



## **Monthly Economic and Financial Developments December 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:**

**2025: 3<sup>rd</sup> March, 31<sup>st</sup> March, 28<sup>th</sup> April, 2<sup>nd</sup> June, 30<sup>th</sup> June, 4<sup>th</sup> August, 1<sup>st</sup> September, 29<sup>th</sup> September, 3<sup>rd</sup> November, 1<sup>st</sup> December, 29<sup>th</sup> December**



## DECEMBER 2024 SUMMARY

### MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS

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

Indications are that the domestic economy's growth trajectory moderated during the month of December, as economic indicators continued to normalize closer to their expected medium-term potential. Tourism output maintained robust growth—although at a more tempered pace when compared to the same period last year—undergirded by healthy gains in the cruise segment, as the high value-added stopover component faced accommodation capacity constraints.

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

Monetary sector developments featured a contraction in banking sector liquidity, as the expansion in domestic credit outpaced the buildup in the deposit base. Meanwhile, the reduction in external reserves slowed, mainly due to net foreign currency inflows through the private sector, which offset net public sector outflows.

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

During the month of December, indications are that the global economy sustained its growth momentum, although developments continued to be impacted by ongoing geopolitical tensions in the Middle East and Eastern Europe. Against this backdrop, major central banks either reduced or paused their interest rates during the review month, in an effort to encourage further economic growth, as inflation continued to moderate.



# Monthly Economic and Financial Developments (MEFD)

## December 2024

### 1. Domestic Economic Developments

#### Overview

Indications are that the domestic economy’s growth trajectory moderated during the month of December, in comparison to the same period the previous year, as economic indicators continued to normalize closer to their expected medium-term potential. While tourism activity remained healthy, output was tempered owing to capacity constraints in the high value-added stopover component, in contrast to robust gains in the cruise segment. Monetary sector developments featured a contraction in banking sector liquidity, as the expansion in domestic credit outpaced the buildup in the deposit base. Meanwhile, the reduction in external reserves slowed, mainly due to net foreign currency inflows through the private sector, which offset net public sector outflows.

#### Real Sector

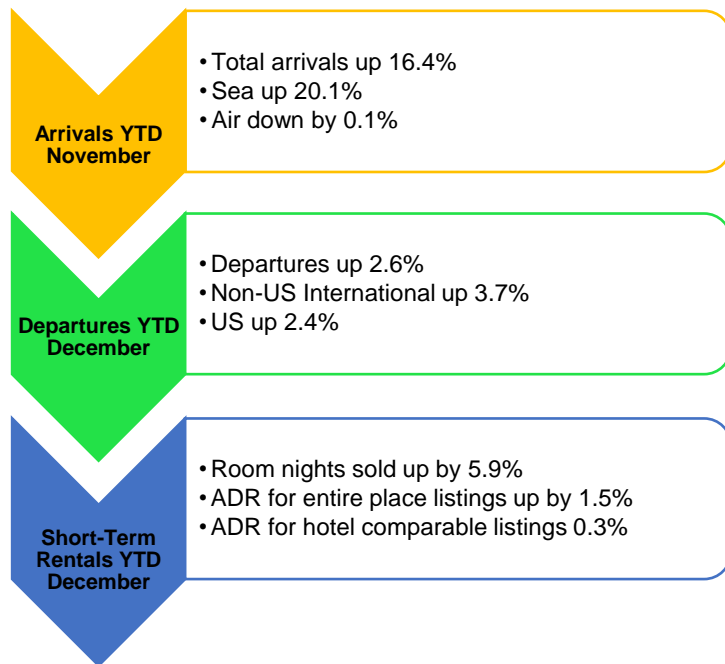
##### Tourism

Preliminary data revealed healthy tourism sector activity during December, albeit with some moderation, given accommodation capacity constraints in the stopover segment, as opposed to the robust gains in the cruise market.

According to data from the Ministry of Tourism, total arrivals increased to 0.9 million visitors in November 2024, relative to 0.8 million in the same period in 2023. Leading this outturn, sea passengers grew by 18.8% to 0.8 million. Conversely, air traffic reduced by 3.7% to 0.1 million.

A breakdown by major port of entry showed that total arrivals to New Providence rose by 7.8% to 0.4 million, vis-à-vis the corresponding period in the previous year. Of note, arrivals by sea advanced by 12.4% to 0.3 million, but air visitors were reduced by 5.4% to 97,236. Further, arrivals to the Family Islands expanded by 24.6% to 0.5 million, attributed to a 26.3% rise in sea passengers to 0.4 million, which overshadowed the 0.5% falloff in air arrivals to 24,164. Similarly, total arrivals to Grand Bahama grew by 3.2% to 48,120 visitors, amid a 21.7% increase in air traffic to 4,815 and a 1.5% gain in sea arrivals to 43,305.

Chart 1: Tourism Indicators at a Glance



Sources: Ministry of Tourism, Nassau Airport Development, & AirDNA

On a year-to-date basis, visitor arrivals expanded by 16.4% to 10.1 million, as compared to the preceding year. Specifically, sea arrivals rose by 20.1% to 8.5 million. However, air arrivals declined slightly by 0.1% to 1.6 million (see Table 1).

Meanwhile, the most recent data provided by the Nassau Airport Development Company Limited (NAD) showed that, total departures—net of domestic passengers—edged down by 0.1% to 142,718 in December, relative to the corresponding period in the previous year. In particular, US departures fell by 1.6% to 118,620 passengers. In contrast, international departures grew by 7.6% to 24,098, vis-à-vis the same period in 2023.

On a yearly basis, total outbound traffic through the airport advanced by 2.6% to approximately 1.6 million passengers, a marked slowdown from the recovery-driven 22.9% expansion in the comparative 2023 period. Specifically, US departures moved higher by 2.4% to 1.4 million passengers, while non-US departures increased by 3.7% to 0.2 million.

In the short-term vacation rental market, data provided by AirDNA revealed that total room nights sold rose by 6.8% to

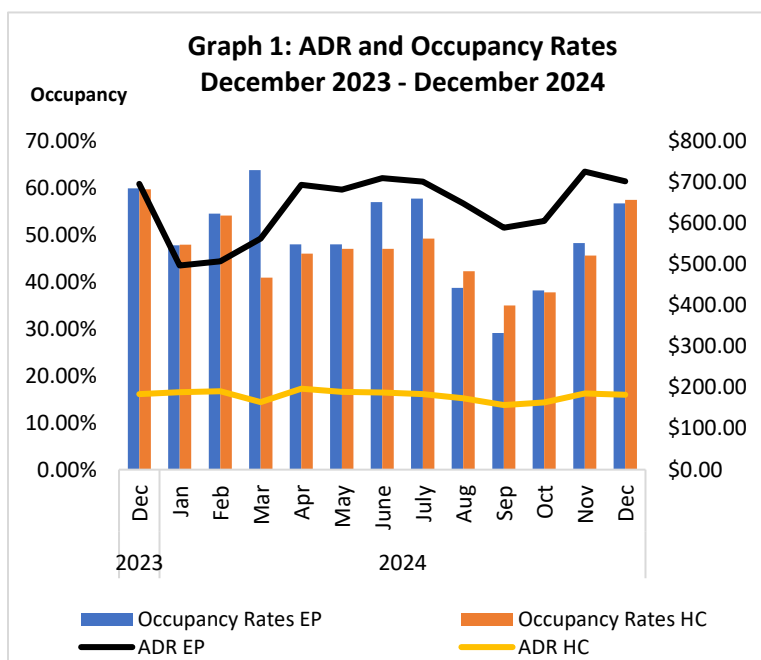
63,064 in December 2024, compared to the same period in 2023. As depicted in Graph 1, the average daily room rate (ADR) for entire place listings increased by 0.9% to \$702.02. However, the average daily room rate (ADR) for hotel comparable listings fell by 0.7% to \$182.45. Given the stronger rise in inventory relative to sales, occupancy rates for entire place listings reduced to 56.7%, from 59.9% in the preceding year. Likewise, the occupancy rate for hotel comparable listings decreased to 57.4%, from 59.7% a year earlier.

On a year-to-date basis, total room nights sold advanced by 5.9%, owing to both increases in hotel comparable bookings (7.7%) and in entire place listings (5.1%). In addition, the average daily room rates for entire place listings and hotel comparable listings grew by 1.5% and 0.3%, respectively. Meanwhile, the occupancy rate for entire place bookings declined by 5.3% and for hotel comparable listings by 3.8%.

Table 1: Total Visitor Arrivals January – November 2024

Arrivals	New Providence (% Change)		Grand Bahama (% Change)		Family Islands (% Change)	
	2023	2024	2023	2024	2023	2024
Air	17.9	-0.4	37.7	9.7	18.6	-0.4
Sea	49.4	27.7	55.1	-2.5	46.5	17.3
<b>Total</b>	<b>38.2</b>	<b>19.2</b>	<b>53.4</b>	<b>-1.4</b>	<b>44.1</b>	<b>16.0</b>

Source: Ministry of Tourism



Source: AirDNA

## **2. Monetary Trends**

### **December 2024 vs. 2023**

#### **Liquidity**

During the month of December, monetary trends revealed a contraction in bank liquidity, with the growth in the domestic credit surpassing the buildup in the deposit base. In particular, excess reserves—a narrow measure of liquidity—reduced by \$127.5 million to \$1,885.3 million, exceeding the \$20.0 million decline in the comparative 2023 period. Similarly, excess liquid assets—the broad measure of liquidity decreased by \$128.8 million to \$2,960.1 million, outpacing the \$22.1 million falloff in the previous year.

On a year-to-date basis, excess reserves grew by \$18.2 million, a reversal from a \$61.0 million reduction in 2023. Likewise, liquid assets increased by \$75.9 million, albeit lower than the \$111.4 million accumulation recorded in the year prior.

#### **External Reserves**

External reserves contracted by \$82.1 million to \$2,620.0 million during the review month, a slowdown from the \$108.0 million decline in 2023. Contributing to this development, the Central Bank's net foreign currency sales to the public sector moderated to \$29.9 million, from \$74.1 million in the corresponding period last year. In addition, the Central Bank's net foreign currency sales to commercial banks widened to \$57.1 million from \$9.8 million in the previous year. Further, commercial banks transactions with their customers shifted to a net outflow of \$42.4 million from a net inflow of \$2.5 million in the preceding year.

On an annual basis, external reserves grew by \$268.7 million, a switch from a \$243.5 million reduction in 2023. Underpinning this outturn, the Central Bank's net purchases from commercial banks widened to \$143.8 million from \$118.6 million in the prior year. Similarly, commercial banks net intake from their customers rose to \$157.7 million, extending last year's \$103.2 million accumulation. In addition, the Central Bank transactions with the public sector shifted to a net purchase of \$51.8 million from a net sale of \$363.3 million in the preceding year.

#### **Exchange Control Sales**

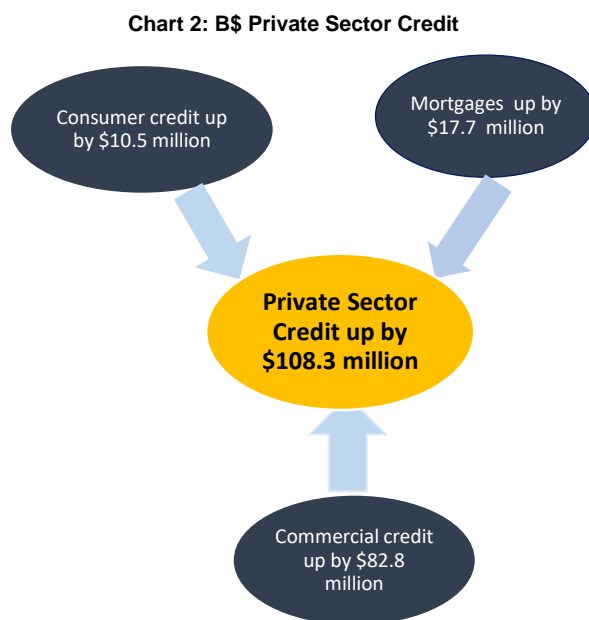
Provisional data on foreign currency sales for current account transactions showed that monthly outflows grew by \$145.6 million (24.0%) to \$751.7 million in December, vis-à-vis the same 2023 period. The outcome reflected higher payments for "other" current items—mainly credit and debit transactions—by \$90.9 million and non-oil imports by \$63.8 million. In addition, outflows for travel related expenses increased by \$8.6 million and transfer payments, by \$3.6 million. Conversely, payments for oil imports fell by \$10.5 million and factor income payments, by \$10.8 million.

On an annual basis, foreign currency sales for current account transactions expanded by \$559.8 million (7.4%) to \$8,169.4 million compared to 2023. Underpinning this outturn, increases were registered for non-oil imports (\$393.9 million), factor income (\$366.7 million), travel expenses (\$63.5 million) and transfer payments (\$8.2 million). Providing some offset, payments for "other" current items declined by \$183.4 million and oil imports, by \$89.2 million.

## Domestic Credit

### *Bahamian Dollar Credit*

Total Bahamian dollar credit expanded by \$109.8 million during -December, a turnaround from a \$46.1 million contraction in the comparative period in the year earlier. Reflective of this development, net claims on the Government rose by \$17.0 million, a reversal from a \$49.1 million reduction in the previous year. In addition, the growth in private sector credit extended to \$98.1 million from just \$6.8 million in the comparative 2023 period, as the buildup in commercial loans advanced to \$82.9 million from a mere \$0.4 million uptick in the corresponding period a year earlier. Further, the growth in consumer credit doubled to \$10.5 million; and mortgages gains firmed to \$4.8 million, from \$1.4 million in the year prior. However, credit to the rest of the public sector fell further by \$5.2 million vis-à-vis \$3.9 million in the preceding year.



Source: Central Bank of The Bahamas

On a yearly basis, total Bahamian dollar credit expansion accelerated to \$428.1 million from \$221.9 million in 2023. In particular, private sector credit increased by \$296.7 million, notably higher than the \$50.3 million gain in the year prior. In this regard, commercial credit growth firmed to \$112.8 million from a \$76.4 million expansion and net consumer lending to \$116.8 million from \$19.1 million in 2023. In addition, mortgage claim recovered by \$67.1 million, following a \$45.3 million reduction a year earlier. In the public sector, the increase in net claims on the Government slowed to \$116.7 million from \$175.5 million, whereas credit to public enterprises recovered by \$14.8 million after a \$3.9 million reduction in the preceding year.

### *Foreign Currency Credit*

During the month of December, domestic foreign currency credit growth was more than halved to \$4.4 million. In particular, net credit to the Government fell by \$4.3 million, a switch from a \$4.6 million gain in the year prior. Also, foreign currency credit to the rest of the public sector declined by \$1.5 million, the same magnitude as the previous year. However, private sector credit rose by \$10.2 million, extending the \$6.2 million growth a year earlier, as commercial loans increased by \$7.7 million, a reversal from a \$1.0 million falloff in the preceding year. Mortgages also advanced by \$2.5 million, but was below the \$7.1 million accumulation in the preceding year.

On a year-to date basis, the reduction in foreign currency credit abated to \$6.9 million from a \$32.2 million retrenchment in the previous year. Specifically, net claims on the Government contracted by \$51.9 million, surpassing the \$33.7 million decrease in the prior year. Further, credit to the rest of the public sector fell by \$6.0 million, exceeding the \$5.3 million falloff a year earlier. Conversely, private sector credit expansion

strengthened to \$51.1 million, from \$6.8 million in the preceding year, as commercial and other loans grew by \$39.0 million and mortgages, by \$12.1 million.

### Credit Quality

During the month of December, commercial banks' credit quality indicators improved, reflective of reductions in both short and long-term arrears. In particular, total private sector arrears fell by \$12.3 million (2.6%) to \$469.5 million, with the accompanying ratio decreasing by 34 basis points to 8.2%.

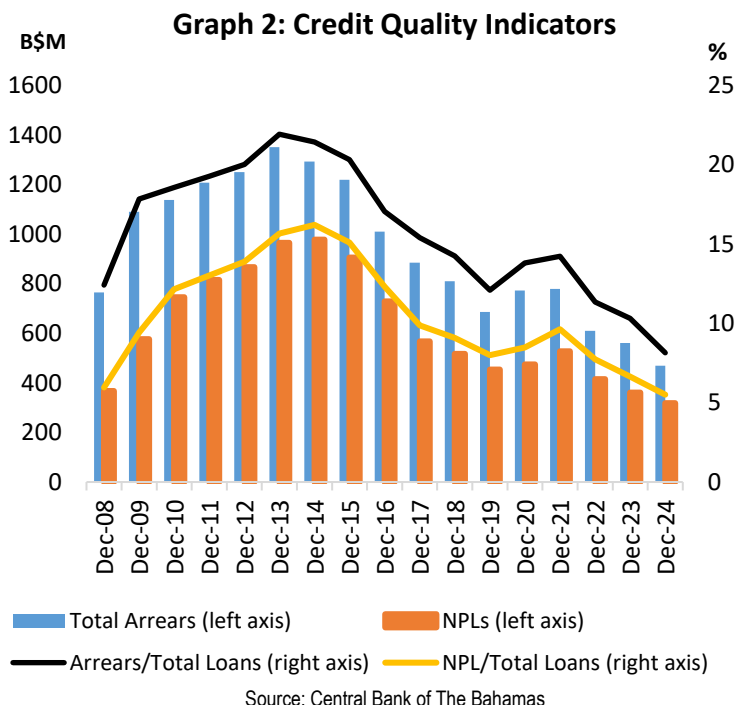
An analysis by average age of delinquency showed that, short-term arrears (31-90 days) decreased by \$10.8 million (6.7%) to \$151.9 million, lowering the associated ratio by 23 basis points to 2.6%. Similarly, non-performing loans (NPLs) declined by \$1.5 million (0.5%) to \$317.7 million, narrowing the corresponding ratio by 11 basis points to 5.5%.

The NPL ratios for commercial loans declined by 22 basis points to 2.3%, and mortgage by 7 basis points to 8.2%; while the ratio for consumer loans stabilized at 4.1%.

Disaggregated by loan type, past-due mortgage payments decreased by \$8.7 million (2.8%) to \$309.1 million, on account of retrenchments in short-term arrears by \$8.0 (7.2%) million, and by \$0.7 million (0.4%) in non-accruals. Likewise, consumer loan arrears fell by \$4.5 million (3.4%) to \$128.0 million, as a result of a \$4.6 million (9.6%) decline in the short-term segment, which overshadowed the \$0.1 million (0.1%) rise in long-term arrears. Providing some offset, commercial delinquencies rose by \$0.9 million (3.0%), owing primarily to a \$1.8 million (43.7%) rise in short-term arrears, which eclipsed the \$0.8 million reduction in NPLs.

Against this backdrop, banks reduced their total provisions for loan losses by \$0.6 million (0.2%) to \$301.8 million in December. Nonetheless, the ratio of total provisions to arrears firmed by 1.5 percentage points to 64.3%. Further, the ratio of total provisions to non-performing loans edged up by a 23 basis points to 95.0%. During the review period, banks wrote-off an estimated \$6.1 million in overdue loans, and recovered approximately \$3.4 million.

On an annual basis, total private sector arrears contracted by \$92.2 million (16.4%), lowering the accompanying ratio by 2.2 percentage points. By length of delinquency, the short-term segment declined by \$48.3 million (24.2%), reducing the associated ratio by 1.0 percentage point. Likewise, the non-accrual component contracted by \$43.8 million (12.1%), with the accompanying ratio decreasing by 1.1 percentage points.



A breakdown by loan type revealed that mortgage arrears contracted by \$40.9 million (11.7%) to \$309.1 million, as the short-term segment fell by \$27.4 million (21.1%) and NPLs, by \$13.5 million (6.1%). Likewise, consumer loans contracted by \$21.0 million (14.1%), with the long-term category reducing by \$11.2 million (11.6%) and short-term arrears, by \$9.9 million (18.6%). Following the trend, commercial arrears decreased by \$30.2 million (48.2%), owing to reductions in non-accrual loans, by \$19.2 million (41.9%) and the short-term segment by \$11.0 million (65.4%).

Over the year, commercial banks' total provisions for loan losses reduced by \$28.2 million (8.6%). However, the ratio of total provisions to arrears firmed by 5.5 percentage points and the ratio of total provisions to NPLs by 3.7 percentage points.

## **Deposits**

The growth in total Bahamian dollar deposits during December accelerated to \$67.9 million from \$46.3 million in 2023. Contributing, the buildup in demand deposits widened to \$67.8 million from \$14.0 million; albeit, savings deposits gains tapered to \$6.2 million from \$34.3 million. Meanwhile, fixed deposits declined further by \$6.1 million, extending the \$2.0 million falloff a year earlier. In addition, residents' foreign currency deposits contracted by \$27.2 million, a switch from a \$2.6 million gain in the same 2023 period.

On an annual basis, the Bahamian dollar deposits growth firmed to \$299.6 million from a \$139.1 million accumulation in the year prior. By category, accretions to demand deposits widened significantly to \$228.3 million, from \$25.7 million in 2023. Similarly, the buildup in savings deposits extended to \$176.4 million from \$164.8 million in the preceding year. In contrast, fixed deposits contraction was slightly more than doubled to \$105.1 million. Similarly, residents' foreign currency deposits fell by \$37.6 million, a reversal from a \$47.9 million accumulation in 2023.

## **Interest Rates**

During the month of December, banks' weighted average loan rate rose by 64 basis points to 11.79%. Conversely, the weighted average deposit rate fell by 36 basis points to 0.40%, with the highest rate of 3.75% offered on fixed balances over 12 months.

## **3. Domestic Outlook**

The domestic economy's expansion, which moderated in 2024, is expected to trend to closer to its growth rate potential in 2025. Output should remain undergirded by tourism sector activity, but with strong upside potential in the cruise sector contrasting with capacity constrained stopover activity. Nevertheless, ongoing foreign investment projects, which significantly target tourism, are anticipated to provide ongoing stimulus to the construction sector. Downside risks to the outlook remain, associated mostly with exogenous factors, such as the ongoing geopolitical tensions in Eastern Europe and the Middle East—and elevated global oil prices, which could impede travel sector activity.

On the labour front, employment conditions are projected to further improve, with job gains predominantly in the construction and tourism sectors. In price developments, inflation is forecasted to continue to trend downwards, in response to declining price pressures in energy and other imports. Nevertheless, upside risks to inflation remain present, linked to uncertainty in global oil prices and supply chain shortages, against the backdrop of ongoing geopolitical tensions in the Middle East and Eastern Europe. As such, consumers are anticipated to continue to adjust to the pass-through effects of recent years' price increases.



In the fiscal sector, the Government's net financing gap is estimated to reduce further, underpinned by ongoing gains in revenue, which remain dependent on tourism-led improving trends in taxable economic activities. Moreover, the forecasted budgetary gap is expected to be financed from a mix of domestic and external borrowings, with a larger proportion of total funding expected to be sourced domestically.

With regard to the monetary sector, banking sector liquidity is anticipated to remain high, but with stable to moderating outcomes, in view of a more expansionary trend in commercial bank lending. This environment is also expected to cause some reduction in the external reserves, which would remain healthy otherwise, well above international benchmarks, and more than sufficient to maintain the Bahamian dollar currency peg. Specifically, foreign exchange market conditions are projected to stay at healthy levels, bolstered by inflows from tourism and other net private sector activities.

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

Given the current outlook, the Central Bank will retain its accommodative policy stance for private sector credit and pursue policies that ensure a favourable outcome for external reserves and financial stability. In addition, the Bank will continue to monitor developments within the foreign exchange market, and if necessary, in 2025, implement appropriate measures to support a positive outcome for the foreign reserves.

## APPENDIX

### ***International Developments***

During the month of December, indications are that the global economy sustained its growth momentum, although developments continued to be impacted by ongoing geopolitical tensions in the Middle East and Eastern Europe. Against this backdrop, major central banks either reduced or paused their interest rates during the review month, in an effort to encourage further economic growth, as inflation continued to moderate.

Economic indicators in the United States were mainly positive during the review month. Specifically, industrial production expanded by 0.9% in December, exceeding the 0.2% uptick in the month prior, attributed to gains in mining and utilities output. Similarly, retail sales edged up by 0.4% in December, although lower than the 0.8% rise in the previous month. Further, the unemployment rate narrowed by 10 basis points to 4.1% in December, when compared to November, as total non-farm payroll employment grew by 256,000, with job gains concentrated in health care, employment, social assistance, and retail trade. Meanwhile, the consumer price index firmed by 0.4% in December, following an increase of 0.3% a month earlier, owing primarily to higher energy costs. On the external front, the trade deficit widened by 6.2% to \$78.2 billion in November, relative to the preceding month, as the 3.4% growth in imports, overshadowed the 2.7% rise in exports. Given these developments, the Federal Reserve reduced its target range for the federal funds rate by 25 basis points to 4.25%-4.50%, in an attempt to further lower inflation and support economic growth.

Among the European economies, real GDP in the United Kingdom firmed by 0.1% in November, after recording a contraction of the same magnitude the month prior, supported by an expansion in construction and services output. Meanwhile, industrial production fell by 0.4% in November—marking the lowest monthly production output level since May 2020—as compared to the 0.6% falloff in the preceding month, reflecting mostly declines in the output for manufacturing, mining and quarrying, and water supply and sewerage. In addition, retail sales declined by 0.3% in December, a shift from a 0.1% rise one month earlier, due to lower food store and alcohol and tobacco sales. Further, the consumer price index moved higher by 0.3% during the review period, outpacing the 0.1% uptick in the previous month, largely due to increases in the costs of furniture and household goods and transport. As for the labour market, the unemployment rate rose by 10 basis points to 4.4% in the three months to November, vis-à-vis the previous three months. In the external environment, the trade deficit narrowed to £4.8 billion, from £5.0 billion in October, attributed to a 1.0% increase in exports, which outstripped the 0.6% growth in imports. In this environment, the Bank of England maintained its key policy rate at 4.75%. In the euro area, industrial production grew by 0.2% in November, after rising by the same magnitude in October, amid increases in durable consumer goods and energy output. Likewise, retail sales firmed by 0.1% in the review month, a turnaround from the 0.3% decline in the month prior, driven by a rise in automotive fuel sales. In terms of prices, the inflation rate rose by 20 basis points to 2.4% in December, relative to the preceding month, owing to increases in the cost of services, food, alcohol and tobacco. Meanwhile, the unemployment rate stabilized at 6.3% in November. In external sector developments, the trade surplus narrowed to €16.4 billion in November, from €18.2 billion in the comparable period last year, explained by the 1.6% decrease in exports, which overshadowed the 1.0% falloff in imports. Against his backdrop, the European Central Bank decreased its interest rates for the deposit facility to 3.00% from 3.25%; the main refinancing operations to 3.15% from 3.40%; and the marginal lending facility to 3.40% from 3.65%.

In Asia, economic indicators varied during the review month. In China, real GDP expanded by 1.6% in the fourth quarter of 2024, compared to the third quarter. Industrial production moved higher by 0.6% in December, relative to the previous month. Further, the rise in retail sales edged up by 0.1% vis-à-vis the month prior. In terms of inflation, the consumer price index stabilized in December, following a 0.6% decline the month earlier. Meanwhile, the unemployment rate edged up by 10 basis points to 5.1% in the December relative to the previous month. On the external front, China's trade surplus widened to \$104.8 billion in December, from \$97.4 billion a month earlier, led by a 7.6% growth in exports, which outpaced the 7.5% increase in imports. In Japan, industrial production fell by 2.2% in November, contrasting with the 3.0% gain in the preceding month. In the labor market, the unemployment rate held steady at 2.4% in December from the previous month. In addition, retail sales rose by 1.8% in the review month, a switch from the prior month's 0.2% decrease. Meanwhile, the consumer price index firmed to 2.9% in November from 2.3% a month earlier. In the external sector, Japan's trade deficit narrowed to ¥110.3 million in November, from ¥813.9 million in the corresponding month in 2023, due to a 3.8% expansion in exports, combined with an equivalent decline in imports. Based on the current outlook, the People's Bank of China and the Bank of Japan left their key policy rates unchanged at 1.50% and 0.25%, respectively.

During the month of December, the major equity markets reported mixed movements. Specifically, in Asia, Japan's Nikkei increased by 4.4%, while China's SE Composite rose by 0.8%. Similarly, in Europe, France's CAC 40 and Germany's DAX grew by 2.0% and 1.4%, respectively; however, the United Kingdom's FTSE 100 declined by 1.4%. In the United States, the Dow Jones Industrial Average (DJIA) and the S&P500 fell by 5.3% and 2.5%, respectively.

In the foreign exchange markets, the US dollar appreciated against all of the major currencies during the month of December, reflective of the increase in demand for US financial assets. In particular, the US dollar rose relative to the Japanese yen, by 5.0% to ¥157.20; the Swiss Franc, by 3.0% to CHF 0.9074; and the Canadian Dollar, by 2.7% to CAD\$1.4384. In addition, the US dollar strengthened vis-à-vis the euro, by 2.2% to €0.9658; the British Pound, by 1.8% to £0.7990; and the Chinese Renminbi, by 0.7% to CNY 7.2990.

Price trends in the commodity markets varied during the month of December. In particular, the price of oil rose by 1.7% to \$74.38 per barrel in the review month, amid a decline in crude oil production by 14,000 barrels per day, to average 40.7 million barrels per day. However, the price of silver decreased by 5.6% to \$28.90 per troy ounce, while the price of gold fell by 0.7% to \$2,624.50 per troy ounce.

# Recent Monetary and Credit Statistics

## (B\$ Millions)

December					
Value		Change		Change YTD	
2023	2024	2023	2024	2023	2024

### 1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	1,867.07	1,885.27	-19.96	-127.52	-61.04	18.19
1.2 Excess Liquid Assets	2,884.23	2,960.09	-22.11	-128.77	111.40	75.86
1.3 External Reserves	2,351.21	2,619.93	-107.97	-82.79	-243.47	268.73
1.4 Bank's Net Foreign Assets	-60.55	-92.14	-18.99	-18.56	18.49	-31.60
1.5 Usable Reserves	867.93	1,169.26	-191.22	-43.60	-283.08	301.32

### 2.0 DOMESTIC CREDIT

<b>2.1 Private Sector</b>	5,671.17	6,018.93	12.93	108.33	57.08	347.75
a. B\$ Credit	5,383.31	5,679.98	6.76	98.14	50.32	296.68
of which: Consumer Credit	1,922.75	2,039.50	5.01	10.47	19.14	116.75
Mortgages	2,662.13	2,729.25	1.36	4.79	-45.26	67.12
Commercial and Other Loans B\$	798.43	911.23	0.39	82.87	76.44	112.81
b. F/C Credit	287.86	338.94	6.17	10.19	6.76	51.08
of which: Mortgages	154.18	166.24	7.14	2.49	2.91	12.05
Commercial and Other Loans F/C	133.68	172.71	-0.97	7.71	3.85	39.03
<b>2.2 Central Government (net)</b>	3,347.53	3,412.28	-44.41	12.59	141.84	64.75
a. B\$ Loans & Securities	3,548.32	3,536.44	101.28	26.01	364.40	-11.88
Less Deposits	495.27	366.70	150.33	9.15	188.87	-128.57
b. F/C Loans & Securities	298.72	253.09	0.00	-3.06	-34.64	-45.63
Less Deposits	4.24	10.55	-4.64	1.21	-0.94	6.30
<b>2.3 Rest of Public Sector</b>	339.50	348.27	-5.35	-6.67	-9.16	8.77
a. B\$ Credit	315.50	330.27	-3.85	-5.17	-3.91	14.77
b. F/C Credit	24.00	18.00	-1.50	-1.50	-5.25	-6.00
<b>2.4 Total Domestic Credit</b>	9,358.20	9,779.47	-36.83	114.25	189.75	421.27
a. B\$ Domestic Credit	8,751.85	9,179.98	-46.14	109.84	221.93	428.13
b. F/C Domestic Credit	606.35	599.49	9.31	4.41	-32.19	-6.86

### 3.0 DEPOSIT BASE

<b>3.1 Demand Deposits</b>	3,899.97	4,128.26	13.98	67.77	25.65	228.29
a. Central Bank	27.99	60.72	0.54	17.71	-65.18	32.73
b. Banks	3,871.98	4,067.54	13.43	50.06	90.82	195.56
<b>3.2 Savings Deposits</b>	2,267.85	2,444.27	34.32	6.18	164.78	176.42
<b>3.3 Fixed Deposits</b>	2,022.80	1,917.69	-2.04	-6.08	-51.36	-105.10
<b>3.4 Total B\$ Deposits</b>	8,190.61	8,490.22	46.25	67.87	139.06	299.61
<b>3.5 F/C Deposits of Residents</b>	534.72	497.08	2.58	-27.18	47.86	-37.64
<b>3.6 M2</b>	8,663.56	8,960.98	83.02	82.53	172.39	297.42
<b>3.7 External Reserves/M2 (%)</b>	27.14	29.24	-1.52	-1.20	-3.42	2.10
<b>3.8 External Reserves/Base Money (%)</b>	88.13	96.96	-4.54	0.96	-7.80	8.83
<b>3.9 External Reserves/Demand Liabilities (%)</b>	79.26	90.30	-8.57	-0.40	-10.61	11.04
	<b>Value</b>		<b>Year To Date</b>		<b>Change</b>	
	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>Month</b>	<b>YTD</b>

### 4.0 FOREIGN EXCHANGE TRANSACTIONS

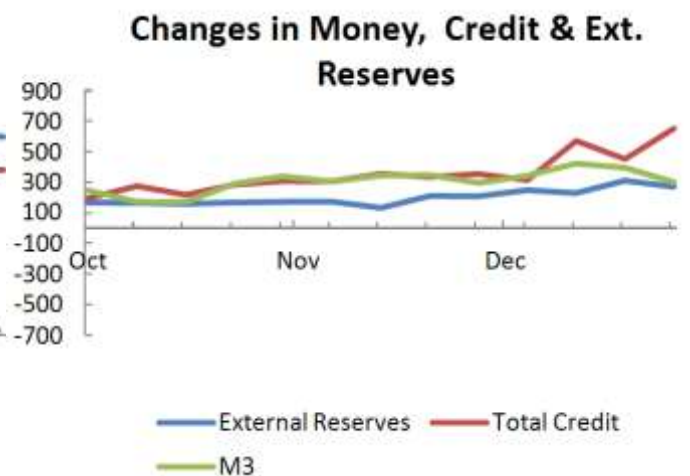
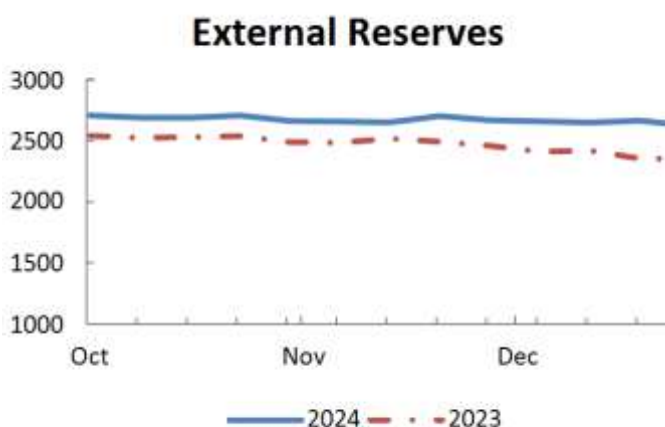
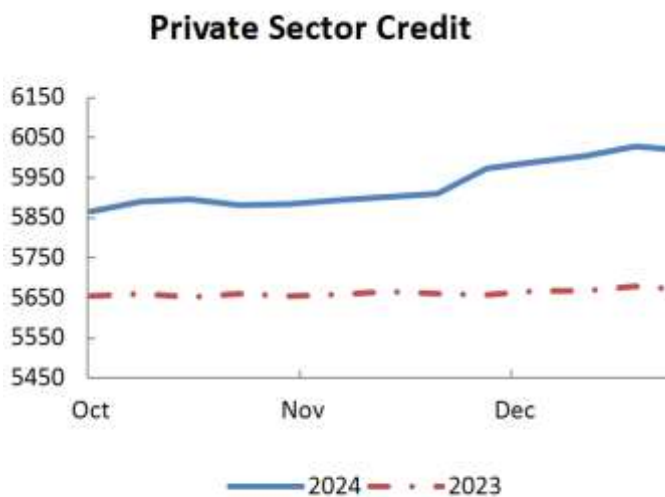
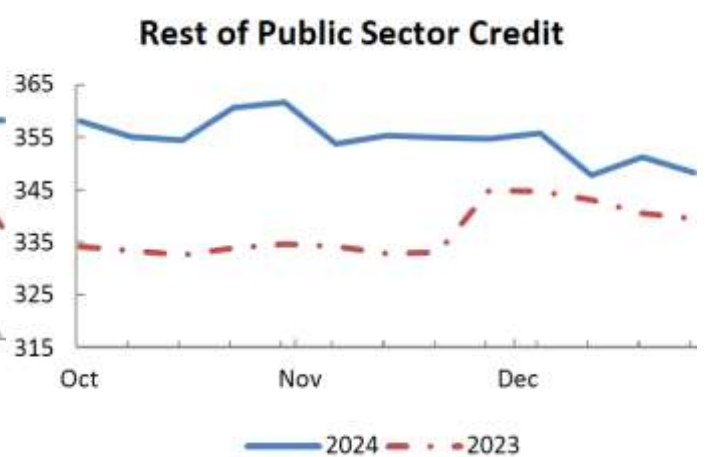
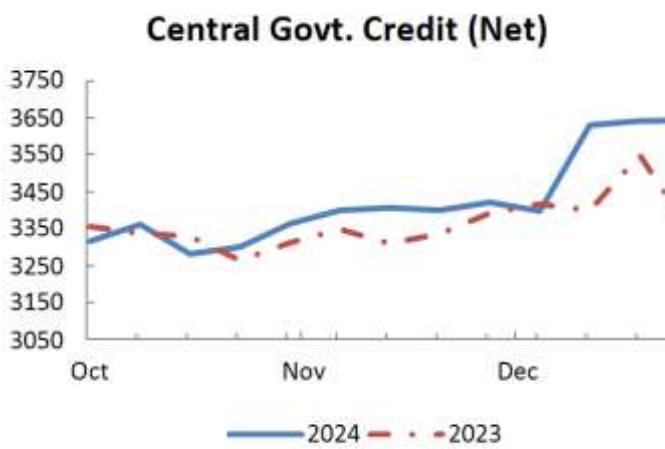
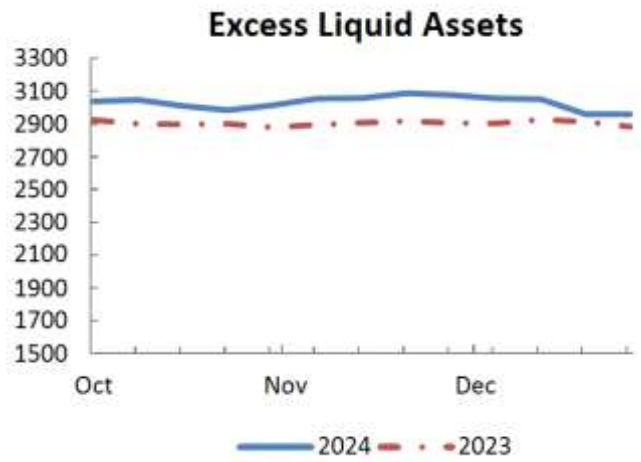
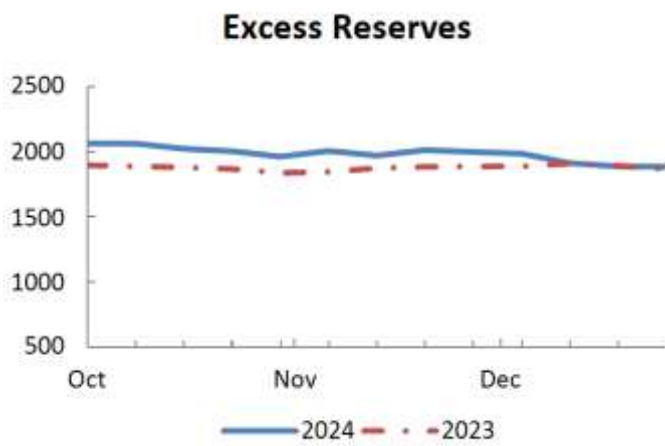
<b>4.1 Central Bank Net Purchase/(Sale)</b>	-83.87	-86.98	-244.71	195.63	-3.11	440.34
a. Net Purchase/(Sale) from/to Banks	-9.80	-57.12	118.57	143.82	-47.32	25.25
i. Sales to Banks	47.06	86.00	679.19	730.38	38.94	51.20
ii. Purchase from Banks	37.26	28.88	797.76	874.20	-8.38	76.44
b. Net Purchase/(Sale) from/to Others	-74.07	-29.86	-363.28	51.81	44.21	415.10
i. Sales to Others	127.57	156.51	1,591.66	2,142.32	28.94	550.67
ii. Purchase from Others	53.49	126.65	1,228.38	2,194.14	73.15	965.76
<b>4.2 Banks Net Purchase/(Sale)</b>	2.49	-42.43	103.15	157.69	-44.92	54.55
a. Sales to Customers	543.26	741.64	7,067.73	7,175.55	198.38	107.82
b. Purchase from Customers	545.75	699.21	7,170.88	7,333.24	153.46	162.36

### 5.0 EXCHANGE CONTROL SALES

<b>5.1 Current Items</b>	606.05	751.67	7,609.61	8,169.44	145.61	559.84
of which Public Sector	101.61	125.75	1,125.35	1,479.95	24.13	354.59
a. Nonoil Imports	137.22	201.05	1,786.71	2,180.62	63.83	393.90
b. Oil Imports	72.62	62.16	835.27	746.15	-10.46	-89.12
c. Travel	24.44	33.04	225.49	288.97	8.60	63.48
d. Factor Income	51.75	40.92	534.70	901.40	-10.83	366.70
e. Transfers	17.13	20.74	215.45	223.68	3.61	8.23
f. Other Current Items	302.89	393.75	4,011.99	3,828.63	90.86	-183.36
<b>5.2 Capital Items</b>	92.92	147.22	963.01	998.21	54.30	35.21
of which Public Sector	57.72	73.54	664.25	727.19	15.82	62.94

## SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)



## 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	2.6	1.9	1.9	1.2	10.2	10.0
United States	2.9	2.8	3.2	2.3	3.6	4.1
Euro-Area	0.4	0.8	2.9	2.0	6.6	6.5
Germany	-0.3	-0.2	3.0	2.0	3.0	3.4
Japan	1.5	-0.2	2.9	1.8	2.6	2.5
China	5.2	4.8	-0.3	1.0	5.2	5.1
United Kingdom	0.3	0.9	4.0	2.5	4.0	4.3
Canada	1.5	1.3	3.2	2.0	5.4	6.2
<i>Source: IMF World Economic Outlook October 2024</i>						

<b>B: Official Interest Rates – Selected Countries (%)</b>					
<i>With effect from</i>	<b>CBOB</b>	<b>ECB (EU)</b>	<b>Federal Reserve (US)</b>		<b>Bank of England</b>
	<b>Bank Rate</b>	<b>Refinancing Rate</b>	<b>Primary Credit</b>	<b>Target Funds</b>	<b>Repo Rate</b>
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
April 2024	4.00	4.50	5.50	5.25-5.50	5.25
May 2024	4.00	4.50	5.50	5.25-5.50	5.25
June 2024	4.00	4.25	5.50	5.25-5.50	5.25
July 2024	4.00	4.25	5.50	5.25-5.50	5.25
August 2024	4.00	3.65	5.50	5.25-5.50	5.00
September 2024	4.00	3.65	5.50	4.75-5.00	5.00
October 2024	4.00	3.40	5.00	4.75-5.00	5.00
November 2024	4.00	3.40	4.75	4.50 – 4.75	4.75
December 2024	4.00	3.15	4.50	4.25-4.50	4.75

## Selected International Statistics

<b>C. Selected Currencies (Per United States Dollars)</b>						
Currency	December-23	November-24	December-24	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.9059	0.9454	0.9658	2.15	6.62	6.62
Yen	141.04	149.77	157.20	4.96	11.46	11.46
Pound	0.7855	0.7852	0.7990	1.75	1.72	1.72
Canadian \$	1.3243	1.4006	1.4384	2.70	8.62	8.62
Swiss Franc	0.8414	0.8810	0.9074	3.00	7.84	7.84
Renminbi	7.100	7.2470	7.2990	0.73	2.81	2.81

*Source: Bloomberg as of December 31, 2024*

<b>D. Selected Commodity Prices (\$)</b>					
Commodity	December-23	November-24	December-24	Mthly % Change	YTD % Change
Gold / Ounce	2062.98	2643.15	2624.50	-0.71	27.22
Silver / Ounce	23.80	30.63	28.90	-5.63	21.46
Oil / Barrel	78.42	73.16	74.38	1.67	-5.15

*Source: Bloomberg as of December 31, 2024*

<b>E: Short Term Deposit Rates in Selected Currencies (%)</b>			
	USD	GBP	EUR
o/n	4.3500	4.7150	2.9000
<b>1 Month</b>	4.3951	4.7675	2.9800
<b>3 Month</b>	4.4900	4.7908	2.8450
<b>6 Month</b>	4.4700	4.8300	2.6300
<b>9 Month</b>	4.5400	4.8480	2.5050
<b>1 year</b>	4.5475	4.8500	2.4350

*Source: Bloomberg as of December 31, 2024*

<b>F. Equity Market Valuations December 31st, 2024 (% change)</b>								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	1.29	-5.27	-2.50	-1.38	2.01	1.44	4.41	0.76
3 month	0.96	1.87	3.09	0.78	0.41	4.36	2.08	2.19
YTD	5.49	12.88	23.31	5.69	12.27	18.85	19.22	12.67
12-month	5.49	12.88	23.31	5.69	12.27	18.85	19.22	12.67

*Sources: Bloomberg and BISX*

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

	VALUE								CHANGE							
	Nov. 13	Nov. 20	Nov. 27	Dec. 04	Dec. 11	Dec. 18	Dec. 25	Jan. 01	Nov. 13	Nov. 20	Nov. 27	Dec. 04	Dec. 11	Dec. 18	Dec. 25	Jan. 01
<b>I. External Reserves</b>	<b>2,657.44</b>	<b>2,651.14</b>	<b>2,702.72</b>	<b>2,667.94</b>	<b>2,659.59</b>	<b>2,649.30</b>	<b>2,664.97</b>	<b>2,622.23</b>	<b>(4.77)</b>	<b>(6.29)</b>	<b>51.58</b>	<b>(34.78)</b>	<b>(8.35)</b>	<b>(10.29)</b>	<b>15.67</b>	<b>(42.73)</b>
<b>II. Net Domestic Assets (A + B + C + D)</b>	<b>132.24</b>	<b>120.55</b>	<b>112.66</b>	<b>131.59</b>	<b>117.91</b>	<b>69.08</b>	<b>66.79</b>	<b>79.83</b>	<b>48.29</b>	<b>(11.69)</b>	<b>(7.88)</b>	<b>18.93</b>	<b>(13.68)</b>	<b>(48.83)</b>	<b>(2.29)</b>	<b>13.05</b>
<b>A. Net Credit to Gov't (I + ii + iii -iv)</b>	<b>888.69</b>	<b>873.58</b>	<b>874.40</b>	<b>901.63</b>	<b>899.74</b>	<b>866.67</b>	<b>880.68</b>	<b>862.51</b>	<b>2.71</b>	<b>(15.11)</b>	<b>0.82</b>	<b>27.23</b>	<b>(1.89)</b>	<b>(33.07)</b>	<b>14.01</b>	<b>(18.17)</b>
i) Advances	565.81	565.81	565.81	565.81	565.81	565.81	565.81	565.81	-	-	-	-	-	-	-	-
ii) Registered Stock	447.71	447.85	428.31	427.53	427.39	426.85	426.87	426.67	0.15	0.14	(19.54)	(0.78)	(0.14)	(0.54)	0.02	(0.21)
iii) Treasury Bills	0.24	0.24	3.23	3.23	3.23	13.21	13.21	10.21	-	-	2.99	-	(0.00)	9.97	-	(2.99)
iv) Deposits	125.07	140.32	122.95	94.94	96.69	139.20	125.21	140.18	(2.56)	15.24	(17.37)	(28.01)	1.75	42.50	(13.99)	14.97
<b>B. Rest of Public sector (Net) (i+ii-iii)</b>	<b>(23.76)</b>	<b>(28.74)</b>	<b>(36.77)</b>	<b>(44.74)</b>	<b>(38.73)</b>	<b>(44.62)</b>	<b>(53.09)</b>	<b>(54.48)</b>	<b>59.54</b>	<b>(4.98)</b>	<b>(8.03)</b>	<b>(7.97)</b>	<b>6.01</b>	<b>(5.90)</b>	<b>(8.46)</b>	<b>(1.39)</b>
i) Loans	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	-	-	-	-	-	-	-	-
ii) Bonds/Securities	4.74	4.74	4.74	4.74	4.74	4.74	4.74	4.74	-	-	-	-	-	-	-	-
iii) Deposits	30.00	34.98	43.01	50.98	44.96	50.86	59.33	60.72	(59.54)	4.98	8.03	7.97	(6.01)	5.90	8.46	1.39
<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>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>D. Other Items (Net)*</b>	<b>(732.69)</b>	<b>(724.29)</b>	<b>(724.96)</b>	<b>(725.29)</b>	<b>(743.10)</b>	<b>(752.96)</b>	<b>(760.81)</b>	<b>(728.19)</b>	<b>(13.96)</b>	<b>8.40</b>	<b>(0.67)</b>	<b>(0.33)</b>	<b>(17.81)</b>	<b>(9.86)</b>	<b>(7.84)</b>	<b>32.61</b>
<b>III. Monetary Base</b>	<b>2,789.67</b>	<b>2,771.69</b>	<b>2,815.38</b>	<b>2,799.53</b>	<b>2,777.50</b>	<b>2,718.38</b>	<b>2,731.75</b>	<b>2,702.07</b>	<b>43.51</b>	<b>(17.98)</b>	<b>43.69</b>	<b>(15.85)</b>	<b>(22.03)</b>	<b>(59.12)</b>	<b>13.38</b>	<b>(29.69)</b>
A. Currency in Circulation	591.85	595.87	605.67	602.30	605.62	611.96	653.61	647.72	(3.90)	4.02	9.79	(3.37)	3.33	6.34	41.65	(5.89)
B. Bank Balances with CBOB	2,197.82	2,175.82	2,209.72	2,197.24	2,171.87	2,106.42	2,078.14	2,054.35	47.42	(22.00)	33.90	(12.48)	(25.36)	(65.46)	(28.27)	(23.79)

## FISCAL/REAL SECTOR INDICATORS

(B\$ MILLIONS)

(% change represents current period from previous period)

	JUL-SEP						OCT-DEC						JAN-MAR						APR-JUN						YEAR TO DATE	
	2023/2024		2024/2025				2023/2024		2024/2025				2023/2024		2024/2025				2023/2024		2024/2025		2023	2024		
<b>Fiscal Operations<sup>p</sup></b>																								(Over previous year)		
1. Government Revenue & Grants					663.5	682.2																	663.5	682.2		
% change; over previous quarter					-12.7%	-12.1%																	1.3%	2.8%		
2. Value Added Tax					337.9	339.4																	337.88	339.39		
% change; over previous quarter					12.3%	7.2%																	2.1%	0.4%		
3. Import/Excise/Export Duties					136.0	111.4																	136.0	111.4		
% change; over previous quarter					100.2%	74.6%																	19.4%	-18.1%		
4. Recurrent Expenditure					660.4	743.9																	660.4	743.9		
% change; over previous quarter					-35.4%	-19.8%																	6.3%	12.6%		
5. Capital Expenditure					64.7	123.8																	64.7	123.8		
% change; over previous quarter					-47.7%	-7.3%																	16.9%	91.5%		
6. Deficit/Surplus <sup>*</sup>					-61.54	-185.44																	-61.54	-185.44		
% change; over previous quarter					-84.0%	-34.9%																	180.6%	201.4%		
<b>Debt<sup>p **</sup></b>																								(Over previous year)		
7. Total Direct Debt	11,039.4	11,601.4	11,124.7	11,596.1	11,103.8	11,514.5	11,053.2	11,457.4	11,339.7	11,483.6	11,259.6	11,313.8	11,297.7	11,596.1	11,281.6	11,666.4	11,214.0	11,656.3	11,186.5	11,691.5	11,245.6	11,711.0	11,427.5	11,748.7		
% change; over previous month	0.0%	1.5%	0.8%	0.0%	-0.2%	-0.7%	-0.5%	-0.5%	2.6%	0.23%	-0.7%	-1.5%	0.3%	2.5%	-0.1%	0.6%	-0.1%	-0.6%	0.3%	0.2%	0.2%	1.6%	0.3%	0.3%		
8. External Debt	4,839.8	5,205.3	4,912.2	5,234.2	4,846.4	5,153.1	4,840.1	5,134.7	5,083.8	5,144.5	5,004.8	5,065.2	4,998.0	5,274.6	4,970.1	5,269.3	4,839.2	5,193.5	4,826.4	5,165.7	4,838.3	5,179.2	5,029.8	5,123.6		
% change; over previous month	-0.1%	3.5%	1.5%	0.6%	-1.4%	-1.6%	-0.1%	-0.4%	5.0%	0.2%	-1.6%	-1.5%	-0.1%	4.1%	-0.6%	-0.1%	-2.6%	-1.4%	-0.3%	-0.5%	0.2%	0.3%	4.0%	-1.1%		
9. Internal F/C Debt	329.5	303.8	326.1	303.4	328.9	302.8	321.6	294.1	318.1	295.0	318.6	293.6	317.3	292.4	315.0	295.6	312.4	297.3	304.6	285.3	307.9	250.5	309.4	248.8		
% change; over previous month	-0.1%	-1.8%	-1.1%	-0.1%	0.9%	-0.2%	-2.3%	-3.0%	-1.1%	0.3%	0.1%	-0.5%	-0.4%	-0.4%	-0.7%	1.1%	-0.8%	0.6%	-2.5%	-4.0%	1.1%	-12.2%	0.5%	-0.7%		
10. Bahamian Dollar Debt	5,870.1	5,870.2	5,886.4	5,866.4	5,928.5	5,866.6	5,891.6	5,836.6	5,937.8	5,852.0	5,936.2	5,792.9	5,982.4	5,817.2	5,996.4	5,835.5	6,062.4	5,844.5	6,055.5	5,909.5	6,099.4	5,950.2	6,088.3	6,045.2		
% change; over previous month	0.1%	-3.6%	0.3%	-0.1%	0.7%	0.0%	-0.6%	-0.5%	0.8%	0.3%	0.0%	-1.0%	0.8%	0.4%	0.2%	0.3%	1.1%	0.2%	-0.1%	1.1%	0.7%	-0.2%	1.6%	1.6%		
11. Total Amortization	268.8	785.4	142.5	87.6	262.5	185.5	278.2	266.1	161.8	89.5	233.5	285.5	320.3	226.4	129.6	28.6	201.7	30.3	442.2	396.4	442.2	91.7	590.3	186.7		
% change; over previous month	-15.6%	33.1%	-88.7%	-796.6%	45.7%	52.8%	5.7%	30.3%	-41.8%	-66.4%	44.3%	219.1%	37.2%	-20.7%	-59.5%	-87.4%	55.6%	6.0%	119.3%	1206.4%	0.0%	-76.9%	33.5%	103.7%		
12. Total Public Sector F/C Debt	5,648.4	5,943.1	5,717.3	5,971.5	5,644.9	5,879.1	5,631.2	5,852.0	5,871.5	5,862.8	5,820.6	5,725.3	5,772.6	5,933.4	5,782.3	5,931.3	5,598.1	5,850.1	5,577.5	5,810.2	5,635.7	5,876.3	5,726.3	5,806.4		
% change; over previous month	-0.1%	2.9%	1.2%	0.5%	-1.3%	-1.6%	-0.2%	-0.5%	4.27%	0.18%	-0.87%	-2.35%	-0.8%	3.6%	0.2%	-0.03%	-3.2%	-1.4%	-0.4%	-0.7%	1.0%	1.1%	1.6%	-1.2%		
<b>Real Sector Indicators</b>																								(Over previous year)		
13. Retail Price Index	119.39	120.98	119.29	121.34	119.82	123.23	120.58	122.60	121.1	121.6	121.1	121.5	121.9	121.3	122.15	121.41	122.36	121.43					120.86	121.70		
% change; over previous month	4.79%	1.33%	4.65%	1.72%	4.11%	2.85%	4.04%	1.68%	3.59%	-0.9%	3.08%	-0.09%	2.23%	-0.15%	0.20%	0.12%	0.17%	0.02%					3.43%	0.70%		
14. Tourist arrivals (000's)	846.6	959.1	820.6	902.7	951.3	1146.3	865.4	906.7	756.3	896.7	794.9	927.3	860.6	1056.8	744.6	892.8	569.6	694.5	611.9	734.1	823.6	948.8	8,645.38	10,065.8		
% change; over previous year	165.94%	13.29%	97.95%	10.01%	51.7%	20.5%	47.0%	4.8%	49.3%	18.6%	40.1%	16.7%	26%	22.8%	20.1%	19.9%	-36.20%	22%	-11.9%	20.0%	12.8%	15.2%	41.81%	16.43%		
15. Air arrivals (000's)	132.5	141.1	150.7	156.7	186.8	206.3	170.6	158.7	149.8	158.5	167.8	170.7	175.6	172.6	128.5	124.0	70.433	55.897	91.9	83.3	131.0	126.2	1555.62	1554.02		
% change; over previous year	78.92%	6.45%	44.26%	3.98%	23.57%	10.47%	16.0%	-7.0%	15.2%	5.8%	16.1%	1.7%	8%	-1.7%	7.8%	-3.5%	-43%	-20.6%	64.4%	-9.4%	45.2%	-3.7%	24.49%	-0.10%		
16. Res. Mortgage Commitments-Value of New Const. & Rehab. (B\$Millions)					15.27	23.67						19.4	20.4				13.6	27.0					48.27	71.09		
% change; over previous qtr.					-3.41%	29.90%						27.2%	-13.7%				-30.2%	32.2%					-4.34%	47.28%		

\* Includes Net Lending to Public Corporations

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

p - provisional