



Monthly Economic and Financial Developments November 2011

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:

2012: January 30, February 27, April 2, April 30, June 4, July 2, July 30, September 3, October 1, October 29, December 3, December 24.

Monthly Economic and Financial Developments

November 2011

1. Domestic Economic Developments

Preliminary data for the Bahamian economy suggests a continuation of the mild recovery momentum during November, with construction output supported by both foreign investment and public sector infrastructure projects, and tourism activity benefitting from holiday travellers. Against this backdrop, and the persistence of high employment levels, the monetary sector outcome continued to be characterized by robust levels of bank liquidity, relatively mild private sector credit expansion and high loan arrears. The external reserves position contracted, in line with the seasonal—although muted—firming in consumer demand towards the end of the year, but was sustained at levels in excess of the year-earlier period. Indications are that the overall fiscal deficit for the first four months of FY2011/12 registered some improvement, linked to gains in tax receipts, while average consumer price inflation exhibited a moderate firming bias in November.

Preliminary data from a sample of hotels in New Providence and Paradise Island point to a moderate improvement in tourism output in November, as Thanksgiving holiday traffic, the hosting of a significant sports event and various promotional activities led to broad-based gains in revenues. The 16.2% gain in hotel receipts was explained by growth in hotel occupancy of 8.9 percentage points to 63.9%, reinforced by a \$3.69 hike in the daily average room rate to \$201.23. Over the eleven-month period, total revenues reportedly firmed by 2.8%, supported by a 1.1 percentage point advance in the occupancy rate to 64.5% and a 1.8% expansion in average daily rates.

Preliminary data on Government's budgetary operations for the first four months of FY2011/12 place the overall deficit lower by 4.2% (\$6.9 million) at \$160.3 million from the corresponding period a year earlier. Total revenues firmed by 3.8% (\$13.4 million) to \$366.5 million, underpinned by a 6.1% (\$19.1 million) expansion in tax collections, as higher excise tax receipts (20.1%) led to an increase in taxes on international trade (3.0%). "Other" miscellaneous taxes also rose by 9.3% (\$9.7 million), attributed to a timing-related \$14.1 million firming in stamp taxes, mainly from the sale of medium to high-end properties. In contrast, non-tax collections softened by 15.2% (\$5.8 million), due to the lower incidence of dividend payments from public bodies. Total expenditures firmed by 1.2% (\$6.5 million) to \$526.8 million, with current outlays higher by 4.1% (\$18.6 million), due in large measure to a 30.3% increase in purchases of goods and services. In contrast, capital expenditures declined by 20.2% (\$11.1 million), led by a \$8.3 million contraction in asset acquisitions from the prior year, when Government purchased land from an oil company; and net lending to support the budgetary operations of public corporations fell by 5.8% (\$1.0 million) to \$15.9 million.

In terms of prices, the average monthly cost of gasoline rose by 1.8% to \$5.17, and diesel prices firmed by 1.6% to \$5.09. When compared to the previous year, the average costs for both products rose significantly, by 18.6% and 34.0%, respectively.

2. *International Developments*

International economic developments continued to be dominated by the European debt crisis, as the region's leaders sought to implement measures aimed at containing the crisis. Economic conditions in the United States remained on a modest positive trajectory, and continued to contrast with the robust, although moderated, expansions of leading Asian economies.

In the United States, industrial production declined by 0.2% in November, in contrast to a 0.7% improvement a month earlier, while retail sales recorded a 0.2% expansion, although slowing from October's 0.6% firming. The trade deficit narrowed by \$0.7 billion to \$43.5 billion in October, as a \$2.2 billion decline in imports—led by industrial goods and automotive parts—surpassed a \$1.5 billion reduction in exports. The unemployment rate fell by 40 basis points to 8.6%—its lowest level since March 2009—as payrolls expanded by 120,000. However, the majority of the job gains were concentrated in the retail and food services sectors, reflecting temporary hiring ahead of the holiday period. With regard to inflation, consumer prices were flat in November, following a 0.1% softening a month prior, as a reduction in energy prices offset an increase in food costs. The Federal Reserve maintained its neutral monetary policy stance by leaving its key rates unchanged. However, amid concerns over the ability of financial firms in Europe to obtain short-term funding, six major central banks announced a series of swap arrangements, aimed at providing US Dollar liquidity to the financial markets.

In Europe, the uncertainty caused by the potential contagion effects arising from the persistent debt crisis in Greece, dominated economic developments. Industrial production in the United Kingdom fell by 0.7% in October, a turnaround from a 0.2% uptick in the prior month. Additionally, the monthly trade deficit narrowed by £2.7 billion to £1.6 billion, as increased exports of chemical products and capital goods were offset by a decline in consumer goods imports. In November, retail sales fell by 0.4%, a turnaround from a 1.0% improvement in October, while the jobless rate rose by 40 basis points to 8.3% as the number of unemployed persons increased by 128,000 in the three months to October over the previous quarter. Consumer price inflation softened by 20 basis points to 4.8% in November, reflecting a decline in prices for food, fuel, clothing and household items, which mitigated increases in heating costs. Despite the elevated inflation rate relative to the target, the Bank of England maintained its key bank rate at 0.5% and sustained its £275 billion asset purchase programme, in a bid to support the economic recovery.

The euro area continued to face significant headwinds, as the escalating debt crisis in Greece and deteriorating fiscal conditions in several other member states rattled the region's economies. As a consequence, industrial production declined by 0.1% in October, following September's 2.0% contraction, and was explained by a reduction in both intermediate and consumer goods' production. Retail trade advanced marginally by 0.4% in October, following a 0.6% decline a month earlier, while the trade surplus narrowed by €2.0 billion to €1.1 billion, as the 1.9% contraction in exports outpaced the 0.7% falloff in imports. Preliminary estimates indicate that annual inflation remained at 3.0% in November. In an attempt to provide some support for the floundering eurozone, the European Central Bank reduced its main interest rates by 25 basis points each, in November.

In Asia, economic growth remained relatively strong over the review period. Retail sales in China firmed, on a monthly basis, by 1.3% in November, following a similar gain in the previous period; and the 0.9% hike in industrial production was in line with October's improvement. The annualized rise in consumer prices slowed by 1.3 percentage points month-on-month to 4.2% in November, due to falling food prices. Despite the still elevated level of inflation, concerns over the slowdown in economic growth prompted the People's

Bank of China to lower the reserve requirement ratio, for the first time in three years, by 50 basis points to 21.0%.

In Japan, factory production rising by an estimated 2.4% in October, a turnaround from a 3.3% contraction in the prior month; and, buoyed by gains in automobile sales, retail sales firmed by 1.9% year-on-year, in contrast to September's 1.1% contraction. However, consumers remained conservative in their spending, as evidenced by the fall in the consumer confidence index, by 1.1 points to 37.5 points. Consumer prices rose by 0.1% over the prior month, occasioned by increased food and utility costs, and the unemployment rate was higher by 40 basis points to 4.5% in October, as payrolls contracted by 220,000 in comparison to 2010. The Bank of Japan left its key bank rate unchanged in November.

Partly reflecting the increase in OPEC's production, by approximately 560,000 barrels per day (bpd) to an average of 30.4 million bpd, crude oil prices moved marginally lower by 0.2% to \$110.41 per barrel in November. In terms of precious metals, gold prices moved higher by 1.8% to \$1,746.38 per troy ounce; however, silver costs softened by 4.4% to \$32.79 per troy ounce.

Amid investors' concerns over the deteriorating debt situation in the euro zone, most of the major equity markets registered declines in November. In the United States, the Dow Jones Industrial Average (DJIA) rose marginally by 0.8%; however, the S&P 500 index weakened by 0.5%. In European markets, the United Kingdom's FTSE 100 softened by 0.7%, and France's CAC 40 and Germany's DAX both moved lower, by 2.7% and 0.9%, respectively. Asian markets registered some of the largest declines, with Japan's Nikkei 225 contracting by 6.2% and China's SE composite declining by 5.5%, on signs of a slowdown in the domestic economy.

As a consequence of global developments, investors increased their holdings of relatively "safe" Dollar denominated assets, resulting in the US dollar strengthening against almost all of the major currencies. The Dollar appreciated by 2.4% vis-à-vis the British pound to £0.6368, and moved higher against the euro and the Swiss Franc by 3.1% and 4.1%, respectively to €0.7437 and CHF0.9132. The Dollar gained 1.7% relative to the Canadian dollar to CAD1.0175 and some 0.3% vis-a-vis the Chinese Yuan to CNY6.3798. In contrast, the Dollar weakened vis-à-vis the Japanese Yen, by 0.7% to ¥77.62.

3. Domestic Monetary Trends

Money and credit conditions during the month of November featured high levels of bank liquidity, although with a modest shift out of cash as banks purchased long-term Government bonds. Reflecting the seasonal build-up in private sector demand for foreign currency, external reserves contracted. In the context of the prevailing economic situation, credit expansion remained modest, and credit quality indicators deteriorated over the review month.

November 2011 vs. 2010

In November, excess reserves—a narrow measure of liquidity—contracted by \$38.5 million to \$390.5 million, a turnaround from last years' \$152.2 million surge which was boosted by the receipt of \$200 million in capitalisation proceeds by a domestic banking entity. Reflecting increased investments in government bonds, the broader excess liquid assets advanced by \$1.2 million to \$870.3 million, although significantly below the previous year's \$173.0 million growth.

External reserves contracted by \$42.5 million to \$858.9 million, which compares with the year-earlier \$159.8 million accumulation. Underlying this development, the Bank sold a net of \$43.9 million to customers, in contrast to a net purchase of \$156.9 million a year earlier. Of this amount, there was a \$15.2 million net sale to commercial banks, a turnaround from last year's net purchase of \$183.4 million—which mirrored commercial banks' net sale of \$13.1 million to their customers, following net purchase of \$182.2 million in 2010. The Bank's net sale to the public sector, mainly for fuel and debt payments, rose by \$2.1 million to \$28.7 million.

Growth in Bahamian dollar credit rose more than two-fold to \$38.5 million from \$16.1 million in 2010, reflecting increases in all of the categories. Amid the modest uptick in domestic demand, the expansion in private sector credit strengthened to \$23.9 million from \$5.0 million in 2010. This outcome reflected a \$5.7 million advance in commercial loans, following the prior year's \$10.2 million contraction; a \$4.9 million gain in consumer credit expansion to \$16.2 million; and a slowing in mortgage growth by \$1.8 million to \$2.0 million. Credit to the public corporations and net claims on the Government, firmed further by \$7.6 million and \$7.2 million, respectively, extending gains of \$5.6 million each in the prior year.

Banks' credit quality indicators weakened during the review month, reflecting constraints posed by the domestic environment on borrower's ability to meet debt servicing obligations. Total private sector loan arrears expanded by \$22.9 million (1.9%) to \$1,242.6 million, with the corresponding ratio of arrears to total loans firming by 29 basis points to 19.9%. An analysis of the average age of delinquencies revealed that the majority of the increase occurred in the short-term segment, as delinquencies between 31 and 90 days firmed by \$21.2 million (5.4%) to \$413.3 million, resulting in the corresponding ratio to total loans advancing by 31 basis points to 6.6%. In addition, arrears in the non-performing segment—loans over 90 days and on which banks have stopped accruing interest—advanced by \$1.8 million (0.2%), and decreased as a proportion of total loans, by 3 basis points to 13.3%.

In terms of the main components, the rise in total arrears was due solely to a \$30.7 million (4.9%) expansion in mortgage delinquencies to \$663.3 million, with increases recorded in both the 31-90 day and non-performing categories, of \$14.1 million (7.2%) and \$16.7 million (3.8%), respectively. In contrast, consumer loan delinquencies decreased by \$4.6 million (1.6%), as the short-term segment fell by \$4.6 million (4.0%), while non-accrual loans stabilized at \$171.1 million. Commercial arrears fell by \$3.2 million (1.1%), led by a \$14.9 million (6.8%) reduction in the non-performing segment, which outpaced the \$11.7 million (14.5%) gain in the short-term category.

During the month, banks increased their loan loss provisions marginally by \$1.5 million (0.5%) to \$303.1 million, as the level of arrears continued to expand. Consequently, the ratio of provisions to non-performing loans widened by 10 basis points to 36.6%; however, given the modest rise in arrears, the ratio of provisions to arrears narrowed by 33 basis points to 24.4%. Loan write-offs for the month totalled \$3.9 million and recoveries amounted to \$1.4 million.

In November, domestic foreign currency credit fell by \$3.2 million, following a \$36.3 million decline a year earlier. Claims on the private sector decreased by \$1.3 million, a slowdown from the \$59.7 million reduction last year, when a tourism investment entity repaid an outstanding loan. Similarly, credit to public corporations fell by \$3.0 million, to reverse the \$24.3 million expansion in 2010. In contrast, net claims on the Government expanded by \$1.1 million, a turnaround from the prior year's \$0.9 million contraction.

The decline in total Bahamian dollar deposits narrowed to \$10.9 million from \$30.9 million in 2010. Demand deposits fell by \$5.9 million, a turnaround from an \$8.1 million gain a year ago, while fixed deposits decreased by \$27.5 million, although below last year's a \$36.1 million contraction. In contrast, savings deposits expanded by \$22.6 million, reversing the prior year's downturn of \$2.9 million.

In interest rate developments, the weighted average deposit rate narrowed by 14 basis points to 2.16%, with the highest rate of 5.25% offered on fixed balances over 12 months. Conversely, the weighted average loan rate firmed by 16 basis points to 10.68%.

4. Outlook and Policy Implications

Unfolding developments in the global economy—particularly in the United States—will continue to weigh heavily on the economic outlook in the domestic market in the coming months. The near-term expectations are for the mild recovery in tourism to be sustained, due mainly to further gains in the high value-added group market segment. In addition, foreign investment projects are expected to support output and employment activity in the construction sector, in the context of modest inflationary pressures linked to the persistent volatility in global oil prices.

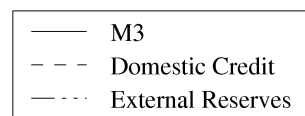
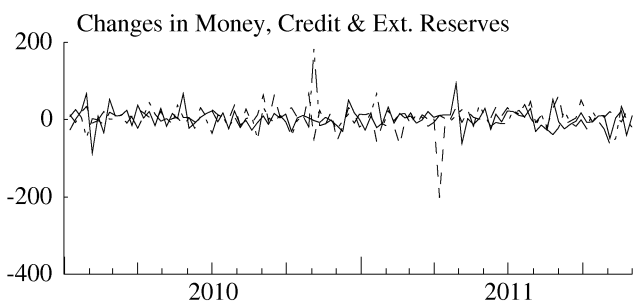
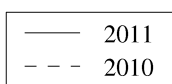
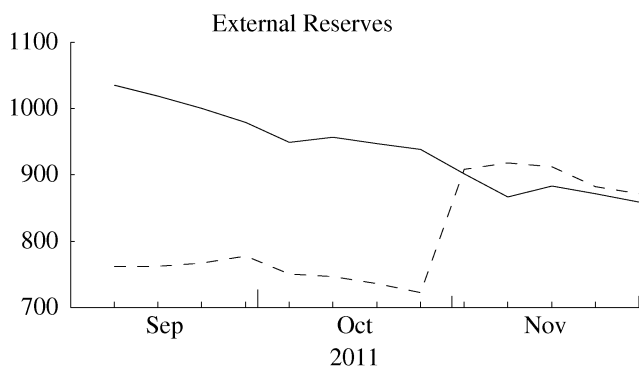
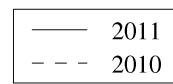
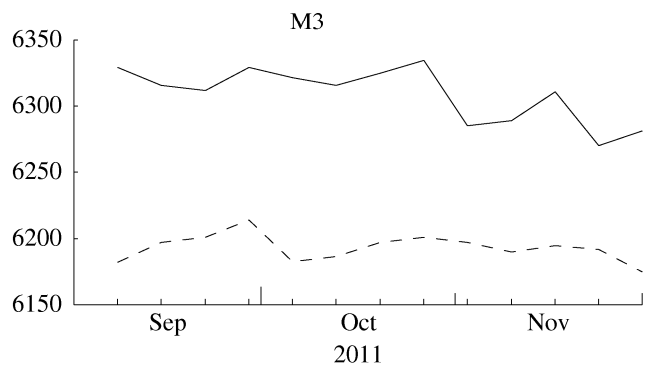
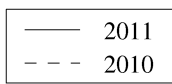
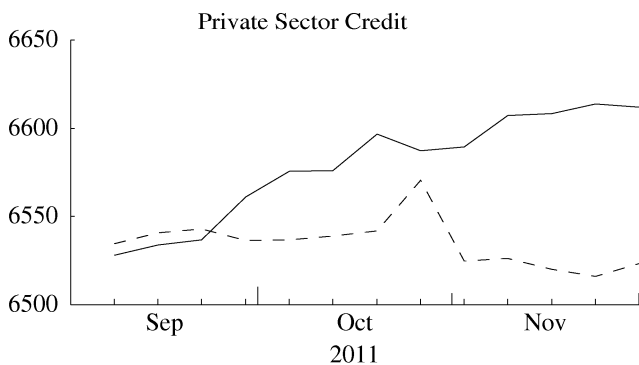
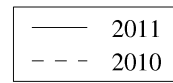
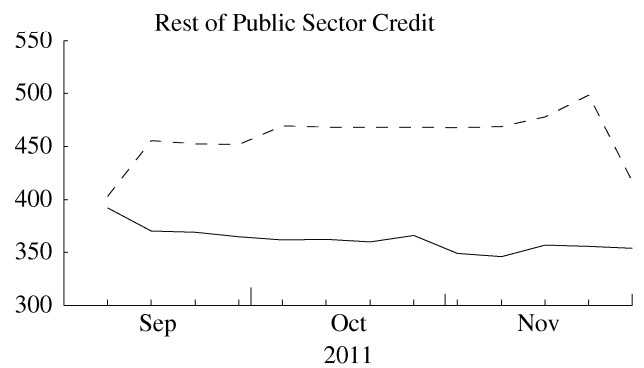
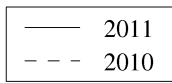
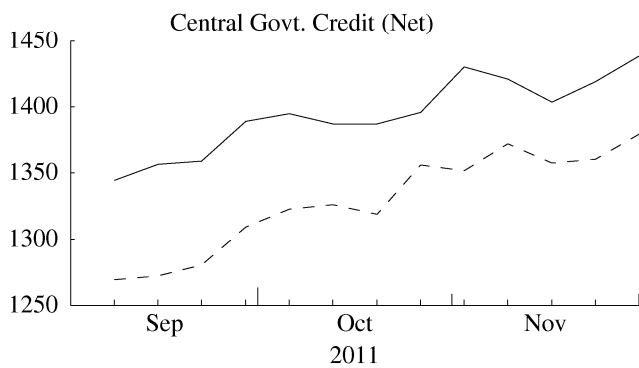
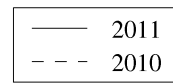
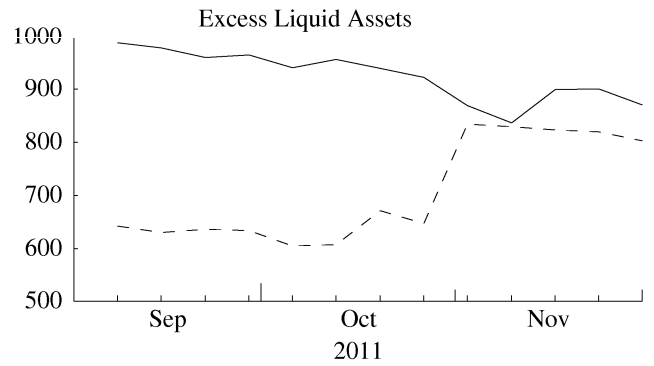
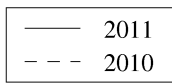
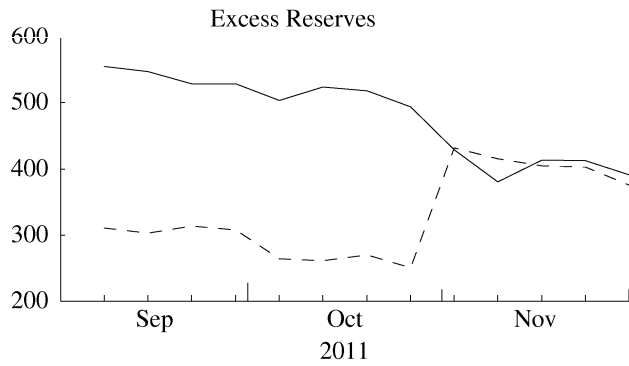
Fiscal improvements will continue to depend largely on the strength of the economic recovery, and on the extent to which Government achieves its revenue enhancement and expenditure control objectives. On the monetary front, both liquidity and external reserves are projected to remain buoyant over the near term, supported by steady net receipts from real sector activities. Given the tempered and narrow growth outlook, banks' credit quality indicators are anticipated to stay elevated, until the economy recovery becomes more broad-based; but the situation is not expected to present any financial stability issues, given banks' healthy capital adequacy cushions above the base requirements.

Recent Monetary and Credit Statistics

(B\$ Millions)

	NOVEMBER					
	Value		Change		Change YTD	
	2010	2011	2010	2011	2010	2011
1.0 LIQUIDITY & FOREIGN ASSETS						
1.1 Excess Reserves	402.26	390.47	152.17	-38.48	140.16	0.97
1.2 Excess Liquid Assets	819.67	870.32	172.98	1.16	315.81	56.80
1.3 External Reserves	881.96	858.87	159.83	-42.46	56.58	-2.18
1.4 Bank's Net Foreign Assets	-797.93	-553.90	3.88	-4.26	-131.72	135.86
1.5 Usable Reserves	458.31	429.79	88.19	-20.60	-0.55	-4.62
2.0 DOMESTIC CREDIT						
2.1 Private Sector	6,515.87	6,611.90	-54.66	22.52	-29.57	71.25
a. B\$ Credit	6,116.56	6,253.54	4.99	23.85	-3.17	107.73
of which: Consumer Credit	2,142.08	2,140.88	11.39	16.24	-30.63	3.83
Mortgages	3,056.57	3,079.88	3.77	1.95	60.51	19.09
Commercial and Other Loans B\$	917.91	1,032.78	-10.17	5.66	-33.05	84.82
b. F/C Credit	399.31	358.35	-59.65	-1.33	-26.40	-36.49
of which: Mortgages	120.12	130.04	2.12	0.18	24.18	1.43
Commercial and Other Loans F/C	279.19	228.31	-61.76	-1.51	-50.57	-37.91
2.2 Central Government (net)	1,360.60	1,438.33	4.65	8.32	370.29	51.83
a. B\$ Loans & Securities	1,427.34	1,568.59	2.15	2.56	260.49	109.28
Less Deposits	135.02	129.47	-3.40	-4.63	-39.81	-9.92
b. F/C Loans & Securities	70.00	0.00	-0.90	0.00	66.29	-70.00
Less Deposits	1.72	0.79	-0.00	-1.13	-3.70	-2.62
2.3 Rest of Public Sector	498.28	353.79	29.84	4.60	132.16	-47.33
a. B\$ Credit	112.10	99.48	5.59	7.61	30.74	-14.46
b. F/C Credit	386.18	254.32	24.25	-3.01	101.43	-32.87
2.4 Total Domestic Credit	8,374.78	8,404.01	-20.23	35.25	472.86	75.55
a. B\$ Domestic Credit	7,521.01	7,792.13	16.07	38.45	327.85	212.28
b. F/C Domestic Credit	853.77	611.88	-36.29	-3.21	145.02	-136.73
3.0 DEPOSIT BASE						
3.1 Demand Deposits	1,153.85	1,218.51	8.12	-5.89	63.46	78.83
a. Central Bank	5.16	10.00	-6.56	-4.77	-7.45	2.01
b. Banks	1,148.70	1,208.51	14.67	-1.13	70.91	76.83
3.2 Savings Deposits	1,010.43	1,053.54	-2.93	22.55	15.63	37.47
3.3 Fixed Deposits	3,609.61	3,609.82	-36.08	-27.51	55.53	1.74
3.4 Total B\$ Deposits	5,773.90	5,881.87	-30.89	-10.85	134.62	118.03
3.5 F/C Deposits of Residents	238.98	206.93	25.81	-3.60	22.15	-45.73
3.6 M2	5,952.78	6,074.16	-34.75	-0.29	115.15	116.29
3.7 External Reserves/M2 (%)	14.82	14.14	2.76	-0.70	0.68	-0.31
3.8 Reserves/Base Money (%)	106.34	102.75	0.10	-1.43	-11.79	-0.87
3.9 External Reserves/Demand Liabilities (%)	104.01	99.75	1.53	0.08	-8.21	-0.48
	Value		Year to Date		Change	
	2010	2011	2010	2011	Month	YTD
4.0 FOREIGN EXCHANGE TRANSACTIONS						
4.1 Central Bank Net Purchase/(Sale)	156.88	-43.85	44.44	-25.44	-200.73	-69.88
a. Net Purchase/(Sale) from/to Banks	183.44	-15.20	242.65	78.86	-198.64	-163.79
i. Sales to Banks	31.60	29.77	322.27	326.14	-1.83	3.87
ii. Purchases from Banks	215.04	14.57	564.92	405.00	-200.47	-159.92
b. Net Purchase/(Sale) from/to Others	-26.56	-28.65	-198.21	-104.29	-2.09	93.92
i. Sales to Others	59.84	77.27	492.19	696.29	17.43	204.10
ii. Purchases from Others	33.28	48.62	293.98	592.00	15.34	298.02
4.2 Banks Net Purchase/(Sale)	182.22	-13.10	250.46	100.67	-195.32	-149.79
a. Sales to Customers	391.00	269.94	3,153.09	3,268.31	-121.06	115.22
b. Purchases from Customers	573.22	256.84	3,403.55	3,368.98	-316.38	-34.57
4.3 B\$ Position (change)	-6.19	-0.04				
5.0 EXCHANGE CONTROL SALES						
5.1 Current Items	0.00	0.00	0.00	0.00	0.00	0.00
of which Public Sector	0.00	0.00	0.00	0.00	0.00	0.00
a. Nonoil Imports	0.00	0.00	0.00	0.00	0.00	0.00
b. Oil Imports	0.00	0.00	0.00	0.00	0.00	0.00
c. Travel	0.00	0.00	0.00	0.00	0.00	0.00
d. Factor Income	0.00	0.00	0.00	0.00	0.00	0.00
e. Transfers	0.00	0.00	0.00	0.00	0.00	0.00
f. Other Current Items	0.00	0.00	0.00	0.00	0.00	0.00
5.2 Capital Items	0.00	0.00	0.00	0.00	0.00	0.00
of which Public Sector	0.00	0.00	0.00	0.00	0.00	0.00
5.3 Bank Remittances	0.00	0.00	0.00	0.00	0.00	0.00

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	
	2010	2011	2010	2011	2010	2011
Bahamas	1.0	2.0	1.0	2.5	n/a	13.7
United States	3.0	1.5	1.6	3.0	9.6	9.1
Euro-Area	1.8	1.6	1.6	2.5	10.1	9.9
<i>Germany</i>	<i>3.6</i>	<i>2.7</i>	<i>1.2</i>	<i>2.2</i>	<i>7.1</i>	<i>6.0</i>
Japan	4.0	-0.5	-0.7	-0.4	5.1	4.9
China	10.3	9.5	3.3	5.0	4.1	4.0
United Kingdom	1.4	1.1	3.3	4.5	7.9	7.8
Canada	3.2	2.1	1.8	2.9	8.0	7.6
<i>Source: IMF World Economic Outlook, September 2011</i>						

B: Official Interest Rates – Selected Countries (%)					
<i>With effect from</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
	Bank Rate	Refinancing Rate	Primary Credit Rate	Target Funds Rate	Repo Rate
January 2010	5.25	1.00	0.50	0.00-0.25	0.50
February 2010	5.25	1.00	0.75	0.00-0.25	0.50
March 2010	5.25	1.00	0.75	0.00-0.25	0.50
April 2010	5.25	1.00	0.75	0.00-0.25	0.50
May 2010	5.25	1.00	0.75	0.00-0.25	0.50
June 2010	5.25	1.00	0.75	0.00-0.25	0.50
July 2010	5.25	1.00	0.75	0.00-0.25	0.50
August 2010	5.25	1.00	0.75	0.00-0.25	0.50
September 2010	5.25	1.00	0.75	0.00-0.25	0.50
October 2010	5.25	1.00	0.75	0-0.25	0.50
November 2010	5.25	1.00	0.75	0-0.25	0.50
December 2010	5.25	1.00	0.75	0-0.25	0.50
January 2011	5.25	1.00	0.75	0-0.25	0.50
February 2011	5.25	1.00	0.75	0-0.25	0.50
March 2011	5.25	1.00	0.75	0-0.25	0.50
April 2011	5.25	1.25	0.75	0-0.25	0.50
May 2011	5.25	1.25	0.75	0-0.25	0.50
June 2011	4.50	1.25	0.75	0-0.25	0.50
July 2011	4.50	1.50	0.75	0-0.25	0.50
August 2011	4.50	1.50	0.75	0-0.25	0.50
September 2011	4.50	1.50	0.75	0-0.25	0.50
October 2011	4.50	1.50	0.75	0-0.25	0.50
November 2011	4.50	1.25	0.75	0-0.25	0.50

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Nov-10	Oct-11	Nov-11	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.7702	0.7217	0.7437	3.06	-0.44	-3.44
Yen	83.68	78.17	77.62	-0.70	-4.36	-7.24
Pound	0.6426	0.6216	0.6368	2.44	-0.59	-0.90
Canadian \$	1.0264	1.0008	1.0175	1.67	1.92	-0.87
Swiss Franc	1.0035	0.8769	0.9132	4.14	-2.29	-9.00
Renminbi	6.6670	6.3595	6.3798	0.32	-3.19	-4.31

Source: Bloomberg as of November 30, 2011

D. Selected Commodity Prices (\$)					
Commodity	November 2010	October 2011	November 2011	Mthly % Change	YTD % Change
Gold / Ounce	1386.02	1714.85	1746.38	1.84	22.92
Silver / Ounce	28.08	34.30	32.79	-4.39	6.06
Oil / Barrel	86.48	110.61	110.41	-0.18	18.10

Source: Bloomberg as of November 30, 2011

E. Equity Market Valuations – November 30, 2011 (%chg)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	-1.79	0.76	-0.51	-0.70	-2.72	-0.85	-6.16	-5.46
3 month	-3.98	3.72	2.30	2.06	-3.14	5.25	-5.81	-9.11
YTD	-10.46	4.04	-0.85	-6.69	-17.09	-11.94	-17.54	-16.90
12-month	-9.45	9.45	5.63	-0.41	-12.63	-8.97	-15.12	-17.26

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	0.12	0.70	0.45
1 Month	0.23	0.70	1.13
3 Month	0.51	1.04	1.41
6 Month	0.76	1.34	1.70
9 Month	0.92	1.61	1.82
1 year	1.08	1.83	2.04

Source: Bloomberg as of November 30, 2011

SUMMARY ACCOUNTS OF THE CENTRAL BANK

(B\$ Millions)

	VALUE										CHANGE									
	Oct. 05	Oct. 12	Oct. 19	Oct. 26	Nov. 02	Nov. 09	Nov. 16	Nov. 23	Nov. 30	Oct. 05	Oct. 12	Oct. 19	Oct. 26	Nov. 02	Nov. 09	Nov. 16	Nov. 23	Nov. 30		
I. External Reserves	948.75	956.13	946.54	938.03	901.33	866.76	883.13	871.77	858.87	-30.02	7.39	-9.59	-8.51	-36.70	-34.57	16.37	-11.36	-12.90		
II. Net Domestic Assets (A + B + C + D)	-15.79	-17.87	-14.40	-16.27	-36.16	-57.41	-36.99	-26.13	-23.00	9.03	-2.08	3.47	-1.87	-19.89	-21.25	20.42	10.86	3.13		
A. Net Credit to Gov¹(i + ii + iii - iv)	283.15	278.71	276.58	279.60	269.68	247.14	270.08	269.80	276.90	3.32	-4.45	-2.12	3.02	-9.92	-22.54	22.94	-0.28	7.10		
i) Advances	110.59	110.59	110.59	110.59	110.59	110.59	110.59	110.59	110.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
ii) Registered Stock	160.93	161.07	161.03	160.87	160.90	160.91	164.24	164.29	164.13	-0.26	0.14	-0.05	-0.16	0.03	0.01	3.32	0.05	-0.16		
iii) Treasury Bills	19.86	19.86	19.86	19.86	19.86	6.20	6.20	6.20	14.19	0.00	0.00	0.00	0.00	0.00	-13.56	0.00	0.00	7.99		
iv) Deposits	8.22	12.81	14.89	11.71	21.67	30.57	10.94	11.27	12.01	-3.58	4.59	2.08	-3.18	9.96	8.90	-19.62	0.33	0.73		
B. Rest of Public Sector (Net) (i + ii - iii)	-5.86	-2.65	3.00	-1.69	-9.42	-5.07	-8.79	1.41	-4.85	-0.65	3.21	5.65	-4.69	-7.73	4.35	-3.72	10.20	-6.26		
i) BDB Loans	5.35	5.35	5.35	5.35	5.35	5.15	5.15	5.15	5.15	0.00	0.00	0.00	0.00	0.00	-0.20	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	11.21	8.00	2.35	7.04	14.77	10.22	13.94	3.74	10.00	0.65	-3.21	-5.65	4.69	7.73	-4.55	3.72	-10.20	6.26		
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)*	-293.08	-293.93	-293.98	-294.18	-296.42	-299.48	-298.28	-297.34	-295.04	6.35	-0.85	-0.06	-0.19	-2.24	-3.06	1.20	0.94	2.29		
III. Monetary Base	932.96	938.27	932.14	921.76	865.17	809.34	846.14	845.65	835.87	-20.99	5.31	-6.12	-10.38	-56.59	-55.83	36.79	-0.49	-9.77		
A. Currency in Circulation	283.11	278.91	277.70	276.37	288.72	285.52	281.75	284.67	303.02	5.38	-4.20	-1.21	-1.33	12.35	-3.20	-3.77	2.92	18.35		
B. Bank Balances with CBOB	649.85	659.35	654.45	645.39	576.45	523.83	564.39	560.98	532.85	-26.37	9.51	-4.91	-9.05	-68.95	-52.62	40.56	-3.41	-28.13		

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

