Quarterly Economic Review

March, 2013

Vol. 22, No. 1

The Quarterly Economic Review is a publication of The Central Bank of The Bahamas, prepared by The Research Department for issue in March, June, September and December. It replaces the former Quarterly Review which was last published for March 1992. All correspondence pertaining to the Economic Review should be addressed to:

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QUARTERLY ECONOMIC REVIEW

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Review of Economic and Financial developments

Domestic Economic Developments

Preliminary indications are that domestic economic activity was relatively subdued during the first quarter of 2013, as tourism output softened due to a decline in the high-value added stopover segment of the market and slowed growth in sea visitors. In a modest offset, foreign investment-led projects sustained gains in construction output; however, domestic building activity remained relatively weak. Although complete prices data is not available for the March quarter, general market trends suggest that consumer price inflation remained relatively benign, reflecting the downward trajectory in international oil prices.

In fiscal sector developments, the overall deficit deteriorated during the third quarter of FY2012/13, occasioned by a tax-led reduction in revenue and broad-based increases in expenditures. Deficit financing was sourced mainly through three Treasury bill issues, and to a lesser extent, project-based external loan drawdowns.

Monetary conditions featured continued expansion in bank liquidity, as the weakness in economic activity constrained private sector demand, and lending conditions remained tight amid elevated loan arrears. However, with increased demand for foreign currency to meet current payments, and softness in inflows from real sector activities, external reserves contracted over the quarter. Although there was a modest improvement in credit quality, banks increased their provisions against loan losses, resulting in a decline in overall profitability.

Provisional external sector data for the first quarter showed a reduction in the current account deficit relative to last year, as the merchandise trade deficit contracted, and the services account surplus improved modestly. In contrast, the capital and financial account surplus narrowed, owing to a falloff in foreign loan financing inflows and an increase in domestic banks' net short-term outflows, which outstripped a rise in direct investments.

Fiscal Operations

Overview

Government's overall deficit for the third quarter of FY2012/13 deteriorated by 54.2% ($40.4 million) to $115.1 million, reflecting a 4.2% ($18.3 million) expansion in aggregate spending to $457.2 million, alongside a 6.1% ($22.1 million) decline in total revenue to $342.1 million.

Revenue

Tax revenues—which constituted the bulk (92.0%) of total receipts—fell by 4.5% ($14.9 million) to $314.8 million, led by a 7.9% ($12.7 million) contraction in taxes on international trade & transactions, which was mainly associated with timing-related declines in import and excise tax receipts, by 8.3% and 8.0%, respectively. Property taxes were also lower by 27.4% ($9.0 million) at $23.7 million and business & professional license fees, by 4.1% ($2.2 million) at $53.0 million. Smaller declines were noted for motor vehicle taxes, by 9.2% ($0.8 million) to $7.9 million, and selective taxes on services, by 5.3% ($0.7 million) to $13.1 million, as the lower yield from the hotel occupancy component offset the gain from gaming taxes. However, departure taxes firmed by 14.1% ($3.9 million) to $31.6 million.

Non-tax inflows—at 8.0% of total revenue—contracted by 21.2% ($7.3 million) to $27.2 million, as income from "other" sources (inclusive of interest, dividends and rent) fell by $9.1 million to $2.3 million, following the prior period's extra-ordinary gain from the receipt of deferred interest payments. In contrast, collections of fines, forfeits & administration fees rose by 4.5% ($1.0 million) to $23.4 million and revenue from the sale of Government property was marginally higher at $0.7 million.

Government Revenue By Source (Jan. - Mar.)				
	FY11/12		FY12/13	
	B$M	%	B$M	%
Property Tax	32.7	9.0	23.7	6.9
Selective Services Tax	13.8	3.8	13.1	3.8
Busines. & Prof Lic. Fees	55.2	15.2	53.0	15.5
Motor Vehicle Tax	8.6	2.4	7.9	2.3
Departure Tax	27.7	7.6	31.6	9.2
Import Duties	85.5	23.5	78.4	22.9
Stamp Tax from Imports	5.1	1.4	4.9	1.4
Excise Tax	66.6	18.3	61.2	17.9
Export Tax	3.6	1.0	3.5	1.0
Stamp Tax from Exports	--	--	--	--
Other Stamp Tax	39.0	10.7	38.4	11.2
Other Tax Revenue	3.5	1.0	0.5	0.1
Fines, Forfeits, etc.	22.3	6.1	23.4	6.8
Sales of Govt. Property	0.5	0.1	0.7	0.2
Income	11.6	3.2	3.1	0.9
Other Non-Tax Rev.	--	--	--	--
Capital Revenue		--	--	--
Grants	--	--	--	--
Less:Refunds	11.7	3.2	1.4	0.4
Total	364.2	100.0	341.9	100.0

Expenditure

Growth in spending was broadly-based, with the dominant current outlays higher by 2.9% ($10.9 million) at $385.7 million. Capital expenditures grew by 10.6% ($5.7 million) to $59.1 million, and budgetary support to public corporations rose by 17.1% ($1.8 million) to $12.4 million.

By economic classification, the expansion in current outlays largely reflected gains in transfer payments, by 6.4% ($9.0 million) to $150.6 million, linked to a 28.6% ($11.9 million) hike in interest payments to $53.4 million. Conversely, the larger subsidies and other transfers component declined by 2.8% ($2.8 million) to $97.2 million, dominated by a nearly 70.0% ($4.6 million) falloff in transfers to the public corporations and a 29.3% ($1.2 million) contraction in those to non-financial public enterprises, which outstripped modest gains in the other categories. Consumption spending grew slightly by 0.8% ($1.8 million) to $235.2 million, explained by a 4.1% ($5.8 million) increase in wages & salaries, which negated the 4.2% ($3.9 million) reduction in goods and services purchases.

On a functional basis, the hike in recurrent spending was associated with a 5.6% ($3.6 million) increase in education expenditure, to $66.5 million, alongside a 7.1% ($2.2 million) upturn in outlays for social benefits & services, to $32.5 million. Gains were also recorded for defense and housing, by 6.5% ($0.8 million) and 7.8% ($0.1 million) to $13.0 million and $0.7 million, respectively. However, outlays for economic services were scaled back by 5.0% ($2.4 million), linked to a 10.6% ($2.8 million) reduction in disbursements for tourism, which outpaced the 33.5% ($1.5 million) gain in transportation expenditure. In addition, spending for general public service declined by 4.7% ($5.1 million) to $102.7 million.

Capital expenditure growth was driven largely by a nearly two-fold increase in asset purchases, by $4.3 million to $9.5 million, associated with defense-related acquisitions. Buoyed by higher outlays for infrastructure projects, capital formation expanded by 3.8% ($1.8 million), whereas transfers to non-financial public enterprises declined by just over one-half to $0.4 million.

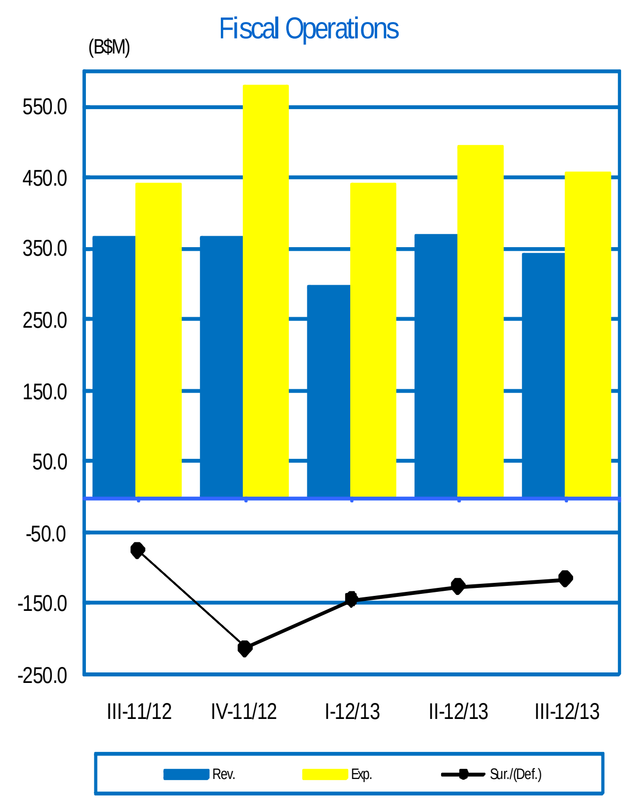
Financing and the National Debt

The Government mainly utilized short-term debt instruments to finance its deficit during the third quarter of FY2012/13. Of the $192.9 million in overall borrowings, approximately $180.0 million was obtained via three Treasury bill issues, while an additional $12.9 million was secured from drawings on existing project-related external loans. Debt repayments totaled $62.0 million, the majority of which (96.8%) went towards retiring local currency obligations.

The Direct Charge on the Government firmed by 3.0% ($130.9 million) on a quarterly basis, and by 17.4% ($671.6 million) year-on-year, to $4,525.5 million at end-March, 2013. The Bahamian dollar component represented a dominant 76.8% of the Direct Charge, and was held mainly by commercial banks (36.7%), private investors (29.3%) and public corporations (20.4%), while the Central Bank and Other Local Financial Institutions accounted for smaller shares of 13.3% and 0.3%, respectively. By type of instrument, Government securities constituted the majority of local currency debt, at 81.7%, with the average age of maturity approximating 11.0

years. Next were Treasury bills, at 15.2% and loans & advances at 3.1%.

Over the quarter, the Government's contingent liabilities fell marginally by 0.6% ($3.3 million) to $593.3 million. As a consequence, the National Debt rose by 2.6% ($127.6 million) over the quarter, and surged by 16.0% ($704.6 million) year-on-year, to $5,118.8 million, at end-March.



Public Sector Foreign Currency Debt

Public sector foreign currency debt was slightly higher, by 0.3% ($6.2 million) to $1,873.7 million for the first quarter, as new drawings of $14.2 million outweighed amortization payments of $8.0 million. The Government's component, at 55.9% of the total, rose slightly by 1.1% ($10.9 million) to $1,048.2 million, to outstrip the 0.6% ($4.7 million) reduction in the public corporations' obligations to $825.5 million.

In comparison to the first quarter of 2012, total debt service payments increased by 57.7% ($8.6 million) to $23.5 million, as the Government recorded an almost four-fold hike in repayments to $8.9 million, and the public corporations' component firmed by $1.9 million (15.3%) to $14.6 million. Consequently, both the debt service ratio and debt service as a proportion of total Government revenue, increased by 0.9 and 2.0 percentage points, respectively, to 2.6% each.

The largest holders of foreign currency debt were non-resident investors (such as international financial institutions and insurance firms) and private capital markets, which accounted for an estimated 34.4% and 32.0% of the total, respectively. Smaller shares were held by commercial banks (18.0%), multilateral institutions (13.1%) and bilateral organisations (2.5%). At end-March, the average maturity of the outstanding debt stock fell slightly to 15.0 years from 15.4 years at end-December, while the majority of the debt (97.4%) was denominated in US dollars, with Chinese Yuans and euros accounting for much smaller proportions, of 2.4% and 0.2%, respectively.

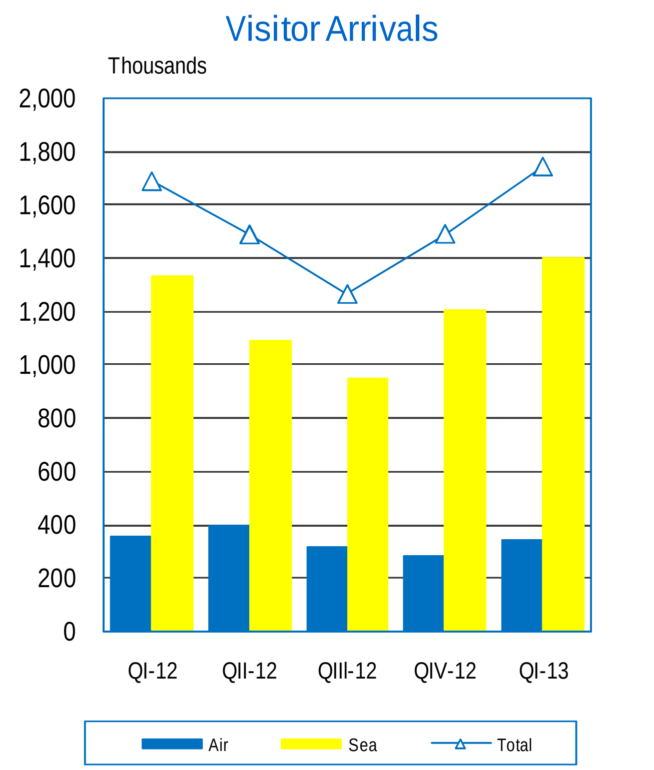
Real Sector

Tourism

Despite benefitting from an early start to the key Easter holiday season, indications are that tourism output slowed during the first quarter, in comparison to the previous year. Weakness in several United States source markets, following the damage caused by the passage of Hurricane Sandy in November 2012, along with generally weak consumer spending conditions, continued to adversely affect the key stopover segment. Consequently, growth in tourist arrivals moderated from last year's 10.7% gain to 3.3%, for a total count of 1.7 million. In particular, the high value-added air segment contracted by 3.4%, in contrast to the prior year's 11.2% expansion, while growth in sea arrivals tapered to 5.1% from 10.5%.

In terms of the major ports of entry, visitors to New Providence advanced by 9.8% to approximately 1.0 million, slightly below the previous year's 11.8% gain, as the 15.6% rise in sea visitors offset the 3.7% decline in the air component. Arrivals to the Grand Bahama market contracted by 5.8% to 0.2 million, a turnaround from the year-earlier 3.6% improvement, occasioned by reductions in both the air (19.1%) and sea (3.6%) segment. Similarly, total arrivals to the Family Islands decreased by 3.8%

to 0.5 million, vis-á-vis an 11.9% hike a year-earlier, as the 5.0% drop in the dominant sea arrivals offset the 8.4% improvement in air visitors.



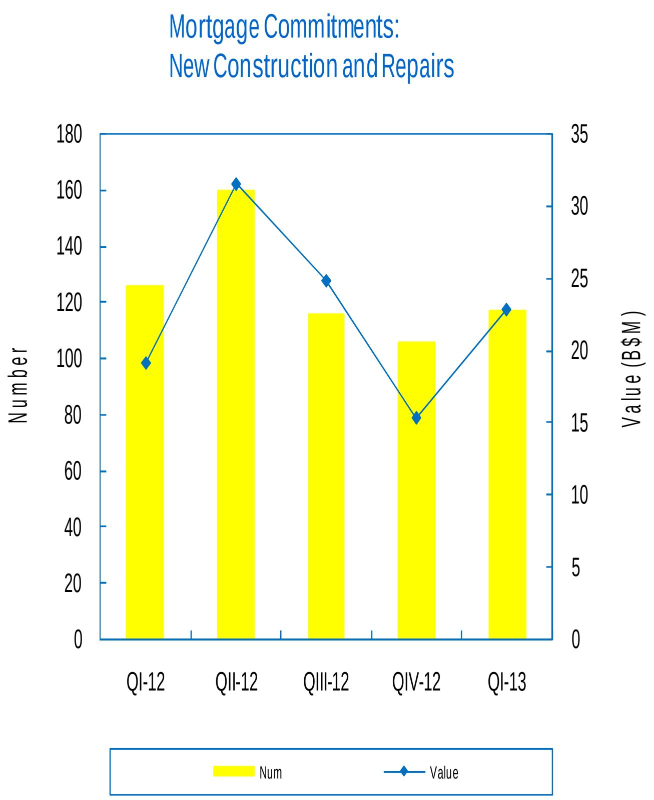
Provisional data from the industry's sample of large hotels in New Providence and Paradise Island showed that total room revenues fell by 1.9%, relative to the corresponding period a year ago. This was linked to a broad-based drop in the average occupancy rate, of 3.2 percentage points to 68.0%, as one significant property reported a 25% - 30% decline in room inventory in February. In a modest offset, the average daily room rate (ADR) firmed by 6.3% to $270.74, with four-fifths of the firms surveyed reporting higher rates.

CONSTRUCTION

Construction sector developments during the first quarter continued to be dominated by large-scale foreign investments—specifically the multi-billion dollar Baha Mar project—and to a lesser extent, public sector infrastructure works. In contrast, domestic housing activity remained well below pre-recession levels, amid the ongoing weakness in private sector demand.

On the domestic side, total mortgage disbursements for new construction and repairs—as reported by commercial banks, insurance companies and the Bahamas Mortgage Corporation—decreased further by 22.5% ($6.2 million) to $21.3 million, following the prior year's 32.4% ($13.1 million) contraction. The larger residential component fell by 20.2% ($5.4 million), after 2012's one-third decrease, while no disbursements were recorded for the commercial segment, vis-á-vis a modest $0.2 million increase last year to $0.8 million.

Indications are that the weakness in the domestic housing market will persist over the near-term, as mortgage commitments for new buildings and repairs—a forward looking indicator—declined in number, by 7.1% (9) to 117, although the corresponding value firmed by 19.1% ($3.7 million) to $22.8 million. Specifically, the dominant residential segment contracted in number by 7.3% (9) to 115, with the value higher by $3.6 million (19.0%) at $22.6 million. Commercial loan approvals were unchanged in number at 2, with a marginal rise in value to $0.2 million.



Lending conditions during the first quarter reported an easing in the average interest rate on commercial mortgages, by 60 basis points to 8.2%, while the corresponding residential rate increased slightly by 10 basis points to 8.2%.

Prices

Indications are that consumer price inflation remained relatively subdued, benefitting from the softening in international oil prices. The feed through to domestic energy prices was evidenced in declines in the average prices of gasoline and diesel, by 2.0% and 0.6%, to $5.35 and $5.25 per gallon, over the quarter; however, on an annualized basis, both gasoline and diesel prices rose marginally by 0.4% and 0.6%, respectively. The Bahamas Electricity Corporation's fuel charge also fell on both a quarterly and year-on-year basis, by 2.9% and 1.8%, respectively, to 25.53 cents per kilowatt hour (kWh).

Retail Price Index

(Annual % Changes)
February

Items	Weight	2012 Index	2012 %	2013 Index	2013 %
Food & Non-Alcoholic Beverages	120.4	104.3	2.9	105.2	0.8
Alcohol, Tobacco & Narcotics	6.4	103.7	2.0	105.2	1.5
Clothing & Footwear	37.76	100.2	1.1	101.3	1.1
Housing, Water, Gas, Electricity	334.83	105.8	3.2	107.1	1.2
Furn. & Household, Maintenance	64.26	105.8	2.3	106.1	0.2
Health	44.5	103.5	0.9	105.4	1.9
Transportation	119.13	110.9	3.9	112.0	0.9
Communication	41.19	100.8	0.6	95.6	-5.2
Rec., & Culture	22.73	102.0	-1.4	101.3	-0.7
Education	30.05	106.1	2.5	107.4	1.2
Restaurant & Hotels	38.24	104.5	2.2	109.0	4.2
Misc. Goods & Svcs.	140.52	101.5	1.5	101.8	0.3
ALL ITEMS	1000	104.93	2.5	105.75	0.8

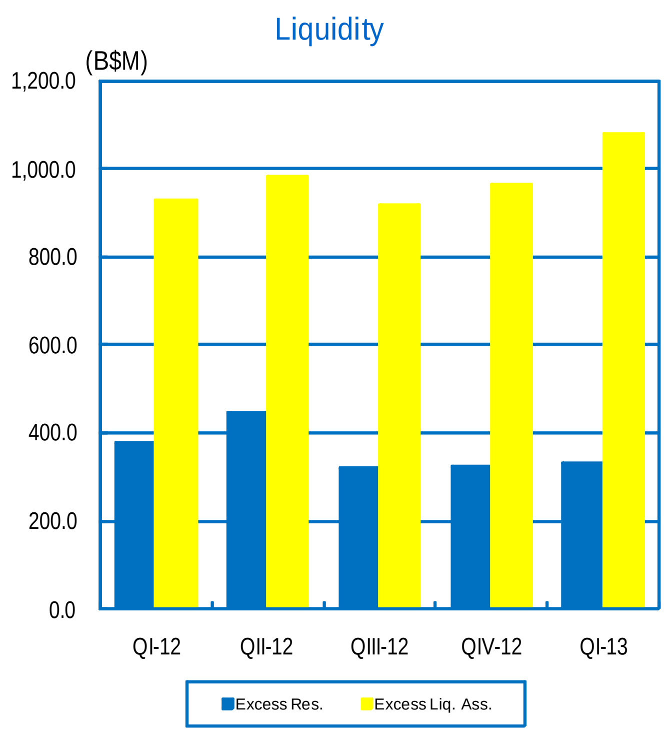
Money, Credit and Interest Rates

Overview

Amid ongoing weakness in private sector credit demand, liquidity in the banking sector continued its upward trajectory over the review quarter, whereas the softness in real sector inflows necessitated a drawdown in external reserves to facilitate current payments. Reflecting a combination of seasonal factors and debt restructuring measures, credit quality indicators improved modestly over the three-month period; however, banks retained their cautious approach to loan arrears by boosting their provisions against loan losses, which negatively impacted profitability levels.

Liquidity

Banks' net free cash reserves grew marginally by $8.3 million (2.6%) to $331.1 million during the first quarter, not materially different from the $6.2 million increase in the same period of 2012. As a percentage of total Bahamian dollar deposits, free cash balances softened to 5.4% at end-March, from 6.2% in 2012.



Further, buoyed by increased holdings of short-term Government debt, the broader surplus liquid assets surged by $113.1 million (11.7%) to a record $1,080.2 million, vis-à-vis a $34.9 million advance a year-earlier. As a result, surplus liquid assets were 109.3% above the statutory minimum, up from 95.2% in the corresponding 2012 period.

Deposits & Money

Growth in the overall money supply (M3) of $125.0 million (2.0%) to $6,428.7 million, outpaced last year's gain of $119.4 million (1.9%). Following 2012's $51.9 million (3.6%) advance, the expansion in narrow money (M1) leveled off to $16.0 million (1.0%), reflecting reduced growth in both currency in circulation and demand deposits. In contrast, accretions to broad money (M2) accelerated to $91.4 million (1.5%), from $63.8 million (1.0%) in the prior period, supported by a private sector-led $22.7 million (2.1%) gain in savings deposits and the $52.7 million (1.5%) hike in fixed balances. The build-up in foreign currency deposits tapered to $33.7 million (15.6%) from 2012's $55.6 million (27.0%) increase, as private sector placements rose more slowly by $34.9 million (18.0%) and public sector deposits contracted by $1.3 million (6.0%).

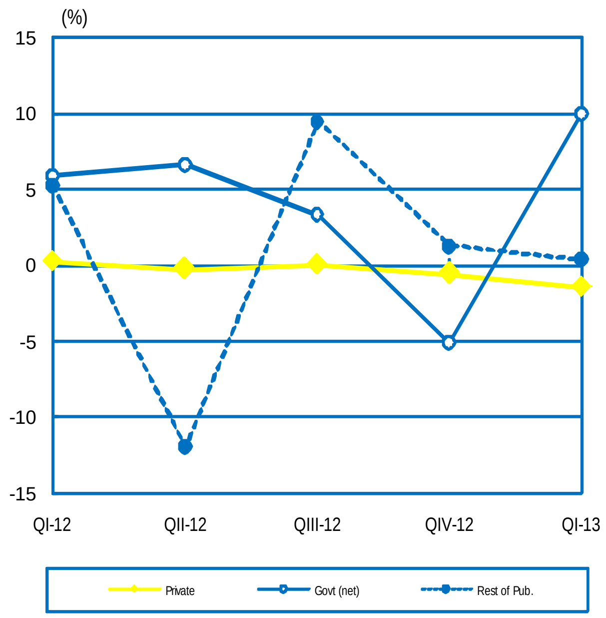
By category, the largest proportion of the overall money stock was held in fixed balances, at 54.4% of the total, followed by the demand (21.4%) and savings (17.0%) components. In addition, foreign currency balances and currency in circulation accounted for smaller shares, of 3.9% and 3.3%, respectively.

Domestic Credit

During the first quarter of 2013, total domestic credit increased by $68.8 million (0.8%), nearly halving the $129.6 million (1.5%) gain in the comparative 2012 period. Bahamian dollar credit, at 92.0% of total claims, grew by $100.1 million (1.3%), which was in line with the previous year's expansion. However, a reduction in a local utility company's outstanding liabilities led to the foreign currency component contracting by $31.4 million (4.3%), a reversal from a $28.6 million (4.0%) expansion in the prior period.

In sectoral trends, Government's net indebtedness rose by $159.1 million (10.0%), outpacing the $85.6 million (5.9%) increase in 2012, whereas growth in claims on the public corporations slackened to $1.9 million (0.4%) from $23.8 million (5.4%) a year ago. Reflecting the challenging business and employment conditions, credit to the private sector contracted by $92.3 million (1.4%), a reversal from the modest $20.2 million (0.3%) increase a year earlier. The reduction was broad-based across both the Bahamian and foreign currency components, which fell by $61.0 million (1.0%) and $31.3 million (8.1%), respectively. Bahamian dollar personal loans—which accounted for 74.0% of the total—decreased by $16.5 million (0.3%), compared to the prior period's $4.2 million (0.1%) contraction, as consumer loans and overdrafts were lower by $18.7 million (0.9%) and $7.3 million (7.7%), respectively, eclipsing the $9.4 million (0.3%) gain in residential mortgages.

Changes in Credit



A disaggregated analysis of consumer lending revealed reductions in the majority of loan categories, with the largest fall-offs registered for credit cards ($7.7 million) and land purchases ($4.1 million). Decreases were also noted for debt consolidation ($2.0 million), travel ($1.7 million), education ($1.1 million) and private cars ($1.1 million). The remaining categories, inclusive of loans for "miscellaneous" purposes, furnishings & domestic appliances, medical, taxis & rented cars and commercial vehicles, declined by less than $1.0 million; however, lending for home improvement firmed marginally by $0.9 million.

Net repayments were recorded for most of the remaining categories of private sector credit. Loans for "miscellaneous" purposes, construction, distribution and tourism fell by $38.8 million, $16.3 million, $6.3 million, and $5.7 million respectively. Declines were also noted for professional and other services ($3.3 million), private financial institutions ($2.6 million), entertainment & catering ($2.1 million) and fisheries ($1.2 million). In contrast, marginal accretions of less than $0.5 million were recorded for manufacturing, agriculture, transport and mining & quarrying.

Distribution of Bank Credit By Sector
End-March

	2012		2013	
	B$M	%	B$M	%
Agriculture	13.8	0.2	14.5	0.2
Fisheries	6.7	0.1	7.2	0.1
Mining & Quarry	2.6	0.0	2.3	0.0
Manufacturing	41.3	0.6	42.0	0.6
Distribution	174.1	2.4	209.8	3.0
Tourism	66.0	0.9	59.6	0.9
Enter. & Catering	66.2	0.9	62.1	0.9
Transport	34.9	0.5	42.2	0.6
Construction	433.2	6.0	405.9	5.8
Government	189.3	2.6	147.6	2.1
Public Corps.	348.7	4.8	340.4	4.9
Private Financial	14.9	0.2	15.9	0.2
Prof. & Other Ser.	128.6	1.8	112.7	1.6
Personal	5,185.2	72.1	5,189.2	74.0
Miscellaneous	485.8	6.8	359.3	5.1
TOTAL	7,191.2	100.0	7,010.8	100.0

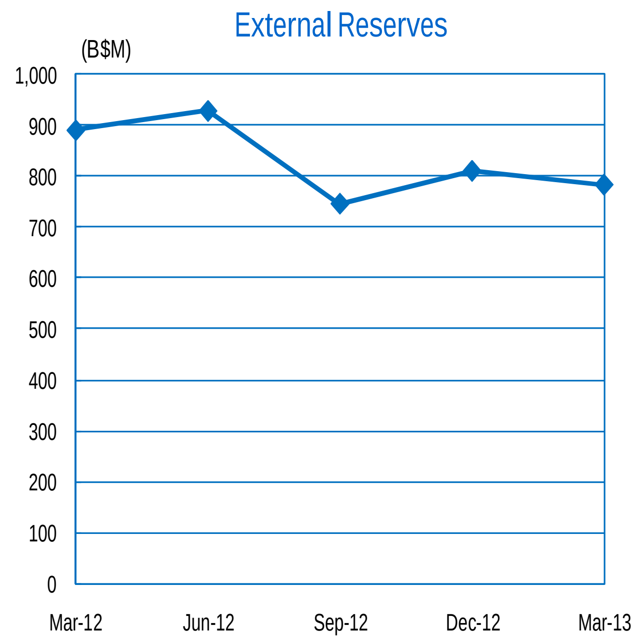
MORTGAGES

Aggregate data reported by banks, insurance companies and the Bahamas Mortgage Corporation, showed that the stock of outstanding mortgages contracted by $1.5 million (0.05%) to $3,278.1 million, a turnaround from 2012's $3.3 million (0.1%) expansion. Underpinning the decline in the outstanding stock, commercial mortgages—which accounted for 5.8% of the total—fell by $9.9 million (4.9%), reversing last year's $2.7 million (1.4%) growth. In contrast, the main residential component (at 94.2% of total) expanded by $8.4 million (0.3%), following 2012's slight $0.6 million (0.02%) gain. At end-March, approximately 89.0% of the outstanding mortgages were held by domestic banks, with insurance companies and the Bahamas Mortgage Corporation having 5.9% and 5.1%, respectively.

THE CENTRAL BANK

Reflecting increased holdings of Treasury bills, the Central Bank's net claim on the Government expanded by $43.8 million (11.1%) to $438.5 million, more than double the prior year's $15.7 million (5.4%) gain. Similarly, liabilities to commercial banks rose by $21.2 million (3.1%) to $701.2 million, after a $4.5 million (0.7%) upturn a year earlier, on account of higher deposit placements. In contrast, due to a decline in deposit balances, the Bank's net liabilities to the rest of the public sector contracted by $4.5 million (49.4%) to $4.6 million, a turnaround from 2012's $7.6 million advance.

External reserves declined by $27.0 million (3.3%) to $783.2 million at end-March, after posting a gain of $5.2 million (0.6%) a year earlier. In underlying transactions, the Bank's net sale strengthened to $29.9 million from a mere $0.6 million, as the net purchase from commercial banks was more than halved to $48.5 million. In a modest offset, the net purchase from the Government increased by $9.6 million to $14.4 million, due to drawdowns of existing external loan facilities, and the net sale to public corporations—primarily for fuel purchases—fell by $11.1 million to $92.8 million.



At end-March, 2013, the stock of external reserves was equivalent to an estimated 16.8 weeks of non-oil merchandise imports, down from 17.9 weeks in the first quarter of 2012. After adjusting for the 50% statutory requirement on the Central Bank's Bahamian dollar deposit liabilities, "useable" reserves fell sharply by $124.3 million (28.9%), year-on-year, to $306.5 million.

Domestic Banks

Commercial banks' lending continued to be underpinned by growth in net credit to the Government, which expanded by $115.3 million (9.6%) over the three-month review period, up from $69.9 million (6.1%) in the corresponding quarter of 2012. This was somewhat offset by the slowdown in credit expansion to public corporations, to $1.9 million (0.4%) from $23.8 million (5.4%). In contrast, the private sector's outstanding debt obligations decreased by $92.3 million (1.4%), a turnaround from last year's rise of $20.2 million (0.3%). After a $23.0 million (3.8%) reduction a year-earlier, commercial banks' foreign liabilities declined by an additional $84.8 million (14.1%), reflecting a foreign currency loan repayment by a local utility.

Over the quarter, banks' deposit liabilities—inclusive of Government's balances—grew by $128.2 million (2.1%) to $6,335.9 million, after the prior year's $106.2 million (1.7%) expansion. Underlying this outturn was a relatively stable $123.3 million (2.2%) increase in private sector deposits and a $6.0 million (1.5%) rebound in public corporations balances, after a $16.9 million (3.8%) decline a year ago. In contrast, deposits of the Government fell by $1.1 million (0.8%), vis-à-vis an increase of $1.0 million (0.9%) last year.

At end-March, the bulk of banks' liabilities (96.0%) was denominated in local currency, while United States dollars and other "miscellaneous" currencies comprised the remaining 3.9% and 0.1%, respectively. By depositor categories, some 53.7% of the total related to private individuals, followed by business firms with 30.2%. Much smaller shares were held by public corporations (5.4%), private financial institutions (4.2%), other "miscellaneous" entities (3.4%), the Government (2.2%) and public financial institutions (0.9%).

In terms of deposit categories, fixed balances comprised the majority of the total (58.3%), followed by demand (23.7%) and savings deposits (18.0%). By range of value and number of accounts, the majority of Bahamian dollar deposit accounts (89.2%), had balances of less than $10,000 and represented 6.6% of the total value. Deposits ranging between $10,000 and $50,000 totaled 7.2% in number and 10.9% in value, while accounts over $50,000 constituted a minimal 3.6% of the total number, but a substantial 82.5% of the aggregate value.

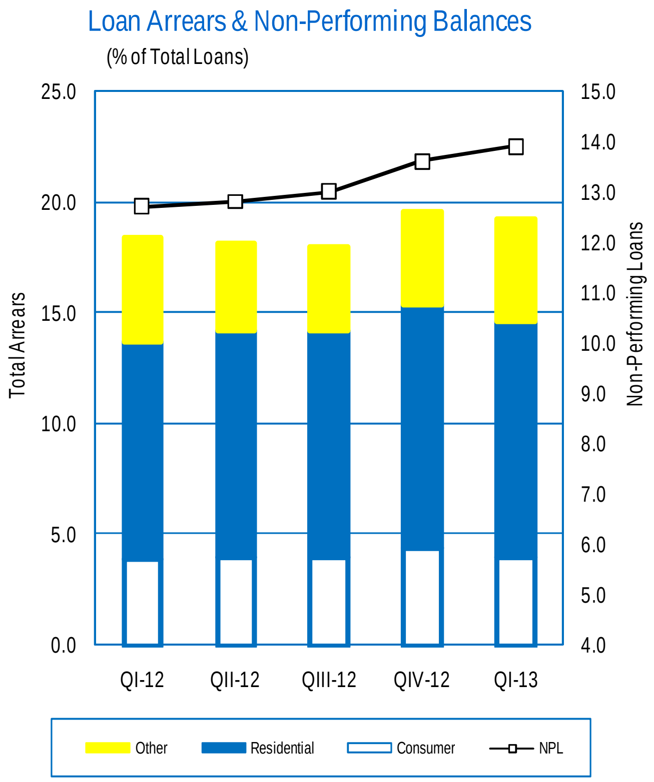
Credit Quality

Reflecting in part seasonal factors, as well as banks' ongoing debt restructuring and loan write-off activities, total private sector loan arrears contracted by $33.5 million (2.7%) during the quarter and by $24.6 million (2.1%) over the previous year to $1,217.0 million. Arrears as a percentage of private sector loans fell by 36 basis points and 70 basis points, on a quarterly and annual basis, respectively, to 19.7%.

Assessed by loan type, the decline in total arrears was driven by reductions in the consumer and mortgage segments, which outpaced the expansion in the commercial component. Specifically, consumer loan arrears decreased by $27.4 million (9.8%) to $252.9 million, and the corresponding loan statistic fell by 110 basis points quarter-on-quarter, but increased by 25 basis points year-on-year, to 12.3%. The largest component, mortgage delinquencies, which accounted for 55.3% of the total, contracted by $27.1 million (3.9%) to $672.4 million, for a 88 basis point quarterly reduction in the attendant loan ratio to 21.7%; however, on an annual basis, the loan arrears ratio rose by 1.0 percentage point. In a modest offset, commercial loan delinquencies firmed by 2.58 and 0.84 percentage points over the quarter and year, respectively, to 28.2%.

Disaggregated by average age, the contraction in total arrears was solely attributed to the $43.3 million (11.3%) reduction in short-term delinquencies to $339.7 million, and as a percentage of total loans, the ratio moved lower during both the quarter and year, by 64 and 41 basis points, respectively, to 5.5%. Based on gains in the commercial and mortgage segments, non-performing loans—arrears in excess of 90 days past due and on which banks have stopped accruing interest—deteriorated by $9.7 million (1.1%) to $877.3 million, representing 29 and 111 basis point increases on a quarterly and annual basis to 14.2% of total loans.

Despite the reduction in arrears, commercial banks sustained their conservative posture during the quarter, increasing their level of provisioning against bad debts by $27.5 million (7.4%) to $400.3 million, which was in line with the year earlier level. As a result, the ratio of provisions to total loans rose by 46 basis points to 6.3% and also firmed against both arrears and non-performing loans, by 3.1 and 2.7 percentage points, to 32.9% and 45.6%, respectively.

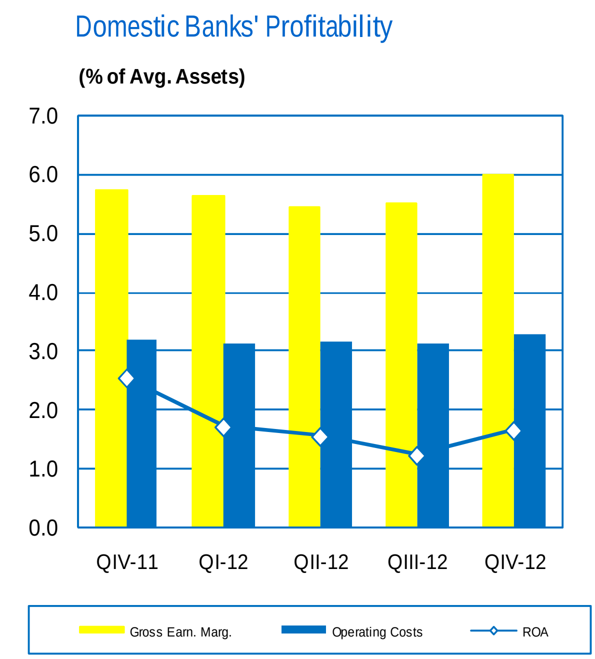


BANK PROFITABILITY

Banks' net income fell by over one-third, to $39.7 million during the final quarter of 2012—the latest data available—owing mainly to growth in provisions for bad debts. The net interest margin expanded by $8.8 million (6.8%) to $138.2 million, due to a $7.3 million (18.4%) decline in interest expense, as the build-up in deposits led to further easing in rates, combined with a $1.6 million (0.9%) uptick in interest income. In a modest offset, commission and forex revenues were lower by $0.1 million (1.9%) at $5.9 million; however, the gross earnings margin still widened by $8.7 million (6.4%) to $144.4 million.

Operating costs rose by $3.4 million (4.5%) to $78.5 million, underpinned by a $2.6 million (9.8%) hike in "miscellaneous" operating outlays and a $0.9 million (13.3%) increase in occupancy costs, which overshadowed a marginal $0.2 million (0.4%) decrease in staff-related expenses. Losses from non-core activities escalated from a mere $0.1 million in 2012 to $25.9 million during the current period, primarily attributed to growth in bad debt provisions of $20.9 million. A more modest increase was registered for depreciation costs ($1.5 million), while "miscellaneous" income was reduced by $3.4 million.

Profitability ratio indicators—as a percentage of average assets—were mixed over the quarter. Specifically, the interest margin rose by 27 basis points to 5.74%, while the commission & forex income ratio decreased slightly to 0.25%, resulting in a 26 basis point hike in the gross earning margin to 5.99%. The net earnings margin also moved upwards, although by a reduced 18 basis points to 2.72%, reflecting an increase in the operating cost ratio, by 9 basis points to 3.26%. In contrast, worsening losses from non-core operations elevated the fall-off in the net income ratio, by 89 basis points to 1.65%.



Interest Rates

During the first quarter, commercial banks' weighted average interest rate spread narrowed by 28 basis points to 8.99%, as the average lending rate fell by 18 basis points to 10.91% and the average deposit rate firmed marginally by 9 basis points to 1.92%.

In terms of deposits, rates on fixed balances moved upwards and tightened from a range of 1.43% - 2.58% to 1.48% - 2.59%. Conversely, the average rate on demand and savings deposits fell by 4 and 14 basis points, to 0.29% and 1.11%, respectively.

Broad-based declines were noted among average lending rates, which receded for commercial mortgages, by 34 basis points to 8.06%, and for overdraft and consumer loan rates, by 30 and 11 basis points, to 9.07% and 13.55%, respectively. In a modest offset, the average residential mortgage rate increased by 11 basis points to 7.51%.

With regard to other key interest rates, the average 90 day Treasury bill rate moved lower by 11 basis points to 0.17%, as liquidity levels remained elevated. The Central Bank's Discount rate and commercial banks' Prime lending rate were unchanged, at 4.50% and 4.75%, respectively.

Banking Sector Interest Rates
Period Average (%)

	Qtr. I 2012	Qtr. IV 2012	Qtr. I 2013
Deposit Rates			
Demand Deposits	0.69	0.33	0.30
Savings Deposits	1.88	1.25	1.11
Fixed Deposits			
Up to 3 months	1.71	1.43	1.48
Up to 6 months	2.08	1.72	1.63
Up to 12 months	2.69	2.30	2.59
Over 12 months	2.96	2.58	2.49
Weighted Avg Deposit Rate	2.23	1.83	1.92
Lending Rates			
Residential mortgages	7.58	7.40	7.51
Commercial mortgages	8.09	8.40	8.06
Consumer loans	12.82	13.66	13.55
Other Local Loans	8.04	8.29	7.58
Overdrafts	9.36	9.36	9.07
Weighted Avg Loan Rate	10.25	11.10	10.91

Capital Markets Developments

Reflecting in part the challenging economic conditions, domestic equity market activity remained relatively subdued over the review quarter, as the volume of shares traded fell by 7.2% to 0.6 thousand, and the corresponding value declined by $0.4 million to $3.2 million. However, buoyed by a general increase in share prices, the Bahamas International Securities Exchange (BISX) All Share Index rose by 3.2% to 1,389.8, a turnaround from the 4.1% reduction in the same period of 2012, and mildly positive gains increased market capitalisation to $2,878.0 million, a turnaround from a 6.3% contraction in the prior period. Further, the number of publicly traded securities declined by 2 to 25.

International Trade and Payments

Provisional data for the first quarter of 2013 showed that the current account deficit narrowed by $188.0 million (54.7%) to $155.5 million, vis-à-vis the corresponding period a year ago, occasioned by a decrease in the merchandise trade deficit and an expansion in the services account surplus. In contrast, preliminary indications are that the capital and financial account surplus fell sharply by $140.2 million (82.0%) to $30.8 million during the review period, underpinned in large part by a decline in domestic banks' short-term foreign liabilities and private loan financing, which overshadowed an increase in direct investment inflows.

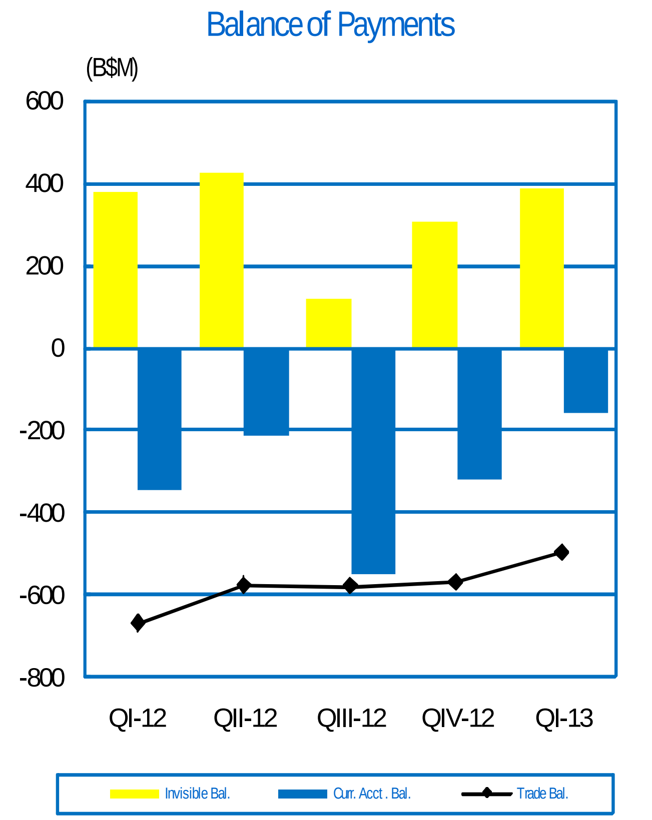
The estimated merchandise trade deficit fell by $173.2 million (25.8%) to $498.2 million, largely influenced by a $167.0 million (18.4%) contraction in imports to $740.6 million, along with a modest $6.2 million (2.6%) gain in exports to $242.4 million. In particular, net non-oil merchandise payments fell by $161.6 million (30.7%) to $365.7 million, back to trend levels following the 53.4% surge in the prior period, associated with increased imports of foreign investment-related goods. Similarly, reflecting a combination of lower import volumes and average costs, fuel purchases contracted by $18.1 million (7.8%) to $248.6 million. The most significant average decrease was registered for propane, by 21.9% to $57.94 per barrel, followed by respective declines for aviation gas, motor gas and gas oil, of 9.2% 5.1% and 0.2% to

$156.05, $127.84 and $133.47 per barrel. Jet fuel posted the single average price advance, up 35.8% to $188.91 per barrel.

The surplus on the services account widened by $7.2 million (1.9%) to $386.8 million, as decreased outlays for air and sea freight services reduced net transportation outflows, by $14.8 million (19.6%) to $61.0 million, while local sea & airport charges were reversed to an outflow of $1.1 million from a net receipt of $3.3 million in 2012. More modest declines in net payments were recorded for construction services (by $16.0 million to $74.3 million), reinsurance (by $12.3 million to $32.6 million) and other "miscellaneous" services (by $4.2 million to $74.8 million), while the net inflow for Government services was marginally higher at $9.9 million. Reflecting the softness in the tourism sector, net travel receipts fell by $22.7 million (3.6%) to $600.7 million, and offshore companies' local expenses narrowed by $15.7 million (39.2%) to $24.4 million. Further, net royalty and license fees rose modestly by $2.2 million to $5.6 million.

The income account deficit narrowed by $7.3 million (12.9%) to $49.1 million. This reflected mainly a $6.8 million (15.5%) decrease in investment income outflows to $37.0 million, as private companies' interest and dividends payments contracted by $13.1 million (27.9%) to $33.9 million. The latter was associated solely with a reduction in non-banks' profit repatriations, by $13.2 million (23.7%) to $42.5 million, while commercial banks' net inflows steadied at $8.6 million. Net labour income remittances were relatively stable at $12.1 million and, in a modest offset, official transactions reversed from a net inflow of $3.2 million in 2012 to a net outflow of $3.1 million. This was attributed to a $6.0 million rise in Government's net interest disbursements, to $6.9 million, and a $0.3 million decrease in the Central Bank's investment income to $3.9 million.

Net current transfer inflows were slightly higher at $5.1 million, as the $2.7 million (8.6%) increase in net payments to the Government to $34.8 million, was offset by the $2.5 million (9.2%) gain in private sector net outflows to $29.7 million. In particular, worker remittances firmed by $3.7 million, whereas other "miscellaneous" net transfer outflows fell by $1.2 million.



The reduction in the capital and financial account surplus was primarily attributed to a reversal in net other "miscellaneous" investment transactions, to a net outflow of $57.2 million from a net inflow of $129.6 million in 2012. Domestic banks' net short-term repayments firmed by $61.8 million to $84.8 million, while private sector loan financing contracted by $116.8 million to $16.2 million. Additionally, public corporations' capital inflows decreased by $9.8 million to a mere $0.4 million; while net inflows for the Government firmed modestly by $1.6 million to $10.9 million. Net outward portfolio investments advanced to $9.2 million from $6.3 million in 2012, as $3.0 million in equity investments were recorded versus negligible levels a year ago, and debt securities steadied at $6.3 million. In contrast, direct investment inflows more than doubled, to $101.4 million from $49.3 million last year, supported mainly by a $39.7 million expansion in real estate purchases to $40.6 million, and an increase in equity investments by $12.3 million to $60.8 million. Net capital transfers were also higher by $2.5 million at $4.2 million.

As a result of these developments, and after adjusting for net errors and omissions, the overall balance—which corresponds to the change in the Central Bank's external reserves—declined by $27.0 million, a reversal from a small increase of $5.2 million in 2012.

International Economic Developments

Preliminary indications are that the global economy maintained its mildly positive growth momentum over the first quarter, buoyed by relatively robust expansions in Asia and steady, although modest, gains in the United States market. However, Europe's economic malaise continued to be a drag on global growth, owing to recessionary conditions in several countries. Against this backdrop, unemployment rates stayed elevated and inflationary pressures eased, amid weak consumer demand and lower oil prices, while central banks either maintained or enhanced their monetary stimulus measures, in an effort to support growth in their respective economies.

In the United States, real GDP growth accelerated to 2.5% during the first quarter from a slight 0.4% increase in the prior three-month period, when severe weather conditions temporarily disrupted operations at a number of major economic centres. In terms of the components, gains were recorded for personal consumption expenditure, private inventory investment, and residential fixed investment. Similarly, buoyed by an uptick in household spending, output in the United Kingdom firmed marginally by 0.3%, mirroring the contraction in the prior period. In contrast, the euro area remained weak, as declines in German and French output—the two largest members—led to an overall 0.2% contraction in real GDP, following a 0.6% reduction in the fourth quarter. Economic developments varied in Asia, with China's rate of growth easing to 7.7% from 7.9% in the previous quarter; however, accretions to real GDP in Japan quickened by 2.8 percentage points to 4.0%, buttressed by expansions in consumer spending and exports, which overshadowed the advance in imports.

Indicative of the uneven, and still tentative pace of the global recovery, labour market conditions remained challenging among most of the leading economies. In the United States, the unemployment rate decreased marginally by 0.1 of a percentage point to 7.5% at end-March, as non-farm payrolls expanded by 618,000 during the quarter, amid gains in the professional services and construction industries. However, an uplift of 15,000 in the number of unemployed persons led to the quarterly jobless rate in the United Kingdom firming marginally to 7.8%. Similarly, the euro area's unemployment rate grew by 20 basis points to a record 12.0%, as the number of persons actively looking for work advanced by 1.3 million, with countries such as Spain and Greece—two of the worse affected economies—sustaining jobless rates in excess of 25%. In contrast, employment conditions in Asia remained robust, with the unemployment rates in Japan and China stabilising at 4.2% and 4.1%, respectively.

Amid signs of softness in consumer demand, and a downward trend in fuel costs, inflation rates narrowed in most of the major economies. In the United States, domestic consumer price gains slowed by 20 basis points to 1.5%, reflecting a reduction in energy costs and a moderation in the growth of food prices. However, inflation firmed slightly by 10 basis points to 2.8% in the United Kingdom, due mainly to higher housing utilities, fuel and transport costs, which offset declines in clothing and footwear prices. Broad-based easing in inflation rates was evidenced throughout the euro area, with accretions to average costs slowing by 30 basis points to 2.2%. China's year-on-year inflation rate narrowed from 2.5% at end-December 2012 to 2.1% at end-March, while Japan's deflationary environment persisted, as average consumer prices fell further by 0.6%, after a 0.2% contraction in the prior period.

In currency market developments, the US dollar appreciated relative to most of the major currencies over the period. In Europe, concerns over the implications of Cyprus' fiscal bailout package for other European economies, sparked a rally in the dollar against the British Pound (by 6.9% to £0.66), the Swiss Franc (by 3.7% to CHF0.95) and the euro (by 2.9% to €0.78). The Canadian currency also fell against the dollar, by 2.6% to CDN$1.02. In contrast, the Asian currency market saw the Chinese Renminbi firming slightly by 0.3% to CNY6.17, vis-à-vis the dollar; but a weakening of the Japanese Yen, by 8.6% to ¥94.21, in response to the implementation of the new Government's stimulus measures, aimed at improving the country's competitiveness.

Broad-based gains were recorded in most of the leading stock exchanges, underlined mainly by domestic factors. Buoyed by higher than expected corporate profits and investor optimism over the state of the economic recovery, the United State's Dow Jones Industrial Average (DJIA) and the S&P500 rallied by 11.3% and 9.6%, respectively. Similarly, in Europe, the successful completion of Cyprus fiscal austerity programme resulted in the United Kingdom's FTSE100, France's CAC40, and Germany's DAX advancing by 8.7%, 2.5%, and 2.4%, respectively. Asia's market developments were mixed, as Japan's new economic stimulus measures supported a 19.3% surge in the Nikkei 225; however, China's SE Composite fell by 1.4%.

Reflecting the softness in consumer spending, declines were registered across most of the major commodity markets over the review quarter. In particular, concerns over the outlook for global growth, particularly in Europe, where Cyprus' debt restructuring in March reignited fears over the spill-over effects of the region's fiscal crisis, led to oil prices decreasing by 1.0% to $109.51 per barrel over the quarter. In the precious metals market, the price of silver contracted by 6.7% to $28.32 per ounce by end-March, and gold costs were lower by 4.7% at $1,597.50 per ounce.

Most major central banks either maintained or broadened their accommodative monetary policy measures over the quarter, in an effort to support their countries' fledging recoveries. In the United States, the Federal Reserve held the federal funds rate at between 0% and ¼% and sustained its "quantitative easing" measures. A similar policy stance was evident in Europe, where both the Bank of England and the European Central Bank held their benchmark rates at historic lows. This contrasts with a more active stance by Asian central banks, as the Bank of Japan announced the establishment of a 2.0% inflation target, as well as an "open ended" asset purchase programme, which would replace its current ¥101 trillion facility by January 2014. Further, as part of its bid to provide liquidity support to financial institutions, the People's Bank of China launched a Standing Lending Facility and Short-term Liquidity Operations, which were employed to manage temporary liquidity fluctuations. The Bank also kept its key interest rates unchanged.

External sector developments were mixed over the review period, as increased domestic demand resulted in a deterioration in the trade balance of some countries, while higher exports buoyed an improvement in others. In the United States, the trade deficit deteriorated by $1.5 billion to $126.9 billion over the December quarter, as the expansion in exports was outpaced by the gain in imports. By comparison, the United Kingdom's trade deficit narrowed by 5.8% to £9.1 billion, owing mainly to an improved export performance, while imports firmed marginally. Depressed domestic demand conditions in the euro area led to a reduction in imports which, when combined with an increase in exports, resulted in a €13.2 billion advance in the trade surplus to €40.5 billion. In contrast, Japan's trade deficit deteriorated by 28.7% to ¥2.8 billion, as import growth outstripped the gain in exports, while a robust expansion in manufacturing exports boosted China's trade surplus by US$11.1 billion to US$43.1 billion.

STATISTICAL APPENDIX

(Tables 1-16)

STATISTICAL APPENDIX

The following symbols and conventions are used throughout this report:

1. n.a. not available
2. -- nil
3. p provisional
4. r revised
5. Due to rounding, the sum of separate items may differ from the total

TABLE 1

FINANCIAL SURVEY

End of Period	2008	2009	2010	2011				2012				2013
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept. R	Dec. R	Mar.
						(B$ Millions)						
Net foreign assets	(140.9)	134.1	152.1	312.0	571.5	382.1	280.8	308.9	356.2	117.6	208.4	266.2
Central Bank	562.9	816.0	860.4	975.1	1076.1	955.6	884.8	890.0	928.0	745.8	810.2	783.2
Domestic Banks	(703.8)	(681.9)	(708.3)	(663.1)	(504.6)	(573.5)	(604.0)	(581.1)	(571.8)	(628.2)	(601.8)	(517.0)
Net domestic assets	6,064.9	5,898.2	6,038.9	5,916.0	5,779.9	5,969.9	6,029.6	6,120.9	6,149.1	6,222.5	6,095.3	6,162.5
Domestic credit	7,909.1	8,039.7	8,448.2	8,302.3	8,213.2	8,415.2	8,536.9	8,666.5	8,698.8	8,797.2	8,685.0	8,753.8
Public sector	1,372.3	1,443.8	1,875.5	1,817.0	1,710.3	1,815.7	1,889.4	1,998.8	2,042.7	2,135.4	2,055.7	2,216.8
Government (net)	924.0	1023.9	1,413.7	1,366.8	1,259.2	1,401.4	1,439.2	1,524.8	1,624.9	1,678.0	1,592.2	1,751.4
Rest of public sector	448.3	419.9	461.8	450.2	451.1	414.3	450.2	474.0	417.8	457.4	463.5	465.4
Private sector	6,536.8	6,595.9	6,572.7	6,485.3	6,502.9	6,599.5	6,647.5	6,667.7	6,656.1	6,661.8	6,629.3	6,537.0
Other items (net)	(1,844.2)	(2,141.5)	(2,409.3)	(2,386.3)	(2,433.3)	(2,445.3)	(2,507.3)	(2,545.6)	(2,549.7)	(2,574.7)	(2,589.7)	(2,591.3)
Monetary liabilities	5,924.0	6,032.3	6,191.1	6,228.0	6,351.4	6,352.0	6,310.4	6,429.8	6,505.3	6,340.1	6,303.7	6,428.7
Money	1,274.5	1,283.6	1,335.2	1,340.0	1,425.7	1,423.9	1,434.8	1,486.7	1,532.8	1,509.8	1,574.9	1,590.9
Currency	205.8	207.8	194.5	194.3	194.1	202.1	196.9	203.5	207.3	208.2	216.5	216.7
Demand deposits	1,068.7	1,075.8	1,140.6	1,145.7	1,231.6	1221.8	1,237.9	1,283.2	1,325.5	1,301.6	1,358.4	1,374.2
Quasi-money	4,649.5	4,748.7	4,855.9	4,888.0	4,925.7	4,928.1	4,875.6	4,943.1	4,972.5	4,830.3	4,728.8	4,837.8
Fixed deposits	3,427.7	3,521.4	3,615.4	3,647.3	3,663.3	3,676.3	3,605.9	3,596.7	3,581.0	3,488.4	3,444.1	3,496.8
Savings deposits	1,020.4	995.4	1,015.8	1,039.9	1,040.0	1,037.5	1,063.7	1,084.8	1,144.8	1,110.2	1,069.0	1,091.7
Foreign currency	201.4	231.9	224.7	200.8	222.4	214.3	206.0	261.6	246.7	231.7	215.7	249.4
						(percentage changes)						
Total domestic credit	6.4	1.7	5.1	(1.7)	(1.1)	2.5	1.4	1.5	0.4	1.1	(1.3)	0.8
Public sector	12.9	5.2	29.9	(3.1)	(5.9)	6.2	4.1	5.8	2.2	4.5	(3.7)	7.8
Government (net)	6.6	10.8	38.1	(3.3)	(7.9)	11.3	2.7	5.9	6.6	3.3	(5.1)	10.0
Rest of public sector	28.4	(6.3)	10.0	(2.5)	0.2	(8.2)	8.7	5.3	(11.9)	9.5	1.3	0.4
Private sector	5.1	0.9	(0.4)	(1.3)	0.3	1.5	0.7	0.3	(0.2)	0.1	(0.5)	(1.4)
Monetary liabilities	5.1	1.8	2.6	0.6	2.0	0.0	(0.7)	1.9	1.2	(2.5)	(0.6)	2.0
Money	(2.0)	0.7	4.0	0.4	6.4	(0.1)	0.8	3.6	3.1	(1.5)	4.3	1.0
Currency	(8.0)	1.0	(6.4)	(0.1)	(0.1)	4.1	(2.6)	3.3	1.9	0.4	4.0	0.1
Demand deposits	(0.7)	0.7	6.0	0.4	7.5	(0.8)	1.3	3.7	3.3	(1.8)	4.4	1.2
Quasi-money	7.2	2.1	2.3	0.7	0.8	0.0	(1.1)	1.4	0.6	(2.9)	(2.1)	2.3

Source: The Central Bank of The Bahamas

TABLE 2

MONETARY SURVEY

End of Period	2008	2009	2010	2011				2012				2013
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.[R]	Dec.[R]	Mar.
							(B$ Millions)					
Net foreign assets	(123.6)	167.3	113.9	266.4	516.9	385.2	287.5	304.3	362.6	119.4	214.2	272.6
Central Bank	562.9	816.0	860.4	975.1	1076.1	955.6	884.8	890.0	928.0	745.8	810.2	783.2
Commercial banks	(686.5)	(648.7)	(746.6)	(708.7)	(559.2)	(570.4)	(597.3)	(585.7)	(565.4)	(626.4)	(596.0)	(510.6)
Net domestic assets	6,018.5	5,832.9	6,040.6	5,919.4	5,793.2	5,924.9	5,978.9	6,054.3	6,086.5	6,168.5	6,034.8	6,105.6
Domestic credit	7,882.7	8,000.0	8,417.1	8,273.2	8,187.4	8,389.4	8,509.0	8,637.2	8,669.0	8,767.5	8,655.5	8,726.4
Public sector	1,369.3	1,428.3	1,861.0	1,802.2	1,702.2	1,806.7	1,879.5	1,986.7	2,030.1	2,122.5	2,042.8	2,203.9
Government (net)	921.0	1,008.4	1,404.6	1,357.4	1,251.2	1,392.9	1,429.8	1,513.2	1,612.7	1,665.7	1,579.9	1,739.0
Rest of public sector	448.3	419.9	456.4	444.8	451.0	413.8	449.7	473.5	417.3	456.8	462.9	464.9
Private sector	6,513.4	6,571.7	6,556.1	6,470.9	6,485.2	6,582.6	6,629.5	6,650.4	6,638.9	6,645.0	6,612.7	6,522.5
Other items (net)	(1,864.2)	(2,167.1)	(2,376.5)	(2,353.8)	(2,394.2)	(2,464.5)	(2,530.1)	(2,582.9)	(2,582.5)	(2,599.0)	(2,620.7)	(2,620.8)
Monetary liabilities	5,894.9	6,000.2	6,154.6	6,185.8	6,310.1	6,308.6	6,266.4	6,358.6	6,449.1	6,287.9	6,249.0	6,378.2
Money	1,257.6	1,261.9	1,314.7	1,316.4	1,401.5	1,398.4	1,408.2	1,448.9	1,496.8	1,485.3	1,541.9	1,562.0
Currency	205.8	207.8	194.5	194.3	194.1	202.1	196.9	203.5	207.3	208.2	216.5	216.7
Demand deposits	1,051.8	1,054.1	1,120.2	1,122.1	1,207.4	1,196.3	1,211.3	1,245.5	1,289.5	1,277.1	1,325.4	1,345.3
Quasi-money	4,637.3	4,738.3	4,839.8	4,869.4	4,908.6	4,910.2	4,858.2	4,909.7	4,952.3	4,802.6	4,707.1	4,816.3
Savings deposits	1,020.2	995.3	1,015.8	1,039.9	1,040.0	1,037.5	1,063.7	1,084.8	1,144.7	1,110.1	1,069.0	1,091.6
Fixed deposits	3,415.8	3,511.1	3,601.8	3,632.1	3,649.4	3,660.6	3,592.3	3,580.7	3,567.3	3,476.5	3,428.4	3,481.0
Foreign currency deposits	201.3	231.9	222.2	197.4	219.2	212.1	202.2	244.2	240.3	216.0	209.7	243.7
							(percentage change)					
Total domestic credit	6.5	1.5	5.2	(1.7)	(1.0)	2.5	1.4	1.5	0.4	1.1	(1.3)	0.8
Public sector	12.9	4.3	30.3	(3.2)	(5.6)	6.1	4.0	5.7	2.2	4.6	(3.8)	7.9
Government (net)	6.6	9.5	39.3	(3.4)	(7.8)	11.3	2.6	5.8	6.6	3.3	(5.2)	10.1
Rest of public sector	28.4	(6.3)	8.7	(2.5)	1.4	(8.2)	8.7	5.3	(11.9)	9.5	1.3	0.4
Private sector	5.2	0.9	(0.2)	(1.3)	0.2	1.5	0.7	0.3	(0.2)	0.1	(0.5)	(1.4)
Monetary liabilities	5.2	1.8	2.6	0.5	2.0	(0.0)	(0.7)	1.5	1.4	(2.5)	(0.6)	2.1
Money	(1.7)	0.3	4.2	0.1	6.5	(0.2)	0.7	2.9	3.3	(0.8)	3.8	1.3
Currency	(8.0)	1.0	(6.4)	(0.1)	(0.1)	4.1	(2.6)	3.3	1.9	0.4	4.0	0.1
Demand deposits	(0.3)	0.2	6.3	0.2	7.6	(0.9)	1.3	2.8	3.5	(1.0)	3.8	1.5
Quasi-money	7.2	2.2	2.1	0.6	0.8	0.0	(1.1)	1.1	0.9	(3.0)	(2.0)	2.3

Source: The Central Bank of The Bahamas

TABLE 3

CENTRAL BANK BALANCE SHEET

(B$ Millions)

End of Period	2008	2009	2010	2011				2012				2013
				Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec. [R]	Mar.
Net foreign assets	562.9	816.0	860.4	975.1	1,076.1	955.6	884.8	890.0	928.0	745.8	810.2	783.2
Balances with banks abroad	205.8	270.9	175.2	265.7	298.5	183.2	115.0	124.1	164.9	5.4	216.5	200.7
Foreign securities	347.4	356.2	499.7	518.5	584.9	584.4	585.0	579.4	580.4	554.8	555.7	545.4
Reserve position in the Fund	9.6	9.8	9.6	9.9	10.0	9.8	9.6	9.7	9.5	9.6	9.6	9.4
SDR holdings	0.1	179.1	175.9	181.0	182.7	178.2	175.2	176.8	173.2	176.0	28.4	27.7
Net domestic assets	76.9	73.3	156.7	148.4	111.9	179.9	187.4	194.9	218.0	249.4	280.1	323.7
Net claims on Government	198.8	182.1	259.8	244.6	213.8	282.7	289.2	304.9	328.3	357.1	394.7	438.6
Claims	202.9	202.8	274.3	261.7	222.2	291.3	300.8	315.8	333.5	368.5	404.8	460.7
Treasury bills	6.3	--	--	--	--	19.9	26.2	20.0	21.5	63.5	129.6	187.0
Bahamas registered stock	124.6	105.8	162.3	149.7	148.2	160.9	164.0	165.2	174.3	169.4	169.5	168.0
Loans and advances	72.0	97.0	112.0	112.0	74.0	110.6	110.6	130.6	137.7	135.6	105.7	105.7
Deposits	(4.1)	(20.7)	(14.5)	(17.0)	(8.4)	(8.6)	(11.6)	(10.9)	(5.2)	(11.4)	(10.1)	(22.1)
In local currency	(4.1)	(20.7)	(14.5)	(17.0)	(8.4)	(8.6)	(11.6)	(10.9)	(5.2)	(11.4)	(10.1)	(22.1)
In foreign currency	--	--	--	--	--	--	--	--	--	--	--	--
Deposits of rest of public sector	(10.4)	(15.8)	(15.4)	(7.5)	(9.4)	(10.4)	(7.1)	(14.8)	(12.9)	(10.6)	(14.7)	(10.3)
Credit to commercial banks	--	--	--	--	--	--	--	--	--	--	--	--
Official capital and surplus	(125.9)	(140.5)	(132.0)	(133.6)	(134.9)	(136.6)	(139.2)	(140.5)	(141.1)	(142.0)	(139.3)	(143.0)
Net unclassified assets	7.1	40.5	38.0	38.5	36.0	37.9	38.4	39.2	37.8	39.0	33.7	32.8
Loans to rest of public sector	6.5	6.2	5.6	5.6	5.6	5.4	5.2	5.2	5.0	5.0	4.8	4.8
Public Corp Bonds/Securities	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Liabilities To Domestic Banks	(439.0)	(486.5)	(631.0)	(731.9)	(794.8)	(739.1)	(684.3)	(688.8)	(749.9)	(595.1)	(682.6)	(703.7)
Notes and coins	(117.6)	(111.8)	(113.2)	(84.5)	(85.7)	(79.7)	(126.9)	(80.6)	(83.5)	(86.7)	(127.4)	(95.6)
Deposits	(321.4)	(374.7)	(517.8)	(647.4)	(709.1)	(659.4)	(557.4)	(608.2)	(666.4)	(508.4)	(555.2)	(608.1)
SDR allocation	(15.8)	(195.0)	(191.6)	(197.3)	(199.1)	(194.3)	(191.0)	(192.7)	(188.8)	(191.9)	(191.2)	(186.5)
Currency held by the private sector	(205.8)	(207.8)	(194.5)	(194.3)	(194.1)	(202.1)	(196.9)	(203.5)	(207.3)	(208.2)	(216.5)	(216.7)

Source: The Central Bank of The Bahamas

TABLE 4

DOMESTIC BANKS BALANCE SHEET

(B$ Millions)

End of Period	2008	2009	2010	2011				2012				2013
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept. [R]	Dec. [R]	Mar.
Net foreign assets	(703.8)	(681.9)	(705.8)	(663.1)	(504.6)	(573.5)	(604.0)	(581.1)	(571.8)	(628.2)	(601.8)	(517.0)
Net claims on Central Bank	439.9	487.4	631.9	733.1	795.7	739.9	687.0	689.8	753.8	596.5	690.7	705.3
Notes and Coins	117.6	111.8	113.2	84.5	85.7	79.7	126.9	80.6	83.5	86.7	127.4	95.6
Balances	322.3	375.6	518.7	648.6	710.0	660.2	560.1	609.2	670.3	509.8	563.3	609.8
Less Central Bank credit	--	--	--	--	--	--	--	--	--	--	--	--
Net domestic assets	5,534.1	5,564.4	5,567.7	5,465.3	5,346.5	5,510.7	5,579.5	5,675.9	5,679.5	5,748.1	5,586.9	5,610.8
Net claims on Government	725.2	843.0	1,152.3	1,122.2	1,045.4	1,118.6	1,150.0	1,219.9	1,296.6	1,320.9	1,197.5	1,312.8
Treasury bills	180.2	214.0	293.7	294.8	253.3	281.6	275.4	301.6	321.6	274.6	219.3	342.1
Other securities	533.5	704.6	799.6	799.4	772.9	811.1	847.6	848.7	840.7	965.5	961.1	957.2
Loans and advances	145.8	76.5	180.3	148.0	141.0	143.4	145.7	189.3	253.8	207.3	152.4	147.6
Less: deposits	134.3	152.1	121.3	120.1	121.8	117.5	118.7	119.7	119.5	126.5	135.3	134.1
Net claims on rest of public sector	3.4	(25.7)	(31.9)	(47.2)	(66.2)	(54.4)	0.4	41.2	(11.5)	46.6	61.2	57.1
Securities	97.5	107.0	115.6	115.6	114.6	115.1	117.4	119.4	119.4	119.4	119.4	119.4
Loans and advances	343.6	305.9	339.8	328.2	330.1	293.0	326.8	348.7	292.6	332.1	338.4	340.4
Less: deposits	437.7	438.6	487.3	491.0	510.9	462.5	443.8	426.9	423.5	404.9	396.6	402.7
Other net claims	(0.1)	(8.1)	(3.4)	(10.1)	(38.2)	(21.2)	5.5	(19.3)	(14.6)	(4.6)	(15.7)	(13.5)
Credit to the private sector	6,536.8	6,595.9	6,572.7	6,485.3	6,502.9	6,599.5	6,647.6	6,667.6	6,656.1	6,661.9	6,629.3	6,537.0
Securities	28.8	27.2	17.4	16.0	12.8	14.8	16.4	14.4	14.3	14.0	14.1	14.2
Mortgages	2,819.7	2,949.6	3,192.4	3,218.6	3,218.9	3,226.1	3,227.6	3,232.9	3,255.1	3,275.8	3,275.4	3,273.7
Loans and advances	3,688.3	3,619.1	3,363.0	3,250.7	3,271.2	3,358.6	3,403.6	3,420.3	3,386.7	3,372.1	3,339.8	3,249.1
Private capital and surplus	(1,864.6)	(2,033.0)	(2,281.9)	(2,254.5)	(2,295.3)	(2,305.7)	(2,357.8)	(2,419.6)	(2,436.1)	(2,473.5)	(2,535.2)	(2,515.7)
Net unclassified assets	133.4	192.3	159.9	169.7	197.9	173.9	133.8	186.1	189.0	196.8	249.8	233.1
Liabilities to private sector	5,270.2	5,370.0	5,493.7	5,535.3	5,637.5	5,677.1	5,662.5	5,784.6	5,861.5	5,716.4	5,675.8	5,799.1
Demand deposits	1,150.2	1,204.2	1,249.6	1,237.1	1,307.2	1,302.4	1,325.6	1,410.6	1,442.3	1,406.7	1,442.7	1,493.9
Savings deposits	1,024.1	1,003.5	1,017.8	1,042.7	1,043.5	1,040.5	1,067.1	1,088.0	1,148.1	1,114.1	1,074.1	1,096.8
Fixed deposits	3,095.9	3162.3	3,226.3	3,255.5	3,286.8	3,334.2	3,269.8	3,285.9	3,271.1	3,195.6	3,159.0	3,208.4

Source: The Central Bank of The Bahamas

TABLE 5

PROFIT AND LOSS ACCOUNTS OF BANKS IN THE BAHAMAS*

(B$'000s)

Period	2008	2009	2010	2011 Qtr. I	2011 Qtr. II	2011 Qtr. III	2011 Qtr. IV	2012 Qtr. I	2012 Qtr. II	2012 Qtr. III	2012 Qtr. IV
1. Interest Income	760,159	728,878	742,174	186,517	182,266	164,729	168,979	168,204	165,179	163,140	170,532
2. Interest Expense	278,219	244,468	225,990	51,951	49,265	45,075	39,658	39,034	37,892	35,607	32,364
3. **Interest Margin (1-2)**	481,940	484,410	516,184	134,566	133,001	119,654	129,321	129,170	127,287	127,533	138,168
4. Commission & Forex Income	32,328	22,005	22,820	5,822	5,685	5,567	6,052	6,224	5,145	5,701	5,935
5. **Gross Earnings Margin (3+4)**	514,268	506,415	539,004	140,388	138,686	125,221	135,373	135,394	132,432	133,234	144,103
6. Staff Costs	148,364	149,222	158,233	39,277	42,611	41,395	41,676	39,136	41,456	40,230	41,526
7. Occupancy Costs	23,409	23,417	23,964	5,743	6,283	7,048	6,712	7,019	7,036	8,081	7,608
8. Other Operating Costs	91,867	87,245	107,051	23,872	26,089	30,424	26,753	28,138	27,582	26,815	29,379
9. **Operating Costs (6+7+8)**	263,640	259,884	289,248	68,892	74,983	78,867	75,141	74,293	76,074	75,126	78,513
10. **Net Earnings Margin (5-9)**	250,628	246,531	249,756	71,496	63,703	46,354	60,232	61,101	56,358	58,108	65,590
11. Depreciation Costs	13,412	14,134	15,238	3,587	3,519	3,777	1,810	3,521	3,469	3,041	3,333
12. Provisions for Bad Debt	82,204	121,092	124,686	23,937	21,056	31,799	24,711	37,789	36,123	48,570	45,616
13. Other Income	120,334	96,990	111,284	22,516	25,854	22,721	26,429	21,124	20,981	23,142	23,037
14. **Other Income (Net) (13-11-12)**	24,718	(38,236)	(28,640)	(5,008)	1,279	(12,855)	(92)	(20,186)	(18,611)	(28,469)	(25,912)
15. **Net Income (10+14)**	275,346	208,295	221,116	66,488	64,982	33,499	60,140	40,915	37,747	29,639	39,678
16. **Effective Interest Rate Spread (%)**	6.51	6.34	6.17	5.88	6.24	6.16	6.28	6.44	6.40	6.44	6.36
					(Ratios To Average Assets)						
Interest Margin	5.39	5.31	5.60	5.69	5.64	5.07	5.47	5.39	5.23	5.27	5.74
Commission & Forex Income	0.36	0.24	0.25	0.25	0.24	0.24	0.26	0.26	0.21	0.24	0.25
Gross Earnings Margin	5.75	5.55	5.84	5.93	5.88	5.30	5.72	5.65	5.45	5.51	5.99
Operating Costs	2.95	2.85	3.14	2.91	3.18	3.34	3.18	3.10	3.13	3.11	3.26
Net Earnings Margin	2.80	2.70	2.71	3.02	2.70	1.96	2.55	2.55	2.32	2.40	2.72
Net Income	3.09	2.28	2.40	2.81	2.75	1.42	2.54	1.71	1.55	1.23	1.65

***Commercial Banks and OLFIs with domestic operations**

Source: The Central Bank of The Bahamas

TABLE 6

MONEY SUPPLY

(B$ Millions)

End of Period	2008	2009	2010	2011				2012				2013
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept. [R]	Dec. [R]	Mar.
Money supply (M1)	1,274.5	1,283.6	1,335.2	1,340.0	1,425.7	1,423.9	1,434.8	1,486.7	1,532.8	1,509.8	1,574.9	1,590.9
1) Currency in active circulation	205.8	207.8	194.5	194.3	194.1	202.1	196.9	203.5	207.3	208.2	216.5	216.7
2) Demand deposits	1,068.7	1,075.8	1,140.6	1,145.7	1,231.6	1,221.8	1,237.9	1,283.2	1,325.5	1,301.6	1,358.4	1,374.2
Central Bank	10.4	15.9	15.4	7.5	9.4	10.4	7.1	14.8	12.9	10.6	14.8	10.3
Domestic Banks	1,058.3	1,059.9	1,125.2	1,138.2	1,222.2	1,211.4	1,230.8	1,268.4	1,312.6	1,291.0	1,343.6	1,363.9
Factors affecting money (M1)												
1) Net credit to Government	924.0	1,023.9	1,413.7	1,366.8	1,259.2	1,401.4	1,439.2	1,524.8	1,624.9	1,678.0	1,592.2	1,751.4
Central Bank	198.8	180.9	261.4	244.6	213.8	282.8	289.2	304.9	328.3	357.1	394.7	438.6
Domestic Banks	725.2	843.0	1,152.3	1,122.2	1,045.4	1,118.6	1,150.0	1,219.9	1,296.6	1,320.9	1,197.5	1,312.8
2) Other credit	6,985.1	7,015.8	7,034.5	6,935.5	6,954.0	7,013.8	7,097.7	7,141.7	7,073.9	7,119.2	7,092.8	7,002.4
Rest of public sector	448.3	419.9	461.8	450.2	451.1	414.3	450.2	474.0	417.8	457.4	463.5	465.4
Private sector	6,536.8	6,595.9	6,572.7	6,485.3	6,502.9	6,599.5	6,647.5	6,667.7	6,656.1	6,661.8	6,629.3	6,537.0
3) External reserves	562.9	816.0	860.4	975.1	1,076.1	955.6	884.8	890.0	928.0	745.8	810.2	783.2
4) Other external liabilities (net)	(703.8)	(681.9)	(708.3)	(663.1)	(504.6)	(573.5)	(604.0)	(581.1)	(571.8)	(628.2)	(601.8)	(517.0)
5) Quasi money	4,649.5	4,748.7	4,855.9	4,888.0	4,925.7	4,928.1	4,875.6	4,943.1	4,972.5	4,830.3	4,728.8	4,837.8
6) Other items (net)	(1,844.2)	(2,141.5)	(2,409.3)	(2,386.3)	(2,433.4)	(2,445.3)	(2,507.3)	(2,545.6)	(2,549.7)	(2,574.7)	(2,589.7)	(2,591.3)

Source: The Central Bank of The Bahamas

TABLE 7

CONSUMER INSTALMENT CREDIT*

(B$' 000)

End of Period	2008	2009	2010	2011				2012				2013
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.	Mar.
CREDIT OUTSTANDING												
Private cars	238,775	206,689	185,044	181,837	182,112	174,192	171,751	169,956	174,077	176,222	177,527	176,465
Taxis & rented cars	1,909	1,832	985	889	794	1,138	910	987	974	1,055	1,081	970
Commercial vehicles	6,111	4,955	3,353	3,214	3,274	3,027	2,510	2,368	2,299	2,213	2,241	2,176
Furnishings & domestic appliances	21,173	19,134	15,126	14,072	13,131	11,610	11,126	10,462	10,297	11,993	12,010	11,621
Travel	49,602	36,369	26,464	24,291	25,543	26,261	25,221	23,832	24,413	27,239	29,492	27,784
Education	57,255	55,227	50,875	49,148	47,050	37,647	35,750	34,230	32,733	35,731	34,544	33,448
Medical	21,435	19,697	16,399	15,773	15,731	15,011	14,409	13,786	13,304	13,247	11,363	11,123
Home Improvements	171,454	163,991	129,860	125,429	121,350	126,413	126,543	122,885	126,732	124,114	127,537	128,389
Land Purchases	246,168	243,696	240,391	240,987	239,710	242,256	239,790	234,789	237,847	233,149	232,752	228,644
Consolidation of debt	594,565	648,024	714,616	734,975	766,315	797,592	820,135	815,617	813,370	804,306	781,518	779,541
Miscellaneous	541,585	515,002	494,961	479,768	476,373	461,332	464,052	483,468	499,683	508,667	501,225	500,285
Credit Cards	294,377	278,749	262,871	253,023	250,021	253,505	251,924	242,294	239,549	242,130	243,745	236,066
TOTAL	2,244,409	2,193,365	2,140,945	2,123,406	2,141,404	2,149,984	2,164,121	2,154,674	2,175,278	2,180,066	2,155,035	2,136,512
NET CREDIT EXTENDED												
Private cars	(9,377)	(32,086)	(21,645)	(3,207)	275	(7,920)	(2,441)	(1,795)	4,121	2,145	1,305	(1,062)
Taxis & rented cars	1	(77)	(847)	(96)	(95)	344	(228)	77	(13)	81	26	(111)
Commercial vehicles	(845)	(1,156)	(1,602)	(139)	60	(247)	(517)	(142)	(69)	(86)	28	(65)
Furnishings & domestic appliances	(1,221)	(2,039)	(4,008)	(1,054)	(941)	(1,521)	(484)	(664)	(165)	1,696	17	(389)
Travel	(1,368)	(13,233)	(9,905)	(2,173)	1,252	718	(1,040)	(1,389)	581	2,826	2,253	(1,708)
Education	2,530	(2,028)	(4,352)	(1,727)	(2,098)	(9,403)	(1,897)	(1,520)	(1,497)	2,998	(1,187)	(1,096)
Medical	915	(1,738)	(3,298)	(626)	(42)	(720)	(602)	(623)	(482)	(57)	(1,884)	(240)
Home Improvements	8,384	(7,463)	(34,131)	(4,431)	(4,079)	5,063	130	(3,658)	3,847	(2,618)	3,423	852
Land Purchases	18,932	(2,472)	(3,305)	596	(1,277)	2,546	(2,466)	(5,001)	3,058	(4,698)	(397)	(4,108)
Consolidation of debt	98,269	53,459	66,592	20,359	31,340	31,277	22,543	(4,518)	(2,247)	(9,064)	(22,788)	(1,977)
Miscellaneous	(17,534)	(26,583)	(20,041)	(15,193)	(3,395)	(15,041)	2,720	19,416	16,215	8,984	(7,442)	(940)
Credit Cards	37,382	(15,628)	(15,878)	(9,848)	(3,002)	3,484	(1,581)	(9,630)	(2,745)	2,581	1,615	(7,679)
TOTAL	136,068	(51,044)	(52,420)	(17,539)	17,998	8,580	14,137	(9,447)	20,604	4,788	(25,031)	(18,523)

Source: The Central Bank of The Bahamas

* Includes both demand and add-on loans

TABLE 8

SELECTED AVERAGE INTEREST RATES

(%)

Period	2010	2011	2012	2011				2012				2013
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I
DOMESTIC BANKS												
Deposit rates												
Savings deposits	1.94	1.75	1.53	1.85	1.89	1.63	1.61	1.88	1.67	1.31	1.25	1.11
Fixed deposits												
Up to 3 months	3.19	2.33	1.60	2.82	2.64	1.97	1.89	1.71	1.71	1.56	1.43	1.48
Up to 6 months	3.56	2.67	1.95	3.31	2.79	2.56	2.01	2.08	2.09	1.89	1.72	1.63
Up to 12 months	3.99	3.24	2.54	3.92	3.54	2.77	2.75	2.69	2.68	2.49	2.30	2.59
Over 12 months	4.04	3.19	2.65	3.89	3.55	2.75	2.59	2.96	2.53	2.52	2.58	2.49
Weighted average rate	3.44	2.64	2.02	3.18	2.90	2.27	2.19	2.23	2.08	1.93	1.83	1.92
Lending rates												
Residential mortgages	8.15	7.77	7.50	8.07	7.94	7.57	7.50	7.58	7.61	7.43	7.40	7.51
Commercial mortgages	8.79	8.37	8.29	8.75	8.57	8.04	8.12	8.09	8.35	8.33	8.40	8.06
Consumer loans	13.21	13.35	13.43	13.51	13.29	13.29	13.32	12.82	13.41	13.84	13.66	13.55
Overdrafts	10.87	10.03	9.81	10.21	10.15	9.94	9.84	9.36	10.61	9.91	9.36	9.07
Weighted average rate	11.05	10.98	10.88	11.18	11.08	11.01	10.64	10.25	10.99	11.18	11.10	10.91
Other rates												
Prime rate	5.50	4.94	4.75	5.50	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75
Treasury bill (90 days)	2.28	1.25	0.20	1.80	1.52	0.96	0.71	0.10	0.32	0.10	0.28	0.17
Treasury bill re-discount rate	2.78	1.75	0.70	2.30	2.02	1.46	1.21	0.60	0.82	0.60	0.78	0.67
Bank rate (discount rate)	5.25	4.69	4.50	5.25	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50

Source: The Central Bank of The Bahamas

TABLE 9

SELECTED CREDIT QUALITY INDICATORS OF DOMESTIC BANKS

Period	2008	2009	2010	2011				2012				2013
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I
Loan Portfolio												
Current Loans (as a % of total loans)	**87.5**	**82.3**	**81.8**	**81.7**	**82.1**	**80.8**	**81.1**	**81.5**	**81.7**	**81.9**	**80.3**	**80.7**
Arrears (% by loan type)												
Consumer	3.9	5.2	4.3	4.2	4.1	4.4	4.2	3.9	4.0	4.0	4.4	4.0
Mortgage	5.9	8.6	9.8	9.8	9.8	10.2	10.1	9.8	10.2	10.2	11.0	10.6
Commercial	2.6	3.8	4.0	4.2	3.9	4.5	4.5	4.7	4.0	3.8	4.3	4.6
Public	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Arrears	**12.5**	**17.7**	**18.2**	**18.3**	**17.9**	**19.2**	**18.9**	**18.5**	**18.3**	**18.1**	**19.7**	**19.3**
Total B$ Loan Portfolio	**100.0**	**100.0**	**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)	**87.5**	**82.3**	**81.8**	**81.7**	**82.1**	**80.8**	**81.1**	**81.5**	**81.7**	**81.9**	**80.3**	**80.7**
Arrears (% by days outstanding)												
30 - 60 days	4.5	5.6	4.0	5.5	3.6	3.9	4.1	3.6	3.3	3.1	3.7	3.7
61 - 90 days	1.9	2.7	2.3	2.1	2.0	2.2	2.1	2.2	2.1	2.0	2.3	1.7
90 - 179 days	1.6	3.0	2.6	2.1	2.3	2.7	2.3	2.1	2.3	2.3	2.5	2.2
over 180 days	4.5	6.3	9.3	8.6	9.9	10.4	10.5	10.7	10.6	10.8	11.3	11.7
Total Arrears	**12.5**	**17.7**	**18.2**	**18.3**	**17.9**	**19.2**	**18.9**	**18.5**	**18.3**	**18.1**	**19.7**	**19.3**
Total B$ Loan Portfolio	**100.0**	**100.0**	**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	30.2	29.8	21.4	22.9	20.0	20.6	20.3	19.8	20.0	19.6	20.5	19.4
Mortgage	44.4	41.4	52.1	47.1	53.9	53.0	54.8	55.4	55.0	57.1	57.0	56.8
Other Private	23.9	27.8	25.7	29.1	25.4	25.7	24.2	24.1	24.3	22.6	21.9	23.2
Public	1.5	1.0	0.8	0.9	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6
Total Non Accrual Loans	**100.0**	**100.0**	**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	3.3	4.2	5.1	4.9	4.7	4.9	4.9	5.4	5.5	5.4	5.4	5.5
Mortgage	1.4	1.8	2.4	2.4	2.5	2.7	2.7	3.2	3.6	3.7	4.3	5.6
Other Private	5.4	6.9	9.1	9.6	10.2	10.6	10.6	10.6	10.9	11.2	8.7	11.2
Public	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Provisions to Total Loans	2.7	3.4	4.3	4.4	4.4	4.7	4.7	5.1	5.3	5.3	5.3	6.3
Total Provisions to Non-performing Loans	46.0	37.1	36.6	41.0	36.5	36.1	36.8	40.0	41.3	41.2	39.1	45.6
Total Non-performing Loans to Total Loans	6.1	9.3	11.9	10.7	12.2	13.0	12.7	12.7	12.8	13.0	13.6	13.9

Source: The Central Bank of The Bahamas

Figures may not sum to total due to rounding.

TABLE 10

SUMMARY OF BANK LIQUIDITY

(B$ Millions)

End of Period	2008	2009	2010	2011				2012				2013
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.	Mar.
I. Statutory Reserves												
Required reserves	283.3	290.3	298.1	298.1	303.3	306.8	305.0	306.0	310.9	307.9	301.9	302.2
Average Till Cash	95.4	94.7	98.2	79.0	83.9	86.5	118.3	90.1	87.4	88.0	108.9	93.9
Average balance with central bank	352.7	425.1	530.5	663.7	715.6	683.8	557.3	592.6	669.0	540.4	515.8	539.4
Free cash reserves (period ended)	164.8	229.5	330.6	444.6	496.2	463.5	370.6	376.7	445.5	320.4	322.8	331.1
II. Liquid Assets (period)												
A. Minimum Required Liquid Assets	911.2	929.6	946.7	959.1	969.5	971.1	968.7	977.8	990.9	973.3	971.1	988.1
B. Net Eligible Liquid Assets	1,169.3	1,423.7	1,755.1	1,859.0	1,906.7	1,900.7	1,865.1	1,909.1	1,973.2	1,893.5	1,938.2	2,068.3
i) Balance with Central Bank	322.2	375.6	518.7	648.6	709.9	660.2	560.1	609.1	670.3	509.8	563.3	609.8
ii) Notes and Coins	118.1	112.3	113.7	85.0	86.2	80.2	127.4	81.1	84.0	87.2	127.9	96.1
iii) Treasury Bills	180.2	214.0	293.7	294.8	253.3	281.6	275.4	301.6	321.6	274.6	219.3	342.1
iv) Government registered stocks	513.3	671.4	774.8	775.1	767.6	805.7	843.7	843.7	835.1	962.0	957.6	953.7
v) Specified assets	36.8	45.7	53.0	52.9	52.8	53.0	55.2	57.1	57.0	57.1	56.9	56.7
vi) Net Inter-bank dem/call deposits	(1.3)	4.7	1.2	2.6	36.9	20.0	3.3	16.5	5.2	2.8	13.2	9.9
vii) Less: borrowings from central bank	--	--	--	--	--	--	--	--	--	--	--	--
C. Surplus/(Deficit)	258.1	494.1	808.4	899.9	937.2	929.6	896.4	931.3	982.3	920.2	967.1	1,080.2

Source: The Central Bank of The Bahamas

TABLE 11

GOVERNMENT OPERATIONS AND FINANCING

(B$ Millions)

Period	2009/10p	2010/11p	2011/12p	Budget 2011/12	Budget 2012/13	2011/12p QTR. II	2011/12p QTR. III	2011/12p QTR. IV	2012/13p QTR. I	2012/13p QTR. II	2012/13p QTR. III
Total Revenue & Grants	1,302.5	1,433.0	1,446.7	1,520.8	1,536.1	432.1	364.3	365.8	296.8	368.0	342.1
Current expenditure	1,395.9	1,524.5	1,549.7	1,598.0	1,679.0	366.4	374.9	462.9	369.6	379.7	385.7
Capital expenditure	156.8	206.3	245.4	236.3	358.2	74.2	53.5	92.0	62.3	52.8	59.1
Net lending	89.4	72.9	102.4	45.4	45.8	60.0	10.5	23.6	9.2	60.8	12.4
Overall balance	**(339.5)**	**(370.7)**	**(450.6)**	**(358.9)**	**(546.9)**	**(68.4)**	**(74.6)**	**(212.7)**	**(144.3)**	**(125.3)**	**(115.1)**
FINANCING (I+II-III+IV+V)	**339.5**	**370.7**	**450.6**	**358.9**	**546.9**	**68.4**	**74.6**	**212.7**	**144.3**	**125.3**	**115.1**
I. Foreign currency borrowing	**318.3**	**127.6**	**80.3**	**94.0**	**157.0**	**33.1**	**10.7**	**24.7**	**4.6**	**210.1**	**12.9**
External	318.3	57.6	80.3	94.0	157.0	33.1	10.7	24.7	4.6	210.1	12.9
Domestic	--	70.0	--	--	--	--	--	--	--	--	--
II. Bahamian dollar borrowing	**282.0**	**293.6**	**354.9**	**220.6**	**512.2**	**60.0**	**40.0**	**40.3**	**327.9**	**105.0**	**180.0**
i) Treasury bills	57.3	--	90.6	--	--	--	20.0	22.6	4.9	50.0	180.0
Central Bank	57.3	--	90.6	--	--	--	20.0	22.6	4.9	50.0	180.0
Commercial banks & OLFI's	--	--	--	--	--	--	--	--	--	--	--
Public corporations	--	--	--	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	--	--	--	--
ii) Long-term securities	**209.7**	**235.0**	**170.6**	--	--	**60.0**	--	10.6	300.0	25.0	0.0
Central Bank	15.1	65.0	18.0	--	--	3.0	--	--	26.5	--	--
Commercial banks & OLFI's	99.0	16.8	107.8	--	--	36.9	--	10.6	12.1	--	--
Public corporations	45.7	26.3	3.3	--	--	1.2	--	--	27.6	25.0	--
Other	49.9	126.9	41.5	--	--	18.9	--	--	233.8	--	--
iii) Loans and Advances	**15.0**	**58.6**	**93.7**	--	--	--	**20.0**	**7.1**	**23.0**	**30.0**	**0.0**
Central Bank	--	58.6	93.7	--	--	--	20.0	7.1	23.0	30.0	--
Commercial banks	15.0	--	--	--	--	--	--	--	--	--	--
III Debt repayment	**284.2**	**269.3**	**84.1**	**58.7**	**114.8**	**2.6**	**1.4**	**13.3**	**63.1**	**95.6**	**62.0**
Domestic	**251.8**	**260.5**	**75.0**	**48.9**	**103.1**	--	--	**10.0**	**62.0**	**90.0**	**60.0**
Bahamian dollars	90.0	189.6	75.0	48.9	103.1	--	--	10.0	62.0	90.0	60.0
Internal foreign currency	161.8	70.9	--	--	--	--	--	--	--	--	--
External	**32.4**	**8.8**	**9.1**	**9.8**	**11.7**	**2.6**	**1.4**	**3.3**	**1.1**	**5.6**	**2.0**
IV Net Sale of Shares & Other Equity	--	**203.7**	--	--	--	--	--	--	--	--	--
V. Cash balance change	**26.5**	**26.4**	**5.5**	--	--	**(4.2)**	**(0.3)**	**5.8**	**(13.2)**	**(7.4)**	**(10.8)**
VI Other Financing	**(3.0)**	**192.3**	**94.0**	**102.9**	**(7.4)**	**(17.9)**	**25.6**	**155.1**	**(112.0)**	**(86.7)**	**(5.0)**

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

TABLE 12

NATIONAL DEBT

(B$' 000s)

End of Period	2010p	2011p	2012p	2012p Mar.	2012p Jun.	2012p Sept.	2012p Dec.	2013p Mar
TOTAL EXTERNAL DEBT	727,882	798,540	1,037,264	807,873	829,270	832,793	1,037,264	1,048,205
By Instrument								
Government Securities	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Loans	127,882	198,540	437,264	207,873	229,270	232,793	437,264	448,205
By Holder								
Commercial Banks	--	--	--	--	--	--	--	--
Offshore Financial Institutions	--	--	--	--	--	--	--	--
Multilateral Institutions	123,698	171,793	216,539	181,296	189,935	192,677	216,539	222,636
Bilateral Institutions	4,184	26,747	40,725	26,577	39,335	40,116	40,725	45,569
Private Capital Markets	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Other Financial Institutions	--	--	180,000	--	--	--	180,000	180,000
TOTAL INTERNAL DEBT	2,992,479	3,006,080	3,357,317	3,046,079	3,076,423	3,342,318	3,357,317	3,477,317
By Instrument								
Foreign Currency	70,000	--	--	--	--	--	--	--
Government Securities	--	--	--	--	--	--	--	--
Loans	70,000	--	--	--	--	--	--	--
Bahamian Dollars	2,922,479	3,006,080	3,357,317	3,046,079	3,076,423	3,342,318	3,357,317	3,477,317
Advances	111,988	110,588	105,657	130,588	137,687	135,657	105,657	105,657
Treasury Bills	301,609	301,609	349,142	321,609	344,218	339,142	349,142	529,142
Government Securities	2,503,637	2,593,637	2,872,273	2,593,637	2,594,273	2,867,273	2,872,273	2,842,273
Loans	5,246	246	30,246	246	246	246	30,246	246
By Holder								
Foreign Currency	70,000	--	--	--	--	--	--	--
Commercial Banks	70,000	--	--	--	--	--	--	--
Other Local Financial Institutions	--	--	--	--	--	--	--	--
Bahamian Dollars	2,922,479	3,006,080	3,357,317	3,046,079	3,076,423	3,342,318	3,357,317	3,477,317
The Central Bank	274,275	292,802	404,992	315,756	333,626	368,584	404,992	460,694
Commercial Banks	1,066,784	1,118,286	1,187,797	1,136,470	1,147,842	1,217,529	1,187,797	1,276,051
Other Local Financial Iinstitutions	6,996	9,357	10,658	9,357	9,455	11,041	10,658	10,654
Public Corporations	702,541	684,963	730,169	685,007	686,007	714,098	730,169	709,637
Other	871,883	900,672	1,023,701	899,489	899,492	1,031,066	1,023,701	1,020,281
TOTAL FOREIGN CURRENCY DEBT	797,882	798,540	1,037,264	807,873	829,270	832,793	1,037,264	1,048,205
TOTAL DIRECT CHARGE	3,720,361	3,804,620	4,394,581	3,853,952	3,905,693	4,175,111	4,394,581	4,525,522
TOTAL CONTINGENT LIABILITIES	564,629	550,727	596,616	560,212	561,395	596,392	596,616	593,277
TOTAL NATIONAL DEBT	4,284,990	4,355,347	4,991,198	4,414,164	4,467,088	4,771,503	4,991,198	5,118,799

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

(B$' 000s)

	2010p	2011p	2012p	2012p Mar.	2012p Jun.	2012p Sep.	2012p Dec.	2013p Mar.
Outstanding Debt at Beginning of Period	**1,139,567**	**1,357,660**	**1,453,066**	**1,453,066**	**1,473,780**	**1,539,039**	**1,665,194**	**1,867,501**
Government	704,944	797,882	798,540	798,540	807,873	829,270	832,793	1,037,264
Public Corporations	434,623	559,778	654,526	654,526	665,907	709,769	832,401	830,237
Plus: New Drawings	**388,807**	**201,456**	**519,374**	**28,201**	**143,171**	**133,365**	**214,637**	**14,219**
Government	102,807	79,519	250,076	10,701	24,656	4,615	210,104	12,919
Public Corporations	286,000	121,937	269,298	17,500	118,515	128,750	4,533	1,300
Less: Amortization	**170,714**	**122,237**	**104,939**	**7,487**	**77,912**	**7,210**	**12,330**	**8,011**
Government	9,869	78,861	11,352	1,368	3,259	1,092	5,633	1,978
Public Corporations	160,845	43,376	93,587	6,119	74,653	6,118	6,697	6,033
Other Changes in Debt Stock	--	**16,187**	**16,187**	--	--	--	--	--
Government	--	--	--	--	--	--	--	--
Public Corporations	--	16,187	--	--	--	--	--	--
Outstanding Debt at End of Period	**1,357,660**	**1,453,066**	**1,867,501**	**1,473,780**	**1,539,039**	**1,665,194**	**1,867,501**	**1,873,709**
Government	797,882	798,540	1,037,264	807,873	829,270	832,793	1,037,264	1,048,205
Public Corporations	559,778	654,526	830,237	665,907	709,769	832,401	830,237	825,504
Interest Charges	**67,022**	**63,846**	**87,203**	**7,404**	**32,001**	**10,510**	**37,288**	**15,475**
Government	47,055	48,002	51,050	896	23,256	456	26,442	6,943
Public Corporations	19,967	15,844	36,153	6,508	8,745	10,054	10,846	8,532
Debt Service	**237,736**	**186,083**	**192,142**	**14,891**	**109,913**	**17,720**	**49,618**	**23,486**
Government	56,924	126,863	62,402	2,264	26,515	1,548	32,075	8,921
Public Corporations	180,812	59,220	129,740	12,627	83,398	16,172	17,543	14,565
Debt Service Ratio (%)	7.4	5.4	5.2	1.6	11.3	2.0	5.3	2.6
Government Debt Service/ Government Revenue (%)	4.5	8.1	4.5	0.6	7.2	0.5	8.7	2.6
MEMORANDUM								
Holder Distribution (B$ Mil):								
Commercial Banks	413.2	361.0	342.6	364.8	316.3	348.2	342.6	337.5
Multilateral Institutions	145.1	187.2	239.1	200.7	208.3	211.8	239.1	245.6
Bilateral Institutions	4.2	42.7	40.7	46.1	39.3	40.1	40.7	45.6
Other	195.2	262.2	645.1	262.2	375.2	465.1	645.1	645.0
Private Capital Markets	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0

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

TABLE 14

BALANCE OF PAYMENTS SUMMARY*

(B$ Millions)

	2010p	2011p	2012p	2011 Qtr.IIp	2011 Qtr.IIIp	2011 Qtr.IVp	2012 Qtr.Ip	2012 Qtr.IIp	2012 Qtr.IIIp	2012 Qtr.IVp	2013 Qtr.Ip
A. Current Account Balance (I+II+III+IV)	**(796.8)**	**(1,065.7)**	**(1,424.3)**	**(129.4)**	**(383.8)**	**(339.4)**	**(343.4)**	**(214.7)**	**(548.2)**	**(317.9)**	**(155.5)**
I. Merchandise (Net)	**(1,888.2)**	**(2,132.1)**	**(2,401.4)**	**(497.3)**	**(569.7)**	**(608.2)**	**(671.4)**	**(578.7)**	**(580.9)**	**(570.4)**	**(498.2)**
Exports	702.4	833.5	984.0	213.8	216.0	211.3	236.1	230.1	254.2	263.6	242.4
Imports	2,590.6	2,965.7	3,385.5	711.1	785.7	819.5	907.5	808.8	835.1	834.1	740.6
II. Services (Net)	**1,328.8**	**1,338.6**	**1,229.2**	**406.5**	**240.4**	**343.9**	**379.6**	**423.9**	**119.0**	**306.7**	**386.8**
Transportation	(223.8)	(195.8)	(264.6)	(46.3)	(56.2)	(59.8)	(75.8)	(67.8)	(66.0)	(54.9)	(61.0)
Travel	1,935.6	2,032.8	2,107.3	539.5	400.2	521.4	623.5	579.9	389.8	514.1	600.7
Insurance Services	(165.2)	(185.9)	(193.7)	(44.0)	(44.3)	(32.9)	(44.9)	(31.5)	(71.9)	(45.4)	(32.6)
Offshore Companies Local Expenses	157.8	138.9	170.2	46.0	28.0	26.8	40.2	47.7	44.4	38.0	24.4
Other Government	(43.1)	13.4	27.7	8.6	0.3	9.1	9.2	5.1	7.8	5.5	9.9
Other Services	(332.4)	(464.7)	(617.8)	(97.4)	(87.7)	(120.7)	(172.6)	(109.5)	(185.1)	(150.6)	(154.7)
III. Income (Net)	**(234.9)**	**(236.0)**	**(262.5)**	**(46.8)**	**(52.0)**	**(74.3)**	**(56.4)**	**(65.4)**	**(85.6)**	**(55.2)**	**(49.1)**
1. Compensation of Employees	(27.4)	(47.9)	(45.1)	(12.9)	(13.9)	(11.6)	(12.6)	(13.6)	(10.5)	(8.4)	(12.1)
2. Investment Income	(207.5)	(188.1)	(217.4)	(33.9)	(38.1)	(62.7)	(43.8)	(51.8)	(75.0)	(46.8)	(37.0)
IV. Current Transfers (Net)	**(2.6)**	**(36.2)**	**10.5**	**8.2**	**(2.6)**	**(0.8)**	**4.8**	**5.4**	**(0.7)**	**1.0**	**5.1**
1. General Government	87.4	113.4	120.7	34.4	22.6	23.1	32.0	33.1	32.2	23.2	34.8
2. Private Sector	(89.9)	(149.6)	(110.2)	(26.2)	(25.2)	(23.9)	(27.2)	(27.7)	(32.9)	(22.3)	(29.7)
B. Capital and Financial Account (I+II) (excl. Reserves)	**1,144.4**	**986.4**	**1,140.4**	**162.0**	**347.9**	**122.2**	**171.0**	**399.6**	**330.6**	**239.2**	**30.8**
I. Capital Account (Net Transfers)	**(3.6)**	**(5.5)**	**(7.3)**	**(1.4)**	**(2.2)**	**(1.4)**	**(1.6)**	**(1.3)**	**(2.5)**	**(1.8)**	**(4.2)**
II. Financial Account (Net)	**1,147.9**	**992.0**	**1,147.7**	**163.3**	**350.2**	**123.6**	**172.7**	**400.9**	**333.1**	**241.0**	**35.0**
1. Direct Investment	872.0	666.6	360.2	229.7	123.6	53.5	49.3	255.9	58.5	(3.5)	101.4
2. Portfolio Investment	(22.4)	(44.2)	(37.0)	(9.4)	(9.9)	(19.2)	(6.3)	(6.3)	(9.9)	(14.6)	(9.2)
3. Other Investments	298.3	369.6	824.4	(57.0)	236.5	89.3	129.6	151.2	284.5	259.1	(57.2)
Central Gov't Long Term Capital	24.7	70.7	238.7	8.2	9.9	30.5	9.3	21.4	3.5	204.5	10.9
Other Public Sector Capital	123.7	57.7	172.4	3.8	44.8	9.9	10.2	73.0	85.7	3.5	0.4
Banks	23.6	(101.4)	(2.3)	(158.6)	69.0	30.5	(23.0)	(9.3)	56.2	(26.2)	(84.8)
Other	126.4	342.6	415.6	89.6	112.7	18.4	133.0	66.1	139.1	77.4	16.2
C. Net Errors and Omissions	**(303.1)**	**103.7**	**209.2**	**68.4**	**(84.6)**	**146.4**	**177.0**	**(146.3)**	**35.5**	**143.1**	**97.7**
D. Overall Balance (A+B+C)	**44.5**	**24.5**	**(74.7)**	**101.0**	**(120.5)**	**(70.7)**	**4.6**	**38.5**	**(182.1)**	**64.3**	**(27.0)**
E. Financing (Net)	**(44.5)**	**(24.5)**	**74.7**	**(101.0)**	**120.5**	**70.7**	**(4.6)**	**(38.5)**	**182.1**	**(64.3)**	**27.0**
Change in SDR holdings	3.1	0.7	146.8	(1.7)	4.5	3.0	(0.9)	3.0	(2.8)	147.6	0.7
Change in Reserve Position with the IMF	0.2	0.0	(0.0)	(0.1)	0.2	0.2	(0.1)	0.2	(0.2)	0.0	0.2
Change in Ext. Foreign Assets ( ) = Increase	(47.8)	(25.1)	(72.1)	(99.2)	115.7	67.6	(3.5)	(41.8)	185.1	(211.9)	26.0

Source: The Central Bank of the Bahamas

* Figures may not sum to total due to rounding

TABLE 15
EXTERNAL TRADE

(B$ '000)

	2010	2011	2012	2011 Qtr. I	2011 Qtr. II	2011 Qtr. III	2011 Qtr. IV	2012 Qtr. I	2012 Qtr. II	2012 Qtr. III	2012 Qtr. IV[R]
I. OIL TRADE											
i) Exports	159,706	216,129	319,713	61,039	64,338	42,222	48,530	59,996	71,162	97,536	91,019
ii) Imports	687,073	930,047	874,839	206,992	267,666	251,101	204,288	233,012	215,571	211,509	214,747
II. OTHER MERCHANDISE											
Domestic Exports											
Crawfish	68,371	64,337	70,936	16,262	8,129	10,387	29,559	19,132	8,633	13,613	29,558
Fish Conch & other Crustacea	4,013	4,371	3,141	772	2,885	548	166	633	1,349	636	524
Other cordials &Similar Materials/Sponge	546	842	488	168	522	--	152	186	143	159	--
Fruits & Vegs.	195	24	--	24	--	--	--	--	--	--	--
Aragonite	11,688	11,497	4,736	774	6,587	1,248	2,889	3,604	1,132	--	--
Other Natural Sands	2,931	2,893	3,175	529	350	1,232	783	1,352	325	773	726
Rum/Beverages/Spirits & Vinegar	--	--	--	--	--	--	--	--	--	--	--
Crude Salt	16,429	12,022	11,687	4,846	4,133	1,577	1,465	1,117	1,658	2,684	6,228
Polystrene Products	104,076	135,846	7,676	30,431	34,070	35,826	35,519	1,307	1,691	2,727	1,951
Other	96,570	94,611	86,633	16,642	27,537	32,280	18,151	20,726	26,465	20,738	18,704
i) Total Domestic Exports	304,819	326,443	336,522	70,448	84,213	83,098	88,684	84,933	78,371	79,218	94,000
ii) Re-Exports	156,969	184,371	171,449	34,715	55,328	52,302	42,026	58,476	40,841	37,424	34,708
iii) Total Exports (i+ii)	461,788	510,814	507,972	105,163	139,541	135,400	130,710	143,408	119,213	116,643	128,708
iv) Imports	2,175,688	2,480,809	2,772,177	519,926	594,742	645,961	720,180	788,696	652,039	652,799	678,643
v) Retained Imports (iv-ii)	2,018,719	2,296,438	2,600,728	485,211	539,414	593,659	678,154	730,220	611,198	615,375	643,935
vi) Trade Balance (i-v)	(1,713,900)	(1,969,995)	(2,264,206)	(414,763)	(455,201)	(510,561)	(589,470)	(645,287)	(532,827)	(536,157)	(549,935)

Source: Department of Statistics Quarterly Statistical Summaries

TABLE 16

SELECTED TOURISM STATISTICS

Period	2010	2011	2012	2011			2012				2013
				Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I
Visitor Arrivals	**5,254,806**	**5,587,585**	**5,942,758**	**1,377,680**	**1,200,286**	**1,482,018**	**1,692,978**	**1,490,310**	**1,266,865**	**1,492,605**	**1,745,420**
Air	1,294,804	1,267,540	1,357,213	363,202	297,199	286,459	356,531	396,901	319,313	284,468	344,494
Sea	3,960,002	4,320,045	4,585,545	1,014,478	903,087	1,195,559	1,336,447	1,093,409	947,552	1,208,137	1,400,926
Visitor Type											
Stopover	1,368,053	1,343,293	1,366,695	397,982	323,576	279,138	369,660	404,236	347,245	245,554	n.a
Cruise	3,803,122	4,161,556	7,431,533	956,900	857,345	1,175,305	1,302,956	4,040,254	902,856	1,185,467	1,368,283
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(B$ 000's)	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Stopover	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Cruise	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Day	n.a	n.a	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	58.0	58.9	66.5	62.8	57.9	52.6	68.0	68.6	62.9	n.a	n.a
Grand Bahama	36.2	41.6	48.0	47.2	39.4	34.4	53.0	51.3	39.7	n.a	n.a
Other Family Islands	36.4	39.0	45.1	46.9	36.3	34.7	43.0	48.9	43.5	n.a	n.a
Average Nightly Room Rates ($)											
New Providence	219.7	225.0	222.2	241.2	209.4	207.2	258.1	212.3	196.1	n.a	n.a
Grand Bahama	86.1	90.5	76.2	87.9	90.9	91.7	79.1	76.5	73.1	n.a	n.a
Other Family Islands	156.2	152.2	153.9	161.5	128.2	140.0	179.0	148.9	133.7	n.a	n.a

Source: The Ministry of Tourism

INTRODUCTION

The Central Bank of The Bahamas' 2012 financial sector survey provides a comprehensive assessment of the sector's contribution, by way of expenditures and employment, to the economy. Estimated at 10% - 15% of the country's Gross Domestic Product, the financial services industry employs one of the highest numbers of skilled workers, and its economic impact extends to other areas of the economy, importantly tourism and the second homes market.

Preliminary data compiled by the Bank suggests that bank and trust companies' operations continued to stabilise over the year, reflecting the impact of the relatively mild domestic recovery, amid elevated levels of loan arrears, and modest growth in the international economy. Similar trends were also noted in the non-bank financial services sector.

THE BANKING SECTOR

Banking and trust operations account for the dominant share of the financial services industry, and act as the key conduit through which savings are allocated to private and public sector investments.

During the year, the operational environment for domestic commercial banks featured record levels of liquidity, due to weak private sector credit demand and banks' conservative lending practices, while a sustained increase in credit to the Government underpinned growth in total assets of 1.2% ($113.1 million) to $9.6 billion.

The international financial services sector also continued to experience significant challenges to its business operations, as high net worth clients—who utilise the industry's wealth management services—maintained their conservative investment posture, by keeping a large percentage of their assets in deposits and in investments in their home countries. In addition, low investment returns in the Latin American market curtailed wealth accumulation in that region, with negative effects on centres which rely on countries such as Brazil for potential clients.

On the policy front, international financial centres (IFCs), like The Bahamas, continued to adjust to the new and expanding regulatory initiatives from international standard setters and entities such as the OECD and the Basel Committe on Banking Supervision, which are increasing both the complexity and volume of regulatory and reporting requirements. Globally, firms have responded to industry developments by further consolidating their operations in order to build scale and to provide a suite of services which are needed by high net worth clients.

During the year, the total number of banks and trust companies licensed to operate in The Bahamas decreased by a net of 10 to 268, following a gain of 2 in 2011. The decline was concentrated primarily in the restricted trust and nominee trust licensees category, which fell by a net of 8 to 147, while public banks and trust licensees declined by 3 to 113 and the non-active licensees rose by 1 to 8. Among the public licensees were 71 Bahamian incorporated entities, 23 euro-currency divisions of foreign banks and trust companies, and 19 domestic banks. A further breakdown of domestic banks showed that 11—10 of which were trust companies—were authorised agents, mainly providing trust and wealth management services limited to Bahamian dollar business, while the remaining 8 (of which 7 were clearing banks) were authorised dealers or commercial banks.

EMPLOYMENT

Preliminary data on employment by banks and trust companies showed a slight reduction of 0.5% (22) to 4,773 persons, following the year-earlier decline of 2.3% (113 persons), and averaging a 1.0% contraction for the five-years to 2012. Bahamian employees fell marginally by 0.9% (42) to 4,458 persons, while the non-Bahamian segment grew by 6.8% (20) to 315 persons. Consequently, the proportion of Bahamians engaged in the sector decreased by 40 basis points to 93.4%, with the share of non-Bahamians increasing by the same magnitude to 6.6%. An estimated 70% of Bahamians were employed in the domestic banking sector, and the

Table A: Government Revenue from Financial Sector Activities (B$ Million)

Period	2008p	2009r	2010r	2011r	2012p
A. Stamp Taxes on Transactions	**84.3**	**74.2**	**68.8**	**106.7**	**60.4**
Gross Insurance Premium Tax 1/	21.3	31.1	38.2	23.4	21.0
Mortgages	21.3	13.5	10.2	35.8	14.3
Other Banking Transactions	41.6	43.1	43.0	52.6	41.9
Instruments & Bonds	0.2	0.2	0.1	0.1	0.1
B. Licence & Registration Fees	**34.8**	**36.5**	**34.6**	**38.8**	**23.1**
International Business Companies (IBCs)	21.3	20.1	18.3	17.6	17.1
Banks and Trust Companies	11.6	13.7	16.0	20.9	5.7
Insurance Companies, Brokers & Agents	0.3	0.7	0.3	0.2	0.3
Financial & Corp. Svcs. Providers 2/	0.10	0.41	n/a	n/a	n/a
Investment Funds 3/	1.5	1.6	n/a	n/a	n/a
C. Total Revenues	**119.1**	**110.7**	**103.4**	**145.5**	**83.5**

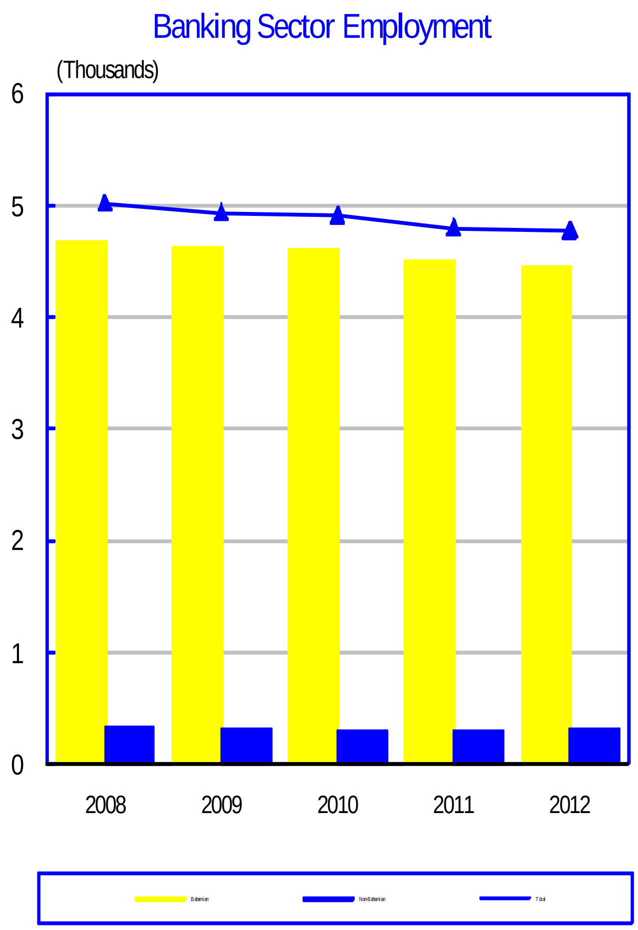
Sources: Bahamas Government's Treasury Department, Securities Commission of The Bahamas.

Notes: 1/ Premium Tax collected from Insurance Commission as at 2009.

2/ Central Bank Estimates for 2008.

3/ Amounts collected by the Securities Commission.

remainder in offshore banking, trust administration and related wealth management services.

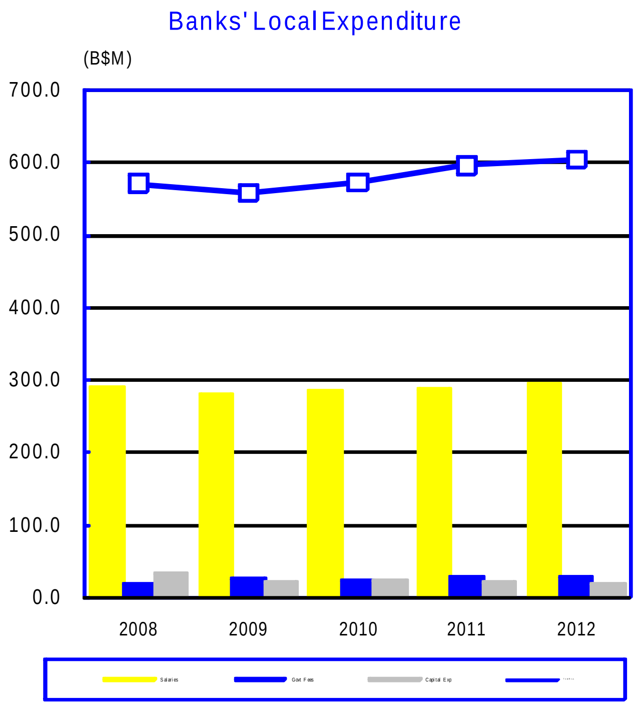


EXPENDITURES

Total expenditure of the banking sector advanced by an estimated 1.4% ($8.4 million) to $603.2 million, a slowdown from a 3.9% ($22.5 million) rise in 2011.

Most of the gains were concentrated in current spending, where operational costs, at 96.9% of total outlays, expanded by 2.1% to $584.3 million. This followed on respective gains of 4.5% and 3.7% recorded in 2011 and for the average five year comparison. The dominant wages & salaries component grew by 2.4% ($7.0 million) to $296.3 million, extending the 0.9% uplift in 2011. Although base salaries advanced by 2.8% to $261.3 million, declining profitability levels left bonuses virtually unchanged at $35.0 million. Staff training expenditures decreased by 5.5% ($0.1 million), in contrast to a 12.8% ($0.3 million) rise in 2011.

Government fees, which represented 5.0% of total outlays, rose by 3.7% ($1.1 million) to $29.9 million, albeit a moderation from a 14.7% surge a year earlier that was associated with a general hike in fees payable. Among the various categories, gains were recorded for "miscellaneous" fees, of $0.3 million, while work permit and company registration fees grew by $0.2 million each and license fees stabilized at $20.6 million. Administrative costs were 1.6% ($4.0 million) higher at $255.8 million, whereas capital expenditures (at 3.1% of total outlays), fell by 15.7% to $18.9 million, extending the year-earlier 9.5% contraction, as institutions focussed on leasing and renovating existing properties.



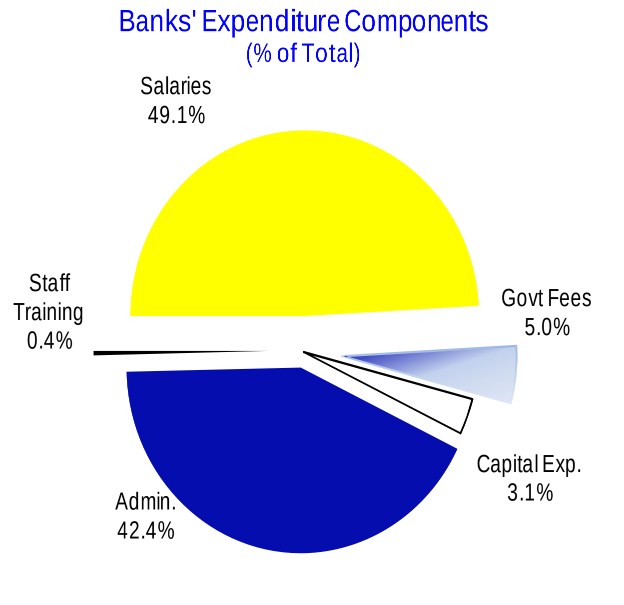
DOMESTIC VERSUS INTERNATIONAL BANKING

A disaggregated analysis of domestic and international banking operations provides for a more comprehensive comparison between the more labor intensive retail banking operations of domestic banks and the offshore banking sector, with its emphasis on high value-added services, such as wealth management.

EMPLOYMENT

Despite one entity's move to centralise its regional back office operations in The Bahamas during the year, employment levels in domestic banks declined by 1.5% (57 persons) to 3,648 persons, exceeding the 0.3% falloff in 2011, as firms continued to utilise technology to improve efficiencies, streamline operations and capitalise more on centres of excellence operational models. In contrast, the number of persons employed in the international banking sector grew by 3.2% (35 persons) to 1,125, a reversal from the 8.6% reduction in 2011. As a result, domestic banks' share of the sector's total employment narrowed by 0.9 of a percentage point to 76.4%, mirroring the rise in the international banks' share to 23.6%.

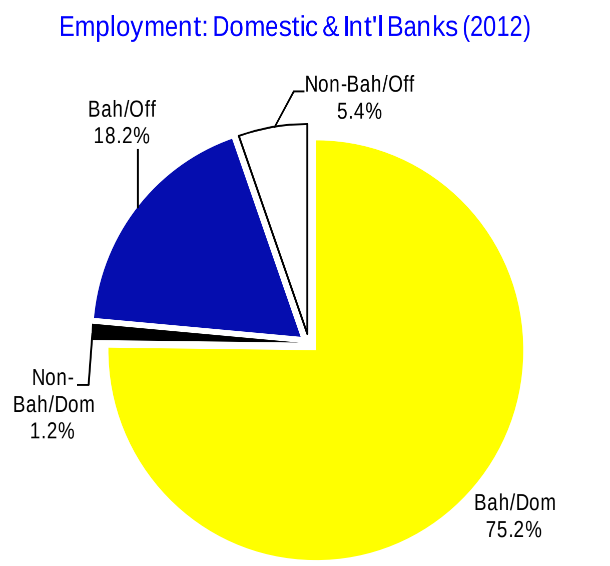
A further disaggregation showed that the number of Bahamians employed by domestic banks fell by 1.9% (68 persons) to 3,589 persons, extending the 0.3% decline registered in both 2011 and over the previous five (5) years. In contrast, the number of non-Bahamians rose by 11 to 59 persons, following a net increase of one (1) in 2011, and reversing the average decline of 5.4% per annum recorded between 2007 and 2011. Given these developments, the ratio of Bahamians to non-Bahamians was reduced to approximately 61:1 from 76:1 in 2011.



Reflecting the relative stability of the international sector over the year, both Bahamian and non-Bahamian employees grew by 3.0% (25 persons) to 869 persons, and 4.1% (10 persons) to 256 persons, following on respective declines of 10.1% and 2.8% in 2011. Consequently, the ratio of Bahamians to non-Bahamians was unchanged at 3:1.

EXPENDITURES

Total outlays for domestic banks, at 61.3% of the sector's spending, advanced by 1.9% ($6.8 million) to $369.6 million, a slowdown from the 3.9% ($13.8 million) gain in 2011. Operational costs, at a dominant 95.9% of the total, were higher by 2.2% ($7.5 million) at $354.6 million, attributed mainly to a 3.5% ($5.3 million) rise in "other" administrative costs to $158.8 million. Lesser gains of 1.0% ($1.7 million) to $174.0 million were recorded for salary payments, reflecting a combination of a 4.9% improvement in average base salaries to $44,271, and a 20.2% drop in the typical bonus payment to $3,427. While Government fee payments increased by 3.1% ($0.6 million), spending on staff training decreased by 14.3% ($0.2 million) and capital expenditure was lower by 4.4% ($0.7 million) at $14.9 million.



In terms of the international bank and trust sector, total expenditure rose by 0.7% ($2.2 million) to $233.6 million, although featuring growth in salary payments of 4.5% ($5.2 million) to $122.2 million, which extended the previous year's 1.9% ($2.2 million) gain. The latter outturn reflected an increase in average bonuses by 13.7% to $19,914, eclipsing the 1.2% ($1,090) falloff in average base salaries to $88,739. Higher outlays were also registered for Government fees ($0.4 million) and staff training ($0.1 million). In contrast, capital spending and "miscellaneous" administrative costs declined by $2.8 million and $1.4 million, vis-à-vis respective gains of $2.6 million and $5.8 million in 2011.

Other Financial Sector Activities

INSURANCE SECTOR

Although the impact of Hurricane Sandy negatively affected the profitability levels of several insurers', initial indications are that activity in the sector firmed marginally over the year. Data from the Insurance Commission of The Bahamas showed that the number of licensed operations grew by 3 to 131, as foreign entities, locally owned agents & brokers and external insurers were incremented by 1 each to 14, 82 and 15, respectively, while Bahamian owned companies remained at 9.

Provisional statistics revealed that the total value of assets held rose by 7.3% ($101.8 million) to $1,494.8 million in 2012. Underlying this outturn was a 6.5% ($65.7 million) growth in the assets of life insurance companies and a 9.5% ($36.1 million) gain in the non-life component.

Preliminary data from the Bank's annual survey of the insurance sector showed an estimated increase in total employment of 3.6% (51 persons) to 1,458 persons, as Bahamians workers, at a dominant 97.7% of the total, rose by 3.0% (42 persons) to 1,424. The significantly smaller non-Bahamian component advanced by 9 to 34 persons. Total spending rose by an estimated 8.7% ($10.6 million) to $131.5 million. Specifically, miscellaneous administrative fees, inclusive of office rents, professional charges and advertising costs, were higher by 48.0% at $44.3 million. Fees paid to Government rose by approximately $0.7 million to $16.8 million, while staff training and contributions to charitable organisations edged up by $0.3 million and $0.2 million to $2.7 million and $0.9 million, respectively. In contrast, spending on public utilities declined by 42.2% ($3.8 million) to $5.3 million and salary payments—excluding bonuses—fell marginally by 0.7% ($0.3 million) to $49.0 million. Under capital spending, outlays for renovation expenses contracted by almost two-thirds to $0.3 million; however, in a slight offset, expenditures for new premises and asset acquisitions increased by a combined 3.1% ($0.4 million) to $11.6 million.

CREDIT UNIONS

Preliminary data suggests that activity in the credit union sector continued to expand over the year, as overall employment rose to approximately 140 persons at end-December from a revised 134 persons in 2011. Total assets of the ten (10) entities in operation expanded by an estimated $29.9 million (10.9%) to $303.1 million, keeping pace with the 10.2% growth achieved in 2011. Loans outstanding—at 66.2% of total assets—advanced by $20.6 million (11.4%) to $200.6 million, with consumer credit and mortgages comprising the largest shares, at 75.4% and 5.9%, respectively. In line with the growth in membership, the deposit base expanded by an estimated $5.6 million (2.4%) to $235.3 million, the bulk of which related to members' savings (50.0%) and term deposits (44.1%).

INVESTMENT FUNDS INDUSTRY

Information obtained from the Securities Commission showed that the number of active mutual funds under management declined by 8.6% (61) to 652, extending the year-earlier 5.3% drop. The total number of fund administrators—which account for the majority of the employment—decreased marginally by 2 to 63, compared to a an unchanged level in 2011. In addition, funds under management by administrators fell by 7.8% to 627, a turnaround from a 1.6% gain a year earlier.

International Business Companies (IBCs)

Activity in the IBC sector was relatively subdued over the year, as an estimated 2,843 new companies were registered, bringing the total to 166,344 at end-December 2012, compared to a year-earlier increase of 27,086. Fees paid to the Government were lower by 3.0% ($0.5 million) at $17.1 million, following on a 3.6% contraction in 2011.

Other Financial Sector Developments

Developments in the financial sector during 2012 were dominated by the successful completion of the country's first Financial Sector Assessment Programme

(FSAP) during the month of July. A team from the International Monetary Fund (IMF) evaluated the country's compliance with the various international standards in the banking, securities, and insurance sectors, its resilience to external shocks and the effectiveness of its crisis management and financial safety net frameworks.

The results of the FSAP were very positive, as the assessors noted in their final report that the financial system faced no threat of financial instability in the short-run, and commended the authorities for the progress they had made in improving the regulatory and supervisory framework, following the 2004 Offshore Financial Sector (OFC) assessment. The IMF also highlighted the fact that the onshore banking system is robust and well capitalised and that there are no risks from the much larger offshore banking sector, due to the strict firewalls which exist between the two centres.

In terms of future improvements, the authorities recognised the Fund's findings that a number of existing guidelines and policies needed to be enhanced to reflect current supervisory practices. Regulators have set about to close identified gaps through a number of initiatives which seek to enhance the supervisory and legislative regime, and, importantly the crisis management arrangements through the development of a National Financial Crisis Management Plan (NFCMP).

CONCLUSION AND OUTLOOK

The 2012 survey of activities in The Bahamas' financial services space indicated that the industry's overall performance maintained a positive trajectory, as the global economy continued to contend with challenges posed by the high level of uncertainty regarding the economic outlook for several regions, and the resulting conservative investment stance adopted by a large number of high net worth clients. In addition, the proliferation of regulatory initiatives following the financial crisis has placed increased pressures on jurisdictions to remain compliant with changing global standards.

Despite these challenges, the combination of key factors such as the wide range of wealth management services, cadre of highly skilled and experienced financial services personnel, and robust regulatory and legislative frameworks, continued to underpin The Bahamas' reputation as a centre of choice for financial services. The industry's marketing initiatives are targeted at developing wealth centres, such as those in Asia and Latin America, while maintaining close ties with traditional markets in North America and Europe.

In addition, concerted public and private sector initiatives have sought to ensure the competitiveness of the jurisdiction, leveraging its high standards of compliance with international best practices, while proactively considering and addressing the impact of new measures, such as the United States' Foreign Account Tax Compliance Act (FATCA).

In light of the rapidly changing regulatory and financial environment, the work agenda of regulators over the next eighteen months will focus on ensuring the continued development and stability of the financial sector, through improved coordination of crisis management arrangements and practices, ensuring licensees' compliance with new capital adequacy requirements, and the effectiveness of banks' risk management frameworks.

TABLE B. GROSS ECONOMIC CONTRIBUTION OF BANKS AND TRUST COMPANIES IN THE BAHAMAS

Period	2008p	2009p	2010r	2011r	2012p
A. TOTAL EMPLOYMENT	5,011	4,905	4,908	4,795	4,773
1. Non-Bahamians	334	303	300	295	315
2. Bahamians (of which)	4,677	4,602	4,608	4,500	4,458
i) Local Banking	3,157	3,162	3,190	3,184	3,122
ii) Offshore Banking	682	713	651	625	641
iii) Trust Administration	503	490	533	492	512
iv) Other	335	237	234	199	183
		(B$ Millions)			
B. TOTAL OPERATIONAL COSTS (1+2+3+4)	537.3	533.1	547.4	572.3	584.3
1. Salaries[1]	290.2	280.7	286.6	289.3	296.3
i) Base Salaries	253.8	245.9	253.7	254.3	261.3
ii) Bonuses	36.3	34.8	32.8	34.9	35.0
2. Government Fees	19.6	26.0	25.1	28.9	29.9
i) Licence	10.3	16.6	16.4	20.7	20.6
ii) Company Registration	1.7	1.8	1.2	1.2	1.4
iii) Work Permits	2.9	3.2	3.1	3.5	3.7
iv) Other Government Fees	4.8	4.3	4.3	3.6	4.1
3. Staff Training	3.2	1.9	2.2	2.4	2.3
4. Other Administrative Costs	224.3	224.5	233.6	251.8	255.8
C. CAPITAL EXPENDITURE[2]	33.2	21.0	24.8	22.4	18.9
D. TOTAL EXPENDITURE (B+C)	570.5	554.2	572.2	594.7	603.2
E. AVERAGE SALARY (B$'000)[3]	50,656	50,137	51,700	53,042	54,752

Source: The Central Bank of The Bahamas

[1] Includes bonuses

[2] Includes construction, renovation expenses and other fixed assets.

[3] Excludes bonuses

TABLE C. GROSS ECONOMIC CONTRIBUTION OF BANKS AND TRUST COMPANIES

Period	2008p	2009p	2010r	2011r	2012p	2008p	2009p	2010r	2011r	2012p
			DOMESTIC					OFFSHORE		
A. TOTAL EMPLOYMENT	3,791	3,689	3,716	3,705	3,648	1,220	1,216	1,192	1,090	1,125
1. Non-Bahamians	56	36	47	48	59	278	267	253	246	256
2. Bahamians (of which)	3,735	3,653	3,669	3,657	3,589	942	949	939	844	869
i) Local Banking	3,157	3,162	3,190	3,184	3,122	--	--	--	--	--
ii) Offshore Banking	115	61	13	14	9	567	652	638	611	632
iii) Trust Administration	293	291	341	336	347	210	199	192	156	165
iv) Other	170	139	125	123	111	165	98	109	76	72
					(B$ Millions)					
B. TOTAL OPERATIONAL COSTS (1+2+3+4)	323.7	312.8	328.4	347.1	354.6	213.6	220.4	219.0	225.2	229.6
1. Salaries[1]	182.3	163.8	171.8	172.3	174.0	107.9	116.9	114.8	117.0	122.2
i) Base Salaries	163.6	149.5	155.2	156.4	161.5	90.3	96.4	98.5	97.9	99.8
ii) Bonuses	18.7	14.3	16.6	15.9	12.5	17.4	20.5	16.3	19.1	22.4
2. Government Fees	8.9	14.8	14.5	19.9	20.5	10.7	11.2	10.7	9.0	9.4
i) Licence	5.2	11.6	11.5	16.3	16.3	5.1	5.0	4.9	4.4	4.4
ii) Company Registration	0.4	0.4	0.3	0.5	0.3	1.2	1.5	0.9	0.7	1.1
iii) Work Permits	0.4	0.4	0.3	0.7	1.3	2.5	2.8	2.8	2.7	2.4
iv) Other Government Fees	2.9	2.5	2.3	2.4	2.6	1.9	1.8	2.0	1.2	1.5
3. Staff Training	1.9	1.0	1.1	1.5	1.3	1.3	0.9	1.1	0.9	1.0
4. Other Administrative Costs	130.6	133.2	141.1	153.5	158.8	93.7	91.4	92.5	98.3	96.9
C. CAPITAL EXPENDITURE[2]	24.2	16.4	20.6	15.6	14.9	9.0	4.6	4.2	6.8	4.0
D. TOTAL EXPENDITURE (B+C)	347.9	329.2	349.0	362.8	369.6	222.6	225.0	223.2	232.0	233.6
E. AVERAGE SALARY (B$'000)[3]	43,146	40,525	41,764	42,219	44,271	73,991	79,297	82,675	89,828	88,739

Source: The Central Bank of The Bahamas

[1] Includes bonuses

[2] Includes construction, renovation expenses and other fixed assets.

[3] Excludes bonuses

Table D: Other Selected Financial Sector Statistics

	Unit	2007r	2008r	2009r	2010r	2011r	2012p
Investment Funds Adminstrations							
Licensed Mutual Funds	Number	782	867	788	753	713	652
Licensed Administrators	**Number**	**65**	**66**	**64**	**65**	**65**	**63**
Asset Under Management	*B$ Billions*	*297.6*	*269.6*	*189.6*	*138.2*	*86.8*	*112.2*
Insurance Companies and Agents	**Number**	**163**	**170**	**174**	**178**	**127**	**131**
Domestic Companies and Agents	**Number**	**144**	**148**	**154**	**157**	**114**	**116**
Total Domestic Assets	*B$ Millions*	1,227.4	1,279.6	1,258.8	1,326.6	1,393.0	1,494.8
Average Annua1 Salaries	*B$*	45,225	45,007	45,084	44,673	43,829	47,080
Operating Costs / Total Expenditures	*%*	94.1	94.9	92.8	91.2	91.5	93.7
External Insurers	**Number**	**19**	**20**	**20**	**21**	**14**	**15**
Credit Unions							
Number of Unions	**Number**	**17**	**17**	**15**	**10**	**10**	**10**
Total Assets	*B$ Million*	216.2	226.7	233.6	247.9	273.2	303.1
Employment	*Number*	105	129	129	130	134	140
Average Annua1 Salaries	*B$*	26,555	26,880	27,099	26,585	27,968	n.a
Total Expenditures	*B$ Million*	6.61	6.93	6.46	6.69	6.49	n.a
Operating Costs / Total Expenditures	*%*	92.8	95.0	95.5	92.2	95.5	n.a
Bahamas International Securities Exchange (BISX)							
Securities Listed	**Number**	**19**	**24**	**24**	**23**	**25**	**27**
Shares Traded	*Thousands*	4,770	4,623	4,917	10,860	2,899	4,080
Market Capitalization	*B$ Billion*	3.98	3.30	3.02	2.91	2.91	2.87

Sources:
The Central Bank of The Bahamas, Bahamas International Securities Exchange (BISX),
The Securities Commission of The Bahamas and The Registrar of Insurance Companies.