



# MONTHLY ECONOMIC REPORT



JULY 2012

# Summary of Economic Indicators

Chart I: GDP Growth Rate  
(Year on Year - Percentage Change)

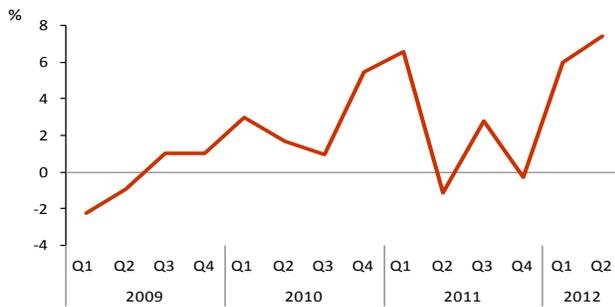


Chart II: Consumer Price Index  
(All Items)

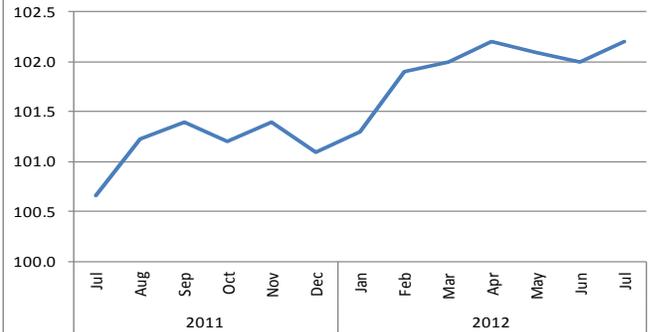


Chart III: BOP Current Account & Financial Account

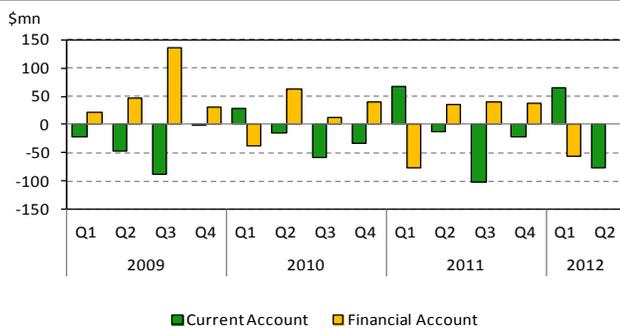


Chart IV: Net Foreign Assets

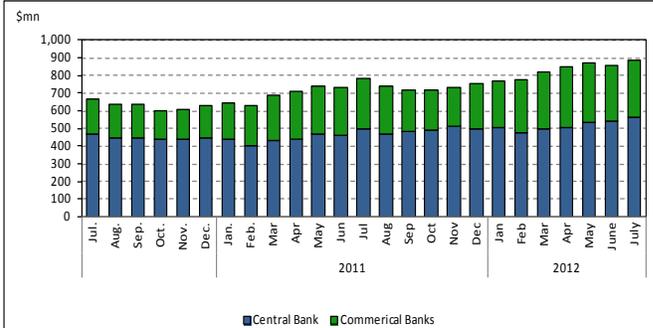


Chart V: Commerical Banks - Deposits and Loans & Advances

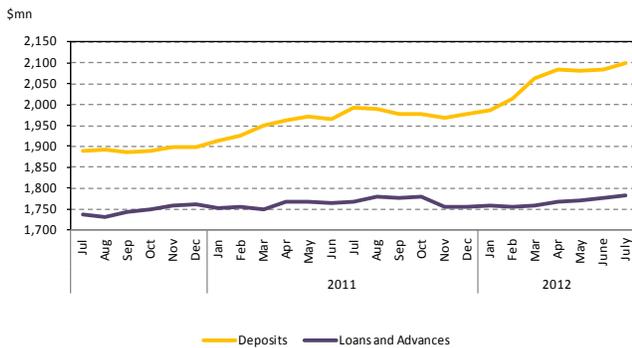


Chart VI: Excess Cash Balances



Chart VII: Central Government's Operations  
(Disbursed Outstanding Balance)

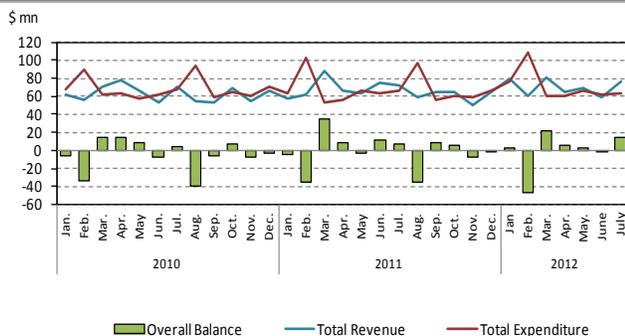
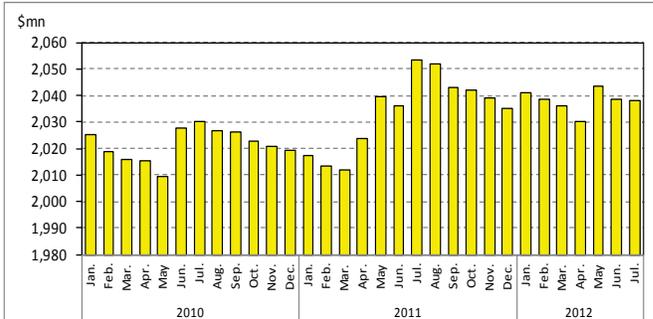


Chart VIII: Public Sector External Debt  
(Disbursed Outstanding Balance)

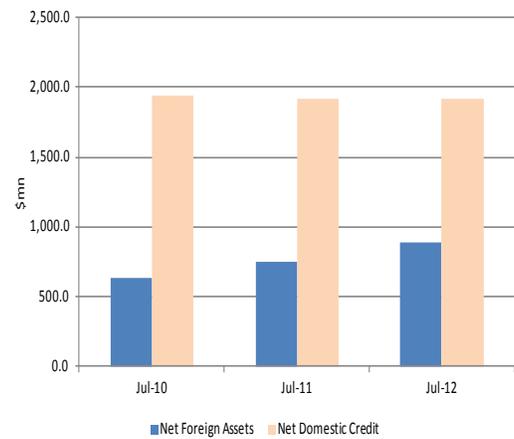


## Money & Credit

Notwithstanding a marginal 0.3% increase in net domestic credit, the broad money supply registered growth of 6.0% driven mostly by a 17.9% expansion in net foreign assets over the January-July period. Although outlays for imports increased, the commercial banks were able to accumulate an additional \$63.2mn in foreign assets and reduce their short term foreign liabilities by \$7.6mn due to higher inflows from tourism, direct investments, business services and Commercial Free Zone sales. The Central Bank's foreign assets rose by \$64.3mn as inflows of \$197.0mn exceeded outflows of \$132.7mn. Most of its foreign exchange inflows came from domestic oil taxes (27.9%), sugar receipts (25.7%), loan disbursements (20.3%) that featured a \$20.0mn loan from ROC/Taiwan for budget support in May and purchases from commercial banks (9.1%). Central Bank foreign exchange sales to Central Government totalled \$101.0mn, of which 78.7% was used for external debt servicing.

Net domestic credit grew by \$6.7mn as increased lending to the private sector (\$21.8mn) and public sector enterprises (\$2.7mn) was significantly offset by a \$17.8mn reduction in net credit to Central Government. The latter mostly reflected a \$20.6mn build-up in deposits held at the Central Bank that coincided with a \$9.2mn increase in the overdraft balance. The most notable increases in commercial banks' loans were for construction (\$31.0mn) and real estate activities (\$17.6mn). Utility companies and individuals received smaller net increases of \$2.4mn and \$1.4mn, respectively. Against this, net repayments were made by entities in agriculture, merchandise trade, manufacturing, tourism, entertainment and transportation. Lending by the five largest credit unions grew by \$13.4mn due mostly to new loans for real estate activities, individuals, agricultural

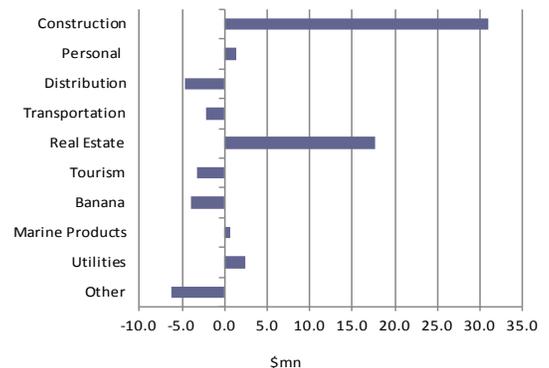
**Chart 1.1: Net Foreign Assets & Net Domestic Credit**



**Chart 1.2: Gross International Reserves**



**Chart 1.3: Changes in Commercial Banks' Loans & Advances December 2011 - July 2012**



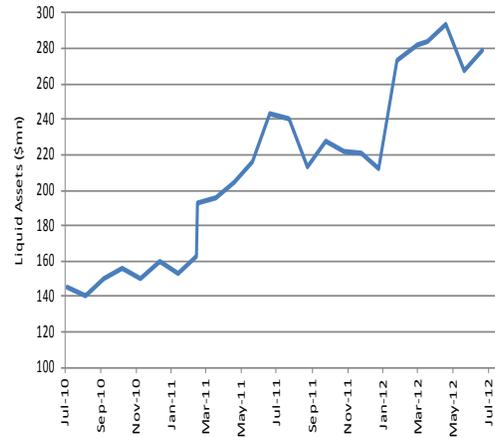
producers and professional service providers that outpaced repayments for home improvement and manufacturing.

Strong foreign exchange inflows and tepid credit growth underpinned a 26.3% increase in excess statutory liquidity to \$279.2mn, as an \$85.7mn rise in average holdings of approved liquid assets outpaced the \$27.6mn increase in the required level. Excess cash balances rose similarly by 26.6% to \$121.2mn, which was 65.6% above required levels.

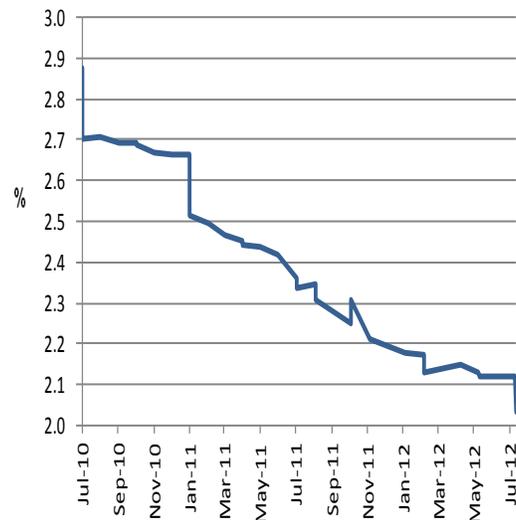
The continued build-up in systemic liquidity underpinned a 70 basis points fall in the weighted average lending rate to 12.32%, with all loan categories recording rate cuts, of which the most notable were 101 basis points for residential construction and 78 basis points for personal loans. A 112 basis points reduction in the time deposit rate was the major contributor to a fall of 78 basis points in the weighted average deposit rate to 2.87%, the lowest level recorded since 1977. As a result, the weighted average spread increased by 8 basis points to 9.45%.

Over the first seven months of the year, commercial banks' Treasury bill holdings rose by \$3.4mn to \$154.5mn, with the weighted average yield declining from 2.21263% at the last auction in 2011 to 2.03515% in July. The latter was 6 basis points lower than the preceding auction and 30 basis points below the average yield recorded in July 2011. The interbank market was dormant during this period in view of the high levels of liquidity in the banking system.

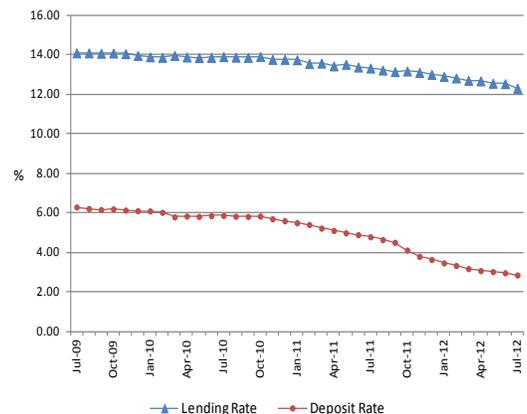
**Chart 1.4: Excess Statutory Liquidity**



**Chart 1.5: Treasury bill Yield**



**Chart 1.6: Commercial Banks' Weighted Average Lending and Deposit Interest Rates**



## Real Sector Developments

Output of the major agricultural export commodities rose in the first seven months of the year while the downturn in petroleum was steeper than anticipated. Production of sugar, molasses, banana and citrus juices rose considerably as a result of double digit increases in deliveries of sugarcane, banana and citrus fruit. Favourable agronomic conditions boosted banana production following a storm induced downturn in the previous year. Despite the agricultural gains, revenues from selected domestic exports contracted by 0.2% to \$364.2mn as a \$60.8mn decline in oil exports offset a \$60.1mn increase in receipts from sugar, banana and citrus juices.

Arrivals of stay-over tourists expanded by 8.0% to 167,277 with a 15.5% increase in visitors entering through the international airport outweighing sharp declines in arrivals through the sea and land ports. Notwithstanding a four-ship increase in port calls, cruise ship disembarkations declined by 4.6% to 331,493 as the warmer winter in the US lowered the number of people travelling abroad to the tropics. The capsizing of the Costa Concordia in January also exerted a dampening effect on the demand for cruises.

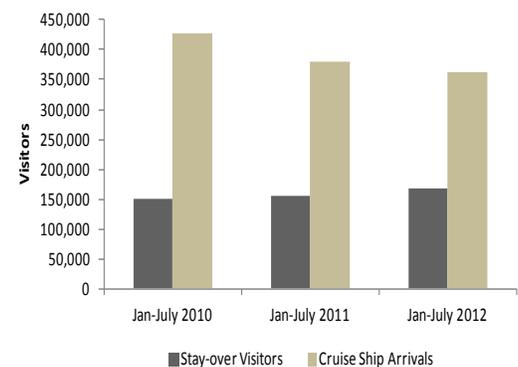
The Consumer Price Index (CPI) rose by 0.2% in July and by 1.5% over the year (July-2011 to July-2012). The year to year increase in prices affected most categories with 'Clothing & Footwear', 'Communication' and 'Education' being the exceptions. The largest price increases consisted of 1.9% for "Food and Non-Alcoholic Beverages" and 2.4% for 'Transport'. Higher prices in the food sub-category included those for sea food, milk and chicken products. With the average price of fuel at the pump differing only slightly when compared to July 2011 (premium gasoline was up by 31 cents while regular gasoline and diesel declined by 18 cents and 4 cents,

**Table 2.1 Production of Selected Domestic Exports**

	Jan-July 2011	Jan-July 2012
Sugarcane Deliveries (long tons)	778,449	929,022
Sugar (Long tons)	92,725	102,483
Molasses (long tons)	27,177	27,352
Bananas (metric tons)	44,819	61,840
Citrus Deliveries (boxes)	4,444,129	5,651,528
Citrus Juices ('000 ps)	27,945	34,535
Petroleum (barrels)	871,326	628,954

Sources: B.S.I., CPBL, Geology & Petroleum Department

**Chart 2.1: Tourist Arrivals**



Sources: BTB, CBB

respectively), the rise in prices for 'Transport' was largely a reflection of cost increases for motor oils and lubricants.

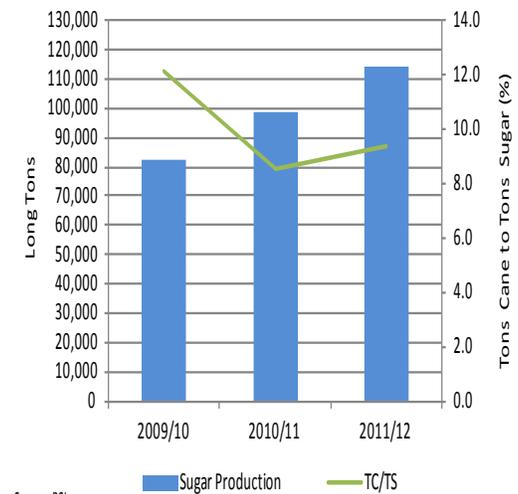
The unemployment rate stood at 14.4% as of April of this year compared to 13.1% in April of 2009, reflecting a 6.8% increase in the labour force while the number of new jobs that were created rose by 5.2%. Female unemployment rate was higher at 22.3%, while that of males stood at 9.1%.

## Sugar

With the harvest closing on 7 June 2012, sugarcane deliveries for the crop year surpassed the 2010/11 harvest by some 26.8% to 1,070,278 long tons. Sugar production rose by a less than proportional 16.3% to 114,536 long tons as excessive rains diluted the crop's sucrose content and caused a 9.0% decline in the cane/sugar ratio. Even so, sugar production exceeded the 100,000 long ton mark for the first time since the 2005/06 crop. Molasses production also rose in tandem with the processing volume and posted a 7.8% gain to 30,955 long tons.

The hike in sugar production facilitated a 33.4% increase in export volume to 107,358 long tons, and with the average price up by 8.1%, a 44.2% increase in revenues was recorded. Rising world prices since early 2011 prompted traditional buyers such as Tate & Lyle to offer a premium on the base reference price of €335.0 per metric ton in order to attract and retain suppliers. The average price received consequently increased to €400.0 per metric ton. The additional motivating factor of the EU's 'Fair Trade' premium of US\$60.0 per metric ton resulted in 82.3% of sales being directed to that market with the US market garnering 17.6% and Canada receiving the residual 80 long tons. Molasses exports fell by 2.9% to 17,722 long tons, while improved prices due to production shortfalls in major molasses producers such as India and Afghanistan caused revenues to increase by 26.3% to \$3.04mn.

**Chart 2.2: Sugar Production  
December to July**



**Chart 2.3: Sugar Exports**



## Citrus

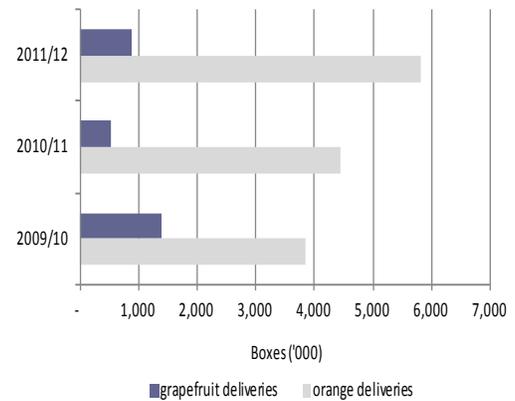
The 2011/12 citrus harvest which ended on June 29th was 34.1% higher than that of the comparable period of the previous crop year, which ended earlier than usual on May 11, 2011. Orange deliveries rose by 30.5% to 5.8mn boxes, and grapefruit rebounded from hurricane damages to post a 63.3% increase to 0.9mn boxes. Notwithstanding a 2.3% fall in the average juice out-turn per box of fruit, citrus juice production rose by 31.0% to 39.8mn pound solids (ps) due to the higher processing volume. At 36.3mn ps, orange concentrate represented 91.7% of juice production, while grapefruit concentrate came in at 3.3mn ps. Grapefruit not-from concentrate (NFC) accounted for the remaining 0.3mn ps. By-products included 2.9mn pounds of pulp and 2.1mn pounds of oil, most of which were from orange.

For January through July, a 48.7% increase in grapefruit concentrate exports outweighed a 0.6% decline in those of orange, so sale volume grew by 3.4% to 23.4mn ps. Concurrently, revenues expanded by 16.5% to \$81.2mn, as lower global stocks underpinned a general rally in concentrate prices. The US was the largest market for orange concentrates, with increases of 19.3% to 6.8mn ps in volume and 42.7% in value to \$23.6mn. Price improvements in this market resulted from reports of lower juice stocks in Florida and the rebuilding of depleted inventories by Brazilian producers. A smaller grapefruit harvest in Texas combined with lower juice stocks in Florida supported a further strengthening of grapefruit prices, so revenues from grapefruit concentrate rose by 79.5% to \$9.6mn.

## Banana

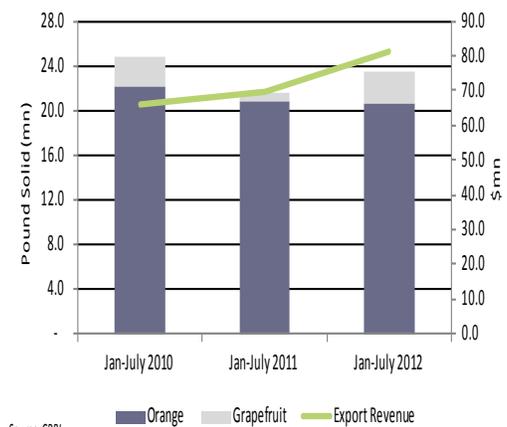
Banana production grew by 38.0% during the first seven months of the year due to the rehabilitation of storm damaged acreages and favourable weather. The average price per box declined by 4.5% to US\$8.43 due

**Chart 2.4: Citrus Deliveries  
October to July**



Sources: CGA & CPBL

**Chart 2.5: Citrus Juice Export  
Volume & Revenue**



Source: CPBL

to the inclusion of third class bananas in the export mix. Revenues consequently experienced a slightly less than proportionate increase of 34.5% to \$58.6mn. The Banana Growers Association and Fyffes entered the final year of their exclusive marketing contract with negotiations for the extension of this agreement having already begun.

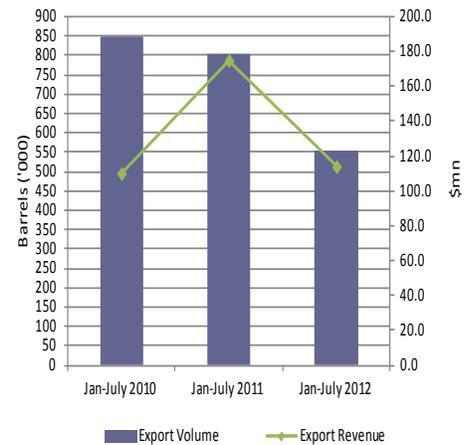
### Petroleum

With output from the Spanish Lookout and Never Delay oil fields down by 27.8% and 22.5%, respectively, total oil production declined by 27.5% to 460,478 barrels when compared to 2011. Oil exports declined even more sharply by 31.3% to 553,828 barrels, as supply constraints allowed only one export shipment per month instead of the customary two. Export revenue fell by 34.7% to \$114.1mn due to a 5.0% price decline to US\$103.03. On the flip side, Brent prices, to which the price of Belize oil is closely tied, increased over July, breaking the declining trend of the previous three months. Continued geopolitical factors, declines in crude oil stockpiles in the US, as well as higher speculative activity contributed to the rise in crude oil prices.

**Chart 2.6: Banana Exports**



**Chart 2.7: Petroleum Exports**



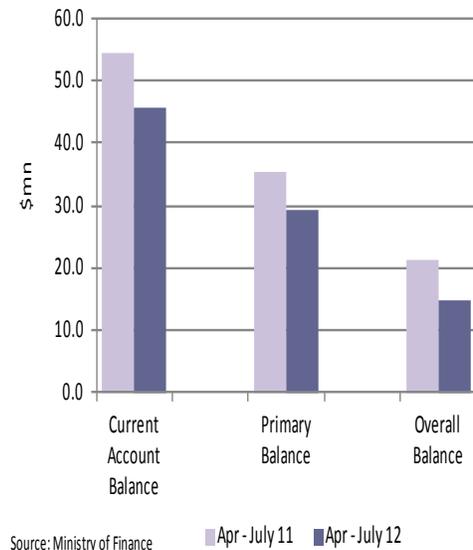
## Central Government Operations

Revenues and grants dipped by \$3.4mn while expenditure registered a \$25.7mn increase. The fiscal outturn for the January-July period consequently deteriorated with the primary surplus contracting by 40.6% to \$43.7mn, and the overall balance swinging from a \$15.5mn surplus in 2011 to a deficit of \$13.5mn. The underperformance in revenues resulted from declines of \$36.1mn in receipts from the petroleum industry and \$7.1mn in non-tax revenue that eclipsed higher collections from import duties and grants.

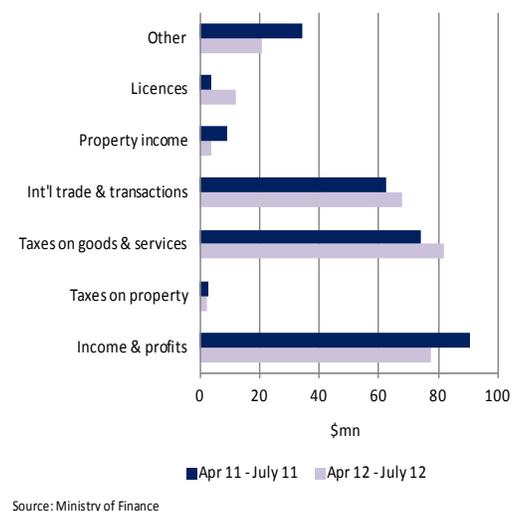
In the meanwhile, current and capital expenditures increased by \$8.4mn and \$17.3mn, respectively. Driving the upturn in current spending were a 6.3% increase in wages due to the payment of annual increments, new hiring to implement capital projects, and an 8.0% increase in transfers for municipalities, education and health. Meanwhile, outlays for goods and services fell due to reduced spending on training, contracts, travel expenses, operating costs and public utilities, and interest expenses were down due to the fall in external lending rates on loans tied to LIBOR.

During the first four months of fiscal year (FY) 2012/13, revenues were 31.3% of budget and \$13.9mn below the comparable period of the previous FY as declines in petroleum receipts, non-tax revenues and grants outweighed an upswing in the general sales tax (GST) and taxes on international trade. The sharp reduction in non-tax revenue was attributed to the absence of BTL dividends, while taxation on fuel imports reverted from a fixed import duty to the GST. Expenditure was 27.2% of budget and \$7.3mn below the same period for FY 2011/2012 with current and capital expenditures down by \$3.3mn and \$4.0mn, respectively. An upward creep in salaries, pensions and transfers was offset by lower

**Chart 3.1: Central Government's Operations**



**Chart 3.2: Central Government's Current Revenue**



outlays on goods and services. The latter had been inflated in the previous year by \$14.0mn in advanced payment to Belize Electricity Limited (BEL). The fiscal out-turn yielded lower current, primary and overall surpluses of \$45.5mn, \$29.1mn and \$14.7mn respectively. The overall surplus along with external disbursements facilitated reductions in domestic financing and an increase in deposits.

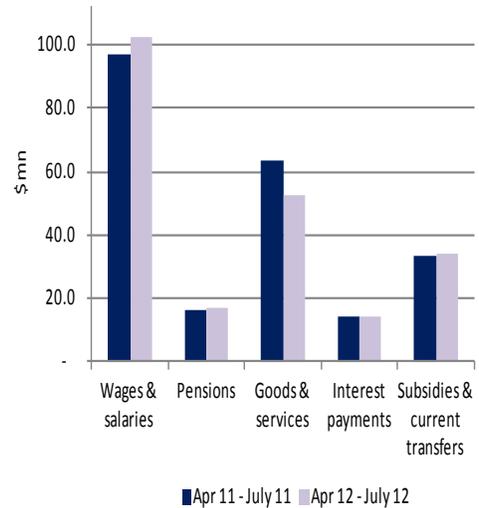
Of the \$34.7mn in capital expenditure, \$14.1mn was spent on infrastructural works such as maintenance of the Southern Highway, southside Belize City development and the Kendal Bridge. Solid waste management and land development accounted for \$5.4mn, and \$5.6mn was spent on the environment. Spending on youth, sports and culture amounted to \$3.2mn. The remainder was allotted to education, health, social protection, security and defence.

### Domestic Debt

During the first seven months of the year, Central Government's domestic debt rose by 2.6% to \$391.1mn as a \$9.2mn rise in overdraft financing from the Central Bank and disbursements of \$2.1mn eclipsed amortization payments of \$1.4mn. The latter reflected payments to commercial banks, Belize Social Security Board (BSSB), Debt for Nature Swap and the Fort Street Tourism Village. Of total disbursements, \$1.5mn was borrowed on behalf of the Belize City Council, which is to reimburse government for the associated debt servicing, and \$0.6mn was from Fort Street Tourism Village for dredging at the mouth of the Belize River. An increase in the holdings of government securities was mostly responsible for commercial banks' share of domestic debt rising from 43.2% in December 2011 to 43.3% at the end of July. Over the same period, non-bank entities' holdings of domestic debt rose from 14.1% to 14.7%.

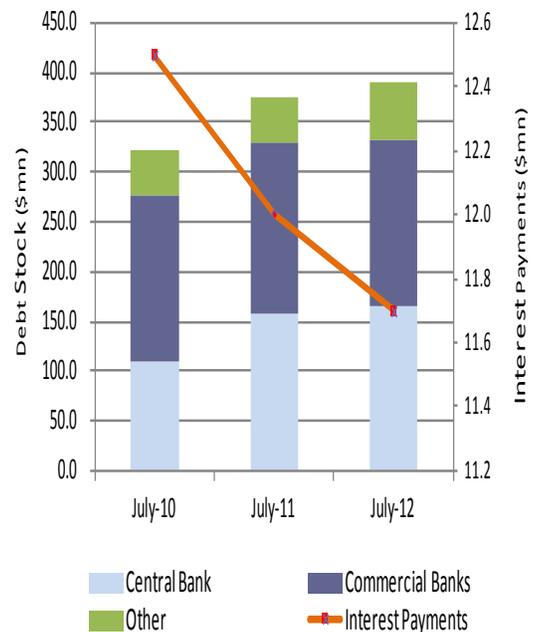
Interest payments summed to \$11.7mn, with \$8.9mn going to the Central Bank for credit provided through

**Chart 3.3: Central Government's Current Expenditure**



Source: Ministry of Finance

**Chart 3.4: Central Government's Domestic Debt**



the overdraft as well as on holdings of Treasury bills and notes. Commercial banks were paid \$2.0mn on their Treasury bill holdings and loans, and the balance went to BSSB, Debt for Nature Swap and Guardian Life.

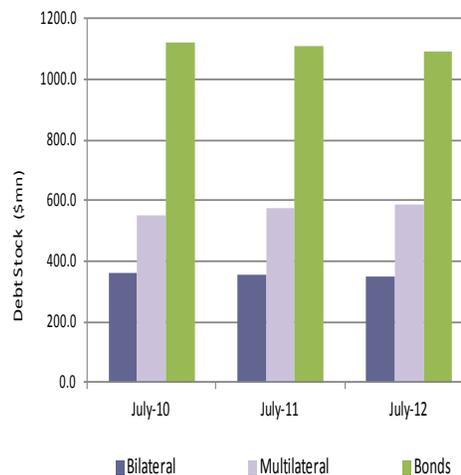
In the secondary market, the Central Bank reduced its Treasury bill and note holdings by \$3.5mn and \$4.2mn, respectively. The latter was taken up by non-bank entities, while the former was shared between commercial banks and non-bank entities.

### External Debt

The public sector external debt declined by 0.3% to \$2,038.2mn, as payments and downward valuation adjustments (due to an appreciation of the US dollar against the SDR, Euro and Kuwait dinar) of \$50.2mn and \$2.5mn, respectively. Disbursements included \$20.0mn from Republic of China/Taiwan (ROC) as budget support, \$13.2mn from the Inter-American Development Bank (IDB) as a policy based loan, \$6.2mn from the Caribbean Development Bank (CDB) for the Kendal Bridge, Social Investment Fund (SIF), health reform project and water expansion as well as \$3.6mn from the OPEC Fund for International Development (OFID).

Of the \$33.9mn amortized by Central Government, \$17.6mn was repaid to multilateral lenders and included \$7.3mn to CDB, \$6.8mn to IDB and \$1.7mn to IBRD. Bilateral creditors received \$16.4mn, including \$12.0mn paid to ROC/Taiwan for housing and rehabilitation and \$2.3mn to the government of Kuwait. The \$9.5mn amortized by the financial public sector included the Development Finance Corporation's (DFC) final payment of \$6.5mn to the Belize Mortgage Company for the North American Securitization and \$1.1mn to CDB, while the first payment of \$1.8mn was made to the IMF on the Emergency National Disaster Assistance (ENDA) loan. The non-

**Chart 3.5: Public Sector External Debt**



**Chart 3.6: External Debt Service Payments**



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financial public sector paid \$4.0mn to multilateral lenders and \$2.4mn to commercial banks.

Interest and other payments totaled \$47.0mn, which included a 'super bond' payment of \$33.1mn in February. Bilateral creditors were paid \$5.6mn, of which \$4.3mn went to ROC/Taiwan, while the \$8.0mn in payments to multilateral lenders went mostly to Caribbean Development Bank and the Inter-American Development Bank.

At the end of July, Central Government held 94.3% of the outstanding debt and the financial and non-financial public sectors accounted for 3.8% and 2.0%, respectively.

# Statistical Appendix

**Table A.1: Factors Responsible for Money Supply Movements**

BZ\$mn

	Position as at July 2012	Changes During		
		June 2012	Dec 2011	Dec 2010
		to	to	to
		July 2012	July 2012	July 2011
<b>Net Foreign Assets</b>	<b>887.5</b>	<b>32.6</b>	<b>135.0</b>	<b>153.2</b>
Central Bank	562.7	23.5	64.2	50.2
Commercial Bank	324.8	9.1	70.8	103.0
<b>Net Domestic Credit</b>	<b>1,922.1</b>	<b>-5.3</b>	<b>6.7</b>	<b>-48.4</b>
Central Government (Net)	139.9	-9.4	-17.8	-55.8
Other Public Sector	8.1	-0.6	2.7	-0.6
Private Sector	1,774.1	4.7	21.8	8.0
<b>Central Bank Foreign Liabilities(Long-term)</b>	<b>66.4</b>	<b>-0.4</b>	<b>-3.0</b>	<b>2.7</b>
<b>Other Items (net)</b>	<b>409.6</b>	<b>7.5</b>	<b>12.3</b>	<b>-5.9</b>
<b>Money Supply M2</b>	<b>2,333.6</b>	<b>20.2</b>	<b>132.4</b>	<b>108.0</b>

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

BZ\$mn

	Position as at July 2012	Changes During		
		June 2012	Dec 2011	Dec 2010
		to	to	to
		July 2012	July 2012	July 2011
<b>Net Foreign Assets of Banking System</b>	<b>887.5</b>	<b>32.6</b>	<b>135.0</b>	<b>153.2</b>
<b>Net Foreign Assets of Central Bank</b>	<b>562.7</b>	<b>23.5</b>	<b>64.2</b>	<b>50.2</b>
Central Bank Foreign Assets	564.5	23.2	64.3	49.3
Central Bank Foreign Liabilities(Demand)	1.8	-0.3	0.1	-0.9
<b>Net Foreign Assets of Commercial Banks</b>	<b>324.8</b>	<b>9.1</b>	<b>70.8</b>	<b>103.0</b>
Commercial Bank Foreign Assets	337.7	14.7	63.2	90.2
Commercial Bank Foreign Liab. (Short-Term)	12.9	5.6	-7.6	-12.8

**Table A.3: Net Domestic Credit**

\$BZmn

	Position as at July 2012	Changes During		
		June 2012 to July 2012	Dec 2011 to July 2012	Dec 2010 to July 2011
<b>Total Credit to Central Government</b>	<b>333.5</b>	<b>-4.0</b>	<b>6.0</b>	<b>7.8</b>
<b>From Central Bank</b>	<b>164.2</b>	<b>-6.3</b>	<b>1.5</b>	<b>5.9</b>
Loans and Advances	57.3	-4.3	9.2	9.5
Gov't Securities <sup>(1)</sup>	106.9	-2.0	-7.7	-3.6
<b>From Commercial Banks</b>	<b>169.3</b>	<b>2.3</b>	<b>4.5</b>	<b>1.9</b>
Loans and Advances	4.8	0.3	1.1	-0.3
Gov't Securities	164.5	2.0	3.4	2.2
(of which) Treasury Bills <sup>(2)</sup>	154.5	2.0	3.4	2.2
Treasury Notes	10.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
<b>Less Central Government Deposits</b>	<b>193.6</b>	<b>5.4</b>	<b>23.8</b>	<b>63.6</b>
With Central Bank	155.5	2.1	20.6	57.6
With Commercial Banks	38.1	3.3	3.2	6.0
<b>Net Credit to Central Government</b>	<b>139.9</b>	<b>-9.4</b>	<b>-17.8</b>	<b>-55.8</b>
<b>Credit to Other Public Sector</b>	<b>8.1</b>	<b>-0.6</b>	<b>2.7</b>	<b>-0.6</b>
From Central Bank	0.0	0.0	0.0	0.0
From Commercial Banks	8.1	-0.6	2.7	-0.6
(of which) Local Government	2.9	0.0	-0.3	0.0
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	3.8	0.0	3.8	0.0
Other Statutory Bodies	1.4	-0.6	-0.8	-0.6
Securities	0.0	0.0	0.0	0.0
<b>Plus Credit to the Private Sector</b>	<b>1,774.1</b>	<b>4.7</b>	<b>21.8</b>	<b>8.0</b>
Loans and Advances	1,773.1	4.7	21.8	8.2
Securities	1.0	0.0	0.0	-0.2
<b>Net Domestic Credit of the Banking System <sup>(3)</sup></b>	<b>1,922.1</b>	<b>-5.3</b>	<b>6.7</b>	<b>-48.4</b>

(1) Includes Gov't T-Bills, T-Notes & Debentures from Central Bank

(2) T-bill holdings reported by commercial banks reflect a mix of par and market values.

(3) Differences due to rounding

**Table A.4: Sectoral Composition of Commercial Banks' Loans & Advances**

\$BZmn

	Changes During			
	Position	June 2012	Dec 2011	Dec 2010
	as at July 2012	to July 2012	to July 2012	to July 2011
<b>PRIMARY SECTOR</b>	<b>181.9</b>	<b>-0.9</b>	<b>-9.4</b>	<b>3.9</b>
Agriculture	124.1	-0.1	-10.0	-2.1
Sugar	10.0	-1.5	-3.4	-3.1
Citrus	15.1	0.7	-2.1	1.3
Bananas	74.2	1.5	-4.0	1.0
Other	24.8	-0.8	-0.5	-1.3
Marine Products	35.9	-0.5	0.6	4.4
Forestry	1.7	-0.2	0.1	0.3
Mining & Exploration	20.2	-0.1	-0.1	1.3
<b>SECONDARY SECTOR</b>	<b>538.4</b>	<b>6.1</b>	<b>29.6</b>	<b>10.3</b>
Manufacturing	31.3	1.8	-3.8	3.7
Building & Construction	474.8	4.7	31.0	6.5
Utilities	32.3	-0.4	2.4	0.1
<b>TERTIARY SECTOR</b>	<b>655.0</b>	<b>-3.8</b>	<b>4.1</b>	<b>17.3</b>
Transport	49.6	0.5	-2.1	4.0
Tourism	104.9	-1.0	-3.2	16.8
Distribution	208.4	-5.1	-4.6	5.2
Other <sup>1</sup>	292.1	1.8	14.0	-8.7
<b>Personal Loans</b>	<b>406.9</b>	<b>3.0</b>	<b>1.4</b>	<b>-19.0</b>
<b>TOTAL</b>	<b>1782.2</b>	<b>4.4</b>	<b>25.7</b>	<b>12.5</b>

<sup>1</sup>Includes government services, real estate, financial institutions, professional services and entertainment

**Table A.5: Commercial Banks' Liquidity Position & Cash Reserves**

BZ\$m

	Position as at July 2012	Changes During		
		June 2012 to July 2012	Dec 2011 to July 2012	Dec 2010 to July 2011
		<b>Holdings of Approved Liquid Assets</b>	<b>779.6</b>	<b>9.4</b>
Notes and Coins	60.9	2.9	3.0	-3.8
Balances with Central Bank	304.4	12.6	36.0	11.6
Money at Call and Foreign Balances (due 90 days)	249.8	-8.8	55.1	111.7
Treasury Bills maturing in not more than 90 days <sup>(1)</sup>	153.3	1.0	-3.6	3.8
Other Approved assets	11.2	1.7	-4.8	-21.2
of which: Treasury Notes	0.0	0.0	-2.5	-16.6
<b>Required Liquid Assets</b>	<b>500.40</b>	<b>-2.6</b>	<b>27.6</b>	<b>21.8</b>
<b>Excess/(Deficiency) Liquid Assets</b>	<b>279.2</b>	<b>12.0</b>	<b>58.1</b>	<b>80.3</b>
Daily Average holdings of Cash Reserves	306.1	13.5	35.7	12.7
Required Cash Reserves	184.9	-1.0	10.2	8.1
<b>Excess/(Deficiency) Cash Reserves</b>	<b>121.2</b>	<b>14.5</b>	<b>25.5</b>	<b>4.6</b>
Actual Securities Balances <sup>(2)</sup>	154.9	2.0	3.5	2.2
Required Securities Balances	0.0	0.0	0.0	-69.5
<b>Excess/(Deficiency) Securities</b>	<b>154.9</b>	<b>2.0</b>	<b>3.5</b>	<b>71.7</b>

(1) Four week average of commercial banks' T-Bills holdings.

(2) Face value of commercial banks' T-Bill holdings at the end of the month.

**Table A.6: Weighted Average Interest Rates**

Percent

	Position as at July 2012	Changes During		
		June 2012 to July 2012	Dec 2011 to July 2012	Dec 2010 to July 2011
		<b>Weighted Lending Rates</b>		
Personal Loans	13.46	-0.07	-0.78	-0.79
Commercial Loans	12.41	-0.29	-0.50	0.21
Residential Construction	10.87	-0.35	-1.01	-1.01
Other	10.64	-0.12	-1.20	-0.07
<b>Weighted Average</b>	<b>12.32</b>	<b>-0.23</b>	<b>-0.70</b>	<b>-0.44</b>
<b>Weighted Deposit Rates</b>				
Demand	0.49	-0.03	0.01	0.10
Savings/ Cheque	2.46	0.00	-0.03	-0.93
Savings	2.90	0.01	-0.08	-0.25
Time	4.25	-0.13	-1.12	-0.96
<b>Weighted Average</b>	<b>2.87</b>	<b>-0.11</b>	<b>-0.78</b>	<b>-0.81</b>
<b>Weighted Average Spread</b>	<b>9.45</b>	<b>-0.12</b>	<b>0.08</b>	<b>0.37</b>

**Table A.7: Tourist Arrivals**

	Jan-July 2011	Jan-July 2012
Air	121,671	140,519
Land	25,954	21,048
Sea	7,222	5,660
<b>Stay-over Visitors</b>	<b>154,847</b>	<b>167,227</b>
<b>Cruise Ship Disembarkations</b>	<b>380,758</b>	<b>363,194</b>

Source: Belize Tourism Board

**Table A.8: Sugarcane Deliveries & Production of Sugar and Molasses**

	July 2011	July 2012	Dec—July 2010/2011	Dec—July 2011/2012
<b>Deliveries of Sugarcane (long tons)</b>	87,079	19,118	843,786	1,070,278
<b>Sugar Processed (long tons)</b>	8,720	2,163	98,482	114,536
<b>Molasses processed (long tons)</b>	4,749	1,393	28,727	30,955
<b>Performance</b>				
Factory Time Efficiency (%)	85.0	87.8	90.3	95.3
Cane Purity (%)	84.1	83.0	86.6	85.8
Cane/Sugar	11.3	12.4	8.6	9.3

Source: Belize Sugar Industries

**Table A.9: Exports of Sugar and Molasses**

	July 2011		July 2012		Jan-July 2011		Jan-July 2012	
	Volume (long tons)	Value (\$'000)						
<b>Sugar</b>	<b>3,665</b>	<b>3,660</b>	<b>15,408</b>	<b>14,043</b>	<b>72,718</b>	<b>74,443</b>	<b>96,994</b>	<b>107,358</b>
E.U.	3,655	3,660	15,338	14,020	58,928	52,307	79,833	81,621
USA	0	0	0	0	13,730	22,075	17,081	25,645
Caricom	0	0	0	0	0	0	0	0
Other	0	0	20	23	60	61	80	92
<b>Molasses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18,245</b>	<b>2,413</b>	<b>17,722</b>	<b>3,047</b>

Source: Belize Sugar Industries

**Table A.10: Citrus Deliveries & Production**

	July 2011	July 2012	Oct-July 2010/11	Oct-July 2011/12
<b>Deliveries (boxes)</b>				
Orange	0	0	4,447,339	5,805,948
Grapefruit	0	0	539,022	880,489
<b>Total</b>	<b>0</b>	<b>0</b>	<b>4,986,361</b>	<b>6,686,437</b>
<b>Concentrate Produced (ps)</b>				
Orange	0	0	28,046,917	36,299,166
Grapefruit	0	0	2,006,679	3,265,412
<b>Total</b>	<b>0</b>	<b>0</b>	<b>30,053,596</b>	<b>39,564,578</b>
<b>Not from concentrate (ps)</b>				
Orange	0	0	267,735	0
Grapefruit	0	0	132,587	323,157
<b>Total</b>	<b>0</b>	<b>0</b>	<b>400,322</b>	<b>323,157</b>
<b>Pulp (pounds)</b>				
Orange	0	0	1,734,340	2,628,376
Grapefruit	0	0	21,200	318,848
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,755,540</b>	<b>2,947,224</b>
<b>Oil Produced (pounds)</b>				
Orange	0	0	1,490,400	2,059,510
Grapefruit	0	0	70,400	115,216
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,560,800</b>	<b>2,174,726</b>

Source: Citrus Products of Belize

**Table A.11: Export Sales of Citrus Products**

	July		July		Jan-July		Jan-July	
	2011		2012		2011		2012	
	Volume (ps '000)	Value (\$ '000)						
<b>Citrus Concentrates</b>								
<b>U.S.A.</b>								
Orange	0.0	0	0.0	0	5,662.6	16,524	6,755.4	23,577
Grapefruit	0.0	0	0.0	0	0.0	0	0.0	0
<b>Caribbean</b>								
Orange	1,562.0	4,442	1092.4	3,518	9,279.6	25,907	6,207.9	19,926
Grapefruit	15.8	54	72.7	259	278.5	976	433.3	1,520
<b>Europe</b>								
Orange	179.4	641	1607.6	6,136	1,740.8	5,780	4,517.6	17,271
Grapefruit	115.3	371	95.2	341	756.5	2,357	1,081.1	4,016
<b>Other</b>								
Orange	101.4	337	58.2	193	4,152.4	16,102	3,226.1	10,748
Grapefruit	0.0	0	0.0	0	790.7	2,035	1,200.7	4,102
<b>Sub-Total<sup>(1)</sup></b>	<b>1,974.7</b>	<b>5,845</b>	<b>2,926.0</b>	<b>10,446</b>	<b>22,661.0</b>	<b>69,681</b>	<b>23,422.1</b>	<b>64,951</b>
Orange	1,843.5	5,420	2,758.1	9,847	20,835.4	64,313	20,707.0	77,522
Grapefruit	131.1	425	167.9	599	1,825.6	5,368	2,715.1	9,638
<b>Not-From-Concentrate</b>								
<b>Sub-Total</b>	<b>1.1</b>	<b>7</b>	<b>0.0</b>	<b>0</b>	<b>1.1</b>	<b>7</b>	<b>2.0</b>	<b>13</b>
Orange	0.0	0	0.0	0	0.0	0	0.0	0
Grapefruit	1.1	7	0.0	0	1.1	7	2.0	13
<b>Total Citrus Juices</b>	<b>1,975.8</b>	<b>5,852</b>	<b>2,926.1</b>	<b>10,446</b>	<b>22,662.1</b>	<b>69,688</b>	<b>23,424.2</b>	<b>81,174</b>
<b>Pulp (pounds '000)</b>								
<b>Sub-Total<sup>(1)</sup></b>	<b>299.8</b>	<b>220</b>	<b>555.0</b>	<b>441</b>	<b>1,359.1</b>	<b>988</b>	<b>1,463.6</b>	<b>1,163</b>
Orange	299.8	220	517.7	411	1,237.8	895	1,192.3	947
Grapefruit	0.0	0	37.3	30	121.3	93	271.4	215

Source: Citrus Products of Belize

(1) Value may not equal total due to rounding.

**Table A.12: Government Revenue and Expenditure**

	BZ\$'000					
	Approved	Jan-11	Jan-12	Apr-11	Apr-12	Actual YTD
	Budget	to	to	to	to	as %
	2012/2013 <sup>P</sup>	Jul-11	Jul-12	Jul-11	Jul-12	of Budget
<b>TOTAL REVENUE &amp; GRANTS (1+2+3)</b>	<b>862,643</b>	<b>497,545</b>	<b>494,195</b>	<b>283,856</b>	<b>269,983</b>	<b>31.3%</b>
1). Current revenue	819,369	484,736	471,178	278,378	266,084	32.5%
Tax revenue	683,285	400,177	393,752	230,607	229,696	33.6%
Income and profits	226,157	151,392	129,925	90,744	77,675	34.3%
Taxes on property	6,873	5,352	3,960	2,814	2,218	32.3%
Taxes on goods and services	263,861	141,356	142,909	74,337	82,055	31.1%
Int'l trade and transactions	186,395	102,077	116,957	62,711	67,747	36.3%
Non-Tax Revenue	136,084	84,559	77,426	47,771	36,389	26.7%
Property income	20,609	16,141	11,164	9,327	3,557	17.3%
Licences	12,929	7,516	16,465	4,122	12,022	93.0%
Other	102,546	60,902	49,797	34,322	20,809	20.3%
2). Capital revenue	8,075	3,674	5,017	2,066	1,674	20.7%
3). Grants	35,199	9,135	18,000	3,472	2,225	6.3%
<b>TOTAL EXPENDITURE (1+2)</b>	<b>937,857</b>	<b>482,059</b>	<b>507,735</b>	<b>262,566</b>	<b>255,286</b>	<b>27.2%</b>
1). Current Expenditure	777,734	420,350	428,769	223,912	220,608	28.4%
Wages and Salaries	294,743	167,559	178,144	96,940	102,071	34.6%
Pensions	50,826	27,836	30,453	16,002	16,881	33.2%
Goods and Services	172,617	111,755	102,344	63,656	52,832	30.6%
Interest Payments on Public Debt	136,085	57,971	57,208	13,964	14,422	10.6%
Subsidies & current transfers	123,463	55,229	60,620	33,350	34,402	27.9%
2). Capital Expenditure	160,124	61,709	78,966	38,654	34,678	21.7%
Capital II (local sources)	79,330	40,376	34,127	24,559	15,137	19.1%
Capital III (foreign sources)	77,541	17,927	42,271	12,352	17,829	23.0%
Capital Transfer & Net Lending	3,253	3,407	2,569	1,742	1,712	52.6%
<b>CURRENT BALANCE</b>	<b>41,636</b>	<b>64,386</b>	<b>42,409</b>	<b>54,466</b>	<b>45,477</b>	<b>109.2%</b>
<b>Primary Balance</b>	<b>59,963</b>	<b>73,457</b>	<b>43,668</b>	<b>35,254</b>	<b>29,119</b>	<b>48.6%</b>
<b>OVERALL BALANCE</b>	<b>(75,213)</b>	<b>15,486</b>	<b>(13,540)</b>	<b>21,290</b>	<b>14,697</b>	<b>-19.5%</b>
<b>PB less Grants</b>	<b>24,764</b>	<b>64,322</b>	<b>25,668</b>	<b>31,782</b>	<b>26,894</b>	<b>108.6%</b>
<b>OB less Grants</b>	<b>(110,413)</b>	<b>6,351</b>	<b>(31,540)</b>	<b>17,818</b>	<b>12,472</b>	<b>-11.3%</b>
FINANCING	75,213	(15,486)	13,540	(21,290)	(14,697)	
<b>Domestic Financing</b>		<b>(47,699)</b>	<b>(13,870)</b>	<b>(66,958)</b>	<b>(39,995)</b>	
Central Bank		(51,698)	(19,101)	(62,789)	(44,365)	
Net Borrowing		(5,898)	1,544	14,947	4,664	
Change in Deposits		(57,596)	(20,646)	(77,735)	(49,029)	
Commercial Banks		(4,029)	1,292	(4,027)	3,686	
Net Borrowing		1,973	4,496	(3,635)	5,137	
Change in Deposits		(6,002)	(3,204)	(392)	(1,451)	
Other Domestic Financing		8,028	3,939	(142)	685	
<b>Financing Abroad</b>		<b>19,994</b>	<b>11,741</b>	<b>26,125</b>	<b>16,721</b>	
Disbursements		53,964	45,688	43,820	38,791	
Amortization		(33,970)	(33,947)	(17,695)	(22,070)	
Other		12,219	15,670	19,543	8,577	

Source: Ministry of Finance

P= Provisional

**Table A.13: Central Government's Domestic Debt<sup>(1)</sup>**

BZ\$'000

	TRANSACTIONS THROUGH JULY 2012					
	Disbursed					Disbursed
	Outstanding Debt 31/12/11 <sup>R</sup>	Disbursement/ New Issue of Securities	Amortization/ Reduction in Securities	Interest	Net Change in Overdraft/ Securities	Outstanding Debt 31/07/12 <sup>P</sup>
<b>Overdraft / Loans</b>	48,130	0	0	3,123	9,209	57,339
Central Bank	48,130	0	0	3,123	9,209	57,339
Commercial Banks	0	0	0	0	0	0
<b>Treasury Bills</b>	<b>175,000</b>	<b>0</b>	<b>0</b>	<b>1,999</b>	<b>0</b>	<b>175,000</b>
Central Bank	22,331	0	0	252	(3,475)	18,856
Commercial Banks	151,027	0	0	1,735	3,434	154,461
Other	1,642	0	0	13	41	1,683
<b>Treasury Notes</b>	<b>136,800</b>	<b>0</b>	<b>0</b>	<b>5,598</b>	<b>0</b>	<b>136,800</b>
Central Bank	82,228	0	0	5,383	(4,189)	78,039
Commercial Banks	10,000	0	0	0	0	10,000
Other	44,572	0	0	214	4,189	48,761
<b>Defence Bonds</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>400</b>	<b>0</b>	<b>10,000</b>
Central Bank	10,000	0	0	400	0	10,000
Commercial Banks	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Atlantic Bank Ltd.</b>	<b>1,431</b>	<b>0</b>	<b>157</b>	<b>61</b>	<b>0</b>	<b>1,273</b>
<b>Heritage Bank Ltd</b>	<b>2,269</b>	<b>1,571</b>	<b>298</b>	<b>199</b>	<b>0</b>	<b>3,488</b>
<b>Belize Social Security Board</b>	<b>3,505</b>	<b>0</b>	<b>734</b>	<b>138</b>	<b>0</b>	<b>2,770</b>
<b>Fort St Tourism Vlg.</b>	<b>0</b>	<b>571</b>	<b>127</b>	<b>0</b>	<b>0</b>	<b>443</b>
<b>Debt for Nature Swap</b>	<b>3,054</b>	<b>0</b>	<b>75</b>	<b>44</b>	<b>0</b>	<b>2,979</b>
<b>Guardian Life Bze</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>90</b>	<b>0</b>	<b>1,000</b>
<b>Total</b>	<b>381,189</b>	<b>2,088</b>	<b>1,392</b>	<b>11,652</b>	<b>9,209</b>	<b>391,093</b>

<sup>(1)</sup> Please Note that transactions associated with UHS loan with the Belize Bank is not included in this table due to ongoing litigation.

<sup>(2)</sup> GOB has outstanding loan with BSSB consisting of (i) Hopeville Housing Project and (ii) loan purchased from DFC (as of Jan 30th 2007).

**Table A.14: Public Sector External Debt by Creditor**

BZ\$'000

	Disbursed	TRANSACTIONS THROUGH JULY 2012				Disbursed
	Outstanding	Disburse- ments	Principal Pay- ments	Interest & Other Pay- ments	Parity Change	Outstanding
	Debt					Debt
	30/12/11 <sup>R</sup>					31/07/12 <sup>P</sup>
<b>CENTRAL GOVERNMENT</b>	<b>1,910,476</b>	<b>45,687</b>	<b>33,948</b>	<b>45,562</b>	<b>-1,073</b>	<b>1,921,143</b>
Banco Nacional de Comercio Exterior	3,705	0	1,059	209	0	2,646
Government of the United States	749	0	180	19	0	568
Government of Venezuela	37,492	0	933	212	0	36,559
Kuwait Fund for Arab Economic Dev	20,350	1,385	2,257	785	-356	19,122
Republic of China	280,740	20,000	11,940	4,299	0	288,800
Caribbean Development Bank	196,985	6,190	7,257	4,312	0	195,918
Caricom Development Fund	2,000	0	0	0	0	2,000
European Economic Community	13,795	0	502	59	-684	12,609
Inter-American Development Bank	220,755	13,168	6,822	2,013	0	227,100
International Fund for Agric. Dev.	2,192	0	276	13	-33	1,883
Intl. Bank for Reconstruction & Dev.	19,539	1,369	1,721	100	0	19,187
Opec Fund for Int'l. Development	17,645	3,576	1,000	396	0	20,221
Central American Bank for Econ. Integ.	1,000	0	0	29	0	1,000
Bear Stearns & Co (Untendered portion)	5,916	0	0	47	0	5,916
Bank of New York (New Bond Issue)	1,087,613	0	0	33,069	0	1,087,613
<b>NON-FINANCIAL PUBLIC SECTOR</b>	<b>47,247</b>	<b>69</b>	<b>6,705</b>	<b>909</b>	<b>-170</b>	<b>40,440</b>
Kuwait Fund for Arab Economic Dev	3,585	0	358	72	-64	3,163
Deutsche Bank	422	0	211	8	0	211
Royal Merchant Bank and Finance Co. <sup>(1)</sup>	559	0	559	28	0	0
The Bank of Nova Scotia <sup>(1)</sup>	9,571	0	1,595	50	0	7,976
European Investment Bank <sup>(1)</sup>	2,189	0	672	41	-106	1,411
Caribbean Development Bank <sup>(1)(2)</sup>	30,676	69	3,310	710	0	27,680
<b>FINANCIAL PUBLIC SECTOR</b>	<b>87,330</b>	<b>0</b>	<b>9,504</b>	<b>486</b>	<b>-1,216</b>	<b>76,610</b>
Caribbean Development Bank	10,639	0	1,056	175	0	9,583
European Economic Community	377	0	19	2	-18	340
Paine Webber Real Estate Securities Inc.	400	0	100	2	0	300
Belize Mortgage Company <sup>(3)</sup>	6,538	0	6,538	219	0	0
International Monetary Fund <sup>(4)</sup>	69,377	0	1,792	88	-1,198	66,387
<b>GRAND TOTAL</b>	<b>2,045,053</b>	<b>45,756</b>	<b>50,157</b>	<b>46,958</b>	<b>(2,459)</b>	<b>2,038,193</b>

<sup>(1)</sup> Effective June 21st 2011 the nationalization of BEL caused the increase (\$23.1mn) in debt, which was matched by GOB's acquisition of assets of equal value.

<sup>(2)</sup> Effective October 3rd 2005, loans to BWSL were reclassified as public sector debt as a result of Government of Belize repurchase of the company.

<sup>(3)</sup> BMC is the issuer of the DFC North American Securitization Loan through the Bank of New York.

<sup>(4)</sup> IMF SDR Allocation is included as part of financial public sector external debt obligation.