



Monthly Economic and Financial Developments November 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:

2023: January 30, February 27, April 3, April 24, May 30, July 3, July 31, September 4, October 2, October 30, December 4, December 27



NOVEMBER 2022 SUMMARY
MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS

Overall Economic Activity

Indications are that, during the review month, the domestic economy maintained its recovery momentum, from the adverse impact of the Novel Coronavirus (COVID-19) pandemic. Tourism output further strengthened, buoyed by the rebound in the high value-added air segment and the recovery in sea traffic, in response to further relaxation of pandemic restrictions and the heightened demand for travel in the key source market.

Monetary Sector

Monetary sector developments were marked by a contraction in bank liquidity, as the growth in domestic credit, contrasted with the reduction in the deposit base. Against this backdrop, external reserves decreased, attributed to the seasonal net foreign currency outflows through the public and private sectors.

International Economies

Global economic performance varied in November, against the backdrop of the geopolitical tensions in Eastern Europe, rising inflation and the ongoing spread of the COVID-19 virus. As a result, some of the major central banks sustained their monetary policy tightening stances, in an effort to contain elevated inflation and maintain financial stability.



Monthly Economic and Financial Developments (MEFD)

November 2022

1. Domestic Economic Developments

Overview

During the month of November, indications are that the domestic economy maintained its recovery momentum from the adverse impact of the Novel Coronavirus (COVID-19) pandemic. Tourism output further strengthened, buoyed by the rebound in the high value-added air segment and the recovery in sea traffic, in response to further relaxation of pandemic restrictions and the heightened demand for travel in the key source market. In monetary developments, bank liquidity contracted during the month of November, as the growth in domestic credit, contrasted with the reduction in the deposit base. Against this backdrop, external reserves decreased, attributed to seasonal net foreign currency outflows through the public and private sectors.

Real Sector

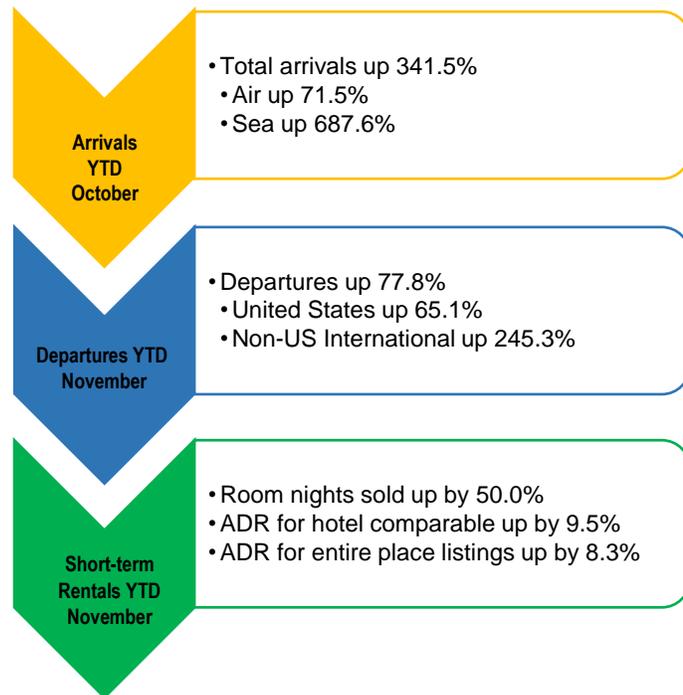
Tourism

Monthly data suggested that the tourism sector continued to record robust growth during the review period, amid relaxed pandemic restrictions and heightened demand for travel in the key source market.

Official data provided by the Ministry of Tourism (MOT) indicated that total passenger arrivals by first port of entry grew to 570,154 in October, from 260,942 visitors in the same month of 2021. Specifically, the dominant sea segment rose to 484,480, vis-à-vis 204,067 visitors in the prior year. Further, air traffic expanded to 85,674 from 56,875 a year earlier—surpassing pre-pandemic levels; representing 114.1% of air arrivals registered in 2019.

A breakdown by major ports of entry revealed that, total arrivals to New Providence increased to 235,282 in October, from 140,581 in the comparative period of 2021. Leading this outcome, the air and sea segments both advanced to 69,408 and 165,875 visitors, respectively. Likewise, traffic to the Family Islands amounted to 308,209 visitors, compared to 106,365 a year earlier, as air and sea visitors measured 13,717 and 294,492, respectively. Further, Grand Bahama attracted 26,663 visitors, exceeding the 13,996 recorded in the previous year, attributed to gains in the air and sea components, of 2,549 and 24,114, respectively.

Chart 1: Tourism Indicators at a Glance



Sources: Ministry of Tourism & Nassau Airport Development Co.

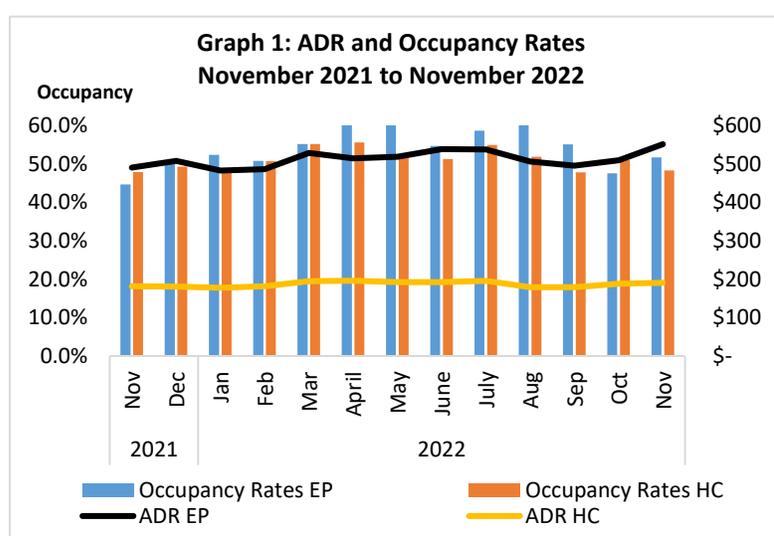
On an annual basis, total arrivals rebounded to 5.3 million from 1.2 million in the corresponding 2021 period, when a 30.9% contraction was registered. Supporting this outturn, air arrivals accelerated to 1.2 million passengers, exceeding the 79.8% growth a year earlier, reflecting gains in all major source markets. Similarly, sea arrivals rose to 4.2 million visitors, a turnaround from a 61.4% reduction in 2021 (see Table 1).

Table 1: Total Visitor Arrivals January - October 2022

	New Providence (% Change)		Grand Bahama (% Change)		Family Islands (% Change)	
	2021	2022	2021	2022	2021	2022
Arrivals						
Air	63.7	83.5	57.1	87.7	154.8	35.4
Sea	-64.5	661.0	-54.1	445.7	-59.8	748.7
Total	-21.2	255.7	-44.3	356.1	-40.5	474.3

Source: Ministry of Tourism

The most recent data provided by the Nassau Airport Development Company Limited (NAD) showed that for the month of November, total departures—net of domestic passengers—moved higher to 106,462 from 79,055 in the comparative period of 2021. Specifically, U.S. departures expanded to 90,023 from 68,425 in the previous year. Further, non-U.S. departures rose to 16,439 from 10,630 in the same month of 2021. On a year-to-date basis, total outbound traffic increased to 1.2 million from 0.7 million passengers in the comparative period a year earlier, following a 64.9% expansion in the preceding year. In particular, U.S. departures rebounded to 1.0 million visitors, extending the 83.8% growth in the prior year. Likewise, non-U.S. departures grew to 0.1 million, a reversal from the 30.0% decline in the corresponding period last year.



Source: AirDNA

As it relates to the short-term vacation rental market, data provided by AirDNA mirrored these positive trends. Specifically, during the month of November, total room nights sold rose to 119,105 from 95,440 in the comparative 2021 period. Contributing to this outcome, the occupancy rates for both entire place and hotel comparable listings increased to 50.3% and 48.3%, respectively, compared to 50.7% and 47.9% a year earlier. Further, as depicted in Graph 1, price indicators showed that year-over-year, the average daily room rate (ADR) for entire place grew by 12.4% to \$551.72 and hotel comparable listings, by 5.0% to \$190.92.

2. Monetary Trends

November 2022 vs. 2021

Liquidity

Monetary developments for the month of November were marked by a reduction in bank liquidity, as the growth in domestic credit contrasted with the contraction in the deposit base. In particular, excess reserves—

a narrow measure of liquidity—decreased by \$24.1 million to \$2,067.6 million, a reversal from a \$61.5 million build up in the prior year. Similarly, excess liquid assets—the broad measure of liquidity—reduced by \$6.5 million to \$2,911.5 million, a switch from a \$69.4 million accumulation in 2021.

External Reserves

External reserves declined by \$116.2 million to \$2,902.1 million in November, in pace with the \$113.0 million falloff in the previous year. Underlying this outturn, the Central Bank’s net sales to commercial banks was approximately stable at \$61.9 million. However, the Central Bank’s net foreign currency sales to the public sector expanded to \$60.7 million from \$50.8 million a year earlier. Further, commercial banks net outflows to their customers increased to \$59.7 million from \$49.4 million in the prior year.

Exchange Control Sales

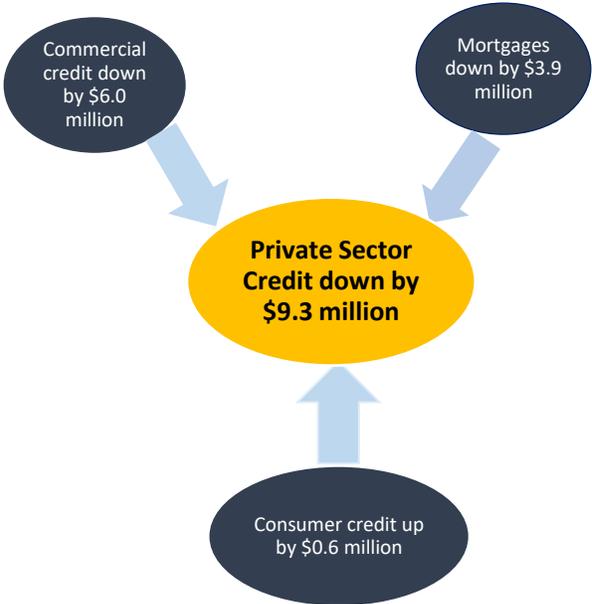
Preliminary data on foreign currency sales for current account transactions showed that outflows fell by \$57.9 million to \$607.0 million in November, relative to the comparative period in 2021. Leading this outcome, payments for non-oil imports and factor income reduced by \$55.7 million and by \$11.6 million, respectively. Further, payments for “other” current items—mainly credit and debit card transactions—decreased by \$3.1 million. Conversely, foreign currency sales for oil imports rose by \$8.3 million, transfer payments, by \$3.9 million and travel related transactions, by \$0.2 million.

Domestic Credit

Bahamian Dollar Credit

Total Bahamian dollar credit grew by \$77.4 million in November, a turnaround from a \$24.9 million reduction in 2021. Contributing to this development, the expansion in net claims on the Government strengthened to \$86.3 million from \$12.6 million in the previous year. Further, credit to public corporations increased by \$0.3 million following a \$0.7 million falloff a year earlier. In addition, the decline in private sector credit slowed to \$9.2 million from \$36.8 million in the preceding year. Specifically, consumer credit recovered by \$0.6 million, a reversal from a \$23.4 million contraction a year earlier, while the retrenchment in mortgages moderated to \$3.9 million, vis-à-vis \$13.3 million in the previous year. However, commercial credit reduced by \$5.9 million, extending the \$0.1 million decrease in the prior year.

Chart 2: B\$ Private Sector Credit



Source: Central Bank of The Bahamas

Foreign Currency Credit

During the review month, domestic foreign currency credit advanced by \$9.9 million, a switch from a \$3.6 million reduction in the preceding year. Supporting this outturn, private sector credit rose by \$10.6 million, a

reversal from a \$2.8 million decline a year earlier, as commercial credit grew by \$10.4 million and mortgages by \$0.2 million, following respective decreases of \$1.2 million and \$1.5 million in the prior year. In contrast, net claims on the Government fell by \$0.6 million, lower than the \$0.8 million decline in the previous year. Meanwhile, foreign currency credit to the rest of the public sector registered a flat outturn.

Credit Quality

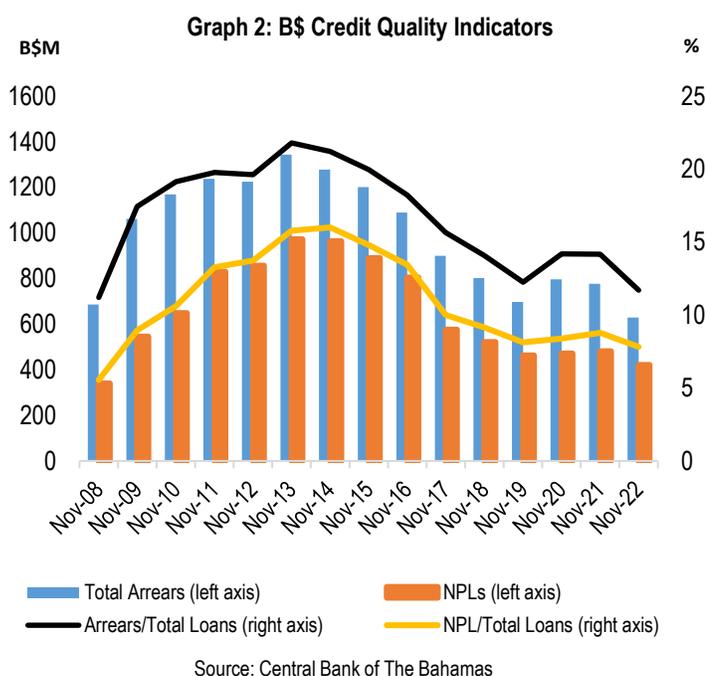
Commercial banks' credit quality indicators improved during the month of November, attributed to a reduction in non-performing loans (NPLs). Specifically, total private sector arrears decreased by \$1.3 million (0.2%) to \$628.3 million, with the corresponding ratio unchanged at 11.7%.

An analysis by average age of delinquency showed that, long-term arrears reduced by \$2.6 million (0.6%) to \$420.6 million, resulting in the accompanying ratio narrowing by 4 basis points to 7.8%—with a decline in the NPL rate for consumer loans, by 33 basis points to 6.2%. However, the NPL rate for commercial loans firmed by 28 basis points to 5.1% and for mortgages, by 6 basis points to 10.1%. Conversely, short-term arrears (31-90 days) rose by \$1.3 million (0.6%) to \$207.7 million, with the associated ratio moving higher by 3 basis points to 3.9%.

A disaggregation by loan type revealed that consumer loan delinquencies contracted by \$6.0 million (3.3%) to \$177.7 million, owing to a \$6.5 million (5.2%) falloff in the non-accruals component, which outstripped the \$0.5 million (0.9%) increase in the short-term segment. In contrast, mortgage delinquencies rose by \$3.0 million (0.8%) to \$388.6 million, as both long and short-term arrears moved higher by \$1.8 million (0.7%) and by \$1.2 million (0.9%), respectively. Similarly, commercial arrears grew by \$1.7 million (2.9%) to \$62.0 million, attributed to a \$2.2 million (4.9%) uptick in the long-term component, which overshadowed the \$0.5 million (3.0%) decline in short-term arrears.

Nevertheless, banks increased their total provisions for loan losses by \$3.5 million (0.9%) to \$391.2 million in November. As a result, the ratio of total provisions to arrears firmed by 0.7 percentage points to 62.3%. Further, the ratio for total provisions to NPLs rose by 1.4 percentage points to 93.0%. During the review month, banks wrote-off an estimated \$6.1 million in overdue loans, and recovered approximately \$5.1 million.

Relative to November 2021, the total private sector arrears rate narrowed by 2.5 percentage points. In particular, the short-term segments decreased by 1.5 percentage points, while the long-term component fell by 1.0 percentage point. By loan type, broad based reductions were recorded across all categories, as the arrears rate on consumer loans declined by 4.5 percentage points; mortgages, by 1.5 percentage points and commercial credit, by 0.4 percentage points.



Deposits

During the review month, the reduction in total Bahamian dollar deposits moderated to \$43.8 million from \$48.6 million in the same period last year. In particular, savings deposits grew by \$22.2 million, a reversal from a \$21.7 million contraction a year earlier. Further, the decrease in fixed deposit balances slowed to \$10.0 million from \$39.6 million in the prior year. In contrast, demand deposits reduced by \$56.0 million, a turnaround from an accumulation of \$12.6 million in 2021. Meanwhile, foreign currency deposits of residents contracted by \$122.7 million, vis-à-vis a \$39.4 million growth in the preceding year.

Interest Rates

The weighted average loan rate rose by 1.6 percentage points to 12.28% in November. Similarly, the weighted average deposit rate increased by 51 basis points to 0.87%, with the highest rate of 3.00% offered on fixed balances over 12 months.

3. Domestic Outlook

Expectations are that the domestic economy will maintain its positive growth momentum in 2022, undergirded by ongoing improvements in the tourism sector, despite elevated downside risks. These risks relate to COVID-19 vulnerabilities, should any significant relapse occur on the international health front. Further, higher global fuel prices could constrain the travel industry's competitiveness, while the major central banks' counter-inflation policies could curtail the travel spending capacity of key source market consumers. Nonetheless, new and ongoing foreign investment-led projects, combined with post-hurricane rebuilding efforts, are anticipated to provide impetus to the construction sector, which will also contribute to the growth matrix.

In the labour market, the unemployment rate is projected to remain above pre-pandemic levels, with any job gains concentrated predominantly in the construction sector and the full rehiring of tourism sector employees. As it relates to prices, inflation is forecasted to remain elevated, reflective of higher international oil prices, increased costs for other imported goods and supply chain shortages, associated with geopolitical tensions in Eastern Europe.

In the fiscal sector, the Government's net financing gap is anticipated to stay elevated, although consolidating. Specifically, the fiscal position is expected to remain impacted by ongoing disbursements for health and social welfare outlays related to COVID-19, along with spending still associated with the reconstruction of key infrastructure following the major hurricane in 2019. Further, the recovery in revenue is anticipated to be significantly linked to tourism-led improving trends in taxable economic activities. Financing of the estimated budgetary gap is expected to require a blend of domestic and external borrowings, but with a higher percentage of the total funding from domestic sources.

Monetary sector developments will continue to be marked by elevated levels of banking sector liquidity, as commercial banks maintain their conservative lending posture. Further, external reserves are forecasted to end the year above 2021 levels, given ongoing recovery in private sector foreign exchange market inflows. This follows seasonal drawdowns and, through December, both portfolio outflows linked to purchases of Bahamas Government foreign currency bonds, and the use of the 2021 IMF SDR allocations for fiscal purposes (see Box). As a result, external balances should remain more than adequate to sustain the Bahamian dollar currency peg.

4. Monetary Policy and Financial Stability Implications

Based on the current outlook, the Central Bank will retain its accommodative stance for private sector credit and continue to pursue policies that ensure a positive outturn for external reserves, while minimizing financial sector disruptions. Further, the Bank will continue to monitor developments within the foreign exchange market, and if necessary, adopt appropriate measures to support a favourable outcome for the foreign reserves.

Box: Use of the 2021 IMF Special Drawing Rights Allocation for Fiscal Purposes

The Central Bank has made arrangements with the Ministry of Finance for the Government to have direct access to the 174.8 million in Special Drawing Rights (SDRs) allocated to The Bahamas by the International Monetary Fund (IMF) in 2021. As at 19th December, 2022, this allocation was valued at US\$232.8 million.

The Government's use of the SDRs is consistent with one of the intended purposes of the 2021 allocation; for direct fiscal initiatives, specifically tied to harmful effects from the COVID-19 pandemic, and with international precedents. The Government is able to use the proceeds as a less costly alternative to foreign currency borrowing, and to supplement foreign exchange resources used to service existing external debt obligations. For the week of 19th – 25th December, 2022 the SDR interest rate, which is variable, was 2.88 percent.

SDR usage for fiscal purposes is also consistent with external reserve adequacy assessments. The Central Bank has estimated that the 2021 allocation is not essential in the near to medium-term to backstop potential foreign currency outflows. Given the ongoing tourism sector recovery, domestic foreign exchange market inflows have strengthened to sustainable levels that continue to support a healthy outlook for external reserves—even discounting the SDRs component. Excluding the 2021 allocation, the projected year-over-year improvement in the external balances would be in excess of \$300 million for 2022. Accounting for the SDR drawdown, and recent investment currency outflows to purchase Bahamas Government US dollar bonds, the external reserves narrowed to approximately \$2.58 billion as at 27th December, 2022.

Access to the SDRs follows extensive consultation between the Central Bank and the Ministry of Finance on the legal mechanism and arrangements to govern the use of these resources which create a direct foreign currency liability of the Government to the Central Bank. Under the terms of a Memorandum of Understanding (MOU) executed with the Central Bank, the Government assumes direct responsibility to reconstitute or repay the SDR holdings and to pay the market-determined interest charges on the drawdown.

APPENDIX

International Developments

Global economic performance varied in November, against the backdrop of the geopolitical tensions in Eastern Europe, rising inflation and the ongoing spread of the COVID-19 virus. As a result, some of the major central banks sustained their monetary policy tightening stances during the review month, in an effort to contain elevated inflation and maintain financial stability.

Economic developments in the United States were mixed during the month of November. Specifically, in the United States, retail sales decreased by 0.6% in November, a reversal from a 1.3% increase in the prior month. Further, industrial production declined by 0.2%, extending the 0.1% downturn in the previous month, due to a falloff in the manufacturing and mining sectors. Meanwhile, the growth in the consumer price index slowed to 0.1% in November, from 0.4% a month earlier, largely attributed to a reduction in energy costs. In the labour market, the unemployment rate remained unchanged at 3.7% in November, although total non-farm payroll employment increased by 263,000, mainly in leisure and hospitality, healthcare, and Government. In the external sector, the trade deficit widened by 5.4% to \$78.2 billion in October, owing to a 0.7% decrease in exports, combined with a 0.6% rise in imports. In this environment, the Federal Reserve retained its target funds rate range at 3.75%-4.00% in an effort to curtail inflation.

Developments in European economies were lackluster over the review period. In the United Kingdom, retail sales rose by 0.6% in October, a shift from a 1.5% reduction in the prior month, reflecting increases across all categories, except food store sales. However, industrial production registered a flat outturn in October, from a 0.2% gain a month earlier, underpinned by a decrease in the production sector. Meanwhile, consumer prices firmed by 0.4% in November, down from 2.0% in October, mainly owing to a falloff in communication prices. In terms of labour market conditions, the jobless rate increased by 10 basis points to 3.7% in three months to October. In the external sector, the trade in goods and services deficit edged up by £0.1 billion to £23.9 billion in the three months to October, explained by a 2.2% decline in exports, which offset the 2.6% falloff in imports. In the euro area, retail trade decreased by 1.8% in October, a turnaround from a 0.8% uptick in the prior month, reflective of a decline in the trade of non-food products, food, drinks, and tobacco. Similarly, industrial production fell by 2.0% in October, reversing the 0.8% gain in September, as a result of a reduction in the production of energy, durable consumer goods, and intermediate goods. Meanwhile, the unemployment rate narrowed to 6.5% in October from 6.6% a month earlier; while the annualized inflation rate accelerated to 10.6% in October, from 9.9% in September, due to higher energy costs. Given these developments, the Bank of England increased its key policy rate by 75 basis points to 3.00% in the month of November. Similarly, the European Central Bank raised its interest rates on its deposit facility to 1.50%, its main refinancing operations to 2.00% and marginal lending facility to 2.25%, from 0.75%, 1.25%, and 1.50%, respectively, in the prior month.

Outcomes also varied in the Asian economies during the review month. In China, retail sales contracted by 5.9% year-on-year in November 2022, an acceleration from the 0.5% decline in the prior month. Further, industrial production grew by 5.0% in October, a slowdown from a 6.3% gain in September, on account of a rise in COVID cases, and a downturn in the property sector. Meanwhile, the unemployment rate stabilized at 5.5% in October, vis-à-vis the prior month. In Japan, industrial production declined by 2.6%, extending the month-earlier 1.7% falloff, against the backdrop of weakened global demand and continued supply bottlenecks. Retail sales contracted by 4.3% in October, from 4.5% in September, owing to a falloff in machinery and equipment sales. In addition, the unemployment rate remained unchanged to 2.6% in October, while consumer prices rose by 3.6% from 3.0% in September, attributed to the supply chain constraints—driven by a rise in prices for imported foods, industrial commodities and manufacturing parts. In this environment, in November, the People's Bank of China sustained its reverse repo rate at 2.0%, while the Bank of Japan left its policy rate unchanged at -0.1%.

During the month of November, the major equity markets reported negative movements. Specifically, in the United States, the S&P 500 and the Dow Jones Industrial Average (DIJA) reduced by 5.1% and by 5.4%, respectively. Similarly, the German DAX, the French CAC 40 and the United Kingdom's FTSE 100 posted respective declines of 7.9%, 7.0% and 6.3%. In Asia, Japan's Nikkei 225 and China's SE decreased by 1.4% and by 8.2%, respectively.

In currency market developments, the US dollar appreciated against all of the major currencies during the review month. The US dollar strengthened against the British Pound, by 5.1% to £0.8293, the euro, by 5.3% to €0.9610 and the Canadian Dollar, by 1.6% to CAD\$1.3412. Likewise, the US dollar rose relative to the Japanese Yen, by 7.7% to ¥138.07, the Chinese Renminbi, by 3.0% to CNY7.0924, and the Swiss Franc, by 5.9% to CHF0.9457.

In the commodity markets, prices trended upward during the month of November. Specifically, the cost of crude oil grew by 7.8% to \$94.80 per barrel, as OPEC's crude oil production fell by 744,000 barrels per day to 28.8 million barrels per day in November. In addition, the cost of gold increased by 8.3% to \$1,768.52 per troy ounce and silver, by 15.8% to \$22.19 per troy ounce.

Recent Monetary and Credit Statistics

(B\$ Millions)

November					
Value		Change		Change YTD	
2021	2022	2021	2022	2021	2022

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	1,435.01	2,067.55	61.46	-24.11	-1.26	527.25
1.2 Excess Liquid Assets	2,353.80	2,911.53	69.41	-6.52	124.09	477.79
1.3 External Reserves	2,475.39	2,902.07	-112.97	-116.16	94.79	442.91
1.4 Bank's Net Foreign Assets	111.51	-56.60	41.09	-150.51	209.42	-141.55
1.5 Usable Reserves	1,327.47	1,433.71	-107.85	-76.46	72.28	168.36

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,576.95	5,505.68	-39.54	1.31	-157.10	-82.65
a. B\$ Credit	5,447.77	5,310.86	-36.79	-9.25	-141.12	-150.05
of which: Consumer Credit	1,893.34	1,906.58	-23.36	0.58	-143.52	15.80
Mortgages	2,751.08	2,701.29	-13.34	-3.87	-43.76	-44.82
Commercial and Other Loans B\$	803.35	703.00	-0.09	-5.95	46.16	-121.04
b. F/C Credit	129.18	194.81	-2.75	10.56	-15.99	67.40
of which: Mortgages	68.46	90.61	-1.54	0.20	5.19	21.58
Commercial and Other Loans F/C	60.72	104.21	-1.21	10.36	-21.18	45.82
2.2 Central Government (net)	2,859.13	2,918.96	11.80	85.67	330.49	-26.42
a. B\$ Loans & Securities	3,063.02	3,117.83	-17.82	71.63	332.43	-34.49
Less Deposits	371.85	287.56	-30.45	-14.67	-0.45	-85.57
b. F/C Loans & Securities	169.97	92.38	0.01	-0.34	-4.13	-77.59
Less Deposits	2.01	3.69	0.84	0.29	-1.74	-0.09
2.3 Rest of Public Sector	320.73	352.20	-0.74	0.31	-2.51	35.59
a. B\$ Credit	290.73	322.20	-0.74	0.31	14.56	35.59
b. F/C Credit	30.00	30.00	0.00	0.00	-17.08	0.00
2.4 Total Domestic Credit	8,756.80	8,776.84	-28.48	87.30	170.88	-73.48
a. B\$ Domestic Credit	8,429.67	8,463.34	-24.91	77.37	206.33	-63.38
b. F/C Domestic Credit	327.13	313.50	-3.57	9.93	-35.46	-10.10

3.0 DEPOSIT BASE

3.1 Demand Deposits	3,309.76	3,801.47	12.57	-55.98	201.52	395.36
a. Central Bank	11.58	64.87	-22.75	-39.22	-40.66	3.51
b. Banks	3,298.19	3,736.59	35.33	-16.76	242.18	391.85
3.2 Savings Deposits	1,859.58	2,076.51	-21.65	22.15	74.97	195.70
3.3 Fixed Deposits	2,174.51	2,076.18	-39.55	-9.95	-75.85	-104.63
3.4 Total B\$ Deposits	7,343.85	7,954.16	-48.62	-43.78	200.63	486.43
3.5 F/C Deposits of Residents	572.88	459.34	39.35	-122.73	145.54	-73.65
3.6 M2	7,713.18	8,359.47	-61.88	-34.85	192.80	502.51
3.7 External Reserves/M2 (%)	32.09	34.72	-1.20	-1.24	0.44	3.42
3.8 External Reserves/Base Money (%)	116.71	103.13	-8.23	-3.57	4.33	-10.82
3.9 External Reserves/Demand Liabilities (%)	107.82	98.82	-4.42	-1.25	2.05	-4.18
	Value		Year To Date		Change	
	2021	2022	2021	2022	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	-112.04	-122.63	-162.93	438.11	-10.60	601.04
a. Net Purchase/(Sale) from/to Banks	-61.21	-61.94	-143.79	209.49	-0.73	353.29
i. Sales to Banks	75.91	77.25	448.29	652.45	1.34	204.17
ii. Purchase from Banks	14.70	15.31	304.49	861.94	0.61	557.45
b. Net Purchase/(Sale) from/to Others	-50.83	-60.69	-19.14	228.62	-9.87	247.76
i. Sales to Others	96.71	117.62	836.72	1215.85	20.91	379.13
ii. Purchase from Others	45.88	56.93	817.58	1444.47	11.04	626.89
4.2 Banks Net Purchase/(Sale)	-49.36	-59.70	-85.02	238.90	-10.34	323.92
a. Sales to Customers	617.71	567.91	4876.03	6322.98	-49.80	1446.96
b. Purchase from Customers	568.35	508.21	4791.01	6561.88	-60.14	1770.88

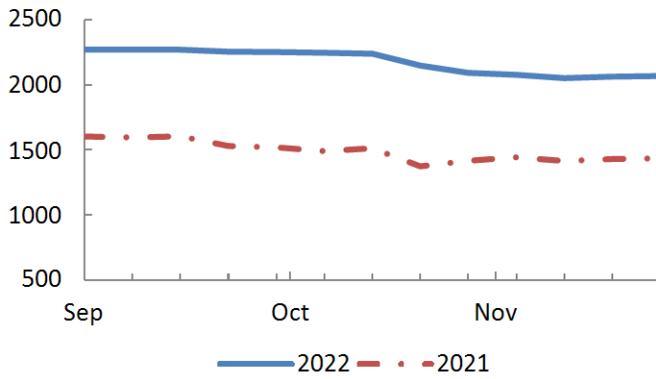
5.0 EXCHANGE CONTROL SALES

5.1 Current Items	664.98	607.04	5,362.62	6,564.04	-57.94	1,201.42
of which Public Sector	93.61	122.38	738.16	903.01	28.77	164.84
a. Nonoil Imports	175.99	120.24	1,482.37	1,684.51	-55.74	202.15
b. Oil Imports	51.60	59.93	393.74	784.28	8.33	390.54
c. Travel	17.45	17.68	140.63	165.75	0.23	25.12
d. Factor Income	85.89	74.28	535.64	567.41	-11.61	31.76
e. Transfers	20.49	24.43	178.32	166.42	3.94	-11.89
f. Other Current Items	313.57	310.48	2,631.92	3,195.67	-3.09	563.75
5.2 Capital Items	22.89	41.35	243.44	696.75	18.47	453.31
of which Public Sector	0.15	0.04	139.71	323.05	-0.10	183.34

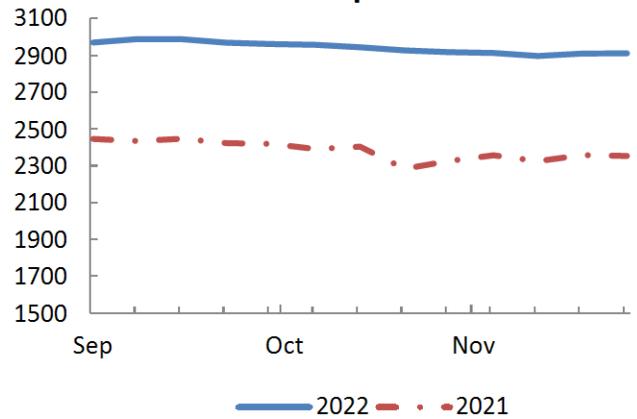
SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)

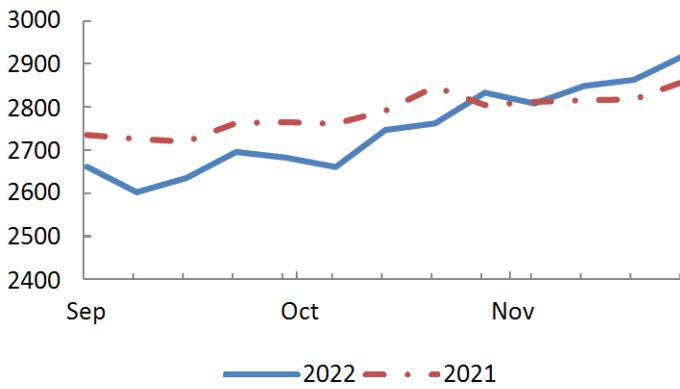
Excess Reserves



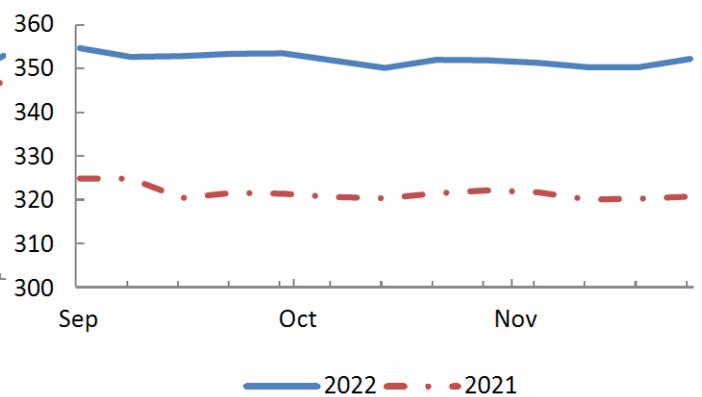
Excess Liquid Assets



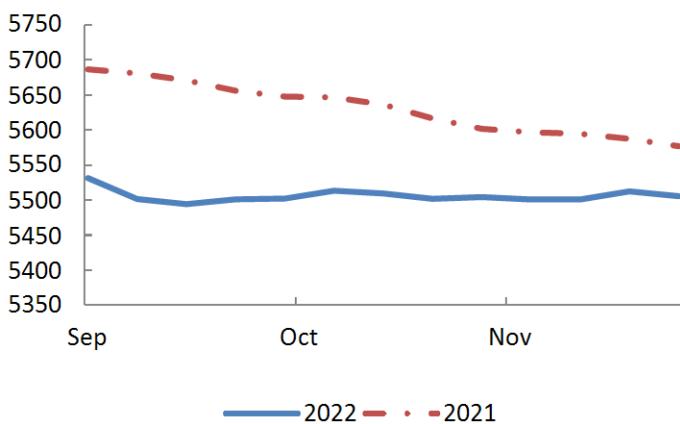
Central Govt. Credit (Net)



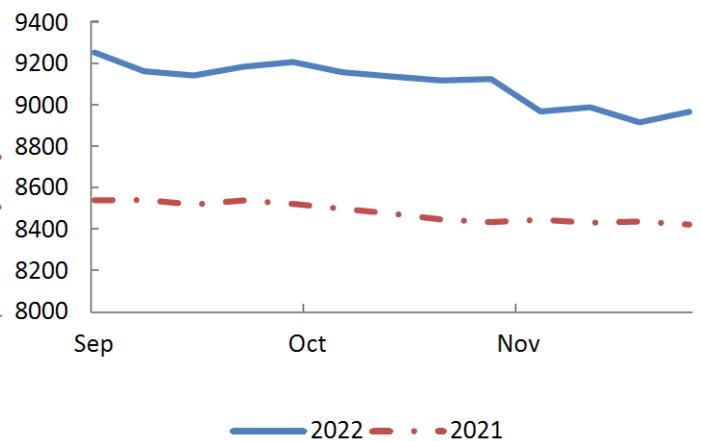
Rest of Public Sector Credit



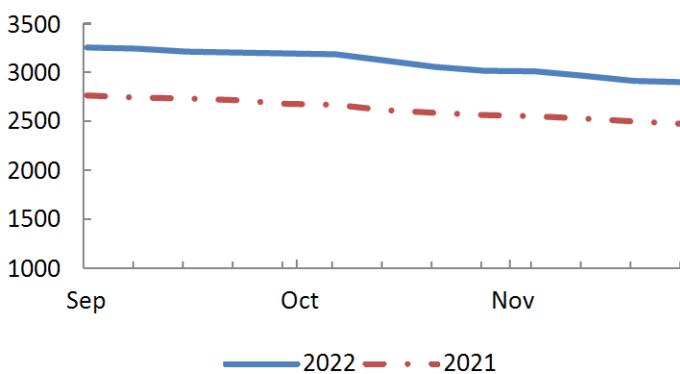
Private Sector Credit



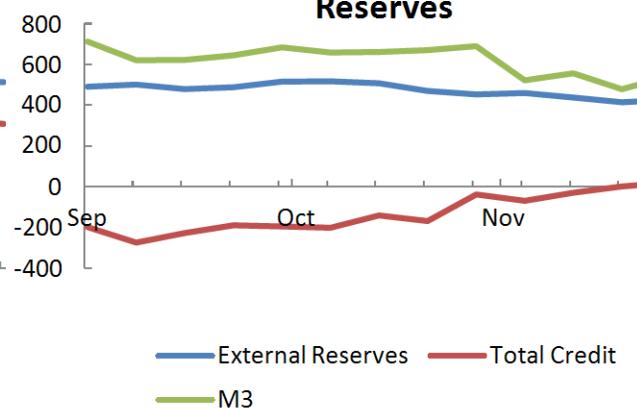
M3



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 from</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
	Bank Rate	Refinancing Rate	Primary Credit	Target Funds	Repo Rate
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
November 2022	4.00	2.00	4.00	3.75-4.00	3.00

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Nov-21	Oct-22	Nov-22	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.8819	1.0119	0.9610	5.30	9.26	8.96
Yen	113.17	148.71	138.07	7.71	19.98	22.00
Pound	0.7519	0.8719	0.8293	5.14	12.22	10.29
Canadian \$	1.2779	1.3624	1.3412	1.58	6.13	4.95
Swiss Franc	0.9189	1.0013	0.9457	5.88	3.59	2.92
Renminbi	6.3644	7.3050	7.0924	3.00	11.58	11.44

Source: Bloomberg as of November 30, 2022

D. Selected Commodity Prices (\$)					
Commodity	Nov-21	Oct-22	Nov-22	Mthly % Change	YTD % Change
Gold / Ounce	1774.52	1633.56	1768.52	8.26171	-3.317297
Silver / Ounce	22.8355	19.1600	22.1900	15.8142	-4.79786
Oil / Barrel	84.38	87.91	94.80	7.83756	19.69697

Source: Bloomberg as of November 30, 2022

E. Equity Market Valuations – November 30, 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	-1.12	-5.37	-5.10	-6.31	-7.00	-7.94	-1.36	-8.18
3 month	-1.82	-8.90	-3.07	-3.81	-9.10	-10.85	0.44	1.61
YTD	17.34	-4.81	-14.39	2.55	-5.79	-9.37	-2.86	-13.42

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	3.8750	2.9700	1.4350
1 Month	4.3600	3.3650	1.6300
3 Month	4.4035	3.6450	2.0350
6 Month	5.0400	4.2050	2.5000
9 Month	5.4100	4.5250	2.6900
1 year	5.4000	4.7000	2.9650

Source: Bloomberg as of November 30, 2022

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

	VALUE									CHANGE								
	Oct. 05	Oct. 12	Oct. 19	Oct. 26	Nov. 02	Nov. 09	Nov. 16	Nov. 23	Nov. 30	Oct. 05	Oct. 12	Oct. 19	Oct. 26	Nov. 02	Nov. 09	Nov. 16	Nov. 23	Nov. 30
I. External Reserves	3,196.13	3,187.13	3,122.81	3,058.18	3,018.23	3,013.19	2,966.79	2,914.68	2,902.07	(9.31)	(9.00)	(64.32)	(64.63)	(39.95)	(5.04)	(46.39)	(52.11)	(12.61)
II. Net Domestic Assets (A + B + C + D)	(205.18)	(205.77)	(149.12)	(179.99)	(189.29)	(193.67)	(187.22)	(120.63)	(87.95)	10.13	(0.59)	56.65	(30.87)	(9.29)	(4.38)	6.45	66.59	32.69
A. Net Credit to Gov't (I + ii + iii -iv)	426.45	429.77	466.00	491.98	500.51	482.04	494.85	521.23	577.28	9.73	3.32	36.22	25.98	8.53	(18.47)	12.81	26.38	56.05
i) Advances	205.00	205.00	247.00	327.00	285.00	285.00	285.00	285.00	335.00	-	-	42.00	80.00	(42.00)	-	-	-	50.00
ii) Registered Stock	296.81	296.69	297.51	297.76	298.33	298.54	298.65	299.62	299.75	0.60	(0.12)	0.83	0.24	0.57	0.21	0.11	0.98	0.12
iii) Treasury Bills	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	-	-	-	-	-	-	-	-	-
iv) Deposits	75.35	71.91	78.52	132.78	82.82	101.50	88.80	63.40	57.47	(9.12)	(3.44)	6.61	54.26	(49.96)	18.68	(12.70)	(25.40)	(5.93)
B. Rest of Public sector (Net) (i+ii-iii)	(44.33)	(24.25)	(26.63)	(80.84)	(97.35)	(95.07)	(83.30)	(49.39)	(58.12)	(7.66)	20.08	(2.38)	(54.20)	(16.51)	2.27	11.77	33.91	(8.73)
i) Loans	1.63	1.63	1.63	1.63	1.63	1.63	1.63	1.63	1.63	-	-	-	-	-	-	-	-	-
ii) Bonds/Securities	5.12	5.12	5.12	5.12	5.12	5.12	5.12	5.12	5.12	0.02	-	-	-	-	-	-	-	-
iii) Deposits	51.08	31.00	33.38	87.59	104.09	101.82	90.05	56.14	64.87	7.68	(20.08)	2.38	54.20	16.51	(2.27)	(11.77)	(33.91)	8.73
C. Loans to/Deposits with Banks	-	-	-	-	-	-	-	-	-	-								
D. Other Items (Net)*	(587.31)	(611.29)	(588.48)	(591.14)	(592.45)	(580.63)	(598.77)	(592.47)	(607.10)	8.06	(23.98)	22.81	(2.65)	(1.32)	11.82	(18.13)	6.30	(14.63)
III. Monetary Base	2,990.94	2,981.36	2,973.69	2,878.19	2,828.94	2,819.52	2,779.57	2,794.05	2,814.13	0.81	(9.58)	(7.67)	(95.50)	(49.24)	(9.42)	(39.95)	14.48	20.08
A. Currency in Circulation	551.15	546.63	542.57	533.93	540.41	536.95	534.40	537.15	548.50	8.01	(4.53)	(4.06)	(8.64)	6.48	(3.46)	(2.56)	2.75	11.35
B. Bank Balances with CBOB	2,439.79	2,434.73	2,431.12	2,344.26	2,288.53	2,282.57	2,245.17	2,256.90	2,265.63	(7.20)	(5.06)	(3.61)	(86.86)	(55.72)	(5.97)	(37.39)	11.73	8.73

