



Monthly Economic and Financial Developments July 2016

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:

2016: September 28, October 26, November 30, December 21

Monthly Economic and Financial Developments

July 2016

1. Domestic Economic Developments

Indications are that domestic economic conditions remained mildly positive over the review period, characterised by continued foreign investment-led construction activity, while the impulses from the tourism sector were modest. In prices developments, the inflation rate narrowed during the 12 months to June, reflecting the sustained impact of low global oil prices. Meanwhile, liquidity in the banking system firmed, buoyed by the Government's financing activities, while the lowered import pressures, also from abated fuel prices, contributed to a modest gain in external reserves.

Indications are that tourism output trends softened during the first half of 2016, in comparison to the previous year. The latest official data from the Ministry of Tourism suggests that the increase in the high value-added stopover visitor segment (air arrivals) slowed to 2.7% from last year's 5.0% gain, for a total of 0.8 million tourists. The overall visitor count firmed by 1.7% to 3.3 million, a reversal from a 1.1% decline in the prior year, as the dominant sea component expanded by 1.5% to 2.5 million, vis-à-vis 2015's 2.8% contraction. However, earnings metrics were tempered, as data through April showed that room revenues at large resort properties in the capital trended lower than in 2015. In addition, commercial banks' foreign currency transactions through July—which include inflows from tourism and investment related activities—registered a modest decline in such gross receipts relative to the same period last year. That said, the comparative outlook is improving for the remainder of 2016, given the stimulus from the restoration of some room capacity on New Providence and the pending boost to construction output from the resumption of work on the Baha Mar project.

Largely reflecting the pass-through effect of the decline in global oil prices, domestic inflation—as measured by the All Bahamas Retail Price Index—narrowed by 83 basis points to 0.58% during the twelve months to June 2016. This outturn was largely attributed to a 2.7% reduction in the average cost for housing, water, gas electricity and “other” fuels—which accounts for a third of the index—vis-a-vis a marginal 0.2% gain a year ago. In addition, transportation costs fell by 5.4%, extending the year earlier decline of 1.9%, while gains in average prices lessened for furnishing, household equipment & routine household maintenance (by 1.2 percentage points to 3.4%), alcohol beverages, tobacco & narcotics (by 60 basis points to 5.2%), clothing and footwear (by 40 basis points to 2.8%), and recreation & culture (by 19 basis points to 6.8%). In contrast, healthcare costs increased by an additional 12.0%, after a 7.0% advance in 2015, while muted gains in inflation rates of less than 2.0 percentage points were registered for the remaining components.

Domestic energy price developments were mixed over the review period, as gasoline costs softened by 0.2%, month-on-month, to \$4.11 per gallon in July, and by 15.8% in comparison to the previous year. In contrast, the Bahamas Electricity Corporation's (BEC) fuel charge rose on a monthly basis by 5.2% to 9.85 cents per kilowatt hour (kWh), but was 37.4% lower on a year-on-year basis.

2. International Developments

Indications are that conditions within the leading global economies showed signs of stabilisation during the review month following the “BREXIT” vote in June, as the United States and European markets sustained

their upward trajectory, while the expansion in China remained constrained by sluggish consumer demand. Against this backdrop, most of the major central banks maintained their highly accommodative monetary policy stance.

Preliminary economic indicators for the United States were relatively positive, with real Gross Domestic Product (GDP) growth accelerating to 1.2% during the second quarter, from a 0.8% uptick in the previous three-month period, due to higher consumer spending and export growth. Further, the expansion in industrial production in July quickened to 0.7% from 0.4% in the previous month, led by increases in utilities and mining output. Housing market indicators were mixed, as building starts advanced by 2.1% in July—its largest gain in five months—while the number of permits issued was relatively stable; however, housing completions contracted by 8.3%. Further, the trade deficit firmed by \$3.6 billion to \$44.5 billion, occasioned by growth in imports of mainly industrial supplies, which overshadowed the increase in capital-goods related exports. As a result of the improving economic conditions, approximately 255,000 workers were added to non-farm payrolls in July, and the unemployment rate stabilized at 4.9%, while consumer prices were unchanged during the review month, following a slight 0.2% uptick in June. In this context, the Federal Reserve decided to keep interest rates at a range of 0.25%-0.50%, although the Bank maintained its bias towards raising rates in the near-term.

Indications are that the effects of the surprise “BREXIT” vote in the United Kingdom (UK) moderated significantly over the review period. Specifically, real GDP growth in the UK accelerated to 0.6% during the second quarter, from 0.4% in the prior three-month period, underpinned by gains in industrial production and services output. On the external front, the trade deficit widened by £0.9 billion to £5.1 billion in June, as the £1.8 billion rise in imports, outweighed the £1.0 billion increase in exports. In price developments, the monthly inflation rate slowed by 30 basis points in July to a mere 0.1%, following a 0.2% increase in the prior period. Further, the unemployment rate fell by 20 basis points to 4.9% during the second quarter—the lowest rate since the third quarter 2005. In the euro area, output rose by an estimated 0.3% in the three months to June, following a gain of 0.6% in the previous quarter. In addition, industrial production rose by 0.6%, vis-à-vis a 1.9% contraction a month earlier, due to increases in the production of capital and consumer goods. Similarly, retail trade was muted, after rising by 0.4% in May, as higher sales of non-food products and food, drinks and tobacco, were balanced by decreases in automotive fuel sales; meanwhile, the monthly inflation rate edged up to 0.2% in July from 0.1% in the prior month. Conditions in the labor market continued to stabilize, with the unemployment rate remaining at 10.1% in June. Against this backdrop, the Bank of England maintained its neutral policy stance; however, it also indicated that it may loosen its monetary policy further in the coming months. Similarly, the European Central Bank kept its key bank rates at historic lows.

In Asia, economic conditions remained lackluster, with China’s Purchasing Manager’s Index (PMI)—a measure of private business conditions—softening by 10 basis points in July to 49.9%, owing mainly to decreases in the production and new orders indices, after a decline of the same magnitude in the prior month. Further, the country’s retail sales growth slowed slightly to 0.8%, after June’s 0.9% uptick, while the increase in industrial production was unchanged at 0.5%, month-on-month. In addition, consumer prices firmed by 0.2% in July, occasioned by higher non-food prices, in contrast to the previous 0.1% contraction. Japan’s economic indicators were mixed over the review period, with industrial production advancing by 2.3% in June, a reversal from a decline of similar magnitude in the previous month, buoyed by increases in chemicals, transport equipment and fabricated metals sectors’ output. In addition, the trade balance reversed to a ¥693.1 million surplus in June from a ¥42.9 million deficit a month earlier, owing to a machinery-led rise in exports by 18.3%, which outpaced the 3.9% increase in imports. In labor market

developments, the unemployment rate tapered by 10 basis points to 3.1%. Led by declines in food & beverage and clothing & accessories sales, aggregate retail trade fell by 1.8% in June, vis-a-vis a 0.7% uptick in the previous month. Further, consumer prices decreased by 0.2%, after a 0.1% uptick in the prior month, owing mainly to reductions in fuel, light and water charges. Given the challenging economic conditions, the People's Bank of China decided to inject US\$135.8 million into its banking system through a Standing Lending Facility (SLF), in an effort to boost liquidity. In addition, as part of its "quantitative easing" programme, the Bank of Japan doubled its purchases of exchange-traded funds (ETFs), to a rate of ¥6.0 trillion per year.

During the review month, global oil prices moved lower by 13.1% to \$43.05 per barrel, reflecting in part an increase in North American output and a 46,000 barrels per day (b/d) rise in OPEC supply to 33.11 million b/d. In contrast, as investors sought safer assets, both the cost of gold and silver rose by 2.2% and 8.7% to \$1,351.00 and \$20.34, respectively.

The major bourses recorded broad-based gains during the month of July, as concerns over the near-term impact of the 'BREXIT' vote in the UK dissipated. In the United States, both the S&P 500 and the Dow Jones Industrial Average (DJIA) moved higher by 3.6% and 2.8%, respectively, buoyed mainly by gains in technology-based companies. The European stock markets also performed favorably, with broad-based increases in Germany's DAX (6.8%), France's CAC 40 (4.8%) and the United Kingdom's FTSE 100 (3.4%). Similarly, in the Asian markets, Japan's Nikkei 225 and China's SE Composite grew by 6.4% and 1.7% respectively.

In July, the U.S. dollar's performance against the leading currencies was mixed. In particular, the dollar depreciated against the major Asian currencies, including the Japanese Yen, by 1.1% to ¥102.07 and the Chinese Yuan, by 0.1% to CNY6.6382. In the European markets, the dollar weakened by 0.7% relative to both the euro and the Swiss Franc to €0.8948 and CHF0.9694, respectively, while it gained by 0.6% versus the British pound to £0.7560. Further, the dollar appreciated by 0.9% against the Canadian dollar to CAD\$1.3034.

3. Domestic Monetary Trends **July 2016 vs. 2015**

Monetary trends for the month of July featured growth in liquidity, largely due to a short-term increase in Central Bank financing to the Government.¹ Specifically, excess reserves—a narrow measure of liquidity—expanded by \$69.0 million to \$813.5 million, relative to a marginal, \$2.8 million uptick a year earlier. Further, the broader excess liquid assets grew by \$76.3 million to \$1,585.8 million, vis-à-vis 2015's \$53.9 million expansion.

External reserves firmed by \$4.5 million to \$1,058.3 million, after a similar \$6.0 million gain a year-earlier. In the underlying transactions, the Central Bank's net purchase from commercial banks rose by \$7.8 million to \$20.2 million, despite a slight decline in their net receipts from clients by \$1.0 million to \$8.0 million. In a partial offset, the Central Bank sold a net of \$16.7 million to the public sector—to facilitate mainly debt repayments and fuel purchases—relative to a \$6.4 million net sale in the prior year.

¹ The Central Bank expects some unwinding of this liquidity boost as some of this debt issuance is sold off in the secondary market.

Growth in Bahamian dollar credit decelerated to \$42.6 million from \$61.9 million in the previous year. Underpinning this development, gains in net credit to the Government slowed to \$37.8 million, vis-à-vis a Treasury note related increase of \$58.9 million last year. By comparison, claims on the private sector rose by \$4.9 million, up slightly from the prior year's \$3.5 million rise, as mortgages firmed by \$10.2 million, a turnaround from last year's \$3.0 million reduction. Conversely, consumer credit softened by \$2.5 million, reversing the \$10.9 million increase in 2015, and commercial & "other" loans narrowed by \$2.9 million, following a \$4.4 million reduction in the previous year. Meanwhile, credit to public corporations fell further by \$0.1 million.

Banks' credit quality indicators eased slightly during the review month, although registering an improvement relative to 2015. In July, total private sector loan arrears expanded by \$13.2 million (1.2%) to \$1,121.3 million, and by 15 basis points to 18.8% of total private sector loans. Underlying this outturn, the non-performing component—loans in excess of 90 days in arrears—rose by \$8.3 million (1.0%) to \$851.7 million and by 9 basis points to 14.3% of the aggregate. Similarly, short-term delinquencies (31 to 90 days) firmed by \$4.9 million (1.8%) at \$269.6 million, resulting in a 7 basis points uptick in the attendant ratio to 4.5% of total private sector loans. For the year-over-year comparisons, the total arrears rate stood 1.2 percentage points lower, while the non-performing loans (NPL) rate fell by 88 basis points.

An analysis by loan type showed that the monthly increase in aggregate private sector arrears was led by the mortgages category, which rose by \$7.8 million (1.3%) to \$616.2 million, reflecting a \$9.5 million (2.1%) gain in the non-performing segment, which negated the \$1.7 million (1.1%) reduction in the 31-90 day category. More muted increases were recorded in the commercial and consumer arrears components, which firmed by \$4.9 million (2.1%) to \$232.8 million, and by \$0.5 million (0.2%) to \$272.3 million, respectively. In terms of the former, the overall growth was driven by a \$7.6 million (23.4%) expansion in the short-term segment, which outpaced a \$2.7 million (1.4%) decline in non-accruals; while consumer loan delinquencies firmed marginally, as a result of a \$1.5 million (0.8%) increase in the over 90 days category, which overshadowed a \$1.0 million (1.2%) falloff in the short-term segment. Annually the NPL ratios narrowed for mortgages, by 1.3 percentage points, and for consumer credit, by 65 basis points, while the rate for commercial credit firmed by 60 basis points.

Despite the modest gain in monthly arrears, banks lowered their total loan loss provisions by \$13.6 million (2.5%) to \$535.1 million. As a result, the ratio of provisions to both non-performing loans and arrears narrowed, by 2.2 and 1.8 percentage points, to 62.8% and 47.7%, respectively. Further, banks wrote-off \$7.0 million in overdue loans and recovered \$3.3 million. Overall provisions against NPLs and arrears were strengthened relative to the same month last year, by 5.1 and 4.0 percentage points, respectively.

Compared to July 2015, total domestic foreign currency credit growth was more than halved to \$2.4 million, as accretions to net claims on the Government slowed to \$5.2 million from \$9.2 million. In addition, credit to the rest of the public sector lessened by \$0.8 million, reversing the prior year's \$5.6 million gain. In a slight offset, the decline in private sector credit tapered by \$7.0 million to \$2.0 million.

Growth in total Bahamian dollar deposits narrowed by \$66.3 million to \$13.9 million from \$80.2 million last year, mainly reflecting a \$25.8 million decline in fixed deposits, which overshadowed the previous year's \$16.4 million improvement. In addition, gains in both demand and savings balances slowed to \$32.6 million and \$7.0 million, from \$46.9 million and \$16.9 million during the corresponding period of 2015.

In interest rate developments, the weighted average deposit rate at banks lessened by 13 basis points to 1.02%, with the highest rate of 4.00% offered on fixed balances of over 12 months. In contrast, the weighted average loan rate firmed by 26 basis points, to 13.05%.

4. Outlook and Policy Implications

Domestic economic trends are expected to improve mildly over the remainder of the year, benefitting from a near-term boost in hotel room capacity for New Providence and resumed construction on the Baha Mar project. In this context, expectations are that employment conditions could improve in stages, with a greater uptick contingent on when the Baha Mar capacity is added to the hotel room stock. In the meantime, inflation is likely to remain contained, as the balance between supply and demand serves to constrain global oil price pressures.

Fiscal sector developments will continue to be hinged on the success of Government's revenue efforts, as well as initiatives to control expenditure growth.

On the monetary front, bank liquidity is poised to remain at robust levels, as the softness in domestic demand and sustained conservative lending practices, continue to restrain credit growth; however, banks are expected to remain well capitalized, thereby limiting any financial stability concerns.

External reserve developments over the remainder of the year will depend heavily on the performance of the key foreign exchange earning sectors and the seasonal uptick in domestic demand. Nevertheless, if recent trends are sustained, the main reserve indicators should remain above international benchmarks.

Recent Monetary and Credit Statistics

(B\$ Millions)

JULY						
Value		Change		Change YTD		
2015	2016	2015	2016	2015	2016	

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	549.09	813.52	2.82	68.96	55.82	324.15
1.2 Excess Liquid Assets	1,360.38	1,585.77	53.89	76.26	218.49	271.36
1.3 External Reserves	964.11	1,058.27	6.02	4.47	177.34	249.36
1.4 Bank's Net Foreign Assets	-437.37	-241.01	-17.84	76.09	-3.38	212.30
1.5 Usable Reserves	416.76	381.57	-1.00	-18.90	156.64	86.44

2.0 DOMESTIC CREDIT

2.1 Private Sector	6,284.06	6,193.43	-5.43	2.86	-68.90	-88.10
a. B\$ Credit	5,985.99	5,955.46	3.54	4.86	-43.86	-50.33
of which: Consumer Credit	2,149.50	2,183.50	10.92	-2.48	-1.16	14.65
Mortgages	3,066.83	3,059.26	-2.97	10.23	-32.23	-13.48
Commercial and Other Loans B\$	769.66	712.70	-4.40	-2.90	-10.47	-51.50
b. F/C Credit	298.08	237.97	-8.97	-2.00	-25.04	-37.78
of which: Mortgages	83.57	65.79	-18.91	-0.37	-18.65	-16.02
Commercial and Other Loans F/C	214.51	172.18	9.94	-1.63	-6.39	-21.75
2.2 Central Government (net)	2,087.73	2,221.80	68.16	43.07	56.46	7.26
a. B\$ Loans & Securities	2,346.64	2,533.99	68.91	45.27	73.66	67.25
Less Deposits	266.69	307.85	9.99	7.43	32.13	25.91
b. F/C Loans & Securities	11.49	0.00	11.49	0.00	11.49	-36.62
Less Deposits	3.72	4.34	2.26	-5.23	-3.45	-2.54
2.3 Rest of Public Sector	339.15	317.64	5.03	-0.90	18.38	10.52
a. B\$ Credit	98.88	108.16	-0.57	-0.10	1.66	30.15
b. F/C Credit	240.27	209.49	5.60	-0.80	16.72	-19.63
2.4 Total Domestic Credit	8,710.97	8,732.92	67.77	45.02	5.94	-70.29
a. B\$ Domestic Credit	8,164.83	8,289.75	61.89	42.60	-0.67	21.16
b. F/C Domestic Credit	546.15	443.17	5.87	2.42	6.61	-91.44

3.0 DEPOSIT BASE

3.1 Demand Deposits	1,938.18	2,070.53	46.94	32.64	159.31	238.78
a. Central Bank	29.04	21.03	10.68	9.77	5.47	8.01
b. Banks	1,909.14	2,049.49	36.26	22.87	153.84	230.77
3.2 Savings Deposits	1,146.48	1,226.24	16.92	7.03	78.67	74.88
3.3 Fixed Deposits	3,043.19	2,928.96	16.39	-25.76	-95.90	-87.06
3.4 Total B\$ Deposits	6,127.85	6,225.73	80.25	13.91	142.09	226.59
3.5 F/C Deposits of Residents	260.02	288.29	13.49	31.90	17.97	52.70
3.6 M2	6,353.71	6,468.07	81.37	-1.16	136.53	232.40
3.7 External Reserves/M2 (%)	15.17	16.36	-0.10	0.07	2.52	3.39
3.8 Reserves/Base Money (%)	93.06	79.89	0.23	-3.05	12.87	-2.16
3.9 External Reserves/Demand Liabilities (%)	88.07	78.19	-0.59	-2.46	13.38	-0.53

Value		Year to Date		Change	
2015	2016	2015	2016	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	6.04	3.47	174.16	236.71	-2.57	62.55
a. Net Purchase/(Sale) from/to Banks	12.43	20.18	323.13	256.15	7.75	-66.98
i. Sales to Banks	18.40	1.00	44.50	61.75	-17.40	17.25
ii. Purchases from Banks	30.83	21.18	367.63	317.89	-9.65	-49.74
b. Net Purchase/(Sale) from/to Others	-6.39	-16.71	-148.97	-19.44	-10.32	129.53
i. Sales to Others	36.70	44.68	400.62	353.78	7.99	-46.83
ii. Purchases from Others	30.30	27.97	251.65	334.35	-2.33	82.70
4.2 Banks Net Purchase/(Sale)	8.99	7.97	302.64	248.14	-1.03	-54.50
a. Sales to Customers	331.08	332.25	2,354.57	2,335.71	1.17	-18.86
b. Purchases from Customers	340.07	340.22	2,657.21	2,583.85	0.14	-73.35
4.3 B\$ Position (change)	-6.84	1.77				

5.0 EXCHANGE CONTROL SALES

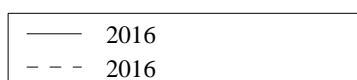
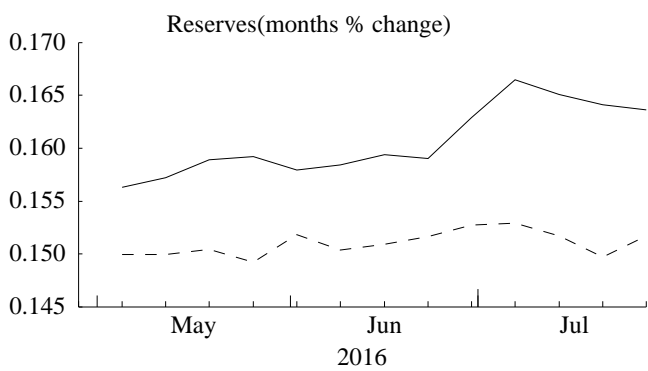
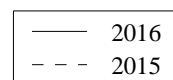
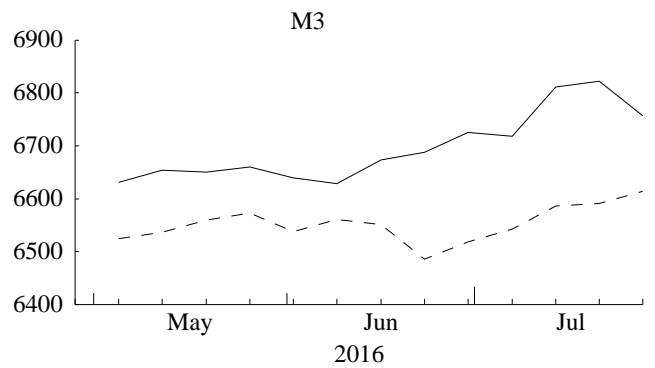
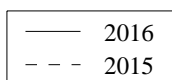
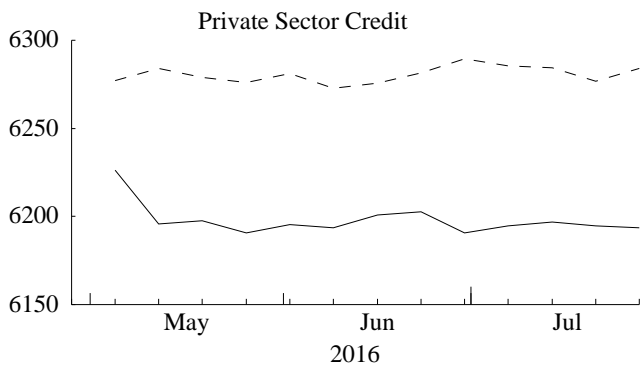
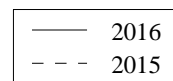
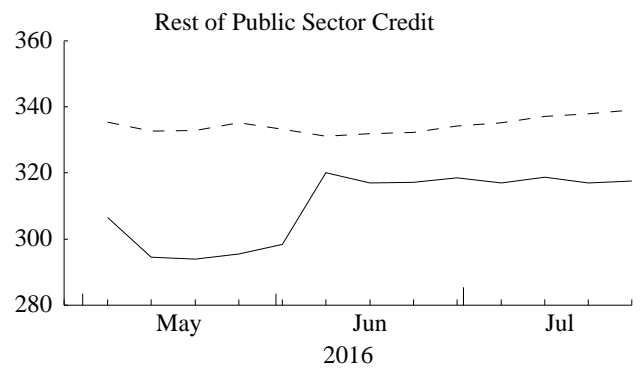
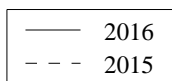
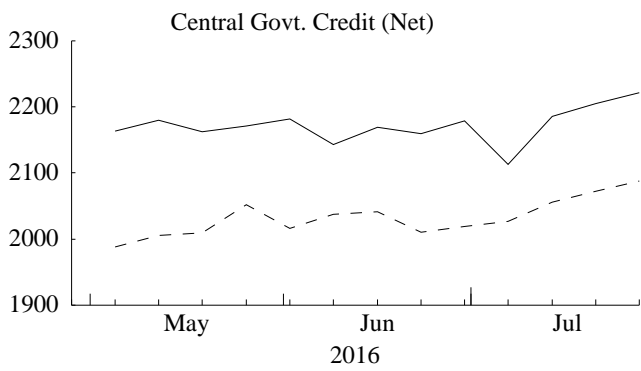
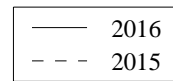
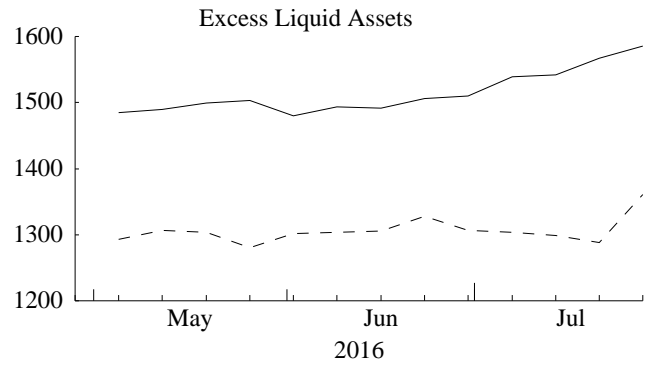
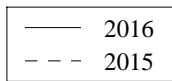
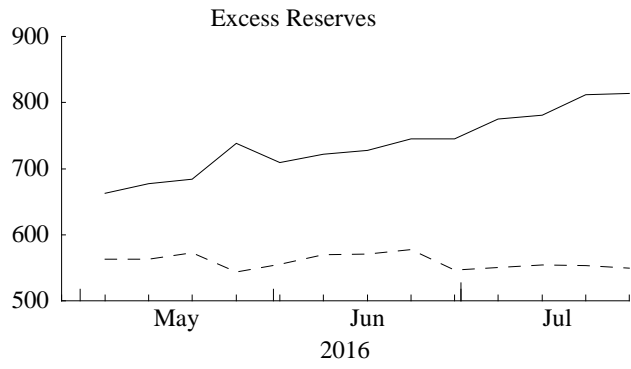
5.1 Current Items	ND	ND	ND	ND	ND	ND
of which Public Sector	ND	ND	ND	ND	ND	ND
a. Nonoil Imports	ND	ND	ND	ND	ND	ND
b. Oil Imports	ND	ND	ND	ND	ND	ND
c. Travel	ND	ND	ND	ND	ND	ND
d. Factor Income	ND	ND	ND	ND	ND	ND
e. Transfers	ND	ND	ND	ND	ND	ND
f. Other Current Items	ND	ND	ND	ND	ND	ND
5.2 Capital Items	ND	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: JULY 29, 2015 and JULY 27, 2016

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	
	2015	2016	2015	2016	2015	2016
Bahamas	0.5	1.5	1.9	0.8	12.0	N/A
United States	2.4	2.2	0.1	0.8	5.3	4.9
Euro-Area	1.7	1.6	0.0	0.4	10.9	10.3
<i>Germany</i>	<i>1.5</i>	<i>1.6</i>	<i>0.1</i>	<i>0.5</i>	<i>4.6</i>	<i>4.6</i>
Japan	0.5	0.3	0.8	-0.2	3.4	3.3
China	6.9	6.6	1.4	1.8	4.1	4.1
United Kingdom	2.2	1.7	0.1	0.8	5.4	5.0
Canada	1.1	1.4	1.1	1.3	6.9	7.3
<i>Source: IMF World Economic Outlook July 2016, 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
July 2014	4.50	0.15	0.75	0-0.25	0.50
August 2014	4.50	0.15	0.75	0-0.25	0.50
September 2014	4.50	0.05	0.75	0-0.25	0.50
October 2014	4.50	0.05	0.75	0-0.25	0.50
November 2014	4.50	0.05	0.75	0-0.25	0.50
December 2014	4.50	0.05	0.75	0-0.25	0.50
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

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	July-15	June-16	July-16	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.9104	0.9007	0.8948	-0.65	-2.86	-1.72
Yen	123.90	103.20	102.07	-1.09	-14.98	-17.62
Pound	0.6400	0.7511	0.7560	0.64	11.40	18.11
Canadian \$	1.3091	1.2924	1.3034	0.85	-5.77	-0.44
Swiss Franc	0.9663	0.9760	0.9694	-0.68	-3.25	0.32
Renminbi	6.2077	6.6415	6.6382	-0.05	2.23	6.93

Source: Bloomberg as of July 31, 2016

D. Selected Commodity Prices (\$)					
Commodity	July 2015	June 2016	July 2016	Mthly % Change	YTD % Change
Gold / Ounce	1095.82	1322.20	1351.00	2.18	27.28
Silver / Ounce	14.78	18.72	20.34	8.67	46.75
Oil / Barrel	53.52	49.52	43.05	-13.07	17.85

Source: Bloomberg as of July 31, 2016

E. Equity Market Valuations – July 31, 2016 (% change)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	0.37	2.80	3.56	3.38	4.77	6.79	6.38	1.70
3 month	5.58	3.71	5.24	7.73	0.24	2.97	-0.58	1.40
YTD	8.07	5.78	6.34	7.72	-4.25	-3.77	-12.95	-15.82
12-month	13.08	4.20	3.32	0.42	-12.65	-8.59	-19.51	-18.68

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	0.42	0.30	-0.42
1 Month	0.53	0.47	-0.40
3 Month	0.99	0.57	-0.29
6 Month	1.12	0.69	-0.20
9 Month	1.36	0.75	-0.13
1 year	1.57	0.82	0.03

Source: Bloomberg as of July 31, 2016

SUMMARY ACCOUNTS OF THE CENTRAL BANK

(B\$ Millions)

	VALUE												CHANGE					
	Jun. 01	Jun. 08	Jun. 15	Jun. 22	Jun. 29	Jul. 06	Jul. 13	Jul. 20	Jul. 27	Jun. 01	Jun. 08	Jun. 15	Jun. 22	Jun. 29	Jul. 06	Jul. 13	Jul. 20	Jul. 27
I. External Reserves	1,008.90	1,011.23	1,021.07	1,020.11	1,053.80	1,065.61	1,068.65	1,064.65	1,058.27	-7.96	2.33	9.84	-0.96	33.70	11.81	3.04	-4.01	-6.37
II. Net Domestic Assets (A + B + C + D)	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
A. Net Credit to Gov[†](i + ii + iii - iv)	538.96	543.09	542.94	544.03	544.79	544.07	543.74	574.03	595.39	-5.86	4.13	-0.15	1.08	0.76	-0.72	-0.33	30.29	21.36
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	255.15	258.42	258.43	258.48	258.52	258.56	258.58	288.59	296.75	-3.25	3.27	0.01	0.05	0.03	0.05	0.01	30.02	8.16
iii) Treasury Bills	171.47	171.47	171.47	171.47	171.42	171.42	171.42	171.42	171.42	0.00	0.00	0.00	0.00	-0.05	0.00	0.00	0.00	0.00
iv) Deposits	22.32	21.46	21.61	20.58	19.81	20.58	20.92	20.65	7.45	2.62	-0.86	0.15	-1.03	-0.78	0.77	0.34	-0.27	-13.20
B. Rest of Public Sector (Net) (i + ii - iii)	-8.87	-11.34	-13.31	-0.71	-7.72	-12.02	-13.70	-12.13	-17.48	-1.34	-2.47	-1.98	12.60	-7.01	-4.30	-1.68	1.57	-5.35
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	12.42	14.89	16.86	4.26	11.27	15.57	17.25	15.68	21.03	1.34	2.47	1.98	-12.60	7.01	4.30	1.68	-1.57	5.35
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)**	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
III. Monetary Base	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
A. Currency in Circulation	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
B. Bank Balances with CBOB	871.03	870.47	884.48	903.56	925.86	934.23	933.19	958.33	969.04	-8.63	-0.55	14.00	19.08	22.30	8.37	-1.04	25.13	10.71

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

