



Monthly Economic and Financial Developments October 2022

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:

2022: December 28



OCTOBER 2022 SUMMARY

MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS

Overall Economic Activity

During the month of October, the domestic economy sustained its recovery trajectory from the negative effects of the Novel Coronavirus (COVID-19) pandemic. Tourism sector output remained buoyant, bolstered by healthy growth in the high value-added air segment and recovered sea traffic, reflecting relaxed pandemic restrictions and the pent-up demand for travel in the key source market.

Inflation

Average consumer price inflation—as measured by changes in the average Retail Price Index (RPI) for The Bahamas—accelerated during the twelve months to September, mainly attributed to the pass-through effects of higher global oil prices.

Monetary Sector

Monetary sector developments featured a reduction in banking sector liquidity, as the expansion in domestic credit, contrasted with the decline in the deposit base. Further, in line with the seasonal increase in demand for foreign currency, external reserves decreased during the review month.

International Economies

Global economic performance varied during the month of October, largely reflecting the impact of the geopolitical tensions in Eastern Europe, rising inflation and the ongoing spread of the COVID-19 virus. In this environment, most major central banks maintained their monetary policy stances during the review month, but indicated more upcoming tightening in their posture, amid rising inflation.



Monthly Economic and Financial Developments (MEFD)

October 2022

1. Domestic Economic Developments

Overview

Preliminary indications are that, during the month of October, the domestic economy sustained its recovery trajectory from the negative effects of the Novel Coronavirus (COVID-19) pandemic. Tourism sector output remained buoyant, bolstered by healthy growth in the high value-added air segment and recovered sea traffic, given the relaxed pandemic restrictions and pent-up demand for travel in the key source market. In the latest available data, domestic inflation rose during the twelve months through September, largely attributed to the pass-through effects of higher global oil prices. Monetary developments for the month of October featured a contraction in bank liquidity, as the expansion in domestic credit, contrasted with the decline in the deposit base. Further, in line with the seasonal increase in demand for foreign currency, external reserves decreased during the review month.

Real Sector

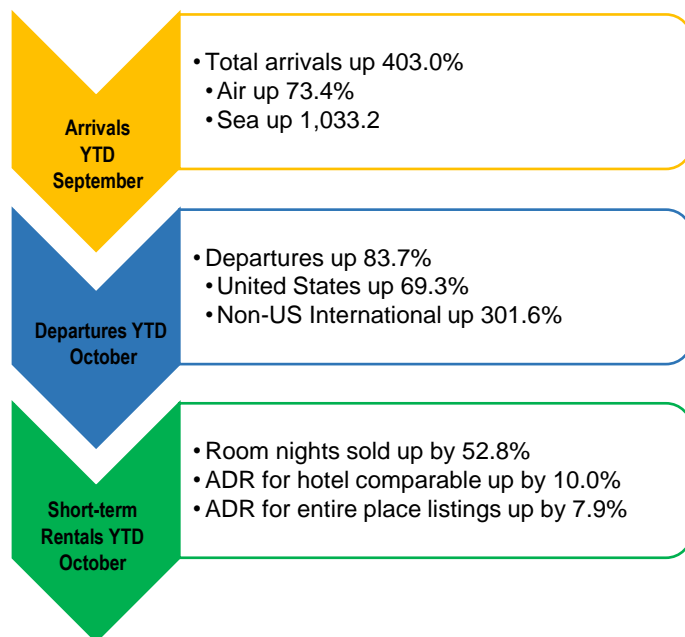
Tourism

Tourism sector activity remained comparatively strengthened in the monthly trends, reflective of relaxed COVID-19 restrictions and pent-up demand for travel in the key source market.

The latest official data provided by the Ministry of Tourism (MOT) showed that total visitor arrivals by first port of entry rose to 465,341 in September, from 158,660 passengers during the same period in 2021. In particular, the dominant sea component grew to 397,303 compared to 115,312 visitors in the previous year. In addition, air traffic strengthened to 68,038 from 43,348 in the prior year—exceeding pre-pandemic levels; representing 125.8% of air arrivals recorded in 2019.

Disaggregated by major port of entry, total arrivals to New Providence more than doubled to 198,806 in September, from 79,880 in the comparative 2021 period. Contributing this outturn, air and sea traffic measured 57,037 and 141,769 visitors, respectively. Similarly, the Family Islands attracted 237,570 visitors, exceeding the 72,878 recorded in the previous year, attributed to gains in both the air and sea components, of 9,072 and 228,498, respectively.

Chart 1: Tourism Indicators at a Glance



Sources: Ministry of Tourism & Nassau Airport Development Co.

Foreign arrivals to Grand Bahama totalled 28,965, compared to just 5,902 a year earlier, owing to increases in the air and sea components to 1,929 and 27,036, respectively.

For the nine-months to September, total arrivals recovered to 4,758,124 vis-à-vis 954,859 in the comparative 2021 period, when a 45.6% decline was registered. Air arrivals rose to 1,076,736 visitors, extending the 67.1% gain a year earlier, bolstered by growth in all major source markets. Likewise, sea arrivals increased to 3,681,388 passengers, a reversal from a 76.3% falloff in 2021 (see Table 1).

The most recent data provided by the Nassau Airport Development Company Limited (NAD) revealed that for the month of October, total departures—net of domestic passengers—increased to 85,434 compared to 58,857 in the same month of 2021. In particular, U.S. departures expanded to 72,662 from 51,941 in the prior year. Further, non-U.S. departures advanced to 12,772, from 6,916 a year earlier. On a year-to-date basis, total outbound traffic grew to 1,067,727 from 581,345 passengers in the corresponding 2021 period, following a 48.8% growth in the previous year. Specifically, U.S. departures recovered to 923,179 visitors, extending the 67.2% expansion in the comparative 2021 period. Correspondingly, non-U.S. departures rose to 144,548, a turnaround from a 44.3% decrease in 2021.

In the short-term vacation rental market, data provided by AirDNA revealed ongoing gains during the month of October. Specifically, total room nights sold increased to 115,152 from 71,234 in the same period last year. Reflecting this outturn, the occupancy rates for both entire place and hotel comparable listings grew to 51.7% and 51.1%, respectively, compared to 44.7% and 42.4% in the prior year. Further, as depicted in Graph 1, price indicators rose year-over-year, as the average daily room rate (ADR) for entire place moved higher by 10.2% to \$509.82 and hotel comparable listings, by 11.8% to \$188.59.

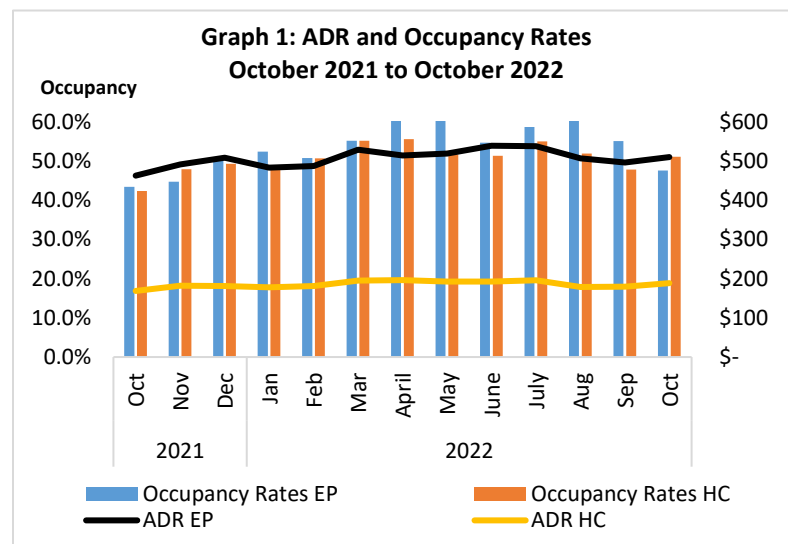
Prices

Average domestic consumer price inflation—as measured by the All Bahamas Retail Price Index—increased to 5.1% during the twelve months to September, from 2.0% in the same period of 2021, reflective of the pass-through effects of higher global oil prices. In particular, average costs rose for communication (10.5%),

Table 1: Total Visitor Arrivals January - September 2022

Arrivals	New Providence (% Change)		Grand Bahama (% Change)		Family Islands (% Change)	
	2021	2022	2021	2022	2021	2022
Air	50.0	86.1	46.1	88.3	150.1	36.5
Sea	-80.9	1167.5	-66.6	578.5	-73.7	1034.4
Total	-36.9	303.1	-56.7	434.2	-54.4	563.7

Source: Ministry of Tourism



Source: AirDNA

recreation & culture (7.4%) and education (2.1%), after posting reductions in the prior year. Further, the average inflation for transport accelerated to 15.0%, vis-à-vis 2.0% in the previous year. In addition, the rise in average costs quickened for restaurant & hotels (10.5%), food & non-alcoholic beverages (10.3%), health (4.9%), clothing and footwear (4.1%), housing, water, gas, electricity & other fuels (2.7%), furnishing, household equipment & maintenance (2.1%) and alcohol beverages, tobacco & narcotics (1.2%). Providing some offset, the average price for miscellaneous goods & services declined by 1.1%, following a gain of similar magnitude in 2021.

2. Monetary Trends

October 2022 vs. 2021

Liquidity

Monetary trends for the month of October featured a reduction in bank liquidity, as the expansion in domestic credit, contrasted with the decline in the deposit base. Specifically, excess reserves—a narrow measure of liquidity—contracted by \$162.9 million to \$2,091.7 million, almost in pace with the \$156.5 million falloff in 2021. Similarly, excess liquid assets—the broad measure of liquidity—reduced by \$51.4 million to \$2,918.1 million, albeit lower than the previous year’s decrease of \$139.2 million.

External Reserves

In line with the seasonal rise in foreign currency demand, external reserves decreased by \$187.6 million to \$3,017.8 million in October, exceeding the \$129.3 million reduction in the same period last year. Underlying this development, the Central Bank’s net sales to commercial banks widened to \$96.1 million, from \$57.4 million in the preceding year. Likewise, the Bank’s net foreign currency sales to the public sector expanded to \$95.0 million, from \$71.9 million in 2021. Further, commercial banks net sales to their customers extended to \$99.7 million from \$51.6 million in the prior year.

Exchange Control Sales

Provisional data on foreign currency sales for current account transactions revealed that outflows rose by \$265.2 million to \$737.8 million in October, relative to the same period in 2021. Leading this outturn, payments for “other” current items—primarily credit and debit card transactions—increased by \$135.6 million. Further, outflows for non-oil and oil imports grew by \$73.5 million and by \$42.6 million, respectively. In addition, transfer payments advanced by \$6.9 million, factor income remittances, by \$3.9 million and travel related transactions, by \$2.7 million.

Domestic Credit

Bahamian Dollar Credit

The growth in total Bahamian dollar credit broadened to \$127.6 million in October, from \$47.9 million in the previous year. Contributing to this outturn, net claims on the Government expanded to \$140.6 million from \$84.7 million in 2021. Further, the decline in private sector credit slowed to \$11.6 million, from \$36.7 million a year earlier. In particular, mortgages grew by \$7.6 million, a reversal from last year’s falloff of \$4.0 million. In addition, the contraction in consumer credit moderated to \$14.1 million from \$34.2 million in the prior year. However, commercial credit reduced by \$5.1 million, a shift from a \$1.5 million accumulation in the

comparative 2021 period. Meanwhile, the reduction in credit to public corporations measured \$1.5 million compared to \$0.1 million last year.

Foreign Currency Credit

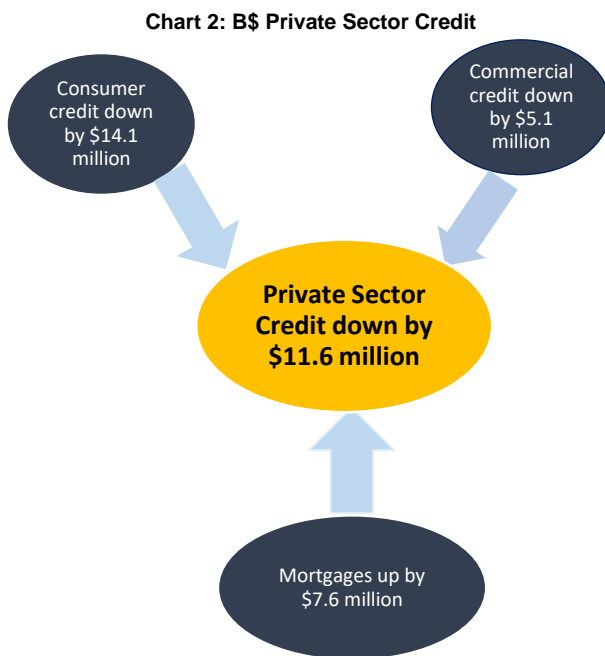
Domestic foreign currency credit grew by \$10.4 million during the review month, a reversal from a \$3.2 million decrease in the preceding year. Specifically, private sector credit rose by \$14.7 million, a switch from a \$2.9 million decline in 2021. In particular, commercial credit and mortgages advanced by \$10.4 million and by \$4.3 million, respectively, a turnaround from reductions of \$2.6 million and \$0.3 million in the preceding year. Conversely, net claims on the Government fell by \$4.4 million, extending the \$0.3 million falloff in the previous year. Meanwhile, foreign currency credit to the rest of the public sector was unchanged.

Credit Quality

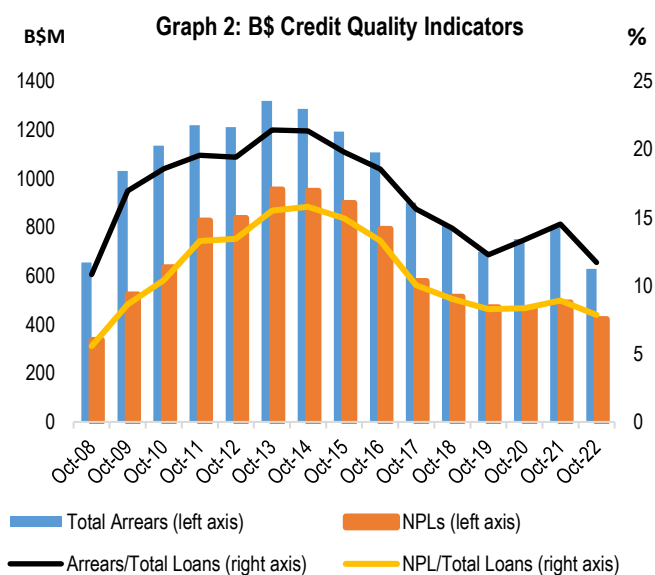
During the month of October, commercial banks' credit quality indicators improved, underpinned by a decrease in long-term arrears. In particular, total private sector arrears reduced by \$7.4 million (1.2%) to \$629.6 million, with the accompanying ratio narrowing by 12 basis points to 11.7%.

Disaggregated by average age of delinquency, non-performing loans (NPLs) contracted by \$13.2 million (3.0%) to \$423.2 million, lowering the associated ratio by 23 basis points to 7.9%—with declines in the NPL rates for consumer loans, by 30 basis points to 6.5%; mortgages, by 13 basis points to 10.1% and commercial loans, by 32 basis points to 4.9%. In contrast, short-term arrears (31-90 days) grew by \$5.8 million (2.9%) to \$206.4 million, with the corresponding ratio higher by 11 basis points at 3.8%.

A breakdown by loan type revealed that mortgage arrears contracted by \$6.9 million (1.8%) to \$385.6 million, attributed to reductions in both the non-accruals and short-term segments, by \$4.2 million (1.6%) and by \$2.7 million (2.0%), respectively. Similarly, consumer loan delinquencies fell by \$0.7 million (0.4%) to \$183.7



Source: Central Bank of The Bahamas



Source: Central Bank of The Bahamas

million, as the \$6.3 million (4.8%) decrease in the non-accruals component, outstripped the \$5.7 million (11.0%) growth in the short-term category. Conversely, commercial arrears edged up by \$0.2 million (0.4%) to \$60.3 million, owing to a \$2.9 million (22.7%) uptick in short-term arrears, which overshadowed the \$2.7 million (5.6%) decline in the long-term component.

In line with these developments, banks reduced their total provisions for loan losses by \$41.8 million (9.7%) to \$387.7 million in October. Consequently, the ratio of total provisions to arrears narrowed by 5.9 percentage points to 61.6%. Further, the ratio for total provisions to NPLs declined by 6.8 percentage points to 91.6%. During the review month, banks wrote-off an estimated \$14.2 million in bad loans and recovered approximately \$4.9 million.

In comparison to October 2021, the total private sector arrears rate decreased by 2.8 percentage points. In particular, the short-term segment declined by 1.8 percentage points, while the long-term component fell by 1.1 percentage points. By loan type, the arrears rate on consumer loans reduced by 5.2 percentage points; mortgages, by 1.8 percentage points and commercial credit, by 0.4 percentage points.

Deposits

The reduction in Bahamian dollar deposits moderated to \$28.8 million in October, from \$95.6 million in the preceding year. By component, the contraction in demand deposits slowed sharply to \$5.5 million, from \$87.9 million in the corresponding period of 2021. In contrast, the decrease in fixed deposits extended to \$25.2 million, from \$17.2 million in the prior year. Further, the growth in savings deposits tapered to \$1.9 million, from \$9.5 million in 2021. Meanwhile, foreign currency deposits reduced by \$25.4 million, a shift from the \$6.2 million accumulation a year earlier.

Interest Rates

In interest rate developments, the weighted average loan rate fell by 35 basis points to 10.67% in October. Likewise, the weighted average deposit rate decreased by 16 basis points to 0.36%, with the highest rate of 3.75% offered on fixed balances over 12 months.

3. Domestic Outlook

The domestic economy is anticipated to sustain its recovery trajectory throughout the remainder of 2022, supported by ongoing gains in tourism output. However, downside risks are elevated, related to further potential mutations of the COVID-19 virus, which could hinder the progress made on the international health front. Further, the rise in global fuel prices could curtail the travel industry's competitiveness, while the major central banks' counter-inflation policies could weaken the travel spending capacity of key source market consumers. Nevertheless, new and ongoing foreign investment-led projects, along with ongoing post-hurricane reconstruction works, are expected to provide stimulus to the construction sector, which will contribute to economic growth.

In the labour market, the unemployment rate is estimated to remain above pre-pandemic levels. Job gains are likely to be concentrated in the construction sector and the full rehiring of tourism sector employees. In terms of prices, inflation is forecasted to remain elevated, on account of higher international oil prices, increased costs for other imported goods and supply chain shortages, associated with geopolitical tensions in Eastern Europe.

On the fiscal front, although consolidating, the Government's net financing gap is projected to remain high. Specifically, the Government's fiscal outturn is anticipated to stay impacted by ongoing allocations for health and social welfare outlays associated with COVID-19, combined with spending still related to the restoration of key infrastructure, following the major storm in 2019. Further, the recovery in revenue is expected to be significantly connected to tourism-led improving trends in taxable economic activity. The forecasted budgetary gap is expected to require both domestic and external borrowings, but with an increased proportion of the total funding from domestic sources.

In monetary sector developments, banking sector liquidity is expected to remain elevated, owing to commercial banks sustaining their conservative lending posture. In addition, external reserve balances are forecasted to stay above the 2021 levels, notwithstanding some anticipated seasonal drawdowns over the remainder of 2022. As a result, external balances should remain more than adequate to sustain the Bahamian dollar currency peg.

4. Monetary Policy and Financial Stability Implications

In light of the prevailing outlook, the Central Bank will maintain its accommodative stance for private sector credit and continue to pursue policies that ensure a favourable outturn for external reserves, and mitigate financial sector disruptions. Further, the Bank will remain diligent in its monitoring of foreign exchange developments, and if necessary, adopt appropriate measures to support a positive outcome for the foreign reserves.

APPENDIX

International Developments

During the month of October, global economic performance varied, largely reflecting the impact of the geopolitical tensions in Eastern Europe, rising inflation and the ongoing spread of the COVID-19 virus. In this environment, most major central banks maintained their monetary policy stances during the review month, but indicated more upcoming tightening in their posture amid rising inflation.

In the United States, economic developments were lackluster over the review month. In particular, retail sales grew by 1.3% in October, following a flat outturn in September. Meanwhile, industrial production declined by 0.1% in October, a reversal from a 0.1% uptick in the preceding month, underpinned by a decrease in manufacturing output. In terms of the labour market, the unemployment rate rose by 20 basis points to 3.7% in October, despite total non-farm payroll employment increasing by 261,000, with job gains largely in health care, professional and technical services and manufacturing. The consumer price index also firmed by 0.4% during the review month, the same magnitude as the month prior, reflective of higher costs for energy and shelter. On the external front, the trade deficit widened by \$7.6 billion (11.6%) to \$73.3 billion in September, from a month earlier, owing to a 1.5% rise in imports, combined with a 1.1% falloff in exports. In this environment, the Federal Reserve raised its target funds rate range to 3.75%-4.00% in October, from 3.00-3.25% a month earlier, in an effort to contain rising inflation.

Economic indicators within the European economies showed some variations during the review period. In the United Kingdom, real GDP fell by 0.6% in September, extending the 0.1% reduction in the prior month, on account of a decrease in the services sector. However, industrial production rose by 0.2% in September, following a 1.8% decline a month earlier, underpinned by a rise in the electricity & gas, mining & quarrying, and water supply & sewage sectors. Conversely, retail sales fell by 1.4%, albeit lower than the 1.6% reduction in August. With regard to prices, the consumer price index firmed to 1.6% in October, from 0.4% a month year earlier, led by higher gas and electricity prices. In labour market developments, the jobless rate narrowed by 20 basis points in the three months to September to 3.6%, as 69,000 workers were added to the labour force. In terms of the external sector, the trade in goods and services deficit reduced by £1.3 billion (5.2%) to £23.7 billion in the three months to September, as imports fell by 5.0%, offsetting the 4.7% reduction in exports. In the euro area, monthly retail trade increased by 0.4% in September, after a stable outturn in the prior month, due to a rise in non-food products and food, drinks and tobacco. Further, the unemployment edged down to 6.6% in September from 6.7% in the prior month. On the external front, a trade deficit of €34.4 billion was recorded in September, vis-à-vis a surplus of €6.7 billion same period last year, with the 44.5% growth in imports overshadowing the 23.6% rise in exports. Given these developments, the Bank of England maintained its key policy rate at 2.25% in the month of October, while the European Central Bank retained its interest rates on its deposit facility, the main refinancing operations and the marginal lending facility at 0.75%, 1.25%, and 1.50%, respectively.

In the Asian economies, developments were mixed over the review period. In China, industrial production grew by 6.3% in September, exceeding the 4.2% gain in August, while the growth in retail sales slowed to 2.5% from 5.4% a month earlier. In terms of prices, Chinese consumer price index rose by 2.1% in October, after a 0.3% decrease in the prior month, occasioned by an increase in food prices. Further, the unemployment rate advanced to 5.5% in September, from 5.3% a month earlier. In Japan, retail sales grew by 4.5% in September, exceeding the 4.1% in the prior month, as sales growth accelerated for general merchandise, fuel and medicine & toiletry. However, industrial production declined by 1.7% in September, a shift from a 3.4% growth in August, attributed to a reduction in motor vehicles, inorganic and organic chemicals, and production machinery output. Meanwhile, the unemployment rate increased by 10 basis points to 2.6% in September from the previous month. In trade developments, Japan's trade deficit widened by ¥68.0 million (3.2%) to ¥2,162.3 billion in October from a month earlier, as the 53.5% expansion in imports outstripped the 25.3% growth in exports. In this environment, the People's Bank of China sustained its reverse repo rate at 2.0%, while the Bank of Japan left its policy rate at -0.1%.

In October, all of the major equity markets registered negative movements. In the United States, the S&P 500 and the Dow Jones Industrial Average (DIJA) fell by 7.4% and by 12.2%, respectively. Similarly, the German DAX, the French CAC 40 and the United Kingdom's FTSE 100 posted respective declines of 8.6%, 8.1% and 2.8%. In Asia, Japan's Nikkei 225 and China's SE decreased by 5.9% and by 4.5%, respectively.

In foreign exchange market developments, the US dollar appreciated against most of the major currencies during the month of October. Specifically, the US dollar strengthened relative to the British Pound by 21.9% to £1.1469, Japanese Yen, by 2.7% to ¥148.7, the Chinese Renminbi, by 2.5% to CNY7.3050 and the Swiss Franc, by 1.4% to CHF1.0013. In an offset, the US dollar depreciated relative to the euro, by 3.2% to €0.9882 and the Canadian Dollar, by 1.5% to CAD\$1.3624.

In commodity markets, prices trended downwards during the month of October. Specifically, the cost of crude oil decreased by 8.9% to \$87.91 per barrel, despite OPEC reducing crude oil production by 210 thousand barrels per day, to an average of 29.5 million barrels per day. Further, the cost of gold fell by 1.6% to \$1,633.56 per troy ounce and silver, by 0.7% to \$19.16 per troy ounce.

Recent Monetary and Credit Statistics

(B\$ Millions)

October					
Value		Change		Change YTD	
2021	2022	2021	2022	2021	2022

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	1,373.54	2,091.66	-156.52	-162.88	-62.72	551.36
1.2 Excess Liquid Assets	2,284.39	2,918.05	-139.23	-51.42	54.68	484.30
1.3 External Reserves	2,588.36	3,017.84	-129.27	-187.60	207.76	558.68
1.4 Bank's Net Foreign Assets	70.42	93.92	7.66	-51.01	168.33	8.96
1.5 Usable Reserves	1,435.31	1,509.78	-48.63	-136.53	180.12	244.43

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,616.49	5,504.36	-39.53	3.19	-117.56	-83.97
a. B\$ Credit	5,484.56	5,320.11	-36.65	-11.55	-104.32	-140.81
of which: Consumer Credit	1,916.70	1,906.00	-34.15	-14.11	-120.16	15.23
Mortgages	2,764.43	2,705.16	-4.02	7.61	-30.42	-40.95
Commercial and Other Loans B\$	803.44	708.95	1.52	-5.06	46.25	-115.09
b. F/C Credit	131.92	184.25	-2.88	14.74	-13.24	56.84
of which: Mortgages	70.00	90.40	-0.27	4.30	6.73	21.38
Commercial and Other Loans F/C	61.92	93.85	-2.61	10.44	-19.97	35.46
2.2 Central Government (net)	2,847.32	2,832.00	84.40	136.22	318.69	-113.38
a. B\$ Loans & Securities	3,080.83	3,044.91	96.42	153.80	350.25	-107.41
Less Deposits	402.29	302.23	11.74	13.19	30.00	-70.90
b. F/C Loans & Securities	169.96	92.72	-4.17	-6.63	-4.14	-77.25
Less Deposits	1.18	3.41	-3.88	-2.24	-2.57	-0.37
2.3 Rest of Public Sector	321.47	351.90	-0.11	-1.48	-1.77	35.28
a. B\$ Credit	291.47	321.90	-0.11	-1.48	15.31	35.28
b. F/C Credit	30.00	30.00	0.00	0.00	-17.08	0.00
2.4 Total Domestic Credit	8,785.28	8,688.25	44.76	137.93	199.36	-162.07
a. B\$ Domestic Credit	8,454.58	8,384.69	47.93	127.58	231.24	-142.04
b. F/C Domestic Credit	330.71	303.56	-3.17	10.35	-31.88	-20.03

3.0 DEPOSIT BASE

3.1 Demand Deposits	3,297.19	3,857.44	-87.87	-5.50	188.94	451.34
a. Central Bank	34.33	104.09	-11.00	60.70	-17.90	42.73
b. Banks	3,262.86	3,753.35	-76.87	-66.20	206.85	408.61
3.2 Savings Deposits	1,881.22	2,054.36	9.49	1.91	96.62	173.55
3.3 Fixed Deposits	2,214.06	2,086.13	-17.19	-25.19	-36.30	-94.67
3.4 Total B\$ Deposits	7,392.47	7,997.93	-95.57	-28.79	249.26	530.21
3.5 F/C Deposits of Residents	533.52	582.07	6.20	-25.40	106.18	49.08
3.6 M2	7,775.06	8,394.32	-94.08	-24.39	254.68	537.36
3.7 External Reserves/M2 (%)	33.29	35.95	-1.24	-2.12	1.64	4.65
3.8 External Reserves/Base Money (%)	124.94	106.68	2.94	-0.52	12.57	-7.27
3.9 External Reserves/Demand Liabilities (%)	112.24	100.06	2.10	-2.74	6.47	-2.94
	Value		Year To Date		Change	
	2021	2022	2021	2022	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	-129.30	-191.18	-50.90	560.74	-61.88	611.64
a. Net Purchase/(Sale) from/to Banks	-57.36	-96.14	-82.58	271.43	-38.78	354.02
i. Sales to Banks	64.00	141.65	372.38	575.20	77.65	202.82
ii. Purchase from Banks	6.64	45.51	289.80	846.63	38.87	556.84
b. Net Purchase/(Sale) from/to Others	-71.93	-95.04	31.69	289.31	-23.10	257.63
i. Sales to Others	102.58	155.02	740.01	1098.23	52.44	358.22
ii. Purchase from Others	30.65	59.98	771.70	1387.55	29.34	615.85
4.2 Banks Net Purchase/(Sale)	-51.60	-99.67	-35.66	298.60	-48.07	334.26
a. Sales to Customers	408.42	744.34	4258.32	5755.07	335.92	1496.75
b. Purchase from Customers	356.81	644.67	4222.65	6053.67	287.85	1831.02

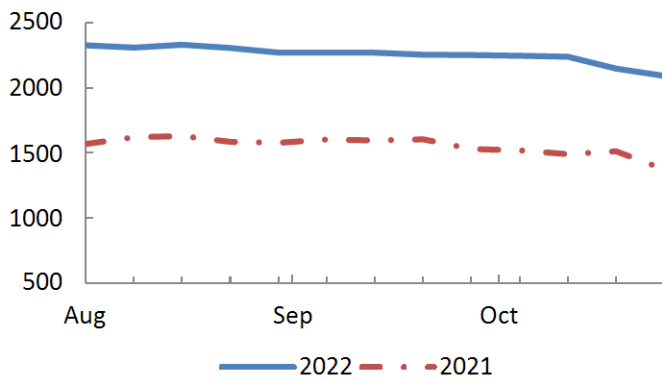
5.0 EXCHANGE CONTROL SALES

5.1 Current Items	472.67	737.83	4,697.63	5,948.08	265.17	1,250.45
of which Public Sector	93.25	130.46	644.55	780.63	37.22	136.07
a. Nonoil Imports	106.40	179.92	1,306.38	1,562.48	73.52	256.10
b. Oil Imports	39.94	82.54	342.14	724.35	42.59	382.21
c. Travel	16.70	19.40	123.18	146.95	2.70	23.77
d. Factor Income	64.95	68.81	449.75	493.13	3.86	43.37
e. Transfers	14.11	21.00	157.83	141.65	6.90	-16.18
f. Other Current Items	230.57	366.16	2,318.35	2,879.52	135.59	561.17
5.2 Capital Items	16.86	104.93	220.55	655.40	88.07	434.85
of which Public Sector	5.00	23.61	139.57	323.01	18.61	183.44

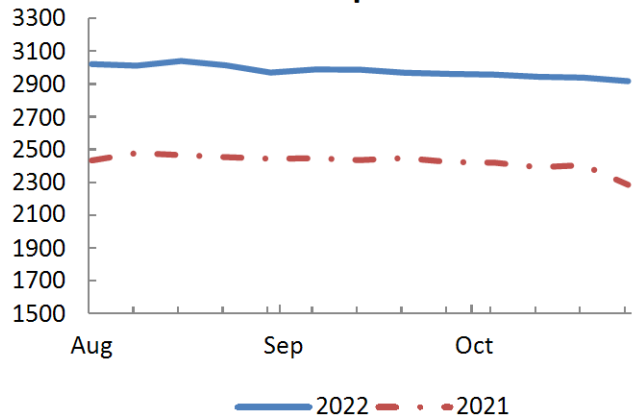
SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)

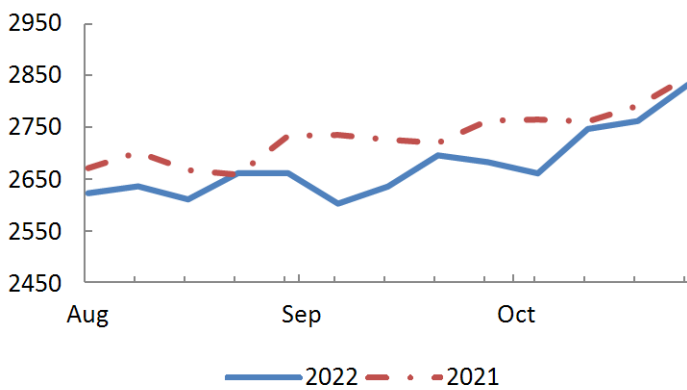
Excess Reserves



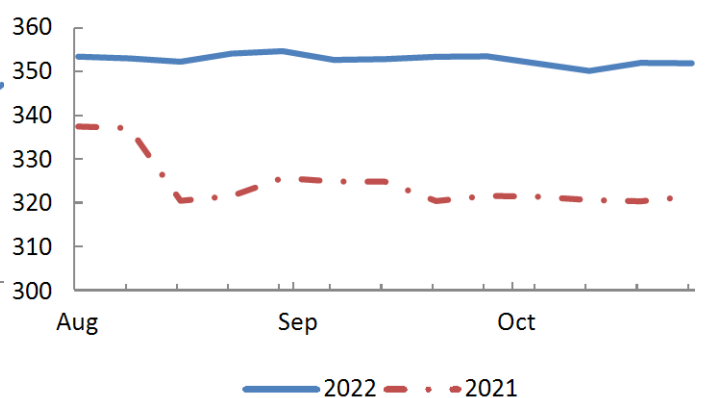
Excess Liquid Assets



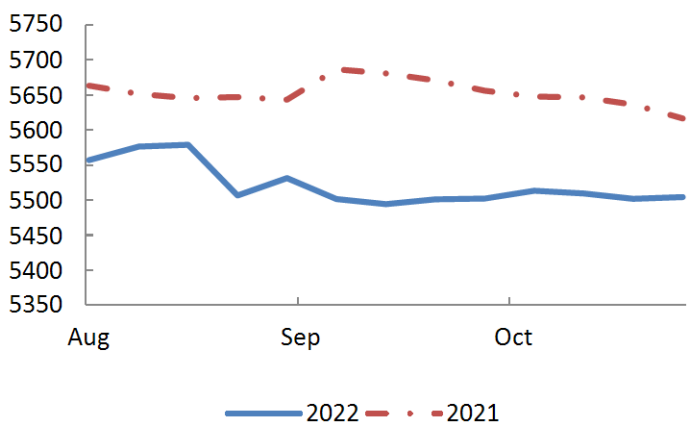
Central Govt. Credit (Net)



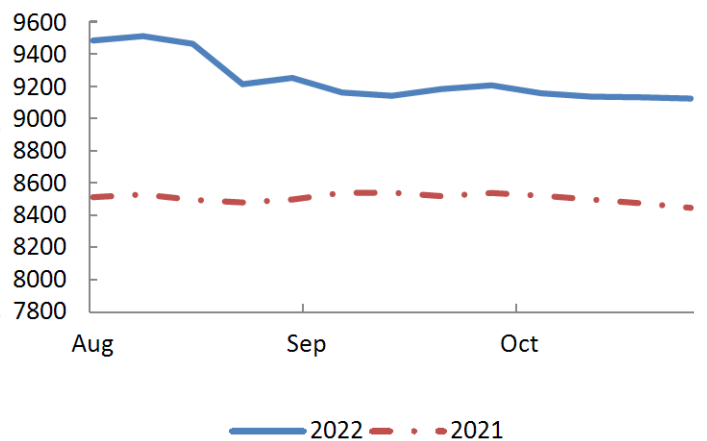
Rest of Public Sector Credit



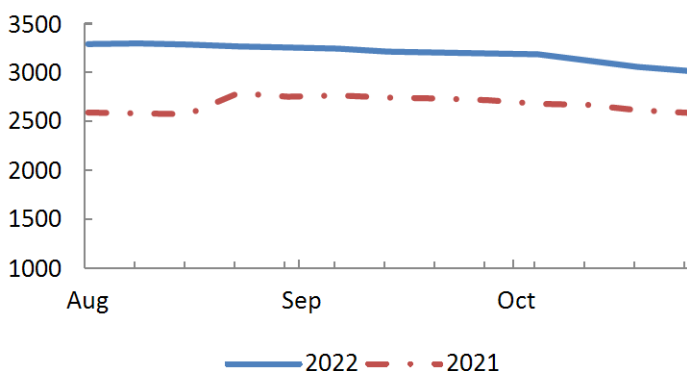
Private Sector Credit



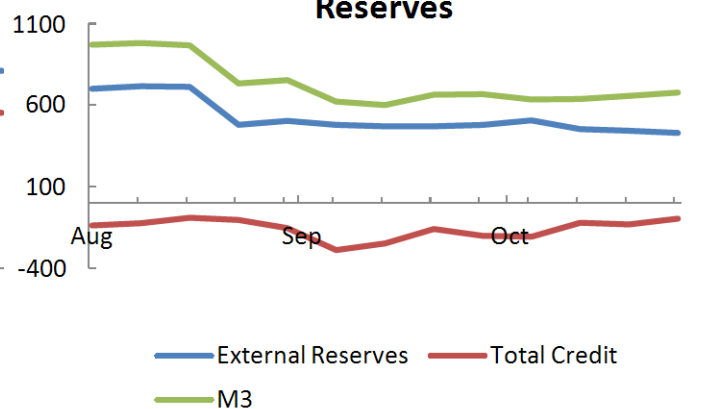
M3



External Reserves



Changes in Money, Credit & Ext. Reserves



Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2021	2022	2021	2022	2021	2022
Bahamas	13.7	8.0	2.9	5.6	18.1	13.8
United States	5.7	1.6	4.7	8.1	5.4	3.7
Euro-Area	5.2	3.1	2.6	8.4	7.7	6.8
Germany	2.6	1.5	3.2	8.5	3.6	2.9
Japan	1.7	1.7	-0.2	2.0	2.8	2.6
China	8.1	3.2	0.9	2.2	4.0	4.2
United Kingdom	7.4	3.6	2.6	9.1	4.5	3.8
Canada	4.5	3.3	3.4	6.9	7.4	5.3

Source: IMF World Economic Outlook October, 2022.

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	Target Funds	Repo Rate
October 2020	4.00	0.00	0.25	0.00-0.25	0.10
November 2020	4.00	0.00	0.25	0.00-0.25	0.10
December 2020	4.00	0.00	0.25	0.00-0.25	0.10
January 2021	4.00	0.00	0.25	0.00-0.25	0.10
February 2021	4.00	0.00	0.25	0.00-0.25	0.10
March 2021	4.00	0.00	0.25	0.00-0.25	0.10
April 2021	4.00	0.00	0.25	0.00-0.25	0.10
May 2021	4.00	0.00	0.25	0.00-0.25	0.10
June 2021	4.00	0.00	0.25	0.00-0.25	0.10
July 2021	4.00	0.00	0.25	0.00-0.25	0.10
August 2021	4.00	0.00	0.25	0.00-0.25	0.10
September 2021	4.00	0.00	0.25	0.00-0.25	0.10
October 2021	4.00	0.00	0.25	0.00-0.25	0.10
November 2021	4.00	0.00	0.25	0.00-0.25	0.10
December 2021	4.00	0.00	0.25	0.00-0.25	0.25
January 2022	4.00	0.00	0.25	0.00-0.25	0.25
February 2022	4.00	0.00	0.25	0.00-0.25	0.50
March 2022	4.00	0.00	0.50	0.25-0.50	0.75
April 2022	4.00	0.00	1.00	0.75-1.00	1.00
May 2022	4.00	0.00	1.75	1.50-1.75	1.25
June 2022	4.00	0.00	1.75	1.50-1.75	1.25
July 2022	4.00	0.50	2.50	2.25-2.50	1.25
August 2022	4.00	1.25	2.50	2.25-2.50	1.75
September 2022	4.00	1.50	3.25	3.00-3.25	2.25
October 2022	4.00	2.00	4.00	3.75-4.00	2.25

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Oct-21	Sep-22	Oct-22	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.86520	1.0202	1.0119	3.24	12.36	14.22
Yen	113.95	144.74	148.71	-2.67	29.22	30.50
Pound	0.730887	0.8953	1.1469	-21.94	55.20	56.92
Canadian \$	1.2388	1.3829	1.3624	1.50	7.81	9.98
Swiss Franc	0.9161	0.9870	1.0013	-1.43	9.68	9.30
Renminbi	6.4056	7.1160	7.3050	-2.59	14.93	14.04

Source: Bloomberg as of October 31, 2022

D. Selected Commodity Prices (\$)					
Commodity	Oct-21	Sep-22	Oct-22	Mthly % Change	YTD % Change
Gold / Ounce	1783.38	1660.61	1633.56	-1.62892	1962.576
Silver / Ounce	23.903	19.0200	19.1600	0.7361	-75.808
Oil / Barrel	78.49	96.59	87.91	-8.98644	10.99747

Source: Bloomberg as of October 31, 2022

E. Equity Market Valuations – October 31, 2022 (% change)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
	BISX	DJIA	S&P 500	FTSE	CAC 40	DAX	Nikkei	SE
1 month	1.86	-12.24	-7.40	-2.83	-8.05	-8.60	-5.98	4.52
3 month	0.77	0.34	6.67	4.63	2.90	1.74	0.78	12.43
YTD	16.03	-9.92	-18.76	-3.92	-12.39	-16.56	-4.18	-20.50

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	3.1250	2.2300	0.6900
1 Month	3.9250	3.0800	1.7750
3 Month	4.1604	3.5435	1.4850
6 Month	4.9200	4.0950	2.1500
9 Month	5.1800	4.4800	2.4800
1 year	5.3100	4.7000	2.6900

Source: Bloomberg as of October 31, 2022

**Summary Accounts of the Central Bank
(B\$ Millions)**

	VALUE								CHANGE							
	Sep. 14	Sep. 21	Sep. 28	Oct. 05	Oct. 12	Oct. 19	Oct. 26	Nov. 02	Sep. 14	Sep. 21	Sep. 28	Oct. 05	Oct. 12	Oct. 19	Oct. 26	Nov. 02
I. External Reserves	3,245.14	3,214.21	3,205.44	3,196.13	3,187.13	3,122.81	3,058.18	3,017.84	(11.56)	(30.93)	(8.77)	(9.31)	(9.00)	(64.32)	(64.62)	(40.34)
II. Net Domestic Assets (A + B + C + D)	(250.37)	(211.39)	(215.31)	(205.18)	(205.77)	(149.12)	(180.00)	(188.90)	(1.37)	38.98	(3.92)	10.13	(0.59)	56.65	(30.88)	(8.90)
A. Net Credit to Gov't (I + ii + iii -iv)	393.40	402.41	416.73	426.45	429.77	465.99	491.97	500.39	(21.36)	9.02	14.31	9.73	3.31	36.22	25.98	8.42
i) Advances	205.00	205.00	205.00	205.00	205.00	247.00	327.00	285.00	-	-	-	-	-	42.00	80.00	(42.00)
ii) Registered Stock	292.77	294.90	296.20	296.81	296.68	297.51	297.75	298.21	(0.39)	2.13	1.30	0.60	(0.13)	0.83	0.24	0.46
iii) Treasury Bills	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	-	-	-	-	-	-	-	-
iv) Deposits	104.37	97.49	84.48	75.35	71.91	78.52	132.78	82.82	20.97	(6.89)	(13.01)	(9.12)	(3.44)	6.61	54.26	(49.96)
B. Rest of Public sector (Net) (i+ii-iii)	(46.41)	(21.15)	(36.67)	(44.33)	(24.25)	(26.63)	(80.84)	(97.35)	(0.37)	25.26	(15.52)	(7.66)	20.08	(2.38)	(54.20)	(16.51)
i) Loans	1.63	1.63	1.63	1.63	1.63	1.63	1.63	1.63	-	-	-	-	-	-	-	-
ii) Bonds/Securities	5.10	5.10	5.10	5.12	5.12	5.12	5.12	5.12	-	-	-	0.02	-	-	-	-
iii) Deposits	53.14	27.88	43.40	51.08	31.00	33.38	87.59	104.09	0.37	(25.26)	15.52	7.68	(20.08)	2.38	54.20	16.51
C. Loans to/Deposits with Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D. Other Items (Net)*	(597.36)	(592.65)	(595.37)	(587.31)	(611.29)	(588.48)	(591.13)	(591.94)	20.35	4.70	(2.72)	8.06	(23.98)	22.81	(2.65)	(0.82)
III. Monetary Base	2,994.77	3,002.82	2,990.13	2,990.94	2,981.36	2,973.69	2,878.19	2,828.94	(12.93)	8.05	(12.69)	0.81	(9.58)	(7.67)	(95.50)	(49.24)
A. Currency in Circulation	535.08	528.45	543.15	551.15	546.63	542.57	533.93	540.41	(14.18)	(6.62)	14.69	8.01	(4.53)	(4.06)	(8.64)	6.48
B. Bank Balances with CBOB	2,459.69	2,474.37	2,446.98	2,439.79	2,434.73	2,431.12	2,344.26	2,288.53	1.25	14.67	(27.38)	(7.20)	(5.06)	(3.61)	(86.86)	(55.72)

FISCAL/REAL SECTOR INDICATORS

(B\$ MILLIONS)

(% change represents current period from previous period)

	JUL-SEP		OCT-DEC		JAN-MAR		APR-JUN		YEAR TO DATE	
	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2020/2021	2021/2022
Fiscal Operations^P										
1. Government Revenue & Grants	596.4	654.4							596.4	654.4
% change; over previous quarter	#DIV/0!	#DIV/0!							7.6%	9.7%
2. Value Added Tax	295.4	330.8							295.4	330.81
% change; over previous quarter	#DIV/0!	#DIV/0!							10.9%	12.0%
3. Import/Excise/Export Duties	131.8	126.8							131.8	126.8
% change; over previous quarter	#DIV/0!	#DIV/0!							-8.1%	-3.8%
4. Recurrent Expenditure	668.5	620.7							668.5	620.7
% change; over previous quarter	#DIV/0!	#DIV/0!							22.7%	-7.2%
5. Capital Expenditure	64.3	54.2							64.3	54.2
% change; over previous quarter	#DIV/0!	#DIV/0!							14.5%	-15.8%
6. Deficit/Surplus*	-136.37	-20.45							-136.37	-20.45
% change; over previous quarter	#DIV/0!	#DIV/0!							192.2%	-85.0%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Debt^{P ***}																								
7. Total Direct Debt	9,440.3	10,182.8	9,482.5	10,157.6	9,526.6	10,532.4	9,521.3	10,383.4	9,719.0	10,389.1	9,935.3	10,792.8	10,039.1	10,786.3	10,051.4	10,785.1	10,087.0	10,775.0	10,193.6	10,827.4				
% change; over previous month	0.2%	-1.3%	0.4%	-0.2%	0.5%	3.6%	-0.1%	-1.4%	2.1%	0.05%	2.2%	3.9%	1.0%	-0.1%	0.1%	0.0%	0.4%	-0.1%	1.1%	0.5%				
8. External Debt	4,028.6	4,327.4	4,004.4	4,308.3	4,007.8	4,732.8	4,010.5	4,616.1	4,161.3	4,625.6	4,368.2	4,997.1	4,364.9	5,024.2	4,343.8	4,993.9	4,352.4	4,973.6	4,350.6	4,960.3				
% change; over previous month	-0.1%	-0.4%	-0.6%	-0.4%	0.1%	9.0%	0.1%	-2.5%	3.8%	0.2%	5.0%	8.0%	-0.1%	0.5%	-0.5%	0.2%	-0.4%	-0.6%	0.0%	-0.3%				
9. Internal F/C Debt	180.4	112.6	180.4	112.6	180.4	112.6	180.4	108.5	180.4	108.5	180.4	108.5	180.4	105.0	180.4	105.0	180.4	105.0	176.3	100.8				
% change; over previous month	0.0%	-36.1%	0.0%	0.0%	0.0%	0.0%	0.0%	-3.8%	0.0%	0.0%	0.0%	0.0%	0.0%	-3.2%	0.0%	0.0%	0.0%	0.0%	-2.3%	-4.0%				
10. Bahamian Dollar Debt	5,231.2	5,742.8	5,297.6	5,736.7	5,338.3	5,686.9	5,330.4	5,658.8	5,377.2	5,655.0	5,386.6	5,687.3	5,493.8	5,657.2	5,527.1	5,686.2	5,554.1	5,696.4	5,666.7	5,766.2				
% change; over previous month	0.5%	-0.9%	1.3%	-0.1%	0.8%	-0.9%	-0.1%	-0.5%	0.9%	-0.1%	0.2%	0.6%	2.0%	-0.5%	0.6%	0.5%	0.5%	0.2%	2.0%	1.2%				
11. Total Amortization	27.0	482.2	35.8	112.8	95.7	210.7	92.9	293.5	128.1	111.8	57.0	223.0	149.6	225.4	113.1	74.8	80.2	87.5	171.2	383.7				
% change; over previous month	-59.4%	372.7%	24.7%	-327.4%	62.6%	46.5%	-2.9%	28.2%	37.8%	-61.9%	-55.5%	99.5%	162.3%	1.1%	-24.4%	-66.8%	-29.1%	17.0%	113.5%	338.4%				
12. Total Public Sector F/C Debt	4,768.3	4,952.3	4,744.1	4,933.2	4,738.1	5,351.1	4,740.8	5,230.2	4,891.6	5,239.6	5,090.7	5,602.7	5,087.3	5,626.3	5,066.0	5,596.0	5,053.2	5,569.2	5,047.2	5,551.7				
% change; over previous month	-0.3%	-1.6%	-0.5%	-0.4%	-0.1%	7.8%	0.1%	-2.3%	3.18%	0.18%	4.07%	6.93%	-0.1%	0.4%	-0.4%	-0.5%	-0.3%	-0.5%	-0.1%	-0.3%				

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC		YEAR TO DATE		
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	
Real Sector Indicators																											
13. Retail Price Index	109.7	113.93	109.8	114.0	109.9	115.1	110.3	115.9	110.8	116.9	110.6	117.5	111.3	119.3	109.8	119.3									110.3	116.5	
% change; over previous month	0.8%	3.8%	1.4%	3.8%	1.4%	4.7%	0.3%	0.7%	0.5%	0.8%	-0.1%	0.5%	0.6%	1.5%	-1.4%	0.1%									2.05%	5.63%	
14. Tourist arrivals (000's)	23.6	312.2	29.5	411.4	62.8	623.2	68.8	586.6	93.9	502.6	135.1	562.5	183.6	678.3	190.0	616.1	158.7	465.3							945.9	4,758.1	
% change; over previous year	-96.6%	1221.9%	-95.9%	1294.0%	-79.2%	892.9%	159879.1%	752.7%	469280.0%	435.4%	3333.1%	316.4%	670.7%	269.5%	3427.7%	224.3%	-74.2%	193.3%							-45.63%	403.05%	
15. Air arrivals (000's)	20.8	71.9	25.7	101.8	56.4	147.6	60.3	145.4	81.2	126.8	113.2	141.3	133.9	157.8	86.2	116.0	43.348	68.038							621.0	1,076.6	
% change; over previous year	-83.4%	245.8%	-82.5%	295.8%	-25.5%	161.9%	548127.3%	141.1%	405740.0%	56.2%	6538.7%	24.8%	772.2%	17.8%	2517.2%	34.5%	-62.6%	57.0%							67.1%	73.4%	
16. Occupied Room Nights																											
% change; over previous year																											
17. Res. Mortgage Commitments-Value of New Const. & Rehab. (B\$Millions)					14.30	11.51					13.8	22.6													28.13	34.12	
% change; over previous qtr.					-9.49%	-31.58%					-3.3%	96.6%													-15.73%	21.30%	

^P Includes Net Lending to Public Corporations

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

p - provisional