



Monthly Economic and Financial Developments June 2007

In an effort to provide the public with more frequent information on its economic surveillance activities, the Central Bank has decided to release monthly reports on economic and financial sector developments in The Bahamas. The Bank monitors these conditions as part of its monetary policy mandate, to assess whether money and credit trends are sustainable relative to levels of external reserves required to protect the value of the Bahamian dollar and, if not, the degree to which credit policies ought to be adjusted. The main data source for this surveillance is financial institutions' daily reports on foreign exchange transactions and weekly balance sheet statements. Therefore, monthly approximations may not coincide with calendar estimates reported in the Central Bank's quarterly reports. The Central Bank will release its "Monthly Economic and Financial Developments" report on the Monday following its monthly Monetary Policy Committee Meeting.

Future Release Dates:

2007: September 3rd, October 1st, October 29th, December 3rd

1. Domestic Economic Developments

Preliminary data indicate that the expansion in the Bahamian economy was sustained during the month of June, buoyed by demand stimulus from private sector credit expansion and healthy foreign investment inflows, which countered softening in tourism activity.

Comparative data for the first five months of 2007 revealed a 6.0% reduction in tourist arrivals from the same period last year, as air and sea traffic declined by 6.8% and 5.6%, respectively. Weakness in the key stopover market was most pronounced for the United States, but inclusive of the European segment, which combined to overshadow robust growth from the Canadian, Latin American and Caribbean markets. All of the major ports of entry experienced shortfalls, with Grand Bahama noting the largest contraction of 12.9%, due to respective declines of 16.2% and 5.3% in sea and air arrivals. In New Providence, an 8.7% falloff in air visitors coupled with a 4.6% reduction in sea passengers, caused a 6.2% decrease in overall arrivals. Also, the Family Islands recorded a 1.7% reduction in visitors, owing to a 2.3% decline in sea traffic, which eclipsed a 0.9% improvement in air visitors.

Hotel sector indicators through the first quarter of the year, suggest a less pronounced weakening in industry earnings relative to the estimated reduction in stopover visitors, as improvements in average room rates partly cushioned lower occupancy levels. Data revealed that estimated room revenues at major resort properties declined by 5.5%, with losses in Grand Bahama and New Providence at 19.2% and 3.3%, respectively. In contrast, Family Island room revenues rose by 4.0%.

Retail price inflation during the twelve months ending June 2007 firmed to 2.43% from 1.63% a year ago, amid the continuing influence of rising oil prices. Increases in average costs were most notable for food & beverages (4.18%) and recreation entertainment & services (3.21%).

2. International Developments

The world economy remained on an expansionary trend during the first half of the year, with sustained strengthening in the Asian economies and healthy growth in Europe, contrasting with a more moderate outturn for the United States. As inflation pressures continued to pose concerns, several major central banks raised their key interest rates.

In the United States, although initial estimates of the second quarter expansion exceeded expectations, weakness in the housing sector continued to constrain the economic momentum. On a year-on-year basis, housing starts for single and multi-family homes softened respectively, by 21.6% and 9.7% during June, with total building permits also falling sharply and signalling a softer outlook for the sector. Also notable was evidence of more conservative household spending, amid the 0.9% dip in retail sales. Otherwise, labour market conditions stabilized, as the rise in non-farm payroll employment maintained the unemployment rate at 4.5% in June. Meanwhile, moderation in housing prices partly contributed to easing in consumer price inflation to 0.2% in June, from 0.7% in May. Citing the need to balance the moderating pace of growth against the threat of increased inflation, the Federal Reserve Open Market Committee decided to maintain its primary lending and target funds rates at 6.25% and 5.25%, respectively.

Buoyed by increased exports and a surge in commercial investments, China's economy strengthened to its fastest pace in 12 years during the second quarter. Underscoring the continued significance of exports, the trade surplus reached a monthly record in June of \$26.9 billion, 85.5% higher than the previous year. Further, the country's foreign exchange reserves rose by an estimated \$266.3 billion during the first half to a record \$1.3 trillion. As concerns lingered about the unsustainable pace of the brisk expansion, China's central bank tightened credit conditions, raising banking sector reserve requirements by 0.5 percentage points during the month.

The Japanese economy remained on a steady growth path, with real GDP expanding by 0.8% in the first quarter after a 1.3% uptrend during the previous three-months. The unemployment rate steadied in May at 3.8%, but declined by 0.3% from a year earlier. Owing to lower cost pressures on durable goods and housing prices, inflation remained marginally negative on a year-on-year basis at 0.1% through May. In view of a stable inflation outlook and sustainable growth prospects, the Bank of Japan decided to keep its key uncollateralized overnight call rate at 0.5%.

Preliminary indications point to further firming in the United Kingdom's economy during the second quarter, as manufacturing output increased by 0.3% in the three-months to May 2007, and the unemployment rate was marginally lowered to 5.4%. Additionally, the deficit on trade in goods and services narrowed on a monthly basis, by £0.7 million to £3.5 billion in May, reflecting an expansion in exports. Meanwhile, softer food prices and lower utility bills decreased the average consumer price inflation slightly to 2.4% in June. With evidence that the effects of official tightening from the previous month were taking hold, the Bank of England kept its repurchase rate at 5.5%.

Economic conditions in the Euro area remained buoyant in the second quarter, supported by continued increases in external demand and some recovery in household consumption since the first quarter. Amid these gains, the unemployment rate decreased marginally to 7.0% in May. In June, Euro area inflation steadied at 1.9%, slightly below the ECB's target rate of 2.0%; however, the Central Bank increased its key interest rate by 25 basis points to 4.0%, due to the concerns over the upside risks to price stability in the medium to long term.

On account of the ongoing geopolitical concerns and refinery disruptions which constrained supply, the price of crude oil firmed by 4.3% in June to \$70.77 per barrel. In particular, OPEC's production contracted during the month by 0.3% to 30.0 million barrels per day. In contrast, precious metal prices decreased during the period, with the cost of gold easing by 1.6% to \$649.65 per ounce and silver, by 7.6% to \$12.41 per ounce.

The performance of major equity indices was mixed during the review month. In the US, the Dow Jones Industrial Average and the S&P 500 indices fell by 1.61% and 2.1%, respectively. In Europe, the United Kingdom's FTSE 100 index declined marginally by 0.2% and France's CAC 40 index by 0.8%; however, Germany's DAX gained 1.58%. In Asia, Japan's Nikkei 225 index moved higher by 1.5%.

3. *Monthly Domestic Monetary and Credit Trends*

Domestic monetary and credit developments during June culminated in some reduction in bank liquidity and external reserves, as net Bahamian dollar lending exceeded the growth in the deposit base. During the first half of the year, liquidity conditions improved considerably, owing to strengthened foreign currency inflows which boosted deposit balances and external reserve levels, amid a slowing in the rate of domestic credit expansion.

June 2007 vs. 2006

During the review month, excess bank liquidity contracted by \$9.4 million, following a decline of \$13.0 million in the same month a year earlier. In contrast, the broader excess liquid assets rose by \$13.5 million, reversing a \$12.0 million falloff in 2006.

Reflecting a turnaround in foreign exchange transactions with commercial banks, external reserves decreased by \$24.3 million to \$666.6 million, more than double 2006's \$10.2 million contraction. The Central Bank's net foreign currency sales increased two-fold to \$26.2 million, as the \$6.0 million net outflow via commercial banks contrasted with a net intake of \$12.5 million last year. This reflected a shift in commercial banks' foreign currency transactions with customers to a net sale \$30.8 million from a net purchase of \$18.0 million in 2006. Meanwhile, the Central Bank's net foreign currency sale to the public corporations was reduced by 17.8% to \$20.2 million.

In June, the increase in Bahamian dollar credit stabilized at \$82.5 million, with narrowed expansions in claims on the private sector and public corporations offsetting the extended advance in net claims on Government. Private sector credit growth slackened by \$9.7 million to \$42.3 million, amid easing in the rate of increase in consumer credit and mortgages by 6.5% and 25.9% to \$18.7 million and \$20.5 million, respectively; while claims on the public corporations were almost unchanged, compared to growth of \$19.7 million in 2006, increased advances from commercial banks elevated net credit to Government by \$39.3 million, relative to \$28.4 million last year.

During the review period, domestic foreign currency credit declined by \$6.0 million, contrasting with the previous year's increase of \$2.7 million. Private sector credit fell by \$5.7 million, after a marginal expansion of \$0.8 million in 2006. Also, net credit to Government, which rose by \$1.9 million a year earlier, fell marginally by \$0.3 million, while credit to the rest of the public sector was unchanged.

In terms of deposits, accretions to total balances slowed by \$39.1 million to \$12.4 million. This outturn reflected a \$11.6 million downturn in demand deposits, attributed to both private and public sector transactions. Growth in fixed deposits also lessened to \$9.7 million; albeit, the increase in savings balances was slightly higher at \$14.4 million.

In interest rate developments, the weighted average deposit rate at banks fell marginally by 1 basis point to 3.62%, with fixed deposits of 6 to 12 months attracting a maximum rate of 6.50% vis-à-vis 6.00% last month. On the contrary, the weighted average loan rate firmed by 16 basis points to 11.02%.

January – June 2007

Relative to last year, liquidity conditions improved more significantly during the first half of 2007. Excess cash balances and excess liquid assets strengthened by \$160.1 million and \$256.0 million, to \$296.3 million and \$265.4 million respectively, following comparative gains of \$29.9 million and \$86.3 million in 2006.

Supported by increased tourism-sector investment inflows and a moderated demand for domestic credit, gains in external reserves accelerated to \$214.6 million, from \$70.5 million in the first half of 2006. This resulted primarily from a more than three-fold increase in the Central Bank's net foreign currency purchase to \$203.9 million, with the net intake from commercial banks higher by 76.2% at \$288.0 million as their corresponding net purchase from customers firmed by 51.9% to \$240.9 million. Additionally, the Central Bank's net sale to the public sector contracted by nearly one-fifth to \$84.1 million.

Growth in Bahamian dollar credit during the first six months of the year narrowed to \$251.5 million (4.2%) from \$319.8 million (6.2%) in the previous year. Notably, private sector credit expansion slowed by approximately one-third to \$197.4 million, as consumer credit and mortgages growth moderated by 27.3% and 21.4% to \$70.6 million and \$128.4 million, respectively. Additionally, claims on the public corporations contracted by \$57.0 million, reversing an increase of \$21.9 million in 2006. Conversely, net credit to Government firmed by \$111.2 million, mainly reflecting banks' increased holdings of Treasury bills, and strongly reversing last years' reduction of \$11.5 million.

Domestic foreign currency credit decreased by \$13.8 million, in contrast to the \$76.0 million increase recorded in the first half of 2006. This movement was attributed in part to declines in credit to the private sector and net claims on Government of \$17.8 million and \$2.5 million, compared to respective expansions of \$28.4 million and \$3.9 million in 2006. Moreover, growth in credit to the rest of the public sector waned by \$37.1 million to \$6.5 million.

During the six-month period, growth in Bahamian dollar deposits firmed by 15.0% to \$343.8 million, with the buildup in savings and fixed balances accelerated by 47.2% and 68.6%, to \$80.8 million and \$209.1 million, respectively. These outpaced a narrowing in demand deposit gains by 55.0% to \$53.9 million.

4. Outlook

The Bahamian economy is expected to maintain a relatively positive momentum over the remainder of the year, supported by sustained residential and tourism investments, and continued stimulus from credit expansion. Nevertheless, the normal seasonal drawdown in external reserves and liquidity is expected as the slower months of the tourist season coincide with increased foreign exchange demand linked to the traditional rebuilding of business inventories and holiday-related spending of households. Short and medium term risks to this outlook continue to be posed by uncertainties surrounding oil prices and the ongoing adjustments in the tourism sector.

Recent Monetary and Credit Statistics

(B\$ Millions)

JUNE						
Value		Change		Change YTD		
2006	2007	2006	2007	2006	2007	

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	225.26	296.28	-13.01	-9.39	29.89	160.12
1.2 Excess Liquid Assets	198.81	265.43	-12.00	13.49	86.36	256.00
1.3 External Reserves	653.44	666.55	-10.17	-24.29	70.52	214.64
1.4 Bank's Net Foreign Assets	-646.52	-692.77	-4.38	14.36	-76.60	-60.38
1.5 Usable Reserves	300.06	292.78	-7.01	-12.34	39.94	134.08

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,255.65	5,827.61	52.81	36.53	337.78	179.58
a. B\$ Credit	4,765.30	5,350.93	52.00	42.26	309.36	197.35
of which: Consumer Credit	1,746.92	1,956.91	19.97	18.67	97.09	70.56
Mortgages	2,069.66	2,368.68	27.68	20.52	163.27	128.41
b. F/C Credit	490.35	476.69	0.80	-5.72	28.42	-17.77
of which: Mortgages	23.70	35.22	4.33	0.25	11.41	3.89
2.2 Central Government (net)	627.11	776.68	12.85	38.98	-7.50	108.64
a. B\$ Loans & Securities	747.02	887.60	16.30	40.96	-3.89	98.39
Less Deposits	121.91	111.07	5.37	1.68	7.55	-12.77
b. F/C Loans & Securities	2.48	4.06	0.00	0.00	2.48	-0.90
Less Deposits	0.49	3.92	-1.92	0.30	-1.46	1.62
2.3 Rest of Public Sector	378.71	323.18	19.69	0.98	65.53	-50.50
a. B\$ Credit	120.21	74.75	19.69	0.98	21.91	-57.01
b. F/C Credit	258.51	248.43	0.00	0.00	43.62	6.52
2.4 Total Domestic Credit	6,261.47	6,927.47	85.35	76.49	395.81	237.72
a. B\$ Domestic Credit	5,510.62	6,202.21	82.62	82.51	319.83	251.50
b. F/C Domestic Credit	750.85	725.26	2.73	-6.02	75.98	-13.78

3.0 DEPOSIT BASE

3.1 Demand Deposits	1,175.64	1,130.68	12.26	-11.61	120.02	53.91
a. Central Bank	90.70	28.50	9.25	-8.92	60.83	11.28
b. Banks	1,084.94	1,102.17	3.01	-2.69	59.19	42.63
3.2 Savings Deposits	937.77	1,031.51	13.66	14.35	54.88	80.79
3.3 Fixed Deposits	2,701.06	2,990.05	25.62	9.71	124.02	209.10
3.4 Total B\$ Deposits	4,814.48	5,152.23	51.54	12.44	298.92	343.81
3.5 F/C Deposits of Residents	170.42	186.72	9.59	14.53	20.74	5.80
3.6 M2	4,999.69	5,354.08	46.64	3.64	278.66	320.50
3.7 External Reserves/M2 (%)	13.07	12.45	-0.33	-0.46	0.72	3.47
3.8 External Reserves/Base Money (%)	107.75	93.90	1.18	-1.51	8.66	13.51

Value		Year to Date		Change	
2006	2007	2006	2007	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	-12.16	-26.18	61.42	203.85	-14.02	142.43
a. Net Purchase/(Sale) from/to Banks	12.46	-5.95	163.16	287.99	-18.41	124.84
i. Sales to Banks	17.48	18.55	111.70	69.14	1.07	-42.56
ii. Purchases from Banks	29.94	12.60	274.86	357.13	-17.34	82.28
b. Net Purchase/(Sale) from/to Others	-24.61	-20.22	-101.74	-84.14	4.39	17.60
i. Sales to Others	34.75	31.38	205.00	245.94	-3.37	40.94
ii. Purchases from Others	10.14	11.15	103.26	161.80	1.01	58.54
4.2 Banks Net Purchase/(Sale)	18.00	-30.78	158.60	240.88	-48.78	82.28
a. Sales to Customers	236.25	283.29	1,524.50	1,632.65	47.04	108.15
b. Purchases from Customers	254.25	252.51	1,683.10	1,873.53	-1.75	190.43
4.3 B\$ Position (change)	-4.06	46.10				

5.0 EXCHANGE CONTROL SALES

5.1 Current Items	299.88	0.00	1,677.98	687.01	-299.88	-990.97
of which Public Sector	48.39	0.00	261.26	92.25	-48.39	-169.02
a. Nonoil Imports	122.51	0.00	737.82	324.51	-122.51	-413.31
b. Oil Imports	53.53	0.00	240.44	67.48	-53.53	-172.96
c. Travel	22.37	0.00	116.40	50.58	-22.37	-65.83
d. Factor Income	5.63	0.00	77.56	14.97	-5.63	-62.59
e. Transfers	6.88	0.00	35.98	22.19	-6.88	-13.79
f. Other Current Items	88.96	0.00	469.78	207.27	-88.96	-262.50
5.2 Capital Items	10.15	0.00	79.89	26.90	-10.15	-52.99
of which Public Sector	4.33	0.00	17.61	11.21	-4.33	-6.40
5.3 Bank Remittances	0.00	0.00	27.00	20.50	0.00	-6.50

Sources: Research Department Weekly Brief Database and Banking Brief for the weeks ending: JUNE 28, 2006 and JUNE 27, 2007

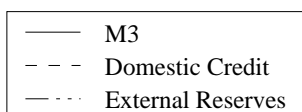
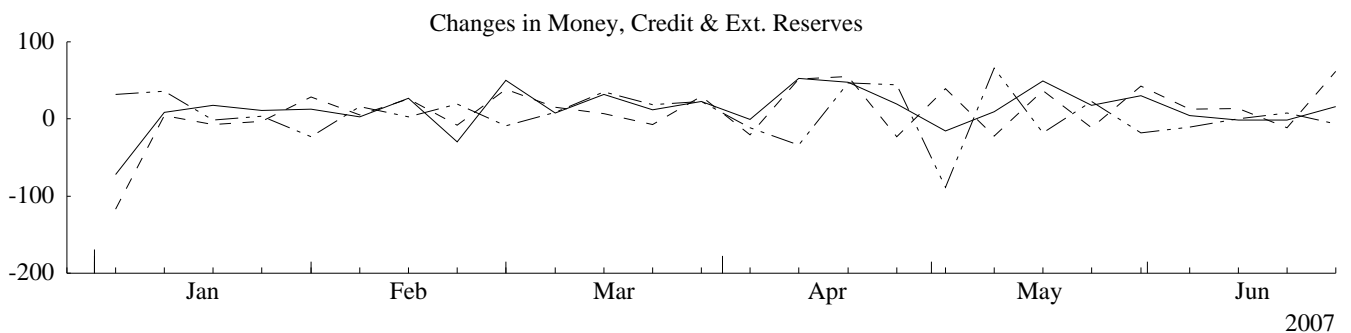
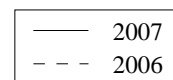
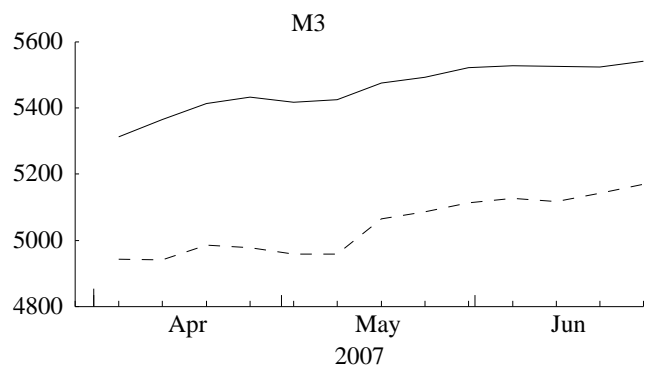
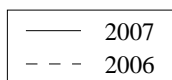
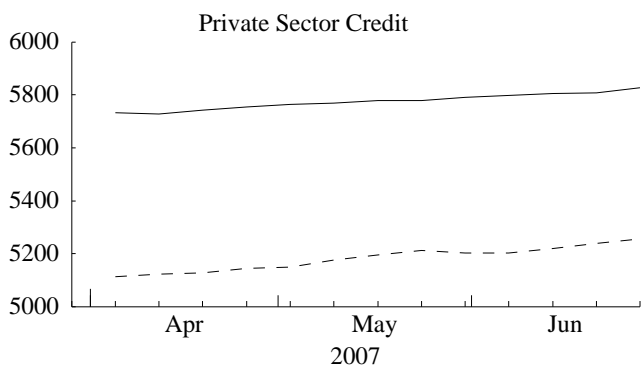
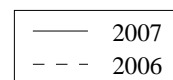
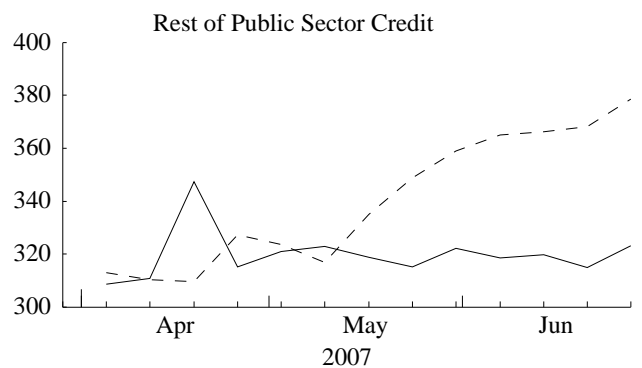
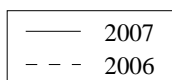
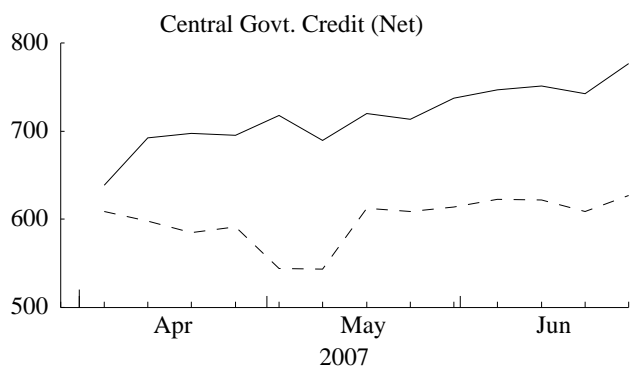
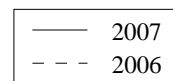
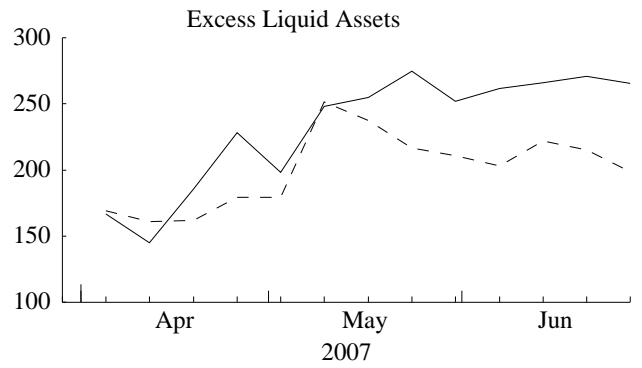
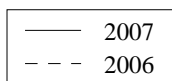
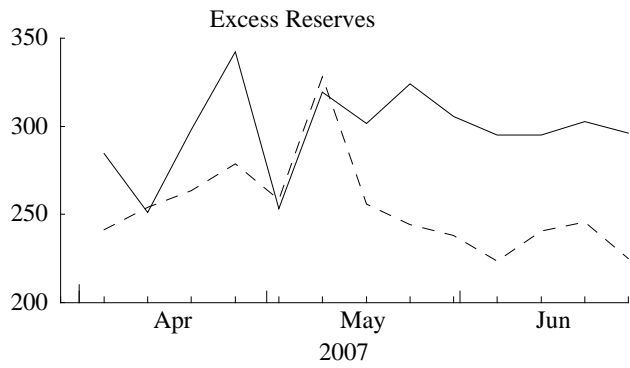
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Exchange Control Sales figures are as at month end.

Notes: 1.0, 2.0 and 3.0 YTD change reflects change of current month over previous year end; for 4.0 and 5.0 change is over corresponding period of previous year.

Components may not sum to totals due to round-off error.

SELECTED MONEY AND CREDIT INDICATORS (B\$ Millions)



Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2006	2007	2006	2007	2006	2007
Bahamas	4.0	4.5	1.9	1.9	7.6	n/a
United States	3.3	2.2	3.2	1.9	4.6	4.8
Euro-Area	2.6	2.3	2.2	2.0	7.7	7.3
<i>Germany</i>	<i>1.8</i>	<i>1.9</i>	<i>1.8</i>	<i>2.0</i>	<i>8.1</i>	<i>7.8</i>
Japan	2.2	2.3	0.2	0.3	4.1	4.0
United Kingdom	2.7	2.9	2.3	2.3	5.4	5.3
Canada	2.7	2.4	2.0	1.7	6.3	6.2

Sources: IMF World Economic Outlook, April 2007 & The Bahamas Department of Statistics.

B: Official Interest Rates - Selected Countries (%)					
<i>With effect</i> <i>from</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
	Bank Rate	Refinancing Rate	Primary Credit Rate	Target Funds Rate	Repo Rate
January 2006	5.25	2.25	5.50	4.50	4.50
February 2006	5.25	2.25	5.50	4.50	4.50
March 2006	5.25	2.50	5.75	4.75	4.50
April 2006	5.25	2.50	5.75	4.75	4.50
May 2006	5.25	2.50	6.00	5.00	4.50
June 2006	5.25	2.75	6.25	5.25	4.50
July 2006	5.25	2.75	6.25	5.25	4.50
August 2006	5.25	3.00	6.25	5.25	4.75
September 2006	5.25	3.00	6.25	5.25	4.75
October 2006	5.25	3.25	6.25	5.25	4.75
November 2006	5.25	3.25	6.25	5.25	5.00
December 2006	5.25	3.50	6.25	5.25	5.00
January 2007	5.25	3.50	6.25	5.25	5.25
February 2007	5.25	3.50	6.25	5.25	5.25
March 2007	5.25	3.75	6.25	5.25	5.25
April 2007	5.25	3.75	6.25	5.25	5.25
May 2007	5.25	3.75	6.25	5.25	5.50
June 2007	5.25	4.00	6.25	5.25	5.50

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Jun-06	May-07	Jun-07	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.7819	0.7433	0.7384	-0.7	-2.5	-5.6
Yen	114.42	121.73	123.18	1.2	3.5	7.7
Pound	0.5410	0.5051	0.4978	-1.4	-2.5	-8.0
Canadian \$	1.1163	1.0689	1.0654	-0.3	-8.6	-4.6
Swiss Franc	1.2232	1.2254	1.2215	-0.3	0.2	-0.1

Source: Bloomberg as at June 30, 2007

D. Selected Commodity Prices (\$)					
Commodity	May 2006	May 2007	June 2007	Mthly % Change	YTD % Change
Gold / Ounce	615.85	660.5	649.65	-1.6	2.0
Silver / Ounce	11.10	13.43	12.41	-7.6	-3.8
Oil / Barrel	72.44	67.88	70.77	4.3	16.4

Source: Bloomberg as at June 30, 2007

E. Equity Market Valuations – June, 2007 (%chg)							
	BISX	DJIA	**S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225
1 month	1.46	-1.61	-1.14	-0.20	-0.80	1.58	1.47
3 month	1.64	2.65	1.81	2.46	1.59	8.08	4.24
YTD	8.29	7.59	5.16	6.22	9.26	21.38	5.30
12-month	19.49	20.25	17.39	13.28	21.93	40.89	16.98

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	5.25	5.55	3.82
1 Month	5.28	5.62	4.00
3 Month	5.30	5.76	4.09
6 Month	5.34	5.91	4.22
9 Month	5.34	6.02	4.35
1 year	5.36	6.12	4.34

Source: Bloomberg, as at June 30, 2007

SUMMARY ACCOUNTS OF THE CENTRAL BANK

(B\$ Millions)

	VALUE											CHANGE						
	May. 02	May. 09	May. 16	May. 23	May. 30	Jun. 06	Jun. 13	Jun. 20	Jun. 27	May. 02	May. 09	May. 16	May. 23	May. 30	Jun. 06	Jun. 13	Jun. 20	Jun. 27
I. External Reserves	653.84	681.69	673.66	694.63	690.83	697.28	688.03	683.96	666.55	-16.01	27.85	-8.03	20.97	-3.80	6.44	-9.24	-4.08	-17.41
II. Net Domestic Assets (A + B + C + D)	15.09	42.43	29.67	31.93	33.24	10.95	14.49	23.50	43.33	-57.44	27.34	-12.76	2.27	1.31	-22.29	3.54	9.01	19.83
A. Net Credit to Gov¹(i + ii + iii - iv)	154.92	169.30	168.15	169.31	166.40	167.49	167.86	166.79	168.16	-51.12	14.38	-1.15	1.16	-2.91	1.09	0.37	-1.07	1.37
i) Advances	71.99	71.99	71.99	71.99	71.99	71.99	71.99	71.99	71.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Registered Stock	90.30	105.61	105.45	105.51	103.87	104.35	104.30	104.26	104.95	-0.28	15.30	-0.15	0.05	-1.64	0.48	-0.05	-0.04	0.69
iii) Treasury Bills	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-50.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iv) Deposits	7.37	8.30	9.29	8.19	9.45	8.85	8.43	9.46	8.78	0.67	0.93	1.00	-1.11	1.27	-0.60	-0.42	1.03	-0.67
B. Rest of Public Sector (Net) (i + ii - iii)	-29.98	-17.12	-33.11	-32.74	-30.54	-52.66	-49.01	-38.83	-21.61	-2.24	12.86	-15.99	0.37	2.20	-22.12	3.65	10.18	17.21
i) BDB Loans	6.89	6.89	6.89	6.89	6.89	6.89	6.89	6.89	6.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) BMC Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii) Deposits	36.86	24.00	39.99	39.63	37.43	59.54	55.90	45.71	28.50	2.24	-12.86	15.99	-0.37	-2.20	22.12	-3.65	-10.18	-17.21
C. Loans to/Deposits with Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. Other Items (Net)*	-109.85	-109.75	-105.38	-104.63	-102.62	-103.88	-104.36	-104.47	-103.21	-4.08	0.10	4.38	0.74	2.01	-1.25	-0.48	-0.11	1.25
III. Monetary Base	668.93	724.12	703.33	726.56	724.07	708.23	702.52	707.45	709.88	-73.45	55.19	-20.79	23.23	-2.49	-15.84	-5.71	4.93	2.42
A. Currency in Circulation	287.37	281.46	283.77	275.23	289.18	292.83	285.52	277.07	286.70	5.99	-5.91	2.31	-8.54	13.95	3.65	-7.31	-8.45	9.63
B. Bank Balances with CBOB	381.57	442.66	419.56	451.33	434.89	415.40	417.01	430.39	423.18	-79.43	61.10	-23.10	31.77	-16.44	-19.49	1.61	13.38	-7.21

* Excludes capital, provisions and surplus account, fixed and other assets, and other demand liabilities of Bank

FISCAL/REAL SECTOR INDICATORS

(\$5 MILLIONS)

(% change represents current month from previous month)

	JUL		AUG		SEP		OCT		NOV		DEC		JAN		FEB		MAR		APR		MAY		YEAR TO DATE			
	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007		
Fiscal Operations:																										
1. Government Revenue & Grants % change	90.6 -29.02%	106.1 -18.87%	94.7 4.52%	106.7 0.59%	86.6 -8.53%	114.1 6.87%	79.9 -7.74%	79.4 -30.44%	103.0 28.90%	103.0 28.90%	115.7 45.83%	90.6 -22.02%	104.0 -10.10%	111.1 22.07%	123.3 18.53%	102.0 -8.88%	113.3 -1.87%	98.1 -3.86%	115.4 -6.47%	109.2 11.30%	108.2 -0.77%	105.6 -6.77%	113.0 3.50%	126.7 20.01%	1078.7 18.88%	1210.4 12.21%
2. Import Duties % change	34.3 -38.60%	37.8 -21.90%	37.4 8.92%	46.3 22.49%	32.7 -12.58%	34.4 -25.70%	31.5 -3.54%	38.0 10.66%	42.4 34.38%	42.4 34.38%	43.4 14.11%	31.8 -24.83%	36.4 -16.04%	45.1 41.50%	40.9 12.22%	41.3 -8.30%	44.2 20.79%	42.5 2.90%	36.6 -10.51%	36.9 -13.12%	44.3 0.31%	44.4 20.21%	45.1 1.00%	420.3 16.73%	447.5 6.47%	
3. Recurrent Expenditure % change	84.7 24.68%	89.6 1.56%	91.6 8.11%	93.1 -6.57%	84.5 -7.75%	90.7 -2.60%	93.1 10.16%	103.3 13.90%	98.0 5.20%	98.0 5.20%	111.1 7.02%	95.2 -2.88%	85.3 -23.23%	98.7 3.66%	124.7 46.23%	96.2 -2.46%	110.0 9.32%	94.7 -1.60%	100.6 -19.36%	91.1 -3.76%	106.8 -2.80%	94.3 3.49%	91.7 -14.19%	1022.3 9.44%	1116.9 9.25%	
4. Capital Expenditure % change	5.5 -57.45%	5.6 -82.87%	6.0 9.66%	11.7 110.65%	14.9 147.60%	13.0 11.04%	7.4 -50.53%	11.3 -13.19%	6.8 -7.83%	6.8 -7.83%	10.3 -8.47%	9.4 38.13%	13.6 31.92%	6.6 -29.79%	11.1 -18.90%	11.3 71.90%	11.3 71.90%	13.4 18.02%	15.5 40.34%	7.3 -45.06%	18.3 91.13%	12.0 63.62%	12.1 -33.64%	100.6 74.41%	132.0 31.19%	
5. Deficit/Supplus* % change	0.3 -99.30%	-0.8 -97.27%	-4.0 -1417.11%	1.1 -250.13%	-16.6 314.11%	3.2 165.51%	-24.5 -47.54%	-41.8 -1394.15%	-5.6 -76.65%	-5.6 -76.65%	-8.6 -79.53%	-20.6 265.24%	-3.4 -60.14%	0.0 -99.99%	-20.2 -492.23%	-9.4 -469.230.00%	-4.8 -76.08%	-15.4 64.02%	-4.8 64.02%	4.9 -131.74%	4.9 -131.74%	-23.3 107.30%	2.0 -58.48%	18.3 -178.85%	-88.8 -36.30%	-91.4 2.84%

	JAN		FEB		MAR		APR		MAY	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
Debt: **										
6. Total Debt % change	2,309.2 3.31%	2,386.5 0.13%	2,310.0 0.03%	2,376.5 -0.42%	2,289.9 -0.87%	2,427.2 2.13%	2,290.3 0.02%	2,415.3 -0.49%	2,316.5 1.14%	2,437.2 0.91%
7. External Debt % change	286.5 0.67%	292.8 1.27%	287.3 0.27%	292.8 -0.03%	287.2 -0.02%	293.5 0.25%	285.9 -0.48%	268.0 -8.68%	285.9 0.00%	269.6 0.59%
8. Internal F/C Debt % change	0.0 -100.00%	1.6 0.00%	0.0 0.00%	1.6 0.00%	0.0 0.00%	0.0 0.00%	2.3 -57.17%	0.7 0.00%	2.5 0.00%	0.7 0.00%
9. Bahamian Dollar Debt % change	2,022.7 3.80%	2,092.1 -0.02%	2,022.7 0.00%	2,082.1 -0.48%	2,002.7 -0.99%	2,132.1 2.40%	2,002.2 -0.02%	2,146.6 0.68%	2,028.1 1.25%	2,166.9 0.94%
10. Total Amortization % change	1.0 -90.12%	0.5 -50.94%	0.1 -92.16%	10.1 1915.69%	20.6 2616.94%	0.7 -93.29%	1.9 -90.88%	32.9 4773.78%	26.6 1317.33%	25.0 -24.06%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
11. Total Public Sector F/C Debt	547.1 -37.10%	630.2 -0.04%	547.9 -13.06%	628.4 14.69%	570.4 4.11%	625.3 9.63%	569.4 -0.18%	557.8 -2.03%	599.3 5.23%	557.3 -7.00%														

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		YEAR TO DATE	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
Real Sector Indicators																								
12. Retail Price Index % change	117.8 -0.10%	121.2 0.51%	117.8 -0.01%	121.42 0.16%	117.8 0.02%	121.5 0.04%	118.9 1.0%	121.7 0.2%	119.6 0.6%	122.1 0.3%	119.8 0.2%	122.3 0.2%												
13. Tourist arrivals (000's) % change: over previous year	388.4 -6.74%	397.3 2.31%	393.8 -5.64%	376.7 -4.35%	503.5 -1.85%	500.0 -0.70%	496.9 0.21%	423.2 -14.8%	404.7 -0.22%	359.5 -11.2%														
14. Air arrivals (000's) % change: over previous year	109.8 5.64%	103.4 -5.83%	128.7 2.47%	118.1 -8.22%	171.6 3.79%	168.0 -2.08%	159.3 9.58%	144.0 -9.6%	138.4 1.24%	126.5 -8.6%														
15. Occupied Room Nights % change: over previous year																								
16. Res. Mortgage Commitments-New Const. % change: over previous YTD																								

* Includes Net Lending to Public Corporations

** Debt figures pertain to central government only unless otherwise indicated

P - provisional
Annual/FYTD Retail Price data are averages.