



Monthly Economic and Financial Developments July 2007

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:

2007: October 1st, October 29th, December 3rd

1. Domestic Economic Developments

Initial data for the month of July suggests some moderation in the pace of domestic economic growth, amid softened tourism performance and private sector investments, while the seasonal increase in demand for foreign currency led to a reduction in external reserve levels.

Preliminary tourism data for the first six months of the year showed continued weakness in the sector, as total arrivals declined by 6.5% to 2.4 million. In terms of the major components, air and sea passengers fell by 7.0% and 6.3%, respectively. The most significant downturn in visitors was recorded in the Grand Bahama market, which contracted by 12.0% to 0.33 million. Similarly, arrivals to New Providence and the Family Islands decreased by 5.4% to 1.43 million and by 6.1% to 0.67 million, respectively.

Provisional data on fiscal sector performance for the first eleven months of FY06/07 placed Government's deficit some \$15.7 million (17.7%) higher at \$104.4 million—as the 12.6% rise in outlays outpaced the 12.1% gain in revenues. Expenditure growth was broadly based across the major groupings, while taxes on international trade, stamp duties, property taxes, and income from other sources boosted revenue intake.

Reflecting the pass-through effects of higher fuel costs, inflation for the twelve-month period ending June, 2007 rose to 2.43%, 0.8 percentage points higher than the previous year's expansion. Notable cost increases were recorded for other goods & services (6.64%), food & beverages (4.18%) as well as recreation and entertainment services (3.21%); while rate increases for the remaining categories were below 3%.

2. International Developments

During the review month, the International Monetary Fund (IMF) raised its 2007 forecast for global growth upward, from 4.9% to 5.2%, amid signs of stronger expansions in the Asian economies. However, the economic growth forecast for the United States was downgraded by 0.2 percentage points to 2.0%.

Information for the month of July revealed that the United States' housing crisis deepened, with building starts, a prime indicator of housing activity, falling by 6.1% to a seasonally adjusted annual rate of 1.38 million units, the slowest pace since 1997. Building permits, a forward looking indicator, declined by 2.8% to an annual rate of 1.37 million units, the lowest rate since 1996. The monthly unemployment rate rose slightly in July to 4.6%, as only 92,000 persons were added to non-farm payroll employment. The rate of increase in average consumer prices slowed to 0.2% from 0.6% in the same period a year ago, due to reduced fuel prices. Despite the challenges faced by the housing sector, the Federal Reserve kept the Federal Funds and Primary Credit rates unchanged at 5.25% and 6.25%, respectively, as inflation concerns persisted.

China's economic expansion continued at a rapid pace in July, as industrial production firmed by 18% and expanding exports boosted the trade surplus by 67% to \$24.4 billion. Strengthened foreign capital inflows propelled growth in fixed asset investments during the first seven months of the year, by 26.6% to US\$747 billion. However, buoyed by higher food prices, monthly inflation accelerated by 1.2 percentage points to 5.6% in July, prompting the Central Bank to raise both the

benchmark deposit and lending rates, by 0.27 percentage points each to 3.33% and 6.84%, respectively.

On an annualized basis, Japan's GDP growth moderated to 0.5% in the second quarter of 2007 from 3.2% in the previous three-month period. On a monthly basis, the unemployment rate softened marginally by 0.1 percentage points to 3.7%, while average consumer prices declined by 0.2%.

In the UK, economic activity expanded by 0.8% during the second quarter, slightly higher than the rate recorded in the previous three-month period. Following an increase in exports, the monthly trade deficit decreased marginally to £3.6 billion in June. Retail sales in the three-months ending July rose by 2.1% over the same period a year ago; while the quarterly unemployment rate declined by 0.1 percentage points to 5.4%. Despite the slowing in the rate of inflation to 1.9% in July, which was below the Bank of England's 2.0% target rate, the central bank still raised its key interest rate by 0.25 percentage points to 5.75%, amid concerns over higher import prices.

Growth in the Euro area economy slackened to 0.3% between April and June, from 0.7% in the previous quarter. On a monthly basis, construction activity firmed by 0.6% in June; however, industrial production softened by 0.1%. Strong growth in exports elevated the trade surplus by \$6.1 billion to \$7.8 billion. The unemployment rate stabilized at 6.9% in June; and the rate of increase in average consumer prices edged up by 0.1 percentage points in July to 1.8%. With inflation subdued, the ECB kept its key interest rates unchanged during the review period.

Despite an increase in OPEC oil production by 0.2 million barrels per day (mb/d) to 30.4 mb/d in July, the price of crude oil rose by 7.3% to \$75.96 per barrel, as North Sea oil supplies were reduced due to a damaged pipeline. In the precious metals market, the price of gold and silver rose by 2.3% to \$664.30 per ounce and by 3.7% to \$12.87 per ounce, respectively.

Reflecting the uncertainty in global liquidity and credit markets, all major equity indices fell during the review month. The Dow Jones Industrial Average and the S&P 500 recorded respective declines of 1.47% and 3.20%. Similarly, in Europe, losses were noted for the DAX (5.28%), the CAC 40 (5.02%) and the FTSE 100 (3.75%); while in Japan, the Nikkei 225 contracted by 4.90%.

3. Domestic Monetary Trends

For the month of July, monetary and credit conditions featured an overall contraction in liquidity and external reserves, reflecting the seasonal upturn in private sector demand for foreign currency. However, the year-to-date outturn remained comparatively favourable vis-à-vis 2006, as heightened foreign currency inflows, associated primarily with foreign investments, elevated both liquidity and external reserves, to outstrip moderated accretions to domestic credit.

July 2007 vs. 2006

During the month, excess reserves decreased by \$40.9 million, which was \$3.8 million below last year's decline. Similarly, the reduction in excess liquid assets was \$8.0 million lower at \$22.0 million.

External reserves contracted by \$56.7 million, more than double the \$22.3 million reduction registered last year, as the Central Bank's net sale of foreign currency rose more than two-fold to \$61.1 million. The public's increased demand for foreign currency was primarily accommodated by way of a sharp rise in commercial banks' net foreign currency purchase from the Central Bank. The latter advanced to \$35.6 million from \$0.3 million as banks' net purchase from their customers was only \$3.9 million—although reversed from a \$7.9 million net sale in the previous period. In contrast, the Central Bank's net sale to the public sector was maintained at \$25.5 million.

Occasioned by a contraction in liabilities to the public sector, Bahamian dollar credit declined by \$5.8 million vis-à-vis a public sector led upsurge of \$124.5 million in 2006. Specifically, net claims on Government narrowed by \$53.3 million, compared to an expansion of \$58.0 million in 2006, as proceeds from a \$100.0 million Registered Stock issue were utilized to reduce advances at commercial banks. Additionally, the decline in credit to the rest of the public sector was extended to \$6.6 million from \$5.3 million in 2006. Conversely, private sector credit firmed by \$54.1 million, although \$17.7 million lower than last year's expansion. Mortgage growth tapered by 35.2% to \$25.9 million; however, accretions to consumer credit were up by 25.0% to \$28.0 million.

The decline in foreign currency credit moderated to \$5.8 million from \$15.0 million last year. Banks' claims on the public corporations and the private sector receded by \$6.3 million and \$1.2 million, compared to respective decreases of \$20.0 million and \$8.4 million in 2006. However, the \$1.7 million gain in net claims on the Government, was significantly below last year's increase of \$13.4 million.

Bahamian dollar deposits weakened by \$28.2 million, a turnaround from the \$11.9 million expansion recorded a year-earlier. Demand and savings deposits fell by \$35.4 million and \$17.9 million, respectively, whereas fixed deposits strengthened by \$25.1 million.

In interest rate developments, the weighted average deposit rate at banks remained relatively unchanged at 3.61%, with the highest rate of 6.00% offered for 1 month to 12 month maturities. Additionally, the weighted average loan rate contracted by 47 basis points to 10.55%.

January–July 2007

Buoyed by increased foreign currency inflows and milder credit expansion, bank's excess reserves expanded by \$119.3 million to \$255.4 million during the first seven months of the year—reversing the \$14.8 million decline registered a year-earlier. Similarly, excess liquid assets surged by \$234.0 million to \$243.4 million—a more than four-fold hike above the \$56.4 million gain of 2006.

External reserves grew by \$157.9 million, a three-fold increase over the \$48.3 million advance in the previous year. Reflective of these developments, the Central Bank's net foreign currency purchase from commercial banks strengthened by more than 50% to \$252.4 million, being supported primarily by the 62.4% hike in commercial banks' net purchase from their customers to \$244.8 million. Additionally, the Central Bank's net sale to the public sector softened by 14.1% to \$109.6 million.

For the review period, the expansion in Bahamian dollar credit slackened by 44.7% to \$245.7 million, principally due to an easing in private sector credit growth and a contraction in claims on the public corporations. In particular, accretions to private sector credit moderated by 34.0% to

\$251.4 million, as gains in mortgages and consumer credit were 24.1% and 17.5% lower at \$154.3 million and \$98.6 million, respectively. Claims on the public corporations declined by \$63.6 million, a reversal from the \$16.6 million advance noted in the previous year. In contrast, accretions to net credit to Government firmed by \$11.3 million to \$57.8 million.

Reflecting net repayments by the private sector, domestic foreign currency credit contracted by \$19.6 million, after posting a \$61.0 million advance in 2006. Credit to the private sector fell by \$19.0 million, compared to growth of \$20.0 million a year earlier; while net claims on the Government declined marginally by \$0.8 million, following a \$17.3 million increase last year. The rise in credit to the public corporations was comparatively lower at \$0.2 million from \$23.6 million in 2006.

During the January to July period, the expansion in Bahamian dollar deposits strengthened by \$4.8 million to \$315.6 million. Fixed deposits posted the most significant gain of \$234.2 million, a nearly two-fold increase over the previous year's growth. Additionally, the advance in saving deposits was higher by \$11.7 million at \$62.9 million; however, accretions to demand deposits growth slowed by 85.4% to \$18.6 million.

4. Outlook

The outlook for the domestic economy during the second half of the year remains relatively positive, based on healthy consumer spending and stable construction activity. The seasonal increased demand for foreign currency is expected to lead to the usual moderation in external reserve levels. Downside risks to this outlook remain the weakening in the US economy, as a result of the contagion effects from the collapse of the "sub-prime" housing market, and the recent strengthening in fuel prices.

Recent Monetary and Credit Statistics

(B\$ Millions)

JULY					
Value		Change		Change YTD	
2006	2007	2006	2007	2006	2007

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	180.54	255.41	-44.72	-40.88	-14.83	119.25
1.2 Excess Liquid Assets	168.80	243.44	-30.01	-21.99	56.35	234.01
1.3 External Reserves	631.19	609.84	-22.25	-56.71	48.26	157.93
1.4 Bank's Net Foreign Assets	-645.65	-658.26	0.87	34.51	-75.72	-25.87
1.5 Usable Reserves	298.67	256.44	-1.39	-36.35	38.54	97.73

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,319.04	5,880.49	63.39	52.88	401.17	232.45
a. B\$ Credit	4,837.07	5,405.02	71.78	54.10	381.13	251.44
of which: Consumer Credit	1,769.33	1,984.93	22.41	28.02	119.49	98.57
Mortgages	2,109.57	2,394.53	39.92	25.86	203.19	154.26
b. F/C Credit	481.97	475.47	-8.38	-1.22	20.04	-18.99
of which: Mortgages	28.89	37.28	5.19	2.06	16.60	5.95
2.2 Central Government (net)	698.48	725.06	71.37	-51.62	63.88	57.02
a. B\$ Loans & Securities	806.68	844.55	59.66	-43.05	55.77	55.34
Less Deposits	123.56	121.36	1.65	10.29	9.20	-2.49
b. F/C Loans & Securities	16.48	4.06	14.00	0.00	16.48	-0.90
Less Deposits	1.12	2.20	0.63	-1.72	-0.82	-0.09
2.3 Rest of Public Sector	353.38	310.35	-25.33	-12.83	40.20	-63.33
a. B\$ Credit	114.88	68.20	-5.33	-6.56	16.58	-63.57
b. F/C Credit	238.50	242.16	-20.00	-6.27	23.61	0.24
2.4 Total Domestic Credit	6,370.90	6,915.90	109.43	-11.57	505.25	226.15
a. B\$ Domestic Credit	5,635.07	6,196.41	124.45	-5.80	444.29	245.70
b. F/C Domestic Credit	735.83	719.48	-15.02	-5.78	60.96	-19.55

3.0 DEPOSIT BASE

3.1 Demand Deposits	1,182.31	1,095.31	6.67	-35.36	126.69	18.55
a. Central Bank	89.98	17.03	-0.72	-11.47	60.11	-0.19
b. Banks	1,092.33	1,078.28	7.39	-23.89	66.58	18.74
3.2 Savings Deposits	934.05	1,013.61	-3.73	-17.90	51.15	62.90
3.3 Fixed Deposits	2,710.06	3,015.12	8.99	25.08	133.02	234.17
3.4 Total B\$ Deposits	4,826.41	5,124.04	11.93	-28.18	310.85	315.62
3.5 F/C Deposits of Residents	164.00	189.75	-6.42	3.03	14.32	8.83
3.6 M2	5,009.78	5,333.86	10.09	-20.22	288.76	300.28
3.7 External Reserves/M2 (%)	12.60	11.43	-0.47	-1.02	0.25	2.46
3.8 External Reserves/Base Money (%)	111.91	89.51	4.16	-4.39	12.82	9.12

Value		Year to Date		Change	
2006	2007	2006	2007	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	-26.22	-61.08	35.20	142.77	-34.87	107.57
a. Net Purchase/(Sale) from/to Banks	-0.29	-35.62	162.87	252.37	-35.33	89.51
i. Sales to Banks	26.12	58.24	137.82	127.37	32.11	-10.45
ii. Purchases from Banks	25.83	22.62	300.69	379.75	-3.21	79.06
b. Net Purchase/(Sale) from/to Others	-25.93	-25.46	-127.67	-109.61	0.46	18.06
i. Sales to Others	53.54	45.90	258.54	291.84	-7.64	33.30
ii. Purchases from Others	27.61	20.43	130.87	182.23	-7.18	51.36
4.2 Banks Net Purchase/(Sale)	-7.90	3.90	150.70	244.78	11.80	94.08
a. Sales to Customers	329.80	348.51	1,854.30	1,981.16	18.72	126.86
b. Purchases from Customers	321.89	352.41	2,005.00	2,225.94	30.51	220.94
4.3 B\$ Position (change)	3.55	2.79				

5.0 EXCHANGE CONTROL SALES

5.1 Current Items	286.81	ND	1,964.78	ND	ND	ND
of which Public Sector	38.12	ND	299.38	ND	ND	ND
a. Nonoil Imports	119.77	ND	857.59	ND	ND	ND
b. Oil Imports	49.91	ND	290.35	ND	ND	ND
c. Travel	24.95	ND	141.36	ND	ND	ND
d. Factor Income	4.56	ND	82.12	ND	ND	ND
e. Transfers	6.65	ND	42.62	ND	ND	ND
f. Other Current Items	80.97	ND	550.74	ND	ND	ND
5.2 Capital Items	13.36	ND	93.25	ND	ND	ND
of which Public Sector	4.31	ND	21.92	ND	ND	ND
5.3 Bank Remittances	0.00	ND	27.00	ND	ND	ND

Sources: Research Department Weekly Brief Database and Banking Brief for the weeks ending: AUGUST 02, 2006 and AUGUST 01, 2007

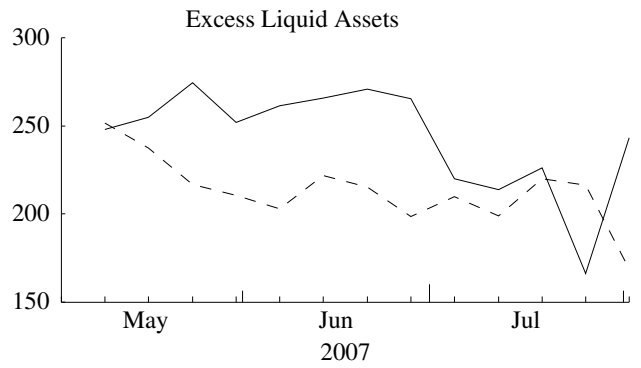
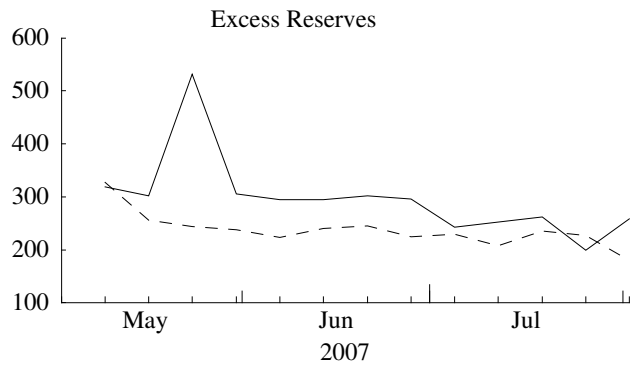
Exchange Control Sales figures are as at month end.

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.

Components may not sum to totals due to round-off error.

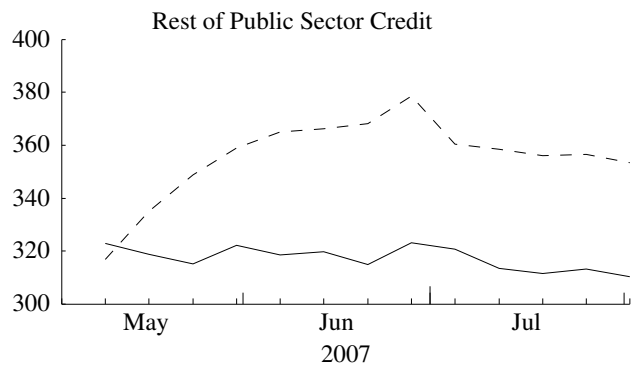
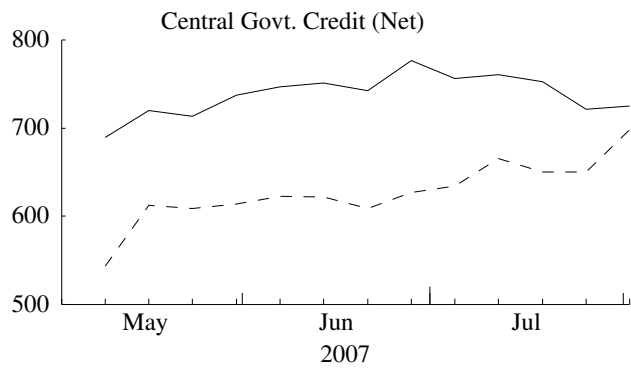
SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)



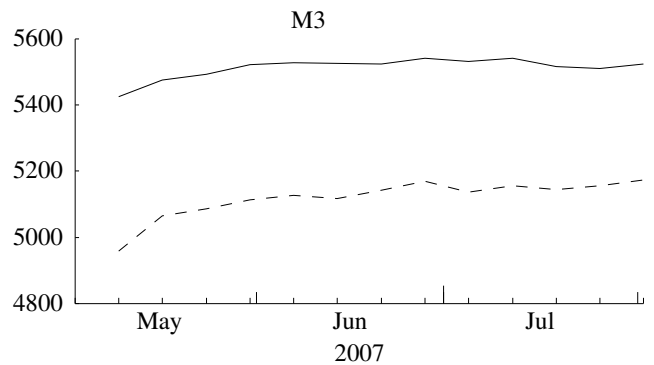
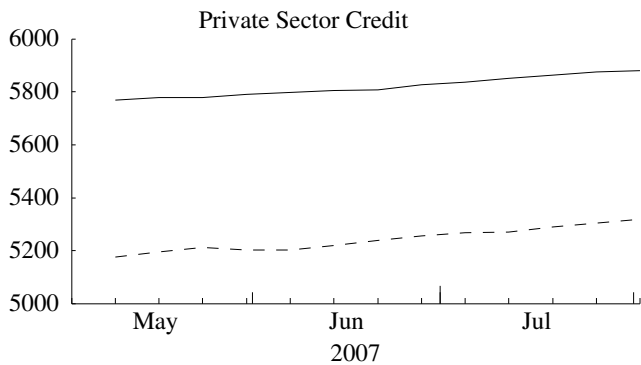
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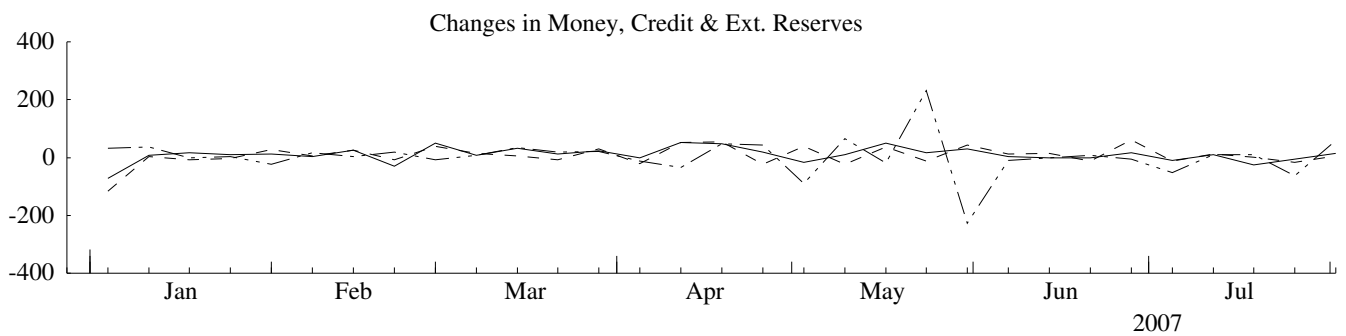
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— M3
- - - Domestic Credit
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Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2006	2007	2006	2007	2006	2007
Bahamas	4.0	4.5	1.9	1.9	7.6	n/a
United States	3.3	2.0	3.2	1.9	4.6	4.8
Euro-Area	2.8	2.6	2.2	2.0	7.7	7.3
<i>Germany</i>	2.8	2.6	1.8	2.0	8.1	7.8
Japan	2.2	2.6	0.2	0.3	4.1	4.0
United Kingdom	2.8	2.9	2.3	2.3	5.4	5.3
Canada	2.8	2.5	2.0	1.7	6.3	6.2

Sources: IMF World Economic Outlook Update, July 2007 & The Bahamas Department of Statistics.

B: Official Interest Rates - Selected Countries (%)					
<i>With effect</i> <i>from</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
	Bank Rate	Refinancing Rate	Primary Credit Rate	Target Funds Rate	Repo Rate
January 2006	5.25	2.25	5.50	4.50	4.50
February 2006	5.25	2.25	5.50	4.50	4.50
March 2006	5.25	2.50	5.75	4.75	4.50
April 2006	5.25	2.50	5.75	4.75	4.50
May 2006	5.25	2.50	6.00	5.00	4.50
June 2006	5.25	2.75	6.25	5.25	4.50
July 2006	5.25	2.75	6.25	5.25	4.50
August 2006	5.25	3.00	6.25	5.25	4.75
September 2006	5.25	3.00	6.25	5.25	4.75
October 2006	5.25	3.25	6.25	5.25	4.75
November 2006	5.25	3.25	6.25	5.25	5.00
December 2006	5.25	3.50	6.25	5.25	5.00
January 2007	5.25	3.50	6.25	5.25	5.25
February 2007	5.25	3.50	6.25	5.25	5.25
March 2007	5.25	3.75	6.25	5.25	5.25
April 2007	5.25	3.75	6.25	5.25	5.25
May 2007	5.25	3.75	6.25	5.25	5.50
June 2007	5.25	4.00	6.25	5.25	5.50
July 2007	5.25	4.00	6.25	5.25	5.75

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Jul-06	Jun-07	Jul-07	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.7833	0.7384	0.7308	-1.0	-3.5	-6.7
Yen	114.67	123.18	118.6	-3.7	-0.4	3.4
Pound	0.5354	0.4978	0.4923	-1.1	-3.6	-8.1
Canadian \$	1.1313	1.0654	1.0666	0.1	-8.5	-5.7
Swiss Franc	1.2312	1.2215	1.2011	-1.7	-1.5	-2.4

Source: Bloomberg as at July 31, 2007

D. Selected Commodity Prices (\$)					
Commodity	Jun 2006	Jun 2007	July 2007	Mthly % Change	YTD % Change
Gold / Ounce	636.74	649.65	664.30	2.3	4.3
Silver / Ounce	11.43	12.41	12.87	3.7	-0.2
Oil / Barrel	74.24	70.77	75.96	7.3	25.0

Source: Bloomberg as at July 31, 2007

E. Equity Market Valuations – July, 2007 (%chg)							
	BISX	DJIA	**S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225
1 month	1.61	-1.47	-3.20	-3.75	-5.02	-5.28	-4.90
3 month	3.10	-3.05	-4.92	-3.95	-5.78	-3.79	-3.51
YTD	10.04	6.01	0.99	2.24	3.78	14.96	0.13
12-month	18.58	18.12	12.55	7.28	14.81	33.48	11.59

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	5.38	5.77	4.05
1 Month	5.28	5.80	4.07
3 Month	5.30	6.00	4.24
6 Month	5.28	6.09	4.36
9 Month	5.25	6.17	4.42
1 year	5.22	6.23	4.48

Source: Bloomberg, as at July 31, 2007

SUMMARY ACCOUNTS OF THE CENTRAL BANK
(B\$ Millions)

	VALUE										CHANGE					
	Jun. 06	Jun. 13	Jun. 20	Jun. 27	Jul. 04	Jul. 11	Jul. 18	Jul. 25	Jun. 06	Jun. 13	Jun. 20	Jun. 27	Jul. 04	Jul. 11	Jul. 18	Jul. 25
I. External Reserves	697.28	688.03	683.96	666.55	633.72	629.38	623.64	610.93	6.44	-9.24	-4.08	-17.41	-32.83	-4.34	-5.74	-12.71
II. Net Domestic Assets (A + B + C + D)	10.95	14.49	23.50	43.33	31.08	41.46	48.85	-0.11	-22.29	3.54	9.01	19.83	-12.25	10.38	7.39	-48.97
A. Net Credit to Gov^t(i + ii + iii - iv)	167.49	167.86	166.79	168.16	162.07	169.58	167.19	131.33	1.09	0.37	-1.07	1.37	-6.09	7.51	-2.39	-35.86
i) Advances	71.99	71.99	71.99	71.99	71.99	71.99	71.99	71.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Registered Stock	104.35	104.30	104.26	104.95	104.04	105.93	105.99	115.01	0.48	-0.05	-0.04	0.69	-0.92	1.89	0.06	9.02
iii) Treasury Bills	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
iv) Deposits	8.85	8.43	9.46	8.78	13.95	8.33	10.79	55.67	-0.60	-0.42	1.03	-0.67	5.17	-5.62	2.45	44.88
B. Rest of Public Sector (Net) (i + ii - iii)	-52.66	-49.01	-38.83	-21.61	-26.37	-20.51	-13.45	-26.56	-22.12	3.65	10.18	17.21	-4.76	5.86	7.06	-13.11
i) BDB Loans	6.89	6.89	6.89	6.89	6.89	6.89	6.83	6.83	0.00	0.00	0.00	0.00	0.00	0.00	-0.06	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
iii) Deposits	59.54	55.90	45.71	28.50	33.26	27.40	20.27	33.38	22.12	-3.65	-10.18	-17.21	4.76	-5.86	-7.13	13.11
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
D. Other Items (Net)*	-103.88	-104.36	-104.47	-103.21	-104.62	-107.61	-104.88	-104.88	-1.25	-0.48	-0.11	1.25	-1.40	-2.99	2.72	-0.00
III. Monetary Base	708.23	702.52	707.45	709.88	664.79	670.84	672.49	610.82	-15.84	-5.71	4.93	2.42	-45.08	6.04	1.66	-61.68
A. Currency in Circulation	292.83	285.52	277.07	286.70	289.39	290.36	280.77	278.86	3.65	-7.31	-8.45	9.63	2.70	0.97	-9.59	-1.91
B. Bank Balances with CBOB	415.40	417.01	430.39	423.18	375.40	380.48	391.72	331.96	-19.49	1.61	13.38	-7.21	-47.78	5.07	11.24	-59.76

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

FISCAL/REAL SECTOR INDICATORS

(RS MILLIONS)

(% change represents current month from previous month)

Fiscal Operations:	YEAR TO DATE												YEAR TO DATE			
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
1. Government Revenue & Grants																
% change	106.1	106.7	86.6	114.1	79.9	79.9	111.1	111.1	123.3	102.0	102.0	115.4	113.3	105.6	113.0	126.7
% change	-29.02%	-18.87%	-8.33%	-7.42%	-30.44%	-30.44%	-10.06%	-10.06%	18.33%	-8.78%	-8.78%	-6.47%	-3.66%	-1.00%	-8.77%	20.07%
2. Import Duties																
% change	34.3	37.6	46.3	32.7	34.4	34.4	43.4	38.4	45.1	40.9	41.3	38.6	42.5	38.9	44.4	45.1
% change	-38.60%	-21.90%	8.92%	-12.38%	-3.54%	10.66%	14.38%	14.11%	41.50%	12.22%	-8.36%	-10.51%	2.96%	-13.22%	20.21%	1.60%
3. Recurrent Expenditure																
% change	84.7	99.6	91.6	83.1	84.5	93.1	103.3	88.0	98.3	98.7	98.2	100.6	94.7	91.1	106.8	91.7
% change	24.63%	1.56%	8.11%	-6.57%	-2.60%	13.90%	5.29%	7.62%	-2.88%	-3.23%	46.25%	-19.36%	-1.66%	-3.76%	3.49%	-14.19%
4. Capital Expenditure																
% change	5.5	5.6	6.0	11.7	14.9	13.0	7.4	11.3	13.6	6.6	11.1	15.5	13.4	7.3	18.3	12.1
% change	-57.43%	-82.87%	147.06%	11.04%	-50.13%	-13.19%	-7.83%	38.13%	31.92%	-29.79%	-18.90%	40.34%	18.02%	-45.06%	63.62%	-33.64%
5. Deficit/Suplus*																
% change	0.3	-0.8	-4.0	1.1	-16.6	3.2	-24.5	-41.8	-5.6	-3.4	-20.2	-4.8	-15.4	4.9	-23.3	18.3
% change	-99.30%	-97.27%	-147.17%	183.51%	-47.44%	-139.41%	-76.95%	-79.53%	267.24%	-90.49%	-99.99%	-76.08%	64.02%	-131.49%	107.30%	-178.83%

Debt, **	YEAR TO DATE												YEAR TO DATE			
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
6. Total Debt																
% change	2,092.2	2,310.0	2,376.4	2,437.1	2,290.3	2,415.3	2,316.5	2,437.1	2,316.3	2,436.2	2,297.4	2,436.2	2,297.4	2,529.2	2,436.2	2,529.2
% change	2.11%	0.03%	-0.42%	2.11%	0.02%	-0.49%	1.14%	0.91%	-0.01%	0.06%	-0.83%	0.06%	-0.83%	4.06%	0.06%	4.06%
7. External Debt																
% change	296.5	292.8	292.7	293.4	285.9	288.0	285.9	285.9	285.7	270.6	286.8	270.6	286.8	270.6	286.8	270.6
% change	0.67%	1.25%	0.27%	-0.03%	-0.48%	-0.48%	0.00%	0.59%	-0.04%	0.40%	0.36%	0.00%	0.36%	0.00%	0.00%	0.00%
8. Internal F/C Debt																
% change	0.0	1.6	0.0	1.6	2.3	0.7	2.5	0.7	2.5	0.7	2.5	0.7	2.5	0.7	2.5	0.7
% change	-100.00%	0.00%	0.00%	0.00%	0.00%	-57.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9. Bahamian Dollar Debt																
% change	2,022.7	2,022.7	2,022.7	2,132.1	2,002.2	2,146.6	2,022.7	2,132.1	2,002.2	2,146.6	2,022.7	2,132.1	2,002.2	2,146.6	2,022.7	2,146.6
% change	3.80%	-0.02%	0.00%	-0.48%	-0.99%	2.40%	-0.02%	0.68%	1.29%	0.94%	0.00%	0.00%	-0.99%	4.61%	0.00%	4.61%
10. Total Amortization																
% change	1.0	0.5	0.1	10.1	20.6	0.7	1.9	32.9	26.6	25.0	0.1	0.1	20.0	0.0	0.0	0.0
% change	-90.12%	-50.94%	-92.16%	1915.09%	36.0694%	-93.29%	-90.83%	4773.92%	131.39%	-24.06%	-99.33%	-24.06%	16.4434%	-100.00%	-99.33%	-100.00%

11. Total Public Sector F/C Debt	YEAR TO DATE												YEAR TO DATE			
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
% change	547.1	630.2	547.9	624.4	569.4	624.9	599.3	624.4	599.3	617.0	599.5	617.0	599.5	613.2	599.5	613.2
% change	-37.10%	-0.03%	-13.06%	14.70%	4.11%	9.63%	5.23%	3.83%	-1.16%	4.16%	-0.47%	4.16%	-0.47%	4.03%	4.16%	4.03%

Real Sector Indicators	YEAR TO DATE												YEAR TO DATE			
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
12. Retail Price Index																
% change	117.8	121.2	117.8	121.5	118.9	121.7	119.6	122.1	119.8	122.3	122.3	122.1	122.3	122.3	122.3	121.7
% change	-0.10%	0.51%	-0.01%	0.04%	1.06%	0.2%	0.6%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	2.6%
13. Tourist arrivals (000s)																
% change	398.4	397.3	398.8	376.7	503.5	423.2	404.7	385.5	408.5	383.3	408.5	383.3	408.5	383.3	408.5	383.3
% change	-6.74%	2.31%	-3.64%	-4.35%	-0.70%	-14.8%	-0.22%	-11.2%	3.39%	-9.6%	3.39%	-9.6%	3.39%	-9.6%	3.39%	-6.59%
14. Air arrivals (000s)																
% change	109.8	103.4	126.7	118.1	171.6	168.0	189.3	144.0	138.4	126.5	152.2	139.0	152.2	139.0	152.2	139.0
% change	5.64%	-5.83%	2.46%	-8.22%	-2.60%	9.36%	-9.6%	1.24%	-8.6%	1.72%	-8.1%	-8.6%	1.72%	-8.1%	1.72%	-8.1%
15. Occupied Room Nights																
% change	187.7	161.6	202.0	169.8	241.5	220.2	187.7	161.6	202.0	169.8	241.5	220.2	187.7	161.6	202.0	169.8
% change	9.82%	-13.91%	6.71%	-15.94%	11.22%	-8.82%	6.71%	-15.94%	11.22%	-8.82%	6.71%	-15.94%	11.22%	-8.82%	6.71%	-15.94%
16. Res. Mortgage Commitments-New Const.																
% change	104.80	57.7	104.80	57.7	104.80	57.7	104.80	57.7	104.80	57.7	104.80	57.7	104.80	57.7	104.80	57.7
% change	11.46%	-44.93%	11.46%	-44.93%	11.46%	-44.93%	11.46%	-44.93%	11.46%	-44.93%	11.46%	-44.93%	11.46%	-44.93%	11.46%	-44.93%

* Includes Net Lending to Public Companies

** Debt figures pertain to central government only unless otherwise indicated

P - provisional

Annually T-12 Real Price data are averages.