



## **Monthly Economic and Financial Developments March 2024**

In an effort to provide the public with more frequent information on its economic surveillance activities, the Central Bank has decided to release monthly reports on economic and financial sector developments in The Bahamas. The Bank monitors these conditions as part of its monetary policy mandate, to assess whether money and credit trends are sustainable relative to levels of external reserves required to protect the value of the Bahamian dollar and, if not, the degree to which credit policies ought to be adjusted. The main data source for this surveillance is financial institutions' daily reports on foreign exchange transactions and weekly balance sheet statements. Therefore, monthly approximations may not coincide with calendar estimates reported in the Central Bank's quarterly reports. The Central Bank will release its "Monthly Economic and Financial Developments" report on the Monday following its monthly Monetary Policy Committee Meeting.

### **Future Release Dates:**

**2024: 3<sup>rd</sup> June, 1<sup>st</sup> July, 29<sup>th</sup> July, 2<sup>nd</sup> September, 30<sup>th</sup> September, 4<sup>th</sup> November, 4<sup>th</sup> December, 27<sup>th</sup> December**



## MARCH 2024 SUMMARY

### MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS

#### ***Overall Economic Activity***

Indications are that the domestic economy's growth momentum continued to moderate during the month of March, as compared to the previous year, converging further towards its expected medium-term potential. Tourism sector output gains were supported by healthy expansion in both the high-value air traffic and the sea component, reflective of the sustained demand for travel in key source markets.

#### ***Monetary Sector***

In line with seasonal expectations, monetary trends featured an accumulation in banking sector liquidity, undergirded by a buildup in the deposit base, which outpaced the rise in domestic credit. In addition, external reserves grew, benefitting from net foreign currency inflows from the private sector.

#### ***International Economies***

Global economic performance varied during the month of March, against the backdrop of ongoing geopolitical tensions in Eastern Europe and the Middle East, and heightened inflation levels. As a result, major central banks reaffirmed their monetary policy tightening stance, in an effort to curb inflation and preserve a sustainable medium-term outlook for growth. In forward looking indicators, the IMF's World Economic Outlook forecasted that growth in the world economy would steady at 3.2% in 2024.



# Monthly Economic and Financial Developments (MEFD)

## March 2024

### 1. Domestic Economic Developments

#### Overview

Preliminary indications are that the domestic economy’s growth pace, though healthy, was moderated during the month of March, compared to 2023, as economic indicators continued to converge closer to their expected medium-term trajectory. The tourism sector momentum was supported by robust gains in both the high-value air traffic and the sea component, reflective of the sustained demand for travel in key source markets. Monetary trends featured an accumulation in banking sector liquidity, undergirded by a buildup in the deposit base, which outpaced the rise in the domestic credit. In addition, external reserves grew, benefitting from net foreign currency inflows from the private sector.

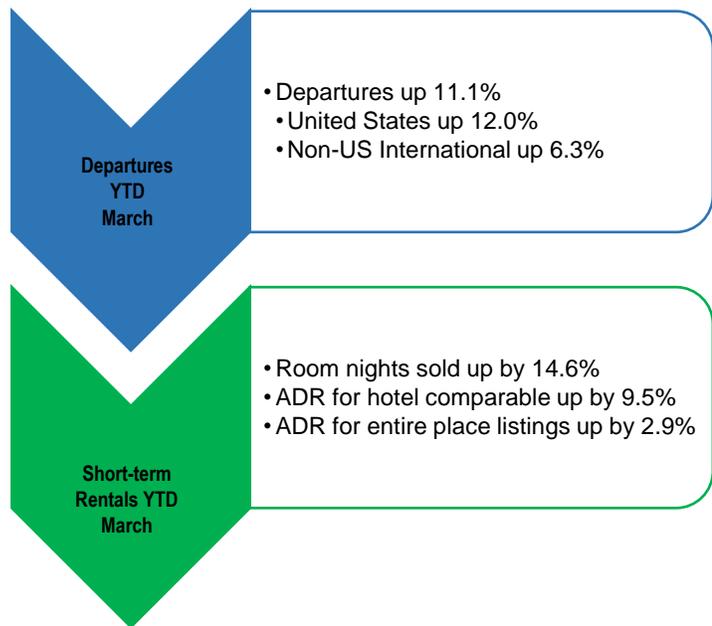
#### Real Sector

##### Tourism

Monthly data suggested that in March, tourism output remained buoyant, with healthy growth in both sea and air arrivals, given the persistent demand for travel in key source markets and enhanced marketing efforts.

The most recent data provided by the Nassau Airport Development Company Limited (NAD), indicated that total departures—net of domestic passengers—grew by 11.7% to 167,561 in March, compared to the corresponding period of 2023. Specifically, U.S. departures rose by 12.0% to 143,667, while non-U.S. departures increased by 10.3% to 23,894 relative to the prior year. For the first three months of 2024, out-bound traffic expanded by 11.1% to 444,495. In particular, U.S. departures advanced by 12.0% to 377,714, compared to preceding year, and non-U.S. departures by 6.3% to 66,781.

Chart 1: Tourism Indicators at a Glance



Sources: Nassau Airport Development Company & AirDNA

In the short-term vacation rental market, the latest data provided by AirDNA showed that in March, total room nights sold increased by 16.7% to 71,646 from the previous year. Correspondingly, the occupancy rates for both entire place and hotel comparable listings firmed to 63.8% and 40.9%, respectively, from 63.1% and 39.0% in the prior year. For the first quarter, total room nights sold grew by 13.8% to 177,538, vis-à-vis the same period in 2023. Further, as depicted in Graph 1, price indicators showed that year-over-year, the

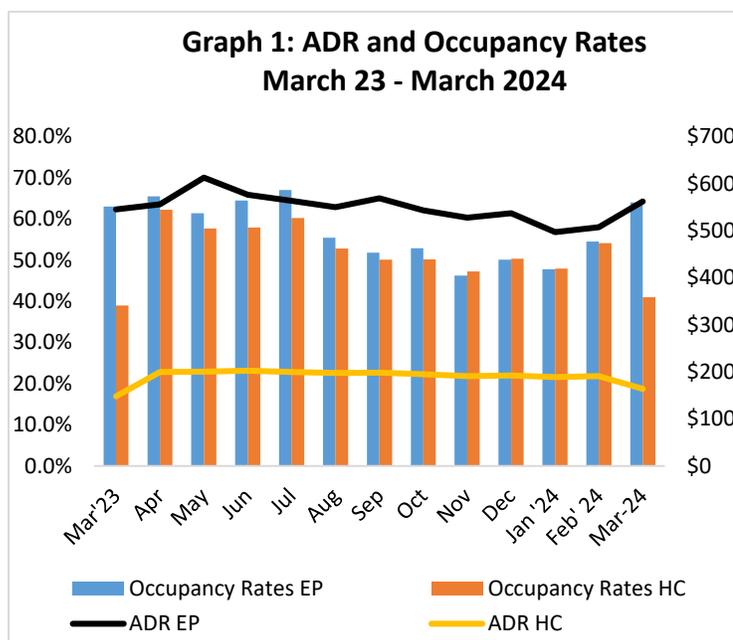
average daily room rate (ADR) for entire place listings and the ADR for hotel comparable listings rose by 2.9% to \$562.00 and by 9.5% to \$164.00, respectively.

### Monetary Trends

#### March 2024 vs. 2023

#### Liquidity

During March, monetary developments featured a buildup in banking sector liquidity, as the expansion in the deposit base surpassed the growth in domestic credit. Specifically, excess reserves—a narrow measure of liquidity—expanded by \$25.5 million to \$2,172.9 million, exceeding the \$3.5 million gain in the previous year. Similarly, excess liquid assets—a broad measure of liquidity—increased by \$96.5 million to \$3,222.0 million, widening last year’s growth of \$13.4 million.



Sources: AirDNA

For the first quarter of 2024, the accumulation in excess reserves accelerated to \$305.9 million, from \$80.4 million in the corresponding 2023 period. Similarly, excess liquid assets strengthened by \$337.8 million, exceeding the previous year’s \$96.4 million expansion.

#### External Reserves

During the review month, external reserves increased by \$58.7 million to \$2,898.2 million, a reversal from a \$2.6 million decline a year earlier. Underpinning this development, the Central Bank’s net purchases from commercial banks extended to \$127.9 million, from \$95.3 million in the previous year. In addition, the Central Bank’s net sales to the public sector moderated to \$75.3 million, from \$93.2 million in the preceding year. Meanwhile, commercial banks net purchases from their customers was also expanded to \$124.0 million from \$93.0 million.

On a year-to-date basis, external reserves expanded by \$547.0 million, surpassing the \$98.2 million growth in 2023. Contributing, the Central Bank’s net foreign currency transactions with the public sector switched to a net purchase of \$213.8 million, from a net sale of \$55.4 million in the previous year. Further, the Bank’s net purchases from commercial banks more than doubled to \$309.6 million, from \$128.9 million in the year prior. In turn, commercial banks’ net intake from customers advanced to \$326.7 million, from \$124.5 million in 2023.

#### Exchange Control Sales

Provisional data on foreign currency sales for current account transactions indicated that monthly outflows grew by \$12.9 million (2.3%) to \$573.5 million in March, compared to the same period of the preceding year. Notably, factor income remittances and non-oil imports, rose by \$7.0 million and by \$5.8 million, respectively. In addition, travel related expenses, “other” current items—mainly credit and debit card financed imports—

and transfer payments moved higher by \$3.4 million, \$3.1 million, and \$1.2 million, respectively. In contrast, oil imports decreased by \$7.5 million.

During the first quarter of the year, foreign currency sales for current account transactions increased by \$269.7 million (13.0%), to \$2,066.4 million, relative to the same period in 2023. Gains were recorded for factor income remittances (\$219.6 million), “other” current items (\$58.2 million), travel related expenses (\$14.1 million), transfer payments (\$9.2 million) and oil imports (\$4.9 million). In an offset, non-oil imports declined by \$36.2 million vis-à-vis the same period in the year prior.

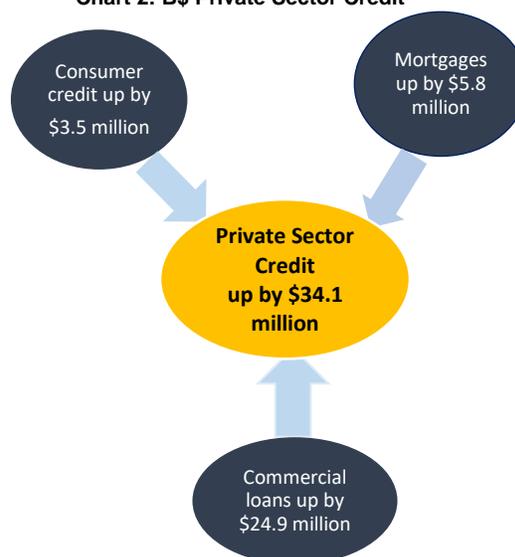
## Domestic Credit

### *Bahamian Dollar Credit*

During March, total Bahamian dollar credit rose by \$47.5 million, a turnaround from an \$8.6 million reduction in the previous year. Net claims on the Government grew by \$13.8 million, albeit lower than the \$19.2 million buildup in the same period last year. Moreover, credit to the rest of the public sector edged down by \$0.4 million, after a \$2.2 million falloff in March 2023.

Private sector credit recovered by \$34.1 million, as opposed to a \$25.5 million contraction a year earlier. Underlying this outcome, commercial loans recovered by \$24.9 million, after last year’s \$22.1 million retrenchment. Further, mortgages rose by \$5.8 million, a turnaround from a \$6.4 million falloff in the prior year. Meanwhile, consumer credit rose further by \$3.5 million, as compared to the \$2.9 million uptick in the preceding year.

Chart 2: B\$ Private Sector Credit



Source: Central Bank of The Bahamas

During the first three months of the year, the contraction in total Bahamian dollar credit moderated to \$113.2 million, from \$170.4 million in 2023. Specifically, the reduction in net claims on the Government slowed to \$135.8 million, from \$161.8 million last year. This outweighed, the broader decline in credit to public corporations of \$11.2 million, compared to \$1.8 million the preceding year. Further, private sector credit rose by \$33.9 million, a switch from a \$6.9 million retrenchment in the year prior. Leading this outturn, commercial and other loans grew by \$31.0 million, extending the year earlier \$17.2 million gain. In addition, mortgages rose by \$1.8 million, a shift from a \$16.1 million decrease in the prior year, while consumer credit edged up by \$1.1 million, a reversal from a \$7.9 million falloff in the previous year.

### *Foreign Currency Credit*

During the review period, domestic foreign currency credit contraction was almost halved to \$2.8 million vis-à-vis the previous year. In particular, the decline in net claims on the Government moderated to \$1.1 million, from \$3.6 million; overshadowing approximately double reduction in credit to rest of the public sector of \$1.5 million. Meanwhile, the falloff in private sector credit almost steadied at \$0.3 million, as the retrenchment in

commercial and other loans moderated to \$1.5 million, from \$3.7 million; and mortgages growth slowed to \$1.3 million from a \$3.3 million gain in the previous year.

Over the quarter, the contraction in total domestic foreign currency credit extended to \$19.5 million, from \$12.4 million in the comparable 2023 period. Of note, credit to the private sector reduced by \$10.0 million, a switch from last year’s growth of \$11.5 million. In particular, mortgages fell by \$5.7 million, a reversal from a \$17.6 million accumulation in the preceding year. Meanwhile, the decrease in commercial and others loans slowed to \$4.4 million, from \$6.1 million in the comparable quarter last year. Although, the decline in foreign currency credit to public corporations widened to \$1.5 million, from \$0.8 million a year earlier, the reduction in net claims on the Government was approximately two-thirds less, at \$8.0 million.

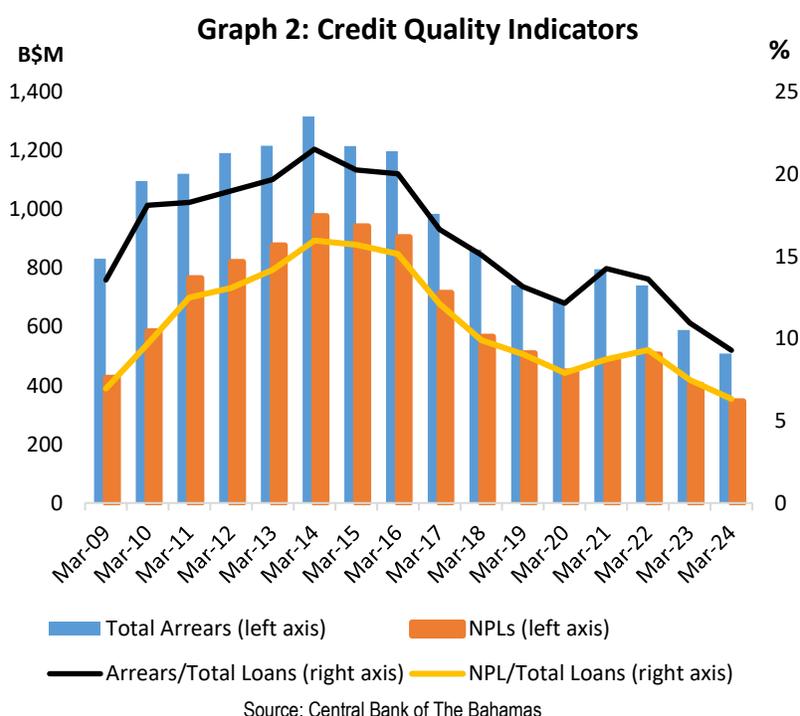
### Credit Quality

Commercial banks’ credit quality indicators retreated slightly during the review month—though remaining improved on both a quarterly and annual basis—owing largely to a rise in short-term arrears. Specifically, total private sector arrears increased by \$5.6 million (1.1%) to \$508.7 million, with the associated ratio to total private sector loans higher by 7 basis points at 9.3%.

An analysis by average age of delinquency revealed that short-term arrears (31-90 days) rose by \$8.2 million (5.3%) to \$161.9 million, with the accompanying ratio firming by 14 basis points to 3.0%. In contrast, non-performing

loans (NPLs)—arrears in excess of 90 days and on which banks have stopped accruing interest—declined by \$2.6 million (0.8%) to \$346.8 million, with the attendant ratio reducing by 7 basis points to 6.3% of total private sector loans. The NPL rates for consumer loans narrowed by 8 basis points to 4.7%; mortgages, 6 basis points to 8.7%, and commercial loans, by 4 basis points to 3.9%.

A disaggregation by loan type revealed that the mortgage component led the growth in delinquencies, expanding by \$10.6 million (3.3%) to \$331.1 million, on account of a \$12.3 million (11.9%) rise in short-term arrears, which overshadowed the \$1.7 million (0.8%) decrease in non-accrual loans. In contrast, consumer arrears reduced by \$5.0 million (3.6%) to \$133.8 million, as both the short and long-term components fell by \$4.0 million (8.8%) and by \$1.1 million (1.1%), respectively. Meanwhile, commercial delinquencies stabilized at \$43.9 million, as short-term arrears edged up by \$0.1 million (1.6%), negating the rise of the same magnitude in the long-term component.



In terms of allowance for credit losses, in March, banks increased their total provisions for loan losses by \$0.5 million (0.2%) to \$321.8 million. As a result, the ratio of total provisions to non-performing loans firmed by 85 basis points to 92.8%. However, the ratio of total provisions to total arrears declined by 60 basis points to 63.3%. During the review month, banks wrote-off an estimated \$3.8 million in overdue loans, and recovered an equal amount.

In comparison to March 2023, the total private sector arrears rate decreased by 1.7 percentage points. The non-performing loan rate fell by 1.2 percentage points, while the short-term arrears rate receded by 0.5 percentage points. Further, by loan type, the arrears rate moved lower by 1.8 percentage points each for both consumer and commercial loans; and 1.3 percentage points for mortgages.

During the first quarter of the year, total private sector arrears contracted by \$53.0 million (9.4%). As a result, the accompanying ratio reduced by a 1.0 percentage point. Underlying this development, short-term arrears decreased by \$38.3 million (19.1%), lowering the corresponding ratio by 72 basis points. Similarly, the non-accruals category fell by \$14.7 million (4.1%), with the attendant ratio narrowing by 31 basis points.

An analysis by loan type revealed that mortgage arrears reduced by \$19.0 million (5.4%), as both the short and long-term categories declined by \$14.5 million (11.1%) and by \$4.5 million (2.1%), respectively. Likewise, commercial arrears contracted by \$18.7 million (29.9%), on account of an \$11.7 million (69.7%) decrease in the short-term segment, and \$7.0 million (15.3%) in long-term arrears. Further, consumer delinquencies fell by \$15.3 million (10.3%), amid a \$12.1 million (22.6%) reduction in the short-term component, and a \$3.2 million (3.4%) retrenchment in long-term arrears.

On a year-to-date basis, commercial banks reduced their total provisions for loan losses by \$8.3 million (2.5%). However, the ratio of total provisions to NPLs increased by 1.5 percentage points, and the ratio of total provisions to arrears, by 4.5 percentage points. For the review quarter, banks wrote off approximately \$14.0 million in overdue loans, and recovered \$12.6 million.

## **Deposits**

During the month of March, growth in total Bahamian dollar deposits accelerated to \$105.9 million, from the \$39.5 million in the comparable period last year. Underlying this development, demand deposits rose by \$82.2 million, a turnaround from last year's \$36.2 million reduction. Savings deposits also increased by \$30.9 million, although trailing the previous year's \$52.0 million gain. In contrast, fixed deposits fell by \$7.1 million, a shift from the prior year's \$23.7 million accretion. Meanwhile, the reduction in residents' foreign currency deposits was moderately extended to \$48.7 million.

Over the three-month period, total Bahamian dollar deposits expansion strengthened to \$185.4 million, from \$31.7 million growth in 2023. Specifically, demand deposits rebounded by \$140.6 million, vis-à-vis last year's \$41.4 million contraction. In addition, savings deposits gains broadened to \$83.9 million from \$67.9 million. Collectively, these overshadowed fixed deposits reduction of \$39.0 million, a reversal from the \$5.2 million buildup in the comparable quarter of last year. Otherwise, growth in residents' foreign currency deposits was more than halved to \$14.6 million, from \$33.6 million in the previous year.

## **Interest Rates**

In interest rates developments, the weighted average loan rate narrowed by 90 basis points to 10.23% in March. In contrast, the weighted average deposit rate firmed by 3 basis points to 0.51%, with the highest rate of 3.00% offered on fixed balances of over 12 months.

## **2. Domestic Outlook**

The domestic economy is poised to experience continued growth moderation in 2024, converging closer to its expected medium potential, supported by ongoing gains in tourism and other private sector activities. Also, new and ongoing foreign investment-led projects are anticipated to provide stimulus to the construction sector, which will foster economic growth. However, risks to tourism remain, related mostly to exogenous factors, such as geopolitical tensions and elevated global oil prices, which could constrain travel sector activity. In addition, if major central banks' resume counter-inflation policies, this could impede the travel spending capacity of key source market consumers.

In the labour market, employment conditions are forecasted to further improve, with additional job gains concentrated primarily in construction and tourism. In price developments, inflation is anticipated to continue to trend downwards, attributed to a moderation in global oil prices. Nonetheless, upside risks to inflation revolves around uncertainty in global oil prices and supply chain shortages, related to geopolitical tensions in Eastern Europe and the Middle East.

On the fiscal front, the Government's net financing gap should continue to trend downwards. Moreover, the expected revenue performance remains significantly linked to tourism-led improving trends in taxable economic activities. Meanwhile, the forecasted budgetary gap is expected to be financed from a blend of domestic and external borrowings, with a dominant proportion of the net total funding from domestic sources.

Monetary sector developments will continue to feature elevated levels of banking sector liquidity, as commercial banks retain their conservative lending stance. Nonetheless, the environment should encourage additional strengthening in lending to the private sector. In addition, external reserves are forecasted to remain robust, although a moderate decline is likely, given the anticipated expansion in domestic credit. Nevertheless, external balances above international benchmarks should remain more than adequate to support the Bahamian dollar currency peg. Specifically, foreign exchange market conditions are expected to stay at healthy levels, buttressed by inflows from tourism and other net private sector activities.

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

Given the prevailing outlook, the Central Bank will sustain its accommodative policy stance for private sector credit and pursue policies that ensure a favorable outcome for external reserves and financial stability. Further, the Bank will continue to oversee developments within the foreign exchange market, and if necessary, adopt appropriate measures to support a positive outcome for the foreign reserves.

## APPENDIX

### ***International Developments***

Global economic performance during the month of March varied, against a backdrop of ongoing geopolitical tensions in Eastern Europe and the Middle East, and heightened inflation levels. As a result, major central banks reaffirmed their monetary policy tightening stance, in an effort to curb inflation and foster economic growth. In forward looking indicators, the World Economic Outlook forecasted that growth in the world economy will remain steady at 3.2% in 2024.

In the United States, economic conditions were mixed over the review period. The increase in industrial production steadied at 0.4% in March, while gains in retail sales slowed by 20 basis points to 0.7%. In the labour market, the unemployment rate edged down by 10 basis points to 3.8%, corresponding with a 303,000 advancement in total non-farm payroll employment, with job gains mostly in the healthcare, government, and construction sectors. Further, consumer prices stabilized at 0.4%, relative to the previous month, mainly due to increases in the shelter and gasoline indexes. In February, the trade deficit widened by \$1.3 billion (1.9%) to \$68.9 billion, as the 2.2% rise in imports offset the 2.3% increase in exports. In this environment, the Federal Reserve retained its target range for the Federal funds rate at 5.25%-5.50%, in an effort to lower inflation.

Economic developments in the United Kingdom varied during the review period. Real GDP growth slowed to 0.1% in February, from 0.3% in January, reflective of a falloff in construction output and a moderation in gains in services output. Retail sales registered a flat outturn in February, vis-à-vis a 3.6% increase in the preceding month. Meanwhile, industrial production rose by 1.1% in February, a switch from the 0.3% decrease last month, attributed to advancements in manufacturing, electricity and gas, and water supply and sewerage output. In terms of prices, the consumer price index grew by 0.6% in February, a switch from a decline of the same magnitude a month earlier, owing to growth in the costs of motor fuels and housing & household services. Similarly, the unemployment rate moved higher by 30 basis points to 4.2% during the three months to February, relative to the same period last year. On the external front, the UK's trade in goods and services deficit grew by £0.9 billion (64.3%) to £2.3 billion in February, as exports fell by 0.1%, while imports remained relatively unchanged. Given these developments, the Bank of England maintained its key policy rate at 5.25%.

In the euro area, industrial production moved higher by 0.8% in February, a reversal from the 3.0% falloff in the preceding month, while retail sales decreased by 0.5%, following a flat outturn in the prior month. In terms of unemployment, the jobless rate stood at 6.5%, unchanged from last month. With regard to prices, the annual inflation rate moderated by 20 basis points to 2.4% in February from the previous month. In external developments, the latest data showed that the euro area estimated trade surplus widened to €23.6 billion in February from €3.6 billion in the same period last year, supported by an 8.4% decline in imports, combined with the 0.3% rise in exports. The European Central Bank also left its interest rates on its main refinancing operations at 4.50%, marginal lending facility, at 4.75% and deposit facility, at 4.00%.

Economic indicators in Asia recorded mixed outcomes during the review period. In China, real GDP expanded by an annualized 5.3% in the first quarter of 2024, higher than the 4.5% in the previous quarter. Retail sales grew by 3.1%, year-over-year, in March, albeit lower than the 5.5% growth in February. In external sector developments, China's trade surplus reduced to US\$58.5 billion in March from US\$88.2 billion the same period last year, as the 7.5% decline in exports outstripped the 1.9% falloff in imports. In Japan, the contraction in industrial production slowed to 0.6% in February from 7.5% in the prior month. Meanwhile, retail sales rose by 1.5% in February, outstripping the 0.2% gain from the previous month. In labour market developments, the unemployment rate moved higher by 20 basis points to 2.6% in February, from the preceding month. Similarly, the annual inflation rate increased by 60 basis points to 2.8% in February from a month earlier. On the external front, Japan's trade deficit reduced to ¥377.8 billion in February, from ¥928.9 billion in the comparative period last year, due to the 7.8% expansion in exports overshadowing the 0.5% uptick in imports. Based on the current outlook, the People's Bank of China kept its reverse repo rate at 1.8%. However, the Bank of Japan raised its policy rate to 0.0% from -0.1% and signaled the possibility of further monetary policy tightening measures in the future.

In currency market developments, the US dollar appreciated against most of the major currencies during the review month, reflective of the ongoing strengthening in the US economy relative to the other major economies. Specifically, the US dollar strengthened against the Swiss Franc, by 1.9% to CHF0.9014; the Japanese Yen, by 0.9% to ¥151.35 and the Chinese Renminbi, by 0.5% to CNY7.2224. Further, the US dollar rose vis-à-vis the euro, by 0.1% to €0.9268 and held steady for the British Pound at £0.7922. However, the US dollar weakened against the Canadian dollar by 0.3% to CAD\$1.3540.

In the commodity market, prices trended upward during the month of March. Specifically, the price of crude oil moved higher by 7.0% to \$87.48 per barrel, as OPEC's crude oil production rose by 3,000 barrels per day, to average 26.6 million barrels per day. Similarly, the costs of silver increased by 10.1% to \$24.96 per troy ounce, and gold, by 9.1% to \$2,229.87 per troy ounce.

# Recent Monetary and Credit Statistics

## (B\$ Millions)

March					
Value		Change		Change YTD	
2023	2024	2023	2024	2023	2024

### 1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	2,008.54	2,172.93	3.48	25.49	80.42	305.85
1.2 Excess Liquid Assets	2,869.22	3,222.04	13.44	96.53	96.39	337.81
1.3 External Reserves	2,692.83	2,898.21	-2.59	58.69	98.16	547.00
1.4 Bank's Net Foreign Assets	-87.53	-48.27	-39.84	-50.09	10.25	42.07
1.5 Usable Reserves	1,215.70	1,305.10	-2.59	1.76	64.69	437.16

### 2.0 DOMESTIC CREDIT

2.1 Private Sector	5,618.71	5,695.00	-25.91	33.89	4.62	23.83
a. B\$ Credit	5,326.09	5,417.18	-25.53	34.14	-6.90	33.87
of which: Consumer Credit	1,895.67	1,923.82	2.92	3.51	-7.94	1.07
Mortgages	2,691.25	2,663.92	-6.37	5.76	-16.14	1.79
Commercial and Other Loans B\$	739.17	829.43	-22.08	24.87	17.18	31.01
b. F/C Credit	292.62	277.82	-0.38	-0.25	11.51	-10.04
of which: Mortgages	168.83	148.49	3.28	1.25	17.56	-5.69
Commercial and Other Loans F/C	123.79	129.33	-3.66	-1.49	-6.05	-4.35
2.2 Central Government (net)	3,020.76	3,203.75	15.58	12.77	-184.93	-143.79
a. B\$ Loans & Securities	3,110.57	3,366.87	14.58	95.55	-73.35	-181.45
Less Deposits	394.83	449.64	-4.58	81.73	88.43	-45.64
b. F/C Loans & Securities	315.53	295.91	0.00	0.00	-17.83	-2.81
Less Deposits	10.51	9.40	3.58	1.05	5.32	5.16
2.3 Rest of Public Sector	346.15	326.77	-2.94	-1.94	-2.50	-12.73
a. B\$ Credit	317.65	304.27	-2.19	-0.44	-1.75	-11.23
b. F/C Credit	28.50	22.50	-0.75	-1.50	-0.75	-1.50
2.4 Total Domestic Credit	8,985.63	9,225.52	-13.27	44.72	-182.82	-132.68
a. B\$ Domestic Credit	8,359.48	8,638.68	-8.56	47.52	-170.44	-113.17
b. F/C Domestic Credit	626.15	586.83	-4.71	-2.80	-12.38	-19.51

### 3.0 DEPOSIT BASE

3.1 Demand Deposits	3,832.91	4,040.56	-36.23	82.15	-41.43	140.58
a. Central Bank	74.45	31.89	0.00	19.95	-18.73	3.88
b. Banks	3,758.45	4,008.68	-36.23	62.20	-22.70	136.70
3.2 Savings Deposits	2,170.93	2,351.71	51.99	30.87	67.86	83.86
3.3 Fixed Deposits	2,079.38	1,983.76	23.71	-7.12	5.22	-39.04
3.4 Total B\$ Deposits	8,083.21	8,376.03	39.47	105.89	31.65	185.40
3.5 F/C Deposits of Residents	501.75	519.54	-44.87	-48.71	33.64	14.61
3.6 M2	8,504.21	8,823.13	42.37	114.77	13.03	159.56
3.7 External Reserves/M2 (%)	31.66	32.85	-0.19	0.24	1.11	5.71
3.8 External Reserves/Base Money (%)	99.58	97.85	-0.10	0.80	3.65	9.72
3.9 External Reserves/Demand Liabilities (%)	91.15	90.96	-0.09	-1.46	1.29	11.70
	Value		Year To Date		Change	
	2023	2024	2023	2024	Month	YTD

### 4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	2.08	52.60	73.52	523.45	50.52	449.94
a. Net Purchase/(Sale) from/to Banks	95.29	127.89	128.94	309.63	32.59	180.68
i. Sales to Banks	29.60	19.90	159.17	66.48	-9.70	-92.69
ii. Purchase from Banks	124.89	147.79	288.11	376.11	22.89	88.00
b. Net Purchase/(Sale) from/to Others	-93.21	-75.29	-55.43	213.83	17.92	269.25
i. Sales to Others	160.67	142.94	336.61	870.02	-17.73	533.41
ii. Purchase from Others	67.46	67.65	281.19	1,083.85	0.19	802.66
4.2 Banks Net Purchase/(Sale)	92.96	123.97	124.54	326.72	31.00	202.18
a. Sales to Customers	540.02	517.79	1,788.50	1,689.68	-22.24	-98.83
b. Purchase from Customers	632.99	641.76	1,913.05	2,016.40	8.77	103.35

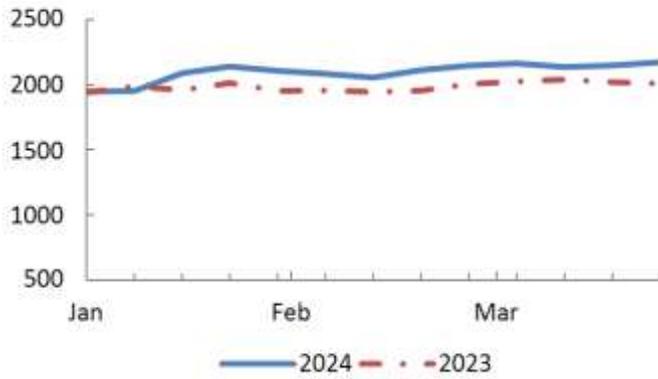
### 5.0 EXCHANGE CONTROL SALES

5.1 Current Items	560.58	573.46	1,796.76	2,066.41	12.88	269.66
of which Public Sector	65.25	84.27	204.68	473.94	19.02	269.26
a. Nonoil Imports	166.47	172.23	520.08	483.86	5.75	-36.22
b. Oil Imports	48.31	40.84	184.09	189.03	-7.47	4.93
c. Travel	13.98	17.34	44.87	58.91	3.36	14.05
d. Factor Income	16.38	23.36	90.60	310.17	6.97	219.57
e. Transfers	15.79	16.97	48.16	57.35	1.18	9.19
f. Other Current Items	299.64	302.73	908.96	967.10	3.09	58.15
5.2 Capital Items	126.81	70.59	257.28	441.93	-56.22	184.64
of which Public Sector	99.80	58.18	143.71	404.56	-41.62	260.85

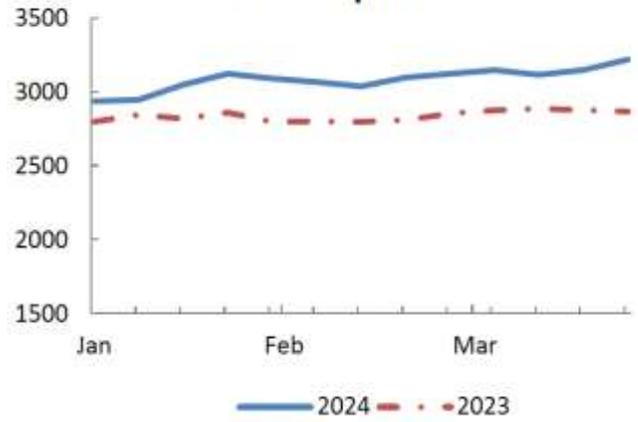
## SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)

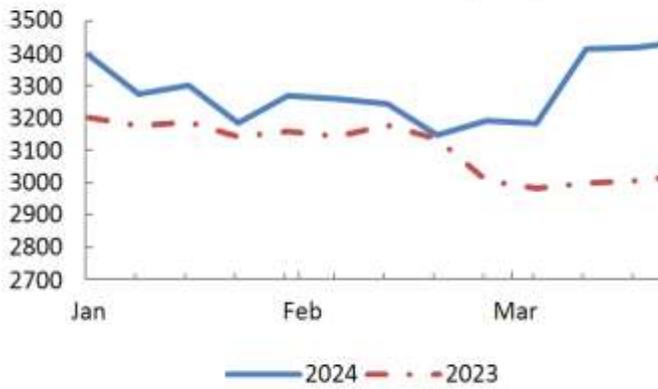
### Excess Reserves



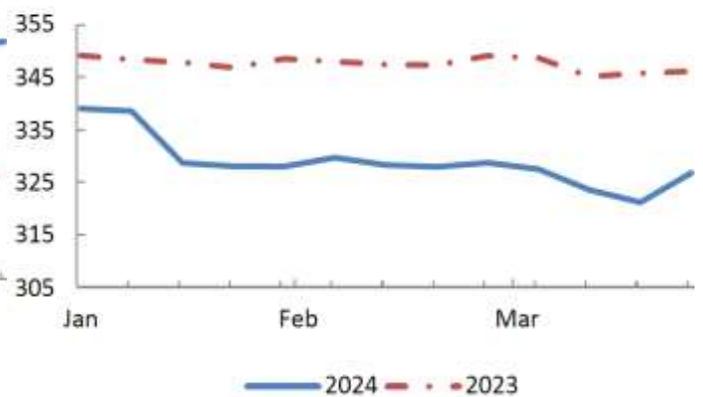
### Excess Liquid Assets



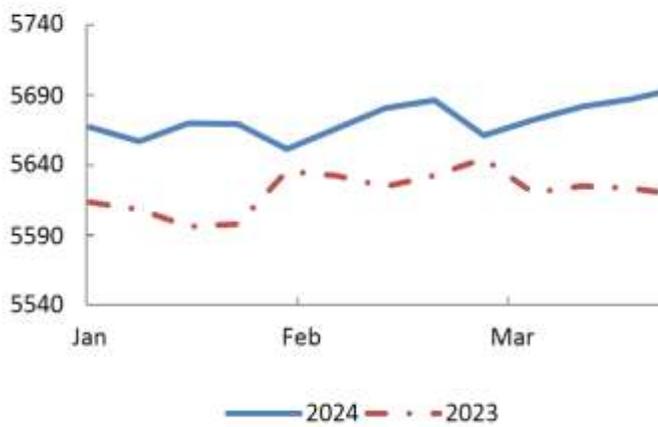
### Central Govt. Credit (Net)



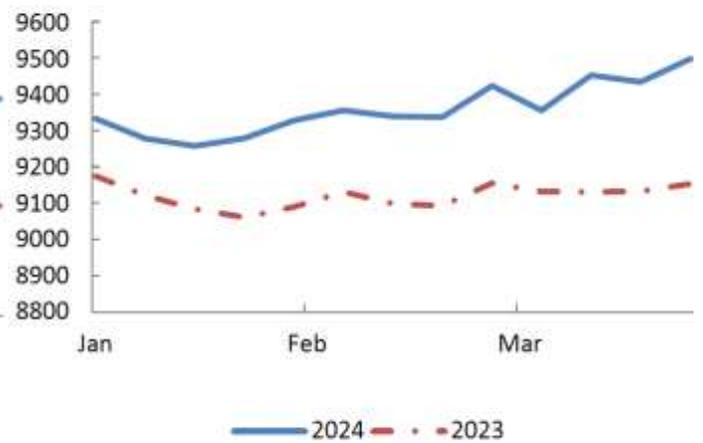
### Rest of Public Sector Credit



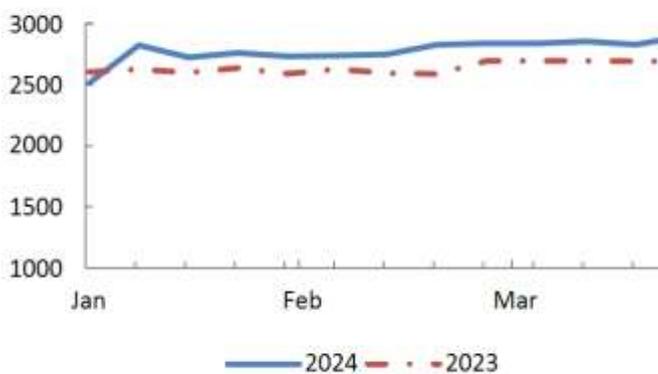
### Private Sector Credit



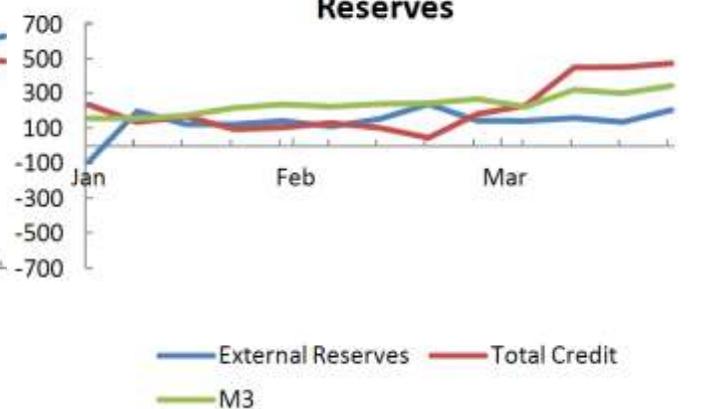
### M3



### External Reserves



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



## Selected International Statistics

<b>A: Selected Macroeconomic Projections (Annual % Change and % of labor force)</b>						
	<b>Real GDP</b>		<b>Inflation Rate</b>		<b>Unemployment</b>	
	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>
Bahamas	4.3	2.3	1.9	2.4	12.3	8.8
United States	2.5	2.7	3.2	2.4	3.6	4.0
Euro-Area	0.4	0.8	1.9	2.9	6.5	6.6
Germany	-0.3	0.2	3.0	2.2	3.0	3.3
Japan	1.9	0.9	2.9	2.0	2.6	2.5
China	5.2	4.6	0.2	1.0	5.2	5.1
United Kingdom	0.1	0.5	4.0	2.2	4.0	4.2
Canada	1.1	1.2	3.2	2.1	5.4	6.3

*Source: IMF World Economic Outlook April 2024*

<b>B: Official Interest Rates – Selected Countries (%)</b>					
<i>With effect from</i>	<b>CBOB</b>	<b>ECB (EU)</b>	<b>Federal Reserve (US)</b>		<b>Bank of England</b>
	<b>Bank Rate</b>	<b>Refinancing Rate</b>	<b>Primary Credit</b>	<b>Target Funds</b>	<b>Repo Rate</b>
January 2022	4.00	0.00	0.25	0.00-0.25	0.25
February 2022	4.00	0.00	0.25	0.00-0.25	0.50
March 2022	4.00	0.00	0.50	0.25-0.50	0.75
April 2022	4.00	0.00	1.00	0.75-1.00	1.00
May 2022	4.00	0.00	1.75	1.50-1.75	1.25
June 2022	4.00	0.00	1.75	1.50-1.75	1.25
July 2022	4.00	0.50	2.50	2.25-2.50	1.25
August 2022	4.00	1.25	2.50	2.25-2.50	1.75
September 2022	4.00	1.50	3.25	3.00-3.25	2.25
October 2022	4.00	2.00	4.00	3.75-4.00	2.25
November 2022	4.00	2.00	4.00	3.75-4.00	3.00
December 2022	4.00	2.50	4.50	4.25-4.50	3.50
January 2023	4.00	2.50	4.50	4.25-4.50	4.00
February 2023	4.00	3.00	4.75	4.50-4.75	4.00
March 2023	4.00	3.50	5.00	4.75-5.00	4.25
April 2023	4.00	3.50	5.00	4.75-5.00	4.25
May 2023	4.00	3.75	5.25	5.00-5.25	4.50
June 2023	4.00	4.00	5.25	5.00-5.25	5.00
July 2023	4.00	4.25	5.50	5.25-5.50	5.00
August 2023	4.00	4.50	5.50	5.25-5.50	5.25
September 2023	4.00	4.50	5.50	5.25-5.50	5.25
October 2023	4.00	4.50	5.50	5.25-5.50	5.25
November 2023	4.00	4.50	5.50	5.25-5.50	5.25
December 2023	4.00	4.50	5.50	5.25-5.50	5.25
January 2024	4.00	4.50	5.50	5.25-5.50	5.25
February 2024	4.00	4.50	5.50	5.25-5.50	5.25
March 2024	4.00	4.50	5.50	5.25-5.50	5.25

## Selected International Statistics

<b>C. Selected Currencies (Per United States Dollars)</b>						
<b>Currency</b>	<b>March-23</b>	<b>February-24</b>	<b>March-24</b>	<b>Mthly % Change</b>	<b>YTD % Change</b>	<b>12-Mth% Change</b>
Euro	0.9226	0.9255	0.9268	0.14	2.31	0.45
Yen	132.86	149.98	151.35	0.91	7.31	13.92
Pound	0.8106	0.7921	0.7922	0.02	0.86	-2.27
Canadian \$	1.3516	1.3579	1.3540	-0.29	2.24	0.18
Swiss Franc	0.9153	0.8845	0.9014	1.91	7.13	-1.52
Renminbi	6.8736	7.1886	7.2224	0.47	1.72	5.07

*Source: Bloomberg as of 31<sup>st</sup> March 2024*

<b>D. Selected Commodity Prices (\$)</b>					
<b>Commodity</b>	<b>March-23</b>	<b>February-24</b>	<b>March-24</b>	<b>Mthly % Change</b>	<b>YTD % Change</b>
Gold / Ounce	1969.28	2044.30	2229.87	9.07743	8.08975
Silver / Ounce	24.099	22.675	24.963	10.09085	4.90769
Oil / Barrel	83.89	81.74	87.48	7.02227	11.55317

*Source: Bloomberg as of 31<sup>st</sup> March 2024*

<b>F: Short Term Deposit Rates in Selected Currencies (%)</b>			
	<b>USD</b>	<b>GBP</b>	<b>EUR</b>
<b>o/n</b>	5.4225	5.2900	3.9200
<b>1 Month</b>	5.4330	5.2825	3.8450
<b>3 Month</b>	5.4625	5.2800	3.9450
<b>6 Month</b>	5.4100	5.2625	3.8800
<b>9 Month</b>	5.4151	5.2525	3.7725
<b>1 year</b>	5.4027	5.1900	3.6950

*Source: Bloomberg as of 31<sup>st</sup> March 2024*

<b>E. Equity Market Valuations – March 31st, 2024 (% change)</b>								
	<b>BISX</b>	<b>DJIA</b>	<b>S&amp;P 500</b>	<b>FTSE 100</b>	<b>CAC 40</b>	<b>DAX</b>	<b>Nikkei 225</b>	<b>SE</b>
1 month	-0.05	2.08	3.10	4.23	3.51	4.61	3.07	0.86
3 month	-1.21	4.34	8.43	4.22	25.62	9.40	11.25	9.06
YTD	3.00	5.62	10.16	2.84	24.82	10.39	20.63	2.23
12-month	22.51	19.63	27.86	4.20	12.06	18.32	43.96	-7.08

*Sources: Bloomberg and BISX*

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

	VALUE								CHANGE							
	Feb. 07	Feb. 14	Feb. 21	Feb. 28	Mar. 06	Mar. 13	Mar. 20	Mar. 27	Feb. 07	Feb. 14	Feb. 21	Feb. 28	Mar. 06	Mar. 13	Mar. 20	Mar. 27
<b>I. External Reserves</b>	<b>2,739.22</b>	<b>2,749.82</b>	<b>2,827.65</b>	<b>2,839.51</b>	<b>2,838.12</b>	<b>2,855.24</b>	<b>2,829.03</b>	<b>2,898.21</b>	<b>6.64</b>	<b>10.60</b>	<b>77.83</b>	<b>11.86</b>	<b>(1.39)</b>	<b>17.12</b>	<b>(26.21)</b>	<b>69.17</b>
<b>II. Net Domestic Assets (A + B + C + D)</b>	<b>112.56</b>	<b>70.18</b>	<b>56.22</b>	<b>86.10</b>	<b>104.62</b>	<b>47.37</b>	<b>88.81</b>	<b>63.59</b>	<b>(30.14)</b>	<b>(42.38)</b>	<b>(13.96)</b>	<b>29.88</b>	<b>18.52</b>	<b>(57.25)</b>	<b>41.44</b>	<b>(25.21)</b>
<b>A. Net Credit to Gov't (I + ii + iii -iv)</b>	<b>822.10</b>	<b>826.53</b>	<b>739.41</b>	<b>751.87</b>	<b>776.61</b>	<b>749.56</b>	<b>778.95</b>	<b>717.01</b>	<b>(8.13)</b>	<b>4.43</b>	<b>(87.12)</b>	<b>12.46</b>	<b>24.75</b>	<b>(27.05)</b>	<b>29.39</b>	<b>(61.95)</b>
i) Advances	427.52	457.52	427.52	427.52	427.52	427.52	427.52	427.52	-	30.00	(30.00)	-	-	-	-	-
ii) Registered Stock	456.47	456.71	462.08	457.18	457.87	458.05	458.36	463.17	0.30	0.24	5.37	(4.91)	0.70	0.18	0.31	4.80
iii) Treasury Bills	47.88	46.92	6.71	6.71	3.74	23.60	23.60	23.60	-	(0.96)	(40.20)	(0.00)	(2.98)	19.86	(0.00)	0.00
iv) Deposits	109.77	134.62	156.91	139.54	112.52	159.61	130.53	197.28	8.43	24.85	22.29	(17.37)	(27.02)	47.09	(29.08)	66.75
<b>B. Rest of Public sector (Net) (i+ii-iii)</b>	<b>(42.18)</b>	<b>(39.38)</b>	<b>(22.38)</b>	<b>(5.17)</b>	<b>(9.12)</b>	<b>(39.47)</b>	<b>(20.61)</b>	<b>(25.12)</b>	<b>(20.99)</b>	<b>2.79</b>	<b>17.00</b>	<b>17.21</b>	<b>(3.95)</b>	<b>(30.35)</b>	<b>18.86</b>	<b>(4.51)</b>
i) Loans	1.63	1.63	1.63	1.63	1.63	1.63	1.63	1.63	-	-	-	-	-	-	-	-
ii) Bonds/Securities	5.14	5.14	5.14	5.14	5.14	5.14	5.14	5.14	-	-	-	-	-	-	-	-
iii) Deposits	48.94	46.15	29.15	11.94	15.89	46.24	27.38	31.89	20.99	(2.79)	(17.00)	(17.21)	3.95	30.35	(18.86)	4.51
<b>C. Loans to/Deposits with Banks</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>							
<b>D. Other Items (Net)*</b>	<b>(667.36)</b>	<b>(716.97)</b>	<b>(660.81)</b>	<b>(660.60)</b>	<b>(662.87)</b>	<b>(662.72)</b>	<b>(669.54)</b>	<b>(628.30)</b>	<b>(1.02)</b>	<b>(49.61)</b>	<b>56.16</b>	<b>0.21</b>	<b>(2.27)</b>	<b>0.15</b>	<b>(6.82)</b>	<b>41.24</b>
<b>III. Monetary Base</b>	<b>2,851.77</b>	<b>2,819.99</b>	<b>2,883.87</b>	<b>2,925.61</b>	<b>2,942.74</b>	<b>2,902.61</b>	<b>2,917.84</b>	<b>2,961.80</b>	<b>(23.49)</b>	<b>(31.78)</b>	<b>63.87</b>	<b>41.75</b>	<b>17.13</b>	<b>(40.13)</b>	<b>15.23</b>	<b>43.96</b>
A. Currency in Circulation	585.60	583.65	581.17	576.78	576.39	576.61	571.54	592.47	(1.63)	(1.95)	(2.48)	(4.39)	(0.39)	0.23	(5.07)	20.93
B. Bank Balances with CBOB	2,266.17	2,236.34	2,302.69	2,348.83	2,366.36	2,326.00	2,346.30	2,369.33	(21.86)	(29.83)	66.35	46.14	17.52	(40.35)	20.30	23.02

## FISCAL/REAL SECTOR INDICATORS

(BS MILLIONS)

(% change represents current period from previous period)

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

	JUL-SEP				OCT-DEC															
	2022/2023	2023/2024			2022/2023	2023/2024														
1. Government Revenue & Grants	654.7	663.5			603.6	638.6														
% change: over previous quarter	-13.9%	-14.6%			-7.8%	-3.8%														
2. Value Added Tax	331.0	337.9			267.8	308.1														
% change: over previous quarter	10.1%	6.7%			-19.1%	-8.8%														
3. Import/Excise/Export Duties	127.0	136.0			116.6	127.9														
% change: over previous quarter	87.0%	113.1%			-8.2%	-6.0%														
4. Recurrent Expenditure	621.3	660.4			797.0	766.3														
% change: over previous quarter	-39.2%	-28.8%			28.3%	16.0%														
5. Capital Expenditure	55.3	64.7			62.5	69.4														
% change: over previous quarter	-55.3%	-51.6%			13.0%	7.4%														
6. Deficit/Surplus*	-21.93	-61.54			-255.88	-197.17														
% change: over previous quarter	-94.3%	-78.3%			1066.6%	220.4%														

YEAR TO DATE	
2022/2023	2023/2024
(Over previous year)	
1,258.3	1,302.1
11.0%	3.5%
598.77	645.97
10.0%	7.9%
243.6	263.8
-8.5%	8.3%
1,418.3	1,426.8
8.2%	0.6%
117.9	134.1
13.7%	13.8%
-277.81	-258.71
-1.2%	-6.9%

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

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
7. Total Direct Debt	11,039.9	11,602.1	11,125.1	11,627.1	11,104.3	11,547.1																		
% change: over previous month	0.0%	1.5%	0.8%	0.2%	-0.2%	-0.7%																		
8. External Debt	4,839.8	5,205.3	4,912.2	5,234.4	4,846.4	5,154.3																		
% change: over previous month	-0.1%	3.5%	1.5%	0.6%	-1.4%	-1.6%																		
9. Internal F/C Debt	329.5	303.8	326.1	303.4	328.9	303.4																		
% change: over previous month	-0.1%	-1.8%	-1.1%	-0.1%	0.9%	0.0%																		
10. Bahamian Dollar Debt	5,870.6	6,093.0	5,886.9	6,089.2	5,929.0	6,089.3																		
% change: over previous month	0.1%	0.1%	0.3%	-0.1%	0.7%	0.0%																		
11. Total Amortization	268.8	785.2	142.5	57.6	262.5	185.5																		
% change: over previous month	-15.6%	33.0%	-88.7%	-1263.1%	45.7%	68.9%																		
12. Total Public Sector F/C Debt	5,648.4	5,943.1	5,717.3	5,971.8	5,644.9	5,880.9																		
% change: over previous month	-0.1%	2.9%	1.2%	0.5%	-1.3%	-1.5%																		

YEAR TO DATE	
2023	2024
(Over previous year)	
119.39	120.98
4.76%	1.33%
1667.2	1861.817
127.48%	11.67%
283.207	297.743
58.64%	5.13%

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

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
13. Retail Price Index	119.39	120.98																						
% change: over previous month	4.79%	1.33%																						
14. Tourist arrivals (000's)	846.594	959.088	820.583	902.729																				
% change: over previous year	165.94%	13.29%	97.95%	10.01%																				
15. Air arrivals (000's)	132.526	141.072	150.681	156.671																				
% change: over previous year	78.92%	6.45%	44.26%	3.98%																				
16. Res. Mortgage Commitments-Value of New Const. & Rehab. (BSMillions)																								
% change: over previous qtr.																								

\* Includes Net Lending to Public Corporations

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

p - provisional