

Financial statements of the Bank

2024

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In this report, figures are rounded to the nearest thousand dirhams. Therefore, totals and sub-totals do not always correspond to the sum of the relevant rounded-off figures.

1 Overview of the financial position for fiscal year 2024¹

1.1 Balance sheet

At the end of 2024, the Bank's **total balance sheet** showed an annual increase of 5 percent, to 554,068,553 KDH. On the assets side, this change was mainly due to a rise in bank refinancing operations (+21 percent), holdings and placements in gold (+29 percent) and foreign currencies (+2 percent), partially offset by a decrease in claims on the State linked to PLL repayments (-64 percent). On the liabilities side, it reflected the combined effect of higher banknotes and coins in circulation (+8 percent) and increased deposits and commitments in dirhams (+18 percent), as well as a decline in commitments in convertible dirhams (-63 percent).

Chart 1.1: Balance sheet structure

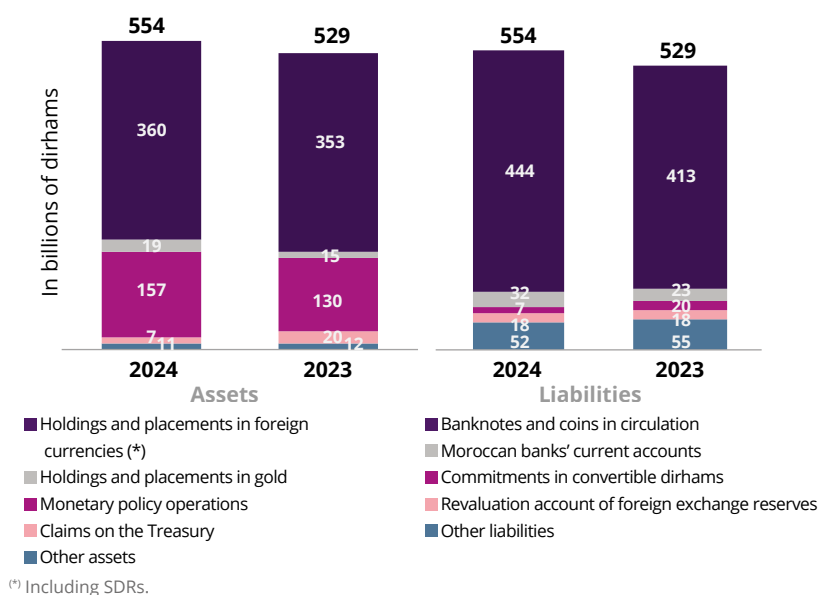


Table 1.1: Balance sheet by transaction type

In thousands of dirhams	2024	2023	Change (%)
(of which)			
Banknotes and coins in circulation	444,273,240	412,752,041	8
Foreign operations	-332,410,772	-306,984,216	8
Operations with the State	381,095	-8,960,079	>100
Net position of credit institutions	-124,702,983	-107,335,840	-16
Patrimonial operations ²	8,337,400	5,559,196	50

¹ The changes in balance sheet and Profit and Loss Account (PLA) items are discussed in more detail in the comments on the summary statements. For analysis purposes, balance sheet and PLA items have been combined in this part of the report.

² Considering net income before appropriation.

After an average increase of 10 percent in 2022 and 2023, **banknotes and coins in circulation** rose by 8 percent to 444,273,240 KDH, driven by the one-off operation of voluntary regularization of the tax situation of individuals.

The **foreign operations balance** amounted to -332,410,772 KDH, up by +25,426,557 KDH compared to the end of 2023. This change is primarily due to the Bank reducing its commitments to international financial institutions after settling the principal owed to the IMF under the PLL. It is also attributable to an increase in holdings and placements in gold and foreign currencies.

At the end of 2024, the balance of **operations with the State** stood at 381,095 KDH, in comparison with -8,960,079 KDH a year earlier. This change was a mainly result of a decrease in the claims on the State following the PLL repayment (-12,816,436 KDH), combined with reduced cash balances in the Treasury current account (-3,416,190 KDH).

The **net position of credit institutions** went from -107,335,840 KDH at the end of 2023 to -124,702,983 KDH at end 2024, reflecting an increase in the Bank's interventions on the money market.

The balance of **patrimonial operations** grew by half to 8,337,400 KDH, due to the increase in equity and related capital from +1,405,675 KDH to 6,522,707 KDH. This was mainly the result of the allocation of 1 billion dirhams to the special reserve funds in 2024, and +1,354,309 KDH increase in the Bank's net income.

1.2 Income

At the end of fiscal year 2024, the Bank recorded a **profit** of 6,459,984 KDH, compared to 5,105,675 KDH a year earlier.

The 1,354,309 KDH rise in net income is mainly explained by the higher income of foreign exchange reserve management (+1,264,363 KDH), monetary policy operations (+840,729 KDH), and non-recurrent income (+549,853 KDH). These gains were partly offset by increased general operating expenses (+450,807 KDH) and income tax (+840,896 KDH).

Table 1.2: Net income of the financial year

In thousands of dirhams	2024	2023	Change (%)
Income of foreign exchange reserve management	8,736,942	7,472,579	17
Income of monetary policy operations	3,947,755	3,107,026	27
Income of other operations	1,274,489	1,283,422	-1
Operating income	13,959,186	11,863,028	18
General operating expenses	-2,541,555	-2,090,748	22
Gross operating income	11,417,631	9,772,280	17
Non-recurrent income	-446,843	-996,696	55
Income tax	-4,510,804	-3,669,909	23
Net income	6,459,984	5,105,675	27

The rise in the **income of foreign exchange reserve management** to 8,736,942 KDH (+1,264,363 KDH) was mainly due to the increase in net bond income (+1,346,352 KDH), reflecting in particular the improvement in interests on foreign currency assets, particularly investment securities, as well as the fall in provision reversals on short-term investment securities.

The increase in the **income of monetary policy operations** to 3,947,755 KDH (+840,729 KDH), is primarily due to the rise in the average outstanding amount of the Bank's interventions in the money market amid a growing banking liquidity deficit. This occurred despite the key rate on these interventions being lowered twice in June and December by 25 basis points each, to a rate of 2.50 percent.

The slight decline in the **income of other operations** to 1,274,489 KDH (-8,933 KDH) is mainly owed to the decrease in commissions on T-bill auction operations and on foreign exchange operations, particularly in foreign banknotes, which is linked to the drop in the sales of foreign banknotes by Moroccan banks to Bank Al-Maghrib. This decline was offset by reduced remuneration of customers' accounts of the bank and by higher sales of secured documents (+13,235 KDH).

The increase in **general operating expenses** to 2,541,555 KDH (+450,807 KDH) is a result of the rise in both operating expenses (+270,906 KDH) and net depreciation and provision for risks and endowments (+179,900 KDH).

The improvement in **non-recurring income**³ to -446,843 KDH (+549,853 KDH) is explained by the payment in 2024 of the social solidarity contribution on profits for the previous fiscal year, amounting to 486,081 KDH, and the Bank's donation in 2023 of 1 billion dirhams to the special fund for managing the effects of the Al Haouz earthquake.

³ Including non-recurring income and income from previous years.

2 Summary Statements and Related Notes

2.1 Balance sheet - Assets

Table 2.1: Assets as at December 31, 2024

In thousands of dirhams	Notes	2024	2023
Holdings and placements in gold	1	18,781,915	14,532,787
Holdings and placements in foreign currencies	2	339,309,229	333,341,042
- Holdings and placements with foreign banks		34,533,011	44,481,551
- Foreign and assimilated Treasury bills		294,645,307	279,618,315
- Other holdings in foreign currencies		10,130,912	9,241,175
Holdings with international financial institutions	3	23,061,150	22,101,677
- IMF subscription - Reserve tranche		2,132,439	2,146,416
- Holdings in Special Drawings Rights		20,529,114	19,553,046
- Subscription to the Arab Monetary Fund		399,597	402,216
Claims on the Treasury	4	7,090,424	19,906,860
Claims on Moroccan credit and assimilated institutions	5	157,010,858	129,943,781
- Securities received from banks under repurchase agreements		49,650,424	42,194,039
- Advances to banks		106,910,271	87,408,014
- Other claims		450,163	341,728
Treasury bills - Open market operations		-	-
Other assets	6	4,169,685	4,823,925
Fixed assets	7	4,645,292	4,663,512
Total assets		554,068,553	529,313,584

2.2 Balance sheet - Liabilities

Table 2.2: Liabilities as at December 31, 2024

In thousands of dirhams	Notes	2024	2023
Banknotes and coins in circulation	8	444,273,240	412,752,041
- Banknotes in circulation		439,909,217	408,599,194
- Coins in circulation		4,364,023	4,152,848
Commitments in gold and foreign currencies	9	4,189,231	5,524,282
- Commitments in gold		-	-
- Commitments in foreign currencies		4,189,231	5,524,282
Commitments in convertible dirhams	10	7,419,443	20,222,140
- Commitments to international financial institutions		7,404,544	20,201,079
- Other commitments		14,899	21,060
Deposits and commitments in dirhams	11	44,789,654	38,000,970
- Treasury current account		7,462,609	10,878,799
- Deposits and commitments in dirhams to Moroccan banks		32,307,874	22,607,941
- Current accounts		32,307,874	22,607,941
- Liquidity withdrawal accounts		-	-
- Deposit facility accounts		-	-
- Deposits of general government and public institutions		1,227,636	1,252,740
- Other accounts		3,791,534	3,261,490
Other liabilities	12	21,706,964	23,761,499
Special Drawing Rights allocations	3	18,707,329	18,829,944
Equity and related capital	13	6,522,707	5,117,032
- Capital		500,000	500,000
- Reserves		6,001,340	5,001,340
- Retained earnings		21,367	-384,308
- Other equity capital		-	-
Net income of the fiscal year		6,459,984	5,105,675
Total liabilities		554,068,553	529,313,584

2.3 Off-balance sheet

Table 2.3: Off-balance sheet as at December 31, 2024

In thousands of dirhams	Notes	2024	2023
Spot foreign exchange operations			
Spot delivery of currencies		-	-
Spot purchase of dirhams		-	-
Forward foreign exchange operations	14		
Forward Foreign currencies receivable		2,024,437	5,025,367
Forward Foreign currencies deliverable		2,001,365	5,077,338
Foreign exchange operations - deposits in gold and in foreign currencies	14	3,681,650	9,850,050
Foreign exchange operations - arbitrage operations	14		
Foreign currencies receivable		-	5,304
Foreign currencies deliverable		-	5,267
Off-balance sheet foreign currencies adjustment		-	-
Commitments on derivatives		-	-
Commitments on securities	15		
Securities received on granted advances		128,994,653	107,969,056
Securities received on advances to be granted		13,400,400	12,298,400
Other guarantees received on granted advances		37,836,194	30,750,502
Advances to be granted		12,730,380	11,683,480
Foreign securities receivable		7,376,028	-
Foreign securities deliverable		5,467,643	-
Other Commitments	16		
Received market guarantees		183,311	130,505
Guarantee commitments received for staff loans		916,140	904,446
Financing commitments granted to the staff		10,889	9,400
Other granted commitments		1,000	1,000

2.4 Profit and Loss Account

Table 2.4: Profit and Loss Account as at December 31, 2024

In thousands of dirhams	Notes	2024	2023
Revenues		16,369,754	13,863,998
Interests received on holdings and placements in gold and in foreign currencies	17	7,955,035	6,109,045
Interests received on claims on credit and assimilated institutions	18	3,948,987	3,002,226
Other interests received	19	9,823	9,689
Commissions received	20	1,087,281	1,135,349
Other financial revenues	21	1,206,050	1,183,547
Sales of produced goods and services	22	484,830	490,118
Miscellaneous revenues	23	23,273	32,712
Reversals on depreciation		-	-
Provision reversals	24	1,411,003	1,887,286
Noncurrent revenues	25	243,471	14,026
Expenses		9,909,770	8,758,323
Interests paid on commitments in gold and in foreign currencies	26	725,698	726,952
Interests paid on deposits and commitments in dirhams	27	334,984	379,467
Commissions paid	28	25,216	33,985
Other financial expenses	29	1,020,595	767,408
Staff expenses	30	929,863	850,114
Purchases of materials and supplies	31	505,447	343,563
Other external expenses	32	445,866	416,771
Depreciation and provision endowments	33	715,231	561,965
Non-current expenses	34	696,064	1,008,188
Income tax	35	4,510,804	3,669,909
Net income		6,459,984	5,105,675

2.5 Cash flow statement

Table 2.5: Cash flow as at December 31, 2024

In thousands of dirhams	2024	2023
Cash and foreign currency deposits at the beginning of fiscal year	51,887,549	36,713,644
Cash flow from operating activities	-30,584,714	27,120,078
Interests received	11,361,726	8,439,261
Commissions on banking operations received	1,087,281	1,135,349
Other revenues received	875,673	679,484
Interests and commissions paid	-1,086,974	-1,137,947
Staff expenses paid	-909,781	-840,699
Taxes and duties paid	-7,153,711	-143,735
Other expenses paid	-1,311,114	-1,674,907
+/- Change in Treasury deposits in dirhams	-3,416,190	6,791,599
+/- Change in deposits with Moroccan banks in dirhams	9,700,261	-9,776,280
+/- Change in other customer deposits in dirhams and in foreign currencies	-934,865	-2,279,777
+/- Change in foreign currency-denominated short-term investment securities	-7,429,963	18,951,289
+/- Change in foreign currency-denominated trading securities	-	-
+/- Change in advances to banks	-26,958,641	-15,181,874
+/- Change in other liabilities	-4,427,411	22,781,453
+/- Change in other assets	18,995	-623,138
Cash flow from investment activities	-10,338,817	-49,623,163
+/- Change in foreign investment securities in foreign currencies	-10,472,850	-48,998,387
+/- Change in IMF subscription-Reserve tranche	-	-
+/- Change in SDR holdings	-866,438	-382,634
+/- Change in holdings and placements in gold	-	-
+/- Change in deposits with the IMF	-	-
+/- Change in AMF subscription	-	-
+/- Change in SDRs allocations	-	-
Acquisition of fixed assets	-42,132	-255,967
Revenues from sale of fixed assets	42,604	13,825
+/- Change in equity capital	1,000,000	-
Cash flows from financing activities	31,521,199	39,965,758
+/- Change in banknotes and coins in circulation	31,521,199	39,965,758
Revaluation of cash and foreign currency deposits	-217,316	-2,288,768
Cash and foreign currency deposits at end of fiscal year	42,267,901	51,887,549

2.6 Statement of changes in equity

Table 2.6: Change in equity at December 31, 2024

In thousands of dirhams	2024 opening balance	Appropriation of 2023 income	Distribution of dividends	2024 income	Capital Operations (+incr./-decr.)	2024 closing balance
Capital	500,000					500,000
Retained earnings	-384,308	405,675				21,367
Reserves	5,001,340	4,700,000	-3,700,000			6,001,340
Income for the year				6,459,984		6,459,984
Income pending allocation	5,105,675	-5,105,675				0
Total	10,222,707	0	-3,700,000	6,459,984	0	12,982,691

2.7 Main accounting rules and evaluation methods

2.7.1 Legal framework

The financial statements are prepared and presented in line with Bank Al-Maghrib's chart of accounts, approved by the National Accounting Board in May 2007.

The Bank applies the accounting requirements set forth in the General Accounting Standards Code (CGNC) for all matters common to companies, particularly with regard to the evaluation of inventories and fixed assets.

The financial statements, as cited under Article 47 of Law No.40-17 bearing Statutes of Bank Al-Maghrib, include the balance sheet, the profit and loss account (PLA) and Additional Information Statetment (AIS).

Concurrently, the Bank prepares an annual off-balance sheet statement, the cash-flow statement and the statement of changes in equity.

2.7.2 Evaluation methods

Assets and liabilities in gold and foreign currencies

Foreign exchange operations

Foreign exchange operations include spot and forward purchases and sales of foreign currencies that entail:

- either a change in a holding or commitment in a foreign currency and a change in a commitment or holding in dirhams;
- Or a change in a holding or commitment in one currency and a change in a holding or commitment in another currency.

These operations are entered in the corresponding off-balance sheet accounts on their commitment date, then recorded in the balance sheet accounts on the value or delivery date.

Revaluation of holdings in gold and foreign currencies

Holdings and commitments in gold, precious metals, and foreign currencies, including in SDRs, are valued at the exchange rates prevailing on the last business day of the fiscal year.

Table 2.7: Trends in exchange rates ^(*)

En DH	2024	2023	Change (%)
XAU	26,415.00	20,439.00	29.2
USD	10.11	9.89	2.2
EUR	10.52	10.94	-3.9
XDR	13.19	13.27	-0.7

^(*) Year-end reference course.

Profits and losses resulting from this operation are entered in the “revaluation account of foreign exchange reserves” on the liabilities of the Bank’s balance sheet, in accordance with the new agreement governing this account, concluded between Bank Al-Maghrib and the State on November 1, 2022, abolishing the provisions of the agreement signed on December 29, 2006.

By virtue of this agreement, the “revaluation account of foreign exchange reserves” must be kept positive at a minimum level of 2.5 percent of the Bank’s net foreign holdings as of the fiscal year-end. In case of a foreign exchange loss causes the balance of this account to fall below this threshold, the amount of shortfall shall be deducted from the Bank’s income statement for the year in question, up to a limit of 10 percent of the net profit for said year. It then entered in a “foreign exchange loss reserve” account and carried as a liability on the Bank’s balance sheet.

If the “revaluation account of foreign exchange reserves” shows a negative balance, the latter is entered as an asset on the Bank’s balance sheet, and no provision for risks and expenses is recognized.

If the “revaluation account of foreign exchange reserve” shows a negative balance non covered by the balance of the “foreign exchange loss reserve” account, the reserve will be replenished from the Bank’s net profit up to a limit of 20 percent.

Securities

The securities acquired as part of the exchange reserves management are sorted into trading, placement, or investment portfolios, depending on the purpose for which they are held.

Trading portfolio consists of securities purchased with the initial intention of reselling them in the short term. They are recorded at their purchase price, including purchase costs and, where applicable, accrued coupons. Capital gains and losses resulting from the daily evaluation of such securities at the market price are entered in the corresponding income accounts.

Investment portfolio consists of securities acquired with the intention of being held until maturity.

They are posted according to the rules below:

- They are recorded at their purchase price, excluding costs and, where applicable, accrued coupons.
- Unrealized capital gains on these securities are not recognized.
- Unrealized capital losses on these securities are recorded only when the Bank considers that the security showing an unrealized capital loss is likely to be resold during the following fiscal year and where there is a probable issuer default risk.
- The differences between the acquisition price and the redemption value of the securities (discount or premium) are amortized on an actuarial basis over the remaining term of the securities.
- As of January 1, 2020, in order to comply with international best practices, the Bank switched from the straight-line method to the actuarial method for deferral of discounts/surcharges on investment securities. This method, just like the straight-line method, is accepted by the chart of accounts of Bank Al-Maghrib as approved by the National Accounting Board.

Placement portfolio consists of securities other than those sorted as trading or investment portfolios. Their recognition is governed by the following rules:

- Entries into the portfolio are recorded in the balance sheet at their purchase price, excluding purchase costs and, where applicable, accrued coupons.
- The differences between the securities' purchase price and redemption price (discount or premium) are not amortized over the holding period of the securities.
- Unrealized capital losses resulting from the difference between the book value and the market value of these securities are recorded as depreciation provisions on a daily basis. Conversely, unrealized capital gains are not entered.

Discounted interest securities are entered at their redemption price. The discounted interests are deferred over the term of the securities and recorded in the profit or loss accounts on a daily basis.

Other holdings in foreign currencies

The Bank holds portfolios of securities denominated in US dollars, whose management is delegated to the World Bank by virtue of delegation contracts.

These securities are initially entered at their purchase price. The unrealized capital gains or losses are recorded in the appropriate profit and loss accounts, based on the net asset values reported by the managing agent.

Claims on the Treasury

As part of the agreement concluded between Bank Al-Maghrib and the State in November 2022, setting out the terms and conditions governing the State's use of funds available under the IMF's PLL, this operation was entered in the Bank's accounts as a claim on the State, in accordance with the guidelines set forth in the IMF manual.

This claim is periodically revalued at the exchange rate prevailing on the closing date.

In its balance sheet presentation of assets, Bank Al-Maghrib's chart of accounts only includes the item "State refinancing operations" for its relations with the State. However, although this PLL retrocession operation is reported as a claim on the State, it cannot be considered as a State refinancing operation, as the Bank is merely acting as an intermediary between the IMF and the State.

As a result, and in compliance with the principle of true and fair view, the following changes have been made:

- Changing the heading "State refinancing operations" into "Claims on the Treasury";
- Inserting a dedicated item called "Claim related to the State's use of the PLL";
- Maintaining the item "State refinancing operations".

Tangible and intangible fixed assets

Tangible and intangible fixed assets are recorded at their purchase cost. They are posted on the assets side of the balance sheet at a net value representing their acquisition cost minus accumulated depreciations.

Fixed assets, including incidental expenses, are amortized according to the straight-line method, depending on the assets' probable useful life, by applying the current amortization rates.

Below are the amortization periods that have been adopted for each type of fixed assets:

Table 2.8: Depreciation periods of fixed assets

Properties	20 years
Fixtures, fittings, and installations	5 years
Dar As-Sikkah equipment	10 years
Office equipment, IT equipment and software, vehicles and other equipment	5 years
Office furniture	10 years
Smartphones and tablets	3 years and 4 months

Financial fixed assets

Equity securities in Moroccan and foreign financial institutions are entered in the assets side of the balance sheet at their net book value, corresponding to their acquisition cost minus the possible provisions set up at the closing date. Meanwhile, the value of foreign equity is converted into dirhams at the historical rate of the currency.

Non-fully paid-up securities are recorded as assets at their total value, including the remaining amount to be paid up. The share not yet paid up is recorded as a counterpart to a debt account on the liabilities side of the balance sheet.

The possible provisions for depreciation of these unlisted securities are evaluated at the end of the fiscal year using the net asset value method, based on the most recent financial statements available.

Inventories

Inventories are mainly composed of:

- Consumable materials and supplies.
- Raw materials needed for manufacturing banknotes, coins, and secured documents and identity cards (paper, inks, blanks, chips, cards, etc.).
- Finished goods and in-process inventory (secured documents, and miscellaneous.
- Commemorative coins.

Consumable materials and supplies are recorded in the balance sheet at their purchase price, minus, where applicable, any provision for their depreciation at the closing date.

Raw materials are recorded in the balance sheet at their purchase price plus the handling costs, and minus, where applicable, any provision for their depreciation.

Finished goods and in-process inventory are recorded in the balance sheet at their production cost, minus, where applicable, any provision for their depreciation.

2.8 Mechanism for managing financial risks associated with foreign exchange reserve management

Definition of financial risks

Financial risks to which the Bank is exposed in the management of foreign exchange reserves are:

- **Credit risk**, defined as:
 - First, payment default risk (counterparty risk) which refers to the inability of a counterparty to fulfil its obligations.
 - Second, the risk of a downgrade of a counterparty's credit rating by one or more rating agencies.
- **Market risk**, referring to the risk of loss arising from adverse changes in market factors. It concerns, inter alia, risks related to fluctuations in interest or foreign exchange rates.
- **Liquidity risk**, which refers the inability to meet the country's immediate commitments, by mobilizing assets, without any significant impact on their price.

Governance framework

As part of its mission relating to foreign exchange reserve management, the Bank is equipped with a financial risk management system, which allows for the identification, monitoring, and mitigation of the risks associated with foreign exchange reserve management operations, namely credit, market and liquidity risks.

To this end, risk management at Bank Al-Maghrib is based on a clear and well-structured governance framework.

Each year, the **Bank Board** validates the placement policy of foreign exchange reserve and risk tolerances. It also approves the investment universe and the strategic asset allocation. The **Monetary and Financial Committee** (MFC) oversees the implementation of the strategic allocation and validates the management of foreign exchange reserves. Moreover, it examines trends in the financial risk indicators inherent in reserve management. Finally, the **Audit Committee** looks into the annual evolution of the Bank's financial and operational risks.

The purpose behind reserves holding and management, the placement principles, the limits by asset class and the rules defining issuer and counterparty eligibility and concentration are all set out in an investment directive, while the benchmark indices of the portfolios and their management methods are defined within the framework of the strategic asset allocation approved by the Bank Board.

From an operational point of view, all the Bank's foreign currency exposures are controlled and monitored on a daily basis to ensure compliance with the investment directive and with the strategic allocation.

In this context, these exposures are the subject of in-depth analyses in reports drawn up on a regular basis and submitted to the Bank's various governance bodies, especially the Monetary and Financial Committee.

Financial risks' management

Credit risk

The Bank manages credit risk by setting eligibility criteria for both issuers and counterparties, while keeping placements in line with security and liquidity principles.

The minimum criteria are distinguished based on the credit risk incurred by the different instruments. They are higher for operations with direct credit risk, such as unsecured deposits, than for operations processed in a delivery-versus-payment system. At present, the minimum average credit rating is "A-" for money market placements with bank counterparties, and "BBB-" for bond placements.

In addition to the eligibility criteria, the Bank sets limits to avoid excessive risk-taking and concentration. These include limits on exposure by issuer, counterparty, asset class, country and credit rating.

In order to ensure that the overall credit risk exposure is assessed, the Bank calculates and monitors the average credit rating of reserve portfolios on a daily basis, as well as the 99 percent Credit VaR, which assesses the potential losses over a one-year horizon, associated with a credit event (a rating downgrade or a default).

At the end of 2024, the average credit rating of foreign exchange reserves was "AA", reflecting the very good credit quality of the assets held.

Chart 2.1: Breakdown of portfolio exposures by region

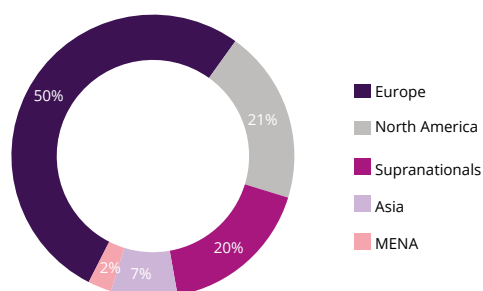


Chart 2.2: Breakdown of portfolio exposures by asset class

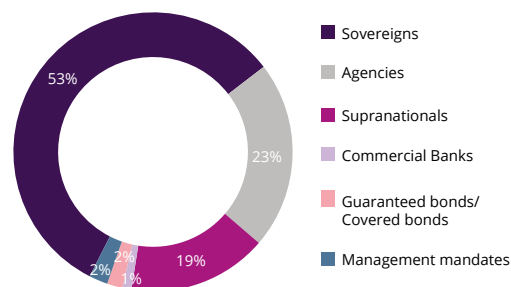
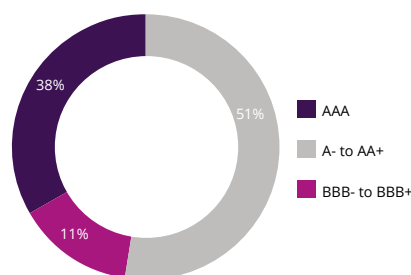


Chart 2.3: Breakdown of bond portfolios by rating



Market risks

The market risk associated with foreign exchange reserves management mainly arises from interest rate and foreign exchange risks.

• Interest rate risk

The Bank manages interest rate risk through benchmark indices for all portfolios, as well as authorized duration deviations relative to these benchmarks within the framework of the strategic allocation.

Exposure to interest rate risk is measured through various indicators, namely maximum potential loss (VaR), duration and volatility of performances against the benchmark indices (Tracking Error).

At the end of 2024, the overall duration of the foreign exchange reserves remained stable compared to end-2023, standing at 1.9 year.

- **Foreign exchange risk**

The foreign exchange risk arises from the impact of fluctuations in foreign exchange rates against the Moroccan dirham. This risk stems from:

- On the one hand, the deviation between the currency composition of foreign exchange reserves and that resulting from the weighting of the dirham basket, which is 60 percent in euros and 40 percent in US dollars. This deviation is capped at a maximum limit of +/-5 percent set by the strategic allocation;
- On the other hand, the variation in the gap between the reference rate and the central rate of the fluctuation band.

Liquidity risk

The Bank manages the liquidity risk by maintaining liquid tranches within the foreign exchange reserves:

- **Precautionary reserves:** made up of available and liquid assets that allow financing short-term needs of the Bank. As end-2024, precautionary reserves reached 57 billion dirhams.
- **Excess reserve portfolios recorded at market value:** made up of liquid assets that can be mobilized upon depletion of the “precautionary reserves” tranche. The value of these portfolios reached 37 billion dirhams at end-2024.

Liquidity risk is also managed, within the aforementioned liquid tranches, through minimum size requirements and maximum concentrations for bond issuances.

2.9 Comments on the balance sheet items

Assets

By virtue of Article 12 of its Statutes, Bank Al-Maghrib holds and manages foreign exchange reserves, which consist of gold, foreign currencies and SDRs.

Note 1: Holdings and placements in gold

This item contains the dirham-equivalent value of holdings in gold held in Morocco and with foreign depositories, as well as placements in gold made with foreign counterparties. Since the end of 2006, these holdings are evaluated at market prices on the last business day of the year. Gains and losses resulting from this operation are allocated to the revaluation account of foreign exchange reserves⁴, in accordance with the agreement governing this account signed on November 1, 2022, between Bank Al-Maghrib and the of Ministry of Economy and Finance.

At the end of 2024, the equivalent value of holdings in gold stood at 18,781,915 KDH, up 29 percent, due to the sharp rise in gold price. The quantity remained stable at 711,032 ounces (equivalent to 22 tonnes).

Table 2.9: Holdings and placements in gold

	2024	2023
Quantity of gold ounces ⁽¹⁾	26,415	20,439
Quantity of gold ounces	711,032	711,032
Morocco	4,855	4,855
Abroad	706,177	706,177
Market value ⁽²⁾	18,781,915	14,532,787
Gold stock (in tonnes)	22.12	22.12

⁽¹⁾ Price of Gold/MAD.

⁽²⁾ In thousands of dirhams

Note 2: Holdings and placements in foreign currencies

This item primarily records the dirham-equivalent value of holdings in foreign currencies invested in monetary deposits (demand and term deposits) and in foreign bond securities.

Holdings and placements in foreign currencies increased by 2 percent at the end of 2024, reaching 339,309,229 KDH, primarily reflecting the strengthening of foreign exchange reserves and exchange rate evolution.

After a downward trend at the beginning of the year, they reached 342,786,316 KDH in May (+4 percent), mainly due to currency purchases from the OCP following its bond issuance on the international financial market.

⁴ The credit balance of this account cannot be recognized as income for the fiscal year, nor can it be distributed or allocated for any other use.

Table 2.10: Holdings and placements in foreign currencies by type of investment

In thousands of dirhams	2024	Part	2023	Part
Demand deposits	14,928,341	4%	32,038,072	10%
Term deposits	13,349,155	4%	3,701,951	1%
Short-term investment securities ⁽¹⁾	56,297,176	17%	48,301,534	14%
Investment securities ⁽²⁾	238,348,130	70%	231,316,781	69%
Transaction securities ⁽³⁾	-	-	-	-
Others ⁽⁴⁾	16,386,426	5%	17,982,704	5%
Total	339,309,229	100%	333,341,042	100%

⁽¹⁾ Taking into account provisions for securities' depreciation. The market price valuation of short-term investment securities, at December 31, 2024, amounted to 56,580,311 KDH.

⁽²⁾ In line with accounting rules, no provision has been recorded for this portfolio.

⁽³⁾ Securities acquired with the intention of resale in the short term.

⁽⁴⁾ Including accrued interests, management mandates and foreign banknotes.

Monetary deposits and placements fell by 21 percent to 28,277,497 KDH, representing 8 percent of holdings and placements in foreign currencies, compared with 11 percent a year earlier. This decline was mainly due to a reduction in foreign-currency cash holdings in favor of the investment portfolio⁵.

Holdings in foreign currencies account for 61 percent of the Bank's total assets, compared to 63 percent in 2023, and 87 percent of which are invested in debt securities. Within this category, the short-term investment securities portfolio⁶ rose by 17 percent to reach 56,297,176 KDH, while the investment securities portfolio grew by 3 percent to 238,348,130 KDH. This growth is attributable to increased investments within this portfolio during 2024.

Table 2.11: Holdings and placements in foreign currencies by currency

In thousands of dirhams	2024	2023	Change (%)
EUR	188,189,169	194,438,287	-3
USD	147,695,174	135,824,332	9
Other currencies	3,424,886	3,078,422	11
Total	339,309,229	333,341,042	2

Table 2.12: Holdings and placements in foreign currencies by residual maturity^(*)

	2024	2023
≤1 year	30%	24%
> year	70%	76%
Total	100%	100%

^(*) Securities held in internally-managed portfolios, including certificates of deposits.

Note 3: Holdings with international financial institutions

This item, which includes positions with the IMF and AMF, increased by 4 percent, reaching 23,061,150 KDH, driven mainly by the rise in holdings in SDRs.

⁵ Securities acquired with the intention of being held to maturity (see section on Main Accounting Rules and Evaluation Methods).

⁶ Securities other than those classified in the trading or investment portfolios.

Position with the IMF

On the assets side:

- IMF subscription - Reserve tranche, which composes the fraction (18.4 percent) covered by Bank Al-Maghrib as Morocco's quota subscription at the IMF. It is composed of:

- **The available tranche:** 150.08 million SDRs (1,979,107 KDH), representing Bank Al-Maghrib's contribution to the IMF in foreign currency.

- **The mobilized tranche:** 14.36 million SDRs (153,332 KDH) corresponding to Morocco's quota at the IMF, subscribed by Bank Al-Maghrib in national currency and registered in "Account n°1" opened on its books. As of the end of December 2024, the revaluation of this tranche resulted in an adjustment of +1,394 KDH, compared to -3,498 KDH a year earlier.

Table 2.13: Position with the IMF

In thousands of dirhams	2024	2023	Change [%]
Assets			
IMF subscription - Reserve tranche	2,132,439	2,146,416	-1
SDR holdings	20,529,114	19,553,046	5
Total	22,661,553	21,699,461	4
Liabilities			
SDR allocations	18,707,329	18,829,944	-1
Accounts n°1 and 2 ^(*)	7,359,492	20,183,015	-64
Total	26,066,822	39,012,959	-33

^(*) Taking into account the quarterly repayment of the principal due under the PLL.

- SDR holdings: represent the equivalent value of Bank Al-Maghrib's holdings with the IMF. This account records, in the debit side, SDRs purchased by the Bank and the remunerations paid by the IMF, while in the credit side, it records quarterly payments of commissions on SDR allocations as well as loan repayments by Morocco. These holdings were strengthened in 2021, after the IMF issued a general SDR allocation to member countries worth 456 billion SDR. Morocco's share of this allocation amounts to 857.2 million SDRs (equivalent to 10.9 billion dirhams⁷).

At the end of 2024, the equivalent value of SDR holdings in dirhams stood at 20,529,114 KDH, up by 5 percent (+976,068 KDH) compared to the end of 2023. This change is due to the drawdown under the Resilience and Sustainability Fund (RSF) of 562.5 million SDRs⁸ (7,416,921 KDH), granted by the IMF to Morocco in September 2023. It is also the result of the Bank's SDR purchases during 2024, totaling 550 million SDRs (7,232,666 KDH), after the repayment of PLL aimed at restoring the balance of the SDR position.

⁷ Affecting SDR holdings in the assets side and SDR allocations in the liabilities side.

⁸ In two tranches, the first in March for 250 million SDRs (3,322,977 KDH) and the second in November for 312.5 million SDRs (4,093,944 KDH).

The increase was eased, in particular, by the payment of the principal due by Morocco to the IMF under the PLL, for a total amount of 962.1 million SDRs (12,915,614 KDH), the deduction of financial costs related to the PLL of 56 million SDRs (741,109 KDH) and the drawdown on the RSF of 8.8 million SDRs (115,492 KDH), the payment of the commission on the Flexible Credit Line⁹ (FCL) of 9.2 million SDRs (122,493 KDH), and the depreciation of the SDR rate (-0.7 percent).

On the liabilities side, the “Special Drawing Rights Allocations” item corresponds to the equivalent value in dirhams of SDR allocations granted by the IMF to Morocco as a member country. This account was credited in 2009 with 5.7 billion dirhams, representing Morocco’s share of the general and special allocations (475.8 million SDRs)¹⁰ granted by the IMF to member countries, and with 10.9 billion dirhams in 2021 covering Morocco’s share of the general allocation (857.2 million SDRs) made by the IMF in August of this year.

At the end of 2024, this item showed a slight decline of 1 percent (-122,615 KDH) to 18,707,329 KDH, mainly due to the depreciation of the SDR rate against the dirham (-0.7 percent).

AMF subscription

This account represents the portion of the paid-in subscription to the AMF’s capital, borne by the Bank.

Morocco’s participation in this institution amounts to 41.33 million Arab dinars, divided¹¹ between Bank Al-Maghrib and the Treasury as follows:

- 200,000 Arab dinars paid in national currency and deposited in the AMF account open in Bank Al-Maghrib books. Bank Al-Maghrib’s share amounts to 150,000 Arab dinars (5,973 KDH).
- 21.69 million Arab dinars, subscribed in foreign currencies, 10.10 million Arab dinars of which subscribed by the Bank (399,597 KDH) remained unchanged since the last capital increase in 2018.
- 19.44 million Arab dinars, 9.10 million of which were paid by Bank Al-Maghrib under the AMF capital increase by incorporation of reserves, which took place in 2005 (5.88 million Arab dinars) and in 2013 (3.23 million Arab dinars).

Note 4: Claims on the Treasury

This item includes the claim related to the use by the Treasury in 2022 of the dirham equivalent of the funds drawn from the PLL in April 2020, amounting to 1,499.8 million SDR, in accordance with the provisions of the agreement concluded in this regard in November 2022 between Bank Al-Maghrib and the Ministry of Economy and Finance.

⁹ Approved in April 2023 by the IMF for Morocco, for an amount of SDR 3.73 billion.

¹⁰ SDR 436 million of which under the general allocation corresponding to 74.13 percent of Morocco’s 2009 quota (SDR 588.2 million) and SDR 39.7 million under the special allocation granted in accordance with the IMF’s Fourth Amendment.

¹¹ 53.16 percent for the Treasury and 46.84 percent for the Bank.

At the end of the 2024, this claim fell by 64 percent (-12,816,436 KDH) to 7,090,424 KDH. It was due to the combined effect of this year's settlement of the principal due to the IMF under the PLL for an amount of 962.1 million SDRs, reducing the overall claim amount from 1,499.8 million SDRs to 537.7 million SDRs, and to the depreciation of the SDR rate.

Note 5: Claims on Moroccan credit and assimilated institutions

This item covers refinancing operations of credit institutions made as part of the monetary policy conduct, in conformity with Article 7 of the Bank's Statutes.

Banks' need for liquidity increased sharply in 2024, driven mainly by the currency in circulation expansion. Under these conditions, the Bank continued to meet all banks' liquidity needs, increasing the volume of its money market interventions to a weekly average of MAD 139 billion, compared with 98 billion in 2023.

At December 31, 2024, bank refinancing operations totaled 156,560,695 KDH (129,602,053 KDH at the end of 2023), including:

- 72,623,271 KDH through 7-day advances following a call for tenders, granted at the key rate.
- 49,650,424 KDH related to repurchase agreements (1 month and 3 months), granted at the key rate.
- 34,287,000 KDH corresponding to secured loan operations, including 10,532,000 KDH at 1 month and 3 months, and 23,755,000 KDH over one year under programs designed to support the financing of the economy¹² (VSMEs, the Integrated Program of Business Support and Financing (PIAFE), participatory banks).

Table 2.14: Structure of Bank refinancing operations by instrument

In thousands of dirhams	2024	2023	Change (%)
Repo-type operations	122,273,695	102,248,053	20
7-day advances	72,623,271	60,054,014	21
Repurchase agreements	49,650,424	42,194,039	18
Secured loans ^(*)	34,287,000	27,354,000	25
Total	156,560,695	129,602,053	21

(*) 1 month, 3 months et 1 year.

Table 2.15: Breakdown of bank refinancing operations by maturity ^(*)

In thousands of dirhams	2024	2023	Change (%)
7 days	72,623,271	60,054,014	21
1 month	30,002,755	20,001,328	50
3 month	30,179,669	30,001,712	1
1 year	23,755,000	19,545,000	22
Total	156,560,695	129,602,053	21

(*) Initial maturity.

¹² 20,847,000 KDH for 'VSMEs', 1,693,000 KDH at a 1.25 percent rate for 'PIAFE' and 1,215,000 KDH for the refinancing program of 'Participatory banks'.

Note 6: Other assets

Other assets mainly include inventories, collection accounts, and equalization accounts, which notably consist of expenses to be spread over several fiscal years, prepaid expenses, accrued revenues, as well as any other debit balances pending settlement.

Other assets fell by 14 percent year-end to year-end, from 4,823,925 KDH to 4,169,685 KDH.

Note 7: Net fixed assets

The Bank's net fixed assets fell slightly by 18,220 KDH to 4,645,292 KDH, mainly as a result of a greater increase in depreciation and provisions (+185,115 KDH) than in investments (+154,977 KDH).

Table 2.16: Net fixed assets

In thousands of dirhams	2024	2023	Change (%)
(of which)			
Long-term loans	762,353	749,198	2
Equity and assimilated securities	1,959,082	1,960,319	-0.1
Tangible and intangible fixed assets	8,242,804	8,087,827	2
Gross fixed assets	10,964,543	10,797,647	2
Depreciation and provision endowments	-6,319,251	-6,134,136	3
Net fixed assets	4,645,292	4,663,512	-0.4

Equity and assimilated securities

The gross value of Bank Al-Maghrib's equity portfolio fell slightly by -1,237 KDH, from 1,960,319 KDH in end-2023 to 1,959,082 KDH at end-2024. This change is mainly due to the liquidation of Dar Ad-Damane (-2,764 KDH), and to the increase in the Bank's shareholding in SWIFT (+1,006 KDH) to 1,524 KDH, in parallel with the acquisition of 12 additional shares as part of this organization's three-year reallocation process.

Table 2.17: Equity and assimilated securities ⁽¹³⁾

In thousands of dirhams	2024						2023 Gross book value	Change [%] ⁽³⁾
	Type of activity	Gross book value	Net book value ⁽¹⁾	Accounting net situation ⁽²⁾	Number of shares held	Share %		
Securities held in Moroccan institutions and assimilated instruments (including)		72,365	72,365				74,324	-3
Dar Ad-Damane ⁽⁴⁾	Financial	0	0	-	-	-	1,265	-100
Maroclear	Financial	4,000	4,000	346,924	4,000	20	4,000	-
Casablanca Finance City Authority	Financial	50,000	50,000	500,113	500,000	10	50,000	-
The Moroccan Deposit Insurance corporation	Financial	59	59	12,340	2,008	4.59	59	-
Receivables attached to equity ⁽⁵⁾	Financial	18,306	18,306				17,500	5
Securities held in foreign financial institutions		1,886,717	1,861,115				1,885,995	0.04
Ubac Curaçao	Financial	23,228	12,008	90,362 USD	353,913	6.85	23,228	-
Swift ⁽⁶⁾	Financial	1,524	1,524	719,277 EUR	33	0.03	519	>100
Arab Monetary Fund	Financial	5,973	5,973	1,423,541 DA ⁽⁷⁾	3	0.02	6,257	-5
Arab Trade Financing Program	Financial	16,856	16,856	1,220,986 USD	546	0.28	16,856	-
Africa50 - Project FINANCE (PF)	Financial	175,142	175,142	461,275 USD	18,000	4.26 ⁽⁸⁾	175,142	-
Africa50 - Project Development (PD)	Financial	19,460	5,078	11,716 USD	2,000	4.29 ⁽⁸⁾	19,460	-
Bank for International Settlements	Financial	1,644,533	1,644,533	25,082,300 SDR ⁽⁹⁾	3,000	0.53	1,644,533	-
Gross total of equity and assimilated securities		1,959,082	1,933,479				1,960,319	-0.1

⁽¹⁾ Net of provisions for the depreciation of the Bank's investments.

⁽²⁾ Net position of bodies in which the Bank holds equity (in thousands), calculated using the net book value method based on the 2023 financial statements.

⁽³⁾ Change in gross book value between 2023 and 2024.

⁽⁴⁾ Liquidation of the company Dar Ad-Damane and full restitution of the Bank's share in this company and the related guarantee fund for a total amount of 2,764 KDH.

⁽⁵⁾ Shareholder current account advance granted in 2023 in favor of CFCA and receivable related to the participation in the Africa50 Fund.

⁽⁶⁾ Increase in the Bank's shareholding in the capital of SWIFT from 519 KDH to 1,524 KDH, following the allocation of 12 additional shares as part of the reallocation process carried out every three years by this organization.

⁽⁷⁾ Arab dinars.

⁽⁸⁾ Share capital increase through contributions from certain African states totaling USD 5.5 million. Bank Al-Maghrib's share thus decreased to 4.26 percent for Africa50 - Project financing and 4.29 percent for Africa50 - Project development, compared to 4.31 percent and 4.34 percent in 2023, respectively.

⁽⁹⁾ SDR: Special Drawing Rights.

¹³ The figures provided in this table are presented in thousands of dirhams, with the exception of the net position of foreign holdings, which is stated in foreign currencies.

Tangible and intangible fixed assets

Table 2.18: Tangible and intangible fixed assets

In thousands of dirhams	Gross Amount 2023	Increase	Decrease	Gross Amount 2024
Operating buildings	2,331,580	5,447	-	2,337,026
Operating furniture and equipment	2,986,135	109,877	66,719	3,029,293
Other operating tangible fixed assets	1,139,965	51,946	3,829	1,188,082
Non-operating tangible fixed assets	775,560	4,975	227	780,307
Intangible fixed assets	854,588	69,359	15,851	908,096
Total	8,087,827	241,603	86,626	8,242,804

At end-2024, the gross value of tangible and intangible fixed assets stood at 8,242,804 KDH, with an annual increase of 154,977 KDH. The main investments made this year are broken down as follows:

- 49 percent represent the revamping of banknote production and processing infrastructures, as well as the upgrading of IT equipment and information systems structures.
- 24 percent are related to the development of certain information systems, the acquisition of integrated solutions and software licenses, as well as the rolling-out of certain portals.
- 23 percent correspond to fittings and fixtures at the Bank's various sites.
- 4 percent is dedicated, in particular, to real estate projects.

Disposals mainly concern the sale of real estate assets and transport equipment.

Liabilities

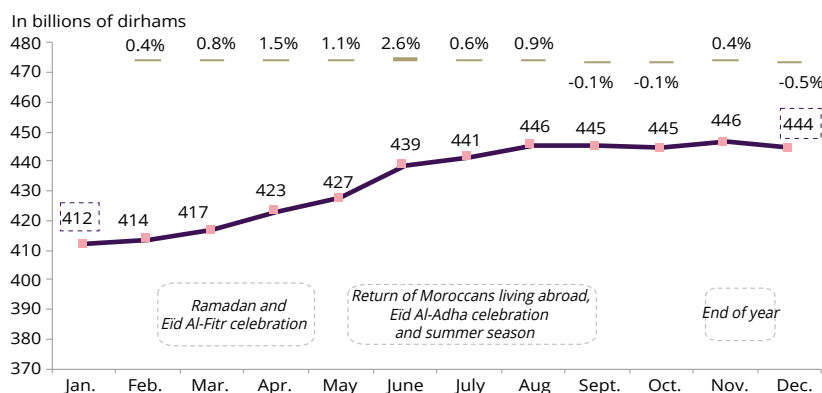
Note 8: Banknotes and coins in circulation

In accordance with Article 5 of its Statutes, Bank Al-Maghrib shall issue banknotes and coins. The amount of this item corresponds to the difference between the banknotes and coins issued and those held in the Bank's vaults.

Representing the Bank's largest liability item (80 percent), banknotes and coins in circulation continued its upward trend, rising from 412,752,041 KDH to 444,273,240 KDH, from one year-end to the next, up 8 percent compared to 11 percent in 2023. This slowdown can be explained in particular by the one-off operation of voluntary regularization of the tax situation of individuals.

In line with its regular seasonal profile, banknotes and coins in circulation peaked during the second semester, marked by a concentration of events with high cash demand (summer period, Eid Al-Adha celebrations and the new school year).

Chart 2.4: Change in banknotes and coins in circulation in 2024



Note 9: Commitments in gold and in foreign currencies

These liabilities consist mainly of foreign currency deposits from foreign banks and non-residents. They declined by 24 percent compared to the previous year to 4,189,231 KDH, due to the drop in commitments in foreign currencies.

It should be noted that these commitments include the unpaid portion of the Bank's subscription to the capital of the BIS, amounting to 11.3 million SDRs (equivalent to 149,321 KDH).

Note 10: Commitments in convertible dirhams

This item includes the Bank's commitments in convertible dirhams to foreign banks, international financial institutions (IMF and IBRD) and non-residents.

Table 2.19: Commitments in convertible dirhams

In thousands of dirhams	2024	2023	Change (%)
Commitments to international financial institutions	7,404,544	20,201,079	-63
Commitments to foreign banks	44,691	6,437	>100
Current accounts of international financial institutions	7,359,853	20,194,642	-64
Other commitments	14,899	21,060	-29
Total	7,419,443	20,222,140	-63

The annual variation of -12,802,697 KDH in the Bank's commitments in convertible dirhams is mainly explained by the decrease in commitments to international financial institutions (-12,834,789 KDH), and by the increase in the Bank's commitments to foreign banks (+38,254 KDH).

The holdings in the IMF's "account no. 1", which represent the major component of this item, and those in the IMF's "account no. 2", readjusted each year¹⁴ to take account of the parity of the Dirham against SDRs, showed a 64 percent fall (-12,823,522 KDH) at the end of 2024. This change is explained by the repayment this year, on a quarterly basis, of the principal due under PLL for a total amount of 12,915,613 KDH.

The revaluation of dirham-denominated holdings carried out by the IMF for the year 2024 amounted to -292,947 thousand dirhams, and was adjusted by -66,912 thousand dirhams at the exchange rate on the last business day of the year.

Note 11: Deposits and commitments in dirhams

This item mainly includes:

- The Treasury current account, held by Bank Al-Maghrib by virtue of Article 16 of its Statutes. It is remunerated according to the requirements below, in accordance with the agreement signed between the Ministry of Economy and Finance and Bank Al-Maghrib on July 28, 2009:
 - The tranche lower than or equal to 2 billion dirhams is remunerated at the rate of 7-day advances minus 50 basis points.
 - The tranche above 2 billion dirhams and lower than or equal to 3 billion dirhams is remunerated at the rate of 7-day advances minus 100 basis points;
 - The tranche exceeding 3 billion dirhams is not remunerated.

¹⁴ Annual revaluation since 2022 to neutralize the impact of the revaluation of the receivable related to the Treasury's drawdown on PLL.

- Accounts of Moroccan banks, held mainly to meet their commitments regarding monetary reserve requirement, established by virtue of Article 25 and 66 of the above-mentioned Statutes, were totally released to the banks following the decision of the Bank Board on June 16, 2020;
- Deposits of general government and public institutions, including the account of Hassan II Fund for Economic and Social Development.

This item can also include, in a context of excess liquidity:

- 7-day liquidity withdrawals as unsecured deposits by tenders, subject to the key interest rate reduced by 50 basis points.
- 24-hour deposit facilities allowing banks to deposit, on their own initiative, a cash surplus. The remuneration applied to these deposits equals the key rate minus 100 basis points.

Table 2.20: Deposits and commitments in dirhams

In thousands of dirhams	2024	2023	Change (%)
Treasury current account	7,462,609	10,878,799	-31
Moroccan banks' current accounts	32,307,874	22,607,941	43
Liquidity withdrawals	-	-	-
Deposit facilities	-	-	-
Deposits of general government and public institutions	1,227,636	1,252,740	-2
Other accounts	3,791,534	3,261,490	16
Total	44,789,654	38,000,970	18

At the end of 2024, deposits and commitments in dirhams increased to 44,789,654 KDH, representing a rise of 6,788,684 KDH compared to 2023. This growth was mainly driven by the combined effect of an increase in Moroccan banks' holdings (+9,699,933 KDH) and a decrease in the cash balance of the Treasury current account (-3,416,190 KDH).

Note 12: Other liabilities

Table 2.21: Other liabilities

In thousands of dirhams	2024	2023	Change (%)
Other securities operations	361	361	-
Miscellaneous creditors	1,425,932	3,610,944	-61
Equalization accounts	362,794	277,336	31
Amounts claimable after payment receipt	47,159	198,947	-76
Provisions for risks and expenses	1,445,200	1,258,986	15
Revaluation account of foreign exchange reserves	18,425,519	18,414,925	0.1
Total	21,706,964	23,761,499	-9

Other liabilities particularly include:

- The miscellaneous creditors mainly consist of tax withholdings, including corporate income tax payable of 767,984 KDH, as well as other amounts due pending settlement.

As of the end of 2024, they stood at 1,425,932 KDH, 534,421 KDH of which relate to payables to suppliers (585,427 KDH at the end of 2023). The breakdown of these payables by maturity is as follows:

Table 2.22: Breakdown of supplier payables by due date

In thousands of dirhams	Amount of supplier payables at the end of the fiscal year	Amount of unmatured payables	Amount of debts due			
Closing dates			Less than 30 days	Between 31 and 60 days	Between 61 and 90 days	More than 90 days
Fiscal Year 2023	585,427	585,374	-	-	-	53
Fiscal Year 2024	534,421	534,421	-	-	-	-

- The equalization accounts are mainly composed of suspense and clearing accounts, accruals, and deferred income. At the end of the year, they stood at 362,794 KDH, compared with 277,336 KDH a year earlier;
- Amounts claimable after receipt of payment, whose accounts make up the counterpart of securities presented for payment, decreased from 198,947 KDH at the end of 2023 to 47,159 KDH at the end of 2024.
- Provisions for risks and expenses are intended to cover a risk or a expense that will generate a probable outflow of resources to a third party, without at least equivalent consideration, and whose occurrence is made plausible by an event that has happened or is ongoing. They amounted to 1,445,200 KDH at the end of 2024, compared with 1,258,986 KDH a year earlier, mainly including the provisions set aside for the donation to the special fund for managing the effects of the earthquake, for an amount of 600,000¹⁵ KDH, and the provision of 388,853 KDH for social fund commitments (see table 2.40 in note 33 of the PLA).
- The revaluation account of foreign exchange reserves reflects changes in counter values resulting from the valuation of holdings and commitments in gold, precious metals and foreign currencies, including SDRs, based on the exchange rates on the last business day of the year, in compliance with the agreement between Bank Al-Maghrib and the MEF¹⁶ pertaining to this account.

In 2024, this account reached a peak of 21,370,347 KDH at the end of March, and then followed a downward trend due to the appreciation of the dirham against foreign currencies, falling back to 15,622,597 KDH at the end of August. It subsequently improved, ending the year with a credit balance of 18,425,519 KDH, a slight increase (+10,594 KDH) compared to 2023.

¹⁵ Taking into account this year's provision reversals set aside in accordance with Article 247 bis of the General Tax Code, concerning the 5-year tax deferral of all donations and bequests on behalf of the State.

¹⁶ See section on the main accounting rules and evaluation methods.

This development is mainly explained by the rise in gold prices (+29 percent) and the US dollar (+2 percent), as well as by the depreciation of the euro (-4 percent), in conjunction with the appreciation of the dollar against the euro and the easing of liquidity conditions in the foreign exchange market.

Table 2.23: Change in the revaluation account of foreign exchange reserves

In thousands of dirhams	2024	2023
(of which)		
Gold	4,249,128	1,033,841
USD	2,855,522	-7,803,370
EUR	-7,237,143	-3,582,652

At the end of December 2024, this balance represented 5.3 percent of the Bank's net foreign assets (349.8 billion dirhams), compared with 5.7 percent at the end of 2023.

Note 13: Equity and related capital

Under Article 2 of the Bank's Statutes, the capital is set at 500,000 KDH, fully paid-up and held by the State. The capital may be increased by incorporation of reserves by decision of the Bank board, after consulting the government commissioner, within a limit of 50 percent of the capital.

The general reserve fund was established, in accordance with Article 48 of the aforementioned statute, by deducting 10 percent from the net profit. It has reached the amount of the capital.

The special reserve funds were built up, pursuant to Article 48 above, by allocating part of the profits. They have amounted to 4,501,340 KDH since 2006 and amounted to 5,501,340 KDH in 2024, following the allocation of 1 billion dirhams.

The foreign exchange loss reserve shows a zero balance, following its reimbursement to the Treasury in 2023, in accordance with the provisions of the agreement relating to the revaluation account of foreign exchange reserves.

Retained earnings moved from -384,308 KDH to 21,367 KDH year-on-year, taking into account the absorption of the loss recorded in 2022.

Table 2.24: Equity and related capital

In thousands of dirhams	2024	2023	Change (%)
Equity	500,000	500,000	-
Reserves	6,001,340	5,001,340	20
General reserve funds	500,000	500,000	-
Special reserve funds	5,501,340	4,501,340	22
Foreign exchange loss reserve	-	-	-
Retained earnings	21,367	-384,308	>100
Total	6,522,707	5,117,032	27

2.10 Comments on off-balance sheet items

Off-balance sheet position reflects commitments given and received that cannot be accounted for in the balance sheet accounts, and mainly covers:

- Purchases and sales of securities and currencies made between the trade date (commitment date) and the delivery and/or settlement date (value date);
- Currency swap operations carried out between the trade date (commitment date) and the maturity date.
- Guarantees received by the Bank as part of its monetary policy conduct and advance facilities.
- Bank refinancing commitments;
- Guarantees given or received by the Bank (markets).

Note 14: Foreign exchange operations

This item records foreign exchange swap operations in foreign currencies carried out, in particular, in the context of monetary regulation, as well as of transitional currency arbitrage operations.

Table 2.25: Foreign exchange operations

In thousands of dirhams	2024	2023
Forward foreign exchange operations		
Forward currencies receivable	2,024,437	5,025,367
Forward currencies to be delivered	2,001,365	5,077,338
Foreign exchange operations- deposits in gold and foreign currencies	3,681,650	9,850,050
Foreign exchange operations-arbitrage operations		
Foreign currencies receivable	-	5,304
Foreign currencies deliverable	-	5,267

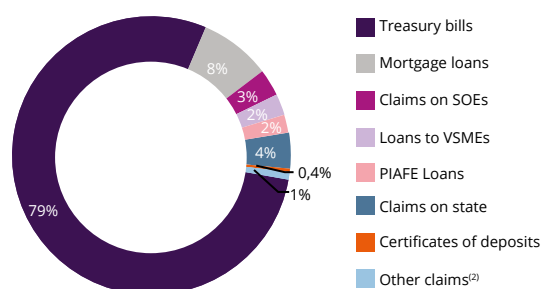
Note 15: Commitments on securities

This heading primarily records securities received by Bank Al-Maghrib as collateral for bank refinancing operations and advances granted to participants in the Moroccan Gross Settlement System (SRBM) (advance facilities).

Table 2.26: Commitments on securities

In thousands of dirhams	2024	2023
Securities received on advances granted	128,994,653	107,969,056
Securities received on advances to be granted	13,400,400	12,298,400
Other guarantees received on advances granted	37,836,194	30,750,502
Advances to be granted	12,730,380	11,683,480
Foreign securities receivable	7,376,028	-
Foreign securities deliverable	5,467,643	-

Chart 2.5: Structure of commitments on securities⁽¹⁾



⁽¹⁾ Collateral received on the advances granted by the Bank as part of the monetary policy implementation.

⁽²⁾ Wakala Bil Istitmar and bonds of financing companies.

Note 16: Other commitments

Table 2.27: Other commitments

In thousands of dirhams	2024	2023
Received market guarantees	183,311	130,505
Guarantee commitments received for staff loans	916,140	904,446
Financing commitments granted to the staff	10,889	9,400
Other granted commitments	1,000	1,000

2.11 Comments on profit and loss account items

Note 17: Interests received on holdings and placements in gold and foreign currencies

This item is correlated with levels of foreign exchange reserves and interest rates. It includes interest earned on investment operations in gold, SDRs and foreign currencies, as shown below:

- Bond market investments (investment, trading, placement portfolios);
- Investments in the international money market and in other Moroccan commercial banks (Treasury portfolio);
- SDR holdings and the reserve tranche available with the IMF;
- Foreign securities loans;
- Gold loans.

Table 2.28: Interests received on holdings and placements in gold and foreign currencies

In thousands of dirhams	2024	2023	Change (%)
Investments in gold	598	14,730	-96
Bond placements	6,024,194	4,218,851	43
Money market placements	1,058,445	1,000,737	6
Holdings in SDRs with the IMF	835,392	813,571	3
Other interests ^(*)	36,406	61,157	-40
Total	7,955,035	6,109,045	30

^(*) Mainly include interests on foreign securities loans.

Reflecting the improvement in yield rates, interest earned on foreign currency investment operations increased by 30 percent to 7,955,035 KDH, 6,024,194 KDH of which (76 percent) came from bond investments. The latter are broken down as follows:

- 4,880,814 KDH generated by the investment portfolio (+44 percent or +1,499,365 KDH), as a result of the strengthening of investments within the HTM portfolios acquired at high rates;
- 1,143,379 KDH from the placement portfolio (+37 percent or +305,978 KDH), driven mainly by the USD portfolio, which benefited from the rise in yield rates.

Interests on money market investments amounted to 1,058,445 KDH, which is 57,708 KDH more than in 2023, mainly due to the increase in the outstanding amount of dollar-denominated investments.

As for interest on SDR holdings, it increased from 813,571 KDH to 835,392 KDH end-year to end-year, reflecting both the rise in SDR holdings and the increase in the average SDR remuneration rate by +3 basis points to 3.84 percent (compared to 3.81 percent in 2023).

Interest on placements in gold fell sharply (-14,132 KDH) to 598 KDH, due to the absence of gold lending operations in 2024 in view of the zero or even negative interest rates. The income of 598 KDH corresponds to operations that matured at the beginning of the year.

Note 18: Interests received on claims on credit and assimilated institutions

This item records interests received on various refinancing operations to credit institutions as part of the monetary policy conduct (see Note 5 of the balance sheet for interest terms).

Bank Al-Maghrib reduced its key rate twice in 2024, in June and in December, by 25 basis points each time, bringing it down to 2.50 percent.

Interest on refinancing operations to credit institutions amounted to 3,948,987 KDH at the end of 2024, marking a further increase to 946,761 KDH this year, resulting from the rise in the volume of the Bank’s interventions on the money market, in parallel with the tightening of bank cash positions, mitigated by reductions in the key interest rate. They are made up, in particular, of:

- 1,557,728 KDH from 7-day advances, which increased by 30 percent, mainly due to the rise in the average outstanding amount, which reached 54,818,077 KDH.
- 1,468,598 KDH from 1 and 3 month repurchase agreements, which doubled (+53 percent), to an average outstanding amount of 51,319,429 KDH;
- 920,920 relating to secured loan operations (1 month, 3 months and 1 year), which increased by +41 percent to an average outstanding amount of 32,517,744 KDH.

Table 2.29: Interests received on loans to credit institutions

In thousands of dirhams	2024	2023	Change (%)
(of which)			
7-day advances	1,557,728	1,201,341	30
24-hour advances	509	2,300	-78
Repurchase agreements	1,468,598	961,447	53
Secured loans	920,920	653,394	41
Open Market	-	183,231	-100
Total	3,948,987	3,002,226	32

Note 19: Other interests received

This item mainly covers interests due to the Bank under loans granted to its staff for housing purchase and/or construction. These interests remained virtually steady at 9,823 KDH at the end of 2024.

Note 20: Commissions received

Commissions are charged on banking operations carried out on customer accounts, mainly exchange operations and the centralization of the Treasury's auction operations.

Table 2.30: Commissions received

In thousands of dirhams	2024	2023	Change (%)
Foreign exchange commissions	986,130	994,646	-1
Intermediation margin	139	169	-17
Treasury bills management	83,914	115,609	-27
Treasury money market placements	9,532	13,284	-28
Other commissions	7,565	11,641	-35
Total	1,087,281	1,135,349	-4

Commissions received decreased by 4 percent, falling from 1,135,349 KDH to 1,087,281 KDH. This change is mainly due to the 27 percent drop (-31,696 KDH) in the commission charged for centralizing T-bill auction operations, reflecting the decline in Treasury issues (172 billion dirhams in 2024 compared to 255 billion dirhams in 2023). It also reflects the 1 percent decline (-8,516 KDH) in commissions received on foreign exchange operations.

Commissions received on T-bill investments in the money market amounted to 9,532 KDH in 2024, down by 3,751 KDH compared to the previous year. This variation is attributable to the decline in the outstanding amount of these placements (18 billion dirhams on a daily average in 2024, against 27 billion in 2023).

Note 21: Other financial revenues

The other financial revenues mainly covers capital gains generated from foreign currency operations, deferral of discounts on investment securities and profits from foreign currency swaps.

At the end of 2024, these revenues slightly increased by +22,504 KDH, reaching 1,206,050KDH. This growth is mainly attributable to the rise in the deferral of discounts on investment securities (+190,389 KDH) and the increase in capital gains on short-term investment securities (+89,041 KDH), particularly following the sale of dollar-denominated securities in response to changes in their yield rates. There was also a decrease in capital gains on management mandates (-150,805 KDH), due to a lower performance in 2024 compared to 2023.

Table 2.31: Other financial revenues

In thousands of dirhams	2024	2023	Change (%)
Capital gains on sales of marketable securities	103,758	14,717	>100
Deferral discounts on foreign securities	832,486	642,097	30
Capital gains on management mandates	202,309	353,114	-43
Capital gains on Open Market operations	-	109,042	-100
Gains on foreign exchange swap operations (monetary policy)	-	35	-100
Gains on foreign exchange swap operations (premium/discount)	41,466	48,144	-14
Dividends on equity securities	17,504	11,827	48
Other revenues	8,527	4,569	87
Total	1,206,050	1,183,547	2

Similarly, gains on foreign exchange swap operations with foreign counterparties amounted to 41,466 KDH versus 48,144 KDH a year earlier, reflecting this year's trend in yields rates.

Dividends on the Bank's equity interests in certain foreign entities amounted to 17,504 KDH (11,827 KDH in 2023), including 14,550 KDH from the BIS¹⁷ (11,288 KDH in 2023) and 680 KDH from the Arab Trade Financing Program (PFCA)¹⁸ (539 KDH in 2023).

Bank Al-Maghrib also received in 2024 the liquidating dividend from the company Dar Ad-Damane, in proportion to its share in the share capital, amounting to 1,467 KDH. This was in accordance with the decisions made at the plenary shareholders' meeting held on March 6, 2024.

Note 22: Sales of produced goods and services

This item mainly comprises (i) sales of goods produced by the Bank such as secure documents (biometric passport and secure identity cards), (ii) the contribution to on-site inspection costs of establishments subject to the Bank's supervision, and (iii) changes in inventories of finished goods, work-in-progress, and commemorative coins.

¹⁷ Based on a unit dividend of SDR 370 approved by the Board on June 30, 2024.

¹⁸ Based on a unit dividend of USD 125 approved by the Board on March 06, 2024.

Table 2.32: Sales of produced goods and services

In thousands of dirhams	2024	2023	Change (%)
Sales of secure documents (of which)	390,746	376,826	4
Passports	216,815	228,624	-5
Secure identity cards	153,106	125,184	22
Change in inventories	33,149	55,571	-40
Contribution to on-site inspection costs	60,935	57,396	6
Total	484,830	490,118	-1

At end-2024, the sales of produced goods and services stood at 484,830 KDH, down slightly by 1 percent or -5,287 KDH compared to 2023. This change reflects a 40 percent decrease in inventories of finished and semi-finished products (-22,422 KDH), alongside an increase in the sales of secure documents (+13,920 KDH) to 390,746 KDH, 216,815 KDH of which correspond to biometric passports and 153,106 KDH to secure identity cards¹⁹, as well as the rise in the contribution to the on-site inspection costs (+3,539 KDH) to 60,935 KDH.

Note 23: Miscellaneous revenues

Between the end of 2023 and the end of 2024, miscellaneous revenues decreased from 32,712 KDH to 23,273 KDH, 19,039 KDH of which came from the SRBM billing system.

Note 24: Provision Reversals

This item recorded a balance of 1,411,003 KDH at the end of 2024, compared to 1,887,286 KDH a year earlier. It mainly includes the provision reversals for impairment of foreign short-term investment securities amounting to 1,389,732 KDH, against 1,830,052 KDH the previous year, and provision reversals for risks and expenses totaling 14,736 KDH (see Table 2.40 in Note 33 of the PLA).

Note 25: Non-current revenues

This item includes exceptional and non-recurring revenues. It amounted to 243,471 KDH at the end of 2024 compared to 14,026 KDH at the end of 2023, considering the provision reversals for expenses recognized as part the tax deferral of donations granted in 2023 to the special fund for managing the effects of the earthquake, amounting 200,000 KDH, and revenues of the sales of the banks' assets for 39,754 KDH.

¹⁹ This includes the driver's license and the electronic registration certificate.

Note 26: Interests paid on commitments in gold and in foreign currencies

At the end of 2024, these interests slightly declined by 1,253 KDH to 725,698 KDH, due in particular to the drop in commissions paid on SDR allocations, which reached 725,157 KDH. Interests paid on money-market deposits ticked up from +497 KDH to 542 KDH, mainly as a result of changes in interest rates.

Note 27: Interests paid on deposits and commitments in dirhams

This item includes interests paid by the Bank, mainly on the Treasury current account and on the monetary reserve (for conditions of remuneration of the above-mentioned accounts, see Note 11 of the balance sheet). In a context of excess liquidity, it may also include interests paid by the Bank on 7-day liquidity withdrawals, overnight facilities, and dirham-for-currency swaps.

At the end of 2024, these interests decreased by 12 percent to 334,984 KDH, mainly due to a fall in the remuneration of Bank Al-Maghrib's customer accounts.

Table 2.33: Interests paid on commitments in dirhams

In thousands of dirhams	2024	2023	Change (%)
(of which)			
Treasury account	65,596	66,001	-1
Total	334,984	379,467	-12

Note 28: Commissions paid

This item includes commissions paid in exchange for financial services provided to the Bank as well as the negative intermediation margin on foreign exchange operations carried out with certain customer categories.

Table 2.34: Commissions paid

In thousands of dirhams	2024	2023	Change (%)
Foreign exchange commissions	489	5,520	-91
Intermediation margin	8,082	7,135	13
Custody of foreign securities	14,299	18,271	-22
Other commissions	2,346	3,059	-23
Total	25,216	33,985	-26

These commissions amounted to 25,216 KDH, down 26 percent (-8,769 KDH) compared to the previous year. This change was mainly due to lower commissions on foreign-banknote exchange operations (-5,031 KDH) and on custody fees of foreign securities (-3,972 KDH).

The negative intermediation margin on foreign exchange operations stood at 8,082 KDH at the end of 2024 instead of 7,135 KDH a year earlier. Accordingly, the net intermediation margin amounted to -7,943 KDH at end-2024, compared to -6,966 at the end of 2023.

Note 29: Other financial expenses

This item covers losses on foreign currency operations, mainly capital losses on the sales of short-term investment securities and the deferral of premiums on investment securities.

Table 2.35: Other financial expenses

In thousands of dirhams	2024	2023	Change (%)
Capital losses on sales of short-term investment securities ^(*)	547,845	146,774	>100
Deferral of premiums on foreign securities	464,265	602,493	-23
Negative interests paid on short-term investment securities	-	3,099	-100
Capital losses on management mandates	-	-	-
Capital losses on Open Market operations	-	3,764	-100
Losses on foreign exchange swap operations (premium/discount)	3,135	7,459	-58
Other expenses	5,350	3,820	40
Total	1,020,595	767,408	33

^(*) The difference between the book value and the sale price.

At the end of 2024, these expenses amounted to 1,020,595 KDH, up by 253,188 KDH. This change is mainly due to the combined effect of the increase in capital losses on short-term investment securities, which rose from 146,774 KDH to 547,845 KDH from one year-end to the next, mainly as a result of the maturity of securities, particularly in EUR, and the fall in premiums on investment securities (-138,228 KDH).

Note 30: Staff expenses

This item mainly covers salaries and wages, allowances and bonuses paid, employer contributions to Bank Al-Maghrib Staff Pension Fund and contributions to the Mutual Fund, staff insurance premiums and professional training expenses.

Staff expenses amounted to 929,863 KDH, representing an increase of 9 percent compared with the end of 2023.

Table 2.36: Staff expenses

In thousands of dirhams	2024	2023	Change (%)
Staff salaries	725,462	676,206	7
Social expenses	164,785	141,248	17
Training expenses	17,641	12,650	39
Other expenses	21,975	20,010	10
Total	929,863	850,114	9

Note 31: Purchase of materials and supplies

This entry includes the purchase of raw materials (paper, inks, monetary blanks, electronic chips, and precious metals) used in the manufacturing of banknotes and coins, secure documents and identity cards, as well as commemorative coins.

This item rose by 47 percent or (+161,884 KDH) to 505,447 KDH, mainly due to the increase in the purchase cost of materials and supplies for manufacturing banknotes, notably paper and inks, in line with the increase in the production program in view of the rise in demand and the issue of the new series of banknotes, as well as the replenishment of the safety stock.

Table 2.37: Purchase of materials and supplies

In thousands of dirhams	2024	2023	Change (%)
Purchase of raw materials	327,246	215,511	52
Purchase of consumable materials and supplies	115,486	70,977	63
Others purchases	62,716	57,076	10
Total	505,447	343,563	47

Note 32: Other external expenses

This item covers costs relating mainly to IT maintenance, building upkeep, rents, water and electricity consumption, donations and grants, and various taxes and duties.

It increased, year-on-year, from 416,771 KDH to 445,866 KDH, posting a change of +29 095 KDH.

This mainly results from the Bank's annual contribution to the Fintech Support Fund (30,000 KDH).

Table 2.38: Other external expenses

In thousands of dirhams	2024	2023	Change (%)
Maintenance and repair of fixed assets	123,973	134,491	-8
Rents	49,687	45,362	10
Water, electricity, and fuel expenses	31,606	30,811	3
Transportation, travel, mission and reception expenses	25,825	24,033	7
Postal and telecommunication expenses	51,227	51,253	-0.1
Taxes and duties	22,903	21,086	9
Others purchases	140,646	109,735	28
Total	445,866	416,771	7

Note 33: Depreciations and provisions

Depreciations

Depreciation decreased from 272,675 KDH at the end of 2023 to 254,120 KDH at the end of 2024, representing a decline of 18,556 KDH.

Table 2.39: Depreciation

In thousands of dirhams	2024	2023	Change (%)
(of which)			
Depreciations of tangible and intangible fixed assets	240,900	247,986	-3
Buildings ⁽¹⁾	118,632	124,653	-5
Furniture and equipment	97,508	97,054	0.5
Other tangible fixed assets	-	-	-
Intangible fixed assets	24,760	26,279	-6
Depreciations of other expenses deferred over several years	8,565	9,681	-12
Total	254,120	272,675	-7

⁽¹⁾ Including fixtures, fittings and installations.

Provisions for impairment

Provisions for impairment of short-term investment securities amounted by the end of 2024 to 32,198 KDH compared to 19,338 KDH in 2023.

Table 2.40: Provisions for impairment

In thousands of dirhams	Outstanding amount 31/12/2023	Allocations	Reversals	Other variations	Outstanding amount 31/12/2024
Provisions for impairment					
Foreign and assimilated Treasury bills	1,602,247	32,198	1,389,732	476	245,188
Miscellaneous inventories and securities	11,888	16,100			27,988
Moroccan equity securities	3,085		3,085		
Foreign equity securities	13,738	11,865			25,602
Other provisions ⁽²⁾	9,344		3,451		5,893
Provisions for risks and expenses (of which)	1,258,598	400,949	214,736		1,444,812
Pension and health commitment	420,000	388,853			808,853
Provisions for risks and expenses ⁽³⁾	827,335	1,606	203,473		625,468
Other provisions	389				389
Total		461,111	1,411,003 ⁽⁴⁾		

⁽²⁾ Includes, in particular, provisions for receivables from customers presenting a default risk.

⁽³⁾ Includes the amount of the provision set aside for the donation to the "special fund for managing the effects of the earthquake", in order to comply with the provisions of Article 247a of the General Tax Code concerning the 5-year tax deferral of any donation or bequest on behalf of the State. It should be noted that the Bank's income has not been impacted by this measure.

⁽⁴⁾ Corresponds to the amount posted under "provision reversals" in the profit and loss account (PLA).

Note 34: Non-current expenses

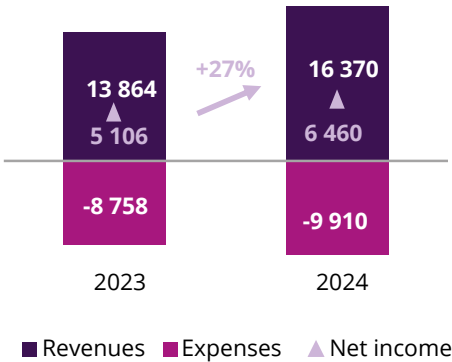
Non-current expenses totaled 696,064 KDH at the end of 2024, compared to 1,008,188 KDH at the end of 2023, representing a decrease of 312,124 KDH. This change is mainly due to the payment in 2024 of the social solidarity contribution on profits amounting to 486,081 KDH, calculated at 5 percent of the net income of the previous fiscal year, and the donation made by the Bank in 2023 of 1 billion dirhams to the «special fund for managing the effects of the earthquake».

Note 35: Income tax

Pursuant to the provisions of the General Tax Code, the tax rate applied to Bank Al-Maghrib for the 2024 fiscal year was set at 38,50 percent²⁰.

Income tax (IS) increased from 3,669,909 KDH at the end of 2023 to 4,510,804 KDH at the end of 2024.

Chart 2.6: Evolution of revenues expenses, and net income (in MDH)



²⁰ The corporate income tax rate provided for in the General Tax Code is 40 percent, based on a progressive approach over a four-year period. The difference between the initial rate of 37 percent and the target rate of 40 percent is progressively spread over the period from January 1, 2023, to December 31, 2026.

3 Five-year evolution in financial statements

3.1 Balance sheet - Assets

Table 3.1: Evolution of assets

In thousands of dirhams	2024	2023	2022	2021	2020
Holdings and investments in gold	18,781,915	14,532,787	13,498,946	12,008,623	11,989,425
Holdings and investments in foreign currency	339,309,229	333,341,042	318,867,128	298,416,554	297,853,278
- Holdings and placements with foreign banks	34,533,011	44,481,551	52,900,450	50,752,727	88,485,179
- Foreign and assimilated Treasury bills	294,645,307	279,618,315	257,366,426	239,508,275	205,947,284
- Other holdings in foreign currencies	10,130,912	9,241,175	8,600,252	8,155,552	3,420,815
Holdings with international financial institutions	23,061,150	22,101,677	22,770,832	21,596,724	9,188,280
- IMF subscription - Reserve tranche	2,132,439	2,146,416	2,248,490	2,097,811	2,084,098
- Holdings in Special Drawings Rights	20,529,114	19,553,046	20,100,998	19,105,311	6,715,532
- Subscription to the Arab Monetary Fund	399,597	402,216	421,344	393,602	388,650
Claims on the Treasury	7,090,424	19,906,860	20,853,545	-	243,839
Claims on Moroccan credit and assimilated institutions	157,010,858	129,943,781	114,602,736	91,359,926	84,356,146
- Securities received from banks under repurchase agreements	49,650,424	42,194,039	21,533,559	22,749,736	15,280,279
- Advances to banks	106,910,271	87,408,014	92,886,621	68,474,368	68,955,288
- Other claims	450,163	341,728	182,557	135,822	120,579
Treasury bills - Open market operations	-	-	-	-	-
Other assets	4,169,685	4,823,925	3,706,864	3,988,298	4,329,415
Fixed assets	4,645,292	4,663,512	4,678,426	4,773,927	4,840,082
Total assets	554,068,553	529,313,584	498,978,477	432,144,052	412,800,465

3.2 Balance sheet – Liabilities

Table 3.2: Evolution of liabilities

In thousands of dirhams	2024	2023	2022	2021	2020
Banknotes and coins in circulation	444,273,240	412,752,041	372,786,283	337,710,576	319,282,169
- Banknotes in circulation	439,909,217	408,599,194	368,820,223	333,902,150	315,640,803
- Coins in circulation	4,364,023	4,152,848	3,966,060	3,808,426	3,641,365
Commitments in gold and foreign currencies	4,189,231	5,524,282	6,742,577	5,102,421	8,387,871
- Commitments in gold	-	-	-	-	-
- Commitments in foreign currencies	4,189,231	5,524,282	6,742,577	5,102,421	8,387,871
Commitments in convertible dirhams	7,419,443	20,222,140	21,230,274	19,566,060	29,434,460
- Commitments to international financial institutions	7,404,544	20,201,079	21,212,432	19,554,414	29,421,299
- Other commitments	14,899	21,060	17,842	11,646	13,161
Deposits and commitments in dirhams	44,789,654	38,000,970	42,444,609	38,967,531	35,974,495
Treasury current account	7,462,609	10,878,799	4,087,201	5,258,034	6,242,051
Deposits and commitments in dirhams to Moroccan banks	32,307,874	22,607,941	32,383,423	28,484,675	24,819,013
- Current accounts	32,307,874	22,607,941	32,383,423	28,484,675	24,819,013
- Liquidity - withdrawal accounts	-	-	-	-	-
- Deposit facility accounts	-	-	-	-	-
Deposits of general government and public institutions	1,227,636	1,252,740	1,331,794	1,176,044	973,357
Other accounts	3,791,534	3,261,490	4,642,191	4,048,778	3,940,073
Other liabilities	21,706,964	23,761,499	30,670,166	5,735,780	5,308,085
Special Drawing Rights allocations	18,707,329	18,829,944	19,725,415	18,426,682	7,200,415
Equity and related capital	6,522,707	5,117,032	5,792,002	5,697,969	5,528,801
- Capital	500,000	500,000	500,000	500,000	500,000
- Reserves	6,001,340	5,001,340	5,263,461	5,169,757	5,001,340
- Retained earnings	21,367	-384,308	28,542	28,212	27,460
- Other equity capital	-	-	-	-	-
Net income of the fiscal year	6,459,984	5,105,675	-412,850	937,033	1,684,169
Total liabilities	554,068,553	529,313,584	498,978,477	432,144,052	412,800,465

3.3 Profit and Loss Account

Table 3.3: Evolution of the Profit and Loss Account

In thousands of dirhams	2024	2023	2022	2021	2020
Revenues	16,369,754	13,863,998	6,876,041	5,282,811	5,961,582
Interests received on holdings and placements in gold and in foreign currencies	7,955,035	6,109,045	3,340,653	2,418,155	2,623,873
Interests received on claims on credit and assimilated institutions	3,948,987	3,002,226	1,562,197	1,244,143	1,627,045
Other interests received	9,823	9,689	9,758	12,610	13,384
Commissions received	1,087,281	1,135,349	1,121,250	651,047	611,277
Other financial revenues	1,206,050	1,183,547	295,166	569,062	813,906
Sales of produced goods and services	484,830	490,118	382,028	310,627	204,829
Miscellaneous revenues	23,273	32,712	47,049	16,011	15,786
Reversals on depreciation	-	-	-	-	-
Provision Reversals	1,411,003	1,887,286	111,191	60,699	50,359
Non-current revenues	243,471	14,026	6,748	458	1,123
Expenses	9,909,770	8,758,323	7,288,891	4,345,777	4,277,414
Interests paid on commitments in gold and in foreign currencies	725,698	726,952	282,269	108,708	132,119
Interests paid on deposits and commitments in dirhams	334,984	379,467	200,982	153,540	174,404
Commissions paid	25,216	33,985	30,810	28,856	15,667
Other financial expenses	1,020,595	767,408	1,673,613	769,534	754,764
Staff expenses	929,863	850,114	898,809	880,452	878,935
Purchases of materials and supplies	505,447	343,563	370,771	313,924	285,073
Other external expenses	445,866	416,771	370,044	357,299	354,619
Depreciation and provision endowments	715,231	561,965	3,323,110	896,435	474,870
Non-current expenses	696,064	1,008,188	111,468	123,205	76,461
Income tax	4,510,804	3,669,909	27,012	713,824	1,130,502
Net income	6,459,984	5,105,675	-412,850	937,033	1,684,169

4 Commitments to social funds

The Bank's staff is covered by two internal pension and health insurance schemes called, respectively, "Caisse de Retraite du Personnel de Bank Al-Maghrib-CRP-BAM (Bank Al-Maghrib's staff pension fund)" and the "Fonds Mutuel-FM (Mutual Fund)".

The CRP-BAM provides the Bank's staff members or their dependents with a retirement pension, an invalidity pension, a dependents' pension and a mixed capital-pension allowance. Meanwhile, the Mutual Fund ensures reimbursement of medical and prescription expenses for the Bank staff and eligible family members.

In line with the provisions of Article 78 of the Bank's Statutes, the activities and operations of the above-mentioned Funds are subject to separate accounting.

The governing bodies of these schemes, subject to Law No. 40-17 on the statutes of Bank Al-Maghrib and the Governor's instruction No.3/W/2023 on the charter for management of pension and social security schemes, are as follows:

- The Bank Board, which oversees the implementation of all instruments designed to ensure compliance with the founding principles and balance of the schemes.
- The Governor, who decides on all proposals from the Social Funds Management Committee before they are approved by the Bank Board.
- The Social Funds Management Committee, set up by a decision of the Bank Board on March 25, 2008 and chaired by a member of the Board, which meets once a year and whenever necessary to monitor the technical and financial management of the two schemes.

Table 4.1: Commitment and financing of social funds

In thousands of dirhams	Pension Fund of BAM staff		Mutual Fund	
	2024	2023	2024	2023
Gross commitment	4,403,184	4,000,753	716,282	667,598
Hedging assests	3,770,202	3,358,711	540,411	470,138
Net commitement ^(*)	-632,982	-642,042	-175,871	-197,460

^(*) Net liability of social funds totally provisioned at end 2024 for an amount of 808,853 KDH (see Note 12 of the balance sheet).

Commitments for pensions and health are calculated in accordance with actuarial standards, using the projected unit credit method which takes into account salary trends, pension revaluations and the probability of receiving the benefit²¹.

The data and hypotheses used in actuarial valuations, as well as retirement and health commitments, are validated by an independent actuary.

Social security fund assets are managed within the framework of a strategic asset allocation policy, which specifies an optimal distribution by asset class, considering the objectives of the pension and health insurance plans, in terms of return and risk.

In accordance with the provisions of the Instruction on the Charter for the management of the pension and health insurance schemes, an annual report is drawn up outlining, on the one hand, the conclusions of the actuarial assessment carried out internally, duly validated and certified by the independent actuary and, on the other hand, the achievements of the financial management of the plan assets. This report is forwarded to the Social Funds Management Committee for review and validation, before the resulting decisions are submitted to the Bank Board for approval.

In accordance with the provisions of ACAPS' circular n°2/PS/18, the actuarial balance sheet, demographic and financial projections, and reports relating to investments allocated to represent the Bank's pension and social security commitments are forwarded to this authority in the forms and within the deadlines defined.

²¹ Linked to the probability of presence at the retirement date, mainly taking into account the risks of resignation and death.

5 Statutory Audit Report

STATUTORY AUDITOR'S REPORT YEAR ENDED DECEMBER 31, 2024

AUDIT OF STATUTORY FINANCIAL STATEMENTS

Opinion

In accordance with the terms of our appointment by the Bank's Board, we have audited the accompanying financial statements of BANK AL MAGHRIB including the balance sheet as of December 31st, 2024, the profit and loss statement and the additional disclosures (ETIC). These financial statements show a net equity of 12 982 691 KMAD including a net profit of 6 459 984 KMAD.

We certify that the financial statements referred to in the first paragraph above are regular, sincere and give, in all material aspects, a true and fair view of the result of operations of the past fiscal year as well as the financial situation and the assets of BANK AL MAGHRIB on December 31st, 2024, in accordance with the accounting principles generally accepted in Morocco.

Basis for opinion

We conducted our audit in accordance with Moroccan auditing standards. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the ethical requirements that are relevant to our audit of the financial statements in Morocco, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Moroccan accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Moroccan auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Moroccan auditing standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Specific verifications

We ensured that the information contained in the Management board's report is consistent with the Bank's financial statements.

Casablanca, March 19, 2025

The Statutory Auditor

Deloitte Audit

Sakina Bensouda Korachi
Partner



6 Approval by the Bank Board

Pursuant to Article 47 of Law n°40-17, bearing Statutes of Bank Al-Maghrib, the Governor of the Bank submits the financial statements to the Bank Board for approval.

At its March 18th,2025 meeting, the Board approved the financial statements, after reviewing the auditor's opinion on their sincerity and on their consistency with the information given in the Bank's management report, as well as the net income allocation for the fiscal year 2024.

