

TABLE OF CONTENTS

TABLE OF CONTENTS	i
FOREWORD	ii
ABBREVIATIONS AND ACRONYMS	iii
TABLES AND CHARTS	iv
EXECUTIVE SUMMARY	1
1- INTERNATIONAL ECONOMIC, MONETARY AND FINANCIAL ENVIRONMENT	2
1.1- Brief overview	2
1.2- International Environments by region	3
1.3- Economic environment of CEMAC	4
2- BANKING SECTOR AND CAPITAL MARKETS	5
2.1- Banking sector	5
2.1.1- Customer deposits	5
2.1.2- Loans to Customers	7
2.1.3- Loans to SMEs	8
2.1.4- Banking market analysis	9
2.1.5- Analysis of prudential ratios	10
2.2- Capital market	11
2.2.1- Money Market	11
2.2.1.1- Evolution of the money supply	11
2.2.1.2- Evolution of money supply counterparts	12
2.2.1.3- Money market rates	13
2.2.2- The Open Subscription Securities Market of BEAC	13
2.2.3- The Central African Stock Exchange	14
3- FOREIGN EXCHANGE RESERVES AND ASSETS	17
3.1- Foreign exchange reserves	17
3.1.1- Level of foreign exchange reserves in the CEMAC zone	17
3.1.2- Cameroon's foreign exchange reserves	20
3.2- Foreign Assets	21
3.2.1- External position of banks	21
3.2.1.1- Overall Analysis	21
3.2.1.2- Comparison with the second half of 2022	21
3.2.1.3- Year-over-year comparison	22
3.2.1.4- Analysis by bank	23
3.2.1.5- Currency Analysis	24
3.2.2- Cameroon's foreign assets	25
3.2.3- Repatriations, retrocessions and transfers 2020-2022	26
3.2.3.1- Repatriations	26
3.2.3.2- Retrocessions	27
3.2.3.3- Joint dynamics of repatriations and outgoing transfers.....	28
REFERENCES	29
EDITORIAL BOARD	30

FOREWORD

The *Financial and Monetary Information Note* is a document produced by the Department of Financial and Monetary Cooperation (DCFM), of the Directorate General of the Treasury, Monetary and Financial Cooperation (DGTCFM).

The Department of Financial and Monetary Cooperation receives information from various sources, such as banks, financial institutions, exchange bureaus, financial markets, regional institutions for regulation and supervision of the financial sector as well as international financial institutions, which it has to use and process.

For analysis and summary purposes, it was more than necessary to bring together said information in a single document. This Note provides an overview of the financial system in Cameroon and aims at encouraging the development of financial literacy among readers.

This document is intended to be a broad spectrum hitch, as it is also intended for third parties seeking information (data and aggregates) on the banking and financial sector. These include professionals in the sector, student researchers, as well as all those interested in practical questions on the financial system.

This edition is in keeping with the spirit of the first and of a long series scheduled to be produced semi-annually. The content is intended to be simple and digestible for better understanding by readers.

ABBREVIATIONS AND ACRONYMS

NFA:	<i>Net Foreign Assets</i>
BEAC:	<i>Bank of Central African states</i>
ECB:	<i>European Central Bank</i>
BVMAC:	<i>Central African Stock Exchange</i>
BOE:	<i>Bank of England</i>
WB:	<i>World Bank</i>
BTA:	<i>Fungible Treasury bills</i>
CEEAC:	<i>Economic Community of Central African States</i>
CEMAC:	<i>Economic and Monetary Community of Central Africa</i>
CES:	<i>Surveys and Statistics Unit</i>
COSUMAF:	<i>Central African Financial Market Supervisory Board</i>
CPM:	<i>Commyity of Monetary Policy</i>
DCFM:	<i>Department of Financial and Monetary Cooperation</i>
DGTCFM:	<i>Directorate General of the Treasury, Financial and Monetary Cooperation</i>
DSX:	<i>Douala Stock Exchange</i>
SDR:	<i>Special Drawing Right</i>
F CFA:	<i>Franc de la Coopération Financière en Afrique</i>
FED:	<i>Federal Reserve</i>
IMF:	<i>International Monetary Fund</i>
MENA:	<i>Middle East and North Africa</i>
MINFI:	<i>Ministry of Finance</i>
EP:	<i>External Positions (of bank)</i>
GDP:	<i>Gross Domestic Product</i>
SME:	<i>Smell and Medium Size Enterprises</i>
SAFACAM:	<i>Société Africaine Forestière et Agricole du Cameroun (African Forest and Agricultural Society of Cameroon)</i>
SEMC:	<i>Société des Eaux Minérales du Cameroun (Cameroon Mineral Water Company)</i>
SOCAPALM:	<i>Société Camerounaise des Palmeraies (Cameroon Palm Oil Company)</i>
SVT:	<i>Primary dealers</i>
TIMP:	<i>Weighted Average Interbank Rate</i>
TIAO:	<i>Tender Interest Rates</i>
UEMOA:	<i>West African Economic and Monetary Union</i>
OPEP:	<i>Organization of Petroleum Exporting Countries</i>
OTA:	<i>Fungible Treasury bonds</i>
UE:	<i>European Union</i>
USA:	<i>United States of America</i>

TABLES AND CHARTS

LIST OF TABLES

<i>Table 1: Evolution of the main activity indicators for all banks (in billions of CFAF)</i>	5
<i>Table 2: Evolution of deposits by type and duration (in billions of CFAF)</i>	7
<i>Table 3: Evolution of loans to customer by nature (in billions of CFAF)</i>	7
<i>Table 4: Evolution of loans granted to SMEs (in billions of CFAF)</i>	8
<i>Table 5: Main indicators of activities by bank as at 30 June 2022 (in billions of CFAF)</i>	10
<i>Table 6: Resources of the monetary system in the broad sense (in billions of CFAF)</i>	11
<i>Table 7: Evolution of money supply counterparts (in billions of CFAF)</i>	12
<i>Table 8: Contribution of active brokerage companies on the BVMAC</i>	15
<i>Table 9: Contribution of companies in traded shares</i>	15
<i>Table 10: Foreign exchange reserves in the CEMAC zone in the first half of 2022(in billions of CFAF)</i>	17
<i>Table 11: Quarterly growth rates of foreign exchange reserves in the CEMAC zone since 2019 (%)</i>	20
<i>Table 12: External position of commercial banks in the second half of 2022 (in billions of FCFA)</i>	23
<i>Table 13: External position of commercial banks in the second half of 2022 by currency (in billions of CFAF)</i>	24
<i>Table 14: Net Foreign Assets of Cameroon between 2017 and 2022 (in billions of CFAF)</i>	25
<i>Table 15: Breakdown over time of NEAs in Cameroon, according to its different components</i>	26

LIST OF CHARTS

<i>Chart 1: Structure of deposits by nature or duration and by type of Customer as at 31 December 2022</i>	6
<i>Chart 2: Structure of deposits by type de Customer</i>	6
<i>Chart 3: Structure of loans by type of Customer</i>	8
<i>Chart 4: Breakdown of loans and deposits</i>	9
<i>Chart 5: Components of money supply</i>	12
<i>Chart 6: Evolution of CEMAC foreign exchange reserves since the end of 2019 (in billions of CFAF)</i>	18
<i>Chart 7: Evolution of the foreign exchange reserves of the CEMAC countries since end 2019 (in billions of CFAF)</i> ..	19
<i>Chart 8: Foreign exchange reserves shares of CEMAC countries (in %)</i>	21
<i>Chart 9: Comparism of External Position indicators between the first half and the second half of 2022</i>	22
<i>Chart 10: Comparison of the External position indicators in the second half of 2021 and 2022</i>	22
<i>Chart 11: Evolution of the components of Cameroon's Net Foreign Assets between 2017 and 2022 (in %)</i>	26
<i>Chart 12: Volume of repatriations between 2020 and 2022</i>	27
<i>Chart 13: Effective retrocession amounts and rates in the CEMAC zone</i>	27
<i>Chart 14: Repatriations and outgoing transfers 2020-2022 in the CEMAC zone</i>	28

EXECUTIVE SUMMARY

In the second half of 2022, the international environment was marked by inflationary tensions, due to the drop in the supply of several products, in connection with the Russian-Ukrainian war and the decline in activity in China, in consideration of its “zero-covid” policy. Generalized inflation has led to a tightening of monetary policy in the majority of countries. According to the IMF, GDP slowed down from 6.2% in 2021 to 3.4% in 2022. As for inflation, it experienced an annual average of 8.8%, with 7% in the United States of America, 9.2% in the euro zone and 13.8% in sub-Saharan Africa.

At the national level, the banking sector recorded an increase of 11.4% in total balance sheets compared to the previous semester, amounting to 9 486.4 billion. Deposits increased by 11.9% and stood at 7 244 billion. Loans increased by 5% compared to the previous half-year to stand at 4 715 billion. Gross non-performing receivables fell by 22 billion, or 3.3%. The intermediation rate fell from 69.2% in June 2022 to 65.1% in December 2022. **The External Position of commercial banks** shows claims of 81.9 billion against commitments of 520.4 billion, or a debit balance of 438.5 billion.

The money supply increased by 9.9% between June and December 2022, and stood at 7 985.7 billion. It is made up of 20.2% fiduciary money, 46.0% scriptural money and 33.8% quasi money. Domestic credit represents 67.4% of its counterparts as against 32.6% for Net Foreign Assets. **The Net Position of the Government** is up by 1.1% compared to the previous semester and stands at 1 831.4 billion.

Cameroon’s foreign exchange reserves increased by 7.1% and stood at 2 612.7 billion. This increase is due to the rise in oil prices in connection with the Russian-Ukrainian war and efforts to repatriate export earnings. Year-on-year, the country’s foreign exchange reserves increased by 18.2%, and represent 54.1% of the overall volume of CEMAC reserves. However, this share drop by 17.7 points compared to the previous semester, when it was 71.8% in all the reserves of the sub-region.

On the open subscription securities market, Cameroon raised 197.5 billion in Fungible Treasury Bills (BTA) and Fungible Treasury Bonds (OTA), as against 212 billion the previous semester. **As for the Central African Stock Exchange (BVMAC)**, its overall capitalization amounted to 619.5 billion and the outstanding bond debt stood at 872.2 billion.

1- INTERNATIONAL ECONOMIC, MONETARY AND FINANCIAL ENVIRONMENT

1.1- Brief overview

In the second half of 2022, the international economic and financial environment continued to face the challenge of rising inflation leading to a tightening of monetary policy in the majority of countries and the specific difficulties of China in relation to the effects of its “zero-covid” policy. The world economy should escape a general recession, in the absence of a great geopolitical fragmentation. According to the latest IMF forecasts, global economic growth has slumped from 5.7% in 2021 to 3.4% in 2022. Also, economic growth stood at 2.7% in developed countries, 3.9% in emerging countries and 3.8% in sub-Saharan Africa. Inflation remains high due to the drop in the supply of several products in connection with the Russian-Ukrainian war. The annual global inflation average stands at 8.8% of which: 7% in the United States of America, 9.2% in the Euro zone and 13.8% in Sub-Saharan Africa (compared to 12.9% in 2021).

In terms of public finances, most governments took budgetary measures to limit price increases or to support incomes. Indeed, given the uncertainties of the economic environment in relation to the Russian-Ukrainian war, the growth slowdown and strong inflationary pressures, the States continued to grant budgetary aid to preserve the stability of their economies and improve prospects for sustainable and inclusive growth in the medium term.

With regard to raw materials and energy resources, world prices fell in the second half of 2022, even if they remain high, reflecting both the decline in growth prospects on the one hand and the persistence of tensions on supply on the other hand. Thus, oil prices drop was accentuated by the increase in inventories in the United States. Coffee faced weakened global demand while supply increased, particularly in Brazil. However, the prices of certain food products experienced upward trends such as: cocoa (+6.1%), palm oil (+7%), cotton (+3.0), groundnut oil (+1.9%). This upward trend was also observed at the level of certain precious metals (+3.7%) and zinc (+3.6%). On the other hand, natural gas prices were stabilized thanks to high inventories in Europe.

On the foreign exchange market, the decisions of the European Central Bank (ECB), on 27 October and 15 December, to increase its key rates by 75 and 50 basis points and the moderation of the recession risk, particularly in Germany, enabled the euro to hold up against certain currencies. Hence, the euro rose 3.7% against the Canadian dollar, 3.0% against the US dollar and 0.3% against the Swiss franc. The euro also appreciated against the emerging countries' currencies, especially the Russian ruble (+4.0%), the Indian rupee (+3.2%), the Turkish lira (+3.2%), the South African rand (+2.2%) and the Chinese yuan (+0.7%). Conversely, the euro depreciated against the Japanese yen (-1.5%) and the pound sterling (-1.0%).

With regard to the international financial markets, the main stock market indices on the world financial markets experienced positive developments at the end of 31 December 2022. The stimulus measures adopted by Governments in order to avoid recession had a positive impact

on the savings and profits. In the United States, the NASDAQ and DOW JONES indices increased by 1.9% and 1.6% respectively. In the Euro zone, the Eurotox 50 and CAC 40 indices recorded respectively 3.6% and 1.8% increase. In the UK, the FTSE 10 index rose 1.7%. In Japan, the NIKKEI 225 index fell 0.1%. In Africa, the main stock market indices went up notably: MASI of Morocco (+4.1%), NSE of Nigeria (+8.0%) and FTSE of South Africa (+5.7%).).

In addition to the geopolitical tensions related to the Russian-Ukrainian war, international relations were marked by the holding of the United States-Africa summit which resulted in the adoption of certain resolutions, in particular a vast investment plan for development of the African continent and the proposal to create a permanent seat for Africa on the United Nations Security Council.

1.2- International Environments by region

In North America, specifically in the United States, Gross Domestic Product (GDP) growth dropped and stood at 2.1% as of 31 December 2022. This drop is less severe than the Euro zone decline. Consumption, the main driver of the US economy, remained solid at the end of 2022. However, the federal deficit reached a record \$249 billion at the end of the semester, up \$57 billion year-on-year. With regard to monetary policy, the Federal Reserve (FED) continued its monetary tightening at a more moderate speed. It therefore increased its key rate by 50 basis points, bringing the target range from 4.25% to 4.50%. The FED's decisions aim to contain inflation, the rate of which has reached the highest level in 40 years.

In Europe, the economic outlook has deteriorated slightly. According to the European Central Bank (ECB), economic growth was around 3.4%. Recession fears increased in France as well as in the United Kingdom. In order to support growth in 2023, budgetary measures were taken in the energy field (joint gas purchases, temporary gas price cap, reduction in the cost of energy for SMEs and vulnerable households). With regard to monetary policy, the ECB announced a fourth consecutive increase in its key interest rates, but on a smaller scale than the previous ones.

In Asia, China ended its "zero-covid" policy, suggesting a normalization of activity in the country. Nevertheless, this lifting of restrictions is leading to the resurgence of the pandemic, which could dampen economic activity in the short term. Economic growth stood at 3%, the lowest level for 40 years. Fiscal and monetary policies have been strongly used to support the economy since 2020. On monetary policy, the People's Bank of China decided to maintain a flexible monetary policy in order to stabilize growth and reduce financing costs in a context of growing economic difficulties.

In the Middle East and North Africa, the region's economy grew by around 5.7% in 2022, its highest rate in ten years; oil and gas exporting countries benefited from higher prices and increased production. This improvement is also justified by the ongoing recovery in the service sector after the slump caused by the covid-19 pandemic. Nevertheless, the Middle East and Northern Africa (MENA) region was marked by widely divergent economic conditions and growth trajectories, high levels of poverty and unemployment, high vulnerabilities, and fragile political and social contexts.

In Sub-Saharan Africa, growth stood at 3.6% in 2022, a decline of more than 1% compared to 2021. The increase in the cost of food products and energy penalizes the most vulnerable populations while that public debt and inflation have reached levels not seen in decades. Also, the current tightening of financial conditions should further increase the pressure on highly indebted Governments, amplifying their vulnerability and curbing investment and international trade flows. Concerning monetary policy, most central banks raised their key rates to fight inflation. Hence, the Central Bank of Nigeria increased its main key rate by 150 basis points to 14.5% in July 2022, the South African Reserve Bank raised its rate of securities redemption by 75 basis points to 5.50% in July 2022 and the Central Bank of West African States (BCEAO) raised its key rates by 25 basis points in September 2022.

1.3- Economic environment of CEMAC

In the CEMAC zone, economic activity has consolidated due to the good performance of hydrocarbon prices. According to BEAC, GDP stood at 2.9% and at inflation 5.6%. Debt reached 53% of GDP. In addition, the regional authorities have tightened monetary policy, while implementing their reform programme. BEAC raised its key rate three times in the space of a year, in response to inflationary pressures and to support its external reserves. According to a decision of the UMAC Ministerial Committee, a new range of banknotes was put into circulation in the CEMAC zone on 15 December 2022.

2- BANKING SECTOR AND CAPITAL MARKETS

At the national level, the economy was marked by inflation which reduced the purchasing power of households and increased the production costs of companies. According to the National Institute of Statistics (INS), the GDP growth rate stood at 3.7% while the inflation rate stood at 6.3% in December 2022.

2.1- Banking sector

In the second half of 2022, the banking sector is made up of 18 banks in operation. Activity was characterized by an 11.4% increase in the total balance sheets of banks, which stood at 9 486.4 billion at the end of December 2022. Deposits recorded an 11.9% increase, to stand at 7 244 billion. Loans amounted to 4 715 billion, or a 5% increase. Gross non-performing loans fell by 22 billion in absolute value and represent 13.7% of loans.

Table 1: Evolution of the main activity indicators for all banks (in billions of CFAF)

HEADINGS	Dec-21 (a)	June-22 (b)	Dec-22 (c)	Variation in volume (c-b)	Variation in % ((c-b)/b)	Year on year in % ((c-a)/a)
BALANCE SHEET (in billions of CFAF)	8087	8 513.0	9 486.4	973	11.4	17.30
DEPOSITS (in billions of CFAF)	6233	6 475.4	7 244.0	769	11.9	16.22
CREDITS (in billions of CFAF)	4312.4	4 490.3	4 715.0	225	5.0	9.34
GROSS RECEIVABLES IN DEFAULT	642.5	669.0	646.6	- 22	- 3.3	0.64
ARRANGED PROVISIONS	480.1	580.3	552.6	- 28	- 4.8	15.10
RATE OF GROSS RECEIVABLES IN DEFAULT	14.90%	14.90%	13.7%			
INTERMEDIATION RATE	72.70%	69.20%	65.1%			

Source: Banks/CERBER, DGTCFM/DCFM

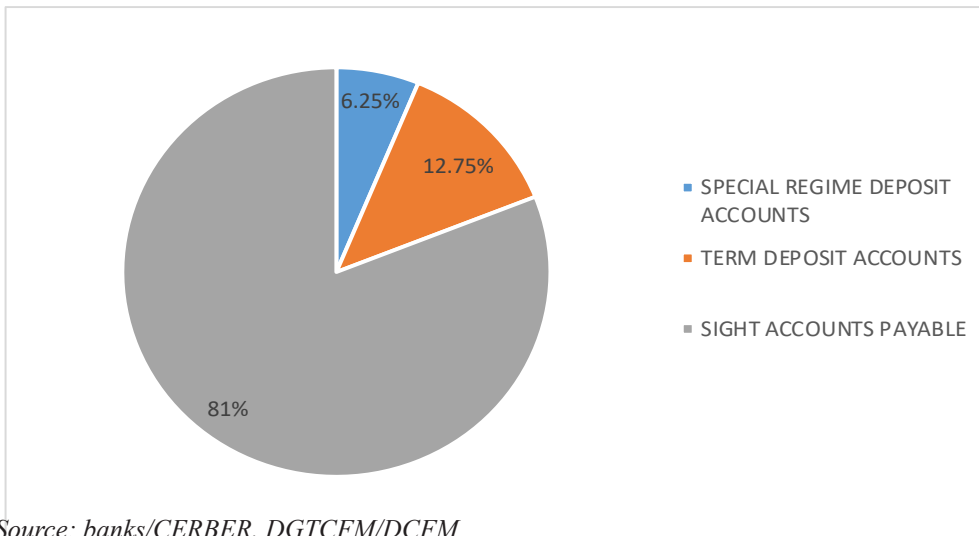
During the period under review, the intermediation rate decreased by 4.1% compared to the first half of 2022 and stood at 65.1% as at 31 December 2022.

2.1.1- Customer deposits

Customer deposits increased by 11.9% and stood at 7 244 billion as of 31 December 2022.

Sight deposit accounts accounted for 81% of total deposits, compared to 12.7% for term deposit accounts.

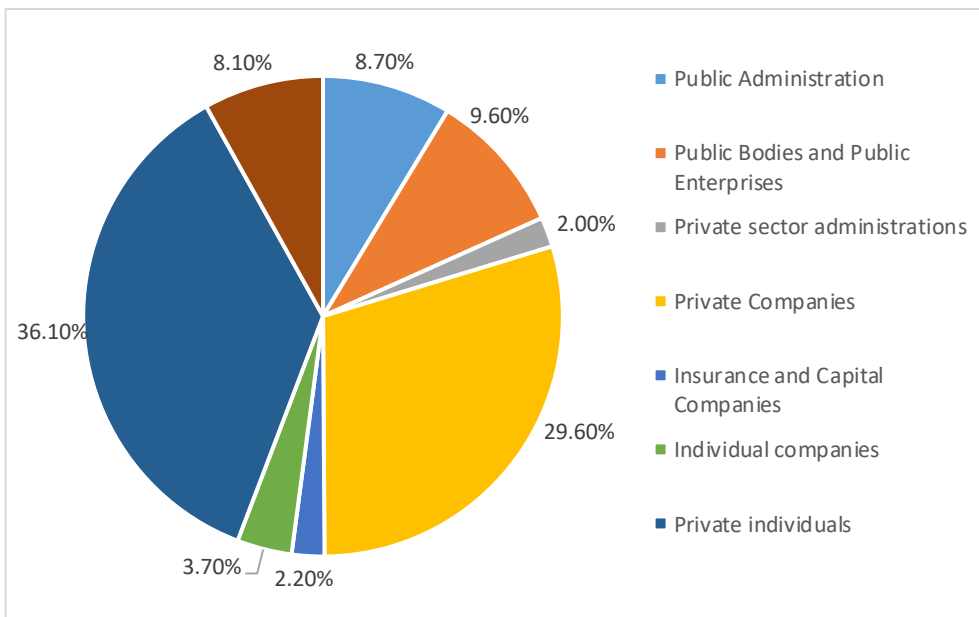
Chart 1: Structure of deposits by nature or duration and by type of Customer as at 31 December 2022



Source: banks/CERBER, DGTCFM/DCFM

In addition, deposits are mostly owned by individuals and private sector companies. These two institutions accumulated more than half of the deposits over the period. Furthermore, public enterprises and public bodies made 9.6% of total deposits.

Chart 2: Structure of deposits by type de Customer



Source: Banks/CERBER, DGTCFM/DCFM

Term deposit accounts and sight credit accounts increased during the second half of 2022, by 72.6 billion and 709.3 billion respectively, unlike special regime deposit accounts which registered a 13.1 billion drop. In relative value, special regime deposits decreased by 2.8%. Term deposit accounts and accounts payable increased by 8.5% and 13.7% respectively over the period.

Table 2: Evolution of deposits by type and duration (in billions of CFAF)

TYPES OF ACCOUNTS	Dec-21 (a)	June-22 (b)	Dec-22 (c)	Variation in volume (c-b)	Variation in % ((c-b)/b)	Year on year in % ((c-a)/a)
SPECIAL REGIME DEPOSIT ACCOUNTS	463.1	462	448.9	-13.1	-2.8	- 3.1
TERM DEPOSIT ACCOUNTS	813.9	850.6	923.2	72.6	8.5	13.4
SIGHT ACCOUNTS PAYABLE	4 956.00	5162.7	5872	709.30	13.7	18.5
TOTAL	6 233.00	6475.3	7244.1	768.8	11.9	16.2

Source: Banks/CERBER, DGTCFM/DCFM

2.1.2- Loans to Customers

During the period under review, customer loans increased by 5% and amounted to 4 715 billion as at 31 December 2022.

By nature of the loans granted by the banks, it is noted that medium-term loans represented the largest volume of loans, or a rate of 48.3% for a value of 2 277.2 billion, while the “other sums owed by customers” constituted the lowest volume of customer loans and are valued at 13.9 billion. It should also be noted that long-term loans decreased by 13.6 billion, while medium and short-term loans experienced an upward trend and increased by 2.4% and 18.8% respectively. Gross non-performing receivables fell by 22.4 billion, from 669.0 billion as of 30 June to 646.6 billion as at 31 December 2022.

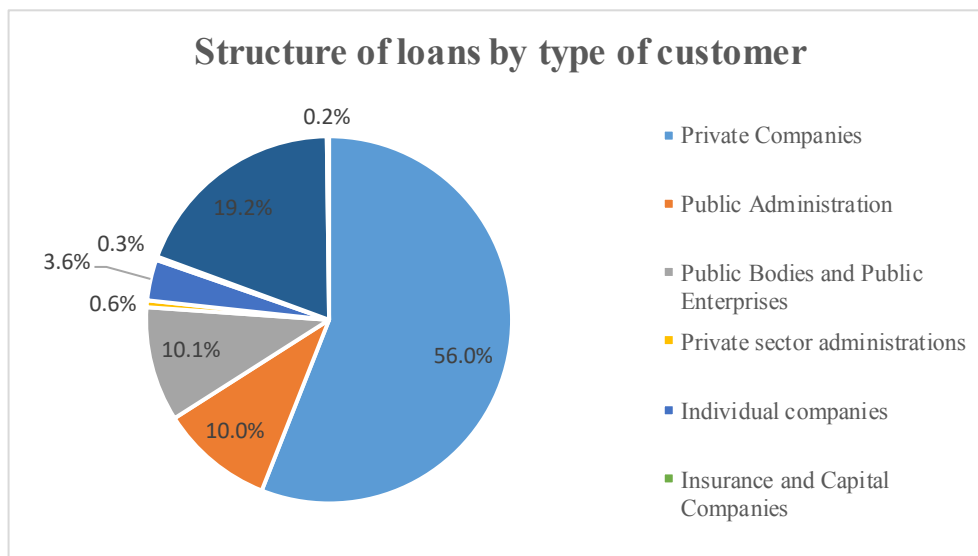
Table 3: Evolution of loans to customer by nature (in billions of CFAF)

TYPE OF CREDIT	Dec-21 (A)	June-22 (B)	Dec-22 (C)	Variation in volume (C-B)	Variation in % ((C-B)/B)	Year on year in % ((C-A)/A)
LONG TERM LOANS	118.3	105.3	91.7	-13.6	-12.9	-22.5
MEDIUM-TERM LOANS	2120.4	2222.8	2277.2	54.4	2.4	7.4
SHORT TERM LOANS	1134.1	1148.9	1365.3	216.4	18.8	20.4
GROSS RECEIVABLES IN DEFAULT	642.5	669	646.6	-22.4	-3.3	0.6
CUSTOMER ACCOUNTS RECEIVABLES	282.7	329.9	320.3	-9.6	- 2.9	13.3
OTHER SUMS DUE BY CUSTOMERS	14.3	14.2	13.9	-0.3	-2.1	-2.8
TOTAL	4 312.30	4 490.10	4 715.00	224.9	5.0	9.3

Source: Banks/CERBER, DGTCFM/DCFM

By type of customer, loans to private sector companies represent 60.6% of loans distributed, or 57% to private companies and 3.6% to individual companies. Those granted to individuals represent 20.4%. The share of loans to public enterprises and public bodies is 11.5%, while that to public administrations is 6.5%.

Chart 3: Structure of loans by type of Customer



Source: Banks/CERBER, DGTCFM/DCFM

2.1.3- Loans to SMEs

Loans granted to SMEs during the period under review increased by 37.7%, from 736.9 billion in June 2022 to 1 014.5 billion in December 2022. By nature, short-term loans increased by 48.5% and medium and long-term loans by 80%, to stand at 523.1 billion and 242.4 billion respectively.

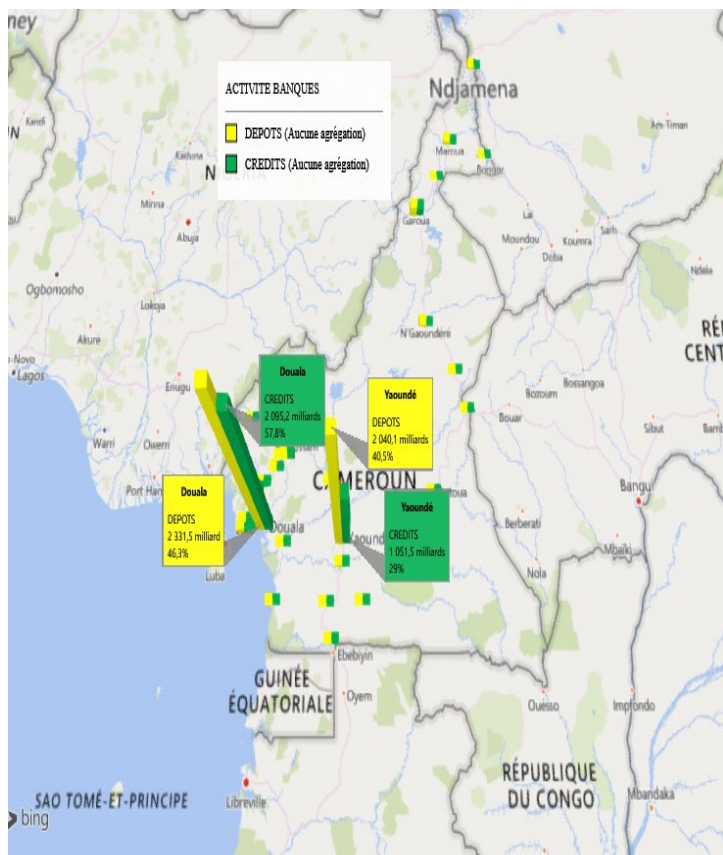
It is important to note that year-on-year, all loans granted to SMEs increased by 12.3%, to stand at 1 014.5 billion as at 31 December 2022.

Table 4: Evolution of loans granted to SMEs (in billions of CFAF)

NATURE OF LOAN	Dec-21 (A)	June-22 (B)	Dec-22 (C)	Variation in volume (C-B)	Variation in % ((C-B)/B)	Year on year in % ((C-A)/A)
SHORT TERM LOANS	409.6	352.2	523.1	170.9	48.5	27.7
MEDIUM AND LONG TERM LOANS	217	134.7	242.4	107.7	80.0	11.7
GROSS BAD DEBT	276.4	250	249	-1	-0.4	-9.9
TOTAL	903	736.9	1014.5	277.6	37.7	12.3

Source: Banks/CERBER, DGTCFM/DCFM

Chart 4: Breakdown of loans and deposits



In the second half of 2022, banking activity geographically remains concentrated in two main cities, YAOUNDÉ and DOUALA, with 37.9% and 49.9% respectively for deposits; 29.5% and 58.5% for loans. They are followed by BAFOUSSAM 2.7% for deposits and 2.3% for loans, BAMENDA 1.3% and 0.8%, LIMBE 1.1% and 1.0% and GAROUA 1.0% and 1.8%.

Source: Banks/CERBER

2.1.4- Banking market analysis

Analysis of the main indicators of banking activity reveals that the following four banks: AFB, SGC, BICEC and BACM account for 50.9% of total balance sheets, 53.1% of deposits and 53.5% of credits. It should be noted that the highest total balance sheet is observed at AFB, which also holds the largest amounts of deposits and loans. They are respectively 1 783.4 billion in total balance sheet, 1 392.4 billion in deposits and 1 013 billion in loans. As for the lowest amounts, they are recorded by the BC-PME with regard to the total balance sheet with 34.4 billion; by Bange Bank in terms of deposits with only 8.7 billion; and by Access Bank for loans, which amounted to 0.4 billion.

Table 5: Main indicators of activities by bank as at 30 June 2022 (in billions of CFAF)

N°	BANKS	SHARE CAPITAL	TOTAL BALANCE	DEPOSIT	LOANS	NET RESULT (2021)
1	AFB	20.000	1783.4	1392.4	1 013.0	23.6
2	SGC	12.500	1392.4	1 114.9	697.7	15.7
3	BICEC	49.080	842.9	695.5	452.0	2.0
4	SCB	10.540	769.8	629.4	447.2	6.4
5	UBA	10.000	678.9	526.8	244.2	20.0
6	BACM	35.631	809.6	649.7	361.1	1.9
7	CBC	16.000	578.5	338.0	384.2	3.4
8	ECOBANK	10.000	527.3	398.5	188.0	10.6
9	BGFI BANK	20.000	491.1	275.6	367.4	8.2
10	CCA-BANK	15.000	529.7	409.2	226.7	6.6
11	STANDARD CHARTERED BANK	10.000	295.7	260.6	94.0	-1.6
12	CITIBANK	10.000	372	303.0	75.1	4.1
13	NFC-BANK	6.127	156.5	124.7	81.1	2.9
14	UBC	20.000	143.2	82.5	24.1	1.9
15	BC-PME	20.000	34.4	11.8	18.9	-0.2
16	BANGE BANK	10.000	42.4	8.7	8.8	
17	ACCESS BANK Cameroon	10.000	38.5	21.8	0.4	
	TOTAL		9 486.4	7244.0	4715.0	105.4

Source: Banks/CERBER

2.1.5- Analysis of prudential ratios

From a prudential point of view, the information received on seventeen (17) banks having declared their data in CERBER 31 December 2022 indicates that:

- in terms of solvency, fifteen (15) banks complied with the standard relating to *risk coverage* (8% of the value of equity) and two (02) did not comply with this ratio;
- with regard to *the coverage ratio of fixed assets by permanent resources* which must be greater than or equal to the minimum of 100%, three (03) banks did not respect this ratio against 14 banks which respected them;
- with regard to the *liquidity ratio*, cash at sight or at less than one month was greater than or equal to the regulatory minimum of 100% of the same term liabilities for 16 banks out of the 17 banks assessed;
- as regards compliance with *the long-term transformation coefficient*, fourteen (14) banks against three (03) banks managed to finance at least 50% (regulatory threshold) of their jobs with a residual term of more than five years by permanent resources.

2.2- Capital market

This part is dealing with the money market, the open subscription securities market of the Bank of Central African States (BEAC) and the Central African Stock Exchange (BVMAC).

2.2.1- Money Market

The money market is analyzed through the evolution of the money supply and its counterparts. The evolution of the monetary situation in Cameroon was characterized by an increase in the main aggregates.

2.2.1.1- Evolution of the money supply

The evolution of the money supply and its components is as follows: Between June and December 2022, the money supply increased by 9.9% and amounted to 7 985.7 billion. It increased by 11.7% in a year-on-year.

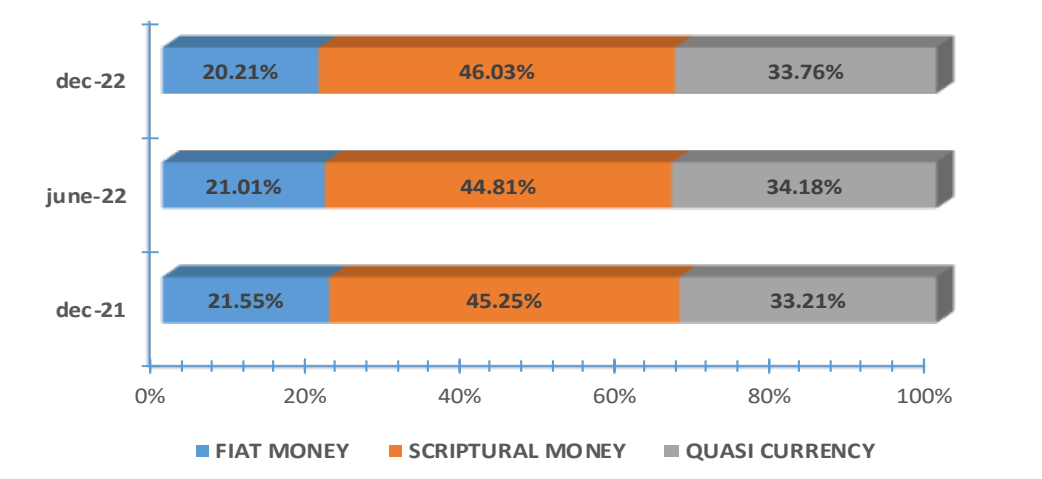
Table 6: Resources of the monetary system in the broad sense (in billions of CFAF)

HEADING/ PERIOD	Dec-2021	June-22	Dec-22	Variation in volume	Variation in %	Year on year in %	%M2
FIAT MONEY	1 541.2	1 526.6	1 613.6	87.0	5.7	4.7	20.2
BANK MONEY	3 236.0	3 256.3	3 676.1	419.8	12.9	13.6	46.0
MONEY AVAILABILITY M1	4 776.2	4 782.9	5 289.7	506.8	10.6	10.8	66.2
QUASI CURRENCY	2 375.1	2 484.0	2 696.0	212.0	8.5	13.5	33.8
MONETARY BILL M2 (M1+QUASI CURRENCY)	7 151.3	7 266.9	7 985.7	718.8	9.9	11.7	100.0

Source: DGTCFM/DCFM, BEAC

By component, the money supply is made up of 20.2% fiduciary money, 46.0% scriptural money and 33.8% quasi money. Moreover, the components of the money supply went up compared to the previous half-year. Fiduciary money increased by 5.7%, scriptural money increased by 12.9% and quasi-money by 8.5%. The monetary system's resource structure remained relatively stable during the period under review.

Chart 5: Components of money supply



Source: DGTCFM/DCFM, BEAC

2.2.1.2- Evolution of money supply counterparts

Between June and December 2022, net foreign assets recorded an increase of 19.9% and amounted to 3 194.1 billion. This increase could be explained mainly by the increase in export earnings, following the increase in the quantities and prices of raw materials exported by Cameroon, in particular oil and natural gas. Domestic credit is up by 7.6% and stands at 6 598.6 billion with an increase in claims to the economy of 5.8% compared to the previous half and a near stagnation of claims on the State.

Table 7: Evolution of money supply counterparts (in billions of CFAF)

HEADING/PERIOD	Dec-2021	June-22	Dec-22	Variation in volume	Variation in %	Year on year in %	%M2
NET FOREIGN ASSETS	2 632.2	2 664.2	3 194.1	529.9	19.9	21.3	32.6
INTERNAL CREDIT	5 863.6	6 134.6	6 598.6	464	7.6	12.5	67.4
NET RECEIVABLES ON THE STATE	1 835.9	1 793.5	1799.3	5.8	0.3	-2.0	18.4
NET GOVERNMENT POSITION	1 866.3	1 812.1	1 831.4	19.3	1.1	-1.9	18.7
RECEIVABLES ON THE ECONOMY	3 991.4	4 341.1	4 591.5	250.4	5.8	15.0	46.9
LOANS TO THE NON-FINANCIAL PRIVATE SECTOR	3 618.0	3 743.3	4 019.6	276.3	7.4	11.1	41.0
LOANS TO NON BANKING FIN INSTITUTIONS	19.9	38.2	27.3	-10.9	-28.4	37.4	0.3
NON-FINANCIAL PUBLIC COMPANIES	434.3	554.2	539.0	-15.2	-2.7	24.1	5.5
LOANS TO OTHER BANKING INSTITUTIONS	6	5.3	5.6	0.30	5.7	-6.7	0.1
TOTAL COUNTERPART M2	8 495.8	8 798.8	9 792.7	993.9	11.3	15.3	100.0

Source: DGTCFM/DCFM, BEAC

The Government's Net Position increased slightly by 1.1% and amounted to 1 831.4 billion as at 31 December, 2022 against 1 812.1 billion as of 30 June 2022. In proportion to counterparties, domestic credit represents 67.4% of the money supply and net foreign assets 32.6%.

2.2.1.3- Money market rates

During its meeting of 18 November 2022, the Monetary Policy Committee (CPM), after analyzing the risk factors that weigh on monetary stability and the developments observed on the money market on the one hand, and with regard to the macroeconomic outlook of the CEMAC in the short and medium terms on the other hand, decided to raise:

- ∑ the Interest Rate for Tenders from 4.00% to 4.50%;
- ∑ Rate of the marginal lending facility from 5.75% to 6.25%.

And keep unchanged:

- ∑ the deposit facility rate at 0.00%;
- ∑ the required reserve coefficients at 7.00% on sight liabilities and 4.50% on term liabilities.

2.2.2- The Open Subscription Securities Market of BEAC

The Cameroon Public Treasury has participated to the open subscription securities market since November 2011. On this market, it raised resources to meet its cash requirements and finance its investment program. The Treasury thus issues **Fungible Treasury Bonds (BTA)** with a nominal value of **CFAF 1 000 000** to which the Primary Dealers bid by auction for maturities of 13, 26 and 52 weeks. It also issues **Fungible Treasury Bonds (OTA)** with a nominal value of **10 000 CFAF**, medium and long-term securities with maturities greater than or equal to 2 years.

Between June and December 2022, the Public Treasury of Cameroon launched three (3) issues of Fungible Treasury Bonds (OTA) for a total value of 102.85 billion.

These include:

- ∑ a 6-year OTA issue, for a total amount of 13.25 billion CFAF;
- ∑ two 5-year OTA issues, for a total amount served of CFAF 89.6 billion;

As for the 6-year OTA, the coverage rate was 85.00%.

Furthermore, Cameroon public Treasury issue four (04) 13, 26 and 52 weeks BTA on the public securities market by auction. These issues made it possible to raise 94.70 billion CFAF.

This is in particular:

- ∑ a 13-week BTA issue, for a total amount of 44.70 billion CFAF;
- ∑ two issues of BTA at 26 weeks, for a total amount of 40 billion CFAF;
- ∑ a 52-week BTA issue, for a total amount of 10 billion CFAF.

During this period, coverage rates for Cameroon's issues were 89.42% for 13-week BTAs, between 130% and 152.5% for 26-week BTAs, and 130% for 52 weeks BTA.

The period was marked by an increase in the issuance cost compared to the previous period. It evolved as follows:

- ∑ WAIR (Weighted Average Interest Rate) on 13-week BTA: 3.54%;
- ∑ WAIR on BTA at 26 weeks: between 3.43% and 4.02%;
- ∑ WAIR on BTA at 52 weeks: 3.63%.

2.2.3- The Central African Stock Exchange

Since July 2019, the two stock exchanges in the sub-region have merged into one, the Central African Stock Exchange (BVMAC), in accordance with the decision of the Heads of State of the CEMAC member countries of 31 October 2017.

As at 31 December 2022, sixty-two (62) structures are approved as market intermediaries, including twenty-two (22) brokerage firms, eleven (11) asset management companies, three (03) structures in as account keepers, two (02) guarantee organizations, fifteen (15) financial investment advisers and nine (09) auditors.

With regard to the stock exchange activities during the period under review, out of the twenty (22) brokerage companies that are members of BVMAC, eleven (11) were active on the secondary market. ESS Bourse is the most active of the order books for the period (36.22%), followed by BANGE (23.77%), ASCA (20%), LCB CAPITAL (7.93%), SG CAPITAL (4.02%), CBC BOURSE (2.56%), USCA (2.10%), FINANCIA CAPITAL (1.78%), EDC (1.15%), AFRILAND FISRT BANK (0.25%) and ELITE CAPITAL (0.22%). A total amount of 626 billion was raised during the year 2022, as against 455.7 billion raised in 2021, an increase of 37.37%.

Table 8: Contribution of active brokerage companies on the BVMAC

Companies	Companies' shares (in %)
ESS Bourse	36.2
BANGE	23.8
ASCA	20.0
LCB CAPITAL	7.9
SG CAPITAL	4.0
CBC BOURSE	2.6
USCA	2.1
FINANCIA CAPITAL	1.8
EDC	1.2
AFRILAND FIRST BANK	0.3
ELITE CAPITAL	0.2
TOTAL	100.0

Source: DGTCFM/DCFM, BVMAC

At the regulatory level, twelve (12) licensed brokerage companies are in compliance with the prudential standards of COSUMAF. Given the significant increase in activities, a reflection on the revision of the prudential standards specific to these activities is underway in the draft General Regulations of COSUMAF.

The BVMAC's activity is experiencing a marked increase. In the equity compartment, the number of listed securities rose to 6 with the IPO of BANGE Bank SA. During the period under review, five of the six stocks listed on the stock exchange were active. A total of 18 684 shares were traded for an amount of 1.61 billion compared to 19 822 shares for an amount of 0.44 billion in the same period in 2021, an increase of 265.9% observed on the value of transactions following the BVMAC listing of BANGE. It appears that the BANGE value is the most traded and alone represents 82.74% of the total volume of transactions recorded. It is followed by SOCAPALM (7.00%), SAFACAM (6.77%), LA REGIONALE (2.24%) and SEMC (1.25%).

Table 9: Contribution of companies in traded shares

Companies	Share in company transactions (in %)
BANGE	82.7
SOCAPALM	7.0
SAFACAM	6.8
La RÉGIONALE	2.2
SEMC	1.25
TOTAL	100.0

Source: DGTCFM/DCFM, BVMAC

In the bond compartment, outstanding bonds stood at 986.3 million as at 31 December 2022, compared to 778.1 million year-on-year, or a 26.8% increase. In an overall, 108 753 bonds were exchanged for an amount of 923 million as against 2 540 257 securities for an amount of 22 673 million in the same period in 2021, or a decrease in transactions in number and value respectively of -95.72% and -95.93%.

Public bonds remained stable and represented more than 98% of outstanding over the period under review.

During this period, the values “EOG 6.50% net 2019-2024” and “EOG 6% net 2021-2026” are the most traded and represent 96.55% of the total volume of transactions recorded.

As at 31 December 2022, five (5) States out of the six (6) of the CEMAC have communicated their first list of public companies likely to be listed on the stock exchange with the exception of the State of Chad. Thus, 17 companies were proposed and cover various sectors of activity, in particular Telecommunications (03), Water and Electricity (7), Banking and Reinsurance (2), Transport (port and airport) (2), Landscaping projects (1), Agriculture (1) and Hotel services (1). By country, the distribution of companies is as follows: Cameroon (4), Congo (4), Equatorial Guinea (3), Gabon (3) and Central African Republic (3).

3- FOREIGN EXCHANGE RESERVES AND ASSETS

3.1- Foreign exchange reserves

3.1.1- Level of foreign exchange reserves in the CEMAC zone

In the second semester 2022, the foreign exchange reserves of the CEMAC zone recorded an average value of about 5 226 billion, with positive and very disparate values between the different countries of the zone.

With an average value of 2 612.7 billion, Cameroon is positioned as the main holder of foreign exchange reserves in the zone, with reserves exceeding 2 500 billion per month. It is followed by Equatorial Guinea (788.8 billion), Gabon (617.3 billion) and Chad (404.6 billion).

Furthermore, it should be noted that the foreign exchange reserves of CEMAC experienced an upward trend, rising from 4 926.3 billion in July to 5 293.2 billion in November, or a 7.4% increase. This trend is visible in almost all countries, apart from Congo and Cameroon, which decrease over the period.

Table 10: Foreign exchange reserves in the CEMAC zone in the first half of 2022 (in billions of CFAF)

Year	Cameroon	Equatorial Guinea	Chad	Gabon	Congo	Central Africa Republic	CEMAC
July	2 627.4	644.9	358.8	543.8	287.2	223.3	4 926.3
August	2 642.6	758.0	374.8	607.7	247.7	228.1	5 149.0
September	2 617.5	770.6	505.3	608.5	245.0	232.8	5 363.1
October	2 595.2	893.8	424.5	651.5	241.6	237.5	5 398.1
November	2 580.9	876.6	359.6	675.3	275.1	242.3	5 293.2
Average	2 612.7	788.8	404.6	617.3	259.3	232.8	5 225.9
Variation in %	-1.8	35.9	0.2	24.2	-4.2	8.5	7.4

Source: BEAC

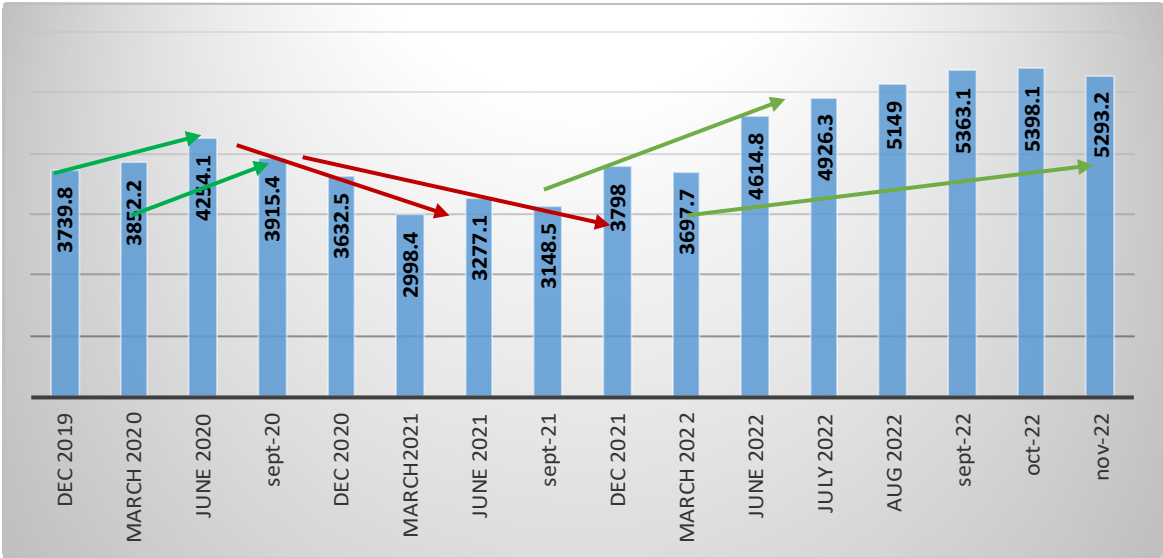
In general, from the end of 2019 to the first half of 2020, the foreign exchange reserves of the CEMAC zone experienced sustained growth, this in particular due, on the one hand, to the implementation of an effective foreign exchange policy, governed by the new foreign exchange regulations in force, which led to the repatriation and retrocession of currencies and, on the other hand, support from technical and financial partners involved in programs with CEMAC Member States.

Subsequently, a significant drop is visible between June 2020 and September 2021, where reserves dropped from 4 264.1 billion to 3 148.5 billion, or a 26.1% decrease. Indeed, as mentioned in the Monetary Policy Report (MPR) published in December 2022 by the BEAC, the drop observed from July 2020 is owing to the depreciation of crude oil prices on the international market (this resource representing a significant share of exports from CEMAC countries).

In the fourth quarter of 2021, there was a slight recovery in the level of the zone’s foreign exchange reserves, which stood at 3 798 billion in December of this year. This follows the provision by the IMF of Special Drawing Rights (SDRs) to certain countries in the zone.

The year 2022 begins on a constant trend throughout the first quarter, with foreign exchange reserve values hovering around 3.9 trillion. Then, a gradual growth is observed in the second quarter, where the highest value is reached in June, with 4 614.8 billion. **The increase observed during the first half of 2022 is explained in particular by the entry of oil and mining companies into the scope of the new foreign exchange regulations.**

Chart 6: Evolution of CEMAC foreign exchange reserves since the end of 2019 (in billions of CFAF)

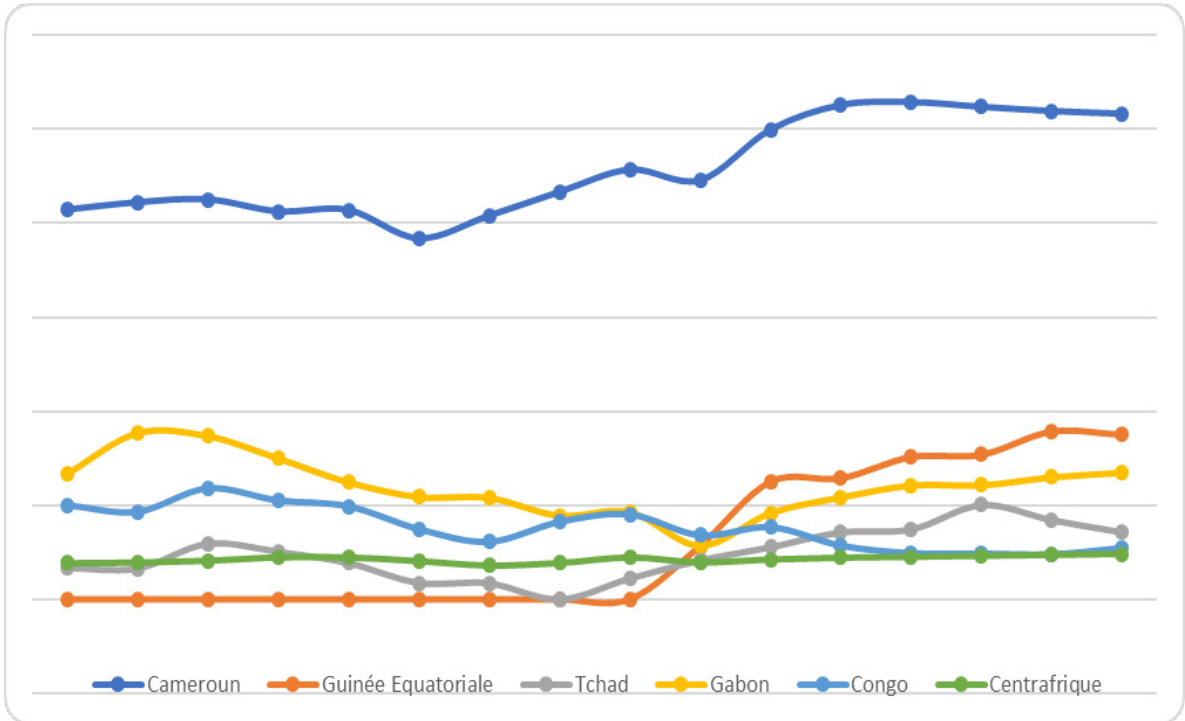


Source: BEAC, DGTCFM/DCFM

Taken as a whole, the zone’s foreign exchange reserves increased slightly in the second half of 2022, with some fluctuations observed in certain countries.

The graph below shows that this four-step evolution described above is also observable at the level of each CEMAC country; Cameroon having the highest values over the entire period.

Chart 7: Evolution of the foreign exchange reserves of the CEMAC countries since end 2019 (in billions of CFAF)



Source: BEAC

By looking at the quarterly growth rate of foreign exchange reserves in the CEMAC, it is observed that from the end of 2019 to June 2020, they are positive and above 3%. In addition, it registered a sharp drop with negative rates from the third quarter of 2020 until the first quarter of 2021 for the reasons indicated above. After a 9.3% increase observed in June 2021, the second half of 2021 was characterized by a slight drop in the third quarter (-3.9%) and an increase during the fourth quarter. This increase continued until the third quarter of 2022, before falling inconsiderately at the end of the year. This rate averaged 3.6% over the period.

More specifically at the country level, over the entire period, the foreign exchange reserves of the CEMAC countries are characterized by an upward trend. Indeed, with the exception of Congo, whose reserves fell in an overall (-2.6%), all the other countries posted a positive average growth rate: Equatorial Guinea (59.8%), Chad (15.6%), Gabon (3.3%), CAR (2.1%) and Cameroon (2.0%).

Table 11: Quarterly growth rates of foreign exchange reserves in the CEMAC zone since 2019(%)

Year	Cameroon	Equatorial Guinea	Chad	Gabon	Congo	Central Africa Republic	CEMAC
Dec. 2019							
March 2020	1.9	/	-1.6	32.6	-7.1	1.6	3.0
June 2020	0.8	/	80.0	-1.7	26.6	4.5	10.7
Sept 2020	-3.0	/	-14.2	-13.6	-10.8	8.3	-8.2
Dec 2020	0.3	/	-23.7	-17.0	-5.8	-0.2	-7.2
March 2021	-7.3	/	-54.5	-12.5	-24.3	-8.2	-17.5
June 2021	6.3	/	-2.8	-1.0	-17.9	-10.7	9.3
Sept 2021	6.2	/	/	-17.5	34.1	6.7	-3.9
Dec 2021	5.5	/	/	4.3	9.5	14.4	20.6
March 2022	-2.5	82.5	87.2	-38.6	-24.4	-11.1	2.6
June 2022	12.1	120.0	33.8	60.9	12.5	7.5	18.4
Sept 2022	4.9	23.0	80.8	32.1	-36.3	8.4	16.2
Nov 2022	-1.4	13.8	-28.8	11.0	12.3	4.1	-1.3
Average	2.0	59.8	15.6	3.3	-2.6	2.1	3.6

Source: BEAC

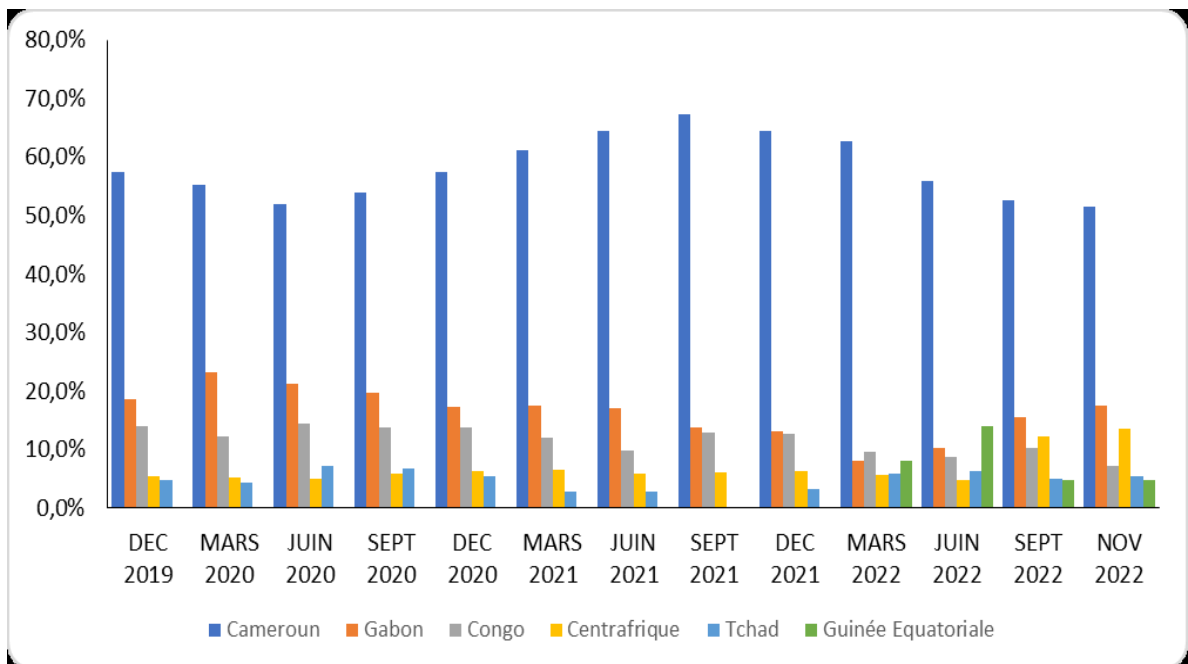
It should be noted, as announced by the BEAC at the end of the Monetary Policy Committee (CPM) on 20 June 2020, that the external financing raised by the States to deal with the Covid-19 pandemic helped to limit the adverse effects of the monetary situation on the economy between the end of 2019 and the first half of 2020. However, these resources could not stem the adverse effects of this health crisis on the price of oil. That led to a gradual decline of reserves from July 2020 to the first half of 2021.

3.1.2- Cameroon's foreign exchange reserves

The preponderant place occupied by Cameroon in the sub-region can be seen in the following graph, which shows the share of each country in CEMAC reserves.

Actually, even if there are relative declines in the share of Cameroon's foreign exchange reserves in the overall volume of CEMAC reserves between December 2019 and June 2020 (falling from 57.4% to 51.9%, or a 5 points decrease), and also over the whole of 2022 (going from 64.5% in December 2021 to 51.5% in December 2022), the fact remains that Cameroon alone still holds more than 50% NEAs in the sub-region, thanks in particular to the great diversification of its economy, compared to other countries in the area, which gives it a GDP growth rate above 3% since 2017. Thus, on average and in order of importance, we find: Cameroon (58.2%), Gabon (16.4%), Congo (11.6%), the Central African Republic (6.8%), Chad (4.6 %) and Equatorial Guinea (2.4%). It is worth noting that the place of Equatorial Guinea is due to the fact that its foreign exchange reserves have remained zero since 2016, and it is only since the beginning of 2022 that they have resumed.

Chart 8: Foreign exchange reserves shares of CEMAC countries (in %)



Source: BEAC, DGTCFM/DCFM

3.2- Foreign Assets

3.2.1- External position of banks

3.2.1.1- Overall Analysis

In the second half of 2022, the External Position of commercial banks shows claims of 81.85 billion against 520.37 billion of commitments, or a debit balance of 438.52 billion.

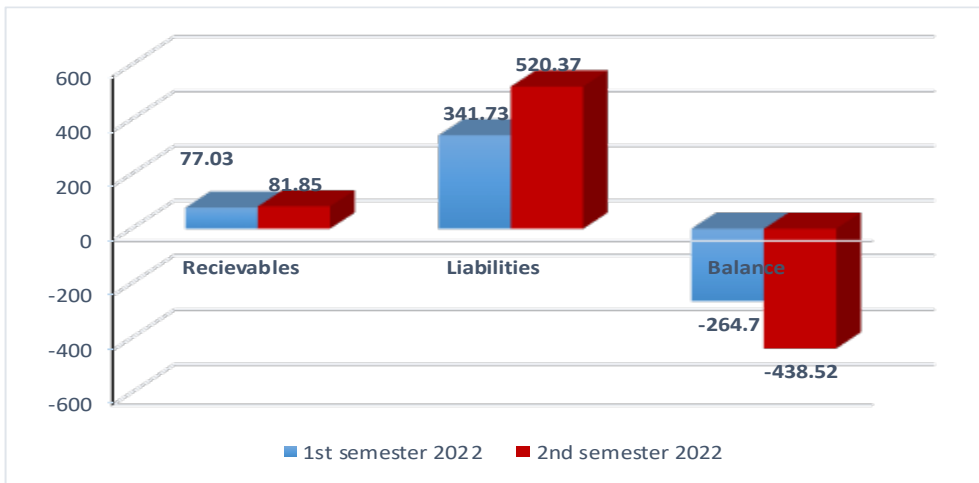
It should be noted that a commercial bank has an external claim when it makes a deposit with a foreign correspondent or lends foreign currency to a non-resident customer. Conversely, it incurs a liability abroad when it receives or borrows foreign currency. **An external debtor position means that the commercial bank is exposed to a currency in that, if its balance sheet became due, it would have to pay foreign currency abroad. An external credit position represents assets held abroad in the currency in question.**

3.2.1.2- Comparison with the second half of 2022

Between the first and second half of 2022, claims and liabilities increased by 4.8 billion and 178.6 billion respectively. As for the balances, they also increased by 173.8 billion between the two periods, attesting that the commercial banks have considerably increased the level of their commitments vis-a-vis the outside world.

The increase in the general level of claims is influenced by CITI Bank (+27.3 billion) and SCB (+3.7 billion). With regard to commitments, the increase comes mainly from CITI Bank and ECOBANK, whose values increased by 120.4 billion and 43.5 billion respectively.

Chart 9: Comparison of External Position indicators between the first half and the second half of 2022

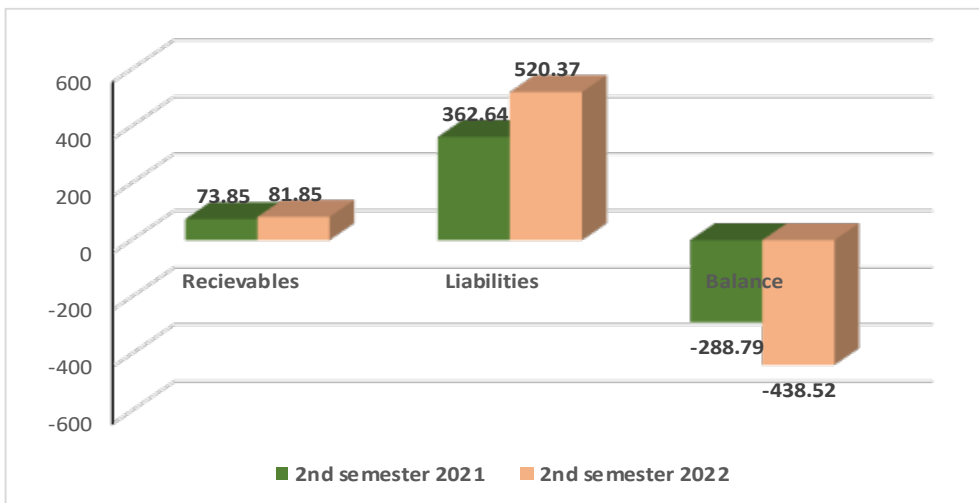


Source: DGTCFM/DCFM

3.2.1.3- Year-over-year comparison

Compared to the same period in 2021, receivables and liabilities of commercial banks increased by 8.0 billion and 157.7 billion respectively.

Chart 10: Comparison of the External Position indicators in the second half of 2021 and 2022



Source: DGTCFM/DCFM

The increase in liabilities is mainly driven by CITI Bank (+122.0 billion) and SGC (+83.5 billion), despite the sharp drop observed in AFRILAND’s liabilities (-109.6 billion). In terms of receivables, CITI Bank (+28.4 billion) is the bank that has had the greatest influence on the increase in the general level.

In the second half of 2022, commercial banks increased their loans/deposits and, even more so, their foreign currency borrowings/receipts from non-resident customers/foreign correspondents. The balances for the two periods rose by 149.7 billion.

3.2.1.4- Analysis by bank

The banks that contributed to this level of liabilities include SGC (231 billion), CITI Bank (152.3 billion) and ECOBANK (94.2 billion), or approximately 91.8% of the overall volume of liabilities. As for receivables, CITI (42.6 billion), SCB (21.6 billion) and to a lesser extent AFRILAND (10.7 billion) hold 91.5% of the volume of receivables as at 31 December 2022.

Concerning the balance, the table above shows that five banks have a debit balance, (SGC, CITI Bank, ECOBANK, Afriland and BICEC); while six experienced a credit balance. However, the credit balances of BGFI, CBC, NFC, UBC and Access Bank is due to the fact that they did not contract any external liabilities during the half-year.

Table 10 below shows that during the period under review, commercial banks have generally received or borrowed more foreign currencies from abroad than they have lent or made deposits.

Table 12: External position of commercial banks in the second half of 2022 (in billions of FCFA)

N°	Banks	Receivables	Liabilities	Balances
1	AFRILAND FIRST BANK	10,71	17,55	-6,84
2	BANQUE ATLANTIQUE			-
3	BGFI	3,27	0	3,27
4	BICEC	1,01	5,15	-4,14
5	CBC	2,41	0	2,41
6	CITI	42,58	152,31	-109,73
7	ECOBANK	0	94,19	- 94,19
8	NFC	3,23	0	3,23
9	SCB	21,59	20,20	1,39
10	SGC	5,01	230,97	- 235,98
11	STANDARD			-
12	UBA			-
13	UBC	0,39	0	0,39
14	ACCESS Bank	1,66		1,66
Total		81,85	520,37	-438,52

Source: DGTCFM/DCFM

3.2.1.5- Currency Analysis

An analysis according to the currency shows that liabilities are strongly and almost exclusively contracted in Euro (336.4 billion CFAF) and in US Dollar (183.4 billion CFAF) thus indicating a high exposure to exchange losses of the CFAF in case of the appreciation of the Dollar, the Euro having a fixed parity with the CFAF. Banks with the largest volume of liabilities in Euro are SGC (209.7 billion FCFA), ECOBANK (90.7 billion CFAF), and while in US Dollar, there are CITI Bank (145.9 billion CFAF) and SGC (21.2 billion CFAF).

Table 13: External position of commercial banks in the second half of 2022 by currency (in billions of CFAF)

N°	Currencies	Receivables	Liabilities	Balances
1	Euro	34.63	336.43	-301.79
2	US Dollar	25.36	183.38	-158.02
3	Pound Sterling	0.43	0.47	- 0.033
4	Swiss Franc	0.53	0.011	0.51
5	Japanese Yen	0.00095	0.00035	0.00060
6	Canadian Dollar	0.27	0.075	0.19
7	Saudi Riyal	-	-	-
8	Australian Dollar	0	0.004	-0.004
9	Norwegian Krone	0.017	0	0.017
10	Danish Crown	-	-	-
11	Moroccan Dirham	0.004	0	0.004
12	Chinese Yuan	0	0.004	-0.004
13	Naira	0.11	0	0.11
14	XOF	20.49	0.007	20.48
15	South-African Rand	0	0.003	- 0.003
Aggregates		81.85	520.37	-438.52

Source: DGTCFM/DCFM

With regard to receivables, they are largely denominated in Euro (34.6 billion CFAF), in US Dollar (25.4 billion CFAF) and in XOF (20.5 billion CFAF). CITI Bank records the highest value of receivables in Euro (32.8 billion CFAF), and SCB records in US Dollar (12.3 billion FCFA), or 48.5% of all receivables. As for receivables in XOF, they are mainly held by the SGC (20.5 billion CFAF).

The Euro and the US Dollar are presented as at December 2022 as the main currencies used for the transactions of Cameroonian economic operators.

3.2.2 Cameroon's foreign assets

Between 2017 and 2022, the overall volume of Cameroon's net foreign assets increased from 1 769.6 billion to 2 955.2 billion in November 2022, or a 67.0% increase. However, a slight decrease was observed in 2020 following the slowdown in economic activity during the Covid-19 pandemic.

The table below shows that this increase is mainly attributable to French treasury bills, the value of which rose in billions from 1 579.6 to 2 580.9 between 2017 and 2022. There is a substantial increase in gold reserves, with a change in value of 12.3 billion over the period, corresponding to a 58.3% increase.

Table 14: Net Foreign Assets of Cameroon between 2017 and 2022 (in billions of CFAF)

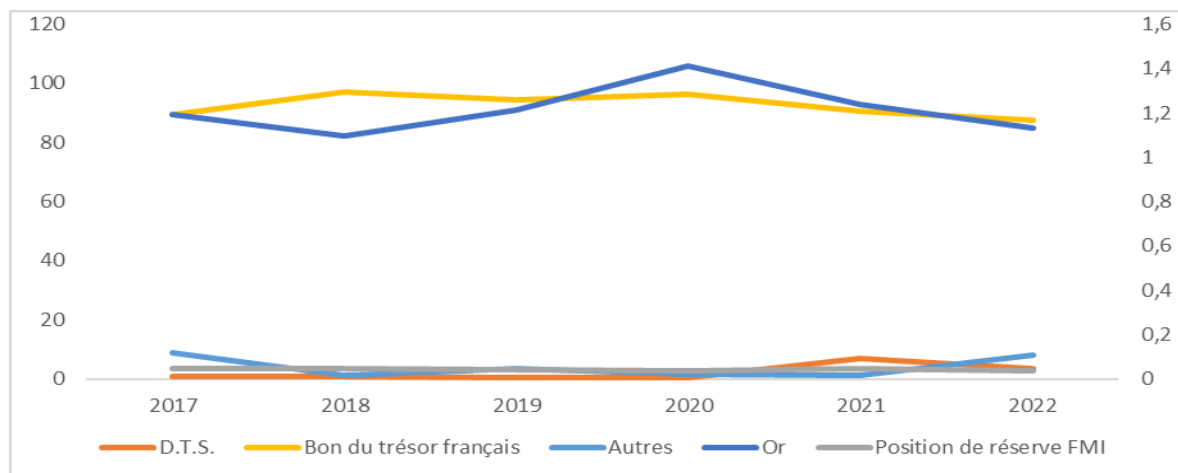
Components	2017	2018	2019	2020	2021	2022
Gold	21.1	21.9	26.5	30.3	31.2	33.4
S.D.R.	11.9	12.2	12.4	12.1	177.5	106.2
IMF reserves Position	0.8	0.9	0.9	0.8	1.1	1.1
French Treasury Bonds	1579.6	1945.2	2070.0	2067.7	2282.8	2580.9
Others	156.2	23.5	79.4	37.3	29.1	233.6
Total	1769.6	2003.7	2189.1	2148.2	2521.7	2955.2

Source: BEAC

In addition, holdings in Special Drawing Rights (SDRs) after having been stable for a long time (around 12 billion), increased considerably in 2021 to reach 177.5 billion before falling to 106.2 billion in 2022, that is a 40.2% decrease.

The distribution of NEAs in Cameroon according to each component reveals that they are largely made up of French treasury bonds. They represent more than 87% since 2017, with a peak of 97.1% in 2018. We then find in order of importance, gold reserves, SDR holdings and IMF reserves.

Chart 11: Evolution of the components of Cameroon's Net Foreign Assets between 2017 and 2022 (in %)



Source: BEAC

In the second half of 2022, there is a slight growth in NEAs of about 3.4% with an overall value which increased from 2 858.4 to 2 955.2 billion between July and November. These NEAs remain dominated by French Treasury Bonds, although the latter are subject to a slight drop throughout the semester. Also, holdings of D.T.S. fell generally between July (109.4 billion) and November (106.2 billion). All other NEA components remained nearly constant.

Table 15: Breakdown over time of NEAs in Cameroon, according to its different components

Components	Gold	S.D.R.	IMF Reserves position	French treasury bonds	Others	Total
JULY	34.1	109.4	1.2	2627.4	86.4	2858.4
AUG.	33.5	108.6	1.2	2642.6	86.9	2872.8
SEPT.	33.6	110.0	1.2	2617.5	83.1	2845.3
OCT.	32.6	108.4	1.2	2595.2	149.3	2886.6
NOV.	33.4	106.2	1.1	2580.9	233.6	2955.2

Source: BEAC

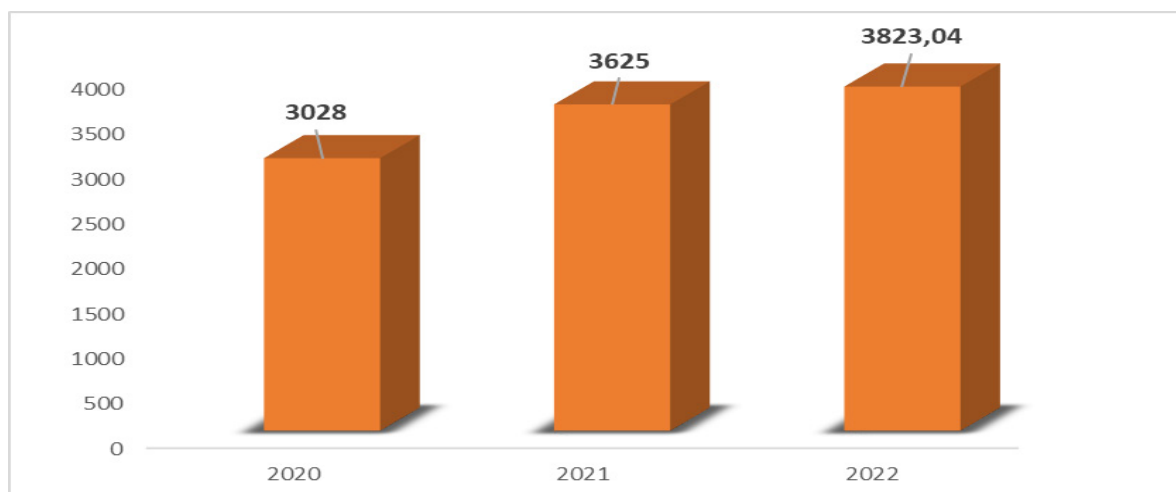
3.2.3- Repatriations, retrocessions and transfers 2020-2022

Repatriations, retrocessions and transfers are governed by **Regulation No. 2/18/CEMAC/UMAC/CM on foreign exchange currencies in the CEMAC zone.**

3.2.3.1- Repatriations

The total number of repatriation operations in the CEMAC zone stands at 453 263 for a total value estimated at **10 476.04 billion** over the last three years. Between 2020 and 2022, the volume of repatriations increased from 3 028 billion to 3 823, or a 26.3%.increase.

Chart 12: Volume of repatriations between 2020 and 2022



Source: BEAC

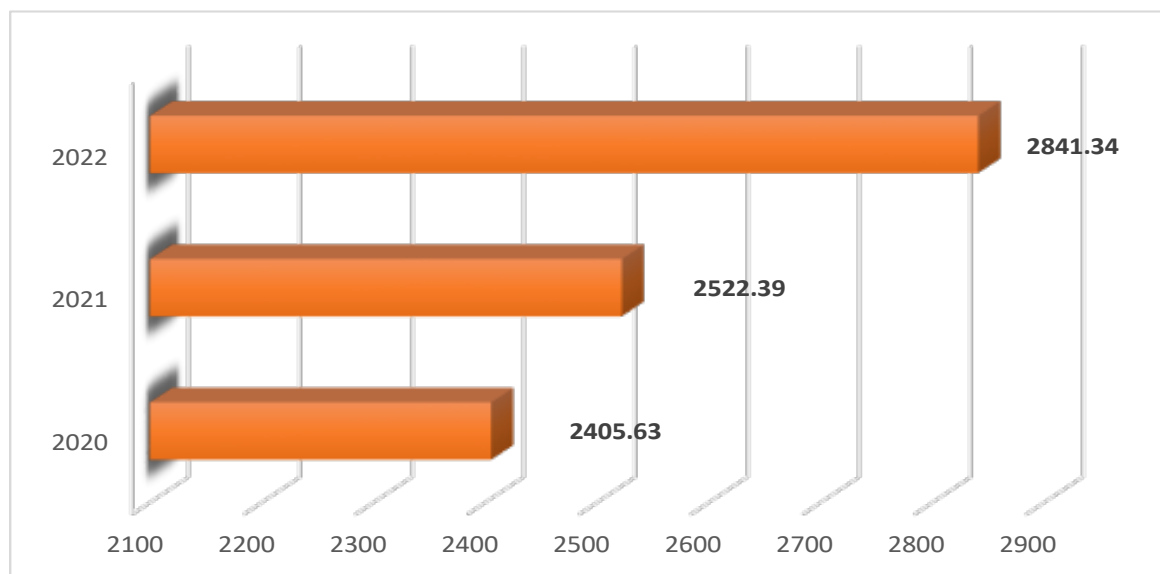
3.2.3.2- Retrocessions

According to instruction N°003/GR/2019, on retrocession of foreign currencies to the BEAC by credit institutions, banks have a period of 30 days to retrocede at least 70% of the repatriations received from their customers to the Central bank.

Actually, the overall amount of retrocessions over the 2020-2022 period amounts to **7 769.36 billion** as against 10 476.04 billion repatriated, or a **74.45%** effective overall retrocession rate.

In general, banks behave well in terms of retrocessions. Likewise, the retrocessions follow the direction of the repatriations, with an upward trend between 2020 and 2022; from 2 405 billion to 2 841.34 billion, an 18.1% increase.

Chart 13: Effective retrocession amounts and rates in the CEMAC zone



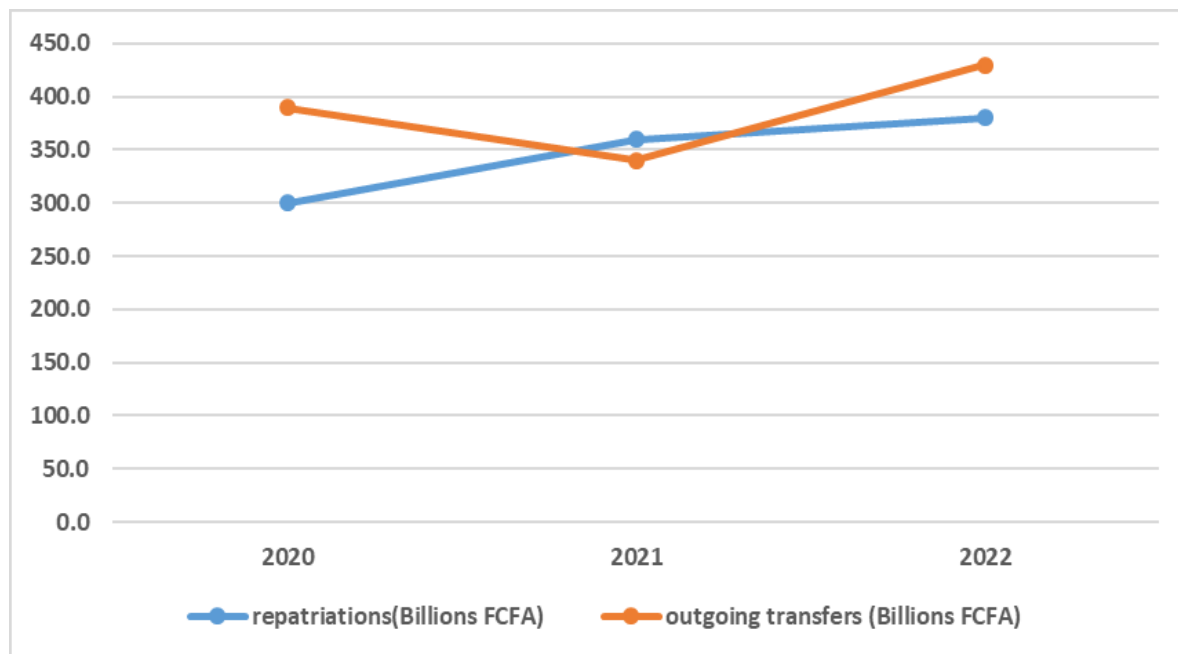
Source: BEAC

In addition to the sums retroceded by the banks, there are also those from States' public treasuries, they represent 1 077.4 billion, of which 408.6 in 2020, 228.5 in 2021 and 440.3 in 2022.

3.2.3.3- Joint dynamics of repatriations and outgoing transfers

The graph below shows the evolution of repatriations and outgoing transfers. It indicate that remittances increased considerably between 2020 and 2022, while over the same period, outgoing transfers fell slightly until 2021 before increasing sharply in 2022.

Chart 14: Repatriations and outgoing transfers 2020-2022 in the CEM



Source: BEAC

In fact, for a total remittance of 10 476.04 billion, the overall volume of corresponding outgoing transfers is estimated at 11 728.5 billion. Indeed, in its last circular, a period of three (03) months was given by the BEAC to companies, for the transmission of the aforementioned files. The objective of the said circular was not only to put an end to the fraudulent outflow of currencies, but also to discourage the issuance of transfers without economic basis, linked to money laundering and the evasion of capital. However, economic agents are still slow to comply with this deadline, which they consider to be too tight to provide the required documents, because these documents come from various administrations or are from old archive. According to BEAC data, as at 31 March 2021, the rate of transmission of clearance files was only 35.95%.

In this respect, Cameroon and Gabon recorded the highest non-transmission rates. For instance, as at 31 March 2021, from 21 834 files expected from Cameroonian companies, only 12 814 was submitted. In the same vein, out of 7 231 files expected from Gabon, only 1 692 files was submitted.

REFERENCES

- [1] Bulletin officiel de la côte (BVMAC) ;
- [2] Déclarations de la position extérieure décadaire des banques commerciales ;
Perspectives de l'économie mondiale, un horizon sombre et plus incertain, juillet 2022, FMI ;
- [3] Conjoncture internationale, N°1 2022, guerre et prix ;
- [4] Conjonctures économiques net JNews juillet 15, 2022 ;
- [5] Manuel de la balance des paiements et de la position extérieure globale du FMI,
sixième édition (MBP6) ;
- [6] Note mensuelle de conjoncture économique Pays UEMOA, juillet 2022 ;
- [7] Note sur la situation du marché financier régional, CNEF, Janvier 2023 ;
- [8] Note sur les opérations du marché monétaire et du marché des titres publics, CNEF,
décembre 2022 ;
- [9] Rapport relatif à la monnaie, au crédit et au fonctionnement du système financier, CNEF,
décembre 2022 ;
- [10] Rapport sur la conjoncture au Cameroun, décembre 2022 ;
- [11] Rapport sur la politique monétaire, BEAC

EDITORIAL BOARD

PUBLISHING DIRECTOR

MOTAZE Louis Paul, Minister Delegate to the Minister of Finance

DEPUTY PUBLISHING DIRECTOR

YAOUBA Abdoulaye, Director General of the Treasury,
Monetary and Financial Cooperation

SUPERVISOR

MOH TANGONGHO Sylvester

TECHNICAL COORDONATOR,

EYEFFA EKOMO Sylvie Marie Louise,
Director of the Monetary and Financial Cooperation

WRITERS

NDOLO MOKAKE Grace	Head of the Surveys and Statistics Unit
POKEM Eric	Sub-Director of Foreign Exchange and Transfers
BACHIROU MOHAMADOU	Head of the International Financial Relations Unit
DEMENOU Ange Patrick	Sub-Director of Money and Credit Institutions
BEKONO Edwige	Head of Credit Institutions Service
ESSEBE NJONE Serge	Head of money Service
MAGNI Elisabeth	Head of Foreign Exchange Service
ELAME Alain Charly	Assistant Research Officer
KOUNGANG Francis	Assistant Research Officer
MANDIO Bertrand	Assistant Research Officer
MIALO MA NDJOKOU	Assistant Research Officer
YEMMATA Octavie	Assistant Research Officer
HAMADJODA HAMASSEO	Executive Officer
BILOUNGA Fabiola	Executive Officer
NGA EDZANA Brice	Executive Officer