



Monthly Economic and Financial Developments July 2008

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:

2008: September 29th, November 3rd, December 1st, December 23rd

1. Domestic Economic Developments

During the month of July, softness in consumer spending and construction investments continued to restrain economic output growth, amid an environment of increasing price pressures. Money and credit trends featured stable though buoyant liquidity conditions, while increased net foreign currency inflows, mainly associated with public sector borrowing activity contributed to an improvement in external reserves.

Tourism statistics for the first six months, showed a 2.2% contraction in total arrivals to 2,426,138 compared with the same period a year earlier. The outcome reflected a 3.8% reduction in the sea segment, which outstripped a 1.1% expansion in air arrivals. Visitors to New Providence fell by 5.9%, occasioned by a 12.5% downturn in sea traffic, which overshadowed the 4.8% improvement in air passengers. Grand Bahama also experienced a 14.6% contraction in visitors with both the air and sea components decreasing by 10.3% and 16.8%, respectively. Conversely, total visitors to the Family Islands grew by 11.8%, buoyed by a 16.3% rise in sea passengers, which negated a 4.8% decline in air arrivals.

Preliminary data on the fiscal performance indicated a narrowing in Government's overall deficit for the eleven months of FY2007/2008, by 31.7% to \$79.9 million from the year-earlier. Strengthened gains in revenue collections of 6.7% to \$1,279.7 million were derived from a 7.4% increase in tax receipts, buoyed by growth in international trade taxes (5.3%), business and professional fees (21.4%) and other "miscellaneous" stamp taxes (12.7%). The 3.2% expansion in aggregate spending to \$1,359.5 million was primarily associated with a 5.4% increase in current expenditures as capital outlays declined by 10.0%.

Domestic prices continued their upward trajectory during the review month, as gasoline and diesel costs in New Providence rose by 2.1% and 2.8%, to \$5.74 and \$6.07 per gallon, respectively. Average retail prices for the 12-month period ending June 2008 advanced by 0.56 percentage points to 2.99%, compared to a 0.80 percentage point gain to 2.43% in the comparative 2007 period. The most notable price gains were registered for furniture & household operations (7.15%), medical & health care (4.73%), food & beverages (4.03%), transport & communications (3.21%) and other goods & services (3.07%). Increases of less than 3.0% were recorded for all other price categories.

2. International Developments

Despite signs of a moderation in oil prices, preliminary estimates indicated that weakness in the global economy persisted during the review month, as tightened credit conditions and elevated price levels adversely affected economic growth. In light of these developments, several of the world's major central banks maintained a neutral monetary policy stance.

Reports indicated that the severe housing downturn in the United States continued during July, with 1 in every 464 homes receiving a foreclosure notice, while the total number of foreclosure filings rose by 8.0% on a monthly basis and 55% over the previous year, to 272,171 properties. Some relief is expected from a housing bill passed during the month, which allows for 400,000 struggling homeowners to secure low-cost mortgages backed by the Federal Housing Administration.

Occasioned by an improvement in the services account surplus, which outstripped a deterioration in the goods deficit, the trade deficit narrowed by \$6.9 million to \$351.4 million during the first half of the year. Surging energy and transportation costs caused consumer prices to accelerate by 5.6% over the twelve-month period ended July 2008.

The United States' consumer confidence index, despite showing a modest improvement in July at 51.9, following six months of consecutive declines, remained close to a 16-year low as consumers expressed concerns over employment conditions. The unemployment rate rose to its highest level in more than four years, as non-farm payroll employment fell by 51,000, pushing the unemployment rate to 5.7% from the previous month's 5.5%. Reinforced by higher fuel prices and tighter credit conditions, consumer spending for the month fell by 0.1%, the first decline since February. Despite a slight uptick in personal incomes on a monthly basis in June by 0.1%, indications are that real disposable incomes contracted by 2.6%.

As the downturn in the US housing and credit markets continued to spread globally, GDP in the euro zone contracted by 0.2% in the second quarter, the first reduction in nearly a decade. Inflation rose to a 16-year high of 4.1% in July from 4.0% in June, more than double the European Central Bank's 2.0% target rate; while, the unemployment rate steadied at 7.3%. Economic activity in the United Kingdom also remained relatively flat in the second quarter, compared to an advance of 0.3% in the first three months of the year; and the 4.4% gain in consumer prices in July was also more than twice the Bank of England's 2.0% target rate. Amid the weakness in the domestic economy and higher inflation, the Bank kept its key interest rate unchanged at 5.0% in July.

Preliminary estimates suggest that the Chinese economy will grow by more than 10.0% in the third quarter of the year, supported by a brisk expansion in industrial production. In July, the trade surplus attained its highest level of \$25.3 billion, underpinned by a 26.9% advance in exports to \$136.7 billion. Inflation slowed to 6.3% from 7.1% in June, as food price pressures continued to ease. In Japan, GDP contracted at an annualized 2.4% in the second quarter, after expanding by 3.2% between January and March. The outcome resulted from a 2.3% reduction in exports and a decline in consumer spending. Employment conditions also worsened, as June's unemployment rate of 4.1%, was the highest level in almost two years.

Indications are that the tempering in demand pressures, particularly in the United States, contributed to global crude oil prices falling by 12.4% to \$123.43 per barrel in July. Despite this reduction, oil prices were still up by 30.0% from a year earlier. In other commodity markets, the price of gold contracted by 1.2% to \$914.07 per ounce; however, silver prices advanced by 2.0% to \$17.75 per ounce.

In light of the uncertainty among investors over the outlook for global economic growth, the performance of several major stock indices remained mixed during the review month. In the United States, the Dow Jones Industrial Average rose by 0.25% to 12,650.4 points, while the S&P 500 fell by 1.09% to 1,379.6 points. In Europe, the DAX improved by 0.95% to 6,851.75 points, whereas contractions were noted for the FTSE 100 and CAC 40, of 3.80% and 0.96% to 5,879.8 points and 4,869.79 points, respectively. With regards to the Asian indices, China's SE composite recorded a gain of 1.45% to 4,383.39 points, but Japan's Nikkei 225 declined by 0.78% to 13,592.47 points.

3. Domestic Monetary Trends

During the month of July liquidity conditions remained relatively stable and robust, with modest gains in external reserves. On a year-to-date basis, the tempered consumer demand pressures and sustained net foreign currency inflows supported a continuation of gains in both liquidity and external reserves.

July 2008 vs July 2007

Excess reserves rebounded on a monthly basis by \$8.0 million; up from a \$38.0 million downturn recorded a year-earlier. The decline in the broader excess liquid assets was tempered by \$16.7 million to \$5.3 million.

External reserves expanded by \$8.4 million, a reversal from the \$56.7 million falloff registered last year, as the Central Bank's net foreign currency transactions turned around to a \$8.0 million net purchase from a net sale of \$61.1 million in 2007. The moderation in credit growth, alongside signs of continuing improvement in the foreign exchange earnings sectors, supported a net receipt of \$31.8 million from commercial banks, compared to a year-earlier net sale of \$35.6 million, consistent with a surge in commercial banks net purchase from their customers of \$24.8 million to \$28.9 million. In addition, the Central Bank's net sale to the public sector narrowed by 6.4% to \$23.8 million.

Bahamian dollar credit firmed by \$61.7 million, a reversal from a \$5.8 million falloff a year earlier. Growth was primarily explained by elevated short-term advances to the Government, whose net indebtedness to the banking sector broadened by \$44.2 million, vis-à-vis the \$53.3 million decline in the comparative 2007 period. Conversely, the expansion in private sector credit was more than halved to \$18.5 million, following reduced growth in its key consumer credit and mortgage categories, by 39.4% to \$17.0 million and by 28.5% to \$18.5 million, respectively. Meanwhile, credit to the rest of the public sector declined marginally by \$0.9 million, following a \$6.6 million fall in the preceding year.

The contraction in total foreign currency credit abated to \$0.6 million from \$5.8 million a year earlier, with declines in the Government and the private sector components offsetting the accretion in claims on public corporations. Specifically, credit to the private sector waned by \$4.6 million, extending last years' \$1.2 million decrease; and net credit to Government lessened by \$3.0 million, a turnaround from a \$1.7 million gain in 2007. On the other hand, credit to the rest of the public sector rose by \$7.0 million, a reversal from the year-earlier \$6.3 million contraction.

Buttressed by broad-based gains across all deposit categories, total Bahamian dollar deposits strengthened by \$31.7 million, compared to a contraction of \$28.2 million a year ago. The largest increase of \$23.8 million was registered for demand deposits, in contrast to a \$35.4 million falloff a year earlier. Saving deposits also rebounded by \$1.8 million, compared to a \$17.9 million decline in 2007; whereas, accretions to fixed deposits slowed by \$19.0 million to \$6.1 million.

Interest rates developments during the month featured firming in both the weighted average loan and deposit rates. The weighted average loan rate at banks increased by 22 basis points to 11.47%, with a lesser gain of 2 basis points to 3.92% for the weighted average deposit rate. The

highest rate offered by a commercial bank was 7.00% for a single deposit of approximately \$0.5 million in the 6-12 month maturity range.

January - July 2008

During the first seven months of 2008, accretions to excess reserves and excess liquid assets waned by 20.1% to \$97.6 million and by 17.3% to \$193.6 million, respectively.

Buoyed by an upsurge in foreign currency inflows, related in part to public sector borrowing and tourism activity, external reserves advanced by \$221.3 million, 40.1% higher than the increase registered in 2007. Reflective of these developments, transactions with the public sector were reversed to a net purchase of \$14.7 million from a net sale of \$109.6 million a year earlier. In contrast, the net purchase from commercial banks fell by 21.3% to \$198.7 million, occasioned by a 17.3% reduction in their net purchase from customers to \$202.7 million.

Total Bahamian dollar credit growth tapered to \$179.0 million from \$245.7 million in the previous year, inclusive of a \$30.0 million drop in net claims on the Government. Moderating consumer demand pressures also led to slackened accretions to private sector credit by 16.4% to \$210.2 million. In terms of the major components, the growth in mortgages and consumer credit slowed by 16.8% to \$128.4 million and by 21.4% to \$77.5 million, respectively—with the latter including a shift to more credit card debt and debt consolidation loans. For the public corporations, the contraction in credit was sharply lower at \$1.2 million from \$63.6 million a year earlier.

Preliminary data also suggests that the deterioration in credit quality, which started in the second quarter of the year, continued during July, as total arrears (loans which are above 30 days past due) firmed to \$600.0 million, an increase of \$70.1 million (13.2%) over the December 2007 level. The expansion was driven mainly by the commercial loan segment, which firmed by \$52.6 million to \$147.0 million, approximately three-quarters of the arrears growth. Although the majority of these types of loans are still concentrated in the 31 to 90 day segment, there was a \$15.0 million increase in non-performing loans—those which are above 90 days past due—during the review month. Consumer loans, which advanced by \$23.7 million to \$196.0 million, accounted for the remainder of the expansion in overall delinquencies, as the credit profile of this segment continued to show a steady progression of arrears from the 31-90 day to non-performing status. In contrast, mortgage arrears declined modestly over the review period, by \$6.2 million (2.3%) to \$258.0 million; however, a percentage of the outstanding loans continue to migrate into the non-performing category.

Domestic foreign currency credit decreased by \$58.6 million, extending the previous year's \$19.6 million falloff. In particular, a reduction in outstanding debts by tourism related firms resulted in a decline in private sector credit by \$93.4 million, four times more than 2007's contraction. Similarly, net credit to Government was lower by \$22.8 million, following a marginal \$0.8 million contraction a year ago; while growth in claims on the public corporations was markedly higher at \$57.6 million.

Accretions to Bahamian dollar deposits eased by \$52.0 million to \$263.6 million, led by lessened accumulations in savings and fixed deposits, by \$50.1 million to \$12.8 million and \$14.4 million to

\$219.8 million, respectively. However, demand deposit gains were \$12.4 million above the previous year's \$18.6 million expansion.

4. Outlook

The domestic economic outlook remains, on balance, mildly positive for the duration of 2008. Expectations are that the current weakness in the US and other major economies will continue to dampen tourism activity and moderate the seasonal upturn anticipated in private sector demand. Activity in the construction sector, while benefiting from several relatively small scaled projects, will depend on the pace of implementation of other pipeline foreign investment and public sector projects; while oil and food prices are expected to remain elevated in the near term.

Further, liquidity conditions are anticipated to remain relatively buoyant, reflecting an easing in consumer demand pressures, which should also temper the seasonal reduction in external reserves.

Recent Monetary and Credit Statistics

(B\$ Millions)

JULY						
Value		Change		Change YTD		
2007	2008	2007	2008	2007	2008	

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	258.31	309.90	-37.97	7.98	122.15	97.62
1.2 Excess Liquid Assets	243.44	319.30	-21.99	-5.34	234.01	193.59
1.3 External Reserves	609.84	682.37	-56.71	8.39	157.93	221.25
1.4 Bank's Net Foreign Assets	-658.26	-640.14	34.51	-19.30	-25.87	68.74
1.5 Usable Reserves	256.44	294.30	-36.35	4.12	97.73	185.76

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,880.49	6,335.47	52.88	13.84	232.45	116.80
a. B\$ Credit	5,405.02	5,895.42	54.10	18.46	251.44	210.16
of which: Consumer Credit	1,984.93	2,176.63	28.02	16.99	98.57	77.47
Mortgages	2,394.53	2,666.48	25.86	18.49	154.26	128.37
b. F/C Credit	475.47	440.04	-1.22	-4.62	-18.99	-93.36
of which: Mortgages	37.28	49.99	2.06	-1.90	5.95	-4.84
2.2 Central Government (net)	725.06	804.23	-51.62	41.17	57.02	-52.76
a. B\$ Loans & Securities	844.55	951.09	-43.05	44.46	55.34	-15.00
Less Deposits	121.36	145.15	10.29	0.30	-2.49	14.96
b. F/C Loans & Securities	4.06	3.39	0.00	0.00	-0.90	-19.77
Less Deposits	2.20	5.10	-1.72	2.99	-0.09	3.01
2.3 Rest of Public Sector	310.35	342.39	-12.83	6.12	-63.33	56.37
a. B\$ Credit	68.20	66.39	-6.56	-0.92	-63.57	-1.19
b. F/C Credit	242.16	276.00	-6.27	7.04	0.24	57.55
2.4 Total Domestic Credit	6,915.90	7,482.08	-11.57	61.13	226.15	120.41
a. B\$ Domestic Credit	6,196.41	6,767.75	-5.80	61.70	245.70	179.01
b. F/C Domestic Credit	719.48	714.33	-5.78	-0.57	-19.55	-58.59

3.0 DEPOSIT BASE

3.1 Demand Deposits	1,095.31	1,120.44	-35.36	23.83	18.55	30.96
a. Central Bank	17.03	19.97	-11.47	-1.35	-0.19	11.99
b. Banks	1,078.28	1,100.47	-23.89	25.18	18.74	18.97
3.2 Savings Deposits	1,013.61	1,019.00	-17.90	1.81	62.90	12.84
3.3 Fixed Deposits	3,015.12	3,348.34	25.08	6.06	234.17	219.81
3.4 Total B\$ Deposits	5,124.04	5,487.78	-28.18	31.70	315.62	263.60
3.5 F/C Deposits of Residents	189.75	192.36	3.03	-16.16	8.83	13.41
3.6 M2	5,333.86	5,685.34	-20.22	35.70	300.28	214.41
3.7 External Reserves/M2 (%)	11.43	12.00	-1.02	0.07	2.46	3.57
3.8 External Reserves/Base Money (%)	89.51	92.59	-4.39	-0.41	9.12	24.37

Value		Year to Date		Change	
2007	2008	2007	2008	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	-61.06	7.97	142.80	213.38	69.02	70.58
a. Net Purchase/(Sale) from/to Banks	-35.62	31.78	252.37	198.72	67.39	-53.65
i. Sales to Banks	58.24	13.50	127.37	124.65	-44.74	-2.72
ii. Purchases from Banks	22.62	45.28	379.75	323.38	22.66	-56.37
b. Net Purchase/(Sale) from/to Others	-25.44	-23.81	-109.58	14.65	1.63	124.23
i. Sales to Others	45.87	53.15	291.81	424.11	7.27	132.30
ii. Purchases from Others	20.44	29.34	182.23	438.76	8.90	256.53
4.2 Banks Net Purchase/(Sale)	4.09	28.93	244.97	202.65	24.85	-42.32
a. Sales to Customers	348.35	443.40	1,981.00	2,659.44	95.05	678.44
b. Purchases from Customers	352.44	472.33	2,225.97	2,862.09	119.90	636.13
4.3 B\$ Position (change)	6.40	-13.22				

5.0 EXCHANGE CONTROL SALES

5.1 Current Items	289.99	ND	1,855.44	ND	ND	ND
of which Public Sector	39.25	ND	263.99	ND	ND	ND
a. Nonoil Imports	119.52	ND	823.72	ND	ND	ND
b. Oil Imports	26.57	ND	224.81	ND	ND	ND
c. Travel	25.73	ND	139.57	ND	ND	ND
d. Factor Income	15.47	ND	60.30	ND	ND	ND
e. Transfers	7.50	ND	50.98	ND	ND	ND
f. Other Current Items	95.20	ND	556.06	ND	ND	ND
5.2 Capital Items	10.97	ND	66.36	ND	ND	ND
of which Public Sector	7.21	ND	27.75	ND	ND	ND
5.3 Bank Remittances	10.00	ND	15.64	ND	ND	ND

Sources: Research Department Weekly Brief Database and Banking Brief for the weeks ending: AUGUST 01, 2007 and JULY 30, 2008

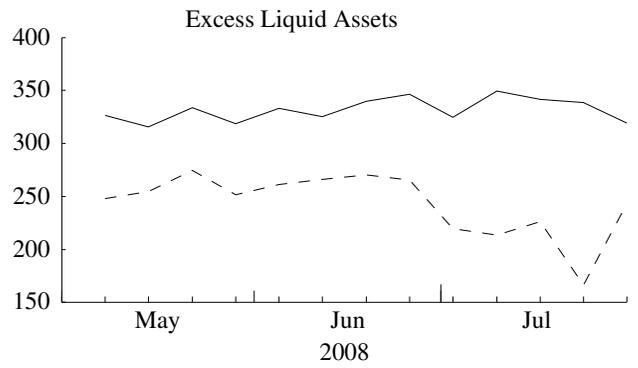
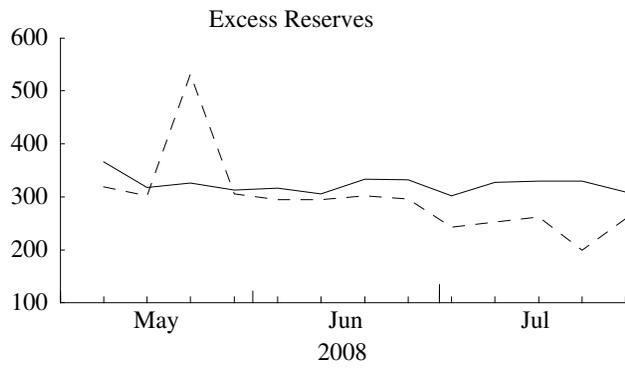
Exchange Control Sales figures are as at month end.

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

Components may not sum to totals due to round-off error.

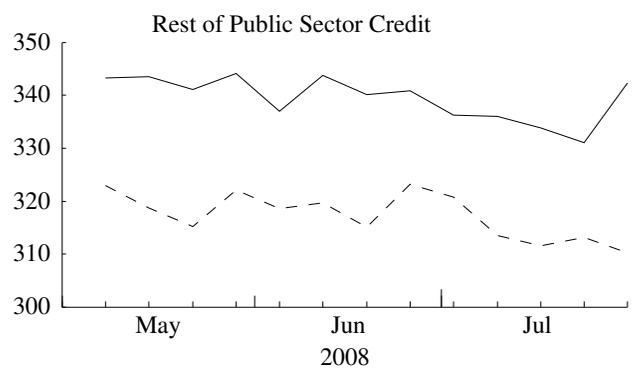
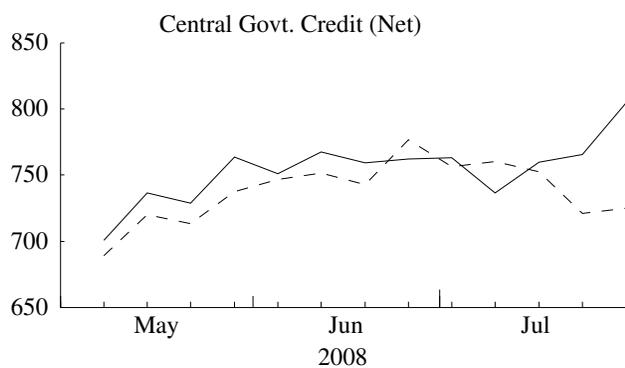
SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)



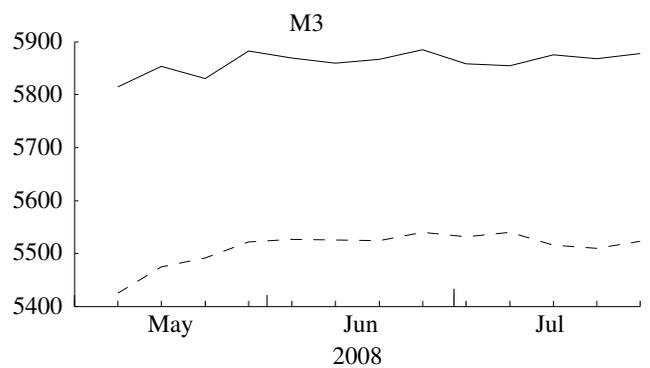
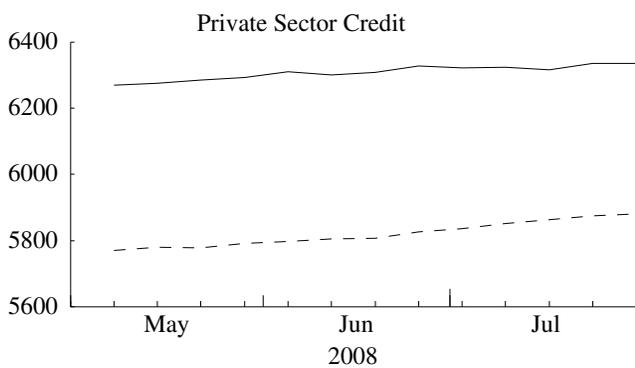
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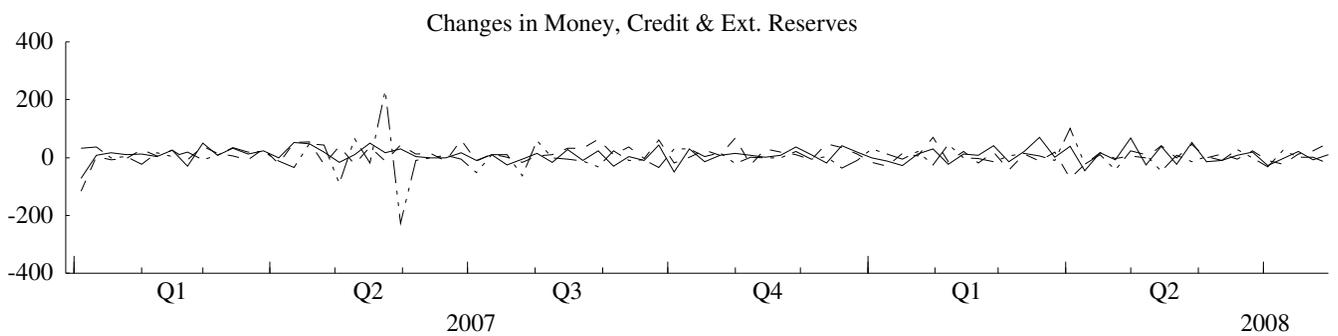
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— M3
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... External Reserves

Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2008	2009	2008	2009	2008	2009
Bahamas	4.0	3.8	2.4	2.3	7.9	n/a
United States	0.5	0.6	3.0	2.0	5.4	6.3
Euro-Area	1.4	1.2	2.8	1.9	7.3	7.4
<i>Germany</i>	<i>1.4</i>	<i>1.0</i>	<i>2.5</i>	<i>1.6</i>	<i>7.9</i>	<i>7.7</i>
Japan	1.4	1.5	0.6	1.3	3.9	3.9
United Kingdom	1.6	1.6	2.5	2.1	5.5	5.4
Canada	1.3	1.9	1.6	2.0	6.1	6.3

Sources: IMF World Economic Outlook, April 2008 & The Bahamas Department of Statistics.

B: Official Interest Rates – Selected Countries (%)					
<i>With effect</i> <i>from</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
	Bank Rate	Refinancing Rate	Primary Credit Rate	Target Funds Rate	Repo Rate
November 2006	5.25	3.25	6.25	5.25	5.00
December 2006	5.25	3.50	6.25	5.25	5.00
January 2007	5.25	3.50	6.25	5.25	5.25
February 2007	5.25	3.50	6.25	5.25	5.25
March 2007	5.25	3.75	6.25	5.25	5.25
April 2007	5.25	3.75	6.25	5.25	5.25
May 2007	5.25	3.75	6.25	5.25	5.50
June 2007	5.25	4.00	6.25	5.25	5.50
July 2007	5.25	4.00	6.25	5.25	5.75
August 2007	5.25	4.00	5.75	5.25	5.75
September 2007	5.25	4.00	5.25	4.75	5.75
October 2007	5.25	4.00	5.00	4.50	5.75
November 2007	5.25	4.00	5.00	4.50	5.75
December 2007	5.25	4.00	4.75	4.25	5.50
January 2008	5.25	4.00	3.50	3.00	5.50
February 2008	5.25	4.00	3.50	3.00	5.25
March 2008	5.25	4.00	2.50	2.25	5.25
April 2008	5.25	4.00	2.25	2.00	5.00
May 2008	5.25	4.00	2.25	2.00	5.00
June 2008	5.25	4.00	2.25	2.00	5.00
July 2008	5.25	4.50	2.25	2.00	5.00

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Jul-07	Jun -08	Jul -08	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.7308	0.6347	0.6409	1.0	-6.5	-12.6
Yen	118.6	106.21	107.91	1.6	-3.4	-6.8
Pound	0.4923	0.5019	0.5040	0.4	0.0	1.7
Canadian \$	1.0666	1.0215	1.0247	0.3	2.6	-2.9
Swiss Franc	1.2011	1.0211	1.0471	2.5	-7.6	-13.4

Source: Bloomberg as at July 31, 2008

D. Selected Commodity Prices (\$)					
Commodity	July 2007	June 2008	July 2008	Mthly % Change	YTD % Change
Gold / Ounce	649.65	925.4	914.07	-1.2	9.6
Silver / Ounce	12.87	17.41	17.75	2.0	20.0
Oil / Barrel	75.96	140.91	123.43	-12.4	30.0

Source: Bloomberg as at July 31, 2008

E. Equity Market Valuations – June 30, 2008 (% chg)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	-1.63	0.25	-1.09	-3.80	-0.96	0.95	-0.78	1.45
3 month	-4.93	-9.97	-9.53	-10.60	-12.40	-8.70	-6.71	-19.15
YTD	-13.23	-14.22	-14.22	-16.18	-21.76	-19.68	-12.61	-47.25
12-month	-4.26	-14.82	-15.55	-14.14	-22.43	-15.18	-19.27	-46.81

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	2.00	4.95	4.26
1 Month	2.50	5.31	4.40
3 Month	2.75	5.72	4.88
6 Month	3.24	5.90	5.08
9 Month	3.42	5.97	5.15
1 year	3.59	6.06	5.29

Source: Bloomberg, as at July 31, 2008

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

	VALUE												CHANGE					
	Jun. 04	Jun. 11	Jun. 18	Jun. 25	Jul. 02	Jul. 09	Jul. 16	Jul. 23	Jul. 30	Jun. 04	Jun. 11	Jun. 18	Jun. 25	Jul. 02	Jul. 09	Jul. 16	Jul. 23	Jul. 30
I. External Reserves	713.37	686.84	695.32	694.81	673.98	707.08	704.14	695.61	682.37	15.03	-26.53	8.49	-0.51	-20.83	33.09	-2.94	-8.52	-13.24
II. Net Domestic Assets (A + B + C + D)	27.38	40.54	48.96	50.57	50.78	45.09	41.91	50.00	54.64	-11.81	13.16	8.41	1.61	0.22	-5.69	-3.18	8.09	4.64
A. Net Credit to Gov't (i + ii + iii - iv)	172.57	170.66	173.02	175.85	180.15	174.14	173.07	171.26	180.60	4.87	-1.92	2.37	2.83	4.30	-6.01	-1.07	-1.81	9.34
i) Advances	71.99	71.99	71.99	71.99	71.99	71.99	71.99	71.99	71.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Registered Stock	130.02	129.99	129.67	129.65	129.54	129.44	129.21	127.73	127.65	0.49	-0.03	-0.32	-0.01	-0.11	-0.10	-0.23	-1.49	-0.08
iii) Treasury Bills	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
iv) Deposits	29.43	31.32	28.63	25.79	21.38	27.29	28.13	28.45	19.03	-4.38	1.89	-2.69	-2.85	-4.41	5.91	0.84	0.32	-9.42
B. Rest of Public Sector (Net) (i + ii - iii)	-33.00	-21.54	-10.58	-12.46	-14.70	-14.62	-16.44	-9.53	-13.42	-15.24	11.46	10.96	-1.88	-2.24	0.08	-1.81	6.90	-3.89
i) BDB Loans	6.61	6.61	6.61	6.61	6.61	6.61	6.61	6.61	6.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.06
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	39.61	28.16	17.20	19.08	21.32	21.23	23.05	16.15	19.97	15.24	-11.46	-10.96	1.88	2.24	-0.08	1.81	-6.90	3.82
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)*	-112.19	-108.57	-113.48	-112.83	-114.67	-114.43	-114.73	-111.73	-112.55	-1.44	3.62	-4.91	0.65	-1.84	0.24	-0.30	3.00	-0.82
III. Monetary Base	740.75	727.38	744.28	745.37	724.77	752.17	746.04	745.61	737.01	3.22	-13.37	16.90	1.09	-20.61	27.40	-6.12	-0.43	-8.60
A. Currency in Circulation	287.54	286.63	284.25	282.23	285.01	289.10	282.87	282.47	286.85	8.08	-0.91	-2.38	-2.02	2.77	4.10	-6.23	-0.41	4.38
B. Bank Balances with CBOB	453.21	440.75	460.03	463.14	439.76	463.06	463.17	463.15	450.16	-4.87	-12.46	19.28	3.11	-23.38	23.30	0.11	-0.02	-12.98

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

FISCAL/REAL SECTOR INDICATORS

(\$ MILLIONS)
(% change represents current month from previous month)

	JUL		AUG		SEP		OCT		NOV		DEC		JAN		FEB		MAR		APR		MAY		YEAR TO DATE	
	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
Fiscal Operations:																								
1. Government Revenue & Grants	106.1	111.5	106.7	94.3	114.1	87.9	79.4	107.0	115.7	112.1	104.0	96.9	123.3	134.2	115.4	113.3	111.5	105.6	163.3	128.7	131.5	1210.4	1279.7	
% change	-25.6%	-19.4%	0.5%	-15.6%	6.8%	-6.7%	-30.4%	21.7%	45.8%	4.0%	-10.1%	-13.6%	18.5%	38.6%	-6.4%	-3.5%	-1.8%	-6.7%	46.4%	20.0%	-19.4%	12.2%	5.7%	
2. Import Duties	37.8	42.9	46.3	40.0	34.4	39.3	38.0	46.6	43.4	46.6	36.4	37.6	40.9	50.8	36.6	40.4	44.2	44.3	47.5	45.1	40.8	447.5	473.1	
% change	-44.1%	-26.0%	22.4%	-6.9%	-25.7%	-1.7%	10.6%	18.6%	14.1%	0.0%	-16.6%	-19.2%	12.2%	35.0%	-10.5%	-20.4%	20.7%	0.1%	16.4%	1.6%	-14.7%	6.4%	5.7%	
3. Recurrent Expenditure	99.6	101.6	93.1	99.1	90.7	103.0	103.3	107.3	111.1	106.0	85.3	105.8	124.7	130.4	106.6	95.9	110.0	112.7	106.8	113.0	91.7	1116.9	1177.5	
% change	-21.9%	-3.0%	-6.5%	-2.5%	-2.0%	3.5%	13.0%	4.2%	7.9%	4.7%	-24.2%	-0.2%	46.2%	23.2%	-19.3%	-26.5%	9.3%	17.5%	-2.9%	0.2%	-9.0%	9.2%	5.4%	
4. Capital Expenditure	5.6	7.6	11.7	14.0	13.0	9.0	11.3	8.4	10.3	14.6	13.6	10.5	11.1	12.1	15.5	10.5	9.6	10.2	18.3	12.2	12.1	132.0	118.9	
% change	-35.3%	-77.8%	10.9%	85.0%	11.0%	33.8%	-13.1%	6.3%	-8.7%	73.1%	31.9%	-27.6%	-18.9%	15.3%	40.3%	-13.0%	-38.3%	-2.9%	19.2%	-33.6%	-18.8%	31.9%	-9.9%	
5. Deficit/Suplus*	-0.8	0.7	1.1	-23.8	3.2	-27.7	-41.8	-12.6	-8.6	-14.0	-3.4	-22.1	-20.2	-13.8	-4.8	20.5	-11.2	-16.4	-23.3	31.7	18.3	-91.4	-64.5	
% change	-95.6%	100.9%	-230.1%	-3762.3%	185.5%	16.1%	-1394.1%	-51.6%	-79.5%	11.8%	-60.1%	57.5%	492.2%	-37.5%	-76.0%	248.2%	132.0%	-180.2%	107.9%	292.7%	-78.8%	2.8%	-294.0%	

	JAN		FEB		MAR		APR		MAY		JUN		JUL		YEAR TO DATE	
	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
Debt:																
6. Total Debt	2,389.4	2,636.3	2,379.3	2,636.6	2,430.0	2,625.8	2,416.2	2,678.9	2,441.2	2,678.0	2,441.2	2,678.9	2,540.7	2,678.9	2,678.9	2,678.9
% change	3.4%	-0.0%	-0.4%	0.0%	2.1%	-0.4%	-0.4%	2.4%	0.9%	-0.3%	0.0%	4.0%	0.0%	0.0%	0.0%	0.0%
7. External Debt	292.8	273.8	282.7	274.0	293.4	273.3	288.0	272.3	289.6	272.3	270.7	272.2	270.7	272.2	270.7	272.2
% change	2.1%	0.0%	-0.9%	0.8%	0.2%	-0.2%	-8.6%	36.2%	0.5%	0.0%	0.4%	-0.6%	0.0%	0.0%	0.0%	0.0%
8. Internal F/C Debt	5.0	23.2	5.0	23.2	5.0	23.2	4.1	2.3	4.1	2.3	4.1	2.3	4.1	2.3	4.1	2.3
% change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-18.1%	-90.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9. Behanman Dollar Debt	2,091.6	2,339.4	2,091.6	2,339.4	2,131.6	2,329.4	2,146.1	2,314.4	2,166.4	2,304.3	2,166.4	2,304.3	2,285.9	2,304.3	2,304.3	2,304.3
% change	-3.4%	-0.0%	-0.4%	0.0%	2.4%	-0.4%	0.6%	-0.6%	0.9%	-0.4%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%
10. Total Amortization	0.5	0.5	10.1	0.1	0.7	10.7	32.9	37.7	25.0	10.1	0.1	0.1	0.5	0.0	0.0	0.0
% change	-50.0%	362.0%	1915.0%	-90.40%	-92.30%	1076.79%	473.28%	230.76%	-24.00%	-73.85%	-99.57%	-98.95%	369.73%	-100.00%	0.0%	0.0%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		YEAR TO DATE	
	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
11. Total Public Sector F/C Debt	560.7	693.4	634.2	691.9	631.2	685.5	628.7	652.9	628.2	650.4	622.9	619.8	773.7	619.8	771.2	771.2
% change	7.4%	21.4%	-8.5%	9.0%	-8.7%	-8.6%	-8.2%	8.6%	-17.6%	21.2%	-18.0%	24.2%	-19.9%	24.4%	24.4%	24.4%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		YEAR TO DATE	
	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
Real Sector Indicators																
12. Retail Price Index	121.2	124.2	121.4	124.6	121.5	124.7	121.7	125.6	122.1	123.1	122.3	128.5	128.5	128.5	128.5	128.5
% change over previous month	0.3%	0.0%	0.0%	2.7%	0.0%	0.0%	0.2%	1.0%	0.3%	1.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%
13. Tourist arrivals (000's)	397.3	372.6	376.7	400.6	500.0	500.4	423.2	386.5	389.5	388.5	389.5	388.5	389.5	388.5	389.5	388.5
% change over previous year	-7.1%	-0.2%	-4.3%	14.3%	-0.0%	-0.0%	-14.6%	-6.3%	-1.3%	-3.8%	-1.3%	-3.8%	-1.3%	-3.8%	-1.3%	-3.8%
14. Air arrivals (000's)	103.4	110.7	118.1	125.8	169.0	168.8	144.0	138.0	138.4	138.4	138.4	138.4	138.4	138.4	138.4	138.4
% change over previous year	-0.2%	7.0%	8.2%	6.4%	-3.0%	-0.7%	-9.6%	-4.1%	-7.4%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
15. Occupied Room Nights																
% change over previous year																
16. Res. Mortgage Commitments-New Const.																
% change over previous year																

	JAN		FEB		MAR		APR		MAY		JUN		JUL		YEAR TO DATE	
	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
12. Retail Price Index	121.2	124.2	121.4	124.6	121.5	124.7	121.7	125.6	122.1	123.1	122.3	128.5	128.5	128.5	128.5	128.5
% change over previous month	0.3%	0.0%	0.0%	2.7%	0.0%	0.0%	0.2%	1.0%	0.3%	1.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%
13. Tourist arrivals (000's)	397.3	372.6	376.7	400.6	500.0	500.4	423.2	386.5	389.5	388.5	389.5	388.5	389.5	388.5	389.5	388.5
% change over previous year	-7.1%	-0.2%	-4.3%	14.3%	-0.0%	-0.0%	-14.6%	-6.3%	-1.3%	-3.8%	-1.3%	-3.8%	-1.3%	-3.8%	-1.3%	-3.8%
14. Air arrivals (000's)	103.4	110.7	118.1	125.8	169.0	168.8	144.0	138.0	138.4	138.4	138.4	138.4	138.4	138.4	138.4	138.4
% change over previous year	-0.2%	7.0%	8.2%	6.4%	-3.0%	-0.7%	-9.6%	-4.1%	-7.4%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
15. Occupied Room Nights																
% change over previous year																
16. Res. Mortgage Commitments-New Const.																
% change over previous year																

* Includes: Not Lending to Public Corporations
 ** Debt figures pertain to central government only unless otherwise indicated
 P - provisional
 Annual B7-EJH Retail Price Index averages.