



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

A large, wavy, semi-transparent image of a Lao 100,000 Kip banknote serves as a background for the title. The note features a portrait of a man and the Lao national emblem. The text '100000' is visible on the left and right sides of the note.

ANNUAL ECONOMIC REPORT 2015

Contents

Governor's Statement	1
I. Economic Growth.....	2
1.1. Agriculture Sector.....	2
1.2. Industry Sector.....	3
1.3. Services Sector	3
1.4. Inflation	4
II. Public Finances.....	4
2.1. Fiscal Performance	4
2.2. Revenue	5
2.3. Expenditure.....	5
2.4. Financing	6
III. Financial Sector.....	6
3.1. Monetary Policy	6
3.2. Monetary Base.....	6
3.3. Money Supply (M2)	7
3.4. Exchange Rate Policy	7
3.5. Bank and Financial Institution Supervision.....	7
3.6. Interest Rate	8
3.7. Deposit.....	9
3.8. Credit	9
3.9. Stock Exchange	9
IV. Balance of Payments	10
4.1. Overall Balance	10
4.2. Current Account	10
4.2.1. Trade Balance	11
4.2.2. Service.....	11
4.2.3. Factor Income	12
4.2.4. Transfers	12
4.3. Financial and Capital Account	12
4.4. External Debt.....	13
V. Lao Economic Outlook 2016	13
BOARD OF DIRECTORS.....	14
GOVERNOR.....	15
DEPUTY GOVERNOR.....	15
ASSISTANT TO THE GOVERNOR.....	15
DIRECTORS.....	16
Chart of Organization Structure of Bank of the Lao PDR	18

Figures

Figure 1. Economic Growth.....	2
Figure 2. Growth of Agriculture Sector	2
Figure 3. Growth of Industry Sector	3
Figure 4. Growth of Services Sector.....	3
Figure 5. Inflation Composite	4
Figure 6. Fiscal Performance	4
Figure 7. Revenue	5
Figure 8. Expenditure.....	5
Figure 9. Financing	6
Figure 10. Monetary Base.....	6
Figure 11. Money Supply (M2)	7
Figure 12. Exchange Rate	7
Figure 13. 12-Months Term Deposit Rates.....	8
Figure 14. 1 Year Nominal Lending Rates	8
Figure 15. Commercial Bank’s Deposits	9
Figure 16. Commercial Bank’s Credit by Sectors	9
Figure 17. Lao Securities Exchange Index	10
Figure 18. Balance of payments.....	10
Figure 19. Current account	11
Figure 20. Trade Balance	11
Figure 21. Service	12
Figure 22. Financial and Capital Account	12
Figure 23. External Debt.....	13

Tables

Table 1. Key Economic Indicators of the Lao PDR	19
Table 2. Gross Domestic Product by Value Added (Billion LAK)	20
Table 3. Consumer Price Index (12/2010=100).....	21
Table 4. Inflation (12/2010=100).....	22
Table 5. Government Budget (Billion LAK).....	23
Table 6. Government Revenue (Billion LAK)	25
Table 7. Balance Sheet of the BOL (Billion LAK)	26
Table 8. Commercial Bank's Survey (Billion LAK).....	27
Table 9. Monetary Survey (Billion LAK).....	28
Table 10. Interest Rate (In Percent per Annum).....	29
Table 11. Commercial Banks' Deposit (Billion LAK).....	31
Table 12. Commercial Banks' Credit (Billion LAK)	32
Table 13. Balance of Payments (Million USD).....	33
Table 14. Foreign Trade (Million USD).....	34
Table 15. External Debt (Million USD)	35
Table 16. Official and Parallel Market Exchange Rates.....	36
Table 17. Tourist Arrivals to the Lao PDR and Revenue from Tourism.....	37
Table 18. List of Commercial Banks	38

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
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
IT	Information Technology
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
R	Revised Data
RRR	Reserve Requirement Ratio
RS	Right Scale
SVN	Souvanny Home Center Public Company
THB	Thai Baht Currency
USD	United States Dollars
VAT	Value-added tax

Governor's Statement

In 2015, the global economy continued to maintain a slow growth rate of 3.1 percent¹ due to a slowdown in emerging market and developing economies, particularly the slowdown and rebalancing of the Chinese economy and volatility in financial market and commodity prices. The slowdown in the global economy has resulted in weak demand for Lao commodity export. Nevertheless, the economic performance of Lao PDR managed to remain a robust growth, which was mainly driven by inflows of foreign direct investment (FDI) into hydropower and service sectors, and to a lesser extent in industrial projects in special and specific economic zones.

To keep momentum of sustained economic growth of Lao PDR and maintain price stability, the Bank of the Lao PDR (BOL) conducted expansionary monetary policy by employing some monetary policy instruments. These include the reduction of policy rate and introduction of a new interest rate policy for commercial banks, while other monetary policy instruments remain unchanged, including reserve requirement ratio and open market operations. The BOL also continued to use a managed float exchange rate regime as principal nominal anchor by setting a daily reference exchange rate for commercial banks and exchange bureaus.

In addition, the BOL has closely monitored and supervised the banking system by using the CAMELS and Basel I frameworks to ensure a sound financial system. It is also preparing for the transition from Basel I to Basel II principle implementation. In parallel with strengthening the supervisory framework, the BOL encouraged commercial banks to improve their banking services, gradually adopt information technology; and promote the expansion of micro-finance institutions. These policy measures have been described in a strategic plan adopted in March 2015, which is part of a strategic plan of Lao PDR's capital market development for 2016-2025.

The implementation of monetary policy described above has contributed to the overall monetary stability, sustained economic growth, price stability, stable functioning of financial system and the development of financial institutions. At the end of 2015, there were 41 commercial banks, 147 micro-finance institutions, and five listed companies in Lao securities exchange (LSX). Financial system remains to be an important part of Lao economy to facilitate financial transactions and to mobilize financial savings and allocate those resources to productive economic sector, while also taking into account the diversification of risks. As a result, the annual GDP growth rate was 7.4 percent². The growth rate of money supply (M2) was 14.7 percent; saving deposits increased and accounted for 53.9 percent of GDP; credit accounted for 48.1 percent of GDP; the level of NPL to total loan ratio was 3 percent; and the level of gross international reserves covered 6.37 months of imports. In addition, headline inflation rate was 1.28 percent, while the LAK depreciated 1.14 percent against the USD.

In 2016, uncertainty surrounding global economy remains in advanced countries and the growth of global economic is expected to slow. The volatility in global financial and commodity markets could transmit into the Lao economy and create price stability. Thus, keeping in mind

¹ IMF World Economic Outlook (WEO) Update, January 2016.

² GDP Growth Rate at the FY2014/2015 (Preliminary Data Estimation), provided by Lao Statistics Bureau, MPI.

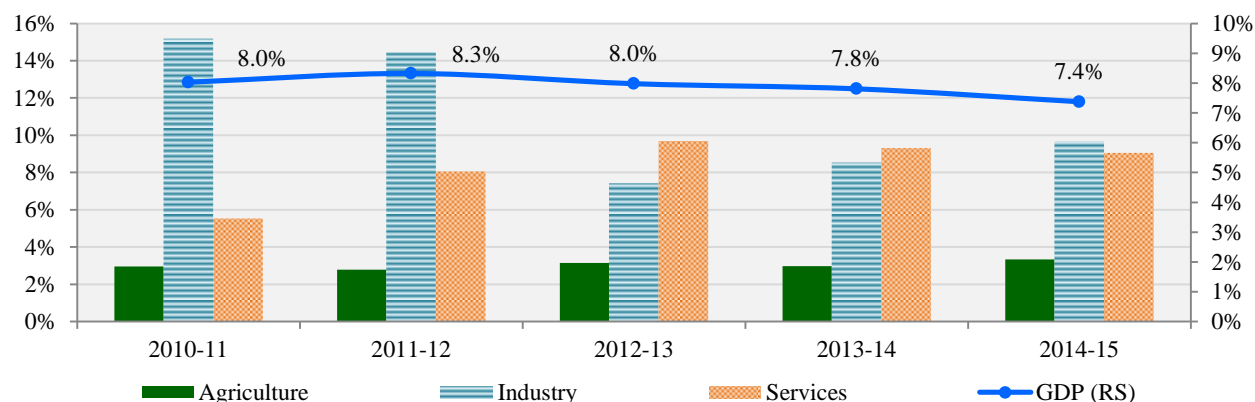
the possible risks, the BOL will continue to implement monetary and exchange rate policies to ensure monetary stability, safe and sound financial system, and support sustained economic growth.

Governor of the Bank of the Lao PDR

I. Economic Growth

In FY2014-15, the real gross domestic product (real GDP) grew by 7.4 percent, which was mainly driven by industry, service, and agriculture sector at 9.7 percent, 9.1 percent, and 3.3 percent, respectively (Figure 1). The main factor supporting the economic growth remains FDI inflows, which concentrates in construction, hydropower and service sectors. In this fiscal year, GDP per capita recorded at USD 1,787.

Figure 1. Economic Growth

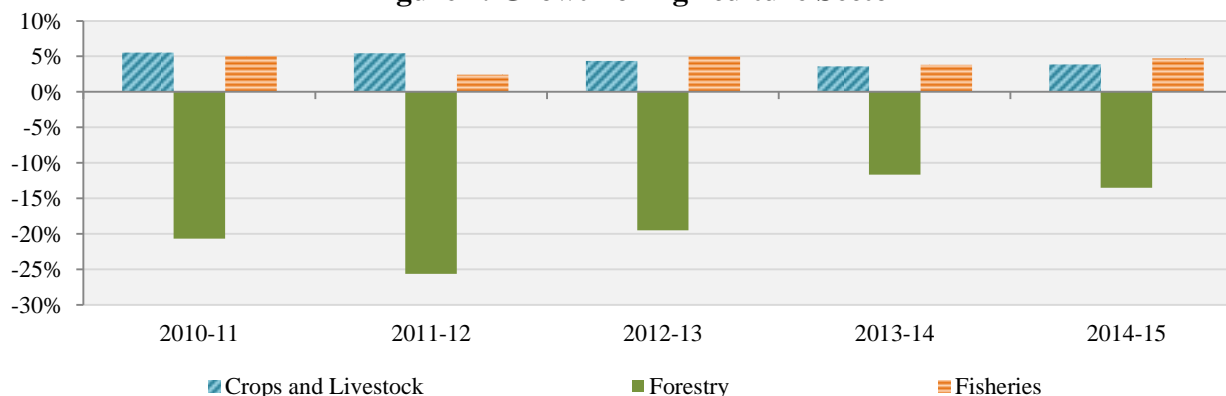


Source: Lao Statistics Bureau, Ministry of Planning and Investment

1.1. Agriculture Sector

Agriculture grew by 3.3 percent, which covered 23.7 percent of GDP. Of which, crops and livestock were grown by 3.9 percent, followed by 4.7 percent of fishing as a result of the government policy to promote commercialization and food security to meet domestic demand and export, especially the promotion of rice production projects in 10 provinces and 52 districts⁴. In addition, there has been a shift in the production system from the traditional (natural) methods towards modern method. Whereas forestry declined by 13.5 percent because of less logging quota (Figure 2).

Figure 2. Growth of Agriculture Sector



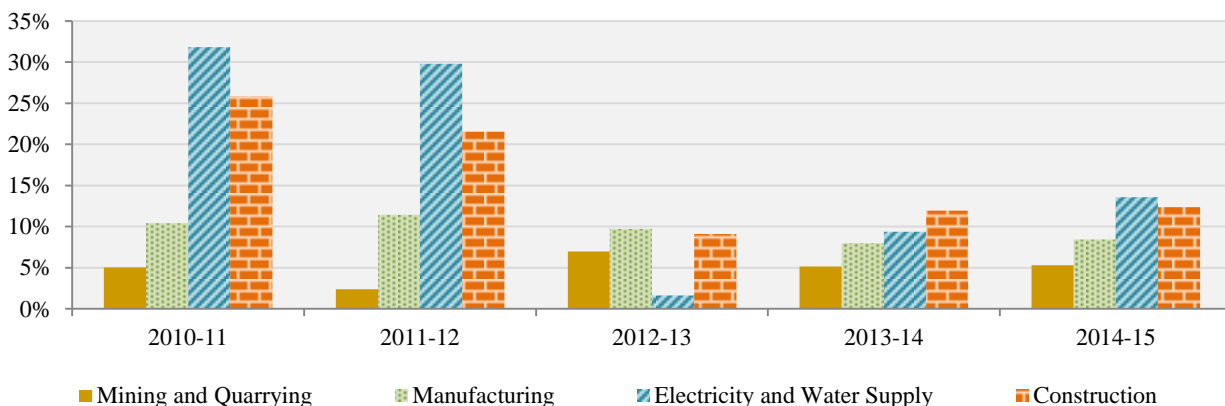
Source: Lao Statistics Bureau, Ministry of Planning and Investment

⁴The strategy for agriculture development, Ministry of Agriculture and Forestry

1.2. Industry Sector

Industry sector grew by 9.7 percent and accounted for 29.3 percent of GDP. Factors driving the growth were due to an increase in electricity and water supply, and construction in the 8 new hydropower plants ⁵ and the ongoing construction of the approved investment projects. While manufacturing and mining grew as the same level as previous year (Figure 3).

Figure 3. Growth of Industry Sector

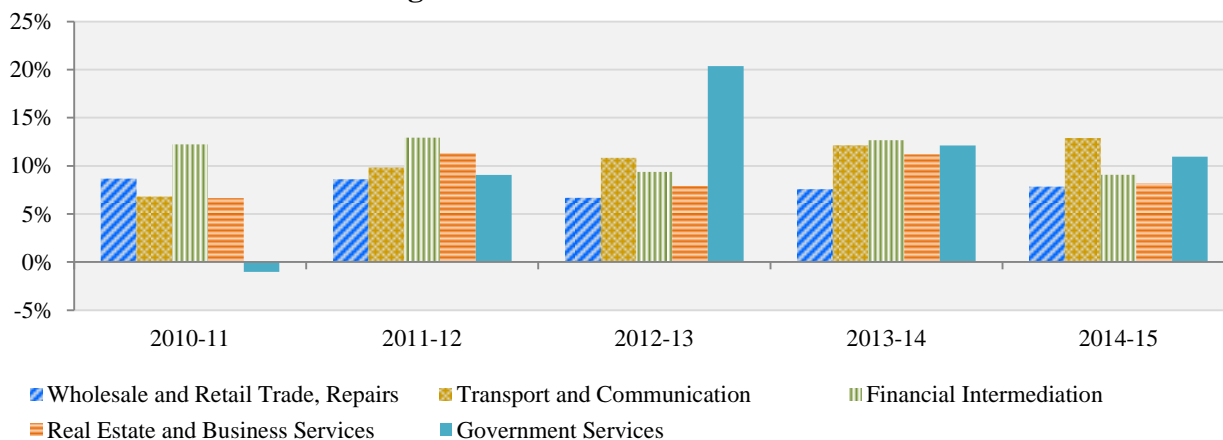


Source: Lao Statistics Bureau, Ministry of Planning and Investment

1.3. Service Sector

Service grew by 9.1 percent, which accounted for 38.9 percent of GDP. Of which, transportation and communication played the largest role by 12.9 percent, government services by 10.9 percent, financial intermediation by 9 percent, real estate and business services by 8.2 percent, and wholesale-retail trade and repairs by 7.8 percent (Figure 4).

Figure 4. Growth of Services Sector



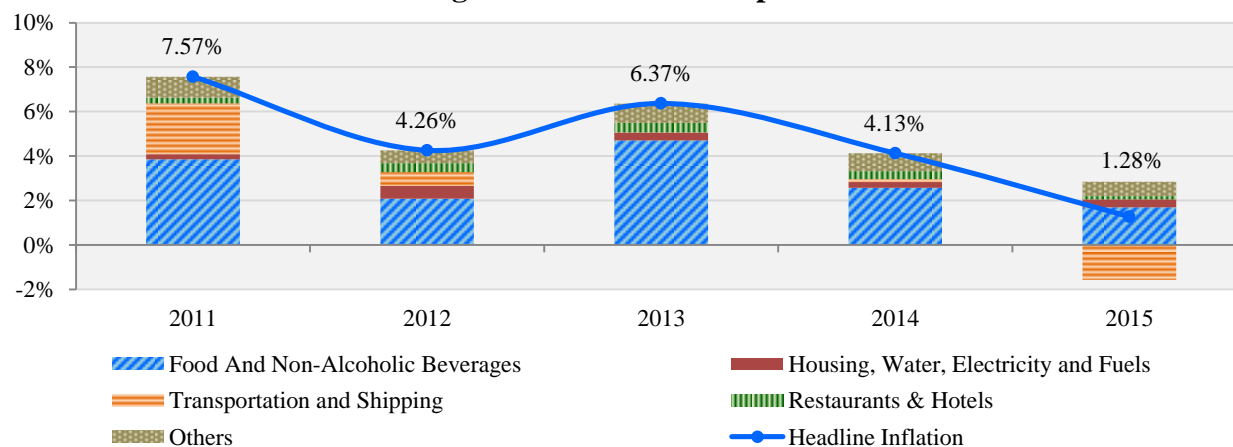
Source: Lao Statistics Bureau, Ministry of Planning and Investment

⁵ Such as: Hongsa Lignite, Nam Ngiep 2, Nam Khan 2, Nam Ou 2, H.Lamphan, Nam San 3B, Nam Beng, and Nam Sana. There were total installed capacity of 2,491 MW (data provided by Energy Policy and Planning Department, Ministry of Energy and Mine)

1.4. Inflation

Headline inflation rate was 1.28 percent in 2015, down from 4.13 percent of the previous year (Figure 5), which reached the lowest level in five years due to the fall in commodity prices especially in fuel, sticky rice paddy, and vegetables prices⁶. As a result, the transportation and shipping declined by 7.34 percent, and food and non-alcoholic beverages category decreased by 2.33 percent.

Figure 5. Inflation Composite



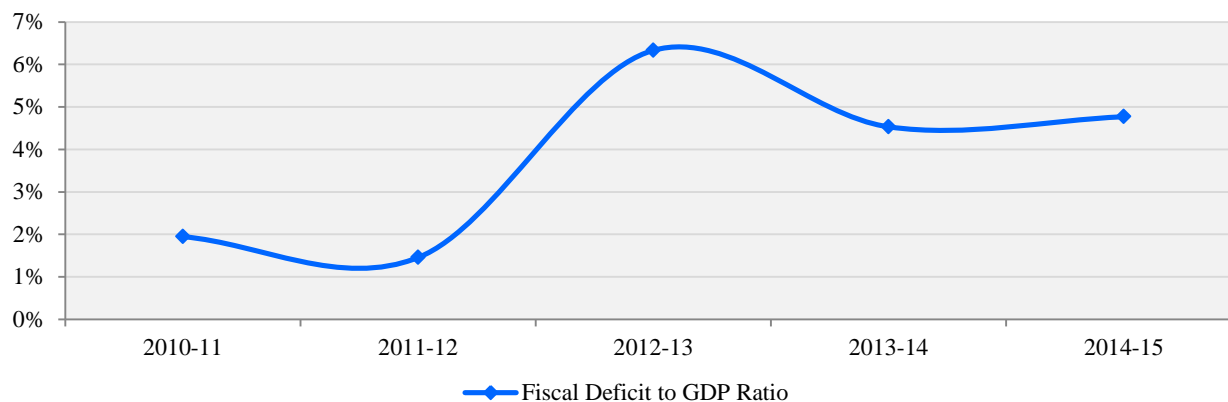
Source: Lao Statistics Bureau, Ministry of Planning and Investment

II. Public Finances

2.1. Fiscal Performance

In FY2014/2015, fiscal deficit amounted to LAK 4,789 billion, accounted for 4.8 percent of GDP (Figure 6). Of which, total revenue reached LAK 22,720 billion, up by 1.6 percent, and total expenditure reached LAK 27,509 billion, increased by 3.9 percent.

Figure 6. Fiscal Performance



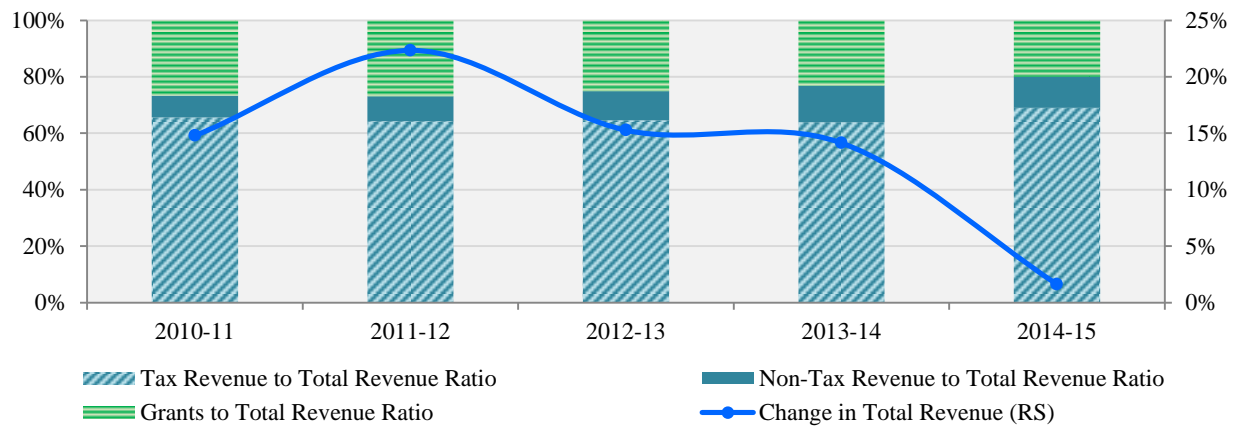
Source: Ministry of Finance

⁶ By comparing to the previous year, in 2015 sticky rice paddy (grade A) dropped by 1.40 percent. For vegetables recorded lower such as spices—fresh chili, dried garlic, and dried red-onions—declined by 8.79 percent, 1.16 percent, and 1.56 percent, respectively.

2.2. Revenue

In FY2014-15, total revenue achieved LAK 22,720 billion, (of which, LAK 18,174 billion in domestic revenue and LAK 4,546 billion in grants), increased by 1.6 percent or accounted for 22.6 percent of GDP (Figure 7). An increase in the revenues was due to improved tax collection from value added tax (VAT) and profit tax, which was up by 18 percent and 28.2 percent respectively. While, non-tax revenue and grants have declined compared to the previous year

Figure 7. Revenue

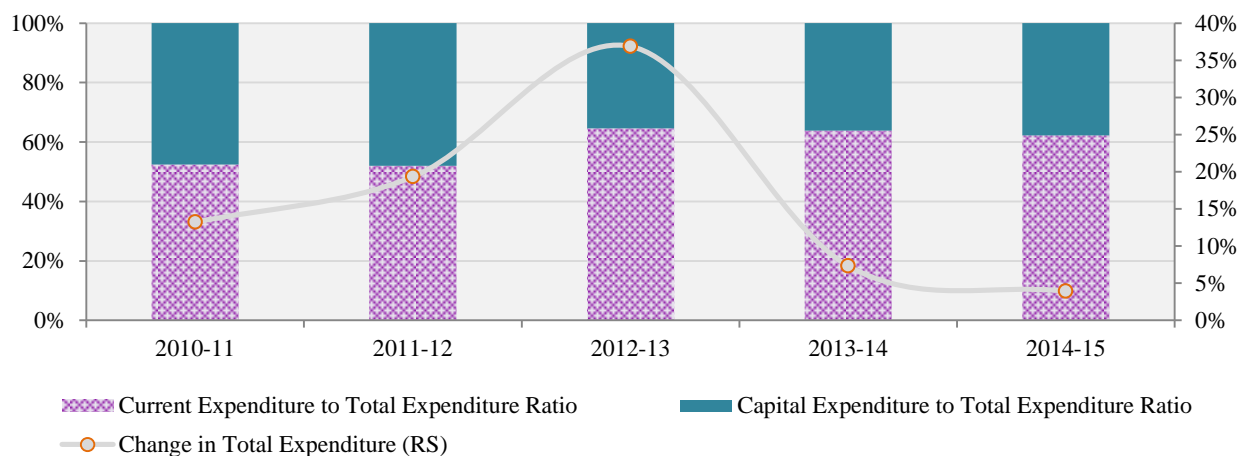


Source: Ministry of Finance

2.3. Expenditure

In FY2014-15, total expenditure reached LAK 27,509 billion, increased 3.9 percent, which accounted for 27.4 percent of GDP (Figure 8). Main reasons behind the rise in expenditure were the result of capital and current expenditures, which increased by 8.4 percent and 1.4 percent respectively. However, the expenditure increased at a slower pace due to fiscal consolidation measures.

Figure 8. Expenditure

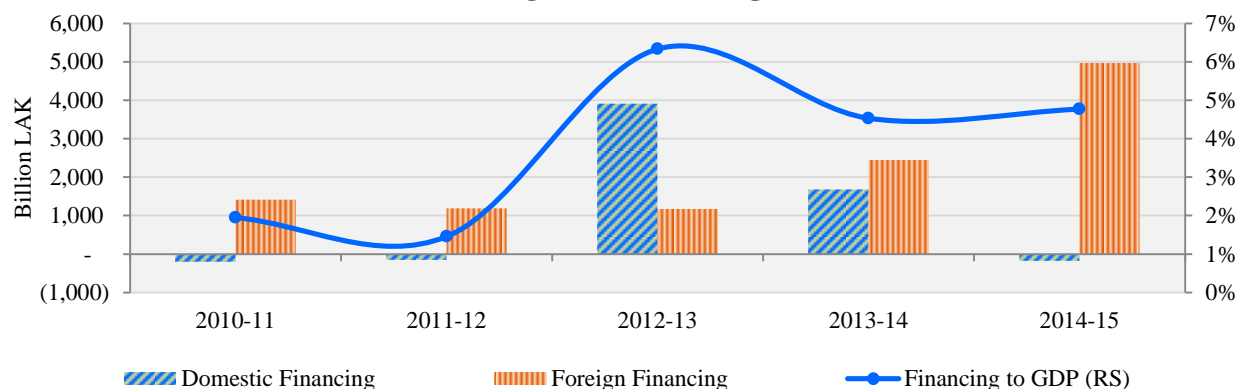


Source: Ministry of Finance

2.4. Financing

In FY2014-15, fiscal financing amounted to LAK 4,789 billion, which represent 4.8 percent of GDP (Figure 9). The fiscal deficit was financed by domestic and external sources. Of which, government bonds issued abroad recorded at LAK 2,574 billion.

Figure 9. Financing



Source: Ministry of Finance

III. Financial Sector

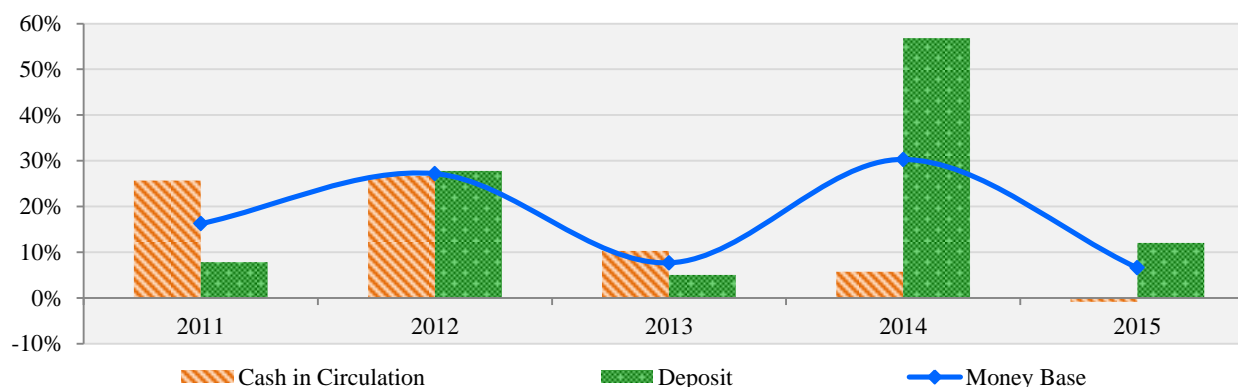
3.1. Monetary Policy

In light of monetary policy implementation in 2015, BOL has reduced the policy rate from 5 percent to 4.5 percent for loan less than 1 week, from 6.25 percent to 5.625 percent for loan less than 2 weeks and from 12.5 percent to 11.25 percent for loan less than 1 year. BOL has also maintained 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.

3.2. Monetary Base

Monetary base grew by 6.6 percent. Of which, cash in circulation dropped by 0.8 percent and deposit grew by 12 percent (Figure 10), as a result of foreign capital inflows including external loan, government bond issuance and registered capital requirements from 4 new commercial banks.

Figure 10. Monetary Base



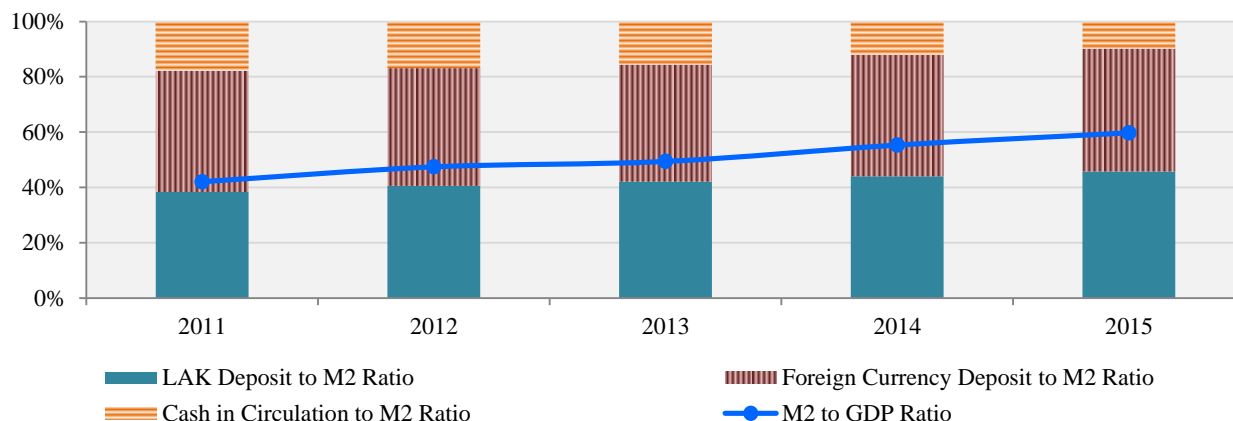
Source: Bank of the Lao PDR

3.3. Money Supply (M2)

Money supply (M2) grew by 14.7 percent, which accounted for 59.8 percent of GDP, driven by capital inflows in hydropower sector and government spending.

The component of M2 consists of cash in circulation 9.8 percent, LAK deposit 45.8 percent and foreign currency deposit 44.4 percent (Figure 11).

Figure 11. Money Supply (M2)

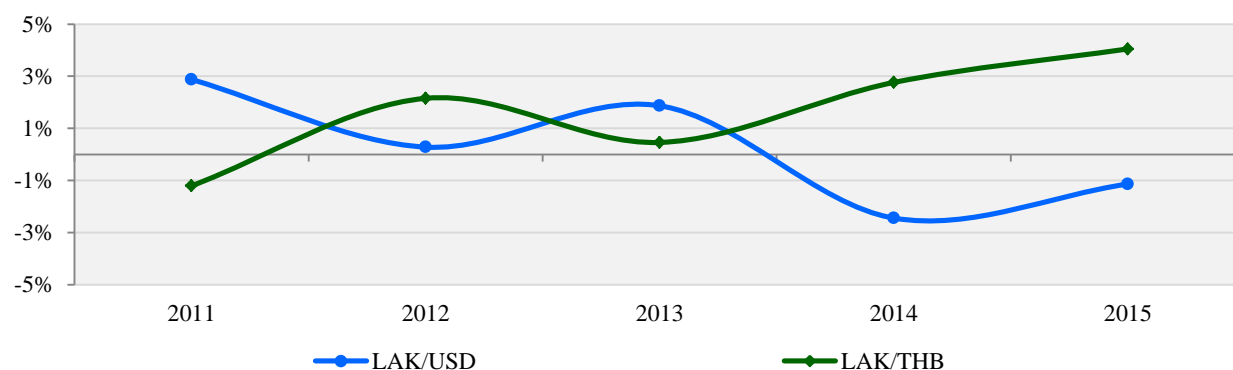


Source: Bank of the Lao PDR

3.4. Exchange Rate Policy

BOL has maintained a managed float exchange rate regime by setting a daily reference rate for commercial banks and exchange bureaus to determine their rate within the range ± 0.25 percent for LAK against USD. In addition, BOL has expanded the margin of buying and selling rate for LAK against THB from 0.5 percent to 0.75 percent. The average of exchange rate in 2015 recorded at 8,150.36 LAK/USD and 240.59 LAK/THB, which LAK depreciated 1.14 percent against the USD while appreciated 4.05 percent against the THB (Figure 12).

Figure 12. Exchange Rate



Source: Bank of the Lao PDR

3.5. Bank and Financial Institution Supervision

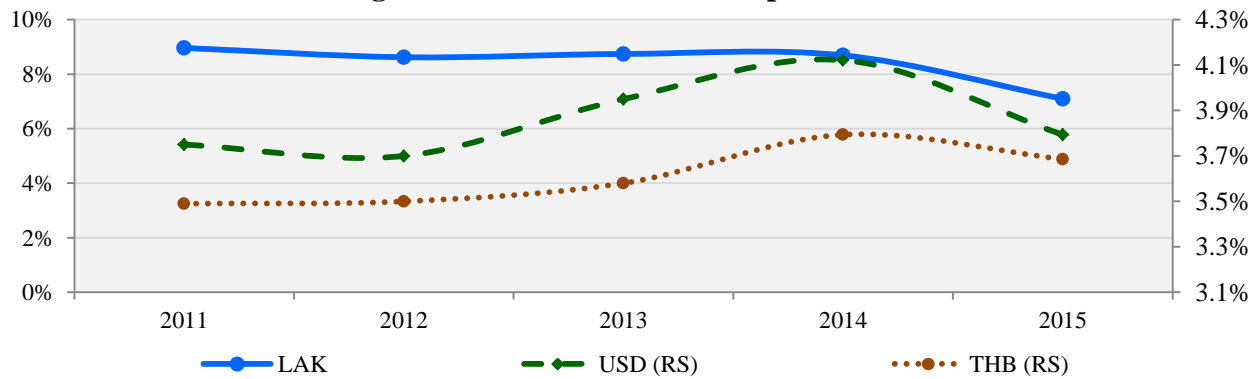
To ensure safe and sound banking system, BOL has closely monitored and supervised the commercial banks under the supervisory framework of CAMELS and Basel I principles. It is also preparing for the transition from Basel I to Basel II principle. In parallel with regulatory reforms,

the BOL encouraged commercial banks to improve their banking services and to promote the expansion of micro-finance institutions. At the end of 2015, there were four newly commercial banks established namely, First Commercial Bank Limited Vientiane Branch, Bank of China Limited Vientiane branch, Canadia Bank Lao Limited, and Bangkok Bank Pakse Branch, which has been brought to the total number of banks of 41 banks. In term of the number of non-bank financial institutions (NBFI), 24 newly microfinance institutions have been established. As a result, there has been 147 NBFIs operating under the supervision of BOL.

3.6. Interest Rate

BOL has introduced a new interest rate policy for commercial banks by determining the spread on weighted average between loan and deposit rates within the range of 4 percent. As a result, the overall deposit interest rate of commercial banks, in all currencies especially 12-months term deposit rate dropped from 8.69 to 7.11 percent for the LAK, 4.12 to 3.80 percent for the USD, and 3.79 to 3.69 percent for the THB, respectively (Figure 13).

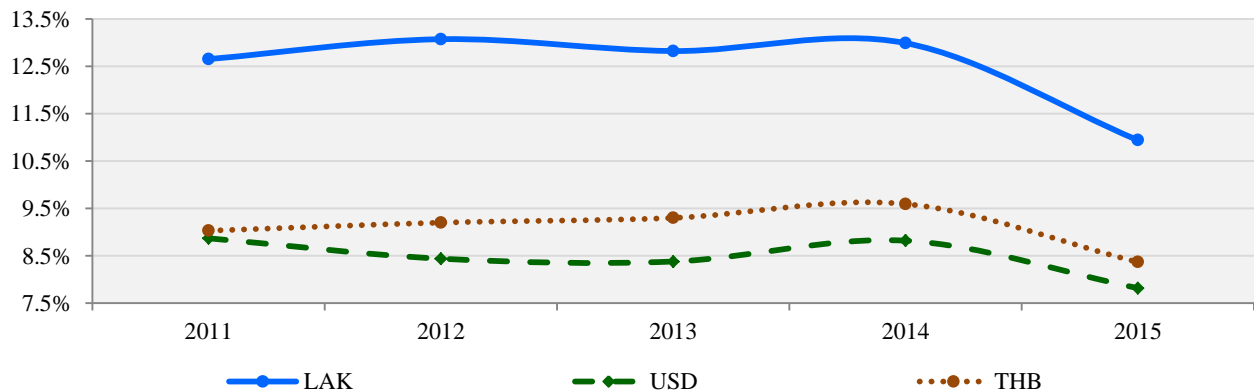
Figure 13. 12-Months Term Deposit Rates



Source: Bank of the Lao PDR

Similarly, 1 year lending rate for the LAK was dropped from 12.99 to 10.94 percent, the USD decreased from 8.82 percent to 7.82 percent, and the THB moved down from 9.59 percent to 8.37 percent, respectively (Figure 14).

Figure 14. 1 Year Nominal Lending Rates

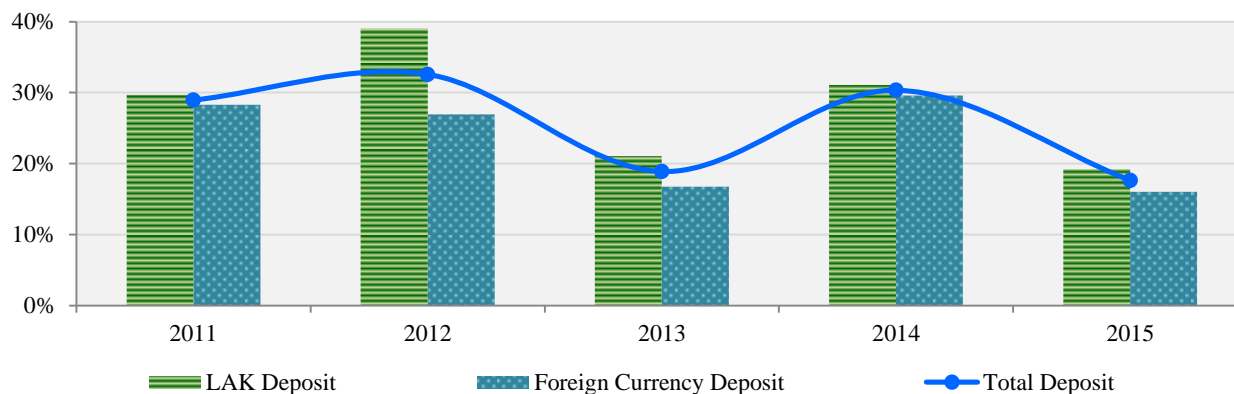


Source: Bank of the Lao PDR

3.7. Deposits

In 2015, the total deposits increased by 17.6 percent, which accounted for 53.9 percent of GDP. Of which, the LAK deposit raised by 19.3 percent and foreign currency deposits raised by 16 percent (Figure 15).

Figure 15. Commercial Bank's Deposit

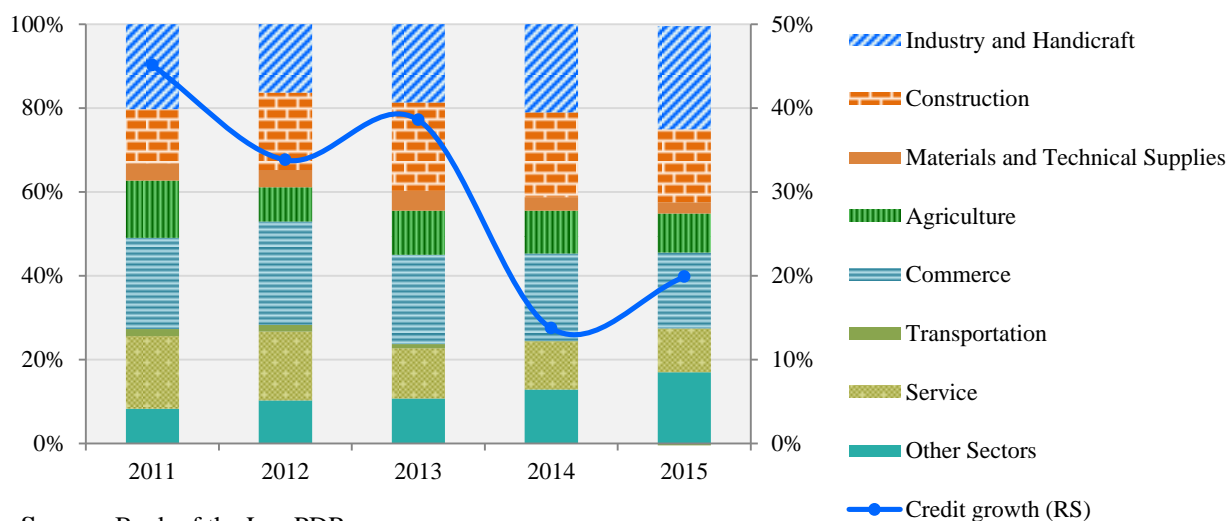


Source: Bank of the Lao PDR

3.8. Credit

Credit expanded by 19.9 percent, which accounted for 48.1 percent of GDP. Of which, industry and handicraft covered 24.2 percent of total credits, commerce 17.8 percent, construction 17.1 percent, service 10.3 percent, agriculture 9.2 percent and other sectors 16.6 percent (Figure 16).

Figure 16. Commercial Bank's Credit by Sectors



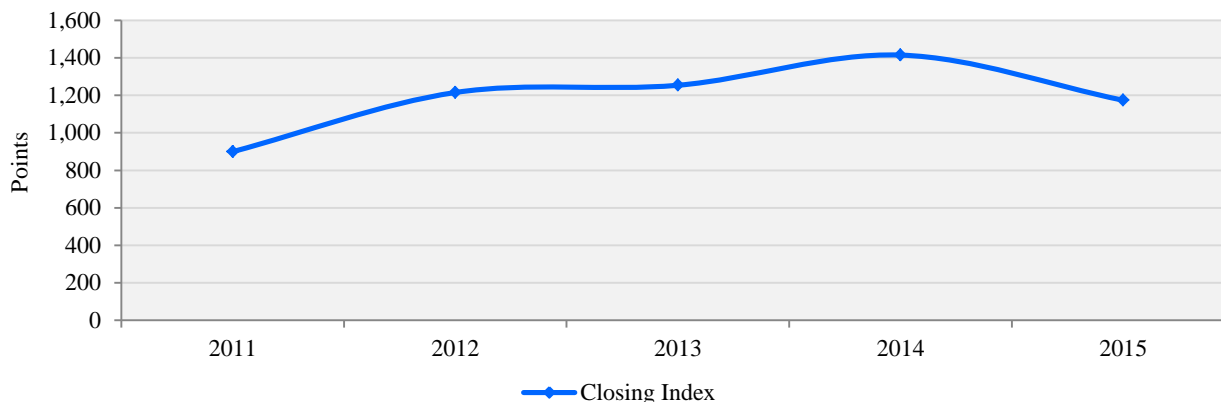
Source: Bank of the Lao PDR

3.9. Stock Exchange

The number of listed companies operating under LSX increased to five companies, which Souvanny Home Center Public Company (SVN) was a newly listed company in 2015. Total trading volume of 31.25 million shares, increased by 16.4 percent compared to the previous year. Of which, trading value of foreign investors accounted for 85 percent. LSX index in 2015 closed

at 1,173.63 point from 1,414.19 point, decreased by 17.0 percent compared to the previous year (Figure 17).

Figure 17. Lao Securities Exchange Index



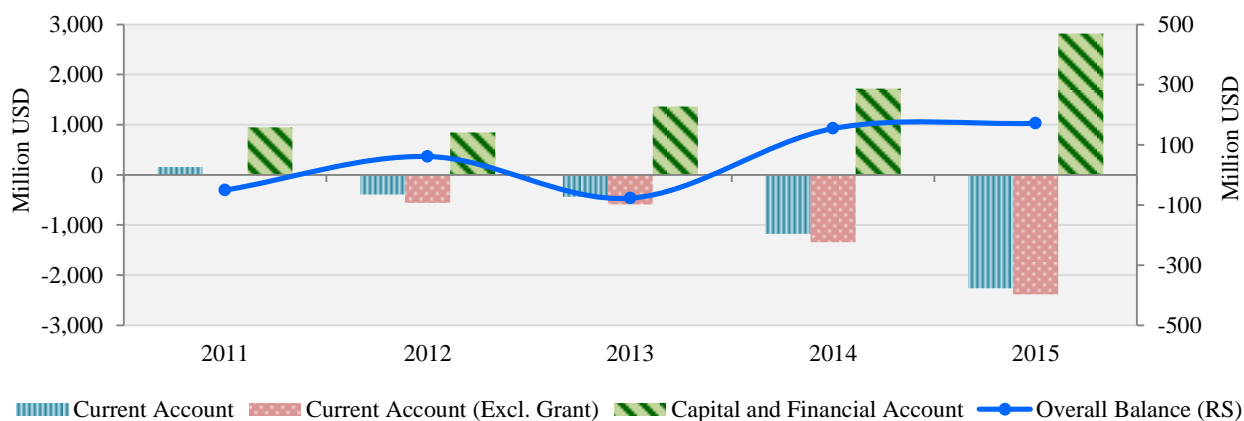
Source: Lao Securities Exchange

IV. Balance of Payments

4.1. Overall Balance

In 2015, overall balance marked a surplus of USD 171 million. As a consequence of the capital and financial account recorded a surplus of USD 2,816 million, while the current account recorded a deficit of USD 2,265 million. As a result, gross international reserves covered 6.37 months of prospective imports⁸ (Figure 18).

Figure 18. Balance of payments



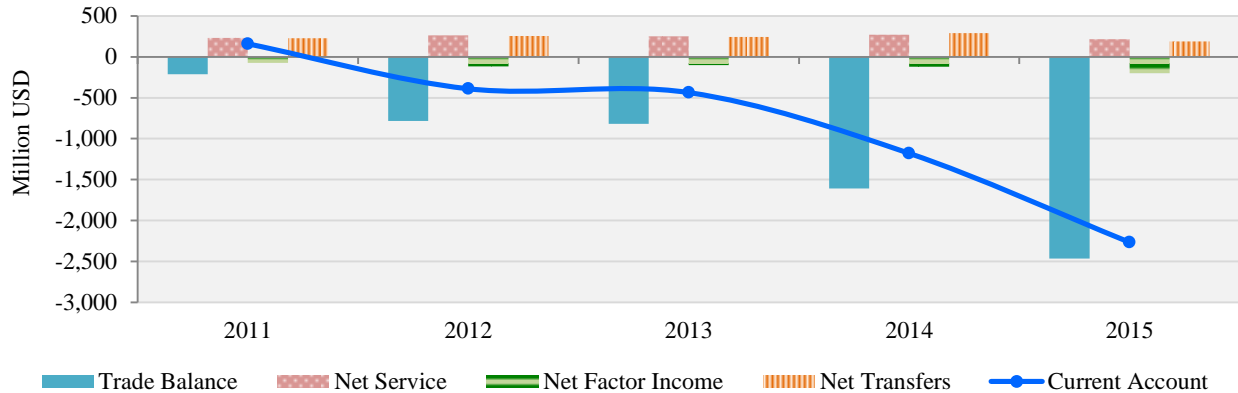
Source: Bank of the Lao PDR

4.2. Current Account

Current account recorded a deficit of USD 2,265 million, accounted for 18.3 percent of GDP (Figure 19), due to a deficit of USD 2,464 million in trade balance and a deficit of USD 200 million in factor income, although with an offset of a surplus USD 214 million in services account and a surplus of USD 185 million in transfer account.

⁸ Amount of imports, which excluded imports for FDI project: USD 154.95 million.

Figure 19. Current account



Source: Bank of the Lao PDR

4.2.1. Trade Balance

The trade balance marked a deficit of USD 2,464 million, increased by 53.1 percent compared to the previous year or covered 20 percent of GDP (Figure 20). Such deficit was resulted from an increase in imports which accounted for 22.5 percent, in particular, the import of raw materials and capital goods such as food and beverages, fuel, vehicles and mechanical equipment, gold and others. On the other hand, the export increased by 4 percent. Of which, industrial product accounted for 70.6 percent and agricultural product accounted for 10.1 percent of total exports, especially copper-gold, electricity, garment, wood, prepared foodstuff, beverage and tobacco, coffee, and others.

Figure 20. Trade Balance

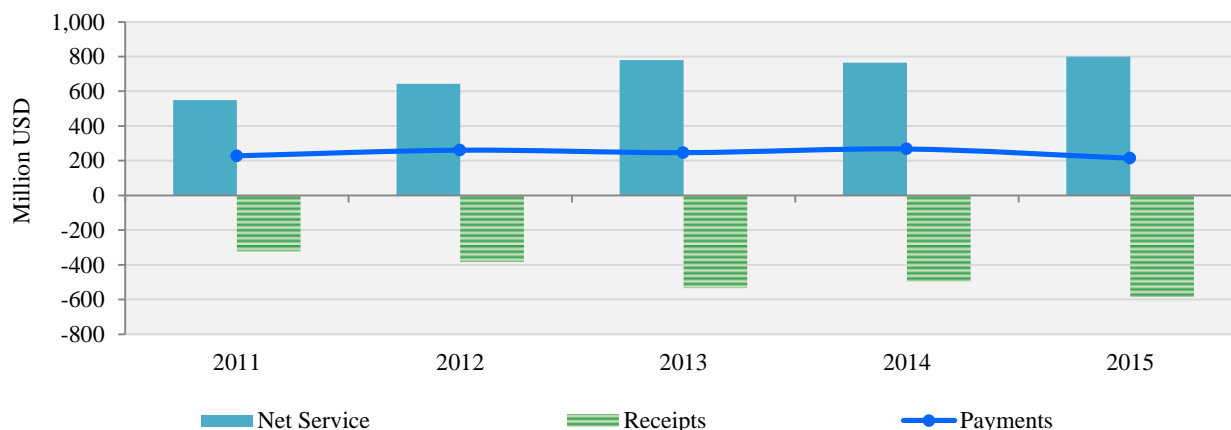


Source: Bank of the Lao PDR

4.2.2. Service

Net service balance recorded a surplus of USD 214 million (Figure 21), driven by an increasing in tourism and over-flight revenues by 5.9 percent and 29.8 percent, respectively. The tourism revenue was USD 679 million which covered 85% of total revenue. In 2015, the number of tourists traveling to the Lao PDR reached 4,362,491 people. Of which, tourists from Thailand accounted for 51.6 percent, followed by Vietnam covered 24.2 percent, China 9.9 percent, South Korea 2.8 percent and others countries 11.5 percent of the total number of tourists.

Figure 21. Service



Source: Bank of the Lao PDR

4.2.3. Factor Income

Net factor income remained in deficit of USD 200 million, increased by 60.5 percent compared to the previous year due to an increasing in outward income transaction of foreign direct investment and government interest payment.

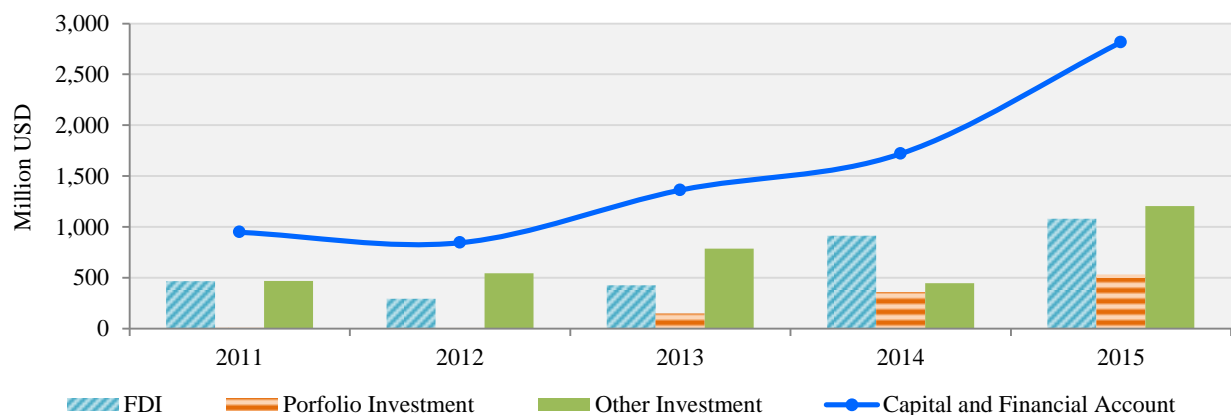
4.2.4. Transfers

Net transfer account generated a surplus of USD 185 million, dropped by 35.7 percent compared to the previous year due to private transfers and grants to government decreased by 46.9 percent and 27.6 percent, respectively.

4.3. Financial and Capital Account

Capital and financial account marked a surplus of USD 2,816 million, which increased by 63.7 percent, equivalent to 22.8 percent of GDP (Figure 22). As a consequence of an increase in the FDI, portfolio investment, and other investment by 18.2 percent, 47.3 percent, and 107.2 percent, respectively.

Figure 22. Financial and Capital Account

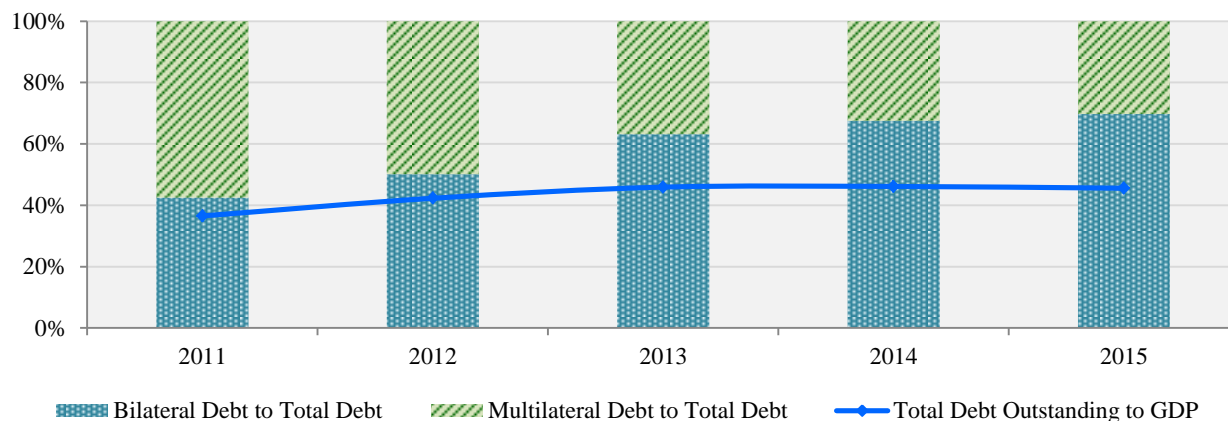


Source: Bank of the Lao PDR

4.4. External Debt

In 2015, total external debt outstanding of the Lao PDR recorded at USD 5,627 million, increased by 3.8 percent, covered 45.6 percent of GDP. Of which, the external debt consisted of 69.7 percent in the bilateral debt and 30.3 percent in the multilateral debt (Figure 23).

Figure 23. External Debt



Source: Ministry of Finance

V. Lao Economic Outlook 2016

In 2016, the world economy⁹ is expected to expand gradually, although it poses some uncertainties arising from oil, gold and commodity price in global markets. However, the Lao economy is expected to expand at 7.5 percent, with inflation rate is also expected to be low, and FDI inflows will remain robust in hydropower and construction sectors. In this context, BOL will continue to conduct monetary and exchange rate policies to ensure monetary stability, safe and sound financial system in order to support economic growth.

⁹ IMF World Economic Outlook (WEO) Update, January 2016.

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. Siasavath 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



Dr. Khampha PANEMALAYTHONG,
Assistant to the Governor

DIRECTORS



Ms. Phasy PHOMMAKONE
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
Director General,
Commercial Banks
Supervision Department



Dr. Arkhom PRASEUTH
Director General,
Financial Institutions
Supervision Department



Ms. Khankeo LAHMANINGAO
Director General,
Accounting Department



Mr. Sivilay PHOMMACHACK
Director General,
Money Issuing Department



Mr. Oth PHONXIENGDY
Director General,
Banking Operations
Department



Mr. Phetsathaphone KEOVONGVICHITH
Director General,
International Relations
Department



Mr. Phanthong KONGVONGSA
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,
Savanhnakheth Branch



Mr. Bounthai SOUPHADTHONE
Director General,
Udomxay Branch



Mr. Aloun BOUNYONG
Director General,
Luangprabang Branch



**Ms. Saysamone
CHANHTHACHACK**
Director General, Lao Securities
and Exchange Commission Office



Mr. Vanhkhram VORAVONG
Chairman and CEO of the Lao Securities
Exchange



Ms. Sengdaovy VONGKHAMXAO
Director General, Depositor Protection
Fund

Chart of Organization Structure of Bank of the Lao PDR

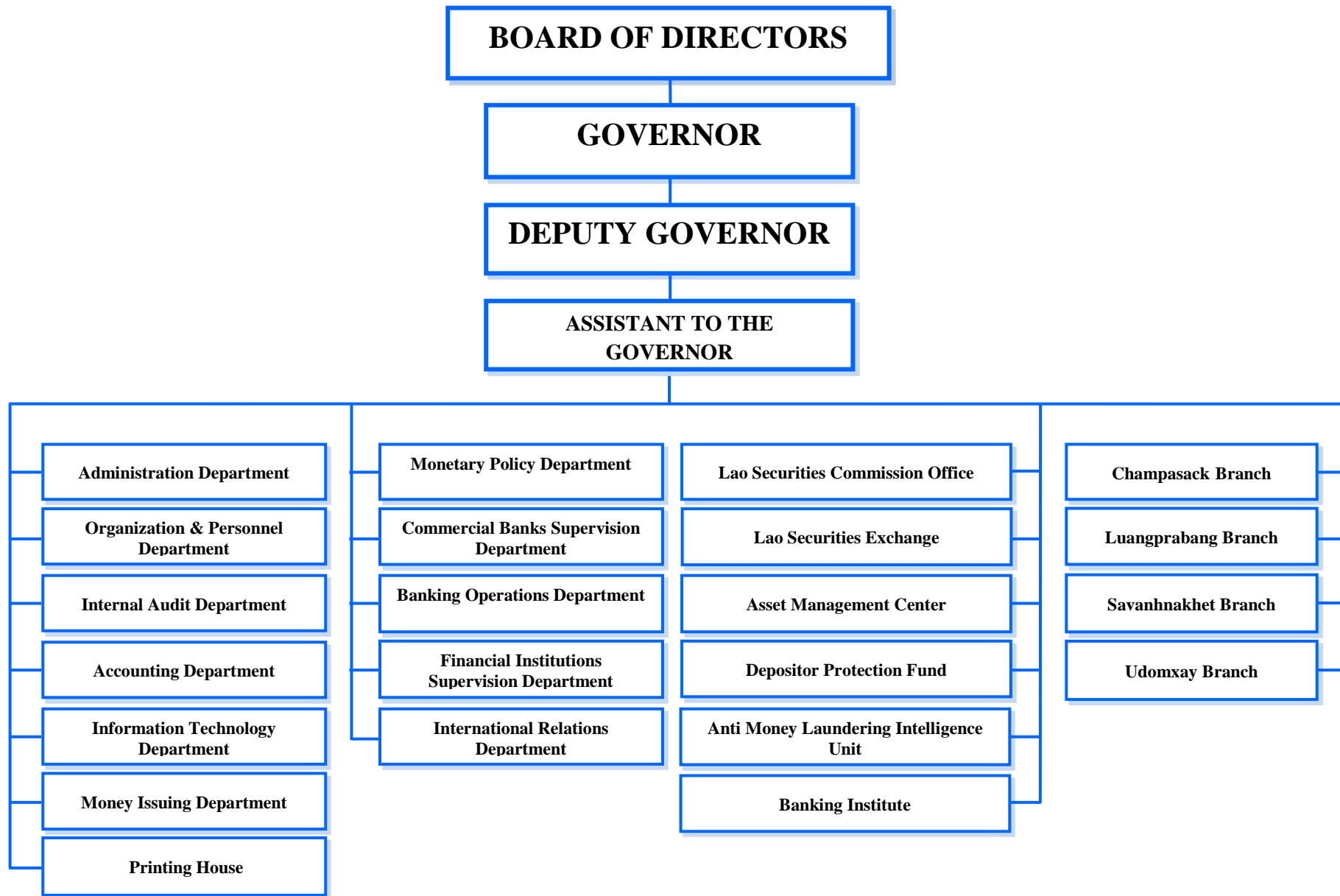


Table 1. Key Economic Indicators of the Lao PDR

Items	2011	2012	2013	2014 ^(R)	2015 ^(P)
<u>Real Sector (Percent Change)</u>					
Real GDP*	8.04	7.93	8.02	7.6	-
Inflation (End of Period)	7.70	4.73	6.65	2.40	0.90
Inflation	7.57	4.26	6.37	4.13	1.28
<u>Public Finance (Percent of GDP)</u>					
	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14^(R)</u>	<u>2014-15^(P)</u>
Total Revenue	22.30	24.05	24.42	24.61	22.63
Revenue	10.35	17.59	18.30	18.92	18.10
Grants	5.96	6.46	6.13	5.69	4.53
Total Expenditure	24.25	25.51	30.75	29.15	27.40
Current Expenditure	11.69	13.26	19.81	18.57	17.03
Capital and On-lending Net	11.56	12.25	10.94	10.57	10.36
Budget Deficits	-1.95	-1.46	-6.33	-4.53	-4.77
Budget Deficits (Excluding Grants)	-7.90	-7.92	-12.46	-10.22	-9.30
<u>Monetary Sector (Percent Change)</u>					
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Money Supply (M2)	28.71	31.05	17.02	25.22	14.67
<u>External Sector (Percent of GDP)</u>					
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014^(R)</u>	<u>2015^(P)</u>
Overall Balance	-0.63	0.65	-0.72	1.31	1.39
Current Account (Including Grants)	1.96	-4.15	-4.05	-10.02	-18.34
Current Account (Excluding Grants)	0.11	-5.95	-5.45	-11.45	-19.32
Trade Balance	-2.66	-8.35	-7.57	-13.69	-19.95
Capital and Financial Account	11.76	8.99	12.62	14.63	22.80
External Debt Outstanding	36.52	42.29	38.66	46.14	45.56

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	2010-11	2011-12	2012-13	2013-14	2014-15 ^(P)
GDP Nominal	62,277.27	70,650.15	80,199.16	90,823.12	100,413.31
GDP Per capita (USD)	1,213	1,355	1,534	1,671	1,787
Real GDP Growth*	8.1	8.3	8.0	7.8	7.4
Real GDP*	33,379.43	36,157.47	39,042.56	42,090.45	45,193.85
Agriculture	9,509.17	9,774.67	10,081.77	10,382.16	10,729.17
Crops and livestock	7,695.11	8,117.66	8,472.93	8,778.36	9,118.82
Forestry	718.82	534.77	430.49	380.30	328.98
Fisheries	1,095.23	1,122.24	1,178.35	1,223.51	1,281.36
Industry	9,041.57	10,347.93	11,116.09	12,065.74	13,231.53
Mining and Quarrying	2,302.40	2,357.23	2,521.62	2,651.65	2,792.46
Manufacturing	3,228.83	3,598.56	3,948.92	4,264.64	4,624.98
Electricity and Water Supply	1,514.29	1,965.43	1,997.49	2,185.00	2,482.05
Construction	1,996.05	2,426.70	2,648.06	2,964.46	3,332.05
Services	12,452.25	13,454.72	14,758.50	16,133.73	17,594.23
Wholesale and retail trade, repairs	6,475.67	7,032.62	7,501.28	8,068.76	8,699.15
Hotels and restaurants	236.71	258.31	269.16	279.18	295.19
Transport and communication	1,577.28	1,732.22	1,919.91	2,152.36	2,429.39
Financial intermediation	1,181.39	1,333.79	1,458.81	1,643.17	1,791.79
Real estate and business services	995.04	1,107.33	1,194.70	1,328.51	1,437.04
Community, social and personal services	544.97	572.22	611.80	644.22	671.92
Private households with employed persons	229.57	242.45	256.66	264.09	275.65
Producers of government services	2,294.87	2,502.86	3,012.66	3,377.66	3,747.50
Financial intermediation services indirectly measured	-1,083.25	-1,327.07	-1,466.47	-1,624.21	-1,753.41
All Industries at Basic Prices	31,002.98	33,577.32	35,956.36	38,581.63	41,554.93
Partial Tax**	2,376.44	2,580.15	3,086.20	3,508.82	3,638.92

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	2011	2012	2013	2014	2015
<u>Consumer Price Index (CPI)</u>	105.97	110.48	117.51	122.36	123.96
<u>CPI Components</u>					
1. Food and Non-Alcoholic Beverages	108.80	114.89	129.37	138.27	144.58
2. Alcoholic Beverages and Tobacco	102.08	105.29	109.76	114.61	117.44
3. Clothing and Footwear	102.26	104.37	110.37	116.21	121.11
4. Housing, water, electricity and fuels	103.48	114.59	122.18	128.34	136.76
5. Household goods	101.71	104.17	107.09	108.89	110.19
6. Health Cares	100.43	101.62	103.13	104.07	105.11
7. Transportation and Shipping	107.67	110.51	110.55	111.17	103.69
8. Posts and Communication	103.74	105.09	107.01	107.79	108.81
9. Recreation and Culture	100.82	102.20	104.55	106.23	106.42
10. Education	98.61	99.90	101.98	102.95	103.25
11. Restaurants & Hotels	104.97	113.51	123.40	132.52	136.50
12. Miscellaneous Goods and Services	103.26	105.62	107.26	108.36	108.71

Source: Lao Statistics Bureau, Ministry of Planning and Investment

Table 4. Inflation (12/2010=100)

Categories	2011	2012	2013	2014	2015
Inflation	7.57	4.26	6.37	4.13	1.28
1. Food And Non-Alcoholic Beverages	10.31	5.60	12.60	6.88	4.56
2. Alcoholic Beverages and Tobacco	4.08	3.15	4.24	4.42	2.47
3. Clothing and Footwear	3.09	2.06	5.74	5.29	4.22
4. Housing, Water, Electricity and Fuels	4.40	10.73	6.62	5.04	6.57
5. Furniture and Household Utensils	1.93	2.42	2.80	1.68	1.20
6. Health Care	1.84	1.19	1.48	0.91	1.00
7. Transportation and Shipping	9.81	2.65	0.03	0.56	-6.73
8. Communications	3.50	1.30	1.83	0.73	0.94
9. Recreation and Culture	1.29	1.37	2.30	1.60	0.18
10. Education	0.88	1.30	2.08	0.95	0.30
11. Restaurants & Hotels	5.20	8.14	8.71	7.39	3.00
12. Miscellaneous Goods and Services	8.00	2.29	1.55	1.02	0.32

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	2010-11	2011-12	2012-13	2013-14 ^(R)	2014-15 ^(P)
Total Revenue	13,890.07	16,992.40	19,587.00	22,356.08	22,719.72
Revenue	10,181.27	12,427.75	14,674.27	17,186.52	18,173.92
Tax Revenue	9,108.64	10,914.85	12,651.89	14,297.09	15,675.87
Non-tax Revenue	1,072.63	1,512.90	2,022.38	2,889.45	2,498.05
Grants	3,708.80	4,564.65	4,912.72	5,169.55	4,545.80
Project Grants	1,152.33	1,191.91	1,386.39	1,194.59	894.68
Non-Project Grants (Donors)	2,249.95	2,998.63	3,162.56	3,565.94	3,651.12
Non-Project Grants (Japan)	70.00	34.00	-	-	-
Program Grants	236.53	340.12	363.77	409.03	-
Total Expenditure	15,102.90	18,021.03	24,665.06	26,471.75	27,508.84
Current Expenditure	7,905.76	9,364.89	15,888.44	16,869.30	17,103.29
Wages & Salaries	2,940.28	3,560.20	8,884.46	8,487.97	8,587.18
Transfers	1,866.00	2,014.85	2,183.63	2,333.28	2,433.29
Materials & Supplies	1,438.28	1,746.79	1,696.45	2,156.79	2,937.89
Debt Payment	656.95	598.75	2,012.65	2,666.16	1,789.66
Interest Payment	446.51	590.95	1,005.12	880.53	1,125.75
External	373.00	473.49	467.19	683.02	885.09
Domestic	73.51	117.46	537.93	197.50	240.66
Others	357.94	400.05	106.14	346.59	229.52
Off Budget Expenditure	199.81	453.30	-	-	-
Capital Expenditure	7,197.14	8,656.15	8,776.62	9,602.45	10,405.54
Local Finances	1,838.06	2,652.82	2,485.12	3,183.48	3,272.06
Foreign Finance	5,359.08	6,003.33	6,291.50	6,418.96	7,133.49
Project Loans	1,956.81	1,812.79	1,742.55	1,658.44	2,587.69
Project Grants	1,152.33	1,191.91	1,386.39	1,194.59	894.68
Non-Project Grants	2,249.95	2,998.63	3,162.56	3,565.94	3,651.12
Program Grants	-	-	-	-	-
Current Cash Balance	2,275.51	3,062.87	(1,214.17)	317.22	1,070.53
Overall Cash Balance	-1,212.84	-1,028.63	-5,078.06	-4,115.68	-4,789.22
(Excluding Grants)	-4,921.65	-5,593.28	-9,990.79	-9,285.23	-9,335.02
Financing	1,212.83	1,028.63	5,078.06	4,115.68	4,789.22
Domestic Financing	-200.46	-155.23	3,905.11	1,674.54	-175.13
Bank Financing	-457.65	1,534.91	3,079.98	558.52	-1,304.89
Bank financing credit	-517.65	1,854.43	1,373.73	-2,264.74	-2,439.14
Treasury Bills (Issued)	260.00	-	300.00	300.00	300.00
Government Bonds (Issued)	-	-	2,248.48	3,299.71	1,254.40
Treasury Bills (Repayment)	-200.00	-319.52	-842.23	-776.45	-420.15
Non-Bank Financing	257.19	-1,690.14	-825.13	-1,116.01	1,129.75
Treasury Bills (Issued)	-	-	-	-	-
Treasury Bills (Repayment)	-	-	-	-	-
Assets Sales	268.91	91.26	397.34	294.60	895.57

Previous Year Balance Sheet	687.52	-	-	-	50.11
Differences	-699.24	-1,781.39	427.79	-821.41	184.08
Foreign Financing (Net)	1,413.29	1,183.86	1,172.96	2,441.14	4,964.35
Government Bonds	-	-	-	734.13	2,574.43
Program Loans	-	-	-	280.37	117.14
Project Loans	1,956.81	1,812.79	1,742.55	1,658.44	2,587.69
Amortization (Repayment)	-694.51	-774.50	-761.98	-912.24	-1,168.01
Non-Program Grants (Japan)	-	-34.00	-	-	-
On-Lending Net	150.99	179.57	192.39	680.44	853.10

Remark: P: Preliminary Data

R: Revised Data

Source: Ministry of Finance

Table 6. Government Revenue (Billion LAK)

Items	2010-11	2011-12	2012-13	2013-14 ^(R)	2014-15 ^(P)
1. Tax Revenue	9,108.64	10,914.85	12,651.89	14,297.08	15,675.87
Profits Tax	1,592.15	2,196.03	2,187.84	1,784.86	2,288.10
Income Tax	543.46	744.20	855.71	986.90	1,099.81
Land Tax	98.15	55.15	181.44	114.28	130.78
Business Licenses	0.01	-	-	-	-
Minimum Tax	41.61	49.56	38.94	12.27	13.53
Turnover Tax	510.04	410.81	191.00	150.63	357.67
VAT	1,893.10	2,416.21	3,221.09	3,596.74	4,244.72
Excise Tax	1,947.59	2,344.31	2,733.71	3,269.50	3,218.02
Import Duties	964.63	1,047.33	1,204.92	1,336.38	1,356.53
Export Duties	115.08	105.07	91.83	321.297	229.84
Registration Fees	55.47	45.97	55.04	82.11	61.70
Other Fees	532.41	537.40	871.27	1,294.31	1,193.08
Natural Resources Taxes	526.89	705.72	699.51	928.12	587.06
Timber Royalties	92.74	78.60	107.54	152.69	540.07
Hydropower Royalties	195.32	178.49	212.05	267.07	354.95
2. Non-Tax Revenue	1,076.63	1,512.90	2,022.38	2,889.45	2,498.05
Leasing Fees	29.82	80.78	41.24	95.51	72.08
Concessions	31.02	55.53	77.88	86.64	78.31
Penalties (Fine)	43.27	39.77	85.36	80.08	65.84
Administration Fees	98.92	189.63	408.17	529.43	691.11
Depreciation and Dividends	507.43	763.95	922.38	732.36	641.05
Interest	97.69	100.97	99.57	172.88	289.23
Over-Flight	244.81	257.49	329.12	658.04	525.80
Forest Preservation Funds	11.83	11.24	26.00	22.72	5.25
Others	-	-	32.65	511.78	129.38
Total Tax and Non-Tax Revenue	10,185.27	12,427.75	14,674.27	17,186.52	18,173.92
Assets Sales	268.91	91.26	397.34	294.60	895.57
Capital Return	150.99	179.57	192.39	680.44	853.10
Pump Amortization	-	-	-	-	-
Total Revenue with Capital Return	10,605.17	12,698.58	15,264.01	18,161.56	19,922.59

Remark: P: Preliminary Data

R: Revised Data

Source: Ministry of Finance

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

Items	2011	2012	2013	2014	2015
Net Foreign Assets	4,771.64	5,254.82	4,672.51	5,998.24	7,444.49
Foreign Assets	5,434.77	5,891.97	5,308.78	6,599.19	8,024.34
Foreign Liabilities	-663.13	-637.15	-636.27	-600.95	-579.85
Net Domestic Assets	6,341.14	8,877.74	10,544.81	13,828.00	13,686.02
Domestic Credits	7,511.81	9,236.34	10,297.21	11,237.51	11,745.69
Net Claims on Government	-652.78	630.00	432.10	157.19	4.25
Claims on Government	688.29	1,228.26	1,119.09	1,119.19	1,117.44
Deposit of Government	-1,341.07	-598.26	-686.99	-962.00	-1,113.19
Credit to the Economy	4,996.89	4,959.16	5,642.03	6,591.06	6,475.12
Credit to Financial Institution	3,167.70	3,647.18	4,223.08	4,489.26	5,266.32
BOL Bonds	-2,145.13	-1,786.36	-1,949.10	-1,259.61	-2,065.53
Other Items (Net)	974.46	1,427.76	2,196.70	3,850.10	4,005.86
Monetary Base	11,112.78	14,132.56	15,217.32	19,826.24	21,130.51
Cash in Circulation	5,661.18	7,168.83	7,906.13	8,360.80	8,290.15
Deposit	5,451.60	6,963.73	7,311.19	11,465.44	12,840.36
Clearing Deposit	2,963.76	3,641.41	4,203.74	7,551.31	8,625.43
Required Reserves	1,514.73	1,778.16	2,104.04	2,561.51	3,104.89
Capital Deposit	824.67	1,516.67	1,000.35	1,219.75	1,100.64
Other Deposit	148.44	27.49	3.06	132.87	9.40

Source: Bank of the Lao PDR

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

Items	2011	2012	2013	2014	2015
Net Foreign Assets	939.30	623.90	-2,421.10	-4,195.20	-10,632.90
Foreign Assets	6,042.10	7,062.50	6,756.10	9,753.70	8,852.20
Foreign Liabilities	-5,102.80	-6,438.60	-9,177.20	-13,948.90	-19,485.10
Net Reserves	5,484.30	6,476.70	6,840.10	12,907.00	18,223.60
Reserves	8,182.30	9,663.50	10,807.10	16,920.00	22,979.30
Credit from Monetary Authorities	-2,698.00	-3,186.80	-3,967.00	-4,013.00	-4,755.70
Net Credit to Government	-558.50	1,401.50	1,440.10	3,497.30	4,790.20
Net credit in LAK	446.20	1,412.00	1,765.20	4,177.40	5,233.10
Net Credit in Foreign Currency	-1,004.70	-10.50	-325.10	-680.10	-442.90
Net Domestic Assets (excl. Net Credit to Govt.)	16,526.10	21,182.20	29,431.80	33,786.80	41,729.30
Credit to the Economy	19,107.30	25,566.00	35,424.30	40,290.50	48,290.80
of which in Foreign Currency	9,435.10	12,636.70	17,430.60	19,693.90	24,170.90
Credit to State Enterprises	17,712.70	23,933.60	32,631.30	36,444.80	43,476.00
of which in Foreign Currency	8,215.90	11,168.80	14,872.20	16,017.70	19,545.00
Credit to Private Sector	1,394.60	1,632.40	2,793.00	3,845.70	4,814.80
of which in Foreign Currency	1,219.20	1,467.90	2,558.40	3,676.20	4,625.90
Other items (Net)	-2,581.20	-4,383.80	-5,992.50	-6,503.70	-6,561.50
Deposit	22,391.20	29,684.30	35,290.90	45,995.70	54,109.80
LAK Deposit	10,441.80	14,515.60	17,577.30	23,039.70	27,476.60
Foreign Currency Deposit	11,949.40	15,168.70	17,713.60	22,956.00	26,633.20

Source: Bank of the Lao PDR

Table 9. Monetary Survey (Billion LAK)

Items	2011	2012	2013	2014	2015
Net Foreign Assets	5,710.94	5,878.72	2,251.41	1,803.04	-3,188.41
Foreign Assets	11,476.87	12,954.47	12,064.88	16,352.89	16,876.54
Foreign Liabilities	-5,765.93	-7,075.75	-9,813.47	-14,549.85	-20,064.95
Net Domestic Assets	21,535.13	29,826.22	39,532.28	50,519.33	63,187.66
Domestic Credit	22,892.91	32,556.66	42,938.53	50,536.05	59,560.37
Net Claims on Government	-1,211.28	2,031.50	1,872.20	3,654.49	4,794.45
Claims on Government	1,516.19	3,563.96	3,480.99	6,575.99	7,654.04
Deposit of Government	-2,727.47	-1,532.46	-1,608.79	-2,921.50	-2,859.59
Credit to the Economy	24,104.19	30,525.16	41,066.33	46,881.56	54,765.92
Credit to State-Owned Enterprises	6,391.49	6,591.56	8,435.03	10,436.76	11,289.92
Credit to Private Sector	17,712.70	23,933.60	32,631.30	36,444.80	43,476.00
Other Items (Net)	-1,357.78	-2,730.44	-3,406.25	-16.72	3,627.29
Government Lending Fund	-105.72	-82.47	-59.63	-22.58	-22.70
Restricted Deposit	-148.80	-279.00	-23.20	-12.00	-19.30
Capital Account	-5,497.98	-7,617.80	-9,235.18	-11,349.13	-13,172.39
Others	4,394.72	5,248.83	5,911.76	11,366.99	16,841.68
Money Supply (M2)	27,246.07	35,704.94	41,783.69	52,322.17	59,998.85
Money	7,169.27	8,343.54	8,790.89	9,346.57	9,742.55
Currency Outside Banks	4,843.88	6,019.73	6,489.73	6,316.00	5,879.65
Demand Deposit	2,325.39	2,323.81	2,301.16	3,030.57	3,862.90
Quasi Money	20,076.80	27,361.40	32,992.80	42,975.60	50,256.30
Time and Saving Deposit	8,127.40	12,192.70	15,279.20	20,019.60	23,623.10
Foreign Currency Deposit	11,949.40	15,168.70	17,713.60	22,956.00	26,633.20

Source: Bank of the Lao PDR

Table 10. Interest Rate (In Percent per Annum)

Items	2011	2012	2013	2014	2015
I. Bank of The Lao PDR					
BOL Rate	5.00	5.00	5.00	5.00	4.50
BOL Bonds (1 year)					
LAK	6.50	6.50	6.50	6.50	6.50
USD	3.70	3.70	3.70	3.70	3.75
II. Commercial Banks					
1. Deposit Rate					
LAK Account					
Saving Deposit	2.00-5.00	2.00-5.00	2.00-4.50	2.00-4.20	0.10-4.20
Time Deposit					
3 Months	2.00-8.00	2.00-8.00	3.00-6.50	3.50-6.50	1.50-7.00
6 Months	4.00-10.00	3.00-10.00	4.00-8.25	5.00-8.50	1.50-8.50
12 Months	5.00-12.00	4.00-12.00	5.00-10.50	6.00-10.75	1.50-10.75
> 12Months	7.50-12.50	5.00-12.00	7.50-12.00	7.50-12.00	5.00-12.00
THB Account					
Saving Deposit	0.25-2.00	0.25-2.30	0.25-2.30	0.25-2.00	0.12-2.25
Time Deposit					
3 Months	0.75-4.00	0.75-3.47	0.75-3.47	0.75-3.47	0.50-4.00
6 Months	0.75-6.50	0.75-4.11	0.75-4.25	0.75-3.50	0.65-5.00
12 Months	0.75-5.50	0.75-6.00	0.75-6.00	1.75-6.50	0.80-6.50
>12 Months	3.00-5.50	3.00-10.00	3.00-6.50	3.00-7.50	3.00-7.50
USD Account					
Saving Deposit	0.25-2.00	0.25-2.20	0.25-2.20	0.25-2.20	0.10-2.25
Time Deposit					
3 Months	0.50-4.00	0.50-4.00	0.50-4.00	1.00-4.00	0.20-4.00
6 Months	0.75-5.00	0.75-5.00	0.75-5.00	1.25-5.00	0.40-5.00
12 Months	1.00-6.00	1.00-7.00	1.00-7.00	1.500-6.50	0.70-6.50
> 12 Months	1.25-6.50	1.25-7.50	3.00-7.50	3.00-7.50	2.00-7.50
2. Lending Rates					
LAK Account					
Customer A (1year)	8.00-21.00	8.00-19.50	7.50-20.50	7.75-20.50	5.67-20.50
Customer B (1year)	9.00-18.00	9.00-15.00	10.00-16.50	11.00-16.60	7.27-16.50
Customer C (1year)	10.00-18.00	10.00-15.00	10.00-16.50	13.00-17.50	7.27-16.50
THB Account					
Customer A (1year)	6.50-17.00	3.85-17.00	3.60-17.00	3.60-17.00	3.60-17.00
Customer B (1year)	7.15-13.00	7.15-11.50	7.15-11.50	7.15-13.00	6.90-13.00
Customer C (1year)	8.50-11.00	7.80-11.50	7.50-11.50	7.50-13.00	6.90-13.00

USD Account					
Customer A (1year)	6.00-16.00	5.25-16.00	5.25-16.00	5.25-16.00	4.12-16.00
Customer B (1year)	7.15-11.00	7.15-10.00	7.15-11.00	7.15-11.50	6.60-11.50
Customer C (1year)	8.50-11.00	7.80-11.00	7.80-11.00	7.80-11.50	6.60-11.50
Overdraft					
LAK	15.00-18.00	9.75-19.50	9.75-20.50	9.75-17.50	5.25-19.00
THB	10.00-16.00	7.00-17.00	3.85-17.00	3.85-15.50	3.85-15.50
USD	10.00-14.00	6.00-16.00	7.00-16.00	7.00-14.00	4.00-14.00

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			
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
2015	LAK	27,476.55	3,853.50	5,667.31	17,955.74	931.64	1,071.62	5,118.28	10,834.20	1,458.59	19.34	28,935.14
	FCD in LAK	26,633.25	6,516.58	10,149.91	9,966.76	1,394.98	1,113.28	4,159.99	3,298.51	2,350.35	-	28,983.60
	Total	54,109.80	10,370.08	15,817.22	27,922.50	2,326.63	2,184.89	9,278.27	14,132.71	3,808.94	19.34	57,918.74

Remark: FCD: Foreign Currency Deposit converted to LAK

Source: Bank of the Lao PDR

Table 12. Commercial Banks' Credit (Billion LAK)

Credit by Sectors	2011	2012	2013	2014	2015
Industry and Handicraft	3,802.35	4,090.56	6,450.10	8,246.72	11,665.56
Construction	2,407.52	4,601.88	7,279.66	7,889.08	8,255.52
Materials and Technical Supplies	764.29	1,022.64	1,622.78	1,246.48	1,251.69
Agriculture	2,560.38	2,045.28	3,648.11	3,994.34	4,426.42
Commerce	4,068.85	6,135.84	7,325.00	8,109.89	8,580.06
Transportation	726.08	1,022.64	1,276.74	1,335.93	1,141.17
Services	3,229.13	4,090.56	4,146.93	4,463.82	4,952.08
Other Sector	1,547.70	2,556.60	3,674.98	5,004.24	8,018.30
Total Credit Outstanding	19,107.30	25,566.00	35,424.30	40,290.50	48,290.80
Credit Growth			(Percent change)		
Industry and Handicraft	54.40	7.58	57.68	27.85	41.46
Construction	48.62	91.15	58.19	8.37	4.64
Materials and Technical Supplies	20.90	33.80	58.69	-23.19	0.42
Agriculture	23.83	-20.12	78.37	9.49	10.82
Commerce	32.06	50.76	19.38	10.72	5.80
Transportation	41.37	40.84	24.85	4.64	-14.58
Services	94.60	26.68	1.38	7.64	10.94
Other Sector	36.65	65.19	43.74	36.17	60.23
Total Credit Outstanding	45.09	33.80	38.56	13.74	19.86
Total Credit Outstanding ratio to GDP	29.52	33.97	41.89	42.96	48.09

Source: Bank of the Lao PDR

Table 13. Balance of Payments (Million USD)

Items	2011	2012	2013	2014 ^(R)	2015 ^(P)
Current Account	158.14	-390.16	-436.85	-1,178.33	-2,264.51
(Excluding Grants)	8.92	-559.33	-587.84	-1,345.86	-2,385.76
Trade Balance	-214.64	-784.45	-817.00	-1,609.21	-2,463.80
Exports (f.o.b.)	2,189.55	2,270.67	2,263.94	2,662.02	2,769.00
Imports (c.i.f.)	-2,404.19	-3,055.12	-3,080.94	-4,271.23	-5,232.80
Services (Net)	228.02	260.53	246.43	267.19	214.11
Inward Services Incomes	549.66	643.35	780.44	764.47	799.26
Outward Services Payments	-321.64	-382.82	-534.01	-497.27	-585.14
Factor Income (Net)	-78.01	-118.22	-105.31	-124.79	-200.27
Inward Incomes	48.33	69.15	72.72	47.12	102.27
Outward Payments	-126.34	-187.37	-178.03	-171.91	-302.54
Transfers (Net)	222.77	251.98	239.03	288.47	185.45
Transfers to Private	73.55	82.81	88.04	120.94	64.20
Grants to Government	149.22	169.17	150.99	167.52	121.25
Capital and Financial Account	947.85	844.99	1,362.47	1,719.98	2,815.94
Financial Account	947.85	844.99	1,362.47	1,719.98	2,815.94
Foreign Direct Investment	466.85	294.38	426.67	913.24	1,079.14
Portfolio Investment	11.45	5.74	147.74	360.67	531.30
Other Investment	469.55	544.87	778.06	446.07	1,205.50
Errors and Omissions	-1,157.00	-393.93	-1,003.30	-387.87	-380.31
Overall Balance	-51.00	60.89	-77.70	153.78	171.12
<u>Memorandum Items (Percent of GDP):</u>					
Current Account	1.96	-4.15	-4.05	-10.02	-18.34
(Excluding Grants)	0.11	-5.95	-5.45	-11.45	-19.32
Trade Balance	-2.66	-8.35	-7.57	-13.69	-19.95
Capital and Financial Account	11.76	8.99	12.62	14.63	22.80
Official Gross Reserves	678.76	739.65	661.95	815.73	986.85
Official Gross Reserves in Months of Imports	3.39	5.07	4.84	4.65	6.37
Gross Domestic Product (Million USD)	8,061.09	9,397.82	10,793.62	11,754.15	12,349.12
LAK/USD Exchange rate (Average Commercial Banks' Rate)	8,029.57	8,007.30	7,835.37	8,045.51	8,131.21

Remark: P: Preliminary Data

R: Revised Data

Source: Bank of the Lao PDR

Table 14. Foreign Trade (Million USD)

Items	2011 ^(R)	2012 ^(R)	2013	2014 ^(R)	2015 ^(P)
Trade Balance	-214.65	-784.45	-817.00	-1,609.21	-2,463.80
Exports (f.o.b.)	2,189.55	2,270.67	2,263.94	2,662.02	2,768.98
(Percent Change)	25.38	3.70	-0.30	17.58	4.02
Wood Products	81.66	131.11	143.38	133.73	95.58
Coffee	67.78	114.94	19.81	70.01	58.64
Agriculture/Forest Products	152.16	220.83	238.79	161.25	224.54
Garments	219.91	183.90	156.25	201.74	180.23
Electricity	327.16	502.20	589.81	570.25	518.73
Mining	1,241.58	946.87	971.38	1,286.14	1,313.50
Gold	111.82	150.74	153.62	140.47	152.28
Copper	696.28	683.12	765.86	1,074.85	1,118.89
Others	433.48	113.01	51.90	70.82	42.33
Other Exports	99.31	172.46	143.85	238.84	377.76
Imports (c.i.f.)	2,404.20	3,055.12	3,080.93	4,271.23	5,232.78
(Percent Change)	16.68	27.08	0.84	38.63	22.51
Capital Goods	777.63	774.90	870.15	1,262.96	1,589.24
Fertilizers	25.88	34.14	52.57	34.10	48.43
Vehicles and vehicle equipments	419.28	416.67	399.79	490.16	749.48
Machinery and mechanical equipments	230.27	200.55	265.48	482.94	625.60
Scientific and optical instruments	21.88	16.60	28.01	38.46	27.59
Plastic and rubber products	73.47	105.71	124.02	217.29	136.92
Others	6.85	1.24	0.28	0.01	1.22
Intermediate Products and Raw Materials	983.63	1,367.80	1,351.99	1,852.46	2,020.09
Crude oil, Fuel, lubricant and others	459.92	779.31	520.54	700.40	816.66
Iron and steel	275.42	245.27	358.42	697.32	603.57
Others	234.29	324.45	454.57	425.19	573.94
Materials for Garments	14.00	18.77	18.46	29.55	25.92
Consumption Goods	550.159	840.43	729.70	1,000.76	1,356.74
Gold and Silver	51.86	8.55	61.25	76.09	178.08
Electricity	40.91	63.44	67.84	78.96	88.63
Others	-	-	-	-	-

Remark: P: Preliminary Data

R: Revised Data

Source: Bank of the Lao PDR

Table 15. External Debt (Million USD)

Items	2011	2012	2013	2014 ^(R)	2015 ^(P)
1. Total Debt Outstanding	2,943.98	3,974.15	4,173.05	5,422.92	5,626.77
Bilateral	1,249.45	1,993.21	2,241.14	3,658.69	3,919.70
Multilateral	1,694.53	1,980.94	1,931.91	1,764.23	1,707.07
2. Debt Services	150.47	167.51	165.33	284.44	261.26
(Percent Change)	41.27	11.32	-1.30	71.00	-8.15
Amortization	96.30	106.09	99.71	120.80	165.14
Bilateral	26.64	35.09	32.81	49.89	88.49
Multilateral	69.66	71.00	66.90	70.91	76.65
Interest Payments	54.17	61.41	65.62	163.64	96.12
Bilateral	31.14	39.58	46.39	144.02	75.94
Multilateral	23.03	21.83	19.22	19.62	20.18
Total Debt Outstanding (Percent of GDP)	36.52	42.29	38.66	46.14	45.56
Debt Service Ratio (%)	5.49	5.88	5.43	8.30	7.38

Remark: P: Preliminary Data

R: Revised Data

Source: Ministry of Finance

Table 16. Official and Parallel Market Exchange Rates

Month/Year	(LAK/USD)			(LAK/THB)		
	CBs' Ave. Rate	PM's Ave. Rate	Overall Average	CBs' Ave. Rate	PM's Ave. Rate	Overall Average
1/2014	8,026.76	8,053.03	8,039.89	245.59	251.33	248.46
2/2014	8,023.79	8,056.80	8,040.29	247.57	252.76	250.16
3/2014	8,037.42	8,055.59	8,046.51	249.15	252.25	250.70
4/2014	8,045.29	8,054.71	8,050.00	249.78	251.24	250.51
5/2014	8,052.91	8,055.11	8,054.01	249.44	249.38	249.41
6/2014	8,051.79	8,088.88	8,070.33	250.03	251.88	250.95
7/2014	8,046.38	8,122.12	8,084.25	251.39	250.32	250.86
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	8,069.61	8,057.56	249.32	251.33	250.33
1/2015	8,109.34	8,129.86	8,119.60	249.39	249.82	249.60
2/2015	8,104.45	8,182.15	8,143.30	250.73	242.04	246.38
3/2015	8,113.05	8,125.40	8,119.22	250.78	250.57	250.67
4/2015	8,106.44	8,119.13	8,112.78	251.88	251.82	251.85
5/2015	8,092.79	8,099.04	8,095.91	244.96	246.68	245.82
6/2015	8,113.84	8,129.89	8,121.86	243.51	244.82	244.16
7/2015	8,142.16	8,158.18	8,150.17	240.72	242.24	241.48
8/2015	8,186.32	8,215.84	8,201.08	235.92	237.34	236.63
9/2015	8,152.97	8,258.97	8,205.97	230.07	231.56	230.82
10/2015	8,142.80	8,220.94	8,181.87	230.57	231.26	230.92
11/2015	8,157.41	8,193.54	8,175.47	229.69	230.56	230.12
12/2015	8,152.93	8,201.26	8,177.09	228.30	228.89	228.60
Average 2015	8,131.21	8,169.52	8,150.36	240.54	240.63	240.59

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	3,330,072	513,576,784
2013	3,779,490	595,909,127
2014	4,158,719	641,636,543
2015 ^(P)	4,362,491	679,387,710

Remark: P: Preliminary Data

Source: Ministry of Information, Culture and Tourism

Table 18. List of Commercial Banks

Items	Located			Province	Contact
	Avenue	Village	District		
State - Owned Commercial Bank					
1	Banque Pour Le Commerce Exterieur Lao Public	Pangkham	Xiengyuen	Chanthabouly	Vientiane Capital (856-21) 213 200
2	Lao Development Bank	Souphanouvong	Sihom	Chanthabouly	Vientiane Capital (856-21) 213 300-04
3	Agricultural Promotion Bank	Kaysone Phomvihane	Phakhao	Xaythany	Vientiane Capital (856-21) 713 060
Specialized Bank					
4	Nayoby Bank	Kaysone Phomvihane	Phonphanao	Xaysettha	Vientiane Capital (856-21) 264 407-21
Joint State Commercial Bank					
5	Lao-Viet Bank	Lane Xang	Hatsady	Chanthabouly	Vientiane Capital (856-21) 251 416
6	Banque Franco-Lao Ltd	Lane Xang	Hatsady	Chanthabouly	Vientiane Capital (856-21) 285 111
7	Lao China Bank Co.,Ltd	Kaysone Phomvihane	Phonxay	Xaysettha	Vientiane Capital (856-21) 418 888
Private Bank					
8	Joint Development Bank	Lane Xang	Hatsady	Chanthabouly	Vientiane Capital (856-21) 213 531-6
9	Phongsavanh Bank	Kaysone Phomvihane	Phakhao	Xaythany	Vientiane Capital (856-21) 212 666
10	ST Bank Co., Ltd	Samsenthai	Anou	Chanthabouly	Vientiane Capital (856-21) 241 559-62
11	Indochina Bank	23 Singha	Nongbone	Xaysettha	Vientiane Capital (856-21) 455 000
12	Booyoung Lao Bank Co.,Ltd	Nongbone	Phonxay	Xaysettha	Vientiane Capital (856-21) 454 500-2
13	Lao Construction Bank	Cosco	Phonsynouan	Sisattanak	Vientiane Capital (856-21) 285 555
14	Maruhan Japan bank Lao	23 Singha	Phonxay	Xaysettha	Vientiane Capital (856-21) 266 000
Subsidiary Bank					
15	ANZ Bank (Lao) Limited	Lane Xang	Hatsady	Chanthabouly	Vientiane Capital (856-21) 222 700-703
16	ACLEDA Bank Lao Ltd	Dongpalan	Phonsavanhneua	Sisattanak	Vientiane Capital (856-21) 264 994
17	International Commercial Bank Lao Limited	Hatsady	Hatsady Tai	Chanthabouly	Vientiane Capital (856-21) 250 388
18	RHB Bank Lao Limited	Kaysone Phomvihane	Phonsaart	Xaysettha	Vientiane Capital (856-21) 455 116-117
19	Kasikornthai bank	Bourichane	Phonsynouan	Sisattanak	Vientiane Capital (856-21) 410 885
20	Sacom Bank Lao Branch	Hengboun	Haysok	Chanthabouly	Vientiane Capital (856-21) 265 726
21	Vietin Bank Vientiane Branch	Khounboulom	Watchan	Chanthabouly	Vientiane Capital (856-21) 263 997
22	Canada Bank Lao Ltd	Pangkham	Xiegyoun	Chanthabouly	Vientiane Capital (856-21) 227 999
23	Saigon-Hanoi Commercial Joint Stock Bank Lao Branch	Lane Xang	Phonkoun	Pakse	Champasak (856-31) 257 167
Foreign Branches					
24	Bangkok Bank, Vientiane Branch	Lane Xang	Sisaket	Chanthabouly	Vientiane Capital (856-21) 213 560
25	Krung Thai Bank, Vientiane Branch	Lane Xang	Xiengyuen	Chanthabouly	Vientiane Capital (856-21) 213 480
26	Ayudhya Bank, Vientiane Branch	Lane Xang	Hatsady	Chanthabouly	Vientiane Capital (856-21) 213 521
27	Thai Military Bank, Vientiane Branch	Samsenthai	Sihom	Chanthabouly	Vientiane Capital (856-21) 216 486
28	Siam Commercial Bank, Vientiane Branch	Lane Xang	Sisaket	Chanthabouly	Vientiane Capital (856-21) 213 500
29	Public Berhad Bank, Vientiane Branch	Talat Sao	Hatsady Tai	Chanthabouly	Vientiane Capital (856-21) 223 394
30	Public Berhad Bank, Sikhai Branch	Luangprabang	Watha	Sikhottabong	Vientiane Capital (856-21) 219 868
31	Public Berhad Bank, Savanakhet Branch	Sisavangvong	Soununtha	Kaysone Phomvihane	Savanakhet (856-41) 252 131
32	Ayudhya Bank, Savanakhet Branch	Sisavangvong	Soununtha	Kaysone Phomvihane	Savanakhet (856-41) 252 360
33	Military Commercial Joint Stock Bank-Lao Branch	Kaysone Phomvihane	Phonsaart	Xaysettha	Vientiane Capital (856-21) 990 901
34	ICBC Bank Vientiane Branch	Lane Xang	Hatsady	Chanthabouly	Vientiane Capital (856-21) 258 888
35	Public Berhad Bank, Pakse Branch	13 South	Phonsavanh	Pakse	Champasak (856-31) 218 111
36	May Bank Lao Branch	Lane Xang	Hatsady	Chanthabouly	Vientiane Capital (856-21) 263 100
37	CIMB Thai Bank Vientiane Branch	Lane Xang	Hatsady	Chanthabouly	Vientiane Capital (856-21) 255 355
38	Cathay united bank Vientiane Capital Branch	Khounboulom	Hatsady	Chanthabouly	Vientiane Capital (856-21) 255 688
39	Bank of China Limited Vientiane branch	Khouvieng	Nongchan	Sisattanak	Vientiane Capital (856-21) 228 888
40	First Commercial Bank LTD, Vientiane Branch	23 Singha	Phonxay	Xaysettha	Vientiane Capital (856-21) 415 318
41	Bangkok Bank, Pakse Branch	Salakhiew Dongchong	Phonsavanh	Pakse	Champasak (856-31) 257 252-3

Source: Bank of the Lao PDR



Bank of the Lao PDR
YONNET Road, Vientiane Capital, Lao PDR
P.O Box 19
Tel: (+856-21) 213109, Fax: (+856-21) 213108