



Monthly Economic and Financial Developments November 2007

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: January 28th, March 3rd, March 31st, April 28th, June 2nd, July 28th, September 1st, November 3rd, December 1st, December 23rd

1. Domestic Economic Developments

Partial indications suggest a moderate rate of economic expansion during the month of November, amid signs of an improving tourism outturn and stable construction activity. In the monetary sector, liquidity levels were comparatively more buoyant, whereas external reserves contracted, reflecting the seasonal firming in consumer demand and persistently higher payments for fuel imports.

Based on the latest tourism data, visitor arrivals for the third quarter increased by 1.7% to 1.0 million, in comparison to the corresponding period last year, benefiting from a 4.8% gain in air passengers and a modest 0.2% rise in sea visitors. The improvement was concentrated in the New Providence and Grand Bahama markets, which secured increases of 2.6% and 15.1% respectively. Conversely, a reduction in sea traffic to the Family Islands resulted in total visitors declining by 5.8%.

In the fiscal sector, the latest available data for the first quarter of FY2007/08 showed Government's position reversing from a surplus of \$3.6 million last year to a deficit of \$50.7 million. Aggregate expenditure advanced by 6.5% to \$344.4 million, while total revenue narrowed by 10.2% to \$293.6 million, following last year's extraordinary boost in tax revenue. Budgetary financing was primarily obtained from domestic sources, including a \$100.0 million Registered Stock issue and a \$28.0 million increase in Treasury bills outstanding.

Inflation during the twelve-months to November firmed to 2.45% from 1.74% in the corresponding period of 2006. The most significant higher average costs were recorded for furniture & household operation (4.85%), recreation entertainment & services (3.65%), food & beverages (3.56%) and transport & communication (3.40%).

2. International Developments

Economic growth for several of the major economies continued to be sluggish leading into the final quarter of 2007, as countries grappled with the fallout from the United States housing crisis and the severe tightening in the global credit market. Conversely, buoyed by sustained export growth, economic activity in the Asian markets expanded.

Despite the weakness in the residential market, revised data showed that the United States economy expanded by 4.9% on an annualized basis during the third quarter—an improvement over the second quarter's 3.8% growth. In the external sector, the goods and services deficit in October widened on a monthly basis by \$0.7 billion to \$57.8 billion, as accretions to imports outstripped the firming in exports. For the third consecutive month, the unemployment rate held steady at 4.7% in November, while average prices rose by 0.8% over the previous month, on account of higher fuel and transportation costs. An analysis of the minutes from the Federal Reserve's October meeting showed that members expected economic growth to slow in the coming quarters, amid tightened credit conditions, and therefore determined that a less restrictive monetary policy stance was warranted.

China's robust growth was sustained during 2007, as foreign direct investment surged by 10.9% over the first three quarters to US\$47.2 billion. Fuelled by increased automobile and electronics production, the country's industrial output advanced on an annual basis by 17.3% in November. Foreign investment inflows boosted bank liquidity and led to a hike in average prices by 6.9% on a year on year basis in November, the highest level in eleven years.

The Japanese economy continued to expand modestly in the fourth quarter, as industrial output rose by 1.6% during October in contrast to a 1.4% downturn a month earlier. Buttressed by increased demand for more fuel efficient vehicles by Chinese and European buyers, exports of goods surged by 13.9% on a yearly basis in October. Labour market conditions held the unemployment rate steady at 4.0%, while relatively benign monthly inflation of 0.3% in October led the Bank of Japan to keep its overnight call rate at 0.5% at its November meeting.

In the United Kingdom, economic activity firmed by 3.2% in the third quarter, in comparison to the same period a year earlier. During the three-months to October, manufacturing output edged up by 0.1%, compared to the prior quarter, while retail sales strengthened by 1.4% in October, buoyed by increased purchases of grocery items. The unemployment rate remained relatively unchanged at 5.4%; however, inflation rose to 2.1%, 0.3 percentage points higher than the previous month's level. Despite the rise in consumer prices, the Bank of England left its key policy rate unchanged at 5.75%.

Fueled by increased consumption expenditure, investment and exports, euro area output firmed by 0.7% in the third quarter compared to the previous three-month period. For October, retail trade weakened by 0.7%, a turnaround from an increase of 0.2% in the previous month; and the unemployment rate softened by 0.1 percentage points to 7.1%. Reflecting higher education, transportation and food costs, average inflation in the euro area rose on a monthly basis by 0.4 percentage points to 3.1% in November. However, the European Central Bank did not alter its monetary policy stance.

In the oil markets, despite OPEC's prior decision to increase crude oil production in November, the cartel's output fell by 0.13 million barrels per day (mb/d) to an average of 31.5 mb/d, due to continuing maintenance work on a major oil field in the United Arab Emirates. Amid concerns over the weakness of the United States dollar, and a volatile geopolitical environment in the Middle East, the cost of oil rose by 2.9% to \$91.37 per barrel during the review month. In the precious metals market, the price of silver grew by 3.3% to \$14.01 per ounce, while gold prices contracted by 1.6% to \$783.75 per ounce.

Negative sentiments, linked to the collapse in the US sub-prime mortgage market and the spillover effects to the global financial system, adversely impacted equity markets during the month. In the United States, the Dow Jones Industrial Average and the S&P 500 fell by 4.01% and 4.48% respectively. Similarly, the major European indices, the FTSE100, CAC 40, and DAX, recorded losses of 4.30%, 3.03% and 1.85%, respectively; while Japan's Nikkei 225 contracted by 6.31%.

3. Domestic Monetary and Credit Trends

For the month of November, money and credit trends featured a healthy level of bank liquidity, although external reserves contracted, based on higher private and public sector foreign currency demands. Movements over the eleven-month period featured an expansion in liquidity; while the downturn in external reserves moderated significantly.

November 2007 vs. 2006

Excess reserves firmed by \$18.9 million in November, \$3.1 million higher than the corresponding period a year-earlier. Excess liquid assets also advanced by \$11.6 million, a turnaround from the \$3.0 million contraction recorded a year ago.

During November, the contraction in external reserves was extended by \$3.6 million at \$9.7 million. Higher demand for outward payments elevated the public sector's net foreign currency purchase from the Central Bank by \$7.5 million to \$22.2 million; whereas the Bank's net purchase from commercial banks increased by \$3.3 million to \$12.0 million. Meanwhile, commercial banks' net purchase from their customers declined by \$4.5 million to \$6.0 million.

Growth in Bahamian dollar credit slackened by \$18.2 million to \$63.6 million, given slower rates of expansion for both private and public sector credit, of 23.0% to \$46.9 million and 22.1% to \$16.7 million, respectively. Private sector developments were associated with a \$15.1 million slowing in mortgage loan growth to \$18.3 million, which contrasted with a \$9.9 million upturn in consumer credit expansion to \$28.5 million. For the public sector, banks' net claim on the Government narrowed by \$6.9 million (29.8%) to \$16.2 million, as a reduction in advances from commercial banks partially offset the Central Bank's increased holdings of Government debt. In addition, credit to the rest of the public sector rose marginally by \$0.5 million, a switch from a net repayment of \$2.1 million in 2006.

During the month, domestic foreign currency credit contracted by \$39.8 million, up sharply from last year's \$5.0 million decline. Debt repayment by a major hotel occasioned a significant reduction in credit to the private sector by \$23.9 million; and ongoing refinancing activities lowered claims on the public sector by \$15.4 million.

In terms of the monetary aggregates, accretions to total Bahamian dollar deposits slowed by 27.0% to \$23.7 million. Reflecting some shift to the higher yielding fixed deposit category, demand balances fell by \$4.4 million, in contrast to last year's \$13.2 million increase. Conversely, fixed deposits rose strongly by \$28.4 million, reversing the \$5.8 million contraction in the previous year; and saving deposits declined by \$0.3 million, following an upturn of \$25.1 million in 2006.

During the review month, interest rate developments revealed that banks' weighted average deposit rate widened by 14 basis points to 3.80%, with a maximum rate offered of 6.25% for fixed maturities over 6 to 12 months. In contrast, the weighted average loan rate softened by 2 basis points to 10.81%.

January–November 2007

During the eleven months ending November, all measures of liquidity registered strengthened outturns vis-à-vis the comparative period last year. Excess reserves rebounded by \$123.2 million—from a \$30.6 million reduction a year ago, and excess liquid assets, which fell by \$60.2 million in 2006, grew strongly by \$170.2 million.

The contraction in external reserves moderated appreciably to \$4.5 million from \$134.4 million last year when a combination of stronger consumer demand, heightened payments for fuel imports and several extraordinary real sector transactions exerted greater pressure on reserves. Consequently, the Central Bank's net foreign currency sale contracted by \$129.6 million to \$24.7 million. Inclusive in this, the Bank's net purchase from commercial banks rose almost four-fold to \$181.0 million, supported by a similar increase in commercial banks' net purchase from their customers to \$174.7 million. However, the Bank's net sale to the public sector advanced by 2.3% to \$205.7 million.

Accretions to Bahamian dollar credit slackened by 14.8% to \$591.7 million, mainly reflecting an easing in the expansion of claims on the private sector by 29.1% to \$458.3 million. In particular, growth in consumer credit and mortgages moderated by 13.3% each, to \$184.1 million and \$267.5 million, respectively. In contrast, growth in net claims on the Government surged to \$195.0 million from \$18.8 million last year, while credit to the rest of the public sector declined by \$61.5 million, a reversal of the \$29.2 million upturn for 2006.

Domestic foreign currency credit fell by \$16.6 million, a turnaround from the previous year's \$71.3 million advance. Private sector credit growth at \$9.4 million was one-fourth of last year's expansion, while net claims on the Government declined by \$2.6 million, following a \$19.2 million increase in 2006. Also, credit to the rest of the public sector contracted by \$23.3 million, in contrast to the previous year's gain of \$13.4 million.

Accretions to Bahamian dollar deposits strengthened by 41.7% to \$383.3 million, as growth in fixed deposits almost doubled to \$349.5 million. However, saving deposit gains were lower by 32.9% at \$51.4 million, while demand deposits fell by \$17.6 million—a switch from the \$10.7 million accumulation last year.

4. Outlook

The economic outlook for the domestic economy over the short-term is expected to remain relatively positive, amid signs of modest recovery in the tourism sector and a healthy level of consumer demand. The seasonal build-up in domestic demand combined with increased average fuel prices, are expected to place additional pressures on the external reserves over the remainder of the year.

In the medium term, the outlook for the economy will depend, in large measure, on the pace of implementation of the various tourism investment projects, as well as developments in the United States market, which is expected to register reduced growth due to the ongoing housing and liquidity crises.

Recent Monetary and Credit Statistics

(B\$ Millions)

NOVEMBER						
Value		Change		Change YTD		
2006	2007	2006	2007	2006	2007	

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	164.82	259.40	15.75	18.88	-30.55	123.23
1.2 Excess Liquid Assets	52.22	179.68	-2.98	11.55	-60.23	170.24
1.3 External Reserves	448.57	447.44	-6.13	-9.71	-134.35	-4.47
1.4 Bank's Net Foreign Assets	-652.80	-643.78	10.73	60.19	-82.87	-11.39
1.5 Usable Reserves	152.37	101.31	-19.81	-13.52	-107.75	-57.40

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,603.09	6,115.66	58.91	22.98	685.22	467.63
a. B\$ Credit	5,102.45	5,611.84	60.87	46.90	646.51	458.26
of which: Consumer Credit	1,861.82	2,070.41	18.60	28.50	211.99	184.06
Mortgages	2,214.99	2,507.74	33.36	18.31	308.60	267.47
b. F/C Credit	500.64	503.82	-1.96	-23.92	38.71	9.37
of which: Mortgages	30.11	49.71	1.34	8.87	17.82	18.39
2.2 Central Government (net)	672.68	860.47	21.42	15.69	38.08	192.44
a. B\$ Loans & Securities	784.12	971.18	16.87	9.60	33.21	181.96
Less Deposits	128.73	110.80	-6.16	-6.57	14.37	-13.04
b. F/C Loans & Securities	19.87	3.33	0.00	-0.75	19.87	-1.64
Less Deposits	2.58	3.23	1.62	-0.27	0.63	0.93
2.3 Rest of Public Sector	355.76	288.80	-3.51	-14.90	42.57	-84.88
a. B\$ Credit	127.51	70.23	-2.13	0.50	29.21	-61.54
b. F/C Credit	228.25	218.58	-1.39	-15.40	13.36	-23.34
2.4 Total Domestic Credit	6,631.53	7,264.94	76.81	23.77	765.87	575.19
a. B\$ Domestic Credit	5,885.34	6,542.45	81.78	63.57	694.56	591.73
b. F/C Domestic Credit	746.18	722.49	-4.97	-39.80	71.31	-16.55

3.0 DEPOSIT BASE

3.1 Demand Deposits	1,066.29	1,059.17	13.22	-4.42	10.67	-17.59
a. Central Bank	16.08	6.54	12.53	-17.22	-13.79	-10.67
b. Banks	1,050.21	1,052.63	0.69	12.80	24.46	-6.92
3.2 Savings Deposits	959.48	1,002.09	25.07	-0.29	76.58	51.38
3.3 Fixed Deposits	2,760.34	3,130.45	-5.77	28.37	183.30	349.50
3.4 Total B\$ Deposits	4,786.11	5,191.71	32.53	23.65	270.55	383.29
3.5 F/C Deposits of Residents	157.87	207.15	2.57	25.46	8.19	26.23
3.6 M2	4,982.55	5,391.96	39.93	27.98	261.53	358.38
3.7 External Reserves/M2 (%)	9.00	8.30	-0.20	-0.22	-3.34	-0.68
3.8 External Reserves/Base Money (%)	79.81	66.16	-4.24	-3.86	-19.28	-14.23

Value		Year to Date		Change	
2006	2007	2006	2007	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	-6.02	-10.21	-154.24	-24.68	-4.19	129.56
a. Net Purchase/(Sale) from/to Banks	8.72	11.98	46.89	181.03	3.26	134.14
i. Sales to Banks	9.17	9.17	307.23	266.40	-0.01	-40.82
ii. Purchases from Banks	17.90	21.15	354.11	447.43	3.25	93.32
b. Net Purchase/(Sale) from/to Others	-14.74	-22.20	-201.13	-205.71	-7.45	-4.58
i. Sales to Others	29.01	39.47	403.91	448.68	10.46	44.77
ii. Purchases from Others	14.27	17.27	202.78	242.97	3.01	40.19
4.2 Banks Net Purchase/(Sale)	10.49	5.99	46.69	174.66	-4.50	127.98
a. Sales to Customers	240.72	258.50	3,022.83	3,236.56	17.78	213.72
b. Purchases from Customers	251.21	264.49	3,069.52	3,411.22	13.28	341.70
4.3 B\$ Position (change)	1.22	5.70				

5.0 EXCHANGE CONTROL SALES

5.1 Current Items	252.43	ND	3,182.56	ND	ND	ND
of which Public Sector	46.74	ND	482.87	ND	ND	ND
a. Nonoil Imports	96.00	ND	1,323.47	ND	ND	ND
b. Oil Imports	23.90	ND	488.65	ND	ND	ND
c. Travel	24.74	ND	247.89	ND	ND	ND
d. Factor Income	5.33	ND	133.03	ND	ND	ND
e. Transfers	5.17	ND	72.13	ND	ND	ND
f. Other Current Items	97.29	ND	917.39	ND	ND	ND
5.2 Capital Items	4.70	ND	167.68	ND	ND	ND
of which Public Sector	0.34	ND	28.89	ND	ND	ND
5.3 Bank Remittances	1.00	ND	48.60	ND	ND	ND

Sources: Research Department Weekly Brief Database and Banking Brief for the weeks ending: NOVEMBER 29, 2006 and NOVEMBER 28, 2007

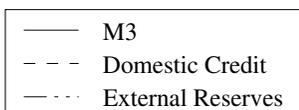
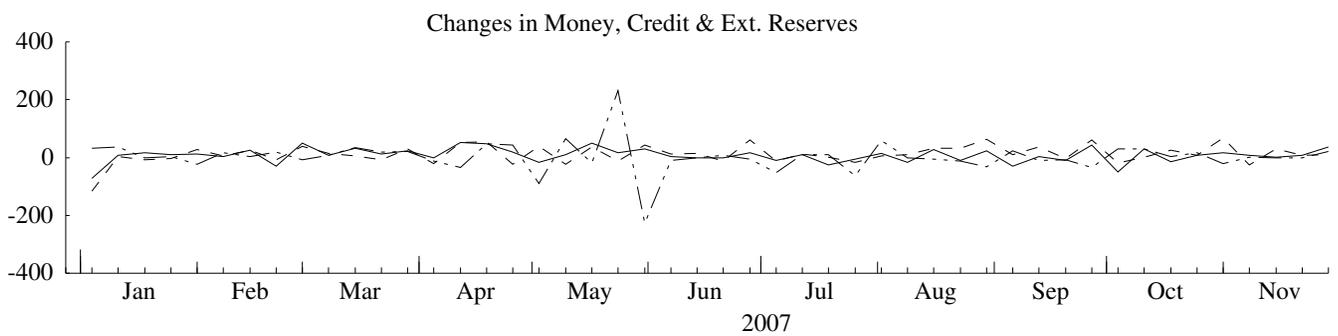
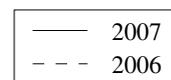
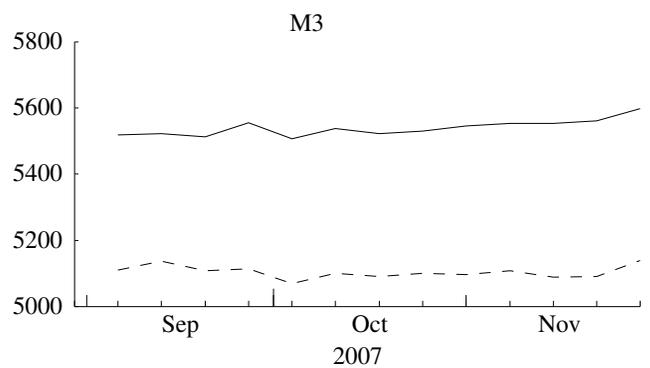
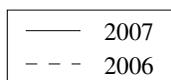
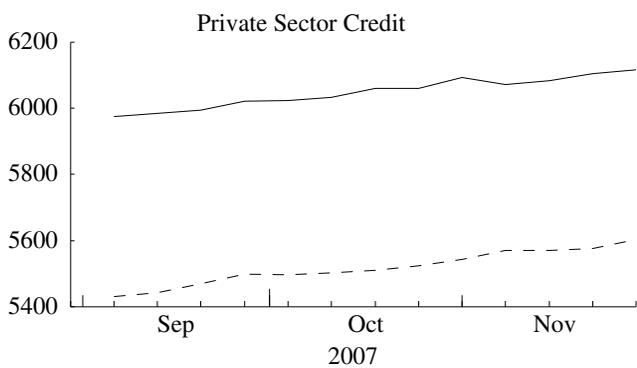
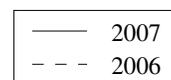
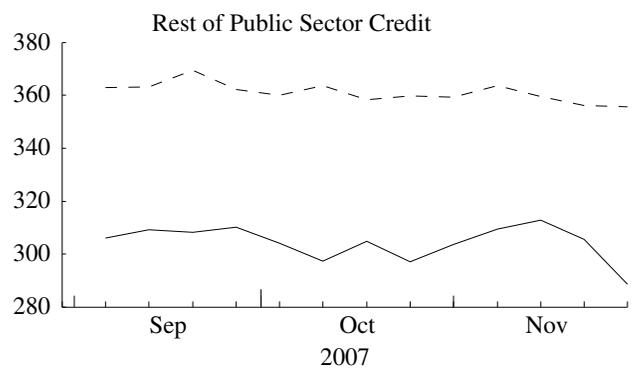
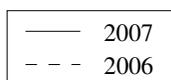
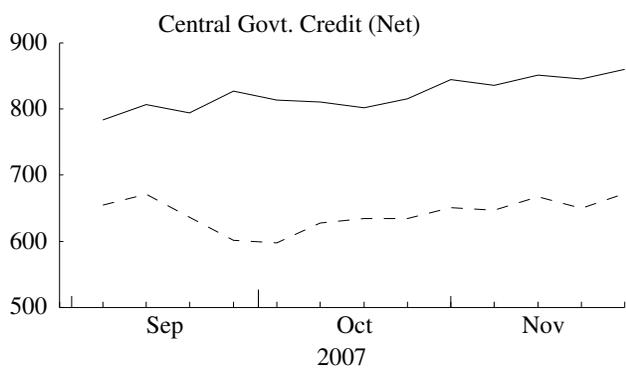
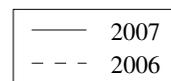
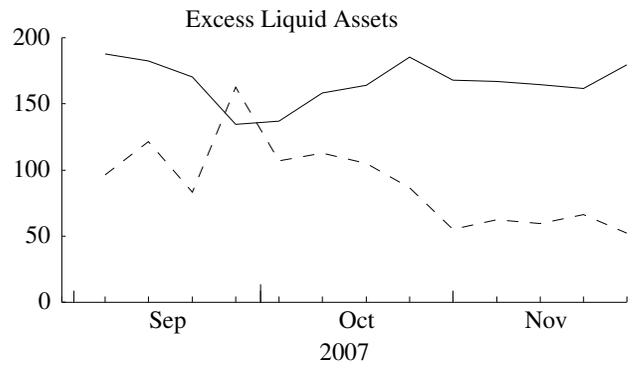
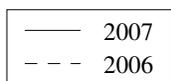
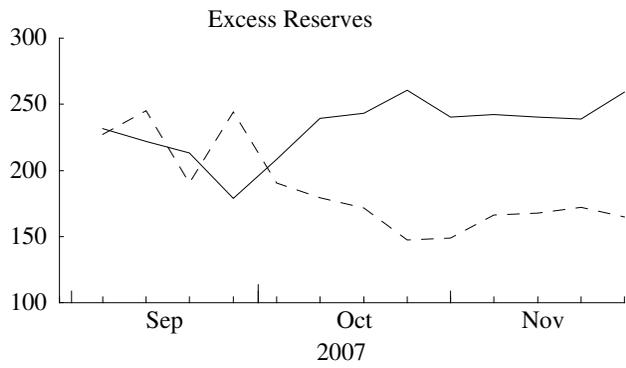
Page 6

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)



Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2006	2007	2006	2007	2006	2007
Bahamas	4.0	4.5	1.9	1.9	7.6	n/a
United States	2.9	1.9	3.2	2.7	4.6	4.7
Euro-Area	2.8	2.5	2.2	2.0	7.8	6.9
<i>Germany</i>	<i>2.9</i>	<i>2.4</i>	<i>1.8</i>	<i>2.1</i>	<i>8.1</i>	<i>6.5</i>
Japan	2.2	2.0	0.3	--	4.1	4.0
United Kingdom	2.8	3.1	2.3	2.4	5.4	5.4
Canada	2.8	2.5	2.0	2.2	6.3	6.1

Sources: IMF World Economic Outlook, October 2007 & 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
August 2006	5.25	3.00	6.25	5.25	4.75
September 2006	5.25	3.00	6.25	5.25	4.75
October 2006	5.25	3.25	6.25	5.25	4.75
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	5.50

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Nov-06	Oct-07	Nov-07	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.7551	0.6902	0.6834	-1.0	-9.8	-9.5
Yen	115.8	115.43	111.23	-3.6	-6.6	-3.9
Pound	0.5086	0.4808	0.4863	1.1	-4.7	-4.4
Canadian \$	1.1405	0.9429	0.9985	5.9	-14.4	-12.5
Swiss Franc	1.1978	1.1582	1.1318	-2.3	-7.2	-5.5

Source: Bloomberg as at November 30 , 2007

D. Selected Commodity Prices (\$)					
Commodity	Nov 2006	Oct 2007	Nov 2007	Mthly % Change	YTD % Change
Gold / Ounce	648.00	796.59	783.75	-1.61	23.01
Silver / Ounce	13.96	14.49	14.01	-3.31	8.60
Oil / Barrel	62.05	88.81	91.37	2.88	50.30

Source: Bloomberg as at November 30, 2007

E. Equity Market Valuations – November, 2007 (%chg)							
	BISX	DJIA	**S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225
1 month	4.83	-4.01	-4.58	-4.30	-3.03	-1.85	-6.31
3 month	5.23	-3.77	-3.54	-0.53	-0.79	0.11	-6.58
YTD	19.88	7.29	2.96	3.40	2.32	19.31	-8.97
12-month	20.50	9.41	5.76	6.34	6.44	24.75	-3.65

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	4.65	5.78	3.88
1 Month	5.48	6.68	4.78
3 Month	5.23	6.56	4.83
6 Month	4.87	6.27	4.74
9 Month	4.65	6.07	4.68
1 year	4.41	5.9	4.53

Source: Bloomberg, as at November 30 , 2007

**Revised

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

	VALUE										CHANGE							
	Oct. 03	Oct. 10	Oct. 17	Oct. 24	Oct. 31	Nov. 07	Nov. 14	Nov. 21	Nov. 28	Oct. 03	Oct. 10	Oct. 17	Oct. 24	Oct. 31	Nov. 07	Nov. 14	Nov. 21	Nov. 28
I. External Reserves	461.68	461.40	459.38	467.30	457.15	457.94	452.85	456.39	447.31	-9.63	-0.28	-2.02	7.91	-10.15	0.79	-5.09	3.54	-9.08
II. Net Domestic Assets (A + B + C + D)	160.62	195.06	193.64	189.14	195.75	189.83	189.61	189.82	229.00	42.92	34.44	-1.42	-4.50	6.61	-5.92	-0.22	0.21	39.18
A. Net Credit to Gov¹(i + ii + iii - iv)	279.45	304.23	304.66	316.28	321.59	318.41	316.75	311.76	337.57	48.70	24.78	0.42	11.62	5.31	-3.18	-1.66	-4.99	25.82
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	100.13	110.11	110.04	124.91	124.69	124.73	124.69	124.65	149.15	0.00	9.98	-0.07	14.87	-0.22	0.04	-0.04	-0.04	24.50
iii) Treasury Bills	115.95	132.62	132.62	132.62	132.62	132.62	128.57	125.59	125.59	47.27	16.66	0.00	0.00	0.00	0.00	-4.05	-2.98	0.00
iv) Deposits	8.62	10.48	9.99	13.24	7.71	10.92	8.50	10.47	9.16	-1.42	1.86	-0.49	3.25	-5.53	3.21	-2.42	1.97	-1.32
B. Rest of Public Sector (Net) (i + ii - iii)	-11.66	-1.08	-3.29	-19.84	-17.02	-19.16	-17.50	-12.18	0.21	-5.77	10.59	-2.21	-16.55	2.82	-2.14	1.67	5.32	12.38
i) BDB Loans	6.83	6.83	6.83	6.83	6.75	6.75	6.75	6.75	6.75	0.00	0.00	0.00	0.00	-0.08	0.00	0.00	0.00	0.00
ii) BMC Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii) Deposits	18.49	7.90	10.12	26.67	23.77	25.91	24.25	18.93	6.54	5.77	-10.59	2.21	16.55	-2.90	2.14	-1.67	-5.32	-12.38
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)*	-107.17	-108.10	-107.73	-107.29	-108.82	-109.42	-109.64	-109.76	-108.77	-0.00	-0.93	0.37	0.44	-1.53	-0.60	-0.23	-0.11	0.98
III. Monetary Base	622.30	656.46	653.02	656.44	652.90	647.77	642.46	646.21	676.31	33.29	34.16	-3.43	3.42	-3.54	-5.13	-5.32	3.75	30.10
A. Currency in Circulation	289.61	291.39	283.32	281.50	293.14	289.03	284.57	283.11	291.58	5.91	1.78	-8.07	-1.82	11.64	-4.11	-4.47	-1.46	8.47
B. Bank Balances with CBOB	332.69	365.07	369.70	374.94	359.76	358.74	357.89	363.10	384.73	27.39	32.38	4.63	5.24	-15.18	-1.02	-0.85	5.21	21.63

* 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		YEAR TO DATE	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
Fiscal Operations:														
1. Government Revenue & Grants % change	106.1 -25.68%	111.4 0.59%	108.7 -15.35%	94.3 -15.35%	114.1 6.87%	87.8 -6.88%	114.1 6.87%	87.8 -6.88%	114.1 6.87%	87.8 -6.88%	114.1 6.87%	87.8 -6.88%	326.9 20.28%	293.5 -10.24%
2. Import Duties % change	37.8 -44.11%	42.9 22.49%	46.3 -6.90%	40.0 -6.90%	34.4 -25.76%	39.3 -1.68%	34.4 -25.76%	39.3 -1.68%	34.4 -25.76%	39.3 -1.68%	34.4 -25.76%	39.3 -1.68%	118.5 13.40%	122.2 3.15%
3. Recurrent Expenditure % change	99.6 -21.70%	101.6 -6.57%	93.1 -2.58%	99.0 -2.58%	90.7 -2.60%	102.8 3.87%	90.7 -2.60%	102.8 3.87%	90.7 -2.60%	102.8 3.87%	90.7 -2.60%	102.8 3.87%	283.4 8.62%	303.4 7.05%
4. Capital Expenditure % change	5.6 -75.70%	7.6 110.95%	11.7 85.10%	14.0 85.10%	13.0 11.04%	9.0 -35.72%	13.0 11.04%	9.0 -35.72%	13.0 11.04%	9.0 -35.72%	13.0 11.04%	9.0 -35.72%	30.3 14.57%	30.6 1.01%
5. Deficit/Suplus* % change	-0.8 -95.65%	0.7 -250.12%	1.1 -3762.37%	-23.8 -3762.37%	3.2 185.51%	-27.6 157.60%	3.2 185.51%	-27.6 157.60%	3.2 185.51%	-27.6 157.60%	3.2 185.51%	-27.6 157.60%	3.6 -17.80%	-50.8 -1506.95%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		YEAR TO DATE			
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007		
Debt:																										
6. Total Debt % change	2,309.2 3.31%	2,386.8 0.13%	2,310.0 0.03%	2,376.8 -0.42%	2,289.9 -0.87%	2,427.5 2.13%	2,290.3 0.02%	2,415.6 -0.49%	2,437.5 0.91%	2,316.3 -0.01%	2,438.7 0.05%	2,538.2 4.08%	2,297.4 -0.82%	2,538.2 4.08%	2,384.0 0.03%	2,611.5 1.19%										
7. External Debt % change	286.5 0.67%	292.8 1.25%	287.3 0.27%	292.7 -0.03%	287.2 -0.02%	293.4 0.25%	285.9 -0.48%	268.0 -8.68%	289.6 0.59%	285.7 -0.04%	270.7 0.44%	270.7 0.00%	286.8 0.36%	288.1 0.48%	270.3 0.34%	270.5 0.08%										
8. Internal F/C Debt % change	0.0 -100.00%	1.9 0.00%	0.0 0.00%	1.9 0.00%	0.0 0.00%	0.0 0.00%	1.0 -47.08%	1.0 -47.08%	2.5 0.00%	2.5 0.00%	1.0 0.00%	2.5 0.00%	1.0 0.00%	2.5 0.00%	1.0 0.00%	2.5 0.00%	1.0 0.00%	2.5 0.00%	1.0 0.00%	2.5 0.00%	1.0 0.00%	2.5 0.00%	1.0 0.00%	2.5 0.00%	2.8 -88.95%	0.1 -88.95%
9. Bahamian Dollar Debt % change	2,022.7 3.80%	2,092.1 -0.02%	2,022.7 0.00%	2,082.1 -0.48%	2,002.7 -0.99%	2,132.1 2.40%	2,002.2 -0.02%	2,146.6 0.68%	2,166.9 1.29%	2,028.1 -0.99%	2,166.9 0.00%	2,266.4 4.59%	2,008.1 -0.99%	2,266.4 4.59%	2,092.6 -0.02%	2,340.9 1.36%										
10. Total Amortization % change	1.0 -90.12%	0.5 -50.94%	0.1 -92.16%	10.1 1915.69%	20.6 26166.94%	0.7 -93.29%	1.9 -90.88%	32.9 4773.78%	25.0 -24.06%	0.1 -99.55%	0.1 -99.55%	2.0 16544.34%	0.5 369.73%	2.0 16544.34%	1.6 -96.96%	0.9 -43.25%										

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		YEAR TO DATE			
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007		
11. Total Public Sector F/C Debt	549.5 -37.00%	633.0 -0.03%	550.3 -13.06%	631.2 14.70%	572.8 4.09%	628.1 9.65%	571.8 -0.17%	625.7 9.41%	601.7 5.23%	625.2 3.90%	594.8 -1.16%	619.9 4.22%	592.0 -0.47%	616.7 4.18%	591.9 -0.02%	616.7 4.18%	592.0 -0.47%	616.7 4.18%	591.9 -0.02%	616.7 4.18%	592.0 -0.47%	616.7 4.18%	591.9 -0.02%	616.7 4.18%	585.9 -1.01%	604.3 0.17%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC		YEAR TO DATE	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
Real Sector Indicators																										
12. Retail Price Index % change: over previous month	117.8 -0.10%	121.2 0.51%	117.8 -0.01%	121.42 0.16%	117.8 0.02%	121.5 0.04%	118.9 1.0%	121.7 0.2%	119.6 0.6%	122.1 0.3%	119.8 0.2%	122.3 0.2%	120.2 0.4%	122.6 0.2%	120.3 0.1%	122.6 0.0%	120.4 0.1%	123.2 0.5%	122.6 0.0%	120.3 0.1%	122.6 0.0%	120.4 0.1%	123.2 0.5%	119.2 1.65%	122.1 2.45%	
13. Tourist arrivals (000's) % change: over previous year	388.4 -0.74%	397.3 2.31%	393.8 -5.64%	376.7 -4.53%	503.5 -1.85%	500.0 -0.70%	496.9 0.21%	423.2 -14.8%	359.5 -0.22%	404.7 -0.22%	408.5 3.59%	369.3 -9.6%	418.1 -10.96%	376.8 -9.9%	348.9 -6.86%	375.3 7.6%	269.8 -6.87%	302.3 12.0%	375.3 7.6%	269.8 -6.87%	302.3 12.0%	269.8 -6.87%	302.3 12.0%	3632.6 -3.78%	3480.5 -4.19%	
14. Air arrivals (000's) % change: over previous year	109.8 5.64%	103.4 -5.83%	128.7 2.47%	118.1 -8.22%	171.6 3.79%	168.0 -2.08%	159.3 9.58%	144.0 -9.6%	138.4 1.24%	126.5 -8.6%	152.2 1.72%	139.9 -8.1%	151.1 -8.00%	136.4 -13.2%	113.3 -6.23%	124.9 10.2%	69.5 -4.57%	94.7 36.2%	124.9 10.2%	69.5 -4.57%	94.7 36.2%	124.9 10.2%	69.5 -4.57%	1194.2 0.74%	1150.0 -3.70%	
15. Occupied Room Nights % change: over previous year	187.7 9.82%	161.6 -13.91%	202.0 6.71%	169.8 -15.94%	241.5 0.12%	220.2 -8.82%	241.5 0.12%	220.2 -8.82%	241.5 0.12%	220.2 -8.82%	241.5 0.12%	220.2 -8.82%	241.5 0.12%	220.2 -8.82%	241.5 0.12%	220.2 -8.82%	241.5 0.12%	220.2 -8.82%	241.5 0.12%	220.2 -8.82%	241.5 0.12%	220.2 -8.82%	241.5 0.12%	631.20 4.95%	551.60 -12.61%	
16. Res. Mortgage Commitments-New Const. % change: over previous YTD																										

* Includes Net Lending to Public Corporations
** Data figures pertain to central government only unless otherwise indicated
P - provisional
Annual/FYTD Retail Price data are averages.