Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

ANNUAL ECONOMIC REPORT
2014

Bank of the Lao PDR

Contents

Abbreviations

BOL	Bank of the Lao PDR
BOP	Balance of Payments
C.I.F	Cost, Insurance and Freight
CAMELs	Capital, Assets, Management, Earnings, Liquidity and Sensitivity
CBs	Commercial Banks
EDL-Gen	the State Enterprise of Electricity du Laos Generation Public Company
F.O.B	Free on Board
FCD	Foreign Currency Deposit
FDI	Foreign Direct Investment
FY	Fiscal Year
GDP	Gross Domestic Product
H.E.	His Excellency/Her Excellency
IMF	International Monetary Fund
LAK	Lao Kip currency
Lao PDR	Lao People's Democratic Republic
LSX	Lao Securities Exchange
M2	Money Supply
MPI	Ministry of Planning and Investment
NPL	Non-Performing Loans
OMO	Open Market Operation
P	Preliminary Data
PTL	Petroleum trading Lao Public
R	Revised Data
RRR	Reserve Requirement Ratio
RS	Right Scale
THB	Thai Baht Currency
USD	United States Dollars
VAT	Value-added tax

Governor's Statement

In 2014, the global economy continued to expand 3.4%[1] mainly driven by economic expansion in advanced countries; despite Euro-zone debt crisis continued to unravel and ongoing financial and commodities market turbulence. However, the economic development in the Lao PDR continued to remain in a good position stimulated by foreign direct investment (FDI) especially hydropower sector, service sector and other development project in special and specific economic zones.

As reflections of the mentioned backdrop, to maintain price stability, the Bank of the Lao PDR (BOL) continued to conduct indirect monetary policy instruments, particularly policy rate, reserve requirement ratio (RRR) and open market operation (OMO); together with the implementation of exchange rate policy by setting a daily reference exchange rate for commercial banks and exchange bureaus.

In addition, BOL has closely supervised commercial banks, non-bank institutions and stock market which resulted in further safe and sound financial system. Recently, there are 37 banks, 123 microfinance institutions and 4 listed companies in Lao Securities Exchange (LSX).

Upon above implementation, BOL was able to maintain price stability with headline inflation recorded at 4.13 percent; the LAK depreciated by 2.34 percent against the USD; real GDP grew by 7.8 percent[2]; gross international reserves covered 4.65 months of imports; money supply (M2) increased by 25 percent; deposit to GDP ratio accounted 49 percent; credit to GDP ratio accounted 43 percent and NPL ratio 2.5 percent.

In 2015, global economy is expected to be recovering gradually. However, challenges on volatility in exchange rate, oil and gold prices are remained. Therefore, BOL will continue to conduct monetary and exchange rate policies to ensure price stability; oversee the financial system; ensure liquidity of commercial bank as well as control NPL ratio within a range set; promote using the LAK and enhance the foreign currency management by improving legislation, mechanisms and other associated measures. Moreover, gradually modernize financial settlement system to ensure regional and international integrations.

Governor of the Bank of the Lao PDR

BANK OF THE LAO P.D.R. ★ THE GOVERNOR

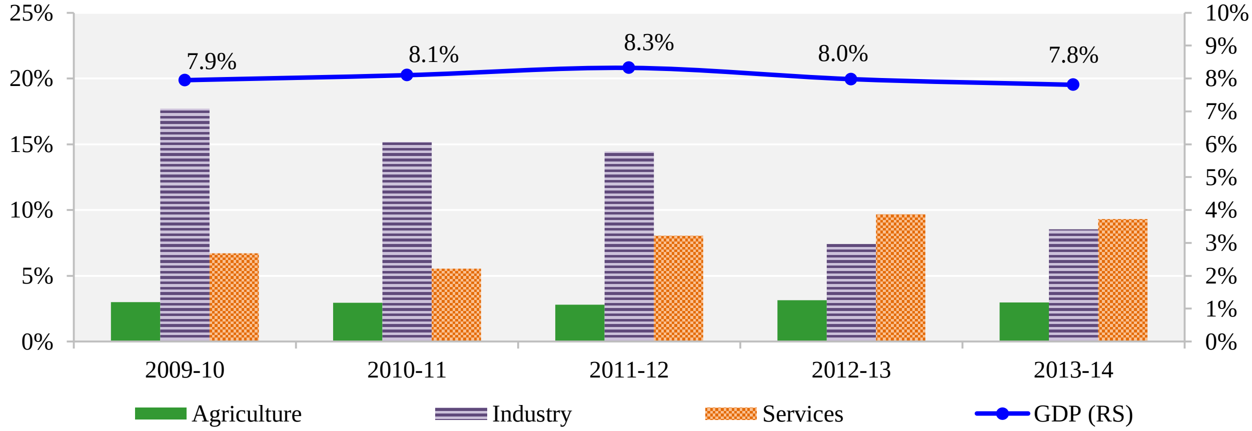
Dr. Somphao PHAYSITH

[1] IMF Global Economic Outlook Report on April 2015
[2] GDP Growth Rate at the fiscal year 2013/2014, provided by Lao Statistics Bureau, MPI.

I. Economic Growth

In FY2013-14, the gross domestic product (GDP) grew by 7.8 percent, which mainly driven by service, industry, and agriculture sector at 9.3 percent, 8.5 percent, and 3 percent, respectively. FDI was still a main source of growth especial hydropower and service sectors.

Figure 1. Economic Growth

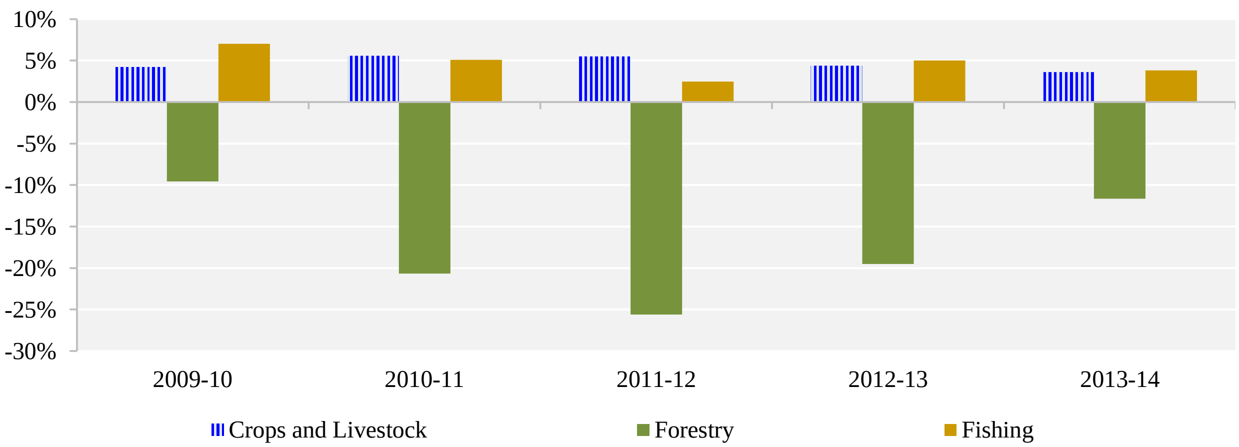


Source: Lao Statistics Bureau, Ministry of Planning and Investment

1.1. Agriculture Sector

In FY2013-14, agricultural products grew by 3 percent, covered 25 percent of GDP. Of which, grew by 3.6 percent of crops and livestock, 4 percent of fishing due to fostering policy of the government to cover domestic demand and export while forestry declined by 12 percent because of less logging quota (Figure 2).

Figure 2. Growth of Agriculture Sector

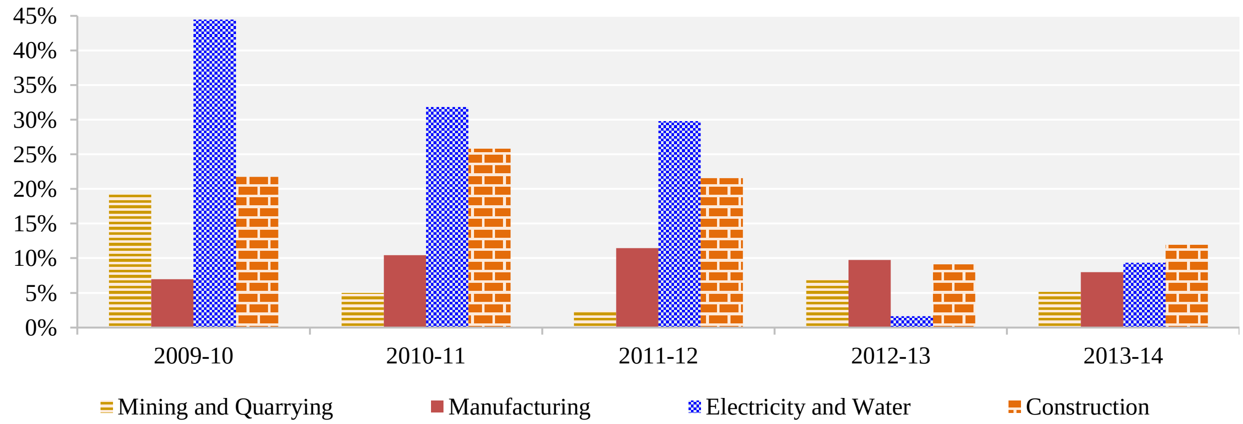


Source: Lao Statistics Bureau, Ministry of Planning and Investment

1.2. Industry Sector

Industrial products grew by 8.5 percent, equivalent to 29 percent of GDP; driven by expansion in electricity and water supply 9.4 percent and construction 12 percent. While mining and quarrying grew by slower pace as 5.2 percent due to a declining overall gold output and effects of lower commodity prices (Figure 3).

Figure 3. Growth of Industry Sector

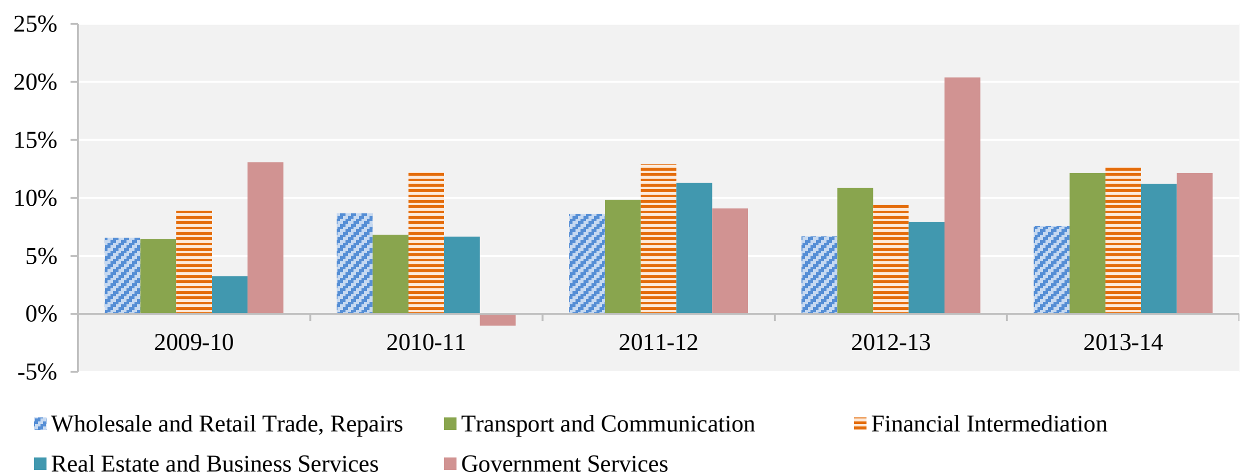


Source: Lao Statistics Bureau, Ministry of Planning and Investment

1.3. Services Sector

Services grew by 9.3 percent, which accounted for 39 percent of GDP. Of which, financial intermediation played the largest role as 12.6 percent, government services 12.1 percent, transportation and communication 12.1 percent, real estate and business services 11.2 percent, and wholesale-retail trade and repairs 7.6 percent (Figure 4).

Figure 4. Growth of Services Sector

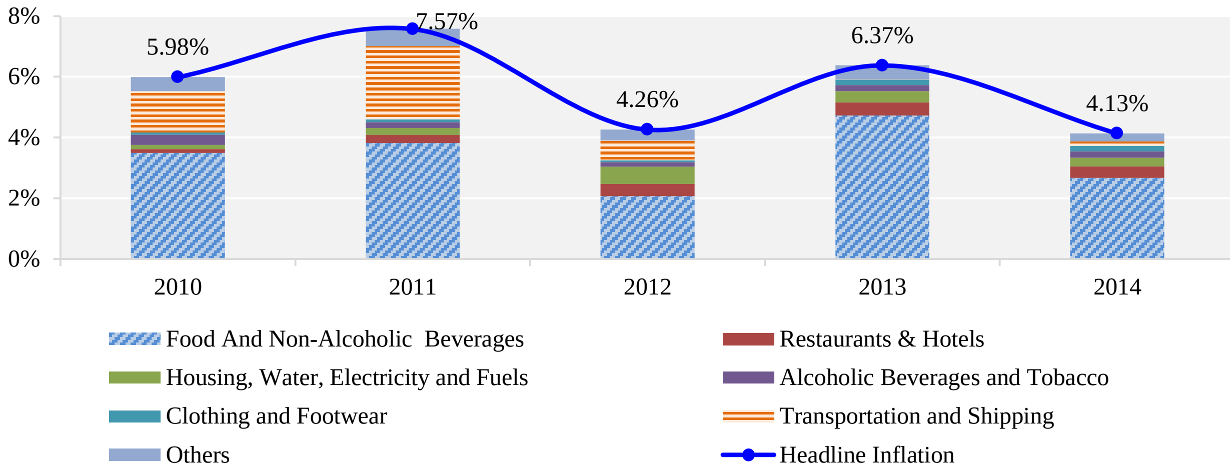


Source: Lao Statistics Bureau, Ministry of Planning and Investment

1.4. Inflation

In 2014, headline inflation averaged at 4.13 percent, it is the lowest recorded figure since 2010 due to the declined in rice prices (as rice output increased), and together with the decline in oil prices from both domestic and global market.

Figure 5. Inflation Composite



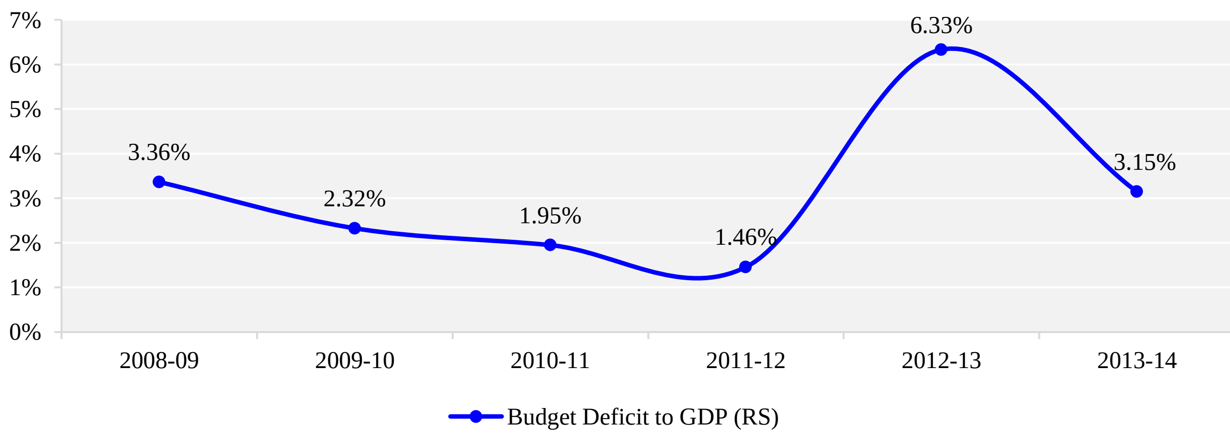
Source: Lao Statistics Bureau, Ministry of Planning and Investment

II. Public Finances

2.1. Fiscal Performance

In FY 2013-14, budget deficits amounted to LAK 2,857 billion, equivalent to 3.15 percent of GDP (Figure 6). Total revenue reached to LAK 22,470 billion, increased by 15 percent, and total expenditure reached to LAK 25,370 billion, increased by 3 percent.

Figure 6. Fiscal Performance

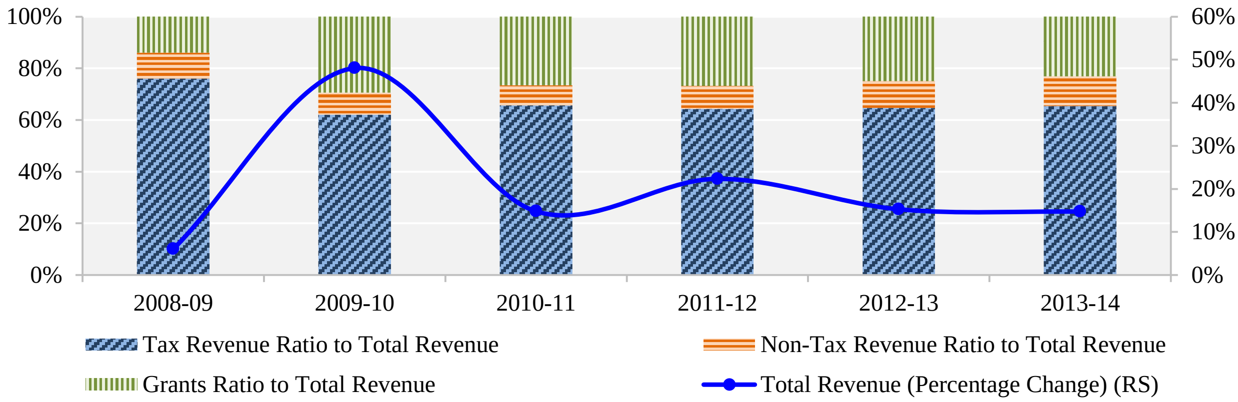


Source: Ministry of Finance

2.2. Revenue

In FY2013-14, total revenue achieved LAK 22,470 billion, increased by 15 percent, equivalent to 25 percent of GDP (Figure 7). Of which, grants reached to LAK 5,197 billion; and domestic revenue was LAK 17,273 billion, which tax revenue covered 65 percent of the total revenue, attained to 16 percent of GDP, rose by 16 percent and non-tax revenue increased by 29 percent compared to the previous year, accounted for 3 percent of GDP. This was the results of ongoing reforms of the revenue and tax collecting system and administration, mainly, revenue collecting through electronic and banking system, and more use of tax invoices.

Figure 7. Revenue

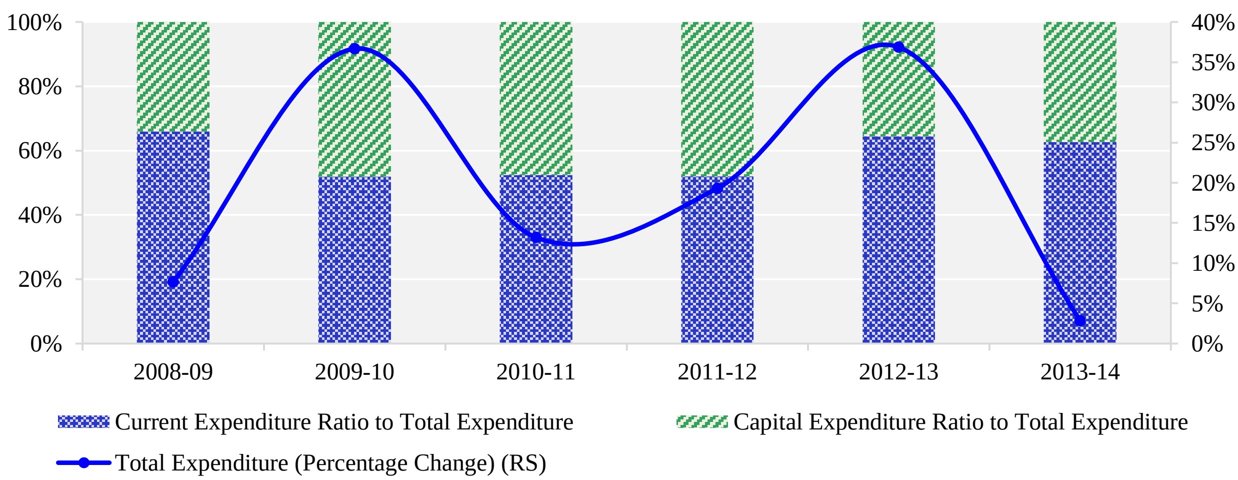


Source: Ministry of Finance

2.3. Expenditure

In FY2013/2014, total expenditure amounted to LAK 25,370 billion, increased by 3 percent, and equivalent to 28 percent of GDP (Figure 8), as the result of increase in capital expenditure as 8 percent. Meanwhile, current expenditure was declined by 0.02 percent because of fiscal consolidation measures.

Figure 8. Expenditure

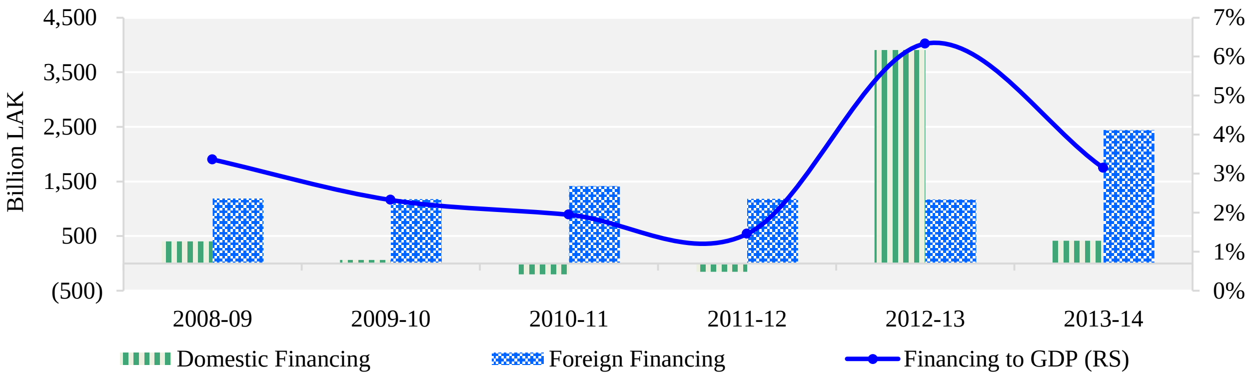


Source: Ministry of Finance

2.4. Financing

In FY2013-14, fiscal financing amounted to LAK 2,857 billion, which equivalent to 3.15 percent of GDP (Figure 9). This was financed by domestic sources as LAK 416 billion and external sources as LAK 2,441 billion.

Figure 9. Financing



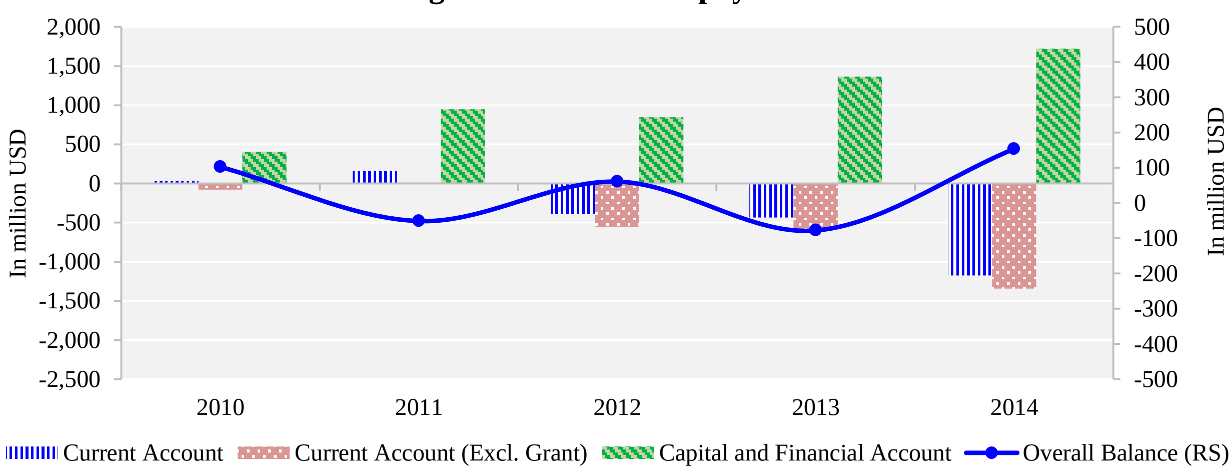
Source: Ministry of Finance

III. Balance of Payments

3.1. Overall Balance

In 2014, overall balance marked a surplus of USD 154 million; driven by capital and financial account surplus of USD 1,720 million, while current account recorded a deficit of USD 1,178 million, gross international reserves covered 4.65 months of prospective imports[3] (Figure 10).

Figure 10. Balance of payments



Source: Bank of the Lao PDR

[3] Amount of imports, which excluded imports for FDI project: USD 175.61 million.

3.2. Current Account

Current account recorded a deficit of USD 1,178 million, which covered 10 percent of GDP, due to a deficit of USD 1,609 million in trade balance and USD 125 million in net factor income, with offset of a surplus of USD 267 million in service and USD 228 million in transfer.

3.2.1. Trade Balance

The trade balance recorded a deficit of USD 1,609 million, increased by 97 percent compared to the previous year or equivalent to 14 percent of GDP (Figure 11), the main causal factor increased by 39 percent of imports, particularly import of intermediate goods and capital goods. However, exports increased by 18 percent driven by mineral product, garment, and prepared foodstuff, beverage and tobacco.

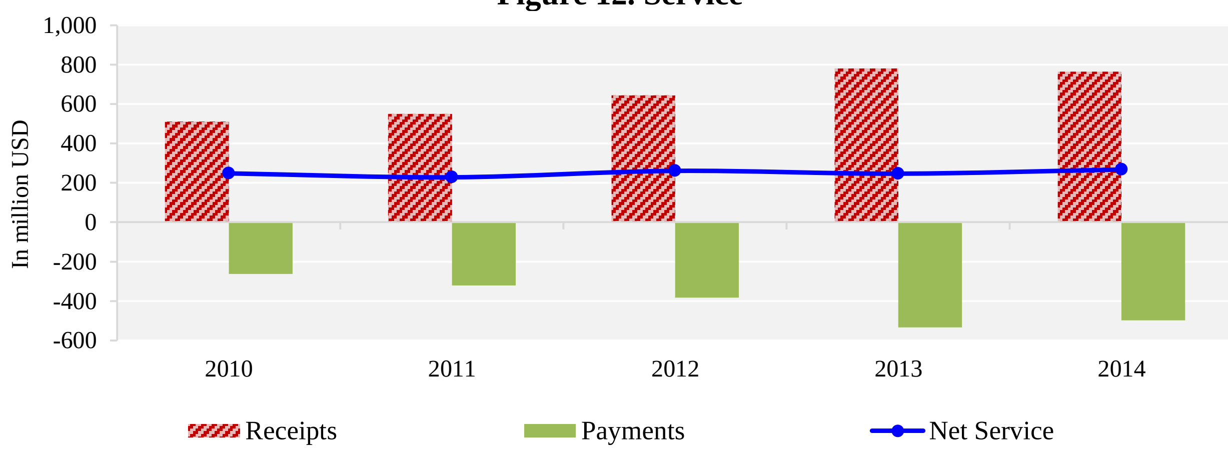
Figure 11. Trade Balance

Source: Bank of the Lao PDR

3.2.2. Service

Net service marked a surplus of USD 267 million, increased by 8 percent compared to the previous year, represented 2 percent of GDP (Figure 12). As a result of an increase in Thai, Vietnamese, Chinese and South Korean tourists caused ongoing increased in tourism services.

Figure 12. Service



Source: Bank of the Lao PDR

3.2.3. Factor Income

Net factor income remained in deficit of USD 125 million, increased by 18 percent compared to the previous year due to declines in remittance from labor working abroad especially illegal labor from Thailand, and increases in government interest payment.

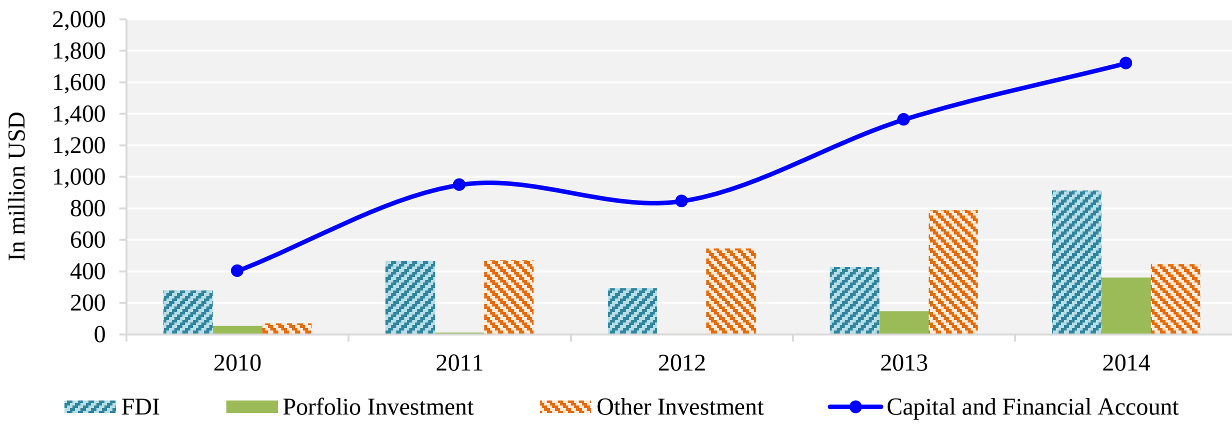
3.2.4. Transfers

Net transfers generated a surplus of USD 288 million compared to the previous year due to private transfers and grants to government increased by 37 percent and 11 percent respectively.

3.3. Financial and Capital Account

Financial and capital account marked a surplus of USD 1,720 million, which increased by 26 percent, equivalent to 15 percent of GDP (Figure 13), mainly driven by FDI capital inflows increased to USD 913 million particularly in a field of hydropower, construction and service sector. In addition, the portfolio investment generated a surplus of USD 361 million.

Figure 13. Financial and Capital Account

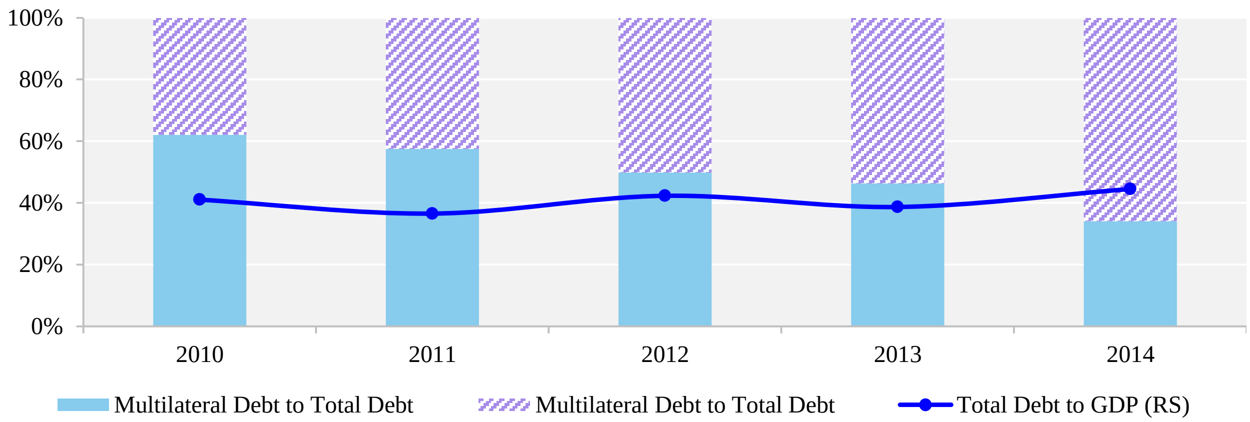


Source: Bank of the Lao PDR

3.4. External Debt

In 2014, total external debt outstanding of the Lao PDR recorded as USD 5,185 million, which rose by 24 percent, covered 44 percent of GDP. Of which, the external debt consisted of bilateral debt 66 percent and the multilateral debt 34 percent (figure 14).

Figure 14. External Debt



Source: Ministry of Finance

IV. Financial Sector

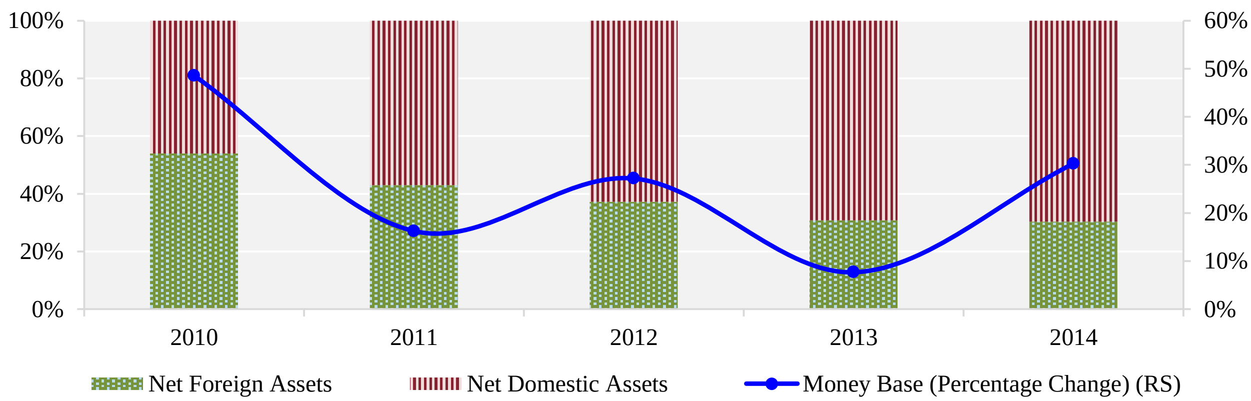
4.1. Monetary Policy

In 2014, BOL has been continuing to maintain policy rate at 5 percent for loan less than 1 week, reserve requirement ratio at 5 percent for LAK and 10 percent for foreign currency deposit. In addition, BOL has been regularly conducting the open market operation as well as acting as the lender of last resort for commercial banks.

4.2. Monetary Base

Monetary base grew by 30 percent mainly from increasing in foreign assets by 24 percent driven by foreign capital inflow including external loan of the Government and registered capital from 5 new commercial banks (figure 15).

Figure 15. Monetary Base



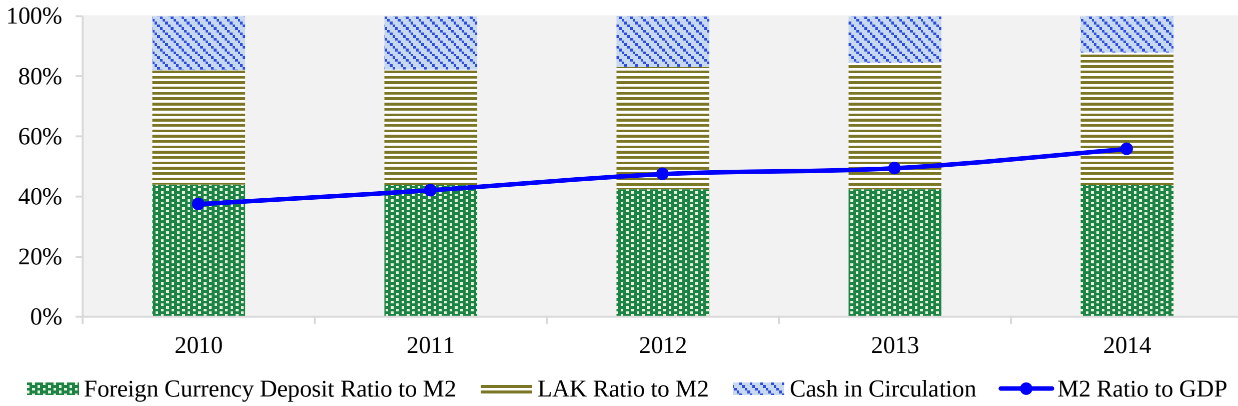
Source: Bank of the Lao PDR

4.3. Money Supply (M2)

Money supply (M2) grew by 25 percent, which accounted for 56 percent of GDP, driven by 14 percent of credit to the economy; capital inflows mobilized by government, EDL-Gen Public Company, and registered capital of commercial banks.

The component of M2 consists of cash in circulation 12 percent, LAK deposit 44 percent and foreign currency deposit 44 percent (figure 16).

Figure 16. Money Supply (M2)

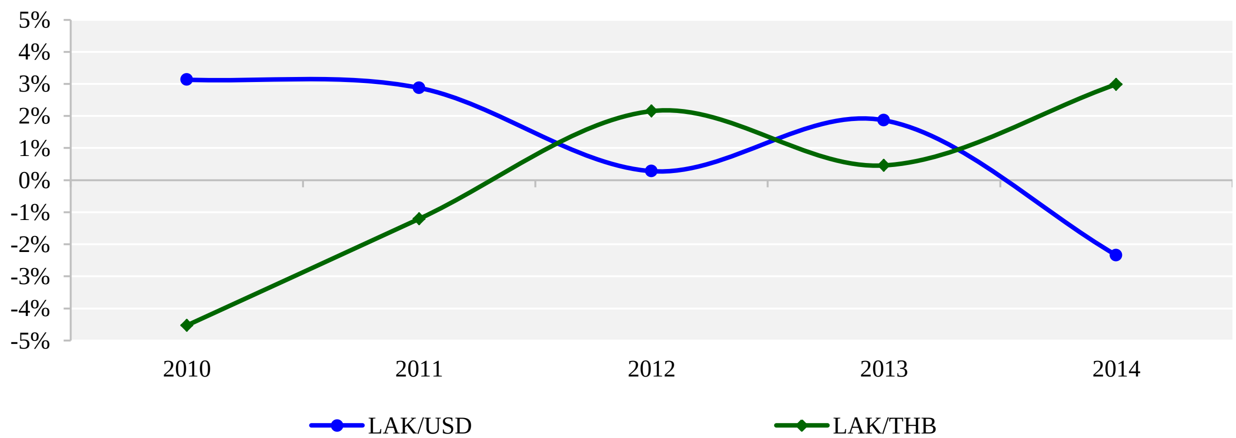


Source: Bank of the Lao PDR

4.4. Exchange Rate Policy

BOL has maintained a managed float exchange rate regime by setting a daily reference rate which allow commercial bank and exchange bureaus to determine their rate within ±0.25 percent band. As a result in 2014, an average exchange rate recorded at 8,049 LAK/USD and 249.77 LAK/THB, which LAK depreciated 2.34 percent against the USD while appreciated 2.99 percent against the THB.

Figure 17. Exchange Rate



Source: Bank of the Lao PDR

4.5. Bank and Financial Institution Supervision

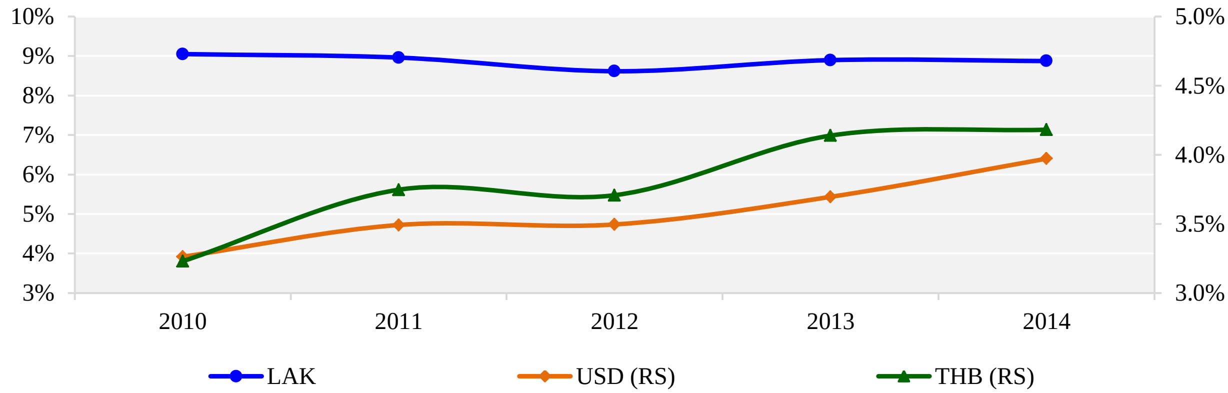
BOL continuously applied the CAMELs and Basel I principles to supervise commercial banks and prepared to reform the existing commercial banks supervision system toward banking supervision under Basel II principle.

Five new commercial banks were established in the Lao PDR in 2014 namely: Lao China Bank (LCNB), RHB bank, CIMB Thai bank, Kasikornthai bank, and Cathay United bank. As the result, the total number of banks increased to 37 banks. Of which, there were three state-owned banks, a specialized bank, three joint-venture banks, seven private banks, six subsidiary banks and 17 foreign branch banks. In addition, BOL has been promoted an expansion of microfinance institution countrywide in order to provide an access to diversified financial services. Recently, the total of microfinance institutions was 123.

4.6. Interest Rate

In 2014, 12-months term nominal deposit rate slightly dropped from 8.90 percent to 8.87 percent for the LAK, while rose from 4.14 percent to 4.18 percent and 3.70 percent to 3.97 percent for the USD and the THB respectively (figure 18).

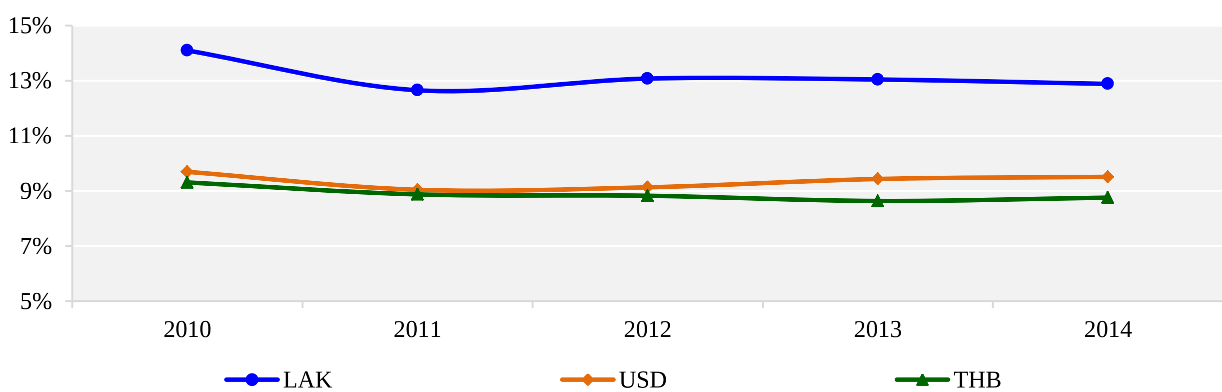
Figure 18. 12-Months Term Nominal Deposit Rates



Source: Bank of the Lao PDR

Similarly, 1 year nominal lending rate for the LAK was dropped from 13.04 percent to 12.88 percent, while lending rates for the USD and the THB slightly rose from 8.63 percent to 8.75 percent and 9.43 percent to 9.51 percent respectively (figure 19).

Figure 19. 1 Year Nominal Lending Rates

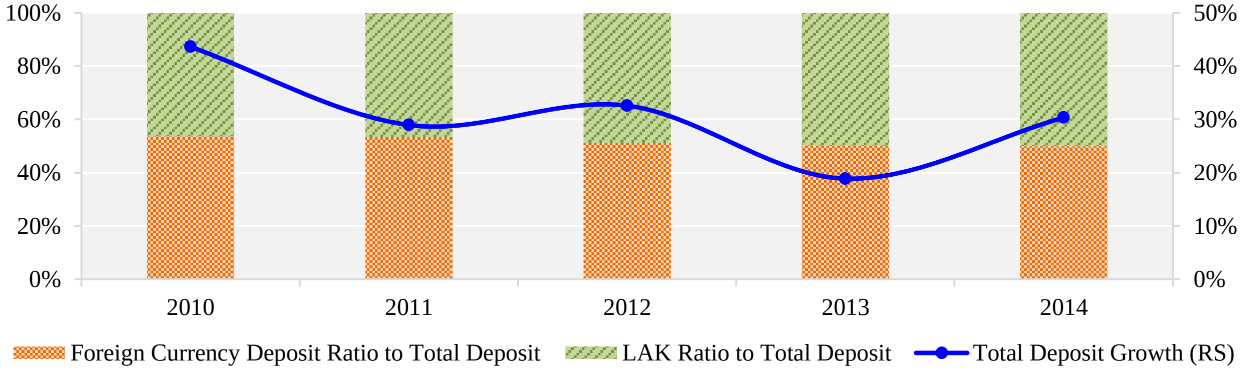


Source: Bank of the Lao PDR

4.7. Deposit

In 2014, deposit increased by 30 percent, which accounted for 49 percent of GDP. The LAK deposit raised by 31 percent and foreign currency deposit raised by 30 percent (figure 20).

Figure 20. Commercial Bank's Deposit

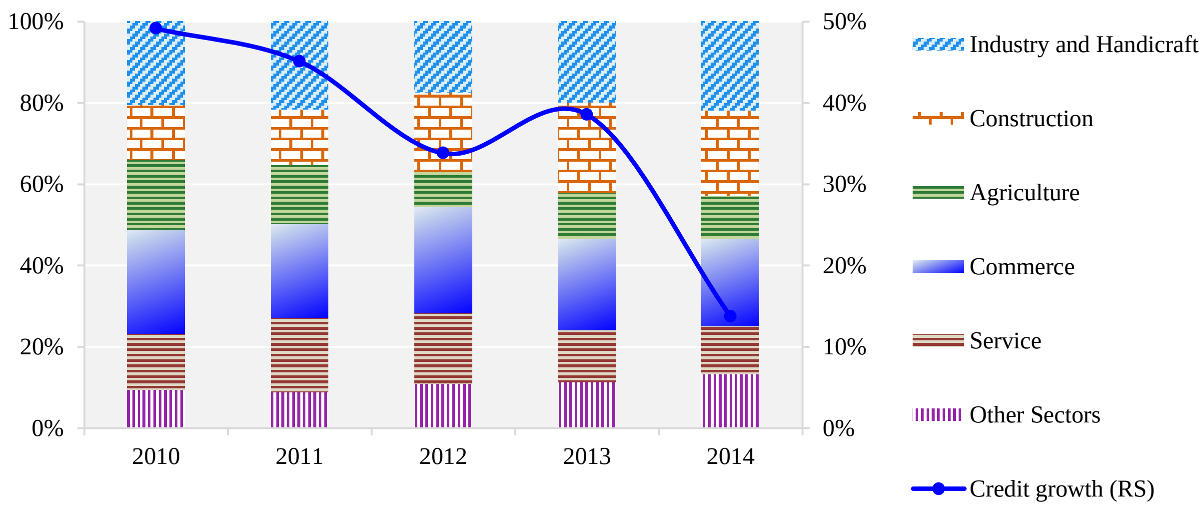


Source: Bank of the Lao PDR

4.8. Credit

Credit expanded by 14 percent, which accounted for 43 percent of GDP. Of which, industry and handicraft covered 20.5 percent of total credit, commerce 20 percent, construction 20 percent, service 10 percent, agriculture 10 percent and other sectors 12 percent (figure 21).

Figure 21. Commercial Bank's Credit by Sectors

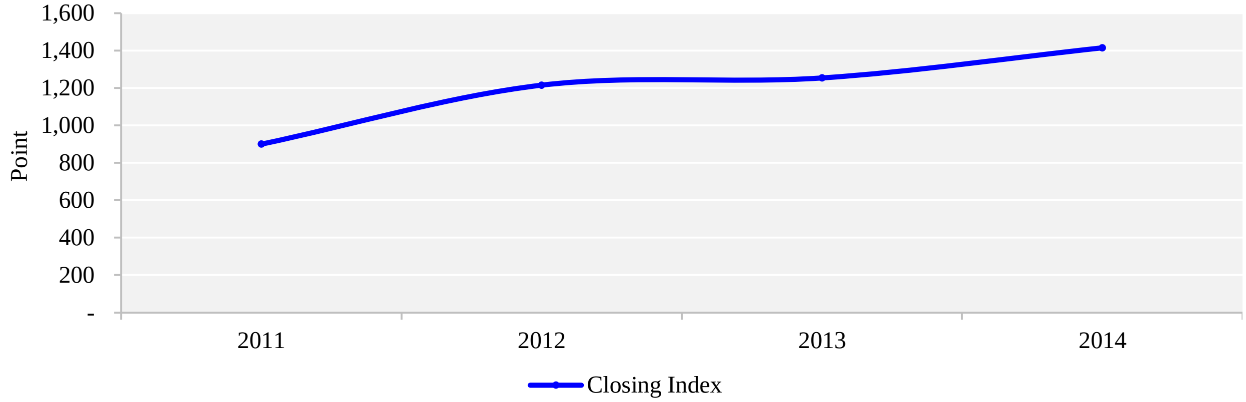


Source: Bank of the Lao PDR

4.9. Stock Exchange

The number of listed companies operating under LSX increased to four, which Petroleum trading Lao Public (PTL) was a new listed company in 2014. Total trading volume of 26.84 million shares, increased by 2.3 percent compared to the previous year. Of which, trading value of foreign investor accounted for 77.97 percent. LSX closing index increased by 12.83 percent or rose from 1,253.33 point to 1,414.19 point.

Figure 22. Lao Securities Exchange Index



Source: Lao Securities Exchange

V. Lao Economic Outlook 2015

In 2015, global economy is expected to be recovering gradually, nevertheless remained challenging with volatility in exchange rate, oil and gold prices. However, Lao economy expected to continuously grow moderate pace at 7.5 percent, with potential lower inflation rate which will support for monetary policy implementation. In addition, ongoing FDI inflows will be the key factor to drive economic growth. To this end, BOL will continue to conduct monetary and exchange rate policies to ensure price stability and supervised the financial system to ensure the sound and enable integrations within the regional and international level.

BOARD OF DIRECTORS

H.E. Dr. Bounpone BOUTTANAVONG,
Deputy Prime Minister,
Chairman

H.E. Dr. Somphao PHAYSITH,
Governor of Bank of the Lao PDR,
Vice Chairman

H.E. Lien THIKEO,
Minister of Ministry of Finance,
Vice Chairman

H.E. Siaosavath SAVENGSEUKSA,
Vice Minister of Ministry of Industry and Commerce, Board Member

H.E. Somboun RASASOMBATH,
Vice Minister of Ministry of Energy and Mines, Board Member

H.E. Dr. Ty PHOMMACHACK,
Vice Minister of Ministry of Agriculture and Forestry, Board Member

H.E. Dr. Bounthavy SYSOUPHANTHONG
Vice Minister of Ministry of Planning and Investment, Board Member

H.E. Dr. Thansamay KOMMASITH
Vice Minister of Ministry of Posts and Telecommunications, Board Member

H.E. Sonexay SITHPHAXAY,
Deputy Governor of Bank of the Lao PDR, Board Member

GOVERNOR

H.E. Dr. Somphao PHAYSITH,
Governor of Bank of the Lao PDR

DEPUTY GOVERNOR

H.E. Khamvong THIPPHAVONG,
Deputy Governor

H.E. Sonexay SITHPHAXAY,
Deputy Governor

H.E. Ms. Vathana DALALOY
Deputy Governor

ASSISTANT TO THE GOVERNOR

Mr. Or VILAPHAN,
Assistant to the Governor

Dr. Khampha PANEMALAYTHONG,
Assistant to the Governor

DIRECTORS

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Director General,
Administration Department

Ms. Bounta DALAVY
Director General,
Organization and Personnel Department

Mr. Norkeo MOUNIVONG
Director General,
Internal Audit Department

Mr. Khamphout SITTHILATH
Director General,
Monetary Policy Department

Mr. Phouthaxay SIVILAY
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International Relations Department

Mr. Phanthong KONGVONGSA
Acting Director General,
Information and Communication Technology Center

Ms. Douangdy PHIMVONGSA
Director General,
Banking Institute

Mr. Thongchalern KHENMINGMONGKHON
Director General ,
Asset Management center

Mr. Santy PHONMEUANGLAO
Director General,
Printing House

Mr. Phanthaboun SAYYAPHET
Director of Anti Money Laundering Intelligence Unit

Mr. Nah CHANTALIVONG
Director General,
Champasack Branch

Mr. Bounvong DUANGDOKKETH
Director General,
Savanhnakhet Branch

Mr. Boonthai SOUPHADTHONE
Director General,
Udomxay Branch

Mr. Aloun BOUNYONG
Acting Director General,
Luangprabang Branch

Ms. Vathana DALALOY
Director General, Lao Securities and Exchange Commission Office

Associate Prof. Dethphouvang MOULARAT
Chairman and CEO of the Lao Securities Exchange

Ms. Sengdaovy VONGKHAMXAO
Director General, Depositor Protection Fund

<u>Noted:</u> Ms. Vathana DALALOY Director General, Lao Securities and Exchange Commission Office has been appointed as Deputy Governor of Bank of the Lao PDR, dated 12 November 2014.

Chart 1. Organization Structure of Bank of the Lao PDR

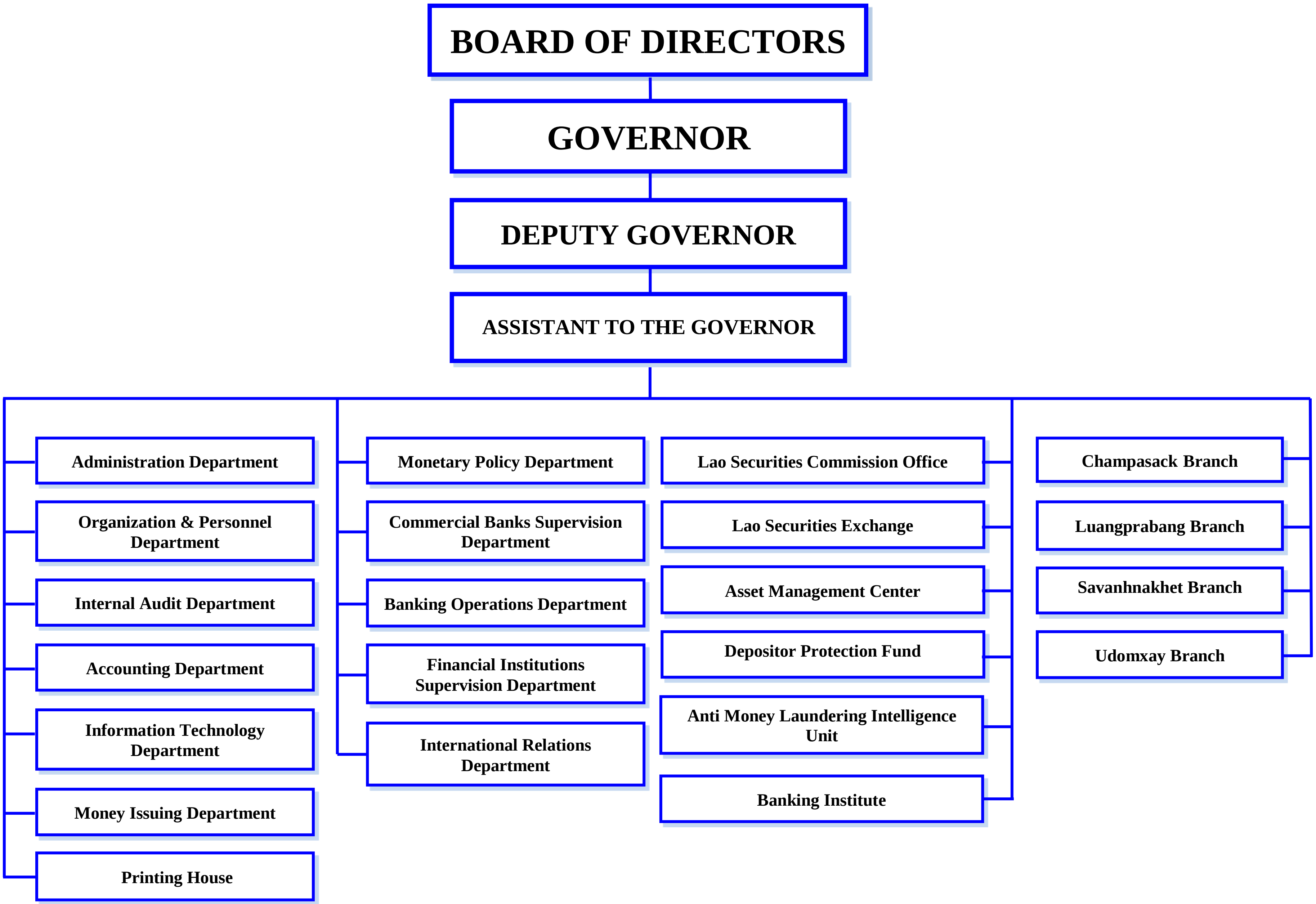


Chart 2. Structure of the Lao Banking System

BANK OF THE LAO PDR

Private Banks:
- Joint Development Bank
- Phongsavanh Bank
- ST Bank Co., Ltd
- Indochina Bank
- Booyoung Lao Bank Co.,Ltd
- Lao Construction Bank
- Maruhan Japan Bank Lao

State-Owned Commercial Banks:
- Banque pour le Commerce Exterieur Lao Public
- Lao Development Bank
- Agricultural Promotion Bank
- Nayoby Bank*

Joint State Commercial Banks:
- Lao-Viet Bank
- Banque Franco-Lao
- Lao China Bank Co.,Ltd

Subsidiary Banks:
- ANZ Bank (Lao) Limited
- ACLEDA Bank Lao Ltd
- International Commercial Bank Lao Limited
- Sacom Bank Lao Branch
- RHB Bank Lao Limited
- Kasikornthai bank

Foreign Branches:
- Bangkok Bank, Vientiane Branch
- Krung Thai Bank, Vientiane Branch
- Ayudhya Bank, Vientiane Branch
- Thai Military Bank, Vientiane Branch
- Siam Commercial Bank, Vientiane Branch
- Public Berhad Bank, Vientiane Branch
- Public Berhad Bank, Sikhai Branch
- Public Berhad Bank, Savanakhet Branch
- Ayudhya Bank Savanakhet Branch
- Military Commercial Joint Stock Bank-Lao Branch
- ICBC Bank Vientiane Branch
- Vietin Bank Vientiane Branch
- Saigon-Hanoi Commercial Joint Stock Bank Lao Branch
- Public Berhad Bank, Pakse Branch
- May Bank Lao Branch
- CIMB Thai Bank Vientiane Branch
- Cathay united bank Vientiane Capital Branch

Noted: * Nayoby Bank is a state-owned special bank, which operates as a poverty reduction bank in accordance with government policy in defined areas.

Table 1. Selected Key Economic Indicators of the Lao PDR

Items	2010	2011	2012	2013(R)	2014(P)
Real Sector (Percentage Change)					
Real GDP*	8.13	8.04	7.93	8.02	-
Inflation (End of Period)	5.76	7.70	4.73	6.65	2.40
Inflation	5.98	7.57	4.26	6.37	4.13
Public Finance (Percent of GDP)	**2009-10**	**2010-11**	**2011-12**	**2012-13**	**2013-14**
Total Revenue	22.64	22.30	24.05	24.42	24.74
Revenue	15.98	10.35	17.59	18.30	19.02
Grants	6.67	5.96	6.46	6.13	5.72
Total Expenditure	24.97	24.25	25.51	30.75	27.93
Current Expenditure	12.97	11.69	13.26	19.81	17.49
Capital and On-lending Net	12.00	11.56	12.25	10.94	10.44
Budget Deficits	-2.32	-1.95	-1.46	-6.33	-3.15
Budget Deficits (Excluding Grants)	-8.99	-7.90	-7.92	-12.46	-8.87
Monetary Sector (Percentage Change)	**2010**	**2011**	**2012**	**2013**	**2014**
Money Supply (M2)	39.47	28.71	31.05	17.02	25.22
External Sector (Percent of GDP)	**2010**	**2011**	**2012**	**2013**	**2014**
Overall Balance	1.50	-0.63	0.65	-0.72	1.32
Current Account (Including Grants)	0.43	1.96	-4.15	-4.05	-10.11
Current Account (Excluding Grants)	-1.16	0.11	-5.95	-5.45	-11.54
Trade Balance	-4.59	-2.66	-8.35	-7.57	-13.80
Capital and Financial Account	5.87	11.76	8.99	12.62	14.75
External Debt Outstanding	41.04	36.52	42.29	38.66	44.48

Remark: P: Preliminary Data
R: Revised Data
*: At 2002 Prices

Sources: Lao Statistics Bureau, Ministry of Planning and Investment; Ministry of Finance and Bank of the Lao PDR

Table 2. Gross Domestic Product by Value Added (Billion LAK)

Items	2009-10	2010-11	2011-12	2012-13	2013-14(P)
GDP Nominal	**53,437.50**	**62,277.27**	**70,650.15**	**80,199.16**	**90,823.12**
GDP Per capita (USD)	**1,026**	**1,213**	**1,355**	**1,534**	**1,671**
Real GDP Growth*	**7.9**	**8.1**	**8.3**	**8.0**	**7.8**
Real GDP*	**30,898.81**	**33,379.43**	**36,157.47**	**39,042.56**	**42,090.45**
Agriculture	**9,236.69**	**9,509.17**	**9,774.67**	**10,081.77**	**10,382.16**
Crops and livestock	7,288.46	7,695.11	8,117.66	8,472.93	8,778.36
Forestry	906.02	718.82	534.77	430.49	380.30
Fishing	1,042.21	1,095.23	1,122.24	1,178.35	1,223.51
Industry	**7,850.20**	**9,041.57**	**10,347.93**	**11,116.09**	**12,065.74**
Mining and Quarrying	2,192.08	2,302.40	2,357.23	2,521.62	2,651.65
Manufacturing	2,923.43	3,228.83	3,598.56	3,948.92	4,264.64
Electricity and Water Supply	1,148.68	1,514.29	1,965.43	1,997.49	2,185.00
Construction	1,586.02	1,996.05	2,426.70	2,648.06	2,964.46
Services	**11,798.77**	**12,452.25**	**13,454.72**	**14,758.50**	**16,133.73**
Wholesale and retail trade, repairs	5,959.03	6,475.67	7,032.62	7,501.28	8,068.76
Hotels and restaurants	210.42	236.71	258.31	269.16	279.18
Transport and communication	1,476.72	1,577.28	1,732.22	1,919.91	2,152.36
Financial intermediation	1,052.73	1,181.39	1,333.79	1,458.81	1,643.17
Real estate and business services	933.07	995.04	1,107.33	1,194.70	1,328.51
Community, social and personal services	520.77	544.97	572.22	611.80	644.22
Private households with employed persons	217.02	229.57	242.45	256.66	264.09
Producers of government services	2,318.93	2,294.87	2,502.86	3,012.66	3,377.66
Financial intermediation services indirectly measured	-889.91	-1,083.25	-1,327.07	-1,466.47	-1,624.21
All Industries at Basic Prices	**28,885.67**	**31,002.98**	**33,577.32**	**35,956.36**	**38,581.63**
Partial Tax**	**2,013.15**	**2,376.44**	**2,580.15**	**3,086.20**	**3,508.82**

Remark: P: Preliminary Data
*: At 2002 Price
**: Minimum Tax, Turnover Tax, Value-Added Tax, Excise Tax and Customs Duties

Source: Lao Statistics Bureau, Ministry of Planning and Investment

Table 3. Consumer Price Index (12/2010=100)

Categories	2010	2011	2012	2013	2014
Consumer Price Index (CPI)	**98.51**	**105.97**	**110.48**	**117.51**	**122.36**
CPI Components					
1. Food and Non-Alcoholic Beverages	98.63	108.80	114.89	129.37	138.27
2. Alcoholic Beverages and Tobacco	98.07	102.08	105.29	109.76	114.61
3. Clothing and Footwear	99.20	102.26	104.37	110.37	116.21
4. Housing, water, electricity and fuels	99.12	103.48	114.59	122.18	128.34
5. Household goods	99.79	101.71	104.17	107.09	108.89
6. Health Cares	98.59	100.43	101.62	103.13	104.07
7. Transportation and Shipping	98.05	107.67	110.51	110.55	111.17
8. Posts and Communication	100.23	103.74	105.09	107.01	107.79
9. Recreation and Culture	99.54	100.82	102.20	104.55	106.23
10. Education	97.75	98.61	99.90	101.98	102.95
11. Restaurants & Hotels	99.78	104.97	113.51	123.40	132.52
12. Miscellaneous Goods and Services	95.62	103.26	105.62	107.26	108.36

Source: Lao Statistics Bureau, Ministry of Planning and Investment

Table 4. Inflation (12/2010=100)

Categories	2010	2011	2012	2013	2014
Inflation	**5.98**	**7.57**	**4.26**	**6.37**	**4.13**
1. Food And Non-Alcoholic Beverages	8.30	10.31	5.60	12.60	6.88
2. Alcoholic Beverages and Tobacco	6.38	4.08	3.15	4.24	4.42
3. Clothing and Footwear	2.24	3.09	2.06	5.74	5.29
4. Housing, Water, Electricity and Fuels	2.22	4.40	10.73	6.62	5.04
5. Furniture and Household Utensils	1.46	1.93	2.42	2.80	1.68
6. Health Care	2.14	1.84	1.19	1.48	0.91
7. Transportation and Shipping	4.86	9.81	2.65	0.03	0.56
8. Communications	-1.36	3.50	1.30	1.83	0.73
9. Recreation and Culture	-0.12	1.29	1.37	2.30	1.60
10. Education	0.48	0.88	1.30	2.08	0.95
11. Restaurants & Hotels	2.15	5.20	8.14	8.71	7.39
12. Miscellaneous Goods and Services	11.79	8.00	2.29	1.55	1.02

Source: Lao Statistics Bureau , Ministry of Planning and Investment

Remark: Data maybe revised due to adjustment in commodity basket from 10 categories to 12 categories in 2011.

Table 5. Government Budget (Billion LAK)

Items	2009-10	2010-11	2011-12	2012-13(R)	2013-14(P)
Total Revenue	**12,100.37**	**13,890.07**	**16,992.40**	**19,587.00**	**22,470.26**
Revenue	**8,538.38**	**10,181.27**	**12,427.75**	**14,674.27**	**17,272.89**
Tax Revenue	7,502.55	9,108.64	10,914.85	12,651.89	14,665.70
Non-tax Revenue	1,035.82	1,072.63	1,512.90	2,022.38	2,607.19
Grants	**3,562.00**	**3,708.80**	**4,564.65**	**4,912.72**	**5,197.37**
Project Grants	879.09	1,152.33	1,191.91	1,386.39	1,194.59
Non-Project Grants (Donors)	2,320.44	2,249.95	2,998.63	3,162.56	3,593.76
Non-Project Grants (Japan)	-	70.00	34.00	-	-
Program Grants	362.47	236.53	340.12	363.77	409.03
Total Expenditure	**13,342.41**	**15,102.90**	**18,021.03**	**24,665.06**	**25,370.07**
Current Expenditure	**6,928.71**	**7,905.76**	**9,364.89**	**15,888.44**	**15,884.68**
Wages & Salaries	2,688.24	2,940.28	3,560.20	8,884.46	8,561.96
Transfers	1,546.41	1,866.00	2,014.85	2,183.63	2,379.98
Materials & Supplies	1,190.65	1,438.28	1,746.79	1,696.45	1,679.79
Debt Payment	668.19	656.95	598.75	2,012.65	2,282.42
Interest Payment	397.81	446.51	590.95	1,005.12	880.53
External	318.29	373.00	473.49	467.19	683.02
Domestic	79.52	73.51	117.46	537.93	197.50
Others	437.41	357.94	400.05	106.14	100.00
Off Budget Expenditure	-	199.81	453.30	-	-
Capital Expenditure	**6,413.70**	**7,197.14**	**8,656.15**	**8,776.62**	**9,485.39**
Local Finances	1,717.64	1,838.06	2,652.82	2,485.12	2,956.63
Foreign Finance	4,696.06	5,359.08	6,003.33	6,291.50	6,528.76
Project Loans	1,496.53	1,956.81	1,812.79	1,742.55	1,658.44
Project Grants	879.09	1,152.33	1,191.91	1,386.39	1,194.59
Non-Project Grants	2,320.44	2,249.95	2,998.63	3,162.56	3,593.76
Program Grants	-	-	-	-	81.97
Current Cash Balance	**1,609.67**	**2,275.51**	**3,062.87**	**(1,214.17)**	**1,349.38**
Overall Cash Balance	**-1,242.04**	**-1,212.84**	**-1,028.63**	**-5,078.06**	**-2,856.67**
(Excluding Grants)	-4,804.04	-4,921.65	-5,593.28	-9,990.79	-8,054.04
Financing	**1,242.04**	**1,212.83**	**1,028.63**	**5,078.06**	**2,856.67**
Domestic Financing	**63.50**	**-200.46**	**-155.23**	**3,905.11**	**415.53**
Bank Financing	**-193.01**	**-457.65**	**1,534.91**	**3,079.98**	**579.87**
Bank financing credit	-290.01	-517.65	1,854.43	1,373.73	-2,264.74
Treasury Bills (Issued)	200.00	260.00	-	300.00	300.00
Government Bonds (Issued)	-	-		2,248.48	3,299.71
Treasury Bills (Repayment)	-103.00	-200.00	-319.52	-842.23	-755.11
Non-Bank Financing	**256.51**	**257.19**	**-1,690.14**	**-825.13**	**-164.34**
Treasury Bills (Issued)	-	-	-	-	-
Treasury Bills (Repayment)	-	-	-	-	-
Assets Sales+Pump Amortization	277.32	268.91	91.26	397.34	207.51

Previous Year Balance Sheet	417.76	687.52	-	-	-
Differences	-438.57	-699.24	-1,781.39	427.79	-371.85
Foreign Financing (Net)	**1,178.54**	**1,413.29**	**1,183.86**	**1,172.96**	**2,441.14**
Government Bonds	-	-	-	-	734.13
Program Loans	-	-	-	-	280.37
Project Loans	1,496.53	1,956.81	1,812.79	1,742.55	1,658.44
Amortization (Repayment)	-542.34	-694.51	-774.50	-761.98	-912.24
Non-Program Grants (Japan)	85.00	-	-34.00	-	-
On-Lending Net	139.35	150.99	179.57	192.39	680.44

Remark: P: Preliminary Data

R: Revised Data

Source: Ministry of Finance

Table 6. Government Revenue (Billion LAK)

Items	2009-10	2010-11	2011-12	2012-13 (R)	2013-14 (P)
1. Tax Revenue	**7,502.55**	**9,108.64**	**10,914.85**	**12,651.89**	**14,665.70**
Profits Tax	1,124.90	1,592.15	2,196.03	2,187.84	1,858.05
Income Tax	462.39	543.46	744.20	855.71	977.97
Land Tax	77.57	98.15	55.15	181.44	109.60
Business Licenses	2.46	0.01	-	-	-
Minimum Tax	33.28	41.61	49.56	38.94	12.27
Turnover Tax	1,868.68	510.04	410.81	191.00	298.76
VAT	-	1,893.10	2,416.21	3,221.09	3,586.74
Excise Tax	1,686.70	1,947.59	2,344.31	2,733.71	3,356.61
Import Duties	832.04	964.63	1,047.33	1,204.92	1,516.52
Export Duties	58.81	115.08	105.07	91.83	308.03
Registration Fees	44.61	55.47	45.97	55.04	82.11
Other Fees	702.00	532.41	537.40	871.27	1,018.95
Natural Resources Taxes	450.55	526.89	705.72	699.51	1,120.34
Timber Royalties	49.29	92.74	78.60	107.54	152.69
Hydropower Royalties	109.27	195.32	178.49	212.05	267.07
2. Non-Tax Revenue	**1,035.82**	**1,076.63**	**1,512.90**	**2,022.38**	**2,607.19**
Leasing Fees	38.03	29.82	80.78	41.24	44.46
Concessions	37.60	31.02	55.53	77.88	85.81
Penalties (Fine)	29.76	43.27	39.77	85.36	82.34
Administration Fees	122.54	98.92	189.63	408.17	294.94
Depreciation and Dividends	419.00	507.43	763.95	922.38	734.29
Interest	147.21	97.69	100.97	99.57	172.88
Over-Flight Revenue	222.41	244.81	257.49	329.12	658.04
Forest Preservation Funds	7.08	11.83	11.24	26.00	22.72
Others	-	-	-	32.65	511.72
Total Tax and Non-Tax Revenue	**8,538.38**	**10,185.27**	**12,427.75**	**14,674.27**	**17,272.89**
Assets Sales	277.19	268.91	91.26	397.34	207.51
Amortization	139.35	150.99	179.57	192.39	680.44
Amortization from Pump Project	0.13	-	-	-	-
Total Revenue with Capital Return	**8,955.04**	**10,605.17**	**12,698.58**	**15,264.01**	**18,160.84**

Remark: P: Preliminary Data
R: Revised Data

Source: Ministry of Finance

Table 7. Balance Sheet of the BOL (Billion LAK)

Items	2010	2011	2012	2013	2014
Net Foreign Assets	**5,151.10**	**4,771.64**	**5,254.82**	**4,672.51**	**5,998.24**
Foreign Assets	5,868.32	5,434.77	5,891.97	5,308.78	6,599.19
Foreign Liabilities	-717.22	-663.13	-637.15	-636.27	-600.95
Net Domestic Assets	**4,409.39**	**6,341.14**	**8,877.74**	**10,544.81**	**13,828.00**
Domestic Credits	**4,561.07**	**7,511.81**	**9,236.34**	**10,297.21**	**11,237.51**
Net Claims on Government	-741.57	-652.78	630.00	432.10	157.19
Claims on Government	925.63	688.29	1,228.26	1,119.09	1,119.19
Deposit of Government	-1,667.20	-1,341.07	-598.26	-686.99	-962.00
Credit to the Economy	3,367.06	4,996.89	4,959.16	5,642.03	6,591.06
Credit to Financial Institution	1,935.58	3,167.70	3,647.18	4,223.08	4,489.26
BOL Bonds	**-1,023.30**	**-2,145.13**	**-1,786.36**	**-1,949.10**	**-1,259.61**
Other Items (Net)	**871.62**	**974.46**	**1,427.76**	**2,196.70**	**3,850.10**
Monetary Base	**9,560.38**	**11,112.78**	**14,132.56**	**15,217.32**	**19,826.24**
Cash in Circulation	4,504.52	5,661.18	7,168.83	7,906.13	8,360.80
Deposit	5,055.86	5,451.60	6,963.73	7,311.19	11,465.44
Clearing Deposit	3,328.82	2,963.76	3,641.41	4,203.74	7,551.31
Required Reserves	1,023.37	1,514.73	1,778.16	2,104.04	2,561.51
Capital Deposit	511.08	824.67	1,516.67	1,000.35	1,219.75
Other Deposit	192.59	148.44	27.49	3.06	132.87

Source: Bank of the Lao PDR

Table 8. Commercial Bank's Survey (Billion LAK)

Items	2010	2011	2012	2013	2014
Net Foreign Assets	**1,128.90**	**939.30**	**623.90**	**-2,421.10**	**-4,195.20**
Foreign Assets	4,456.40	6,042.10	7,062.50	6,756.10	9,753.70
Foreign Liabilities	-3,327.50	-5,102.80	-6,438.60	-9,177.20	-13,948.90
Net Reserves	**4,825.60**	**5,484.30**	**6,476.70**	**6,840.10**	**12,907.00**
Reserves	6,517.20	8,182.30	9,663.50	10,807.10	16,920.00
Credit from Monetary Authorities	-1,691.60	-2,698.00	-3,186.80	-3,967.00	-4,013.00
Net Credit to Government	**260.80**	**-558.50**	**1,401.50**	**1,440.10**	**3,497.30**
Net credit in LAK	444.90	446.20	1,412.00	1,765.20	4,177.40
Net Credit in Foreign Currency	-184.10	-1,004.70	-10.50	-325.10	-680.10
Net Domestic Assets (excl. Net Credit to Govt.)	**11,149.70**	**16,526.10**	**21,182.20**	**29,431.80**	**33,786.80**
Credit to the Economy	13,169.70	19,107.30	25,566.00	35,424.30	40,290.50
of which in Foreign Currency	6,666.50	9,435.10	12,636.70	17,430.60	19,693.90
Credit to State Enterprises	12,711.90	17,712.70	23,933.60	32,631.30	36,444.80
of which in Foreign Currency	6,311.90	8,215.90	11,168.80	14,872.20	16,017.70
Credit to Private Sector	457.80	1,394.60	1,632.40	2,793.00	3,845.70
of which in Foreign Currency	354.60	1,219.20	1,467.90	2,558.40	3,676.20
Other items (Net)	**-2,020.00**	**-2,581.20**	**-4,383.80**	**-5,992.50**	**-6,503.70**
Deposit	**17,364.90**	**22,391.20**	**29,684.30**	**35,290.90**	**45,995.70**
LAK Deposit	8,051.90	10,441.80	14,515.60	17,577.30	23,039.70
Foreign Currency Deposit	9,313.00	11,949.40	15,168.70	17,713.60	22,956.00

Source: Bank of the Lao PDR

Table 9. Monetary Survey (Billion LAK)

Items	2010	2011	2012	2013	2014
Net Foreign Assets	**6,280.00**	**5,710.94**	**5,878.72**	**2,251.41**	**1,803.04**
Foreign Assets	10,324.72	11,476.87	12,954.47	12,064.88	16,352.89
Foreign Liabilities	-4,044.72	-5,765.93	-7,075.75	-9,813.47	-14,549.85
Net Domestic Assets	**14,889.03**	**21,535.13**	**29,826.22**	**39,532.28**	**50,519.33**
Domestic Credit	**16,055.99**	**22,892.91**	**32,556.66**	**42,938.53**	**50,536.05**
Net Claims on Government	-480.77	-1,211.28	2,031.50	1,872.20	3,654.49
Claims on Government	1,974.23	1,516.19	3,563.96	3,480.99	6,575.99
Deposit of Government	-2,455.00	-2,727.47	-1,532.46	-1,608.79	-2,921.50
Credit to the Economy	16,536.76	24,104.19	30,525.16	41,066.33	46,881.56
Credit to State-Owned Enterprises	3,824.86	6,391.49	6,591.56	8,435.03	10,436.76
Credit to Private Sector	12,711.90	17,712.70	23,933.60	32,631.30	36,444.80
Other Items (Net)	**-1,166.96**	**-1,357.78**	**-2,730.44**	**-3,406.25**	**-16.72**
Government Lending Fund	-136.96	-105.72	-82.47	-59.63	-22.58
Restricted Deposit	-8.40	-148.80	-279.00	-23.20	-12.00
Capital Account	-4,621.38	-5,497.98	-7,617.80	-9,235.18	-11,349.13
Others	3,599.78	4,394.72	5,248.83	5,911.76	11,366.99
Money Supply (M2)	**21,168.82**	**27,246.07**	**35,704.94**	**41,783.69**	**52,322.17**
Money	**6,260.92**	**7,169.27**	**8,343.54**	**8,790.89**	**9,346.57**
Currency Outside Banks	3,799.92	4,843.88	6,019.73	6,489.73	6,316.00
Demand Deposit	2,461.00	2,325.39	2,323.81	2,301.16	3,030.57
Quasi Money	**14,907.90**	**20,076.80**	**27,361.40**	**32,992.80**	**42,975.60**
Time and Saving Deposit	5,594.90	8,127.40	12,192.70	15,279.20	20,019.60
Foreign Currency Deposit	9,313.00	11,949.40	15,168.70	17,713.60	22,956.00

Source: Bank of the Lao PDR

Table 10. Interest Rate (In Percent per Annum)

Items	2010	2011	2012	2013	2014
I. Bank of The Lao PDR					
Base Rate	5.00	5.00	5.00	5.00	5.00
BOL Bonds (1 year)					
LAK	6.5-7.00	6.50	6.50	6.50	6.50
USD	3.00-3.75	3.70	3.70	3.70	3.70
II. Commercial Banks					
1. Deposit Rate					
LAK Account					
Saving Deposit	2.50-5.00	2.00-5.00	2.00-5.00	2.00-4.50	2.00-4.20
Time Deposit					
3 Months	3.00-8.00	2.00-8.00	2.00-8.00	3.00-6.50	3.50-6.50
6 Months	4.00-10.00	4.00-10.00	3.00-10.00	4.00-8.25	5.00-8.50
12 Months	5.00-12.00	5.00-12.00	4.00-12.00	5.00-10.50	6.00-10.75
> 12Months	8.00-12.00	7.50-12.50	5.00-12.00	7.50-12.00	7.50-12.00
THB Account					
Saving Deposit	0.25-2.00	0.25-2.00	0.25-2.30	0.25-2.30	0.25-2.00
Time Deposit					
3 Months	0.75-3.50	0.75-4.00	0.75-3.47	0.75-3.47	0.75-3.47
6 Months	0.75-6.50	0.75-6.50	0.75-4.11	0.75-4.25	0.75-3.50
12 Months	0.75-5.50	0.75-5.50	0.75-6.00	0.75-6.00	1.75-6.50
>12 Months	2.70-5.00	3.00-5.50	3.00-10.00	3.00-6.50	3.00-7.50
USD Account					
Saving Deposit	0.25-2.25	0.25-2.00	0.25-2.20	0.25-2.20	0.25-2.20
Time Deposit					
3 Months	0.50-4.00	0.50-4.00	0.50-4.00	0.50-4.00	1.00-4.00
6 Months	0.75-5.00	0.75-5.00	0.75-5.00	0.75-5.00	1.25-5.00
12 Months	1.00-6.00	1.00-6.00	1.00-7.00	1.00-7.00	1.500-6.50
> 12 Months	1.25-5.00	1.25-6.50	1.25-7.50	3.00-7.50	3.00-7.50
2. Lending Rates					
LAK Account					
Customer A (1year)	8.00-22.00	8.00-21.00	8.00-19.50	7.50-20.50	7.75-20.50
Customer B (1year)	9.00-14.00	9.00-18.00	9.00-15.00	10.00-16.50	11.00-16.60
Customer C (1year)	10.00-15.00	10.00-18.00	10.00-15.00	10.00-16.50	13.00-17.50
THB Account					
Customer A (1year)	6.00-17.00	6.50-17.00	3.85-17.00	3.60-17.00	3.60-17.00
Customer B (1year)	7.75-9.00	7.15-13.00	7.15-11.50	7.15-11.50	7.15-13.00
Customer C (1year)	8.25-10.00	8.50-11.00	7.80-11.50	7.50-11.50	7.50-13.00

USD Account					
Customer A (1year)	6.00-18.00	6.00-16.00	5.25-16.00	5.25-16.00	5.25-16.00
Customer B (1year)	7.75-9.00	7.15-11.00	7.15-10.00	7.15-11.00	7.15-11.50
Customer C (1year)	8.25-10.00	8.50-11.00	7.80-11.00	7.80-11.00	7.80-11.50
Overdraft					
LAK	9.75-20.00	15.00-18.00	9.75-19.50	9.75-20.50	9.75-17.50
THB	7.00-16.00	10.00-16.00	7.00-17.00	3.85-17.00	3.85-15.50
USD	6.00-14.00	10.00-14.00	6.00-16.00	7.00-16.00	7.00-14.00

Source: Bank of the Lao PDR

Table 11. Commercial Banks’ Deposit (Billion LAK)

Year	Items	Total Deposit	Current Deposit	Savings Deposit	Term Deposit					Non-Resident Deposit	Others Deposit	Total Deposit (Resident & Non-Resident)
					Total	3 Months	6 Months	12 Months	> 12 Months ; < 24 Months			
2010	LAK	**8,051.82**	2,456.89	1,673.83	3,921.10	1,293.96	1,097.91	901.85	627.38	**621.28**	8.40	**8,673.10**
	FCD in LAK	**9,313.06**	2,359.89	4,368.07	2,585.10	853.08	723.83	594.57	413.62	**729.32**	-	**10,042.38**
	Total	**17,364.88**	4,816.78	6,041.90	6,506.20	2,147.04	1,821.74	1,496.42	1,041.00	**1,350.60**	8.40	**18,715.48**
2011	LAK	**10,441.81**	2,314.38	2,270.34	5,857.09	1,581.41	1,405.70	1,815.70	1,054.28	**934.65**	148.80	**11,376.46**
	FCD in LAK	**11,949.39**	3,265.36	5,238.12	3,445.91	930.40	827.02	1,068.23	620.26	**1,142.35**	-	**13,091.74**
	Total	**22,391.20**	5,579.74	7,508.46	9,303.00	2,511.81	2,232.72	2,883.93	1,674.54	**2,077.00**	148.80	**24,468.20**
2012	LAK	**14,515.51**	2,322.90	3,251.84	8,940.77	2,503.42	1,966.96	2,861.05	1,609.34	**947.58**	278.97	**15,463.09**
	FCD in LAK	**15,168.70**	3,899.28	5,974.87	5,294.55	1,482.47	1,111.86	1,694.26	1,005.96	**1,068.55**	-	**16,237.25**
	Total	**29,684.21**	6,222.18	9,226.71	14,235.32	3,985.89	3,078.82	4,555.31	2,615.30	**2,016.13**	278.97	**31,700.34**
2013	LAK	**17,577.30**	2,298.10	3,609.70	11,669.50	3,267.43	2,567.30	3,734.25	2,100.52	**995.19**	23.20	**18,572.49**
	FCD in LAK	**17,713.59**	4,549.64	6,943.35	6,220.60	1,741.77	1,306.33	1,990.59	1,181.91	**1,917.03**	-	**19,630.62**
	Total	**35,290.89**	6,847.74	10,553.05	17,890.10	5,009.20	3,873.63	5,724.84	3,282.43	**2,912.22**	23.20	**38,203.11**
2014	LAK	**23,039.70**	3,020.14	4,889.21	15,130.35	3,147.11	3,434.59	4,993.02	3,555.63	**1,246.00**	1.98	**24,285.70**
	FCD in LAK	**22,956.00**	6,590.93	9,299.28	7,065.79	1,335.43	1,695.79	2,402.37	1,632.20	**2,561.30**	-	**25,517.30**
	Total	**45,995.70**	9,611.07	14,188.49	22,196.14	4,482.55	5,130.38	7,395.38	5,187.83	**3,807.30**	1.98	**49,803.00**

Remark: FCD: Foreign Currency Deposit converted to LAK

Source: Bank of the Lao PDR

Table 12. Commercial Banks' Credit (Billion LAK)

Credit by Sectors	2010	2011	2012	2013	2014
Industry and Handicraft	2,462.73	3,802.35	4,090.56	6,450.10	8,246.72
Construction	1,619.87	2,407.52	4,601.88	7,279.66	7,889.08
Materials and Technical Supplies	632.15	764.29	1,022.64	1,622.78	1,246.48
Agriculture	2,067.64	2,560.38	2,045.28	3,648.11	3,994.34
Commerce	3,081.71	4,068.85	6,135.84	7,325.00	8,109.89
Transportation	513.62	726.08	1,022.64	1,276.74	1,335.93
Services	1,659.38	3,229.13	4,090.56	4,146.93	4,463.82
Other Sector	1,132.59	1,547.70	2,556.60	3,674.98	5,004.24
Total Credit Outstanding	**13,169.69**	**19,107.30**	**25,566.00**	**35,424.30**	**40,290.50**
Credit Growth			**(In Percentage change)**		
Industry and Handicraft	50.74	54.40	7.58	57.68	27.85
Construction	358.57	48.62	91.15	58.19	8.37
Materials and Technical Supplies	-7.03	20.90	33.80	58.69	-23.19
Agriculture	73.43	23.83	-20.12	78.37	9.49
Commerce	48.50	32.06	50.76	19.38	10.72
Transportation	107.72	41.37	40.84	24.85	4.64
Services	126.40	94.60	26.68	1.38	7.64
Other Sector	-40.90	36.65	65.19	43.74	36.17
Total Credit Outstanding	**49.13**	**45.09**	**33.80**	**38.56**	**13.74**
Total Credit Outstanding ratio to GDP	**23.30**	**29.52**	**33.97**	**41.89**	**42.96**

Source: Bank of the Lao PDR

Table 13. Balance of Payments (Million USD)

Items	2010	2011	2012[(R)]	2013[(R)]	2014[(P)]
Current Account	**29.27**	**158.14**	**-390.16**	**-436.85**	**-1,178.33**
(Excluding Grants)	-79.35	8.92	-559.33	-587.84	-1,345.86
Trade Balance	**-314.00**	**-214.64**	**-784.45**	**-817.00**	**-1,609.21**
Exports (f.o.b.)	1,746.40	2,189.55	2,270.67	2,263.94	2,662.02
Imports (c.i.f.)	-2,060.40	-2,404.19	-3,055.12	-3,080.94	-4,271.23
Services (Net)	**247.87**	**228.02**	**260.53**	**246.43**	**267.19**
Inward Services Incomes	510.99	549.66	643.35	780.44	764.47
Outward Services Payments	-263.12	-321.64	-382.82	-534.01	-497.27
Factor Income (Net)	**-83.17**	**-78.01**	**-118.22**	**-105.31**	**-124.79**
Inward Incomes	50.29	48.33	69.15	72.72	47.12
Outward Payments	-133.46	-126.34	-187.37	-178.03	-171.91
Transfers (Net)	**178.63**	**222.77**	**251.98**	**239.03**	**288.47**
Transfers to Private	70.01	73.55	82.81	88.04	120.94
Grants to Government	108.62	149.22	169.17	150.99	167.52
Capital and Financial Account	**401.94**	**947.85**	**844.99**	**1,362.47**	**1,719.98**
Financial Account	401.94	947.85	844.99	1.362.47	1,719.98
Foreign Direct Investment	278.81	466.85	294.38	426.67	913.24
Portfolio Investment	53.80	11.45	5.74	147.74	360.67
Other Investment	69.33	469.55	544.87	778.06	446.07
Errors and Omissions	-328.66	-1,157.00	-393.93	-1,003.30	-387.87
Overall Balance	**102.55**	**-51.00**	**60.89**	**-77.70**	**153.78**
Memorandum Items (Percent of GDP):					
Current Account	0.43	1.96	-4.15	-4.05	-10.11
(Excluding Grants)	-1.16	0.11	-5.95	-5.45	-11.54
Trade Balance	-4.59	-2.66	-8.35	-7.57	-13.80
Capital and Financial Account	5.87	11.76	8.99	12.62	14.75
Official Gross Reserves	**735.84**	**678.76**	**739.65**	**661.95**	**815.73**
Official Gross Reserves in Months of Imports	4.29	3.39	5.07	4.84	4.65
Gross Domestic Product (Million USD)	**6,843.90**	**8,061.09**	**9,397.82**	**10,793.62**	**11,657.71***
LAK/USD Exchange rate (Average Commercial Banks' Rate)	8,258.82	8,029.57	8,007.30	7,835.37	8,045.51

Remark: P: Preliminary Data
R: Revised Data

Source: Bank of the Lao PDR

Table 14. Foreign Trade (Million USD)

Items	2010	2011	2012	2013(R)	2014(P)
Trade Balance	**-314.06**	**-214.65**	**-784.45**	**-817.00**	**-1,609.21**
Exports (f.o.b.)	**1,746.36**	**2,189.55**	**2,270.67**	**2,263.94**	**2,662.02**
(Percentage Change)	65.90	25.38	3.70	-0.30	17.58
Wood Products	37.40	81.66	131.11	143.38	133.73
Coffee	26.09	67.78	114.94	19.81	70.01
Agriculture/Forest Products	169.02	152.16	220.83	238.79	161.25
Garments	171.07	219.91	183.90	156.25	201.74
Electricity	113.18	327.16	502.20	589.81	570.25
Mining	625.39	1,241.58	946.87	971.38	1,286.14
Gold	131.37	111.82	150.74	153.62	140.47
Copper	468.28	696.28	683.12	765.86	1074.85
Others	25.74	433.48	113.01	51.90	70.82
Other Exports	604.22	99.31	172.46	143.85	238.84
Imports (c.i.f.)	**2,060.42**	**2,404.20**	**3,055.12**	**-3,080.93**	**-4,271.23**
(Percentage Change)	41.02	16.68	27.07	0.84	38.63
Capital Goods	1,066.30	1,423.70	1,602.30	870.15	1,262.96
Fertilizers	-	-	-	52.57	34.10
Vehicles and vehicle equipments	-	-	-	399.79	490.16
Machinery and mechanical equipments	-	-	-	265.48	482.94
Scientific and optical instruments	-	-	-	28.01	38.46
Plastic and rubber products	-	-	-	124.02	217.29
Others	-	-	-	0.28	0.01
Intermediate Products and Raw Materials	-	-	-	1,351.99	1,852.46
Crude oil, Fuel, lubricant and others	-	-	-	520.54	700.40
Iron and steel	-	-	-	358.42	697.32
Others	-	-	-	454.57	425.19
Materials for Garments	60.28	14.00	18.77	18.46	29.55
Consumption Goods	670.42	867.63	1,352.66	729.70	1,000.76
Gold and Silver	209.76	51.86	8.55	61.25	76.09
Electricity	50.76	40.91	63.44	67.84	78.96
Others	2.90	6.10	9.40	-	-

Remark: The new reporting system on import goods has been initiated by BOL since 2013
P: Preliminary Data
R: Revised Data

Source: Bank of the Lao PDR

Table 15. External Debt (Million USD)

Items	2010	2011	2012	2013(R)	2014(P)
1. Total Debt Outstanding	**2,808.70**	**2,943.98**	**3,974.15**	**4,173.05**	**5,184.92**
Bilateral	1,064.10	1,249.45	1,993.21	2,241.14	3,415.17
Multilateral	1,744.60	1,694.53	1,980.94	1,931.91	1,769.75
2. Debt Services	**106.51**	**150.47**	**167.51**	**165.33**	**234.19**
(Percentage Change)	22.02	41.27	11.32	(1.30)	41.65
Amortization	**71.61**	**96.30**	**106.09**	**99.71**	**145.40**
Bilateral	12.89	26.64	35.09	32.81	72.49
Multilateral	58.72	69.66	71.00	66.90	72.90
Interest Payments	**34.91**	**54.17**	**61.41**	**65.62**	**88.79**
Bilateral	15.03	31.14	39.58	46.39	68.17
Multilateral	19.87	23.03	21.83	19.22	20.62
Total Debt Outstanding (Percent of GDP)	**41.04**	**36.52**	**42.29**	**38.66**	**44.48**
Debt Service Ratio (%)	**4.72**	**5.49**	**5.88**	**5.43**	**6.83**

Remark: P: Preliminary Data
R: Revised Data

Source: Ministry of Finance

Table 16. Official and Parallel Market Exchange Rates

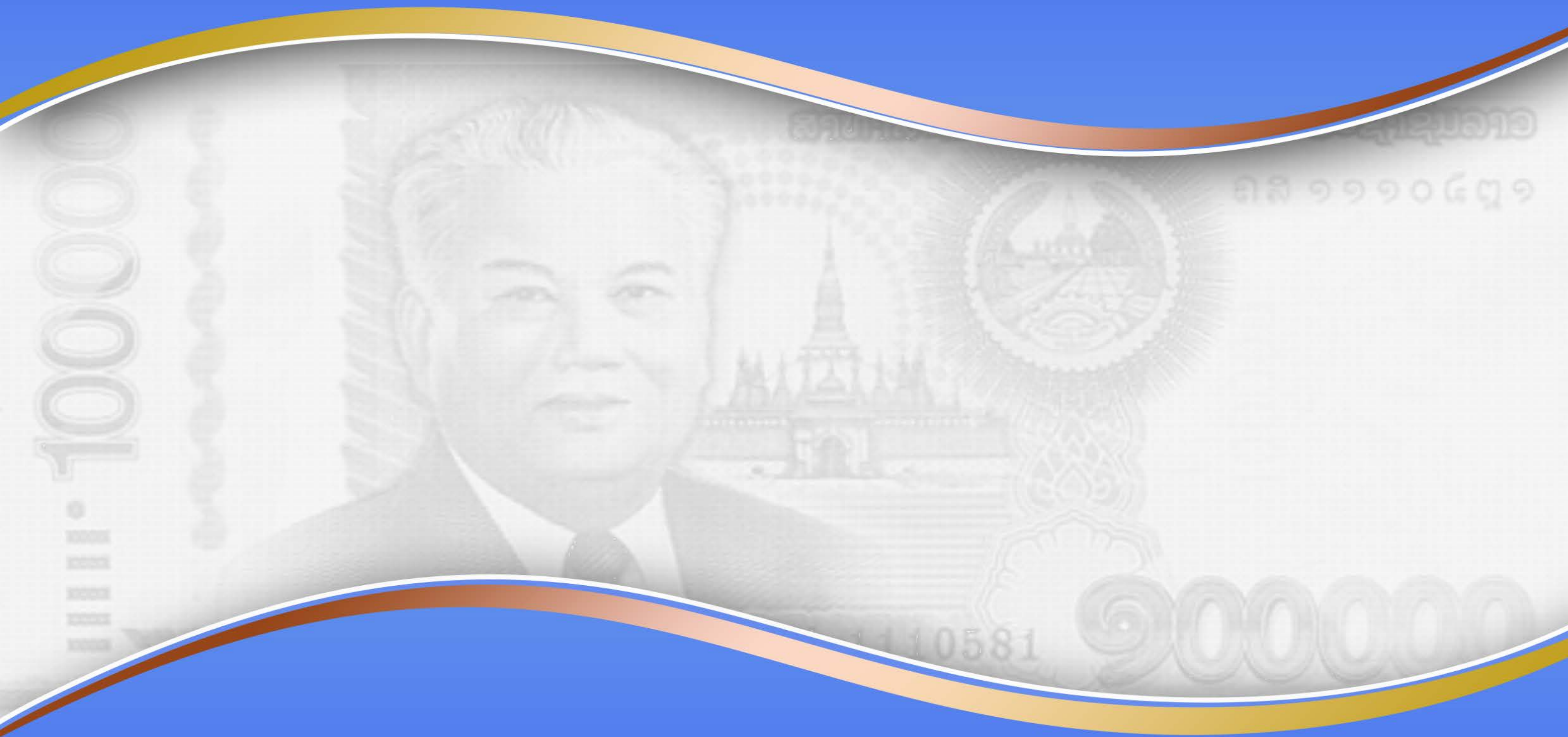
	(LAK/USD)			(LAK/THB)		
Month/Year	**CBs' Ave. Rate**	**PM's Ave. Rate**	**Overall Average**	**CBs' Ave. Rate**	**PM's Ave. Rate**	**Overall Average**
1/2013	7,962.04	7,966.63	7,964.34	265.20	264.90	265.05
2/2013	7,911.01	7,918.10	7,914.56	264.80	264.94	264.87
3/2013	7,820.64	7,827.92	7,824.28	265.36	264.93	265.15
4/2013	7,684.84	7,685.34	7,685.09	265.11	264.86	264.98
5/2013	7,672.68	7,671.63	7,672.15	259.07	258.79	258.93
6/2013	7,720.07	7,716.93	7,718.50	251.98	251.87	251.93
7/2013	7,785.21	7,808.17	7,796.69	251.78	252.34	252.06
8/2013	7,812.45	7,949.67	7,881.06	249.20	255.67	252.43
9/2013	7,847.69	8,060.05	7,953.87	248.93	257.11	253.02
10/2013	7,853.02	8,018.18	7,935.60	252.30	256.49	254.39
11/2013	7,943.81	7,982.49	7,963.15	253.01	254.77	253.89
12/2013	8,011.00	8,022.56	8,016.78	249.50	250.78	250.14
Average 2013	**7,835.37**	**7,885.64**	**7,860.51**	**256.36**	**258.12**	**257.24**
1/2014	8,026.76	8,036.49	8,031.63	245.59	246.75	246.17
2/2014	8,023.79	8,024.26	8,024.03	247.57	248.36	247.97
3/2014	8,037.42	8,031.03	8,034.23	249.15	249.70	249.43
4/2014	8,045.29	8,037.54	8,041.42	249.78	249.57	249.68
5/2014	8,052.91	8,041.38	8,047.14	249.44	248.99	249.22
6/2014	8,051.79	8,056.00	8,053.90	250.03	250.59	250.31
7/2014	8,046.38	8,054.01	8,050.19	251.39	251.89	251.64
8/2014	8,042.53	8,057.83	8,050.18	252.13	252.64	252.38
9/2014	8,040.28	8,054.42	8,047.35	251.27	252.15	251.71
10/2014	8,046.43	8,053.63	8,050.03	249.47	249.77	249.62
11/2014	8,054.35	8,072.23	8,063.29	248.30	250.64	249.47
12/2014	8,078.23	8,110.94	8,094.59	247.77	251.60	249.69
Average 2014	**8,045.51**	**8,052.48**	**8,049.00**	**249.32**	**250.22**	**249.77**

Source: Bank of the Lao PDR

Table 17. Tourist Arrivals to the Lao PDR and Revenue from Tourism

Year	Number of Tourist Arrivals (Person)	Revenue from Tourism (USD)
2000	737,208	113,898,285
2001	673,823	103,786,323
2002	735,662	113,409,883
2003	636,361	87,302,412
2004	894,806	118,947,707
2005	1,095,321	146,770,074
2006	1,215,112	173,249,896
2007	1,623,943	233,304,695
2008	1,736,790	275,515,758
2009	2,008,363	267,700,224
2010	2,513,208	381,669,031
2011	2,723,563	406,184,842
2012$^{(R)}$	3,330,072	513,576,784
2013	3,779,490	595,909,127
2014$^{(P)}$	4,158,719	641,636,543

Remark: P: Preliminary Data
R: Revised Data
Source: Ministry of Information, Culture and Tourism



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