Quarterly Economic Review

Vol. 26, No. 3

September, 2017

The Quarterly Economic Review (QER) is a publication of the Central Bank of The Bahamas, prepared by the Research Department, for issue in March, June, September and December. All correspondence pertaining to the QER should be addressed to:

The Manager
Research Department
The Central Bank of The Bahamas
P.O. Box N-4868
Nassau, Bahamas

www.centralbankbahamas.com
Email address: research@centralbankbahamas.com

Contents

REVIEW OF ECONOMIC AND FINANCIAL DEVELOPMENTS

DOMESTIC ECONOMIC DEVELOPMENTS

OVERVIEW

Preliminary indications are that domestic economic activity was comparatively subdued over the third quarter. The passage of a number of hurricanes through the region in September disrupted travel itineraries, leading to a contraction in tourism sector output. In contrast, several varied-scale foreign investment projects, and to a lesser extent domestic private sector as well as ongoing post-hurricane rebuilding work, provided support to the construction sector. In price developments, inflation remained relatively mild, although the recent uptick in international oil prices contributed to higher energy-related costs.

Preliminary estimates for the Government's budgetary operations over the first quarter of FY2017/2018, showed that the deficit narrowed relative to the same period a year earlier, as lower capital spending led to a reduction in aggregate expenditure, while total revenue expanded modestly. Budgetary financing was dominated by short-term external loan financing.

Monetary developments featured a build-up in both bank liquidity and external reserves, buoyed by the receipt of net proceeds from the Government's external financing activities. In addition, reflecting mainly one institution's sale of non-performing loans to the Government-owned Special Purpose Vehicle (SPV), banks' credit quality indicators improved significantly over the review quarter. However, the overall profitability of the banking sector dipped during the second quarter—the latest available data—due to a rise in bad debt provisions and higher depreciation costs.

On the external side, the estimated current account deficit narrowed during the third quarter, owing to a marked decline in net income outflows, combined with a notable increase in the services account surplus and a reduction in the merchandise trade deficit. Further, the balance on the capital and financial account reversed to a surplus from a deficit a year earlier, attributed primarily to a Government borrowing-led increase in net loan financing inflows.

REAL SECTOR

TOURISM

Preliminary indications are that the tourism sector's performance remained constrained during the third quarter, owing in part to the temporary disruption of flight and cruise ship itineraries caused by the passage several hurricanes within the vicinity of The Bahamas in September. Also contributing, several major hotels in Grand Bahama remained closed since the fourth quarter of 2016.

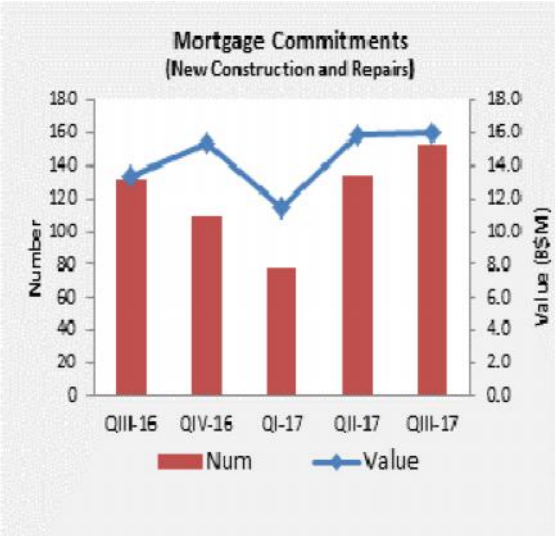
According to data from the Ministry of Tourism, when compared to the same period in 2016, total tourist arrivals fell by 12.8% during the third quarter, a reversal from a comparative 9.0% growth recorded in the corresponding period of the previous year. The high-value added air traffic component decreased by 13.6% to 0.3 million, in contrast to a 4.1% increase in 2016. Similarly, the dominant sea passenger segment—which comprised three quarters of the total—contracted by 12.6% to 1.0 million, vis-à-vis a 10.6% expansion a year earlier.

By major ports of call, visitor arrivals to New Providence declined by 7.2% to 0.8 million over the three-month period, a turnaround from the prior year's 15.4% growth, reflecting respective decreases in both air and sea passengers, by 9.2% and 6.4%. Further, arrivals to Grand Bahama contracted by 44.9% to 0.1 million, following a 5.5% increase a year earlier, due mainly to a sharp 62.3% weather-related reduction in air traffic and a 41.8% falloff in sea arrivals. In addition, tourist arrivals to the Family Islands were reduced further by 2.9%, after a 1.4% decline in 2016, as the 3.6% decrease in sea passengers, outstripped the 0.8% rise in the air component.

The third quarter dip in tourism output was also evident in data from the Bahamas Hotel Association and the Ministry of Tourism for a sample of large properties in New Providence and Paradise Island. Corresponding to the reduction in tourist arrivals, the average hotel occupancy rate declined by 6.5 percentage points to 60.0%, exceeding last year's 1.7 percentage point falloff. In addition, the average daily room rate (ADR) contracted by 2.0% to $210.23, a reversal from a slight 0.9% increase a year earlier. Given these trends, total room revenues decreased further by 9.3%, compared to a 2.2% reduction in the same period in 2016.

CONSTRUCTION

During the third quarter, construction activity continued to be supported by several ongoing foreign investment projects in both the capital and the various Family Islands, as well as hurricane rebuilding work. However, private sector activity remained sluggish.



On the domestic side, total mortgage disbursements for new construction and repairs—as reported by banks, insurance companies and the Bahamas Mortgage Corporation—steadied at $28.5 million during the review period, vis-à-vis an $8.3 million (22.4%) contraction in the corresponding quarter of 2016. In terms of the components, commercial disbursements rose by $0.3 million (39.4%), a reversal from a $1.5 million (66.6%) reduction in the prior year. In contrast, the dominant residential segment declined by $0.3 million (1.0%), a slowdown from the $6.7 million (19.5%) falloff in 2016.

The forward looking mortgage commitments indicator, suggests that the domestically financed investments could firm over the near-term, as commitments for new buildings and repairs increased in number by 21 to 153, while the corresponding value expanded by 20.3% ($2.7 million) to $16.0 million. Underlying this improvement, loan approvals for the dominant residential segment—at 93.9% of the total—rose in number by 19 to 151, and in value, by 19.1% ($2.5 million) to $15.8 million. In addition, the number and value of commercial commitments stood at 2 and $0.2 million, respectively, after no new approvals were recorded in the previous year.

With regard to interest rates, the average financing cost for commercial mortgages increased by 60 basis points to 8.7%. In contrast, the average rate on residential loans softened by 40 basis points to 7.4%.

PRICES

The evolution of domestic inflation was influenced by the steady rise in global oil prices, although the rate remained low. In this regard, average consumer prices for the twelve months to August—as measured by changes in the Retail Price Index for The Bahamas—rose by 1.0%, outpacing the 0.2% uptick in the comparative period of 2016. This outturn reflected mainly gains in the average costs for housing, water, gas, electricity and other fuels—the most heavily weighted component—by 3.2% and transport by 2.7%. These reversed respective declines of 2.6% and 5.6% in the previous period. In addition, the average cost increase for education quickened by 1.1 percentage points to 6.4%. Providing some offset, average price gains slowed for communication, by 1.4 percentage points to 1.1%; as well as clothing & footwear and alcohol beverages & related products, by 2.7 percentage points each to 0.2% and 1.0%, respectively. Further, average price reductions of 3.2% each were registered for health, and restaurant & hotels, and 2.9% for recreation & culture, vis-à-vis prior period gains of 9.2%, 3.0% and 5.2%, respectively. Average cost declines of 1.0% and less were also recorded for food & non-alcoholic beverages (1.0%), miscellaneous goods & services (0.8%) and furnishing, household equipment & routine household maintenance (0.6%), which all posted notable increases in 2016.

Despite the recent gains in international oil prices, preliminary indications are that domestic energy costs declined during the third quarter. Specifically, the Bahamas Power & Light's (BPL) fuel charge fell by 6.6% over the three-month period to 13.05₵ per kilowatt hour (kWh); however, on an annual basis, average prices were higher by 15.8%.

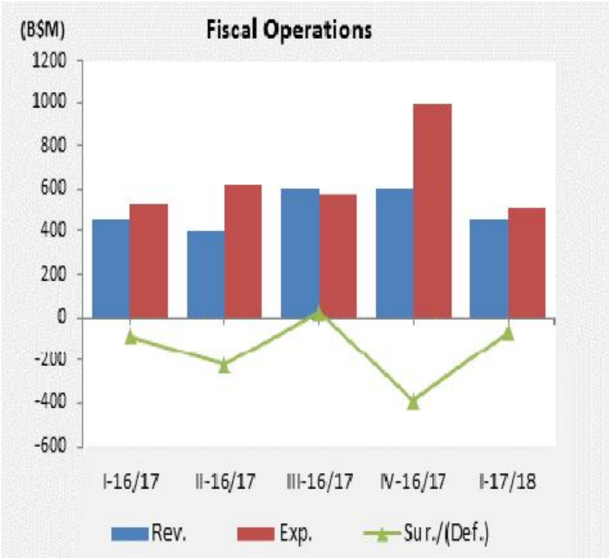
FISCAL OPERATIONS

OVERVIEW

Provisional data on the Government's budgetary operations for the first quarter of FY2017/2018, showed that the deficit narrowed by $18.7 million to $65.6 million over the comparative period last year. Underlying this outturn was a $17.0 million (3.2%) reduction in total expenditure to $517.7 million, combined with a $1.7 million (0.4%) rise in aggregate revenue to $452.2 million.

REVENUE

Tax receipts—which constituted 91.6% of total revenue—rose by $15.5 million (3.9%) to $414.1 million. Value added taxes (VAT)—which comprised almost 39.5% of the total—firmed by $3.3 million (2.0%) to $163.6 million, while taxes on international trade contracted by $5.7 million (4.3%) to $127.5 million, owing to reductions in import and export taxes. Among the other tax components, business and professional license fees gained by $6.0 million (64.8%) to $15.2 million, as collections from general business fees increased. Similarly, selective taxes on services firmed by more than two-fold to $8.9 million from $3.2 million a year earlier, reflecting a timing-related gain in gaming taxes. Further, other non-trade taxes rose by one-third ($3.9 million) to $15.6 million. Motor vehicles taxes also advanced by $2.0 million (46.0%) to $6.5 million and property taxes rose by $0.9 million (8.4%) to $11.9 million. In addition, departure taxes declined by $2.2 million (6.0%) to $34.6 million.



Non-tax revenues—at 8.4% of total receipts—fell by $13.8 million (26.6%) to $38.0 million. Underpinning this outturn was a reduction in dividend inflows, which lowered income receipts by $13.8 million to $2.7 million. In a slight offset, the net intake from public enterprises increased by $0.5 million to $1.6 million. Further, proceeds from fines, forfeitures & administrative fees declined by $0.9 million (2.7%) to $34.0 million; however, receipts from the sale of Government property firmed by $0.9 million to $1.3 million.

Government Revenue By Source
(Jul. - Sep.)

	FY16/17		FY17/18	
	B$M	%	B$M	%
Property Tax	11	2.4	12	2.6
Selective Services Tax	3	0.7	9	2.0
Business. & Prof Lic. Fees	9	2.1	15	3.4
Motor Vehicle Tax	4	1.0	6	1.4
Departure Tax	37	8.2	35	7.6
Import Duties	67	14.9	61	13.5
Stamp Tax from Imports	--	--	--	--
Excise Tax	62	13.8	63	14.0
Export Tax	4	0.9	3	0.7
Stamp Tax from Exports	--	--	--	--
Other Stamp Tax	29	6.4	31	6.8
Value Added Tax	160	35.6	164	36.2
Other Tax Revenue	12	2.6	16	3.4
Fines, Forfeits, etc.	35	7.7	34	7.5
Sales of Govt. Property	0	0.1	1	0.3
Income	17	3.7	3	0.6
Other Non-Tax Rev.	0	0.0	0	--
Capital Revenue	0	0.0	0	--
Grants	--	--	--	--
Less: Refunds	(0)	(0.0)	0	0.1
Total	**450**	100.0	**452**	**100.0**

EXPENDITURE

The reduction in total spending was due primarily to a $30.8 million (47.3%) decrease in capital outlays to $34.4 million. In contrast, current spending rose by $13.9 million (3.0%) to $483.4 million.

By economic classification, the expansion in current expenditure was largely attributed to a $25.0 million (10.4%) increase in consumption spending to $265.2 million. Notably, payments for wages & salaries rose by $16.7 million (9.7%) and purchase of goods & services firmed by $8.3 million (12.3%). In contrast, transfer payments decreased by $11.1 million (4.8%) to $218.2 million, as timing-related factors led to a decline in subsidies by $15.3 million (20.4%) to $59.6 million. In addition, transfers to non-financial public enterprises fell by $2.8 million (65.2%) to $1.5 million, while those to entities abroad were reduced by $1.1 million (57.1%) to $0.8 million. Similarly, transfers to non-profit institutions edged-down by $0.2 million (2.1%) to $8.4 million. In a modest offset, transfers to households grew by $5.0 million (13.3%) to $42.6 million. Further, interest payments on Government debt firmed by $2.8 million (3.9%) to $74.2 million, reflecting increased financing costs on the external obligations.

On a functional basis, recurrent expenditure for general public service advanced by $13.2 million (8.9%) to $161.2 million, as disbursements for general administration and public order & safety grew by 11.3% and 3.5%, respectively. In addition, spending rose for social benefits & services, by $8.5 million (25.8%) to $41.4 million, other community & social services, by $5.2 million (60.1%) to $13.9 million, education, by $2.6 million (3.7%) to $72.4 million and defense, by $0.8 million (6.6%) to $13.6 million. In contrast, payments for economic services decreased by $7.2 million (13.5%) to $46.1 million, attributed largely to lower outlays for tourism services, public works & water supply, and agriculture & fisheries.

The contraction in capital expenditure was led by a $22.6 million (45.4%) reduction in infrastructure outlays to $27.2 million, as several roadwork and costal protection projects were completed. In addition, asset acquisitions fell by $8.2 million (53.3%) to $7.1 million, associated with declines for land purchases and other holdings, that outweighed increased equity positions in public/private partnership-related initiatives.

Financing and the National Debt

Budgetary financing for the first quarter of FY2017/18, was obtained primarily from external sources, with loans totaling a net of $356.8 million. In addition, borrowings from domestic sources totaled $97.6 million, and comprised $75.0 million in bond issues, $14.0 million in loans & advances and a net $8.6 million increase in the value of Treasury bills outstanding. Debt repayments for the quarter totaled $133.8 million, the bulk of which (88.8%), went towards retiring Bahamian dollar obligations.

Given the total level of funding, the Direct Charge on the Government grew by $323.5 million (4.9%) over quarter, and by $834.7 million (13.8%), year-on-year, to $6,873.6 million at end-September 2017. The dominant Bahamian dollar component, at 69.2% of the total, was held primarily by commercial banks (38.8%), followed by "other" private institutional investors (32.0%), the Central Bank (16.3%), public corporations (12.7%) and other local financial institutions (0.2%). A breakdown by instrument type showed that Government bonds comprised the largest share of domestic currency debt, at 72.7%, and featured an average maturity of 8.3 years, down from 9.3 years in 2016. Smaller shares were noted for Treasury bills (18.1%) and loans & advances (9.2%).

Government's contingent liabilities fell by $14.0 million (1.9%) over the three-month period and by $23.5 million (3.2%) on a yearly basis, to $706.7 million. As a consequence of these developments, the National Debt—inclusive of contingent liabilities—rose by $309.5 million (4.3%), relative to the previous quarter, and by $811.1 million (12.0%) vis-à-vis September 2016, to $7,580.3 million.

With regard to other debt indicators, the Direct Charge was estimated at 59.6% of GDP, compared to approximately 53.7% a year earlier. In addition, the National Debt-to-GDP ratio firmed to an estimated 65.8% at end-September, from 60.2% in the same quarter of 2016.

Estimates of the Debt-to-GDP Ratios* September (%)[1]

	2015_p	2016_p**	2017_p**
Direct Charge	52.4	53.7	59.6
National Debt	59.0	60.2	65.8
Total Public Sector Debt	60.5	62.2	68.8

Source: The Central Bank of The Bahamas and the Department of Statistics

**GDP estimates are an average of the two years, which overlap the fiscal period.*

***GDP estimate for 2017 is derived from the IMF projections.*

[1] In the absence of actual quaterly GDP data, the ratios presented should be taken as broad estimates of the relevant debt ratios and are therefore subject to revision

Public Sector Foreign Currency Debt

During the third quarter, public sector foreign currency debt expanded by $339.7 million (12.8%) to $2,986.8 million, as new drawings of $359.9 million and changes in the debt stock of $9.8 million, overshadowed amortization payments of $30.0 million. The Government's liabilities—which accounted for 70.8% of the total—expanded by $351.7 million (19.9%) to $2,115.3 million on a quarterly basis, attributed to higher external borrowings over the review quarter. In contrast, the public corporations' debt stock declined by $12.0 million (1.4%) to $871.6 million.

In comparison to the same period last year, total foreign currency debt service payments contracted by $37.4 million (36.3%) to $65.6 million. This outturn reflected a $42.8 million (59.1%) reduction in the public corporations' segment to $29.7 million, as amortization payments fell by $44.2 million (74.5%) to $15.1 million; however, interest charges rose by $1.3 million (10.2%) to $14.6 million. In contrast, Government's debt service payments grew by $5.4 million (17.6%) to $35.9 million, as amortization outlays firmed by $4.3 million (40.8%) to $14.9 million, offsetting the slight increase in interest expenses by $1.1 million (5.3%) to $21.0 million. At end-December, the Government's debt service to revenue ratio stood at 7.9%, a rise of 1.1 percentage points over the previous year; however, the debt service ratio narrowed by 4.6 percentage points to 8.3%.

A disaggregation by creditor profile, showed that non-resident investors held the largest share of foreign currency debt (48.2%), followed by international capital market investors (30.1%), multilateral institutions (9.7%), banks (9.0%) and bilateral institutions (3.0%). At end-September, the average age of the outstanding foreign currency debt stock stood at 10.1 years, a decline from the 12.3 years recorded in 2016. The majority of the debt stock was denominated in US Dollars (75.2%), with the euro, Swiss Franc and the Chinese Yuan accounting for smaller portions of 11.0%, 9.6% and 4.2%, respectively.

MONEY, CREDIT AND INTEREST RATES

OVERVIEW

Monetary developments were influenced by the receipt of net proceeds from the Government's external borrowing activities, which led to growth in both banking sector liquidity and external reserves. In terms of the former, the build-up in liquidity also reflected a contraction in private sector credit, which outpaced the decline in deposits. Further, banks' credit quality indicators improved during the three-month period, due mainly to one institution's sale of non-performing loans to a Government-owned SPV. Meanwhile, the latest profitability indicators available for the second quarter, showed that banks' net income contracted, due mainly to elevated bad debt provisions and higher depreciation costs, while the weighted average interest rate spread narrowed over the July to September period, as the average lending rate declined, while the deposit rate remained unchanged.

LIQUIDITY

The net free cash reserves of the banking system firmed by $25.5 million (3.4%) to $775.4 million over the quarter, extending the year earlier gain of $29.0 million (4.3%), to represent a marginally higher 11.7% of Bahamian dollar deposit liabilities, compared to 11.0% in 2016. Reflecting mainly an increase in banks' Treasury bill holdings, the broader surplus liquid assets grew by $31.3 million (1.9%) to $1,657.5 million, a turnaround from a $92.6 million (6.1%) reduction in the previous year. At end-September, the surplus exceeded the statutory minimum requirement by 145.3%, in comparison with 132.1% in the prior year.

DEPOSITS AND MONEY

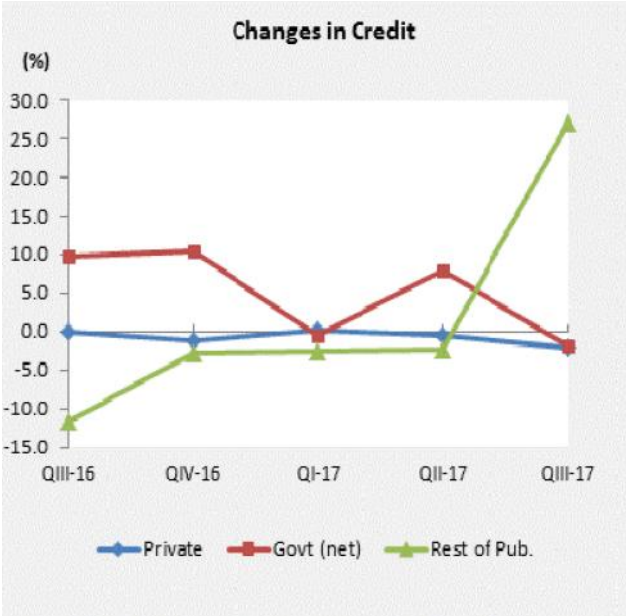
The overall money supply (M3) contracted by $130.4 million (1.8%) over the third quarter, outpacing the $2.1 million reduction recorded in the prior year. At end-September, the outstanding stock stood at $7,012.4 million. In terms of the components, narrow money (M1) declined by $52.8 million (2.0%), vis-à-vis a $100.1 million (4.6%) build-up in the previous year. This outturn was due to a private sector-led falloff in demand deposits, by $43.0 million (1.8%), a turnaround from a $92.2 million (4.7%) rise in the prior year. Further, currency in active circulation decreased by $9.8 million (3.3%), a reversal from a $7.9 million (3.2%) gain in 2016.

Broad money (M2) contracted by $88.4 million (1.3%), in contrast to a $35.4 million (0.6%) increase in 2016. Specifically, the falloff in private sector placements led to a $12.8 million (0.9%) reduction in savings balances, vis-à-vis the prior year's $1.3 million (0.1%) gain, while the decline in fixed deposits slowed to $22.8 million (0.8%) from $66.0 million (2.3%) in the previous year. In addition, foreign currency balances were reduced by $42.0 million (13.0%), extending 2016's $37.5 million (16.3%) contraction, owing in large measure to a falloff in private sector deposits.

A breakdown of the components showed that fixed deposits comprised the largest share of the money stock at 39.3%, followed by demand balances (33.1%) and savings deposits (19.5%). The other remaining components, namely currency in active circulation and residents' foreign currency deposits, accounted for smaller shares of 4.1% and 4.0%, respectively.

DOMESTIC CREDIT

Reflecting mainly net repayments by the Government and an asset sale-led reduction in private sector claims, total domestic credit contracted by $74.7 million (0.8%) during the third quarter, a turnaround from a gain of $150.4 million (1.7%) recorded in the previous year. The dominant Bahamian dollar component (at 95.6% of the total), decreased by $60.6 million (0.7%), a reversal from a $205.1 million (2.5%) rise a year earlier, when entities' holdings of government debt instruments expanded. Similarly, the foreign currency component declined by $14.2 million (3.4%), following a $54.7 million (10.8%) reduction in 2016.



An analysis by sector showed that net claims on the Government decreased by $48.6 million (1.8%), a reversal from a $206.6 million (9.8%) build-up in 2016. Further, reflecting the sale of a significant portion of one institution's non-performing loan portfolio—mostly commercial credit—to the Government-owned vehicle, credit to the private sector declined by $131.2 million (2.1%) from a nearly flat position last year. Meanwhile, as NPL sales were financed through debt issuance, claims on public corporations expanded by $105.1 million (27.2%), a reversal from the prior year's $55.3 million (11.7%) reduction.

Distribution of Bank Credit By Sector

(End-September)

	2017		2016	
	B$M	%	B$M	%
Agriculture	6.6	0.1	8.1	0.1
Fisheries	8.9	0.1	13.1	0.2
Mining & Quarrying	1.8	0.0	2.0	0.0
Manufacturing	34.5	0.5	23.9	0.3
Distribution	177.6	2.6	165.1	2.4
Tourism	12.2	0.2	15.7	0.2
Enter. & Catering	50.6	0.8	74.3	1.1
Transport	38.8	0.6	39.9	0.6
Construction	293.2	4.3	348.5	5.1
Government	528.0	7.8	389.7	5.7
Public Corps.	208.3	3.1	240.7	3.5
Private Financial	18.8	0.3	19.4	0.3
Prof. & Other Ser.	36.6	0.5	62.3	0.9
Personal	5,150.1	76.4	5,254.7	76.7
Miscellaneous	176.8	2.6	190.0	2.8
TOTAL	**6,742.7**	**100.0**	**6,847.3**	**100.0**

A breakdown of the various private sector categories revealed that personal loans—which represented the largest share (80.7%) of total Bahamian dollar claims—decreased by $10.1 million (0.2%), vis-à-vis the previous year's $32.8 million (0.6%) expansion. Underlying this outturn, residential mortgages decreased by $7.1 million (0.3%), inclusive of some NPL sales, while consumer loans fell by $4.0 million (0.2%). In a modest offset, overdrafts grew by $1.1 million (1.8%).

With regard to consumer credit, net repayments were recorded for debt consolidation ($14.6 million), land purchases ($4.8 million), home improvement ($3.5 million) and medical ($0.4 million). In contrast, increases were registered for miscellaneous credit ($8.8 million), education ($5.6 million), travel

($4.6 million), and credit cards ($4.6 million), while more muted gains of less of $1.0 million occurred for taxis & rented cars and commercial vehicles.

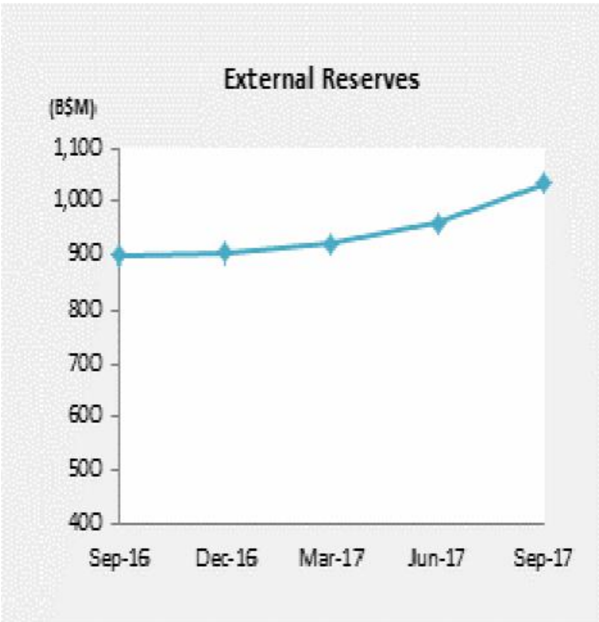
A further disaggregation of private sector credit, showed that net repayments were recorded for construction ($53.4 million), entertainment & catering ($23.2 million), professional & other services ($20.2 million), distribution ($16.6 million), transport ($4.0 million) and tourism ($1.6 million), while small reductions of under $1.0 million were noted for miscellaneous, agriculture and mining & quarrying. In contrast, gains were registered for fisheries by $4.1 million, while manufacturing and private financial institutions both firmed by $0.7 million.

MORTGAGES

Data provided by the Bahamas Mortgage Corporation, insurance companies and commercial banks, indicated that the value of total mortgages outstanding fell by $53.2 million (1.7%) to $3,072.1 million, contrasting with the previous year's $12.0 million (0.4%) growth. The dominant residential component—which accounted for 93.9% of the total—declined by $5.8 million (0.2%) to $2,884.1 million, vis-a-vis a $0.6 million (0.02%) increase last year. Similarly, the commercial mortgages component decreased by $47.4 million (20.1%) to $188.0 million, compared to an $11.4 million (5.2%) expansion in 2016. At end-September, the largest proportion of outstanding mortgages continued to be held by domestic banks (88.2%), followed by insurance companies and the Bahamas Mortgage Corporation at 6.4% and 5.4%, respectively.

THE CENTRAL BANK

Reflecting mainly decreased holdings of Treasury bills and Bahamas Government Registered Stock, total net claims on the Government contracted by $63.3 million (7.7%) in the third quarter, a turnaround from a $122.4 million (22.2%) expansion in 2016, when the Bank increased its exposure in short-term Government debt. Further, the Bank's net liabilities to the rest of the public sector firmed by $3.1 million (29.1%) to $13.6 million, in contrast to a $10.4 million decline to a mere $1.4 million in 2016. Buoyed by a rise in deposits, net liabilities to commercial banks expanded by $16.2 million (1.4%) to $1,152.2 million, a reversal from a $34.7 million (3.4%) falloff last year.



Mainly reflecting the receipt of net proceeds from the Government's external loan financing, external reserves expanded by $73.9 million (7.7%) to $1,033.9 million, vis-à-vis a $153.3 million (14.6%) drawdown in the prior year. In particular, the Bank's foreign exchange transactions reversed to a net purchase of $68.5 million, from a net sale of $156.3 million in the comparative period last year, as the Bank recorded a net purchase of $235.6 million from the Government, vis-a-vis a net sale of $22.6 million in 2016. Conversely, the net sale to public corporations—primarily for fuel purchases—and commercial banks, widened by $30.0 million (48.4%) and $3.5 million (4.9%) to $92.0 million and $75.1 million, respectively.

At end-September, the stock of external reserves was equivalent to 26.5 weeks of the current year's merchandise imports, relative to 16.5 weeks in the corresponding period of 2016. After adjusting for the 50% statutory requirement on the Central Bank's Bahamian dollar liabilities, "Useable" reserves firmed by $31.9 million (12.2%) to $293.3 million.

DOMESTIC BANKS

Domestic banks' net foreign liabilities grew by $34.7 million (15.7%), in contrast to 2016's $21.1 million (5.3%) reduction, due mainly to a build-up of non-resident's deposits.

On the domestic side, total credit contracted by $10.9 million (0.1%), vis-à-vis a $28.3 million (0.3%) gain in the prior year. This was due primarily to a $131.2 million (2.1%) reduction in claims on the private sector, following a nearly flat position in 2016, and was attributed to the purchase of one entity's NPLs by the Government's SPV. In contrast, credit to the public corporations expanded by $105.6 million (27.9%), a turnaround from a $55.3 million (11.9%) decline a year earlier. Further, buoyed by increased holdings of Treasury bills, net credit to the Government grew by $14.7 million (0.8%), a slowdown from the $84.5 million (5.4%) expansion in the previous year.

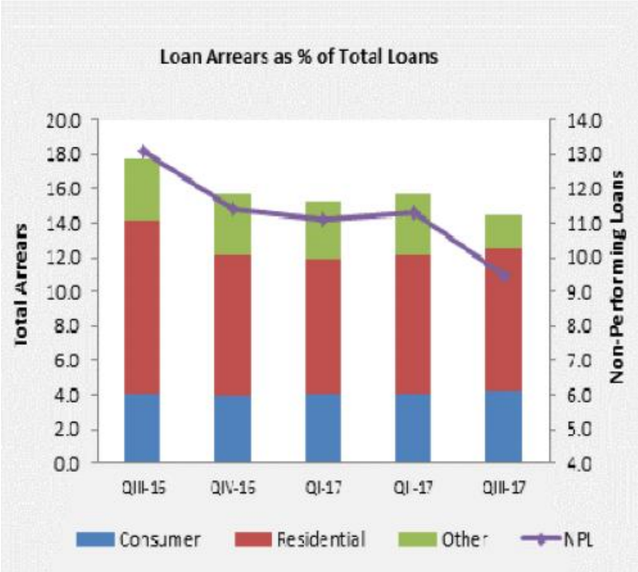
During the review period, total deposit liabilities—inclusive of Government balances—contracted further by $106.1 million (1.5%) to $6,905.2 million, after declining by $168.0 million (2.5%) in 2016. Specifically, private sector balances decreased by $143.9 million (2.2%), versus a $6.8 million (0.1%) uptick a year earlier. Conversely, public sector deposits grew by $20.7 million (6.1%), a reversal from a $6.7 million (1.8%) drawdown last year. In addition, Government's balances rose by $17.1 million (9.4%), vis-à-vis a reduction of $168.2 million (45.7%) in 2016.

The majority of deposits were denominated in Bahamian dollars (95.8%), with the US dollar and other currencies representing smaller proportions of 4.1% and 0.1%, respectively. An analysis by holder revealed that private individuals held the bulk (50.2%) of the local currency accounts, followed by business firms (30.9%), private financial institutions (5.9%), public sector (5.2%), other "private entities (4.9%) and Government (2.9%).

By account type, fixed deposits represented the largest share of balances (42.8%), followed by demand (36.5%) and savings (20.7%). Disaggregated by range of value and number, the majority of accounts (87.7%) held balances of less than $10,000, but consisted of only 6.0% of the total value. Accounts with balances between $10,000 and $50,000 comprised 8.3% of the total number and 10.9% of the overall value, while deposits in excess of $50,000 represented a mere 4.0% of the total number, but constituted a dominant 83.1% of the aggregate value.

CREDIT QUALITY

As a result of the NPL sales, banks' credit quality indicators improved during the third quarter, as total private sector loan arrears decreased by $94.8 million (9.4%). Similar trends were noted on an annual basis, as significant asset sales, combined with banks' loan restructuring practises, contributed to the $218.1 million (19.3%) decrease in loan delinquencies to $912.2 million. In addition, the corresponding ratio of arrears to total private sector loans narrowed by 1.3 percentage points over the three-month period, and by 3.1 percentage points, year-on-year, to 15.8%.



A breakdown by the average age of delinquencies, revealed that non-performing loans—arrears in excess of 90 days and on which banks have stopped accruing interest—contracted by $129.7 million (17.9%) to $597.0 million, representing a 2.0 percentage points decline in the relevant ratio to 10.3% of total loans. In contrast, the short-term (31-90 days) component, expanded by $34.9 million (12.5%) to $315.2 million, with the attendant ratio firming by 71 basis points to 5.5% of total private sector loans.

The quarterly reduction in total private sector loan arrears was concentrated in the commercial segment, which fell by $110.8 million to $121.0 million, resulting in the corresponding ratio declining by 10.9 percentage points to 16.6%. Conversely, delinquencies in the dominant mortgage component—at 57.6% of the total—increased by $13.1 million (2.6%) to $525.2 million, with the associated loan ratio moving higher by 54 basis points to 19.6%. Further, consumer arrears rose by $2.9 million (1.1%) to $266.1 million, elevating the relevant ratio by 16 basis points to 11.3%.

CAPITAL ADEQUACY AND PROVISIONS

Banks' capital remained at robust levels over the review period. Specifically, the ratio of capital to risk-weighted assets firmed by 4.9 percentage points to 32.5% over the three-month period, and remained well in excess of the regulatory prescribed target and trigger ratios of 17.0% and 14.0%, respectively. Reflecting the reduction in loan delinquencies due mainly to asset sales, commercial banks decreased their total provisions against loan losses by $83.0 million (16.4%) to $424.4 million, resulting in a consequent fall in the ratios of provisions to both non-performing loans and total arrears, by 1.3 and 3.9 percentage points to 71.1% and 46.5%, respectively. Banks also wrote-off an estimated $39.0 million in delinquent loans and recovered approximately $7.3 million during the review quarter.

BANK PROFITABILITY

During the second quarter of 2017—the latest available data—banks' overall profitability fell by 26.9% to $31.3 million, underpinned by a reduction in interest income and increased provisions for bad debt. Specifically, the net interest margin declined by 1.3% to $130.6 million, attributed to a 3.8% falloff in interest income to $146.8 million, which overshadowed the 20.5% decrease in the smaller interest expense component to $16.2 million. In contrast, commission and foreign exchange earnings rose by 5.4% to $7.0 million, slowing the reduction in the gross earnings margin to $1.3 million (1.0%), for an ending position of $137.6 million.

Banks' total operating outlays decreased slightly by $0.3 million (0.3%) to $88.9 million, on account of reductions in staff and occupancy costs by $1.9 million (4.6%) and by $0.3 million (3.8%), respectively. These outstripped the $1.9 million (4.8%) gain in other operating expenses—inclusive of professional fees, depreciation and rental expense. Further, reflecting a $15.3 million (42.4%) hike in provisions for bad debt and a $0.2 million (4.2%) increase in depreciation costs, which outweighed the $5.0 million (15.3%) rise in other "non-interest" earnings, net costs on "non-core" activities expanded by almost three-fold to $17.4 million, from $6.9 million a year earlier.

In line with the falloff in income, banks' profitability ratios—as measured relative to average assets—declined over the review period. The gross earnings margin weakened by 5 basis points to 5.42%, underpinned by a reduction in the interest margin by 7 basis point to 5.14%. In contrast, the commission & foreign exchange income ratio firmed slightly by 1 basis point to 0.28%. Further, the operating cost ratio moved slightly lower by 1 basis point to 3.5%, tempering the decline in the net earnings ratio by 4 basis points to 1.92%. After accounting for the expansion in depreciation costs and bad debt provisioning, the net income ratio narrowed by 45 basis points to 1.23%.

INTEREST RATES

During the third quarter, the commercial banks' weighted average interest rate spread declined by 38 basis points to 10.66 percentage points, owing to an identical reduction in the average lending rate to 11.64%, while the average deposit rate remained at 0.98%.

Given the environment of buoyant liquidity conditions, the average savings rate fell by 4 basis points to 0.68%. Similarly, the average return on fixed deposits fell, and the spread narrowed to 0.63% - 1.61%, from 0.66% - 1.80% in the previous quarter. In contrast, the average rate offered on demand balances firmed marginally by 4 basis points to 0.29%.

On the lending side, the average cost of borrowing for commercial mortgages increased by 17 basis points to 6.75%. In contrast, the average rate on residential mortgages and consumer loans declined by 59 and 46 basis points, to 5.41% and 13.36%, respectively. Similarly, overdraft rates softened by 53 basis points to 10.12%.

Banking Sector Interest Rates

Period Average (%)

	Qtr. III 2016	Qtr. II 2017	Qtr. III 2017
Deposit Rates			
Demand Deposits	0.27	0.25	0.29
Savings Deposits	0.72	0.72	0.68
Fixed Deposits			
Up to 3 months	0.94	0.68	0.74
Up to 6 months	0.89	0.66	0.63
Up to 12 months	1.43	1.32	1.11
Over 12 months	2.02	1.80	1.61
Weighted Avg Deposit	**1.14**	**0.98**	**0.98**
Lending Rates			
Residential mortgages	6.20	6.00	5.41
Commercial mortgages	8.29	6.58	6.75
Consumer loans	14.37	13.82	13.36
Other Local Loans	8.04	6.23	5.92
Overdrafts	11.60	10.65	10.12
Weighted Avg Loan Rate	**12.93**	**12.02**	**11.64**

In terms of other key interest rates, the average 90-day Treasury bill rate steadied at 1.77% over the prior quarter, while the Central Bank's Discount rate and the commercial banks' Prime rate, remained unchanged at 4.00% and 4.25%, respectively.

CAPITAL MARKET DEVELOPMENTS

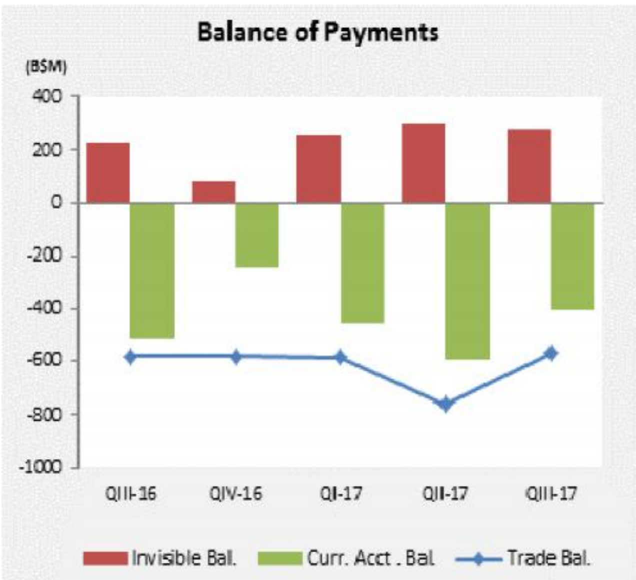
Domestic capital market developments were relatively positive over the review quarter, reflecting in part the modest improvement in economic conditions. In particular, the total volume of securities traded on the Bahamas International Securities Exchange (BISX), grew by 24.7% to 1.1 million, exceeding the 7.3% gain in the prior year. Similarly, the aggregate value of the shares traded increased more than two-fold to $20.7 million, from $9.9 million in the comparative 2016 period.

Despite the increase in trading volumes, declines in some of the share prices led to the BISX All share Index falling by 4.2% to 1,865.9 points, extending the 0.8% decrease recorded in the previous year. Similarly, market capitalization contracted by 4.7% (11.2%) to $3.9 billion, versus a 2.9% gain in the prior year.

As at end-September, the number of publically traded securities listed on the exchange remained at 52, and consisted of 20 ordinary shares, 13 preference shares and 19 debt tranches.

INTERNATIONAL TRADE AND PAYMENTS

Partial data for the third quarter of 2017, indicated that the current account deficit narrowed by approximately $108.0 million to an estimated $404.4 million over the prior year. Underpinning this outturn was a sharp contraction in net income outflows, combined with a rise in the services account surplus and a reduction in the merchandise trade deficit. Buoyed by the Government's external borrowing activities, the balance on the capital and financial account reversed to a surplus of $383.0 million, from a deficit of $56.5 million in the prior year.



The estimated merchandise trade deficit narrowed by $9.8 million (1.7%) to $571.2 million, as exports grew by $9.2 million (8.8%) to $113.7 million, and imports decreased marginally by $0.6 million (0.1%). In terms of composition, net non-oil imports declined by $47.6 million (9.8%) to $437.0 million, however estimated payments for fuel purchases rose by $49.9 million (37.8%) to $181.9 million, reflecting an increase in the volume of fuel imports and the recent uptick in global oil prices. Specifically, average cost increases were registered for all oil product categories, with the largest gains occurring for aviation gas, by 62.5% to $163.64 per barrel. Further, the average per barrel prices firmed for propane gas and jet fuel by 20.0% and 13.9%, to $48.24 and $68.88 per barrel, respectively. More modest cost increases were noted for motor gas (by 4.6% to $72.50) and gas oil (by 0.1% to $64.44).

The estimated surplus on the services account firmed by $52.3 million (22.9%) to $280.9 million. This outturn reflected a decrease in net outflows for transportation services, by $26.2 million (38.4%) to $41.9 million, as passenger and air & sea freight declined over the period. Similarly, net outflows for other "miscellaneous" services decreased by $25.7 million (17.2%) to $123.9 million and outflows related to Government services moved lower by $14.8 million (30.5%) to $33.8 million, due to reduced charges on the resident Government component. Further, net insurance service outflows fell by $13.7 million (30.1%) to $31.9 million, reflecting mainly a one-third ($13.2 million) falloff in non-merchandise insurance payments. In addition, the net outflows for royalty & license fees were more than halved to $3.8 million, from $7.8 million, while income from the local operations of offshore companies, grew by $2.0 million (4.0%) to $49.5 million. In contrast, net travel receipts—the largest component of the services account—declined by $35.7 million (7.1%) to $466.7 million.

The estimated deficit on the income account was nearly halved to $77.9 million from $142.3 million in 2016. Net investment income outflows contracted by $64.2 million (48.5%) to $68.1 million, attributed to a $64.9 million (55.7%) reduction in private companies' net interest and dividend payments to $51.6 million. Specifically, commercial banks recorded net dividend receipts of $7.1 million, compared to net payments of $43.2 million in the prior year, while net outflows by non-bank entities decreased by $14.5 million (19.8%) to $58.7 million. In a modest offset, net outflows for official transactions edged-up by $0.7 million (4.1%).

Net current transfer payments more than doubled to $36.1 million from $17.7 million in the previous year. Underlying this outturn was a significant increase in net workers' remittances, which grew by $31.3 million (64.7%) to $79.6 million, overshadowing the turnaround in net other "miscellaneous" private transfers to a net receipt of $11.0 million from a net outflow of $2.5 million in the prior year. Further, net transfer receipts to the Government decreased modestly by $0.7 million (2.0%) to $32.5 million.

The reversal in the balance on the capital and financial account to a surplus during the review period, was due in large measure to an increase in net external debt financing by the public sector. Reflecting this development, "other" credit-financed flows reversed to a net receipt of $372.3 million, from a net repayment of $85.1 million in 2016. Specifically, supported by the receipt of net proceeds from the Government's external loan financing, the public sector recorded a net borrowing of $335.4 million, vis-à-vis a net repayment of $84.1 million in 2016. Similarly, domestic banks' net short-term transactions shifted to a net inflow of $34.7 million, from a net repayment of $21.1 million a year earlier. Further, net private loan-based financing inflows stood at $2.2 million, contrasting with the prior year's net outflows of $63.3 million. In addition, residents' net portfolio investments abroad fell by $5.2 million to $2.2 million, due to a reduction in equity investments. In a slight offset, net private direct investment inflows were reduced by $17.2 million to $21.4 million, as the fall in net equity investment inflows by $20.8 million to $25.3 million, outstripped the $3.6 million decrease in net outflows for real estate purchases to $3.9 million.

As a result of these developments, and after adjusting for net errors and omissions, the overall balance, which corresponds to the change in Central Bank's external reserves, shifted to a surplus of $73.9 million from a $153.3 million deficit in 2016.

INTERNATIONAL ECONOMIC DEVELOPMENTS

Despite the short-term disruption caused by the impact of severe storms on several major countries during the review period, indicators are that global economic indicators continued to improve over the third quarter. Reflecting this development, the International Monetary Fund (IMF) raised its forecast for world output growth in 2017 upwards by 10 basis points to 3.6%, citing improvements in consumer confidence, investment, and industrial production. In addition, unemployment rates among the major economies continued to trend downwards, while inflation remained relatively subdued; although crude oil prices increased modestly. Against this backdrop, the major central banks either maintained or expanded their accommodative monetary policy stance.

During the third quarter, real GDP in the United States increased by 3.0% over the three-month period, after growing by 3.1% in the second quarter; although the passage of Hurricanes Irma and Harvey caused some short-term disruptions to activity in a few southern states. The increase in output was largely due to gains in private inventory investments and exports, which offset a hurricane-related slowdown in consumer spending. In addition, real economic output strengthened by 0.4% in the United Kingdom, following the 0.3% expansion registered in the June quarter, driven by broad-based growth in the mining & quarrying, agriculture, forestry & fishing and manufacturing sectors. Amid the uncertainty caused by political events in Spain and Germany—two of the region's larger economies—the euro area's real output expansion slowed slightly to 0.6% in the third quarter from 0.7% in the previous period. In Asia, China's economy continued to grow at a relatively healthy pace of 6.8%, after a gain of 6.9% in the prior period, supported by growth in information technology services, business services and industrial production. Similarly, Japan's economy expanded marginally by 0.3% on a quarterly basis, although slower than the 0.6% gain recorded in the prior three-month period, buttressed by a spike in exports, which overshadowed the falloff in private consumption and domestic demand.

Reflecting the gradual improvement in economic conditions, the jobless rates in the major countries continued to decline over the third quarter. In the United States, non-farm payrolls increased by an estimated 364,000 persons, led by gains in health care, transportation and warehousing jobs, which overshadowed the hurricane-related declines in employment in the food services industry. As a result, at the end of the quarter, the unemployment rate stood at 4.3%, a 10 basis point reduction over the prior three-month period. Similar trends were recorded in Europe, as the jobless rate in the euro area continued to trend downwards, decreasing by 20 basis points to 8.9% over the quarter—the lowest rate in over a decade—while the United Kingdom's unemployment rate fell by 10 basis points to a forty year low of 4.3%. Trends in Asian markets were comparable, with the region's two largest economies sustaining their full employment levels. Specifically, the jobless rates in both Japan and China fell by 20 and 5 basis points to 2.8% and 4.0%, respectively.

Inflation rates remained relatively subdued over the quarter; although higher energy costs led to some firming in rates over the review period. In the United States, gains in gasoline prices contributed to a 60 basis point increase in the inflation rate to 2.2% in the twelve months to

September. Similarly, the growth in the United Kingdom's average consumer prices quickened by 20 basis points to an annualized 2.8%, due to the rising costs for food, recreational goods and transport. In addition, the euro area's annualized inflation rate accelerated by 20 basis points to 1.5%, led by higher energy prices. With regards to Asia, Japan's annual inflation increased by 40 basis points to 0.7%, driven by higher prices for fuel, light and water, while China's consumer prices rose by 1.5% on an annual basis, on par with the increase in previous 3-month period, attributed to gains in average health care, housing and education costs.

Currency market developments were mixed over the review period. Specifically, the dollar appreciated vis-à-vis the Swiss Franc, by 1.1% to CHF0.96, the Chinese Yuan by 0.57% to CNY6.77 and the Japanese Yen, by 0.14% to ¥112.37. In contrast, the dollar fell relative to the Canadian dollar, by 3.8% to CAD$1.25, the Euro by 3.3% to €0.88 and the British pound, by 2.8% to £0.75.

The major stock market indices moved generally higher over the review period, reflecting in part signs that legislation would soon be passed aimed at reducing taxes and stimulating the United States economy. Specifically, the Dow Jones Industrial Average (DIJA) and S&P 500 indices firmed by 4.9% and 4.0%, respectively, in the United States. Further, European markets moved higher, attributed to gains in both Germany's DAX and France's CAC 40 by 4.1%, while the United Kingdom's FTSE 100 grew at a slower pace of 0.82%, reflecting in part increased "BREXIT" concerns among investors. Similarly, in Asia, gains were recorded for China's SE Composite and Japan's Nikkei 225 indices by 4.9% and 1.6%, respectively.

Reflecting OPEC's ongoing commitment to curb production and the temporary loss of refining capacity due to the impact of severe storms on the US coast, average crude oil prices rose by 4.0% to $52.32 per barrel during the third quarter. Similarly, the cost of gold climbed by 3.1% to $1,280.15 per troy ounce; although it remained well below the highs seen in September, while the price of silver rose marginally by 0.2% to $16.65 per troy ounce.

Developments in the external sector were generally positive over the review quarter, as the deficit in goods and services in the United States narrowed by approximately 5.8% to $129.8 billion, bolstered by a 1.2% expansion in exports of mainly consumer goods, while imports were relatively flat. In contrast, supported by a 1.6% uptick in machinery and fuel purchases from abroad and a 0.2% reduction in exports, the United Kingdom's trade deficit deteriorated by 31.2% (£3.0 billion) to £9.5 billion. In the euro area, the goods surplus expanded by 8.3% to €64.2 billion in the third quarter, as the 0.4% rise in exports, outpaced the 0.6% decline in imports. Asia's largest trading nations showed improvements in their external sectors over the review period, as Japan's trade surplus surged by 40.4% to ¥1,199.2 billion, owing to a 4.5% rise in mainly exports of vehicles and vehicle parts, which surpassed the 1.7% growth in imports. Similarly, China's trade surplus firmed by US$4.0 billion to US$117.2 billion, owing to a 4.3% gain in commodity-related exports, which overshadowed the 6.1% rise in imports of mainly iron ore and copper.

Given the positive economic developments over the third quarter, most of the major central banks maintained their accommodative monetary policy stance. In particular, the Bank of England kept its Bank Rate at 0.25% and sustained its asset purchase programme at £435.0 billion. Similarly, the European Central Bank held its interest rates at historic lows, to support the economies of the euro area. In Asia, the Bank of Japan held the pace of its purchases of exchanged-traded funds constant, while the People’s Bank of China maintained its accommodative monetary policy stance. In addition, the United States Federal Reserve sustained the target range for interest rates at 1.00%-1.25%; however, the Bank also signalled that rates would continue to be gradually raised over the near-term.

STATISTICAL APPENDIX (TABLES 1-16)

TABLE 1
FINANCIAL SURVEY

Period	2013	2014	2015	2016 Mar.	2016 Jun.	2016 Sept.	2016 Dec.	2017 Mar.	2017 Jun.	2017 Sept.
(B$ Millions)										
Net foreign assets	46.7	286.4	280.2	482.6	656.2	524.1	678.5	607.3	739.5	778.5
Central Bank	741.6	787.7	811.9	994.9	1,052.1	898.8	904.0	920.5	960.0	1,033.9
Domestic Banks	(694.9)	(501.2)	(531.7)	(512.4)	(395.9)	(374.7)	(225.4)	(313.2)	(220.5)	(255.3)
Net domestic assets	6,270.6	6,103.7	6,093.7	6,013.8	5,920.8	6,050.8	6,251.4	6,277.6	6,403.0	6,233.6
Domestic credit	8,957.1	8,870.5	8,966.2	8,900.4	8,810.5	8,961.1	9,128.4	9,116.4	9,285.7	9,211.0
Public sector	2,406.0	2,503.6	2,666.4	2,614.3	2,574.1	2,725.7	2,957.6	2,936.4	3,128.7	3,185.2
Government (net)	1,946.6	2,024.0	2,198.0	2,150.9	2,100.6	2,307.5	2,551.4	2,540.2	2,741.6	2,693.0
Rest of public sector	459.4	479.7	468.4	463.4	473.5	418.2	406.3	396.1	387.0	492.1
Private sector	6,551.1	6,366.9	6,299.7	6,286.1	6,236.4	6,235.5	6,170.8	6,180.1	6,157.0	6,025.8
Other items (net)	(2,686.5)	(2,766.8)	(2,872.4)	(2,886.6)	(2,889.6)	(2,910.3)	(2,877.0)	(2,838.8)	(2,882.7)	(2,977.4)
Monetary liabilities	6,317.2	6,390.0	6,373.8	6,498.8	6,577.2	6,575.1	6,930.1	6,885.2	7,142.8	7,012.4
Money	1,641.2	1,995.7	2,071.2	2,143.1	2,198.0	2,298.0	2,460.6	2,430.2	2,659.3	2,606.6
Currency	214.4	232.8	246.6	246.9	247.6	255.5	280.5	281.5	294.1	284.3
Demand deposits	1,426.8	1,762.9	1,824.7	1,896.1	1,950.4	2,042.5	2,180.1	2,148.7	2,365.2	2,322.3
Quasi-money	4,676.0	4,394.3	4,302.6	4,355.8	4,379.2	4,277.0	4,469.5	4,455.0	4,483.5	4,405.8
Fixed deposits	3,288.0	3,101.9	2,966.5	2,970.9	2,931.2	2,865.2	2,866.3	2,840.5	2,779.3	2,756.4
Savings deposits	1,114.0	1,067.5	1,148.3	1,178.5	1,217.3	1,218.6	1,295.6	1,316.7	1,380.9	1,368.1
Foreign currency	274.0	224.8	187.8	206.4	230.7	193.2	307.6	297.8	323.3	281.3
(percentage changes)										
Total domestic credit	3.1	(1.0)	1.1	(0.7)	(1.0)	1.7	1.9	(0.1)	1.9	(0.8)
Public sector	16.6	4.1	6.5	(2.0)	(1.5)	5.9	8.5	(0.7)	6.5	1.8
Government (net)	22.1	4.0	8.6	(2.1)	(2.3)	9.8	10.6	(0.4)	7.9	(1.8)
Rest of public sector	(1.9)	4.4	(2.4)	(1.1)	2.2	(11.7)	(2.9)	(2.5)	(2.3)	27.2
Private sector	(1.2)	(2.8)	(1.1)	(0.2)	(0.8)	(0.0)	(1.0)	0.1	(0.4)	(2.1)
Monetary liabilities	0.2	1.2	(0.3)	2.0	1.2	(0.0)	5.4	(0.6)	3.7	(1.8)
Money	4.2	21.6	3.8	3.5	2.6	4.6	7.1	(1.2)	9.4	(2.0)
Currency	(0.9)	8.6	5.9	0.1	0.3	3.2	9.8	0.4	4.5	(3.3)
Demand deposits	5.0	23.6	3.5	3.9	2.9	4.7	6.7	(1.4)	10.1	(1.8)
Quasi-money	(1.1)	(6.0)	(2.1)	1.2	0.5	(2.3)	4.5	(0.3)	0.6	(1.7)

Source: The Central Bank of The Bahamas

TABLE 2
MONETARY SURVEY

Period	2013	2014	2015	2016 Mar.	2016 Jun.	2016 Sept.	2016 Dec.	2017 Mar.	2017 Jun.	2017 Sept.
(B$ Millions)										
Net foreign assets	76.4	334.2	360.1	571.6	750.1	596.1	730.5	675.8	790.1	828.9
Central Bank	741.6	787.7	811.9	994.9	1,052.1	898.8	904.0	920.5	960.0	1,033.9
Commercial banks	(665.2)	(453.5)	(451.8)	(423.4)	(302.0)	(302.7)	(173.5)	(244.6)	(169.9)	(204.9)
Net domestic assets	6,189.3	6,002.0	5,956.8	5,872.0	5,769.5	5,921.7	6,131.5	6,161.6	6,279.0	6,132.6
Domestic credit	8,929.8	8,837.0	8,926.2	8,855.5	8,766.7	8,930.9	9,097.0	9,074.4	9,239.6	9,184.4
Public sector	2,396.6	2,492.5	2,653.2	2,604.4	2,563.2	2,710.0	2,941.4	2,925.1	3,101.5	3,175.1
Government (net)	1,937.7	2,013.2	2,187.2	2,143.3	2,092.1	2,292.2	2,535.5	2,529.3	2,714.8	2,683.3
Rest of public sector	458.9	479.3	466.0	461.0	471.2	417.8	405.9	395.8	386.7	491.8
Private sector	6,533.2	6,344.5	6,273.0	6,251.1	6,203.5	6,221.0	6,155.6	6,149.4	6,138.2	6,009.3
Other items (net)	(2,740.5)	(2,834.9)	(2,969.4)	(2,983.5)	(2,997.2)	(3,009.2)	(2,965.5)	(2,912.9)	(2,960.6)	(3,051.8)
Monetary liabilities	6,265.6	6,336.1	6,316.8	6,446.1	6,519.9	6,518.0	6,862.1	6,837.8	7,069.4	6,961.8
Money	1,610.9	1,955.0	2,024.9	2,101.0	2,155.6	2,257.6	2,406.8	2,397.4	2,603.7	2,568.5
Currency	214.4	232.8	246.6	246.9	247.6	255.5	280.5	281.5	294.1	284.3
Demand deposits	1,396.5	1,722.2	1,778.3	1,854.0	1,908.0	2,002.1	2,126.4	2,115.9	2,309.6	2,284.2
Quasi-money	4,654.7	4,381.1	4,291.9	4,345.1	4,364.3	4,260.5	4,455.3	4,440.4	4,465.7	4,393.4
Savings deposits	1,114.0	1,067.5	1,148.3	1,178.5	1,216.5	1,218.0	1,295.0	1,316.5	1,380.8	1,368.1
Fixed deposits	3,266.7	3,088.8	2,955.9	2,960.2	2,917.1	2,853.7	2,854.8	2,828.0	2,766.3	2,744.9
Foreign currency deposits	274.0	224.8	187.8	206.4	230.7	188.8	305.5	295.9	318.6	280.3
(percentage change)										
Total domestic credit	3.1	(1.0)	1.0	(0.8)	(1.0)	1.9	1.9	(0.2)	1.8	(0.6)
Public sector	16.9	4.0	6.4	(1.8)	(1.6)	5.7	8.5	(0.6)	6.0	2.4
Government (net)	22.5	3.9	8.6	(2.0)	(2.4)	9.6	10.6	(0.2)	7.3	(1.2)
Rest of public sector	(1.9)	4.4	(2.8)	(1.1)	2.2	(11.3)	(2.9)	(2.5)	(2.3)	27.2
Private sector	(1.2)	(2.9)	(1.1)	(0.3)	(0.8)	0.3	(1.1)	(0.1)	(0.2)	(2.1)
Monetary liabilities	0.3	1.1	(0.3)	2.0	1.1	(0.0)	5.3	(0.4)	3.4	(1.5)
Money	4.5	21.4	3.6	3.8	2.6	4.7	6.6	(0.4)	8.6	(1.4)
Currency	(0.9)	8.6	5.9	0.1	0.3	3.2	9.8	0.4	4.5	(3.3)
Demand deposits	5.4	23.3	3.3	4.3	2.9	4.9	6.2	(0.5)	9.2	(1.1)
Quasi-money	(1.1)	(5.9)	(2.0)	1.2	0.4	(2.4)	4.6	(0.3)	0.6	(1.6)

Source: The Central Bank of The Bahamas

TABLE 3
CENTRAL BANK BALANCE SHEET

(B$ Millions)

Period	2013	2014	2015	2016				2017		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
Net foreign assets	741.6	787.7	811.9	994.9	1,052.1	898.8	904.0	920.5	960.0	1,033.9
Balances with banks abroad	122.4	155.2	206.6	380.1	389.6	260.3	254.8	251.6	286.0	340.4
Foreign securities	551.0	544.9	521.7	511.5	559.9	536.0	550.5	569.3	571.9	590.0
Reserve position in the Fund	9.6	9.1	8.7	27.2	27.0	26.9	25.9	26.2	26.8	27.3
SDR holdings	58.6	78.5	75.0	76.2	75.7	75.5	72.7	73.4	75.2	76.3
Net domestic assets	374.7	375.6	340.6	333.1	387.3	513.5	555.3	520.6	647.0	582.2
Net claims on Government	493.1	523.4	493.7	487.4	546.1	668.5	716.6	690.5	826.5	763.2
Claims	545.3	571.4	523.1	511.3	568.9	696.9	731.9	711.1	860.3	781.9
Treasury bills	186.6	119.7	126.6	114.2	171.7	259.5	223.9	202.1	357.5	317.8
Bahamas registered stock	223.5	316.5	261.1	261.5	261.5	301.5	372.6	373.4	367.1	328.3
Loans and advances	135.2	135.2	135.4	135.5	135.7	135.9	135.4	135.5	135.7	135.9
Deposits	(52.1)	(48.0)	(29.4)	(23.8)	(22.9)	(28.4)	(15.3)	(20.6)	(33.8)	(18.8)
In local currency	(52.1)	(48.0)	(29.4)	(23.8)	(22.9)	(28.4)	(15.3)	(20.6)	(33.8)	(18.8)
In foreign currency	-	-	-	-	-	-	-	-	-	-
Deposits of rest of public sector	(11.7)	(26.0)	(17.3)	(13.6)	(17.8)	(7.5)	(12.6)	(15.7)	(19.3)	(21.8)
Credit to commercial banks	-	-	-	-	-	-	-	-	-	-
Official capital and surplus	(140.0)	(152.3)	(163.7)	(158.7)	(159.3)	(159.4)	(173.1)	(172.5)	(170.8)	(169.6)
Net unclassified assets	23.0	21.1	19.0	9.2	9.5	3.0	15.4	9.4	1.9	2.4
Loans to rest of public sector	4.6	4.2	3.7	3.7	3.6	3.6	3.6	3.7	3.4	3.0
Public Corp Bonds/Securities	5.7	5.2	5.2	5.2	5.2	5.2	5.3	5.3	5.3	5.2
Liabilities To Domestic Banks	(710.3)	(750.2)	(733.5)	(905.8)	(1,017.8)	(983.1)	(1,011.4)	(990.7)	(1,139.6)	(1,155.8)
Notes and coins	(138.1)	(142.5)	(142.4)	(113.9)	(96.9)	(101.3)	(145.1)	(97.6)	(93.7)	(94.4)
Deposits	(572.2)	(607.7)	(591.1)	(791.9)	(920.9)	(881.8)	(866.3)	(893.1)	(1,046.0)	(1,061.4)
SDR allocation	(191.6)	(180.3)	(172.4)	(175.3)	(174.0)	(173.7)	(167.3)	(168.9)	(173.3)	(176.0)
Currency held by the private sector	(214.4)	(232.8)	(246.6)	(246.9)	(247.6)	(255.5)	(280.5)	(281.5)	(294.1)	(284.3)

Source: The Central Bank of The Bahamas

TABLE 4
DOMESTIC BANKS BALANCE SHEET

(B$ Millions)

Period	2013	2014	2015	2016 Mar.	2016 Jun.	2016 Sept.	2016 Dec.	2017 Mar.	2017 Jun.	2017 Sept.
Net foreign assets	(694.9)	(501.2)	(531.7)	(512.4)	(395.9)	(374.7)	(225.4)	(313.2)	(220.5)	(255.3)
Net claims on Central Bank	651.7	749.2	730.0	906.5	1,018.7	984.0	1,012.4	991.7	1,140.6	1,156.7
Notes and Coins	138.1	142.5	142.4	113.9	96.9	101.3	145.1	97.6	93.7	94.4
Balances	513.6	606.7	587.5	792.6	921.8	882.8	867.3	894.0	1,046.9	1,062.4
Less Central Bank credit	-	-	-	-	-	-	-	-	-	-
Net domestic assets	5,803.7	5,537.6	5,569.8	5,499.6	5,325.1	5,345.6	5,483.7	5,563.5	5,567.8	5,442.6
Net claims on Government	1,453.5	1,500.5	1,704.4	1,663.5	1,554.5	1,639.0	1,834.8	1,849.8	1,915.2	1,929.9
Treasury bills	392.4	454.5	662.6	680.0	627.8	557.9	531.9	489.3	475.1	506.5
Other securities	962.2	907.0	895.4	892.3	889.6	891.1	987.1	1,055.5	1,105.9	1,094.3
Loans and advances	253.6	352.1	416.8	419.2	404.9	389.7	502.7	516.6	516.0	528.0
Less: deposits	154.7	213.1	270.5	328.1	367.8	199.6	186.9	211.7	181.8	198.9
Net claims on rest of public sector	118.6	124.6	117.6	109.9	100.9	52.1	31.0	41.2	36.7	121.7
Securities	119.4	219.0	221.0	221.0	218.9	168.6	163.9	163.9	163.9	275.7
Loans and advances	329.8	251.3	238.4	233.6	245.8	240.7	233.5	223.3	214.4	208.3
Less: deposits	330.6	345.7	341.8	344.6	363.9	357.2	366.4	346.0	341.6	362.3
Other net claims	56.4	24.8	43.9	25.7	18.6	24.3	(2.9)	1.0	(5.2)	(4.9)
Credit to the private sector	6,551.1	6,366.9	6,299.7	6,286.1	6,236.4	6,235.5	6,170.8	6,180.1	6,157.0	6,025.8
Securities	16.6	16.8	24.4	25.9	26.7	18.6	19.6	25.8	22.4	19.4
Mortgages	3,310.3	3,211.4	3,164.7	3,165.8	3,139.8	3,139.1	3,035.5	3,024.8	3,028.0	2,972.8
Loans and advances	3,224.2	3,138.7	3,110.7	3,094.4	3,069.9	3,077.8	3,115.7	3,129.4	3,106.6	3,033.7
Private capital and surplus	(2,586.4)	(2,499.2)	(2,651.2)	(2,600.8)	(2,601.5)	(2,638.8)	(2,594.4)	(2,580.9)	(2,639.7)	(2,693.6)
Net unclassified assets	210.6	20.0	55.5	15.2	16.3	33.5	44.5	72.5	103.7	63.8
Liabilities to private sector	5,760.6	5,785.5	5,768.1	5,893.7	5,948.0	5,954.9	6,270.7	6,242.0	6,487.9	6,344.0
Demand deposits	1,593.5	1,830.6	1,868.3	1,949.9	1,998.5	2,075.0	2,287.4	2,261.3	2,482.6	2,383.5
Savings deposits	1,119.9	1,074.1	1,162.0	1,195.6	1,234.7	1,238.8	1,315.0	1,335.1	1,400.9	1,386.1
Fixed deposits	3,047.1	2,880.8	2,737.8	2,748.3	2,714.8	2,641.0	2,668.3	2,645.7	2,604.3	2,574.3

Source: The Central Bank of The Bahamas

TABLE 5

PROFIT AND LOSS ACCOUNTS OF BANKS IN THE BAHAMAS*

(B$'000s)

Period	2013	2014	2015				2016				2017	
			Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II
1. Interest Income	646,083	617,808	148,510	156,468	160,233	161,209	158,211	152,709	150,401	153,783	148,243	146,844
2. Interest Expense	117,811	98,321	21,307	21,850	21,273	20,984	20,807	20,410	18,595	18,547	18,688	16,236
3. **Interest Margin (1-2)**	528,272	519,487	127,203	134,618	138,960	140,225	137,404	132,299	131,806	135,236	129,555	130,608
4. Commission & Forex Income	23,278	22,484	5,657	11,373	5,590	6,910	5,756	6,636	5,802	6,648	7,417	6,993
5. **Gross Earnings Margin (3+4)**	551,550	541,971	132,860	145,991	144,550	147,135	143,160	138,935	137,608	141,884	136,972	137,601
6. Staff Costs	181,910	171,579	42,852	45,619	41,628	40,297	40,906	41,677	41,468	40,840	40,170	39,764
7. Occupancy Costs	30,120	27,797	7,043	7,235	6,944	5,796	6,883	7,025	7,574	7,020	6,549	6,756
8. Other Operating Costs	132,475	279,278	38,156	39,715	34,005	38,753	39,236	40,452	47,833	38,464	49,797	42,378
9. **Operating Costs (6+7+8)**	344,505	478,654	88,051	92,569	82,577	84,846	87,025	89,154	96,875	86,324	96,516	88,898
10. **Net Earnings Margin (5-9)**	207,045	63,317	44,809	53,422	61,973	62,289	56,135	49,781	40,733	55,560	40,456	48,703
11. Depreciation Costs	16,969	14,637	4,005	4,021	4,231	3,512	3,632	3,560	4,099	3,808	3,985	3,710
12. Provisions for Bad Debt	149,114	266,624	42,791	36,705	25,659	27,419	20,347	36,032	30,344	29,405	22,425	51,302
13. Other Income	98,023	103,893	27,284	24,456	27,866	31,657	32,759	32,657	34,300	33,459	30,470	37,649
14. **Other Income (Net) (13-11-12)**	(68,060)	(177,368)	(19,512)	(16,270)	(2,024)	726	8,780	(6,935)	(143)	246	4,060	(17,363)
15. **Net Income (10+14)**	138,985	(114,051)	25,297	37,152	59,949	63,015	64,915	42,846	40,590	55,806	44,516	31,340
16. **Effective Interest Rate Spread (%)**	6.85	6.83	6.92	7.28	7.20	7.12	7.24	7.16	7.28	7.24	6.96	7.04
						(Ratios To Average Assets)						
Interest Margin	5.42	5.31	5.21	5.35	5.56	5.63	5.44	5.21	5.27	5.38	5.14	5.14
Commission & Forex Income	0.22	0.23	0.23	0.45	0.22	0.28	0.23	0.26	0.23	0.26	0.29	0.28
Gross Earnings Margin	5.64	5.54	5.44	5.81	5.78	5.91	5.67	5.47	5.50	5.64	5.43	5.42
Operating Costs	3.68	4.89	3.61	3.68	3.30	3.41	3.45	3.51	3.87	3.43	3.83	3.50
Net Earnings Margin	1.96	0.65	1.84	2.12	2.48	2.50	2.22	1.96	1.63	2.21	1.61	1.92
Net Income/Loss	1.43	-1.16	1.04	1.48	2.40	2.53	2.57	1.69	1.62	2.22	1.77	1.23

***Commercial Banks and OLFIs with domestic operations**

Source: The Central Bank of The Bahamas

TABLE 6
MONEY SUPPLY

(B$ Millions)

End of Period	2013	2014	2015	2016 Mar.	2016 Jun.	2016 Sept.	2016 Dec.	2017 Mar.	2017 Jun.	2017 Sept.
Money Supply (M1)	1,641.2	1,995.7	2,071.2	2,143.1	2,198.0	2,298.0	2,460.6	2,430.2	2,659.3	2,606.6
1) Currency in active circulation	214.4	232.8	246.6	246.9	247.6	255.5	280.5	281.5	294.1	284.3
2) Demand deposits	1,426.8	1,762.9	1,824.7	1,896.1	1,950.4	2,042.5	2,180.1	2,148.7	2,365.2	2,322.3
Central Bank	11.7	26.0	17.3	13.6	17.8	7.5	12.6	15.7	19.3	21.8
Domestic Banks	1,415.1	1,736.9	1,807.3	1,882.6	1,932.7	2,035.1	2,167.6	2,133.0	2,346.0	2,300.4
Factors affecting money (M1)										
1) Net credit to Government	1,946.6	2,024.0	2,198.0	2,150.9	2,100.6	2,307.5	2,551.4	2,540.2	2,741.6	2,693.0
Central Bank	493.1	523.4	493.7	487.4	546.1	668.5	716.6	690.5	826.5	763.2
Domestic banks	1,453.5	1,500.5	1,704.4	1,663.5	1,554.5	1,639.0	1,834.8	1,849.8	1,915.2	1,929.9
2) Other credit	7,010.5	6,846.5	6,768.1	6,749.5	6,709.9	6,653.6	6,577.1	6,576.2	6,544.0	6,518.0
Rest of public sector	459.4	479.7	468.4	463.4	473.5	418.2	406.3	396.1	387.0	492.1
Private sector	6,551.1	6,366.9	6,299.7	6,286.1	6,236.4	6,235.5	6,170.8	6,180.1	6,157.0	6,025.8
3) External reserves	741.6	787.7	811.9	994.9	1,052.1	898.8	904.0	920.5	960.0	1,033.9
4) Other external liabilities (net)	(694.9)	(501.2)	(531.7)	(512.4)	(395.9)	(374.7)	(225.4)	(313.2)	(220.5)	(255.3)
5) Quasi money	4,676.0	4,394.3	4,302.6	4,355.8	4,379.2	4,277.0	4,469.5	4,455.0	4,483.5	4,405.8
6) Other items (net)	(2,686.5)	(2,766.8)	(2,872.4)	(2,886.6)	(2,889.6)	(2,910.3)	(2,877.0)	(2,838.8)	(2,882.7)	(2,977.4)

Source: The Central Bank of The Bahamas

TABLE 7

CONSUMER INSTALMENT CREDIT

(B$' 000)

End of Period	2013	2014	2015	2016				2017		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
CREDIT OUTSTANDING										
Private cars	175,407	186,731	181,447	177,367	179,811	177,103	176,178	176,368	174,265	169,892
Taxis & rented cars	1,077	853	1,026	947	879	855	777	735	770	795
Commercial vehicles	2,334	1,958	1,498	1,381	1,290	1,109	1,050	1,274	1,238	1,247
Furnishings & domestic appliances	7,919	7,911	8,081	7,833	7,994	8,015	8,302	8,491	9,089	9,056
Travel	33,011	30,033	36,836	36,170	38,928	43,721	41,197	40,030	42,427	47,008
Education	33,858	36,571	41,117	40,343	39,369	52,837	52,245	50,540	48,614	54,208
Medical	12,010	11,744	12,471	13,294	13,118	13,144	12,824	13,140	13,170	12,816
Home Improvements	123,943	131,723	114,265	111,294	108,346	108,671	121,959	123,739	123,237	119,768
Land Purchases	225,065	216,760	193,163	187,987	181,767	177,984	169,847	164,302	160,905	156,141
Consolidation of debt	802,727	777,804	802,034	805,547	795,914	979,674	984,569	984,153	969,146	954,528
Miscellaneous	563,322	625,074	640,154	649,073	685,088	515,430	546,313	549,889	559,433	568,221
Credit Cards	241,241	245,254	249,164	243,919	243,214	253,828	256,166	247,825	246,364	250,934
TOTAL	2,221,914	2,272,416	2,281,256	2,275,155	2,295,718	2,332,371	2,371,427	2,360,486	2,348,658	2,344,614
NET CREDIT EXTENDED										
Private cars	(2,120)	11,324	(5,284)	(4,080)	2,444	(2,708)	(925)	190	(2,103)	(4,373)
Taxis & rented cars	(4)	(224)	173	(79)	(68)	(24)	(78)	(42)	35	25
Commercial vehicles	93	(376)	(460)	(117)	(91)	(181)	(59)	224	(36)	9
Furnishings & domestic appliances	(4,091)	(8)	170	(248)	161	21	287	189	598	(33)
Travel	3,519	(2,978)	6,803	(666)	2,758	4,793	(2,524)	(1,167)	2,397	4,581
Education	(686)	2,713	4,546	(774)	(974)	13,468	(592)	(1,705)	(1,926)	5,594
Medical	647	(266)	727	823	(176)	26	(320)	316	30	(354)
Home Improvements	(3,594)	7,780	(17,458)	(2,971)	(2,948)	325	13,288	1,780	(502)	(3,469)
Land Purchases	(7,687)	(8,305)	(23,597)	(5,176)	(6,220)	(3,783)	(8,137)	(5,545)	(3,397)	(4,764)
Consolidation of debt	21,034	(24,923)	24,230	3,513	(9,633)	183,760	4,895	(416)	(15,007)	(14,618)
Miscellaneous	62,097	61,752	15,080	8,919	36,015	(169,658)	30,883	3,576	9,544	8,788
Credit Cards	(2,504)	4,013	3,910	(5,245)	(705)	10,614	2,338	(8,341)	(1,461)	4,570
TOTAL	66,704	50,502	8,840	(6,101)	20,563	36,653	39,056	(10,941)	(11,828)	(4,044)

Source: The Central Bank of The Bahamas

TABLE 8
SELECTED AVERAGE INTEREST RATES

(%)

Period	2013	2014	2015	2016 Qtr. I	2016 Qtr. II	2016 Qtr. III	2016 Qtr. IV	2017 Qtr. I	2017 Qtr. II	2017 Qtr. III
DOMESTIC BANKS										
Deposit rates										
Savings deposits	0.97	0.89	0.83	0.80	0.87	0.72	0.87	0.77	0.72	0.68
Fixed deposits										
Up to 3 months	1.37	1.16	1.13	1.05	0.98	0.94	0.90	0.80	0.68	0.74
Up to 6 months	1.35	1.22	1.08	1.05	1.03	0.89	1.00	0.65	0.66	0.63
Up to 12 months	2.15	1.76	1.71	1.87	1.44	1.43	1.57	1.27	1.32	1.11
Over 12 months	2.20	1.64	1.57	1.64	1.66	2.02	2.15	1.45	1.80	1.61
Weighted average rate	1.68	1.42	1.41	1.36	1.25	1.14	1.22	1.00	0.98	0.98
Lending rates										
Residential mortgages	7.27	7.16	6.47	6.32	6.21	6.20	6.13	6.14	6.00	5.41
Commercial mortgages	8.21	8.02	7.89	7.42	7.00	8.29	8.33	6.38	6.58	6.75
Consumer loans	13.65	13.91	14.26	13.65	14.14	14.37	13.96	13.60	13.82	13.36
Overdrafts	9.32	9.76	10.36	10.78	11.04	11.60	11.09	10.78	10.65	10.12
Weighted average rate	11.10	11.81	12.29	11.83	12.54	12.93	12.68	11.88	12.02	11.64
Other rates										
Prime rate	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.25	4.25	4.25
Treasury bill (90 days)	0.30	0.53	0.68	1.03	1.48	1.94	2.11	1.96	1.77	1.77
Treasury bill re-discount rate	0.80	1.03	1.18	1.53	1.98	2.44	2.61	2.46	2.27	2.27
Bank rate (discount rate)	4.50	4.50	4.50	4.50	4.50	4.50	4.33	4.00	4.00	4.00

Source: The Central Bank of The Bahamas

TABLE 9
SELECTED CREDIT QUALITY INDICATORS OF DOMESTIC BANKS

(%)

Period	2013	2014	2015	2016 Qtr. I	2016 Qtr. II	2016 Qtr. III	2016 Qtr. IV	2017 Qtr. I	2017 Qtr. II	2017 Qtr. III
Loan Portfolio										
Current Loans (as a % of total loans)	**78.4**	**79.7**	**80.9**	**81.1**	**82.6**	**82.3**	**84.3**	**84.7**	**84.3**	**85.5**
Arrears (% by loan type)										
Consumer	5.0	5.2	4.7	4.5	4.3	4.1	4.0	4.0	4.1	4.2
Mortgage	11.0	11.0	10.9	10.8	9.6	10.0	8.1	7.9	8.0	8.3
Commercial	5.5	4.1	3.5	3.6	3.6	3.7	3.6	3.4	3.6	1.9
Public	0.1	0.0	-	-	-	0.0	-	0.0	0.0	0.0
Total Arrears	**21.6**	**20.3**	**19.1**	**18.9**	**17.4**	**17.7**	**15.7**	**15.3**	**15.7**	**14.5**
Total B$ Loan Portfolio	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Loan Portfolio										
Current Loans (as a % of total loans)	**78.4**	**79.7**	**80.9**	**81.1**	**82.6**	**82.3**	**84.3**	**84.7**	**84.3**	**85.5**
Arrears (% by days outstanding)										
30 - 60 days	3.6	2.9	3.1	3.0	2.5	2.9	2.8	2.7	2.7	3.3
61 - 90 days	2.5	2.0	1.8	1.6	1.7	1.7	1.6	1.5	1.7	1.7
90 - 179 days	2.1	2.0	1.6	1.7	1.6	1.7	1.5	1.4	1.5	1.6
over 180 days	13.3	13.3	12.6	12.6	11.7	11.4	9.8	9.8	9.8	7.9
Total Arrears	**21.6**	**20.3**	**19.1**	**18.9**	**17.4**	**17.7**	**15.7**	**15.3**	**15.7**	**14.5**
Total B$ Loan Portfolio	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Non Accrual Loans (% by loan type)										
Consumer	21.5	23.6	22.2	21.7	22.8	20.9	23.2	23.5	23.9	26.4
Mortgage	50.7	53.8	57.4	56.3	54.0	56.1	50.7	50.3	49.6	59.5
Other Private	27.2	22.6	20.4	22.0	23.2	23.0	26.1	26.1	26.5	14.2
Public	0.6	-	-	-	-	-	-	0.0	0.0	0.0
Total Non Accrual Loans	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Provisions to Loan Portfolio										
Consumer	6.1	6.5	7.1	7.4	7.3	7.2	7.4	7.1	7.1	6.6
Mortgage	5.6	8.9	9.9	10.0	10.1	9.8	8.9	7.6	7.8	8.0
Other Private	7.9	11.4	10.2	10.6	11.9	12.2	11.6	12.3	15.4	7.4
Public	-	-	-	-	-	-	-	-	-	-
Total Provisions to Total Loans	6.0	7.9	8.3	8.6	8.6	8.5	8.0	7.4	7.9	6.7
Total Provisions to Non-performing Loans	39.0	51.2	58.5	60.0	65.1	65.4	70.6	66.8	69.8	71.1
Total Non-performing Loans to Total Loans	15.4	15.3	14.2	14.3	13.2	13.1	11.4	11.1	11.3	9.5

Source: The Central Bank of The Bahamas
Figures may not sum to total due to rounding.

TABLE 10
SUMMARY OF BANK LIQUIDITY

(B$ Millions)

Period	2013	2014	2015	2016				2017		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
I. Statutory Reserves										
Required reserves	303.3	311.2	316.9	319.0	324.3	328.4	325.1	330.1	333.8	335.4
Average Till Cash	117.4	122.7	123.0	115.3	96.9	104.3	130.4	99.8	101.3	104.1
Average balance with central bank	593.3	676.6	598.7	782.8	895.5	921.3	945.1	902.6	982.4	1,006.7
Free cash reserves (period ended)	407.4	488.0	404.9	579.2	668.1	697.1	750.5	672.3	749.9	775.4
II. Liquid Assets (period)										
A. Minimum Required Liquid Assets	988.3	1,025.5	1,044.6	1,078.4	1,085.5	1,079.4	1,098.6	1,116.7	1,142.2	1,140.7
B. Net Eligible Liquid Assets	2,126.1	2,182.2	2,361.6	2,547.7	2,603.4	2,504.8	2,579.9	2,588.6	2,768.4	2,798.2
i) Balance with Central Bank	513.6	606.7	587.5	792.6	921.8	882.8	867.3	894.0	1,046.9	1,062.4
ii) Notes and Coins	138.6	143.0	142.9	114.4	97.4	101.8	145.6	98.1	94.2	94.9
iii) Treasury Bills	392.4	454.5	662.6	680.0	627.8	557.9	531.9	489.3	475.1	506.5
iv) Government registered stocks	962.2	907.0	895.4	892.3	889.6	891.1	987.1	1,055.5	1,105.9	1,094.3
v) Specified assets	56.6	56.0	55.6	55.6	53.5	51.0	51.0	51.0	50.9	45.0
vi) Net Inter-bank dem/call deposits	62.7	15.1	17.4	12.8	13.3	20.3	(3.0)	0.7	(4.5)	(4.9)
vii) Less: borrowings from central bank	-	-	-	-	-	-	-	-	-	-
C. Surplus/(Deficit)	1,137.7	1,156.8	1,316.9	1,469.3	1,518.0	1,425.4	1,481.3	1,471.9	1,626.2	1,657.5

Source: The Central Bank of The Bahamas
Figures may not sum to total due to rounding.

TABLE 11
GOVERNMENT OPERATIONS AND FINANCING

(B$ Millions)

Period	2015/16p	2016/17p	Budget		2015/16p		2016/17p				2017/18p
			2016/17	2017/18	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I
Total Revenue & Grants	1,929.6	2,060.5	2,168.8	2,139.0	501.2	532.1	450.4	401.4	605.9	602.8	452.2
Current expenditure	2,005.0	2,339.7	2,024.4	2,231.9	530.4	522.2	469.5	535.4	505.3	829.5	483.4
Capital expenditure	231.3	390.2	242.1	230.9	49.0	92.9	65.1	87.3	75.0	162.7	34.4
Net lending	3.6	0.0	(0.1)	(2.4)	34.8	(33.6)	0.1	(0.0)	(0.0)	(0.0)	(0.0)
Overall balance	**(310.4)**	**(669.4)**	**(97.6)**	**(321.3)**	**(113.0)**	**(49.4)**	**(84.3)**	**(221.3)**	**25.6**	**(389.4)**	**(65.6)**
FINANCING (I+II-III+IV+V)	310.4	669.4	97.6	321.3	113.0	49.4	84.3	221.3	(25.6)	389.4	65.6
I. Foreign currency borrowing	**255.8**	**43.3**	**85.1**	**9.5**	**126.4**	**14.7**	**11.7**	**14.0**	**4.0**	**13.6**	**356.8**
External	205.8	43.3	85.1	9.5	113.0	14.7	11.7	14.0	4.0	13.6	356.8
Domestic	50.0	-	-	-	13.4	-	-	-	-	-	-
II. Bahamian dollar borrowing	**411.1**	**1,132.1**	**299.5**	**743.5**	**38.4**	**22.7**	**206.6**	**546.2**	**86.6**	**292.7**	**97.6**
i)Treasury bills	301.2	337.7	-	-	28.3	12.7	37.6	70.7	11.6	217.7	8.6
ii)Long-term securities	87.3	545.0	-	-	-	-	155.0	240.0	75.0	75.0	75.0
iii)Loans and Advances	22.6	249.5	-	-	10.1	10.0	14.0	235.5	-	-	14.0
III. Debt repayment	**322.7**	**595.1**	**287.1**	**426.2**	**34.4**	**107.3**	**146.8**	**265.1**	**88.5**	**94.8**	**133.8**
Domestic	294.3	557.1	258.9	388.6	26.2	100.1	136.2	258.0	75.2	87.7	118.9
Bahamian dollars	244.3	557.1	258.9	388.6	26.2	50.1	136.2	258.0	75.2	87.7	118.9
Internal foreign currency	50.0	-	-	-	-	50.0	-	-	-	-	-
External	28.5	38.1	28.2	37.6	8.2	7.2	10.6	7.1	13.3	7.1	14.9
IV.Net Sale of Shares & Other Equity	**-**	**(120.2)**	**-**	**-**	**-**	**-**	**(102.5)**	**-**	**(17.7)**	**-**	**(50.0)**
V.Cash balance change	**(110.4)**	**227.6**	**-**	**-**	**(49.4)**	**(41.1)**	**162.3**	**25.8**	**22.7**	**16.7**	**(2.1)**
VI.Other Financing	**76.6**	**(18.3)**	**-**	**(5.5)**	**32.0**	**160.4**	**(47.0)**	**(99.6)**	**(32.8)**	**161.2**	**(203.0)**

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

TABLE 12
NATIONAL DEBT

(B$ '000s)

Period	2014	2015	2016	2016 Mar.	2016 Jun.	2016 Sept.	2016 Dec.	2017 Mar.	2017 Jun.	2017 Sept.
TOTAL EXTERNAL DEBT	1,572,394	1,641,210	1,745,483	1,753,830	1,753,276	1,757,003	1,745,483	1,739,915	1,763,581	2,115,267
By Instrument										
Government Securities	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Loans	672,394	741,210	845,483	853,830	853,276	857,003	845,483	839,915	863,581	1,215,267
By Holder										
Commercial Banks	-	-	-	-	-	-	-	-	-	-
Offshore Financial Institutions	-	-	-	-	-	-	-	-	-	-
Multilateral Institutions	237,002	221,348	216,959	220,285	214,910	219,422	216,959	217,306	216,577	215,524
Bilateral Institutions	70,731	72,352	80,846	72,009	73,093	74,671	80,846	81,594	90,323	88,949
Private Capital Markets	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Other Financial Institutions	364,661	447,510	547,678	561,536	565,273	562,910	547,678	541,015	556,681	910,794
TOTAL INTERNAL DEBT	4,009,658	4,263,352	4,570,098	4,288,905	4,211,490	4,281,896	4,570,098	4,581,539	4,786,541	4,758,310
By Instrument										
Foreign Currency	-	36,615	-	50,000	-	-	-	-	-	-
Government Securities	-	-	-	-	-	-	-	-	-	-
Loans	-	36,615	-	50,000	-	-	-	-	-	-
Bahamian Dollars	4,009,658	4,226,737	4,570,098	4,238,905	4,211,490	4,281,896	4,570,098	4,581,539	4,786,541	4,758,310
Advances	134,657	134,657	134,657	134,657	134,657	134,657	134,657	134,657	134,657	134,657
Treasury Bills	579,282	816,513	793,896	843,606	856,336	857,971	793,896	730,479	870,626	862,043
Government Securities	3,025,473	3,072,783	3,314,783	3,057,783	3,047,783	3,142,783	3,314,783	3,389,783	3,454,783	3,457,783
Loans	270,246	202,784	326,762	202,859	172,714	146,485	326,762	326,620	326,475	303,827
By Holder										
Foreign Currency	-	36,615	-	50,000	-	-	-	-	-	-
Commercial Banks	-	36,615	-	50,000	-	-	-	-	-	-
Other Local Financial Institutions	-	-	-	-	-	-	-	-	-	-
Bahamian Dollars	4,009,658	4,226,737	4,570,098	4,238,905	4,211,490	4,281,896	4,570,098	4,581,539	4,786,541	4,758,310
The Central Bank	567,399	519,533	727,531	507,299	565,484	692,598	727,531	695,407	856,295	774,449
Commercial Banks	1,585,768	1,708,532	1,778,952	1,727,174	1,641,247	1,529,449	1,778,952	1,809,508	1,829,538	1,843,851
Other Local Financial Iinstitutions	10,217	26,395	14,171	9,857	9,857	13,639	14,171	12,285	28,157	11,022
Public Corporations	665,267	650,289	600,691	637,789	632,020	620,523	600,691	610,691	612,684	603,518
Other	1,181,007	1,321,988	1,448,753	1,356,786	1,362,882	1,425,687	1,448,753	1,453,648	1,459,867	1,525,470
TOTAL FOREIGN CURRENCY DEBT	1,572,394	1,677,825	1,745,483	1,803,830	1,753,276	1,757,003	1,745,483	1,739,915	1,763,581	2,115,267
TOTAL DIRECT CHARGE	5,582,052	5,904,562	6,315,581	6,042,735	5,964,766	6,038,899	6,315,581	6,321,454	6,550,122	6,873,577
TOTAL CONTINGENT LIABILITIES	702,613	755,310	729,156	751,406	742,027	730,272	729,156	722,078	720,696	706,728
TOTAL NATIONAL DEBT	6,284,665	6,659,872	7,044,737	6,794,141	6,706,793	6,769,171	7,044,737	7,043,532	7,270,818	7,580,305

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	2014*	2015	2016	2016 Mar.	2016 Jun.**	2016 Sept.	2016 Dec.	2017 Mar.	2017 Jun.	2017 Sept.
Outstanding Debt at Beginning of Period	2,139,696	2,453,016	2,574,001	2,574,001	2,691,398	2,721,880	2,669,275	2,646,751	2,633,273	2,647,164
Government	1,315,109	1,572,394	1,677,825	1,677,825	1,803,830	1,753,276	1,757,003	1,745,483	1,739,915	1,763,581
Public Corporations	824,587	880,622	896,176	896,176	887,568	968,604	912,272	901,268	893,358	883,583
Plus: New Drawings	787,151	188,993	282,333	129,322	115,822	14,576	22,613	7,106	23,739	359,922
Government	491,378	143,384	166,786	126,406	14,723	11,653	14,004	4,037	13,629	356,834
Public corporations	295,773	45,609	115,547	2,916	101,099	2,923	8,609	3,069	10,110	3,088
Less: Amortization	444,774	51,486	193,524	19,732	77,224	69,864	26,704	24,284	26,950	30,024
Government	205,060	21,448	83,071	8,202	57,164	10,608	7,097	13,303	7,059	14,931
Public corporations	239,714	30,038	110,453	11,530	20,060	59,256	19,607	10,981	19,891	15,093
Other Changes in Debt Stock	(29,057)	(16,522)	(16,059)	7,807	(8,116)	2,683	(18,433)	3,700	17,102	9,786
Government	(29,033)	(16,505)	(16,057)	7,801	(8,113)	2,682	(18,427)	3,698	17,096	9,783
Public corporations	(24)	(17)	(2)	6	(3)	1	(6)	2	6	3
Outstanding Debt at End of Period	2,453,016	2,574,001	2,646,751	2,691,398	2,721,880	2,669,275	2,646,751	2,633,273	2,647,164	2,986,848
Government	1,572,394	1,677,825	1,745,483	1,803,830	1,753,276	1,757,003	1,745,483	1,739,915	1,763,581	2,115,267
Public corporations	880,622	896,176	901,268	887,568	968,604	912,272	901,268	893,358	883,583	871,581
Interest Charges	125,009	133,117	143,735	27,926	43,182	33,155	39,472	35,106	39,370	35,559
Government	75,372	79,963	87,477	15,038	28,354	19,931	24,154	20,474	23,950	20,987
Public corporations	49,637	53,154	56,258	12,888	14,828	13,224	15,318	14,632	15,420	14,572
Debt Service	569,783	184,603	337,259	47,658	120,406	103,019	66,176	59,390	66,320	65,583
Government	280,432	101,411	170,548	23,240	85,518	30,539	31,251	33,777	31,009	35,918
Public corporations	289,351	83,192	166,711	24,418	34,888	72,480	34,925	25,613	35,311	29,665
Debt Service ratio	16.0	5.4	9.9	5.4	12.6	12.9	8.6	6.4	6.9	8.3
Government debt Service/ Government revenue (%)	19.0	5.3	9.0	4.6	16.1	6.8	7.8	5.6	5.1	7.9
MEMORANDUM										
Holder distribution (B$ Mil):										
Commercial banks	276.8	319.1	297.8	329.3	359.6	304.8	297.8	289.0	278.6	268.2
Offshore Financial Institutions	-	-	-	-	-	-	-	-	-	-
Multilateral Institutions	288.9	281.9	285.8	280.6	278.4	282.7	285.8	285.9	290.5	289.2
Bilateral Institutions	70.7	72.4	80.8	72.0	73.1	74.7	80.8	81.6	90.3	88.9
Other	916.6	1,000.6	1,082.3	1,109.5	1,110.8	1,107.1	1,082.3	1,076.8	1,087.7	1,440.5
Private Capital Markets	900.0	900.0	900.0	900.0	900.0	900.0	900.0	900.0	900.0	900.0

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

* Debt servicing for 2014 includes the refinancing of $191 million & $210.2 million in Government's & Public Corporations' debt. Net of these transactions, the Debt Service Ratio was 4.7% and the Government Debt Service/Revenue Ratio was 6.1%.

** Debt servicing for the 2nd quarter of 2016 includes the refinancing of $50 million in Public Sector debt. Net of these transactions, the Debt Service Ratio was 7.9%.

TABLE 14

BALANCE OF PAYMENTS SUMMARY*

(B$ Millions)

	2014p	2015p	2016p	2015	2016				2017		
				Qtr.IVp	Qtr.Ip	Qtr.IIp	Qtr.IIIp	Qtr.IVp	Qtr.Ip	Qtr.IIp	Qtr.IIIp
A. Current Account Balance (I+II+III+IV)	**(2,192.6)**	**(1,610.2)**	**(1,178.9)**	**(500.7)**	**(220.7)**	**(203.8)**	**(512.4)**	**(242.0)**	**(452.4)**	**(472.7)**	**(404.4)**
I. Merchandise (Net)	**(2,510.3)**	**(2,433.5)**	**(2,170.8)**	**(562.4)**	**(508.2)**	**(499.7)**	**(581.0)**	**(582.0)**	**(587.4)**	**(647.7)**	**(571.2)**
Exports	833.9	520.5	481.4	120.9	96.1	149.1	104.6	131.6	137.7	181.7	113.7
Imports	3,344.2	2,954.0	2,652.2	683.3	604.3	648.7	685.6	713.6	725.1	829.3	685.0
II. Services (Net)	**689.0**	**1,280.5**	**1,115.9**	**181.8**	**387.4**	**417.6**	**228.6**	**82.3**	**257.6**	**310.3**	**280.9**
Transportation	(288.0)	(258.1)	(267.7)	(65.7)	(61.0)	(75.9)	(68.1)	(62.7)	(93.9)	(98.2)	(41.9)
Travel	2,072.5	2,264.7	2,261.3	471.1	652.2	649.0	502.4	457.7	641.4	639.3	466.7
Insurance Services	(145.9)	(144.8)	(155.1)	(36.4)	(32.4)	(45.5)	(45.6)	(31.6)	(17.9)	(28.0)	(31.9)
Offshore Companies Local Expenses	200.9	165.7	168.8	39.4	35.2	55.2	47.5	30.9	30.8	17.5	49.5
Other Government	(114.2)	(73.2)	(208.7)	(43.5)	(75.6)	(42.6)	(48.5)	(42.0)	(43.2)	(27.3)	(33.8)
Other Services	(1,036.3)	(673.8)	(682.6)	(183.1)	(131.0)	(122.7)	(159.0)	(269.9)	(259.5)	(193.1)	(127.7)
III. Income (Net)	**(378.0)**	**(362.9)**	**(439.9)**	**(94.0)**	**(70.0)**	**(117.7)**	**(142.3)**	**(109.9)**	**(101.9)**	**(98.5)**	**(77.9)**
1. Compensation of Employees	(69.7)	(67.9)	(38.9)	(20.4)	(11.1)	(8.2)	(10.0)	(9.6)	(10.4)	(9.9)	(9.8)
2. Investment Income	(308.3)	(295.0)	(401.0)	(73.6)	(58.9)	(109.5)	(132.3)	(100.3)	(91.5)	(88.6)	(68.1)
IV. Current Transfers (Net)	**6.7**	**(94.3)**	**316.0**	**(26.2)**	**(29.9)**	**(4.0)**	**(17.7)**	**367.6**	**(20.7)**	**(36.8)**	**(36.1)**
1. General Government	118.3	130.0	118.4	26.7	29.4	35.5	33.1	20.4	23.2	34.9	32.5
2. Private Sector	(111.6)	(224.3)	197.6	(52.9)	(59.3)	(39.4)	(50.8)	347.2	(43.9)	(71.8)	(68.6)
B. Capital and Financial Account (I+II) (excl. Reserves)	**1,151.3**	**336.7**	**461.3**	**126.4**	**9.6**	**63.8**	**(56.5)**	**444.4**	**321.2**	**61.5**	**383.0**
I. Capital Account (Net Transfers)	**(11.0)**	**(20.2)**	**(13.8)**	**(6.4)**	**(4.4)**	**(2.9)**	**(2.6)**	**(3.9)**	**(9.6)**	**(3.7)**	**(8.5)**
II. Financial Account (Net)	**1,162.3**	**356.9**	**475.1**	**132.8**	**14.0**	**66.8**	**(53.9)**	**448.3**	**330.8**	**65.2**	**391.5**
1. Direct Investment	449.0	69.8	73.7	10.3	(16.3)	27.4	38.6	23.9	46.9	(2.8)	21.4
2. Portfolio Investment	(26.9)	(12.4)	(21.7)	(1.8)	(4.2)	(5.2)	(7.4)	(4.9)	(4.4)	(4.6)	(2.2)
3. Other Investments	740.1	299.4	423.1	124.3	34.4	44.5	(85.1)	429.3	288.2	72.6	372.3
Central Gov't Long Term Capital	411.3	94.7	118.5	65.2	104.8	7.6	1.0	5.1	(9.3)	6.6	341.8
Other Public Sector Capital	93.8	6.5	100.4	1.3	(2.6)	95.7	(1.8)	9.0	(3.1)	(2.3)	(6.4)
Banks	(161.9)	29.6	(306.3)	5.9	(19.3)	(116.5)	(21.1)	(149.3)	87.8	(92.7)	34.7
Other	396.9	168.6	510.5	51.9	(48.5)	57.8	(63.3)	564.5	212.9	161.0	2.2
C. Net Errors and Omissions	**1,087.4**	**1,297.7**	**809.6**	**359.6**	**394.1**	**197.1**	**415.6**	**(197.2)**	**147.6**	**450.7**	**95.3**
D. Overall Balance (A+B+C)	**46.0**	**24.3**	**92.0**	**(14.8)**	**183.0**	**57.2**	**(153.3)**	**5.1**	**16.5**	**39.5**	**73.9**
E. Financing (Net)	**(46.0)**	**(24.3)**	**(92.0)**	**14.8**	**(183.0)**	**(57.2)**	**153.3**	**(5.1)**	**(16.5)**	**(39.5)**	**(73.9)**
Change in SDR holdings	(19.9)	3.5	2.3	0.9	(1.2)	0.6	0.2	2.8	(0.6)	(1.8)	(1.1)
Change in Reserve Position with the IMF	0.6	0.4	(17.3)	0.1	(18.5)	0.2	0.1	1.0	(0.2)	(0.7)	(0.4)
Change in Ext. Foreign Assets ( ) = Increase	(26.7)	(28.1)	(77.0)	13.7	(163.3)	(57.9)	153.1	(8.9)	(15.6)	(37.0)	(72.4)

Source: The Central Bank of the Bahamas

* Figures may not sum to total due to rounding

TABLE 15
EXTERNAL TRADE

(B$ '000s)

Period	2014	2015	2016	2016 Qtr. I	2016 Qtr. II	2016 Qtr. III	2016 Qtr. IV	2017 Qtr. I	2017 Qtr. II
I. OIL TRADE									
i) Exports	165,337	70,350	45,510	9,366	11,439	12,320	12,386	16,285	14,258
ii) Imports^{R}	868,460	535,306	402,527	69,639	94,856	113,049	124,983	119,192	131,572
II. OTHER MERCHANDISE									
Domestic Exports									
Crawfish	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
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	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Fruits & Vegs.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Aragonite	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other Natural Sands	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Rum/Beverages/Spirits & Vinegar	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Crude Salt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Polystrene Products	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
i) Total Domestic Exports	353,216	230,074	202,190	45,892	52,595	48,025	55,678	70,519	56,207
ii) Re-Exports	170,627	148,616	155,016	23,443	66,974	17,998	46,601	27,416	84,865
iii) Total Exports (i+ii)	523,843	378,690	357,206	69,335	119,569	66,023	102,279	97,935	141,072
iv) Imports	2,921,525	2,626,736	2,529,125	572,308	641,450	637,705	677,662	691,555	801,113
v) Retained Imports (iv-ii)	2,750,898	2,478,120	2,374,109	548,866	574,476	619,706	631,061	664,139	716,248
vi) Trade Balance (i-v)	(2,397,682)	(2,248,046)	(2,171,919)	(502,974)	(521,881)	(571,682)	(575,383)	(593,620)	(660,041)

Source: Department of Statistics Quarterly Statistical Summaries

TABLE 16

SELECTED TOURISM STATISTICS

Period	2014	2015	2016	2015	2016				2017		
				Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III
Visitor Arrivals	**6,320,188**	**6,112,093**	**6,265,019**	**1,498,846**	**1,764,910**	**1,571,231**	**1,455,632**	**1,473,246**	**1,726,664**	**1,544,025**	**1,267,754**
Air	1,343,093	1,390,911	1,391,813	299,211	384,504	397,446	344,647	265,216	348,549	386,672	297,524
Sea	4,977,095	4,721,182	4,873,206	1,199,635	1,380,406	1,173,785	1,110,985	1,208,030	1,378,115	1,157,353	970,230
Visitor Type											
Stopover	1,427,066	1,484,063	1,481,832	308,682	403,556	432,197	374,717	271,362	n.a	n.a	n.a
Cruise	4,804,701	4,513,458	4,690,260	1,163,710	1,338,961	1,112,983	1,051,719	1,186,597	1,343,940	1,095,430	918,044
Day/Transit	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Tourist Expenditure(B$ 000's)	2,316,347	2,537,533	2,610,096	551,065	757,229	739,978	617,281	495,608	n.a	n.a	n.a
Stopover	1,976,080	2,224,289	2,312,191	468,511	665,515	659,102	547,313	440,261	n.a	n.a	n.a
Cruise	336,600	309,427	294,004	81,571	90,549	79,619	69,142	54,695	n.a	n.a	n.a
Day	3,667	3,818	3,901	983	1,165	1,258	826	653	n.a	n.a	n.a
Number of Hotel Nights	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Average Length of Stay	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Average Hotel Occupancy Rates (%)											
New Providence	61	61	n.a	60	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Grand Bahama	48	57	n.a	53	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Other Family Islands	43	41	n.a	31	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Average Nightly Room Rates ($)											
New Providence	231	235	n.a	315	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Grand Bahama	100	66	n.a	65	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Other Family Islands	202	217	n.a	323	n.a	n.a	n.a	n.a	n.a	n.a	n.a

Source: The Ministry of Tourism