



CENTRAL BANK

of BELIZE



MONTHLY
ECONOMIC HIGHLIGHTS

OCTOBER 2017

List of Acronyms and Abbreviations

Acronyms:

BCB	British Caribbean Bank
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
BSWL	Belize Water Services Limited
CBB	Central Bank of Belize
CDB	Caribbean Development Bank
CGA	Citrus Growers Association
CPBL	Citrus Products of Belize Limited
CPI	Consumer Price Index
EU	European Union
FY	Fiscal Year
GDP	Gross Domestic Product
IDB	Inter-American Development Bank
MOF	Ministry of Finance
SIB	Statistical Institute of Belize
UHS	Universal Health Services
US	United States
VPCA	Venezuelan Petrocaribe Agreement

Abbreviations and Conventions:

\$	the Belize dollar unless otherwise stated
bn	billion
mn	million
ps	pound solids
TC/TS	tons cane to tons sugar

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 2017 figures in this report are provisional and the figures for 2016 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 2017 are based on Central Bank's forecast of annual GDP.

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Summary of Economic Indicators

Chart I: Gross Domestic Product Growth Rate (Year-on-Year - Percentage Change)

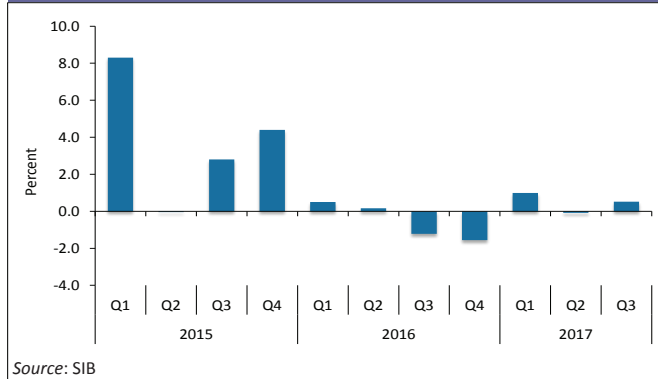


Chart II: Consumer Price Index (All Items)

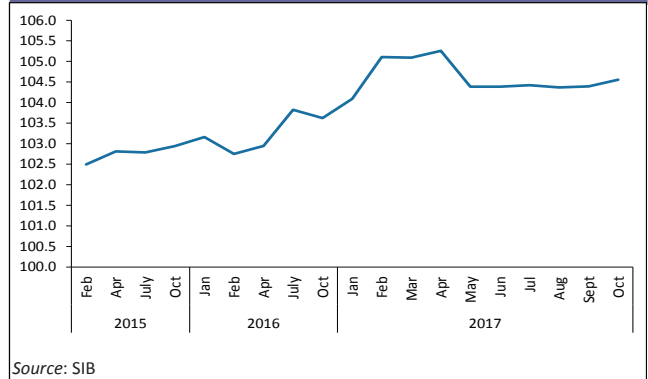


Chart III: Gross International Reserves and Import Cover

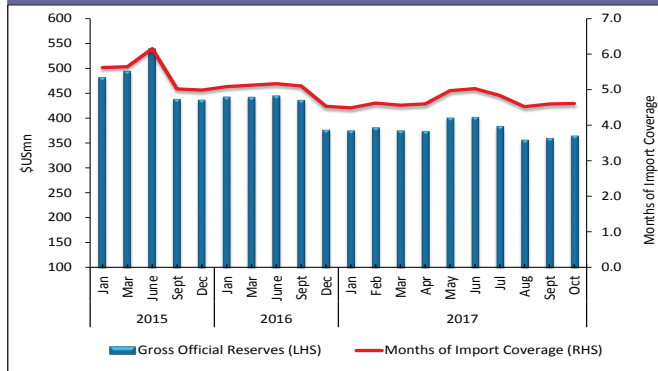


Chart IV: Current Account Balance to GDP

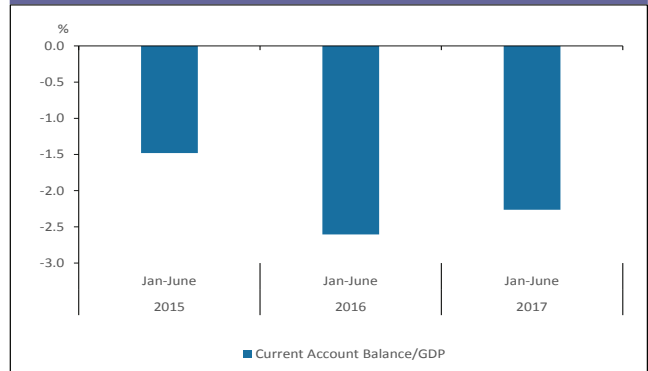


Chart V: Domestic Banks - Deposits and Loans and Advances

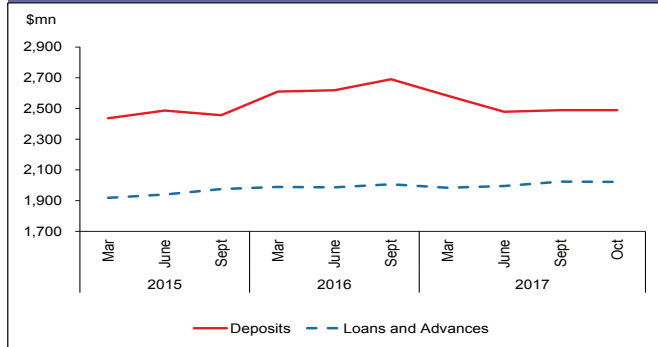


Chart VI: Primary and Overall Balances to GDP

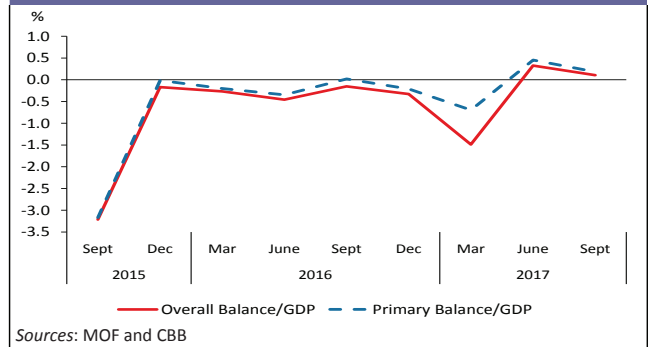


Chart VII: Public Sector External Debt

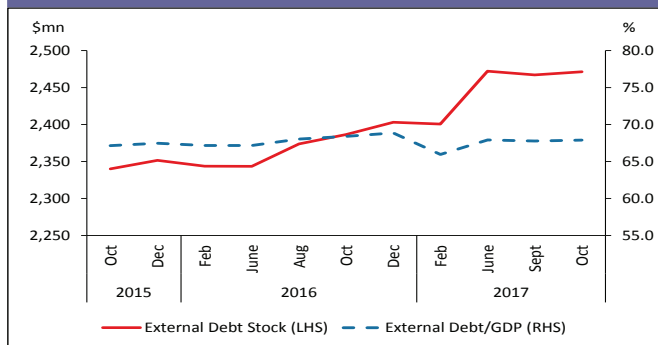
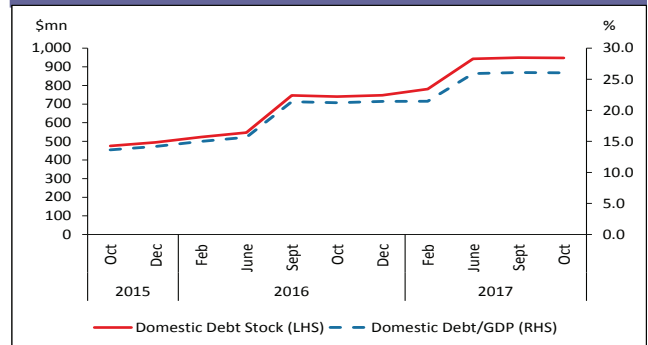


Chart VIII: Central Government Domestic Debt



Overview

- Over the first ten months of the year, the broad measure of money supply contracted by 2.7%, reflecting reductions of \$28.2mn in net foreign assets and \$74.4mn in net domestic credit of the banking system.
- While the net foreign assets of the Central Bank increased by \$11.3mn, largely supported by inflows from external loan disbursements and sugar export receipts, the net foreign assets of the domestic banks tightened by \$39.5mn, primarily due to higher outflows for profits, fuel imports, outward transfers from regional organizations, reinsurance and computer services.
- The reduction in net domestic credit over the review period was due to a contraction in net credit to Central Government, which fell by \$83.2mn since the start of the year. The latter reflected a build-up of deposits at the Central Bank, which stemmed from the issuance of new Government securities and the sale of shares in the Belize Electricity Ltd. (BEL) and Belize Telemedia Ltd. (BTL) to the Belize Social Security Board (BSSB).
- Constrained by substantial loan write-offs during the first part of the year, domestic banks' credit to the private sector grew by \$10.7mn over the year to date, with new disbursements going into agricultural production, particularly sugar and banana. At \$68.5mn, write-offs were higher by almost 50.0% in 2017 and were mainly for mining, construction, tourism and personal loans.
- Lending by credit unions contracted by \$5.1mn over the year to date, as loan repayments for personal purposes, home improvement and sugar production exceeded new disbursements.
- The sale of shares in utility companies and the issuance of new government securities led to a 52.5% reduction in the holdings of excess liquid assets, which stood at 35.2% of requirements. Excess cash reserves also declined, falling by 36.3% to \$271.4mn (122.6% of requirement) over the first ten months of the year.
- In October, the 12-month (rolling) weighted average interest rate on new loans fell by 20 basis points year-on-year to 9.08%, while the rate on new deposits rose by two basis points to 1.75%. Consequently, the weighted average interest rate spread narrowed by 22 basis points to 7.33%.
- During the first half of the 2017/2018 fiscal year (April to September), Central Government's revenue and grants fell by 2.2% to \$544.8mn, while its expenditures

declined by 3.7% to \$555.2mn. Consequently, the primary surplus expanded from a surplus of 0.9% of GDP in 2016/2017 to 1.2% of GDP in 2017/2018, while the overall deficit shrank from 0.6% of GDP in 2016/2017 to 0.3% of GDP in 2017/2018, respectively, relative to the same period of the previous fiscal year.

- Total public sector debt rose by 8.4% to \$3,419.3mn and stood at 93.9% of GDP at the end of October. The growth was attributed to a 26.8% increase in Central Government's domestic debt to \$948.0mn and a 2.7% rise in external debt to \$2,471.3mn.
- Receipts from domestic exports rose by 17.9% to \$405.1mn due to increased earnings from all major exports, excluding citrus and petroleum. In contrast, gross imports (including electricity) fell by 2.7% to \$1,545.6mn with notable reductions in outlays on "*Machinery, Transport and Equipment*" and "*Food, Beverages and Tobacco*" of \$79.7mn and \$11.1mn, respectively.
- The Consumer Price Index (CPI) inched upward by 0.2% in October, compared to September, and averaged 1.2% year-on-year for January through October. Higher bus fares, international airfares and fuel prices boosted "*Transport*" prices by 10.5%, while prices for "*Housing, Water, Electricity, Gas, and Other Fuels*" rose by 0.7%.

Money and Credit

- Reductions in net domestic credit and net foreign assets of the banking system by \$74.4mn and \$28.2mn, respectively, led to a 2.7% contraction in broad money supply (M2) during the first ten months of the year.
- The net foreign assets of the Central Bank increased by \$11.6mn during October, mostly due to inflows of \$7.6mn from the international company and ship registries, and by \$11.3mn for the year to date. Buoyed primarily by external loan disbursements (\$134.4mn) and purchase of sugar receipts (\$71.0mn), foreign currency inflows of \$290.6mn exceeded outflows of \$284.0mn. The latter included payments of \$231.8mn for Central Government's debt servicing.
- In contrast, the net foreign assets of domestic banks fell by \$2.0mn during the month and by \$39.5mn for the year to date. The decline mostly reflected increased profit repatriation, larger outward transfers by regional organizations and higher payments for fuel, reinsurance and computer services. Domestic banks' short-term foreign liabilities also fell by \$7.3mn.
- Net domestic credit to Central Government contracted by \$83.2mn over the year to date. The reduction reflected the \$191.2mn build-up in Government's deposits at the Central Bank due to the net issuance of \$190.0mn in new securities and the BSSB's purchase of \$50.0mn worth of shares in BEL and BTL. At the end of the month, the Government's overdraft facility at the Central Bank stood at \$59.5mn (71.9% of the legal threshold).

Chart 1.1: Net Foreign Assets and Net Domestic Credit

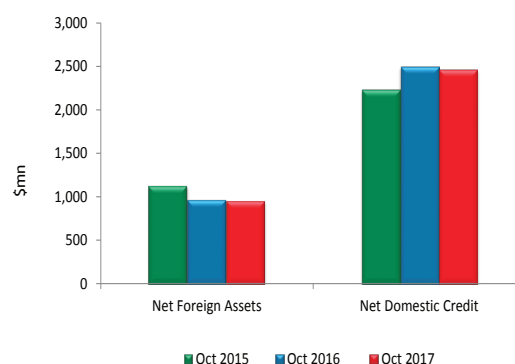
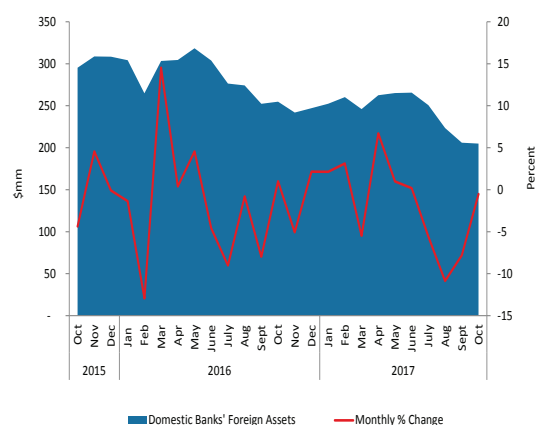


Table 1.1: Central Bank's Foreign Asset Flows

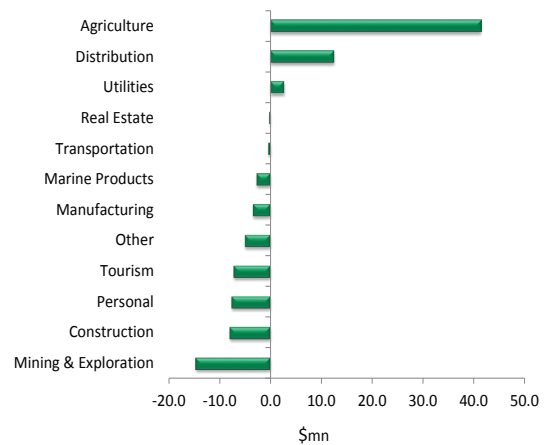
	\$mn	
	Jan - Oct 2016	Jan - Oct 2017
Total Inflows	363.2	290.6
Loan Disbursements	105.2	134.3
Sugar Receipts	44.5	71.0
Banks	145.4	24.3
Other	68.2	61.0
Total Outflows	505.7	284.0
Central Government	373.0	231.8
Banks	97.1	16.9
Other	35.6	35.2

Chart 1.2: Domestic Banks' Net Foreign Assets



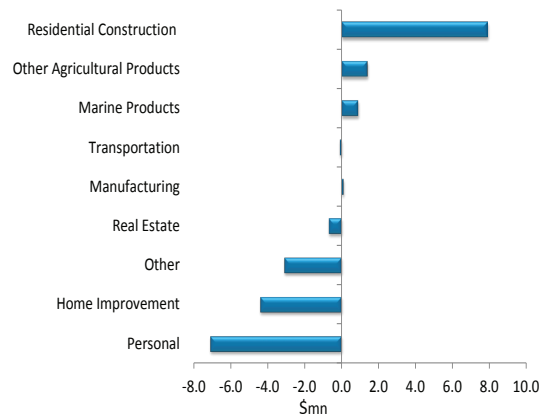
- Notwithstanding a \$1.5mn reduction in October, credit to the private sector was up by \$10.7mn for January through October. New disbursements were channelled mainly into the primary sector for sugar (\$18.2mn), banana (\$11.3mn) and other agricultural (\$9.3mn) activities. A combination of loan write-offs and repayments underpinned declines in the mining (\$14.7mn), construction (\$8.0mn), personal purpose (\$7.6mn) and tourism (\$7.2mn) categories. Write-offs amounted to \$68.5mn, compared to \$45.7mn for the same period of 2016.

Chart 1.3: Domestic Banks' Distribution of Loan Growth from Dec 2016 - Oct 2017



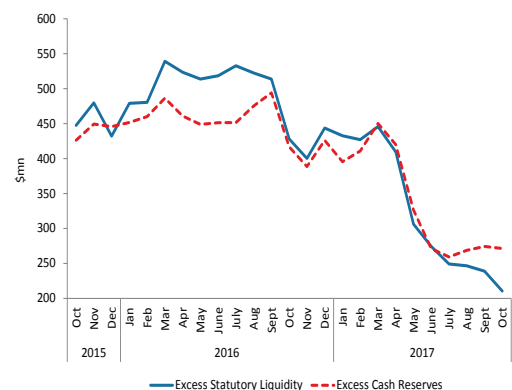
- Lending by the five largest credit unions fell by \$1.0mn during October and by \$5.1mn for the year to date, as loan repayments for personal purposes (\$7.1mn), home improvement (\$4.4mn) and sugar production (\$1.3mn) outweighed disbursements for residential construction (\$7.9mn) and other agricultural production (\$1.4mn).

Chart 1.4: Credit Union Lending from Dec 2016 - Oct 2017



- Domestic banks' holdings of excess statutory liquid assets contracted by 52.5% to \$210.6mn (35.2% of the required level) due to the sale of shares in utility companies to BSSB and Government securities to banks and other private entities. Concurrently, excess cash balances fell by 36.3% to \$271.4mn, which was 122.6% above the legal requirement.

Chart 1.5: Excess Statutory Liquidity

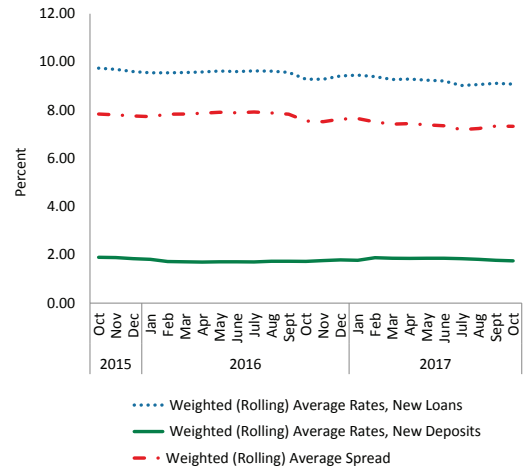


- The 12-month (rolling) weighted average interest rate on new loans fell by three basis points to 9.08%, compared to September, and by 20 basis points, compared to October 2016. The year-on-year downward trend reflected rate declines on personal, commercial and residential construction loans of 13, 39 and

11 basis points, respectively, as rates on loans for “*other*” purposes grew by four basis points.

- The 12-month (rolling) weighted average interest rate on new deposits fell by two basis points, relative to the previous month, but recorded a year-on-year increase of two basis points to 1.75%. The latter was driven by a 50-basis-point rise in rates for savings/chequing deposits, which outweighed rate reductions on savings and demand deposits of 38 and three basis points, respectively. Consequently, the weighted average interest rate spread narrowed by 22 basis points to 7.33%.

Chart 1.6: Domestic Banks' Weighted (Rolling) Average Interest Rates on New Loans and Deposits



Real Sector Developments

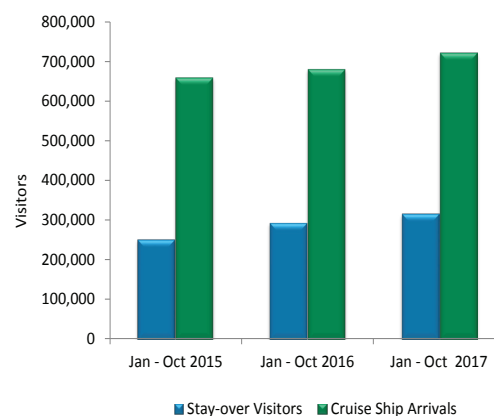
- Over the first ten months of 2017, output of sugar and banana increased, while production of citrus juices, papaya, petroleum and marine products declined.
- Stay-over visitors rose by 7.8% to 315,228 tourists over the year to date, largely due to a 6.6% increase in air arrivals, which reflected increased air capacity and sustained marketing efforts. Cruise ship disembarkations grew by 6.0% to 722,038 visitors, as 21 more ships docked at the Belize City and Harvest Caye ports.
- The Consumer Price Index (CPI) rose by 0.2% in October, relative to September, while prices for the year to date rose on average by 1.2%, compared to the same period of 2016. A 10.5% expansion in “*Transport*” costs was driven by increased bus fares, international airfares and higher fuel prices at the pump, while higher Liquefied Petroleum Gas (LPG) prices supported a 0.7% increase in “*Housing, Water, Electricity, Gas, and Other Fuels*”. Significant price reductions were recorded in the “*Food and Non-Alcoholic Beverages*” (1.3%) and “*Recreation and Culture*” (1.6%) categories.
- Revenues from domestic exports rose by 17.9% to \$405.1mn due to increased receipts from all major export commodities except citrus and papaya.
- Gross imports (including electricity) over the year to date dipped by 2.7% to \$1,545.6mn, with reduction across almost all categories of imports, except “*Fuels, Lubricants and Crude Materials*” and “*Oils, Fats and Chemicals*”,

Table 2.1: Production of Main Domestic Exports

	Jan - Oct 2016	Jan - Oct 2017
Sugarcane Deliveries (long tons)	1,321,823	1,499,066
Sugar (long tons)	132,192	161,545
Molasses (long tons)	46,658	52,560
Bananas (metric tons)	61,038	71,894
Citrus Deliveries (boxes)	3,371,385	3,366,294
Citrus Juices ('000 ps)	20,224	19,637
Papaya ('000 lbs)	7,211	3,331
Marine Exports ('000 lbs)	2,402	2,379
Petroleum (barrels)	380,638	306,127

Sources: BSI, Santander Group, BGA, CPBL, Geology & Petroleum Department

Chart 2.1: Tourist Arrivals



Sources: BTB and CBB

Table 2.2: Main Domestic Exports

	\$mn	
	Jan - Oct 2016	Jan - Oct 2017
Sugar	102.4	142.8
Molasses	7.0	9.0
Bananas	61.3	72.5
Citrus	60.4	51.8
Petroleum	22.3	22.5
Other Domestic Exports	60.1	74.7
of which: Papaya	3.8	1.4
Marine Exports	30.0	31.7
Total	343.5	405.1

Sources: BSI, BGA, CPBL, SIB, Geology and Petroleum Department

which increased by \$49.4mn and \$10.4mn, respectively.

Sugarcane & Sugar

- There were no deliveries of sugarcane nor production of sugar during the month.
- Sugar export volume for the year to date rose by 23.2% to 152,615 long tons. Sales to the European Union (EU) rose by 13.8% and accounted for 86.9% of total export volume. Export revenue rose by 39.5% to \$142.8mn, boosted by a 13.2% upturn in the average price of raw bulk sugar in response to a temporary reduction in global supplies, which is expected to stabilize by year end. The export volume for molasses expanded by 40.7% to 42,980 long tons valued at \$9.0mn.

Citrus

- The 2017/2018 citrus crop commenced on 18 October 2017, which is about one month earlier than the start of the 2016/2017 crop when production was set back by Hurricane Earl. For this crop year, the industry is projecting a 4.7% downturn in citrus production, with orange and grapefruit production decreasing by 4.9% and 2.5%, respectively, when compared to the previous crop year.
- Citrus deliveries in October amounted to 33,521 boxes, as 15,684 boxes of orange and 17,837 boxes of grapefruit were delivered to the factory. Initial prices per pound solid (ps) of orange fell by 9.5% to \$2.24, reflecting an increase in global production forecasts due to a larger outturn from Brazil. In contrast, grapefruit prices were up by 20.1% to \$3.06 with expected output declines in China and the US.

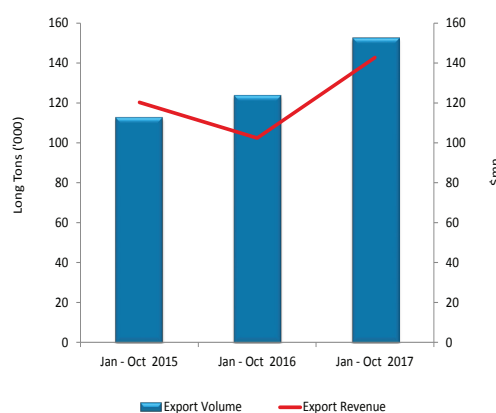
Table 2.3: Gross Imports by Standard International Trade Classification⁽¹⁾

	Jan - Oct 2015	Jan - Oct 2016	Jan - Oct 2017
Food, Beverages and Tobacco	213.3	219.0	207.9
Fuels, Lubricants and Crude Materials	254.9	202.2	251.6
Of which: Electricity	40.2	19.4	40.7
Oils, Fats and Chemicals	166.6	149.9	160.3
Manufactured Goods and Other Manufactures	336.3	343.2	339.3
Machinery, Transport and Equipment	338.7	385.1	305.3
Other Goods	4.5	3.4	3.4
Export Processing Zones	101.2	40.0	31.4
Commercial Free Zone	260.4	246.0	246.3
Total	1,675.8	1,588.8	1,545.6

Source: SIB

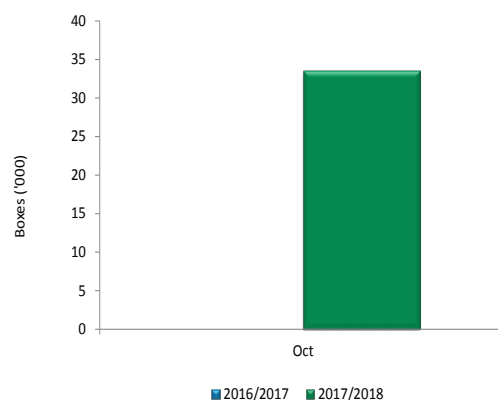
⁽¹⁾ Imports are valued at cost, insurance and freight

Chart 2.2: Sugar Exports



Sources: BSI and Santander Group

Chart 2.3: Monthly Citrus Deliveries



Source: CPBL

- Citrus juice production totalled 107,527 ps, which consisted of 36,912 ps of orange concentrate and 70,615 ps of grapefruit concentrate. The average outturn per box of fruit was 2.4 ps and 4.0 ps for orange and grapefruit, respectively.
- Citrus juice exports contracted by 24.3% to 15.7mn ps, with revenue down by only 13.4% to \$51.8mn, reflecting price improvements of 4.9% and 15.0% for grapefruit and citrus concentrates, respectively. The latter is attributed to a 17.1% improvement in price for the US market, where citrus greening continued to suppress orange production in Florida.

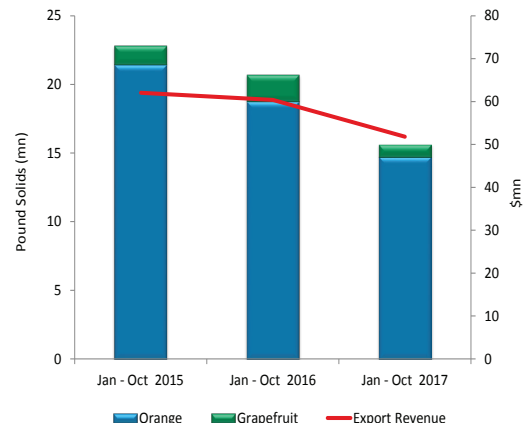
Banana

- From January through October, banana export volume rose by 17.8% to 71,894 metric tons, and earnings were up by 18.2% to \$72.5mn, relative to the same period of 2016.

Petroleum

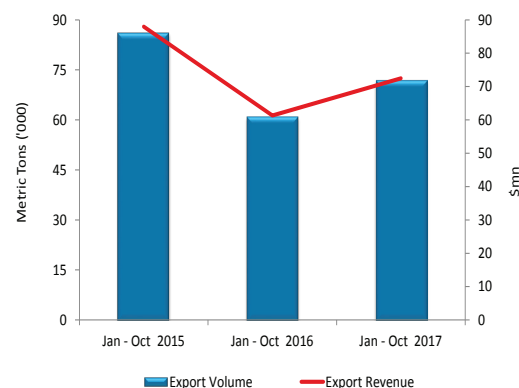
- Crude oil production fell by 19.6% to 306,127 barrels over the first ten months of the year. Output from the Spanish Lookout Field declined by 20.1% to 304,184 barrels, while 1,943 barrels were extracted from the Never Delay Field in the early part of the year during testing and evaluation of its wells.
- Compared to the year to date for the previous year, petroleum exports declined by 20.3% to 267,071 barrels, but revenue fell by only 1.0% to \$22.5mn due to a hike in the average price per barrel from US\$33.29 to US\$42.21.

Chart 2.4: Citrus Juice Export Volume and Revenue



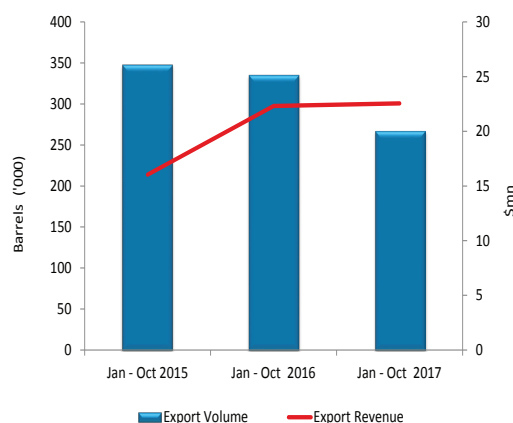
Source: CPBL

Chart 2.5: Banana Exports



Source: BGA

Chart 2.6: Petroleum Exports

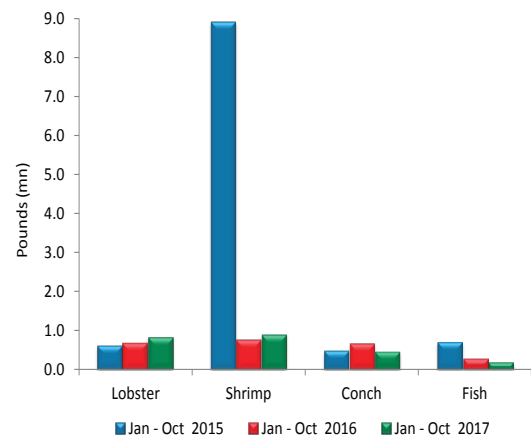


Source: Geology and Petroleum Department

Marine Exports

- The volume of marine exports dipped by 0.9% to 2.4mn pounds, as the increased wild capture of lobster (20.9%) and production of farmed shrimp (16.8%) were outweighed by reductions in the output of conch (30.6%) and other fish (31.7%). Nevertheless, marine export receipts rose by 5.7% to \$31.7mn, as modest increases in the average unit price for lobster and conch more than offset price declines for shrimp and other fish.

Chart 2.7: Marine Export Volumes

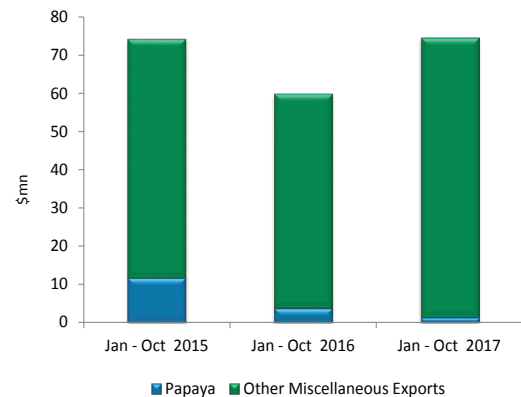


Sources: SIB and CBB

Other Domestic Products

- Earnings from other domestic exports expanded by 24.3% to \$74.7mn, reflecting increased receipts from orange oil (\$4.9mn), black-eyed peas (\$2.0mn), sawn wood (\$0.5mn), pepper sauce (\$0.4mn), corn meal (\$0.2mn) and other exports (\$10.4mn), which outweighed declines in those from papaya, pulp cells and grapefruit oil.

Chart 2.8: Revenue of Papaya and Other Miscellaneous Exports



Source: SIB

Central Government Operations

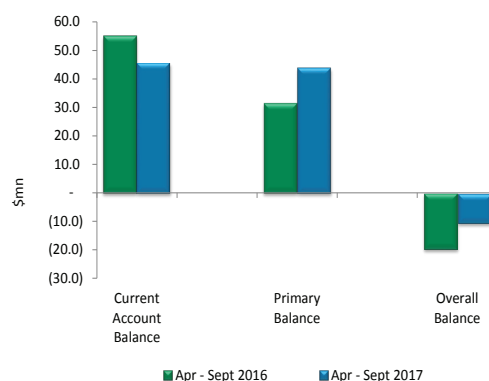
- During the first six months (April to September) of the 2017/2018 fiscal year (FY), Central Government's revenue and grants fell by 2.2% year-on-year to \$544.8mn, which was 45.9% of the budget. Concurrently, expenditures declined by 3.7% to \$555.2mn year-on-year, which was 47.1% of budget. Consequently, the primary surplus improved from 0.9% of GDP for the first half of FY 2016/2017 to 1.2% of GDP in 2017/2018, and the overall deficit decreased from 0.6% of GDP for 2016/2017 to 0.3% of GDP in 2017/2018 over the corresponding time period.

- Revenues declined by \$12.2mn, with grants and tax revenue decreasing by \$16.3mn and \$0.6mn, respectively. For the latter, gains from new revenue measures, which took effect at the start of the FY, were outweighed by a \$10.3mn reduction in General Sales Tax collections. In contrast, non-tax revenue increased by \$5.1mn due to higher receipts from licenses and the international ship registry.

- Expenditure fell by \$21.5mn, as a 3.4% increase in current spending was outweighed by a 36.5% decrease in capital outlays and net lending. The rise in current outlays was largely driven by the third and final increase in negotiated wages for public officers, which was set at 3.0% and took effect in the new FY. In aggregate, personal emoluments and pensions grew by 9.5%. In contrast, capital spending and net lending amounted to \$65.2mn, with 40.0% of the amount going on infrastructural projects.

- During the first six months of the 2017/2018 FY, Central Government's financing gap (the

Chart 3.1: Central Government Operations



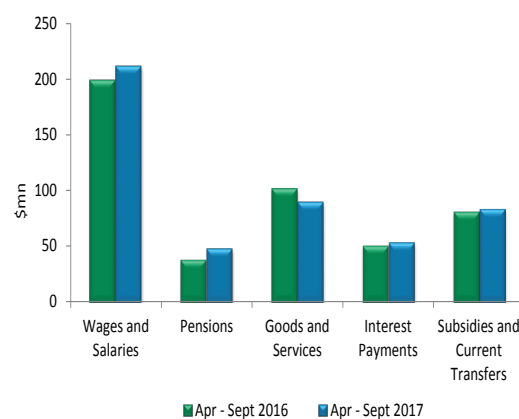
Sources: MOF and CBB estimates

Chart 3.2: Central Government Current Revenue



Sources: MOF and CBB estimates

Chart 3.3: Central Government Current Expenditure



Sources: MOF and CBB estimates

overall deficit, BTL settlement payments and principal repayments) was \$125.6mn, of which 71.6% was financed domestically (mostly through the issuance of new government securities and the sale of shares in BEL and BTL), while the balance (28.4%) came from external sources. The debt dependency ratio (new borrowings to expenditure) stood at 52.3%, which is well above the international threshold of 20.0%.

Central Government Domestic Debt

- Over the first ten months of 2017, Central Government’s domestic debt increased by 26.8% to \$948.0mn primarily due to the net issuance of \$190.0mn in securities to raise funds for the BTL nationalization settlements. Since the beginning of the year, a total of \$410.0mn in government securities was issued, consisting of \$30.0mn in Treasury bills and \$380.0mn in Treasury notes. Of this amount, \$175.0mn was designated as Floating Rate Notes.
- Amortization payments of \$1.1mn were shared among the BSSB, one domestic bank, the Fort Street Tourism Village and the Debt for Nature Swap. In addition, \$220.0mn worth of Treasury notes in the Central Bank’s portfolio was redeemed with proceeds from the issuance of the Floating Rate Notes and from the sale of shares in BEL and BTL to the BSSB.
- The Central Bank remained the largest holder of Government’s domestic debt (42.3% share). In addition to its relinquishment of Treasury notes valued at \$220.0mn, the Central Bank sold \$58.5mn of its Treasury note holdings, mostly to non-bank entities, and purchased \$27.5mn in Treasury bills surrendered by domestic

Chart 3.4: Central Government Domestic Debt

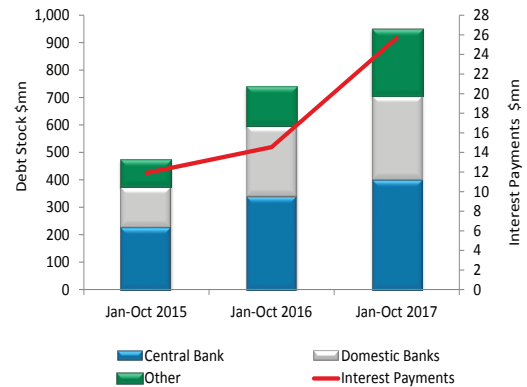
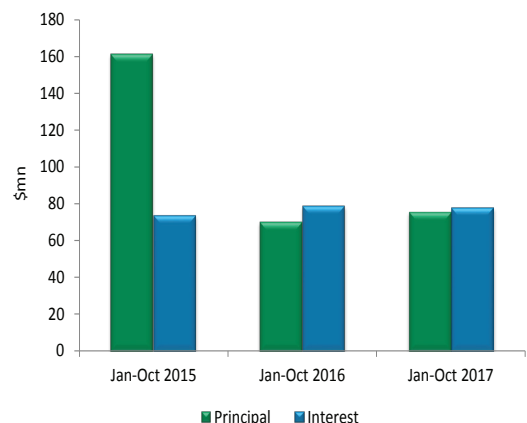


Chart 3.5: External Debt Service



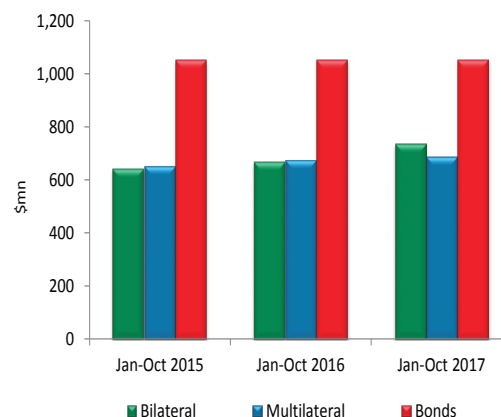
banks and non-bank entities. Consequently, the share of Central Government debt held by non-bank entities rose from 19.5% to 25.6%, while the share held by domestic banks edged up from 30.9% to 32.1%.

- Interest payments totalled \$25.7mn, of which \$16.8mn was paid to the Central Bank for the overdraft facility and holdings of securities, \$5.8mn went to non-bank entities, and \$3.0mn was allotted to the domestic banks.

Public Sector External Debt

- During the first ten months of 2017, the public sector external debt rose by 2.7% (\$66.1mn) to \$2,471.3mn, as disbursements exceeded amortization payments.
- Except for a small amount to the Development Finance Corporation (DFC) from the Caribbean Development Bank (CDB), all disbursements went to Central Government. The largest amount came from bilateral lenders (\$92.0mn), of which \$18.7mn was from the Government of Venezuela, \$20.9mn from the Republic of China/Taiwan and \$50.0mn from Mega International Commercial Bank Company of Taiwan. Multilateral lenders disbursed \$46.5mn.
- Central Government amortized \$72.9mn, of which \$42.2mn was paid to multilateral creditors and \$30.7mn went to bilateral lenders, particularly the Republic of China (ROC)/Taiwan and the Government of Venezuela. Since September, debt service payments to Venezuela have been unable to be made due to the US sanctions placed on the country.

Chart 3.6: Public Sector External Debt



-
- Loan repayments by the non-financial public sector amounted to \$2.1mn, while the financial public sector repaid \$0.9mn.
 - Interest and other payments totalled \$77.8mn, of which \$52.3mn was paid to the 2034 bond holders. Multilateral lenders were paid \$16.3mn, and \$9.1mn went to bilateral creditors.

Statistical Appendix

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

	\$mn			
	Position as at Oct 2017	Changes During		
		Sept 2017 to Oct 2017	Dec 2016 to Oct 2017	Dec 2015 to Oct 2016
Net Foreign Assets	958.2	9.6	-28.2	-177.7
Central Bank	763.2	11.6	11.3	-145.2
Domestic Banks	195.0	-2.0	-39.5	-32.5
Net Domestic Credit	2,459.4	-1.3	-74.4	211.2
Central Government (Net)	431.4	0.2	-83.2	202.3
Other Public Sector	6.4	0.0	-1.9	-1.8
Private Sector	2,021.6	-1.5	10.7	10.7
Central Bank Foreign Liabilities (Long-term)	50.3	-0.3	2.2	-0.4
Other Items (Net)	497.6	2.4	-24.2	-19.3
Money Supply (M2)	2,869.7	6.2	-80.6	53.2

⁽¹⁾ Transactions associated with the Universal Health Services (UHS) loan with the Belize Bank Limited are not included in this table, as this matter is under legal dispute.

Table A.2: Net Foreign Assets of the Banking System

	\$mn			
	Position as at Oct 2017	Changes During		
		Sept 2017 to Oct 2017	Dec 2016 to Oct 2017	Dec 2015 to Sept 2016
Net Foreign Assets of the Banking System	958.2	9.6	-28.2	-177.7
Net Foreign Assets of the Central Bank	763.2	11.6	11.3	-145.2
Central Bank Foreign Assets	765.8	10.0	6.6	-142.5
Central Bank Foreign Liabilities (Demand)	2.6	-1.6	-4.7	2.7
Net Foreign Assets of Domestic Banks	195.0	-2.0	-39.5	-32.5
Domestic Banks' Foreign Assets	204.9	-1.0	-46.8	-54.5
Domestic Banks' Foreign Liabilities (Short-Term)	9.9	1.0	-7.3	-22.0

Table A.3: Net Domestic Credit

	\$mn			
	Position as at Oct 2017	Sept 2017 to Oct 2017	Dec 2016 to Oct 2017	Dec 2015 to Oct 2016
Total Credit to Central Government	705.8	-0.6	102.9	199.5
From Central Bank	400.8	-5.9	30.3	95.3
Loans and Advances	59.5	-0.9	11.3	6.9
Government Securities ⁽¹⁾	341.3	-5.0	19.0	88.4
From Domestic Banks	305.0	5.3	72.6	104.2
Loans and Advances	1.5	0.3	-1.4	0.2
Government Securities	303.5	5.0	74.0	104.0
Of which: Treasury bills ⁽²⁾	131.7	5.0	-20.0	26.1
Treasury notes	171.8	0.0	94.0	77.9
Other	0.0	0.0	0.0	0.0
Less Central Government Deposits	274.4	-0.8	186.1	-2.8
With Central Bank	251.9	6.9	191.2	15.5
With Domestic Banks	22.5	-7.7	-5.1	-18.3
Net Credit to Central Government	431.4	0.2	-83.2	202.3
Credit to Other Public Sector	6.4	0.0	-1.9	-1.8
From Central Bank	0.0	0.0	0.0	0.0
From Domestic Banks	6.4	0.0	-1.9	-1.8
Of which: Local Government	2.0	0.0	1.5	-0.5
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	0.0	0.0	-1.1	-2.4
Other Statutory Bodies	1.9	0.0	-2.3	0.5
Securities	2.6	0.0	0.0	0.6
Plus Credit to the Private Sector	2,021.6	-1.5	10.7	10.7
Loans and Advances	2,021.2	-1.5	10.7	10.7
Securities	0.4	0.0	0.0	0.0
Net Domestic Credit of the Banking System ⁽³⁾	2,459.4	-1.3	-74.4	211.2

⁽¹⁾ Includes 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.

⁽³⁾ Values may not equal to total due to rounding.

Table A.4: Sectoral Composition of Domestic Banks' Loans and Advances

		\$mn		
		Changes During		
	Position as at Oct 2017	Sept 2017 to Oct 2017	Dec 2016 to Oct 2017	Dec 2015 to Oct 2016
PRIMARY SECTOR	281.4	0.2	23.6	10.7
Agriculture	244.2	0.2	41.4	3.9
Sugar	90.6	0.4	18.2	0.8
Citrus	14.8	-0.3	2.6	-2.8
Bananas	80.6	0.0	11.3	-0.9
Other	58.2	0.1	9.3	6.8
Marine Products	33.5	0.2	-2.7	6.5
Forestry	0.6	0.0	-0.4	0.1
Mining and Exploration	3.1	-0.2	-14.7	0.2
SECONDARY SECTOR	614.5	-1.3	-8.7	-1.6
Manufacturing	34.9	-5.3	-3.4	2.4
Building and Construction	566.5	3.1	-8.0	1.7
Utilities	13.1	0.9	2.7	-5.7
TERTIARY SECTOR	699.8	1.7	0.1	14.6
Transport	54.2	0.4	-0.4	6.8
Tourism	123.3	-0.2	-7.2	26.9
Distribution	171.5	1.4	12.5	-3.8
Real Estate	293.2	0.1	-0.2	-14.1
Professional Services	49.5	0.0	0.7	-3.2
Other ⁽¹⁾	8.1	0.0	-5.3	2.0
PERSONAL LOANS	426.7	-1.9	-7.6	-14.8
TOTAL	2,022.4	-1.3	7.4	8.9

⁽¹⁾ Includes government services, financial institutions and entertainment.

Table A.5: Domestic Banks' Liquidity Position and Cash Reserves

	\$mn			
		Changes During		
	Position as at Oct 2017	Sept 2017 to Oct 2017	Dec 2016 to Oct 2017	Dec 2015 to Oct 2016
Holdings of Approved Liquid Assets	809.3	-26.3	-248.0	23.9
Notes and Coins	70.2	-9.2	-5.2	-6.6
Balances with Central Bank	492.1	-2.6	-164.1	0.6
Money at Call and Foreign Balances (due 90 days)	89.0	-7.3	-49.0	-1.7
Central Government Securities maturing within 90 days ⁽¹⁾	125.7	-7.8	-52.3	31.2
Other Approved Assets	32.3	0.6	22.6	10.4
Required Liquid Assets	598.7	2.0	-15.0	49.1
Excess/(Deficiency) Liquid Assets	210.6	-28.3	-233.0	-25.2
Daily Average Holdings of Cash Reserves	492.6	-2.3	-160.3	-10.8
Required Cash Reserves	221.2	0.7	-5.5	18.2
Excess/(Deficiency) Cash Reserves	271.4	-3.0	-154.8	-29.0
Actual Securities Balances ⁽²⁾	121.7	5.0	-30.0	26.1
Excess/(Deficiency) Securities	121.7	5.0	-30.0	26.1

⁽¹⁾ Four week average of domestic banks' holdings of Government securities.

⁽²⁾ Face value of domestic banks' Treasury bill holdings at the end of the month.

Table A.6: Domestic Banks' Weighted Average Interest Rates

	Percent			
		Changes During		
	Position as at Oct 2017	Sept 2017 to Oct 2017	Dec 2016 to Oct 2017	Dec 2015 to Oct 2016
Weighted Lending Rates				
Personal Loans	11.34	0.02	-0.29	-0.07
Commercial Loans	9.19	-0.03	-0.32	-0.42
Residential Construction	7.19	-0.02	-0.38	-0.41
Other	6.76	-0.02	-0.44	-0.52
Weighted Average	9.37	-0.02	-0.29	-0.35
Weighted Deposit Rates				
Demand	0.02	0.01	0.01	-0.06
Savings/Chequing	0.44	0.04	-0.18	-1.87
Savings	2.42	0.04	0.02	-0.05
Time	2.07	-0.02	-0.13	-0.21
Weighted Average	1.22	0.01	-0.06	-0.16
Weighted Average Spread	8.15	-0.03	-0.23	-0.18

Table A.7: Domestic Banks' (Rolling) Weighted Average Interest Rates on New Loans and Deposits

	Percent				
	Twelve Month Rolling Averages at			Monthly Change Oct 2017 over Sept 2017	Annual Change Oct 2017 over Oct 2016
	Oct 2017	Sept 2017	Oct 2016		
Weighted Lending Rates					
Personal Loans	10.11	10.20	10.24	-0.09	-0.13
Commercial Loans	8.98	9.03	9.37	-0.05	-0.39
Residential Construction	6.85	6.72	6.96	0.13	-0.11
Other	6.55	6.47	6.51	0.08	-0.04
Weighted Average	9.08	9.11	9.28	-0.03	-0.20
Weighted Deposit Rates					
Demand	0.00	0.00	0.03	0.00	-0.03
Savings/Chequing	1.39	1.27	0.89	0.12	0.50
Savings	2.04	2.04	2.42	0.00	-0.38
Time	1.89	1.90	1.89	-0.01	0.00
Weighted Average	1.75	1.77	1.73	-0.02	0.02
Weighted Average Spread	7.33	7.34	7.55	-0.01	-0.22

Table A.8: Tourist Arrivals

	Jan - Oct 2016	Jan - Oct 2017
Air	245,743	261,867
Land	41,414	46,753
Sea	5,289	6,608
Stay-over Visitors	292,446	315,228
Cruise Ship Disembarkations	681,029	722,038

Sources: BTB and CBB

Table A.9: Percentage Change in the Consumer Price Index Components
by Major Commodity Group

Major Commodity	Weights	September 2017	October 2017	% Change	
				Oct 2017 over Sept 2017	YTD 2017 over YTD 2016
Food and Non-Alcoholic Beverages	195	105.2	105.4	0.2	-1.3
Alcoholic Beverages and Tobacco	17	107.9	107.5	-0.4	4.4
Clothing and Footwear	83	97.8	97.8	-0.0	-0.2
Housing, Water, Electricity, Gas, and Other Fuels	265	103.9	103.9	0.0	0.7
Furnishing, Household Equipment, and Routine Household Maintenance	69	100.9	100.9	-0.0	-0.9
Health	41	113.1	113.0	-0.0	-0.4
Transport	136	108.4	109.3	0.8	10.5
Communication	33	101.2	101.2	0.0	2.6
Recreation and Culture	69	104.1	104.0	-0.1	-1.6
Education	32	103.5	103.5	0.0	0.2
Restaurants and Hotels	7	110.5	110.5	0.0	4.3
Miscellaneous Goods and Services	52	104.0	104.0	-0.0	-1.5
All Items	1,000	104.4	104.6	0.2	1.2

Source: SIB

Table A.10: Sugarcane Deliveries and Production of Sugar and Molasses

	Dec - July 2015/2016	Dec - July 2016/2017
Deliveries of Sugarcane (long tons)	1,455,053	1,644,405
Sugar Processed (long tons)	143,937	174,887
Molasses Processed (long tons)	49,706	55,792
Performance		
Factory Time Efficiency (%)	92.58	95.15
Cane Purity (%)	84.85	86.42
Cane/Sugar	10.11	9.40

Sources: BSI and Santander Group

Table A.11: Exports of Sugar and Molasses

	Oct 2016		Oct 2017		Jan - Oct 2016		Jan - Oct 2017	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
Sugar	0	0	4,904	4,742	123,901	102,409	152,615	142,812
E.U.	0	0	0	0	119,230	97,239	135,637	123,376
USA	0	0	4,879	4,711	2,411	2,555	15,772	17,352
Caricom	0	0	25	32	2,214	2,548	1,161	1,932
Other	0	0	0	0	45	68	45	151
Molasses	0	0	0	0	30,551	6,970	42,980	9,048

Sources: BSI and Santander Group

Table A.12: Citrus Deliveries and Production

	Oct 2016/2017	Oct 2017/2018
Deliveries (boxes)		
Orange	0	15,684
Grapefruit	0	17,837
Total	0	33,521
Concentrate Produced (ps)		
Orange	0	36,912
Grapefruit	0	70,615
Total	0	107,527
Not from concentrate (ps)		
Orange	0	0
Grapefruit	0	0
Total	0	0
Pulp (pounds)		
Orange	0	0
Grapefruit	0	0
Total	0	0
Oil Produced (pounds)		
Orange	0	1,600
Grapefruit	0	1,600
Total	0	3,200

Source: CPBL

Table A.13: Export Sales of Citrus Products

	October 2016		October 2017		Jan - Oct 2016		Jan - Oct 2017	
	Pound Solids ('000)	Value (\$'000)	Pound Solids ('000)	Value (\$'000)	Pound Solids ('000)	Value (\$'000)	Pound Solids ('000)	Value (\$'000)
Citrus Concentrates								
U.S.A.								
Orange	0.0	0	0.0	0	8,982.6	23,261	5,010.5	15,194
Grapefruit	0.0	0	0.0	0	0.0	0	0.0	0
Caribbean								
Orange	653.7	2,159	467.1	1,773.3	6,625.6	21,568	6,126.2	22,839
Grapefruit	67.4	250	36.2	136.6	566.5	2,098	299.1	1,119
Europe								
Orange	295.2	802	427	1,516	3,002.3	8,170	3,549.9	10,055
Grapefruit	119.1	385	15.5	57,082	1,266.8	4,328	529.0	1,906
Other								
Orange	0.0	0	0.0	0	101.5	281	0.0	0
Grapefruit	30.0	92	0.0	0	120.2	380	120.3	442
Sub-Total ⁽¹⁾	1,165.5	3,687	946	60,508	20,665.4	60,087	15,635.0	51,555
Orange	948.9	2,960	894.3	3,290	18,711.9	53,280	14,686.6	48,088
Grapefruit	216.6	726	51.7	57,218	1,953.5	6,807	948.3	3,466
Not-From-Concentrate								
Sub-Total	6.5	36	6.2	33	51.8	296	50.8	273
Orange	6.1	33	5.3	28	42.6	238	41.5	218
Grapefruit	0.4	2	1.0	5	9.2	58	9.3	55
Total Citrus Juices	1,171.9	3,722	952.2	60,541	20,717.2	60,383	15,685.8	51,828
Pulp (pounds '000)								
Total ⁽¹⁾	178.1	136	75.9	63	3,125.7	2,375	1,278.0	1,002
Orange	178.1	136	75.9	63	2,984.5	2,270	1,278.0	1,002
Grapefruit	0.0	0	0.0	0	141.2	105	0.0	0

Source: CPBL

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

Table A.14: Banana Exports

	Oct 2016	Oct 2017	Jan - Oct 2016	Jan - Oct 2017
Volume (metric tons)	4,278	7,701	61,038	71,894
Value (\$'000)	3,639	6,596	61,319	72,483

Source: BGA

Table A.15: Marine Exports

	Jan - Oct 2016		Jan - Oct 2017	
	Volume ('000 pounds)	Value (\$'000)	Volume ('000 pounds)	Value (\$'000)
Lobster	685	14,952	828	18,339
Shrimp	766	6,650	895	7,437
Conch	669	7,991	464	5,670
Other Fish	281	394	192	244
Total	2,402	29,987	2,379	31,690

Source: SIB

Table A.16: Other Domestic Exports

	Jan - Oct 2016	Jan - Oct 2017
Other Miscellaneous Exports (\$'000)	60,020	74,688
<i>Of which:</i>		
<u>Papaya</u>		
Volume ('000 pounds)	7,211	3,331
Value (\$'000)	3,809	1,374

Source: SIB

Table A.17: Petroleum Production and Exports

	Oct 2016	Oct 2017	Jan - Oct 2016	Jan - Oct 2017
Crude Oil Production				
Never Delay (Barrels)	0	0	0	1,943
Spanish Lookout (Barrels)	36,270	25,970	380,638	304,184
Crude Oil Export				
Volume (Barrels)	68,014	67,389	335,183	267,071
Value (\$'000)	5,575	3,106	22,317	22,549

Source: Petroleum and Geology Department

Table A.18: Central Government Revenue and Expenditure

	\$'000					
	Approved Budget 2017/2018	Jan 2016 to Sept 2016	Jan 2017 to Sept 2017	Apr 2016 to Sept 2016	Apr 2017 to Sept 2017 ^P	Fiscal YTD as % of Budget
TOTAL REVENUE & GRANTS (1+2+3)	1,186,770	805,478	805,949	557,040	544,797	45.9%
1). Current Revenue	1,134,105	775,435	781,386	529,078	533,577	47.0%
Tax Revenue	1,032,903	699,555	709,814	476,187	475,587	46.0%
Income and Profits	270,781	198,375	200,285	130,925	131,312	48.5%
Taxes on Property	6,230	5,431	5,609	3,459	3,476	55.8%
Taxes on Goods and Services	551,881	342,860	387,997	250,568	261,976	47.5%
International Trade and Transactions	204,011	152,889	115,923	91,234	78,823	38.6%
Non-Tax Revenue	101,202	75,880	71,571	52,891	57,989	57.3%
Property Income	31,025	19,750	12,047	14,093	10,602	34.2%
Licences	10,039	9,421	14,127	4,675	9,747	97.1%
Other	60,138	46,708	45,397	34,123	37,641	62.6%
2). Capital Revenue	5,984	2,172	1,593	1,394	964	16.1%
3). Grants	46,682	27,872	22,970	26,567	10,256	22.0%
TOTAL EXPENDITURE (1+2)	1,180,103	874,719	892,732	576,737	555,249	47.1%
1). Current Expenditure	1,030,405	723,637	759,178	474,046	490,056	47.6%
Wages and Salaries	422,373	297,112	314,343	199,749	212,363	50.3%
Pensions	79,080	58,177	69,743	38,691	48,762	61.7%
Goods and Services	235,564	161,401	152,513	102,633	90,528	38.4%
Interest Payments on Public Debt	109,055	87,602	98,017	51,227	54,209	49.7%
Subsidies and Current Transfers	184,333	119,345	125,767	81,745	84,198	45.7%
2). Capital Expenditure	149,698	151,082	133,349	102,691	65,189	43.5%
Capital II (Local Sources)	66,243	69,487	70,356	45,432	25,935	39.2%
Capital III (Foreign Sources)	81,156	79,779	61,368	56,054	38,664	47.6%
Capital Transfer and Net Lending	2,299	1,816	1,625	1,206	591	25.7%
CURRENT BALANCE	103,700	51,798	21,002	55,032	43,517	42.0%
Primary Balance	115,722	18,361	10,233	31,529	43,756	37.8%
OVERALL BALANCE	6,667	(69,241)	(87,783)	(19,698)	(10,452)	-156.8%
Primary Balance less grants	69,040	(9,510)	(12,737)	4,963	33,501	48.5%
Overall Balance less grants	(40,014)	(97,112)	(110,754)	(46,264)	(20,708)	51.8%
FINANCING	(6,667)	69,241	87,783	19,698	10,452	
Domestic Financing		242,839	65,665	185,930	(21,275)	
Central Bank		76,673	(147,946)	41,914	(190,732)	
Net Borrowing		101,482	36,326	73,813	(18,750)	
Change in Deposits		(24,809)	(184,272)	(31,899)	(171,982)	
Commercial Banks		116,844	64,679	85,575	78,714	
Net Borrowing		103,867	67,326	92,138	74,564	
Change in Deposits		12,977	(2,647)	(6,563)	4,150	
International Banks		2,826	2,349	6,602	2,393	
Other Domestic Financing		46,496	146,583	51,839	130,900	
Financing Abroad		33,401	63,808	38,500	37,834	
Disbursements		91,859	127,493	79,706	82,471	
Amortization		(58,458)	(63,685)	(41,206)	(44,637)	
Nationalization of BTL		(196,522)	(51,496)	(196,522)	(51,496)	
Other		(10,478)	9,806	(8,211)	2,840	

Sources: CBB and MOF

^P - Provisional

Table A.19: Central Government Domestic Debt 2017⁽¹⁾

	\$'000					
	Disbursed Outstanding Debt 31/12/16 ^R	<i>TRANSACTIONS THROUGH OCTOBER 2017</i>			Disbursed Outstanding Debt 31/10/17 ^P	
		<i>Disbursement/ New Issue of Securities</i>	<i>Amortization/ Reduction in Securities</i>	<i>Interest</i>	<i>Net Change in Overdraft/ Securities</i>	
Overdraft/Loans	48,221	0	0	3,661	11,328	59,549
Central Bank	48,221	0	0	3,661	11,328	59,549
Domestic Banks	0	0	0	0	0	0
Treasury Bills	215,000	30,000	0	1,065	(0)	245,000
Central Bank	51,792	30,000	0	533	27,538	109,330
Domestic Banks	151,700	0	0	514	(20,015)	131,685
Other	11,508	0	0	19	(7,523)	3,985
Treasury Notes	480,000	379,968	219,968	20,755	0	640,000
Central Bank	270,477	240,000	219,968	12,632	(58,560)	231,949
Domestic Banks	77,825	91,000	0	2,378	2,980	171,805
Other	131,698	48,968	0	5,746	55,580	236,246
Heritage Bank Limited	1,732	0	588	122	0	1,144
Belize Social Security Board ⁽²⁾	355	0	32	21	0	322
Fort Street Tourism Village	328	0	328	0	0	0
Debt for Nature Swap	2,147	0	178	60	0	1,970
Total	747,784	409,968	221,095	25,685	11,328	947,986

^R - Revised^P - Provisional⁽¹⁾ Transactions associated with the Universal Health Services (UHS) loan with the Belize Bank Limited are not included in this table, as no action has been taken to enforce the claim.⁽²⁾ Government has outstanding loan with BSSB for Hopeville Housing Project.

Table A.20: Public Sector External Debt 2017

\$'000

	Disbursed Outstanding Debt 31/12/16 ^R	TRANSACTIONS THROUGH OCTOBER 2017				Disbursed Outstanding Debt 31/10/17 ^P
		Disbursements	Principal Payments	Interest & Other Payments	Parity Change	
CENTRAL GOVERNMENT	2,322,616	137,525	72,829	76,630	1,217	2,388,528
Government of Venezuela ⁽¹⁾	405,649	18,659	9,231	2,808	0	415,077
Kuwait Fund for Arab Economic Development	22,221	2,447	964	411	270	23,974
Mega International Commercial Bank Company	0	50,000	0	515	0	50,000
Republic of China	244,247	20,868	20,441	5,408	0	244,674
Caribbean Development Bank	244,452	29,459	20,140	8,012	-0	253,771
Caricom Development Fund	1,610	0	606	72	0	1,004
European Economic Community	8,071	0	509	39	816	8,378
Inter-American Development Bank	231,486	4,847	12,155	3,814	0	224,177
International Fund for Agriculture Development	2,820	311	186	23	130	3,076
International Bank for Reconstruction and Development	33,189	2,929	3,768	1,016	0	32,349
Opec Fund for International Development	52,645	8,005	3,763	1,434	0	56,887
Central American Bank for Economic Integration	23,221	0	1,065	757	-0	22,156
Bank of New York	1,053,004	0	0	52,321	0	1,053,004
NON-FINANCIAL PUBLIC SECTOR	15,697	0	2,077	606	0	13,620
Caribbean Development Bank ^{(2) (3)}	15,697	0	2,077	606	-0	13,620
FINANCIAL PUBLIC SECTOR	66,890	950	864	574	2,171	69,147
Caribbean Development Bank	18,666	950	847	573	0	18,768
European Economic Community	113	0	16	1	11	107
International Monetary Fund ⁽⁴⁾	48,112	0	0	0	2,160	50,272
GRAND TOTAL	2,405,203	138,475	75,770	77,810	3,387	2,471,296

^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 October amount to principle of \$2.4 mn and interest of \$0.8 mn. ⁽²⁾ Effective 21 June 2011, the nationalization of Belize Electricity Limited caused an increase (\$23.1mn) in debt, which was matched by Government's acquisition of assets of equal value.

⁽³⁾ Effective 3 October 2005, loans to BWSL were reclassified as public sector debt as a result of Government of Belize's repurchasing of the company.

⁽⁴⁾ The International Monetary Fund Special Drawing Rights allocation is included as part of the financial public sector external debt obligation.