Release Date: 29 November 2015

Monthly Economic and Financial Developments
October 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:

2015: December 21.

Monthly Economic and Financial Developments
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1. Domestic Economic Developments

Indications are that the economy's mildly positive growth momentum was sustained during the review month, as tourism sector output benefitted from the ongoing strengthening in the stopover segment, while foreign investment projects supported construction activity. In addition, domestic energy costs continued to trend lower, reflecting the protracted decline in global oil prices. Fiscal developments during the first quarter of FY2015/16 were dominated by the receipt of proceeds from the Value Added Tax (VAT), which led to a significant contraction in the overall deficit. In the monetary sector, both liquidity and external reserves narrowed during the review month, largely due to the seasonal increase in foreign currency demand.

Despite a 1.9% falloff in the total number of tourists travelling to the country, to 4.2 million, preliminary data from the Ministry of Tourism for the eight months of 2015 indicated a strengthening in tourism output. This was led by a 4.0% increase in the high value-added air segment, to 1.0 million, outpacing the 3.6% gain in the same period of 2014. In contrast, the number of sea arrivals fell by 3.6%, a reversal from the prior period's 2.8% expansion.

In terms of the major ports of entry, visitors to New Providence contracted by 9.1% to 2.2 million, vis-à-vis a 2.3% gain a year earlier. This outturn reflected a 13.1% decline in the sea component, which countered a slight, 0.1% rise in air arrivals. Following a 6.7% reduction last year, the number of visitors to Grand Bahama advanced by 28.3% to 0.7 million, as expanded hotel and airlift capacity bolstered air arrivals by 27.9%, and the dominant sea component grew by 28.4%. For the Family Island segment, the number of visitors weakened marginally by 0.6%, vis-à-vis an 8.9% increase in the comparative period, weighted down by a 1.8% falloff in the high volume sea segment, which overshadowed the 8.4% upturn in air arrivals.

Growth in long-stay visitors translated into an overall improvement in hotel performance indicators. Based on information from the Bahamas Hotel and Tourism Association, room revenues for a sample of major properties in New Providence rose by 3.0% during the nine months of 2015, when compared to the prior year. This outturn reflected gains in both the average occupancy rate and the average daily room rate (ADR), by 3.5 percentage points to 72.7% and 5.9% ($14.34) to $255.58, respectively.

In terms of domestic energy costs, the sustained downward trajectory in global oil prices translated into a further decline in the Bahamas Electricity Corporation's fuel charge by 20.4% month-on-month to 11.42¢ per kilowatt hour in October. For the annual comparison, the decline in the fuel charge exceeded 50%.

The Government's overall deficit narrowed sharply by $91.6 million (60.3%) to $60.3 million during the first three months of FY2015/16, supported by a tax-led $120.6 million (38.1%) rise in total revenue, to $437.1 million, which outpaced the $29.1 million (6.2%) increase in aggregate expenditure, to $497.4 million. In particular, buoyed by a net intake of $165.5 million in VAT, tax receipts surged by $113.7 million (40.8%) to $392.2 million. In a modest offset, taxes on international trade contracted by $15.8 million (11.0%) to $127.4 million, reflecting respective declines in import and excise taxes, of $10.1 million (13.3%) and $8.0 million (12.0%), which overshadowed a slight $2.3 million increase in export tax receipts. With the elimination of the hotel occupancy tax in January 2015, following the introduction of the VAT, selective taxes on services were almost negligible, at $0.1 million, compared to $12.0 million a year earlier. Non-trade stamp taxes declined by $10.5 million (30.3%), attributed mainly to a sharp $17.8 million (68.3%) falloff in tax receipts from real estate transactions, as property sales slumped, while timing-related factors led to a $10.1 million (63.4%) contraction in business & professional fees, to $5.8 million. In contrast, non-tax revenue rose by $10.3 million (29.5%) to $45.2 million, as the payment of dividends by a major telecommunications provider contributed to a more than four-fold increase in income to $13.9 million.

In terms of expenditure, current outlays expanded by $56.2 million (14.5%) to $444.2 million, owing mainly to a $43.6 million (24.7%) rise in transfer payments to $220.4 million, as an increase in subsidies to the tourism sector contributed to a $41.4 million (36.0%) rise in this category to $93.0 million. In addition, interest payments increased slightly, by $2.3 million (3.7%), to $64.0 million. Consumption expenditure firmed by $12.6 million (6.0%) to $223.8 million, reflecting gains in both wages & salaries and purchases of goods and services, of $6.7 million (4.1%) and $5.9 million (11.8%), respectively. In contrast, capital outlays fell by $20.6 million (34.2%) to $39.7 million, mainly explained by an $11.3 million (27.0%) reduction in infrastructure spending and a $9.3 million (50.3%) decline in asset acquisitions.

2. International Developments

Preliminary economic indicators suggest that the modest growth in the global economy was sustained during the review month. The United States and European markets continued to expand at a modest pace; however, the ongoing slowdown in China's economic growth negatively impacted several commodity-based countries. In this context, the major central banks' did not alter their highly accommodative monetary policy stance.

Economic developments in the United States economy were largely mixed, with industrial production falling by 0.2% in October, after a 0.1% decline a month earlier. Housing market indicators were relatively weak, as monthly construction starts and completions fell by 11.0% and 6.0%, respectively; although the number of building permits issued—a forward looking indicator—firmed by 4.1%. Amid continued gains in employment, retail sales grew slightly by 0.1%, after stabilizing in September. Maintaining a gradually improving trajectory, labour market conditions in October, featured increased professional and business services, health care and retail employment, which supported a 271,000 rise in nonfarm payrolls–the largest advance since December 2014. As a consequence, the unemployment rate fell marginally by 10 basis points to 5.1%. In price developments, higher food and energy costs resulted in a 0.2% uptick in average consumer prices during October, following a decline of the same magnitude in the prior month. Faced with relatively weak growth and low inflation, the Federal Reserve decided to maintain its benchmark rate at 0.00-0.25%; however, the Bank signalled that it may raise the rate from the zero bound in December.

In Europe, economic conditions remained lacklustre, with the northern markets providing the bulk of the growth momentum. Reflecting this development, retail sales advanced at a brisk 1.9% in September, the fastest pace in nearly two years, as the country benefitted from the hosting of an international sporting event. The monthly trade deficit narrowed by £1.6 billion to £1.4 billion, mainly reflecting a more favourable goods trade balance, and the jobless rate in the third quarter fell by 30 basis points to 5.3%, as an additional 177,000 persons were added to the workforce. In contrast, initial estimates suggest that industrial production declined by 0.2% in September, led by a falloff in mining & quarrying output. Inflation remained relatively mild, as consumer prices fell by an annualized 0.1% in October, after a similar decrease in the prior month. In the euro area, economic conditions remained challenging, as industrial production narrowed by 0.3%, following a 0.4% falloff in the prior month, reflecting a decline in the production of durable and non-durable consumer goods. In addition, retail trade was marginally lower, by 0.1%, after stabilizing in the preceding month, while slight gains in food, alcohol and tobacco costs led to a 0.1% rise in consumer prices in October, after a similar dip in the prior month. In external developments, the monthly trade surplus widened by €9.3 billion to €20.5 billion in September, as a gradual reduction in the exchange rate supported a 16.9% expansion in exports, which outpaced an 11.5% hike in imports. In light of the still fragile economic conditions, both the Bank of England and the European Central Bank sustained their highly accommodative monetary policy stance by keeping their interest rates at historic lows.

In Asia, real GDP remained moderately positive; however, the slowdown in China's growth trajectory continued to dampen economic prospects in the region. In October, the country's retail sales posted another monthly gain of 0.8%, buoyed by activity in the catering and automobile categories. In line with the weakening in demand, the Purchasing Manager's Index (PMI)—a measure of private sector business conditions—fell by 0.3 points to 53.1, due to a decline in new orders, after being stable in September. However, industrial production edged up by 0.5%, some 10 basis points higher than the previous month's gain, due to an uptick in manufacturing activity. Average consumer prices contracted by 0.3%, month-on-month, vis-à-vis a 0.1% increase in the prior period, partly attributed to lower prices for food, consumer goods and services. Japan's economy fell into a recession in the third quarter, with a 0.8% contraction in real GDP, extending the prior period's 0.7% falloff, associated with a reduction in business investment and lower inventories. In a slight offset, retail sales rose by 0.7% compared to a flat outturn in August, while consumer prices firmed marginally by 0.1% month-on-month, slightly less than the previous month's 0.2% gain, on account of higher prices for clothing & footwear and food. In terms of employment, the jobless rate steadied at 3.4% in September, as the number of employed persons rose by 370,000. Given the slowdown in the economy and in an attempt to stimulate demand, the People's Bank of China cut its interest rates by 25 basis points—the sixth time in less than a year—and lowered the reserve requirement by 50 basis points. The Bank of Japan also sustained its "quantitative easing" measures during the review month.

In October, crude oil prices firmed by 1.7% to $48.39 per barrel, following six consecutive months of decline, as OPEC's oil production dropped slightly by 256,000 barrels per day (bpd) to 31.4 million bpd. In the precious metals markets, both silver and gold prices increased, by 7.1% and 2.4%, to $15.55 and $1,142.16 per troy ounce, respectively.

Buoyed by the measures taken by the Chinese authorities to support economic growth, the major stock indices recorded broad-based gains during October. In the United States, the Dow Jones Industrial Average (DIJA) and the S&P 500 indices firmed, by 8.5% and 8.3%, respectively, alongside notable gains for European bourses, including Germany's DAX (12.3%), France's CAC 40 (9.9%) and the United Kingdom's FTSE 100 (4.9%). In Asia, China's SE Composite and Japan's Nikkei 225 surged by 10.8% and 9.8%, respectively.

Developments in the foreign currency markets were mixed over the review month. The United States' dollar strengthened against both the euro and the Swiss Franc, by 1.5% each, to €0.9085 and CHF0.9879, respectively, and by 0.6% relative to the Japanese Yen, to ¥120.62. In contrast, the dollar depreciated versus the British pound, by 2.0% to £0.6481, the Canadian dollar, by 1.8% to CAD$1.3080, and the Chinese Yuan, by 0.6% to CNY6.3161.

3. Domestic Monetary Trends

October 2015 vs. 2014

During the review month, both bank liquidity and external reserves contracted, reflecting the traditional increase in foreign currency demand in the latter half of the year. Excess liquid assets decreased by $30.3 million to $1,291.1 million, extending the $12.4 million reduction in 2014, while excess reserves—the narrower liquidity measure—declined by $19.7 million to $423.2 million, following a $15.7 million falloff last year.

The decline in external reserves was higher at $52.8 million, relative to $23.3 million a year earlier, bringing the outstanding stock to $773.9 million. In the underlying developments, the Central Bank's net sale to commercial banks firmed by $17.8 million to $24.6 million, as their net transactions with clients reversed to a $15.8 million net sale from an $8.8 million net purchase a year earlier. In addition, the Bank's net sale to the public sector more than doubled to $30.3 million, from $14.3 million a year ago, mainly to facilitate fuel purchases and external interest payments.

Growth in total Bahamian dollar credit slowed significantly by $37.4 million to $6.1 million. This outturn was mainly on account of a sharp falloff in accretions to net claims on the Government, to $6.9 million from $60.5 million in 2014, as banks reduced their holdings of government bonds. In addition, credit to the rest of the public sector declined by $5.7 million, after the previous year's $3.5 million contraction. In a slight offset, claims on the private sector rose by $5.0 million, to reverse the prior year's $13.5 million decrease. The turnaround was led by gains in commercial loans, of $3.3 million, vis-à-vis the previous period's $18.7 million reduction, and a doubling in mortgage growth to $1.5 million. However, gains in consumer credit tapered by $4.2 million to a mere $0.2 million.

Reflecting a deterioration in a few institutions' loan portfolios, banks' credit quality indicators worsened during the review period. Total private sector loan arrears rose by $10.9 million (0.9%) to $1,193.1 million and by 18 basis points to 19.8% of total loans. In terms of the components, non-performing loans expanded by $6.9 million (0.8%) to $900.5 million, and the attendant loan ratio firmed by 12 basis points to 15.0%. Short-term (31-90 day) delinquencies rose by $4.1 million (1.4%) to $292.6 million and by 7 basis points to 4.9% of total loans.

A disaggregation by loan type showed that the rise in total arrears was largely attributed to the commercial component, which increased by $13.1 million (6.3%) to $219.7 million. Here, the $15.5 million (71.2%) hike in the short-term component overshadowed a $2.4 million (1.3%) decline in non-performing loans. Consumer loan delinquencies rose slightly by $1.0 million (0.3%) to $311.6 million, as arrears in excess of 90 days advanced by $11.3 million (5.4%), to offset the $10.3 million (10.1%) decrease in 31-90 day delinquencies. In contrast, the mortgage segment contracted by $3.2 million (0.5%) to $661.8 million, owing to declines in both the non-performing and short-term components, of $2.1 million (0.4%) and $1.1 million (0.7%), respectively.

Given the rise in delinquencies, banks increased their total provisions for loan losses by $7.4 million (1.4%) to $531.1 million. As a result, the ratio of provisions to arrears firmed by 21 basis points to 44.5%, while the corresponding non-performing loan ratio grew by 37 basis points to 59.0%. During the review period, banks also wrote-off an estimated $14.0 million in bad debts and recovered approximately $1.7 million.

Domestic foreign currency credit decreased by $3.3 million, following a sharp $81.9 million contraction in 2014. Underpinning this outcome, net claims on the Government fell by $3.0 million, vis-à-vis a $76.0 million reduction in 2014, when proceeds from a foreign currency loan were used to repay short-term bridging financing. In addition, credit to the rest of the public sector declined marginally by $0.8 million, a reversal from the prior year's $5.4 million expansion. By contrast, claims on the private sector rose by $0.6 million, a turnaround from the previous years' $11.3 million contraction.

Total Bahamian dollar deposits decreased by $31.5 million, vis-à-vis a $13.3 million gain in the prior year, reflecting a $44.3 million contraction in demand deposits, compared to a $18.3 million expansion a year ago, while accretions to savings deposits slowed by $17.4 million to a mere $3.9 million. In contrast, fixed deposits grew by $8.9 million, reversing the $26.3 million net drawdown in 2014.

With regard to interest rates, the weighted average deposit rate at banks declined by 37 basis points to 0.93%, with the highest rate of 5.00% offered on fixed balances of over 12 months. In contrast, the weighted average loan rate firmed by 11 basis points to 12.09%.

4. Outlook and Policy Implications

Indications are that domestic economic growth will remain relatively mild over the near-term, with the primary support provided by steady increases in stopover arrivals, amid ongoing strengthening in key tourism markets, alongside moderate contributions from various foreign investment projects. Infrastructure rebuilding initiatives, following the passage of Hurricane Joaquin, are also expected to support construction activity. Nevertheless, the protracted delay in completing the large-scale Baha Mar project will restrain the growth potential and temper employment prospects. Inflation is poised to remain relatively tame, reflecting the decline in global oil prices and the levelling-off of VAT's initial impact.

In the fiscal sector, proceeds from the VAT, as well as measures aimed at decreasing expenditure and strengthening tax administration, are expected to continue to support further reductions in the overall deficit; however, this is likely to be tempered, to some extent, by the increase in spending to facilitate infrastructure rebuilding in the hurricane-affected Family Islands.

Monetary conditions are expected to feature a continuation of elevated bank liquidity, amid the persistence of weak economic growth, and high consumer indebtedness and unemployment levels. However, financial stability concerns remain muted, as banks are anticipated to maintain robust levels of capital.

On the external front, reserves are likely to decline moderately over the remainder of the year, reflecting the traditional increase in foreign currency demand; however, external balances are expected to remain within international benchmarks.

In line with its mandate, the Central Bank will continue to monitor the domestic and international economic environment and make policy adjustments, when warranted.

Recent Monetary and Credit Statistics

(B$ Millions)

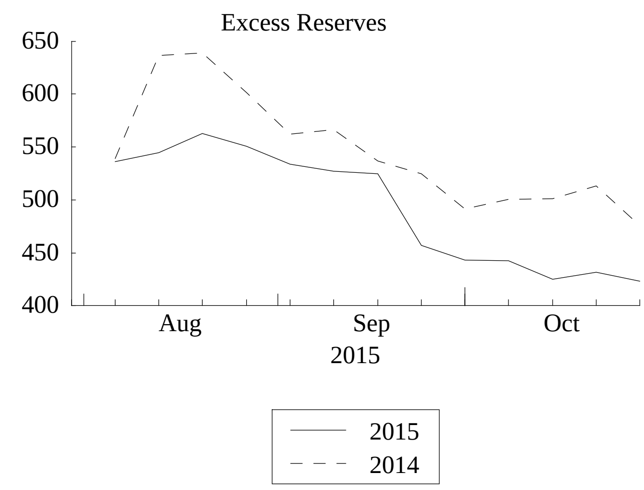
	OCTOBER					
	Value		Change		Change YTD	
	2014	2015	2014	2015	2014	2015
1.0 LIQUIDITY & FOREIGN ASSETS						
1.1 Excess Reserves	475.56	423.17	-15.69	-19.65	73.85	-70.10
1.2 Excess Liquid Assets	1,136.96	1,291.10	-12.37	-30.33	52.06	149.21
1.3 External Reserves	768.34	773.90	-23.31	-52.81	28.57	-12.86
1.4 Bank's Net Foreign Assets	-502.32	-429.93	46.94	16.98	184.69	4.06
1.5 Usable Reserves	278.20	304.27	-17.21	-36.31	31.84	44.15
2.0 DOMESTIC CREDIT						
2.1 Private Sector	***6,470.43***	***6,301.63***	***-24.87***	***5.57***	***-58.76***	***-51.33***
a. B$ Credit	6,127.82	6,013.34	-13.53	5.02	-16.80	-16.50
of which: Consumer Credit	2,143.46	2,168.25	4.43	0.24	31.48	17.59
Mortgages	3,148.48	3,078.24	0.83	1.49	-2.44	-20.83
Commercial and Other Loans B$	835.88	766.86	-18.79	3.30	-45.85	-13.27
b. F/C Credit	342.61	288.28	-11.34	0.55	-41.96	-34.83
of which: Mortgages	124.71	88.01	-6.36	4.07	-17.54	-14.21
Commercial and Other Loans F/C	217.90	200.28	-4.98	-3.52	-24.42	-20.62
2.2 Central Government (net)	***2,074.80***	***2,193.15***	***-15.47***	***3.82***	***113.34***	***161.88***
a. B$ Loans & Securities	2,248.00	2,470.10	60.46	35.81	223.82	197.12
Less Deposits	162.11	286.08	-0.03	28.96	-23.93	51.53
b. F/C Loans & Securities	0.00	13.25	-66.00	0.00	-125.00	13.25
Less Deposits	11.09	4.12	9.96	3.03	9.41	-3.05
2.3 Rest of Public Sector	***373.74***	***335.31***	***1.95***	***-6.55***	***-26.66***	***14.54***
a. B$ Credit	97.45	97.91	-3.49	-5.74	-29.13	0.68
b. F/C Credit	276.29	237.41	5.44	-0.80	2.47	13.86
2.4 Total Domestic Credit	***8,919.02***	***8,830.09***	***-38.39***	***2.82***	***26.78***	***125.05***
a. B$ Domestic Credit	8,311.15	8,295.27	43.47	6.12	201.82	129.76
b. F/C Domestic Credit	607.87	534.83	-81.85	-3.30	-175.04	-4.71
3.0 DEPOSIT BASE						
3.1 Demand Deposits	1,574.78	1,825.64	18.34	-44.29	140.06	46.77
a. Central Bank	9.51	14.04	-2.30	-4.40	1.10	-9.52
b. Banks	1,565.27	1,811.60	20.64	-39.89	138.96	56.30
3.2 Savings Deposits	1,180.47	1,148.97	21.28	3.88	69.19	81.16
3.3 Fixed Deposits	3,260.98	3,056.55	-26.30	8.88	-57.80	-82.54
3.4 Total B$ Deposits	6,016.23	6,031.16	13.32	-31.53	151.45	45.40
3.5 F/C Deposits of Residents	253.60	247.93	-38.75	6.67	2.61	5.87
3.6 M2	***6,227.79***	***6,250.29***	***11.25***	***-37.81***	***150.12***	***33.11***
3.7 External Reserves/M2 (%)	***12.34***	***12.38***	***-0.40***	***-0.77***	***0.17***	***-0.27***
3.8 Reserves/Base Money (%)	***81.42***	***85.60***	***-0.92***	***-3.29***	***1.44***	***5.41***
3.9 External Reserves/Demand Liabilites (%)	***78.38***	***82.39***	***-1.38***	***-2.63***	***3.41***	***7.70***

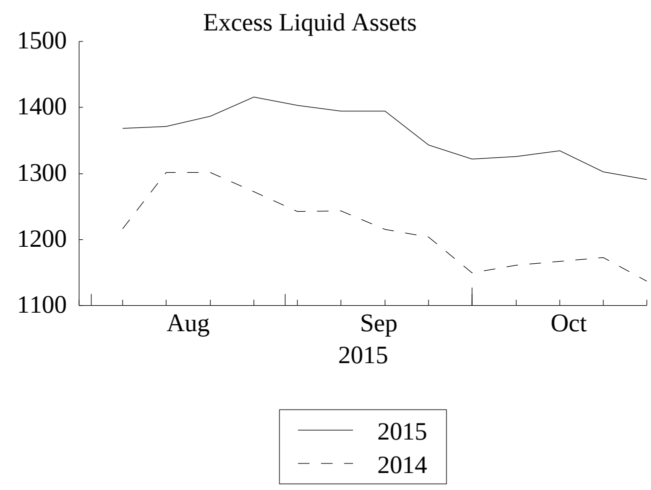
	Value		Year to Date		Change	
	2014	2015	2014	2015	Month	*YTD*
4.0 FOREIGN EXCHANGE TRANSACTIONS						
4.1 Central Bank Net Purchase/(Sale)	***-21.14***	***-54.87***	***20.54***	***-22.41***	***-33.74***	***-42.95***
a. Net Purchase/(Sale) from/to Banks	-6.81	-24.63	179.46	243.27	-17.82	63.81
i. Sales to Banks	21.90	32.30	218.10	167.30	10.40	-50.80
ii. Purchases from Banks	15.09	7.67	397.56	410.57	-7.42	13.01
b. Net Purchase/(Sale) from/to Others	-14.33	-30.25	-158.92	-265.68	-15.92	-106.76
i. Sales to Others	57.95	49.68	737.71	587.40	-8.27	-150.31
ii. Purchases from Others	43.62	19.43	578.79	321.72	-24.19	-257.07
4.2 Banks Net Purchase/(Sale)	***8.77***	***-15.78***	***187.41***	***221.79***	***-24.55***	***34.38***
a. Sales to Customers	284.51	275.48	3,118.36	3,350.41	-9.04	232.06
b. Purchases from Customers	293.28	259.70	3,305.77	3,572.20	-33.58	266.43
4.3 B$ Position (change)	***-13.57***	***-3.84***				
5.0 EXCHANGE CONTROL SALES						
5.1 Current Items	***ND***	***ND***	***ND***	***ND***	***ND***	***ND***
of which Public Sector	***ND***	***ND***	***ND***	***ND***	***ND***	***ND***
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
5.2 Capital Items	***ND***	***ND***	***ND***	***ND***	***ND***	***ND***
of which Public Sector	***ND***	***ND***	***ND***	***ND***	***ND***	***ND***
5.3 Bank Remittances	***ND***	***ND***	***ND***	***ND***	***ND***	***ND***

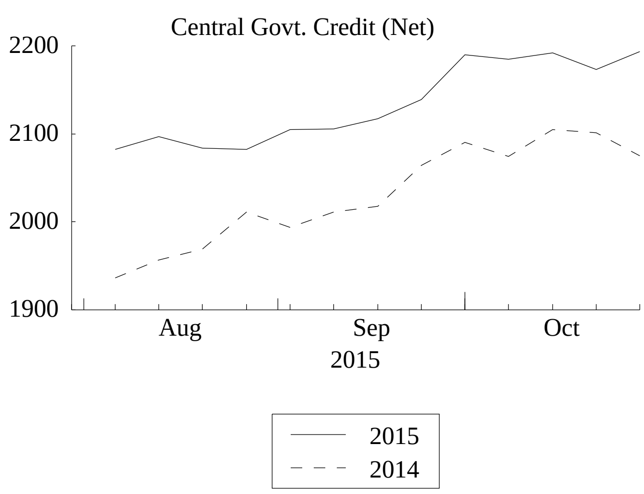
Sources: Research Department Weekly Brief Database and Banking Brief for the weeks ending:OCTOBER 29, 2014 and OCTOBER 28, 2015
Exchange Control Sales figures are as at month end.

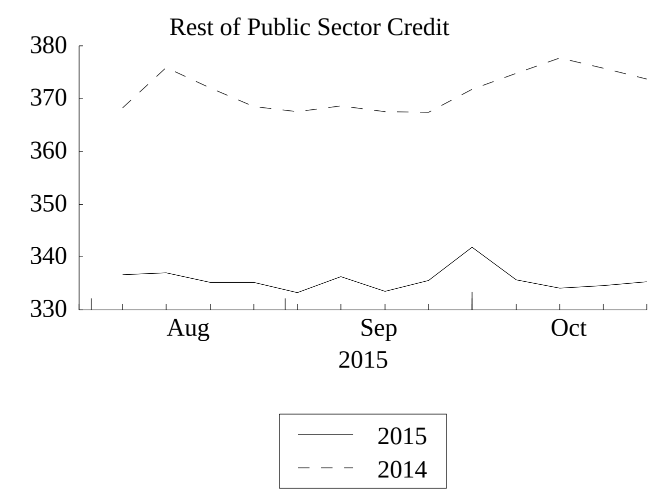
Notes: 1.0, 2.0 and 3.0 YTD change reflects change of current month over previous year end; for 4.0 and 5.0 change is over corresponding period of previous year.

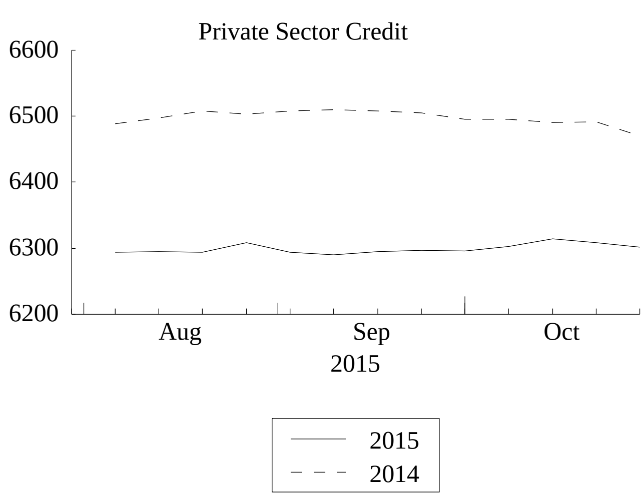
SELECTED MONEY AND CREDIT INDICATORS
(B$ Millions)

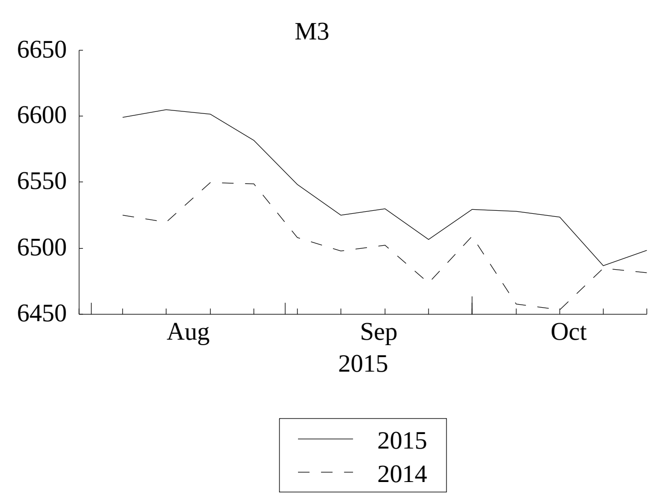


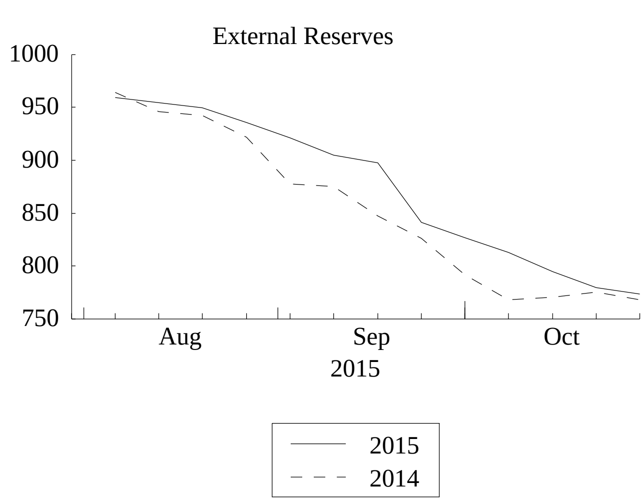


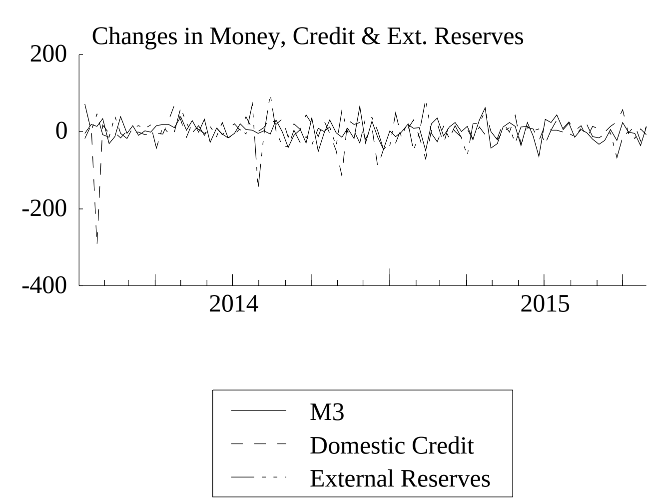












Selected International Statistics

A: Selected Macroeconomic Projections (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
Germany	*1.6*	*1.5*	*0.8*	*0.2*	*5.0*	*4.7*
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

Source: IMF World Economic Outlook October 2015, Department of Statistics

B: Official Interest Rates – Selected Countries (%)					
With effect from	**CBOB**	**ECB (EU)**	**Federal Reserve (US)**		**Bank of England**
	Bank Rate	**Refinancing Rate**	**Primary Credit Rate**	**Target Funds Rate**	**Repo Rate**
October 2013	4.50	0.50	0.75	0-0.25	0.50
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

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	**Oct-14**	**Sep-15**	**Oct-15**	**Mthly % Change**	**YTD % Change**	**12-Mth% Change**
Euro	0.7985	0.8947	0.9085	1.54	9.91	13.78
Yen	112.32	119.88	120.62	0.62	0.79	7.39
Pound	0.6251	0.6611	0.6481	-1.96	0.97	3.68
Canadian $	1.1267	1.3313	1.3080	-1.75	12.57	16.09
Swiss Franc	0.9627	0.9732	0.9879	1.51	-0.65	2.62
Renminbi	6.1133	6.3565	6.3161	-0.64	1.79	3.32
Source: Bloomberg as of October 31, 2015						

D. Selected Commodity Prices ($)					
Commodity	**October 2014**	**September 2015**	**September 2015**	**Mthly % Change**	**YTD % Change**
Gold / Ounce	1172.94	1115.07	1142.16	2.43	-3.56
Silver / Ounce	16.16	14.52	15.55	7.09	-1.03
Oil / Barrel	86.50	47.60	48.39	1.66	-15.59
Source: Bloomberg as of October 31, 2015					

E. Equity Market Valuations – October 31, 2015 (% chg)								
	BISX	**DJIA**	**S&P 500**	**FTSE 100**	**CAC 40**	**DAX**	**Nikkei 225**	**SE**
1 month	1.16	8.47	8.30	4.94	9.93	12.32	9.75	10.80
3 month	4.67	-0.15	-1.16	-5.01	-3.64	-4.06	-7.30	-7.67
YTD	9.95	-0.90	0.99	-3.12	14.63	10.65	9.35	4.57
12-month	13.51	1.57	3.04	-2.83	15.70	16.33	16.26	39.76
Sources: Bloomberg and BISX								

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	**GBP**	**EUR**
o/n	0.21	0.33	-0.18
1 Month	0.28	0.50	-0.14
3 Month	0.47	0.58	-0.08
6 Month	0.84	0.82	0.02
9 Month	0.89	0.88	0.04
1 year	1.15	1.04	0.13
Source: Bloomberg as of October 31, 2015			

SUMMARY ACCOUNTS OF THE CENTRAL BANK

(B$ Millions)

	VALUE									CHANGE								
	Sep. 02	**Sep. 09**	**Sep. 16**	**Sep. 23**	**Sep. 30**	**Oct. 07**	**Oct. 14**	**Oct. 21**	**Oct. 28**	**Sep. 02**	**Sep. 09**	**Sep. 16**	**Sep. 23**	**Sep. 30**	**Oct. 07**	**Oct. 14**	**Oct. 21**	**Oct. 28**
I. External Resrves	***921.15***	***904.72***	***897.42***	***841.47***	***826.71***	***813.19***	***794.75***	***779.49***	***774.78***	***-14.48***	***-16.44***	***-7.29***	***-55.95***	***-14.77***	***-13.51***	***-18.44***	***-15.26***	***-4.71***
II. Net Domestic Assets (A + B + C + D)	***99.64***	***96.03***	***96.01***	***86.17***	***103.33***	***105.49***	***103.09***	***123.87***	***129.26***	***6.36***	***-3.61***	***-0.02***	***-9.84***	***17.16***	***2.17***	***-2.40***	***20.78***	***5.39***
A. Net Credit to Gov't(i + ii + iii - iv)	***415.02***	***414.82***	***415.19***	***396.62***	***431.41***	***430.64***	***427.68***	***438.77***	***451.06***	***0.83***	***-0.20***	***0.37***	***-18.57***	***34.79***	***-0.77***	***-2.96***	***11.09***	***12.29***
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	274.00	273.89	273.75	263.68	263.32	263.25	263.23	262.58	261.34	-0.33	-0.11	-0.14	-10.07	-0.36	-0.07	-0.02	-0.65	-1.24
iii) Treasury Bills	29.64	29.64	29.64	29.64	54.61	54.61	54.61	74.59	74.59	0.00	-0.00	0.00	0.00	24.97	0.00	0.00	19.98	0.00
iv) Deposits	23.28	23.37	22.86	31.36	21.19	21.88	24.82	33.06	19.53	-1.16	0.10	-0.51	8.50	-10.18	0.70	2.94	8.23	-13.53
B. Rest of Public Sector (Net) (i + ii - iii)	***-13.97***	***-14.14***	***-17.70***	***-11.81***	***-14.54***	***-14.22***	***-28.06***	***-2.78***	***-10.14***	***-8.17***	***-0.17***	***-3.56***	***5.89***	***-2.72***	***0.31***	***-13.83***	***25.28***	***-7.36***
i) BDB Loans	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) BMC Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii) Deposits	17.87	18.04	21.60	15.71	18.44	18.12	31.96	6.68	14.04	8.17	0.17	3.56	-5.89	2.72	-0.31	13.83	-25.28	7.36
C. Loans to/Deposits with Banks	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***
D. Other Items (Net)*	***-301.41***	***-304.65***	***-301.48***	***-298.64***	***-313.55***	***-310.92***	***-296.53***	***-312.12***	***-311.66***	***13.70***	***-3.24***	***3.17***	***2.84***	***-14.91***	***2.63***	***14.39***	***-15.58***	***0.46***
III. Monetary Base	***1,020.79***	***1,000.74***	***993.43***	***927.64***	***930.03***	***918.69***	***897.84***	***903.36***	***904.04***	***-8.13***	***-20.05***	***-7.31***	***-65.79***	***2.39***	***-11.35***	***-20.84***	***5.52***	***0.68***
A. Currency in Circulation	345.87	336.32	332.71	328.64	334.47	340.24	336.94	333.73	337.13	7.46	-9.56	-3.61	-4.07	5.83	5.77	-3.30	-3.21	3.40
B. Bank Balances with CBOB	674.92	664.43	660.72	599.00	595.56	578.45	560.90	569.64	566.91	-15.59	-10.49	-3.70	-61.72	-3.44	-17.11	-17.54	8.73	-2.73

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

FISCAL/REAL SECTOR INDICATORS

(B$ MILLIONS)

(% change represents current month from previous month)

	JUL		AUG		SEP		OCT		NOV		DEC		JAN		FEB		MAR		APR		MAY		JUN		YEAR TO DATE	
	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016	2014/2015	2015/2016
Fiscal Operations p																									(Over previous year)	
1. Government Revenue & Grants	117.8	176.9	94.5	127.9	104.2	132.3																			316.5	437.1
% change; over previous month	*-4.5%*	*5.3%*	*-19.7%*	*-27.7%*	*10.21%*	*3.42%*																			*3.66%*	*38.12%*
2. Import/Excise Duties	48.4	39.7	46.9	43.4	47.8	41.8																			143.0	124.9
% change; over previous month	*-26.8%*	*-31.1%*	*-3.1%*	*0.0%*	*1.84%*	*-3.64%*																			*5.39%*	*-12.66%*
3. Recurrent Expenditure	132.1	152.1	128.8	129.8	127.1	162.3																			388.0	444.2
% change; over previous month	*-20.5%*	*-19.2%*	*-2.5%*	*-14.7%*	*-1.35%*	*25.07%*																			*7.55%*	*14.49%*
4. Capital Expenditure	9.8	15.2	21.5	12.4	29.0	12.1																			60.3	39.7
% change; over previous month	*-77.7%*	*-90.5%*	*119.6%*	*-18.8%*	*35.00%*	*-1.95%*																			*99.74%*	*-34.19%*
5. Deficit/Surplus*	-25.2	4.6	-62.8	-21.4	-63.9	-43.5																			-151.9	-60.3
% change; over previous month	*-75.0%*	*-102.4%*	*148.8%*	*-568.3%*	*1.72%*	*103.74%*																			*56.96%*	*-60.29%*

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC	
	2014	2015	2014	2014	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015				
Debt p **																								
6. Total Direct Debt	5,008.7	5,668.6	5,022.7	5,603.6	5,023.6	5,601.9	5,135.5	5,603.1	5,155.8	5,601.9	5,158.4	5,654.5	5,352.3	5,683.7	5,362.3	5,663.7	5,346.2	5,791.2	5,501.9	5,824.7				
% change; over previous month	*0.5%*	*1.2%*	*0.3%*	*-1.1%*	*0.0%*	*0.0%*	*2.2%*	*0.0%*	*0.4%*	*0.0%*	*0.1%*	*0.9%*	*3.8%*	*0.5%*	*0.2%*	*-0.4%*	*-0.3%*	*2.3%*	*2.9%*	*0.6%*				
7. External Debt	1,488.0	1,604.0	1,492.0	1,604.0	1,492.9	1,602.2	1,489.8	1,603.5	1,490.2	1,612.2	1,487.8	1,609.8	1,487.7	1,609.4	1,487.7	1,609.4	1,486.6	1,608.4	1,587.2	1,604.0				
% change; over previous month	*25.2%*	*0.9%*	*0.3%*	*0.0%*	*0.1%*	*-0.1%*	*-0.2%*	*0.1%*	*0.0%*	*0.5%*	*-0.2%*	*-0.1%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*-0.1%*	*-0.1%*	*6.8%*	*-0.3%*				
8. Internal F/C Debt	0.0	0.0	0.0	0.0	0.0	0.0	66.0	0.0	66.0	0.0	66.0	0.0	66.0	10.6	66.0	10.6	66.0	13.3	0.0	14.1				
% change; over previous month															*0.0%*	*0.0%*	*0.0%*	*24.9%*	*-100.0%*	*6.6%*				
9. Bahamian Dollar Debt	3,520.7	4,064.7	3,530.7	3,999.7	3,530.7	3,999.7	3,579.7	3,999.7	3,599.7	3,989.7	3,604.7	4,044.7	3,798.7	4,063.7	3,808.7	4,043.7	3,793.7	4,169.6	3,914.7	4,206.6				
% change; over previous month	*-4.1%*	*1.4%*	*0.3%*	*-1.6%*	*0.0%*	*0.0%*	*1.4%*	*0.0%*	*0.6%*	*-0.3%*	*0.1%*	*1.4%*	*5.4%*	*0.5%*	*0.3%*	*-0.5%*	*-0.4%*	*3.1%*	*3.2%*	*0.9%*				
10. Total Amortization	275.4	15.4	10.0	65.0	1.1	1.7	14.1	3.8	10.0	10.0	2.4	2.4	25.4	65.4	10.0	20.0	16.1	13.9	69.1	59.4				
% change; over previous month	*425.6%*	*545.2%*	*-96.4%*	*320.9%*	*-89.2%*	*-97.3%*	*1204.9%*	*119.3%*	*-29.3%*	*164.0%*	*-76.1%*	*-76.1%*	*962.7%*	*2636.4%*	*-60.7%*	*-69.4%*	*60.8%*	*-30.7%*	*329.9%*	*328.9%*				
11.Total Public Sector F/C Debt	2,309.5	2,483.6	2,318.7	2,482.8	2,317.7	2,499.3	2,377.5	2,499.7	2,376.6	2,507.2	2,377.9	2,508.9	2,380.9	2,518.3	2,380.1	2,517.5	2,386.1	2,519.4	2,424.9	2,515.9				
% change; over previous month	*8.0%*	*2.6%*	*0.4%*	*0.0%*	*0.0%*	*0.7%*	*2.6%*	*0.0%*	*0.0%*	*0.3%*	*0.1%*	*0.1%*	*0.1%*	*0.4%*	*-0.03%*	*-0.03%*	*0.2%*	*0.1%*	*-3.8%*	*3.8%*				

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC		2014	2015
Real Sector Indicators	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015							(Over previous year)	
12. Retail Price Index	99.8	102.1	100.1	101.9	100.4	102.0	100.3	101.9	100.3	101.9	100.3	102.3	100.4	102.3	100.0	102.5									100.2	102.1
% change; over previous month	*0.75%*	*2.79%*	*0.29%*	*-0.18%*	*0.30%*	*0.07%*	*-0.15%*	*-0.08%*	*0.0%*	*0.02%*	*0.0%*	*0.40%*	*0.1%*	*0.0%*	*-0.4%*	*0.1%*									*1.83%*	*1.89%*
13. Tourist arrivals (000's)	555.2	570.5	566.4	550.2	637.1	651.5	567.4	559.5	481.9	469.4	507.0	477.6	513.4	512.2	496.4	452.6									4324.8	4243.5
% change; over previous year	*3.16%*	*2.76%*	*6.22%*	*-2.87%*	*-5.48%*	*2.27%*	*2.35%*	*-1.40%*	*7.66%*	*-2.61%*	*6.24%*	*-5.80%*	*3.20%*	*-0.2%*	*4.01%*	*-8.8%*									*2.99%*	*-1.88%*
14. Air arrivals (000's)	88.6	101.7	107.7	116.7	149.0	157.6	131.0	135.3	117.7	117.6	130.9	132.1	139.5	147.2	119.8	115.6									984.3	1023.7
% change; over previous year	*2.88%*	*14.80%*	*2.85%*	*8.31%*	*-3.01%*	*5.75%*	*11.62%*	*3.26%*	*3.38%*	*-0.15%*	*-0.22%*	*0.95%*	*4.37%*	*5.5%*	*9.23%*	*-3.5%*									*3.58%*	*4.01%*
15. Occupied Room Nights																										
% change; over previous year																										
16. Res. Mortgage Commitments-Value of New Const. & Rehab. (B$Millions)					28.63	12.84					18.03	13.70													46.66	26.55
% change; over previous qtr.					*22.82%*	*33.74%*					*-37.0%*	*6.7%*													*7.83%*	*-43.11%*

* Includes Net Lending to Public Corporations

** Debt figures include Central Government only, unless otherwise indicated

p - provisional