



Quarterly Economic Review

Vol. 27, No. 3

September, 2018

The Quarterly Economic Review (QER) is a publication of the Central Bank of The Bahamas, prepared by the Research Department, for issue in March, June, September and December. All correspondence pertaining to the QER should be addressed to:

The Manager
Research Department
Central Bank of The Bahamas
P.O. Box N-4868
Nassau, Bahamas

www.centralbankbahams.com

Email address: research@centralbankbahamas.com

Contents

REVIEW OF ECONOMIC AND FINANCIAL DEVELOPMENTS	1
DOMESTIC ECONOMIC DEVELOPMENTS	1
<i>Overview</i>	1
<i>Real Sector</i>	1
Tourism	1
Construction.....	2
Prices.....	3
<i>Fiscal Operations</i>	3
Overview	3
Revenue	4
Expenditure.....	4
Financing and the National Debt.....	5
Public Sector Foreign Currency Debt	6
<i>Money, Credit and Interest Rates</i>	7
Overview	7
Liquidity	7
Deposits and Money	7
Domestic Credit	8
Mortgages.....	9
The Central Bank.....	9
Domestic Banks.....	10
Credit Quality.....	11
Capital Adequacy and Provisions	11
Bank Profitability.....	11
Interest Rates.....	12
<i>Capital Markets Developments</i>	13
<i>International Trade and Payments</i>	13
INTERNATIONAL ECONOMIC DEVELOPMENTS	14
STATISTICAL APPENDIX (TABLES 1-16)	17

REVIEW OF ECONOMIC AND FINANCIAL DEVELOPMENTS

DOMESTIC ECONOMIC DEVELOPMENTS

OVERVIEW

Preliminary indications are that the domestic economy sustained its modest growth trajectory during the third quarter of 2018. Increases in high-end room capacity supported growth in the key stopover segment of the tourism market. In addition, a number of foreign investment projects provided ongoing stimulus to the construction sector, while domestic building activity showed signs of improvement. In price developments, inflation recorded a slight uptick, amid the rise in international oil prices in prior periods and the hike in the value added tax (VAT) rate by 4.5 percentage points to 12.0% on July 1st.

The estimated fiscal deficit narrowed considerably over the first quarter of FY2018/2019, underpinned by a VAT-led rise in total receipts, which overshadowed the increase in aggregate expenditure. Budgetary financing was sourced mainly from the domestic market, and comprised a combination of long and short-term debt.

In monetary developments, liquidity contracted during the third quarter, due to a reduction in the deposit base, combined with growth in domestic credit. Amid the traditional increase in foreign currency demand during the latter half of the year, external reserves contracted. Banks' credit quality indicators improved over the review period, reflecting in part the modest uptick in economic activity. Further, the latest available data for the second quarter of 2018, showed that banks' overall profitability levels improved, primarily from a reduction in provisions for bad debts.

On the external side, the estimated current account deficit widened over the review period. There was a significant increase in net income payments, alongside a falloff in the services account surplus and higher net current transfer outflows. In addition, the surplus on the capital and financial account declined, largely reflecting the net repayment of public and private sector net external liabilities.

REAL SECTOR

TOURISM

Buoyed by the expansion in high-end room capacity, increased airlift and a relatively mild hurricane season, the tourism sector maintained its stronger growth performance during the third quarter, in comparison to the prior year.

An analysis of partial data from the country's main airport, showed that total departures—net of



the domestic segment—rose by 15.4%, relative to a 24.3% contraction in the previous year, when the passage of several severe storms through the region disrupted travel itineraries. Underlying this outturn, the dominant United States segment—at 87.8% of the total—rose by 14.9%, reversing the prior period’s 3.6% reduction. Similarly, the non-US visitor component grew by 19.4%, in comparison to a 10.0% decline in the corresponding period last year.

An analysis of data from the Ministry of Tourism, showed that total visitor arrivals rose by 6.8%, vis-a-vis a 2.3% reduction in the same period of last year. In terms of the breakdown, the high value-added air segment grew by 12.0% to 0.4 million, vis-à-vis a 7.7% decline in 2017. Similarly, the dominant sea passenger component firmed by 5.4% to 1.2 million, in comparison to a 0.7% decrease a year earlier.

A breakdown by major port of entry, indicated that visitor arrivals to New Providence expanded by 9.6% to 0.8 million over the review quarter, a turnaround from the prior year’s 7.2% contraction, reflecting gains in both air and sea passengers, by 22.5% and 4.4%, respectively. Further, visitors to Grand Bahama advanced by 10.8% to 0.1 million, vis-a-vis a 45.0% weather-related reduction in the previous year, supported by a 9.5% increase in air traffic and an 11.0% rise in sea arrivals. In addition, the Family Island segment grew by 45.1%, a reversal from a 3.2% falloff a year earlier, as both sea and air passengers firmed by 51.8% and 11.3%, respectively.

Amid the gains in stopover arrivals, data from a sample of large properties in New Providence and Paradise Island—obtained from the Bahamas Hotel Association and the Ministry of Tourism—showed that total room revenues strengthened by 35.3%, a turnaround from a 7.0% decline a year earlier. A significant expansion in high-end room capacity, as evidenced by a 33.3% increase in the number of room nights sold, tempered the growth in the hotel occupancy rate to 1.7 percentage points, for an average of 58.5%; however, this compares favourably to the 5.3 percentage point decrease in the prior year. In addition, the average daily room rate (ADR), firmed by 1.1%, vis-à-vis a 2.6% decline a year earlier.

CONSTRUCTION

During the third quarter, construction sector output continued to be dominated by a number of varied-scale foreign investment projects. On the domestic front, residential and commercial building activity showed signs of improvement.

Indicative of the modest uptick in private sector developments, the total number of mortgage disbursements for new construction and repairs—as reported by domestic banks, insurance companies and the Bahamas Mortgage Corporation—rose by 7.0% (\$2.0 million) to \$30.5 million, following a stable outturn in 2017. A breakdown of the components, showed that the dominant residential segment increased by \$1.3 million (4.9%) to \$28.8 million, versus a 1.0% decline a year earlier. In addition, commercial disbursements edged-up by \$0.6 million (59.9%) to \$1.7 million, exceeding the 39.4% growth in the previous year.

In contrast, the forward-looking indicators of domestic-sourced building activity remained tentative. Specifically, mortgage commitments for new buildings and repairs fell in number by 42 to 111, while the corresponding value decreased by 21.0% (\$3.4 million) to \$12.6 million. Underpinning this outturn, approvals for the residential segment—which represented a dominant

99.1% of the total—contracted in number by 41 to 110, and in value by 20.4% (\$3.2 million) to \$12.6 million. In addition, only one commercial commitment was approved, valued at \$0.04 million, compared to 2 approvals at an estimated cost of \$0.02 million last year.

With regard to interest rates, the average financing cost for both commercial and residential mortgages narrowed by 2.4 and 0.2 percentage points to 6.3% and 7.2%, respectively, over the prior year.

PRICES

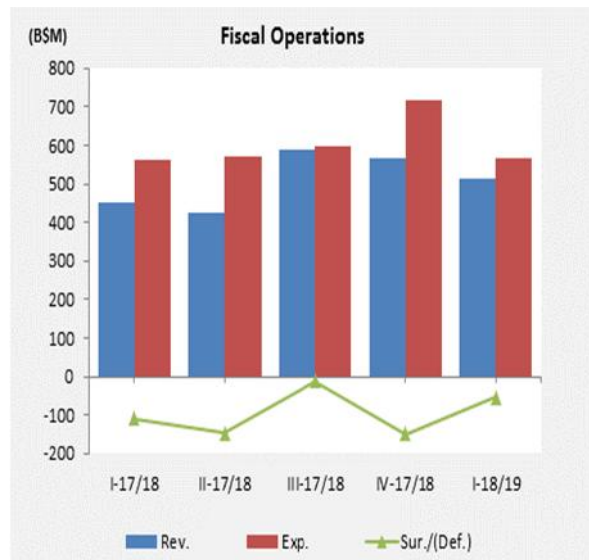
Reflecting the pass-through effects of the uptrend in international oil prices in prior quarters, as well as the initial impact of the hike in the VAT rate to 12.0% on July 1st, average consumer prices for the twelve months to August—as measured by the Retail Price Index (RPI) for The Bahamas—rose by 1.8%, outpacing the 1.2% increase in the comparative 2017 period. Underlying this development was firming in average costs for restaurant & hotels (5.2%), recreation & culture (3.8%) and food & non-alcoholic beverages (2.3%); all of which reversed from decreases a year earlier. In addition, inflation rates quickened for transport (by 3.0 percentage points to 4.2%) and health (by 1.2 percentage points to 1.9%). In contrast, accretions to average costs slowed for communication, alcohol, tobacco and narcotics and housing, water, gas, electricity & other fuels; and average costs declined for clothing & footwear, furnishing, household equipment & routine household maintenance and education, following respective gains in 2017.

In line with the uptrend in international oil prices, domestic energy costs rose during the third quarter. Specifically, the average cost for both gasoline and diesel firmed by 5.1% and 5.7%, to \$4.92 and \$4.59 per gallon during the three-month period, and in comparison to the same period of 2017, average costs were higher by 17.0% and 22.8%, respectively. Similarly, the Bahamas Power & Light’s (BPL) fuel charge increased by 12.3% over the prior quarter and firmed by 37.9%, year-on-year, to 18.0 cents per kilowatt hour (kWh).

FISCAL OPERATIONS

OVERVIEW

Preliminary data on the Government’s budgetary operations for the first quarter of FY2018/19, showed that the deficit was approximately halved to \$52.7 million, relative to the comparative period of FY2017/18. Underlying this outturn, total revenue grew by \$60.2 million (13.3%) to \$513.9 million—reflecting mainly the increase in VAT revenue following the upward adjustment in the rate—which outstripped the \$4.3 million (0.8%) rise in aggregate expenditure to \$566.6 million.



Government Operations		
	FY17/18	FY18/19
	1 st Qtr.	1 st Qtr.
	B\$'000	B\$'000
A. REVENUE (a+b+c)	453,681	513,850
a. Tax Revenue	414,275	471,788
b. Non-Tax Revenue	39,406	42,062
c. Grants	0	0
B. EXPENDITURE (c+d)	562,317	566,590
c. Recurrent	487,949	527,788
d. Capital	74,368	38,803
Surplus/(Deficit) (A-B)	(108,635)	(52,741)
FINANCING ACTIVITIES	108,635	52,741
Net Acquisition of financial assets (-)	10,000	45,751
Borrowing(+)	453,075	282,781
Internal	97,632	281,663
External	355,443	1,118
Debt Repayment(-)	140,793	142,922
Internal	125,863	108,513
External	14,930	34,409
Change in Short-term Advances (+)	32,626	(26,523)
Other Financing & Change in Cash Balances [(I)= increase]	(226,273)	(14,845)

Note: Tables produced by the Ministry of Finance in the modified GFS 2014 format.

REVENUE

Tax revenue—which accounted for 91.8% of total receipts—rose by \$57.5 million (13.9%) to \$471.8 million. Notably, VAT collections—at 38.8% of the total—expanded by \$32.0 million (19.1%) to \$199.4 million, while proceeds from stamp taxes on financial and realty transactions advanced by \$24.1 million (79.5%) to \$54.4 million. In addition, taxes on international trade firmed by \$8.5 million (8.0%) to \$113.8 million, boosted by levies on imports, which outstripped lesser receipts from departure and export taxes. In addition, general stamp tax revenue firmed to \$4.0 million, from a mere \$0.5 million a year earlier. In the remaining categories, taxes on the use of goods declined by slightly more than a third to \$13.3 million, owing in large measure to a reduction in receipts from business

license fees, which outpaced the rise in motor vehicle and company taxes and the uptick in marine license fees. Collections from specific taxes—mainly gaming—decreased by \$2.8 million (31.0%) to \$6.2 million.

Non-tax receipts—at 8.2% of the total—grew by \$2.7 million (6.7%) to \$42.1 million. This outturn was mainly supported by a \$2.9 million (8.0%) increase in revenue from sales of goods & services to \$38.9 million, an increase in proceeds from fines, penalties and forfeits by \$1.2 million to \$1.4 million and a rise in property income by \$0.5 million to \$1.6 million. Less sizeable contributions occurred from the remaining other revenue items.

EXPENDITURE

The modest rise in total expenditure was largely attributed to a \$39.8 million (8.2%) gain in current

Government Revenue By Source		
	FY17/18	FY18/19
	1 st Qtr.	1 st Qtr.
	B\$'000	B\$'000
TAX REVENUE (a+b+c+d)	414,275	471,788
a. Taxes on Property	11,927	12,148
b. Taxes on Goods & Services (i+ii+iii)	296,530	341,827
i. General	265,435	322,341
of which: Value Added Tax	167,413	199,416
ii. Specific (Gaming taxes)	8,938	6,171
iii. Taxes on Use of/ Permission to Use Goods	22,157	13,315
c. Taxes on Int'l Trade & Transactions	105,357	113,826
d. General Stamp Taxes	462	3,988
NON-TAX REVENUE (e+f+g+h+i+j)	39,406	42,062
e. Property Income	1,099	1,613
f. Sales of goods & services	36,002	38,876
g. Fines, Penalties & Forfeits	219	1,444
h. Reimbursements & Repayments	17	40
i. Misc. & Unidentified Revenue	780	55
j. Sales of other Non-Financial Assets	1,288	34
TOTAL TAX & NON-TAX REVENUE	453,681	513,850
l. Grants	0	0
TOTAL REVENUE & GRANTS	453,681	513,850

Note: Tables produced by the Ministry of Finance in the modified GFS 2014 format.

spending to \$527.8 million, which eclipsed a \$35.6 million (47.8%) contraction in capital outlays to \$38.8 million.

By economic categorization, the expansion in current expenditure was led by a \$35.4 million (41.6%) increase in the use of goods and services to \$120.4 million. Further, “other” payments rose by \$12.7 million (40.8%) to \$43.9 million. This reflected a \$15.1 million (54.0%) increase in current transfers to \$43.1 million, as allocations to non-financial public enterprises more than doubled to \$28.3 million, while transfers to non-profit institutions and financial public enterprises, grew modestly to \$3.0 million and \$0.6 million, respectively. Also of note, subsidies rose by \$10.8 million (17.9%) to \$71.1 million, social assistance benefits, by \$3.0 million (37.8%) to \$11.0 million and pensions & gratuities, by \$1.2 million (4.2%) to \$31.1 million. Providing some offset, payments of wages and salaries decreased by \$19.9 million (10.4%) to \$172.0 million, and interest payments on public debt declined by \$4.5 million (5.8%) to \$73.2 million.

On a functional basis, the growth in recurrent spending reflected gains in disbursements for general public service, health, economic services, housing and defense. Conversely, spending was reduced for other community & social services, as well as education and social benefits & services.

The reduction in capital expenditure was due in large measure to a \$36.9 million (57.3%) contraction in the acquisition of non-financial assets to \$27.5 million, as spending on “other” fixed assets decreased to a mere \$0.4 million, from \$41.3 million in the prior year. Conversely, led by an increase in non-dwelling buildings, outlays for the acquisition of fixed assets firmed by \$4.0 million (17.4%) to \$27.1 million.

In a slight offset, spending for the use of goods and services increased by \$0.8 million to \$2.4 million and capital transfers firmed by \$0.6 million to \$8.9 million.

Expenditure by Economic Classification		
	FY17/18	FY18/19
	1st Qtr.	1st Qtr.
	B\$'000	B\$'000
CURRENT EXPENDITURE	487,949	527,788
Compensation of Employees	191,858	171,953
Use of Goods & Services	85,022	120,379
Public Debt Interest	77,702	73,164
Subsidies	60,314	71,128
Grants	608	1,312
Social Assistance Benefits	7,965	10,977
Pensions & Gratuities	29,829	31,078
Other Payments	31,193	43,927
Acquisition of Non-financial Assets	3,458	3,870
CAPITAL EXPENDITURE	74,368	38,803
Use of Goods & Services	1,587	2,394
Capital Transfers	8,332	8,893
Acquisition of Non-financial Assets	64,448	27,515
TOTAL EXPENDITURE	562,317	566,590

Note: Tables produced by the Ministry of Finance in the modified GFS 2014 format.

FINANCING AND THE NATIONAL DEBT

Budgetary financing for the first quarter of FY2018/19, was dominated by internal borrowings, which consisted of \$110.0 million in Government securities, \$100.0 million in loans & advances and \$71.7 million in net Treasury bill/note liabilities. External project-based funding totaled only \$1.1 million. Debt repayments for the period amounted to \$142.9 million, with the largest portion (75.9%), being absorbed by Bahamian dollar obligations.

As a result of these developments, the Direct Charge on the Government rose by \$135.2 million (1.9%) over the previous quarter and by \$506.1 million (7.4%), year-on-year, to \$7,378.3 million, at end-September 2018. A disaggregation by component, showed that Bahamian dollar debt represented 64.8% of the total, while foreign currency liabilities accounted for the remaining 35.2%.

A further breakdown by creditor, revealed that the largest share of local debt was held by commercial banks (43.0%), followed by “other” private institutional investors (35.5%), public corporations (12.2%), the Central Bank (8.7%) and other local financial institutions (0.6%). By instrument type, Government bonds comprised the majority of the domestic currency debt—at 73.6%—and featured an average maturity of 8.2 years, compared to 8.3 years in 2017; Treasury bills & notes and loans & advances accounted for much smaller shares of 17.4% and 2.5%, respectively.

Estimates of the Debt-to-GDP Ratios			
September (%)¹			
	2016_P	2017_P	2018_P[*]
Direct Charge	51.1	57.3	59.0
National Debt	57.3	63.2	64.9
Total Public Sector Debt	59.2	66.0	68.0

Source: The Central Bank of The Bahamas and the Department of Statistics

**GDP estimate for 2018 is derived from IMF projections.*
¹In the absence of actual quarterly GDP data, the ratios presented should be taken as broad estimates of the relevant debt ratios and are therefore subject to revision.

The Government’s contingent liabilities grew by \$37.1 million (5.3%) during the third quarter and by a lower \$25.0 million (3.5%), year-on-year, to \$737.7 million. As a consequence, the National Debt— inclusive of contingent liabilities— expanded by \$172.2 million (2.2%) over the three-month period and by \$531.1 million (7.0%), vis-à-vis September 2017, to \$8,116.0 million.

As a ratio to GDP, the Direct Charge firmed by 1.7 percentage points on a yearly basis, to 59.0% at end-September. In addition, the National Debt-to-GDP ratio rose to an estimated 64.9%, from 63.2% a year earlier.

PUBLIC SECTOR FOREIGN CURRENCY DEBT

During the third quarter, public sector foreign currency debt firmed by \$58.4 million (1.7%) to \$3,556.0 million, and by \$563.9 million (18.8%) relative to the same period last year. New drawings of \$104.3 million, outstripped amortization payments of \$41.1 million. By component, the Government’s liabilities—which accounted for 73.1% of the total—decreased by \$38.0 million (1.4%) to \$2,599.1 million, on a quarterly basis. However, the public corporations’ debt grew by \$96.4 million (11.2%) to \$956.9 million.

In comparison to the same quarter of 2017, total foreign currency debt service payments firmed by \$17.7 million (28.4%) to \$79.9 million, attributed to a \$20.5 million (57.1%) growth in the Government’s segment, to \$56.4 million. Specifically, amortization payments more than doubled to \$34.4 million, while interest outlays increased by \$1.0 million (5.0%) to \$22.0 million. In contrast, public corporations’ debt service payments declined by \$2.9 million (10.9%) to \$23.5 million, as the amortization component fell by \$5.1 million (43.0%) to \$6.7 million, outstripping the \$2.2 million (15.2%) rise in interest payments to \$16.8 million.

Disaggregated by credit profile, private capital market investors held the largest share of foreign currency debt (46.4%), followed by other non-resident entities (33.9%), commercial banks (9.4%), multilateral institutions (8.1%) and bilateral companies (2.2%). The majority of the debt was denominated in United States dollars (85.5%), with the Swiss Franc, euro, and the Chinese Yuan accounting for smaller portions of 6.4%, 5.8%, and 2.2%, respectively. At end-September, the average age of outstanding foreign currency debt stood at 10.1 years, similar to 2017.

MONEY, CREDIT AND INTEREST RATES

OVERVIEW

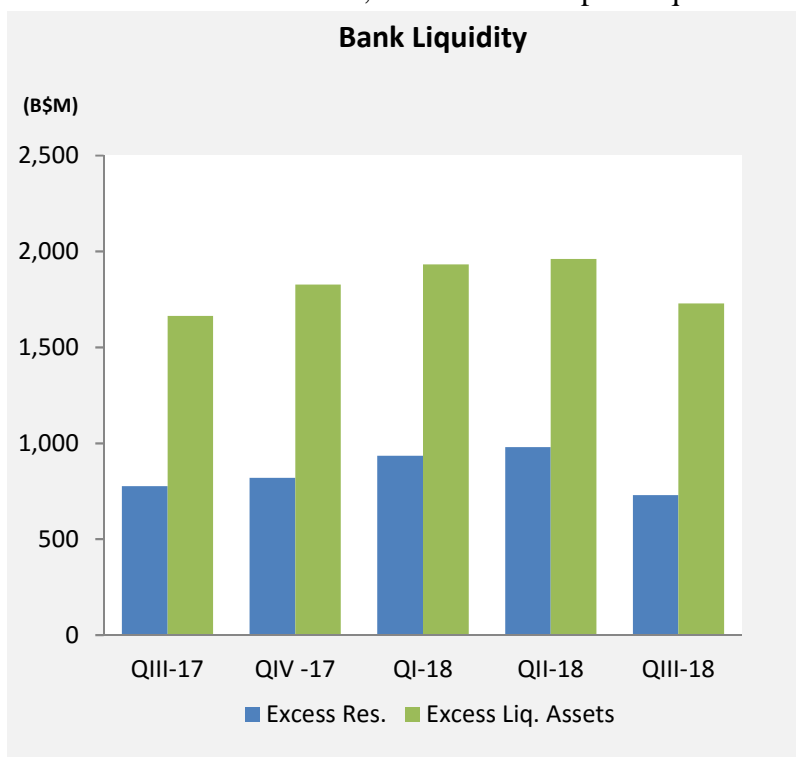
During the third quarter, monetary developments featured contractions in both bank liquidity and external reserves, reflecting growth in domestic credit and a reduction in the deposit base. Meanwhile, banks' credit quality indicators improved modestly, attributed mainly to the increase in economic activity, combined with entities' on-going debt restructuring measures and loan write-offs. The latest performance indicators for the second quarter of 2018, indicated growth in overall bank profitability, largely reflecting a decline in provisions for bad debts. In addition, the weighted average interest rate spread narrowed, due to a decrease in the average lending rate, while the corresponding deposit rate remained unchanged.

LIQUIDITY

During the review quarter, banks' net free cash reserves contracted by \$250.0 million (25.5%) to \$728.6 million, a reversal from a modest \$25.5 million (3.4%) advance in the prior year, when Government received proceeds from its external borrowing activities—representing a marginally lower 11.1% of Bahamian dollar deposit liabilities, compared to 11.7% in 2017. Reflecting largely a reduction in banks' balances with the Central Bank, the broader surplus liquid assets declined by \$235.3 million (12.0%) to \$1,729.0 million, a turnaround from the prior year's \$37.2 million (2.3%) expansion. At end-September, the surplus liquid assets stood 154.0% above the statutory minimum, higher than the 145.8% ratio recorded in the previous year.

DEPOSITS AND MONEY

The overall money supply (M3), fell by a further \$61.2 million (0.9%) to \$7,097.9 million, albeit significantly below last year's \$130.4 million (1.8%) reduction. In terms of the components, narrow money (M1) decreased at a slower pace of \$61.7 million (2.2%),



following 2017's \$52.8 million (2.0%) falloff. Underlying this outturn was a private sector-led decline in demand deposits, by \$56.6 million (2.3%), compared to a \$43.0 million (1.8%) reduction in the previous year. In addition, currency in active circulation fell by \$5.1 million (1.6%), after a \$9.8 million (3.3%) reduction a year earlier. Similarly, broad money (M2) contracted by \$131.8 million (1.9%), following a decrease of \$88.4 million (1.3%) in the prior year, inclusive of a private sector-led decline in fixed balances, of \$62.3 million (2.4%), extending 2017's \$22.8 million (0.8%) decrease, while the contraction in savings deposits slowed to \$7.8 million (0.5%), from \$12.8 million (0.9%) in the previous period. In contrast, foreign currency deposits expanded by \$70.6 million (22.6%), a reversal from a \$42.0 million (13.0%) fall a year earlier.

An analysis by category, showed that Bahamian dollar fixed deposits constituted the largest share of the money stock, at 36.4%, followed by demand balances (33.9%) and savings deposits (20.0%). In addition, residents' foreign currency deposits and currency in active circulation, accounted for significantly smaller shares of 5.4% and 4.3%, respectively.

DOMESTIC CREDIT

Reflecting an expansion in net claims on the Government, total domestic credit grew by \$52.5 million (0.6%), a turnaround from a \$74.7 million (0.8%) reduction in 2017. The dominant Bahamian dollar component (95.5% of the total) recovered by \$63.6 million (0.8%), following the previous year's \$60.6 million (0.7%) contraction. In addition, the decline in foreign currency credit slowed to \$11.1 million (2.7%), from \$14.2 million (3.4%).

From a sectoral perspective, net claims on the Government rose by \$98.9 million (4.1%), a reversal from a \$48.6 million (1.8%) reduction in the previous year. In contrast, credit to the rest of the public sector was nearly unchanged, from a \$105.1 million (27.2%) expansion last year, when a public entity issued debt securities to purchase part of a financial institution's non-performing loan (NPL) portfolio. Further, the contraction in private sector credit was markedly lower at \$47.7 million (0.8%), from \$131.2 million (2.1%) in the prior year.

A disaggregation of private sector lending, showed that personal loans—which comprised the majority (80.6%) of total Bahamian dollar credit—declined by

\$22.2 million (0.4%), relative to last year's \$10.1 million (0.2%) reduction. In the underlying transactions, the consumer component fell by \$20.2 million (0.9%), while residential mortgages and overdrafts decreased by \$13.1 million (0.5%) and \$2.7 million (5.0%), respectively.

	Distribution of Bank Credit By Sector			
	(End-Sept)			
	2018		2017	
	B\$M	%	B\$M	%
Agriculture	3.5	0.1	6.6	0.1
Fisheries	4.9	0.1	8.9	0.1
Mining & Quarrying	1.7	0.0	1.8	0.0
Manufacturing	29.4	0.4	34.5	0.5
Distribution	242.8	3.7	177.6	2.6
Tourism	12.3	0.2	12.2	0.2
Enter. & Catering	47.8	0.7	50.6	0.8
Transport	39.4	0.6	38.8	0.6
Construction	285.5	4.3	293.2	4.3
Government	489.2	7.4	528.0	7.8
Public Corps.	247.8	3.8	208.2	3.1
Private Financial	24.1	0.4	18.8	0.3
Prof. & Other Ser.	53.4	0.8	36.6	0.5
Personal	5,007.3	75.9	5,150.1	76.4
Miscellaneous	111.4	1.7	176.8	2.6
TOTAL	6,600.5	100.0	6,742.7	100.0

A further breakdown of consumer credit, revealed net repayments for debt consolidation (\$16.2 million), private cars (\$5.3 million), home improvement (\$3.9 million) and land purchases (\$3.7 million). More muted declines of less than \$1.0 million were recorded for medical and commercial vehicles. In contrast, net lending expanded for travel (\$4.6 million) and credit cards (\$2.6 million), while smaller gains of under \$1.0 million occurred for education, “miscellaneous”, furnishings & domestic appliances, and taxis & rented cars.

The remaining private sector categories featured net repayments for professional and “other” services (\$15.2 million), transport (\$4.2 million) and distribution (\$3.0 million), with more muted declines of under \$1.0 million noted for construction and mining & quarrying. In contrast, net lending rose for fisheries (\$2.5 million), “miscellaneous” purposes (\$1.4 million) and manufacturing (\$1.3 million), while smaller increases of less than \$1.0 million were recorded for tourism, private financial institutions and agriculture.

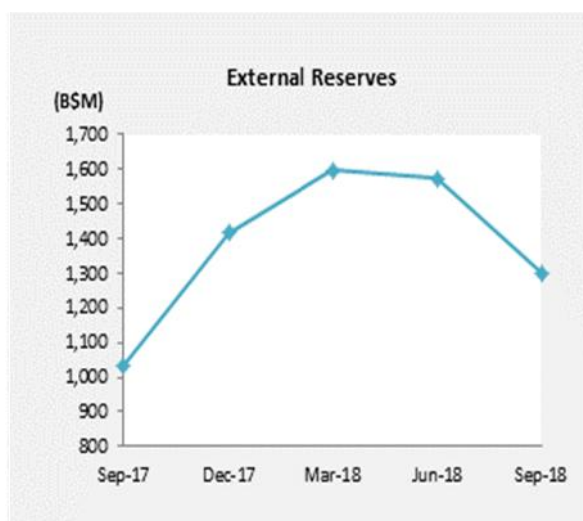
MORTGAGES

During the third quarter, data obtained from commercial banks, insurance companies and the Bahamas Mortgage Corporation, indicated that the total value of mortgages outstanding decreased by \$11.1 million (0.4%) to \$3,053.2 million, a slowdown from the previous year’s \$53.2 million (1.7%) reduction. The commercial component was almost stable at \$183.0 million, vis-à-vis a \$47.4 million (20.1%) contraction in 2017, which was attributed to NPL sales. However, the dominant residential component (at 94.0% of the total) declined by \$11.7 million (0.4%) to \$2,870.2 million, extending the \$5.8 million (0.2%) decrease in the prior period. At end-September, domestic banks held the bulk of outstanding mortgages (87.8%), followed by insurance companies and the Bahamas Mortgage Corporation at 6.7% and 5.5%, respectively.

THE CENTRAL BANK

Buoyed by an increase in holdings of debt securities, the Central Bank’s net claims on the Government rose by \$48.0 million (13.5%) during the third quarter, in contrast to the prior year’s \$63.3 million (7.7%) contraction. In addition, the Bank’s net liabilities to the rest of the public sector expanded by \$12.1 million (69.6%) to \$29.6 million, compared to a gain of \$3.1 million (29.1%) in the prior year. Supported by a significant drawdown in deposits, the Bank’s net liabilities to commercial banks declined by \$246.1 million (19.8%), vis-à-vis the prior period’s \$16.2 million (1.4%) expansion.

Reflecting the seasonal increase in foreign currency demand to facilitate current payments, external reserves declined by \$271.4 million (17.3%) to \$1,300.7 million during the review period, a turnaround from a \$73.9 million (7.7%) expansion a year earlier, when Government received net proceeds from its external bond issue. In the underlying developments, the Central Bank’s transactions



reversed to a net sale of \$303.1 million, from a net purchase of \$68.5 million in the previous year. Specifically, the Government's demand for foreign currency measured \$60.1 million, vis-à-vis a net purchase of \$235.6 million last year. Similarly, the Bank's net sale to the public corporations—largely for fuel purchases—advanced to \$131.8 million, from \$92.0 million in the prior year. In addition, the Bank sold a net of \$111.1 million to commercial banks, a reversal from a net intake of \$75.1 million last year.

At end-September, the stock of external reserves was equivalent to 19.4 weeks of the current year's merchandise imports, relative to 16.3 weeks in the corresponding period of 2017. Similarly, after adjusting for the 50% statutory requirement on the Central Bank's Bahamian dollar liabilities, "useable" reserves more than doubled to \$616.9 million, from \$293.3 million in the previous year.

DOMESTIC BANKS

With the deposit reduction contrasting with credit gains, domestic banks' net foreign liabilities decreased by \$109.4 million (40.2%) in the third quarter. This compared to a \$34.9 million (15.8%) gain in 2017.

Banks' outstanding credit grew by \$4.6 million (0.1%), vis-à-vis a \$10.9 million (0.1%) contraction in the prior year. Specifically, buoyed by an increase in loans & advances, as well as holdings of Treasury bills, the growth in net claims on the Government quickened to \$51.0 million (2.5%), from \$14.7 million (0.8%) in the prior year. Further, credit to the public corporations rose incrementally by \$1.3 million (0.3%), after a \$105.6 million (27.9%) expansion a year earlier. In contrast, private sector credit decreased by \$47.7 million (0.5%), albeit a slowdown from the \$131.2 million (2.1%) reduction in the previous year.

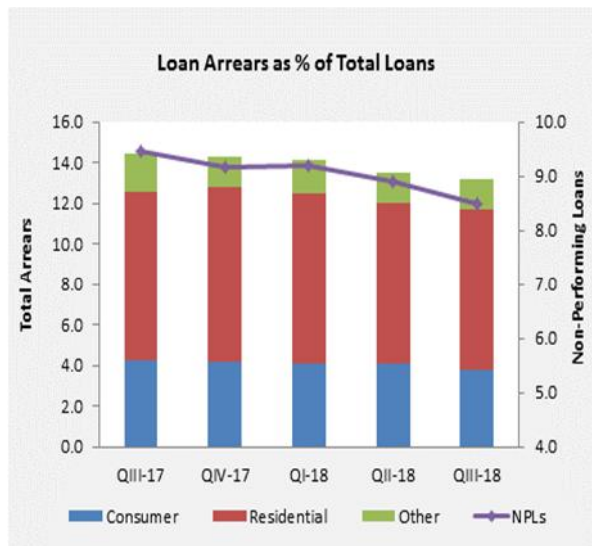
During the review quarter, banks' total deposit liabilities inclusive of Government balances declined by \$79.6 million (1.1%) to \$6,950.4 million, a slowdown from a \$106.1 million (1.5%) decrease in 2017. Specifically, private sector balances contracted further by \$151.8 million (2.4%), after declining by \$143.9 million (2.2%) last year. In addition, Government's balances fell by \$11.3 million (5.4%), a reversal from a \$17.1 million (9.4%) gain in the prior period. Conversely, public sector deposits grew by \$83.6 million (21.2%), exceeding the \$20.7 million (6.1%) growth in 2017.

The majority of the deposit liabilities were denominated in Bahamian dollars (94.3%), with the US dollar and other "miscellaneous" currencies representing smaller proportions of 5.6% and 0.1%, respectively. An analysis by holder, revealed that private individuals held the bulk (50.6%) of local currency accounts, followed by business firms (28.9%), the public sector (8.4%), private financial institutions (7.2%) and other "miscellaneous" entities (4.9%).

Disaggregated by account type, fixed deposits constituted the largest share (40.3%), followed by demand (38.1%) and savings (21.6%) balances. By range of number and value, the majority of accounts (87.9%), held Bahamian dollar balances of less than \$10,000, but comprised only 6.1% of the total value. Accounts with balances between \$10,000 and \$50,000, comprised 8.1% of the total number and 10.9% of the overall value, while deposits in excess of \$50,000, represented 4.0% of the total, but a dominant 83.0% of the aggregate value.

CREDIT QUALITY

Banks' credit quality indicators improved modestly during the quarter, benefitting from the growth in the economy, sustained debt restructuring activities and loan write-offs. Total private sector loan arrears decreased by \$12.4 million (1.5%) over the three-month period, and by \$100.4 million (11.0%), year-on-year, to \$811.9 million. As a result, the ratio of arrears to total private sector loans declined by 0.1 and 1.5 percentage points, on a quarterly and annual basis, respectively, to 14.3%.



A breakdown by the average age of delinquencies, indicated that non-performing loans—arrears in excess of 90 days on which banks have stopped accruing interest—contracted by \$22.9 million (4.2%) to \$524.4 million during the review period, resulting in a 30 basis point reduction in the relevant ratio to 9.2% of total private sector loans. In contrast, the short-term (31-90 days) component, increased by \$10.5 million (3.8%) to \$287.4 million, with the attendant ratio firming by 22 basis points to 5.1% of total private sector loans.

The reduction in total private sector loan arrears over the three-month period, was led by a \$16.8 million (6.7%) decrease in the consumer segment, to \$233.0 million, with the attendant loan ratio moving lower by 64 basis points to 10.3%. Similarly, commercial delinquencies fell by \$1.7 million (1.9%) to \$89.5 million, reducing the relevant ratio by 20 basis points to 11.8%. In contrast, the dominant mortgage component—at 60.3% of the total—rose by \$6.1 million (1.3%) to \$489.4 million, elevating the associated ratio by 32 basis points to 18.4%.

The reduction in total private sector loan arrears over the three-month period, was led by a \$16.8 million (6.7%) decrease in the consumer

CAPITAL ADEQUACY AND PROVISIONS

Amid banks' repatriation activities, the average ratio of capital to risk-weighted assets declined by 1.0 percentage point to 33.2% during the quarter; although it remained well in excess of the Central Bank's regulatory prescribed target and trigger ratios of 17.0% and 14.0%, respectively. Banks maintained their conservative stance, as total provisions for loan losses rose marginally by \$0.1 million to \$424.5 million, while the reduction in arrears resulted in the provisions ratio rising by 80 basis points to 52.3%. Similarly, the corresponding ratio to NPLs increased by 3.4 percentage points to 81.0%. In addition, banks wrote-off an estimated \$32.8 million in delinquent loans and recovered approximately \$7.4 million during the third quarter.

BANK PROFITABILITY

During the second quarter of 2018—the latest available data—banks' overall profitability rose by 50.9% (\$16.0 million) to \$47.3 million, owing in large measure to a sharp decline in provisions

for bad debt. Banks' net interest margin fell by 2.6% to \$127.2 million, as the 3.3% reduction in interest expense to \$15.7 million, was offset by a 2.7% decline in the larger interest income component to \$142.9 million. In contrast, commissions and foreign exchange earnings grew by 7.2% to \$7.5 million, slowing the decrease in the gross earnings margin to 2.1%, for an ending balance of \$134.7 million.

Banks' aggregate operating outlays firmed by 5.1% to \$93.4 million, underpinned by a 10.4% increase in "other" operating costs—including advertising, professional and rental expenses—to \$46.8 million, along with a 0.8% rise in occupancy outlays, to \$6.8 million and a 0.2% uptick in staff expenses to \$39.8 million. Further, domestic banks' net "non-core" operations recorded a net profit of \$6.0 million, a reversal from a \$17.4 million net loss in the prior year, attributed to a sharp 44.5% reduction in provisions for bad debt and a 17.5% falloff in depreciation costs, which outweighed the 0.2% decline in other "non-interest" income.

An analysis of banks' profitability ratios as a percentage of average assets, revealed that the gross earnings margin ratio narrowed by 24 basis points to 5.18%, as a 25 basis point decrease in the interest margin ratio to 4.89%, overshadowed the 1 basis point rise in the commission & foreign exchange income ratio to 0.29%. In addition, a softening in the operating cost ratio by 9 basis points to 3.59%, contributed to a 33 basis point falloff in the net earnings margin ratio to 1.59%. After accounting for reductions in bad debt provisions and depreciation costs, the net income ratio firmed by 58 basis points to 1.82%.

INTEREST RATES

During the review quarter, the commercial banks' weighted average interest rate spread declined by 36 basis points to 10.79 percentage points, owing to an identical reduction in the average lending rate to 11.61%, while the weighted average deposit rate remained at 0.82%.

In terms of deposits, the average rates on demand and savings balances fell by 3 and 1 basis point to 0.25% and 0.66%, respectively. In addition, the average range of interest earned on fixed balances narrowed to 0.53% - 1.06%, from 0.56% - 1.52% in the prior quarter.

With regard to lending, the average rate for commercial mortgages increased by 2.0 percentage points, to 8.71%. In addition, the average rates for overdrafts and consumer loans rose by 38 and 4 basis points to 10.42% and 13.53%, respectively. In contrast, the average rate for residential mortgages fell by 11 basis points to 5.35%.

Among other key interest rates, the average 90-day Treasury bill rate fell by 16 basis points to 1.62%, while the Central Bank's Discount rate and commercial banks' Prime rate were unchanged at 4.00% and 4.25%, respectively.

Banking Sector Interest Rates			
	Period Average (%)		
	Qtr. III	Qtr. II	Qtr. III
	2017	2018	2018
Deposit Rates			
Demand Deposits	0.29	0.28	0.25
Savings Deposits	0.68	0.67	0.66
Fixed Deposits			
Up to 3 months	0.74	0.56	0.59
Up to 6 months	0.63	0.58	0.53
Up to 12 months	1.11	1.07	1.06
Over 12 months	1.61	1.52	1.01
Weighted Avg. Dep. Rate	0.98	0.82	0.82
Lending Rates			
Residential mortgages	5.41	5.46	5.35
Commercial mortgages	6.75	6.74	8.71
Consumer loans	13.36	13.49	13.53
Other Local Loans	5.92	6.41	7.35
Overdrafts	10.12	10.04	10.42
Weighted Avg. Loan Rate	11.64	11.25	11.61

CAPITAL MARKETS DEVELOPMENTS

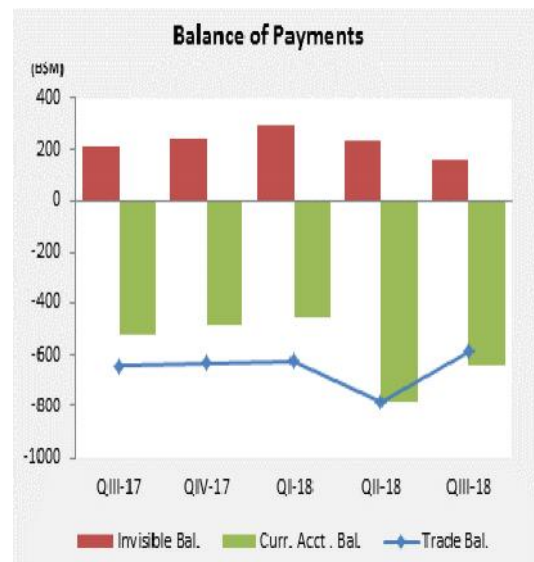
Domestic capital market developments were mixed during the third quarter. The volume of shares traded on the Bahamas International Stock Exchange (BISX) increased more than three-fold to 3.34 million, compared to a 24.7% gain a year earlier. However, the corresponding aggregate trading value declined by 35.5% to \$13.3 million, vis-à-vis a more than two-fold expansion to \$20.7 million in the previous year.

During the review quarter, total market capitalization declined marginally by 0.4% to \$4.5 billion, a slowdown from the 4.7% reduction in the previous year. In addition, the BISX All Share Price Index decreased slightly by 0.5% over the three-month period, to 1,964.04 points, compared to a 4.2% reduction in the corresponding period of 2017.

In terms of market participants, at end-September the number of publicly traded securities listed on the exchange steadied at 51, and comprised 19 ordinary share listings, 13 preference shares and 19 debt tranches.

INTERNATIONAL TRADE AND PAYMENTS

Provisional data for the third quarter of 2018, showed that the current account deficit widened by \$116.2 million (22.2%) to \$638.6 million. Underlying this development was a notable increase in net income outflows, combined with a reduction in the services account surplus and higher net current transfer outflows. In addition, preliminary data indicated that the capital and financial account surplus declined sharply to a mere \$5.0 million from \$825.5 million in the prior period, owing in large measure to a reversal in net public and other “miscellaneous” private sector transactions to a net outflow, from a net receipt in 2017.



The estimated merchandise trade deficit contracted by \$54.4 million (8.5%) to \$586.0 million, reflecting a \$28.1 million (23.9%) advance in exports to \$145.5 million, combined with a \$26.3 million (3.5%) decrease in imports to \$731.6 million. A further disaggregation of trade flows, revealed that net non-oil imports fell by \$69.2 million (13.7%) to \$435.7 million. In contrast, payments for fuel imports rose by \$28.1 million (15.3%) to \$211.5 million, attributed in part to the rise in international oil prices, as well as an increase in volumes. In particular, average per barrel price gains were recorded for jet fuel, by 36.5% to \$94.04; gas oil, by 27.7% to \$83.07; propane gas, by 22.6% to \$59.11; motor gas, by 21.8% to \$90.60 and aviation gas, by 1.6% to \$166.20.

The estimated services account surplus contracted by \$52.7 million (24.4%) to \$163.7 million, owing in large measure to an almost two-fold expansion in net outflows for other “miscellaneous” services, to \$254.1 million, from \$129.2 million in 2017. In addition, net payments for Government services increased by \$10.4 million (30.8%) to \$44.2 million, due to a corresponding rise in disbursements for resident Government. Further, outflows for insurance

services rose by \$2.1 million (6.3%) to \$34.7 million. Providing some offset, net travel receipts firmed by \$73.9 million (15.8%) to \$540.6 million, amid sustained gains in stopover visitors. In addition, declines were recorded for net outflows for transportation services by \$6.3 million (7.0%) to \$83.7 million, royalty & license fees, by \$1.6 million (42.2%) to \$2.2 million and construction services, by \$1.4 million (13.1%) to \$9.1 million.

The estimated deficit on the income account more than doubled to \$194.7 million, from \$79.7 million a year earlier, with an increase in net investment income outflows to \$178.9 million, from \$69.9 million. In the underlying transactions, private companies' net interest and dividend payments advanced to \$161.6 million, from \$53.3 million in the previous year, owing to commercial banks net repatriation of \$69.0 million, and an approximately three-fold higher repatriation by non-bank private of \$92.7 million. Similarly, net labour income remittances rose by \$6.0 million (61.0%) to \$15.8 million; and net outflows for official transactions firmed slightly by \$0.7 million (4.3%) to \$17.3 million, reflecting an increase in the Government's net interest payments.

Net current transfer payments rose by \$2.8 million (15.2%) to \$21.6 million, attributed in large measure to a decrease in general government net receipts, by \$5.4 million (17.3%) to \$25.7 million. In contrast, private sector net payments were reduced by \$2.5 million (5.1%) to \$47.2 million, as workers' remittances moved lower.

The decline in the capital and financial account surplus, was attributed predominately to a net reduction in external debt and foreign liabilities exposures of \$138.3 million, compared to a net inflow of \$674.3 million in 2017. In particular, the public sector's external debt transactions reversed to a net repayment of \$14.7 million, from the prior year's net drawings of \$337.4 million, when the Government borrowed from an international bank. The private non-banking sector also recorded a net repayment of \$14.2 million, compared to a net receipt of \$302.2 million in the previous year, while domestic banks reduced their net short-term external liabilities by \$109.4 million, vis-à-vis a net increase of \$34.7 million in 2017.

In terms of the capital and financial flows, migrants' net transfers abroad rose by \$4.0 million to \$12.4 million. Also net direct (equity financed) investment inflows narrowed to \$158.0 million from \$161.8 million, with net real estate transactions reduced by \$10.8 million to \$125.7 million, but other net investment projects expanded by \$7.0 million to \$32.3 million. In addition, residents' net outward portfolio investments edged-up by \$0.1 million to \$2.3 million.

As a result of these developments, and after adjusting for net errors and omissions, the overall balance—which corresponds to the change in Central Bank's external reserves—shifted to a deficit of \$271.4 million, from a surplus of \$73.9 million in the comparable period of 2017.

INTERNATIONAL ECONOMIC DEVELOPMENTS

Despite the growing uncertainty caused by the escalating “trade dispute” between the United States and other major markets, the global economy maintained its moderately positive growth momentum during the third quarter. In this environment, employment conditions remained favourable; although a slight uptick in unemployment rates was noted for a few major economies. In addition, inflationary pressures in the major economies remained relatively contained, despite the rise in international oil prices. Given these developments, some of the

major central banks sustained their accommodative monetary policy stance, with two notable exceptions.

Real GDP growth slowed to an annualized 3.5% in the United States in the third quarter of 2018, from 4.2% in the prior period, reflecting declines in exports and residential fixed investments, while the impending imposition of trade tariffs on Chinese goods, contributed to the robust growth in imports. Further, the expansion in real output in the euro area moderated to 0.2%—its lowest level in over four years—from 0.4% in the previous three-month period, reflecting weakness in the region’s two largest economies. In Asia, owing to rising trade-related tensions with the United States’ administration, economic growth in China narrowed to 6.5% over the review quarter—its weakest pace since 2009—from 6.7% in the preceding period. In addition, real GDP in Japan contracted by an annualized 1.2% in the third quarter, a reversal from a 3.0% expansion in 2017, as the economy sustained a series of adverse weather-related shocks during the review period, which led to a falloff in consumer spending and exports. In contrast, economic output growth in the United Kingdom quickened by 20 basis points on a quarterly basis to 0.6%, bolstered by positive contributions from the services industries, and a rise in household spending.

Labour market trends in major economies were mixed during the review quarter. In the United States, the jobless rate edged-up by 10 basis points to 3.9% in the three months to September, as the growth in the labour force overshadowed the 492,000 increase in non-farm payrolls; particularly in the manufacturing, professional & business services, and healthcare industries. Similarly, the unemployment rate in the United Kingdom firmed by 10 basis points to 4.1% over the review quarter, reflecting an increase in the number of unemployed persons by 21,000. In contrast, the euro area’s unemployment rate decreased by 30 basis points to 8.1%—the lowest rate recorded in nearly a decade—supported by job gains in several of the northern states. The two largest economies in Asia continued to record virtually full employment, as the jobless rates in both China and Japan remained at historic lows of 3.8% and 2.4%, respectively.

On average, inflation in the major economies was relatively subdued during the review quarter, despite the rise in international oil prices. Specifically, in the United States, annualized inflation moderated to 2.3% in September, from 2.9% in June, underpinned by a decline in average food prices. Similarly, the growth in average prices in the United Kingdom slowed over the quarter by 10 basis points to an annualized 2.2%, occasioned by a falloff in food and non-alcoholic beverage costs. Conversely in the euro area, higher energy, tobacco and food-related costs, contributed to a slight increase in the annual inflation rate by 10 basis points to 2.1% in the third quarter. Developments in the Asia reflected similar trends, as China’s inflation rate rose by 60 basis points to 2.5%, led by higher food-related costs. In addition, the annual inflation rate in Japan firmed to 1.2% from 0.7% in the second quarter, reflecting mainly higher fuel, light and water costs.

The United States’ dollar appreciated against most of the key currencies during the review quarter, as growing trade-related tensions pushed investors more towards less risky dollar-denominated assets. In particular, the dollar strengthened against the Chinese Yuan by 3.7% to CNY6.87. The dollar also moved higher vis-à-vis the British pound, by 1.4% to £0.77, and the euro by 0.7% to €0.86, reflecting mainly the political concerns regarding the slow progress of the UK’s “Brexit” deal. In contrast, the dollar depreciated relative to the Canadian dollar, by 1.7% to CAD\$1.29, as expectations of a hike in the Bank of Canada’s key policy rate intensified, while it declined against the Swiss Franc by 0.9% to CHF0.98.

Despite concerns over the impending “trade war” between the United States and other large economies, most of the major equity markets recorded gains over the review period, reflecting domestic factors. Specifically, in the United States, the Dow Jones Industrial Average (DJIA) and the S&P 500 rose by 9.0% and 7.2%, respectively—representing one of the strongest growth quarters for major U.S. indices in years—occasioned by gains in the tech, discretionary and communication sectors. In addition, in Europe, France’s CAC 40 increased by 3.2%; however, the United Kingdom’s FTSE 100 and Germany’s DAX declined by 1.7% and 0.5%, respectively, amid heightened political uncertainty related to “Brexit”. For Asian bourses, Japan’s Nikkei 225 advanced by 8.1%, led by retailers, drug makers and other more defensive shares; however, China’s SE Composite moved marginally lower by 0.9%.

Reflecting the decision by OPEC’s members to maintain production cuts at current levels, global oil prices rose slightly by 0.9% to \$78.13 per barrel during the third quarter. In terms of other key commodities, both gold and silver costs contracted by 6.4% and 8.4% to \$1,206.00 and \$14.92 per troy ounce, respectively.

External sector developments were mixed during the review quarter. In the United States, the goods and services deficit widened by 16.0% to \$157.3 billion, as imports—mainly capital goods—grew by 1.9%, and exports of foods, feeds, and beverages, fell by 1.1%. Similarly, Japan registered a trade deficit of ¥552.4 billion, a reversal from a surplus of ¥755.8 billion in the prior three-month period, due to a weather-related 0.2% falloff in exports and a 6.5% gain in imports. Further, the euro area’s trade surplus narrowed by 23.9% to €42.4 billion over the quarter, as imports edged-up by 0.6% and exports contracted by 1.8%. In contrast, the trade deficit in the United Kingdom fell by approximately two-thirds to £2.9 billion, supported by a 6.6% increase in car-dominated exports, which outpaced the 2.8% advance in imports.

Amid concerns over the rising trade tensions, most of the major central banks either maintained or enhanced their monetary policy stance. Specifically, the European Central Bank kept its main interest rates at historic lows, and sustained its asset purchase programme at €30 billion per month. In Asia, the People’s Bank of China (PBOC) injected US\$74.0 billion in liquidity into the banking sector, in an effort to stimulate domestic demand, while the Bank of Japan applied a -0.1% short-term interest rate to balances in current accounts held by financial institutions at the Bank, to encourage financial institutions to channel more resources towards credit. In contrast, the Bank of England tightened its policy stance by raising its key interest rate by 25 basis points to 0.75%, but kept its asset purchase programme at £435 billion. Similarly, the United States’ Federal Reserve increased its main target rate by 25 basis points to a range of 2.00%-2.25%, in an attempt to “normalize” rates over the medium term.

STATISTICAL APPENDIX (TABLES I-16)

**TABLE 1
FINANCIAL SURVEY**

Period	2014	2015	2016	2017				2018		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
(BS Millions)										
Net foreign assets	286.4	280.2	678.5	607.3	739.5	778.5	1,152.5	1,376.7	1,300.4	1,138.4
Central Bank	787.7	811.9	904.0	920.5	960.0	1,033.9	1,417.4	1,596.9	1,572.1	1,300.7
Domestic Banks	(501.2)	(531.7)	(225.4)	(313.2)	(220.5)	(255.3)	(265.0)	(220.2)	(271.7)	(162.4)
Net domestic assets	6,103.7	6,093.7	6,251.4	6,277.6	6,403.0	6,233.6	5,884.6	5,766.5	5,857.1	5,959.1
Domestic credit	8,870.5	8,966.2	9,128.4	9,116.4	9,285.7	9,211.0	8,838.3	8,730.9	8,808.6	8,861.1
Public sector	2,503.6	2,666.4	2,957.6	2,936.4	3,128.7	3,185.2	2,855.5	2,767.6	2,875.8	2,976.1
Government (net)	2,024.0	2,198.0	2,551.4	2,540.2	2,741.6	2,693.0	2,383.0	2,318.6	2,392.0	2,490.9
Rest of public sector	479.7	468.4	406.3	396.1	387.0	492.1	472.5	449.1	483.9	485.2
Private sector	6,366.9	6,299.7	6,170.8	6,180.1	6,157.0	6,025.8	5,982.9	5,963.3	5,932.7	5,885.0
Other items (net)	(2,766.8)	(2,872.4)	(2,877.0)	(2,838.8)	(2,882.7)	(2,977.4)	(2,953.7)	(2,964.4)	(2,951.4)	(2,902.0)
Monetary liabilities	6,390.0	6,373.8	6,930.1	6,885.2	7,142.8	7,012.4	7,037.3	7,145.4	7,159.1	7,097.9
Money	1,995.7	2,071.2	2,460.6	2,430.2	2,659.3	2,606.6	2,654.0	2,753.6	2,774.0	2,712.3
Currency	232.8	246.6	280.5	281.5	294.1	284.3	292.6	302.0	312.1	306.9
Demand deposits	1,762.9	1,824.7	2,180.1	2,148.7	2,365.2	2,322.3	2,361.5	2,451.7	2,461.9	2,405.3
Quasi-money	4,394.3	4,302.6	4,469.5	4,455.0	4,483.5	4,405.8	4,383.3	4,391.8	4,385.1	4,385.6
Fixed deposits	3,101.9	2,966.5	2,866.3	2,840.5	2,779.3	2,756.4	2,737.9	2,710.3	2,648.0	2,585.7
Savings deposits	1,067.5	1,148.3	1,295.6	1,316.7	1,380.9	1,368.1	1,371.2	1,395.3	1,425.3	1,417.5
Foreign currency	224.8	187.8	307.6	297.8	323.3	281.3	274.1	286.1	311.8	382.4
(percentage changes)										
Total domestic credit	(1.0)	1.1	1.8	(0.1)	1.9	(0.8)	(4.0)	(1.2)	0.9	0.6
Public sector	4.1	6.5	10.9	(0.7)	6.5	1.8	(10.4)	(3.1)	3.9	3.5
Government (net)	4.0	8.6	16.1	(0.4)	7.9	(1.8)	(11.5)	(2.7)	3.2	4.1
Rest of public sector	4.4	(2.4)	(13.3)	(2.5)	(2.3)	27.2	(4.0)	(4.9)	7.7	0.3
Private sector	(2.8)	(1.1)	(2.0)	0.1	(0.4)	(2.1)	(0.7)	(0.3)	(0.5)	(0.8)
Monetary liabilities	1.2	(0.3)	8.7	(0.6)	3.7	(1.8)	0.4	1.5	0.2	(0.9)
Money	21.6	3.8	18.8	(1.2)	9.4	(2.0)	1.8	3.8	0.7	(2.2)
Currency	8.6	5.9	13.7	0.4	4.5	(3.3)	2.9	3.2	3.3	(1.6)
Demand deposits	23.6	3.5	19.5	(1.4)	10.1	(1.8)	1.7	3.8	0.4	(2.3)
Quasi-money	(6.0)	(2.1)	3.9	(0.3)	0.6	(1.7)	(0.5)	0.2	(0.2)	0.0

Source: The Central Bank of The Bahamas

**TABLE 2
MONETARY SURVEY**

Period	2014	2015	2016	2017				2018		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
(BS Millions)										
Net foreign assets	334.2	360.1	730.5	675.8	790.1	828.9	1,218.0	1,450.2	1,398.9	1,199.2
Central Bank	787.7	811.9	904.0	920.5	960.0	1,033.9	1,417.4	1,596.9	1,572.1	1,300.7
Commercial banks	(453.5)	(451.8)	(173.5)	(244.6)	(169.9)	(204.9)	(199.5)	(146.7)	(173.2)	(101.5)
Net domestic assets	6,002.0	5,956.8	6,131.5	6,161.6	6,279.0	6,132.6	5,742.1	5,631.7	5,665.4	5,806.2
Domestic credit	8,837.0	8,926.2	9,097.0	9,074.4	9,239.6	9,184.4	8,808.7	8,697.6	8,778.3	8,830.3
Public sector	2,492.5	2,653.2	2,941.4	2,925.1	3,101.5	3,175.1	2,841.7	2,753.0	2,863.6	2,961.4
Government (net)	2,013.2	2,187.2	2,535.5	2,529.3	2,714.8	2,683.3	2,369.6	2,304.3	2,380.1	2,476.5
Rest of public sector	479.3	466.0	405.9	395.8	386.7	491.8	472.1	448.7	483.5	484.8
Private sector	6,344.5	6,273.0	6,155.6	6,149.4	6,138.2	6,009.3	5,967.0	5,944.6	5,914.7	5,868.9
Other items (net)	(2,834.9)	(2,969.4)	(2,965.5)	(2,912.9)	(2,960.6)	(3,051.8)	(3,066.6)	(3,065.9)	(3,112.8)	(3,024.1)
Monetary liabilities	6,336.1	6,316.8	6,862.1	6,837.8	7,069.4	6,961.8	6,960.3	7,084.1	7,065.9	7,005.8
Money	1,955.0	2,024.9	2,406.8	2,397.4	2,603.7	2,568.5	2,591.4	2,705.9	2,694.5	2,633.4
Currency	232.8	246.6	280.5	281.5	294.1	284.3	292.6	302.0	312.1	307.0
Demand deposits	1,722.2	1,778.3	2,126.4	2,115.9	2,309.6	2,284.2	2,298.8	2,403.9	2,382.4	2,326.5
Quasi-money	4,381.1	4,291.9	4,455.3	4,440.4	4,465.7	4,393.4	4,368.8	4,378.3	4,371.5	4,372.4
Savings deposits	1,067.5	1,148.3	1,295.0	1,316.5	1,380.8	1,368.1	1,371.2	1,395.3	1,425.3	1,417.5
Fixed deposits	3,088.8	2,955.9	2,854.8	2,828.0	2,766.3	2,744.9	2,725.8	2,699.1	2,636.7	2,574.5
Foreign currency deposits	224.8	187.8	305.5	295.9	318.6	280.3	271.9	283.8	309.5	380.3
(percentage change)										
Total domestic credit	(1.0)	1.0	1.9	(0.2)	1.8	(0.6)	(4.1)	(1.3)	0.9	0.6
Public sector	4.0	6.4	10.9	(0.6)	6.0	2.4	(10.5)	(3.1)	4.0	3.4
Government (net)	3.9	8.6	15.9	(0.2)	7.3	(1.2)	(11.7)	(2.8)	3.3	4.1
Rest of public sector	4.4	(2.8)	(12.9)	(2.5)	(2.3)	27.2	(4.0)	(4.9)	7.7	0.3
Private sector	(2.9)	(1.1)	(1.9)	(0.1)	(0.2)	(2.1)	(0.7)	(0.4)	(0.5)	(0.8)
Monetary liabilities	1.1	(0.3)	8.6	(0.4)	3.4	(1.5)	(0.0)	1.8	(0.3)	(0.9)
Money	21.4	3.6	18.9	(0.4)	8.6	(1.4)	0.9	4.4	(0.4)	(2.3)
Currency	8.6	5.9	13.7	0.4	4.5	(3.3)	2.9	3.2	3.3	(1.6)
Demand deposits	23.3	3.3	19.6	(0.5)	9.2	(1.1)	0.6	4.6	(0.9)	(2.3)
Quasi-money	(5.9)	(2.0)	3.8	(0.3)	0.6	(1.6)	(0.6)	0.2	(0.2)	0.0

Source: The Central Bank of The Bahamas

**TABLE 3
CENTRAL BANK BALANCE SHEET**

(BS Millions)

Period	2014	2015	2016	2017				2018		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
Net foreign assets	787.7	811.9	904.0	920.5	960.0	1,033.9	1,417.4	1,596.9	1,572.1	1,300.7
Balances with banks abroad	155.2	206.6	254.8	251.6	286.0	340.4	698.5	783.9	740.0	422.7
Foreign securities	544.9	521.7	550.5	569.3	571.9	590.0	614.7	681.8	705.3	727.5
Reserve position in the Fund	9.1	8.7	25.9	26.2	26.8	27.3	27.5	28.0	27.1	26.9
SDR holdings	78.5	75.0	72.7	73.4	75.2	76.3	76.8	103.2	99.7	123.6
Net domestic assets	375.6	340.6	555.3	520.6	647.0	582.2	209.6	190.8	161.6	181.4
Net claims on Government	523.4	493.7	716.6	690.5	826.5	763.2	390.1	395.4	355.0	403.0
Claims	571.4	523.1	731.9	711.1	860.3	781.9	417.0	415.4	380.0	424.6
Treasury bills	119.7	126.6	223.9	202.1	357.5	317.8	7.2	-	(0.0)	54.9
Bahamas registered stock	316.5	261.1	372.6	373.4	367.1	328.3	274.5	279.8	244.3	248.7
Loans and advances	135.2	135.4	135.4	135.5	135.7	135.9	135.4	135.5	135.7	120.9
Deposits	(48.0)	(29.4)	(15.3)	(20.6)	(33.8)	(18.8)	(26.9)	(19.9)	(24.9)	(21.6)
In local currency	(48.0)	(29.4)	(15.3)	(20.6)	(33.8)	(18.8)	(26.9)	(19.9)	(24.9)	(21.6)
In foreign currency	-	-	-	-	-	-	-	-	-	-
Deposits of rest of public sector	(26.0)	(17.3)	(12.6)	(15.7)	(19.3)	(21.8)	(17.2)	(27.5)	(25.2)	(37.4)
Credit to commercial banks	-	-	-	-	-	-	-	-	-	-
Official capital and surplus	(152.3)	(163.7)	(173.1)	(172.5)	(170.8)	(169.6)	(185.1)	(183.7)	(185.3)	(185.7)
Net unclassified assets	21.1	19.0	15.4	9.4	1.9	2.4	13.8	(1.5)	9.3	(6.3)
Loans to rest of public sector	4.2	3.7	3.6	3.7	3.4	3.0	2.8	2.8	2.6	2.6
Public Corp Bonds/Securities	5.2	5.2	5.3	5.3	5.3	5.2	5.2	5.2	5.2	5.2
Liabilities To Domestic Banks	(750.2)	(733.5)	(1,011.4)	(990.7)	(1,139.6)	(1,155.8)	(1,157.0)	(1,304.6)	(1,246.4)	(1,001.3)
Notes and coins	(142.5)	(142.4)	(145.1)	(97.6)	(93.7)	(94.4)	(145.8)	(101.2)	(95.7)	(99.9)
Deposits	(607.7)	(591.1)	(866.3)	(893.1)	(1,046.0)	(1,061.4)	(1,011.2)	(1,203.4)	(1,150.7)	(901.4)
SDR allocation	(180.3)	(172.4)	(167.3)	(168.9)	(173.3)	(176.0)	(177.4)	(181.1)	(175.3)	(173.9)
Currency held by the private sector	(232.8)	(246.6)	(280.5)	(281.5)	(294.1)	(284.3)	(292.6)	(302.0)	(312.1)	(306.9)

Source: The Central Bank of The Bahamas

**TABLE 4
DOMESTIC BANKS BALANCE SHEET**

(B\$ Millions)

Period	2014	2015	2016	2017				2018		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
Net foreign assets	(501.2)	(531.7)	(225.4)	(313.2)	(220.5)	(255.3)	(265.0)	(220.2)	(271.7)	(162.4)
Net claims on Central Bank	749.2	730.0	1,012.4	991.7	1,140.6	1,156.7	1,158.0	1,305.5	1,247.3	1,002.2
Notes and Coins	142.5	142.4	145.1	97.6	93.7	94.4	145.8	101.2	95.7	99.9
Balances	606.7	587.5	867.3	894.0	1,046.9	1,062.4	1,012.2	1,204.3	1,151.6	902.3
Less Central Bank credit	-	-	-	-	-	-	-	-	-	-
Net domestic assets	5,537.6	5,569.8	5,483.7	5,563.5	5,567.8	5,442.6	5,483.6	5,366.3	5,451.1	5,435.0
Net claims on Government	1,500.5	1,704.4	1,834.8	1,849.8	1,915.2	1,929.9	1,992.9	1,923.1	2,036.9	2,088.0
Treasury bills	454.5	662.6	531.9	489.3	475.1	506.5	611.4	620.0	720.5	736.9
Other securities	907.0	895.4	987.1	1,055.5	1,105.9	1,094.3	1,137.7	1,105.2	1,095.9	1,058.7
Loans and advances	352.1	416.8	502.7	516.6	516.0	528.0	442.2	417.1	428.6	489.2
Less: deposits	213.1	270.5	186.9	211.7	181.8	198.9	198.5	219.1	208.1	196.8
Net claims on rest of public sector	124.6	117.6	31.0	41.2	36.7	121.7	113.6	76.9	80.9	(1.4)
Securities	219.0	221.0	163.9	163.9	163.9	275.7	262.6	243.6	231.6	229.5
Loans and advances	251.3	238.4	233.5	223.3	214.4	208.3	201.9	197.6	244.5	247.8
Less: deposits	345.7	341.8	366.4	346.0	341.6	362.3	350.8	364.3	395.1	478.7
Other net claims	24.8	43.9	(2.9)	1.0	(5.2)	(4.9)	(2.6)	(5.0)	(1.8)	5.5
Credit to the private sector	6,366.9	6,299.7	6,170.8	6,180.1	6,157.0	6,025.8	5,982.9	5,963.3	5,932.7	5,885.0
Securities	16.8	24.4	19.6	25.8	22.4	19.4	19.1	23.0	21.5	21.5
Mortgages	3,211.4	3,164.7	3,035.5	3,024.8	3,028.0	2,972.8	2,949.5	2,946.6	2,955.0	2,940.7
Loans and advances	3,138.7	3,110.7	3,115.7	3,129.4	3,106.6	3,033.7	3,014.3	2,993.6	2,956.2	2,922.8
Private capital and surplus	(2,499.2)	(2,651.2)	(2,594.4)	(2,580.9)	(2,639.7)	(2,693.6)	(2,699.3)	(2,684.1)	(2,647.5)	(2,647.4)
Net unclassified assets	20.0	55.5	44.5	72.5	103.7	63.8	96.2	92.3	49.8	105.2
Liabilities to private sector	5,785.5	5,768.1	6,270.7	6,242.0	6,487.9	6,344.0	6,376.6	6,451.7	6,426.7	6,274.8
Demand deposits	1,830.6	1,868.3	2,287.4	2,261.3	2,482.6	2,383.5	2,420.1	2,495.1	2,500.3	2,422.6
Savings deposits	1,074.1	1,162.0	1,315.0	1,335.1	1,400.9	1,386.1	1,390.4	1,416.6	1,443.9	1,435.0
Fixed deposits	2,880.8	2,737.8	2,668.3	2,645.7	2,604.3	2,574.3	2,566.1	2,540.0	2,482.4	2,417.3

Source: The Central Bank of The Bahamas

TABLE 5
PROFIT AND LOSS ACCOUNTS OF BANKS IN THE BAHAMAS*

(B\$'000s)

Period	2014	2015	2016				2017				2018	
			Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II
1. Interest Income	617,808	626,420	158,211	152,709	150,401	153,783	148,243	146,844	154,093	140,978	146,250	142,891
2. Interest Expense	98,321	85,414	20,807	20,410	18,595	18,547	18,688	16,236	16,146	15,252	14,159	15,693
3. Interest Margin (1-2)	519,487	541,006	137,404	132,299	131,806	135,236	129,555	130,608	137,947	125,726	132,091	127,198
4. Commission & Forex Income	22,484	29,530	5,756	6,636	5,802	6,648	7,417	6,993	6,854	7,273	7,192	7,499
5. Gross Earnings Margin (3+4)	541,971	570,536	143,160	138,935	137,608	141,884	136,972	137,601	144,801	132,999	139,283	134,697
6. Staff Costs	171,579	170,396	40,906	41,677	41,468	40,840	40,170	39,764	37,717	42,821	39,427	39,830
7. Occupancy Costs	27,797	27,018	6,883	7,025	7,574	7,020	6,549	6,756	6,824	5,939	7,174	6,810
8. Other Operating Costs	279,278	150,629	39,236	40,452	47,833	38,464	49,797	42,378	46,814	51,629	45,638	46,781
9. Operating Costs (6+7+8)	478,654	348,043	87,025	89,154	96,875	86,324	96,516	88,898	91,355	100,389	92,239	93,421
10. Net Earnings Margin (5-9)	63,317	222,493	56,135	49,781	40,733	55,560	40,456	48,703	53,446	32,610	47,044	41,276
11. Depreciation Costs	14,637	15,769	3,632	3,560	4,099	3,808	3,985	3,710	3,943	4,254	3,407	3,061
12. Provisions for Bad Debt	266,624	132,574	20,347	36,032	30,344	29,405	22,425	51,302	22,236	17,168	25,641	28,480
13. Other Income	103,893	111,263	32,759	32,657	34,300	33,459	30,470	37,649	30,781	37,136	35,567	37,566
14. Other Income (Net) (13-11-12)	(177,368)	(37,080)	8,780	(6,935)	(143)	246	4,060	(17,363)	4,602	15,714	6,519	6,025
15. Net Income (10+14)	(114,051)	185,413	64,915	42,846	40,590	55,806	44,516	31,340	58,048	48,324	53,563	47,301
16. Effective Interest Rate Spread (%)	6.83	29	7.24	7.16	7.28	7.24	6.96	7.04	7.20	7.24	7.12	7.28
(Ratios To Average Assets)												
Interest Margin	5.31	5.42	5.44	5.21	5.27	5.38	5.14	5.14	5.34	4.89	5.11	4.89
Commission & Forex Income	0.23	0.22	0.23	0.26	0.23	0.26	0.29	0.28	0.27	0.28	0.28	0.29
Gross Earnings Margin	5.54	5.64	5.67	5.47	5.50	5.64	5.43	5.42	5.60	5.18	5.39	5.18
Operating Costs	4.89	3.68	3.45	3.51	3.87	3.43	3.83	3.50	3.54	3.91	3.57	3.59
Net Earnings Margin	0.65	1.96	2.22	1.96	1.63	2.21	1.61	1.92	2.07	1.27	1.82	1.59
Net Income/Loss	-1.16	1.43	2.57	1.69	1.62	2.22	1.77	1.23	2.25	1.88	2.07	1.82

*Commercial Banks and OLFIs with domestic operations

Source: The Central Bank of The Bahamas

**TABLE 6
MONEY SUPPLY**

(B\$ Millions)

End of Period	2014	2015	2016	2017				2018		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
Money Supply (M1)	1,995.7	2,071.2	2,460.6	2,430.2	2,659.3	2,606.6	2,654.0	2,753.6	2,774.0	2,712.3
1) Currency in active circulation	232.8	246.6	280.5	281.5	294.1	284.3	292.6	302.0	312.1	306.9
2) Demand deposits	1,762.9	1,824.7	2,180.1	2,148.7	2,365.2	2,322.3	2,361.5	2,451.7	2,461.9	2,405.3
Central Bank	26.0	17.3	12.6	15.7	19.3	21.8	17.2	27.5	25.2	37.4
Domestic Banks	1,736.9	1,807.3	2,167.6	2,133.0	2,346.0	2,300.4	2,344.2	2,424.2	2,436.7	2,367.9
Factors affecting money (M1)										
1) Net credit to Government	2,024.0	2,198.0	2,551.4	2,540.2	2,741.6	2,693.0	2,383.0	2,318.6	2,392.0	2,490.9
Central Bank	523.4	493.7	716.6	690.5	826.5	763.2	390.1	395.4	355.0	403.0
Domestic banks	1,500.5	1,704.4	1,834.8	1,849.8	1,915.2	1,929.9	1,992.9	1,923.1	2,036.9	2,088.0
2) Other credit	6,846.5	6,768.1	6,577.1	6,576.2	6,544.0	6,518.0	6,455.3	6,412.3	6,416.6	6,370.2
Rest of public sector	479.7	468.4	406.3	396.1	387.0	492.1	472.5	449.1	483.9	485.2
Private sector	6,366.9	6,299.7	6,170.8	6,180.1	6,157.0	6,025.8	5,982.9	5,963.3	5,932.7	5,885.0
3) External reserves	787.7	811.9	904.0	920.5	960.0	1,033.9	1,417.4	1,596.9	1,572.1	1,300.7
4) Other external liabilities (net)	(501.2)	(531.7)	(225.4)	(313.2)	(220.5)	(255.3)	(265.0)	(220.2)	(271.7)	(162.4)
5) Quasi money	4,394.3	4,302.6	4,469.5	4,455.0	4,483.5	4,405.8	4,383.3	4,391.8	4,385.1	4,385.6
6) Other items (net)	(2,766.8)	(2,872.4)	(2,877.0)	(2,838.8)	(2,882.7)	(2,977.4)	(2,953.7)	(2,964.4)	(2,951.4)	(2,902.0)

Source: The Central Bank of The Bahamas

TABLE 7
CONSUMER INSTALMENT CREDIT

(B\$' 000)

End of Period	2014	2015	2016	2017				2018		
				Mar.	Jun.	Sept.	Dec.	Mar.	June	Sept
CREDIT OUTSTANDING										
Private cars	186,731	181,447	176,178	176,368	174,265	169,892	163,974	159,105	153,708	148,441
Taxis & rented cars	853	1,026	777	735	770	795	796	855	803	897
Commercial vehicles	1,958	1,498	1,050	1,274	1,238	1,247	1,208	1,158	1,124	1,062
Furnishings & domestic appliances	7,911	8,081	8,302	8,491	9,089	9,056	8,493	8,238	7,863	8,346
Travel	30,033	36,836	41,197	40,030	42,427	47,008	45,457	43,318	45,909	50,530
Education	36,571	41,117	52,245	50,540	48,614	54,208	53,065	50,684	47,491	48,299
Medical	11,744	12,471	12,824	13,140	13,170	12,816	12,025	12,752	12,857	12,626
Home Improvements	131,723	114,265	121,959	123,739	123,237	119,768	113,898	110,992	107,081	103,146
Land Purchases	216,760	193,163	169,847	164,302	160,905	156,141	152,771	149,817	145,587	141,858
Consolidation of debt	777,804	802,034	984,569	984,153	969,146	954,528	951,071	950,187	955,742	939,570
Miscellaneous	625,074	640,154	546,313	549,889	559,433	568,221	564,703	558,803	537,745	538,305
Credit Cards	245,254	249,164	256,166	247,825	246,364	250,934	254,852	247,113	243,617	246,201
TOTAL	2,272,416	2,281,256	2,371,427	2,360,486	2,348,658	2,344,614	2,322,313	2,293,022	2,259,527	2,239,281
NET CREDIT EXTENDED										
Private cars	11,324	(5,284)	(5,269)	190	(2,103)	(4,373)	(5,918)	(4,869)	(5,397)	(5,267)
Taxis & rented cars	(224)	173	(249)	(42)	35	25	1	59	(52)	94
Commercial vehicles	(376)	(460)	(448)	224	(36)	9	(39)	(50)	(34)	(62)
Furnishings & domestic appliances	(8)	170	221	189	598	(33)	(563)	(255)	(375)	483
Travel	(2,978)	6,803	4,361	(1,167)	2,397	4,581	(1,551)	(2,139)	2,591	4,621
Education	2,713	4,546	11,128	(1,705)	(1,926)	5,594	(1,143)	(2,381)	(3,193)	808
Medical	(266)	727	353	316	30	(354)	(791)	727	105	(231)
Home Improvements	7,780	(17,458)	7,694	1,780	(502)	(3,469)	(5,870)	(2,906)	(3,911)	(3,935)
Land Purchases	(8,305)	(23,597)	(23,316)	(5,545)	(3,397)	(4,764)	(3,370)	(2,954)	(4,230)	(3,729)
Consolidation of debt	(24,923)	24,230	182,535	(416)	(15,007)	(14,618)	(3,457)	(884)	5,555	(16,172)
Miscellaneous	61,752	15,080	(93,841)	3,576	9,544	8,788	(3,518)	(5,900)	(21,058)	560
Credit Cards	4,013	3,910	7,002	(8,341)	(1,461)	4,570	3,918	(7,739)	(3,496)	2,584
TOTAL	50,502	8,840	90,171	(10,941)	(11,828)	(4,044)	(22,301)	(29,291)	(33,495)	(20,246)

Source: The Central Bank of The Bahamas

* Includes both demand and add-on loans

TABLE 8
SELECTED AVERAGE INTEREST RATES

Period	(%)									
	2014	2015	2016	2017				2018		
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III
DOMESTIC BANKS										
Deposit rates										
Savings deposits	0.89	0.83	0.82	0.77	0.72	0.68	0.72	0.71	0.67	0.66
Fixed deposits										
Up to 3 months	1.16	1.13	0.97	0.80	0.68	0.74	0.88	0.67	0.56	0.59
Up to 6 months	1.22	1.08	0.99	0.65	0.66	0.63	0.62	0.62	0.58	0.53
Up to 12 months	1.76	1.71	1.58	1.27	1.32	1.11	1.14	0.94	1.07	1.06
Over 12 months	1.64	1.57	1.87	1.45	1.80	1.61	1.57	1.41	1.52	1.00
Weighted average rate	1.42	1.41	1.24	1.00	0.98	0.98	1.03	0.91	0.82	0.82
Lending rates										
Residential mortgages	7.16	6.47	6.22	6.14	6.00	5.41	5.50	5.50	5.46	5.35
Commercial mortgages	8.02	7.89	7.87	6.38	6.58	6.75	7.75	7.52	6.74	8.71
Consumer loans	13.91	14.26	14.03	13.60	13.82	13.36	13.64	13.58	13.49	13.53
Overdrafts	9.76	10.36	11.13	10.78	10.65	10.12	10.94	10.47	10.04	10.42
Weighted average rate	11.81	12.29	12.49	11.88	12.02	11.64	11.48	11.40	11.25	11.61
Other rates										
Prime rate*	4.75	4.75	4.75	4.25	4.25	4.25	4.25	4.25	4.25	4.25
Treasury bill (90 days)	0.53	0.68	1.64	1.96	1.77	1.77	1.82	1.78	1.78	1.62
Treasury bill re-discount rate	1.03	1.18	2.14	2.46	2.27	2.27	2.32	2.28	2.28	2.12
Bank rate (discount rate)*	4.50	4.50	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00

Source: The Central Bank of The Bahamas
*Reflects end of period rates.

**TABLE 9
SELECTED CREDIT QUALITY INDICATORS OF DOMESTIC BANKS**

Period	(%)									
	2014	2015	2016	2017				2018		
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III
Loan Portfolio										
Current Loans (as a % of total loans)	79.7	80.9	84.3	84.7	84.3	85.5	85.7	85.9	86.6	86.8
Arrears (% by loan type)										
Consumer	5.2	4.7	4.0	4.0	4.1	4.2	4.2	4.1	4.1	3.8
Mortgage	11.0	10.9	8.1	7.9	8.0	8.3	8.6	8.4	7.9	7.9
Commercial	4.1	3.5	3.6	3.4	3.6	1.9	1.5	1.6	1.5	1.5
Public	0.0	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Arrears	20.3	19.1	15.7	15.3	15.7	14.5	14.3	14.1	13.4	13.2
Total B\$ Loan Portfolio	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Loan Portfolio										
Current Loans (as a % of total loans)	79.7	80.9	84.3	84.7	84.3	85.5	85.7	85.9	86.6	86.8
Arrears (% by days outstanding)										
30 - 60 days	2.9	3.1	2.8	2.7	2.7	3.3	3.3	3.5	2.8	2.8
61 - 90 days	2.0	1.8	1.6	1.5	1.7	1.7	1.8	1.4	1.7	1.9
90 - 179 days	2.0	1.6	1.5	1.4	1.5	1.6	1.4	1.5	1.3	1.3
over 180 days	13.3	12.6	9.8	9.8	9.8	7.9	7.7	7.7	7.6	7.2
Total Arrears	20.3	19.1	15.7	15.3	15.7	14.5	14.3	14.1	13.4	13.2
Total B\$ Loan Portfolio	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Non Accrual Loans (% by loan type)										
Consumer	23.6	22.2	23.2	23.5	23.9	26.4	27.2	28.0	28.3	27.4
Mortgage	53.8	57.4	50.7	50.3	49.6	59.5	61.4	60.2	60.5	61.7
Other Private	22.6	20.4	26.1	26.1	26.5	14.2	11.4	11.8	11.3	10.9
Public	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Non Accrual Loans	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Provisions to Loan Portfolio										
Consumer	6.5	7.1	7.4	7.1	7.1	6.6	6.1	6.8	7.3	6.7
Mortgage	8.9	9.9	8.9	7.6	7.8	8.0	8.3	7.8	7.5	7.9
Other Private	11.4	10.2	11.6	12.3	15.4	7.4	8.1	8.0	7.8	8.3
Public	-	-	-	-	-	-	-	-	-	0.2
Total Provisions to Total Loans	7.9	8.3	8.0	7.4	7.9	6.7	6.8	6.9	6.9	6.9
Total Provisions to Non-performing Loans	51.2	58.5	70.6	66.8	69.8	71.1	74.6	74.9	77.6	81.0
Total Non-performing Loans to Total Loans	15.3	14.2	11.4	11.1	11.3	9.5	9.2	9.2	8.9	8.5

Source: The Central Bank of The Bahamas

Figures may not sum to total due to rounding.

**TABLE 10
SUMMARY OF BANK LIQUIDITY**

(B\$ Millions)

Period	2014	2015	2016	2017				2018		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
I. Statutory Reserves										
Required reserves	311.2	316.9	325.1	330.1	333.8	335.4	336.9	338.6	342.9	340.8
Average Till Cash	122.7	123.0	130.4	99.8	101.3	104.1	125.8	106.7	97.1	102.6
Average balance with central bank	676.6	598.7	945.1	902.6	982.4	1,006.7	1,030.3	1,165.4	1,224.3	966.7
Free cash reserves (period ended)	488.0	404.9	750.5	672.3	749.9	775.4	819.2	933.5	978.5	728.6
II. Liquid Assets (period)										
A. Minimum Required Liquid Assets	1,025.5	1,044.6	1,098.6	1,116.7	1,142.2	1,140.7	1,128.9	1,143.7	1,152.2	1,122.6
B. Net Eligible Liquid Assets	2,182.2	2,361.6	2,579.9	2,588.6	2,768.4	2,804.0	2,956.2	3,074.9	3,112.3	2,851.6
i) Balance with Central Bank	606.7	587.5	867.3	894.0	1,046.9	1,062.4	1,012.2	1,204.3	1,150.7	902.3
ii) Notes and Coins	143.0	142.9	145.6	98.1	94.2	94.9	146.3	101.7	96.2	100.4
iii) Treasury Bills	454.5	662.6	531.9	489.3	475.1	506.5	611.4	620.0	720.5	736.9
iv) Government registered stocks	907.0	895.4	987.1	1,055.5	1,105.9	1,094.3	1,137.7	1,105.2	1,095.7	1,058.7
v) Specified assets	56.0	55.6	51.0	51.0	50.9	50.8	50.8	50.6	50.3	48.5
vi) Net Inter-bank dem/call deposits	15.1	17.4	(3.0)	0.7	(4.5)	(4.9)	(2.2)	(7.0)	(1.0)	4.7
vii) Less: borrowings from central bank	-	-	-	-	-	-	-	-	-	-
C. Surplus/(Deficit)	1,156.8	1,316.9	1,481.3	1,471.9	1,626.2	1,663.4	1,827.3	1,931.2	1,960.1	1,729.0

Source: The Central Bank of The Bahamas

Figures may not sum to total due to rounding.

**TABLE 11
GOVERNMENT OPERATIONS AND FINANCING**

(B\$ Millions)

Period	2016/17p	2017/18p	Budget		2016/17p		2017/18p				2018/19p
			2017/18	2018/19	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I
Total Revenue & Grants	2,060.5	2,034.1	2,139.0	2,637.6	605.9	602.8	453.7	426.4	587.4	567.7	513.9
Current expenditure	2,339.7	2,180.4	2,231.9	2,578.4	505.3	829.5	487.9	515.8	546.2	631.5	527.8
Capital expenditure	390.2	268.7	230.9	299.3	75.0	162.7	74.4	56.7	52.5	85.2	38.8
Net lending	0.0	(0.2)	(2.4)	(2.5)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)
Overall balance	(669.3)	(414.9)	(321.3)	(237.6)	25.6	(389.3)	(108.6)	(146.0)	(11.3)	(148.9)	(52.7)
FINANCING (I+II-III+IV+V)	669.3	414.9	321.3	237.6	(25.6)	389.3	108.6	146.0	11.3	148.9	52.7
I. Foreign currency borrowing	43.3	1,369.3	9.5	50.4	4.0	13.6	355.4	954.6	59.2	0.1	1.1
External	43.3	1,369.3	9.5	50.4	4.0	13.6	355.4	954.6	59.2	0.1	1.1
Domestic	-	-	-	-	-	-	-	-	-	-	-
II. Bahamian dollar borrowing	1,132.1	617.7	743.5	896.6	86.6	292.7	97.6	232.7	111.6	175.7	281.7
i) Treasury bills	337.7	111.7	-	-	11.6	217.7	8.6	0.7	1.6	100.7	71.7
ii) Long-term securities	545.0	492.0	-	-	75.0	75.0	75.0	232.0	110.0	75.0	110.0
iii) Loans and Advances	249.5	14.0	-	-	-	-	14.0	-	-	-	100.0
III. Debt repayment	595.1	1,302.6	426.2	709.4	88.5	94.8	140.8	884.9	155.4	121.5	142.9
Domestic	557.1	798.2	388.6	620.9	75.2	87.7	125.9	427.2	131.4	113.8	108.5
Bahamian dollars	557.1	798.2	388.6	620.9	75.2	87.7	125.9	427.2	131.4	113.8	108.5
Internal foreign currency	-	-	-	-	-	-	-	-	-	-	-
External	38.1	504.4	37.6	88.5	13.3	7.1	14.9	457.7	24.1	7.7	34.4
IV. Net Sale of Shares & Other Equity	(120.2)	(20.0)	-	-	(17.7)	-	(10.0)	(3.8)	(3.8)	(2.4)	(45.8)
V. Cash balance change	227.6	(15.7)	-	-	22.7	16.7	(2.1)	(7.7)	(13.7)	7.8	12.9
VI. Other Financing	(18.4)	(233.8)	(5.5)	-	(32.8)	161.1	(191.6)	(144.8)	13.4	89.3	(54.3)

Source: Treasury Monthly Printouts. Data compiled according to the International Monetary Fund's Government Finance Statistics format.

**TABLE 12
NATIONAL DEBT**

(BS '000s)

Period	2015	2016	2017	2017				2018		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
TOTAL EXTERNAL DEBT	1,641,210	1,745,483	2,616,210	1,739,914	1,763,572	2,113,896	2,616,210	2,661,183	2,637,093	2,599,104
By Instrument										
Government Securities	900,000	900,000	1,650,000	900,000	900,000	900,000	1,650,000	1,650,000	1,650,000	1,650,000
Loans	741,210	845,483	966,210	839,914	863,572	1,213,896	966,210	1,011,183	987,093	949,104
By Holder										
Commercial Banks	-	-	-	-	-	-	-	-	-	-
Offshore Financial Institutions	-	-	-	-	-	-	-	-	-	-
Multilateral Institutions	221,348	216,959	213,715	217,306	216,568	216,852	213,715	219,595	211,926	210,259
Bilateral Institutions	72,352	80,846	90,688	81,593	90,323	88,949	90,688	90,419	85,894	79,719
Private Capital Markets	900,000	900,000	1,650,000	900,000	900,000	900,000	1,650,000	1,650,000	1,650,000	1,650,000
Other Financial Institutions	447,510	547,678	661,807	541,015	556,681	908,095	661,807	701,169	689,273	659,126
TOTAL INTERNAL DEBT	4,263,352	4,570,098	4,563,864	4,581,540	4,786,541	4,758,311	4,563,864	4,544,155	4,606,087	4,779,238
By Instrument										
Foreign Currency	36,615	-	-	-	-	-	-	-	-	-
Government Securities	-	-	-	-	-	-	-	-	-	-
Loans	36,615	-	-	-	-	-	-	-	-	-
Bahamian Dollars	4,226,737	4,570,098	4,563,864	4,581,540	4,786,541	4,758,311	4,563,864	4,544,155	4,606,087	4,779,238
Advances	134,657	134,657	134,657	134,657	134,657	134,657	134,657	134,657	134,657	119,657
Treasury Bills	816,513	793,896	655,749	730,479	870,626	862,044	655,749	657,395	758,108	829,542
Government Securities	3,072,783	3,314,783	3,492,283	3,389,783	3,454,783	3,457,783	3,492,283	3,506,709	3,488,709	3,518,709
Loans	202,784	326,762	281,175	326,621	326,475	303,827	281,175	245,394	224,613	311,330
By Holder										
Foreign Currency	36,615	-	-	-	-	-	-	-	-	-
Commercial Banks	36,615	-	-	-	-	-	-	-	-	-
Other Local Financial Institutions	-	-	-	-	-	-	-	-	-	-
Bahamian Dollars	4,226,737	4,570,098	4,563,864	4,581,540	4,786,541	4,758,310	4,563,864	4,544,155	4,606,087	4,779,238
The Central Bank	519,533	727,531	413,570	695,407	856,296	774,449	413,570	408,966	374,086	417,080
Commercial Banks	1,708,532	1,789,051	1,975,909	1,819,657	1,839,738	1,854,101	1,975,909	1,915,333	1,990,281	2,055,874
Other Local Financial Institutions	26,395	17,208	27,162	12,285	28,157	16,364	27,162	28,037	25,461	27,984
Public Corporations	650,289	600,691	602,287	610,691	612,684	603,518	602,287	600,352	602,992	582,118
Other	1,321,988	1,435,617	1,544,936	1,443,500	1,449,666	1,509,878	1,544,936	1,591,467	1,613,267	1,696,182
TOTAL FOREIGN CURRENCY DEBT	1,677,825	1,745,483	2,616,210	1,739,914	1,763,572	2,113,896	2,616,210	2,661,183	2,637,093	2,599,104
TOTAL DIRECT CHARGE	5,904,562	6,315,581	7,180,074	6,321,454	6,550,113	6,872,207	7,180,074	7,205,338	7,243,180	7,378,342
TOTAL CONTINGENT LIABILITIES	755,310	734,602	704,191	727,689	726,478	712,646	704,191	703,229	700,619	737,680
TOTAL NATIONAL DEBT	6,659,872	7,050,183	7,884,265	7,049,143	7,276,591	7,584,853	7,884,265	7,908,567	7,943,799	8,116,022

Source: Treasury Accounts & Treasury Statistical Summary Printouts

Public Corporation Reports

Creditor Statements, Central Bank of The Bahamas

TABLE 13
PUBLIC SECTOR FOREIGN CURRENCY DEBT OPERATIONS

Period	(B\$ '000s)										
	2015p	2016p	2017p*	2016p QTR IV.	2017p				2018p		
					QTR I.	QTR II.	QTR III.	QTR IV.**	QTR I.	QTR II.	QTR III.
Outstanding Debt at Beginning of Period	2,453,016	2,574,001	2,646,751	2,669,275	2,646,751	2,633,273	2,650,423	2,992,051	3,484,230	3,526,667	3,497,523
Government	1,572,394	1,677,825	1,745,483	1,757,003	1,745,483	1,739,915	1,763,572	2,113,896	2,616,210	2,661,183	2,637,093
Public Corporations	880,622	896,176	901,268	912,272	901,268	893,358	886,851	878,155	868,020	865,484	860,430
Plus: New Drawings	188,993	282,333	1,347,128	22,613	7,106	23,739	358,531	957,752	62,479	3,457	104,304
Government	143,384	166,786	1,327,674	14,004	4,037	13,629	355,443	954,565	59,191	64	1,152
Public Corporations	45,609	115,547	19,454	8,609	3,069	10,110	3,088	3,187	3,288	3,393	103,152
Less: Amortization	51,486	193,524	545,717	26,704	24,284	23,682	26,718	471,033	29,906	16,153	41,125
Government	21,448	83,071	493,003	7,097	13,303	7,059	14,931	457,710	24,080	7,709	34,409
Public Corporations	30,038	110,453	52,714	19,607	10,981	16,623	11,787	13,323	5,826	8,444	6,716
Other Changes in Debt Stock	(16,522)	(16,059)	36,068	(18,433)	3,700	17,093	9,815	5,460	9,864	(16,448)	(4,735)
Government	(16,505)	(16,057)	36,056	(18,427)	3,698	17,087	9,812	5,459	9,862	(16,445)	(4,732)
Public Corporations	(17)	(2)	12	(6)	2	6	3	1	2	(3)	(3)
Outstanding Debt at End of Period	2,574,001	2,646,751	3,484,230	2,646,751	2,633,273	2,650,423	2,992,051	3,484,230	3,526,667	3,497,523	3,555,967
Government	1,677,825	1,745,483	2,616,210	1,745,483	1,739,915	1,763,572	2,113,896	2,616,210	2,661,183	2,637,093	2,599,104
Public Corporations	896,176	901,268	868,020	901,268	893,358	886,851	878,155	868,020	865,484	860,430	956,863
Interest Charges	133,117	143,735	152,815	39,472	35,106	39,139	35,559	43,011	38,680	74,256	38,812
Government	79,963	87,477	92,969	24,154	20,474	23,759	20,987	27,749	23,850	57,842	22,030
Public Corporations	53,154	56,258	59,846	15,318	14,632	15,380	14,572	15,262	14,830	16,414	16,782
Debt Service	184,603	337,259	698,532	66,176	59,390	62,821	62,277	514,044	68,586	90,409	79,937
Government	101,411	170,548	585,972	31,251	33,777	30,818	35,918	485,459	47,930	65,551	56,439
Public Corporations	83,192	166,711	112,560	34,925	25,613	32,003	26,359	28,585	20,656	24,858	23,498
Debt Service Ratio (%)	5.4	9.9	7.3	8.7	6.8	6.6	7.9	8.1	7.0	8.4	8.9
Government Debt Service/ Government Revenue (%)	5.3	9.0	6.5	7.8	5.6	5.1	7.9	8.3	8.2	11.5	11.0
MEMORANDUM											
Holder Distribution (B\$ Mil):											
Banks	319.1	297.8	267.7	297.8	289.0	281.9	274.8	267.7	264.5	260.6	335.6
Offshore Financial Institutions	-	-	-	-	-	-	-	-	-	-	-
Multilateral Institutions	281.9	285.8	285.6	285.8	285.9	290.5	290.5	285.6	291.2	281.7	286.4
Bilateral Institutions	72.4	80.8	90.7	80.8	81.6	90.3	88.9	90.7	90.4	85.9	79.7
Other	1,000.6	1,082.3	1,190.2	1,082.3	1,076.8	1,087.7	1,437.8	1,190.2	1,230.5	1,219.3	1,204.2
Private Capital Markets	900.0	900.0	1,650.0	900.0	900.0	900.0	900.0	1,650.0	1,650.0	1,650.0	1,650.0

Source: Treasury Accounts, Treasury Statistical Printouts and Quarterly Reports from Public Corporations, Central Bank of The Bahamas.

*Debt servicing for 2017 includes the refinancing of \$450 million in Government's external debt. Net of this transaction, the Debt Service Ratio was 7.3% and the Government Debt Service/Revenue Ratio was 6.5%.

** Debt servicing for the 4th quarter of 2017 includes the refinancing of \$450 million in Government external debt. Net of these transactions, the Debt Service Ratio was 8.2% and the Government Debt Service/Revenue ratio was 8.3%.

TABLE 14
BALANCE OF PAYMENTS SUMMARY*

(B\$ Millions)

Period	2014	2015	2016	2017				2018		
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III
A. Current Account Balance (I+II+III+IV)	(2,192.6)	(1,610.2)	(1,253.0)	(516.0)	(455.6)	(522.4)	(486.4)	(452.1)	(779.3)	(638.6)
I. Merchandise (Net)	(2,510.3)	(2,433.5)	(2,150.2)	(618.2)	(650.7)	(640.4)	(628.5)	(624.6)	(782.0)	(586.0)
Exports	833.9	520.5	481.4	139.4	181.9	117.4	131.7	122.5	214.6	145.5
Imports	3,344.2	2,954.0	2,631.6	757.7	832.6	757.8	760.3	747.1	996.6	731.6
II. Services (Net)	689.0	1,280.5	1,022.0	204.9	309.9	216.4	241.7	292.8	238.8	163.7
Transportation	(288.0)	(258.1)	(298.8)	(96.8)	(98.5)	(90.0)	(98.1)	(117.0)	(121.1)	(83.7)
Travel	2,072.5	2,264.7	2,261.3	591.6	639.3	466.7	508.9	710.3	735.6	540.6
Insurance Services	(145.9)	(144.8)	(156.6)	(17.9)	(28.0)	(32.6)	(35.2)	(35.9)	(37.9)	(34.7)
Offshore Companies Local Expenses	200.9	165.7	168.8	30.8	17.5	49.5	32.2	29.8	18.8	51.0
Other Government	(114.2)	(73.2)	(208.7)	(43.2)	(27.3)	(33.8)	(1.5)	(30.6)	(1.7)	(44.2)
Other Services	(1,036.3)	(673.8)	(743.9)	(259.5)	(193.1)	(143.4)	(164.6)	(263.7)	(355.0)	(265.4)
III. Income (Net)	(378.0)	(362.9)	(439.9)	(101.9)	(98.2)	(79.7)	(80.4)	(102.6)	(225.6)	(194.7)
1. Compensation of Employees	(69.7)	(67.9)	(38.9)	(10.4)	(9.9)	(9.8)	(8.6)	(13.2)	(5.5)	(15.8)
2. Investment Income	(308.3)	(295.0)	(401.0)	(91.5)	(88.4)	(69.9)	(71.7)	(89.5)	(220.1)	(178.9)
IV. Current Transfers (Net)	6.7	(94.3)	315.1	(0.8)	(16.6)	(18.7)	(19.2)	(17.6)	(10.5)	(21.6)
1. General Government	118.3	130.0	117.4	23.2	34.9	31.1	24.8	38.1	38.0	25.7
2. Private Sector	(111.6)	(224.3)	197.6	(23.9)	(51.5)	(49.8)	(44.0)	(55.7)	(48.5)	(47.2)
B. Capital and Financial Account (I+II)	870.3	336.7	461.3	321.2	299.1	825.5	683.1	187.9	574.3	5.0
(excl. Reserves)										
I. Capital Account (Net Transfers)	(11.0)	(20.2)	(13.8)	(9.6)	(3.7)	(8.5)	(4.4)	(3.3)	(2.3)	(12.4)
II. Financial Account (Net)	881.3	356.9	475.1	330.8	302.8	834.0	687.5	191.2	576.6	17.4
1. Direct Investment	168.0	69.8	73.7	46.9	231.6	161.9	158.3	175.1	438.4	158.0
2. Portfolio Investment	(26.9)	(12.4)	(21.7)	(4.4)	(4.6)	(2.2)	(5.5)	(3.5)	(1.8)	(2.3)
3. Other Investments	740.1	299.4	423.1	288.2	75.8	674.3	534.8	19.6	140.0	(138.3)
Central Gov't Long Term Capital	411.3	94.7	118.5	(9.3)	6.6	340.5	496.9	35.1	(7.7)	(33.3)
Other Public Sector Capital	93.8	6.5	100.4	(3.1)	1.0	(3.1)	(4.6)	(1.0)	(2.7)	18.5
Banks	(161.9)	29.6	(306.3)	87.8	(92.7)	34.7	(3.3)	(31.6)	51.5	(109.4)
Other	396.9	168.6	510.5	212.9	161.0	302.2	45.8	17.0	98.9	(14.2)
C. Net Errors and Omissions	1,087.4	1,297.7	809.6	147.6	450.7	207.5	(343.7)	447.1	180.1	362.3
D. Overall Balance (A+B+C)	(235.0)	24.3	17.9	(47.1)	294.2	510.6	(146.9)	182.8	(24.9)	(271.4)
E. Financing (Net)	(46.0)	(24.3)	(92.0)	(15.9)	(39.5)	(73.9)	(380.1)	(182.7)	24.9	271.4
Change in SDR holdings	(19.9)	3.5	2.3	(0.1)	(1.8)	(1.1)	(0.4)	(26.2)	3.5	(23.9)
Change in Reserve Position with the IMF	0.6	0.4	(17.3)	(0.2)	(0.7)	(0.4)	(0.2)	(0.6)	0.9	0.2
Change in Ext. Foreign Assets () = Increase	(26.7)	(28.1)	(77.0)	(15.6)	(37.0)	(72.4)	(379.5)	(155.9)	20.5	295.1

Source: The Central Bank of the Bahamas

* Figures may not sum to total due to rounding

**TABLE 15
EXTERNAL TRADE**

(BS '000s)

Period	2015	2016	2017	2017				2018	
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II
I. OIL TRADE									
i) Exports	70,350	45,510	72,692	16,285	14,258	16,143	26,006	26,569	19,774
ii) Imports ^R	535,306	402,527	553,821	119,509	131,624	150,484	152,204	145,498	102,957
II. OTHER MERCHANDISE									
Domestic Exports									
Crawfish	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Fish Conch & other Crustacea	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other cordials & Similar Materials/Sponge	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Fruits & Veggies.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Aragonite	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other Natural Sands	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Rum/Beverages/Spirits & Vinegar	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Crude Salt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Polystyrene Products	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
i) Total Domestic Exports	230,074	202,190	228,799	72,271	56,436	39,123	60,969	47,897	55,977
ii) Re-Exports	148,616	155,016	171,845	27,416	84,867	27,133	32,429	34,664	87,606
iii) Total Exports (i+ii)	378,690	357,206	400,644	99,687	141,303	66,256	93,398	82,561	143,583
iv) Imports	2,626,736	2,529,125	2,923,773	729,215	804,932	661,698	727,928	705,378	875,255
v) Retained Imports (iv-ii)	2,478,120	2,374,109	2,751,928	701,799	720,065	634,565	695,499	670,714	787,649
vi) Trade Balance (i-v)	(2,248,046)	(2,171,919)	(2,523,129)	(629,528)	(663,629)	(595,442)	(634,530)	(622,817)	(731,672)

Source: Department of Statistics Quarterly Statistical Summaries

TABLE 16
SELECTED TOURISM STATISTICS

Period	2015	2016	2017	2016					2017				2018		
				Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. I	Qtr. II	Qtr. III	
Visitor Arrivals	6,112,093	6,265,019	6,135,839	1,473,246	1,726,664	1,543,705	1,267,754	1,597,716	1,775,380	1,627,490	1,519,086				
Air	1,390,911	1,391,813	1,335,613	265,216	348,549	386,352	297,378	303,334	411,308	435,037	356,427				
Sea	4,721,182	4,873,206	4,800,226	1,208,030	1,378,115	1,157,353	970,376	1,294,382	1,364,072	1,192,453	1,162,659				
Visitor Type															
Stopover	1,484,531	1,481,832	1,438,631	271,362	367,355	439,050	334,965	297,261	428,936	447,923	348,871				
Cruise	4,513,458	4,690,260	4,626,259	1,186,597	1,343,940	1,095,430	918,044	1,268,845	1,326,394	1,130,596	1,104,573				
Day/Transit	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Tourist Expenditure(BS 000's)	2,537,382	2,610,097	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Stopover	2,224,289	2,312,191	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Cruise	309,426	294,005	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Day	3,817	3,901	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Number of Hotel Nights	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Average Length of Stay	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Average Hotel Occupancy Rates (%)															
New Providence	61	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Grand Bahama	57	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Other Family Islands	41	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Average Nightly Room Rates (\$)															
New Providence	235	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Grand Bahama	66	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				
Other Family Islands	217	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.				

Source: The Ministry of Tourism