



Quarterly Economic Review

September, 2011

Vol. 20, No. 3

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:

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

www.centralbankbahamas.com

email address: research@centralbankbahamas.com

QUARTERLY ECONOMIC REVIEW

Volume 20, No. 3
September, 2011

CONTENTS

| | PAGE |
|--|------|
| 1. REVIEW OF ECONOMIC AND FINANCIAL DEVELOPMENTS | |
| DOMESTIC ECONOMIC DEVELOPMENTS | 1 |
| FISCAL OPERATIONS | 1 |
| REAL SECTOR | 3 |
| TOURISM | 3 |
| CONSTRUCTION | 4 |
| PRICES | 5 |
| MONEY, CREDIT & INTEREST RATES | 5 |
| CAPITAL MARKETS DEVELOPMENTS | 11 |
| INTERNATIONAL TRADE & PAYMENTS | 11 |
| INTERNATIONAL ECONOMIC DEVELOPMENTS | 12 |
| 2. STATISTICAL APPENDIX (TABLES 1-16) | 15 |

REVIEW OF ECONOMIC AND FINANCIAL DEVELOPMENTS

DOMESTIC ECONOMIC DEVELOPMENTS

Despite signs of weakness in the global economy, indications are that the Bahamian economy maintained a positive—although mild—growth momentum during the third quarter. The recovery underway in tourism activity was supported by increased hotel room revenues and moderated gains in sea arrivals, notwithstanding weather-related disruptions to travel patterns in August. Construction sector output benefitted from a combination of foreign investment related inflows concentrated in the tourism sector, alongside public sector infrastructure projects—which corresponded to narrowly based job opportunities. However, private consumption remained anemic, given the persistence of high unemployment and the narrowness and moderate pace of economic activity. In price developments, elevated international oil prices fed through to a firming in average domestic consumer price inflation over the twelve-months to September.

In the fiscal sector, preliminary estimates of the Government's budgetary operations for the first quarter of FY2011/12 showed an improvement in the deficit relative to the same period in FY2010/11, as increased receipts from non-trade stamp taxes buoyed growth in total revenues and muted the expansion in aggregate expenditure. Budgetary financing was obtained mainly from internal sources, the bulk of which comprised a \$100.0 million domestic bond issue.

Monetary developments featured a contraction in both liquidity and external reserves, stemming from heightened net foreign currency outflows related to the traditional increase in consumer demand in the latter half of the year and to a lesser extent banks' profit repatriations. Growth in Bahamian dollar private sector credit remained relatively weak, while the expansion in banks' claims on the public sector reflected a build-up in their holdings of Government securities, in the context of sustained record levels of excess liquidity. Occasioned by a modest gain in fixed balances, overall money supply rose marginally over the review period. Banks' credit quality indicators deteriorated in the third quarter, partially

reflecting seasonal trends, as well as a continuation of the challenging economic environment.

External sector developments showed an improvement in the estimated current account deficit for the third quarter, buoyed by gains in the services account surplus, which offset a deterioration in the merchandise trade deficit. Conversely, the capital and financial account surplus fell sharply, owing to an almost 50% decline in other "miscellaneous" investments and lower net direct investments.

FISCAL OPERATIONS

OVERVIEW

Despite the continued softness in consumer demand, the preliminary fiscal outturn for the first quarter of FY2011/12 registered an 8.7% (\$9.1 million) reduction in the overall deficit, to \$95.5 million, partly aided by higher revenues from non-trade stamp taxes.

REVENUE

Total revenue firmed by 4.9% (\$13.4 million) to \$284.6 million, as tax collections—which constituted 91.1% of total receipts—expanded by 7.5% (\$18.0 million) to \$259.3 million. This outcome reflected in part, a timing-related 63.8% (\$15.1 million) surge in "non-trade" stamp taxes related mainly to real estate sales for medium to high value properties. Collections of international trade and transaction taxes also grew, by 5.4% (\$7.7 million) to \$150.2 million, as a 26.2% (\$13.2 million) increase in excise taxes, outstripped a 6.9% (\$6.0 million) contraction in import taxes. Revenue from business and professional license fees rose by \$4.1 million to \$10.7 million, benefitting from a modest upturn in receipts from international business companies. More modest accretions were noted for departure (4.0% to \$23.0 million), motor vehicle (12.0% to \$5.2 million) and property (4.9% to \$10.9 million) taxes. Conversely, collections of other "miscellaneous" taxes were lower by 44.2% at \$11.9 million, and selective taxes on services decreased by

13.7% to \$9.1 million, as a downturn in stopover arrivals contributed to the 20.4% fall-off in hotel occupancy taxes.

Non-tax collections—at 8.9% of total receipts—declined by 15.6% (\$4.7 million) to \$25.2 million, as a reduction in dividend payments from a utility company slashed income from other “miscellaneous” sources to \$0.6 million. In contrast, receipts from fines, forfeits & administration fees advanced by 6.4% (\$1.4 million) to \$23.7 million, and revenues from the smaller categories, public enterprises and the sale of Government property, firmed by \$0.3 million and \$0.1 million, to \$0.7 million and \$0.2 million, respectively.

| Government Revenue By Source | | | | |
|------------------------------|---------|-------|---------|-------|
| (Jul. - Sept.) | | | | |
| | FY10/11 | | FY11/12 | |
| | B\$M | % | B\$M | % |
| Property Tax | 10.4 | 3.8 | 10.9 | 3.8 |
| Selective Services Tax | 10.6 | 3.9 | 9.1 | 3.2 |
| Busines. & Prof Lic. Fees | 6.6 | 2.4 | 10.7 | 3.8 |
| Motor Vehicle Tax | 4.6 | 1.7 | 5.2 | 1.8 |
| Departure Tax | 22.1 | 8.1 | 23.0 | 8.1 |
| Import Duties | 86.1 | 31.7 | 80.1 | 28.2 |
| Stamp Tax from Imports | 2.7 | 1.0 | 3.4 | 1.2 |
| Excise Tax | 50.3 | 18.5 | 63.5 | 22.3 |
| Export Tax | 3.5 | 1.3 | 3.3 | 1.2 |
| Stamp Tax from Exports | -- | -- | -- | -- |
| Other Stamp Tax | 23.6 | 8.7 | 38.7 | 13.6 |
| Other Tax Revenue | 21.3 | 7.9 | 11.9 | 4.2 |
| Fines, Forfeits, etc. | 22.2 | 8.2 | 23.7 | 8.3 |
| Sales of Govt. Property | 0.1 | 0.0 | 0.2 | 0.1 |
| Income | 7.5 | 2.8 | 1.4 | 0.5 |
| Other Non-Tax Rev. | -- | -- | -- | -- |
| Capital Revenue | -- | -- | -- | -- |
| Grants | -- | -- | -- | -- |
| Less:Refunds | 0.5 | 0.2 | 0.5 | 0.2 |
| Total | 271.2 | 100.0 | 284.6 | 100.0 |

EXPENDITURE

Total spending was higher by 1.1% (\$4.3 million) at \$380.1 million, owing to a 4.6% (\$15.3 million) hike in current outlays to \$346.1 million and a 1.9% (\$0.2 million) increase in net lending to public corporations to \$8.3 million. In contrast, capital outlays decreased by 30.3% (\$11.2 million) to \$25.7 million. On a proportional basis, recurrent expenditure accounted for 91.0% of aggregate

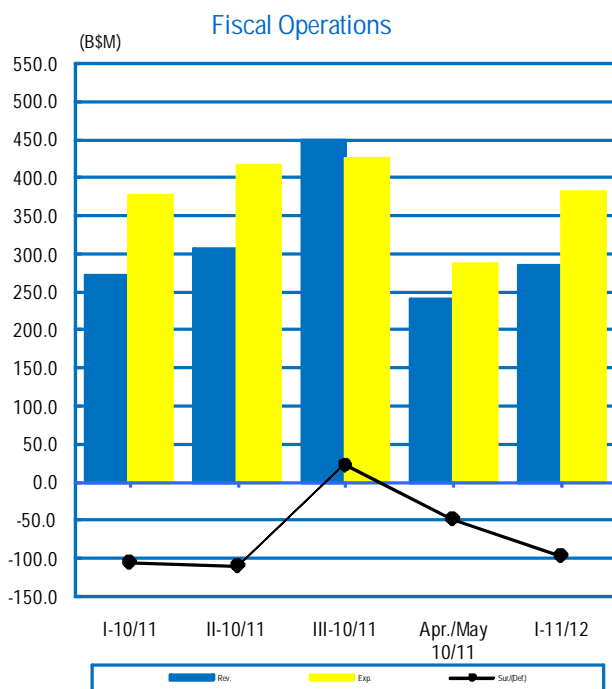
spending; capital outlays, 6.8% and net lending to public corporations, 2.2%.

By economic classification, growth in recurrent spending included an 11.4% (\$22.2 million) rise in consumption outlays to \$216.7 million, as purchases of goods & services and wages & salaries firmed by 36.9% and 1.2%, respectively. Providing a modest offset, transfer payments fell by 5.1% (\$6.9 million) to \$129.4 million, due mainly to reductions in subsidies (\$7.1 million) and transfers to households (\$1.7 million). These surpassed increases in transfers to non-profit institutions (\$1.5 million) and abroad (\$0.6 million), as well as interest payments (\$0.4 million).

On a functional basis, current spending on general public services—covering general administration and public service activities—rose by 26.2% (\$22.7 million) to \$109.1 million—to account for 31.5% of total outlays. Expenditures for social benefits and services expanded by 8.2% (\$2.1 million), while more modest increases of less than \$1.0 million were recorded for defense, housing, “other” community & social services and “unallocable” expenses. Conversely, outlays for economic services declined by 11.7% (\$4.0 million), as lower outlays related to advertising, resulted in a 34.1% timing-related reduction in tourism expenditure. Declines were also registered for health (10.6% or \$6.6 million) and education (1.6% or \$1.0 million).

Capital expenditure contracted by 30.3% (\$11.2 million) to \$25.7 million, reflecting broad-based reductions in almost all of the categories. Disbursements for infrastructure improvements fell by 12.4% (\$3.2 million) to \$22.9 million and declined for land acquisitions, to \$0.6 million from \$8.9 million in the prior period, when Government made a significant one-time purchase. Spending for other “miscellaneous” assets fell by \$0.3 million to \$0.2 million and there were no transfers to non-financial public enterprises. Capital transfers to public corporations were unchanged at \$0.6 million; however, equity investments rose marginally by \$0.9 million to \$1.5 million.

By functional classification, the decline in capital outlays was attributed to a timing-related contraction in spending for general public service, of nearly 70.4% to \$3.4 million. Similarly, a reduction in expenditure on public works and water supply led to a \$5.6 million fall-off in outlays for economic services, to \$17.0 million, whereas spending on education doubled to \$5.0 million.



FINANCING AND THE NATIONAL DEBT

Budgetary financing during the first quarter of FY2011/12 was obtained primarily from domestic sources, through the issuance of \$100 million in Bahamas Government Registered Stock (BGRS) and \$48.0 million in Treasury bills. The Government also secured \$66.6 million in short-term advances from the Central Bank and had external loan drawings of \$11.8 million. Debt repayments totaled \$66.8 million, of which \$65.0 million was utilized to reduce Bahamian dollar obligations.

As a result of these developments, the Direct Charge on the Government grew by 4.5% (\$159.5 million) over the quarter, to stand at \$3,712.5 million at end-September 2011. Bahamian dollar obligations comprised the bulk (79.4%) of the Direct Charge, with commercial banks holding 36.6% of the debt, followed by private and institutional investors (30.1%), public corporations (23.2%), the Central Bank (9.9%) and other local financial institutions (0.2%). The majority of the Bahamian dollar debt was in the form of BGRS (86.0%), which carried an average maturity of 12.4 years, followed by Treasury bills (10.2%) and loans & advances (3.8%).

Government's contingent liabilities declined marginally by 1.1% (\$6.1 million), on a quarterly basis, to \$556.7 million, due to slight reductions in the outstanding

obligations of the Bahamas Mortgage Corporation and the Bahamas Electricity Corporation. Contingent liabilities, combined with the Direct Charge, brought the National Debt to \$4,269.2 million by end-September—for a gain of 3.7% over the quarter and 2.9% on a year-on-year basis.

PUBLIC SECTOR FOREIGN CURRENCY DEBT

During the third quarter, public sector foreign currency debt increased by 2.3% (\$29.0 million) to \$1,308.5 million, as new drawings (\$36.3 million) exceeded amortization payments (\$7.2 million). The indebtedness of the public corporations was higher by 3.6% (\$19.1 million) at \$542.1 million, with a more moderate rise in Government's liabilities of 1.3% (\$9.9 million) to \$766.4 million.

Quarterly debt service payments advanced relative to the corresponding period of 2010, by 27.9% (\$2.9 million) to \$13.4 million, reflecting gains in both interest and amortization amounts. For the public corporations, the advance in debt service, by 23.0% (\$2.0 million) to \$10.8 million, was equally divided between amortization and interest charges. Government's component advanced by 52.8% (\$0.9 million) to \$2.6 million, and comprised amortization payments of \$1.8 million and interest charges of \$0.8 million. As a consequence, both the Government's debt service to revenue ratio and the broader debt service ratio were higher by 30 basis points, at 0.9% and 1.7%, respectively.

By creditor profile, the largest portion of foreign currency debt was held by private capital markets (45.9%), followed by commercial banks (24.6%), other entities (14.6%), multilateral institutions (12.6%) and bilateral agencies (2.3%). The outstanding debt carried an average maturity of 14.8 years and was denominated mainly in United States Dollars (98.1%), with the Chinese Yuan and other "miscellaneous" currencies accounting for much smaller portions, of 1.5% and 0.4%, respectively.

REAL SECTOR

TOURISM

Preliminary indications are that the mild recovery underway in the tourism sector was sustained during the third quarter, despite the disruption of flight and cruise ship itineraries caused by the passage of hurricane Irene

at the end of August. The sector also benefitted from increased airlift from the South American market, as a regional carrier continued its recently commenced direct flight service from Panama.

As the sharp weather-related downturn in August offset gains in the other months, total arrivals to The Bahamas grew marginally by 0.3% to 1.2 million over the review period, following an 18.7% cruise-led surge in the same period of 2010; however, visitor arrivals surpassed the 1.0 million recorded during the pre-crisis 2007 period. Sea visitors—which represented more than two-thirds of total arrivals—increased by 1.2% to 0.90 million, exceeding the 0.70 million recorded four years earlier. In contrast, the high value-added air traffic segment contracted by 2.3% to 0.30 million, and remained below 2007's 0.35 million count.

Activity segmented by main ports of call showed a decline in visitors to New Providence, by 1.4% to 648,594, reversing the prior year's 11.4% expansion, due to respective reductions of 1.0% and 1.6% in the air and sea segments. A similar outcome was registered for Grand Bahama, where a 52.2% sea visitor-led advance in 2010 contrasted with the 8.5% broad-based contraction in both air (14.2%) and sea (7.8%) arrivals. Conversely, visitors to the Family Islands firmed by 9.7%, although below last year's gain of 17.0% and were supported by an 11.6% upturn in sea traffic, which offset the 2.4% decline in air visitors.

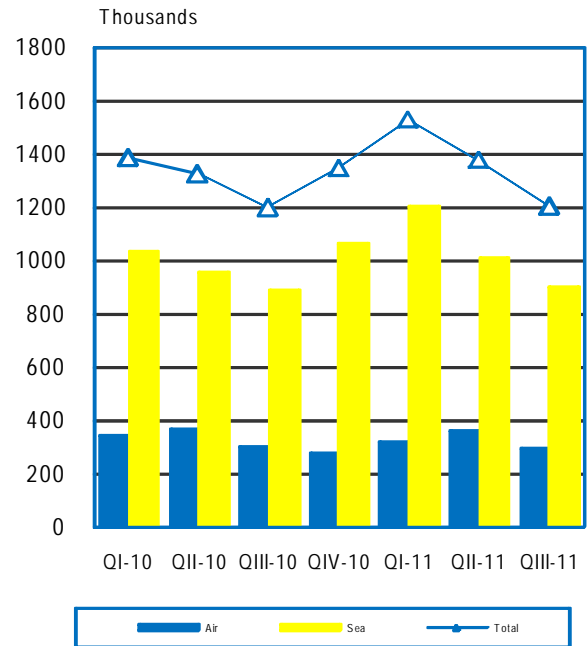
Despite the softness in the high value-added air visitor market, preliminary data from a sample of large hotels in Nassau and Paradise Island showed an improvement in hotel revenues in comparison to the corresponding period a year ago. Increases in occupancy levels for July and September supported a 1.3 percentage point gain in the average occupancy rate to 63.0% and, combined with the 3.6% rise in the average daily room rate to \$209.22, achieved an expansion in average hotel earnings over the quarter of 6.6%.

CONSTRUCTION

Foreign direct investments, alongside public sector infrastructure projects, continued to provide the main stimulus to construction activity. Reflecting the challenging business and labor market conditions, housing sector developments remained weak. In line with the latter, total mortgage disbursements for new construction and repairs

fell by 45.6% to \$28.8 million, extending the 15.2% decline of last year. The 37.8% contraction in the residential component—which comprised 97.0% of the total, almost doubled the prior period's fall-off, while the commercial segment registered a decline of 89.2% to \$0.9 million, in contrast to a year-earlier increase of 14.9%.

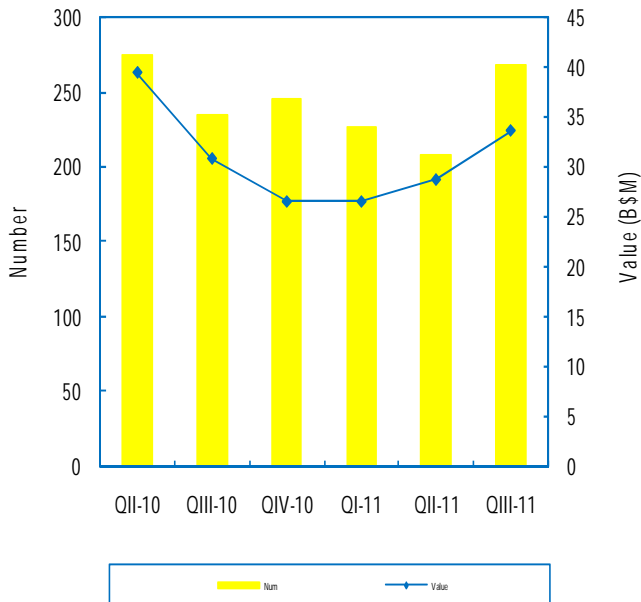
Visitor Arrivals



Some firming in private sector construction activity is expected over the near term, as mortgage commitments—a forward looking indicator—grew in number by 34 (14.5%) to 268, with a corresponding 9.0% rise in value to \$33.7 million. Underlying this improvement, loan approvals for residential construction expanded by 35 (15.1%) in number to 267 and by \$2.9 million in value to \$33.4 million. In contrast, the number of commercial commitments was halved to 1, with the respective value one-third lower at \$0.2 million.

Lending conditions were more favourable during the period, partly reflecting the pass-through effects of the commercial banks' 75 basis points reduction in the Prime rate on new loans granted during the period. The average interest rate on residential mortgages fell by 30 basis points to 8.2% and the average commercial mortgage rate declined by 60 basis points, year-on-year, to 8.4%.

Mortgage Commitments:
New Construction and Repairs



PRICES

Coincident with global trends in oil prices, elevated fuel and transportation costs translated into a firming in average consumer price inflation for the twelve months to September, by 1.5 percentage points to 2.8% over the same period of 2010. Average price increases for several items in the Retail Price Index for The Bahamas exceeded 1.0 percentage points (transportation, by 6.0 percentage points to 8.24%; education, by 2.6 percentage points to 3.44%; furniture, household equipment & maintenance, by 2.1 percentage points to 2.95%; and restaurant & hotels, by 1.5 percentage points to 2.57%, housing and other-related costs, by 1.2 percentage points to 3.24%). After recording declines of less than 1.0% a year ago, average prices firmed for recreation & culture, by 1.97%; communication, by 1.10% and food & non-alcoholic beverages, by 0.90%. In some offset, average price gains decelerated for medical care & health (by 1.34 percentage points to 1.89%), alcohol, tobacco & narcotics (by 0.20 percentage points to 1.71%) and miscellaneous goods & services (by 1.94 percentage points to 0.43%). Prices for clothing & footwear, which increased on average, by 1.1% in the corresponding twelve-month period, fell marginally by 0.48%.

Among domestic fuel prices, the average cost of gasoline and diesel both fell modestly by 1.8% to \$5.36 per gallon and \$5.01 per gallon, respectively, over the review quarter; however, with oil prices remaining elevated over an extended period, average prices for gasoline and diesel were 24.7% and 39.2% above last year. Higher global prices were also transmitted through to the Bahamas Electricity Corporation's fuel charge, which rose by 10.3% on a quarterly basis and by 45.4% year-on-year, to 24.92 cents per kilowatt hour (kWh).

Retail Price Index

(Annual % Changes)
September

| Items | Weight | 2010 | | 2011 | |
|----------------------------------|--------|-------|------|-------|------|
| | | Index | % | Index | % |
| Food & Non-Alcoholic Beverages | 120.4 | 99.1 | -1.6 | 102.3 | 3.2 |
| Alcohol, Tobacco & Narcotics | 6.4 | 102.7 | 3.1 | 103.5 | 0.8 |
| Clothing & Footwear | 37.76 | 99.3 | 0.1 | 100.3 | 0.9 |
| Housing, Water, Gas, Electricity | 334.83 | 101.9 | 2.3 | 104.6 | 2.7 |
| Furn. & Household, Maintenance | 64.26 | 98.8 | -1.3 | 104.8 | 6.0 |
| Health | 44.5 | 101.3 | 3.6 | 102.8 | 1.4 |
| Transportation | 119.13 | 103.3 | 2.8 | 114.1 | 10.5 |
| Communication | 41.19 | 100.7 | 0.7 | 101.7 | 0.9 |
| Rec., & Culture | 22.73 | 99.9 | -1.0 | 103.2 | 3.3 |
| Education | 30.05 | 100.0 | 0.7 | 103.5 | 3.5 |
| Restaurant & Hotels | 38.24 | 101.4 | 1.6 | 105.4 | 3.9 |
| Misc. Goods & Svcs. | 140.52 | 101.5 | 2.7 | 101.2 | -0.3 |
| ALL ITEMS | 1000 | 100.9 | 1.1 | 104.6 | 3.6 |

MONEY, CREDIT AND INTEREST RATES

OVERVIEW

During the review quarter, money and credit trends featured a contraction in both bank liquidity and external reserves, although continuing at record levels, as mild foreign currency inflows derived from real sector activities were offset by outflows associated with the traditional increase in consumer demand in the latter half of the year

and, to a lesser extent, banks' repatriation of dividends. A combination of seasonal payment trends, which underscored the continued challenges confronting consumers in servicing their debt obligations—amid the ongoing weakness in economic activity—resulted in a deterioration in banks' credit quality indicators. Lending conditions were characterized by a widened weighted average interest rate spread over the quarter, as elevated levels of bank liquidity continued to influence a significant falloff in deposit rates, which overshadowed the impact of the recent drop in lending rates.

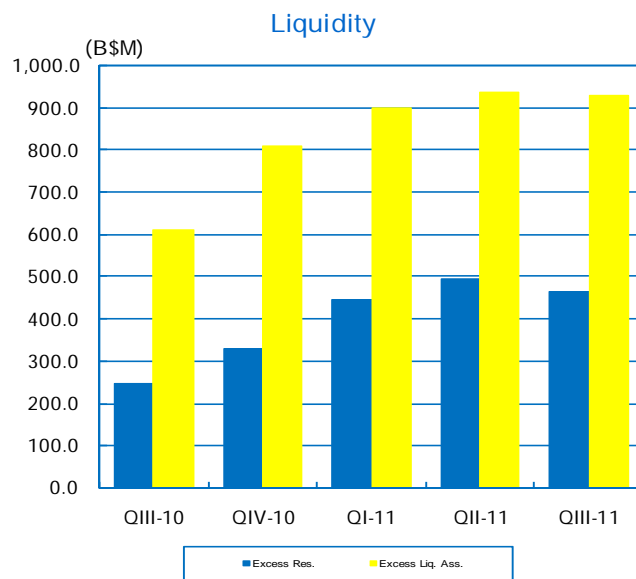
LIQUIDITY

Reflecting increased holdings of Government securities, banks' net free cash reserves declined by \$32.7 million (6.6%) to \$463.5 million over the quarter, extending the previous year's \$54.9 million contraction. At end-September, the ratio of free cash reserves to deposit liabilities rose to 7.7% from 4.2% in 2010. The fall-off in the broader surplus liquid assets, by \$8.2 million (0.9%) to \$929.1 million, moderated from the \$34.5 million (5.4%) reduction last year, with the corresponding surplus at an elevated 95.6% above the statutory minimum, compared to 63.6% in the same period of 2010.

DEPOSITS AND MONEY

The overall money supply (M3) increased marginally by \$1.8 million to \$6,353.2 million during the review period, to reverse last year's \$23.5 million (0.4%) contraction. The \$1.9 million (0.1%) decline in narrow money (M1) was below 2010's \$8.9 million drop, as the \$8.0 million (4.1%) gain in currency in circulation outstripped the \$9.9 million (0.8%) decrease in demand deposits. Following a 0.1% (\$3.4 million) retrenchment last year, broad money (M2) recovered by 0.2% (\$9.9 million), reflecting a private sector-led 0.4% (\$14.3 million) rise in fixed deposits, which contrasted with the 0.2% (\$2.5 million) reduction in savings balances. In addition, the public sector led decline in residents' foreign currency deposits, of \$8.1 million (3.7%), was almost similar to the year-earlier contraction.

By composition, fixed deposits accounted for the largest component of the money stock, at 57.9%, followed by demand balances (19.2%) and savings deposits (16.3%). The residual was split between foreign currency deposits (3.4%) and currency in active circulation (3.2%).



DOMESTIC CREDIT

Total domestic credit advanced by \$160.1 million (1.9%) to \$8,414.9 million, building on the 2.7% gain last year, and dominated by a similar incremental hike in the Bahamian dollar component. Conversely, foreign currency claims fell slightly by \$0.1 million to \$674.4 million. The increase in total credit was largely influenced by a \$141.9 million (11.3%) rise in banks' net claims on the Government, which outpaced an \$89.2 million (7.1%) build-up in the prior period, as their holdings of Government securities increased. In contrast, claims on the rest of the public sector narrowed by \$36.8 million (8.2%), a reversal from an 18.9% improvement last year, as an educational institution utilized proceeds from its almost \$32.0 million bond issue to reduce outstanding obligations.

Private sector credit rose by \$55.0 million (0.8%), after 2010's \$49.1 million accumulation, and was buoyed by a 5.2% (\$17.9 million) gain in foreign currency claims and a more subdued 0.6% (\$37.1 million) advance in the Bahamian dollar component. Regarding the latter, personal loans—at 78.5% of the outstanding credit—firmed by \$11.8 million (0.2%), a moderation from the previous year's \$39.4 million (0.8%) expansion. This outturn reflected respective gains in consumer credit and residential mortgages, of \$8.6 million (0.4%) and \$4.0 million (0.1%), which surpassed the \$6.5 million (6.7%) reduction in overdrafts.

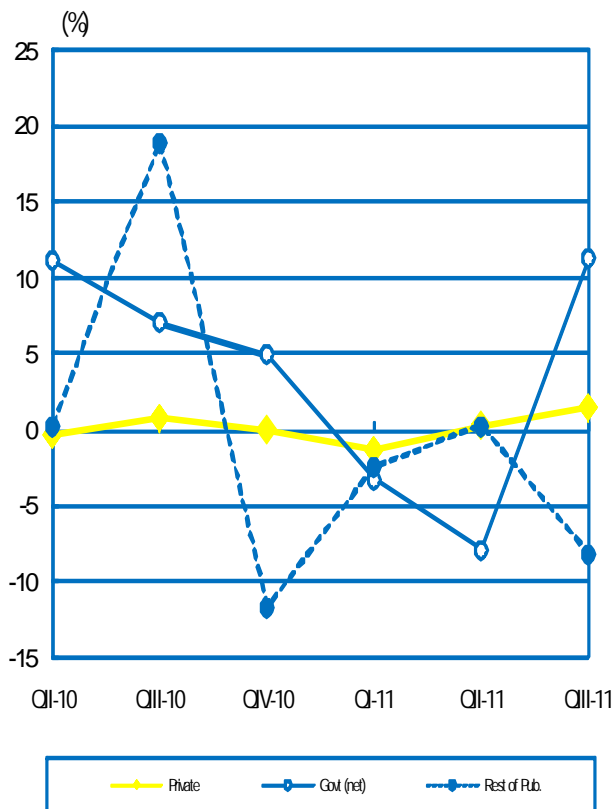
A breakdown of consumer credit showed that the most significant declines occurred for miscellaneous (\$15.0 million), education (\$9.4 million), private cars (\$7.9 million) and furnishings & domestic appliances (\$1.5 million), while muted gains were noted for home improvement, credit cards and land purchases, of \$5.1 million, \$3.5 million and \$2.5 million, respectively. By contrast, debt consolidation loans firmed by \$31.3 million (4.1%), extending last years' 2.7% advance.

For the other private sector credit categories, net repayments were registered for construction (\$12.8 million), manufacturing (\$5.7 million) and tourism (\$3.0 million). In contrast, significant growth was posted for miscellaneous and professional & other services by \$26.5 million and \$18.7 million, respectively, with the latter due mainly to the reclassification of a large public corporation's outstanding debt.

MORTGAGES

Preliminary quarterly mortgage data, covering banks, insurance companies and the Bahamas Mortgage Corporation, showed a slowing in the incremental growth to \$9.9 million (0.3%) from \$23.3 million (0.7%) a year ago, for an outstanding stock of \$3,234.4 million at end-September 2011. The residential component—which accounted for 93.9% of the total—grew modestly by 0.5% to \$3,035.7 million. In contrast, commercial mortgages fell by 3.0% to \$198.7 million, relative to a 2.7% increase a year earlier, as businesses continued to face weak economic conditions. At end-September 2011, the largest proportion of outstanding mortgages continued to be held by domestic banks (88.8%), followed by insurance companies (6.0%) and the Bahamas Mortgage Corporation (5.2%).

Changes in Credit



Distribution of Bank Credit By Sector

End-September

| | 2010 | | 2011p | |
|--------------------|---------|-------|---------|-------|
| | B\$M | % | B\$M | % |
| Agriculture | 16.3 | 0.2 | 13.3 | 0.2 |
| Fisheries | 12.4 | 0.2 | 11.5 | 0.2 |
| Mining & Quarry | 2.6 | 0.0 | 2.8 | 0.0 |
| Manufacturing | 32.9 | 0.5 | 33.4 | 0.5 |
| Distribution | 156.1 | 2.2 | 168.9 | 2.4 |
| Tourism | 166.9 | 2.3 | 71.9 | 1.0 |
| Enter. & Catering | 55.9 | 0.8 | 71.4 | 1.0 |
| Transport | 31.0 | 0.4 | 35.7 | 0.5 |
| Construction | 439.9 | 6.1 | 422.1 | 6.0 |
| Government | 212.6 | 3.0 | 143.4 | 2.0 |
| Public Corps. | 409.1 | 5.7 | 293.0 | 4.2 |
| Private Financial | 13.7 | 0.2 | 18.9 | 0.3 |
| Prof. & Other Ser. | 123.6 | 1.7 | 123.0 | 1.8 |
| Personal | 5,102.3 | 71.1 | 5,170.3 | 73.6 |
| Miscellaneous | 400.2 | 5.6 | 441.5 | 6.3 |
| TOTAL | 7,175.8 | 100.0 | 7,021.1 | 100.0 |

THE CENTRAL BANK

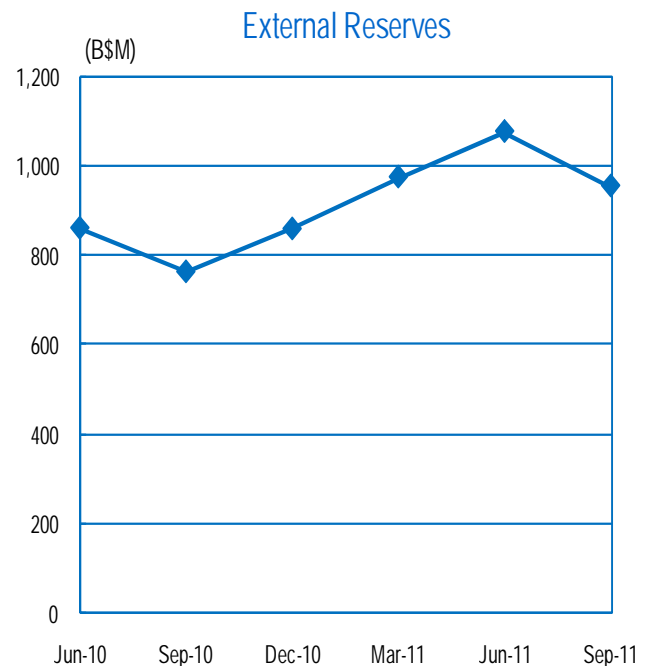
Buoyed by increased advances and holdings of securities, the Central Bank's net claim on the Government firmed by \$69.0 million (32.3%) to \$282.8 million, following a \$57.8 million (31.0%) increase a year earlier. A more moderate rise of \$1.1 million was posted for the Bank's net liability to the rest of the public sector, owing to growth in their deposit balances. Reflecting the combination of a seasonal drawdown in banks' excess deposits, to facilitate the increase in foreign currency demand in the latter half of the year, together with profit remittances, the Bank's liabilities to commercial banks fell by \$55.6 million (7.0%) to \$736.9 million.

External reserves decreased by \$120.5 million (11.2%) to \$955.6 million which, although extending the prior year's \$96.7 million contraction, was comparatively higher by some 24.9%. This outturn reflected a slowdown in the Bank's net purchase from the Government, to \$7.9 million from \$80.7 million a year earlier, which was boosted by proceeds from a short-term loan. In contrast, the net sale to commercial banks receded by \$90.1 million to \$17.9 million, due in part to a reduction in banks' profit and capital repatriations by \$51.4 million to approximately \$13.6 million, while the net sale to other customers—mainly related to fuel payments—firmed by \$28.1 million to \$109.9 million. At end-September, external reserves represented 14.6 weeks of non-oil merchandise import cover, compared to 12.4 weeks a year earlier. After adjusting for the 50% statutory requirement on the Central Bank's Bahamian dollar liabilities, which have to be supported by external balances, "useable" reserves expanded by \$97.3 million to \$475.2 million.

DOMESTIC BANKS

Reflecting the ongoing recovery in the domestic economy, growth in credit to the private sector was extended to \$55.0 million (0.8%) from \$49.1 million a year ago. At end-September, the aggregate value of banks' deposit liabilities—inclusive of Government balances—contracted marginally by 0.1% (\$7.7 million) to \$6,140.7 million, following a 0.4% decline in the prior year, and was mainly comprised of local currency (96.5%). Government's deposit liabilities fell further by \$4.4 million (3.6%), vis-à-vis last year's \$15.2 million decline, while those of the rest of the public sector narrowed by \$48.3 million (9.5%), compared to a \$2.8 million upturn in 2010.

In a notable offset, deposit liabilities of the private sector rose by \$40.6 million (0.7%) to \$5,678.1 million, a turnaround from the \$27.8 million decline recorded a year earlier.



Growth in foreign currency credit, associated with a major infrastructure development project, underpinned an expansion in banks' net foreign liabilities by \$68.9 million (13.7%). This represented a slowdown from a 29.6% Government-led upturn in borrowings a year earlier. Banks' capital and surplus reserves grew by \$7.9 million (0.3%), in contrast to a \$55.2 million (1.3%) fall in the corresponding period of 2010.

At end-September 2011, the bulk of Bahamian dollar balances was held by private individuals (56.9%), followed by business firms (26.4%) and public corporations (6.7%). Private financial firms, other "miscellaneous" sources, Government and public financial institutions accounted for much smaller shares of 3.9%, 3.4%, 1.9% and 0.8%, respectively.

Fixed balances constituted the largest segment (61.8%) of banks' deposit liabilities, followed by demand (21.0%) and savings (17.2%) balances. Analyzed by range of value and number of accounts, the predominant share of Bahamian dollar accounts (89.8%) held bal-

ances of less than \$10,000 and comprised a mere 6.0% of the total value. Those ranging between \$10,000 and \$50,000 represented 6.7% of the number and 10.7% of the total value; however, balances over \$50,000 constituted only 3.5% of overall deposits, but 83.3% of the aggregate value.

CREDIT QUALITY

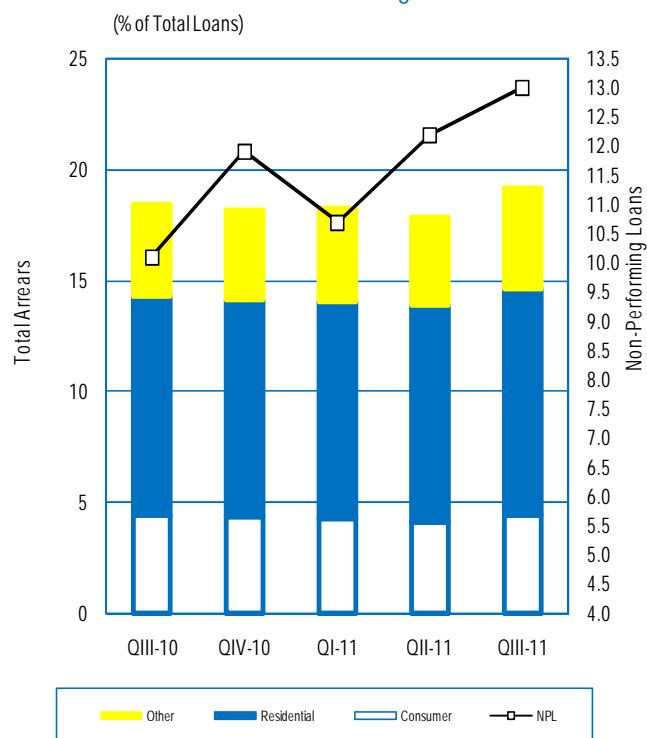
The combination of a still challenging business environment, elevated unemployment levels and seasonal payment trends, caused a further deterioration in banks' credit quality indicators during the review period. Total private sector loan arrears expanded by \$85.0 million (7.5%) over the quarter and by a more moderate \$60.5 million year-on-year, to \$1,213.6 million by end-September. The quarterly deterioration in delinquencies exceeded the \$17.8 million (1.6%) gain posted a year earlier, but was below the \$151.4 million (18.1%) accumulation during the recession in 2009. The corresponding ratio of arrears to total private sector loans firmed by 1.2 percentage points over the three-month period, and by 59 basis points on a yearly basis, to 19.5%.

An analysis by the major categories revealed that the uptrend in arrears was broad-based. The commercial segment firmed by \$38.4 million (15.6%) to \$284.8 million, with the corresponding ratio to total commercial loans increasing by 3.1 percentage points from end-June to 27.0%; however, compared to end-September 2010, the ratio narrowed by 2.6 percentage points. In addition, mortgage delinquencies advanced by \$27.3 million (4.4%) to \$649.0 million and the attendant ratio, by 77 and 23 basis points on a quarterly and annual basis respectively, to 21.4%. Consumer loan arrears also moved higher by \$19.4 million (7.4%) to \$279.8 million; the associated ratio firmed by 89 basis points from the previous quarter, and by 4 basis points year-on-year to 13.1%.

In the three months to September, private sector non-performing loans—arrears in excess of 90 days and on which banks stopped accruing interest—were higher by \$54.9 million (7.1%) at \$828.0 million, elevating the corresponding ratio to total private sector loans, both on a quarterly and yearly basis, by 0.8 and 3.0 percentage points respectively, to 13.3%. Positions worsened across all categories, with the consumer, commercial and mortgage segments up by 10.7%, 8.3% and 5.2%, respectively.

In response to these developments, banks increased their loan loss provisions by \$16.9 million (6.0%) over the quarter to \$298.6 million, bringing the ratio of provisions to total loans higher by 25 basis points at 4.7%. However, given the faster pace of growth in arrears and non-performing loans, the corresponding ratio of provisions to both categories slackened by 36 and 38 basis points, to 24.6% and 36.1%, respectively.

Loan Arrears & Non-Performing Balances



BANK PROFITABILITY

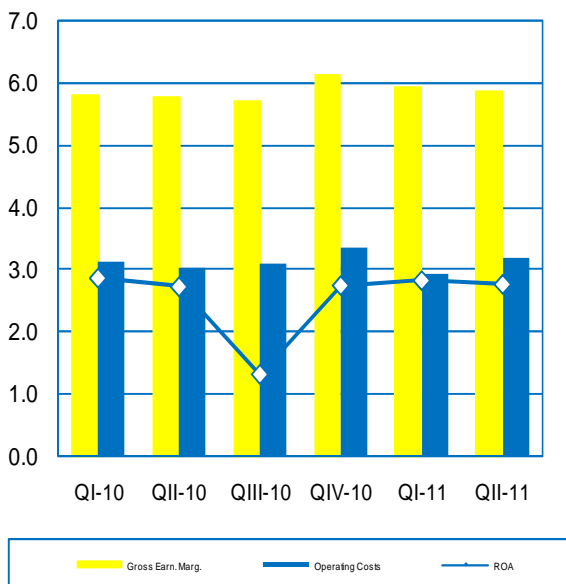
Buoyed by improvements in the interest and "miscellaneous" income components, banks' overall profitability improved by 4.3% (\$2.7 million) to \$65.0 million during the second quarter, although considerably below the 34.0% (\$15.8 million) expansion in the same period of 2010. Net interest income rose by 5.3% (\$6.7 million) to \$133.0 million, reflecting a contraction in interest expense by 13.4%, which outstripped the 0.5% decline in revenues. Further, commission and foreign exchange fee income decreased by 3.5% (\$0.2 million), slowing the expansion in the gross earnings margin to \$6.5 million (4.9%).

By contrast, total operating costs increased by 8.3% (\$5.7 million), owing to higher staffing (6.4%), occupancy (11.8%) and "miscellaneous" operating (10.5%) expenses. In an offset, contractions were posted for bad debt provisions (20.7%) and depreciation expenses (15.9%), which eclipsed the falloff in "miscellaneous" income (14.1%)—for earnings of \$1.3 million on "non-core" operating activities, a reversal from a \$0.6 million loss a year ago.

In line with these developments, the majority of banks' profitability measures firmed as a percentage of total assets. The interest margin rose by 14 basis points to 5.64%, while the ratio of commission and foreign income narrowed slightly by 2 basis points to 0.24%. The gross earnings margin expanded by 12 basis points to 5.88%; however, the growth in the operational cost ratio, by 0.16 percentage points to 3.18%, contributed to the fall in the net earnings margin ratio, by 0.4 of a percentage point, for an ending ratio of 2.70%. A rebound in banks' "miscellaneous" earnings also added a further 4 basis point increase in the net income ratio to 2.75%.

Domestic Banks' Profitability

(% of Avg. Assets)



INTEREST RATES

Interest rate developments during the third quarter continued to be influenced by the Central Bank's 75 basis point Discount Rate reduction in June, as banks adjusted the relevant lending rates to reflect the change in policy stance. As a consequence, the average interest rate on loans fell marginally by 7 basis points to 11.01%, while a build-up in liquidity levels contributed to a softening in the average deposit rate, by 63 basis points to 2.27%. Overall, commercial banks' average interest rate spread widened by 56 basis points to 8.74 percentage points over the previous quarter.

For deposits, rates on demand balances declined by 28 basis points to 1.15% and the average rate on fixed maturities narrowed to a range of 1.97% - 2.77% from 2.64% - 3.55% in the prior quarter. Similarly, the average savings rate decreased by 26 basis points to 1.63%.

Banking Sector Interest Rates

Period Average (%)

| | Qtr. III 2010 | Qtr. II 2011 | Qtr. III 2011 |
|---------------------------|------------------|-----------------|------------------|
| Deposit Rates | | | |
| Demand Deposits | 1.44 | 1.43 | 1.15 |
| Savings Deposits | 1.84 | 1.89 | 1.63 |
| Fixed Deposits | | | |
| Up to 3 months | 3.09 | 2.64 | 1.97 |
| Up to 6 months | 3.62 | 2.79 | 2.56 |
| Up to 12 months | 3.86 | 3.54 | 2.77 |
| Over 12 months | 4.00 | 3.55 | 2.75 |
| Weighted Avg Deposit Rate | 3.33 | 2.90 | 2.27 |
| Lending Rates | | | |
| Residential mortgages | 8.10 | 7.94 | 7.57 |
| Commercial mortgages | 9.20 | 8.57 | 8.04 |
| Consumer loans | 13.51 | 13.29 | 13.29 |
| Other Local Loans | 8.28 | 8.06 | 7.61 |
| Overdrafts | 10.40 | 10.15 | 9.94 |
| Weighted Avg Loan Rate | 11.41 | 11.08 | 11.01 |

On the lending side, the downward movement in average loan costs contributed to broad-based declines in most of the categories. Average commercial and residential mortgage rates fell by 53 and 37 basis points, to 8.04% and 7.57%, respectively. The average interest rate on overdrafts softened by 21 basis points to 9.94%, while the rate on consumer loans steadied at 13.29%.

In terms of other key rates, the average 90-day Treasury bill rate contracted by 60 basis points to 0.96% in the three months to September, reflecting the high levels of liquidity in the banking system. The Central Bank's Discount Rate and Commercial Banks' Prime Rate were maintained at 4.50% and 4.75%, respectively, following the 75 basis points reduction in both rates in the prior quarter.

CAPITAL MARKETS DEVELOPMENTS

Activity on the Bahamas International Securities Exchange (BISX) remained relatively subdued during the review period, as the BISX All Share Index narrowed by 2.4% to 1,376.14 points, following a 0.8% increase in 2010. The volume of shares traded rose marginally to 0.8 million from 0.7 million, with the corresponding value lower by \$0.1 million at \$2.8 million. Owing to modest declines in the share prices of a few securities, market capitalization decreased by 6.0% to \$2.9 billion, in contrast to a 0.4% advance to \$2.4 billion last year. The corresponding number of securities listed on the exchange was unchanged at 25.

INTERNATIONAL TRADE AND PAYMENTS

Provisional data for the third quarter showed that the current account deficit narrowed by \$103.4 million (31.4%) to \$226.1 million, relative to the same period a year earlier, underpinned by an improvement in the surplus on the services account and a decrease in the income account deficit. In contrast, the surplus on the financial account contracted by \$149.2 million (36.6%) to \$258.6 million, owing mainly to a reduction in banks' short-term borrowings from abroad and lower direct investment inflows.

The merchandise trade deficit widened by \$11.9 million (2.3%) to an estimated \$528.3 million, as the 3.9% (\$27.0 million) advance in imports eclipsed the 8.7% (\$15.1 million) rise in exports. In terms of the composition, net non-oil imports rose by \$31.3 million (8.2%) to \$414.5 million, in line with the modest firming in domestic demand. The net outflow for fuel purchases was lower by \$11.0 million (5.6%) at \$185.1 million, as gains in average costs were outpaced by decreases in volumes. Over the period, the average price of all oil products surged, with the highest increases registered for jet fuel (53.8% to \$142.56), motor gas (42.0% to \$130.47) and gas oil (41.0% to \$128.14). Less significant gains were registered for propane (38.2% to \$78.19) and aviation gas (17.3% to \$156.72).

The surplus on the services account expanded by \$82.8 million (31.9%) to \$342.4 million. This outcome was mainly attributed to a \$38.4 million (9.2%) growth in net travel receipts to \$454.4 million, as tourism output continued to recover over the period, despite the weather-related disruptions in August. Other net "miscellaneous" service outflows contracted by \$27.8 million to \$49.2 million; net transportation payments fell by \$20.7 million, due primarily to a decrease in outlays for passenger services, while insurance service payments fell by \$4.5 million to \$34.9 million. Government service transactions were reversed to a net inflow of \$0.3 million from a net outflow of \$11.8 million a year earlier. In contrast, off-shore companies net local expenses declined by \$6.9 million to \$31.2 million and the remaining categories recorded higher net outflows, with foreign investment-related construction service payments growing by \$10.9 million to \$15.1 million and royalty and license net outflows, firming by \$3.0 million to \$3.9 million.

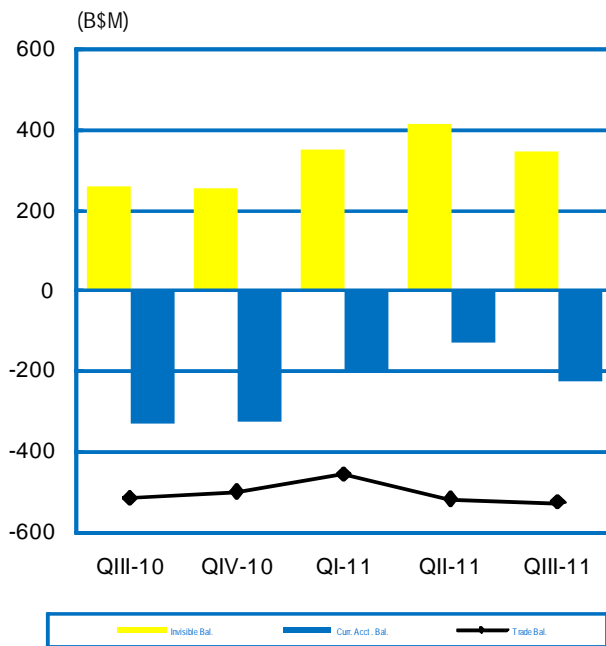
The deficit on the income account narrowed by \$20.8 million (31.5%) to \$45.3 million, reflecting a \$24.2 million decline in net investment outflows to \$34.9 million, as private companies' net interest and dividend payments fell by \$23.3 million to \$38.4 million. This outturn reflected a reduction in commercial banks' net dividend payments, by \$36.6 million to \$11.0 million, outpacing the \$13.3 million advance in net outflows by non-bank entities to \$27.4 million. Similarly, net receipts from official transactions firmed by \$0.9 million to \$3.5 million, based on a slight gain in the Central Bank's income. In contrast, net employee compensation outflows rose by \$3.3 million to \$10.4 million.

Following a net outflow of \$6.6 million last year, current transfers were reversed to a net inflow of \$5.1 million over the quarter, as workers' remittances and other "miscellaneous" net transfers receded by \$4.7 million and \$6.2 million, to \$12.4 million and \$5.5 million, respectively. In addition, net payments to the Government—associated mainly with tourism-related tax receipts—firmed marginally by \$0.8 million to \$22.9 million.

by a \$6.3 million increase in debt security purchases, while net equity investment outflows softened by \$0.4 million to \$3.7 million.

After making the relevant adjustments for net errors and omissions, the deficit on the overall balance, which represents changes in external assets, grew by \$23.8 million (24.6%) to \$120.5 million over the comparable quarter of 2010.

Balance of Payments



INTERNATIONAL ECONOMIC DEVELOPMENTS

Amid continued concerns over the euro zone's capacity to prevent the unfolding sovereign debt crisis from spreading to larger European economies, combined with the slow pace of the recovery in the United States, global economic conditions remained weak during the third quarter. As a result, the IMF lowered its projections for world growth to 4.0% in September from 4.3% in its June release. In this environment, employment conditions remained anemic, while major central banks maintained their accommodative monetary policy stance. In the financial sector, all of the major stock indices tumbled over the review period and the US dollar appreciated against most European currencies, as investors sought to increase their holdings of relatively "safe" assets.

The reduction in the capital and financial account surplus was attributed mainly to a 47.9% (\$121.4 million) contraction in other "miscellaneous" investments, as domestic banks' net short-term inflows fell sharply to \$69.0 million from \$181.3 million a year-earlier, when Government's foreign currency loan financing underpinned growth in short-term funding. Similarly, net inflows to the public sector receded by \$14.3 million to \$9.7 million, while "other" private sector net inflows rose by \$5.1 million to \$53.5 million. Net receipts of direct investments decreased by \$21.7 million to \$137.6 million, based on declines in net inflows from land sales, by \$18.2 million to \$11.6 million and from equity transactions, by \$3.5 million to \$126.0 million. Net outward portfolio investments firmed by \$5.8 million to \$9.9 million, buoyed

Real GDP growth for the United States firmed from 1.3% in the second quarter to 2.0% in the review period, underpinned by improvements in personal consumption expenditure, non-residential fixed investment, exports and federal government outlays. Buoyed by positive contributions from the services and production industries, output in the United Kingdom rose marginally by 0.5%, following a 0.1% advance in the previous quarter. As the implementation of economic austerity programmes in several member states weakened consumer spending, growth in the euro area was flat at 0.2% over the third quarter. Occasioned by a falloff in exports to Europe and a slowdown in consumer spending linked to monetary tightening measures, the expansion in real output in China moderated by 0.4 of a percentage point to 9.1%, on a quarterly basis. However, aided by gains in exports and consumer expenditure, combined with reconstruction spending, Japan continued to recover from its post earthquake downturn, as reflected by a 1.5% expansion in real GDP over the previous quarter.

Although most of the major economies registered growth in the third quarter, unemployment rates remained elevated. Bolstered by job openings in the business services, health care and construction sectors, non-farm employment in the United States firmed by 103,000, leading to a slight reduction in the unemployment rate to 9.1% from 9.2% at end-June. In contrast, the jobless rate in the United Kingdom advanced by 40 basis points to 8.3% over the review quarter, as an estimated 129,000 jobs were lost; and with unemployment rates exceeding 16.0% in Greece and Latvia, euro area unemployment was slightly higher at 10.2%. In contrast, jobless rates for Japan and China steadied at 4.1% and 4.0%, respectively.

Higher energy and transportation costs supported moderate increases in inflation rates across most of the major economies during the review quarter. In the United States, annualized inflation firmed by 30 basis points to 3.9% in September, from June. Similarly, average annual prices in the United Kingdom accelerated by 1.0 percentage point quarter-on-quarter to 5.2% at end-September, and were up for the euro area, by 30 basis points over the June quarter, to 3.0%. In China, the year-on-year inflation rate moderated to 6.1% in September from 6.4% in June, reflecting modest reductions in accretions to food and non-food prices; whereas average costs in Japan were unchanged in September over the previous year, in contrast to a marginal 0.2% decline in June.

The uncertainty surrounding the euro zone debt crisis increased demand for US dollar denominated assets in the review period, which resulted in the dollar appreciating relative to most of the other major currencies. In terms of Europe, the Dollar gained against the euro, the Swiss Franc, and the British Pound, by 8.3% to €0.75, 8.0% to CHF0.90 and 3.0% to £0.64, respectively. Similarly, the US dollar advanced vis-à-vis the Canadian dollar, by 9.0% to CND\$1.05. In contrast, major Asian currencies strengthened against the dollar, with the Yen rising by 4.4% to ¥77.02 and the Chinese Yuan, by 1.2% to CNY 6.38.

Concerns over the potential contagion effects of the European debt crisis negatively impacted investor sentiment and triggered significant declines in global equity markets. European bourses recorded some of the largest losses, with both France's CAC 40 and Germany's DAX plunging by 25.1% and 25.4%, respectively, and the

United Kingdom's FTSE 100 receding by 13.7%. In the United States, the Dow Jones Industrial Average (DJIA) and the S&P 500 fell by 12.1% and 14.2% respectively, while declines were also registered in Asia for China's SE Composite (14.6%) and Japan's Nikkei 225 (11.4%).

As global economic activity slowed, oil prices contracted by 5.4% to \$104.82 at end-September, from \$110.82 at end-June 2011. Among other commodity prices, the cost of silver decreased by 13.7% to \$29.93 per ounce; however, investor demand for gold as a "safe haven", pushed prices higher by 8.2% to \$1,623.97 per ounce.

Given the fragile state of the global recovery, major central banks either maintained or heightened their accommodative monetary policy stance over the quarter. In particular, the United States Federal Reserve held its key funding rate within the range of 0.00-0.25% and announced that it would purchase an estimated \$400 billion in Treasury securities with remaining maturities of 6-30 years to further reduce long-term interest rates. The purchases would be accomplished by selling an equivalent amount of securities with remaining maturities of 3 years or less, a policy anecdotally referred to as "Operation Twist." Despite inflation remaining well in excess of its 2.0% target, the Bank of England kept its policy rate at 0.5% and left its asset purchase program unchanged at £200 billion pounds, as economic conditions remained anemic. In contrast, amid heightened inflationary pressures, the European Central Bank increased its key policy rates by 25 basis points in July; however, the Bank subsequently kept interest rates unchanged as the region's debt crisis worsened. In an attempt to dampen credit growth, the People's Bank of China continued its monetary tightening measures, raising its primary deposit and lending rates by 25 basis points each to 3.50% and 6.56%, respectively, following on a 50 basis point increase in the prior quarter. By contrast, the Bank of Japan implemented additional accommodative monetary policy measures, expanding the size of its asset purchase programme by ¥10 trillion to ¥50 trillion and leaving its key interest rate at between 0.0 and 0.1%.

External sector developments during the third quarter featured a general improvement in trade positions, as a modest strengthening in exports in several economies supported declines in their deficits. In the United States, the trade deficit narrowed by \$11.5 billion to \$133.5

billion, as the 2.3% increase in exports surpassed the slight 0.1% uptick in imports. Similarly, the United Kingdom's trade deficit declined by 17.5% to £9.4 billion relative to the second quarter, reflecting a 33.4% increase in the services surplus to £17.7 billion, which outpaced the 9.7% advancement in the goods deficit to £27.1 billion. By contrast, owing to a 0.9% decline in imports, which outstripped the 0.5% rise in exports, the euro zone recorded a €1.0 billion trade surplus in the third quarter, a reversal from a €5.2 billion deficit registered in the preceding period. In China, export growth of 9.1% surpassed the 6.5% expansion in imports, allowing for a broadening in the trade surplus, to US\$63.8 billion from US\$46.7 billion in the June quarter. Japan's trade deficit narrowed from ¥1.3 billion in the prior three-month period to ¥0.4 billion, owing to a 9.1% expansion in exports which outpaced a 3.4% gain in imports.

STATISTICAL APPENDIX
(Tables 1-16)

STATISTICAL APPENDIX

| | |
|----------|--|
| Table 1 | Financial Survey |
| Table 2 | Monetary Survey |
| Table 3 | Central Bank Balance Sheet |
| Table 4 | Domestic Banks Balance Sheet |
| Table 5 | Profit and Loss Accounts Of Banks In The Bahamas |
| Table 6 | Money Supply |
| Table 7 | Consumer Installment Credit |
| Table 8 | Selected Average Interest Rates |
| Table 9 | Selected Credit Quality Indicators of Domestic Banks |
| Table 10 | Summary of Bank Liquidity |
| Table 11 | Government Operations and Financing |
| Table 12 | National Debt |
| Table 13 | Public Sector Foreign Currency Debt Operations |
| Table 14 | Balance of Payments Summary |
| Table 15 | External Trade |
| Table 16 | Selected Tourism Statistics |

The following symbols and conventions are used throughout this report:

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

TABLE 1
FINANCIAL SURVEY

| End of Period | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | 2011 | | |
|------------------------------|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------|------|------|-------|
| | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. |
| | (B\$ Millions) | | | | | | | | | | | | | | | | | |
| Net foreign assets | (254.4) | (213.4) | (140.9) | (42.0) | (58.1) | (41.9) | 134.1 | 178.8 | 250.0 | (28.0) | 152.1 | 312.0 | 571.5 | 382.1 | | | | |
| Central Bank | 499.7 | 454.2 | 562.9 | 623.8 | 770.4 | 754.9 | 816.0 | 819.0 | 862.1 | 765.4 | 860.4 | 975.1 | 1076.1 | 955.6 | | | | |
| Domestic Banks | (754.1) | (667.6) | (703.8) | (665.8) | (828.5) | (796.8) | (681.9) | (640.2) | (612.1) | (793.4) | (708.3) | (663.1) | (504.6) | (573.5) | | | | |
| Net domestic assets | 5,399.5 | 5,850.7 | 6,064.9 | 6,070.7 | 6,078.0 | 6,078.2 | 5,898.2 | 5,948.6 | 6,007.3 | 6,261.9 | 6,038.9 | 5,916.0 | 5,779.9 | 5,971.1 | | | | |
| Domestic credit | 6,742.9 | 7,434.3 | 7,909.1 | 7,933.8 | 7,964.2 | 8,174.4 | 8,039.7 | 8,118.4 | 8,223.1 | 8,444.5 | 8,448.2 | 8,302.3 | 8,213.2 | 8,414.9 | | | | |
| Public sector | 1074.2 | 1,215.9 | 1,372.3 | 1,450.0 | 1,447.4 | 1,616.7 | 1,443.8 | 1,569.7 | 1,696.7 | 1,869.1 | 1,875.5 | 1,817.0 | 1,710.3 | 1,815.4 | | | | |
| Government (net) | 677.0 | 866.8 | 924.0 | 1042.9 | 1041.8 | 1205.2 | 1023.9 | 1,131.3 | 1,257.1 | 1,346.3 | 1,413.7 | 1,366.8 | 1,259.2 | 1,401.1 | | | | |
| Rest of public sector | 397.2 | 349.1 | 448.3 | 407.1 | 405.6 | 411.5 | 419.9 | 438.4 | 439.6 | 522.8 | 461.8 | 450.2 | 451.1 | 414.3 | | | | |
| Private sector | 5,668.7 | 6,218.4 | 6,536.8 | 6,483.8 | 6,516.8 | 6,557.7 | 6,595.9 | 6,548.7 | 6,526.4 | 6,575.4 | 6,572.7 | 6,485.3 | 6,502.9 | 6,599.5 | | | | |
| Other items (net) | (1,343.4) | (1,583.6) | (1,844.2) | (1,863.1) | (1,886.2) | (2,096.2) | (2,141.5) | (2,169.8) | (2,215.8) | (2,182.6) | (2,409.3) | (2,386.3) | (2,433.3) | (2,443.8) | | | | |
| Monetary liabilities | 5,145.1 | 5,637.3 | 5,924.0 | 6,028.7 | 6,019.9 | 6,036.3 | 6,032.3 | 6,127.4 | 6,257.3 | 6,233.9 | 6,191.1 | 6,228.0 | 6,351.4 | 6,353.2 | | | | |
| Money | 1,251.1 | 1,300.3 | 1,274.5 | 1,336.4 | 1,285.2 | 1,277.8 | 1,283.6 | 1,274.8 | 1,374.7 | 1,365.8 | 1,335.2 | 1,340.0 | 1,425.7 | 1,423.9 | | | | |
| Currency | 202.1 | 223.7 | 205.8 | 197.0 | 194.3 | 184.2 | 207.8 | 186.9 | 186.7 | 188.7 | 194.5 | 194.3 | 194.1 | 202.1 | | | | |
| Demand deposits | 1,049.0 | 1,076.6 | 1,068.7 | 1,139.4 | 1,090.9 | 1,093.6 | 1,075.8 | 1,087.9 | 1,188.0 | 1,177.1 | 1,140.6 | 1,145.7 | 1,231.6 | 1,221.8 | | | | |
| Quasi-money | 3,894.0 | 4,337.0 | 4,649.5 | 4,692.3 | 4,734.7 | 4,758.5 | 4,748.7 | 4,852.6 | 4,882.6 | 4,868.1 | 4,855.9 | 4,888.0 | 4,925.7 | 4,929.3 | | | | |
| Fixed deposits | 2,781.5 | 3,144.8 | 3,427.7 | 3,451.8 | 3,480.5 | 3,506.7 | 3,521.4 | 3,610.6 | 3,641.5 | 3,653.5 | 3,615.4 | 3,647.3 | 3,663.3 | 3,677.5 | | | | |
| Savings deposits | 953.3 | 992.1 | 1,020.4 | 1,031.4 | 1,040.5 | 1,007.1 | 995.4 | 1,004.6 | 1,012.4 | 1,006.0 | 1,015.8 | 1,039.9 | 1,040.0 | 1,037.5 | | | | |
| Foreign currency | 159.2 | 200.1 | 201.4 | 209.1 | 213.7 | 244.7 | 231.9 | 237.4 | 228.7 | 208.6 | 224.7 | 200.8 | 222.4 | 214.3 | | | | |
| | (percentage changes) | | | | | | | | | | | | | | | | | |
| Total domestic credit | 14.3 | 10.3 | 6.4 | 0.3 | 0.4 | 2.6 | (1.6) | 1.0 | 1.3 | 2.7 | 0.0 | (1.7) | (1.1) | 2.5 | | | | |
| Public sector | 13.6 | 13.2 | 12.9 | 5.7 | (0.2) | 11.7 | (10.7) | 8.7 | 8.1 | 10.2 | 0.3 | (3.1) | (5.9) | 6.1 | | | | |
| Government (net) | 5.4 | 28.0 | 6.6 | 12.9 | (0.1) | 15.7 | (15.0) | 10.5 | 11.1 | 7.1 | 5.0 | (3.3) | (7.9) | 11.3 | | | | |
| Rest of public sector | 31.0 | (12.1) | 28.4 | (9.2) | (0.4) | 1.5 | 2.0 | 4.4 | 0.3 | 18.9 | (11.7) | (2.5) | 0.2 | (8.2) | | | | |
| Private sector | 14.4 | 9.7 | 5.1 | (0.8) | 0.5 | 0.6 | 0.6 | (0.7) | (0.3) | 0.8 | (0.0) | (1.3) | 0.3 | 1.5 | | | | |
| Monetary liabilities | 6.5 | 9.6 | 5.1 | 1.8 | (0.1) | 0.3 | (0.1) | 1.6 | 2.1 | (0.4) | (0.7) | 0.6 | 2.0 | 0.0 | | | | |
| Money | 0.3 | 3.9 | (2.0) | 4.9 | (3.8) | (0.6) | 0.5 | (0.7) | 7.8 | (0.6) | (2.2) | 0.4 | 6.4 | (0.1) | | | | |
| Currency | 3.5 | 10.7 | (8.0) | (4.3) | (1.4) | (5.2) | 12.8 | (10.1) | (0.1) | 1.1 | 3.1 | (0.1) | (0.1) | 4.1 | | | | |
| Demand deposits | (0.3) | 2.6 | (0.7) | 6.6 | (4.3) | 0.2 | (1.6) | 1.1 | 9.2 | (0.9) | (3.1) | 0.4 | 7.5 | (0.8) | | | | |
| Quasi-money | 8.7 | 11.4 | 7.2 | 0.9 | 0.9 | 0.5 | (0.2) | 2.2 | 0.6 | (0.3) | (0.3) | 0.7 | 0.8 | 0.1 | | | | |

Source: The Central Bank of The Bahamas

TABLE 2
MONETARY SURVEY

| End of Period | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | 2011 | | |
|------------------------------|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------|------|-------------------|-------|
| | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. ^R | Sept. |
| | (BS Millions) | | | | | | | | | | | | | | | | | |
| Net foreign assets | (235.0) | (197.2) | (123.6) | (28.0) | (27.1) | (0.5) | 167.3 | 203.8 | 269.0 | (19.2) | 113.9 | 266.4 | 516.9 | 385.2 | | | | |
| Central Bank | 499.7 | 454.2 | 562.9 | 623.8 | 770.4 | 754.9 | 816.0 | 819.0 | 862.1 | 765.4 | 860.4 | 975.1 | 1076.1 | 955.6 | | | | |
| Commercial banks | (734.7) | (651.4) | (686.5) | (651.8) | (797.5) | (755.4) | (648.7) | (615.2) | (593.1) | (784.6) | (746.6) | (708.7) | (559.2) | (570.4) | | | | |
| Net domestic assets | 5,299.4 | 5,800.3 | 6,018.5 | 6,028.5 | 6,015.5 | 6,010.2 | 5,832.9 | 5,889.6 | 5,947.4 | 6,216.5 | 6,040.6 | 5,919.4 | 5,793.2 | 5,924.5 | | | | |
| Domestic credit | 6,588.8 | 7,401.4 | 7,882.7 | 7,908.8 | 7,918.9 | 8,126.8 | 8,000.0 | 8,080.6 | 8,191.8 | 8,414.9 | 8,417.1 | 8,273.2 | 8,187.4 | 8,389.0 | | | | |
| Public sector | 1,068.9 | 1,212.8 | 1,369.3 | 1,445.8 | 1,422.7 | 1,588.6 | 1,428.3 | 1,552.5 | 1,683.0 | 1,854.9 | 1,861.0 | 1,802.2 | 1,702.2 | 1,806.4 | | | | |
| Government (net) | 671.7 | 863.8 | 921.0 | 1,038.7 | 1,017.1 | 1,177.2 | 1,008.4 | 1,114.2 | 1,243.3 | 1,332.2 | 1,404.6 | 1,357.4 | 1,251.2 | 1,392.6 | | | | |
| Rest of public sector | 397.2 | 349.0 | 448.3 | 407.1 | 405.6 | 411.4 | 419.9 | 438.3 | 439.6 | 522.7 | 456.4 | 444.8 | 451.0 | 413.8 | | | | |
| Private sector | 5,519.9 | 6,188.6 | 6,513.4 | 6,463.0 | 6,496.2 | 6,538.2 | 6,571.7 | 6,528.1 | 6,508.9 | 6,559.9 | 6,556.1 | 6,470.9 | 6,485.2 | 6,582.6 | | | | |
| Other items (net) | (1,289.4) | (1,601.1) | (1,864.2) | (1,880.3) | (1,903.4) | (2,116.6) | (2,167.1) | (2,191.0) | (2,244.4) | (2,198.4) | (2,376.5) | (2,353.8) | (2,394.2) | (2,464.5) | | | | |
| Monetary liabilities | 5,064.4 | 5,603.1 | 5,894.9 | 6,000.5 | 5,988.4 | 6,009.7 | 6,000.2 | 6,093.3 | 6,216.4 | 6,197.3 | 6,154.6 | 6,185.8 | 6,310.1 | 6,309.7 | | | | |
| Money | 1,238.1 | 1,278.9 | 1,257.6 | 1,319.7 | 1,265.0 | 1,261.1 | 1,261.9 | 1,253.2 | 1,345.1 | 1,342.6 | 1,314.7 | 1,316.4 | 1,401.5 | 1,398.4 | | | | |
| Currency | 202.1 | 223.7 | 205.8 | 197.0 | 194.3 | 184.2 | 207.8 | 186.9 | 186.6 | 188.7 | 194.5 | 194.3 | 194.1 | 202.1 | | | | |
| Demand deposits | 1,036.0 | 1,055.2 | 1,051.8 | 1,122.7 | 1,070.7 | 1,076.9 | 1,054.1 | 1,066.3 | 1,158.4 | 1,153.9 | 1,120.2 | 1,122.1 | 1,207.4 | 1,196.3 | | | | |
| Quasi-money | 3,826.3 | 4,324.2 | 4,637.3 | 4,680.8 | 4,723.4 | 4,748.6 | 4,738.3 | 4,840.1 | 4,871.4 | 4,854.8 | 4,839.8 | 4,869.4 | 4,908.6 | 4,911.4 | | | | |
| Savings deposits | 953.1 | 991.9 | 1,020.2 | 1,031.1 | 1,040.2 | 1,007.0 | 995.3 | 1,004.4 | 1,012.4 | 1,005.9 | 1,015.8 | 1,039.9 | 1,040.0 | 1,037.5 | | | | |
| Fixed deposits | 2,714.1 | 3,132.2 | 3,415.8 | 3,440.6 | 3,469.5 | 3,497.0 | 3,511.1 | 3,598.3 | 3,630.4 | 3,640.2 | 3,601.8 | 3,632.1 | 3,649.4 | 3,661.8 | | | | |
| Foreign currency deposits | 159.1 | 200.1 | 201.3 | 209.1 | 213.7 | 244.6 | 231.9 | 237.4 | 228.6 | 208.6 | 222.2 | 197.4 | 219.2 | 212.1 | | | | |
| | (percentage change) | | | | | | | | | | | | | | | | | |
| Total domestic credit | 14.5 | 12.3 | 6.5 | 0.3 | 0.1 | 2.6 | (1.6) | 1.0 | 1.4 | 2.7 | 0.0 | (1.7) | (1.0) | 2.5 | | | | |
| Public sector | 13.0 | 13.5 | 12.9 | 5.6 | (1.6) | 11.7 | (10.1) | 8.7 | 8.4 | 10.2 | 0.3 | (3.2) | (5.6) | 6.1 | | | | |
| Government (net) | 4.5 | 28.6 | 6.6 | 12.8 | (2.1) | 15.7 | (14.3) | 10.5 | 11.6 | 7.1 | 5.4 | (3.4) | (7.8) | 11.3 | | | | |
| Rest of public sector | 31.0 | (12.1) | 28.4 | (9.2) | (0.4) | 1.4 | 2.1 | 4.4 | 0.3 | 18.9 | (12.7) | (2.5) | 1.4 | (8.2) | | | | |
| Private sector | 14.8 | 12.1 | 5.2 | (0.8) | 0.5 | 0.6 | 0.5 | (0.7) | (0.3) | 0.8 | (0.1) | (1.3) | 0.2 | 1.5 | | | | |
| Monetary liabilities | 7.4 | 10.6 | 5.2 | 1.8 | (0.2) | 0.4 | (0.2) | 1.6 | 2.0 | (0.3) | (0.7) | 0.5 | 2.0 | (0.0) | | | | |
| Money | 1.2 | 3.3 | (1.7) | 4.9 | (4.1) | (0.3) | 0.1 | (0.7) | 7.3 | (0.2) | (2.1) | 0.1 | 6.5 | (0.2) | | | | |
| Currency | 3.5 | 10.7 | (8.0) | (4.3) | (1.4) | (5.2) | 12.8 | (10.1) | (0.1) | 1.1 | 3.1 | (0.1) | (0.1) | 4.1 | | | | |
| Demand deposits | 0.8 | 1.9 | (0.3) | 6.7 | (4.6) | 0.6 | (2.1) | 1.2 | 8.6 | (0.4) | (2.9) | 0.2 | 7.6 | (0.9) | | | | |
| Quasi-money | 9.5 | 13.0 | 7.2 | 0.9 | 0.9 | 0.5 | (0.2) | 2.1 | 0.6 | (0.3) | (0.3) | 0.6 | 0.8 | 0.1 | | | | |

Source: The Central Bank of The Bahamas

TABLE 3
CENTRAL BANK BALANCE SHEET

| End of Period | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | 2011 | | |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------|------|------|-------|
| | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. |
| Net foreign assets | 499.7 | 454.2 | 562.9 | 623.8 | 770.4 | 754.9 | 816.0 | 819.0 | 862.1 | 765.4 | 860.4 | 975.1 | 1,076.1 | 955.6 | | | | |
| Balances with banks abroad | 90.5 | 59.5 | 205.8 | 268.5 | 354.2 | 177.5 | 270.9 | 270.5 | 317.7 | 157.3 | 175.2 | 265.7 | 298.5 | 183.2 | | | | |
| Foreign securities | 399.8 | 384.7 | 347.4 | 345.9 | 406.5 | 386.6 | 356.2 | 365.6 | 366.2 | 420.7 | 499.7 | 518.5 | 584.9 | 584.4 | | | | |
| Reserve position in the Fund | 9.4 | 9.9 | 9.6 | 9.4 | 9.7 | 9.9 | 9.8 | 9.5 | 9.3 | 9.7 | 9.6 | 9.9 | 10.0 | 9.8 | | | | |
| SDR holdings | -- | 0.1 | 0.1 | -- | -- | 180.9 | 179.1 | 173.4 | 168.9 | 177.7 | 175.9 | 181.0 | 182.7 | 178.2 | | | | |
| Net domestic assets | 85.1 | 235.7 | 76.9 | 55.8 | 74.0 | 141.4 | 73.3 | 77.0 | 80.6 | 144.2 | 156.7 | 148.4 | 111.9 | 179.9 | | | | |
| Net claims on Government | 182.5 | 332.3 | 198.8 | 195.3 | 184.7 | 245.9 | 182.1 | 179.3 | 186.3 | 244.1 | 259.8 | 244.6 | 213.8 | 282.7 | | | | |
| Claims | 190.6 | 347.8 | 202.9 | 221.4 | 213.6 | 269.3 | 202.8 | 189.7 | 200.4 | 259.3 | 274.3 | 261.7 | 222.2 | 291.3 | | | | |
| Treasury bills | 52.2 | 143.5 | 6.3 | 28.7 | -- | 52.2 | -- | -- | 7.2 | 22.2 | -- | -- | -- | 19.9 | | | | |
| Bahamas registered stock | 76.4 | 132.4 | 124.6 | 120.7 | 116.6 | 120.1 | 105.8 | 92.7 | 96.2 | 125.1 | 162.3 | 149.7 | 148.2 | 160.9 | | | | |
| Loans and advances | 62.0 | 72.0 | 72.0 | 72.0 | 97.0 | 97.0 | 97.0 | 97.0 | 97.0 | 112.0 | 112.0 | 112.0 | 74.0 | 110.6 | | | | |
| Deposits | (8.1) | (15.6) | (4.1) | (26.1) | (28.9) | (23.4) | (20.7) | (10.4) | (14.1) | (15.2) | (14.5) | (17.0) | (8.4) | (8.6) | | | | |
| In local currency | (8.1) | (15.6) | (4.1) | (26.1) | (28.9) | (23.4) | (20.7) | (10.4) | (14.1) | (15.2) | (14.5) | (17.0) | (8.4) | (8.6) | | | | |
| In foreign currency | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | | | | |
| Deposits of rest of public sector | (18.3) | (10.4) | (10.4) | (16.3) | (17.2) | (10.2) | (15.8) | (12.6) | (13.9) | (13.4) | (15.4) | (7.5) | (9.4) | (10.4) | | | | |
| Credit to commercial banks | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | | | | |
| Official capital and surplus | (107.3) | (111.6) | (125.9) | (127.6) | (129.2) | (130.7) | (140.5) | (137.4) | (137.6) | (132.1) | (132.0) | (133.6) | (134.9) | (136.6) | | | | |
| Net unclassified assets | 20.1 | 17.9 | 7.1 | (2.8) | 28.7 | 29.4 | 40.5 | 40.9 | 39.0 | 39.0 | 38.0 | 38.5 | 36.0 | 37.9 | | | | |
| Loans to rest of public sector | 7.0 | 6.8 | 6.5 | 6.4 | 6.2 | 6.2 | 6.2 | 6.0 | 6.0 | 5.8 | 5.6 | 5.6 | 5.6 | 5.4 | | | | |
| Public Corp Bonds/Securities | 1.0 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.9 | | | | |
| Liabilities To Domestic Banks | (367.3) | (450.1) | (439.0) | (499.9) | (634.2) | (515.0) | (486.5) | (520.2) | (572.0) | (527.3) | (631.0) | (731.9) | (794.8) | (739.1) | | | | |
| Notes and coins | (116.2) | (110.1) | (117.6) | (78.2) | (85.6) | (87.3) | (111.8) | (86.2) | (89.1) | (83.8) | (113.2) | (84.5) | (85.7) | (79.7) | | | | |
| Deposits | (251.1) | (340.0) | (321.4) | (421.7) | (548.6) | (427.7) | (374.7) | (434.0) | (482.9) | (443.5) | (517.8) | (647.4) | (709.1) | (659.4) | | | | |
| SDR allocation | (15.4) | (16.2) | (15.8) | (15.3) | (15.9) | (197.1) | (195.0) | (188.9) | (184.0) | (193.6) | (191.6) | (197.3) | (199.1) | (194.3) | | | | |
| Currency held by the private sector | (202.1) | (223.7) | (205.8) | (197.0) | (194.3) | (184.2) | (207.8) | (186.9) | (186.7) | (188.7) | (194.5) | (194.3) | (194.1) | (202.1) | | | | |

Source: The Central Bank of The Bahamas

TABLE 4

DOMESTIC BANKS BALANCE SHEET

(B\$ Millions)

| End of Period | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | 2011 | | |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------|------|------|-------|
| | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. |
| Net foreign assets | (754.1) | (667.6) | (703.8) | (665.8) | (828.5) | (796.8) | (681.9) | (640.2) | (612.1) | (793.4) | (705.8) | (663.1) | (504.6) | (573.5) | | | | |
| Net claims on Central Bank | 366.5 | 448.4 | 439.9 | 500.8 | 635.2 | 515.9 | 487.4 | 521.3 | 572.5 | 528.4 | 631.9 | 733.1 | 795.7 | 739.9 | | | | |
| Notes and Coins | 116.2 | 110.1 | 117.6 | 78.2 | 85.6 | 87.3 | 111.8 | 86.2 | 89.1 | 83.8 | 113.2 | 84.5 | 85.7 | 79.7 | | | | |
| Balances | 251.1 | 339.1 | 322.3 | 422.6 | 549.6 | 428.6 | 375.6 | 435.1 | 483.4 | 444.6 | 518.7 | 648.6 | 710.0 | 660.2 | | | | |
| Less Central Bank credit | 0.8 | 0.8 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | | | | |
| Net domestic assets | 4,935.4 | 5,199.7 | 5,534.1 | 5,490.6 | 5,555.8 | 5,664.7 | 5,564.4 | 5,565.7 | 5,614.4 | 5,811.9 | 5,567.7 | 5,465.3 | 5,346.5 | 5,511.7 | | | | |
| Net claims on Government | 494.5 | 534.5 | 725.2 | 847.6 | 857.1 | 959.3 | 843.0 | 952.0 | 1,070.8 | 1,102.2 | 1,152.3 | 1,122.2 | 1,045.4 | 1,118.3 | | | | |
| Treasury bills | 10.0 | 50.8 | 180.2 | 208.8 | 172.6 | 161.7 | 214.0 | 218.3 | 267.6 | 264.1 | 293.7 | 294.8 | 253.3 | 281.3 | | | | |
| Other securities | 437.1 | 468.5 | 533.5 | 602.6 | 619.7 | 707.3 | 704.6 | 705.4 | 740.4 | 752.8 | 799.6 | 799.4 | 772.9 | 811.1 | | | | |
| Loans and advances | 156.3 | 120.3 | 145.8 | 176.2 | 219.0 | 238.6 | 76.5 | 166.3 | 205.3 | 212.6 | 180.3 | 148.0 | 141.0 | 143.4 | | | | |
| Less: deposits | 108.9 | 105.0 | 134.3 | 140.0 | 154.2 | 148.3 | 152.1 | 138.0 | 142.5 | 127.3 | 121.3 | 120.1 | 121.8 | 117.5 | | | | |
| Net claims on rest of public sector | 12.3 | (78.9) | 3.4 | (89.9) | (47.3) | (53.6) | (25.7) | (49.5) | (49.0) | 31.4 | (31.9) | (47.2) | (66.2) | (54.5) | | | | |
| Securities | 121.1 | 97.7 | 97.5 | 99.5 | 99.5 | 99.5 | 107.0 | 107.0 | 107.0 | 107.0 | 115.6 | 115.6 | 114.6 | 115.1 | | | | |
| Loans and advances | 268.1 | 243.9 | 343.6 | 300.4 | 299.1 | 305.0 | 305.9 | 324.6 | 325.9 | 409.1 | 339.8 | 328.2 | 330.1 | 293.0 | | | | |
| Less: deposits | 376.8 | 420.5 | 437.7 | 489.8 | 445.9 | 458.1 | 438.6 | 481.1 | 481.9 | 484.7 | 487.3 | 491.0 | 510.9 | 462.6 | | | | |
| Other net claims | (17.9) | (6.9) | (0.1) | (5.1) | (11.1) | (18.9) | (8.1) | (7.2) | (1.9) | (2.7) | (3.4) | (10.1) | (38.2) | (22.4) | | | | |
| Credit to the private sector | 5,668.7 | 6,218.4 | 6,536.8 | 6,483.8 | 6,516.8 | 6,557.7 | 6,595.9 | 6,548.7 | 6,526.4 | 6,575.5 | 6,572.7 | 6,485.3 | 6,502.9 | 6,599.5 | | | | |
| Securities | 21.7 | 29.6 | 28.8 | 29.2 | 28.3 | 30.2 | 27.2 | 25.9 | 22.3 | 21.4 | 17.4 | 16.0 | 12.8 | 14.8 | | | | |
| Mortgages | 2,258.1 | 2,580.4 | 2,819.7 | 2,848.4 | 2,881.4 | 2,918.3 | 2,949.6 | 2,950.0 | 2,968.8 | 3,078.4 | 3,192.4 | 3,218.6 | 3,218.9 | 3,226.1 | | | | |
| Loans and advances | 3,388.9 | 3,608.4 | 3,688.3 | 3,606.2 | 3,607.1 | 3,609.2 | 3,619.1 | 3,572.8 | 3,535.3 | 3,475.7 | 3,363.0 | 3,250.7 | 3,271.2 | 3,358.6 | | | | |
| Private capital and surplus | (1,477.5) | (1,654.1) | (1,864.6) | (1,911.6) | (1,967.2) | (1,978.2) | (2,033.0) | (2,062.1) | (2,061.8) | (2,034.4) | (2,281.9) | (2,254.5) | (2,295.3) | (2,305.7) | | | | |
| Net unclassified assets | 255.3 | 186.7 | 133.4 | 165.8 | 207.5 | 198.4 | 192.3 | 183.8 | 129.9 | 139.9 | 159.9 | 169.7 | 197.9 | 176.5 | | | | |
| Liabilities to private sector | 4,547.8 | 4,982.7 | 5,270.2 | 5,325.6 | 5,362.5 | 5,383.8 | 5,370.0 | 5,446.8 | 5,574.8 | 5,547.0 | 5,493.7 | 5,535.3 | 5,637.5 | 5,678.1 | | | | |
| Demand deposits | 1,112.9 | 1,174.8 | 1,150.2 | 1,177.8 | 1,174.6 | 1,196.6 | 1,204.2 | 1,184.4 | 1,296.3 | 1,271.3 | 1,249.6 | 1,237.1 | 1,307.2 | 1,302.2 | | | | |
| Savings deposits | 956.8 | 994.7 | 1,024.1 | 1,036.5 | 1,044.6 | 1,014.2 | 1,003.5 | 1,007.3 | 1,014.1 | 1,008.0 | 1,017.8 | 1,042.7 | 1,043.5 | 1,040.5 | | | | |
| Fixed deposits | 2,478.1 | 2,813.2 | 3,095.9 | 3,111.3 | 3,143.3 | 3,173.0 | 3,162.3 | 3,255.1 | 3,264.4 | 3,267.7 | 3,226.3 | 3,255.5 | 3,286.8 | 3,335.4 | | | | |

Source: The Central Bank of The Bahamas

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

| Period | (B\$'000s) | | | | | | | | | | | | | |
|---|-----------------------------------|---------|----------|---------|----------|---------|----------|---------|---------|----------|----------|---------|---------|---------|
| | 2007 | | | 2008 | | | 2009 | | | 2010 | | | 2011 | |
| | Qtr. I | Qtr. II | Qtr. III | Qtr. IV | Qtr. I | Qtr. II | Qtr. III | Qtr. IV | Qtr. I | Qtr. II | Qtr. III | Qtr. IV | Qtr. I | Qtr. II |
| 1. Interest Income | 744,537 | 760,159 | 728,878 | 182,363 | 182,990 | 180,720 | 182,805 | 183,559 | 183,176 | 182,764 | 192,675 | 186,517 | 182,266 | |
| 2. Interest Expense | 291,206 | 278,219 | 244,468 | 62,116 | 59,386 | 63,023 | 59,943 | 57,990 | 56,879 | 56,503 | 54,618 | 51,951 | 49,265 | |
| 3. Interest Margin (1-2) | 453,331 | 481,940 | 484,410 | 120,247 | 123,604 | 117,697 | 122,862 | 125,569 | 126,297 | 126,261 | 138,057 | 134,566 | 133,001 | |
| 4. Commission & Forex Income | 31,714 | 32,328 | 22,005 | 8,185 | 3,617 | 5,300 | 4,903 | 5,495 | 5,889 | 5,651 | 5,785 | 5,822 | 5,685 | |
| 5. Gross Earnings Margin (3+4) | 485,045 | 514,268 | 506,415 | 128,432 | 127,221 | 122,997 | 127,765 | 131,064 | 132,186 | 131,912 | 143,842 | 140,388 | 138,686 | |
| 6. Staff Costs | 133,309 | 148,364 | 149,222 | 36,444 | 37,450 | 38,016 | 37,312 | 38,400 | 40,032 | 38,808 | 40,993 | 39,277 | 42,611 | |
| 7. Occupancy Costs | 20,612 | 23,409 | 23,417 | 5,251 | 6,319 | 5,727 | 6,120 | 5,978 | 5,621 | 6,422 | 5,943 | 5,743 | 6,283 | |
| 8. Other Operating Costs | 79,480 | 91,867 | 87,245 | 27,460 | 20,671 | 20,559 | 18,555 | 25,864 | 23,609 | 25,875 | 31,703 | 23,872 | 26,089 | |
| 9. Operating Costs (6+7+8) | 233,401 | 263,640 | 259,884 | 69,155 | 64,440 | 64,302 | 61,987 | 70,242 | 69,262 | 71,105 | 78,639 | 68,892 | 74,983 | |
| 10. Net Earnings Margin (5-9) | 251,644 | 250,628 | 246,531 | 59,277 | 62,781 | 58,695 | 65,778 | 60,822 | 62,924 | 60,807 | 65,203 | 71,496 | 63,703 | |
| 11. Depreciation Costs | 11,673 | 13,412 | 14,134 | 3,377 | 3,233 | 3,320 | 4,204 | 3,601 | 4,185 | 4,080 | 3,372 | 3,587 | 3,519 | |
| 12. Provisions for Bad Debt | 39,817 | 82,204 | 121,092 | 22,916 | 36,273 | 27,680 | 34,223 | 20,616 | 26,549 | 52,123 | 25,398 | 23,937 | 21,056 | |
| 13. Other Income | 107,271 | 120,334 | 96,990 | 25,559 | 23,213 | 23,763 | 24,455 | 27,806 | 30,093 | 25,517 | 27,868 | 22,516 | 25,854 | |
| 14. Other Income (Net) (13-11-12) | 55,781 | 24,718 | (38,236) | (734) | (16,293) | (7,237) | (13,972) | 3,589 | (641) | (30,686) | (902) | (5,008) | 1,279 | |
| 15. Net Income (10+14) | 307,425 | 275,346 | 208,295 | 58,543 | 46,488 | 51,458 | 51,806 | 64,411 | 62,283 | 30,121 | 64,301 | 66,488 | 64,982 | |
| 16. Effective Interest Rate Spread (%) | 6.25 | 6.51 | 6.34 | 6.24 | 6.52 | 6.20 | 6.40 | 6.20 | 6.24 | 6.04 | 6.20 | 5.88 | 6.24 | |
| | (Ratios To Average Assets) | | | | | | | | | | | | | |
| Interest Margin | 5.50 | 5.39 | 5.31 | 5.20 | 5.41 | 5.17 | 5.46 | 5.55 | 5.50 | 5.47 | 5.86 | 5.69 | 5.64 | |
| Commission & Forex Income | 0.38 | 0.36 | 0.24 | 0.35 | 0.16 | 0.23 | 0.22 | 0.24 | 0.26 | 0.24 | 0.25 | 0.25 | 0.24 | |
| Gross Earnings Margin | 5.89 | 5.75 | 5.55 | 5.55 | 5.57 | 5.40 | 5.68 | 5.80 | 5.76 | 5.71 | 6.11 | 5.93 | 5.88 | |
| Operating Costs | 2.83 | 2.95 | 2.85 | 2.99 | 2.82 | 2.82 | 2.75 | 3.11 | 3.02 | 3.08 | 3.34 | 2.91 | 3.18 | |
| Net Earnings Margin | 3.05 | 2.80 | 2.70 | 2.56 | 2.75 | 2.58 | 2.92 | 2.69 | 2.74 | 2.63 | 2.77 | 3.02 | 2.70 | |
| Net Income | 3.73 | 3.09 | 2.28 | 2.53 | 2.04 | 2.26 | 2.30 | 2.85 | 2.71 | 1.30 | 2.73 | 2.81 | 2.75 | |

*Commercial Banks and OLFIs with domestic operations
Source: The Central Bank of The Bahamas

TABLE 6
MONEY SUPPLY

| End of Period | (B\$ Millions) | | | | | | | | | | | | | | | | | | |
|-------------------------------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------|------|------|-------|--|
| | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | 2011 | | | |
| | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | |
| Money supply (M1) | | | | | | | | | | | | | | | | | | | |
| 1) Currency in active circulation | 1,251.1 | 1,300.3 | 1,274.5 | 1,336.4 | 1,285.2 | 1,277.8 | 1,283.6 | 1,274.8 | 1,374.7 | 1,365.8 | 1,335.2 | 1,340.0 | 1,425.7 | 1,423.9 | | | | | |
| 2) Demand deposits | | | | | | | | | | | | | | | | | | | |
| Central Bank | 18.3 | 10.4 | 10.4 | 16.3 | 17.2 | 10.2 | 15.9 | 12.6 | 13.9 | 13.4 | 15.4 | 7.5 | 9.4 | 10.4 | | | | | |
| Domestic Banks | 1,030.7 | 1,066.2 | 1,058.3 | 1,123.1 | 1,073.7 | 1,083.4 | 1,059.9 | 1,075.3 | 1,174.1 | 1,163.7 | 1,125.2 | 1,138.2 | 1,222.2 | 1,211.4 | | | | | |
| Factors affecting money (M1) | | | | | | | | | | | | | | | | | | | |
| 1) Net credit to Government | 677.0 | 866.8 | 924.0 | 1,042.9 | 1,041.8 | 1,205.2 | 1,023.9 | 1,131.3 | 1,257.1 | 1,346.3 | 1,413.7 | 1,366.8 | 1,259.2 | 1,401.1 | | | | | |
| Central Bank | 182.5 | 332.3 | 198.8 | 195.3 | 184.7 | 245.9 | 180.9 | 179.3 | 186.3 | 244.1 | 261.4 | 244.6 | 213.8 | 282.8 | | | | | |
| Domestic Banks | 494.5 | 534.5 | 725.2 | 847.6 | 857.1 | 959.3 | 843.0 | 952.0 | 1,070.8 | 1,102.2 | 1,152.3 | 1,122.2 | 1,045.4 | 1,118.3 | | | | | |
| 2) Other credit | 6,065.9 | 6,567.5 | 6,985.1 | 6,890.9 | 6,922.4 | 6,969.2 | 7,015.8 | 6,987.1 | 6,966.0 | 7,098.2 | 7,034.5 | 6,935.5 | 6,954.0 | 7,013.8 | | | | | |
| Rest of public sector | 397.2 | 349.1 | 448.3 | 407.1 | 405.6 | 411.5 | 419.9 | 438.4 | 439.6 | 522.7 | 461.8 | 450.2 | 451.1 | 414.3 | | | | | |
| Private sector | 5,668.7 | 6,218.4 | 6,536.8 | 6,483.8 | 6,516.8 | 6,557.7 | 6,595.9 | 6,548.7 | 6,526.4 | 6,575.5 | 6,572.7 | 6,485.3 | 6,502.9 | 6,599.5 | | | | | |
| 3) External reserves | 499.7 | 454.2 | 562.9 | 623.8 | 770.4 | 754.9 | 816.0 | 819.0 | 862.1 | 765.4 | 860.4 | 975.1 | 1,076.1 | 955.6 | | | | | |
| 4) Other external liabilities (net) | (754.1) | (667.6) | (703.8) | (665.8) | (828.5) | 796.8 | (681.9) | (640.2) | (612.1) | (793.4) | (708.3) | (663.1) | (504.6) | (573.5) | | | | | |
| 5) Quasi money | 3,894.0 | 4,337.0 | 4,649.5 | 4,692.3 | 4,734.7 | 4,758.5 | 4,748.7 | 4,852.6 | 4,882.6 | 4,868.1 | 4,855.9 | 4,888.0 | 4,925.7 | 4,929.3 | | | | | |
| 6) Other items (net) | (1,343.4) | (1,583.6) | (1,844.2) | (1,863.1) | (1,886.2) | (2,096.2) | (2,141.5) | (2,169.8) | (2,215.8) | (2,182.6) | (2,409.3) | (2,386.3) | (2,433.4) | (2,443.8) | | | | | |

Source: The Central Bank of The Bahamas

TABLE 7
CONSUMER INSTALMENT CREDIT*

| End of Period | 2007 | | | 2008 | | | 2009 | | | 2010 | | | 2011 | | |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------|------------------|------|-------|
| | Mar | Jun. | Sept. | Mar | Jun. | Sept. | Mar | Jun. | Sept. | Mar | Jun. | Sept. | Mar | Jun. | Sept. |
| CREDIT OUTSTANDING | | | | | | | | | | | | | | | |
| Private cars | 248,152 | 238,775 | 227,757 | 223,349 | 215,164 | 206,689 | 199,228 | 197,138 | 188,509 | 185,044 | 181,837 | 182,112 | 174,192 | | |
| Taxis & rented cars | 1,908 | 1,909 | 1,817 | 1,780 | 1,785 | 1,832 | 1,552 | 1,296 | 1,046 | 985 | 889 | 794 | 1,138 | | |
| Commercial vehicles | 6,956 | 6,111 | 5,656 | 5,305 | 5,165 | 4,955 | 4,761 | 3,966 | 3,682 | 3,353 | 3,214 | 3,274 | 3,027 | | |
| Furnishings & domestic appliances | 22,394 | 21,173 | 20,284 | 19,632 | 19,759 | 19,134 | 18,164 | 17,244 | 15,257 | 15,126 | 14,072 | 13,131 | 11,610 | | |
| Travel | 50,970 | 49,602 | 43,966 | 40,488 | 39,702 | 36,369 | 32,345 | 29,425 | 28,587 | 26,464 | 24,291 | 25,543 | 26,261 | | |
| Education | 54,725 | 57,255 | 55,199 | 53,283 | 57,520 | 55,227 | 53,037 | 50,529 | 52,604 | 50,875 | 49,148 | 47,050 | 37,647 | | |
| Medical | 20,520 | 21,435 | 21,159 | 20,427 | 19,894 | 19,697 | 19,075 | 18,422 | 17,303 | 16,399 | 15,773 | 15,731 | 15,011 | | |
| Home Improvements | 163,070 | 171,454 | 170,162 | 166,364 | 163,942 | 163,991 | 166,094 | 163,512 | 131,455 | 129,860 | 125,429 | 121,350 | 126,413 | | |
| Land Purchases | 227,236 | 246,168 | 246,754 | 245,876 | 245,209 | 243,696 | 240,898 | 244,594 | 242,369 | 240,391 | 240,987 | 239,710 | 242,256 | | |
| Consolidation of debt | 496,296 | 594,565 | 605,784 | 632,422 | 638,244 | 648,024 | 661,379 | 665,886 | 683,852 | 714,616 | 734,975 | 766,315 | 797,592 | | |
| Miscellaneous | 559,119 | 541,585 | 529,609 | 529,975 | 523,307 | 515,002 | 498,410 | 494,605 | 504,394 | 494,961 | 479,768 | 476,373 | 461,332 | | |
| Credit Cards | 256,995 | 294,377 | 283,615 | 278,614 | 277,479 | 278,749 | 265,044 | 261,017 | 261,531 | 262,871 | 253,023 | 250,021 | 253,505 | | |
| TOTAL | 2,108,341 | 2,244,409 | 2,211,762 | 2,217,515 | 2,207,170 | 2,193,365 | 2,159,987 | 2,147,634 | 2,130,589 | 2,140,945 | 2,123,406 | ##### | 2,149,984 | | |
| NET CREDIT EXTENDED | | | | | | | | | | | | | | | |
| Private cars | 19,731 | (9,377) | (11,018) | (4,408) | (8,185) | (8,475) | (7,461) | (2,090) | (8,629) | (3,465) | (3,207) | 275 | (7,920) | | |
| Taxis & rented cars | (660) | 1 | (92) | (37) | 5 | 47 | (280) | (256) | (250) | (61) | (96) | (95) | 344 | | |
| Commercial vehicles | 127 | (845) | (455) | (351) | (140) | (210) | (194) | (795) | (284) | (329) | (139) | 60 | (247) | | |
| Furnishings & domestic appliances | 2,736 | (1,221) | (889) | (652) | 127 | (625) | (970) | (920) | (1,987) | (131) | (1,054) | (941) | (1,521) | | |
| Travel | 5,026 | (1,368) | (5,636) | (3,478) | (786) | (3,333) | (4,024) | (2,920) | (838) | (2,123) | (2,173) | 1,252 | 718 | | |
| Education | 1,867 | 2,530 | (2,056) | (1,916) | 4,237 | (2,293) | (2,190) | (2,508) | 2,075 | (1,729) | (1,727) | (2,098) | (9,403) | | |
| Medical | 3,200 | 915 | (276) | (732) | (533) | (197) | (622) | (653) | (1,119) | (904) | (626) | (42) | (720) | | |
| Home Improvements | 10,219 | 8,384 | (1,292) | (3,798) | (2,422) | 49 | 2,103 | (2,582) | (32,057) | (1,595) | (4,431) | (4,079) | 5,063 | | |
| Land Purchases | 25,918 | 18,932 | 586 | (878) | (667) | (1,513) | (2,798) | 3,696 | (2,225) | (1,978) | 596 | (1,277) | 2,546 | | |
| Consolidation of debt | 36,505 | 98,269 | 11,219 | 26,638 | 5,822 | 9,780 | 13,355 | 4,507 | 17,966 | 30,764 | 20,359 | 31,340 | 31,277 | | |
| Miscellaneous | 69,997 | (17,534) | (11,976) | 366 | (6,668) | (8,305) | (16,592) | (3,805) | 9,789 | (9,433) | (15,193) | (3,395) | (15,041) | | |
| Credit Cards | 30,594 | 37,382 | (10,762) | (5,001) | (1,135) | 1,270 | (13,705) | (4,027) | 514 | 1,340 | (9,848) | (3,002) | 3,484 | | |
| TOTAL | 205,260 | 136,068 | (32,647) | 5,753 | (10,345) | (13,805) | (33,378) | (12,553) | (17,045) | 10,356 | (17,539) | 17,998 | 8,580 | | |

Source: The Central Bank of The Bahamas

* Includes both demand and add-on loans

TABLE 8
SELECTED AVERAGE INTEREST RATES

| Period | 2008 | | | 2009 | | | 2010 | | | 2011 | | | | | |
|--------------------------------|-------|-------|-------|--------|---------|----------|---------|--------|---------|----------|---------|--------|---------|----------|---------|
| | 2008 | 2009 | 2010 | Qtr. I | Qtr. II | Qtr. III | Qtr. IV | Qtr. I | Qtr. II | Qtr. III | Qtr. IV | Qtr. I | Qtr. II | Qtr. III | Qtr. IV |
| DOMESTIC BANKS | | | | | | | | | | | | | | | |
| Deposit rates | | | | | | | | | | | | | | | |
| Savings deposits | 2.20 | 2.15 | 1.94 | 2.19 | 2.11 | 2.09 | 2.19 | 2.06 | 2.03 | 1.84 | 1.83 | 1.85 | 1.89 | 1.63 | |
| Fixed deposits | | | | | | | | | | | | | | | |
| Up to 3 months | 3.70 | 3.55 | 3.19 | 3.64 | 3.57 | 3.54 | 3.46 | 3.45 | 3.23 | 3.09 | 3.01 | 2.82 | 2.64 | 1.97 | |
| Up to 6 months | 4.08 | 3.94 | 3.56 | 4.23 | 3.88 | 3.93 | 3.72 | 3.73 | 3.51 | 3.62 | 3.38 | 3.31 | 2.79 | 2.56 | |
| Up to 12 months | 4.56 | 4.26 | 3.99 | 4.67 | 4.38 | 3.96 | 4.02 | 4.22 | 4.01 | 3.86 | 3.88 | 3.92 | 3.54 | 2.77 | |
| Over 12 months | 4.44 | 4.37 | 4.04 | 4.66 | 4.33 | 4.21 | 4.27 | 4.31 | 3.83 | 4.00 | 4.00 | 3.89 | 3.55 | 2.75 | |
| Weighted average rate | 3.92 | 3.79 | 3.44 | 4.00 | 3.79 | 3.70 | 3.67 | 3.73 | 3.46 | 3.33 | 3.25 | 3.18 | 2.90 | 2.27 | |
| Lending rates | | | | | | | | | | | | | | | |
| Residential mortgages | 8.36 | 8.25 | 8.15 | 8.29 | 8.23 | 8.26 | 8.21 | 8.22 | 8.25 | 8.10 | 8.01 | 8.07 | 7.94 | 7.57 | |
| Commercial mortgages | 8.72 | 8.60 | 8.79 | 8.58 | 8.46 | 8.72 | 8.65 | 8.60 | 8.71 | 9.20 | 8.63 | 8.75 | 8.57 | 8.04 | |
| Consumer loans | 13.03 | 12.69 | 13.21 | 12.49 | 12.72 | 13.09 | 12.46 | 12.90 | 12.74 | 13.51 | 13.69 | 13.51 | 13.29 | 13.29 | |
| Overdrafts | 11.45 | 11.67 | 10.87 | 12.84 | 11.60 | 11.43 | 10.80 | 11.91 | 10.79 | 10.40 | 10.38 | 10.21 | 10.15 | 9.94 | |
| Weighted average rate | 10.95 | 10.58 | 11.05 | 10.49 | 10.67 | 10.69 | 10.45 | 10.63 | 10.73 | 11.41 | 11.43 | 11.18 | 11.08 | 11.01 | |
| Other rates | | | | | | | | | | | | | | | |
| Prime rate | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 4.75 | 4.75 | |
| Treasury bill (90 days) | 2.73 | 2.62 | 2.28 | 2.64 | 2.77 | 2.49 | 2.56 | 2.39 | 2.48 | 2.14 | 2.09 | 1.80 | 1.52 | 0.96 | |
| Treasury bill re-discount rate | 3.23 | 3.12 | 2.78 | 3.14 | 3.27 | 2.99 | 3.06 | 2.89 | 2.98 | 2.64 | 2.59 | 2.30 | 2.02 | 1.46 | |
| Bank rate (discount rate) | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 4.50 | 4.50 | |

Source: The Central Bank of The Bahamas

TABLE 9
SELECTED CREDIT QUALITY INDICATORS OF DOMESTIC BANKS

| Period | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | 2011 | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------|--------------|----------------------|--------------|----------------------|--|
| | Qtr. I | Qtr. II | Qtr. III | Qtr. I | Qtr. II | Qtr. III | Qtr. I | Qtr. II | Qtr. III | Qtr. I | Qtr. II | Qtr. III | Qtr. IV ^R | Qtr. I | Qtr. II ^R | Qtr. III | Qtr. IV ^R | |
| Loan Portfolio | | | | | | | | | | | | | | | | | | |
| Current Loans (as a % of total loans) | 92.5 | 90.6 | 87.5 | 86.2 | 83.9 | 82.3 | 82.3 | 81.8 | 81.8 | 81.8 | 81.8 | 81.5 | 81.8 | 81.7 | 82.1 | 81.7 | 80.8 | |
| Arrears (% by loan type) | | | | | | | | | | | | | | | | | | |
| Consumer | 2.8 | 3.0 | 3.9 | 4.5 | 4.8 | 5.2 | 4.8 | 4.6 | 4.6 | 4.6 | 4.4 | 4.4 | 4.3 | 4.2 | 4.1 | 4.2 | 4.4 | |
| Mortgage | 3.1 | 4.6 | 5.9 | 6.0 | 7.5 | 8.6 | 9.0 | 9.4 | 9.4 | 9.4 | 9.9 | 9.9 | 9.8 | 9.8 | 9.8 | 9.8 | 10.2 | |
| Commercial | 1.6 | 1.7 | 2.6 | 3.2 | 3.7 | 3.8 | 3.8 | 4.1 | 4.1 | 4.1 | 4.1 | 4.1 | 4.0 | 4.2 | 3.9 | 4.2 | 4.5 | |
| Public | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 | 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 | 7.5 | 9.4 | 12.5 | 13.8 | 16.1 | 17.7 | 17.7 | 18.2 | 18.2 | 18.2 | 18.5 | 18.2 | 18.2 | 18.3 | 17.9 | 18.3 | 19.2 | |
| Total B\$ Loan Portfolio | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | |
| Loan Portfolio | | | | | | | | | | | | | | | | | | |
| Current Loans (as a % of total loans) | 92.5 | 90.6 | 87.5 | 86.2 | 83.9 | 82.3 | 82.3 | 81.8 | 81.8 | 81.8 | 81.5 | 81.8 | 81.8 | 81.7 | 82.1 | 81.7 | 80.8 | |
| Arrears (% by days outstanding) | | | | | | | | | | | | | | | | | | |
| 30 - 60 days | 2.5 | 3.6 | 4.5 | 4.1 | 4.9 | 5.6 | 6.1 | 5.9 | 6.1 | 5.9 | 6.0 | 6.0 | 4.0 | 5.5 | 3.6 | 5.5 | 3.9 | |
| 61 - 90 days | 0.9 | 1.3 | 1.9 | 1.9 | 2.5 | 2.7 | 2.1 | 2.4 | 2.1 | 2.4 | 2.3 | 2.3 | 2.3 | 2.1 | 2.0 | 2.1 | 2.2 | |
| 90 - 179 days | 0.9 | 1.2 | 1.6 | 1.9 | 2.8 | 3.0 | 2.4 | 2.4 | 2.4 | 2.4 | 2.3 | 2.6 | 2.6 | 2.1 | 2.3 | 2.1 | 2.7 | |
| over 180 days | 3.2 | 3.3 | 4.5 | 5.9 | 5.9 | 6.3 | 7.1 | 7.5 | 7.1 | 7.5 | 7.9 | 9.3 | 9.3 | 8.6 | 9.9 | 8.6 | 10.4 | |
| Total Arrears | 7.5 | 9.4 | 12.5 | 13.8 | 16.1 | 17.7 | 17.7 | 18.2 | 18.2 | 18.2 | 18.5 | 18.2 | 18.2 | 18.3 | 17.9 | 18.3 | 19.2 | |
| Total B\$ Loan Portfolio | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | |
| Non Accrual Loans (% by loan type) | | | | | | | | | | | | | | | | | | |
| Consumer | 35.0 | 29.4 | 30.2 | 31.0 | 27.1 | 29.8 | 27.8 | 26.6 | 27.8 | 26.6 | 24.3 | 21.4 | 21.4 | 22.9 | 20.0 | 22.9 | 20.7 | |
| Mortgage | 40.9 | 45.6 | 44.4 | 43.0 | 45.4 | 41.4 | 43.7 | 42.7 | 43.7 | 42.7 | 45.1 | 52.1 | 52.1 | 47.1 | 53.9 | 47.1 | 53.0 | |
| Other Private | 24.0 | 23.2 | 23.9 | 24.7 | 26.4 | 27.8 | 27.4 | 29.7 | 27.4 | 29.7 | 29.6 | 25.7 | 25.7 | 29.1 | 25.4 | 29.1 | 25.7 | |
| Public | 0.1 | 1.8 | 1.5 | 1.3 | 1.1 | 1.0 | 1.1 | 1.0 | 1.1 | 1.0 | 1.0 | 0.8 | 0.8 | 0.9 | 0.7 | 0.9 | 0.7 | |
| 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 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | |
| Provisions to Loan Portfolio | | | | | | | | | | | | | | | | | | |
| Consumer | 3.4 | 2.8 | 3.3 | 3.8 | 4.2 | 4.2 | 4.4 | 4.4 | 4.4 | 4.4 | 4.5 | 5.1 | 5.1 | 4.9 | 4.7 | 4.9 | 4.9 | |
| Mortgage | 1.3 | 1.2 | 1.4 | 1.6 | 1.7 | 1.8 | 1.9 | 1.9 | 1.9 | 1.9 | 2.1 | 2.4 | 2.4 | 2.4 | 2.5 | 2.4 | 2.7 | |
| Other Private | 2.5 | 3.2 | 5.4 | 7.3 | 6.7 | 6.9 | 7.5 | 8.2 | 7.5 | 8.2 | 8.7 | 9.1 | 9.1 | 9.6 | 10.2 | 9.6 | 10.6 | |
| Public | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 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 | 2.3 | 2.1 | 2.7 | 3.3 | 3.4 | 3.4 | 3.6 | 3.7 | 3.6 | 3.7 | 3.9 | 4.3 | 4.3 | 4.4 | 4.4 | 4.4 | 4.7 | |
| Total Provisions to Non-performing Loans | 54.7 | 47.9 | 46.0 | 42.9 | 39.5 | 37.1 | 38.3 | 37.5 | 38.3 | 37.5 | 38.8 | 36.6 | 36.6 | 41.0 | 36.5 | 41.0 | 36.1 | |
| Total Non-performing Loans to Total Loans | 4.2 | 4.5 | 6.1 | 7.8 | 8.6 | 9.3 | 9.4 | 9.9 | 9.4 | 9.9 | 10.1 | 11.9 | 11.9 | 10.7 | 12.2 | 10.7 | 13.0 | |

Source: The Central Bank of The Bahamas

Figures may not sum to total due to rounding.

R = Revised

TABLE 10
SUMMARY OF BANK LIQUIDITY

| End of Period | 2006 | | | 2007 | | | 2008 | | | 2009 | | | 2010 | | | 2011 | | |
|---|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------|------|------|-------|
| | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. | Mar. | Jun. | Sept. |
| (B\$ Millions) | | | | | | | | | | | | | | | | | | |
| I. Statutory Reserves | | | | | | | | | | | | | | | | | | |
| Required reserves | 244.7 | 265.0 | 283.3 | 285.2 | 288.1 | 293.7 | 290.3 | 285.3 | 296.6 | 299.1 | 298.1 | 298.1 | 298.1 | 303.3 | 306.8 | | | |
| Average Till Cash | 96.9 | 92.8 | 95.4 | 74.0 | 81.4 | 83.7 | 94.7 | 79.7 | 83.7 | 83.3 | 98.2 | 79.0 | 83.9 | 86.5 | | | | |
| Average balance with central bank | 265.7 | 363.1 | 352.7 | 413.2 | 567.1 | 468.6 | 425.1 | 438.7 | 516.6 | 464.6 | 530.5 | 663.7 | 715.6 | 683.8 | | | | |
| Free cash reserves (period ended) | 117.2 | 190.1 | 164.0 | 202.0 | 360.4 | 258.6 | 229.5 | 233.1 | 303.7 | 248.8 | 330.6 | 444.6 | 496.2 | 463.5 | | | | |
| II. Liquid Assets (period) | | | | | | | | | | | | | | | | | | |
| A. Minimum Required Liquid Assets | 802.5 | 860.0 | 911.2 | 930.3 | 925.9 | 927.0 | 929.6 | 938.5 | 958.0 | 958.1 | 946.7 | 959.1 | 969.5 | 971.3 | | | | |
| B. Net Eligible Liquid Assets | 865.6 | 1,011.9 | 1,168.5 | 1,334.5 | 1,446.8 | 1,390.6 | 1,423.7 | 1,460.9 | 1,601.9 | 1,567.5 | 1,755.1 | 1,859.0 | 1,906.7 | 1,900.4 | | | | |
| i) Balance with Central Bank | 251.1 | 341.2 | 322.2 | 422.6 | 549.6 | 428.6 | 375.6 | 435.1 | 483.4 | 444.6 | 518.7 | 648.6 | 709.9 | 660.2 | | | | |
| ii) Notes and Coins | 116.7 | 110.6 | 118.1 | 78.7 | 86.1 | 87.8 | 112.3 | 86.7 | 89.6 | 84.3 | 113.7 | 85.0 | 86.2 | 80.2 | | | | |
| iii) Treasury Bills | 10.0 | 50.8 | 180.2 | 208.8 | 172.7 | 161.7 | 214.0 | 218.3 | 267.6 | 264.1 | 293.7 | 294.8 | 253.3 | 281.3 | | | | |
| iv) Government registered stocks | 437.1 | 468.5 | 513.3 | 590.6 | 599.1 | 680.1 | 671.4 | 672.4 | 711.0 | 721.8 | 774.8 | 775.1 | 767.6 | 805.7 | | | | |
| v) Specified assets | 39.9 | 36.6 | 36.8 | 38.7 | 38.5 | 38.3 | 45.7 | 45.8 | 45.6 | 45.6 | 53.0 | 52.9 | 52.8 | 53.0 | | | | |
| vi) Net Inter-bank dem/call deposits | 11.7 | 5.0 | (1.3) | (4.1) | 0.8 | (5.9) | 4.7 | 2.6 | 4.7 | 7.1 | 1.2 | 2.6 | 36.9 | 20.0 | | | | |
| vii) Less: borrowings from central bank | (0.8) | (0.8) | (0.8) | (0.8) | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | | | | |
| C. Surplus/(Deficit) | 63.1 | 151.9 | 257.3 | 404.2 | 520.8 | 463.6 | 494.1 | 522.4 | 643.9 | 609.4 | 808.4 | 899.9 | 937.2 | 929.1 | | | | |

Source: The Central Bank of The Bahamas

**TABLE 11
GOVERNMENT OPERATIONS AND FINANCING**

(B\$ Millions)

| Period | 2008/09p | | 2009/10p | | Budget | | 2009/10p | | | 2010/11p | | | 2011/12p | |
|---|----------------|----------------|----------------|----------------|---------------|---------------|---------------|----------------|----------------|---------------|---------------|---------------|-----------|----------|
| | | | | | 2010/11 | 2011/12 | QTR. I | QTR. II | QTR. III | QTR. IV | *QTR. I | *QTR. II | *QTR. III | *QTR. IV |
| Total Revenue & Grants | 1,324.2 | 1,302.5 | 1,492.2 | 1,520.2 | 361.1 | 322.0 | 351.7 | 271.2 | 307.3 | 449.6 | 239.9 | 284.6 | | |
| Current expenditure | 1,422.7 | 1,395.9 | 1,467.2 | 1,598.0 | 346.1 | 350.8 | 379.2 | 330.8 | 356.2 | 363.8 | 251.1 | 346.1 | | |
| Capital expenditure | 139.8 | 156.8 | 227.6 | 237.3 | 42.9 | 33.2 | 43.1 | 36.9 | 46.3 | 46.7 | 27.5 | 25.7 | | |
| Net lending | 123.1 | 89.4 | 38.7 | 44.4 | 48.3 | 14.9 | 15.0 | 8.1 | 14.4 | 14.7 | 8.5 | 8.3 | | |
| Overall balance | (361.4) | (339.5) | (241.3) | (359.4) | (76.2) | (76.8) | (85.7) | (104.6) | (109.6) | 24.4 | (47.2) | (95.5) | | |
| FINANCING (I+II-III+IV+V) | 361.4 | 339.5 | 241.3 | 359.4 | 76.2 | 76.8 | 85.7 | 104.6 | 109.6 | (24.4) | 47.2 | 95.5 | | |
| I. Foreign currency borrowing | 267.8 | 318.3 | 55.0 | 94.0 | 304.4 | 0.1 | 8.0 | 77.9 | 16.7 | 21.6 | 11.4 | 11.8 | | |
| External | 56.7 | 318.3 | 55.0 | 94.0 | 304.4 | 0.1 | 8.0 | 7.9 | 16.7 | 21.6 | 11.4 | 11.8 | | |
| Domestic | 211.1 | -- | -- | -- | -- | -- | -- | 70.0 | -- | -- | -- | -- | | |
| II. Bahamian dollar borrowing | 246.1 | 282.0 | 235.0 | 220.6 | -- | -- | 117.0 | 140.0 | 143.6 | -- | -- | 214.6 | | |
| i) Treasury bills | 13.8 | 57.3 | -- | -- | -- | -- | 57.3 | -- | -- | -- | -- | 48.0 | | |
| Central Bank | 13.8 | 57.3 | -- | -- | -- | -- | 57.3 | -- | -- | -- | -- | 48.0 | | |
| Commercial banks & OLF's | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | | |
| Public corporations | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | | |
| Other | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | | |
| ii) Long-term securities | 207.3 | 209.7 | -- | -- | -- | -- | 59.7 | 100.0 | 135.0 | -- | -- | 100.0 | | |
| Central Bank | -- | 15.1 | -- | -- | -- | -- | -- | 30.0 | 35.0 | -- | -- | 15.0 | | |
| Commercial banks & OLF's | 114.7 | 99.0 | -- | -- | -- | -- | 15.0 | 15.0 | 1.8 | -- | -- | 60.3 | | |
| Public corporations | 21.7 | 45.7 | -- | -- | -- | -- | 15.7 | 15.0 | 11.3 | -- | -- | 2.1 | | |
| Other | 70.9 | 49.9 | -- | -- | -- | -- | 29.0 | 40.0 | 86.9 | -- | -- | 22.5 | | |
| iii) Loans and Advances | 25.0 | 15.0 | -- | -- | -- | -- | -- | 40.0 | 8.6 | -- | -- | 66.6 | | |
| Central Bank | 25.0 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | | |
| Commercial banks | -- | 15.0 | -- | -- | -- | -- | 40.0 | 40.0 | 8.6 | -- | -- | 66.6 | | |
| III Debt repayment | 108.3 | 284.2 | 70.0 | 58.7 | 223.6 | 17.0 | 27.6 | 36.1 | 22.7 | 1.2 | 194.3 | 66.8 | | |
| Domestic | 101.8 | 251.8 | 58.9 | 48.9 | 195.9 | 16.0 | 24.9 | 35.0 | 19.5 | -- | 191.0 | 65.0 | | |
| Bahamian dollars | 50.0 | 90.0 | 58.9 | 48.9 | 35.0 | 16.0 | 24.0 | 35.0 | 18.6 | -- | 121.0 | 65.0 | | |
| Internal foreign currency | 51.8 | 161.8 | -- | -- | 160.9 | -- | 0.9 | -- | 0.9 | -- | 70.0 | -- | | |
| External | 6.5 | 32.4 | 11.0 | 9.8 | 27.7 | 1.0 | 2.7 | 1.1 | 3.2 | 1.2 | 3.3 | 1.8 | | |
| IV Net Sale of Shares & Other Equity | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 210.0 | -- | | |
| V. Cash balance change | (30.2) | 26.5 | -- | -- | (1.1) | 24.4 | (8.3) | 14.2 | 8.2 | (2.8) | (3.2) | 4.1 | | |
| VI Other Financing | (14.1) | (3.0) | 21.3 | 103.5 | (3.4) | 69.3 | (3.4) | (91.3) | (36.2) | (42.0) | 443.2 | (68.2) | | |

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

* Qtr IV includes April & May only.

TABLE 12
NATIONAL DEBT

| End of Period | (B\$' 000s) | | | | | | | | | | | |
|-------------------------------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------|------|-------|
| | 2008p | | | 2009p | | | 2010p | | | 2011p | | |
| | 2008p | 2009p | 2010p | 2009p | 2010p | 2011p | 2010p | 2011p | 2012p | Mar. | Jun. | Sept. |
| TOTAL EXTERNAL DEBT | 383,593 | 703,138 | 727,882 | 727,882 | 714,262 | 727,882 | 748,302 | 756,462 | 766,400 | | | |
| By Instrument | | | | | | | | | | | | |
| Government Securities | 300,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | | | |
| Loans | 83,593 | 103,138 | 127,882 | 127,882 | 114,262 | 127,882 | 148,302 | 156,462 | 166,400 | | | |
| By Holder | | | | | | | | | | | | |
| Commercial Banks | -- | -- | -- | -- | -- | -- | -- | -- | -- | | | |
| Offshore Financial Institutions | -- | -- | -- | -- | -- | -- | -- | -- | -- | | | |
| Multilateral Institutions | 79,409 | 98,954 | 123,698 | 123,698 | 110,078 | 123,698 | 128,430 | 136,590 | 146,528 | | | |
| Bilateral Institutions | 4,184 | 4,184 | 4,184 | 4,184 | 4,184 | 4,184 | 19,872 | 19,872 | 19,872 | | | |
| Private Capital Markets | 300,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | | | |
| TOTAL INTERNAL DEBT | 2,383,008 | 2,617,268 | 2,992,479 | 2,992,479 | 2,868,389 | 2,992,479 | 2,992,479 | 2,796,479 | 2,946,079 | | | |
| By Instrument | | | | | | | | | | | | |
| Foreign Currency | 3,612 | 1,806 | 70,000 | 70,000 | 70,903 | 70,000 | 70,000 | 70,000 | -- | | | |
| Government Securities | -- | -- | -- | -- | -- | -- | -- | -- | -- | | | |
| Loans | 3,612 | 1,806 | 70,000 | 70,000 | 70,903 | 70,000 | 70,000 | 70,000 | -- | | | |
| Bahamian Dollars | 2,379,396 | 2,615,462 | 2,922,479 | 2,922,479 | 2,797,486 | 2,922,479 | 2,922,479 | 2,796,479 | 2,946,079 | | | |
| Advances | 71,988 | 96,988 | 111,988 | 111,988 | 111,988 | 111,988 | 111,988 | 73,988 | 110,588 | | | |
| Treasury Bills | 230,469 | 244,309 | 301,609 | 301,609 | 301,609 | 301,609 | 301,609 | 253,609 | 301,609 | | | |
| Government Securities | 2,071,693 | 2,268,919 | 2,503,637 | 2,503,637 | 2,378,644 | 2,503,637 | 2,503,637 | 2,468,637 | 2,533,637 | | | |
| Loans | 5,246 | 5,246 | 5,246 | 5,246 | 5,246 | 5,246 | 5,246 | 246 | 246 | | | |
| By Holder | | | | | | | | | | | | |
| Foreign Currency | 3,612 | 1,806 | 70,000 | 70,000 | 70,903 | 70,000 | 70,000 | 70,000 | -- | | | |
| Commercial Banks | 3,612 | 1,806 | 70,000 | 70,000 | 70,903 | 70,000 | 70,000 | 70,000 | -- | | | |
| Other Local Financial Institutions | -- | -- | -- | -- | -- | -- | -- | -- | -- | | | |
| Bahamian Dollars | 2,379,396 | 2,615,462 | 2,922,479 | 2,922,479 | 2,797,486 | 2,922,479 | 2,922,479 | 2,796,479 | 2,946,079 | | | |
| The Central Bank | 202,993 | 201,509 | 274,275 | 274,275 | 259,442 | 274,275 | 261,669 | 222,165 | 291,526 | | | |
| Commercial Banks | 691,739 | 886,358 | 1,066,784 | 1,066,784 | 984,931 | 1,066,784 | 1,067,815 | 1,013,264 | 1,078,855 | | | |
| Other Local Financial Institutions | 2,932 | 4,167 | 6,996 | 6,996 | 6,096 | 6,996 | 6,995 | 6,985 | 6,382 | | | |
| Public Corporations | 720,783 | 722,999 | 702,541 | 702,541 | 704,043 | 702,541 | 707,590 | 687,778 | 683,668 | | | |
| Other | 760,949 | 800,429 | 871,883 | 871,883 | 842,974 | 871,883 | 878,410 | 866,287 | 885,648 | | | |
| TOTAL FOREIGN CURRENCY DEBT | 387,205 | 704,944 | 797,882 | 797,882 | 785,165 | 797,882 | 818,302 | 756,462 | 766,400 | | | |
| TOTAL DIRECT CHARGE | 2,766,601 | 3,320,406 | 3,720,361 | 3,720,361 | 3,582,651 | 3,720,361 | 3,740,781 | 3,552,941 | 3,712,479 | | | |
| TOTAL CONTINGENT LIABILITIES | 446,492 | 588,997 | 564,629 | 564,629 | 564,394 | 564,629 | 570,589 | 562,786 | 556,729 | | | |
| TOTAL NATIONAL DEBT | 3,213,093 | 3,909,403 | 4,284,990 | 4,284,990 | 4,147,045 | 4,284,990 | 4,311,370 | 4,115,727 | 4,269,208 | | | |

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)

| | 2008p | 2010p | | | 2011p | | | Sep. |
|--|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | 2009p* | Jun. | Sep. | Dec.** | Mar. | Jun.*** | |
| Outstanding Debt at Beginning of Period | 654,368 | 859,878 | 1,139,567 | 1,158,410 | 1,154,732 | 1,321,864 | 1,357,660 | 1,279,476 |
| Government | 296,133 | 387,205 | 704,944 | 704,024 | 708,428 | 785,165 | 797,882 | 756,462 |
| Public Corporations | 358,235 | 472,673 | 434,623 | 454,386 | 446,304 | 536,699 | 559,778 | 523,014 |
| Plus: New Drawings | 273,746 | 856,717 | 388,807 | 8,010 | 173,382 | 181,817 | 21,582 | 36,265 |
| Government | 118,467 | 561,772 | 102,807 | 8,010 | 77,882 | 16,817 | 21,582 | 11,765 |
| Public Corporations | 155,279 | 294,945 | 286,000 | -- | 95,500 | 165,000 | -- | 24,500 |
| Less: Amortization | 68,236 | 577,028 | 170,714 | 11,688 | 6,250 | 146,021 | 11,075 | 7,246 |
| Government | 27,395 | 244,033 | 9,869 | 3,606 | 1,145 | 4,100 | 1,162 | 1,827 |
| Public Corporations | 40,841 | 332,995 | 160,845 | 8,082 | 5,105 | 141,921 | 9,913 | 5,419 |
| Other Changes in Debt Stock | -- | -- | -- | -- | -- | -- | -- | -- |
| Government | -- | -- | -- | -- | -- | -- | -- | -- |
| Public Corporations | -- | -- | -- | -- | -- | -- | -- | (32,063) |
| Outstanding Debt at End of Period | 859,878 | 1,139,567 | 1,357,660 | 1,154,732 | 1,321,864 | 1,357,660 | 1,368,167 | 1,308,495 |
| Government | 387,205 | 704,944 | 797,882 | 708,428 | 785,165 | 797,882 | 818,302 | 766,400 |
| Public Corporations | 472,673 | 434,623 | 559,778 | 446,304 | 536,699 | 559,778 | 549,865 | 542,095 |
| Interest Charges | 39,867 | 41,356 | 66,884 | 28,213 | 4,245 | 30,459 | 7,110 | 6,173 |
| Government | 20,959 | 27,581 | 47,055 | 22,584 | 573 | 23,315 | 1,276 | 798 |
| Public Corporations | 18,908 | 13,775 | 19,829 | 5,629 | 3,672 | 7,144 | 5,834 | 5,375 |
| Debt Service | 108,103 | 618,384 | 237,598 | 39,901 | 10,495 | 176,480 | 18,185 | 13,419 |
| Government | 48,354 | 271,614 | 56,924 | 26,190 | 1,718 | 27,415 | 2,438 | 2,625 |
| Public Corporations | 59,749 | 346,770 | 180,674 | 13,711 | 8,777 | 149,065 | 15,747 | 10,794 |
| Debt Service Ratio (%) | 2.8 | 20.2 | 7.4 | 4.7 | 1.4 | 22.8 | 2.2 | 1.7 |
| Government Debt Service/ Government Revenue (%) | 3.4 | 20.4 | 4.5 | 7.4 | 0.6 | 8.9 | 0.5 | 0.9 |
| MEMORANDUM | | | | | | | | |
| Holder Distribution (B\$ Mil): | | | | | | | | |
| Commercial Banks | 411.3 | 358.2 | 414.1 | 367.3 | 518.4 | 414.1 | 404.9 | 321.5 |
| Multilateral Institutions | 112.3 | 126.4 | 145.1 | 127.8 | 134.1 | 145.1 | 149.1 | 164.2 |
| Bilateral Institutions | 19.0 | 21.4 | 4.2 | 28.6 | 39.2 | 4.2 | 19.9 | 30.3 |
| Other | 17.4 | 33.6 | 194.3 | 31.0 | 30.2 | 194.3 | 194.3 | 192.5 |
| Private Capital Markets | 300.0 | 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.

*Debt servicing for 2009 includes the refinancing of \$297 million and \$235 million in Public Corporations' and Government's debt, respectively. Net of these transactions, the Government's debt service/revenue ratio was 2.7%.

** Debt servicing for the 4th quarter of 2010 includes the refinancing of \$131 million in Public Corporations' debt. Net of this transaction, the debt service ratio was 5.9%.

*** Outstanding debt at end-June 2011 excludes \$32.063 million in outstanding debt of The Bahamas Telecommunications Company, which was privatized in April 2011.

TABLE 14
BALANCE OF PAYMENTS SUMMARY*

| | (B\$ Millions) | | | | | | | | | | | |
|---|----------------|-----------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2008p | | | 2009p | | | 2010p | | | 2011 | | |
| | 2008p | 2009p | 2010p | 2009 | 2010 | 2011 | 2009 | 2010 | 2011 | 2009 | 2010 | 2011 |
| | Qr.IIIP | Qr.IVp | Qr.IIIP | Qr.IIIP | Qr.IIIP | Qr.IIIP | Qr.IIIP | Qr.IIIP | Qr.IIIP | Qr.IIIP | Qr.IIIP | Qr.IIIP |
| A. Current Account Balance (I+II+III+IV) | (871.7) | (808.5) | (812.0) | (314.4) | (173.8) | (47.1) | (107.4) | (329.5) | (198.2) | (130.3) | (226.1) | |
| I. Merchandise (Net) | (2,243.2) | (1,824.7) | (1,888.2) | (447.2) | (440.2) | (415.3) | (454.7) | (516.4) | (456.4) | (519.6) | (528.3) | |
| Exports | 955.8 | 710.7 | 702.4 | 169.9 | 198.0 | 161.1 | 199.9 | 173.4 | 192.4 | 196.9 | 188.5 | |
| Imports | 3,199.0 | 2,535.3 | 2,590.6 | 617.1 | 638.1 | 576.4 | 654.6 | 689.9 | 648.9 | 716.5 | 716.9 | |
| II. Services (Net) | 1,488.3 | 1,154.8 | 1,312.5 | 193.1 | 310.7 | 396.2 | 402.9 | 259.6 | 349.4 | 413.5 | 342.4 | |
| Transportation | (308.0) | (267.6) | (223.8) | (57.5) | (71.2) | (42.0) | (60.4) | (61.1) | (33.5) | (46.8) | (40.4) | |
| Travel | 2,196.5 | 1,773.7 | 1,919.2 | 365.8 | 436.3 | 550.1 | 523.9 | 416.1 | 515.9 | 542.8 | 454.4 | |
| Insurance Services | (106.6) | (92.5) | (165.2) | (29.0) | (17.8) | (25.1) | (45.8) | (39.4) | (21.5) | (39.8) | (34.9) | |
| Offshore Companies Local Expenses | 233.8 | 182.0 | 157.8 | 48.0 | 41.5 | 32.7 | 42.7 | 38.1 | 38.0 | 46.0 | 31.2 | |
| Other Government | (56.3) | (87.0) | (43.1) | (38.6) | (15.2) | (33.0) | 9.3 | (11.8) | (4.7) | 8.6 | 0.3 | |
| Other Services | (471.1) | (353.8) | (332.4) | (95.6) | (62.9) | (86.5) | (66.8) | (82.2) | (144.9) | (97.3) | (68.2) | |
| III. Income (Net) | (77.8) | (152.2) | (233.8) | (67.4) | (35.1) | (36.1) | (65.7) | (66.1) | (63.4) | (45.7) | (45.3) | |
| 1. Compensation of Employees | (18.5) | (11.8) | (27.4) | (2.0) | (2.3) | (2.4) | (8.2) | (7.1) | (9.5) | (12.8) | (10.4) | |
| 2. Investment Income | (59.3) | (140.3) | (206.4) | (65.3) | (32.8) | (33.7) | (57.5) | (59.1) | (53.8) | (32.9) | (34.9) | |
| IV. Current Transfers (Net) | (38.9) | 13.5 | (2.6) | 7.0 | (9.2) | 8.1 | 10.1 | (6.6) | (27.7) | 21.4 | 5.1 | |
| 1. General Government | 62.9 | 86.8 | 87.4 | 20.8 | 15.5 | 17.7 | 29.3 | 22.1 | 33.3 | 35.0 | 22.9 | |
| 2. Private Sector | (101.8) | (73.3) | (89.9) | (13.8) | (24.8) | (9.6) | (19.2) | (28.8) | (61.1) | (13.7) | (17.9) | |
| B. Capital and Financial Account (I+II) | 1,212.2 | 1,114.6 | 1,129.2 | 311.7 | 226.9 | 146.4 | 214.4 | 407.8 | 327.5 | 161.4 | 258.6 | |
| (excl. Reserves) | | | | | | | | | | | | |
| I. Capital Account (Net Transfers) | (8.1) | (7.2) | (3.6) | (1.7) | (1.5) | (0.5) | (1.1) | (0.9) | (0.4) | (1.3) | (1.2) | |
| II. Financial Account (Net) | 1,220.3 | 1,121.8 | 1,132.8 | 313.4 | 228.4 | 146.8 | 215.5 | 408.7 | 327.9 | 162.8 | 259.8 | |
| 1. Direct Investment | 860.2 | 664.0 | 861.5 | 219.6 | 73.1 | 150.2 | 233.9 | 159.3 | 238.7 | 242.8 | 137.6 | |
| 2. Portfolio Investment | (25.0) | (16.7) | (25.4) | (3.1) | (6.6) | (7.5) | (4.4) | (4.1) | (5.8) | (9.4) | (9.9) | |
| 3. Other Investments | 385.1 | 474.5 | 296.7 | 96.9 | 161.8 | 4.2 | (14.0) | 253.5 | 95.0 | (70.6) | 132.1 | |
| Central Gov't Long Term Capital | 110.6 | 319.5 | 24.7 | 4.9 | 276.6 | (0.9) | 5.3 | 6.7 | 20.4 | (3.2) | (1.7) | |
| Other Public Sector Capital | (4.3) | 184.0 | 123.7 | 185.8 | 6.5 | 10.8 | (3.7) | 17.1 | (0.8) | 3.8 | 11.4 | |
| Banks | 36.2 | (21.9) | 23.6 | (31.7) | (114.9) | (41.7) | (28.1) | 181.3 | (42.4) | (158.6) | 69.0 | |
| Other | 242.6 | (7.2) | 124.8 | (62.1) | (6.5) | 36.0 | 12.5 | 48.4 | 117.7 | 87.4 | 53.5 | |
| C. Net Errors and Omissions | (231.8) | (53.1) | (272.7) | (12.7) | 8.0 | (96.2) | (63.9) | (174.9) | (14.6) | 69.8 | (153.0) | |
| D. Overall Balance (A+B+C) | 108.7 | 253.0 | 44.5 | (15.5) | 61.0 | 3.0 | 43.1 | (96.7) | 114.7 | 101.0 | (120.5) | |
| E. Financing (Net) | (108.7) | (253.0) | (44.5) | 15.5 | (61.0) | (3.0) | (43.1) | 96.7 | (114.7) | (101.0) | 120.5 | |
| Change in SDR holdings | -- | (178.9) | 3.1 | (180.9) | 1.9 | 5.6 | 4.5 | (8.8) | (5.1) | (1.7) | 4.5 | |
| Change in Reserve Position with the IMF | 0.3 | (0.2) | 0.2 | (0.2) | 0.1 | 0.3 | 0.2 | (0.5) | (0.3) | (0.1) | 0.2 | |
| Change in Ext. Foreign Assets () = Increase | (109.0) | (73.9) | (47.8) | 196.6 | (63.0) | (9.0) | (47.9) | 106.0 | (109.3) | (99.2) | 115.7 | |

Source: The Central Bank of the Bahamas

* Figures may not sum to total due to rounding

TABLE 15
EXTERNAL TRADE

(B\$ '000)

| | 2008 | | | | 2009 | | | | 2010 | | | | 2011 | | | |
|------------------------------------|-------------|-------------|-------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------|---------|--|--|
| | 2008 | | 2009 | | 2009 | | 2010 | | 2010 | | 2011 | | 2011 | | | |
| | Qtr. I | Qtr. II | Qtr. III | Qtr. IV | Qtr. I | Qtr. II | Qtr. III | Qtr. IV | Qtr. I | Qtr. II | Qtr. III | Qtr. IV | Qtr. I | Qtr. II | | |
| I. OIL TRADE | | | | | | | | | | | | | | | | |
| i) Exports | 141,524 | 159,706 | 112,077 | 159,706 | 33,722 | 32,426 | 45,718 | 39,746 | 30,702 | 43,540 | 61,039 | 64,338 | | | | |
| ii) Imports | 847,041 | 687,073 | 557,132 | 687,073 | 169,336 | 165,422 | 144,343 | 195,178 | 191,175 | 156,377 | 206,992 | 267,666 | | | | |
| II. OTHER MERCHANDISE | | | | | | | | | | | | | | | | |
| Domestic Exports | | | | | | | | | | | | | | | | |
| Crawfish | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Fish & other Crustacea | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Fruits & Vegs. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Aragonite | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Rum | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Other Cordials & Liqueurs | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Crude Salt | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Hormones | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Chemicals | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Other Pharmaceuticals | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Fragrances | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Other | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| i) Total Domestic Exports | 409,635 | 303,594 | 333,707 | 303,594 | 72,435 | 112,285 | 52,909 | 77,277 | 75,926 | 97,482 | 70,448 | 84,213 | | | | |
| ii) Re-Exports | 150,373 | 156,969 | 164,824 | 156,969 | 39,027 | 34,387 | 37,419 | 45,317 | 30,450 | 43,783 | 34,715 | 55,328 | | | | |
| iii) Total Exports (i+ii) | 560,008 | 460,563 | 498,531 | 460,563 | 111,462 | 146,672 | 90,328 | 122,594 | 106,376 | 141,265 | 105,163 | 139,540 | | | | |
| iv) Imports | 2,354,064 | 2,175,688 | 2,239,333 | 2,175,688 | 520,925 | 572,986 | 470,455 | 517,967 | 567,005 | 620,261 | 519,926 | 594,742 | | | | |
| v) Retained Imports (iv-ii) | 2,203,691 | 2,018,719 | 2,074,509 | 2,018,719 | 481,898 | 538,599 | 433,036 | 472,650 | 536,555 | 576,478 | 485,211 | 539,414 | | | | |
| vi) Trade Balance (i-v) | (1,794,056) | (1,740,801) | (1,740,801) | (1,715,124) | (409,463) | (426,314) | (380,127) | (395,372) | (460,629) | (478,996) | (414,763) | (455,202) | | | | |

Source: Department of Statistics Quarterly Statistical Summaries

TABLE 16
SELECTED TOURISM STATISTICS

| Period | 2009p | | | | 2010p | | | | 2011 | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------|--------|---------|----------|
| | 2008p | 2009p | 2010p | 2009p | 2010p | 2009p | 2010p | 2011 | 2011 | 2011 | 2011 | 2011 | | |
| | | | | Qtr. I | Qtr. II | Qtr. III | Qtr. IV | Qtr. I | Qtr. II | Qtr. III | Qtr. IV | Qtr. I | Qtr. II | Qtr. III |
| Visitor Arrivals | 4,390,583 | 6,028,676 | 5,248,121 | 1,383,561 | 1,324,445 | 1,196,170 | 1,343,945 | 1,527,601 | 1,375,376 | 1,200,286 | | | | |
| Air | 1,392,284 | 1,597,316 | 1,294,804 | 344,923 | 368,304 | 304,067 | 277,510 | 320,680 | 363,202 | 297,199 | | | | |
| Sea | 2,998,299 | 4,431,360 | 3,953,317 | 1,038,638 | 956,141 | 892,103 | 1,066,435 | 1,206,921 | 1,012,174 | 903,087 | | | | |
| Visitor Type | | | | | | | | | | | | | | |
| Stopover | 1,462,403 | 660,633 | 988,924 | 354,036 | 403,088 | 333,937 | 276,992 | n.a | n.a | n.a | | | | |
| Cruise | 2,937,854 | 4,272,074 | 3,803,122 | 1,016,294 | 902,780 | 842,128 | 1,041,920 | 1,172,006 | 956,900 | 857,345 | | | | |
| Day/Transit | 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) | | | | | | | | | | | | | | |
| Stopover | 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 | | | | |
| Day | n.a | n.a | n.a | n.a | n.a | n.a | n.a | n.a | n.a | n.a | | | | |
| Number of Hotel Nights | 4,398,370 | n.a | n.a | n.a | n.a | n.a | n.a | n.a | n.a | n.a | | | | |
| Average Length of Stay | 6.6 | 6.6 | n.a | n.a | n.a | n.a | n.a | n.a | n.a | n.a | | | | |
| Average Hotel Occupancy Rates (%) | | | | | | | | | | | | | | |
| New Providence | 60.7 | 57.4 | 58.0 | 62.0 | 63.2 | 57.7 | 48.9 | 68.0 | 63.3 | n.a | | | | |
| Grand Bahama | 41.0 | 36.5 | 33.7 | 35.0 | 37.0 | 36.7 | 26.0 | 48.0 | 47.5 | n.a | | | | |
| Other Family Islands | 35.1 | 28.8 | 36.4 | 36.0 | 42.9 | 34.7 | 32.0 | 50.0 | 48.5 | n.a | | | | |
| Average Nightly Room Rates (\$) | | | | | | | | | | | | | | |
| New Providence | 230.7 | 222.1 | 219.7 | 253.3 | 224.7 | 200.2 | 200.5 | 262.4 | 243.5 | n.a | | | | |
| Grand Bahama | 103.4 | 91.9 | 86.1 | 97.1 | 94.0 | 73.8 | 79.5 | 94.4 | 88.5 | n.a | | | | |
| Other Family Islands | 245.4 | 187.8 | 156.5 | 162.5 | 168.0 | 153.1 | 142.4 | 190.2 | 175.9 | n.a | | | | |

Source: The Ministry of Tourism