



## **Monthly Economic and Financial Developments July 2023**

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:** October 2, October 30, December 4, December 27



**JULY 2023 SUMMARY**  
**MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS**

***Overall Economic Activity***

During the month of July, the growth trajectory of the domestic economy persisted, although at a moderated pace, with indicators reverting to trend, as the recovery from the COVID-19 pandemic neared completion. Tourism sector output continued to record strong growth, bolstered by robust gains in the high value-added air component and the sea segment, attributed to the ongoing demand for travel in the key source markets.

***Monetary Sector***

Monetary sectors developments for the month of July featured a moderated gain in banking sector liquidity, as the increase in the deposit base outpaced the rise in domestic credit. Similarly, during the review month, the buildup in external reserves slowed, as net foreign currency outflows through the public sector, offset net private sector inflows.

***International Economies***

During the month of July, global economic performance varied, as developments continued to be impacted by the prolonged geopolitical tensions in Eastern Europe and elevated inflation. In this environment, the major central banks retained their monetary policy tightening stances, in an effort to lower inflation and stimulate economic growth and financial stability.



# Monthly Economic and Financial Developments (MEFD) July 2023

## 1. Domestic Economic Developments

### Overview

Preliminary indications are that during the month of July, the growth trajectory of the domestic economy persisted, although at a moderated pace, with indicators reverting to trend, as the recovery from the COVID-19 pandemic neared completion. Tourism sector output continued to record strong growth, bolstered by robust gains in the high value-added air component and in the sea segment, attributed to the ongoing demand for travel in key source markets. Monetary sector developments for the month of July featured a moderated buildup in banking sector liquidity, as the increase in the deposit base outpaced the rise in domestic credit. Similarly, during the review month, the accumulation in external reserves slowed, as net foreign currency outflows through the public sector, offset net private sector inflows.

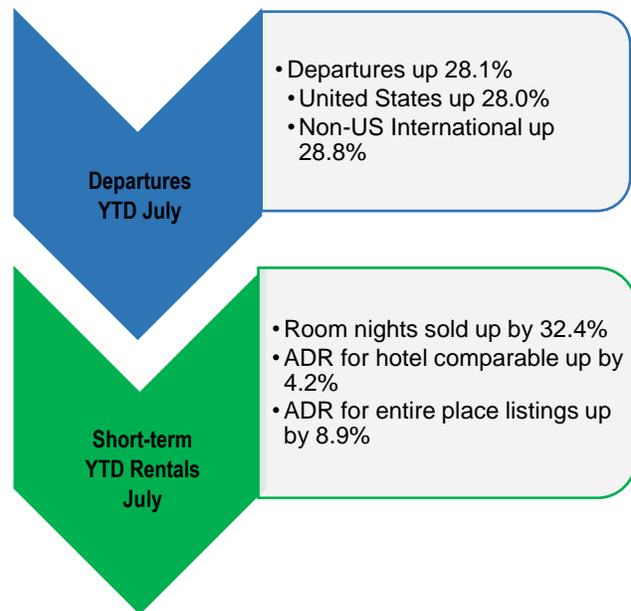
### Real Sector

#### Tourism

Monthly data revealed that tourism maintained a healthy growth momentum in July, amid strong gains in both the high-value air traffic and the sea segment, on account of the ongoing demand for travel in the major source markets.

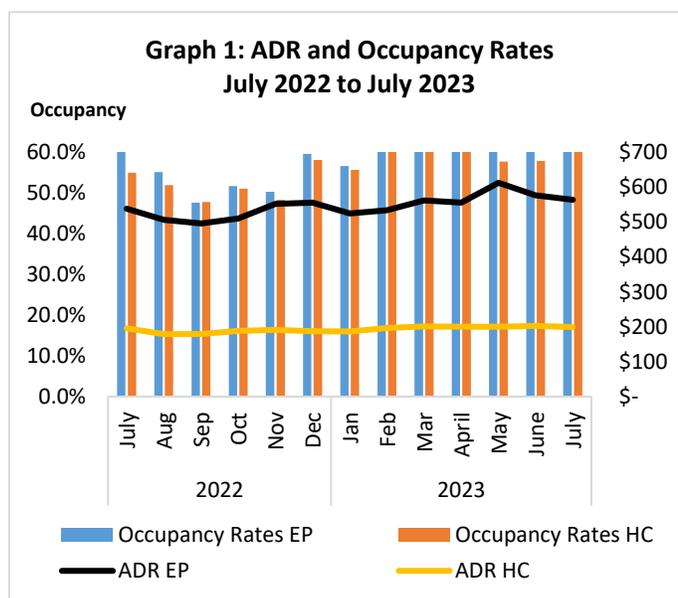
The most recent data provided by the Nassau Airport Development Company Limited (NAD) indicated that total departures in July—net of domestic passengers—rose by 15.7% to 167,052, relative to the comparative period in 2022. Specifically, U.S. departures increased by 16.1% to 149,967, while non-U.S. departures grew by 12.5% to 17,085, compared to the previous year. On a year-to-date basis, total outbound traffic expanded by 28.1% to approximately 1.0 million passengers. In particular, U.S. departures moved higher by 28.0% to almost 0.9 million visitors, vis-à-vis the same period in 2022. Likewise, non-U.S. departures rose by 28.8% to just over 0.1 million visitors, compared to the prior year.

Chart 1: Tourism Indicators at a Glance



Sources: Nassau Airport Development Co. & AirDNA

Positive trends were mirrored in the short-term vacation rental market. The latest data provided by AirDNA showed that in July, total room nights sold increased to 201,530 from 170,904 in the corresponding 2022 period. Reflecting this outturn, the occupancy rates for both entire place and hotel comparable listings rose to 67.0% and 60.2%, respectively, relative to 61.8% and 55.0% in the prior year. Further, as depicted in Graph 1, price indicators revealed that year-over-year, the average daily room rate (ADR) for entire place listings increased by 4.7% to \$563.52 and for hotel comparable listings, by 1.9% to \$199.58.



Sources: AirDNA

## 2. Monetary Trends

### July 2023 vs. 2022

#### Liquidity

During July, monetary developments featured moderated gains in bank liquidity, with growth in the deposit base, outpacing the rise in domestic credit. Specifically, excess liquid assets—a broad measure of liquidity—expanded by \$114.5 million to \$3,020.4 million, albeit lower than the \$324.4 million accumulation a year earlier. Likewise, excess reserves—the narrow measure of liquidity—rose by \$43.4 million to \$2,043.9 million, a slowdown from a \$261.0 million build up in the same period of 2022.

#### External Reserves

External reserves grew by \$39.8 million to \$2,737.3 million during the review month, although a moderation from the \$84.2 million expansion in the comparable period of the previous year. Contributing to this outturn, the Central Bank’s net purchase from commercial banks widened to \$84.7 million, from \$33.9 million in the prior year. Meanwhile, commercial banks net intake from their customers strengthened to \$102.9 million, from the \$23.1 million gain last year. In contrast, the Central Bank’s transactions with the public sector reversed to a net sale of \$45.4 million, from a net purchase of \$54.8 million in 2022.

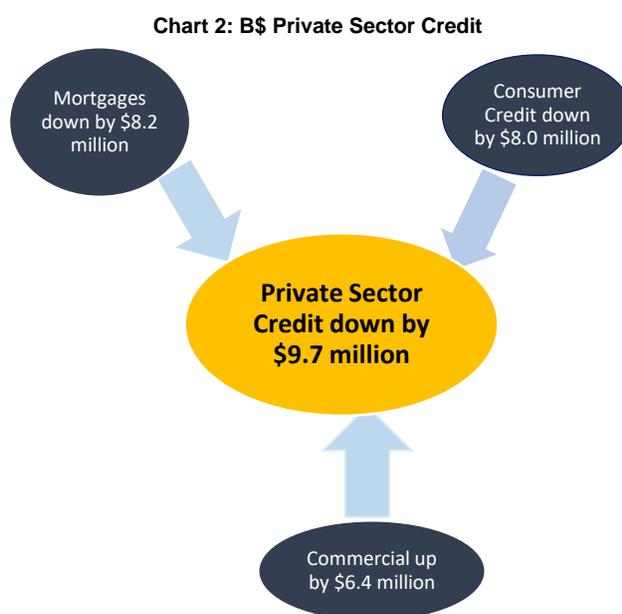
#### Exchange Control Sales

Provisional data on foreign currency sales for current account transactions for the month of July revealed that outflows increased by \$87.9 million to \$652.4 million, relative to the same period in 2022. Leading this development, “other” current items—largely credit and debit card financed imports—moved higher by \$88.3 million, while outflows associated with travel related transactions and non-oil imports firmed by \$9.4 million and by \$6.9 million, respectively. Conversely, reductions were registered for factor income remittances, by \$13.6 million; oil imports, by \$1.9 million; and transfer payments, by \$1.3 million.

## Domestic Credit

### *Bahamian Dollar Credit*

Total Bahamian dollar credit grew by \$10.7 million during the month of July, a switch from an \$82.2 million contraction a year earlier. Underpinning this outturn, net claims on the Government rose by \$19.6 million, a reversal from a \$50.8 million retrenchment in the prior year. Further, the reduction in credit to the private sector tapered to \$9.7 million, from \$32.1 million a year earlier. By loan type, commercial credit expanded by \$6.4 million, a shift from a \$15.6 million contraction in 2022. In addition, the decline in mortgages moderated to \$8.2 million, from \$10.0 million in the preceding year. However, the decrease in consumer credit extended to \$8.0 million, from \$6.5 million in the previous year. Meanwhile, credit to the rest of the public sector increased by \$0.9 million, surpassing the \$0.7 million uptick in the prior year.



Source: Central Bank of The Bahamas

### *Foreign Currency Credit*

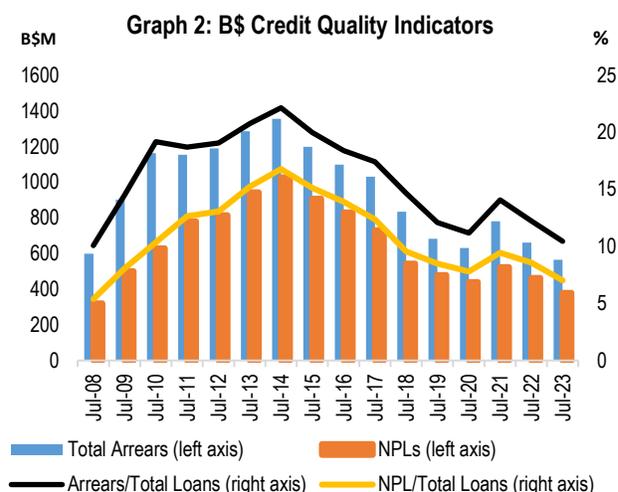
For the month of July, domestic foreign currency credit reduced by \$10.7 million, exceeding the \$3.6 million falloff in 2022. Net claims on the Government fell by \$1.8 million, but was lower than the \$2.6 million decrease in the preceding year. Meanwhile, credit to the private sector declined by \$8.9 million, extending the \$1.0 million retrenchment, as decreases in mortgages and commercial credit deepened to \$7.5 million and \$1.4 million, from \$0.6 million and \$0.3 million, respectively, in the previous year. Moreover, credit to the public corporations remained unchanged.

### **Credit Quality**

During the review month, commercial bank's credit quality indicators improved, supported by a reduction in non-performing loans (NPLs). Total private sector arrears contracted by \$14.6 million (2.5%) to \$564.5 million, with its accompanying ratio lowering by 27 basis points to 10.5% of total private sector loans.

A breakdown by the average age of delinquency showed that NPLs reduced by \$20.0 million (5.0%) to \$379.3 million, resulting in a 37-basis point narrowing in the attendant ratio to 7.0%. Decreases were recorded in the NPL rates for mortgages, by 44 basis points to 9.2%; consumer loans, by 39 basis points to 5.3%; and commercial loans, by 13 basis points to 5.0%. In contrast, short-term arrears (31-90 days) rose by \$5.5 million (3.0%) to \$185.2 million, with the associated ratio moving higher by 10 basis points to 3.4%.

An analysis by loan type revealed that mortgages arrears contracted by \$9.2 million (2.8%) to \$346.9 million, owing to a reduction in the long-term segment, by \$11.4 million (4.8%), which outstripped the \$2.3 million (1.9%) rise in short-term arrears. Similarly, consumer loan delinquencies fell by \$7.5 million (4.6%) to \$153.9 million, due mainly to a \$7.6 million (6.9%) falloff in NPLs, as opposed to the \$0.2 million (0.3%) uptick in the short-term segment. However, commercial delinquencies rose by \$2.1 million (3.3%) to \$63.7 million, as the short-term component increased by \$3.1 million (25.5%), outweighing the \$1.0 million (2.0%) decline in the long-term component.



Source: Central Bank of The Bahamas

Against this backdrop, banks reduced their total provisions for loan losses by \$17.2 million (4.8%) to \$339.8 million in July, with the ratio of total provisions to arrears lowering by 1.5 percentage points to 60.2%. However, the ratio of total provisions to NPLs rose by 18 basis points to 89.6%. During the month, banks also wrote-off an estimated \$24.4 million in overdue loans and recovered approximately \$4.7 million.

In comparison to July 2022, the total private sector arrears rate declined by 1.8 percentage points, reflecting contractions in both the non-accrual and short-term segments of 1.6 and 0.2 percentage points, respectively. Further, by loan type, the arrears rate on consumer loans moved lower, by 2.5 percentage points; mortgage, by 1.7 percentage points; and the commercial component, by 0.4 percentage points.

## Deposits

The growth in total Bahamian dollar deposits moderated to \$62.6 million in July, from \$70.1 million a year earlier. In particular, savings deposits fell by \$6.3 million, a reversal from a \$49.3 million accumulation in the previous year. In contrast, demand deposit balances expanded by \$65.2 million, extending the \$32.2 million increase a year earlier. Further, fixed deposits grew by \$3.7 million, a shift from an \$11.4 million reduction in the preceding year. Meanwhile, residents' foreign currency deposits reduced by \$8.4 million, vis-à-vis a \$22.0 million build up in the year prior.

## Interest Rates

During the review period, commercial banks' weighted average loan rate narrowed by 29 basis points to 10.94%, while the weighted average deposit rate was unchanged at 0.48%. Moreover, the highest rate offered on fixed balances over 12 months was 3.75%.

## 3. Domestic Outlook

The domestic economy is projected to sustain its positive growth trajectory in 2023, buoyed by ongoing gains in tourism sector output. However, as indicators return to pre-pandemic levels, the pace of expansion is expected to moderate. Further, downside risks to the sector persist, related mainly to exogenous factors, such as elevated global prices, which could disrupt travel sector activity. In addition, major central banks' counter-inflation policies could weaken the travel spending capacity of key source market consumers.

Nonetheless, new and ongoing foreign investment-led projects are anticipated to provide support to the construction sector, and by extension to economic growth.

In terms of the labor market, the employment rate is expected to continue to improve, associated with job gains concentrated largely in the construction and tourism sectors. In terms of prices, inflation is projected to remain high in the near-term, although decreasing over the medium to long-term, with a lag to moderating price trends in the major trading markets and delayed fuel cost pass-through in domestic energy costs. Nevertheless, uncertainty in international oil prices, and supply chain shortages, related to geopolitical tensions in Eastern Europe are upside risks to inflation.

On the fiscal front, as conditions become more favourable for more consolidation, the Government's net financing gap is anticipated to sustain its downward trend. The recovery in revenue is expected to be significantly connected to tourism-led improvements in taxable economic activities. Further, the estimated budgetary gap is projected to require a blend of domestic and external borrowings, but with a higher proportion of the total funding from domestic sources.

In monetary sector developments, banking sector liquidity is expected to remain elevated, due to commercial banks maintaining their conservative lending posture. In addition, external reserve balances are forecasted to remain buoyant in 2023, remaining above international benchmarks, supported by anticipated foreign currency inflows from tourism and other net private sector receipts. Consequently, external balances should remain more than adequate to sustain the Bahamian dollar currency peg.

#### ***4. Monetary Policy and Financial Stability Implications***

Based on the prevailing outlook, the Central Bank will retain its accommodative policy stance for private sector credit and pursue policies that ensure a favorable outcome for external reserves, and mitigate 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 positive outcome for the foreign reserves.

## APPENDIX

### *International Developments*

During the month of July, global economic performance varied, as developments continued to be impacted by the prolonged geopolitical tensions in Eastern Europe and elevated inflation. In this environment, the major central banks retained their monetary policy tightening stances, in an effort to lower inflation and stimulate economic growth and financial stability.

In the United States, economic indicators recorded positive outcomes during the review month. In particular, growth in industrial production recovered to 1.0% in July, a reversal from a 0.8% falloff in the previous month, driven by advances in manufacturing and mining output, while retail sales increased by 0.7% in July, extending the 0.3% uptick in the prior month. Further, the rise in average consumer prices steadied at 0.2% in July, as declines in the prices for airline fares, used cars, medical care and communication, offset increases in prices for energy and food. In terms of the labour market, the jobless rate narrowed by 10 basis points to 3.5% in July, as total non-farm payroll employment rose by 187,000, reflective of job gains in health care, social assistance, financial activities and wholesale trade. On the external front, the trade deficit decreased by \$2.8 billion (4.1%) to \$65.5 billion in June, as the 1.0% reduction in imports outpaced the 0.1% falloff in exports. Against this backdrop, the Federal Reserve raised the target range for the Federal funds rate to 5.25%-5.50% in July, from 5.00%-5.25% in the preceding month, in an effort to curb inflation.

Developments in the European economies were mixed. In the United Kingdom, real GDP grew by 0.5% in June, a turnaround from a 0.1% decline in the prior month, bolstered by growth in production, construction and services output. Industrial production moved higher by 1.8% in June—marking its largest monthly gain since August of 2020—following a 0.6% decrease a month earlier, underpinned by an increase in the manufacturing sector. Further, retail sales rose by 0.7% in June, exceeding the 0.1% uptick in the previous month, supported by gains across most of the main sectors. In June, the consumer price index firmed by 0.1%, a slowdown from the 0.7% increase registered in May, as the reduction in transport costs offset marginal increases across most of the other sectors. Meanwhile, in the labour market, the jobless rate increased by 30 basis points to 4.2% in the three months to June. On the external front, the trade in goods and services deficit contracted by £2.9 billion to £4.8 billion in June, reflecting a £4.0 billion decrease in imports, while exports remained unchanged. In the euro area, industrial production reduced by 0.4% in June, albeit lower than the 1.9% retrenchment in May, due to falloffs in energy and intermediate goods output. Further, retail trade edged down by 0.3% in June, a shift from the 0.6% uptick in the preceding month, reflecting declines in the volume of trade for food, drinks and tobacco. The annual inflation rate softened to 5.3% in July, from 5.5% in the previous month, on account of marginal declines in food and services prices; while the jobless rate steadied at 6.4% in July. In external developments, the euro area recorded a €23.0 billion trade surplus in June, a switch from a €27.1 billion deficit in the same period of last year, attributed to a 17.7% reduction in imports, combined with a 0.3% rise in exports. Given these developments, the Bank of England maintained its key policy rate at 5.00%. However, the European Central Bank raised its interest rates on its main refinancing operations to 4.25% from 4.00%, the marginal lending facility, to 4.50% from 4.25% and deposit facility to 3.75% from 3.50%.

Outcomes varied in the Asian economies during the review period. In China, industrial production rose by 3.7% year-over-year in July, a slight slowdown from the 4.4% increase in the previous month, supported by gains in the manufacturing, production and mining sectors. Retail sales also increased by 2.5%, although lower than the 3.1% growth in the preceding month, as most of the main sectors registered gains. Further, the annual consumer price index decreased by 0.3% in July, vis-à-vis a flat outturn in June, on account of reductions in prices for food, tobacco and alcohol. However, in the labour market, the unemployment rate rose by 10 basis points to 5.3% in July. In external developments, China's trade surplus decreased to \$80.6 billion in July, from \$102.7 billion in the previous month, as the 14.5% contraction in exports outpaced the 12.4% decline in imports. In Japan, industrial production rose by 2.4% in June, a rebound from the 2.2% falloff in May, attributed to gains in the production of motor vehicles, electronic parts and devices, and general-purpose and business-oriented machinery. In addition, retail sales grew by 5.9% in June, extending the 5.8% growth a month earlier, underpinned by gains in the sales of pharmaceuticals & cosmetics, and the automobile sector. Meanwhile, the unemployment rate fell by 10 basis points to 2.5% in June, while the annual inflation rate steadied at 3.3%, as declines in the average cost of fuel, light and water offset the rise in costs of food, transportation, housing, clothes, furniture & household utensils, culture & recreation, medical care, and education. In this environment, the People's Bank of China retained its reverse repo rate at 1.9%, and the Bank of Japan, its policy rate at -0.1%.

During the month of July, most of the major equity markets reported positive movements. In particular, the United States' S&P 500 and Dow Jones Industrial Average (DIJA) rose by 3.1% and by 3.4%, respectively. In Europe, the United Kingdom's FTSE 100 increased by 2.2%, the French CAC 40, by 1.3% and the German DAX, by 1.9%. In Asia, China's SE Composite strengthened by 2.8%; however, Japan's Nikkei 225 fell by 0.1%.

In foreign exchange market developments, the US dollar depreciated against all major currencies during the review month. Specifically, the US dollar weakened relative to the Swiss Franc, by 2.7% to CHF0.8719, the British Pound, by 1.0% to £0.7791, and the euro, by 0.8% to €0.9093. Similarly, the dollar decreased vis-à-vis the Canadian dollar, by 0.4% to CAD\$1.3190. In Asian markets, the US dollar declined against the Japanese yen, by 1.4% to ¥142.29, and the Chinese Renminbi, by 1.5% to CNY7.1428.

As it relates to the commodity markets, prices trended upward during the month of July. Specifically, the cost of crude oil increased by 3.1% to \$74.93 per barrel—as OPEC's crude oil production fell by 836,000 barrels per day, to an average 27.31 million barrels per day in July. Similarly, the price of silver advanced by 8.7% to \$24.75 per troy ounce, and the cost of gold, by 2.4% to \$1,965.09 per troy ounce.

# Recent Monetary and Credit Statistics

## (B\$ Millions)

July					
Value		Change		Change YTD	
2022	2023	2022	2023	2022	2023

### 1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	2,301.53	2,043.87	261.02	43.44	761.23	115.76
1.2 Excess Liquid Assets	3,000.89	3,020.36	324.41	114.47	562.04	247.54
1.3 External Reserves	3,331.36	2,737.31	84.24	39.76	872.20	142.64
1.4 Bank's Net Foreign Assets	149.81	-43.89	23.67	-4.45	182.14	53.89
1.5 Usable Reserves	1,713.74	1,260.61	-71.70	20.19	448.39	109.60

### 2.0 DOMESTIC CREDIT

<b>2.1 Private Sector</b>	5,467.78	5,632.19	-33.10	-18.55	-120.54	18.10
a. B\$ Credit	5,332.23	5,349.39	-32.12	-9.70	-128.68	16.40
of which: Consumer Credit	1,931.02	1,893.41	-6.46	-7.97	-71.50	-10.20
Mortgages	2,710.05	2,674.01	-10.02	-8.17	-11.48	-33.38
Commercial and Other Loans B\$	691.16	781.97	-15.64	6.44	-45.70	59.98
b. F/C Credit	135.55	282.80	-0.98	-8.86	8.14	1.70
of which: Mortgages	57.98	149.63	-0.64	-7.50	-11.04	-1.64
Commercial and Other Loans F/C	77.56	133.18	-0.34	-1.35	19.18	3.34
<b>2.2 Central Government (net)</b>	2,594.63	3,245.93	-53.32	17.79	-350.74	40.23
a. B\$ Loans & Securities	2,853.14	3,266.91	6.24	34.31	-299.18	82.99
Less Deposits	352.04	320.41	56.99	14.72	-21.09	14.01
b. F/C Loans & Securities	102.17	306.05	0.00	-2.48	-67.80	-27.31
Less Deposits	8.64	6.63	2.56	-0.68	4.86	1.45
<b>2.3 Rest of Public Sector</b>	354.28	341.22	0.69	0.85	37.66	-7.44
a. B\$ Credit	324.28	314.22	0.69	0.85	37.66	-5.19
b. F/C Credit	30.00	27.00	0.00	0.00	0.00	-2.25
<b>2.4 Total Domestic Credit</b>	8,416.70	9,219.33	-85.73	0.08	-433.62	50.88
a. B\$ Domestic Credit	8,157.62	8,610.10	-82.18	10.74	-369.10	80.19
b. F/C Domestic Credit	259.08	609.23	-3.55	-10.66	-64.52	-29.30

### 3.0 DEPOSIT BASE

<b>3.1 Demand Deposits</b>	3,894.08	3,952.49	32.21	65.15	511.50	78.16
a. Central Bank	71.65	59.53	-11.88	-11.56	10.28	-33.65
b. Banks	3,822.44	3,892.96	44.09	76.71	501.22	111.80
<b>3.2 Savings Deposits</b>	2,067.77	2,227.36	49.33	-6.27	186.96	124.29
<b>3.3 Fixed Deposits</b>	2,126.84	2,059.02	-11.42	3.72	-51.34	-15.14
<b>3.4 Total B\$ Deposits</b>	8,088.69	8,238.87	70.12	62.60	647.11	187.30
<b>3.5 F/C Deposits of Residents</b>	552.20	551.48	22.03	-8.43	110.35	83.37
<b>3.6 M2</b>	8,482.07	8,669.99	83.04	67.83	651.26	178.81
<b>3.7 External Reserves/M2 (%)</b>	39.28	31.57	0.61	0.21	7.87	1.01
<b>3.8 External Reserves/Base Money (%)</b>	109.99	97.51	-7.96	-0.26	-3.95	1.58
<b>3.9 External Reserves/Demand Liabilities (%)</b>	102.97	92.68	-8.10	0.12	-0.03	2.82
	Value		Year To Date		Change	
	2022	2023	2022	2023	Month	YTD

### 4.0 FOREIGN EXCHANGE TRANSACTIONS

<b>4.1 Central Bank Net Purchase/(Sale)</b>	88.69	39.33	883.05	97.86	-49.36	-785.20
a. Net Purchase/(Sale) from/to Banks	33.85	84.70	430.25	350.36	50.85	-79.88
i. Sales to Banks	52.60	20.70	288.78	289.42	-31.90	0.64
ii. Purchase from Banks	86.45	105.40	719.02	639.78	18.95	-79.24
b. Net Purchase/(Sale) from/to Others	54.84	-45.37	452.81	-252.51	-100.21	-705.31
i. Sales to Others	60.49	108.73	759.61	980.45	48.24	220.85
ii. Purchase from Others	115.33	63.36	1212.41	727.95	-51.97	-484.47
<b>4.2 Banks Net Purchase/(Sale)</b>	23.10	102.90	461.60	323.67	79.80	-137.93
a. Sales to Customers	544.72	649.12	3755.81	4216.18	104.40	460.37
b. Purchase from Customers	567.82	752.02	4217.41	4539.85	184.20	322.44

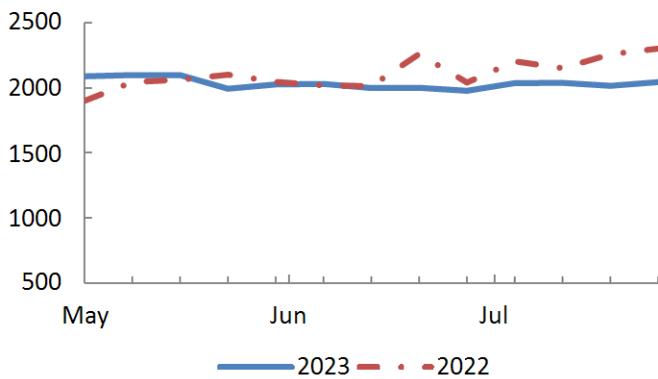
### 5.0 EXCHANGE CONTROL SALES

<b>5.1 Current Items</b>	564.56	652.42	3,922.15	4,411.71	87.86	489.56
of which Public Sector	62.61	40.22	524.35	596.83	-22.39	72.48
a. Nonoil Imports	139.49	146.35	1,061.03	1,096.37	6.86	35.35
b. Oil Imports	70.82	68.94	466.57	483.00	-1.88	16.43
c. Travel	15.43	24.86	88.41	115.46	9.43	27.05
d. Factor Income	34.39	20.82	335.11	287.05	-13.57	-48.06
e. Transfers	18.07	16.75	98.56	129.28	-1.31	30.71
f. Other Current Items	286.36	374.70	1,872.47	2,300.55	88.34	428.07
<b>5.2 Capital Items</b>	30.51	29.90	449.41	643.67	-0.61	194.26
of which Public Sector	4.32	9.31	242.44	436.81	4.99	194.37

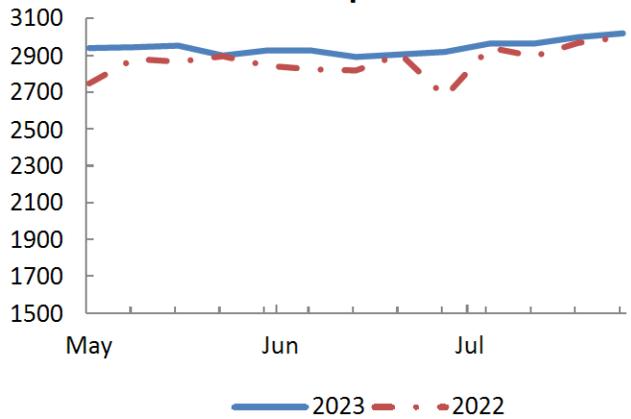
# SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)

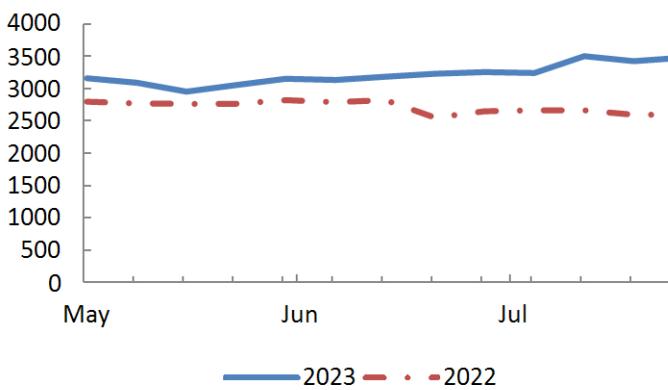
### Excess Reserves



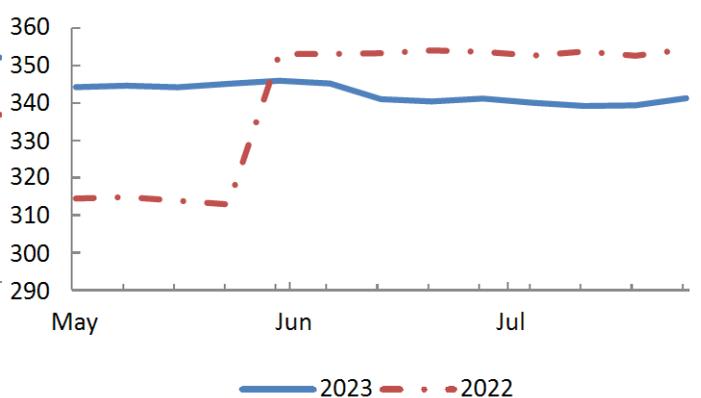
### Excess Liquid Assets



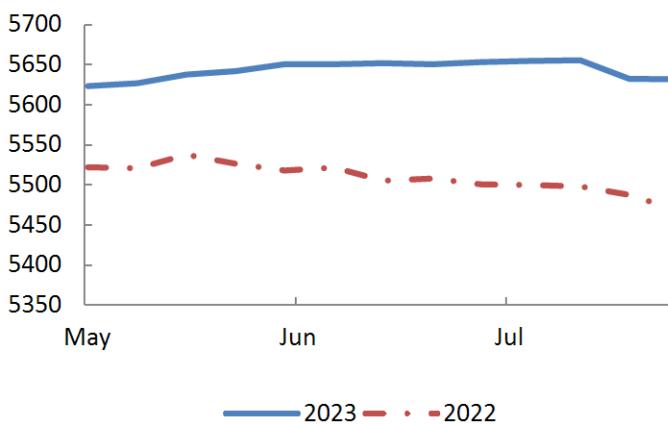
### Central Govt. Credit (Net)



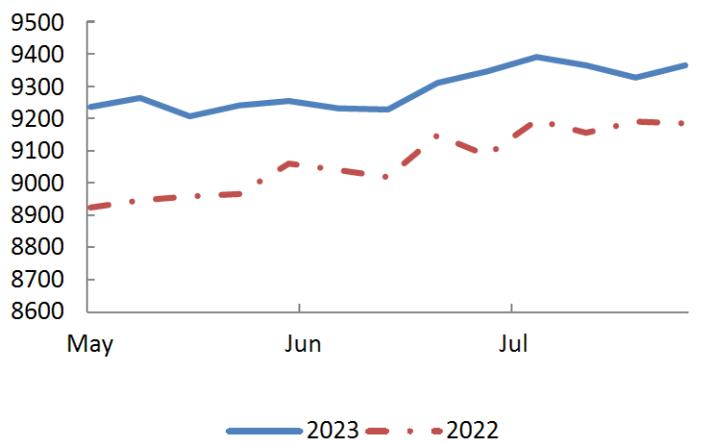
### Rest of Public Sector Credit



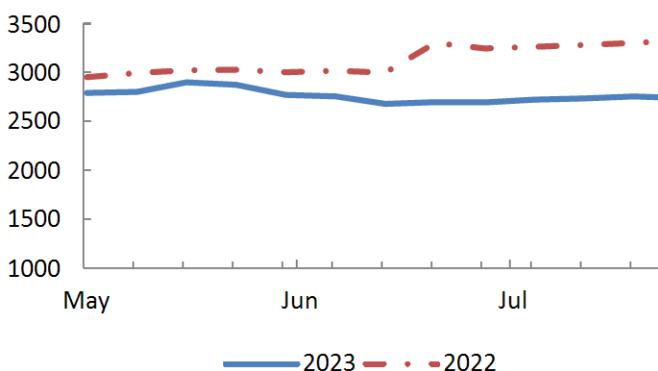
### Private Sector Credit



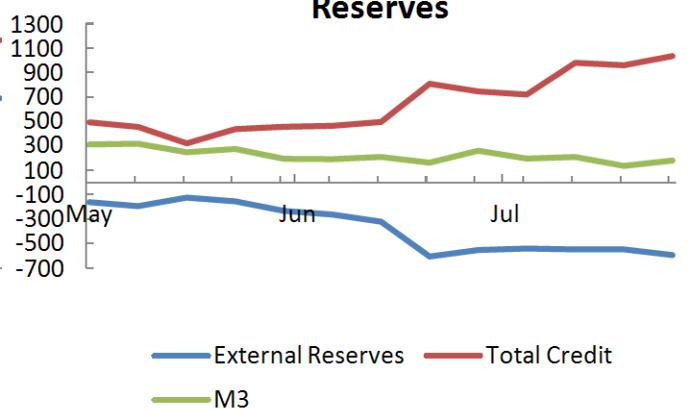
### M3



### External Reserves



### Changes in Money, Credit & Ext. Reserves



## Selected International Statistics

<b>A: Selected Macroeconomic Projections (Annual % Change and % of labor force)</b>						
	<b>Real GDP</b>		<b>Inflation Rate</b>		<b>Unemployment</b>	
	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>
Bahamas	11.0	4.3	5.6	4.5	12.3	12.0
United States	2.1	1.6	8.0	4.5	3.6	3.8
Euro-Area	3.5	0.8	8.4	5.3	6.8	6.8
Germany	1.8	-0.1	8.7	6.2	3.1	3.8
Japan	1.1	1.3	2.5	2.7	2.6	2.3
China	3.0	5.2	1.9	2.0	4.2	4.1
United Kingdom	4.0	-0.3	9.1	6.8	3.7	4.2
Canada	3.4	1.5	6.8	3.9	5.3	5.8
<i>Source: IMF World Economic Outlook April 2023</i>						

<b>B: Official Interest Rates – Selected Countries (%)</b>					
<i>With effect from</i>	<b>CBOB</b>	<b>ECB (EU)</b>	<b>Federal Reserve (US)</b>		<b>Bank of England</b>
	<b>Bank Rate</b>	<b>Refinancing Rate</b>	<b>Primary Credit</b>	<b>Target Funds</b>	<b>Repo Rate</b>
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
December 2022	4.00	2.50	4.50	4.25-4.50	3.50
January 2023	4.00	2.50	4.50	4.25-4.50	4.00
February 2023	4.00	3.00	4.75	4.50-4.75	4.00
March 2023	4.00	3.50	5.00	4.75-5.00	4.25
April 2023	4.00	3.50	5.00	4.75-5.00	4.25
May 2023	4.00	3.75	5.25	5.00-5.25	4.50
June 2023	4.00	4.00	5.25	5.00-5.25	5.00
July 2023	4.00	4.25	5.50	5.25-5.50	5.00

## Selected International Statistics

<b>C. Selected Currencies (Per United States Dollars)</b>						
<b>Currency</b>	<b>July-22</b>	<b>June-23</b>	<b>July-23</b>	<b>Mthly % Change</b>	<b>YTD % Change</b>	<b>12-Mth% Change</b>
Euro	0.9785	0.9167	0.9093	-0.81	-15.06	-7.07
Yen	133.27	144.31	142.29	-1.40	8.52	6.77
Pound	0.8216	0.7872	0.7791	-1.03	-15.73	-5.18
Canadian \$	1.2795	1.3242	1.3190	-0.39	-2.69	3.09
Swiss Franc	0.9524	0.8956	0.8719	-2.65	-5.69	-8.45
Renminbi	6.7445	7.2537	7.1428	-1.53	3.54	5.91

*Source: Bloomberg as of 31<sup>st</sup> July 2023*

<b>D. Selected Commodity Prices (\$)</b>					
<b>Commodity</b>	<b>July-22</b>	<b>June-23</b>	<b>July-23</b>	<b>Mthly % Change</b>	<b>YTD % Change</b>
Gold / Ounce	1765.94	1919.35	1965.09	2.3831	7.7340
Silver / Ounce	20.3584	22.7747	24.7465	8.6579	3.3063
Oil / Barrel	114.79	72.68	74.93	3.0958	-8.9772

*Source: Bloomberg as of 31<sup>st</sup> July 2023*

<b>E. Equity Market Valuations – July 31st, 2023 (% change)</b>								
	<b>BISX</b>	<b>DJIA</b>	<b>S&amp;P 500</b>	<b>FTSE 100</b>	<b>CAC 40</b>	<b>DAX</b>	<b>Nikkei 225</b>	<b>SE</b>
1 month	3.07	3.35	3.11	2.23	1.32	1.85	-0.05	2.78
3 month	7.83	4.29	10.06	-2.17	0.08	3.29	14.96	-0.97
YTD	-0.35	7.28	19.52	3.32	15.82	18.12	27.12	6.53
12-month	1.17	8.26	11.11	3.72	16.27	21.97	19.32	1.16

*Sources: Bloomberg and BISX*

<b>F: Short Term Deposit Rates in Selected Currencies (%)</b>			
	<b>USD</b>	<b>GBP</b>	<b>EUR</b>
<b>o/n</b>	5.4450	5.0025	3.4113
<b>1 Month</b>	5.4600	5.3400	3.7350
<b>3 Month</b>	5.6000	5.5900	3.8325
<b>6 Month</b>	5.8400	5.8750	3.9500
<b>9 Month</b>	5.8900	6.0800	4.0100
<b>1 year</b>	5.9375	6.2420	4.0630

*Source: Bloomberg as of 31<sup>st</sup> July 2023*

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

	VALUE								CHANGE							
	Jun. 14	Jun. 21	Jun. 28	Jul. 05	Jul. 12	Jul. 19	Jul. 26	Aug. 02	Jun. 14	Jun. 21	Jun. 28	Jul. 05	Jul. 12	Jul. 19	Jul. 26	Aug. 02
<b>I. External Reserves</b>	<b>2,756.40</b>	<b>2,679.76</b>	<b>2,697.55</b>	<b>2,694.69</b>	<b>2,723.16</b>	<b>2,735.50</b>	<b>2,756.13</b>	<b>2,737.31</b>	<b>(15.17)</b>	<b>(76.64)</b>	<b>17.80</b>	<b>(2.87)</b>	<b>28.47</b>	<b>12.34</b>	<b>20.63</b>	<b>(18.82)</b>
<b>II. Net Domestic Assets (A + B + C + D)</b>	<b>26.88</b>	<b>71.33</b>	<b>61.65</b>	<b>49.83</b>	<b>71.18</b>	<b>49.46</b>	<b>10.05</b>	<b>70.04</b>	<b>17.21</b>	<b>44.45</b>	<b>(9.67)</b>	<b>(11.82)</b>	<b>21.34</b>	<b>(21.71)</b>	<b>(39.41)</b>	<b>59.99</b>
<b>A. Net Credit to Gov't (I + ii + iii -iv)</b>	<b>715.14</b>	<b>756.39</b>	<b>775.28</b>	<b>770.03</b>	<b>767.84</b>	<b>787.08</b>	<b>701.26</b>	<b>761.88</b>	<b>(32.86)</b>	<b>41.25</b>	<b>18.89</b>	<b>(5.25)</b>	<b>(2.19)</b>	<b>19.23</b>	<b>(85.81)</b>	<b>60.61</b>
i) Advances	567.97	567.97	567.97	558.62	558.62	573.02	573.02	558.62	-	-	-	(9.35)	-	14.40	-	(14.40)
ii) Registered Stock	278.72	282.20	279.26	279.42	279.51	278.59	279.37	277.76	(0.02)	3.48	(2.94)	0.16	0.09	(0.92)	0.79	(1.62)
iii) Treasury Bills	16.77	16.77	16.77	16.77	16.77	16.77	16.77	16.77	0.00	(0.00)	0.00	-	(0.00)	0.00	-	(0.00)
iv) Deposits	148.32	110.55	88.73	84.78	87.06	81.30	167.90	91.27	32.84	(37.77)	(21.83)	(3.95)	2.28	(5.76)	86.60	(76.63)
<b>B. Rest of Public sector (Net) (i+ii-iii)</b>	<b>(43.05)</b>	<b>(51.50)</b>	<b>(64.33)</b>	<b>(93.08)</b>	<b>(65.47)</b>	<b>(82.70)</b>	<b>(58.23)</b>	<b>(52.77)</b>	<b>14.04</b>	<b>(8.46)</b>	<b>(12.82)</b>	<b>(28.75)</b>	<b>27.61</b>	<b>(17.23)</b>	<b>24.47</b>	<b>5.46</b>
i) Loans	1.63	1.63	1.63	1.63	1.63	1.63	1.63	1.63	-	-	-	-	-	-	-	-
ii) Bonds/Securities	5.14	5.14	5.14	5.14	5.14	5.14	5.14	5.14	-	-	-	-	-	-	-	-
iii) Deposits	49.81	58.27	71.09	99.84	72.23	89.47	64.99	59.53	(14.04)	8.46	12.82	28.75	(27.61)	17.23	(24.47)	(5.46)
<b>C. Loans to/Deposits with Banks</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>							
<b>D. Other Items (Net)*</b>	<b>(645.22)</b>	<b>(633.56)</b>	<b>(649.30)</b>	<b>(627.11)</b>	<b>(631.20)</b>	<b>(654.91)</b>	<b>(632.98)</b>	<b>(639.07)</b>	<b>36.03</b>	<b>11.66</b>	<b>(15.74)</b>	<b>22.18</b>	<b>(4.08)</b>	<b>(23.71)</b>	<b>21.93</b>	<b>(6.08)</b>
<b>III. Monetary Base</b>	<b>2,783.27</b>	<b>2,751.08</b>	<b>2,759.21</b>	<b>2,744.52</b>	<b>2,794.33</b>	<b>2,784.96</b>	<b>2,766.18</b>	<b>2,807.35</b>	<b>2.04</b>	<b>(32.19)</b>	<b>8.12</b>	<b>(14.69)</b>	<b>49.81</b>	<b>(9.37)</b>	<b>(18.78)</b>	<b>41.17</b>
A. Currency in Circulation	574.16	562.80	566.83	569.77	579.48	569.86	564.10	567.76	4.72	(11.36)	4.03	2.93	9.72	(9.62)	(5.76)	3.66
B. Bank Balances with CBOB	2,209.11	2,188.28	2,192.37	2,174.75	2,214.85	2,215.10	2,202.08	2,239.59	(2.67)	(20.83)	4.09	(17.62)	40.10	0.25	(13.02)	37.51

## FISCAL/REAL SECTOR INDICATORS

(BS MILLIONS)

(% change represents current period from previous period)

Fiscal Operations <sup>p</sup>	
1. Government Revenue & Grants	
% change: over previous quarter	
2. Value Added Tax	
% change: over previous quarter	
3. Import/Excise/Export Duties	
% change: over previous quarter	
4. Recurrent Expenditure	
% change: over previous quarter	
5. Capital Expenditure	
% change: over previous quarter	
6. Deficit/Surplus*	
% change: over previous quarter	

		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			2021/2022	2022/2023
		596.4	654.7							537.3	603.6			711.7	820.7							1,845.4	2,079.0
		-12.1%	-13.9%							-9.9%	-7.8%			32.5%	36.0%							50.0%	12.7%
		295.4	331.0							249.2	267.8			290.5	336.6							835.1	935.41
		9.4%	10.1%							-15.6%	-19.1%			16.6%	25.7%							77.6%	12.0%
		131.8	127.0							107.6	116.6			104.3	121.9							343.8	365.5
		0.4%	87.0%							-18.4%	-8.2%			-3.0%	4.6%							20.0%	6.3%
		668.5	621.3							642.9	797.0			710.2	716.5							2,021.5	2,134.8
		-28.3%	-39.2%							-3.8%	28.3%			10.5%	-10.1%							4.2%	5.6%
		64.3	55.3							39.4	62.5			56.4	76.1							160.1	193.9
		-68.3%	-55.3%							-38.8%	13.0%			43.3%	21.7%							-4.7%	21.1%
		-136.37	-21.93							-144.90	-255.88			-54.89	28.09							-336.16	-249.73
		-70.1%	-94.3%							6.3%	1066.6%			-62.1%	-111.0%							-61.7%	-25.7%

Debt <sup>p **</sup>	
7. Total Direct Debt	
% change: over previous month	
8. External Debt	
% change: over previous month	
9. Internal F/C Debt	
% change: over previous month	
10. Bahamian Dollar Debt	
% change: over previous month	
11. Total Amortization	
% change: over previous month	
12. Total Public Sector F/C Debt	
% change: over previous month	

JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC	
2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
10,182.8	11,039.9	10,157.6	11,125.1	10,532.4	11,104.3	10,383.4	11,053.7	10,389.1	11,340.2	10,792.8	11,255.5	10,786.3	11,293.6										
-1.3%	0.0%	-0.2%	0.8%	3.6%	-0.2%	-1.4%	-0.5%	0.1%	2.59%	3.9%	-0.7%	-0.1%	0.3%										
4,327.4	4,839.8	4,308.3	4,912.2	4,732.8	4,846.4	4,616.1	4,840.1	4,625.6	5,083.8	4,997.1	5,000.2	5,024.2	4,993.4										
-0.4%	-0.1%	-0.4%	1.5%	9.0%	-1.4%	-2.5%	-0.1%	0.2%	5.0%	8.0%	-1.6%	0.5%	-0.1%										
112.6	329.5	112.6	326.1	112.6	328.9	108.5	321.6	108.5	318.1	108.5	318.6	105.0	317.3										
-36.1%	-0.1%	0.0%	-1.1%	0.0%	0.9%	-3.8%	-2.3%	0.0%	-1.1%	0.0%	0.1%	-3.2%	-0.4%										
5,742.8	5,870.6	5,736.7	5,886.9	5,686.9	5,929.0	5,658.8	5,892.1	5,655.0	5,938.3	5,687.3	5,936.6	5,657.2	5,982.9										
-0.9%	0.1%	-0.1%	0.3%	-0.9%	0.7%	-0.5%	-0.6%	-0.1%	0.8%	0.6%	0.0%	-0.5%	0.8%										
482.2	268.8	112.8	142.5	210.7	262.5	293.5	278.2	111.8	161.8	223.0	237.3	225.4	320.3										
372.7%	-15.6%	-327.4%	-88.7%	46.5%	45.7%	28.2%	5.7%	-61.9%	-41.8%	99.5%	46.7%	1.1%	34.9%										
4,952.3	5,648.4	4,933.2	5,717.3	5,351.1	5,644.9	5,230.2	5,631.2	5,239.6	5,871.5	5,602.7	5,776.1	5,626.3	5,768.0										
-1.6%	-0.1%	-0.4%	1.2%	7.8%	-1.3%	-2.3%	-0.2%	0.18%	4.27%	6.93%	-1.63%	0.4%	-0.1%										

Real Sector Indicators	
13. Retail Price Index	
% change: over previous month	
14. Tourist arrivals (000's)	
% change: over previous year	
15. Air arrivals (000's)	
% change: over previous year	
16. Res. Mortgage Commitments-Value of New Const. & Rehab. (BSMillions)	
% change: over previous qtr.	

JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC	
2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
113.9	119.4	114.0	119.3	115.1	119.8	115.9	120.6																
3.8%	4.8%	3.78%	4.65%	4.72%	4.11%	5.12%	4.04%																
318.3	846.6	414.5	820.6	627.2	951.3	588.7	865.4	506.6	755.4	567.4	793.9												
1247.8%	165.9%	1304.8%	97.9%	899.3%	51.7%	755.8%	47.0%	439.6%	49.1%	320.0%	39.9%												
74.1	132.5	104.5	150.7	151.1	186.8	147.1	170.6	130.0	149.6	144.6	167.7												
256.2%	78.9%	306.1%	44.3%	168.13%	23.57%	143.9%	16.0%	60.1%	15.1%	27.8%	16.0%												
				11.51	15.27																		
				-31.58%	-9.18%																		

YEAR TO DATE	
2021/2022	2022/2023
(Over previous year)	
1,845.4	2,079.0
50.0%	12.7%
835.1	935.41
77.6%	12.0%
343.8	365.5
20.0%	6.3%
2,021.5	2,134.8
4.2%	5.6%
160.1	193.9
-4.7%	21.1%
-336.16	-249.73
-61.7%	-25.7%

YEAR TO DATE	
2022	2023
(Over previous year)	
114.7	119.8
4.37%	4.40%
3,022.8	5,033.2
630.76%	66.51%
751.3	957.9
110.1%	27.5%
11.51	15.27
-19.55%	32.74%

\* Includes Net Lending to Public Corporations

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

p - provisional