



Monthly Economic and Financial Developments November 2019

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:

2020: February 3rd



Monthly Economic and Financial Developments (MEFD) November, 2019

1. Domestic Economic Developments

Overview

Economic indicators suggest that domestic output maintained its upward, albeit modest, trajectory over the review period. In particular, tourism output continued to be supported by activity in the New Providence market, and the Family Islands unaffected by the major storm. Further, construction sector output was bolstered by ongoing foreign investment-led projects and, to a lesser extent, post-hurricane rebuilding. In terms of prices, the domestic inflation rate firmed during the twelve months to September, although slowing from the preceding month. Monetary sector developments featured a buildup in both banking sector liquidity and external reserves, amid accelerated gains in Bahamian dollar deposits and a reduction in domestic credit.

Real Sector

Tourism

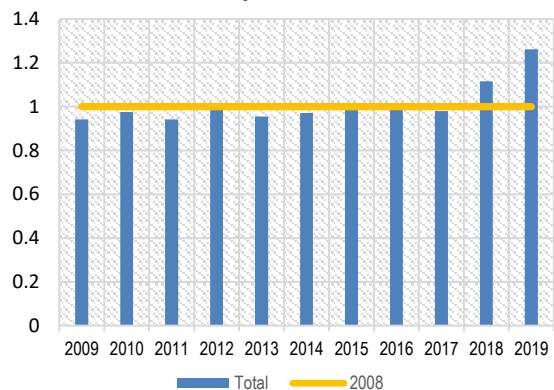
Indications are that tourism activity was mildly positive during the review period, with data from the Nassau Airport Development Company Ltd. (NAD) revealing a 0.8% gain in total departures during November, slowing significantly from the 15.7% growth recorded during the same period in 2018. Precisely, the U.S. component edged up by 0.4%, relative to a 15.5% growth in the previous year. Further, the non-U.S. international segment firmed by 2.7% vis-à-vis an increase of 16.8% in the prior year.

Anchored by gains in previous months, total foreign departures rose by 13.1% over the eleven months to November, slightly less than the 14.0% growth a year earlier. In particular, U.S traffic rose by 14.3%, following the 13.2% increase in 2018; while, the non-U.S. international component grew by 5.9%, compared to an 18.6% expansion a year earlier. Meanwhile, analysis over a longer period showed that airport traffic continued to exceed recession records.

Prices

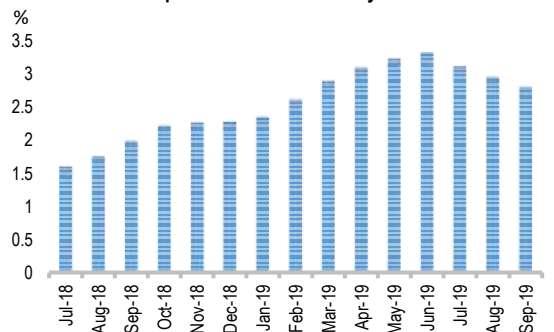
In price developments, the domestic inflation rate, as measured by the All Bahamas Retail Price Index, firmed by 81 basis points to 2.79%, during the twelve months to September. A disaggregation by category revealed that following reductions in 2018, the average prices for furnishing, household equipment & maintenance, and clothing & footwear increased by 6.0% and by 1.4%, respectively. Further, the rate of inflation accelerated for transport (9.43%), restaurants & hotels (5.16%), alcoholic beverages, tobacco & narcotics (4.19%), and health

Graph 1: Departures vs. 2008 Recession
January-November



Source: Nassau Airport Development Co. (NAD)

Graph 2: Annualized Monthly Inflation Rate



Source: Department of Statistics

(3.26%). In contrast, the rise in average prices slowed for food & non-alcoholic beverages and housing, water gas electricity & other fuels. Also, average costs declined for communication, education and recreation & culture.

2. Domestic Monetary Trends November 2019 vs. 2018

Liquidity

During November, bank liquidity expanded reflective of a rise in the deposit base, and a contraction in domestic credit. Excess reserves—the narrow measure of liquidity—rose by \$111.9 million to \$966.9 million, a turnaround from the previous year’s decrease of \$47.8 million. Similarly, broader excess liquid assets grew by \$98.1 million to \$1,817.1 million, vis-à-vis a \$51.2 million falloff a year earlier.

External Reserves

Buoyed in part by re-insurance receipts following Hurricane Dorian, external reserves strengthened by \$85.4 million, a turnaround from a \$67.7 million decline in the prior year. Underlying this development, the Central Bank’s net foreign currency transactions with commercial banks reversed to a net purchase of \$79.5 million, from a net sale of \$9.5 million in the previous year. Further, commercial banks’ net purchase from their customers increased to \$109.4 million, from \$7.9 million a year earlier. Besides, the Bank’s net sale to the public sector narrowed sharply to \$1.2 million, from \$57.2 million last year.

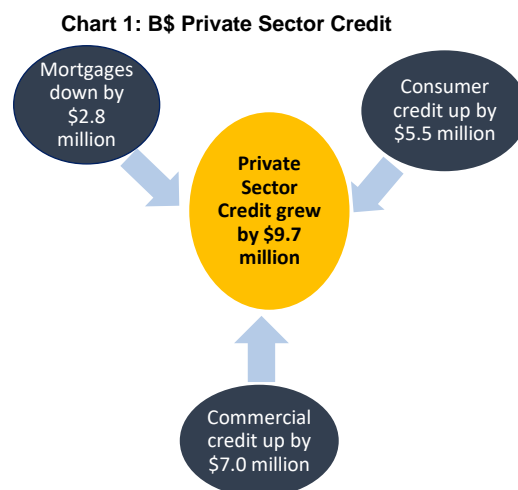
Exchange Control Sales

Provisional data on foreign currency sales for current account transactions showed that outflows declined by \$91.5 million in November, in comparison to the same month last year. A \$37.0 million reduction in “other current items” led this outcome, and comprised insurance services, remittances, royalties, and credit cards. In addition, declines were recorded for sales related to factor income and oil imports, of \$35.7 million, and \$28.4 million, respectively. In contrast, modest gains were registered for transfers (\$6.8 million), non-oil imports (\$1.7 million) and travel (\$1.1 million).

Domestic Credit

Bahamian Dollar Credit

During November, total Bahamian dollar credit contracted by \$26.9 million, vis-à-vis a \$64.3 million growth in the preceding year. The outcome was largely on account of a Government’s \$37.1 million net repayments, following a \$65.5 million rise in net credit the prior year. In contrast, private sector claims grew by \$9.7 million, extending the \$2.3 million gain a year earlier, as commercial and consumer credit firmed by \$7.0 million and \$5.5 million, respectively, eclipsing the \$2.8 million decline in mortgages. In addition, credit to public corporations edged up by \$0.4 million, a reversal from a \$3.5 million decrease in 2018.



Source: Central Bank of The Bahamas

Foreign Currency Credit

Domestic foreign currency credit expanded by \$40.6 million, outpacing 2018's \$2.1 million uptick, as net claims on the Government rose by \$35.6 million, exceeding the \$4.7 million increase last year. Similarly, private sector credit grew by \$5.7 million, a turnaround from the previous year's \$1.1 million falloff, reflecting a rise in commercial credit. Further, the reduction in public sector credit narrowed to \$0.9 million from \$1.6 million a year earlier.

Credit Quality

Reflecting improvement in the non-performing segment, total private sector arrears narrowed by \$1.3 million (0.2%) to \$697.6 million, with the accompanying ratio to total private sector loans unchanged at 12.2%. In particular, non-accrual loans contracted by \$9.0 million (1.9%), corresponding with a 16 basis point decline in the ratio to 8.1%. In a partial offset, 31-90 days arrears rose by \$7.7 million (3.4%), with the relevant ratio firming by 13 basis points to 4.1%.

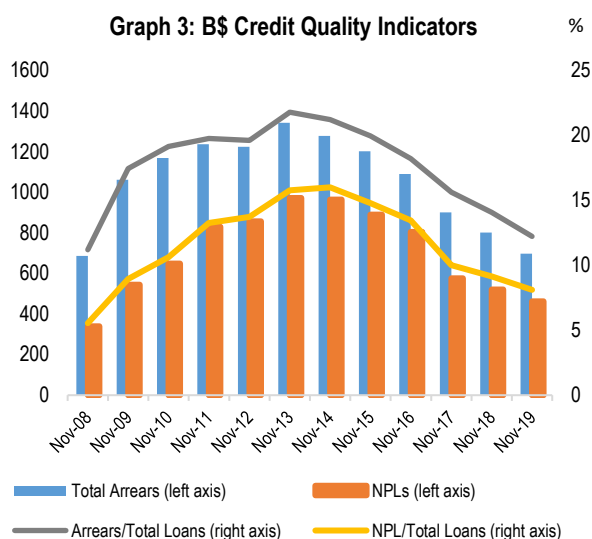
An analysis by loan category showed that the decline in total arrears was led by consumer delinquencies, which fell by \$8.1 million (3.9%) to \$198.0 million, due to respective decreases of \$6.3 million (7.6%) and \$1.8 million (1.5%) in both the short-term and long-term segments. Similarly, mortgage arrears lessened by \$3.5 million (0.8%) to \$418.7 million, as the \$6.2 million (2.1%) falloff in the non-accrual category outweighed the \$2.7 million (2.2%) increase in 31-90 arrears. In contrast, the commercial loan component advanced by \$10.3 million (14.6%) to \$80.9 million, as short-term arrears moved higher by \$11.3 million (57.3%), outstripping the \$1.0 million (2.0%) decrease in non-performing commercial loans.

In this environment, banks decreased their total provisions for loan losses by \$14.2 million (3.2%) to \$435.5 million, which led to a 1.9 percentage point decline in its corresponding ratio to total arrears to 62.4%. Further, the ratio of provisions to NPLs narrowed by 1.2 percentage points to 94.1%. During the review month, banks wrote-off an estimated \$4.2 million.

In comparison to November 2018, the total private sector arrears rate decreased by 1.8 percentage points, as both the NPL and short-term rates moved lower by 1.0 and 0.8 percentage points, respectively. By major loan category, mortgages, commercial and consumer delinquency rates reduced by 2.5, 1.6 and 1.1 percentage points, respectively.

Deposits

During November, Bahamian dollar deposits grew by \$128.9 million, extending the \$54.3 million gain recorded a year earlier. In particular, growth in savings balances expanded three-fold to \$62.7 million from \$19.5 million last year. In addition, fixed balances rose by \$19.9 million, vis-à-vis a \$17.3 million decline last



Source: Central Bank of The Bahamas

year. However, growth in demand balances slowed to \$46.3 million from \$52.1 million in the prior year. In terms of resident's foreign currency balances, the contraction in deposits moderated to \$9.1 million from \$13.2 million in 2018.

Interest Rates

In interest rate developments, banks' weighted average loan rate rose by 13 basis points to 11.80%. Similarly, the weighted average deposit rate firmed by 0.4 percentage points to 0.84%, with the highest rate of 4.00% offered on fixed balances of over 12 months.

3. Domestic Outlook

Expectations are that the outturn for 2019 will feature a modest uptick in domestic output, underpinned by the substantial gains in tourism during the first half of the year, combined with positive impulses from foreign investment-led construction activity. Indications are that growth will be more subdued in 2020, as increased momentum in hurricane re-building activity is countered by the increase in imports to aid the same, as well as the temporary reduction in tourism capacity. Against this backdrop, employment conditions are projected to dampen, with gains concentrated within the hotel sector. Nonetheless, domestic inflation is forecasted to remain subdued in the absence of any shock to global oil prices.

On the fiscal front, costs associated with the reconstruction of lost infrastructure, replacement of fixed assets, and social welfare support following the storm, are expected to weigh on the Government's budget. Funds from re-insurance receipts and donations from local and international institutions should defray some costs, however, most of the fiscal gap will likely be sourced from domestic and external borrowing.

Monetary sector developments will continue to feature a build-up in banking sector liquidity owing to the conservative lending posture of commercial banks, and a broadening in the deposit base. Further, external reserves are expected to remain buoyant for the balance of 2019, into the first quarter of 2020, on account of inflows associated with re-insurance and Government's external financing. Nevertheless, the overall outturn for 2020 is projected to feature a net contraction in balances due to increased imports to support the restoration of lost infrastructure.

4. Monetary Policy Implications

Based on prevailing conditions, the Central Bank remains committed to policy measures that support economic growth, and minimize internal threats to financial stability. In addition, the Bank will continue to monitor developments within the real and monetary sectors to maintain financial sector stability.

APPENDIX

International Developments

Developments within the global economy continued to be dominated by lingering political uncertainty in parts of Europe, as well as ongoing trade tension between the U.S. and China. Accordingly, outcomes within the major markets were mostly mild during the period. As a result, leading central banks affirmed their highly accommodative monetary posture, in a bid to encourage economic expansion.

Economic indicators in the United States were mainly positive during the review period. Specifically, labor market developments featured a 10 basis points decline in the unemployment rate, to 3.5% for the month of November, as non-farm employment expanded by 266,000. In addition, total retail sales grew by 0.2% to \$528.0 billion in November, albeit a slowdown from the 0.4% quickening recorded over the prior month. Further, the trade deficit contracted by \$3.9 billion (7.6%) to \$47.2 billion in October, as a 1.7% decline in imports outpaced a 0.2% reduction in exports. Regarding prices, the Consumer Price Index for All Urban Consumers rose by 0.3% in November, following a 0.4% uptick in the prior month, bolstered by increases in shelter and energy costs. In light of these developments, the Federal Reserve maintained its benchmark interest rate range of 1.50% - 1.75%.

Reflecting ongoing political uncertainty, economic conditions in the European economies were lackluster. During the three months to October, real GDP growth for the United Kingdom (UK) was flat, after a 0.1% softening in the prior month, as increased productivity across the services, manufacturing, agriculture and production sectors, was offset by a decline in construction sector output. Further, euro area industrial production fell by 0.5% in October, underpinned by reductions in energy and capital goods production, while in the UK industrial output edged up by 0.1%, a reversal from a 0.3% contraction during the previous period. In addition, euro area retail sales declined by 0.6%, owing to a 1.1% decrease in the sale of non-food products (except automotive fuel). On the external front, the trade deficit widened for the UK, by £2.3 million to £7.2 billion, during the three months to October, underpinned by a £9.7 billion (5.6%) expansion in imports, which surpassed a £7.4 billion (4.4%) rise in exports. In this environment, both the Bank of England and the European Central Bank maintained their accommodative monetary policy stances.

Indicators of economic performance for the Asian markets varied during the review period. Specifically, industrial production in Japan weakened by 4.2% during October, following a 1.4% improvement a month earlier, while in China, growth in production slowed to 0.2% from 0.7% in the prior month. Further, China's retail sales advanced by 0.5% in October, decelerating from the 0.7% rise a month earlier. In contrast, Japan's retail sales fell by 12.0% relative to the previous month—vis-à-vis a 4.8% improvement in September—mainly on account of an increase in sales tax, and poor weather conditions. In the labor market, Japan's unemployment rate for October was unchanged from the prior month's at 2.4%; likewise, the jobless rate for China held steady at 5.1%. In terms of inflation, prices in Japan were flat during October, while in China, prices rose by 0.4% in November owing to a rise in food and consumer goods. Meanwhile, in trade developments, China's surplus contracted by 9.5% to \$38.7 billion in November, underpinned by a 7.6% increase in imports, which surpassed a 4.1% growth in exports. Against this backdrop, the Bank of Japan maintained its policy rate of -0.1%, and the People's Bank of China kept its reverse repo rate at 2.55%.

Activity in the major global stock indices was largely positive during November. In the United States, the Dow Jones Industrial Average (DJIA) and the S&P 500 advanced by 3.7% and 3.4%, respectively. Similar trends were seen in European markets, as France's CAC 40 and Germany's DAX rose by 3.1% and 2.9%, respectively. In addition, the United Kingdom's FTSE 100 improved by 1.4% during the review period. In the Asian markets, Japan's Nikkei 225 firmed by 1.6%; however, China's SE Composite weakened by 1.9%

Currency market developments revealed broad-based appreciations in the US dollar against most major currencies over the review period. Specifically, the US dollar strengthened against the euro and the British Pound, by 1.2% and 0.1%, to €0.9075 and £0.7736, respectively. In addition, the dollar firmed against the Swiss Franc (by 1.4% to CHF 1.0001), Japanese Yen (by 1.4% to ¥109.49) and the Canadian dollar (by 0.9% to CAD\$ 1.3281. In contrast, the Chinese Renminbi firmed vis-à-vis the US dollar, by 0.1%, to CNY 7.0326.

Broad-based decreases in the commodity market were posted in November, as the price of crude oil contracted by 0.9% to \$60.21 per barrel, amid a reduction in OPEC production of 193,000 barrels per day, to 29.55 million barrels per day. Similarly, the prices of silver and gold declined, by 6.0% and 3.2%, to \$17.03 and \$1,463.95 per troy ounce, respectively.

Recent Monetary and Credit Statistics

(B\$ Millions)

NOVEMBER						
Value		Change		Change YTD		
2018	2019	2018	2019	2018	2019	

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	709.29	966.91	-47.82	111.89	-148.26	295.57
1.2 Excess Liquid Assets	1,659.46	1,817.09	-51.17	98.13	-138.81	285.17
1.3 External Reserves	1,283.46	1,646.51	-67.72	85.42	-124.83	449.15
1.4 Bank's Net Foreign Assets	-111.69	137.29	-7.71	-31.13	59.31	75.26
1.5 Usable Reserves	599.32	799.34	-52.81	48.76	-69.58	276.99

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,886.62	5,870.11	1.24	15.43	-89.85	15.14
a. B\$ Credit	5,660.00	5,676.86	2.32	9.73	-92.06	29.56
of which: Consumer Credit	2,123.04	2,092.49	-1.95	5.54	-74.49	-25.42
Mortgages	2,874.77	2,854.21	9.51	-2.82	-7.24	-12.02
Commercial and Other Loans B\$	662.20	730.17	-5.23	7.00	-10.34	66.99
b. F/C Credit	226.62	193.25	-1.08	5.71	2.21	-14.42
of which: Mortgages	67.52	57.41	0.29	-0.28	5.32	-0.70
Commercial and Other Loans F/C	159.10	135.83	-1.37	5.98	-3.11	-13.73
2.2 Central Government (net)	2,538.87	2,581.44	70.20	-1.45	160.86	51.96
a. B\$ Loans & Securities	2,732.69	2,800.12	62.46	-64.32	123.74	58.20
Less Deposits	193.61	272.51	-3.00	-27.23	-32.53	62.15
b. F/C Loans & Securities	7.00	57.00	7.00	35.00	7.00	50.00
Less Deposits	7.22	3.18	2.26	-0.64	2.41	-5.91
2.3 Rest of Public Sector	316.09	274.76	-5.04	-0.48	45.20	-43.36
a. B\$ Credit	126.23	109.45	-3.49	0.44	26.03	-18.88
b. F/C Credit	189.87	165.31	-1.56	-0.92	19.17	-24.47
2.4 Total Domestic Credit	8,741.58	8,726.83	66.40	13.62	116.20	24.18
a. B\$ Domestic Credit	8,325.31	8,313.92	64.30	-26.93	90.23	6.73
b. F/C Domestic Credit	416.27	412.91	2.10	40.55	25.97	17.45

3.0 DEPOSIT BASE

3.1 Demand Deposits	2,474.61	2,851.70	52.05	46.34	114.13	394.43
a. Central Bank	69.79	60.36	17.21	-36.62	55.72	-14.61
b. Banks	2,404.82	2,791.34	34.84	82.96	58.41	409.04
3.2 Savings Deposits	1,426.64	1,603.11	19.46	62.68	58.97	182.37
3.3 Fixed Deposits	2,574.52	2,437.60	-17.26	19.87	-168.12	-124.66
3.4 Total B\$ Deposits	6,475.77	6,892.41	54.25	128.90	4.98	452.15
3.5 F/C Deposits of Residents	360.00	583.24	-13.21	-9.13	57.98	65.17
3.6 M2	6,779.27	7,215.01	60.65	136.07	1.47	471.13
3.7 External Reserves/M2 (%)	18.93	22.82	-1.18	0.77	-1.85	5.07
3.8 Reserves/Base Money (%)	99.43	104.45	-1.70	-2.81	1.81	8.80
3.9 External Reserves/Demand Liabilities (%)	93.80	97.18	-2.84	0.87	-1.43	8.49

Value		Year to Date		Change	
2018	2019	2018	2019	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

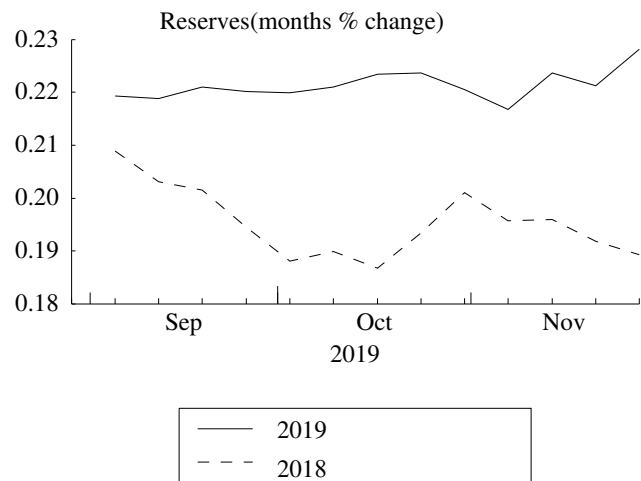
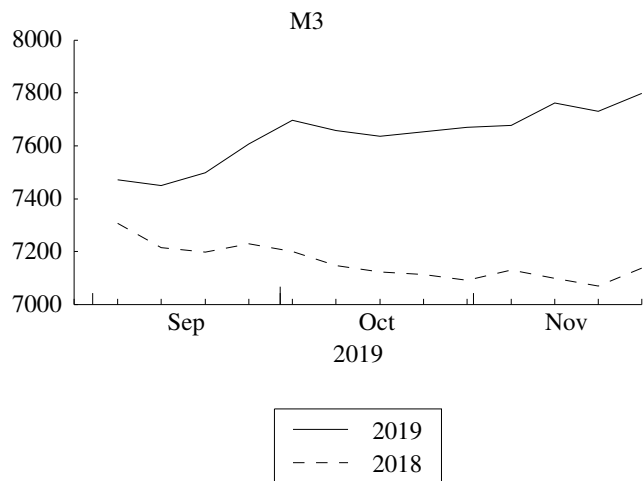
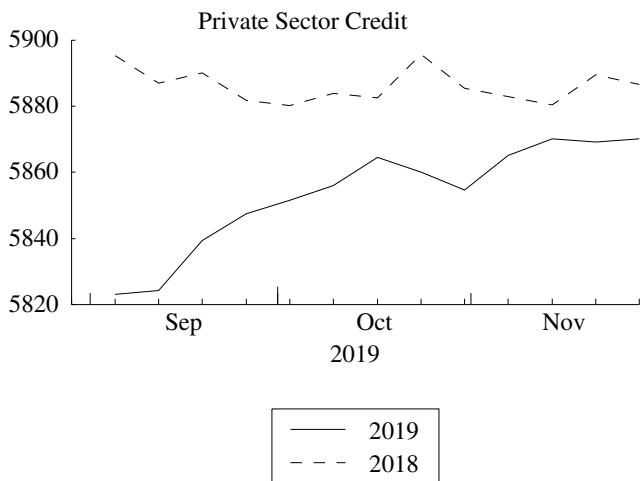
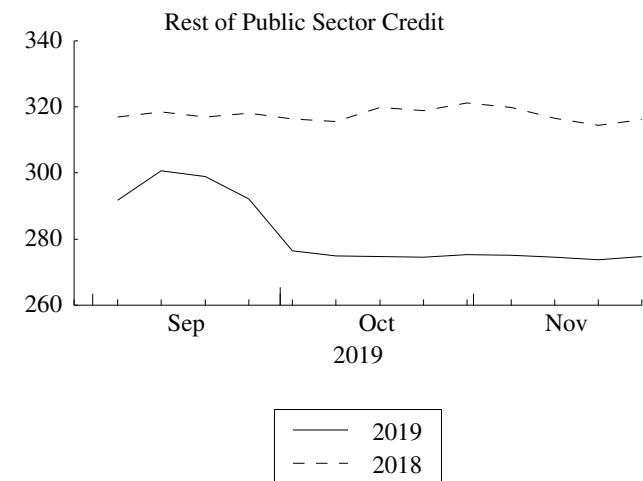
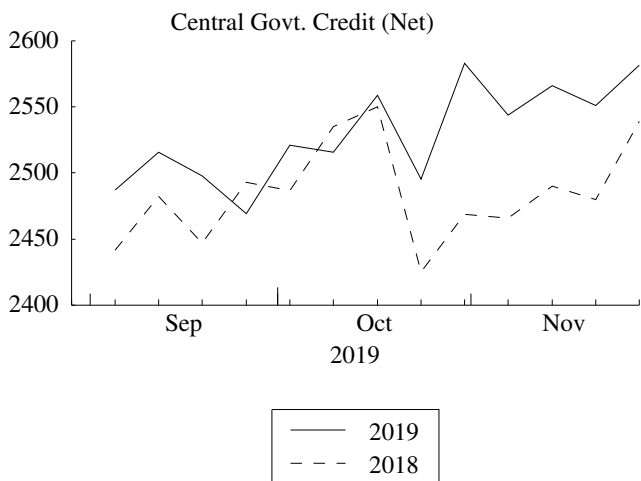
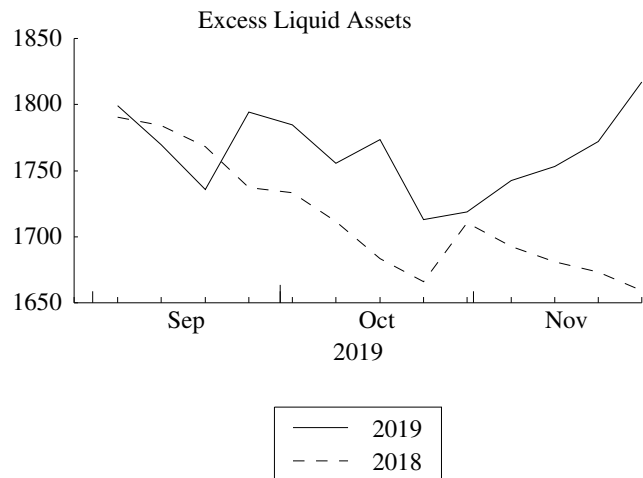
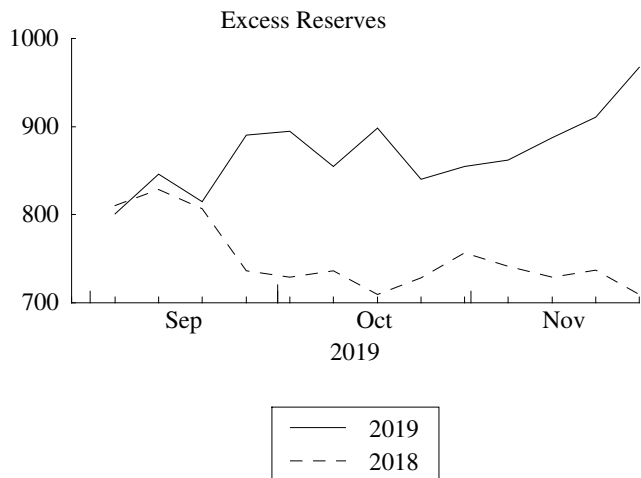
4.1 Central Bank Net Purchase/(Sale)	-66.63	78.29	-150.13	386.48	144.92	536.61
a. Net Purchase/(Sale) from/to Banks	-9.47	79.48	130.63	713.11	88.95	582.48
i. Sales to Banks	25.90	6.80	369.10	82.05	-19.10	-287.05
ii. Purchases from Banks	16.43	86.28	499.73	795.16	69.85	295.42
b. Net Purchase/(Sale) from/to Others	-57.16	-1.19	-280.76	-326.63	55.97	-45.87
i. Sales to Others	78.10	90.68	801.01	849.08	12.58	48.06
ii. Purchases from Others	20.94	89.50	520.25	522.45	68.56	2.20
4.2 Banks Net Purchase/(Sale)	7.90	109.37	71.29	717.25	101.47	645.95
a. Sales to Customers	417.13	404.00	4,988.25	4,464.68	-13.13	-523.57
b. Purchases from Customers	425.03	513.37	5,059.54	5,181.92	88.34	122.38
4.3 B\$ Position (change)	-13.93	-41.05				

5.0 EXCHANGE CONTROL SALES

5.1 Current Items	525.08	433.61	5,392.69	4,931.57	-91.47	-461.12
of which Public Sector	81.66	3.57	590.65	234.12	-78.10	-356.53
a. Nonoil Imports	114.73	116.44	1,428.63	1,279.09	1.71	-149.54
b. Oil Imports	47.56	19.15	499.02	430.60	-28.41	-68.42
c. Travel	27.56	28.67	299.22	294.70	1.11	-4.52
d. Factor Income	55.07	19.42	457.04	210.45	-35.65	-246.59
e. Transfers	15.18	21.96	198.35	210.71	6.78	12.36
f. Other Current Items	264.99	227.99	2,510.43	2,506.02	-37.00	-4.41
5.2 Capital Items	7.11	10.54	288.26	160.92	3.43	-127.34
of which Public Sector	1.55	0.00	178.12	46.10	-1.55	-132.02
5.3 Bank Remittances	0.00	0.00	0.00	0.00	0.00	0.00

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	
	2017	2018	2017	2018	2017	2018
Bahamas	1.4	2.3	1.4	2.5	10.1	10.7
United States	2.2	2.9	2.1	2.4	4.4	3.8
Euro-Area	2.4	2.0	1.5	1.7	9.1	8.3
<i>Germany</i>	2.5	1.9	1.7	1.8	3.8	3.5
Japan	1.7	1.1	0.5	1.2	2.9	2.9
China	6.9	6.6	1.6	2.2	3.9	4.0
United Kingdom	1.7	1.4	2.7	2.7	4.4	4.1
Canada	3.0	2.1	1.6	2.6	6.3	6.1

Source: IMF World Economic Outlook October 2018, Department of Statistics

B: Official Interest Rates – Selected Countries (%)					
<i>With effect from</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
	Bank Rate	Refinancing Rate	Primary Credit Rate	Target Funds Rate	Repo Rate
June 2017	4.00	0.00	1.75	1.00-1.25	0.25
July 2017	4.00	0.00	1.75	1.00-1.25	0.25
August 2017	4.00	0.00	1.75	1.00-1.25	0.25
September 2017	4.00	0.00	1.75	1.00-1.25	0.25
October 2017	4.00	0.00	1.75	1.00-1.25	0.25
November 2017	4.00	0.00	1.75	1.00-1.25	0.25
December 2017	4.00	0.00	1.75	1.00-1.25	0.50
January 2018	4.00	0.00	2.00	1.25-1.50	0.50
February 2018	4.00	0.00	2.00	1.25-1.50	0.50
March 2018	4.00	0.00	2.00	1.25-1.50	0.50
April 2018	4.00	0.00	2.25	1.50-1.75	0.50
May 2018	4.00	0.00	2.25	1.50-1.75	0.50
June 2018	4.00	0.00	2.50	1.75-2.00	0.50
July 2018	4.00	0.00	2.50	1.75-2.00	0.50
August 2018	4.00	0.00	2.50	1.75-2.00	0.50
September 2018	4.00	0.00	2.50	1.75-2.00	0.75
October 2018	4.00	0.00	2.75	2.00-2.25	0.75
November 2018	4.00	0.00	2.75	2.00-2.25	0.75
December 2018	4.00	0.00	2.75	2.00-2.25	0.75
January 2019	4.00	0.00	3.00	2.25-2.50	0.75
February 2019	4.00	0.00	3.00	2.25-2.50	0.75
March 2019	4.00	0.00	3.00	2.25-2.50	0.75
April 2019	4.00	0.00	3.00	2.25-2.50	0.75
May 2019	4.00	0.00	3.00	2.25-2.50	0.75
June 2019	4.00	0.00	3.00	2.25-2.50	0.75
July 2019	4.00	0.00	3.00	2.00-2.25	0.75
August 2019	4.00	0.00	2.75	2.00-2.25	0.75
September 2019	4.00	0.00	2.50	1.75-2.00	0.75
October 2019	4.00	0.00	2.25	1.50-1.75	0.75
November	4.00	0.00	2.25	1.50-1.75	0.75

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Nov-18	Oct-19	Nov-19	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.8834	0.8967	0.9075	1.21	4.08	2.73
Yen	113.55	108.03	109.49	1.35	-0.19	-3.58
Pound	0.7839	0.7727	0.7736	0.12	-1.29	-1.32
Canadian \$	1.3293	1.3163	1.3281	0.90	-2.64	-0.09
Swiss Franc	0.9994	0.9864	1.0001	1.39	1.88	0.07
Renminbi	6.9590	7.0387	7.0326	-0.09	2.24	1.06

Source: Bloomberg as of November 29th, 2019

D. Selected Commodity Prices (\$)					
Commodity	November 2018	October 2019	November 2019	Mthly % Change	YTD % Change
Gold / Ounce	1222.50	1512.94	1463.95	-3.24	14.15
Silver / Ounce	14.18	18.11	17.03	-5.95	9.91
Oil / Barrel	75.50	60.75	60.21	-0.89	15.17

Source: Bloomberg as of November 29th, 2019

E. Equity Market Valuations – November 29th, 2019 (% change)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	-0.86	3.72	3.40	1.35	3.06	2.87	1.60	-1.95
3 month	2.15	6.24	7.33	1.93	7.75	10.86	12.51	-0.49
YTD	7.36	7.27	11.23	-2.48	7.72	0.36	0.85	-17.49
12-month	6.79	12.07	15.74	1.58	10.99	6.44	5.55	-11.89

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	1.6200	0.7100	-0.4600
1 Month	2.4400	0.7200	-0.4850
3 Month	1.8950	0.7950	-0.4100
6 Month	1.8850	0.8950	-0.3700
9 Month	1.8650	0.9700	-0.3400
1 year	1.9521	1.1050	-0.3125

Source: Bloomberg as of November 29th, 2019

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

	VALUE										CHANGE							
	Oct. 02	Oct. 09	Oct. 16	Oct. 23	Oct. 30	Nov. 06	Nov. 13	Nov. 20	Nov. 27	Oct. 02	Oct. 09	Oct. 16	Oct. 23	Oct. 30	Nov. 06	Nov. 13	Nov. 20	Nov. 27
I. External Reserves	1,557.42	1,556.86	1,574.69	1,578.24	1,561.10	1,538.12	1,594.22	1,581.88	1,646.51	15.09	-0.56	17.82	3.56	-17.14	-22.98	56.10	-12.34	64.63
II. Net Domestic Assets (A + B + C + D)	-67.01	-113.62	-87.40	-150.92	-105.69	-81.51	-120.06	-78.25	-70.20	-1.48	-46.61	26.22	-63.52	45.23	24.18	-38.55	41.82	8.04
A. Net Credit to Gov¹(i + ii + iii - iv)	367.29	375.28	412.61	384.01	414.16	400.62	388.90	372.41	378.12	22.59	7.98	37.33	-28.60	30.15	-13.54	-11.71	-16.50	5.71
i) Advances	14.90	14.90	14.90	14.90	14.90	14.90	14.90	14.90	14.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Registered Stock	253.32	253.36	273.14	272.12	272.53	267.95	268.07	251.74	251.05	0.56	0.04	19.78	-1.01	0.41	-4.58	0.12	-16.33	-0.69
iii) Treasury Bills	170.08	170.08	187.06	182.03	194.77	181.00	177.01	173.69	169.54	0.00	0.00	16.98	-5.03	12.74	-13.77	-3.98	-3.32	-4.14
iv) Deposits	71.00	63.06	62.49	85.05	68.05	63.23	71.08	67.92	57.38	-22.03	-7.95	-0.57	22.56	-17.01	-4.82	7.85	-3.16	-10.55
B. Rest of Public Sector (Net) (i + ii - iii)	-52.86	-77.69	-58.57	-73.22	-94.61	-92.43	-91.96	-61.12	-57.99	-11.48	-24.84	19.12	-14.65	-21.38	2.17	0.48	30.84	3.13
i) BDB Loans	2.38	2.38	2.38	2.38	2.38	2.38	2.38	2.38	2.38	0.00	0.00	0.00	0.00	0.00	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	55.23	80.07	60.94	75.60	96.98	94.81	94.33	63.49	60.36	11.48	24.84	-19.12	14.65	21.38	-2.17	-0.48	-30.84	-3.13
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)*	-381.44	-411.20	-441.44	-461.70	-425.24	-389.70	-417.01	-389.53	-390.33	-12.59	-29.76	-30.24	-20.27	36.46	35.54	-27.31	27.47	-0.80
III. Monetary Base	1,490.41	1,443.25	1,487.29	1,427.32	1,455.41	1,456.61	1,474.16	1,503.63	1,576.31	13.61	-47.17	44.04	-59.97	28.09	1.20	17.55	29.48	72.68
A. Currency in Circulation	438.57	436.48	430.34	428.92	436.14	437.88	434.27	436.86	446.05	10.61	-2.08	-6.14	-1.42	7.22	1.73	-3.60	2.58	9.19
B. Bank Balances with CBOB	1,051.85	1,006.76	1,056.95	998.40	1,019.26	1,018.73	1,039.88	1,066.78	1,130.26	3.00	-45.08	50.18	-58.55	20.87	-0.53	21.15	26.89	63.48

* 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 period from previous period)

	2018		2019		2020	
	2018	2019	2018	2019	2018	2019
YEAR TO DATE	(Over previous year)					
	513.8	552.8	13.3%	7.6%		
	199.4	266.2	18.2%	33.5%		
	151.2	140.5	-7.1%			
	539.9	538.8	-0.2%			
	38.8	55.5	43.1%			
	-64.9	-41.5	-38.4%	-36.0%		

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC		
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
Fiscal Operations*																									
1. Government Revenue & Grants	513.8	552.8	-0.2%	-2.4%	7.205.4	7.476.9	7.476.9	7.175.1	7.473.4	7.217.2	7.485.2	7.245.2	7.527.0	7.280.6	7.513.8	7.337.3	7.548.9	7.378.4	7.585.7	7.383.3	7.638.7	7.448.9	7.662.9		
% change: over previous quarter	-10.2%	-2.4%			0.0%	0.0%	-0.1%	0.0%	0.0%	0.0%	-0.1%	0.4%	0.8%	0.7%	-0.2%	0.6%	0.5%	0.6%	0.3%	0.1%	0.7%	0.9%	0.3%		
2. Value Added Tax	199.4	266.2	4.0%	-13.4%	2.661.2	2.557.1	2.652.1	2.651.3	2.652.1	2.643.1	2.552.4	2.637.1	2.553.2	2.632.1	2.549.9	2.608.2	2.543.1	2.599.1	2.588.0	2.560.2	2.588.3	2.558.1			
% change: over previous quarter	4.0%	-13.4%			0.0%	-0.4%	-0.2%	-0.4%	-0.2%	-0.3%	0.0%	-0.2%	0.0%	-0.2%	-0.1%	-0.9%	-0.3%	0.2%	-0.4%	0.0%	0.0%	-0.1%			
3. Import/Excise Duties	151.2	140.5	12.3%	-7.0%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
% change: over previous quarter	12.3%	-7.0%																							
4. Recurrent Expenditure	539.9	538.8	-15.4%	-2.4%	7.205.4	7.476.9	7.476.9	7.175.1	7.473.4	7.217.2	7.485.2	7.245.2	7.527.0	7.280.6	7.513.8	7.337.3	7.548.9	7.378.4	7.585.7	7.383.3	7.638.7	7.448.9	7.662.9		
% change: over previous quarter	-15.4%	-2.4%			0.0%	0.0%	-0.1%	0.0%	0.0%	0.0%	-0.1%	0.4%	0.8%	0.7%	-0.2%	0.6%	0.5%	0.6%	0.3%	0.1%	0.7%	0.9%	0.3%		
5. Capital Expenditure	38.8	55.5	-54.4%	-37.7%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	50.0		
% change: over previous quarter	-54.4%	-37.7%																					233.3%		
6. Deficit/Surplus*	-64.9	-41.5	-37.2%	-44.7%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	50.0		
% change: over previous quarter	-37.2%	-44.7%																					233.3%		

1. Government Revenue & Grants	513.8	552.8	-10.2%	-2.4%
% change: over previous quarter	-10.2%	-2.4%		
2. Value Added Tax	199.4	266.2	4.0%	-13.4%
% change: over previous quarter	4.0%	-13.4%		
3. Import/Excise Duties	151.2	140.5	12.3%	-7.0%
% change: over previous quarter	12.3%	-7.0%		
4. Recurrent Expenditure	539.9	538.8	-15.4%	-2.4%
% change: over previous quarter	-15.4%	-2.4%		
5. Capital Expenditure	38.8	55.5	-54.4%	-37.7%
% change: over previous quarter	-54.4%	-37.7%		
6. Deficit/Surplus*	-64.9	-41.5	-37.2%	-44.7%
% change: over previous quarter	-37.2%	-44.7%		

7. Total Direct Debt	7,514.2	7,198.9	0.2%	-0.1%
% change: over previous month	0.2%	-0.1%		
8. External Debt	2,675.9	2,662.4	2.3%	0.0%
% change: over previous month	2.3%	0.0%		
9. Internal F/C Debt	0.0	0.0	0.0	0.0
% change: over previous month	0.0	0.0		
10. Bahamian Dollar Debt	4,533.4	4,536.5	-0.7%	0.3%
% change: over previous month	-0.7%	0.3%		
11. Total Amortization	34.7	41.4	4.9%	-18.9%
% change: over previous month	4.9%	-18.9%		

12. Total Public Sector F/C Debt	3,364.4	3,508.8	-3.4%	-4.8%
% change: over previous month	-3.4%	-4.8%		

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC			
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019		
Real Sector Indicators																										
13. Retail Price Index	103.9	106.7	0.00%	0.70%	104.3	108.1	0.33%	1.26%	104.2	108.2	104.7	108.2	105.1	108.1	107.0	108.9	106.9	106.9	106.8	106.8	106.9	106.9	106.8	106.8	106.8	
% change: over previous month	0.00%	0.70%			0.33%	1.26%	0.18%	0.13%	0.18%	-0.17%	0.3%	0.3%	-0.06%	1.8%	0.7%	0.7%	-0.4%	-0.1%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	
14. Tourist arrivals (000's)	533.7	636.9	4.7%	19.3%	534.2	608.4	-0.08%	13.8%	587.8	657.6	500.0	539.8	641.4	602.5	650.4	650.4	516.0	563.5	400.5	349.4	400.5	349.4	400.5	349.4	400.5	
% change: over previous year	4.7%	19.3%			-0.08%	13.8%	0.9%	3.8%	0.9%	17.8%	6.5%	9.6%	18.8%	10.2%	7.9%	7.9%	8.1%	7.3%	6.2%	-12.8%	-12.8%	6.2%	6.2%	6.2%	6.2%	
15. Air arrivals (000's)	100.9	129.9	6.6%	28.8%	126.3	151.1	-0.08%	19.6%	144.0	171.2	136.1	154.9	168.4	163.4	176.0	176.0	129.6	131.1	63.5	54.1	63.5	54.1	63.5	54.1	63.5	
% change: over previous year	6.6%	28.8%			-0.08%	19.6%	4.3%	9.4%	4.3%	18.8%	16.0%	15.2%	8.7%	12.9%	7.7%	17.7%	1.2%	1.2%	48.70%	-14.7%	48.70%	-14.7%	48.70%	-14.7%	48.70%	
16. Occupied Room Nights																										
% change: over previous year																										
17. Res. Mortgage Commitments-Value of New Const. & Rehab. (B\$Millions)																										
% change: over previous qtr.																										

* Includes Net Lending to Public Corporations
 ** Debt figures include Central Government only, unless otherwise indicated
 p- provisional