

# Quarterly

## Economic Review

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# REVIEW OF ECONOMIC AND FINANCIAL DEVELOPMENTS

## DOMESTIC ECONOMIC DEVELOPMENTS

### OVERVIEW

Preliminary indications are that during the third quarter of 2023, the Bahamian economy sustained its growth trajectory, although at a moderated pace. As the recovery from the Novel Coronavirus (COVID-19) pandemic neared completion, growth indicators returned closer to their expected medium-term levels. Tourism output continued to record healthy gains, with the aggressive marketing efforts undertaken by the destination, bolstered ongoing improvements in earnings inflows, as the demand for travel in key source markets persisted. In addition, several small to medium-scale foreign direct investment projects provided support to the construction sector. In price developments, inflationary pressures eased during the twelve-months to August, despite remaining elevated, reflective of the tapering in global oil prices, relative to the same period last year.

Provisional data showed that the Government's overall deficit narrowed during the fourth quarter of FY2022/23, compared to the same quarter for FY2021/22. Contributing to this outturn was a decrease in aggregate expenditure, combined with an increase in total revenue. Budgetary financing was sourced from both the domestic and external markets, with a larger portion from the former and included a mix of long and short-term debt.

In monetary developments, bank liquidity contracted during the review quarter, as the reduction in the deposit base, contrasted with the growth in domestic credit. Further, reflective of the seasonal increase in demand for foreign currency, external reserves declined. Meanwhile, banks' credit quality indicators improved over the review quarter, underpinned by the sustained strengthening in the domestic economy and ongoing loan write-offs. Similarly, domestic banks overall profitability for the second quarter—latest available data—grew, largely attributed to a rise in banks' overall interest income.

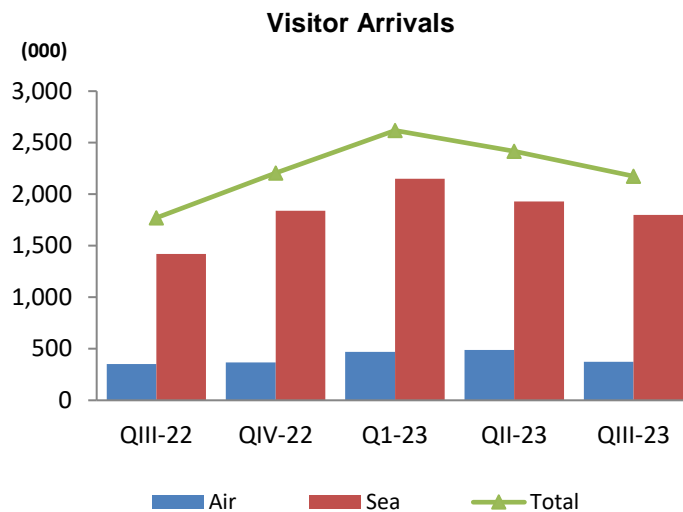
In external sector developments, the estimated current account deficit widened during the third quarter, on account of an increase in the merchandise trade deficit, and higher primary and secondary income outflows, which outweighed the growth in the services account surplus. Further, underpinned by a shift in portfolio investment transactions to a net outflow, from a net inflow the year prior, the financial account inflows contracted. Meanwhile, the capital account transfers recorded nil transactions during the review quarter, similar to the comparative 2022 period.

### REAL SECTOR

#### TOURISM

Tourism output sustained its robust growth momentum during the third quarter of 2023, undergirded by healthy gains in both the high-valued air traffic and sea arrivals, amid persistent demand for travel in key source markets. Aggressive promotional efforts of the destination also drove positive results.

Preliminary data from the Ministry of Tourism showed that total visitor arrivals grew by 22.8% to 2.2 million during the third quarter, exceeding the 1.8 million visitors in the same period in 2022. Underpinning this development, sea traffic expanded by 26.8% to 1.8 million arrivals, surpassing the 1.4 million passengers in the comparable period last year. Likewise, the high-value added air segment advanced by 6.7% to 0.37 million passengers, exceeding the 0.35 million visitors in the prior year.



A breakdown by major ports of entry revealed that tourist arrivals to New Providence grew by 15.7% to 0.9 million, from 0.8 million a year earlier, on account of a rise in both sea and air traffic, by 20.6% and by 6.5%, respectively. In the Family Islands, total visitor arrivals expanded by 29.2% to 1.1 million, vis-à-vis 0.8 million in 2022, as the sea segment advanced by 30.9% and air tourists by 6.8%. Further, arrivals to Grand Bahama increased by 25.8% to 143,609 visitors, from 114,185 passengers in the comparable period last year, bolstered by gains in sea arrivals, by 27.1% and air traffic, by 11.0%.

Positive trends were also observed in the short-term vacation rental market, as revealed in the most recent statistics provided by AirDNA. Specifically, total room nights booked rose by 18.6% to 0.5 million, on account of a rise in entire place listings, by 18.4% to 0.4 million and hotel comparable listings, by 20.2% to 0.1 million. By rental category, the analysis indicated that occupancy levels for entire place listings moved higher by 4.2 percentage points to 51.8%, as the average daily rate (ADR) increased by 14.7% to \$568.91. Similarly, hotel comparable listings occupancy rate grew by 2.3 percentage points to 50.1%, while the ADR advanced by 10.8% to \$198.63.

Data provided by the Nassau Airport Development Company Limited (NAD) for the third quarter mirrored the positive momentum in stopover business. In particular, quarterly total departures—net of domestic passengers—strengthened by 16.1% to 0.4 million, relative to the comparable period in 2022. Reflective of this development, US departures expanded by 16.7%—comprising approximately 88.4% of passengers—while international departures rose by 11.9%.

### CONSTRUCTION

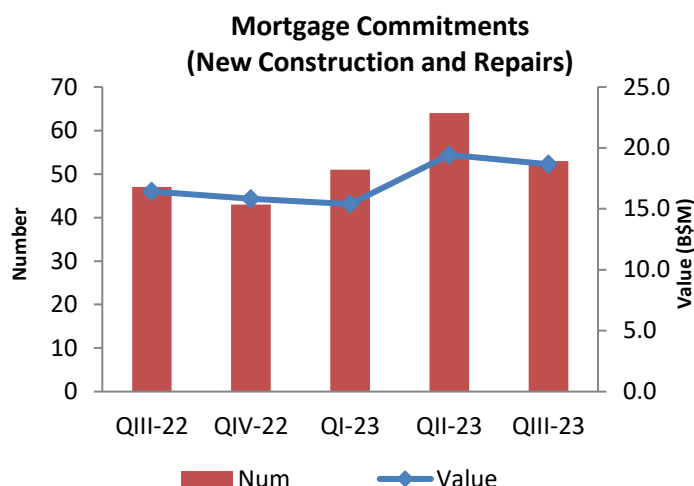
Construction sector activity during the third quarter continued to be sustained by new and ongoing varied-scale foreign investment projects. Meanwhile, bank-financed domestic private sector activity remained subdued.

In domestic financing developments, total mortgage disbursements for new construction and repairs—as reported by banks, insurance companies and the Bahamas Mortgage Corporation—rose by 3.3% (\$0.7 million) to \$22.0 million, a turnaround from the 2.1% decline a year earlier.

Contributing to this development, residential disbursements expanded by 6.3% (\$1.2 million) to \$20.7 million, a switch from an 8.4% contraction in the prior year. Conversely, commercial disbursements reduced by 29.0% (\$0.5 million) to \$1.3 million, a reversal from the three-fold increase in 2022.

Total mortgage commitments for new buildings and repairs—a forward-looking indicator of domestic activity—grew by 6 to 53, relative to the same period in 2022, while the associated value rose by 13.5% to \$18.7 million. Categorized by loan type, the number of undisbursed residential commitments firmed by 4 to 50; however, the associated value declined by \$2.8 million (17.0%) to \$13.6 million. Further, commercial commitments for new construction and repairs increased by 2 to 3, with the accompanying value higher at \$5.1 million, vis-à-vis a muted \$0.1 million in the same period in the preceding year.

In terms of interest rates, the average financing costs for residential mortgages narrowed by 39 basis points to 5.94%.



### PRICES

Indications are that domestic consumer price inflation—as measured by changes in the average Retail Price Index for The Bahamas—slowed during the third quarter, reflective of the moderation in the rise in global oil prices, relative to the same period last year. Average domestic consumer price inflation moderated to 4.4% during the twelve months to August, from 4.9% in the comparative 2022 period, as the rise in international oil prices tapered, vis-à-vis the same period last year. In particular, average prices for transport declined sharply to 2.3% from 14.7% and for communication, to 0.4% from 11.3% in the previous year. In addition, average inflation slowed for restaurants & hotels (7.3%), clothing & footwear (2.7%) and education (1.0%). Providing some offset, average costs grew for recreation & culture (14.1%), alcoholic beverages, tobacco & narcotics (7.1%) and housing, water, gas, electricity & other fuels (4.8%); and average

Retail Price Index (Annual % Changes; August)					
Items	Weight	2022		2023	
		Index	%	Index	%
Food & Non-Alcoholic	102.4	127.79	14.4	133.95	4.8
Alcohol, Tobacco &	5.9	129.20	-0.4	142.97	10.7
Clothing & Footwear	45.0	116.30	2.2	117.99	1.5
Housing, Water, Gas,	321.7	110.23	4.0	115.68	4.9
Furn. & Household,	45.7	119.51	1.7	129.32	8.2
Health	44.0	145.89	4.6	157.61	8.0
Transportation	125.0	140.36	14.2	127.37	-9.3
Communication	40.9	117.08	3.3	115.20	-1.6
Rec., & Culture	24.6	127.90	18.9	131.59	2.9
Education	42.4	104.13	2.0	104.74	0.6
Restaurant & Hotels	56.8	142.33	16.4	143.73	1.0
Misc. Goods & Svcs.	145.6	107.64	-0.3	112.05	4.1
<b>ALL ITEMS</b>	<b>1000.0</b>	<b>119.33</b>	<b>6.3</b>	<b>122.12</b>	<b>2.3</b>

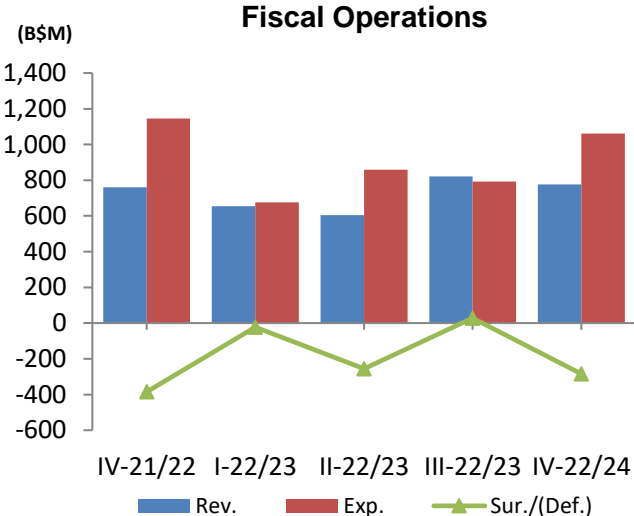
prices for miscellaneous goods & services firmed to 1.7%, after a 1.3% reduction in 2022. Further, average inflation quickened for food & non-alcoholic beverages (9.6%), health (6.0%) and furnishing, household equipment & routine household maintenance (3.9%).

Domestic energy price trends were mixed during the review quarter. Specifically, during the third quarter, average diesel costs reduced by 24.5% to \$5.09 per gallon over the two-months to August, but rose by 1.0% year-over-year. Further, average gasoline prices for the two-months to August declined by 15.9% to \$5.76, relative to the same period in 2022, while, the price edged up by 0.1% on an annual basis. In contrast, during the review quarter, Bahamas Power and Light’s (BPL) fuel surcharge, average tiered prices for the consumption of less than 800kWh rose by 7.8% to 18.5 cents. Likewise, the cost for usage of more than 800kWh increased by 8.1% to 26.7 cents during the three-months to September.

**FISCAL OPERATIONS**

**OVERVIEW**

According to preliminary estimates on the Government’s budgetary operations for the fourth quarter of FY2022/23, the overall deficit narrowed by \$101.8 million (26.4%) to \$283.7 million, relative to the comparative FY2021/22 period. Contributing to this outturn was an \$85.3 million (7.4%) reduction in total expenditure to \$1,060.5 million, combined with a \$16.5 million (2.2%) growth in aggregate revenue to \$776.8 million.



**REVENUE**

Tax receipts—which represented 84.3% of total revenue—grew by \$55.2 million (9.2%) to \$654.9 million. In particular, general taxes on goods and services rose by \$11.9 million (3.6%) to \$343.9 million, as VAT proceeds—which accounted for a dominant 48.3% of tax revenue—rose by \$15.9 million (5.3%) to \$316.6 million, overshadowing a less weighted decrease of \$4.0 million (12.7%) to \$27.3 million, in stamp taxes on financial and realty transactions. Meanwhile, collections from specific taxes—mainly gaming—moved higher by \$1.5 million (11.0%) to \$15.4 million, vis-à-vis the prior year. Further, revenue from excise taxes increased almost four-fold to \$1.1 million, from \$0.3 million a year earlier.

With regard to the other components, taxes on the use of supply of goods expanded by \$28.8 million (62.8%) to \$74.7 million. Leading this outturn, receipts from business license fees grew by \$30.2 million (95.2%) to \$62.0 million. Providing some offset, marine licenses taxes fell by \$0.8 million (43.1%) to \$1.0 million, while motor vehicle taxes decreased by \$0.3 million (3.1%) to \$9.0 million, and company taxes by \$0.3 million (11.0%) to \$2.6 million.



In terms of the remaining categories, as economic activity continued to strengthen, taxes on international trade moved higher by \$19.1 million (11.6%) to \$184.2 million. Underpinning this development, export duties rose by \$14.9 million (24.4%) to \$75.7 million, while departure taxes advanced by \$9.2 million (25.3%) to \$45.4 million, supported by the recovery in travel. In a partial offset, customs & other import taxes decreased by \$4.9 million (7.2%) to \$62.7 million. Meanwhile, other “miscellaneous” taxes held steady at \$0.4 million. Revenue from property taxes also reduced by \$6.2 million (15.2%) to \$34.3 million and proceeds from general stamp taxes, by \$0.8 million (37.9%) to \$1.3 million.

Government Revenue By Source (Apr-June)				
	FY21/22		FY22/23	
	B\$M	%	B\$M	%
Property Tax	40.5	5.3	34.3	4.4
Value Added Tax	300.7	39.6	316.6	40.8
Stamp Taxes (Financial & Realty)	31.3	4.1	27.3	3.5
Excise Tax	0.3	0.0	1.1	0.1
Specific Taxes (Gaming Tax)	13.8	1.8	15.4	2.0
Motor Vehicle Taxes	9.3	1.2	9.0	1.2
Company Taxes	3.0	0.4	2.6	0.3
License to Conduct Specific Bus. Act.	31.8	4.2	62.0	8.0
Marine License Activities	1.8	0.2	1.0	0.1
Customs & Other Import Duties	67.6	8.9	62.7	8.1
Taxes on Exports*	60.8	8.0	75.7	9.7
Departure Taxes	36.3	4.8	45.4	5.8
Other Taxes on Transactions	0.4	0.0	0.4	0.0
General Stamp Taxes	2.0	0.3	1.3	0.2
Property Income	17.9	2.4	25.7	3.3
Sales of Goods & Services	54.8	7.2	55.7	7.2
Fines, Penalties & Forfeits	1.2	0.2	1.7	0.2
Reimbursements & Repayments	0.0	0.0	10.6	1.4
Misc. & Unidentified Revenue	86.4	11.4	28.2	3.6
Sales of Other Non-Financial Assets	0.1	0.0	0.1	0.0
Grants	0.0	0.0	0.0	0.0
Capital Revenue	0.1	0.0	0.0	0.0
<b>Total</b>	<b>760.3</b>	<b>100.0</b>	<b>776.8</b>	<b>100.0</b>

\* Taxes on exports includes excise duties, effective FY19/20

Non-tax receipts—at 15.7% of total revenue—fell by \$38.7 million (24.1%) to \$121.8 million. The outturn

was largely attributed to a notable falloff in income from “miscellaneous” and unidentified taxes to \$28.2 million from \$86.4 million in the previous year. In contrast, collections from reimbursements & repayments amounted to \$10.5 million, following negligible levels in the year prior. Property income also advanced by \$7.7 million (43.2%) to \$25.7 million, explained by gains in both interest & dividends collections (41.3%) and Government property receipts (67.4%). Similarly, revenue from the sale of goods and services rose by \$0.9 million (1.6%) to \$55.7 million, owing mainly to a rise in proceeds from customs and port & harbour fees. Further, income from fines, penalties and forfeitures grew by \$0.5 million (38.5%) to \$1.7 million.

#### EXPENDITURE

The reduction in total expenditure was due primarily to a \$95.1 million (9.3%) decline in current spending to \$927.0 million. In contrast, capital outlays rose by \$9.8 million (7.9%) to \$133.5 million.

By economic categorization, the contraction in current outlays was led by lower interest payments on public debt, of \$36.6 million (16.8%) to \$181.3 million, on account of a \$40.1 million (25.4%) decrease in payments on external debt obligations (as the discount on external bonds issued below par, was included in the comparable 2022 quarter), which overshadowed the \$3.4 million (5.7%) increase in internal debt costs. Likewise, allocations for various miscellaneous payments fell by \$33.1 million (24.5%) to \$102.3 million, owing in large measure to a reduction in outlays for insurance premiums, by \$43.4 million (56.4%), which outpaced the \$10.3 million (17.7%) rise in current transfers outlays. Further, disbursements for social benefits were lower by \$29.1 million (33.7%) at \$57.2 million. In addition, subsidies fell by \$10.3 million (7.2%) to \$134.2 million,



explained by reduced outlays to public corporations. Grants also declined to \$1.1 million (51.8%) from \$2.2 million in the prior period. In an offset, payments for employee compensation expanded by \$11.1 million (5.6%) to \$211.2 million, while spending for the use of goods & services rose by \$4.1 million (1.7%) to \$239.7 million.

The growth in capital expenditure was primarily associated with a \$14.6 million (14.6%) rise in the acquisition of non-financial assets to \$114.6 million, occasioned by increased spending on fixed assets. In contrast, capital transfers were lower by \$4.8 million (20.4%) at \$18.9 million.

#### ***FINANCING AND THE NATIONAL DEBT***

Budgetary financing for the fourth quarter of FY2022/23 was dominated by domestic sources. Specifically, internal borrowings amounted to \$573.9 million, and consisted of loans and advances (\$332.5 million), Government bonds (\$231.6 million) and net Treasury bills/notes (\$9.8 million). Further, external borrowings totalled \$264.6 million, and comprised mainly of commercial loans. Debt repayment for the period amounted to \$677.4 million, of which the largest portion (83.6%) went towards retiring Bahamian dollar obligations.

As a result of these developments, the Direct Charge on the Government grew by \$155.7 million (1.4%) over the quarter and by \$467.3 million (4.3%), year-on-year, to \$11,260.1 million at end-June 2023.

Given as year reported outcome for the fiscal quarter ended-September 2023, the Direct Charge on Government fell by \$45.6 million (0.4%) over the June quarter, but rose by \$437.8 million (4.1%), on an annual basis to \$11,214.5 million. The end-September disaggregation by currency, revealed that Bahamian dollar debt represented 54.1% of the total, while foreign currency liabilities accounted for the remaining 45.9%.

A further breakdown by creditor showed that banks held the largest share of local debt (39.4%), followed by other private and institutional investors (39.2%), Central Bank (13.6%) and public corporations (7.8%). A breakdown by instrument type, revealed that Government bonds constituted the majority of the domestic liabilities (66.8%) and featured an average maturity of 9.6 years, vis-à-vis 9.8 years in 2022. In addition, Treasury bills & notes and loans & advances represented smaller shares of 17.8% and 15.4%, respectively.

The Government's contingent liabilities declined by \$31.3 million (8.0%) over the September quarter and by \$33.6 million (8.6%), year-on-year, to \$358.4 million. As a result, the National Debt, inclusive of contingent liabilities, contracted by \$76.8 million (0.7%) over the three month period, but rose by \$404.2 million (3.6%) on an annual basis, to \$11,572.9 million as at end-September 2023.

With the recovery in the GDP estimates, the ratio of the Direct Charge to GDP decreased by an estimated 5.5 percentage points on a yearly basis, to 80.4% at September-end. In addition, the National Debt-to-GDP declined to an estimated 80.1%, compared to 89.1% in the third quarter of 2022.

## PUBLIC SECTOR FOREIGN CURRENCY DEBT

The public sector foreign currency debt reduced by \$182.6 million (3.2%) to \$5,598.1 million during the September quarter, but grew by \$28.4 million (0.5%) relative to the same period last year. Specifically, amortization payments amounted to \$170.8 million, while new drawings were negligible. A breakdown by components showed that the Government's outstanding liabilities, at 92.0% of the total, fell by \$171.8 million (3.2%) to \$5,151.6 million on a quarterly basis. The public corporations' debt stock also decreased by \$10.8 million (2.4%), to \$446.5 million vis-à-vis the prior quarter.

Estimates of the Debt-to-GDP Ratios			
September (%) <sup>1</sup>			
	2021 <sub>p</sub>	2022 <sub>p</sub>	2023 <sub>p</sub>
<b>Direct Charge</b>	91.9	86.0	80.4
<b>National Debt</b>	95.6	89.1	80.1
<b>Total Public Sector Debt*</b>	98.5	91.5	85.4
<b>Source: Central Bank of The Bahamas and Bahamas National Statistical Institute</b>			
<i>GDP growth estimate for 2023 is derived from IMF projections.</i>			
<i><sup>1</sup> In the absence of actual quarterly GDP data for 2023, the ratios presented should be taken as broad estimates of the relevant debt ratios and are therefore</i>			
<i>*Presented partially net of inter-public sector credit.</i>			

Relative to the same quarter of 2022, total foreign currency debt service payments were higher by \$127.5 million (131.6%) at \$224.4 million. In particular, Government's debt service payments expanded by \$126.7 million (158.8%) to \$206.5 million, as amortization payments rose to \$160.0 million, from \$43.1 million same period last year, while interest charges increased by \$9.8 million (26.6%) to \$46.5 million. Likewise, the public corporations' debt service payments firmed by \$0.8 million (4.5%) to \$17.9 million, primarily due to a rise in amortization payments by \$2.0 million (22.9%) to \$10.8 million, while interest charges declined by \$1.2 million (14.8%) to \$7.1 million. As a consequence of these developments, the debt service ratio firmed to 16.3% at end-September, from 7.2% in 2022.

A disaggregation by creditor profile revealed that capital market investors held the largest share of the foreign currency debt (51.1%), followed by multilateral institutions (25.0%), financial services firms (16.1%), Central Bank (4.1%), domestic banks (2.9%) and bilateral agencies (0.8%). A breakdown by currency type indicated that, the bulk of the stock was denominated in United States dollars (84.8%), with smaller portions in IMF SDRs (7.9%), euro (4.9%), the Swiss franc (1.6%), and the Chinese yuan (0.8%). At September-end, the average maturity of the outstanding foreign currency debt stood at 7.9 years, down from the 9.8 years in the corresponding 2022 period.

## MONEY, CREDIT AND INTEREST RATES

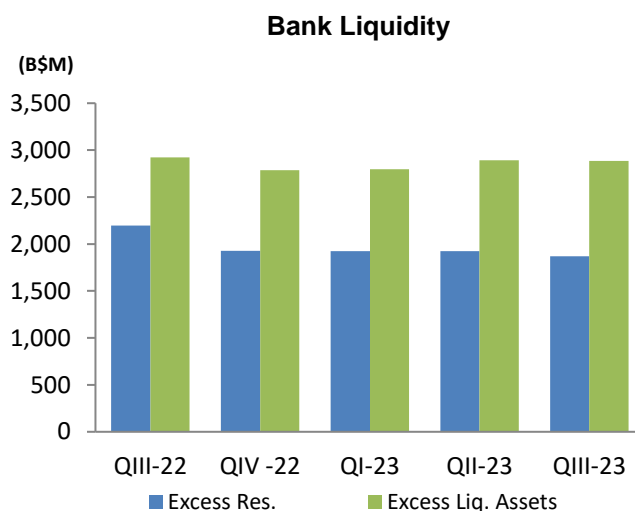
### OVERVIEW

During the third quarter, there was a reduction in banking sector liquidity, as the decline in the deposit base contrasted with a rise in domestic credit. Further, in line with the seasonal uptick in demand for foreign currency, external reserves decreased. Meanwhile, banks' credit quality indicators improved during the period, supported by the sustained strengthening in the domestic economy and ongoing loan write-offs. In addition, banks' profitability indicators for the second quarter—which is the latest data available—revealed an increase in banks' overall net income.

Meanwhile, the weighted average interest rate spread narrowed during the review quarter, as the rise in the average deposit rate outpaced the firming in the mean lending rate.

### LIQUIDITY

Net free cash reserves of the banking sector contracted by \$56.5 million (2.9%) to \$1,868.8 million in the third quarter of 2023, a reversal from a \$157.5 million (7.7%) expansion in the same period last year. As a result, the ratio of net free cash reserves to Bahamian dollar deposit liabilities decreased to 22.5% at end-September, from 26.8% a year earlier. Largely attributed to a falloff in banks' balances with the Central Bank, broader surplus liquid assets reduced by \$5.5 million (0.2%), a switch from a \$9.1 million (0.3%) accumulation in the previous year. At end-September 2023, the surplus liquid assets exceeded the statutory minimum by approximately 195.2%, vis-à-vis 199.9% in the same period of 2022.



### DEPOSITS AND MONEY

The overall money supply (M3) contracted by \$169.5 million (1.8%), a reversal from the \$64.4 million (0.7%) growth in the prior year, bringing the total stock to \$9,076.2 million. In the breakdown, narrow money (M1) decreased by \$72.7 million (1.7%), extending the \$14.5 million (0.3%) reduction last year. In particular, the decline in demand deposits widened to \$70.4 million (1.8%) from \$26.2 million (0.7%) a year earlier, reflecting a falloff in private sector placements. In addition, currency in active circulation fell by \$2.3 million (0.5%), a turnaround from an \$11.7 million (3.0%) buildup in the comparative period of 2022. In addition, broad money (M2) reduced further by \$84.1 million (1.0%), exceeding the \$22.4 million (0.3%) retrenchment the year earlier. In particular, savings balances decreased by \$1.2 million (0.1%), a reversal from a \$19.6 million (1.0%) growth in the previous year. However, the decline in fixed deposits slowed to \$10.2 million (0.5%), from \$27.5 million (1.3%) in the prior year. Further, residents' foreign currency deposits fell by \$85.5 million (14.4%), contrasting with the year earlier \$86.8 million (16.4%) accumulation.

An analysis by category showed that Bahamian dollar demand deposits constituted the largest share of the total stock at 42.6%, followed by savings (24.6%) and fixed balances (22.5%). Residents' foreign currency deposits and currency in active circulation accounted for significantly smaller portions of the total money stock at 5.6% and 4.7%, respectively.

### DOMESTIC CREDIT

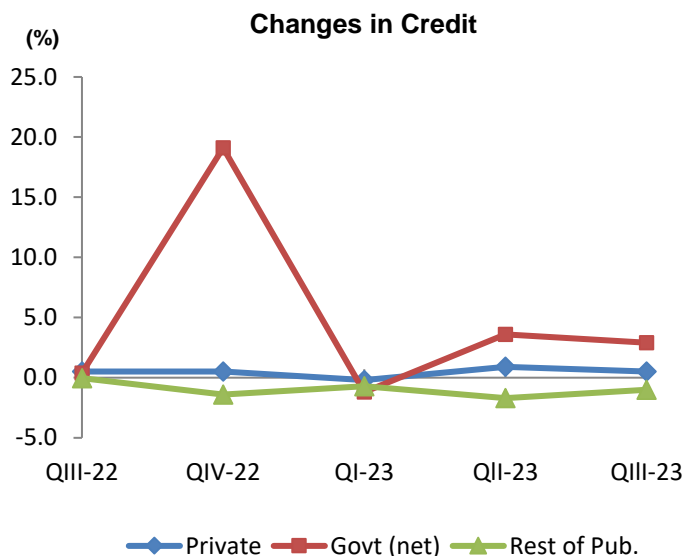
Total domestic credit growth widened to \$124.1 million (1.3%) from \$36.2 million (0.4%) in the same period of 2022, and out-performed an average quarterly gain of 0.6% over the past five years. Specifically, the dominant Bahamian dollar component—which constituted 92.5% of the total—

rose by \$7.0 million (0.1%), a shift from a \$4.8 million (0.1%) falloff in the previous year. In addition, foreign currency credit expansion, accelerated to \$117.1 million (19.7%), from a \$43.9 million (13.7%) gain in the prior year.

A sectoral breakdown showed that net credit to the Government grew further by \$96.6 million (2.9%), vis-à-vis a more moderate \$10.5 million (0.45%) in the preceding period, with an average quarterly gain of 2.7% over the past five years. Further, gains in credit to the private sector firmed to \$30.9 million (0.5%) from \$25.8 million (0.5%) in the prior year. Meanwhile, the decline in credit to the rest of the public sector widened to \$3.4 million (1.0%), from \$0.1 million a year earlier.

A disaggregation of the various private sector categories revealed that personal loans—which comprised 72.0% of total private sector credit—moved higher by \$20.3 million (0.4%), more than offsetting a \$2.3 million (0.1%) decrease in the previous year, and counter to an average 0.3% quarterly decline over the last five-years. Contributing, consumer loans grew by \$9.3 million (0.5%), a reversal from a \$34.2 million (1.7%) reduction in the same period of 2022. Further, residential mortgages rose by \$7.1 million (0.3%), albeit a slowdown from the \$25.0 million (1.0%) accumulation in the prior year. Further, overdrafts increased by \$3.9 million (13.4%), although a moderation from the \$6.6 million (15.1%) gain last year.

A detailed breakdown of Bahamian dollar consumer credit showed that credit balances rose for private cars (\$7.4 million), credit cards (\$7.2 million), “miscellaneous” purposes (\$4.7 million) and land purchases (\$1.1 million), with relatively smaller gains recorded for taxis and rented cars, and furnishings and domestic appliances, and medical. In contrast, net repayments were recorded for debt consolidation (\$11.1 million), home improvements (\$1.9 million), and travel (\$0.9 million) and amounts of lesser than \$0.1 million were noted for education and commercial vehicles.



	2023		2022	
	B\$M	%	B\$M	%
Agriculture	0.7	0.0	0.8	0.0
Fisheries	6.3	0.1	5.2	0.1
Mining & Quarrying	2.2	0.0	1.6	0.0
Manufacturing	45.8	0.7	37.7	0.6
Distribution	336.7	5.1	292.3	4.6
Tourism	54.9	0.8	34.6	0.5
Enter. & Catering	31.9	0.5	27.6	0.4
Transport	65.7	1.0	68.3	1.1
Construction	287.6	4.4	307.3	4.8
Government	696.8	10.6	724.4	11.3
Public Corps.	109.9	1.7	115.7	1.8
Private Financial	45.2	0.7	17.0	0.3
Prof. & Other Ser.	65.6	1.0	52.1	0.8
Personal	4,726.1	72.0	4,640.3	72.3
Miscellaneous	92.6	1.4	91.5	1.4
<b>TOTAL</b>	<b>6,568.2</b>	<b>100.0</b>	<b>6,416.3</b>	<b>100.0</b>

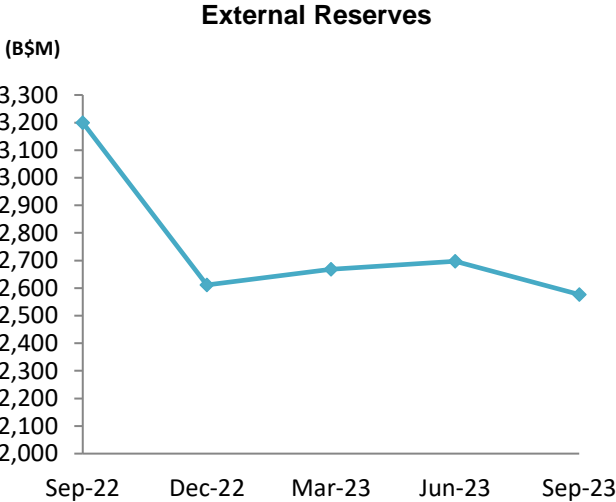
In the remaining private sector categories, credit balances increased for distribution (\$9.7 million), professional and other services (\$6.1 million), entertainment and catering (\$6.0 million), fisheries (\$4.4 million), “miscellaneous” purposes (\$4.3 million) and tourism (\$2.0 million). However, credit declined for construction (\$19.9 million), manufacturing (\$1.9 million) and agriculture (\$0.5 million).

**MORTGAGES**

Data obtained from domestic banks, insurance companies and the Bahamas Mortgage Corporation showed that the total value of outstanding mortgages fell further by \$16.8 million (0.6%) to \$2,865.9 million during the third quarter, after the \$0.6 million decline in the comparable period of 2022. The residential component—which comprised 93.8% of the total—decreased at a tempered pace of \$1.2 million vis-à-vis \$9.9 million (0.4%) a year earlier, for an ending balance of \$2,686.8 million. However, the commercial segment recorded a \$15.6 million (7.5%) reduction to \$179.1 million, a downturn from a \$9.3 million (5.6%) growth in the previous year. At end-September, domestic banks held the majority of outstanding mortgages (86.5%), followed by the Bahamas Mortgage Corporation (7.0%), and insurance companies (6.5%).

**THE CENTRAL BANK**

During the third quarter, the Central Bank’s net claims on the Government decreased by \$3.3 million (0.4%) to \$801.7 million, a switch from a \$68.7 million (18.8%) buildup in the same period of last year, owing largely to a decline in Treasury bills holdings. This outturn contrasted with an average quarterly gain of \$43.4 million (13.6%) over the last five years. Similarly, the Bank’s demand liabilities to domestic banks fell by \$64.5 million (2.8%) to \$2,239.1 million, a reversal from the year earlier \$83.4 million (3.3%) advancement, on account of a reduction in deposits held for institutions, which overshadowed the growth in institutions’ holdings of notes and coins in circulation. Further, the Bank’s net liabilities to the rest of the public sector edged up by \$0.1 million (0.9%) to \$7.0 million.



The external reserves seasonal reduction widened to \$121.0 million (4.5%) from a \$36.2 million (1.1%) falloff in the same period of the previous year. Contributing to this development, the Bank’s net foreign currency sales increased to \$97.8 million, from \$23.5 million in the comparable period of 2022. The position with commercial banks reversed to a net sale of \$32.3 million, from a net purchase of \$2.4 million in the preceding year; while net purchases from the Government decreased to \$12.8 million from \$73.0 million in the year prior. In an offset, the Bank’s net foreign currency sales to public corporations—mainly for fuel purchases—declined moderately to \$78.4 million from \$98.9 million in the previous year.

At end-September, the stock of external reserves, at \$2,576.8 million, was equivalent to an estimated 30.5 weeks of the current year’s total merchandise imports (including oil purchases), as compared to 43.3 weeks in the same period of 2022. After adjusting for the 50.0% statutory requirement on the Bank’s demand liabilities, “useable” reserves decreased by \$73.7 million (5.9%) to \$1,171.5 million, vis-à-vis the corresponding quarter in 2022.

### **DOMESTIC BANKS**

Total net foreign liabilities of the domestic banking system expanded notably to \$203.7 million from \$73.9 million in the prior quarter, and a shift from the net foreign assets position of \$58.4 million recorded the same period last year.

Domestic banks’ credit grew by \$127.3 million (1.5%), as opposed to the \$29.6 million (0.4%) falloff in 2022. Underpinning this outcome, net claims on the Government rose by \$99.9 million (4.0%), a turnaround from the \$58.2 million (2.5%) reduction last year, on account of a rise in the holdings of Treasury bills, and loans and advances. Similarly, growth in private sector credit firmed to \$30.9 million (0.5%), from \$25.8 million (0.5%) a year earlier. However, the decline in credit to the rest of the public sector extended to \$3.5 million (1.0%) from \$0.2 million (0.1%) in the previous year.

Banks’ total deposit liabilities—inclusive of Government balances—reduced by \$123.1 million (1.4%), a turnaround from a \$114.4 million (1.3%) expansion in the prior year. In particular, private sector deposits contracted by \$144.9 million (1.7%), a shift from a \$79.9 million (1.0%) buildup last year, bringing the total balance to \$8,328.7 million. Further, the accumulation in public corporations’ deposits moderated to \$16.5 million (7.0%) from \$21.7 million (8.6%) and Government balances to \$5.3 million (2.3%) from \$12.7 million (5.7%), in the preceding year.

The bulk of banks’ deposit liabilities remained denominated in Bahamian dollars (94.1%), with US dollars comprising the majority of the remainder. By holder, private individuals held the largest share of total currency accounts at 53.5%, followed by business firms (31.2%), private financial institutions (5.8%), the public sector (5.5%) and “other” miscellaneous entities (4.0%).

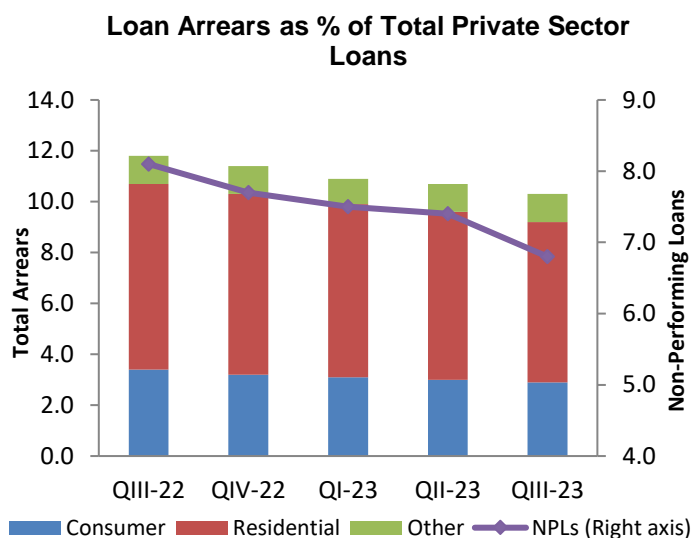
A breakdown by deposit category showed that demand balances constituted the largest share of accounts (47.8%), followed by savings (26.9%), and fixed deposits (25.3%). By range of value and number, Bahamian dollar balances of \$10,000 or less comprised the majority (87.4%) of accounts, but only 5.5% of the total value. Accounts with balances between \$10,000 and \$50,000 represented 8.2% of total accounts and 10.5% of the overall value, while facilities with balances of over \$50,000 constituted only 4.3% of total accounts, but 84.1% of the aggregate value.

### **CREDIT QUALITY**

Banks credit quality indicators improved over the review quarter, reflective of the ongoing strengthening in the domestic economy and sustained loan write-offs. Total private sector loan arrears fell by \$18.3 million (3.2%) over the quarter, and by \$76.2 million (12.0%) year-on-year, to \$560.8 million. As a result, the associated ratio of arrears to total private sector loans declined by 40 basis points on a quarterly basis, and by 1.5 percentage points annually, to 10.3%.



A breakdown by age of delinquencies revealed that, non-performing loans (NPLs)—loans in excess of 90 days and on which banks have stopped accruing interest—decreased by \$28.3 million (7.1%) to \$371.0 million, with the attendant ratio lower by 57 basis points at 6.8% of total private sector loans. In contrast, short-term arrears moved higher by \$10.0 million (5.6%) to \$189.8 million, as the relevant ratio grew by 17 basis points to 3.5% of total private sector loans.



The quarterly decline in total private sector loan arrears was driven by an \$11.2 million (3.1%) reduction in the mortgage component, with the associated ratio narrowing by 43 basis points to 13.8%. The consumer segment decreased by \$5.1 million (3.2%), and the corresponding ratio by 32 basis points to 8.0%. Further, commercial arrears fell by \$2.0 million (3.3%), contributing to a 35 basis points softening in the relevant ratio to 6.1% of total private sector loans. Meanwhile, the NPL rate for mortgages decreased to 9.0% versus 10.2% a year earlier and for consumer loans, to 5.0%, compared to 6.8% in 2022. Further, the rate for commercial credit edged down to 5.1% from 5.2% in the year prior.

#### PROVISIONS AND CAPITAL ADEQUACY

Alongside the improvement in credit quality indicators, banks reduced their total provisions for loan losses by \$21.5 million (6.0%) to \$335.5 million over the quarter. Correspondingly, the ratio of total provisions to total arrears narrowed by 1.8 percentage points to 59.8%. However, the ratio of total provisions to NPLs rose by a 1.0 percentage point to 90.4%. Meanwhile, banks wrote-off an estimated \$43.5 million in bad loans and recovered approximately \$12.1 million during the review quarter.

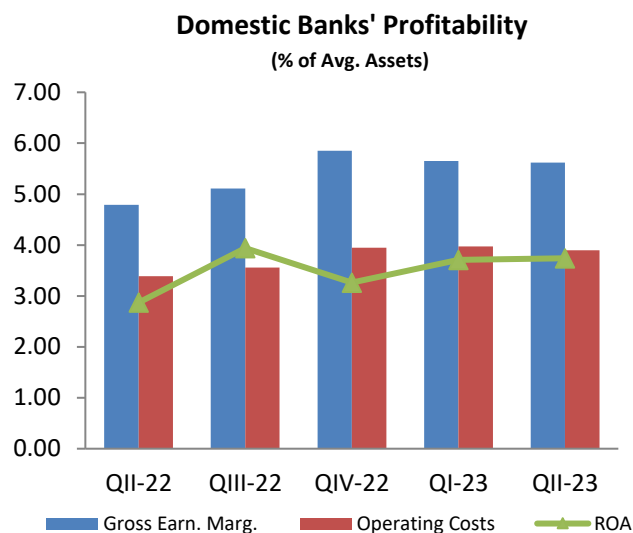
Banks maintained robust capital levels during the third quarter, although the average ratio of capital to risk-weighted assets declined by 10 basis points to 35.9%. The ratio remained well in excess of the minimum regulatory prescribed ratio of 17.0%.

#### BANK PROFITABILITY

During the second quarter of 2023—the latest period for which data is available—banks’ net income grew by \$25.2 million (30.1%) to \$109.2 million, vis-à-vis the comparative 2022 period, owing primarily to an increase in interest income. The net interest margin widened by \$23.2 million (18.6%) to \$147.7 million, as interest income expanded by \$22.9 million (17.1%) to \$156.8 million, while interest expense fell by \$0.2 million (2.6%) to \$9.1 million. Further, income from commission and foreign exchange fees rose by \$1.2 million (7.7%), resulting in a \$24.4 million (17.4%) growth in the gross earnings margin to \$164.2 million.



As it relates to non-interest expense, banks' operating costs advanced by \$15.0 million (15.2%) to \$114.0 million. Underlying this outcome, non-staff related operating costs—inclusive of professional and rental expenses—increased by \$10.9 million (18.5%) to \$69.4 million. In addition, staff costs grew by \$5.0 million (13.4%) to \$42.1 million. However, occupancy costs fell by \$0.8 million (25.6%) to \$2.4 million. Further, banks' other net earnings on their “non-core” activities, strengthened to \$58.9 million from \$43.0 million in 2022, as depreciation costs decreased by 4.4%. In addition, other non-interest earnings moved higher by \$8.3 million (15.5%) to \$62.0 million. Providing some offset, provisions for bad debt rose by 61.0% to \$7.7 million.



In line with these developments, movement in banks' profitability ratio strengthened during the review period. As a percentage of average assets, the gross earnings margin rose by 99 basis points to 5.62%, as the interest margin ratio grew by 94 basis points to 5.06% and the commission and foreign exchange income ratio, firmed by 6 basis points to 0.56%. Further, banks' net earnings margin ratio moved higher by 38 basis points to 1.72%, despite the 62 basis points rise in the operating costs ratio to 3.90%. Moreover after allowing increased contribution from other income sources, net of depreciation and bad debt expenses, the net income ratio expanded by 96 basis points to 3.74%.

#### INTEREST RATES

During the third quarter, the weighted average interest rate spread at commercial banks narrowed by 1 basis point to 10.58 percentage points. Contributing, the weighted average deposit rate increased by 3 basis points to 0.52%, while the weighted average lending rate rose by 2 basis points to 11.10%.

The rise in the average loan rate was led by a 37 basis point increase in consumer loans to 13.15%. Further, the overdraft rate moved higher by 7 basis points to 10.67% and residential mortgages, by 4 basis points to 5.23%. In a slight offset, the mean rate on commercial mortgages declined by 15 basis points to 6.17%.

<b>Banking Sector Interest Rates</b>			
Period Average (%)			
	Qtr. III 2022	Qtr. II 2023	Qtr. III 2023
<b>Deposit Rates</b>			
Demand Deposits	0.36	0.25	0.50
Savings Deposits	0.33	0.29	0.28
Fixed Deposits			
Up to 3 months	0.28	0.26	0.26
Up to 6 months	0.39	0.32	0.35
Up to 12 months	0.51	0.54	0.57
Over 12 months	0.72	1.06	0.91
<b>Weighted Avg. Dep. Rate</b>	<b>0.47</b>	<b>0.49</b>	<b>0.52</b>
<b>Lending Rates</b>			
Residential mortgages	5.21	5.19	5.23
Commercial mortgages	7.08	6.32	6.17
Consumer loans	13.08	12.78	13.15
Other Local Loans	5.88	11.75	5.36
Overdrafts	10.68	10.60	10.67
<b>Weighted Avg. Loan Rate</b>	<b>11.01</b>	<b>11.08</b>	<b>11.10</b>

As for deposits, the average rate offered on demand deposits rose by 25 basis points to 0.50%, while the average rate on savings deposits moderated by a 1 basis point to 0.28%. In addition, the average range of interest offered for fixed balances narrowed to 0.26%-0.91% from 0.26%-1.06% in the previous quarter.

In other key interest rate developments, the average Treasury bill rate remained unchanged at 2.91% during the third quarter. In addition, the Central Bank’s Discount rate and commercial banks’ Prime rate held steady at 4.00% and 4.25%, respectively.

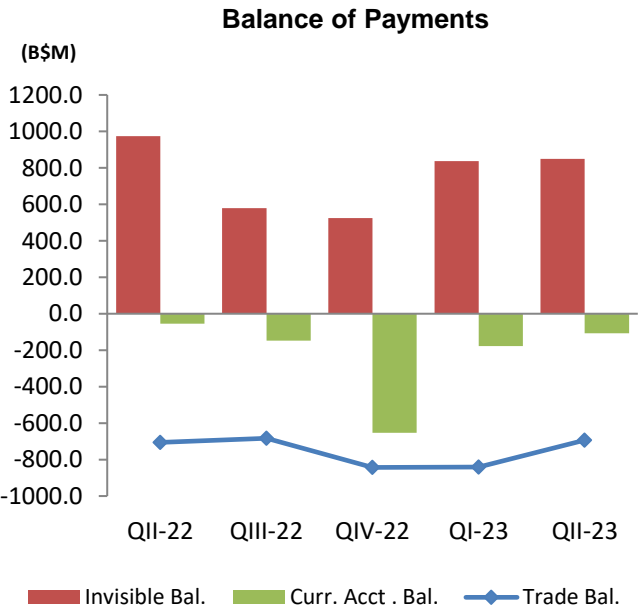
**CAPITAL MARKET DEVELOPMENTS**

According to preliminary data from the Bahamas International Stock Exchange (BISX), capital market developments were positive over the third quarter. The value of the BISX All Shares price index appreciated by 129.2 points to 2686.6 points. Market capitalisation on the exchange increased by 1.0% to \$10.2 billion at end-September, vis-à-vis the previous quarter. Meanwhile, the number of total trades increased by 36 (13.3%) to 306 in the three months to September, vis-à-vis the previous three-month period. In addition, the total volume of trades rose by 0.2 million (19.8%) to 1.2 million over the review period, with the associated value higher by \$9.4 million (62.9%) at \$24.4 million at end-September, 2023.

As it relates to market listings, the number of publicly traded securities on the exchange increased by 1 to 261. These consisted of 20 ordinary shares, 4 preference shares and 237 debt tranches—of which 231 were Bahamas Registered Stock.

**INTERNATIONAL TRADE AND PAYMENTS**

Provisional estimates for the third quarter of 2023 indicated that the current account deficit widened to \$375.7 million from \$147.7 million in the comparative 2022 period. The outturn was underpinned by an increase in the merchandise trade deficit, along with higher primary and secondary income outflows, which overshadowed the rise in the services account surplus to \$615.8 million from \$578.2 million in the previous year. Further, the financial account inflows, excluding reserve assets, declined to \$234.5 million from \$257.4 million in the prior year, reflective of a shift in portfolio investment transactions to a net outflow, from a net inflow a year earlier. Meanwhile, the capital account transfers recorded nil transactions during the review quarter, same as the preceding year.



The estimated merchandise trade deficit expanded by \$177.4 million (26.0%) to \$860.5 million in the third quarter. This was attributed to a \$126.8 million growth in estimated imports, combined with a \$50.6 million contraction in exports. However, a disaggregation of trade flows showed that

fuel import payments fell by \$19.0 million (6.6%) to \$267.9 million. In terms of the fuel sub-components, the average per barrel price for refined kerosene oil (jet fuel) declined by 9.5% to \$159.07; propane, by 1.1% to \$69.53; and gas oil, by 0.9% to \$116.77. In a slight offset, the average per barrel cost for motor gas rose by 16.6% to \$181.44; aviation gas, by 8.0% to \$311.02; and Bunker-C fuel, by 1.5% to \$82.63.

The estimated surplus on the services account grew by \$37.6 million (6.5%) to \$615.8 million during the review quarter. Net travel receipts rose by \$62.7 million (6.4%) to \$1,040.3 million, reflective of robust tourism inflows. In addition, net payments for ‘other’ business services declined by \$6.8 million (4.4%) to \$148.2 million, while net outflows for construction services stabilized at \$32.2 million. Providing some offset, net payments for Government goods and services were higher by \$25.7 million (78.5%) at \$58.5 million and for transport, by \$2.9 million (3.5%) at \$86.1 million. Likewise, net outflows for insurance services increased by \$2.0 million (2.5%) to \$80.6 million; charges for the use of intellectual property, by \$0.9 million (42.9%) to \$2.8 million; and for telecommunications, computer, and information services, by \$0.3 million (2.1%), to \$16.0 million.

The primary income account deficit (against wages and investment income) widened by \$47.5 million (58.8%) to \$128.3 million. Contributing to this outturn, net investment income outflows expanded by \$41.0 million (70.7%) to \$99.0 million. In particular, compensation of direct investment—inclusive of dividends by banks—reverted to a net outflow of \$9.3 million from a net inflow of \$9.0 million in the prior year, while ‘other’ net investment income outflows—including interest payments by banks, other companies and the Government—rose by \$15.4 million (37.0%) to \$57.0 million. Further, net remittances against portfolio investments outflows, moved higher by \$7.4 million (20.8%) to \$42.7 million; and remittances of employees’ compensation advanced by \$6.5 million (28.5%) to \$29.3 million.

The secondary income account position switched to a deficit of \$2.7 million, from an estimated surplus of \$38.0 million in the preceding year, as ‘other’ net current private transfers’ transactions reversed to an outflow of \$7.0 million from a net receipt of \$15.5 million in the previous year. Further, net payments for various private financial and non-financial institutions increased more than two-fold to \$33.2 million from \$15.0 million in the comparative 2022 period, including a rise in the workers’ remittances portion. Meanwhile, general Government net inflows held steady at \$37.6 million.

During the third quarter, there were no estimated transfers to the capital account—which comprised financial corporations, non-financial corporations, households and non-financial institutions serving households (NPISHs), which was similar to the prior year.

The net financial inflows—denoting investments—decreased by \$22.9 million to an estimated \$234.5 million. Notably, the net portfolio investment position switched to an outflow of \$147.2 million from an inflow of \$35.5 million in the corresponding period last year. This included a sharp increase in net payments related to debt securities, to \$254.4 million from \$44.6 million a year earlier, which overshadowed a \$27.1 million (33.9%) rise in the estimated net inflows from equity and investment fund shares, to \$107.2 million. Providing some offset, the net direct investment position shifted to an inflow of \$16.0 million, from an outflow of \$72.2 million in the comparative 2022 period, as equity and investment fund shares reversed to net receipts of \$12.8 million from net outflows of \$69.9 million the year prior; and transactions on debt instruments, to a net receipt

of \$3.2 million, from net payments of \$2.3 million in the preceding year. In addition, net inflows under “other investments” expanded to \$365.7 million from \$294.1 million in 2022, led by a more than two-fold expansion in net receipts from currency and deposits to \$550.6 million, from \$212.4 million a year earlier. In contrast, loan transactions switched to a net outflow of \$194.7 million from a net inflow of \$90.0 million in the preceding year, due to loan repayments by the Government and deposit-taking entities. Meanwhile, net inflows from “other” private sector related accounts receivable/payable grew by \$8.2 million to \$14.3 million. Further, attributed to valuation changes, estimated net outflows under IMF Special Drawing Rights (SDRs) allocations decreased to \$4.5 million from \$14.3 million in third quarter of the previous year.

As a result of these developments, and after adjusting for net errors and omissions, the deficit in reserve assets, which corresponds to the change in the Central Bank’s external reserves, extended to \$121.0 million from \$36.8 million in the third quarter of 2022.

## **INTERNATIONAL ECONOMIC DEVELOPMENTS**

The global economy maintained its positive growth momentum during the third quarter, notwithstanding the protracted geopolitical tensions in Eastern Europe. In this environment, labour market conditions continued to improve, while inflationary pressures commenced a gradual decline. Against this backdrop, the major central banks retained their monetary policy tightening stances, in an attempt to reduce inflation and support economic growth.

During the review quarter, some of the major economies registered positive growth, despite continuing headwinds. Specifically, in the United States, real economic output grew by an annualized rate of 4.9% during the third quarter, from the 2.4% in the previous quarter, owing to higher consumer spending, private inventory investments, federal government spending and upturns in exports and residential fixed investment. Likewise, China’s quarterly real GDP rose by 1.3%, from 0.5% in the second quarter, buoyed by healthy gains in consumer spending. Meanwhile, in the United Kingdom, real output recorded a flat outturn, following growth of 0.2% in the preceding quarter, reflective of a falloff in the services sector. In the euro area, real GDP declined by 0.1%, vis-à-vis a 0.2% rise, in the previous quarter. Similarly, during the review quarter, Japan’s real output contracted by 0.5%, due primarily to decreases in private demand and residential investments.

Labour market conditions were mixed for most of the major economies during the third quarter. In the United States, the unemployment rate rose by 10 basis points, to an average rate of 3.7% during the review quarter, despite non-farm payroll increasing by 336,000, attributed to gains in leisure and hospitality, Government, health care, professional, scientific and technical services. Similarly, in the euro area, the jobless rate moved higher by 10 basis points to 6.5%. In contrast, in Asia, Japan’s unemployment rate narrowed by 10 basis points to 2.7% in the third quarter. Meanwhile, China’s unemployment rate held steady at 5.2% in the review quarter. Similarly, the United Kingdom’s unemployment rate was unchanged at 4.2% in the third quarter.

Inflationary pressures eased for most of the major economies, during the third quarter. Particularly, in the United Kingdom, the annual inflation rate moderated to 6.3%, from 7.3% in the second quarter, underpinned by lower costs for food and non-alcoholic beverages. Similarly, the euro area’s annualized inflation rate narrowed to 4.3% from 5.5% in the prior quarter, due to declines in food, services and energy prices. In Asia, Japan’s consumer prices fell to an annualized rate of

3.0% in September, from the 3.3% recorded in the preceding quarter. Meanwhile, China's year-on-year inflation rate recorded a flat outturn, after an annualized decrease of 0.2% in the second quarter. In contrast, in the United States, the annualized inflation rate firmed to 3.7% in September, from 3.0% in the previous quarter, undergirded by higher food costs.

In foreign currency market developments, the United States' dollar appreciated across all major currencies. Specifically, the dollar strengthened against the British pound by 4.1% to £0.82; the Japanese yen, by 3.5% to ¥149.37; and the euro, by 3.2% to €0.95. Further, the United States' dollar rose vis-à-vis the Canadian dollar, by 2.5% to CAD\$1.36; the Swiss Franc, by 2.2% to CHF0.92; and the Chinese Renminbi, by 0.6% to CNY7.30.

The majority of the equity markets developments were negative during the third quarter. In particular, in the United States, the S&P 500 index weakened by 3.7% and the Dow Jones Industrial Average (DIJA), by 2.6%. The European bourses recorded mixed movement, as Germany's DAX, decreased by 4.7% and France's CAC 40 by 3.6%; however, the United Kingdom's FTSE rose by 1.0%. In the Asian markets, Japan's Nikkei reduced by 4.0% and China's SE composite by 2.9%.

In the commodities market, reflective of higher global oil prices, the average crude oil price grew by 19.5% to \$86.84 per barrel over the three-month period. In contrast, in the precious metal markets, the average prices of gold declined by 3.7% to \$1,848.63 per troy ounce, and silver, by 2.6% to \$22.18 per troy ounce.

Developments in the major economies' external sector were largely positive during the third quarter. Specifically, in the United States, the estimated trade deficit narrowed by \$26.5 billion (12.5%) to \$184.8 billion, relative to the previous quarter, as the 3.4% reduction in imports outstripped the 1.0% falloff in exports. Likewise, the United Kingdom's trade deficit declined by £7.1 billion (54.2%) to £6.0 billion, explained by a 7.0% decrease in imports, along with a 0.2% uptick in exports. In the euro area, the trade surplus surged to €23.2 billion in the third quarter, from \$5.4 billion in the previous quarter, on account of a 21.7% decrease in imports and a 5.6% gain in exports. Similarly, in Asia, China's estimated trade surplus rose by \$3.8 billion (1.7%) to US\$225.6 billion, in comparison to the prior quarter, explained by a 0.9% growth in exports, which eclipsed the 0.6% rise in imports. Further, the trade deficit in Japan reduced to ¥943.8 billion from ¥1,779.0 billion, in the preceding quarter, owing to a 15.9% contraction in imports, combined with a 1.1% rise in exports.

In an attempt to lower inflation and encourage economic growth, all of the major central banks maintained their monetary policy tightening stances during the review quarter. Specifically, the United States' Federal Reserve raised its target range for the Federal funds rate to 5.25%-5.50% from 5.00%-5.25% in the prior quarter, in support of its goals of achieving full employment and reducing inflation to its 2.0% target. Further, the Federal Reserve continued with its reduction in the holdings of Treasury securities and agency debt, as well as mortgage-backed securities. Likewise, the Bank of England increased its main policy rate to 5.25% from 5.00% in the previous quarter, while decreasing the Government bond purchase programme to £658 billion. Similarly, the European Central Bank extended its key interest rates on main refinancing operations to 4.50% from 4.00%, the marginal lending facility, to 4.75% from 4.25% and the deposit facility, to 4.00% from 3.50%. The Bank's asset purchase programme (APP) also declined, due to the discontinuation of reinvestments of the principle payments for maturing securities. Meanwhile, in

Asia, the Bank of Japan left its policy rate at negative 0.1%, while the People's Bank of China lowered its reverse repo rate to 1.8% from 1.9% in the preceding quarter, and conducted reverse repo operations, in an attempt to stabilize banking system liquidity levels.

## **STATISTICAL APPENDIX (TABLES I-16)**



**TABLE 1**  
**FINANCIAL SURVEY**

Period	2019	2020	2021	2022				2023		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
<b>(B\$ Millions)</b>										
<b>Net foreign assets</b>	1,790.7	2,141.9	2,337.5	2,984.7	3,269.5	3,258.0	2,473.2	2,536.6	2,623.8	2,373.1
Central Bank	1,758.1	2,382.2	2,432.8	3,001.6	3,235.8	3,199.7	2,611.0	2,668.2	2,697.7	2,576.8
Domestic Banks	32.6	(240.2)	(95.2)	(16.9)	33.6	58.4	(137.8)	(131.5)	(73.9)	(203.7)
<b>Net domestic assets</b>	5,497.7	5,209.0	5,641.9	5,353.2	5,461.4	5,531.5	6,501.4	6,473.8	6,626.6	6,716.5
Domestic credit	8,957.1	8,614.4	8,929.0	8,640.4	8,646.5	8,682.8	9,312.5	9,264.3	9,423.9	9,547.9
Public sector	3,065.5	2,848.3	3,248.3	3,000.9	3,037.5	3,047.8	3,557.0	3,515.5	3,624.1	3,717.3
Government (net)	2,620.9	2,524.4	2,933.1	2,686.2	2,685.0	2,695.4	3,209.6	3,170.7	3,285.2	3,381.8
Rest of public sector	444.6	323.8	315.2	314.7	352.5	352.4	347.4	344.8	339.0	335.6
Private sector	5,891.6	5,766.1	5,680.7	5,639.5	5,609.0	5,634.9	5,755.5	5,748.8	5,799.8	5,830.6
Other items (net)	(3,459.4)	(3,405.4)	(3,287.1)	(3,287.2)	(3,185.1)	(3,151.3)	(2,811.2)	(2,790.4)	(2,797.2)	(2,831.4)
<b>Monetary liabilities</b>	7,892.8	7,864.2	8,220.3	8,586.0	8,982.1	9,046.5	8,983.3	9,014.5	9,245.7	9,076.7
Money	3,248.4	3,472.1	3,715.5	4,017.8	4,288.6	4,274.2	4,296.8	4,257.2	4,363.4	4,290.7
Currency	336.8	373.0	385.9	382.6	393.4	405.1	422.8	425.7	430.3	428.0
Demand deposits	2,911.6	3,099.1	3,329.6	3,635.2	3,895.2	3,869.1	3,874.0	3,831.5	3,933.1	3,862.7
Quasi-money	4,644.4	4,392.1	4,504.8	4,568.2	4,693.4	4,772.3	4,686.5	4,757.2	4,882.3	4,785.9
Fixed deposits	2,419.6	2,245.2	2,172.2	2,160.4	2,132.2	2,104.7	2,073.9	2,078.7	2,055.2	2,045.0
Savings deposits	1,637.0	1,788.4	1,885.0	1,947.4	2,030.8	2,050.4	2,089.0	2,172.3	2,234.9	2,233.7
Foreign currency	587.9	358.5	447.7	460.4	530.4	617.2	523.6	506.2	592.3	507.3
<b>(percentage changes)</b>										
<b>Total domestic credit</b>	0.5	(3.8)	3.7	(3.2)	0.1	0.4	7.3	(0.5)	1.7	1.3
Public sector	1.3	(7.1)	14.0	(7.6)	1.2	0.3	16.7	(1.2)	3.1	2.6
Government (net)	3.2	(3.7)	16.2	(8.4)	(0.0)	0.4	19.1	(1.2)	3.6	2.9
Rest of public sector	(8.5)	(27.2)	(2.7)	(0.2)	12.0	(0.0)	(1.4)	(0.7)	(1.7)	(1.0)
Private sector	0.1	(2.1)	(1.5)	(0.7)	(0.5)	0.5	2.1	(0.1)	0.9	0.5
<b>Monetary liabilities</b>	11.0	(0.4)	4.6	4.4	4.6	0.7	(0.7)	0.3	2.6	(1.8)
Money	19.1	6.9	7.2	8.1	6.7	(0.3)	0.5	(0.9)	2.5	(1.7)
Currency	8.5	10.8	5.3	(0.8)	2.8	2.9	4.3	0.7	1.1	(0.5)
Demand deposits	20.4	6.4	7.4	9.2	7.2	(0.7)	0.1	(1.1)	2.7	(1.8)
Quasi-money	6.0	(5.4)	2.6	1.4	2.7	1.7	(1.8)	1.5	2.6	(2.0)

Source: Central Bank of The Bahamas

**TABLE 2**  
**MONETARY SURVEY**

Period	2019	2020	2021	2022				2023		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
<b>(B\$ Millions)</b>										
<b>Net foreign assets</b>	2,133.1	2,520.0	2,680.0	3,340.7	3,641.4	3,649.2	2,869.3	2,919.2	3,028.8	2,783.0
Central Bank	1,758.1	2,382.2	2,432.8	3,001.6	3,235.8	3,199.7	2,611.0	2,668.2	2,697.7	2,576.8
Commercial banks	375.0	137.9	247.2	339.2	405.6	449.5	258.3	251.0	331.0	206.3
<b>Net domestic assets</b>	5,682.1	5,235.6	5,539.8	5,247.5	5,338.9	5,398.3	6,349.2	6,319.3	6,449.8	6,529.1
Domestic credit	8,898.8	8,546.6	8,884.5	8,597.9	8,592.7	8,600.4	9,209.0	9,173.8	9,320.9	9,431.6
Public sector	3,050.1	2,835.1	3,248.2	3,000.7	3,037.4	3,047.5	3,557.0	3,515.5	3,624.0	3,717.2
Government (net)	2,605.5	2,511.2	2,933.1	2,686.2	2,685.0	2,695.2	3,209.6	3,170.7	3,285.1	3,381.7
Rest of public sector	444.6	323.8	315.1	314.5	352.4	352.3	347.3	344.8	339.0	335.5
Private sector	5,848.6	5,711.6	5,636.3	5,597.1	5,555.3	5,552.8	5,652.0	5,658.3	5,696.9	5,714.4
Other items (net)	(3,216.7)	(3,311.0)	(3,344.7)	(3,350.3)	(3,253.8)	(3,202.1)	(2,859.9)	(2,854.5)	(2,871.1)	(2,902.5)
<b>Monetary liabilities</b>	7,814.3	7,754.6	8,211.9	8,580.7	8,972.6	9,040.2	8,977.8	9,007.9	9,238.0	9,071.5
Money	3,186.5	3,377.5	3,707.8	4,013.0	4,279.6	4,268.7	4,292.0	4,251.1	4,356.1	4,286.0
Currency	336.9	373.1	385.9	382.6	393.4	405.1	422.8	425.7	430.3	428.0
Demand deposits	2,849.6	3,004.4	3,321.9	3,630.4	3,886.2	3,863.6	3,869.2	3,825.4	3,925.8	3,858.0
Quasi-money	4,627.8	4,377.1	4,504.1	4,567.7	4,693.0	4,771.6	4,685.9	4,756.8	4,881.9	4,785.5
Savings deposits	1,637.0	1,788.4	1,885.0	1,947.4	2,030.8	2,050.4	2,089.0	2,172.3	2,234.9	2,233.7
Fixed deposits	2,408.3	2,230.8	2,172.2	2,160.4	2,132.2	2,104.7	2,073.9	2,078.7	2,055.2	2,045.0
Foreign currency deposits	582.5	357.9	446.9	459.9	529.9	616.5	522.9	505.8	591.8	506.9
<b>(percentage change)</b>										
<b>Total domestic credit</b>	0.4	(4.0)	4.0	(3.2)	(0.1)	0.1	7.1	(0.4)	1.6	1.2
Public sector	1.4	(7.1)	14.6	(7.6)	1.2	0.3	16.7	(1.2)	3.1	2.6
Government (net)	3.2	(3.6)	16.8	(8.4)	(0.0)	0.4	19.1	(1.2)	3.6	2.9
Rest of public sector	(8.4)	(27.2)	(2.7)	(0.2)	12.0	(0.0)	(1.4)	(0.7)	(1.7)	(1.0)
Private sector	(0.1)	(2.3)	(1.3)	(0.7)	(0.7)	(0.0)	1.8	0.1	0.7	0.3
<b>Monetary liabilities</b>	11.0	(0.8)	6.0	4.5	4.6	0.8	(0.7)	0.3	2.6	(1.8)
Money	19.3	6.0	10.0	8.2	6.6	(0.3)	0.5	(0.9)	2.5	(1.6)
Currency	8.5	10.7	5.3	(0.9)	2.8	2.9	4.3	0.7	1.1	(0.5)
Demand deposits	20.7	5.4	10.6	9.3	7.0	(0.6)	0.1	(1.1)	2.6	(1.7)
Quasi-money	6.0	(5.4)	2.9	1.4	2.7	1.7	(1.8)	1.5	2.6	(2.0)

Source: Central Bank of The Bahamas

**TABLE 3  
CENTRAL BANK BALANCE SHEET**

**(B\$ Millions)**

Period	2019	2020	2021	2022				2023		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
<b>Net foreign assets</b>	1,758.1	2,382.2	2,432.8	3,001.6	3,235.8	3,199.7	2,611.0	2,668.2	2,697.7	2,576.8
Balances with banks abroad	794.5	307.6	323.8	662.7	813.1	693.5	622.8	715.0	747.8	631.2
Foreign securities	779.8	1,867.6	1,663.1	1,887.2	1,998.4	2,093.6	1,795.2	1,759.7	1,760.1	1,759.9
Reserve position in the Fund	26.7	27.8	27.0	27.3	26.5	27.4	25.7	25.2	25.7	25.4
SDR holdings	157.1	179.2	418.9	424.3	397.9	385.2	167.3	168.2	164.2	160.3
<b>Net domestic assets</b>	145.4	(85.4)	192.7	(36.1)	66.6	184.1	481.0	462.2	443.4	493.2
Net claims on Government	395.9	172.8	457.9	280.1	365.9	434.6	790.6	772.6	805.0	801.7
Claims	460.4	252.5	620.9	532.7	512.5	505.2	882.9	871.4	869.3	876.7
Treasury bills	135.3	13.8	14.0	0.0	0.0	0.0	11.7	1.3	16.8	1.7
Bahamas registered stock	249.9	232.9	340.9	326.6	306.6	299.3	301.7	303.1	294.9	303.0
Loans and advances	75.2	5.8	266.1	206.0	205.9	205.9	569.5	566.9	557.6	572.0
Deposits	(64.4)	(79.7)	(163.0)	(252.5)	(146.6)	(70.6)	(92.3)	(98.8)	(64.4)	(75.0)
In local currency	(64.4)	(79.7)	(163.0)	(252.5)	(146.6)	(70.6)	(92.3)	(98.8)	(64.4)	(75.0)
In foreign currency	-	-	-	-	-	-	-	-	-	-
Deposits of rest of public sector	(49.6)	(52.1)	(69.4)	(117.2)	(92.8)	(43.9)	(94.9)	(88.0)	(105.2)	(66.9)
Credit to commercial banks	-	-	-	-	-	-	-	-	-	-
Official capital and surplus	(226.8)	(239.4)	(241.0)	(241.3)	(240.4)	(241.4)	(239.5)	(236.9)	(239.8)	(242.1)
Net unclassified assets	18.9	26.6	38.1	35.2	27.1	27.9	17.8	7.4	(23.4)	(6.5)
Loans to rest of public sector	2.3	2.0	1.9	1.9	1.6	1.6	1.6	1.7	1.7	1.7
Public Corp Bonds/Securities	4.8	4.7	5.2	5.2	5.2	5.2	5.3	5.3	5.2	5.3
<b>Liabilities To Domestic Banks</b>	(1,394.4)	(1,744.5)	(1,814.0)	(2,151.9)	(2,504.5)	(2,587.8)	(2,262.4)	(2,293.2)	(2,303.6)	(2,239.1)
Notes and coins	(151.5)	(173.3)	(170.9)	(138.2)	(136.7)	(134.0)	(177.8)	(121.2)	(121.2)	(134.0)
Deposits	(1,242.9)	(1,571.2)	(1,643.1)	(2,013.7)	(2,367.8)	(2,453.9)	(2,084.6)	(2,171.9)	(2,182.4)	(2,105.0)
SDR allocation	(172.3)	(179.2)	(418.9)	(424.3)	(397.8)	(384.1)	(400.1)	(404.8)	(400.6)	(396.2)
Currency held by the private sector	(336.8)	(373.0)	(385.9)	(382.6)	(393.4)	(405.1)	(422.8)	(425.7)	(430.3)	(428.0)

Source: Central Bank of The Bahamas

**TABLE 4**  
**DOMESTIC BANKS BALANCE SHEET**

(B\$ Millions)

Period	2019	2020	2021	2022				2023		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
<b>Net foreign assets</b>	32.6	(240.2)	(95.2)	(16.9)	33.6	58.4	(137.8)	(131.5)	(73.9)	(203.7)
<b>Net claims on Central Bank</b>	1,395.3	1,745.5	1,815.0	2,152.8	2,505.4	2,571.1	2,263.3	2,286.6	2,301.6	2,228.4
Notes and Coins	151.5	173.3	170.9	138.2	136.7	134.0	177.8	121.2	121.2	134.0
Balances	1,243.8	1,572.1	1,644.1	2,014.6	2,368.6	2,437.1	2,085.5	2,165.3	2,180.4	2,094.3
Less Central Bank credit	-	-	-	-	-	-	-	-	-	-
<b>Net domestic assets</b>	5,672.6	5,689.0	5,841.0	5,728.9	5,704.4	5,693.8	6,114.6	6,093.2	6,245.9	6,303.9
Net claims on Government	2,225.0	2,351.6	2,475.2	2,406.1	2,319.1	2,260.9	2,419.0	2,398.1	2,480.2	2,580.1
Treasury bills	771.9	830.2	939.8	956.8	755.2	752.9	849.1	843.5	860.1	935.3
Other securities	985.4	907.5	926.5	935.7	1,063.0	1,021.2	1,091.4	1,098.6	1,171.1	1,180.5
Loans and advances	688.8	906.5	820.8	734.3	725.8	724.4	710.9	696.3	676.2	696.8
Less: deposits	221.1	292.5	211.9	220.7	224.9	237.7	232.3	240.3	227.2	232.5
Net claims on rest of public sector	31.7	72.2	103.8	86.2	93.2	71.3	114.9	85.2	95.5	75.5
Securities	230.9	226.1	230.6	230.7	231.0	229.9	229.8	229.6	229.3	218.7
Loans and advances	206.6	91.0	77.4	76.9	114.7	115.7	110.6	108.3	102.7	109.9
Less: deposits	405.8	244.9	204.3	221.4	252.5	274.2	225.6	252.6	236.6	253.1
Other net claims	18.8	2.7	(0.7)	16.9	(0.1)	(4.4)	(0.0)	(3.4)	0.8	(0.0)
Credit to the private sector	5,891.6	5,766.1	5,680.7	5,639.5	5,609.0	5,634.9	5,755.5	5,748.8	5,799.8	5,830.6
Securities	26.0	21.1	52.9	53.0	61.5	58.7	60.0	60.1	69.2	69.0
Mortgages	2,912.2	2,886.8	2,838.9	2,844.3	2,835.1	2,866.7	2,956.6	2,934.5	2,935.4	2,926.4
Loans and advances	2,953.4	2,858.2	2,788.9	2,742.2	2,712.4	2,709.5	2,738.9	2,754.1	2,795.2	2,835.1
Private capital and surplus	(2,394.7)	(2,438.5)	(2,342.1)	(2,399.3)	(2,320.6)	(2,324.2)	(2,218.7)	(2,162.9)	(2,187.8)	(2,185.7)
Net unclassified assets	(99.8)	(65.2)	(75.9)	(20.5)	3.8	55.3	43.9	27.4	57.4	3.5
<b>Liabilities to private sector</b>	7,100.6	7,194.2	7,560.7	7,864.8	8,243.4	8,323.3	8,240.1	8,248.2	8,473.6	8,328.7
Demand deposits	3,116.5	3,199.1	3,509.2	3,760.4	4,082.5	4,158.1	4,057.0	3,971.1	4,131.8	3,999.8
Savings deposits	1,667.3	1,822.3	1,924.2	1,987.2	2,068.5	2,092.7	2,125.6	2,211.2	2,267.9	2,267.8
Fixed deposits	2,316.7	2,172.8	2,127.3	2,117.2	2,092.3	2,072.5	2,057.5	2,065.9	2,073.9	2,061.1

Source: Central Bank of The Bahamas

**TABLE 5**  
**PROFIT AND LOSS ACCOUNTS OF BANKS\* IN THE BAHAMAS**

(B\$'000s)

Period	2019	2020	2021	2021		2022				2023	
				Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II
1. Interest Income	593,233	577,338	573,084	149,591	133,920	136,517	133,923	145,369	162,779	157,648	156,848
2. Interest Expense	48,618	38,512	40,060	10,063	10,062	9,368	9,388	9,066	9,048	9,121	9,143
<b>3. Interest Margin (1-2)</b>	<b>544,615</b>	<b>538,826</b>	<b>533,024</b>	<b>139,528</b>	<b>123,858</b>	<b>127,149</b>	<b>124,535</b>	<b>136,303</b>	<b>153,731</b>	<b>148,527</b>	<b>147,705</b>
4. Commission & Forex Income	38,127	41,209	50,545	12,292	14,338	13,417	15,306	13,785	15,646	15,552	16,492
<b>5. Gross Earnings Margin (3+4)</b>	<b>582,742</b>	<b>580,035</b>	<b>583,569</b>	<b>151,820</b>	<b>138,196</b>	<b>140,566</b>	<b>139,841</b>	<b>150,088</b>	<b>169,377</b>	<b>164,079</b>	<b>164,197</b>
6. Staff Costs	159,361	158,064	164,500	42,404	44,377	38,919	37,147	41,615	40,807	39,339	42,131
7. Occupancy Costs	33,932	15,834	15,191	3,092	3,897	3,024	3,229	2,525	4,360	3,419	2,402
8. Other Operating Costs	203,070	292,272	231,605	56,740	61,322	60,932	58,581	60,470	68,984	72,586	69,445
<b>9. Operating Costs (6+7+8)</b>	<b>396,363</b>	<b>466,170</b>	<b>411,296</b>	<b>102,236</b>	<b>109,596</b>	<b>102,875</b>	<b>98,957</b>	<b>104,610</b>	<b>114,151</b>	<b>115,344</b>	<b>113,978</b>
<b>10. Net Earnings Margin (5-9)</b>	<b>186,379</b>	<b>113,865</b>	<b>172,273</b>	<b>49,584</b>	<b>28,600</b>	<b>37,691</b>	<b>40,884</b>	<b>45,478</b>	<b>55,226</b>	<b>48,735</b>	<b>50,219</b>
11. Depreciation Costs	11,876	17,223	20,776	5,339	5,176	5,321	5,835	5,954	2,705	5,006	5,581
12. Provisions for Bad Debt	96,138	254,847	92,788	29,677	19,292	(17,791)	4,779	(20,935)	18,140	(3,759)	7,693
13. Other Income	177,136	150,436	196,008	47,271	62,938	52,932	53,638	55,310	59,821	60,194	61,967
<b>14. Other Income (Net) (13-11-12)</b>	<b>69,122</b>	<b>(121,634)</b>	<b>82,444</b>	<b>12,255</b>	<b>38,470</b>	<b>65,402</b>	<b>43,024</b>	<b>70,291</b>	<b>38,976</b>	<b>58,947</b>	<b>58,934</b>
<b>15. Net Income (10+14)</b>	<b>255,501</b>	<b>(7,769)</b>	<b>254,717</b>	<b>61,839</b>	<b>67,070</b>	<b>103,093</b>	<b>83,908</b>	<b>115,769</b>	<b>94,202</b>	<b>107,682</b>	<b>109,153</b>
<b>16. Effective Interest Rate Spread (%)</b>	<b>6.80</b>	<b>6.95</b>	<b>6.89</b>	<b>7.44</b>	<b>6.52</b>	<b>6.48</b>	<b>6.68</b>	<b>7.16</b>	<b>7.12</b>	<b>7.60</b>	<b>7.48</b>
<b>(Ratios To Average Assets)</b>											
Interest Margin	5.20	4.78	4.60	4.77	4.28	4.36	4.12	4.64	5.31	5.12	5.06
Commission & Forex Income	0.36	0.37	0.44	0.42	0.50	0.46	0.51	0.47	0.54	0.54	0.56
Gross Earnings Margin	5.56	5.15	5.04	5.19	4.77	4.82	4.63	5.11	5.85	5.65	5.62
Operating Costs	3.78	4.13	3.55	3.50	3.78	3.53	3.29	3.56	3.95	3.97	3.90
Net Earnings Margin	1.78	1.02	1.49	1.70	0.99	1.29	1.34	1.55	1.91	1.68	1.72
Net Income/Loss	2.44	(0.05)	2.20	2.12	2.32	3.54	2.77	3.94	3.26	3.71	3.74

\*Commercial Banks and OLFIs with domestic operations

Source: Central Bank of The Bahamas

**TABLE 6  
MONEY SUPPLY**

(B\$ Millions)

End of Period	2019	2020	2021	2022				2023		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
<b>Money Supply (M1)</b>	3,248.4	3,472.1	3,715.5	4,017.8	4,288.6	4,274.2	4,296.8	4,257.2	4,363.4	4,290.7
1) Currency in active circulation	336.8	373.0	385.9	382.6	393.4	405.1	422.8	425.7	430.3	428.0
2) Demand deposits	2,911.6	3,099.1	3,329.6	3,635.2	3,895.2	3,869.1	3,874.0	3,831.5	3,933.1	3,862.7
Central Bank	49.6	52.1	69.4	117.2	92.8	43.9	94.9	88.0	105.2	66.9
Domestic Banks	2,861.9	3,047.0	3,260.1	3,518.0	3,802.5	3,825.2	3,779.1	3,743.6	3,827.9	3,795.8
<b>Factors affecting money (M1)</b>										
1) Net credit to Government	2,620.9	2,524.4	2,933.1	2,686.2	2,685.0	2,695.4	3,209.6	3,170.7	3,285.2	3,381.8
Central Bank	395.9	172.8	457.9	280.1	365.9	434.6	790.6	772.6	805.0	801.7
Domestic banks	2,225.0	2,351.6	2,475.2	2,406.1	2,319.1	2,260.9	2,419.0	2,398.1	2,480.2	2,580.1
2) Other credit	6,336.2	6,090.0	5,995.9	5,954.2	5,961.5	5,987.3	6,102.9	6,093.6	6,138.7	6,166.1
Rest of public sector	444.6	323.8	315.2	314.7	352.5	352.4	347.4	344.8	339.0	335.6
Private sector	5,891.6	5,766.1	5,680.7	5,639.5	5,609.0	5,634.9	5,755.5	5,748.8	5,799.8	5,830.6
3) External reserves	1,758.1	2,382.2	2,432.8	3,001.6	3,235.8	3,199.7	2,611.0	2,668.2	2,697.7	2,576.8
4) Other external liabilities (net)	32.6	(240.2)	(95.2)	(16.9)	33.6	58.4	(137.8)	(131.5)	(73.9)	(203.7)
5) Quasi money	4,644.4	4,392.1	4,504.8	4,568.2	4,693.4	4,772.3	4,686.5	4,757.2	4,882.3	4,785.9
6) Other items (net)	(3,459.4)	(3,405.4)	(3,287.1)	(3,287.2)	(3,185.1)	(3,151.3)	(2,811.2)	(2,790.4)	(2,797.2)	(2,831.4)

Source: Central Bank of The Bahamas

**TABLE 7**  
**CONSUMER INSTALMENT CREDIT**

(B\$' 000)

End of Period	2019	2020	2021	2022				2023		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
<b>CREDIT OUTSTANDING</b>										
Private cars	135,786	129,299	118,391	116,969	115,835	116,325	120,196	127,489	134,800	142,204
Taxis & rented cars	1,028	892	660	733	777	819	932	910	840	1,075
Commercial vehicles	1,156	1,024	987	1,016	932	814	872	956	891	859
Furnishings & domestic appliances	9,246	8,911	9,831	10,176	10,685	11,369	12,509	13,387	13,757	13,918
Travel	65,037	63,654	57,203	57,040	56,754	54,614	52,997	51,394	49,561	48,681
Education	39,976	37,150	35,702	34,775	34,556	33,565	31,476	30,504	28,723	28,699
Medical	11,873	11,384	12,038	11,963	12,222	11,532	11,131	11,526	11,353	11,371
Home Improvements	101,255	98,358	100,202	96,622	94,884	92,436	92,212	92,348	92,659	90,743
Land Purchases	131,400	127,176	134,991	131,163	130,128	127,981	127,593	124,780	124,406	125,539
Consolidation of debt	908,422	902,968	857,664	834,995	822,676	803,336	786,721	779,094	767,232	756,164
Miscellaneous	530,172	528,391	489,727	480,712	483,945	478,735	479,450	483,100	499,802	504,498
Credit Cards	272,999	245,397	217,121	215,366	217,032	215,553	221,336	221,883	222,508	229,689
<b>TOTAL</b>	<b>2,208,350</b>	<b>2,154,604</b>	<b>2,034,517</b>	<b>1,991,530</b>	<b>1,980,426</b>	<b>1,947,079</b>	<b>1,937,425</b>	<b>1,937,371</b>	<b>1,946,532</b>	<b>1,953,440</b>
<b>NET CREDIT EXTENDED</b>										
Private cars	(10,500)	(6,487)	(10,908)	(1,422)	(1,134)	490	3,871	7,293	7,311	7,404
Taxis & rented cars	80	(136)	(232)	73	44	42	113	(22)	(70)	235
Commercial vehicles	120	(132)	(37)	29	(84)	(118)	58	84	(65)	(32)
Furnishings & domestic appliances	1,041	(335)	920	345	509	684	1,140	878	370	161
Travel	14,165	(1,383)	(6,451)	(163)	(286)	(2,140)	(1,617)	(1,603)	(1,833)	(880)
Education	(3,091)	(2,826)	(1,448)	(927)	(219)	(991)	(2,089)	(972)	(1,781)	(24)
Medical	(900)	(489)	654	(75)	259	(690)	(401)	395	(173)	18
Home Improvements	(767)	(2,897)	1,844	(3,580)	(1,738)	(2,448)	(224)	136	311	(1,916)
Land Purchases	(7,693)	(4,224)	7,815	(3,828)	(1,035)	(2,147)	(388)	(2,813)	(374)	1,133
Consolidation of debt	(13,716)	(5,454)	(45,304)	(22,669)	(12,319)	(19,340)	(16,615)	(7,627)	(11,862)	(11,068)
Miscellaneous	(11,547)	(1,781)	(38,664)	(9,015)	3,233	(5,210)	715	3,650	16,702	4,696
Credit Cards	23,930	(27,602)	(28,276)	(1,755)	1,666	(1,479)	5,783	547	625	7,181
<b>TOTAL</b>	<b>(8,878)</b>	<b>(53,746)</b>	<b>(120,087)</b>	<b>(42,987)</b>	<b>(11,104)</b>	<b>(33,347)</b>	<b>(9,654)</b>	<b>(54)</b>	<b>9,161</b>	<b>6,908</b>

Source: Central Bank of The Bahamas



**TABLE 8**  
**SELECTED AVERAGE INTEREST RATES**

(%)

Period	2019	2020	2021	2022				2023		
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III
<b>DOMESTIC BANKS</b>										
<b>Deposit rates</b>										
Demand deposits	0.36	0.59	0.66	0.46	0.69	0.36	0.25	0.25	0.25	0.50
Savings deposits	0.38	0.44	0.40	0.47	0.50	0.33	0.29	0.28	0.29	0.28
Fixed deposits										
Up to 3 months	0.35	0.28	0.27	0.26	0.31	0.28	0.26	0.27	0.26	0.26
Up to 6 months	0.56	0.41	0.37	0.42	0.37	0.39	0.26	0.33	0.32	0.35
Up to 12 months	0.68	0.66	0.75	0.56	0.45	0.51	0.49	0.55	0.54	0.57
Over 12 months	0.90	0.86	1.21	1.05	1.03	0.72	1.19	1.25	1.06	0.91
Weighted average rate	0.57	0.45	0.52	0.52	0.48	0.47	0.52	0.63	0.49	0.52
<b>Lending rates</b>										
Residential mortgages	4.91	5.26	5.14	5.24	5.29	5.21	5.16	5.14	5.19	5.23
Commercial mortgages	6.52	7.22	6.03	7.33	5.25	7.08	7.08	6.38	6.32	6.17
Consumer loans	12.86	12.52	12.34	12.94	12.95	13.08	12.87	12.69	12.78	13.15
Overdrafts	10.43	9.84	10.21	11.07	10.78	10.68	11.28	10.77	10.60	10.67
Weighted average rate	10.46	10.39	10.02	10.63	11.21	11.01	11.20	10.88	11.08	11.10
<b>Other rates</b>										
Prime rate*	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25
Avg. Treasury bill	1.61	1.78	2.51	2.87	2.89	2.89	2.88	2.89	2.91	2.91
Avg. Treasury bill re-discount rate	2.14	2.26	3.14	3.36	3.39	3.39	3.38	3.39	3.41	3.41
Bank rate (discount rate)*	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00

**Source: Central Bank of The Bahamas**

**\*Reflects end of period rates.**

**TABLE 9**  
**SELECTED CREDIT QUALITY INDICATORS OF DOMESTIC BANKS**

Period	(%)									
	2019	2020	2021	2022				2023		
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III
<b>Loan Portfolio</b>										
Current Loans (as a % of total private sector loans)	<b>87.9</b>	<b>86.2</b>	<b>85.8</b>	<b>86.4</b>	<b>87.3</b>	<b>88.2</b>	<b>88.6</b>	<b>89.1</b>	<b>89.3</b>	<b>89.7</b>
Arrears (% by loan type)										
Consumer	3.5	4.1	5.0	4.5	4.0	3.4	3.2	3.1	3.0	2.9
Mortgage	7.5	8.7	7.9	7.7	7.4	7.3	7.1	6.8	6.6	6.3
Commercial	1.1	1.0	1.3	1.4	1.3	1.1	1.1	1.0	1.1	1.1
Total Arrears	<b><u>12.1</u></b>	<b><u>13.8</u></b>	<b><u>14.2</u></b>	<b><u>13.6</u></b>	<b><u>12.7</u></b>	<b><u>11.8</u></b>	<b><u>11.4</u></b>	<b><u>10.9</u></b>	<b><u>10.7</u></b>	<b><u>10.3</u></b>
<b>Total B\$ Loan Portfolio</b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>
<b>Loan Portfolio</b>										
Current Loans (as a % of total private sector loans)	<b>87.9</b>	<b>86.2</b>	<b>85.8</b>	<b>86.4</b>	<b>87.3</b>	<b>88.2</b>	<b>88.6</b>	<b>89.1</b>	<b>89.3</b>	<b>89.7</b>
Arrears (% by days outstanding)										
30 - 60 days	2.6	2.9	2.7	2.8	2.4	2.4	2.2	2.2	2.0	2.1
61 - 90 days	1.5	2.4	1.9	1.5	1.4	1.3	1.4	1.3	1.3	1.4
90 - 179 days	1.1	1.9	2.8	1.9	1.8	1.2	1.1	0.8	1.0	1.0
over 180 days	6.9	6.6	6.8	7.4	7.2	6.9	6.7	6.6	6.4	5.8
Total Arrears	<b><u>12.1</u></b>	<b><u>13.8</u></b>	<b><u>14.2</u></b>	<b><u>13.6</u></b>	<b><u>12.8</u></b>	<b><u>11.8</u></b>	<b><u>11.4</u></b>	<b><u>10.9</u></b>	<b><u>10.7</u></b>	<b><u>10.3</u></b>
<b>Total B\$ Loan Portfolio</b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>
Non Accrual Loans (% by loan type)										
Consumer	25.5	30.7	38.7	36.1	33.8	30.4	27.3	28.1	27.5	26.3
Mortgage	63.5	60.7	52.1	54.6	54.7	58.6	61.7	61.2	60.1	60.2
Other Private	11.0	8.6	9.2	9.3	11.6	11.0	11.0	10.7	12.4	13.5
Total Non Accrual Loans	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>
<b>Provisions to Loan Portfolio</b>										
Consumer	7.0	10.5	10.7	9.8	9.3	8.2	7.9	6.8	6.6	6.5
Mortgage	8.1	10.0	9.2	9.2	9.0	8.5	7.9	8.0	7.9	7.4
Other Private	7.1	10.5	6.8	7.2	6.1	6.0	3.8	3.7	3.3	2.2
Total Provisions to Total Private Sector Loans	7.5	10.3	9.4	9.1	8.6	8.0	7.2	6.8	6.6	6.2
Total Provisions to Non-performing Loans	93.8	121.2	97.1	97.9	95.6	98.4	93.2	91.3	89.4	90.4
Total Non-performing Loans to Total Private Sector Loans	8.0	8.5	9.6	9.3	9.0	8.1	7.7	7.5	7.4	6.8

**Source: Central Bank of The Bahamas**

Figures may not sum to total due to rounding.

**TABLE 10**  
**SUMMARY OF BANK LIQUIDITY**

(B\$ Millions)

Period	2019	2020	2021	2022				2023		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
<b>I. Statutory Reserves</b>										
Required reserves	349.6	371.3	372.8	378.2	403.1	405.9	411.8	403.1	407.8	412.6
Average Till Cash	129.8	146.4	149.5	132.3	138.5	139.9	160.5	128.3	127.5	141.5
Average balance with central bank	1,181.3	1,579.0	1,683.1	1,898.8	2,304.1	2,463.1	2,179.8	2,200.6	2,205.7	2,139.9
Free cash reserves (period ended)	961.5	1,354.2	1,387.9	1,652.8	2,039.5	2,197.0	1,928.4	1,925.7	1,925.3	1,868.8
<b>II. Liquid Assets (period)</b>										
A. Minimum Required Liquid Assets	1,247.1	1,301.1	1,344.3	1,396.2	1,452.9	1,461.4	1,458.3	1,466.3	1,481.2	1,487.5
B. Net Eligible Liquid Assets	3,214.5	3,531.6	3,722.9	4,103.4	4,365.4	4,383.1	4,244.3	4,264.4	4,371.8	4,372.7
i) Balance with Central Bank	1,243.8	1,572.1	1,644.1	2,014.6	2,368.6	2,437.1	2,085.5	2,165.3	2,180.4	2,094.3
ii) Notes and Coins	152.0	173.8	171.4	138.7	137.2	134.5	178.3	121.7	121.7	134.5
iii) Treasury Bills	771.9	830.2	939.8	956.8	755.2	752.9	849.1	843.5	860.1	935.3
iv) Government registered stocks	985.4	907.5	926.5	935.7	1,063.0	1,021.2	1,091.4	1,098.6	1,171.1	1,180.5
v) Specified assets	49.7	49.6	40.5	40.5	40.5	40.4	40.3	39.2	38.7	28.0
vi) Net Inter-bank dem/call deposits	11.7	(1.5)	0.8	17.1	0.9	(3.1)	(0.3)	(3.9)	(0.2)	(0.0)
vii) Less: borrowings from central bank	-	-	-	-	-	-	-	-	-	-
C. Surplus/(Deficit)	1,967.5	2,230.5	2,378.6	2,707.3	2,912.5	2,921.6	2,786.0	2,798.1	2,890.6	2,885.2

**Source: Central Bank of The Bahamas**

Figures may not sum to total due to rounding.

**TABLE 11**  
**GOVERNMENT OPERATIONS AND FINANCING**

(B\$ Millions)

Period	2019/20p	2020/21p	2021/22p	Budget		2021/22p		2022/23p			
				2021/22	2022/23	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV
Total Revenue & Grants	2,094.8	1,908.4	2,605.7	1,762.5	2,246.5	711.7	760.3	654.7	603.6	820.7	776.8
Current expenditure	2,533.3	2,872.5	3,043.6	2,574.1	2,825.9	710.2	1,022.1	621.3	797.0	716.5	927.0
Capital expenditure	387.2	371.1	283.8	515.5	372.4	56.4	123.7	55.3	62.5	76.1	133.5
<b>Overall balance</b>	<b>(825.7)</b>	<b>(1,335.2)</b>	<b>(721.7)</b>	<b>(1,327.1)</b>	<b>(951.9)</b>	<b>(54.9)</b>	<b>(385.5)</b>	<b>(21.9)</b>	<b>(255.9)</b>	<b>28.1</b>	<b>(283.7)</b>
<b>FINANCING (I+II-III+IV+V)</b>	825.7	1,335.2	721.7	1,327.1	951.9	54.9	385.5	21.9	255.9	(28.1)	283.7
<b>I. Foreign currency borrowing (+)</b>	<b>445.7</b>	<b>1,972.3</b>	<b>1,020.7</b>	<b>42.9</b>	<b>80.2</b>	<b>606.7</b>	<b>390.3</b>	<b>47.7</b>	<b>257.8</b>	<b>117.1</b>	<b>264.6</b>
External	395.7	1,841.9	953.9	42.9	80.2	539.8	390.3	47.7	25.5	117.1	264.6
Domestic	50.0	130.4	66.8	-	-	66.8	-	-	232.3	-	-
<b>II. Bahamian dollar borrowing (+)</b>	<b>1,101.1</b>	<b>1,103.5</b>	<b>2,016.2</b>	<b>2,030.8</b>	<b>1,771.3</b>	<b>415.2</b>	<b>526.5</b>	<b>353.8</b>	<b>762.8</b>	<b>611.3</b>	<b>573.9</b>
i) Treasury bills	233.6	49.1	308.8	-	-	0.6	35.5	30.6	41.5	32.4	9.8
ii) Long-term securities	562.6	559.5	712.4	-	-	149.6	286.0	118.2	344.2	128.8	231.6
iii) Loans and Advances	305.0	494.9	995.0	-	-	265.0	205.0	205.0	377.0	450.0	332.5
<b>III. Debt repayment(-)</b>	<b>879.0</b>	<b>1,357.8</b>	<b>2,145.0</b>	<b>696.6</b>	<b>899.7</b>	<b>805.7</b>	<b>628.4</b>	<b>387.8</b>	<b>798.1</b>	<b>673.7</b>	<b>677.4</b>
Domestic	835.1	956.8	1,854.4	501.6	767.1	656.0	530.3	348.2	603.8	548.8	573.9
Bahamian dollars	835.1	956.8	1,715.6	497.4	762.9	525.6	526.1	344.7	596.1	545.3	566.2
Foreign currency	-	-	138.8	4.2	4.2	130.4	4.2	3.5	7.7	3.5	7.7
External	43.9	401.0	290.7	195.0	132.6	149.7	98.1	39.6	194.3	124.9	103.5
<b>IV. Net acquisition financial assets (-)</b>	<b>(71.8)</b>	<b>(31.7)</b>	<b>(66.3)</b>	<b>(46.5)</b>	<b>(59.8)</b>	<b>(13.3)</b>	<b>(26.4)</b>	<b>(10.0)</b>	<b>(40.0)</b>	<b>(90.0)</b>	<b>(86.5)</b>
<b>V. Cash balance change &amp; other financing</b>	<b>229.7</b>	<b>(351.2)</b>	<b>(103.8)</b>	<b>(3.5)</b>	<b>59.8</b>	<b>(148.0)</b>	<b>123.5</b>	<b>18.2</b>	<b>73.4</b>	<b>7.3</b>	<b>209.1</b>

Source: Treasury Monthly Reports. Data compiled according to the International Monetary Fund's Government Finance Statistics

**TABLE 12  
NATIONAL DEBT**

**(B\$ '000s)**

Period	2020	2021	2022	2022				2023		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
<b>TOTAL EXTERNAL DEBT</b>	4,031,360	4,344,312	4,843,469	4,732,828	4,997,059	4,975,350	4,843,469	4,846,426	5,004,837	4,839,164
By Instrument										
Government Securities	2,475,000	2,475,000	2,860,000	2,475,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000
Loans	1,556,360	1,869,312	1,983,469	2,257,828	2,137,059	2,115,350	1,983,469	1,986,426	2,144,837	1,979,164
By Holder										
Commercial Banks	-	-	-	-	-	-	-	-	-	-
Offshore Financial Institutions	-	-	-	-	-	-	-	-	-	-
Multilateral Institutions	853,864	1,121,304	1,124,313	1,115,982	1,104,616	1,096,264	1,124,313	1,133,607	1,383,577	1,345,762
Bilateral Institutions	70,875	66,099	54,742	62,916	59,541	53,085	54,742	51,850	49,133	45,924
Private Capital Markets	2,475,000	2,475,000	2,860,000	2,475,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000
Other Financial Institutions	631,621	681,909	804,414	1,078,930	972,902	966,001	804,414	800,969	712,127	587,478
<b>TOTAL INTERNAL DEBT</b>	5,386,573	5,973,545	6,192,962	5,799,571	5,795,748	5,801,346	6,192,962	6,257,898	6,255,226	6,375,321
By Instrument										
Foreign Currency	180,440	176,273	329,934	112,648	108,482	104,961	329,934	328,928	318,590	312,430
Government Securities	-	-	-	-	-	-	-	-	-	-
Loans	180,440	176,273	329,934	112,648	108,482	104,961	329,934	328,928	318,590	312,430
Bahamian Dollars	5,206,133	5,797,272	5,863,028	5,686,923	5,687,266	5,696,385	5,863,028	5,928,970	5,936,636	6,062,891
Advances	4,900	265,000	335,000	205,000	205,000	205,000	335,000	332,500	323,146	337,546
Treasury Bills	922,417	1,122,465	1,005,965	1,086,405	933,864	964,447	1,005,965	996,542	1,006,364	1,130,710
Government Securities	3,808,200	3,924,682	4,169,631	3,939,588	4,124,588	4,137,325	4,169,631	4,198,567	4,238,503	4,260,838
Loans	470,616	485,125	352,432	455,930	423,814	389,613	352,432	401,361	368,623	333,797
By Holder										
Foreign Currency	180,440	176,273	329,934	112,648	108,482	104,961	329,934	328,928	318,590	312,430
Commercial Banks	180,440	176,273	97,273	112,648	108,482	104,961	97,273	93,752	86,064	82,543
Other Local Financial Institutions	-	-	-	-	-	-	-	-	-	-
Central Bank	-	-	232,661	-	-	-	232,661	235,176	232,526	229,887
Bahamian Dollars	5,206,133	5,797,272	5,863,028	5,686,923	5,687,266	5,696,385	5,863,028	5,928,970	5,936,635	6,062,890
Central Bank	253,375	617,057	646,161	529,683	508,758	502,914	646,161	635,160	615,103	640,021
Commercial Banks	2,174,010	2,336,603	2,283,278	2,332,523	2,225,448	2,150,373	2,283,278	2,336,593	2,394,635	2,427,338
Other Local Financial Institutions	34,723	1,085	-	1,085	-	-	-	-	-	-
Public Corporations	576,975	518,866	507,942	521,664	593,881	588,888	507,942	513,603	469,056	498,395
Other	2,167,050	2,323,661	2,425,647	2,301,968	2,359,179	2,454,210	2,425,647	2,443,614	2,457,841	2,497,136
<b>TOTAL FOREIGN CURRENCY DEBT</b>	4,211,800	4,520,585	5,173,403	4,845,476	5,105,541	5,080,311	5,173,403	5,175,354	5,323,427	5,151,594
<b>TOTAL DIRECT CHARGE</b>	9,417,933	10,317,857	11,036,431	10,532,399	10,792,807	10,776,696	11,036,431	11,104,324	11,260,063	11,214,485
<b>TOTAL CONTINGENT LIABILITIES</b>	439,980	399,116	390,203	397,384	394,862	392,005	390,203	390,618	389,648	358,380
<b>TOTAL NATIONAL DEBT</b>	9,857,913	10,716,973	11,426,634	10,929,783	11,187,669	11,168,701	11,426,634	11,494,942	11,649,711	11,572,865

Source: Treasury Accounts & Treasury Statistical Summary Printouts

Public Corporation Reports, Creditor Statements, Central Bank of The Bahamas

**TABLE 13**  
**PUBLIC SECTOR FOREIGN CURRENCY DEBT OPERATIONS**

(B\$ '000s)

Period	2020*	2021	2022	2022				2023		
				Mar.**	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
<b>Outstanding Debt at Beginning of Period</b>	3,475,997	4,784,042	5,032,833	5,032,833	5,351,089	5,602,735	5,569,712	5,652,483	5,644,933	5,780,675
Government	2,617,662	4,211,800	4,520,585	4,520,585	4,845,476	5,105,541	5,080,310	5,173,402	5,175,354	5,323,427
Public Corporations	858,335	572,242	512,248	512,248	505,613	497,194	489,402	479,081	469,579	457,248
<b>Plus: New Drawings</b>	1,946,664	409,730	1,306,322	607,588	391,267	48,684	258,783	117,116	264,643	47
Government	1,944,995	406,201	1,302,519	606,663	390,325	47,725	257,806	117,116	264,643	47
Public corporations	1,669	3,529	3,803	925	942	959	977	-	-	-
<b>Less: Amortization</b>	666,537	154,364	664,487	287,705	111,631	51,832	213,319	137,944	123,511	170,788
Government	378,775	90,841	627,516	280,145	102,270	43,080	202,021	128,442	111,180	160,030
Public corporations	287,762	63,523	36,971	7,560	9,361	8,752	11,298	9,502	12,331	10,758
<b>Other Changes in Debt Stock</b>	27,918	(6,575)	(22,186)	(1,627)	(27,989)	(29,877)	37,307	13,278	(5,389)	(11,851)
Government	27,918	(6,575)	(22,186)	(1,627)	(27,989)	(29,877)	37,307	13,278	(5,389)	(11,851)
Public corporations	-	-	-	-	-	-	-	-	-	-
<b>Outstanding Debt at End of Period</b>	4,784,042	5,032,833	5,652,482	5,351,089	5,602,736	5,569,710	5,652,483	5,644,933	5,780,676	5,598,083
Government	4,211,800	4,520,585	5,173,402	4,845,476	5,105,542	5,080,309	5,173,402	5,175,354	5,323,428	5,151,593
Public corporations	572,242	512,248	479,080	505,613	497,194	489,401	479,081	469,579	457,248	446,490
<b>Interest Charges</b>	202,024	271,496	374,941	33,955	168,847	45,045	127,094	51,876	129,151	53,595
Government	157,895	237,267	341,180	26,177	160,270	36,713	118,020	43,373	120,627	46,496
Public corporations	44,129	34,229	33,761	7,778	8,577	8,332	9,074	8,503	8,524	7,099
<b>Debt Service</b>	868,561	425,860	1,039,428	321,660	280,478	96,877	340,413	189,820	252,662	224,383
Government	536,670	328,108	968,696	306,322	262,540	79,793	320,041	171,815	231,807	206,526
Public corporations	331,891	97,752	70,732	15,338	17,938	17,084	20,372	18,005	20,855	17,857
<b>Debt Service ratio</b>	22.2	12.8	19.1	12.7	16.9	7.2	27.0	12.8	15.3	16.3
<b>Government debt Service/ Government revenue (%)</b>	17.3	13.9	35.5	18.9	34.5	12.2	53.0	20.9	29.8	n.a.
<b>MEMORANDUM</b>										
Holder distribution (B\$ Mil):										
Commercial Banks	308.8	279.1	188.5	213.4	207.1	200.2	188.5	180.9	168.4	160.1
The Central Bank	-	-	232.7	-	-	-	232.7	235.2	232.5	229.9
Multilateral Institutions	921.2	1,184.1	1,182.5	1,178.5	1,165.1	1,156.5	1,182.5	1,191.5	1,434.8	1,401.4
Bilateral Institutions	70.9	66.1	54.7	62.9	59.5	53.1	54.7	51.9	49.1	45.9
Other	1,008.1	1,028.6	1,134.1	1,421.3	1,311.1	1,299.9	1,134.1	1,125.5	1,031.2	900.8
Private Capital Markets	2,475.0	2,475.0	2,860.0	2,475.0	2,860.0	2,860.0	2,860.0	2,860.0	2,860.0	2,860.0

**Source: Treasury Accounts, Treasury Statistical Printouts and Quarterly Reports from Public Corporations, Central Bank of The Bahamas**

\* The Debt Service Ratio for 2020 is presented net of public sector refinancing activities (transfer of \$246million in Government Guaranteed debt from BEC's to Government's books).

\*\* Debt servicing during the 1st quarter of 2022 includes the refinancing of \$171.8 million in Government's foreign currency debt (\$171.8M of a \$246.0M facility refinanced). The Debt Service and Government Debt Service/Revenue Ratios are presented net of this transaction.

**TABLE 14  
BALANCE OF PAYMENTS SUMMARY\***

(B\$ Millions)

Period	2020	2021	2022	2022				2023		
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III
<b>A. Current Account Balance (I+II+III+IV)</b>	<b>(2,284.5)</b>	<b>(2,434.0)</b>	<b>(1,056.0)</b>	<b>(200.1)</b>	<b>(54.9)</b>	<b>(147.7)</b>	<b>(653.3)</b>	<b>(178.3)</b>	<b>(106.8)</b>	<b>(375.9)</b>
<b>I. Goods (Net)</b>	<b>(1,592.6)</b>	<b>(2,625.6)</b>	<b>(2,909.8)</b>	<b>(678.1)</b>	<b>(705.5)</b>	<b>(683.1)</b>	<b>(843.0)</b>	<b>(841.1)</b>	<b>(694.0)</b>	<b>(860.5)</b>
Exports	431.4	638.6	837.7	171.6	246.6	229.4	190.2	175.3	304.8	178.8
Imports	2,024.0	3,264.2	3,747.5	849.7	952.1	912.5	1033.2	1016.4	998.7	1039.3
<b>II. Services (Net)</b>	<b>(129.8)</b>	<b>1,008.3</b>	<b>2,669.2</b>	<b>592.0</b>	<b>973.8</b>	<b>578.2</b>	<b>525.2</b>	<b>837.4</b>	<b>848.5</b>	<b>615.5</b>
Transportation	(172.4)	(275.9)	(309.5)	(76.9)	(59.4)	(83.2)	(90.0)	(124.8)	(82.1)	(87.3)
Travel	857.0	2,173.1	4,052.2	881.6	1,260.5	977.6	932.4	1,157.7	1,224.2	1,040.3
Construction	(59.0)	(103.5)	(116.8)	(25.6)	(26.9)	(32.2)	(32.1)	(20.6)	(17.1)	(32.2)
Insurance services	(153.5)	(276.5)	(269.0)	(56.3)	(59.7)	(78.7)	(74.3)	(47.9)	(63.8)	(80.6)
Charges for the use of intellectual property n.i.e.	(6.4)	(7.5)	(14.8)	(1.7)	(9.3)	(2.0)	(1.8)	(2.8)	(2.9)	(2.8)
Telecommunications, computer, and information services	(50.8)	(52.0)	(54.0)	(11.1)	(13.2)	(15.7)	(14.0)	(14.7)	(14.3)	(16.0)
Other business services	(361.7)	(372.8)	(424.2)	(77.9)	(80.8)	(155.0)	(110.6)	(85.9)	(165.6)	(147.3)
Government goods and services n.i.e.	(182.9)	(76.7)	(194.7)	(40.1)	(37.4)	(32.8)	(84.4)	(23.6)	(30.0)	(58.5)
<b>III. Primary Income (Net)</b>	<b>(439.5)</b>	<b>(734.2)</b>	<b>(883.2)</b>	<b>(121.1)</b>	<b>(349.3)</b>	<b>(80.8)</b>	<b>(332.0)</b>	<b>(199.0)</b>	<b>(270.4)</b>	<b>(128.3)</b>
Compensation of employees	(95.8)	(91.5)	(86.0)	(19.2)	(21.2)	(22.8)	(22.8)	(25.7)	(25.9)	(29.3)
Investment income	(343.7)	(642.7)	(797.2)	(101.9)	(328.1)	(58.0)	(309.1)	(173.3)	(244.5)	(99.0)
<b>IV. Secondary Income (Net)</b>	<b>(122.6)</b>	<b>(82.4)</b>	<b>67.8</b>	<b>7.2</b>	<b>26.2</b>	<b>38.0</b>	<b>(3.5)</b>	<b>24.4</b>	<b>9.1</b>	<b>(2.7)</b>
General government	46.4	31.5	132.7	22.9	35.0	37.6	37.3	54.2	41.4	37.6
Financial corporations, nonfinancial corporations, households, and NPISHs	(88.8)	(101.6)	(72.6)	(19.9)	(18.4)	(15.0)	(19.3)	(26.4)	(31.5)	(33.2)
<i>of which: Workers remittances</i>	(99.9)	(111.6)	(95.7)	(24.6)	(23.8)	(23.1)	(24.2)	(24.1)	(24.9)	(26.1)
Other current transfers	(80.1)	(12.3)	7.7	4.2	9.6	15.5	(21.6)	(3.3)	(0.8)	(7.0)
<b>B. Capital Account</b>	<b>650.0</b>	<b>53.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Capital transfers	650.0	53.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>C. Financial Account (excluding Reserve Assets)</b>	<b>(2,316.3)</b>	<b>(1,493.8)</b>	<b>(1,401.5)</b>	<b>(563.2)</b>	<b>(543.1)</b>	<b>(257.4)</b>	<b>(37.8)</b>	<b>(317.9)</b>	<b>(342.1)</b>	<b>(234.5)</b>
Direct Investment	(374.8)	(298.4)	(316.4)	(65.0)	(96.3)	72.2	(227.3)	(1.2)	(30.1)	(16.0)
Portfolio Investment	(656.8)	447.1	(99.8)	70.6	(323.9)	(35.5)	188.9	(170.0)	155.1	147.2
Other Investments	(1,284.8)	(1,642.5)	(985.2)	(568.8)	(122.8)	(294.1)	0.6	(146.8)	(467.1)	(365.7)
Currency and deposits	(475.2)	(624.0)	(595.3)	(106.9)	(259.5)	(212.4)	(16.5)	(97.7)	(225.7)	(549.6)
Loans	(742.4)	(762.8)	(358.7)	(357.2)	27.1	(90.0)	61.4	(63.6)	(209.8)	193.7
Other accounts receivable/payable and trade credit advances	(60.1)	(16.2)	(50.0)	(99.5)	82.8	(6.1)	(27.2)	16.9	(36.2)	(14.3)
Special drawing rights allocation	(7.1)	(239.6)	18.7	(5.3)	26.76	14.3	(17.1)	(2.4)	4.5	4.5
<b>D. Net Acquisition of Reserve Assets</b>	<b>624.1</b>	<b>50.6</b>	<b>178.3</b>	<b>568.6</b>	<b>233.9</b>	<b>(36.8)</b>	<b>(587.4)</b>	<b>56.4</b>	<b>29.1</b>	<b>(121.0)</b>
Special drawing rights	22.1	239.6	(251.5)	5.3	(26.8)	(13.4)	(216.6)	(0.6)	(3.7)	(4.0)
Reserve position in the IMF	1.1	(0.8)	(1.3)	0.3	(0.9)	0.9	(1.7)	0.3	(0.3)	(0.3)
Other reserve assets	600.9	(188.3)	431.1	563.0	261.6	(24.4)	(369.1)	56.7	33.1	(116.8)
<b>E. Net Errors &amp; Omissions</b>	<b>(57.8)</b>	<b>936.8</b>	<b>(167.3)</b>	<b>205.5</b>	<b>(254.3)</b>	<b>(146.5)</b>	<b>28.0</b>	<b>(83.3)</b>	<b>(206.2)</b>	<b>20.5</b>

Source: Central Bank of The Bahamas

\* Figures may not sum to total due to rounding.



**TABLE 15  
EXTERNAL TRADE**

Period	(B\$ '000s)								
	2020	2021	2022	2022				2023	
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II
<b>I. OIL TRADE</b>									
i) Exports	96,324	184,570	161,074	43,435	35,147	37,452	45,040	48,917	30,765
ii) Imports	386,714	657,788	604,440	136,685	111,023	166,921	189,811	150,786	225,319
<b>II. OTHER MERCHANDISE</b>									
<b>Domestic Exports</b>									
Crawfish	16,830	91,056	79,169	26,993	14,166	10,529	27,481	16,496	9,440
Fish Conch & other Crustacea	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other cordials & Similar Materials/Sponge	3	1,408	187	n.a.	n.a.	74	113	n.a.	n.a.
Fruits & Veggies.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Aragonite	2,986	2,188	2,711	665	616	615	815	539	670
Other Natural Sands	357	221	197	51	48	56	42	32	46
Rum/Beverages/Spirits & Vinegar	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Crude Salt	7,758	6,921	11,583	3,603	835	2,506	4,639	5,240	4,265
Polystyrene Products	54,956	56,419	27,548	n.a.	5,929	17,301	4,318	7,626	3,637
Other	33,922	110,964	58,213	16,489	10,091	12,847	18,786	10,398	8,322
<b>i) Total Domestic Exports</b>	<b>116,812</b>	<b>269,177</b>	<b>179,609</b>	<b>47,802</b>	<b>31,685</b>	<b>43,929</b>	<b>56,193</b>	<b>40,331</b>	<b>26,371</b>
<b>ii) Re-Exports</b>	<b>121,373</b>	<b>89,676</b>	<b>268,960</b>	<b>39,017</b>	<b>85,971</b>	<b>90,005</b>	<b>53,967</b>	<b>78,708</b>	<b>190,026</b>
<b>iii) Total Exports (i+ii)</b>	<b>238,185</b>	<b>358,853</b>	<b>448,569</b>	<b>86,819</b>	<b>117,656</b>	<b>133,934</b>	<b>110,160</b>	<b>119,039</b>	<b>216,397</b>
<b>iv) Imports</b>	<b>1,818,573</b>	<b>2,824,819</b>	<b>3,153,455</b>	<b>702,103</b>	<b>698,741</b>	<b>868,775</b>	<b>883,837</b>	<b>876,446</b>	<b>868,863</b>
<b>v) Retained Imports (iv-ii)</b>	<b>1,697,200</b>	<b>2,735,143</b>	<b>2,884,495</b>	<b>663,086</b>	<b>612,770</b>	<b>778,770</b>	<b>829,870</b>	<b>797,738</b>	<b>678,837</b>
<b>vi) Trade Balance (i-v)</b>	<b>(1,580,388)</b>	<b>(2,465,966)</b>	<b>(2,704,886)</b>	<b>(615,284)</b>	<b>(581,085)</b>	<b>(734,841)</b>	<b>(773,677)</b>	<b>(757,407)</b>	<b>(652,466)</b>

Source: Bahamas National Statistical Institute Quarterly Statistical Summaries

**TABLE 16**  
**SELECTED TOURISM STATISTICS**

Period	2020	2021	2022	2022				2023		
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III
<b>Visitor Arrivals</b>	1,794,522	2,100,618	7,000,706	1,360,108	1,662,722	1,770,621	2,207,255	2,618,488	2,416,595	2,174,082
Air	418,329	886,629	1,470,244	329,671	421,674	351,115	367,784	469,988	488,217	374,547
Sea	1,376,193	1,213,989	5,530,462	1,030,437	1,241,048	1,419,506	1,839,471	2,148,500	1,928,378	1,799,535
<b>Visitor Type</b>										
Stopover	407,543	892,442	1,441,146	309,364	421,413	365,412	344,957	487,214	523,805	382,748
Cruise	1,327,142	1,115,181	5,390,016	1,003,441	1,195,955	1,375,106	1,815,514	2,115,700	1,872,617	1,751,820
Day/Transit	13,259	92,995	169,544	47,303	45,354	30,103	46,784	15,574	20,173	39,514
<b>Tourist Expenditure(B\$ 000's)</b>	967,400	2,321,707	4,221,819	913,297	1,297,487	1,027,420	983,614	n.a.	n.a.	n.a.
Stopover	888,289	2,266,919	3,838,087	855,055	1,176,533	946,591	859,907	n.a.	n.a.	n.a.
Cruise	78,263	53,784	380,732	57,481	120,145	80,017	123,089	n.a.	n.a.	n.a.
Day	807	1,003	3,000	761	808	812	619	n.a.	n.a.	n.a.
<b>Average Hotel Occupancy Rates (%)</b>										
New Providence	25.7	40.7	65.3	56.5	79.1	63.1	62.3	n.a.	n.a.	n.a.
Grand Bahama	22.2	22.8	31.7	22.9	34.8	37.6	31.5	n.a.	n.a.	n.a.
Other Family Islands	19.8	34.7	39.8	42.8	48.5	40.8	27.2	n.a.	n.a.	n.a.
<b>Average Nightly Room Rates (\$)</b>										
New Providence	392.12	338.72	377.87	426.01	375.91	326.89	398.06	n.a.	n.a.	n.a.
Grand Bahama	89.07	73.05	82.34	78.53	98.03	82.22	70.59	n.a.	n.a.	n.a.
Other Family Islands	405.38	307.80	326.15	362.99	368.81	324.41	248.39	n.a.	n.a.	n.a.

Source: The Ministry of Tourism, The Bahamas Hotel & Tourism Association

Figures may not sum due to rounding.