



**BCEAO**  
BANQUE CENTRALE DES ETATS  
DE L'AFRIQUE DE L'OUEST

**REPORT ON MONETARY  
POLICY IN WAMU**

June 2025



## **RAPPORT SUR LA POLITIQUE MONETAIRE DANS L'UMOA**

**June 2025**

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## ABBREVIATIONS AND ACRONYMS

<b>BCEAO</b>	Central Bank of West African States
<b>BEAC</b>	Bank of Central African States
<b>BoE</b>	Bank of England
<b>BoG</b>	Bank of Ghana
<b>Bps</b>	Basis points
<b>BRVM</b>	Regional stock exchange
<b>CBN</b>	Central Bank of Nigeria
<b>CEMAC</b>	Central African Economic and Monetary Community
<b>CGs</b>	Central governments
<b>CPI</b>	Consumer Price Index
<b>ECB</b>	European Central Bank
<b>ECOWAS</b>	Economic Community of West African States
<b>FAO</b>	United Nations Food and Agriculture Organization
<b>Fed</b>	Federal Reserve System
<b>FOB</b>	Free on Board
<b>GDP</b>	Gross Domestic Product
<b>HICP</b>	Harmonized Index of Consumer Prices
<b>IMF</b>	International Monetary Fund
<b>INS</b>	National Statistics Institute
<b>IPI</b>	Industrial Production Index
<b>LBUBC</b>	Large Businesses Using Bank Credit
<b>MSCI</b>	Morgan Stanley Capital International, stock market benchmark index provider
<b>NEA</b>	Net external assets
<b>NPISH</b>	Non-profit institutions serving households
<b>NYMEX</b>	New York Mercantile Exchange, specializing in energy and metals
<b>OECD</b>	Organization for Economic Co-operation and Development
<b>OPEC+</b>	Organization of the Petroleum Exporting Countries and 10 other oil-producing countries
<b>Pps</b>	Percentage points
<b>REER</b>	Real effective exchange rate
<b>SARB</b>	South African Reserve Bank
<b>SA-WDC</b>	Seasonally Adjusted - Working Day Corrected
<b>SDRs</b>	Special drawing rights
<b>TI</b>	Turnover Index
<b>WAEMU</b>	West African Economic and Monetary Union
<b>WAMA</b>	West African Monetary Agency
<b>WAMU</b>	West African Monetary Union
<b>WTI</b>	West Texas Intermediate, a benchmark for the price of oil on the US market

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## STATEMENT OF CONCLUSIONS

1. On Wednesday, June 4, 2025, the Monetary Policy Committee (CPM) of the Central Bank of West African States (BCEAO) held its second ordinary meeting of 2025 at the headquarters of the Central Bank of West African States in Dakar, Republic of Senegal, under the chairmanship of Dr. Jean-Claude Kassi Brou, Governor of the Central Bank and statutory chairman of the Committee.
2. The Committee reviewed the major trends in the international and regional economy and assessed the risk factors that could affect the medium-term outlook in terms of inflation and economic growth in the Union.
3. With regard to the international economic situation, the Committee noted that in the first quarter of 2025, the global economy was marked by a slowdown in growth in the United States, stability in Europe, and continued momentum in emerging economies. According to the IMF, the economic growth rate is expected to stand at 2.8% in 2025, and 3.0% in 2026. These forecasts are subject to predominantly downside risks, including heightened trade tensions that could potentially lead to a resurgence of inflationary pressures and tighter global financial conditions, geopolitical fragmentation due to the wars in Ukraine and the Middle East, and the growing negative impacts of climate change.
4. Energy prices on international commodity markets rose by 2.4% in the first quarter of 2025, supported by higher global demand for natural gas. Similarly, non-energy prices rose by 1.4%, mainly due to higher prices for fertilizers, agricultural products, and minerals. In the same vein, prices for non-oil commodities exported by WAEMU countries rose by 8.9% in the first quarter of 2025, following a 12.9% increase in the previous quarter. The largest increases were seen in cocoa (+14.8%), coffee (+11.1%) and gold (+7.5%), mainly due to fears of supply shortages and uncertainties arising from trade tensions.
5. Examining the economic situation in the WAEMU Union, the Monetary Policy Committee noted that economic activity continued to progress, with real GDP growth of 7.1%, year on year, in the first quarter of 2025, following growth of 7.2% in the previous quarter. This strong performance was driven in particular by the consolidation of extractive industries. According to the latest BCEAO projections, the Union's economic growth should stand at 6.4% in 2025, after 6.3% in 2024. The Monetary Policy Committee noted, however, that downside risks to the growth outlook remained, linked in particular to less favorable weather conditions than expected and uncertainties stemming from global trade tensions and the security situation in the Sahel.
6. Public finance management in the WAEMU Union during the first quarter of 2025 showed a decrease in the overall budget deficit on an accrual basis, including grants, as it stood at 1,526.7 billion, or 4.2% of the GDP, compared with 1,635.3 billion or 5.1% of the GDP one year prior. Looking ahead, fiscal consolidation is expected to continue, with the overall deficit falling from 3.7% of the GDP in 2025 to 3.2% in 2026.
7. In the first quarter of 2025, the Union's countries' external trade showed an overall balance of payments surplus of 1,176.2 billion, after a positive balance of 8.0 billion recorded in the same period of the previous year. Indeed, with the improvement in the terms of trade and the recovery in oil production in the region, the current account deficit narrowed to 0.1% of the GDP from 7.0% in March 2024, largely offsetting the decline in capital inflows under the financial account (-24.8%). The Committee emphasized that, looking ahead, the continued improvement in the external situation would depend on the performance of the terms of trade, the agricultural sector, and extractive production, as well as on states' access to international capital markets.

8. Monetary conditions eased in the first quarter of 2025, against a backdrop of improved bank liquidity. The average interbank interest rate stood at 6.0%, down 10 basis points. The average lending rate on loans to economic operators, excluding taxes and charges, stood at 6.80% in the first quarter of 2025, compared with 6.97% in the fourth quarter of 2024, a decline of 17 basis points.
9. On the other hand, on the regional financial market, financing conditions for public treasuries tightened in the first quarter of 2025, due in particular to an increase in the sovereign risk premium linked to banks' significant exposure to government securities. The weighted average interest rate on bills, across all maturities, stood at 7.41%, compared to 6.48% the previous quarter. Bond yields remained virtually stable at 7.47%.
10. Bank lending to the economy accelerated year on year to 5.0% at the end of March 2025, after 4.5% at the end of December 2024. Net external assets also increased by 311.0%, compared with 318.5% in December 2024. These developments led to a 12.7% increase in the money supply, after 8.9% three months earlier.
11. The Monetary Policy Committee noted a decline in inflation in the Union, with the inflation rate falling to 2.3% in the first quarter of 2025, after 2.9% in the previous quarter. The drop in inflation reflected an improvement in the supply of products on the markets, a slower rise in the prices of imported products, particularly energy, and the effects of monetary policy measures. Core inflation, which measures the change in overall price levels excluding fresh produce and energy, was 1.3% during the quarter, after 2.0% in the fourth quarter of 2024.
12. According to the latest forecasts, inflation is expected to remain within the target range of 1% to 3%, in line with the projected easing in world food and oil prices, as well as an increased supply of local foodstuffs. The annual average inflation rate is expected to stand at 2.2% in 2025. However, the Committee noted that risks of renewed price pressures remained, due in particular to ongoing security issues in the subregion, the impact of climate change, which could reduce domestic food production, and the impact of geopolitical and trade tensions on global energy and food prices.
13. In view of the foregoing, the Monetary Policy Committee decided to lower the BCEAO's key interest rates by 25 basis points with effect from June 16, 2025. The minimum bid rate for liquidity injection tenders was lowered from 3.50% to 3.25%, and the interest rate for the marginal lending window from 5.50% to 5.25%. The required reserve coefficient applicable to the banks of the Union remained unchanged, at 3.0%, the level that has been in force since March 16, 2017.
14. Over the coming months, the Monetary Policy Committee will continue to monitor trends in inflation as well as the economic, financial, and monetary situation, implementing appropriate measures, as needed, to ensure the monetary and financial stability of the Union.

Done in Dakar on June 4, 2025

The Chairman,

Jean-Claude Kassi Brou

## SUMMARY

1. **Global economic activity** in the first quarter of 2025 was marked by a slowdown in the United States, stability in Europe, and strong momentum in emerging economies. According to the latest available data, economic growth in the United States stood at 2.0%, year on year, after 2.5% in the previous quarter. The GDP in the Eurozone grew by 1.2%, the same rate as in the final quarter of 2024. In emerging countries, China experienced 5.4% growth in the first quarter of 2025, the same rate recorded over the previous quarter. In South Africa, production rose by 1.1% in the first quarter of 2025, following growth of 0.9% in the previous quarter.
2. **Inflation was down in most regions of the world** over the first three months of 2025. In the United States and the Eurozone, the inflation rate was 2.3% and 2.2%, respectively, in March 2025, compared with 2.6% and 2.4% in December 2024. In emerging economies, the overall price level in China dropped slightly by 0.1% compared with a rise of 0.1% in December 2024. In South Africa, inflation fell to 2.7%, from a level of 3.0% three months earlier. In the West African subregion, inflationary pressures eased somewhat in Nigeria (24.2% in March 2025 versus 34.8% in December 2024) and Ghana (22.4% in March 2024 versus 23.8% in December 2024).
3. On the **commodity markets**, global energy prices rose by 2.4% in the first three months of 2025, supported by strong worldwide demand for natural gas and a slight recovery in crude oil prices driven by stimulus measures in China. Non-energy prices rose by 1.4%, mainly due to higher prices for fertilizers, agricultural products, and minerals. Similarly, prices for non-petroleum commodities exported by WAEMU countries rose by 8.9% in the first quarter of 2025, after rising by 12.9% a quarter earlier. The largest increases were in cocoa (+14.8%), coffee (+11.1%), and gold (+7.5%), mainly due to fears of supply shortages and uncertainties arising from trade tensions.
4. **International monetary and financial conditions** in the first quarter of 2025 were marked by a reduction in short-term rates and an increase in long-term yields. The downward trend in short-term rates was sustained by the easing of central bank monetary policies, supported in particular by disinflation cycles. In the United States, the overnight bank funding rate, which is the main benchmark rate on the interbank market, eased to 4.33% in the first quarter of 2025, after standing at 4.66% in the fourth quarter of 2024 and 5.33% a year earlier. In the Eurozone, the benchmark interbank market rate (€STR) averaged 2.71% in the first quarter of 2025, compared with 3.20% a quarter earlier. However, high levels of sovereign debt, combined with significant global uncertainty exacerbated by trade tensions and the downward revision of global growth prospects, contributed to increases in the countries' 10-year benchmark bond yields. Over the same maturity, increases in yields reached 24.3 basis points (bps) in France and 29.5 bps in Germany. In the United States, yields on 10-year US government bonds rose by a quarterly average of 10.7 bps in the first quarter of 2025, compared to the fourth quarter of 2024. On the foreign exchange market, the euro depreciated overall by 0.6% quarter on quarter, compared to other major foreign currencies, following a 1.2% drop in the final quarter of 2024.
5. The latest quarterly GDP estimates **in WAEMU** showed faster economic growth in the Union in the first quarter of 2025, with year-on-year growth of 7.1% in the real GDP, after 7.2% in the previous quarter. This trend was supported by growth in value added across all sectors.
6. The year-over-year **inflation rate** dropped to 2.3% in the first quarter of 2025, from 2.9% in the previous quarter. This decrease was mainly due to the slower pace of price increases in the "Restaurants and Hotels" (-1.0% compared with +4.5% previously) and "Housing" (+0.1% against +2.8%) categories. Core inflation, which measures the change in overall price levels excluding fresh produce and energy, stood at 1.3% during the quarter under review, after 2.0% in the fourth quarter of 2024.

7. **Public finance management in the WAEMU Union** in the first quarter of 2025 showed a decrease in the overall budget deficit on an accrual basis, including grants, as it stood at 1,526.7 billion, or 4.2% of the GDP, compared with 1,635.3 billion or 5.1% of the GDP one year prior. Financing needs were met by mobilizing resources on the regional financial market, on international markets through Eurobond issues, and from external partners. Issuances on the regional public securities market continued to be dominated by short-term instruments (56.0% in the first quarter of 2025, compared with 55.8% in the same period of 2024). The total public debt in the Union stood at 59.0% of the GDP at the end of March 2025, compared with 58.7% the year before.
8. In the first quarter of 2025, **WAEMU Member States' external trade** showed an overall balance of payments surplus of 1,176.2 billion, after a surplus of 8.0 billion in the same period of the previous year. This was mainly due to a significant reduction in the current account deficit (0.1% of the GDP compared with 7.0% in March 2024), the impact of which was partially offset by a decline in capital inflows under the financial account (-24.8%). The improvement in the current account balance mainly reflected improved terms of trade, a pickup in oil production in Senegal and Niger, and a decline in acquisitions of intermediate and capital goods (-4.0%).
9. **Monetary conditions** eased in the first quarter of 2025, against a backdrop of improved bank liquidity. The weighted average interest rate on the interbank market, for all maturities, stood at 6.04%, compared to 6.14% one quarter earlier. On the one-week maturity, the weighted average interest rate reached 6.00%, compared to 6.23% in the previous quarter and 4.21% the year before. The average bank lending rate, exclusive of taxes and charges, was 6.80% in the first quarter of 2025, compared to 6.97% in the fourth quarter of 2024, reflecting a decrease of 17 basis points.
10. On the **regional financial market**, however, financing conditions on the public debt securities market tightened during the first quarter of 2025. The weighted average interest rate on bills rose to 7.41%, compared to 6.48% the quarter before. Bond yields remained virtually stable compared with the previous quarter (7.47% as compared with 7.46%). This trend reflected the rise in sovereign risk premiums due to uncertainties surrounding the security situation in certain Union Member States and banks' persistent high exposure to sovereign risks.
11. The **monetary situation** at the end of March 2025 was marked by year-on-year growth in the money supply, with an increase of 12.7%, versus 8.9% three months earlier. This acceleration was driven by continuing growth in net external assets (311.0% compared with 318.5% in December 2024) and internal receivables (7.8% compared with 6.5% in December 2024).
12. On the **regional stock market**, activity grew in the first quarter of 2025, with the overall index, the BRVM Composite, up by 6.5% following a rise of 9.5% in the previous quarter. Market capitalization of all listed securities rose by 3.4% on a quarterly basis, following an increase of 2.7% three months earlier. This trend primarily reflected the 12% increase in equity market capitalization, which was partially offset by a slight decrease in bond market capitalization, which rang in at -0.1%. On an annual basis, overall market capitalization was up by 16.5% at end-March 2025.
13. The **economic outlook** remains broadly favorable in the Union, with growth expected to reach 6.4% in 2025 and 6.2% in 2026, following 6.3% in 2024. This trend is expected to be driven primarily by healthy internal demand and extractive production. However, this positive outlook remains dependent on international economic trends, the sociopolitical and security situation in the Union, and climatic factors.
14. **Management of public finance** is expected to result in a gradual reduction in the Union's aggregate budget deficit, which should narrow from 5.2% of the GDP in 2024 to 3.7% of the GDP in 2025, then to 3.2% in 2026. This anticipated reduction in the public deficit should

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result in particular from an increase in the tax burden, which is expected to rise to 15.3% in 2025 and 16.2% in 2026, compared to 14.5% in 2024. At the same time, total expenditure and net lending as a percentage of the GDP are expected to be contained, at 22.0% in 2025 and 22.3% in 2026, after 22.5% in 2024, notably reflecting expected government efforts to rationalize current expenditure. Across the Union, the public debt ratio is forecast to remain virtually stable between 2024 and 2025, dipping from 62.8% of the GDP to 62.7%, before falling to 62.4% in 2026.

15. **The WAEMU Union's external trade** is expected to show a surplus in 2025 and 2026, as in 2024. This trend can be explained by the improvement in the terms of trade, the strong performance of oil and gas exports, as well as in net capital inflows mobilized by member countries. The overall balance of payments should show a surplus of 2,623.4 billion in 2025 and 737.2 billion in 2026, after a deficit of 3,012.7 billion in 2024.
16. The **monetary situation** is expected to show an acceleration in private sector financing, following the slowdown observed in 2024. The rate of increase of loans to the private sector should reach 8.3% in 2025 and 9.1% in 2026, after 4.5% in 2024.
17. In line with the projected easing in world food and oil prices, and expectations of an improved domestic food supply, the average annual inflation rate in the Union is set to decrease gradually, from 3.5% in 2024 to 2.2% in 2025 and 2.3% in 2026.
18. The **balance of risks for inflation forecasts** is skewed to the upside. Risks of higher inflation are linked to the spread of areas of insecurity in the Union and unfavorable climate conditions. Downside risks include a further decline in oil prices, robust supplies, and a depreciation of the dollar, which would lead to lower fuel prices at the pump in the Union.

## 1 - RECENT INTERNATIONAL DEVELOPMENTS

Global economic activity in the first quarter of 2025 was marked by a slowdown in the United States, stability in Europe, and momentum in emerging economies. According to available data, GDP growth in the first three months of 2025 was 2.0% in the United States, compared with 2.5% in the previous quarter. In the Eurozone, economic growth stood at 1.2%, unchanged from the fourth quarter of 2024. In emerging countries, economic activity strengthened over the period. China maintained growth of 5.4% in the first quarter of 2025, while South Africa recorded a rate of 1.1%, compared with 0.9% in the previous quarter.

Disinflation continued internationally in the first quarter of 2025. Price increases slowed in the United States and the Eurozone, with inflation rates at 2.3% and 2.2% respectively in March 2025, compared with 2.6% and 2.4% in December 2024. In emerging economies, prices fell by 0.1% year on year in China, compared with a 0.1% increase in December 2024. In South Africa, the pace of price increases slowed to 2.7%, after 3.0% in December 2024. In the West African subregion, inflation slowed, particularly in Nigeria (24.2% in March 2025, against 34.8% in December 2024) and Ghana (22.4% in March 2025, versus 23.8% in December 2024).

The commodity market experienced an overall upward trend during the period under review. In the first quarter of 2025, energy prices rose by 2.4% quarter on quarter, supported by strong global demand for natural gas and a slight recovery in crude oil prices driven by stimulus efforts in China. Non-energy prices recorded an increase of 1.4%, mainly due to higher prices for fertilizers, agricultural products, and minerals. Similarly, prices for non-petroleum commodities exported by WAEMU countries rose by 8.9% in the first quarter of 2025, after rising by 12.9% a quarter earlier. The largest increases were seen in cocoa, coffee, vegetable oil, and gold prices, mainly due to fears of supply shortages and uncertainties stemming from trade tensions.

International monetary and financial conditions in the first quarter of 2025 were marked by contrasting trends in short-term and long-term rates. The easing of central bank monetary policies in advanced economies, aligned with disinflation cycles, contributed to the downward trend in short-term interest rates. On the other hand, strong global uncertainties, exacerbated by rising trade tensions, stimulated an increase in 10-year benchmark bond yields. On the foreign exchange market, the euro continued to depreciate, losing 0.6% of its value, quarter on quarter, compared to other major foreign currencies, following a 1.2% drop in the final quarter of 2024.

### 1.1 - Economic activity

1. In the **United States**, economic growth rose by 2.0%, year on year, in the first quarter of 2025, down from the level of 2.5% recorded in the previous quarter. This slowdown reflects an anticipation effect leading to a significant increase in imports of consumer and capital goods before the entry into force of the new customs duties, sharply reducing the net contribution of foreign trade. Meanwhile, stronger private investment and household consumption did not fully offset the significant decline in federal spending. The inflation rate, as measured by variation in the personal consumption expenditure (PCE) price index, stood at 2.3% in March 2025, down from 2.6% three months earlier, mainly due to a slowdown in energy price and housing cost increases.
2. In the **Eurozone**, real GDP growth stood at 1.2% year on year in the first quarter of 2025, unchanged from the previous quarter. This reflects the resilience of consumer spending and investment, supported by lower interest rates. Inflation stood at 2.2% in March 2025, down from 2.4% three months earlier, in line with moderate increases in energy and service prices.

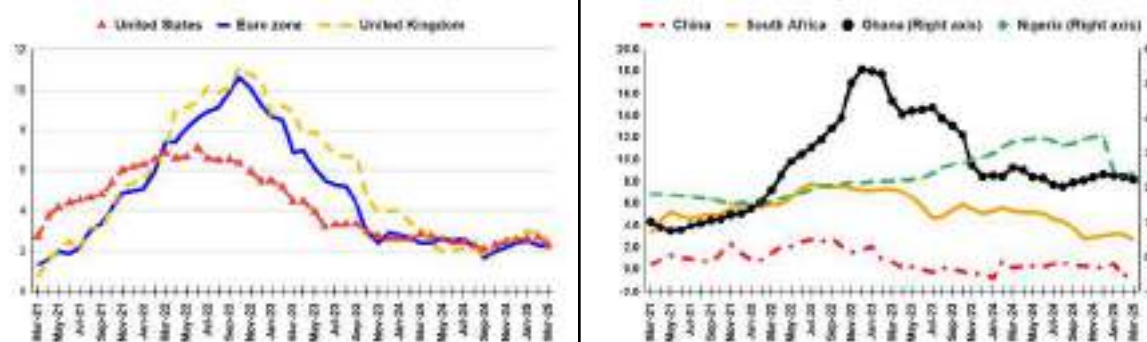
**Table 1 - Year-over-year trends in real GDP growth (%)**

	2023				2023 (over 1 year)	2024				2024 (over 1 year)	202 5
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1
<b>Advanced economies</b>											
United States	2.3	2.8	3.2	3.2	2.9	2.9	3.0	2.7	2.5	2.8	2.0
Eurozone	1.4	0.6	0.0	0.2	0.6	0.5	0.5	1.0	1.2	0.8	1.2
Germany	0.2	0.1	-0.3	-0.2	-0.1	-0.1	-0.2	-0.3	-0.2	-0.2	-0.2
France	1.0	1.3	0.9	1.2	1.1	1.4	1.0	1.3	0.8	1.1	0.8
Netherlands	2.4	-0.5	-0.9	-0.6	0.1	-0.6	0.6	1.9	2.0	1.0	2.2
<b>Emerging economies</b>											
China	4.7	6.5	5.0	4.3	5.1	5.3	4.7	4.6	5.4	5.0	5.4
South Africa	0.5	1.8	-0.9	1.4	0.7	0.5	0.3	0.4	0.9	0.5	1.1
<b>Neighboring countries</b>											
Nigeria	2.3	2.5	2.5	3.5	2.7	3.0	3.2	3.5	3.8	3.4	3.2
Ghana	3.2	2.1	1.9	5.1	3.1	4.9	7.5	7.2	3.6	5.8	3.4

Sources: OECD, Eurostat, IMF, Tradingeconomics, Bloomberg

3. Among the emerging economies, **China** maintained robust economic momentum, with year-on-year growth of 5.4% in the first quarter of 2025, stable compared with the previous quarter. These gains in output were mainly supported by strong export momentum and the effects of fiscal and monetary policy easing. The inflation rate stood at -0.1% in March 2025, down from 0.1% three months earlier, reflecting lower food prices. In **South Africa**, GDP growth reached 1.1% in the first quarter of 2025, up from 0.9% a quarter earlier, driven by robust private consumption amid easing prices. Inflation stood at 2.7% in March 2025, down from 3.2% in February 2025, reaching its lowest level since June 2020, thanks to a sharp decline in fuel prices and a slowdown in food and restaurant prices.
4. In **Nigeria**, the WAEMU Member States' main trading partner within ECOWAS, the

year-on-year economic growth rate is expected to reach 3.2% in the first quarter of 2025, following 3.8% a quarter earlier. Growth was mainly driven by buoyant financial services and telecommunications, despite a slowdown observed in the industrial, agricultural, and oil sectors. The inflation rate stood at 24.2% in March 2025, after 34.8% in 2024. This drop was mainly due to a slowdown in food prices. In **Ghana**, economic activity is expected to slow in the first quarter of 2025, with growth of 3.4%, after 3.6% in the previous quarter. Growth in the first quarter of 2025 was driven by mining and construction. Inflationary pressures subsided slightly. Inflation stood at 22.4% in March 2025, compared with 23.8% three months prior. The downward trend was due to a slowdown in food prices against a backdrop of stability in the national currency, the cedi.

**Graph 1 - Trends in the inflation rate in major partner countries***(change in relation to the same quarter the previous year, as a %)*

Sources: OECD, Eurostat, national statistics institutes, Tradingeconomics

## 1.2 - Monetary and financial conditions

### 1.2.1 - Central bank decisions

5. During the first quarter of 2025, central banks around the world adopted varying approaches to monetary policy. Some maintained the status quo in the face of economic uncertainty and inflation risks, while others continued to apply monetary policy easing amid disinflation and growth risks fueled by trade wars. Other central banks raised their key interest rates to contain inflationary pressures.
6. On March 19, 2025, the **US Federal Reserve (Fed)** kept its key rates within the federal funds rate range of 4.25% to 4.50% in effect since December 2024, due to significant uncertainty caused by the imposition of new tariffs. According to the Fed, the initial upward pressures on inflation brought about by the tariff increases could delay progress in controlling inflation. Accordingly, it raised its inflation forecast for 2025 to 2.7% from the initially forecast level of 2.5%.
7. On April 17, 2025, the **European Central Bank (ECB)** reduced its three key interest rates by 25 basis points, lowering the deposit facility rate, the main refinancing operations rate, and the marginal lending facility rate to 2.25%, 2.40%, and 2.65%, respectively. This further cut came in response to the deterioration in the growth outlook caused by rising trade tensions, against a backdrop of subdued inflation in the Eurozone.
8. At its meeting on May 7, 2025, the **People's Bank of China (PBoC)** kept its main policy rate, the one-year LPR (Loan Prime Rate), at 3.10% but reduced its one-week repo rate (the rate at which it lends cash to commercial banks) to 1.40%, down from 1.50% previously. This decision aims to strengthen bank lending in a bid to support economic momentum against the backdrop of the trade war with the United States. At the same time, it lowered the reserve requirement ratio for banks by 0.5 percentage point. On March 20, 2025, the **South African Reserve Bank (SARB)** suspended its cycle of rate cuts, citing upside risks to inflation linked to global trade tensions. It kept its repo rate at 7.50%, after three successive cuts.
9. On February 20, 2025, the **Central Bank of Nigeria (CBN)** decided to keep its key rate at 27.50%, following a 25 basis point increase in November 2024. This decision took into consideration the appreciation of the naira and the moderate rise in gasoline prices, in a context of improved local food supplies. On March 28, 2025, the **Bank of Ghana (BoG)** raised its key policy rate by 100 basis points to 28.00% due to persistent price pressures and risks surrounding the inflation outlook.

The Central Bank forecasts average inflation at 17.2% in 2025, well above the target range of 6% to 10%.

10. On March 24, 2025, the **Bank of Central African States (BEAC)** lowered the interest rate on tender operations from 5.00% to

4.50% and the marginal lending facility rate from 6.75% to 6.00%. This was its first rate cut since 2023, and it took place against a backdrop of stabilization in the regional macroeconomic environment.

**Table 2 - Summary of actions taken by major central banks**

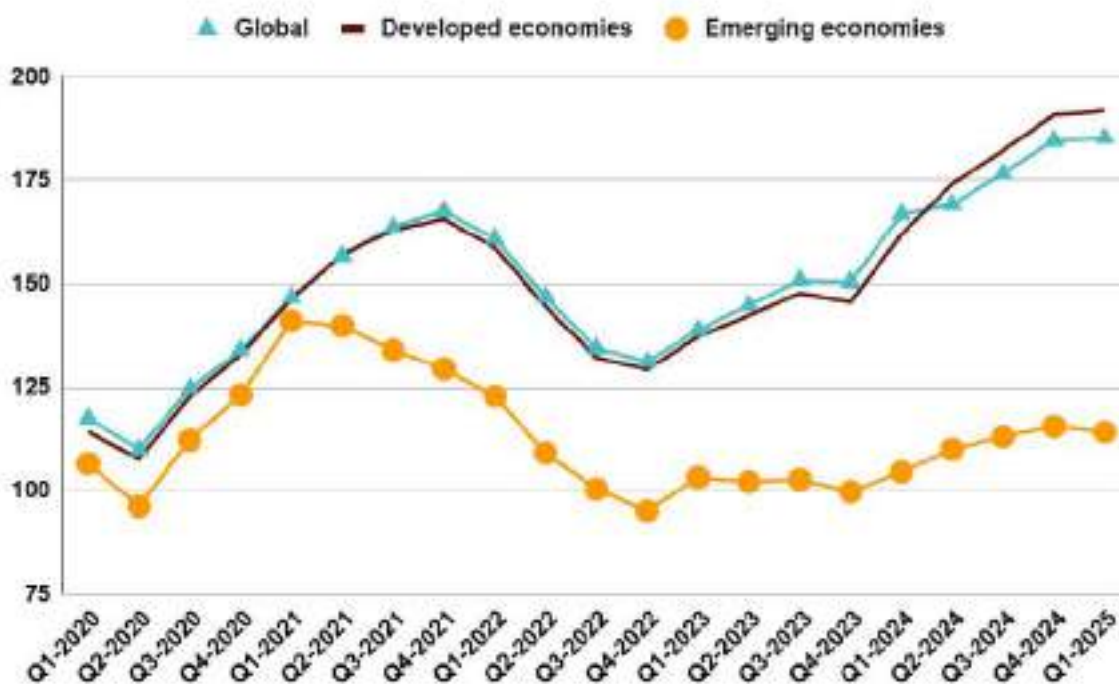
	Variation in the key rate in 2024 (in bps)	Variation in the main key rate since the beginning of 2025 as at April 29 (in bps)	Key rate on April 29, 2025 (%)	Inflation target (%)	March 2025 inflation rate (%)
<b>Advanced economies</b>					
United States	-100	0	{4.25 - 4.50}	2.0	2.4
Eurozone	-135	-75	2.25	2.0	2.2
<b>Emerging countries</b>					
China	-35	0	3.10	3.0	-0.1
South Africa	-50	-25	7.50	{3.0 - 6.0}	2.7
<b>Partner countries</b>					
Nigeria	875	0	27.50	{6.0 - 9.0}	24.2
Ghana	-300	100	28.00	{8.0+/-2.0}	22.4
CEMAC	0	-50	4.50	NA	3.2
<b>WAEMU zone</b>					
WAEMU	0	0	3.50	{1.0 - 3.0}	2.2

Sources: Central banks of the countries concerned and Bloomberg for the inflation forecasts

NA: Not applicable - In accordance with Article 1 of its Articles of Association, the ultimate objective of the BEAC's monetary policy is to guarantee monetary stability, as measured by a low inflation rate and an adequate currency coverage ratio (the minimum threshold is 20%).

### 1.2.2 - Financial conditions

11. International monetary and financial conditions in the first quarter of 2025 were marked by easing in short-term rates and a rise in long-term rates.
12. In the Eurozone, money market rates showed a downward trend, as the European Central Bank lowered its key rates. More specifically, the benchmark overnight interbank rate in the Eurozone, the €STR (euro short-term rate), averaged 2.71% in the first quarter of 2025, as compared with 3.20% a quarter earlier, and 3.91% in the first quarter of 2024. In the United States, the overnight bank funding rate (OBFR), which is the main benchmark rate on the interbank market, fell from 4.66% in the fourth quarter of 2024 to 4.33% in the first quarter of 2025, after 5.33% a year earlier, due to a reduction of the rate of quantitative tightening designed to alleviate bank liquidity pressures.
13. On the equity markets, the MSCI index of developed countries rose by 0.5% in the first quarter of 2025, following a 4.7% increase in the previous quarter. This moderate growth reflects growing concerns about escalating trade tensions, which have led to a deterioration in financial market sentiment. These uncertainties have prompted a downward revision of global growth forecasts. Against this backdrop, the MSCI Emerging Markets Index fell by 1.2%, following a 2.3% rise in the previous quarter. The MSCI Global Index, meanwhile, rose slightly by 0.3%, compared with 4.5% in the previous quarter.

**Graph 2 - Trends in the MSCI indicators<sup>1</sup> (base 100 = 2019)***(change in relation to the same quarter the previous year, as a %)*

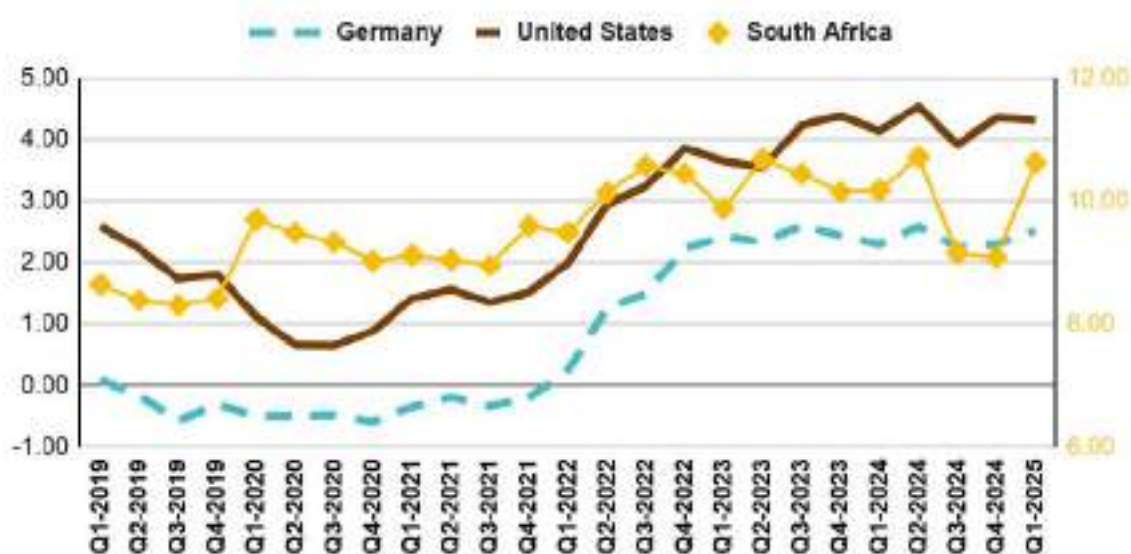
Source: Bloomberg

<sup>1</sup> The MSCI ACWI, or All Country World Index developed by MSCI, tracks 3,000 companies in 50 countries (23 developed countries and 27 emerging countries). There are a number of versions of the index, two of which are widely used. The MSCI Developed Economies Index covers the capitalizations of the 23 economies with the most developed financial markets. Equities listed on US stock exchanges account for 66% of this component. A complementary index, the MSCI Emerging Economies Index, tracks the stock markets of 27 emerging countries.

14. On the bond markets, yields on benchmark 10-year government bonds in the main advanced economies rose in the first quarter of 2025. This change can be ascribed to rising global uncertainty in a context marked by intensifying trade conflicts and downward revisions in growth forecasts. Yields on 10-year US government bonds rose by 10.7 basis points in the first quarter of 2025 compared with the fourth quarter of 2024, reaching 4.45%, after a 43.4 basis point

increase in the previous quarter. In the Eurozone, yields on benchmark 10-year sovereign bonds rose by 29.5 bps in Germany and 24.3 bps in France during the period under review, reaching 2.58% and 3.32%, respectively. In South Africa, yields on 10-year treasury bonds rose by 98.6 bps in the first quarter of 2025 to settle at 10.62%, after falling by 6.6 bps the previous quarter.

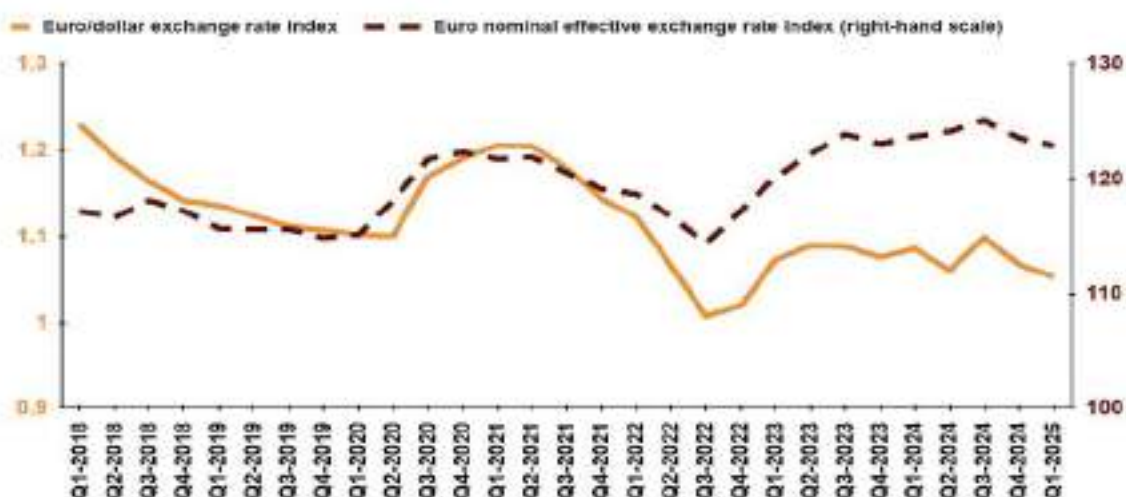
**Graph 3 - Benchmark 10-year bond yields (%)**



Source: Bloomberg, Investing

### 1.3 - Major developments on the foreign exchange market

15. On the foreign exchange market, the **euro** saw a quarterly depreciation of 0.6% overall in the first quarter of 2025, compared to other major foreign currencies, following a 1.2% decrease in the final quarter of 2024. More specifically, the euro weakened against the **US dollar** (-1.4%) and the **Chinese yuan** (-0.2%).
16. On a year-over-year basis, the Eurozone currency depreciated overall by 0.7% in the first quarter of 2025, after gaining 0.4% in the previous quarter. It dropped by 3.1% and 1.9% against the US dollar and the Chinese yuan, respectively.

**Graph 4 - Trends in the euro exchange rate (base 100 = 2013)**

Sources: Banque de France, ECB

17. In the West African subregion, in the first quarter of 2025, the CFA franc depreciated by 6.6% overall on a quarterly basis against the currencies of the other ECOWAS countries, following a 0.3% decrease in the previous quarter, according to the official figures provided by the countries' monetary authorities. The currency of the WAEMU Member States dropped in value against the naira (-7.7%), the cedi (-3.4%), and the Guinean franc (-1.1%). On the other hand, the CFA franc exchange rate rose by 3.6% against the Liberian dollar, 1.4% against the leone, and 0.2% against the dalasi.
18. On an annual basis, the CFA franc strengthened by 14.7% overall against the other currencies in the West African subregion, notably reflecting its appreciation against the cedi (+20.9%), the naira (+13.0%), the dalasi (+4.4%), and the leone (+3.3%). However, the CFA franc experienced drops of 2.1% against the Guinean franc and 0.6% against the Liberian dollar.

**Table 3 - CFA franc exchange rates against other West African currencies**

(Foreign currency units per 1,000 CFA francs)

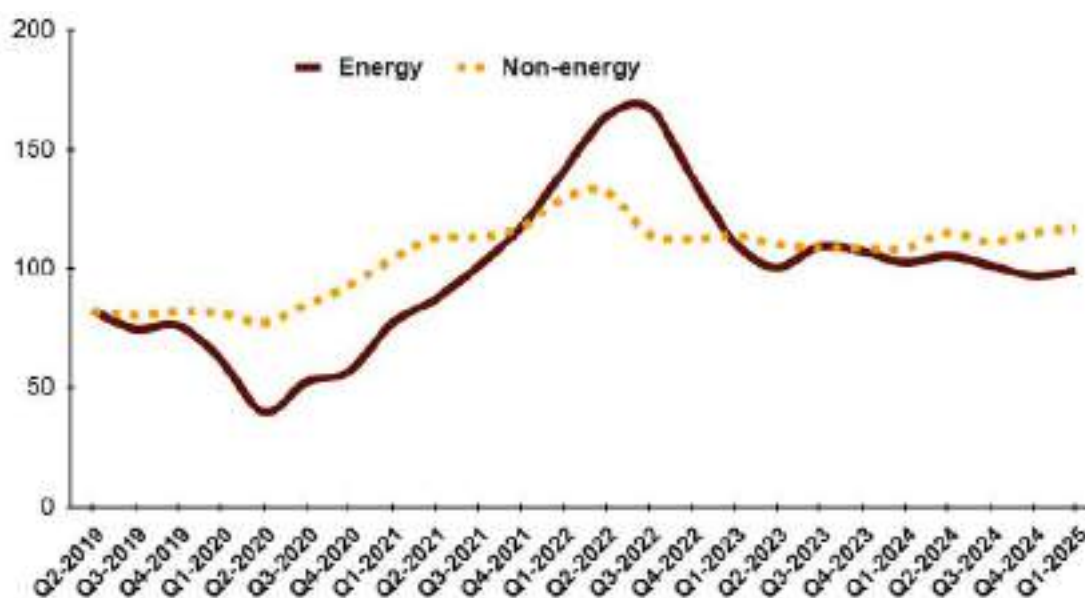
	2024				2025	Variation (%)	
	Q1	Q2	Q3	Q4	Q1	quarterly	annual
Gambian dalasi	109.5	110.6	111.6	114.1	114.3	0.2%	4.4%
Ghanaian cedi	20.3	22.4	25.3	25.4	24.5	-3.4%	20.9%
Guinean franc	14,088.2	13,980.7	14,335.4	13,949.9	13,791.7	-1.1%	-2.1%
Liberian dollar	315.7	316.0	326.4	302.9	313.8	3.6%	-0.6%
Nigerian naira	2,155.2	2,252.2	2,652.9	2,637.6	2,435.8	-7.7%	13.0%
Sierra Leonean leone	26,661.9	26,979.3	26,535.9	27,175.4	27,547.7	1.4%	3.3%
<b>All West Africa (*)</b>	<b>417.0</b>	<b>443.0</b>	<b>513.4</b>	<b>511.9</b>	<b>478.1</b>	<b>-6.6%</b>	<b>14.7%</b>

Sources: WAMA (official central bank data), BCEAO (\*) Index (base 100=2016)

## 1.4 - Commodity prices

19. In the first quarter of 2025, energy commodity prices rose at a quarterly rate of 2.4%, following a drop of 4.4% in the previous quarter. The rise in prices was supported in particular by higher natural gas and crude oil prices. Gas prices rose by 24.2% during the quarter under review, driven by sustained global demand, owing to a harsher winter in the Northern Hemisphere, and higher transportation costs due to insecurity in the Red Sea. Crude oil prices rose by 1.9%, compared with a 6.5% decline in the previous quarter, in line with higher energy demand in China to support the economic recovery driven by its industrial sector. On an annual basis, energy prices fell by 3.2% in the first quarter of 2025, following a 4.4% drop in the previous quarter.
20. Non-energy commodity prices rose by 1.4% in the first quarter of 2025, on a quarterly basis, after increasing by 3.8% in the previous quarter, driven mainly by higher prices for fertilizers (+6.4%), agricultural products (+1.3%), and minerals (+1.3%). Similarly, precious metal prices rose by 6.6%, following a 7.2% increase in the previous quarter.

**Graph 5 - Commodity price indexes** (base 100 = 2010)

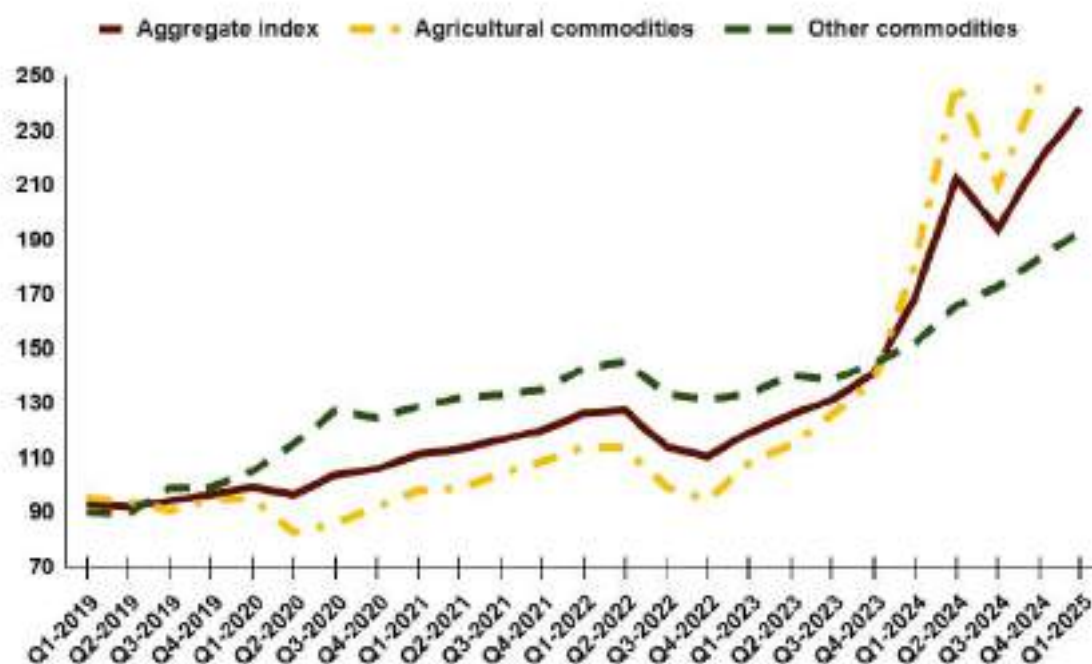


Source: World Bank

### 1.4.1 - Price index<sup>2</sup> of non-petroleum commodities exported by WAEMU countries

21. The price index for non-oil commodities exported by WAEMU countries rose by 8.9%, on a quarterly basis, in the first quarter of 2025, after increasing by 12.9% the quarter before. This mainly reflected higher prices for agricultural products, particularly cocoa (+14.8%), coffee (+11.1%) and vegetable oils (+3.3%), as well as increased prices for precious metals such as gold (+7.5%), fertilizers such as phosphate (+4.9%), and, finally, metals and minerals such as zinc (+0.2%). By contrast, prices for uranium (-13.1%), wood (-9.8%), cotton (-5.4%), and rubber (-1.9%) dropped over the same period.

<sup>2</sup> The index is in foreign currency

**Graph 6 - Price index of non-petroleum commodities exported by WAEMU (base 100=2013)**

Sources: World Bank Commodity Price Data, Reuters, BCEAO calculations

22. The rise in **cocoa** prices was linked to renewed concerns about unfavorable weather conditions in West Africa, which were likely to lead to lower-than-expected harvests, combined with strong demand. The rise in **coffee** prices was mainly due to concerns about insufficient global supply, given the expected decline in production in Brazil, the world's largest producer, which has been affected by weather events. These concerns were also fueled by a shortage of Robusta coffee and harvest delays in Vietnam due to heavy rains. The rise in **palm oil** and **palm kernel oil** prices reflected limited supplies in Southeast Asia, a downward revision of stocks in Malaysia, strong demand linked to Ramadan 2025, and the resumption of purchases by India. The rise in **gold** prices was mainly a result of uncertainties due to trade tensions between the United States and its main trading partners. The improvement in **phosphate** prices was sparked by a limited global supplies and strong demand, particularly in Brazil and India, where stock levels were low. The hike in **zinc** prices was due to supply constraints owing to production cuts by major extractors, particularly in Australia and China, because of scheduled maintenance work.
23. On the other hand, **uranium** prices fell, weighed down by uncertainties about demand and expectations of an abundant supply, founded on the possibility that sanctions on imports from Russia could be lifted. The decline in **cotton** prices was due to sluggish demand combined with abundant global supplies. Improved weather conditions, particularly the easing of drought in some parts of the United States, helped to boost production. The decline in **rubber** prices was mainly due to uncertainties about global economic performance, linked in particular to the slowdown in growth in China and the tariff barriers imposed by the United States, which weighed on the outlook for demand.

**Table 4 - Prices of commodities exported by WAEMU countries**

	Average prices in Q1-2025				Variation compared to Q4-2024		Variation compared to Q1-2024	
	units and value in foreign currency		units and value in CFA francs		foreign currencies	CFA F	foreign currencies	CFA F
Crude oil (NYMEX)	\$/barrel	70.9	mt	315,994.46	1.5%	3.0%	-7.6%	-4.6%
Robusta coffee (ICO)	cents/lb.	268.6	kg	3,691.38	11.1%	12.6%	73.3%	78.8%
Cocoa (ICCO)	cents/lb.	432.0	kg	5,951.13	14.8%	16.3%	64.3%	69.9%
Cotton (NY #2)	cents/lb.	67.7	kg	931.3	-5.4%	-4.1%	-24.8%	-22.4%
Palm oil	\$/metric ton	1,359.06	kg	845.7	7.8%	9.0%	39.5%	43.7%
Palm kernel oil	\$/metric ton	1,865.19	kg	1,162.49	1.9%	3.1%	77.4%	83.0%
Rubber	eurocents/kg	203.8	kg	1,336.79	-1.9%	-1.9%	14.7%	14.7%
Cashew nuts	\$/metric ton	1,787.50	kg	1,114.51	0.0%	1.4%	62.5%	67.7%
Gold	\$/ounce	2,861.55	gram	62,896.81	7.5%	8.9%	38.1%	42.4%
Uranium	\$/lb.	55.0	kg	74,183.33	-13.1%	-17.4%	-29.3%	-26.0%
Phosphates	\$/metric ton	162.5	kg	99.3	4.9%	-0.3%	0.2%	4.8%

Sources: Reuters, BCEAO calculations

#### 1.4.2 - Price index<sup>3</sup> of food commodities imported by WAEMU countries

24. On a quarterly basis, the price index for the main foodstuffs imported by WAEMU countries dropped by 4.4% in the first quarter of 2025, after rising by 1.8% in the previous quarter. This trend reflects lower prices for rice (-7.0%), sugar (-3.8%), milk (-3.3%), and wheat (-0.6%). On the other hand, soybean oil prices rose by 2.5% quarter on quarter.
25. Lower **rice** prices were mainly due to weaker demand in Asia and North America, as well as exceptionally high stock levels in India, which far exceeded the targets set by the Indian government. The decline in **sugar** prices stemmed from a global oversupply, driven by higher-than-expected production in Brazil and favorable harvest conditions in India and Thailand. The optimistic outlook for the next sugarcane harvest in Brazil in April 2025 further contributed to the downward pressure on prices. The drop in **milk** prices was due to lower global demand and increased stocks. The decline in **wheat** prices was due to increased seasonal availability in Argentina and Australia and lower international demand.
26. The rise in **soybean oil** prices was due to the US Department of Agriculture's downward revision of production forecasts and end-of-season stocks in the United States. Harvest delays due to unfavorable weather conditions in Brazil, the world's largest producer, and a reduction in the area under cultivation in 2025 also fueled concerns about global supplies.
27. On an annual basis, the price index for the main food products imported by WAEMU countries dropped by 13.2% in the first quarter of 2025, after falling by 8.2% in the previous quarter. This trend mainly reflected lower prices for rice (-22.3%), sugar (-9.6%), vegetable oils (-6.0%), and wheat (-3.5%). However, it was partially offset by an increase in milk prices (+23.2%).

<sup>3</sup> The index is in foreign currency

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## 2 - AGGREGATE SUPPLY AND DEMAND

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*The latest estimates point to robust economic growth in the Union in the first quarter of 2025, with real GDP up by 7.1% year on year, following an increase of 7.2% in the previous quarter. This trend was driven by the secondary and tertiary sectors.*

### 2.1 - Aggregate supply

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28. Economic activity within the WAEMU Union remained buoyant in the first quarter of 2025, with GDP up by 7.1% year on year, following a performance of 7.2% in the previous quarter. The business climate indicator,<sup>4</sup> which summarizes the views of business leaders, remained above its long-term trend at 100.9 points, up slightly by 0.1 point compared to the previous quarter, reflecting continued confidence in the economic outlook among business leaders.
29. On that basis, carry-over growth, which is an indication of the minimum level of growth likely to be achieved by the end of the year, stood at 4.9% for the first quarter of 2025.
30. Real GDP growth in the Union was driven by a favorable trend in the secondary and tertiary sectors. During the quarter under review, the contribution of the secondary sector stood at 2.6 percentage points, up 0.1 percentage points from 2.5 percentage points in the previous quarter. The contribution of the tertiary sector to growth stood at 2.9 percentage points in the first quarter of 2025, unchanged from the previous quarter. By contrast, the contribution of the primary sector dropped slightly by 0.2 percentage point compared with the fourth quarter of 2024, to stand at 1.6 percentage point.

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<sup>4</sup> The business climate indicator is calculated based on the balance of opinions of business leaders in the major trading sectors. Its average is 100 and standard deviation is 10. A business climate index above 100 indicates that corporate executives' opinion of the long-term outlook is that it will be above average, reflecting a favorable outlook.

**Table 5 - Contributions to GDP growth, year on year (%)**  
(seasonally adjusted and working-day adjusted (SA-WDA) data)

	2023				2024				2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Primary sector	0.4	0.0	0.1	0.6	1.3	1.8	2.0	1.8	1.6
Secondary sector	0.9	1.2	1.1	1.0	1.5	1.7	1.5	2.5	2.6
Tertiary sector	4.0	4.0	4.2	3.7	3.1	2.6	2.6	2.9	2.9
<b>GDP</b>	<b>5.2</b>	<b>5.2</b>	<b>5.3</b>	<b>5.3</b>	<b>5.9</b>	<b>6.1</b>	<b>6.1</b>	<b>7.2</b>	<b>7.1</b>

Source: BCEAO

31. Year-on-year trends in economic activity broken down by country are shown in Table 6 below:

**Table 6 - Trends in the GDP (year-over-year SA-WDC data, in %)**

	2023	2024				2024	2025
		Q1	Q2	Q3	Q4		Q1
Benin	6.4	7.8	7.3	7.4	7.6	7.5	6.6
Burkina Faso	3.0	4.9	5.1	5.2	5.3	5.1	5.0
Côte d'Ivoire	6.5	5.8	5.4	5.7	6.9	6.0	7.0
Guinea-Bissau	4.5	5.1	4.8	4.7	4.7	4.8	4.9
Mali	4.7	5.6	5.1	4.7	4.4	4.9	4.0
Niger	2.6	5.8	10.3	10.1	14.8	10.3	13.4
Senegal	4.3	5.5	6.1	5.4	7.5	6.1	8.4
Togo	6.4	7.4	6.3	6.3	5.1	6.3	5.2
<b>WAEMU</b>	<b>5.2</b>	<b>5.9</b>	<b>6.1</b>	<b>6.1</b>	<b>7.2</b>	<b>6.3</b>	<b>7.1</b>

Sources: National Statistics Institutes, BCEAO

### 2.1.1. Primary sector

32. Value added in the primary sector increased by 6.4% in the first quarter of 2025, compared with the same period of the previous year, as against a rise of 8.5% in the previous quarter. The increase in value added can be ascribed to continued positive trends in livestock breeding, fisheries, and cash crops.
33. Initial harvest estimates for the 2024-2025 crop year, published in March 2025, point to a 3.5% increase in food production in the Union, which is expected to reach 81,696,674 metric tons. This trend reflects increased production of cereals (+976,745 mt, or +3.0 %) and tubers (+657,216 mt, or +2.3%) as well as other staple food crops (+1,107,083 mt, or 6.1%). Compared to the average of the previous five crop years, harvests for the 2024-2025 crop year are expected to be up by 11.6%.

**Table 7 - Trends in food crop production in WAEMU (in metric tons except where otherwise indicated)**

	2020/2021	2021/2022	2022/2023	2023/2024 * (1)	2024/2025 * (2)	Average over the past five crop years (3)	Variation (%)	
							(2)/(1)	(2)/(3)
Cereals	31,460,366	27,294,963	31,898,704	32,558,165	33,534,910	30,701,798	3.0	9.2
Tubers	26,223,933	25,944,245	26,934,859	28,261,916	28,919,132	26,337,331	2.3	9.8
Other crops	16,431,689	15,712,552	18,060,633	18,135,550	19,242,632	16,157,052	6.1	19.1
<b>Total</b>	<b>74,115,988</b>	<b>68,951,760</b>	<b>76,894,196</b>	<b>78,955,631</b>	<b>81,696,674</b>	<b>73,196,181</b>	<b>3.5</b>	<b>11.6</b>

Source: Member States' national agriculture departments, BCEAO calculations

(\*) Estimates

34. Harvests of most export crops are expected to be higher at the end of the 2024-2025 crop

year as compared with the previous year, with the exception of cashew nuts.

**Table 8 - Cash crop production in WAEMU**

	2020/2021	2021/2022	2022/2023	2023/2024 * (1)	2024/2025 * (2)	Average over the past five crop years (3)	Variation (%)	
							(2)/(1)	(2)/(3)
Cocoa	2,189,820	2,244,122	2,375,254	1,840,620	1,910,742	2,179,885	3.8	-12.3
Coffee	106,101	84,312	118,935	73,002	100,533	99,549	37.7	1.0
Seed cotton	1,977,793	2,657,342	1,997,234	1,922,576	1,995,208	2,224,903	3.8	-10.3
Groundnut	4,088,755	3,631,804	3,761,288	4,070,509	4,515,592	3,797,101	10.9	18.9
Cashew nut	1,238,808	1,414,366	1,539,292	1,779,388	1,490,848	1,411,594	-16.2	5.6
Rubber	949,276	1,100,386	1,332,600	1,624,824	1,686,600	1,097,127	3.8	53.7

Source: National marketing authorities

(\*) Estimates at end-April 2025

35. The cocoa supply in the WAEMU Union was estimated at 1,910,742 metric tons during the 2024-2025 season, up 3.8%. This increase was primarily due to a recovery in bean production in Côte d'Ivoire (+3.7%), following reduced harvests in the 2023-2024 season due to excessive rainfall. However, the harvest for the crop year remained below the average level recorded over the last five years, mainly due to unfavorable weather conditions and the persistence of cocoa swollen shoot disease.<sup>5</sup>

53.8% increase in supplies from Côte d'Ivoire, following a 2023-2024 season that suffered from poor rainfall distribution.

36. Coffee production also picked up by 37.7% at the end of the 2024-2025 season, reaching 100,533 metric tons, mainly driven by a

37. The seed cotton harvest was estimated at 1,995,208 metric tons, up 3.8% compared to the 2023-2024 crop year. This strong performance can mainly be ascribed to production in Côte d'Ivoire (+47.3%), Benin (+6.8%), and Mali (5.6%), which offset the drop in Burkina Faso (-29.8%).

38. Groundnut harvests rose by 10.9% to 4,515,592 metric tons, reflecting the favorable spatial and temporal distribution of rainfall in producing countries. Significant increases were recorded in Benin (+65.2%), Niger (+20.5%), Senegal (+10.4%), and Mali (+7.1%).

<sup>5</sup> A viral disease whose only known vectors to date are certain species of mealybugs, cocoa swollen shoot disease causes tissue growth disorders and impedes sap circulation, leading to the death of cocoa trees within a few years.

39. The regional supply of rubber stood at 1,686,600 metric tons, up by 3.8% compared to the previous agricultural season, mainly due to higher numbers of mature trees.
40. On the other hand, cashew production dropped by 16.2%, to stand at 1,490,848 metric tons. The decrease was due to lower harvests in Côte d'Ivoire (-22.9%), Burkina

Faso (-10.1%), and Guinea-Bissau (-1.0%), owing mainly to unfavorable weather conditions in growing areas in Côte d'Ivoire and Guinea-Bissau, and difficulties accessing certain production areas in Burkina Faso due to insecurity. Cashew nut supplies in Benin, however, increased by 2.6% in the 2024-2025 crop year.

### **2.1.2. Secondary sector**

41. During the quarter under review, value added in the secondary sector rose by 12.0% in real terms on an annual basis, growing at a higher pace than in the previous quarter, when growth stood at 11.6%. The business climate indicator for the secondary sector remained above its long-term trend at 100.4 points, up by 0.3 point, reflecting business leaders' continuing confidence in the economic outlook.
42. The industrial production index rose by 14.3% in the first quarter of 2025, following an 8.1% increase in the previous quarter. This trend was driven by the combined effects of consolidation in the extractive, manufacturing, and energy sectors. The

momentum in the extractive sector was fueled mainly by crude oil production in Niger and Senegal, phosphate and limestone production in Togo, and crushed granite production in Benin. In addition, the decrease in gold production observed in Mali in the fourth quarter of 2024, connected with difficulties in bringing operations into compliance with the new mining code, was significantly mitigated this quarter after certain companies achieved regulatory compliance. Momentum in the manufacturing sector was driven by increased food and beverage production, particularly in Benin and Côte d'Ivoire.

**Table 9 - Industrial Production Index (IPI) trends in WAEMU, year on year (SA-WDC data, in %)**

Industries	2024	2024				2025
		Q1	Q2	Q3	Q4	Q1
<b>Extractive activities</b>	<b>18.2</b>	<b>9.3</b>	<b>12.8</b>	<b>18.1</b>	<b>31.8</b>	<b>42.8</b>
<i>Hydrocarbon extraction</i>	317.7	65.3	143.7	394.3	643.3	365.3
<i>Metal ore mining</i>	-7.6	3.2	3.1	-14.4	-21.0	-1.4
<i>Other extractive activities</i>	15.0	20.0	-2.0	16.8	27.1	37.4
<b>Manufacturing activities</b>	<b>1.3</b>	<b>0.2</b>	<b>6.4</b>	<b>0.2</b>	<b>-1.3</b>	<b>3.9</b>
<i>Food manufacturing</i>	6.3	1.4	13.2	7.7	4.0	6.9
<i>Beverage manufacturing</i>	-5.1	-23.0	-13.8	6.5	11.7	32.7
<i>Textile manufacturing</i>	-19.0	-11.0	-37.6	-53.3	5.7	-5.9
<i>Petroleum refining and coking</i>	13.9	12.7	23.9	8.1	12.3	3.5
<i>Chemical manufacturing</i>	-19.7	-8.8	-29.7	-14.9	-23.4	-15.7
<i>Rubber and plastic manufacturing</i>	0.5	45.5	29.5	-30.9	-10.6	-1.5
<i>Production of mineral materials</i>	-2.1	-5.8	-10.9	4.1	6.2	4.9
<b>Electricity and gas production and distribution</b>	<b>-0.3</b>	<b>8.9</b>	<b>-1.9</b>	<b>-7.1</b>	<b>0.4</b>	<b>3.8</b>
<i>Production and distribution of electricity and gas</i>	-0.3	8.9	-1.9	-7.1	0.4	3.8
<b>Water production and distribution, sanitation, waste treatment and remediation</b>	<b>3.8</b>	<b>4.3</b>	<b>4.2</b>	<b>3.7</b>	<b>2.9</b>	<b>0.2</b>
<i>Water collection, purification, and distribution</i>	3.8	4.3	4.2	3.7	2.9	0.2
<b>Industrial Production Index</b>	<b>6.0</b>	<b>3.1</b>	<b>7.6</b>	<b>5.1</b>	<b>8.1</b>	<b>14.3</b>

Source: BCEAO

### 2.1.3 Tertiary sector

43. In the first quarter of 2025, the value added generated by the tertiary sector increased by 5.5%, year on year, against a yearly increase of 5.4% in the previous quarter. The business climate indicator for the tertiary sector remained above the long-term trend, at 101.3 points, reflecting business leaders' optimism regarding the economic outlook, particularly in the market services sector. The indicator was down by 0.1 point, however, compared to the previous quarter.
44. The turnover index for market services (excluding financial services) rose by 6.1% in the first quarter of 2025 compared to the same quarter of the previous year, after a decrease of 0.5% in the previous quarter. This trend was driven primarily by a sharp upturn in activity in the real estate sector, especially in Benin and Senegal. In Senegal
- in particular, the momentum observed reflected the marketing of new residential projects by real estate companies in the first quarter of 2025, following a partial freeze in the second half of 2024.
45. The financial services activity index<sup>6</sup> rose by 15.4% in the quarter under review, compared with 16.0% in the previous quarter, mainly due to a slowdown in banking transaction volumes, especially pertaining to loans.
46. The wholesale and retail trade turnover index rose by 2.1% in the quarter under review, following 4.0% growth in the fourth quarter of

<sup>6</sup> The financial services turnover index is based on the sum of financial intermediation services indirectly measured (FISIM) provided by banks and financial institutions. The FISIM index represents the margin that financial intermediaries earn from managing their customers' loans and deposits.

2024. This slowdown was linked to lower sales of auto parts and accessories in Côte d'Ivoire, Mali, and Senegal, as well as slower auto sales in Benin, Côte d'Ivoire, and Mali.

In addition, a slowdown in the growth of wholesale trade in non-food consumer goods and retail sales of food products was also recorded in the first quarter.

**Table 10 - Year-on-year change in the turnover index (TI) in WAEMU**

	2024	2024				2025
		Q1	Q2	Q3	Q4	Q1
<b>Wholesale and Retail Trade Turnover Index</b>	<b>3.4</b>	<b>-1.1</b>	<b>4.9</b>	<b>6.0</b>	<b>4.0</b>	<b>2.1</b>
<i>Trade and repair of motor vehicles and motorcycles</i>	0.4	-0.5	-5.6	-3.2	11.1	6.9
<i>Wholesale trade and commission trade</i>	6.8	-3.0	12.5	10.3	9.2	1.1
<i>Retail trade</i>	2.9	-0.6	4.3	5.9	2.0	1.8
<b>Market Services Turnover Index</b>	<b>4.7</b>	<b>7.5</b>	<b>7.7</b>	<b>4.8</b>	<b>-0.5</b>	<b>6.1</b>
<i>Transportation and storage services</i>	7.3	10.6	10.7	4.0	4.2	0.5
<i>Accommodations and food services</i>	2.3	0.0	5.7	2.2	1.5	-0.4
<i>Information and communication services</i>	9.6	14.0	22.5	6.9	-2.6	0.6
<i>Real estate services</i>	-9.3	4.2	-3.1	4.0	-25.6	99.1
<i>Specialized, scientific, and technical services</i>	7.4	13.6	1.3	-2.2	15.4	16.2
<b>Financial Services Turnover Index</b>	<b>15.3</b>	<b>13.7</b>	<b>13.9</b>	<b>14.3</b>	<b>16.0</b>	<b>15.4</b>

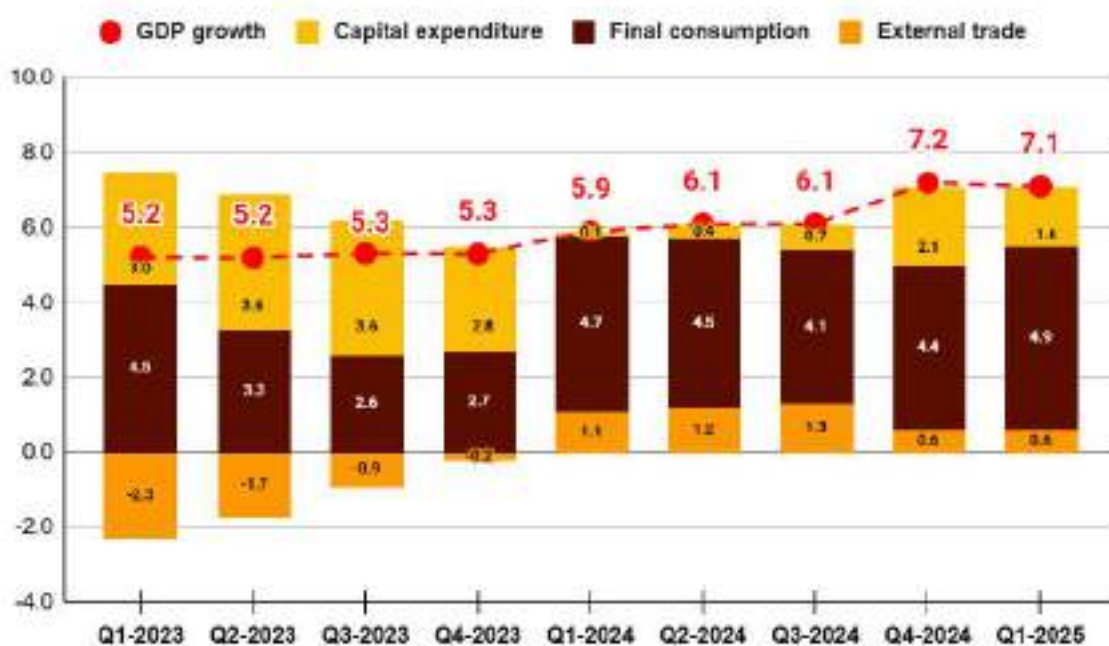
Source: BCEAO

(SA-WDC data, in %)

## 2.2 - Aggregate demand

47. Measured in terms of GDP uses, economic growth in the first quarter of 2025 was largely driven by consumer spending (4.9 points), which rose by 6.1% during the quarter under review, following growth of 5.7% in the fourth quarter of 2024. This acceleration was driven by higher household spending on energy and equipment, as well as on housing maintenance, accommodations, and food services, against a backdrop of slowing inflation.
48. Economic growth was also driven by the external sector, whose contribution stood at 0.6 percentage point, as in the previous quarter, in line with the reduction in the trade deficit following an increase in exports, particularly of petroleum products.
49. The contribution of capital expenditure was estimated at 1.6 pp, compared with 2.1 pps in the previous quarter. Capital expenditure rose by 5.4%, following a 6.7% increase in the previous quarter.

Graph 7 - Contributions of demand items to growth (in % points)



Source: BCEAO

50. For 2024 as a whole, economic growth in the Union was estimated at 6.3%, after a performance of 5.2% in 2023. The tertiary sector, with a contribution of 3.2 pps, remained the main driver of economic growth in the Union, underpinned by robust trade and services. The Union's economic growth was also supported by an upturn in the primary sector, which contributed 1.9 pp, as against 0.3 pp in 2023, owing to increased agricultural production and livestock farming. The secondary sector stood at 1.2 pp, after 1.3 pp in 2023. Extractive industries were buoyed by the start of crude oil production in Senegal and its expansion in Niger for export purposes, as well as by the start of natural gas production in Senegal.
51. According to an analysis of GDP uses, economic growth in 2024 was driven primarily by consumer spending (4.0 points). The positive trend in economic activity was also driven by the external sector, thanks to higher exports due to external sales of crude oil from Niger and Senegal. The contribution of the external sector stood at 0.9 pp, after a negative contribution in 2023 (-1.1 pp). The contribution of capital expenditure was estimated at 1.4 pp, down 2.2 pps, due in particular to the completion of major projects in most of the Union's countries in 2023, such as the work carried out in Côte d'Ivoire to prepare for the Africa Cup of Nations soccer tournament and in Senegal for oil production.

**Table 11 - Trends in gross domestic product growth rates, in real terms (%)**

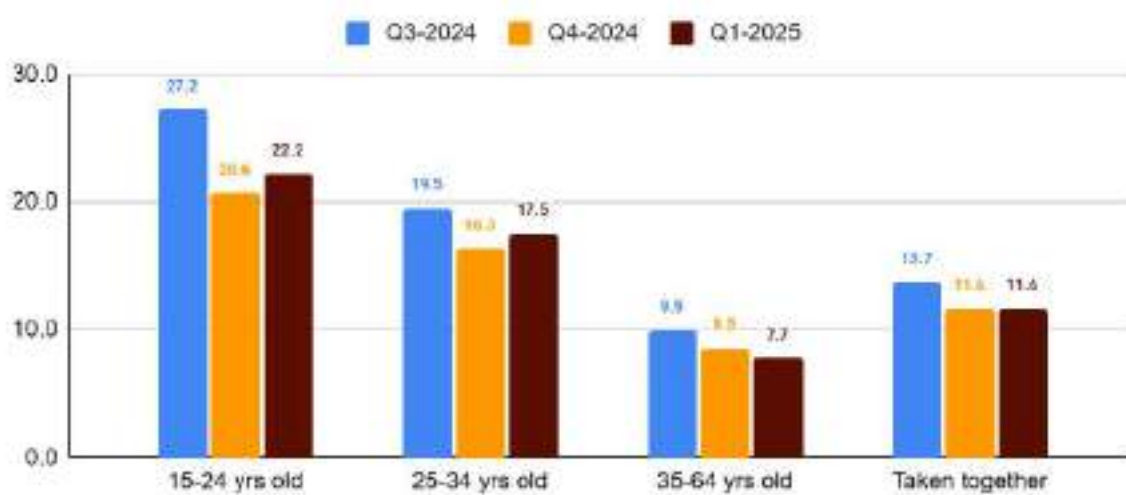
	2022	2023	2024
<b>Primary sector</b>	<b>1.0</b>	<b>0.3</b>	<b>1.9</b>
<b>Secondary sector</b>	<b>0.9</b>	<b>1.3</b>	<b>1.2</b>
<i>incl.: - Manufacturing industries</i>	<i>0.4</i>	<i>0.7</i>	<i>0.4</i>
<i>- Extractive industries</i>	<i>-0.1</i>	<i>0.0</i>	<i>0.8</i>
<i>- Public works and civil engineering</i>	<i>0.4</i>	<i>0.3</i>	<i>0.1</i>
<b>Tertiary sector</b>	<b>3.6</b>	<b>3.6</b>	<b>3.2</b>
<b>Real GDP</b>	<b>5.5</b>	<b>5.2</b>	<b>6.3</b>
<b>Final consumption</b>	<b>4.2</b>	<b>2.8</b>	<b>4.0</b>
<i>Private</i>	<i>3.0</i>	<i>2.3</i>	<i>3.8</i>
<i>Public</i>	<i>1.2</i>	<i>0.5</i>	<i>0.2</i>
<b>CapEx</b>	<b>3.5</b>	<b>3.5</b>	<b>1.4</b>
<i>Private</i>	<i>2.7</i>	<i>2.6</i>	<i>1.0</i>
<i>Public</i>	<i>0.8</i>	<i>0.9</i>	<i>0.4</i>
<b>External sector</b>	<b>-2.2</b>	<b>-1.1</b>	<b>0.9</b>

Sources: BCEAO, National Statistics Institutes

### 2.3 - Labor market

52. Labor market data is derived from household surveys conducted by the BCEAO in the largest urban center of each country in the Union. According to household survey results, the employment rate, defined as the proportion of the working-age population who are employed, stood at 53.7% in the first quarter of 2025, compared with 53.8% in the previous quarter, representing a decrease of 0.1 pp.
53. The unemployment rate<sup>7</sup> in the Union's main conurbations stood at 11.6% in the first quarter of 2025, the same level as in the previous quarter. Compared to the same period a year earlier, the unemployment rate fell by 0.8 pp.
54. Based on the breakdown by gender, the unemployment rate for women was 15.8%, up by 1.2 pp compared to the previous quarter. The rate reported among men fell by 1.0 pp to stand at 7.6%.
55. The breakdown by age showed an increase in unemployment among young people, against a decline among adults over the age of 35. The highest increase was seen in the youngest age group (15-24), (+1.6 pp), followed by 25-34 year-olds (+1.2 pp). Meanwhile, unemployment fell by 0.8 pp among adults aged 35-64.

<sup>7</sup> The unemployment rate is the percentage of unemployed people in the labor force (employed + unemployed). It is measured on the basis of individuals' statements regarding their job status, availability for work, and whether they are actively seeking employment. The scope of the survey was limited to the main urban center in each country of the Union.

**Graph 8 - Unemployment rate by age (%)**

Source: BCEAO

### 3 - RECENT TRENDS IN INFLATION AND COMPETITIVENESS

*The inflation rate in the Union stood at 2.3%, year over year, in the first quarter of 2025, following 2.9% the previous quarter. This slower rise in overall price levels was mainly due to slower growth in the “Restaurants and Hotels” (-1.0% compared with +4.5% previously) and “Housing” (+0.1% compared with +2.8%) components.*

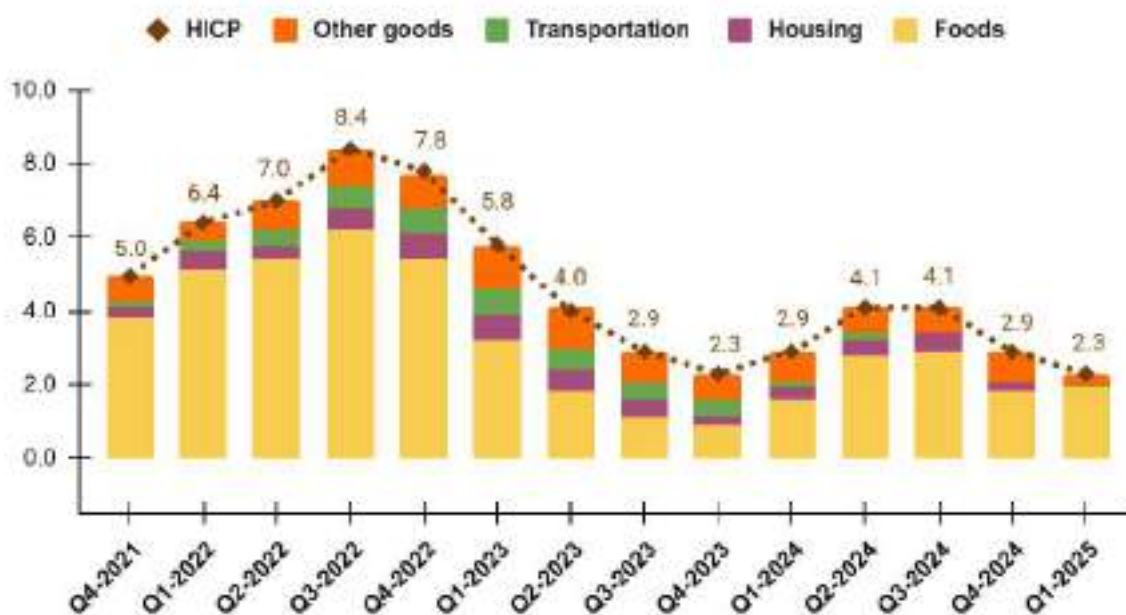
*The real effective exchange rate (REER) fell by 1.3% in the first quarter of 2025 compared to the same period the previous year, following an increase of 4.6% in the fourth quarter of 2024. This trend, reflecting a gain in price competitiveness for the Union, was due to an inflation differential of 3.8 pps in the Union's favor, partially offset by an appreciation of 2.5% in the nominal effective exchange rate.*

*An analysis of the REER misalignment based on the Eba-Lite method developed by the IMF shows that the trend in the REER is compatible overall with the fundamentals of the economy.*

#### 3.1- Recent trends in inflation

56. Inflation analysis used the new Harmonized Index of Consumer Prices (HICP) that took effect in January 2025 (see Box 1).
57. Based on this new index, compared with the same period one year prior, the general price level in the WAEMU Union rose by 2.3% in the first quarter of 2025, compared with a figure of 2.9% in the previous quarter. The drop in inflation was mainly due to price changes in the “Restaurants and Hotels” and “Housing” categories of the index.
58. Prices in the “Restaurants and Hotels” category fell by 1.0% during the quarter under review, after rising by 4.5% in the previous quarter, contributing negatively to inflation (-0.1 pp). More specifically, food service prices remained stable in Benin (+0.0% vs. +3.0% previously), while growth slowed in Senegal (+1.9% vs. +2.2%) and prices dropped in Niger (-16.0% vs. +43.1%) and Côte d'Ivoire (-1.4% vs. +1.2%), in line with increased competition in the restaurant sector.
59. Similarly, price rises in the “housing” category slowed significantly in the first quarter of 2025, with an increase of only +0.1% compared with +2.8% in the previous quarter. The deceleration was due to price decreases for housing maintenance services in Burkina Faso (-9.8% compared with -0.9%), Guinea-Bissau (-9.7% vs. +14.5%) and Benin (-3.7% vs. +1.3%), as well as slower price rises in the category in Côte d'Ivoire (+0.1% vs. +6.6%).
60. These positive developments were partially offset by a 5.2% increase in food prices during the quarter under review, compared with a 3.8% increase in the previous quarter. The increase was driven mainly by higher prices for oils (+5.7% vs. -0.8%), tubers (+6.7% compared with +1.4%), and vegetables (+6.7% vs. -8.3%), offset by a marked slowdown in cereal prices (+2.1% in the first quarter of 2025 vs. +9.5% in the fourth quarter of 2024), due to increased supplies on the markets of the Union's Member States.

**Graph 9 - Contributions to change in the HICP in WAEMU (in pps)**

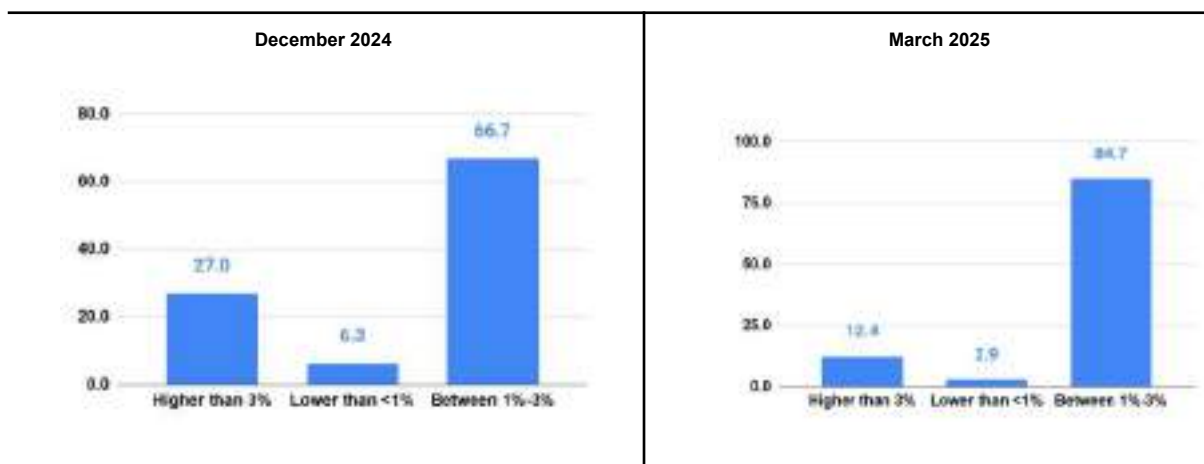


Source: BCEAO

61. The spread of price rises in the economies of the WAEMU Union decreased over the period. The proportion of products that experienced significant growth (more than

3.0%) fell by 14.6 pps to 12.4% in March 2025, compared with 27.0% in December 2024.

**Graph 10 - Proportion of major HICP items with declining (<1%), stable (1%-3%), or rising (>3%) price trends**



Source: BCEAO

62. The breakdown by category revealed a slower rate of increase in goods prices, which stood at +2.9% in the first quarter of 2025, following +3.2% in the previous quarter. Prices for services rose by 1.1%, following a 2.4% increase in the previous quarter, due to a slowdown in prices for housing maintenance services, accommodations, and food services.
63. Core inflation, which measures the change in overall price levels excluding fresh produce and energy, was 1.3% during the period under review, after 2.0% in the fourth quarter of 2024. This drop was linked to slower increases in the prices of certain foodstuffs included in the core index, especially flour, milk, and sugar. Price easing for non-food products included in core inflation mainly applied to food services and housing.
64. Similarly, price rises for fresh produce and energy products slowed in the first quarter of 2025, with respective increases of 4.7% and 1.1%, compared with 5.5% and 2.1% in the previous quarter, in line with the deceleration in prices for food stuffs and petroleum products included in the basket of goods for the index.
65. The lower inflation rate for fresh food products (-1.0 pp) was mainly due to a slowdown in cereal prices (+2.1% vs. +9.5%) and a sharp drop in fresh vegetable prices (-7.9% vs. -4.5%). As for energy products, the slowdown (-1.0 pp) was linked to stable fuel prices in most of the Union's countries, with the exception of Benin, where the authorities updated the pump pricing scheme with effect from January 1, 2025, resulting in a 2.2% increase in the price per liter of gasoline and a 2.9% increase in the price of diesel.

**Table 12 - Trends in inflation and its components**

	Annual variation (%)			Contributions (% points)		
	Q3-2024	Q4-2024	Q1-2025	Q3-2024	Q4-2024	Q1-2025
Fresh produce	8.1	5.5	4.7	2.0	1.3	1.4
Energy	5.5	2.1	1.1	0.4	0.2	0.1
<b>Core inflation</b>	<b>2.5</b>	<b>2.0</b>	<b>1.3</b>	<b>1.7</b>	<b>1.4</b>	<b>0.8</b>
<b>Headline inflation</b>	<b>4.1</b>	<b>2.9</b>	<b>2.3</b>	<b>4.1</b>	<b>2.9</b>	<b>2.3</b>
Food products	6.0	3.8	5.2	2.5	1.4	1.9
Alcoholic beverages	-0.1	3.5	3.2	0.0	0.0	0.0
Clothing	1.4	0.9	1.5	0.1	0.1	0.1
Housing	4.2	2.9	0.1	0.5	0.3	0.0
Furnishings	3.6	3.4	0.7	0.1	0.1	0.0
Health	4.5	3.6	1.3	0.3	0.2	0.1
Transportation	0.5	0.2	1.1	0.1	0.0	0.1
Communications	0.9	0.6	0.9	0.1	0.0	0.1
Recreation and Culture	0.6	0.3	-1.7	0.0	0.0	0.0
Education	0.8	1.4	1.6	0.0	0.0	0.0
Restaurants and Hotels	3.4	4.5	-1.0	0.5	0.6	-0.1
Insurance and Financial Services	0.0	0.0	-0.8	0.0	0.0	0.0
Other goods	2.2	1.7	1.6	0.1	0.1	0.1

Sources: BCEAO, National Statistics Institutes

66. A country-by-country analysis shows price slowdowns in Burkina Faso (+2.0% vs. +4.9% previously), Côte d'Ivoire (+1.0% vs. +2.4%), Niger (+4.1% vs. +4.6%), and Benin (+0.5% vs. +0.8%). On the other hand, price accelerations were recorded in Mali (+8.5% vs. +5.5%), Guinea-Bissau (+6.1% vs. +5.3%), Senegal (+0.7% vs. 0.0%), and Togo (+2.0% vs. +1.4%).
67. In Burkina Faso, the decline in inflation (-2.9 pps) was mainly due to a more moderate increase in food prices (+6.7% after +8.8%), following a drop in vegetable prices (-4.7% after +0.2%), and a slower rise in fresh fish prices (+1.5% after +3.5%). The level of inflation also reflected a sharp decline in the "housing" sub-index (-9.8% compared with -0.9%), driven by lower charcoal prices (-6.7% against +6.3%).
68. The downward trend in inflation in Côte d'Ivoire (-1.4 pp) in the first quarter of 2025 was due to slower price increases in the "housing" (+0.1% after +6.6%) and "restaurants and hotels" (-1.4% after +1.2%) categories. More moderate inflation in the "housing" component can be explained by the contraction in prices for housing maintenance and repair services (-4.9% vs. +3.8%) and the slowdown in charcoal prices (+8.7% compared with +22.9%). The easing of prices in the "restaurants and hotels" component was due to lower prices for restaurant services (-4.6% as against +1.0%) and a slowdown in the costs of accommodation services (+0.2% as against +3.8%).
69. In Niger, the slowdown (-0.5 pp) was driven by lower prices for the "communications" (-7.1% after +4.8%) and "restaurants and hotels" (-16.0% after +43.1%) components. This trend was partially offset by an acceleration in food prices (up 12.0% after +4.9%). Lower inflation in the "communications" component was due to lower mobile service rates (-7.2% after +2.2%). In the "restaurants and hotels" sector, the drop in prices for food and beverage services (-16.1% after +44.3%) also contributed to the trend.
70. The slowdown in inflation in Benin (-0.3 pp) can also be explained by the slower pace of price increases in the "housing" (-3.7% after +1.3%) and "communications" (-3.5% after -1.1%) components.
71. Higher inflation in Mali (+3.0 pps) was ascribable to rising food prices, up by 9.1% after a 6.6% increase in the previous quarter, as well as to the "communications" component, where prices rose by 10.0% after falling by 0.5% a quarter earlier. Similarly, price increases gained momentum in the "furnishings" category, reaching +7.4% after +1.7%. Food price dynamics were driven by higher prices for edible oils (+23.9% vs. +6.6%), tubers (+12.8% vs. -1.4%), and cereals (+11.3% after +15.1%).
72. Resurgent price pressures in Guinea-Bissau (+0.8 pp) followed price increases in the "food products" category, which rose by 16.2% in the first quarter of 2025, after +7.4% previously. The momentum in food product prices resulted from higher costs for cereals (+23.1% after +19.7%), vegetable oils (+2.1% compared with -1.4%), and tubers (+0.6% after -9.6%). Inflation in the country can also be explained by higher prices in the "transportation" component (+1.7% versus +0.3%), due in particular to the rise in the cost of road transportation services (+1.2% against +0.0%).
73. The rise in prices in Senegal (+0.7 pp) was due to higher food prices (+0.9% compared with -0.6%), driven in particular by fresh fish (+16.5% compared with +1.8%), as well as smaller price drops for milk (-2.2% vs. -3.1%) and vegetables (-7.9% vs. -12.7%).
74. Price increases in Togo (+0.6 pp) were driven by higher food costs (+7.8% vs. +3.1%), partially offset by lower transportation costs (-1.6% vs. +0.1%). The trend in food inflation was linked to heightened pressures on vegetable oil prices (+26.0% vs. -1.2%) and tuber prices

(+17.0% vs. +13.1%). The drop in inflation in the "transportation" component resulted from sharp decreases in road transportation prices (-21.4% compared with +2.1%) and

fuel (-11.8% after -1.5%) following the decision by the national authorities to reduce pump prices for gasoline (-3.0%) and diesel (-10.3%) from December 10, 2024.

**Table 13 - Trends in inflation by country (%)**

Countries	2023(*)	2024(*)	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025
Benin	2.7	1.2	-0.3	2.1	2.2	0.8	0.5
Burkina Faso	0.7	4.2	3.2	3.2	5.4	4.9	2.0
Côte d'Ivoire	4.4	3.5	3.5	4.2	3.8	2.4	1.0
Guinea-Bissau	7.2	3.7	2.6	2.9	3.9	5.3	6.1
Mali	2.1	3.2	-0.5	2.1	5.7	5.5	8.5
Niger	3.7	9.1	7.8	13.2	10.9	4.6	4.1
Senegal	5.9	0.8	2.6	1.9	-1.1	0.0	0.7
Togo	5.3	2.9	2.7	3.6	3.8	1.4	2.0
<b>WAEMU</b>	<b>3.7</b>	<b>3.5</b>	<b>2.9</b>	<b>4.1</b>	<b>4.1</b>	<b>2.9</b>	<b>2.3</b>

Sources: BCEAO, National Statistics Institutes

(\*) Annual average

### Box 1 - Improvements in the new Harmonized Index of Consumer Prices (HICP) base 100 in 2023

The WAEMU Commission, with technical and financial support from its partners, has revised its HICP repeatedly since its introduction in 1996 and its adoption in 1998, with a view to maintaining its comparability and statistical quality. After an initial revision of the base in 2008, a second revision was carried out in 2014, extending the geographical coverage of the index to the national level in the Member States, whereas previously it had been limited to the main urban center of each country. The latest overhaul, in 2023, aims to align the HICP with the latest international standards issued by the IMF and to better reflect changes in the consumption patterns of the Union's population in the index. The new index entered into force in January 2025, following its adoption on December 20, 2024, by the WAEMU Council of Ministers.

**The main innovations introduced in the revamp of the HICP base 100 in 2023** focused on bringing it into line with international standards, changing the weighting structure and base year, extending its geographical coverage, increasing the number of products tracked, changing the methodology for calculating basic indexes, and improving the IT tools used to calculate the indexes.

**Alignment with international standards:** the revision of the HICP has brought it into line with the latest international methodological recommendations set out in the IMF's 2020 manual on the calculation of consumer price indexes (CPI). The new classification comprises 13 divisions, compared with 12 previously.

**A new weighting structure and a more recent base year:** the reference period used for calculating the indexes is 2023, reflecting a more recent consumption basket. Weightings were determined based on data from household surveys<sup>8</sup> conducted in each of the eight (8) countries of the Union in 2021. The revision has led to a reduction in the weight of the "Food and alcoholic beverages" category from 42.5%

<sup>8</sup> Under the Program for the Harmonization and Modernization of Household Living Conditions Surveys (PHMECV)

to 38.0% and a near doubling of the weight of the “Restaurants and accommodation services” category from 6.4% to 12.3%. This change reflects a growing trend in the population, with people eating meals outside the home or having food delivered, spurred by the rapid development of delivery services, especially in urban areas.

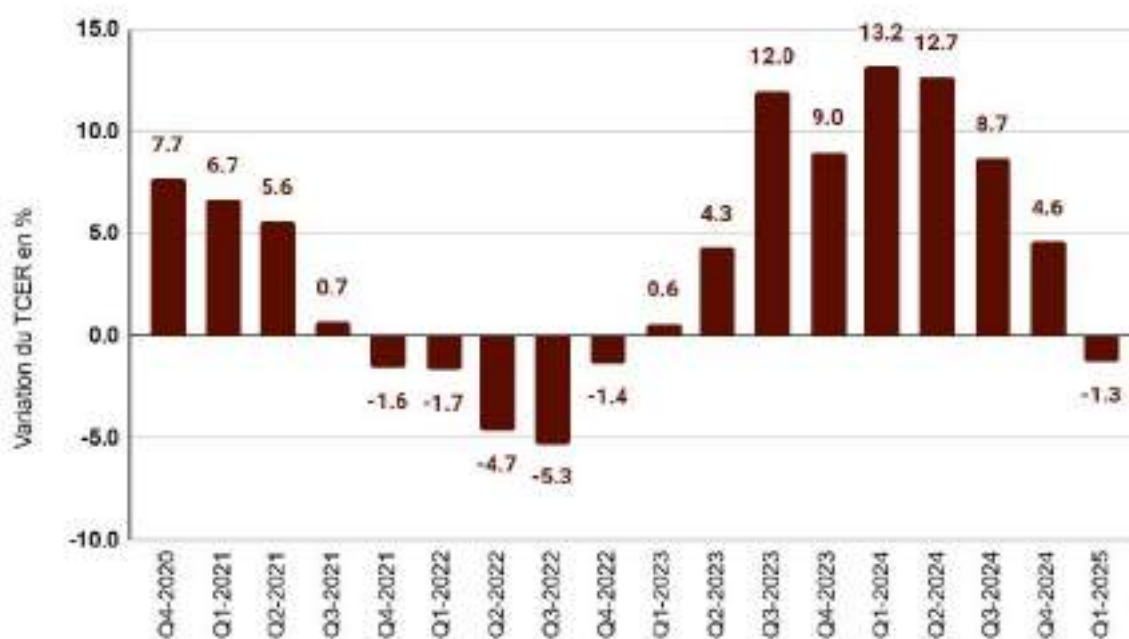
**Expansion of geographical coverage and the number of products monitored:** The overhaul of the index has allowed it to extend data collection to economic regions that were not previously covered, with a view to capturing the diversity of the consumer market. Across the Union, an average of 826 products are now monitored each month, up from 653 previously, representing an increase of 26.5%. In terms of geographical sampling, the number of locations covered by data collection has increased from 39 to 67, representing an increase of 72%.

**A change in the method used to calculate basic indexes:** The geometric mean is now used to calculate the basic price of each type of product, instead of the arithmetic mean. This change, which is in line with the International Monetary Fund's 2020 CPI Manual recommendations, better reflects consumer behavior, particularly the tendency to switch to substitute products when prices rise. As a result, the measured inflation rate is more representative and does not overestimate prices when the consumption of a product declines in response to a price increase. The method is consistent and symmetrical, which are desirable characteristics for price comparisons.

Furthermore, when calculating core inflation, the 20 most volatile items are excluded from the revised HICP base, compared with 17 previously.

### 3.2- External competitiveness

75. The real effective exchange rate (REER) fell by 1.3% in the first quarter of 2025 compared to the same period last year, after rising by 4.6% in the fourth quarter of 2024. This development reflects a gain in price competitiveness for the Union, following the losses recorded in the previous quarters. It can be ascribed to an inflation differential of 3.8 pps in the Union's favor, partially offset by an appreciation of 2.5% in the nominal effective exchange rate.
76. The inflation rate in the Union was 2.3% in the first quarter of 2025, compared with an average of 6.2% in our partner countries. In neighboring partner countries such as Nigeria and Ghana, inflation remained at very high levels during the quarter under review, reaching 24.0% and 23.0%, respectively.
77. The trend in the nominal effective exchange rate in the first quarter of 2025 primarily reflected the year-on-year appreciation of the CFA franc against the Ghanaian cedi (+20.9%), the Turkish lira (+13.6%), and the naira (+13.0%), partially offset by its depreciation against the South African rand (-5.1%) and the US dollar (-3.1%).

**Graph 11 - Trends in the REER** (compared to the same period one year prior)

Source: BCEAO

(-) gain in competitiveness and (+) decreased competitiveness

78. An analysis of the REER misalignment based on the Eba-Lite method (see Appendix, Box E1) developed by the IMF shows that the trend in the REER is compatible overall with the fundamentals of the economy. The REER

gap, which measures the difference between the REER and its equilibrium value, is estimated at -4.6% and remains within the Fund's target range of -5 to 5.

**Table 14 - Trends in competitiveness by partner group (%)**

	Year		Quarterly variation				Annual variation			
	2023	2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025(*)	Q2 2024	Q3 2024	Q4 2024	Q1 2025(*)
Developed countries	0.1	1.0	1.8	1.2	-2.0	-1.4	1.7	1.9	0.2	-0.5
Eurozone	-1.1	0.8	1.2	1.3	-1.3	-1.2	1.3	1.5	0.4	-0.1
Neighboring countries	19.6	48.5	0.5	9.6	-8.1	-1.1	67.5	43.4	28.2	0.1
Asian countries	8.0	3.2	-0.3	-0.1	-5.1	2.6	3.1	0.8	-1.9	-3.0
EU countries	-1.1	0.5	1.2	1.2	-1.5	-1.2	1.2	1.4	0.0	-0.3
Emerging countries	8.9	2.3	-0.9	0.3	-4.6	1.6	2.0	0.1	-2.3	-3.7
CEMAC	-1.6	-1.0	2.5	0.3	-2.5	-2.5	-0.4	-0.3	-1.6	-2.3
<b>All</b>	<b>6.6</b>	<b>9.7</b>	<b>0.7</b>	<b>2.6</b>	<b>-4.1</b>	<b>-0.4</b>	<b>12.7</b>	<b>8.7</b>	<b>4.6</b>	<b>-1.3</b>

Source: BCEAO

(\*) Estimates (+) Increase in the REER or decrease in competitiveness

(-) Decrease in the REER or gain in competitiveness

## 4 - TRENDS IN PUBLIC FINANCE

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*According to available estimates, budget management in the first quarter of 2025 resulted in a decline in the budget deficit, linked to a more significant increase in budget revenue and grants than in public expenditure and net loans.*

*Growth in revenue, mainly driven by tax resources, reflected the strong momentum of economic activity in the Union. The increase in expenditure was mainly due to the continuation of development programs and projects, as well as higher current expenditure linked to recruitment and promotions in the civil service, increased transfers and subsidies, and higher interest on public debt. Against that backdrop, the overall deficit, on an accrual basis, including grants, stood at 1,526.7 billion at the end of March 2025, compared with 1,635.3 billion a year earlier.*

*The public deficit was financed, among other things, by raising resources on the regional financial market and from external partners. To cover their financing needs, Member States also raised resources on the international capital markets, particularly through the issuance of Eurobonds for a total amount of 1,604.0 billion.*

### 4.1 - Revenue and grants

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79. Budgetary revenue totalled 5,568.0 billion at the end of March 2025, up 692.4 billion, or 14.2%, compared to the same period during the previous year. This trend was primarily driven by higher tax revenue, which increased by 667.4 billion or 15.6% to reach 4,942.9 billion, linked in particular to a strong economic performance and tax reforms<sup>9</sup> implemented in several Member States with support from the IMF.
80. Grants rose slightly by 1.5% to reach 109.7 billion at the end of March 2025.

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<sup>9</sup> The reforms included the broadening of the tax base and the digitalization of tax administration.

**Table 15 - Financial transactions of WAEMU Member States** (in billions, unless otherwise indicated)

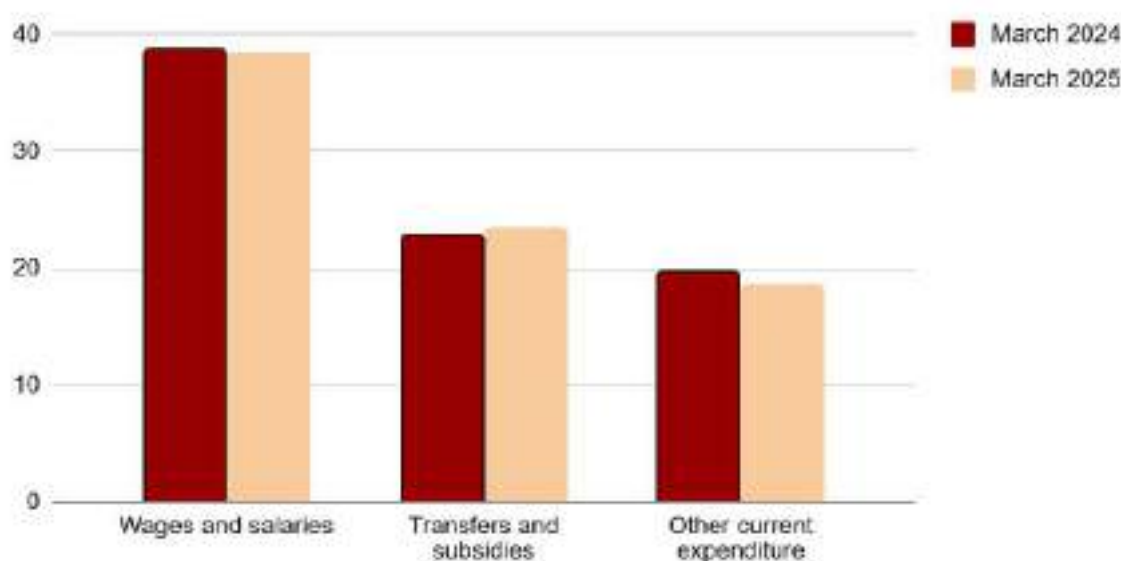
	March 2024 (1)	March 2025* (2)	Gap (2) – (1)	
			in billions	in %
<b>Budgetary revenue and grants</b>	<b>4,983.7</b>	<b>5,677.7</b>	<b>694.0</b>	<b>13.9</b>
(% of GDP)	15.5	15.6	-	-
<b>Budgetary revenue</b>	<b>4,875.6</b>	<b>5,568.0</b>	<b>692.4</b>	<b>14.2</b>
Fiscal revenue	4,275.5	4,942.8	667.4	15.6
(% of GDP)	13.3	13.6	-	-
Other revenue	600.1	625.2	25.0	4.2
<b>Grants</b>	<b>108.1</b>	<b>109.7</b>	<b>1.6</b>	<b>1.5</b>
<b>Total expenditure and net loans</b>	<b>6,619.0</b>	<b>7,204.3</b>	<b>585.3</b>	<b>8.8</b>
(% of GDP)	20.6	19.8	-	-
Current expenditure	4,727.8	5,116.1	388.3	8.2
including payroll	1,831.9	1,959.9	128.0	7.0
grants and transfers	1,078.2	1,195.6	117.4	10.9
interest on the debt	888.9	1,015.1	126.2	14.2
Capital expenditure	1,491.5	1,630.0	138.5	9.3
(% of GDP)	4.6	4.5	-	-
Other expenditure	402.0	462.0	60.0	14.9
<b>Net loans</b>	<b>-2.3</b>	<b>-3.7</b>	<b>-1.4</b>	<b>59.3</b>
<b>Balance, accrual basis (including grants)</b>	<b>-1,635.3</b>	<b>-1,526.7</b>	<b>108.7</b>	<b>6.6</b>
(% of GDP)	-5.1	-4.2	-	-
<b>Balance, cash basis (including grants)</b>	<b>-1,409.2</b>	<b>-1,526.7</b>	<b>-117.5</b>	<b>-8.3</b>
(% of GDP)	-4.4	-4.2	-	-

Sources: National departments, BCEAO

(\*) Estimates

#### 4.2 - Total expenditure and net loans

81. Net expenditure and loans amounted to 7,204.3 billion at the end of the first quarter of 2025, an increase of 585.3 billion or 8.8% over March 2024. This trend can be attributed to growth in both capital expenditure (+9.3%) and current expenditure (+8.2%).
82. The increase in capital expenditure reflected the continued implementation of projects included in the Member States' development plans.
83. Growth in current expenses was due to interest payments on public debt (+14.2%), payroll costs (+7.0%), and transfers and subsidies (+10.9%). The rise in the wage bill reflected the financial impact of new recruitments and promotions in the civil service, among other things.

**Graph 12 - Trends in the structure of current expenses (%)**

Sources: National departments, BCEAO

### 4.3 - Budgetary balance and financing

84. In view of the above developments, the budget deficit on an accrual basis, including grants, decreased by 108.7 billion to stand at 1,526.7 billion at the end of March 2025, or 4.2% of the GDP. It was 1,635.3 billion in March 2024, representing 5.1% of the GDP.

To cover their financing needs, the Member States of the Union have drawn on the regional financial market, international capital markets, and financial assistance from external donors, among other sources.

#### 4.3.1 - Issues on the regional public securities market

85. Resources raised by WAEMU Member States on the regional public debt market during the first quarter of 2025 totaled 3,275.0 billion, up 1,264.4 billion compared with the first three months of 2024. Treasury bill issues continued to dominate the structure of debt financing, accounting for 56.0% of the total, compared with 55.8% in the same period in 2024.

period, followed by issues with 3-month maturities (287.5 billion or 15.7%) and 6-month maturities (253.3 billion or 13.8%).

86. In the Treasury bill segment, Member States raised 1,833.5 billion as at the end of March 2025, compared with 1,121.4 billion over the same period of the previous year. Issues with 12-month maturities were the most sought-after, with a total volume of 1,292.7 billion, or 70.5% of bills issued over the

87. National treasuries raised 1,441.5 billion through the bond segment in 2025, compared to 889.2 billion the previous year. The total amount of bonds issued by auction stood at 1,136.6 billion, or 78.8% of the total value of bonds, while bonds issued by syndication stood at 304.9 billion, or 21.2% of the total value for all bonds. Bond issues can be broken down by maturity as follows: 3 years (677.1 billion or 47.0% of total), 5 years (476.8 billion or 33.1%), 7 years (268.9 billion or 18.7%), and 10 years (18.7 billion or 1.2%).

**Table 16 - Gross issues of public securities on the regional market** (in billions of CFA F)

Instrument	2023				Total 2023	2024				Total 2024	2025 Q1
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		
<b>Bills</b>	715.4	1,435.5	908.6	554.1	3,613.6	1,121.4	1,333.2	1,067.8	1,532.6	5,055.0	1,833.5
<b>Bonds</b>	1,159.2	1,778.8	1,762.5	431.9	5,132.4	889.2	1,219.1	1,019.5	1,169.2	4,297.0	1,441.5
<i>By auction</i>	497.6	1,458.8	1,422.5	201.9	3,580.8	469.4	830.3	832.4	940.2	3,072.3	1,136.6
<i>By syndication (*)</i>	661.6	320.0	340.0	230.0	1,551.6	419.8	388.8	187.1	229.0	1,224.7	304.9
<b>Total</b>	<b>1,874.6</b>	<b>3,214.3</b>	<b>2,671.1</b>	<b>986.0</b>	<b>8,746.0</b>	<b>2,010.6</b>	<b>2,552.3</b>	<b>2,087.3</b>	<b>2,701.8</b>	<b>9,352.0</b>	<b>3,275.0</b>

Sources: WAMU Securities, AMF-UMOA (\*) preliminary data on syndication

88. Financing conditions on the public debt market tightened in the first quarter of 2025, compared with the previous quarter. reflects higher sovereign risk premiums due to uncertainties surrounding the security situation in certain of the Union's countries and banks' continued high exposure to sovereign risks.
89. Exit rates for bills stood at 7.41%, up 93 basis points compared to the fourth quarter of 2024. Against a backdrop of easing interbank market rates, the rise in exit rates
90. Bond yields rose slightly by 1 basis point from one quarter to the next, emerging at 7.47%.

**Table 17 - Average interest rates and yields on public securities (%)**

	2023				Average 2023	2024				Average 2024	2025 Q1
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		
1 month	-	-	-	5.05	5.05	-	5.39	6.00	5.80	5.71	-
3 months	3.90	5.79	5.98	6.98	5.15	6.64	6.56	5.77	6.13	6.17	6.27
6 months	5.15	6.72	7.23	8.08	6.37	7.10	7.33	7.28	6.24	7.01	6.48
12 months	4.14	6.95	6.86	6.58	6.59	7.25	8.12	7.84	7.14	7.63	7.85
<b>WAR* on bills</b>	<b>4.38</b>	<b>6.71</b>	<b>6.57</b>	<b>5.99</b>	<b>6.10</b>	<b>7.09</b>	<b>7.60</b>	<b>6.80</b>	<b>6.48</b>	<b>6.98</b>	<b>7.41</b>
3 yrs	6.4	7.3	7.3	8.0	7.2	8.5	8.51	8.04	7.95	8.24	7.89
5 yrs	6.4	7.0	7.0	7.00	6.9	6.5	6.99	6.98	7.32	6.99	7.14
7 yrs	5.88	6.22	6.4	6.31	6.17	6.25	6.61	5.84	6.73	6.30	6.98
8 yrs	-	-	-	-	-	-	-	-	6.80	6.80	-
10 yrs	6.35	-	6.5	6.6	6.49	6.81	6.47	7.41	6.99	6.70	7.47
15 yrs	6.07	-	-	-	6.07	-	0.00	-	-	0.00	-
<b>WAY** on bonds</b>	<b>6.19</b>	<b>7.05</b>	<b>7.13</b>	<b>6.93</b>	<b>6.87</b>	<b>7.31</b>	<b>7.37</b>	<b>7.02</b>	<b>7.46</b>	<b>7.30</b>	<b>7.47</b>

Sources: WAMU Securities, AMF-UMOA, BCEAO

(\*) WAR: weighted average rate (\*\*) WAY: weighted average yield

#### 4.3.2 - Outstanding public securities on the regional market

91. Overall outstanding public securities were estimated at 25,362.1 billion at the end of March 2025, compared to 25,049.9 billion in March 2024. The structure of the outstanding securities was dominated by Treasury bonds which represented 86.6% of the total.

**Table 18 - Outstanding public securities at the end of March 2025 by country** (billions of CFA F)

		Benin	Burkina Faso	Côte d'Ivoire	Guinea-Bissau	Mali	Niger	Senegal	Togo	WAEMU
Bills	Auction	76.1	346.6	1,189.0	172.6	337.1	680.1	347.8	247.5	3,396.8
Bonds	Auction	1,079.9	1,970.5	4,086.4	278.1	1,911.5	988.2	2,950.3	1,768.6	15,033.5
	Syndication	507.3	1,368.3	2,733.1	0.0	1,125.7	654.2	354.0	189.2	6,931.8
	Total	1,587.2	3,338.8	6,819.5	278.1	3,037.2	1,642.4	3,304.3	1,957.8	21,965.3
<b>Total outstanding</b>		<b>1,663.3</b>	<b>3,685.4</b>	<b>8,008.5</b>	<b>450.7</b>	<b>3,374.3</b>	<b>2,322.5</b>	<b>3,652.1</b>	<b>2,205.3</b>	<b>25,362.1</b>

Sources: BCEAO, WAMU Securities

Data as of March 31, 2025.

### 4.3.3 - External resource mobilization by the WAEMU Member States

92. During the first quarter of 2025, the countries of the Union received financial support from external partners<sup>10</sup> including the World Bank (296.2 billion), the Arab Bank for Economic Development in Africa (162.1 billion), and the French Development Agency (84.0 billion).
93. In addition, Niger received disbursements from the IMF in January 2025, following the sixth review of the Extended Credit Facility (ECF) agreement and the second review of the Resilience and Sustainability Facility (RSF) agreement, for a combined amount of 31.8 billion CFA F.
94. Two of the Union's countries raised resources totaling 1,604.0 billion CFA F on international markets through Eurobond issues. In January 2025, Benin conducted operations on international markets raising 318 billion CFA F (500 million dollars). Côte d'Ivoire, for its part, issued international bonds in March 2025 for a total amount of 1,286.0 billion CFA F.

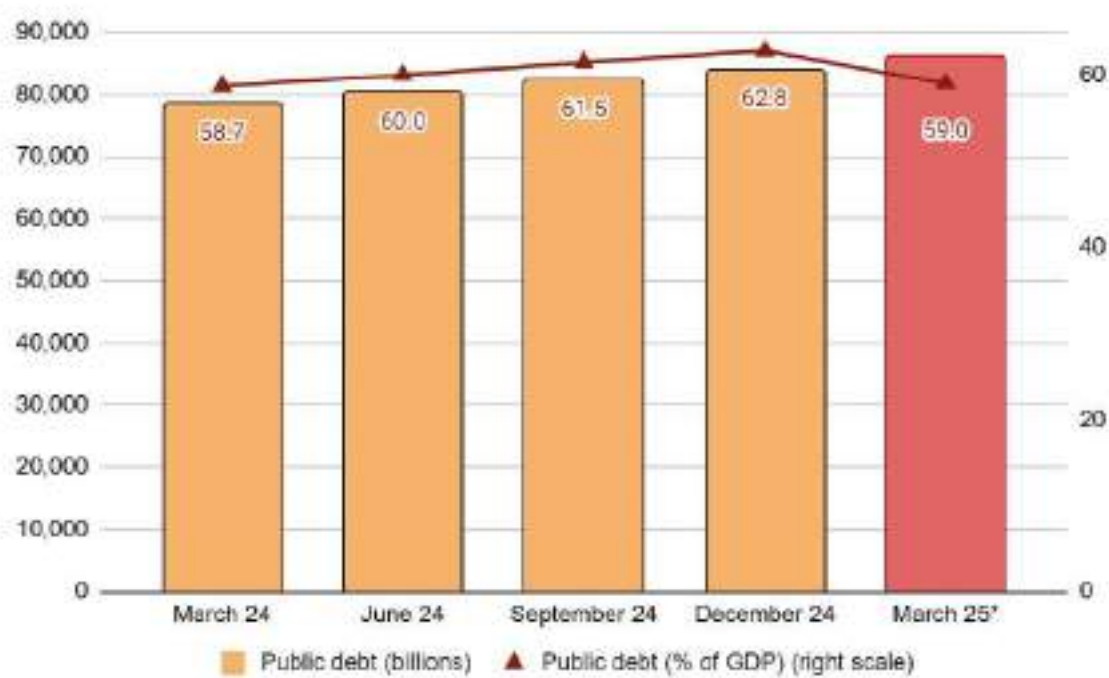
70% of the GDP, standing at 59.0% of the GDP at the end of March 2025, after 58.7% at the end of March 2024.

### 4.3.4 - Trends in total public debt

95. In conjunction with the loan resources mobilized to finance the budget deficit, the Union's total public debt outstanding was estimated at 86,004.5 billion at the end of March 2025, representing an increase of 2,028.1 billion or 2.4% compared with December 2024. As a percentage, this figure remains below the Community standard of

<sup>10</sup> Based on disbursements recorded in the Member States' accounts with the BCEAO.

Graph 13 - Trends in outstanding public debt in WAEMU (billions of CFA F)



Sources: BCEAO, National departments

(\*) Estimates

## 5 - TRENDS IN EXTERNAL ACCOUNTS

*In the first quarter of 2025, the Union's aggregate balance of payments showed a surplus of 1,176.2 billion, compared with a surplus of 8.0 billion over the same period the year before. This development was mainly due to a significant improvement in the current account deficit, which stood at 0.1% of the GDP compared with 7.0% the year before, partially offset by a decline in capital inflows under the financial account (-24.8%).*

### 5.1 - Current and capital transactions

96. The current account deficit emerged at 27.3 billion in the first quarter of 2025, compared with 2,248.8 billion in the same period of the previous year, a decrease of 2,221.5 billion, reflecting the improvement in the goods and services account. The current account deficit, including grants, represented 0.1% of the GDP in the first quarter of 2025, compared with 7.0% the year before, representing a reduction of 6.9 bps.

**Table 19 - Trends in the current and capital transactions accounts**

*(in billions, unless otherwise stated)*

Headings	2024		2025
	Q1-2024	Q4-2024	Q1-2025
Trade balance	-344.6	70.8	1,656.0
Balance of services	-1,789.4	-2,097.2	-1,605.9
- Travel	260.2	330.0	365.7
- Freight	-1,381.5	-1,365.1	-1,344.9
Balance of primary and secondary income	-114.8	83.5	-77.4
Primary income	-924.0	-960.5	-954.2
- Interest on the debt	-153.6	-490.9	-372.2
Secondary income	809.2	1,044.0	876.8
- Public transfers	85.0	102.3	79.4
- Private transfers	724.2	941.7	797.4
<b>Balance of the current transactions account</b>	<b>-2,248.8</b>	<b>-1,942.9</b>	<b>-27.3</b>
<i>(% GDP)</i>	<i>-7.0%</i>	<i>-5.7%</i>	<i>-0.1%</i>

Sources: National statistics institutes, Customs, BCEAO

#### 5.1.1 - Trend in external trade in the Union

97. Compared to the same period the year before, the balance of the Union's external trade deficit improved by 2,000.6 billion in the first quarter of 2025, showing a surplus of 1,656.0 billion, due to increased exports (+24.6%) combined with a drop in imports (-1.2%).
98. The increase in exports was driven by higher sales of petroleum products (+65.8%), cocoa (+52.0%), gold and precious metals (+29.5%), coffee (+17.6%), cotton (+10.6%), and cashew nuts (+1.3%), mainly as a result of favorable price trends on international markets, with the exception of cotton, which increased due to the volumes shipped.

**Table 20 - Trends in the trade balance** (in billions, unless otherwise stated)

	2024		2025	Year-on-year variation (Q1-2025 / Q1-2024)	
	Q1-2024	Q4-2024	Q1-2025	(in billions)	(%)
<b>Exports</b>	<b>7,718.7</b>	<b>8,153.7</b>	<b>9,619.1</b>	<b>1,900.4</b>	<b>24.6%</b>
<b>incl. Cocoa products</b>	1,447.1	1,974.6	2,198.9	751.8	<b>52.0%</b>
Gold and precious metals	2,209.5	1,997.1	2,861.9	652.4	<b>29.5%</b>
Petroleum products	864.9	1,312.3	1,434.4	569.5	<b>65.8%</b>
Cotton products	176.7	216.0	195.4	18.7	<b>10.6%</b>
Coffee products	50.2	32.8	59.1	8.8	<b>17.6%</b>
Cashew products	417.0	255.1	422.3	5.3	<b>1.3%</b>
Rubber	451.5	392.4	442.3	-9.2	<b>-2.0%</b>
Uranium	0.0	0.0	0.0	0.0	
<b>Imports (FOB)</b>	<b>-8,063.3</b>	<b>-8,083.0</b>	<b>-7,963.1</b>	<b>100.2</b>	<b>-1.2%</b>
<b>incl. Food products</b>	-1,538.6	-1,425.9	-1,422.8	115.9	<b>-7.5%</b>
Basic consumer goods	-1,203.2	-1,195.4	-1,227.0	-23.8	<b>2.0%</b>
Energy products	-2,148.7	-2,304.1	-2,243.3	-94.7	<b>4.4%</b>
Intermediate goods	-1,929.1	-1,922.1	-1,869.1	60.0	<b>-3.1%</b>
Capital goods	-1,996.2	-1,977.5	-1,897.7	98.5	<b>-4.9%</b>
<b>Trade balance</b>	<b>-344.6</b>	<b>70.8</b>	<b>1,656.0</b>	2,000.6	
<b>(in % of GDP)</b>	<b>-1.1%</b>	<b>0.2%</b>	<b>4.5%</b>	<b>5.6%</b>	

Sources: National statistics institutes, Customs, BCEAO

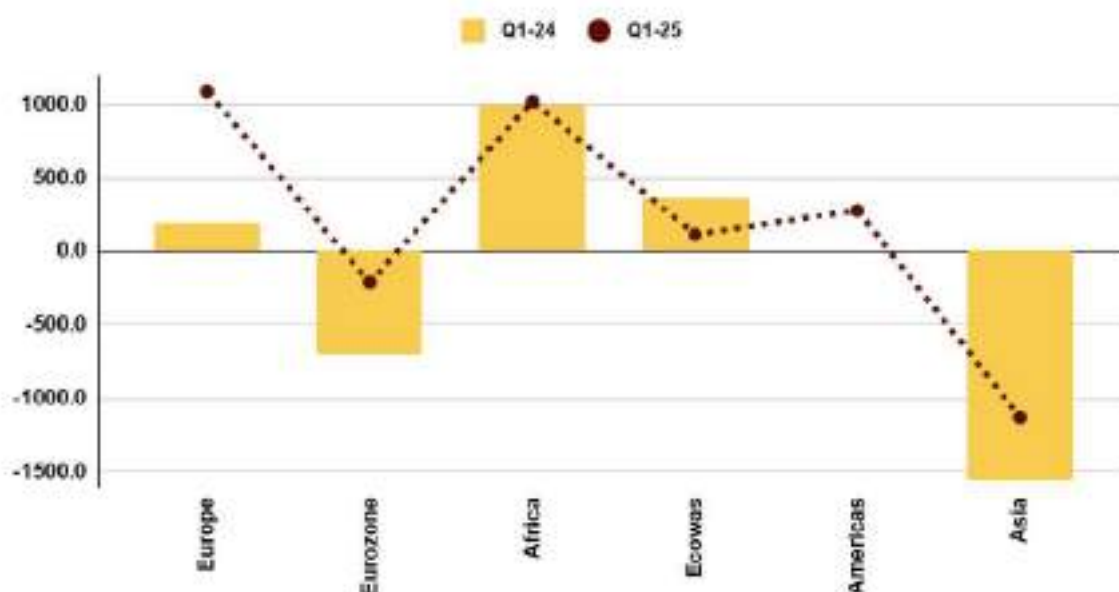
99. The decline in imports was mainly due to a contraction in purchases of food products (-7.5%) and intermediate and capital goods (-4.0%) following the completion of major oil

projects, particularly in Niger and Senegal. This trend was partially offset by an increase in energy purchases (+4.4%).

### 5.1.2 - Geographical breakdown of foreign trade

100. Compared with the same period one year earlier, the geographical breakdown of the Union's trade in the first quarter of 2025,

shows an increase in the surplus balance with Europe, the Americas, and the rest of Africa and a decrease in the deficit with Asia.

**Graph 14 - Trends in the trade balance with major partners (in billions)**

Sources: National statistics institutes, Customs, BCEAO

### 5.1.3 - Trends in intra-WAEMU trade

101. Intra-WAEMU trade increased by 13.5% to stand at 1,435.7 billion. It represented 16.3% of the total trade of the Union, compared with 16.0% the year before. Côte d'Ivoire and Senegal remained the main suppliers, cumulatively representing 55.4% of the total intra-Community supply. On the

intra-WAEMU demand side, Mali and Burkina Faso were the main destinations of the trade flows, with 44.8% of the total. The main products traded were oil, food preparations (milk, broth, etc.), local products (cereals and live animals), edible oils, and building materials.

### 5.1.4 - Trends in other current and capital account items

102. The deficit in the balance of services narrowed by 10.3% compared with the performance for the same quarter of the previous year, to stand at 1,605.9 billion, due to decreased consumption of specialized services, combined with a drop in the freight bill (-1.1%).

104. The surplus on the secondary income account grew by 8.4% compared with the same quarter a year earlier, reaching 876.8 billion, due to increased migrant remittances (+42.6 billion), partially offset by a drop in budgetary aid for the WAEMU Member States (-6.6%).

103. The primary income account deficit deteriorated by 3.3%, reaching 954.2 billion, mainly owing to higher interest payments on external public debt (+218.5 billion), partially offset by a decrease in payments of dividends.

105. The capital account surplus was 14.6% higher than its level at the same time last year, reaching 203.9 billion in connection with the increase of 13.6 billion in project grants received by the Member States.

## 5.2 - Trends in financial accounts

106. In line with the above developments, the Union recorded a financing surplus of 176.6

billion, compared with financing requirements of 2,070.8 billion a year earlier.

**Table 21 - Trends in the financial account and the aggregate balance** (in billions)

	2024		2025
	Q1-2024	Q4-2024	Q1-2025
<b>Balance of the current account</b>	<b>-2,248.8</b>	<b>-1,942.9</b>	<b>-27.3</b>
<b>Balance of the capital account</b>	<b>178.0</b>	<b>283.8</b>	<b>203.9</b>
- Public sector (project grants)	73.7	173.3	87.3
<b>Financing needs</b>	<b>-2,070.8</b>	<b>-1,659.1</b>	<b>176.6</b>
<b>Balance of the financial account</b>	<b>-1,466.4</b>	<b>-4,656.2</b>	<b>-1,102.7</b>
- Foreign Direct Investment	-1,024.9	-1,290.1	-919.7
- Portfolio investments	-1,502.4	-209.5	-300.9
- Other investments	1,060.9	-3,153.6	118.0
incl. net public drawdowns	372.4	-2,380.7	-343.9
<b>Aggregate balance after statistical adjustment</b>	<b>8.0</b>	<b>3,642.3</b>	<b>1,176.2</b>
Revaluations	371.7	63.5	298.5
<b>Variation in Net External Assets</b>	<b>-379.7</b>	<b>-3,705.8</b>	<b>-1,474.7</b>

Sources: National statistics institutes, Customs, BCEAO

107. Net capital inflows on the financial account fell by 363.7 billion on an annual basis, to stand at 1,102.7 billion, in line with the decline in portfolio investment (-80.0%) and foreign direct investment (-10.3%), mitigated by an increase in net public drawdowns amounting to 716.3 billion.

108. The aggregate balance of payments improved by 1,168.2 billion, year on year, with a surplus of 1,176.2 billion in the first quarter of 2025, against a surplus of 8.0 billion one year earlier.

## 6 - MONETARY CONDITIONS, CURRENCY, AND THE STOCK MARKET

Monetary conditions eased overall in the first quarter of 2025, in line with improvements in bank liquidity. The weighted average interest rate on the interbank market, across all maturities, stood at 6.04%, compared to 6.14% one quarter earlier. The average bank lending rate, exclusive of taxes and charges, was 6.80% in the first quarter of 2025, compared with 6.97% in the fourth quarter of 2024, reflecting a decrease of 17 basis points.

The monetary situation at the end of March 2025 was marked by year-on-year growth in the money supply, with an increase of 12.7%, versus 8.9% three months earlier. This momentum was driven by an increase in net external assets amounting to 4,758.8 milliards or +311.0% and an increase in domestic claims totaling 4,494.3 billion or +7.8%. The increase in internal claims resulted from combined growth in net claims of deposit-taking institutions on central governments (+2,776.2 billion or +11.7%) and claims on the private sector (+1,718.1 billion or +5.0%).

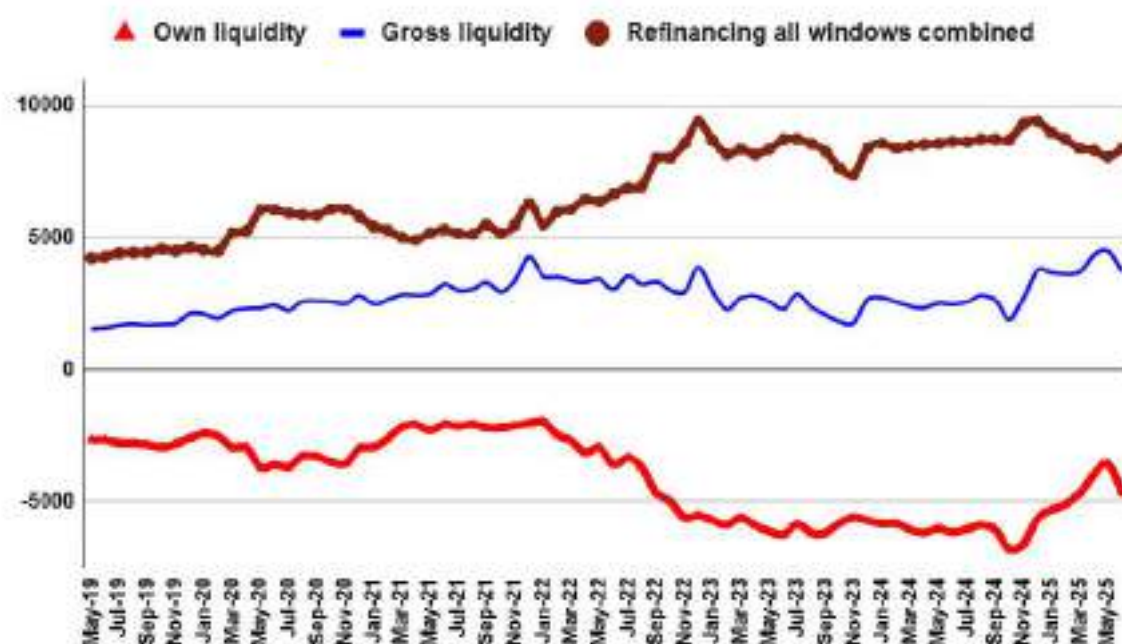
On the regional stock market, activity grew in the first quarter of 2025, with the aggregate index, the BRVM Composite, up by 6.5% following a rise of 9.5% in the previous quarter. Stock market capitalization of all securities listed on the market increased by 3.4% on a quarterly basis, following an increase of 2.7% three months prior. This trend primarily reflected the 7.0% increase in equity market capitalization, which was partially offset by a slight decrease in bond market capitalization (-0.1%). On an annual basis, overall market capitalization increased by 16.5%.

### 6.1 - Monetary conditions

109. During the first quarter of 2025, the Central Bank continued to meet banks' real liquidity needs through its refinancing windows. The minimum bid rate and the marginal lending rate respectively remained at 3.5% and 5.5%, the levels in force since December 16, 2023.

#### 6.1.1 - Bank liquidity

110. In the first quarter of 2025, WAEMU banks' own liquidity, defined as bank cash excluding BCEAO refinancing, improved by 944.8 billion. This was primarily due to net transfers received by banks (+1,647.6 billion). The positive trend in autonomous factors was dampened by the negative balance of banks' transactions with national treasury departments (-412.1 billion) and the outflow of resources due to net withdrawals of banknotes through bank windows (-290.7 billion).
111. Banks' reliance on Central Bank resources declined thanks to the replenishment of their own liquidity. BCEAO refinancing of banks decreased by 1,029.4 billion over the quarter to stand at 8,367.9 billion at the end of March 2025. Refinancing through weekly and monthly windows also dropped by 206.5 billion and 72.2 billion, respectively. Overall, bank liquidity fell by 84.6 billion between the end of December 2024 and the end of March 2025, to stand at 3,686.9 billion.

**Graph 15 - Trends in bank liquidity (in billions)**

Source: BCEAO

BSR: Support and resilience bonds - OdR: Stimulus bonds

112. The banks' reserve requirements over the maintenance period running from February 16 to March 15, 2025, are estimated at 1,281.6 billion. Over the same period, banks' reserves rang in at 3,416.3 billion, exceeding the regulatory minimum requirement by 2,134.7 billion. Over the maintenance period running from November 16 to December 15, 2024, the surplus in reserves stood at 1,269.3 billion.
113. The number of regulated entities with deficits in their required reserves over the period running from February 16 to March 15, 2025, stood at 10 banks, compared with 14 during the maintenance period running from November 16 to December 15, 2024.

### 6.1.2 - Trends in money market interest rates

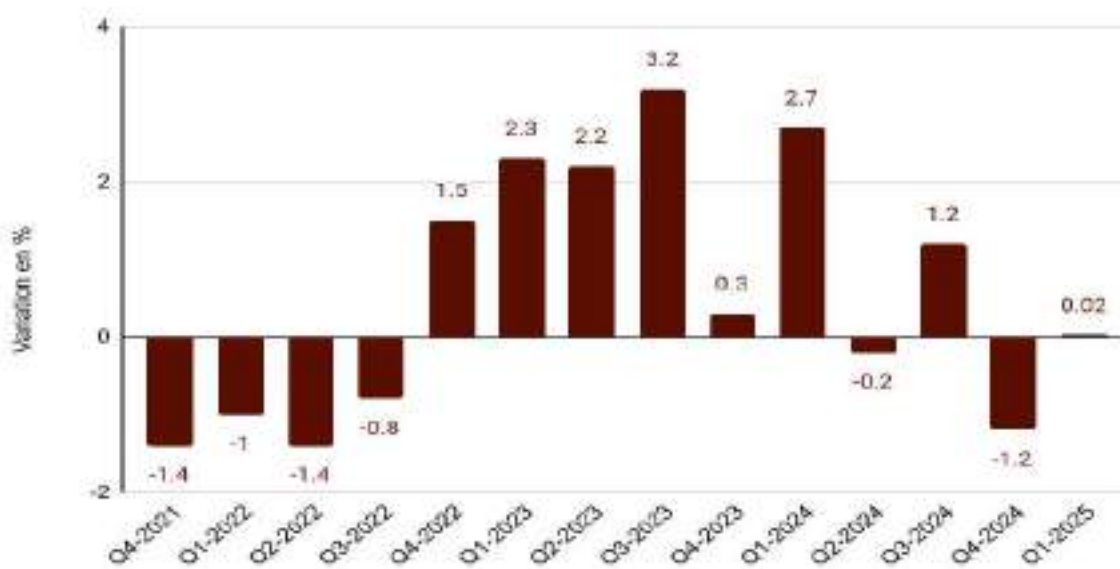
114. During the first quarter of 2025, the weighted average rate on the one-week tender window at the BCEAO was 5.41%, as against 5.50% in the previous quarter, down by 9 basis points.
115. On the interbank market, the weighted average interest rate also dropped, by 10 basis points, to stand at 6.04% in the first quarter of 2025, versus 6.14% the previous quarter. Over the same period one year prior, the rate was 5.81%. On the one-week maturity, which accounted for 60% of the overall trading volume, the weighted average interest rate fell to 6.00% from 6.23% in the previous quarter. It was 5.90% one year earlier.
116. The average volume of weekly transactions, across all maturities, amounted to 759 billion in the first quarter of 2025, compared with 892 billion in the previous quarter. Weekly transactions averaged 557 billion the year before.

**Graph 16 - Trends in money market rates (%)**

Source: BCEAO

### 6.1.3 - Trends in monetary conditions

117. The monetary conditions index<sup>11</sup> was stable compared to the previous quarter. This trend was connected with a quarterly decrease in the real effective exchange rate (-0.5%), partially offset by an increase in the real interest rate on the one-week interbank market (0.5 basis point).

**Graph 17 - Quarterly trends in the monetary conditions index**

Source: BCEAO

<sup>11</sup> The monetary conditions index is a synthetic indicator for assessing the combined impact of interest and exchange rate policies on aggregate demand. It is calculated as a weighted average of the real effective exchange rate and the real one-week interbank interest rate, and trends are measured against the level of the index for the baseline period.

### 6.1.3 - Trends in bank rates on term deposits

118. The average deposit rate was 5.36% in the first quarter of 2025, versus 5.34% in the fourth quarter of 2024, representing an increase of 2 basis points.

**Table 22 - Country trends in interest rates on term deposits (%)**

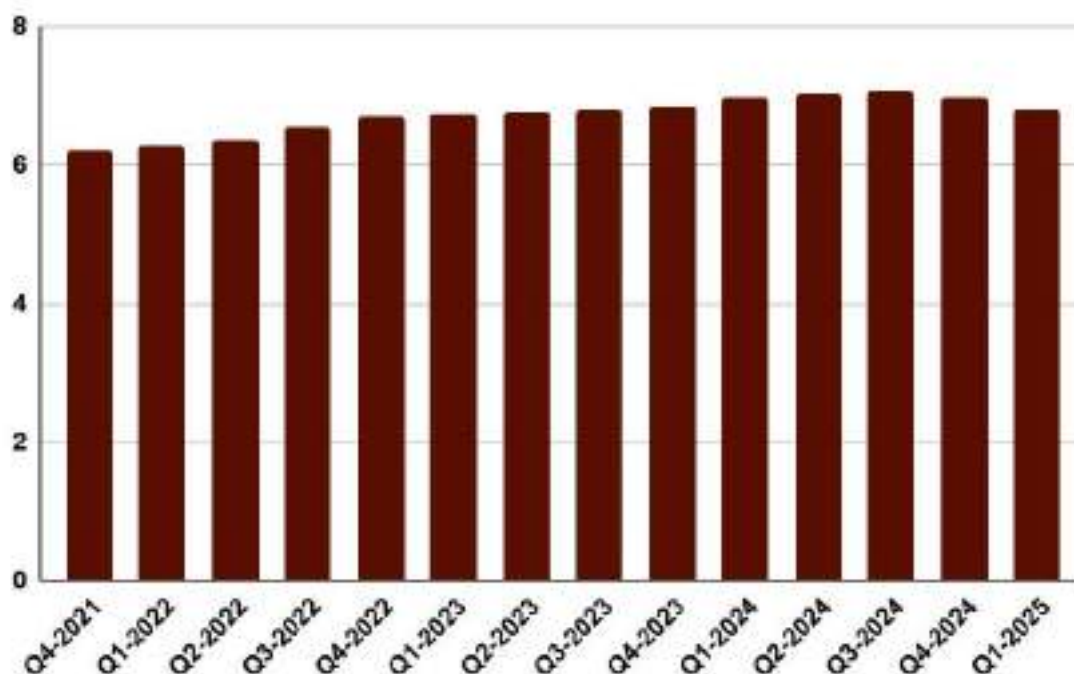
	2023				2024				2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Benin	5.41	5.31	5.30	5.26	5.57	5.40	5.42	5.43	5.47
Burkina Faso	5.67	5.53	5.63	4.60	5.94	5.60	5.57	5.59	5.53
Côte d'Ivoire	4.68	4.67	4.83	4.53	4.11	4.24	4.27	4.36	4.49
Guinea-Bissau	3.75	3.03	4.66	3.50	4.60	3.88	3.95	4.12	4.04
Mali	5.04	5.14	4.99	5.34	5.39	5.47	5.49	5.46	5.35
Niger	6.03	6.12	6.08	5.99	5.93	5.79	5.72	5.68	5.53
Senegal	5.34	5.44	5.61	5.59	5.65	5.71	5.73	5.74	5.79
Togo	5.70	5.41	5.72	5.58	5.69	5.98	5.98	5.95	5.98
<b>WAEMU</b>	<b>5.23</b>	<b>5.14</b>	<b>5.35</b>	<b>5.15</b>	<b>5.28</b>	<b>5.26</b>	<b>5.29</b>	<b>5.34</b>	<b>5.36</b>

Source: BCEAO

### 6.1.4 - Trends in bank lending rates

119. The average lending rate, excluding taxes and charges, dropped by 17 basis points to stand at 6.80% in the first quarter of 2025.

**Graph 18 - Average bank lending rates (%)**



Source: BCEAO

120. Based on loan purpose, in the first quarter of 2025, lending rates dropped for corporate cash flow loans (-16 bps), household consumption loans (-11 bps), and real estate

loans (-9 bps). On the other hand, lending costs increased for capital expenditure loans (+8 bps) and export loans (+5 bps).

**Table 23 - Trends in lending rates in WAEMU according to loan purpose (%)**

	2023				2024				2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Consumer	7.95	7.89	7.87	7.36	6.86	7.83	8.72	8.32	8.21
Exports	6.29	5.61	6.29	7.48	6.33	6.40	6.75	7.34	7.39
Cash-flow	6.05	6.36	6.37	6.56	6.73	6.96	6.99	6.67	6.51
CapEx	7.57	7.27	7.24	7.28	7.98	7.53	7.35	6.77	6.85
Real estate	7.09	6.71	6.90	6.58	7.16	6.79	6.33	6.41	6.32
Others	7.10	7.04	6.87	6.95	7.08	7.60	6.95	5.87	5.94
<b>Total</b>	<b>6.73</b>	<b>6.76</b>	<b>6.78</b>	<b>6.84</b>	<b>6.96</b>	<b>7.03</b>	<b>7.07</b>	<b>6.97</b>	<b>6.80</b>

Source: BCEAO

121. Broken down according to the type of borrower, lower interest rates were seen on loans to non-financial companies (-16 bps), households (-13 bps), other financial companies (-7 bps), and the public sector (-2 bps). On the other hand, increases in rates

were recorded for non-profit institutions serving households (NPISHs) and other deposit-taking institutions during the quarter under review, amounting to 12 and 4 basis points, respectively.

**Table 24 - Trends in lending rates in WAEMU by type of borrower (%)**

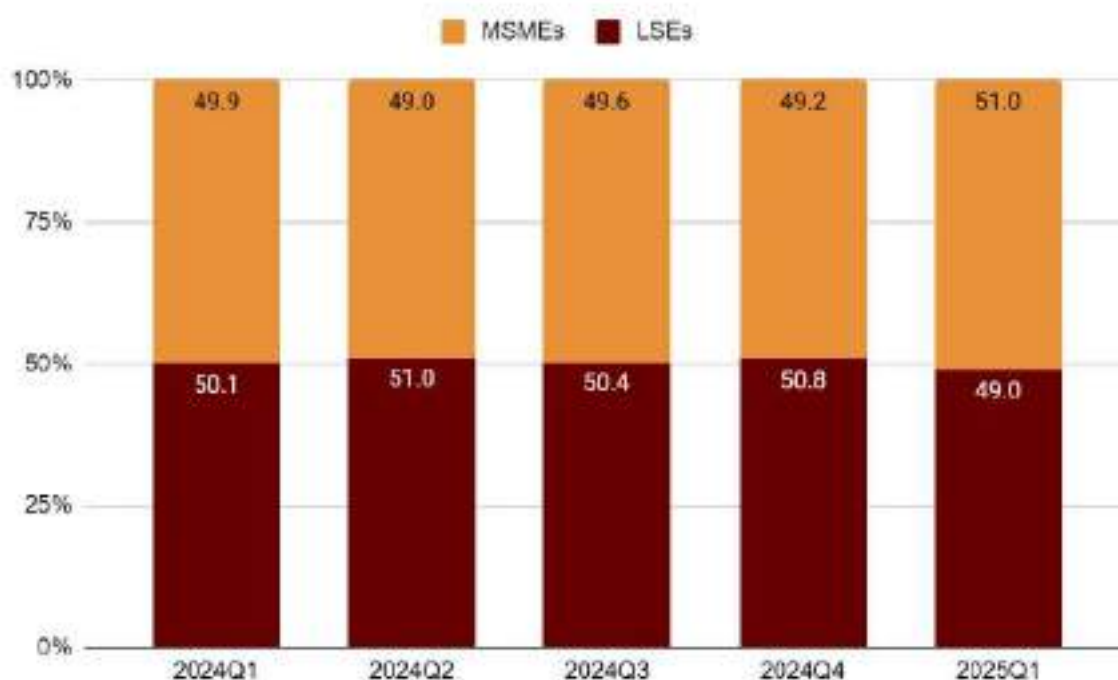
	2023				2024				2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Microfinance institutions	7.95	7.33	7.87	7.57	6.54	7.73	7.99	7.74	7.78
Other financial companies	5.78	6.77	6.68	7.22	7.29	7.20	7.13	6.95	6.88
Non-financial companies	6.32	6.41	6.45	6.64	6.78	6.80	6.78	6.69	6.53
Households	8.49	8.24	8.23	8.06	8.17	8.20	8.31	8.00	7.87
NPISHs	9.14	8.21	7.71	6.90	7.90	8.01	8.07	8.26	8.38
Public sector	5.74	6.44	5.87	6.36	5.80	6.42	6.66	6.61	6.59
<b>Total</b>	<b>6.73</b>	<b>6.76</b>	<b>6.78</b>	<b>6.84</b>	<b>6.96</b>	<b>7.03</b>	<b>7.07</b>	<b>6.97</b>	<b>6.80</b>

Source: BCEAO

## Box 2 - Structure and terms of loans to the private sector

The structure of loan volumes by legal status shows a predominance of loans to legal entities, which accounted for close to 86.4% of all new loans, compared with approximately 13.6% for individuals. Compared with the previous quarter, the proportion of loans granted to individuals increased by 0.6 percentage point.

**Graph a: Breakdown of loans to businesses in WAEMU, by size (%)**



Source: BCEAO

The share of loans granted to large-sized enterprises (LSEs) rose by 2 percentage points to reach 51.0% during the quarter under review. On the other hand, the share of loans granted to micro, small and medium-sized enterprises (MSMEs) dropped by 2 percentage points to stand at 49.0%.

With regard to lending conditions for corporate customers, interest rates dropped by 5 basis points in the first quarter of 2025 compared with the previous quarter. Decreases were also seen in rates applied to the LSE and MSME categories. Within the MSME category, lending rates applied to medium-sized enterprises dropped from 8.46% in the fourth quarter of 2024 to 8.44% in the first quarter of 2025, a decrease of 2 basis points. Rates for LSEs fell by 3 basis points to stand at 6.48%.

Interest rates applied to individual borrowers stood at 8.14%, down 2 basis points from the previous quarter. By gender, the drop in rates applied to both women (-4 basis points) and men (-3 basis points).

122. In terms of credit maturity, the reduction in lending rates affected all segments, with the exception of loans with maturities above 10 years. The largest reductions were seen in short-term loans of less than one year (-16

basis points), loans with maturities between one and two years (-11 basis points), followed by loans with maturities between two and five years (-8 basis points).

**Table 25 - Trends in lending rates in WAEMU according to loan term (%)**

	2023				2023	2024				2024	2025
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1
Less than 1 yr	6.31	6.44	6.46	6.57	6.45	6.67	6.69	6.71	6.53	6.45	6.37
Between 1 and 2 yrs	8.27	8.23	7.72	7.74	7.93	8.18	8.68	8.85	8.20	7.93	8.09
Between 2 and 5 yrs	7.87	7.84	8.09	7.68	7.85	7.98	8.19	8.32	8.09	7.85	8.01
More than 5 yrs	7.91	7.54	7.68	7.35	7.61	7.41	7.46	7.50	9.92	7.61	9.99
<b>Total</b>	<b>6.73</b>	<b>6.76</b>	<b>6.78</b>	<b>6.84</b>	<b>6.78</b>	<b>6.96</b>	<b>7.03</b>	<b>7.07</b>	<b>6.97</b>	<b>6.78</b>	<b>6.80</b>

Source: BCEAO

123. An analysis by country showed a drop in lending rates in Mali (-39 bps), Senegal (-32 bps), Côte d'Ivoire (-12 bps), Burkina Faso (-4 bps), and Niger (-3 bps). On the other hand, rates were higher in Benin (+10 bps), Togo (+6 bps), and Guinea-Bissau (+3 bps) compared with their levels in the previous quarter.

**Table 26 - Trends in lending rates by country in WAEMU (%)**

	2023				2024				2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Benin	7.32	7.20	7.39	7.27	7.53	7.66	7.37	7.35	7.45
Burkina Faso	7.79	7.88	7.70	7.87	7.62	7.69	7.76	7.58	7.54
Côte d'Ivoire	6.31	6.39	6.62	6.72	6.75	6.80	6.81	6.46	6.34
Guinea-Bissau	8.24	7.98	9.20	9.25	8.75	8.20	8.32	9.44	9.47
Mali	8.00	7.32	7.07	7.22	7.42	6.97	7.39	7.92	7.53
Niger	8.89	8.77	8.86	8.14	8.78	9.25	9.42	9.00	8.97
Senegal	5.88	6.07	5.91	6.18	6.27	6.50	6.53	6.25	5.93
Togo	7.40	7.56	7.61	7.51	7.53	7.90	7.80	7.54	7.60
<b>WAEMU</b>	<b>6.73</b>	<b>6.76</b>	<b>6.78</b>	<b>6.84</b>	<b>6.96</b>	<b>7.03</b>	<b>7.07</b>	<b>6.97</b>	<b>6.80</b>

Source: BCEAO

## 6.2 - Monetary situation

124. The annual growth rate in the money supply rose to 12.7% at the end of March 2025, after growth of 8.9% at the end of December 2024. This momentum was driven by increases in net external assets (+4,758.8 billion or +311.0%) and in domestic claims (+7.8%). The increase in NEAs was the result of an improvement in external accounts and domestic claims, reflecting the consolidation of financing granted to central governments (+2,776.2 billion or +11.7%) and other sectors of the economy (+1,718.1 billion or +5.0%).

**Table 27 - Monetary situation at the end of March 2025** (in billions, unless otherwise stated)

	March 2024	Dec. 2024	March 2025	Quarter on quarter		Year on year	
				Level	%	Level	%
<b>Money supply (M2)</b>	<b>47,342.0</b>	<b>52,022.0</b>	<b>53,342.3</b>	<b>1,320.3</b>	<b>2.5%</b>	<b>6,000.3</b>	<b>12.7%</b>
Currency outside banks	10,795.7	12,454.7	12,725.4	270.7	2.2%	1,929.7	17.9%
Deposits	36,546.2	39,567.3	40,616.9	1,049.6	2.7%	4,070.6	11.1%
<b>Net external assets</b>	<b>1,530.0</b>	<b>4,814.1</b>	<b>6,288.8</b>	<b>1,474.7</b>	<b>30.6%</b>	<b>4,758.8</b>	<b>311.0%</b>
<b>Internal claims</b>	<b>57,844.5</b>	<b>61,758.3</b>	<b>62,338.8</b>	<b>580.5</b>	<b>0.9%</b>	<b>4,494.3</b>	<b>7.8%</b>
Net claims on central governments*	23,632.0	25,879.9	26,408.2	528.3	2.0%	2,776.2	11.7%
Claims on the economy	34,212.5	35,878.4	35,930.6	52.2	0.1%	1,718.1	5.0%

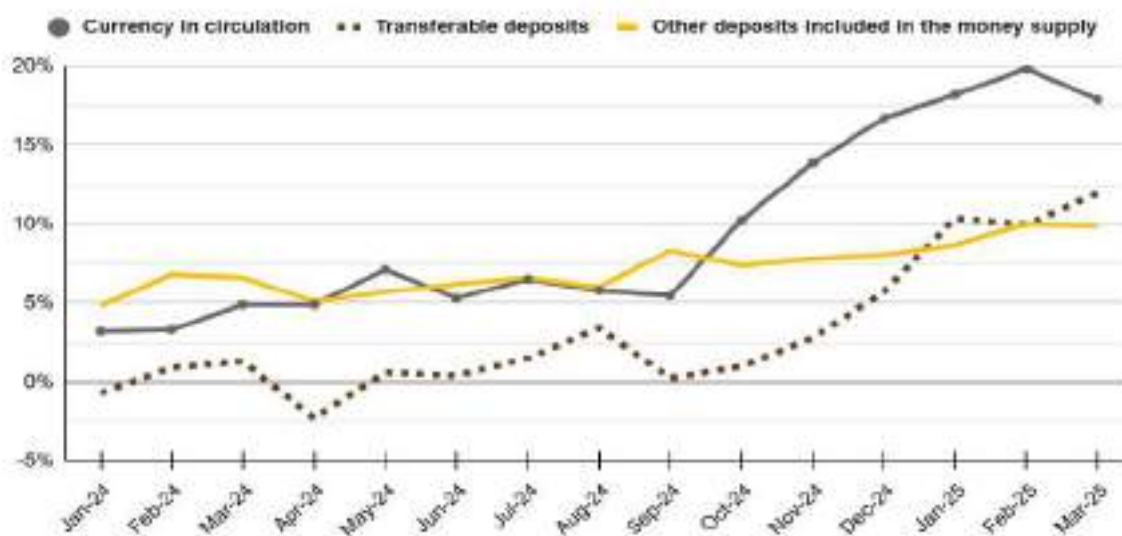
Source: BCEAO

(\*) CGs: Central governments

### 6.2.1 - The money supply and its components

125. The increase in the money supply was reflected in its main components, namely currency outside banks and deposits. The annual rate of increase in currency outside banks was 17.9% at the end of March 2025,

compared with 16.7% at the end of December 2024. Deposits rose by 11.1% as at the end of March 2025, following 6.6% growth three months prior.

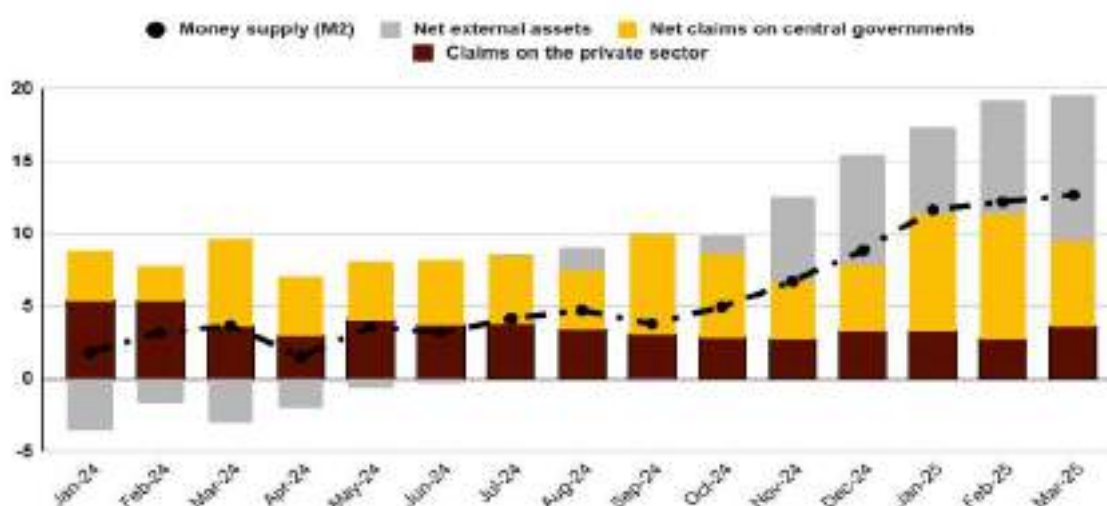
**Graph 19 - Trends in bills and coins in circulation and deposits** (Year-on-year change, as a %)

Source: BCEAO

### 6.2.2 - Money supply and counterparties

126. At the end of March 2025, the year-on-year growth rate of the money supply (+12.7%) was driven by growth in its main counterparts. Net external assets (NEAs) increased by 4,758.8 billion, or +311.0%, and

internal claims rose by 4,494.3 billion, or +7.8%, in connection with the financing of Member States on the regional financial market.

**Graph 20 - Counterpart contributions to annual growth in the money supply (in pps)**

Source: BCEAO

### Net external assets

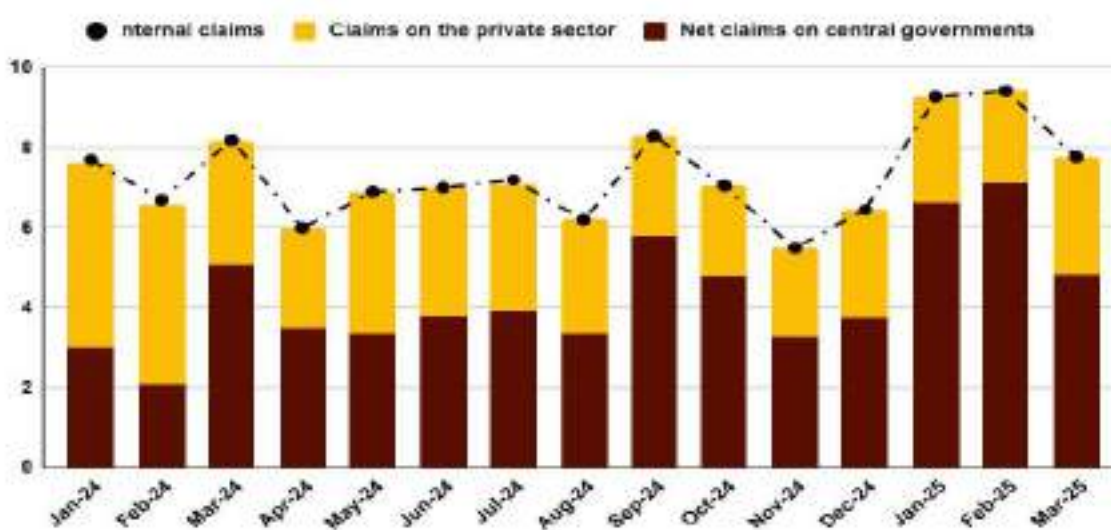
127. Year on year, the Union's net external assets (NEAs) showed an increase of 4,758.8 billion, or +311.0%, in line with the strong performance of its external accounts. The

increase was driven by a rise of 5,110.6 billion in the BCEAO's NEAs, partially offset by a decline of 351.8 billion in the NEAs of other deposit institutions.

### Internal claims

128. Outstanding internal claims were higher by 4,494.3 billion or +7.8% on an annual basis at the end of March 2025. This was due to a rise in net claims by deposit-taking

institutions on central governments (+2,776.2 billion or +11.7%), combined with an increase in claims on the economy (+1,718.1 billion or +5.0%).

**Graph 21 - Contributions of components to annual growth in internal claims (in pps)**

Source: BCEAO

### Net claims on central governments (CGs) of Member States

129. On a quarterly basis, net claims on the government sector rose by 528.3 billion to stand at 26,408.2 billion at the end of March 2025, due to the increase in net claims on other deposit-taking institutions (+676.0 billion). During the first quarter of 2025, the banking sector increased its acquisitions of government securities by 775.1 billion and its direct loans to public-sector entities by 183.5 billion. At the same time, Treasury resources held in accounts opened at the banks

increased by 282.6 billion, culminating in net bank financing of 676.0 billion to the public sector. Net loans to central governments from the BCEAO fell by 147.8 billion, mainly due to net repayments on IMF loans (-68.9 billion) arranged through the Central Bank.

130. On an annual basis, net claims on central governments rose by a total of 2,776.2 billion (+11.7%).

**Table 28 - Net claims on central governments (in billions)**

	March-24	Dec.-24	March-25	Variation	
				quarterly	annual
<b>Net claims on central governments</b>	<b>23,632.0</b>	<b>25,879.9</b>	<b>26,408.2</b>	<b>528.3</b>	<b>2,776.2</b>
<b>Receivables of deposit-taking institutions</b>	<b>30,540.0</b>	<b>33,123.3</b>	<b>33,855.4</b>	<b>732.0</b>	<b>3,315.3</b>
Loans	10,247.8	11,063.1	11,177.7	114.6	929.9
Public securities portfolios	20,279.9	22,043.5	22,659.7	616.2	2,379.8
Other receivables	12.3	16.8	18.0	1.2	5.6
<b>Deposit institution liabilities</b>	<b>6,908.0</b>	<b>7,243.4</b>	<b>7,447.1</b>	<b>203.7</b>	<b>539.1</b>
Treasury cash	34.0	33.5	33.5	0.0	-0.5
Deposits	6,775.1	6,999.0	7,190.5	191.5	415.4
Other commitments	98.9	210.9	223.1	12.2	124.2

Source: BCEAO

### Claims on the economy

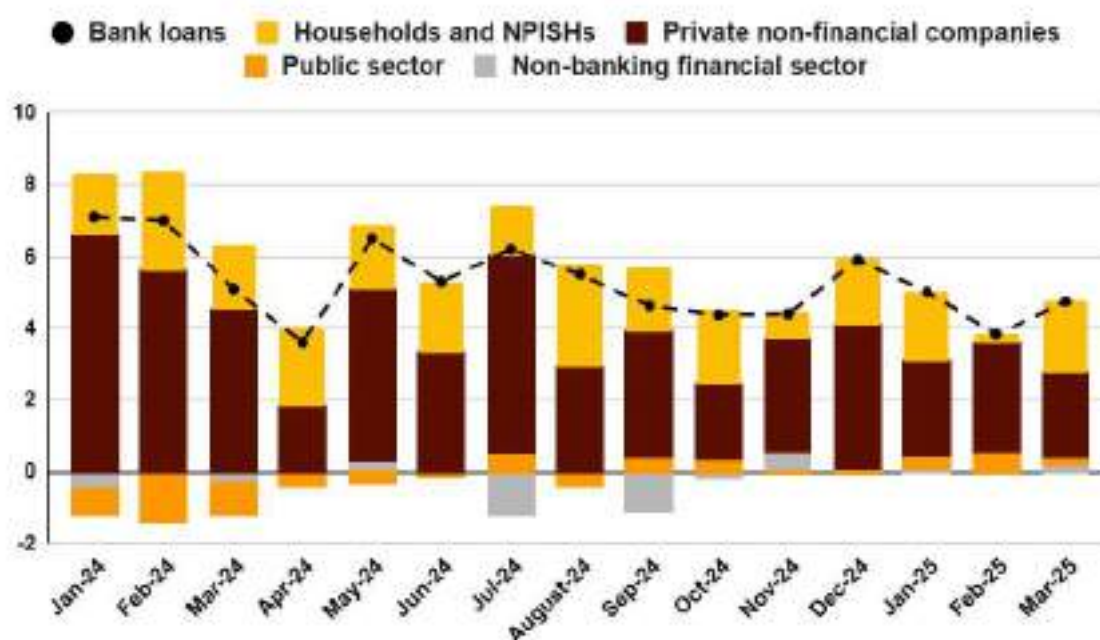
131. The rate of increase in claims on the private sector was 5.0% at the end of March 2025, on an annual basis, after 4.5% at the end of December 2024. Direct loans to the private sector increased by 1,395.9, or 4.7%, compared to 6.3% the previous quarter. Growth was driven by loans to households, which rose by 6.4%, following a 6.0% increase in December 2024. Loans to

non-financial private-sector companies grew by 3.8%, after 6.5% three months earlier. Bank financing of the private sector in the form of debt securities and equity investments rose by 11.6% as at the end of March 2025, following an annual decline of 28.3% recorded at the end of December 2024.

**Table 29 - Banks' claims on the private sector<sup>12</sup> (in billions)**

	March-24	Dec.-24	March-25	Variation	
				quarterly	annual
<b>Bank claims</b>	<b>33,489.8</b>	<b>35,158.7</b>	<b>35,201.5</b>	<b>0.1</b>	<b>5.1</b>
<b>Bank loans</b>	<b>32,393.2</b>	<b>34,118.9</b>	<b>33,930.4</b>	-0.6	4.7
<b>Non-banking financial sector</b>	<b>414.3</b>	<b>449.8</b>	<b>482.5</b>	<b>7.3</b>	<b>16.5</b>
<b>Public sector</b>	<b>2,016.0</b>	<b>2,103.7</b>	<b>2,089.2</b>	<b>-0.7</b>	<b>3.6</b>
Local government	75.9	107.8	113.4	5.2	49.4
Public non-financial companies	1,940.1	1,996.0	1,975.8	-1.0	1.8
<b>Private sector</b>	<b>29,962.9</b>	<b>31,565.3</b>	<b>31,358.8</b>	<b>-0.7</b>	<b>4.7</b>
Private non-financial companies	19,925.8	20,936.0	20,676.0	-1.2	3.8
Households and NPISHs	10,037.1	10,629.3	10,682.8	0.5	6.4
<b>Other receivables (*)</b>	<b>1,096.5</b>	<b>1,039.9</b>	<b>1,271.0</b>	22.2	15.9
<b>Claims on the economy</b>	<b>34,212.5</b>	<b>35,878.4</b>	<b>35,930.6</b>	<b>0.1</b>	<b>5.0</b>

Source: BCEAO (\*) Consisting mainly of shares and other equity investments and securities other than shares

**Graph 22 - Contributions to annual growth in bank loans (in pps)**

Source: BCEAO

<sup>12</sup> These claims do not include claims of the Central Bank included in the scope of claims on the private sector.

132. Outstanding loans reported to WAMU's central credit information bureau were estimated at 19,925.3 billion at the end of March 2025, compared with 19,878.3 billion at the end of December 2024 and 19,044.8 billion one year earlier, i.e. respective increases of 0.2% on a quarterly basis and 4.6% year on year. This outstanding amount represented 59.4% of bank loans to the private sector.
133. Total outstanding loans granted to the 400<sup>13</sup> largest businesses using bank credit (LBUBCs) stood at 9,946.8 billion at the end of March 2025, against 9,888.6 billion at the end of December 2024 and 9,480.9 billion at the end of March 2024, i.e. respective increases of 0.6% on a quarterly basis and 4.9% year on year. They represented an estimated 49.9% of all loans reported to the Union's central credit register as at the end of March 2025.
134. Loans granted to the 400 LBUBCs represented 29.6% of total loans to the private sector at end March 2025, against 29.0% at end December 2024 and 29.5% at end March 2024. By country, loans granted to the 50 LBUBCs represented 63.6% of total bank loans to the private sector in Guinea-Bissau, 50.2% in Niger, 40.9% in Mali, 35.3% in Benin, 34.4% in Togo, and 29.7% in Burkina Faso. The proportion was below the regional average in Côte d'Ivoire (26.3%) and Senegal (26.8%).
135. The breakdown according to the maturities of the commitments made by the 50 LBUBCs revealed that short-term loans were more prevalent than medium- and long-term loans. At the end of March 2025, the share of short-term resources granted to the 50 LBUBCs by country stood at 61.9%, versus 39.1% for medium- and long-term loans.
136. By sector, large exposures were mainly concentrated in six branches, namely "Wholesale trade" (28.8%), "Services to the community" (23.3%), "Manufacturing industries" (11.5%), "Insurance, real estate, business services" (8.9%), "Civil engineering and public works" (8.5%), and "Transportation and communications" (8.2%).
137. Outstanding cross-border financing within WAMU for the largest users of bank credits in the Union was estimated at 392.5 billion at the end of March 2025, representing 3.9% of total large exposures, compared with 376.9 billion at the end of December 2024 (3.8%) and 310.4 billion one year earlier (3.3%). These loans were mainly granted by lending institutions in Burkina Faso (31.2%), Togo (21.9%), Benin (16.6%), and Niger (16.1%).
138. The gross deterioration rate of the portfolio of the Union's credit institutions stood at 8.8% at the end of March 2025, as compared to 8.5% at the end of December 2024, representing an increase of 0.3 percentage point. The net rate was 3.6%, versus 3.3% in the previous quarter, representing an increase of 0.3 percentage point.

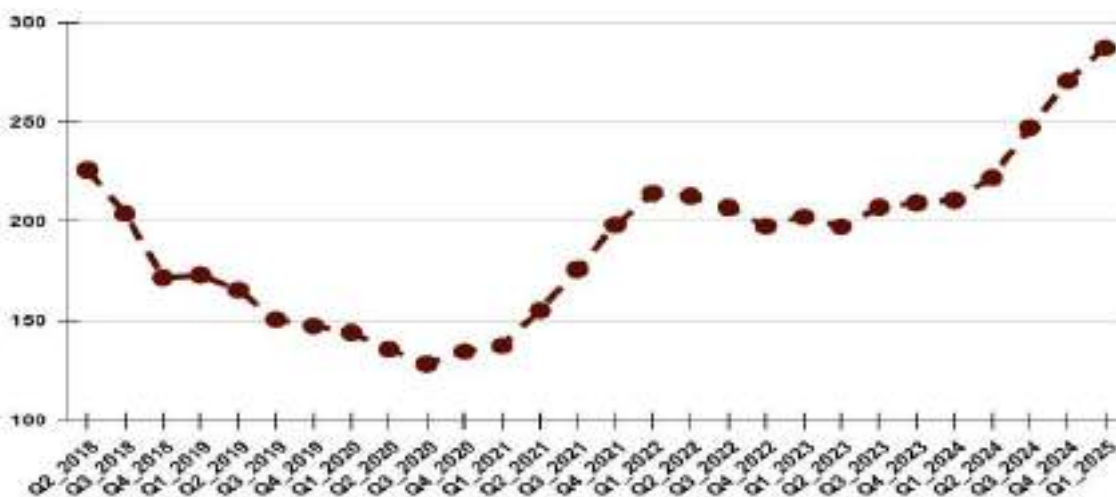
<sup>13</sup> The total of the 50 LBUBCs in each of the eight (8) Member States.

### 6.3 - WAMU stock market

139. Stock market activity in the Union picked up in the first quarter of 2025, with the aggregate index, the BRVM Composite, up by 6.1% compared with a rise of 9.5% in the previous quarter. A similar trend could also

be seen on an annual basis, with a 36.3% increase of the BRVM Composite indicator following a 29.2% increase the previous quarter.

**Graph 23 - Trends in the BRVM Composite index**

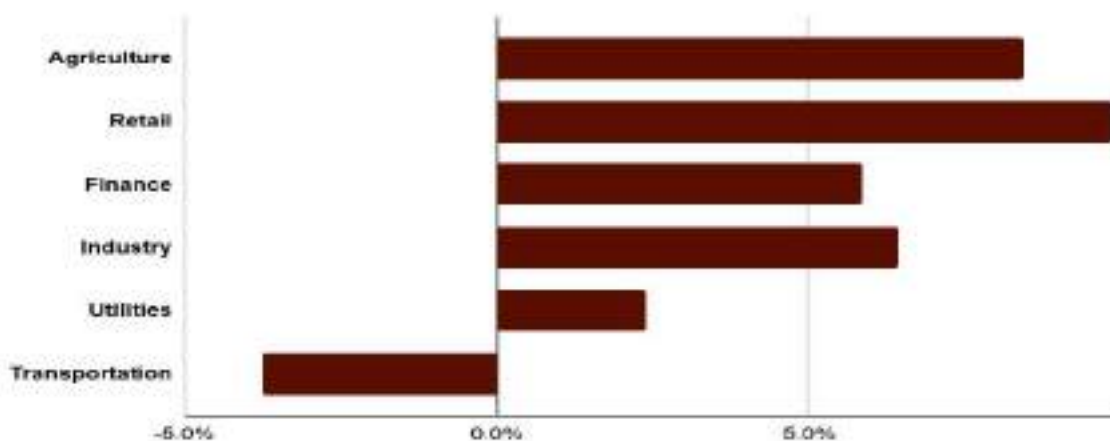


Source: BRVM

140. The strong performance of the stock market during the quarter was driven by gains in the “Retail” (+9.8%), “Agriculture” (+8.4%), “Industrial” (+6.4%), “Financial” (+5.9%), and

“Utilities” (+2.4%) sectors. On the other hand, a drop was recorded in the “Transportation” sector (-3.8%).

**Graph 24 - Trends in BRVM sector indexes<sup>14</sup> in the first quarter of 2025**



Source: BRVM

<sup>14</sup> Weighting by sector: Agriculture (0.2%), Retail (0.9%), Finance (27.4%), Industry (0.04%), Utilities (71.5%), Transportation (0.003%)

- 
141. Stock market capitalization of all securities listed on the market climbed by 3.4% on a quarterly basis, following an increase of 2.7% three months earlier, reaching 21,303.6 billion at the end of March 2025. This trend primarily reflected the 7.0% increase in equity market capitalization, which was partially offset by a slight decrease in bond market capitalization (-0.1%).
142. On an annual basis, aggregate market capitalization increased by 16.5%.

## 7 - MEDIUM-TERM MACROECONOMIC OUTLOOK

The global economic outlook for 2025 and 2026 has been revised downward due to significant uncertainties related to heightened trade tensions. According to IMF projections published in April 2025, the pace of growth in global output is expected to stand at 2.8% in 2025 and 3.0% in 2026, compared with an initial forecast of 3.3% for the same period. This revision takes into account the negative effects of the new US tariffs and retaliatory measures on global trade and stock markets.

Within the Union, **the economic outlook** remains broadly favorable, thanks to robust domestic demand and solid performances in the extractive and agricultural sectors. The GDP is expected to grow by 6.4% in 2025 and 6.2% in 2026, after 6.3% in 2024.

**Public finance** management in the Union's Member States is expected to be marked by further reductions in budget deficits, which are projected to fall from 3.7% of the GDP in 2025 to 3.2% in 2026, after 5.2% in 2024. The debt-to-GDP ratio is forecast at 62.4% and 62.2% in 2025 and 2026 respectively, as compared to 62.1% in 2024.

**The Union's external trade** is expected to show a surplus in 2025 and 2026, as in 2024, due to continued improvements in the terms of trade, higher oil and gas exports, and funds raised by the member countries on international capital markets. The overall balance of payments is expected to show surpluses of 2,623.4 billion in 2025 and 737.2 billion in 2026, after a surplus of 3,012.7 billion in 2024.

**The monetary situation** is expected to show an acceleration in private sector financing, following the slowdown observed in 2024. The rate of increase of loans to the private sector is expected to be 8.3% in 2025 and 9.1% in 2026, after 4.5% in 2024.

According to projections, average annual inflation in the Union is expected to decline in 2025 and remain subdued in 2026. This forecast is based on expectations of lower world food and oil prices, as well as an increase in the domestic supply of staple food products. The **inflation rate** in the Union is expected to stand at 3.5% in 2024, at 2.2% in 2025, and at 2.3% in 2026.

### 7.1 - Assumptions underlying the forecasts

143. The main projection hypotheses are based on both the outlook for the international environment and internal economic conditions. In terms of external factors, they include economic growth forecasts at the global level and in the Union's main partner countries, as well as trends in international

commodity prices and international financial conditions. At the sub-regional level, the assumptions made focused on the budget deficit profiles of the Union's Member States and their financing methods, developments in the security and socio-political situation, and agro-climatic conditions.

**In terms of the international environment,**

**Global economic growth is expected to slow in 2025, and risk factors have been identified that could reduce it even further. The global economy remains subject to risks of a return of inflation and a tightening of international financial conditions.**

144. According to the IMF's World Economic Outlook published in April 2025, global economic growth is expected to slow to 2.8% in 2025, then recover slightly to 3.0% in 2026, after 3.3% in 2024. Projected growth in 2025 and 2026 has been revised downward by 0.5 pp and 0.3 pp, respectively, compared with the January 2025 projections. The slower pace of global economic growth is anticipated to result from the negative impact of the new US tariffs and retaliatory measures on global trade and foreign

investment flows, as well as the uncertainty they are causing on international financial markets. According to the IMF, risks to the global growth outlook could exert downward pressure due to (i) increased uncertainty connected with intensifying trade tensions and a return of inflationary pressures (higher prices for imported goods), leading to tighter international financial conditions, (ii) geopolitical fragmentation (wars in Ukraine and the Middle East), and (iii) the growing negative impacts of climate change.

145. Global inflation is expected to fall from 5.7% in 2024 to 4.3% in 2025, then to 3.6% in 2026. This downward trend will be slower than initially forecast (+0.1 bp in 2025 and 2026). In the Eurozone, the inflation rate is expected to drop from 2.4% in 2024 to 2.1% in 2025 and 1.9% in 2026.<sup>15</sup>

***International prices of commodities exported by WAEMU countries are expected to show positive trends overall in 2025, before falling back slightly in 2026.***

146. International prices for the main commodities (excluding oil) exported by WAEMU countries are expected to reach higher levels in 2025, driven in particular by year-on-year price rises for gold (+17.2%), cocoa (+18.3%), coffee (+20.3%), cashew nuts (+13.1%), palm oil (18.8%), and rubber (+7.3%).

147. The expected rise in gold prices is mainly ascribed to continued monetary policy easing and high uncertainty arising from geopolitical and trade tensions, reinforcing its position as a safe haven asset. Central bank purchases of gold are also expected to remain high in 2025, boosting overall demand.

148. The expected increase in agricultural commodity prices stems from fears of supply shortages linked to adverse weather conditions in certain regions of the world. In the case of cocoa, in particular, export forecasts have taken into account the actual prices charged by Côte d'Ivoire for sales from

April 1 to September 30, 2025. Considering those prices, the average price increase for 2025 should stand at 32.9%.

149. In 2026, prices for the main commodities exported by the Union's countries, excluding oil, are expected to fall by 4.2% overall, correlated with anticipated drops in the prices of cocoa (-12.1%), cashew nuts (-8.1%), coffee (-9.4%), and palm oil (-3.8%), among others.

150. With regard to petroleum products, the projections assume a slowdown in world prices from 2025 to 2026, following an acceleration in 2024. The average price of crude oil (WTI) is therefore expected to fall from US\$75.2 in 2024 to US\$71.5 in 2025 (-4.9%), then to US\$67.7 in 2026 (-5.3%), before rising to US\$68.6 in 2027.<sup>16</sup>

***International prices for imported food products should continue to ease in 2025 and 2026.***

151. World prices for food products imported by WAEMU countries are expected to ease in 2025. According to IMF and FAO forecasts, the price index<sup>17</sup> for imported food staples should fall, year on year, by 9.1% in 2025 before rising by 1.6% in 2026, then dropping by 1.1% in 2027. The overall downward trend is expected to result from stagnant global demand and positive trends in supplies on the markets.

<sup>15</sup> IMF forecast in April 2025.

<sup>16</sup> The data on the futures market comes from Bloomberg.

<sup>17</sup> In CFA francs.

### **Box 3 - Assessment of the impact of customs tariffs imposed on the Union**

On Wednesday, April 2, 2025, the new US administration decided to apply new customs tariffs on all products imported from most partner countries. The main purpose of the customs surcharge, which ranges from 0 to 99%, is to balance the structural trade deficit of the United States with its trading partners.

For WAEMU countries, the reciprocal tariff variations applied were 10%, with the exception of Côte d'Ivoire, which has been subjected to a 21% surcharge on its exports to the United States. However, no surcharge was applied to Burkina Faso.

The new tariffs, most of which were due to enter into force on April 5, 2025, were suspended on April 9 for a period of 90 days, with the exception of China. However, a minimum level of 10% has been set for all countries that have not adopted retaliatory measures.

#### ***Update on trade between the WAEMU Union and the United States***

The Union's exports to the United States remain modest overall. Over the 2019-2023 period, they accounted for 4.2% of total exports and 0.6% of the GDP, with 79.5% concentrated in Côte d'Ivoire (4.5% of the GDP), 12.5% in Senegal (1.8% of the GDP), and less than 3% for each of the other Member States (less than 0.4% of their GDP).

#### ***Channels that may transmit shocks from the new customs tariffs***

Two main transmission channels can be identified when examining the impact of US customs tariff increases on WAEMU economies.

The first channel (the "direct" channel) refers to an immediate negative impact on WAEMU countries' exports to the United States, due to an expected decline in US demand for products from the region. Assuming that no retaliatory measures are implemented by the Member States, the increase in customs tariffs would result in higher prices for products exported by WAEMU countries to the US market. Thus, the effective implementation of the customs tariffs set on April 2, 2025, should—all other things being equal—result in a decline in exports of between 79.1 billion and 169.7 billion in 2025 (0.05% to 0.1% of the GDP) and the amount of the shortfall would stand at between 84.9 billion and 193.6 billion in 2026 (0.06% to 0.13% of the GDP).

The second channel (the "indirect channel") involves a broader impact linked to global trade tensions. In the short term, a redirection of Chinese exports from the United States to African countries, including those in the WAEMU Union, could put competitive pressure on local industries and weaken certain segments. However, this impact would be limited, mainly due to the smaller absorption capacity of the WAEMU countries and the different structure of demand compared to the United States. Furthermore, intensified trade wars would lead to a slowdown in international trade, resulting in a decline in global demand for commodities, a drop in international prices, and a decline in foreign direct investment (FDI). The projected drop in commodity prices would reduce the value of the Union's exports by around 1,400 billion CFA francs in 2025, while a sharper-than-expected fall in oil prices, of which the WAEMU Union is a net importer, would generate a gain of approximately 1,500 billion CFA francs over the same period. In 2026, the loss is expected to stand at 990 billion, compared with a gain of around 1,500 billion, also linked to lower oil prices.

Overall, combining the two effects, the Union's trade balance is set to improve by 160 billion CFA francs in 2025 and 382 billion CFA francs in 2026 compared to initial forecasts, mainly due to the positive impact of lower oil prices.

**At the regional level,****Budget deficits are expected to narrow gradually.**

152. According to the latest data from the Government Financial Operations Table (TOFE) compiled for most countries under IMF programs, the aggregate budget deficit is projected to fall to 3.7% of the GDP in 2025, then to 3.2% in 2026, after reaching 5.2% in 2024.

153. With the exception of Mali and Senegal,<sup>18</sup> all of the Union's Member States are implementing an economic and financial program supported by the IMF. However, in April 2025, Mali obtained a disbursement of 72.97 billion under the Rapid Credit Facility (RCF).

154. The budget deficit is expected to be covered mainly by net external financing (excluding the IMF) amounting to 55.2% of total net financing in 2025. This share is expected to drop to 25.7% in 2026.

155. During the first quarter of 2025, Benin carried out two simultaneous transactions on the international markets: a Eurobond issue and an international loan from Deutsche Bank for a total amount of 646.0 billion. Côte d'Ivoire, for its part, issued international bonds in March 2025, which were broken down into two distinct operations, respectively in US dollars and in CFA Francs, for a combined total of 1,286.0 billion CFA F. The Ivorian authorities plan to allocate part of the resources raised to active debt management operations, including the partial redemption of two previously issued Eurobonds: one maturing in 2028, in the amount of US\$300 million (181.8 billion CFA francs), and the 2032 bond, amounting to US\$400 million (242.4 billion CFA francs).

<sup>18</sup> The IMF program with Senegal has been suspended. Pending the finalization of ongoing talks, which could lead to its continuation or the establishment of a new agreement, no new disbursements are planned for Senegal over the forecast period.

156. In addition, special securities operations involving international investors were carried out by Côte d'Ivoire and Senegal in April 2025 on the regional financial market, for a total of 520 billion CFA francs over the period running from April 18 to 23, 2025. The securities issued were mainly purchased by international investors, generating an inflow of foreign capital in the region. The Senegalese government's operation, which took place on April 18, 2025, raised a total of 90 billion CFA francs with instruments maturing in 12 months, 3 years, and 5 years. The government of Côte d'Ivoire raised 430 billion CFA francs on April 22, 2025, through simultaneous auctions of maturities ranging from 12 months to 7 years.

**The current security and socio-political situation is not expected to deteriorate further in 2025 and 2026.**

157. In the light of the efforts made by the Member States to enhance security in the region, the current security and socio-political situation is unlikely to deteriorate further over the next few years. An assumption was therefore made that the security environment will stabilize over the projection period.

**Oil production in Niger, Senegal, and Côte d'Ivoire is expected to increase in 2025 and 2026.**

158. According to data from national authorities, oil production in Senegal is expected to reach 84,000 barrels per day in 2025 and 74,000 barrels per day in 2026. In Niger, crude oil production is expected to remain steady at 110,000 barrels per day in 2025 and 2026. In Côte d'Ivoire, production capacity is expected to increase from 44,139 barrels per day in 2024 to 58,529 barrels per day in 2025 and then to 77,110.6 barrels per day in 2026.

**Relatively favorable agro-climatic conditions are expected.**

159. Preliminary figures for the region's 2024-2025 agricultural season, released at the end of March 2025, estimated cereal production at 33.5 million metric tons, up 3% from the previous season and 9% from the five-year average. On that basis, the central scenario for the upcoming years assumes a 5.0% increase in cereal production.
160. Two other scenarios, a higher scenario and a lower scenario, were also produced to frame the medium-term outlook for inflation. These scenarios are based on the central projections but allow for variations of plus or minus 5 basis points in cereal production, imported food prices, and the exchange rate. A variation of plus or minus 10 US dollars was projected for crude oil prices.

**Table 30 - Inflation scenario projection assumptions**

	2024	2025		2026			
	Central	Lower	Central	Higher	Lower	Central	Higher
Barrel of oil (WTI, in dollars)	75.2	61.5	71.5	81.5	57.7	67.7	77.7
Euro/dollar exchange rate	1.08	1.1	1.10	1.05	1.17	1.12	1.07
Eurozone inflation (%)	2.4	1.8	2.3	2.8	1.4	1.9	2.4
BCEAO index of imported food prices (%)	-3.2	-14.1	-9.1	-4.1	-3.4	1.6	6.6
Cereal production in the Union (%)	3.0	10.0	5.0	0.0	10.0	5.0	0.0

Sources: Bloomberg, ECB, BCEAO, IMF

(\*) The level of cereal production in 2024 impacts prices over the Q4 2024 to Q3 2025 period (this time lag also applies to subsequent years).

## 7.2 - Medium-term macroeconomic projections

161. BCEAO forecasts for 2025 posit a 6.4% increase in the Union's real GDP, supported by a favorable trend in activities across all sectors. Increased production in the extractive and manufacturing sectors, due to hydrocarbon exploitation in Côte d'Ivoire, Senegal, and Niger, as well as higher mining and manufacturing output are expected to buoy the economy. In addition, an anticipated increase in agricultural production during the 2025-2026 growing season should boost activity in the "Trade", "Transportation and communications" and "Other services" branches. Contributions to economic growth are forecast at 3.4 pps for the tertiary sector, 1.7 pp for the secondary sector and 1.3 pp for the primary sector.

**Table 31 - Trends in gross domestic product growth rates, in real terms (percentage)**

	2023	2024*		2025**		2026**	
		Est. (March 2025)	Est. (June 2025)	Est. (March 2025)	Est. (June 2025)	Est. (March 2025)	Est. (June 2025)
Benin	6.4	6.7	7.5	6.7	6.7	6.6	6.6
Burkina Faso	3.0	5.1	5.1	5.8	6.0	5.1	5.1
Côte d'Ivoire	6.5	6.1	6.0	6.0	6.2	6.2	6.5
Guinea-Bissau	4.5	5.1	4.8	5.6	5.0	5.8	5.2
Mali	4.7	4.9	4.9	4.9	4.9	5.3	5.3
Niger	2.6	8.8	10.3	6.9	6.8	6.5	8.0
Senegal	4.3	6.7	6.1	8.0	8.0	5.2	5.2
Togo	6.4	6.3	6.3	6.2	6.2	6.4	6.4
<b>Union</b>	<b>5.2</b>	<b>6.2</b>	<b>6.3</b>	<b>6.3</b>	<b>6.4</b>	<b>5.9</b>	<b>6.2</b>

Sources: National statistics institutes, BCEAO (\*) Estimates from national departments (\*\*) BCEAO projections

162. Based on an analysis of GDP uses, economic growth in 2025 should be driven primarily by internal demand. Final consumption is expected to contribute 3.7 pps, while investment should account for 2.1 pps. The external sector is expected to contribute 0.6 point to economic growth, due to increased exports, particularly of mining, oil, and gas products.

**Table 32 - Trends in contributions to GDP growth in the Union**

	2023	2024*		2025**		2026**	
		Est. (March 2025)	Est. (June 2025)	Est. (March 2025)	Est. (June 2025)	Est. (March 2025)	Est. (June 2025)
<b>Primary sector</b>	<b>0.3</b>	<b>1.5</b>	<b>1.9</b>	<b>1.1</b>	<b>1.3</b>	<b>0.9</b>	<b>1.2</b>
<b>Secondary sector</b>	<b>1.3</b>	<b>1.4</b>	<b>1.2</b>	<b>1.8</b>	<b>1.7</b>	<b>1.5</b>	<b>1.5</b>
<i>including: - Manufacturing industries</i>	<i>0.7</i>	<i>0.4</i>	<i>0.4</i>	<i>0.6</i>	<i>0.5</i>	<i>0.7</i>	<i>0.7</i>
<i>- Extractive industries</i>	<i>0.0</i>	<i>0.8</i>	<i>0.8</i>	<i>1.1</i>	<i>1.1</i>	<i>0.5</i>	<i>0.5</i>
<i>- Public works and civil engineering</i>	<i>0.3</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.3</i>	<i>0.3</i>
<b>Tertiary sector</b>	<b>3.6</b>	<b>3.3</b>	<b>3.2</b>	<b>3.4</b>	<b>3.4</b>	<b>3.5</b>	<b>3.5</b>
<b>Real GDP</b>	<b>5.2</b>	<b>6.2</b>	<b>6.3</b>	<b>6.3</b>	<b>6.4</b>	<b>5.9</b>	<b>6.2</b>
<b>Final consumption</b>	<b>2.8</b>	<b>3.2</b>	<b>4.0</b>	<b>4.0</b>	<b>3.7</b>	<b>3.4</b>	<b>3.4</b>
<i>Private</i>	<i>2.3</i>	<i>2.8</i>	<i>3.8</i>	<i>3.2</i>	<i>3.3</i>	<i>3.0</i>	<i>3.0</i>
<i>Public</i>	<i>0.5</i>	<i>0.4</i>	<i>0.2</i>	<i>0.8</i>	<i>0.4</i>	<i>0.4</i>	<i>0.4</i>
<b>CapEx</b>	<b>3.5</b>	<b>1.4</b>	<b>1.4</b>	<b>1.4</b>	<b>2.1</b>	<b>2.8</b>	<b>2.1</b>
<i>Private</i>	<i>2.6</i>	<i>1.0</i>	<i>1.0</i>	<i>0.8</i>	<i>1.4</i>	<i>2.1</i>	<i>1.4</i>
<i>Public</i>	<i>0.9</i>	<i>0.4</i>	<i>0.4</i>	<i>0.6</i>	<i>0.7</i>	<i>0.7</i>	<i>0.7</i>
<b>External sector</b>	<b>-1.1</b>	<b>1.6</b>	<b>0.9</b>	<b>0.9</b>	<b>0.6</b>	<b>-0.3</b>	<b>0.7</b>

Source: BCEAO, National statistics institutes, (\*) Estimates from national departments (\*\*) BCEAO projections

163. Compared with the March 2025 report, the Union's economic growth forecast for 2025 has been revised upward by 0.1 percentage point, reflecting upward revisions of 0.2 percentage point for Burkina Faso and Côte d'Ivoire, dampened by weaker-than-expected performance in Guinea-Bissau (-0.6 pp) and Niger (-0.1 pp). The upward revision for economic growth in Burkina Faso was mainly due to a stronger-than-expected performance in the agriculture and livestock sector (+11.2% compared with +6.2% previously), as well as in manufacturing (+12.5% rather than +5.8%). In Côte d'Ivoire, the anticipated upturn in activity can mostly be ascribed to the momentum in agriculture (+5.4% against +5.1% initially) and non-market services

(+7.2% against +6.1% previously). On the other hand, weaker economic growth in Guinea-Bissau can mainly be attributed to lower-than-expected increases in trade (+3.6% instead of +14.7%) and transportation and communications (+2.9% as opposed to 4.2%). In Niger, the economy is expected to suffer from weaker-than-expected growth in non-market services, which are forecast to increase by 4.5% instead of 11.5%.

164. However, these growth prospects are subject to downside risks, primarily connected with less favorable weather conditions than expected, weaker external demand, and heightened global uncertainty.

#### ***A fiscal stance geared towards consolidation***

165. The budgetary projections reflect Member States' commitment to strengthening fiscal consolidation through continued reforms designed to improve revenue mobilization

and contain public spending. Accordingly, the budget deficit as a percentage of the GDP is expected to narrow from 5.2% in 2024 to 3.7% in 2025, then to 3.2% in 2026.

**Table 33 - Financial transactions of WAEMU Member States** (in billions, unless otherwise indicated)

	2023 (March 2025 revision)	2024*	2025**		2026**	
		Estimates (June 2025)	Estimates (March 2025)	Estimates (June 2025)	Estimates (March 2025)	Estimates (June 2025)
<b>Total revenue and grants</b>	<b>21,412.7</b>	<b>23,176.7</b>	<b>26,822.0</b>	<b>26,628.7</b>	<b>29,639.2</b>	<b>30,211.0</b>
<b>(in % of GDP)</b>	<b>17.5</b>	<b>17.3</b>	<b>18.3</b>	<b>18.3</b>	<b>18.7</b>	<b>19.1</b>
Fiscal revenue	17,625.7	19,331.0	22,555.1	22,346.9	25,140.5	25,605.9
(in % of GDP)	14.4	14.5	15.4	15.3	15.9	16.2
Other revenue (including non-tax revenue)	2,569.7	2,931.6	2,869.9	2,892.4	3,268.1	3,378.2
(in % of GDP)	2.1	2.2	2.0	2.0	2.1	2.1
Grants	1,217.3	914.1	1,397.0	1,389.4	1,230.7	1,226.9
(in % of GDP)	1.0	0.7	1.0	1.0	0.8	0.8
<b>Total and net loans</b>	<b>29,077.3</b>	<b>30,148.0</b>	<b>32,173.6</b>	<b>31,977.1</b>	<b>34,544.2</b>	<b>35,232.3</b>
<b>(in % of GDP)</b>	<b>23.8</b>	<b>22.5</b>	<b>22.0</b>	<b>22.0</b>	<b>21.8</b>	<b>22.3</b>
Current expenses	18,125.6	19,259.6	20,147.0	20,294.2	20,902.8	21,488.4
(in % of GDP)	14.8	14.4	13.8	13.9	13.2	13.6
Capital expenditure	9,494.2	9,569.4	10,377.5	10,081.2	11,998.9	12,234.1
(in % of GDP)	7.8	7.2	7.1	6.9	7.6	7.7
<b>Balance (accrual basis including grants)</b>	<b>-7,664.6</b>	<b>-6,971.3</b>	<b>-5,351.6</b>	<b>-5,348.4</b>	<b>-4,904.9</b>	<b>-5,021.3</b>
<b>(in % of GDP)</b>	<b>-6.3</b>	<b>-5.2</b>	<b>-3.7</b>	<b>-3.7</b>	<b>-3.1</b>	<b>-3.2</b>

Sources: National departments, BCEAO

(\*) Estimates (\*\*) Projections

166. In line with the above trends, the debt-to-GDP ratio should stand at 62.8% in 2024 and 62.7% in 2025, before settling at 62.4% in 2026. The interest paid on the debt as a percentage of fiscal revenue is expected

to stand at 17.8% in 2024, 16.7% in 2025, and 15.0% in 2026. Despite the downward trend, the share of tax revenue allocated to the payments of interest on the debt remains high.

**Table 34 - Trends in aggregate debt across WAEMU** (in billions of CFA F)

	2023	2024*	2025**	2026**
Outstanding debt	76,414.8	83,976.4	91,330.3	98,540.4
% of GDP	62.5	62.8	62.7	62.4
Interest/fiscal revenue (%)	16.0	17.8	16.7	15.0

Sources: National departments, BCEAO

(\*) Estimates (\*\*) Projections

167. Despite these efforts, public finance management in the Union remains subject to significant risks that could lead to an increase in projected budget deficits. These risks include the social and security challenges

facing most Member States. If they materialize, they could potentially jeopardize the fiscal consolidation path currently being pursued in the Union.

**External accounts are expected to continue improving, in line with the strengthening of the current account balance and foreign capital inflows into the Union**

168. Improvements in the Union's external trade situation, which began in 2024, are expected to continue in 2025, thanks in particular to increasing oil and gas exports, improved

terms of trade, and operations on the international capital financial markets by some of the Union's countries.

**Table 35 - Balance of payments forecasts for 2025-2026**

(in billions of CFA francs, except where otherwise

stated)

	2023	2024	2025		2026	
			Est. (March 2025)	Est. (June 2025)	Est. (March 2025)	Est. (June 2025)
<b>Trade balance</b>	<b>-4,453.1</b>	<b>-755.8</b>	<b>2,038.1</b>	<b>3,390.3</b>	<b>2,170.4</b>	<b>3,150.7</b>
<i>Exports (FOB)</i>	24,527.6	27,866.7	32,491.9	33,315.3	33,227.2	35,122.4
<i>Imports (FOB)</i>	28,980.7	28,622.4	30,453.7	29,925.0	31,056.8	31,971.7
<b>Balance of services</b>	<b>-7,306.3</b>	<b>-6,751.5</b>	<b>-7,290.9</b>	<b>-7,191.0</b>	<b>-7,224.1</b>	<b>-6,814.9</b>
<i>Credit</i>	3,092.0	3,441.6	3,745.8	3,502.9	4,048.8	3,799.5
<i>Debit</i>	-10,398.3	-10,851.8	-11,036.7	-10,693.9	-11,272.9	-10,614.5
<i>Incl. freight</i>	-4,778.1	-4,657.7	-5,204.9	-5,086.7	-5,327.8	-5,459.2
<b>Balance of the primary income account</b>	<b>-3,557.2</b>	<b>-4,530.3</b>	<b>-4,733.6</b>	<b>-5,388.2</b>	<b>-5,117.2</b>	<b>-5,825.8</b>
<b>Balance of the secondary income account</b>	<b>3,828.1</b>	<b>4,069.0</b>	<b>3,899.8</b>	<b>4,101.2</b>	<b>4,072.0</b>	<b>4,287.1</b>
<b>Balance of the current transactions account</b>	<b>-11,488.5</b>	<b>-7,968.6</b>	<b>-6,086.6</b>	<b>-5,087.8</b>	<b>-6,098.8</b>	<b>-5,203.0</b>
Balance of the current transactions account (% of GDP)	-9.4	-6.0	-4.1	-3.5	-3.8	-3.3
Balance of the current transactions account exclusive of grants (% of GDP)	-9.6	-6.2	-4.3	-3.7	-3.9	-3.4
<b>Balance of the capital account</b>	<b>1,409.9</b>	<b>1,303.2</b>	<b>1,596.9</b>	<b>1,637.7</b>	<b>1,574.7</b>	<b>1,615.7</b>
<b>Balance of the financial account</b>	<b>-7,017.4</b>	<b>-9,089.4</b>	<b>-6,192.0</b>	<b>-6,073.4</b>	<b>-5,144.1</b>	<b>-4,324.4</b>
<i>- Foreign direct investment</i>	-5,526.0	-4,487.4	-3,678.9	-3,641.0	-3,601.9	-3,287.1
<i>- Portfolio investments</i>	112.4	-2,043.1	-619.7	-1,466.5	-122.9	88.8
<i>- Other investments</i>	-1,600.6	-2,558.9	-1,890.2	-962.8	-1,416.2	-1,123.0
<b>Aggregate balance</b>	<b>-3,530.4</b>	<b>3,012.7</b>	<b>1,702.3</b>	<b>2,623.4</b>	<b>620.0</b>	<b>737.2</b>
Revaluations	221.6	651.0	0.0	0.0	0.0	0.0
<b>Variation in NEAs</b>	<b>3,308.8</b>	<b>-3,663.8</b>	<b>-1,702.3</b>	<b>-2,623.4</b>	<b>-620.0</b>	<b>-737.2</b>

Source: BCEAO

169. In 2025, the overall external trade balance of the WAEMU Member States is expected to show a surplus of 2,623.4 billion. The current account deficit as a percentage of the GDP is forecast at 3.5% in 2024, down 2.5 pp compared to 2024. This improvement will be driven mainly by a positive trend in the balance of goods and services, particularly

the balance of goods, which should show a surplus of 3,390.3 billion as compared to a deficit of 755.8 billion in 2024, thanks to a greater increase in exports (+19.6%) than in imports (+4.6%).

170. The surplus on the capital account is estimated to reach 1,637.7 billion in 2025

versus 1,255.9 billion the year before. Under these conditions, financial flows are expected to cover 176.0% of the estimated financing requirement of 3,450.0 billion in 2025.

171. Continued production by oil and gas facilities is expected to improve the Union's external accounts in 2026. The aggregate balance of the balance of payments is expected to show a surplus of 737.2 billion. The deficit in the current account is forecast to stand at 3.3% of the GDP, and the capital account surplus is expected to stand at 1,615.7 billion. Under these conditions, financial flows are expected

to cover 120.6% of the estimated financing requirement of 3,587.3 billion in 2026.

172. The projected external balance could be less favorable in the event of a deterioration in the terms of trade or lower-than-expected mobilization of external resources. Persistent geopolitical tensions and intensifying trade wars around the world raise fears of a resurgence of inflation, which could lead to higher import bills. In particular, intensifying trade wars could lead to tighter international financial conditions, reducing states' access to the international capital markets.

***The monetary situation is expected to reflect adequate financing of the economies***

173. The rate of growth in loans to the private sector is anticipated to stand at 8.3% in 2025 and 9.1% in 2026, after 4.5% in 2024.

**Table 36 - Projected monetary aggregates for 2025-2026 (in billions, unless otherwise stated)**

Headings	2023	2024	2025		2026	
			Estimates (Mar.2025)	Estimates (Jun.2025)	Estimates (Mar.2025)	Estimates (Jun.2025)
<b>Money supply growth rate</b>	3.5%	8.9%	9.4%	12.7%	15.1%	14.8%
Growth rate of claims on the private sector	9.4%	4.5%	8.6%	8.3%	9.5%	9.1%
Variation in net claims on central governments	3,315.9	2,184.2	1,315.7	3,511.8	1,301.6	4,076.0
Variation in NEAs	-3,307.7	3,663.8	1,702.3	2,623.4	620.0	737.2
<b>Claims on the economy/GDP</b>	<b>27.8%</b>	<b>26.6%</b>	<b>26.6%</b>	<b>26.7%</b>	<b>26.9%</b>	<b>26.8%</b>
<b>Broad money (M2)</b>	<b>47,790.8</b>	<b>52,022.0</b>	<b>56,912.6</b>	<b>58,622.1</b>	<b>65,515.8</b>	<b>67,306.0</b>
Currency outside banks	10,674.0	12,454.7	12,934.3	14,653.7	14,847.9	17,314.4
Deposits	37,116.8	39,567.3	43,978.3	43,968.4	50,667.9	49,991.6

Source: BCEAO

174. In 2025, the money supply is expected to rise by 12.7%, on the heels of an 8.9% increase in 2024, driven by internal claims and an expected consolidation in NEAs. Net claims by deposit-taking institutions on central governments are expected to increase by 3,511.8 billion, compared with 2,184.2 billion in 2024. Loans to the economy are expected to grow by 8.3% after 4.5% in 2024. Net external assets (NEAs) of deposit-taking institutions should increase by 2,623.4 billion, reflecting improvements in external accounts and external resource mobilization by the Member States.

175. The forecast 14.8% increase in the money supply in 2026 is based on anticipated developments in internal claims and an expected consolidation of 737.2 billion in NEAs of deposit-taking institutions. Financing of private and public sector activities is expected to be buoyant, with claims on the economy growing at a rate of 9.1% and net claims on central governments rising by 4,076.0 billion.

### 7.3 - Inflation forecasts and risks

176. In the second quarter of 2025, the overall price level is forecast to remain stable at 2.3%, within the target range of 1 to 3%. This moderate trend in inflation is expected to be aligned with the improvement (+3.0%) in the domestic supply of staple food products from the 2024/2025 harvest and the impact of lower fuel prices in Côte d'Ivoire, effective

April 1, 2025, which will apply to gasoline (-2.3%) and diesel (-2.1%) among other fuel products.

177. This momentum should also be supported by easing pressures on the costs of imported petroleum products and foodstuffs as a result of lower global prices.

**Table 37 - Inflation outlook in WAEMU (%)**

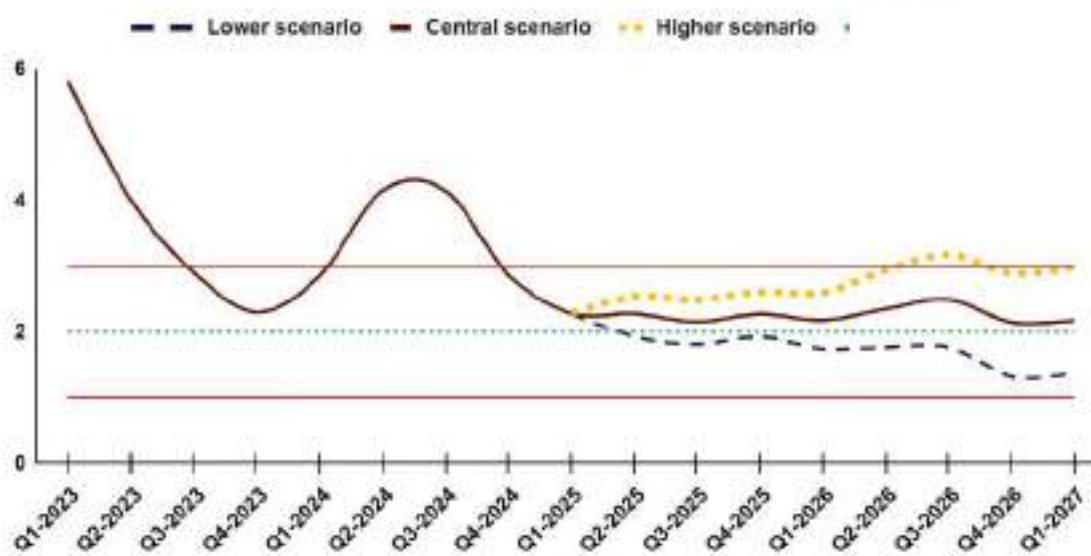
											Average			
		2025				2026				2027	2024	2025	2026	Eight quarters
		Q1 Actual	Q2 Fcst	Q3 Fcst	Q4 Fcst	Q1 Fcst	Q2 Fcst	Q3 Fcst	Q4 Fcst	Q1 Fcst				
Inflation rate	Lower scenario	2.3	1.9	1.8	1.9	1.7	1.8	1.8	1.3	1.4	3.5	2.0	1.7	1.7
	Central scenario	2.3	2.3	2.2	2.3	2.2	2.3	2.5	2.1	2.2	3.5	2.2	2.3	2.3
	Higher scenario	2.3	2.5	2.5	2.6	2.6	2.9	3.2	2.9	3.0	3.5	2.5	2.9	2.8

Source: BCEAO

178. The inflation rate is expected to remain within the target range of 1 to 3% during the forecast period. Over the eight-quarter forecast horizon, inflation is expected to

stand at 2.3%. This trend will mainly be driven by the absence of tensions on world food and oil prices projected for the timeframe.

**Graph 25 - Inflation forecasts over the Q2-2025 - Q1-2027 period (year over year, %)**



Source: BCEAO

179. Inflation forecasts are surrounded by generally upward risks connected to the spread of insecurity in the Union, unfavorable weather conditions, and the introduction of new customs tariffs by the United States at the end of the three-month suspension period. The adoption of the new customs

tariffs and retaliatory measures could lead to higher prices for imported products. Downside risks include a steeper decline in oil prices, in line with the energy transition, robust supplies, and the depreciation of the dollar, which would lead to lower fuel prices at the pump in the Union.

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## APPENDICES

1. **Box E.1** - Methodology for assessing the alignment of the Union's external position with its economic fundamentals
2. **Table A.1** - WAMU: Central Bank summary statement
3. **Table A.2** - WAMU: Summary statement of the banks
4. **Table A.3** - WAMU: Monetary aggregates
5. **Table A.4** - WAMU: Net claims on central governments
6. **Table A.5** - Breakdown of inflation in the WAEMU Union

### Box E1: Methodology for assessing the alignment of the Union's external position with its economic fundamentals

The EBA-Lite methodology is used by the Central Bank to calculate the real effective exchange rate and its equilibrium level. The method, which was developed by the IMF, has improved the way the external viability of the Member States is assessed in the context of Article IV consultations subject to the Fund's Articles of Agreement. Beginning in 2019, the BCEAO has strengthened its competitiveness measurement system by rolling out the EBA-Lite model provided by the IMF to enhance the framework used to analyze the real effective exchange rate (REER). The model's parameters have been adapted to take the specific characteristics of the WAEMU Member States into account.

The approach is founded on the estimation of a standard value (CA-standard) for the current account deficit, as well as for the REER, based on a set of factors that influence their movements. These values correspond to the current account deficit and REER levels that are compatible with the fundamentals of the economy under review. In addition, desirable levels are identified for other types of macroeconomic aggregates known as policy variables, and these levels are also taken into account.

Misalignments of the current account deficit or REER relative to the fundamentals are identified based on the difference between the observed level of the deficit and the standard, as well as on the gap between policy variables and their desirable levels (CA gap and REER gap). The results are compared with the ranges within which the current account deficit and the REER are compatible with the fundamentals.

Following this approach, CA gap values above 1 indicate an undervaluation relative to the fundamentals of the economy, while CA gap values below -1 reveal an overvaluation relative to the fundamentals of the economy. In the case of the REER gap, values below -5 point to an undervaluation relative to the fundamentals, while values above 5 indicate an overvaluation relative to the fundamentals of the economy.

**Table A.1 - WAMU: Central Bank summary statement**

<i>Outstanding in billions of CFA francs</i>	Dec.-23	March-24	June-24	Sept.-24	Dec.-24	March-25
<b>Net external assets</b>	<b>3,081.6</b>	<b>3,052.8</b>	<b>4,226.6</b>	<b>2,938.0</b>	<b>6,440.1</b>	<b>8,163.4</b>
Claims on other deposit-taking institutions	8,417.7	8,497.7	8,657.8	8,757.3	9,407.1	8,370.1
Net claims on central governments	6,446.1	6,556.8	6,370.8	6,803.5	6,445.9	6,298.2
Claims on the economy	707.2	722.8	723.5	736.9	719.7	729.1
<b>TOTAL ASSETS</b>	<b>18,652.7</b>	<b>18,830.0</b>	<b>19,978.7</b>	<b>19,235.8</b>	<b>23,012.7</b>	<b>23,560.7</b>
<b>Monetary base</b>	<b>15,119.5</b>	<b>14,877.8</b>	<b>15,636.1</b>	<b>15,236.9</b>	<b>18,249.1</b>	<b>18,524.5</b>
Currency outside banks	11,669.4	11,820.4	12,324.1	11,791.8	13,678.4	13,969.1
Commitments to other deposit-taking institutions	2,679.1	2,388.5	2,462.5	2,637.3	3,771.5	3,686.9
Commitments to other sectors	771.0	668.9	849.5	807.7	799.2	868.5
<b>Deposits and securities other than shares not included in the money supply</b>	<b>33.3</b>	<b>37.9</b>	<b>35.0</b>	<b>39.5</b>	<b>44.2</b>	<b>42.1</b>
<b>Shares and other equity securities</b>	<b>3,400.9</b>	<b>3,784.8</b>	<b>3,958.5</b>	<b>4,049.4</b>	<b>4,341.5</b>	<b>4,668.4</b>
<b>Other items (net)</b>	<b>99.0</b>	<b>129.6</b>	<b>349.2</b>	<b>-90.0</b>	<b>378.0</b>	<b>325.8</b>
<b>TOTAL LIABILITIES</b>	<b>18,652.7</b>	<b>18,830.0</b>	<b>19,978.7</b>	<b>19,235.8</b>	<b>23,012.7</b>	<b>23,560.7</b>

Source: BCEAO

**Table A.2 - WAMU: Summary statement of the banks**

<i>Outstanding in billions of CFA francs</i>	<b>Dec.-23</b>	<b>March-24</b>	<b>June-24</b>	<b>Sept.-24</b>	<b>Dec.-24</b>	<b>March-25</b>
<b>Net external assets</b>	<b>-1,931.3</b>	<b>-1,522.8</b>	<b>-1,415.2</b>	<b>-1,829.8</b>	<b>-1,626.0</b>	<b>-1,874.6</b>
Claims on non-residents	1,183.1	1,281.1	1,198.4	1,050.5	1,269.5	1,198.4
Commitments to non-residents	-3,114.3	-2,803.9	-2,613.6	-2,880.2	-2,895.5	-3,073.0
<b>Claims on the Central Bank</b>	<b>3,826.7</b>	<b>3,715.6</b>	<b>3,600.2</b>	<b>3,767.6</b>	<b>4,841.0</b>	<b>4,739.3</b>
<b>Net claims on central governments</b>	<b>17,279.8</b>	<b>17,109.2</b>	<b>17,493.9</b>	<b>18,347.5</b>	<b>19,467.5</b>	<b>20,143.6</b>
<b>Claims on the economy</b>	<b>33,612.0</b>	<b>33,489.8</b>	<b>34,083.4</b>	<b>34,403.4</b>	<b>35,158.7</b>	<b>35,201.5</b>
Claims on other financial companies	907.1	965.1	879.4	865.2	910.0	1,012.5
Claims on central and local governments	425.8	230.7	267.8	353.6	169.0	311.9
Claims on public non-financial corporations	1,989.2	2,007.4	2,153.5	2,196.9	2,138.2	2,125.0
Claims on the private sector	30,289.9	30,286.6	30,782.7	30,987.8	31,941.5	31,752.1
<b>TOTAL ASSETS</b>	<b>52,787.3</b>	<b>52,791.8</b>	<b>53,762.3</b>	<b>54,688.8</b>	<b>57,841.2</b>	<b>58,209.8</b>
<b>Commitments to the central bank</b>	<b>8,421.7</b>	<b>8,498.6</b>	<b>8,667.6</b>	<b>8,721.9</b>	<b>9,294.3</b>	<b>7,098.0</b>
<b>Transferable deposits included in the broad money supply</b>	<b>21,987.2</b>	<b>21,278.7</b>	<b>21,577.6</b>	<b>21,296.8</b>	<b>23,261.2</b>	<b>23,830.0</b>
<b>Other deposits included in the broad money supply</b>	<b>13,976.5</b>	<b>14,219.2</b>	<b>14,476.3</b>	<b>14,973.2</b>	<b>15,112.2</b>	<b>15,523.6</b>
<b>Deposits not included in the broad money supply</b>	<b>2,093.5</b>	<b>2,177.3</b>	<b>2,188.1</b>	<b>2,189.5</b>	<b>2,530.4</b>	<b>2,380.0</b>
<b>Securities other than shares not included in the broad money supply</b>	<b>6.9</b>	<b>3.4</b>	<b>3.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Borrowings</b>	<b>1,146.3</b>	<b>1,252.8</b>	<b>1,270.2</b>	<b>1,266.8</b>	<b>1,634.0</b>	<b>1,613.1</b>
<b>Shares and other equity securities</b>	<b>6,424.5</b>	<b>6,347.8</b>	<b>6,290.9</b>	<b>6,454.6</b>	<b>6,449.0</b>	<b>6,966.8</b>
<b>Other items (net)</b>	<b>-1,269.2</b>	<b>-985.8</b>	<b>-711.8</b>	<b>-214.0</b>	<b>-439.8</b>	<b>798.2</b>
<b>TOTAL LIABILITIES</b>	<b>52,787.3</b>	<b>52,791.8</b>	<b>53,762.3</b>	<b>54,688.8</b>	<b>57,841.2</b>	<b>58,209.8</b>

Source: BCEAO

**Table A.3 - WAMU: Monetary aggregates**

<i>In billions of CFA F</i>	<b>Dec.-23</b>	<b>March-24</b>	<b>June-24</b>	<b>Sept.-24</b>	<b>Dec.-24</b>	<b>March-25</b>
Currency outside banks	<b>10,674.0</b>	<b>10,795.7</b>	<b>11,185.7</b>	<b>10,660.9</b>	<b>12,454.7</b>	<b>12,725.4</b>
Transferable deposits	<b>22,927.1</b>	<b>22,155.7</b>	<b>22,527.1</b>	<b>22,256.0</b>	<b>24,237.5</b>	<b>24,804.0</b>
M1	<b>33,601.1</b>	<b>32,951.4</b>	<b>33,712.8</b>	<b>32,917.0</b>	<b>36,692.2</b>	<b>37,529.4</b>
Other deposits included in the money supply (1)	<b>14,189.7</b>	<b>14,390.5</b>	<b>14,771.0</b>	<b>15,216.4</b>	<b>15,329.8</b>	<b>15,812.9</b>
<b>Money supply (M2)</b>	<b>47,790.8</b>	<b>47,342.0</b>	<b>48,483.8</b>	<b>48,133.4</b>	<b>52,022.0</b>	<b>53,342.3</b>
<b>Net external assets</b>	<b>1,150.3</b>	<b>1,530.0</b>	<b>2,811.3</b>	<b>1,108.3</b>	<b>4,814.1</b>	<b>6,288.8</b>
BCEAO	3,081.6	3,052.8	4,226.6	2,938.0	6,440.1	8,163.4
Banks	-1,931.3	-1,522.8	-1,415.2	-1,829.8	-1,626.0	-1,874.6
<b>Internal claims</b>	<b>58,015.0</b>	<b>57,844.5</b>	<b>58,638.2</b>	<b>60,257.8</b>	<b>61,758.3</b>	<b>62,338.8</b>
Net claims on central governments	23,695.7	23,632.0	23,831.2	25,117.5	25,879.9	26,408.2
Claims on the private sector	34,319.3	34,212.5	34,806.9	35,140.3	35,878.4	35,930.6
<b>Non-monetary liabilities (2)</b>	<b>13,105.3</b>	<b>13,603.9</b>	<b>13,746.1</b>	<b>13,999.9</b>	<b>14,999.0</b>	<b>15,670.4</b>
<b>Other items (net) (3)</b>	<b>-1,730.8</b>	<b>-1,571.3</b>	<b>-780.5</b>	<b>-767.1</b>	<b>-448.6</b>	<b>-385.1</b>
<b>TOTAL COUNTERPARTIES OF M2 (4)</b>	<b>47,790.8</b>	<b>47,342.0</b>	<b>48,483.8</b>	<b>48,133.4</b>	<b>52,022.0</b>	<b>53,342.3</b>

(1) Term deposits and special savings accounts opened in banks and interest-bearing deposits opened on the books of the Central Bank.

(2) Comprising shares and other interests in deposit-taking institutions and their non-monetary commitments to other sectors.

(3) Comprising consolidation adjustments and the net balance of non-classified assets, particularly miscellaneous items and non-financial assets.

(4) Total counterparties = Net external assets + Internal claims - Non-monetary liabilities - Other items (net).

Source: BCEAO

**Table A.4 - WAMU: Net claims on central governments**

<i>in billions of CFA F</i>	<b>Dec.-23</b>	<b>March-24</b>	<b>June-24</b>	<b>Sept.-24</b>	<b>Dec.-24</b>	<b>March-25</b>
<b>BCEAO net receivables</b>	<b>6,415.9</b>	<b>6,522.8</b>	<b>6,337.3</b>	<b>6,770.0</b>	<b>6,412.4</b>	<b>6,264.6</b>
<b>Receivables</b>	<b>8,002.9</b>	<b>7,956.4</b>	<b>8,100.6</b>	<b>7,975.9</b>	<b>8,393.7</b>	<b>8,167.1</b>
Loans	6,020.8	5,978.6	6,180.1	6,175.5	6,611.5	6,542.6
Loans backed by SDRs	1,312.5	1,312.5	1,312.5	1,312.5	1,312.5	1,312.5
Consolidated loans	253.0	253.0	238.8	219.7	272.8	252.0
IMF loans	4,248.0	4,205.8	4,407.3	4,402.7	4,838.7	4,769.8
Other loans (financial receivables) (1)	242.3	242.3	242.3	242.3	242.3	242.3
Treasury securities portfolio	1,965.5	1,965.5	1,906.8	1,785.5	1,765.5	1,606.5
Other receivables (2)	16.6	12.3	13.7	15.0	16.8	18.0
<b>Commitments</b>	<b>1,587.0</b>	<b>1,433.6</b>	<b>1,763.3</b>	<b>1,205.9</b>	<b>1,981.3</b>	<b>1,902.4</b>
Treasury	30.2	34.0	33.5	33.5	33.5	33.5
Deposits	1,451.4	1,375.8	1,681.4	1,100.0	1,844.2	1,742.5
Other commitments (3)	105.4	23.7	48.4	72.4	103.6	126.4
<b>Net claims by banks</b>	<b>17,279.8</b>	<b>17,109.2</b>	<b>17,493.9</b>	<b>18,347.5</b>	<b>19,467.5</b>	<b>20,143.6</b>
<b>Receivables</b>	<b>22,137.5</b>	<b>22,583.6</b>	<b>22,963.7</b>	<b>23,617.7</b>	<b>24,729.6</b>	<b>25,688.3</b>
Loans	4,318.4	4,269.2	4,300.5	4,120.5	4,451.6	4,635.1
Treasury securities portfolio	17,819.1	18,314.4	18,663.2	19,497.3	20,278.0	21,053.2
<b>Commitments</b>	<b>4,857.7</b>	<b>5,474.4</b>	<b>5,469.8</b>	<b>5,270.2</b>	<b>5,262.1</b>	<b>5,544.7</b>
<b>TOTAL NET CLAIMS ON CGs</b>	<b>23,695.7</b>	<b>23,632.0</b>	<b>23,831.2</b>	<b>25,117.5</b>	<b>25,879.9</b>	<b>26,408.2</b>

(1) Claims on negative external positions and other financial receivables due from governments.

(2) Recoverable government expenses, recoverable taxes, and miscellaneous claims on governments.

Source: BCEAO

## Table A.5 - Breakdown of inflation in WAEMU

### Table A.5.1 - Trends in inflation by geographical origin

	Component	Weight (%)	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025
Variation in the index (%)	Local	70.0	2.4	3.6	3.5	3.0	2.8
	Imported	30.0	4.0	5.5	5.3	2.6	0.4
Contributions (in % points)	Local	70.0	1.7	2.5	2.5	2.1	2.1
	Imported	30.0	1.2	1.6	1.6	0.8	0.1
	<b>Total</b>	<b>100.0</b>	<b>2.9</b>	<b>4.1</b>	<b>4.1</b>	<b>2.9</b>	<b>2.2</b>

Sources: BCEAO, National Statistics Institutes

### Table A.5.2 - Trends in inflation by type of product

	Component	Weight (%)	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025
Variation (%)	Goods	70.7	2.7	3.9	4.9	3.1	2.8
	Services	29.3	3.5	4.4	1.9	2.4	1.0
Contributions (in % points)	Goods	70.7	1.9	2.8	3.5	2.2	1.8
	Services	29.3	1.0	1.3	0.6	0.7	0.4
	<b>Total</b>	<b>100.0</b>	<b>2.9</b>	<b>4.1</b>	<b>4.1</b>	<b>2.9</b>	<b>2.2</b>

Sources: BCEAO, National Statistics Institutes

### Table A.5.3 - Difference between forecast and actual inflation rates in WAEMU

	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025
Forecast date	January 2024	March 2024	October 2024	January 2025	March 2025
Actual, as a % (A)	2.8	4.1	4.1	2.9	2.2
Forecast, as a % (B)	2.8	2.9	4.1	3.5	2.6
Difference in % points (A-B)	0	1.2	0	-0.6	-0.4

Source: BCEAO