



Monthly Economic and Financial Developments May 2015

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:

2015: August 10, August 31, September 28, November 2, November 30, December 21.

Monthly Economic and Financial Developments

May 2015

1. Domestic Economic Developments

During May, an improving tourism sector performance, alongside foreign investment-related projects, underpinned a steady, yet mild, growth momentum for the Bahamian economy. Although the implementation of the Value Added Tax (VAT), in January, resulted in broad-based price gains, domestic inflation remained relatively low, being partly constrained by the pass-through effects of lower global oil prices. In the latest fiscal assessment, the VAT-led rise in revenue secured a sharp reduction in the overall deficit through April of FY2014/15. The monetary sector registered gains in both bank liquidity and external reserves, buoyed by net foreign currency inflows from real sector activities.

Anecdotal information suggests that output in the tourism sector continued to strengthen in May, aided by improving conditions in key source markets and the recent hosting of the IAAF World Relays. The latest information available from the Bahamas Hotel Association showed total room revenues firming by 5.0% over the first five months of the year—although a significant reduction in room inventory caused overall earnings to dip by 1.0% in May. In terms of the components, growth in stopover arrivals translated into a 5.8 percentage point hike in the average occupancy rate, to 75.1%, and the average daily room rate (ADR) was higher by 6.6% at \$275.40.

Average consumer prices for the twelve months to March—as measured by changes in the Department of Statistics' revised Retail Price Index¹—rose by 1.25%. The highest average rate increases were recorded for alcoholic beverages, tobacco & narcotics (4.36%), recreation & culture (3.09%), education (2.31%) and health (2.15%). More muted gains were noted for furniture, household equipment & routine household maintenance, transportation, food & non-alcoholic beverages, clothing & footwear and restaurant & hotels of 1.90%, 1.84%, 1.80%, 1.44% and 1.26%, respectively, while the remaining categories had average cost advances of under 1.0%.

Benefiting from the significant reduction in international oil prices, which occurred over the last twelve months, the Bahamas Electricity Corporation's fuel charge fell by 22.5% over the year. However, costs stabilised on a monthly basis, at 18.32 cents per kilowatt hour (kWh), at end-May.

In the fiscal sector, the overall deficit contracted by \$139.2 million (37.8%) to \$229.3 million during the ten months through April of FY2014/15, reinforced by the \$202.1 million (17.1%) surge in total revenue to \$1,384.1 million, which outweighed the \$62.8 million (4.1%) rise in aggregate expenditure to \$1,613.5 million. Tax receipts improved by \$203.4 million (20.0%) to \$1,223.0 million, buoyed by the total \$143.9 million VAT intake, in the first four months of its implementation. In addition, financial and realty-related stamp taxes grew by \$27.0 million (22.7%), while selective taxes on services expanded by \$11.8 million (31.0%)—linked to a higher intake of gaming receipts following the regularization of the “webshop” industry. Yields from business & professional fees grew by \$7.8 million (5.6%), and taxes on international trade and

¹ The Index has been rebased to November 2014 and features revised weights for the RPI components, which reflect changes in households' consumption patterns. For further details, see the Department of Statistics website (www.statistics.bahamas.gov.bs).

other “unclassified” taxes edged up by \$2.9 million (0.6%) and \$2.8 million (6.6%), respectively. In a modest offset, non-tax revenue declined by \$4.4 million (2.7%) to \$157.7 million, primarily reflecting a 26.6% reduction in income-related receipts.

The expenditure outcome included a \$68.0 million (5.2%) hike in current spending, to \$1,374.1 million. This was mostly explained by a \$66.5 million (12.2%) gain in transfer payments to \$612.5 million, as both interest payments and subsidies & other transfers were up by nearly 13% each, to \$199.5 million and \$412.9 million, respectively—with the latter reflecting the reclassification of certain items from other expense categories. Meanwhile, consumption outlays rose slightly by \$1.4 million (0.2%) to \$761.6 million, as the 9.7% decline in goods & services purchases, to \$227.2 million, negated a 5.1% expansion in the wages and salaries bill. Budgetary support to public corporations, by way of loans, was higher by \$17.0 million (31.4%) at \$71.1 million. In contrast, capital spending fell by \$22.1 million (11.6%) to \$168.3 million, attributed to a \$43.4 million (52.1%) reduction in asset acquisitions, which outstripped the \$22.6 million (21.5%) rise in capital formation outlays, primarily related to infrastructural works.

2. International Developments

Indications are that the pace of global growth remained moderate and uneven in May, as the United States market appeared to rebound from the first quarter contraction, while Asian and European economies sustained their positive momentum. Amid persistent concerns about the strength of the recovery, most of the major central banks either maintained or enhanced their highly accommodative monetary policy stances.

Economic indicators were generally positive in the United States, as the Conference Board’s Leading Economic Index moved higher by 0.7% in April, after growth of 0.4% in the prior month. In the external sector, the trade deficit narrowed, on a monthly basis, by \$9.7 billion to \$40.9 billion, owing to a decrease in imports of mainly consumer goods and a rise in capital goods exports. Gains in retail sales firmed to 1.2% in May from 0.2% a month earlier, while the decline in industrial production slowed by 30 basis points to 0.2%. Real estate activity continued to strengthen, as building permits for residential construction and housing completions increased, on an annualised basis, by 11.8% and 4.7%, respectively; however, starts fell by 11.1% over the prior month. Labour market conditions benefited from gains in non-farm payrolls, of 280,000—although a decline in the number of discouraged workers resulted in the jobless rate edging up by 0.1 of a percentage point to 5.5%. Higher gasoline prices influenced an advance in consumer price inflation, by 0.4%, following a monthly increase of 0.1% in April. Coming off a very disappointing first quarter economic outturn, the Federal Reserve left its key policy rates within the range of 0.00%-0.25%.

Indications are that economic conditions in Europe remained somewhat subdued during the review month. In the United Kingdom, the Confidence Board’s Index of Leading Economic Indicators firmed by 0.4% in April, after the prior month’s 0.3% expansion; and the trade deficit narrowed on a monthly basis, by £1.9 billion to £1.2 billion, on account of a decline in the import of small-scale consumer durables. In the labour market, the number of employed persons grew by 114,000 and the unemployment rate narrowed by 20 basis points to 5.5% over the three months ended April. However, growth in retail sales tapered to 0.2% in May from 1.2% in the prior month, and the expansion in industrial production slowed by 20 basis points to 0.4%, month-on-month. Average consumer prices rose marginally, by 0.1%, following an equivalent decline in the preceding month, due to gains in air fares, food and motor fuel costs. Challenging economic conditions persisted in euro zone economies, as growth in both the Leading Economic Indicators Index and retail trade in April slowed, by 0.2 and 1.5 percentage points, to 0.5% and 0.7%, respectively, over the prior

month, while the increase in industrial production eased to a mere 0.1% from March's 0.8%. Annual inflation edged up to 0.3% in May, from a relatively flat position in April, amid higher costs for services, food and alcohol & tobacco. Both the Bank of England and the European Central Bank maintained policy rates at historic lows, in support of the economic recovery.

Among Asian economies, China's Purchasing Managers Index (PMI)—a measure of private sector business conditions—edged up by 0.1% in May. A sharp contraction in net imports underpinned a more than two-fold expansion in China's trade surplus, to US\$59.5 billion. Industrial production firmed by 6.1%, on an annual basis, exceeding April's 5.9% advance, while the monthly gain in retail sales stabilized at 10.1%. Reflecting a decline in food costs, average prices softened by 0.2% in May—for the second consecutive month. Economic activity in Japan was subdued, as the Conference Board's survey of Leading Economic Indicators was unchanged in April, after a 0.4% decline in March. The jobless rate fell by 10 basis points to 3.3%, reflecting a decline in the number of unemployed persons by 40,000. Consumer price inflation advanced to 0.4% in April, due to increased costs for clothing and footwear. On the monetary front, the People's Bank of China lowered its benchmark lending and deposit rates, by 25 basis points each, to 5.10% and 2.25%, respectively, while the Bank of Japan maintained its quantitative easing programme.

Following on the appreciation of the US dollar, and sustained OPEC production of 30.98 million barrels per day (bpd), crude oil prices contracted by 4.2% to \$61.86 per barrel in May. Regarding other commodities, the prices of both gold and silver advanced by 0.5% and 3.7% over the review month, to \$1,190.55 and \$16.75 per troy ounce, respectively.

The major stock indices reported mixed performances during May. The United States' Dow Jones Industrial Average (DIJA) and the S&P 500 indices rose by 1.0% and 1.1%, respectively. In Europe, the United Kingdom's FTSE 100 firmed marginally by 0.3%; however, both France's CAC 40 and Germany's DAX contracted by 0.8% and 0.4%, respectively. Asian bourses maintained their upward trajectory, as policymakers' stimulus measures contributed to moderate gains in both Japan's Nikkei 225 (5.3%) and China's SE Composite (3.8%).

In exchange rate developments, the United States dollar recorded broad-based gains against other major currencies during May. The dollar appreciated by 4.0% vis-à-vis the Japanese Yen, to ¥124.14 and by 3.1% versus the Canadian dollar, to CAD\$1.2456. More muted increases were recorded relative to the euro, the British pound and the Swiss Franc, of 2.2%, 0.9% and 0.4%, to €0.9102, CHF0.9404 and £0.6540, respectively; while the dollar steadied relative to the Chinese Yuan at CNY6.2004.

3. Domestic Monetary Trends

May 2015 vs. 2014

In monetary sector developments, overall bank liquidity improved by \$12.4 million, although below the \$46.0 million advance recorded in the same period of 2014. However, the narrower excess cash position contracted by \$39.4 million to \$543.7 million, as banks increased their holdings of short-term Government debt.

External reserves' growth of \$23.2 million to \$942.7 million—almost doubled the year earlier \$13.1 million accumulation. In the underlying transactions, the Central Bank's net foreign currency purchase rose to \$21.6 million from \$12.8 million in the corresponding 2014 period, primarily reflecting a fall-off in net sales to the public sector, by \$13.2 million to \$31.5 million. In a modest offset, the net purchase from commercial

banks was lower by \$4.4 million at \$53.0 million, as their net intake from clients contracted by over one-half to \$31.9 million.

In May, banks extended an additional \$44.8 million in Bahamian dollar credit—a gain of \$29.5 million from the corresponding period in 2014. The bulk of this was explained by growth in net claims on the Government, through a near doubling of banks' holdings of Treasury bills to \$47.0 million. Weakness in private sector credit persisted, although the contraction slowed to \$0.1 million from \$4.8 million. In the breakout, mortgages outstanding rose by \$0.5 million, to reverse the year-earlier decline of \$1.5 million; the reduction in commercial and other loans moderated to \$2.8 million from \$7.5 million in the preceding year; and growth in consumer credit was approximately halved to \$2.2 million. In contrast, the decline in credit to the rest of the public sector was extended to \$2.0 million from \$0.4 million in 2014.

Banks' loan performance indicators showed broad-based increases across all arrears categories. Total private sector loan arrears rose by \$26.2 million (2.2%) to \$1,221.1 million and by 45 basis points to 20.4% of total loans. Non-performing loans, at 15.8% of total loans, were higher by \$18.3 million (2.0%) at \$944.8 million, with the short-term (31-90 days) segment increasing by \$7.9 million (2.9%) to \$276.2 million and by 14 basis points to 4.6% of the total.

The deterioration in arrears was led by a \$15.7 million (5.2%) hike in the consumer component, to \$315.3 million, as delinquencies in both the 31-90 days and non-accrual segments moved higher by \$3.8 million (4.7%) and \$11.9 million (5.4%), respectively. Mortgage arrears also firmed by \$9.0 million (1.4%) to \$661.0 million, with a \$9.9 million (2.0%) increase in the non-performing segment outweighing the \$0.9 million (0.6%) reduction in short-term arrears. Commercial delinquencies edged up by \$1.5 million (0.6%) to \$244.7 million, comprising a \$5.0 million (12.8%) expansion in the 31-90 day component and a \$3.5 million (1.7%) decrease in non-accrual loans.

For the month of May, banks' loan loss provisions were lower by \$4.2 million (0.8%) at \$501.4 million, narrowing the corresponding ratio of provisions to both arrears and non-performing loans, by 1.3 and 1.5 percentage points, to 41.1% and 53.1%, respectively. Banks wrote-off an estimated \$3.7 million in bad debts and had recoveries of \$1.2 million.

The contraction in domestic foreign currency credit eased to \$0.1 million from \$7.6 million a year earlier. The \$1.6 million rise in the net claim on the Government contrasted with last year's \$0.3 million reduction, while the fall in credit to the public corporations softened to \$1.3 million from \$2.4 million. Private sector credit decreased by a mere \$0.3 million, after the prior year's \$5.6 million decline, owing largely to a \$0.3 million rise in commercial and other loans, vis-à-vis a \$4.9 million falloff last year, while the decrease in the mortgage component steadied at \$0.6 million.

Growth in total Bahamian dollar deposits tapered sharply to \$2.0 million from \$44.0 million a year ago, as demand balances fell by \$17.6 million in contrast to last year's \$22.2 million build-up. Accretions to both savings and fixed deposits moderated, by \$1.9 million and \$0.2 million, to \$18.0 million and \$1.6 million, respectively.

In interest rate developments, the weighted average deposit rate firmed by 7 basis points to 1.41%, with the highest rate of 5.00% offered on fixed balances of over 12 months. On the lending side, the weighted average loan rate increased by 12 basis points to 12.29%.

4. Outlook and Policy Implications

The pace of domestic economic activity is likely to remain mildly positive over the next six months of 2015, sustained by gains in the high value-added stopover segment of the tourism market, and key foreign investment projects. However, earlier annual growth forecasts are set to be revised downwards owing to the delay in the opening of the multi-billion dollar Baha Mar resort, which is also likely to have adverse short-term implications for employment. Inflationary pressures are poised to remain relatively contained over the near-term, as price increases resulting from the introduction of the VAT normalize and global oil prices remain below trend levels.

In the fiscal sector, both the deficit and corresponding debt indicators are expected to maintain an improving trajectory over the near-term, as a consequence of VAT-led gains in revenue receipts, alongside announced measures aimed at curtailing expenditure growth, such as public/private partnerships.

On the monetary side, liquidity in the banking sector will stay elevated over the near-term, reflecting sustained weakness in private sector credit demand, as households continue to deleverage and banks maintain their conservative lending posture amid high levels of non-performing loans. With banks' capital levels anticipated to remain significantly above regulatory requirements, financial stability concerns continued to be muted. In external sector outcomes, the external reserve position, which benefited from the tourism-supported gains in the first half of the year, is expected to decline over the remaining six months, consistent with the seasonal step-up in foreign currency demand for import payments. However, balances are projected to remain in line with international benchmarks.

Given the persistent mildness in the growth outlook, the Central Bank does not anticipate any changes in its monetary policy stance, in the near term.

Recent Monetary and Credit Statistics

(B\$ Millions)

MAY						
Value		Change		Change YTD		
2014	2015	2014	2015	2014	2015	

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	618.99	543.73	24.93	-39.39	217.28	50.46
1.2 Excess Liquid Assets	1,340.72	1,285.13	46.03	12.41	255.82	143.24
1.3 External Reserves	1,003.20	942.66	13.13	23.18	263.43	155.90
1.4 Bank's Net Foreign Assets	-524.04	-419.81	27.50	2.37	162.97	14.17
1.5 Usable Reserves	433.49	405.13	2.54	36.70	187.13	145.01

2.0 DOMESTIC CREDIT

2.1 Private Sector	6,468.94	6,276.11	-10.33	-0.44	-60.26	-76.85
a. B\$ Credit	6,109.75	5,978.83	-4.76	-0.12	-34.87	-51.01
of which: Consumer Credit	2,112.27	2,137.31	4.21	2.20	0.29	-13.35
Mortgages	3,099.45	3,071.83	-1.45	0.49	-51.46	-27.24
Commercial and Other Loans B\$	898.03	769.69	-7.52	-2.82	16.30	-10.43
b. F/C Credit	359.19	297.28	-5.57	-0.31	-25.38	-25.83
of which: Mortgages	134.98	103.11	-0.67	-0.57	-7.27	0.89
Commercial and Other Loans F/C	224.21	194.17	-4.90	0.26	-18.11	-26.72
2.2 Central Government (net)	1,858.55	2,052.15	20.19	48.61	-102.91	20.88
a. B\$ Loans & Securities	1,993.70	2,305.06	21.05	42.52	-30.48	32.08
Less Deposits	198.57	251.48	0.58	-4.46	12.53	16.93
b. F/C Loans & Securities	66.00	0.00	0.00	0.00	-59.00	0.00
Less Deposits	2.58	1.43	0.28	-1.64	0.90	-5.73
2.3 Rest of Public Sector	368.86	335.12	-2.77	-3.26	-31.54	14.35
a. B\$ Credit	101.35	98.31	-0.42	-2.01	-25.23	1.09
b. F/C Credit	267.51	236.81	-2.35	-1.26	-6.31	13.26
2.4 Total Domestic Credit	8,697.81	8,663.38	7.71	44.78	-194.44	-41.66
a. B\$ Domestic Credit	8,006.23	8,130.72	15.30	44.84	-103.11	-34.78
b. F/C Domestic Credit	691.58	532.66	-7.59	-0.07	-91.33	-6.88

3.0 DEPOSIT BASE

3.1 Demand Deposits	1,552.28	1,910.62	22.24	-17.58	117.56	131.76
a. Central Bank	15.89	11.28	-3.20	2.82	7.48	-12.29
b. Banks	1,536.39	1,899.34	25.44	-20.40	110.08	144.04
3.2 Savings Deposits	1,155.98	1,136.30	19.87	17.97	44.70	68.48
3.3 Fixed Deposits	3,322.37	3,039.65	1.83	1.63	3.60	-99.43
3.4 Total B\$ Deposits	6,030.63	6,086.57	43.95	2.02	165.85	100.81
3.5 F/C Deposits of Residents	306.54	257.82	14.74	9.50	55.55	15.77
3.6 M2	6,241.61	6,315.71	47.15	8.83	163.93	98.52
3.7 External Reserves/M2 (%)	16.07	14.93	0.09	0.35	3.90	2.27
3.8 Reserves/Base Money (%)	92.61	91.41	-1.28	4.96	12.63	11.21
3.9 External Reserves/Demand Liabilities (%)	88.04	87.68	-0.49	4.25	13.08	12.99
	Value		Year to Date		Change	
	2014	2015	2014	2015	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	12.83	21.59	257.81	153.89	8.76	-103.92
a. Net Purchase/(Sale) from/to Banks	57.45	53.04	247.30	288.40	-4.41	41.10
i. Sales to Banks	0.00	0.00	26.90	19.10	0.00	-7.80
ii. Purchases from Banks	57.45	53.04	274.20	307.50	-4.41	33.30
b. Net Purchase/(Sale) from/to Others	-44.62	-31.46	10.50	-134.52	13.17	-145.02
i. Sales to Others	64.04	57.92	410.02	310.95	-6.12	-99.07
ii. Purchases from Others	19.42	26.47	420.52	176.44	7.05	-244.09
4.2 Banks Net Purchase/(Sale)	70.70	31.85	263.48	268.64	-38.85	5.16
a. Sales to Customers	257.63	272.25	1,388.43	1,609.11	14.62	220.67
b. Purchases from Customers	328.33	304.10	1,651.91	1,877.75	-24.23	225.84
4.3 B\$ Position (change)	-22.00	-10.27				

5.0 EXCHANGE CONTROL SALES

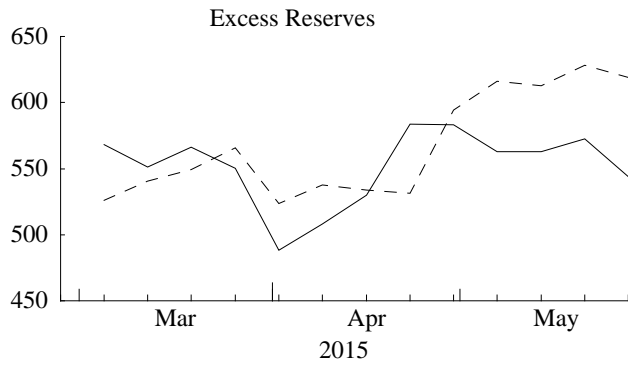
5.1 Current Items	ND	ND	ND	ND	ND	ND
of which Public Sector	ND	ND	ND	ND	ND	ND
a. Nonoil Imports	ND	ND	ND	ND	ND	ND
b. Oil Imports	ND	ND	ND	ND	ND	ND
c. Travel	ND	ND	ND	ND	ND	ND
d. Factor Income	ND	ND	ND	ND	ND	ND
e. Transfers	ND	ND	ND	ND	ND	ND
f. Other Current Items	ND	ND	ND	ND	ND	ND
5.2 Capital Items	ND	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: MAY 28, 2014 and MAY 27, 2015

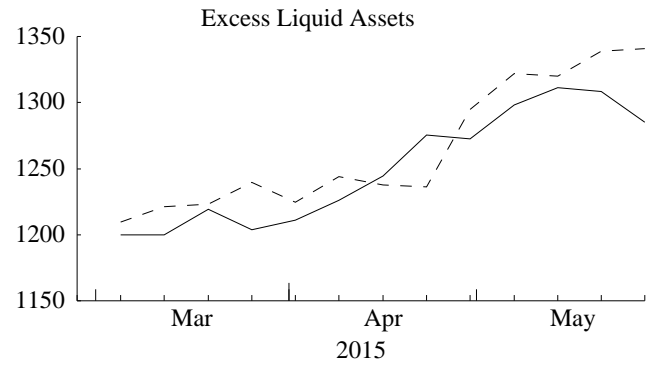
Exchange Control Sales figures are as at month end.

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.

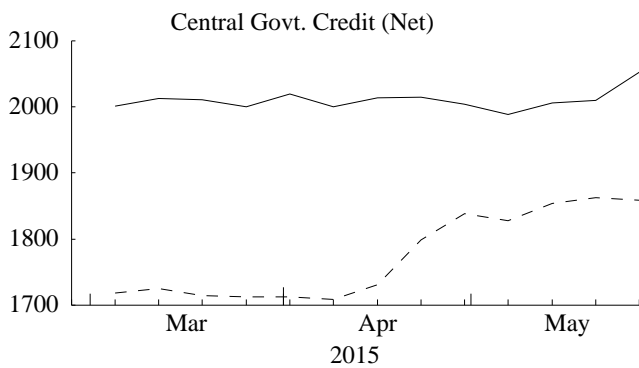
SELECTED MONEY AND CREDIT INDICATORS (B\$ Millions)



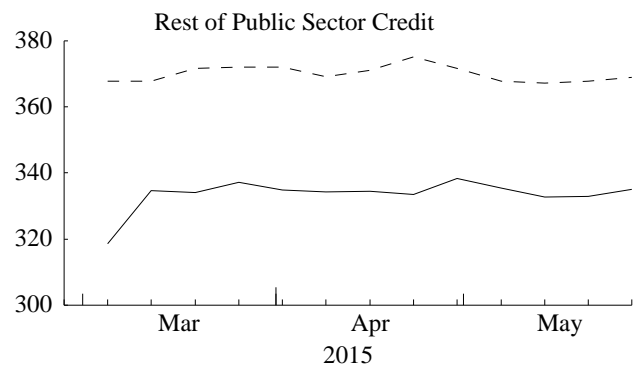
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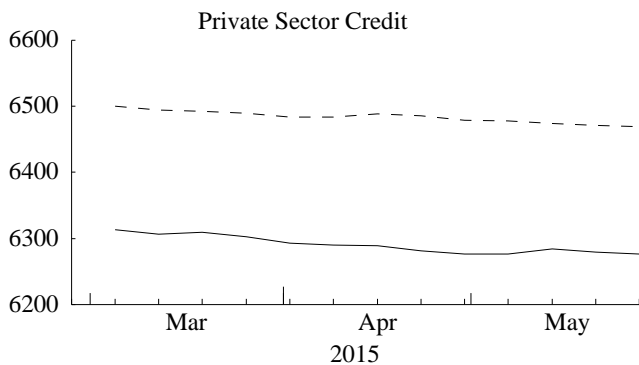
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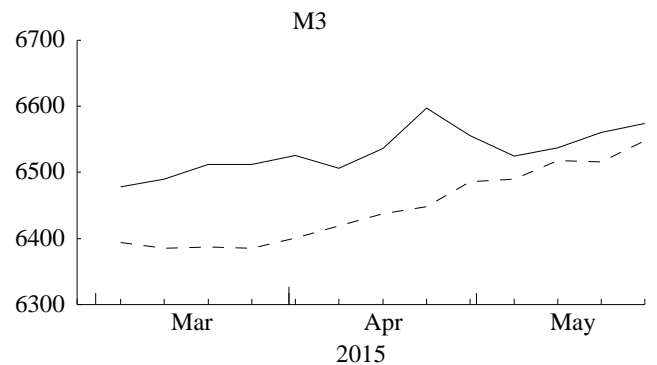
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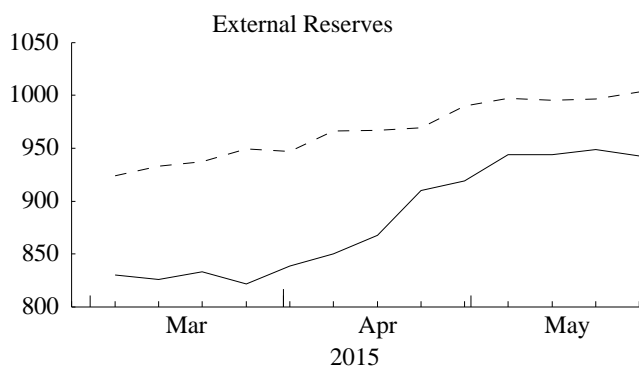
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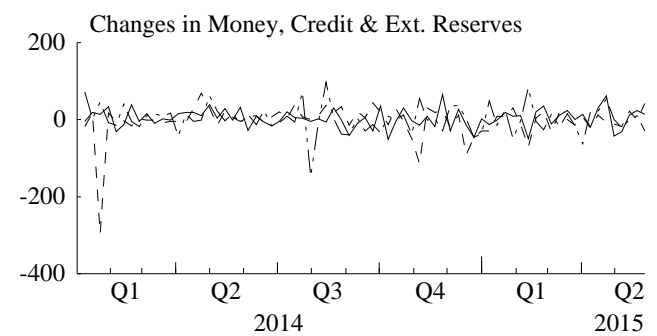
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— M3
- - - Domestic Credit
- · - External Reserves

Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2014	2015	2014	2015	2014	2015
Bahamas	1.3	2.3	1.2	2.3	14.3	N/A
United States	2.4	3.1	1.6	0.1	6.2	5.5
Euro-Area	0.9	1.5	0.4	0.1	11.6	11.1
<i>Germany</i>	<i>1.6</i>	<i>1.6</i>	<i>0.8</i>	<i>0.2</i>	<i>5.0</i>	<i>4.9</i>
Japan	-0.1	1.0	2.7	1.0	3.6	3.7
China	7.4	6.8	2.0	1.2	4.1	4.1
United Kingdom	2.6	2.7	1.5	0.1	6.2	5.4
Canada	2.5	2.2	1.9	0.9	6.9	7.0
<i>Source: IMF World Economic Outlook April 2015, 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
May 2013	4.50	0.50	0.75	0-0.25	0.50
June 2013	4.50	0.50	0.75	0-0.25	0.50
July 2013	4.50	0.50	0.75	0-0.25	0.50
August 2013	4.50	0.50	0.75	0-0.25	0.50
September 2013	4.50	0.50	0.75	0-0.25	0.50
October 2013	4.50	0.50	0.75	0-0.25	0.50
November 2013	4.50	0.25	0.75	0-0.25	0.50
December 2013	4.50	0.25	0.75	0-0.25	0.50
January 2014	4.50	0.25	0.75	0-0.25	0.50
February 2014	4.50	0.25	0.75	0-0.25	0.50
March 2014	4.50	0.25	0.75	0-0.25	0.50
April 2014	4.50	0.25	0.75	0-0.25	0.50
May 2014	4.50	0.25	0.75	0-0.25	0.50
June 2014	4.50	0.15	0.75	0-0.25	0.50
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

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	May-14	Apr-15	May-15	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.7335	0.8909	0.9102	2.16	10.11	24.09
Yen	101.78	119.38	124.14	3.99	3.73	21.97
Pound	0.5969	0.6514	0.6540	0.41	1.88	9.57
Canadian \$	1.0845	1.2077	1.2456	3.14	7.20	14.85
Swiss Franc	0.8951	0.9324	0.9404	0.86	-5.43	5.06
Renminbi	6.2478	6.1992	6.2004	0.02	-0.08	-0.76

Source: Bloomberg as of May 31, 2015

D. Selected Commodity Prices (\$)					
Commodity	May 2014	April 2015	May 2015	Mthly % Change	YTD % Change
Gold / Ounce	1249.68	1184.37	1190.55	0.52	0.52
Silver / Ounce	18.81	16.15	16.75	3.69	6.61
Oil / Barrel	110.40	64.60	61.86	-4.24	7.90

Source: Bloomberg as of May 31, 2015

E. Equity Market Valuations – May 31, 2015 (% chg)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	1.19	0.95	1.05	0.34	-0.76	-0.35	5.34	3.83
3 month	2.27	-0.67	0.14	0.54	1.14	0.11	9.39	39.31
YTD	2.71	1.05	2.36	6.37	17.21	16.40	17.84	42.57
12-month	9.13	7.74	9.56	2.04	10.80	14.79	40.53	126.15

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	0.14	0.43	-0.14
1 Month	0.22	0.50	-0.09
3 Month	0.38	0.56	-0.04
6 Month	0.59	0.81	0.04
9 Month	0.74	0.86	0.08
1 year	0.93	1.01	0.14

Source: Bloomberg as of May 31, 2015

SUMMARY ACCOUNTS OF THE CENTRAL BANK

(B\$ Millions)

	VALUE										CHANGE							
	Apr. 01	Apr. 08	Apr. 15	Apr. 22	Apr. 29	May. 06	May. 13	May. 20	May. 27	Apr. 01	Apr. 08	Apr. 15	Apr. 22	Apr. 29	May. 06	May. 13	May. 20	May. 27
I. External Reserves	838.55	850.30	867.93	910.16	919.49	943.69	944.26	948.96	942.66	16.59	11.75	17.64	42.22	9.33	24.21	0.57	4.70	-6.30
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't (i + ii + iii - iv)	452.80	456.23	453.98	454.38	452.34	407.26	406.56	403.65	402.98	-55.23	3.43	-2.25	0.39	-2.04	-45.08	-0.69	-2.91	-0.68
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	269.73	269.71	269.25	268.99	268.80	268.33	268.20	267.99	267.93	-0.48	-0.02	-0.47	-0.26	-0.19	-0.46	-0.14	-0.20	-0.06
iii) Treasury Bills	76.58	76.58	76.58	76.58	76.58	31.17	31.17	31.17	31.17	-56.92	0.00	0.00	0.00	0.00	-45.42	0.00	0.00	0.00
iv) Deposits	28.18	24.73	26.50	25.85	27.70	26.91	27.46	30.17	30.78	-2.17	-3.45	1.78	-0.65	1.84	-0.79	0.55	2.71	0.61
B. Rest of Public Sector (Net) (i + ii - iii)	-18.33	-13.12	-15.45	-6.83	-4.31	-5.46	-11.50	-0.16	-7.25	-13.59	5.21	-2.33	8.62	2.52	-1.15	-6.05	11.34	-7.09
i) BDB Loans	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.03	4.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.13	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	22.48	17.27	19.60	10.98	8.46	9.61	15.65	4.19	11.28	13.59	-5.21	2.33	-8.62	-2.52	1.15	6.05	-11.47	7.09
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	634.22	638.73	662.96	720.82	723.14	699.46	694.06	708.14	689.10	-47.53	4.51	24.23	57.87	2.32	-23.68	-5.40	14.07	-19.04

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

FISCAL/REAL SECTOR INDICATORS

(B\$ MILLIONS)

(% change represents current month from previous month)

	JUL		AUG		SEP		OCT		NOV		DEC		JAN		FEB		MAR		APR		MAY		JUN		YEAR TO DATE		
	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	
Fiscal Operations:																											
1. Government Revenue & Grants	112.7	117.8	104.1	94.5	88.5	104.2	105.8	120.3	103.8	89.5	146.5	159.7	137.4	143.9	112.3	156.1	141.6	188.4	129.4	208.8	188.4	129.4	188.4	129.4	208.8	1182.1	1384.1
% change: over previous month	8.1%	-3.9%	-7.6%	-19.7%	-15.0%	10.2%	15.4%	-1.9%	-1.9%	-25.5%	4.1%	78.4%	-6.2%	-9.8%	-1.6%	8.4%	26.0%	20.6%	-8.6%	1.3%	20.6%	-8.6%	20.6%	-8.6%	1.3%	4.0%	17.0%
2. Import/Excise Duties	44.0	48.4	49.7	46.9	42.0	47.8	45.7	47.8	49.0	47.8	47.8	59.1	46.0	32.5	45.4	40.8	48.4	48.2	47.9	50.4	48.2	47.9	48.2	47.9	50.4	465.9	469.6
% change: over previous month	-9.3%	4.1%	12.9%	0.0%	-15.4%	1.8%	8.6%	0.1%	7.3%	-0.1%	-2.5%	23.7%	-3.5%	-45.0%	-1.4%	25.5%	6.6%	18.1%	-1.4%	4.6%	18.1%	-1.4%	4.6%	-1.4%	4.6%	-3.4%	0.7%
3. Recurrent Expenditure	122.9	143.0	112.9	157.3	125.0	168.1	145.3	167.4	128.8	168.9	129.1	141.5	150.9	177.1	112.5	132.3	124.7	170.5	154.0	187.5	170.5	154.0	170.5	154.0	187.5	1306.1	1613.5
% change: over previous month	-19.1%	96.8%	-8.2%	10.0%	10.7%	6.8%	16.2%	-0.4%	-1.3%	0.9%	0.2%	-16.2%	16.8%	25.2%	-2.5%	-25.3%	10.8%	28.8%	23.5%	9.9%	28.8%	23.5%	9.9%	23.5%	1306.1	1613.5	
4. Capital Expenditure	4.5	9.8	16.8	21.5	8.9	29.0	17.6	10.0	8.9	9.3	19.7	14.2	10.4	12.2	14.4	14.5	13.9	19.9	75.3	27.8	19.9	75.3	27.8	19.9	27.8	190.4	168.3
% change: over previous month	-90.6%	44.4%	27.5%	19.0%	-47.1%	35.0%	98.5%	-63.7%	-49.7%	-7.1%	12.3%	35.4%	-47.0%	-14.3%	38.5%	19.2%	-3.9%	36.8%	443.2%	39.9%	36.8%	443.2%	39.9%	36.8%	27.8	190.4	168.3
5. Deficit/Suplus*	-15.7	-25.2	-28.2	-62.8	-52.9	-63.9	-47.1	-42.2	-79.4	-79.4	-7.3	18.2	-32.8	-33.2	-17.8	23.8	1.2	17.9	-110.0	22.3	17.9	-110.0	22.3	-110.0	22.3	-388.6	-229.3
% change: over previous month	-84.5%	-23.1%	78.9%	148.8%	87.7%	1.7%	18.7%	-26.2%	-32.7%	68.5%	-82.7%	-122.9%	340.4%	-282.3%	-45.7%	-171.7%	-106.9%	-24.9%	-90.80%	24.5%	-106.9%	-90.80%	24.5%	-110.0	-388.6	-229.3	-5.6%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC				
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015			
Debt, **																											
6. Total Debt	5,008.7	5,668.6	5,022.7	5,603.6	5,023.6	5,599.6	5,135.5	5,600.9	5,155.8	5,589.6																	
% change: over previous month	0.5%	1.2%	0.3%	-1.1%	0.0%	-0.1%	2.2%	0.0%	0.4%	0.0%																	
7. External Debt	1,488.0	1,604.0	1,492.0	1,604.0	1,492.9	1,602.9	1,489.8	1,604.1	1,490.2	1,612.9																	
% change: over previous month	23.2%	0.9%	0.3%	0.0%	0.1%	-0.1%	-0.2%	0.1%	0.0%	0.5%																	
8. Internal F/C Debt	0.0	0.0	0.0	0.0	0.0	0.0	66.0	0.0	66.0	0.0																	
% change: over previous month									0.0%																		
9. Bahamian Dollar Debt	3,520.7	4,064.7	3,530.7	3,999.7	3,530.7	3,996.7	3,579.7	3,996.7	3,599.7	3,986.7																	
% change: over previous month	-4.1%	1.4%	0.3%	-1.6%	0.0%	-0.1%	1.4%	0.0%	0.6%	-0.3%																	
10. Total Amortization	275.4	15.4	10.0	65.0	1.1	4.7	14.1	3.8	10.0	10.0																	
% change: over previous month	-425.6%	-545.2%	-96.4%	320.9%	-89.2%	-92.8%	1204.9%	-18.8%	-29.3%	164.0%																	

11. Total Public Sector F/C Debt	2,309.5	2,468.2	2,318.7	2,467.4	2,317.7	2,484.6	2,377.5	2,485.8	2,376.6	2,483.2																	
% change: over previous month	8.0%	1.9%	0.4%	0.0%	0.0%	0.7%	2.6%	0.1%	0.0%	0.3%																	

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC				
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015			
Real Sector Indicators																											
12. Retail Price Index	107.3	109.7																									
% change: over previous month	0.75%	2.74%																									
13. Tourist arrivals (000's)																											
% change: over previous year																											
14. Air arrivals (000's)																											
% change: over previous year																											
15. Occupied Room Nights																											
% change: over previous year																											
16. Res. Mortgage Commitments-Value of New Const. & Rehab. (B\$Millions)																											
% change: over previous year																											
2014	107.3	109.7																									
(Over previous year)	0.75%	2.74%																									
2014	107.3	109.7																									
(Over previous year)	0.75%	2.74%																									

* Includes Net Lending to Public Corporations
 ** Debt figures pertain to central government only unless otherwise indicated
 p: provisional