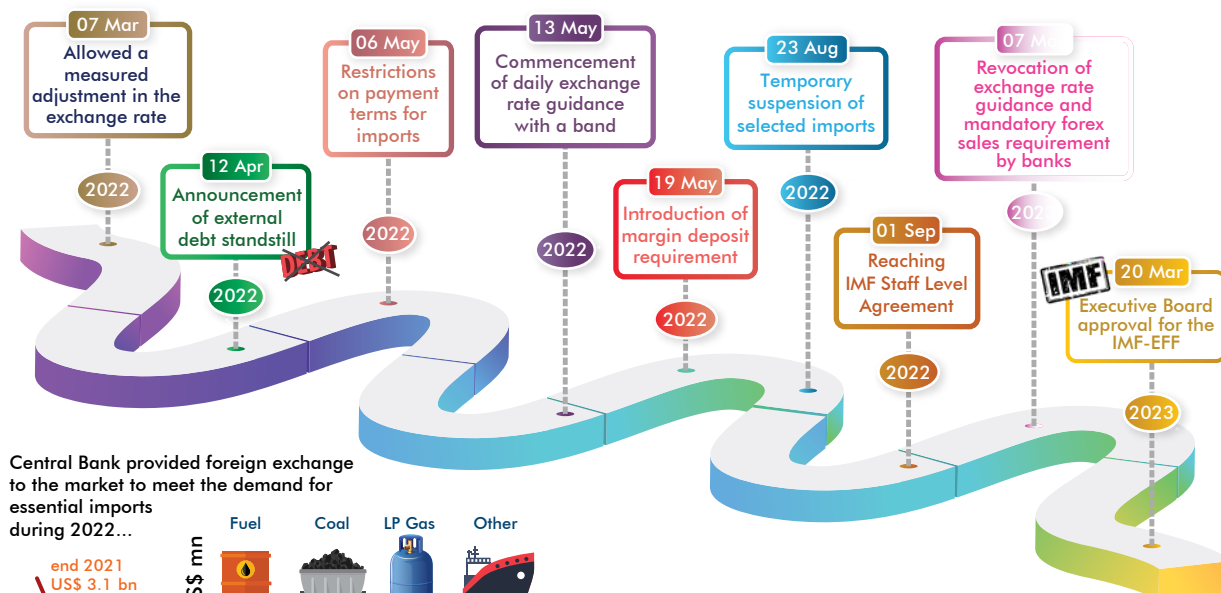
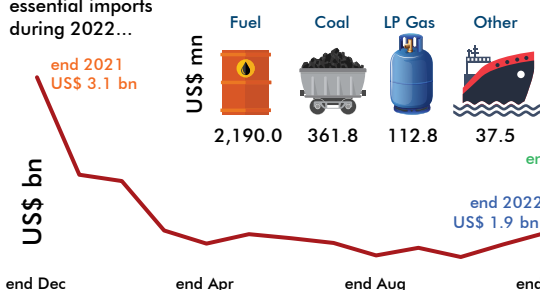


Figure 5.1
Performance of the External Sector

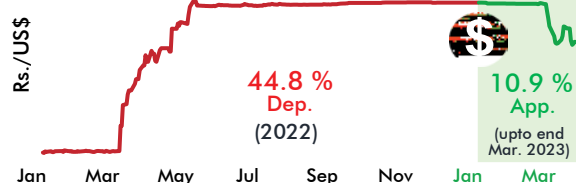
The EXTERNAL SECTOR faced unprecedented challenges in 2022...



Central Bank provided foreign exchange to the market to meet the demand for essential imports during 2022...

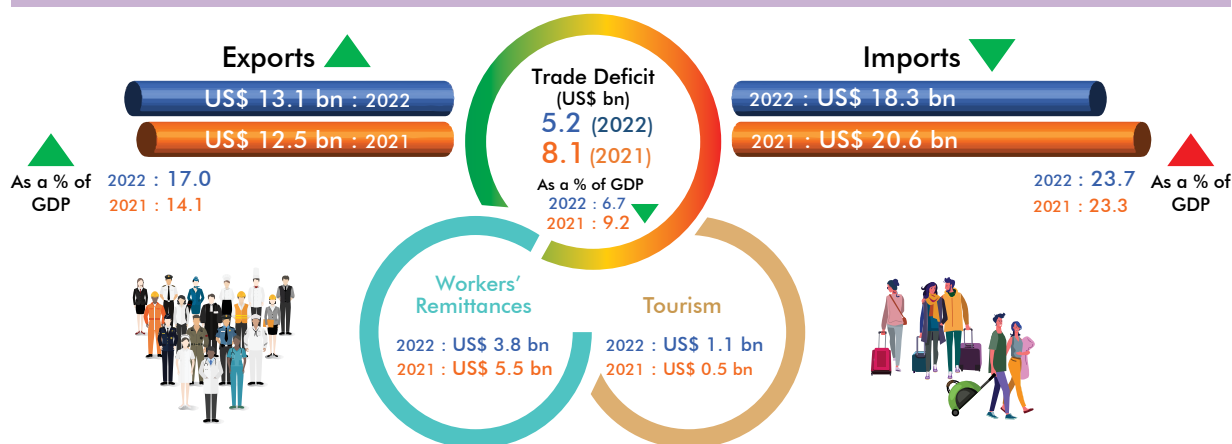
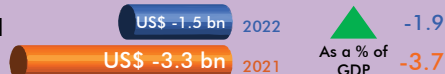


Exchange rate stabilised around the guidance band after the overshooting during March-May 2022...

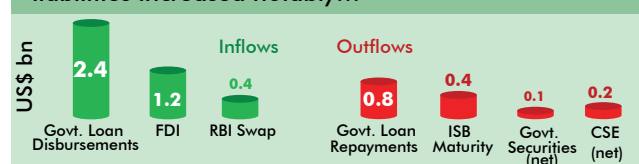


Gross official reserves, which declined to significantly low levels by April 2022, commenced a gradual build towards March 2023 since then...

CURRENT ACCOUNT deficit declined sharply in 2022, supported by the moderation of trade deficit and earnings from tourism...



In the **FINANCIAL ACCOUNT**, net incurrence of liabilities increased notably...



EXTERNAL DEBT reduced due to the significant reduction in the market value of ISBs...

Outstanding external debt as a % of GDP, increased during the year mainly due to the significant contraction of nominal GDP expressed in US\$ terms

