



Monthly Economic and Financial Developments January 2014

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:

2014: March 31, April 28, June 2, June 30, August 5, September 1, September 29, November 3, December 1, December 22.

Monthly Economic and Financial Developments

January 2014

1. Domestic Economic Developments

Preliminary indications suggest that domestic economic developments were subdued during the month of January, owing primarily to a relatively flat tourism performance. However, conditions continued to benefit from steady foreign investment-led activity, which sustained employment opportunities in the construction sector. Meanwhile, inflation remained mild, amid the decline in global oil prices. Based on the latest fiscal data for the first half of FY2013/14, the improvement in the overall deficit was associated with a combination of reductions in capital related outlays and budgetary support to the public corporations, which more than compensated for the softening in total revenue collections. In the monetary sector, both liquidity and external reserves expanded in January, mainly due to net receipts from Government's external bond issue.

Tourism sector performance in January was reportedly adversely affected by a decline in room capacity, linked to the temporary closure of one mid-sized property and lower inventory levels in five other hotels. As a consequence, total room revenue—as determined from a sample of large hotels in New Providence and Paradise Island—fell by 1.3%, year-on-year, despite the 1.4% rise in the average hotel occupancy to 59.2% and the 0.5 percentage points gain in the average daily room rate (ADR) to \$241.73.

The latest labour market data for the six months to November 2013, evidenced some improvement in employment conditions for the period, which, on balance, should have been sustained in the more recent months. According to the Department of Statistics, the unemployment rate narrowed by 0.8 of a percentage point to 15.4%, as 2,600 persons were added to the workforce. Signs of healthier job prospects also contributed to a 15.0% reduction in the number of discouraged workers; however, among youth—which have the highest unemployment rate—the percentage of job seekers firmed by 1.5 percentage points to 32.3%.

A disaggregation by major market showed the unemployment rate in New Providence moved lower by 30 basis points to 15.9%, and the number of unemployed persons fell by 320 (1.4%). Similarly, in Grand Bahama, the jobless rate narrowed to 16.8% from 19.5%, as 820 persons joined the workforce.

Consumer price inflation slowed to 0.4% in the twelve months to November 2013, from 2.2% in the prior year, due primarily to a decline in housing, water, gas, electricity, water & other fuels—the most heavily weighted component in the Index—by 0.1%, in contrast to the prior year's 3.3% expansion. Transportation costs were relatively flat, on average, compared to an increase of 2.1% in 2012, while average price gains slowed for most of the remaining categories, the largest of which related to food & non-alcoholic beverages (by 2.5 percentage points to 0.6%), furnishing, household equipment & maintenance (by 1.9 percentage points to 0.7%) and health (by 0.7 of a percentage point to 1.1%). The decline in average costs for communication was extended to 2.9% from 1.9% a year earlier; whereas, recreation & culture cost average price declines slowed to 0.2% from 0.7%. In contrast, average price gains accelerated for restaurant & hotels and alcoholic beverages, tobacco & narcotics, by 1.9 and 1.4 percentage points, to 3.5% and 3.1%, respectively.

In January, domestic energy prices exhibited an easing trend, as the average price of diesel fell by 4.9% to \$5.06 per gallon, while the cost of gasoline increased only marginally, by 0.2% to \$5.13 per gallon. On a yearly basis, the cost of gasoline rose by 1.2%, in contrast to a 1.4% decline for diesel.

Preliminary fiscal sector data for the first half of FY2013/14 showed a reduction in the overall deficit, by \$60.9 million (22.6%) to an estimated \$209.1 million, as the contraction in aggregate expenditure, by \$64.2 million (6.9%) to \$870.5 million, was reinforced by a more than halving in net lending to public corporations, to \$30.2 million. These developments completely offset the marginal fall-off in total revenue, of \$3.3 million (0.6%) to \$661.5 million. The revenue performance included a contraction in the tax component, by \$30.0 million (5.1%) to \$553.1 million, associated with reductions in international trade and departure taxes, of \$19.8 million (6.5%) and \$25.8 million (33.8%), respectively—although the more than two-fold increase in “miscellaneous” taxes, to \$42.6 million includes some items not yet recorded to the former revenue line. Non-tax collections firmed by \$26.5 million (32.4%) to \$108.2 million, buoyed by gains in fines, forfeits and administrative fees (\$15.9 million), and income receipts (\$11.5 million). Meanwhile, the contraction in expenditure was driven by a \$38.8 million (33.7%) decline in capital outlays to \$76.4 million, as the completion of several large-scale projects resulted in a \$28.9 million (30.3%) reduction in infrastructure spending, while asset acquisitions fell modestly by \$1.5 million (14.8%). Conversely, current spending increased by \$14.3 million (1.9%) to \$763.9 million, as higher interest outlays and subsidies boosted transfer payments by \$28.1 million (9.7%). However, consumption spending fell by \$13.8 million (3.0%) to \$446.1 million, underpinned by an 11.3% decrease in purchases of goods & services, which negated the \$4.3 million (1.4%) rise in wages and salaries.

The deficit was financed through Bahamian Dollar long-term bonds (\$115.0 million), short-term advances (\$59.0 million) and Treasury bills (\$51.0 million); and internal foreign currency loans (US\$125.0 million). An additional \$123.8 million was obtained from external sources.

2. International Developments

Global economic conditions were relatively volatile in January, as the Federal Reserve’s continued scaling-back of its “quantitative easing” programme prompted concerns over the stability of several emerging markets. As a consequence, equity markets fell worldwide and the US Dollar appreciated against most major currencies.

Indications are that economic conditions in the United States continued to improve in January, although the disruption caused by the severe weather, contributed to a complete reversal of the 0.3% gain in industrial production achieved a month earlier. Similarly, retail sales fell by 0.4%, extending the marginal 0.1% contraction in December. In external sector developments, the trade deficit deteriorated by \$4.1 billion to \$38.7 billion in December, as exports fell by 1.8% and imports rose by a marginal 0.3%. In the labour markets, the addition of 113,000 jobs to non-farm payrolls—mainly construction, manufacturing, wholesaling and mining—resulted in a 10 basis point softening in the unemployment rate to 6.6%. Given the positive momentum in economic and labour market conditions, the Federal Reserve announced its intent to scale-back its “quantitative easing” measures, by reducing the pace of its purchase of domestic securities by \$10.0 billion per month to \$65.0 billion, while leaving key interest rates within the 0.00%-0.25% range.

Preliminary data suggests that the nascent recovery in Europe was maintained during the review period. In the United Kingdom, real output growth steadied at 0.7% in the final quarter of 2013, and the trade deficit

narrowed by £2.6 billion to £1.0 billion, month-on-month. The jobless rate also decreased by 0.4 of a percentage point over the prior period to 7.2%, as approximately 193,000 persons were added to employers' payrolls; and declines in the cost of recreation & culture activities and furniture, household equipment & routine maintenance secured a 10 basis points reduction in the annual inflation rate to 1.9% in January. In the euro area, declines in the production of capital and non-durable consumer goods led to industrial production falling by 0.7% in December, a reversal from a 1.6% gain in the prior month, while the volume of retail trade contracted by 1.6%, in contrast to the previous period's 0.9% expansion. These developments fed through to the trade surplus, which narrowed by €3.1 billion to €13.9 billion in December, due to a decline in exports. Given these conditions, the jobless rate stabilized at a record 12.0% in December, while consumer price inflation softened by 10 basis points to 0.7% in January—for the third consecutive month. In terms of monetary policy, both the Bank of England and the European Central Bank maintained their highly accommodative policy stance.

Asia's economic performance remained relatively robust, although moderating from the previous year's level. In a sign that China's economy was continuing to slow from previous elevated levels, retail trade growth moderated to 13.1% in January from 14.3% in the prior year. In contrast, the trade surplus expanded on a monthly basis, by US\$6.3 billion to US\$31.9 billion, benefitting from higher net exports. Job prospects remained healthy, as the unemployment rate steadied at 4.1% in December, while the annual inflation rate stabilised at 2.5% in January. Economic indicators were mixed in Japan, where reduced private consumption and capital outlays led to a slowdown in real output growth to an annualized 1.0% in the final quarter of 2013, from 1.9% in the preceding three-month period. In addition, retail sales gains slowed by 1.8 percentage points on a monthly basis to 0.8% in December; however, industrial production firmed by 1.1%, a reversal from a 0.1% decline in November. In the external sector, the trade deficit deteriorated to a record ¥1,302.1 billion in December from ¥1,294.1 billion a month earlier, reflecting a surge in energy-related imports, which outstripped the growth in exports. The unemployment rate declined by 30 basis points to 3.7%, while the rate of inflation firmed by 10 basis points to 1.3% in December, owing to higher costs for food. On the monetary front, the People's Bank of China injected some US\$42.0 billion into the financial system, in support of high holiday demand for liquidity, while the Bank of Japan sustained the pace of its "quantitative easing" programmes.

Reflecting in part a slight increase in OPEC's oil capacity, by approximately 30,000 barrels per day (bpd) to an average of 29.7 million bpd, the price of crude oil declined by 3.1% to \$108.15 per barrel in January. Buoyed by investors' increased demand for relatively "safe" assets, average gold prices moved higher by 3.6% to \$1,244.55 per troy ounce; however, silver prices were reduced by 1.5% to \$19.18 per troy ounce.

In January, broad-based declines were registered in all major equity markets, amid concerns over the unwinding of the Federal Reserve's economic stimulus measures and its potential for disrupting emerging markets. In the United States, both the Dow Jones Industrial Average (DJIA) and the S&P 500 index retreated by 5.3% and 3.6%, respectively. Among the European bourses, losses were posted for the United Kingdom's FTSE 100 (3.5%), France's CAC 40 (3.0%) and Germany's DAX (2.6%). In Asian markets, Japan's Nikkei 225 index plunged by 8.5% and China's SE composite lost 3.9%.

Foreign currency developments for January showed the dollar appreciating against most major currencies. The dollar strengthened vis-à-vis the Canadian dollar, by 4.8% to CAD\$1.1128 and relative to the euro, by 1.9% to €0.7414. The dollar also posted gains versus the Swiss franc and British pound, by 1.6% and 0.7% to CHF 0.9064 and £0.6082, respectively. Outcomes were mixed against Asian currencies, with the

dollar weakening relative to the Japanese Yen, by 3.1% to ¥102.04, but stabilising vis-a-vis the Chinese Yuan, at CNY6.0607.

3. Domestic Monetary Trends

January 2014 vs. 2013

In January, monetary sector developments featured a significant build-up in both bank liquidity and external reserves, reflecting the receipt of net proceeds from Government's US\$300.0 million external bond offering. Consequently, bank's excess cash reserves expanded by \$110.5 million to \$512.2 million, a reversal from the previous year's \$37.5 million contraction, and the broader excess liquid assets advanced by \$92.3 million to \$1,177.2 million, vis-a-vis a \$16.2 million decrease in 2013.

External reserves expanded by \$172.4 million to \$912.1 million, a turnaround from last year's \$22.2 million reduction. The Central Bank's transactions with the public sector were reversed to a net purchase of \$149.8 million, from last year's net sale of \$16.1 million. The Bank also recorded a net intake of \$22.7 million from commercial banks, vis-à-vis a net sale of \$7.3 million in 2013, as banks, in turn, registered a net purchase of \$26.8 million from their clients.

The impact of the Government's foreign currency borrowing activity was extended to Bahamian dollar credit outcomes, as proceeds from the external bond issue were used to repay short-term borrowings from the banking system. As a result, of the \$146.2 million total contraction, net credit to the Government accounted for \$129.5 million, reversing the \$64.4 million increase in 2013, while the reduction in claims on public corporations was slightly lower at \$0.1 million. Given the persistent weakness in consumer demand, private sector credit contracted further, by \$16.5 million, following a \$23.4 million reduction in 2013, and comprised slightly lower falloffs in the consumer (\$6.2 million) and commercial (\$5.0 million) segments, whereas mortgages recovered by \$3.2 million, from a year-earlier \$4.4 million contraction.

Overall, banks' private sector loan arrears fell by \$8.7 million (0.6%) to \$1,343.5 million—and by 13 basis points to 21.80% of total loans. By average age, short-term delinquencies (31 to 90 days) were lower by \$18.0 million (4.7%) at \$368.2 million, and by 29 basis points to 5.98% of total loans. In a modest offset, non-performing loans, those over 90 days and on which banks have stopped accruing interest, rose by \$9.3 million (1.0%) to \$975.3 million, with the attendant loan ratio firming by 16 basis points to 15.83%.

By loan category, the reduction in total arrears was mainly due to a decline in the mortgage segment, by \$9.3 million (1.3%) to \$721.7 million, linked to a \$10.3 million (4.9%) decrease in 31-90 day delinquencies, which outweighed the \$1.1 million (0.2%) rise in those in excess of 90 days. Similarly, consumer loan arrears improved by \$3.7 million (1.4%) to \$263.6 million, owing to an \$8.4 million (8.7%) contraction in the short-term segment, which outstripped the \$4.7 million (2.8%) rise in non-accrual loans. Commercial loan delinquencies, however, moved higher by \$4.3 million (1.2%), reflecting gains in both the non-performing and the short-term categories, of \$3.5 million (1.3%) and \$0.8 million (1.1%), respectively.

Banks maintained their conservative loan provisioning posture during the review month, increasing levels by \$3.3 million (0.8%) to \$446.1 million. As a consequence, the ratio of provisions to arrears firmed by 46 basis points to 33.2%—although the corresponding non-performing loan ratio fell by 9 basis points to 45.7%. In addition, debt write-offs were an estimated \$4.9 million and loan recoveries amounted to \$2.8 million.

As claims on the Government were reduced, domestic foreign currency credit contracted by \$134.2 million, following a \$5.4 million reduction in 2013. Specifically, net credit to the Government receded by \$125.5 million, to reverse a marginal \$0.4 million gain in 2013. Also, the contraction in private sector credit was extended to \$8.8 million from \$2.8 million, of which \$6.6 million was for commercial credits.

Growth in total Bahamian dollar deposits advanced to \$38.7 million from \$21.8 million last year, inclusive of significantly higher accretions to demand deposits, by \$45.0 million to \$47.6 million. In contrast, fixed and savings balances were reduced by \$5.5 million and \$3.4 million, a reversal from respective increases of \$14.8 million and \$4.5 million in the prior year.

In interest rate developments, the weighted average deposit rate narrowed by 20 basis points to 1.28%; with the highest rate of 4.00% offered on fixed balances of up to 3 months. The weighted average loan rate also moved lower, by 1.1 percentage points to 10.60%.

4. Outlook and Policy Implications

The moderate near-term growth outlook for the domestic economy continues to hinge on the expectation that tourism performance will benefit from the ongoing growth in several key source markets; although signs of potential softness in developed economies could provide downside risks to this outlook. However, steady foreign investment activity in the sector should continue to support the recovery and sustain the gradual improvement in employment conditions. Price movements are not expected to be a major source of risk, given the downward bias in the global inflationary outlook, although some upward pressure is expected from the implementation of the Government's Value-Added Tax (VAT).

In the fiscal sector, sustained improvement in the overall deficit and corresponding debt indicators remain heavily linked to the pace of the economic recovery, along with the success of Government's initiatives to broaden the tax base, increase revenue collections and curtail the growth in spending.

On the monetary front, liquidity conditions are anticipated to remain robust over the year, as the pervasive weakness in domestic demand, the consumer debt overhang and banks' conservative lending stance, continue to depress private sector credit conditions. The near-term outlook for the external reserve position depends heavily on the strengthening of real sector activities, to meet both the desired level of rebuilding and facilitate trend imports. While no material change is anticipated in banks' credit quality indicators, until the economic recovery broadens, capitalisation levels are considered adequate to mute any corresponding near-term financial stability concerns.

Recent Monetary and Credit Statistics

(B\$ Millions)

JANUARY					
Value		Change		Change YTD	
2013	2014	2013	2014	2013	2014

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	412.48	512.22	-37.54	110.51	-37.54	110.51
1.2 Excess Liquid Assets	955.34	1,177.19	-16.15	92.29	-16.15	92.29
1.3 External Reserves	789.95	912.11	-22.15	172.34	-22.15	172.34
1.4 Bank's Net Foreign Assets	-601.29	-517.40	20.50	169.61	20.50	169.61
1.5 Usable Reserves	350.26	406.87	1.97	160.51	1.97	160.51

2.0 DOMESTIC CREDIT

2.1 Private Sector	6,590.12	6,503.87	-26.23	-25.32	-26.23	-25.32
a. B\$ Credit	6,197.06	6,128.11	-23.42	-16.51	-23.42	-16.51
of which: Consumer Credit	2,110.09	2,105.74	-10.75	-6.24	-10.75	-6.24
Mortgages	3,098.69	3,103.71	-4.38	3.15	-4.38	3.15
Commercial and Other Loans B\$	988.29	918.66	-8.29	-13.43	-8.29	-13.43
b. F/C Credit	393.06	375.76	-2.82	-8.81	-2.82	-8.81
of which: Mortgages	144.48	140.06	-0.26	-2.19	-0.26	-2.19
Commercial and Other Loans F/C	248.58	235.71	-2.56	-6.62	-2.56	-6.62
2.2 Central Government (net)	1,658.18	1,706.44	64.78	-255.02	64.78	-255.02
a. B\$ Loans & Securities	1,779.00	1,859.56	62.27	-164.62	62.27	-164.62
Less Deposits	120.00	150.96	-2.13	-35.08	-2.13	-35.08
b. F/C Loans & Securities	0.00	0.00	0.00	-125.00	0.00	-125.00
Less Deposits	0.83	2.16	-0.38	0.48	-0.38	0.48
2.3 Rest of Public Sector	399.75	400.38	-7.29	-0.01	-7.29	-0.01
a. B\$ Credit	114.54	126.49	-4.31	-0.10	-4.31	-0.10
b. F/C Credit	285.21	273.90	-2.98	0.08	-2.98	0.08
2.4 Total Domestic Credit	8,648.06	8,611.89	30.69	-280.36	30.69	-280.36
a. B\$ Domestic Credit	7,970.62	7,963.19	36.11	-146.15	36.11	-146.15
b. F/C Domestic Credit	677.44	648.70	-5.42	-134.21	-5.42	-134.21

3.0 DEPOSIT BASE

3.1 Demand Deposits	1,360.52	1,482.28	2.56	47.56	2.56	47.56
a. Central Bank	5.43	13.58	-6.65	5.18	-6.65	5.18
b. Banks	1,355.09	1,468.69	9.21	42.38	9.21	42.38
3.2 Savings Deposits	1,072.13	1,107.92	4.46	-3.36	4.46	-3.36
3.3 Fixed Deposits	3,437.00	3,313.23	14.80	-5.54	14.80	-5.54
3.4 Total B\$ Deposits	5,869.65	5,903.43	21.82	38.65	21.82	38.65
3.5 F/C Deposits of Residents	238.54	284.50	15.39	33.51	15.39	33.51
3.6 M2	6,066.01	6,104.96	13.02	27.29	13.02	27.29
3.7 External Reserves/M2 (%)	13.02	14.94	-0.39	2.77	-0.39	2.77
3.8 Reserves/Base Money (%)	92.22	94.67	2.28	14.69	2.28	14.69
3.9 External Reserves/Demand Liabilities (%)	89.83	90.26	2.28	15.30	2.28	15.30
	Value		Year to Date		Change	
	2013	2014	2013	2014	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	-23.35	172.57	-23.35	172.57	195.92	195.92
a. Net Purchase/(Sale) from/to Banks	-7.29	22.74	-7.29	22.74	30.03	30.03
i. Sales to Banks	47.23	20.40	47.23	20.40	-26.83	-26.83
ii. Purchases from Banks	39.94	43.14	39.94	43.14	3.20	3.20
b. Net Purchase/(Sale) from/to Others	-16.07	149.83	-16.07	149.83	165.90	165.90
i. Sales to Others	40.55	175.45	40.55	175.45	134.90	134.90
ii. Purchases from Others	24.48	325.28	24.48	325.28	300.80	300.80
4.2 Banks Net Purchase/(Sale)	-11.11	26.79	-11.11	26.79	37.90	37.90
a. Sales to Customers	303.10	270.02	303.10	270.02	-33.07	-33.07
b. Purchases from Customers	291.98	296.81	291.98	296.81	4.83	4.83
4.3 B\$ Position (change)	-5.74	-12.85				

5.0 EXCHANGE CONTROL SALES

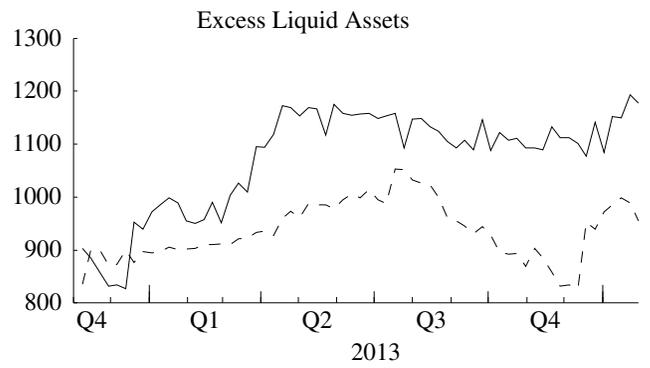
5.1 Current Items	ND	0.00	ND	0.00	ND	ND
of which Public Sector	ND	0.00	ND	0.00	ND	ND
a. Nonoil Imports	ND	0.00	ND	0.00	ND	ND
b. Oil Imports	ND	0.00	ND	0.00	ND	ND
c. Travel	ND	0.00	ND	0.00	ND	ND
d. Factor Income	ND	0.00	ND	0.00	ND	ND
e. Transfers	ND	0.00	ND	0.00	ND	ND
f. Other Current Items	ND	0.00	ND	0.00	ND	ND
5.2 Capital Items	ND	0.00	ND	0.00	ND	ND
of which Public Sector	ND	0.00	ND	0.00	ND	ND
5.3 Bank Remittances	ND	0.00	ND	0.00	ND	ND

SELECTED MONEY AND CREDIT INDICATORS

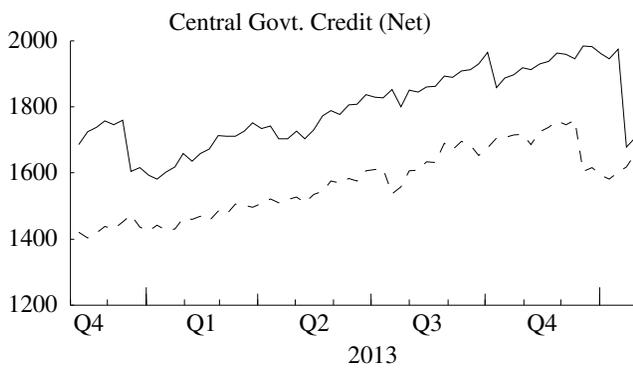
(B\$ Millions)



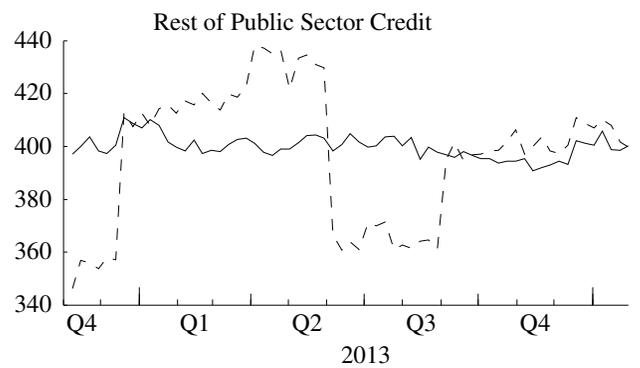
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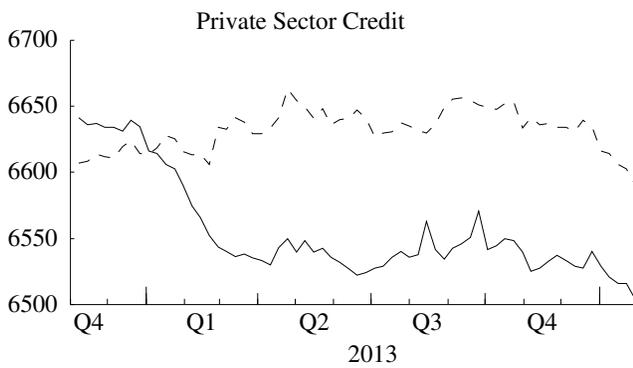
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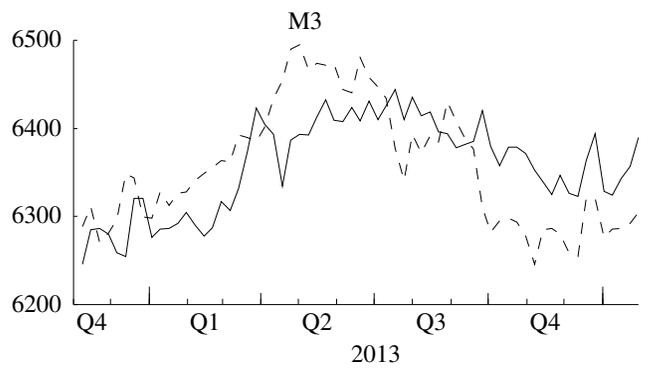
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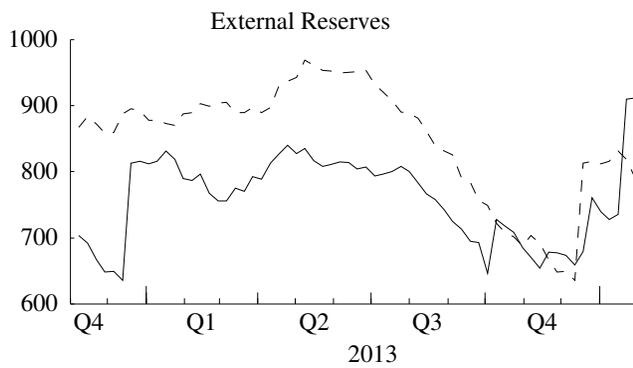
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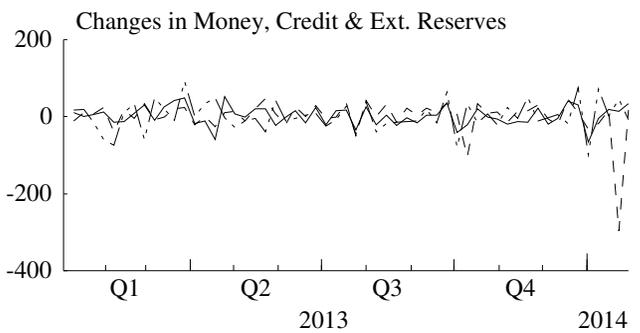
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— M3
- - - Domestic Credit
- · - · External Reserves

Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2013	2014	2013	2014	2013	2014
Bahamas	1.9	2.1	1.0	1.9	15.4	N/A
United States	1.6	2.6	1.4	1.8	7.6	7.4
Euro-Area	-0.4	1.0	1.5	1.5	12.3	12.2
<i>Germany</i>	<i>0.5</i>	<i>1.4</i>	<i>1.6</i>	<i>1.8</i>	<i>5.6</i>	<i>5.5</i>
Japan	2.0	1.2	0.0	2.9	4.2	4.3
China	7.6	7.3	2.7	3.0	4.1	4.1
United Kingdom	1.4	1.9	2.7	2.3	7.7	7.5
Canada	1.6	2.2	1.1	1.6	7.1	7.1
<i>Source: IMF World Economic Outlook October 2013, 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
January 2012	4.50	1.00	0.75	0-0.25	0.50
February 2012	4.50	1.00	0.75	0-0.25	0.50
March 2012	4.50	1.00	0.75	0-0.25	0.50
April 2012	4.50	1.00	0.75	0-0.25	0.50
May 2012	4.50	1.00	0.75	0-0.25	0.50
June 2012	4.50	1.00	0.75	0-0.25	0.50
July 2012	4.50	0.75	0.75	0-0.25	0.50
August 2012	4.50	0.75	0.75	0-0.25	0.50
September 2012	4.50	0.75	0.75	0-0.25	0.50
October 2012	4.50	0.75	0.75	0-0.25	0.50
November 2012	4.50	0.75	0.75	0-0.25	0.50
December 2012	4.50	0.75	0.75	0-0.25	0.50
January 2013	4.50	0.75	0.75	0-0.25	0.50
February 2013	4.50	0.75	0.75	0-0.25	0.50
March 2013	4.50	0.75	0.75	0-0.25	0.50
April 2013	4.50	0.75	0.75	0-0.25	0.50
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

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Jan-13	Dec-13	Jan-14	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.7365	0.7276	0.7414	1.89	1.89	0.66
Yen	91.72	105.31	102.04	-3.11	-3.11	11.25
Pound	0.6306	0.6040	0.6082	0.70	0.70	-3.55
Canadian \$	0.9972	1.0623	1.1128	4.75	4.75	11.59
Swiss Franc	0.9101	0.8922	0.9064	1.59	1.59	-0.41
Renminbi	6.2188	6.0556	6.0607	0.08	0.08	-2.54

Source: Bloomberg as of January 31, 2014

D. Selected Commodity Prices (\$)					
Commodity	January 2013	December 2013	January 2014	Mthly % Change	YTD % Change
Gold / Ounce	1663.70	1201.64	1244.55	3.57	3.57
Silver / Ounce	31.46	19.47	19.18	-1.51	-1.51
Oil / Barrel	114.93	111.59	108.15	-3.08	-3.08

Source: Bloomberg as of January 31, 2014

E. Equity Market Valuations – January 31, 2014 (%chg)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	3.45	-5.30	-3.56	-3.54	-3.03	-2.57	-8.45	-3.92
3 month	7.24	0.98	1.48	-3.28	-3.12	3.02	4.09	-5.07
YTD	3.45	-5.30	-3.56	-3.54	-3.03	-2.57	-8.45	-3.92
12-month	12.63	13.26	20.44	3.72	11.60	19.68	33.90	-14.77

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	0.15	0.42	0.15
1 Month	0.17	0.47	0.20
3 Month	0.24	0.50	0.25
6 Month	0.37	0.62	0.31
9 Month	0.50	0.73	0.41
1 year	0.54	0.87	0.48

Source: Bloomberg as of January 31, 2014

SUMMARY ACCOUNTS OF THE CENTRAL BANK

(B\$ Millions)

	VALUE												CHANGE											
	Dec. 04	Dec. 11	Dec. 18	Dec. 25	Jan. 01	Jan. 08	Jan. 15	Jan. 22	Jan. 29	Dec. 04	Dec. 11	Dec. 18	Dec. 25	Jan. 01	Jan. 08	Jan. 15	Jan. 22	Jan. 29						
I. External Reserves	673.37	659.37	679.68	760.91	739.77	727.75	735.52	909.74	912.11	-4.44	-13.99	20.31	81.23	-21.14	-12.02	7.77	174.22	2.37						
II. Net Domestic Assets (A + B + C + D)	14.91	34.73	9.57	-8.67	-27.48	-4.07	-10.51	-139.80	-149.88	1.11	19.82	-25.17	-18.23	-18.81	23.41	-6.44	-129.28	-10.09						
A. Net Credit to Gov¹(i + ii + iii - iv)	521.24	543.57	520.25	531.40	491.80	494.72	491.89	358.40	361.50	-2.56	22.33	-23.33	11.15	-39.60	2.93	-2.83	-133.49	3.10						
i) Advances	134.66	134.66	134.66	134.66	134.66	134.66	134.66	44.66	44.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-90.00	0.00						
ii) Registered Stock	221.19	221.21	215.44	221.14	220.88	220.74	220.72	220.75	220.73	-0.09	0.02	-5.77	5.70	-0.26	-0.14	-0.01	0.03	-0.02						
iii) Treasury Bills	205.45	215.44	215.44	226.42	186.44	186.44	186.44	126.60	126.60	0.00	9.99	0.00	10.97	-39.98	0.00	0.00	-59.84	0.00						
iv) Deposits	40.06	27.74	45.29	50.82	50.18	47.11	49.93	33.61	30.49	2.47	-12.32	17.56	5.52	-0.64	-3.07	2.81	-16.32	-3.12						
B. Rest of Public Sector (Net) (i + ii - iii)	-3.92	-3.86	-6.12	-2.69	-3.86	-7.80	-9.73	-5.53	-9.23	3.27	0.07	-2.27	3.43	-1.17	-3.94	-1.92	4.20	-3.71						
i) BDB Loans	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.35	4.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.20	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	8.47	8.41	10.67	7.24	8.41	12.35	14.28	9.88	13.58	-3.27	-0.07	2.27	-3.43	1.17	3.94	1.92	-4.40	3.71						
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)*	-502.41	-504.99	-504.56	-537.37	-515.42	-490.99	-492.68	-492.67	-502.15	0.40	-2.57	0.43	-32.82	21.96	24.43	-1.69	0.01	-9.48						
III. Monetary Base	688.28	694.11	689.25	752.25	712.30	723.68	725.01	769.94	762.23	-3.33	5.83	-4.86	63.00	-39.95	11.38	1.33	44.93	-7.72						
A. Currency in Circulation	111.73	114.81	113.37	110.62	140.09	130.65	122.92	112.47	108.19	2.26	3.08	-1.43	-2.75	29.47	-9.43	-7.73	-10.45	-4.28						
B. Bank Balances with CBOB	576.55	579.30	575.88	641.63	572.21	593.03	602.09	657.47	654.03	-5.59	2.75	-3.42	65.75	-69.42	20.82	9.06	55.38	-3.44						

* 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 (Over previous year)		
	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	
Fiscal Operations:																											
1. Government Revenue & Grants	107.3	112.7	97.1	104.1	92.5	88.5	94.6	105.8	117.5	103.8	185.8	146.5	146.5	146.5	146.5	146.5	146.5	146.5	146.5	146.5	146.5	146.5	146.5	146.5	146.5	146.5	146.5
% change: over previous month	-34.97%	-4.20%	-9.50%	-7.62%	-4.71%	-15.03%	2.33%	19.64%	24.69%	-1.90%	32.39%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%	41.12%
2. Import/Excise Duties	50.4	44.0	48.2	49.7	47.8	42.0	50.4	48.7	48.7	48.0	45.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8
% change: over previous month	-50.33%	-15.35%	-4.34%	12.87%	-0.90%	-15.42%	5.57%	8.65%	-3.45%	7.38%	-5.65%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%	-2.59%
3. Recurrent Expenditure	117.4	123.0	123.9	112.9	128.7	125.0	126.8	145.3	130.5	126.8	122.3	129.1	129.1	129.1	129.1	129.1	129.1	129.1	129.1	129.1	129.1	129.1	129.1	129.1	129.1	129.1	129.1
% change: over previous month	-47.15%	-43.32%	5.59%	-8.20%	3.86%	10.71%	-1.48%	16.23%	2.96%	-11.35%	-6.28%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
4. Capital Expenditure	13.8	4.5	25.3	16.8	23.2	8.9	8.3	17.6	14.5	8.9	30.1	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7
% change: over previous month	-71.77%	-90.95%	83.21%	37.47%	-8.24%	-47.18%	-64.42%	96.57%	75.14%	-49.79%	108.14%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%	122.33%
5. Deficit/Suplus*	-24.5	-15.7	-57.5	-28.2	-62.7	-52.9	-49.1	-62.8	-30.9	-42.2	-45.3	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2	-7.2
% change: over previous month	-81.64%	-89.80%	135.03%	78.87%	9.18%	87.78%	-21.74%	-18.73%	-37.02%	-32.72%	-46.34%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%	-82.85%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC		YEAR TO DATE		
	2013	2014	2012/2013	2014	2012/2013	2014	2012/2013	2014	2012/2013	2014	2012/2013	2014	2012/2013	2014	2012/2013	2014	2012/2013	2014	2012/2013	2014	2012/2013	2014	2012/2013	2014	2012/2013	2014	
Debt:**																											
6. Total Debt	4,365.6	4,746.3	-0.68%	-5.48%																							
% change: over previous month																											
7. External Debt	1,038.3	1,175.6	0.00%	-0.03%																							
% change: over previous month																											
8. Internal F/C Debt	0.0	0.0																									
% change: over previous month																											
9. Bahamian Dollar Debt	3,327.3	3,570.7	-0.89%	-4.03%																							
% change: over previous month																											
10. Total Amortization	30.2	275.4	-58.17%	1,140.70%																							
% change: over previous month																											
Public Corp F/C Debt																											
11. Total Public Sector F/C Debt	1,885.4	2,000.5	-0.2%	-5.9%																							
% change: over previous month																											

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC		YEAR TO DATE		
	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	
Real Sector Indicators																											
12. Retail Price Index	104.7	105.5	-0.16%	0.22%	104.9	105.7	105.8	106.3	106.1	106.6	106.5	106.5	106.4	106.4	106.4	106.4	106.4	106.2	106.2	106.4	106.2	106.0	106.0	106.9	106.0	106.3	106.3
% change: over previous month																											
13. Tourist arrivals (000's)	528.7	538.1	8.48%	1.78%	529.1	533.2	632.4	674.0	549.7	554.4	467.3	473.4	477.2	486.5	439.4	477.3	341.0	350.4	356.6	420.9	356.6	514.5	517.8	621.6	662.2	6,151	
% change: over previous year																											
14. Air arrivals (000's)	89.4	86.1	9.93%	-3.69%	110.9	104.8	156.3	153.6	139.0	117.4	118.8	139.2	131.2	141.8	118.3	109.7	59.3	70.0	72.9	70.0	72.9	98.9	92.5	112.6	114.8	1,281	
% 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																											

** Debt figures pertain to central government only unless otherwise indicated
P - provisional