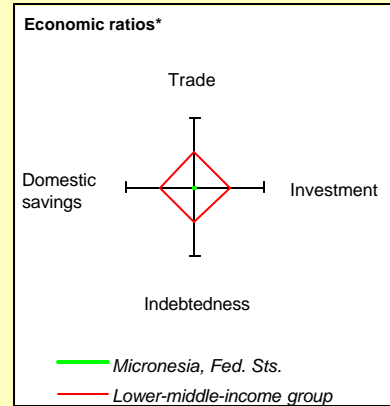
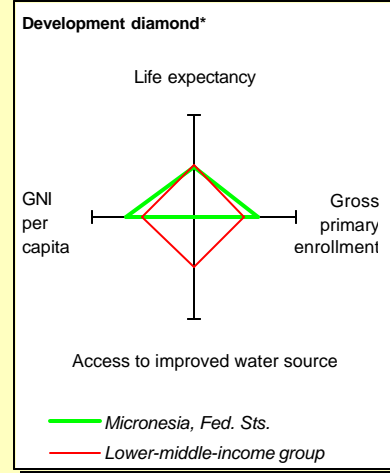


ANNEX B.

Federated States of Micronesia at a Glance

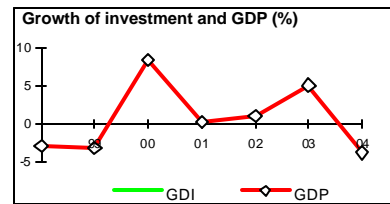
4/27/05

POVERTY and SOCIAL	Micronesia. Fed. Sts.	East Asia & Pacific	Lower- middle- income		
2004					
Population, mid-year (<i>millions</i>)	0.13	1,855	2,655		
GNI per capita (<i>Atlas method, US\$</i>)	1,990	1,080	1,480		
GNI (<i>Atlas method, US\$ billions</i>)	0.25	2,011	3,934		
Average annual growth, 1998-04					
Population (%)	1.8	1.0	0.9		
Labor force (%)	..	1.1	1.2		
Most recent estimate (latest year available, 1998-04)					
Poverty (% of population below national poverty line)	..	..	..
Urban population (% of total population)	29	40	50		
Life expectancy at birth (<i>years</i>)	69	69	69		
Infant mortality (<i>per 1,000 live births</i>)	20	32	32		
Child malnutrition (% of children under 5)	..	15	11		
Access to an improved water source (% of population)	..	76	81		
Illiteracy (% of population age 15+)	..	10	10		
Gross primary enrollment (% of school-age population)	142	111	112		
Male	136	112	113		
Female	149	111	111		
KEY ECONOMIC RATIOS and LONG-TERM TRENDS					
	1984	1994	2003	2004	
GDP (<i>US\$ billions</i>)	..	0.20	0.24	0.24	
Gross domestic investment/GDP	
Exports of goods and services/GDP	
Gross domestic savings/GDP	
Gross national savings/GDP	
Current account balance/GDP	..	-6.5	0.9	-10.3	
Interest payments/GDP	
Total debt/GDP	24.7	24.8	
Total debt service/exports	4.1	..	
Present value of debt/GDP	
Present value of debt/exports	
	1984-94	1994-04	2003	2004	2004-08
<i>(average annual growth)</i>					
GDP	4.3	0.0	5.1	-3.8	..
GDP per capita	2.0	-1.9	2.6	-5.1	..
Exports of goods and services



STRUCTURE of the ECONOMY

	1984	1994	2003	2004
<i>(% of GDP)</i>				
Agriculture
Industry
Manufacturing
Services
Private consumption
General government consumption
Imports of goods and services
	1984-94	1994-04	2003	2004
<i>(average annual growth)</i>				
Agriculture
Industry
Manufacturing
Services
Private consumption
General government consumption
Gross domestic investment
Imports of goods and services



Note: 2004 data are preliminary estimates. Group data are for 2003.

* The diamonds show four indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

PRICES and GOVERNMENT FINANCE

Domestic prices

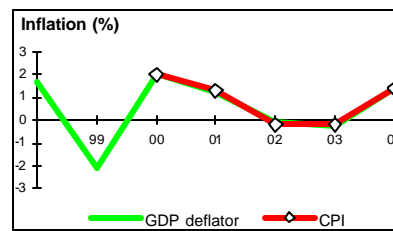
(% change)

	1984	1994	2003	2004
Consumer prices	-0.2	1.4
Implicit GDP deflator	..	2.6	-0.3	1.4

Government finance

(% of GDP, includes current grants)

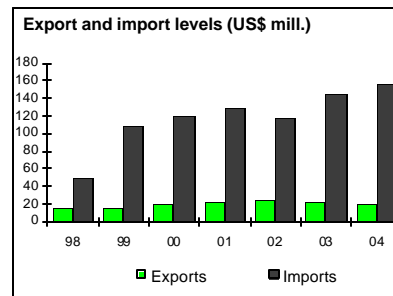
	1984	1994	2003	2004
Current revenue	..	80.2	69.1	52.1
Current budget balance	..	16.9	14.6	-1.1
Overall surplus/deficit	..	-0.2	4.2	-6.7



TRADE

(US\$ millions)

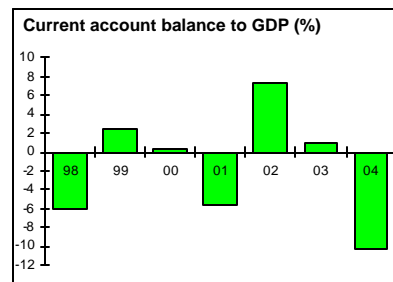
	1984	1994	2003	2004
Total exports (fob)	2	9	22	20
Commodity 1	1	0	..	..
Commodity 2	0	74	..	..
Manufactures	..	..	..	..
Total imports (cif)	38	129	144	157
Food	..	..	..	..
Fuel and energy	..	..	..	..
Capital goods	..	..	..	..
Export price index (1995=100)	..	..	..	..
Import price index (1995=100)	..	..	..	..
Terms of trade (1995=100)	..	..	..	..



BALANCE of PAYMENTS

(US\$ millions)

	1984	1994	2003	2004
Exports of goods and services	40	40
Imports of goods and services	172	184
Resource balance	-131	-145
Net income	..	-16	11	14
Net current transfers	..	125	122	107
Current account balance	..	-13	2	-25
Financing items (net)	..	26	-27	49
Changes in net reserves	..	-13	25	-24



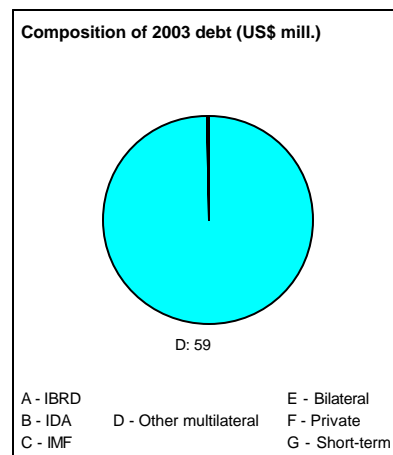
Memo:

Reserves including gold (US\$ millions)	..	..	90	55
Conversion rate (DEC. local/US\$)	1.0	1.0	1.0	1.0

EXTERNAL DEBT and RESOURCE FLOWS

(US\$ millions)

	1984	1994	2003	2004
Total debt outstanding and disbursed	59	59
IBRD
IDA
Total debt service	2	..
IBRD
IDA
Composition of net resource flows				
Official grants
Official creditors
Private creditors
Foreign direct investment
Portfolio equity
World Bank program				
Commitments
Disbursements
Principal repayments
Net flows
Interest payments
Net transfers



Federated States of Micronesia – Selected Indicators Table



Base-case (most likely) projection

	<i>Actual</i>			<i>Estimate</i>		<i>Projection</i>		
	2000	2001	2002	2003	2004	2005	2006	2007
Part A: Main Macro Aggregates								
<i>Annual growth rates, calculated from constant 1998 price data</i>								
GDP (mp) per capita	6.6	-1.4	-0.6	2.6	-5.1	..	..	..
Total consumption per capita	..	..	..	..	..	..	..	..
GDP at market prices	8.4	0.3	1.1	5.1	-3.8	0.3	..	..
Total consumption	..	..	..	..	..	..	..	..
Private consumption	..	..	..	..	..	..	..	..
Gross domestic investment (GDI)	..	..	..	..	..	..	..	..
Gross dom. fixed investment (GDFI)	..	..	..	..	..	..	..	..
Exports (GNFS)	..	..	..	..	..	..	..	..
of which Goods	..	..	..	..	..	..	..	..
Imports (GNFS)	..	..	..	..	..	..	..	..
of which Goods	..	..	..	..	..	..	..	..
<i>Savings-investment balances, as percentage of GDP</i>								
Gross Domestic investment	..	..	..	..	..	..	..	..
of which Government investment	..	..	..	..	..	..	..	..
Foreign savings	-0.3	5.6	-7.4	-0.9	10.3	..	..	..
Gross national savings	..	..	..	..	..	..	..	..
Government savings	7.8	5.2	16.0	14.6	-1.1	..	..	..
Non government savings	..	..	..	..	..	..	..	..
Gross domestic savings	..	..	..	..	..	..	..	..
<i>Other</i>								
GDP inflation	2.0	1.3	-0.1	-0.3	1.4	..	..	..
Annual average exchange rate (LCU/US\$)	1.0	1.0	1.0	1.0	1.0	..	..	..
Index real average exchange rate (YR98 =100)	..	..	..	..	..	..	..	..
Terms of trade index (YR98 =100)	..	..	..	..	..	..	..	..
Incremental capital-output ratio (GDI based)	..	..	..	..	..	..	..	..
Import elasticity with respect to GDP	..	..	..	..	..	..	..	..
Money growth	-1.0	6.0	-12.0	-3.7	-0.1	..	..	..
Part B: Government Finance Indicators								
<i>Percentage of GDP</i>								
Total revenues, of which	68.9	64.4	72.4	69.1	52.1	..	..	..
Tax revenues	..	..	..	..	..	..	..	..
Total expenditures, of which	75.7	73.3	66.5	64.9	58.7	..	..	..
Consumption	..	..	..	..	..	..	..	..
Deficit(-)/Surplus(+)	-6.7	-8.9	5.9	4.2	-6.7	..	..	..
Financing:	..	..	..	..	..	..	..	..
Foreign	..	..	..	..	..	..	..	..
Monetary sector	-5.3	12.7	-9.4	8.4	12.7	..	..	..
Other domestic	2.1	2.8	-3.3	-5.5	5.8	..	..	..
<i>Other</i>								
Total Debt/GDPmp	..	..	..	..	..	..	..	..
Total interest payments/Tax revenues	..	..	..	..	..	..	..	..
Part C: Debt & Liquidity Indicators								
<i>Total DOD and TDS</i>								
DOD (US\$ millions)	66.6	57.8	57.2	58.5	58.9	..	..	..
DOD / GDPmp ratio	31.2	26.9	26.2	24.7	24.8	..	..	..
TDS (US\$ millions)	..	..	..	..	..	..	..	..
TDS / exports (XGS) ratio	..	..	..	..	..	..	..	..
Total gross reserves (months' imports G&S)	8.7	7.3	9.2	6.0	3.4	..	..	..
Part D: External Financing Plan								
<i>(US\$, millions)</i>								
Official capital grants	29.9	31.0	37.4	37.5	5.2	19.3	..	..
Private investment (net)	..	..	..	..	..	..	..	..
Net Long term borrowing excl IMF	-17.0	-8.9	-0.6	1.4	0.4	0.4	..	..
Adjustments to scheduled debt service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
All other capital flows	..	..	..	..	..	..	..	..
Financing Requirements (incl IMF)	-14.2	4.0	-68.2	-27.3	48.9	54.1	..	..
of which current account deficit	-0.6	12.0	-16.1	-2.2	24.5	36.5	..	..

Federated States of Micronesia – Social Indicators

	Latest single year			Same region/income group	
	1975-80	1985-90	1997-2003	East Asia & Pacific	Lower-middle-income
POPULATION					
Total population, mid-year (millions)	0.07	0.10	0.1	1,854.6	2,655.5
Growth rate (% annual average for period)	..	2.2	1.9	1.0	0.9
Urban population (% of population)	25.0	26.4	29.3	39.1	49.8
Total fertility rate (births per woman)	..	4.8	3.4	2.1	2.1
POVERTY					
<i>(% of population)</i>					
National headcount index
Urban headcount index
Rural headcount index
INCOME					
GNI per capita (US\$)	..	1,760	2,070	1,070	1,490
Consumer price index (1995=100)
Food price index (1995=100)
INCOME/CONSUMPTION DISTRIBUTION					
Gini index
Lowest quintile (% of income or consumption)
Highest quintile (% of income or consumption)
SOCIAL INDICATORS					
Public expenditure					
Health (% of GDP)	5.7	1.9	2.7
Education (% of GDP)	7.0	3.2	3.5
Net primary school enrollment rate					
<i>(% of age group)</i>					
Total	93	93
Male	93	93
Female	94	93
Access to an improved water source					
<i>(% of population)</i>					
Total	..	87	94	78	82
Urban	..	93	95	92	94
Rural	..	85	94	69	71
Immunization rate					
<i>(% of children ages 12-23 months)</i>					
Measles	..	81	91	82	86
DPT	..	85	92	86	88
Child malnutrition (% under 5 years)	15	11
Life expectancy at birth					
<i>(years)</i>					
Total	..	63	69	70	69
Male	..	62	67	68	67
Female	..	66	71	71	72
Mortality					
Infant (per 1,000 live births)	..	26	19	32	31
Under 5 (per 1,000 live births)	..	31	23	41	39
Adult (15-59)					
Male (per 1,000 population)	..	316	243	179	213
Female (per 1,000 population)	..	256	188	122	131
Maternal (modeled, per 100,000 live births)	116	121
Births attended by skilled health staff (%)	93	87	86

Note: 0 or 0.0 means zero or less than half the unit shown. Net enrollment rate: break in series between 1997 and 1998 due to change from ISCED76 to ISCED97. Immunization: refers to children ages 12-23 months who received vaccinations before one year of age.

Federated States of Micronesia – Key Economic Indicators

Indicator	Actual			Estimate		Projected		
	2000	2001	2002	2003	2004	2005	2006		2007
National accounts (as % of GDP)								
Gross domestic product ^a	100	100	100	100	100	100	100	100
Agriculture	..	..	..	..	..	..	..	..
Industry	..	..	..	..	..	..	..	..
Services	..	..	..	..	..	..	..	..
Total Consumption	..	..	..	..	..	..	..	..
Gross domestic fixed investment	..	..	..	..	..	..	..	..
Government investment	..	..	..	..	..	..	..	..
Private investment	..	..	..	..	..	..	..	..
Exports (GNFS) ^b	..	..	..	..	..	..	..	..
Imports (GNFS)	..	..	..	..	..	..	..	..
Gross domestic savings	..	..	..	..	..	..	..	..
Gross national savings ^c	..	..	..	..	..	..	..	..
<i>Memorandum items</i>								
Gross domestic product (US\$ million at current prices)	214	215	218	237	226	..	..	..
GNI per capita (US\$, Atlas method)	1910	1820	1840	1980	1990	..	..	..
Real annual growth rates (% , calculated from 1998 prices)								
Gross domestic product at market prices	8.4	0.3	1.1	5.1	-3.8	0.3	..	..
Gross Domestic Income	..	..	..	..	..	..	..	..
Real annual per capita growth rates (% , calculated from 1998 prices)								
Gross domestic product at market prices	6.6	-1.4	-0.6	2.6	-5.1	..	..	..
Total consumption	..	..	..	..	..	..	..	..
Private consumption	..	..	..	..	..	..	..	..
Balance of Payments (US\$ millions)								
Exports (GNFS) ^b	38	39	43	40	40	38	..	..
Merchandise FOB	19	22	24	22	20	18	..	..
Imports (GNFS) ^b	149	156	148	172	184	188	..	..
Merchandise FOB	102	111	101	122	133	137	..	..
Resource balance	-112	-117	-105	-131	-145	-150	..	..
Net current transfers	93	97	111	122	107	102	..	..
Current account balance	1	-12	16	2	-25	-37	..	..
Net private foreign direct investment	..	..	..	..	..	..	..	..
Long-term loans (net)	-17	-9	-1	1	0	0	..	..
Official	..	..	..	..	..	..	..	..
Private	..	..	..	..	..	..	..	..
Other capital (net, incl. errors & omissions)	..	..	..	..	..	..	..	..
Change in reserves ^d	14	8	52	25	-24	-18	..	..
<i>Memorandum items</i>								
Resource balance (% of GDP)	-52.2	-54.6	-48.1	-55.4	-63.9	..	..	..
Real annual growth rates (YR98 prices)								
Merchandise exports (FOB)	..	..	..	..	..	..	..	..
Primary	..	..	..	..	..	..	..	..
Manufactures	..	..	..	..	..	..	..	..
Merchandise imports (CIF)	..	..	..	..	..	..	..	..

(Continued)

Federated States of Micronesia – Key Economic Indicators*(Continued)*

Indicator	Actual			2003	Estimate		Projected	
	2000	2001	2002		2004	2005	2006	2007
Public finance (as % of GDP at market prices)^e								
Current revenues	68.9	64.4	72.4	69.1	52.1	..	..	..
Current expenditures	61.1	59.2	56.4	54.5	53.2	..	..	..
Current account surplus (+) or deficit (-)	7.8	5.2	16.0	14.6	-1.1	..	..	..
Capital expenditure	14.5	14.1	10.0	10.4	5.6	..	..	..
Foreign financing	..	..	..	..	..	..	..	..
Monetary indicators								
M2/GDP	50.4	52.6	45.8	42.1	43.1	..	..	..
Growth of M2 (%)	-1.0	6.0	-12.0	-3.7	-0.1	..	..	..
Private sector credit growth / total credit growth (%)	..	..	..	..	..	..	..	..
Price indices(YR98 =100)								
Merchandise export price index	..	..	..	..	..	..	..	..
Merchandise import price index	..	..	..	..	..	..	..	..
Merchandise terms of trade index	..	..	..	..	..	..	..	..
Real exchange rate (US\$/LCU) ^f	..	..	..	..	..	..	..	..
Real interest rates								
Consumer price index (% change)	2.0	1.3	-0.2	-0.2	1.4	..	..	..
GDP deflator (% change)	2.0	1.3	-0.1	-0.3	1.4	..	..	..

a. GDP at factor cost

b. "GNFS" denotes "goods and nonfactor services."

c. Includes net unrequited transfers excluding official capital grants.

d. Includes use of IMF resources.

e. Consolidated central government.

f. "LCU" denotes "local currency units." An increase in US\$/LCU denotes appreciation.

Federated States of Micronesia - Key Exposure Indicators

Indicator	Actual			Estimate		Projected		2007
	2000	2001	2002	2003	2004	2005	2006	
Total debt outstanding and disbursed (TDO) (US\$m) ^a	67	58	57	59	59	..	..	..
Net disbursements (US\$m) ^a	..	..	..	..	..	..	..	..
Total debt service (TDS) (US\$m) ^a	..	..	..	..	..	..	..	..
Debt and debt service indicators (%)								
TDO/XGS ^b	103.9	107.0	97.1	100.3	98.8	..	..	..
TDO/GDP	31.2	26.9	26.2	24.7	26.0	..	..	..
TDS/XGS	..	..	..	..	..	..	..	..
Concessional/TDO	..	..	..	..	..	..	..	..
IBRD exposure indicators (%)								
IBRD DS/public DS	..	..	..	..	..	..	..	..
Preferred creditor DS/public DS (%) ^c	..	..	..	..	..	..	..	..
IBRD DS/XGS	..	..	..	..	..	..	..	..
IBRD TDO (US\$m) ^d	..	..	..	..	..	..	..	..
Of which present value of guarantees (US\$m)								
Share of IBRD portfolio (%)	..	..	..	..	..	..	..	..
IDA TDO (US\$m) ^d	..	..	..	..	..	..	..	..
IFC (US\$m)								
Loans								
Equity and quasi-equity /c								
MIGA								
MIGA guarantees (US\$m)								

a. Includes public and publicly guaranteed debt, private nonguaranteed, use of IMF credits and net short-term capital.

b. "XGS" denotes exports of goods and services, including workers' remittances.

c. Preferred creditors are defined as IBRD, IDA, the regional multilateral development banks, the IMF, and the Bank for International Settlements.

d. Includes present value of guarantees.

e. Includes equity and quasi-equity types of both loan and equity instruments.