Release Date: 30th July, 2026

Monthly Economic and Financial Developments
June 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: 31st August, 28th September, 2nd November, 30th November, 28th December

JUNE 2026 SUMMARY
MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS

Overall Economic Activity

The domestic economy sustained its healthy growth pace during the month of June, as economic indicators continued to normalize toward their medium-term potential. Tourism output remained robust, underpinned by accelerated inflows in the high value-added stopover segment and ongoing growth in the cruise sector.

Employment

As labour market conditions continued to improve, the unemployment rate decreased further in the latest available data for fourth quarter of 2025, against the backdrop of an expansion in labour force participation.

Inflation

In price developments, average consumer price inflation rose during the 12 months to April, relative to the corresponding 2025 period, reflecting increased cost pressures from imported fuel and other goods and services.

Monetary Sector

Monetary trends for June were marked by a marginal decline in the narrow measure of banking sector liquidity, with the buildup in Bahamian dollar deposits mirroring the expansion in domestic credit. However, the growth in external reserves reduced sharply, underpinned by a notable decline in net foreign currency inflows through the public sector.

International Economies

Indications are that the major global economies maintained their growth momentum during the month of June, despite the ongoing geopolitical conflicts in the Middle East and Eastern Europe. Against this backdrop, most of the major Central Banks left their key interest rates unchanged, but deliberations over future interest rate hikes have intensified, with rising inflationary pressures.

Monthly Economic and Financial Developments (MEFD)

June 2026

1. *Domestic Economic Developments*

Overview

Based on available indicators, the domestic economy continued to expanded at a healthy rate during the month of June, with the pace of gains further normalizing toward their medium-term potential. Tourism output remained robust, underpinned by a rebound in the high value-added stopover segment and ongoing growth in the cruise sector. In terms of the labour market, the unemployment rate decreased in the fourth quarter of 2025, vis-à-vis the previous quarter and the final quarter of 2024, against the backdrop of an expansion in labour force participation. Meanwhile, average consumer price inflation rose during the 12 months to April, relative to the corresponding 2025 period, reflecting increased cost pressures from imported fuel and other goods and services. Monetary trends for June were marked by a negligible decline in the narrow measure of banking sector liquidity, as the build-up in the deposit base mirrored the expansion in domestic credit. However, the growth in external reserves narrowed significantly, underpinned by a notable decline in net foreign currency inflows through the public sector.

Real Sector

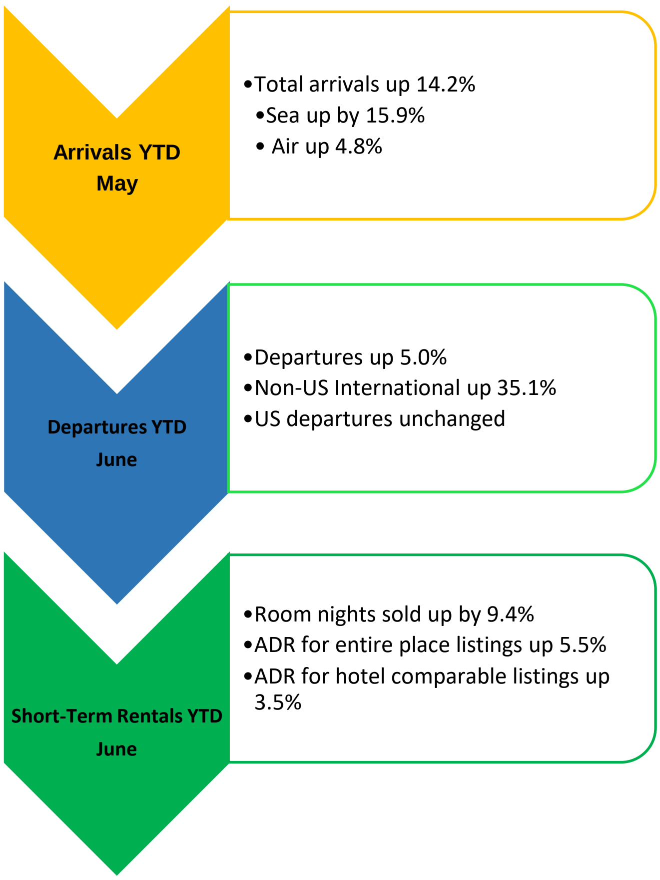
Tourism

Indications are that tourism output growth firmed during the month of May, vis-à-vis the comparable period of 2025, reflecting a strengthening in travel demand from key source markets. In particular, despite continued accommodation capacity constraints, the high value-added stopover segment recorded both accelerated arrival gains and appreciated pricing, supplementing ongoing expansion in the cruise sector.

Official data provided by the Ministry of Tourism (MOT) showed that total visitors grew by 15.3% to 1.1 million in May, relative to the same period of 2025. Underlying this development, sea passengers rose by 16.8% to 0.9 million, while air arrivals increased by 7.1% to 0.2 million.

By major port of entry, total arrivals to Grand Bahama advanced to 127,050, from 30,175 in the comparable period of 2025. In particular, sea arrivals increased nearly five-fold to 121,137, from 24,232 last year, while air arrivals remained relatively unchanged at 5,913 visitors.

Chart 1: Tourism Indicators at a Glance



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

Further, visitors to the Family Islands rose by 7.3% to 0.5 million vis-à-vis the same period of 2025, buoyed by a 9.4% rise in air arrivals to 38,644, and a 7.1% gain in sea passengers to 432,693. Meanwhile, total visitors to New Providence grew by 3.2% to 0.5 million during the month of May, as air arrivals increased by 6.8% to 0.1 million, and sea passenger arrivals firmed by 2.1% to 0.4 million visitors.

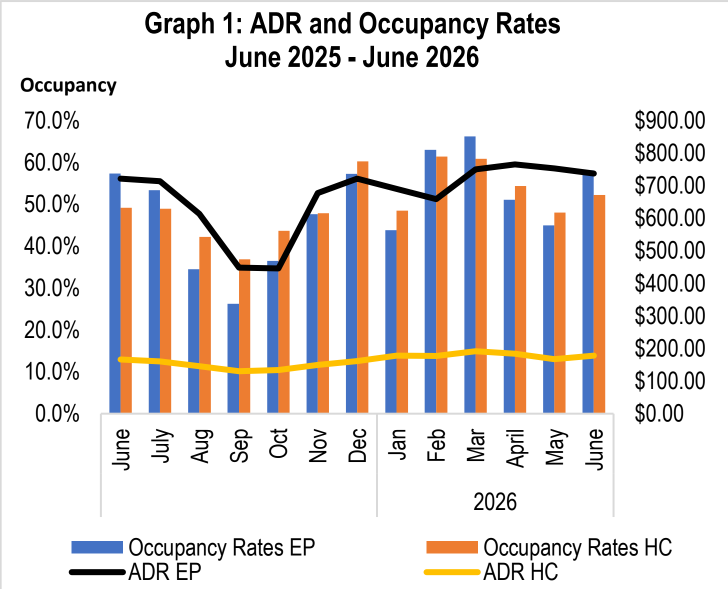
On a year- to-date basis, total arrivals expanded by 14.2% to 6.1 million visitors. Contributing to this development, sea passengers advanced by 15.9% to 5.2 million, while air traffic registered a 4.8% rebound to 0.9 million visitors (see Table 1), vis-à-vis an incremental contraction of 1.0% in 2025.

According to the latest data provided by Nassau Airport Development Company Limited (NAD), total departures—net of domestic traffic—increased by 3.9% to 153,704 in June, relative to the comparative period of 2025. Reflective of this outturn, international departures rose by 8.1% to 18,962. In addition, US departures moved higher by 3.4% to 134,742.

Table 1: Total Visitor Arrivals January- May 2026

	New Providence (% Change)		Grand Bahama (% Change)		Family Islands (% Change)	
Arrivals	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**
Air	-2.6	5.8	16.5	3.0	-2.1	1.8
Sea	14.8	1.9	-30.2	320.6	16.1	7.1
Total	**10.1**	**2.9**	**-25.2**	**267.7**	**15.0**	**6.8**

Sources: Ministry of Tourism



Source: AirDNA

In the six-months to June, total outbound traffic recovered by 5.0% to 0.9 million, after the cumulative reduction of 2.3% in 2025. In particular, international traffic increased by 35.1% to 168,356, while US departures stabilized at 0.7 million.

In the short-term vacation rental market, total room nights sold grew by 7.8% to 64,017 in June, compared with the same period of the previous year. The occupancy rate for entire place listings rose to 58.1% from 57.0%, while the rate for hotel comparable listings firmed to 52.2%, from 50.1% in the corresponding period of 2025. In addition, the average daily room rate (ADR) increased by 5.1% for entire place listings to $737.13 and for hotel comparable listings, by 5.1% to $178.38.

On a year-to-date basis, total room nights sold rose by 9.4% to 373,788, vis-à-vis the comparative period in the prior year. Additionally, the average daily room rate grew for entire place listings (5.5%) and hotel comparable listings (3.5%).

Employment

Based on quarterly data compiled by the Bahamas National Statistical Institute, labour market conditions continued to improve. The last available data for the fourth quarter of 2025, revealed that the number of employed persons increased to 226,025, from 222,575 in the previous quarter and 218,240 in the same period of 2024. Consequently, the jobless rate moderated to 8.7% during the review fourth quarter, from 8.8% in the third quarter and 9.0% in the final quarter of 2024. Meanwhile, the youth unemployment rate stood at 18.2%, remaining unchanged from the previous quarter, but slightly higher than the 18.0% registered in the comparative period of 2024.

A breakdown by island showed that the unemployment rate for New Providence increased to 8.3% from 8.0% over the quarter, but decreased by 0.8 percentage points over the year. Further, the jobless rate for Abaco fell to 9.1% from 10.2% in the previous quarter and 9.2% year-on-year. In Grand Bahama, the unemployment rate remained unchanged at 8.7% vis-à-vis the prior quarter, but declined on an annual basis by 1.3 percentage points.

Prices

Average consumer price inflation, as measured by the All-Bahamas Retail Price Index, increased to 2.1% during the 12 months to April 2026, after registering a 0.2% decline in the corresponding period of 2025. Contributing to this outcome, average costs rose for restaurants and hotels (14.9%), housing, water, gas, electricity & other fuels (2.4%), and communication (0.8%), after posting declines in the previous year. Further, average inflation quickened for furnishings, household equipment, and routine household maintenance (9.2%), health (3.6%), and miscellaneous goods and services (2.9%). In contrast, average prices declined for alcohol beverages, tobacco & narcotics (4.8%), education (2.1%), food & non-alcoholic beverages (1.7%), clothing & footwear (1.3%), transport (0.9%), and recreation & culture (0.9%).

2. *Monetary Trends*

June 2026 vs. 2025

Liquidity

Monetary trends for June featured a marginal decline in the narrow measure of banking sector liquidity, as the increase in the Bahamian dollar deposits base counterbalanced the growth in domestic credit. Specifically, excess reserves—a narrow measure of liquidity—fell slightly by $0.2 million to $2,027.1 million, after decreasing by $45.5 million in the comparative 2025 period. In contrast, excess liquid assets—a broad measure of liquidity—grew by $120.0 million to $3,576.9 million, a reversal from a $56.4 million reduction in the prior year.

During the first half of the year, growth in excess reserves widened to $182.0 million, from $34.6 million in the corresponding period of 2025. Likewise, excess liquid assets rose by $465.7 million, surpassing the $166.3 million accumulation in the same period last year.

External Reserves

During the review month, the growth in external reserves slowed to $45.7 million, from $178.4 million in the previous year, for an ending balance of $3,295.4 million. Underlying this outturn, the Central Bank's net purchases from the public sector reduced notably to $0.8 million, from $172.3 million last year. In a partial offset, the Central Bank's net purchase from commercial banks rose to $29.4 million, exceeding the $20.0 million uptick in June 2025, while commercial banks' net intake from their customers increased to $79.8 million, from $4.3 million in the preceding year.

On a year-to-date basis, growth in external reserves strengthened to $481.0 million from $354.9 million in the comparative 2025 period. Reflective of this development, the Central Bank's net intake from commercial banks widened to $452.1 million, from $346.7 million in the same period last year. Further, commercial banks' overall net purchase from their customers advanced to $513.9 million, from $310.6 million in the prior year. However, the Central Bank's net foreign currency sale to the public sector rose to $14.0 million, from $2.8 million a year earlier.

Exchange Control Sales

Provisional data on foreign currency sales for current account transactions showed that monthly outflows declined by $25.1 million to $866.6 million in June 2026, relative to the same period in 2025. In particular, factor income remittance payments receded by $71.1 million, while outflows for "other" current items—primarily debit and credit card transactions—decreased by $16.0 million. In contrast, payments for oil imports, non-oil imports, and travel-related expenses advanced by $40.4 million, $19.6 million, and $1.5 million, respectively. Likewise, outflows for transfer payments firmed by $0.5 million, compared to the same period last year.

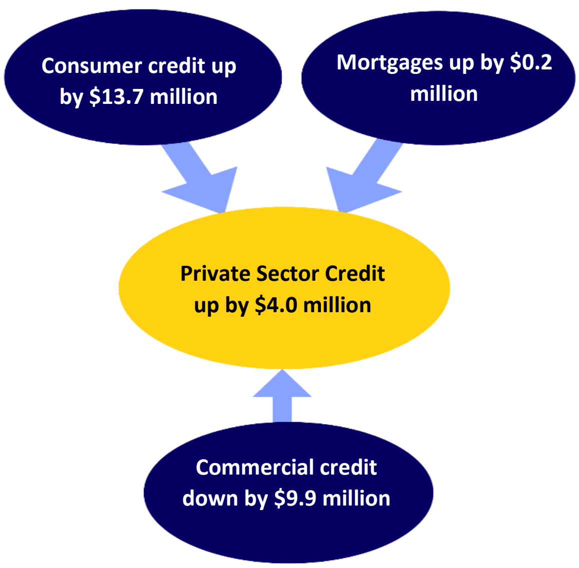
Over the six-month period, foreign currency sales for current account transactions grew by $127.3 million to $4,141.8 million, compared to the year prior. In particular, this outcome reflected increases in payments for "other" current items, inclusive of debit and credit card transactions ($198.0 million); non-oil imports ($56.4 million); oil imports ($45.9 million); and travel-related expenses ($9.6 million). In an offset, reductions were posted for factor income payments ($171.2 million) and transfer payments ($11.4 million).

Domestic Credit

Bahamian Dollar Credit

In June, total Bahamian dollar credit increased by $244.0 million, a rebound from a $203.4 million contraction in the prior year, also incorporating reclassification, between claims on the public and private sectors.[1] Incorporating the reclassification, credit to public corporations grew by $157.6 million, a switch from a $6.1 million decline in the previous year. Further, net claims on the government rose by $82.4 million, contrasting with a $203.1 million reduction in the prior year. Meanwhile, the growth in private sector credit tapered to $4.0 million, from $5.7 million in the same period last year. Adjusting for the reclassification, claims rose by $94.1 million. Underpinning this development, mortgages edged up by $0.2 million, a moderation from the $0.6 million gain in the year prior. Further, commercial loans fell by $9.9 million, exceeding the $4.5 million falloff last

Chart 2: B$ Private Sector Credit



Source: Central Bank of The Bahamas

[1] Inclusive of a $90.1 million reclassification of commercial private sector claims to public corporation debt.

year. Meanwhile, consumer credit grew by $13.7 million, extending the $9.7 million gain in the corresponding 2025 period.

On a year-to-date basis, total Bahamian dollar credit expanded by $346.2 million, a shift from a $29.7 million falloff in the comparative period of 2025. In particular, credit to public corporations advanced by $205.8 million (including reclassified balances), a turnaround from a $13.3 million decline in the prior year. Further, net claims on the government grew by $55.6 million, a reversal from a $133.6 million contraction in the preceding year. However, the growth in private sector credit tapered to $84.8 million, from $117.2 million in the previous year. Specifically, the increase in mortgages slowed to $1.1 million, from $15.3 million in June 2025. In contrast, consumer credit expansion firmed to $73.8 million, from $50.8 million in the same period last year. Further, commercial loans rose by $9.9 million—muted by shifted balances—after expanding by $51.0 million a year earlier.

Foreign Currency Credit

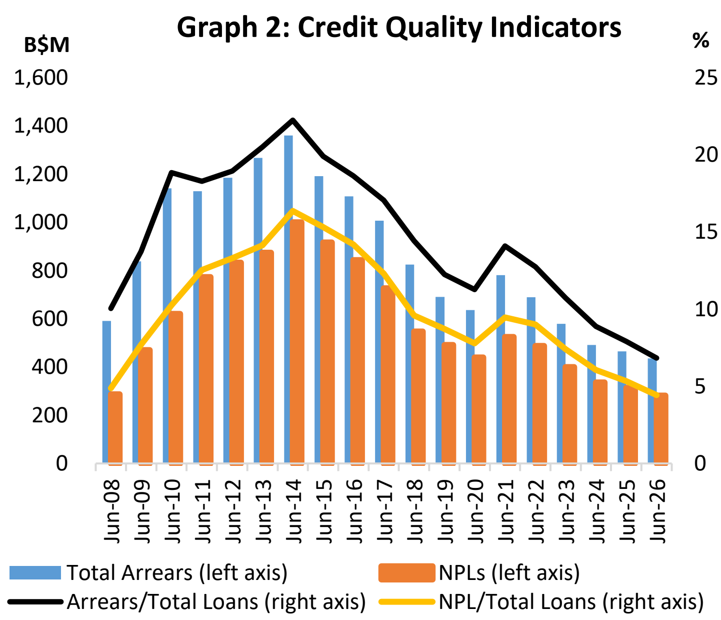
During the review period, the growth in domestic foreign currency credit moderated to $3.0 million, from $11.2 million in the previous year. Private sector credit declined by $13.5 million, contrasting with a $13.8 million rise in the preceding year. In particular, commercial loans contracted by $15.8 million, after increasing by the same magnitude in the same period last year. In contrast, mortgages grew by $2.3 million, after falling by $2.0 million last year. Further, net claims on the government fell by $3.3 million, deepening the $0.7 million decrease in June 2025. Providing some offset, credit to public corporations grew by $19.8 million, as opposed to a $1.9 million falloff in the previous year.

In the first half of 2026, domestic foreign currency credit increased by $41.0 million, a reversal from a $2.1 million decline in the comparable period of 2025. Underlying this development, credit to public corporations rose by $67.9 million, a turnaround from a $3.4 million reduction in the same period a year earlier. Further, the decline in net claims on government almost steadied at $5.8 million. However, private sector credit contracted by $21.1 million, a switch from an increase of $8.5 million in the preceding year. In particular, commercial loans fell by $33.4 million, a shift from a $20.0 million accretion in the year prior. In an offset, mortgages recovered by $12.3 million, after decreasing by $11.5 million last year.

Credit Quality

During June, banks' credit quality indicators weakened, owing to a rise in short-term arrears. Specifically, total private sector arrears grew by $9.8 million (2.3%) to $434.9 million; however, the attendant ratio to outstanding credit fell by 3 basis points to 6.8% of corresponding claims.

An analysis by average age of delinquency revealed that short-term arrears (31-90 days) rose by $11.3 million (8.0%) to $153.0 million, with the accompanying ratio firming by 12 basis points, to 2.4%. In an offset, non-performing loans (NPLs)—



Source: Central Bank of The Bahamas

arrears in excess of 90 days and on which banks have stopped accruing interest—decreased by $1.5 million (0.5%) to $281.9 million, with the relevant ratio reducing by 15 basis points to 4.4%. Moreover, the corresponding ratios for commercial loans declined by 28 basis points to 2.5%; mortgages, by 8 basis points to 6.5%; and consumer loans, by 1 basis point to 3.5%, relative to the prior month.

Categorized by loan type, commercial delinquencies grew by $12.6 million (23.0%) to $67.3 million, explained by a $12.6 million (72.4%) increase in short-term arrears, which overshadowed the muted $0.1 million (0.2%) decline in long-term arrears. Further, consumer loan arrears rose by $0.1 million (0.1%) to $119.2 million, amid a $0.4 million (0.6%) rise in non-accrual loans, which outpaced the $0.3 million (0.8%) falloff in the short-term component. In contrast, mortgage arrears fell by $2.9 million (1.2%) to $248.4 million, attributed to a $1.9 million (1.1%) decrease in the long-term category, and a $1.0 million (1.2%) reduction in the short-term segment.

In terms of allowances for credit losses, banks reduced their total provisions for loan losses by $1.1 million (0.4%) to $258.4 million in June. As a result, the ratio of total provisions to total arrears decreased by 1.6 percentage points to 59.4%. However, the ratio of total provisions to non-performing loans firmed by 10 basis points to 91.7%. During the review month, banks wrote-off an estimated $5.9 million in overdue loans and recovered approximately $4.5 million.

In comparison with the same period in 2025, the total private-sector arrears ratio fell by 1.1 percentage points. In particular, rates declined for both non-accruals and short-term arrears by 90 basis points and 19 basis points, respectively. By loan type, delinquencies decreased for mortgages by 1.7 percentage points, and consumer loans by 0.8 percentage points. Conversely, commercial loans rose by 0.4 percentage points.

In the first half of the year, total private sector arrears reduced by $26.9 million (5.8%), corresponding to an 81 basis points narrowing in the accompanying ratio. Contributing to this outturn, long-term arrears contracted by $21.1 million (7.0%), with the attendant ratio reducing by 59 basis points. Similarly, short-term arrears decreased by $5.8 million (3.7%), while the relevant ratio fell by 22 basis points.

Disaggregated by loan type, mortgage arrears fell by $32.4 million (11.5%), underpinned by a $19.3 million (18.9%) retrenchment in the short-term category, while non-accrual loans contracted by $13.0 million (7.3%). Likewise, consumer arrears decreased by $11.5 million (8.8%), owing to a $6.5 million (14.1%) decline in short-term arrears and a $4.9 million (5.9%) reduction in long-term arrears. Meanwhile, commercial delinquencies increased by $16.9 million (33.6%), attributed to a $20.1 million (200.0%) rise in the short-term component, which outweighed the $3.1 million (7.8%) falloff in the long-term component.

On a year-to-date basis, commercial banks' total provisions for credit losses declined by $2.7 million (1.0%). However, the ratio of total provisions to total arrears rose by 2.9 percentage points. Likewise, the ratio of total provisions to NPL's increased by 5.5 percentage points. During the six-month period, banks wrote-off approximately $40.0 million in overdue loans and recovered an estimated $41.3 million.

Deposits

During the review period, total Bahamian-dollar deposits expanded by $244.4 million, overturning the $33.2 million contraction in the previous year. Contributing to this outturn, demand deposits grew by $208.9 million, a reversal from an $18.1 million reduction in the preceding year. In addition, savings and fixed deposits advanced by $26.5 million and $8.9 million, respectively, after registering declines of $3.0 million and $12.1 million in June 2025. Further, the growth in foreign currency resident deposits advanced to $64.3 million, from $35.1 million in the previous year.

Over the first half of the year, the expansion in total Bahamian dollar deposits accelerated to $731.1 million, from $376.8 million in the corresponding period of 2025. Underlying this development, demand deposits rose by $582.7 million, after increasing by $370.2 million in the prior year. In addition, savings deposits grew by $160.6 million, extending the previous year's $103.3 million accumulation. Further, the decline in fixed deposits moderated notably to $12.3 million, from $96.7 million in the preceding year. Meanwhile, the uptick in foreign currency resident deposits slowed to $90.4 million, from $152.1 million last year.

Interest Rates

In June, banks' weighted average loan rate firmed by 53 basis points to 9.57%. In contrast, the weighted average deposit rate fell by 15 basis points to 0.61%. The highest deposit rate offered was 2.60% on fixed balances over 12 months.

3. *Domestic Outlook*

The domestic economy is expected to maintain its growth momentum in 2026, relative to 2025, but with the pace continuing to gradually converge toward its medium-term growth potential. Tourism sector performance—a key driver of economic growth—is projected to remain robust, supported by a firmed expansion in the high value-added stopover market and sustained growth in the cruise sector. In addition, new and ongoing foreign direct investment projects are expected to bolster construction activity, and ultimately economic growth. Further, it is anticipated that labour market conditions will improve further, with job creation concentrated primarily in the tourism and construction sectors.

On the fiscal front, the Government's net financing gap is forecasted to narrow, reflecting growth in revenues generated by tourism-related taxable economic activity, and anticipated proceeds from the domestic minimum corporate tax. Moreover, financing needs are projected to be met through a combination of domestic and external borrowing, with domestic sources accounting for the larger share.

In the monetary sector, liquidity in the banking system is expected to remain high, although stronger private sector credit growth could contribute to a modest reduction. External reserves are forecasted to fluctuate around 2025 levels, remaining comfortably above international standards and well placed to support the Bahamian dollar's fixed exchange rate.

Nevertheless, downside risks remain elevated, as the demand for stopover travel from the United States continues to be vulnerable to uncertainty in global trade and ongoing geopolitical tensions in Eastern Europe and the Middle East. Furthermore, high energy prices may weaken near-term travel demand, increase financing costs for foreign investment projects, and postpone expected reductions in the Government's borrowing costs.

4. *Monetary Policy and Financial Stability Implications*

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

APPENDIX

International Developments

Indications are that the major global economies maintained their growth momentum during the month of June, despite the ongoing geopolitical conflict in the Middle East and Eastern Europe. Against this backdrop, most major Central Banks left their key interest rates unchanged, but deliberations over future interest rate hikes have intensified, with rising inflationary pressures.

In the United States, economic indicators were mostly positive during the review month. Specifically, retail sales edged up by 0.2% in June, although lower than the preceding month's 1.0% buildup, supported by an increase in the sales of motor vehicle and parts dealers and non-store retailers. In addition, the growth in industrial production steadied at 0.1% during the review month, owing to a rise in mining and utilities output. Further, consumer prices softened by 0.4% in June, a turnaround from the 0.6% uptick in May, due largely to a decline in energy costs. In the labour market, the unemployment rate decreased by 10 basis points to 4.2%, as total non-farm payroll employment increased by 57,000, with job gains concentrated in professional and business services, social assistance, and health care. On the external front, the U.S. trade deficit widened by 42.2% to $77.6 billion in May, relative to the previous month, as imports rose by 3.3%, while exports fell by 3.2%. Given the current outlook, the Federal Reserve maintained its federal funds rate at 3.50%-3.75%.

Economic developments in Europe were relatively benign over the review period. The United Kingdom's real GDP grew by 0.1% in May, a reversal from a decline of the same magnitude the month prior, primarily driven by a rise in services. Retail sales rose by 1.0% in June, following a 1.2% increase in May, a trend that was likely supported by sales promotions and warm weather. However, industrial production decreased by 0.5% in May, a shift from a 0.2% increase recorded in April, reflecting declines in mining and quarrying and water supply and sewerage. Further, the consumer price index edged up by 0.1% in June, lower than the 0.2% increase in the prior month, reflecting lower transport and food and alcohol beverages costs. In the labour market, the unemployment rate steadied at 4.9% in the three months to May, relative to the previous three-month period. In the external sector, the UK trade deficit narrowed to £1.0 billion in May, from £7.1 billion in the preceding month, owing to a 2.8% rise in exports, combined with a 4.3% decrease in imports. Given these developments, the Bank of England maintained its key policy rate at 3.75% in an effort to achieve its target inflation rate of 2.0%.

In the euro area, retail sales edged up by 0.2% in May, a shift from the prior month's 0.3% falloff, supported by higher sales in food, drinks, tobacco, and non-food products. However, industrial production declined by 0.2%, a turnaround from a 0.3% increase in April, owing to a decrease in the production of durable consumer goods and intermediate goods. Further, the annual inflation rate moderated to 2.8% in June, from 3.2% in the previous month, reflecting broad-based reductions across all categories. Meanwhile, the unemployment rate remained unchanged at 6.2% in May, vis-à-vis April. In the external environment, the euro area recorded a trade deficit of €7.8 billion in May, a shift from a surplus of €15.0 billion in the same period of the preceding year, amid a 10.0% increase in imports, which overshadowed the 0.1% uptick in exports. Against this backdrop, the European Central Bank increased its three key interest rates by 25 basis points each, bringing the deposit facility interest rate to 2.25%, the main refinancing operations rate to 2.40%, and the marginal lending facility rate to 2.65%.

Among the Asian economies, China's annual GDP expanded by 4.3% in the second quarter, a slowdown from the 5.0% annual growth recorded in the first quarter. Industrial production rose by 0.8% in June, relative to the previous month, while retail sales rose marginally by 0.4%. Further, the monthly consumer price index fell by 0.3%, widening the 0.1% decrease in the previous month, owing to lower food costs. In addition, the unemployment rate narrowed by 10 basis points to 5.0% in May, as compared to the prior month. In the external sector, China's trade surplus grew to US$125.6 billion from US$105.4 billion in the month prior, as the 9.5% expansion in exports outpaced the 5.7% increase in imports. In Japan, real GDP rose by 0.3% in the second quarter, extending the 0.1% growth in the first quarter. Industrial production edged up by 0.1% in May compared to the previous month, while retail sales advanced by 1.9%, although lower than the 2.1% gain in April. In the labour market, the unemployment rate steadied at 2.5% in May, relative to the month earlier. Further, the inflation rate firmed to 1.5%, from 1.4% in the preceding month. In the external sector, Japan's trade deficit more than doubled to ¥654.6 million in June from ¥303.0 million in the same period a year earlier, due to a 30.4% increase in imports, which outpaced the 21.1% growth in exports. Given these developments, the People's Bank of China kept its key policy rate at 1.4%, while the Bank of Japan left its key policy rate at 1.0%.

In June, developments in the global equity markets were mostly positive. In Asia, Japan's Nikkei rose by 5.6%, and China's SE Composite by 0.6%. Further, in Europe, France's CAC 40 and the United Kingdom's FTSE 100 increased by 2.7% and 0.8%, respectively, while the German DAX decreased by 0.4%. Similarly, in the United States, the Dow Jones Industrial Average (DJIA) grew by 2.5%; however, the S&P 500 declined by 1.1%.

In the foreign exchange markets, the US dollar appreciated against all major currencies in June, reflective of the economy's strong economic performance, driven by robust capital spending on artificial intelligence and steady consumer confidence. In particular, the US dollar rose relative to the Swiss franc, by 3.5% to CHF0.8084; the Canadian dollar, by 2.9% to CAD$1.4196; and the euro, by 2.1% to €0.8755. Likewise, the dollar strengthened against the Japanese Yen, by 2.1% to ¥162.55; the British pound, by 1.5% to £0.7540; and the Chinese renminbi, by 0.3% to CNY6.7870.

Commodity market prices trended downward during the month of June. Specifically, the price of crude oil fell by 19.3% to $92.02 per barrel, as OPEC's crude oil production increased by 3.0 million barrels per day to an average of 36.28 million barrels per day. In addition, the price of silver reduced by 22.2% to $58.60 per troy ounce, while the price of gold declined by 11.7% to $4,008.02 per troy ounce.

Recent Monetary and Credit Statistics

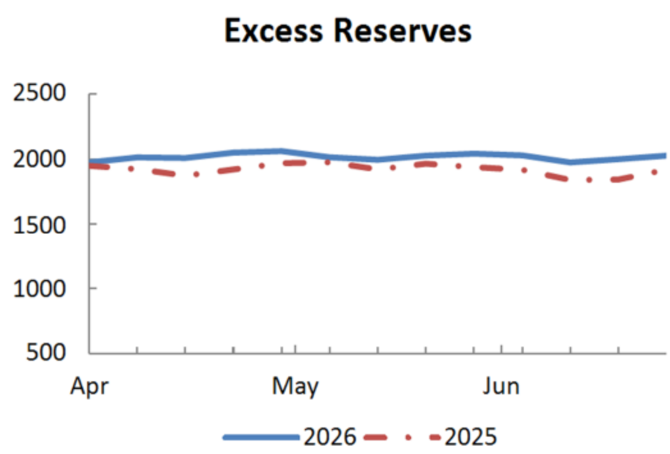
(B$ Millions)

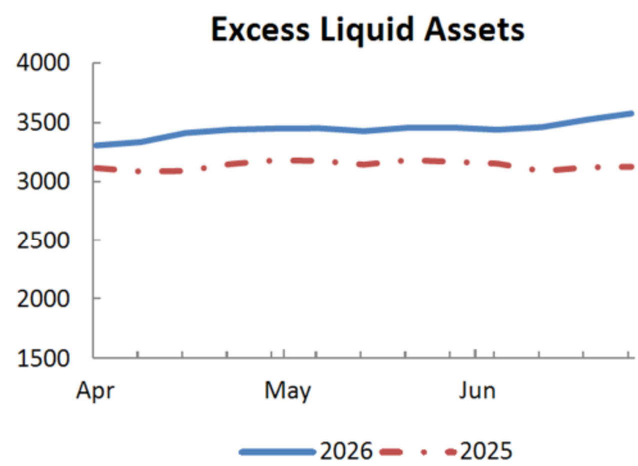
	June					
	Value		Change		Change YTD	
	2025	2026	2025	2026	2025	2026
1.0 LIQUIDITY & FOREIGN ASSETS						
1.1 Excess Reserves	1,919.82	2,027.05	-45.53	-0.22	34.55	182.02
1.2 Excess Liquid Assets	3,126.34	3,576.86	-56.42	119.95	166.25	465.72
1.3 External Reserves	2,987.88	3,295.37	178.44	45.73	354.93	480.96
1.4 Bank's Net Foreign Assets	99.67	210.89	7.40	123.80	133.87	46.91
1.5 Usable Reserves	1,543.38	1,697.66	240.76	31.42	361.25	368.72
2.0 DOMESTIC CREDIT						
2.1 Private Sector	6,144.61	6,413.55	19.56	-9.46	125.69	63.67
a. B$ Credit	5,797.16	6,055.15	5.74	3.99	117.17	84.80
of which: Consumer Credit	2,090.32	2,225.00	9.68	13.68	50.82	73.80
Mortgages	2,744.59	2,778.75	0.55	0.22	15.34	1.10
Commercial and Other Loans B$	962.24	1,051.39	-4.50	-9.91	51.01	9.90
b. F/C Credit	347.46	358.40	13.82	-13.46	8.51	-21.12
of which: Mortgages	154.79	188.52	-2.01	2.29	-11.45	12.30
Commercial and Other Loans F/C	192.67	169.89	15.83	-15.75	19.96	-33.43
2.2 Central Government (net)	3,299.77	3,626.08	-203.79	79.15	-140.77	49.83
a. B$ Loans & Securities	3,354.76	3,865.91	-315.45	105.51	-190.91	68.43
Less Deposits	290.32	462.98	-112.40	23.08	-57.36	12.82
b. F/C Loans & Securities	248.93	240.59	0.00	-0.40	-4.17	-4.17
Less Deposits	13.60	17.44	0.73	2.88	3.05	1.61
2.3 Rest of Public Sector	331.57	601.60	-7.93	177.34	-16.70	273.65
a. B$ Credit	316.94	522.85	-6.06	157.59	-13.33	205.77
b. F/C Credit	14.63	78.75	-1.88	19.75	-3.38	67.88
2.4 Total Domestic Credit	9,775.95	10,641.23	-192.16	247.03	-31.78	387.15
a. B$ Domestic Credit	9,178.54	9,980.93	-203.37	244.02	-29.70	346.17
b. F/C Domestic Credit	597.41	660.30	11.22	3.01	-2.08	40.98
3.0 DEPOSIT BASE						
3.1 Demand Deposits	4,512.78	5,229.71	-18.06	208.94	370.18	582.70
a. Central Bank	54.01	13.20	20.04	-9.57	-21.04	-18.35
b. Banks	4,458.77	5,216.51	-38.10	218.50	391.23	601.05
3.2 Savings Deposits	2,547.58	2,843.50	-2.98	26.54	103.31	160.62
3.3 Fixed Deposits	1,821.04	1,740.65	-12.13	8.94	-96.66	-12.26
3.4 Total B$ Deposits	8,881.39	9,813.86	-33.17	244.41	376.83	731.06
3.5 F/C Deposits of Residents	707.07	868.29	35.08	64.29	152.05	90.43
3.6 M2	9,370.27	10,365.04	-33.46	238.19	391.09	757.55
3.7 External Reserves/M2 (%)	31.89	31.79	2.01	-0.30	2.56	2.50
3.8 External Reserves/Base Money (%)	107.79	110.85	7.94	1.55	10.34	8.16
3.9 External Reserves/Demand Liabilities (%)	103.42	103.13	10.20	0.51	12.68	8.40

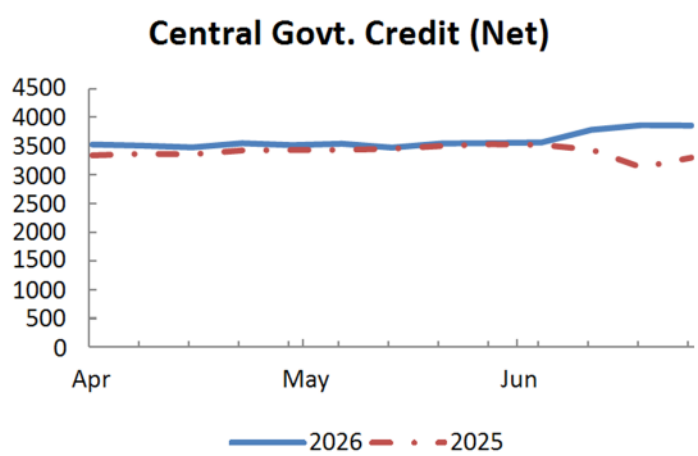
	Value		Year To Date		Change	
	2025	2026	2025	2026	Month	YTD
4.0 FOREIGN EXCHANGE TRANSACTIONS						
4.1 Central Bank Net Purchase/(Sale)	192.20	30.18	343.88	438.18	-162.02	94.30
a. Net Purchase/(Sale) from/to Banks	19.95	29.39	346.65	452.14	9.44	105.49
i. Sales to Banks	64.50	31.25	213.25	114.19	-33.25	-99.06
ii. Purchase from Banks	84.45	60.64	559.90	566.34	-23.81	6.43
b. Net Purchase/(Sale) from/to Others	172.25	0.79	-2.78	-13.96	-171.46	-11.19
i. Sales to Others	182.90	168.14	694.22	587.08	-14.77	-107.15
ii. Purchase from Others	355.15	168.92	691.45	573.11	-186.23	-118.34
4.2 Banks Net Purchase/(Sale)	4.27	79.82	310.60	513.87	75.55	203.27
a. Sales to Customers	715.66	812.00	3,610.21	4,104.81	96.34	494.60
b. Purchase from Customers	719.93	891.82	3,920.81	4,618.68	171.89	697.87
5.0 EXCHANGE CONTROL SALES						
5.1 Current Items	891.69	866.64	4,014.49	4,141.75	-25.05	127.25
of which Public Sector	206.26	120.64	635.24	449.55	-85.62	-185.68
a. Nonoil Imports	223.13	242.75	1,167.28	1,223.64	19.62	56.36
b. Oil Imports	61.99	102.40	307.34	353.19	40.41	45.85
c. Travel	23.41	24.88	111.45	121.05	1.47	9.61
d. Factor Income	149.00	77.94	427.11	255.89	-71.06	-171.22
e. Transfers	19.96	20.42	113.89	102.50	0.47	-11.39
f. Other Current Items	414.20	398.24	1,887.43	2,085.47	-15.96	198.04
5.2 Capital Items	39.11	70.38	309.38	352.73	31.27	43.35
of which Public Sector	23.96	45.67	170.00	208.01	21.70	38.01

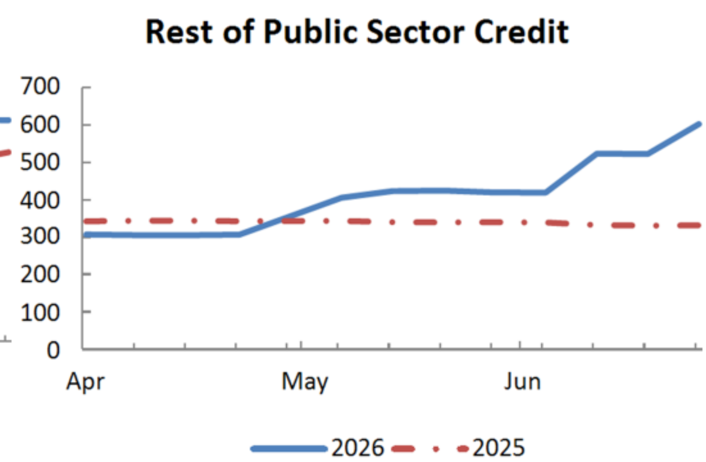
SELECTED MONEY AND CREDIT INDICATORS

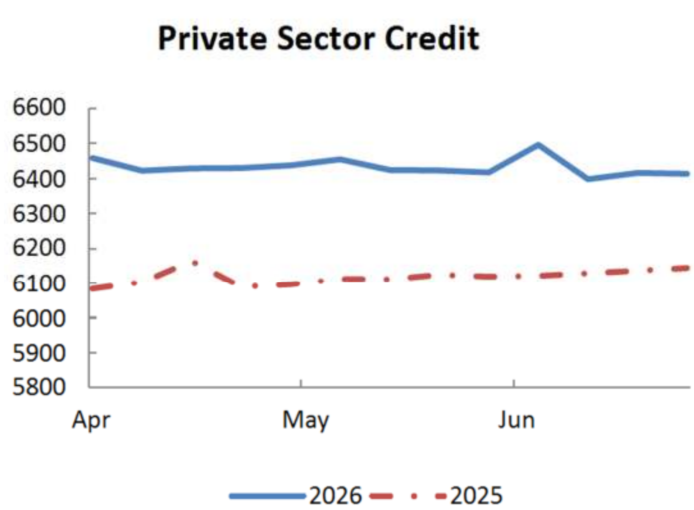
(B$ Millions)

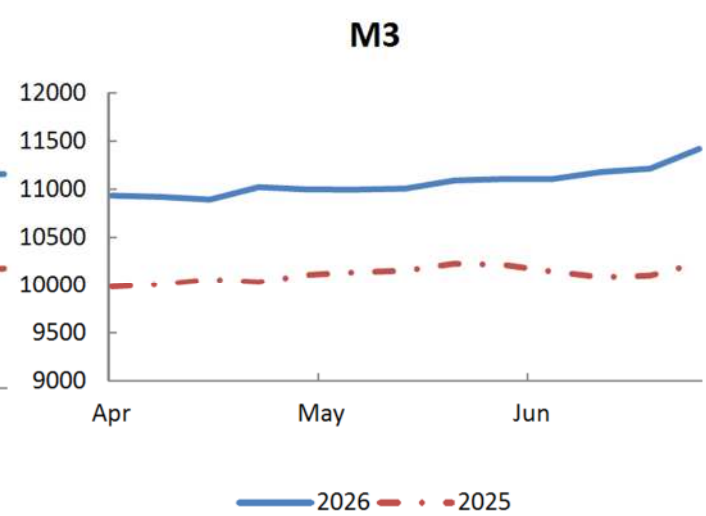


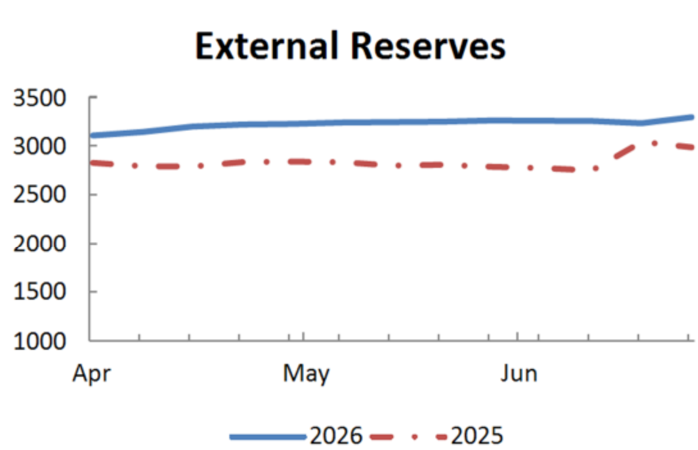


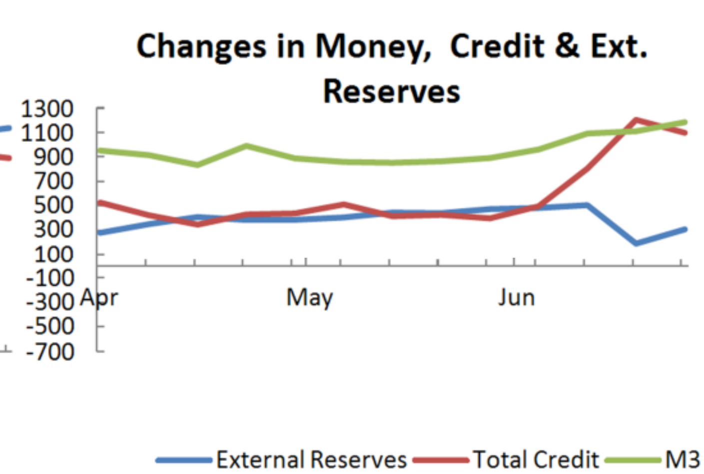












Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	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	0.9	2.1	2.6	6.3	6.2
Germany	0.2	0.7	2.3	2.7	3.8	3.9
Japan	1.1	0.6	3.2	2.2	2.5	2.5
China	5.0	4.6	0.0	1.2	5.1	5.1
United Kingdom	1.4	1.0	3.4	3.2	4.9	5.6
Canada	1.9	1.1	2.1	2.5	6.9	6.5

Source: IMF World Economic Outlook July 2026

B: Official Interest Rates – Selected Countries (%)					
With effect	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
from	Bank Rate	Refinancing Rate	Primary Credit	Target Funds	Repo Rate
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
June 2026	4.00	2.40	3.75	3.50-3.75	3.75

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	**June-25**	**May-26**	**June-26**	**Mthly % Change**	**YTD % Change**	**12-Mth% Change**
Euro	0.8484	0.8577	0.8755	2.07	2.84	3.20
Yen	144.03	159.27	162.55	2.06	3.73	12.86
Pound	0.7282	0.7432	0.7540	1.46	1.61	3.54
Canadian $	1.3608	1.3793	1.4196	2.92	3.44	4.32
Swiss Franc	0.7931	0.7810	0.8084	3.51	1.99	1.93
Renminbi	7.1638	6.7663	6.7870	0.31	-2.88	-5.26
Source: Bloomberg as of June 30th, 2026						

D. Selected Commodity Prices ($)					
Commodity	**June-25**	**May-26**	**June-26**	**Mthly % Change**	**YTD % Change**
Gold / Ounce	3303.14	4540.26	4008.02	-11.72	-7.21
Silver / Ounce	36.11	75.30	58.60	-22.18	-18.23
Oil / Barrel	63.91	114.09	92.02	-19.34	48.52
Source: Bloomberg as of June 30th, 2026					

E: Short Term Deposit Rates in Selected Currencies (%)			
	USD	**GBP**	**EUR**
o/n	3.6800	3.8000	2.2425
1 Month	3.7150	3.8000	2.3000
3 Month	3.9300	3.9625	2.3840
6 Month	4.1540	4.1525	2.5750
9 Month	4.2700	4.2366	2.6550
1 year	4.4000	4.3875	2.7550
Source: Bloomberg as of June 30th ,2026			

F. Equity Market Valuations May 31st, 2026 (% change)								
	BISX	**DJIA**	**S&P 500**	**FTSE 100**	**CAC 40**	**DAX**	**Nikkei 225**	**SE**
1-month	0.69	2.52	-1.06	0.84	2.70	-0.43	5.63	0.63
3-month	1.47	5.37	4.03	1.14	3.56	2.90	18.18	-0.43
YTD	3.67	8.85	9.55	5.70	3.12	2.06	39.18	3.16
12-month	6.08	18.65	20.86	19.82	9.63	4.54	73.05	18.87
Sources: Bloomberg and BISX								

Summary Accounts of the Central Bank
(B$ Millions)

	VALUE								CHANGE							
	May. 13	May. 20	May. 27	Jun. 03	Jun. 10	Jun. 17	Jun. 24	Jul. 01	May. 13	May. 20	May. 27	Jun. 03	Jun. 10	Jun. 17	Jun. 24	Jul. 01
I. External Reserves	***3,240.80***	***3,245.13***	***3,249.63***	***3,261.52***	***3,258.68***	***3,256.06***	***3,233.58***	***3,295.37***	***13.77***	***4.34***	***4.50***	***11.89***	***(2.84)***	***(2.62)***	***(22.47)***	***61.78***
II. Net Domestic Assets (A + B + C + D)	***(302.92)***	***(327.39)***	***(276.41)***	***(282.37)***	***(294.43)***	***(350.62)***	***(304.88)***	***(322.51)***	***(61.19)***	***(24.46)***	***50.98***	***(5.96)***	***(12.07)***	***(56.19)***	***45.75***	***(17.63)***
A. Net Credit to Gov't (I + ii + iii -iv)	***578.74***	***543.37***	***600.04***	***597.98***	***597.32***	***513.83***	***581.71***	***543.38***	***(64.73)***	***(35.37)***	***56.68***	***(2.07)***	***(0.66)***	***(83.49)***	***67.88***	***(38.32)***
i) Advances	458.77	358.77	358.77	358.77	358.77	358.77	358.77	331.77	-	(100.00)	-	-	-	-	-	(27.00)
ii) Registered Stock	409.23	408.86	408.69	408.94	408.97	408.47	417.34	417.58	(0.49)	(0.37)	(0.17)	0.25	0.03	(0.50)	8.88	0.24
iii) Treasury Bills	0.00	-	-	-	0.00	-	(0.00)	(0.00)	0.00	(0.00)	-	-	0.00	(0.00)	(0.00)	-
iv) Deposits	289.27	224.27	167.42	169.74	170.42	253.41	194.41	205.97	64.25	(65.00)	(56.85)	2.32	0.68	82.99	(59.00)	11.56
B. Rest of Public sector (Net) (i+ii-iii)	***(17.38)***	***(13.50)***	***(20.56)***	***(10.50)***	***(4.24)***	***(9.29)***	***(7.96)***	***(10.99)***	***9.17***	***3.87***	***(7.06)***	***10.05***	***6.26***	***(5.05)***	***1.33***	***(3.04)***
i) Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Bonds/Securities	2.21	2.21	2.21	2.21	2.21	2.21	2.21	2.21	-	-	-	-	-	-	-	-
iii) Deposits	19.59	15.71	22.77	12.72	6.45	11.50	10.17	13.20	(9.17)	(3.87)	7.06	(10.05)	(6.26)	5.05	(1.33)	3.04
C. Loans to/Deposits with Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D. Other Items (Net)*	***(864.29)***	***(857.25)***	***(855.89)***	***(869.84)***	***(887.51)***	***(855.16)***	***(878.63)***	***(854.90)***	(5.63)	7.04	1.36	(13.94)	(17.67)	32.34	(23.46)	23.73
III. Monetary Base	***2,937.87***	***2,917.75***	***2,973.22***	***2,979.16***	***2,964.25***	***2,905.43***	***2,928.71***	***2,972.86***	***(47.42)***	***(20.12)***	***55.48***	***5.93***	***(14.91)***	***(58.82)***	***23.27***	***44.15***
A. Currency in Circulation	701.01	699.15	709.41	726.61	713.42	700.67	710.68	725.08	(3.00)	(1.86)	10.27	17.20	(13.19)	(12.75)	10.01	14.40
B. Bank Balances with CBOB	2,236.86	2,218.60	2,263.81	2,252.55	2,250.83	2,204.76	2,218.03	2,247.78	(44.42)	(18.26)	45.21	(11.27)	(1.72)	(46.06)	13.26	29.75

FISCAL/REAL SECTOR INDICATORS

(B$ MILLIONS)

(% change represents current period from previous period)

Fiscal Operations[P]	JUL-SEP 2024/2025	JUL-SEP 2025/2026	OCT-DEC 2024/2025	OCT-DEC 2025/2026	JAN-MAR 2024/2025	JAN-MAR 2025/2026	APR-JUN 2024/2025	APR-JUN 2025/2026	YEAR TO DATE 2024/2025 (Over previous year)	YEAR TO DATE 2025/2026 (Over previous year)
1. Government Revenue & Grants	682.6	790.1	758.5	722.3	1029.3	1039.4			2,470.3	2,551.9
% change; over previous quarter	*-22.2%*	*-14.6%*	*11.1%*	*-8.6%*	*35.7%*	*43.9%*			*12.7%*	*3.3%*
2. Value Added Tax	339.4	417.3	323.7	321.8	381.6	375.0			1,044.70	1,114.13
% change; over previous quarter	*-3.7%*	*6.1%*	*-4.6%*	*-22.9%*	*17.9%*	*16.5%*			*5.1%*	*6.6%*
3. Import/Excise/Export Duties	64.8	64.2	68.9	67.1	66.8	68.5			200.5	199.9
% change; over previous quarter	*-53.5%*	*-60.0%*	*6.2%*	*4.6%*	*-3.0%*	*2.1%*			*0.3%*	*-0.3%*
4. Recurrent Expenditure	739.2	803.8	876.9	858.3	746.2	775.5			2,362.3	2,437.6
% change; over previous quarter	*-6.5%*	*-2.8%*	*18.6%*	*6.8%*	*-14.9%*	*-9.6%*			*8.8%*	*3.2%*
5. Capital Expenditure	120.9	127.0	71.7	64.8	45.4	79.9			238.1	271.7
% change; over previous quarter	*81.6%*	*167.1%*	*-40.7%*	*-49.0%*	*-36.7%*	*23.4%*			*1.3%*	*14.1%*
6. Deficit/Surplus*	-177.56	-140.59	-190.19	-200.75	237.66	183.99			-130.09	-157.34
% change; over previous quarter	*180.5%*	*-395.7%*	*7.1%*	*42.8%*	*-225.0%*	*-191.7%*			*-39.3%*	*21.0%*

Debt[P] **	JAN 2025	JAN 2026	FEB 2025	FEB 2026	MAR 2025	MAR 2026	APR 2025	APR 2026	MAY 2025	MAY 2026	JUN 2025	JUN 2026	JUL 2025	JUL 2026	AUG 2025	AUG 2026	SEP 2025	SEP 2026	OCT 2025	OCT 2026	NOV 2025	NOV 2026	DEC 2025	DEC 2026
7. Total Direct Debt	11,714.9	12,395.4	11,772.1	12,421.5	11,718.7	12,473.2	11,752.8	12,479.9	11,826.4	12,451.9	11,769.2	12,466.1												
% change; over previous month	*2.5%*	*-0.1%*	*0.5%*	*0.2%*	*-0.5%*	*0.4%*	*0.3%*	*0.1%*	*0.6%*	*-0.2%*	*-0.5%*	*0.1%*												
8. External Debt	5,135.7	5,447.1	5,114.3	5,425.0	5,056.4	5,410.9	5,072.0	5,434.4	5,072.4	5,431.2	5,292.9	5,404.2												
% change; over previous month	*2.1%*	*-0.7%*	*-0.4%*	*-0.4%*	*-1.1%*	*-0.3%*	*0.3%*	*0.4%*	*0.0%*	*-0.1%*	*4.3%*	*-0.5%*												
9. Internal F/C Debt	248.8	254.1	249.7	252.8	253.1	249.6	253.7	249.4	253.8	248.9	256.9	246.7												
% change; over previous month	*-19.6%*	*0.9%*	*0.4%*	*-0.5%*	*1.4%*	*-1.3%*	*0.2%*	*-0.1%*	*0.0%*	*-0.2%*	*1.2%*	*-0.9%*												
10. Bahamian Dollar Debt	6,330.4	6,694.2	6,408.2	6,743.7	6,409.2	6,812.7	6,427.1	6,796.1	6,500.1	6,771.8	6,219.4	6,815.3												
% change; over previous month	*4.0%*	*0.4%*	*1.2%*	*0.7%*	*0.0%*	*1.0%*	*0.3%*	*-0.2%*	*1.1%*	*-0.4%*	*-4.3%*	*0.6%*												
11. Total Amortization	307.9	132.0	130.1	94.8	262.0	30.0	261.9	9.6	152.1	125.8	1,486.7	95.3												
% change; over previous month	*-47.8%*	*-79.2%*	*-136.7%*	*-39.1%*	*50.3%*	*-216.6%*	*-0.1%*	*-212.5%*	*-72.1%*	*92.4%*	*877.2%*	*-24.2%*												
12.Total Public Sector F/C Debt	5,901.8	6,192.3	5,881.3	6,168.9	5,819.6	6,150.2	5,835.8	6,173.5	5,836.4	6,441.8	6,050.2	6,402.7												
% change; over previous month	*-1.4%*	*-0.6%*	*-0.3%*	*-0.4%*	*-1.1%*	*-0.3%*	*0.3%*	*0.4%*	*0.01%*	*4.17%*	*3.66%*	*-0.61%*												

Real Sector Indicators	JAN 2025	JAN 2026	FEB 2025	FEB 2026	MAR 2025	MAR 2026	APR 2025	APR 2026	MAY 2025	MAY 2026	JUN 2025	JUN 2026	JUL 2025	JUL 2026	AUG 2025	AUG 2026	SEP 2025	SEP 2026	OCT 2025	OCT 2026	NOV 2025	NOV 2026	DEC 2025	DEC 2026	YEAR TO DATE 2025 (Over previous year)	YEAR TO DATE 2026 (Over previous year)
13. Retail Price Index	121.87	124.43	122.32	125.61	123.23	126.04																			91.86	123.59
% change; over previous month	0.74%	2.10%	0.81%	*0.9%*	0.00%	*0.3%*																			*0.5%*	*34.5%*
14. Tourist arrivals (000's)	1034.3	1269.8	1016.1	1161.3	1227.2	1420.0	1098.1	1134.5	944.3	1,088.4															5,320.06	6,074.07
% change; over previous year	7.84%	22.77%	12.56%	14.29%	7.06%	15.71%	21.1%	3.3%	5.3%	15.3%															*10.6%*	*14.2%*
15. Air arrivals (000's)	134.5	137.4	151.7	162.2	201.1	213.0	173.0	176.1	153.1	164.0															813.36	852.75
% change; over previous year	-4.66%	2.16%	-3.20%	6.96%	*-2.54%*	*5.93%*	9.0%	1.8%	-3.4%	7.1%															*-1.0%*	*4.8%*
16. Res. Mortgage Commitments-Value of New Const. & Rehab. (B$Millions)					17.07	23.17																				
% change; over previous qtr.					*0.38%*	*12.48%*																				

* Includes Net Lending to Public Corporations

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

p - provisional