



Monthly Economic and Financial Developments May 2026

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:

2026: 3rd August, 31st August, 28th September, 2nd November, 30th November, 28th December



MAY 2026 SUMMARY

MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS

Overall Economic Activity

The domestic economy maintained its healthy growth trajectory through May, with economic indicators normalizing closer to their expected medium-term potential. Tourism inflow gains slightly improved over the previous year given accelerated performance in the high value-added stopover component and sustained gains in cruise arrivals. In monetary developments, the narrow measure of banking sector liquidity contracted during the review month, as the expansion in domestic credit outpaced the rise in the deposit base. However, external reserves increased in May, reflective of net foreign currency inflows through the public and private sectors.

International Economies

Global economies moderated pace of growth persisted during the month of May, as geopolitical tensions in the Middle East and Eastern Europe and trade policy uncertainty continued to impact economic developments. In this context, the debate over future interest rate cuts and hikes continued, amid rising inflationary pressures.



Monthly Economic and Financial Developments (MEFD)

May 2026

1. Domestic Economic Developments

Overview

Indications are that in May, the domestic economy continued to expand at a healthy pace, with economic indicators normalizing closer to their expected medium-term potential. Tourism earnings indicators firmed in comparison to 2025 supported by strengthened indicators for the higher value-added stopover component and sustained gains in cruise arrivals. In monetary developments, during the review month, the narrow measure of banking sector liquidity contracted, as the expansion in domestic credit outpaced the rise in the deposit base. However, external reserves increased in May, reflective of net foreign currency inflows through the public and private sectors.

Real Sector

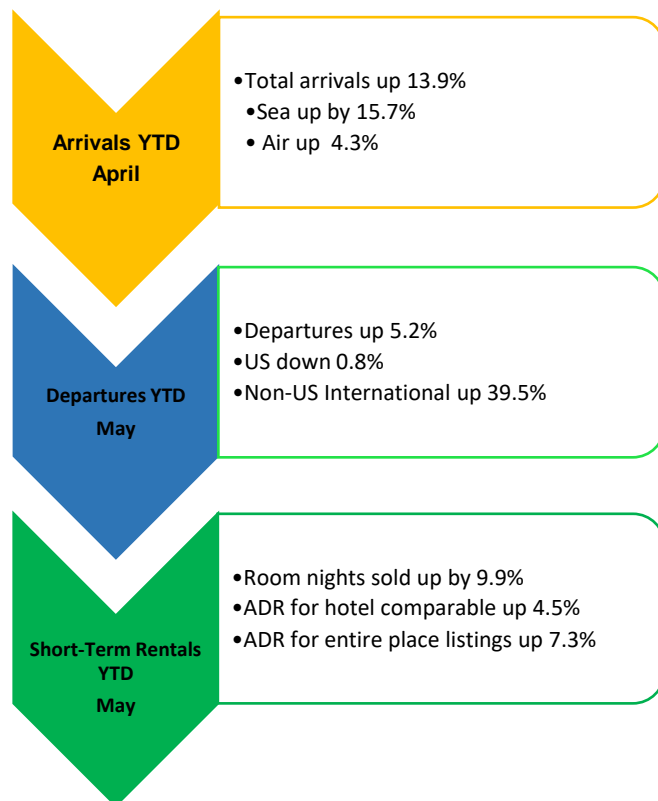
Tourism

Monthly data indicated that tourism output indicators remained moderately firmed in comparison to 2025, paced by improved outcomes for the high-value stopover segment, alongside further gains in the cruise category. However, accommodation capacity remained constrained.

Official data from the Ministry of Tourism showed that total arrivals increased by 3.3% to 1.1 million visitors in April, when compared to the same period of the previous year. Supporting this outturn, sea passengers grew by 3.6% to 0.9 million, while air arrivals rose by 1.8% to 0.2 million.

By major port of entry, total arrivals to Grand Bahama more than tripled to 128,467, from 36,346, relative to the same month the prior year. Contributing, sea visitors expanded to 122,077 from 29,998 in the comparative 2025 period, given new onshore destination facilities, while air arrivals advanced by 0.7% to 6,390 visitors. Further, visitors to the Family Islands increased by 2.7% to 0.5 million, vis-à-vis the corresponding period last year, as sea passengers rose by 3.0% to 0.5 million, outstripping a 1.4% decline in air traffic to 38,328. In contrast, total visitors to New Providence contracted by 13.2% to 0.5 million during the review month, relative to the comparable period in 2025, amid a 18.3% decline in sea arrivals to 0.3 million, albeit air traffic increase by 2.8% to 0.1 million.

Chart 1: Tourism Indicators at a Glance



Sources: Ministry of Tourism, Nassau Airport Development & AirDNA

On a year-to-date basis, total arrivals expanded by 13.9% to 5.0 million visitors. Contributing, sea passengers grew by 15.7% to 4.3 million, while air traffic recovered by 4.3% to 0.7 million visitors (see Table 1 for disaggregated year-to-date figures).

According to the latest data provided by Nassau Airport Development Company Limited (NAD), total departures—net of domestic traffic—increased by 7.1% in May, vis-à-vis the comparative 2025 period. Supporting this outcome, international departures rose by 18.4% to 22,985. Further, US departures grew by 5.2% to 0.1 million.

In the five-months to May, total outbound traffic expanded by 5.2% to 0.8 million. Specifically, international traffic moved higher by 39.5% to 149,394, contrasting with the 0.8% falloff in US departures, to 0.6 million.

Short-term vacation rental market metrics indicated that total room nights sold increased by 6.6% to 48,730 in May, vis-à-vis the corresponding period in 2025. Specifically, outpacing additional listings, occupancy rates for hotel comparable and entire place listings rose to 47.9% and 45.3%, respectively, from 44.2% and 42.6% in the previous year. Further, the average daily room rate (ADR) for entire place listings grew by 9.5% to \$752.89. In contrast, the rate for hotel comparable listings declined by 1.1% to \$167.72.

On a year-to-date basis, total room nights sold grew by 9.9% to 306,687, when compared to last year. In addition, the average daily room rate increased for entire place and for hotel comparable listings by 7.3% and 4.5%, respectively.

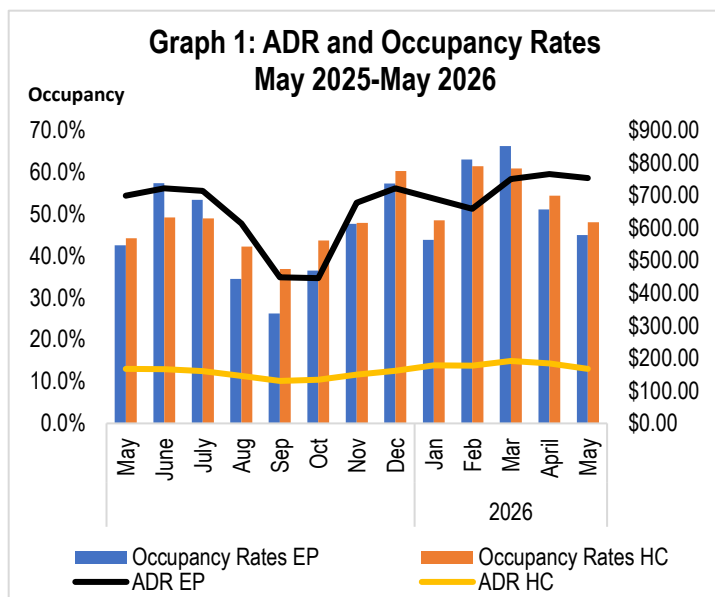
2026/2027 Budget Communication Highlights

Under the theme “A Budget that Builds on Progress”, the Government presented its Budget Communication for FY2026/2027 to Parliament on May 27, 2026 and approved at end-June. The Government outlined a strategy to consolidate economic recovery and fiscal stability, while investing in key national development priorities. The Government also signalled initiatives to boost revenues through better tax compliance, targeted tax measures, and improved administration, while avoiding broad tax increases. Expenditure allocations highlighted priorities for healthcare, education, national security,

Table 1: Total Visitor Arrivals January-April 2026

Arrivals	New Providence (% Change)		Grand Bahama (% Change)		Family Islands (% Change)	
	2025	2026	2025	2026	2025	2026
Air	-1.9	5.6	14.5	3.8	2.7	-0.1
Sea	14.6	1.9	-27.3	306.1	18.5	7.1
Total	10.1	2.8	-22.8	257.5	17.3	6.7

Source: Ministry of Tourism



Source: AirDNA

infrastructure, and digital transformation. These initiatives were framed to enhance public services, boost economic competitiveness, lower debt levels, and foster long-term sustainable growth for The Bahamas.

In the 2026/2027 Budget, the Government emphasized revenue enhancement to strengthen collection, improve fairness and increase efficiency. The approach to revenue optimisation was based on five pillars—cost of living relief, building a modern revenue system, revenue compliance, enhancement and protection, ease of doing business and fair contribution. In this regard, the budget forecasts revenue intake of \$4.4 billion for FY2026/27, relative to the projected \$3.9 billion in FY2025/26.

The Government's revenue strategies primarily focused on enhancing compliance, modernizing tax administration, and implementing targeted tax reforms, rather than introducing broad-based increases impacting ordinary Bahamians. The Government proposed a two-tier Real Property Tax System, distinguishing between Bahamian-owned and foreign-owned properties, ensuring equal and transparent tax contributions. In this context, foreign-owned property owners are now mandated to pay a defined tax rate of 0.625% and a maximum \$200,000 cap, regardless of their length of stay. In addition, an increase of 0.25% has been applied to the business license rate, for businesses earning over \$175.0 million per annum. Moreover, registration and fee schedules for foreign-owned recreational vessels were introduced.

With regard to relief measures, the Government extended VAT relief for first-time homeowners by applying zero-rated treatment to multi-unit properties where at least one unit was owner-occupied. Further, exemptions for first-time Bahamian homeowners under the Real Property Tax Act, was extended for properties valued up to \$600,000. In addition, duty rates were eliminated or reduced for a number of items, including chair lifts designed for the elderly and persons with disabilities, human hair and wigs (to accommodate persons with related medical conditions), common household plastic items, paper goods and sanitary products. In other tax relief measures, the Budget provisioned for reduced electricity costs to Family Islanders and reduced work permit fees for caregivers for the elderly.

The budgeted expenditure allocation of \$4.1 billion for FY2026/27, contrasted with the \$3.8 billion provision for FY2025/2026. Recurrent outlays were provisioned to reach \$3.7 billion, vis-à-vis the \$3.4 billion approximation in FY2025/2026. Capital spending was allocated \$415.8 million, higher than the \$376.3 million budgeted in 2025/2026. Of note, Government outlined several scheduled infrastructure projects throughout the islands of The Bahamas related to medical facilities. Major housing development projects were also scheduled in both New Providence and Grand Bahama. In addition, approximately \$21.5 million has been allocated to the Water and Sewerage Corporation to upgrade water main systems in the Family Islands. Further, funding has been allocated to supplement a recently secured loan to develop a major drainage system in Pinewood Gardens. Meanwhile, additional spending has been allocated for various roadworks initiatives and a guarantee will be given for Bridge Authority loan to construct a new Glass Window Bridge in Eleuthera.

New initiatives associated with energy generation was announced as the Bahamas Power and Light Company has secured investments for solar energy and battery power. Moreover, developments under the Shore Power Project were announced for the construction of a power plant that captures and converts wasted heat and steam into electricity. As it relates to national safety, the Budget included allotments to acquire and refurbish vehicles and vessels essential to national security. Concerning healthcare, expansions were budgeted for the Prescription Drug Programme. Further, resources were allocated to secure, recruit and retain more health-care professionals, along with investments in medical and surgical equipment for a new correctional medical centre for inmates, as well as upgrades to existing hospital facilities.

In terms of systems upgrades, additional resources were earmarked for new data sharing system platforms in healthcare, the continued advancement of the Virtual Courts Project, and the modernisation of government systems. Outlays were also allotted for upgrades to surveillance, security and CCTV systems, in addition to the modernisation of financial and administrative systems through Oracle Data Centre and new biometric systems. Funds were also earmarked to integrate the Central Bank Digital Currency “SandDollar” into the Government payments system. In the pursuit of eliminating food insecurity, the Budget increased the overall agriculture allotment to \$40.0 million, from \$35.0 million. In

Chart 2: FY2026/2027 Budget Highlights

Revenue Measures	Expenditure Measures
<ul style="list-style-type: none"> • Extending VAT relief protocols • Eliminating non-motorized registration • Two-Tier Real Property Tax System • Introduction of Bahamas Identification Number (BIN) • Fixed penalties for environmental nuisances • VAT reduction on household necessities • Introducing new and increased immigration fees • Increase in business license • Defined property tax rate • Increasing revenue collection efficiency 	<ul style="list-style-type: none"> • Allocation for construction/upgrades of government infrastructures • New hospital facility in New Providence • New Drainage system in Pinewood • Expansion of the Proposed Drug Program • Upgrades to water mains and systems • Allotments for Maritime Security Upgrades • Allotment for farming markets and agricultural investments • Investments in modernising government systems

Source: Bahamas Government Budget Communication FY2025/2026

addition, further investments were earmarked for the development of complete cultivation centres in New Providence and Eleuthera, as well as for a food processing plant.

Budgeted expenditures associated with education and personal development included continued support of the Bahamas Polytechnic Accreditation and Training Hub, increased grants for the School Boards of special schools, and increased funding for the increase in teachers’ salaries. Further, spending has been outlined for the construction of a new school in Grand Bahama and investments in the National Maritime Academy.

Based on the current outlook, the Government anticipates a fiscal surplus of \$223.1 million or 1.2% of GDP, for FY2026/2027, compared with the projected \$75.5 million surplus (0.5% of GDP) for FY2025/26. Given the projections, a reduction in the direct debt charge was forecasted, alongside a decrease in the corresponding ratio to GDP.

2. Monetary Trends

May 2026 vs. 2025

Liquidity

Monetary sector developments for the month of May featured a contraction in the narrow measure of banking sector liquidity, as expansion in domestic credit outpaced the buildup in the deposit base. In particular, excess reserves—a narrow measure of liquidity—decreased by \$23.7 million to \$2,026.5 million, a reversal from the \$44.1 million increase in the prior year. Further, the growth in excess liquid assets—a broad measure of liquidity—slowed to \$15.9 million from \$33.8 million in the preceding year, for an ending balance of \$3,455.8 million.

External Reserves

During the review month, external reserves grew by \$31.7 million, a reversal from the \$26.9 million decline in the previous year, bringing the total stock to \$3,252.4 million. Contributing, the Central Bank's net foreign currency transactions with the public sector shifted to a net inflow of \$10.3 million, from a net outflow of \$45.1 million in the prior year. Meanwhile, the Bank's net intake from commercial banks moderated to \$15.6 million, from \$19.3 million last year. Further, commercial banks' net purchases from customers tapered to \$4.5 million, from \$26.6 million in the comparative period of 2025.

Exchange Control Sales

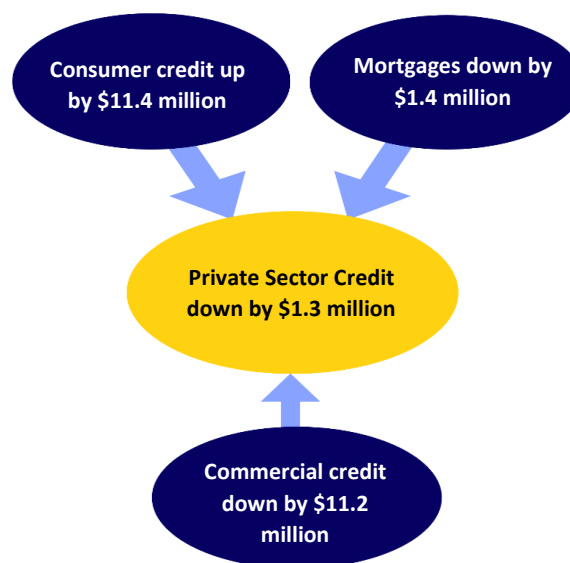
Provisional data on foreign currency sales for current account transactions revealed that monthly outflows rose by \$14.3 million to \$625.9 million in May, compared to the same period last year. Specifically, payments for non-oil imports grew by \$25.5 million, oil imports, by \$15.1 million and travel-related expenses, by \$1.9 million. Conversely, outflows for factor income remittances decreased by \$21.4 million, and transfer payments, by \$4.0 million. In addition, payments for other current items—primarily debit and credit card transactions—fell by \$2.8 million, relative to the preceding year.

Domestic Credit

Bahamian Dollar Credit

In May, the expansion in total Bahamian-dollar credit slackened to \$66.9 million, from \$93.1 million in the year prior. Reflective of this outcome, net claims on government were almost unchanged, following an \$83.2 million expansion in the preceding year. Further, credit to public corporations rose by \$67.5 million, a shift from a \$3.1 million reduction in the previous year. In contrast, private sector credit fell by \$1.3 million, a switch from a \$13.0 million rise in the same period last year. Underlying this development, commercial credit contracted by \$11.2 million, a turnaround from the \$1.9 million uptick in the corresponding 2025 period. In addition, mortgages declined by \$1.4 million, as opposed to a \$2.3 million gain in the previous year. In an offset, consumer growth extended to \$11.4 million from \$8.8 million a year earlier.

Chart 3: B\$ Private Sector Credit



Source: Central Bank of The Bahamas

Foreign Currency Credit

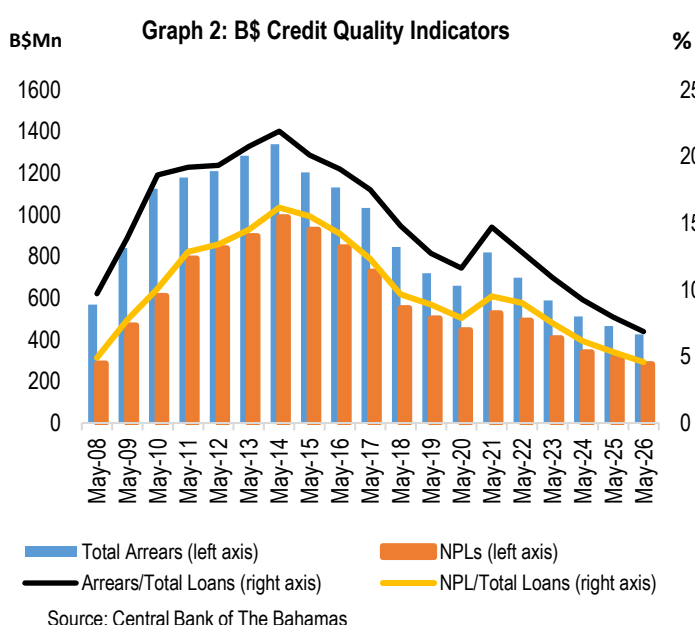
Domestic foreign currency credit expanded by \$43.5 million, surpassing the \$16.8 million growth in the previous year. In particular, credit to public corporations grew by \$50.0 million, after recording a flat outturn in the year prior. In contrast, private sector credit reduced by \$5.5 million, a shift from a \$22.5 million increase a year earlier. Specifically, commercial loans declined by \$4.6 million, after expanding by \$23.2 million in the preceding year. Further, mortgages fell by \$0.9 million, following a \$0.8 million falloff last year. Meanwhile, the contraction in net claims on the government narrowed to \$1.0 million, from \$5.7 million in the prior year.

Credit Quality

Commercial banks' credit quality indicators improved during the review period, supported by reductions in both short-term and long-term arrears. Specifically, total private sector arrears declined by \$6.4 million (1.5%) to \$425.1 million, with the associated ratio decreasing by 12 basis points to 6.9% of total private sector loans.

A breakdown by average age of delinquency showed that short-term arrears (31-90 days) reduced by \$1.4 million (1.0%) to \$141.7 million, resulting in a 3-basis point narrowing in the associated ratio to 2.3%. Likewise, non-performing loans—arrears in excess of 90 days and on which banks have ceased accruing interest—decreased by \$5.0 million (1.7%) to \$283.4 million, lowering the attendant ratio by 9 basis points to 4.6%. Correspondingly, the NPL ratio for commercial loans fell by 25 basis points to 2.7%; mortgages, by 7 basis points to 6.5%; and consumer loans, by 2 basis points to 3.5%, compared to the previous month.

Disaggregated by loan type, mortgage arrears contracted by \$6.2 million (2.4%) to \$251.3 million, supported by a \$4.7 million (5.3%) decline in short-term arrears and a \$1.5 million (0.9%) falloff in non-performing loans. In addition, consumer arrears reduced by \$5.2 million (4.2%) to \$119.0 million, driven by a \$5.3 million (11.7%) decrease in the short-term category, which outweighed the \$0.1 million (0.2%) uptick in the long-term segment. Providing some offset, commercial delinquencies increased by \$4.9 million (9.9%) to \$54.8 million, as the \$8.6 million (96.3%) buildup in the short-term component overshadowed the \$3.7 million (8.9%) falloff in non-accrual loans.



With regard to allowances for credit losses, banks increased their total provisions by \$3.0 million (1.2%) to \$259.5 million. Consequently, the ratio of total provisions to total arrears rose by 1.6 percentage points to 61.1%. Further, the ratio of total provisions to non-performing loans grew by 2.6 percentage points to 91.6%. During the review period, banks wrote-off an estimated \$9.8 million in overdue loans and recovered approximately \$12.2 million.

Compared to the same period in 2025, the total private sector arrears rate declined by 1.1 percentage points. Of note, rates decreased by 0.8 percentage points in the long-term category and by 0.3 percentage points in the short-term segment. By loan type, delinquencies reduced for mortgages, by 1.8 percentage points and consumer loans by 0.7 percentage points. However, commercial loans firmed by 0.2 percentage points.

Deposits

In May, the growth in total Bahamian dollar deposits slowed sharply to \$14.7 million, from \$153.9 million last year. Underlying this development, the accumulation in demand deposits was notably lower at \$12.9 million, from \$134.7 million in the prior year. In addition, savings deposits expanded by \$13.3 million, a

moderation from the \$18.1 million rise a year earlier. In contrast, fixed deposits declined by \$11.5 million, a shift from a \$1.1 million accumulation in the comparative 2025 period. Meanwhile, residents' foreign currency deposits grew by \$40.3 million, vis-à-vis a \$42.4 million expansion in the preceding year.

Interest Rates

During May, banks' weighted average loan rate fell by 1.8 percentage points to 9.04%. Conversely, the weighted average deposit rate firmed by 5 basis points to 0.76%. The highest rate offered was 3.75% on fixed balances over 12 months.

3. Domestic Outlook

Expectations are that the domestic economy will grow at a steady pace in 2026, vis-à-vis 2025, as the economy continues to approach its medium-term growth potential, with performance closely tied to outcomes in the tourism sector. The tourism industry is anticipated to remain robust, undergirded by strengthening in the high-value added stopover segment and healthy gains in the cruise sector. Further, new and ongoing foreign investment projects are projected to continue to support activity in the construction sector, and by extension, economic output. Further, labour market conditions are expected to improve during the year, with gains occurring in the tourism and construction sectors.

Concerning fiscal developments, the Government's financing gap is projected to decrease, supported by sustained revenue growth tied to tourism-related taxable economic activity, along with estimated inflows from the domestic minimum corporate tax. In addition, financing needs are expected to be met through a mix of domestic and external borrowings, with the greater share sourced domestically.

In monetary sector developments, banking system liquidity is predicted to stay elevated, although advancements in commercial bank lending to the private sector could induce a modest decline. External reserves are expected to fluctuate around 2025 levels; remaining significantly above international standards and more than adequate to support the Bahamian dollar's fixed exchange rate.

However, downside risks to the outlook remain elevated, as stopover demand from the U.S. remains vulnerable to global tariff policy uncertainty, ongoing tensions in Eastern Europe and the conflict in Middle East. In addition, elevated energy prices are expected to weaken short-term travel demand, raise financing costs related to foreign investment, and delay the achievement of interest cost reductions for the public.

4. Monetary Policy and Financial Stability Implications

Given the current outlook, the Central Bank will retain an accommodative policy stance for private-sector credit and pursue policies to ensure a positive outturn for external reserves and financial stability. In addition, through its Monetary Policy Committee (MPC), the Bank will continue to monitor developments within the foreign exchange market, and if necessary, implement appropriate measures to support a favourable outcome for the foreign reserves.

APPENDIX

International Developments

Global economies moderated pace of growth persisted during the month of May, as geopolitical tensions in the Middle East and Eastern Europe and trade policy uncertainty continued to impact economic developments. In this context, the debate over future interest rate cuts and hikes continues, amid rising inflationary pressures.

In the United States, economic performance was relatively benign during the review period. In particular, industrial production edged up by 0.1%, following a 0.9% gain in April. In terms of unemployment, total non-farm payroll increased by 172,000, with job gains in leisure, hospitality, local government and healthcare; however, the unemployment rate remained unchanged at 4.3%, the same as the month prior. Further, consumer prices rose by 50 basis points to 4.2% in May, from April, owing to a surge in energy costs. In the external sector, the U.S. trade deficit narrowed by 1.2% to \$55.9 billion in April, vis-à-vis the previous month, underpinned by a 2.6% gain in exports, which eclipsed the 2.0% increase in imports. Against this backdrop, the Federal Reserve retained its target range for the federal funds rate at 3.50%-3.75%, in an effort to contain inflation and encourage economic growth.

Economic outcomes were lacklustre in the European economies. In the United Kingdom, real GDP contracted by 0.1% in April, a reversal from the 0.3% growth in March, owing to a fall in services, which partially offset the increase in the construction sector. Further, industrial production featured a flat outturn, after a 0.2% decline in the previous month, as reductions in electricity & gas and water supply and sewerage negated the rise in manufacturing & mining and quarrying. Meanwhile, retail sales volumes fell by 1.3% in April 2026, following a rise of 0.6% in the previous month. On a monthly basis, CPI rose by 0.2% in May 2026, similar to the year earlier. In terms of the labour market, the unemployment rate moderated by 10 basis points to 4.9% for the three months to April, after recording growth of the same magnitude in the prior period. In external developments, the United Kingdom's trade deficit widened by £7.7 billion, to £9.9 billion in the three months to April, as the 1.5% rise in imports, offset the 2.6% gain in exports. Given these developments, the Bank of England maintained its key policy rate at 3.75%, in an attempt to achieve its 2.0% inflation target.

In the euro area, retail sales contracted in April by 0.4%, overturning the 0.8% growth in March, due to reductions in non-food products and automotive fuel in specialised stores. However, industrial production edged up by 0.1%, a slowdown from the 0.4% growth recorded in the prior month, reflecting increased production of intermediate goods, durable consumer goods and non-durable consumer goods. On the labour front, the unemployment rate advanced by 10 basis points in April to 6.3%, a switch from a 10-basis point decline in March. In terms of prices, annual inflation firmed to 3.2% in May, from 3.0% in the prior month, primarily driven by higher energy and fuel costs. On the external front, the euro area trade balance shifted to a €1.0 billion deficit in April, from a surplus of €8.7 billion in the same period of the previous year, as imports accelerated by 9.3%, outpacing the 5.0% growth in exports. Based on the prevailing outlook, the European Central Bank retained its key policy rates for the deposit facility at 2.00%; the main refinancing operations rate, at 2.15%; and the marginal lending facility rate, at 2.40%.

Among the Asian economies, in China, the consumer price index declined by 0.1% during the review month. Meanwhile, the unemployment rate softened to 5.2% in May, from 5.4% in the month prior. Further, retail sales fell by 38 basis points when compared to April. In terms of trade, China's trade surplus rose to US\$105.4 billion from US\$84.8 billion in April, as exports expanded by 4.9%, surpassing the 2.3% rise in imports. In Japan, industrial production increased by 0.5% in April, when compared to the prior month, owing to gains in the production of general and industrial machinery, food and tobacco and electrical, information and communication machinery. Further, retail sales moved higher by 1.3%, extending the 1.0% increase a month earlier. Regarding inflation, prices softened by 10 basis points to 1.4% in April, from 1.5% in March. Concerning labour, Japan's jobless rate tapered by 10 basis points in April to 2.7%, from the previous month. On the external front, Japan's trade deficit declined by 3.6% to ¥1,105.3 billion in May, vis-à-vis the same period in 2025, driven by a 18.0% advancement in exports, which outstripped the 13.6% growth in imports. Against this backdrop, the Bank of Japan raised its key policy rate to 1.0%, while the People's Bank of China left its main policy rate unchanged at 1.4%.

During the month of May, global equity market developments were mostly positive. In the United States, the Dow Jones Industrial Average (DIJA) and S&P increased by 2.8% and 5.2%, respectively. In Europe, the German DAX grew by 3.3%, the French CAC 40, by 0.8% and the United Kingdom FTSE 100, by 0.3%. In Asia, Japan's Nikkei expanded by 11.9%, whereas China's SE Composite declined by 1.1%.

In the foreign exchange markets, the US dollar appreciated against most major currencies. Specifically, the dollar strengthened against the Japanese Yen, by 1.7% to ¥159.27; the Canadian Dollar, by 1.6% to CAD \$1.3793; and the British Pound, by 1.1% to £0.7432. The US Dollar also rose against the euro, by 0.6% to €0.8577. In contrast, the dollar depreciated relative to the Chinese renminbi, by 0.9% to CNY 6.7663 and the Swiss Franc, by 0.1% to CHF 0.7810.

Broad-based declines were registered in the commodities market during the review month. Specifically, the price of crude oil decreased by 19.3% to \$92.05 per barrel, although OPEC's crude oil production reduced by 5.0%, averaging 33.19 million barrels per day, amid the United Arab Emirates departure from the group and cease fire discussions in the Middle East. Similarly, in the precious metals markets, the price of silver fell by 2.0% to \$72.30 per troy ounce and gold, by 1.7% to \$4,540.26 per troy ounce.

Recent Monetary and Credit Statistics

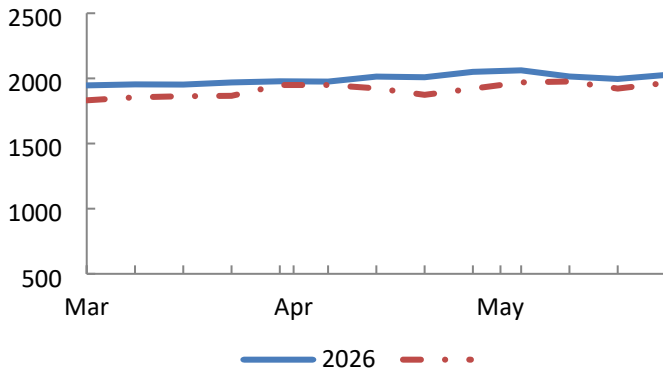
(B\$ Millions)

	May					
	Value		Change		Change YTD	
	2025	2026	2025	2026	2025	2026
1.0 LIQUIDITY & FOREIGN ASSETS						
1.1 Excess Reserves	1,965.35	2,026.47	44.07	-23.73	80.08	181.44
1.2 Excess Liquid Assets	3,182.77	3,455.78	33.75	15.92	222.67	344.63
1.3 External Reserves	2,809.44	3,252.35	-26.94	31.70	176.49	437.94
1.4 Banks Net Foreign Assets	92.27	132.46	10.42	13.07	126.47	-31.51
1.5 Usable Reserves	1,302.62	1,618.95	-41.39	20.45	120.49	290.02
2.0 DOMESTIC CREDIT						
2.1 Private Sector	6,125.05	6,422.99	35.47	-6.77	106.13	73.12
a. B\$ Credit	5,791.42	6,051.14	13.00	-1.28	111.43	80.79
of which Consumer Credit	2,080.64	2,211.32	8.77	11.36	41.14	60.12
Mortgages	2,744.04	2,778.53	2.30	-1.42	14.79	0.88
Commercial and Other Loans B\$	966.74	1,061.28	1.93	-11.23	55.51	19.79
b. F/C Credit	333.64	371.86	22.47	-5.49	-5.31	-7.67
of which Mortgages	156.80	186.22	-0.77	-0.88	-9.44	10.01
Commercial and Other Loans F/C	176.84	185.64	23.24	-4.61	4.13	-17.67
2.2 Central Government (net)	3,503.55	3,550.40	77.50	-0.32	63.02	-25.85
a. B\$ Loans & Securities	3,670.21	3,763.88	52.13	-51.85	124.55	-33.61
Less Deposits	402.71	439.90	-31.06	-52.53	55.04	-10.26
b. F/C Loans & Securities	248.93	241.00	0.00	0.40	-4.17	-3.77
Less Deposits	12.87	14.57	5.68	1.42	2.32	-1.27
2.3 Rest of Public Sector	339.50	424.27	-3.07	117.51	-8.77	96.31
a. B\$ Credit	323.00	365.27	-3.07	67.51	-7.27	48.18
b. F/C Credit	16.50	59.00	0.00	50.00	-1.50	48.13
2.4 Total Domestic Credit	9,968.11	10,397.66	109.90	110.41	160.38	143.58
a. B\$ Domestic Credit	9,381.91	9,740.37	93.12	66.91	173.67	105.62
b. F/C Domestic Credit	586.19	657.29	16.78	43.50	-13.30	37.96
3.0 DEPOSIT BASE						
3.1 Demand Deposits	4,530.84	5,019.04	134.71	12.91	388.25	372.03
a. Central Bank	33.97	22.77	9.11	-7.18	-41.09	-8.79
b. Banks	4,496.88	4,996.27	125.60	20.10	429.33	380.81
3.2 Savings Deposits	2,550.56	2,816.96	18.14	13.28	106.29	134.09
3.3 Fixed Deposits	1,833.16	1,731.72	1.05	-11.46	-84.53	-21.20
3.4 Total B\$ Deposits	8,914.56	9,567.72	153.90	14.73	410.01	484.92
3.5 F/C Deposits of Residents	671.99	804.00	42.35	40.30	116.97	26.14
3.6 M2	9,403.73	10,125.12	142.53	29.58	424.54	517.63
3.7 External Reserves/M2 (%)	29.88	31.63	-0.75	-0.27	0.55	2.33
3.8 External Reserves/Base Money (%)	99.85	107.71	-2.35	-0.40	2.40	5.01
3.9 External Reserves/Demand Liabilities (%)	93.22	101.12	-1.81	1.85	2.48	6.39
	Value		Year To date		Change	
	2025	2026	2025	2026	Month	YTD
4.0 FOREIGN EXCHANGE TRANSACTIONS						
4.1 Central Bank Net Purchases/(Sale)	-25.78	25.81	151.68	408.01	51.59	256.33
a. Net Purchase/(Sale) from/to Banks	19.33	15.56	326.70	422.76	-3.77	96.05
i. Sales to Banks	27.40	47.85	148.75	82.94	20.45	-65.81
ii. Purchases From Banks	46.73	63.41	475.45	505.70	16.68	30.25
b. Net Purchase/(Sale) from/to Others	-45.11	10.25	-175.02	-14.75	55.36	160.27
i. Sales to Others	80.93	58.80	511.32	418.94	-22.13	-92.38
ii. Purchases From Others	35.82	69.05	336.30	404.19	33.23	67.89
4.2 Banks Net Purchase/(Sale)	26.57	4.50	306.33	434.05	-22.07	127.72
a. Sales To Customers	562.43	657.69	2,894.55	3,292.81	95.26	398.26
b. Purchases From Customers	589.00	662.19	3,200.88	3,726.86	73.19	525.98
5.0 EXCHANGE CONTROL SALES						
5.1 Current Items	611.62	625.92	3,122.89	3,211.45	14.30	88.55
of which Public Sector	82.83	57.98	428.98	328.79	-24.85	-100.20
a. Nonoil Imports	174.93	200.41	944.15	964.71	25.48	20.56
b. Oil Imports	44.62	59.71	245.35	248.38	15.09	3.03
c. Travel	16.79	18.73	88.04	94.63	1.94	6.59
d. Factor Income	69.94	48.52	278.11	164.67	-21.42	-113.44
e. Transfers	18.09	14.11	93.93	81.31	-3.98	-12.62
f. Other Current items	287.25	284.44	1,473.32	1,657.74	-2.81	184.42
5.2 Capital Items	25.18	66.00	270.18	282.10	40.82	11.92
of which Public Sector	12.78	51.51	146.03	162.34	38.72	16.31

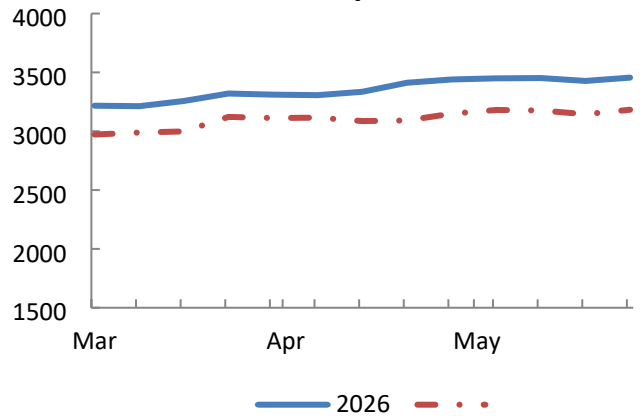
SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)

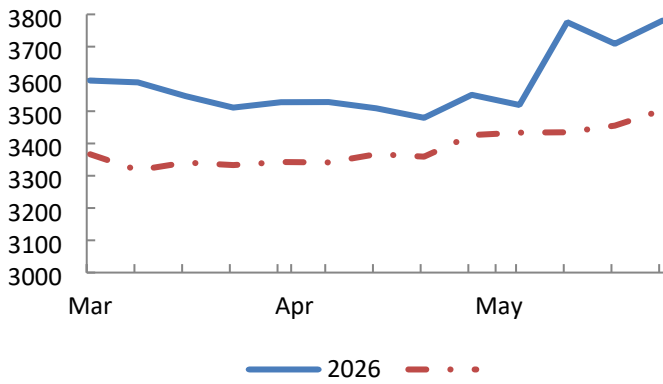
Excess Reserves



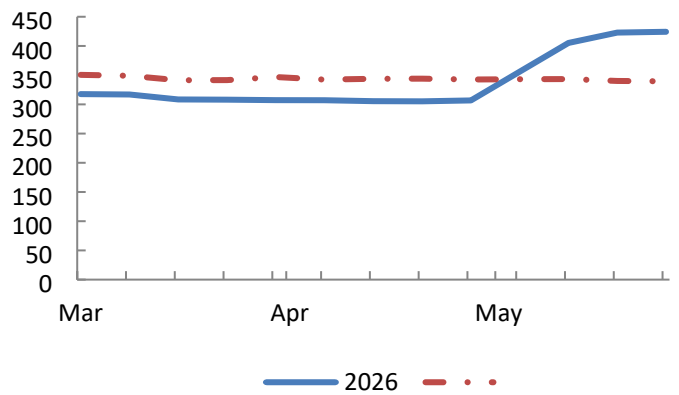
Excess Liquid Assets



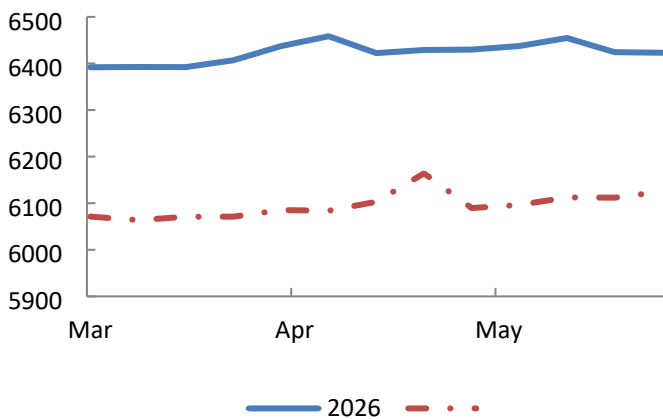
Central Govt. Credit (Net)



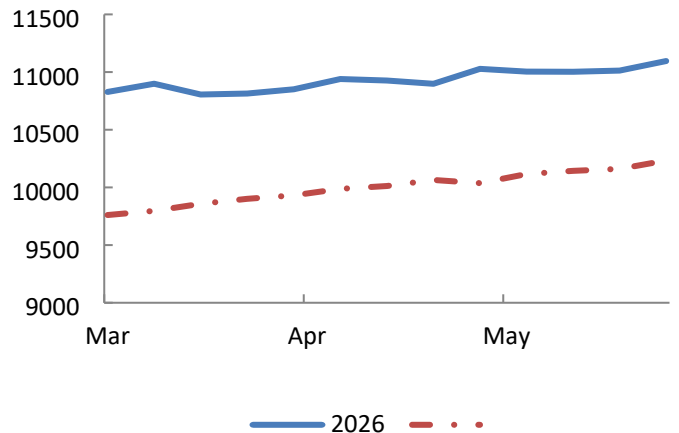
Rest of Public Sector Credit



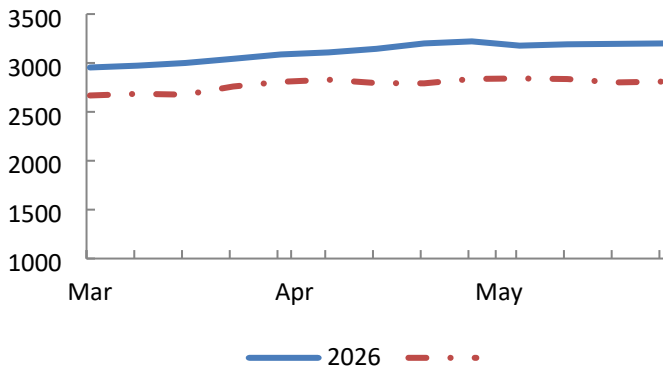
Private Sector Credit



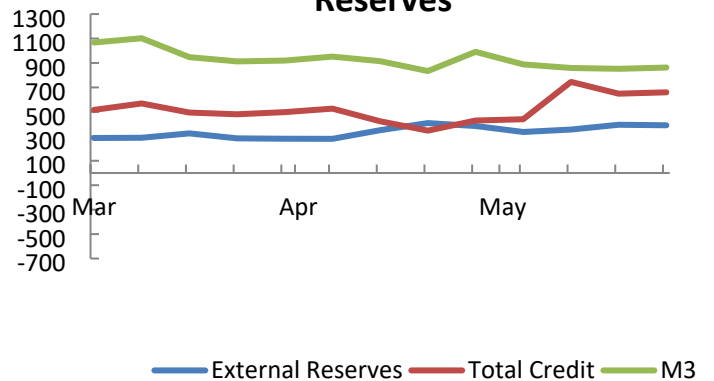
M3



External Reserves



Changes in Money, Credit & Ext. Reserves



Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labour force)						
	Real GDP		Inflation Rate		Unemployment	
	2025	2026	2025	2026	2025	2026
Bahamas	2.8	2.1	0.6	1.6	9.5	9.4
United States	2.1	2.3	2.7	3.2	4.3	4.4
Euro-Area	1.4	1.1	2.1	2.6	6.3	6.2
Germany	0.2	0.8	2.3	2.7	3.8	3.9
Japan	1.2	0.7	3.2	2.2	2.5	2.5
China	5.0	4.4	0.0	1.2	5.1	5.1
United Kingdom	1.3	0.8	3.4	3.2	4.9	5.6
Canada	1.7	1.5	2.1	2.5	6.9	6.5

Source: IMF World Economic Outlook April 2026

B: Official Interest Rates – Selected Countries (%)					
<i>With effect</i> <i>from</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
	Bank Rate	Refinancing Rate	Primary Credit	Target Funds	Repo Rate
May 2024	4.00	4.50	5.50	5.25-5.50	5.25
June 2024	4.00	4.25	5.50	5.25-5.50	5.25
July 2024	4.00	4.25	5.50	5.25-5.50	5.25
August 2024	4.00	3.65	5.50	5.25-5.50	5.00
September 2024	4.00	3.65	5.50	4.75-5.00	5.00
October 2024	4.00	3.40	5.00	4.75-5.00	5.00
November 2024	4.00	3.40	4.75	4.50-4.75	4.75
December 2024	4.00	3.15	4.50	4.25-4.50	4.75
January 2025	4.00	3.15	4.50	4.25-4.50	4.75
February 2025	4.00	2.90	4.50	4.25-4.50	4.50
March 2025	4.00	2.65	4.50	4.25-4.50	4.50
April 2025	4.00	2.40	4.50	4.25-4.50	4.50
May 2025	4.00	2.40	4.50	4.25-4.50	4.50
June 2025	4.00	2.15	4.50	4.25-4.50	4.50
July 2025	4.00	2.15	4.50	4.25-4.50	4.25
August 2025	4.00	2.15	4.50	4.25-4.50	4.00
September 2025	4.00	2.15	4.50	4.00-4.25	4.00
October 2025	4.00	2.15	4.50	4.00-4.25	4.00
November 2025	4.00	2.15	4.00	3.75-4.00	4.00
December 2025	4.00	2.15	3.75	3.50-3.75	3.75
January 2026	4.00	2.15	3.75	3.50-3.75	3.75
February 2026	4.00	2.15	3.75	3.50-3.75	3.75
March 2026	4.00	2.15	3.75	3.50-3.75	3.75
April 2026	4.00	2.15	3.75	3.50-3.75	3.75
May 2026	4.00	2.15	3.75	3.50-3.75	3.75

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	May-25	April-26	May-26	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.8813	0.8524	0.8577	0.62	0.75	-2.68
Yen	144.02	156.59	159.27	1.71	1.63	10.59
Pound	0.7430	0.7351	0.7432	1.10	0.14	0.02
Canadian \$	1.3739	1.3580	1.3793	1.57	0.50	0.39
Swiss Franc	0.8224	0.7814	0.7810	-0.05	-1.46	-5.03
Renminbi	7.1989	6.8281	6.7663	-0.91	-3.17	-6.01

Source: Bloomberg as of May 31st, 2026

D. Selected Commodity Prices (\$)					
Commodity	May-25	Apr-26	May-26	Mthly % Change	YTD % Change
Gold / Ounce	3289.25	4617.85	4540.26	-1.68	5.11
Silver / Ounce	32.98	73.75	72.30	-1.97	0.88
Oil / Barrel	63.11	114.01	92.05	-19.26	48.56

Source: Bloomberg as of May 31st, 2026

E: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	3.6500	3.8025	1.9863
1 Month	3.7075	3.8100	2.1525
3 Month	3.8400	3.9613	2.3500
6 Month	3.9700	4.1000	2.5350
9 Month	4.0675	4.2926	2.6400
1 year	4.1750	4.4450	2.7400

Source: Bloomberg as of May 31st, 2026

F. Equity Market Valuations May 31st, 2026 (% change)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	0.77	2.78	5.15	0.29	0.84	3.34	11.88	-1.06
3 month	2.41	10.12	16.11	2.29	4.69	10.69	29.90	4.54
YTD	2.96	6.18	10.73	4.81	0.42	2.51	31.76	2.51
12-month	4.71	20.73	28.22	18.66	5.57	4.61	74.71	21.54

Sources: Bloomberg and BISX

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

	VALUE									CHANGE								
	Apr. 01	Apr. 08	Apr. 15	Apr. 22	Apr. 29	May. 06	May. 13	May. 20	May. 27	Apr. 01	Apr. 08	Apr. 15	Apr. 22	Apr. 29	May. 06	May. 13	May. 20	May. 27
I. External Reserves	3,087.13	3,108.00	3,144.57	3,199.67	3,220.64	3,227.02	3,240.80	3,245.13	3,249.63	44.57	20.87	36.57	55.10	20.97	6.38	13.77	4.34	4.50
II. Net Domestic Assets (A + B + C + D)	(188.30)	(218.23)	(222.58)	(277.50)	(241.51)	(191.74)	(252.92)	(277.39)	(226.41)	(10.91)	(29.93)	(4.35)	(54.92)	35.99	49.78	(61.19)	(24.46)	50.98
A. Net Credit to Gov't (I + ii + iii -iv)	710.51	686.43	681.62	602.48	639.84	643.47	578.74	543.37	600.04	12.78	-24.08	-4.82	-79.14	37.37	3.63	-64.73	-35.37	56.68
i) Advances	558.77	558.77	558.77	458.77	458.77	458.77	458.77	358.77	358.77	-	-	-	-100	-	-	-	-100	-
ii) Registered Stock	417.72	417.77	414.56	414.56	412.89	409.72	409.23	408.86	408.69	0.13	0.05	-3.21	-0.01	-1.66	-3.18	-0.49	-0.37	-0.17
iii) Treasury Bills	-	-	-	-	-	-	-	-	0	0.00	-	-	-	-	-	-	-	0.00
iv) Deposits	265.98	290.11	291.72	270.85	231.82	225.02	289.27	224.27	167.42	(12.65)	24.13	1.61	(20.87)	(39.03)	(6.81)	64.25	(65.00)	(56.85)
B. Rest of Public sector (Net) (i+ii-iii)	(41.92)	(46.91)	(37.61)	(25.79)	(27.74)	(26.54)	(17.38)	(13.50)	(20.56)	(19.96)	(4.99)	9.30	11.82	(1.95)	1.20	9.17	3.87	(7.06)
i) Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Bonds/Securities	2.21	2.21	2.21	2.21	2.21	2.21	2.21	2.21	2.21	-	-	-	-	-	-	-	-	-
iii) Deposits	44.13	49.12	39.82	28.00	29.95	28.76	19.59	15.71	22.77	19.96	4.99	-9.30	-11.82	1.95	-1.20	-9.17	-3.87	7.06
C. Loans to/Deposits with Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D. Other Items (Net)*	(856.89)	(857.75)	(866.59)	(854.19)	(853.61)	(808.66)	(814.29)	(807.25)	(805.89)	(3.73)	(0.86)	(8.84)	12.40	0.58	44.95	(5.63)	7.04	1.36
III. Monetary Base	2,898.82	2,889.77	2,921.98	2,922.16	2,979.13	2,985.29	2,937.87	2,917.75	2,973.22	33.65	-9.06	32.22	0.18	56.96	6.16	-47.42	-20.12	55.48
A. Currency in Circulation	695.76	696.21	686.31	688.19	697.95	704.01	701.01	699.15	709.41	22.20	0.46	-9.90	1.88	9.76	6.06	-3.00	-1.86	10.27
B. Bank Balances with CBOB	2,203.06	2,193.55	2,235.67	2,233.97	2,281.18	2,281.28	2,236.86	2,218.60	2,263.81	11.45	-9.51	42.12	-1.70	47.21	0.10	-44.42	-18.26	45.21

