



Monthly Economic and Financial Developments January 2017

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:

2017: March 27, May 1, May 29, July 3, July 31, September 4, October 2, October 30, December 4, December 27.



Monthly Economic and Financial Developments (MEFD) January 2017¹

1. Domestic Economic Developments

Overview

Preliminary indicators suggest that domestic economic activity remained soft during January. This reflected subdued tourism gains, which dampened strengthened construction output from the post hurricane rebuilding efforts and stimulus from varied-scale foreign investment projects. The Government's hurricane recovery related expenditure hike, alongside disrupted revenue collections, contributed to a sizeable expansion in the fiscal deficit during the first half of FY2016/17. In the monetary sector, both bank liquidity and external reserves increased in January, buoyed by net foreign currency inflows from real sector activities.

Real Sector

Tourism

Initial data on foreign currency purchases by commercial banks from the private sector, underscored some gains in trade and FDI related activity; however, statistics on airport traffic showed that the tourism impulse was constrained. Data from the Nassau Airport Development Company (NAD) indicated a marginal, 0.1% uptick in passenger traffic through the main airport in January, year-on-year, a slowdown from the 4.1% increase recorded in the previous month. An analysis by region showed that the dominant U.S. segment rose by 1.5%, following December's 5.7% upturn. However, traffic from other markets contracted by 6.0%, extending the prior month's 4.2% falloff.

Prices

The Bahamas All Price Index declined by 0.35% during 2016, a turnaround from the 1.78% rise a year earlier. Placing downward pressure on the overall price level, were declines in the average costs for restaurants & hotels and food & non-alcoholic beverages, by 1.3% and 0.9%, versus gains of 6.0% and 5.8%, respectively, in the prior period. Further, the inflation rates for several sub-indices decelerated significantly, namely, health (to 3.7% from 15.6%), recreation & culture (to 0.4% from 11.1%), alcohol beverages, tobacco & narcotics (to 0.5% from 8.8%), furnishing, household equipment & routine household maintenance (to 1.3% from 6.7%), clothing & footwear (to 0.7% from 5.6%) and communication (to 1.8% from 5.0%). Providing a slight offset, the reduction in average transportation costs decelerated by 2.3 percentage points to 4.0%, while the decline in the housing, water, gas electricity & other fuels index—the most heavily weighted category—softened by 20 basis points to 1.1%. Meanwhile, accretions to average education costs quickened by 20 basis points to 5.6%.

¹ See the Appendix for a summary of International economic developments

Fiscal Sector

The Government's budgetary operations for the first six months of FY2016/17 were dominated by hurricane rebuilding outlays and disruptions in revenue collection, which contributed to an expansion in the deficit to \$314.2 million from an estimated \$147.9 million in first half of the previous fiscal year. Total expenditure rose by \$121.9 million (11.7%) to \$1,166.1 million, while revenue contracted by \$44.4 million (5.0%) to \$851.8 million.

On the expenditure side, capital outlays grew by \$71.7 million (80.2%) to \$161.0 million, as activities linked to hurricane rebuilding, coastal protection, and road reconstruction & development, led to an almost doubling (\$66.5 million) expansion in infrastructure spending to \$135.6 million. In addition, the acquisition of assets rose by \$5.1 million (25.2%) to \$25.4 million. Meanwhile current outlays rose by \$52.6 million (5.5%) to \$1,005.0 million, led by a \$29.9 million (6.5%) increase in transfer payments to \$488.5 million. Specifically, subsidies and other transfers rose by \$27.2 million (8.2%), owing mainly to expansions in health-related outlays on National Health Insurance (NHI) initiatives; while transfers to non-profit institutions grew \$3.8 million (24.9%). In addition, consumption expenditure firmed by \$22.7 million (4.6%), reflecting an increase in personal emoluments of \$13.9 million (4.2%). In addition, purchases of goods and services firmed by \$8.8 million (5.5%).

The contraction in aggregate revenue was due largely to a \$39.5 million (4.9%) decline in tax receipts to \$761.9 million. Amid filing deadline extensions and disruption in economic activities after the hurricane, value added tax (VAT) receipts fell by \$15.4 million (4.9%) to \$302.1 million and taxes on international trade softened by \$0.7 million (0.3%) to \$258.7 million. Similarly, selected taxes on services decreased marginally by \$0.5 million (5.3%) to \$9.7 million, as gaming taxes narrowed by \$0.4 million (3.9%). The disruption was also reflected in other 'miscellaneous' taxes, which fell by \$31.1 million (15.0%) to \$176.1 million, amid a \$21.0 million (49.8%) decrease in unclassified receipts and an \$18.1 million (36.7%) reduction in property tax collections. In contrast, business and professional fees increased by \$2.7 million (20.9%) to \$15.4 million, departure taxes, by \$5.0 million (9.2%) and "other" stamp taxes—mainly on mortgages—by \$4.0 million (8.0%). In addition, non-tax revenue fell by \$4.7 million (5.0%) to \$89.9 million, with an \$11.8 million (40.7%), timing-related reduction in income from 'other sources', outpacing the \$7.2 million (11.4%) expansion in fines, forfeits and administrative fees.

2. Domestic Monetary Trends

January 2017 vs. 2016

Liquidity

Buoyed by net foreign currency inflows from real sector activities, banking sector liquidity expanded over the review period. Specifically, excess liquid assets—a broad measure of liquidity—rose by \$52.9 million to \$1,500.1 million, following a \$32.8 million increase in the previous year. Similarly, excess reserves firmed by \$25.7 million to \$749.4 million, after a \$38.5 million gain in 2016.

External Reserves

External reserves grew by \$25.2 million to \$927.3 million, a slowdown from the \$32.4 million expansion in the prior year. In the underlying transactions, the Central Bank sold a net of \$6.5 million to the public sector—predominately for debt service payments—a reversal from the previous year's \$4.7 million net

purchase. Conversely, amid a modest increase in inflows from real sector activity, the Bank's net intake from commercial banks advanced by \$5.8 million to \$31.0 million, as their net inflow from customers firmed by \$8.2 million to \$44.8 million.

Domestic Credit

Bahamian Dollar Credit

Total Bahamian dollar credit contracted by \$9.5 million, a reversal from a \$17.5 million expansion in the previous year. Claims on the private sector contracted further by \$16.2 million, after the \$7.6 million reduction noted a year ago. In particular, mortgages declined by \$7.9 million, vis-a-vis a \$3.6 million increase in 2016, while consumer credit decreased by \$8.8 million, after the previous year's \$4.9 million falloff. In contrast, commercial credit rose by \$0.5 million, a turnaround from the \$6.3 million decrease a year ago. Further, the growth in net claims on the Government narrowed to \$8.8 million, from \$25.7 million in 2016, reflecting the repayment of short-term borrowings, while credit to the rest of the public sector contracted by \$2.0 million, after a \$0.7 million softening in 2016.

Foreign Currency Credit

In January, domestic foreign currency credit decreased by \$2.4 million, compared to a slight \$0.1 million uptick in the previous year, as net claims on the Government contracted by \$3.4 million, vis-à-vis a \$3.8 million gain a year ago, while credit to the rest of the public sector fell by \$0.8 million, in line with last year's reduction. In contrast, private sector credit grew by \$1.8 million, relative to a \$3.1 million falloff in the previous year, with the commercial loans and residential mortgage components up by \$1.4 million and \$0.4 million, respectively.

Credit Quality

Banks' credit quality indicators improved marginally during January. Private sector loan arrears fell by \$1.3 million (0.1%) to \$1,009.3 million, while the attendant ratio of arrears to total loans steadied at 17.1%. In terms of the components, short-term delinquencies (31-90 days) decreased by \$3.5 million (1.2%) to \$278.1 million and by 5 basis points to 4.7% of total loans. In contrast, non-performing loans (NPLs) rose by \$2.2 million (0.3%) to \$731.3 million, with the corresponding ratio firming marginally by 7 basis points to 12.4%.

An assessment by loan type, showed that the most significant decreases occurred for mortgages, which fell by \$6.5 million (1.2%) to \$514.6 million, reflecting a \$4.6 million (3.0%) decrease in short-term delinquencies, and a \$1.9 million (0.5%) rise in the NPL component. In contrast, consumer loan arrears rose by \$3.1 million (1.2%) to \$260.8 million, amid a \$3.6 million increase in the NPL category, which eclipsed the \$0.5 million (0.5%) softening in the 31 - 90 day segment. Similarly, commercial loan arrears were \$2.1 million (0.9%) higher, at \$233.9 million, reflecting gains in both the short and long-term components by \$1.6 million (3.8%) and \$0.5 million (0.3%), respectively.

An analysis of longer term trends shows that when compared to January 2016, the ratio of arrears to total loans declined by 3.2 percentage points to 17.1%, amid reduced ratios for both the NPL and short-term components by 2.9 and 0.2 percentage points, respectively. The most significant reduction was seen in the ratio of mortgage arrears to total loans, which contracted by 5.8 percentage points, while the relevant

consumer ratio decreased by 2.0 percentage points; however, in a slight offset, the commercial delinquency rate firmed by 3.5 percentage points.

On a monthly basis, banks reduced their total provisions for loan losses by \$46.7 million (9.1%) to \$468.2 million in January. Accordingly, the ratios of provisions to both arrears and NPLs contracted by 4.6 and 6.6 percentage points to 46.4% and 64.0%, respectively. During the review period, banks also wrote off a total of \$9.5 million in bad debts and recovered \$2.7 million of overdue loans.

Deposits

Total Bahamian dollar deposits firmed by \$28.3 million in January, a slowdown from the \$74.4 million rise of the previous year. Growth in demand balances narrowed by \$53.0 million to \$23.6 million, while savings balances decreased by \$0.5 million, in contrast to a \$10.9 million rise in 2016. In a slight offset, fixed deposits firmed by \$5.2 million, a reversal from a \$13.1 million decrease in 2016.

Interest Rates

In interest rate developments, the weighted average deposit rate at banks narrowed by 14 basis points to 1.06%, with the highest rate of 5.00% offered on fixed balances of over 12 months. Similarly, the weighted average loan rate fell by the same magnitude, to 12.24%, resulting in the interest rate spread remaining at 11.2 percentage points on a monthly basis.

3. Domestic Outlook and Policy Implications

Expectations are that the domestic economic indicators will show mild improvement during 2017, as tourism capacity is increased as result of Baha Mar and other sector-related investments. The near-term boost to construction is expected to continue, in line with both hotel sector investments and hurricane rebuilding efforts. Against this backdrop, employment conditions are anticipated to improve gradually, while domestic inflationary pressures are expected to remain contained, notwithstanding some recent elevation in crude oil prices that could push domestic energy cost higher.

With regards to the fiscal sector, the potential for near-term improvement in the Government's operations, remains contingent on sustained revenue enhancement initiatives and expenditure constraint; however, the unplanned hurricane-related spending will diminish the current period's consolidation potential.

In the monetary sector, liquidity is poised to remain at robust levels, reflecting the high—although declining—level of arrears in the banking sector and banks conservative lending stance. Accordingly, entities' capital levels are expected to remain well in excess of regulatory requirements, thereby mitigating any concerns related to financial stability.

In this environment, the outturn for external reserves is expected to stable, to only mildly positive, in line with some increase in foreign exchange inflows, and only gradual uptrend in import demand. This however, is also contingent upon the sustained cost discounts associated with reduced oil prices being maintained in the near-term.

APPENDIX

International Developments

During the review period, the global economy maintained its positive growth momentum, underpinned by modest gains in the United States and European markets, while economic conditions in Asia improved modestly. In this context, all of the major central banks either kept or enhanced their highly accommodative monetary policy regimes.

Economic indicators for the United States suggest that the country continued its upward trajectory during the review period, as household Personal Consumption Expenditure (PCE) and Disposable Personal Income (DPI), firmed by 0.5% and 0.3% in December, after slight gains of 0.2% and 0.1% in the prior month. In terms of trade, the deficit narrowed on a monthly basis by \$1.5 billion in December to \$44.3 billion, with the 2.1% rise in exports of largely capital goods, eclipsing the 1.5% uptick in imports—the majority of which were automotive vehicles, parts and engines. In January, retail sales firmed by 0.4%, after a marginal 0.1% increase in the prior month. In this environment, employment conditions continued to improve gradually, as an additional 227,000 persons were added to nonfarm payrolls—although the unemployment rate remained stable at 4.8%. Further, consumer prices rose by 0.6% in January—the largest increase in over three years—surpassing the 0.3% gain in the prior month, due largely to higher energy prices. Faced with modest growth and relatively stable inflation, the Federal Reserve Bank decided to keep its key policy rate unchanged at 0.50-0.75%; although the Bank also signaled its intension to adjust the rate upwards over the near-term.

Economic developments in European markets were mainly positive during the review month. In the labor market, the euro area's jobless rate fell by 10 basis points to 9.6% in January—the lowest rate recorded in the region since May 2009—while an additional 37,000 persons became employed in the United Kingdom during the three months to December; although gains in the labour force resulted in the jobless rate stabilizing at 4.8%. Similarly, trade trends were broadly positive in the region, as evidenced by the growth in the euro area's goods surplus by €2.2 billion (8.5%) to €28.1 billion, amid a 4.9% falloff in imports, which eclipsed the 3.0% contraction in exports. Further, the recent gain in global energy costs led to some firming in prices in Europe, with inflation in the UK rising by 20 basis points to 1.8%, month-on-month. In light of the mild pace of economic growth and low inflation, both the Bank of England and the European Central Bank maintained their main policy rates at historic lows.

The performance of Asian economies varied during the review period. In particular, China's industrial production rose by 0.5% in December, unchanged from the previous month, due to increases in motor vehicles and electrical equipment output, while industrial production in Japan firmed by 0.5%, although lower than the 1.5% increase recorded in November. These positive trends were also reflected in the country's trade data, as the goods surplus rose more than four-fold to ¥640.4 billion, amid a 12.1% increase in exports—mainly to China—which outweighed the 4.0% hike in imports. Buoyed by an increase in consumer demand during the New Year's celebrations, China's consumer prices firmed by 1.0% in January, exceeding the 0.2% rise in the prior month, reflecting gains in the cost of food, tobacco and liquor. Further, employment conditions remained robust, as unemployment rates in China and Japan steadied at 4.0% and 3.1% in December. With regard to monetary policy, the People's Bank of China raised its interest rates on 1-year and 6-month medium-term lending facilities by 10 basis points each to 3.1% and 2.95%, respectively. In addition, the Bank temporarily raised reserve requirement ratios for five big banks by one full percentage point to 16.0%, in an effort to promote banking system stability, while the Bank of Japan left its monetary policy stance unchanged.

During the month, OPEC's oil production contracted by 890,000 barrels per day (b/d), to an average of 32.1 million b/d. However, amid concerns of a potential strong rebound in U.S. shale production leading to excess supply over the near-term, crude oil prices fell by 2.0% in January to \$55.70 per barrel. Trends in the precious metals market were mainly positive, as the price of both gold and silver firmed by 5.1% and 10.3% to \$1,210.65 and \$17.56 per troy ounce, respectively.

Outcomes for the major bourses were mixed throughout the month of January. In the United States the S&P 500 and the Dow Jones Industrial Average (DJIA) indices rose by 1.8% and 0.5%, respectively. In contrast, European exchanges featured declines, amid uncertainty regarding the policy direction of the new U.S. administration. Specifically, Germany's DAX waned by 2.6%, France's CAC40 by 2.3%, and the United Kingdom's FTSE 100 by 0.6%. Meanwhile, the performances within Asian markets varied, as China's SE Composite grew by 1.8%; however, Japan's Nikkei 225 fell by 0.4%.

In the foreign currency markets, the U.S. dollar depreciated modestly against all of the major currencies during the review month. The dollar declined versus the Japanese Yen by 3.6% to ¥112.8, the Canadian dollar by 3.1% to CAD\$1.3030 and the Swiss Franc by 3.0% to CHF0.9894, while smaller reductions were posted relative to the euro (2.6% to €0.9262), the British Pound (1.8% to £0.7950) and the Chinese Yuan (1.2% to CNY6.8659).

Recent Monetary and Credit Statistics

(B\$ Millions)

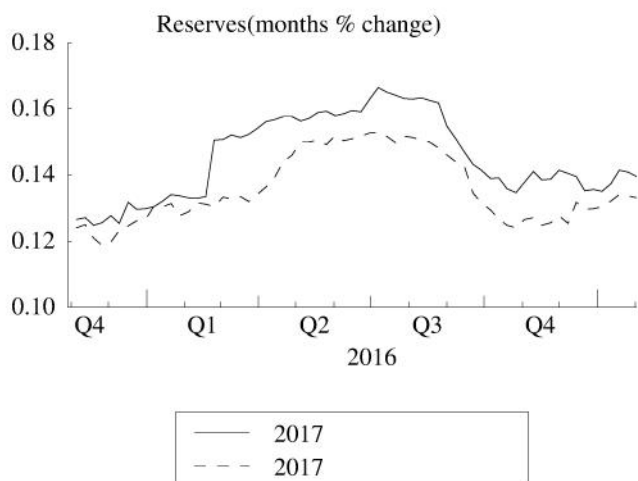
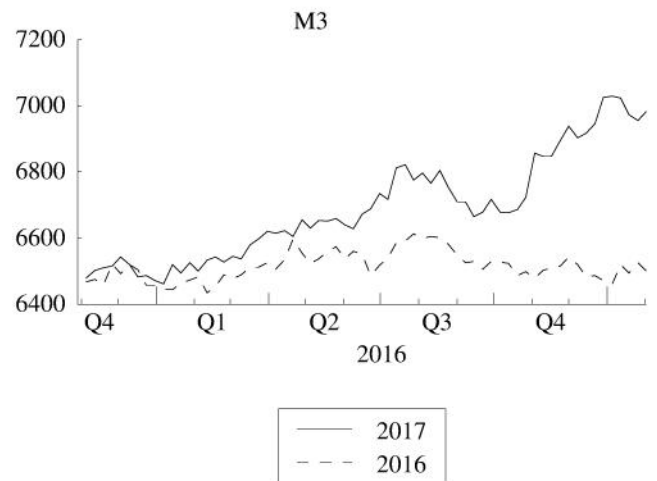
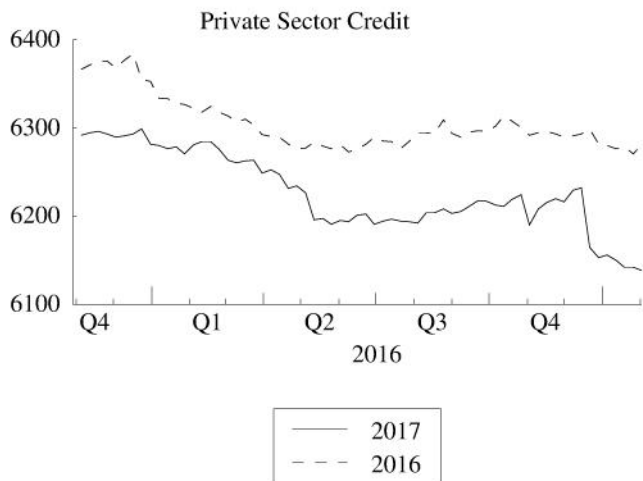
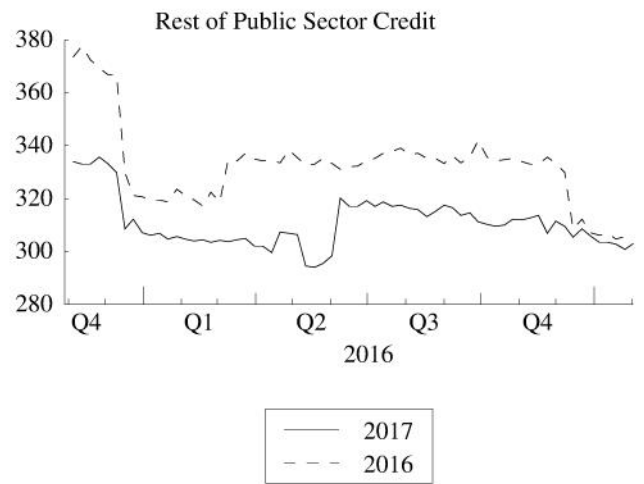
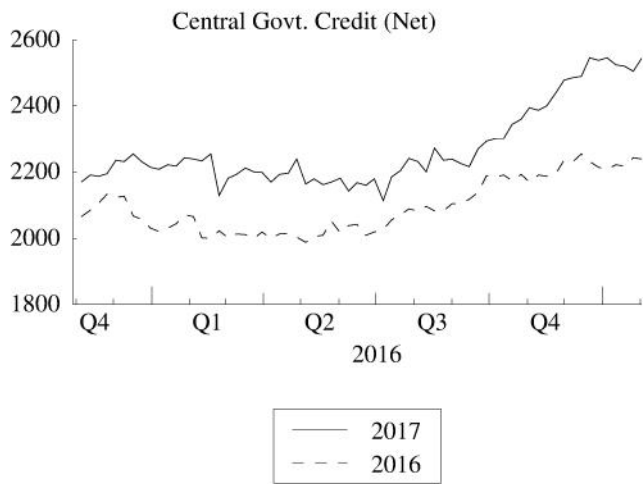
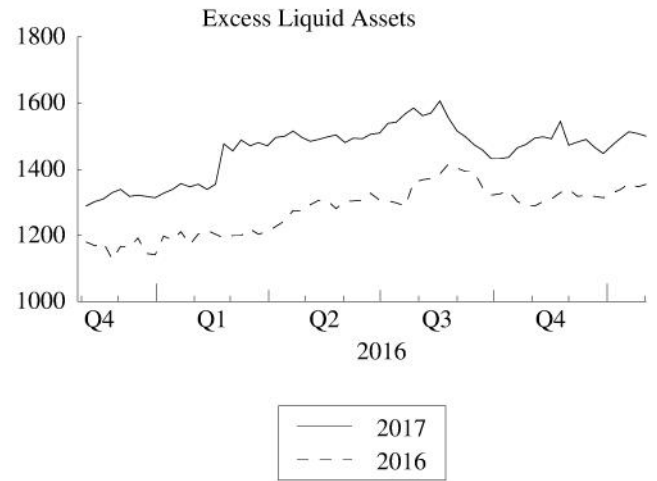
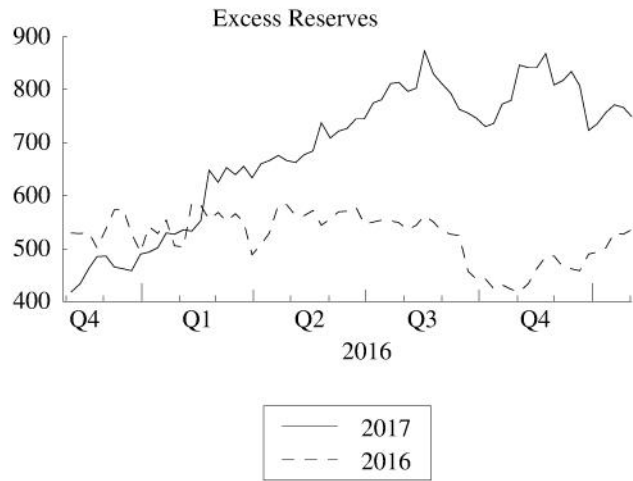
	JANUARY					
	Value		Change		Change YTD	
	2016	2017	2016	2017	2016	2017
1.0 LIQUIDITY & FOREIGN ASSETS						
1.1 Excess Reserves	527.83	749.38	38.47	25.66	38.47	25.66
1.2 Excess Liquid Assets	1,347.18	1,500.06	32.77	52.98	32.77	52.98
1.3 External Reserves	841.30	927.26	32.38	25.19	32.38	25.19
1.4 Bank's Net Foreign Assets	-461.17	-159.98	-7.85	-28.82	-7.85	-28.82
1.5 Usable Reserves	313.86	268.00	18.73	24.15	18.73	24.15
2.0 DOMESTIC CREDIT						
2.1 Private Sector	6,270.81	6,138.31	-10.72	-14.45	-10.72	-14.45
a. B\$ Credit	5,998.17	5,897.12	-7.61	-16.24	-7.61	-16.24
of which: Consumer Credit	2,163.93	2,238.62	-4.91	-8.81	-4.91	-8.81
Mortgages	3,076.32	2,952.88	3.57	-7.94	3.57	-7.94
Commercial and Other Loans B\$	757.93	705.62	-6.27	0.50	-6.27	0.50
b. F/C Credit	272.64	241.19	-3.11	1.80	-3.11	1.80
of which: Mortgages	81.63	68.47	-0.18	0.43	-0.18	0.43
Commercial and Other Loans F/C	191.01	172.72	-2.92	1.37	-2.92	1.37
2.2 Central Government (net)	2,244.04	2,543.55	29.50	5.37	29.50	5.37
a. B\$ Loans & Securities	2,505.47	2,741.28	38.73	-9.88	38.73	-9.88
Less Deposits	294.92	190.16	12.99	-18.63	12.99	-18.63
b. F/C Loans & Securities	36.62	0.00	0.00	0.00	0.00	0.00
Less Deposits	3.12	7.58	-3.76	3.38	-3.76	3.38
2.3 Rest of Public Sector	305.66	303.10	-1.46	-2.77	-1.46	-2.77
a. B\$ Credit	77.35	105.34	-0.66	-1.97	-0.66	-1.97
b. F/C Credit	228.31	197.77	-0.80	-0.80	-0.80	-0.80
2.4 Total Domestic Credit	8,820.82	8,985.12	17.61	-11.88	17.61	-11.88
a. B\$ Domestic Credit	8,286.07	8,553.58	17.47	-9.47	17.47	-9.47
b. F/C Domestic Credit	534.75	431.53	0.14	-2.41	0.14	-2.41
3.0 DEPOSIT BASE						
3.1 Demand Deposits	1,908.34	2,213.14	76.59	23.63	76.59	23.63
a. Central Bank	9.20	21.77	-3.82	6.01	-3.82	6.01
b. Banks	1,899.14	2,191.36	80.41	17.62	80.41	17.62
3.2 Savings Deposits	1,162.25	1,293.14	10.89	-0.52	10.89	-0.52
3.3 Fixed Deposits	3,002.96	2,875.68	-13.06	5.22	-13.06	5.22
3.4 Total B\$ Deposits	6,073.56	6,381.95	74.42	28.34	74.42	28.34
3.5 F/C Deposits of Residents	235.52	334.01	-0.08	-44.44	-0.08	-44.44
3.6 M2	6,289.97	6,649.50	54.30	2.13	54.30	2.13
3.7 External Reserves/M2 (%)	13.38	13.94	0.40	0.37	0.40	0.37
3.8 Reserves/Base Money (%)	83.70	71.96	1.66	1.82	1.66	1.82
3.9 External Reserves/Demand Liabilities (%)	79.75	70.33	1.03	1.80	1.03	1.80
	Value		Year to Date		Change	
	2016	2017	2016	2017	Month	YTD
4.0 FOREIGN EXCHANGE TRANSACTIONS						
4.1 Central Bank Net Purchase/(Sale)	29.87	24.45	29.87	24.45	-5.42	-5.42
a. Net Purchase/(Sale) from/to Banks	25.17	30.95	25.17	30.95	5.78	5.78
i. Sales to Banks	15.34	28.30	15.34	28.30	12.96	12.96
ii. Purchases from Banks	40.51	59.25	40.51	59.25	18.74	18.74
b. Net Purchase/(Sale) from/to Others	4.70	-6.50	4.70	-6.50	-11.20	-11.20
i. Sales to Others	31.67	46.58	31.67	46.58	14.91	14.91
ii. Purchases from Others	36.37	40.08	36.37	40.08	3.71	3.71
4.2 Banks Net Purchase/(Sale)	36.63	44.83	36.63	44.83	8.21	8.21
a. Sales to Customers	290.77	417.80	290.77	417.80	127.03	127.03
b. Purchases from Customers	327.40	462.64	327.40	462.64	135.24	135.24
4.3 B\$ Position (change)	-16.61	-11.36				
5.0 EXCHANGE CONTROL SALES						
5.1 Current Items	ND	ND	ND	ND	ND	ND
of which Public Sector	ND	ND	ND	ND	ND	ND
a. Nonoil Imports	ND	ND	ND	ND	ND	ND
b. Oil Imports	ND	ND	ND	ND	ND	ND
c. Travel	ND	ND	ND	ND	ND	ND
d. Factor Income	ND	ND	ND	ND	ND	ND
e. Transfers	ND	ND	ND	ND	ND	ND
f. Other Current Items	ND	ND	ND	ND	ND	ND
5.2 Capital Items	ND	ND	ND	ND	ND	ND
of which Public Sector	ND	ND	ND	ND	ND	ND
5.3 Bank Remittances	ND	ND	ND	ND	ND	ND

Sources: Research Department Weekly Brief Database and Banking Brief for the weeks ending: JANUARY 27, 2016 and FEBRUARY 01, 2017

Exchange Control Sales figures are as at month end.

Notes: 1.0, 2.0 and 3.0 YTD change reflects change of current month over previous year end; for 4.0 and 5.0 change is over corresponding period of previous year.

SELECTED MONEY AND CREDIT INDICATORS (B\$ Millions)



Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2016	2017	2016	2017	2016	2017
Bahamas	0.3	N/A	0.8	N/A	11.6	N/A
United States	1.6	2.3	1.2	2.3	4.9	4.8
Euro-Area	1.7	1.6	0.3	1.1	10.0	9.7
<i>Germany</i>	<i>1.7</i>	<i>1.5</i>	<i>0.4</i>	<i>1.5</i>	<i>4.3</i>	<i>4.5</i>
Japan	0.9	0.8	-0.2	0.5	3.2	3.2
China	6.7	6.5	2.1	2.3	4.1	4.1
United Kingdom	2.0	1.5	0.7	2.5	5.0	5.2
Canada	1.3	1.9	1.6	2.1	7.0	7.1
<i>Source: IMF World Economic Outlook January 2017, Department of Statistics</i>						

B: Official Interest Rates – Selected Countries (%)					
<i>With effect</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
<i>from</i>	Bank Rate	Refinancing Rate	Primary Credit Rate	Target Funds Rate	Repo Rate
January 2015	4.50	0.05	0.75	0-0.25	0.50
February 2015	4.50	0.05	0.75	0-0.25	0.50
March 2015	4.50	0.05	0.75	0-0.25	0.50
April 2015	4.50	0.05	0.75	0-0.25	0.50
May 2015	4.50	0.05	0.75	0-0.25	0.50
June 2015	4.50	0.05	0.75	0-0.25	0.50
July 2015	4.50	0.05	0.75	0-0.25	0.50
August 2015	4.50	0.05	0.75	0-0.25	0.50
September 2015	4.50	0.05	0.75	0-0.25	0.50
October 2015	4.50	0.05	0.75	0-0.25	0.50
November 2015	4.50	0.05	0.75	0-0.25	0.50
December 2015	4.50	0.05	1.00	0.25-0.50	0.50
January 2016	4.50	0.05	1.00	0.25-0.50	0.50
February 2016	4.50	0.05	1.00	0.25-0.50	0.50
March 2016	4.50	0.00	1.00	0.25-0.50	0.50
April 2016	4.50	0.00	1.00	0.25-0.50	0.50
May 2016	4.50	0.00	1.00	0.25-0.50	0.50
June 2016	4.50	0.00	1.00	0.25-0.50	0.50
July 2016	4.50	0.00	1.00	0.25-0.50	0.50
August 2016	4.50	0.00	1.00	0.25-0.50	0.25
September 2016	4.50	0.00	1.00	0.25-0.50	0.25
October 2016	4.50	0.00	1.00	0.25-0.50	0.25
November 2016	4.50	0.00	1.00	0.25-0.50	0.25
December 2016	4.00	0.00	1.25	0.50-0.75	0.25
January 2017	4.00	0.00	1.25	0.50-0.75	0.25

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Jan-16	Dec-16	Jan-17	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.9232	0.9506	0.9262	-2.57	-2.57	0.32
Yen	121.14	117.00	112.8	-3.59	-3.59	-6.88
Pound	0.7020	0.8093	0.7950	-1.76	-1.76	13.24
Canadian \$	1.3977	1.3442	1.303	-3.07	-3.07	-6.78
Swiss Franc	1.0232	1.0200	0.9894	-3.00	-3.00	-3.30
Renminbi	6.5754	6.9502	6.8659	-1.21	-1.21	4.42

Source: Bloomberg as of January 31, 2017

D. Selected Commodity Prices (\$)					
Commodity	Jan 2016	Dec 2016	Jan 2017	Mthly % Change	YTD % Change
Gold / Ounce	1118.17	1152.27	1210.65	5.07	5.07
Silver / Ounce	14.26	15.92	17.56	10.28	10.28
Oil / Barrel	34.09	56.13	55.70	-1.97	-1.97

Source: Bloomberg as of January 31, 2017

E. Equity Market Valuations – January 31, 2017 (% change)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	-1.52	0.51	1.79	-0.61	-2.33	-2.58	-0.38	1.79
3 month	-1.10	9.49	7.18	2.08	5.31	8.16	9.28	1.89
YTD	-1.52	0.51	1.79	-0.61	-2.33	-2.58	-0.38	1.79
12-month	4.96	20.63	17.45	16.69	7.51	17.73	8.69	15.40

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	0.75	0.25	-0.25
1 Month	1.25	0.27	-0.35
3 Month	1.37	0.41	-0.26
6 Month	1.54	0.55	-0.23
9 Month	1.70	0.67	-0.15
1 year	1.90	0.80	-0.06

Source: Bloomberg as of January 31, 2017

SUMMARY ACCOUNTS OF THE CENTRAL BANK
(B\$ Millions)

	VALUE												CHANGE					
	Nov. 30	Dec. 07	Dec. 14	Dec. 21	Dec. 28	Jan. 04	Jan. 11	Jan. 18	Jan. 25	Nov. 30	Dec. 07	Dec. 14	Dec. 21	Dec. 28	Jan. 04	Jan. 11	Jan. 18	Jan. 25
I. External Reserves	937.74	928.96	922.94	898.04	902.07	898.25	913.14	934.23	930.54	25.13	-8.77	-6.02	-24.90	4.03	-3.82	14.88	21.10	-3.69
II. Net Domestic Assets (A + B + C + D)	412.99	421.17	447.30	469.78	384.06	376.94	374.30	361.66	362.13	-64.48	8.18	26.13	22.48	-85.72	-7.12	-2.64	-12.64	0.47
A. Net Credit to Gov^t(i + ii + iii - iv)	741.37	740.90	772.20	792.83	721.94	709.61	708.32	692.87	691.98	-58.71	-0.47	31.30	20.63	-70.89	-12.33	-1.29	-15.45	-0.89
i) Advances	134.66	134.66	134.66	134.66	134.66	134.66	134.66	134.66	134.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Registered Stock	349.76	348.08	348.08	368.13	368.25	368.46	368.58	368.61	364.49	0.03	-1.69	0.01	20.05	0.12	0.21	0.12	0.04	-4.13
iii) Treasury Bills	273.00	273.00	302.93	302.93	233.32	223.37	223.37	223.37	223.37	-49.72	0.00	29.92	0.00	-69.60	-9.95	0.00	0.00	0.00
iv) Deposits	16.05	14.84	13.46	12.88	14.29	16.88	18.29	33.77	30.53	9.01	-1.21	-1.38	-0.58	1.40	2.59	1.41	15.48	-3.24
B. Rest of Public Sector (Net) (i + ii - iii)	-5.80	-6.10	-6.04	-14.77	-12.22	-18.24	-20.03	-13.36	-13.30	6.90	-0.31	0.06	-8.73	2.55	-6.02	-1.79	6.67	0.06
i) BDB Loans	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) BMC Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii) Deposits	9.35	9.65	9.59	18.32	15.77	21.79	23.58	16.91	16.85	-6.90	0.31	-0.06	8.73	-2.55	6.02	1.79	-6.67	-0.06
C. Loans to/Deposits with Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. Other Items (Net)*	-322.59	-313.63	-318.86	-308.28	-325.66	-314.43	-313.99	-317.85	-316.55	-12.67	8.95	-5.23	10.58	-17.38	11.24	0.44	-3.86	1.30
III. Monetary Base	1,350.73	1,350.13	1,370.24	1,367.82	1,286.13	1,275.19	1,287.43	1,295.89	1,292.68	-39.36	-0.59	20.11	-2.42	-81.69	-10.94	12.24	8.46	-3.22
A. Currency in Circulation	391.85	395.69	389.99	416.56	425.56	408.72	390.99	377.30	371.22	14.25	3.85	-5.71	26.57	9.00	-16.84	-17.73	-13.69	-6.08
B. Bank Balances with CBOB	958.88	954.44	980.26	951.27	860.57	866.48	896.44	918.59	921.45	-53.61	-4.44	25.82	-28.99	-90.69	5.90	29.97	22.15	2.86

* Includes capital, provisions and surplus account, fixed and other assets, and other demand liabilities of Bank

