



Quarterly Economic Review

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QUARTERLY ECONOMIC REVIEW

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REVIEW OF ECONOMIC AND FINANCIAL DEVELOPMENTS

DOMESTIC ECONOMIC DEVELOPMENTS

Key performance indicators suggest a relatively flat outcome for the Bahamian economy during the fourth quarter, as tourism output softened, due to weather-related disruptions in travel itineraries, and foreign investments sustained steady growth in construction sector activity. In this context, labour market conditions improved only slightly over the six months to November, while inflationary pressures were relatively subdued.

Based on preliminary estimates, the fiscal deficit deteriorated during the second quarter of FY2012/13, in comparison to the previous year, as a tax-related contraction in total revenue, negated a fall-off in aggregate expenditure. Budgetary requirements were met through a combination of short and long-term domestic borrowing and external loan financing.

Monetary developments featured modest gains in both bank liquidity and external reserves, buoyed by proceeds from the Government's external borrowings. Reflecting anemic consumer demand and high unemployment, private sector credit contracted marginally, and the deterioration in banks' credit quality indicators prompted an increase in their loan loss provisions. Further, the Government's use of funds from its external borrowings to reduce Bahamian dollar liabilities, lowered banks' credit to the public sector.

On the external side, the estimated current account deficit deteriorated in the fourth quarter, as a decline in the services account surplus, along with a worsening in the income account deficit, overshadowed a reduction in the goods deficit. The capital and financial account surplus narrowed, reflecting mainly a reduction in the outstanding foreign liabilities of both banks and private companies, which overshadowed gains in net direct investment and public sector inflows.

FISCAL OPERATIONS

OVERVIEW

The fiscal situation worsened, as the overall deficit for the second quarter of FY2012/13 widened by \$56.9 million (83.1%) to \$125.3 million. Total revenue fell by 14.8% (\$64.1 million) to \$368.0 million, to eclipse a contraction in aggregate expenditures of 1.4% (\$7.2 million) to \$493.3 million.

REVENUE

Tax receipts, at 84.3% of the total, decreased by \$50.5 million (14.0%) to \$310.4 million. Underlying this outturn was a decline in taxes on international trade transactions, by 36.7% (\$88.1 million) to \$151.8 million, as excise tax receipts, which were boosted by extraordinary arrears payments last year, receded by 59.1% (\$85.0 million) back to trend levels. Import and export tax collections also fell, by \$2.4 million and \$1.2 million, respectively, outpacing the incremental \$0.4 million gain in associated stamp taxes. Declines were also registered for non-trade stamp taxes, of 4.9% (\$1.6 million); "non-allocated" taxes, of 14.8% (\$0.8 million), and selective taxes on services, of 1.1% (\$0.1 million). In a partial offset, arrears payments boosted departure tax collections more than two-fold, to \$44.2 million, with appreciable gains also recorded for property taxes, of 23.0% (\$9.1 million) and business & professional license fees, of 41.7% (\$4.0 million).

Non-tax revenue, which accounted for 15.7% of total receipts, rose by \$4.1 million (7.6%) to \$57.6 million, led by a \$6.1 million (29.5%) timing-related gain in fines, forfeits & administrative fees. In contrast, property-related income, inclusive of interest, dividends and rents, waned by \$1.8 million (5.5%), after being boosted in the previous year by the receipt of deferred interest payments. However, income from public enterprises firmed to \$7.0 million from \$0.2 million in the prior period, reflecting timing-related factors. Capital revenue was negligible

during the quarter, in contrast to the previous period's \$17.7 million value, associated with the sale of property.

Government Revenue By Source				
(Oct. - Dec.)				
	FY11/12		FY12/13	
	B\$M	%	B\$M	%
Property Tax	39.6	9.2	48.7	13.2
Selective Services Tax	11.8	2.7	11.6	3.2
Busines. & Prof Lic. Fees	9.6	2.2	13.6	3.7
Motor Vehicle Tax	5.9	1.4	6.0	1.6
Departure Tax	18.9	4.4	44.2	12.0
Import Duties	88.4	20.5	86.1	23.4
Stamp Tax from Imports	3.9	0.9	4.3	1.2
Excise Tax	143.8	33.3	58.8	16.0
Export Tax	3.7	0.8	2.6	0.7
Stamp Tax from Exports	--	--	--	--
Other Stamp Tax	33.2	7.7	31.6	8.6
Other Tax Revenue	5.3	1.2	4.5	1.2
Fines, Forfeits, etc.	20.8	4.8	26.9	7.3
Sales of Govt. Property	0.4	0.1	0.1	0.0
Income	32.4	7.5	30.6	8.3
Other Non-Tax Rev.	--	--	--	--
Capital Revenue	17.7	--	--	--
Grants	--	--	--	--
Less: Refunds	3.3	0.8	1.6	0.4
Total	432.1	95.9	368.0	100.0

EXPENDITURE

Reflecting a leveling-off in infrastructure projects, capital outlays contracted by 28.8% (\$21.3 million) to \$52.8 million. This contrasted with gains in current spending, of 3.6% (\$13.3 million) to \$379.7 million, and in net lending to public entities, of 1.4% (\$0.8 million) to \$60.8 million.

Based on economic classification, the growth in current disbursements, which accounted for 77.0% of the total, was led by an increase in transfer payments of \$13.2 million (9.4%) to \$152.6 million. Of significance, were the gains in subsidy payments and transfers to public corporations, of \$7.7 million and \$4.3 million, respectively, alongside reduced transfers to households (\$3.0 million) and abroad (\$0.8 million). Interest payments rose by 7.3% (\$3.6 million) to \$53.7 million, due mainly to a 13.6% (\$3.2 million) increase in external obligations.

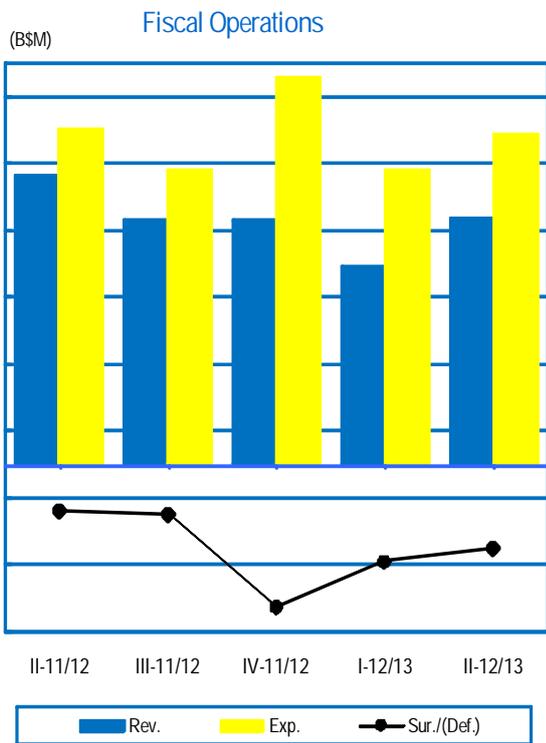
Consumption spending was relatively unchanged at \$227.1 million, as the 0.9% (\$0.7 million) reduction in purchases of goods and services negated a similar gain in wage & salary payments.

Analyzed by functional classification, the growth in recurrent outlays was attributed to a 10.8% (\$6.2 million) hike in health-care expenditure to \$63.4 million, combined with a rise in spending for general public services (general administration and public order & safety) of 4.4% (\$4.7 million) to \$110.2 million. Social benefits & service-related outlays grew by 5.5% (\$1.8 million) to \$33.4 million and for defense, by 5.2% (\$0.6 million) to \$12.2 million. Conversely, expenditures for economic services contracted by \$2.2 million (5.6%) to \$37.7 million, mainly due to timing-related reductions in disbursements for tourism (\$2.3 million), public works & water supply (\$1.7 million), and labor employment services (\$1.0 million), which offset the \$2.5 million hike in transportation outlays. Spending on education decreased by 1.3% (\$0.9 million) to \$64.0 million, and on "other community and social services", by 8.9% (\$0.4 million) to \$4.4 million.

Under capital expenditure, disbursements for infrastructure projects were lower by 13.1% (\$7.1 million) at \$47.2 million, and asset purchases contracted by three quarters to \$4.8 million, following the acquisition of new premises last year. In contrast, transfers to non-financial public enterprises rose to \$0.3 million from negligible levels, while those to public corporations were a stable \$0.6 million.

FINANCING AND THE NATIONAL DEBT

Budgetary financing for the second quarter of FY2012/13 included new borrowings of \$315.1 million, dominated by \$210.1 million in external funding, which comprised a US\$180.0 million loan and project-based drawings of \$30.1 million. Approximately \$105.0 million was sourced from the domestic market in the form of Treasury bills (\$50.0 million), loans & advances (\$30.0 million) and bonds (\$25.0 million). Debt repayment amounted to \$95.6 million, of which 94% was used to retire local currency obligations.



As a result of these developments, the Direct Charge on the Government grew by 5.3% (\$219.5 million) over the quarter and by 15.5% (\$590.0 million) year-on-year, to \$4,394.6 million at end-December, 2012. Bahamian dollar debt represented the majority (76.4%) of the total and was held largely by commercial banks (35.4%), followed by private investors (30.5%), public corporations (21.7%), the Central Bank (12.1%) and Other Local Financial Institutions (0.3%). By instrument, Government bonds—with an average 11.8 years to maturity—constituted the bulk of domestic currency debt (85.6%), followed by Treasury bills (10.4%) and loans & advances (4.0%).

The Government's Contingent Liabilities were reduced by \$4.3 million (0.7%) to \$592.1 million, while the National Debt expanded by 4.5% (\$215.2 million) over the quarter and by 14.5% (\$631.4 million) relative to last year, to \$4,986.7 million at end-December, 2012.

PUBLIC SECTOR FOREIGN CURRENCY DEBT

Buoyed by Government's external borrowings, public sector foreign currency debt expanded by \$197.8 million (11.9%) to \$1,863.0 million over the fourth quarter, as

new drawings of \$210.1 million outweighed amortization payments of \$12.3 million. In particular, the Government's component—at 55.7% of the total—surged by \$204.5 million (24.6%) to \$1,037.3 million, in contrast to a \$6.7 million (0.8%) reduction in the public corporations' obligations to \$825.7 million.

Compared to the previous year, total debt service payments rose by \$12.1 million (32.1%) to \$49.6 million. The public corporations' portion was higher by \$5.6 million (46.6%) at \$17.5 million, and the Government's, by \$6.4 million (25.3%) at \$32.1 million. As a result of these developments, the public sector debt service ratio firmed by 1.3 percentage points to 5.6%, and the ratio of Government's debt service to revenue receipts advanced to 8.7% from 5.9% in 2011.

By creditor profile, the largest share of foreign currency debt, at 34.6%, was held by miscellaneous creditors, such as international financial institutions and insurance firms, followed by private capital markets (32.2%), commercial banks (18.4%), and multilateral and bilateral institutions (14.8%). The outstanding debt carried an average maturity of 15.4 years and was denominated principally in US dollars (97.6%), with the balance shared between Chinese Yuans (2.2%) and euros (0.2%).

REAL SECTOR

TOURISM

Indications are that tourism output contracted over the review quarter, partly reflecting the dampening impact of Hurricane Sandy on stopover arrivals.

Growth in total visitor arrivals, of 0.7% to 1.5 million, was significantly below the 9.7% gain achieved in 2011. Following an 11.4% expansion a year ago, sea passengers—at 80.9% of the total—increased by a mere 1.1% to 1.2 million. Air traffic contracted by 0.7% to 0.3 million, to reverse the 3.2% improvement in 2011, as harsh weather conditions disrupted travel itineraries for visitors originating from several key United States markets.

By major ports of call, visitors to New Providence rose by 2.9% to 0.88 million, considerably less than the previous year's 11.9% growth, based on moderated gains in both the sea (3.5%) and air (1.1%) segments. In

Grand Bahama, the 9.4% increase in arrivals to 0.2 million, outpaced 2011's gain of 3.1%, and featured a 12.8% rise in the dominant sea segment, which outweighed the 10.9% falloff in air visitors. Reflecting, in part, the brief disruptions caused to several hotels' operations by the hurricane, visitors to the Family Islands fell by 7.0% to 0.4 million, explained by contractions in both air (3.9%) and sea (6.7%) arrivals.

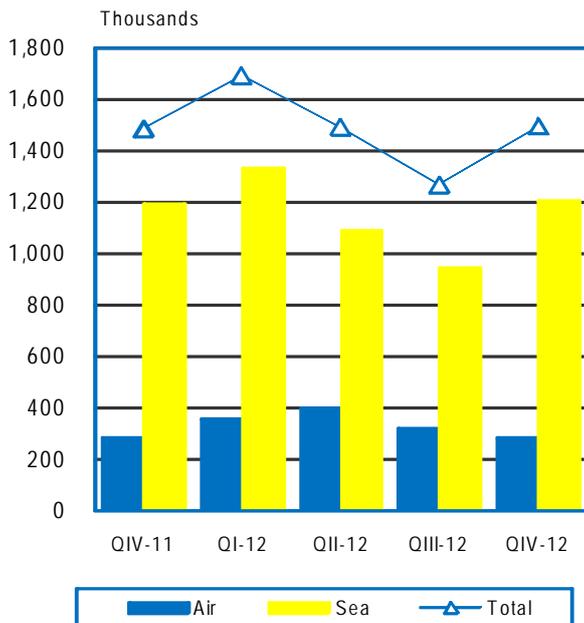
Preliminary data from a sample of the largest hotels in New Providence and Paradise Island showed a decline in hotel revenues in comparison to the corresponding 2011 period. Total earnings contracted by 1.3% over the quarter, based on a reduction in the average daily room rate by 0.9% to \$211.73, and a relatively unchanged average occupancy rate of 57.3%.

housing sector developments remained anemic, amid weak business and labour market conditions.

As a partial indicator of private construction activity, total mortgage disbursements for new construction and repairs—as reported by domestic banks, insurance companies and the Bahamas Mortgage Corporation—contracted by 27.5% to \$24.4 million, extending the 2.8% decline posted in the same period of 2011. Underpinning this outcome was a 19.7% (\$6.0 million) reduction in residential mortgages to \$24.3 million, while the commercial component decreased by \$3.3 million to a mere \$0.1 million, following growth of \$1.3 million a year earlier.

The sluggish performance of the domestic private sector is poised to continue over the near-term, as total mortgage commitments for new buildings and repairs—a forward looking indicator of construction activity—declined in number by almost 50% (91) to 106 and the corresponding value fell by 31.9% to \$15.3 million. Specifically, residential loan approvals decreased by 92 in number and by \$7.4 million in value, to 104 and \$14.8 million, respectively. In contrast, commercial loan approvals doubled in number to 2, with a \$0.3 million expansion in value to \$0.4 million.

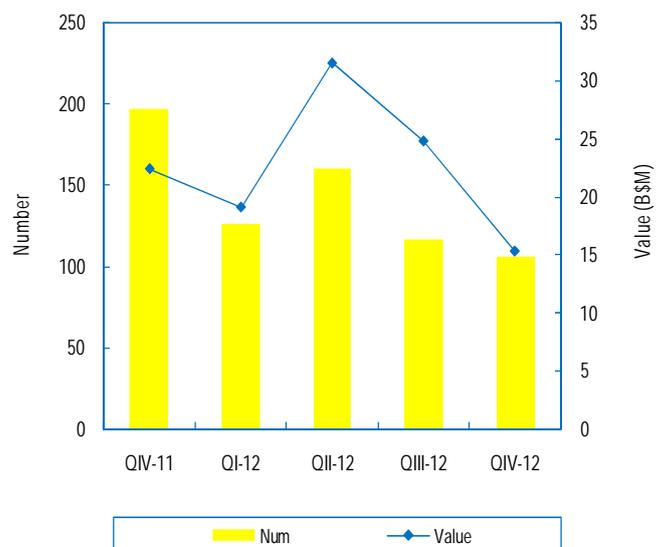
Visitor Arrivals



CONSTRUCTION

Quarterly construction sector output was supported mainly by foreign direct investments, namely the multi-billion dollar Baha Mar project, where work continued on the core segment of the development. Less stimulus was derived from ongoing public sector infrastructure activities, as earlier projects neared completion, and domestic

Mortgage Commitments: New Construction and Repairs



Mortgage costs increased modestly during the review quarter, as average interest rates on both the residential and commercial components firmed, by 10 and 20 basis points, to 8.2% and 8.4%, respectively.

EMPLOYMENT

Reflecting gains in most of the key industries, labour market conditions improved slightly in the second half of 2012. According to the Department of Statistics' most recent Labour Force Survey, for the six-month period ending November 2012, the unemployment rate fell by 0.7 of a percentage point to 14.0%, in contrast to a 2.2 percentage point gain to 15.9% a year earlier. The number of unemployed persons decreased by 1,175, while job payrolls—inclusive of previously discouraged workers and new entrants—firmed by 1,925 persons. An estimated six (6) of the nine (9) industries surveyed noted employment gains, led by the manufacturing sector, where payrolls widened by 22.0%; albeit from a low base. In terms of the major job centres, the unemployment rate in New Providence fell by 0.9 of a percentage point to 13.1%; however, Grand Bahama's rate firmed to 18.0% from 17.3% in May. In addition, employment prospects for recent graduates remained challenging, as the jobless rate among persons aged 15-24 was estimated at 30.7% at end-November, 2012.

PRICES

Domestic inflation for the twelve months to October, as measured by the Retail Price Index for The Bahamas, softened to 2.35% from 2.90% in the corresponding 2011 period. This outturn included a significant reduction in average cost gains for transportation, to 2.64% from 8.70% in the comparative period and a reversal in average costs for clothing & footwear, from a slight 0.58% contraction in 2011 to a 1.17% expansion. Notable average price declines were registered for restaurant & hotels (by 1.0 percentage point to 1.81%); furnishing, household equipment & maintenance (by 90 basis points to 2.80%); and education (by 90 basis points to 2.36%). After recording year-earlier increases of 1.31% and 2.56%, average prices decreased for communication and recreation & culture, by 1.43% and 0.68%, respectively. Conversely, accelerated average price gains were posted for food & non-alcoholic beverages, to 3.07% from 1.23%; miscellaneous goods & services, to 0.92% from 0.22%; medical care & health, to 1.93% from 1.69%; housing, water, gas, electricity & other fuels, to 3.38%

from 3.17% and alcohol, tobacco, & narcotics, to 1.65% from 1.50%.

Domestic energy prices generally moved higher during the fourth quarter, with the average retail price of both gasoline and diesel up by 2.1% to \$5.46 per gallon and 6.7% to \$5.28 per gallon, respectively. The annualized gains in the respective prices for these two fuel products were 7.0% and 4.0%. In contrast, the Bahamas Electricity Corporation's fuel charge fell on a quarterly basis, by 3.7% to 26.30¢ per kilowatt hour (kWh), but surged year-on-year by 15.3%.

Retail Price Index (Annual % Changes) October						
Items	Weight	2011		2012		
		Index	%	Index	%	
Food & Non-Alcoholic Beverages	120.4	102.8	3.3	105.2	2.3	
Alcohol, Tobacco & Narcotics	6.4	103.6	0.8	105.0	1.4	
Clothing & Footwear	37.76	100.3	-0.1	100.9	0.6	
Housing, Water, Gas, Electricity	334.83	104.6	2.1	108.3	3.5	
Furn. & Household, Maintenance	64.26	105.0	6.8	106.8	1.6	
Health	44.5	102.8	1.4	104.9	2.1	
Transportation	119.13	112.1	8.5	116.1	3.5	
Communication	41.19	101.7	2.1	95.6	-6.0	
Rec., & Culture	22.73	103.3	4.8	100.9	-2.3	
Education	30.05	105.2	1.9	106.5	1.2	
Restaurant & Hotels	38.24	105.4	3.9	105.7	0.3	
Misc. Goods & Svcs.	140.52	101.5	-0.4	101.7	0.2	
ALL ITEMS	1000	104.5	3.2	106.4	1.8	

MONEY, CREDIT AND INTEREST RATES

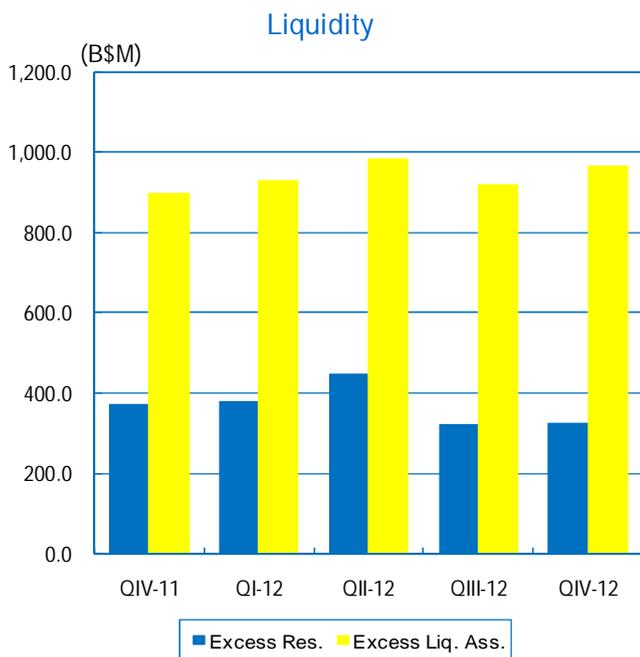
OVERVIEW

Monetary developments during the review quarter featured expansions in both bank liquidity and external reserves, fuelled by proceeds from the Government's external borrowing in December. The mild economic environment continued to constrain the recovery in

private sector credit growth and any definitive improvement in banks' credit quality indicators. The resultant increases in loan loss provisioning, contributed to a decline in banks' overall profitability. The weighted average interest rate spread increased modestly over the period, as the fall in the average deposit rate outweighed the softening in the corresponding lending rate.

LIQUIDITY

Banks' net free cash reserves grew marginally by \$2.4 million (0.7%) to \$322.8 million over the quarter. At end-December 2012, the ratio of free cash reserves to deposit liabilities stood slightly lower at 5.4% from 6.2% in 2011. However, the broader surplus liquid assets—which includes holdings of Government paper—advanced by \$46.9 million (5.1%) to \$967.1 million, a reversal from the prior year's \$33.2 million (3.6%) contraction. The system's surplus exceeded the statutory minimum by 99.6%, up from 92.5% a year ago.



DEPOSITS AND MONEY

The contraction in the overall money supply (M3) slowed to \$36.4 million (0.6%) from \$42.8 million (0.7%) in 2012, for an end-December balance of \$6,303.7 million. Narrow money (M1) expanded by \$65.1 million (4.3%), outpacing the year-earlier \$10.9 million (0.8%) gain, and reflecting a \$56.8 million (4.4%) upturn in

demand deposits, alongside a \$8.3 million (4.0%) rise in currency in circulation. In contrast, broad money (M2) fell further by \$20.4 million (0.3%), following last year's \$34.5 million (0.6%) contraction, explained by declines in fixed and savings balances, of \$44.4 million (1.3%) and \$41.1 million (3.7%), respectively. The fall-off in foreign currency deposits was extended by almost two-fold, to \$16.0 million (6.9%), owing primarily to a \$20.1 million (9.4%) reduction in private sector placements, which outpaced the \$4.1 million (23.7%) increase in public sector deposits.

As a proportion of the overall money stock, fixed deposits constituted the largest share at 54.6%, with demand and savings balances accounting for 21.5% and 17.0%, respectively. Foreign currency deposits and currency in active circulation comprised the smallest proportions at 3.4% each.

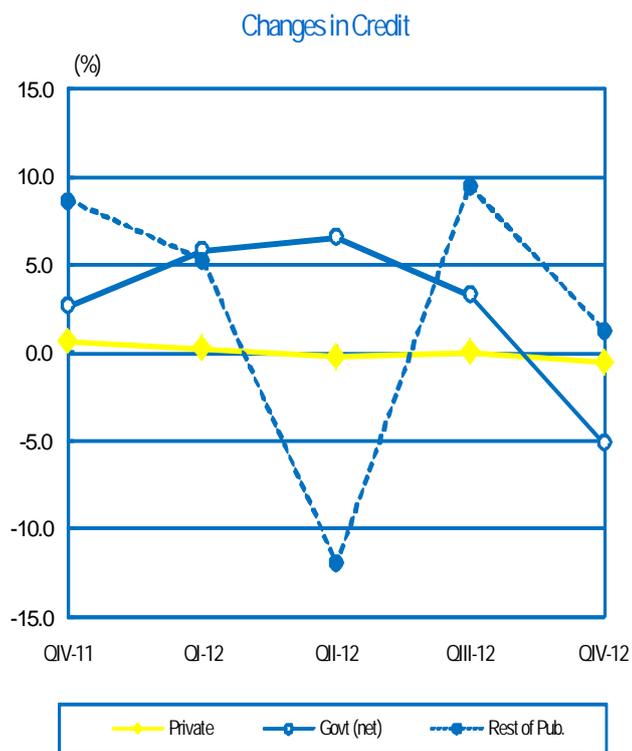
DOMESTIC CREDIT

Following a \$122.0 million (1.5%) advance a year earlier, total domestic credit contracted by \$112.2 million (1.3%), reflecting Government's use of proceeds from its foreign financing to repay short-term debt. By currency composition, Bahamian dollars, which comprised an estimated 91.6% of total credit, contracted by \$89.7 million (1.1%), to reverse last year's \$87.6 million (1.1%) gain. Similarly, foreign currency claims declined by \$22.5 million (3.0%), vis-à-vis a \$34.4 million (5.1%) rise a year earlier.

Net credit to the Government fell by \$85.8 million (5.1%), in contrast to a \$38.1 million (2.7%) advance a year ago, as the Government utilized proceeds from its \$180.0 million external loan to reduce mainly short-term bank credit. Growth in banks' net claims on the rest of the public sector slackened to \$6.1 million (1.3%) from \$35.9 million (8.7%) in 2011.

Amid weak consumer demand conditions and enhanced borrowing requirements, private sector credit contracted by \$32.5 million (0.5%), reversing the \$48.0 million (0.7%) increase of last year. Both the foreign currency and Bahamian dollar components declined, by 5.1% (\$20.9 million) and 0.2% (\$11.6 million), respectively. Underlying the latter, personal loans, at a dominant 78.7% of outstanding credit, decreased by \$12.8 million (0.2%), in contrast to a \$19.1 million (0.4%) gain in 2011.

This was explained by a \$25.0 million (1.2%) contraction in the proportionally larger consumer credit component, which surpassed subdued gains in both residential mortgages and overdrafts, of \$10.5 million (0.4%) and \$2.9 million (3.2%), respectively.



A disaggregated analysis of consumer credit showed a concentrated decline in debt consolidation loans, of \$22.8 million (2.8%), while more muted reductions were recorded for miscellaneous (\$7.4 million), medical (\$1.9 million) and education (\$1.2 million) loans. In contrast, gains were registered for home improvement (\$3.4 million), travel (\$2.3 million), credit card (\$1.6 million) and private car (\$1.3 million) lending.

Among the other private sector loan categories, significant net repayments were posted for miscellaneous loans and construction, of \$45.9 million and \$10.7 million, respectively, alongside smaller declines in credit extended for entertainment & catering (\$4.7 million) and fisheries (\$2.4 million). In a modest offset, gains were recorded for distribution (\$38.2 million), transport (\$3.7

million) and private financial institutions (\$1.6 million) loans.

Distribution of Bank Credit By Sector				
End-December				
	2011		2012	
	<u>B\$M</u>	<u>%</u>	<u>B\$M</u>	<u>%</u>
Agriculture	13.4	0.2	14.3	0.2
Fisheries	8.6	0.1	8.4	0.1
Mining & Quarry	2.7	0.0	2.4	0.0
Manufacturing	38.8	0.5	41.7	0.6
Distribution	171.1	2.4	216.1	3.0
Tourism	70.3	1.0	65.3	0.9
Enter. & Catering	67.1	0.9	64.1	0.9
Transport	37.3	0.5	42.0	0.6
Construction	424.8	6.0	422.2	5.9
Government	145.7	2.1	152.4	2.1
Public Corps.	326.8	4.6	338.5	4.8
Private Financial	21.6	0.3	18.5	0.3
Prof. & Other Ser.	117.2	1.6	116.1	1.6
Personal	5,189.4	73.1	5,205.7	73.3
Miscellaneous	468.9	6.6	398.1	5.6
TOTAL	7,103.7	100.0	7,106.0	100.0

MORTGAGES

Based on the data provided by banks, insurance companies and the Bahamas Mortgage Corporation, total mortgages outstanding rose by \$4.4 million (0.1%) to \$3,279.6 million, extending the previous year's \$2.4 million (0.1%) expansion. Residential mortgages—which comprised the majority (93.9%) of the total—advanced by \$11.4 million (0.4%) to \$3,078.9 million, exceeding 2011's \$6.1 million (0.2%) upturn. In contrast, the contraction in the commercial component broadened to \$7.0 million (3.4%) from the prior year's \$3.7 million (1.9%). At end-December, the largest share of outstanding mortgages was held by commercial banks (89.0%), with substantially lower proportions attributed to insurance companies (5.9%) and the Bahamas Mortgage Corporation (5.1%).

THE CENTRAL BANK

Reflecting a build-up in Treasury bill holdings—due to commercial banks' rediscounting activities—and long-term Government securities, the Bank's net claims on the Government firmed by \$37.6 million (10.5%) to \$394.7 million, outpacing the \$6.4 million (2.3%) expansion registered in 2011. Net liabilities to the rest of the public sector almost doubled to \$9.1 million, on account of higher deposit balances, and the Bank's liabilities to commercial banks also recovered to post growth of \$87.9 million to \$680.0 million, owing to a combination of increased deposits and currency holdings.

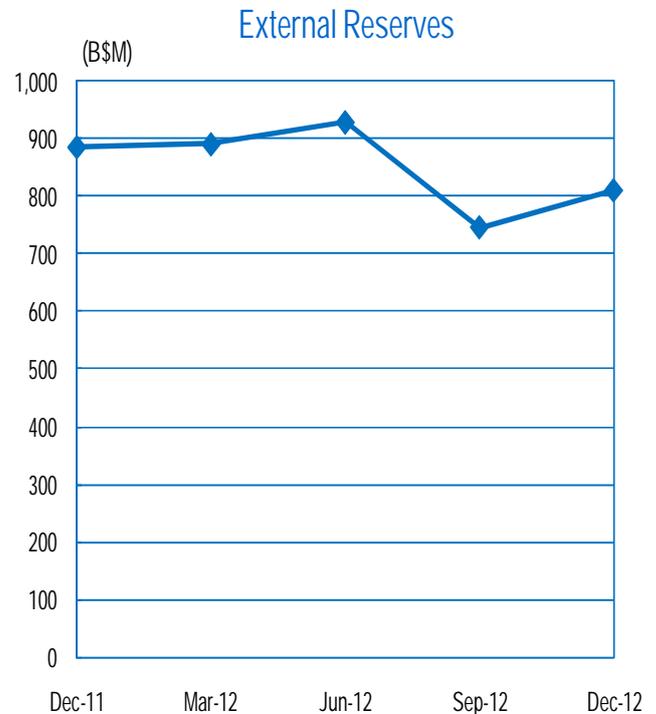
External reserves grew by \$64.3 million (8.6%) to \$810.2 million, as the uplift from the \$180.0 million in foreign currency debt proceeds, was tempered by ongoing demands to meet external payments. In the underlying transactions, the Banks' foreign exchange position reversed to a net purchase of \$59.7 million from a net sale of \$71.8 million a year earlier. Supporting this outturn, the net purchase from the central Government firmed by \$125.1 million to \$208.6 million, which was partially countered by the relatively stable \$113.7 million in net sales to the rest of the public sector, primarily for fuel payments. Transactions with commercial banks also resulted in a net sale of \$35.2 million, not substantially different from the year-earlier \$40.0 million.

At end-December, the stock of external reserves was equivalent to an estimated 16.0 weeks of non-oil merchandise imports, compared to 19.7 weeks at end-2011. After adjusting for the 50% statutory requirement on the Bank's Bahamian dollar liabilities, "useable" reserves rose by \$15.0 million to \$347.9 million over the quarter.

DOMESTIC BANKS

Commercial banks experienced a decline in private sector credit of \$32.5 million (0.5%), a turnaround from a \$48.0 million (0.7%) build-up last year. Private sector deposit liabilities also decreased by \$40.5 million (0.7%), extending 2011's \$14.6 million (0.3%) reduction. Similarly, net claims on the Government fell by \$123.4 million (9.3%), vis-à-vis an increase of \$31.7 million (2.8%) in 2011, while accretions to net claims on the rest of the public sector slowed to \$6.3 million (1.4%) from \$36.1 million (8.8%). After posting a \$30.5 million (5.4%) rise in

2011, banks' net foreign liabilities decreased by \$25.9 million (4.2%) to \$596.3 million in the review quarter.



In terms of liabilities, total deposits fell by \$40.1 million (0.6%) to \$6,207.7 million, exceeding the prior year's contraction of \$32.0 million (0.5%). A dominant 96.5% of deposit liabilities was held in Bahamian currency, with private individuals accounting for the largest share (53.8%); followed by business firms (30.4%); the public sector (8.5%); private financial institutions (4.0%); and other entities (3.3%).

By contractual type, fixed balances continued to account for the bulk of banks' deposit liabilities, at 58.4%, followed by demand (23.8%) and savings (17.8%) deposits. Analyzed by range of value and number of accounts, the majority of Bahamian dollar balances (89.3%) held less than \$10,000, and represented only 6.0% of the total value. Balances between \$10,000 and \$50,000 constituted approximately 7.1% of the number and accounted for 11.0% of the total value, while those with values in excess of \$50,000 comprised 3.6% of the total, but made up a commanding 83.0% of the aggregate value.

CREDIT QUALITY

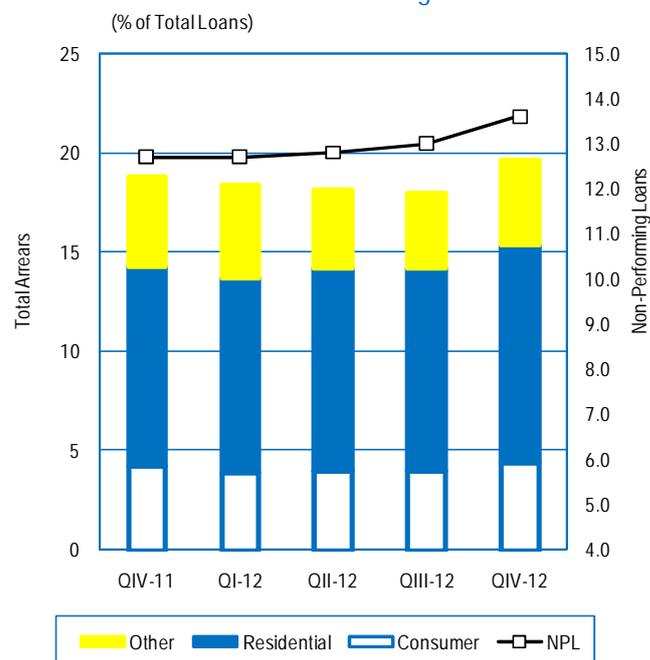
Given the mild and narrow nature of the economic recovery, and the dampened opportunities for job gains, both businesses and individuals continued to face challenges in meeting their debt obligations. As a result, banks' credit quality indicators deteriorated during the review period, as total private sector loan arrears rose by \$87.7 million (7.5%) over the quarter and by \$42.4 million (3.5%) on an annual basis, to \$1,250.5 million. The corresponding ratio of private sector arrears to total loans firmed by 1.4 percentage points for the quarter and by 0.8 of a percentage point to 20.0% at end-December, 2012.

Growth in total delinquencies was led by a \$39.5 million increase in the mortgage component—which accounted for 55.4% of the total—to \$699.5 million. Accordingly, the relevant ratio to total loans firmed by 1.3 and 1.4 percentage points, on a quarterly and annual basis, respectively, to 22.6% of total loans. Consumer arrears also moved higher, by \$23.1 million to \$280.2 million, with the attendant loan ratio rising by 1.1 percentage points over the quarter and by 63 basis points year-on-year to 13.4%. For the commercial segment, arrears rose by \$25.0 million (10.2%) to \$270.8 million, the equivalent of 25.6% of total loans. This represented a 2.6 percentage point gain over the three-month period, but a 1.0 percentage point contraction on an annual basis.

An analysis of the average age of delinquencies showed that the increase was concentrated in the short-term (31-90 day) component, which advanced by \$57.1 million (17.5%) to \$382.9 million—representing a 92 basis point gain in the quarterly loan ratio to 6.1%. For non-performing loans—those in excess of 90 days and on which banks stopped accruing interest—increases in both the consumer and mortgage segments elevated arrears by \$30.6 million (3.7%) to \$867.6 million, and the corresponding ratio to total loans, by 51 basis points on a quarterly basis, to 13.9%.

In response to these developments, banks increased their provisions for loan losses, by \$5.3 million (1.6%) over the quarter to \$339.3 million, although the ratio of provisions to total loans steadied at 5.3%. Given the pace of growth in delinquencies and non-accrual loans, their respective ratios to total loans fell by 2.5 and 2.1 percentage points, to 27.1% and 39.1%, respectively.

Loan Arrears & Non-Performing Balances



BANK PROFITABILITY

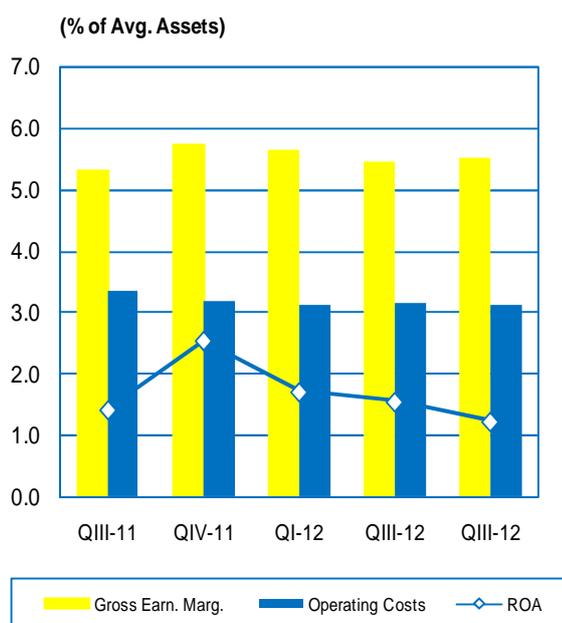
Based on the latest data available for the third quarter of 2012, banks' profitability softened, as increased expenses related to bad debt provisions, overshadowed the improvement in revenue. The widening in the net interest margin, by 6.6% (\$7.9 million) to \$127.5 million, reflected the impact of generally lower interest rate costs, which translated into a 21.0% (\$9.5 million) reduction in interest expense, and outpaced the 1.0% (\$1.6 million) falloff in interest income. In addition, with commission and foreign exchange fee income rising by 2.4% (\$0.1 million) to \$5.7 million, the gross earnings margin firmed by \$8.0 million (6.4%) to \$133.2 million.

Total operating expenses contracted by \$3.7 million (4.7%) to \$75.1 million. This was occasioned by a decrease in non-core operating costs and staff-related expenses, by 11.9% and 2.8%, respectively, which eclipsed a 14.7% (\$1.0 million) rise in occupancy outlays. However, losses on non-core activities more than doubled, to \$28.5 million, due largely to a 52.7% (\$16.8 million) expansion in provisions for bad debts, which outstripped a 1.9% (\$0.4 million) gain in other income and a \$0.7 million (19.5%) decline in depreciation expenses. As a result of these developments, net income contracted

by \$3.9 million (11.5%) to \$29.6 million, relative to the same period a year earlier.

Similarly, banks' profitability ratios—as measured against average assets—were mixed over the quarter. The interest margin ratio firmed by 20 basis points to 5.27% and the commission & foreign exchange income ratio steadied at 0.24%, while the gross earning margin ratio increased by 21 basis points to 5.51%. The decline in the operational cost ratio, by 23 basis points to 3.11%, contributed to an uplift in the net earnings margin ratio, by 44 basis points to 2.40%. However, significant increases in non-core expenditures resulted in a narrowing in the net income ratio by 19 basis points to 1.23%.

Domestic Banks' Profitability



INTEREST RATES

During the fourth quarter, the commercial banks' weighted average interest rate spread edged up by 3 basis points to 9.27 percentage points. This reflected, in combination, the reduction in the average deposit rate, by 11 basis points to 1.83%, and an 8 basis point drop in the average lending rate to 11.10%.

Amid the persistently high levels of bank liquidity, almost all deposit rates declined. The average rate on

savings deposits contracted by 6 basis points to 1.25%, and the average interest rate on fixed balances moved lower, with a widened range, to 1.43% - 2.58% from 1.56% - 2.52% last year.

On the lending side, the average overdraft and consumer loan rates fell, by 55 and 18 basis points, to 9.36% and 13.66%, respectively. However, residential mortgage rates stabilized at 7.40%, while the average commercial mortgage rate firmed marginally by 7 basis points to 8.40%.

With respect to other key rates, the average Treasury bill rate rose over the quarter, by 52 basis points to 0.6%, whereas the Bank's Discount Rate and commercial banks' Prime Rate were unchanged at 4.50% and 4.75%, respectively.

Banking Sector Interest Rates

	Period Average (%)		
	Qtr. IV 2011	Qtr. III 2012	Qtr. IV 2012
Deposit Rates			
Demand Deposits	0.86	0.33	0.33
Savings Deposits	1.63	1.31	1.25
Fixed Deposits			
Up to 3 months	1.89	1.56	1.43
Up to 6 months	2.01	1.89	1.72
Up to 12 months	2.75	2.49	2.30
Over 12 months	2.59	2.52	2.58
Weighted Avg Deposit Rate	2.19	1.93	1.83
Lending Rates			
Residential mortgages	7.50	7.43	7.40
Commercial mortgages	8.12	8.33	8.40
Consumer loans	13.32	13.84	13.66
Other Local Loans	7.55	7.87	8.29
Overdrafts	9.84	9.91	9.36
Weighted Avg Loan Rate	10.64	11.18	11.10

CAPITAL MARKETS DEVELOPMENTS

Conditions in local equity markets were subdued during the review quarter, as investors remained cautious regarding their portfolio allocations. As a result, the volume of shares traded moved lower by 19.0% to 0.7 million, and the corresponding value contracted by 26.1%

to \$3.6 million. A leading market indicator, the Bahamas International Securities Exchange (BISX) All Share Index fell by an additional 1.4% to 1,346.26 points at end-December, after the previous year's 9.0% contraction. Similarly, market capitalization fell marginally by 0.5% to \$2.8 billion, reflecting reductions in the prices of several entities. At end-December, the number of securities listed on BISX stood at 27—an increase of 2 over the prior year's level.

INTERNATIONAL TRADE AND PAYMENTS

Preliminary data on external sector developments for the fourth quarter of 2012 suggest that the current account deficit expanded by an estimated \$6.1 million (1.89%) to \$352.0 million, year-on-year, as a reduction in the goods deficit was overshadowed by the fall-off in the services account surplus and an increase in the income deficit. Further, the estimated capital and financial account surplus fell by \$69.9 million (57.2%) to \$52.3 million, as higher net inflows for direct investment and Government's borrowings were offset, inter alia, by net reductions in both bank and private sector liabilities.

The estimated merchandise trade deficit decreased by \$37.9 million (6.2%) to \$570.3 million, as the decline in imports by \$40.3 million (4.9%) to \$779.2 million, outpaced the slight \$2.3 million (1.1%) decrease in exports. Further, a reduction in import volumes, which outpaced the increase in average prices, led to a \$4.7 million (2.5%) contraction in net fuel imports to \$187.1 million. Average cost increases were registered for most oil product categories, with the largest price gains posted for jet fuel, of 20.3% to \$159.06 per barrel. Motor gasoline and gas oil rose by 4.0% to \$126.82 and 1.3% to \$129.23, respectively, whereas the average price of propane fell by 22.8% to \$56.20 per barrel.

The services account surplus narrowed by \$29.1 million (8.6%) to \$308.3 million, mainly on account of a \$20.8 million (35.3%) hike in net outlays for "other" miscellaneous services, to \$79.8 million, and a \$12.4 million (37.9%) advance in net reinsurance payments to \$45.3 million. The net outflow for construction-related services moved higher, by \$4.3 million (7.7%) to \$60.0 million, while the falloff in air arrivals contributed to net travel receipts softening by \$3.1 million (0.6%) to \$511.8 million.

The surplus on Government services lessened to \$5.5 million from \$9.1 million in 2011, and net payments for royalty and licenses rose marginally by \$0.6 million to \$6.7 million. By contrast, the net inflow for offshore companies' local expenses increased by \$10.4 million (38.9%) to \$37.2 million, while net transportation outflows slowed by \$5.4 million to \$54.4 million, due primarily to a reduction in payments for passenger services and a falloff in receipts from port & airport charges.

The deficit on the income account grew by \$15.0 million (20.2%) to \$89.3 million, vis-à-vis the same period of 2011, occasioned by an \$18.2 million (29.1%) growth in net investment outflows to \$81.0 million. This outturn reflected a \$14.5 million (33.0%) expansion in private companies' interest and dividends payments to \$58.4 million, as non-bank net remittances almost doubled to \$65.4 million, to outstrip a reversal in commercial banks' transactions to a net inflow of \$7.0 million from a net outflow of \$8.9 million in 2011. Similarly, net payments for official public sector-related transactions rose by \$3.7 million (20.0%) to \$22.5 million, reflecting a decline in the Bank's investment income and a slight increase in Government's external interest payments. In addition, net labour income remittances decreased by \$3.2 million (27.7%) to \$8.4 million.

Net current transfer outflows contracted to \$0.2 million from \$0.8 million in the prior period. A \$6.5 million decrease in other "miscellaneous" net transfer outflows to \$3.5 million, countered a combined \$4.9 million gain in workers' remittances to \$18.8 million and a \$1.0 million decrease in Government's transfer receipts to \$22.1 million.

The contraction in the capital and financial account was mainly due to a shift in "other" miscellaneous investments, to a net outflow of \$7.7 million from a net receipt of \$89.3 million in 2011. In particular, domestic banks reduced their short-term liabilities by \$26.2 million, vis-à-vis a \$30.6 million net inflow a year earlier, while a significant loan repayment reversed other private net transactions to an outflow of \$36.5 million. In a modest offset, public sector net inflows rose by \$14.7 million to \$55.1 million, reflecting the net impact of the Government's \$180.0 million loan proceeds and the reversal in other public sector transactions to a \$149.2 million net outflow, reflecting an almost equivalent shift in the mix of external

INTERNATIONAL ECONOMIC DEVELOPMENTS

assets from Special Drawing Rights (SDRs) to US dollars. Net direct investment inflows rose by \$22.8 million to \$76.4 million, as net real estate transactions reversed to a \$19.1 million net inflow from a \$20.2 million net payment associated with property acquisition by the Government; however, net equity investments decreased by \$16.5 million to \$57.3 million. Net portfolio investment outflows declined by \$4.6 million to \$14.6 million, reflecting a significant slowdown in outward equity investments to \$2.1 million from \$12.9 million a year ago, which outweighed the \$6.3 million increase in debt securities to \$12.5 million. Further, net outflows from the capital account rose marginally by \$0.4 million to \$1.8 million, due to higher migrant remittances.

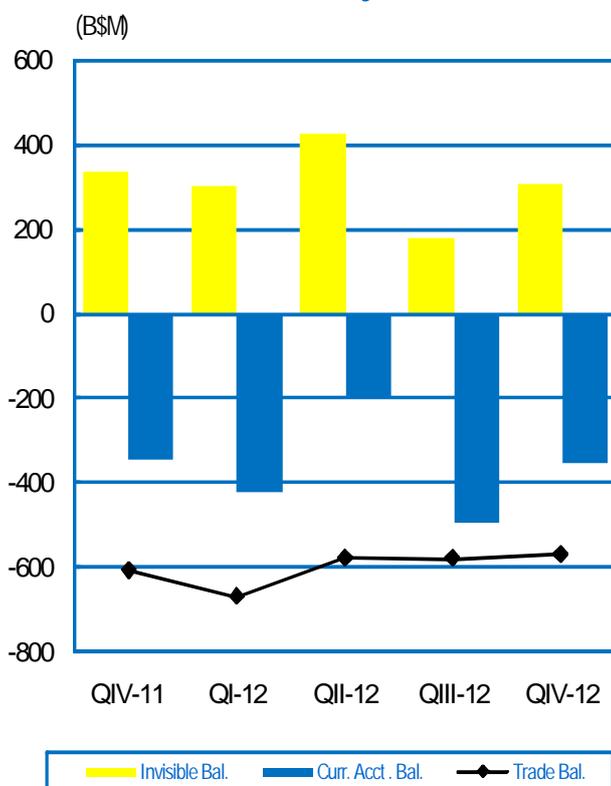
As a result of these developments, and after adjusting for net errors and omissions, the overall balance, which corresponds to the change in the Bank's external reserves, recorded a surplus of \$64.3 million, vis-à-vis a deficit of \$70.7 million in the final quarter of 2011.

Indications are that the global recovery was sustained in the fourth quarter, benefitting primarily from ongoing growth in the export-driven Asian economies. In contrast, the momentum in the United States' market faltered and conditions in Europe remained weak, as the unfolding debt crisis constrained economic output. Against this backdrop, labor market conditions stayed challenging and inflationary pressures were relatively subdued. To stimulate growth, most major central banks maintained their key interest rates at historic lows, prompting investors to seek higher returns from "riskier" assets. This contributed to gains in most major stock exchanges and a fall in the value of the US dollar against other major currencies.

Real GDP for the United States fell by an annualized 0.1% in the fourth quarter, relative to a 3.1% upturn in the previous period, driven by a sharp fall in Government expenditure, as well as private inventory investment and exports, which overshadowed an increase in housing and consumer spending. Reflecting reductions in the production and services sectors, output in the United Kingdom contracted by 0.3% in the fourth quarter, a reversal from a 1.0% gain three months earlier. The austerity measures implemented in the euro area continued to have a dampening impact on output, as real GDP declined by 0.6%, extending the 0.1% fall-off in the preceding period, with weakness concentrated in the region's three largest economies—Germany, France and Italy. In contrast, robust gains in agricultural and industrial production supported China's economic expansion of 7.8% year-on-year in the review period, marginally above the preceding quarter's 7.4% gain. Economic output in Japan grew slightly by an annualized 0.2%, vis-à-vis a 3.7% decrease in the September quarter, supported by gains in personal and government spending, which overshadowed a contraction in exports.

Labor market conditions stabilized during the final quarter of 2012, although the jobless rate remained above pre-recession levels. The United States' job market maintained its upward trajectory, as non-farm payrolls increased by a further 472,000, and the unemployment rate stabilised at 7.8% at end-December. Similarly, the United Kingdom's jobless rate fell marginal-

Balance of Payments



ly by 10 basis points to 7.8%, as the number of unemployed persons declined by 14,000. In Europe, depressed conditions—particularly in the southern region—led to a further 20 basis point increase in the unemployment rate, to 11.8% at end-December. Employment outcomes were significantly better in Asia, where the jobless rate in Japan fell by 10 basis points to 4.2%, while China's rate stabilized at 4.1%.

Inflation remained relatively subdued over the quarter, reflecting the softness in global demand. In the United States, inflation narrowed to an annualized 1.7% in December from 2.0% in September, due to a reduction in gasoline prices. Similarly, average annual price increases in the euro area moderated by 40 basis points to 2.2% at end-December, owing to a decline in communication costs, as well as a slowdown in price gains for transportation and housing. In contrast, annual consumer price inflation in the United Kingdom firmed by 50 basis points to 2.7% in the final quarter, led by higher prices for food & non-alcoholic beverages and housing & household services. China's inflation rate trended upward on a yearly basis, to 2.5% from 1.9% in the third quarter, due to a rise in food costs, while deflation in Japan persisted, with average prices decreasing by 0.1% in the fourth quarter, following a 0.3% contraction in the prior three-month period.

In foreign currency markets, the United States dollar recorded broad-based declines against most major currencies. In Europe, the dollar moved lower relative to the Swiss franc, by 2.6% to CHF0.92; against the euro, by 2.5% to €0.76 and the British pound, by 0.5% to £0.62. Similarly, the dollar fell by 0.9% vis-à-vis the Chinese Yuan to CNY6.23. However, the dollar gained by 11.3% against the Japanese Yen to ¥86.75, buoyed by the expectation that the country's central bank would implement measures to reduce the value of the Yen. In addition, the dollar advanced by 0.9% relative to the Canadian dollar to CDN\$0.99.

As investors maintained their focus on increasing portfolio returns, most of the major bourses registered increases during the quarter. In Europe, gains were reported for France's CAC 40 (8.5%) Germany's DAX, (5.5%) and the United Kingdom's FTSE (2.7%). In Asia, the election of a new pro-stimulus spending government led to Japan's Nikkei 225 surging by 17.2%, while China's

SE Composite grew more modestly by 8.8%. Conversely, concerns over US policy makers' plans to reduce the fiscal deficit contributed to losses on both the Dow Jones Industrial Average (DIJA) and the S&P 500, of 2.5% and 0.5%, respectively.

In commodity markets, tepid global consumer demand led to the price of crude oil declining marginally by 0.8% from the previous quarter to \$110.62 per barrel at end-December. Similarly, investors' increased risk appetite contributed to a decline in the price of gold and silver, by 5.5% and 12.0%, to \$1,675.35 and \$30.35 per ounce, respectively.

In an attempt to support their respective economies, most major central banks either maintained or enhanced their accommodative monetary policy stances during the final quarter of 2012. The United States' Federal Reserve kept its purchases of mortgage-backed securities at a rate of \$40.0 billion per month and held its key interest rate at a historically low range of 0.0%-0.25%. The Bank also set a target floor of 6.5% for the unemployment rate, before any monetary policy tightening measures would be undertaken. Despite inflation remaining above its 2.0% target, the Bank of England left the size of its asset purchase programme at £375 billion and the official bank rate at 0.5%. Similarly, in light of the deterioration in several euro zone economies, the European Central Bank kept its main interest rates at the lowest levels since the institution's inception. In Asia, the People's Bank of China held its key interest rates steady and continued to inject liquidity into the banking system to undergird lending to key sectors, while the Bank of Japan boosted the size of its asset-purchase programme, from ¥80 trillion to ¥91 trillion in October, and held its uncollateralized overnight call rate constant within the 0.0%-0.1% range.

External sector developments in major economies were mixed in the final quarter of 2012. The United States' goods and services deficit expanded by \$2.6 billion to \$129.2 billion, due primarily to a reduction in exports. Similarly, in the United Kingdom, the trade deficit grew to £10.2 billion from £8.5 billion in the preceding quarter, as the deterioration in the goods deficit eclipsed the rise in the surplus on the services account. Buoyed by gains in exports, which exceeded the expansion in imports, the euro area's quarterly trade surplus strengthened to €34.0 billion from €29.6 billion in the

September quarter. With exports continuing to be adversely impacted by strained trade relations with China, and softer demand from Europe, Japan's trade deficit widened by 16.4% to ¥2,154.4 billion in the final quarter, as exports contracted by ¥284.8 billion, outweighing the ¥18.4 billion decline in imports. In contrast, an acceleration in exports boosted China's trade surplus by 4.6% to US\$83.2 billion.

STATISTICAL APPENDIX
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STATISTICAL APPENDIX

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The following symbols and conventions are used throughout this report:

1. n.a. not available
2. -- nil
3. p provisional
4. Due to rounding, the sum of separate items may differ from the totals.

TABLE 1
FINANCIAL SURVEY

End of Period	2008			2009			2010			2011			2012			
	Mar.	Jun.	Sept.	Mar.	Jun.	Sept.	Mar.	Jun.	Sept.	Mar.	Jun.	Sept.	Mar.	Jun.	Sept. ^R	Dec.
	(B\$ Millions)															
Net foreign assets	(140.9)	134.1	152.1	312.0	571.5	382.1	280.8	308.9	356.2	117.6	208.3					
Central Bank	562.9	816.0	860.4	975.1	1076.1	955.6	884.8	890.0	928.0	745.8	810.1					
Domestic Banks	(703.8)	(681.9)	(708.3)	(663.1)	(504.6)	(573.5)	(604.0)	(581.1)	(571.8)	(628.2)	(601.8)					
Net domestic assets	6,064.9	5,898.2	6,038.9	5,916.0	5,779.9	5,969.9	6,029.6	6,120.9	6,149.1	6,222.3	6,095.4					
Domestic credit	7,909.1	8,039.7	8,448.2	8,302.3	8,213.2	8,415.2	8,536.9	8,666.5	8,698.8	8,797.2	8,685.0					
Public sector	1,372.3	1,443.8	1,875.5	1,817.0	1,710.3	1,815.7	1,889.4	1,998.8	2,042.7	2,135.4	2,055.7					
Government (net)	924.0	1,023.9	1,413.7	1,366.8	1,259.2	1,401.4	1,439.2	1,524.8	1,624.9	1,678.0	1,592.2					
Rest of public sector	448.3	419.9	461.8	450.2	451.1	414.3	450.2	474.0	417.8	457.4	463.5					
Private sector	6,536.8	6,595.9	6,572.7	6,485.3	6,502.9	6,599.5	6,647.5	6,667.7	6,656.1	6,661.8	6,629.3					
Other items (net)	(1,844.2)	(2,141.5)	(2,409.3)	(2,386.3)	(2,433.3)	(2,445.3)	(2,507.3)	(2,545.6)	(2,549.7)	(2,575.0)	(2,589.6)					
Monetary liabilities	5,924.0	6,032.3	6,191.1	6,228.0	6,351.4	6,352.0	6,310.4	6,429.8	6,505.3	6,340.1	6,303.7					
Money	1,274.5	1,283.6	1,335.2	1,340.0	1,425.7	1,423.9	1,434.8	1,486.7	1,532.8	1,509.8	1,574.9					
Currency	205.8	207.8	194.5	194.3	194.1	202.1	196.9	203.5	207.3	208.2	216.5					
Demand deposits	1,068.7	1,075.8	1,140.6	1,145.7	1,231.6	1,221.8	1,237.9	1,283.2	1,325.5	1,301.6	1,358.4					
Quasi-money	4,649.5	4,748.7	4,855.9	4,888.0	4,925.7	4,928.1	4,875.6	4,943.1	4,972.5	4,830.3	4,728.8					
Fixed deposits	3,427.7	3,521.4	3,615.4	3,647.3	3,663.3	3,676.3	3,605.9	3,596.7	3,581.0	3,488.4	3,444.1					
Savings deposits	1,020.4	995.4	1,015.8	1,039.9	1,040.0	1,037.5	1,063.7	1,084.8	1,144.8	1,110.2	1,069.0					
Foreign currency	201.4	231.9	224.7	200.8	222.4	214.3	206.0	261.6	246.7	231.7	215.7					
	(percentage changes)															
Total domestic credit	6.4	1.7	5.1	(1.7)	(1.1)	2.5	1.4	1.5	0.4	1.1	(1.3)					
Public sector	12.9	5.2	29.9	(3.1)	(5.9)	6.2	4.1	5.8	2.2	4.5	(3.7)					
Government (net)	6.6	10.8	38.1	(3.3)	(7.9)	11.3	2.7	5.9	6.6	3.3	(5.1)					
Rest of public sector	28.4	(6.3)	10.0	(2.5)	0.2	(8.2)	8.7	5.3	(11.9)	9.5	1.3					
Private sector	5.1	0.9	(0.4)	(1.3)	0.3	1.5	0.7	0.3	(0.2)	0.1	(0.5)					
Monetary liabilities	5.1	1.8	2.6	0.6	2.0	0.0	(0.7)	1.9	1.2	(2.5)	(0.6)					
Money	(2.0)	0.7	4.0	0.4	6.4	(0.1)	0.8	3.6	3.1	(1.5)	4.3					
Currency	(8.0)	1.0	(6.4)	(0.1)	(0.1)	4.1	(2.6)	3.3	1.9	0.4	4.0					
Demand deposits	(0.7)	0.7	6.0	0.4	7.5	(0.8)	1.3	3.7	3.3	(1.8)	4.4					
Quasi-money	7.2	2.1	2.3	0.7	0.8	0.0	(1.1)	1.4	0.6	(2.9)	(2.1)					

Source: The Central Bank of The Bahamas

TABLE 2
MONETARY SURVEY

End of Period	2008			2009			2010			2011			2012		
	Mar.	Jun.	Dec.	Mar.	Jun.	Dec.	Mar.	Jun.	Dec.	Mar.	Jun.	Dec.	Mar.	Jun.	Dec.
	(B\$ Millions)														
Net foreign assets	(123.6)	167.3	113.9	266.4	516.9	385.2	287.5	362.6	119.4	214.2					
Central Bank	562.9	816.0	860.4	975.1	1076.1	955.6	884.8	928.0	745.8	810.1					
Commercial banks	(686.5)	(648.7)	(746.6)	(708.7)	(559.2)	(570.4)	(597.3)	(565.4)	(626.4)	(595.9)					
Net domestic assets	6,018.5	5,832.9	6,040.6	5,919.4	5,793.2	5,924.9	5,978.9	6,086.5	6,168.3	6,034.8					
Domestic credit	7,882.7	8,000.0	8,417.1	8,273.2	8,187.4	8,389.4	8,509.0	8,669.0	8,767.5	8,655.5					
Public sector	1,369.3	1,428.3	1,861.0	1,802.2	1,702.2	1,806.7	1,879.5	1,986.7	2,030.1	2,122.5					
Government (net)	921.0	1,008.4	1,404.6	1,357.4	1,251.2	1,392.9	1,429.8	1,513.2	1,612.7	1,665.7					
Rest of public sector	448.3	419.9	456.4	444.8	451.0	413.8	449.7	473.5	417.3	456.8					
Private sector	6,513.4	6,571.7	6,556.1	6,470.9	6,485.2	6,582.6	6,629.5	6,650.4	6,638.9	6,645.0					
Other items (net)	(1,864.2)	(2,167.1)	(2,376.5)	(2,353.8)	(2,394.2)	(2,464.5)	(2,530.1)	(2,582.9)	(2,599.2)	(2,620.7)					
Monetary liabilities	5,894.9	6,000.2	6,154.6	6,185.8	6,310.1	6,308.6	6,266.4	6,358.6	6,449.1	6,249.0					
Money	1,257.6	1,261.9	1,314.7	1,316.4	1,401.5	1,398.4	1,408.2	1,448.9	1,496.8	1,541.9					
Currency	205.8	207.8	194.5	194.3	194.1	202.1	196.9	203.5	207.3	216.5					
Demand deposits	1,051.8	1,054.1	1,120.2	1,122.1	1,207.4	1,196.3	1,211.3	1,245.5	1,289.5	1,325.4					
Quasi-money	4,637.3	4,738.3	4,839.8	4,869.4	4,908.6	4,910.2	4,858.2	4,909.7	4,952.3	4,707.1					
Savings deposits	1,020.2	995.3	1,015.8	1,039.9	1,040.0	1,037.5	1,063.7	1,084.8	1,144.7	1,110.1					
Fixed deposits	3,415.8	3,511.1	3,601.8	3,632.1	3,649.4	3,660.6	3,592.3	3,580.7	3,567.3	3,476.5					
Foreign currency deposits	201.3	231.9	222.2	197.4	219.2	212.1	202.2	244.2	240.3	216.0					
	(percentage change)														
Total domestic credit	6.5	1.5	5.2	(1.7)	(1.0)	2.5	1.4	1.5	0.4	1.1					
Public sector	12.9	4.3	30.3	(3.2)	(5.6)	6.1	4.0	5.7	2.2	4.6					
Government (net)	6.6	9.5	39.3	(3.4)	(7.8)	11.3	2.6	5.8	6.6	3.3					
Rest of public sector	28.4	(6.3)	8.7	(2.5)	1.4	(8.2)	8.7	5.3	(11.9)	9.5					
Private sector	5.2	0.9	(0.2)	(1.3)	0.2	1.5	0.7	0.3	(0.2)	0.1					
Monetary liabilities	5.2	1.8	2.6	0.5	2.0	(0.0)	(0.7)	1.5	1.4	(2.5)					
Money	(1.7)	0.3	4.2	0.1	6.5	(0.2)	0.7	2.9	3.3	(0.8)					
Currency	(8.0)	1.0	(6.4)	(0.1)	(0.1)	4.1	(2.6)	3.3	1.9	0.4					
Demand deposits	(0.3)	0.2	6.3	0.2	7.6	(0.9)	1.3	2.8	3.5	(1.0)					
Quasi-money	7.2	2.2	2.1	0.6	0.8	0.0	(1.1)	1.1	0.9	(3.0)					

Source: The Central Bank of The Bahamas

TABLE 3
CENTRAL BANK BALANCE SHEET

End of Period	2008				2009				2010				2011				2012			
	Mar.	Jun.	Sep.	Dec.																
Net foreign assets	562.9	816.0	860.4	860.4	975.1	1,076.1	955.6	884.8	890.0	928.0	745.8	810.1	890.0	928.0	745.8	810.1	890.0	928.0	745.8	810.1
Balances with banks abroad	205.8	270.9	175.2	175.2	265.7	298.5	183.2	115.0	124.1	164.9	5.4	216.4	124.1	164.9	5.4	216.4	124.1	164.9	5.4	216.4
Foreign securities	347.4	356.2	499.7	499.7	518.5	584.9	584.4	585.0	579.4	580.4	554.8	555.7	579.4	580.4	554.8	555.7	579.4	580.4	554.8	555.7
Reserve position in the Fund	9.6	9.8	9.6	9.6	9.9	10.0	9.8	9.6	9.7	9.5	9.6	9.6	9.7	9.5	9.6	9.6	9.7	9.5	9.6	9.6
SDR holdings	0.1	179.1	175.9	175.9	181.0	182.7	178.2	175.2	176.8	173.2	176.0	28.4	176.8	173.2	176.0	28.4	176.8	173.2	176.0	28.4
Net domestic assets	76.9	73.3	156.7	156.7	148.4	111.9	179.9	187.4	194.9	218.0	249.4	280.2	194.9	218.0	249.4	280.2	194.9	218.0	249.4	280.2
Net claims on Government	198.8	182.1	259.8	259.8	244.6	213.8	282.7	289.2	304.9	328.3	357.1	394.8	304.9	328.3	357.1	394.8	304.9	328.3	357.1	394.8
Claims	202.9	202.8	274.3	274.3	261.7	222.2	291.3	300.8	315.8	333.5	368.5	404.9	315.8	333.5	368.5	404.9	315.8	333.5	368.5	404.9
Treasury bills	6.3	--	--	--	--	--	19.9	26.2	20.0	21.5	63.5	129.7	20.0	21.5	63.5	129.7	20.0	21.5	63.5	129.7
Bahamas registered stock	124.6	105.8	162.3	162.3	149.7	148.2	160.9	164.0	165.2	174.3	169.4	169.5	165.2	174.3	169.4	169.5	165.2	174.3	169.4	169.5
Loans and advances	72.0	97.0	112.0	112.0	112.0	74.0	110.6	110.6	130.6	137.7	135.6	105.7	130.6	137.7	135.6	105.7	130.6	137.7	135.6	105.7
Deposits	(4.1)	(20.7)	(14.5)	(14.5)	(17.0)	(8.4)	(8.6)	(11.6)	(10.9)	(5.2)	(11.4)	(10.1)	(10.9)	(5.2)	(11.4)	(10.1)	(10.9)	(5.2)	(11.4)	(10.1)
In local currency	(4.1)	(20.7)	(14.5)	(14.5)	(17.0)	(8.4)	(8.6)	(11.6)	(10.9)	(5.2)	(11.4)	(10.1)	(10.9)	(5.2)	(11.4)	(10.1)	(10.9)	(5.2)	(11.4)	(10.1)
In foreign currency	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Deposits of rest of public sector	(10.4)	(15.8)	(15.4)	(15.4)	(7.5)	(9.4)	(10.4)	(7.1)	(14.8)	(12.9)	(10.6)	(14.7)	(14.8)	(12.9)	(10.6)	(14.7)	(14.8)	(12.9)	(10.6)	(14.7)
Credit to commercial banks	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Official capital and surplus	(125.9)	(140.5)	(132.0)	(132.0)	(133.6)	(134.9)	(136.6)	(139.2)	(140.5)	(141.1)	(142.0)	(144.0)	(140.5)	(141.1)	(142.0)	(144.0)	(140.5)	(141.1)	(142.0)	(144.0)
Net unclassified assets	7.1	40.5	38.0	38.0	38.5	36.0	37.9	38.4	39.2	37.8	39.0	38.4	39.2	37.8	39.0	38.4	39.2	37.8	39.0	38.4
Loans to rest of public sector	6.5	6.2	5.6	5.6	5.6	5.6	5.4	5.2	5.2	5.0	5.0	4.8	5.2	5.0	5.0	4.8	5.2	5.0	5.0	4.8
Public Corp Bonds/Securities	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Liabilities To Domestic Banks	(439.0)	(486.5)	(631.0)	(631.0)	(731.9)	(794.8)	(739.1)	(684.3)	(688.8)	(749.9)	(595.1)	(682.6)	(688.8)	(749.9)	(595.1)	(682.6)	(688.8)	(749.9)	(595.1)	(682.6)
Notes and coins	(117.6)	(111.8)	(113.2)	(113.2)	(84.5)	(85.7)	(79.7)	(126.9)	(80.6)	(83.5)	(86.7)	(127.4)	(80.6)	(83.5)	(86.7)	(127.4)	(80.6)	(83.5)	(86.7)	(127.4)
Deposits	(321.4)	(374.7)	(517.8)	(517.8)	(647.4)	(709.1)	(659.4)	(557.4)	(608.2)	(666.4)	(508.4)	(555.2)	(608.2)	(666.4)	(508.4)	(555.2)	(608.2)	(666.4)	(508.4)	(555.2)
SDR allocation	(15.8)	(195.0)	(191.6)	(191.6)	(197.3)	(199.1)	(194.3)	(191.0)	(192.7)	(188.8)	(191.9)	(191.2)	(192.7)	(188.8)	(191.9)	(191.2)	(192.7)	(188.8)	(191.9)	(191.2)
Currency held by the private sector	(205.8)	(207.8)	(194.5)	(194.5)	(194.3)	(194.1)	(202.1)	(196.9)	(203.5)	(207.3)	(208.2)	(216.5)	(203.5)	(207.3)	(208.2)	(216.5)	(203.5)	(207.3)	(208.2)	(216.5)

Source: The Central Bank of The Bahamas

TABLE 4
DOMESTIC BANKS BALANCE SHEET

End of Period	2010				2011				2012			
	2008	2009	2010	2011	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.
Net foreign assets	(703.8)	(681.9)	(705.8)	(663.1)	(504.6)	(573.5)	(604.0)	(581.1)	(571.8)	(628.0)	(601.8)	
Net claims on Central Bank	439.9	487.4	631.9	733.1	795.7	739.9	687.0	689.8	753.8	596.5	690.7	
Notes and Coins	117.6	111.8	113.2	84.5	85.7	79.7	126.9	80.6	83.5	86.7	127.4	
Balances	322.3	375.6	518.7	648.6	710.0	660.2	560.1	609.2	670.3	509.8	563.3	
Less Central Bank credit	--	--	--	--	--	--	--	--	--	--	--	
Net domestic assets	5,534.1	5,564.4	5,567.7	5,465.3	5,346.5	5,510.7	5,579.5	5,675.9	5,679.5	5,731.3	5,587.0	
Net claims on Government	725.2	843.0	1,152.3	1,122.2	1,045.4	1,118.6	1,150.0	1,219.9	1,296.6	1,320.9	1,197.5	
Treasury bills	180.2	214.0	293.7	294.8	253.3	281.6	275.4	301.6	321.6	274.6	219.3	
Other securities	533.5	704.6	799.6	799.4	772.9	811.1	847.6	848.7	840.7	965.5	961.1	
Loans and advances	145.8	76.5	180.3	148.0	141.0	143.4	145.7	189.3	253.8	207.3	152.4	
Less: deposits	134.3	152.1	121.3	120.1	121.8	117.5	118.7	119.7	119.5	126.5	135.3	
Net claims on rest of public sector	3.4	(25.7)	(31.9)	(47.2)	(66.2)	(54.4)	0.4	41.2	(11.5)	46.7	61.3	
Securities	97.5	107.0	115.6	115.6	114.6	115.1	117.4	119.4	119.4	119.4	119.4	
Loans and advances	343.6	305.9	339.8	328.2	330.1	293.0	326.8	348.7	292.6	332.2	338.5	
Less: deposits	437.7	438.6	487.3	491.0	510.9	462.5	443.8	426.9	423.5	404.9	396.6	
Other net claims	(0.1)	(8.1)	(3.4)	(10.1)	(38.2)	(21.2)	5.5	(19.3)	(14.6)	(4.6)	(15.7)	
Credit to the private sector	6,536.8	6,595.9	6,572.7	6,485.3	6,502.9	6,599.5	6,647.6	6,667.6	6,656.1	6,661.9	6,629.3	
Securities	28.8	27.2	17.4	16.0	12.8	14.8	16.4	14.4	14.3	14.0	14.1	
Mortgages	2,819.7	2,949.6	3,192.4	3,218.6	3,218.9	3,226.1	3,227.6	3,232.9	3,255.1	3,275.8	3,275.4	
Loans and advances	3,688.3	3,619.1	3,363.0	3,250.7	3,271.2	3,358.6	3,403.6	3,420.3	3,386.7	3,372.1	3,339.8	
Private capital and surplus	(1,864.6)	(2,033.0)	(2,281.9)	(2,254.5)	(2,295.3)	(2,305.7)	(2,357.8)	(2,419.6)	(2,436.1)	(2,473.5)	(2,535.2)	
Net unclassified assets	133.4	192.3	159.9	169.7	197.9	173.9	133.8	186.1	189.0	179.9	249.8	
Liabilities to private sector	5,270.2	5,370.0	5,493.7	5,535.3	5,637.5	5,677.1	5,662.5	5,784.6	5,861.5	5,716.4	5,675.8	
Demand deposits	1,150.2	1,204.2	1,249.6	1,237.1	1,307.2	1,302.4	1,325.6	1,410.6	1,442.3	1,406.7	1,442.7	
Savings deposits	1,024.1	1,003.5	1,017.8	1,042.7	1,043.5	1,040.5	1,067.1	1,088.0	1,148.1	1,114.1	1,074.1	
Fixed deposits	3,095.9	3,162.3	3,226.3	3,255.5	3,286.8	3,334.2	3,269.8	3,285.9	3,271.1	3,195.6	3,159.0	

Source: The Central Bank of The Bahamas

TABLE 5
PROFIT AND LOSS ACCOUNTS OF BANKS IN THE BAHAMAS*

Period	2010				2011				2012			
	2009		2010		2011		2012		2011		2012	
	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV
1. Interest Income	760,159	728,878	742,174	186,517	182,266	164,729	168,979	168,204	165,179	163,140	163,140	163,140
2. Interest Expense	278,219	244,468	225,990	51,951	49,265	45,075	39,658	39,034	37,892	35,607	35,607	35,607
3. Interest Margin (1-2)	481,940	484,410	516,184	134,566	133,001	119,654	129,321	129,170	127,287	127,533	127,533	127,533
4. Commission & Forex Income	32,328	22,005	22,820	5,822	5,685	5,567	6,052	6,224	5,145	5,701	5,701	5,701
5. Gross Earnings Margin (3+4)	514,268	506,415	539,004	140,388	138,686	125,221	135,373	135,394	132,432	133,234	133,234	133,234
6. Staff Costs	148,364	149,222	158,233	39,277	42,611	41,395	41,676	39,136	41,456	40,230	40,230	40,230
7. Occupancy Costs	23,409	23,417	23,964	5,743	6,283	7,048	6,712	7,019	7,036	8,081	8,081	8,081
8. Other Operating Costs	91,867	87,245	107,051	23,872	26,089	30,424	26,753	28,138	27,582	26,815	26,815	26,815
9. Operating Costs (6+7+8)	263,640	259,884	289,248	68,892	74,983	78,867	75,141	74,293	76,074	75,126	75,126	75,126
10. Net Earnings Margin (5-9)	250,628	246,531	249,756	71,496	63,703	46,354	60,232	61,101	56,358	58,108	58,108	58,108
11. Depreciation Costs	13,412	14,134	15,238	3,587	3,519	3,777	1,810	3,521	3,469	3,041	3,041	3,041
12. Provisions for Bad Debt	82,204	121,092	124,686	23,937	21,056	31,799	24,711	37,789	36,123	48,570	48,570	48,570
13. Other Income	120,334	96,990	111,284	22,516	25,854	22,721	26,429	21,124	20,981	23,142	23,142	23,142
14. Other Income (Net) (13-11-12)	24,718	(38,236)	(28,640)	(5,008)	1,279	(12,855)	(92)	(20,186)	(18,611)	(28,469)	(28,469)	(28,469)
15. Net Income (10+14)	275,346	208,295	221,116	66,488	64,982	33,499	60,140	40,915	37,747	29,639	29,639	29,639
16. Effective Interest Rate Spread (%)	6.51	6.34	6.17	5.88	6.24	6.16	6.28	6.44	6.40	6.44	6.44	6.44
	(Ratios To Average Assets)											
Interest Margin	5.39	5.31	5.60	5.69	5.64	5.07	5.47	5.39	5.23	5.27	5.27	5.27
Commission & Forex Income	0.36	0.24	0.25	0.25	0.24	0.24	0.26	0.26	0.21	0.24	0.24	0.24
Gross Earnings Margin	5.75	5.55	5.84	5.93	5.88	5.30	5.72	5.85	5.65	5.45	5.51	5.51
Operating Costs	2.95	2.85	3.14	2.91	3.18	3.34	3.18	3.10	3.10	3.13	3.11	3.11
Net Earnings Margin	2.80	2.70	2.71	3.02	2.70	1.96	2.55	2.70	2.55	2.32	2.40	2.40
Net Income	3.09	2.28	2.40	2.81	2.75	1.42	2.54	1.71	1.55	1.23	1.23	1.23

*Commercial Banks and OLFIs with domestic operations

Source: The Central Bank of The Bahamas

TABLE 6
MONEY SUPPLY

(B\$ Millions)

End of Period	2008	2009	2010			2011			2012				
			Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.			
Money supply (M1)													
1) Currency in active circulation	1,274.5	1,283.6	1,335.2	1,340.0	1,425.7	1,423.9	1,434.8	1,486.7	1,532.8	1,509.8	1,574.9		
2) Demand deposits													
Central Bank	10.4	15.9	15.4	7.5	9.4	10.4	7.1	14.8	12.9	10.6	14.8		
Domestic Banks	1,058.3	1,059.9	1,125.2	1,138.2	1,222.2	1,211.4	1,230.8	1,268.4	1,312.6	1,291.0	1,343.6		
Factors affecting money (M1)													
1) Net credit to Government	924.0	1,023.9	1,413.7	1,366.8	1,259.2	1,401.4	1,439.2	1,524.8	1,624.9	1,678.0	1,592.2		
Central Bank	198.8	180.9	261.4	244.6	213.8	282.8	289.2	304.9	328.3	357.1	394.7		
Domestic Banks	725.2	843.0	1,152.3	1,122.2	1,045.4	1,118.6	1,150.0	1,219.9	1,296.6	1,320.9	1,197.5		
2) Other credit	6,985.1	7,015.8	7,034.5	6,935.5	6,954.0	7,013.8	7,097.7	7,141.7	7,073.9	7,119.2	7,092.8		
Rest of public sector	448.3	419.9	461.8	450.2	451.1	414.3	450.2	474.0	417.8	457.4	463.5		
Private sector	6,536.8	6,595.9	6,572.7	6,485.3	6,502.9	6,599.5	6,647.5	6,667.7	6,656.1	6,661.8	6,629.3		
3) External reserves	562.9	816.0	860.4	975.1	1,076.1	955.6	884.8	890.0	928.0	745.8	810.1		
4) Other external liabilities (net)	(703.8)	(681.9)	(708.3)	(663.1)	(504.6)	(573.5)	(604.0)	(581.1)	(571.8)	(628.2)	(601.8)		
5) Quasi money	4,649.5	4,748.7	4,855.9	4,888.0	4,925.7	4,928.1	4,875.6	4,943.1	4,972.5	4,830.3	4,728.8		
6) Other items (net)	(1,844.2)	(2,141.5)	(2,409.3)	(2,386.3)	(2,433.4)	(2,445.3)	(2,507.3)	(2,545.6)	(2,549.7)	(2,575.0)	(2,589.6)		

Source: The Central Bank of The Bahamas

TABLE 7
CONSUMER INSTALMENT CREDIT*

End of Period	2010					2011					2012						
	2008	2009	2010	2011	2012	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.
CREDIT OUTSTANDING																	
Private cars	238,775	206,689	185,044	181,837	182,112	174,192	171,751	169,956	174,077	176,222	177,527	171,751	169,956	174,077	176,222	177,527	171,751
Taxis & rented cars	1,909	1,832	985	889	794	1,138	910	987	974	1,055	1,081	910	987	974	1,055	1,081	910
Commercial vehicles	6,111	4,955	3,353	3,214	3,274	3,027	2,510	2,368	2,299	2,213	2,241	2,510	2,368	2,299	2,213	2,241	2,510
Furnishings & domestic appliances	21,173	19,134	15,126	14,072	13,131	11,610	11,126	10,462	10,297	11,993	12,010	11,126	10,462	10,297	11,993	12,010	11,126
Travel	49,602	36,369	26,464	24,291	25,543	26,261	25,221	23,832	24,413	27,239	29,492	25,221	23,832	24,413	27,239	29,492	25,221
Education	57,255	55,227	50,875	49,148	47,050	37,647	35,750	34,230	32,733	35,731	34,544	35,750	34,230	32,733	35,731	34,544	35,750
Medical	21,435	19,697	16,399	15,773	15,731	15,011	14,409	13,786	13,304	13,247	11,363	14,409	13,786	13,304	13,247	11,363	14,409
Home Improvements	171,454	163,991	129,860	125,429	121,350	126,413	126,543	122,885	126,732	124,114	127,537	126,543	122,885	126,732	124,114	127,537	126,543
Land Purchases	246,168	243,696	240,391	240,987	239,710	242,256	239,790	234,789	237,847	233,149	232,752	239,790	234,789	237,847	233,149	232,752	239,790
Consolidation of debt	594,565	648,024	714,616	734,975	766,315	797,592	820,135	815,617	813,370	804,306	781,518	820,135	815,617	813,370	804,306	781,518	820,135
Miscellaneous	541,585	515,002	494,961	479,768	476,373	461,332	464,052	483,468	499,683	508,667	501,225	464,052	483,468	499,683	508,667	501,225	464,052
Credit Cards	294,377	278,749	262,871	253,023	250,021	253,505	251,924	242,294	239,549	242,130	243,745	251,924	242,294	239,549	242,130	243,745	251,924
TOTAL	2,244,409	2,193,365	2,140,945	2,123,406	2,141,404	2,149,984	2,164,121	2,154,674	2,175,278	2,180,066	2,155,035	2,164,121	2,154,674	2,175,278	2,180,066	2,155,035	2,164,121
NET CREDIT EXTENDED																	
Private cars	(9,377)	(32,086)	(21,645)	(3,207)	275	(7,920)	(2,441)	(1,795)	4,121	2,145	1,305	(2,441)	(1,795)	4,121	2,145	1,305	(2,441)
Taxis & rented cars	1	(77)	(847)	(96)	(95)	344	(228)	77	(13)	81	26	(228)	77	(13)	81	26	(228)
Commercial vehicles	(845)	(1,156)	(1,602)	(139)	60	(247)	(517)	(142)	(69)	(86)	28	(517)	(142)	(69)	(86)	28	(517)
Furnishings & domestic appliances	(1,221)	(2,039)	(4,008)	(1,054)	(941)	(1,521)	(484)	(664)	(165)	1,696	17	(484)	(664)	(165)	1,696	17	(484)
Travel	(1,368)	(13,233)	(9,905)	(2,173)	1,252	718	(1,040)	(1,389)	581	2,826	2,253	(1,040)	(1,389)	581	2,826	2,253	(1,040)
Education	2,530	(2,028)	(4,352)	(1,727)	(2,098)	(9,403)	(1,897)	(1,520)	(1,497)	2,998	(1,187)	(1,897)	(1,520)	(1,497)	2,998	(1,187)	(1,897)
Medical	915	(1,738)	(3,298)	(626)	(42)	(720)	(602)	(623)	(482)	(57)	(1,884)	(602)	(623)	(482)	(57)	(1,884)	(602)
Home Improvements	8,384	(7,463)	(34,131)	(4,431)	(4,079)	5,063	130	(3,658)	3,847	(2,618)	3,423	130	(3,658)	3,847	(2,618)	3,423	130
Land Purchases	18,932	(2,472)	(3,305)	596	(1,277)	2,546	(2,466)	(5,001)	3,058	(4,698)	(397)	(2,466)	(5,001)	3,058	(4,698)	(397)	(2,466)
Consolidation of debt	98,269	53,459	66,592	20,359	31,340	31,277	22,543	(4,518)	(2,247)	(9,064)	(22,788)	22,543	(4,518)	(2,247)	(9,064)	(22,788)	22,543
Miscellaneous	(17,534)	(26,583)	(20,041)	(15,193)	(3,395)	(15,041)	2,720	19,416	16,215	8,984	(7,442)	2,720	19,416	16,215	8,984	(7,442)	2,720
Credit Cards	37,382	(15,628)	(15,878)	(9,848)	(3,002)	3,484	(1,581)	(9,630)	(2,745)	2,581	1,615	(1,581)	(9,630)	(2,745)	2,581	1,615	(1,581)
TOTAL	136,068	(51,044)	(52,420)	(17,539)	17,998	8,580	14,137	(9,447)	20,604	4,788	(25,031)	14,137	(9,447)	20,604	4,788	(25,031)	14,137

Source: The Central Bank of The Bahamas

* Includes both demand and add-on loans

TABLE 8
SELECTED AVERAGE INTEREST RATES

Period	2010				2011				2012			
	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV
DOMESTIC BANKS												
Deposit rates												
Savings deposits	1.94	1.75	1.53	1.83	1.85	1.89	1.63	1.61	1.88	1.67	1.31	1.25
Fixed deposits												
Up to 3 months	3.19	2.33	1.60	3.01	2.82	2.64	1.97	1.89	1.71	1.71	1.56	1.43
Up to 6 months	3.56	2.67	1.95	3.38	3.31	2.79	2.56	2.01	2.08	2.09	1.89	1.72
Up to 12 months	3.99	3.24	2.54	3.88	3.92	3.54	2.77	2.75	2.69	2.68	2.49	2.30
Over 12 months	4.04	3.19	2.65	4.00	3.89	3.55	2.75	2.59	2.96	2.53	2.52	2.58
Weighted average rate	3.44	2.64	2.02	3.25	3.18	2.90	2.27	2.19	2.23	2.08	1.93	1.83
Lending rates												
Residential mortgages	8.15	7.77	7.50	8.01	8.07	7.94	7.57	7.50	7.58	7.61	7.43	7.40
Commercial mortgages	8.79	8.37	8.29	8.63	8.75	8.57	8.04	8.12	8.09	8.35	8.33	8.40
Consumer loans	13.21	13.35	13.43	13.69	13.51	13.29	13.29	13.32	12.82	13.41	13.84	13.66
Overdrafts	10.87	10.03	9.81	10.38	10.21	10.15	9.94	9.84	9.36	10.61	9.91	9.36
Weighted average rate	11.05	10.98	10.88	11.43	11.18	11.08	11.01	10.64	10.25	10.99	11.18	11.10
Other rates												
Prime rate	5.50	4.94	4.75	5.50	5.50	4.75	4.75	4.75	4.75	4.75	4.75	4.75
Treasury bill (90 days)	2.28	1.25	0.20	2.09	1.80	1.52	0.96	0.71	0.10	0.32	0.10	0.28
Treasury bill re-discount rate	2.78	1.75	0.70	2.59	2.30	2.02	1.46	1.21	0.60	0.82	0.60	0.78
Bank rate (discount rate)	5.25	4.69	4.50	5.25	5.25	4.50	4.50	4.50	4.50	4.50	4.50	4.50

Source: The Central Bank of The Bahamas

TABLE 9
SELECTED CREDIT QUALITY INDICATORS OF DOMESTIC BANKS

Period	2008	2009	2010	2011				2012				
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	
Loan Portfolio												
Current Loans (as a % of total loans)	87.5	82.3	81.8	81.7	82.1	80.8	81.1	81.5	81.7	81.9	80.3	
Arrears (% by loan type)												
Consumer	3.9	5.2	4.3	4.2	4.1	4.4	4.2	3.9	4.0	4.0	4.4	
Mortgage	5.9	8.6	9.8	9.8	9.8	10.2	10.1	9.8	10.2	10.2	11.0	
Commercial	2.6	3.8	4.0	4.2	3.9	4.5	4.5	4.7	4.0	3.8	4.3	
Public	<u>0.1</u>											
Total Arrears	12.5	17.7	18.2	18.3	17.9	19.2	18.9	18.5	18.3	18.1	19.7	
Total B\$ Loan Portfolio	100.0											
Loan Portfolio												
Current Loans (as a % of total loans)	87.5	82.3	81.8	81.7	82.1	80.8	81.1	81.5	81.7	81.9	80.3	
Arrears (% by days outstanding)												
30 - 60 days	4.5	5.6	4.0	5.5	3.6	3.9	4.1	3.6	3.3	3.1	3.7	
61 - 90 days	1.9	2.7	2.3	2.1	2.0	2.2	2.1	2.2	2.1	2.0	2.3	
90 - 179 days	1.6	3.0	2.6	2.1	2.3	2.7	2.3	2.1	2.3	2.3	2.5	
over 180 days	4.5	6.3	9.3	8.6	9.9	10.4	10.5	10.7	10.6	10.8	11.3	
Total Arrears	12.5	17.7	18.2	18.3	17.9	19.2	18.9	18.5	18.3	18.1	19.7	
Total B\$ Loan Portfolio	100.0											
Non Accrual Loans (% by loan type)												
Consumer	30.2	29.8	21.4	22.9	20.0	20.7	20.3	19.8	20.0	19.6	20.5	
Mortgage	44.4	41.4	52.1	47.1	53.9	53.0	54.8	55.4	55.0	57.2	57.0	
Other Private	23.9	27.8	25.7	29.1	25.4	25.7	24.2	24.1	24.3	22.6	21.9	
Public	<u>1.5</u>	<u>1.0</u>	<u>0.8</u>	<u>0.9</u>	<u>0.7</u>							
Total Non Accrual Loans	100.0											
Provisions to Loan Portfolio												
Consumer	3.3	4.2	5.1	4.9	4.7	4.9	4.9	5.4	5.5	5.4	5.4	
Mortgage	1.4	1.8	2.4	2.4	2.5	2.7	2.7	3.2	3.6	3.7	4.3	
Other Private	5.4	6.9	9.1	9.6	10.2	10.6	10.6	10.6	10.9	11.2	8.7	
Public	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total Provisions to Total Loans	2.7	3.4	4.3	4.4	4.4	4.7	4.7	5.1	5.3	5.3	5.3	
Total Provisions to Non-performing Loans	46.0	37.1	36.6	41.0	36.5	36.1	36.8	40.0	41.3	41.2	39.1	
Total Non-performing Loans to Total Loans	6.1	9.3	11.9	10.7	12.2	13.0	12.7	12.7	12.8	13.0	13.6	

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

TABLE 10
SUMMARY OF BANK LIQUIDITY

End of Period	2008	2009	2010	2011			2012				
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.
(B\$ Millions)											
I. Statutory Reserves											
Required reserves	283.3	290.3	298.1	298.1	303.3	306.8	305.0	306.0	310.9	307.9	301.9
Average Till Cash	95.4	94.7	98.2	79.0	83.9	86.5	118.3	90.1	87.4	88.0	108.9
Average balance with central bank	352.7	425.1	530.5	663.7	715.6	683.8	557.3	592.6	669.0	540.4	515.8
Free cash reserves (period ended)	164.8	229.5	330.6	444.6	496.2	463.5	370.6	376.7	445.5	320.4	322.8
II. Liquid Assets (period)											
A. Minimum Required Liquid Assets	911.2	929.6	946.7	959.1	969.5	971.1	968.7	977.8	990.9	973.3	971.1
B. Net Eligible Liquid Assets	1,169.3	1,423.7	1,755.1	1,859.0	1,906.7	1,900.7	1,865.1	1,909.1	1,973.2	1,893.5	1,938.2
i) Balance with Central Bank	322.2	375.6	518.7	648.6	709.9	660.2	560.1	609.1	670.3	509.8	563.3
ii) Notes and Coins	118.1	112.3	113.7	85.0	86.2	80.2	127.4	81.1	84.0	87.2	127.9
iii) Treasury Bills	180.2	214.0	293.7	294.8	253.3	281.6	275.4	301.6	321.6	274.6	219.3
iv) Government registered stocks	513.3	671.4	774.8	775.1	767.6	805.7	843.7	843.7	835.1	962.0	957.6
v) Specified assets	36.8	45.7	53.0	52.9	52.8	53.0	55.2	57.1	57.0	57.1	56.9
vi) Net Inter-bank dem/call deposits	(1.3)	4.7	1.2	2.6	36.9	20.0	3.3	16.5	5.2	2.8	13.2
vii) Less: borrowings from central bank	--	--	--	--	--	--	--	--	--	--	--
C. Surplus/(Deficit)	258.1	494.1	808.4	899.9	937.2	929.6	896.4	931.3	982.3	920.2	967.1

Source: The Central Bank of The Bahamas

TABLE 11
GOVERNMENT OPERATIONS AND FINANCING

Period	(B\$ Millions)											
	2009/10p		2010/11p		2011/12p		2012/13		2011/12p		2012/13p	
	2009/10p	2010/11p	2011/12p	2012/13	2011/12p	2012/13	2011/12p	2012/13	QTR. I	QTR. II	QTR. III	QTR. IV
Total Revenue & Grants	1,302.5	1,433.0	1,446.7	1,520.8	1,536.1	284.6	432.1	364.3	365.8	296.8	368.0	368.0
Current expenditure	1,395.9	1,524.5	1,549.7	1,598.0	1,679.0	345.5	366.4	374.9	462.9	369.6	379.7	379.7
Capital expenditure	156.8	206.3	245.4	236.3	358.2	25.7	74.2	53.5	92.0	62.3	52.8	52.8
Net lending	89.4	72.9	102.4	45.4	45.8	8.3	60.0	10.5	23.6	9.2	60.8	60.8
Overall balance	(339.5)	(370.7)	(450.6)	(358.9)	(546.9)	(94.9)	(68.4)	(74.6)	(212.7)	(144.3)	(125.3)	(125.3)
FINANCING (I+II-III+IV+V)	339.5	370.7	450.6	358.9	546.9	94.9	68.4	74.6	212.7	144.3	125.3	125.3
I. Foreign currency borrowing	318.3	127.6	80.3	94.0	157.0	11.8	33.1	10.7	24.7	4.6	210.1	210.1
External	318.3	57.6	80.3	94.0	157.0	11.8	33.1	10.7	24.7	4.6	210.1	210.1
Domestic	--	70.0	--	--	--	--	--	--	--	--	--	--
II. Bahamian dollar borrowing	282.0	293.6	354.9	220.6	512.2	214.6	60.0	40.0	40.3	327.9	105.0	105.0
i) Treasury bills	57.3	--	90.6	--	--	48.0	--	20.0	22.6	4.9	50.0	50.0
Central Bank	57.3	--	90.6	--	--	48.0	--	20.0	22.6	4.9	50.0	50.0
Commercial banks & OLF's	--	--	--	--	--	--	--	--	--	--	--	--
Public corporations	--	--	--	--	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	--	--	--	--	--
ii) Long-term securities	209.7	235.0	170.6	--	--	100.0	60.0	--	10.6	300.0	25.0	25.0
Central Bank	15.1	65.0	18.0	--	--	15.0	3.0	--	--	26.5	--	--
Commercial banks & OLF's	99.0	16.8	107.8	--	--	60.3	36.9	--	10.6	12.1	--	--
Public corporations	45.7	26.3	3.3	--	--	2.1	1.2	--	--	27.6	25.0	25.0
Other	49.9	126.9	41.5	--	--	22.5	18.9	--	--	233.8	--	--
iii) Loans and Advances	15.0	58.6	93.7	--	--	66.6	--	20.0	7.1	23.0	30.0	30.0
Central Bank	--	58.6	93.7	--	--	66.6	--	20.0	7.1	23.0	30.0	30.0
Commercial banks	15.0	--	--	--	--	--	--	--	--	--	--	--
III Debt repayment	284.2	269.3	84.1	58.7	114.8	66.8	2.6	1.4	13.3	63.1	95.6	95.6
Domestic	251.8	260.5	75.0	48.9	103.1	65.0	--	--	10.0	62.0	90.0	90.0
Bahamian dollars	90.0	189.6	75.0	48.9	103.1	65.0	--	--	10.0	62.0	90.0	90.0
Internal foreign currency	161.8	70.9	--	--	--	--	--	--	--	--	--	--
External	32.4	8.8	9.1	9.8	11.7	1.8	2.6	1.4	3.3	1.1	5.6	5.6
IV Net Sale of Shares & Other Equity	--	203.7	--	--	--	--	--	--	--	--	--	--
V. Cash balance change	26.5	26.4	5.5	--	--	4.1	(4.2)	(0.3)	5.8	(13.2)	(7.4)	(7.4)
VI Other Financing	(3.0)	192.3	94.0	102.9	(7.4)	(68.8)	(17.9)	25.6	155.1	(112.0)	(86.7)	(86.7)

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

TABLE 12
NATIONAL DEBT

End of Period	(B\$' 000s)											
	2010p	2011p	2012p	2011p			2012p			2012p		
				Dec.	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.
TOTAL EXTERNAL DEBT	727,882	798,540	1,037,264	798,540	807,873	829,270	832,793	798,540	807,873	829,270	832,793	1,037,264
By Instrument												
Government Securities	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Loans	127,882	198,540	437,264	198,540	207,873	229,270	232,793	198,540	207,873	229,270	232,793	437,264
By Holder												
Commercial Banks	--	--	--	--	--	--	--	--	--	--	--	--
Offshore Financial Institutions	--	--	--	--	--	--	--	--	--	--	--	--
Multilateral Institutions	123,698	171,793	216,539	171,793	181,296	189,935	192,677	171,793	181,296	189,935	192,677	216,539
Bilateral Institutions	4,184	26,747	40,725	26,747	26,577	39,335	40,116	26,747	26,577	39,335	40,116	40,725
Private Capital Markets	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Other Financial Institutions	--	--	180,000	--	--	--	--	--	--	--	--	180,000
TOTAL INTERNAL DEBT	2,992,479	3,006,080	3,357,317	3,006,080	3,046,079	3,076,423	3,342,318	3,006,080	3,046,079	3,076,423	3,342,318	3,357,317
By Instrument												
Foreign Currency	70,000	--	--	--	--	--	--	--	--	--	--	--
Government Securities	--	--	--	--	--	--	--	--	--	--	--	--
Loans	70,000	--	--	--	--	--	--	--	--	--	--	--
Bahamian Dollars	2,922,479	3,006,080	3,357,317	3,006,080	3,046,079	3,076,423	3,342,318	3,006,080	3,046,079	3,076,423	3,342,318	3,357,317
Advances	111,988	110,588	105,657	110,588	130,588	137,687	135,657	110,588	130,588	137,687	135,657	105,657
Treasury Bills	301,609	301,609	349,142	301,609	321,609	344,218	339,142	301,609	321,609	344,218	339,142	349,142
Government Securities	2,503,637	2,593,637	2,872,273	2,593,637	2,593,637	2,594,273	2,867,273	2,593,637	2,593,637	2,594,273	2,867,273	2,872,273
Loans	5,246	246	30,246	246	246	246	246	246	246	246	246	30,246
By Holder												
Foreign Currency	70,000	--	--	--	--	--	--	--	--	--	--	--
Commercial Banks	70,000	--	--	--	--	--	--	--	--	--	--	--
Other Local Financial Institutions	--	--	--	--	--	--	--	--	--	--	--	--
Bahamian Dollars	2,922,479	3,006,080	3,357,317	3,006,080	3,046,079	3,076,423	3,342,318	3,006,080	3,046,079	3,076,423	3,342,318	3,357,317
The Central Bank	274,275	292,802	404,992	292,802	315,756	333,626	368,584	292,802	315,756	333,626	368,584	404,992
Commercial Banks	1,066,784	1,118,286	1,187,797	1,118,286	1,136,470	1,147,842	1,217,529	1,118,286	1,136,470	1,147,842	1,217,529	1,187,797
Other Local Financial Institutions	6,996	9,357	10,658	9,357	9,357	9,455	11,041	9,357	9,357	9,455	11,041	10,658
Public Corporations	702,541	684,963	730,169	684,963	685,007	686,007	714,098	684,963	685,007	686,007	714,098	730,169
Other	871,883	900,672	1,023,701	900,672	899,489	899,492	1,031,066	900,672	899,489	899,492	1,031,066	1,023,701
TOTAL FOREIGN CURRENCY DEBT	797,882	798,540	1,037,264	798,540	807,873	829,270	832,793	798,540	807,873	829,270	832,793	1,037,264
TOTAL DIRECT CHARGE	3,720,361	3,804,620	4,394,581	3,804,620	3,853,952	3,905,693	4,175,111	3,804,620	3,853,952	3,905,693	4,175,111	4,394,581
TOTAL CONTINGENT LIABILITIES	564,629	550,727	592,116	550,727	560,212	561,395	596,392	550,727	560,212	561,395	596,392	592,116
TOTAL NATIONAL DEBT	4,284,990	4,355,347	4,986,697	4,355,347	4,414,164	4,467,088	4,771,503	4,355,347	4,414,164	4,467,088	4,771,503	4,986,697

Source: Treasury Accounts & Treasury Statistical Summary Printouts
Public Corporation Reports
Creditor Statements, Central Bank of The Bahamas

TABLE 13
PUBLIC SECTOR FOREIGN CURRENCY DEBT OPERATIONS

(B\$' 000s)

	2010p	2011p	2012p	2012p				
				2011p Dec.*	Mar.	Jun.	Sep.	Dec.
Outstanding Debt at Beginning of Period	1,139,567	1,357,660	1,453,066	1,324,979	1,453,066	1,473,780	1,539,039	1,665,194
Government	704,944	797,882	798,540	768,020	798,540	807,873	829,270	832,793
Public Corporations	434,623	559,778	654,526	556,959	654,526	665,907	709,769	832,401
Plus: New Drawings	388,807	201,456	514,874	87,632	28,201	143,171	133,365	210,137
Government	102,807	79,519	250,076	33,132	10,701	24,656	4,615	210,104
Public Corporations	286,000	121,937	264,798	54,500	17,500	118,515	128,750	33
Less: Amortization	170,714	122,237	104,939	9,545	7,487	77,912	7,210	12,330
Government	9,869	78,861	11,352	2,612	1,368	3,259	1,092	5,633
Public Corporations	160,845	43,376	93,587	6,933	6,119	74,653	6,118	6,697
Other Changes in Debt Stock	--	16,187	16,187	50,000	--	--	--	--
Government	--	--	--	--	--	--	--	--
Public Corporations	--	16,187	--	50,000	--	--	--	--
Outstanding Debt at End of Period	1,357,660	1,453,066	1,863,001	1,453,066	1,473,780	1,539,039	1,665,194	1,863,001
Government	797,882	798,540	1,037,264	798,540	807,873	829,270	832,793	1,037,264
Public Corporations	559,778	654,526	825,737	654,526	665,907	709,769	832,401	825,737
Interest Charges	67,022	63,846	87,203	28,022	7,404	32,001	10,510	37,288
Government	47,055	48,002	51,050	22,991	896	23,256	456	26,442
Public Corporations	19,967	15,844	36,153	5,031	6,508	8,745	10,054	10,846
Debt Service	237,736	186,083	192,142	37,567	14,891	109,913	17,720	49,618
Government	56,924	126,863	62,402	25,603	2,264	26,515	1,548	32,075
Public Corporations	180,812	59,220	129,740	11,964	12,627	83,398	16,172	17,543
Debt Service Ratio (%)	7.4	5.4	5.2	4.3	1.6	11.3	2.0	5.6
Government Debt Service/ Government Revenue (%)	4.3	10.1	4.0	5.9	0.6	7.2	0.5	8.7
MEMORANDUM								
Holder Distribution (B\$ Mil):								
Commercial Banks	414.1	361.8	343.5	361.8	365.7	317.1	349.1	343.5
Multilateral Institutions	145.1	187.2	234.6	187.2	200.7	208.3	211.8	234.6
Bilateral Institutions	4.2	42.7	40.7	42.7	46.1	39.3	40.1	40.7
Other	194.3	261.3	644.2	261.3	261.3	374.3	464.2	644.2
Private Capital Markets	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0

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

* Outstanding debt at end-Dec 2011 includes \$50.0 million in outstanding debt of The Nassau Airport Development Company, previously held by the Government.

TABLE 14
BALANCE OF PAYMENTS SUMMARY*

	(B\$ Millions)														
	2010p			2011p			2012p			2011			2012		
	2010p	2011p	2012p	Qtr.Ip	Qtr.IIip	Qtr.IIIp	Qtr.IVp	Qtr.Ip	Qtr.IIip	Qtr.IIIp	Qtr.IVp	Qtr.Ip	Qtr.IIip	Qtr.IVp	
A. Current Account Balance (I+II+III+IV)	(813.1)	(1,090.6)	(1,462.5)	(283.8)	(126.3)	(334.7)	(345.8)	(420.5)	(198.3)	(491.7)	(352.0)	(198.3)	(491.7)	(352.0)	
I. Merchandise (Net)	(1,888.2)	(2,132.1)	(2,401.3)	(456.9)	(497.3)	(569.7)	(608.2)	(671.4)	(578.7)	(580.9)	(570.3)	(578.7)	(580.9)	(570.3)	
Exports	702.4	833.5	929.3	192.4	213.8	216.0	211.3	236.1	230.1	254.2	209.0	230.1	254.2	209.0	
Imports	2,590.6	2,965.7	3,330.6	649.3	711.1	785.7	819.5	907.5	808.8	835.1	779.2	808.8	835.1	779.2	
II. Services (Net)	1,312.5	1,313.7	1,214.3	277.1	409.6	289.6	337.5	302.5	427.2	176.8	307.8	427.2	176.8	307.8	
Transportation	(223.8)	(195.8)	(264.6)	(33.5)	(46.3)	(56.2)	(59.8)	(75.8)	(67.8)	(66.0)	(54.9)	(67.8)	(66.0)	(54.9)	
Travel	1,919.2	2,007.9	2,081.1	501.0	542.6	449.3	514.9	546.4	583.2	439.7	511.8	583.2	439.7	511.8	
Insurance Services	(43.1)	(185.9)	(193.7)	(64.7)	(44.0)	(44.3)	(32.9)	(44.9)	(31.5)	(71.9)	(45.4)	(44.9)	(71.9)	(45.4)	
Offshore Companies Local Expenses	157.8	138.9	169.5	38.0	46.0	28.0	26.8	40.2	47.7	44.4	37.2	47.7	44.4	37.2	
Other Government	(43.1)	13.4	27.7	(4.7)	8.6	0.3	9.1	9.2	5.1	7.8	5.5	5.1	7.8	5.5	
Other Services	(332.4)	(464.7)	(605.8)	(159.0)	(97.4)	(87.7)	(120.7)	(172.6)	(109.5)	(171.2)	(146.5)	(109.5)	(171.2)	(146.5)	
III. Income (Net)	(234.9)	(236.0)	(285.0)	(63.0)	(46.8)	(52.0)	(74.3)	(56.4)	(52.3)	(87.0)	(89.3)	(52.3)	(87.0)	(89.3)	
1. Compensation of Employees	(27.4)	(47.9)	(45.1)	(9.5)	(12.9)	(13.9)	(11.6)	(12.6)	(13.6)	(10.5)	(8.4)	(13.6)	(10.5)	(8.4)	
2. Investment Income	(207.5)	(188.1)	(239.9)	(53.4)	(33.9)	(38.1)	(62.7)	(43.8)	(38.7)	(76.4)	(81.0)	(38.7)	(76.4)	(81.0)	
IV. Current Transfers (Net)	(2.6)	(36.2)	9.5	(41.0)	8.2	(2.6)	(0.8)	4.8	5.5	(0.7)	(0.2)	4.8	(0.7)	(0.2)	
1. General Government	87.4	113.4	119.7	33.3	34.4	22.6	23.1	32.0	33.3	32.2	22.1	32.0	32.2	22.1	
2. Private Sector	(89.9)	(149.6)	(110.2)	(74.3)	(26.2)	(25.2)	(23.9)	(27.2)	(27.7)	(32.9)	(22.3)	(27.7)	(32.9)	(22.3)	
B. Capital and Financial Account (I+II)	1,141.4	986.4	932.5	354.3	162.0	347.9	122.2	171.0	393.3	315.8	52.3	393.3	315.8	52.3	
(excl. Reserves)															
I. Capital Account (Net Transfers)	(3.6)	(5.5)	(7.3)	(0.6)	(1.4)	(2.2)	(1.4)	(1.6)	(1.3)	(2.5)	(1.8)	(1.3)	(2.5)	(1.8)	
II. Financial Account (Net)	1,144.9	992.0	939.8	354.9	163.3	350.2	123.6	172.7	394.6	318.3	54.1	394.6	318.3	54.1	
1. Direct Investment	872.0	666.6	425.3	259.8	229.7	123.6	53.5	49.3	255.9	43.7	76.4	255.9	43.7	76.4	
2. Portfolio Investment	(25.4)	(44.2)	(43.2)	(5.8)	(9.4)	(9.9)	(19.2)	(6.3)	(12.5)	(9.9)	(14.6)	(12.5)	(9.9)	(14.6)	
3. Other Investments	298.3	369.6	557.6	100.8	(57.0)	236.5	89.3	129.6	151.2	284.5	(7.7)	151.2	284.5	(7.7)	
Central Govt Long Term Capital	24.7	70.7	238.7	22.0	8.2	9.9	30.5	9.3	21.4	3.5	204.5	9.3	3.5	204.5	
Other Public Sector Capital	123.7	57.7	19.5	(0.8)	3.8	44.8	9.9	10.2	73.0	85.7	(149.4)	73.0	85.7	(149.4)	
Banks	23.6	(101.4)	(2.3)	(42.4)	(158.6)	69.0	30.5	(23.0)	(9.3)	56.2	(26.2)	(23.0)	(9.3)	56.2	
Other	126.4	342.6	301.7	121.9	89.6	112.7	18.4	133.0	66.1	139.1	(36.5)	133.0	66.1	(36.5)	
C. Net Errors and Omissions	(283.7)	128.6	455.3	44.2	65.3	(133.7)	152.9	254.1	(156.5)	(6.2)	363.9	(156.5)	(6.2)	363.9	
D. Overall Balance (A+B+C)	44.5	24.5	(74.7)	114.7	101.0	(120.5)	(70.7)	4.6	38.5	(182.1)	64.3	38.5	(182.1)	64.3	
E. Financing (Net)	(44.5)	(24.5)	74.7	(114.7)	(101.0)	120.5	70.7	(4.6)	(38.5)	182.1	(64.3)	(38.5)	182.1	(64.3)	
Change in SDR holdings	3.1	0.7	146.8	(5.1)	(1.7)	4.5	3.0	(0.9)	3.0	(2.8)	147.6	3.0	(2.8)	147.6	
Change in Reserve Position with the IMF	0.2	0.0	(0.0)	(0.3)	(0.1)	0.2	0.2	(0.1)	0.2	(0.2)	0.0	(0.1)	(0.2)	0.0	
Change in Ext. Foreign Assets () = Increase	(47.8)	(25.1)	(72.1)	(109.3)	(99.2)	115.7	67.6	(3.5)	(41.8)	185.1	(211.9)	(41.8)	185.1	(211.9)	

Source: The Central Bank of the Bahamas

* Figures may not sum to total due to rounding

TABLE 15
EXTERNAL TRADE

(B\$ '000)

	2010				2011				2012							
	2010	2011	2012	2012	2011	2011	2012	2012	2011	2011	2012	2012	2012			
					Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV
I. OIL TRADE																
i) Exports	159,706	216,129	319,713	319,713	61,039	64,338	42,222	48,530	59,996	71,162	97,536	91,019	59,996	71,162	97,536	91,019
ii) Imports	687,073	930,047	874,839	874,839	206,992	267,666	251,101	204,288	233,012	215,571	211,509	214,747	233,012	215,571	211,509	214,747
II. OTHER MERCHANDISE																
Domestic Exports																
Crawfish	68,371	64,337	27,410	27,410	16,262	8,129	10,387	29,559	18,812	8,598	--	--	18,812	8,598	--	--
Fish Conch & other Crustacea	4,013	4,371	1,606	1,606	772	2,885	548	166	669	936	--	--	669	936	--	--
Other cordials & Similar Materials/Sponge	546	842	300	300	168	522	--	152	186	115	--	--	186	115	--	--
Fruits & Veggies.	195	24	--	--	24	--	--	--	--	--	--	--	--	--	--	--
Aragonite	11,688	11,497	4,736	4,736	774	6,587	1,248	2,889	3,604	1,132	--	--	3,604	1,132	--	--
Other Natural Sands	2,931	2,893	1,677	1,677	529	350	1,232	783	1,352	325	--	--	1,352	325	--	--
Rum/Beverages/Spirits & Vinegar	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Crude Salt	16,429	12,022	2,775	2,775	4,846	4,133	1,577	1,465	1,117	1,658	--	--	1,117	1,658	--	--
Polystrene Products	104,076	135,846	77,748	77,748	30,431	34,070	35,826	35,519	38,467	39,281	--	--	38,467	39,281	--	--
Other	96,570	94,611	47,051	47,051	16,642	27,537	32,280	18,151	20,726	26,325	--	--	20,726	26,325	--	--
i) Total Domestic Exports	304,819	326,443	336,522	336,522	70,448	84,213	83,098	88,684	84,933	78,371	79,218	94,000	84,933	78,371	79,218	94,000
ii) Re-Exports	156,969	184,371	171,449	171,449	34,715	55,328	52,302	42,026	58,476	40,841	37,424	34,708	58,476	40,841	37,424	34,708
iii) Total Exports (i+ii)	461,788	510,814	507,972	507,972	105,163	139,541	135,400	130,710	143,408	119,213	116,643	128,708	143,408	119,213	116,643	128,708
iv) Imports	2,175,688	2,480,809	2,772,177	2,772,177	519,926	594,742	645,961	720,180	788,696	652,039	652,799	678,643	788,696	652,039	652,799	678,643
v) Retained Imports (iv-ii)	2,018,719	2,296,438	2,600,728	2,600,728	485,211	539,414	593,659	678,154	730,220	611,198	615,375	643,935	730,220	611,198	615,375	643,935
vi) Trade Balance (i-v)	(1,713,900)	(1,969,995)	(2,264,206)	(2,264,206)	(414,763)	(455,201)	(510,561)	(589,470)	(645,287)	(532,827)	(536,157)	(549,935)	(645,287)	(532,827)	(536,157)	(549,935)

Source: Department of Statistics Quarterly Statistical Summaries

TABLE 16
SELECTED TOURISM STATISTICS

Period	2010 ^R		2011 ^R		2012		2012						
	2010 ^R	2011 ^R	2012	2011 ^R	2012	Qtr. I	Qtr. II ^R	Qtr. III	Qtr. IV	Qtr. I ^R	Qtr. II ^R	Qtr. III	Qtr. IV
Visitor Arrivals	5,254,806	5,587,585	5,942,758	1,527,601	1,377,680	1,200,286	1,482,018	1,692,978	1,490,310	1,266,865	1,492,605		
Air	1,294,804	1,267,540	1,357,213	320,680	363,202	297,199	286,459	356,531	396,901	319,313	284,468		
Sea	3,960,002	4,320,045	4,585,545	1,206,921	1,014,478	903,087	1,195,559	1,336,447	1,093,409	947,552	1,208,137		
Visitor Type													
Stopover	1,201,502	1,343,293	1,366,695	342,597	397,982	323,576	279,138	369,660	404,236	347,245	245,554		
Cruise	3,803,122	4,161,556	8,799,816	1,172,006	956,900	857,345	1,175,305	1,302,956	4,040,254	902,856	1,185,467		
Day/Transit	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Tourist Expenditure(B\$ 000's)													
Stopover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Cruise	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Day	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Number of Hotel Nights	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Average Length of Stay	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Average Hotel Occupancy Rates (%)													
New Providence	58.0	58.9	n.a.	62.3	62.8	57.9	52.6	68.0	68.6	62.9	n.a.		
Grand Bahama	36.2	41.6	n.a.	45.3	47.2	39.4	34.4	53.0	51.3	39.7	n.a.		
Other Family Islands	36.4	39.0	n.a.	37.9	46.9	36.3	34.7	43.0	48.9	43.5	n.a.		
Average Nightly Room Rates (\$)													
New Providence	219.7	225.0	n.a.	242.2	241.2	209.4	207.2	258.1	212.3	196.1	n.a.		
Grand Bahama	86.1	90.5	n.a.	91.4	87.9	90.9	91.7	79.1	76.5	73.1	n.a.		
Other Family Islands	156.2	152.2	n.a.	179.2	161.5	128.2	140.0	179.0	148.9	133.7	n.a.		

Source: The Ministry of Tourism