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THE INSURANCE SECTOR AND FINANCIAL SYSTEM IN GUYANA

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1.0 Introduction

The international financial crisis of the early 1980s and the subsequent decline in the net flow of term resources to developing countries, forced these countries to rely more on the mobilisation of domestic resources to finance development. This situation lead to a growing awareness within developing countries of the importance of the domestic financial sector and simultaneously underlined the link between financial and economic development (Germindis et al, 1991, Long 1991). In view of this, since the 1980s, developing countries have strengthened their financial systems, with much emphasis being placed on the mobilisation and allocation of savings for investment through a market-oriented financial system (Long, 1991; Johnston and Brekk, 1991).

In most developing countries, deposit-taking institutions have dominated the financial systems and have played a leading role in the mobilisation of resources. However, contractual savings institutions, and in particular life insurance companies, which have provided effective mechanisms for savings in developed countries, are of limited importance in developing countries. It is argued that this is so because these institutions are weak and underdeveloped mainly due to the lower level of income, the existence of pay-as-you-go social security and the adverse impact of repressive policies (Vittas, 1992). But in spite of the underdeveloped state of these institutions in developing countries, it is argued that because they are natural providers of long-term funds, they can contribute substantially to financial and hence, local economic development (Germindis et al, 1991). Efficient use of these funds for national economic development, however, depends very much on government and other local investors issuing a volume and range of securities appropriate

to life insurance needs and competitive in interest rates with foreign securities (Drake, 1969). Sound markets that can give to these investment liquidity and a reasonable degree of stability are also seen as necessary conditions (Long, 1991).

In light of the above-outlined analytical discussion, this study examines the nature of the financial system and the role of life insurance companies in mobilising and allocating resources for financial and hence, national economic development. Specifically, this study examines the Guyanese economy, where the life insurance sector is the most significant after the commercial banking sector in terms of assets and liabilities. Also, where potential seems to exist for the sector to be a formidable financial force in providing the critical mass, in the form of stable long-term funds, for the development of efficient capital markets and national economic development.

The organisation of the paper is as follows: Section 2 discusses the structure of the financial system and the insurance sector in Guyana; Section 3 analyses the structure of life companies' liabilities and assets; Section 4 discusses life companies and the mobilisation of savings; Section 5 analyses life companies' investment behaviour; Section 6 discusses policy recommendations; and Section 7 offers some concluding remarks.

2.0 Structure of the Financial System and Insurance Sector

For over two decades, Guyana's financial system evolved within the framework of a "corporate state". This changed in 1989 with the implementation of an IMF-supported Economic Recovery Programme (ERP), which shifted public policy toward a market-

oriented economy. The system at present, comprises a modest number but a wide range of financial institutions. The Bank of Guyana, the country's central bank, is at the apex of the financial system. Seven commercial banks dominate the financial system with 63 per cent of total financial assets. Non-bank financial institutions - insurance companies, a building society, a development bank, a mortgage bank, trust companies, pension schemes, a social security scheme and a postal network - account for the remaining 37 per cent of financial assets.

The insurance sector holds the largest share of the assets of non-bank financial intermediaries, accounting for 22.0 per cent of these holdings. The sector consists of eleven major insurance companies offering both life and non-life services. Life insurance services are offered by all of the eleven companies of which six are domestic and five foreign-owned. One of the domestic companies, the Guyana Cooperative Insurance Service, was until 1993, when the National Insurance Scheme acquired 48 per cent of the company, 97 per cent state-owned.

Non-life insurance accounts for only 25 per cent of the sector's total assets. In the non-life business, the insurance line of fire is the most important, accounting for approximately 80 per cent on non-life accounts. Automobile insurance has a share of approximately 14 per cent. In the life sub-sector, the principal types of contracts are whole life, endowment, term and group life. In view of the various types of contracts that exist and are not interchangeable, the sector may not be strictly characterised as a single insurance market, but rather as comprised of several markets.

Foreign companies though only five in number, dominated the life insurance sub-sector until 1992, when they accounted for approximately 57 per cent of gross premiums written. In the non-life sub-sector they accounted for approximately seven per cent of gross premium. In 1992, one of the leading companies, America Life Insurance Company, ALICO, was acquired by a local company - North America Life Insurance Company, NALICO. The foreign-owned Guyana and Trinidad Mutual Life Insurance Company, is the leading company in the life field, with a life fund (statutory fund to meet liabilities to policyholders, as required by the Insurance Act, Chapter 91:02) of G$2.2 billion at the end of 1994.

The available data for four of the largest life insurance companies that account for approximately 90 per cent of the industry's transactions indicate that since the 1980s, there has been a trend of diminishing rate of savings through life insurance companies. Table 1 shows that between 1980 and 1994, there was a decline in the number of life policies written, except for the 1985 - 1990 period when the number remained virtually unchanged. Real premium income also declined considerably by 46 per cent between 1980 and 1985 and 27 per cent between 1990 and 1994. As a result, real life funds and real assets also experienced declines of 35 and 33 per cent respectively, between 1990 and 1994.

3.0 Liability and Asset Structure of Insurance Companies

Life insurance funds, which form the basis of saving through life insurance companies, constitute the major liabilities held by life insurance companies to meet the obligations of policyholders and beneficiaries. Table 1 shows that real life funds declined

sharply by more than 60 per cent between 1980 and 1994. The most significant declines occurred during the 1980-1985 and 1990-1994 periods. The largest amount of life insurance funds comes from endowment or annuity and whole life policies; term insurance policies contribute the least. Declared dividends are an important liability of life insurance companies. They are refunds to policyholders of part of the payments they have made on policies, or annuities sold on a participation basis. Capital and reserves are the other liabilities of life insurance companies and are essentially for capital appreciation and for the security under policies issued to non-residents.

The real assets of life insurance companies as shown in Table 1, declined by 7 per cent per annum between 1980 and 1985. In the 1985-1990 period, there was a 24 per cent increase, followed by a 35 per cent decline between 1990 and 1994. An examination of the asset structure of life insurance companies, as set out in Table 2, shows a noticeable tendency for investment as a proportion of total assets to decline significantly after 1989. Investment as a proportion of total assets averaged 78 per cent over the 1983-1989 period but fell to 38 per cent in 1992. Invested assets, however, increased to 83 per cent in 1993 and 71 per cent in 1994. Prior to 1990, long-term securities - mortgages, government debentures, treasury bills, other loans and private securities - comprised the bulk of invested assets. This seems to explain the practice of life insurance companies to match the maturity of their assets with maturity of their liabilities, which are long-term in nature. After 1990, there was a noticeable decline in the relative importance of local investment assets. Specifically, foreign assets which averaged 25 per cent of total invested assets increased to an annual average of 41 per cent for the 1990-1994 period.

It is important to note that the figures on asset composition are aggregated and conceal the fact that there is no common pattern of asset structure among individual life insurance company. For example, compared with the aggregate pattern, the locally owned Guyana Co-operative Insurance Company (GCIS) has virtually no foreign assets, while at the formerly foreign-owned North American Life Insurance Company Limited (NALICO) and the Guyana and Trinidad Mutual Life Insurance Limited (GTM) foreign assets represent the largest asset category. Generally, the asset structure of life companies seems to suggest that the Insurance Act of 1970, which requires insurance companies to invest 90 per cent of their insurance fund locally, has not been enforced.

4.0 Life Insurance and Savings

The volume of savings through life insurance companies has declined significantly since the 1980s. The growth in real life funds, as shown in Table 1, declined by more than 65 per cent between 1980 and 1994. To a large extent, this can be explained by lower levels of income. Specifically, between 1976 and 1990 real income, proxy by real GDP, declined by approximately 40 per cent. While real GDP averaged seven per cent per annum between 1991 and 1994, the real level of income in 1994 was still 18 per cent below the 1976 level. With savings volume strongly correlated to rates of growth of income, it seems obvious that the declining levels of income is a major factor in explaining the reduction in life insurance savings.

The increased popularity and credibility of the country's social security system also

seems to be a dominant factor in explaining the decline in life insurance savings. The National Insurance Scheme (NIS), the foremost social security institution, is a compulsory, public contributory programme that guarantees a minimum, moderate level of benefit covering invalidity, old age, death, sickness, maternity and employment injury. The NIS grew in importance during the 1980s. The number of employees covered under the NIS more than doubled between 1983 and 1994 from approximately 146,000 in 1988 to 294,000 in 1994. NIS contributors in the self-employed category - persons who would often need life insurance as a future source of income - increased more than seven fold from approximately 1,100 in 1983 to 8,700 in 1994. The growth in NIS coverage and the certainty of future sources of income from the NIS have contributed to a substantial reduction in the need for life insurance as an instrument of protection and savings.

To a significant degree, the decline in life insurance savings can also be explained by unsound financial, monetary and fiscal policies. There is broad agreement that the policies of administered exchange and interest rates have contributed to macroeconomic instability and in particular, the high rates of inflation which averaged 39 per cent per annum between 1980 and 1991 in Guyana (World Bank, 1993a). Administered exchange and interest rates eroded the real value of contractual savings and discouraged savings in life insurance. The structure of financial system assets during the 1980s and 1990s suggests that individuals hedged against inflation risk by investing in more liquid and real value certainty assets. Specifically, between 1985 and 1994, the assets share of both the commercial banks and the New Building Society Limited (NBSL) increased at the expense of insurance companies. While the increase in savings at commercial banks suggests a shift to highly liquid assets,

the increase in the share of the NBSL assets through increased participation from savers seeking to qualify for mortgage loans, seems to indicate individuals' preference for physical assets with certainty value. Further, the prevailing view is that individuals have been accumulating foreign assets (mostly United States dollars) that provide a good hedge against inflation as well as against any devaluation of the Guyana dollar (Ganga, 1994).

Fiscal disincentives through the tax policy also seem to have adversely affected life insurance savings. Prior to 1991, insurance premium up to a specified limit was deductible from chargeable income. In 1991, this tax concession was eliminated. This intensified the unattractiveness of life insurance savings as a form of investment. It should be noted that the more than two-fold increase in interest rates in 1989 had already made alternative savings instruments, such as certificates of deposits and treasury bills, relatively more attractive as investments.

The decline in life insurance savings can also be attributed to the rise in the general operating expenses and lower returns on the assets of life insurance companies. Data from two of the largest life companies indicate that between 1989 and 1993, expenditure increased by over 150 per cent, while the rate of return on assets was only 14.5 per cent per annum. With inflation averaging 60 per cent per annum over the same period, the real rate of return on assets was highly negative. Since premiums are based on estimated investment returns and operating expenses, insurance companies obviously have been unable to compete with other institutions for the management of savings by lowering premiums.

The number of policies in force and the composition of policies also seem to be

related to the level of life insurance savings. Despite a considerable slowdown in the decline in life policies written after 1985, there has been a high incidence of surrenders, especially during the early years of a policy. Prior to 1985, surrenders represented 39 per cent of average annual premium income, but increased to 100 per cent during the 1990-1994 period, a development that may explain the reduction in the income for life companies. In addition to the decline in policies in force, the life insurance sector witnessed a shift to group life policies which yield lower savings because of low premium income. This shift resulted from more employers buying or contributing to group (term) insurance for their employees. In recent years, life and other types of insurance have come to be considered by some as an essential emolument/fringe benefit, and because individuals can obtain group life insurance through their employers, the need for individual policies has been reduced.

Adverse public attitude to life insurance also seems to play a role in undermining potential life insurance savings (Stabroek News, 18.05.95). Specifically, the delay often experienced in payment of the proceeds to the named beneficiary in the policy, until a grant of probate or administration has been obtained by the insurers, may have discouraged individuals from investing in life insurance. Further, some may have refrained from investing in life insurance due to the failure of others to achieve satisfactory settlements in disputes arising from the lack of proper supervision of the industry.

Structural factors, such as social arrangements employed to support the retired population, also seem to have impacted negatively on potential life insurance savings. In recent years, overseas-based Guyanese have increasingly been providing financial assistance for health care and other needs of elderly members of their family resident in Guyana, and

hence, may have influenced the downward trend in life insurance savings.

5.0 Life Insurance and Investment

The investment behaviour of life insurance companies is reflected in their portfolio of investment assets. Table 2 shows that between 1983 and 1989, investment in foreign assets (deposits and securities), mortgage loans and government debentures dominated the investment portfolio of life insurance companies, with an average of 25, 20 and 12 per cent of total investment, respectively. The other categories of assets - domestic banking (deposits and cash), public and private securities, other loans and treasury bills - accounted for less than six per cent of total investment.

Between 1990 and 1993, a different pattern emerged, with the relative importance of mortgage loans, government debentures, other loans, treasury bills and private sector securities declining. Specifically, mortgage loans and government debentures averaged only 2.5 and 1.7 per cent of total assets, respectively. Other loans, treasury bills and private sector securities declined to one, 0.6 and 1.1 per cent of total investment respectively. Foreign sector investment, however, increased to 66.5 per cent in 1993. The proportion of unclassified (fixed and other) assets reached a high of 62 per cent in 1992, but then plummeted to 16.7 per cent in 1993.

After 1993, assets in the form of treasury bills and private sector securities increased in importance. Treasury bills and private securities share of total assets, as Table 2 illustrates, increased by more than seven and nine per cent in 1994 and in the first half of

1995, respectively. Other loans also increased to 4.2 per cent in 1994, but declined to 1.7 per cent by June 1995. Foreign assets share declined to 40.8 per cent in 1994 and further to 36 per cent by mid-1995.

The observed pattern in life companies' preference for foreign investment can be explained by the lack of viable investment opportunities locally - the volume and range of securities are not appropriate to the needs of the insurance industry. To a large extent, this can be attributed to the prevailing macroeconomic environment. During the late 1970s and 1980s, a number of imbalances - fiscal and external deficits, huge debt overhang, declining real rates of economic growth, accelerating rates of inflation and serious over-valuation and large devaluation/depreciation of the Guyanese dollar - accumulated. These transformed into a severe economic crisis that lingered until the first few years of the 1990s. What ensued was a highly unstable macroeconomic environment characterised by financial sector distress as asset values declined. Insurance is a high-risk business and hence insurance companies operating in an unstable macroeconomic environment exhibit strong preferences for dated investment instruments, capital-certain securities and other instruments that serve as a hedge against risk. In this regard, the preference of locally-based insurance companies to invest in foreign assets that provide certainty value can be interpreted as extreme risk aversion.

To a significant degree, inappropriate government policies have contributed to the inability of the local capital markets to provide a sufficient volume or range of investment required by life companies. Specifically, the economic policies followed prior to 1989 were linked to the doctrine of "Co-operative Socialism", and led to state ownership and control of approximately 80 per cent of economic activities. This constrained the dimensions of

equity market activities since the private sector was small and hence, offered a low number of share issues to investors. Moreover, the equity market was used only marginally to channel resources to the productive public sector as is reflected in the securities holdings of life insurance companies.

Taxation policies have also adversely affected the provision of viable investment opportunities by discriminating against equity market growth. Specifically, prior to 1992, there was multiple taxation of dividend income. Corporate profits were subjected to corporation tax and then, if paid as dividends, to both withholding taxes and personal taxation at the rates applicable to individual shareholders. In view of the fact that the pretax rates of corporate profit have been very low in Guyana (World Bank, 1993a), equity shares have obviously been unable to compete seriously with interest rates on safe assets, such as treasury bills and certificate of deposits, especially after 1988 when interest rates more than doubled.

Prior to 1994, interest rate policy was also counterproductive vis-a-vis the provision of viable investment outlets through the equity and money markets. Interest rates set by the government were often negative in real terms (due to high inflation rates), and affected the growth of equity markets as the private sector could not compete with the "cheap" resources provided by the banking system. Specifically, the low/negative real interest resulted in both state and privately owned entities utilising bank borrowing as the primary source of financing.

Interest rate controls have had other adverse consequences for investment outlets. The

Rate of Interest Act (No. 15 of 1989) which prescribed the maximum rate of interest on any contract or transaction after March 1989 has served as a disincentive to investment by life insurance companies in domestic mortgages. Specifically, insurance companies were allowed a maximum rate of interest per annum of 22.5 per cent, four to eight per cent less than the interest rate payable on small savings between 1989 and 1991. The lower yields on this form of investment explain the significant decline in life companies' investment in mortgage loans in relative terms after 1989.

Foreign exchange policies have also resulted in a shortage of viable local investment outlets. Overvalued exchange rates and stringent exchange rate controls led to the growth of a parallel foreign exchange market and distorted financial prices, discouraged financial intermediation, and contributed to capital flight during most of the 1980s and first few years of the 1990s.

After 1993, however, there was a change in the investment portfolio of life companies. There has been an increasing preference for local private sector security holdings and treasury bills, largely as a result of the changing macroeconomic environment and the availability of viable or profitable investment outlets. The resumption of sustained rapid real economic growth, averaging more than seven per cent annually between 1991 and 1994, lower rates of inflation (eight per cent in 1993), reduced fiscal and external deficits and stable foreign exchange rates, combined with liberalisation of the economy, have restored confidence in local investment.

The fundamental shift in development strategy to a market- oriented economy in

1989, provided the incentive framework for the expansion of capital market instruments. Specifically, deregulation and liberalisation of the economy and recognition of the private sector as the engine of growth have caused the corporate sector to step up its efforts to raise additional resources for the capital market by way of new issues. The issues market has been further expanded by divestment of government's shareholdings in various entities. Further, the growth of the equity market was encouraged by the establishment of a call exchange in 1993. This call exchange is seen as the first step towards a full-fledged stock market. Its purpose is to foster orderly development of the market, protect investors and to exchange information relating to the purchase and sale of stocks. Tax reform has also boosted equity investment opportunities. In 1994, double taxation of company dividends was eliminated, making equity shares very competitive vis-a-vis interest income from savings deposits and treasury bills, both of which are not tax exempt.

The change in public policy to a market-oriented economy also resulted in an increase in monetary instruments. Specifically, the government has been marketing its own instruments - treasury bills - to absorb excess liquidity. These bills have been marketed at the central bank - administered free auctions held every fortnight. Bills of three, six and 12-month maturities are offered. With the returns on these bills market-determined, they have provided a viable investment outlet for investors as reflected by the recent importance of treasury bills in insurance companies' investment portfolios.

6.0 Policy Recommendations

The above analysis suggests that the declining growth in life insurance savings can be explained by low levels of income, increase in the popularity of the social security scheme (NIS), the adverse impact of unsound economic policies, high operating expenses, decline in the number of policies in force, changes in composition of life policies and structural factors. While it is obvious that a growth in life insurance savings is linked to the growth in national income, it is equally important that life insurance companies tackle head-on, the operational and structural problems besetting the industry in relation to the mobilisation of savings. In this regard, improvement in administrative/management efficiency to make life insurance a viable form of savings through the provision of improved products, lower premiums and competitive rates of return, is imperative. Recognising this need for improved products, two of the leading life companies recently introduced investment-linked insurance, with returns tied to the performance of the invested funds. While this is a positive step towards enhanced savings mobilisation, continuous improvement of products and efficiency are critical for the expansion of coverage and the growth of life insurance savings. Increased competition and consumer awareness are therefore essential, and will require an improved information system.

The rate of investment returns are equally important for the growth and development of the life insurance sector. It is therefore important that steps are taken to provide a sufficient volume and range of investment instruments appropriate to the needs of this sector. One prerequisite, in this regard, is an improvement of the macroeconomic environment through the removal of obstacles to the development of different instruments. Tax policies

will have to be further reformed to allow for symmetric tax treatment of financial instruments. Further interest rate liberalisation is also required. These measures have already been initiated by authorities but need to deepened and consolidated.

Stimulation of the money and equity market is also very important for the development of new instruments. The primary money markets are very large relative to the overall financial system and need stimulation measures to develop an active secondary market. In this respect, the authorities need to make available local short-term assets of different terms, quality and yield as well as more treasury bills through more frequent auctions. The domestically oriented money market will undoubtedly require the support of the central bank not only in rediscounting bills, but also through its participation in the market.

In spite of the recent successful public offerings by a few companies and the commitment by leading private entities to make the equity market a more significant channel of investment resources through the establishment of the call exchange, significant development of the equity market is not likely to happen in the near future. In the absence of a securities exchange commission, appropriate legislation, and other direct government actions to encourage trading by interested parties, the central bank with its technostructure can encourage trading by providing the basic infrastructure of trading facilities. It can also foster public confidence by exerting an informal capital issues control so that companies proposing to offer shares for public subscription must first discuss the terms and timing of the issues with the central bank. The central bank must be actively involved in the securities market.

Equity market activities can also be influenced by legislation. The Insurance Act of 1970, which requires insurance companies operating in Guyana to keep 90 per cent of the assets of their insurance funds in local investment, needs to be revised and enforced. The lack of both short and longer-term financial instruments in Guyana suggests that investment regulations should be modified to ensure that insurance companies invest their assets prudently. This will require regulations to place maximum limits on individuals permissible holdings. Further, investment in overseas assets should be encouraged to allow for diversification of risk and to institutionalise capital flight. However, there should be a limit to overseas investment so that the local markets are not deprived of the beneficial effects of the increased availability of long-term funds (Vittas, 1992). Legislation can also be instituted to permit commercial banks to invest a portion of their statutory liquid reserves as securities in private companies as well as in approved government securities.

There is little doubt that with appropriate investment regulations, life insurance companies can play a major role in mobilising long-term financial resources as well as capital market development by providing an effective demand for viable investment instruments. It is necessary, however, that the institutional capacity to enforce the Insurance Act is properly developed.

7.0 Concluding Remarks

Life insurance business in savings mobilisation has been declining in importance in Guyana over the last decade. Sustained high growth in real income, reasonable macroeconomic stability, financial liberalisation and provision of improved insurance products in recent years suggest that the role of life insurance companies in savings mobilisation will increase in the future. Their success, however, will depend on the strengthening of management capability to increase efficiency and provide improved products with competitive rates of return in order to make life savings a viable substitute form of savings.

Provision by the local capital market of a sufficient volume or range of investment suited to the needs of insurance companies and with competitive interest rates vis-a-vis foreign securities, is critical for the growth and development of the industry. The development of financial institutions and infrastructure are therefore critical in initiating and developing new products and facilities to meet the needs of the sector.

Given the underdeveloped state of financial institutions and lack of effective financial infrastructure in Guyana, it is imperative for the central bank to play a proactive role (beyond the role of prudential regulator) in promoting the development of institutions, markets and arrangements to enhance financial and economic development. In this regard, life insurance companies can play an important role. Their success, however, will depend on the effectiveness of the institutional capacity to enforce the relevant investment regulations of insurance companies operating in Guyana.

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APPENDIX A

Table 1
Selected Indicators of Life Insurance Companies in Guyana

	1980-1995	1985-1990	1990-1994
Growth in Life Policies	-27.0%	0.5%	-2.1%
Growth in Real Premium Income	-46.2%	46.0%	-27.0%
Growth in Real Life Fund	-32.0%	-2.3%	-33.0%
Growth in Real Assets	-7.0%	24.0%	-35.0%

Source: Insurance Companies, Author's Calculation

Table 2
Asset Structure of Insurance Companies

Assets	1983 to 1989	1990	1991	1992	1993	1994	June 1995
Mortgage Loans	20.0	4.2	2.0	2.0	3.0	4.2	3.9
Government Debentures	12.3	3.7	1.7	1.4	2.3	1.5	1.3
Other Loans	5.4	1.5	0.6	0.8	1.1	4.2	1.7
Banking System (cash deposits)	4.0	5.4	4.6	1.2	5.3	5.0	2.8
Government Treasury bills	6.2	5.1	0.3	0.6	2.7	7.6	9.7
Local Government Securities	0.6	0.9	0.1	0.7	0.0	0.0	0.0
Private Sector Securities	5.0	1.4	0.4	1.1	2.4	7.7	9.6
Unclassified (fixed & other)	22.0	40.0	42.0	62.0	16.7	29.0	34.3
Foreign Assets (deposits & securities)	24.5	37.8	48.3	30.2	66.5	40.8	36.6
Totals	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: Insurance Companies, Author's Calculation

APPENDIX B

Table 3
Selected Economic Indicators

	1980 -1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	June 1995
GDP Growth	-2.9	0	0.6	-3.0	-4.8	-6.0	6.0	7.8	8.2	8.5	5.0
Inflation	18.7	7.9	28.7	40.0	120.0	85.0	70.3	14.2	8.7	16.1	5.0
Public Sector Deficit/GDP	0.0	62.5	39.8	33.1	23.9	29.1	22.4	14.9	14.0	4.0	0.0
Nominal Growth in Money Supply (M2)	19.0	18.0	33.6	37.2	50.3	52.1	72.8	60.4	27.9	17.2	8.2
Real Growth in Money Supply	0.4	-9.4	-3.8	-1.9	-31.7	-17.8	1.5	40.5	17.7	0.9	0.0
Balance of Payments Surplus/Deficit (US$)	-130.9	-136.6	-152.0	-69.3	-187.0	-193.7	-66.0	-39.3	-49.7	-63.9	0.0
Exchange Rate	3.2	4.3	9.8	10.0	27.2	39.5	111.8	125.0	130.0	138.2	143.7
Small saving deposit rate	11.2	11.5	10.9	10.5	31.5	27.5	26.2	16.6	10.6	10.2	11.1
Treasury Bill rate (91 days)	12.4	12.8	10.4	12.6	34.0	28.8	30.9	23.0	18.4	17.9	18.5

Source: Bank of Guyana, Statistical Bulletin and Annual Reports