



Monthly Economic and Financial Developments May 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: July 30th, September 3rd, October 1st, October 29th, December 3rd

1. Domestic Economic Developments

Preliminary evidence suggests steadied economic growth during the month of May, buoyed by ongoing construction activity on tourism-related investments, relative to moderated tourism inflows and subdued firming in domestic demand. In this environment, net foreign currency inflows strengthened, supporting improvements in both bank liquidity and external reserves.

The most recent data on the tourism sector, for the month of March 2007, indicated that, compared to the same month last year, visitor arrivals fell marginally by 0.7% to 0.5 million, reflecting a contraction in air arrivals of 2.1% and a relatively unchanged number of sea visitors. In terms of the major markets, total arrivals to New Providence rose by 2.1%, as a 4.6% decrease in air visitors was overshadowed by a 7.1% rise in sea tourists. Conversely, declines in both air (1.7%) and sea (13.4%) arrivals caused a 9.8% reduction in visitors to Grand Bahama, and arrivals to the Family Islands fell by 1.4%, owing to the 3.7% softening in sea traffic that outpaced an 8.6% improvement in air visitors.

With regard to prices, the rate of inflation during the twelve-months ending May 2007 firmed to 2.4% from 1.7% in the previous year. Registering notable costs increases were food & beverages (4.16%), recreation entertainment & services (3.18%), medical care & health (2.58%) and furniture & household operations (2.26%). However, average inflation for housing and education softened to 1.13% and 0.57% respectively.

Over the first eleven months of FY2006/07, the deficit on Government's budgetary operations increased slightly to a preliminary \$91.4 million from \$88.8 million in the previous fiscal year. While the outcome was supported by a 12.2% strengthening in total revenue to \$1,210.4 million, more intensified capital spending of 31.2% boosted total expenditure by 11.2% to \$1,248.8 million. Revenue gains included a 6.5% rise in collections of trade taxes as well as robust strengthening in "other" unclassified receipts from both tax and non-tax sources. Meanwhile, recurrent outlays rose at a steady pace of 9.3% to \$1,116.9 million, to comprise 89.4% of total spending.

2. International Developments

Global economic growth continued to be sustained by strengthened export activity and domestic demand in Asia and Europe, contrasting with some sluggishness in the United States, owing to weakness in the housing sector.

A benign inflation environment and weakened economic conditions led the United States' Federal Reserve to maintain its primary lending and target funds rates at 6.25% and 5.25%, respectively through the month of May. Buoyed by a marginal increase in exports and a reduction in imports, the goods and services deficit in the United States fell on a monthly basis by \$3.9 million to \$58.5 billion in April. Further, retail sales rose by 1.4% in May, the fastest pace in over a year. Inflation firmed to 0.7%, following the 0.4% increase registered in the previous month, while the unemployment rate was unchanged at 4.5%.

China's economy continued to experience healthy growth, buttressed by strong export gains and robust capital market conditions. During May, the country's exports were 28.7% higher than last year, with a corresponding firming in the trade surplus by 73% to \$22.5 billion. Moreover, retail

sales firmed by 15.9% to \$94.0 billion, the most rapid monthly growth in three years. Driven by higher food and consumer goods costs, the consumer price index rose by 3.4% in May on a yearly basis, 0.4 percentage points higher than the previous month's level. Monetary policy remained focused on containing credit growth to temper domestic demand, with the Bank of China further tightening interest rates and raising banks' reserve requirements.

Growth in the Japanese economy strengthened to 3.3% on an annual basis at the end of the first quarter, 1.1 percentage points higher than the year earlier period. In April, the unemployment rate fell to a three-year low of 3.8%, while consumer prices rose on a monthly basis by 0.3%. Despite signs of strengthening in the economy amid an inflationary trend, concerns over the pace of the economic recovery prompted the Bank of Japan to leave its key interest rate unchanged at 0.5%.

In the United Kingdom, real output continued at a healthy pace through May, supported by strengthened household spending and increasing business investments. In May, the unemployment rate fell incrementally to 2.7%, the lowest level in more than a year. Buttressed mainly by reductions in gas, electricity, food and clothing costs, the inflation rate moderated by 0.3 percentage points to 2.5%; its lowest level in seven months. However, fears that inflationary pressures remained significant prompted the Bank of England to increase its key Repo rate by 25 basis points to 5.50%.

Economic indicators in the Euro area improved through the early months of the second quarter of 2007, with more favourable trends registered in both domestic and external demand. Consequently, a further reduction occurred in average unemployment, by 0.1 percentage points to 7.1% through end-April. Robust demand contributed to increased non-energy cost pressures and a slight rise in the annualized consumer price index to 1.9% in the three-months through May. However, with inflation still below the monetary authorities' target rate of 2.0%, the European Central Bank decided to leave its refinancing rate unchanged.

In energy markets, crude oil prices rose marginal by 0.3% to \$67.88 per barrel over the review month, reflecting concerns over West African supply, new political developments in the Middle East, and a slight reduction in output. With respect to other major commodities, the price of silver increased marginally by 0.1% to \$13.43 per ounce, while gold prices softened by 2.6% to \$660.50 per ounce.

In the global equity markets, all of the major indices rallied during the review month. In the United States, the Dow Jones Industrial Average and the S&P 500 index rose by 4.32% and 3.0%, respectively. Among the main European indices, the United Kingdom's FTSE 100 index appreciated by 2.7%; France's CAC 40 index, by 2.4% and Germany's DAX share price index, by 6.4%. Similarly, Japan's Nikkei 225 index gained 2.7%.

3. Domestic Monetary and Credit Trends

Money and credit trends for the month of May featured improvements in both liquidity and external reserves, occasioned by increased foreign currency inflows and a tapering in credit expansion. A similar pattern was observed over the first five months of the year, as the strengthening in tourism-related investment inflows and moderated credit growth facilitated more robust rebuilding of liquidity and external reserves.

May 2007 vs. 2006

During the month, banks' excess reserves increased by \$52.1 million, a turnaround from the \$40.7 million downturn a year ago. Additionally, excess liquid assets firmed by \$24.7 million vis-à-vis growth of \$31.4 million in 2006.

External reserves increased by \$37.0 million to \$690.8 million in May, more than doubled the \$15.7 million gain of the previous year. In particular, the Central Bank's net foreign currency purchase from commercial banks firmed by \$23.6 million to \$52.0 million, as the latter's net purchase from customers rose more than three-fold to \$51.1 million. Meanwhile, the net sale to the public sector was nearly stable at \$15.3 million.

Bahamian dollar credit growth narrowed by approximately one-third to \$58.0 million, occasioned by a halving in private sector credit expansion to \$32.9 million. This followed a nearly two-third reduction in consumer credit growth to \$8.6 million and moderate slackening in mortgage gains to \$23.0 million. Conversely, the advance in net claims on Government firmed slightly to \$21.3 million, incorporating a \$45.3 million Registered Stock issue, while growth in credit to the rest of the public sector steadied at \$3.8 million.

Domestic foreign currency credit, which rose by \$19.5 million last year, contracted by \$11.2 million during the review month. Claims on the private sector decreased further by \$6.9 million, following a \$14.6 million reduction last year. In addition, net credit to Government and the rest of the public sector declined by \$1.7 million and \$2.7 million, in contrast to respective expansions of \$1.3 million and \$32.8 million in the previous year.

During the month, growth in Bahamian dollar deposits moderated by \$21.9 million to \$89.3 million, reflecting a more than two-third narrowing in accretions to demand deposits to \$24.1 million, following public corporations' participation in the Government bond issue. Conversely, savings deposits rose by \$21.0 million, reversing last year's decline of \$1.5 million, and fixed deposits growth strengthened to \$44.2 million from \$30.4 million.

In terms of interest rates, the weighted average deposit rate at banks softened by 2 basis points to 3.63%, with the highest rate offered stable at 6.50% for fixed maturities of 6 to 12 months. Meanwhile, the weighted average loan rate trended upwards by 29 basis points to 10.86%.

January–May 2007

Supported by accelerated deposit growth and abated credit expansion, the build-up in banks' excess liquidity strengthened more than three-fold to \$305.7 million. Similarly the improvement in the broader excess liquid assets more than doubled at \$213.6 million to \$223.1 million.

Buoyed by steadied tourism earnings and robust investment inflows, external reserve gains widened to \$238.9 million from \$80.7 million in 2006. The Central Bank's net foreign currency purchase increased by \$156.5 million to \$230.0 million, as the net intake from commercial banks nearly doubled to \$294.0 million. Meanwhile, the Bank's net sale to the public sector moderated by \$13.2 million to \$63.9 million. Transactions with the banking sector mirrored net private sector inflows, as commercial banks' net foreign currency purchase from customers rose to \$271.7 million from \$140.6 million.

Amid moderation in the private sector component, Bahamian dollar credit expansion eased to \$169.0 million, from a \$237.2 million upturn in the previous year. In particular, the advance in private sector credit tapered by \$102.3 million to \$155.1 million, led by respective slackening in consumer credit and mortgage growth by 32.7% and 20.4% to \$51.9 million and \$107.9 million. Moreover, credit to the public corporations fell by \$58.0 million, after an increase of \$2.2 million in 2006 and net claims on the Government rose by \$71.8 million, reversing last year's contraction of \$22.4 million.

During the first five months of the year, domestic foreign currency credit fell by \$7.8 million, a turnaround from the \$73.3 million expansion registered a year earlier. This outturn reflected a reduction in private sector credit by \$12.0 million, in contrast to growth of \$23.1 million in 2006. Further, net claims on Government narrowed by \$2.2 million vis-à-vis an expansion of \$1.5 million in the previous year, and the expansion in credit to the rest of the public sector slowed by 86.7% to \$6.5 million.

Bahamian dollar deposit growth strengthened by \$84.0 million to \$331.4 million, as accretions to fixed deposits accelerated to \$199.4 million from \$98.4 million and saving deposits to \$66.5 million from \$41.2 million in the previous year. In contrast, demand deposit gains moderated to \$65.5 million, following last year's \$107.8 million upturn.

4. Outlook

The economic outlook for the domestic economy remains positive for the remainder of 2007, underpinned by anticipated strengthening in tourism and residential construction activities. The moderated trend in credit expansion is expected to continue and should support overall increases in external reserves and bank liquidity in the year-end comparison vis-à-vis 2006. Nevertheless, the deceleration in growth in the United States tourist market, combined with potentially higher fuel prices, could pose some challenges for the Bahamian economy in the near term.

Recent Monetary and Credit Statistics

(B\$ Millions)

MAY						
Value		Change		Change YTD		
2006	2007	2006	2007	2006	2007	

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	238.28	305.67	-40.67	52.14	42.90	169.51
1.2 Excess Liquid Assets	210.81	251.94	31.39	53.59	98.36	242.51
1.3 External Reserves	663.61	690.83	15.73	36.99	80.69	238.92
1.4 Bank's Net Foreign Assets	-642.14	-707.13	-7.91	22.16	-72.22	-74.74
1.5 Usable Reserves	307.07	305.13	9.59	8.10	46.95	146.42

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,198.34	5,791.08	53.00	25.96	280.47	143.04
a. B\$ Credit	4,713.29	5,308.67	67.64	32.86	257.35	155.09
of which: Consumer Credit	1,726.96	1,938.23	22.93	8.63	77.12	51.88
Mortgages	2,041.98	2,348.16	38.78	23.00	135.59	107.88
b. F/C Credit	485.05	482.41	-14.64	-6.90	23.12	-12.04
of which: Mortgages	19.37	34.97	0.46	-1.58	7.09	3.65
2.2 Central Government (net)	613.70	737.70	21.78	19.66	-20.90	69.66
a. B\$ Loans & Securities	730.72	846.64	-14.30	25.94	-20.19	57.43
Less Deposits	116.54	109.39	-34.74	4.61	2.18	-14.46
b. F/C Loans & Securities	1.93	4.06	-0.33	-0.90	1.93	-0.90
Less Deposits	2.41	3.62	-1.67	0.76	0.47	1.32
2.3 Rest of Public Sector	364.08	322.20	36.69	1.13	50.89	-51.48
a. B\$ Credit	100.52	73.77	3.88	3.80	2.22	-57.99
b. F/C Credit	263.56	248.43	32.81	-2.67	48.67	6.52
2.4 Total Domestic Credit	6,176.12	6,850.98	111.47	46.75	310.46	161.23
a. B\$ Domestic Credit	5,427.99	6,119.70	91.96	57.98	237.21	168.98
b. F/C Domestic Credit	748.13	731.28	19.51	-11.23	73.25	-7.76

3.0 DEPOSIT BASE

3.1 Demand Deposits	1,163.38	1,142.29	82.30	24.11	107.76	65.52
a. Central Bank	81.45	37.43	57.52	0.56	51.58	20.21
b. Banks	1,081.94	1,104.86	24.78	23.55	56.18	45.32
3.2 Savings Deposits	924.11	1,017.16	-1.54	20.99	41.22	66.45
3.3 Fixed Deposits	2,675.44	2,980.34	30.38	44.18	98.40	199.39
3.4 Total B\$ Deposits	4,762.94	5,139.78	111.14	89.28	247.39	331.36
3.5 F/C Deposits of Residents	160.83	172.19	15.43	12.55	11.14	-8.72
3.6 M2	4,953.05	5,350.44	120.32	93.28	232.03	316.86
3.7 External Reserves/M2 (%)	13.40	12.91	-0.01	0.47	1.05	3.93
3.8 External Reserves/Base Money (%)	106.57	95.41	6.77	-2.33	7.48	15.02

Value		Year to Date		Change	
2006	2007	2006	2007	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	13.37	36.67	73.57	230.03	23.30	156.45
a. Net Purchase/(Sale) from/to Banks	28.43	51.98	150.70	293.95	23.55	143.24
i. Sales to Banks	17.51	5.10	94.22	50.59	-12.41	-43.63
ii. Purchases from Banks	45.94	57.08	244.92	344.53	11.14	99.61
b. Net Purchase/(Sale) from/to Others	-15.06	-15.31	-77.13	-63.92	-0.25	13.21
i. Sales to Others	33.54	30.10	170.25	214.56	-3.44	44.31
ii. Purchases from Others	18.48	14.79	93.12	150.64	-3.69	57.52
4.2 Banks Net Purchase/(Sale)	16.40	51.14	140.60	271.66	34.74	131.07
a. Sales to Customers	306.70	254.97	1,288.25	1,349.52	-51.73	61.27
b. Purchases from Customers	323.10	306.11	1,428.85	1,621.19	-16.99	192.34
4.3 B\$ Position (change)	1.49	21.28				

5.0 EXCHANGE CONTROL SALES

5.1 Current Items	291.90	0.00	1,378.10	687.01	-291.90	-691.09
of which Public Sector	36.47	0.00	212.87	92.25	-36.47	-120.62
a. Nonoil Imports	120.05	0.00	615.31	324.51	-120.05	-290.80
b. Oil Imports	44.76	0.00	186.92	67.48	-44.76	-119.43
c. Travel	22.38	0.00	94.03	50.58	-22.38	-43.46
d. Factor Income	24.71	0.00	71.93	14.97	-24.71	-56.96
e. Transfers	5.47	0.00	29.09	22.19	-5.47	-6.91
f. Other Current Items	74.54	0.00	380.82	207.27	-74.54	-173.55
5.2 Capital Items	10.87	0.00	69.75	26.90	-10.87	-42.85
of which Public Sector	0.00	0.00	13.28	11.21	0.00	-2.07
5.3 Bank Remittances	12.00	0.00	27.00	12.30	-12.00	-14.70

Sources: Research Department Weekly Brief Database and Banking Brief for the weeks ending: MAY 31, 2006 and MAY 30, 2007

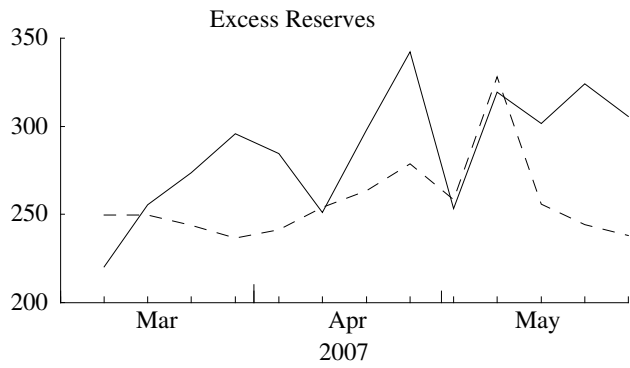
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Exchange Control Sales figures are as at month end.

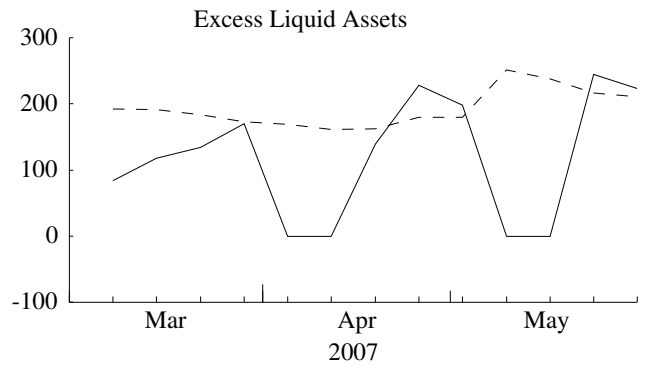
Notes: 1.0, 2.0 and 3.0 YTD change reflects change of current month over previous year end; for 4.0 and 5.0 change is over corresponding period of previous year.

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

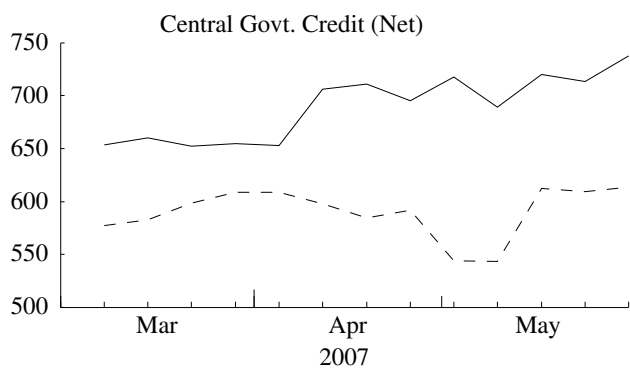
SELECTED MONEY AND CREDIT INDICATORS (B\$ Millions)



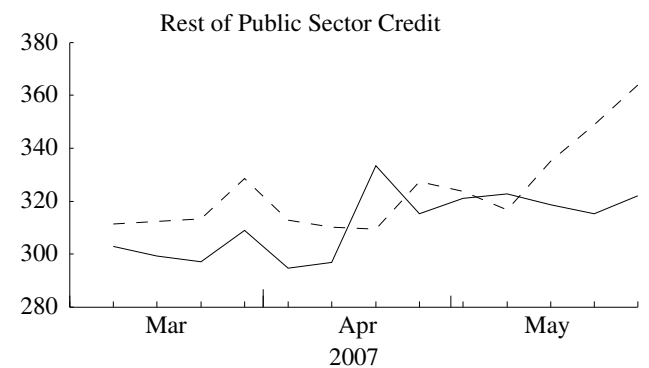
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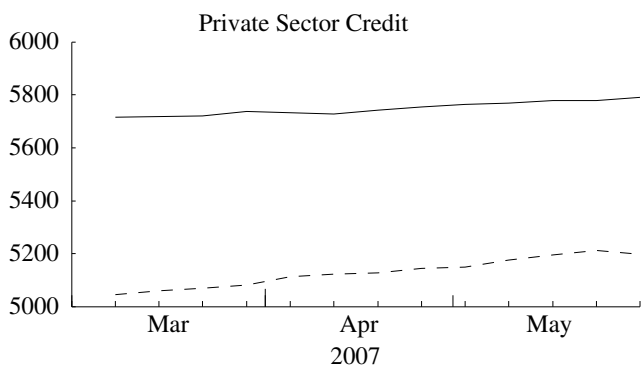
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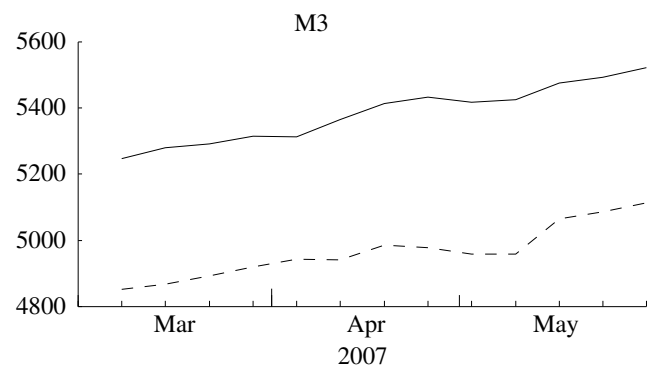
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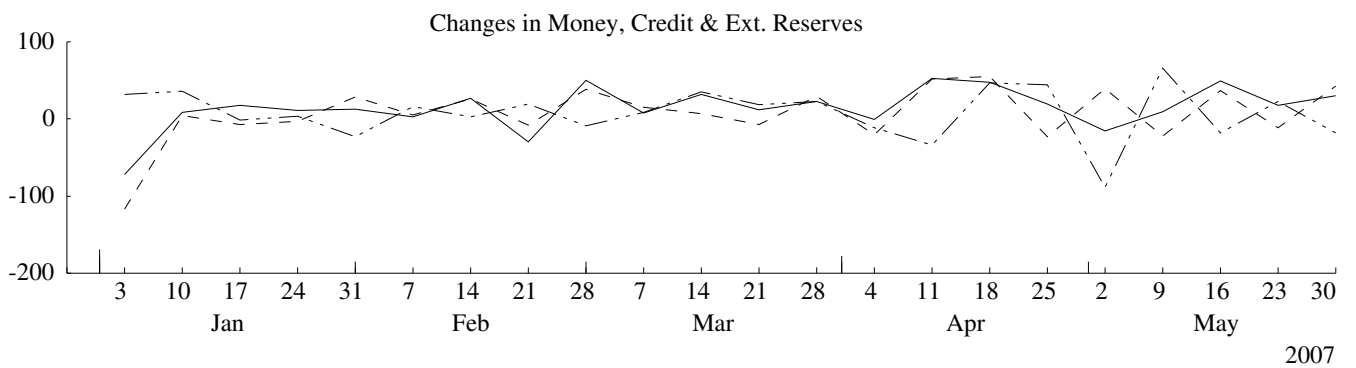
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— M3
- - - Domestic Credit
- · - · External Reserves

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	2.2	3.2	1.9	4.6	4.8
Euro-Area	2.6	2.3	2.2	2.0	7.7	7.3
<i>Germany</i>	<i>1.8</i>	<i>1.9</i>	<i>1.8</i>	<i>2.0</i>	<i>8.1</i>	<i>7.8</i>
Japan	2.2	2.3	0.2	0.3	4.1	4.0
United Kingdom	2.7	2.9	2.3	2.3	5.4	5.3
Canada	2.7	2.4	2.0	1.7	6.3	6.2
<i>Sources: IMF World Economic Outlook, April 2007 & The Bahamas Department of Statistics.</i>						

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

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	May-06	Apr-07	May-07	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.7808	0.7327	0.7433	1.4	-1.9	-4.8
Yen	112.65	119.5	121.73	1.8	2.2	8.1
Pound	0.5348	0.5001	0.5051	1.0	-1.1	-5.6
Canadian \$	1.1016	1.1097	1.0689	-3.7	-8.3	-3.0
Swiss Franc	1.2192	1.2073	1.2254	1.5	0.5	0.5

Source: Bloomberg as at May 31, 2007

D. Selected Commodity Prices (\$)					
Commodity	May 2006	April 2007	May 2007	Mthly % Change	YTD % Change
Gold / Ounce	645.20	678.45	660.5	-2.6	3.7
Silver / Ounce	12.54	13.41	13.43	0.1	4.1
Oil / Barrel	71.50	67.67	67.88	0.3	11.7

Source: Bloomberg as at May 31, 2007

E. Equity Market Valuations – April, 2007 (%chg)							
	BISX	DJIA	**S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225
1 month	0.18	4.32	2.99	2.67	2.42	6.40	2.73
3 month	0.44	10.31	7.11	4.97	8.34	13.97	3.40
YTD	6.73	9.34	6.37	6.44	10.15	19.50	3.77
12-month	19.11	22.02	18.48	15.68	23.81	38.47	15.57

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	5.25	5.55	3.82
1 Month	5.28	5.62	4.00
3 Month	5.30	5.76	4.09
6 Month	5.34	5.91	4.22
9 Month	5.34	6.02	4.35
1 year	5.36	6.12	4.34

Source: Bloomberg, as at May 31, 2007

** Revised

SUMMARY ACCOUNTS OF THE CENTRAL BANK

(B\$ Millions)

	VALUE												CHANGE					
	Apr. 04	Apr. 11	Apr. 18	Apr. 25	May. 02	May. 09	May. 16	May. 23	May. 30	Apr. 04	Apr. 11	Apr. 18	Apr. 25	May. 02	May. 09	May. 16	May. 23	May. 30
I. External Reserves	627.80	615.31	649.36	669.85	653.84	681.69	673.66	694.63	690.83	7.11	-12.49	34.05	20.49	-16.01	27.85	-8.03	20.97	-3.80
II. Net Domestic Assets (A + B + C + D)	65.30	43.73	48.28	72.53	15.09	42.43	29.67	31.93	33.24	-11.20	-21.57	4.55	24.26	-57.44	27.34	-12.76	2.27	1.31
A. Net Credit to Gov[†](i + ii + iii - iv)	188.10	179.28	183.05	206.04	154.92	169.30	168.15	169.31	166.40	-5.92	-8.81	3.77	22.99	-51.12	14.38	-1.15	1.16	-2.91
i) Advances	61.99	61.99	61.99	71.99	71.99	71.99	71.99	71.99	71.99	0.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	0.00
ii) Registered Stock	90.63	90.66	90.66	90.58	90.30	105.61	105.45	105.51	103.87	-0.07	0.02	0.01	-0.08	-0.28	15.30	-0.15	0.05	-1.64
iii) Treasury Bills	44.18	45.19	40.22	50.17	0.00	0.00	0.00	0.00	0.00	-4.97	1.01	-4.97	9.95	-50.17	0.00	0.00	0.00	0.00
iv) Deposits	8.71	18.55	9.81	6.70	7.37	8.30	9.29	8.19	9.45	0.88	9.84	-8.74	-3.12	0.67	0.93	1.00	-1.11	1.27
B. Rest of Public Sector (Net) (i + ii - iii)	-18.47	-40.33	-29.01	-27.74	-29.98	-17.12	-33.11	-32.74	-30.54	-3.96	-21.86	11.33	1.27	-2.24	12.86	-15.99	0.37	2.20
i) BDB Loans	6.96	6.96	6.96	6.89	6.89	6.89	6.89	6.89	6.89	0.00	0.00	0.00	-0.08	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	25.43	47.29	35.97	34.63	36.86	24.00	39.99	39.63	37.43	3.96	21.86	-11.33	-1.34	2.24	-12.86	15.99	-0.37	-2.20
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)*	-104.33	-95.22	-105.77	-105.77	-109.85	-109.75	-105.38	-104.63	-102.62	-1.33	9.10	-10.55	0.00	-4.08	0.10	4.38	0.74	2.01
III. Monetary Base	693.10	659.03	697.64	742.38	668.93	724.12	703.33	726.56	724.07	-4.09	-34.07	38.60	44.74	-73.45	55.19	-20.79	23.23	-2.49
A. Currency in Circulation	297.15	291.90	279.71	281.38	287.37	281.46	283.77	275.23	289.18	24.81	-5.25	-12.19	1.67	5.99	-5.91	2.31	-8.54	13.95
B. Bank Balances with CBOB	395.95	367.13	417.93	461.00	381.57	442.66	419.56	451.33	434.89	-28.91	-28.82	50.79	43.07	-79.43	61.10	-23.10	31.77	-16.44

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

FISCAL/REAL SECTOR INDICATORS

(\$5 MILLIONS)
(% change represents current month from previous month)

	JUL		AUG		SEP		OCT		NOV		DEC		JAN		FEB		MAR		APR		MAY		YEAR TO DATE			
	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007	2006/2006	2007/2007		
Fiscal Operations:																										
1. Government Revenue & Grants % change	90.6 -29.02%	106.1 -18.87%	94.7 4.52%	106.7 0.59%	86.6 -8.53%	114.1 6.87%	79.9 -7.74%	79.4 -30.44%	103.0 28.90%	103.0 28.90%	115.7 45.83%	90.59 -22.02%	104.04 -10.10%	111.1 22.07%	123.3 18.53%	102.0 -8.18%	113.3 -1.87%	98.1 -3.86%	115.4 -6.47%	109.2 11.30%	108.2 -0.77%	105.6 -6.77%	113.0 3.50%	126.7 20.01%	1078.69 18.5%	1210.39 12.2%
2. Import Duties % change	34.32 -38.60%	37.80 -0.22%	37.39 0.09%	46.30 0.22%	32.69 -0.13%	34.37 0.26%	31.53 -0.04%	38.04 0.11%	42.37 0.34%	42.37 0.34%	43.41 0.14%	31.85 -24.83%	36.44 -16.04%	45.06 41.50%	40.90 12.22%	41.293 -8.36%	44.2 20.79%	42.5 2.91%	36.6 -10.51%	36.9 -13.12%	44.3 0.31%	44.4 20.21%	45.1 1.00%	420.27 16.7%	447.48 6.5%	
3. Recurrent Expenditure % change	84.748 24.63%	98.63 0.02%	91.63 0.08%	93.09 -0.07%	84.52 -0.08%	90.86 -0.03%	93.11 0.10%	103.27 0.14%	98.01 0.05%	98.01 0.05%	111.13 0.08%	95.18 -2.88%	85.29 -21.23%	98.67 3.66%	124.74 46.23%	96.2 -2.46%	110.0 9.32%	94.7 -1.60%	100.6 -19.36%	91.1 -3.76%	106.8 -2.86%	94.3 3.49%	91.7 -14.19%	1022.28 9.4%	1116.85 9.3%	
4. Capital Expenditure % change	5.489 -0.574	5.55 -0.83	6.02 0.10	11.71 1.11	14.90 1.48	13.00 0.11	7.37 -0.51	11.29 -0.13	6.80 -0.08	6.80 -0.08	10.33 -0.08	9.39 38.13%	13.63 31.92%	6.59 -29.79%	11.05 -18.90%	11.3 71.90%	9.6 -38.39%	13.4 18.02%	15.5 40.34%	7.3 -45.06%	18.3 91.13%	12.018 63.62%	12.1 -33.64%	100.61 74%	131.99 31%	
5. Deficit/Suplus* % change	0.30 -99.30%	-0.75 -0.97	-4.00 -14.17	1.13 -2.30	-16.58 3.14	3.23 7.86	-24.46 0.48	-41.83 -13.94	-5.64 -0.77	-5.64 -0.77	-8.56 -0.80	-20.59 265.24%	-3.41 -60.14%	-0.002 -99.99%	-20.21 492.23%	-9.4 469.230.00%	-4.8 -76.08%	-15.4 64.02%	-4.8 107.30%	4.9 -131.74%	-23.3 107.30%	2.0 -58.48%	18.3 -178.85%	-88.84 -58.30%	-91.37 2.84%	

	JAN		FEB		MAR		APR		MAY	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
Debt: **										
6. Total Debt % change	2,309.2 3.31%	2,382.9 -0.02%	2,310.0 0.03%	2,372.8 -0.42%	2,289.9 -0.87%	2,423.5 2.14%	2,290.3 0.02%	2,411.7 -0.49%	2,316.5 1.14%	2,433.5 0.91%
7. External Debt % change	286.5 0.67%	289.2 0.00%	287.3 0.27%	289.1 -0.03%	287.2 -0.02%	289.8 0.25%	285.9 -0.48%	284.4 -8.79%	285.9 0.00%	286.0 0.00%
8. Internal F/C Debt % change	0.0 -100.00%	1.6 0.00%	0.0 0.00%	1.6 0.00%	0.0 0.00%	1.6 0.00%	2.3 57.17%	0.7 -37.17%	2.5 0.00%	0.7 0.00%
9. Bahamian Dollar Debt % change	2,022.7 3.80%	2,092.1 -0.02%	2,022.7 0.00%	2,082.1 -0.48%	2,002.7 -0.99%	2,132.1 2.40%	2,002.2 -0.02%	2,146.6 0.68%	2,028.1 1.25%	2,166.9 0.94%
10. Total Amortization % change	1.0 -90.12%	0.5 -50.94%	0.1 -92.16%	10.1 1915.69%	20.6 26166.94%	0.7 -93.29%	1.9 -90.88%	32.9 4773.78%	26.6 1317.339%	25.0 -24.06%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		YEAR TO DATE	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
11. Total Public Sector F/C Debt	547.1 -37.10%	626.5 -0.62%	547.9 -12.55%	624.7 14.02%	570.4 4.11%	621.6 8.98%	569.4 -0.18%	553.7 -2.75%	599.3 5.23%	553.2 -7.69%														

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		YEAR TO DATE	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
Real Sector Indicators																								
12. Retail Price Index % change	117.8 -0.10%	121.2 0.51%	117.8 -0.01%	121.42 0.16%	117.8 0.02%	121.5 0.04%	118.9 1.0%	121.75 0.2%	119.6 0.6%	122.1 0.3%														
13. Tourist arrivals (000's) % change: over previous year	388.4 -6.74%	397.3 2.31%	393.8 -5.64%	376.7 -4.35%	503.5 -1.85%	500.0 -0.70%	500.0 0.0%	503.5 0.7%	503.5 0.0%	503.5 0.0%														
14. Air arrivals (000's) % change: over previous year	109.8 5.64%	103.4 -5.83%	128.7 2.47%	118.1 -8.22%	171.6 3.79%	168.0 -2.08%																		
15. Occupied Room Nights % change: over previous year																								
16. Res. Mortgage Commitments-New Const. % change: over previous YTD																								

* Includes Net Lending to Public Corporations
** Debt figures pertain to central government only unless otherwise indicated
P - provisional
Annual/FYTD Retail Price data are averages.