

BANK OF GUYANA

**BANK OF GUYANA**



*Annual Report  
and Financial  
Statement of  
Accounts 2003*



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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 an 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 31, 2004*

*Hon. Saisnarine Kowlessar, 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 honor to submit to you the Bank's Report on its operations in 2003, together with the Balance Sheet and Profit and Loss Account as certified by the external auditors appointed in accordance with Section 60 of the Act. A review of economic developments in Guyana in 2003 is incorporated in the report.*

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

*Yours sincerely,*

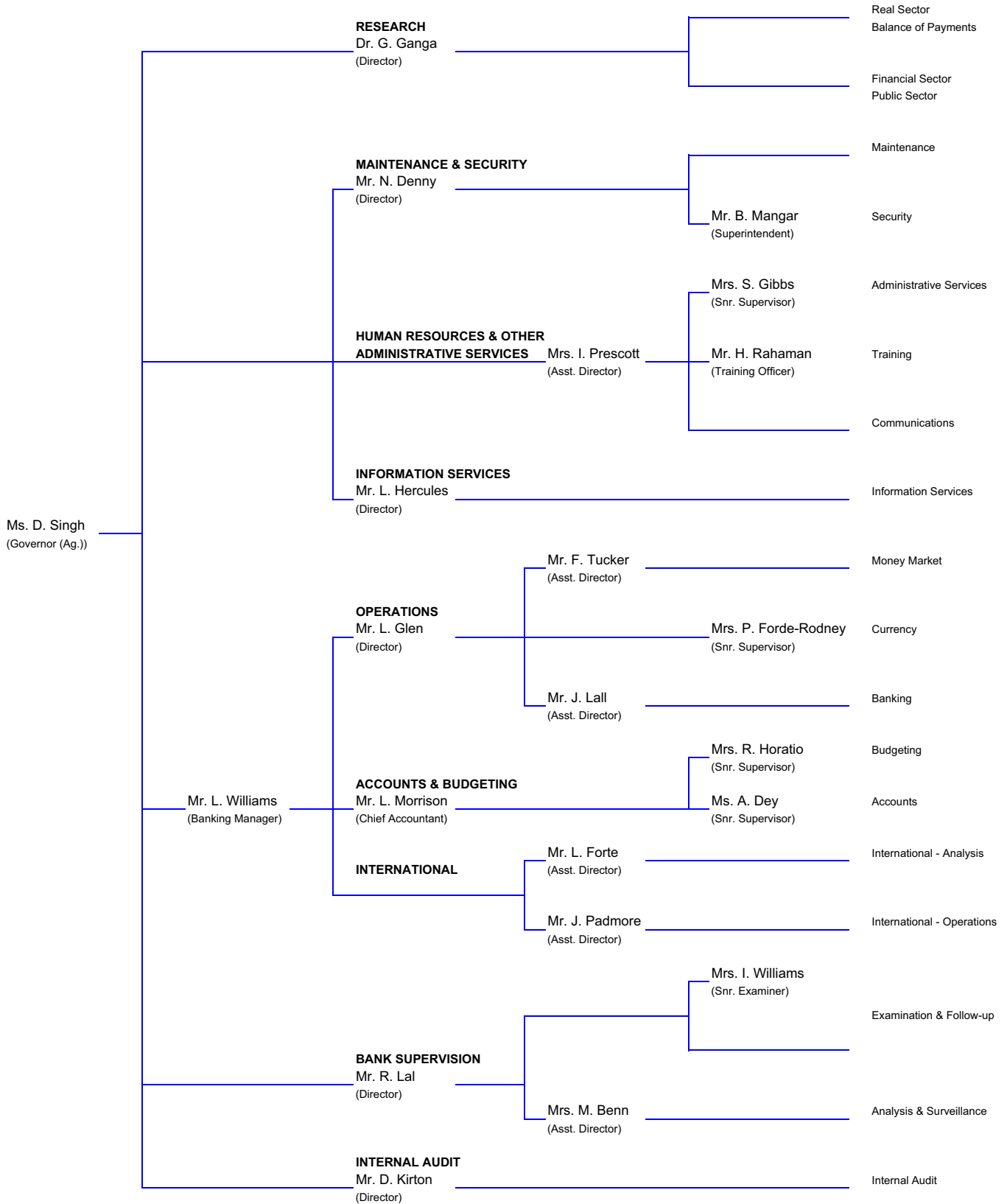
*Signed  
D.S. Singh  
Governor (Ag.)*

**BOARD OF DIRECTORS**

Ms. D. S. Singh (Chairman)  
 Mr. P. Bhim  
 Mr. V. Persaud  
 Dr. C. Solomon  
 Mr. N. Rekha (Ex Officio Member)

**ORGANISATION OF THE BANK**

as at December 31, 2003



## ***INTRODUCTION***

*The thirty-ninth 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. The international economic environment is overviewed in Part II. The functions, policies and activities of the Bank that were undertaken against the economic background outlined in Parts I and II are summarised in Part III. The Bank's financial statements are presented in Part IV.*

# I

## THE GUYANA ECONOMY

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### 1. SUMMARY

**D**uring 2003, the world economy's recovery strengthened, especially towards the close of the year, with recorded economic growth of 3.9 percent and inflation contained. This outturn was accompanied by low interest rates, a weak US dollar, higher investment, rising business and consumer confidence as well as increased world trade which offset the adverse effects of the war in Iraq and the Severe Acute Respiratory Syndrome (SARS) virus. However, unemployment levels were higher than 2002. Within the Caribbean, most economies were recovering under the influence of the rebound in major trading partners' economies but with higher price levels and weaker currencies.

Despite the improving international environment, real gross domestic product (GDP) declined by 0.6 percent in comparison with growth of 1.1 percent recorded in 2002. Lower outturns from sugar, gold, manufacturing and livestock industries contributed to the decline. Conversely, rice, forestry, as well as, engineering & construction and other services recorded higher output. Inflation was 5 percent as utility tariffs, fuel and food prices increased during the year. Consumption, both public and private, were higher reflecting the elevated price level, increased earnings in some sectors and approved spending by the central government. In contrast, investment expenditure contracted during the year.

Notwithstanding the GDP outturn, the overall balance of payments deficit declined to US\$8.9 million from US\$25.4 million one year ago. This was due mainly to the improved performance of the current account even as the economy faced consistently higher fuel costs during the year. The capital account recorded lower net inflows, reflecting mainly higher scheduled amortization and lower private capital inflows. The overall deficit was financed by debt relief which also allowed for a small increase in the net foreign assets of the Bank of Guyana (Bank).

The improved balance of payments, in part, supported the foreign exchange market which was relatively stable during the year as the Guyana dollar depreciated by 2 percent against the US dollar due to increased demand during the second half of the year. The volume of foreign currency transactions were 11.8 percent higher than during 2002, reflecting activity at both the cambios and the Bank. However, the average spread between the purchases and sales exchange rates widened, especially in the bank cambios market segment.

The rise in demand was reflected in the overall financial operations of the public sector computed on a cash basis for both the central government and the non-financial public enterprises (NFPEs). The central government's overall balance worsened as a result of higher non-interest payments and a larger capital account deficit. The NFPEs also recorded a larger overall deficit when the operations of GPL are excluded, mainly on account of GUYSUCO's capital spending.

The stock of Government's domestic bonded debt increased during the year by 15.1 percent while the external debt declined by 13 percent. The former mainly reflected a special issue of debentures as well as the issuance of treasury bills while the decrease in the external stock of debt was primarily on account of debt relief. Domestic debt service also contracted, but as a result of lower interest rates while external debt service increased mainly from the delivery



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of additional debt relief under the HIPC initiatives later than planned following the attainment of completion point status under the HIPC initiative in mid-December.

During the year, liquidity growth was contained. Commercial banks' interest rates and intermediation spreads continued trending downwards due, in part, to the continued decline in the benchmark 91-day treasury bill rate and the effect of the privatization of GNGB on the banking system's risk profile. This year, NBIC acquired the assets of GNGB net of the loan portfolio which was transferred out of the banking system for debt recovery. The non-bank financial institutions continued to actively participate in the financial sector.

During 2004, it is expected that there will be a recovery in real value added led by the forecast positive outturn of the sugar industry supported by bauxite and rice production. The gain in real output is expected to translate into the external accounts as higher exports. Ongoing institutional and other reforms are expected to bear fruit in forging higher investment and imports with consequential widening of the current account that will be financed, in part, by capital inflows to both the private and public sectors. The measures will be supported by consistent and prudent policies to ensure monetary and financial stability during the year. • •

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

Real Gross Domestic Product (GDP) declined by 0.6 percent from the 1.1 percent growth recorded in 2002. Lower outturns from sugar, gold and most manufacturing industries contributed to the decline. In contrast, rice, forestry, as well as, engineering & construction recorded higher output. Inflation was 5 percent as utility tariffs, fuel and food prices rose during the year. Consumption expenditure by both the public and private sectors were higher, reflecting the elevated price level, increased earning and budgeted spending by the central government.

### PRODUCTION

#### Agriculture and Forestry

The value added of the agriculture sector, including forestry, livestock and fishing, declined by 2.3 percent on account of a shortfall in sugar output. All other agro industries, apart from fishing which was unchanged, recorded higher output during 2003.

#### Sugar

Sugar output amounted to 302,378 tonnes, 8.7 percent lower than the corresponding 2002 level and 88.8 percent of the year's target. This performance was due partly to unfavorable climatic conditions during the second crop which contributed to poorer field recoveries. Cane yield per hectare fell by 9.3 percent to 72.2 tonnes while factory recoveries were 0.9 percent higher at 11.2 tonnes of cane per tonne of sugar.

Exports of sugar were 311,847 tonnes, 10.7 percent above the previous year's level. Local sales decreased to 24,529 tonnes in comparison with 31,525 tonnes due to the drop in demand by the domestic beverage manufacturers during the second half of the year. Sugar inventory closed at 12,479 tonnes.

#### Rice

Total rice produced was 355,019 tonnes, 23.1 percent above last year's level and 19.8 percent above the target for the year. This performance was partly due to a 18.7 percent increase in acreage sown and favorable weather which contributed to rice yield per acre rising from 2.67 tonnes in 2002 to 2.8 tonnes in 2003.

Export sales amounted to 200,431 tonnes, which represented 56.4 percent of total output. Domestic sales were approximately 58,000 tonnes or 16.3 percent.

Table I

Selected Production Indicators			
Agriculture & Forestry			
Commodity	2001	2002	2003
Sugar (tonnes)	284,477	331,067	302,378
Rice (tonnes)	322,310	288,375	355,019
Poultry (tonnes)	12,490	16,733	23,681
Eggs ('000)	25,693	17,370	9,272
Forestry (cu. metre)	438,395	403,337	410,194

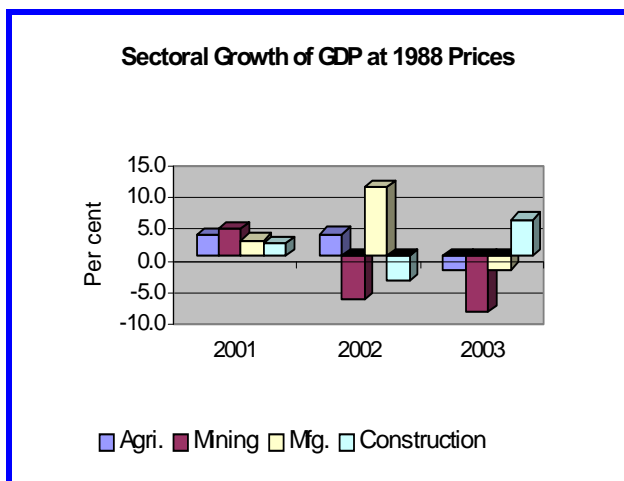
#### Livestock and Fishing

Livestock value added rose by 4 percent, reflecting the positive performance of the poultry industry. Poultry output expanded by 41.5 percent to 23,681 tonnes as a result of the investment by large-scale producers. However, output of eggs dropped by 46.6 percent or 8,098,000 units to 9,272,000 units.

Production in the fishing sub-sector increased by 19.2 percent reflecting mainly higher output of fish. Fish and small shrimps catch grew by 33.9 percent and 4.3 percent to reach 33,723 tonnes and 21,423 tonnes respectively. In contrast, prawns output declined by 23.7 percent to 1,161 tonnes.

#### Forestry

Forestry output expanded by 1.7 percent to 410,194 cubic metres, mainly reflecting increases in sawn and round wood. In contrast, other forestry products and logs recorded lower output.



**Figure 1**

Sawn and round wood production rose by 43.6 percent and 15.8 percent respectively while logs and plywood output declined by 22.2 percent and 19.4 percent respectively. Lower log output was recorded in most timber varieties including greenheart. Plywood production declined in response to adverse market conditions.

### Mining

Value added of the mining sector registered an 8.7 percent decrease following the 6.9 percent contraction in 2002. This outturn was due to the deterioration in the performance of the gold industry. In contrast, diamond and bauxite output expanded during the review period.

### Bauxite

Gross output of the bauxite industry was 1,715,705 tonnes, 4.7 percent above the previous year's output and 6.4 percent above the annual target. All bauxite products recorded higher outcomes. Refractory Grade (RASC), Chemical Grade (CGB) and Metallurgical grade (MAZ) ores rose by 40.4 percent, 28.7 percent and 0.8 percent respectively in response to changed management and capital injection at Linden. There was 3,265 tonnes of Aluminous C grade bauxite (ACGB) and 204 tonnes of tailings production this year. During the year, exports accounted for 96.7 percent of output.

**Table II**

	Selected Production Indicators		
	Mining		
	2001	2002	2003
Bauxite (Tonnes)	2,011,301	1,639,266	1,715,705
RASC	91,428	62,117	87,203
AAC	-	-	-
CGB	220,364	128,374	165,240
MAZ	1,681,621	1,448,775	1,459,793
ACGB	-	-	3,265
OTHER <sup>1</sup>	17,888	-	204
Gold (oz)	455,919	453,481	391,323
Diamond (m. carats)	179,463	248,437	412,538

<sup>1</sup> Includes Road Grade Bauxite and Tailings

### Gold and Diamond

Gold declaration amounted to 391,323 ounces, 13.7 percent lower than last year's level. This performance was attributed to OMAI Gold Mines Limited (OGML) which produced 285,577 ounces of gold, 15.1 percent less than 2002 due to the scheduled depletion of the mine's reserves. Local producers declared 105,746 ounces, a 9.8 percent decrease compared with a 15.1 percent increase for the same period last year. This was explained, in part, by adverse weather conditions and higher fuel prices.

Diamond recoveries amounted to 412,538 metric carats, 66.1 percent above last year's level. The rising trend of output continued in response to the combination of the newer technology introduced during 2002, an increase in the number of mining concessions, as well as, favorable international prices during the year.

### Manufacturing

Real value added growth in the manufacturing sector, excluding sugar processing and rice milling, contracted by 2.2 percent following the stagnation in 2002. All indicative industries registered negative outturns. Semi-durables performance was lower as garments output slipped to 279,630 dozens from 407,681 dozens in response to rising domestic production costs. In the non-durable goods sector,

both alcoholic and non-alcoholic beverages lost market shares to regional competitors. The intermediate goods industries, including electricity and paint, also recorded poorer performances.

**Table III**

<b>Selected Production Indicators</b>			
<b>Manufacturing</b>			
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Consumer Non-Durables</b>			
Alcoholic Beverages ('000 litres)	23,869	25,442	20,381
Malta ('000 litres)	1,404	1,567	1,095
Non-Alcoholic Beverages ('000 cases)	3,609	4,218	4,198
Liquid Pharmaceutical ('000 litres)	232	313	185
<b>Consumer Semi-Durables</b>			
Garments ('000 dozens)	290	408	280
<b>Intermediate</b>			
Electricity (MWH)	505	513	489
Paints ('000 litres)	1,819	1,932	1,914

### Engineering and Construction

Value added in the engineering and construction sector rebounded by 5.6 percent following the 3.9 percent slippage during year 2002. The performance reflected the high implementation rate of capital projects undertaken by the public sector during the year. This outturn offset the subdued capital spending by the private sector.

### Services

The services sectors expanded by 1.4 percent following the modest 0.4 percent growth recorded during 2002. Transport & communications, other and financial services, as well as, rental of dwellings grew by 4.9 percent, 2.9 percent, 1 percent and 3.2 percent respectively. In contrast, the distribution sector, affected by low consumer confidence and damage by fire, declined by 2.6 percent. Government services recorded a moderate increase.

## AGGREGATE EXPENDITURE

**Table IV**

<b>Aggregate Expenditure</b>			
<b>G\$ Billion</b>			
	<b>2001</b>	<b>2002</b>	<b>2003</b>
GDP	133.4	138.4	144.1
Expenditure	155.9	155.9	160.0
Investment	51.4	52.7	50.5
Private	33.2	32.4	31.1
Public	18.2	20.3	19.4
Consumption	104.5	103.3	109.5
Private	74.0	70.3	71.6
Public	30.5	33.0	37.9
Resource Gap	-22.5	-17.5	-15.9

### Overall Expenditure

Aggregate expenditure was 2.6 percent above that of 2002. However, the share of consumption in total expenditure increased marginally from 66 percent to 68.4 percent and hence investment expenditure fell from 34 percent to 32 percent. The shift in the composition of expenditure contributed, in part, to the resource gap, (i.e., the difference between aggregate expenditure and domestic production valued at current market prices) contracting to G\$15.9 billion.

### Consumption Expenditure

Total consumption expenditure rose by 6 percent to G\$109.5 billion or to 76 percent of GDP, reflecting a 1.8 percent rise in private consumption expenditure. Private consumption was G\$71.6 billion and accounted for 44.8 percent of aggregate expenditure compared with 45.1 percent in 2002. Public sector consumption grew by 14.8 percent.

### Investment Expenditure

Investment expenditure contracted by 4.2 percent to G\$50.5 billion, reflecting a 4.4 percent decrease in public investment. Private sector investment decreased by 4 percent, reflecting, in part, falling business confidence and decelerating profitability.

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## EMPLOYMENT AND INFLATION

### Employment

Labor market developments were mixed during the year. Employment in the public sector fell by 3.8 percent following the 3.5 percent reduction during 2002. The public sector, apart from central government, accounted for most of the decline. In contrast, there was employment creation in the private sector, particularly through the expansion in the services industry. Labor market relations were relatively stable during the year.

### Earnings

Government raised the minimum wage, retroactive to January during the fourth quarter by 5 percent, to G\$22,099 per month and increased the income tax threshold by 11.1 percent to G\$240,000 per annum. Other sectors also received salary increases during this period. Workers in the sugar industry received bonuses based on performance during the year, as well as, an interim salary increase of 5 percent while some workers in the bauxite and financial services industries received lump sum severance payments. In contrast, the manufacturing and gold industries earned lower incomes due to the decline in output, international prices and rising input costs.

The trend in personal income and declining interest rates contributed, in part, to the sluggish investment outturn of the private sector and the moderate increase in financial assets held. In addition, deposit balances were less volatile during 2003. Deposits by the household component of the private sector rose by 4.8 percent during the year compared with 4 percent in 2002. The marginal deposits growth contributed to the retardation of interest income. Consequently, interest income on deposits and Government securities declined by 3.2 percent in comparison with 14.5 percent during 2002.

### Inflation

The urban consumer price index (CPI) for Georgetown rose by 5 percent compared with 6.1 percent for the same period last year. The higher price level was mainly reflected in the growth of the subgroup prices for food, housing, transport & communication, footwear & repairs and clothing. The rise in these indexes was due to seasonal pressures on food prices, discrete price increases for utilities, the impact of fuel on private transportation, as well as, adjustments in the price of services. The price index for furniture remained stable during the year as discretionary income declined and confidence waned.

The monthly average rate of inflation declined from 0.54 percent to 0.41 percent during 2003. This monthly average was exceeded during January, March, April, July, September and October while February, May, June, August, November and December recorded monthly changes below the benchmark. The observed fluctuations reflected mainly market conditions for vegetable and vegetable products as well as the discrete changes in utility tariffs and fuel prices.

**Table V**

Consumer Price Indices			
January 1994 = 100			
	2001	2002	2003
All Items	165.4	175.5	184.3
Food	167.6	170.9	175.8
Clothing	73.2	74.6	75.2
Footwear	62.5	62.5	64.2
Housing	182.2	199.6	213.3
Furniture	128.6	134.8	133.5
Transport & Communication	186.8	221.3	246.8
Medical & Personal Care	186.4	189.4	194.7

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### 3. INTERNATIONAL TRADE AND BALANCE OF PAYMENTS

The overall balance of payments deficit declined to US\$8.9 million from US\$25.4 million one year ago. This was due mainly to the improved performance of the current account even as the economy faced consistently higher fuel costs during the year and a smaller capital account surplus. The capital account outturn reflected higher scheduled amortization and lower private capital inflows. Financing of the balance of payments in the form of debt relief covered the deficit and allowed for a small increase in the net foreign assets of the Bank.

#### Current Account

The current account deficit contracted to US\$84.1 million or 11.4 percent of GDP from US\$106.6 million or 14.7 percent of GDP last year. This resulted mainly from improvements in both merchandise and service trade.

#### Merchandise Trade

The deficit on the merchandise trade account declined to US\$54.6 million from US\$67.6 million, reflecting the improved performance of the export sectors and lower trade imbalances with Europe and CARICOM.

Table VI

Balance of Payments			
US\$ Million			
	2001	2002	2003
<b>Current Account</b>	<b>-128.8</b>	<b>-106.1</b>	<b>-84.1</b>
Merchandise Trade	-93.8	-67.6	-54.6
Services	-79.0	-78.5	-69.8
Transfers	44.0	40.0	40.3
<b>Capital Account</b>	<b>116.4</b>	<b>86.1</b>	<b>75.0</b>
Capital Transfers	31.9	31.1	43.8
Non-Fin. Public Sector	39.4	19.7	12.4
Private Capital	56.0	43.6	26.1
Other	-	-	-
Short-term Capital	-10.9	-8.3	-7.3
<b>Errors &amp; Omissions</b>	<b>0.5</b>	<b>-5.3</b>	<b>0.3</b>
<b>Overall Balance</b>	<b>-11.9</b>	<b>-25.4</b>	<b>-8.9</b>

#### Exports

Total exports amounted to US\$517 million, 4.3 percent above the value recorded in 2002. This reflected mainly higher volumes of sugar, bauxite and rice on account of large carry over stocks, changes in management at the Linden bauxite mining operations and favorable climatic conditions respectively. The

value of 'other exports' was also higher as the outturn of some industries of the non-traditional sector strengthened. However, gold and timber exports continued to decline.

#### Sugar

Sugar export earnings increased in 2003 to US\$129.2 million, 8.1 percent above the corresponding level in 2002 as the industry exploited the large carry over stock. A total of 311,847 tonnes were exported, 10.7 percent higher than last year. The export unit value fell by 2.4 percent to US\$414.3 per tonne as larger volumes were shipped to areas other than the EU at the lower world market price.

Sugar shipped to the EU was paid an average of US\$509.2 per tonne while the average world market price received during the year was US\$278.3 per tonne. Exports to the EU under the Sugar Protocol of the Lomé Convention were 54.1 percent of the total compared with 57 percent in 2002.

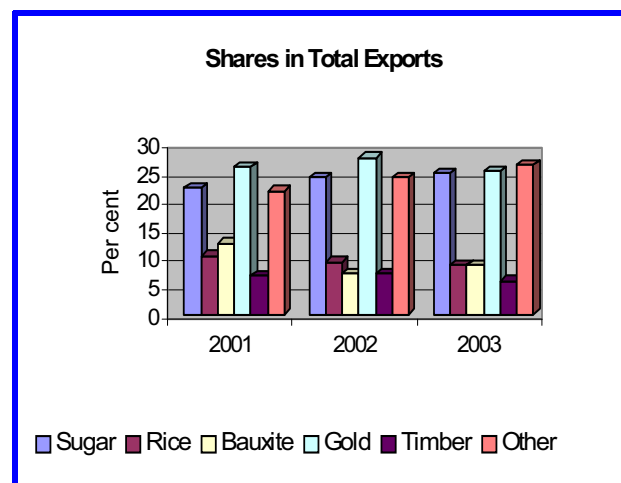


Figure 2

Sugar exported to the EU under the Special Preferential Agreement (SPA) and CARICOM, amounted to 4.8 percent and 28.1 percent respectively of the total volume exported. During 2002, exports to these markets were 11.3 percent and 20.9 percent respectively. Exports to the rest of the world amounted to 13 percent of the total volume of sugar exported compared with 10.8 percent during 2002.

### Rice

Rice export receipts in 2003 were US\$45.3 million, relatively unchanged from that earned in 2002. This year's outturn reflected the decline in world prices which offset the 3.6 percent increase in export volume to 200,431 tonnes. The unit value on volumes shipped decreased to US\$225.9 per tonne from US\$234.9 per tonne last year. Rice exported to the EU and CARICOM represented 53.7 percent and 25.8 percent of exports respectively compared with 62.3 percent and 30.7 percent respectively for the corresponding period in 2002.

**Table VII**

Exports of Major Commodities				
Product	Unit	2001	2002	2003
Sugar	Tonnes	252,333	281,619	311,847
	US\$m.	109.2	119.5	129.2
Rice	Tonnes	209,041	193,419	200,431
	US\$m.	50.2	45.4	45.3
Bauxite	Tonnes	1,836,388	1,514,743	1,659,787
	US\$m.	61.0	35.2	44.6
Gold	Ounces	449,345	451,251	367,935
	US\$m.	127.0	136.3	130.9
Timber	Cu. m	187,197	184,920	150,572
	US\$m.	33.0	35.5	30.7

### Bauxite

Bauxite export earnings increased to US\$44.6 million from US\$35.2 million last year. This performance was attributed mainly to increased production at the Linden operations and higher prices. Exports increased to 1,659,787 tonnes from 1,514,743 tonnes while unit values rose by 15.7 percent to US\$26.9 per tonne. Metallurgical Grade bauxite (MAZ) which

amounted to 1,449,021 tonnes compared with 1,371,075 tonnes last year, accounted for 87.3 percent of the total volume of bauxite ore exported during the year.

### Gold

Gold export receipts during 2003, declined by 3.9 percent to US\$130.9 million. This outturn reflected the lower output performances of both segments of the industry despite higher prices reflecting the decline in volume to 367,935 ounces from 451,251 ounces during 2002. OMAI, during the year, exported 268,660 ounces in comparison with 323,749 ounces in 2002, while the Guyana Gold Board (GGB) exported 99,275 ounces, 28,226 ounces less over the review period. Average export prices during 2003 were US\$355.7 per ounce compared with US\$302 during 2002.

OMAI continued to dominate this sector with export volumes accounting for 73 percent of the total in comparison with 71.7 percent during 2002. The remainder of the export market was supplied by the GGB.

### Timber

Timber exports amounted to US\$30.7 million, 13.5 percent below the level in 2002 mainly on account of lower log production. Receipts from other timber exports fell to US\$19.7 million from US\$24.3 million in 2002 despite unit values rising by 7 percent. Plywood exports also declined by 1.5 percent to US\$11 million during the review period.

### Other Exports

The value of all "other exports" including re-exports was US\$136.4 million, 10.1 percent above the value recorded last year. This category recorded a generally mixed performance as shown in Table VIII. Items that recorded significant gains were re-exports, diamonds, molasses, fruits & vegetables, fish & shrimps and pharmaceuticals.

**Table VIII**

<b>Other Exports</b>			
<b>US\$ Million</b>			
<b>Commodities</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Fish & Shrimp	49.3	52.6	53.9
Fruits & Vegetables	0.7	1.2	2.4
Pharmaceuticals	2.1	1.5	1.8
Garments & Clothing	15.5	17.2	11.0
Wood Products	4.1	0.6	0.9
Prepared Foods	5.3	5.6	5.5
Rum & Other Spirits	7.9	9.0	7.9
Diamonds	13.3	20.0	29.9
Molasses	...	2.8	3.1
Re-exports	3.2	4.0	11.5
Others*	8.5	8.9	8.6
<b>Total</b>	<b>109.9</b>	<b>123.6</b>	<b>136.4</b>

\* This category includes exports of wild life, personal effects, handicrafts and nibbi-furniture.

### Imports

Merchandise imports amounted to US\$571.7 million, 1.5 percent above the corresponding period in 2002. Consumption goods imported contracted by 5.1 percent to US\$149.3 million while intermediate and capital goods increased by 4.9 percent and 2 percent to US\$305.5 million and US\$116.1 million respectively. Other non-durable goods in the consumption goods category increased by US\$8.5 million or 28 percent while the other sub-groups except beverages & tobacco declined. Higher fuel costs were reflected in the US\$21.4 million or 17 percent increase in the value of fuel & lubricants imported. Imports of food for intermediate use also rose by US\$3.9 million or 22.5 percent. Transport and mining machinery imports in the capital goods groups increased by US\$4.8 million and US\$1 million to US\$23.3 million and US\$2.9 million respectively.

### Services and Unrequited Transfers

Guyana was a net importer of services to the value of US\$69.8 million compared with US\$78.5 million last year. During 2003, freight and merchandise insurance was the main form of non-factor service outflow at US\$46.4 million compared with US\$49.2 million

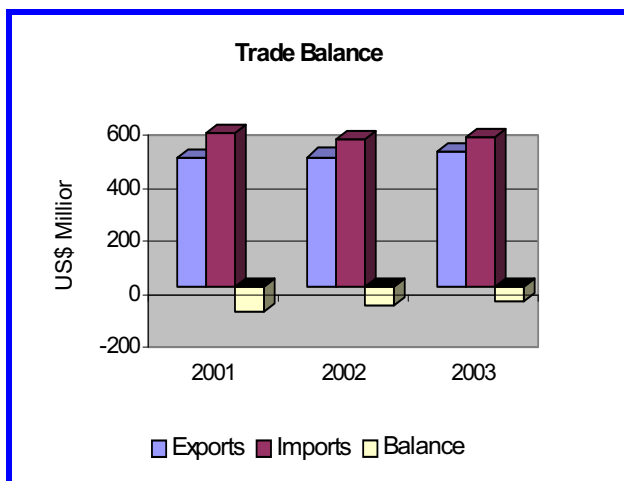
recorded in 2002. Travel & tourism and communications services were the main sources of non-factor inflows at US\$38.9 million and US\$26.4 million, respectively in 2002 compared with US\$49.3 million and US\$25.8 million in 2003. Net factor payments abroad declined to US\$49.7 million during 2003 from US\$55 million in 2002. Interest on public sector debt was marginally lower at US\$32.2 million compared with US\$33.6 million one year earlier.

**Table IX**

<b>Imports</b>			
<b>US\$ Million</b>			
<b>Items</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Consumption Goods</b>			
Food - Final Consumption	58.8	54.7	50.1
Beverage & Tobacco	13.7	11.4	12.0
Other Non-durables	31.0	30.4	38.9
Clothing & Footwear	13.1	16.0	11.5
Other Semi-durables	8.0	8.8	8.0
Motor Cars	12.3	11.8	11.3
Other Durables	28.3	24.3	17.6
<b>Sub-Total</b>	<b>165.2</b>	<b>157.3</b>	<b>149.3</b>
<b>Intermediate Goods</b>			
Fuel & Lubricants	131.5	125.8	147.2
Food - Intermediate use	17.1	17.3	21.2
Chemicals	31.2	29.5	25.3
Textiles & Clothing	9.3	9.5	6.7
Parts & Accessories	44.0	37.0	33.0
Other Intermediate Goods	67.7	72.0	72.1
<b>Sub-Total</b>	<b>300.8</b>	<b>291.1</b>	<b>305.5</b>
<b>Capital Goods</b>			
Agriculture Machinery	24.3	27.1	25.4
Industrial Machinery	9.2	9.3	7.4
Transport Machinery	14.4	18.5	23.3
Mining Machinery	2.1	1.9	2.9
Building Materials	30.7	31.5	31.5
Other Goods	34.5	25.6	25.6
<b>Sub-Total</b>	<b>115.2</b>	<b>113.9</b>	<b>116.1</b>
<b>Miscellaneous</b>	<b>2.9</b>	<b>0.8</b>	<b>0.7</b>
<b>Total Imports</b>	<b>584.1</b>	<b>563.1</b>	<b>571.7</b>

Net current transfers amounted to US\$40.3 million. Workers remittances and other unrequited transfers represented the main forms of current inflows totaling





**Figure 3**

US\$64.1 million and US\$47.7 million respectively compared with US\$51 million and US\$41 million. Workers remittances also represented the main form of current outflows at US\$60.1 million compared with US\$47.6 million one year ago.

### Capital Account

The capital account recorded a net inflow of US\$75 million during 2003, US\$11.1 million lower than that of 2002. A contraction in net long-term private capital flows and higher scheduled amortization payments accounted for the lower result. The central government and the non-financial public enterprises together recorded lower net inflows of US\$12.4 million compared with US\$19.7 million as disbursements decreased to US\$43.3 million from US\$45.3 million in 2002. Scheduled amortization

payments were higher at US\$31.8 million compared with US\$25.6 million, reflecting debt service commitments prior to debt relief.

Net long-term private sector capital inflows decreased to US\$26.1 million from US\$43.6 million, as well as, net short term capital outflows fell to US\$7.3 million compared with US\$8.3 million last year. Capital transfers increased to US\$43.8 million from US\$31.1 million mainly on account of higher receipts in the form of debt relief under the HIPC initiatives.

### Overall Balance and Financing

The overall balance of payments deficit reduced to US\$8.9 million from US\$25.4 million and was mainly financed by debt relief in the form of debt stock restructuring under the Original and Enhanced HIPC initiatives. This allowed the Bank's net foreign assets to increase moderately by US\$0.8 million.

**Table X**

Agency	Disbursements US\$ Million		
	2001	2002	2003
IDA	7.1	5.1	7.0
CDB	3.2	6.8	7.4
IFAD	0.8	0.5	0.8
IDB	53.3	30.6	28.1
EIB	1.9	2.3	-
<b>Total</b>	<b>66.3</b>	<b>45.3</b>	<b>43.3</b>

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## 4. FOREIGN EXCHANGE MARKET DEVELOPMENTS

The foreign exchange market was relatively stable during the year. The Guyana dollar depreciated against the US dollar while there was an increase in the volume of foreign currency transactions. Demand pressure early in the year was subsequently attenuated by increased export receipts to account for the outturn. The average spread between the purchases and sales exchange rates were higher however, especially in the bank segment of the cambio market.

### Foreign Exchange Rates and Volumes

During 2003, the Guyana dollar depreciated by 2 percent against the US dollar compared with 1.9 percent in 2002. Total foreign exchange transactions expanded by 11.8 percent to US\$2,283.3 million as a result of higher transaction volumes by the cambios and the Bank. However, non-resident foreign currency account transactions contracted by 7.8 percent during 2003.

### The Exchange Rate

The weighted mid-rate, after fluctuating throughout the year, depreciated by 2 percent at end-December 2003. The year commenced with the rate at G\$194.10 per US dollar and closed at G\$197.91 per US dollar. The depreciation occurred mainly as a result of demand pressure for imports of intermediate & capital goods and amortization. The Bank's transaction exchange rate, which is determined by the unweighted average of telegraphic transfer rates of the three largest dealers in the market, also depreciated by 1.3 percent compared with 1.2 percent last year. At the

beginning of the year, the Bank's exchange rate was G\$191.75 per US dollar and at the end of the year was G\$194.25 per US dollar. The Bank did not intervene in the foreign exchange market during the year.

The spread between purchases and sales exchange rates of the cambio market, expressed as a percentage of the weighted mid rate, rose to 2 percent from 1.5 percent one year ago. The average spread was 33.5 percent or G\$1 higher than last year's level. The average spread of the banks was G\$3.1 higher than that of the non-banks' compared with G\$1.1 during 2002. The banks and non-banks cambios spreads were G\$4.3 and G\$1.2 respectively.

### Overall Market Volumes

The volume of all foreign currency transactions grew by 11.8 percent to US\$2,283.3 million from US\$2,043.1 million one year ago. Total foreign currency purchases and sales expanded by 12 percent and 11.5 percent to US\$1,142.6 million and US\$1,140.8 million respectively. Consequently, net

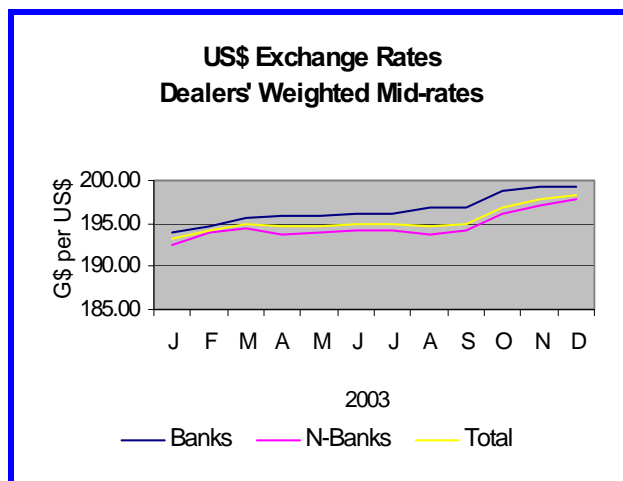


Figure 4

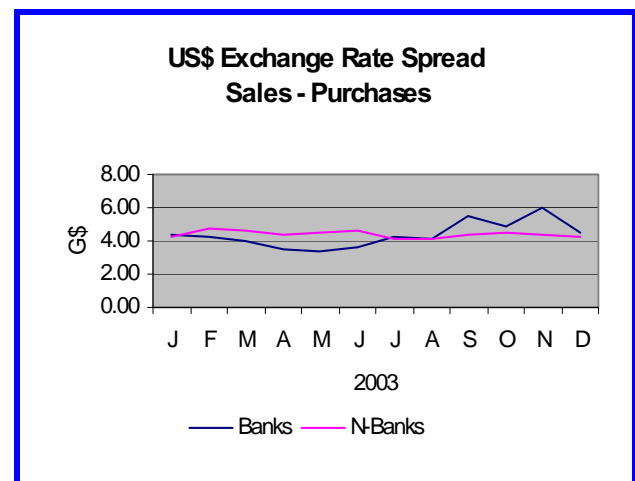


Figure 5

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purchases amounted to US\$1.8 million compared with net sales of US\$3.6 million one year ago. Transactions in CARICOM currencies were the main contributors to the higher net purchases.

Total cambio transactions increased to US\$1,063.8 million, 13 percent above the US\$941.2 million recorded last year. These transactions accounted for 46.6 percent of the total, 1.1 percent higher than one year ago. Bank cambio transactions volume rose by 14 percent to US\$958.5 million. These transactions represented 90.1 percent of the total cambio market volume compared with 89.3 percent at end-2002. Bank cambio purchases and sales grew by 14.5 percent and 13.6 percent to US\$481.2 million and US\$477.3 million respectively, contributing to net purchases of US\$3.9 million. The non-bank cambio transactions volume expanded by 4.7 percent to US\$105.4 million, although the share of the total fell from 10.7 percent in 2002 to 9.9 percent in 2003. Non-bank cambio purchases and sales rose by 4.5 percent and 4.8 percent to US\$52.6 million and US\$52.7 million respectively.

Transactions conducted by the Bank totaled US\$399.8 million, representing 17.5 percent of total foreign currency transactions compared with 16.6 percent in 2002. Purchases and sales accounted for US\$197.1 million and US\$202.7 million which rose by 20.9 percent and 15.7 percent respectively relative to last year's levels. Higher purchases were due mainly to an IDB disbursement of US\$6 million while larger sales resulted primarily from higher debt service and fuel payments.

The US dollar remained dominant in the cambio market, representing 92.5 percent of turnover, slightly lower than the 92.6 percent recorded last year. The

Pound Sterling accounted for 3.8 percent of the turnover, marginally higher than the 3.7 percent recorded last year. The Canadian dollar's share was unchanged while the CARICOM currencies recorded a drop in market turnover. The Euro accounted for less than 1 percent of market turnover.

During the year, there was no increase in the cambio license fee. The number of approved foreign currency accounts (including exporters' retention accounts) totaled 695, an increase of 3 percent above the 2002 level. Twenty (20) new accounts were opened which were associated with technical assistance, agriculture, banking, manufacturing, construction and sports. The value of debits and credits through these accounts increased by 7.4 percent and 8.3 percent to US\$401 million and US\$406.7 million respectively. Transactions through these accounts accounted for 35.4 percent of the total. The balances outstanding on these accounts summed to US\$5.7 million.

### **CARICOM Currencies**

The value of CARICOM currencies traded on the cambio market in 2003 was equivalent to US\$11.9 million, falling from the US\$14.9 million recorded one year earlier. The Barbados and Eastern Caribbean currencies which together represented 96.6 percent of the total continued to dominate transactions in CARICOM currencies.

The exchange rate for Barbados, Belize and Eastern CARICOM currencies remained fixed during the review period. The exchange rate changes for the floating currency regimes were mixed. The Trinidad & Tobago dollar appreciated marginally by 0.9 percent while the Jamaica dollar depreciated by 19.6 percent. • •

## 5. PUBLIC FINANCE

The overall financial operations of the public sector, computed on a cash basis, deteriorated on account of the performances of both the central government and the non-financial public enterprises (NFPEs) excluding the operations of the Guyana Power and Light (GPL). The central government's overall performance reflected higher non-interest payments and a larger capital account deficit. A larger overall deficit was recorded by the NFPEs mainly on account of GUYSUCO's capital spending.

### CENTRAL GOVERNMENT

The central government's overall deficit expanded to G\$11,003.8 million during this year from G\$9,973 million one year ago. The performance resulted mainly from higher non-interest payments and a larger deficit on the capital account which offset the contraction in current interest payments.

#### Current Account

The current account deficit increased to G\$742.5 million from G\$86.1 million one year ago. The outturn resulted mainly from an increase of G\$3,377.1 million in current non-interest expenditure which offset the G\$1,914.2 million decline in interest payments and the moderate increase in current revenue of G\$806.5 million.

#### Revenue

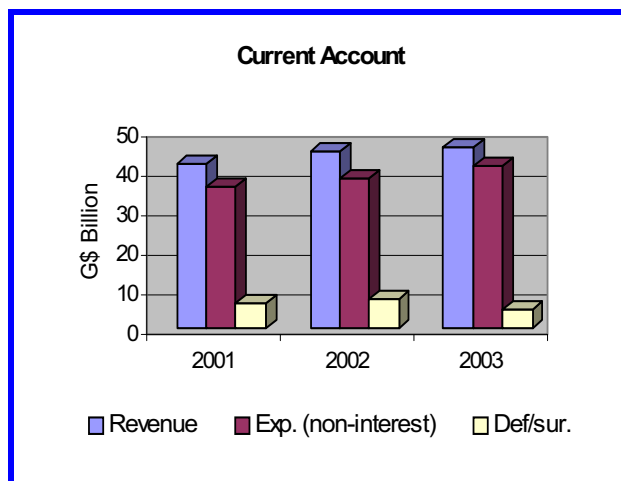
Total current revenue (excluding the reimbursable rice levy) rose by G\$806.5 million or 1.8 percent to G\$45,390.6 million and represented 98.7 percent of the annual budget. This reflected higher collections

from both the Customs and Trade Administration (CTA) and the Internal Revenue Department (IRD).

The IRD's collection increased by 1.3 percent or G\$271.4 million to G\$21,326.8 million. This effort marginally exceeded the year's target and represented 47 percent of the total current revenue. The outturn was attributed largely to the increase of G\$637.2 million in personal income tax. In contrast, companies tax (including self-employed and corporations) and net property tax declined by G\$48.4 million and G\$266.3 million respectively.

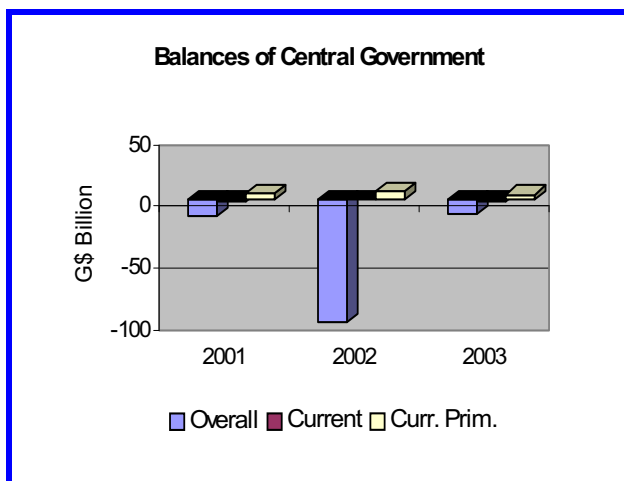
**Table XI**

Central Government Finances			
G\$ Million			
	2001	2002	2003
<b>CURRENT ACCOUNT</b>			
Revenue	41,426.3	44,583.9	45,390.4
Expenditure (non-interest)	35,365.8	37,444.9	40,822.0
Current Primary balance	6,060.5	7,139.0	4,568.4
Interest	8,056.5	7,225.1	5,310.9
Current Balance	-1,996.0	-86.1	-742.5
<b>CAPITAL ACCOUNT</b>			
Receipts	5,716.4	5,847.1	7,014.4
Expenditure	16,510.4	15,739.0	17,275.7
<b>OVERALL BALANCE</b>	-12,790.1	-9,973.0	-11,003.8
<b>FINANCING</b>			
External Borrowing (net)	9,948.2	3,852.2	8,346.8
Domestic Borrowing (net)	4,605.7	4,029.7	2,816.9
Non-Project BOP Grants	-	-	-
Other Financing	-1,763.8	2,091.1	-2,159.9



**Figure 6**

The CTA's collection rose by 2.1 percent to G\$19,792.8 million or 44.5 percent of total current



**Figure 7**

revenue and 94.8 percent of the budget. The outturn resulted mainly from the decline of G\$219.3 million in import duties following a decline in the value of imports on consumption goods. However, local consumption tax rose by G\$535.6 million.

### Expenditure

Total current expenditure rose by G\$1,462.9 million or 3.3 percent to G\$46,132.9 million and represented 96.9 percent of the year's budget. Non-interest expenditure was G\$40,822 million, an increase of G\$3,377.1 million above the G\$37,444.9 million recorded during 2002. The outturn was due to increases in employment cost of G\$509.1 million, the payment of electricity charges (G\$247.7 million), transfers to the Linden community (G\$1,662.3 million) and payment of pensions (G\$224.1 million).

In contrast, interest expenditure decreased by 26.5 percent to G\$5,310.9 million. This was associated with a 31.2 percent or G\$1,346.5 million contraction in domestic interest payments to G\$2,966.3 million following lower interest charges on the stock of treasury bills redeemed. External interest charges fell by 19.5 percent or G\$567.7 million to G\$2,912.3 million as debt relief was delivered under the HIPC initiatives.

### Capital Account

The capital account deficit expanded by 3.6 percent or G\$374.4 million to G\$10,261.3 million during the review period. The performance was due to higher capital expenditure which exceeded the increase in capital revenue. Capital expenditure rose by 9.8 percent or G\$1,541.7 million to G\$17,275.7 million. Capital revenue expanded by 20 percent to G\$7,014.4 million, reflecting mainly increases of G\$1,231.1 million and G\$424.4 million in HIPC relief and project grant respectively.

### Overall Balance and Financing

The overall deficit expanded by G\$1,030.8 million to G\$11,003.8 million from G\$9,972.5 million one year ago. This resulted primarily from higher non-interest payments and a larger deficit on the capital account. The overall deficit was financed from both domestic and external sources. Net external financing was G\$8,346.8 million, of which disbursements were G\$11,584.8 million, G\$5,122.8 million was repaid and G\$1,884.8 million was rescheduled. Net domestic financing was G\$2,657 million with net borrowing from the banking system amounting to G\$9,402.4 million. Net income from divestment was G\$2,000 million, reflecting mainly the sale of GNCB to NBIC, while G\$7,918 million was issued to recapitalize GNCB and G\$2,141 million were other inflows.

### NON-FINANCIAL PUBLIC ENTERPRISES

The overall cash performance of the non-financial public enterprises (NFPEs), including the National Insurance Scheme (NIS) and the Guyana Power and Light (GPL), contracted during 2003 when compared with 2002. However, when GPL was excluded, the NFPE's overall cash outturn deteriorated. The overall surplus also declined following weaker performances from GUYSUCO and NIS.

### Current Account

The current cash surplus of the NFPEs, excluding GPL, improved by G\$511.3 million to G\$3,770.2 million from G\$3,258.9 million one year ago. The

outturn was attributed to a growth of G\$7,611.3 million in current revenue and the decline of G\$374.9 million in transfers to central government which offset the increase of G\$7,474.9 million in current expenditure. When GPL was included in the current account, the surplus rose to G\$4,300.7 million.

**Table XII**

<b>Summary of Public Enterprises Finances</b>			
<b>G\$ Million</b>			
	<b>2001</b>	<b>2002</b>	<b>2003<sup>1</sup></b>
<b>CURRENT ACCOUNT</b>			
Revenue	45,462.4	50,603.4	58,214.6
Expenditure	39,812.1	45,661.1	53,136.0
Oper. Sur.(+)/(Def.-)	5,650.3	4,942.3	5,078.6
Transfers to Cent. Gov't	481.7	1,683.4	1,308.5
Cash Sur.(+)/Def.-)	5,168.6	3,258.9	3,770.2
<b>CAPITAL ACCOUNT</b>			
Expenditure	1,712.5	1,732.4	2,783.7
Overall Cash Sur.(+)/Def.-)	3,456.1	1,526.5	986.4
Financing	-3,456.1	-1,526.5	-986.4
External Borrowing (net)	-394.7	-142.0	286.0
Domestic Finance (net)	-3,061.4	-1,384.4	-1,272.4

<sup>1</sup> Figures exclude GPL.

### Receipts

The current cash receipts of the NFPEs, excluding GPL, expanded by 15 percent or G\$7,611.3 million to G\$58,214.6 million. This resulted mainly from higher export sales and receipt from debtors.

Export sales grew by 13.7 percent to G\$32,406.3 million and represented 55.7 percent of total current revenue. This was attributed mainly to higher cash receipts of G\$502.1 million, G\$441.9 million and G\$2,997 million garnered by AROAIMA, LINMINE and GUYSUCO respectively.

Local sales rose by 5.9 percent to G\$12,167.7 million and represented 20.9 percent of total revenue. This resulted largely from increases of G\$1,130.7 million in receipts by GUYOIL and G\$202.2 million in contributions to NIS.

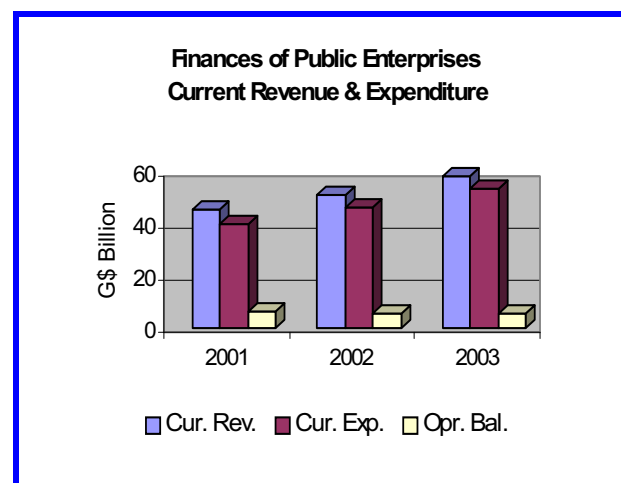
Receipts from debtors which accounted for 15.2 percent of total current revenue rose by 63.9 percent to G\$8,865 million. The outturn resulted largely from increases of G\$2,513.2 million and G\$1,013.8 million from GUYOIL and BERMINE respectively.

In contrast, other receipts, which represented 8.2 percent of total current revenue, fell by 8.5 percent to G\$4,775.6 million. The outturn reflected primarily decreases of G\$239.8 million, G\$277.3 million and G\$378.4 million by LINMINE, BERMINE and NIS respectively. However, receipts by AROAIMA and GUYSUCO rose by G\$328.1 million and G\$66 million respectively.

NIS's receipts fell by 2.7 percent to G\$6,382.3 million as a result of a G\$378.4 million decline in investment income. Income from investments fell by 38.2 percent to G\$614.1 million following continuous decline in treasury bills and fixed-deposit interest rates. In contrast, contributions rose by G\$202.2 million to G\$5,746.8 million due to the payment of G\$275 million in arrears and the increase in remuneration to public servants in the last quarter of 2002.

### Expenditure

Total current expenditure of the NFPEs, excluding GPL, grew by 16.4 percent or G\$7,474.9 million to G\$53,136 million. This resulted from higher spending on employment, materials & supplies, payments to



**Figure 8**

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creditors, repairs & maintenance, interest and other spending.

Employment cost, which represented 33.4 percent of total current expenditure, increased by 2 percent to G\$17,766.3 million. This was associated largely with an expansion in costs by GUYSUCO (G\$1,117 million) and NIS (G\$41.1 million). In contrast, LINMINE's and BERMINE's costs fell by G\$616.2 million and G\$167.4 million respectively as employment levels contracted in both entities.

Spending on materials and supplies which accounted for 24.1 percent of total current expenditure, rose by 9.2 percent to G\$12,803 million. The expenses largely reflected increased outlays by GUYSUCO (G\$1,349 million), LINMINE (G\$505.3 million) and AROAIMA (G\$142 million). In contrast, GUYOIL's spending declined by G\$539.7 million.

Payments to creditors in 2003 were G\$7,734.6 million, 47.5 percent over the corresponding level in 2002 and represented 14.6 percent of total current expenditure. This reflected mainly a G\$3,037.8 million growth in payments by GUYOIL.

Expenditure on repairs & maintenance and other outlays which together accounted for 27.6 percent of total current expenditure, rose by 83.3 percent and 27.1 percent to G\$1,465.9 million and G\$13,177.1 million respectively. The former resulted largely from increased outlays by LINMINE (G\$169.8 million), BERMINE (G\$191.1 million) and AROAIMA (G\$268.8 million). The latter was due to higher spending by LINMINE (G\$308.9 million), BERMINE

(G\$560.4 million), GUYOIL (G\$641.5 million), AROAIMA (G\$1,132.1 million) and NIS (G\$513.2 million). Interest payments grew by G\$90.8 million to G\$189.2 million from G\$98.3 million one year ago.

Total current expenditure by NIS grew by 10.9 percent to G\$5,594.3 million. The outturn was attributed largely to increases of G\$369.2 million and G\$41.1 million in payments to pensioners (following higher pension rates and pension population) and employment costs respectively.

### **Capital Account**

Capital expenditure of the NFPEs, excluding GPL, increased by 60.7 percent or G\$1,051.3 million to G\$2,783.7 million. The main contributing factor was a G\$1,162 million growth in capital outlays by GUYSUCO associated with the Skeldon Factory Modernization Project.

### **Overall Balance and Financing**

The overall balance of the NFPEs, excluding GPL, recorded a smaller surplus of G\$986.4 million from G\$1,526.5 million last year. This was financed by borrowings from external sources. Net external resources were G\$286 million, reflecting GUYSUCO's borrowings of G\$382 million from abroad. Net inflow of domestic resources amounted to G\$1,272.4 million of which loans from the local non-banks were nil and holdings of government securities, G\$2,368.4 million. Inflows to the banking system amounted to G\$76.8 million. GPL generated a surplus of G\$1,351.9 million during 2003. • •

## 6. PUBLIC DEBT

The stock of Government's domestic bonded debt increased by 15.1 percent while its external debt declined by 13 percent during 2003. The rise in domestic obligations mainly reflected a special issue of debentures while the decrease in the external stock of debt reflected mainly debt relief received upon Guyana's attainment of completion point status under the Enhanced Initiative for Heavily Indebted Poor Countries. Debt service on the domestic stock contracted as a result of lower interest rates while the increase in external debt service reflected the regularization of the provision of debt relief under the HIPC initiatives.

### Domestic Public Debt

The outstanding stock of government domestic bonded debt increased by 15.1 percent or G\$8,129 million to G\$61,923 million at end-December 2003. This increase stemmed mainly from a special issue of debentures during the year to recapitalize the Guyana National Cooperative Bank (GNCB) at the time of its privatization. The stock of debentures increased by G\$7,918 million to G\$11,817 million while the volume of treasury bills outstanding increased by 0.4 percent or G\$211 million to G\$50,103 million.

The maturity structure of the outstanding stock of treasury bills shifted towards the shorter term issues as evidenced by the increased holdings of the 91-day which expanded by 24.8 percent to G\$3,711 million. The stock of both the 182-day and 364-day bills contracted by 3.3 percent and 0.5 percent to G\$9,855 million and G\$36,536 million, respectively. Consequently, the share of 91-day bills increased to 7.4 percent from 6 percent while that of the 182-day

and 364-day bills declined to 19.7 percent and 72.9 percent from 20.4 percent and 73.6 percent, respectively. The share of debentures and defense bonds increased in the stock of domestic debt to 19.1 percent from 7.2 percent one year earlier.

The distribution of treasury bills by holder shifted during the year with claims by the financial sector increasing. The commercial banks held G\$25,225 million or 50.3 percent of the outstanding stock of treasury bills in comparison with G\$24,857 million or 49.8 percent at end-December 2002. The other financial institutions recorded growth of 14.6 percent or G\$1,491 million to reach G\$11,720 million or 23.4 percent of the outstanding stock, compared with 20.5 percent held at end-2002. The public sector's share, represented by that of the National Insurance Scheme (NIS), slipped to 21.5 percent, from 26.9 percent in year 2002. The private sector's share including non-residents, also declined to 0.1 percent from 0.5 percent one year earlier.

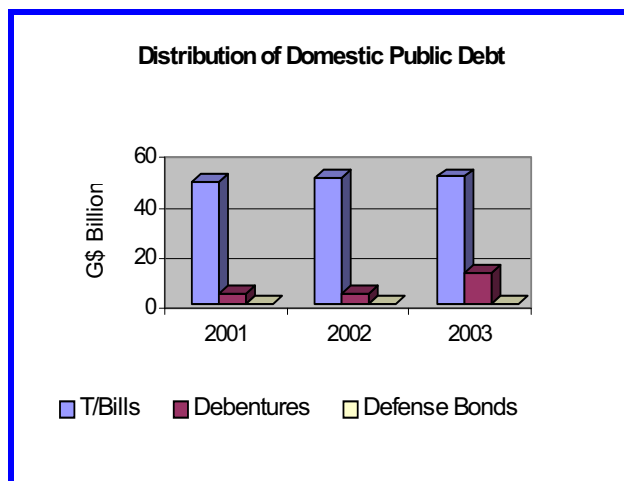


Figure 9

Table XIII

Central Government Bonded Debt			
G\$ Million			
	2001	2002	2003
<b>Total Bonded Debt</b>	<b>52,008</b>	<b>53,794</b>	<b>61,923</b>
Treasury Bills	48,090	49,892	50,103
91-day	3,640	2,973	3,711
182-day	7,600	10,189	9,855
364-day	36,850	36,730	36,536
Debentures	3,914	3,899	11,817
Defense Bonds	4	4	4



The Government of Guyana issued treasury bills totaling G\$75,121. million, 8.5 percent more than the level issued last year. Issues of the 91-day bills, inclusive of special issues to the Bank in satisfaction of its reserve requirements, increased by 18.1 percent to G\$17,474 million, while issues of the 182-day bills rose by 16.2 percent to G\$21,111 million. Conversely, the 364-day bills contracted by 0.5 percent to G\$36,536 million. During the year a special issue of debentures totaling G\$7,918 million was transferred to NBIC following the recapitalization of the GNCB at the time of its sale.

Redemptions during the year were 10.7 percent higher reaching G\$74,910 million. Redemptions of the 91-day and 182-day maturities increased by 10.5 percent and 29.6 percent to G\$16,736 and G\$21,444 million respectively while those of the 364-day issue declined by 0.3 percent to G\$36,730 million.

**Table XIV**

<b>Domestic Debt Service Payments</b>			
<b>G\$ Million</b>			
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Total Bonded Debt</b>	<b>4,906</b>	<b>4,348</b>	<b>2,932</b>
Treasury Bills	4,568	4,147	2,521
91-day	373	207	134
182-day	882	520	403
364-day	3,313	3,420	1,984
Debentures	338	200	411

### **Debt Service Charges on Domestic Debt**

Interest accruing on the domestic bonded debt contracted by 32.6 percent or G\$1,415 million to G\$2,932 million in 2003, due primarily to lower interest rates on the stock of treasury bills. Interest paid on the 91-day and 182-day treasury bills declined by 35.1 percent and 22.4 percent or G\$73 million and G\$117 million to G\$134 million and G\$403 million respectively. Debt service on the 364-day maturity also decreased by 42 percent or G\$1,436 million to G\$1,984 million. However, interest paid on debentures increased by G\$211 million to G\$411

million, reflecting the increase in the outstanding stock.

### **Stock of External Debt**

Guyana reached its completion point under the Enhanced Initiative for Heavily Indebted Poor Countries (HIPC) in December 2003, thereby becoming eligible to receive the remainder of debt relief totaling US\$334.5 million in NPV terms due under this initiative. The modalities of the delivery of relief ranged from an outright stock-of-debt reduction to the provision of relief as debt service payments became due.

**Table XV**

<b>Structure of External Public Debt</b>			
<b>US\$ Million</b>			
	<b>2001</b>	<b>2002</b>	<b>2003</b>
Multilateral	796.7	835.2	916.8
Bilateral	352.3	350.7	111.7
Suppliers' Credit	13.0	15.7	14.3
Fin. Mkts/Bonds	35.4	44.8	41.0
<b>Total</b>	<b>1,197.3</b>	<b>1,246.4</b>	<b>1,083.8</b>

The stock of outstanding public and publicly guaranteed external debt declined by 13 percent or US\$162.6 million to US\$1,083.8 million, reflecting the partial receipt of relief due at Guyana's completion point under the Enhanced HIPC initiative. Obligations to the multilateral creditors which accounted for 84.6 percent of outstanding debt, grew by 9.8 percent or US\$81.6 million to US\$916.8 million. Indebtedness to the International Bank for Reconstruction and Development and the Caricom Multilateral Clearing Facility declined by US\$2.1 million and US\$8 million to US\$0.9 million and US\$43.9 million, respectively. Obligations to the International Monetary Fund also declined by 0.8 percent to US\$95.4 million, in contrast to indebtedness to the International Development Association and the Inter-American Development Bank, which increased by 18.6 percent and 11.6 percent to US\$234.2 million and US\$405.3 million, respectively. Obligations to the Caribbean

Development Bank also rose by 14.5 percent or US\$8.9 million to US\$69.8 million.

Total bilateral obligations which represented 10.3 percent of the total external debt, amounted to US\$111.7 million, 68.2 percent lower than the end-December 2002 level. Outstanding obligations of US\$45.4 million at end-December 2003 to Trinidad and Tobago, Guyana's largest bilateral creditor, reflected a decrease of 74.3 percent and a change in the mode of delivery of relief to a stock-of-debt operation. The debt to Trinidad and Tobago at end-2003 accounted for 40.6 percent of the bilateral and 4.1 percent of the total external debt stock.

### External Debt Service

Debt service during 2003 amounting to US\$49.7 million was 16.4 percent or US\$7 million above the US\$42.7 million recorded in 2002. This increase was due mainly to the regularization of the debt relief provided by a number of creditors to central government. The debt service ratio in 2003 was also higher at 9.6 percent compared with 8.6 percent at end-2002 on account of the increased debt service.

Principal and interest payments during the year amounted to US\$33.4 million and US\$16.3 million, respectively. Debt service by central government accounted for US\$28.5 million, an increase of US\$6.7 million above that paid in 2002 and the Bank US\$19.6 million, a decrease of 6.1 percent or US\$1.3 million. Payments to multilateral creditors were US\$39.9 million, 80.3 percent of total debt service while bilateral creditors received US\$6.9 million or 14 percent of the total. Debt service to the International Monetary Fund and the Inter-American Development Bank were US\$9.1 million and US\$12.1 million respectively. The IDA and OPEC received US\$2

million and US\$2.1 million respectively while payments to Trinidad and Tobago under the 1999 Lyons rescheduling agreement totaled US\$6.6 million.

### Debt Relief

Debt relief received in 2003 under the HIPC initiatives totaled US\$42.7 million, 4.7 percent or US\$1.9 million more than the US\$40.7 million provided in 2002. Relief under the O-HIPC initiative was US\$23.5 million, while that received under the interim E-HIPC initiative was US\$19.2 million, which was US\$7.1 million above 2002 and contributed to the overall increase. Assistance comprised US\$31.4 million from multilateral creditors, 4.6 percent or US\$1.4 million above the previous year, and US\$11.3 million from the bilateral Paris Club creditors, which was 0.1 percent more than that delivered in 2002.

**Table XVI**

<b>External Debt Service</b>			
<b>US\$ Million</b>			
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Total External Debt Service</b>	<b>52.8</b>	<b>42.7</b>	<b>49.7</b>
Bilateral	10.8	9.5	6.9
Multilateral	40.3	31.4	39.9
Nationalization	-	-	-
Suppliers' Credit	-	-	1.2
Bonds	1.7	1.7	1.3
Commercial Banks	-	-	-

Relief from the International Monetary Fund in 2003 was US\$9.4 million compared with US\$7.3 million delivered during 2002. The IDB contributed US\$9.9 million while the IDA, the CDB and EEC/EDF contributed US\$4 million, US\$2.6 million and US\$1.8 million, respectively. OPEC delivered relief of US\$0.9 million during 2003. • •

## 7. FINANCIAL SECTOR DEVELOPMENTS

Monetary policy remained focused on the management of excess liquidity to foster price and exchange rates stability as well as promote private sector credit expansion. During the year, liquidity growth was contained and domestic inflation, measured by the consumer price index, was lower than 2002 while the nominal exchange rate depreciated moderately. This year, NBIC acquired the assets of GNGB net of the loan portfolio which was transferred out of the banking system for debt recovery. Commercial banks' interest rates continued trending downwards due in part to the decline in the benchmark 91-day treasury bill rate while intermediation spreads contracted from the effect of the privatization on risk exposure. The non-bank financial institutions continued to actively participate in the financial sector.

### MONETARY DEVELOPMENTS

#### Reserve Money

Reserve money at end-December 2003 stood at G\$40,105 million, 10.3 percent or G\$3,761 million above the end-December 2002 level compared with the 10 percent or G\$3,308 million increase during 2002. The overall increase reflected the 6.1 percent and 16.1 percent growth in the reserves of the commercial banks and currency in circulation respectively. The net foreign assets of the Bank expanded by 1.9 percent while net domestic assets increased by 27.9 percent.

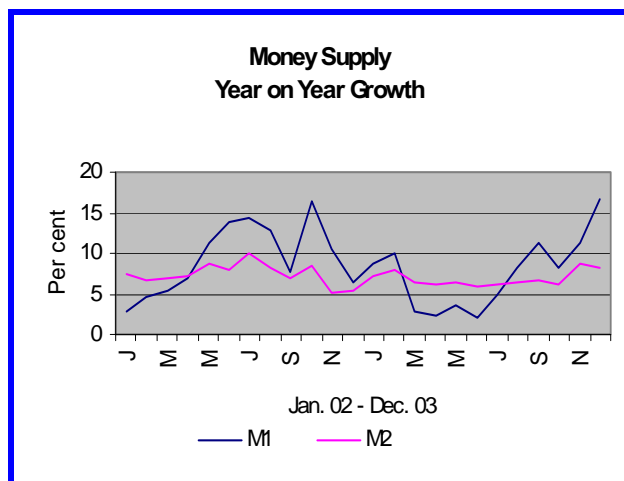
#### Money Supply

Broad money (M2), consisting of currency in circulation and private sector deposits, amounted to G\$106,259 million or 8.3 percent above the end-December 2002 level. The expansion was more than

the 5.5 percent recorded during the corresponding period last year and reflected the acceleration in both Narrow and Quasi-money.

**Table XVII**

Reserve Money			
G\$ Million			
	2001	2002	2003
Net Foreign Assets	23,538	24,539	25,011
Net Domestic Assets	9,498	11,804	15,094
Credit to Public Sector	-38,188	-36,519	-34,867
<b>Reserve Money</b>	<b>33,036</b>	<b>36,344</b>	<b>40,105</b>
Liabilities to:			
Commercial Banks	17,898	20,934	22,217
Currencies	1,671	1,768	1,886
Deposits	16,165	19,103	20,269
EPDS	62	62	62
Currency in circulation	15,138	15,410	17,888
<b>Monthly Average</b>			
Reserve Money	29,010	34,271	35,012
Broad Money (M2)	87,749	94,288	100,742
Money Multiplier	3.02	2.75	2.88



**Figure 10**

Narrow money (M1), comprising of currency in circulation, private sector demand deposits and cashiers cheques and acceptances, amounted to G\$30,792.7 million, 16.8 percent above the end-December 2002 level. Currency in circulation of G\$17,888 million increased by 16.1 percent or G\$2,478 million from end-December 2002 while demand deposits, including cashiers' cheques and acceptances rose by 17.8 percent or G\$1,949 million during the period reviewed to G\$12,905 million. Demand deposits grew by 15.6 percent or G\$1,535 million during 2003.

The acceleration of M1 reflected in part, unseasonally high demand for liquidity by the public sector and foreign exchange inflows during December.

Quasi-money, comprising interest-earning deposits of the private sector and accounting for 71 percent of M2, registered a 5.1 percent growth during the review period, 10 basis points less than the corresponding period in 2002. The increase in quasi-money resulted from a 10.4 percent or G\$5,368 million expansion in savings deposits compared with an increase of 14.3 percent or G\$6,434 million at end-December 2002. Time deposits declined by 8.3 percent during the review period to G\$18,624 million.

**Table XVIII**

<b>Monetary Survey</b>			
<b>G\$ Million</b>			
	<b>2001</b>	<b>2002</b>	<b>2003</b>
Narrow Money	24,807	26,365	30,793
Quasi-Money	68,228	71,783	75,466
Money Supply (M2)	93,035	98,147	106,259
Net Domestic Credit	26,053	28,141	25,872
Public Sector (net)	-24,213	-22,026	-12,644
Private Sector Credit	57,810	58,665	48,594
Agriculture	8,173	6,854	3,539
Manufacturing	15,237	13,834	10,083
Distribution	10,373	10,156	9,317
Personal	8,182	9,249	9,131
Mining	737	715	706
Other Services	7,112	6,500	5,746
Real Estate Mortgages	3,912	3,514	3,632
Other	4,084	7,843	6,440
Nonbank Fin. Inst.	-7,545	-8,498	-10,078
Net Foreign Assets	30,136	32,203	38,078
Other Items (net)	36,847	37,803	42,310

### **Money Multiplier and Income Velocity**

The yearly average for the M2 multiplier (defined as the ratio of M2 to Reserve money) increased to 2.88 from 2.75 in 2002, reflecting the faster M2 averaged growth compared with that of reserve money.

The income velocity of money circulation, defined as the ratio of GDP to M2, which measures the speed at

which broad money (M2) circulates to support a given volume of transactions, remained relatively stable.

### **Commercial Banks Deposits**

The total deposits of the commercial banks grew during the review period but slower than during 2002, reflecting in part the contraction in economic activity. Higher deposits were recorded by all institutional sectors viz the public, private and non-bank financial sectors.

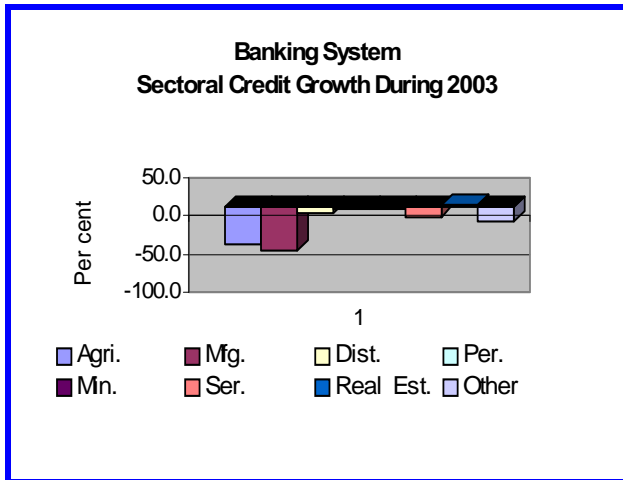
### **Deposits**

Total deposits of residents, inclusive of the private sector and the non-bank financial institutions rose by 7.5 percent or G\$7,560 million to G\$108,684 million during the review period, compared with a 9.5 percent or G\$8,789 million increase during 2002. The performance reflected the strength of private sector deposits which were contained by the public sector.

Private sector deposits, which accounted for 79.9 percent of total deposits by residents at the end of December 2003, grew by 6.4 percent or G\$5,219 million compared with a 6.4 percent or G\$4,940 million growth recorded for the corresponding period in 2002. Business enterprises and individual customers' deposits grew by 12.8 percent and 4.8 percent respectively compared with increases of 17.5 percent and 4 percent respectively for the comparable period last year.

The deposits of the public sector expanded by 6.1 percent or G\$629 million to G\$10,909 million during 2003 compared with an increase of 34.5 percent or G\$2,636 million for the similar period in 2002. Deposits of the public non-financial enterprises decreased by 11.3 percent or G\$305 million to G\$2,403 million while total general government deposits rose by 12.3 percent or G\$934 million to G\$8,506 million.

The deposits of the non-bank financial institutions grew by 18.6 percent or G\$1,712 million to G\$10,934



**Figure 12**

million during the review period compared with an increase of 15.1 percent or G\$1,213 million in 2002

### Investments

Commercial banks' investments, comprising of securities and private sector loans and advances at end-December 2003, amounted to G\$77,160.4 million or 57.2 percent of total assets. At end-December 2002, commercial banks' investments were G\$79,004.6 million or 58.5 percent of total assets. Loans to the private sector during 2003, declined by G\$8,860.3 million or 18.7 percent, reflecting mainly the removal of G\$8,457 million of GNCB's private sector loan portfolio from banking system credit. However, banks continued to hold a significant part of their investment portfolio in government securities with treasury bills and debentures increasing by 1.6 percent and 100 percent to G\$24,328.9 million and G\$7,918 million respectively.

## BANKING SYSTEM

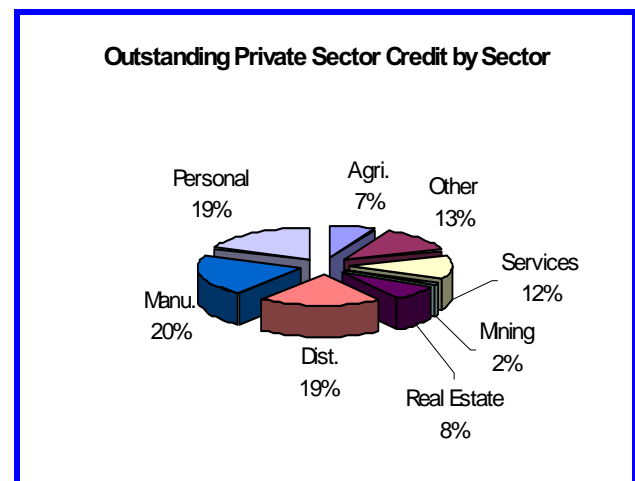
### Net Domestic Credit

Net domestic credit by the banking system decreased by 8.1 percent or G\$2,270 million to G\$25,871 million at the end of December 2003 compared with an increase of 8 percent or G\$2,089 million at end-December 2002. This outturn resulted mainly from the transfer of GNCB's loan portfolio of G\$8,476

million to a debt recovery institution that was partially offset by a decline of G\$9,382 million of net deposits of the public sector and G\$1,614 million decrease in gross credit to the private sector. Net deposits of the financial institutions increased by 18.6 percent to G\$1,580.6 million.

### Credit to the Private Sector

Credit to the private sector decreased by 17.2 percent or G\$10,071 million compared with an increase of 1.5 percent or G\$855 million at end-December 2002. The outturn was primarily on account of the transfer of G\$8,457 million from the loan portfolio of GNCB to a debt recovery institution. The composition of the loans transferred were 35.3 percent, 22.6 percent and 17 percent for the agriculture, rice milling and manufacturing sectors respectively and 10 percent for personal loans. Private sector credit net of the transfer, was 45.7 percent of M2 compared with 59.8 percent at end-December 2002. Credit to the manufacturing sector, excluding rice milling, contracted by 14.5 percent or G\$1,109 million while loans and advances to the agriculture, rice milling and mining sectors fell by 48.4 percent, 42.6 percent and 1.2 percent respectively. The personal sector exposure declined by 1.3 percent at end-December 2003 compared with a 13 percent growth for the same period last year. Loans to the distribution sector decreased by 8.3 percent over the review period compared with 2.1 percent in 2002. Credit to other



**Figure 11**

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services declined by 11.6 percent compared with an 8.6 percent reduction in the previous year. Apart from loans, the other category of credit which was largely made up of purchases of local securities by commercial banks, decreased by 17.9 percent in contrast with an expansion of 92 percent last year. Loans to the real estate sector which was the only sector to show an increase, grew by 3.4 percent over the review period compared with a decrease of 10.2 percent in 2002.

At end-December 2003, the commercial banks' major exposures to the private sector were 21 percent to manufacturing, including rice milling, 19 percent to distribution, 19 percent to personal, 12 percent to other services and 7 percent to agriculture.

#### **Net Credit to the Public Sector**

The public sector continued to be a net depositor of funds with the banking system during the review period. At end-December 2003, the net deposits of the public sector (deposits net of loans, advances, treasury bills and debentures) decreased by 42.6 percent or G\$9,382 million mainly on account of an issued debenture of G\$7,918 million for the recapitalization of GNCB. During 2002, public sector net deposit also contracted by 9 percent or G\$2,187 million.

Central government's net deposits with the banking system fell by 61.3 percent during 2003. Net deposits of the public enterprises declined by 16.8 percent compared with a 0.4 percent contraction in 2002. The rest of the public sector which includes the local government and the National Insurance Scheme, recorded an increase of 7.1 percent or G\$340 million in net deposits compared with 18.9 percent or G\$762 million increase in the comparable period.

#### **Net Credit to the Non-Bank Financial Institutions**

The non-bank financial institutions continued to be net depositors of funds with the banking system, totaling G\$10,078.3 million or an increase of 18.6 percent above the end-2002 level. This outturn resulted

primarily from a 15.8 percent or G\$1,375.5 million increase in deposits of the private non-bank financial institutions.

#### **Net Foreign Assets**

The net foreign assets of the banking system increased by 16.7 percent or US\$28.1 million to US\$196 million at end-December 2003. The net foreign assets of the commercial banks improved to US\$67.3 million at end-December 2003, a 68.3 percent or US\$27.3 million increase over the end-December 2002 level.

Net foreign assets of the Bank rose by 0.6 percent to US\$128.8 million from the US\$128 million recorded at end-December 2002. The foreign liabilities of the Bank decreased to US\$142.8 million from US\$151.5 million at end-December 2002. The net foreign assets of the commercial banks which stood at US\$67.3 million at end-December 2003, resulted from an increase in gross foreign assets of US\$26.8 million. The gross foreign liabilities decreased by US\$0.5 million to US\$25.4 million from US\$25.9 million at end-December 2002.

#### **Interest Rates**

During the review period the 91-day treasury bill rate, the benchmark for the interest rate structure, declined by 51 basis points from 3.91 percent at end-December 2002 to 3.4 percent at end-December 2003.

The small savings rate fell by 83 basis points to 3.46 percent as the rates adjusted to the reduction in the 91-day treasury bill rates.

The weighted average lending rate also declined by 125 basis points compared with a 77 basis points reduction for the corresponding period in 2002. The commercial banks' interest rates spreads contracted during 2003 as the lending rates adjusted faster than the deposits rates. The spread between the commercial banks savings rate and the weighted average lending rate declined by 42 basis points over the review period. The spreads between the prime

lending rate and the small savings rate decreased to 11.42 percent from 11.96 percent at the end of December 2003.

### Liquidity

Total liquid assets of the commercial banks amounted to G\$39,992 million or 7.2 percent above the end of 2002. The banks' excess liquid assets amounted to G\$16,482 million or 70.1 percent above the required amount in comparison with 67 percent last year. The high level of excess liquid assets reflected the banks' preference for short-term assets comprising mainly of Government of Guyana treasury bills. Treasury bills accounted for 63 percent of total liquid assets compared with 68.6 percent at end-December 2002 while deposits with the banks abroad accounted for 13.6 percent in comparison with 6.8 percent last year.

**Table XIX**

<b>Commercial Banks</b>			
<b>Selected Interest Rates and Spreads</b>			
<b>All interest rates are in percent per annum</b>			
	<b>2001</b>	<b>2002</b>	<b>2003</b>
1. Small Savings Rate	6.70	4.29	3.46
2. Weighted Avg. Time Deposit Rate	7.04	4.02	3.24
3. Weighted Avg. Lending Rate	17.60	16.83	15.58
4. Prime Lending Rate	16.25	16.25	14.88
5. End of period 91-day Treasury Bill Discount Rate	6.25	3.91	3.40
<b>Spreads</b>			
A (3-1)	10.90	12.54	12.12
B (4-1)	10.09	11.96	11.42
C (5-1)	-0.45	-0.38	-0.06
D (3-2)	10.57	12.81	12.34
E (4-2)	9.76	12.23	11.64

Total reserves deposited with the Bank were G\$20,269 million, 6.1 percent higher than the value in 2002. The required statutory reserves of the banks amounted to G\$13,516.7 million and were 5.2 percent higher than end-2002, reflecting the increase in savings deposit liabilities over the review period. Reserves in excess of the minimum requirement which

averaged G\$4,664.5 million in December 2003, were 35.2 percent of the average required reserves for the same period compared with 52.4 percent last year.

### NON-BANK FINANCIAL INSTITUTIONS

The Non-Bank Financial Institutions (NBFIs) continued to successfully mobilize resources within the financial sector during 2003. The NBFIs which accounted for the activities of depository and non-depository licensed and unlicensed financial institutions, recorded a 18.7 percent growth in financial resources to reach G\$78,736.5 million at end-December 2003. Consequently, the NBFIs' share of total assets in the financial sector increased to 36.3 percent at end-2003 from the 32.9 percent recorded at end-December 2002.

**Table XX**

<b>NON-BANK FINANCIAL INSTITUTIONS</b>			
<b>Selected Sources &amp; Uses of Funds</b>			
<b>G\$ Million</b>			
	<b>Balances</b>		
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Sources of Funds:</b>	<b>54,998</b>	<b>66,352</b>	<b>78,737</b>
Deposits	19,708	23,164	26,013
Share Deposits	15,671	18,452	20,258
Other Deposits	4,038	4,712	5,755
Foreign Liabilities	6,012	5,847	6,827
Premium	3,067	4,729	10,019
Pension Funds	10,198	13,173	14,104
Other Liabilities	16,012	19,440	21,774
<b>Uses of Funds:</b>	<b>54,998</b>	<b>66,352</b>	<b>78,737</b>
<b>Claims on:</b>			
Public Sector	8,605	9,643	11,286
Private Sector	24,359	28,621	34,990
Banking System <sup>1</sup>	6,971	8,922	9,051
Non-Residents	8,993	11,176	14,444
Other Assets	6,070	7,990	8,966

<sup>1</sup> The coverage of non-bank financial institutions differs from that reported in the monetary section

The additional resources of the NBFIs were derived mainly from a 111.8 percent or G\$5,289 million boost in insurance premia, a 12.5 percent or G\$2,893.4 million expansion in private sector deposits, a 15.9

percent or G\$936 million growth in foreign liabilities, a 7.1 percent or G\$931.5 million rise in pension contributions and a 12 percent or G\$2,334 million increase in other liabilities.

The increased resources of the NBFIs were transformed into larger claims on both private and public sectors. At end-December 2003, claims on the private sector which accounted for 44 percent of total assets, rose 22.3 percent or G\$6,369.5 million to G\$34,990 million compared with 17.5 or G\$4,261.7 million at end-December 2002. Mortgages which explained 42 percent or G\$14,717 million of the total claims on the private sector, increased by 7.6 percent or G\$1,036.3 million during the review period. Investment in local shares and bonds grew by 13.2 percent or G\$1,299.3 million above the end-December 2002.

Claims on the public sector, in the form of treasury bills, stood at G\$11,285.5 million, 17 percent or G\$1,642.2 million above the end-December 2002 level. NBFIs' claims on the domestic banking system rose by 1.4 percent or G\$129 million to G\$9,051 million with claims on commercial banks and the Bank amounting to G\$8,452 million and G\$598.9 million respectively.

Claims on the foreign sector by NBFIs increased by 29.2 percent or G\$3,268 million to G\$14,443.7 million at end-December 2003, faster than the 24.3 percent or G\$2,183 million achieved in 2002. This reflected the combination of growth in the non-resident operations of the insurance companies which accounted for 71.5 percent of foreign assets of the non-bank financial sector.

### The New Building Society

Total resources of the New Building Society (NBS) grew by 10.3 percent or G\$2,209 million to G\$23,591.5 million at end-December 2003. The expansion was explained mainly by the 9.8 percent or G\$1,806.8 million increase in share deposits that

offered relatively higher rates of interest compared with other domestic deposits.

**Table XXI**

<b>NEW BUILDING SOCIETY</b>			
<b>Selected Sources &amp; Uses of Funds</b>			
<b>G\$ Million</b>			
	<b>Balances</b>		
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Sources of Funds:</b>	<b>18,273.7</b>	<b>21,382.5</b>	<b>23,591.5</b>
Share Deposits	15,670.8	18,451.1	20,257.8
Other Deposits	402.9	463.7	521.7
Other Liabilities	2,200.1	2,467.8	2,812.0
<b>Uses of Funds:</b>	<b>18,273.7</b>	<b>21,382.5</b>	<b>23,591.5</b>
Claims on:			
Public Sector	7,019.9	7,862.7	9,557.9
Private Sector	8,305.7	9,776.5	10,868.8
Banking System	1,660.7	2,497.1	1,686.3
Non-Residents	450.4	497.2	721.9
Other Assets	837.0	749.0	756.7

Deposits mobilized by the NBS during the year were used primarily to extend mortgage loans and invest in government treasury bills. Total lending to the private sector which was 46.1 percent of total assets, rose to G\$10,868.8 million, 11.2 percent or G\$1,092 million above end-December 2002. Investment in government treasury bills which was 40.5 percent of total assets, increased by 21.6 percent or G\$1,695.2 million to G\$9,558 million at end-December 2003.

Claims on non-residents in the form of foreign debentures grew by 42.6 percent or G\$208.5 million to G\$698.3 million.

### Trust Companies

The resources of the trust companies, which include the activities of GNCB Trust Corporation Incorporated, Trust Company Guyana Limited and Globe Trust & Investment Limited, experienced significant growth to G\$7,825 million, 17.2 percent or G\$1,146 million compared with the marginal increase of 5.2 percent or G\$331.4 million at end-2002. This improvement was due to deposits growth of 23.2 percent or G\$986.2 million as well as growth in 'other



liabilities' (undistributed profits) which rose to G\$47.8 million, a reversal from the negative G\$75 million at end-2002.

**Table XXII**

<b>TRUST COMPANIES</b>			
<b>Selected Sources &amp; Uses of Funds</b>			
<b>G\$ Million</b>			
	<b>Balances</b>		
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Sources of Funds:</b>	<b>6,348.2</b>	<b>6,679.6</b>	<b>7,825.7</b>
Deposits	3,635.8	4,203.5	5,233.6
Foreign Liabilities	102.4	96.3	53.5
Other Liabilities	2,610.0	2,379.7	2,538.7
<b>Uses of Funds:</b>	<b>6,348.2</b>	<b>6,679.6</b>	<b>7,825.7</b>
Claims on:			
Private Sector	5,306.2	5,536.8	5,664.5
Public Sector	-	9.0	109.7
Non-Residents	137.4	90.8	165.5
Banking System	455.7	586.0	1,457.9
Other Assets	449.0	457.0	428.1

Lending to the private sector increased by 2.3 percent to reach G\$5,664.5 million and accounted for 72 percent of total assets at end-2003. Mortgages explained 65.1 percent of private investment and 36.6 percent of total assets. The companies' holdings of other loans and advances consist of agricultural and personal loans which accounted for 34.9 percent of total loans and advances. Banking system resources grew by 148.8 percent or G\$872 million to G\$1,458 million, higher than the 28.6 percent or G\$130.3 million increased for the same period last year. Claims on the public sector at end-December 2003 stood at G\$110 million.

### **Finance Companies**

At the end of December 2003, the finance companies which consisted of one stock broker, one finance company, one investment company and one merchant bank, recorded G\$6,441.9 million in financial resources, 5.3 percent or G\$326.6 million above the end-December 2002 level. The increase reflected higher profitability as retained earnings grew by 13.3 percent or G\$371 million. Resources in the form of

loans from companies affiliates contracted by 7.2 percent or G\$113.7 million to reach G\$1,467.1 million.

**Table XXIII**

<b>FINANCE COMPANIES</b>			
<b>Selected Sources &amp; Uses of Funds</b>			
<b>G\$ Million</b>			
	<b>Balances</b>		
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Sources of Funds:</b>	<b>5,713.3</b>	<b>6,115.2</b>	<b>6,441.9</b>
Loans Received	1,785.6	1,580.8	1,467.1
Foreign Liabilities	917.5	917.5	917.5
Other Liabilities	3,010.2	3,617.0	4,057.3
<b>Uses of Funds:</b>	<b>5,713.3</b>	<b>6,115.2</b>	<b>6,441.9</b>
Claims on:			
Private Sector	4,869.4	4,709.4	5,096.2
Public Sector	-	-	-
Non-Residents	454.0	766.4	853.8
Banking System	102.1	190.6	204.4
Other Assets	287.9	448.8	287.5

Claims on the private sector represented 79 percent or G\$5,096 million of the finance companies' total assets and grew by 8.2 percent or G\$386.8 million during the review period. Banking system resources rose 33.6 percent or G\$27.6 million to G\$109.5 million, a reversal from the 19.7 percent or G\$20.1 million decline at end-December 2002. Other assets comprising of other real estate loans, prepayments and stocks, amounted to G\$287.5 million or 4.5 percent of total assets.

### **Pension Schemes**

The consolidated resources of the pension schemes expanded by 7.6 percent or G\$1,057.1 million to G\$15,022 million compared with 26.7 percent or G\$2,938.6 million during the corresponding period last year. This increase was principally due to the 7.1 percent or G\$931.6 million growth in pension contributions. The pension schemes' share of total resources at end-December 2003 declined to 19.1 percent from the 21.7 percent at end-December 2002.

**Table XXIV**

<b>PENSION COMPANIES</b>			
<b>Selected Sources &amp; Uses of Funds</b>			
<b>G\$ Million</b>			
	<b>Balances</b>		
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Sources of Funds:</b>	<b>11,026.3</b>	<b>13,964.8</b>	<b>15,022.0</b>
Pension Funds	10,197.7	13,172.2	14,103.8
Other Liabilities	828.6	792.6	918.2
<b>Uses of Funds:</b>	<b>11,026.3</b>	<b>13,964.8</b>	<b>15,022.0</b>
Claims on:			
Public Sector	1,500.9	1,771.6	1,617.9
Private Sector	3,495.3	4,804.3	5,845.7
Non-Residents	1,345.9	2,017.4	2,296.8
Banking System	3,729.8	3,880.1	4,299.7
Other Assets	954.3	1,491.4	961.9

The resources mobilized were transferred into additional claims on the foreign and private sector. Investments in the foreign sector increased by 13.9 percent or G\$279.4 million while claims in the private sector rose by 21.7 percent or G\$1,041.4 million. Claims on the banking sector grew by 10.8 percent or G\$419.6 million, totaling G\$4,299.7 million and accounted for 28.6 percent of total assets compared with the 27.8 percent at the end of December 2002. Claims on the public sector declined by 8.7 percent or G\$153.8 million to G\$1,617.9 million accounting for 10.8 percent of total assets. Other assets decreased by 35.5 percent or G\$529.5 million to G\$961.9 million, a reversal from the 56.3 percent or G\$298.7 million expansion at the end of December 2002.

### **Domestic Insurance Companies**

The insurance industry was the largest contributor to the total assets of the NBFIs' with market share of 32.8 percent above NBS' with 30.1 percent at the end of December 2003. The resource of domestic insurance companies, comprising life and non-life companies, rose by 42 percent or G\$7,645.3 million on account of the 81.1 percent increase in resources of the non-life insurance companies to reach G\$11,136.4 million at end-December 2003 this compared with the growth of 78.9 percent or G\$2,711.9 million growth

during 2002. The consolidated position of the life companies recorded growth in resources of 22 percent or G\$2,657.4 million to close the year at G\$14,719 million.

**Table XXV**

<b>DOMESTIC INSURANCE COMPANIES</b>			
<b>Selected Sources &amp; Uses of Funds</b>			
<b>G\$ Million</b>			
	<b>Balances</b>		
	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Sources of Funds:</b>	<b>13,636.3</b>	<b>18,210.0</b>	<b>25,855.4</b>
Premium	3,066.9	4,729.3	10,018.7
Foreign Liabilities	4,991.8	4,876.9	5,855.8
Other Deposits	-	-	-
Other Liabilities	5,577.7	8,603.8	9,980.9
<b>Uses of Funds:</b>	<b>13,636.3</b>	<b>18,210.0</b>	<b>25,855.4</b>
Claims on:			
Private Sector	2,382.7	3,794.0	7,515.2
Public Sector	84.5	-	-
Non-Residents	6,605.3	7,695.4	10,405.7
Banking System	1,022.4	1,876.8	1,402.6
Other Assets	3,541.4	4,843.9	6,531.8

The significant growth of the non-life sector, inclusive of the foreign component of some non-life companies resulted in the sector expanding its share of the industry to 43.1 percent at end-2003. The main source of funds for the non-life insurance companies continued to be insurance premia, which rose by 947.5 percent or G\$3,095.7 million to G\$3,422.5 million. The life sector insurance fund grew by 28 percent or G\$2,418.2 million with the non-resident component of G\$4,454 million representing 40.3 percent and 80.9 percent of the life insurance fund and foreign liabilities respectively. The local life premium component grew by 49.8 percent or G\$2,194 million to close the year at G\$6,596.2 million compared with the 43.6 percent or G\$1,335.7 million growth achieved in 2002.

The increased resources of the domestic insurance companies were invested mainly in the foreign sector. Claims on non-resident rose by 35.2 percent or

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G\$2,710.3 million to G\$10,405.7 million, compared with the 16.5 percent or G\$ 1,090.1 million growth registered at end-2002. The companies' holdings of foreign assets comprised mainly of deposits at foreign commercial banks and foreign securities, representing 58.2 percent and 15.1 percent of the sector's foreign assets respectively. Additionally, loans and advances to non-residents accounted for 14.1 percent of total foreign assets and 5.7 percent of total assets. Private sector investments, which accounted for 29.1 percent of the insurance assets, increased by 98.1 percent or G\$3,721.2 million to close the year at G\$7,515 million. The sector's holdings of fixed and other assets increased by 34.8 percent or G\$1,687.9 million during the year. Claims on the domestic banking system declined by 25.3 percent or G\$474.2 million to G\$1,402.6 million end December 2003.

### **Interest Rates**

The interest rates of the NBFIs were modified to maintain competitiveness with the commercial banks

during 2003. The NBS reduced its small savings rates to 3.50 percent from 4.50 percent and its save and prosper shares rate to 6.00 percent from 6.50 percent during the review period.

The NBS mortgage rates remained unchanged during 2003 at 9.95 percent for loans not classified as low income. Low income loans attracted interest rate of 8 percent.

The interest rates offered by GNCB Trust on domestic and commercial mortgages at end December 2003, stood at 14 percent and 16 percent respectively lower than the 16 percent and 20 percent at end December 2002. The weighted average lending rate offered by the commercial banks was reduced by 1.25 percentage points to 15.58 percent down from the 16.83 percent at end-2002. • •

# II

## INTERNATIONAL ECONOMIC AND MONETARY DEVELOPMENTS

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### The World Economy

The global recovery strengthened towards the close of the year, with growth at 3.9 percent. This was associated with unusually low interest rates, higher investment, business and consumer confidence and world trade growth which offset, in part, the effects of the US-led war and the Severe Acute Respiratory Syndrome (SARS) virus that plagued some of the advanced countries. Unemployment levels were higher however, while inflationary pressures remained subdued. The foreign exchange market was characterized by a continued weakening of the US dollar against all major currencies.

### Industrial Countries

Indicators showed that industrial economies experienced strong economic recovery on account of higher business and consumer confidence despite the effects of the US-led war and the SARS virus. In the USA, value added grew by 3.1 percent compared with 2.2 percent in 2002 due to increases in private consumption on account of tax cuts, refinancing mortgages and strengthened business investment. In Canada, real GDP was lower at 1.7 percent, reflecting the appreciation of the Canadian dollar, the SARS outbreak and the discovery of BSE (commonly referred to as mad cow disease) which adversely affected exports and final output. Great Britain's economy grew by 2.3 percent, reflecting higher growth in the construction and services sector, strong consumer demand and a turn around in inventories. In the Euro area, GDP growth was weaker at 0.4 percent compared with 0.9 percent in 2002, influenced by the 0.1 percent contraction in Germany as well as lower output in both France and Germany. Japan's economy showed strong signs of recovery with GDP growth at 2.7 percent, reflecting largely increased business investment and exports.

Inflation rates were subdued in most economies. Canada and Sweden registered 2.7 percent and 2.3 percent respectively. In the USA, the annual inflation rate was 2.3 percent while Britain recorded 1.4 percent and the Eurozone registered higher than targeted

inflation of 2.1 percent. Japan remained in a mild deflationary phase during the review period at 0.2 percent compared with deflation of 0.9 percent in 2002.

Unemployment in many countries was higher at end-2003 compared with the level recorded one year ago. In the USA and Canada, the jobless rate was 6 percent and 7.6 percent respectively. France and Germany recorded unemployment rates of 9.3 percent and 9.9 percent respectively. In contrast, Japan's jobless rate fell to 5.3 percent compared with 5.4 percent one year ago as a result of higher labor demand and structural factors. Unemployment in the United Kingdom was also lower at 5 percent compared with 5.2 percent in 2002.

In most major economies, interest rates were adjusted to achieve short run policy objectives. The Federal Reserve cut the Federal funds rate by 25 basis points in January to 1 percent. This remained unchanged at the close of the year. The Bank of Canada raised its overnight rate by 50 basis points to reach 3.25 percent in April, and subsequently lowered it to 2.75 percent in mid-2003. In June, the European Central Bank (ECB) cut interest rates by 50 basis points to 2 percent. In Japan, short term interest rates were stable while long term interest rates increased to 1.6 percent in early September but subsequently declined to 1.3 percent.

## Developing Countries

Most developing economies recorded positive growth during the review period. This was particularly evident in Latin America (apart from Venezuela and Brazil) and the Asian countries. In Latin America, Argentina's GDP expanded by 8.7 percent, reflecting booming tax revenues, stimulated exports and higher domestic consumption and construction investment. GDP growth in Columbia and Chile were 3.6 percent and 3.3 percent respectively. In contrast, Venezuela's GDP fell by 9.2 percent, reflecting largely the political conflict and an oil strike early in the year while growth in Brazil, though resuming real growth in the fourth quarter, registered a small decline of 0.2 percent for the year. In Asia, China recorded the highest growth rate of 9.1 percent, which was aided mainly by strong exports. GDP growth rate in Taiwan, Thailand and Indonesia rose by 3.2 percent, 6.7 percent and 4.1 percent respectively.

Table XXVI

Major Industrial Countries			
	2001	2002	2003
Real GDP			
- US	0.3	2.2	3.1
- Canada	1.5	3.3	1.7
- UK	1.9	1.7	2.3
- Germany	0.6	0.2	-0.1
- France	1.8	1.2	0.2
- Japan	-0.3	-0.3	2.7
Consumer Prices			
- US	2.1	1.6	2.3
- Canada	2.5	2.3	2.7
- UK	2.1	1.3	1.4
- Germany	2.4	1.3	1.1
- France	1.8	1.9	2.2
- Japan	-0.7	-0.9	-0.2
Unemployment Rates			
- US	4.8	5.8	6.0
- Canada	7.2	7.7	7.6
- UK	5.1	5.2	5.0
- Germany	7.8	8.6	9.9
- France	8.6	8.8	9.3
- Japan	5.0	5.4	5.3

The inflation rate in most emerging market economies was subdued. Chile, Peru and Malaysia recorded the lowest rates of 2.8 percent, 2.5 percent and 1.1 percent respectively. Argentina's inflation was contained to an annual average of 13.4 percent from 25.9 percent one year earlier. In contrast, the inflation rate of Brazil, Venezuela and Indonesia was 14.8 percent, 31.1 percent and 6.6 percent respectively.

## Countries in Transition

The economic performance of the Commonwealth Independent States exceeded expectations with growth for 2003 now estimated at 7.6 percent. This reflected the solid consumption, competitive exchange rates and stronger than expected investment in some countries. The Russian economy expanded by 7.3 percent while real output in Armenia and Azerbaijan grew by 12 percent and 11.2 percent respectively. GDP growth in Turkey, Egypt and Poland reached 6.1 percent, 3.1 percent and 3.8 percent respectively.

Inflation was contained at 0.4 percent and 1.3 percent in Czech Republic and Poland respectively. In contrast, Russia and Turkey experienced double-digits inflation due to depreciation in their currencies.

## Caribbean Countries

Most Caribbean economies experienced relative growth in response to some recovery from the after-effects of the 9/11 attacks on the tourism industry. Trinidad & Tobago's economy remained one of the strongest in the region with real GDP at 4.3 percent during 2003 on account of an expansion in the non-energy sector and elevated oil prices. Jamaica and Barbados recorded growth rates of 2.5 percent and 2 percent respectively as the tourism industry performed well in both countries.

Inflation was higher in most Caribbean states due to increased fuel and food prices. Exchange rate depreciation in both Jamaica and Suriname contributed to the upward pressure on prices. The inflation rate in Barbados remained subdued at 2

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percent while in Trinidad and Tobago it was 4.5 percent.

### **Commodity Prices**

Oil prices rose by 9.6 percent to US\$32.91 per barrel at end-December 2003, reflecting market speculations of supply disruptions earlier in the year, the decision by OPEC to contain supply and the strike in Venezuela. The price of gold rose by 20.7 percent to US\$407.75 per ounce, reflecting mainly lingering concerns about the volatility of other asset prices. The price of both rice and sugar declined over the review period. The average price received for rice fell to US\$226 per metric tonne and sugar, US\$414.2 per metric tonne at end-December 2003. On the other hand, the average price received for bauxite and

timber increased to US\$26.9 per metric tonne and US\$203.8 per cubic metre respectively from US\$23.3 per metric tonne and US\$191.9 cubic metre.

### **International Exchange Rates**

At end-2003, the US dollar weakened against all major currencies partly due to the higher current account and budget deficits. The Pound Sterling appreciated by 11.2 percent to US\$1.7901 per Pound Sterling while the Euro appreciated by 20.2 percent to US\$1.2614 per Euro. The Yen and the Canadian dollar also appreciated by 9.7 percent and 18.2 percent respectively to ¥107.17 per US dollar and C\$1.2922 per US dollar. • •

# III

## FUNCTIONS, POLICY IMPLEMENTATION AND BANK ACTIVITIES

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### 1. FUNCTIONS

The Bank's principal objective as specified by the Bank of Guyana Act No. 19 of 1998 was 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 was 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.

### 2. POLICY IMPLEMENTATION

The primary objectives of monetary policy in 2003 were the attainment of price and exchange rate stabilization, while creating the enabling environment for credit and economic growth. In this regard, the focus was on effective management of excess liquidity in the financial system. Measures consistent with the pursuit of broad macroeconomic targets for real GDP growth, the inflation rate, gross international reserves, the fiscal and balance of payment deficits were also implemented during the year.

The main intermediate target of monetary policy was to contain broad money expansion consistent with the projections for output and inflation.

#### Financial Stability

During 2003, the Bank formally acknowledged the significance of financial stability as a core function and established the Financial Stability Unit in the Financial Sector Division of the Research Department in August.

A review of selected vulnerability indicators showed that the Licensed Deposit Taking Institutions (LDI's) although vulnerable were strong enough to withstand predictable shocks. All LDI's were adequately capitalized, profitable, liquid and solvent. There was however, some increase in the risk profile of the institutions associated with general country risk and higher lending to the mining and household sectors in 2003.

At end-December 2003, LDIs held capital adequacy ratios ranging from 8 to 46 percent and averaging 13 percent, which were well above the benchmark of 8 percent. In addition, the average liquid assets as a ratio of average total assets remained high at 25.6 percent and excess reserve deposits with the Bank were 34.1 percent at end-December 2003.

There was some increase in the risk profile of the LDIs since 38.3 percent of loans were held by the services sector which was characterized by sole traders. Moreover, 23.3 percent of loans outstanding were also held by households and 26.6 percent by the manufacturing sector. The banking system's risk profile was associated with non-performing loans of 25.5 percent of the loan portfolio which is consistently declining. Average returns on assets and equity for

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the group were 1.3 percent and 11.4 percent respectively.

### **Monetary Policy**

Monetary policy prescriptions were determined within the framework of monetary programming. The Bank's principal instrument of monetary control continued to be the auction of treasury bills in the primary market. The monetary policy stance was signaled through the volume of treasury bills issued with implications for the general level of interest rates.

### **Monetary Programming**

In principle, monetary programming allowed the Bank to set a targeted path for the growth of broad money consistent with output growth and inflation. Its foundation rested on the observation that the Bank controls the demand and supply of reserve or base money in the financial system. The 'reserve money programme' was supported by a liquidity framework which involved forecasting the changes in the main items that influenced the banking system's liquidity on a weekly basis. The underlying assumption for the effective operation of the reserve money programme was the long-run stable money multiplier defined as the relationship between reserve money and the total money supply. On the basis of the constancy of the money multiplier, the Bank determined the growth in reserve money required to attain the targeted expansion in the money stock.

During 2003, weekly forecasts of the Bank's balance sheet were produced based on estimated liquid reserve positions of the commercial banks and the public, collectively referred to as reserve money. 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 forecast money supply in line with its targeted annual growth rate. The actual weekly intervention was determined by the Open Market Operation

Committee (OMOC) on the basis of prevailing developments and the base scenario.

### **Treasury Bills**

The auction of treasury bills with various maturities (91-day, 182-day and 364-day) at the primary market level continued to be the Bank's principal instrument of monetary control. The objective was to influence the liquidity conditions of the commercial banks consistent with the targeted growth for broad money. The liquidity forecast framework and the reserve money programme provided the technical basis for decision making on the volumes and maturities of weekly treasury bill issues. The OMOC, which is the decision making body on the issuance of treasury bills, adopted a consultative approach during the year 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 nonbank financial institutions facilitated more informed decisions by the OMOC.

The weighted average discount rate determined by the competitive auctions for 91-day treasury bills, remained the reference short-term rate in the market. The interest rates applied by the Bank and commercial banks were either directly or indirectly linked to this rate.

### **Reserve Requirements**

The statutory reserve requirement remained an important instrument for monetary control and financial prudence in Guyana. The legislation on reserve requirements which was implemented in 1999 remained in force in 2003 and continued to make the operating framework consistent with the thrust toward monetary control.

The revised Reserve Requirements Circular - No. 33/98, sets out the specifications for: (i) the institutions subject to reserve requirements; (ii) the prescription of the reserve base, (iii) reserve



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maintenance periods; and (iv) the penalty charge for deficiencies in reserve requirements. 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 percent from the sum of 14 percent of time liabilities and 16 percent of demand liabilities held by banks. This requirement remained unchanged in 2003 for commercial banks. Effective January 1, 2000, some variations of the requirement were implemented for licensed NBFIs - (GNCB 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 Guyana of 4 percent of total liabilities. This was to be incrementally increased every six months by 2 percentage points until convergence with the ratio of 12 percent applicable to commercial banks was achieved. Accordingly, the deposit taking licensed NBFIs' required reserve ratio, apart from GTICL which has remained at 8 percent pending the resolution of its future legal status, stood at 12 percent at end-2003. During the year, three mortgage finance companies were established under the Income Tax (Designation as an Approved Mortgage Finance Company) Order 2001 to provide mortgages for low income earners and were exempted under the Income Tax Amendment Act No. 6 of 2000 from reserve requirements on deposits utilized for that purpose. Non-compliance with the reserve requirement carried a penalty which took the form of an interest charge on the deficiency (actual reserves less required reserves). This was calculated at a rate equal to twice the rate of interest on the 91-day treasury bills which prevailed at the beginning of the reserve maintenance period over which the deficiency occurred.

### **Liquid Assets**

Circular No. 52/98 on Liquid Assets Requirements which became effective from October 26, 1998,

remained in force throughout 2003. This circular provided for: (i) the extension of the liquid assets requirement to nonbank licensed depository financial institutions; (ii) 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 (iii) 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 deposit liabilities, remained at 25 percent of demand liabilities and 20 percent of time and savings liabilities. The banks were less liquid in year 2003 relative to 2002, as indicated by the lower monthly average ratio of excess to total liquid assets. This ratio fell by 1.8 percentage points from 41.6 percent during 2002 to 39.8 percent during 2003. Actual liquid assets held by commercial banks continued to reflect large holdings of government bills with less than 91 days remaining to maturity. Treasury bills during the year, accounted on average for 71.3 percent of total liquid assets.

### **Interest Rates**

The 91-day treasury bill rate was used to determine the Bank rate which was 5.5 percent or 210 basis points above the treasury bill rate. The Bank rate fell continuously throughout the year apart from September when it gained 50 basis points on August and December when it was 25 basis points above November.

The Bank continued to keep its re-discounting policy and terms under review during year 2003. The objectives were to ensure that the re-discount window was consistent with the development of the interbank money and treasury bill markets, as well as, 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 year 2003. The level of the re-discount depended on the remaining days to maturity of the re-discounted treasury bills.

### 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 minimize adverse speculative attacks. During 2003, the Bank did not intervene in the foreign exchange market.

### Institutional Developments

There were a number of institutional developments that occurred during the year. These developments included the privatization of GNGB.

### Privatization of GNGB

The National Bank of Industry and Commerce Limited (NBIC) which offered US\$14.1 million for GNGB's assets, finalized the privatization arrangement during the first quarter of 2003.

### Stock Exchange

The Securities Industries Act No. 21 of 1998 continued to be brought into operation in phases. The first phase was carried out through the establishment of the Securities Council (housed at the Bank of Guyana Building) and appointment of its members as stipulated under Section 4 of the Act. The second phase involved the development and approval by the Council of various regulations aimed at implementing the Act. Under Section 5(c), the Guyana Association of Securities Companies and Intermediaries (GASCI) was formed to facilitate companies to float their shares.

The Stock Exchange commenced trading in June 2003. Over the six (6) months, 241 transactions or 4,332,990 shares were traded, valued at G\$36,319,259.

## 3. 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 XXVII**

<b>Supply &amp; Disposal of Bank of Guyana Currency Notes</b>			
	<b>Thousands of Notes</b>		
	<b>2001</b>	<b>2002</b>	<b>2003</b>
Opening Stock	13,832	18,264	23,681
Purchased	24,500	32,500	21,500
Withdrawn from circulation	103,318	108,220	112,939
<b>TOTAL SUPPLY</b>	<b>141,650</b>	<b>158,985</b>	<b>158,120</b>
Issued	103,509	108,895	116,760
Destroyed	19,876	26,409	17,428
<b>TOTAL DISPOSAL</b>	<b>123,385</b>	<b>135,304</b>	<b>134,188</b>
<b>End-year Stock</b>	<b>18,264</b>	<b>23,681</b>	<b>23,932</b>
New Notes	12,355	20,440	19,195
Re-Issuable Notes	2,088	2,088	287
Other Notes <sup>1</sup>	3,821	1,153	4,450

<sup>1</sup> Notes awaiting sorting, cancellation and destruction.

### Notes

The total value of currency notes in circulation (including notes held in the vaults of commercial banks) at the end of 2003 amounted to G\$19,419.5 million, an increase of 15.2 percent compared with a circulation of G\$16,860.6 million in 2002. The share of G\$1,000 notes in the total value of notes in circulation rose marginally to 91 percent compared with 90 percent in the previous year. Correspondingly, the share of G\$500 notes fell from 5 percent in 2002 to 4 percent in year 2003. The shares in 2003 of the G\$100 fell marginally to 3

percent from 4 percent in 2002, while those of the G\$20 notes remained virtually unchanged at 1 percent when compared with the previous year.

Table XXVII shows figures on the comparative stocks and flows of currency notes for years 2001 to 2003. The total supply of currency fell marginally by less than 1 percent in 2003, despite a substantial increase (29.6 percent) in the opening stock. The decline was primarily on account of the reduction in imports of notes.

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\$96,951,500 were replaced in year 2003 compared with G\$44,881,280 in 2002 and G\$69,305,560 in 2001.

**Table XXVIII**

<b>Selected Data on transactions Cleared through the National Clearing House</b>			
	<b>2001</b>	<b>2002</b>	<b>2003</b>
Daily avg. number of LVT	4,572	4,423	4,177
Daily avg. value of LVT	569	568	611
Avg. value of LVT	0.12	0.13	0.15
Daily avg. number of HVT	218	222	220
Daily avg. value of HVT	897	891	958
Avg. value of HVT	4.11	4.01	4.34
Total number of LVT	1,133,838	1,110,110	1,035,869
Total value of LVT	141,091	142,583	151,408
Total number of HVT	54,159	55,748	54,680
Total value of HVT	222,348	223,604	237,482

Notes: Values are expressed in G\$ Million  
LVT - Low Value Transactions  
HVT - High Value Transactions

### Coins

Coins issued by the Bank amounted to G\$354 million at the end of 2003, an increase of 11.7 percent above the G\$317 million in 2002. The G\$10 coin continued to account for the highest proportion of the total value

of coins followed by the G\$5 and G\$1 coins respectively. The share of G\$10 coins fell from 43.8 percent in 2002 to 43.5 percent. On the other hand, the shares of the G\$5 and the G\$1 coins rose to 37.3 percent and 19.2 percent respectively from 36.9 percent and 19 percent in 2002.

### Payments System

During the year, 1,035,869 low-value transactions (LVT) were settled through the National Clearing House (NCH), reflecting a decline of 6.7 percent when compared with the volume recorded in 2002. Similarly, the volume of high-value transactions (HVT) reduced by 1.9 percent to 54,680. In contrast to the overall volume of total transactions, the overall value of total transactions rose, (6.20 percent) to reach G\$388.9 billion. Increases were recorded in the value of both low-value and high-value transactions which amounted to G\$151.4 billion and G\$237.5 billion respectively. The shares of HVT and LVT remained virtually unchanged in 2003 when compared with the previous year. The shares of HVT and LVT in 2003 were 38 percent and 61.1 percent respectively. The average value of LVT rose significantly by 15.4 percent 2003 to reach G\$0.15 million. Similarly the average value of HVT strengthened noticeably from G\$4.01 million in 2002 to G\$4.34 million during the year.

### Money Market Operations

#### Treasury Bills Issue

Treasury Bills continued to be the principal instrument in the Bank's programme of liquidity management during the year.

The Bank offered 51 issues of treasury bills to the market totaling a face value of G\$70,997.2 million. This comprised 14 issues of 91-day bills excluding issues for the Bank's capital reserves, totaling G\$13,350 million, 12 issues of 182-day bills totaling G\$21,111 million and 25 issues of 364-day bills totaling G\$36,536.2 million.

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In 2002, Government of Guyana treasury bill issuances by the Bank resulted in 43 issues.

### **Inter-bank Transactions**

The inter-bank market which provides overnight funds to commercial banks, was more active during 2003 compared with 2002. There were 73 processed transactions compared with 53 in the previous year. The value of funds traded on the market amounted to G\$20 billion in 2003 compared with G\$14 billion in 2002 (an increase of 43 percent).

The inter-bank rate which is influenced by the 91-day treasury bill rate, averaged 3.84 percent compared with 5.75 percent during 2002. The inter-bank average rate recorded in January was 4.74 percent. There was a sharp decline in February to an average of 4 percent which was followed by a rise in March to an average of 4.22 percent. There was a drop in April to an average of 4.06 percent. In May, the inter-bank rate declined further to 4 percent and remained stable for the remainder of the year.

### **Foreign Exchange Operations**

The international reserves of the Bank declined by US\$8 million or 2.9 percent and was equivalent to 3.9 months of imports. This result accrued from inflows of US\$197.1 million during the year and composed primarily of US\$103 million and US\$94 million from export receipts and official flows. Foreign exchange outflows during the year were US\$202.7 million and reflected US\$109 million, US\$57 million and US\$37 million of debt service, payments on fuel and other payments, respectively. Despite temporary increases in demand pressures during the year, the Bank did not intervene in the market. In the retail segment of the market, purchases were US\$532 million and sales were US\$528 million.

### **Relations with Commercial Banks**

During year 2003, 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 exchange through purchases directly from customers under the Dealers in Foreign Currency (Licensing) Act 1989.

Balances held by the Bank in respect of amounts deposited by the commercial banks under the external payments deposits schemes fell by G\$0.3 million to reach G\$61.7 million at end-2003.

### **Relations with Government**

A total of 256 active Government accounts were held with the Bank at end-December 2003. The Bank rate (i.e. the rate of interest charged on Government overdrafts) decreased by 75 basis points from the end-2002 level to reach 5.5 percent at end-December 2003. This was due to the movements in the 91-day treasury bill rate to which it was linked.

At the end of the year, Government's deposit, net of treasury bills held by the Bank, amounted to G\$33,349.3 million. The Bank's holdings of treasury bills rose to G\$2,330.7 million from G\$1,123.5 million at end-2002. Holdings of Government debentures fell to G\$46,873 million at end-2003 of which G\$42,975 million were non-interest bearing.

### **Relations with International Organizations**

The Bank continued to act as fiscal agent for the Government in its relations with the Multilateral Financial Institutions of which Guyana is a member. Guyana withdrew the equivalent of US\$8.7 million under the IMF's Poverty Reduction and Growth Facility this year compared with US\$7.3 million in 2002. Repayments made through the Bank to Multilateral Financial Institutions in year 2003 amounted to US\$40.5 million compared with US\$41.9 million in the previous year. Of this, total debt service to the IMF and IDB were US\$9.1 million and US\$12 million respectively.

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

Clearing arrangements with CARICOM Central Banks remained on a bilateral basis. Obligations to the

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CARICOM Multilateral Clearing Facility (CMCF) continued to be honored. During the year, an equivalent of US\$10.5 million was paid to the CMCF from bilateral balances which had accumulated on the accounts with the Eastern Caribbean Central Bank and the Central Bank of Barbados.

The Bank of Guyana continued to participate in regional meetings of central bank governors.

### **Internal Audit**

Internal Audit during 2003 was enhanced with the implementation of the recommendations of the IMF safeguard assessment mission of February 2002. The Internal Audit Charter was updated during the year.

### **Bank Supervision**

During 2003, Bank Supervision continued to promote stability in the banking system through the implementation of regulatory and supervisory strategies aimed at reducing the level of risk in the financial system.

On-site examinations and off-site surveillance of the licensed financial institutions (LFIs) were conducted during the review period. A small improvement in the financial system's asset quality was recorded during the year. The transfer of the non-performing loan portfolio of the privatized Guyana National Co-operative Bank (GNCB) and measures by LFIs to manage and reduce the level of adversely classified accounts, contributed to the outturn. The Bank met with the Boards and Senior Management of six (6) LFIs as a complement and follow up to on-site examinations to foster better working relationships between the supervised and the supervisor.

During the year a new electronic reporting system and chart of accounts (Financial Sector Reporting System) for LFIs was designed for implementation to enhance offsite surveillance by end-2004.

The programme to enhance transparency through the dissemination of information to the public was continued in 2003. A seminar covering four (4) International Accounting Standards (IASs) was held for three days. The seminar was financed under the Inter-American Development Bank (IDB) – Strengthening Bank Supervision Project. Presentations were on *IAS 19 – Employee Benefits*, *IAS 30 – Disclosures in the Financial Statements of Banks and Similar Financial Institutions*, *IAS 32 – Financial Instruments: Disclosure and Presentation* and *IAS 39 – Financial Instruments: Recognition and Measurement*.

No major branch expansion occurred during the year. However, one application was received for the establishment of a branch by a commercial bank, while five branches were closed due to the privatization of GNCB.

The level of e-commerce activity remained virtually unchanged during the year with Automated Telling Machines (ATM) and telebanking services being the main e-banking activities.

### **Staff and Technical Assistance**

At the end of 2003, two hundred and forty-eight (248) persons were employed at the Bank. Fifteen (15) persons were recruited during the year while there were twenty-one (21) resignations and four (4) terminations of service. Two officers were seconded to the Executive Directors office of the World Bank.

During the year, two Departments benefitted from short-term technical assistance. Two officers from the International Monetary Fund, Statistics Department, were assigned to the Research Department while an officer from Gravitas International facilitated a Supervisory Strategy Study for Bank Supervision under the IDB funded “Strengthening Bank Supervision” Project.

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## **Training**

The Bank's training policy continued to focus on very selective in-house, local and overseas courses. Training was offered in varied settings and targeted staff of different levels.

### **In-house Training**

During the year, thirty-one (31) members of staff at various levels successfully completed courses for which they were registered. There were in-house computer training courses offered by the PC Support Unit of the Information Services Department that included Microsoft Word Proficient User, Microsoft Excel Proficient User and Windows 2000 Professional User. The Security Division also offered recruits a number of in-house mini-orientation sessions on rules and regulations and the image of the guard as a first line ambassador.

In-house training with the assistance of external facilitators were offered to the Research, Internal Audit, Information Services, Accounts and Human Resources Departments for their staff. Two members of staff of the Statistics Department of the IMF were facilitators in a seminar on Monetary and Financial Statistics. A Statistics Advisor from the Caribbean Technical Assistance Centre (CARTAC) also held a workshop on Balance of Payment for this Department. During the year, there were also several specialized in-house programmes namely Auditing Computer Language Course, HP Net Server Training, Microsoft Windows 2000 Cluster and Power Pay System.

### **Other Local Training**

Six (6) departments of the Bank benefitted from increased staff training by selected staff attending short courses. These were sponsored by such organizations as the Consultative Association of Guyanese Industry Limited; the Institute of Chartered

Accountants of Guyana and the Guyana Association of Administrative Professionals.

Two (2) members of the Security Division also attended a course on Criminal Investigative Techniques sponsored by the 21<sup>st</sup> Century Investigations and Security Service, Georgetown.

During the year, four (4) employees graduated from the University of Guyana with degrees and four with diplomas. Specialized areas included Public Management, Accountancy, and Banking & Finance. Additionally, one staff member successfully completed the ACCA Examination.

### **Overseas Training**

Attendance at overseas training programmes and seminars was kept at a minimum. Those that were attended were very specialized and of a professional nature and were sponsored by the International Monetary Fund (IMF), the Centre for Latin American Monetary Studies (CEMLA), the Caribbean Centre for Monetary Studies (CCMS), the Caribbean Financial Action Task Force (CFATF) and the World Bank.

One member of staff obtained a British Chevening Scholarship to pursue post – graduate studies for an LLM at Queen Mary College, University of London. Another was awarded a Commonwealth scholarship at the University of Manchester to pursue an MSc Degree in Finance and Economics and another staff member proceeded on leave to pursue post graduate studies in Public Policy at the Harvard University.

One employee from the Research Department and another from the International Department returned to the Bank after successfully completing post-graduate studies in Investment Management, and Development Economics respectively. • •

# **IV**

## **BALANCE SHEET, PROFIT AND LOSS ACCOUNT AND REPORT OF THE EXTERNAL AUDITORS**



*Office of the Auditor General*  
*P.O. Box 1002, 63 High Street, Kingston, Georgetown, Guyana*  
*Tel: 592-225-7592, Fax: 592-226-7257, <http://www.audit.gov.gy>*

AG:58/2004

31 March, 2004

***REPORT OF THE AUDITOR GENERAL  
TO THE MEMBERS OF THE BOARD OF  
DIRECTORS ON THE FINANCIAL  
STATEMENTS OF THE BANK OF GUYANA  
FOR THE YEAR ENDED 31 DECEMBER 2003***

*I have audited the attached financial statements of the Bank of Guyana for the year ended 31 December 2003, as set out on pages 4 to 15. These statements have been prepared under the historical cost convention, modified by the revaluation of fixed assets, and in accordance with the accounting policies as set out on page 8.*

***Respective Responsibilities of Management and Auditors***

*The preparation of the financial statements, including assertions relating to their completeness, accuracy and validity, and compliance with applicable laws, regulations and contractual obligations, is the responsibility of the Management of the Bank of Guyana. My responsibility is to express an independent opinion on the statements based on these assertions and to report my opinion to you.*

***Basis of Opinion***

*I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.*



## ***Opinion***

*In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bank of Guyana as at 31 December 2003, and the results of its operations for the year then ended in conformity with generally accepted accounting principles and the Bank of Guyana Act 1998.*



**OFFICE OF THE AUDITOR GENERAL  
63, HIGH STREET  
KINGSTON  
GEORGETOWN  
GUYANA**

**BANK OF GUYANA**  
**BALANCE SHEET**  
**AS AT 31ST DECEMBER, 2003**  
**ASSETS**

		<b>2003</b>	<b>2002</b>
	Notes	G\$'000	G\$'000
<b>FOREIGN ASSETS</b>			
Balances with Foreign Banks		28,264,423	36,206,577
Foreign Assets in the process of Redemption		598,903	675,240
Holdings of special drawing rights		873,564	828,101
Gold	2	0	39,332
Securities	3	23,079,967	15,877,349
		<u>52,816,857</u>	<u>53,626,599</u>
<b>LOCAL ASSETS</b>			
Special Issue of Government of Guyana Securities	4	46,873,357	47,440,620
Government of Guyana Treasury Bills	5	2,330,722	1,123,529
Claim on International Monetary Fund	6	1,967,721	1,967,721
Other Assets	8	10,252,409	7,125,366
		<u>61,424,209</u>	<u>57,657,236</u>
<b>FIXED ASSETS</b>	7	1,389,905	1,411,367
		<u><u>115,630,971</u></u>	<u><u>112,695,202</u></u>

**BANK OF GUYANA**  
**BALANCE SHEET**  
**AS AT 31ST DECEMBER, 2003**  
**LIABILITIES**

	Notes	<b>2003</b> G\$'000	<b>2002</b> G\$'000
<b>CURRENCY IN CIRCULATION</b>			
Notes		19,419,536	16,860,583
Coins		354,546	317,516
		<u>19,774,082</u>	<u>17,178,099</u>
<b>DEPOSITS</b>			
Commercial Banks		19,834,485	19,038,956
Government of Guyana		35,679,996	36,201,240
International Financial Institutions	9	27,887,838	29,086,926
Private Investment Fund		6,500	6,500
Other Deposits	10	3,073,509	1,948,696
		<u>86,482,328</u>	<u>86,282,318</u>
Allocation of Special Drawing Rights	11	3,895,975	3,508,967
Gov't of Guyana Portion of net profit payable		0	231,248
Other Liabilities	12	415,842	271,423
		<u>4,311,817</u>	<u>4,011,638</u>
<b>CAPITAL AND RESERVES</b>			
Authorised Share Capital	13	<u>1,000,000</u>	<u>1,000,000</u>
Paid-up Capital		1,000,000	1,000,000
General Reserve Fund	14	661,905	828,658
Revaluation Reserves		1,025,158	1,025,158
Revaluation for Foreign Reserves		19,304	0
Contingency Reserve	15	2,356,377	2,369,331
		<u>5,062,744</u>	<u>5,223,147</u>
		<u><b>115,630,971</b></u>	<u><b>112,695,202</b></u>

Approved on behalf of the Board of Directors:



D.S. Singh (Director)

P. Bhim (Director)

**BANK OF GUYANA**  
**PROFIT AND LOSS APPROPRIATION ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2003**

	Notes	2003 G\$'000	2002 G\$'000
<b>INCOME</b>			
Discount Received		179,971	406,841
Interest on Gov't of Guyana Securities		122,824	199,211
Interest on Foreign Gov't Securities		153,617	11,508
Interest on Deposits		952,809	1,325,934
Interest on Loans		2,937	2,639
Profit on Realisation of Investments		28,362	32,910
Other Income		354,072	295,951
		<u>1,794,592</u>	<u>2,274,994</u>
<b>EXPENSES</b>			
Administrative Expenses	16	732,796	779,909
Interest and Charges		714,962	739,043
Portion of Cost of Printing Notes & Minting Coins		405,636	407,273
Depreciation charge on fixed assets		107,951	91,827
		<u>1,961,345</u>	<u>2,018,052</u>
Net Profit/(Loss)	17	<u>(166,753)</u>	<u>256,942</u>
<b>Appropriation</b>			
Transfer to General Reserve		0	25,694
Balance payable to Gov't of Guyana under Section 7(1) of the Bank of Guyana Act 1998, No. 19 of 1998		0	231,248
Net Loss covered by transfer from General Reserve Fund under section 7(3) of the Bank of Guyana Act 1998, No. 19 of 1998		<u>(166,753)</u>	<u>256,942</u>

**BANK OF GUYANA**  
**CASH FLOW STATEMENT**  
**FOR YEAR ENDED 31ST DECEMBER, 2003**

	2003	2002
	G\$'000	G\$'000
<b>Operating Activities</b>		
Government of Guyana Portion of Net Profit Payable	0	231,248
Transfer to General Reserve	(166,753)	25,694
<b>Net Profit/(Loss)</b>	<b>(166,753)</b>	<b>256,942</b>
Adjustments to reconcile Net Profit/(Loss) to Net Cash Flow from Operating Activities:-		
Depreciation	107,951	91,827
Profit on the Disposal of Fixed Assets	(764)	(4,051)
<b>Net Cash Flow from Operating Activities</b>	<b>(59,566)</b>	<b>344,718</b>
<b>Investing Activities</b>		
Foreign Assets in the Process of Redemption	76,337	(136,528)
Holdings of Special Drawing Right	(45,463)	(365,002)
Gold	39,332	194,117
Securities	(7,202,618)	6,768,834
Additions to Fixed Assets	(86,635)	(193,269)
Proceeds from the Disposal of Fixed Assets	910	4,051
Claims on the IMF	0	0
Other Assets	(3,127,043)	302,423
Special Issue of Government of Guyana Securities	567,263	552,052
Government of Guyana Treasury Bills	(1,207,193)	(101,073)
<b>Net Cash Flow from Investing Activities</b>	<b>(10,985,110)</b>	<b>7,025,605</b>
<b>Financing</b>		
Currency in Circulation	2,595,983	369,458
Commercial Bank Deposits	795,529	3,311,233
Government of Guyana Deposits	(521,244)	(336,162)
International Financial Institutions	(1,199,088)	(2,530,785)
Private Investment Fund Deposits	0	0
Other Deposits	1,124,813	(1,660,600)
Government of Guyana Portion of Net Profit Payable	(231,248)	(479,479)
Allocation of Special Drawing Rights	387,008	78,868
Other Liabilities	144,419	(49,274)
Revaluation Reserve	0	0
Revaluation for Foreign Reserves	19,304	0
Contingency Reserve	(12,954)	(352)
<b>Net Cash Flow from Financing</b>	<b>3,102,522</b>	<b>(1,297,093)</b>
Net Increase/(Decrease) in Cash for year	(7,942,154)	6,073,230
Cash as at beginning of year	36,206,577	30,133,347
Cash as at end of year	<b>28,264,423</b>	<b>36,206,577</b>
Balances with Foreign Banks	<b>28,264,423</b>	<b>36,206,577</b>

**BANK OF GUYANA**  
**NOTES ON THE ACCOUNTS**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Accounting convention**

The Financial Statements have been prepared under the historical cost convention and in accordance with International Accounting Standards and the Bank of Guyana Act 1998, No. 19 of 1998.

**(b) Depreciation**

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

Office Furniture	- 10%
Software	- 20%
Sundry equipment	- 9 to 20%
Motor vehicles	- 25%
Land and Building	- 2 to 10%

Depreciation is not provided on freehold land.

**(c) Foreign currency transactions**

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 1998, No. 19 of 1998 it is not in keeping with the International Accounting Standards. The gain of G\$567,262,111 arising on revaluation would have been reflected in the financial statements giving rise to a Net Profit of G\$400,509,418 instead of a Net Loss of G\$166,752,693 had there been compliance with the International Accounting Standards.

**(d) Securities**

During the financial year under review the Bank restructured its holdings of investments, combining securities of the following categories: Available For Sale and Held to Maturity.

Unrealized gains/losses on changes in the value of securities are reflected in the balance sheet as revaluation reserves. Realized gains/losses are carried in the profit and loss account.

## 2. GOLD

2003	2002
G\$'000	G\$'000
-	39,332

## 3. FOREIGN ASSETS - SECURITIES

	2003	2002
	G\$'000	G\$'000
Money Market (US Treasury Bills)	6,211,535	9,589,525
Capital Market (Bonds)	16,868,432	6,287,824
Total	<u>23,079,967</u>	<u>15,877,349</u>

## 4. SECURITIES - SPECIAL ISSUE OF GOVERNMENT OF GUYANA DEBENTURES

This amount represents the 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 1998, No. 19 of 1998. These are unquoted securities payable on demand.

	G\$'000
Total at the beginning of the year	47,440,620
(less)	
Debenture redeemed as per Section 49(3) of the Bank of Guyana Act	(567,263)
Total at the end of the year	<u>46,873,357</u>

## 5. GOVERNMENT OF GUYANA TREASURY BILLS

	G\$'000
As at January 1, 2003	1,123,529
Net increase in 2003	1,207,193
As at December 31, 2003	<u>2,330,722</u>

## 6. CLAIM ON THE INTERNATIONAL MONETARY FUND

2003	2002
G\$'000	G\$'000
1,967,721	1,967,721

This claim arises from and reflects that part of the drawing covered by Guyana's subscription in SDRs to the International Monetary Fund not yet repurchased.

## 7. FIXED ASSETS

	Building	Furniture, Equipment and Software	Total
	G\$'000	G\$'000	G\$'000
<b>Cost:</b>			
As at January 1, 2003	1,104,015	690,511	1,794,526
Additions during the year	4,753	81,882	86,635
Disposals during the year	-	(4,248)	(4,248)
As at December 31, 2003	1,108,768	768,145	1,876,913
<b>Accumulated depreciation:</b>			
As at January 1, 2003	54,276	328,884	383,160
Additions during the year	21,129	86,822	107,951
Disposals during the year	-	(4,103)	(4,103)
As at December 31, 2003	75,405	411,603	487,008
<b>Net book values:</b>			
As at January 1, 2003	1,049,739	361,628	1,411,367
As at December 31, 2003	1,033,363	356,542	1,389,905

All freehold land and building have been professionally valued by D.A. Patterson, Chartered Valuation Surveyor as at November 24, 2000. The surplus on revaluation has been taken to revaluation reserves.



**8. OTHER ASSETS**

<b>2003</b>	<b>2002</b>
G\$'000	G\$'000
10,252,409	7,125,366

This amount includes income accrued on investments, cost of Bank of Guyana notes and coins not yet written off and sundry other assets.

**9. INTERNATIONAL FINANCIAL INSTITUTIONS AND CENTRAL BANKS DEPOSITS**

<b>2003</b>	<b>2002</b>
G\$'000	G\$'000
27,887,838	29,086,926

Included in this amount are Guyana's outstanding drawings from the International Monetary Fund, deposits on the accounts of the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Caribbean Development Bank and Foreign Central Banks.

**10. OTHER DEPOSITS**

<b>2003</b>	<b>2002</b>
G\$'000	G\$'000
3,073,509	1,948,696

Included in this amount are deposits of the National Insurance Scheme, the Bank of Guyana Pension Scheme, deposits held under the External Payments Arrears Schemes and sundry other deposits.

## 11. ALLOCATION OF SPECIAL DRAWING RIGHTS

<b>2003</b>	<b>2002</b>
G\$'000	G\$'000
3,895,975	3,508,967

This amount represents the liability in respect of Special Drawing Rights allocated to Guyana as at 31<sup>st</sup> December 2003, valued at the equivalent Guyana dollar rate for the SDR computed through the SDR/US dollar rate at 31<sup>st</sup> December 2003.

## 12. OTHER LIABILITIES

	<b>2003</b>	<b>2002</b>
	G\$'000	G\$'000
<b>Included are:</b>		
Accruals	323,138	194,235
Uncleared Cheques	58,464	62,702
Others	34,240	14,486
<b>Total</b>	<b>415,842</b>	<b>271,423</b>

## 13. SHARE CAPITAL

	<b>2003</b>	<b>2002</b>
	G\$'000	G\$'000
Authorized	1,000,000	1,000,000
Issued and fully paid	1,000,000	1,000,000

As provided for under Section 6 of the Bank of Guyana Act 1998, No. 19 of 1998, the Bank's authorized capital has been increased to one thousand million Guyana dollars. Government has paid the entire amount of the authorized capital.

#### 14. CAPITAL AND RESERVES

	<b>Paid Up Capital G\$'000</b>	<b>Profit and Loss Account G\$'000</b>
As at January 1, 2003	1,000,000	231,248
Loss for the year		(166,753)
Transfer from General Reserves		166,753
Payment to Government of Guyana		(231,248)
As at December 31, 2003	1,000,000	-

#### 15. CONTINGENCY RESERVE

<b>2003</b>	<b>2002</b>
G\$'000	G\$'000
2,356,377	2,369,331

This amount represents a provision made to meet adverse exchange rate movements in the regime of floating rates.

#### 16. ADMINISTRATIVE EXPENSES

Included in Administrative Expenses are:

	<b>2003</b>	<b>2002</b>
	G\$'000	G\$'000
Staff Cost	558,751	573,496
Premises Maintenance	70,531	87,487
Services and Supplies	100,144	115,181
Other Expenses	3,370	3,745
Total	<u>732,796</u>	<u>779,909</u>

## 17. PROFIT/LOSS FOR THE YEAR

<b>2003</b>	<b>2002</b>
G\$'000	G\$'000
(166,753)	256,942

In accordance with Section 7(3), Bank of Guyana Act 1998, No. 19 of 1998, the net loss for the year has been covered by a transfer from the General Reserve Fund.

## 18. RISK MANAGEMENT - FINANCIAL

### 1) Foreign Exchange Risk

The Bank's exposure to foreign exchange risk is incurred through its holdings of foreign denominated assets and liabilities. The Bank manages foreign currency risk by ensuring that the composition and duration of the asset portfolio match obligations and by monitoring trends in the foreign exchange market.

Assets and liabilities denominated in foreign currencies:

	<b>2003</b>	<b>2002</b>
	G\$'000	G\$'000
<b>Foreign Assets</b>		
Canadian Dollars	56,212	41,880
EURO	91,919	115,694
Pounds Sterling	282,158	468,280
SDR	873,564	828,101
US Dollars	52,219,920	52,172,644
<b>Total Foreign Assets</b>	<b>53,523,773</b>	<b>53,626,599</b>
<b>Foreign Liabilities</b>		
EURO	169,130	107,850
SDR	18,415,095	18,288,285
US Dollars	9,303,613	10,690,791
<b>Total Foreign Liabilities</b>	<b>27,887,838</b>	<b>29,086,926</b>

## **2) Interest Rate Risk**

This is incurred through the Bank's dealing in investments in the money and capital market. This risk arises through movements in the coupon rates over time. The Bank manages its exposure to interest rate risks by monitoring trends in the market.

## **3) Fair Value**

### **(a) Balances with Banks and Cash on Hand**

The fair values of these instruments approximate to the carrying value.

### **(b) Securities**

Treasury bills and unquoted securities are valued at cost. Other securities are valued at mark to market and the resulting gains/losses on revaluation are accrued pending realization.

### **(c) Commercial Bank Deposits**

These deposits are payable on demand and the carrying value is a fair approximation.

### **(d) Other Deposits**

The fair values of these deposits approximate to the carrying value.

# 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-III         **Commercial Banks: Minimum Reserve Requirements**

## 3. BANKING SYSTEM

- 3-I            **Monetary Survey**
- 3-II          **Banking Survey**

## 4. MONEY AND CAPITAL MARKET RATES

- 4-I            **Guyana: Selected Interest Rates**

## 5. PUBLIC FINANCE

- 5-I            **Central Government: Finances (Summary)**
- 5-II          **Summary of Public Corporations Finances**

## 6. PUBLIC DEBT

- 6-I            **Domestic Public Bonded Debt**
- 6-II          **Government of Guyana: Treasury Bills By Holders and Defence Bonds**
- 6-III         **External Public Debt**

## 7. INTERNATIONAL TRADE AND PAYMENTS

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### **NOTE**

In its ongoing effort to improve reporting, the Bank has reduced the accompanying appendix tables of this report from 67 to 23. Readers are encouraged to find the omitted tables in the Bank's Statistical Bulletins. Information on most of the omitted tables in this issue is published in the Statistical Bulletin for December 2003. However, data series for end-December that were unavailable at the time of publishing is available in the March 2004 and subsequent issues of the Statistical Bulletin. Please feel free to contact us with any queries at the email address listed at the back of this report.

**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>1993</b>	142,827.3	31,507.9	22.8	5,852.4	0.1	25,632.7	863.1	174.8	688.3	-	-	107,704.9	2,751.4
<b>1994</b>	159,505.7	35,638.3	224.4	5,208.9	10.1	30,194.9	2,538.1	174.8	2,363.3	-	-	115,904.7	5,424.6
<b>1995</b>	176,847.6	37,871.0	180.0	9,311.0	21.1	28,358.9	514.6	174.8	339.8	-	-	134,848.9	3,613.1
<b>1996</b>	145,157.7	46,879.5	602.3	9,275.6	15.1	36,986.5	795.1	-	795.1	-	-	94,848.7	2,634.4
<b>1997</b>	122,797.7	44,978.2	3,537.3	14,370.5	28.1	27,042.3	238.4	-	238.4	-	-	75,043.8	2,537.3
<b>1998</b>	118,159.0	45,162.7	3,441.0	13,072.8	33.6	28,615.3	1,020.3	-	1,020.3	-	-	67,960.7	4,015.4
<b>1999</b>	126,515.8	48,305.1	-	19,551.9	220.9	28,532.3	1,567.0	-	1,567.0	-	-	68,723.3	7,920.4
<b>2000</b>	130,940.3	54,654.7	39.1	29,260.4	1,687.8	23,667.4	2,178.2	-	2,178.2	-	-	68,268.5	5,839.0
<b>2001</b>	113,735.4	54,014.8	233.4	30,672.1	463.1	22,646.2	1,022.5	-	1,022.5	-	-	47,992.7	10,705.4
<b>2002</b>	112,695.2	53,577.6	39.3	36,881.8	828.1	15,828.4	1,120.3	-	1,120.3	-	-	47,440.6	10,556.6
<b>2003</b>	115,630.9	52,816.9	-	28,863.3	873.6	23,080.0	2,330.7	-	2,330.7	-	-	46,873.4	13,609.9
<b>2000</b>													
<b>Mar</b>	126,499.6	50,512.7	98.6	19,855.4	289.6	30,269.2	1,518.4	-	1,518.4	-	-	68,723.3	5,745.3
<b>Jun</b>	126,614.1	50,712.6	-	17,613.6	170.1	32,928.9	1,139.1	-	1,139.1	-	-	68,723.3	6,039.2
<b>Sep</b>	126,285.3	52,199.9	216.2	21,315.6	140.7	30,527.6	1,025.7	-	1,025.7	-	-	68,723.3	4,336.4
<b>Dec</b>	130,940.3	54,654.7	39.1	29,260.4	1,687.8	23,667.4	2,178.2	-	2,178.2	-	-	68,268.5	5,839.0
<b>2001</b>													
<b>Mar</b>	126,693.3	53,137.6	283.2	27,262.0	1,662.6	23,929.7	1,023.9	-	1,023.9	-	-	68,268.5	4,263.4
<b>Jun</b>	124,948.8	50,804.7	71.7	25,431.6	1,272.9	24,028.5	1,316.7	-	1,316.7	-	-	68,268.5	4,558.9
<b>Sep</b>	124,847.3	51,084.6	38.8	34,865.3	1,186.3	14,994.2	1,488.9	-	1,488.9	-	-	68,268.5	4,005.3
<b>Dec</b>	113,735.4	54,014.8	233.4	30,672.1	463.1	22,646.2	1,022.5	-	1,022.5	-	-	47,992.7	10,705.4
<b>2002</b>													
<b>Jan</b>	114,863.1	55,091.9	30.8	31,908.2	463.1	22,689.8	1,811.1	-	1,811.1	-	-	47,992.7	9,967.5
<b>Feb</b>	113,423.6	54,438.9	104.8	31,193.8	388.4	22,751.9	1,022.5	-	1,022.5	-	-	47,992.7	9,969.6
<b>Mar</b>	113,080.5	54,127.3	195.2	30,763.4	388.4	22,780.3	1,022.4	-	1,022.4	-	-	47,992.7	9,938.2
<b>Apr</b>	113,211.6	53,839.3	16.5	32,440.5	502.0	20,880.3	1,039.0	-	1,039.0	-	-	47,992.7	10,340.7
<b>May</b>	114,092.0	54,135.9	20.1	33,687.5	496.4	19,931.9	1,036.9	-	1,036.9	-	-	47,992.7	10,926.5
<b>Jun</b>	113,673.1	53,527.2	85.5	34,224.5	206.9	19,010.4	1,194.8	-	1,194.8	-	-	47,992.7	10,958.4
<b>Jul</b>	113,019.6	53,261.8	138.0	33,855.2	206.9	19,061.8	1,022.4	-	1,022.4	-	-	47,992.7	10,742.7
<b>Aug</b>	112,457.6	52,969.2	211.4	33,669.4	50.4	19,038.1	1,038.4	-	1,038.4	-	-	47,992.7	10,457.4
<b>Sep</b>	113,236.5	53,498.4	276.8	32,810.0	1,372.7	19,038.9	1,022.3	-	1,022.3	-	-	47,992.7	10,723.1
<b>Oct</b>	112,780.9	52,949.0	220.3	29,681.6	1,049.9	21,997.2	1,022.3	-	1,022.3	-	-	47,992.7	10,817.0
<b>Nov</b>	110,731.5	51,196.6	211.6	30,363.6	1,032.9	19,588.5	1,022.3	-	1,022.3	-	-	47,992.7	10,520.0
<b>Dec</b>	112,695.2	53,577.6	39.3	36,881.8	828.1	15,828.4	1,120.3	-	1,120.3	-	-	47,440.6	10,556.6
<b>2003</b>													
<b>Jan</b>	112,594.7	53,752.4	18.1	31,393.1	768.1	21,573.1	1,120.3	-	1,120.3	-	-	47,992.7	9,729.3
<b>Feb</b>	111,400.2	52,460.4	28.1	29,998.5	755.5	21,678.3	1,133.4	-	1,133.4	-	-	47,440.6	10,365.8
<b>Mar</b>	112,354.7	52,666.4	139.6	30,097.6	755.5	21,673.7	2,013.6	-	2,013.6	-	-	47,440.6	10,234.2
<b>Apr</b>	111,429.9	51,886.5	221.5	29,747.0	339.5	21,578.5	2,013.6	-	2,013.6	-	-	47,440.6	10,089.3
<b>May</b>	109,755.9	50,327.0	258.9	28,301.6	327.2	21,439.2	1,022.2	-	1,022.2	-	-	47,440.6	10,966.1
<b>Jun</b>	112,153.8	50,833.7	96.9	30,729.0	86.1	19,921.8	1,616.6	-	1,616.6	-	-	47,440.6	12,262.9
<b>Jul</b>	109,795.2	48,981.0	132.5	28,953.3	153.1	19,742.1	1,026.6	-	1,026.6	-	-	47,440.6	12,346.9
<b>Aug</b>	109,700.7	49,135.0	172.6	28,724.6	22.8	20,215.1	1,026.6	-	1,026.6	-	-	47,440.6	12,098.5
<b>Sep</b>	111,731.7	51,137.6	17.6	28,617.5	1,623.5	20,878.9	1,321.0	-	1,321.0	-	-	47,440.6	11,832.6
<b>Oct</b>	111,191.4	49,676.3	127.0	24,950.7	1,161.7	23,436.9	2,309.1	-	2,309.1	-	-	47,440.6	11,765.4
<b>Nov</b>	109,570.7	49,389.9	112.0	24,891.3	1,149.6	23,237.0	1,031.9	-	1,031.9	-	-	47,440.6	11,708.2
<b>Dec</b>	115,630.9	52,816.9	-	28,863.3	873.6	23,080.0	2,330.7	-	2,330.7	-	-	46,873.4	13,609.9

Source: Bank of Guyana

Note: Figures for Dec. 2003 are preliminary.



**TABLE 1-II**  
**BANK OF GUYANA: LIABILITIES**  
**(G\$ Million)**

End of Period	Total Liabilities	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					
1993	142,827.3	6,940.7	6,922.9	17.8	112,499.9	15,374.2	89,021.9	367.7	4,497.5	3,238.7	4.3	19,706.6	2,605.9	1,069.9
1994	159,505.7	8,757.7	8,739.6	18.1	123,459.1	22,259.5	93,382.2	334.2	6,973.3	509.9	4.3	19,367.9	2,808.8	5,108.0
1995	176,847.6	9,606.6	9,588.3	18.3	133,028.1	20,113.7	102,022.5	330.8	9,407.5	1,153.5	4.3	18,234.0	3,274.1	12,700.6
1996	145,157.7	11,285.0	11,209.2	75.8	103,909.9	29,416.5	65,791.5	329.7	9,121.2	-749.0	4.3	18,212.3	2,955.0	8,791.2
1997	122,797.7	12,469.8	12,331.8	138.0	80,917.9	26,935.3	44,266.7	317.6	11,502.3	-2,104.0	4.3	18,141.2	2,822.4	8,442.2
1998	118,159.0	12,517.0	12,347.1	169.9	75,507.7	21,461.5	40,663.1	310.2	14,344.6	-1,271.8	1,000.0	18,258.1	2,838.2	8,038.0
1999	126,515.8	15,620.3	15,413.7	206.6	84,906.9	33,448.9	40,368.5	77.0	10,418.5	594.1	1,000.0	18,126.3	3,480.0	3,382.3
2000	130,940.3	16,215.2	15,969.0	246.2	88,090.4	38,037.4	36,059.6	75.6	13,495.4	422.4	1,000.0	19,241.1	3,493.4	2,900.3
2001	113,735.4	16,808.6	16,526.1	282.6	87,492.1	36,537.4	31,617.7	62.2	15,727.7	3,547.1	1,000.0	4,197.8	3,430.1	806.7
2002	112,695.2	17,178.1	16,860.6	317.5	86,275.8	36,201.2	29,086.9	62.0	19,039.0	1,886.6	1,000.0	4,223.1	3,509.0	509.2
2003	115,630.9	19,774.1	19,419.5	354.5	86,475.8	35,680.0	27,887.8	61.7	19,834.5	3,011.8	1,000.0	4,062.7	3,896.0	422.2
<b>2000</b>														
Mar	126,499.6	12,111.8	11,899.5	212.3	89,187.9	37,509.3	39,011.3	76.3	11,527.7	1,063.3	1,000.0	18,399.5	3,480.0	2,320.5
Jun	126,614.1	12,552.2	12,330.0	222.2	88,675.1	37,077.5	37,355.9	76.3	12,551.4	1,614.0	1,000.0	18,677.7	3,493.4	2,215.7
Sep	126,285.3	12,680.2	12,446.8	233.4	87,601.3	35,634.1	36,385.6	76.3	14,022.4	1,483.0	1,000.0	19,394.7	3,493.4	2,115.7
Dec	130,940.3	16,215.2	15,969.0	246.2	88,090.4	38,037.4	36,059.6	75.6	13,495.4	422.4	1,000.0	19,241.1	3,493.4	2,900.3
<b>2001</b>														
Mar	126,693.3	14,016.2	13,766.2	250.0	85,558.3	36,966.8	35,944.7	75.5	12,763.0	-191.8	1,000.0	19,679.3	3,493.4	2,946.2
Jun	124,948.8	13,317.8	13,060.0	257.9	85,579.5	37,036.0	33,621.3	75.5	14,610.1	236.6	1,000.0	19,820.5	3,493.4	1,737.6
Sep	124,847.3	13,613.9	13,344.8	269.1	84,822.4	36,125.9	33,685.8	62.3	14,999.9	-51.4	1,000.0	20,234.5	3,493.4	1,683.1
Dec	113,735.4	16,808.6	16,526.1	282.6	87,492.1	36,537.4	31,617.7	62.2	15,727.7	3,547.1	1,000.0	4,197.8	3,430.1	806.7
<b>2002</b>														
Jan	114,863.1	14,647.3	14,362.5	284.7	89,705.0	37,490.8	31,626.4	62.2	18,325.1	2,200.5	1,000.0	4,195.4	3,430.1	1,885.3
Feb	113,423.6	14,819.5	14,533.1	286.4	86,985.3	36,861.3	31,450.9	62.2	17,030.1	1,580.9	1,000.0	4,150.8	3,430.1	3,038.0
Mar	113,080.5	15,186.4	14,895.9	290.5	86,600.6	35,364.4	31,472.5	62.1	17,827.7	1,874.0	1,000.0	4,142.6	3,430.1	2,720.8
Apr	113,211.6	15,318.2	15,024.9	293.4	86,441.7	35,049.9	30,049.3	62.0	19,344.7	1,935.9	1,000.0	4,179.9	3,430.1	2,841.6
May	114,092.0	14,963.5	14,667.1	296.4	87,341.1	34,521.4	30,515.6	62.0	20,098.0	2,144.0	1,000.0	4,159.3	3,509.0	3,119.1
Jun	113,673.1	14,537.4	14,238.8	298.7	88,120.8	36,117.3	29,914.0	62.0	20,194.2	1,833.2	1,000.0	4,280.3	3,509.0	2,225.7
Jul	113,019.6	14,327.2	14,025.6	301.6	87,321.8	34,540.9	29,916.6	62.0	21,190.0	1,612.2	1,000.0	4,287.6	3,509.0	2,574.1
Aug	112,457.6	14,298.9	13,992.7	306.2	86,394.4	36,044.0	29,706.7	62.0	19,725.8	855.8	1,000.0	4,293.0	3,509.0	2,962.3
Sep	113,236.5	14,338.1	14,029.8	308.2	87,895.5	38,004.5	31,109.9	62.0	17,584.6	1,134.5	1,000.0	4,450.4	3,509.0	2,043.5
Oct	112,780.9	14,600.0	14,289.8	310.2	87,095.6	37,205.8	29,427.7	62.0	19,059.9	1,340.2	1,000.0	4,231.5	3,509.0	2,344.9
Nov	110,731.5	15,248.3	14,935.5	312.9	84,987.8	36,033.1	29,514.8	62.0	18,604.9	773.0	1,000.0	4,226.3	3,509.0	1,760.1
Dec	112,695.2	17,178.1	16,860.6	317.5	86,275.8	36,201.2	29,086.9	62.0	19,039.0	1,886.6	1,000.0	4,223.1	3,509.0	509.2
<b>2003</b>														
Jan	112,594.7	15,500.5	15,182.3	318.2	88,195.5	35,582.8	29,061.5	62.0	21,757.5	1,731.7	1,000.0	4,415.7	3,509.0	26.0
Feb	111,400.2	15,467.9	15,148.0	319.9	86,825.9	37,212.7	28,848.0	62.0	18,657.6	2,045.5	1,000.0	4,158.7	3,509.0	438.9
Mar	112,354.7	15,555.5	15,233.4	322.1	87,537.6	41,041.7	29,005.4	62.0	15,207.8	2,220.7	1,000.0	4,321.6	3,509.0	431.1
Apr	111,429.9	15,740.6	15,415.9	324.7	86,443.5	37,731.7	27,373.9	61.9	18,926.6	2,349.5	1,000.0	4,221.6	3,509.0	515.3
May	109,755.9	15,513.9	15,185.6	328.3	84,789.4	36,632.3	27,364.0	61.9	18,463.7	2,267.5	1,000.0	4,207.7	3,896.0	348.9
Jun	112,153.8	15,438.5	15,107.6	330.9	87,920.6	38,235.8	28,713.1	61.9	17,936.0	2,973.9	1,000.0	4,102.6	3,896.0	203.9
Jul	109,795.2	15,341.2	15,007.8	333.4	85,379.1	34,551.1	28,709.5	61.9	19,590.4	2,466.2	1,000.0	4,142.3	3,896.0	36.6
Aug	109,700.7	15,557.3	15,219.8	337.5	84,864.9	34,681.2	28,486.5	61.9	19,266.5	2,368.8	1,000.0	4,132.7	3,896.0	249.8
Sep	111,731.7	15,669.6	15,328.7	340.9	85,925.0	36,956.4	30,158.3	61.7	16,538.0	2,210.6	1,000.0	4,118.1	3,896.0	1,123.0
Oct	111,191.4	16,588.3	16,243.2	345.1	85,784.8	37,383.2	28,409.9	61.7	17,964.1	1,966.0	1,000.0	3,874.5	3,896.0	47.9
Nov	109,570.7	17,342.2	16,993.1	349.0	83,329.2	35,356.4	28,438.1	61.7	17,271.3	2,201.7	1,000.0	3,888.4	3,896.0	114.9
Dec	115,630.9	19,774.1	19,419.5	354.5	86,475.8	35,680.0	27,887.8	61.7	19,834.5	3,011.8	1,000.0	4,062.7	3,896.0	422.2

Source: Bank of Guyana

Note: Figures for Dec. 2002 were revised to reflect audited accounts of Bank of Guyana.

Bank's other deposits adjusted to exclude foreign owned bank's special reserves in 2001 and 2002.



**TABLE 2-(b)**  
**COMMERCIAL BANKS : LIABILITIES, CAPITAL AND RESERVES<sup>1</sup>**  
**(G\$ Thousand)**

End of Period	Total Liabilities	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>1993</b>	43,505,689	2,080,916	273,681	1,807,235	-	6,443,172	2,668,913	3,233,900	540,359	2,895,143	26,456,983	359,395	-	1,609,841	3,660,239
<b>1994</b>	46,935,090	2,931,250	405,497	2,525,753	-	6,003,136	3,042,199	2,697,972	262,965	1,355,615	30,365,508	334,197	-	1,976,916	3,968,468
<b>1995</b>	57,578,255	2,883,269	278,596	2,604,673	-	4,695,213	1,996,039	2,495,427	203,747	1,827,478	39,634,076	330,499	-	2,815,855	5,391,865
<b>1996</b>	77,768,567	3,567,033	492,402	3,074,631	-	7,571,411	2,623,150	4,542,299	405,962	2,756,848	46,674,437	329,659	-	3,151,050	13,718,129
<b>1997</b>	89,290,729	4,963,726	782,677	4,181,049	-	9,631,037	2,302,744	3,834,771	3,493,522	3,777,663	52,116,931	317,585	-	3,429,724	15,054,063
<b>1998</b>	100,494,733	5,283,883	1,090,731	4,193,152	-	10,400,516	1,680,181	4,010,707	4,349,628	5,898,442	56,422,262	310,233	-	3,154,589	19,384,808
<b>1999</b>	104,127,717	4,662,897	767,983	3,894,914	-	7,270,542	3,789,090	3,301,907	179,545	5,796,269	62,152,230	76,972	-	2,692,217	21,476,590
<b>2000</b>	117,745,982	4,875,522	1,435,647	3,439,875	-	9,134,106	4,825,956	1,739,348	2,568,802	8,454,689	69,937,199	75,608	-	2,992,043	22,276,815
<b>2001</b>	124,325,837	4,190,114	1,268,314	2,921,800	-	7,643,860	3,783,884	1,892,619	1,967,357	8,008,540	76,682,347	62,239	-	5,016,241	22,722,496
<b>2002</b>	135,041,638	5,316,744	1,093,082	4,223,662	-	10,279,996	4,453,279	2,708,221	3,118,496	9,221,579	81,622,447	62,044	-	6,261,913	22,276,915
<b>2003</b>	134,994,721	5,170,319	1,128,289	4,042,030	-	10,908,888	5,070,966	2,403,226	3,434,696	10,933,742	86,841,777	61,674	-	6,411,298	14,667,023
<b>2000</b>															
<b>Mar</b>	106,667,900	5,089,966	1,047,615	4,042,351	-	6,525,869	3,766,717	1,445,353	1,313,799	6,444,696	64,440,517	76,272	-	2,423,573	21,667,007
<b>Jun</b>	107,520,493	5,538,180	1,569,288	3,968,892	-	6,118,433	4,344,892	1,545,954	227,587	6,838,707	66,037,769	76,272	-	1,360,134	21,550,998
<b>Sep</b>	111,461,396	5,066,746	1,453,566	3,613,180	-	6,453,427	3,977,322	1,672,642	803,463	6,551,343	69,522,158	76,268	-	2,719,438	21,072,016
<b>Dec</b>	117,745,982	4,875,522	1,435,647	3,439,875	-	9,134,106	4,825,956	1,739,348	2,568,802	8,454,689	69,937,199	75,608	-	2,992,043	22,276,815
<b>2001</b>															
<b>Mar</b>	118,307,791	4,635,168	1,416,855	3,218,313	-	6,969,099	3,862,328	1,499,353	1,607,418	8,168,691	73,073,622	75,524	-	3,011,314	22,374,373
<b>Jun</b>	118,978,236	4,636,415	1,433,092	3,203,323	-	5,413,518	3,389,937	1,311,033	712,548	9,293,830	74,300,948	75,524	-	2,509,193	22,748,808
<b>Sep</b>	120,530,657	5,008,641	1,751,483	3,257,158	-	6,789,847	3,262,892	1,446,410	2,080,545	8,020,544	74,946,312	62,293	-	3,213,740	22,489,280
<b>Dec</b>	124,325,837	4,190,114	1,268,314	2,921,800	-	7,643,860	3,783,884	1,892,619	1,967,357	8,008,540	76,682,347	62,239	-	5,016,241	22,722,496
<b>2002</b>															
<b>Jan</b>	124,800,689	4,145,580	1,174,213	2,971,367	-	8,381,729	3,707,121	2,718,793	1,955,815	7,144,028	77,573,930	62,239	-	4,521,144	22,972,039
<b>Feb</b>	124,969,260	4,090,236	1,174,757	2,915,479	-	8,602,141	3,739,752	2,902,282	1,960,107	7,104,057	77,421,934	62,203	-	4,863,777	22,824,912
<b>Mar</b>	125,607,970	3,779,616	981,813	2,797,803	-	8,323,001	3,475,396	2,872,410	1,975,195	7,708,388	77,556,845	62,109	-	4,504,518	23,673,493
<b>Apr</b>	127,736,141	3,779,493	878,613	2,900,880	-	8,345,422	3,544,685	2,829,481	1,971,256	7,604,162	80,038,050	62,044	-	4,562,697	23,344,273
<b>May</b>	129,708,141	3,966,696	1,007,030	2,959,666	-	9,565,278	3,815,117	2,857,148	2,893,013	8,458,796	79,950,409	62,044	-	4,346,528	23,358,390
<b>Jun</b>	130,158,026	4,192,017	1,085,097	3,106,920	-	9,206,776	3,764,476	2,518,708	2,923,592	8,110,918	79,948,338	62,044	-	4,490,147	24,147,786
<b>Jul</b>	132,523,441	4,550,345	1,204,896	3,345,449	-	10,353,458	3,878,719	3,611,595	2,863,144	8,460,964	80,434,053	62,044	-	4,742,096	23,920,481
<b>Aug</b>	132,389,275	4,145,248	919,318	3,225,930	-	9,675,979	3,953,226	2,758,428	2,964,325	8,313,798	81,030,513	62,044	-	3,918,708	25,242,985
<b>Sep</b>	132,953,828	4,177,792	969,088	3,208,704	-	10,263,801	4,381,329	2,762,267	3,120,205	9,040,946	80,393,539	62,044	-	5,167,910	23,847,796
<b>Oct</b>	133,951,073	4,964,318	1,141,721	3,822,597	-	10,407,773	4,424,345	2,835,823	3,147,605	8,730,873	80,981,602	62,044	-	6,453,023	22,351,440
<b>Nov</b>	133,462,333	5,576,967	1,258,121	4,318,846	-	9,797,922	4,264,836	2,409,279	3,123,807	8,988,564	81,028,291	62,018	-	5,228,650	22,779,921
<b>Dec</b>	135,041,638	5,316,744	1,093,082	4,223,662	-	10,279,996	4,453,279	2,708,221	3,118,496	9,221,579	81,622,447	62,044	-	6,261,913	22,276,915
<b>2003</b>															
<b>Jan</b>	135,714,620	4,973,159	971,982	4,001,177	-	10,379,953	5,027,663	2,170,424	3,181,866	9,283,890	83,092,863	62,044	-	5,581,730	22,340,981
<b>Feb</b>	135,587,782	4,894,599	828,954	4,065,645	-	10,420,057	5,264,560	1,929,164	3,226,333	8,502,489	83,405,147	62,044	-	5,741,714	22,561,732
<b>Mar</b>	126,407,697	5,059,097	1,071,309	3,987,788	-	9,776,494	4,903,705	1,586,912	3,285,877	9,013,658	83,404,359	62,044	-	4,985,161	14,106,884
<b>Apr</b>	129,812,730	5,960,488	1,191,266	4,769,222	-	9,697,677	4,747,771	1,808,421	3,141,485	9,289,662	85,220,154	61,878	-	5,338,971	14,243,900
<b>May</b>	130,182,796	5,821,803	1,228,639	4,593,164	-	9,612,617	4,485,099	1,907,120	3,220,398	9,854,132	85,470,425	61,878	-	4,894,623	14,467,318
<b>Jun</b>	129,668,144	5,752,475	803,635	4,948,840	-	9,758,779	4,592,639	1,967,477	3,198,663	9,914,195	84,654,629	61,878	-	5,413,991	14,112,197
<b>Jul</b>	131,732,562	5,315,490	719,306	4,596,184	-	10,553,757	4,876,837	1,941,595	3,735,325	10,960,483	85,180,812	61,878	-	5,532,032	14,128,110
<b>Aug</b>	131,718,078	5,106,757	688,893	4,417,864	-	10,873,606	4,950,547	2,236,411	3,686,648	10,251,084	85,527,700	61,878	-	5,680,169	14,216,888
<b>Sep</b>	131,832,291	5,445,466	710,025	4,735,441	-	10,357,238	4,644,406	2,177,618	3,535,214	11,103,333	85,326,106	61,674	-	5,323,256	14,215,238
<b>Oct</b>	133,062,428	4,616,273	448,628	4,167,645	-	10,948,596	5,033,303	2,369,955	3,545,338	10,762,204	86,266,462	61,674	-	6,320,551	14,086,668
<b>Nov</b>	133,766,516	5,011,319	1,002,351	4,008,968	-	10,962,324	5,256,608	2,279,957	3,425,759	10,616,624	86,958,511	61,674	-	5,967,516	14,208,548
<b>Dec</b>	134,994,721	5,170,319	1,128,289	4,042,030	-	10,908,888	5,070,966	2,403,226	3,434,696	10,933,742	86,841,777	61,674	-	6,411,298	14,667,023

Source: Commercial Banks

<sup>1</sup> Effective February 1996, the accounts of the commercial banks reflect the merged operations of GNCB with GAIBANK

**TABLE 2 - III**  
**COMMERCIAL BANKS: MINIMUM RESERVE REQUIREMENTS**  
(G\$ Million)

End of Period	Day Of Res. Per. (Week)	Required Reserves	Actual Reserves	Surplus (+) Deficits (-)
1993		3,582.5	3,895.8	313.3
1994		5,835.9	5,898.7	62.8
1995		7,208.5	8,872.2	1,663.7
1996		8,822.3	9,083.5	261.2
1997		10,286.0	13,092.9	2,806.9
1998		10,922.4	14,335.0	3,412.6
1999		9,316.4	10,449.4	1,133.0
2000		11,040.8	14,411.1	3,370.3
2001		11,611.9	16,608.6	4,996.7
2002				
Jan	4th	11,670.8	17,513.8	5,843.0
	11th	11,767.5	17,572.5	5,805.1
	18th	11,765.3	17,856.8	6,091.5
	25th	11,760.5	18,041.4	6,281.0
Feb	1st	11,751.4	17,474.1	5,722.7
	8th	11,689.0	17,134.4	5,445.4
	15th	11,717.7	16,597.2	4,879.5
	22nd	11,761.9	17,083.8	5,322.0
Mar	1st	11,737.4	17,396.6	5,659.2
	8th	11,751.4	17,503.1	5,751.8
	15th	11,788.4	16,519.8	4,731.4
	22nd	11,703.4	18,051.9	6,348.5
	29th	11,765.6	17,882.7	6,117.2
Apr	5th	11,788.5	18,369.0	6,580.5
	12th	11,871.7	18,163.7	6,292.0
	19th	11,917.7	18,897.0	6,979.3
	26th	12,030.9	18,801.4	6,770.6
May	3rd	12,025.6	17,635.6	5,610.0
	10th	12,018.9	17,847.1	5,828.2
	17th	12,098.6	19,144.0	7,045.4
	24th	12,239.7	20,166.7	7,927.0
	31st	12,233.9	20,098.4	7,864.5
Jun	7th	12,257.0	20,767.9	8,510.9
	14th	12,271.6	19,597.7	7,326.1
	21st	12,187.1	20,216.8	8,029.7
	28th	12,224.2	20,576.2	8,352.0
Jul	5th	12,296.1	20,508.3	8,212.2
	12th	12,329.2	20,130.3	7,801.1
	19th	12,374.0	20,604.5	8,230.5
	26th	12,415.8	20,471.5	8,055.7
Aug	2nd	12,477.3	20,396.5	7,919.2
	9th	12,407.3	20,586.9	8,179.6
	16th	12,368.8	20,628.2	8,259.4
	23rd	12,416.0	20,589.1	8,173.1
	30th	12,454.9	19,471.7	7,016.8
Sep	6th	12,443.7	20,121.6	7,677.9
	13th	12,396.4	18,455.7	6,059.3
	20th	12,524.1	17,175.9	4,651.8
	27th	12,513.9	17,277.2	4,763.3
Oct	4th	12,515.4	17,904.2	5,388.8
	11th	12,549.3	17,595.1	5,045.8
	18th	12,562.4	18,224.3	5,661.9
	25th	12,606.4	18,603.9	5,997.6
Nov	1st	12,678.9	18,549.5	5,870.7
	8th	12,828.8	18,376.9	5,548.1
	15th	12,657.3	17,434.9	4,777.6
	22nd	12,678.1	18,354.9	5,676.9
	29th	12,723.5	18,028.5	5,305.0

End of Period	Day Of Res. Per. (Week)	Required Reserves	Actual Reserves	Surplus (+) Deficits (-)
Dec	6th	12649.0	18440.1	5791.1
	13th	12739.2	16894.6	4155.4
	20th	12745.3	18083.8	5338.5
	27th	12846.8	18853.0	6006.1
2003				
Jan	3rd	12877.1	20763.2	7886.1
	10th	12,934.0	20,659.5	7,725.5
	17th	12,968.4	21,034.0	8,065.6
	24th	12,961.1	22,193.6	9,232.5
	31st	13,004.3	20,853.0	7,848.8
Feb	7th	12,964.9	18,858.1	5,893.2
	14th	12,998.3	18,093.1	5,094.8
	21st	12,933.6	18,381.0	5,447.3
	28th	12,949.7	18,213.5	5,263.8
Mar	7th	12,888.5	17,897.4	5,008.9
	14th	12,934.8	14,866.5	1,931.6
	21st	12,894.7	15,757.8	2,863.1
	28th	12,918.5	15,009.5	2,091.0
Apr	4th	12838.7	15592.0	2753.3
	11th	12,949.0	17,057.8	4,108.9
	18th	13,041.0	17,545.0	4,504.0
	25th	13,124.1	18,036.2	4,912.1
May	2nd	13174.8	17224.7	4049.9
	9th	13,114.6	18,090.1	4,975.5
	16th	13,160.0	17,925.0	4,765.0
	23rd	13,217.1	18,457.8	5,240.7
	30th	13,228.7	18,300.9	5,072.2
Jun	6th	13,225.8	18,829.1	5,603.3
	13th	13,238.4	18,105.4	4,867.0
	20th	13,133.4	17,830.3	4,696.9
	27th	13,130.5	17,696.0	4,565.5
Jul	4th	12,948.9	16,428.5	3,479.6
	11th	13,150.3	16,238.7	3,088.4
	18th	13,139.0	16,931.9	3,792.9
	25th	13,346.9	18,914.8	5,567.9
Aug	1st	13,490.8	18,687.3	5,196.4
	8th	13,452.0	19,052.3	5,600.3
	15th	13,435.6	19,618.0	6,182.5
	22nd	13,463.3	19,701.4	6,238.2
	29th	13,494.9	18,612.4	5,117.4
Sep	5th	13,406.4	17,564.8	4,158.4
	12th	13,518.3	16,314.7	2,796.4
	19th	13,452.9	16,103.7	2,650.8
	26th	13,431.2	16,372.9	2,941.7
Oct	3rd	13,437.1	16,664.6	3,227.5
	10th	13,418.1	16,382.0	2,963.9
	17th	13,429.8	16,325.1	2,895.4
	24th	13,457.5	17,612.6	4,155.0
	31st	13,517.5	17,634.8	4,117.3
Nov	7th	13,559.9	17,739.6	4,179.7
	14th	13,567.6	17,061.7	3,494.1
	21st	13,612.7	17,453.3	3,840.6
	28th	13,625.8	16,717.4	3,091.6
Dec	5th	13,645.1	17,364.3	3,719.2
	12th	13,793.2	19,397.5	5,604.4
	19th	13,867.5	17,787.8	3,920.3
	24th	13,516.7	19,583.4	6,066.7

Source: Commercial Banks.



**TABLE 3 - II**  
**BANKING SURVEY**  
**(G\$ Million)**

End of Period	ASSETS							LIABILITIES				
	Foreign assets (Net)	Domestic credit						Liquidity liabilities	Restricted deposits	Lont-term foreign liabilities	Capital accounts	Other items (net)
		Total	Claims on central govt. (Net)	Claims on local govt.	Claims on non-fin.pub. enterprises	Claims on private sector	Claims on nonbanking financial insts.					
<b>2002</b>	37,673.0	128,371.4	42,814.9	6.8	869.4	84,680.4	-	123,045.0	715.8	-	52,738.7	(10,455.1)
<b>2003</b>	46,513.8	134,762.8	52,934.5	61.7	884.6	80,881.9	-	133,706.8	715.8	-	61,123.7	(14,269.9)
<b>2002</b>												
<b>Jan</b>	28,741.2	111,309.1	37,111.6	1.4	744.2	73,451.9	-	114,130.9	716.8	-	24,899.6	302.9
<b>Feb</b>	29,678.1	112,591.9	37,186.1	1.4	956.9	74,447.5	-	114,664.1	720.5	-	35,077.7	(8,192.4)
<b>Mar</b>	36,562.0	121,784.8	40,377.9	21.6	726.3	80,659.0	-	115,895.0	717.8	-	56,916.2	(15,182.2)
<b>Apr</b>	31,933.6	114,830.2	39,011.8	33.5	707.1	75,077.8	-	118,593.7	718.0	-	32,712.0	(5,259.9)
<b>May</b>	31,677.2	115,803.5	39,870.4	34.1	709.4	75,189.6	-	118,716.9	716.7	-	32,967.0	(4,920.0)
<b>Jun</b>	37,290.7	122,424.6	41,139.4	38.3	698.3	80,548.7	-	117,930.0	714.9	-	56,411.5	(15,341.0)
<b>Jul</b>	31,688.1	116,322.1	40,973.6	38.9	668.2	74,641.4	-	119,362.6	715.3	-	33,768.1	(5,835.9)
<b>Aug</b>	30,916.7	117,223.4	41,361.5	50.6	1,679.4	74,131.9	-	119,210.4	715.9	-	36,968.1	(8,754.4)
<b>Sep</b>	37,609.8	123,615.5	41,749.4	18.4	765.3	81,082.4	-	118,576.0	716.4	-	61,149.0	(19,216.0)
<b>Oct</b>	32,872.1	116,259.3	40,335.3	31.5	755.1	75,137.4	-	121,496.5	716.9	-	35,071.1	(8,153.0)
<b>Nov</b>	27,443.5	119,355.7	41,696.3	32.0	918.1	76,709.3	-	120,805.0	717.1	-	25,643.8	(366.7)
<b>Dec</b>	37,673.0	128,371.4	42,814.9	6.8	869.4	84,680.4	-	123,045.0	715.8	-	52,738.7	(10,455.1)
<b>2003</b>												
<b>Jan</b>	30,514.2	113,651.2	41,850.4	5.8	2,088.2	69,706.9	-	123,376.8	716.8	-	25,448.8	(5,376.9)
<b>Feb</b>	29,934.2	118,230.4	41,918.8	5.4	2,241.9	74,064.3	-	123,935.1	720.5	-	25,428.0	(1,918.9)
<b>Mar</b>	38,542.1	125,941.5	49,103.6	5.3	781.9	76,050.8	-	122,917.0	717.8	-	53,303.3	(12,454.4)
<b>Apr</b>	31,235.7	118,002.4	49,044.6	6.1	774.6	68,177.1	-	125,948.6	718.0	-	24,174.9	(1,603.2)
<b>May</b>	29,747.2	119,077.8	50,183.8	5.9	782.1	68,106.0	-	126,084.4	716.7	-	24,711.0	(2,686.9)
<b>Jun</b>	38,974.5	123,845.6	50,643.2	6.0	726.0	72,470.5	-	125,132.1	714.9	-	55,887.0	(18,913.9)
<b>Jul</b>	29,669.7	121,190.0	52,381.6	9.0	626.4	68,173.0	-	125,932.4	715.3	-	24,634.2	(422.1)
<b>Aug</b>	30,430.2	121,900.9	52,663.9	21.3	659.0	68,556.7	-	127,601.5	715.9	-	24,580.8	(567.2)
<b>Sep</b>	40,766.7	130,738.8	54,734.4	61.4	679.9	75,263.1	-	126,848.7	716.4	-	56,590.5	(12,650.1)
<b>Oct</b>	31,822.7	121,680.9	52,380.7	62.5	721.9	68,515.8	-	129,843.9	716.9	-	24,748.8	(1,806.1)
<b>Nov</b>	31,333.1	123,866.5	53,765.5	69.8	845.1	69,186.2	-	131,831.0	717.1	-	24,948.2	(2,296.7)
<b>Dec</b>	46,513.8	134,762.8	52,934.5	61.7	884.6	80,881.9	-	133,706.8	715.8	-	61,123.7	(14,269.9)

Source: Bank of Guyana

**TABLE 4-I**  
**GUYANA: SELECTED INTEREST RATES<sup>1</sup>**  
**(Percent Per Annum)**

Item	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003											
	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>BANK OF GUYANA</b>																						
Bank Rate	17.00	20.25	17.25	12.00	11.00	11.25	13.25	11.75	8.75	6.25	6.25	5.25	5.25	5.25	5.25	5.25	5.25	5.00	5.50	5.25	5.25	5.50
Treasury Bill Discount Rate																						
91 Days	15.44	18.64	15.49	9.94	8.16	8.84	11.07	9.20	6.25	3.91	2.88	2.88	3.00	3.00	2.99	2.99	2.88	2.84	3.40	3.22	2.98	3.40
182 Days	15.45	18.38	15.69	11.00	8.98	8.69	12.66	10.66	7.31	4.12	3.70	3.37	3.70	3.70	3.74	3.72	3.73	3.53	3.32	3.26	3.06	3.37
364 Days	14.78	17.85	15.28	11.16	9.17	9.25	12.79	11.09	8.17	4.91	4.91	4.73	4.50	4.16	4.16	4.37	4.30	3.83	4.33	3.89	3.92	4.01
Interest Rate on EPD	16.00	19.25	16.25	11.00	9.75	10.25	12.25	10.75	7.75	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Deposits with BOG <sup>2</sup>	13.50	17.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>COMMERCIAL BANKS</b>																						
Small Savings Rate	9.46	11.20	10.47	7.73	7.39	7.06	7.97	7.28	6.70	4.29	4.29	4.23	4.25	4.25	3.96	3.96	3.65	3.63	3.54	3.46	3.46	3.46
Prime Lending Rate (weighted average) <sup>3</sup>	...	18.80	19.00	17.00	17.00	17.00	17.13	17.16	17.26	17.27	17.02	17.01	16.57	16.58	16.61	16.62	16.63	16.63	16.65	16.65	16.66	16.69
Prime Lending Rate <sup>4</sup>	17.45	19.89	19.07	17.21	16.93	16.64	17.25	17.21	16.79	16.25	15.57	15.57	14.88	14.88	14.88	14.88	14.88	14.88	14.88	14.88	14.88	14.88
Comm. Banks' Lending Rate (weighted average)	18.24	20.80	20.39	18.46	18.32	18.29	17.87	17.68	17.60	16.83	16.79	16.77	16.59	16.49	16.33	16.24	16.16	16.08	15.92	15.81	15.75	15.58
<b>GNCB TRUST COMPANY</b>																						
Domestic Mortgages	18.00	18.00	18.00	17.00	17.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Commercial Mortgages	21.00	21.00	21.00	20.00	20.00	19.00	19.00	20.00	20.00	20.00	20.00	20.00	20.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Average Deposit Rates <sup>5</sup>	14.00	14.00	14.00	11.00	9.50	8.95	11.00	9.18	7.55	4.82	4.82	4.82	4.82	4.82	4.29	4.29	4.29	4.29	3.79	3.79	3.79	3.79
<b>NEW BUILDING SOCIETY</b>																						
Deposits <sup>6</sup>	9.00	9.00	10.00	7.00	7.00	7.00	7.00	7.50	6.50	4.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Mortgage Rates	16.00	14.00	14.00	14.00	12.00	11.00	11.00	11.00	11.00	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.95
Five dollar shares	12.00	12.00	14.00	9.00	8.00	8.00	8.50	9.00	8.00	5.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75
Save and prosper shares	...	...	...	...	...	9.50	10.00	10.50	9.00	6.50	6.50	6.50	6.50	6.50	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00

Source: Bank of Guyana, Commercial Banks and other Financial Institutions

<sup>1</sup> End of period rates

<sup>2</sup> Special deposit accounts at the Bank of Guyana have been closed with effect from December 1994

<sup>3</sup> The prime lending rate reported by the banks has been weighted by the amount of loans issued at the corresponding rate

<sup>4</sup> The average prime lending rate actually used by commercial banks, applicable to loans and advances

<sup>5</sup> Average deposits rates at GNCB Trust Company have been revised effective December 2000.

<sup>6</sup> Small savings rate

... Information not available.

**TABLE 5 - I**  
**CENTRAL GOVERNMENT: FINANCES (SUMMARY)**  
**(G\$ Million)**

Item	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
<b>CURRENT ACCOUNT</b>											
Revenue	21,778.0	23,653.8	29,496.1	35,117.3	34,082.9	33,121.1	36,838.9	41,334.6	41,426.3	44,584.4	45,390.4
Expenditure	20,678.8	23,538.3	23,774.7	23,943.7	28,081.2	30,194.7	31,839.5	40,481.7	43,422.3	44,670.0	46,132.9
Balance	1,099.2	115.5	5,721.4	11,173.6	6,001.7	2,926.4	4,999.4	852.9	(1,996.0)	(85.6)	(742.5)
<b>CAPITAL ACCOUNT</b>											
Receipts	2,122.8	5,479.5	2,932.0	2,944.7	2,747.8	2,842.5	4,914.7	6,801.2	5,716.4	5,847.1	7,014.4
Revenue	1,412.9	4,484.1	1,326.9	457.4	85.0	65.0	40.0	56.0	49.4	30.9	11.4
External Grants	709.9	995.4	1,605.1	2,487.3	2,662.8	2,777.5	4,874.7	6,745.2	5,667.0	5,816.2	7,003.0
Expenditure	7,223.2	10,687.4	11,539.5	15,705.5	16,379.0	13,086.1	12,345.2	17,132.8	16,510.4	15,734.0	17,275.7
<b>OVERALL DEFICIT/SURPLUS</b>	(4,001.2)	(5,092.4)	(2,886.1)	(1,587.2)	(7,629.5)	(7,317.2)	(2,431.1)	(9,478.7)	(12,790.1)	(9,972.5)	(11,003.8)
<b>FINANCING</b>	4,001.2	5,092.4	2,886.1	1,587.2	7,629.5	7,317.2	2,431.1	9,478.7	12,790.1	9,972.5	11,003.8
External Financing	1,174.8	3,675.2	1,198.9	7,023.5	8,877.8	2,735.0	4,262.0	7,803.6	9,948.2	3,852.2	8,346.8
Domestic Financial System	(6,573.0)	(4,394.1)	1,627.0	(7,298.5)	1,783.0	3,278.0	(7,701.2)	1,287.4	4,605.7	1,781.0	8,033.7
Banking System	(7,045.0)	(9,795.8)	383.3	(7,291.9)	3,020.0	3,955.7	(15,243.3)	2,519.9	38.2	2,957.0	9,402.4
Non-Bank Borrowing	472.0	5,401.7	1,243.7	(6.6)	(1,237.0)	(677.7)	7,542.1	(1,232.5)	4,567.6	(1,176.0)	(1,368.7)
Other Financing <sup>1</sup>	3,005.0	3,606.2	1,339.6	1,689.0	225.8	359.5	(581.7)	(296.4)	-	-	-
Changes in below the line	6,394.4	2,205.1	(1,279.4)	173.2	(3,257.1)	944.7	6,452.0	684.1	(1,763.8)	4,339.3	(5,376.7)

Sources: Ministry of Finance and Bank of Guyana

<sup>1</sup> Non- project balance of payments grants

Figures from 1996 to 2000 has been revised.



**TABLE 5-II**  
**SUMMARY OF PUBLIC CORPORATIONS FINANCES <sup>1</sup>**  
**(G\$ Million)**

Back to Annexe

Item	1993	1994	1995	1996	1997	1998 <sup>d</sup>	1999 <sup>e</sup>	2000 <sup>f</sup>	2001	2002	2003
<b>Current Revenue</b>	39,200	40,242	47,491	51,544	53,170	49,711	44,454	43,604	45,462	50,604	66,857
Sales-Export	26,823	24,792	28,247	30,406	30,643	27,769	28,778	23,418	23,297	28,494	32,406
Sales-Local	11,310	14,440	18,736	19,010	18,874	13,694	7,865	9,342	10,861	11,485	20,678
Other	1,067	1,010	508	2,128	3,653	8,248	7,811	10,844	11,305	10,625	13,773
<b>Current Expenditure</b>	33,146	34,500	39,586	40,455	43,578	41,091	37,048	39,554	39,813	45,662	61,217
Materials & Supplies	14,426	13,716	14,972	11,484	14,089	13,113	10,773	12,665	11,442	11,729	19,353
Employment	8,574	10,165	10,804	14,162	14,055	13,196	14,929	15,068	15,247	17,423	19,067
Depreciation	-	-	-	-	-	-	-	-	-	-	-
Interest	78	125	37	49	78	121	61	60	101	98	204
Other <sup>a</sup>	10,068	10,494	13,774	14,760	15,357	14,661	11,286	11,761	13,023	16,411	22,593
<b>Operating Surplus(+)/Def(-)</b>	6,054	5,742	7,905	11,089	9,592	8,620	7,406	4,050	5,650	4,942	5,640
Depreciation	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
<b>Gross Cash Surplus(+)/Def(-)</b>	6,054	5,742	7,905	11,089	9,592	8,620	7,406	4,050	5,650	4,942	5,640
<b>Transfers to Central Govt.</b>	4,554	3,599	5,744	4,591	3,177	3,156	2,279	1,098	481	1,684	1,339
Taxes <sup>b</sup>	4,374	3,456	3,740	2,217	1,808	3,009	1,457	957	481	1,371	1,211
Dividends	180	144	2,004	2,374	1,369	147	822	141	-	312	128
<b>Cash Surplus (+)/Deficit(-)</b>	1,500	2,143	2,161	6,498	6,415	5,464	5,127	2,952	5,168	3,258	4,301
<b>Capital Expenditure</b>	5,778	2,467	2,156	3,675	3,691	3,435	3,751	2,113	1,713	1,732	2,949
<b>Overall Cash Surplus (+)/Deficit(-)</b>	(4,277)	(324)	5	2,824	2,724	2,029	1,377	839	3,456	1,526	1,352
<b>Financing</b>	4,277	324	(5)	(2,824)	(2,724)	(2,029)	(1,377)	(839)	(3,456)	(1,526)	(1,352)
<b>External Borrowing (Net)</b>	1,121	(889)	(1,205)	(1,300)	(531)	(493)	(25)	(24)	395	(142)	112
<b>Domestic Financing (Net)</b>	3,156	1,213	1,200	(1,524)	(2,193)	(1,536)	(1,352)	(814)	(3,851)	(1,382)	2,069
Banking System (Net)	601	481	844	(2,534)	(2,058)	(695)	3,200	(2,087)	1,083	(2,425)	(300)
Non-bank Fin. Inst.(Net)	(87)	(353)	...	...	...	...	...	1,331	66	-	-
Holdings of Cent. Govt Sec.	(401)	(1,206)	(1,476)	(1,835)	2,082	(2,623)	(6,682)	277	2,532	1,043	2,368
Transfers from Cent.Govt	2,722	592	103	1,058	1,310	1,269	311	-	50	-	-
Other <sup>c</sup>	322	1,700	(798)	1,787	(3,526)	514	1,819	219	6,791	(2)	(3,532)

Source: State Planning Secretariat, Public Enterprises, National Insurance Scheme and Bank of Guyana

<sup>1</sup> The data represents the consolidation of all the Non-Financial Public Enterprises during the respective years. The figures may not correspond to the table in the text since no adjustment is made for comparison.

<sup>a</sup> Includes current outlays on freight, repairs and maintenance, payments to creditors and contribution to community

<sup>b</sup> Includes special transfers

<sup>c</sup> Includes changes in working capital and changes in external payments deposit

<sup>d</sup> 1998 figures exclude NEOCOL and Stockfeeds which were privatised

<sup>e</sup> 1999 figures exclude GAC, GEC, GSL, SANATA and GPL.

<sup>f</sup> 2000 figures exclude Sanata, GSL and GPC.

<sup>g</sup> 2002 figures include Aroaima Bauxite Company.

**TABLE 6 - I**  
**DOMESTIC PUBLIC BONDED DEBT <sup>1</sup>**  
**(G\$ Million)**

Period Ended	Total	Defence Bonds	Debentures	Treasury Bills <sub>2</sub>
<b>1993</b>	28,434.4	25.3	5,609.1	22,800.0
<b>1994</b>	31,909.6	27.5	7,943.3	23,938.8
<b>1995</b>	33,252.4	27.6	10,436.5	22,788.3
<b>1996</b>	37,678.1	16.6	10,126.8	27,534.7
<b>1997</b>	34,010.8	8.8	8,323.7	25,678.3
<b>1998</b>	35,851.8	5.9	8,123.0	27,722.9
<b>1999</b>	41,629.6	4.6	6,418.0	35,207.0
<b>2000</b>	48,035.1	4.6	4,017.0	44,013.6
<b>2001</b>	52,008.4	4.0	3,914.2	48,090.1
<b>2002</b>	53,794.0	3.6	3,898.5	49,891.9
<b>2003</b>	61,922.7	3.5	11,816.5	50,102.7
<b>2000</b>				
<b>Mar</b>	43,398.8	4.6	6,363.5	37,030.7
<b>Jun</b>	42,643.4	4.6	4,101.3	38,537.5
<b>Sep</b>	43,955.2	4.6	4,041.7	39,909.0
<b>Dec</b>	48,035.1	4.6	4,017.0	44,013.6
<b>2001</b>				
<b>Mar</b>	50,047.4	4.6	3,957.4	46,085.4
<b>Jun</b>	49,743.6	4.0	3,938.1	45,801.6
<b>Sep</b>	50,767.0	4.0	3,929.3	46,833.6
<b>Dec</b>	52,008.4	4.0	3,914.2	48,090.1
<b>2002</b>				
<b>Jan</b>	52,720.9	4.0	3,914.2	48,802.7
<b>Feb</b>	53,464.8	4.0	3,914.2	49,546.7
<b>Mar</b>	51,823.7	4.0	3,907.7	47,912.1
<b>Apr</b>	52,143.7	3.9	3,907.7	48,232.1
<b>May</b>	52,206.7	3.9	3,907.7	48,295.1
<b>Jun</b>	52,329.6	3.9	3,898.5	48,427.2
<b>Jul</b>	52,185.1	3.9	3,898.5	48,282.6
<b>Aug</b>	53,783.3	3.7	3,898.5	49,881.2
<b>Sep</b>	54,839.1	3.7	3,898.5	50,936.9
<b>Oct</b>	54,769.8	3.7	3,898.5	50,867.6
<b>Nov</b>	54,604.2	3.7	3,898.5	50,702.0
<b>Dec</b>	53,794.0	3.6	3,898.5	49,891.9
<b>2003</b>				
<b>Jan</b>	53,974.9	3.6	3,898.5	50,072.8
<b>Feb</b>	56,973.3	3.6	3,898.5	53,071.2
<b>Mar</b>	65,918.6	3.6	11,816.5	54,098.5
<b>Apr</b>	63,360.1	3.6	11,816.5	51,540.1
<b>May</b>	62,849.6	3.6	11,816.5	51,029.5
<b>Jun</b>	62,692.6	3.5	11,816.5	50,872.6
<b>Jul</b>	61,318.6	3.5	11,816.5	49,498.6
<b>Aug</b>	61,818.3	3.5	11,816.5	49,998.3
<b>Sep</b>	63,893.6	3.5	11,816.5	52,073.7
<b>Oct</b>	63,768.7	3.5	11,816.5	51,948.8
<b>Nov</b>	63,634.5	3.5	11,816.5	51,814.5
<b>Dec</b>	61,922.7	3.5	11,816.5	50,102.7

Source: Bank of Guyana.

<sup>1</sup> Excludes non-interest bearing debentures.

<sup>2</sup> As of Dec 1998 includes an amount to satisfy the Bank's reserve requirement of G\$1,000 Million.

**TABLE 6 - II**  
**GOVERNMENT OF GUYANA: TREASURY BILLS**  
**BY HOLDERS AND DEFENCE BONDS**  
**(G\$ Million)**

Period Ended	Total Amount <sup>1</sup>	Defence Premium Bonds	Treasury Bills										
			Total Treasury Bills	Banking System			Non-Bank Financial Institutions	Public Sector				Private Sector	Non Residents
				Total	Bank Of Guyana	Commercial Banks		Total	Public Enterprise	Special Funds <sup>2</sup>	Sinking Funds		
1993	22,198.4	25.3	22,800.0	17,156.4	699.1	16,457.3	2,916.6	1,138.2	-	511.3	626.9	1,575.3	13.5
1994	23,556.6	27.5	23,938.8	13,274.0	2,491.3	10,782.7	5,422.7	2,232.3	175.0	1,647.6	409.7	2,996.9	12.9
1995	22,572.7	27.6	22,788.4	10,457.6	350.5	10,107.1	6,058.1	3,764.3	56.0	3,465.0	243.3	2,492.6	15.8
1996	27,541.1	16.6	27,534.7	13,693.2	810.3	12,882.9	5,964.9	5,240.0	-	5,229.8	10.2	2,621.9	14.7
1997	25,687.1	8.8	25,678.3	15,291.9	241.3	15,050.6	6,599.3	3,004.4	-	3,004.4	-	767.0	15.7
1998	27,728.8	5.9	27,722.9	15,497.8	1,043.5	14,454.3	6,392.7	5,754.0	-	5,754.0	-	63.7	14.7
1999	35,211.6	4.6	35,207.0	14,030.9	1,613.0	12,417.9	6,185.4	12,939.3	274.9	12,664.4	-	2,038.3	13.3
2000	44,018.1	4.6	44,013.6	23,920.9	2,222.9	21,698.0	6,516.3	12,336.7	-	12,336.7	-	1,210.8	29.0
2001	48,094.1	4.0	48,090.1	23,012.9	1,039.9	21,973.0	9,723.2	15,139.2	-	15,139.2	-	166.2	48.7
2002	49,895.5	3.6	49,891.9	25,990.3	1,133.4	24,856.9	10,229.5	13,430.3	-	13,430.3	-	198.1	43.9
2003	50,106.2	3.5	50,102.7	27,569.7	2,344.4	25,225.3	11,720.0	10,753.3	-	10,753.3	-	-	59.8
<b>2000</b>													
Mar	37,035.3	4.6	37,030.7	16,236.0	1,562.5	14,673.5	6,754.1	12,383.1	349.9	12,033.2	-	1,626.7	30.7
Jun	38,542.1	4.6	38,537.5	16,627.8	1,171.5	15,456.4	7,038.6	13,406.8	-	13,406.8	-	1,420.8	43.6
Sep	39,913.5	4.6	39,909.0	18,814.3	1,051.2	17,763.1	6,754.1	13,160.6	-	13,160.6	-	1,153.8	26.3
Dec	44,018.1	4.6	44,013.6	23,920.9	2,222.9	21,698.0	6,516.3	12,336.7	-	12,336.7	-	1,210.8	29.0
<b>2001</b>													
Mar	46,090.0	4.6	46,085.4	24,225.3	1,048.7	23,176.6	7,063.8	13,711.7	-	13,711.7	-	1,039.0	45.8
Jun	45,805.6	4.0	45,801.6	22,210.5	1,351.3	20,859.2	7,852.4	15,485.3	-	15,485.3	-	218.9	34.5
Sep	46,837.6	4.0	46,833.6	22,926.5	1,509.5	21,417.0	8,946.8	14,802.1	-	14,802.1	-	139.9	18.3
Dec	48,094.1	4.0	48,090.1	23,012.9	1,039.9	21,973.0	9,723.2	15,139.2	-	15,139.2	-	166.2	48.7
<b>2002</b>													
Jan	48,806.7	4.0	48,802.7	23,247.7	1,839.9	21,407.8	10,077.6	15,251.8	-	15,251.8	-	177.0	48.7
Feb	49,550.6	4.0	49,546.7	22,988.6	1,039.9	21,948.7	10,705.3	15,632.8	-	15,632.8	-	169.7	50.4
Mar	47,916.1	4.0	47,912.1	21,666.3	1,038.7	20,627.6	10,948.2	15,099.4	-	15,099.4	-	147.9	50.4
Apr	48,236.0	3.9	48,232.1	21,596.7	1,055.7	20,541.1	11,229.8	15,207.4	-	15,207.4	-	147.9	50.4
May	48,299.0	3.9	48,295.1	22,936.7	1,053.0	21,883.7	10,891.8	14,152.0	-	14,152.0	-	264.4	50.4
Jun	48,431.1	3.9	48,427.2	23,255.9	1,211.5	22,044.4	10,785.2	14,089.5	-	14,089.5	-	246.3	50.4
Jul	48,286.5	3.9	48,282.6	23,885.1	1,037.6	22,847.5	10,455.2	13,646.8	-	13,646.8	-	251.8	43.9
Aug	49,884.8	3.7	49,881.2	25,600.6	1,052.1	24,548.5	10,483.2	13,646.8	-	13,646.8	-	106.7	43.9
Sep	50,940.6	3.7	50,936.9	27,357.1	1,034.2	26,322.9	9,782.7	13,646.8	-	13,646.8	-	106.6	43.9
Oct	50,871.3	3.7	50,867.6	26,627.7	1,034.2	25,593.5	10,446.0	13,646.8	-	13,646.8	-	103.3	43.9
Nov	50,705.7	3.7	50,702.0	26,589.0	1,034.2	25,554.8	10,374.1	13,646.8	-	13,646.8	-	48.3	43.9
Dec	49,895.5	3.6	49,891.9	25,990.3	1,133.4	24,856.9	10,229.5	13,430.3	-	13,430.3	-	198.1	43.9
<b>2003</b>													
Jan	50,076.4	3.6	50,072.8	26,028.1	1,133.4	24,894.8	10,281.8	13,521.1	-	13,521.1	-	241.9	-
Feb	53,074.8	3.6	53,071.2	28,040.4	1,031.8	27,008.6	11,272.0	13,521.1	-	13,521.1	-	178.0	59.8
Mar	54,102.1	3.6	54,098.5	28,985.8	2,030.8	26,955.0	11,325.3	13,542.7	-	13,542.7	-	185.0	59.8
Apr	51,543.6	3.6	51,540.1	27,512.1	2,030.8	25,481.3	11,099.0	12,684.3	-	12,684.3	-	185.0	59.8
May	51,033.1	3.6	51,029.5	27,024.8	1,030.9	25,993.9	10,937.2	12,823.5	-	12,823.5	-	184.4	59.8
Jun	50,876.1	3.5	50,872.6	27,499.2	1,630.9	25,868.3	11,123.5	12,163.8	-	12,163.8	-	26.4	59.8
Jul	49,502.1	3.5	49,498.6	27,923.1	1,035.4	26,887.8	10,904.1	10,589.7	-	10,589.7	-	21.9	59.8
Aug	50,001.8	3.5	49,998.3	28,186.6	1,035.1	27,151.5	11,140.4	10,589.7	-	10,589.7	-	21.9	59.8
Sep	52,077.1	3.5	52,073.7	30,325.9	1,331.0	28,995.0	11,078.9	10,589.7	-	10,589.7	-	19.4	59.8
Oct	51,952.2	3.5	51,948.8	29,964.2	2,231.0	27,733.2	11,335.1	10,589.7	-	10,589.7	-	-	59.8
Nov	51,818.0	3.5	51,814.5	29,445.0	1,041.2	28,403.9	11,720.0	10,589.7	-	10,589.7	-	-	59.8
Dec	50,106.2	3.5	50,102.7	27,569.7	2,344.4	25,225.3	11,720.0	10,753.3	-	10,753.3	-	-	59.8

Source: Bank of Guyana.

<sup>1</sup> Excludes Sinking Fund.

<sup>2</sup> As of Dec 1998 includes an amount to satisfy the Bank's reserve requirement of G\$1,000 Million.

**TABLE 6 - III**  
**EXTERNAL PUBLIC DEBT**  
**(US\$ Thousand)**

Period Ended	Total Outstanding Debt	Medium & Long Term					
		Bilateral	Multilateral	Financial	Suppliers Credit. <sup>1</sup>	Compensation Bonds (Nationalisation)	Loan Bonds
<b>1993</b>	1,953,500	912,600	907,300	-	75,800	28,100	29,700
<b>1994</b>	1,999,500	928,700	939,700	-	71,600	27,900	31,600
<b>1995</b>	2,058,300	947,000	986,600	-	68,900	22,600	33,200
<b>1996 <sup>2</sup></b>	1,537,025	441,700	980,130	2,871	64,610	14,959	32,755
<b>1997</b>	1,513,020	449,790	953,050	2,780	58,990	14,940	33,470
<b>1998</b>	1,507,490	450,940	966,440	1,020	54,360	6,640	28,090
<b>1999 <sup>3</sup></b>	1,210,924	360,917	792,250	526	15,190	7,508	34,533
<b>2000</b>	1,193,183	353,529	788,357	526	14,746	7,794	28,231
<b>2001</b>	1,196,743	351,724	796,653	170	12,973	7,678	27,545
<b>2002</b>	1,246,400	350,738	835,172	8,541	15,660	8,574	27,715
<b>2003</b>	1,083,804	111,704	916,802	8,886	14,317	3,487	28,609
<b>2000</b>							
<b>1st Qtr</b>	1,201,302	354,527	796,075	189	15,153	7,828	27,530
<b>2nd Qtr</b>	1,193,137	352,627	790,481	178	14,984	7,511	27,356
<b>3rd Qtr</b>	1,177,838	350,719	777,350	173	14,956	7,584	27,056
<b>4th Qtr</b>	1,193,183	353,529	788,357	526	14,746	7,794	28,231
<b>2001</b>							
<b>1st Qtr</b>	1,178,950	352,036	777,401	167	14,728	7,557	27,061
<b>2nd Qtr</b>	1,167,600	349,468	768,657	165	14,730	7,659	26,921
<b>3rd Qtr</b>	1,186,917	352,855	785,894	173	13,019	7,771	27,205
<b>4th Qtr</b>	1,196,743	351,724	796,653	170	12,973	7,678	27,545
<b>2002</b>							
<b>1st Qtr</b>	1,194,160	351,513	794,825	167	12,945	7,695	27,015
<b>2nd Qtr</b>	1,220,791	353,618	818,495	179	12,927	8,117	27,455
<b>3rd Qtr</b>	1,225,619	353,737	823,040	182	12,921	8,315	27,424
<b>4th Qtr</b>	1,246,400	350,738	835,172	8,541	15,660	8,574	27,715
<b>2003</b>							
<b>1st Qtr</b>	1,249,916	352,169	842,603	8,707	15,192	3,430	27,815
<b>2nd Qtr</b>	1,245,754	336,331	854,045	8,892	14,932	3,450	28,104
<b>3rd Qtr</b>	1,265,511	335,905	874,322	9,074	14,636	3,450	28,125
<b>4th Qtr</b>	1,083,804	111,704	916,802	8,886	14,317	3,487	28,609

Sources: Office of Budget and Debt Management Division, Ministry of Finance.

<sup>1</sup> Includes External Payment Deposit Schemes (EPDS) from 1992.

<sup>2</sup> Figures represent the outstanding stock after the Naples Terms Debt Stock Reduction.

<sup>3</sup> Stock of outstanding debt after HIPC debt relief.

**TABLE 7-I**  
**BALANCE OF PAYMENTS**  
**(US\$ Million)**

Item	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003*
<b>CURRENT ACCOUNT BALANCE</b>	<b>(146.7)</b>	<b>(137.9)</b>	<b>(100.8)</b>	<b>(94.9)</b>	<b>(53.8)</b>	<b>(105.1)</b>	<b>(98.5)</b>	<b>(75.2)</b>	<b>(109.2)</b>	<b>(128.8)</b>	<b>(106.1)</b>	<b>(84.1)</b>
<i>Merchandise Trade</i>												
Exports f.o.b.	381.7	414.0	463.4	495.7	574.8	593.4	547.0	525.0	505.2	490.3	495.5	517.0
Imports f.o.b	(442.7)	(483.8)	(504.0)	(536.5)	(595.0)	(641.6)	(601.2)	(550.2)	(585.4)	(584.1)	(563.1)	(571.7)
Trade Balance	(61.0)	(69.8)	(40.6)	(40.8)	(20.2)	(48.2)	(54.2)	(25.2)	(80.2)	(93.8)	(67.6)	(54.6)
<i>Net Services and unrequited Transfers</i>												
Non Factor Services (net)	(85.7)	(68.1)	(60.2)	(54.1)	(33.6)	(56.9)	(44.3)	(50.0)	(29.0)	(35.0)	(38.5)	(29.5)
Factor Services (net)	(5.3)	(3.3)	(9.2)	(7.1)	(22.3)	(23.2)	(32.1)	(31.1)	(23.9)	(20.4)	(23.5)	(20.1)
Transfers	(110.4)	(93.8)	(83.0)	(86.0)	(52.3)	(73.7)	(56.2)	(57.9)	(52.1)	(58.6)	(55.0)	(49.7)
	30.0	29.0	32.0	39.0	41.0	40.0	44.0	39.0	47.0	44.0	40.0	40.3
<b>CAPITAL ACCOUNT BALANCE</b>	<b>123.6</b>	<b>78.1</b>	<b>22.9</b>	<b>28.0</b>	<b>59.5</b>	<b>125.7</b>	<b>79.8</b>	<b>69.6</b>	<b>137.8</b>	<b>116.4</b>	<b>86.1</b>	<b>74.9</b>
<b>1. Capital Transfer (net) *</b>	-	-	-	-	618.0	23.7	13.1	15.5	16.3	31.9	31.1	43.8
<b>2. Medium and Long Term Capital (net)</b>	<b>126.6</b>	<b>71.7</b>	<b>26.7</b>	<b>26.2</b>	<b>(552.9)</b>	<b>90.0</b>	<b>67.9</b>	<b>79.9</b>	<b>119.5</b>	<b>95.4</b>	<b>63.3</b>	<b>38.5</b>
1. Public Sector	(11.3)	8.4	(20.1)	(27.2)	(611.9)	38.0	23.9	33.9	52.4	39.4	19.7	12.4
A. Central Gov't and Non-Financial Public Sector (net)	(21.3)	4.0	(30.3)	(32.7)	6.1	38.0	13.9	23.9	42.4	39.4	19.7	12.4
Disbursements	26.0	54.0	28.0	30.5	40.2	67.0	59.7	47.4	66.1	65.8	45.3	44.2
Amortization	(47.3)	(50.0)	(58.3)	(63.2)	(34.1)	(29.0)	(45.8)	(23.5)	(23.7)	(26.4)	(25.6)	(31.8)
B. Other (net)1 *	10.0	4.4	10.2	5.5	(618.0)	-	10.0	10.0	10.0	-	-	-
2. Private Sector (net)	137.9	63.3	46.8	53.4	59.0	52.0	44.0	46.0	67.1	56.0	43.6	26.1
<b>Short Term Capital (net) 2</b>	<b>(3.0)</b>	<b>6.4</b>	<b>(3.8)</b>	<b>1.8</b>	<b>(5.6)</b>	<b>12.0</b>	<b>(1.2)</b>	<b>(25.8)</b>	<b>2.0</b>	<b>(10.9)</b>	<b>(8.3)</b>	<b>(7.3)</b>
<b>ERRORS AND OMISSIONS</b>	<b>(16.2)</b>	<b>10.1</b>	<b>14.0</b>	<b>(2.0)</b>	<b>(7.1)</b>	<b>(16.6)</b>	<b>(4.0)</b>	<b>1.2</b>	<b>13.9</b>	<b>0.5</b>	<b>(5.3)</b>	<b>0.3</b>
<b>OVERALL BALANCE</b>	<b>(39.3)</b>	<b>(49.7)</b>	<b>(63.9)</b>	<b>(68.9)</b>	<b>(1.4)</b>	<b>4.0</b>	<b>(22.7)</b>	<b>(4.4)</b>	<b>42.5</b>	<b>(11.9)</b>	<b>(25.4)</b>	<b>(8.9)</b>
<b>FINANCING</b>	<b>39.3</b>	<b>49.7</b>	<b>63.9</b>	<b>68.9</b>	<b>1.4</b>	<b>(4.0)</b>	<b>22.7</b>	<b>4.4</b>	<b>(42.5)</b>	<b>11.9</b>	<b>25.4</b>	<b>8.9</b>
<i>Change in Net Foreign Assets of Bank of Guyana (-increase) 3 ** a b</i>	(35.1)	(39.7)	(27.8)	2.3	(14.0)	3.0	22.7	(10.3)	(61.1)	(16.8)	(3.9)	(0.8)
<i>Change in Non-Financial Public Sector arrears 4</i>	(102.0)	-	-	-	-	(25.0)	-	-	-	-	-	-
<i>Change in Private Sector Commercial arrears</i>	-	-	-	-	-	-	-	14.7	-	-	-	-
<i>Exceptional Financing</i>	176.4	89.4	91.7	66.6	15.4	18.0	-	-	18.6	28.7	29.3	9.7
Debt Relief	154.4	44.6	66.1	57.4	-	-	-	-	21.3	28.7	29.3	9.7
Debt Stock Restructuring	-	-	-	-	-	18.0	-	-	(2.7)	-	-	-
Balance of Payments Support	22.0	44.8	25.6	9.2	15.4	-	-	-	-	-	-	-
Debt Forgiveness	-	-	-	-	-	-	-	-	-	-	-	-

Source : Bank of Guyana, Bureau of Statistics and Ministry of Finance.

1 Includes sales of assets

2 Includes changes in Net Foreign Assets of Commercial Banks

3 Includes valuation changes

4 Includes arrears on non-financial public sector medium and long term debt

\* Jan-Dec 1996 figures includes the total debt write-off of US\$618 million due to Paris Club Arrangements

Budget 1998 figures includes the total debt write-off of US\$253 million due to HIPC Agreements

\*\* Excludes the transfer of US\$146 million foreign liability from Bank of Guyana to the Ministry of Finance in June 1997.

a After additional valuation adjustment of US\$10.3 million in 1997

b Excludes the transfer of US\$63.7 million foreign liability from the Bank of Guyana to the Ministry of Finance in November 1998

**TABLE 7-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>1993</b>	56.4	246.3	189.9	(555.3)	246.3	801.6	8.5	24.4	15.9	(546.8)	270.7	817.5
<b>1994</b>	89.4	269.2	179.8	(527.6)	269.2	796.8	4.7	27.1	22.4	(522.9)	296.3	819.2
<b>1995</b>	86.4	268.8	182.4	(540.0)	268.8	808.8	6.5	27.0	20.5	(533.5)	295.8	829.3
<b>1996<sup>1</sup></b>	153.9	331.6	177.7	(186.6)	331.6	518.2	1.3	26.6	25.3	(185.3)	358.2	543.5
<b>1997</b>	149.9	315.3	165.4	(33.6)	315.3	348.9	(10.2)	24.3	34.5	(43.8)	339.6	383.4
<b>1998</b>	122.2	276.4	154.2	7.4	276.4	268.9	(7.9)	23.5	31.4	(0.4)	299.9	300.3
<b>1999</b>	126.8	267.0	140.2	46.3	267.0	220.7	17.9	40.1	22.2	64.2	307.2	243.0
<b>2000</b>	178.4	295.8	117.4	107.4	295.8	188.4	18.1	36.7	20.7	125.5	334.6	209.1
<b>2001</b>	187.4	285.1	97.6	124.2	285.1	160.8	34.8	52.3	17.5	159.0	337.4	178.4
<b>2002</b>	183.4	279.5	96.2	128.0	279.5	151.5	40.0	65.9	25.9	167.9	345.4	177.5
<b>2003</b>	176.2	271.5	95.4	128.8	271.5	142.8	67.3	92.7	25.4	196.0	364.2	168.2
<b>2000</b>												
<b>Mar</b>	146.4	280.3	133.9	66.7	280.3	213.6	12.8	35.7	22.9	79.5	316.0	236.5
<b>Jun</b>	153.7	281.5	127.8	77.9	281.5	203.6	20.2	45.1	24.9	98.1	326.6	228.5
<b>Sep</b>	165.1	286.6	121.4	89.2	286.6	197.3	15.4	37.4	22.0	104.7	324.0	219.4
<b>Dec</b>	178.4	295.8	117.4	107.4	295.8	188.4	18.1	36.7	20.7	125.5	334.6	209.1
<b>2001</b>												
<b>Mar</b>	172.9	285.4	112.5	101.9	285.4	183.5	25.3	44.7	19.4	127.2	330.1	202.9
<b>Jun</b>	167.0	271.5	104.5	99.9	271.5	171.6	29.4	46.8	17.5	129.3	318.4	189.1
<b>Sep</b>	162.9	269.9	107.0	95.7	269.9	174.1	29.8	49.2	19.4	125.5	319.1	193.5
<b>Dec</b>	187.4	285.1	97.6	124.2	285.1	160.8	34.8	52.3	17.5	159.0	337.4	178.4
<b>2002</b>												
<b>Jan</b>	193.8	290.3	96.5	130.6	290.3	159.7	35.3	52.8	17.5	165.9	343.1	177.2
<b>Feb</b>	190.9	286.2	95.3	127.7	286.2	158.6	37.7	55.1	17.4	165.4	341.4	176.0
<b>Mar</b>	188.9	284.6	95.7	125.6	284.6	159.0	41.4	57.1	15.7	167.0	341.7	174.7
<b>Apr</b>	188.6	282.5	93.9	129.3	282.5	153.2	47.3	63.4	16.1	176.6	345.9	169.3
<b>May</b>	188.6	284.2	95.6	129.3	284.2	154.9	45.4	62.5	17.1	174.7	346.8	172.1
<b>Jun</b>	185.2	280.3	95.0	125.9	280.3	154.4	45.4	63.7	18.3	171.3	343.9	172.6
<b>Jul</b>	183.8	278.2	94.5	124.4	278.2	153.8	48.2	68.5	20.3	172.6	346.7	174.1
<b>Aug</b>	183.9	277.5	93.6	124.5	277.5	153.0	44.6	63.5	18.8	169.1	341.0	171.8
<b>Sep</b>	179.8	280.4	100.6	120.4	280.4	160.0	47.4	67.8	20.4	167.8	348.2	180.4
<b>Oct</b>	182.9	278.7	95.8	127.5	278.7	151.2	51.7	75.3	23.6	179.2	354.0	174.9
<b>Nov</b>	171.6	267.6	96.0	116.2	267.6	151.4	38.3	64.9	26.5	154.5	332.4	177.9
<b>Dec</b>	183.4	279.5	96.2	128.0	279.5	151.5	40.0	65.9	25.9	167.9	345.4	177.5
<b>2003</b>												
<b>Jan</b>	183.2	280.5	97.4	127.8	280.5	152.7	40.5	65.2	24.6	168.3	345.7	177.4
<b>Feb</b>	177.7	273.4	95.7	122.3	273.4	151.1	45.4	68.9	23.6	167.6	342.3	174.7
<b>Mar</b>	176.0	272.0	95.9	120.7	272.0	151.3	48.6	72.0	23.4	169.3	343.9	174.7
<b>Apr</b>	176.6	268.3	91.7	125.2	268.3	143.1	48.7	76.6	27.9	174.0	344.9	171.0
<b>May</b>	167.8	261.9	94.1	116.4	261.9	145.5	51.2	79.3	28.1	167.5	341.2	173.6
<b>Jun</b>	172.1	262.4	90.3	120.7	262.4	141.7	50.4	78.8	28.4	171.1	341.2	170.1
<b>Jul</b>	162.8	252.5	89.7	111.4	252.5	141.1	53.0	79.8	26.8	164.4	332.3	167.9
<b>Aug</b>	164.5	252.0	87.6	113.1	252.0	138.9	51.4	77.1	25.7	164.5	329.1	164.7
<b>Sep</b>	162.3	261.7	99.4	110.9	261.7	150.8	56.2	83.4	27.2	167.2	345.2	178.0
<b>Oct</b>	160.7	255.2	94.5	113.3	255.2	141.8	62.5	84.9	22.4	175.8	340.0	164.2
<b>Nov</b>	164.5	251.8	87.3	117.1	251.8	134.7	62.5	86.8	24.3	179.6	338.6	159.0
<b>Dec</b>	176.2	271.5	95.4	128.8	271.5	142.8	67.3	92.7	25.4	196.0	364.2	168.2

Source: Bank of Guyana and Commercial Banks

<sup>1</sup> Net Foreign Assets reflect Naples terms debt stock reduction in December 1996

**TABLE 8-I**  
**CHANGES IN BANK OF GUYANA TRANSACTION EXCHANGE RATE**  
**(G\$/US\$)**

Date						Rate	Date						Rate		
01	May	02	-	03	May	02	190.50	04	Mar	03	-	07	Mar	03	192.75
06	May	02	-	10	May	02	190.50	10	Mar	03	-	14	Mar	03	192.75
13	May	02	-	17	May	02	190.50	17	Mar	03	-	18	Mar	03	191.25
20	May	02	-	24	May	02	190.50	19	Mar	03					192.50
27	May	02	-	31	May	02	190.50	20	Mar	03	-	21	Mar	03	191.25
03	Jun	02	-	07	Jun	02	190.50	24	Mar	03	-				191.25
10	Jun	02	-	14	Jun	02	190.50	25	Mar	03	-	28	Mar	03	192.50
17	Jun	02	-	21	Jun	02	190.50	31	Mar	03					193.75
24	Jun	02	-	27	Jun	02	190.50	04	Apr	03					193.75
28	Jun	02					190.75	07	Apr	03	-	11	Apr	03	193.75
01	Jul	02	-	05	Jul	02	190.75	14	Apr	03	-	17	Apr	03	193.75
08	Jul	02	-	12	Jul	02	190.75	22	Apr	03	-	25	Apr	03	193.75
15	Jul	02	-	18	Jul	02	190.75	28	Apr	03					193.75
19	Jul	02	-				191.00	02	May	03					193.75
22	Jul	02	-	26	Jul	02	191.00	05	May	03	-	09	May	03	193.75
29	Jul	02					191.25	12	May	03	-	16	May	03	193.75
02	Aug	02					191.25	19	May	03	-	23	May	03	192.50
05	Aug	02	-	09	Aug	02	191.25	27	May	03	-	30	May	03	192.50
12	Aug	02	-	16	Aug	02	191.25	02	Jun	03		06	Jun	03	193.75
19	Aug	02	-	23	Aug	02	191.25	09	Jun	03	-	13	Jun	03	193.75
26	Aug	02	-	30	Aug	02	191.00	16	Jun	03	-	20	Jun	03	193.75
02	Sep	02	-	06	Sep	02	191.00	23	Jun	03	-	27	Jun	03	193.75
09	Sep	02	-	13	Sep	02	191.00	30	Jun	03	-				193.75
16	Sep	02	-	20	Sep	02	191.00	01	Jul	03		04	Jul	03	194.00
23	Sep	02	-	27	Sep	02	191.00	07	Jul	03	-	11	Jul	03	194.00
30	Sep	02	-	27	Sep	02	191.00	14	Jul	03	-	18	Jul	03	194.00
04	Oct	02					191.00	21	Jul	03	-	25	Jul	03	194.00
07	Oct	02	-	11	Oct	02	191.00	28	Jul	03	-	31	Jul	03	194.00
14	Oct	02	-	18	Oct	02	190.50	04	Aug	03	-	08	Aug	03	194.00
21	Oct	02	-	25	Oct	02	190.50	11	Aug	03	-	14	Aug	03	194.00
28	Oct	02					190.00	18	Aug	03	-	22	Aug	03	194.00
01	Nov	02					190.00	25	Aug	03	-				194.00
04	Nov	02	-	08	Nov	02	190.00	26	Aug	03	-	29	Aug	03	194.50
11	Nov	02	-	15	Nov	02	190.00	01	Sep	03	-	05	Sep	03	194.50
18	Nov	02					191.00	08	Sep	03	-	12	Sep	03	194.50
19	Nov	02	-	22	Nov	02	191.25	15	Sep	03	-	19	Sep	03	194.50
25	Nov	02	-	26	Nov	02	191.25	22	Sep	03	-	24	Sep	03	194.50
27	Nov	02	-	29	Nov	02	191.75	25	Sep	03	-	26	Sep	03	195.00
02	Dec	02	-	06	Dec	02	191.75	29	Sep	03	-	30	Sep	03	195.25
09	Dec	02	-	13	Dec	02	191.75	01	Oct	03	-	03	Oct	03	195.25
16	Dec	02	-	20	Dec	02	191.75	06	Oct	03	-	10	Oct	03	195.25
23	Dec	02	-	27	Dec	02	191.75	13	Oct	03	-	17	Oct	03	195.25
30	Dec	02	-	31	Dec	02	191.75	20	Oct	03	-	24	Oct	03	195.25
02	Jan	03	-	03	Jan	03	191.75	27	Oct	03	-	31	Oct	03	195.25
06	Jan	03	-	10	Jan	03	191.75	03	Nov	03	-	07	Nov	03	195.25
13	Jan	03	-	17	Jan	03	191.75	10	Nov	03	-				195.25
20	Jan	03	-	24	Jan	03	191.75	11	Nov	03	-	14	Nov	03	196.25
27	Jan	03	-	31	Jan	03	191.75	17	Nov	03	-	21	Nov	03	196.25
03	Feb	03	-	07	Feb	03	191.75	24	Nov	03	-	28	Nov	03	196.00
10	Feb	03	-	14	Feb	03	191.75	01	Dec	03	-	05	Dec	03	196.00
17	Feb	03	-	20	Feb	03	191.75	08	Dec	03	-	12	Dec	03	196.00
21	Feb	03					192.25	15	Dec	03	-	19	Dec	03	196.00
24	Feb	03	-	28	Feb	03	192.25	22	Dec	03	-	24	Dec	03	194.25
03	Mar	03					192.25	29	Dec	03	-	31	Dec	03	194.25

Source: Bank of Guyana.

Effective from October 1, 1991 the official exchange rate fluctuates either daily or periodically.

It is the average of the Telegraphic Transfer Rates of the three (3) largest Commercial Banks.

**TABLE 8-II**  
**EXCHANGE RATE**  
**(G\$/US\$)**

Years	End of Period	Period Average
<b>1993</b>	130.75	126.82
<b>1994</b>	142.50	142.50
<b>1995</b>	140.50	141.89
<b>1996</b>	141.25	140.45
<b>1997</b>	144.00	143.65
<b>1998</b>	165.25	163.74
<b>1999</b>	180.50	180.43
<b>2000</b>	184.75	182.44
<b>2001</b>	189.50	187.34
<b>2002</b>	191.75	191.75
<b>2003</b>	194.25	195.50
<b>2000</b>		
<b>Mar</b>	181.75	181.64
<b>Jun</b>	182.25	182.12
<b>Sep</b>	182.25	182.11
<b>Dec</b>	184.75	184.75
<b>2001</b>		
<b>Mar</b>	186.25	186.30
<b>Jun</b>	186.75	186.75
<b>Sep</b>	189.25	187.46
<b>Dec</b>	189.50	189.50
<b>2002</b>		
<b>Jan</b>	189.75	189.59
<b>Feb</b>	190.25	190.25
<b>Mar</b>	190.50	190.50
<b>Apr</b>	190.50	190.50
<b>May</b>	190.50	190.50
<b>Jun</b>	190.75	190.51
<b>Jul</b>	191.25	190.89
<b>Aug</b>	191.00	191.19
<b>Sep</b>	191.00	191.00
<b>Oct</b>	190.00	190.61
<b>Nov</b>	191.75	190.69
<b>Dec</b>	191.75	191.75
<b>2003</b>		
<b>Jan</b>	191.75	191.75
<b>Feb</b>	192.25	191.89
<b>Mar</b>	193.75	192.41
<b>Apr</b>	193.75	193.75
<b>May</b>	192.50	193.16
<b>Jun</b>	193.75	193.45
<b>Jul</b>	194.00	193.94
<b>Aug</b>	194.50	194.15
<b>Sep</b>	195.25	194.61
<b>Oct</b>	195.25	195.25
<b>Nov</b>	196.00	195.89
<b>Dec</b>	194.25	195.50

Source: Bank of Guyana



**TABLE 9-1**  
**GROSS DOMESTIC PRODUCT, INCOME AND EXPENDITURE (AT CURRENT PRICES)**  
**(G\$ Million)**

Item	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003*
<b>PRODUCT</b>											
Sugar	11,139	13,246	14,608	14,557	14,560	12,427	16,906	13,852	12,029	15,402	18,448
Rice	3,199	5,651	9,682	9,848	9,301	9,438	9,950	7,345	9,057	8,565	8,621
Livestock	731	916	1,249	1,598	1,807	1,881	2,111	2,330	2,546	2,754	2,979
Other Agriculture	2,227	2,715	3,518	3,974	4,478	4,953	5,482	5,982	5,825	5,971	5,415
Fishing	3,344	3,924	4,536	4,832	5,532	5,813	6,282	7,240	7,780	7,768	8,389
Forestry	1,046	1,936	2,473	2,597	3,103	2,107	2,569	2,232	2,433	2,295	2,411
Mining & Quarrying	10,275	13,570	12,604	15,567	15,565	14,439	16,156	17,235	17,603	17,671	15,930
Manufacturing <sup>1</sup>	1,977	2,296	2,846	3,078	3,297	3,191	3,681	3,434	3,599	3,953	3,874
Distribution	2,323	2,750	3,205	3,534	3,855	4,194	4,268	4,755	4,927	5,024	4,996
Transport & Communication	2,645	3,300	3,742	4,486	5,183	6,204	7,138	8,401	9,599	10,432	11,502
Engineering & Construction	1,673	2,253	3,098	3,747	4,446	4,913	4,771	5,335	5,589	5,580	6,199
Rent of Dwelling	2,197	2,491	2,798	3,025	3,489	3,632	3,848	4,360	4,567	4,704	5,087
Financial Services	1,790	2,076	2,324	2,829	2,974	3,087	3,387	4,174	4,049	4,149	4,400
Other Services	746	906	1,057	1,193	1,315	1,406	1,570	1,851	1,979	2,043	2,201
Government	4,220	5,115	6,187	7,393	10,839	12,786	16,976	19,560	20,636	21,451	22,809
G.D.P. current at Factor Cost <sup>2</sup>	49,532	63,145	73,927	82,258	89,744	90,472	105,095	108,087	112,219	117,762	123,261
Indirect Taxes net of Subs.	9,592	12,267	14,344	16,780	16,934	17,531	18,570	21,926	21,185	20,685	20,803
G.D.P. at Market Prices	59,124	75,412	88,271	99,038	106,678	108,003	123,665	130,013	133,403	138,447	144,064
Net factor income paid abroad	11,912	11,471	12,203	7,319	10,460	8,455	12,216	8,022	9,612	10,485	8,325
G.N.P. at factor cost	37,620	51,674	61,724	74,939	79,284	82,017	92,879	100,065	102,608	107,278	114,936
G.N.P. at market prices	47,212	63,941	76,068	91,719	96,218	99,548	111,449	121,991	123,792	127,962	135,739
<b>EXPENDITURE</b>											
<i>Domestic Expenditure at market prices</i>	68,408	82,296	95,068	105,003	116,812	120,987	131,669	150,676	155,888	155,929	160,016
Public Investment <sup>3</sup>	9,581	9,467	12,159	15,976	19,110	16,527	16,160	19,684	18,170	20,291	19,393
Private Investment <sup>4</sup>	21,164	24,881	27,918	27,460	27,989	28,252	31,443	30,381	33,205	32,375	31,080
Public Consumption	8,529	11,817	14,093	17,343	21,747	23,151	29,947	35,798	30,505	32,976	37,928
Private Consumption	29,134	36,131	40,898	44,224	47,966	53,057	54,119	64,813	74,008	70,287	71,615

Source: Bureau of Statistics and Bank of Guyana

<sup>1</sup> Includes Utilities

<sup>2</sup> Components may not add up due to rounding

<sup>3</sup> Includes Investment of Public Enterprises

<sup>4</sup> Includes Stock Changes

**TABLE 9-II**  
**GROSS DOMESTIC PRODUCT (AT 1988 PRICES)**  
**(G\$ Million)**

Item	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>2</sup>	2002	2003
<b>GDP AT FACTOR COST</b>	4,104	4,450	4,675	5,048	5,360	5,270	5,426	5,352	5,474	5,536	5,500
<b>AGRICULTURE, FORESTRY AND FISHING</b>	1,159	1,302	1,412	1,493	1,577	1,475	1,670	1,519	1,571	1,625	1,588
Sugarcane	575	598	595	631	648	600	754	642	668	748	664
Rice Paddy	93	103	140	150	153	153	161	130	143	129	161
Other crops	203	215	233	242	255	272	275	278	281	285	291
Livestock	60	69	84	105	111	109	111	116	119	125	130
Fishing	112	120	132	135	146	142	143	164	165	159	159
Forestry	117	197	228	230	264	200	226	189	195	180	183
<b>MINING AND QUARRYING</b>	502	535	474	546	628	645	591	626	652	607	554
Bauxite	229	217	236	221	255	262	240	254	267	249	222
Other	273	318	238	325	373	383	351	372	385	358	332
<b>MANUFACTURING</b>	506	533	583	640	629	575	654	563	577	640	637
Sugar	182	190	188	233	206	190	240	204	212	276	271
Rice	37	41	54	56	57	56	64	50	56	48	57
Other	286	302	341	351	367	328	350	309	309	316	309
<b>CONSTRUCTION</b>	265	318	349	398	450	471	424	452	461	443	468
<b>SERVICES</b>	1,672	1,762	1,858	1,971	2,075	2,103	2,087	2,193	2,213	2,222	2,253
Distribution	338	358	376	395	417	439	404	425	427	423	412
Transport and Communications	317	342	375	416	453	439	448	480	506	529	555
Rental of dwellings	66	72	77	82	88	93	87	92	94	94	97
Financial services	214	231	249	273	285	294	300	309	293	290	293
Government	597	609	621	633	651	650	657	689	689	682	686
Other <sup>1</sup>	139	150	160	172	181	188	191	198	204	204	210

Components may not add to the total due to rounding

<sup>1</sup> Includes electricity, gas and water

<sup>2</sup> Data for the mining sector was revised by the Bureau of Statistics.

**TABLE 10-I**  
**INDICES OF OUTPUT OF SELECTED COMMODITIES**

Commodities	Unit (000)	Output in '72	Weights	(1972 = 100)										
				1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
<b>AGRICULTURE</b>														
Sugar	Tonnes	321	46.7	76.8	79.9	79.1	87.2	86.1	79.6	100.1	85.0	88.6	103.1	94.2
Rice	Tonnes	96	11.6	220.1	244.4	331.4	350.3	356.8	355.7	380.7	303.1	335.7	300.4	369.8
Coconuts*	Nuts	28,500	2.4	221.1	252.6	321.1	461.4	493.0	249.0	315.9	346.8	184.4	253.7	...
Ground Provisions*	Kg.	20,248	4.1	66.7	66.2	63.7	63.7	79.1	162.7	92.7	134.8	90.5	57.1	...
Plantains*	"	12,621	3.4	104.7	153.8	168.1	139.5	107.8	65.2	23.2	83.8	60.9	33.2	...
Bananas*	"	4,812	0.8	283.4	334.7	347.2	297.3	228.5	232.5	85.9	175.9	161.6	355.9	...
Citrus*	"	10,442	0.8	73.0	73.0	63.0	27.0	27.0	41.3	28.2	63.0	51.6	15.0	...
Pineapples*	"	2,043	0.2	463.7	494.7	509.4	352.6	807.2	58.1	55.6	70.7	98.4	11.3	...
Corn*	"	2,815	0.2	124.0	118.5	135.1	110.2	282.3	111.6	51.6	61.8	32.6	15.0	...
Coffee*	"	688	0.7	155.1	170.0	117.2	41.5	...	19.8	19.4	...	12.1	24.4	...
Pulses* <sup>1</sup>	"	196	0.1	...	...	1,632.6	510.2	806.1	358.1	132.4	177.6	123.4	199.8	...
Tomatoes*	"	1,589	1.4	119.0	128.0	208.0	157.0	191.0	78.0	47.1	133.8	75.3	7.4	...
Cabbages*	"	749	0.3	231.3	246.3	347.3	240.4	163.0	121.9	44.9	19.6	16.2	20.5	...
Meat	"	12,983	13.4	31.3	48.1	55.7	82.7	92.3	86.9	95.8	90.7	96.2	128.9	182.4
Milk*	Ltr.	16,366	2.0	240.0	235.3	211.1	166.7	...	...	...	...	...	...	...
Eggs	No.	26,400	1.3	32.2	68.2	115.1	145.8	114.9	91.1	97.5	114.1	97.3	65.8	35.1
<b>FISHERIES</b>														
Shrimp	Kg.	5,448	1.7	60.6	157.9	171.6	352.1	421.8	465.0	264.1	292.4	513.4	377.0	393.2
Other	"	12,258	6.0	303.7	317.3	310.6	276.2	291.1	296.2	336.5	393.3	221.4	217.9	284.6
<b>FORESTS</b>														
Timber	Cu.Mt	170	1.6	86.9	172.0	197.2	172.3	206.8	259.6	293.2	229.4	257.9	114.4 <sup>c</sup>	...
All Agriculture			100.0	116.0	124.0	146.0	149.0	150.0	124.3	130.3	114.7	113.5	117.0	...
<b>MINING &amp; QUARRYING</b>														
<i>Bauxite :</i>														
Dried	Tonnes	1,676	23.2	38.1	110.6	110.8	141.2	134.0	119.6	127.0	145.8	113.5	94.1	97.2
Calcined	"	704	52.7	38.8	25.1	29.8	22.4	25.3	21.0	15.3	15.0	13.0	8.8	12.4
Gold	Ozs.	4	0.2	7,744.3	9,390.5	7,237.9	7,757.2	10,792.6	11,738.9	10,372.6	9,016.6	11,398.0	11,627.7	10,033.9
Diamonds	Met.cts.	47	1.6	108.3	78.3	111.3	99.4	77.8	71.4	111.9	178.5	392.0	528.6	877.7
All Mining			77.7	47.0	59.0	58.0	79.4	86.6	81.6	77.3	80.6	80.1	74.9	81.3
<b>MANUFACTURING</b>														
Garments	Dozs.	364	7.3	74.5	103.3	97.3	73.0	80.9	76.7	67.5	51.1	79.6	112.0	76.8
Edible Oil	Ltr.	4,864	1.1	29.5	39.2	49.1	34.1	24.1	36.7	44.6	26.7	27.8	56.7	61.1 <sup>a</sup>
Margarine	Kg.	1,415	1.9	85.0	95.3	89.6	114.2	128.0	125.7	139.2	133.5	153.9	50.2	135.7 <sup>b</sup>
Flour	Tonnes	33	13.8	105.3	104.6	111.8	107.7	102.9	96.4	107.0	108.8	109.4	109.3	103.6
Biscuits	Kg.	2,241	1.3	84.5	81.5	86.4	78.8	62.4	65.5	69.0	65.0	65.2	56.0	53.2
Areated Bev.	Ltr.	153,239	0.9	17.5	21.4	24.7	26.4	26.3	26.1	54.4	49.6	23.4	26.5	27.9
Rum	Ltr.	19,111	48.5	127.8	130.7	114.5	121.4	118.3	108.5	72.1	48.2	69.3	76.3	62.5
Beer & Stout	Ltr.	7,528	4.7	188.0	125.0	125.3	145.4	167.1	169.9	171.7	156.7	141.2	144.2	111.9
Cigarettes	Kg.	438	7.4	66.1	68.7	69.6	87.5	50.4	0.0	0.0	0.0	0.0	0.0	0
Matches	Gross Boxes	178	0.8	17.9	18.2	16.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Stockfeeds	Kg.	27,590	7.8	36.9	53.0	50.2	79.2	81.7	79.2	96.3	93.9	115.8	139.1	136.2
Soap	Kg.	2,055	1.7	22.9	11.6	12.4	27.3	12.8	9.7	14.2	6.5	5.3	5.6	16.7 <sup>b</sup>
All Manufacturing			97	102.0	104.0	97.0	102.0	99.0	89.9	77.3	62.9	76.9	76.1	72.8

Source: \*Ministry of Agriculture and Bureau of Statistics

<sup>1</sup> Pulses includes minica, blackeye and other legumes

<sup>a</sup> Index represents total as at October

<sup>b</sup> Index represents total as at November

**TABLE 10 - II**  
**Georgetown: Urban Consumer Price Index**  
**(1994=100)**

End of Period	All Items Index	Sub-Group Indices			
		Food <sup>1</sup>	Clothing	Housing <sup>2</sup>	Miscellaneous
<b>1994</b>	115.0	120.1	100.3	113.9	113.5
<b>1995</b>	124.3	130.7	88.7	131.3	116.7
<b>1996</b>	129.9	137.6	89.0	137.0	121.0
<b>1997</b>	135.2	142.9	80.6	144.5	124.3
<b>1998</b>	141.7	146.9	76.1	144.0	133.4
<b>1999</b>	154.0	157.0	73.8	158.7	138.1
<b>2000</b>	163.0	163.7	72.7	179.4	155.7
<b>2001</b>	165.5	167.8	73.2	182.2	155.4
<b>2002</b>	175.5	170.9	74.6	199.6	156.0
<b>2003</b>	184.3	175.8	75.2	213.3	158.7
<b>2000</b>					
<b>Mar</b>	156.3	159.4	72.5	163.1	145.1
<b>Jun</b>	156.8	159.4	73.1	164.7	145.8
<b>Sep</b>	161.5	164.0	73.5	175.4	153.6
<b>Dec</b>	163.0	163.7	72.7	179.4	155.7
<b>2001</b>					
<b>Mar</b>	161.2	158.6	73.3	180.0	153.6
<b>Jun</b>	162.3	161.0	73.5	178.4	154.1
<b>Sep</b>	163.9	163.0	73.1	183.8	154.3
<b>Dec</b>	165.5	167.8	73.2	182.2	155.4
<b>2002</b>					
<b>Jan</b>	164.6	166.1	72.7	181.1	154.8
<b>Feb</b>	168.8	166.3	73.1	186.8	155.1
<b>Mar</b>	167.8	162.7	72.9	188.4	155.6
<b>Apr</b>	169.7	164.1	72.9	190.7	155.6
<b>May</b>	170.7	167.1	73.3	189.9	154.9
<b>Jun</b>	172.2	170.6	73.3	190.3	154.7
<b>Jul</b>	173.1	169.5	74.7	195.1	155.3
<b>Aug</b>	173.3	169.4	74.7	195.2	155.3
<b>Sep</b>	173.6	170.2	74.7	196.1	155.5
<b>Oct</b>	175.2	171.9	74.6	199.4	155.8
<b>Nov</b>	175.4	171.3	74.6	199.4	156.0
<b>Dec</b>	175.5	170.9	74.6	199.6	156.0
<b>2003</b>					
<b>Jan</b>	176.4	171.2	75.2	199.9	157.9
<b>Feb</b>	176.9	171.9	75.2	200.1	158.2
<b>Mar</b>	178.5	173.4	75.2	203.1	157.9
<b>Apr</b>	181.7	174.4	75.2	210.8	157.9
<b>May</b>	182.2	174.6	75.2	212.7	158.0
<b>Jun</b>	182.1	173.8	75.2	212.9	158.5
<b>Jul</b>	183.2	175.3	75.2	211.6	158.2
<b>Aug</b>	183.0	174.9	75.2	211.6	157.8
<b>Sep</b>	184.3	176.9	75.2	213.0	158.2
<b>Oct</b>	185.5	179.0	75.2	212.9	158.5
<b>Nov</b>	185.0	177.7	75.2	212.9	158.6
<b>Dec</b>	184.3	175.8	75.2	213.3	158.7

Source: Bureau of Statistics

<sup>1</sup> Includes Beverages & Tobacco

<sup>2</sup> Includes Rent, Fuel & Light

## APPENDIX I

### LIST OF COMMERCIAL BANKS AND BRANCHES AS AT DECEMBER 31, 2003

1. **NATIONAL BANK OF INDUSTRY & COMMERCE LTD.:-** 155-156 New Market & Waterloo Sts., Georgetown

#### BRANCHES

- (a) Water Street - 38-40 Water St., Georgetown
- (b) Camp Street - 110 Regent & Camp Sts., Georgetown
- (c) New Amsterdam - 16-17 Strand, Water & New Streets, N.A., Berbice
- (d) Rose Hall - 29A Public Rd., Rose Hall, Berbice
- (e) Linden - 101-102 Republic Ave., M<sup>c</sup> Kenzie, Linden
- (f) Corriverton - Lot 5, No. 78 Village, Corriverton, Berbice
- (g) Anna Regina - Lot 6 Public Rd., Anna Regina, Essequibo Coast
- (h) Rosignol - Lot 31-32 Rosignol, West Bank Berbice
- (i) G. P. O. - North Rd. & Savage St., Georgetown
- (j) Vreed-en-Hoop - 35 New Rd., Vreed-en-Hoop, West Coast Demerara

2. **GUYANA BANK FOR TRADE & INDUSTRY LTD.:-** 47-48 Water St., Georgetown

#### BRANCHES

- (a) Regent Street - 138 Regent St., 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) D'Edward Village - Lot 16A, D'Edward Village, West Bank Berbice
- (f) Vreed-en-Hoop - Lot 'N' Plantation Walk, Vreed-en-Hoop, West Bank Demerara

3. **BANK OF NOVA SCOTIA:-** 104 Carmichael St., Georgetown

#### BRANCHES

- (a) Scotia Enterprise - 40 Pike St., Kitty
- (b) Scotiabank - 63 Robb St. & Avenue of the Republic, Lacytown, Georgetown
- (c) New Amsterdam - Lot 12, Strand, New Amsterdam, Berbice
- (d) Parika - Lot 299, Parika Highway, Parika, East Bank Essequibo
- (e) Bartica - Lot 42 Second Ave., Bartica, Essequibo

4. **BANK OF BARODA:-** 10 Ave. of the Republic & Regent St., Georgetown

5. **DEMERARA BANK LTD.:-** 230 Camp St. & South Rd., Georgetown

6. **CITIZENS BANK GUYANA INC.:-** 201 Charlotte & Camp Sts., Georgetown

#### BRANCHES

- (a) Parika - Lot 298, Parika, East Bank Essequibo
- (b) Bartica - Lot 16 First Ave., Bartica, Essequibo
- (c) Thirst Park - Banks DIH Complex, Thirst Park

**APPENDIX II**  
**LICENSED FOREIGN CURRENCY DEALERS AS AT DECEMBER 31, 2003**

<b>No.</b>	<b>Name</b>	<b>Address of Licensed Premises</b>
1	A & N Sarjoo	15-16 America St., Stabroek, Georgetown
2	Bank of Baroda	10 Ave. of the Republic, Robbstown, Georgetown
3	Bank of Nova Scotia	104 Carmichael St., Georgetown
4	Cambio Royale	69 Main St., South Cummingsburg, Georgetown
5	Citizens Bank (Guy) Ltd.	201 Charlotte & Camp Sts., Georgetown
6	Commerce House Cambio	93 Regent St., Lacytown, Georgetown
7	Confidential Cambio	29 Lombard St., Werk-en-Rust, Georgetown
8	Demerara Bank Ltd.	230 Camp St. & South Rd., Georgetown
9	L. Mohabeer & Son Cambio	124 King St., Lacytown, Georgetown
10	F & F Foreign Exchange Enterprise	25 'A' Water St., Georgetown
11	Guyana Pegasus Hotel Cambio	Sea Wall Rd., Kingston, Georgetown
12	Guyana Bank for Trade & Industry	47-48 Water St., Robbstown, Georgetown
13	Hand-in-Hand Trust Corp.	62-63 Middle St., North Cummingsburg, Georgetown
14	Gobind Variety Store & Cambio	96 Regent St., Lacytown, Georgetown
15	Laparkan Financial Services Ltd.	William Fogarty's Building, 34-37 Water St., G/Town
16	Martina's Cambio	19 Hinck St., Robbstown, Georgetown
17	N. M. Services Ltd. Cambio	Lot 5 Ruimveldt, Greater Georgetown
18	National Bank of Industry & Commerce	38-40 Water St., Robbstown, Georgetown
19	R. Sookraj Cambio	77 Robb St., Lacytown, Georgetown
20	Salt & Pepper Restaurant & Bakery Cambio	14 Longden & Croal Sts., Stabroek, Georgetown
21	Mohamed's Cambio	20 1/2 E Regent St., Robbstown, Georgetown

## **BANK OF GUYANA**

P. O. Box 1003  
Georgetown  
Guyana

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