial banks' holdings of treasury bills fell by G\$6,277 million compared with a decline of G\$3,417 million for the corresponding period last year.

The liquidity condition varied among commercial banks and was reflected by the inter-bank market. There were thirty one (31) trades during 2018 compared with sixty (60) for 2017. The value of funds traded was G\$28.7 billion compared with G\$61.8 billion during the corresponding period last year. The inter-bank market interest rate hovered around 4.0 percent to 4.5 percent over the review period.

Monetary policy was able to control the liquidity condition in the banking system which contributed to the maintenance of macroeconomic stability and an environment for fostering economic growth in the economy.

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## **BANK ACTIVITIES**

### **Currency Operations**

The Bank has a statutory obligation to issue the country's notes and coins under section 21(1) of the Bank of Guyana Act 1998, No. 19 of 1998. This obligation was discharged through the Currency Division of the Operations Department.

Table XXXV shows figures on the comparative stocks and flows of currency notes for years 2016 to 2018. The total supply of currency in 2018 registered a decrease of 1.5 percent over 2017. The decrease was due to fewer notes purchased.

### **Notes**

The total value of currency notes in circulation (including notes held in the vaults of commercial banks) at the end of 2018 amounted to G\$111.4 billion, an increase of 11.5 percent compared with a circulation of G\$99.9 billion in 2017. The share of \$5,000 notes in the total value of notes in circulation increased to 82.3 percent from 78.0 percent, the \$1,000 decreased to 13.8 percent from 18.0 percent in the previous year while the \$500 remained at 1.5 percent. The share of \$100 notes decreased from 1.7 percent to 1.6 percent. The share of \$50 notes remained at 0.1 percent likewise the share of \$20 remained at 0.7 percent.

The policy of ensuring that only acceptable quality notes are in circulation was continued. This was achieved by regular withdrawals of mutilated, defaced or otherwise poor quality notes and replacing them with new notes. Mutilated, defaced and poor quality notes amounting to G\$424 million were surrendered for replacement in 2018 as compared with G\$403 million in the year 2017.



**Table XXXV**

| <b>Supply &amp; Disposal of Bank of Guyana Currency Notes</b><br><b>Thousands of Notes</b> |                |                |                |
|--|----------------|----------------|----------------|
|  | <b>2016</b>    | <b>2017</b>    | <b>2018</b>    |
| Opening Stock  | 35,456         | 32,895         | 32,891         |
| Purchased  | 24,015         | 26,885         | 20,464         |
| Withdrawn from circulation   | 126,475        | 100,835        | 104,842        |
| <b>TOTAL SUPPLY</b>  | <b>185,946</b> | <b>160,615</b> | <b>158,197</b> |
| Issued   | 127,434        | 104,989        | 107,812        |
| Destroyed  | 25,617         | 22,735         | 22,449         |
| <b>TOTAL DISPOSAL</b>  | <b>153,051</b> | <b>127,724</b> | <b>130,261</b> |
| <b>End-of-Period Stock</b>   | <b>32,895</b>  | <b>32,891</b>  | <b>27,936</b>  |
| New Notes  | 23,600         | 31,379         | 27,764         |
| Re-Issuable Notes  | 8,390          | 1,228          | 155            |
| Other Notes <sup>1)</sup>  | 905            | 284            | 17             |

Notes:

(1) Notes awaiting sorting, cancellation and destruction.

## Coins

The value of coins in circulation at the end of 2018 was G\$1,078 million, an increase of 2.8 percent above the G\$1,049 million in 2017. The \$10 coin continued to account for the highest proportion of the total value of coins, followed by the \$5 and the \$1 respectively. In terms of the total quantity of coins issued, the \$1 coins accounted for 57.4 percent share. The shares of \$5 and \$10 coins accounted for 26.8 percent and 15.8 percent respectively.

## Payments System

During 2018, 902,257 low-value transactions (LVT) were settled through the National Clearing House (NCH), a decrease of 1.7 percent when compared with the volume recorded in 2017. The volume of high-value transactions (HVT) increased by 3.2 percent to reach 132,786. The overall value of total transactions increased by 3.2 percent in 2018 to reach G\$1,209 billion. The total value of high-value transactions increased to G\$771 billion whereas the low-value transactions also increased to G\$437 billion. The shares of HVT in total value of transactions decreased to 63.8 percent in 2018 from 66.5 percent in 2017. As

a result, the share of LVT rose to 36.2 percent in 2018 from 33.5 percent in the previous year. The average value of HVT decreased from G\$6.1 million to G\$5.8 million in 2018, while the average value of LVT increased from G\$0.44 million in 2017 to G\$0.48 million in 2018.

**Table XXXVI**

| <b>Selected Data on Transactions Cleared through the National Clearing House</b><br><b>(G\$ Million)</b> |             |             |             |
|--|-------------|-------------|-------------|
|  | <b>2016</b> | <b>2017</b> | <b>2018</b> |
| Daily avg. number of LVT   | 3,638       | 3,622       | 3,653       |
| Daily avg. value of LVT  | 1,534       | 1,601       | 1,770       |
| Avg. value of LVT  | 0.42        | 0.44        | 0.48        |
| Daily avg. number of HVT   | <b>523</b>  | <b>525</b>  | <b>538</b>  |
| Daily avg. value of HVT  | 2,887       | 3,182       | 3,123       |
| Avg. value of HVT  | 5.5         | 6.1         | 5.8         |
| Total number of LVT  | 902,147     | 887,413     | 902,257     |
| Total value of LVT   | 380,309     | 392,153     | 437,282     |
| Total number of HVT  | 129,604     | 128,681     | 132,786     |
| Total value of HVT   | 715,995     | 779,588     | 771,370     |
| LVT - Low Value Transactions   |             |             |             |
| HVT - High Value Transactions  |             |             |             |

## Reserve Management

Guyana's foreign assets reserve is managed by the Bank of Guyana (the Bank). The Bank's responsibility to manage Guyana's foreign asset reserves is established through legislative mandate. The major objective of the Bank's foreign assets reserves management is to maintain a reserve of external assets to cover the value of the total amount of its notes and coins for the time being in circulation in accordance with section 22 of the Bank of Guyana Act 1998. Additionally, the reserves are held to meet defined national payment obligations and its ultimate size reflects the balance of payments position. The Bank acts within a framework that identifies and assesses the risk of reserve management operations and follows a



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policy to manage the reserves within acceptable levels and parameters. The management of the reserves prioritises security and liquidity over returns. As at December 31, 2018, the gross foreign assets reserves totalled US\$528.4 million.

The reserves are divided into two tranches – the working balance and the investment portfolio. The working balance consists of cash and risk-averse tradable financial instruments with tenors not greater than three months and is intended to cover the monthly payment obligations of the Government of Guyana, the Bank of Guyana and specified agencies.

The objective of the investment portfolio is to generate reasonable earnings over medium and long-term horizons, subject to liquidity and risk constraints. The portfolio consists of mainly government guaranteed securities from countries with risk rating of A+ and above, investments in Supranational and the Bank of International Settlement. Risks are managed through the diversification of the portfolio structure and the careful selection of instruments and counterparties. Investments usually have a maximum tenor of fifteen years and are mainly denominated in US dollars since most of the Bank's and Government's external liabilities are denominated in US dollars.

The investment of the foreign asset reserves portfolio is governed by a reserve management guideline which was approved by the Bank's Board of Directors. The Bank has established an investment committee chaired by the Governor and comprising senior managers of the Bank. The committee considers investment proposals and monitors the risks associated with the investment portfolio. □

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# V

## FUNCTIONS, INSTITUTIONAL DEVELOPMENTS AND OTHER BANKING ACTIVITIES

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The Bank of Guyana continued with its risk-based supervision of the licensed financial institutions. The Bank also continued to fulfil its statutory objectives as specified in the Bank of Guyana Act 1998 (No. 19 of 1998) through the use of various instruments, such as monetary programming, reserve requirements, the rediscount rate and moral suasion.

### 1. FUNCTIONS

The Bank's principal objective as specified by the Bank of Guyana Act 1998 (No. 19 of 1998) is that of fostering domestic price stability through the promotion of stable credit and foreign exchange conditions which are conducive to the growth of the economy. In view of this overall mandate, the Bank is entrusted with the following responsibilities:

- Advising Government on any issue affecting its main objective of price stability;
- Acting as fiscal agent, trustee and banker to the Government;
- Issuing the country's notes and coins and determining legal tender;
- Advising the Minister of Finance on, and administering, the foreign exchange system;
- Monitoring the country's balance of payments position and managing its foreign exchange reserves;
- Acting as a banker to commercial banks and other licensed financial institutions;
- Supervising and regulating licensed financial institutions; and
- Overseeing the country's payment system.

### Instruments of Monetary Policy

In addition to the monetary programming framework, the Bank fulfils its statutory objective of promoting domestic price stability through other instruments such as the reserve requirement, the rediscount rate and by means of moral suasion.

### Reserve Requirements

The statutory reserve requirement remained an important instrument for monetary control and financial prudence in Guyana. The change in reserve requirement, which was implemented in 1999, remained in force in 2018 and continued to make the operating framework consistent with the drive toward monetary control.

The Reserve Requirement Circular - No. 33/98 and revised circular- No. 77/98, sets out the specifications for: (i) the institutions subject to reserve requirements; (ii) the prescribed ratio of the reserve base, (iii) the reserve maintenance periods; and (iv) the penalty charge for deficiencies in reserve requirement. With effect from the reserve base period, which commenced February 1, 1999, the statutory reserve requirement ratio applicable to all liabilities (i.e. demand, time and savings liabilities, whether domestic or foreign) of deposit-taking financial institutions was lowered to 12.0 percent from the sum of 14.0 percent of time liabilities and 16.0 percent of demand liabilities held

by the deposit-taking institutions. This requirement remained in force in 2018 for all deposit-taking institutions.

Effective January 1, 2000, some variations of the requirement were implemented for licensed NBFIs - (Hand-In-Hand Trust Company Incorporated and Globe Trust and Investment Company) - to create a level playing field and hence greater financial intermediation. These institutions were required to maintain a minimum deposit balance at the Bank of 4.0 percent of total liabilities. This was to be incrementally increased every six months by 2.0 percentage points until convergence with the ratio of 12.0 percent applicable to commercial banks was achieved. Accordingly, the required reserve ratio of the deposit-taking licensed NBFIs stood at 12.0 percent at end-2018.

During 2001, three mortgage finance companies were established under the Income Tax (Exemption) Order 2001 to provide mortgages for low income earners. These companies were exempted under the Income Tax Amendment Act No. 6 of 2000 from reserve requirement on deposits utilized for that purpose.

Non-compliance with the reserve requirement carries a penalty, which takes the form of an interest charge on the deficiency (actual reserves less required reserves). This is calculated at a rate equal to twice the rate of interest on the 91-day treasury bills which is prevailing at the beginning of the reserve maintenance period over which the deficiency occurs.

## **Liquid Assets**

Circular No. 52/98 on Liquid Assets Requirements, which became effective from October 26, 1998, remained in force throughout 2018. This circular provides for:

- the extension of the liquid assets requirement to nonbank licensed depository financial institutions;
- ensuring consistency in the prescribed liabilities, liquid assets base and maintenance periods

with the revised prescribed liabilities, base and maintenance periods for reserve requirements; and

- introducing a penalty for a deficiency in liquid assets.

The statutory liquid assets ratios (LAR) which determined the minimum level of liquid asset holdings that commercial banks were required to maintain in relation to their demand and time deposit liabilities remained at 25.0 percent and 20.0 percent respectively.

During the year, the banks remained compliant with the LAR. The average monthly required liquid assets which amounted to G\$81,592 million compared with G\$77,880 million in 2017, reflected an expansion in average deposit liabilities. The increase in liquid assets in excess of the required amount increased by 50.0 percent from 50.4 percent a year ago. Holdings of treasury bills continue to dominate - accounting for an average share of 47.5 percent of total liquid assets in 2018 compared with 56.5 percent in 2017.

## **Interest Rates**

The Bank rate, which is determined by the 91-day treasury bill rate, remained stable at 5.0 percent at end-December 2018. The the 91-day treasury bill yield remained unchanged at 1.54 percent due to the non-issuance of the bill during the review period while the spread between the Bank rate and 91-day treasury bill stood at 3.5 percent.

The Bank continued to keep its re-discounting policy and terms under review during 2018. The objectives were to ensure that the operation of the re-discount window was consistent with the development of the inter-bank money and treasury bill markets, as well as to promote competition and a secondary market for the issues of Government securities. The margins above and below the average re-discount rate on treasury bills purchased and sold by the Bank, which were amended by Circular 13 of 1999 and made effective in March 1999, remained in force during the year. The

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level of the re-discount depended on the remaining days to maturity of the re-discounted treasury bills.

### **Relations with Government**

A total of 213 active Government accounts were held at the Bank at end-December 2018 compared with a total of 194 at the end of December 2017. At the end of the year, Government deposits, net of treasury bills held by the Bank, amounted to negative G\$26,730 million. The Bank's holdings of treasury bills remained at G\$997 million. Government debentures held totalled G\$46,771 million at end-2018, of which G\$38,478 million were non-interest bearing and G\$4,394 million were non-negotiable NIS debentures.

### **Relations with Commercial Banks**

During 2018, the Bank continued to support the payments system by providing cheque clearing facilities and inter-bank settlement services.

Commercial banks continued to satisfy most of their requirements for foreign currency through purchases directly from customers under the Dealers in Foreign Currency (Licensing) Act 1989.

Balances held by the Bank in respect to the amounts deposited by the commercial banks under the external payments deposit scheme remained unchanged at G\$61.0 million at end-December 2018.

### **Relations with International Organizations**

The Bank continued to act as fiscal agent for the Government via its relations with the Multilateral Financial Institutions of which Guyana is a member. At the end of 2018, Guyana repaid US\$40 million through the Bank to Multilateral Financial Institutions, of which US\$25.1 million and US\$11.0 million were paid to IDB and CDB respectively.

### **Relations with Regional Central Banks**

Clearing arrangements with CARICOM Central Banks remained on a bilateral basis. Additionally, the

Bank continued to participate in regional meetings of Central Bank Governors and other functional core activity committees mandated by Governors.

### **Exchange Rate Policy**

The exchange rate policy, supported by appropriate fiscal and monetary measures, was aimed at strengthening the macroeconomic conditions that facilitate price and balance of payments stability. The nominal exchange rate was determined by demand and supply through a system of licensed cambio dealers. The Bank may intervene to meet reserve targets and minimize adverse speculative attacks.

### **Foreign Exchange Operations**

The gross international reserves of the Bank decreased by US\$55.6 million or 9.5 percent to US\$528.4 million and was equivalent to approximately 2.3 months of imports. This performance was influenced by low foreign currency inflows of US\$581.2 million during the year and comprised mainly of US\$129.4 million from export receipts. Foreign currency outflows during the year related to debt servicing, fuel imports and other payments were US\$82.8 million, US\$371.1 million and US\$129.1 million respectively.

### **Bank Supervision**

During 2018, the Bank Supervision Department (BSD) conducted fourteen examinations. Eight examinations were risk-based and six were special examinations, two of which were to follow-up on outstanding recommendations of previous examinations. The other four special examinations targeted specific areas of the institutions operations including, among other areas, the branches. Four of the fourteen examinations were conducted on the operations of the Money Transfer Agencies.

These examinations revealed that institutions were generally in compliance with the requisite statutory and regulatory requirements notwithstanding minor infractions. Deficiencies noted related to credit quality

and administration, internal controls, Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT), corporate governance practices and risk management. The deterioration in asset quality continued to trigger enhanced monitoring and intensive follow-up actions in an effort to ensure the level of credit risk does not escalate further. All the LFIs were generally committed to good corporate governance practices in accordance with legal and prudential requirements and international best practices.

## **Basel II/III**

With reference to the implementation of Basel II/III, Pillar 1 – the Minimum Capital Requirement, the specific guidelines and reporting templates on the three main risk areas were amalgamated into a single guideline and template with assistance from CARTAC and the World Bank. This revised guideline and the reporting template were dispatched to the industry to commence the conduct of a Quantitative Impact Study (QIS). The returns of the QIS is being reviewed presently.

## **Financial Sector Assessment Programme (FSAP)**

Several recommendations from the Financial Sector Assessment Program (FSAP)<sup>13</sup> were incorporated into the strategic activities of the BSD. Recommendations in the areas of financial stability, amendments to current legislations and issuance of new legislations were addressed, among these are:

- Amendments to Part VIII (failed bank resolution) of the Financial Institutions Act 1995 was passed in the National Assembly on July 12, 2018 and assented to on September 28, 2018.
- Amendments to the Bank of Guyana Act on Emergency Liquidity Assistance which was

passed in the National Assembly on July 13, 2018 and assented to on September 7, 2018.

- Deposit Insurance Bill of 2018 was passed in the National Assembly on July 13, 2018 and assented to on August 13, 2018.

The BSD continues to work towards implementation of the remaining recommendations as outlined in its five year strategic plan for 2018 to 2022.

## **Financial Consumer Protection**

The Bank of Guyana requested technical assistance from the World Bank in developing the Financial Consumer Protection (FCP) legislative framework and the requisite guidelines.

The first draft of a proposed FCP legislation was submitted to the Bank and is currently being reviewed. The draft Bill covers the areas of establishing the FCP authority, requirements for financial service providers, appropriate product design and delivery, disclosure principles, client treatment policies and procedures, privacy and protection of client data, and complaint resolution.

## **Insurance Supervision**

The Insurance Supervision Department continued to successfully discharge its supervisory and regulatory responsibilities. The Commencement Order No. 6 of 2018 solidified its regulatory oversight by bringing into effect the new Insurance Act 2016. It is expected that the new regulatory regime would promote the maintenance of efficient, fair, safe and stable insurance markets for the benefit and protection of the policyholders and to enhance public confidence in those markets. These strides would allow for improved resilience in the sector to withstand any adverse shocks, which in turn, will serve to strengthen the sector's financial stability.

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<sup>13</sup> Conducted in May 2016

The Department further focused on implementing a Risk-based Capital Regime in light of the risk-based principles incorporated in the Insurance Act 2016. Individual discussions on the framework have commenced with the insurance companies. Particularly this regime is aligned to international standards and is also being undertaken by other Caribbean territories. The risk monitoring process involves two pillars, namely, Pillar I – Capital Adequacy and Solvency, and Pillar II – Corporate Governance, Enterprise Risk Management, and Own Risk and Solvency Assessment, which are in keeping with the requirements of the Insurance Core Principles. To improve efficiency in accordance with provisions of the Act, the Bank has placed guidelines and applications forms for insurance business on its website.

A communication campaign on pensions was conducted with the general public, while industry consultations continued to be held. The proposed Private Pensions Act is expected to be tabled in Parliament in the near future.

Going forward, there is need for continued focus on identified performance gaps while seeking to enhance insurance inclusion, penetration and overall profitability. The department intends to carry out its mandate by having the risk-based framework implemented and performing on-site inspections at the insurance companies and brokers.

## **2. INSTITUTIONAL DEVELOPMENTS**

### **National Payments System Project**

Guyana's National Payments System Vision as articulated in the National Payments System Strategy 2018 is to:

*“Build a robust, safe and sound, efficient and inclusive National Payments System that meets the current and future needs of the*

*economy, supports financial activity and financial sector development, advances the use of electronic payments, contributes to financial risk mitigation, achieves compatibility with international systems, and adheres to the relevant international standards, guidelines and codes.”*

The existence of a sound and predictable legal environment for payments is considered to be the basis for a sound and efficient National Payments System. According to Principle 1 of the Principles on Financial Market Infrastructure<sup>14</sup> “a Financial Market Infrastructure should have a well-founded, clear, transparent and enforceable legal basis for each material aspect of its activities.”

The National Payments System Strategy and Plan of Action defines the priority goals and actions of relevance for the immediate future as well as those to be achieved over the medium to long-term. The enactment of a robust National Payments System Act (NPSA) is one of the first actions identified to be taken.

Building on the existing framework the National Payments System Bill which creates a sound legal framework for the operation and oversight of the payments system in Guyana and facilitates its effective modernization was tabled in Parliament in April, passed in July and assented to in August of 2018.

The National Payments System Act incorporates a comprehensive set of provisions on important aspects of the payments system. It defines the ambit of the “payments system” and articulates, in detail, the role and functions of the Bank in regulation and oversight of the payments system including the authority for regulating and overseeing activities related to processing, clearing and settlement.

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<sup>14</sup>Bank of International Settlements and the International Organisation of Securities Commissions 2012.

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The Act, when brought into force, will reduce inefficiencies and potential risks in the payments infrastructure mainly by:

- Promoting soundness, safety, efficiency and competitiveness of the National Payments System as a whole and of any of its components;
- Combating liquidity, credit, counter-party, legal, systemic and any other risks affecting the reliability of the National Payments System and indirectly the whole financial infrastructure of the country;
- Ensuring interoperability and integration of systems;
- Guaranteeing access to systems;
- Favouring inclusiveness;
- Protecting payment services' users
- Providing rules on systems (netting, finality, insolvency, collateral)
- Prescribing provisions on electronic transfers, electronic money and electronic presentment of cheques.

The Act which will be supported by several pieces of implementing regulations will be brought into operation during 2019.

## **Deposit Insurance**

Deposit insurance is one of the components of the financial sector safety net, alongside supervision, resolution, and emergency liquidity assistance. It seeks to address the inherent instability of maturity transformation in the banking sector—that is, the financing of long-term assets through the issuance of demand or short-term deposits. This makes banks vulnerable to depositor runs and to contagion from less sound institutions.

The Deposit Insurance Act 2018 which seeks to provide protection of depositors' funds was passed in July and assented to in August. The Act establishes a Deposit Insurance Scheme for the protection of insured depositors comprising a Deposit Insurance Fund and a Deposit Insurance Corporation responsible for managing the Fund and other related purposes.

The Deposit Insurance Corporation is given a pay-box plus mandate, with functions and powers instrumental to the objective of fostering financial stability through depositor protection and resolution financing. The core functions of the Corporation are to reimburse the funds held by insured depositors at a failed member institution and to finance the resolution of a member institution.

This piece of legislation will be brought into force in 2019.

## **Effective Resolution of deposit taking Financial Institutions**

Part VIII of the Financial Institutions Act 1995 was amended by the Financial Institutions (Amendment) Act 2018. This amendment modified the bank resolution framework in keeping with regional and global practices. It introduces a more efficient administrative procedure as against the court administered procedure which has proved to be protracted resulting in loss to depositors and shareholders.

A banking resolution regime creates a set of separate rules and procedures for insolvency of banks, exempting them from the corporate insolvency framework for the resolution stage but allowing liquidation later if no other option is available, as is now becoming global practice. The key purpose of the new regime is to enable an orderly resolution of a failing bank in a manner preserving the public interest, particularly by maintaining financial stability, preserving confidence in the banking sector, and protecting both depositors and taxpayers from unnecessary losses or costs.



Resolution therefore is, in essence, a more complex and phased sale plus insolvency proceeding which aims to maintain an institution's operating assets. Under such a proceeding the proper objective of resolution is to protect the interests of depositors. This should be accomplished by preserving the value of the assets of a financial institution and providing an opportunity, inter alia, for a financial transfer of viable assets with matching deposits to a sound and willing financial institution.

The importance of the implementation of this process which begins with a preference for an orderly resolution is underscored by the introduction of the Deposit Insurance Fund which will take part as a last resort "creditor" participating in the asset and deposit transfers of failing banks. A Deposit Insurance Fund will only stay solvent and grow if it is not required to "pay out" during bank failures and can instead be a participant in a structured resolution process which is completed in a manner that minimizes resource outlays of the Fund.

### **Enhanced legal framework for Emergency Liquidity Assistance**

Section 5 of The Bank of Guyana Act provides that the Bank is to "be guided in all its actions by the objective of fostering domestic price stability through the promotion of stable credit and exchange conditions as well as sound financial intermediation conducive to the growth of the economy of Guyana."

Like central banks in other jurisdictions, the Bank of Guyana acts inter alia, as a provider of liquidity to the financial system. This "lender of last resort" (LOLR) function has been a fundamental one of central banks since the 19<sup>th</sup> century.<sup>15</sup>

Through this tool, the Bank has the discretion to provide a loan or advance to eligible financial institutions facing serious liquidity problems. This

liquidity assistance is expected to be applied/provided on an extraordinary basis.

There are two very important features of the LOLR function which must be noted and which makes it an invaluable tool in the prevention and control of banking crises-

1. The immediacy of the availability of central bank assistance (this contrasts with the time framework of other crisis management instruments);
2. The capacity of the central bank to provide liquidity either to the market in general or to individual banks as needed.

The ability of the central bank to act quickly and to provide adequate liquidity makes it possible to prevent liquidity problems from developing into serious financial crises. Neither deposit insurance nor bank resolution proceedings can achieve this because, by nature, they are lengthy processes and so although they are both important they cannot provide immediate assistance to prevent a crisis worsening. This liquidity insurance to the banking sector is important as banks also play a crucial role in the payment system.

The **Bank of Guyana (Amendment) Act 2018** provides a proper/statutory basis for an Emergency Liquidity Assistance (ELA) framework and explicitly allows the Bank of Guyana to provide ELA. The amendment Act will have the following result-

1. Temporary financial assistance is allowed to be granted to illiquid but solvent banks and other deposit taking financial institutions with adequate collateral for pre-established periods of 91 days with one possible extension.
2. The Bank can also grant temporary financial assistance in systemic situations once the

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<sup>15</sup> H. Thornton, "An Enquiry into the Nature and Effects of the Paper Credit of Great Britain" (London, 1802)

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institution complies with the strict parameters and procedures indicated in the law are complied with. As solvency support should ultimately be the responsibility of the government there is the requirement for a guarantee to be granted by the Government in these circumstances. This would compensate for losses arising from the Bank's solvency support in order to protect the Bank's financial position/condition.

3. The range of eligible collateral is expanded with mortgages being included in very rare circumstances.
4. The Bank has the flexibility to place a cap on the total to be provided as a percentage of the capital and reserves of the borrower.
5. Provides the flexibility for the details and eligibility requirements for deposit taking financial institutions and the range of eligible collateral to be addressed in regulations.

## **Insurance Legislation**

The Insurance Act 2016, which repealed and replaced the Insurance Act of 1998 and the Insurance (Supplementary Provisions) Act 2009, after benefiting from significant input from the industry and other relevant stakeholders was enacted in 2016 and was brought into operation on April 16, 2018 via a commencement order issued by the Minister of Finance.

The Act which enhances the supervisory powers and responsibilities of the Bank and also provides for a risk-based approach to the supervision of insurance in Guyana, the promotion of competition in the insurance industry and the protection of consumers is supported by comprehensive implementing regulations. These Regulations were promulgated and gazette on April 17, 2018.

The Act provides a consolidated legal framework for the prudential supervision of insurers and satisfies various policy objectives by enhancing –

- The regulatory framework;
- The financial soundness of insurers and the protection of policyholders through a new Solvency Assessment and Management (SAM) regime; and
- Providing an introductory framework for insurance group supervision; and its alignment with international standards and best practices, custom made to emerging Guyanese circumstances in the “post Clico debacle” period.

The Act was amended in July to reinstate Parts XX, XXI and XXII of the 1998 Act as substantive parts of the 2016 Act. These provisions were inadvertently omitted because it was then intended to be incorporated into the supporting subsidiary legislation. These provisions are important as they will enable a policyholder to designate either his personal representative or a named person to be his beneficiary under the life policy and to alter or revoke such a designation at any time by a declaration in writing save and except where the designation is irrevocable. That designation may be made either at the time of effecting the policy or at any time thereafter. This is an important departure from the legal position under the Married Person's Property Act (1904) which requires contemporaneity, i.e. that the designation should be made at the time when the policy was effected if the statutory trust was to be effective.

## **3. OTHER BANKING ACTIVITIES**

### **Staff Training and Technical Assistance**

#### **Staff**

The strength of the Bank's employ at December 31, 2018 was two hundred and seventy eight (278). Thirty two (32) new staff members were recruited. Twelve

(12) persons resigned, twelve (12) retired while the contractual obligation of three (3) came to an end. The service of one (1) person was terminated and two (2) students from the Carnegie School of Home Economics were accommodated for a six week period on work attachment.

## **Training**

During 2018, the Bank's Training Division focused on in-house, local and overseas courses sponsored by reputable and accredited organizations. The Bank hosted some courses with the aim of enabling larger numbers of persons being trained in several areas.

### **In-house Training**

On January 11, the Bank hosted a presentation on 'Investigating the Operational Risk Management Posture of the Commercial Banking Industry.' Sixty one (61) persons attended. On January 29, the Bank in collaboration with ACCA hosted a session to inform participants about changes in the modules and administration of ACCA. Twenty six (26) persons attended. On January 30, the Bank organised a panel discussion on Business Continuity Plan. There was a repeat of this discussion on January 31. A total of sixty three (63) persons attended. On January 31, twelve (12) persons started the Joy at Work Course. This was an online course and it lasted for six weeks. On February 1, the Bank hosted an AML/CFT Training. Thirty four (34) persons attended. On March 6, the Bank organized a series of presentations in preparation of the Bank's contingent to the Intra Regional Central Bank Games. Presenters were from various entities in Guyana and twenty two (22) persons attended. On March 20, the twelve (12) staff members participated in a webinar on 'The Evolving Cash Cycle.'

During April 16-20, the Bank hosted a workshop entitled 'Monitoring of Correspondent Banking Relationships.' This workshop was spearheaded by a consultant from CARTAC and Twelve (12) persons attended. On April 25, an Orientation Seminar was held for new recruits. This seminar was spearheaded

by the Training Officer. Sixteen persons attended. On June 13, an AML session was organized by the Compliance Officer. There was a repeat of this session on June 20. A total of thirty two (32) persons attended. On June 14, a Time Management Course was conducted by the Training Officer. Twenty four (24) persons attended. During June 21-22, a Memo Writing Course was conducted by the Training Officer. Twenty five (25) persons attended. This course was repeated during July 3-4 and thirty (30) persons attended.

During July 5-6, the Bank's Compliance Officer conducted an AML/CFT Refresher Training. Thirty (30) persons attended. On August 29, there was a presentation on Sovereign Wealth Fund. Eleven (11) Bank Staff attended. During September 3-6, the Bank hosted a workshop on 'Risk Based Supervision.' It was spearheaded by a Consultant from CARTAC. Twenty six (26) persons attended. On September 28, the Bank hosted a seminar on 'Developing the Macro-Prudential Framework for Guyana.' A consultant from the CARTAC led the discussions. Twenty nine (29) Bank staff attended. On October 2, a workshop under the heading 'Deposit Insurance' was held. Twenty four (24) persons were in attendance.

### **Local Training**

On January 5, 2018, six (6) staff members attended a session on Business Continuity and Disaster Management at CAGI. On January 10, four (4) staff members attended a conference on Social Dialogue and Industrial Relations. This conference was hosted by the Guyana Bar Association.

On April 23, five staff members a seminar on the Introduction of Arbitration. This seminar was organised by the Chartered Institute of Arbitrators and was hosted by the CARICOM Secretariat. Two of these staff members have since completed the London Based Exams and awarded certificates. On April 25, nine (9) persons attended a seminar on Administrative

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Professionals organised by the Diamond-Grove Lions Club. During May 23-24, seven (7) members of staff attended a seminar and workshop hosted by the Institute of Internal Auditors (IIA). On June 14, two staff members attended a CAGI course entitled Effective inventory Management.

On September 12, four (4) staff members attended a Motivational Day for HR Professionals and Managers. This event was organised by JTW Management Training Institute Inc. During November 22-23, three staff members attended the Institute of Chartered Accountant of Guyana (ICAG) Annual Conference.

### **Other Training**

Several members of staff completed academic and professional programmes during the year. One completed a Master in Business Administration (MBA), one in Master in Public Administration (MPA). Eight staff members were offered assistance through the Bank's Employee Grant for Studies. Four staff members are reading for the MBA with different specialization such as finance etc. Four are reading for Bachelor's Degrees in areas such as Banking and Finance and Public Administration. Several staff members are reading for ABE, Computer Programming and some at the CSEC level so as to further upgrade themselves to enter the University of Guyana to further study.

### **Overseas Training**

Attendance at overseas training programmes/courses/seminars/conferences were mainly in the Caribbean Region and South American continent and were sponsored by a number of reputable organizations. These included the Caribbean Group of Banking Supervisors (CGBS), The Centre for Latin American Monetary Studies (CEMLA), the Caribbean Association of Insurance Regulators (CAIR), The Caribbean Association of Pensions Supervisors (CAPS), The Caribbean Regional Technical Assistance Centre (CARTAC), and Association of Supervisors of Banks of Americas (ASBA). A total of

twenty one (21) persons attended courses overseas during the year.

Some topic areas in which staff members were trained include Compilation of Balance of Payments Statistics, Macroeconomic Forecasting and Analysis, Anti-Money Laundering, Central Bank's Information Systems Specialist, Human Resources Management, Central Bank Treasurer, Experts on the Fight of Money Counterfeiting, Macropprudential Regulation of SIFIs in the Caribbean and FATF Standards Training.

## **INFRASTRUCTURAL DEVELOPMENTS**

The following is a list of the projects that were successfully completed during 2018:

- Replacement of all the Central Air AC Units with Variable Refrigerant Flow (VRF) AC units.
- Repainting of Eastern exterior walls of the Bank's building.
- Expansion of the Insurance Supervision Department.
- UPS power solution upgrade for Server
- Room Equipment (SMARTROW)-improving on the UPS power availability, reliability, redundancy and increasing the runtime.

## **CORPORATE GOVERNANCE**

### **The Board of Directors**

The Governor, Dr. Gobind Ganga and Deputy Governor, Mr. Leslie Glen served as Chairman and Deputy Chairman of the Board respectively, in accordance with the provisions of the Bank of Guyana Act 1998.

The Board of Directors continued to meet frequently during 2018. Dr. Maurice Odle, Mrs. Sharon Roopchand-Edwards and Mr. Rawle Lucas continued to serve as non-executive members of the Board during 2018. Dr. Nelson Modeste resigned in July 2018 and was replaced by Dr. Patrick Kendall as the fourth non-executive director on the Board. Ms. Sonia Roopnauth, Director of Budget, continued to serve as the representative of the Minister of Finance.

Implementation of the established governance mechanism continued with the following activities:

1. The Internal Audit Department continued to closely monitor the Bank's operations to assess and ensure that the operations did not unduly expose it to risks and to devise and recommend measures to manage risks. The Internal Audit Department continued to report quarterly to the Board of Directors, through the Board's Audit Committee, on the findings of and responses to the audits executed.

2. The Investment Committee remained very vigilant during the financial year in the management of the Bank's foreign reserves with the aim of ensuring a reasonable return on its investments without unduly exposing the Bank to the risk of losses. The Bank's Investment Policy was also revised with the aim of providing more opportunities to maximize returns and minimize risks within a changing international financial market environment.

3. The Board continued to review and assess the financial performance of the Bank through quarterly financial reports in addition to the report and management letter from the external auditor. The external auditor is appointed annually by the Minister of Finance and for the financial year ended December 31, 2018. This task was executed by the Auditor General of the Audit Office of Guyana.

4. The Bank Supervision and Insurance Supervision Departments continued to provide quarterly reports, to the Board on financial system soundness indicators for banks and non-banks and the insurance and pension

sectors respectively. The Board was also in receipt of reports on non-performing loans.

5. The Bank continued the implementation of its Anti-Money Laundering (AML) /Countering the Financing of Terrorism (CFT) Programme which adopts and incorporates the principles and systems which are contained in the national anti-money laundering and countering the financing of terrorism regime along with international best practice standards, to the extent that they are applicable to the Bank's operations including the following:

- Anti-Money Laundering /Countering the Financing of Terrorism Policy and Procedures:
  - Customer due diligence /Know Your Customer requirements
  - Record Keeping requirements
  - Monitoring and Reporting of Suspicious Activity/ Transactions
- Appointment of an Anti- Money Laundering Compliance Officer (AMLCO)
- Staff awareness and On-going Training
- Independent Audit

The Bank of Guyana continuously monitors the development of any national and international standards, regulations and guidelines related to the prevention of money laundering and terrorist financing and remains strongly committed to ensuring continuous modification and implementation of its Programme as may be required.

Governance initiatives included the following activities:

The Audit Committee which was established to assist the Board in fulfilling its oversight responsibilities continued to meet quarterly under the Chairmanship of Ms. Roopnauth and the other members of the

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Committee (Deputy Governor and Mrs. Roopchand-Edwards). This Committee was established pursuant to section 17A of the Bank of Guyana Act 1998 and is responsible for, inter alia, ensuring the existence and operation of an effective system of internal controls, the quality and transparency of financial reporting and disclosures, the existence of a sound risk management framework, and effective fraud management at the Bank.

## **Disclosure and Transparency**

The Bank, in compliance with statutory requirements, published its Statement of Assets and Liabilities bi-monthly in the Gazette. Additionally, the Bank published its audited financial statements together with an Annual Report and quarterly reports on the state of the national economy with special reference to financial developments and the policies being followed by the Bank.

All reports are submitted to the Minister of Finance and are available on the Bank's website along with quarterly information on the financial indicators of the banking system.

The Bank has continued to provide licensed financial institutions with the results of its quarterly stress testing of respective deposit-taking institutions. This activity is intended to promote financial stability. □

# **VI**

## **REPORT OF THE EXTERNAL AUDITORS, STATEMENT OF FINANCIAL POSITION AND STATEMENT OF INCOME**





## *Audit Office of Guyana*

*P.O. Box 1002, 63 High Street, Kingston, Georgetown, Guyana*

*Tel: 592-225-7592, Fax: 592-226-7257, <http://www.audit.gov.gy>*

AG: 31/2019

29 March 2019

**REPORT OF THE AUDITOR GENERAL**  
**TO THE MEMBERS OF THE BOARD OF DIRECTORS**  
**OF THE BANK OF GUYANA**  
**ON THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

### *Opinion*

I have audited the financial statements of Bank of Guyana which comprise the statement of financial position as at 31 December 2018, and the statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank of Guyana as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and Section 34 (1) of the Bank of Guyana Act No.19 of 1998.

### *Basis for opinion*

I conducted my audit in accordance with International Standards on Auditing (ISAs) issued by the International Federation of Accountants (IFAC), the International Standard of Supreme Audit Institutions (ISSAIs) and the Audit Act 2004. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of my report. I am independent of the Bank of Guyana, in accordance with the ethical requirements that are relevant to my audit of the financial statements in Guyana, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### *Emphasis of Matter*

I draw attention to Note 2 (c) (i) of the financial statements which states that “.....*Assets and liabilities held with foreign financial institutions are valued at the applicable year-end rates. Gains/losses are transferred to a reserve account and any deficiency is covered by the Government of Guyana through special issue of debentures.....*” This is not in keeping with IFRSs but is in compliance with section 49 (1) of the Bank of Guyana Act No. 19 of 1998. Compliance with IFRSs would have resulted in a decrease of net profit by \$14.671M which is the loss on revaluation for foreign currency transactions.

Also, Note 23 to the financial statements states that “.....*The Bank of Guyana Act, Section 7 allows for the deduction of provision before declaration of profits and payments into the Consolidated Fund. The provision is in order to meet adverse market rate movements for investments held and other risks (market, credit and interest risks) that may occur.....*” This is not in keeping with IAS 37- Provisions, Contingent Liabilities and Contingent Assets, but, is in keeping with the interpretation to Section 7 of Bank of Guyana Act No. 19 of 1998. Compliance with usual accounting practices would have resulted in an increase of Net Profit by \$1.600 billion.

My opinion is not modified in respect of these matters.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and Section 34 (1) of the Bank of Guyana Act No.19 of 1998 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank’s financial reporting process.

### *Auditor’s Responsibilities for the Audit of the Financial Statements*

My objectives are to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs and ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of my audit in accordance with ISAs and ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



AUDIT OFFICE OF GUYANA  
63 HIGH STREET  
KINGSTON  
GEORGETOWN  
GUYANA

**BANK OF GUYANA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER, 2018**

**ASSETS**

|  | Notes | <b>2018</b><br>G\$'000    | 2017<br>G\$'000           |
|--|-------|---------------------------|---------------------------|
| <b>FOREIGN ASSETS</b>                            |       |                           |                           |
| Gold   | 3     | 2,137,792                 | 4,015,909                 |
| Balances with Foreign Banks                      | 4     | 28,325,738                | 22,219,441                |
| Foreign Assets in the Process of Redemption      |       | 1,583,087                 | 2,006,233                 |
| Holdings of Special Drawing Rights               | 5     | 71,773                    | 152,481                   |
| Foreign Capital Market Securities                | 6     | 78,061,555                | 92,205,122                |
|  |       | <u>110,179,945</u>        | <u>120,599,186</u>        |
| <b>LOCAL ASSETS</b>                              |       |                           |                           |
| Special Issue of Government of Guyana Securities | 7     | 42,391,510                | 42,376,839                |
| Government of Guyana Treasury Bills              | 8     | 995,048                   | 995,006                   |
| International Monetary Fund Obligations          | 9     | 39,778,781                | 35,281,112                |
| Funds for Government Projects                    |       | 12,833,816                | 12,868,645                |
| Other Financial Assets                           | 10    | 10,809,185                | 8,159,331                 |
|  |       | <u>106,808,340</u>        | <u>99,680,933</u>         |
| <b>FIXED ASSETS</b>                              | 11    | 3,270,337                 | 3,352,182                 |
|  |       | <u><b>220,258,622</b></u> | <u><b>223,632,301</b></u> |

The accompanying notes form an integral part of these financial statements.

**BANK OF GUYANA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER, 2018**

**LIABILITIES**

|   |       | <b>2018</b>               | <b><u>Restated</u></b>    |
|---|-------|---------------------------|---------------------------|
|   | Notes | G\$'000                   | 2017<br>G\$'000           |
| <b>CURRENCY IN CIRCULATION</b>                |       |                           |                           |
| Notes   |       | 111,415,555               | 99,928,802                |
| Coins   |       | 1,078,061                 | 1,049,671                 |
|   |       | <u>112,493,616</u>        | <u>100,978,473</u>        |
| <b>DEPOSITS</b>                               |       |                           |                           |
| Commercial Banks                              |       | 66,990,868                | 55,626,272                |
| Government of Guyana                          |       | (55,190,237)              | (26,478,247)              |
| International Financial Institutions          | 12    | 35,381,826                | 32,362,407                |
| Private Investment Fund                       |       | 6,500                     | 6,500                     |
| Funds for Government Projects                 |       | 12,833,816                | 12,868,645                |
| Other Deposits                                | 13    | 7,923,674                 | 7,638,040                 |
|   |       | <u>67,946,447</u>         | <u>82,023,617</u>         |
| Allocation of Special Drawing Rights          | 14    | 26,111,272                | 24,655,241                |
| Gov't of Guyana Portion of Net Profit Payable |       | 1,880,978                 | 3,332,282                 |
| Other Liabilities                             | 15    | 9,043,204                 | 7,642,970                 |
|   |       | <u>37,035,454</u>         | <u>35,630,493</u>         |
| <b>CAPITAL AND RESERVES</b>                   |       |                           |                           |
| Authorised Share Capital                      | 16    | <u>1,000,000</u>          | <u>1,000,000</u>          |
| Paid-up Capital                               |       | 1,000,000                 | 1,000,000                 |
| General Reserve Fund                          |       | 5,767,296                 | 5,558,299                 |
| Revaluation Reserves                          |       | 3,051,830                 | 3,051,830                 |
| Revaluation for Foreign Reserves              |       | (9,426,775)               | (6,999,687)               |
| Contingency Reserve                           | 17    | 2,356,377                 | 2,356,377                 |
| Other Reserves                                |       | 34,377                    | 32,898                    |
|   |       | <u>2,783,105</u>          | <u>4,999,717</u>          |
|   |       | <u><b>220,258,622</b></u> | <u><b>223,632,301</b></u> |

Approved on behalf of the Management of the Bank

  
 Dr. G. Ganga (Governor)

  
 Mr. R. Lucas (Director)

**BANK OF GUYANA**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2018**

|  | Notes | <b>2018</b><br>G\$'000 | 2017<br>G\$'000    |
|--|-------|------------------------|--------------------|
| <b>OPERATING INCOME</b>                    |       |                        |                    |
| Discount Received                          |       | 20,435                 | 15,541             |
| Interest on Gov't of Guyana Securities     |       | 60,105                 | 60,758             |
| Interest on Foreign Securities             |       | 4,544,858              | 4,859,785          |
| Interest on Deposits                       |       | 83,065                 | 93,592             |
| Interest on Loans                          |       | 8,650                  | 8,943              |
| Other Income                               |       | 1,733,962              | 2,146,386          |
| <b>INCOME</b>                              |       | <u>6,451,075</u>       | <u>7,185,005</u>   |
| <b>OPERATING EXPENSES</b>                  |       |                        |                    |
| Administrative Expenses                    | 18    | (1,739,438)            | (1,682,586)        |
| Interest and Charges                       | 19    | (243,127)              | (130,503)          |
| Interest on Money Employed                 | 20    | 103,159                | 82,938             |
| Cost of Printing Notes & Minting Coins     | 21    | (276,738)              | (229,072)          |
| Depreciation Charge on Fixed Assets        |       | (214,165)              | (213,465)          |
| Bad Debt Written Off                       | 22    | (236,728)              | (236,728)          |
|  |       | <u>(2,607,037)</u>     | <u>(2,409,416)</u> |
| <b>NON-OPERATING INCOME/(EXPENSES)</b>     |       |                        |                    |
| Pension/Ex-Gratia                          | 15    | (134,266)              | (6,358)            |
| Accrued Leave Cost                         |       | (17,972)               | (21,602)           |
| Gains/(losses) on Disposal of Fixed Assets |       | (1,553)                | 6,319              |
| Market Exposure on Foreign Investment      | 23    | (1,600,272)            | (1,051,412)        |
|  |       | <u>(1,754,063)</u>     | <u>(1,073,053)</u> |
| Net Profit/(Loss)                          | 24    | <u>2,089,975</u>       | <u>3,702,536</u>   |

**BANK OF GUYANA**

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 31ST DECEMBER, 2018**

|  | <b>2018</b>    | 2017             |
|--|----------------|------------------|
|  | G\$'000        | G\$'000          |
| Net Profit/(Loss)                            | 2,089,975      | 3,702,536        |
| <b>Gains/(Losses)</b>                        |                |                  |
| Revaluation on Foreign Currency Transactions | (14,671)       | (169,519)        |
| Revaluation of Foreign Investments           | (2,427,088)    | (2,940,717)      |
| Actuarial Remeasurement/Pension              | 786,434        | (1,545,409)      |
| Comprehensive Gains/(Losses)                 | <u>434,650</u> | <u>(953,109)</u> |



# **STATEMENT OF CHANGES IN EQUITY**

## **YEAR ENDED DECEMBER 31, 2018**

|   | <b>Paid up<br/>Capital</b> | <b>General<br/>Reserve Fund</b> | <b>Revaluation<br/>Reserves</b> | <b>Other<br/>Reserves</b> | <b>Revaluation of<br/>Foreign Assets<br/>Reserve</b> | <b>Contingency</b> | <b>Total</b>     |
|---|----------------------------|---------------------------------|---------------------------------|---------------------------|--|--------------------|------------------|
| <b>Balance as at December 31, 2016</b>  | 1,000,000                  | 5,188,045                       | 3,051,830                       | 32,898                    | (4,058,969)  | 2,356,377          | 7,570,181        |
| Net Profit                              | -                          | 3,702,536                       | -                               | -                         | -  | -                  | 3,702,536        |
| Revaluation for Foreign Assets Disposed | -                          | -                               | -                               | -                         | (588,788)  | -                  | (588,788)        |
| Revaluation for Foreign Assets On Books | -                          | -                               | -                               | -                         | (2,351,930)  | -                  | (2,351,930)      |
| Revaluation of Property                 | -                          | -                               | -                               | -                         | -  | -                  | -                |
| Net Profit due to Consolidated Fund     | -                          | (3,332,282)                     | -                               | -                         | -  | -                  | (3,332,282)      |
| Actuarial Remeasurement/Pension         | -                          | -                               | -                               | -                         | -  | -                  | -                |
| <b>Balance as at December 31, 2017</b>  | 1,000,000                  | 5,558,299                       | 3,051,830                       | 32,898                    | (6,999,687)  | 2,356,377          | 4,999,717        |
| Net Profit                              | -                          | 2,089,975                       | -                               | -                         | -  | -                  | 2,089,975        |
| Revaluation for Foreign Assets Disposed | -                          | -                               | -                               | -                         | 23,306   | -                  | 23,306           |
| Revaluation for Foreign Assets On Books | -                          | -                               | -                               | -                         | (2,450,394)  | -                  | (2,450,394)      |
| Transfer from Financial Institutions    | -                          | -                               | -                               | 1,479                     | -  | -                  | 1,479            |
| Net Profit due to Consolidated Fund     | -                          | (1,880,978)                     | -                               | -                         | -  | -                  | (1,880,978)      |
| Actuarial Remeasurement/Pension         | -                          | -                               | -                               | -                         | -  | -                  | -                |
| <b>Balance as at December 31, 2018</b>  | <b>1,000,000</b>           | <b>5,767,296</b>                | <b>3,051,830</b>                | <b>34,377</b>             | <b>(9,426,775)</b>                                   | <b>2,356,377</b>   | <b>2,783,105</b> |

**BANK OF GUYANA**  
**CASH FLOW STATEMENT**

**FOR YEAR ENDED 31ST DECEMBER, 2018**

|  |                          | <b>Restated</b>          |
|--|--------------------------|--------------------------|
|  | <b>2018</b>              | 2017                     |
|  | G\$'000                  | G\$'000                  |
| <b>Operating Activities</b>                            |                          |                          |
| Government of Guyana Portion of Net Profit Payable     | 1,880,978                | 3,332,282                |
| Transfer to General Reserve                            | 208,998                  | 370,254                  |
| Grant Assets   | -                        | -                        |
| Net Profit/(Loss)                                      | <u>2,089,976</u>         | <u>3,702,536</u>         |
| Actuarial remeasurement                                | -                        | -                        |
| Adjustments to reconcile Net Profit/(Loss) to Net Cash |                          |                          |
| Flow from Operating Activities:-                       |                          |                          |
| Depreciation   | 214,165                  | 213,465                  |
| Reduction in Grant Assets                              | -                        | 76                       |
| Profit/ Loss on the Disposal of Fixed Assets           | <u>1,553</u>             | <u>(6,319)</u>           |
| Net Cash Flow from Operating Activities                | 2,305,694                | 3,909,758                |
| <b>Investing Activities</b>                            |                          |                          |
| Foreign Assets in the Process of Redemption            | 423,146                  | 183,392                  |
| Holdings of Special Drawing Rights                     | 80,708                   | 117,441                  |
| Foreign Capital Market Securities                      | 14,143,567               | (1,092,062)              |
| Additions to Fixed Assets                              | (133,994)                | (103,843)                |
| Proceeds from the Disposal of Fixed Assets             | 122                      | 6,711                    |
| Funds for Government Projects                          | 34,829                   | (4,898,132)              |
| International Monetary Fund Obligations                | (4,497,670)              | 832,733                  |
| Other Financial Assets                                 | (2,649,854)              | (1,766,591)              |
| Special Issue of Government of Guyana Securities       | (14,671)                 | (169,518)                |
| Gold Deposits  | 1,878,117                | 3,404,070                |
| Government of Guyana Treasury Bills                    | <u>(42)</u>              | <u>88</u>                |
| Net Cash Flow from Investing Activities                | 9,264,258                | (3,485,711)              |
| <b>Financing</b>                                       |                          |                          |
| Currency in Circulation                                | 11,515,142               | 9,664,070                |
| Commercial Bank Deposits                               | 11,364,596               | (7,985,493)              |
| Government of Guyana Deposits                          | (28,711,991)             | (5,170,300)              |
| International Financial Institutions Deposits          | 3,019,419                | 1,067                    |
| Funds Due To Government Projects                       | (34,829)                 | 4,898,132                |
| Other Deposits   | 285,634                  | 2,804,404                |
| Government of Guyana Portion of Net Profit Payable     | (3,332,282)              | (3,751,154)              |
| Allocation of Special Drawing Rights                   | 1,456,031                | (832,733)                |
| Other Liabilities                                      | 1,400,234                | 2,867,376                |
| Revaluation Reserves                                   | -                        | -                        |
| Revaluation for Foreign Reserves                       | (2,427,088)              | (2,940,718)              |
| Contingency Reserve                                    | -                        | -                        |
| Other Reserve  | 1,479                    | -                        |
| Grant Assets   | -                        | -                        |
| Net Cash Flow from Financing                           | <u>(5,463,655)</u>       | <u>(445,349)</u>         |
| Net Increase/(Decrease) in Cash for year               | 6,106,297                | (21,302)                 |
| Cash as at beginning of year                           | <u>22,219,441</u>        | <u>22,240,743</u>        |
| <b>Cash as at end of year</b>                          | <b><u>28,325,738</u></b> | <b><u>22,219,441</u></b> |
| <b>Balances with Foreign Banks</b>                     | <b><u>28,325,738</u></b> | <b><u>22,219,441</u></b> |

**BANK OF GUYANA**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2018**

**1. IDENTIFICATION**

Bank of Guyana (hereafter “the Bank”) was established under the Bank of Guyana Ordinance which was repealed by the Bank of Guyana Act of 1995 (hereafter “the Act”) and subsequently repealed by the Act of 1998 which was amended in 2018. The Bank is domiciled in Guyana and its registered office is located at 1 Avenue of the Republic, Georgetown, Guyana, South America.

The principal objectives of the Bank, as set out in the Act are to: issue and redeem notes and coins, keep and administer the external reserves of Guyana, provide oversight of the payment and financial systems and act as the fiscal agent and banker to the Government of Guyana.

**2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**A. Statement of Compliance**

The Financial Statements are prepared in accordance with the provisions of the Bank of Guyana Act No. 19 of 1998 and International Financial Reporting Standards (IFRS) and their interpretation adopted by the International Accounting Standards Board (IASB).

**B. Basis of Preparation**

The preparation of the financial statements in accordance with the IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the balance sheet date and income and expenses for the year then ended. Actual amounts could differ from these estimates. The most significant estimate included in the financial statement related to the provisions for pension obligations.

The financial statements are presented in Guyana dollars (GYD) and are prepared under historical cost convention, except for the inclusion of available-for-sale investments and certain classes of property plant and equipment at fair value.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and comply in all material respects to the IFRS.

**C. IFRS not fully adopted**

The Financial statements depart from IFRS because of the nature of the Bank, including its role in the development of the financial infrastructure of the country, as well as the regulations by which it is governed. The IFRS which have not been fully adopted are:

**i. Foreign Currency Transactions**

IAS 21 – The Effect of Changes in Foreign Exchange Rates, requires that all unrealized gains and losses be accounted for through the Income statement.

The rate of exchange of the Guyana dollar to the United States dollar is determined by the weighted average of the telegraphic transfer rate of the three largest bank cambios.

Foreign currency transactions are translated to the Guyana dollar equivalent at the rates of exchange ruling at the dates of such transactions. Assets and liabilities held with foreign financial institutions are valued at the applicable year-end rates. Gains/losses are transferred to a reserve account and any deficiency is covered by the Government of Guyana through special issue of debentures. While this accounting treatment is in compliance with section 49 (1) of the Bank of Guyana Act No. 19 of 1998, it is not in keeping with the International Financial Reporting Standards (IFRS).

**ii. Provisions**

IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, which defines Provisions as a liability of uncertain timing or amount. Section 7 of the Bank of Guyana Act imposes specific limitations on the scope of the Bank to create reserves and thus prepare for certain unforeseen events. The Bank has therefore established a provision for market rate fluctuations which would more typically be reflected as a reserve under IFRS. (See Note 23.)

**iii. Gains and Loss on Foreign Investment**

IFRS 9 – Financial Instruments: Recognition & Measurement requires that gains and losses be recognized through profit and loss. Section 49 of the Bank of Guyana Act No. 19 of 1998 requires that all unrealized gains and losses should be recognized in a revaluation account and neither the gain nor loss arising from any such change shall be included in the computation of the annual profit or loss of the Bank.

**D. Financial Instruments**

**a. Classification of Investments**

Management determines the classification of instruments at the time of purchase and takes account of the purposes for which the investments were purchased. Investments are classified as originated loans and receivables, available-for-sale, and held to maturity.

- i. Originated loans and receivables are created by the Bank by providing money to a debtor with fixed or determinable payments other than those created with the intention of short term profit taking. These originated loans and receivables are not quoted on an active stock market and are recognized on the day the rights are transferred to the Bank.

- ii. Available-for-sale instruments are recognized on the date the Bank commits to the purchase of the investment. From this date, any gains and losses arising from changes in fair value of the instruments are recognized as equity.

b. Measurement

The Bank's investments are measured as follows:

- i. Loans are classified as originated loans and receivables and are stated at cost less provision for losses and impairment as appropriate.
- ii. Caricom Government Securities are classified as available for sale and are measured at fair value through other comprehensive income.
- iii. US Treasury Bonds purchased are classified as available-for-sale and are measured at fair value through other comprehensive income.
- iv. Bonds purchased from Supranational Entities are classified as available-for-sale and are measured at fair value through other comprehensive income.

c. Fair Value Measurement Principles.

The fair value of financial instruments classified as available-for-sale is based on quoted market prices at the date of the statement of financial position without any deduction for transaction cost.

d. Gains and Losses on Subsequent Measurement

Gains and losses arising from a change in the fair value of available-for-sale assets are recognized directly in equity. When the financial assets are sold, collected or otherwise disposed of, the cumulative gains or losses recognized in equity is reversed and the gains or loss on the disposal are recognized in the statement of income.

e. Cash Resources

Cash resources including short-term deposits with maturity ranging up to 12 months from the statement of financial position date are shown at cost.

f. Other Assets

These are stated at cost less impairment.

g. Other Liabilities

Other liabilities including provisions are stated at amortised cost. A provision is recognized in the statement of financial position when:

- i. the Bank has a legal or constructive obligation as a result of a past event,
- ii. it is probable that an outflow of economic benefits will be required to settle the obligation and
- iii. a reliable estimate of the amount can be made.

**h. Derecognition**

A financial asset is derecognised when the Bank loses control over the contractual rights that comprise that asset. This occurs when the rights are realized, expired or surrendered. A financial liability is derecognized when it is extinguished. Available-for-sale assets that are sold are derecognized, and corresponding receivables from the buyer for the payment are recognized as at the date the Bank commits to sell the assets.

Originated loans and receivables are derecognized on the date realized or transferred by the Bank.

**E. Property, Plant and Equipment**

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, except for freehold land and buildings which are stated at market value.

Depreciation on fixed assets is calculated using the straight-line method on cost to write-off the assets over the term on their estimated useful lives at the rates specified below:

|                               |   |         |
|-------------------------------|---|---------|
| Office Furniture              | - | 10%     |
| Computer Equipment & Software | - | 20%     |
| Other Office Machinery        | - | 12.5%   |
| Sundry Equipment              | - | 20%     |
| Motor Vehicles                | - | 25%     |
| Building (including fixtures) | - | 2 – 10% |

No depreciation is provided on construction in progress.

**F. Employee Benefits**

Employee benefits are all forms of consideration given by the Bank in exchange for service rendered by its employees. Employee benefits that are earned as a result of past or current services are recognized as follows:

**1) General**

- i. Short term employee benefits are recognized as a liability, net of payments made and charged as expense.

- ii. The expected cost of vacation and annual leave and leave passage allowance are recognized when the employee becomes entitled to the leave and the vacation leave passage allowance.

## 2) Defined Benefit Pension Scheme

Employee benefits comprising pension and other post employment benefits and obligations included in these financial statements have been actuarially determined by a qualified independent Actuary. The appointed Actuary's report outlines the scope of the valuation and the actuarial opinion. The actuarial valuations were conducted in accordance with IAS 19 and the financial statements reflect the Bank's post employment benefits and obligations as computed by the Actuary. The cost of employee benefits which is the cost to the Bank in its administration of, and contributions to the pension scheme established to provide retirement benefits, and its payments to pensioners to supplement the basic pensions to which pensioners are entitled under the rules of the scheme's actuaries.

The Bank's net obligation in respect of the defined benefit pension plan is calculated by estimating the amount of the future benefits that employees have earned in return for their service in the current and prior periods. The value is discounted to determine the present value, and the fair value of any plan assets is deducted.

The Bank's contributions to the defined benefit scheme are charged to the statement of income in the year to which they relate.

## **G. Government Grant**

A Government grant is recognized when the grant is received and conditions attached to the grant are complied with. The grant is recognized in the statement of financial position as deferred income, and recognized in the statement of income on a systematic basis over the useful life of the asset.

## **H. Statutory Transfer of Profit and Losses**

Section 7 (3) of the Act provides for ninety percent (90%) of net profits to be transferred to the Accountant General for credit to the Consolidated Fund of Guyana, and the remaining balance transferred to the Bank's General Reserve Fund. Any losses not covered by reserves, are required by Section 7 (3) of the Act to be funded by the Government out of the Consolidated Fund.



## **I. Related Party Balances and Transactions**

A party is related to an entity if:

- i. Directly or indirectly the party:
  - controls, is controlled by, or is under common control with the entity;
  - has an interest in the entity that gives it significant influence over the entity,
  - or
  - has joint control over the entity.
- ii. The party is a member of the key management personnel of the entity.
- iii. The party is a close member of the family of any individual referred to in (1) or (2) above

## **J. Adoption of new and revised IFRS and interpretations**

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Bank's annual financial statements for the year ended December, 2018.

### **Standards and interpretations issued but not yet effective**

New and amended standards and interpretations issued but not yet effective up to the date of issuance of the Bank's financial statements are listed below. The Bank reasonably expects these to be applicable at a future date and intends to adopt them when they become effective.

IAS 19 Employee Benefits (effective January 1, 2019)

### **Improvements to IFRSs applied January 1, 2018**

IFRS 9 Financial instruments (effective January 1, 2018)

IFRS 15 Revenue from Contracts from Customers (effective January 1, 2018)

## **K. Critical Accounting Estimates And Judgements In Applying Accounting Policies**

### **(a) Impairment Losses on Financial Assets**

To identify impairment in the Bank's loans, investment securities and receivables portfolios, judgments are made as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from those assets. Estimating the quantum and timing of future recoveries involves significant judgment. The size of receipts will depend on the future performance of the borrower/ issuer/customer and the value of security, all of which will be affected by future economic conditions; additionally, collateral may be readily marketable. The actual amount of future cash flows and the date they are received may differ from these estimates and consequently actual losses incurred may differ from those recognised in these financial statements.

**(b) Provisions for Employee Benefits**

The provision for employee benefits is based on the application of the projected unit method by an independent actuary using certain assumptions. The future payments of employee benefits may differ from the estimated amounts due to deviations from the assumptions used.

**(c) Values of Property, Plant and Equipment**

The residual values and useful lives of property, plant and equipment are reviewed at each reporting date and estimates made of the values expected to be obtained from disposal of the assets at the end of their useful lives and the expected period over which the assets are expected to be available for use.

**3. GOLD**

This amount represents Troy ounces of gold held on deposit:

| <b>2018</b> | <b>2017</b>  |
|-------------|--------------|
| 8,000 (ozs) | 15,000 (ozs) |

Gold has been valued based on London Bullion Market Association am fix.

**4. BALANCES WITH FOREIGN BANKS**

|                                      | <b>2018</b>       | <b>2017</b>       |
|--------------------------------------|-------------------|-------------------|
| Balances with Central Banks          | 6,708,370         | 5,899,594         |
| Current accounts in US Dollars       | 19,328,357        | 15,856,637        |
| Current accounts in other currencies | 2,289,011         | 463,210           |
| <b>Total</b>                         | <b>28,325,738</b> | <b>22,219,441</b> |

**5. HOLDINGS OF SPECIAL DRAWING RIGHTS**

This amount represent the equivalent of SDR's held as at 31<sup>st</sup> December, 2018 and 2017.

**6. FOREIGN CAPITAL MARKET SECURITIES**

|                                       | <b>2018</b>       | <b>2017</b>       |
|---------------------------------------|-------------------|-------------------|
| <b>Available-for-sale:</b>            |                   |                   |
| Caribbean Government Guaranteed Bonds | 34,052,001        | 42,242,850        |
| Others                                | -                 | -                 |
| US Treasuries/ Agencies               | 19,370,415        | 6,087,200         |
| Supranational Bonds                   | 24,639,139        | 43,875,072        |
| <b>Total</b>                          | <b>78,061,555</b> | <b>92,205,122</b> |

With the exception of Bonds guaranteed by various Caribbean Governments and Latin American Countries all bonds are rated A+ and higher by Standard & Poor's.

|   |                   |
|---|-------------------|
| Balance as at December 31, 2016             | 91,113,059        |
| Additions                                   | 26,856,297        |
| Disposals                                   | (22,883,334)      |
| Foreign Gain or (Loss) in currency exchange | 87,549            |
| Gain or (Loss) on Fair Value                | (2,968,449)       |
| <b>Balance as at December 31, 2017</b>      | <b>92,205,122</b> |
| Additions                                   | 16,943,068        |
| Disposals                                   | (28,319,716)      |
| Foreign Gain or (Loss) in currency exchange | 809,467           |
| Gain or (Loss) on Fair Value                | (3,576,386)       |
| <b>Balance as at December 31, 2018</b>      | <b>78,061,555</b> |

|  | <b>2018</b> | 2017    |
|--|-------------|---------|
| Net realised gains from disposal of financial assets | 318,209     | 710,120 |

## 7. SECURITIES – SPECIAL ISSUE OF GOVERNMENT OF GUYANA DEBENTURES

This amount represents net accumulated losses mainly on the Bank's foreign exchange operations including revaluation of its external assets and liabilities. These net losses are covered by issues/redemption of interest bearing and non-interest bearing debentures in accordance with Section 7 (3), Section 49 (2) and Section 49 (3) of the Bank of Guyana Act,

No. 19 of 1998. These are unquoted securities payable on demand. Interest-bearing debentures represent 9% of total debentures. The remaining debentures are held to perpetuity, non tradable and are not interest bearing.

|   | <b>2018</b>       | 2017              |
|---|-------------------|-------------------|
| Total at the beginning of the year                              | 42,376,839        | 42,207,320        |
| Add/(Less)  |                   |                   |
| Debenture issued as per Section 49(3) of the Bank of Guyana Act | 22,933            | 169,519           |
| Adjustment to debenture issued at 31/12/2017                    | (8,262)           | -                 |
| <b>Total</b>  | <b>42,391,510</b> | <b>42,376,839</b> |

## 8. GOVERNMENT OF GUYANA TREASURY BILLS

|   | 2018           | 2017           |
|---|----------------|----------------|
| At the beginning of the year            | 995,006        | 995,094        |
| Net increase/(decrease) during the year | 42             | (88)           |
| <b>At the end of year</b>               | <b>995,048</b> | <b>995,006</b> |

The holdings of treasury bills represent rediscounted investments held by the Bank until maturity.

## 9. INTERNATIONAL MONETARY FUND

|                             | 2018              | 2017              |
|-----------------------------|-------------------|-------------------|
| Revaluation of IMF Accounts | 31,211,153        | 26,713,484        |
| Claim on IMF                | 8,567,628         | 8,567,628         |
| <b>Total</b>                | <b>39,778,781</b> | <b>35,281,112</b> |

This claim arises from and reflects that portion of the drawing covered by Guyana's subscription in Special Drawing Rights (SDRs) to the International Monetary Fund not yet repurchased.

## 10. OTHER FINANCIAL ASSETS

|   | 2018              | 2017             |
|---|-------------------|------------------|
| Cost of Notes and Coins not yet written off | 874,239           | 901,986          |
| Government Agencies                         | 2,367,282         | 2,604,010        |
| Sundry Other Assets                         | 7,567,664         | 4,653,335        |
|   | <b>10,809,185</b> | <b>8,159,331</b> |

Government Agencies include balances owed to the Bank by the Government of Guyana in excess of ten years. Agreement has been reached for the write-off of the outstanding balance over twenty years commencing year 2009.

**11. FIXED ASSETS**

|                                  | <b>Building</b> | <b>Furniture,<br/>Equipment &amp;<br/>Software</b> | <b>Total</b> |
|----------------------------------|-----------------|--|--------------|
| <b>Cost:</b>                     |                 |  |              |
| As at December 31, 2017          | 3,426,198       | 1,899,791  | 5,325,989    |
| Adjustments during the year      | -               | 16,860   | 16,860       |
| Additions during the year        | -               | 133,994  | 133,994      |
| Revaluation                      | -               | -  | -            |
| Disposals during the year        | -               | (62,688)   | (62,688)     |
| As at December 31, 2018          | 3,426,198       | 1,987,957  | 5,414,155    |
| <b>Accumulated Depreciation:</b> |                 |  |              |
| As at December 31, 2017          | 484,850         | 1,488,957  | 1,973,807    |
| Adjustments during the year      | -               | 16,860   | 16,860       |
| Additions during the year        | 57,681          | 156,483  | 214,164      |
| Disposals during the year        | -               | (61,013)   | (61,013)     |
| Depreciation Grant Asset         | -               | 0  | 0            |
| As at December 31, 2018          | 542,531         | 1,601,287  | 2,143,818    |
| <b>Net Book Value:</b>           |                 |  |              |
| As at December 31, 2017          | 2,941,348       | 410,834  | 3,352,182    |
| As at December 31, 2018          | 2,883,667       | 386,670  | 3,270,337    |

All freehold land and building have been professionally valued by Mr. Julian Barrington, Chief Valuation Officer (ag.) as at December 31, 2016.

**12. INTERNATIONAL FINANCIAL INSTITUTIONS**

|  | <b>2018</b>       | <b>2017</b>       |
|--|-------------------|-------------------|
| International Monetary Fund:               |                   |                   |
| No. 1 Account                              | 34,238,797        | 31,199,173        |
| No. 2 Account                              | 683               | 645               |
| ESAF Loan                                  | -                 | -                 |
| Other International Financial Institutions | 1,142,346         | 1,162,589         |
| Caribbean Regional Facilities              | -                 | -                 |
|  | <b>35,381,826</b> | <b>32,362,407</b> |

### 13. OTHER DEPOSITS

|                           | 2018             | 2017             |
|---------------------------|------------------|------------------|
| National Insurance Scheme | 309,518          | 591,515          |
| Staff Pension Fund        | 47,527           | 14,167           |
| Other Deposits            | 7,566,629        | 7,032,358        |
|                           | <b>7,923,674</b> | <b>7,638,040</b> |

### 14. ALLOCATION OF SPECIAL DRAWING RIGHTS

|  | 2018       | 2017       |
|--|------------|------------|
|  | 26,111,272 | 24,655,241 |

This amount represents the liability in respect of SDRs allocated to Guyana as at 31<sup>st</sup> December 2018, valued at the equivalent Guyana dollar rate to the SDR at the SDR/GYD quoted by the IMF as at 30<sup>th</sup> April 2018.

### 15. OTHER LIABILITIES

|                     | 2018             | Restated<br>2017 |
|---------------------|------------------|------------------|
| Included are:       |                  |                  |
| Accruals            | 2,111,967        | 1,927,185        |
| Uncleared Cheques   | 362,205          | 99,584           |
| Others              | 7,407,276        | 5,990,588        |
| Pension Obligations | (838,244)        | (374,387)        |
| Total               | <b>9,043,204</b> | <b>7,642,970</b> |

#### i. Others

Included in others liabilities:

#### Uncleared Cheques

Included in 2017 restated amount are cheques drawn on Bank of Guyana for deferred and personal income account schemes.

#### Pension Obligations

The pension plan is a final salary defined benefit plan for staff.

Employees are required to contribute 5% of their salaries less 2/3 of any contribution which the employee is deemed to make under the National Insurance and Social Security Act of 1969 in respect of pensions. As of 31<sup>st</sup> December, 2018 there were 243 active members of the Scheme and 53 persons were receiving benefits. The employer contributes the balance of cost of the benefits, subject to a minimum of 12% of the employees'

salaries plus such amounts in each year that may be determined by the Actuaries. The employer is currently contributing 16% of employees' salaries and \$300,000 monthly.

The Bank carries out actuarial valuation of the funded obligations every three years as the amounts in the financial statements do not differ materially from the amounts that would be determined at the balance sheet date.

Ex gratia pension payment which is viewed as a constructive obligation is the difference between the pension allocated from the pension scheme and the monthly pension decided by the Bank. Employees do not contribute towards the cost of the supplementary benefits. Some of the supplementary benefits are contractual whilst others are not.

IAS 19 requires the Bank to look at the yield on long term Government debt when setting the discount rate. The Actuary has advised assumptions are subjective as no such bonds exist in Guyana either as the most readily available debt is in the form of short term Government Treasury Bills. Thus selection of the actuarial assumptions is more a matter of judgment than fact.

The assets of the Bank's defined benefit pension scheme and ex-gratia pension obligation as at December 31, 2018 totaled \$2,037.748 million and \$1,656.889 million respectively based on the following assumptions:

|   | <b>2018</b> | 2017 |
|---|-------------|------|
|   | %           | %    |
| Discount Rate (p.a.)                        | 4.5         | 4.5  |
| Rate of pension increases (p.a.)            | 5.0         | 5.0  |
| Future salary increases (p.a.)              | 7.0         | 9.0  |
| National Insurance Ceiling increases (p.a.) | 5.0         | 5.0  |

|  | <b>Pension Scheme</b> |                  |
|--|-----------------------|------------------|
|  | <b>2018</b>           | 2017             |
| <b>Movement in Present Value of Defined Benefit Obligation</b> |                       |                  |
| Defined Benefit Obligation at start of year                    | 3,103,251             | 1,993,087        |
| Current Service Cost   | 149,160               | 77,618           |
| Interest Cost  | 140,653               | 88,203           |
| Members' Contributions   | 15,218                | 15,716           |
| Past Service Cost/(Credit)                                     | -                     | -                |
| Experience adjustments   | (9,093)               | 151,810          |
| Actuarial Gain/(Loss)  | (775,202)             | 936,926          |
| Benefits paid  | (119,150)             | (160,109)        |
| Defined Benefit Obligation at end of year                      | <b>2,504,837</b>      | <b>3,103,251</b> |



|  |                  |                  |
|--|------------------|------------------|
| Fair Value of Scheme Assets at start of year       | 2,136,619        | 2,034,992        |
| Interest Income                                    | 96,448           | 90,929           |
| Return on Scheme assets, excluding interest income | (208,823)        | 39,708           |
| Bank Contributions                                 | 117,436          | 115,383          |
| Member's Contribution                              | 15,218           | 15,716           |
| Benefits Paid                                      | (119,150)        | (160,109)        |
| Fair Value of Scheme Assets at end of year         | <b>2,037,748</b> | <b>2,136,619</b> |

Actual return on Plan assets (112,375) 130,637

|   |                |               |
|---|----------------|---------------|
| Current Service Cost                              | 149,160        | 77,618        |
| Net Interest on Defined Benefit Liability/(Asset) | 44,205         | (2,726)       |
| Past Service Cost/(Credit)                        | -              | -             |
| Net Pension Cost                                  | <b>193,365</b> | <b>74,892</b> |

| <b>Net Liability in Statement of Financial Position</b> | <b>Pension Scheme</b> |                |
|---|-----------------------|----------------|
|   | <b>2018</b>           | 2017           |
| Present Value of Defined Benefit Obligation             | 2,504,837             | 3,103,251      |
| Fair Value of Assets                                    | (2,037,748)           | (2,136,619)    |
| (Surplus)/Deficit                                       | 467,089               | 966,632        |
| Effect of asset Ceiling                                 | -                     | -              |
| Net Defined Benefit Liability/(Asset)                   | <b>467,089</b>        | <b>966,632</b> |

| <b>Reconciliation of Opening and Closing Statement of Financial Position</b> | <b>Pension Scheme</b> |                |
|--|-----------------------|----------------|
|  | <b>2018</b>           | 2017           |
| Opening Defined Benefit Liability/(Asset)                                    | 966,632               | (41,905)       |
| Net Pension Cost   | 193,365               | 74,892         |
| Re-measurements recognised in Other Comprehensive Income                     | (575,472)             | 1,049,028      |
| Bank Contributions Paid  | (117,436)             | (115,383)      |
| Closing Defined Benefit Liability/(Asset)                                    | <b>467,089</b>        | <b>966,632</b> |

|  | <b>Ex-Gratia</b> |                  |
|--|------------------|------------------|
|  | <b>2018</b>      | 2017             |
| <b>Movement in Present Value of Defined Benefit Obligation</b> |                  |                  |
| Defined Benefit Obligation at start of year                    | 2,599,684        | 1,818,873        |
| Current Service Cost   | 93,218           | 64,562           |
| Interest Cost  | 117,510          | 81,925           |
| Members' Contributions   | -                | -                |
| Past Service Cost/(Credit)                                     | -                | -                |
| Experience adjustments   | 35,550           | 174,791          |
| Actuarial Gain/(Loss)  | (432,262)        | 520,688          |
| Benefits paid  | (69,679)         | (61,155)         |
| Defined Benefit Obligation at end of year                      | <b>2,344,021</b> | <b>2,599,684</b> |

|  | <b>Ex-Gratia</b> |                |
|--|------------------|----------------|
|  | <b>2018</b>      | 2017           |
| <b>Movement in Fair Value of Plan Assets</b>     |                  |                |
| Fair Value of Plan Assets at start of year       | 415,782          | 2,429,915      |
| Interest Income                                  | 83,878           | 39,894         |
| Return on Plan assets, excluding interest income | (185,750)        | 199,098        |
| Bank Contributions                               | 1,412,658        | (2,191,970)    |
| Member's Contribution                            | -                | -              |
| Benefits Paid                                    | (69,679)         | (61,155)       |
| Fair Value of Plan Assets at end of year         | <b>1,656,889</b> | <b>415,782</b> |

|                              |           |         |
|------------------------------|-----------|---------|
| Actual return on Plan assets | (101,872) | 238,992 |
|------------------------------|-----------|---------|

|   | <b>Ex-Gratia</b> |                  |
|---|------------------|------------------|
|   | <b>2018</b>      | 2017             |
| <b>Net Liability in Statement of Financial Position</b> |                  |                  |
| Present Value of Defined Benefit Obligation             | 2,344,021        | 2,599,684        |
| Fair Value of Assets                                    | (1,656,889)      | (415,782)        |
| (Surplus)/Deficit                                       | 687,132          | 2,183,902        |
| Effect of asset Ceiling                                 | -                | -                |
| Net Defined Benefit Liability/(Asset)                   | <b>687,132</b>   | <b>2,183,902</b> |

| <b>Expense Recognised in Statement of Income</b>  | <b>Ex-Gratia</b> |                |
|---|------------------|----------------|
|   | <b>2018</b>      | <b>2017</b>    |
| Current Service Cost                              | 93,218           | 64,562         |
| Net Interest on Defined Benefit Liability/(Asset) | 33,632           | 42,031         |
| Past Service Cost/(Credit)                        | -                | -              |
| Net Pension Cost                                  | <b>126,850</b>   | <b>106,593</b> |

| <b>Reconciliation of Opening and Closing Statement of Financial Position</b> | <b>Ex-Gratia</b> |                  |
|--|------------------|------------------|
|  | <b>2018</b>      | <b>2017</b>      |
| Opening Defined Benefit Liability/(Asset)                                    | 2,183,902        | (611,042)        |
| Net Pension Cost   | 126,850          | 106,593          |
| Re-measurements recognised in Other Comprehensive Income                     | (210,962)        | 496,381          |
| Bank Contributions Paid  | (1,412,658)      | 2,191,970        |
| Closing Defined Benefit Liability/(Asset)                                    | <b>687,132</b>   | <b>2,183,902</b> |

#### Experience history

|   | <b>Pension Scheme</b> |                |                 |                |                 |
|---|-----------------------|----------------|-----------------|----------------|-----------------|
|   | <b>2018</b>           | <b>2017</b>    | <b>2016</b>     | <b>2015</b>    | <b>2014</b>     |
| Present Value of Defined Benefit Obligation | 2,504,837             | 3,103,251      | 1,993,087       | 2,102,476      | 1,641,497       |
| Fair Value of Assets                        | (2,037,748)           | (2,136,619)    | (2,034,992)     | (1,848,012)    | (1,672,228)     |
| (Surplus)/Deficit                           | <b>467,089</b>        | <b>966,632</b> | <b>(41,905)</b> | <b>254,464</b> | <b>(30,731)</b> |

|                             | <b>Ex-Gratia</b> |                  |                  |                |                  |
|-----------------------------|------------------|------------------|------------------|----------------|------------------|
|                             | <b>2018</b>      | <b>2017</b>      | <b>2016</b>      | <b>2015</b>    | <b>2014</b>      |
| Defined Benefit Obligation: | 2,344,021        | 2,599,684        | 1,818,873        | 1,775,260      | 1,442,286        |
| Fair Value of Assets        | (1,656,889)      | (415,782)        | (2,429,915)      | (1,464,280)    | (1,598,923)      |
| (Surplus)/Deficit           | <b>687,132</b>   | <b>2,183,902</b> | <b>(611,042)</b> | <b>310,980</b> | <b>(156,637)</b> |

|  | <b>Pension</b> | <b>Ex-Gratia</b> |
|--|----------------|------------------|
| Funding expected for 2019 Bank Pension Scheme contributions/ex-gratia benefit payments | 196,000        | 73,000           |

**16. SHARE CAPITAL**

|                       | <b>2018</b> | 2017      |
|-----------------------|-------------|-----------|
| Authorised            | 1,000,000   | 1,000,000 |
| Issued and Fully paid | 1,000,000   | 1,000,000 |

**17. CONTINGENCY RESERVE**

|                     | <b>2018</b> | 2017      |
|---------------------|-------------|-----------|
| Contingency Reserve | 2,356,377   | 2,356,377 |

This amount represents a provision to meet adverse movements in exchange rate.

**18. ADMINISTRATIVE EXPENSES**

Included in Administrative Expenses are:

|                       | <b>2018</b>      | 2017             |
|-----------------------|------------------|------------------|
| Staff Cost            | 1,440,892        | 1,373,808        |
| Premises Maintenance  | 87,937           | 107,062          |
| Services and Supplies | 164,640          | 163,856          |
| Other Expenses        | 45,969           | 37,860           |
| <b>Total</b>          | <b>1,739,438</b> | <b>1,682,586</b> |

**Employee numbers and costs.**

The number of employees at the end of year 2018 was 278 while the number at end of year 2017 was 273.

The related costs for these employees were as follows:

|                                 | <b>2018</b>      | 2017             |
|---------------------------------|------------------|------------------|
| Salaries and Wages              | 871,447          | 822,282          |
| Statutory payroll contributions | 73,668           | 72,883           |
| Staff Welfare                   | 638,446          | 497,352          |
| Pension/Ex-Gratia               | (134,266)        | (6,358)          |
| Accrued Leave Cost              | (17,972)         | (21,602)         |
| Other                           | 9,569            | 9,251            |
| <b>Total</b>                    | <b>1,440,892</b> | <b>1,373,808</b> |

## **Related Party Balances**

The Bank has a related party relationship with its board of directors and senior management staff. The income statement includes expenses arising from short term employee benefits, pension costs and directors' fees.

|                                    | <b>2018</b> | 2017    |
|------------------------------------|-------------|---------|
| Short term benefits & pension cost | 110,274     | 100,932 |
| Directors Compensation             | 531         | 576     |

## **19. INTEREST AND CHARGES**

Interest and charges relate to the Bank's foreign liabilities to the International Monetary Fund.

## **20. INTEREST ON MONEY EMPLOYED**

|  | <b>2018</b> | 2017   |
|--|-------------|--------|
|  | 103,159     | 82,938 |

This amount represents accrued interest paid/received on participation in foreign investments and credit card charges. It also includes interest accrued on Caricom Multilateral Clearing Facility (CMCF) for the period 2004 to 2009. After the facility wound up in March 2014 total accrued interest of \$902,616,573 is being written back on a quarterly basis over a period of five years that began in March 2015. The balance remaining as at December 31<sup>st</sup>, 2018 is \$180,523,309.

## **21. COST OF PRINTING NOTES AND MINTING OF COINS**

|                   | <b>2018</b>    | 2017           |
|-------------------|----------------|----------------|
| Printing of Notes | 249,750        | 190,730        |
| Minting of Coins  | 26,988         | 38,342         |
| <b>Total</b>      | <b>276,738</b> | <b>229,072</b> |

## **22. BAD DEBT WRITTEN OFF**

This amount represents a portion of consolidated debt of \$4,734,572,735 owed by the Government of Guyana to be written off over 20 years. This debt was owed by Ministry of Health (MOH) and Guyana Electricity Corporation (GEC). A Venezuela line of credit was established in favour of MOH to facilitate the importation of pharmaceuticals and hospital supplies, however MOH had an outstanding debt of \$24,349,041. In addition, the Bank made fuel payments on behalf of GEC through Guyana Energy Agency for the value of \$4,710,223,694. Balance remaining as at December 31, 2018 is \$2,367,281,775.

**23. MARKET EXPOSURE ON FOREIGN INVESTMENT**

The Bank has adopted a prudent approach for provisioning in order to maintain adequate capacity to fulfill its functions. The Bank of Guyana Act, Section 7 allows for the deduction of provisions before declaration of profit and payment into the consolidated fund. The provision is in order to meet adverse market rate movements for investments held and other risk (market, credit and interest rate) which may occur. This is a departure from the definition outlined in IAS 37- Provisions, Contingent Liabilities and Contingent Assets. Included in this amount is a provision for unpaid interest from bonds issued by Latin American and Caribbean Countries.

|  | <b>2018</b>      | 2017             |
|--|------------------|------------------|
| Provision for Revaluation of Foreign Investment at start of year   | 4,341,284        | 3,289,872        |
| Provision for exchange rate and market movements                   | 232,219          | 411,393          |
| Provision for bad debts  | 1,368,053        | 640,019          |
| Provision for Market Exposure of Foreign Investment at end of year | <b>5,941,556</b> | <b>4,341,284</b> |

**24. PROFIT/LOSS FOR THE YEAR**

| <b>2018</b> | 2017      |
|-------------|-----------|
| 2,089,975   | 3,702,536 |

In accordance with Section 7(3), Bank of Guyana Act, No. 19 of 1998, ten percent (10%) of the net profit for the year has been transferred to the General Reserve Fund. The remainder will be paid to the Accountant General for credit to the Consolidated Fund of Guyana.

The schedule below shows the profit had the Bank fully complied with IAS 37 to not account for a provision for exchange rate movement and IFRS 9 to recognize revaluation, gains and losses on foreign investments through profit and loss.

|  | <b>2018</b>      | 2017             |
|--|------------------|------------------|
| Profit as per Income Statement               | 2,089,975        | 3,702,536        |
| Revaluation of Foreign Currency Transactions | (14,671)         | (169,519)        |
| Revaluation of foreign investments           | (2,427,088)      | (2,940,717)      |
| Provision for exchange rate movements        | 232,219          | 411,393          |
| <b>Total</b>                                 | <b>(119,565)</b> | <b>1,003,693</b> |

**25. SEGMENT REPORT**

The Bank as the central bank operates as an agent for government in economic management. Consistent with this role, operations can be segmented between the domestic market (including issue of currency) and operations in the foreign markets. Therefore, the Bank presents assets and liabilities, and their associated income and expense streams, by distinguishing between foreign currency and local currency activities in the statement of financial position and statement of income.

## **26. COMMITMENTS**

Capital commitments are as follows:

|                               | <b>2018</b>    | <b>2017</b>    |
|-------------------------------|----------------|----------------|
| Authorised and Contracted     | 12,500         | 80,000         |
| Authorised but not Contracted | 207,869        | 139,930        |
| <b>Total</b>                  | <b>220,369</b> | <b>219,930</b> |

This amount represents major capital expenditure that was approved by the Board of Directors for the accounting period.

## **27. RISK MANAGEMENT – FINANCIAL**

### **Introduction and overview**

Financial risks are inherent to the operations of the Bank and management of these risks is critical to the Bank's continuing profitability.

The objective of the Bank's risk management policies and efforts is to minimize the effects of risks inherent to its operations. Risk management operates within a framework which involves the identification, assessment and monitoring of risks through the application of various approaches which are guided by the Bank's policies. These risks are continuously monitored at both the executive and directorate levels.

The Bank has exposure to the following risks from its use of financial instruments:

- i. Market Risk
- ii. Credit Risk
- iii. Liquidity Risk

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Bank has established an Investment Committee which is responsible for providing oversight on the investment strategy, including performance and portfolio construction. Loans are issued to staff in accordance with the Loans Policy. Applications are evaluated by the Accounts & Budget Department and reviewed by the Internal Audit Department. Final approval is granted by the Governor or Deputy Governor.

The Bank's financial assets (investment securities, loans and advances, receivables and cash resources) are classified into the following categories as required by IFRS 7: available –for-sale, or loans and receivables. The Bank's financial liabilities (borrowing, customers' deposits, payables and accruals) are classified as financial liabilities measured at amortised cost.



### **Loans and receivables assets**

Financial assets classified as loans and receivables are non-derivative instruments with fixed or determinable payments that are not quoted in an active market.

### **Available for sale assets**

Financial assets classified as available-for-sale are non-derivative instruments that are designated in this category or not classified in any of the categories.

### **Financial liabilities**

Financial liabilities which are not classified as fair value through comprehensive income are classified as financial liabilities measured at amortised cost. A financial liability which is acquired principally for the purpose of selling in the short-term are categorized as fair value through comprehensive income.

## **1. MARKET RISK**

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer or factors affecting all securities traded in the market.

### **a. Foreign Exchange Risk**

Foreign currency exposure arises from the Bank's holding of foreign currency denominated assets and liabilities. Management reviews and manages the risk of unfavourable exchange rate movements by constant monitoring of market trends. To further mitigate against foreign exchange risk, the Bank maintains a large percentage of its foreign currency denominated assets and liabilities in stable currencies.

Below are foreign exchange rates used for valuation purposes as at 31<sup>st</sup> December 2018.

|          | <b>2018</b> | 2017      |
|----------|-------------|-----------|
| USD/G\$  | 208.50      | 206.50    |
| GBP/G\$  | 266.21280   | 278.96085 |
| EURO/G\$ | 238.77420   | 247.42830 |
| CAD/G\$  | 159.41910   | 164.80765 |

The aggregate amounts of assets and liabilities denominated in foreign currencies are shown in the tables below, along with the impact of a reasonable rate movement (all changes in exchange rates reflects a strengthening against the Guyana dollar). Foreign exchange gain/losses are transferred to a liability account and any deficiency is covered by the government of Guyana through special issue of debentures in compliance with Section 49 (i) of the BOG Act No. 19 of 1998.

| <b>2018</b>                 |               |                    |                     |                         |               |
|-----------------------------|---------------|--------------------|---------------------|-------------------------|---------------|
|                             | <u>Assets</u> | <u>Liabilities</u> | <u>Net Position</u> | <u>Impact on Equity</u> |               |
|                             | <b>GYD</b>    | <b>GYD</b>         |                     | <b>0.05%</b>            | <b>-0.05%</b> |
| <b>United States Dollar</b> | 106,271,394   | 12,681,460         | 93,589,934          | 467,950                 | (467,950)s    |
| <b>Pounds Sterling</b>      | 314,411       | 0                  | 314,411             | 1,572                   | -1,572        |
| <b>Canadian Dollar</b>      | 295,645       | 0                  | 295,645             | 1,478                   | -1,478        |
| <b>Euro</b>                 | 2,012,362     | 0                  | 2,012,362           | 10,062                  | -10,062       |
| <b>Other</b>                | 71,773        | 34,239,480         | -34,167,707         | -170,839                | 170,839       |
| Restated                    |               |                    |                     |                         |               |
| 2017                        |               |                    |                     |                         |               |
|                             | <u>Assets</u> | <u>Liabilities</u> | <u>Net Position</u> | <u>Impact on Equity</u> |               |
|                             | <b>GYD</b>    | <b>GYD</b>         |                     | <b>0.50%</b>            | <b>-0.50%</b> |
| <b>United States Dollar</b> | 118,723,923   | 12,267,817         | -106,456,106        | 532,280                 | -532,280      |
| <b>Pounds Sterling</b>      | 276,452       | -                  | 276,452             | 1,382                   | -1,382        |
| <b>Canadian Dollar</b>      | 1,251,629     | -                  | 1,251,629           | 6,258                   | -6,258        |
| <b>Euro</b>                 | 194,697       | -                  | 194,697             | 973                     | -973          |
| <b>Other</b>                | 152,481       | 31,199,818         | -31,047,337         | -155,237                | 155,237       |

The table below analyses financial assets and financial liabilities of the Banking in respect of currency positions as at December, 2018

|                                      | GYD                | USD                | GBP            | CAD            | EURO             | OTHERS             | TOTAL              |
|--------------------------------------|--------------------|--------------------|----------------|----------------|------------------|--------------------|--------------------|
| <b>FINANCIAL ASSETS</b>              |                    |                    |                |                |                  |                    |                    |
| Accounts Receivable                  | 2,861,000          | -                  | -              | -              | -                | -                  | 2,861,000          |
| Regional & Foreign Currencie         | 332,408            | 5,020,160          | -              | -              | -                | 3                  | 5,352,571          |
| Balances With Foreign Banks          | -                  | 19,328,357         | 276,650        | -              | 2,012,362        | -                  | 21,617,369         |
| Balances With Central Banks          | -                  | 2,937,885          | 37,761         | 295,647        | -                | -                  | 3,271,293          |
| Domestic Assets                      | 45,442,823         | 9,733,015          | 627,774        | 244,017        | 172,825          | -81                | 56,220,373         |
| Gold                                 | -                  | 2,137,792          | -              | -              | -                | -                  | 2,137,792          |
| IMF Balances                         | 39,778,781         | -                  | -              | -              | -                | 71,773             | 39,850,554         |
| Investments Securities               | -                  | 78,061,555         | -              | -              | -                | -                  | 78,061,555         |
| Other Assets                         | 7,613,668          | 2,110              | -              | -              | -                | -                  | 7,615,778          |
| <b>Total Financial Assets</b>        | <b>96,028,680</b>  | <b>117,220,873</b> | <b>942,185</b> | <b>539,664</b> | <b>2,185,187</b> | <b>71,694</b>      | <b>216,988,285</b> |
| <b>FINANCIAL LIABILITIES</b>         |                    |                    |                |                |                  |                    |                    |
| Demand Liabilities                   | 124,905,740        | 13,201,303         | -              | -              | -                | -                  | 138,107,043        |
| Demand Foreign Liabilities           | 1,070,261          | 7,016,780          | -              | -              | -                | -                  | 8,087,041          |
| IMF Balances                         | 26,111,272         | -                  | -              | -              | -                | 34,239,480         | 60,350,752         |
| Other Liabilities & Payables         | 9,091,170          | -47,898            | -              | -              | -                | -                  | 9,043,272          |
| Regional Governments                 | 6,500              | -                  | -              | -              | -                | -                  | 6,500              |
| <b>Total Financial Liabilities</b>   | <b>161,184,943</b> | <b>20,170,185</b>  | <b>-</b>       | <b>-</b>       | <b>-</b>         | <b>34,239,480</b>  | <b>215,594,608</b> |
| <b>NET ON-BALANCE SHEET POSITION</b> | <b>-65,156,264</b> | <b>97,050,688</b>  | <b>942,185</b> | <b>539,664</b> | <b>2,185,187</b> | <b>-34,167,786</b> | <b>1,393,677</b>   |

The table below analyses financial assets and financial liabilities of the Banking in respect of currency positions as at December, 2017

|                                      | <b>G Y D</b>       | <b>U S D</b>       | <b>G B P</b>   | <b>C A D</b>     | <b>E U R O</b> | <b>O T H E R S</b> | <b>T O T A L</b>   |
|--------------------------------------|--------------------|--------------------|----------------|------------------|----------------|--------------------|--------------------|
| <b>FINANCIAL ASSETS</b>              |                    |                    |                |                  |                |                    |                    |
| Accounts Receivable                  | 1,690,506          | -                  | -              | -                | -              | -                  | 1,690,506          |
| Regional & Foreign Currence          | 396,212            | 5,217,714          | -              | -                | -              | 3                  | 5,613,929          |
| Balances With Foreign Banks          | -                  | 15,856,637         | 268,513        | -                | 194,697        | -                  | 16,319,847         |
| Balances With Central Banks          | -                  | 2,624,222          | 7,940          | 55,948           | -              | -                  | 2,688,110          |
| Domestic Assets                      | 44,530,585         | 10,689,325         | 613,609        | 210,016          | 197,037        | -81                | 56,240,490         |
| Gold                                 | -                  | 4,015,909          | -              | -                | -              | -                  | 4,015,909          |
| IMF Balances                         | 35,282,112         | -                  | -              | -                | -              | 152,481            | 35,433,593         |
| Investments Securities               | -                  | 91,009,441         | -              | 1,195,681        | -              | -                  | 92,205,122         |
| Other Assets                         | 6,070,524          | 2,089              | -              | -                | -              | -                  | 6,072,613          |
| <b>Total Financial Assets</b>        | <b>87,968,939</b>  | <b>129,415,337</b> | <b>890,061</b> | <b>1,461,646</b> | <b>391,733</b> | <b>152,403</b>     | <b>220,280,118</b> |
| <b>FINANCIAL LIABILITIES</b>         |                    |                    |                |                  |                |                    |                    |
| Demand Liabilities                   | 133,259,503        | 13,284,737         | -              | -                | -              | -                  | 146,544,240        |
| Demand Foreign Liabilities           | 2,384,529          | 6,427,419          | -              | -                | -              | -                  | 8,811,948          |
| IMF Balances                         | 24,655,241         | -                  | -              | -                | -              | 31,199,818         | 55,855,060         |
| Other Liabilities & Payables         | 7,455,857          | -47,898            | -              | -                | -              | -                  | 7,407,959          |
| Regional Governments                 | 6,500              | 1,877              | -              | -                | -              | -                  | 8,377              |
| <b>Total Financial Liabilities</b>   | <b>167,761,631</b> | <b>19,666,134</b>  | <b>-</b>       | <b>-</b>         | <b>-</b>       | <b>31,199,818</b>  | <b>218,627,584</b> |
| <b>NET ON-BALANCE SHEET POSITION</b> | <b>-79,792,692</b> | <b>109,749,202</b> | <b>890,061</b> | <b>1,461,646</b> | <b>391,733</b> | <b>-31,047,415</b> | <b>1,652,535</b>   |

Interest rate risk is the risk that future cash flows of a financial instrument or its fair value will fluctuate because of changes in market interest rates.

This is incurred through the Bank's trading in investments in money and capital market. Such risk arises through movements in coupon rates over time. The Bank manages its exposure to interest rate risks by monitoring trends in the market and to a practicable extent, matching maturity profile of financial assets to financial liabilities.

The Bank's interest bearing instruments include available for sale investment securities, loans and advances, cash resources, borrowings and customers' deposits. The majority of the Bank's interest bearing instruments are fixed rated and are either carried at amortised cost or fair value.

The table below analyses the effective year end interest rates for each class of financial assets and liabilities:

|                           | <b>2018</b> | 2017  |
|---------------------------|-------------|-------|
|                           | %           | %     |
| <b>Foreign Assets</b>     |             |       |
| Caricom Central Banks     | -           | -     |
| SDR Holdings              | 0.050       | 0.050 |
| Capital Market Securities | 4.844       | 5.110 |
| Money Market Securities   | 2.000       | 2.216 |
| <b>Liabilities</b>        |             |       |
| IMF Loan                  | 0.500       | 0.500 |
| CMCF                      | -           | -     |
| Barclays Bank             | -           | -     |

## 2. CREDIT RISK

Credit risk is the risk of loss arising from counter-party to a financial contract failing to discharge its obligations. The Bank takes on exposure to credit risk through its holding of investment securities, loans and advances, receivables and cash resources. Credit risk can also arise from guarantees and letters of credit provided or credit commitments given.

Credit risk in the foreign currency investment portfolio is managed by restricting holdings of investments substantially to US Treasury Notes, other highly rated sovereign securities and placements in high rated Supranational securities.

### Asset quality

Exposure to credit risk attached to financial assets is monitored through credit ratings and lending and exposure limits, which are regularly reviewed. Mortgages and liens are obtained for credit to staff members in respect of housing, motor vehicles and personal effects.

Cash resources are held in financial institutions which management regards as strong, and significant concentration is avoided as far as is practical.

The Bank monitors the quality of its financial assets through use of an internal grading system representing management's best estimate of the credit risk for the counterparty based on available information. The grades used as follows:

### Grade Description

- i. **Superior** – These institutions have been accorded the highest rating, indicating that the institution's capacity to meet its financial commitment on the obligation is extremely strong.

- ii. **Desirable** – These institutions have been accorded the second highest rating, indicating that the institution’s capacity to meet its financial commitment on the obligation is very strong.
- iii. **Acceptable** – These institutions have been accorded the third highest rating, indicating that the institution’s capacity to meet its financial commitment is adequate.
- iv. **Special monitoring**– concern over counterparty’s ability to make payments when due.

The following tables analyse the credit quality of financial assets subject to credit risk that were neither past due nor impaired, based on the internal grades identified above.

|                    |                    |                   |                  |                  |                    |
|--------------------|--------------------|-------------------|------------------|------------------|--------------------|
| Investments        | 49,781,214         | 18,537,777        | 2,629,555        | 7,113,009        | 78,061,555         |
| Loans and advances | 124,946            | -                 | -                | -                | 124,946            |
| Cash Resources     | 116,027,697        | -                 | -                | -                | 116,027,697        |
|                    | <b>165,933,857</b> | <b>18,537,777</b> | <b>2,629,555</b> | <b>7,113,009</b> | <b>194,214,198</b> |

|                    |                    |                   | Restated<br>2017  |                               |                    |
|--------------------|--------------------|-------------------|-------------------|-------------------------------|--------------------|
|                    | <b>Superior</b>    | <b>Desirable</b>  | <b>Acceptable</b> | <b>Special<br/>Monitoring</b> | <b>Total</b>       |
| Investments        | 55,622,881         | 23,802,442        | 9,591,078         | 3,188,721                     | 92,205,122         |
| Loans and advances | 153,070            | -                 | -                 | -                             | 153,070            |
| Cash Resources     | 109,084,750        | -                 | -                 | -                             | 109,084,750        |
|                    | <b>164,860,701</b> | <b>23,802,442</b> | <b>9,591,078</b>  | <b>3,188,721</b>              | <b>201,442,942</b> |

The Bank’s significant concentrations of credit exposure by geographical areas (based on the entity’s country of ownership) are as follows:

|  | 2018               | 2017               |
|--|--------------------|--------------------|
| United States of America                           | 52,808,919         | 43,451,210         |
| Caribbean Countries                                | 39,017,236         | 45,454,335         |
| Europe   | 3,429,612          | 9,201,668          |
| Other  | 11,131,525         | 16,317,350         |
| <b>Total Foreign Assets Exposed to Credit Risk</b> | <b>106,387,292</b> | <b>114,424,563</b> |

### 3. LIQUIDITY RISK

Liquidity risk is risk that the Bank will encounter difficulty in converting its securities to cash at, or close to its fair value, or in raising funds to meet its commitments. Prudent liquidity management implies maintaining sufficient cash and marketable securities, and ensuring the availability of funding through an adequate amount of committed standby credit facilities to meet commitments.

Management of liquidity risk relates primarily to the availability of liquid foreign resources to sell to the Government of Guyana and other specified entities to meet their obligations to creditors and lenders. The Bank manages this risk through a combination of:

- i. Budgetary procedures to identify the volume and timing of foreign payments on behalf of Government or specified entities.
- ii. Budgetary procedures to identify sources of foreign currency inflows that may be garnered.
- iii. Scheduling maturity of foreign deposits to coincide with the demands of Government and specified entities.
- iv. Maintaining a portion of foreign assets in cash or near cash as precautionary funds to meet unforeseen demand.
- v. Intervention in the domestic foreign exchange market in exceptional circumstances.

The Bank, like most central banks, has no real liquidity risk in relation to its domestic financial obligations.



## LIQUIDITY RISK – 2018

|  | Within<br>3 months<br>G\$'000 | 3 to 12<br>months<br>G\$'000 | 1 to 5<br>years<br>G\$'000 | Over<br>5 years<br>G\$'000 | Non-rate<br>sensitive<br>G\$'000 | Total<br>G\$'000   |
|--|-------------------------------|------------------------------|----------------------------|----------------------------|----------------------------------|--------------------|
| <b>Assets</b>                            |                               |                              |                            |                            |                                  |                    |
| Notes and Coins                          | -                             | -                            | -                          | -                          | 874,239                          | 874,239            |
| Gold                                     | 2,137,792                     | -                            | -                          | -                          | -                                | 2,137,792          |
| Cash and cash equivalents                | 29,908,825                    | -                            | -                          | -                          | -                                | 29,908,825         |
| Foreign currency denominated investments | 2,122,581                     | 7,843,410                    | 15,947,399                 | 52,148,165                 | -                                | 78,061,555         |
| IMF - Holdings of SDRs                   | -                             | -                            | -                          | -                          | 71,773                           | 71,773             |
| Due from Govt & Govt Agencies & Projects | -                             | -                            | -                          | -                          | 12,833,816                       | 12,833,816         |
| Local currency denominated investments   | 995,048                       | -                            | -                          | 3,898,537                  | 38,492,974                       | 43,386,559         |
| IMF - Claims                             | -                             | -                            | -                          | -                          | 8,567,628                        | 8,567,628          |
| Property, plant & equipment              | -                             | -                            | -                          | -                          | 3,270,337                        | 3,270,337          |
| Employee benefits                        | 247                           | 5,431                        | 44,965                     | 73,837                     | 466                              | 124,946            |
| Other assets                             | -                             | -                            | -                          | -                          | 41,021,152                       | 41,021,152         |
| <b>Total Assets</b>                      | <b>35,164,493</b>             | <b>7,848,841</b>             | <b>15,992,364</b>          | <b>56,120,539</b>          | <b>105,132,385</b>               | <b>220,258,622</b> |
| <b>Liabilities</b>                       |                               |                              |                            |                            |                                  |                    |
| Notes & Coins in circulation             | -                             | -                            | -                          | -                          | 112,493,616                      | 112,493,616        |
| Deposits & Other Demand Liabilities      | -                             | -                            | -                          | -                          | 34,445,599                       | 34,445,599         |
| IMF - Allocation of SDRs                 | -                             | -                            | -                          | -                          | 26,111,272                       | 26,111,272         |
| Foreign Liabilities                      | 717,152                       | -                            | -                          | -                          | 34,664,674                       | 35,381,826         |
| Employee benefits obligation             | -                             | -                            | -                          | -                          | (746,305)                        | (746,305)          |
| Other liabilities                        | -                             | -                            | -                          | -                          | 9,789,513                        | 9,789,513          |
| <b>Total liabilities</b>                 | <b>717,152</b>                | <b>-</b>                     | <b>-</b>                   | <b>-</b>                   | <b>216,758,369</b>               | <b>217,475,521</b> |
| <b>Net Liquidity Gap</b>                 | <b>34,447,341</b>             | <b>7,848,841</b>             | <b>15,992,364</b>          | <b>56,120,539</b>          | <b>(111,625,984)</b>             | <b>2,783,101</b>   |

**LIQUIDITY RISK – 2017**

|  | Restated   |           |            |            |               |             |
|--|------------|-----------|------------|------------|---------------|-------------|
|  | Within     | 3 to 12   | 1 to 5     | Over       | Non-rate      | Total       |
|  | 3 months   | months    | years      | 5 years    | sensitive     |             |
|  | G\$'000    | G\$'000   | G\$'000    | G\$'000    | G\$'000       | G\$'000     |
| <b>Assets</b>                            |            |           |            |            |               |             |
| Notes and Coins                          | -          | -         | -          | -          | 901,986       | 901,986     |
| Gold                                     | 4,015,909  | -         | -          | -          | -             | 4,015,909   |
| Cash and cash equivalents                | 24,225,674 | -         | -          | -          | -             | 24,225,674  |
| Foreign currency denominated investments | 3,258,097  | 1,441,537 | 26,951,632 | 60,553,856 | -             | 92,205,122  |
| IMF - Holdings of SDRs                   | -          | -         | -          | -          | 152,481       | 152,481     |
| Due from Govt & Govt Agencies & Projects | -          | -         | -          | -          | 12,868,645    | 12,868,645  |
| Local currency denominated investments   | 995,006    | -         | -          | 3,898,537  | 38,478,302    | 43,371,845  |
| IMF - Claims                             | -          | -         | -          | -          | 8,567,628     | 8,567,628   |
| Property, plant & equipment              | -          | -         | -          | -          | 3,352,182     | 3,352,182   |
| Employee benefits                        | 211        | 2,784     | 43,618     | 105,972    | 485           | 153,070     |
| Other assets                             | -          | -         | -          | -          | 33,817,759    | 33,817,759  |
| <b>Total Assets</b>                      | 32,494,897 | 1,444,321 | 26,995,250 | 64,558,365 | 98,139,468    | 223,632,301 |
| <b>Liabilities</b>                       |            |           |            |            |               |             |
| Notes & Coins in circulation             | -          | -         | -          | -          | 100,978,474   | 100,978,474 |
| Deposits & Other Demand Liabilities      | -          | -         | -          | -          | 52,993,493    | 52,993,493  |
| IMF - Allocation of SDRs                 | -          | -         | -          | -          | 24,655,241    | 24,655,241  |
| Foreign Liabilities                      | 717,152    | -         | -          | -          | 31,645,255    | 32,362,407  |
| Employee benefits obligation             | -          | -         | -          | -          | (276,988)     | (276,988)   |
| Other liabilities                        | -          | -         | -          | -          | 6,465,397     | 6,465,397   |
| <b>Total liabilities</b>                 | 717,152    | -         | -          | -          | 216,460,872   | 217,178,024 |
| <b>Net Liquidity Gap</b>                 | 31,777,745 | 1,444,321 | 26,995,250 | 64,558,365 | (118,321,404) | 6,454,277   |

**Sensitivity analysis**

As the Banks fixed rate financial instruments are carried at amortised cost, changes in the market interest rates would not impact carrying values or future income/expense from these instruments. However changes in market rates would affect floating rate instruments. The Bank holds no floating rate bond in its portfolio.

**28. CAPITAL MANAGEMENT**

The Bank's objectives when managing capital are to safeguard its ability to continue as a going concern in order to fulfill its statutory function and obligations, provide benefits to other stakeholders, to maintain

an optimal capital structure to reduce the cost of capital, and to maintain a prudent relationship between the capital base and the underlying risks of the institution.

## **29. TRANSACTIONS WITH THE INTERNATIONAL MONETARY FUND (IMF)**

As a member of the IMF, Guyana has a net cumulative allocation of SDRs 87,085,271 on which quarterly charges are payable to IMF. The fund pays interest on a quarterly basis on SDR Holdings of the Bank.

For revaluation purposes and quota subscription, the Bank maintains different accounts. The IMF No.1 and No. 2 accounts appear in the books of the Bank under the heading “International Financial Institutions and Other Bank Deposits” while the securities account is kept off balance sheet.

Any increase in quota is subscribed in local currency. Twenty-five percent of the quota increase is paid by a loan granted by the IMF in favour of the Government and the securities account is increased by the remaining seventy-five percent.

The Bank of Guyana revalues IMF Accounts in its balance sheet in accordance with the practices of the IMF’s Treasury Department.

## **STATISTICAL ANNEXE**

### **1. MONETARY AUTHORITY**

- 1-I        Bank of Guyana: Assets**
- 1-II       Bank of Guyana: Liabilities**

### **2. COMMERCIAL BANKS**

- 2-I(a)     Commercial Banks: Assets**
- 2-I(b)     Commercial Banks: Liabilities, Capital and Reserves**
- 2-II        Commercial Banks: Minimum Reserve Requirements**

### **3. BANKING SYSTEM**

- 3-I        Monetary Survey**

### **4. SELECTED INTEREST RATES**

- 4-I        Guyana: Selected Interest Rates**

### **5. NON-BANK FINANCIAL INSTITUTIONS**

- 5-I        Summary of Non-Bank Financial Institutions: Assets**
- 5-II       Summary of Non-Bank Financial Institutions: Liabilities**

### **6. PUBLIC FINANCE**

- 6-I        Central Government: Finances (Summary)**
- 6-II       Summary of Public Corporations Finances**

## **7. PUBLIC DEBT**

- 7-I        Domestic Public Bonded Debt**
- 7-II       Government of Guyana: Treasury Bills by Holders**
- 7-III      External Public Debt**

## **8. INTERNATIONAL TRADE AND PAYMENTS**

- 8-I        Balance of Payments**
- 8-II       International Reserves and Foreign Assets**

## **9. FOREIGN EXCHANGE RATES**

- 9-I        Changes in Bank of Guyana Transaction Exchange Rate**
- 9-II       Exchange Rate (G\$/US\$)**

## **10. DOMESTIC PRODUCT INCOME AND EXPENDITURE**

- 10-I       Gross Domestic Product, Income and Expenditure (At Current Prices)**
- 10-II      Gross Domestic Product (At 2006 Prices)**

## **11. OTHER GENERAL ECONOMIC INDICATORS**

- 11-I       Indices of Output of Selected Commodities**
- 11-II      Georgetown: Urban Consumer Price Index**
- 11-III     Estimated Population and Labour Force**

## **GENERAL NOTES**

**TABLE 1-I**  
**BANK OF GUYANA: ASSETS**  
**(G\$ Million)**

| End of Period | Total Assets | Foreign Assets |          |                     |              |                   | Claims on Central Government |            |         |          | Advance to Banks | Other                    |          |
|---------------|--------------|----------------|----------|---------------------|--------------|-------------------|------------------------------|------------|---------|----------|------------------|--------------------------|----------|
|               |              | Total          | Gold     | Balances with Banks | SDR Holdings | Market Securities | Total                        | Securities | T/Bills | Advances |                  | Non - Interest Debenture | Other    |
| <b>2009</b>   | 214,867.0    | 127,508.6      | -        | 18,199.0            | 760.0        | 108,549.7         | 2,310.7                      | -          | 2,310.7 | -        | -                | 44,431.6                 | 40,616.0 |
| <b>2010</b>   | 240,418.2    | 158,740.2      | -        | 38,949.0            | 407.5        | 119,383.7         | 1,026.1                      | -          | 1,026.1 | -        | -                | 44,448.3                 | 36,203.7 |
| <b>2011</b>   | 240,564.4    | 162,659.9      | -        | 30,621.9            | 804.6        | 131,233.3         | 995.1                        | -          | 995.1   | -        | -                | 44,109.5                 | 32,799.8 |
| <b>2012</b>   | 259,487.1    | 174,968.2      | -        | 22,541.5            | 374.4        | 152,052.3         | 994.4                        | -          | 994.4   | -        | -                | 43,305.4                 | 40,219.0 |
| <b>2013</b>   | 234,686.8    | 160,196.1      | 14,868.6 | 23,822.7            | 1,352.3      | 120,152.6         | 3,483.3                      | -          | 3,483.3 | -        | -                | 42,050.6                 | 28,956.7 |
| <b>2014</b>   |              |                |          |                     |              |                   |                              |            |         |          |                  |                          |          |
| <b>Mar</b>    | 222,120.7    | 146,402.8      | 16,032.7 | 12,172.6            | 198.7        | 117,998.8         | 2,985.6                      | -          | 2,985.6 | -        | -                | 42,050.6                 | 30,681.6 |
| <b>Jun</b>    | 210,577.6    | 137,708.5      | 16,268.1 | 14,060.9            | 197.1        | 107,182.4         | 1,393.4                      | -          | 1,393.4 | -        | -                | 42,050.6                 | 29,425.0 |
| <b>Sep</b>    | 203,204.3    | 130,167.1      | 21,238.5 | 12,491.6            | 188.9        | 96,248.0          | 1,590.4                      | -          | 1,590.4 | -        | -                | 42,050.6                 | 29,396.1 |
| <b>Dec</b>    | 207,977.1    | 137,486.9      | 25,012.2 | 15,085.5            | 505.4        | 96,883.9          | 1,598.3                      | -          | 1,598.3 | -        | -                | 42,081.5                 | 26,810.4 |
| <b>2015</b>   |              |                |          |                     |              |                   |                              |            |         |          |                  |                          |          |
| <b>Mar</b>    | 198,591.0    | 127,270.1      | 15,097.9 | 18,391.8            | 532.0        | 93,248.3          | 1,596.9                      | -          | 1,596.9 | -        | -                | 42,081.5                 | 27,642.6 |
| <b>Jun</b>    | 195,433.3    | 129,442.9      | 15,528.8 | 20,153.9            | 479.4        | 93,280.8          | 993.4                        | -          | 993.4   | -        | -                | 42,081.5                 | 22,915.5 |
| <b>Sep</b>    | 190,978.6    | 126,188.9      | 15,066.8 | 17,614.6            | 511.4        | 92,996.1          | 993.3                        | -          | 993.3   | -        | -                | 42,081.5                 | 21,714.9 |
| <b>Dec</b>    | 188,778.9    | 123,599.3      | 14,258.1 | 15,257.4            | 508.3        | 93,575.6          | 995.1                        | -          | 995.1   | -        | -                | 42,185.9                 | 21,998.5 |
| <b>2016</b>   |              |                |          |                     |              |                   |                              |            |         |          |                  |                          |          |
| <b>Mar</b>    | 219,173.2    | 127,827.0      | 14,774.8 | 24,614.7            | 548.2        | 87,889.3          | 993.4                        | -          | 993.4   | -        | -                | 42,185.9                 | 48,166.9 |
| <b>Jun</b>    | 223,070.8    | 131,021.0      | 12,510.2 | 26,400.1            | 548.3        | 91,562.4          | 993.4                        | -          | 993.4   | -        | -                | 42,185.9                 | 48,870.5 |
| <b>Sep</b>    | 217,524.6    | 126,050.7      | 8,500.6  | 27,007.1            | 274.4        | 90,268.6          | 993.5                        | -          | 993.5   | -        | -                | 42,185.9                 | 48,294.4 |
| <b>Dec</b>    | 220,375.1    | 123,233.3      | 7,420.0  | 24,430.4            | 269.9        | 91,113.1          | 995.1                        | -          | 995.1   | -        | -                | 42,207.3                 | 53,939.4 |
| <b>2017</b>   |              |                |          |                     |              |                   |                              |            |         |          |                  |                          |          |
| <b>Jan</b>    | 216,646.3    | 119,519.1      | 6,683.9  | 21,618.5            | 269.9        | 90,946.8          | 995.1                        | -          | 995.1   | -        | -                | 42,207.3                 | 53,924.8 |
| <b>Feb</b>    | 218,125.6    | 121,907.6      | 5,687.4  | 24,542.6            | 254.3        | 91,423.3          | 993.8                        | -          | 993.8   | -        | -                | 42,207.3                 | 53,017.0 |
| <b>Mar</b>    | 225,426.6    | 123,051.0      | 5,641.0  | 25,872.7            | 254.3        | 91,282.9          | 993.5                        | -          | 993.5   | -        | -                | 42,207.3                 | 59,174.8 |
| <b>Apr</b>    | 224,598.8    | 121,708.2      | 5,226.7  | 25,729.4            | 253.5        | 90,498.5          | 993.5                        | -          | 993.5   | -        | -                | 42,207.3                 | 59,689.8 |
| <b>May</b>    | 223,873.8    | 122,071.4      | 5,219.5  | 24,187.7            | 222.7        | 92,441.6          | 993.5                        | -          | 993.5   | -        | -                | 42,207.3                 | 58,601.6 |
| <b>Jun</b>    | 221,822.9    | 119,337.3      | 4,877.9  | 21,324.2            | 222.7        | 92,912.6          | 993.5                        | -          | 993.5   | -        | -                | 42,207.3                 | 59,284.8 |
| <b>Jul</b>    | 221,200.6    | 118,956.4      | 4,968.5  | 21,741.7            | 222.7        | 92,023.5          | 993.5                        | -          | 993.5   | -        | -                | 42,207.3                 | 59,043.5 |
| <b>Aug</b>    | 220,155.5    | 117,928.9      | 3,775.1  | 21,624.9            | 187.3        | 92,341.5          | 993.5                        | -          | 993.5   | -        | -                | 42,207.3                 | 59,025.8 |
| <b>Sep</b>    | 222,237.0    | 119,202.4      | 3,188.8  | 23,906.2            | 187.3        | 91,920.0          | 993.5                        | -          | 993.5   | -        | -                | 42,207.3                 | 59,833.9 |
| <b>Oct</b>    | 221,297.3    | 117,574.0      | 3,684.3  | 21,647.3            | 187.3        | 92,055.0          | 993.5                        | -          | 993.5   | -        | -                | 42,207.3                 | 60,522.5 |
| <b>Nov</b>    | 218,842.4    | 118,957.9      | 2,912.4  | 23,971.1            | 152.5        | 91,921.9          | 993.5                        | -          | 993.5   | -        | -                | 42,207.3                 | 56,683.7 |
| <b>Dec</b>    | 223,632.3    | 120,599.2      | 4,015.9  | 24,225.7            | 152.5        | 92,205.1          | 995.0                        | -          | 995.0   | -        | -                | 42,376.8                 | 59,661.3 |
| <b>2018</b>   |              |                |          |                     |              |                   |                              |            |         |          |                  |                          |          |
| <b>Jan</b>    | 216,360.4    | 113,945.0      | 2,219.2  | 19,562.4            | 152.5        | 92,010.9          | 995.0                        | -          | 995.0   | -        | -                | 42,376.8                 | 59,043.5 |
| <b>Feb</b>    | 210,624.3    | 107,062.3      | 1,908.5  | 13,800.7            | 106.8        | 91,246.4          | 993.8                        | -          | 993.8   | -        | -                | 42,376.8                 | 60,191.3 |
| <b>Mar</b>    | 205,827.1    | 101,938.7      | 1,913.7  | 13,478.6            | 106.8        | 86,439.6          | 993.5                        | -          | 993.5   | -        | -                | 42,376.8                 | 60,518.2 |
| <b>Apr</b>    | 208,252.6    | 104,740.6      | 2,744.4  | 15,430.0            | 106.4        | 86,459.9          | 993.5                        | -          | 993.5   | -        | -                | 42,376.8                 | 60,141.7 |
| <b>May</b>    | 208,450.4    | 100,269.7      | 3,261.4  | 11,328.7            | 53.6         | 85,626.0          | 993.5                        | -          | 993.5   | -        | -                | 42,376.8                 | 64,810.3 |
| <b>Jun</b>    | 207,351.3    | 98,636.4       | 3,128.9  | 10,584.5            | 53.6         | 84,869.3          | 1,143.3                      | -          | 1,143.3 | -        | -                | 42,376.8                 | 65,194.7 |
| <b>Jul</b>    | 204,433.0    | 95,181.2       | 3,128.9  | 9,109.8             | 122.9        | 82,819.6          | 993.5                        | -          | 993.5   | -        | -                | 42,376.8                 | 65,881.5 |
| <b>Aug</b>    | 206,377.1    | 93,393.2       | 3,019.5  | 8,837.6             | 60.9         | 81,475.1          | 1,988.5                      | -          | 1,988.5 | -        | -                | 42,376.8                 | 68,618.6 |
| <b>Sep</b>    | 207,022.3    | 94,346.8       | 2,961.1  | 16,110.5            | 60.9         | 75,214.2          | 993.5                        | -          | 993.5   | -        | -                | 42,376.8                 | 69,305.3 |
| <b>Oct</b>    | 209,117.8    | 100,060.3      | 3,046.7  | 21,244.6            | 135.9        | 75,633.2          | 993.5                        | -          | 993.5   | -        | -                | 42,376.8                 | 65,687.2 |
| <b>Nov</b>    | 210,819.3    | 101,327.8      | 3,435.3  | 21,378.6            | 71.8         | 76,442.2          | 993.5                        | -          | 993.5   | -        | -                | 42,376.8                 | 66,121.1 |
| <b>Dec</b>    | 220,258.6    | 110,179.9      | 2,137.8  | 29,908.8            | 71.8         | 78,061.6          | 995.0                        | -          | 995.0   | -        | -                | 42,391.5                 | 66,692.1 |

Source: Bank of Guyana

**TABLE 1-II**  
**BANK OF GUYANA: LIABILITIES, CAPITAL & RESERVES**  
**(G\$ Million)**

| End of Period | Total Liabilities, Capital & Reserves | Currency  |           |         | Deposits  |            |             |       |          |          | Capital & Reserves       |                | Allocation of SDRs | Other Liabilities |
|---------------|---------------------------------------|-----------|-----------|---------|-----------|------------|-------------|-------|----------|----------|--------------------------|----------------|--------------------|-------------------|
|               |                                       | Total     | Notes     | Coins   | Total     | Gov't      | Int'l Orgs. | Banks |          | Other    | Authorised Share Capital | Other Reserves |                    |                   |
|               |                                       |           |           |         |           |            |             | EPDS  | Other    |          |                          |                |                    |                   |
| 2009          | 214,867.0                             | 42,134.6  | 41,495.9  | 638.6   | 140,687.8 | 61,065.4   | 19,610.5    | 61.7  | 29,943.1 | 30,007.2 | 1,000.0                  | 2,635.9        | 26,603.0           | 1,805.7           |
| 2010          | 240,418.2                             | 50,480.1  | 49,785.4  | 694.7   | 153,738.6 | 69,718.8   | 19,641.6    | 61.1  | 41,340.8 | 22,976.3 | 1,000.0                  | 7,111.2        | 26,746.9           | 1,341.5           |
| 2011          | 240,564.4                             | 61,656.4  | 60,902.6  | 753.8   | 131,578.4 | 60,785.8   | 20,844.9    | 61.0  | 36,684.1 | 13,202.5 | 1,000.0                  | 15,917.4       | 28,867.5           | 1,544.7           |
| 2012          | 259,487.1                             | 67,988.0  | 67,177.0  | 811.0   | 142,901.4 | 57,279.7   | 18,341.4    | 61.0  | 45,229.3 | 21,990.1 | 1,000.0                  | 14,436.0       | 27,681.1           | 5,480.5           |
| 2013          | 234,686.8                             | 67,464.8  | 66,604.5  | 860.3   | 126,878.5 | 52,146.3   | 15,906.7    | 61.0  | 47,465.9 | 11,298.5 | 1,000.0                  | 9,000.1        | 26,939.4           | 3,403.9           |
|               |                                       |           |           |         |           |            |             |       |          |          |                          |                |                    |                   |
| 2014          |                                       |           |           |         |           |            |             |       |          |          |                          |                |                    |                   |
| Mar           | 222,120.7                             | 62,476.0  | 61,605.4  | 870.6   | 117,706.5 | 39,481.2   | 15,049.9    | 61.0  | 47,020.6 | 16,093.8 | 1,000.0                  | 7,083.2        | 26,939.4           | 6,915.6           |
| Jun           | 210,577.6                             | 65,467.6  | 64,584.7  | 882.9   | 104,063.7 | 38,113.8   | 9,764.8     | 61.0  | 43,785.3 | 12,338.7 | 1,000.0                  | 9,773.9        | 27,868.3           | 2,404.1           |
| Sep           | 203,204.3                             | 64,913.8  | 64,017.9  | 895.8   | 98,590.5  | 30,246.2   | 8,517.7     | 61.0  | 47,407.8 | 12,357.8 | 1,000.0                  | 9,501.1        | 27,868.3           | 1,330.7           |
| Dec           | 207,977.1                             | 78,800.8  | 77,887.5  | 913.2   | 87,061.0  | 21,417.6   | 8,523.6     | 61.0  | 47,012.8 | 10,045.9 | 1,000.0                  | 12,400.7       | 27,868.3           | 846.3             |
|               |                                       |           |           |         |           |            |             |       |          |          |                          |                |                    |                   |
| 2015          |                                       |           |           |         |           |            |             |       |          |          |                          |                |                    |                   |
| Mar           | 198,591.0                             | 73,256.0  | 72,334.2  | 921.8   | 81,591.5  | 15,297.3   | 7,346.8     | 61.0  | 47,468.8 | 11,417.6 | 1,000.0                  | 10,630.2       | 27,868.3           | 4,245.0           |
| Jun           | 195,433.3                             | 73,260.2  | 72,324.9  | 935.3   | 85,287.5  | 8,523.0    | 7,167.2     | 61.0  | 60,619.0 | 8,917.3  | 1,000.0                  | 9,955.0        | 25,291.7           | 638.9             |
| Sep           | 190,978.6                             | 71,368.4  | 70,422.0  | 946.4   | 81,522.6  | 4,673.3    | 6,351.1     | 61.0  | 62,895.1 | 7,542.0  | 1,000.0                  | 11,154.7       | 25,291.7           | 641.2             |
| Dec           | 188,778.9                             | 83,593.9  | 82,631.0  | 962.8   | 66,212.2  | (2,339.6)  | 6,351.0     | 61.0  | 54,545.0 | 7,594.7  | 1,000.0                  | 11,158.7       | 25,291.7           | 1,522.4           |
|               |                                       |           |           |         |           |            |             |       |          |          |                          |                |                    |                   |
| 2016          |                                       |           |           |         |           |            |             |       |          |          |                          |                |                    |                   |
| Mar           | 219,173.2                             | 79,845.8  | 78,871.3  | 974.5   | 96,252.1  | (8,444.1)  | 32,224.4    | 61.0  | 64,791.3 | 7,619.4  | 1,000.0                  | 11,986.7       | 25,291.7           | 4,796.8           |
| Jun           | 223,070.8                             | 79,366.2  | 78,382.7  | 983.5   | 101,439.4 | (3,775.1)  | 32,624.6    | 60.8  | 63,249.8 | 9,279.3  | 1,000.0                  | 14,550.1       | 25,488.0           | 1,227.1           |
| Sep           | 217,524.6                             | 79,557.5  | 78,567.2  | 990.3   | 95,006.4  | (13,258.9) | 32,374.6    | 60.8  | 69,328.8 | 6,501.1  | 1,000.0                  | 15,308.0       | 25,488.0           | 1,164.6           |
| Dec           | 220,375.1                             | 91,314.4  | 90,311.9  | 1,002.5 | 88,852.9  | (21,307.9) | 32,361.3    | 60.8  | 67,295.3 | 10,443.4 | 1,000.0                  | 10,321.3       | 25,488.0           | 3,398.5           |
|               |                                       |           |           |         |           |            |             |       |          |          |                          |                |                    |                   |
| 2017          |                                       |           |           |         |           |            |             |       |          |          |                          |                |                    |                   |
| Jan           | 216,646.3                             | 84,638.1  | 83,233.1  | 1,404.9 | 93,194.2  | (32,225.0) | 32,367.2    | 60.8  | 81,669.3 | 11,321.9 | 1,000.0                  | 5,116.9        | 25,488.0           | 7,209.2           |
| Feb           | 218,125.6                             | 84,066.7  | 83,059.4  | 1,007.4 | 94,569.4  | (26,442.5) | 32,371.6    | 60.8  | 77,480.5 | 11,099.0 | 1,000.0                  | 5,859.8        | 25,488.0           | 7,141.7           |
| Mar           | 225,426.6                             | 84,724.6  | 83,711.4  | 1,013.2 | 101,130.7 | (23,049.6) | 32,371.6    | 60.8  | 74,563.4 | 17,184.5 | 1,000.0                  | 6,016.7        | 25,488.0           | 7,066.6           |
| Apr           | 224,598.8                             | 87,677.9  | 86,660.8  | 1,017.1 | 96,360.3  | (26,975.5) | 32,368.4    | 60.8  | 73,086.3 | 17,820.4 | 1,000.0                  | 7,007.8        | 25,488.0           | 7,064.8           |
| May           | 223,873.8                             | 86,935.4  | 85,913.5  | 1,022.0 | 100,083.5 | (17,027.4) | 32,368.6    | 60.8  | 66,910.7 | 17,770.7 | 1,000.0                  | 7,785.3        | 24,655.2           | 3,414.4           |
| Jun           | 221,822.9                             | 86,794.7  | 85,770.3  | 1,024.4 | 98,505.3  | (13,903.4) | 32,350.7    | 60.8  | 61,176.7 | 18,820.5 | 1,000.0                  | 6,857.5        | 24,655.2           | 4,010.3           |
| Jul           | 221,200.6                             | 85,808.6  | 84,779.8  | 1,028.8 | 99,939.7  | (18,672.3) | 32,356.2    | 60.8  | 67,452.2 | 18,742.8 | 1,000.0                  | 6,387.0        | 24,655.2           | 3,410.1           |
| Aug           | 220,155.5                             | 86,804.2  | 85,770.2  | 1,034.1 | 96,210.3  | (21,335.1) | 32,357.4    | 60.8  | 66,737.8 | 18,389.3 | 1,000.0                  | 7,417.1        | 24,655.2           | 4,068.6           |
| Sep           | 222,237.0                             | 87,786.2  | 86,748.6  | 1,037.6 | 97,018.2  | (20,289.1) | 32,353.4    | 60.8  | 66,195.4 | 18,697.7 | 1,000.0                  | 7,722.9        | 24,655.2           | 4,054.6           |
| Oct           | 221,297.3                             | 89,635.3  | 88,593.9  | 1,041.4 | 94,704.4  | (23,785.3) | 32,343.8    | 60.8  | 66,551.6 | 19,533.5 | 1,000.0                  | 7,901.4        | 24,655.2           | 3,400.9           |
| Nov           | 218,842.4                             | 92,239.7  | 91,194.0  | 1,045.7 | 89,346.4  | (28,175.7) | 32,343.8    | 60.8  | 69,538.9 | 15,578.5 | 1,000.0                  | 8,169.0        | 24,655.2           | 3,432.1           |
| Dec           | 223,632.3                             | 100,978.5 | 99,928.8  | 1,049.7 | 83,462.2  | (26,471.0) | 32,362.4    | 60.8  | 61,988.1 | 15,521.8 | 1,000.0                  | 7,332.0        | 24,655.2           | 6,204.4           |
|               |                                       |           |           |         |           |            |             |       |          |          |                          |                |                    |                   |
| 2018          |                                       |           |           |         |           |            |             |       |          |          |                          |                |                    |                   |
| Jan           | 216,360.4                             | 93,835.4  | 92,783.9  | 1,051.6 | 84,551.7  | (36,538.1) | 32,343.7    | 60.8  | 72,797.0 | 15,888.4 | 1,000.0                  | 3,442.9        | 24,655.2           | 8,875.1           |
| Feb           | 210,624.3                             | 94,375.7  | 93,321.7  | 1,054.0 | 78,702.8  | (44,839.4) | 32,348.1    | 60.8  | 74,206.2 | 16,927.1 | 1,000.0                  | 2,762.8        | 24,655.2           | 9,127.8           |
| Mar           | 205,827.1                             | 96,649.4  | 95,592.6  | 1,056.7 | 71,848.9  | (46,364.4) | 32,348.1    | 60.8  | 68,464.9 | 17,339.5 | 1,000.0                  | 3,453.1        | 24,655.2           | 8,220.6           |
| Apr           | 208,252.6                             | 96,402.9  | 95,344.7  | 1,058.2 | 75,456.4  | (51,706.2) | 32,348.8    | 60.8  | 77,151.0 | 17,602.1 | 1,000.0                  | 2,483.6        | 24,655.2           | 8,254.6           |
| May           | 208,450.4                             | 96,818.6  | 95,759.4  | 1,059.1 | 73,924.9  | (58,321.6) | 35,387.7    | 60.8  | 78,557.3 | 18,240.7 | 1,000.0                  | 2,221.2        | 26,111.3           | 8,374.4           |
| Jun           | 207,351.3                             | 95,906.5  | 94,846.7  | 1,059.8 | 77,859.7  | (54,024.9) | 35,371.6    | 60.8  | 76,855.8 | 19,596.4 | 1,000.0                  | 1,367.9        | 26,111.3           | 5,105.9           |
| Jul           | 204,433.0                             | 96,740.4  | 95,680.0  | 1,060.4 | 73,507.2  | (59,294.0) | 35,377.6    | 60.8  | 79,124.7 | 18,238.1 | 1,000.0                  | 1,881.8        | 26,111.3           | 5,192.3           |
| Aug           | 206,377.1                             | 96,284.6  | 95,221.1  | 1,063.5 | 73,988.8  | (61,635.6) | 35,381.9    | 60.8  | 82,410.3 | 17,771.3 | 1,000.0                  | 2,884.9        | 26,111.3           | 6,107.6           |
| Sep           | 207,022.3                             | 95,697.0  | 94,630.4  | 1,066.6 | 76,290.1  | (55,388.3) | 35,381.9    | 60.8  | 77,861.8 | 18,373.8 | 1,000.0                  | 2,333.8        | 26,111.3           | 5,590.2           |
| Oct           | 209,117.8                             | 97,401.2  | 96,330.5  | 1,070.7 | 76,161.7  | (51,960.0) | 35,381.7    | 60.8  | 76,191.8 | 16,487.5 | 1,000.0                  | 2,240.0        | 26,111.3           | 6,203.6           |
| Nov           | 210,819.3                             | 99,643.1  | 98,569.2  | 1,073.9 | 75,255.8  | (55,635.2) | 35,381.8    | 60.8  | 80,407.2 | 15,041.2 | 1,000.0                  | 2,921.8        | 26,111.3           | 5,887.3           |
| Dec           | 220,258.6                             | 112,493.6 | 111,415.6 | 1,078.1 | 69,385.0  | (55,183.0) | 35,381.8    | 60.8  | 73,935.6 | 15,189.8 | 1,000.0                  | 1,783.1        | 26,111.3           | 9,485.6           |

Source: Bank of Guyana

**TABLE 2-I(a)**  
**COMMERCIAL BANKS: ASSETS**  
**(G\$ Million)**

| End of Period | Total Assets | Foreign Sector |                                |                        |        | Public Sector |                    |            |       |                    |       | Non-Bank Fin. Instits. Loans | Private Sector Loans & Advances & Securities | Bank of Guyana |          |                           |          | Other   |
|---------------|--------------|----------------|--------------------------------|------------------------|--------|---------------|--------------------|------------|-------|--------------------|-------|------------------------------|--|----------------|----------|---------------------------|----------|---------|
|               |              | Total          | Balances due from banks abroad | Loans to Non-Residents | Other  | Total         | Central Government |            |       | Public Enterprises | Other |                              |  | Total          | Deposits | External Payment Deposits | Currency |         |
|               |              |                |                                |                        |        |               | Total              | Securities | Loans |                    |       |                              |  |                |          |                           |          |         |
| 2009          | 253,760      | 44,927         | 16,642                         | 1,040                  | 27,245 | 62,081        | 59,387             | 59,364     | 23    | 2,641              | 53    | 103                          | 66,980                                       | 35,830         | 32,070   | 62                        | 3,698    | 43,839  |
| 2010          | 296,126      | 47,126         | 15,797                         | 1,332                  | 29,997 | 70,198        | 67,066             | 67,057     | 8     | 3,085              | 47    | 15                           | 78,308                                       | 45,384         | 40,843   | 61                        | 4,481    | 55,094  |
| 2011          | 328,166      | 53,126         | 25,579                         | 1,171                  | 26,376 | 77,508        | 73,417             | 73,416     | 2     | 4,031              | 60    | 31                           | 94,229                                       | 41,056         | 36,207   | 61                        | 4,788    | 62,216  |
| 2012          | 378,124      | 64,086         | 32,462                         | 1,195                  | 30,429 | 72,972        | 69,249             | 69,247     | 2     | 3,661              | 61    | 360                          | 112,970                                      | 48,900         | 41,182   | 61                        | 7,656    | 78,837  |
| 2013          | 413,605      | 61,845         | 23,628                         | 1,968                  | 36,249 | 82,027        | 79,433             | 79,432     | 1     | 2,587              | 7     | 836                          | 128,287                                      | 53,682         | 47,057   | 61                        | 6,564    | 86,928  |
| 2014          |              |                |                                |                        |        |               |                    |            |       |                    |       |                              |  |                |          |                           |          |         |
| Mar           | 397,446      | 57,199         | 20,245                         | 1,943                  | 35,011 | 77,307        | 73,758             | 73,753     | 5     | 3,547              | 2     | 895                          | 127,593                                      | 50,510         | 46,062   | 61                        | 4,387    | 83,941  |
| Jun           | 403,401      | 66,854         | 28,906                         | 2,041                  | 35,906 | 72,174        | 68,446             | 68,444     | 1     | 3,724              | 4     | 882                          | 129,449                                      | 47,380         | 42,453   | 61                        | 4,866    | 86,662  |
| Sep           | 407,965      | 68,275         | 28,974                         | 2,004                  | 37,297 | 67,376        | 64,388             | 64,388     | 0     | 2,983              | 5     | 972                          | 131,445                                      | 51,455         | 47,373   | 61                        | 4,021    | 88,441  |
| Dec           | 421,804      | 73,838         | 30,211                         | 2,958                  | 40,668 | 63,427        | 61,027             | 61,007     | 20    | 2,399              | 1     | 1,406                        | 137,736                                      | 53,376         | 46,969   | 61                        | 6,347    | 92,021  |
| 2015          |              |                |                                |                        |        |               |                    |            |       |                    |       |                              |  |                |          |                           |          |         |
| Mar           | 426,225      | 82,935         | 40,285                         | 2,459                  | 40,191 | 62,039        | 59,920             | 59,920     | 0     | 2,119              | 0     | 1,370                        | 134,677                                      | 52,714         | 46,902   | 61                        | 5,752    | 92,488  |
| Jun           | 437,161      | 79,366         | 35,674                         | 2,415                  | 41,277 | 60,292        | 58,464             | 58,462     | 2     | 1,828              | 0     | 1,443                        | 135,219                                      | 66,558         | 60,697   | 61                        | 5,800    | 94,284  |
| Sep           | 433,831      | 69,841         | 28,004                         | 2,476                  | 39,361 | 62,803        | 60,963             | 60,961     | 2     | 1,837              | 3     | 1,720                        | 136,017                                      | 68,342         | 62,633   | 61                        | 5,647    | 95,108  |
| Dec           | 442,903      | 73,751         | 29,366                         | 2,729                  | 41,656 | 65,702        | 63,704             | 63,704     | 0     | 1,954              | 44    | 1,504                        | 142,562                                      | 61,508         | 53,607   | 61                        | 7,840    | 97,877  |
| 2016          |              |                |                                |                        |        |               |                    |            |       |                    |       |                              |  |                |          |                           |          |         |
| Mar           | 455,250      | 77,882         | 34,480                         | 3,134                  | 40,268 | 67,246        | 65,334             | 65,334     | 0     | 1,911              | 1     | 813                          | 139,364                                      | 70,379         | 63,923   | 61                        | 6,394    | 99,566  |
| Jun           | 455,470      | 78,649         | 32,678                         | 2,761                  | 43,210 | 68,379        | 66,405             | 66,405     | 0     | 1,878              | 96    | 800                          | 139,768                                      | 67,941         | 62,365   | 61                        | 5,515    | 99,932  |
| Sep           | 467,018      | 80,192         | 29,279                         | 2,881                  | 48,033 | 68,259        | 66,193             | 66,192     | 1     | 1,908              | 158   | 999                          | 140,831                                      | 73,946         | 68,416   | 61                        | 5,469    | 102,792 |
| Dec           | 467,298      | 73,399         | 19,552                         | 2,685                  | 51,161 | 68,108        | 66,173             | 66,172     | 1     | 1,774              | 161   | 1,253                        | 144,281                                      | 75,238         | 66,824   | 61                        | 8,353    | 105,020 |
| 2017          |              |                |                                |                        |        |               |                    |            |       |                    |       |                              |  |                |          |                           |          |         |
| Jan           | 475,511      | 72,808         | 18,876                         | 2,423                  | 51,509 | 67,500        | 66,162             | 66,161     | 1     | 1,226              | 112   | 1,219                        | 141,388                                      | 88,155         | 81,053   | 61                        | 7,041    | 104,441 |
| Feb           | 469,066      | 74,786         | 21,128                         | 1,897                  | 51,761 | 64,267        | 62,686             | 62,685     | 1     | 1,510              | 71    | 923                          | 140,194                                      | 82,487         | 76,736   | 61                        | 5,690    | 106,410 |
| Mar           | 462,018      | 68,771         | 14,955                         | 1,991                  | 51,825 | 65,198        | 63,355             | 63,354     | 1     | 1,795              | 47    | 801                          | 139,840                                      | 81,036         | 74,427   | 61                        | 6,548    | 106,372 |
| Apr           | 466,984      | 73,070         | 20,135                         | 1,604                  | 51,331 | 65,008        | 63,174             | 63,172     | 2     | 1,760              | 74    | 793                          | 140,926                                      | 78,595         | 72,075   | 61                        | 6,459    | 108,593 |
| May           | 462,634      | 77,045         | 23,634                         | 1,361                  | 52,050 | 64,534        | 62,844             | 62,843     | 1     | 1,565              | 125   | 918                          | 140,054                                      | 72,536         | 66,165   | 61                        | 6,310    | 107,549 |
| Jun           | 455,839      | 76,726         | 25,221                         | 1,319                  | 50,186 | 64,407        | 62,603             | 62,602     | 1     | 1,692              | 113   | 855                          | 140,528                                      | 66,728         | 60,644   | 61                        | 6,023    | 106,595 |
| Jul           | 462,691      | 79,275         | 27,664                         | 1,836                  | 49,774 | 63,560        | 62,133             | 62,132     | 0     | 1,306              | 121   | 806                          | 139,679                                      | 71,621         | 65,482   | 61                        | 6,078    | 107,751 |
| Aug           | 463,130      | 79,326         | 24,268                         | 1,888                  | 53,170 | 64,113        | 62,442             | 62,442     | 0     | 1,549              | 122   | 722                          | 139,665                                      | 71,980         | 65,987   | 61                        | 5,933    | 107,324 |
| Sep           | 460,257      | 75,962         | 22,931                         | 2,007                  | 51,024 | 63,929        | 62,515             | 62,513     | 1     | 1,302              | 112   | 738                          | 141,032                                      | 71,893         | 65,724   | 61                        | 6,108    | 106,703 |
| Oct           | 465,853      | 78,351         | 20,329                         | 1,785                  | 56,238 | 65,140        | 63,457             | 63,453     | 4     | 1,569              | 114   | 750                          | 141,337                                      | 72,723         | 65,940   | 61                        | 6,722    | 107,551 |
| Nov           | 472,127      | 80,151         | 21,882                         | 1,912                  | 56,356 | 64,713        | 63,059             | 63,057     | 2     | 1,539              | 115   | 829                          | 141,833                                      | 75,928         | 68,711   | 61                        | 7,156    | 108,673 |
| Dec           | 471,129      | 78,574         | 19,447                         | 1,762                  | 57,364 | 66,476        | 63,071             | 63,067     | 4     | 3,291              | 114   | 959                          | 146,030                                      | 70,923         | 62,034   | 61                        | 8,828    | 108,167 |
| 2018          |              |                |                                |                        |        |               |                    |            |       |                    |       |                              |  |                |          |                           |          |         |
| Jan           | 479,023      | 84,667         | 25,426                         | 1,888                  | 57,354 | 65,038        | 62,972             | 62,971     | 1     | 2,028              | 38    | 797                          | 140,303                                      | 79,222         | 71,713   | 61                        | 7,448    | 108,996 |
| Feb           | 481,390      | 84,420         | 25,224                         | 1,860                  | 57,337 | 63,780        | 62,718             | 62,700     | 18    | 1,003              | 59    | 815                          | 141,167                                      | 81,133         | 73,430   | 61                        | 7,642    | 110,075 |
| Mar           | 478,721      | 87,254         | 27,915                         | 1,844                  | 57,495 | 64,875        | 63,791             | 63,784     | 7     | 997                | 87    | 722                          | 140,996                                      | 74,153         | 67,004   | 61                        | 7,089    | 110,721 |
| Apr           | 486,754      | 87,273         | 26,735                         | 2,545                  | 57,993 | 63,571        | 62,250             | 62,184     | 66    | 1,244              | 78    | 760                          | 141,315                                      | 84,465         | 77,599   | 61                        | 6,805    | 109,369 |
| May           | 498,062      | 83,616         | 24,140                         | 2,480                  | 56,996 | 73,907        | 72,462             | 72,414     | 48    | 1,365              | 80    | 816                          | 143,681                                      | 84,609         | 76,897   | 61                        | 7,651    | 111,432 |
| Jun           | 494,567      | 81,542         | 21,828                         | 2,778                  | 56,937 | 71,342        | 69,897             | 69,832     | 65    | 1,343              | 102   | 784                          | 145,629                                      | 83,427         | 77,314   | 61                        | 6,052    | 111,842 |
| Jul           | 498,683      | 85,496         | 26,407                         | 2,569                  | 56,520 | 71,567        | 70,219             | 70,162     | 57    | 1,237              | 111   | 937                          | 142,483                                      | 87,029         | 79,993   | 61                        | 6,975    | 111,171 |
| Aug           | 498,938      | 82,838         | 23,901                         | 2,489                  | 56,447 | 71,354        | 69,995             | 69,949     | 47    | 1,239              | 120   | 914                          | 143,726                                      | 88,563         | 81,400   | 61                        | 7,102    | 111,542 |
| Sep           | 497,106      | 79,310         | 22,869                         | 2,480                  | 53,960 | 72,229        | 70,960             | 70,956     | 4     | 1,158              | 112   | 889                          | 146,641                                      | 87,308         | 80,601   | 61                        | 6,646    | 110,729 |
| Oct           | 496,788      | 80,068         | 22,337                         | 2,556                  | 55,175 | 72,354        | 71,120             | 71,091     | 29    | 1,156              | 78    | 746                          | 149,563                                      | 83,265         | 75,960   | 61                        | 7,244    | 110,792 |
| Nov           | 503,709      | 80,751         | 22,812                         | 2,607                  | 55,331 | 72,263        | 71,035             | 70,969     | 65    | 1,120              | 109   | 742                          | 150,060                                      | 85,240         | 78,383   | 61                        | 6,796    | 114,652 |
| Dec           | 503,427      | 80,339         | 21,455                         | 2,722                  | 56,161 | 72,314        | 71,059             | 71,052     | 7     | 1,124              | 131   | 848                          | 151,517                                      | 83,094         | 73,320   | 61                        | 9,713    | 115,316 |

Source: Commercial Banks



**TABLE 2-I(b)**  
**COMMERCIAL BANKS : LIABILITIES, CAPITAL AND RESERVES**  
**(G\$ Million)**

| End of Period | Total Liabilities, Capital & Reserves | Foreign Sector |                                |                        |       | Public Sector |                        |                        |                | Non-Bank Financial Institutions Deposits | Private Sector Deposits | External Payment Deposits | Bank Of Guyana | Other Liabilities | Capital and Reserves |
|---------------|---------------------------------------|----------------|--------------------------------|------------------------|-------|---------------|------------------------|------------------------|----------------|--|-------------------------|---------------------------|----------------|-------------------|----------------------|
|               |                                       | Total          | Balances due from banks abroad | Non-Residents Deposits | Other | Total         | Central Gov't Deposits | Public Enter. Deposits | Other Deposits |  |                         |                           |                |                   |                      |
| <b>2009</b>   | 253,760                               | 11,655         | 1,413                          | 10,242                 | -     | 29,586        | 4,184                  | 18,572                 | 6,830          | 13,996                                   | 160,575                 | 62                        | -              | 8,806             | 29,081               |
| <b>2010</b>   | 296,126                               | 14,369         | 2,934                          | 11,435                 | -     | 38,350        | 6,623                  | 27,208                 | 4,519          | 15,622                                   | 182,723                 | 61                        | -              | 11,073            | 33,928               |
| <b>2011</b>   | 328,166                               | 13,911         | 3,823                          | 10,087                 | -     | 40,402        | 6,680                  | 26,298                 | 7,423          | 15,195                                   | 208,438                 | 61                        | -              | 11,558            | 38,601               |
| <b>2012</b>   | 378,124                               | 11,430         | 2,431                          | 8,999                  | -     | 55,119        | 13,833                 | 34,327                 | 6,959          | 18,109                                   | 233,490                 | 61                        | -              | 14,844            | 45,071               |
| <b>2013</b>   | 413,605                               | 12,624         | 2,365                          | 10,259                 | -     | 61,244        | 14,339                 | 42,698                 | 4,207          | 26,042                                   | 242,915                 | 61                        | -              | 18,356            | 52,362               |
| <b>2014</b>   |                                       |                |                                |                        |       |               |                        |                        |                |  |                         |                           |                |                   |                      |
| <b>Mar</b>    | 397,446                               | 11,139         | 1,567                          | 9,573                  | -     | 51,980        | 12,253                 | 32,362                 | 7,365          | 20,814                                   | 245,805                 | 61                        | -              | 13,358            | 54,288               |
| <b>Jun</b>    | 403,401                               | 12,146         | 2,314                          | 9,831                  | -     | 54,848        | 11,993                 | 35,970                 | 6,884          | 20,963                                   | 248,982                 | 61                        | -              | 9,650             | 56,752               |
| <b>Sep</b>    | 407,965                               | 11,354         | 2,248                          | 9,106                  | -     | 54,471        | 9,973                  | 37,492                 | 7,007          | 22,199                                   | 250,745                 | 61                        | -              | 11,074            | 58,061               |
| <b>Dec</b>    | 421,804                               | 12,626         | 3,118                          | 9,508                  | -     | 59,667        | 13,127                 | 39,506                 | 7,033          | 22,740                                   | 247,394                 | 61                        | -              | 19,362            | 59,955               |
| <b>2015</b>   |                                       |                |                                |                        |       |               |                        |                        |                |  |                         |                           |                |                   |                      |
| <b>Mar</b>    | 426,225                               | 12,359         | 2,484                          | 9,874                  | -     | 61,216        | 12,001                 | 41,933                 | 7,282          | 23,951                                   | 254,845                 | 61                        | -              | 10,818            | 62,975               |
| <b>Jun</b>    | 437,161                               | 11,887         | 2,540                          | 9,347                  | -     | 70,285        | 11,774                 | 49,382                 | 9,130          | 23,410                                   | 255,674                 | 61                        | -              | 10,911            | 64,933               |
| <b>Sep</b>    | 433,831                               | 11,913         | 2,086                          | 9,826                  | -     | 68,142        | 10,657                 | 48,727                 | 8,757          | 23,531                                   | 254,444                 | 61                        | -              | 9,958             | 65,783               |
| <b>Dec</b>    | 442,903                               | 17,225         | 4,655                          | 12,570                 | -     | 68,179        | 10,953                 | 47,220                 | 10,006         | 25,026                                   | 250,637                 | 61                        | -              | 14,812            | 66,964               |
| <b>2016</b>   |                                       |                |                                |                        |       |               |                        |                        |                |  |                         |                           |                |                   |                      |
| <b>Mar</b>    | 455,250                               | 15,211         | 2,026                          | 13,185                 | -     | 75,832        | 12,063                 | 53,732                 | 10,037         | 25,742                                   | 256,009                 | 61                        | -              | 12,975            | 69,418               |
| <b>Jun</b>    | 455,470                               | 14,344         | 1,457                          | 12,887                 | -     | 78,055        | 10,945                 | 56,912                 | 10,198         | 25,538                                   | 256,596                 | 61                        | -              | 11,755            | 69,121               |
| <b>Sep</b>    | 467,018                               | 15,314         | 1,620                          | 13,695                 | -     | 78,961        | 10,386                 | 58,426                 | 10,148         | 27,358                                   | 259,176                 | 61                        | -              | 12,795            | 73,353               |
| <b>Dec</b>    | 467,298                               | 15,967         | 2,901                          | 13,066                 | -     | 73,409        | 10,662                 | 52,351                 | 10,396         | 28,392                                   | 259,479                 | 61                        | -              | 15,970            | 74,020               |
| <b>2017</b>   |                                       |                |                                |                        |       |               |                        |                        |                |  |                         |                           |                |                   |                      |
| <b>Jan</b>    | 475,511                               | 16,264         | 2,178                          | 14,085                 | -     | 76,953        | 10,702                 | 55,688                 | 10,563         | 29,054                                   | 264,638                 | 61                        | -              | 13,310            | 75,232               |
| <b>Feb</b>    | 469,066                               | 16,547         | 2,219                          | 14,327                 | -     | 65,852        | 10,280                 | 45,012                 | 10,560         | 30,048                                   | 266,877                 | 61                        | -              | 13,555            | 76,127               |
| <b>Mar</b>    | 462,018                               | 15,918         | 2,447                          | 13,472                 | -     | 60,582        | 10,207                 | 40,329                 | 10,047         | 31,342                                   | 263,620                 | 61                        | -              | 13,790            | 76,705               |
| <b>Apr</b>    | 466,984                               | 15,994         | 1,667                          | 14,327                 | -     | 60,496        | 10,517                 | 40,148                 | 9,830          | 31,341                                   | 266,089                 | 61                        | -              | 15,928            | 77,076               |
| <b>May</b>    | 462,634                               | 16,750         | 2,208                          | 14,542                 | -     | 59,085        | 11,076                 | 37,987                 | 10,022         | 31,750                                   | 265,595                 | 61                        | -              | 14,760            | 74,633               |
| <b>Jun</b>    | 455,839                               | 17,467         | 1,460                          | 16,007                 | -     | 56,613        | 11,111                 | 35,758                 | 9,743          | 31,794                                   | 261,579                 | 61                        | -              | 13,243            | 75,082               |
| <b>Jul</b>    | 462,691                               | 18,602         | 1,728                          | 16,874                 | -     | 57,784        | 11,526                 | 36,578                 | 9,680          | 31,774                                   | 264,678                 | 61                        | -              | 13,263            | 76,529               |
| <b>Aug</b>    | 463,130                               | 19,093         | 1,871                          | 17,221                 | -     | 53,813        | 12,608                 | 31,726                 | 9,479          | 31,488                                   | 267,800                 | 61                        | -              | 13,713            | 77,161               |
| <b>Sep</b>    | 460,257                               | 19,022         | 1,657                          | 17,365                 | -     | 53,316        | 12,714                 | 30,121                 | 10,482         | 32,262                                   | 263,484                 | 61                        | -              | 13,990            | 78,121               |
| <b>Oct</b>    | 465,853                               | 19,811         | 2,059                          | 17,752                 | -     | 51,945        | 12,662                 | 28,834                 | 10,449         | 32,816                                   | 268,587                 | 61                        | -              | 13,671            | 78,963               |
| <b>Nov</b>    | 472,127                               | 20,674         | 1,758                          | 18,916                 | -     | 51,374        | 11,264                 | 29,228                 | 10,882         | 33,802                                   | 271,016                 | 61                        | -              | 15,052            | 80,148               |
| <b>Dec</b>    | 471,129                               | 21,471         | 4,489                          | 16,982                 | -     | 50,679        | 11,187                 | 28,254                 | 11,238         | 33,986                                   | 267,092                 | 61                        | -              | 17,920            | 79,919               |
| <b>2018</b>   |                                       |                |                                |                        |       |               |                        |                        |                |  |                         |                           |                |                   |                      |
| <b>Jan</b>    | 479,023                               | 21,176         | 2,399                          | 18,778                 | -     | 51,977        | 10,599                 | 30,421                 | 10,957         | 35,161                                   | 273,787                 | 61                        | -              | 15,955            | 80,906               |
| <b>Feb</b>    | 481,390                               | 22,341         | 2,045                          | 20,296                 | -     | 49,463        | 10,090                 | 28,338                 | 11,035         | 35,498                                   | 273,349                 | 61                        | -              | 19,006            | 81,672               |
| <b>Mar</b>    | 478,721                               | 21,308         | 2,576                          | 18,731                 | -     | 48,329        | 10,223                 | 27,385                 | 10,722         | 36,005                                   | 275,823                 | 61                        | -              | 14,908            | 82,286               |
| <b>Apr</b>    | 486,754                               | 26,072         | 3,577                          | 22,495                 | -     | 48,010        | 10,346                 | 26,820                 | 10,844         | 34,523                                   | 278,002                 | 61                        | -              | 17,223            | 82,863               |
| <b>May</b>    | 498,062                               | 23,202         | 1,848                          | 21,354                 | -     | 63,252        | 26,717                 | 27,018                 | 9,518          | 33,872                                   | 278,176                 | 61                        | -              | 16,206            | 83,292               |
| <b>Jun</b>    | 494,567                               | 21,452         | 3,070                          | 18,382                 | -     | 62,332        | 26,626                 | 25,904                 | 9,802          | 34,691                                   | 277,635                 | 61                        | -              | 15,946            | 82,450               |
| <b>Jul</b>    | 498,683                               | 23,990         | 4,074                          | 19,916                 | -     | 63,875        | 28,227                 | 26,680                 | 8,969          | 34,542                                   | 278,120                 | 61                        | -              | 14,514            | 83,580               |
| <b>Aug</b>    | 498,938                               | 21,692         | 1,910                          | 19,783                 | -     | 61,003        | 26,003                 | 26,356                 | 8,644          | 34,937                                   | 281,269                 | 61                        | -              | 15,448            | 84,528               |
| <b>Sep</b>    | 497,106                               | 21,527         | 1,877                          | 19,650                 | -     | 60,514        | 25,974                 | 26,201                 | 8,339          | 36,326                                   | 280,265                 | 61                        | -              | 14,640            | 83,774               |
| <b>Oct</b>    | 496,788                               | 22,199         | 2,385                          | 19,814                 | -     | 56,330        | 24,584                 | 25,856                 | 5,890          | 34,872                                   | 283,866                 | 61                        | -              | 15,765            | 83,694               |
| <b>Nov</b>    | 503,709                               | 23,048         | 2,044                          | 21,004                 | -     | 60,148        | 23,592                 | 28,844                 | 7,712          | 35,249                                   | 284,859                 | 61                        | -              | 15,782            | 84,561               |
| <b>Dec</b>    | 503,427                               | 21,694         | 1,867                          | 19,827                 | -     | 58,783        | 23,828                 | 27,277                 | 7,678          | 35,462                                   | 284,522                 | 61                        | -              | 19,258            | 83,648               |

Source: Commercial Banks

**TABLE 2-II**  
**COMMERCIAL BANKS: MINIMUM RESERVE REQUIREMENTS**  
**(G\$ Million)**

| End of Period | Day Of Res. Per. (Week) | Required Reserves | Actual Reserves | Surplus (+) Deficits (-) |
|---------------|-------------------------|-------------------|-----------------|--------------------------|
| <b>2009</b>   |                         | 25,865.3          | 30,705.4        | 4,840.1                  |
| <b>2010</b>   |                         | 29,335.0          | 45,101.9        | 15,766.9                 |
| <b>2011</b>   |                         | 33,007.4          | 37,873.2        | 4,865.9                  |
| <b>2012</b>   |                         | 37,466.3          | 45,541.5        | 8,075.2                  |
| <b>2013</b>   |                         | 40,062.0          | 46,090.0        | 6,028.0                  |
| <b>2014</b>   |                         | 39,919.3          | 50,882.1        | 10,962.8                 |
| <b>2015</b>   |                         | 41,933.9          | 53,030.3        | 11,096.4                 |
| <b>2016</b>   |                         | 44,431.9          | 68,730.8        | 24,299.0                 |
| <b>2017</b>   |                         |                   |                 |                          |
| <b>Jan</b>    | 06th                    | 44,425.4          | 73,203.7        | 28,778.2                 |
|               | 13th                    | 44,553.8          | 78,288.6        | 33,734.8                 |
|               | 20th                    | 44,883.8          | 79,912.7        | 35,028.9                 |
|               | 27th                    | 45,034.1          | 81,670.1        | 36,636.0                 |
| <b>Feb</b>    | 03rd                    | 45,282.0          | 83,122.7        | 37,840.7                 |
|               | 10th                    | 45,367.9          | 83,671.0        | 38,303.1                 |
|               | 17th                    | 45,506.0          | 79,096.1        | 33,590.1                 |
|               | 24th                    | 44,966.2          | 76,875.9        | 31,909.7                 |
| <b>Mar</b>    | 03rd                    | 44,222.7          | 77,185.7        | 32,963.0                 |
|               | 10th                    | 43,925.3          | 74,407.5        | 30,482.2                 |
|               | 17th                    | 43,725.3          | 76,312.2        | 32,586.9                 |
|               | 24th                    | 43,825.7          | 75,845.9        | 32,020.2                 |
|               | 31st                    | 43,587.8          | 74,165.0        | 30,577.2                 |
| <b>Apr</b>    | 07th                    | 43,443.0          | 73,517.9        | 30,074.9                 |
|               | 14th                    | 43,249.8          | 73,794.5        | 30,544.6                 |
|               | 21st                    | 43,622.1          | 72,262.5        | 28,640.4                 |
|               | 28th                    | 43,701.7          | 66,359.1        | 22,657.4                 |
| <b>May</b>    | 05th                    | 43,318.2          | 63,777.8        | 20,459.6                 |
|               | 12th                    | 43,347.7          | 62,973.2        | 19,625.5                 |
|               | 19th                    | 43,208.6          | 65,633.0        | 22,424.4                 |
|               | 26th                    | 43,562.2          | 65,428.4        | 21,866.2                 |
| <b>Jun</b>    | 02nd                    | 43,696.2          | 66,855.3        | 23,159.1                 |
|               | 09th                    | 43,700.5          | 65,286.0        | 21,585.5                 |
|               | 16th                    | 43,665.5          | 64,456.4        | 20,790.9                 |
|               | 23rd                    | 43,580.7          | 61,961.3        | 18,380.7                 |
|               | 30th                    | 43,195.5          | 60,423.9        | 17,228.4                 |
| <b>Jul</b>    | 07th                    | 43,211.7          | 63,462.4        | 20,250.7                 |
|               | 14th                    | 43,384.6          | 63,567.4        | 20,182.9                 |
|               | 21st                    | 43,738.8          | 65,373.2        | 21,634.4                 |
|               | 28th                    | 43,666.2          | 66,460.7        | 22,794.6                 |
| <b>Aug</b>    | 4th                     | 43,578.7          | 67,546.4        | 23,967.6                 |
|               | 11th                    | 43,679.7          | 66,931.3        | 23,251.5                 |
|               | 18th                    | 43,757.0          | 67,698.8        | 23,941.8                 |
|               | 25th                    | 43,789.7          | 67,287.3        | 23,497.6                 |
| <b>Sep</b>    | 01st                    | 43,593.3          | 65,591.2        | 21,997.9                 |
|               | 08th                    | 43,421.8          | 64,944.2        | 21,522.4                 |
|               | 15th                    | 43,381.6          | 64,474.8        | 21,093.1                 |
|               | 22nd                    | 43,385.1          | 65,630.0        | 22,244.9                 |
|               | 29th                    | 43,085.2          | 65,727.4        | 22,642.1                 |
| <b>Oct</b>    | 06th                    | 42,785.7          | 65,207.3        | 22,421.6                 |
|               | 13th                    | 43,292.7          | 62,280.8        | 18,988.1                 |
|               | 20th                    | 43,102.3          | 64,887.7        | 21,785.4                 |
|               | 27th                    | 43,328.3          | 66,015.0        | 22,686.7                 |
| <b>Nov</b>    | 03rd                    | 43,572.1          | 66,659.7        | 23,087.6                 |
|               | 10th                    | 43,720.2          | 65,910.4        | 22,190.3                 |
|               | 17th                    | 43,719.4          | 67,225.5        | 23,506.1                 |
|               | 24th                    | 43,839.3          | 68,090.0        | 24,250.8                 |
| <b>Dec</b>    | 01st                    | 43,934.4          | 67,558.7        | 23,624.3                 |
|               | 08th                    | 43,811.2          | 64,543.5        | 20,732.3                 |
|               | 15th                    | 44,032.2          | 60,505.8        | 16,473.7                 |
|               | 22nd                    | 43,738.1          | 59,059.9        | 15,321.8                 |
|               | 29th                    | 43,839.0          | 62,387.0        | 18,548.0                 |

Source: Commercial Banks

| End of Period | Day Of Res. Per. (Week) | Required Reserves | Actual Reserves | Surplus (+) Deficits (-) |
|---------------|-------------------------|-------------------|-----------------|--------------------------|
| <b>2018</b>   |                         |                   |                 |                          |
| <b>Jan</b>    | 05th                    | 43,819.4          | 66,149.4        | 22,330.0                 |
|               | 12th                    | 44,104.5          | 69,288.2        | 25,183.7                 |
|               | 19th                    | 44,422.3          | 67,838.8        | 23,416.5                 |
|               | 26th                    | 44,332.4          | 70,759.9        | 26,427.5                 |
| <b>Feb</b>    | 02nd                    | 44,499.1          | 71,786.2        | 27,287.1                 |
|               | 09th                    | 44,493.9          | 72,534.3        | 28,040.4                 |
|               | 16th                    | 44,501.9          | 73,224.4        | 28,722.4                 |
|               | 23rd                    | 44,382.3          | 72,280.1        | 27,897.8                 |
| <b>Mar</b>    | 02nd                    | 44,345.4          | 72,550.5        | 28,205.1                 |
|               | 09th                    | 44,398.6          | 68,593.8        | 24,195.2                 |
|               | 16th                    | 44,358.8          | 67,198.0        | 22,839.1                 |
|               | 23rd                    | 44,348.0          | 68,267.8        | 23,919.8                 |
|               | 30th                    | 44,356.7          | 67,253.7        | 22,897.0                 |
| <b>Apr</b>    | 06th                    | 44,266.1          | 68,904.0        | 24,637.8                 |
|               | 13th                    | 44,265.5          | 74,086.7        | 29,821.1                 |
|               | 20th                    | 44,961.4          | 77,269.8        | 32,308.4                 |
|               | 27th                    | 44,993.6          | 71,363.7        | 26,370.1                 |
| <b>May</b>    | 04th                    | 44,664.4          | 70,606.6        | 25,942.2                 |
|               | 11th                    | 44,760.4          | 75,490.1        | 30,729.6                 |
|               | 18th                    | 44,867.4          | 77,735.7        | 32,868.3                 |
|               | 25th                    | 44,775.6          | 77,024.5        | 32,248.9                 |
| <b>Jun</b>    | 01st                    | 45,915.9          | 79,433.6        | 33,517.7                 |
|               | 08th                    | 46,454.5          | 78,701.0        | 32,246.5                 |
|               | 15th                    | 46,479.6          | 74,239.0        | 27,759.4                 |
|               | 22nd                    | 46,337.3          | 76,680.4        | 30,343.1                 |
|               | 29th                    | 46,250.7          | 74,781.6        | 28,531.0                 |
| <b>Jul</b>    | 06th                    | 45,837.5          | 77,055.1        | 31,217.7                 |
|               | 13th                    | 46,329.3          | 77,447.5        | 31,118.3                 |
|               | 20th                    | 31,270.1          | 81,190.8        | 49,920.7                 |
|               | 27th                    | 46,533.0          | 78,415.1        | 31,882.1                 |
| <b>Aug</b>    | 03rd                    | 46,459.4          | 76,951.2        | 30,491.8                 |
|               | 10th                    | 46,509.3          | 76,365.6        | 29,856.3                 |
|               | 17th                    | 46,263.0          | 79,662.5        | 33,399.6                 |
|               | 24th                    | 46,287.0          | 80,487.4        | 34,200.4                 |
|               | 31st                    | 46,425.6          | 81,890.7        | 35,465.1                 |
| <b>Sep</b>    | 07th                    | 46,464.7          | 81,106.7        | 34,642.0                 |
|               | 14th                    | 46,619.3          | 76,134.1        | 29,514.8                 |
|               | 21st                    | 46,297.8          | 76,887.0        | 30,589.3                 |
|               | 28th                    | 46,371.1          | 81,107.1        | 34,736.1                 |
| <b>Oct</b>    | 05th                    | 46,678.2          | 78,790.8        | 32,112.7                 |
|               | 12th                    | 46,520.5          | 74,061.0        | 27,540.5                 |
|               | 19th                    | 46,084.0          | 75,192.5        | 29,108.5                 |
|               | 26th                    | 46,168.5          | 74,206.2        | 28,037.8                 |
| <b>Nov</b>    | 02nd                    | 46,074.3          | 72,442.4        | 26,368.1                 |
|               | 09th                    | 46,026.2          | 73,399.3        | 27,373.1                 |
|               | 16th                    | 46,376.4          | 75,510.0        | 29,133.6                 |
|               | 23rd                    | 46,715.5          | 77,168.0        | 30,452.5                 |
|               | 30th                    | 46,734.5          | 79,173.9        | 32,439.4                 |
| <b>Dec</b>    | 07th                    | 47,020.5          | 78,289.6        | 31,269.2                 |
|               | 14th                    | 47,324.4          | 75,310.4        | 27,986.0                 |
|               | 21st                    | 47,239.7          | 72,152.0        | 24,912.3                 |
|               | 28th                    | 46,965.5          | 75,047.8        | 28,082.4                 |

**TABLE 3-1**  
**MONETARY SURVEY**  
**(G\$ Million)**

| End of Period | Foreign Assets (Net) |                |            | Domestic Credit |               |              |                     |                              |                |           | Money and Quasi-Money  |           |           |                 |                     | Other (Net) |
|---------------|----------------------|----------------|------------|-----------------|---------------|--------------|---------------------|------------------------------|----------------|-----------|------------------------|-----------|-----------|-----------------|---------------------|-------------|
|               | Total                | Bank of Guyana | Comm Banks | Total           | Public Sector |              |                     | Non-Bank Fin. Instits. (Net) | Private Sector | Total     | Money                  |           |           | Quasi- Money    |                     |             |
|               |                      |                |            |                 | Total         | Gov't. (Net) | Public Enter. (Net) |                              |                |           | Other Pub. Sect. (Net) | Total     | Curr.     | Demand Deposits | Savings & Time Dep. |             |
| 2009          | 142,008.0            | 108,694.2      | 33,313.8   | 47,569.1        | (32,928.5)    | (3,306.8)    | (15,931.2)          | (13,690.5)                   | (13,892.5)     | 94,390.1  | 202,094.2              | 66,365.1  | 38,436.8  | 27,928.3        | 135,729.1           | (12,517.1)  |
| 2010          | 173,121.3            | 140,363.7      | 32,757.6   | 55,446.5        | (41,280.3)    | (8,004.4)    | (24,123.3)          | (9,152.7)                    | (15,606.6)     | 112,333.4 | 233,361.6              | 80,832.1  | 45,999.4  | 34,832.6        | 152,529.5           | (4,793.8)   |
| 2011          | 184,910.9            | 145,695.7      | 39,215.2   | 93,477.6        | (25,994.7)    | 7,191.8      | (22,267.5)          | (10,919.0)                   | (15,163.8)     | 134,636.1 | 270,691.2              | 97,267.7  | 56,868.5  | 40,399.2        | 173,423.5           | 7,697.3     |
| 2012          | 214,332.1            | 161,675.7      | 52,656.4   | 99,004.0        | (44,890.4)    | (623.9)      | (30,665.3)          | (13,601.2)                   | (17,749.6)     | 161,644.0 | 301,834.1              | 112,418.6 | 60,331.6  | 52,087.0        | 189,415.6           | 11,502.0    |
| 2013          | 197,026.1            | 147,805.2      | 49,220.8   | 123,780.4       | (36,143.8)    | 16,675.8     | (40,110.7)          | (12,708.8)                   | (25,205.9)     | 185,130.0 | 313,421.3              | 115,195.5 | 60,900.7  | 54,294.8        | 198,225.7           | 7,385.2     |
| 2014          |                      |                |            |                 |               |              |                     |                              |                |           |                        |           |           |                 |                     |             |
| Mar           | 181,099.7            | 135,039.9      | 46,059.8   | 145,686.0       | (20,841.0)    | 25,255.2     | (28,815.3)          | (17,280.9)                   | (19,919.0)     | 186,446.0 | 308,884.5              | 110,697.5 | 58,088.8  | 52,608.8        | 198,186.9           | 17,901.2    |
| Jun           | 188,308.4            | 133,600.5      | 54,707.9   | 141,896.2       | (28,564.8)    | 19,977.3     | (32,245.8)          | (16,296.3)                   | (20,080.9)     | 190,541.8 | 313,132.8              | 110,864.6 | 60,602.0  | 50,262.6        | 202,268.2           | 17,071.7    |
| Sep           | 183,527.9            | 126,607.1      | 56,920.9   | 148,895.3       | (24,167.0)    | 26,005.2     | (34,508.8)          | (15,663.4)                   | (21,226.7)     | 194,288.9 | 315,966.7              | 114,622.9 | 60,892.3  | 53,730.6        | 201,343.8           | 16,456.5    |
| Dec           | 195,178.4            | 133,965.9      | 61,212.5   | 154,911.1       | (25,796.9)    | 28,326.1     | (37,107.6)          | (17,015.4)                   | (21,333.5)     | 202,041.5 | 329,639.8              | 131,186.1 | 72,454.2  | 58,731.9        | 198,453.7           | 20,449.7    |
| 2015          |                      |                |            |                 |               |              |                     |                              |                |           |                        |           |           |                 |                     |             |
| Mar           | 195,565.1            | 124,988.7      | 70,576.4   | 156,901.0       | (22,443.3)    | 34,463.8     | (39,814.4)          | (17,092.7)                   | (22,580.5)     | 201,924.7 | 325,676.1              | 123,315.4 | 67,504.2  | 55,811.1        | 202,360.7           | 26,789.9    |
| Jun           | 194,592.9            | 127,114.3      | 67,478.6   | 158,037.6       | (25,161.9)    | 39,405.5     | (47,554.0)          | (17,013.4)                   | (21,966.9)     | 205,166.4 | 328,388.9              | 123,037.8 | 67,460.2  | 55,577.6        | 205,351.0           | 24,241.6    |
| Sep           | 182,606.2            | 124,677.4      | 57,928.8   | 169,150.3       | (15,868.8)    | 46,870.9     | (46,890.4)          | (15,849.3)                   | (21,811.7)     | 206,830.8 | 324,058.9              | 120,603.0 | 65,720.9  | 54,882.1        | 203,455.9           | 27,697.6    |
| Dec           | 178,605.9            | 122,080.1      | 56,525.8   | 184,598.8       | (6,366.4)     | 56,331.2     | (45,266.1)          | (17,431.5)                   | (23,521.9)     | 214,487.2 | 334,471.1              | 130,295.0 | 75,753.8  | 54,541.2        | 204,176.2           | 28,733.6    |
| 2016          |                      |                |            |                 |               |              |                     |                              |                |           |                        |           |           |                 |                     |             |
| Mar           | 189,514.3            | 126,843.8      | 62,670.6   | 180,394.9       | (6,397.3)     | 62,954.2     | (51,821.3)          | (17,530.2)                   | (24,929.6)     | 211,721.8 | 334,357.7              | 128,767.2 | 73,451.6  | 55,315.6        | 205,590.5           | 35,551.5    |
| Jun           | 194,374.4            | 130,069.2      | 64,305.2   | 174,581.0       | (13,816.6)    | 60,473.7     | (55,033.7)          | (19,256.5)                   | (24,737.7)     | 213,135.2 | 334,178.8              | 128,479.4 | 73,850.8  | 54,628.6        | 205,699.4           | 34,776.6    |
| Sep           | 190,209.1            | 125,331.0      | 64,878.1   | 186,108.1       | (2,580.4)     | 70,304.4     | (56,518.2)          | (16,366.5)                   | (26,359.1)     | 215,047.6 | 338,197.5              | 132,095.8 | 74,088.4  | 58,007.4        | 206,101.7           | 38,119.7    |
| Dec           | 179,934.0            | 122,502.3      | 57,431.8   | 198,881.5       | 6,928.8       | 78,059.5     | (50,577.4)          | (20,553.3)                   | (27,139.7)     | 219,092.4 | 351,034.9              | 144,827.4 | 82,961.6  | 61,865.7        | 206,207.6           | 27,780.6    |
| 2017          |                      |                |            |                 |               |              |                     |                              |                |           |                        |           |           |                 |                     |             |
| Jan           | 179,508.0            | 122,963.2      | 56,544.7   | 201,376.7       | 12,815.3      | 88,925.6     | (54,462.6)          | (21,647.6)                   | (27,834.2)     | 216,395.6 | 347,663.5              | 141,885.6 | 77,597.2  | 64,288.4        | 205,778.0           | 33,221.1    |
| Feb           | 180,261.7            | 122,022.2      | 58,239.5   | 201,393.5       | 15,122.7      | 80,087.4     | (43,501.6)          | (21,463.1)                   | (29,125.5)     | 215,396.3 | 349,866.1              | 143,755.9 | 78,376.8  | 65,379.0        | 206,110.2           | 31,789.1    |
| Mar           | 175,266.5            | 122,414.3      | 52,852.2   | 197,040.4       | 11,844.6      | 77,436.7     | (38,533.1)          | (27,059.0)                   | (30,541.0)     | 215,736.8 | 346,229.5              | 140,215.8 | 78,176.2  | 62,039.5        | 206,013.8           | 26,077.4    |
| Apr           | 178,083.2            | 121,007.1      | 57,076.1   | 201,664.5       | 15,031.2      | 80,870.9     | (38,388.7)          | (27,450.9)                   | (30,548.0)     | 217,181.2 | 351,924.0              | 143,706.1 | 81,218.8  | 62,487.2        | 208,217.9           | 27,823.7    |
| May           | 181,651.1            | 121,356.9      | 60,294.2   | 192,273.5       | 6,069.6       | 70,034.1     | (36,422.1)          | (27,542.4)                   | (30,832.2)     | 217,036.1 | 350,227.2              | 142,434.9 | 80,625.0  | 61,809.9        | 207,792.3           | 23,697.4    |
| Jun           | 177,985.2            | 118,726.3      | 59,258.9   | 190,208.7       | 4,241.5       | 66,634.0     | (34,066.6)          | (28,325.9)                   | (30,939.6)     | 216,906.8 | 346,339.6              | 139,888.0 | 80,771.9  | 59,116.2        | 206,451.5           | 21,854.4    |
| Jul           | 179,483.5            | 118,810.9      | 60,672.6   | 192,593.3       | 7,069.6       | 70,517.2     | (35,271.6)          | (28,176.1)                   | (30,968.3)     | 216,492.0 | 348,075.2              | 140,626.4 | 79,731.0  | 60,895.4        | 207,448.8           | 24,001.6    |
| Aug           | 178,784.9            | 118,551.7      | 60,233.2   | 200,653.2       | 14,609.3      | 72,407.8     | (30,177.5)          | (27,620.9)                   | (30,766.7)     | 216,810.6 | 352,453.7              | 144,506.6 | 80,871.4  | 63,635.2        | 207,947.1           | 26,984.3    |
| Sep           | 175,879.8            | 118,940.5      | 56,939.3   | 200,444.6       | 13,568.1      | 71,328.6     | (28,818.5)          | (28,942.0)                   | (31,524.7)     | 218,401.2 | 349,814.5              | 140,905.2 | 81,678.6  | 59,226.6        | 208,909.3           | 26,509.9    |
| Oct           | 175,413.1            | 116,872.5      | 58,540.6   | 205,705.3       | 18,810.6      | 75,819.8     | (27,265.6)          | (29,743.6)                   | (32,066.2)     | 218,960.8 | 354,624.9              | 143,266.5 | 82,913.1  | 60,353.4        | 211,358.4           | 26,493.5    |
| Nov           | 174,935.5            | 115,459.1      | 59,476.4   | 214,400.4       | 27,300.5      | 81,209.7     | (27,688.6)          | (26,220.6)                   | (32,972.6)     | 220,072.5 | 360,414.0              | 148,535.7 | 85,083.8  | 63,451.9        | 211,878.3           | 28,921.9    |
| Dec           | 176,990.5            | 119,887.9      | 57,102.6   | 219,276.2       | 28,110.8      | 79,595.1     | (24,963.1)          | (26,521.2)                   | (33,026.4)     | 224,191.8 | 367,214.3              | 157,321.9 | 92,150.2  | 65,171.7        | 209,892.4           | 29,052.4    |
| 2018          |                      |                |            |                 |               |              |                     |                              |                |           |                        |           |           |                 |                     |             |
| Jan           | 176,917.5            | 113,426.5      | 63,491.0   | 219,274.6       | 35,075.7      | 90,150.6     | (28,392.6)          | (26,682.3)                   | (34,363.7)     | 218,562.5 | 364,539.9              | 151,570.3 | 86,387.8  | 65,182.5        | 212,969.5           | 31,652.2    |
| Feb           | 168,435.5            | 106,356.0      | 62,079.5   | 228,524.9       | 43,461.9      | 98,706.4     | (27,335.3)          | (27,909.1)                   | (34,683.6)     | 219,746.6 | 366,350.9              | 154,655.3 | 86,733.4  | 67,921.9        | 211,695.6           | 30,609.4    |
| Mar           | 168,175.2            | 102,229.3      | 65,945.9   | 231,249.7       | 46,803.1      | 101,171.9    | (26,388.1)          | (27,980.7)                   | (35,283.0)     | 219,729.7 | 369,927.8              | 153,699.8 | 89,560.8  | 64,139.1        | 216,228.0           | 29,497.1    |
| Apr           | 166,151.9            | 104,950.7      | 61,201.3   | 237,457.8       | 50,897.8      | 104,848.8    | (25,575.9)          | (28,375.0)                   | (33,763.0)     | 220,323.0 | 374,485.4              | 155,764.3 | 89,597.8  | 66,166.5        | 218,721.0           | 29,124.4    |
| May           | 160,890.6            | 100,476.4      | 60,414.1   | 242,559.5       | 51,968.1      | 105,305.8    | (25,653.0)          | (27,684.6)                   | (33,055.1)     | 223,646.4 | 372,377.2              | 153,447.1 | 89,167.8  | 64,279.3        | 218,930.1           | 31,072.9    |
| Jun           | 158,074.7            | 97,984.5       | 60,090.2   | 236,760.5       | 44,820.4      | 98,684.8     | (24,561.5)          | (29,302.8)                   | (33,906.5)     | 225,846.6 | 372,598.8              | 155,299.5 | 89,854.0  | 65,445.5        | 217,299.3           | 22,236.4    |
| Jul           | 155,538.4            | 94,032.4       | 61,506.1   | 239,232.6       | 49,979.4      | 102,525.0    | (25,443.3)          | (27,102.3)                   | (33,604.6)     | 222,857.8 | 371,326.5              | 153,548.7 | 89,765.0  | 63,783.7        | 217,777.8           | 23,444.5    |
| Aug           | 153,769.5            | 92,624.2       | 61,145.3   | 246,351.1       | 56,443.3      | 107,861.6    | (25,116.7)          | (26,301.6)                   | (34,023.5)     | 223,931.3 | 374,198.7              | 155,362.6 | 89,182.3  | 66,180.3        | 218,836.1           | 25,921.9    |
| Sep           | 151,441.3            | 93,658.1       | 57,783.2   | 241,502.0       | 49,961.7      | 101,612.8    | (25,043.5)          | (26,607.6)                   | (35,436.2)     | 226,976.4 | 373,079.2              | 154,180.8 | 89,051.3  | 65,129.5        | 218,898.3           | 19,864.1    |
| Oct           | 157,417.9            | 99,549.1       | 57,868.8   | 249,064.9       | 52,728.3      | 99,735.0     | (24,700.8)          | (22,306.0)                   | (34,126.3)     | 230,462.9 | 377,713.5              | 158,443.5 | 90,157.4  | 68,286.1        | 219,270.0           | 28,769.3    |
| Nov           | 158,728.8            | 101,026.1      | 57,702.6   | 251,397.3       | 53,941.3      | 104,316.7    | (27,724.4)          | (22,650.9)                   | (34,507.6)     | 231,963.5 | 380,998.1              | 159,907.9 | 92,846.6  | 67,061.3        | 221,090.3           | 29,127.9    |
| Dec           | 168,104.9            | 109,460.4      | 58,644.5   | 253,704.6       | 54,758.4      | 103,654.8    | (26,152.4)          | (22,743.9)                   | (34,614.0)     | 233,560.2 | 394,931.8              | 174,998.5 | 102,780.6 | 72,217.9        | 219,933.3           | 26,877.8    |

Sources: Bank of Guyana and Commercial Banks

**TABLE 4-I**  
**GUYANA: SELECTED INTEREST RATES <sup>1)</sup>**  
**(Percent Per Annum)**

| Item  | 2009  | 2010  | 2011  | 2012  | 2013  | 2014  | 2015  | 2016  | 2017  |       |       |       | 2018  |       |       |       |       |       |       |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|   | Dec   | Dec   | Dec   | Dec   | Dec   | Dec   | Dec   | Dec   | Mar   | Jun   | Sep   | Dec   | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug   | Sep   | Oct   | Nov   | Dec   |
| <b>BANK OF GUYANA</b>                               |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Bank Rate   | 6.75  | 6.25  | 5.50  | 5.25  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  |
| Treasury Bill Discount Rate                         |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| 91 Days   | 4.18  | 3.78  | 2.35  | 1.45  | 1.45  | 1.67  | 1.92  | 1.68  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  | 1.54  |
| 182 Days  | 4.35  | 3.70  | 2.43  | 1.72  | 1.55  | 1.81  | 1.81  | 1.68  | 1.44  | 1.31  | 1.15  | 1.11  | 1.08  | 1.08  | 1.03  | 1.03  | 1.03  | 1.03  | 1.02  | 1.02  | 0.96  | 0.96  | 0.96  | 0.96  |
| 364 Days  | 4.47  | 3.59  | 2.51  | 1.54  | 2.14  | 2.37  | 2.38  | 2.13  | 1.60  | 1.38  | 1.23  | 1.20  | 1.11  | 1.07  | 1.07  | 0.99  | 0.99  | 0.99  | 1.09  | 1.10  | 1.14  | 1.14  | 1.17  | 1.23  |
| <b>COMMERCIAL BANKS</b>                             |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Small Savings Rate                                  | 2.78  | 2.67  | 1.99  | 1.69  | 1.33  | 1.26  | 1.26  | 1.26  | 1.30  | 1.18  | 1.11  | 1.11  | 1.11  | 1.10  | 1.10  | 1.10  | 1.10  | 1.10  | 1.10  | 1.04  | 1.04  | 1.04  | 1.04  | 1.04  |
| Prime Lending Rate (weighted average) <sup>2)</sup> | 14.22 | 15.06 | 14.33 | 12.50 | 12.30 | 11.01 | 10.65 | 10.65 | 10.58 | 10.65 | 10.55 | 10.47 | 10.50 | 10.43 | 10.44 | 10.39 | 10.36 | 10.37 | 10.38 | 10.41 | 10.40 | 10.36 | 10.27 | 10.30 |
| Prime Lending Rate <sup>3)</sup>                    | 14.54 | 14.54 | 14.00 | 13.83 | 12.83 | 12.83 | 12.83 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 |
| Comm. Banks' Lending Rate (weighted average)        | 12.17 | 11.95 | 11.68 | 11.08 | 11.16 | 10.86 | 10.56 | 10.43 | 10.39 | 10.33 | 10.26 | 10.19 | 10.19 | 10.21 | 10.21 | 10.21 | 10.15 | 10.13 | 10.10 | 10.13 | 10.11 | 10.12 | 10.12 | 10.02 |
| <b>HAND-IN-HAND TRUST CORP. INC</b>                 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Domestic Mortgages                                  | 14.00 | 14.00 | 14.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Commercial Mortgages                                | 16.00 | 16.00 | 16.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 |
| Average Deposit Rates                               | 3.15  | 3.00  | 3.00  | 2.30  | 1.78  | 2.30  | 2.30  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  | 1.68  |
| <b>NEW BUILDING SOCIETY</b>                         |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| Deposits <sup>4)</sup>                              | 2.50  | 2.50  | 1.75  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  | 1.40  |
| Mortgage Rates <sup>5)</sup>                        | 8.45  | 7.35  | 6.85  | 6.85  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  | 6.45  |
| Five dollar shares                                  | 3.80  | 3.30  | 2.25  | 2.00  | 2.00  | 2.00  | 2.00  | 2.00  | 2.00  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  | 1.50  |
| Save and prosper shares                             | 4.50  | 4.00  | 2.60  | 2.25  | 2.25  | 3.00  | 3.00  | 3.00  | 3.00  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  | 2.75  |

Source: Bank of Guyana, Commercial Banks and other Financial Institutions

<sup>1)</sup> End of period rates

<sup>2)</sup> The prime lending rate reported by the banks has been weighted by the amount of loans issued at the corresponding rate

<sup>3)</sup> The average prime lending rate actually used by commercial banks, applicable to loans and advances

<sup>4)</sup> Small savings rate

<sup>5)</sup> Effective November 2009, the mortgage rate for New Building Society is reflected as an average rate.

**TABLE 5-I**  
**SUMMARY OF NON-BANK FINANCIAL INSTITUTIONS: ASSETS**  
**(G\$Million)**

| End of Period     | Total Assets | Foreign Sector | Banking System |         |          | Public Sector |                |                  |                  | Private Sector |                |                    |          | Other    |
|-------------------|--------------|----------------|----------------|---------|----------|---------------|----------------|------------------|------------------|----------------|----------------|--------------------|----------|----------|
|                   |              |                | Total          | Cash    | Deposits | Total         | Gov't. T/Bills | Local Gov.t Sec. | Other Gov.t Sec. | Total          | Mortgage Loans | Other Laons & adv. | Shares   |          |
| <b>2009</b>       | 127,180.8    | 24,077.5       | 15,026.2       | 594.6   | 14,431.6 | 10,380.2      | 8,750.5        | 150.0            | 1,479.6          | 55,825.1       | 24,170.0       | 11,139.3           | 20,515.8 | 21,871.8 |
| <b>2010</b>       | 134,242.3    | 24,378.6       | 15,311.8       | 1,146.8 | 14,164.9 | 14,174.5      | 14,174.5       | -                | -                | 58,595.5       | 24,740.5       | 12,050.8           | 21,804.3 | 21,781.9 |
| <b>2011</b>       | 144,462.5    | 25,182.1       | 14,333.6       | 739.8   | 13,593.9 | 16,654.5      | 16,654.5       | -                | -                | 62,440.6       | 26,810.2       | 11,484.7           | 24,145.8 | 25,851.6 |
| <b>2012</b>       | 161,848.7    | 25,226.0       | 19,757.1       | 867.1   | 18,890.0 | 10,848.8      | 10,848.8       | -                | -                | 77,569.2       | 31,564.5       | 14,105.6           | 31,899.1 | 28,447.5 |
| <b>2013</b>       | 173,323.5    | 26,795.6       | 25,758.8       | 1,086.2 | 24,672.6 | 4,127.7       | 4,127.7        | -                | -                | 90,071.6       | 36,240.0       | 14,736.3           | 39,095.3 | 26,569.8 |
| <b>2014</b>       |              |                |                |         |          |               |                |                  |                  |                |                |                    |          |          |
| Mar               | 188,566.2    | 29,114.9       | 22,141.0       | 1,302.7 | 20,838.2 | 6,175.7       | 6,175.7        | -                | -                | 103,690.0      | 38,232.3       | 13,803.9           | 51,653.8 | 27,444.6 |
| Jun               | 191,664.5    | 29,151.6       | 21,827.6       | 1,230.4 | 20,597.2 | 6,056.5       | 6,056.5        | -                | -                | 107,085.1      | 39,578.5       | 14,159.5           | 53,347.2 | 27,543.7 |
| Sep               | 197,337.7    | 30,612.1       | 23,093.2       | 1,452.4 | 21,640.8 | 5,264.5       | 5,264.5        | -                | -                | 108,673.5      | 40,409.5       | 14,484.8           | 53,779.2 | 29,694.3 |
| Dec               | 198,896.7    | 28,201.8       | 23,965.5       | 1,488.2 | 22,477.2 | 4,786.0       | 4,786.0        | -                | -                | 110,926.4      | 41,175.2       | 14,609.3           | 55,141.9 | 31,017.1 |
| <b>2015</b>       |              |                |                |         |          |               |                |                  |                  |                |                |                    |          |          |
| Mar               | 201,198.8    | 28,568.1       | 24,882.1       | 1,750.3 | 23,131.8 | 5,758.3       | 5,758.3        | -                | -                | 111,777.7      | 41,462.9       | 14,829.6           | 55,485.2 | 30,212.6 |
| Jun               | 199,430.8    | 28,738.3       | 24,709.2       | 1,537.4 | 23,171.8 | 6,353.7       | 6,353.7        | -                | -                | 108,161.4      | 40,720.7       | 14,932.9           | 52,507.8 | 31,468.2 |
| Sep               | 202,069.0    | 29,919.6       | 25,761.9       | 1,320.6 | 24,441.3 | 6,754.3       | 6,754.3        | -                | -                | 108,723.3      | 41,314.6       | 15,092.4           | 52,316.4 | 30,910.0 |
| Dec <sup>1)</sup> | 217,614.8    | 36,322.9       | 27,295.0       | 2,687.4 | 24,607.6 | 6,728.4       | 6,728.4        | 0.0              | -                | 116,936.9      | 41,059.6       | 15,667.1           | 60,210.2 | 30,331.6 |
| <b>2016</b>       |              |                |                |         |          |               |                |                  |                  |                |                |                    |          |          |
| Mar               | 219,431.3    | 31,897.5       | 29,692.7       | 2,058.0 | 27,634.7 | 7,382.9       | 7,382.8        | 0.0              | 0.0              | 119,902.7      | 41,058.9       | 15,417.8           | 63,426.0 | 30,555.6 |
| Jun               | 216,105.8    | 31,549.0       | 29,341.7       | 1,879.5 | 27,462.2 | 6,899.7       | 6,899.6        | 0.0              | 0.0              | 117,126.2      | 41,053.6       | 15,751.4           | 60,321.2 | 31,189.3 |
| Sep               | 218,465.8    | 30,971.5       | 30,576.4       | 1,677.5 | 28,898.9 | 6,814.8       | 6,814.8        | 0.0              | 0.0              | 119,141.8      | 40,872.9       | 15,925.0           | 62,344.0 | 30,961.3 |
| Dec               | 219,735.2    | 31,484.2       | 31,376.5       | 1,905.1 | 29,471.4 | 6,828.4       | 6,828.4        | 0.0              | 0.0              | 118,397.8      | 41,449.3       | 15,697.8           | 61,250.6 | 31,648.3 |
| <b>2017</b>       |              |                |                |         |          |               |                |                  |                  |                |                |                    |          |          |
| Mar               | 224,695.4    | 31,372.1       | 34,275.6       | 2,001.0 | 32,274.6 | 5,839.1       | 5,839.0        | 0.0              | 0.0              | 121,316.0      | 41,449.4       | 15,624.6           | 64,242.0 | 31,892.6 |
| Jun               | 225,826.4    | 31,016.6       | 34,195.8       | 2,119.4 | 32,076.4 | 6,786.8       | 6,786.7        | 0.0              | 0.0              | 121,534.4      | 42,015.9       | 15,522.7           | 63,995.7 | 32,292.8 |
| Sep               | 228,693.0    | 31,053.5       | 34,475.9       | 2,250.5 | 32,225.4 | 6,895.6       | 6,895.6        | 0.0              | 0.0              | 123,878.2      | 42,519.7       | 15,697.7           | 65,660.8 | 32,389.8 |
| Dec               | 234,783.9    | 32,676.5       | 36,160.9       | 2,433.1 | 33,727.8 | 6,470.4       | 6,470.4        | 0.0              | 0.0              | 127,353.1      | 43,309.7       | 15,535.9           | 68,507.5 | 32,123.0 |
| <b>2018</b>       |              |                |                |         |          |               |                |                  |                  |                |                |                    |          |          |
| Mar               | 244,922.1    | 49,827.5       | 37,117.0       | 2,447.7 | 34,669.3 | 6,801.9       | 6,801.8        | 0.0              | 0.0              | 117,360.2      | 43,789.1       | 15,731.5           | 57,839.6 | 33,815.5 |
| Jun               | 248,829.9    | 52,330.4       | 37,566.8       | 2,646.3 | 34,920.5 | 6,139.4       | 5,989.3        | 150.0            | 0.0              | 119,557.7      | 44,493.2       | 15,306.6           | 59,757.8 | 33,235.7 |
| Sep               | 261,768.3    | 52,461.5       | 38,664.4       | 2,748.1 | 35,916.3 | 6,530.8       | 6,380.7        | 150.0            | 0.0              | 130,380.8      | 44,957.5       | 15,347.6           | 70,075.6 | 33,730.8 |
| Dec               | 268,241.6    | 52,965.4       | 39,128.2       | 2,761.4 | 36,366.8 | 6,505.8       | 6,355.7        | 150.0            | 0.0              | 134,708.7      | 47,397.7       | 14,444.9           | 72,866.1 | 34,933.5 |

Source: Non-Bank Financial Institutions

1) Adjustments in the valuation method used by the pension companies contributed to the significant increase in the balance sheet of the non-bank financial institutions from December 2015.

**TABLE 5-II**  
**SUMMARY OF NON-BANK FINANCIAL INSTITUTIONS: LIABILITIES, CAPITAL AND RESERVES**  
**(G\$ Million)**

| End of Period     | Total Liabilities, Capital & Reserves | Foreign Sector | Deposits       |                |               |          | Private Sector |                    |            |          |               | Other    |
|-------------------|---------------------------------------|----------------|----------------|----------------|---------------|----------|----------------|--------------------|------------|----------|---------------|----------|
|                   |                                       |                | Total Deposits | Private Sector | Public Sector | Shares   | Total          | Capital & Reserves | Loans Rec. | Premium  | Pension Funds |          |
| <b>2009</b>       | 127,180.8                             | 8,282.0        | 36,476.2       | 4,086.6        | 2,488.2       | 29,901.4 | 63,105.2       | 37,168.4           | 3,132.1    | 4,181.4  | 18,623.3      | 19,317.4 |
| <b>2010</b>       | 134,242.3                             | 6,184.3        | 37,043.5       | 3,557.6        | 2,986.0       | 30,499.9 | 73,345.5       | 35,487.1           | 3,179.3    | 13,358.3 | 21,320.8      | 17,668.9 |
| <b>2011</b>       | 144,462.5                             | 10,382.3       | 40,448.2       | 2,836.5        | 3,600.0       | 34,011.7 | 74,739.5       | 44,588.5           | 3,071.9    | 4,378.2  | 22,700.9      | 18,892.4 |
| <b>2012</b>       | 161,848.7                             | 10,864.9       | 42,638.0       | 3,407.6        | 3,297.8       | 35,932.6 | 94,166.1       | 60,352.9           | 3,608.8    | 4,750.8  | 25,453.5      | 14,179.7 |
| <b>2013</b>       | 173,323.5                             | 14,049.8       | 45,758.0       | 3,581.0        | 2,877.5       | 39,299.4 | 97,932.9       | 65,043.9           | 2,222.8    | 2,205.1  | 28,461.1      | 15,582.9 |
| <b>2014</b>       |                                       |                |                |                |               |          |                |                    |            |          |               |          |
| Mar               | 188,566.2                             | 14,447.7       | 45,653.6       | 3,903.6        | 2,418.4       | 39,331.7 | 112,638.9      | 78,210.5           | 2,237.9    | 2,968.1  | 29,222.4      | 15,826.0 |
| Jun               | 191,664.5                             | 14,542.2       | 46,229.3       | 4,052.0        | 2,445.2       | 39,732.1 | 115,007.4      | 80,351.3           | 2,344.1    | 3,083.3  | 29,228.7      | 15,885.6 |
| Sep               | 197,337.7                             | 15,806.2       | 46,615.5       | 4,359.7        | 2,452.5       | 39,803.3 | 115,388.4      | 81,966.5           | 2,495.2    | 1,617.4  | 29,309.4      | 19,527.5 |
| Dec               | 198,896.7                             | 22,425.5       | 47,172.9       | 4,572.2        | 2,473.1       | 40,127.6 | 115,724.3      | 80,036.2           | 2,407.3    | 3,466.4  | 29,814.3      | 13,574.1 |
| <b>2015</b>       |                                       |                |                |                |               |          |                |                    |            |          |               |          |
| Mar               | 201,198.8                             | 16,639.0       | 48,061.8       | 4,586.0        | 2,473.1       | 41,002.8 | 117,379.8      | 78,993.6           | 2,347.6    | 3,977.8  | 32,060.8      | 19,118.3 |
| Jun               | 199,430.8                             | 17,121.5       | 47,885.0       | 4,797.7        | 2,523.3       | 40,564.0 | 115,154.0      | 78,578.5           | 2,268.6    | 3,977.8  | 30,329.1      | 19,270.2 |
| Sep               | 202,069.0                             | 17,593.8       | 48,583.2       | 5,045.0        | 2,540.6       | 40,997.6 | 116,072.8      | 79,194.4           | 2,248.8    | 4,090.3  | 30,539.3      | 19,819.2 |
| Dec <sup>1)</sup> | 217,614.8                             | 17,710.0       | 49,168.2       | 5,350.2        | 2,581.9       | 41,236.1 | 130,740.7      | 78,902.7           | 1,954.8    | 4,115.3  | 45,768.0      | 19,995.8 |
| <b>2016</b>       |                                       |                |                |                |               |          |                |                    |            |          |               |          |
| Mar               | 219,431.3                             | 17,662.3       | 49,966.2       | 5,647.9        | 2,581.9       | 41,736.4 | 132,288.3      | 79,555.1           | 1,948.7    | 4,345.9  | 46,438.6      | 19,514.5 |
| Jun               | 216,105.8                             | 17,194.3       | 49,085.2       | 5,854.5        | 2,647.3       | 40,583.4 | 128,594.1      | 75,842.5           | 1,898.9    | 4,450.8  | 46,401.9      | 21,232.3 |
| Sep               | 218,465.8                             | 16,570.7       | 49,362.4       | 6,027.1        | 2,666.8       | 40,668.6 | 132,432.3      | 79,095.6           | 1,896.5    | 4,450.8  | 46,989.4      | 20,100.4 |
| Dec               | 219,735.2                             | 16,501.6       | 49,854.0       | 6,334.8        | 2,693.4       | 40,825.8 | 132,663.2      | 79,066.6           | 1,847.7    | 4,450.8  | 47,298.1      | 20,716.3 |
| <b>2017</b>       |                                       |                |                |                |               |          |                |                    |            |          |               |          |
| Mar               | 224,695.4                             | 17,264.6       | 50,572.2       | 6,517.0        | 2,693.4       | 41,361.8 | 136,649.4      | 79,853.0           | 2,020.5    | 4,904.5  | 49,871.4      | 20,209.2 |
| Jun               | 225,826.4                             | 17,861.0       | 50,956.4       | 6,469.4        | 2,693.4       | 41,793.6 | 136,652.1      | 79,364.6           | 2,105.2    | 4,720.6  | 50,461.7      | 20,356.9 |
| Sep               | 228,693.0                             | 18,077.9       | 51,246.0       | 6,489.0        | 2,693.4       | 42,063.6 | 138,666.8      | 80,605.3           | 1,827.0    | 4,720.6  | 51,514.0      | 20,702.3 |
| Dec               | 234,783.9                             | 17,975.9       | 51,723.3       | 6,469.3        | 2,693.4       | 42,560.6 | 143,748.9      | 83,865.4           | 1,795.3    | 4,720.6  | 53,367.7      | 21,335.8 |
| <b>2018</b>       |                                       |                |                |                |               |          |                |                    |            |          |               |          |
| Mar               | 244,922.1                             | 18,216.0       | 52,952.8       | 6,579.7        | 2,693.4       | 43,679.7 | 151,927.1      | 88,757.8           | 1,690.2    | 5,350.4  | 56,128.8      | 21,826.2 |
| Jun               | 248,829.9                             | 17,042.9       | 50,891.1       | 7,035.6        | 1,480.3       | 42,375.2 | 157,569.8      | 91,744.7           | 1,653.0    | 5,434.3  | 58,737.8      | 23,326.1 |
| Sep               | 261,768.3                             | 17,368.1       | 51,410.2       | 7,050.3        | 2,097.0       | 42,262.9 | 169,801.9      | 99,413.9           | 1,611.5    | 6,304.0  | 62,472.5      | 23,188.1 |
| Dec               | 268,241.6                             | 28,658.3       | 50,659.4       | 6,405.0        | 2,521.6       | 41,732.9 | 164,360.1      | 92,054.6           | 1,746.1    | 5,796.3  | 64,763.1      | 24,563.7 |

Source: Non-Bank Financial Institutions

1) Adjustments in the valuation method used by the pension companies contributed to the significant increase in the balance sheet of the non-bank financial institutions from December 2015.

**TABLE 6-I**  
**CENTRAL GOVERNMENT: FINANCES (SUMMARY)**  
**(G\$ Million)**

| Item  | 2009              | 2010              | 2011              | 2012              | 2013              | 2014              | 2015              | 2016              | 2017              | 2018              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>CURRENT ACCOUNT</b>                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Revenue <sup>1)</sup>                       | 94,890.7          | 107,875.3         | 120,915.9         | 130,228.4         | 136,494.8         | 145,727.9         | 161,710.2         | 177,322.1         | 195,060.3         | 216,724.3         |
| Non-interest Expenditure                    | 73,853.4          | 78,506.9          | 92,546.0          | 108,379.1         | 115,947.5         | 127,494.1         | 141,152.2         | 163,425.0         | 173,373.3         | 191,152.6         |
| <b>Current Primary Balance</b>              | <b>21,037.4</b>   | <b>29,368.4</b>   | <b>28,369.9</b>   | <b>21,849.3</b>   | <b>20,547.3</b>   | <b>18,233.8</b>   | <b>20,558.1</b>   | <b>13,897.1</b>   | <b>21,687.0</b>   | <b>25,571.6</b>   |
| less Interest                               | 6,587.5           | 7,879.4           | 8,074.3           | 6,535.5           | 6,106.3           | 6,339.5           | 6,485.5           | 6,726.8           | 8,026.7           | 8,510.7           |
| <b>Current Account Balance</b>              | <b>14,449.9</b>   | <b>21,489.0</b>   | <b>20,295.6</b>   | <b>15,313.8</b>   | <b>14,441.0</b>   | <b>11,894.3</b>   | <b>14,072.6</b>   | <b>7,170.2</b>    | <b>13,660.3</b>   | <b>17,060.9</b>   |
| <b>CAPITAL ACCOUNT</b>                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Receipts                                    | 17,275.1          | 11,780.3          | 13,452.8          | 13,509.5          | 8,671.7           | 4,191.0           | 7,272.9           | 7,877.1           | 12,198.9          | 10,771.9          |
| Revenue <sup>2)</sup>                       | 2,222.5           | 2,325.7           | 812.6             | 832.7             | 872.8             | 3,100.8           | 2,686.1           | 2,469.3           | 17.0              | 1.4               |
| External Grants                             | 15,052.6          | 9,454.6           | 12,640.2          | 12,676.8          | 7,798.9           | 1,090.2           | 4,586.8           | 5,407.8           | 12,181.8          | 10,770.5          |
| Expenditure                                 | 46,990.2          | 46,658.4          | 50,116.3          | 56,441.8          | 50,144.5          | 51,013.7          | 30,664.9          | 46,618.1          | 58,618.3          | 55,119.5          |
| <b>Capital Account Balance</b>              | <b>(29,715.1)</b> | <b>(34,878.1)</b> | <b>(36,663.5)</b> | <b>(42,932.3)</b> | <b>(41,472.8)</b> | <b>(46,822.7)</b> | <b>(23,392.0)</b> | <b>(38,740.9)</b> | <b>(46,419.4)</b> | <b>(44,347.6)</b> |
| <b>OVERALL DEFICIT/SURPLUS</b>              | <b>(15,265.2)</b> | <b>(13,389.1)</b> | <b>(16,367.9)</b> | <b>(27,618.5)</b> | <b>(27,031.8)</b> | <b>(34,928.4)</b> | <b>(9,319.4)</b>  | <b>(31,570.7)</b> | <b>(32,759.1)</b> | <b>(27,286.7)</b> |
| <b>FINANCING</b>                            | <b>15,265.2</b>   | <b>13,389.1</b>   | <b>16,367.9</b>   | <b>27,618.5</b>   | <b>27,031.8</b>   | <b>34,928.4</b>   | <b>9,319.4</b>    | <b>31,570.7</b>   | <b>32,759.1</b>   | <b>27,286.7</b>   |
| Net External Financing                      | 15,526.1          | 12,989.4          | 17,948.0          | 22,044.2          | 18,545.2          | (13,753.4)        | (5,264.8)         | 7,836.8           | 8,740.1           | 7,745.4           |
| Net Domestic Financial System <sup>3)</sup> | (260.9)           | 399.7             | (1,580.1)         | 5,574.3           | 8,486.6           | 48,681.8          | 14,584.2          | 23,733.8          | 24,019.0          | 19,541.3          |
| Banking System                              | (3,686.2)         | (4,697.6)         | 15,196.2          | (7,815.7)         | 17,294.5          | 11,650.3          | 28,007.0          | 8,482.5           | (1,535.6)         | (24,059.7)        |
| Non-Bank Borrowing                          | 1,051.1           | 8,545.0           | (1,081.3)         | (6,926.2)         | (7,032.9)         | (141.0)           | 1,085.9           | 1,588.0           | 1,985.4           | (1,619.5)         |
| Other Financing                             | 2,374.2           | (3,447.8)         | (15,695.0)        | 20,316.2          | (1,775.0)         | 37,172.5          | (14,508.7)        | 13,663.3          | 23,569.3          | 45,220.5          |

Sources: Ministry of Finance and Bank of Guyana

<sup>1)</sup> Current Revenue includes GRIF payments received with effect from 2012.

<sup>2)</sup> From year 2017, capital account "revenue" will follow the MOF format; therefore, the figure will show a reduced amount due to the exclusions of all grants and debt reliefs.

<sup>3)</sup> Figures were revised from 2008 to reflect the computation of Central Government on an accrual basis.

**TABLE 6-II**  
**SUMMARY OF PUBLIC CORPORATIONS FINANCES**  
**(G\$ Million)**

| Item  | 2009            | 2010            | 2011             | 2012             | 2013             | 2014             | 2015             | 2016             | 2017             | 2018             |
|---|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Current Revenue</b>                              | <b>89,908.8</b> | <b>95,814.7</b> | <b>122,092.2</b> | <b>135,256.2</b> | <b>127,565.0</b> | <b>122,928.3</b> | <b>127,689.8</b> | <b>117,899.2</b> | <b>110,423.1</b> | <b>115,118.2</b> |
| Export Sales  | 27,354.1        | 22,398.4        | 28,777.3         | 28,299.8         | 24,833.7         | 18,941.0         | 16,551.9         | 18,458.4         | 11,886.3         | 6,351.6          |
| Local Sales   | 45,832.7        | 55,483.1        | 66,005.5         | 68,413.4         | 69,017.6         | 72,149.4         | 70,604.2         | 66,351.8         | 50,087.7         | 49,658.9         |
| VAT Refunds   | 0.0             | 0.0             | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 22,229.8         | 27,779.3         |
| VAT Refunds   | 347.9           | 203.3           | 628.3            | 488.0            | 349.0            | 212.2            | 339.1            | 722.5            | 159.9            | 2,407.5          |
| Other   | 16,374.2        | 17,730.0        | 26,681.1         | 38,055.0         | 33,364.7         | 31,625.8         | 40,194.6         | 32,366.5         | 26,059.4         | 28,921.0         |
| <b>Current Expenditure</b>                          | <b>81,576.3</b> | <b>92,282.9</b> | <b>122,217.6</b> | <b>125,435.4</b> | <b>123,574.1</b> | <b>121,297.4</b> | <b>109,931.7</b> | <b>99,362.2</b>  | <b>111,327.7</b> | <b>122,418.6</b> |
| Materials & Supplies                                | 25,440.7        | 31,456.4        | 39,148.5         | 39,975.6         | 34,552.7         | 34,841.6         | 26,069.8         | 22,947.3         | 25,300.0         | 29,780.8         |
| Employment Cost                                     | 19,373.8        | 20,168.2        | 23,275.3         | 25,741.9         | 25,565.2         | 24,649.2         | 28,139.5         | 25,410.7         | 25,099.5         | 23,502.1         |
| Payments to Creditors                               | 0.0             | 0.0             | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 29,577.1         | 35,538.6         |
| Local Taxes   | 330.2           | 112.8           | 172.2            | 128.8            | 114.0            | 57.2             | 40.9             | 163.9            | 198.2            | 178.3            |
| VAT Payments  | 90.6            | 134.8           | 90.5             | 111.4            | 103.8            | 114.7            | 522.8            | 171.8            | 1,347.5          | 1,261.0          |
| Other <sup>1)</sup>                                 | 36,341.0        | 40,410.8        | 59,531.1         | 59,477.7         | 63,238.4         | 61,634.7         | 55,158.6         | 50,668.5         | 29,805.4         | 32,157.9         |
| <b>Transfers to Central Govt.</b>                   | <b>1,189.3</b>  | <b>1,697.6</b>  | <b>2,449.0</b>   | <b>2,144.5</b>   | <b>2,386.6</b>   | <b>1,203.2</b>   | <b>2,672.9</b>   | <b>3,947.0</b>   | <b>3,313.5</b>   | <b>2,505.1</b>   |
| Taxes (Property and Corporation)                    | 1,032.8         | 1,222.6         | 1,049.0          | 1,144.5          | 1,386.6          | 1,203.2          | 1,670.4          | 1,747.0          | 2,113.5          | 1,305.1          |
| Dividends   | 156.5           | 475.0           | 1,400.0          | 1,000.0          | 1,000.0          | 0.0              | 1,002.5          | 2,200.0          | 1,200.0          | 1,200.0          |
| <b>Primary Operating (surplus(+)/deficit(-))</b>    | <b>7,143.3</b>  | <b>1,834.2</b>  | <b>-2,574.4</b>  | <b>7,676.2</b>   | <b>1,604.3</b>   | <b>427.7</b>     | <b>15,085.2</b>  | <b>14,589.9</b>  | <b>-4,218.1</b>  | <b>-9,805.5</b>  |
| <b>less Interest</b>                                | <b>637.2</b>    | <b>452.9</b>    | <b>322.8</b>     | <b>250.4</b>     | <b>331.7</b>     | <b>568.6</b>     | <b>573.2</b>     | <b>1,521.5</b>   | <b>1,188.8</b>   | <b>813.6</b>     |
| <b>Current a/c Balance (surplus(+)/deficit(-))</b>  | <b>6,506.1</b>  | <b>1,381.4</b>  | <b>-2,897.2</b>  | <b>7,425.8</b>   | <b>1,272.6</b>   | <b>-140.9</b>    | <b>14,512.0</b>  | <b>13,068.4</b>  | <b>-5,406.9</b>  | <b>-10,619.1</b> |
| <b>Capital Expenditure</b>                          | <b>4,867.2</b>  | <b>4,170.7</b>  | <b>3,667.3</b>   | <b>5,822.7</b>   | <b>2,897.3</b>   | <b>1,357.3</b>   | <b>6,433.4</b>   | <b>1,977.0</b>   | <b>7,549.6</b>   | <b>6,694.3</b>   |
| <b>Overall NFPE Balance (surplus(+)/deficit(-))</b> | <b>1,638.8</b>  | <b>-2,789.4</b> | <b>-6,564.5</b>  | <b>1,603.1</b>   | <b>-1,624.6</b>  | <b>-1,498.1</b>  | <b>8,078.7</b>   | <b>11,091.4</b>  | <b>-12,956.6</b> | <b>-17,313.4</b> |
| <b>Financing</b>                                    | <b>-1,638.8</b> | <b>2,789.4</b>  | <b>6,564.5</b>   | <b>-1,603.1</b>  | <b>1,624.6</b>   | <b>1,498.1</b>   | <b>-8,078.7</b>  | <b>-11,091.4</b> | <b>12,956.6</b>  | <b>17,313.4</b>  |
| <b>External Borrowing (Net) <sup>2)</sup></b>       | <b>1,175.2</b>  | <b>1,854.2</b>  | <b>-148.1</b>    | <b>-1,351.5</b>  | <b>742.2</b>     | <b>2,419.6</b>   | <b>-372.7</b>    | <b>-1,901.2</b>  | <b>-819.1</b>    | <b>91.7</b>      |
| <b>Domestic Financing (Net)</b>                     | <b>-2,814.0</b> | <b>935.1</b>    | <b>6,712.5</b>   | <b>-251.5</b>    | <b>882.5</b>     | <b>-921.5</b>    | <b>-7,706.0</b>  | <b>-9,190.2</b>  | <b>13,775.7</b>  | <b>17,221.7</b>  |
| Banking System (Net)                                | 1,069.7         | 287.4           | 1,233.4          | 9,197.5          | 8,936.0          | 5,497.5          | -24,734.1        | -27,196.8        | 25,614.3         | 1,189.3          |
| Non-bank Fin. Inst.(Net)                            | 0.0             | 0.0             | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 1,698.0          |
| Holdings of Cent. Govt Sec.                         | -3,598.0        | 2,650.3         | -3,451.0         | -47.3            | -311.7           | -797.8           | -867.9           | 1,498.0          | 2,215.5          | -1,504.8         |
| Transfers from Cent.Govt                            | 1,342.2         | 3,429.6         | 7,557.5          | 6,849.5          | 5,760.1          | 3,699.2          | 0.0              | 469.9            | 11,505.5         | 10,682.0         |
| Special Transfers                                   | 0.0             | 170.0           | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              |
| Inter-Agency Borrowing                              | 0.0             | 0.0             | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 20.0             | 0.0              |
| Privatisation Proceeds -Guysuco land Sal            | 0.0             | -2,078.0        | -1,691.0         | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              |
| Other   | -1,627.9        | -3,524.2        | 3,063.6          | -16,251.2        | -13,501.9        | -9,320.5         | 17,896.0         | 16,038.7         | -25,579.6        | 5,157.2          |

Sources: State Planning Secretariat, Public Enterprises, National Insurance Scheme and Bank of Guyana

<sup>1)</sup> Includes repairs and maintenance, freight, and other current expenditure.

<sup>2)</sup> External financing (net) comprises of changes in retention account and changes in foreign crop financing.



**TABLE 7-I**  
**DOMESTIC PUBLIC BONDED DEBT <sup>1)</sup>**  
**(G\$ Million)**

| Period Ended | Total     | Bonds | Debentures <sup>2)</sup> | CARICOM Loan <sup>3)</sup> | Policy Instruments <sup>4)</sup> |          |
|--------------|-----------|-------|--------------------------|----------------------------|----------------------------------|----------|
|              |           |       |                          |                            | Monetary                         | Fiscal   |
| <b>2009</b>  | 87,047.4  | 3.4   | 11,767.5                 | 560.8                      | 74,715.7                         | -        |
| <b>2010</b>  | 100,489.5 | 3.4   | 6,823.5                  | 523.2                      | 93,139.4                         | -        |
| <b>2011</b>  | 104,937.2 | 3.4   | 5,848.5                  | 491.9                      | 98,593.4                         | -        |
| <b>2012</b>  | 93,461.9  | 3.4   | 4,873.5                  | 456.2                      | 88,128.8                         | -        |
| <b>2013</b>  | 98,815.3  | 3.4   | 3,898.5                  | 424.7                      | 94,488.7                         | -        |
| <b>2014</b>  |           |       |                          |                            |                                  |          |
| Mar          | 94,915.6  | 3.4   | 3,898.5                  | 424.7                      | 90,589.0                         | -        |
| Jun          | 87,298.8  | 3.4   | 3,898.5                  | 408.0                      | 82,988.9                         | -        |
| Sep          | 82,698.9  | 3.4   | 3,898.5                  | 408.0                      | 78,389.0                         | -        |
| Dec          | 78,437.7  | 3.4   | 3,898.5                  | 390.3                      | 74,145.6                         | -        |
| <b>2015</b>  |           |       |                          |                            |                                  |          |
| Mar          | 78,438.0  | 3.4   | 3,898.5                  | 390.3                      | 74,145.8                         | -        |
| Jun          | 75,867.8  | 3.4   | 3,898.5                  | 372.5                      | 71,593.4                         | -        |
| Sep          | 78,867.9  | 3.4   | 3,898.5                  | 372.5                      | 74,593.5                         | -        |
| Dec          | 81,693.3  | 3.4   | 3,898.5                  | 354.8                      | 77,436.6                         | -        |
| <b>2016</b>  |           |       |                          |                            |                                  |          |
| Mar          | 83,997.6  | 3.4   | 3,898.5                  | 354.8                      | 79,740.9                         | -        |
| Jun          | 84,439.5  | 3.4   | 3,898.5                  | 337.0                      | 80,200.5                         | -        |
| Sep          | 90,761.8  | 3.4   | 8,781.0                  | 337.0                      | 81,640.4                         | -        |
| Dec          | 90,571.6  | 3.4   | 8,781.0                  | 319.3                      | 81,468.0                         | -        |
| <b>2017</b>  |           |       |                          |                            |                                  |          |
| Jan          | 90,327.5  | 3.4   | 8,536.9                  | 319.3                      | 81,468.0                         | -        |
| Feb          | 90,427.3  | 3.4   | 8,536.9                  | 319.3                      | 81,567.8                         | -        |
| Mar          | 90,433.7  | 3.4   | 8,536.9                  | 319.3                      | 81,574.2                         | -        |
| Apr          | 90,433.7  | 3.4   | 8,536.9                  | 319.3                      | 81,574.2                         | -        |
| May          | 90,265.8  | 3.4   | 8,536.9                  | 319.3                      | 81,406.3                         | -        |
| Jun          | 90,247.5  | 3.4   | 8,536.9                  | 301.6                      | 81,405.7                         | -        |
| Jul          | 90,268.9  | 3.4   | 8,536.9                  | 301.6                      | 81,427.1                         | -        |
| Aug          | 90,268.9  | 3.4   | 8,536.9                  | 301.6                      | 81,427.1                         | -        |
| Sep          | 89,364.2  | 3.4   | 8,536.9                  | 301.6                      | 80,522.4                         | -        |
| Oct          | 89,364.2  | 3.4   | 8,536.9                  | 301.6                      | 80,522.4                         | -        |
| Nov          | 88,833.9  | 3.4   | 8,536.9                  | 301.6                      | 79,992.1                         | -        |
| Dec          | 88,816.2  | 3.4   | 8,536.9                  | 283.8                      | 79,992.1                         | -        |
| <b>2018</b>  |           |       |                          |                            |                                  |          |
| Jan          | 88,572.1  | 3.4   | 8,292.7                  | 283.8                      | 79,992.1                         | -        |
| Feb          | 88,572.1  | 3.4   | 8,292.7                  | 283.8                      | 79,992.1                         | -        |
| Mar          | 89,572.1  | 3.4   | 8,292.7                  | 283.8                      | 80,992.1                         | -        |
| Apr          | 87,472.1  | 3.4   | 8,292.7                  | 283.8                      | 78,892.1                         | -        |
| May          | 82,334.8  | 3.4   | 8,292.7                  | 283.8                      | 72,454.9                         | 1,300.0  |
| Jun          | 79,669.6  | 3.4   | 8,292.7                  | 268.7                      | 69,334.9                         | 1,770.0  |
| Jul          | 79,669.6  | 3.4   | 8,292.7                  | 268.7                      | 60,677.0                         | 10,427.9 |
| Aug          | 80,669.6  | 3.4   | 8,292.7                  | 268.7                      | 53,177.0                         | 18,927.9 |
| Sep          | 80,669.6  | 3.4   | 8,292.7                  | 268.7                      | 42,177.0                         | 29,927.9 |
| Oct          | 80,669.6  | 3.4   | 8,292.7                  | 268.7                      | 37,177.0                         | 34,927.9 |
| Nov          | 80,569.5  | 3.4   | 8,292.7                  | 268.7                      | 30,224.4                         | 41,780.4 |
| Dec          | 80,551.6  | 3.4   | 8,292.7                  | 250.8                      | 22,757.3                         | 49,247.0 |

Source: Bank of Guyana.

<sup>1)</sup> Excludes non-interest bearing debentures

<sup>2)</sup> In Sep. 2016, there was an issuance of 20 NIS Non-Negotiable Debenture to the amount of G\$4,882.4 million.

<sup>3)</sup> The CARICOM Loan was contracted to finance the construction of a building to house the CARICOM Secretariat.

<sup>4)</sup> In May 2018, the Bank of Guyana commenced issuance of Treasury Bills, unbehalf of the Government, for budgetary support.

**TABLE 7-II**  
**GOVERNMENT OF GUYANA: TREASURY BILLS**  
**BY HOLDERS**  
**(G\$ Million)**

| Period Ended | Treasury Bills |                |                |                  |                                 |               |                   |                           |               |                |              |
|--------------|----------------|----------------|----------------|------------------|---------------------------------|---------------|-------------------|---------------------------|---------------|----------------|--------------|
|              | Treasury Bills | Banking System |                |                  | Non-Bank Financial Institutions | Public Sector |                   |                           |               | Private Sector | Non-Resident |
|              |                | Total          | Bank of Guyana | Commercial Banks |                                 | Total         | Public Enterprise | National Insurance Scheme | Sinking Funds |                |              |
| <b>2009</b>  | 74,715.7       | 56,984.5       | 2,333.1        | 54,651.5         | 9,084.3                         | 8,633.8       | -                 | 8,633.8                   | -             | 13.2           | -            |
| <b>2010</b>  | 93,139.4       | 66,547.1       | 1,032.9        | 65,514.2         | 14,833.6                        | 11,758.2      | -                 | 11,758.2                  | -             | 0.5            | -            |
| <b>2011</b>  | 98,593.4       | 73,547.7       | 999.2          | 72,548.6         | 17,007.7                        | 8,038.0       | -                 | 8,038.0                   | -             | -              | -            |
| <b>2012</b>  | 88,128.8       | 70,253.5       | 996.9          | 69,256.6         | 11,063.9                        | 6,811.4       | -                 | 6,811.4                   | -             | -              | -            |
| <b>2013</b>  | 94,488.8       | 83,825.3       | 3,497.1        | 80,328.2         | 4,183.0                         | 6,480.5       | -                 | 6,480.5                   | -             | 0.1            | -            |
| <b>2014</b>  |                |                |                |                  |                                 |               |                   |                           |               |                |              |
| <b>Mar</b>   | 90,589.0       | 77,825.5       | 2,997.3        | 74,828.2         | 6,283.0                         | 6,480.5       | -                 | 6,480.5                   | -             | 0.1            | -            |
| <b>Jun</b>   | 82,988.9       | 70,659.9       | 1,406.3        | 69,253.6         | 6,175.0                         | 6,154.0       | -                 | 6,154.0                   | -             | 0.1            | -            |
| <b>Sep</b>   | 78,389.0       | 66,860.0       | 1,606.4        | 65,253.6         | 5,375.0                         | 6,154.0       | -                 | 6,154.0                   | -             | 0.1            | -            |
| <b>Dec</b>   | 74,145.6       | 63,540.1       | 1,606.5        | 61,933.6         | 4,895.0                         | 5,710.5       | -                 | 5,710.5                   | -             | -              | -            |
| <b>2015</b>  |                |                |                |                  |                                 |               |                   |                           |               |                |              |
| <b>Mar</b>   | 74,145.8       | 62,540.3       | 1,606.7        | 60,933.6         | 5,895.0                         | 5,710.5       | -                 | 5,710.5                   | -             | -              | -            |
| <b>Jun</b>   | 71,593.4       | 60,631.6       | 998.0          | 59,633.6         | 6,197.8                         | 4,764.0       | -                 | 4,764.0                   | -             | -              | -            |
| <b>Sep</b>   | 74,593.5       | 62,925.4       | 998.1          | 61,927.3         | 6,904.2                         | 4,764.0       | -                 | 4,764.0                   | -             | -              | -            |
| <b>Dec</b>   | 77,436.6       | 65,738.5       | 998.1          | 64,740.4         | 6,881.1                         | 4,807.1       | -                 | 4,807.1                   | -             | 10.0           | -            |
| <b>2016</b>  |                |                |                |                  |                                 |               |                   |                           |               |                |              |
| <b>Mar</b>   | 79,740.9       | 67,388.2       | 998.2          | 66,390.1         | 7,541.4                         | 4,811.4       | -                 | 4,811.4                   | -             | -              | -            |
| <b>Jun</b>   | 80,200.5       | 68,277.6       | 998.1          | 67,279.6         | 7,052.5                         | 4,868.4       | -                 | 4,868.4                   | -             | 2.0            | -            |
| <b>Sep</b>   | 81,640.4       | 68,168.5       | 998.1          | 67,170.4         | 6,963.7                         | 6,508.3       | -                 | 6,508.3                   | -             | -              | -            |
| <b>Dec</b>   | 81,468.0       | 68,151.1       | 997.7          | 67,153.4         | 6,980.6                         | 6,336.4       | -                 | 6,336.4                   | -             | -              | -            |
| <b>2017</b>  |                |                |                |                  |                                 |               |                   |                           |               |                |              |
| <b>Jan</b>   | 81,468.0       | 68,151.1       | 997.7          | 67,153.4         | 6,980.6                         | 6,336.4       | -                 | 6,336.4                   | -             | -              | -            |
| <b>Feb</b>   | 81,567.8       | 64,650.9       | 997.5          | 63,653.4         | 6,580.6                         | 10,336.4      | 4,000.0           | 6,336.4                   | -             | -              | -            |
| <b>Mar</b>   | 81,574.2       | 65,268.9       | 997.3          | 64,271.6         | 5,962.4                         | 10,342.9      | 4,000.0           | 6,342.9                   | -             | -              | -            |
| <b>Apr</b>   | 81,574.2       | 65,021.6       | 997.3          | 64,024.3         | 6,209.7                         | 10,342.9      | 4,000.0           | 6,342.9                   | -             | -              | -            |
| <b>May</b>   | 81,406.3       | 64,621.2       | 997.3          | 63,623.9         | 6,609.7                         | 10,175.4      | 4,000.0           | 6,175.4                   | -             | -              | -            |
| <b>Jun</b>   | 81,405.7       | 64,321.2       | 997.3          | 63,323.9         | 6,909.2                         | 10,175.4      | 4,000.0           | 6,175.4                   | -             | -              | -            |
| <b>Jul</b>   | 81,427.1       | 63,829.6       | 997.3          | 62,832.3         | 7,400.8                         | 10,196.8      | 4,000.0           | 6,196.8                   | -             | -              | -            |
| <b>Aug</b>   | 81,427.1       | 64,129.6       | 997.3          | 63,132.3         | 7,100.8                         | 10,196.8      | 4,000.0           | 6,196.8                   | -             | -              | -            |
| <b>Sep</b>   | 80,522.4       | 64,217.0       | 997.3          | 63,219.7         | 7,013.4                         | 9,292.1       | 4,000.0           | 5,292.1                   | -             | -              | -            |
| <b>Oct</b>   | 80,522.4       | 64,734.1       | 997.3          | 63,736.8         | 6,496.3                         | 9,292.1       | 4,000.0           | 5,292.1                   | -             | -              | -            |
| <b>Nov</b>   | 79,992.1       | 64,733.8       | 997.3          | 63,736.5         | 6,576.3                         | 8,682.1       | 4,000.0           | 4,682.1                   | -             | -              | -            |
| <b>Dec</b>   | 79,992.1       | 64,733.8       | 997.3          | 63,736.5         | 6,576.3                         | 8,682.1       | 4,000.0           | 4,682.1                   | -             | -              | -            |
| <b>2018</b>  |                |                |                |                  |                                 |               |                   |                           |               |                |              |
| <b>Jan</b>   | 79,992.1       | 64,635.1       | 997.3          | 63,637.8         | 6,674.9                         | 8,682.1       | 4,000.0           | 4,682.1                   | -             | 0.1            | -            |
| <b>Feb</b>   | 79,992.1       | 64,335.1       | 997.3          | 63,337.8         | 6,974.9                         | 8,682.1       | 4,000.0           | 4,682.1                   | -             | 0.1            | -            |
| <b>Mar</b>   | 80,992.1       | 65,429.5       | 997.3          | 64,432.2         | 6,880.5                         | 8,682.1       | 4,000.0           | 4,682.1                   | -             | 0.1            | -            |
| <b>Apr</b>   | 78,892.1       | 63,776.9       | 997.3          | 62,779.6         | 6,433.2                         | 8,682.1       | 4,000.0           | 4,682.1                   | -             | 0.1            | -            |
| <b>May</b>   | 73,754.9       | 60,476.8       | 997.3          | 59,479.5         | 6,153.2                         | 7,125.0       | 4,000.0           | 3,125.0                   | -             | -              | -            |
| <b>Jun</b>   | 71,104.9       | 57,926.8       | 1,147.3        | 56,779.5         | 6,053.2                         | 7,125.0       | 4,000.0           | 3,125.0                   | -             | -              | -            |
| <b>Jul</b>   | 71,104.9       | 57,732.7       | 997.3          | 56,735.4         | 6,247.3                         | 7,125.0       | 4,000.0           | 3,125.0                   | -             | -              | -            |
| <b>Aug</b>   | 71,104.9       | 57,532.7       | 997.3          | 56,535.4         | 6,447.3                         | 7,125.0       | 4,000.0           | 3,125.0                   | -             | -              | -            |
| <b>Sep</b>   | 72,104.9       | 58,532.7       | 997.3          | 57,535.4         | 6,447.3                         | 7,125.0       | 4,000.0           | 3,125.0                   | -             | -              | -            |
| <b>Oct</b>   | 72,104.9       | 58,615.6       | 997.3          | 57,618.3         | 6,364.4                         | 7,125.0       | 4,000.0           | 3,125.0                   | -             | -              | -            |
| <b>Nov</b>   | 72,004.8       | 58,457.3       | 997.3          | 57,460.0         | 6,422.6                         | 7,125.0       | 4,000.0           | 3,125.0                   | -             | -              | -            |
| <b>Dec</b>   | 72,004.8       | 58,457.3       | 997.3          | 57,460.0         | 6,422.6                         | 7,125.0       | 4,000.0           | 3,125.0                   | -             | -              | -            |

Source: Bank of Guyana

**TABLE 7-III**  
**EXTERNAL PUBLIC DEBT**  
**(US\$ Thousand)**

| Period Ended | Total Outstanding Debt | Medium & Long Term |              |           |           |                 |       |
|--------------|------------------------|--------------------|--------------|-----------|-----------|-----------------|-------|
|              |                        | Bilateral          | Multilateral | Financial | Supp. Cr. | Nationalisation | Bonds |
| <b>2009</b>  | 933,039                | 375,224            | 536,993      | 3,818     | 13,440    | 3,528           | 36    |
| <b>2010</b>  | 1,042,877              | 434,427            | 588,091      | 3,383     | 13,408    | 3,533           | 35    |
| <b>2011</b>  | 1,210,095              | 559,057            | 631,090      | 2,989     | 13,404    | 3,520           | 35    |
| <b>2012</b>  | 1,358,563              | 665,381            | 673,549      | 2,663     | 13,427    | 3,507           | 36    |
| <b>2013</b>  | 1,246,478              | 510,627            | 716,647      | 2,240     | 13,450    | 3,477           | 37    |
| <b>2014</b>  |                        |                    |              |           |           |                 |       |
| 1st Qtr      | 1,186,720              | 485,722            | 681,863      | 2,173     | 13,452    | 3,473           | 37    |
| 2nd Qtr      | 1,226,573              | 521,423            | 685,950      | 2,229     | 13,461    | 3,473           | 37    |
| 3rd Qtr      | 1,183,636              | 488,689            | 675,857      | 2,113     | 13,467    | 3,473           | 36    |
| 4th Qtr      | 1,216,378              | 505,517            | 691,848      | 2,032     | 13,473    | 3,473           | 35    |
| <b>2015</b>  |                        |                    |              |           |           |                 |       |
| 1st Qtr      | 1,233,340              | 516,008            | 698,412      | 1,935     | 13,478    | 3,473           | 33    |
| 2nd Qtr      | 1,175,058              | 458,168            | 697,848      | 2,050     | 13,484    | 3,473           | 35    |
| 3rd Qtr      | 1,144,849              | 436,700            | 689,178      | 1,974     | 13,490    | 3,473           | 34    |
| 4th Qtr      | 1,143,086              | 432,869            | 692,190      | 1,921     | 12,600    | 3,473           | 33    |
| <b>2016</b>  |                        |                    |              |           |           |                 |       |
| 1st Qtr      | 1,143,043              | 433,586            | 691,479      | 1,873     | 12,600    | 3,473           | 32    |
| 2nd Qtr **   | 1,143,515              | 430,872            | 694,798      | 1,742     | 12,600    | 3,473           | 30    |
| 3rd Qtr      | 1,153,792              | 444,043            | 691,929      | 1,780     | 12,539    | 3,473           | 29    |
| 4th Qtr      | 1,162,488              | 450,968            | 693,781      | 1,700     | 12,539    | 3,473           | 28    |
| <b>2017</b>  |                        |                    |              |           |           |                 |       |
| 1st Qtr      | 1,174,197              | 458,566            | 697,871      | 1,720     | 12,539    | 3,473           | 28    |
| 2nd Qtr      | 1,200,737              | 459,676            | 705,930      | 19,090    | 12,540    | 3,473           | 28    |
| 3rd Qtr**    | 1,208,686              | 466,292            | 707,278      | 19,077    | 12,539    | 3,473           | 29    |
| 4th Qtr      | 1,240,587              | 479,865            | 725,515      | 19,165    | 12,539    | 3,473           | 30    |
| <b>2018</b>  |                        |                    |              |           |           |                 |       |
| 1st Qtr      | 1,261,714              | 496,928            | 729,865      | 18,878    | 12,539    | 3,473           | 31    |
| 2nd Qtr      | 1,249,527              | 483,165            | 731,590      | 18,765    | 12,539    | 3,440           | 29    |
| 3rd Qtr      | 1,270,485              | 470,396            | 765,706      | 18,376    | 12,539    | 3,440           | 29    |
| 4th Qtr      | 1,309,407              | 487,182            | 787,884      | 18,334    | 12,539    | 3,440           | 28    |

Source: Ministry of Finance

**TABLE 8-I**  
**BALANCE OF PAYMENTS**  
(US\$ Million)

| Item  | 2009           | 2010           | 2011           | 2012           | 2013           | 2014           | 2015           | 2016          | 2017 **        | 2018           |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|----------------|----------------|
| <b>CURRENT ACCOUNT BALANCE</b>                                | <b>(230.6)</b> | <b>(247.4)</b> | <b>(372.2)</b> | <b>(366.7)</b> | <b>(456.0)</b> | <b>(385.2)</b> | <b>(181.5)</b> | <b>(12.4)</b> | <b>(297.2)</b> | <b>(679.7)</b> |
| <i>Merchandise Trade</i>                                      |                |                |                |                |                |                |                |               |                |                |
| Exports f.o.b.  | 768.2          | 885.0          | 1,129.1        | 1,415.5        | 1,375.2        | 1,167.2        | 1,151.3        | 1,434.41      | 1,437.33       | 1,373.76       |
| Imports c.i.f   | (1,179.4)      | (1,419.1)      | (1,770.5)      | (1,996.7)      | (1,874.9)      | (1,791.3)      | (1,491.6)      | (1,465.16)    | (1,643.96)     | (1,824.98)     |
| Trade Balance   | (411.2)        | (534.1)        | (641.4)        | (581.3)        | (499.7)        | (624.1)        | (340.3)        | (30.76)       | (206.63)       | (451.22)       |
| <i>Net Services and unrequited Transfers</i>                  |                |                |                |                |                |                |                |               |                |                |
| Non Factor Services (net)                                     | (102.1)        | (96.9)         | (136.1)        | (228.6)        | (338.0)        | (245.4)        | (282.3)        | (297.5)       | (360.8)        | (702.5)        |
| Factor Services (net)   | (16.9)         | 12.8           | (9.3)          | 24.0           | 28.5           | 26.7           | 24.7           | (4.6)         | (11.5)         | (24.1)         |
| Transfers   | 299.6          | 370.8          | 414.6          | 419.2          | 353.2          | 457.6          | 416.5          | 320.4         | 281.7          | 498.2          |
| <b>CAPITAL ACCOUNT BALANCE</b>                                | <b>454.0</b>   | <b>339.2</b>   | <b>373.2</b>   | <b>418.3</b>   | <b>314.8</b>   | <b>210.1</b>   | <b>71.4</b>    | <b>(13.2)</b> | <b>228.0</b>   | <b>549.1</b>   |
| <b>1. Capital Transfer (net) 1)</b>                           | <b>37.2</b>    | <b>27.1</b>    | <b>30.1</b>    | <b>29.3</b>    | <b>7.3</b>     | <b>4.4</b>     | <b>18.5</b>    | <b>14.8</b>   | <b>23.2</b>    | <b>23.5</b>    |
| <b>2. Medium and Long Term Capital (net)</b>                  | <b>392.9</b>   | <b>309.3</b>   | <b>375.4</b>   | <b>454.0</b>   | <b>288.6</b>   | <b>263.5</b>   | <b>30.3</b>    | <b>(23.6)</b> | <b>203.2</b>   | <b>530.4</b>   |
| 1. Public Sector  | 184.9          | 39.6           | 67.7           | 90.4           | 70.9           | 0.5            | (94.8)         | (21.8)        | 43.9           | 70.0           |
| A. Central Gov't and Non-Financial Public Sector              | 92.4           | 89.1           | 146.6          | 243.5          | 160.3          | 96.0           | (69.6)         | (21.8)        | 43.9           | 70.0           |
| Disbursements   | 135.2          | 142.0          | 206.2          | 302.1          | 221.4          | 163.4          | 53.6           | 57.7          | 84.1           | 125.1          |
| Amortization  | (42.7)         | (52.9)         | (59.6)         | (58.7)         | (61.1)         | (67.4)         | (123.1)        | (79.5)        | (40.2)         | (55.1)         |
| B. Other (net) 2)   | 92.5           | (49.5)         | (79.0)         | (153.1)        | (89.4)         | (95.5)         | (25.2)         | -             | -              | -              |
| 2. Private Sector (net)                                       | 208.0          | 269.7          | 307.8          | 363.6          | 217.7          | 263.0          | 125.1          | (1.8)         | 159.3          | 460.4          |
| <b>3. Short Term Capital (net) 3)</b>                         | <b>24.0</b>    | <b>2.9</b>     | <b>(32.3)</b>  | <b>(65.0)</b>  | <b>18.9</b>    | <b>(57.8)</b>  | <b>22.7</b>    | <b>(4.4)</b>  | <b>1.6</b>     | <b>(4.8)</b>   |
| <b>ERRORS AND OMISSIONS</b>                                   | <b>11.0</b>    | <b>24.7</b>    | <b>(16.0)</b>  | <b>(18.7)</b>  | <b>21.8</b>    | <b>58.7</b>    | <b>2.3</b>     | <b>(27.7)</b> | <b>(0.3)</b>   | <b>(1.7)</b>   |
| <b>OVERALL BALANCE</b>  | <b>234.5</b>   | <b>116.5</b>   | <b>(15.0)</b>  | <b>32.9</b>    | <b>(119.5)</b> | <b>(116.4)</b> | <b>(107.7)</b> | <b>(53.3)</b> | <b>(69.5)</b>  | <b>(132.2)</b> |
| <b>FINANCING</b>  | <b>(234.5)</b> | <b>(116.5)</b> | <b>15.0</b>    | <b>-32.9</b>   | <b>119.5</b>   | <b>116.4</b>   | <b>107.7</b>   | <b>53.3</b>   | <b>69.5</b>    | <b>132.2</b>   |
| Change in Net Foreign Assets of Bank of Guyana (-increase) 4) | (271.5)        | (154.9)        | (25.4)         | (75.5)         | 74.0           | 67.9           | 55.7           | (2.0)         | 12.1           | 55.6           |
| Change in Non-Financial Public Sector arrears                 | 0.0            | 0.0            | -              | -              | -              | -              | -              | -             | -              | -              |
| Change in Private Sector Commercial arrears                   | 0.0            | 0.0            | -              | -              | -              | -              | -              | -             | -              | -              |
| Exceptional Financing   | 37.0           | 38.4           | 40.4           | 42.6           | 45.5           | 48.5           | 52.0           | 55.3          | 57.4           | 76.6           |
| Debt Relief   | 4.5            | 4.3            | 3.6            | 3.3            | 2.8            | 2.5            | 3.1            | 2.6           | 1.9            | 17.9           |
| Debt Stock Restructuring                                      | (0.6)          | (0.6)          | (1.0)          | (1.0)          | (1.0)          | (1.0)          | -              | -             | -              | -              |
| Balance of Payments Support                                   | 0.0            | 0.0            | -              | -              | -              | -              | -              | -             | -              | -              |
| Debt Forgiveness  | 33.1           | 34.7           | 37.7           | 40.2           | 43.6           | 47.0           | 48.8           | 52.8          | 55.6           | 58.7           |

Source : Bank of Guyana, Bureau of Statistics and Ministry of Finance.

<sup>1)</sup> Includes MDRI Debt Relief

<sup>2)</sup> Includes expenditures for Skeldon Modernisation Program and Berbice Bridge

<sup>3)</sup> Includes changes in Net Foreign Assets of Commercial Banks

<sup>4)</sup> Includes valuation changes

**TABLE 8-II**  
**INTERNATIONAL RESERVES AND FOREIGN ASSETS**  
**(US\$ Million)**

| End Of Period | Bank Of Guyana         |        |             |                    |        |             | Commercial Banks   |        |             | Banking System     |         |             |
|---------------|------------------------|--------|-------------|--------------------|--------|-------------|--------------------|--------|-------------|--------------------|---------|-------------|
|               | International Reserves |        |             | Net Foreign Assets |        |             | Net Foreign Assets |        |             | Net Foreign Assets |         |             |
|               | Net                    | Assets | Liabilities | Net                | Assets | Liabilities | Net                | Assets | Liabilities | Net                | Assets  | Liabilities |
| <b>2009</b>   | 569.4                  | 627.5  | 58.1        | 534.8              | 627.5  | 92.7        | 163.9              | 221.3  | 57.4        | 698.7              | 848.8   | 150.1       |
| <b>2010</b>   | 724.4                  | 780.0  | 55.6        | 689.7              | 780.0  | 90.3        | 161.0              | 231.6  | 70.6        | 850.7              | 1,011.6 | 160.9       |
| <b>2011</b>   | 749.7                  | 798.1  | 48.4        | 715.1              | 798.1  | 83.0        | 193.3              | 261.6  | 68.3        | 908.4              | 1,059.6 | 151.3       |
| <b>2012</b>   | 825.2                  | 862.2  | 37.0        | 790.6              | 862.2  | 71.6        | 257.5              | 313.4  | 55.9        | 1,048.1            | 1,175.6 | 127.5       |
| <b>2013</b>   | 751.2                  | 776.9  | 25.7        | 716.6              | 776.9  | 60.3        | 238.6              | 299.9  | 61.2        | 955.3              | 1,076.7 | 121.5       |
| <b>2014</b>   |                        |        |             |                    |        |             |                    |        |             |                    |         |             |
| Mar           | 688.5                  | 708.6  | 20.0        | 653.9              | 708.6  | 54.6        | 223.1              | 277.0  | 53.9        | 877.0              | 985.6   | 108.6       |
| Jun           | 650.4                  | 670.5  | 20.0        | 647.0              | 670.5  | 23.5        | 264.9              | 323.7  | 58.8        | 911.9              | 994.2   | 82.3        |
| Sep           | 616.6                  | 630.3  | 13.7        | 613.1              | 630.3  | 17.2        | 275.6              | 330.6  | 55.0        | 888.8              | 960.9   | 72.2        |
| Dec           | 652.2                  | 665.6  | 13.4        | 648.7              | 665.6  | 16.9        | 296.4              | 357.6  | 61.1        | 945.2              | 1,023.2 | 78.0        |
| <b>2015</b>   |                        |        |             |                    |        |             |                    |        |             |                    |         |             |
| Mar           | 608.7                  | 616.4  | 7.7         | 605.3              | 616.4  | 11.1        | 341.8              | 401.6  | 59.8        | 947.0              | 1,018.0 | 71.0        |
| Jun           | 619.0                  | 626.9  | 7.8         | 615.6              | 626.9  | 11.3        | 326.8              | 384.3  | 57.6        | 942.3              | 1,011.2 | 68.9        |
| Sep           | 607.2                  | 611.1  | 3.9         | 603.8              | 611.1  | 7.4         | 280.5              | 338.2  | 57.7        | 884.3              | 949.4   | 65.1        |
| Dec           | 594.7                  | 598.5  | 3.8         | 591.2              | 598.5  | 7.3         | 273.7              | 357.1  | 83.4        | 864.9              | 955.7   | 90.7        |
| <b>2016</b>   |                        |        |             |                    |        |             |                    |        |             |                    |         |             |
| Mar           | 617.7                  | 619.0  | 1.3         | 614.3              | 619.0  | 4.8         | 303.5              | 377.2  | 73.7        | 917.7              | 996.2   | 78.4        |
| Jun           | 633.3                  | 634.6  | 1.3         | 629.9              | 634.6  | 4.8         | 311.4              | 380.9  | 69.5        | 941.3              | 1,015.5 | 74.2        |
| Sep           | 610.4                  | 610.4  | -           | 606.9              | 610.4  | 3.5         | 314.2              | 388.3  | 74.2        | 921.1              | 998.7   | 77.6        |
| Dec           | 596.7                  | 596.7  | -           | 593.2              | 596.7  | 3.5         | 278.1              | 355.4  | 77.3        | 871.4              | 952.1   | 80.8        |
| <b>2017</b>   |                        |        |             |                    |        |             |                    |        |             |                    |         |             |
| Jan           | 598.9                  | 598.9  | -           | 595.5              | 598.9  | 3.5         | 273.8              | 352.6  | 78.8        | 869.3              | 951.5   | 82.2        |
| Feb           | 594.4                  | 594.4  | -           | 590.9              | 594.4  | 3.5         | 282.0              | 362.2  | 80.1        | 872.9              | 956.5   | 83.6        |
| Mar           | 596.3                  | 596.3  | -           | 592.8              | 596.3  | 3.5         | 256.0              | 333.1  | 77.1        | 848.8              | 929.3   | 80.6        |
| Apr           | 589.5                  | 589.5  | -           | 586.0              | 589.5  | 3.5         | 276.4              | 353.8  | 77.5        | 862.4              | 943.3   | 80.9        |
| May           | 591.2                  | 591.2  | -           | 587.7              | 591.2  | 3.5         | 292.0              | 373.1  | 81.1        | 879.7              | 964.3   | 84.6        |
| Jun           | 578.4                  | 578.4  | -           | 574.9              | 578.4  | 3.5         | 287.0              | 371.6  | 84.6        | 861.9              | 950.0   | 88.1        |
| Jul           | 578.8                  | 578.8  | -           | 575.4              | 578.8  | 3.5         | 293.8              | 383.9  | 90.1        | 869.2              | 962.7   | 93.6        |
| Aug           | 577.6                  | 577.6  | -           | 574.1              | 577.6  | 3.5         | 291.7              | 384.1  | 92.5        | 865.8              | 961.7   | 95.9        |
| Sep           | 579.5                  | 579.5  | -           | 576.0              | 579.5  | 3.5         | 275.7              | 367.9  | 92.1        | 851.7              | 947.3   | 95.6        |
| Oct           | 569.4                  | 569.4  | -           | 566.0              | 569.4  | 3.5         | 283.5              | 379.4  | 95.9        | 849.5              | 948.9   | 99.4        |
| Nov           | 562.6                  | 562.6  | -           | 559.1              | 562.6  | 3.5         | 288.0              | 388.1  | 100.1       | 847.1              | 950.7   | 103.6       |
| Dec           | 584.0                  | 584.0  | -           | 580.6              | 584.0  | 3.5         | 276.5              | 380.5  | 104.0       | 857.1              | 964.5   | 107.4       |
| <b>2018</b>   |                        |        |             |                    |        |             |                    |        |             |                    |         |             |
| Jan           | 552.8                  | 552.8  | -           | 549.3              | 552.8  | 3.5         | 307.5              | 410.0  | 102.5       | 856.7              | 962.8   | 106.0       |
| Feb           | 518.5                  | 518.5  | -           | 515.0              | 518.5  | 3.5         | 300.6              | 408.8  | 108.2       | 815.7              | 927.3   | 111.7       |
| Mar           | 498.5                  | 498.5  | -           | 495.1              | 498.5  | 3.5         | 319.4              | 422.5  | 103.2       | 814.4              | 921.1   | 106.7       |
| Apr           | 506.8                  | 506.8  | -           | 503.4              | 506.8  | 3.4         | 293.5              | 418.6  | 125.0       | 796.9              | 925.4   | 128.5       |
| May           | 485.3                  | 485.3  | -           | 481.9              | 485.3  | 3.4         | 289.8              | 401.0  | 111.3       | 771.7              | 886.4   | 114.7       |
| Jun           | 473.4                  | 473.4  | -           | 469.9              | 473.4  | 3.4         | 288.2              | 391.1  | 102.9       | 758.2              | 864.5   | 106.3       |
| Jul           | 454.4                  | 454.4  | -           | 451.0              | 454.4  | 3.4         | 218.7              | 410.1  | 191.3       | 669.7              | 864.5   | 194.8       |
| Aug           | 447.7                  | 447.7  | -           | 444.2              | 447.7  | 3.4         | 293.3              | 397.3  | 104.0       | 737.5              | 845.0   | 107.5       |
| Sep           | 452.6                  | 452.6  | -           | 449.2              | 452.6  | 3.4         | 277.1              | 380.4  | 103.2       | 726.3              | 833.0   | 106.7       |
| Oct           | 480.9                  | 480.9  | -           | 477.5              | 480.9  | 3.4         | 277.5              | 384.0  | 106.5       | 755.0              | 864.9   | 109.9       |
| Nov           | 488.0                  | 488.0  | -           | 484.5              | 488.0  | 3.4         | 276.8              | 387.3  | 110.5       | 761.3              | 875.3   | 114.0       |
| Dec           | 528.4                  | 528.4  | -           | 525.0              | 528.4  | 3.4         | 281.3              | 385.3  | 104.0       | 806.3              | 913.7   | 107.5       |

Source: Bank of Guyana and Commercial Banks

**TABLE 9-I**  
**CHANGES IN BANK OF GUYANA TRANSACTION EXCHANGE RATE**  
**(US\$/G\$)**

| Date |     |    |   |    |     |    | Rate   |    | Date |     |    |    |     |     |        | Rate   |
|------|-----|----|---|----|-----|----|--------|----|------|-----|----|----|-----|-----|--------|--------|
| 14   | Mar | 17 | - | 17 | Mar | 17 | 206.50 |    | 12   | Feb | 18 | -  | 16  | Feb | 18     | 206.50 |
| 20   | Mar | 17 | - | 24 | Mar | 17 | 206.50 |    | 19   | Feb | 18 | -  | 22  | Feb | 18     | 206.50 |
| 27   | Mar | 17 | - | 31 | Mar | 17 | 206.50 |    | 26   | Feb | 18 | -  | 28  | Feb | 18     | 206.50 |
| 03   | Apr | 17 | - | 07 | Apr | 17 | 206.50 |    | 01   | Mar | 18 |    |     |     |        | 206.50 |
| 10   | Apr | 17 | - | 13 | Apr | 17 | 206.50 |    | 05   | Mar | 18 | -  | 09  | Mar | 18     | 206.50 |
| 18   | Apr | 17 | - | 21 | Apr | 17 | 206.50 |    | 12   | Mar | 18 | -  | 16  | Mar | 18     | 206.50 |
| 24   | Apr | 17 | - | 28 | Apr | 17 | 206.50 |    | 19   | Mar | 18 | -  | 23  | Mar | 18     | 206.50 |
| 02   | May | 17 | - | 04 | May | 17 | 206.50 |    | 26   | Mar | 18 | -  | 29  | Mar | 18     | 206.50 |
| 08   | May | 17 | - | 12 | May | 17 | 206.50 |    | 03   | Apr | 18 | -  | 06  | Apr | 18     | 206.50 |
| 15   | May | 17 | - | 19 | May | 17 | 206.50 |    | 09   | Apr | 18 | -  | 13  | Apr | 18     | 206.50 |
| 22   | May | 17 | - | 25 | May | 17 | 206.50 |    | 16   | Apr | 18 | -  | 20  | Apr | 18     | 206.50 |
| 29   | May | 17 | - | 31 | May | 17 | 206.50 |    | 23   | Apr | 18 | -  | 25  | Apr | 18     | 206.50 |
| 01   | Jun | 17 | - | 02 | Jun | 17 | 206.50 |    | 26   | Apr | 18 | -  | 27  | Apr | 18     | 208.50 |
| 05   | Jun | 17 | - | 09 | Jun | 17 | 206.50 |    | 30   | Apr | 18 |    |     |     |        | 208.50 |
| 12   | Jun | 17 | - | 16 | Jun | 17 | 206.50 |    | 02   | May | 18 | -  | 04  | May | 18     | 208.50 |
| 19   | Jun | 17 | - | 23 | Jun | 17 | 206.50 |    | 07   | May | 18 | -  | 11  | May | 18     | 208.50 |
| 26   | Jun | 17 | - | 30 | Jun | 17 | 206.50 |    | 14   | May | 18 | -  | 18  | May | 18     | 208.50 |
| 04   | Jul | 17 | - | 07 | Jul | 17 | 206.50 |    | 21   | May | 18 | -  | 25  | May | 18     | 208.50 |
| 10   | Jul | 17 | - | 14 | Jul | 17 | 206.50 |    | 28   | May | 18 | -  | 31  | May | 18     | 208.50 |
| 17   | Jul | 17 | - | 21 | Jul | 17 | 206.50 |    | 01   | Jun | 18 | -  |     |     |        | 208.50 |
| 24   | Jul | 17 | - | 28 | Jul | 17 | 206.50 |    | 04   | Jun | 18 | -  | 08  | Jun | 18     | 208.50 |
| 31   | Jul | 17 | - |    |     |    | 206.50 |    | 11   | Jun | 18 | -  | 15  | Jun | 18     | 208.50 |
| 02   | Aug | 17 | - | 04 | Aug | 17 | 206.50 |    | 18   | Jun | 18 | -  | 22  | Jun | 18     | 208.50 |
| 07   | Aug | 17 | - | 11 | Aug | 17 | 206.50 |    | 25   | Jun | 18 | -  | 29  | Jun | 18     | 208.50 |
| 14   | Aug | 17 | - | 18 | Aug | 17 | 206.50 |    | 03   | Jul | 18 | -  | 06  | Jul | 18     | 208.50 |
| 21   | Aug | 17 | - | 25 | Aug | 17 | 206.50 |    | 09   | Jul | 18 | -  | 13  | Jul | 18     | 208.50 |
| 28   | Aug | 17 | - | 31 | Aug | 17 | 206.50 |    | 16   | Jul | 18 | -  | 20  | Jul | 18     | 208.50 |
| 04   | Sep | 17 | - | 08 | Sep | 17 | 206.50 |    | 23   | Jul | 18 | -  | 27  | Jul | 18     | 208.50 |
| 11   | Sep | 17 | - | 15 | Sep | 17 | 206.50 |    | 30   | Jul | 18 | -  | 31  | Jul | 18     | 208.50 |
| 18   | Sep | 17 | - | 22 | Sep | 17 | 206.50 |    | 02   | Aug | 18 | -  | 03  | Aug | 18     | 208.50 |
| 25   | Sep | 17 | - | 29 | Sep | 17 | 206.50 |    | 06   | Aug | 18 | -  | 10  | Aug | 18     | 208.50 |
| 02   | Sep | 17 | - | 06 | Sep | 17 | 206.50 |    | 13   | Aug | 18 | -  | 17  | Aug | 18     | 208.50 |
| 09   | Sep | 17 | - | 13 | Sep | 17 | 206.50 |    | 20   | Aug | 18 | -  | 24  | Aug | 18     | 208.50 |
| 16   | Sep | 17 | - | 18 | Sep | 17 | 206.50 |    | 27   | Aug | 18 | -  | 31  | Aug | 18     | 208.50 |
| 20   | Sep | 17 |   |    |     |    | 206.50 |    | 03   | Sep | 18 | -  | 07  | Sep | 18     | 208.50 |
| 23   | Sep | 17 | - | 27 | Sep | 17 | 206.50 |    | 10   | Sep | 18 | -  | 14  | Sep | 18     | 208.50 |
| 30   | Sep | 17 | - | 31 | Sep | 17 | 206.50 |    | 17   | Sep | 18 | -  | 21  | Sep | 18     | 208.50 |
| 01   | Nov | 17 | - | 03 | Nov | 17 | 206.50 |    | 24   | Sep | 18 | -  | 28  | Sep | 18     | 208.50 |
| 06   | Nov | 17 | - | 10 | Nov | 17 | 206.50 |    | 01   | Oct | 18 | -  | 05  | Oct | 18     | 208.50 |
| 13   | Nov | 17 | - | 17 | Nov | 17 | 206.50 | 08 | Oct  | 18  | -  | 12 | Oct | 18  | 208.50 |        |
| 20   | Nov | 17 | - | 24 | Nov | 17 | 206.50 | 15 | Oct  | 18  | -  | 19 | Oct | 18  | 208.50 |        |
| 27   | Nov | 17 | - | 30 | Nov | 17 | 206.50 | 22 | Oct  | 18  | -  | 26 | Oct | 18  | 208.50 |        |
| 01   | Dec | 17 |   |    |     |    | 206.50 | 29 | Oct  | 18  | -  | 31 | Oct | 18  | 208.50 |        |
| 04   | Dec | 17 | - | 08 | Dec | 17 | 206.50 | 01 | Nov  | 18  | -  | 02 | Nov | 18  | 208.50 |        |
| 11   | Dec | 17 | - | 15 | Dec | 17 | 206.50 | 05 | Nov  | 18  | -  | 09 | Nov | 18  | 208.50 |        |
| 18   | Dec | 17 | - | 22 | Dec | 17 | 206.50 | 12 | Nov  | 18  | -  | 16 | Nov | 18  | 208.50 |        |
| 27   | Dec | 17 | - | 29 | Dec | 17 | 206.50 | 19 | Nov  | 18  | -  | 23 | Nov | 18  | 208.50 |        |
| 02   | Jan | 18 | - | 05 | Jan | 18 | 206.50 | 26 | Nov  | 18  | -  | 30 | Nov | 18  | 208.50 |        |
| 08   | Jan | 18 | - | 12 | Jan | 18 | 206.50 | 03 | Dec  | 18  | -  | 07 | Dec | 18  | 208.50 |        |
| 15   | Jan | 18 | - | 19 | Jan | 18 | 206.50 | 10 | Dec  | 18  | -  | 14 | Dec | 18  | 208.50 |        |
| 22   | Jan | 18 | - | 26 | Jan | 18 | 206.50 | 17 | Dec  | 18  | -  | 21 | Dec | 18  | 208.50 |        |
| 29   | Jan | 18 | - | 31 | Jan | 18 | 206.50 | 24 | Dec  | 18  |    |    |     |     | 208.50 |        |
| 01   | Feb | 18 | - | 02 | Feb | 18 | 206.50 | 27 | Dec  | 18  | -  | 28 | Dec | 18  | 208.50 |        |
| 05   | Feb | 18 | - | 09 | Feb | 18 | 206.50 | 31 | Dec  | 18  |    |    |     |     | 208.50 |        |

Bank of Guyana

Note: Effective from October 1, 1991 the official exchange rate fluctuates either daily or periodically and is the average of the Telegraphic Transfer Rates of the three (3) largest Commercial Banks.

**TABLE 9-II**  
**EXCHANGE RATE**  
**(G\$/US\$)**

| Guyana      |              |                |
|-------------|--------------|----------------|
| Year        | Period Ended | Period Average |
| <b>2009</b> | 203.25       | 204.09         |
| <b>2010</b> | 203.50       | 203.47         |
| <b>2011</b> | 203.75       | 204.09         |
| <b>2012</b> | 204.50       | 204.53         |
| <b>2013</b> | 206.25       | 205.85         |
| <b>2014</b> |              |                |
| Mar         | 206.50       | 206.33         |
| Jun         | 206.50       | 206.50         |
| Sep         | 206.50       | 206.48         |
| Dec         | 206.50       | 206.50         |
| <b>2015</b> |              |                |
| Mar         | 206.50       | 206.50         |
| Jun         | 206.50       | 206.50         |
| Sep         | 206.50       | 206.50         |
| Dec         | 206.50       | 206.50         |
| <b>2016</b> |              |                |
| Mar         | 206.50       | 206.50         |
| Jun         | 206.50       | 206.50         |
| Sep         | 206.50       | 206.50         |
| Dec         | 206.50       | 206.50         |
| <b>2017</b> |              |                |
| Jan         | 206.50       | 206.50         |
| Feb         | 206.50       | 206.50         |
| Mar         | 206.50       | 206.50         |
| Apr         | 206.50       | 206.50         |
| May         | 206.50       | 206.50         |
| Jun         | 206.50       | 206.50         |
| Jul         | 206.50       | 206.50         |
| Aug         | 206.50       | 206.50         |
| Sep         | 206.50       | 206.50         |
| Oct         | 206.50       | 206.50         |
| Nov         | 206.50       | 206.50         |
| Dec         | 206.50       | 206.50         |
| <b>2018</b> |              |                |
| Jan         | 206.50       | 206.50         |
| Feb         | 206.50       | 206.50         |
| Mar         | 206.50       | 206.50         |
| Apr         | 208.50       | 206.80         |
| May         | 208.50       | 206.80         |
| Jun         | 208.50       | 208.50         |
| Jul         | 208.50       | 208.50         |
| Aug         | 208.50       | 208.50         |
| Sep         | 208.50       | 208.50         |
| Oct         | 208.50       | 208.50         |
| Nov         | 208.50       | 208.50         |
| Dec         | 208.50       | 208.50         |

Source: Bank of Guyana

**TABLE 10-I**  
**GROSS DOMESTIC PRODUCT, INCOME AND EXPENDITURE (AT CURRENT BASIC PRICES)**  
**(G\$ Million)**

| Item  | 2009           | 2010           | 2011           | 2012           | 2013           | 2014           | 2015           | 2016           | 2017           | 2018           |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>PRODUCT</b>  |                |                |                |                |                |                |                |                |                |                |
| Sugar   | 19,788         | 11,657         | 19,669         | 24,578         | 22,060         | 15,521         | 24,339         | 21,995         | 17,188         | 10,285         |
| Rice  | 21,803         | 24,447         | 30,135         | 31,913         | 38,226         | 36,869         | 39,508         | 27,119         | 33,547         | 41,053         |
| Other Crops   | 14,553         | 15,727         | 12,840         | 12,963         | 13,618         | 14,299         | 14,657         | 15,610         | 15,922         | 16,511         |
| Livestock   | 10,898         | 10,171         | 11,970         | 14,980         | 17,088         | 18,747         | 19,853         | 19,173         | 18,842         | 23,887         |
| Fishing   | 7,987          | 10,598         | 10,252         | 12,101         | 11,701         | 9,183          | 9,653          | 11,270         | 11,643         | 10,847         |
| Forestry  | 12,656         | 14,308         | 13,725         | 13,829         | 15,327         | 22,937         | 20,840         | 14,818         | 16,184         | 17,323         |
| Mining and Quarrying                                  | 51,809         | 64,302         | 86,691         | 108,993        | 96,227         | 84,031         | 89,131         | 148,901        | 132,421        | 140,519        |
| Manufacturing   | 15,459         | 16,238         | 17,302         | 18,271         | 19,915         | 20,911         | 21,957         | 22,154         | 22,420         | 22,958         |
| Electricity & Water                                   | 8,678          | 10,620         | 6,756          | 7,945          | 11,316         | 12,816         | 19,120         | 22,489         | 22,052         | 20,389         |
| Construction  | 38,318         | 41,605         | 43,996         | 39,764         | 48,037         | 56,868         | 52,491         | 55,525         | 57,163         | 82,355         |
| Wholesale and Retail Trade                            | 52,372         | 59,487         | 72,894         | 80,477         | 77,090         | 80,925         | 71,317         | 78,900         | 79,104         | 88,435         |
| Transportation and Storage                            | 21,434         | 25,228         | 27,451         | 32,199         | 37,456         | 37,214         | 43,535         | 43,690         | 47,427         | 50,547         |
| Information and Communication                         | 19,202         | 21,548         | 21,747         | 22,400         | 23,968         | 26,365         | 27,129         | 27,699         | 28,474         | 29,215         |
| Financial and Insurance Activities                    | 15,034         | 16,609         | 18,827         | 21,551         | 25,986         | 27,678         | 26,460         | 27,026         | 27,465         | 27,553         |
| Public Administration                                 | 33,523         | 34,843         | 39,274         | 43,201         | 47,592         | 53,255         | 55,918         | 57,316         | 59,609         | 61,874         |
| Education   | 14,691         | 16,819         | 16,036         | 17,054         | 18,847         | 20,132         | 21,541         | 21,853         | 22,334         | 22,635         |
| Health and Social Services                            | 5,451          | 6,446          | 7,360          | 7,790          | 8,829          | 9,495          | 10,562         | 10,723         | 10,952         | 11,258         |
| Real Estate Activities                                | 4,260          | 4,486          | 4,592          | 5,123          | 5,632          | 5,914          | 6,180          | 6,334          | 6,785          | 7,189          |
| Other Service Activities                              | 12,026         | 14,191         | 16,567         | 18,273         | 19,866         | 22,052         | 23,485         | 23,931         | 26,306         | 27,911         |
| Less Adjustment for FISIM                             | (13,101)       | (15,568)       | (18,094)       | (19,942)       | (21,833)       | (21,065)       | (21,443)       | (22,168)       | (22,259)       | (23,708)       |
| <b>Gross Domestic Product at Current Basic Prices</b> | <b>366,842</b> | <b>403,760</b> | <b>459,991</b> | <b>513,465</b> | <b>536,951</b> | <b>554,148</b> | <b>576,233</b> | <b>634,359</b> | <b>633,579</b> | <b>689,035</b> |
| Taxes on Products net of subsidies                    | 53,565         | 59,150         | 65,563         | 71,319         | 76,702         | 81,229         | 83,993         | 89,222         | 100,571        | 116,628        |
| Gross Domestic Product at Purchaser Prices            | 420,407        | 462,910        | 525,554        | 584,784        | 613,653        | 635,377        | 660,227        | 723,581        | 734,150        | 805,663        |
| Net Factor Income Paid Abroad                         | 3,416          | (2,601)        | (1,895)        | (254)          | (5,874)        | (5,518)        | (5,094)        | 958            | 2,370          | 9,703          |
| Gross National Product at Purchaser Prices            | 423,823        | 460,309        | 523,659        | 584,530        | 607,778        | 629,860        | 655,133        | 724,539        | 736,521        | 815,366        |
| <b>EXPENDITURE</b>                                    |                |                |                |                |                |                |                |                |                |                |
| <b>Total Domestic Final Expenditure</b>               | <b>522,094</b> | <b>591,092</b> | <b>683,652</b> | <b>750,837</b> | <b>786,069</b> | <b>815,355</b> | <b>782,762</b> | <b>786,635</b> | <b>851,327</b> | <b>942,816</b> |
| Public Investment <sup>1</sup>                        | 52,996         | 60,578         | 61,341         | 67,529         | 58,602         | 56,558         | 25,053         | 57,131         | 63,431         | 63,357         |
| Private Fixed Investment <sup>2</sup>                 | 57,060         | 56,261         | 64,194         | 77,675         | 57,479         | 125,733        | 129,241        | 157,252        | 163,212        | 281,682        |
| Public Consumption                                    | 66,811         | 69,533         | 81,206         | 76,872         | 97,796         | 107,512        | 111,278        | 123,867        | 126,179        | 143,700        |
| Private Consumption                                   | 345,227        | 404,721        | 476,911        | 528,761        | 572,191        | 525,552        | 517,190        | 448,385        | 498,505        | 454,077        |

Source: Bureau of Statistics.

Note: FISIM - Financial Intermediation Services indirectly measured.

<sup>1</sup> Includes Investment of Public Enterprises.

<sup>2</sup> Includes Stock Changes.



**TABLE 10-II**  
**GROSS DOMESTIC PRODUCT (AT 2006 PRICES)**  
**(G\$ Million)**

| Item   | 2009    | 2010    | 2011    | 2012    | 2013     | 2014    | 2015    | 2016    | 2017    | 2018    |
|--|---------|---------|---------|---------|----------|---------|---------|---------|---------|---------|
| <b>GDP AT CONSTANT BASIC PRICES</b>          | 297,086 | 309,382 | 325,457 | 342,630 | 359,822  | 373,849 | 385,270 | 398,230 | 406,698 | 423,528 |
| <b>AGRICULTURE, FORESTRY AND FISHING</b>     | 62,838  | 63,490  | 65,268  | 67,637  | 69,230   | 73,167  | 74,863  | 67,140  | 67,408  | 68,390  |
| Sugar  | 13,757  | 13,000  | 13,920  | 12,835  | 10,993.1 | 12,724  | 13,601  | 10,800  | 8,082   | 6,159   |
| Rice   | 7,974   | 8,009   | 8,891   | 9,337   | 11,845.3 | 14,053  | 15,220  | 11,823  | 13,940  | 13,869  |
| Other Crops                                  | 14,508  | 14,871  | 15,716  | 16,549  | 17,244.7 | 18,107  | 18,469  | 18,931  | 19,385  | 20,354  |
| Livestock                                    | 8,798   | 8,166   | 8,639   | 9,886   | 10,311.6 | 10,612  | 11,233  | 10,593  | 10,293  | 12,666  |
| Fishing                                      | 8,638   | 9,207   | 8,813   | 10,144  | 9,505.1  | 7,038   | 6,840   | 8,082   | 8,166   | 7,659   |
| Forestry                                     | 9,161   | 10,238  | 9,289   | 8,886   | 9,330    | 10,633  | 9,501   | 6,911   | 7,543   | 7,683   |
| <b>MINING AND QUARRYING</b>                  | 30,506  | 29,532  | 34,363  | 40,381  | 43,656   | 38,722  | 41,890  | 61,208  | 55,798  | 57,402  |
| Bauxite                                      | 5,008   | 4,529   | 6,252   | 7,036   | 6,261    | 5,763   | 4,992   | 5,086   | 5,081   | 6,333   |
| Gold   | 20,177  | 20,757  | 24,435  | 29,520  | 32,376   | 26,078  | 30,355  | 47,964  | 43,991  | 41,259  |
| Other  | 5,320   | 4,246   | 3,676   | 3,826   | 5,018    | 6,880   | 6,543   | 8,158   | 6,726   | 9,810   |
| <b>MANUFACTURING</b>                         | 20,748  | 20,802  | 22,219  | 22,748  | 24,550   | 27,179  | 28,667  | 25,933  | 27,019  | 27,292  |
| Sugar  | 3,701   | 3,497   | 3,745   | 3,453   | 2,957    | 3,423   | 3,659   | 2,905   | 2,174   | 1,657   |
| Rice   | 4,986   | 5,003   | 5,570   | 5,849   | 7,420    | 8,804   | 9,532   | 7,461   | 8,796   | 8,752   |
| Other Manufacturing                          | 12,061  | 12,302  | 12,905  | 13,447  | 14,173   | 14,952  | 15,477  | 15,567  | 16,049  | 16,884  |
| <b>ELECTRICITY AND WATER</b>                 | 5,411   | 5,446   | 5,560   | 5,878   | 6,167    | 6,406   | 6,394   | 7,030   | 7,194   | 7,337   |
| <b>CONSTRUCTION</b>                          | 28,649  | 31,703  | 32,579  | 28,983  | 35,520   | 41,930  | 37,750  | 40,147  | 44,704  | 49,622  |
| <b>SERVICES</b>                              | 156,389 | 166,577 | 175,004 | 188,389 | 192,993  | 199,333 | 209,059 | 210,597 | 218,237 | 228,015 |
| Wholesale and Retail Trade                   | 39,886  | 44,233  | 46,241  | 49,352  | 48,930   | 47,485  | 47,181  | 46,337  | 50,375  | 54,459  |
| Transportation and Storage                   | 22,148  | 23,673  | 27,042  | 32,143  | 33,422   | 38,001  | 43,336  | 43,653  | 45,336  | 45,854  |
| Information and Communication                | 20,668  | 22,115  | 22,447  | 23,389  | 24,769   | 25,711  | 27,125  | 27,450  | 28,082  | 28,607  |
| Financial and Insurance Activities           | 11,903  | 12,799  | 14,041  | 16,646  | 17,764   | 17,910  | 19,248  | 19,722  | 19,321  | 20,324  |
| Public Administration                        | 25,619  | 25,619  | 25,772  | 26,133  | 26,787   | 27,188  | 27,868  | 27,877  | 28,240  | 28,607  |
| Education                                    | 13,564  | 14,187  | 15,141  | 15,474  | 16,016   | 16,650  | 17,279  | 17,545  | 17,896  | 18,333  |
| Health and Social Services                   | 5,782   | 6,268   | 6,508   | 6,709   | 6,977    | 7,243   | 7,509   | 7,590   | 7,779   | 7,967   |
| Real Estate Activities                       | 3,650   | 3,723   | 3,782   | 3,953   | 4,176    | 4,426   | 4,537   | 4,594   | 4,825   | 5,187   |
| Other Service Activities                     | 13,169  | 13,959  | 14,029  | 14,590  | 14,153   | 14,719  | 14,976  | 15,829  | 16,383  | 18,677  |
| <b>Less Adjustment for FISIM<sup>1</sup></b> | -7,454  | -8,168  | -9,535  | -11,386 | -12,294  | -12,887 | -13,354 | -13,825 | -13,664 | -14,531 |

Source: Bureau of Statistics

Note:

<sup>1</sup> FISIM - Financial Intermediation Services indirectly measured.

**TABLE 11-I**  
**INDICES OF OUTPUT OF SELECTED COMMODITIES**

| Commodities                          | Unit      | Output in 2006 |       |       |       |       |       |       |         |         |         |         |
|--------------------------------------|-----------|----------------|-------|-------|-------|-------|-------|-------|---------|---------|---------|---------|
|                                      |           |                | 2009  | 2010  | 2011  | 2012  | 2013  | 2014  | 2015    | 2016    | 2017    | 2018    |
| AGRICULTURE                          |           |                |       |       |       |       |       |       |         |         |         |         |
| Sugar                                | Mt. Tonne | 259,588        | 90.0  | 85.1  | 91.1  | 84.0  | 71.9  | 83.3  | 89.0    | 70.7    | 52.9    | 40.3    |
| Rice                                 | Mt. Tonne | 307,036        | 117.2 | 117.6 | 131   | 137.5 | 174.4 | 206.9 | 224.0   | 174.1   | 205.2   | 204.1   |
| Coconuts                             | Nuts      | 61,917,600     | ...   | 150.3 | 30.4  | 27.6  | 82.5  | ...   | 124.7   | 180.7   | ...     | ...     |
| Cassavas <sup>1</sup>                | Tonnes    | 23,134         | ...   | 43.6  | 16.2  | 17.3  | 33.1  | ...   | 290.6   | 317.1   | 232.3   | 255.8   |
| Other Ground Provisions <sup>2</sup> | "         | 8,552          | ...   | 165.3 | 44.6  | 87.2  | 74.3  | ...   | 412.2   | 352.4   | 295.5   | 296.1   |
| Plantains                            | Mt. Tonne | 4,069          | ...   | 524.3 | 116.8 | 225.2 | 374.7 | ...   | 1,708.5 | 3,398.3 | 2,519.0 | 3,196.8 |
| Bananas                              | "         | 6,601          | ...   | -     | 94.0  | 58.3  | 78.3  | ...   | 235.9   | 413.5   | 236.3   | 243.6   |
| Mango                                | "         | 5,092          | ...   | 51.0  | 67.7  | 29.4  | 22.1  | ...   | 51.2    | 91.5    | 164.4   | 141.5   |
| Pineapples                           | "         | 3,036          | ...   | 125.3 | 81.4  | 99.9  | 201.3 | ...   | 634.3   | 906.8   | 557.6   | 1,148.5 |
| Citrus <sup>3</sup>                  | "         | 9,927          | ...   | 125.3 | 44.5  | 27.2  | 43.3  | ...   | 55.8    | 130.7   | 139.2   | 292.5   |
| Cereals & Legumes                    | "         | 1,916          | ...   | -     | 47.2  | 52.8  | 84.1  | ...   | 53.2    | 23.5    | ...     | ...     |
| Eschallot                            | "         | 789            | ...   | 330.1 | 492.7 | 250.0 | 561.0 | ...   | 299.9   | 204.5   | 287.6   | 329.7   |
| Hot Pepper                           | "         | 2,103          | ...   | 205.1 | 174.7 | 164.5 | 378.9 | ...   | 600.4   | 510.9   | 706.2   | 797.7   |
| Bora                                 | "         | 4,287          | ...   | 298.0 | 224.5 | 144.5 | 192.9 | ...   | 504.5   | 509.3   | 651.8   | 705.8   |
| Tomatoes                             | "         | 4,032          | ...   | 210.4 | 571.5 | 240.9 | 289.1 | ...   | 532.8   | 473.5   | 706.4   | 956.5   |
| Coffee                               | "         | 290            | ...   | -     | 2.3   | 3.2   | 1.7   | ...   | 52.4    | 48.8    | 85.8    | 163.9   |
| Poultry Meat                         | "         | 20,691         | 130.9 | 120.7 | 123.6 | 147.0 | 141.5 | 137.4 | 148.3   | 158.3   | 148.2   | 202.6   |
| Eggs                                 | No.       | 5,396,400      | 354.2 | 262.6 | 435.6 | 393.5 | 332.9 | 425.7 | 484.3   | 371.6   | 531.3   | 594.4   |
| FISHERIES                            |           |                |       |       |       |       |       |       |         |         |         |         |
| Fish                                 | Tonnes    | 25,675         | 98.5  | 98.1  | 92.5  | 105.5 | 96.4  | 74.7  | 65.6    | 78.3    | 73.1    | 72.2    |
| Prawns                               | "         | 1,661          | 45.0  | 56.1  | 22.6  | 30.8  | 39.3  | 48.8  | 30.1    | 24.7    | 35.9    | 25.3    |
| Shrimp                               | "         | 16,949         | 98.9  | 123.0 | 123.0 | 150.4 | 142.1 | 175.0 | 109.1   | 123.5   | 134.5   | 127.0   |
| FORESTS                              |           |                |       |       |       |       |       |       |         |         |         |         |
| Greenheart & Other Logs              | Cu.Mt     | 393,968        | 67.6  | 80.8  | 74.8  | 70.4  | 77.3  | 103.2 | 85.4    | 69.1    | 71.3    | 74.4    |
| Sawnwood                             | Cu.Mt     | 67,569         | 108.2 | 114.7 | 112.7 | 111.9 | 109.0 | 99.4  | 105.0   | 62.3    | 70.9    | 65.9    |
| Plywood                              | Cu.Mt     | 34,875         | 54.1  | 40.8  | 38.2  | 30.3  | 46.4  | 53.9  | 41.9    | 42.9    | 21.0    | 41.8    |
| MINING & QUARRYING                   |           |                |       |       |       |       |       |       |         |         |         |         |
| Bauxite:                             |           |                |       |       |       |       |       |       |         |         |         |         |
| R.A.S.C                              | Tonnes    | 149,370        | 86.5  | 123.9 | 136.1 | 137.0 | 143.0 | 132.7 | 82.8    | 97.6    | 110.7   | 121.4   |
| C.G.B.                               | "         | 174,506        | 126.3 | 107.7 | 81.2  | 83.3  | 83.3  | 112.7 | 158.7   | 149.5   | 77.8    | 100.5   |
| M.A.Z.                               | "         | 1,147,667      | 97.1  | 61.0  | 113.1 | 134.4 | 113.0 | 95.9  | 85.9    | 83.3    | 90.3    | 121.4   |
| Gold                                 | Ozs.      | 182,216        | 164.5 | 169.3 | 199.3 | 240.7 | 264.0 | 212.7 | 247.5   | 391.1   | 358.8   | 336.5   |
| Diamonds                             | Met.cts.  | 340,544        | 42.3  | 14.7  | 15.3  | 12.0  | 18.8  | 29.4  | 34.8    | 41.1    | 15.3    | 18.2    |
| MANUFACTURING                        |           |                |       |       |       |       |       |       |         |         |         |         |
| Margarine                            | Kg        | 2,264,625      | 89.3  | 94.3  | 98.3  | 103.0 | 102.4 | 98.9  | 84.9    | 91.6    | 87.9    | 84.5    |
| Flour <sup>4</sup>                   | Tonnes    | 37,401         | 97.6  | 106.4 | 103.1 | 95.1  | 95.9  | 94.9  | 91.1    | 89.7    | 91.5    | 60.3    |
| Biscuits                             | Kg        | 1,070,500      | 64.0  | 110.4 | 113.7 | 116.8 | 113.1 | 111.9 | 104.2   | 111.4   | 105.5   | 95.3    |
| Areated Bev.                         | Ltr       | 39,593,700     | 105.2 | 111.5 | 114.3 | 130.1 | 128.0 | 119.4 | 122.1   | 136.0   | 141.5   | 125.9   |
| Rum                                  | Ltr       | 11,868,400     | 23.0  | 33.9  | 36.3  | 35.1  | 34.4  | 36.6  | 43.2    | 41.1    | 42.9    | 48.1    |
| Beer & Stout                         | Ltr       | 12,196,300     | 96.8  | 114.1 | 134.1 | 127.2 | 142.3 | 156.2 | 161.6   | 169.1   | 173.6   | 175.8   |
| Malta                                | Ltr       | 1,062,659      | 68.1  | 65.6  | 59.0  | 71.8  | 64.2  | 55.8  | 48.8    | 52.5    | 51.2    | 53.3    |
| Stockfeeds                           | Tonnes    | 40,320         | 117.3 | 122.7 | 134.1 | 140.9 | 108.8 | 128.2 | 103.6   | 100.9   | 117.7   | 133.2   |
| Paints                               | Ltr       | 2,403,534      | 98.9  | 104.0 | 119.1 | 114.2 | 112.1 | 111.4 | 101.9   | 110.9   | 116.6   | 124.1   |
| Pharmaceutical Liquids               | Ltr.      | 609,863        | 68.0  | 75.5  | 72.4  | 80.2  | 71.1  | 58.6  | 87.7    | 78.8    | 84.0    | 87.9    |
| Electricity                          | M.W.H.    | 534,564        | 112.6 | 117.4 | 120.7 | 129.2 | 133.0 | 134.1 | 134.6   | 149.2   | 151.4   | 154.0   |

Sources: Ministry of Agriculture and Bureau of Statistics

Indices were rebased to 2006=100

<sup>1</sup> Includes Sweet & Bitter Cassavas

<sup>2</sup> Include Eddo, Yams and Sweet Potato

<sup>3</sup> Include Oranges, Grapefruit, Limes & Other Citrus

<sup>4</sup> Figures represent Jan.-Aug. 2018.

**TABLE 11-II**  
**Georgetown: Urban Consumer Price Index**

| End of Period ** | All Items Index | Sub-Group Indices |                      |                                |               |
|------------------|-----------------|-------------------|----------------------|--------------------------------|---------------|
|                  |                 | Food <sup>1</sup> | Housing <sup>2</sup> | Transportation & Communication | Miscellaneous |
| 2009             | (Jan 1994=100)  |                   |                      |                                |               |
|                  | 275.6           | 273.7             | 352.7                | 293.2                          | 228.2         |
|                  | (Dec 2009=100)  |                   |                      |                                |               |
| 2010             | 104.4           | 110.4             | 99.7                 | 104.8                          | 102.0         |
| 2011             | 107.9           | 113.2             | 100.4                | 115.5                          | 107.0         |
| 2012             | 111.6           | 124.0             | 100.7                | 114.6                          | 111.0         |
| 2013             |                 |                   |                      |                                |               |
| Mar              | 111.0           | 120.8             | 100.9                | 117.0                          | 111.9         |
| Jun              | 111.8           | 123.4             | 100.8                | 117.2                          | 112.9         |
| Sep              | 112.9           | 125.6             | 100.8                | 120.1                          | 112.3         |
| Dec              | 112.6           | 124.1             | 100.8                | 121.9                          | 112.6         |
| 2014             |                 |                   |                      |                                |               |
| Mar              | 112.1           | 123.7             | 100.9                | 119.6                          | 113.3         |
| Jun              | 112.1           | 123.3             | 100.8                | 119.9                          | 115.1         |
| Sep              | 113.2           | 124.9             | 100.8                | 118.7                          | 125.2         |
| Dec              | 113.9           | 126.7             | 100.6                | 121.2                          | 120.9         |
| 2015             |                 |                   |                      |                                |               |
| Mar              | 111.0           | 122.3             | 99.2                 | 117.1                          | 120.4         |
| Jun              | 111.9           | 124.4             | 99.2                 | 118.3                          | 120.6         |
| Sep              | 112.1           | 125.4             | 98.8                 | 117.7                          | 121.1         |
| Dec              | 111.9           | 125.4             | 98.8                 | 117.2                          | 120.9         |
| 2016             |                 |                   |                      |                                |               |
| Mar              | 111.3           | 124.7             | 98.2                 | 116.2                          | 121.0         |
| Jun              | 113.0           | 129.4             | 98.7                 | 116.6                          | 120.7         |
| Sep              | 113.1           | 129.6             | 98.7                 | 116.8                          | 120.8         |
| Dec              | 113.5           | 130.7             | 98.8                 | 116.7                          | 120.9         |
| 2017             |                 |                   |                      |                                |               |
| Jan              | 114.3           | 132.6             | 99.1                 | 117.6                          | 120.6         |
| Feb              | 114.6           | 132.7             | 99.1                 | 117.4                          | 121.9         |
| Mar              | 114.1           | 131.2             | 99.0                 | 117.3                          | 122.5         |
| Apr              | 114.0           | 131.2             | 98.9                 | 117.4                          | 122.5         |
| May              | 114.2           | 132.4             | 98.9                 | 117.3                          | 119.9         |
| Jun              | 114.7           | 133.7             | 98.9                 | 117.2                          | 120.0         |
| Jul              | 115.0           | 134.9             | 98.8                 | 117.3                          | 119.1         |
| Aug              | 115.1           | 135.1             | 98.8                 | 117.3                          | 119.3         |
| Sep              | 115.2           | 135.0             | 98.9                 | 117.7                          | 119.6         |
| Oct              | 115.2           | 134.6             | 99.0                 | 117.9                          | 119.6         |
| Nov              | 115.0           | 133.9             | 99.2                 | 118.0                          | 119.8         |
| Dec              | 115.2           | 134.4             | 99.3                 | 118.0                          | 119.8         |
| 2018             |                 |                   |                      |                                |               |
| Jan              | 116.2           | 137.3             | 99.5                 | 118.3                          | 119.8         |
| Feb              | 115.4           | 134.5             | 99.6                 | 118.9                          | 119.7         |
| Mar              | 114.8           | 132.9             | 99.6                 | 118.7                          | 119.7         |
| Apr              | 114.8           | 132.5             | 99.7                 | 119.1                          | 119.6         |
| May              | 115.4           | 134.1             | 99.8                 | 119.7                          | 119.6         |
| Jun              | 116.2           | 135.9             | 100.1                | 120.2                          | 119.7         |
| Jul              | 116.0           | 135.3             | 100.1                | 120.2                          | 120.2         |
| Aug              | 116.8           | 137.5             | 100.0                | 120.3                          | 120.6         |
| Sep              | 116.9           | 137.8             | 100.2                | 120.0                          | 120.6         |
| Oct              | 117.3           | 138.6             | 100.4                | 120.1                          | 120.8         |
| Nov              | 117.0           | 138.3             | 100.5                | 120.2                          | 120.3         |
| Dec              | 117.1           | 138.5             | 100.4                | 120.3                          | 120.3         |

Source: Bureau of Statistics

<sup>1</sup> Includes Beverages & Tobacco

<sup>2</sup> Includes Rent, Fuel & Power

**TABLE 11-III**  
**Estimated Population and Labour Force**  
**(Thousand)**

| Year | Population<br>(Mid Year) <sup>1</sup> | Population Aged<br>15-65 years | Labour Force |
|------|---------------------------------------|--------------------------------|--------------|
| 2000 | 742.0                                 | 451.1                          | 272.4        |
| 2001 | 743.7                                 | 452.1                          | 273.0        |
| 2002 | 750.7                                 | 456.4                          | 275.6        |
| 2003 | 753.2                                 | 457.9                          | 276.6        |
| 2004 | 755.7                                 | 459.5                          | 277.5        |
| 2005 | 758.2                                 | 461.0                          | 278.4        |
| 2006 | 760.7                                 | 462.5                          | 279.3        |
| 2007 | 763.2                                 | 464.0                          | 280.2        |
| 2008 | 766.2                                 | 465.8                          | 281.3        |
| 2009 | 777.2                                 | 472.6                          | 285.4        |
| 2010 | 778.1                                 | 473.1                          | 285.7        |
| 2011 | 750.7                                 | 456.4                          | 275.6        |
| 2012 | 748.9                                 | 455.3                          | 279.8        |
| 2013 | 746.9                                 | 454.1                          | 274.2        |
| 2014 | 744.6                                 | 452.7                          | 278.2        |
| 2015 | 742.0                                 | 451.1                          | 277.2        |
| 2016 | 743.5                                 | 452.0                          | 277.8        |
| 2017 | 741.4                                 | 490.5                          | 302.0        |
| 2018 | 745.0                                 | 492.9                          | 303.4        |

Sources:

<sup>1</sup> Budget Report Speeches & Bureau of Statistics.

## **GENERAL NOTES**

### **Symbols Used**

- ... Indicates that data are not available;
- Indicates that the figure is zero or less than half the final digit shown or that the item does not exist;
- Used between two period (eg: 1989-90 or July-September) to indicate the years or months covered including the beginning and the ending year or month as the case may be;
- / Used between years (eg: 1989/90) to indicate a crop year or fiscal year.
- = Means incomplete data due probably to under-reporting or partial response by respondents.
- \* Means preliminary figures.
- \*\* Means revised figures.

In some cases, the individual items do not always sum up to the totals due to rounding.

### **Acknowledgement**

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## **APPENDIX I**

### **LIST OF COMMERCIAL BANKS AND BRANCHES AS AT DECEMBER 31, 2018**

1. **BANK OF BARODA (GUYANA) INC.:** 10 Regent Street & Ave. of the Republic, Georgetown  
**BRANCH**  
 (a) Mon Repos - Lot 30, Tract 'A', First Street, Mon Repos, East Coast Demerara
  
2. **BANK OF NOVA SCOTIA:** 104 Carmichael Street, North Cummingsburg, Georgetown  
**BRANCHES**  
 (a) Robb Street - 63 Robb Street & Avenue of the Republic, Georgetown  
 (b) New Amsterdam - Lot 12 Strand, New Amsterdam, Berbice  
 (c) Parika - Lot 299 Parika Highway, East Bank Essequibo  
 (d) Bartica - Lot 42 Second Avenue, Bartica, Essequibo
  
3. **CITIZENS BANK GUYANA INC.:** 231-233 Camp Street & South Road, Lacytown, Georgetown  
**BRANCHES**  
 (a) Parika - Lot 298, Parika, East Bank Essequibo  
 (b) Bartica - Lot 16 First Avenue, Bartica, Essequibo  
 (c) Thirst Park - Banks DIH Complex, Thirst Park  
 (d) Linden - 11-12 Republic and Crabwood Street, Linden  
 (e) New Amsterdam - 18 Main & Kent Streets, New Amsterdam, Berbice
  
4. **DEMERARA BANK LIMITED:** 214 Camp Street, North Cummingsburg, Georgetown  
**BRANCHES**  
 (a) Camp Street - 230 Camp Street & South Road, Georgetown  
 (b) Rose Hall - Lot 71 Public Road, Rose Hall, Corentyne, Berbice  
 (c) Corriverton - No. 78 Village, Corriverton, Corentyne, Berbice  
 (d) Anna Regina - Sub-lot lettered 'A' part of west 1/2 of lot #7, Henrietta, Anna Regina Essequibo  
 (e) Diamond - Plot DBL, Plantation Great Diamond, E.B.D  
 (f) Le Ressouvenir - East Half Lot 3 Public Road, Area 'M' Le Ressouvenir, E.C.D
  
5. **GUYANA BANK FOR TRADE & INDUSTRY LIMITED:** High & Young Streets, Kingston, Georgetown  
**BRANCHES**  
 (a) Regent Street - Lot 138 Regent Street, Lacytown, Georgetown  
 (b) Corriverton - Lot 211, No. 78 Village, Corriverton, Berbice  
 (c) Anna Regina - Lot 2 Anna Regina, Essequibo Coast  
 (d) Parika - Lot 300 Parika, East Bank Essequibo  
 (e) Vreed-en-Hoop - Lot 'N' Plantain Walk, Vreed-en-Hoop, West Bank Demerara  
 (f) Lethem - Lot 121 Lethem, Rupununi  
 (g) Providence - c/o Princess International Hotel (Guyana), Providence, East Bank Demerara  
 (h) Water Street - 47-48 Water Street, Georgetown  
 (i) Diamond - Diamond Public Road, East Bank Demerara  
 (j) Port Kaituma - Turn Basin, Port Kaituma  
 (k) Port Mourant - Lot 2 Area Q, Port Mourant, Corentyne Berbice  
 (l) Bartica - 59 Second Avenue, Bartica, Essequibo

## **APPENDIX I (CONT'D)**

### **LIST OF COMMERCIAL BANKS AND BRANCHES AS AT DECEMBER 31, 2018**

**6. REPUBLIC BANK (GUYANA) LIMITED:** 155-156 New Market & Waterloo Streets,  
Georgetown

**BRANCHES**

- |     |                  |   |  |
|-----|------------------|---|--|
| (a) | Water Street     | - | Lot 38-40 Water Street, Georgetown                                     |
| (b) | Camp Street      | - | Lot 78-80 Camp & Robb Streets, Georgetown                              |
| (c) | New Amsterdam    | - | 16-17 Strand, Water & New Streets, New Amsterdam, Berbice              |
| (d) | Rose Hall        | - | Lot 29A Public Road, Rose Hall, Corentyne, Berbice                     |
| (e) | Linden           | - | Lot 101-102 Republic Avenue, Retrieve, Mackenzie, Linden               |
| (f) | Corriverton      | - | Lot 5, No. 78 Village, Corriverton, Berbice                            |
| (g) | Anna Regina      | - | Lot 8 Public Road, Anna Regina, Essequibo                              |
| (h) | D'Edward Village | - | Lots 4, 5 and 6 Section 'D' N ½ D'Edward Village, West Bank<br>Berbice |
| (i) | Vreed-en-Hoop    | - | 27 Sub lot 'C' Stelling Road, Vreed-en-Hoop, West Coast,<br>Demerara   |
| (j) | Diamond          | - | Plot RBL, Great Diamond, East Bank Demerara                            |
| (k) | Lethem           | - | Manari Road, Lethem, Rupununi, Upper Takatu, Essequibo                 |
| (l) | Triumph          | - | W ½ of Lot 34 and 37 Section C, Triumph, East Coast Demerara           |

## **APPENDIX II**

### **LIST OF LICENSED NON-BANK FINANCIAL INSTITUTIONS AS AT DECEMBER 31, 2018**

- |    |   |   |
|----|---|---|
| 1. | Beharry Stockbrokers Limited              | 191 Charlotte Street, Lacytown, Georgetown                              |
| 2. | Guyana Americas Merchant Bank Inc.        | GBTI's Corporate Office, High & Young Streets,<br>Kingston, Georgetown  |
| 3. | Hand-In-Hand Trust Corporation Inc.       | 62-63 Middle Street, North Cummingsburg, Georgetown                     |
| 4. | (a) New Building Society (Head Office)    | 1 North Road & Avenue of Republic, Georgetown                           |
|    | (b) New Amsterdam                         | 15-16 New Street, New Amsterdam, Berbice                                |
|    | (c) Rosignol                              | 196 Section 'A' Rosignol, West Coast Berbice                            |
|    | (d) Corriverton                           | 31 No. 78 Village, Corriverton, Corentyne, Berbice                      |
|    | (e) Linden                                | 34 'A' Republic Avenue, Mackenzie, Linden                               |
|    | (f) Anna Regina                           | 29 Henrietta, Essequibo Coast   |
|    | (g) Rose Hall                             | 26 'B' Public Road, Williamsburg, Rose Hall Town,<br>Corentyne, Berbice |
| 5. | Secure International Finance Company Inc. | 191 Charlotte Street, Lacytown, Georgetown                              |
| 6. | Trust Company (Guyana) Limited            | 11 Lamaha Street, Queenstown, Georgetown                                |

**APPENDIX III**  
**LIST OF INSURANCE COMPANIES, BRANCHES AND AGENCIES AS AT**  
**DECEMBER 31, 2018**

**1. ASSURIA GENERAL & LIFE (GY) INC.:**

Lot 78 Church Street, South Cummingsburg, Georgetown

**BRANCHES**

- |                         |   |   |
|-------------------------|---|---|
| (a) Vreed-en-Hoop       | - | Lot RF1 Vreed-en-Hoop, West Coast Demerara      |
| (b) East Bank Demerara  | - | Lot 20 Public Road Diamond, East Bank Demerara  |
| (c) Corentyne           | - | Lot 22 'B' Williamsburg, Corentyne, Berbice     |
| (d) East Coast Demerara | - | Shop # G17A, Turkeyen, East Coast Demerara      |
| (e) Parika              | - | Pursa Mall, Lot 317 Parika, East Bank Essequibo |

**2. CARICOM GENERAL INSURANCE COMPANY INC.:**

Lot 'A' Ocean View Drive, Ruimzeight Gardens, West Coast Demerara

**BRANCHES**

- |                      |   |  |
|----------------------|---|--|
| (a) New Amsterdam    | - | Lot 3 Strand, New Amsterdam  |
| (b) Corriverton      | - | Lot 25 No. 78 Village Springlands Corentyne, Berbice                                       |
| (c) Georgetown       | - | Lot 121 Regent & Oronoque Streets, Bourda, Georgetown<br>Lot 190 Church Street, Georgetown |
| (d) Leguan           | - | Lot 2 Enterprise, Leguan   |
| (e) Mahaicony        | - | Lot 1 Columbia Mahaicony, East Coast Demerara  |
| (f) D'Edward Village | - | Lot 8 Section 'A', D'Edward Village, West Coast Berbice                                    |
| (g) Linden           | - | Lot 1 Sir David Rose & Republic Avenue, Linden   |
| (h) Essequibo        | - | Lot 1 & 2 Henrietta, Essequibo Coast   |
| (i) Bartica          | - | Lot 12 First Avenue, Bartica   |
| (j) Rose Hall        | - | Lot 55 'A' South Public Road, Corentyne, Berbice   |

**3. DEMERARA MUTUAL LIFE & FIRE ASSURANCE SOCIETY LTD:**

61-62 Avenue of the Republic & Robb Street, Georgetown

**BRANCHES**

- |                                  |   |   |
|----------------------------------|---|---|
| (a) Mahaicony                    | - | Lot 2, Section A, Zes Kenderen, Central Mahaicony,<br>East Coast Demerara |
| (b) Linden                       | - | Lot 97/98 Republic Avenue, Mackenzie, Linden                              |
| (c) Berbice                      | - | Lot 4 Wapping Lane New Amsterdam, Berbice                                 |
| (d) Corriverton                  | - | Lot 4 Springlands, Corriverton, Corentyne, Berbice.                       |
| (e) Grenada                      | - | Granby Street, St. George's, Grenada                                      |
| (f) St. Lucia                    | - | Lot 37 Chisel Street, Castries, St. Lucia                                 |
| (g) St. Vincent & the Grenadines | - | Lot 65 Grenville Street, Kingston, St. Vincent                            |

**4. DIAMOND FIRE & GENERAL INSURANCE INC.:** Lot 11 Lamaha Street, Georgetown

**BRANCHES**

- |                  |   |   |
|------------------|---|---|
| (a) Port Mourant | - | Lot 1 Port Mourant, Corentyne, Berbice (IPED Building)  |
| (b) Corriverton  | - | Lot 9 West Public Road, Springlands, Corentyne, Berbice |
| (c) Bush Lot     | - | Lot 12 Section 'C' Bush Lot Village, West Coast Berbice |

**5. FRANDEC & COMPANY INC:** Lot 126 Carmichael & Quamina Streets, Georgetown

**6. GCIS INCORPORATED:** 47 Main Street, Georgetown



**APPENDIX III (CONT'D)**  
**LIST OF INSURANCE COMPANIES, BRANCHES AND AGENCIES AS AT**  
**DECEMBER 31, 2018 (CONT'D)**

**7. HAND IN HAND MUTUAL FIRE & LIFE INSURANCE COMPANIES:**

1-4 Avenue of the Republic, Georgetown

**BRANCHES**

- |                      |   |  |
|----------------------|---|--|
| (a) New Amsterdam    | - | Lot 15-16 New Street, New Amsterdam, Berbice                   |
| (b) Corriverton      | - | Lot 101 Section 'H' No.78 Village Corriverton, Berbice         |
| (c) D'Edward Village | - | Lot 23 Section 'F' D'Edward Village, West Coast Berbice        |
| (d) Rosehall         | - | Lot 82 'A' Rosehall Town, Berbice                              |
| (e) Linden           | - | Lot 23 Republic Avenue, Mackenzie, Linden                      |
| (f) Vreed-en-Hoop    | - | Lot 4 New Road, Vreed-en-Hoop, West Coast Demerara             |
| (g) Parika           | - | Lot 699 Parika, East Bank Essequibo                            |
| (h) Essequibo Coast  | - | Lot 18 Cotton Field, Anna Regina, Essequibo Coast              |
| (i) Bartica          | - | Lot 31 First Avenue, Bartica (W.K Shopping Mall)               |
| (j) Diamond          | - | Lot M Plantation G3 Mall, Great Diamond, East Bank Demerara    |
| (k) East Coast       | - | Lot 30 Track A Mon Repos (Mall) East Coast Demerara            |
| (l) Bush Lot         | - | Lot 5 Section 'C' Bush Lot Village, West Coast Berbice         |
| (m) Soesdyke         | - | Lot X Soesdyke, East Bank Demerara (Shawnee's Service Station) |

**8. NORTH AMERICAN LIFE, FIRE & GENERAL INSURANCE COMPANIES LTD:**

Lot 30-31 Regent & Hinck Streets, Georgetown and Lot 189 Charlotte Street, Lacytown, Georgetown

**BRANCHES**

- |                   |   |  |
|-------------------|---|--|
| (a) New Amsterdam | - | Lot 1 Main Street, New Amsterdam, Berbice  |
| (b) Port Mourant  | - | Lot 39 Portugese Quarter, Port Mourant, Corentyne  |
| (c) Corriverton   | - | Lot 211 Section 'A', No. 78 Village, Corentyne   |
| (d) Bush Lot      | - | Lot 16 Section 'B', Bushlot, West Coast Berbice  |
| (e) Anna Regina   | - | Lot 1 Anna Regina, Essequibo Coast   |
| (f) Parika        | - | Lot 300 Parika Highway, East Bank Essequibo  |
| (g) Vreed-en-Hoop | - | Lot 'L' Plantain Walk, Vreed-en-Hoop, West Bank Demerara   |
| (h) Linden        | - | Lot 34 'B' Republic Avenue, Mackenzie, Linden  |
| (i) Bartica       | - | Lot 31 First Avenue, Bartica (W.K Shopping Mall)   |
| (j) Lethem        | - | Lot 40 Lethem, Rupununi, Essequibo   |
| (k) Good Hope     | - | Lot E Public Road Good Hope, East Coast Demerara<br>(Kishan's Aluminum & Glass Factory Building) |
| (l) Diamond       | - | Lot 34 Public Road, North West Grove, East Bank Demerara<br>(GBTI Building)                      |
| (m) Port Kaituma  | - | Fitzburg, Port Kaituma, North West District  |
| (n) Mahaica       | - | Lot 24 Helena # 2, Mahaica   |

### **APPENDIX III (CONT'D)**

#### **LIST OF INSURANCE COMPANIES, BRANCHES AND AGENCIES AS AT DECEMBER 31, 2018 (CONT'D)**

##### **9. THE GUYANA AND TRINIDAD MUTUAL FIRE & LIFE INSURANCE COMPANIES:**

27-29 Robb & Hinck Streets, Georgetown

###### **BRANCHES**

- |                       |   |  |
|-----------------------|---|--|
| (a) Corriverton       | - | Lot 90 No. 79 Village, Corriverton, Corentyne, Berbice       |
| (b) D' Edward Village | - | Lot 24 Ketting, D' Edward Village, West Coast Berbice        |
| (c) Port Mourant      | - | Sub lot 'A' Ankerville, Port Mourant, Corentyne, Berbice     |
| (d) New Amsterdam     | - | Lot 17-18 Strand, New Amsterdam, Berbice                     |
| (e) Mahaica           | - | Ramsarup's Service Station, Mahaica, East Coast Demerara     |
| (f) Anna Regina       | - | Lot 6 Anna Regina, Essequibo Coast                           |
| (g) Linden            | - | Lot 24 Republic Avenue, Mackenzie, Linden                    |
| (h) Vreed-en-Hoop     | - | Lot 24 Plantain Walk, Vreed-en-Hoop, West Bank Demerara      |
| (i) Bagotstown        | - | Lot 10F Bagotstown, East Bank Demerara (Harbour Bridge Mall) |
| (j) Bartica           | - | Lot 31 First Avenue, Bartica (W.K Shopping Mall)             |
| (k) Lethem            | - | Lot CB 47 Commercial Zone, Lethem, Rupununi                  |
| (l) Diamond           | - | Guyoil Service Station, Public Road, East Bank Demerara      |
| (m) St. Vincent       | - | Lot 96 Grandby Street, Kingstown, St. Vincent                |
| (n) Grenada           | - | Church Street, St. George's Grenada                          |
| (o) St. Lucia         | - | Chaussee Road & Brazil Street, Castries, St. Lucia.          |

###### **AGENCIES**

- |              |   |   |
|--------------|---|---|
| (a) Grenada  | - | Ben Lones Street, Grenville, St. Andrew, Grenada  |
| (b) Montrose | - | Lot 224 Montrose Public Road, East Coast Demerara |

##### **10. MASSY UNITED INSURANCE LIMITED:**

Lot 126 'F' Carmichael Street, South Cummingsburg, Georgetown

###### **BRANCHES**

- |                |   |  |
|----------------|---|--|
| (a) Providence | - | Massy Stores, Amazonian Mall, Providence, East Bank Demerara |
|----------------|---|--|

##### **11. THE NEW INDIA ASSURANCE COMPANY (TRINIDAD & TOBAGO) LIMITED:**

58 B Brickdam, Georgetown

### **APPENDIX IV**

#### **LIST OF LICENSED FOREIGN CURRENCY DEALERS AS AT DECEMBER 31, 2018**

- |  |   |   |
|--|---|---|
| 1. A & N Sarjoo Cambio                   | - | 15-16 America Street, Georgetown                      |
| 2. Bank of Baroda (Guyana) Inc.          | - | 10 Avenue of the Republic, Georgetown                 |
| 3. (a) Bank of Nova Scotia (Head Office) | - | 104 Carmichael Street, North Cummingsburg, Georgetown |
| (b) Robb Street                          | - | 63 Robb Street & Avenue of the Republic, Georgetown   |
| (c) New Amsterdam                        | - | Lot 12 Strand, New Amsterdam, Berbice                 |
| (d) Parika                               | - | Lot 299 E ½ Parika Highway, Essequibo                 |
| (e) Bartica                              | - | Lot 43 Second Ave., Bartica, Essequibo River          |

## **APPENDIX IV (CONT'D)**

### **LIST OF LICENSED FOREIGN CURRENCY DEALERS AS AT DECEMBER 31, 2018 (CONT'D)**

- |  |   |  |
|--|---|--|
| 4. Cambio Royale   | - | 48 Robb Street, Lacytown, Georgetown                                 |
| 5. (a) Citizens Bank Guyana Inc. (Head Office)-                | - | Lot 231-233 Camp Street & South Road, Georgetown                     |
| (b) Parika   | - | Lot 298, Parika, East Bank Essequibo                                 |
| (c) Bartica  | - | Lot 16 First Avenue, Bartica, Essequibo                              |
| (d) Linden   | - | Lot 11-12 Republic Avenue and Crabwood Street, Linden                |
| (e) New Amsterdam  | - | 18 Main & Kent Streets, New Amsterdam, Berbice                       |
| (f) Thirst Park  | - | Thirst Park, Mandela Avenue Georgetown.                              |
| 6. Commerce House Cambio                                       | - | 93 Regent Street, Lacytown, Georgetown                               |
| 7. Confidential Cambio   | - | 29 Lombard Street, Werk-en-Rust, Georgetown                          |
| 8. (a) Demerara Bank Limited (Head Office)                     | - | 230 Camp & South Streets, Lacytown, Georgetown                       |
| (b) Rose Hall  | - | Lot 71 Public Road, Rose Hall, Corentyne, Berbice                    |
| (c) Corriverton  | - | No. 78 Village, Corriverton, Corentyne, Berbice                      |
| (d) Anna Regina  | - | Lot 41 Second Street, Cotton Field, Anna Regina, Essequibo           |
| (e) Diamond  | - | Plantation Great Diamond, E.B.D                                      |
| (f) Le Ressouvenir   | - | East Half Lot 3 Public Road, Area 'M' Le Ressouvenir, E.C.D          |
| (g) Camp Street  | - | 214 Camp Street, North Cummingsburg Georgetown                       |
| 9. F&F Foreign Exchange Enterprise Cambio                      | - | 25 'A' Water Street, Georgetown                                      |
| 10. (a) Guyana Bank for Trade & Industry Limited (Head Office) | - | High & Young Streets, Kingston, Georgetown                           |
| (b) Regent Street  | - | 138 Regent Street, Lacytown, Georgetown                              |
| (c) Corriverton  | - | Lot 211, No. 78 Village, Corriverton, Berbice                        |
| (d) Anna Regina  | - | Lot 2 Anna Regina, Essequibo Coast                                   |
| (e) Parika   | - | Lot 300 Parika, East Bank Essequibo                                  |
| (f) Vreed-en-Hoop  | - | Lot 'N' Plantain Walk, Vreed-en-Hoop, West Bank Demerara             |
| (g) Lethem   | - | Barrack Retreat, Lethem, Rupununi                                    |
| (h) Providence   | - | c/o Ramada Georgetown Princess Hotel, Providence, East Bank Demerara |
| (i) Water Street   | - | 47-48 Water Street, Georgetown                                       |
| (j) Diamond  | - | Lot 34 Grove Public Road, Great Diamond, E.B.D                       |
| (k) Bartica  | - | Lot 59 Second Avenue, Essequibo River, Bartica                       |
| (l) Corentyne  | - | Lot 2 Area Q, Port Mourant, Corentyne, Berbice                       |
| 11. Gobind Variety Store & Cambio                              | - | 96 Regent Street, Lacytown, Georgetown                               |
| 12. Hand-in-Hand Trust Corporation Inc.                        | - | 62-63 Middle Street, North Cummingsburg, Georgetown                  |

## **APPENDIX IV (CONT'D)**

### **LIST OF LICENSED FOREIGN CURRENCY DEALERS AS AT DECEMBER 31, 2018 (CONT'D)**

|   |   |   |
|---|---|---|
| 13. L. Mahabeer & Son Cambio                            | - | 124 King Street, Lacytown, Georgetown                       |
| 14. Martina's Cambio                                    | - | 19 Hinck Street, Robbstown, Georgetown                      |
| 15. Dollar Empire Inc.                                  | - | 20 Regent Street, Robbstown, Georgetown                     |
| 16. (a) Republic Bank (Guyana) Limited<br>(Head Office) | - | 155-156 New Market Street,<br>Georgetown                    |
| (b) Main Branch   | - | Lot 38-40 Water & Robb Street, Georgetown                   |
| (c) Camp Street   | - | Lot 78-80 Camp & Robb Streets, Georgetown                   |
| (d) New Amsterdam                                       | - | 16 Strand, New Amsterdam, Berbice                           |
| (e) Rose Hall   | - | Lot 29 Public Road, Rose Hall, Corentyne,<br>Berbice        |
| (f) Linden  | - | Lot 101-102 Republic Avenue, Retrieve,<br>Mackenzie, Linden |
| (g) Corriverton   | - | Lot 5, No. 78 Village, Corriverton, Berbice                 |
| (h) Anna Regina   | - | Lot 8 Public Road, Anna Regina, Essequibo                   |
| (i) Rosignol  | - | 4-6 Section 'D'D' Edward Village, West Bank<br>Berbice      |
| (j) Vreed-en-Hoop                                       | - | Lot 27 Sublot 'C' Stelling Road,<br>Vreed-en-Hoop, W.C.D    |
| (k) Diamond   | - | Plot RBL, Great Diamond, East Bank Demerara                 |
| (l) Lethem  | - | Manari Road, Lethem, Rupununi                               |
| (M) Triumph   | - | Lot 34-37 Section 'C', Triumph<br>East Coast Demerara       |
| 17. R. Sookraj Cambio                                   | - | 108 Regent Street, Lacytown, Georgetown                     |
| 18. El Dorado Trading                                   | - | Lot 3 Anna Regina, Essequibo Coast                          |

## **APPENDIX V**

### **LIST OF LICENSED MONEY TRANSFER AGENCIES AS AT DECEMBER 31, 2018**

| <b>No.</b> | <b>Name</b>  | <b>Address of Licensed Premises</b>                        | <b>No. of Agents</b> |
|------------|--|--|----------------------|
| 1.         | Grace Kennedy Remittance Services (Guyana) Limited | 19C Water Street, South Cummingsburg, Georgetown           | 56                   |
| 2.         | Laparkan Financial Services Limited                | William Fogartys' Building, 34-37 Water Street, Georgetown | 66                   |
| 3.         | Massy Services (Guyana) Limited                    | Lot 5 Ruimveldt, Georgetown                                | 46                   |
| 4.         | First Global Money (Guyana) Inc.                   | 230 Camp Street, Lacytown, Georgetown                      | 65                   |

## **BANK OF GUYANA**

1 Avenue of the Republic,  
P. O. Box 1003,  
Georgetown  
Guyana

|            |   |
|------------|---|
| Telephone: | (592) 226-3250-9<br>(592) 226-3261-5  |
| Fax:       | (592) 227-2965  |
| Website:   | <a href="http://www.bankofguyana.org.gy">http://www.bankofguyana.org.gy</a> |
| E-mail:    | research@bankofguyana.org.gy  |



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