



## **Monthly Economic and Financial Developments November 2015**

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

### Future Release Dates:

2016: February 1, February 29, April 4, May 2, May 30, July 4, August 8, August 29, October 3, October 31, November 28, December 19.

# Monthly Economic and Financial Developments

## November 2015

### 1. Domestic Economic Developments

Provisional indicators suggest that the domestic economy continued to expand at a modest pace during the review period, underpinned by gains in tourism output over the start of the key winter season, while construction activity benefited from several foreign investment projects. Reflecting the persistent decline in international oil prices, domestic energy costs maintained a downward trajectory. The fiscal deficit contracted significantly during the first four months of FY2015/16, as a VAT-led surge in revenues surpassed the growth in expenditure. In the monetary sector, both liquidity and external reserves expanded in November, mainly due to net foreign currency inflows from real sector activities.

Indications are that the tourism sector benefitted from the hosting of a major basketball tournament over the review period, which attracted an estimated 2,000 additional visitors to the country. Provisional data from the Bahamas Hotel & Tourism Association and the Ministry of Tourism showed total room revenue for a sample of hotels in New Providence firming by 3.0% during the ten months of 2015, over the prior year. This outcome corresponded to gains in both the average occupancy rate and the average daily room rate, of 3.1 percentage points and 6.0%, to 70.7% and \$249.76, respectively.

Domestic energy costs were favourably impacted by the weakness in crude oil prices, which have fallen by almost 20% since the start of the year. In light of these developments, the Bahamas Electricity Corporation's fuel charge decreased by 12.1% in November, on a monthly basis, to 10.03 cents per kilowatt hour (kWh), and more sharply by 62.4% for the annual comparison.

Data on the Government's budgetary operations for the first four months of FY2015/16 showed that the overall deficit narrowed by \$113.5 million (57.0%) to \$85.5 million, aided by a \$161.2 million (36.9%) expansion in total receipts, to \$597.9 million, which overshadowed the more moderate \$47.7 million (7.5%) hike in overall expenditure to \$683.5 million. Growth in revenue was driven by a \$156.2 million (41.7%) surge in tax receipts, to \$531.3 million, as VAT collections of \$229.5 million outpaced declines in the remaining categories. Specifically, taxes on international trade contracted by \$20.1 million (10.5%) to \$172.1 million, owing to reductions in import (\$14.6 million) and excise (\$7.9 million) taxes, which countered a \$2.4 million rise in export taxes. In addition, "other miscellaneous" taxes fell by \$31.0 million (21.2%), as lower real estate sales contributed to a \$26.6 million (72.0%) drop in 'other' stamp taxes, while departure taxes fell by \$7.7 million (15.8%). Similarly, the intake from business & professional fees declined by \$13.6 million (63.5%) to \$7.8 million, as timing associated factors resulted in a \$13.4 million (70.0%) fall-off in general business licence fees. Selective taxes on services were lower by \$6.3 million, with the elimination of the hotel occupancy tax leading to a \$14.0 million reduction in this category to negligible levels, and negating a \$7.8 million web shop-related increase in gaming taxes. By contrast, total non-tax revenue firmed by \$8.0 million (13.6%) to \$66.7 million, with the income component boosted by \$9.9 million (63.0%) on account of dividend proceeds.

On the spending side, the reclassification of several transactions from net lending to current spending, contributed to an increase in the latter category, by \$90.1 million (16.8%) to \$626.9 million. As a consequence, subsidies and "other" transfers firmed by \$59.5 million (35.1%) to \$228.8 million, with the subsidies portion higher by \$19.9 million (19.6%) and transfers to public corporations growing more than

four-fold to \$23.9 million. Meanwhile, interest payments increased by \$1.5 million (1.8%) to \$83.6 million. Consumption spending rose by \$29.2 million (10.2%) to \$314.5 million, comprising double digit hikes in both wages & salaries (\$16.2 million) and purchases of goods and services (\$13.0 million)—the latter inclusive of gains in utilities and contractual service payments. As a result of the reclassification exercise, Government's net lending to public bodies declined sharply by \$27.6 million (96.5%) to \$1.0 million. Capital spending contracted by \$14.7 million (21.0%) to \$55.6 million, owing to a \$7.5 million (38.1%) reduction in asset acquisitions and a \$7.1 million (14.0%) decline in infrastructure development outlays.

## 2. International Developments

Indications are that the global economy continued to recover at a relatively mild pace, supported by modest improvements in the United States and several European markets. In Asia, China's financial sector showed signs of instability, prompting another round of expansionary measures from the Government, while the other major central banks maintained their highly accommodative monetary policy measures.

In the United States, preliminary evidence suggests that the economy maintained a positive momentum over the review period, as the Conference Board's Leading Economic Index (LEI) rose by 0.6% during October, featuring a small recovery in building permits. Total personal income—an indicator of households' consumption spending capacity—firmed by 0.4%, extending the 0.2% gain in September, while the monthly increase in personal consumption expenditure stabilized at 0.1%. In the external sector, the monthly trade deficit rose by \$1.4 billion to \$43.9 billion, as exports fell by \$2.7 billion, reflecting declines in industrial products and capital goods, which outpaced the \$1.3 billion reduction in imports. In this environment, the unemployment rate remained at 5.0%, with non-farm payrolls higher by 211,000—driven by expansions in construction and professional & technical services, which outstripped the decrease in mining jobs. In price developments, inflation firmed marginally, by 0.2% in October, after a decline of the same magnitude in the prior month. Faced with relatively modest growth and subdued inflation, the Federal Reserve decided to leave its benchmark rate within the 0.00-0.25% range—although signalling that it was prepared to raise rates, in the near-term, as economic conditions improve.

Economic activity in Europe remained uneven, as several economies continued to experience very low growth rates. In the United Kingdom, retail sales contracted by 0.6% in October, after a sporting event related gain of 1.7% in the previous month. On the external side, the trade deficit deteriorated by £3.1 billion to £4.1 billion, on a monthly basis, mainly due to an increase in manufactured goods' imports and a falloff in exports. Despite upward pressures from higher clothing & footwear and recreational goods' prices, declines in the cost of university tuition fees, food, and alcohol & tobacco secured another monthly drop of 0.1% in overall prices. Euro area indicators were mixed over the review period, as the Conference Board's monthly LEI firmed marginally, by 0.4%, reflecting improvements in yield spreads, consumer expectations and stock prices, vis-a-vis a flat performance in September. In contrast, retail sales eased by a further 0.1%. In labour market conditions, the unemployment rate fell marginally by 10 basis points to 10.7%, due to the addition of 36,000 persons to the workforce. Given the region's fledging recovery, both the Bank of England and the European Central Bank retained their highly accommodative policy stances, leaving key bank rates unchanged.

In Asia, developments were largely mixed, as China's Purchasing Manager's Index (PMI)—a measure of private sector business conditions—fell, marginally, by 0.2% in November, reflecting declines in most of the major indices. In the external sector, the country's trade surplus narrowed by US\$7.5 billion to US\$54.1 billion in October, due to an 8.7% reduction in exports, which overshadowed the 6.9% falloff in imports.

Consumer prices stabilised, on a monthly basis, in November, as both food and non-food costs were unchanged. In October, Japan's economy showed modest signs of improvement, recording the first trade surplus in seven months, of ¥108.3 billion—a reversal from a ¥120.0 billion deficit a month earlier. In the underlying developments, lower oil prices contributed to a sharp 13.4% reduction in the import bill, outpacing the 2.2% fall in exports. The jobless rate narrowed by 30 basis points to 3.1%, while consumer prices fell slightly by 0.1%, month-on-month, in October, following a 0.3% contraction in the previous period. To stimulate the economy, the People's Bank of China lowered its overnight rate on its Standing Lending Facility to banks, by 1.75 percentage points to 4.5%, while the Bank of Japan maintained its accommodative monetary policy stance.

Most of the major commodity markets registered price declines during November. In particular, the softness in international demand, combined with a supply overhang, pushed the price of crude oil lower by a further 7.7% to \$44.69 per barrel in November—its lowest level in six years. In addition, the appreciation in the US dollar underpinned a 6.8% reduction in gold prices, to \$1,064.77 per troy ounce, and silver costs fell by 9.4% to \$14.09 per troy ounce.

Buoyed by the sustained improvement in the United States' economy and signs that the European Central Bank was preparing to further loosen monetary policy, almost all of the major equity markets reported gains during the review month. Significant increases were posted in Europe, where Germany's DAX grew by 4.9% and France's CAC 40 advanced by 1.2%; however, the United Kingdom's FTSE decreased slightly, by 0.1%. In Asia, Japan's Nikkei and China's SE composite expanded by 3.5% and 1.9%, respectively. Gains were more muted in the United States, with small increases recorded for the Dow Jones Industrial Average (0.3%) and the S&P 500 index (0.1%).

The sustained growth in the United States' economy prompted further gains in the dollar relative to all of the major currencies over the review month. The dollar appreciated, vis-à-vis both the euro and the Swiss Franc, by 4.2% to €0.9465 and CHF1.0290, respectively. In addition, the dollar advanced versus the British pound, by 2.5% to £0.6642, and by 2.2% against the Canadian dollar to CAD\$1.3362. In Asia, the dollar posted respective gains relative to the Japanese Yen and Chinese Yuan, of 2.1% and 1.3%, to ¥123.10 and CNY6.3975.

### 3. Domestic Monetary Trends November 2015 vs. 2014

During November, bank liquidity expanded, amid net foreign currency inflows from tourism-related activity and, to a lesser extent, the Central Bank's financing activities with the Government. Gains in the narrow measure, excess reserves, accelerated more than two-fold, to \$62.9 million from \$26.2 million in 2014, for an ending balance of \$486.0 million. The broader excess liquid assets were also higher, by \$48.4 million, at \$1,339.5 million—a turnaround from the \$9.0 million falloff in 2014.

External reserves improved by \$28.9 million to \$803.7 million in November, in contrast to a \$24.2 million contraction in 2014. In the underlying developments, the Central Bank's net sale to the public sector narrowed sharply, from \$45.4 million a year earlier to \$2.8 million, while the net purchase from commercial banks improved by \$10.5 million to \$30.5 million, reflecting a corresponding rise in their net intake from customers, by \$16.5 million to \$44.7 million.

Total Bahamian dollar credit grew by \$9.3 million to \$8,303.6 million, a turnaround from 2014's \$46.0 million contraction, which occurred as a net result of the transfer of \$100.0 million in non-performing loans

from Bank of The Bahamas to the Special Purpose Vehicle, the Bahamas Resolve Ltd. Reflecting this development, the falloff in private sector credit abated sharply, to a mere \$7.1 million from \$94.2 million last year, as the decline in both commercial loans and mortgages eased to \$12.6 million and \$5.3 million, from \$49.4 million and \$41.1 million, respectively. Meanwhile, consumer loans grew by \$10.7 million, vis-à-vis 2014's \$3.7 million contraction, while the decline in credit to the rest of the public sector slowed to \$0.3 million from \$0.8 million a year earlier. In a slight offset, growth in the net claim on the Government narrowed sharply, by \$32.3 million to \$16.7 million.

Reflecting a deterioration in a few institutions' loan portfolios, total private sector loan arrears were higher by \$8.3 million (0.7%) at \$1,201.4 million, and by 16 basis points to 20.0% of total loans. Specifically, short-term arrears (31 to 90 days) grew by \$18.5 million (6.3%) to \$311.1 million and by 31 basis points to 5.2% of total loans. In contrast, the non-performing segment fell, by \$10.2 million (1.1%) to \$890.3 million, and the corresponding loan ratio declined by 15 basis points to 14.8%.

In terms of the main categories, the increase in total delinquencies was due solely to higher mortgage arrears, which advanced by \$13.1 million (2.0%) to \$674.9 million. Growth in the short-term segment, of \$16.1 million (9.8%), negated the \$3.0 million (0.6%) reduction in non-accrual loans. Conversely, the commercial component contracted by \$3.8 million (1.7%) to \$215.8 million, reflecting a \$3.4 million (9.1%) reduction in the short-term segment and a \$0.5 million (0.3%) falloff in non-performing loans. Consumer loan delinquencies decreased marginally, by \$0.9 million (0.3%) to \$310.7 million, underpinned by a \$6.7 million (3.1%) drop in arrears in excess of 90 days, which contrasted with a \$5.8 million (6.3%) hike in the short-term category.

Banks' total provisions for loan losses declined, by \$0.3 million (0.05%) at \$532.5 million, in November; although the ratio of provisions to arrears narrowed by 33 basis points to 44.3%, the corresponding ratio to non-performing loans was higher by 65 basis points at 59.8%. During November, banks wrote-off a total of \$10.7 million in bad debts, and recovered approximately \$1.4 million in delinquencies.

Domestic foreign currency credit rose by \$19.3 million, outpacing the previous year's \$5.3 million expansion, as a drawdown in bridging financing led to a strengthened \$25.3 million increase in net claims on the Government. The decline in credit to the rest of the public sector tapered by one-half to \$1.8 million; however, the private sector component contracted by \$4.2 million, following a \$0.2 million reduction in 2014.

Growth in total Bahamian dollar deposits slowed to \$21.8 million from \$30.1 million a year earlier, paced by a significantly lower build-up in demand deposits of \$55.9 million relative to \$149.8 million. In a modest offset, the reduction in both savings and fixed balances narrowed to \$6.7 million and \$27.4 million, from \$80.6 million and \$39.2 million, respectively in 2014.

In interest rates developments, the weighted average deposit rate at banks moved up by 68 basis points to 1.61%, with the highest rate of 5.00% offered on fixed balances of over 12 months. Similarly, the weighted average loan rate rose by 45 basis points to 12.54%.

#### 4. Outlook and Policy Implications

Expectations are that the economy will continue to grow at a very mild pace, in 2016, with the key driver being tourism, supported by a number of varied-scale foreign investment related-projects and, to a lesser extent, infrastructure rebuilding activities in the Family Islands. The restart of the Baha Mar development

could provide some additional uplift to these activities, as well as support improvements in employment. Conditions are also set to benefit from the persistent decline in global oil prices to ten-year lows, which should continue to keep inflationary pressures well contained.

The outlook for the fiscal sector will continue to hinge on the performance of the VAT, as well as ongoing efforts to achieve greater efficiency in revenue administration and to curtail expenditure growth.

In the monetary sector, liquidity is poised to remain at robust levels, over an extended period. As confirmed in the Bank's inaugural lending conditions survey, while commercial banks showed a willingness to lend to credit worthy clients, overall borrowing activity is likely to remain subdued, as consumers remain highly indebted and unemployment levels elevated. Notwithstanding the persistence of high levels of loan arrears, banks are expected to maintain robust capital levels, thereby mitigating financial stability concerns.

On the external account, external reserve rebuilding developments are poised to be moderate, amid the near-term outlook for tourism sector performance—although the decline in oil prices will help to mitigate demands on the overall pool.

Against this backdrop, the Central Bank will continue to monitor domestic and international conditions, to determine whether any policy changes are warranted.

# Recent Monetary and Credit Statistics

(B\$ Millions)

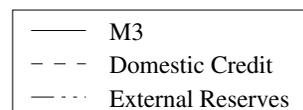
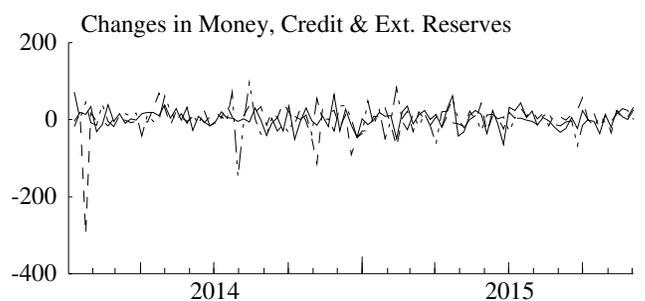
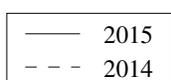
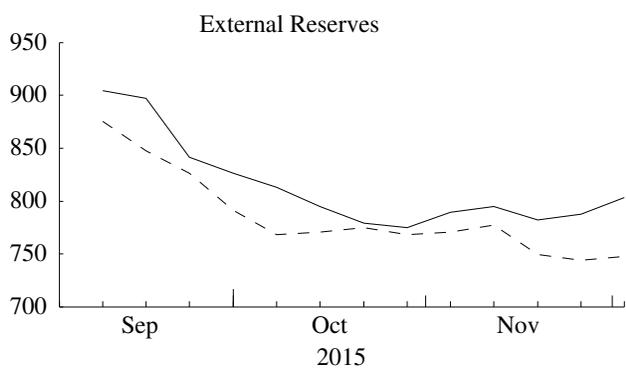
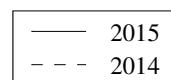
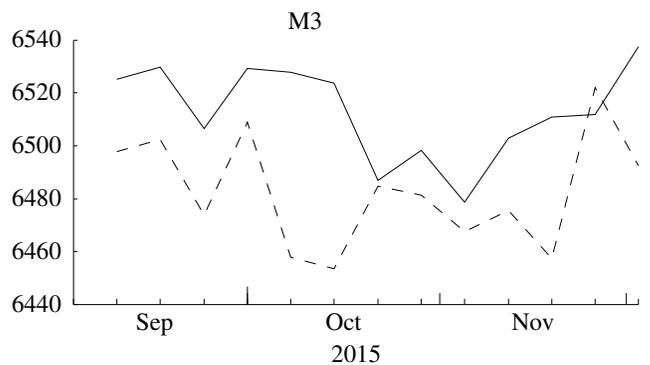
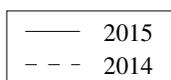
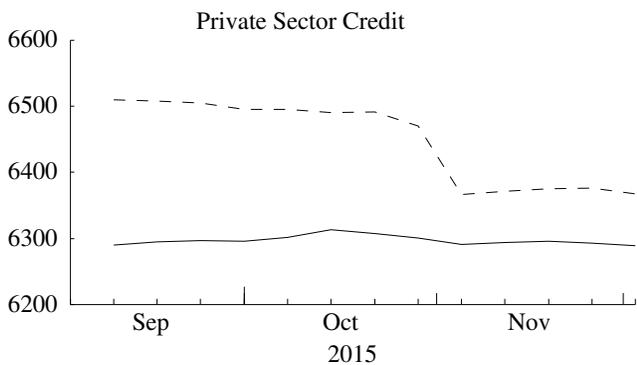
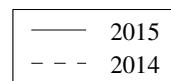
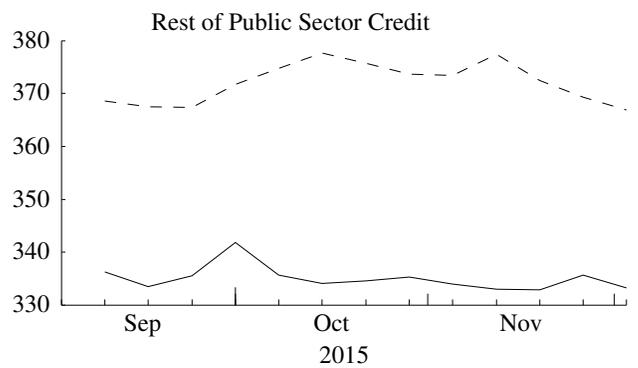
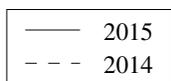
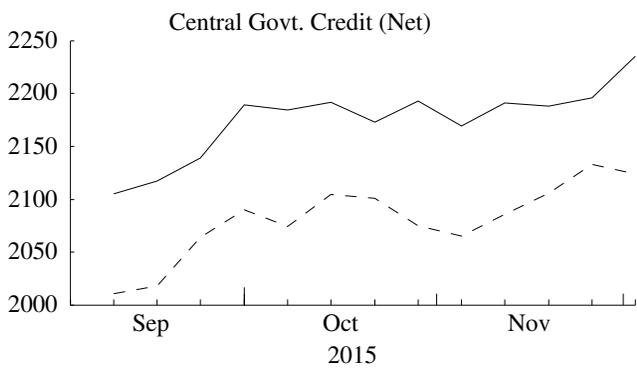
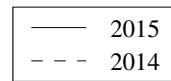
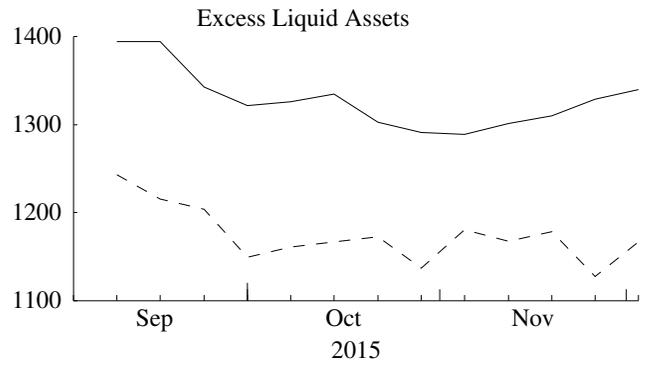
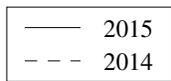
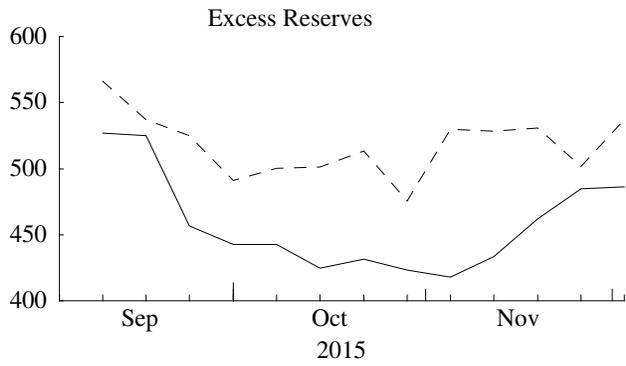
	<b>NOVEMBER</b>					
	Value		Change		Change YTD	
	2014	2015	2014	2015	2014	2015
<b>1.0 LIQUIDITY &amp; FOREIGN ASSETS</b>						
1.1 Excess Reserves	501.72	486.04	26.16	62.87	100.01	-7.23
1.2 Excess Liquid Assets	1,127.99	1,339.52	-8.97	48.42	43.09	197.63
1.3 External Reserves	744.18	803.68	-24.16	28.90	4.41	16.92
1.4 Bank's Net Foreign Assets	-493.50	-448.10	8.82	-19.18	193.51	-14.12
1.5 Usable Reserves	241.74	307.56	-36.45	2.42	-4.61	47.44
<b>2.0 DOMESTIC CREDIT</b>						
<b>2.1 Private Sector</b>	<b>6,376.02</b>	<b>6,289.33</b>	<b>-94.41</b>	<b>-11.30</b>	<b>-153.18</b>	<b>-63.63</b>
a. B\$ Credit	6,033.64	6,005.25	-94.18	-7.09	-110.98	-24.60
of which: Consumer Credit	2,139.71	2,178.96	-3.74	10.71	27.74	28.30
Mortgages	3,107.40	3,072.98	-41.08	-5.26	-43.52	-26.08
Commercial and Other Loans B\$	786.53	753.31	-49.36	-12.55	-95.20	-26.82
b. F/C Credit	342.38	284.08	-0.23	-4.20	-42.19	-39.03
of which: Mortgages	123.20	84.79	-1.50	-3.21	-19.04	-17.43
Commercial and Other Loans F/C	219.17	199.29	1.27	-0.99	-23.15	-21.60
<b>2.2 Central Government (net)</b>	<b>2,132.98</b>	<b>2,235.10</b>	<b>58.18</b>	<b>41.95</b>	<b>171.53</b>	<b>203.83</b>
a. B\$ Loans & Securities	2,344.80	2,452.95	96.80	-17.15	320.63	179.97
Less Deposits	209.88	252.24	47.77	-33.84	23.84	17.69
b. F/C Loans & Securities	0.00	36.62	0.00	23.37	-125.00	36.62
Less Deposits	1.94	2.23	-9.15	-1.89	0.26	-4.94
<b>2.3 Rest of Public Sector</b>	<b>369.29</b>	<b>333.23</b>	<b>-4.44</b>	<b>-2.08</b>	<b>-31.10</b>	<b>12.45</b>
a. B\$ Credit	96.62	97.61	-0.83	-0.29	-29.96	0.39
b. F/C Credit	272.68	235.62	-3.61	-1.79	-1.14	12.07
<b>2.4 Total Domestic Credit</b>	<b>8,878.38</b>	<b>8,857.70</b>	<b>-40.64</b>	<b>28.61</b>	<b>-13.86</b>	<b>152.66</b>
a. B\$ Domestic Credit	8,265.18	8,303.58	-45.97	9.31	155.85	138.07
b. F/C Domestic Credit	613.20	554.12	5.33	19.30	-169.71	14.59
<b>3.0 DEPOSIT BASE</b>						
3.1 Demand Deposits	1,724.59	1,881.50	149.81	55.86	289.87	102.63
a. Central Bank	5.40	14.47	-4.11	0.43	-3.01	-9.10
b. Banks	1,719.19	1,867.03	153.92	55.43	292.88	111.73
3.2 Savings Deposits	1,099.90	1,142.33	-80.57	-6.65	-11.38	74.51
3.3 Fixed Deposits	3,221.80	3,029.11	-39.18	-27.44	-96.98	-109.97
3.4 Total B\$ Deposits	6,046.29	6,052.94	30.06	21.78	181.51	67.17
3.5 F/C Deposits of Residents	261.71	256.97	8.12	9.04	10.73	14.92
<b>3.6 M2</b>	<b>6,260.42</b>	<b>6,280.50</b>	<b>32.63</b>	<b>30.20</b>	<b>182.75</b>	<b>63.31</b>
<b>3.7 External Reserves/M2 (%)</b>	<b>11.89</b>	<b>12.80</b>	<b>-0.45</b>	<b>0.40</b>	<b>-0.28</b>	<b>0.14</b>
<b>3.8 Reserves/Base Money (%)</b>	<b>76.58</b>	<b>82.55</b>	<b>-4.84</b>	<b>-3.15</b>	<b>-3.41</b>	<b>2.35</b>
<b>3.9 External Reserves/Demand Liabilities (%)</b>	<b>74.06</b>	<b>81.00</b>	<b>-4.32</b>	<b>-1.49</b>	<b>-0.91</b>	<b>6.30</b>
	Value		Year to Date		Change	
	2014	2015	2014	2015	Month	YTD
<b>4.0 FOREIGN EXCHANGE TRANSACTIONS</b>						
<b>4.1 Central Bank Net Purchase/(Sale)</b>	<b>-25.36</b>	<b>27.78</b>	<b>-4.82</b>	<b>5.37</b>	<b>53.14</b>	<b>10.20</b>
a. Net Purchase/(Sale) from/to Banks	20.00	30.54	199.45	273.80	10.54	74.35
i. Sales to Banks	3.00	3.20	221.10	170.50	0.20	-50.60
ii. Purchases from Banks	23.00	33.74	420.56	444.30	10.74	23.75
b. Net Purchase/(Sale) from/to Others	-45.36	-2.76	-204.28	-268.43	42.60	-64.15
i. Sales to Others	70.60	49.41	808.31	636.81	-21.19	-171.50
ii. Purchases from Others	25.24	46.65	604.03	368.37	21.41	-235.66
<b>4.2 Banks Net Purchase/(Sale)</b>	<b>28.17</b>	<b>44.68</b>	<b>215.58</b>	<b>263.97</b>	<b>16.52</b>	<b>48.39</b>
a. Sales to Customers	296.13	398.80	3,414.49	3,749.22	102.67	334.73
b. Purchases from Customers	324.30	443.49	3,630.07	4,013.19	119.19	383.12
<b>4.3 B\$ Position (change)</b>	<b>-21.74</b>	<b>-15.49</b>				
<b>5.0 EXCHANGE CONTROL SALES</b>						
<b>5.1 Current Items</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>
<b>of which Public Sector</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>
a. Nonoil Imports	ND	ND	ND	ND	ND	ND
b. Oil Imports	ND	ND	ND	ND	ND	ND
c. Travel	ND	ND	ND	ND	ND	ND
d. Factor Income	ND	ND	ND	ND	ND	ND
e. Transfers	ND	ND	ND	ND	ND	ND
f. Other Current Items	ND	ND	ND	ND	ND	ND
<b>5.2 Capital Items</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>
<b>of which Public Sector</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>
<b>5.3 Bank Remittances</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>	<b>ND</b>

Sources: Research Department Weekly Brief Database and Banking Brief for the weeks ending: NOVEMBER 26, 2014 and DECEMBER 02, 2015

Exchange Control Sales figures are as at month end.

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

## SELECTED MONEY AND CREDIT INDICATORS (B\$ Millions)



## Selected International Statistics

<b>A: Selected Macroeconomic Projections</b> (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2014	2015	2014	2015	2014	2015
Bahamas	1.0	1.2	1.2	1.7	15.7	12.0
United States	2.4	2.6	1.6	0.1	6.2	5.3
Euro-Area	0.9	1.5	0.4	0.2	11.6	11.0
<i>Germany</i>	<i>1.6</i>	<i>1.5</i>	<i>0.8</i>	<i>0.2</i>	<i>5.0</i>	<i>4.7</i>
Japan	-0.1	0.6	2.7	0.7	3.6	3.5
China	7.3	6.8	2.0	1.5	4.1	4.1
United Kingdom	3.0	2.5	1.5	0.1	6.2	5.6
Canada	2.4	1.0	1.9	1.0	6.9	6.8
<i>Source: IMF World Economic Outlook October 2015, Department of Statistics</i>						

<b>B: Official Interest Rates – Selected Countries (%)</b>					
<i>With effect</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
	<i>from</i>	Bank Rate	Refinancing Rate	Primary Credit Rate	Target Funds Rate
November 2013	4.50	0.25	0.75	0-0.25	0.50
December 2013	4.50	0.25	0.75	0-0.25	0.50
January 2014	4.50	0.25	0.75	0-0.25	0.50
February 2014	4.50	0.25	0.75	0-0.25	0.50
March 2014	4.50	0.25	0.75	0-0.25	0.50
April 2014	4.50	0.25	0.75	0-0.25	0.50
May 2014	4.50	0.25	0.75	0-0.25	0.50
June 2014	4.50	0.15	0.75	0-0.25	0.50
July 2014	4.50	0.15	0.75	0-0.25	0.50
August 2014	4.50	0.15	0.75	0-0.25	0.50
September 2014	4.50	0.05	0.75	0-0.25	0.50
October 2014	4.50	0.05	0.75	0-0.25	0.50
November 2014	4.50	0.05	0.75	0-0.25	0.50
December 2014	4.50	0.05	0.75	0-0.25	0.50
January 2015	4.50	0.05	0.75	0-0.25	0.50
February 2015	4.50	0.05	0.75	0-0.25	0.50
March 2015	4.50	0.05	0.75	0-0.25	0.50
April 2015	4.50	0.05	0.75	0-0.25	0.50
May 2015	4.50	0.05	0.75	0-0.25	0.50
June 2015	4.50	0.05	0.75	0-0.25	0.50
July 2015	4.50	0.05	0.75	0-0.25	0.50
August 2015	4.50	0.05	0.75	0-0.25	0.50
September 2015	4.50	0.05	0.75	0-0.25	0.50
October 2015	4.50	0.05	0.75	0-0.25	0.50
November 2015	4.50	0.05	0.75	0-0.25	0.50

## Selected International Statistics

<b>C. Selected Currencies (Per United States Dollars)</b>						
Currency	Nov-14	Oct-15	Nov-15	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.8031	0.9085	0.9465	4.18	14.51	17.86
Yen	118.63	120.62	123.10	2.06	2.86	3.77
Pound	0.6392	0.6481	0.6642	2.48	3.47	3.91
Canadian \$	1.1415	1.3080	1.3362	2.16	15.00	17.06
Swiss Franc	0.9653	0.9879	1.0290	4.16	3.48	6.60
Renminbi	6.1431	6.3161	6.3975	1.29	3.10	4.14

*Source: Bloomberg as of November 30, 2015*

<b>D. Selected Commodity Prices (\$)</b>					
Commodity	November 2014	October 2015	November 2015	Mthly % Change	YTD % Change
Gold / Ounce	1167.41	1142.16	1064.77	-6.78	-10.10
Silver / Ounce	15.46	15.55	14.09	-9.41	-10.34
Oil / Barrel	74.40	48.39	44.69	-7.65	-22.05

*Source: Bloomberg as of November 30, 2015*

<b>E. Equity Market Valuations – November 30, 2015 (% chg)</b>								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	-0.34	0.32	0.05	-0.08	1.22	4.90	3.48	1.86
3 month	1.79	7.21	5.49	1.73	6.55	10.94	4.54	7.47
YTD	9.57	-0.58	1.04	-3.20	16.03	16.08	13.16	6.51
12-month	11.68	-0.61	0.62	-5.45	12.92	14.04	13.10	28.42

*Sources: Bloomberg and BISX*

<b>F: Short Term Deposit Rates in Selected Currencies (%)</b>			
	USD	GBP	EUR
<b>o/n</b>	0.20	0.38	-0.20
<b>1 Month</b>	0.85	0.50	-0.17
<b>3 Month</b>	0.94	0.58	-0.08
<b>6 Month</b>	1.14	0.92	-0.05
<b>9 Month</b>	1.21	0.88	-0.02
<b>1 year</b>	1.39	1.04	0.05

*Source: Bloomberg as of November 30, 2015*

# SUMMARY ACCOUNTS OF THE CENTRAL BANK

(B\$ Millions)

	VALUE										CHANGE							
	Sep. 30	Oct. 07	Oct. 14	Oct. 21	Oct. 28	Nov. 04	Nov. 11	Nov. 18	Nov. 25	Sep. 30	Oct. 07	Oct. 14	Oct. 21	Oct. 28	Nov. 04	Nov. 11	Nov. 18	Nov. 25
<b>I. External Reserves</b>	826.71	813.19	794.75	779.49	774.78	789.61	795.26	782.40	787.51	-14.77	-13.51	-18.44	-15.26	-4.71	14.83	5.66	-12.87	5.11
<b>II. Net Domestic Assets (A + B + C + D)</b>	103.33	105.49	103.09	123.87	129.26	110.77	113.92	160.65	177.33	17.16	2.17	-2.40	20.78	5.39	-18.49	3.14	46.74	16.68
<b>A. Net Credit to Gov<sup>t</sup> (i + ii + iii - iv)</b>	431.41	430.64	427.68	438.77	451.06	442.19	452.46	468.28	490.10	34.79	-0.77	-2.96	11.09	12.29	-8.87	10.27	15.82	21.82
i) Advances	134.66	134.66	134.66	134.66	134.66	134.66	134.66	134.66	134.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Registered Stock	263.32	263.25	263.23	262.58	261.34	261.02	260.84	260.63	260.61	-0.36	-0.07	-0.02	-0.65	-1.24	-0.32	-0.18	-0.21	-0.01
iii) Treasury Bills	54.61	54.61	54.61	74.59	74.59	76.42	76.42	91.40	101.36	24.97	0.00	0.00	19.98	0.00	1.83	-0.00	14.98	9.96
iv) Deposits	21.19	21.88	24.82	33.06	19.53	29.90	19.46	18.41	6.54	-10.18	0.70	2.94	8.23	-13.53	10.37	-10.44	-1.05	-11.87
<b>B. Rest of Public Sector (Net) (i + ii - iii)</b>	-14.54	-14.22	-28.06	-2.78	-10.14	-20.89	-27.75	-3.08	-2.63	-2.72	0.31	-13.83	25.28	-7.36	-10.75	-6.86	24.67	0.45
i) BDB Loans	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.83	3.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.07	-0.13
ii) BMC Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii) Deposits	18.44	18.12	31.96	6.68	14.04	24.79	31.65	6.90	6.33	2.72	-0.31	13.83	-25.28	7.36	10.75	6.86	-24.74	-0.58
<b>C. Loans to/Deposits with Banks</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>D. Other Items (Net)*</b>	-313.55	-310.92	-296.53	-312.12	-311.66	-310.53	-310.80	-304.55	-310.14	-14.91	2.63	14.39	-15.58	0.46	1.12	-0.27	6.25	-5.59
<b>III. Monetary Base</b>	930.03	918.69	897.84	903.36	904.04	900.38	909.18	943.05	964.84	2.39	-11.35	-20.84	5.52	0.68	-3.66	8.80	33.87	21.79
A. Currency in Circulation	334.47	340.24	336.94	333.73	337.13	337.93	333.55	341.02	343.74	5.83	5.77	-3.30	-3.21	3.40	0.79	-4.38	7.47	2.71
B. Bank Balances with CBOB	595.56	578.45	560.90	569.64	566.91	562.46	575.63	602.03	621.10	-3.44	-17.11	-17.54	8.73	-2.73	-4.45	13.18	26.39	19.08

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

