BANKING AND FINANCIAL SYSTEM IN THE GAMBIA

Central Bank of the Gambia

In August 1985 The Gambia Government adopted an Economic Recovery Program (ERP) which comprised comprehensive and far-reaching adjustment measures in recognition of the extremely serious situation in the country. The aim of the ERP, with the backing of the IMF and the World Bank, was to restore the economy's financial equilibrium and lay the basis for sustained growth. The ERP was primarily directed at regaining control of credit expansion by the banking system, especially to the Government. Overtime, as the immediate adjustment needs of the economy were addressed, the focus of monetary policy was broadened. Four instruments, namely reserve ratio, open market operations, credit policy and interest rate policy were used to control the growth of money supply.

A. THE CENTRAL BANK

1. Tools of Monetary policy

a. Reserve Requirement Ratios And Exceptions

One of the instruments of monetary policy employed to contain the growth of money supply is the required reserve ratio. In 1986/87, in a bid to curb the excess liquidity in the system, the required reserve ratio for all the commercial banks was increased from 10 per cent to 24 per cent of demand deposits. The ratios for time and savings deposits were left unchanged at 8 per cent.

All the commercial banks, without any exceptions, are required to meet their reserve ratios. Penalties are levied on any bank which falls short of its required reserves.

b. Open Market Operations

With a view to absorbing excess liquidity and curbing inflationary pressures following the introduction of a flexible exchange rate regime in January 1986, the Central Bank of The Gambia, on behalf of The Gambia Government, introduced a bi-weekly tender system for treasury bills. This, it was hoped, would enhance the role of market forces in the determination of interest rates.

Under the bi-weekly tender system, Government Treasury Bills are auctioned twice a month at market determined interest rates. There are 91 days and 182 days treasury bills and a one-year treasury bill issue is under consideration in 1994/95. Tenders are invited by notice issued from time to time. Each tender must be for a multiple of D5,000 (reduced to D2,500 since 1994) with a minimum of D5,000 and the price offered for each D100 tendered should be stated. Tenderers may submit their tenders at different prices, but each tender is considered on an individual basis.

The Central Bank reserves the right to accept any portion of tender or the whole of it and the right to reject any or all tenders. Although the objective of the Treasury Bill Tender System has been largely achieved, the significant cost to the government budget and the desire of the Central Bank to expand the scope of the auction system motivated the Bank to introduce its own Bank Bills in January 1993 to complement and supplement the Government Treasury Bills. The Central Bank have varying maturities of 91 days and 182 days. It is hoped that eventually one year non-rediscountable bills will be introduced. Central Bank Bills are issued on a bi-weekly basis on the same lines as Government Treasury Bills.

The discount rate on both Treasury Bills and Central Bank Bills is determined by the weighted average price of the accepted tenders rounded up to the nearest half per cent.

Given that the 91 days and 182 days Bills are redeemable, the Central Bank has been operating a secondary market for these bills. The redeemed bills held by the Central Bank may be sold to investors who want to purchase bills in between issue dates. The CBG could also sell from its own holdings in the secondary market.

The selling and rediscount rates are held at the same margin for both Treasury Bills and Central Bank Bills, i.e., one percentage point below the discount rate for sale and three percentage points above the discount rate for redemption.

The treasury bills market constitutes a central plank for macroeconomic management. On the one hand, the government needs this extra financing to meet the required balances in its account with the Central Bank. The Central Bank, on the other hand, needs the market as a mechanism for managing its own net domestic assets.

It is generally accepted that the auction system has become one of the country's major instruments of monetary policy. It has also become a popular and lucrative investment channel for both banks and non-banks.

c. Discount Rate

The Discount Rate, as stated earlier, is the weighted average price of the accepted tenders rounded up to the nearest half percentage point. The discount rate on treasury bills, as shown below, constitutes the basis on which all other key interest rates are determined.

(i) The Bank rate, i.e., the minimum rate at which the Central Bank lends to commercial banks and the public sector is 2 percentage points below the discount rate;

(ii) the minimum rate on 3 months deposits is 3 percentage points below the Bank rate, i.e., 5 percentage points below the discount rate;

(iii) the rate for sale of bills in the secondary market is one percentage point below the discount rate; and

(iv) the rate for redemption, i.e., rediscount of bills is 3 percentage points above the discount rate.

Other rates are left to be freely determined by market forces but are generally influenced by movements in the treasury bills rates.

Even though key interest rates are linked to the discount rate, the spread between deposit and lending rates remain high. This could be attributed partly to the small number of institutions in the banking sector in the Gambia. Thus, it could be stated that the treasury bill auction has not been able to influence the interest rate structure on the lending side. It has, however, been able to absorb the excess liquidity of the banking system thereby keeping the net domestic assets of the monetary authorities within set limits.

d. Selective Credit Control

During the pre-ERP era and up till 1990, there existed a system of direct credit control. However, in September 1990, an indirect system of credit control was introduced to replace the system of credit ceilings on individual banks. The main objectives of the monetary authorities were guided by monetary growth targets that were consistent with growth in the real sector, price stability, and BOP outlook.

Consequently it was deemed necessary to further reduce the net domestic assets of the CBG whilst at the same time keeping a tight control on bank credit to the government. The switch to a system of indirect credit control was aimed at getting a grip on the liquidity position of the commercial banks through the effective management of the net domestic assets of the Central Bank. However, traditional methods of control such as cash reserve and liquidity ratios together with open market operation continue to be available to the authorities, if needed.

e. Interest Rate Setting (or Ceiling)

The Gambia's system of interest rate determination was reformed in July 1986 as part of the ERP package, with the desire to increase the role of market forces in setting the rates. It was also adopted as a supportive element of the floating exchange rate system.

The liberalisation of interest rates allowed financial institutions to fix interest rates themselves. The flexible interest rate policy is pursued in order to achieve increased efficiency in the utilisation of resources.

The objective of the policy apart from alleviating pressures on the exchange rate of the Dalasi was the mobilisation of financial resources within the banking system, the promotion of a more efficient system of credit allocation and the management of the overall expansion of liquidity consistent with inflation targets.

The flexible interest rate policy was implemented through the introduction of the bi-weekly tender system which determines the treasury bill discount rate to which all other key interest rates are linked. The tender system has contributed to the maintenance of positive real returns on deposit rates.

The emergence of a wide spread between lending and deposit rates is the most controversial aspect of the flexible interest rate policy. Given the appreciable degree of macroeconomic stability that has been achieved, this spread in interest rates has become a major cause for concern.

The flexible interest rate policy together with other macroeconomic policies have been instrumental in the improvement of The Gambia's external sector profile through inflows of external private capital and a build-up of foreign exchange reserves.

2. Credits

a. to banks

The Central Bank of The Gambia only acts as lender of last resort as in the case of the Gambia Commercial and Development Bank (the Government's only bank) before its inevitable privatisation.

b. to State Economic Enterprises

There is no preferential policy towards state economic enterprises in The Gambia.

c. to Government (to Treasury)

The pre-ERP period was characterised by huge government deficits which were partly financed by donor assistance but the bulk of the deficits were locally financed directly by the Central Bank through the “Ways and Means” account at the Central Bank.

With the ERP, the Government endeavoured to put its financial house in order especially in terms of expenditure management and the expansion of its revenue base. With the narrowing down of the budget deficit, the “Ways and Means” account was finally eliminated. However, the budget is still being financed partly by external assistance from the donor community and partly by the domestic sector (bank and non-banks) through the issuing of treasury bills and CBG bills to the banks and non-banking sectors.

3. The Regime Governing Exchange Rates and Foreign Currency Accounts

The floating exchange rate regime was introduced in 1986 as part of the ERP package. It abolished the fixed parity between the Dalasi and Pound sterling and left the exchange rate of the Dalasi to be determined by the free interaction of the forces of demand and supply in the context of the interbank market.

With the introduction of the floating regime, all restrictions on current and capital transactions were lifted.

At the outset, the interbank market consisted of the commercial banks which were the only ones with the authority to deal in foreign currency on a daily basis at market-determined rates of exchange. At the end of every week, representatives from the commercial banks meet at the Central Bank for their fixing sessions. During these sessions, they review developments in the currency markets (both domestic and international) and the Central Bank announces the exchange rate for custom valuation purposes for the following week. That rate is based purely on the outcome of the buying and selling activities of the participants in the interbank market reported to the Bank on a daily basis. For each currency a mid-market rate is determined based on the mean of the weighted average buying and selling rates during the current week. Consistent with the trade liberalisation policy, the commercial banks are not required, under the floating exchange rate regime, to obtain the approval of the Central Bank to sell foreign exchange to their customers for all current transactions.

In a bid to increase competition for foreign exchange and improve the allocative efficiency, the Central Bank allowed the licensing of foreign exchange bureaux in 1990 who also participate in the interbank market.

The floating exchange rate regime had the following objectives:

(i) to promote voluntary surrender of foreign exchange to the banking system by eliminating the financial disincentives to do so and by providing a greater liberalised access to foreign exchange;

(ii) to promote a better balance between the demand for and supply of foreign exchange by way of an orderly and non-discriminatory allocation system;

(iii) to smoothen the seasonal fluctuations in the country's foreign exchange earnings; and

(iv) to provide a clean measure of the price scarcity value of foreign exchange to the economy so as to guide economic agents in their pricing and investment decisions.

The floating exchange rate regime was not implemented in isolation. In order to achieve its objectives, other supportive liberal measures were adopted either prior to the floatation or after it.

Prior to the floatation, such measures included the adoption of a liberalised trade policy and restrictive fiscal and monetary policies. Liquidity and reserve requirements as well as credit ceilings were imposed on the commercial banks. (Credit ceilings were however abolished in 1991 as the Central Bank switched to indirect monetary controls).

Measures were also taken to streamline revenue collection and to keep a lid over expenditure while the Central Bank adopted a system of foreign exchange budgeting to predetermine limits on the government's foreign exchange requirements whilst consolidating its reserve accumulation. All restrictions on trade were also removed by Government.

Following the floating, supportive policies included the adoption of a prudent external debt management policy and, as already discussed above, a flexible interest rates policy. These were complemented by an array of structural reforms and sectoral strategies.

The most visible impact of the floatation has been on the foreign exchange market. The interbank market has been functioning smoothly since its inception and there has been a steady reduction of the margins between the interbank and the parallel market rates of foreign exchange. In some instances, the two rates were almost completely harmonised. The parallel market has been virtually absorbed into the formal banking system.

The floatation has also helped in rechannelling into the official market a substantial portion of the foreign exchange which used to be supplied to the parallel market and therefore went unrecorded.

Another positive effect of the floating exchange rate regime has been the consolidation of our reserve accumulation reflecting robust improvement in the overall balance of payments position.

In terms of output, the re-alignment of the exchange rates has boosted the competitive edge of The Gambia.

The success achieved on the exchange rate front culminated in The Gambia's acceptance of the conditions under Article 8 of the IMF's Articles of Agreement in 1993. This made The Gambia one of the very few low-income countries to guarantee the international convertibility of their currencies.

It could be concluded that the floating exchange rate regime has achieved most of its stated objectives. It has provided The Gambia with a market-based system that is flexible enough to adjust to changing economic situations and that affect the equilibrium exchange rate for the Dalasi.

None of the banks provide foreign currency accounts in The Gambia. The modalities of allowing such accounts is high on the policy agenda of the Government.

B. DEPOSITORY INSTITUTIONS

1. State Banks

None.

2. Privately Owned Banks

There are three commercial banks in The Gambia that could be described as privately-owned banks although two of them are subsidiaries of foreign banks.

(i) Standard Chartered Bank Gambia Limited

The SCBG is the largest commercial bank operating in The Gambia with three branches with its head office located in Banjul. It is a subsidiary of the Standard Chartered Group and is locally incorporated with resident shareholders although the majority of the shares are held by the parent body. The Standard Chartered Group owns 75 per cent of the shares and the rest of the shares are owned by Gambians. However, The Gambia Government, until 1988, owned 15 per cent of the shares but these shares were sold to the public in 1988.

SCBG commenced operations in The Gambia in 1894 as a subsidiary and was incorporated and reissued a local license in 1978. The Bank provides finances for agriculture, industry, transportation, trade and other commercial banking services. However, loans are more concentrated on the distributive trade sector. The bulk of loans given out by SCBG are fully secured, thus revealing the low risk tolerance level of the bank. The bank also assists in mobilising trade financing for both imports and exports through its international network.

(ii) Continent Bank

Continent Bank limited is locally incorporated in The Gambia as a private limited company. It is a sole proprietorship. The Bank was granted a license in 1990 and officially started operations in 1991. Continent Bank Limited only operates one branch at its headquarters in Banjul and this gives the other banks operating countrywide a competitive edge over it. The bank attracts mainly small depositors and loans are more concentrated on distributive trade. The bulk of the bank's deposits are demand and savings deposits. Time deposits form just about 15.5 per cent of total deposits of the Bank.

(iii) Meridian BIAO Bank Gambia Limited

This Bank is a subsidiary of Meridian BIAO and was incorporated in The Gambia in January 1991.

This Bank took over the performing assets of the defunct Gambia Commercial and Development Bank (the then only existing Gambia Government Bank). It used to be the largest commercial bank accounting for about 44 per cent of bank liabilities to the public. The performance of the GCDB was on a deteriorating trend and its restructuring became crucial for the stability of the financial system. Following a capital injection from the Government, the GCDB was converted into a public liability company in July 1990. It was offered for sale in July 1991 and an agreement was reached with Meridian International Bank Ltd. in 1992.

The Bank is well located to attract capital from the international investment community with the support of Meridian BIAO securities. It has two branches and its headquarters is in Banjul.

3. Foreign Banks

The International Bank for Commerce and Industry (BICI)

BICI is incorporated in Dakar, Senegal, and is a subsidiary of the Société Financière Pour les Pays d'outre Mer, Geneva, which is part of a world-wide banking group. Although it was issued a license to operate in 1974, BICI has been in business in The Gambia since 1968 and operates four branches.

C. FINANCIAL SERVICE INSTITUTIONS

1. Stock Exchange

None. (But plans are under way to get one set up in the near future).

2. Money (Lending) Brokers

Not officially recognised.

D. FINANCIAL INSTITUTIONS THAT HAVE NO AUTHORITY TO CREATE MONEY

1. State Banks	-	None
2. Development Banks	-	None
3. Credit Cooperatives	-	Yes
4. Insurance Companies	-	Yes: Six
5. Mutual Funds	-	None
6. Investment Trusts	-	None

7. Others:

- Postal Savings System
- Rural Financial Institutions/Village Banks - These are being introduced.

The key strategy of this system is the integration of the grass roots organisations in the rural financial system with their participation in ownership, management and administration of the village or community banks.

- Village Saving and Credit Association. (VISACA) **-** mainly based in MID South, but are being replicated in other parts of the country, particularly in the Western Division by the European Development Fund (EDF).

- The Gambia Women’s Finance Association (GWFA) **-** This is another financial intermediary involved in savings mobilisation and the distribution of credit. However, their activities are so far in the urban area and their presence in the rural area is yet to be seen.

E. SEMI-FINANCIAL INSTITUTIONS

Social Security and Housing Finance Corporation (SSHFC)

The SSHFC has mainly two funds, i.e., the Social Security Fund and the Housing Finance Fund. There is also a Reserve Fund.

Under the Social Security Fund, the corporation initiates investment policies that should yield reasonable returns to its members and should also make provision for financial assistance to its members at reasonable interest rates. In the provident fund of the Social Security Fund, every employee to whom the Act applies is required by law to contribute five per cent of his/her salary and the employer should also contribute ten per cent of the wages or salary of the employee at the end of every month to the same fund.

Under this fund, there is a retirement benefit, an invalidity benefit, a withdrawal benefit and a survivor’s benefit. The amount of benefit payable with the Act should be the balance of the member’s account together with accrued interest. The accrued interest is from any investments made from moneys paid into the fund and any other income earned on the assets of the fund.

Under the Housing Finance Fund, the corporation receives loans and grants on behalf of the Government for purposes of housing and estate development. It also takes money appropriated by Parliament for housing projects and also loans by the Corporation from both external and internal sources to carry out their objectives. Money could also be taken from the Social Security Fund, with the approval of loans by the Corporation from both external and internal sources to carry out their objectives. Money could also be taken from the Social Security Fund, with the approval of the Minister of Finance for the transfer, for investment in housing schemes. One of the functions of the Corporation is to finance housing development projects in the country and make direct investments in housing and real estate projects either alone or in partnership with other bodies approved by the Ministry of Finance. It should also administer and manage the low-cost housing estates on behalf of the Government. The Corporation has already completed two housing schemes and is presently working on a third one.

The Corporation may, from time to time, with the approval of the Minister of Finance invest, in treasury bills and securities of the Government or of any corporation established by an Act of Parliament, society or company registered in The Gambia or by way of loans at such interest as the Board of Directors of the Corporation thinks fit.

INTEREST RATE STRUCTURE
(In per cent per annum)

	June 1986	June 1987	June 1988	June 1989	June 1990	June 1991	June 1992	June 1993	June 1994
Commercial Banks									
Deposits									
Short-term	12-18	12-15	9.5-15	9.5-12.5	9.5-12.5	9.5-12.5	9.5-13.5	9.5-13.0	9-12.5
Medium-term	18-19	15-15.5	12.5-15	12.5-13.5	12.5-13.5	12.5-13.5	13-15	11.5-13.5	11.5-13
Long-term	18-20	16-17	13.5-19	13.5-19	13.5-15.5	13.5-15.5	13-16	12.5-15	12.5-14
Credits									
Short-term	10-30	10-29	9-29	9-26.5	9-29	23.5-26.5	22.5-27	18.5-27	20-25
Medium-term	9-29	9-29	9-29	9-29	29	29	29	20-27	20-25
Long-term	9-30	11-29	11-28.5	11-28.5	11-29	29	22.5-29	20-27	20-25
Bonds									
Discount Note Series	15	21	18.25	18.25	18.25	18	18	18	17
Development Loans									
1993-1996								17	17
1989-1994				15	15	15	15	15	15
1989-1994				8.5	15	15	15	15	15
1986-1991				19	19	19	19	19	19

Source: Central Bank of The Gambia.

INTEREST RATE STRUCTURE
(In per cent per annum)

	June 1985	June 1986	June 1987	June 1988	June 1989	June 1990	June 1991	June 1992	June 1993	June 1994
Commercial Banks										
Lending rates 1/										
Agriculture 2/	10.0-17.0	10.0-24.0	10.0-21.0	9.0-29.0	9.0-25.5	9.0-26.5	23.5-26.5	22.5-27.0	18.5-27.0	20.5-25.0
Manufacturing 3/	15.0-27.0	11.0-30.0	11.0-27.0	11.0-28.0	11.0-26.5	11.0-26.5	23.5-26.5	22.5-27.0	20.0-27.0	20.5-25.0
Building 4/	9.0-27.0	9.0-27.0	11.0-27.0	11.0-28.5	9.0-6-26.5	9.0-26.5	23.5-26.5	22.5-27.0	20.0-27.0	20.5-25.0
Trading 2/	18.0-27.0	18.0-30.0	9.0-29.0	9.0-28.5	9.0-26.5	9.0-29.0	23.5-26.5	22.5-27.0	20.0-27.0	20.5-25.0
Tourism 4/	15.0-27.0	25.0-27.0	9.0-29.0	9.0-29.0	9.0-22.0	29.0	29.0	29.0	20.0-27.0	20.5-25.0
Other 3/	15.0-27.0	9.0	9.0-29.0	9.0-29.0	9.0-29.0	29.0	29.0	29.0	20.0-27.0	20.5-25.0
Deposit rates										
Short-term deposit account	6.0-12.0	12.0-15.0	12.0-13.0	9.5-10.5	9.5-10.5	9.5-10.5	9.5-12.5	9.5-12.5	9.5	9.0
Savings bank account	15.0	18.0	15.0	12.5-15.0	12.5	12.5	12.5	12.5-13.5	9.5-12.5	9.5-11.5
Time deposits										
Three months	15.0-15.5	18.0	15.0	12.5-15	12.5	12.5	12.5	13.0-14.5	11.5-13.0	11.5-12.5
Six months	15.0-16.0	18.0-19.0	15.0-15.5	12.5-13.5	12.5-13.5	12.5-13.5	12.5-13.5	13.5-15.0	11.5-13.5	11.5-13.0
Nine months	15.0-16.5	18.0-19.5	16.0	13.5-14.5	13.5-14.5	13.5-14.5	13.5-14.5	13.0-15.0	12.5-14.0	12.5-13.5
12 months and over	17.0	19.0-20.0	16.0-17.0	13.5-19.0	13.5-19.0	13.5-15.5	13.5-15.5	13.0-16.0	12.0-15.0	13.5-14.0
Post office savings bank										
Savings deposits	8.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Government										
Treasury bills	15.0	19.0	20.0	17.0	18.0	17.5	18.5	19.0	17.0	15.5
Discount Notes			21.0	18.5	18.5	18.5	18.0	18.0	18.0	17.0
Government development										

loans										
1989-1994					15.0	15.0	15.0	15.0	15.0	15.0
1989-1994					8.5	15.0	15.0	15.0	15.0	15.0
1086-1991		19.0	19.0	19.0	19.0	19.0	19.0	17.0	-	-
1993-1996						-	-	-	17.0	17.0
Central Bank of The Gambia										
Bank rate	13.0	17.0	18.0	15.0	16.0	15.5	16.5	17.0	15.0	13.5
Crop advances	13.0	17.0	18.0	15.0	16.0	15.5	16.5	-	-	-
Nonseasonal advances	13.0	17.0	18.0	15.0	16.0	15.5	16.5	-	-	-
Discount rate	14.0	18.0	19.0	16.0	17.0	16.5	17.5	15.0	15.5	15.5
Rediscount rate	16.0	20.0	21.0	18.0	19.0	18.5	18.5	22.0	20.0	18.5

Source: Central Bank of The Gambia.

1/ Loans at 9 per cent represent non-performing loans of a commercial bank.
2/ Short-term.
3/ Medium-term.
4/ Long-term.

CENTRAL BANK OF THE GAMBIA
ASSETS AND LIABILITIES (in D'000)

	June 1986	June 1987	June 1988	June 1989	June 1990	June 1991	June 1992	June 1993	June 1994
Foreign Reserves	11,330	97,666	255,782	230,281	350,441	553,298	874,583	940,792	972,521
Claims on non-banks:	237,634	296,229	103,695	84,117	49,129	37,908	321,537	277,838	318,577
Government	99,149	114,162	44,989	3,433	13,035	24,567	300,405	260,327	302,502
Public entities	136,888	179,996	55,955	75,144	28,072	2,035	8,237	2,580	0
Private sector	1,597	2,071	2,751	5,540	8,022	11,306	12,895	14,931	16,075
Claims on Banks	118,495	63,105	73,104	75,682	50,200	45,400	0	0	0
Seasonal Advance	23,083	139	138	2,716	0	0	0	0	0
Others	95,412	62,966	72,966	72,966	50,200	45,400	0	0	0
Revaluation Account	237,386	392,800	392,175	433,487	513,039	607,782	27,058	56,839	76,376
Fixed Assets	7,971	8,310	9,009	10,352	12,914	16,964	16,216	17,505	18,610
Other Assets	27,653	19,613	70,715	61,991	145,761	13,441	46,873	43,588	47,744
Total Assets = Total Liabilities	640,469	877,723	904,480	895,910	1,121,484	1,274,793	1,286,267	1,336,562	1,433,828
Currency Issued	64,490	100,562	114,406	125,764	162,100	184,079	198,798	209,636	206,281
Notes	61,651	97,208	110,427	121,630	157,311	177,271	190,387	0	0
Coins	2,839	3,354	3,979	4,134	4,789	6,808	8,411	0	0
Deposits	36,706	261,291	214,091	267,275	403,920	510,736	502,658	599,870	714,239
Banks	2,753	28,131	35,554	39,389	30,136	40,754	59,485	65,874	85,120
Government	33,953	233,160	178,537	227,886	373,784	469,932	443,123	533,946	629,119
Others	0	0	0	0	0	50	50	50	0

Allocation of SDR	19,485	46,750	46,776	48,270	56,522	56,485	64,115	63,398	67,956
Foreign Liabilities	606,880	431,120	447,857	388,222	371,109	438,176	459,286	376,060	358,189
Capital and Reserves	9,000	9,000	10,000	10,000	10,000	1,947	2,404	5,770	7,538
Other Liabilities	(96,092)	29,000	71,350	56,233	118,233	83,370	59,006	81,828	79,625

Source: Central Bank of The Gambia.

COMMERCIAL BANKS
ASSETS AND LIABILITIES (in D'000)

	June 1986	June 1987	June 1988	June 1989	June 1990	June 1991	June 1992	June 1993	June 1994
Cash Holdings	4,363	4,644	4,441	6,369	7,681	15,187	16,597	12,864	12,387
Balance with Central Bank	43,833	49,990	54,400	34,927	24,293	52,098	62,844	66,033	84,798
Treasury bills & Other Govt. securities	39,130	58,350	100,125	113,310	153,651	124,868	241,235	189,310	113,657
Loans, Advances, Discount & Other Investments	246,742	210,064	235,358	276,400	253,488	324,128	163,799	318,703	398,490
Official Entities	64,826	37,909	45,490	57,402	11,180	45,677	0	4,133	2,996
Private Sector	181,916	172,155	189,868	218,998	278,451	163,799	314,570	314,570	359,494
Foreign Assets	29,364	40,157	28,022	15,758	24,781	29,582	15,689	28,062	64,003
Foreign Currency	3,649	4,231	3,445	579	764	4,900	1,441	6,316	4,883
Balance held abroad	25,715	35,926	24,577	15,179	24,017	24,682	14,248	21,746	59,120
Fixed Assets	22,692	39,214	41,956	42,757	54,025	79,230	45,196	54,510	59,567
Other Assets	13,582	92,801	89,849	99,653	98,058	98,904	(2,067)	47,547	40,246
Total Assets = Total Liabilities	399,706	495,220	554,151	589,174	615,977	723,997	543,293	717,029	771,148
Demand Deposits	69,405	96,446	114,173	116,272	127,268	165,433	179,299	219,312	194,308
Official Entities	8,196	12,316	8,679	6,955	8,410	5,573	4,652	8,943	9,784
Private Sector	61,209	84,130	105,494	109,317	118,858	159,860	174,647	210,369	184,524
Time & Savings Deposits	97,899	134,911	172,157	191,828	217,468	249,759	231,702	328,888	379,084
Official Entities	30,994	38,432	45,165	37,491	37,389	26,721	6,907	33,835	28,007
Private Sector	66,905	96,479	126,992	154,337	180,079	223,038	224,795	295,053	351,077

Borrowings from Central Bank	106,813	56,523	66,679	66,577	50,000	45,400	0	0	0
Other Domestic Borrowings	15,702	16,022	16,136	15,693	8,642	8,342	0	0	503
Foreign Liabilities	18,699	19,963	11,926	9,813	3,609	1,317	5,335	38,964	55,542
Capital and Reserves	21,982	41,549	47,254	52,549	65,513	107,646	46,263	56,110	79,510
Other Liabilities	69,206	129,806	127,889	135,942	143,477	146,100	80,694	73,755	62,201

Source: Central Bank of The Gambia.

MONETARY SURVEY
(In millions of Dalasi)

	June 1986	June 1987	June 1988	June 1989	June 1990	June 1991	June 1992	June 1993	June 1994
Net Foreign Assets	-584.86	-313.22	-175.94	-149.83	-146.33	143.38	425.66	553.83	622.78
Monetary Authorities (net)	-595.52	-333.41	-192.04	-155.78	-166.92	115.12	415.30	564.73	614.32
Foreign Assets	11.36	97.71	255.82	232.44	281.91	553.30	874.59	940.79	972.52
Foreign Liabilities	606.88	431.12	447.86	388.22	448.83	438.18	459.29	376.06	358.20
Commercial Banks (net)	10.66	20.19	16.10	5.95	20.59	28.26	10.36	-10.90	8.46
Total Domestic Credit	485.47	327.39	256.56	241.88	174.42	13.03	279.48	247.94	197.64
Claims on Public Sector	301.96	153.16	63.94	17.34	-76.07	-276.74	102.79	-81.56	-213.96
Claims on Govt. (net)	100.25	-64.75	-37.50	-115.20	-115.31	-324.46	94.56	-88.27	-216.92
Central Bank (net)	65.17	-119.05	-133.58	-224.46	-264.91	-445.37	-142.72	-273.62	-326.62
Commercial Banks (net)	35.08	54.30	96.08	109.26	149.60	120.91	273.28	185.35	109.70
Claims on Public Entities	201.71	217.19	101.44	132.54	39.24	47.72	8.23	6.71	2.96
of which GPMB	132.80	156.00	56.00	75.14	28.67	36.50	8.23	2.58	0.000
Claims on Private Sector	183.51	174.23	192.62	224.54	250.49	289.77	176.69	329.50	411.60
Other Items (net)	-326.83	-313.11	-313.68	-334.94	-471.35	-427.67	111.94	56.79	51.14
Money Supply (M1)	129.54	192.37	222.14	235.16	281.98	334.32	361.50	416.09	390.20
Quasi-Money	97.90	134.91	172.16	191.83	217.46	249.76	231.70	328.89	379.08
Total Money Supply (M2)	227.44	327.28	394.30	426.99	499.44	584.08	593.20	744.98	769.28

Source: Central Bank of The Gambia.