



Monthly Economic and Financial Developments July 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: October 3; October 31; November 28; December 28



JULY 2022 SUMMARY

MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS

Overall Economic Activity

The domestic economy further recovered during the month of July, continuing to rebound from the setbacks caused by the Novel Coronavirus (COVID-19) pandemic. Tourism output continued to strengthen, undergirded by notable gains in the high value-added air segment and the sustained recovery in sea traffic, due to vaccine efficacy and the relaxation of COVID-19 restrictions in the major source markets.

Inflation

Average consumer price inflation—as measured by changes in the average Retail Price Index (RPI) for The Bahamas—rose during the twelve months to June, reflective of the pass-through effects of higher global oil prices.

Monetary Sector

Monetary developments were marked by a buildup in bank liquidity, as the growth in the deposit base, contrasted with the reduction in domestic credit. Further, external reserves grew during the review month, supported by net foreign currency inflows through the private sector.

International Economies

Global economic performance indicators were mixed, as the long term effects of the COVID-19 pandemic and the geopolitical tensions in Eastern Europe continue to impact economic activities. Accordingly, some of the major central banks tightened their monetary policy stances, in an effort to maintain financial stability and curtail rising inflation.



Monthly Economic and Financial Developments (MEFD)

July 2022

1. Domestic Economic Developments

Overview

Preliminary indications are that during July, the domestic economy recovered further from the impact of the Novel Coronavirus (COVID-19) pandemic. Tourism output continued to strengthen, undergirded by notable gains in the high value-added air segment and the sustained rebound in sea traffic, due to vaccine efficacy and the relaxation of COVID-19 restrictions in the major source markets. In latest data, domestic inflation rose during the twelve months through June, reflective of higher global oil prices. Monetary developments for the month of July featured an expansion in bank liquidity, as the buildup in the deposit base, contrasted with the reduction in domestic credit. Further, external reserves increased during the review month, supported by net foreign currency inflows through the private sector.

Real Sector

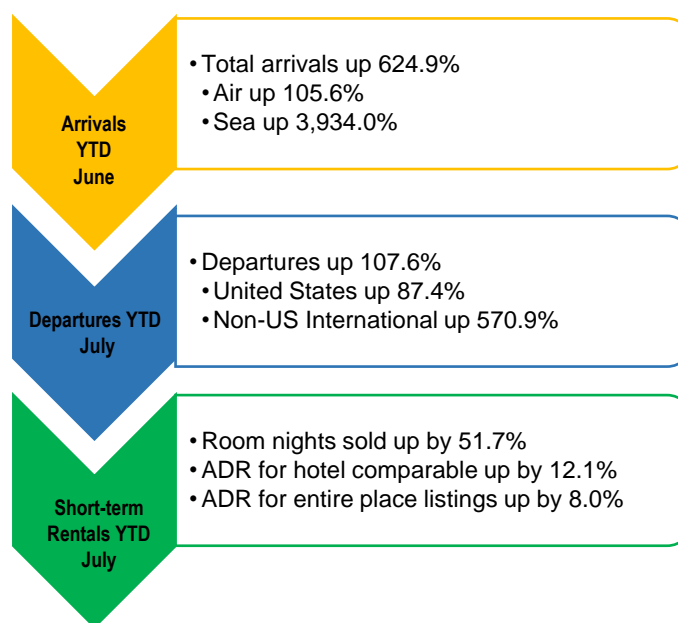
Tourism

Initial data suggested that monthly tourism sector activity maintained its growth momentum in July, as major source markets further relaxed COVID-19 restrictions.

Official data provided by the Ministry of Tourism (MOT) showed that total visitor arrivals by first port of entry rose to 562,485 in June, from 135,092 visitors in the comparative period of 2021. Contributing to this development, the dominant sea segment expanded to 421,225 visitors from 21,903 in the prior year. Similarly, air traffic increased to 141,260 from 113,189 in the previous year—restoring 83.9% of the volumes registered in 2019.

A breakdown by major port of entry revealed that total arrivals to New Providence more than tripled to 265,252 visitors in June, from 83,314 in the corresponding period of 2021. Underlying this outturn, the air and sea segments both rose to 109,336 and 155,916 visitors, respectively. Likewise, traffic to the Family Islands strengthened to 261,812 from 44,543 a year earlier, as respective air and sea passengers measured 29,040 and 232,772. Further, foreign arrivals to Grand Bahama increased to 35,421 from 7,235 in the previous year, owing to gains in the air and sea components to 2,884 and 32,537, respectively.

Chart 1: Tourism Indicators at a Glance



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

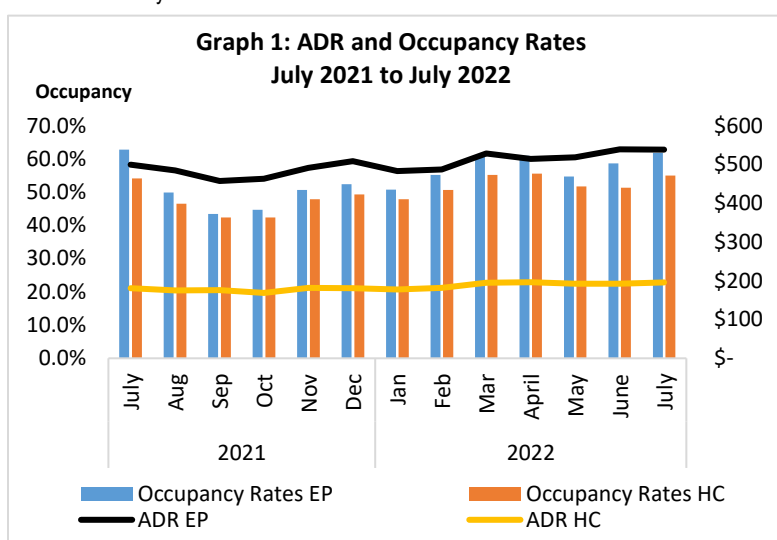
On a year-to-date basis, total arrivals rebounded to 2,998,419 compared to 413,653 in the corresponding 2021 period, when a 75.7% contraction was registered. Underlying this outcome, air arrivals rose to 734,976 passengers, extending the 2.2% gain in the preceding year, supported by growth in all major source markets. Further, sea arrivals increased to 2,263,443 visitors, following a 95.9% falloff in 2021 (see Table 1).

Table 1: Total Visitor Arrivals January - June 2022

	New Providence (% Change)		Grand Bahama (% Change)		Family Islands (% Change)	
Arrivals	2021	2022	2021	2022	2021	2022
Air	-16.4	131.9	-7.0	111.5	107.1	46.1
Sea	-98.8	12583.6	-89.5	1085.2	-94.2	3128.7
Total	-71.6	483.9	-82.7	654.0	-79.7	860.1

Source: Ministry of Tourism

The most recent data provided by the Nassau Airport Development Company Limited (NAD) indicated that for the month of July, total departures—net of domestic passengers—advanced to 144,368 from 114,548 in the corresponding month of 2021. In particular, U.S. departures accelerated to 129,181 from 109,454 in the prior year, while non-U.S. departures grew to 15,187, vis-à-vis 5,094 in the previous year. On a year-to-date basis, total outbound traffic more than doubled to 775,852, from 373,787 passengers in the preceding year, a recovery from the 2.0% decline last year. Reflecting this outturn, U.S. departures rose by 87.4% to 671,192 visitors, surpassing the 12.1% increase in the comparative period in 2021. Similarly, non-U.S. departures accelerated to 104,660, a reversal from the 74.7% contraction in the corresponding period last year.



Source: AirDNA

In the short-term vacation rental market, data provided by AirDNA for July revealed ongoing gains. In particular during the month, total room nights sold expanded to 170,904, from 129,708 in the corresponding 2021 period. Underlying this outturn, the occupancy rate for hotel comparable listings firmed to 55.0%, from 54.1% a year earlier. Conversely, the occupancy rate for entire place listings declined marginally to 61.8% from 62.8% in the previous year. Further, as depicted in Graph 1, price indicators showed that year-over-year, the average daily room rate (ADR) for both entire place listings and hotel comparable listings grew by 7.7% and 8.3%, to \$538.01 and \$195.88, respectively.

Prices

Reflective of the pass-through effects of the increase in global oil prices and supply chain shortages, domestic consumer price inflation—as measured by the All Bahamas Retail Price Index—rose to 4.4% during the twelve months to June, from 0.9% in the same period of 2021. Leading this outturn, average costs for transport rose by 14.2%; for communication, by 12.2%, for education, by 2.3%, and for recreation & culture,

by 1.3%, after posting respective reductions in the prior year. Further, average inflation accelerated for food & non-alcoholic beverages (7.0%), restaurant and hotels (6.8%), clothing and footwear (5.4%), health (4.8%), and furnishing, household equipment & maintenance (2.1%). Similarly, the rise in average costs quickened for alcoholic beverages, tobacco & narcotics and housing, water, gas, electricity & other fuels, by 2.8% each. Providing some offset, the average cost for miscellaneous goods & services decreased by 1.8%, following a gain of 2.7% in 2021.

2. Monetary Trends

June 2022 vs. 2021

Liquidity

Monetary developments for the month of July featured a growth in banking sector liquidity, as the buildup in the deposit base, contrasted with the contraction in domestic credit. In particular, excess reserves—a narrow measure of liquidity—grew by \$261.0 million to \$2,301.5 million, a reversal from the decline of \$122.1 million in the prior year. Similarly, excess liquid assets—a broad measure of liquidity—expanded by \$325.5 million to \$2,995.9 million, vis-à-vis a \$19.3 million decrease a year earlier.

External Reserves

External reserves increased by \$83.6 million to \$3,330.7 million during the review month, expanding the \$37.0 million accumulation in 2021, buoyed by net foreign currency inflows through the private sector. Contributing to this outturn, the Central Bank's net foreign currency purchases from the public sector broadened to \$54.8 million, from \$15.3 million in the preceding year. In addition, the Central Bank's net purchases from the commercial banks rose to \$33.9 million from \$21.5 million in the same period last year. Further, commercial banks' net intake from their clients grew to \$23.1 million from \$20.4 million in the prior year.

Exchange Control Sales

Preliminary data on foreign currency sales for current account transactions showed a \$99.7 million rise in outflows to \$563.1 million in July, relative to the same period in the previous year. Specifically, payments for "other" current items moved higher by \$53.2 million—primarily credit and debit card transactions—while oil and non-oil imports rose by \$42.4 million and by \$21.0 million, respectively. Further, increases were registered for transfer payments (\$6.7 million) and travel-related transactions (\$1.7 million). In a modest offset, factor income payments decreased by \$15.6 million, compared to the same period last year.

Domestic Credit

Bahamian Dollar Credit

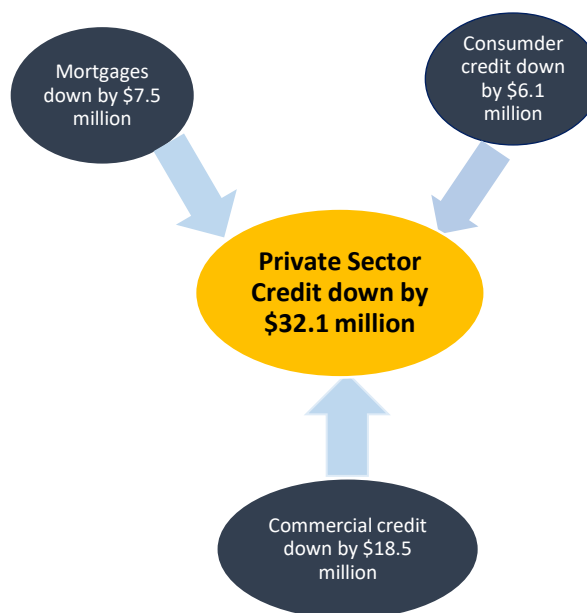
The contraction in total Bahamian dollar credit widened to \$82.6 million in July, from just \$5.6 million in the same period last year. Leading this development, the falloff in net claims on the Government extended to \$51.2 million from \$21.2 million in 2021. Further, private sector credit declined by \$32.1 million, a switch from a \$3.6 million uptick in 2021. In particular, commercial credit reduced by \$18.5 million, a reversal from a \$7.6 million growth in the preceding year. In addition, the reduction in mortgages and consumer credit deepened

to \$7.5 million and \$6.1 million, from \$2.2 million and \$1.9 million, respectively. Meanwhile, credit to public corporations edged up by \$0.7 million, albeit a slowdown from the \$12.1 million gain in the prior year.

Foreign Currency Credit

Domestic foreign currency credit declined by \$3.8 million, a turnaround from the \$8.6 million growth in 2021. Specifically, net claims on the Government decreased by \$2.6 million, vis-à-vis a \$4.6 million gain in the prior year. In addition, credit to the private sector fell by \$1.3 million, a reversal from the \$4.0 million accumulation in the previous year, with reductions recorded for mortgages (\$0.9 million) and commercial credit (\$0.3 million). Meanwhile, credit to public corporations recorded a flat outturn.

Chart 2: B\$ Private Sector Credit



Source: Central Bank of The Bahamas

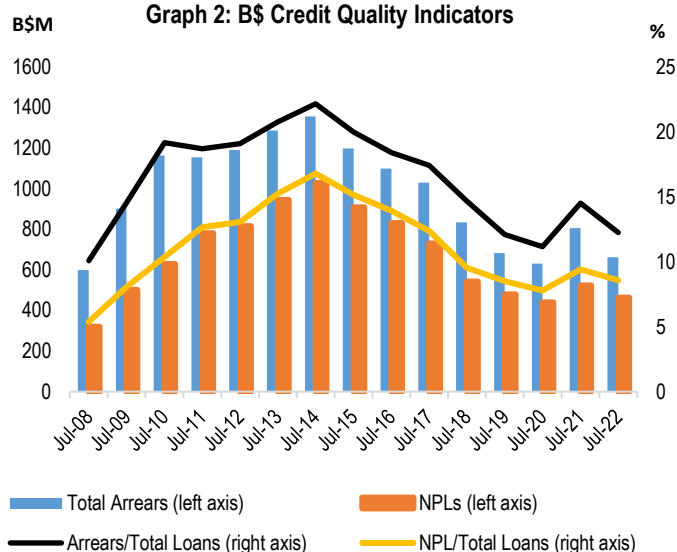
Credit Quality

During the month of July, commercial banks' credit quality indicators further improved, reflective of decreases in both short and long-term arrears. Specifically, total private sector arrears were reduced by \$27.2 million (3.9%) to \$661.9 million, corresponding with a 48 basis point decrease in the associated ratio, to 12.2% of outstanding claims.

An analysis by average age of delinquency showed that, non-performing loans (NPLs) fell by \$23.9 million (4.9%) to \$463.9 million, with the relevant ratio lower by 43 basis points, at 8.6%—with declines in the NPL rates for commercial loans, by 57 basis points, to 5.3%; consumer loans, by 53 basis points, to 7.9% and mortgages, by 30 basis points, to 10.3%. In addition, short-term arrears (31-90 days) reduced by \$3.3 million (1.6%) to \$198.0 million, with the accompanying ratio narrowing by 5 basis points to 3.7%.

Disaggregated by loan category, consumer delinquencies contracted by \$13.0 million (5.9%) to \$208.5 million, as both the non-accruals and short-term segments fell by \$11.2 million (6.7%) and by \$1.8 million (3.3%), respectively. Similarly, mortgage arrears declined by \$9.6 million (2.4%) to \$392.3 million, reflecting respective falloffs in long and short-term arrears, of \$7.7 million (2.9%) and \$1.9 million (1.4%). Further,

Graph 2: B\$ Credit Quality Indicators



Source: Central Bank of The Bahamas

commercial arrears reduced by \$4.6 million (7.0%) to \$61.1 million, as the non-performing segment decreased by \$5.0 million (9.3%), overshadowing a \$0.4 million (2.9%) uptick in the short-term component.

Banks' total provisions for loan losses declined by \$18.3 million (3.9%) to \$447.9 million, in July. As a result, the ratio of total provisions to arrears was unchanged at 67.7%. However, the ratio of total provisions to NPLs firmed by 97 basis points to 96.5%. Further, the coverage ratio of specific provisions to non-accruals rose by 80 basis points to 76.5%. During the review month, banks wrote-off an estimated \$19.4 million in overdue loans and recovered approximately \$4.5 million.

Relative to July 2021, the total private sector arrears rate fell by 2.3 percentage points. In particular, the short-term component decreased by 1.4 percentage points and the long-term category by 0.8 percentage points. By loan type, the arrears rate on commercial credit reduced by 2.5 percentage points; mortgages, by 2.4 percentage points and consumer loans, by 1.9 percentage points.

Deposits

The growth in total Bahamian dollar deposits moderated to \$64.3 million, from \$71.2 million in the corresponding period of 2021. By component, the buildup in savings deposits accelerated to \$49.3 million from \$33.0 million a year earlier. Further, demand balances rose by \$26.4 million, extending last year's accumulation of \$24.4 million. Providing some offset, fixed deposits decreased by \$11.4 million, a reversal from the \$13.8 million gain in the previous year. Meanwhile, the contraction in residents' foreign currency deposits slowed to \$7.3 million from \$41.3 million in 2021.

Interest Rates

During the month of July, banks' weighted average loan rate fell by 53 basis points, to 10.92%. Meanwhile, the weighted average deposit rate edged up by 1 basis point, to 0.51%, with the highest rate of 3.75% offered on fixed balances over 12 months.

3. Domestic Outlook

The domestic economy is expected to maintain its recovery trajectory in 2022, supported by further strengthening in tourism sector output. However, downside risks to the industry persist, as the emergence of new strains of the COVID-19 virus could potentially stall the progress made on the international health front and disrupt travel sector activity. In addition, rising energy costs could erode the travel industry's competitiveness, while the major central banks' counter-inflation policies could constrain travel spending capacity of key source market consumers. Nonetheless, new and ongoing foreign investment-led projects, combined with post-hurricane rebuilding works, are anticipated to provide stimulus via the construction sector, which will foster economic growth.

In the labor market, the unemployment rate is forecasted to remain above pre-pandemic levels, although decreasing, with job gains concentrated predominantly in the construction sector, and the full rehiring of tourism sector employees. In terms of prices, inflation is projected to remain elevated, attributed to the rise in international oil prices, higher costs for other imported goods and supply chain shortages, related to geopolitical tensions in Eastern Europe.

In the fiscal sector, the Government's net financing gap is anticipated to stay elevated, albeit trending downwards. Specifically, the Government's fiscal position is expected to remain impacted by ongoing

disbursements for health and social welfare outlays related to COVID-19, alongside investments still associated with the restoration of key infrastructure following the major hurricane in 2019. Further, the recovery in revenue is anticipated to be significantly linked to tourism-led improving trends in taxable economic activity. Financing of the estimated budgetary gap is expected to require a blend of domestic and external borrowings, but with a likely increased ratio of the total funding coming from domestic sources.

Monetary sector developments will include high levels of banking sector liquidity, as commercial banks sustain their conservative lending posture. Further, external reserves are forecasted to remain buoyant over the year, ending 2022 above international benchmarks, bolstered by anticipated foreign currency inflows from tourism, and other net private sector receipts. Consequently, external balances should remain more than adequate to sustain the Bahamian dollar currency peg.

4. Monetary Policy and Financial Stability Implications

In this environment, the Central Bank will retain its accommodative policy stance for private sector credit and pursue policies that ensure a favorable outcome for external reserves, and mitigate financial sector disruptions. The Bank will also continue to monitor developments within the foreign exchange market, and if necessary, adopt appropriate measures to support a favourable outcome for the foreign reserves.

APPENDIX

International Developments

During the month of July, global economic performance indicators were mixed, as the long term effects of the Novel Coronavirus (COVID-19) pandemic and the geopolitical tensions in Eastern Europe continue to impact economic activities. Accordingly, some of the major central banks tightened their monetary policy stances, in an effort to maintain financial stability and curtail rising inflation.

As a result of the prolonged global effects from the pandemic and the military conflict in Eastern Europe, economic indicators varied in the United States during the month of July. Specifically, real gross domestic product (GDP) contracted by an annualized rate of 0.9% in the second quarter, albeit a slowdown from the 1.6% decrease in the previous quarter. In particular, retail sales registered a flat outturn in July, after a growth of 0.8% a month earlier, reflective of declines in gas prices and auto sales. Meanwhile, industrial production increased by 0.6%, following a flat outturn in June, attributed to gains in manufacturing, motor vehicle, factory and mining output. On the employment front, total non-farm payroll rose by 528,000 in July, with job gains concentrated in leisure and hospitality, professional and business services, and health care. Consequently, the unemployment rate fell by 10 basis points to 3.5%. Meanwhile, the consumer price index (CPI) remained unchanged at 1.3%, relative to a month earlier, as the rise in the food and shelter indexes were offset by a falloff in the gasoline index. In the external sector, the trade deficit narrowed by 6.2% to \$79.6 billion in June, owing to a 1.7% growth of in exports, combined with the 0.3% reduction in imports. Against this backdrop, the Federal Reserve raised its target funds rate range to 2.25%-2.50% from 1.50%-1.75% a month earlier, in an effort to curb rising inflation.

Developments in the European economies were lackluster during the review month. In the United Kingdom, real GDP declined by 0.6% in June, a switch from a 0.4% growth in the prior month, underpinned by reductions in the services, production and construction sectors. Industrial production fell by 0.9% in June, following a growth of the same magnitude in May, on account of reductions in manufacturing and mining and quarrying output. Further, retail sales declined by 0.1% in June, extending the 0.8% falloff a month earlier. Further, led by gains in housing and household services, transport and food and non-alcoholic beverages, the consumer price index increased by 0.6% in July, marginally lower than the 0.7% recorded in June. In the labor market, for the three months to June, the unemployment rate edged up by 10 basis points to 3.8%, vis-à-vis the first quarter, as the number of unemployed persons grew by 35,000. In the external sector, the trade deficit widened by £2.0 billion (7.7%) to £27.9 billion in the second quarter, as exports decreased by 8.0%, outweighing the 1.1% falloff in imports. In the euro area, GDP strengthened by 0.7% in the second quarter, from 0.5% in the previous quarter. In particular, industrial production advanced by 0.7% in the review month, albeit a slight moderation from the 0.8% rise in the prior month. Meanwhile, the volume of retail trade declined by 1.2% in June, following a gain of 0.4% in the preceding month, owing to a reduction in non-food products, automotive fuels, and food and drinks. Moreover, for the sixth consecutive month, the unemployment rate held steady at 6.6% in June. Meanwhile, the euro area inflation rate rose by 30 basis points to an annualized 8.9% in July, from a month earlier. In line with these developments, the Bank of England retained its benchmark interest rate at 1.25% in July. However, the European Central Bank increased its refinancing operations, marginal lending facility rates and deposit facility rates by 50 basis points each to 0.50%, 0.75% and 0.00%, respectively.

Outcomes varied within the Asian economies during the month of July. In China, the growth in total retail sales tapered to 0.3% from 0.8% in June. Further, inflation reached a two year high, with an annualized rate of 2.7% in July, from 2.5% in the previous month, largely attributed to a hike in food prices. China's trade surplus rose by 3.2% to \$101.0 billion in July, vis-à-vis the prior month, as the 18.0% growth in exports outstripped the 3.2% rise in imports. In Japan, the economy expanded at an annualized rate of 2.2% in the second quarter, following a 0.5% contraction in the previous quarter, led an increase in private consumption. In addition, retail sales grew by 1.5% year-over-year in June, but fell by 1.4% from a month earlier. Meanwhile, industrial production reduced by 3.1%, year-over-year, in June. The jobless rate stabilized at 2.6% in June, while the consumer price index remained unchanged at 2.4%. In external sector developments, Japan registered a trade deficit of ¥1,436.8 billion in July, a turnaround from a surplus of ¥434.5 billion same period last year, as the 47.2% rise in imports overshadowed the 19.0% growth in exports. In this environment, the Bank of Japan sustained its policy rate at -0.1%, while the People's Bank of China kept its reverse repo rate at 2.10%.

The major equity markets reported mostly positive movements in the month of July. In the United States, the S&P 500 and the Dow Jones Industrial Average (DJIA) moved higher by 9.1% and by 6.7%, respectively. Further, in Europe, France's CAC 40 grew by 8.9%, the German DAX by 5.5% and the United Kingdom's FTSE 100, by 3.5%. Likewise in Asia, Japan's Nikkei 225 increased by 5.3%; however, China's SE Composite fell by 4.3%.

In currency market developments, the US dollar recorded mixed movements relative to the major currencies, during the month of July. Specifically, the US dollar appreciated against the euro, by 2.6% to €0.9785, the Chinese Renminbi, by 0.7% to CNY6.7445, and the British Pound, by 0.1% to £0.8216. In contrast, the US dollar weakened relative to the Japanese Yen, by 1.8% to ¥133.27, the Canadian dollar, by 0.6% to CAD\$1.2795, and the Swiss Franc, by 0.3% to CHF0.9524.

Outcomes varied among the commodities markets during the month of July. In particular, the cost of crude oil decreased by 6.4% to \$114.79 per barrel in July, as OPEC's crude oil production increased by 216 thousand barrels per day, to an average of 28.9 million barrels per day. Similarly, the price of gold declined by 2.3% to \$1,765.94 per troy ounce. Conversely, the cost of silver edged up by 0.4% to \$20.36 per troy ounce.

Recent Monetary and Credit Statistics

(B\$ Millions)

July					
Value		Change		Change YTD	
2021	2022	2021	2022	2021	2022

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	1,520.55	2,301.53	-122.05	261.02	84.28	761.23
1.2 Excess Liquid Assets	2,350.50	2,995.86	-19.26	325.50	120.79	562.12
1.3 External Reserves	2,613.07	3,330.71	36.98	83.60	232.47	871.55
1.4 Bank's Net Foreign Assets	32.97	384.77	-47.90	-10.82	130.89	299.81
1.5 Usable Reserves	1,306.19	1,713.10	31.26	-72.35	51.01	447.74

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,670.07	5,522.50	7.56	-33.39	-63.98	-65.83
a. B\$ Credit	5,527.61	5,332.23	3.55	-32.12	-61.27	-128.68
of which: Consumer Credit	1,983.65	1,836.70	-1.89	-6.12	-53.20	-54.08
Mortgages	2,773.97	2,705.16	-2.19	-7.53	-20.87	-40.95
Commercial and Other Loans B\$	769.99	790.38	7.64	-18.47	12.80	-33.66
b. F/C Credit	142.45	190.26	4.01	-1.27	-2.71	62.85
of which: Mortgages	76.74	112.70	9.63	-0.93	13.46	43.67
Commercial and Other Loans F/C	65.72	77.56	-5.61	-0.34	-16.18	19.18
2.2 Central Government (net)	2,589.21	2,594.54	-16.63	-53.74	60.57	-350.84
a. B\$ Loans & Securities	2,942.63	2,853.05	92.41	6.15	212.04	-299.27
Less Deposits	522.85	352.04	113.60	57.32	150.55	-21.09
b. F/C Loans & Securities	174.13	102.17	0.00	0.00	0.03	-67.80
Less Deposits	4.70	8.64	-4.57	2.56	0.95	4.86
2.3 Rest of Public Sector	337.52	354.28	12.09	0.69	14.28	37.66
a. B\$ Credit	292.07	324.28	12.09	0.69	15.90	37.66
b. F/C Credit	45.45	30.00	0.00	0.00	-1.62	0.00
2.4 Total Domestic Credit	8,596.79	8,471.32	3.03	-86.43	10.87	-379.00
a. B\$ Domestic Credit	8,239.46	8,157.53	-5.55	-82.60	16.12	-369.20
b. F/C Domestic Credit	357.33	313.79	8.58	-3.83	-5.26	-9.80

3.0 DEPOSIT BASE

3.1 Demand Deposits	3,411.81	3,916.70	24.36	26.41	303.57	510.59
a. Central Bank	91.91	71.65	10.86	-11.88	39.67	10.28
b. Banks	3,319.91	3,845.05	13.50	38.29	263.89	500.31
3.2 Savings Deposits	1,860.13	2,067.77	33.01	49.33	75.52	186.96
3.3 Fixed Deposits	2,240.57	2,130.18	13.78	-11.42	-9.80	-50.63
3.4 Total B\$ Deposits	7,512.51	8,114.64	71.15	64.33	369.29	646.92
3.5 F/C Deposits of Residents	506.56	815.92	-41.30	-7.28	79.22	282.93
3.6 M2	7,886.34	8,508.02	72.68	77.25	365.96	651.07
3.7 External Reserves/M2 (%)	33.13	39.15	0.17	0.63	1.48	7.85
3.8 External Reserves/Base Money (%)	118.56	109.97	7.65	-7.98	6.18	-3.97
3.9 External Reserves/Demand Liabilities (%)	99.97	102.95	0.98	-8.12	-5.79	-0.05
	Value		Year To Date		Change	
	2021	2022	2021	2022	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	36.74	88.69	226.28	883.05	51.95	656.78
a. Net Purchase/(Sale) from/to Banks	21.48	33.85	55.78	430.25	12.37	374.47
i. Sales to Banks	20.70	52.60	180.28	288.78	31.90	108.50
ii. Purchase from Banks	42.18	86.45	236.06	719.02	44.27	482.97
b. Net Purchase/(Sale) from/to Others	15.26	54.84	170.50	452.81	39.57	282.31
i. Sales to Others	54.23	60.49	477.43	759.61	6.27	282.17
ii. Purchase from Others	69.49	115.33	647.93	1212.41	45.84	564.48
4.2 Banks Net Purchase/(Sale)	20.42	23.10	125.61	461.60	2.69	335.99
a. Sales to Customers	441.89	544.72	2778.31	3755.81	102.82	977.49
b. Purchase from Customers	462.31	567.82	2903.93	4217.41	105.51	1313.48

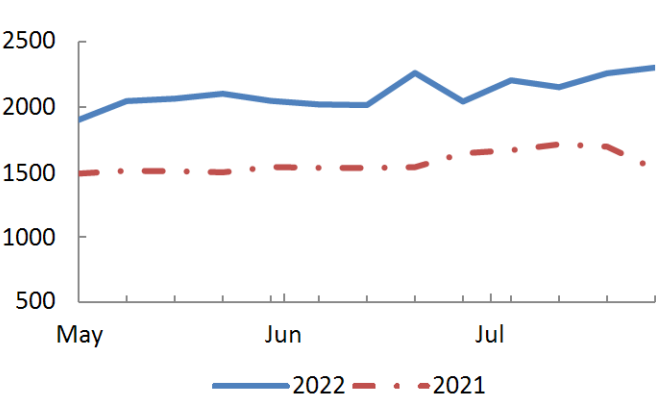
5.0 EXCHANGE CONTROL SALES

5.1 Current Items	463.42	563.14	3,103.38	3,919.78	99.73	816.40
of which Public Sector	54.88	62.61	421.32	524.35	7.73	103.04
a. Nonoil Imports	117.68	138.96	897.40	1,060.23	21.29	162.83
b. Oil Imports	28.41	70.82	215.50	466.57	42.42	251.07
c. Travel	13.54	15.25	75.20	88.10	1.71	12.90
d. Factor Income	50.00	34.39	287.81	335.11	-15.61	47.30
e. Transfers	11.27	18.00	113.55	98.44	6.73	-15.11
f. Other Current Items	242.53	285.71	1,513.92	1,871.33	43.19	357.41
5.2 Capital Items	20.61	30.51	109.97	449.41	9.90	339.44
of which Public Sector	6.21	4.32	65.65	242.44	-1.89	176.78

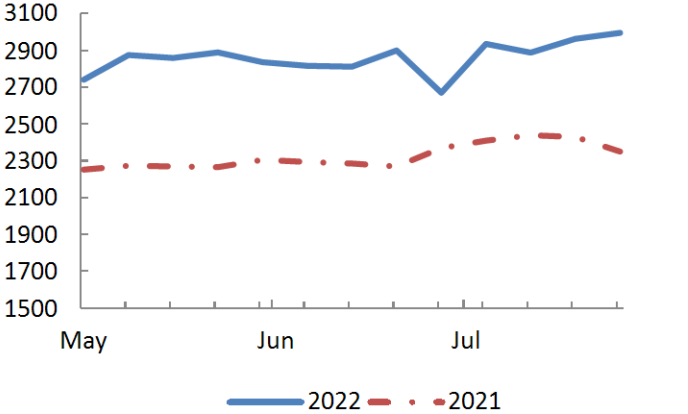
SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)

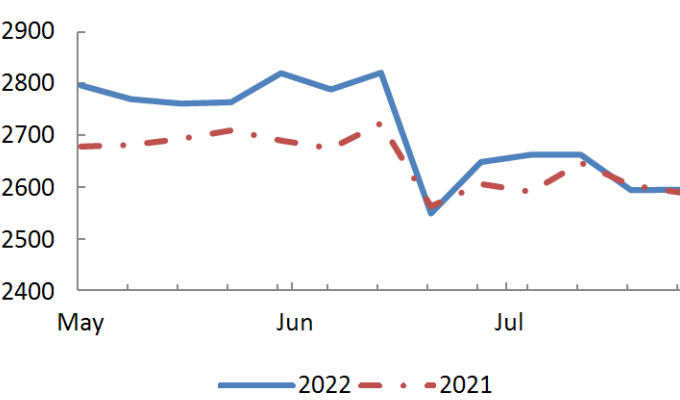
Excess Reserves



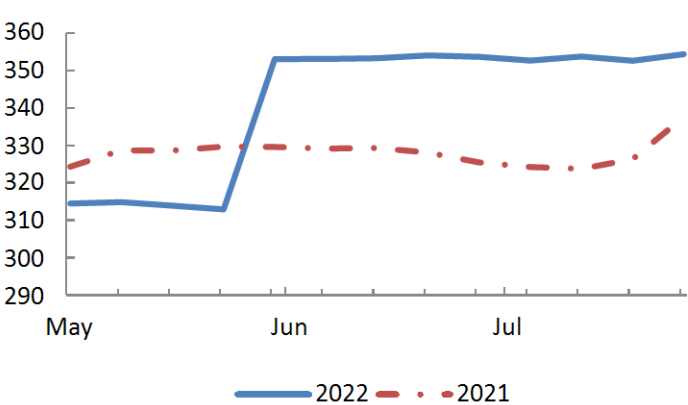
Excess Liquid Assets



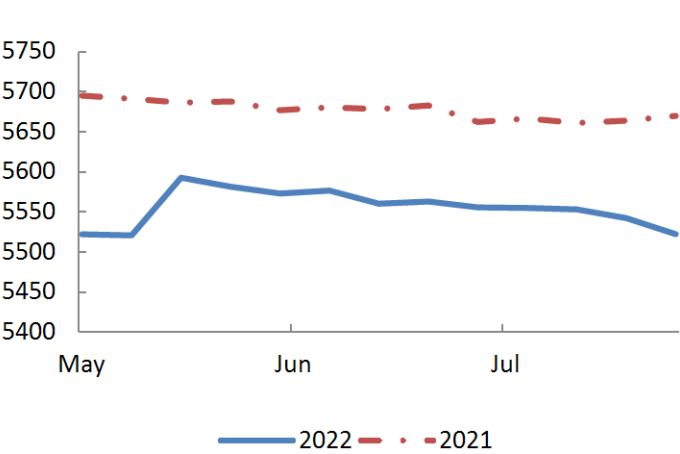
Central Govt. Credit (Net)



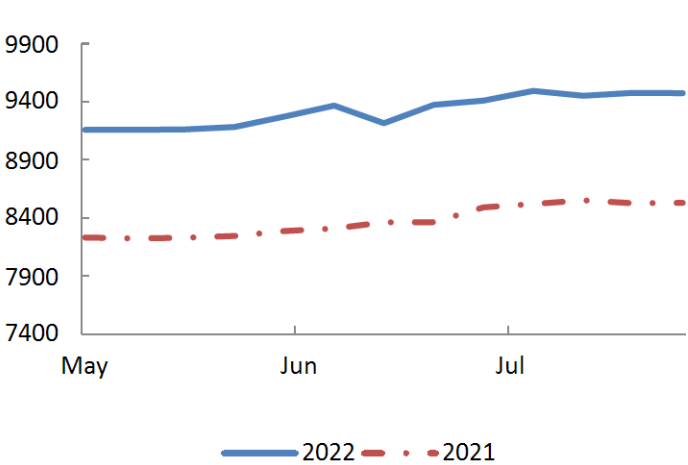
Rest of Public Sector Credit



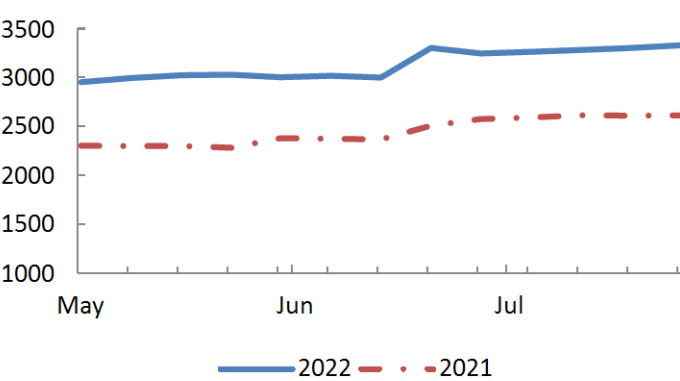
Private Sector Credit



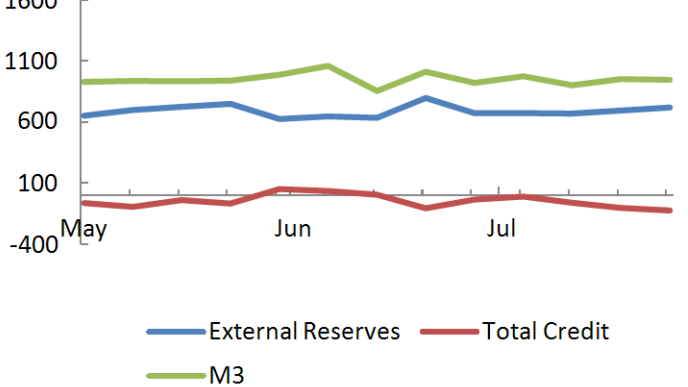
M3



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	
	2021	2022	2021	2022	2021	2022
Bahamas	5.6	6.0	5.5	6.7	n/a	n/a
United States	5.7	3.7	4.7	7.7	5.4	3.5
Euro-Area	5.3	2.8	2.6	5.3	7.7	7.3
Germany	2.8	2.1	3.2	5.5	3.5	3.2
Japan	1.6	2.4	-0.3	1.0	2.8	2.6
China	8.1	4.4	0.9	2.1	4.0	3.7
United Kingdom	7.4	3.7	2.6	7.4	4.5	4.2
Canada	4.6	3.9	3.4	5.6	7.4	5.9
<i>Source: IMF World Economic Outlook April 2022.</i>						

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	Target Funds	Repo Rate
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
February 2022	4.00	0.00	0.25	0.00-0.25	0.50
March 2022	4.00	0.00	0.50	0.25-0.50	0.75
April 2022	4.00	0.00	1.00	0.75-1.00	1.00
May 2022	4.00	0.00	1.75	1.50-1.75	1.25
June 2022	4.00	0.00	1.75	1.50-1.75	1.25
July 2022	4.00	0.50	2.50	2.25-2.50	1.25

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	July-21	June-22	July-22	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.8424	0.9538	0.9785	2.58	11.25	16.15
Yen	109.72	135.72	133.27	-1.81	15.81	21.46
Pound	0.7192	0.8212	0.8216	0.06	11.18	14.24
Canadian \$	1.2475	1.2873	1.2795	-0.61	1.25	2.57
Swiss Franc	0.9059	0.9551	0.9524	-0.28	4.33	5.13
Renminbi	6.4615	6.6993	6.7445	0.67	6.11	4.38
<i>Source: Bloomberg as of July 31, 2022</i>						
D. Selected Commodity Prices (\$)						
Commodity	July-21	June-22	July-22	Mthly % Change	YTD % Change	
Gold / Ounce	1814.19	1807.27	1765.95	-2.28687	-3.458342	
Silver / Ounce	25.4912	20.2790	20.3584	0.391538	-12.656	
Oil / Barrel	75.11	122.61	114.79	-6.37795	44.93687	
<i>Source: Bloomberg as of July 31, 2022</i>						

E. Equity Market Valuations – July 31 st , 2022 (% change)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	0.82	6.73	9.11	3.54	8.87	5.48	5.34	-4.28
3 month	14.31	-0.40	-0.04	-1.61	-1.31	-4.35	3.55	6.77
YTD	16.92	-9.61	-13.34	0.53	-9.85	-15.11	-3.44	-10.62
12-month	32.37	-5.98	-6.03	5.56	-2.48	-13.25	1.90	-4.24
<i>Sources: Bloomberg and BISX</i>								

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	2.3050	1.2200	-0.0050
1 Month	2.4800	1.6400	-0.0250
3 Month	2.5890	2.0465	0.2600
6 Month	3.5000	2.5800	0.6850
9 Month	3.6300	2.7200	0.8400
1 year	3.7625	3.0300	0.7600
<i>Source: Bloomberg as of July 31, 2022</i>			

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

	VALUE									CHANGE								
	Jun. 01	Jun. 08	Jun. 15	Jun. 22	Jun. 29	Jul. 06	Jul. 13	Jul. 20	Jul. 27	Jun. 01	Jun. 08	Jun. 15	Jun. 22	Jun. 29	Jul. 06	Jul. 13	Jul. 20	Jul. 27
<i>I. External Reserves</i>	<i>3,003.75</i>	<i>3,018.52</i>	<i>3,000.34</i>	<i>3,303.24</i>	<i>3,247.11</i>	<i>3,263.42</i>	<i>3,282.70</i>	<i>3,303.03</i>	<i>3,330.71</i>	<i>(25.64)</i>	<i>14.77</i>	<i>(18.18)</i>	<i>302.90</i>	<i>(56.13)</i>	<i>16.30</i>	<i>19.28</i>	<i>20.34</i>	<i>27.68</i>
<i>II. Net Domestic Assets (A + B + C + D)</i>	<i>(228.49)</i>	<i>(274.24)</i>	<i>(272.74)</i>	<i>(328.16)</i>	<i>(494.29)</i>	<i>(334.03)</i>	<i>(408.39)</i>	<i>(322.73)</i>	<i>(302.02)</i>	<i>(1.51)</i>	<i>(45.75)</i>	<i>1.49</i>	<i>(55.41)</i>	<i>(166.14)</i>	<i>160.26</i>	<i>(74.36)</i>	<i>85.67</i>	<i>20.70</i>
<i>A. Net Credit to Gov't (I + ii + iii -iv)</i>	<i>428.69</i>	<i>412.04</i>	<i>411.55</i>	<i>333.77</i>	<i>420.51</i>	<i>353.76</i>	<i>360.18</i>	<i>355.77</i>	<i>362.36</i>	<i>5.81</i>	<i>(16.65)</i>	<i>(0.49)</i>	<i>(77.79)</i>	<i>86.75</i>	<i>(66.76)</i>	<i>6.43</i>	<i>(4.42)</i>	<i>6.60</i>
i) Advances	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	-	-	-	-	-	-	-	-	-
ii) Registered Stock	304.12	304.14	304.26	299.22	302.25	302.31	302.25	301.91	292.00	0.12	0.03	0.12	(5.04)	3.02	0.06	(0.06)	(0.34)	(9.91)
iii) Treasury Bills	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	-	(0.00)	0.00	(0.00)	0.00	-	-	(0.00)	0.00
iv) Deposits	80.42	97.10	97.71	170.46	86.74	153.55	147.07	151.15	134.64	(5.69)	16.67	0.61	72.75	(83.72)	66.82	(6.49)	4.08	(16.50)
<i>B. Rest of Public sector (Net) (i+ii-iii)</i>	<i>(55.28)</i>	<i>(71.64)</i>	<i>(68.41)</i>	<i>(76.06)</i>	<i>(76.80)</i>	<i>(81.10)</i>	<i>(94.74)</i>	<i>(79.61)</i>	<i>(64.92)</i>	<i>(3.02)</i>	<i>(16.36)</i>	<i>3.23</i>	<i>(7.66)</i>	<i>(0.73)</i>	<i>(4.30)</i>	<i>(13.65)</i>	<i>15.13</i>	<i>14.69</i>
i) Loans	1.75	1.75	1.63	1.63	1.63	1.63	1.63	1.63	1.63	-	-	(0.13)	-	-	-	-	-	-
ii) Bonds/Securities	5.10	5.10	5.10	5.10	5.10	5.10	5.10	5.10	5.10	-	-	-	-	-	-	-	-	-
iii) Deposits	62.14	78.50	75.14	82.79	83.52	87.83	101.47	86.34	71.65	3.02	16.36	(3.36)	7.66	0.73	4.30	13.65	(15.13)	(14.69)
<i>C. Loans to/Deposits with Banks</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>D. Other Items (Net)*</i>	<i>(601.90)</i>	<i>(614.64)</i>	<i>(615.89)</i>	<i>(585.86)</i>	<i>(838.01)</i>	<i>(606.70)</i>	<i>(673.83)</i>	<i>(598.88)</i>	<i>(599.47)</i>	<i>(4.30)</i>	<i>(12.74)</i>	<i>(1.25)</i>	<i>30.03</i>	<i>(252.15)</i>	<i>231.32</i>	<i>(67.14)</i>	<i>74.95</i>	<i>(0.59)</i>
<i>III. Monetary Base</i>	<i>2,775.26</i>	<i>2,744.29</i>	<i>2,727.60</i>	<i>2,975.09</i>	<i>2,752.82</i>	<i>2,929.38</i>	<i>2,874.30</i>	<i>2,980.31</i>	<i>3,028.69</i>	<i>(27.16)</i>	<i>(30.97)</i>	<i>(16.69)</i>	<i>247.49</i>	<i>(222.27)</i>	<i>176.56</i>	<i>(55.08)</i>	<i>106.01</i>	<i>48.38</i>
A. Currency in Circulation	548.55	546.25	531.42	534.96	530.99	543.15	536.34	532.31	535.26	23.82	(2.30)	(14.83)	3.54	(3.97)	12.15	(6.81)	(4.03)	2.96
B. Bank Balances with CBOB	2,226.71	2,198.04	2,196.18	2,440.12	2,221.83	2,386.23	2,337.96	2,448.00	2,493.43	(50.97)	(28.68)	(1.86)	243.94	(218.30)	164.41	(48.27)	110.04	45.42

(B\$ MILLIONS)

(% change represents current period from previous period)

Fiscal Operations ³	
1. Government Revenue & Grants	% change; over previous quarter
2. Value Added Tax	% change; over previous quarter
3. Import/Excise Duties	% change; over previous quarter
4. Recurrent Expenditure	% change; over previous quarter
5. Capital Expenditure	% change; over previous quarter
6. Deficit/Surplus*	% change; over previous quarter

Debt ⁶ **	
7. Total Direct Debt	% change; over previous month
8. External Debt	% change; over previous month
9. Internal F/C Debt	% change; over previous month
10. Bahamian Dollar Debt	% change; over previous month
11. Total Amortization	% change; over previous month
12.Total Public Sector F/C Debt	% change; over previous month

Real Sector Indicators	
13. Retail Price Index	% change; over previous month
14. Tourist arrivals (000's)	% change; over previous year
15. Air arrivals (000's)	% change; over previous year
16. Occupied Room Nights	% change; over previous year
17. Res. Mortgage Commitments-Value of New Const. & Rehab. (\$Millions)	% change; over previous qtr.

* Includes Net Lending to Public Corporations

** Debt figures include Central Government only, unless otherwise indicated

p - provisional