



CENTRAL BANK
of BELIZE

MARCH 2023
**QUARTERLY
REVIEW**

CENTRAL BANK OF BELIZE

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List of Acronyms and Abbreviations

Acronyms:

BEL	Belize Electricity Limited
BGA	Banana Growers Association
BSI	Belize Sugar Industries Limited
BSSB	Belize Social Security Board
BTB	Belize Tourism Board
BTL	Belize Telemedia Limited
BWSL	Belize Water Services Limited
CARICOM	Caribbean Community
CBB	Central Bank of Belize
CDB	Caribbean Development Bank
CFZ	Commercial Free Zone
CGA	Citrus Growers Association
CIF	Cost, Insurance, and Freight
COVID-19	Coronavirus Disease 2019
CPBL	Citrus Products of Belize Limited
CPI	Consumer Price Index
DFC	Development Finance Corporation
DOD	Disbursed Outstanding Debt
EU	European Union
FOB	Free On Board
FY	Fiscal Year
GDP	Gross Domestic Product
IMF	International Monetary Fund
MOF	Ministry of Finance
OPEC	Organization of Petroleum Exporting Countries
SDR	Special Drawing Rights
SIB	Statistical Institute of Belize
SITC	Standard International Trade Classification
T-bills	Treasury bills
T-notes	Treasury notes
UK	United Kingdom
US	United States
VPCA	Venezuelan Petrocaribe Agreement

Abbreviations and Conventions:

\$	Belize dollar unless otherwise stated
bn	billion
bps	basis points
mn	million
ps	pound solids
Y-o-Y	year on year
YTD	year to date

Notes:

1. Since May of 1976, the Belize dollar has been fixed to the US dollar at the rate of US\$1.00 = BZ\$2.00.
2. The 2023 figures in this report are provisional and the figures for 2022 have been revised.
3. Unless otherwise indicated, the Central Bank of Belize is the source of all tables and charts.
4. Ratios to GDP for 2023 are based on the Central Bank's forecast.

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SUMMARY OF ECONOMIC INDICATORS

Money Supply

Broad Money Supply

March 2023

+4.8%

YTD change on December 2022

Net Foreign Assets

March 2023

+11.5%

YTD change on December 2022

Net Domestic Credit

March 2023

+1.3%

YTD change on December 2022

Liquidity and Interest Rates

Excess Cash

March 2023

\$509.7mn

+2.1% change on December 2022

New Deposit Rates

March 2023

1.94%

-10 bps change on March 2022

New Lending Rates

March 2023

8.55%

-16 bps change on March 2022

Real and External Sectors

GDP

January - March 2023

+11.5%

Y-o-Y change on same period of the previous year

CPI

January - March 2023

+6.4%

YTD change on the same period of the previous year

Tourist Arrivals

January - March 2023

+42.0%

YTD change on the same period of the previous year.

Current Account Surplus

January - March 2023

\$104.0mn

+388.6% YTD change on same period of the previous year

Financial Account Balance (Net Outflows)

January - March 2023

+\$85.4mn

+253.9% YTD change on the same period of the previous year

Reserve Import Coverage

March 2023

4.1

months equivalent of merchandise imports

Central Government Operations and Public Debt

Primary Surplus

April 2022 - March 2023

\$42.6mn

0.7% of GDP for the fiscal year

Domestic Debt

January - March 2023

-\$2.6mn

\$1,313.0mn at March-end, 20.8% of GDP

External Debt

January - March 2023

+\$6.4mn

\$2,733.6mn at March-end, 43.3% of GDP

Overview

International Overview

During the first quarter of 2023, the world economy faced persistent challenges such as rising economic uncertainty, high but moderating inflation, tightening financial conditions amid recent financial sector turmoil, and continued geopolitical tension. While growth among major advanced countries slowed, emerging and developing countries experienced more robust outcomes driven partly by the services sector. In April, the International Monetary Fund projected global growth to decelerate from 3.4% in 2022 to 2.8% in 2023.

Advanced Economies

Real gross domestic product (GDP) growth in the United States (US) for the first quarter of 2023 expanded by 1.8% compared to the same quarter in 2022. The modest economic growth was driven by increases in personal and government consumption and net exports, as the housing market tumbled due to rising mortgage rates. Inflation cooled with a 5.0% increase in the all-items index for

the 12 months ending March, the smallest 12-month rise since May 2021. However, the rate remained well above the monetary policy goal of 2.0%, while the labour market stayed tight. Consequently, the Federal Reserve raised its federal funds rate by 0.25 percentage points twice during the quarter, setting the target range for the federal funds rate at 4.75% to 5.00%. Financial stability risks increased in March when Silicon Valley Bank and two other sizable US banks failed, leading to a swift response from the Federal Deposit Insurance Corporation to safeguard depositors' funds.

In the euro area, economic growth remained weak, with the economies growing by 1.3% in the first quarter compared to the same quarter of the previous year. With inflation moderating and supply disruptions easing, all euro area nations recorded year-on-year growth, except Germany and Lithuania, which contracted by 0.1% and 3.6%, respectively. Meanwhile, the United Kingdom's (UK's) economy almost stagnated, growing by

Chart 1.1: Quarterly GDP Growth Rates Over the Same Quarter of the Previous Year for Selected Advanced Economies

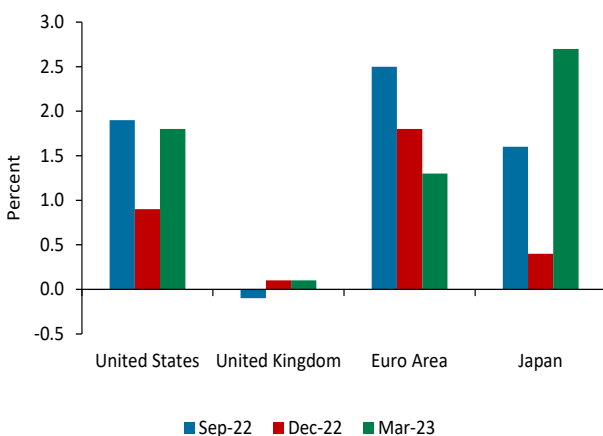
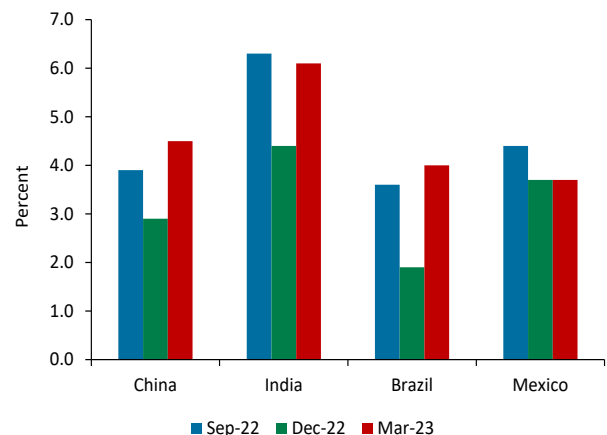


Chart 1.2: Quarterly GDP Growth Rates Over the Same Quarter of the Previous Year for Selected Emerging Economies



only 0.1% in the first quarter. The economy was adversely impacted by widespread industrial action, which suppressed output across various consumer-facing services. The UK's quarterly result was 0.5% below that of the fourth quarter of 2019 before the Coronavirus Disease 2019 (COVID-19) struck, and it was the only G7 country that has not surpassed its pre-pandemic output for the fourth quarter of 2019 to date. Japan's production accelerated to 1.3% between January and March, boosted by a post-COVID-19 consumption rebound and ongoing policy support.

Emerging Economies

Major emerging market economies grew much faster than advanced economies. India's GDP rose by 6.1% during the quarter, buoyed by heightened services and agricultural output. China's GDP increased by 4.5%, following the lifting of stringent pandemic-related restrictions, which led to higher consumption and infrastructure spending. Brazil's economic outturn was a 4.0% expansion on an annual basis, reflecting increased agricultural and, to a lesser extent, services output. Lastly, Mexico's GDP expanded by 3.7%, owing to upticks in the services and manufacturing sectors.

Caribbean Economies

The tourism rebound fuelled growth across service-oriented Caribbean economies in the year's first quarter. Compared to the same period of the previous year, Jamaica's output rose by 2.7%, supported by a 55.5% increase in stay-over arrivals. The Bahamian economy grew by 4.0%, underpinned by

strong tourism performance and solid inward foreign direct investments. In Barbados, growth was 6.4%, with increases in tourism, construction, and wholesale and retail activities.

Domestic Overview

Real Sector Developments

Belize's real GDP grew by 11.5% year on year for the first quarter of 2023. Growth was driven by increased output in the services sector, underpinned by the rebound in tourism, as well as positive contributions from construction activities and manufacturing output. However, primary activities contracted.

Inflation soared as the Consumer Price Index (CPI) increased by 6.4% over the first three months of the year, driven by increased prices for transport passenger services, food items, liquefied petroleum gas, and construction materials.

Money and Credit

In monetary developments, broad money supply (M2) expanded by 4.8% (\$200.6mn) during the first quarter of 2023, the fastest first-quarter growth recorded since 2009. This performance was driven largely by a sharp rise in the net foreign assets of the banking system, which rose by \$174.3mn (11.5%) to \$1,693.8mn. Most of this increase was due to a \$148.7mn upsurge in domestic banks' net foreign balances to \$701.5mn, boosted by a sharp rise in tourism revenues. Additionally, the Central Bank's net foreign currency holdings rose by \$25.6mn to \$992.3mn, due in part to heightened purchases of sugar export

receipts and investment income from foreign securities. Furthermore, net domestic credit increased by \$41.9mn (1.3%) to \$3,262.7mn, led by increased net lending to Central Government (\$23.2mn), followed by advances to the private sector (\$18.6mn) and quasi-government institutions (\$0.2mn).

The substantial foreign asset build-up kept liquidity conditions buoyant. Over the review period, domestic banks' excess liquid asset holdings grew by \$86.5mn to 99.6% above the reserve requirement, while excess cash holdings rose by \$10.4mn to 207.7% above the primary reserve requirement. The highly liquid conditions maintained downward pressure on lending and deposit rates. Since the end of March 2022, the 12-month (rolling) weighted average lending rate decreased by 16 basis points to 8.55%, with the four loan categories registering marginal declines. Concurrently, deposit rates fell by 10 basis points to 1.94%, reflecting rate reductions of 54 and five basis points on time and savings deposits. The weighted average interest rate spread narrowed by six basis points to 6.61%.

International Trade and Payments

The external current account position improved, yielding a surplus of \$104.0mn (1.6% of GDP) during the first quarter of 2023, compared to a \$36.0mn deficit in the first quarter of 2022. This turnaround was due primarily to a substantial rise in tourism revenue, which more than compensated for the ballooning trade deficit. However, net capital inward transfers narrowed to \$10.6mn with a dip in international grants. Meanwhile, the financial account balance

reflected net outflows of \$85.4mn as the growth in domestic banks' foreign assets exceeded the expansion in net foreign liabilities as net direct investments fell. At March end, the gross international reserves rose by \$105.8mn to \$972.1mn, equivalent to 4.1 months of merchandise import coverage.

Government Operations and Public Debt

During the past fiscal year (FY 2022/23), spanning from April 2022 to March 2023, Central Government's operations produced a primary surplus of \$42.6mn (0.7% of GDP), reflecting a \$30.8mn contraction compared to the previous fiscal year. Concurrently, the overall balance swung to a deficit of \$59.1mn (1.0% of GDP) from a small surplus of \$4.6mn, as the 14.9% growth in total expenditure exceeded a 9.6% increase in total revenue and grants. While the revenue boost was associated with the pandemic-related economic rebound, additional spending pressures were tied to the full restoration of public officers' wages, inflation-related subsidies, hurricane-related damages, and settlement of an arbitral award. The gap was financed wholly from external sources.

For the first three months of 2023, the total public sector debt inched up by 0.1% or \$3.8mn to \$4,046.6mn (64.1% of GDP). When disaggregated, Central Government's domestic debt fell by \$2.6mn to \$1,313.0mn (20.8% of GDP), while the public sector's external debt rose by \$6.4mn to \$2,733.6mn (43.3% of GDP).

Domestic Production and Prices

Real Gross Domestic Product

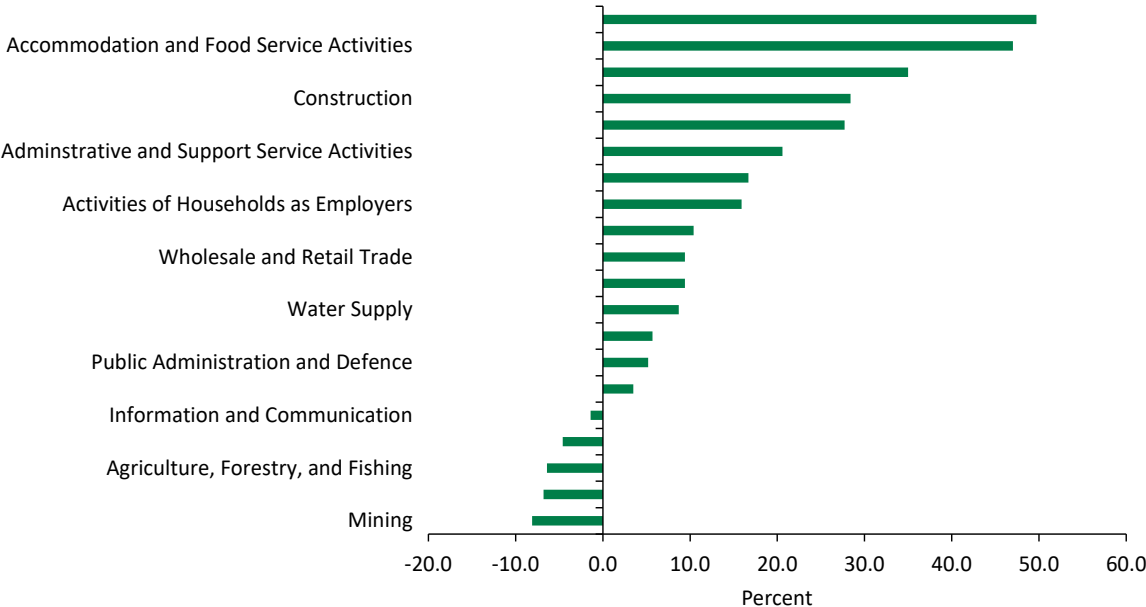
Belize’s real GDP grew by 11.5% year on year for the first quarter of 2023. Growth was driven by increased output in the services sector, underpinned by the rebound in tourism, as well as positive contributions from construction activities and manufacturing output. However, contractions in activities contracted partly offset these gains.

Primary sector activity contracted by 6.5%, mainly due to downturns in agriculture and mining. “Agriculture, Forestry, and Fishing” output contracted by 6.4%, following substantial declines in citrus and banana production, owing to lingering disease problems, farm hand shortages, and high input costs. However, these declines were moderated by increases in sugarcane

deliveries as well as fishing and aquaculture output, with heightened lobster, conch, and farmed shrimp production. “Mining and Quarrying” activities shrank by 8.1%, partly due to a 3.5% downturn in crude oil extraction.

In the secondary sector, output expanded by 12.3%, boosted by increased construction and manufacturing output, while hydroelectricity generation contracted. Meanwhile, the tertiary sector, comprising services, grew by 16.5%, mainly due to the resurgence in tourism after COVID-19 travel restrictions were eased. Value-added contributions from consumer-facing service industries rose significantly, with output in the “Wholesale and Retail Trade,” “Accommodation and Food Services,” and “Transportation” industries expanding by

Chart 2.1: Real Gross Domestic Growth Rates at the First Quarter (Jan - Mar 2023 vs Jan - Mar 2022)



9.4%, 47.0%, and 49.7%, respectively. Additionally, “*Administrative and Support Service Activities*” and “*Financial and Insurance Activities*” grew by 20.6% and 16.7%, respectively.

Sugarcane and Sugar

National sugarcane deliveries for the 2022/23 crop year to date (December 2022 to March 2023) increased by 9.6% to 847,514 long tons. However, sugar production fell by 1.2% to 77,083 long tons due to a confluence of factors at both mills.

The northern 2022/23 crop year commenced on 27 December 2022, the same day the previous harvest period began. Sugarcane deliveries expanded by 9.7% for the crop year to date to 562,344 long tons. However, sugar production rose by only 0.9% to 56,437 long tons as the overall cane quality fell, with increased stand-over cane, pests, and mud adversely affecting cane deliveries. A shortage of cane cutters also hampered timely harvesting for milling. Consequently, the long-tons cane to long-ton sugar (TC/TS) ratio worsened by 8.7% to 10.0. Meanwhile, molasses output, a byproduct of sugar production, increased by 12.0% to 18,172 long tons.

The first estimated average price set by the northern miller was \$55.54 per ton of cane for the 2022/23 crop year. This amount rose by 7.7% relative to the first price of \$50.62 received in the 2021/22 crop year, owing to more favourable prices on the global sugar market and the mill’s investments to boost raw sugar and molasses production.

Out West, the new season commenced on 4 January 2023, two days earlier than the previous crop cycle. Sugarcane deliveries increased by 9.3% over the three-month period to 285,170 long tons relative to the same period of the last year’s crop. However, sugar production declined by 6.5% to 20,646 long tons, reflecting a 16.9% deterioration in the TC/TS ratio to 13.8. Subsequently, molasses production increased by 14.8% to 9,694 long tons.

Citrus

The 2022/23 citrus harvest season commenced on 17 October 2022, 16 days after the start of the last cycle. For the crop year to date (October 2022 to March 2023), citrus deliveries decreased by 60.0% to 295,436 long tons. The sharp falloff in yields was due to the sustained adverse effects of citrus greening over the last 13 years since its detection in May 2009. Farm labour shortages and surging fuel, fertiliser, and pesticide costs also contributed to the marked downturn this season. When disaggregated, orange and grapefruit deliveries decreased by 60.7% to 233,883 80-pound boxes and 57.0% to 61,553 90-pound boxes, respectively.

Citrus juice production contracted by 64.4% to 1.4mn pound solids (ps), exacerbated by an 11.1% plunge in the average juice yield to 4.7mn ps, owing to poor fruit quality. Production consisted mainly of orange and grapefruit concentrates, amounting to 1.2mn ps and 0.2mn ps, respectively. Meanwhile, citrus oil and pulp outturns amounted to 0.3mn pounds and 0.1mn pounds, respectively.

The first price paid for orange deliveries accepted by the processor increased by \$0.50 to \$2.46 per ps. This payment was the highest first price paid since the 2016/17 crop year amid expectations that global orange juice production will likely contract by 7.0% for the 2022/23 season while consumption remains flat. In contrast, the first price paid for grapefruit deliveries fell by \$0.17 to \$3.50 per ps, representing the third consecutive annual reduction, with expected declines in both grapefruit juice production and consumption.

Banana

For the year’s first quarter, banana production plunged by 52.3% to 8,729 metric tons relative to the same period in 2020. This outturn was the lowest since the first quarter of 2002 after Hurricane Iris landed in late 2001 and destroyed most of the matured plants. However, the outbreak of Sigatoka disease, labour shortages, and soaring fuel and fertiliser costs plagued this reporting period.

The total commercial acreage of land allocated to banana production fell by 9.5% to 7,166.0 acres in January 2023 relative to the year before. Of this amount, 6,941.8 acres were under production, reflecting an 8.4% drop. In addition, 160.0 acres were ready to be planted, and 112.0 acres were under rehabilitation due in part to the impact of the Sigatoka disease.

Tourism

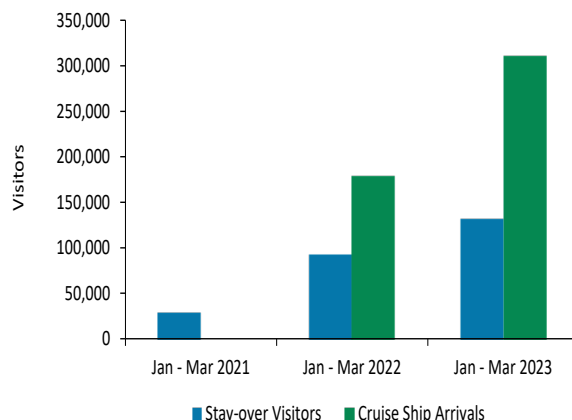
According to the United Nations World Tourism Organization (UNWTO), international tourism arrivals rebounded strongly for the

first quarter of 2023, reaching 80.0% of 2019’s pre-pandemic levels. When disaggregated, the Middle East witnessed the strongest performance, exceeding 2019’s arrivals by 15.0%. Meanwhile, Europe, Africa, and the Americas recovered by 90.0%, 88.0%, and 85.0%, respectively.

The boost in global tourism was supported by strengthening demand, a recovery in air connectivity, and the reopening of China and other major Asian destinations after the disruptions caused by the COVID-19 pandemic. However, staffing shortages, the conflict in Ukraine, and persistent inflationary pressures translated into soaring international airfare and accommodation prices.

Stay-over arrivals in Belize continued to strengthen into the high season. Between January and March, stay-over arrivals increased by 42.0% relative to the same period in 2022 to 132,250 visitors. At this pace, the industry recovered to 90.6% of the stay-over arrivals reported in the first quarter of 2019.

Chart 2.2: Tourist Arrivals



Sources: BTB, CBB, and Immigration and Nationality Department.

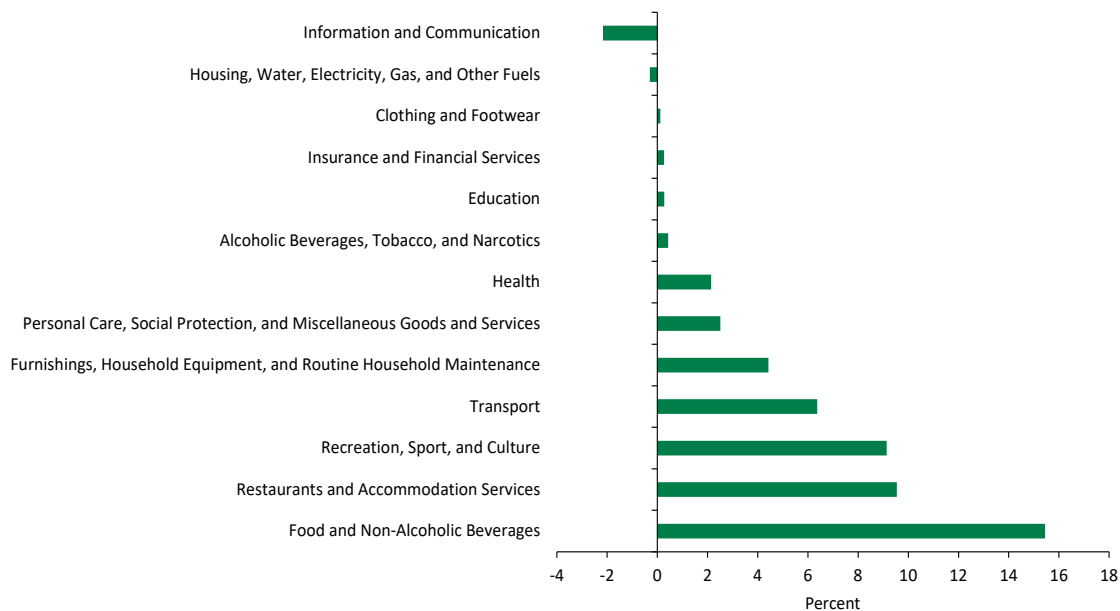
Cruise ship disembarkations also firmed, increasing by 73.4% compared to the previous period to 310,865 passengers. Port calls rose from 121 in the first quarter of 2022 to 131 in this period, with 95 anchorages at the Fort Street Cruise Port and 36 dockings at Harvest Caye. Nevertheless, disembarkations stood 24.4% behind the level reported in the same quarter of 2019.

Consumer Price Index

CPI averaged a 6.4% increase for the first quarter of 2023, similar to the record highs seen in 1996 and 2008. The upward momentum was driven by rising food, fuel, and transport prices. Accordingly,

the “*Food and Non-Alcoholic Beverages*” subindex was the largest contributor to the overall increase, rising by 15.4% with heightened prices for cereals, vegetables, meats, cooking oils, fresh fruits, and dairy products. The “*Transport*” subindex followed, increasing by 6.4% due to rising motor vehicle fuel and passenger transport services costs. In contrast, the “*Information and Communication*” and “*Housing, Water, Electricity, Gas, and Other Fuels*” subindices declined by 2.2% and 0.3%, respectively. Whereas the decline in the former was attributed to reduced internet service prices, the drop in the latter reflected a dip in liquefied petroleum gas costs.

Chart 2.3: Consumer Price Index



Money and Credit

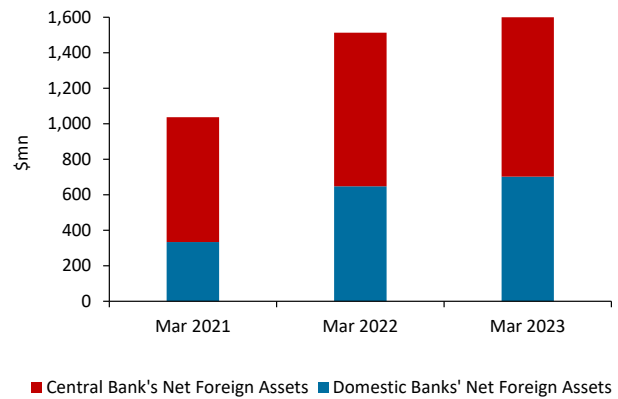
Money Supply

For the first quarter of 2023, broad money supply (M2) increased by 4.8%, the fastest first-quarter growth since 2008. On the asset side, this increase was attributable to the substantial accumulation of net foreign assets within the banking system and, to a lesser extent, heightened lending to the private sector and Central Government. On the liability side, M2 growth was driven by an expansion in narrow money (M1) as quasi-money remained virtually unchanged. M1 rose by \$199.9mn, resulting from a \$188.0mn growth in demand deposits and a \$12.0mn increase in currency with the public. The stellar rise in demand deposits was due to the reclassification of a portion of time deposits to this category. Increased foreign currency deposit holdings by regional and non-profit organisations and local currency deposits by business enterprises and credit unions also contributed to the spike. Concurrently, quasi-money edged up by \$0.7mn as a \$40.4mn increase in savings deposits was almost neutralised by a \$39.7mn decline in time deposits.

Net Foreign Assets

Between January and March, the domestic banking system's net foreign assets grew by \$174.3mn or 11.5% to \$1,693.8mn—the best first-quarter performance since 2005. Domestic banks accounted for 85.3% of the overall expansion, while the Central Bank accounted for the balance. Domestic banks' net foreign assets rose by 26.9%, leading to a \$148.7mn lift to a new high of \$701.5mn. Increased tourism receipts and,

Chart 3.1: Net Foreign Assets of the Banking System



to a lesser extent, inward transfers from regional organisations and re-exports from the commercial free zone underpinned the surge in foreign currency inflows.

Meanwhile, the Central Bank's foreign balances grew at a more modest pace of 2.6% (\$25.6mn) to \$992.3mn. This outturn resulted as inflows of \$75.7mn outpaced outflows of \$48.2mn. Gross foreign currency inflows into the Central Bank stemmed largely from purchases of sugar export receipts (\$29.6mn), external loan disbursements (\$16.2mn), international grants (\$10.6mn), and other miscellaneous funds (\$19.2mn). The latter included flows stemming from foreign investment income and foreign currency transfers from statutory bodies. Outflows largely mirrored last year's pattern. The Central Bank sold Central Government 81.4% of the amount, equivalent to \$39.3mn, most of which went towards servicing its external debt. Statutory bodies bought \$6.2mn (12.9%), and the remaining \$2.8mn (5.7%) was used to cover the Central Bank's overseas expenses. As a result, the gross

international reserves rose by \$7.2mn over the quarter to \$972.1mn, the equivalent of 4.1 months of merchandise imports.

Net Domestic Credit

Net domestic credit of the banking system climbed by \$41.9mn (1.4%) during the quarter to \$3,262.7mn, trailing the \$57.4mn (1.9%) growth achieved at this stage last year. The credit expansion was supported by modest credit increases to the Central Government (net) and the private sector, alongside a marginal rise in lending to other public sector entities. Net credit to Central Government increased by \$23.2mn (3.3%) as a \$34.2mn increase in net financing from the Central Bank was partially offset by an \$11.0mn decline in borrowings from domestic banks.

Credit to the private sector rose by \$18.6mn (0.8%) to \$2,438.9mn compared to a \$16.2mn increase during the first quarter of 2022. The credit expansion was supported by new loan disbursements for real estate (\$21.1mn), manufacturing (\$12.7mn), construction (\$4.7mn), and agriculture (\$3.1mn) as well

Chart 3.3: Net Credit to Central Government



as the acquisition of \$5.2mn in securities in a private entity. However, the credit boost was partially offset by net repayments from tourism entities (\$8.1mn), households (\$6.4mn), and private utilities (\$4.9mn). Write-offs over the quarter totalled \$2.5mn and were applied mainly against personal (\$1.5mn), construction (\$0.8mn), and real estate (\$0.2mn) non-performing loans (NPLs). Meanwhile, the sector’s financial health continued to rebound from the hit absorbed at the height of the pandemic. Over the quarter, domestic banks’ NPL (net of specific provisions) to total loans ratio (NPL ratio) fell by 0.7 percentage point to 2.8%. In addition, the sector’s return on assets (ROA) ratio improved by 1.6 percentage points to 1.9%—the highest mark since the fourth quarter of 2019.

Credit to other public sector entities increased by \$0.2mn (0.5%) to \$87.4mn.

Bank Liquidity

Domestic banks’ excess statutory liquidity increased for the second consecutive quarter, buoyed by robust foreign asset accumulation and, to a lesser extent,

Chart 3.2: Domestic Banks’ Private Sector Credit

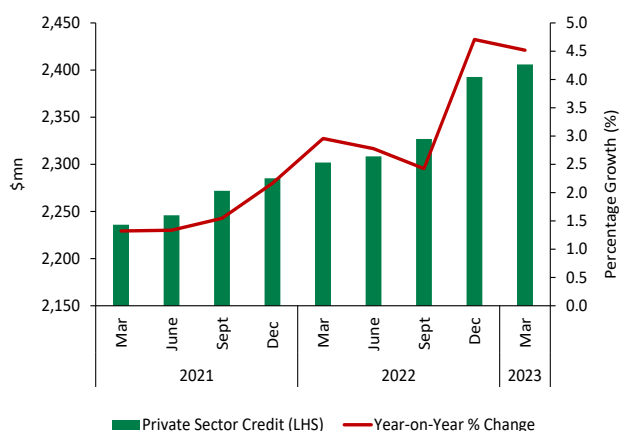
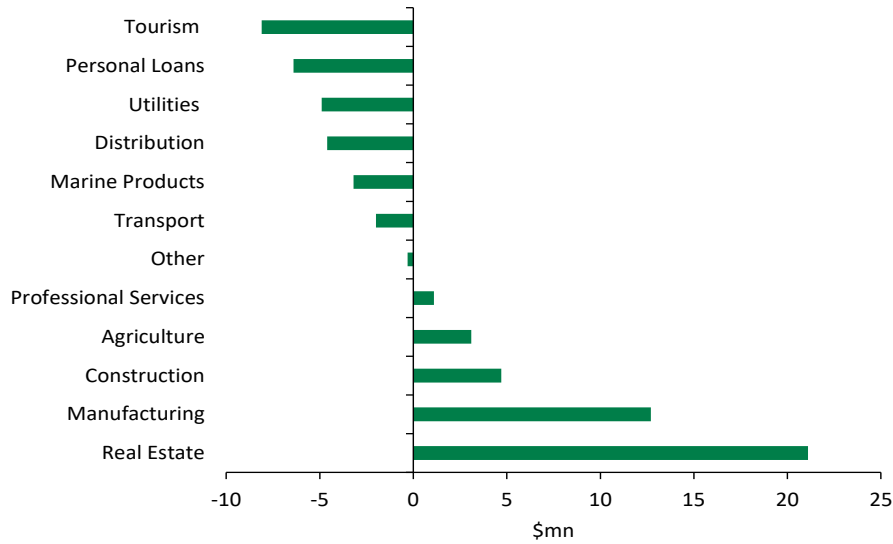


Chart 3.4: Change in Domestic Banks’ Loans and Advances, Jan - Mar 2023



increased vault cash and cash reserves at the Central Bank. Accordingly, excess liquid assets grew by \$86.5mn to \$789.4mn, 99.6% above secondary reserve requirements. Likewise, excess cash reserves received a \$10.4mn boost to \$509.7mn—207.7% above primary reserve requirements. This outcome resulted primarily from heightened Central Government spending towards the end of the fiscal year and the Central Bank’s purchases of sugar export receipts.

Interest Rates

Interest rates converged marginally over the past year as lending rates fell faster than new deposit rates.

At 8.55%, the 12-month (rolling) weighted average interest rate on new loans slid 16 basis points for the year ending March 2023. This decline resulted as lending rates fell in all loan categories, led by a 44-basis-point decline in interest rates levied on facilities in the “other” loan category. The falloff in lending rates in the “other” loan category was followed by rate declines of 39, 33, and 23 basis points for personal, mortgage, and commercial loans, respectively. In line with responses to the Central Bank’s bi-annual Credit Conditions Surveys, credit standards eased as economic conditions improved from the pandemic fallout.

For new deposits, the 12-month rolling weighted average interest rate fell by 10 basis points over the past 12 months to

Chart 3.5: Changes in Bank Liquidity

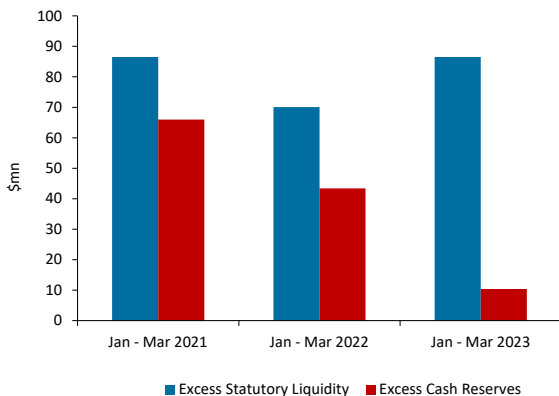
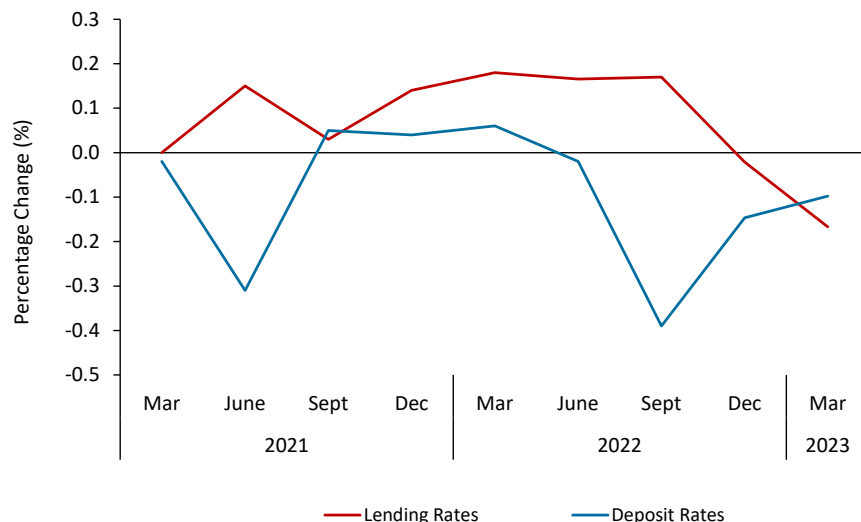


Chart 3.6: Change in Domestic Banks' Weighted (Rolling) Average Interest Rates on New Loans and Deposits

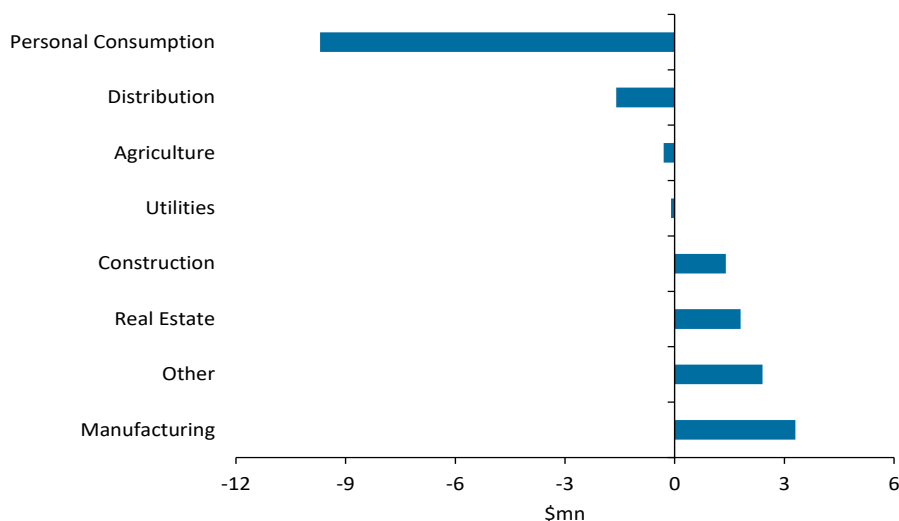


1.94%. Interest rates on time and savings deposits dropped by 54 and five basis points, respectively, overshadowing a 47-basis-point rate increase on savings/chequing accounts. Demand deposits, the largest deposit type, continued to earn no interest. Consequently, the weighted average interest rate spread between lending and deposit rates narrowed by six basis points to 6.61%.

Credit Union Lending

Credit union’s loan portfolio contracted by \$2.8mn (0.4%) for the first quarter of 2023 to \$656.5mn compared to a \$9.5mn increase for the same period of 2022. The decline was mainly attributed to reduced outstanding balances on personal (\$9.7mn), distributive (\$1.6mn), and agricultural (\$0.3mn) loans. The downward momentum was

Chart 3.7: Change in Credit Unions' Loans and Advances, Jan - Mar 2023



softened by increased net disbursements for manufacturing (\$3.3mn), real estate (\$1.8mn), and construction (\$1.4mn) loans. Write-offs for the three months totalled \$2.5mn, and included personal (\$1.7mn), construction (\$0.4mn), and real estate (\$0.3mn) loans. Indicators of the sector’s performance were mixed. Over the quarter, credit unions’ NPL ratio increased by 1.4 percentage points to 2.3%, while the sector’s ROA ratio held steady at 3.2%.

Development Bank Lending

Since December 2022, the Development Finance Corporation’s lending shrank by \$0.9mn (0.7%) to \$133.9mn compared to a \$5.1mn increase in the first quarter of 2022. This outcome reflected the impact of reduced outstanding balances in the manufacturing (\$1.3mn), agriculture (\$1.1mn), professional services (\$0.8mn), and tourism (\$0.4mn)

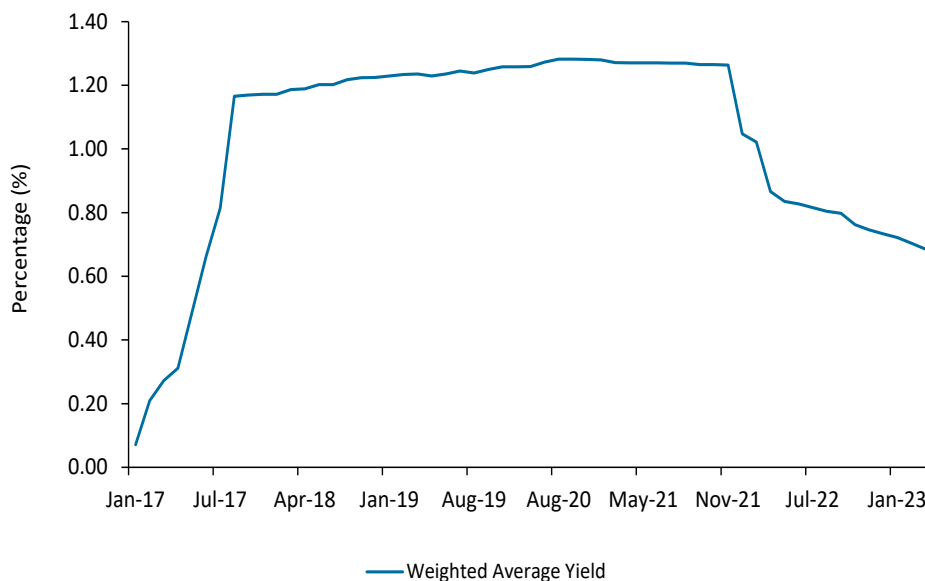
loan categories, which were tempered by increases in the construction (\$0.6mn) and other miscellaneous (\$2.0mn) line items.

Open Market Operations

The Central Bank continued to maintain an active presence in the T-bill market since committing, at the start of 2022, to spur credit growth. Between March 2022 and March 2023, competitive bids at rollover auctions drove the weighted average yield down 34 basis points from 1.02% to 0.69%. In turn, Central Government’s interest payments on outstanding T-bills fell by 29.1% to \$0.6mn this quarter compared to \$0.8mn in the same period of 2022.

However, the Central Bank’s T-bill holdings slid by 12.4% (\$15.3mn) during the first quarter of 2023 to \$107.7mn as competition tightened. As a result, its market share

Chart 3.8: Treasury Bill Yields



narrowed by 6.2 percentage points to 44.0%. Conversely, domestic banks' T-bill holdings grew by 11.5% (\$13.1mn) to \$127.6mn, lifting its share to 52.1% of total issuances.

Meanwhile, institutional holders held 3.9% after expanding their holdings by 28.2% (\$2.1mn) to \$9.6mn.

International Trade and Payments

During the first quarter of 2023, the external current account balance swung to a surplus of \$104.0mn (1.6% of GDP) from a deficit of \$36.0mn (0.6% of GDP) in the same period in 2022. This turnaround was mainly due to a resurgence in seasonal tourism receipts, which more than compensated for a widening trade deficit in goods. Although net capital inflows slowed modestly to \$10.6mn due to a dip in multilateral grants to fund public investment projects, the financial balance reflected the acquisition of \$85.4mn in net foreign assets. The latter resulted as the upsurge in domestic banks' foreign assets, stemming mainly from heightened tourism revenue, overshadowed the incurrence of net liabilities arising from increases in foreign direct investments and net public sector borrowings. Consequently, the gross international reserves rose by \$7.2mn to \$972.1mn at March end, representing 4.1 months of merchandise import coverage.

Merchandise Trade

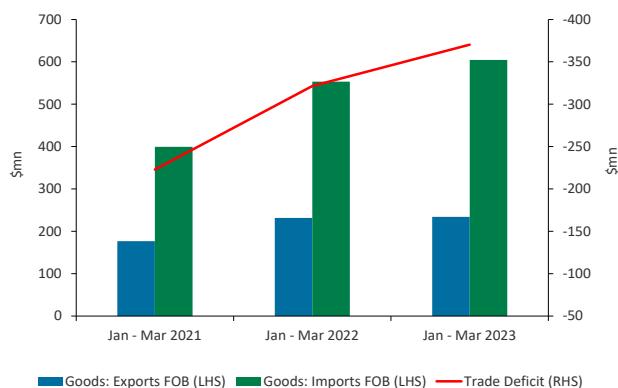
The trade deficit in goods widened by \$48.8mn quarter-on-quarter to \$370.3mn as imports rose faster than exports. Between January

and March, imports FOB expanded by \$51.4mn to \$604.5mn, as goods for domestic use rose while those for the commercial free zone (CFZ) fell. Domestic imports rose by \$56.9mn to \$548.3mn, driven primarily by heightened outlays on fuel, food, and building materials. In comparison, exports FOB grew by \$2.6mn to \$234.2mn, as the growth in re-exports was almost offset by a double-digit decline in domestic exports. Total re-exports expanded by \$15.5mn to \$135.3mn, with CFZ sales increasing by \$7.5mn to \$116.4mn and other re-exports rising by \$8.0mn to \$18.9mn. In contrast, domestic exports contracted by \$12.9mn to \$98.9mn with reduced receipts from traditional crops.

Gross Imports

For the first quarter of the year, imports FOB grew by 9.3% to \$604.5mn. Import growth was led by a \$14.9mn upswing in the “*Machinery and Transport Equipment*” subcategory, elevated by the cost of an airplane donated by the United States Government. “*Mineral Fuels and Lubricants (including electricity)*” was next, up \$11.9mn, because of heightened spending on petroleum byproducts. “*Food and Live Animals*” followed, rising by \$10.3mn owing to greater wheat, margarine, and malt purchases. Then, “*Crude Materials*” expanded by \$5.3mn with higher outlays on treated pine lumber and grass seeds. “*Other Manufactures*” rose by a similar \$5.3mn due to increased purchases of plastic bottles, x-ray films, and prefabricated building components. However, import growth was tempered by a \$21.0mn downturn in

Chart 4.1: Trade Deficit in Goods



“Commercial Free Zone,” reflecting lower outlays on footwear, cigarettes, and clothing. Lastly, “Chemical Products” fell by \$4.1mn, owing to a drop in fertiliser imports.

Domestic Exports

Domestic export earnings fell by \$12.9mn for the year’s first three months to \$98.9mn. This outturn reflected declines for traditional agricultural commodities, such as banana (\$10.0mn), sugar (\$2.8mn), and citrus (\$1.3mn) products, alongside marine goods (\$0.8mn). However, the overall downturn was softened by increased receipts from molasses (\$1.7mn) and non-traditional commodities (\$0.4mn).

Sugar and Molasses

Sugar export receipts tumbled 10.4% quarter-on-quarter to \$23.7mn, precipitated by a 26.0% decline in export volume. The average price received on international markets rose by 21.0%, cushioning the overall fall in receipts. In Europe, where most of Belize’s sugar was sold, increased input costs forced farmers to divert from

sugar beet plantings towards more profitable crops such as corn and sunflower. Europe purchased 20,587 long tons, representing 89.9% of Belize’s sugar shipments, valued at \$20.6mn. CARICOM bought 3,062 long tons (10.0%), generating \$3.1mn, helped by a 21.7% average unit price increase. The remainder went to the US, valued under \$0.1mn. Meanwhile, molasses receipts totalled \$1.7mn with all deliveries to the US.

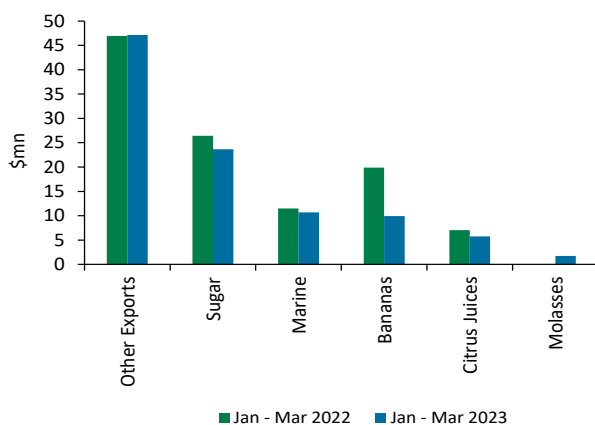
Citrus Juices and Pulp

Citrus juice export earnings contracted by 18.2% to \$5.7mn as the crippling effects of citrus greening led to a 38.1% nosedive in export volume. Ameliorating the revenue downturn was a 33.3% boost in the average unit price for orange juice concentrates that comprised 90.3% of total citrus juice receipts. CARICOM maintained its status as Belize’s leading export market for orange concentrate, accounting for virtually all (98.9%) of the aggregate sale volume, valued at \$5.1mn. The remainder was sold to other markets for under \$0.1mn. Meanwhile, grapefruit concentrate revenue fell by 18.6% to only \$0.5mn as a 25.0% rally in the average unit price softened a 34.9% decline in export volume. Not-from-concentrate sales were minute.

Marine Exports

Marine export earnings fell by 7.1% to \$10.7mn despite a 43.6% expansion in export volume. Prices for all seafood products contracted, leading to a 35.3% plunge in the aggregate unit price. Lobster sales contracted by 13.7% to \$5.7mn as a double-digit increase in export volume was negated by weakened prices. Meanwhile,

Chart 4.2: Domestic Exports



Sources: SIB and CBB

conch export revenue declined by 15.1% to \$4.1mn as an 8.9% upswing in export volume was nullified by a 22.0% downturn in the average unit price. On a brighter note, shrimp receipts skyrocketed to \$0.9mn due to a 10-fold increase in export volume, reflecting measured success with the industry’s ongoing efforts to combat the early mortality syndrome disease. Exports of other fish were minuscule.

Banana

Banana export receipts plummeted by 50.2% over the review period to \$9.9mn due to a 52.3% contraction in export volume. The disproportionate revenue outturn was attributable to a 4.4% uptick in the average unit price, owing to increased premiums for preparing customised fruit packages.

Other Domestic Exports

Other domestic export receipts increased marginally by 0.4% for the first three months of 2023 to \$47.1mn. Increased revenues from live cattle exports to Mexico and Guatemala (\$3.7mn), animal feed (\$3.4mn), crude soybean oil (\$0.6mn), and paper products (\$0.6mn) were mainly responsible for the positive outturn. These upswings were partly offset by reduced earnings from prefabricated houses (\$1.3mn), petroleum (\$1.0mn), orange oil (\$0.8mn), and red kidney beans (\$0.5mn).

Services

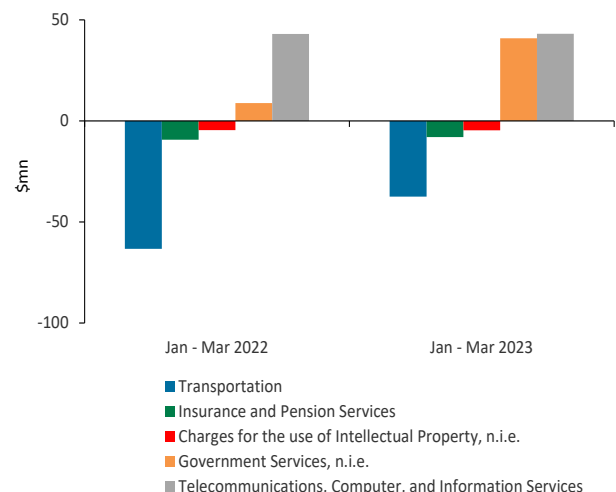
Net inflows on the services sub-account increased by 60.5% or \$174.7mn to \$463.3mn, fueled by the resurgence of seasonal tourism revenues from January through March. Net travel receipts surged

by 41.6% (\$121.4mn) to \$412.9mn, with tourism earnings exceeding 2019’s level even though visitor arrivals lagged pre-pandemic levels. Furthermore, the surplus for all other services rose by 45.6% (\$27.5mn) to \$87.9mn. A \$32.1mn increase in net inflows from a regional organisation (captured under government services) alongside a \$25.8mn decrease in net outflows for transport services contributed largely to this outturn. International freight rates fell with the falling demand for shipping containers amid the global economic slowdown. This decline starkly contrasted with the previous period when freight rates shot up owing to lingering pandemic-related supply chain bottlenecks.

Primary and Secondary Income

The primary income deficit contracted by 24.0% (\$16.6mn) in the first quarter of 2023 to \$52.7mn. The deficit narrowed due to an \$11.0mn decline in profit repatriation to \$27.7mn with reduced outflows from the energy (\$8.2mn)

Chart 4.3: Sub-components of Services



and beverage manufacturing (\$5.8mn) industries. However, the public sector’s interest payments on its external debt rose by \$4.8mn to \$11.4mn. External borrowing costs increased due to rising interest rates on variable-rate loans as central banks raised policy rates to prevent inflationary pressures from becoming entrenched.

Concurrently, the secondary income account surplus fell marginally by 3.6% (\$2.4mn) to \$63.7mn. Net inflows were squeezed by a \$5.9mn drop in net remittances to \$46.7mn. Inward remittances subsided as the stimulus measures in advanced countries ended, economic growth in major source countries slowed, and inflationary pressures remained stubbornly high. Reductions in in-kind donations (\$1.7mn) and cash transfers to religious and non-profit organisations (\$0.6mn) also contributed to the smaller surplus. However, the overall decline was tempered by a \$4.6mn increase in inflows from non-life insurance claims.

Capital and Financial Account

The capital account surplus contracted by 13.2% (\$1.6mn) to \$10.6mn. The reduced surplus reflected a downturn in grants from the Caribbean Development Bank (CDB) to fund several projects, including rehabilitating the Philip Goldson Highway and Coastal Road.

The financial account recorded a net acquisition of \$85.4mn in net foreign assets for the first three months of 2023, in contrast to net borrowings of \$55.5mn in the same period of 2022. This outcome resulted as domestic banks’ net foreign assets rose by \$97.5mn to \$148.8mn, elevated by the surge in tourism receipts. The sharp rise in net foreign assets was partially offset by \$61.0mn in net foreign direct investments and \$6.7mn in net public sector borrowings. Notably, net foreign direct investments, which had contracted by 33.3% (\$30.5mn) relative to the first quarter of 2022, were mainly channelled towards real estate and tourism-related construction activities.

Chart 4.4: FDI Breakdown by Sector

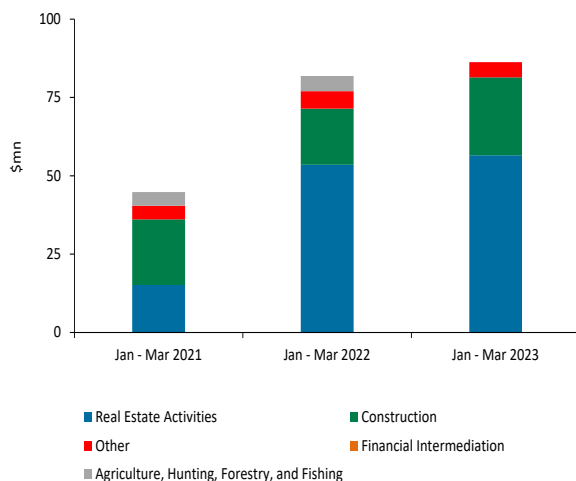
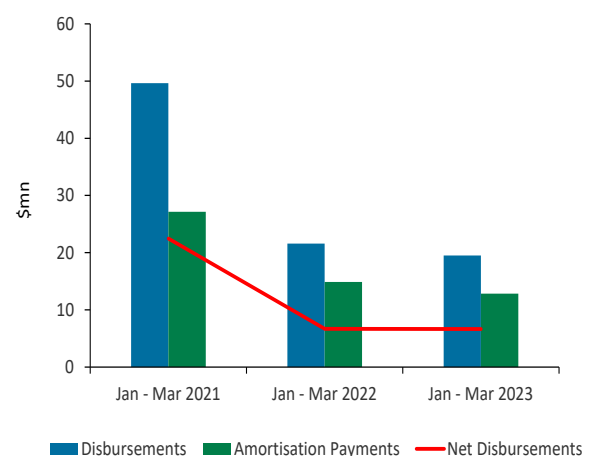


Chart 4.5: Central Government Net External Loan Disbursements

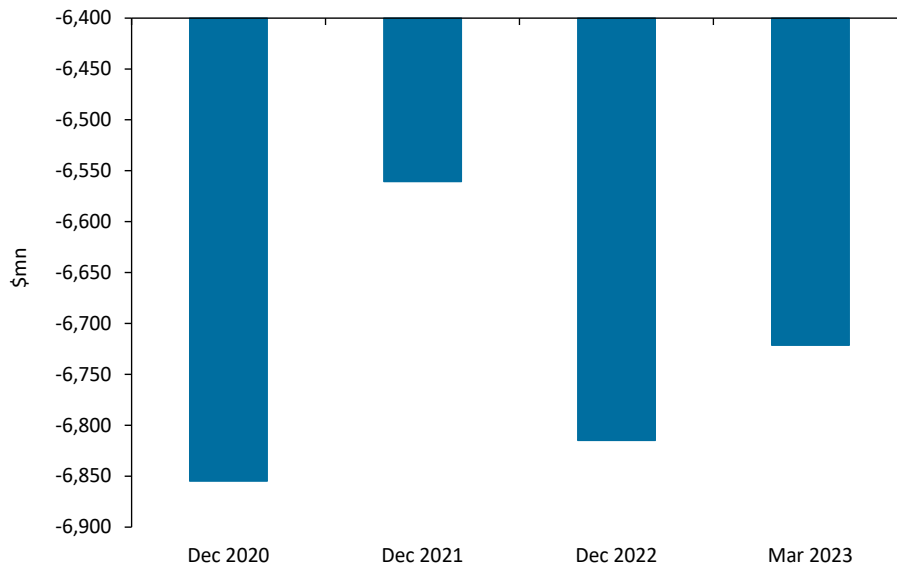


International Investment Position

During the quarter, Belize’s net international investment position improved by \$92.6mn to a deficit of \$6,721.4mn, as the growth in external assets outweighed the rise in financial liabilities. The net foreign

asset position surged by \$154.8mn to \$1,891.8mn due to a significant increase in domestic banks’ foreign currency holdings. Meanwhile, net foreign liabilities grew by \$62.2mn to \$8,613.2mn, mostly owing to greater inward foreign direct investments.

Chart 4.6: Net International Investment Position



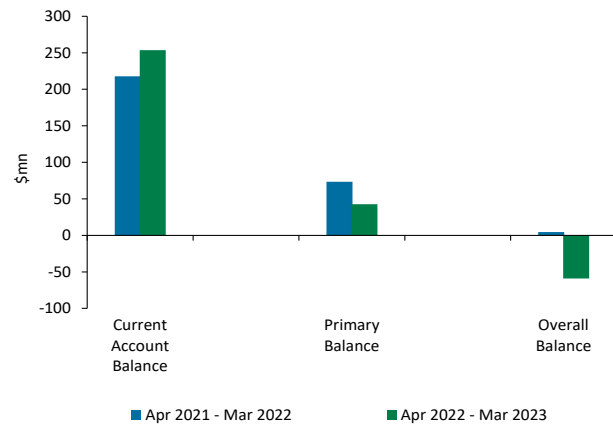
Government Operations and Public Debt

Central Government Operations

For FY 2022/23, from April 2022 to March 2023, Central Government’s fiscal stance softened as expenditures rose faster than revenues. Stimulated by the strong economic rebound, revenues and grants rose to a new high, exceeding budget estimates. However, mounting spending pressures tied to the full restoration of public officers’ wages, payment of an outstanding arbitral award, subsidies to mitigate inflation, and post-Hurricane Lisa repairs overshadowed the revenue performance. As a result, Central Government’s primary surplus fell to \$42.6mn (0.7% of GDP) in FY 2022/23 compared to a primary surplus of \$73.4mn (1.4% of GDP) in FY 2021/22. Concurrently, the overall balance weakened, swinging to a deficit of \$59.1mn (1.0% of GDP) in FY 2022/23 from a surplus of \$4.6mn (0.1% of GDP) in FY 2021/22.

Total revenue and grants rose to \$1,318.1mn, 4.3% ahead of the budget, lifted by buoyant tax collections as the economy rebounded from the pandemic shock. Tax revenue increased by \$100.4mn to \$1,189.0mn, as three of the four major tax sub categories recorded higher receipts. “*Income and Profits*” accounted for 78.2% (\$78.5mn) of the overall tax expansion, owing mainly to higher uptakes of personal income and business taxes. “*International Trade and Transactions*” rose by \$21.3mn to \$205.1mn with increased import duties and environmental taxes. “*Taxes on Goods and Services*” edged up by \$1.5mn as a \$47.0mn increase in general sales tax

Chart 5.1: Central Government Operations



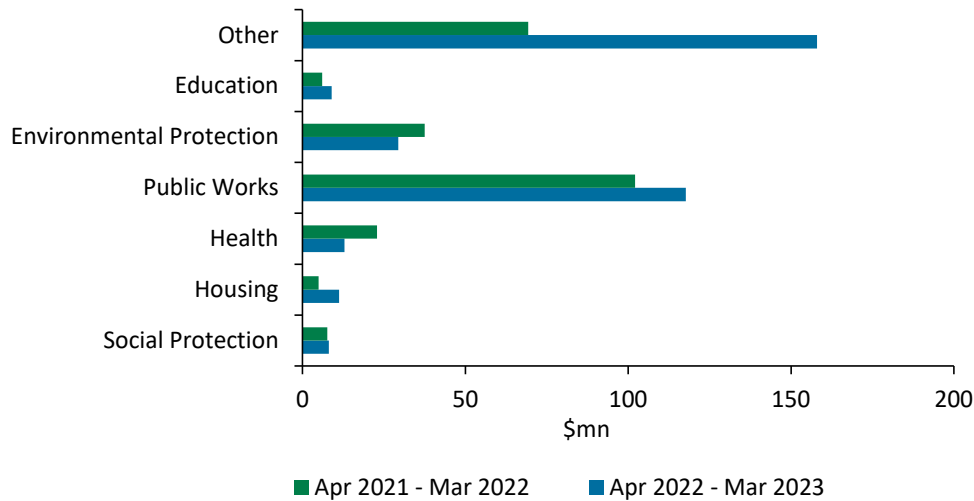
Sources: MOF and CBB

was outweighed by a \$49.5mn decrease in excise taxes as a result of the Government’s measure to impose a temporary tax cut on select fuels to temper inflation. “*Taxes on Property*” was the only line subcategory under tax revenues that declined but dipped by only \$0.9mn over the period.

Meanwhile, non-tax revenue grew by \$18.3mn to \$94.9mn. This outcome was driven by an upsurge in property income, mainly from the Belize Telemedia Limited, alongside an uptick in income transfers from various Government departments. On the downside, grants for public investment projects dipped by \$5.3mn to \$28.0mn.

Total expenditure grew by \$178.7mn to \$1,377.3mn, 0.8% above the budgeted target, due to significant upturns in capital and current spending. “*Wages and Salaries*” accounted for the sharpest increase (\$35.3mn) and reflected the full restoration of the 10.0% reduction in public officers’ wages implemented between 1 June 2021

Chart 5.2: Central Government Development Expenditure



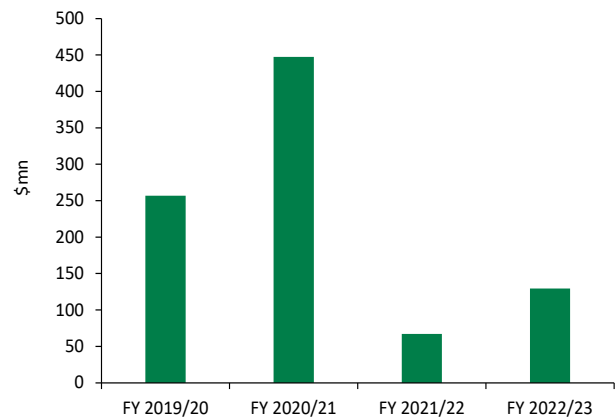
Source: MOF

and 31 June 2022. In addition, “Interest Payments” increased by \$32.9mn due to the commencement of Blue Loan payments. At the same time, heightened transfers to various organisations and programmes, primarily the National Health Insurance (NHI) scheme, boosted “Transfers and Subsidies” by \$16.4mn. Outlays on goods and services remained relatively stable over the comparative period at \$212.9mn, while pensions increased by \$1.6mn to \$96.8mn. Capital expenditure and net lending increased by 38.1% (\$95.7mn) to \$346.8mn. The steep upswing reflected the \$109.9mn rise in Capital II spending, owing mainly to the payment of the arbitral award (\$76.5mn) in favour of Belize International Services Limited and, to a lesser extent, locally financed projects. Capital III spending dipped by \$14.0mn to \$88.1mn and was mainly spent on various road and highway projects (36.4%), environmental and solid waste management projects (8.3%),

education (8.1%) and security-related projects (7.2%).

Central Government’s gross financing needs (the sum of the overall deficit and principal loan repayments) for FY 2022/23 amounted to \$129.5mn, nearly doubled last fiscal year’s \$67.2mn. This gap was primarily financed with external funds and, to a lesser extent, the deposit drawdowns from the banking system.

Chart 5.3: Gross Financing Needs



Sources: MOF and CBB

Total Public Sector Debt

Over the review period, total public sector debt crept up by 0.1% or \$3.8mn to \$4,046.6mn (64.1% of GDP), driven entirely by external borrowings for capital projects whilst there were no domestic disbursements.

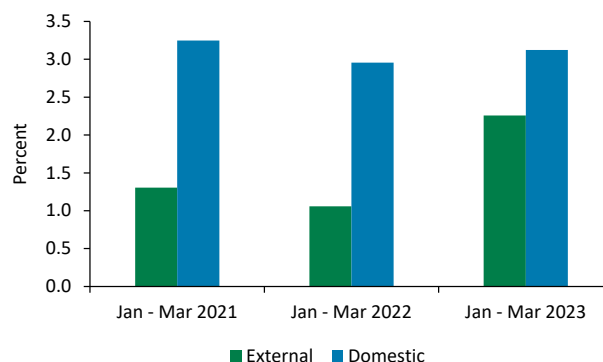
Domestic Debt

For the first quarter of 2023, Central Government's domestic debt dipped by \$2.6mn to \$1,313.0mn, equivalent to 20.8% of GDP. This marginal decline in outstanding debt reflected small loan repayments to several non-bank entities (\$0.2mn) and the Caribbean Community Climate Change Centre's (CCCCC's) acquisition of \$2.4mn worth of Treasury securities. In other securities transactions, domestic banks and non-bank entities increased their T-bill uptakes by \$13.1mn and \$1.4mn, respectively, while the Central Bank's holdings fell by the same.

Still, the Central Bank maintained its position as the largest domestic creditor to Central Government at March end. During the quarter, the Central Bank's share of domestic liabilities slipped by 1.0 percentage point to 50.5%. At the same time, domestic banks' portion increased by 1.1 percentage points to 27.3%, while the share held by non-bank entities remained at 22.3%.

Central Government's interest payments on its domestic debt amounted to \$9.0mn, down 6.2% (\$0.6mn) over the comparative period. The Central Bank received 56.3%, earning \$5.1mn on its Treasury security holdings. Concurrently, non-bank entities

Chart 5.4: Average Interest Rate on Central Government Domestic Debt and Public Sector External Debt



and domestic banks earned \$2.8mn and \$1.1mn, respectively, on their holdings of Government securities.

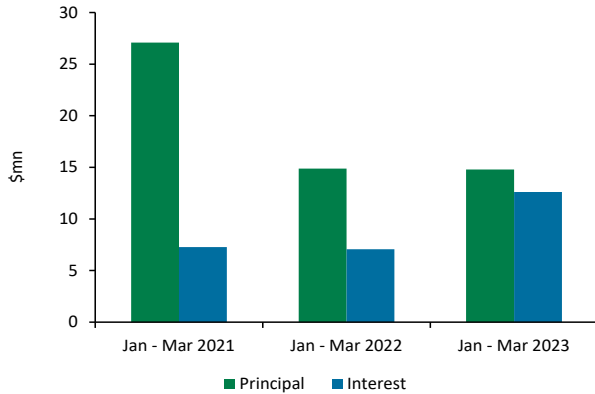
Public Sector External Debt

The public sector's external debt increased by \$6.4mn to \$2,733.6mn (43.3% of GDP), as disbursements of \$20.1mn exceeded principal payments of \$14.8mn.

New disbursements were directed solely to Central Government. Multilateral lenders provided \$19.5mn, including the \$2.4mn Treasury security purchase by CCCCC. A bilateral source, the Kuwait Fund for Arab Economic Development, issued the remaining \$0.6mn. Disbursements from multilateral creditors included CDB (\$7.8mn), OPEC Fund for International Development (\$5.4mn), International Bank for Reconstruction and Development (\$2.5mn), and Inter-American Development Bank (\$1.5mn).

Debt service payments to external creditors totalled \$27.4mn. This amount comprised \$14.8mn in principal repayments and

Chart 5.5: External Debt Service



\$12.6mn in interest and other fees. Central Government amortised \$10.7mn of their outstanding debt, with bilateral and multilateral creditors receiving \$1.0mn and \$9.7mn, respectively. In addition, the public financial and non-financial sub-sectors repaid \$1.0mn and \$3.1mn, respectively.

Regarding interest payments, Central Government accounted for 85.8% or \$10.8mn of the amount paid during the quarter. Central Government’s bilateral and multilateral creditors received \$5.5mn and \$5.3mn, respectively. Meanwhile, the public non-financial and financial sectors paid \$1.2mn and \$0.6mn, respectively, to various creditors.

Central Government held 91.5% of the total external public sector debt at March end. The public financial and non-financial sub-sectors accounted for 6.2% and 2.3%, respectively. Around 72.0% of the outstanding public sector debt was due to multilateral and bilateral lenders combined, and 28.0% was owed to commercial lenders.

ANNEX I

Table A.1: Gross Domestic Product Growth Rates of Selected Countries

			Percent
	Sept 2022	Dec 2022	Mar 2023
Advanced Economies			
US	1.9	0.9	1.8
UK	-0.1	0.1	0.1
Euro area	2.5	1.8	1.3
Japan	1.6	0.4	2.7
Emerging Economies			
China	3.9	2.9	4.5
India ⁽¹⁾	6.3	4.4	6.1
Brazil	3.6	1.9	4.0
Mexico	4.4	3.7	3.7
Caribbean Economies			
Jamaica	10.1	9.5	6.4
Barbados	5.9	3.8	4.2

Sources: Respective Statistical Bureaus and Central Banks.

⁽¹⁾ Quarter-on-Quarter percentage change.

Table A.2: Real Gross Domestic Product Growth Rates

	Year-on-Year Growth (%)	
	Jan - Mar 2022	Jan - Mar 2023
	over Jan - Mar 2021 ^R	over Jan - Mar 2022 ^R
Agriculture, Forestry, and Fishing	-5.7	-6.4
Mining	-5.1	-8.1
Manufacturing	2.2	5.7
Electricity	-24.4	-6.8
Water Supply	7.4	8.7
Construction	-4.5	28.4
Wholesale and Retail Trade	19.1	9.4
Transportation	16.4	49.7
Accommodation and Food Service Activities	274.4	47.0
Information and Communication	-20.8	-1.4
Financial and Insurance Activities	4.5	16.7
Real Estate Activities	0.5	9.4
Professional, Scientific, and Technical Activities	25.0	-4.6
Administrative and Support Service Activities	-21.0	20.6
Public Administration and Defence	28.5	5.2
Education	8.5	3.5
Human Health and Social Work Activities	-2.8	10.4
Arts, Entertainment, and Recreation	-8.5	35.0
Other Service Activities	-8.5	27.7
Activities of Households as Employers	5.0	15.9
Taxes and Subsidies	22.3	3.9
GDP at Constant 2014 Prices	10.0	11.5

Source: SIB

^R - Revised

Table A.3: Gross Domestic Product by Activity at Constant 2014 Prices

	\$mn	
	Jan - Mar 2022 over Jan - Mar 2021 ^R	Jan - Mar 2023 over Jan - Mar 2022 ^R
Agriculture, Forestry, and Fishing	144.2	135.0
Mining	14.1	12.9
Manufacturing	97.9	103.5
Electricity	18.6	17.4
Water Supply	8.2	8.9
Construction	63.3	81.3
Wholesale and Retail Trade	180.1	197.0
Transportation	61.2	91.5
Accommodation and Food Service Activities	71.3	104.8
Information and Communication	27.8	27.4
Financial and Insurance Activities	107.0	124.9
Real Estate Activities	64.1	70.1
Professional, Scientific, and Technical Activities	15.6	14.8
Administrative and Support Service Activities	42.5	51.2
Public Administration and Defence	92.9	97.7
Education	78.3	81.0
Human Health and Social Work Activities	16.8	18.5
Arts, Entertainment, and Recreation	9.8	13.2
Other Service Activities	11.9	15.2
Activities of Households as Employers	8.3	9.6
Taxes and Subsidies	164.8	171.1
GDP at Constant 2014 Prices	1,298.4	1,447.1

Source: SIB

^R - Revised

Table A.4: Deliveries of Sugarcane and Production of Sugar and Molasses

	Dec - Mar 2021/2022	Dec - Mar 2022/2023
Deliveries of Sugarcane to BSI and Santander (long tons)	773,397	847,514
Sugar Processed by BSI and Santander (long tons)	78,029	77,083
Molasses processed by BSI and Santander (long tons)	24,662	27,867
Performance		
Cane/Sugar	9.9	11.0

Sources: BSI and Santander

Table A.5: Output of Citrus Products

	Oct - Mar 2021/2022	Oct - Mar 2022/2023
Deliveries (boxes)		
Orange	594,604	233,883
Grapefruit	<u>143,188</u>	<u>61,553</u>
Total	737,792	295,436
Concentrate Produced (ps)		
Orange	3,358,186	1,090,060
Grapefruit	<u>548,612</u>	<u>232,237</u>
Total	3,906,798	1,322,297
Not from Concentrate (ps)		
Orange	34,782	14,853
Grapefruit	<u>0</u>	<u>0</u>
Total	34,782	14,853
Pulp (pounds)		
Orange	410,008	76,320
Grapefruit	<u>219,632</u>	<u>0</u>
Total	629,640	76,320
Oil Produced (pounds)		
Orange	454,000	273,500
Grapefruit	<u>18,300</u>	<u>12,200</u>
Total	472,300	285,700

Source: CPBL

Table A.6: Banana Production

	40-pound boxes	
	Jan - Mar 2022	Jan - Mar 2023
January	330,759	143,373
February	305,683	145,952
March	<u>378,491</u>	<u>195,257</u>
Total	1,014,934	484,582

Source: BGA

Table A.7: Bona Fide Tourist Arrivals

	Jan - Mar 2022	Jan - Mar 2023
Stay-Over Arrivals		
Air	84,883	108,107
Land	7,695	19,887
Sea	<u>570</u>	<u>4,256</u>
Total	93,148	132,250
Cruise Ship Disembarkations	179,306	310,865

Sources: BTB, CBB, and Immigration Department

Table A.8: Consumer Price Index Commodity Group

Major Commodity	Weights	Jan 2023	Feb 2023	Mar 2023	Mar 2023 over Feb 2023	YTD-2023 over YTD-2022
Food and Non-Alcoholic Beverages	195	121.5	122.2	124.9	2.2	15.4
Alcoholic Beverages and Tobacco, and Narcotics	17	101.7	101.9	101.9	0.0	0.4
Clothing and Footwear	83	101.0	101.7	101.7	0.0	0.1
Housing, Water, Electricity, Gas, and Other Fuels	265	103.1	103.9	103.9	0.0	-0.3
Furnishing, Household Equipment, and Routine Household Maintenance	69	106.1	107.7	107.7	0.0	4.4
Health	41	103.9	105.1	105.1	0.0	2.1
Transport	136	129.3	130.7	131.5	0.7	6.4
Information and Communication	33	96.8	97.5	97.5	0.0	-2.2
Recreation and Culture	69	109.2	110.2	110.2	0.0	9.1
Education Services	32	100.1	100.2	100.2	0.0	0.3
Restaurants and Accommodation Services	7	113.2	117.4	117.4	0.0	9.5
Insurance and Financial Services	21	100.1	100.1	100.1	0.0	0.3
Personal Care, Social Protection, and Miscellaneous Goods and Services	31	102.1	103.6	103.6	0.0	2.5
All Items	1,000	112.4	113.5	114.4	0.7	6.4

Source: SIB

Table A.9: Factors Responsible for Money Supply Movements⁽¹⁾

	Position as at Mar 2023	Changes During	
		Dec 2022 to Mar 2023	Dec 2021 to Mar 2022
Net Foreign Assets	1,693.8	174.3	68.8
Central Bank	992.3	25.6	17.6
Domestic Banks	701.5	148.7	51.2
Net Domestic Credit	3,262.7	41.9	57.4
Central Government (Net)	736.3	23.2	42.0
Other Public Sector	87.4	0.2	-0.8
Private Sector	2,438.9	18.6	16.2
Central Bank Foreign Liabilities (Long-term)	116.9	1.3	-1.5
Other Items (Net)	484.2	14.3	8.0
Money Supply (M2)	4,355.2	200.6	119.7

⁽¹⁾ Transactions associated with the Universal Health Services loan with the Belize Bank Limited are not included in this table.

Table A.10: Money Supply

	Position as at Mar 2023	Changes During	
		Dec 2022 to Mar 2023	Dec 2021 to Mar 2022
Money Supply (M2)	4,355.2	200.6	119.7
Narrow Money (M1)	2,623.4	199.9	170.3
Currency with the Public	535.1	12.0	5.9
Demand Deposits	2,087.9	188.0	189.2
Savings/Chequing Deposits	0.4	0.0	-24.8
Quasi-Money	1,731.8	0.7	-50.6
Savings Deposits	1,006.8	40.4	-54.0
Time Deposits	725.0	-39.7	3.4

⁽¹⁾ In March 2022, \$61.4mn and \$22.0mn in savings and savings/chequing deposits, respectively, were reclassified as demand deposits.

Table A.11: Net Foreign Assets of the Banking System

		\$mn	
	Position as at Mar 2023	Changes During	
		Dec 2022 to Mar 2023	Dec 2021 to Mar 2022
Net Foreign Assets of Banking System	1,693.8	174.3	68.8
Net Foreign Assets of Central Bank	992.3	25.6	17.6
Central Bank Foreign Assets	996.9	27.5	18.6
Central Bank Foreign Liabilities (Demand)	4.6	1.9	1.0
Net Foreign Assets of Domestic Banks	701.5	148.7	51.2
Domestic Bank Foreign Assets	725.0	148.1	38.9
Domestic Bank Foreign Liabilities (Short-term)	23.5	-0.6	-12.3

Table A.12: Central Bank's Foreign Asset Flows

	\$mn	
	Jan - Mar 2022	Jan - Mar 2023
Total Inflows	61.9	75.7
Loan Disbursements	15.1	16.2
Grants	12.3	10.6
Sugar Receipts	22.4	29.6
Banks	0.0	0.0
Other	12.2	19.2
Total Outflows	42.0	48.2
Central Government	33.4	39.3
Statutory Bodies	5.1	6.2
Other	3.5	2.8

Table A.13: Net Domestic Credit

	\$mn		
	Position as at Mar 2023	Changes During Dec 2022 to Mar 2023 Dec 2021 to Mar 2022	
Total Credit to Central Government	929.2	-1.9	3.7
From Central Bank	662.5	-15.0	31.1
Loans and Advances	0.0	0.0	0.0
Government Securities ⁽¹⁾	662.5	-15.0	31.1
From Domestic Banks	266.7	13.1	-27.4
Loans and Advances	0.0	0.0	0.0
Government Securities	266.7	13.1	-27.4
Of which: Treasury Bills	127.5	13.1	-27.4
Treasury Notes	139.2	0.0	0.0
Other	0.0	0.0	0.0
Less Central Government Deposits	192.9	-25.1	-38.3
With Central Bank	117.9	-49.2	-44.4
With Domestic Banks	75.0	24.1	6.1
Net Credit to Central Government	736.3	23.2	42.0
Credit to Other Public Sector	87.4	0.2	-0.8
From Central Bank	0.0	0.0	0.0
From Domestic Banks	87.4	0.2	-0.8
Of which: Local Government	12.2	-0.1	-1.0
Public Financial Institutions	0.0	0.0	0.0
Public Utilities	12.0	0.0	0.0
Other Statutory Bodies	1.6	-0.1	0.2
Securities	61.7	0.4	0.0
Plus Credit to the Private Sector	2,438.9	18.6	16.2
Loans and Advances	2,413.1	13.4	17.3
Securities	25.8	5.2	-1.1
Net Domestic Credit of the Banking System ⁽²⁾	3,262.7	41.9	57.4

⁽¹⁾ Includes the Central Bank's holdings of Government Treasury bills and Treasury notes.

⁽²⁾ Treasury bill holdings reported by domestic banks reflect a mix of par and market values.

Table A.14: Sectoral Composition of Domestic Banks' Loans and Advances

		\$mn	
	Position as at Mar 2023	Changes During	
		Dec 2022 to Mar 2023	Dec 2021 to Mar 2022
PRIMARY SECTOR	265.4	-0.3	2.1
Agriculture	240.0	3.1	4.8
Sugar	94.3	-0.3	3.0
Citrus	14.6	-2.2	0.9
Bananas	57.9	2.3	-0.2
Other	73.2	3.3	1.1
Marine Products	20.0	-3.2	-2.4
Forestry	1.1	-0.2	0.0
Mining and Exploration	4.3	0.0	-0.3
SECONDARY SECTOR	838.2	12.5	-102.9
Manufacturing	83.0	12.7	2.7
Building and Construction ⁽¹⁾	728.0	4.7	-104.7
Utilities	27.2	-4.9	-0.9
TERTIARY SECTOR	945.1	7.2	-17.4
Transport	53.5	-2.0	5.7
Tourism	280.9	-8.1	0.7
Distribution	187.7	-4.6	4.0
Real Estate ⁽¹⁾	346.7	21.1	-24.3
Professional Services	58.5	1.1	-1.2
Other	17.8	-0.3	-2.3
Personal Loans ⁽¹⁾	383.1	-6.4	134.2
TOTAL	2,431.8	13.0	16.0

⁽¹⁾ In March 2022, \$110.7mn and \$28.7mn in Building and Construction and Real Estate loans, respectively, were reclassified as Personal loans.

Table A.15: Sectoral Composition of Credit Unions'
Loans and Advances

		\$mn	
		Changes During	
	Position as at Mar 2023	Dec 2022 to Mar 2023	Dec 2021 to Mar 2022
PRIMARY SECTOR	61.7	-0.4	-1.6
Agriculture	53.8	-0.3	-1.3
Sugar	5.1	-0.6	-0.6
Citrus	1.2	-0.1	0.0
Bananas	1.0	1.0	0.0
Other	46.5	-0.6	-0.7
Marine Products	7.6	-0.1	-0.3
Forestry	0.1	0.0	0.0
Mining and Exploration	0.2	0.0	0.0
SECONDARY SECTOR	226.2	4.6	1.3
Manufacturing	33.1	3.3	2.4
Building and Construction	188.7	1.4	-2.6
Residential	102.1	1.9	1.1
Home Improvement	72.3	-0.2	-2.7
Commercial	11.7	-0.4	-0.3
Infrastructure	2.6	0.0	-0.7
Utilities	4.4	-0.1	1.5
TERTIARY SECTOR	119.9	2.7	11.5
Transport	1.0	0.0	0.0
Tourism	0.9	0.1	-0.1
Distribution	21.0	-1.6	-0.5
Real Estate	81.1	1.8	11.2
Residential	3.0	-0.2	0.2
Commercial	38.6	-2.5	11.3
Land Acquisition	39.4	4.5	-0.3
Other ⁽¹⁾	15.9	2.4	0.9
Personal Loans	248.7	-9.7	-1.6
TOTAL	656.5	-2.8	9.5

⁽¹⁾ Includes Government Services, Financial Institutions, Professional Services, and Entertainment.

Table A.16: Sectoral Composition of Development Finance Corporation
Loans and Advances

		\$mn	
	Position as at Mar 2023	Changes During	
		Dec 2022 to Mar 2023	Dec 2021 to Mar 2022
PRIMARY SECTOR	32.2	-1.1	0.0
Agriculture	22.1	-1.1	0.0
Marine Products	9.7	0.0	0.1
Other ⁽¹⁾	0.4	0.0	-0.1
SECONDARY SECTOR	45.9	-0.7	3.3
Manufacturing	6.9	-1.3	-0.3
Building and Construction	39.0	0.6	3.6
TERTIARY SECTOR	39.3	0.8	1.8
Tourism	17.4	-0.4	0.5
Professional Services	16.5	-0.8	1.3
Other ⁽²⁾	5.4	2.0	0.0
Student Loans	16.1	0.0	0.2
Personal Loans	0.4	0.0	0.0
TOTAL	133.9	-0.9	5.1

⁽¹⁾ Includes mining and forestry.

⁽²⁾ Includes Distribution, Financial Institutions, Real Estate, Transport, and Entertainment.

Table A.17: Domestic Banks' Liquidity Position and Cash Reserves

		\$mn	
	Position as at Mar 2023	Changes During	
		Dec 2022 to Mar 2023	Dec 2021 to Mar 2022
Holdings of Approved Liquid Assets	1,582.1	114.6	82.7
Notes and Coins	113.6	14.8	-0.4
Balances with Central Bank	754.1	13.1	47.1
Money at Call and Foreign Balances (due in 90 days)	574.3	106.6	71.9
Treasury Bills maturing in not more than 90 days	117.8	-17.9	-37.6
Other Approved Assets	22.4	-2.0	1.7
Required Liquid Assets	792.7	28.1	12.6
Excess/(Deficiency) Liquid Assets	789.4	86.5	70.1
Daily Average Holdings of Cash Reserves	755.1	19.1	47.3
Required Cash Reserves	245.4	8.7	3.9
Excess/(Deficiency) Cash Reserves	509.7	10.4	43.4
Actual Securities Balances	111.8	-2.7	-37.5
Excess/(Deficiency) Securities	111.8	-2.7	-37.5

Table A.18: Domestic Banks' Weighted Average Interest Rates

		Percent	
	Position as at Mar 2023	Changes During	
		Dec 2022 to Mar 2023	Dec 2021 to Mar 2022
Weighted Lending Rates			
Personal Loans	11.43	-0.04	-0.60
Commercial Loans	8.06	-0.02	-0.18
Residential Construction	6.87	0.03	0.04
Other	7.06	-0.01	0.40
Weighted Average	8.42	-0.02	-0.05
Weighted Deposit Rates			
Demand	0.13	0.00	-0.03
Savings/Chequing	2.61	-0.02	2.08
Savings	2.63	-0.01	0.00
Time	2.02	-0.14	-0.05
Weighted Average	1.13	-0.08	-0.10
Weighted Average Spread	7.29	0.06	0.05

Table A.19: Domestic Banks' Weighted Average Interest Rates on New Loans and Deposits

	Percent				
	Twelve Month Rolling Averages At			Changes	
	Mar 2023	Dec 2022	Mar 2022	Mar 2023 over Dec 2022	Mar 2023 over Mar 2022
Weighted Lending Rates					
Personal Loans	9.95	10.22	10.33	-0.27	-0.39
Commercial Loans	7.98	7.99	8.20	-0.01	-0.23
Residential Construction	8.23	8.45	8.56	-0.22	-0.33
Other	6.21	6.10	6.65	0.10	-0.44
Weighted Average	8.55	8.62	8.72	-0.07	-0.16
Weighted Deposit Rates					
Demand	0.00	0.00	0.00	0.00	0.00
Savings/Chequing	1.25	0.85	0.78	0.40	0.47
Savings	2.41	2.43	2.46	-0.02	-0.05
Time	2.26	2.32	2.81	-0.06	-0.54
Weighted Average	1.94	1.90	2.04	0.04	-0.10
Weighted Average Spread	6.61	6.71	6.68	-0.10	-0.06

Table A.20: Balance of Payments Summary

	\$mn	
	Jan - Mar 2022 ^R	Jan - Mar 2023 ^P
A. CURRENT ACCOUNT		
(I+II+III+IV)	-36.0	104.0
I. Goods (Trade Balance)	-321.5	-370.3
Exports, Free on Board (FOB)	231.6	234.2
Domestic Exports	111.8	98.9
CFZ Gross sales	108.9	116.4
Re-exports	10.9	18.9
Imports, FOB	553.1	604.5
Domestic Imports	491.5	548.3
CFZ Imports	61.6	56.1
II. Services	288.7	463.3
Transportation	-63.3	-37.5
Travel	291.6	412.9
Other Services	60.4	87.9
III. Primary Income	-69.3	-52.7
Compensation of Employees	-2.1	-1.1
Investment Income	-67.3	-51.6
IV. Secondary Income	66.1	63.7
Government	-1.0	-1.3
Private	67.0	65.0
B. Capital Account	12.2	10.6
C. Financial Account	-55.5	85.4
D. NET ERRORS AND OMISSIONS	-12.4	-22.0
E. RESERVE ASSETS	19.3	7.2

^R - Revised^P - Provisional

Table A.21: Capital and Financial Accounts

		\$mn	
		Jan - Mar 2022 ^R	Jan - Mar 2023 ^P
A.	CAPITAL ACCOUNT	12.2	10.6
B.	FINANCIAL ACCOUNT (1+2+3+4)	-55.5	85.4
	1. Direct Investment in Belize	-91.5	-61.0
	2. Portfolio Investment	0.0	0.0
	Monetary Authorities	0.0	0.0
	General Government	0.0	0.0
	Banks	0.0	0.0
	Other Sectors	0.0	0.0
	3. Financial Derivatives	0.0	0.0
	4. Other Investments	36.0	146.4
	Monetary Authorities	-1.0	-1.9
	General Government	-6.7	-6.7
	Banks	51.2	148.8
	Other Sectors	-7.6	6.2
	Special Drawing Rights	0.0	0.0
C.	NET ERRORS AND OMISSIONS	-12.4	-22.0
D.	OVERALL BALANCE	19.3	7.2
E.	RESERVE ASSETS	19.3	7.2

^R - Revised^P - Provisional

Table A.22: Balance of Payments

	\$mn	
	Jan - Mar 2022 ^R	Jan - Mar 2023 ^P
CURRENT ACCOUNT	-36.0	104.0
Goods: Exports FOB	231.6	234.2
Goods: Imports FOB	553.1	604.5
Trade Balance	-321.5	-370.3
Services: Credit	446.2	603.4
Transportation	17.3	22.2
Travel	317.5	439.3
Other Goods and Services	95.4	88.4
Government Goods and Services	16.0	53.6
Services: Debit	157.6	140.0
Transportation	80.6	59.7
Travel	25.9	26.3
Other Goods and Services	43.9	41.4
Government Goods and Services	7.2	12.6
Balance on Goods and Services	-32.8	93.0
Primary Income: Credit	3.3	9.1
Compensation of Employees	1.2	1.2
Investment Income	2.1	7.9
Primary Income: Debit	72.6	61.8
Compensation of Employees	3.2	2.3
Investment Income	69.4	59.5
Balance on Goods, Services and Primary Income	-102.1	40.3
Secondary Income: Credit	86.8	84.3
Secondary Income: Debit	20.7	20.6
CAPITAL ACCOUNT	12.2	10.6
Capital Account: Credit	12.2	10.6
Capital Account: Debit	0.0	0.0
FINANCIAL ACCOUNT	-55.5	85.4
Direct Investment Abroad	0.5	0.0
Direct Investment in Reporting Economy	92.0	61.0
Portfolio Investment Assets	0.0	0.0
Portfolio Investment Liabilities	0.0	0.0
Financial Derivatives	0.0	0.0
Other Investment Assets	38.2	147.6
Other Investment Liabilities	2.2	1.2
NET ERRORS AND OMISSIONS	-12.4	-22.0
OVERALL BALANCE	19.3	7.2
RESERVE ASSETS	19.3	7.2

Source: CBB

^R - Revised

^P - Provisional

Table A.23: Gross Imports at Cost, Insurance and Freight (CIF) by Standard International Trade Classification (SITC)

SITC Section	\$'000			
	Jan - Mar 2022	Jan - Mar 2023	\$ Change	% Change
0. Food and Live Animals	65,803	76,057	10,254	15.6
1. Beverages and Tobacco	9,818	11,089	1,271	12.9
2. Crude Materials	5,907	11,239	5,333	90.3
3. Mineral Fuels and Lubricants	102,474	114,359	11,885	11.6
of which Electricity	15,269	16,189	920	6.0
4. Oils and Fats	7,198	7,934	736	10.2
5. Chemical Products	70,136	65,973	-4,163	-5.9
6. Manufactured Goods	89,467	92,553	3,086	3.4
7. Machinery and Transport Equipment	120,909	135,849	14,940	12.4
8. Other Manufactures	43,933	49,213	5,280	12.0
9. Commodities not elsewhere specified	-	-	0	0
10. Designated Processing Areas	11,518	12,403	885	7.7
11. Commercial Free Zone	109,964	88,959	-21,004	-19.1
12. Personal Goods	870	721	-148	-17.1
Total	637,995	666,349	28,354	4.4

Sources: CBB and SIB

Table A.24: Exports of Sugar and Molasses

	Jan - Mar 2022		Jan - Mar 2023	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
Sugar	26,566	26,429	19,666	23,673
Europe	23,490	22,504	17,678	20,587
US	49	58	20	25
CARICOM	3,026	3,866	1,969	3,062
Other	0	0	0	0
Molasses	0	0	8	1,723

Sources: BSI and Santander Group

Table A.25: Citrus Product Exports

	Jan - Mar 2022		Jan - Mar 2023	
	Pound Solid (‘000)	Value (\$‘000)	Pound Solid (‘000)	Value (\$‘000)
Citrus Concentrates				
US				
Orange	295.1	714	0.0	0
Grapefruit	31.1	205	0.0	0
CARICOM				
Orange	1,628.7	5,540	1,181.4	5,124
Grapefruit	38.9	206	74.6	527
Europe				
Orange	0.0	0	0.0	0
Grapefruit	14.5	73	0.0	0
Other				
Orange	9.5	38	12.7	55
Grapefruit	30.0	164	0.0	0
Sub-Total ⁽¹⁾	2,047.9	6,940	1,268.7	5,707
Orange	1,933.3	6,292	1,194.2	5,179
Grapefruit	114.6	648	74.6	527
Not-From-Concentrate				
Sub-Total	11.7	74.2	5.6	30.6
Orange	5.5	28	5.1	27
Grapefruit	6.2	46	0.5	3
Total Citrus Juices	2,059.6	7,014	1,274.4	5,737
Pulp (pounds ‘000)				
Total ⁽¹⁾	494.9	396	0.0	0
Orange	392.3	305	0.0	0
Grapefruit	102.6	91	0.0	0

Source: CPBL

⁽¹⁾ Values may not be equal to total due to rounding.

Table A.26: Marine Product Exports

	Jan - Mar 2022		Jan - Mar 2023	
	Volume ('000 pounds)	Value (\$'000)	Volume ('000 pounds)	Value (\$'000)
Lobster	152	6,562	168	5,663
Shrimp	13	110	157	909
Conch	254	4,837	277	4,108
Other Fish	0	0	1	8
Total	420	11,509	603	10,687

Source: SIB

Table A.27: Banana Exports

	Jan - Mar 2022	Jan - Mar 2023
Volume (metric tons)	18,414	8,792
Value (\$'000)	19,884	9,910

Source: BGA

Table A.28: Other Miscellaneous Exports

	Jan-Mar 2022	Jan-Mar 2023
Other Miscellaneous Exports (\$'000)	46,944	47,143
of which:		
Pepper Sauce	1,413	1,842
Red Kidney Beans	2,822	2,286
Orange Oil	1,586	741
Grapefruit Oil	419	93
Animal Feed	12,044	15,422
Petroleum	1,278	283

Source: SIB

Table A.29: Long-Term Private Sector External Debt by Economic Sector^(1,2)

Economic Sectors	Transactions (Jan - Mar 2023)				DOD as at 31/03/2023
	DOD as at 31/12/2022	Disbursements	Principal Payments	Interest Payments	
Agriculture	30,064	0	0	0	30,064
Arts, Entertainment, and Recreation	0	0	0	0	0
Construction	21,339	0	1,110	870	20,229
Economic Diversification	2	0	0	0	2
Education	0	0	0	0	0
Electricity and Gas	14,905	0	4	120	14,901
Financial and Insurance Activities	111	0	0	0	111
Fishing	9,355	0	0	0	9,355
Information and Communication	0	0	0	0	0
Real Estate Activities	0	0	0	0	0
Tourism Activities	91,025	0	0	1,140	91,025
Transportation	38,119	0	0	0	38,119
Wholesale and Retail Trade	3,817	0	0	0	3,817
Other	0	0	0	0	0
Total	208,735	0	1,113	2,130	207,622

⁽¹⁾ The loans only cover that portion of the private sector debt that is reported to the Central Bank.

⁽²⁾ At the time of reporting, not all companies have submitted their balance sheets to the Central Bank.

Table A.30: Extended Balance of Payment Services Classifications (EBOPS)

		\$mn	
		Jan - Mar 2022	Jan - Mar 2023
Total Services	Net	288.7	463.3
	Credits	446.2	603.4
	Debits	157.6	140.0
Manufacturing Services	Net	0.0	0.0
	Credits	0.0	0.0
	Debits	0.0	0.0
Maintenance and Repair Services	Net	0.2	0.2
	Credits	0.2	0.2
	Debits	0.0	0.0
Transportation	Net	-63.3	-37.5
	Credits	17.3	22.2
	Debits	80.6	59.7
Travel	Net	291.6	412.9
	Credits	317.5	439.3
	Debits	25.9	26.3
Telecommunications, Computer, and Information Services	Net	43.1	43.2
	Credits	47.0	47.1
	Debits	4.0	3.9
Construction Services	Net	0.0	0.0
	Credits	0.0	0.0
	Debits	0.0	0.0
Insurance and Pension Services	Net	-9.3	-8.0
	Credits	0.3	0.3
	Debits	9.5	8.3
Financial Services	Net	1.6	0.0
	Credits	4.6	3.8
	Debits	2.9	3.9
Charges for the use of Intellectual Property, n.i.e.	Net	-4.5	-4.6
	Credits	0.0	0.0
	Debits	4.5	4.6
Other Business Services	Net	18.0	16.1
	Credits	40.3	36.2
	Debits	22.3	20.1
Personal, Cultural, and Recreational Services	Net	2.4	0.1
	Credits	3.1	0.7
	Debits	0.7	0.6
Government Services, n.i.e.	Net	8.8	40.9
	Credits	16.0	53.6
	Debits	7.2	12.6

Table A.31: International Investment Position

	Position as at Dec 2022	Financial Account Transactions Jan - Mar 2023	Position as at Mar 2023	Quarterly Change
	\$mn			
Net position	-6,560.7	-31.4	-6,592.0	92.6
A. Assets	1,687.2	57.2	1,744.4	154.8
1. Direct Investment Abroad	149.4	0.5	149.9	0.0
2. Portfolio Investment	43.5	-0.7	42.9	0.0
2.1 Equity Securities	34.7	0.0	34.7	0.0
2.2 Debt Securities	8.8	-0.7	8.1	0.0
3. Other Investment	646.3	38.0	684.3	147.6
3.1 Trade Credits	-0.7	0.0	-0.7	-0.2
3.2 Loans	3.1	-0.9	2.2	0.0
3.3 Currency and Deposits	643.9	38.9	682.8	147.8
3.4 Other Assets	0.0	0.0	0.0	0.0
4. Reserve Assets	848.1	19.3	867.4	7.2
4.1 Monetary Gold	0.0	0.0	0.0	0.0
4.2 Special Drawing Rights	128.6	-1.6	127.0	1.1
4.3 Reserve Position in the Fund	17.3	-0.2	17.2	0.3
4.4 Foreign Exchange	681.9	21.4	703.3	5.9
4.5 Other Claims	20.2	-0.3	19.8	0.0
B. Liabilities	8,247.9	88.5	8,336.4	62.2
1. Direct Investment	5,066.0	102.0	5,168.0	61.0
2. Portfolio Investment	0.0	0.0	0.0	0.0
2.1 Equity Securities	0.0	0.0	0.0	0.0
2.2 Debt Securities	0.0	0.0	0.0	0.0
3. Other Investment	3,181.9	-13.4	3,168.5	1.2
3.1 Trade Credits	35.3	1.0	36.3	3.6
3.2 Loans	2,996.5	1.6	2,998.1	0.4
3.3 Currency and Deposits	110.1	-11.1	99.0	-1.3
3.4 Other Liabilities	40.0	-4.9	35.1	-1.4

Table A.32: Central Government's Revenue and Expenditure

	\$mn			
	Jan 2022 to Mar 2022	Jan 2023 to Mar 2023	Apr 2021 to Mar 2022	Apr 2022 to Mar 2023
Total Revenue and Grants	343.4	300.1	1,203.2	1,318.1
Of which: Current Revenue	338.8	296.8	1,165.2	1,283.9
Of which: Grants	3.0	1.8	33.3	28.0
Total Expenditure	308.5	327.2	1,198.6	1,377.3
Current Expenditure	248.6	237.8	947.4	1,030.4
Capital Expenditure	59.8	89.3	251.1	346.8
Current Balance	90.2	59.0	217.8	253.5
Primary Balance	65.7	-7.6	73.4	42.6
Overall Balance	34.9	-27.0	4.6	-59.1

Source: MOF

Table A.33: Summary of Central Government's Revenue

	\$mn			
	Jan 2022 to Mar 2022	Jan 2023 to Mar 2023	Apr 2021 to Mar 2022	Apr 2022 to Mar 2023
Current Revenue	338.8	296.8	1,165.2	1,283.9
Tax Revenue	311.3	280.5	1,088.6	1,189.0
Income and Profits	85.7	100.7	280.0	358.5
Taxes on Property	2.3	2.5	8.6	7.8
Taxes on Goods and Services	165.8	139.1	616.1	617.6
International Trade and Transactions	57.5	38.2	183.9	205.1
Non-Tax Revenue	27.5	16.3	76.7	94.9
Property Income	10.0	1.8	22.4	36.2
Licenses	4.1	3.9	16.5	17.3
Other	13.4	10.6	37.8	41.4
Capital Revenue	1.5	1.5	4.6	6.2
Grants	3.0	1.8	33.3	28.0

Source: MOF

Table A.34: Summary of Central Government's Expenditure

	\$mn			
	Jan 2022 to Mar 2022	Jan 2023 to Mar 2023	Apr 2021 to Mar 2022	Apr 2022 to Mar 2023
Current Expenditure	248.6	237.8	947.4	1030.4
Wages and Salaries	105.4	115.5	414.1	449.4
Pensions	23.0	23.5	98.3	96.8
Goods and Services	42.6	51.1	212.9	212.9
Interest Payments	30.8	19.5	68.8	101.7
Subsidies and Current Transfers	46.8	28.3	153.3	169.7
Capital Expenditure	59.8	89.3	251.1	346.8
Capital II	35.3	62.7	148.2	258.2
Capital III	24.4	26.4	102.1	88.1
Net Lending	0.2	0.2	0.8	0.6

Sources: MOF and CBB

Table A.35: Central Government's Revenue and Expenditure

	\$'000					
	Approved Budget 2022/2023	Jan 2022 to Mar 2022	Jan 2023 to Mar 2023	Apr 2021 to Mar 2022	Apr 2022 to Mar 2023 ^P	Fiscal YTD as % of Budget
TOTAL REVENUE & GRANTS (1+2+3)	1,263,300	323,630	300,136	1,203,160	1,318,143	104.3%
1). Current Revenue	1,222,619	300,289	296,796	1,165,241	1,283,890	105.0%
Tax Revenue	1,122,911	285,908	280,463	1,088,583	1,188,956	105.9%
Income and Profits	268,944	85,322	100,683	280,019	358,479	133.3%
Taxes on Property	10,000	2,641	2,513	8,611	7,754	77.5%
Taxes on Goods and Services	654,966	150,021	139,054	616,093	617,583	94.3%
International Trade and Transactions	189,000	47,923	38,213	183,860	205,139	108.5%
Non-Tax Revenue	99,709	14,381	16,333	76,659	94,934	95.2%
Property Income	17,180	1,713	1,765	22,351	36,229	210.9%
Licences	16,814	5,415	3,940	16,467	17,280	102.8%
Other	65,715	7,252	10,628	37,841	41,425	63.0%
2). Capital Revenue	5,681	739	1,509	4,641	6,246	110.0%
3). Grants	35,000	22,602	1,831	33,277	28,007	80.0%
TOTAL EXPENDITURE (1+2)	1,365,968	335,501	327,176	1,198,584	1,377,251	100.8%
1). Current Expenditure	1,087,896	259,901	237,835	947,450	1,030,433	94.7%
Wages and Salaries	461,788	102,729	115,452	414,097	449,355	97.3%
Pensions	100,866	24,162	23,461	98,348	96,758	95.9%
Goods and Services	226,647	74,935	51,146	212,895	212,930	93.9%
Interest Payments on Public Debt	111,984	15,069	19,482	68,836	101,714	90.8%
Subsidies and Current Transfers	188,596	43,006	28,293	153,273	169,676	90.0%
2). Capital Expenditure	278,072	75,600	89,341	251,134	346,819	124.7%
Capital II (Local Sources)	160,762	53,736	62,708	148,247	258,174	160.6%
Capital III (Foreign Sources)	115,012	21,864	26,437	102,081	88,052	76.6%
Capital Transfer and Net Lending	2,299	-	196	806	593	25.8%
CURRENT BALANCE	134,723	40,388	58,961	217,792	253,457	188.1%
PRIMARY BALANCE	9,316	3,197	-7,558	73,412	42,605	457.3%
OVERALL BALANCE	-102,668	-11,871	-27,040	4,576	-59,109	57.6%
Primary Balance less grants	-25,684	-19,404	-9,389	40,135	14,598	-56.8%
Overall Balance less grants	-137,668	-34,473	-28,871	-28,701	-87,116	63.3%
FINANCING	102,668	11,871	27,040	-4,576	59,109	
Domestic Financing		37,054	24,952	-86,549	19,717	
Central Bank		74,393	34,190	31,742	31,980	
Net Borrowing		31,029	-14,961	10,796	20,225	
Change in Deposits		43,364	49,151	20,946	11,755	
Commercial Banks		-33,545	-5,338	-99,605	-23,710	
Net Borrowing		-27,442	18,653	-71,686	-31,674	
Change in Deposits		-6,103	-23,991	-27,919	7,964	
Other Domestic Financing		-3,794	-3,900	-18,686	11,447	
Financing Abroad		9,461	6,450	68,838	51,903	
Disbursements		20,929	17,107	140,606	122,340	
Amortisation		-11,468	-10,657	-71,767	-70,437	
Other		-34,644	-4,362	13,135	-12,511	

Sources: CBB and MOF

^P - Provisional

Table A.36: Central Government's Domestic Debt

	\$mn		
	Dec 2022	Mar 2023	Changes in Stock
Overdraft	0.0	0.0	0.0
Loans	92.8	92.6	-0.2
Treasury Bills	245.0	244.3	-0.7
Treasury Notes	977.8	976.1	-1.7
Total	1,315.6	1,313.0	-2.6

Table A.37: Central Government's Domestic Debt by Creditor

	\$'000					
	Disbursed Outstanding Debt 31/12/22 ^R	<i>TRANSACTIONS THROUGH MARCH 2023</i>			Disbursed Outstanding Debt 31/03/23 ^P	
		<i>Disbursement/ New Issue of Securities</i>	<i>Amortisation/ Reduction in Securities</i>	<i>Interest</i>	<i>Net Change in Overdraft/ Securities</i>	
Overdraft/Loans	0	0	0	0	0	
Central Bank	0	0	0	0	0	
Domestic Banks	0	0	0	0	0	
Treasury Bills	245,000	0	0	554	-700	244,300
Central Bank	123,017	0	0	235	-15,269	107,748
Domestic Banks	114,468	0	0	291	13,129	127,597
Other	7,515	0	0	27	1,440	8,955
Treasury Notes	977,800	0	0	8,484	-1,700	976,100
Central Bank	554,755	0	0	4,855	220	554,975
Domestic Banks	139,212	0	0	817	0	139,212
Other	283,833	0	0	2,813	-1,920	281,913
Belize Bank Limited ⁽¹⁾	91,000	0	0	0	0	91,000
Belize Social Security Board ⁽²⁾	35	0	17	1	0	19
Fort Street Tourism Village	765	0	191	0	0	574
Debt for Nature Swap	1,000	0	0	0	0	1,000
Total	1,315,601	0	208	9,039	-2,400	1,312,993

^R - Revised^P - Provisional

⁽¹⁾ Caribbean Court of Justice award in November 2017 against the Government of Belize in favour of Belize Bank relating to the loan guarantee. Since the first quarter of 2018, the Belize Bank has been offsetting its business tax against the Universal Health Services (UHS) debt. At March 2023-end, the Belize Bank set-off approximately \$63.4mn in taxes against the debt, split between principal payments (\$39.7mn) and interest payments (\$23.7mn).

⁽²⁾ Government has outstanding loan with BSSB for Hopeville Housing Project.

Table A.38: Public Sector External Debt by Creditor

\$'000

	Disbursed Outstanding Debt 31/12/22 ^R	TRANSACTIONS THROUGH MARCH 2023				Disbursed Outstanding Debt 31/03/23 ^P
		Disbursements	Principal Payments	Interest & Other Payments	Parity Change	
CENTRAL GOVERNMENT	2,489,254	20,068	10,657	10,822	-120	2,498,546
Government of Venezuela ⁽¹⁾	429,692	0	0	0	0	429,692
Kuwait Fund for Arab Economic Development	32,771	561	576	281	-53	32,703
Mega International Commercial Bank Company Ltd.	45,714	0	0	1,392	0	45,714
Republic of China/Taiwan	286,754	0	428	3,806	0	286,326
Caribbean Development Bank	336,440	7,770	5,596	3,052	0	338,615
CARICOM Development Fund	6,000	0	0	45	0	6,000
European Economic Community	4,029	0	0	0	-80	3,949
Inter-American Development Bank	303,652	1,494	2,696	1,529	0	302,450
International Fund for Agriculture Development	8,198	0	0	9	13	8,211
International Bank for Reconstruction and Development	71,825	2,455	0	0	0	74,280
OPEC Fund for International Development	182,632	5,387	1,182	692	0	186,837
Central American Bank for Economic Integration	18,947	0	179	15	0	18,768
Belize Blue Investment Company LLC	728,000	0	0	0	0	728,000
Caribbean Community Climate Change Centre	0	2,400	0	0	0	2,400
US\$30.0mn Fixed-Rate Notes	34,600	0	0	0	0	34,600
NON-FINANCIAL PUBLIC SECTOR	61,822	0	3,086	1,221	0	58,736
Caribbean Development Bank	32,656	0	1,142	392	0	31,514
International Cooperation and Development Fund	29,167	0	1,944	829	0	27,222
FINANCIAL PUBLIC SECTOR	176,158	0	1,046	565	1,213	176,325
Caribbean Development Bank	48,735	0	889	550	0	47,846
European Investment Bank	1,979	0	157	15	-38	1,784
Inter-American Development Bank	9,700	0	0	0	0	9,700
International Monetary Fund	115,744	0	0	0	1,251	116,995
GRAND TOTAL	2,727,232	20,068	14,785	12,607	1,092	2,733,607

^R - Revised^P - Provisional

⁽¹⁾ Since September 2017, debt service payments for oil imports have been suspended due to U.S. sanctions on Petroleos de Venezuela, S.A. Unpaid debt service payments up to the end of March 2023 amounted to principal of \$97.1mn and interest of \$20.5mn.