



Monthly Economic and Financial Developments January 2022

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:

2022: April 4; May 2; May 30; July 4; August 1; August 29; October 3; October 31; November 28; December 26



JANUARY 2022 SUMMARY

MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS

Overall Economic Activity

Indications are that the domestic economy maintained its positive growth momentum during the month of January, although continuing to be impacted by the ongoing spread of the Novel Coronavirus (COVID-19). Tourism output continued to strengthen, underpinned by ongoing gains in the high value-added air segment and the modest uptick in sea traffic, as vaccination efforts progressed.

Fiscal Developments

Provisional data on the Government's budgetary operations for the first six months of FY2021/22 revealed a significant narrowing in the deficit to \$269.0 million from \$736.2 million in the comparable FY2020/21 period. The outturn reflected a \$465.9 million (69.4%) growth in total revenue to \$1,137.3 million, combined with a \$1.3 million (0.1%) decline in aggregate expenditure to \$1,406.2 million.

Monetary Sector

Monetary developments were marked by a buildup in bank liquidity, despite the growth in the deposit base trailing the expansion in domestic credit. However, external reserves declined during the review month, largely attributed to net foreign currency outflows through the public sector.

International Economies

Global economic developments continued to be influenced by the ongoing spread of COVID-19 and its variants, which translated to mixed economic performances across the major economies. Accordingly, all major central banks maintained their highly accommodative monetary policy stances, in an effort to sustain financial stability and encourage economic growth.



Monthly Economic and Financial Developments (MEFD)

January 2022

1. Domestic Economic Developments

Overview

Preliminary indications are that the domestic economy maintained its growth trajectory during the month of January, although continuing to be impacted by the ongoing Novel Coronavirus (COVID-19) pandemic. Tourism sector output further recovered, undergirded by sustained gains in the high value-added air segment and the modest uptick in sea traffic, as vaccination efforts progressed. On the fiscal front, the overall deficit narrowed considerably during the first six months of FY2021/22, reflective of rebounded revenue collections, and a marginal decline in aggregate expenditure. Monetary developments featured an expansion in bank liquidity, despite the rise in the deposit base trailing the expansion in domestic credit. However, external reserves decreased during the review month, reflective of increased net foreign currency outflows through the public sector.

Real Sector

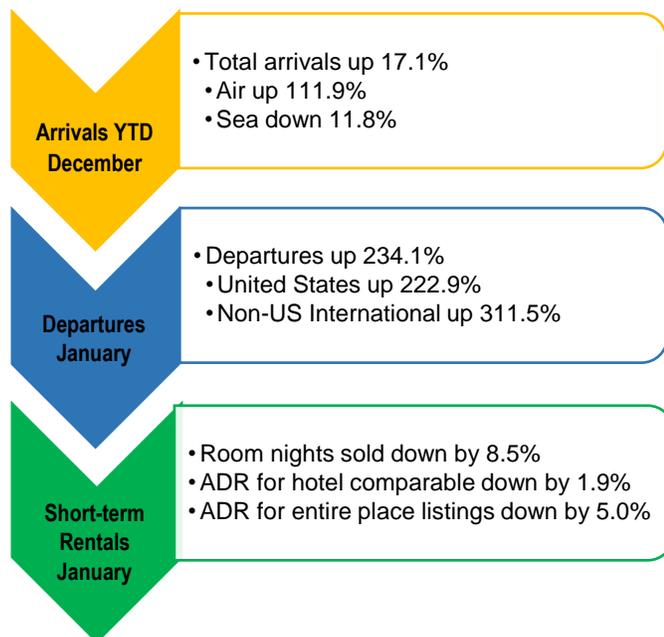
Tourism

Tourism metrics for the month of January indicated that the sector's output maintained its recovery momentum, notwithstanding the ongoing spread of the COVID-19 pandemic.

The latest available data from the Ministry of Tourism (MOT) showed that total visitor arrivals by first port of entry expanded to 500,718 in December, from a mere 33,681 in the corresponding period of 2020, when international borders reopened with restrictions. Underlying this outturn, air arrivals rose to 118,501, from 30,009 in the previous year—representing 84.6% of the air visitors recorded in 2019. In addition, sea traffic recovered to 382,217, relative to a volume of just 3,672 in the prior year.

A breakdown by major ports of entry revealed that total arrivals to New Providence advanced to 231,139 from 18,525 a year earlier. Contributing to this development, the sea and air segments measured 91,532 and 139,607, respectively. Foreign arrivals to Grand Bahama increased to 12,355, extending the volume of a mere 1,573 registered a year earlier, as air and sea arrivals amounted to 2,303 and 10,052, respectively. Further, traffic to the Family Islands strengthened to 257,224,

Chart 1: Tourism Indicators at a Glance



Sources: Ministry of Tourism, Nassau Airport Development Co. & AirDNA

Further, traffic to the Family Islands strengthened to 257,224,

from 13,583 in the prior year, supported by improvements in the air and sea components to 24,666 and 232,558, respectively.

On an annual basis, total arrivals rebounded by 17.1% in 2021, a reversal from a 75.2% reduction in 2020. Underlying this outturn, air arrivals rebounded sharply by 111.9%, following a 74.8% contraction in 2020, as all major markets registered gains during the review year. Further, the decrease in sea traffic moderated to 11.8% from a 75.4% falloff in 2020 (see Table 1).

Further cementing trends, data provided by the Nassau Airport Development Company Limited (NAD) revealed that total departures—net of domestic passengers—rose to 77,171 in January, from 23,099 in the corresponding month of 2021. In particular, U.S. departures increased to 65,200 from 20,190 in the prior year, while non-U.S. departures firmed to 11,971 from 2,909 a year earlier.

In the vacation rental market, data provided by AirDNA for the month of January indicated steady gains in the demand for short-term rentals. Specifically, during the review month, total room nights sold rose more than two-fold to 113,559 from 41,064 in the corresponding 2021 period. Reflective of this outcome, occupancy rates for both entire place and hotel comparable listings firmed to 50.8% and 47.9%, respectively, from 29.1% and 30.5% in the comparative COVID-19 constrained period last year. As depicted in Graph 1, price indicators showed that year-over-year, the average daily rate (ADR) for hotel comparable listings moved higher by 17.2% to \$177.75 and for entire place listings, by 14.5% to \$483.07.

Fiscal

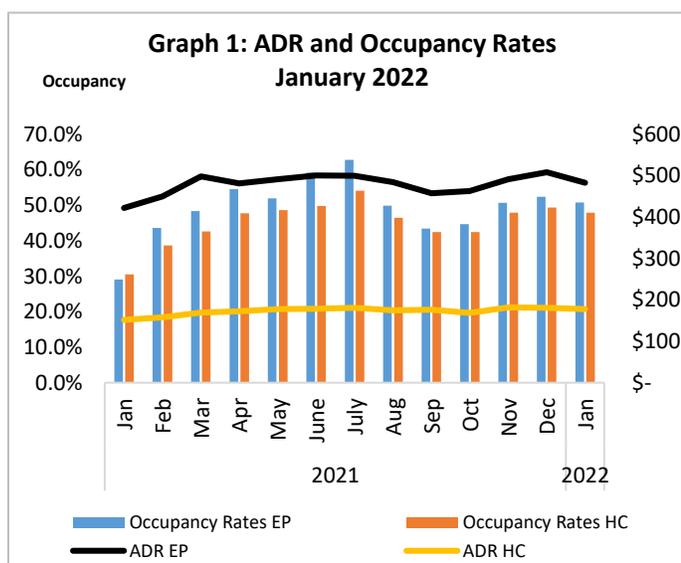
Provisional data on the Government’s budgetary operations for the first six months of FY2021/22 revealed a significant narrowing in the deficit to \$269.0 million from \$736.2 million in the comparable FY2020/21 period. The outturn reflected a \$465.9 million (69.4%) growth in total revenue to \$1,137.3 million, combined with a \$1.3 million (0.1%) decline in aggregate expenditure to \$1,406.2 million.

The recovery in total revenue was led by a \$402.7 million (70.7%) rise in tax revenue to \$972.1 million. Specifically, taxes on goods and services rose by \$265.4 million (60.3%), as VAT receipts more than doubled

Table 1: Total Visitor Arrivals January to December 2021

	New Providence (% Change)		Grand Bahama (% Change)		Family Islands (% Change)	
	2020	2021	2020	2021	2020	2021
Arrivals						
Air	-75.3	102.1	-77.4	68.7	-72.5	155.6
Sea	-79.6	-21.5	-78.6	-35.2	-69.2	0.0
Total	-78.2	22.2	-78.5	-24.4	-69.6	17.1

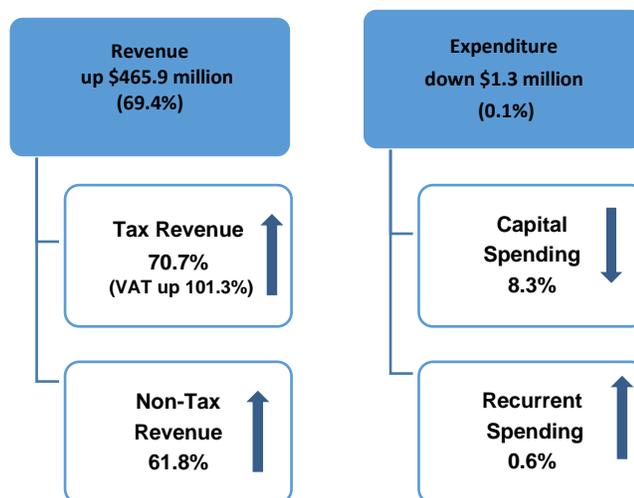
Sources: Ministry of Tourism



Sources: AirDNA

to \$576.5 million from \$286.4 million in the same period in FY2020/21, largely reflective of the measured pace of recovery in economic activity. Likewise, proceeds from gaming taxes advanced to \$21.4 million from \$11.0 million in the prior year. Taxes on the use or supply of goods and services also grew by \$22.9 million (71.6%) to \$55.0 million, underpinned by higher intake from business license (\$27.2 million), motor vehicle taxes (\$20.5 million) and marine licenses (\$2.0 million). Further, receipts from international trade and transactions—inclusive of customs & other import duties, taxes on exports and departure taxes—increased more than two-fold to \$225.8 million from \$103.2 million a year earlier. In addition, property tax collections advanced by \$11.8 million to \$36.8 million and general stamp taxes, by \$2.9 million to \$4.2 million, relative to the prior year. Similarly, non-tax revenue grew by \$63.0 million (61.8%) to \$165.0 million, largely associated with a rise in proceeds from the sale of goods and services, by \$45.8 million to \$111.7 million and property income, by \$32.6 million to \$49.5 million.

Chart 2: Budgetary Operations at a Glance
First Six Months of FY2020/2021



Source: The Ministry of Finance

The decrease in expenditure was mainly credited to a \$9.1 million (8.3%) reduction in capital outlays to \$100.2 million, explained by a \$6.4 million (24.7%) decline in capital transfers to \$19.5 million and to a lesser extent, a \$2.8 million (3.3%) falloff in the acquisition of non-financial assets to \$80.8 million. By contrast, recurrent spending grew by \$7.8 million (0.6%) to \$1,306.1 million, owing to a \$56.6 million (30.9%) rise in interest payments to \$239.8 million, compared to the same period in FY2020/2021, due to the elevated borrowings as a result of the COVID-19 pandemic. Further, personal emoluments and subsidies were higher by \$13.7 million (4.0%) to \$355.9 million and by \$5.7 million (2.6%) to \$225.0 million, respectfully. Providing some offset, outlays for social benefits reduced by \$41.5 million (23.5%) to \$134.8 million, while disbursements for the use of goods and services fell by \$21.2 million (7.9%) to \$246.0 million.

2. Monetary Trends

January 2022 vs. 2021

Liquidity

Monetary developments for the month of January were marked by a buildup in bank liquidity, despite the rise in the deposit base trailing the growth in domestic credit. In particular, excess reserves—a narrow measure of liquidity—grew by \$48.3 million to \$1,588.6 million, extending the \$14.7 million increase in the prior year. Likewise, excess liquid assets—the broad measure of liquidity—rose by \$13.8 million to \$2,447.6 million, a reversal from the \$3.7 million falloff in 2021.

External Reserves

During the review month, external reserves decreased by \$41.7 million to \$2,417.5 million, but was lower than the \$60.7 million reduction a year earlier. Underlying this outturn, the Central Bank's transactions with commercial banks, switched to a net purchase of \$48.2 million, vis-à-vis a net sale of \$32.8 million in the preceding year. Further, commercial banks net intake from customers broadened to \$73.7 million from just \$4.6 million in the same period of the previous year. Meanwhile, the Central Bank's net sale to the public sector widened to \$89.2 million from \$29.9 million a year earlier.

Exchange Control Sales

Provisional data on foreign currency sales for current account transactions for the month of January, revealed a \$218.1 million expansion in outflows, to \$556.2 million, vis-à-vis the same period of the preceding year, reflecting growth across almost all categories. Specifically, "other" current items moved higher by \$97.3 million—largely reflecting a rise in credit and debit card transactions—while non-oil imports and oil imports rose by \$51.6 million and by \$44.1 million, respectively. Likewise, factor income payments grew by \$23.4 million and travel related transactions, by \$3.2 million. Providing a modest offset, foreign currency sales for transfer payments decreased by \$1.5 million.

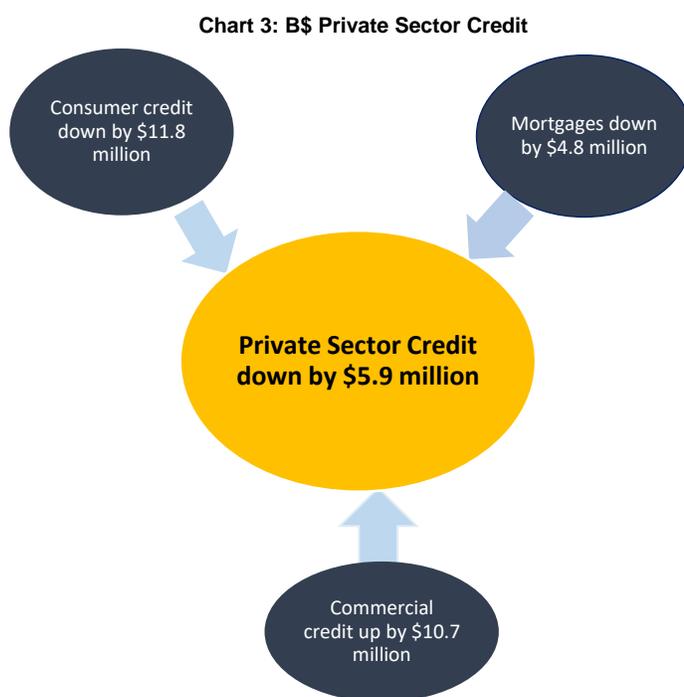
Domestic Credit

Bahamian Dollar Credit

The growth in total Bahamian dollar credit accelerated to \$73.5 million in January, from \$20.7 million in 2021. Leading this outturn, net claims on the Government expanded by \$80.5 million, surpassing the \$32.0 million buildup last year. Further, the falloff in private sector credit moderated to \$5.9 million from \$10.9 million in 2021, as the growth in commercial credit quickened to \$10.7 million from \$4.8 million a year earlier. In addition, the reduction in mortgages slowed to \$4.8 million from \$5.4 million in the prior year. However, the decrease in consumer credit extended to \$11.8 million from \$10.3 million in the previous year. Meanwhile, the decline in credit to public corporations deepened to \$1.1 million from \$0.4 million in 2021.

Foreign Currency Credit

The contraction in domestic foreign currency credit extended to \$69.1 million vis-à-vis \$1.8 million in the prior year. In particular, net claims on the Government reduced by \$63.0 million, a turnaround from a \$1.6 million uptick last year. Likewise, private sector credit decreased by \$6.1 million, following the \$3.4 million falloff in 2021. Specifically, the decline in commercial credit continued at \$5.3 million from \$4.0 million a year earlier,



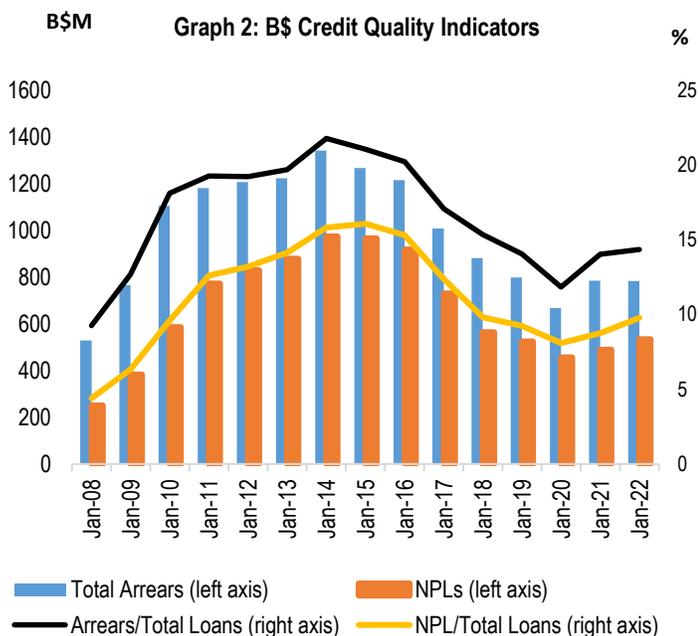
Source: Central Bank of The Bahamas

while mortgages fell by \$0.8 million, relative to a gain of \$0.6 million in the preceding year. Further, credit to public corporations registered a flat outturn, similar to the previous year.

Credit Quality

Commercial bank's credit quality indicators weakened during the month of January, largely attributed to a rise in non-performing loans (NPLs). In particular, total private sector arrears rose by \$5.3 million (0.7%) to \$785.1 million, elevating the attendant ratio by 13 basis points to 14.4%.

Disaggregated by the average age of delinquency, NPLs grew by \$7.0 million (1.3%) to \$534.9 million, resulting in the accompanying ratio moving higher by 15 basis points to 9.8%—with increases in the NPL rates for consumer loans, by 29 basis points to 10.2%; mortgages, by 7 basis points to 11.0%; and commercial loans by 7 basis points to 5.4%. In contrast, short-term arrears (31-90 days) declined by \$1.7 million (0.7%) to \$250.1 million, with the associated ratio narrowing by 2 basis points to 4.6%.



Source: Central Bank of The Bahamas

A breakdown by loan type revealed that consumer arrears increased by \$8.5 million (3.2%) to \$278.5 million, as both the long and short-term components rose by \$4.7 million (2.3%) and by \$3.8 million (5.6%), respectively. Likewise, mortgage delinquencies grew by \$5.2 million (1.2%) to \$443.6 million, with the short-term segment increasing by \$3.6 million (2.2%), while the non-accruals category moved higher by \$1.6 million (0.6%). Conversely, commercial loan arrears fell by \$8.4 million (11.8%) to \$63.0 million, owing to a \$9.1 million (38.3%) reduction in the short-term segment, as opposed to the \$0.7 million (1.5%) uptick in NPLs.

Meanwhile, banks increased their total provisions for loan losses by \$6.8 million (1.3%) to \$519.5 million. As a result, the ratio of total provisions to arrears edged up by 0.4 percentage points to 66.2%. However, the ratio for total provisions to non-performing loans remained at 97.1%. Further, the coverage ratio of specific provisions to NPLs firmed by 0.6 percentage points to 76.1%. During the review month, banks wrote-off an estimated \$5.1 million in overdue loans, and recovered approximately \$3.0 million.

In comparison to January 2021, the total private sector arrears rate firmed by 0.3 percentage points, as the non-accrual segment rose by 1.0 percentage points, while the short-term segment decreased by 0.7 percentage points. By loan type, the delinquency rate for consumer loans increased by 3.0 percentage points, while the mortgages and commercial loan delinquency rates lessened by 1.5 and by 0.3 percentage points, respectively.

Deposits

The growth in total Bahamian dollar deposits strengthened to \$66.8 million from \$45.0 million in 2021. Underlying this outturn, demand balances grew by \$85.1 million, extending the \$33.5 million accumulation last year. Further, the decline in savings deposits slowed slightly to \$1.0 million. Meanwhile, fixed deposits contracted by \$17.3 million, a reversal from an expansion of \$12.8 million in the same period in the prior year. In addition, the buildup in residents' foreign currency deposits improved slightly to \$11.8 million.

Interest Rates

In interest rates developments, banks' weighted average loan rate reduced by 32 basis points to 10.24%. Likewise, the weighted average deposit rate fell by 10 basis points to 0.43%, with the highest rate of 3.75% offered on fixed balances of over 12 months.

3. Domestic Outlook

The domestic economy is expected to sustain its modest growth momentum in 2022, undergirded by the sustained recovery in both stopover and cruise activities. However, the speed of the rebound in the tourism sector towards pre-COVID-19 levels, remains reliant on continued alleviation of globally imposed travel restrictions, strengthening of public health sector infrastructures and broadening of vaccination access across countries. Otherwise, new and ongoing foreign investment-led projects, combined with post-hurricane rebuilding works, are expected to provide continued support to the construction sector, and by extension growth prospects.

In terms of the labour market, the unemployment rate is projected to remain above pre-pandemic levels, with any job gains concentrated mainly in the construction sector and the full re-engagement of tourism sector employees. With regard to prices, inflationary pressures are anticipated to remain contained, although some firming is forecasted, as a result of the rise in international oil prices, increased costs on other imported goods, as a result of supply chain shortages, and geopolitical tensions in Eastern Europe.

On the fiscal front, the Government's net financing gap is expected to stay elevated, albeit trending downwards, as the revenue gap closes further. That said, higher outlays for health and social assistance related to COVID-19 continue to weigh on resources, alongside spending still associated with restoration of key infrastructure, following the 2019 major storm. Projected revenue shortfalls should persist, with expectations that taxable economic activity will remain below capacity, improving mostly in line with tourism recovery. The budgetary shortfall is expected to be financed with the important use of external credit, but with a likely sustainable, increased use of domestic borrowing.

Monetary sector developments will continue to feature elevated levels of banking sector liquidity, due to commercial banks maintaining their conservative lending stance. Further, external reserve balances are anticipated to remain buoyant over the course of the year, bolstered by expected foreign currency inflows from the tourism sector and other net private sector receipts, thus ending 2022 above the international benchmark—remaining more than adequate to sustain the Bahamian dollar currency peg.

4. Monetary Policy Implications

Based on the prevailing outlook, the Central Bank will retain its accommodative stance for private sector credit and continue to pursue policies that ensure a favorable outturn for external reserves, and mitigate

financial sector disruptions. In addition, the Bank will continue to assess developments within the foreign exchange market, and if necessary, adopt appropriate measures to support a positive outcome for foreign reserves.

APPENDIX

International Developments

During the month of January, global economic developments continued to be influenced by the ongoing spread of COVID-19 and its variants, which translated to mixed economic performances across the major economies. Accordingly, all major central banks maintained their highly accommodative monetary policy stances, in an effort to maintain financial stability and encourage economic growth.

Economic indicators in the United States were mostly positive over the review period. Specifically, the growth in real GDP strengthened to an annual rate of 6.9% in the fourth quarter of 2021, from 2.3% in the prior quarter, reflecting a rise in private inventory investment, exports, personal consumption expenditures, and non-residential fixed investment. Labor market conditions also improved in January, evidenced by a 40 basis point reduction in the unemployment rate to 4.0%, as the total non-farm payroll employment rose by 467,000, with notably job gains in leisure & hospitality and professional & business services. In terms of prices, the consumer price index (CPI) rose by 0.6% in January. Meanwhile, the volume of retail sales fell by 1.9% in January, over the prior month, while industrial production edged down by 0.1% in December, reflecting a decrease in manufacturing and utility output. In addition, the trade deficit grew by \$1.4 billion (1.8%) to \$80.7 billion in December, occasioned by a 1.6% uptick in imports, which surpassed the 1.5% gain in exports. In this environment, the Federal Reserve retained its benchmark interest rate at a range of 0.00%–0.25%.

Developments in European economies varied during the review month. Specifically, in the United Kingdom monthly real output growth fell to 0.2% in December, from 0.9% in the previous month. The consumer price index (CPI) firmed by 10 basis points to an annualized 4.9% in January. However, in labour market developments, indications are that the jobless rate declined in January, as 108,000 workers were added to the labour force during the review month. Further, monthly industrial production rose by 0.3% in December, owing to widespread gains in water & sewerage and electricity & gas; while, the volume of retail sales fell by 3.7%. In terms of the external sector, the trade deficit narrowed by £0.2 billion to £12.8 billion in the three-months ended December, as the 3.9% expansion in exports outstripped the 1.4% rise in imports. In the euro area, during the fourth quarter, real GDP growth moderated to 0.3%, from 2.3% in the previous quarter. In addition, annual inflation edged up to 5.1% in January from 5.0% in the previous month, led by a rise in energy and food costs. Meanwhile, the unemployment rate fell by 10 basis points in December to 7.0%. Further, retail sales volume declined by 3.0% in December, a turnaround from the 1.0% increase a month earlier. Based on the prevailing outlook, the Bank of England maintained its base rate at 0.25%, in an effort to curtail the country's rising inflation. Further, the European Central Bank kept interest rates on its main refinancing operations, marginal lending facility and deposit facility at 0.00%, 0.25% and -0.50%, respectively.

Within the Asian economies, economic indicators registered mixed performance over the review period. In China, during December, industrial production rose by 4.3% year-on-year, relative to the prior month, while retail sales volume grew by 1.7%. Further, the unemployment rate increased by 10 basis points to 5.1% in December. In Japan, the trade deficit surged to ¥2,191.1 billion in January, from ¥327.2 billion a year earlier, as the 39.6% growth in imports overshadowed the 9.6% rise in exports. Further, retail sales firmed by 1.4% in December, year-on-year, while industrial production advanced by 2.7% on an annual basis, although declining by 1.0% month-on-month. In the labour market, the jobless rate declined by 20 basis points to 2.5% in December, relative to the prior month, while the consumer price index firmed by 0.1%. In this uncertain environment, the People's Bank of China lowered its reverse repo rate by 10 basis points to 2.10%, while the Bank of Japan sustained its policy rate at -0.1%.

The major equity markets reported mostly negative movement in the month of January. In the United States, the S&P 500 and the Dow Jones Industrial Average (DJIA) decreased by 5.3% and by 3.3%, respectively. Further, in Europe, the German DAX and the French CAC 40, declined by 2.6% and by 2.2%, respectively. In Asia, the respective China's SE Composite and Japan's Nikkei 225, reduced by 7.7% and by 6.2%. In contrast, the United Kingdom's FTSE 100 firmed by 1.1%.

In currency market developments, during the month of January, the US dollar appreciated relative to all of the major currencies. Specifically, the US dollar strengthened against the Swiss Franc, by 1.6% to CHF0.9272, the euro, by 1.2% to €0.8900 and the British Pound, by 0.6% to £0.7436. Similarly, the US dollar increased vis-à-vis to the Canadian dollar, by 0.6% to CAD\$1.2708 and the Chinese Renminbi, by 0.1% to CNY6.3612. Meanwhile, the US dollar stabilized against the Japanese Yen, at ¥115.11.

As it relates to commodities, the market recorded mixed performance during the review month. In particular, the cost of crude oil rose by 15.3% to \$91.29 per barrel, in January, as OPEC crude oil production edged up by 0.06 millions of barrels per day (mb/d) over the prior month, to an average 27.98 mb/d in the review month. In contrast, the prices of both silver and gold fell by 1.8% each, to \$22.89 and \$1797.17 per troy ounce, respectively.

Recent Monetary and Credit Statistics

(B\$ Millions)

January					
Value		Change		Change YTD	
2021	2022	2021	2022	2021	2022

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	1,450.94	1,588.55	14.68	48.25	14.68	48.25
1.2 Excess Liquid Assets	2,225.98	2,447.57	-3.73	13.82	-3.73	13.82
1.3 External Reserves	2,319.87	2,417.46	-60.72	-41.70	-60.72	-41.70
1.4 Bank's Net Foreign Assets	-65.97	179.21	31.94	94.25	31.94	94.25
1.5 Usable Reserves	1,217.76	1,203.89	-37.43	-61.47	-37.43	-61.47

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,719.78	5,576.32	-14.27	-12.01	-14.27	-12.01
a. B\$ Credit	5,578.01	5,455.02	-10.88	-5.90	-10.88	-5.90
of which: Consumer Credit	2,026.54	1,878.93	-10.31	-11.84	-10.31	-11.84
Mortgages	2,789.43	2,741.32	-5.41	-4.79	-5.41	-4.79
Commercial and Other Loans B\$	762.03	834.77	4.84	10.73	4.84	10.73
b. F/C Credit	141.77	121.30	-3.39	-6.11	-3.39	-6.11
of which: Mortgages	63.92	68.20	0.64	-0.83	0.64	-0.83
Commercial and Other Loans F/C	77.85	53.11	-4.04	-5.28	-4.04	-5.28
2.2 Central Government (net)	2,562.14	2,962.94	33.51	17.56	33.51	17.56
a. B\$ Loans & Securities	2,733.42	3,153.21	2.83	0.89	2.83	0.89
Less Deposits	343.18	293.50	-29.12	-79.63	-29.12	-79.63
b. F/C Loans & Securities	174.10	106.34	0.00	-63.63	0.00	-63.63
Less Deposits	2.20	3.11	-1.56	-0.67	-1.56	-0.67
2.3 Rest of Public Sector	322.83	315.48	-0.41	-1.14	-0.41	-1.14
a. B\$ Credit	275.75	285.48	-0.41	-1.14	-0.41	-1.14
b. F/C Credit	47.08	30.00	0.00	0.00	0.00	0.00
2.4 Total Domestic Credit	8,604.75	8,854.74	18.83	4.42	18.83	4.42
a. B\$ Domestic Credit	8,244.00	8,600.20	20.66	73.48	20.66	73.48
b. F/C Domestic Credit	360.75	254.53	-1.84	-69.06	-1.84	-69.06

3.0 DEPOSIT BASE

3.1 Demand Deposits	3,141.73	3,491.15	33.49	85.05	33.49	85.05
a. Central Bank	38.36	62.91	-13.88	1.55	-13.88	1.55
b. Banks	3,103.38	3,428.24	47.37	83.50	47.37	83.50
3.2 Savings Deposits	1,783.29	1,879.85	-1.31	-0.96	-1.31	-0.96
3.3 Fixed Deposits	2,263.20	2,163.51	12.83	-17.29	12.83	-17.29
3.4 Total B\$ Deposits	7,188.22	7,534.51	45.01	66.79	45.01	66.79
3.5 F/C Deposits of Residents	438.12	544.75	10.78	11.76	10.78	11.76
3.6 M2	7,547.76	7,905.10	27.37	48.15	27.37	48.15
3.7 External Reserves/M2 (%)	30.74	30.58	-0.92	-0.72	-0.92	-0.72
3.8 External Reserves/Base Money (%)	109.64	106.23	-2.74	-7.72	-2.74	-7.72
3.9 External Reserves/Demand Liabilities (%)	105.25	99.60	-0.52	-3.40	-0.52	-3.40
	Value		Year To Date		Change	
	2021	2022	2021	2022	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	-62.64	-41.00	-62.64	-41.00	21.64	21.64
a. Net Purchase/(Sale) from/to Banks	-32.79	48.20	-32.79	48.20	80.99	80.99
i. Sales to Banks	36.10	56.90	36.10	56.90	20.80	20.80
ii. Purchase from Banks	3.31	105.10	3.31	105.10	101.79	101.79
b. Net Purchase/(Sale) from/to Others	-29.85	-89.20	-29.85	-89.20	-59.35	-59.35
i. Sales to Others	46.24	131.50	46.24	131.50	85.26	85.26
ii. Purchase from Others	16.39	42.30	16.39	42.30	25.91	25.91
4.2 Banks Net Purchase/(Sale)	4.57	73.66	4.57	73.66	69.09	69.09
a. Sales to Customers	321.35	541.53	321.35	541.53	220.18	220.18
b. Purchase from Customers	325.92	615.19	325.92	615.19	289.27	289.27

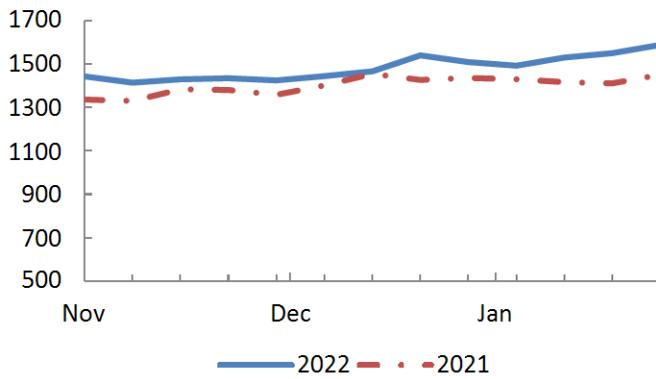
5.0 EXCHANGE CONTROL SALES

5.1 Current Items	338.04	556.16	338.04	556.16	218.11	218.11
of which Public Sector	25.79	46.09	25.79	46.09	20.30	20.30
a. Nonoil Imports	103.71	155.32	103.71	155.32	51.61	51.61
b. Oil Imports	8.40	52.49	8.40	52.49	44.08	44.08
c. Travel	10.25	13.41	10.25	13.41	3.16	3.16
d. Factor Income	18.12	41.54	18.12	41.54	23.42	23.42
e. Transfers	21.46	19.97	21.46	19.97	-1.49	-1.49
f. Other Current Items	176.10	273.42	176.10	273.42	97.33	97.33
5.2 Capital Items	7.19	101.90	7.19	101.90	94.72	94.72
of which Public Sector	3.95	87.34	3.95	87.34	83.39	83.39

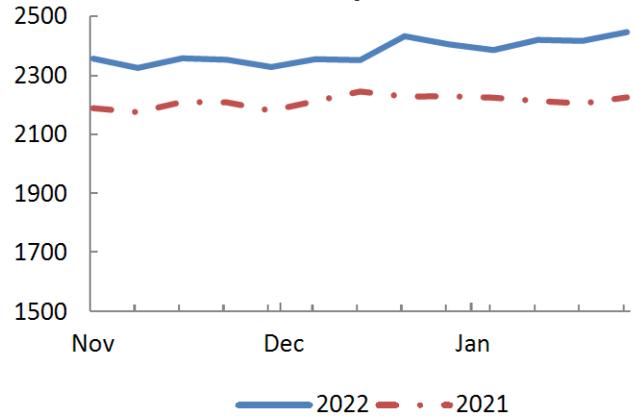
SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)

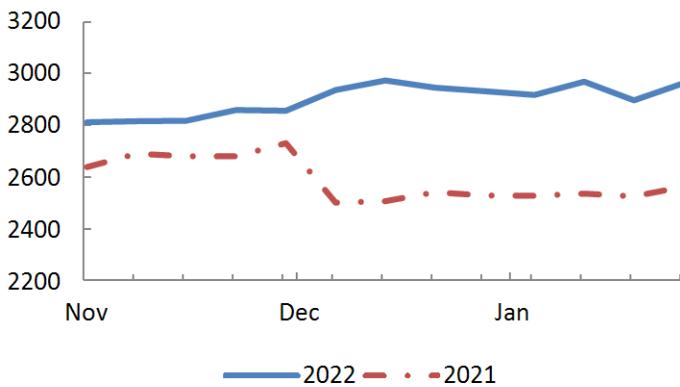
Excess Reserves



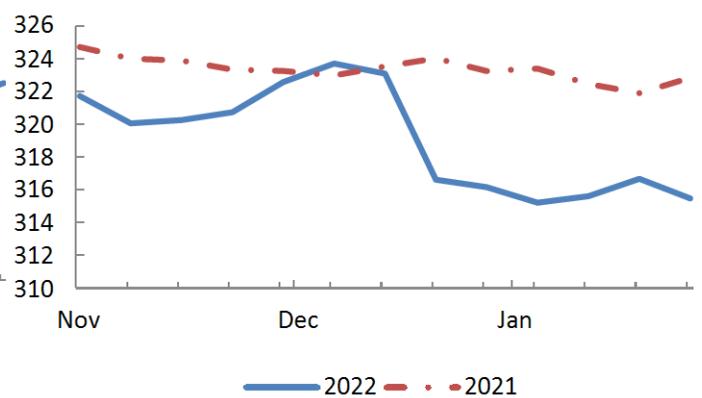
Excess Liquid Assets



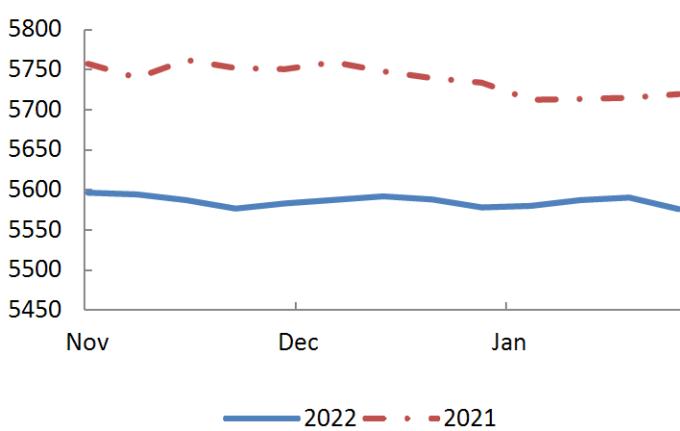
Central Govt. Credit (Net)



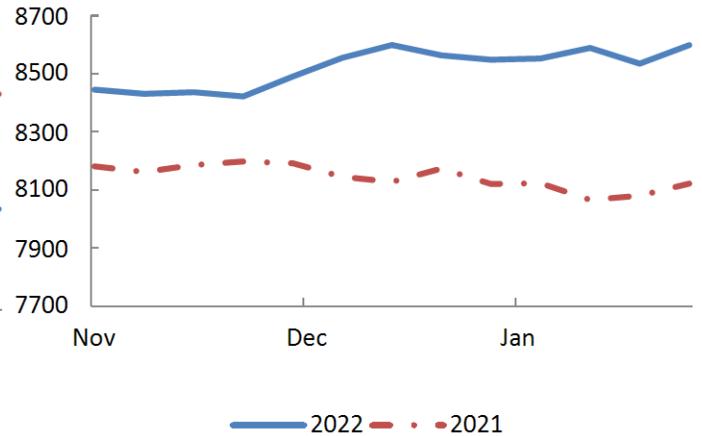
Rest of Public Sector Credit



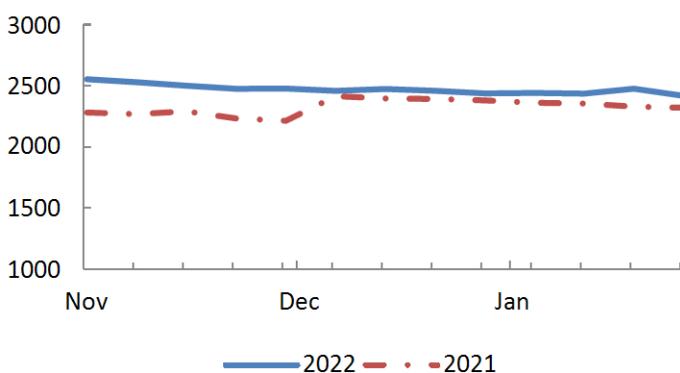
Private Sector Credit



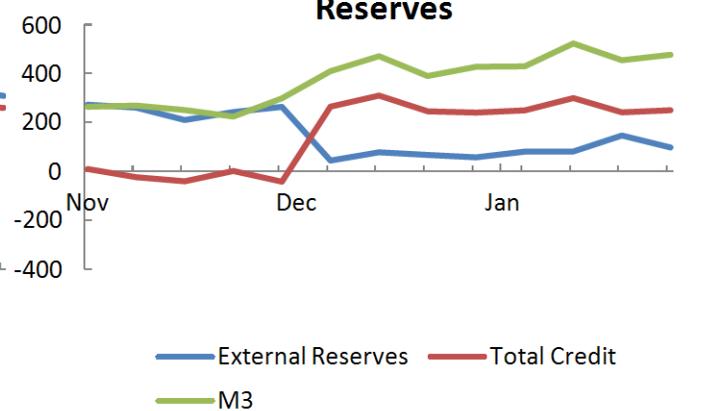
M3



External Reserves



Changes in Money, Credit & Ext. Reserves



Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2020	2021	2020	2021	2020	2021
Bahamas	-14.5	2.0	1.2	5.0	25.6	21.5
United States	-3.5	6.4	1.2	4.3	8.1	5.8
Euro-Area	-6.3	5.0	0.3	2.2	7.9	8.0
Germany	-4.6	3.1	0.4	2.9	3.8	3.7
Japan	-4.6	2.4	0.0	-0.2	2.8	2.8
China	2.3	8.0	2.4	1.1	4.2	3.8
United Kingdom	-9.8	6.8	0.9	2.2	4.5	5.0
Canada	-5.3	5.7	0.7	3.2	9.6	7.7

Source: IMF World Economic Outlook October 2021.

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
November 2019	4.00	0.00	2.25	1.50-1.75	0.75
December 2019	4.00	0.00	2.25	1.50-1.75	0.75
January 2020	4.00	0.00	2.25	1.50-1.75	0.75
February 2020	4.00	0.00	2.25	0.00-0.25	0.25
March 2020	4.00	0.00	1.02	0.00-0.25	0.10
April 2020	4.00	0.00	0.25	0.00-0.25	0.10
May 2020	4.00	0.00	0.25	0.00-0.25	0.10
June 2020	4.00	0.00	0.25	0.00-0.25	0.10
July 2020	4.00	0.00	0.25	0.00-0.25	0.10
August 2020	4.00	0.00	0.25	0.00-0.25	0.10
September 2020	4.00	0.00	0.25	0.00-0.25	0.10
October 2020	4.00	0.00	0.25	0.00-0.25	0.10
November 2020	4.00	0.00	0.25	0.00-0.25	0.10
December 2020	4.00	0.00	0.25	0.00-0.25	0.10
January 2021	4.00	0.00	0.25	0.00-0.25	0.10
February 2021	4.00	0.00	0.25	0.00-0.25	0.10
March 2021	4.00	0.00	0.25	0.00-0.25	0.10
April 2021	4.00	0.00	0.25	0.00-0.25	0.10
May 2021	4.00	0.00	0.25	0.00-0.25	0.10
June 2021	4.00	0.00	0.25	0.00-0.25	0.10
July 2021	4.00	0.00	0.25	0.00-0.25	0.10
August 2021	4.00	0.00	0.25	0.00-0.25	0.10
September 2021	4.00	0.00	0.25	0.00-0.25	0.10
October 2021	4.00	0.00	0.25	0.00-0.25	0.10
November 2021	4.00	0.00	0.25	0.00-0.25	0.10
December 2021	4.00	0.00	0.25	0.00-0.25	0.25
January 2022	4.00	0.00	0.25	0.00-0.25	0.25

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Jan-21	Dec-21	Jan-22	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.8240	0.879507	0.890076	1.20	1.20	8.02
Yen	104.68	115.08	115.11	0.03	0.03	9.96
Pound	0.7295	0.738989	0.74366	0.63	0.63	1.94
Canadian \$	1.2777	1.2637	1.2708	0.56	0.56	-0.54
Swiss Franc	0.8903	0.9129	0.9272	1.57	1.57	4.14
Renminbi	6.4283	6.3561	6.3612	0.08	0.08	-1.04

Source: Bloomberg as of January 31st, 2022

D. Selected Commodity Prices (\$)					
Commodity	Jan-21	Dec-2021	Jan 2022	Mthly % Change	YTD % Change
Gold / Ounce	1847.65	1829.20	1797.17	-1.75104	-1.75104
Silver / Ounce	26.99	23.3083	22.8986	-1.75774	-1.75774
Oil / Barrel	55.88	79.20	91.29	15.26515	15.26515

Source: Bloomberg as of January 31st, 2022

E. Equity Market Valuations –January 31st, 2022 (% change)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	-1.36	-3.32	-5.26	1.08	-2.15	-2.60	-6.22	-7.65
3 month	5.42	-1.92	-1.95	3.13	2.47	-1.39	-6.54	-5.24
YTD	-1.36	-3.32	-5.26	1.08	-2.15	-2.60	-6.22	-7.65
12-month	5.98	17.17	21.57	16.49	29.63	15.17	-2.39	-3.49

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	0.1350	0.2100	-0.5525
1 Month	0.1850	0.4200	-0.5250
3 Month	0.3200	0.5500	-0.5350
6 Month	0.5950	0.7375	-0.5350
9 Month	0.7600	1.0200	-0.5075
1 year	0.9750	1.0850	-0.4950

Source: Bloomberg as of January 31st, 2022

**Summary Accounts of the Central Bank
(B\$ Millions)**

	VALUE								CHANGE							
	Dec. 15	Dec. 22	Dec. 29	Jan. 05	Jan. 12	Jan. 19	Jan. 26	Feb. 02	Dec. 15	Dec. 22	Dec. 29	Jan. 05	Jan. 12	Jan. 19	Jan. 26	Feb. 02
I. External Reserves	2,458.86	2,474.22	2,459.16	2,437.86	2,441.66	2,435.97	2,476.17	2,417.46	(18.58)	15.35	(15.06)	(21.30)	3.80	(5.68)	40.20	(58.72)
II. Net Domestic Assets (A + B + C + D)	(328.30)	(295.44)	(300.92)	(235.04)	(258.05)	(229.95)	(256.55)	(141.67)	42.43	32.86	(5.48)	65.88	(23.01)	28.11	(26.60)	114.88
A. Net Credit to Gov't (I + ii + iii -iv)	426.68	467.64	455.36	451.02	440.21	449.55	453.98	541.36	67.18	40.96	(12.29)	(4.34)	(10.81)	9.35	4.43	87.38
i) Advances	235.00	265.00	265.00	265.00	265.00	265.00	265.00	265.00	-	30.00	-	-	-	-	-	-
ii) Registered Stock	343.91	344.62	344.22	336.52	336.84	342.07	333.74	333.93	80.35	0.71	(0.40)	(7.70)	0.32	5.23	(8.33)	0.19
iii) Treasury Bills	27.43	27.43	13.89	13.89	13.89	13.89	30.61	30.61	-	-	(13.54)	-	-	-	16.73	-
iv) Deposits	179.65	169.40	167.75	164.39	175.52	171.40	175.38	88.19	13.17	(10.25)	(1.65)	(3.36)	11.13	(4.12)	3.97	(87.19)
B. Rest of Public sector (Net) (i+ii-iii)	(49.64)	(49.84)	(54.40)	(61.84)	(70.57)	(51.28)	(53.74)	(55.95)	(34.93)	(0.20)	(4.56)	(7.44)	(8.73)	19.30	(2.46)	(2.21)
i) Loans	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	-	-	-	-	-	-	-	-
ii) Bonds/Securities	5.09	5.09	5.09	5.09	5.09	5.09	5.09	5.09	-	-	-	-	-	-	-	0.00
iii) Deposits	56.60	56.80	61.37	68.81	77.54	58.24	60.70	62.91	34.93	0.20	4.56	7.44	8.73	(19.30)	2.46	2.21
C. Loans to/Deposits with Banks	-	-	-	-	-	-	-	-	-							
D. Other Items (Net)*	(705.35)	(713.25)	(701.88)	(624.22)	(627.69)	(628.22)	(656.79)	(627.09)	10.18	(7.90)	11.37	77.66	(3.47)	(0.53)	(28.57)	29.70
III. Monetary Base	2,130.57	2,178.77	2,158.24	2,202.82	2,183.60	2,206.03	2,219.62	2,275.79	23.85	48.21	(20.54)	44.58	(19.22)	22.42	13.60	56.16
A. Currency in Circulation	509.56	545.88	559.14	547.16	536.25	522.97	514.41	516.48	2.54	36.32	13.26	(11.98)	(10.91)	(13.27)	(8.56)	2.07
B. Bank Balances with CBOB	1,621.01	1,632.89	1,599.10	1,655.66	1,647.36	1,683.05	1,705.22	1,759.31	21.31	11.88	(33.79)	56.56	(8.30)	35.70	22.16	54.09

