



CENTRAL BANK

of BELIZE



MONTHLY ECONOMIC REPORT

MAY 2013

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
CABEI	Central American Bank for Economic Intelligence
CBB	Central Bank of Belize
CDB	Caribbean Development Bank
CGA	Citrus Growers Association
CPBL	Citrus Products of Belize Limited
CPI	Consumer Price Index
DFC	Development Finance Corporation
ENDA	Emergency Natural Disaster Assistance
EU	European Union
GDP	Gross Domestic Product
GOB	Government of Belize
GST	General Sales Tax
IDB	Inter-American Development Bank
IMF	International Monetary Fund
MOF	Ministry of Finance
OFID	OPEC Fund for International Development
OPEC	Organisation of the Petroleum Exporting Countries
ROC/Taiwan	Republic of China/Taiwan
SDR	Special Drawing Right
SIB	Statistical Institute of Belize
UHS	Universal Health Services
US	United States
VPCA	Venezuelan Petrocaribe Agreement

Abbreviations and Conventions:

\$	refers to the Belize dollar unless otherwise stated
bn	denotes billion
mn	denotes million
ps	Pound solid
pps	Per pound solid
TC/TS	Tons Cane to Tons Sugar

Notes:

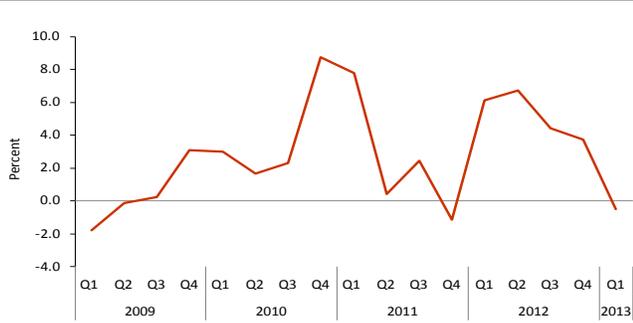
1. Since May of 1976, the Belize dollar has been fixed to the US dollar at the rate of US\$1.00 = BZ\$2.00.
2. The 2013 figures in this report are provisional and the figures for 2012 have been revised.
3. Unless otherwise indicated, the Central Bank of Belize is the source of all tables and charts.
4. Ratios to GDP for 2013 are based on Central Bank's forecast of annual GDP 2013.

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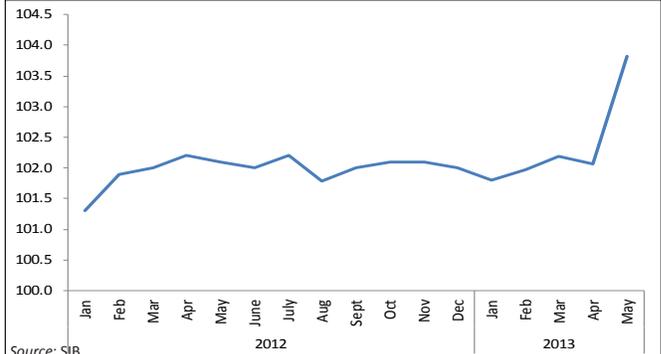
Summary of Economic Indicators

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



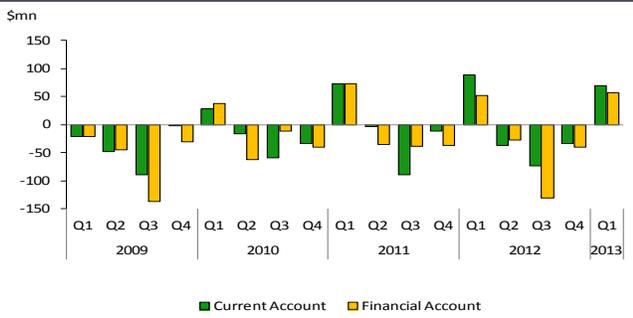
Source: SIB

Chart II: Consumer Price Index (All Items)



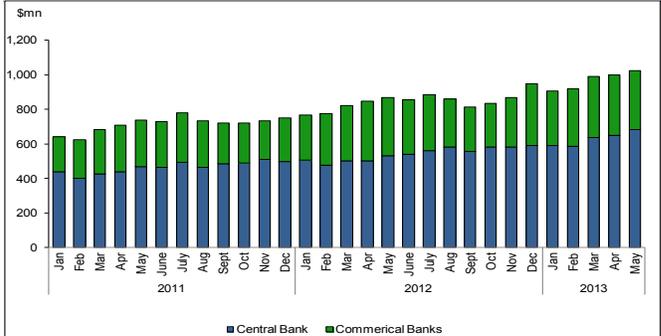
Source: SIB

Chart III: Balance of Payments



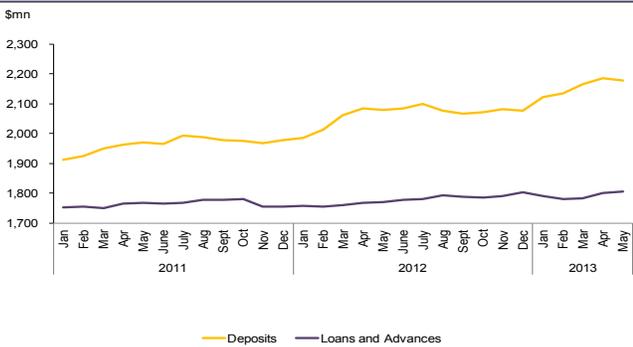
■ Current Account ■ Financial Account

Chart IV: Net Foreign Assets



■ Central Bank ■ Commercial Banks

Chart V: Commercial Banks - Deposits and Loans and Advances



— Deposits — Loans and Advances

Chart VI: Excess Cash Balances

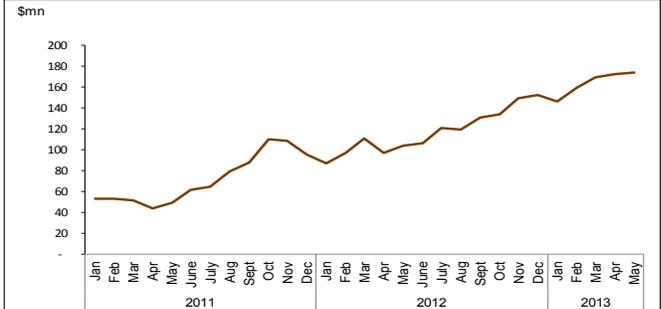
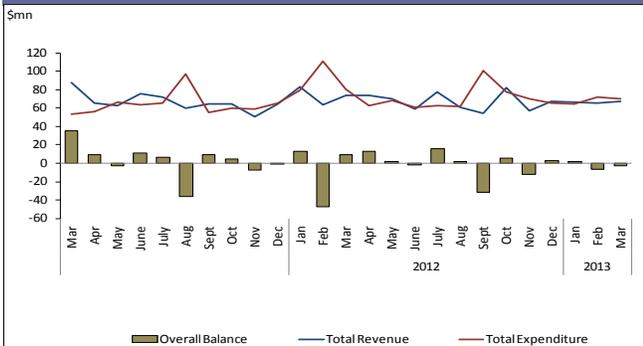


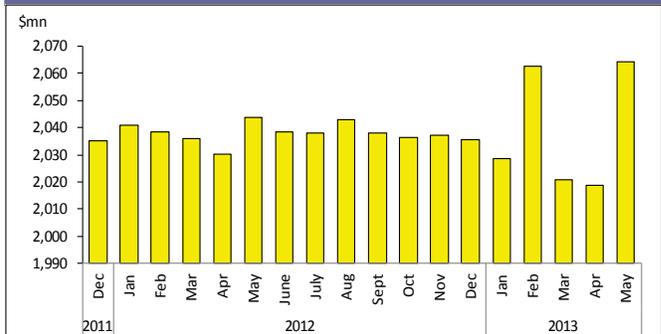
Chart VII: Central Government Operations



■ Overall Balance — Total Revenue — Total Expenditure

Sources: CBB and MOF

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



Money and Credit

The broad measure of money supply (M2) grew by 0.5% during the first five months of 2013 as compared to a 5.3% increase in the same period of 2012. The deceleration was mostly due to an \$80.8mn plunge in domestic credit and comparatively lower build-up of \$79.5mn in net foreign assets. With movements in net domestic credit and net foreign assets offsetting each other, the cause of monetary growth was isolated to a reduction in the non-monetary assets and liabilities of the banking system such as items in process of collection and payment.

Loan disbursements of \$65.3mn from the Venezuelan Petrocaribe Agreement (VPCA) and the capitalisation of interest payments on a restructured bond in March allowed the Central Bank's net foreign assets to improve by \$98.9mn. The Central Bank's foreign exchange purchases totalled \$183.8mn relative to sales of \$85.7mn. Inflows consisted mainly of loan disbursements (50.9%), proceeds from sugar exports (17.9%) and petroleum royalties and taxes (13.6%), while 77.4% of outflows were to meet Central Government's external debt obligations. In contrast, the net foreign assets of the commercial banks contracted by \$19.4mn, as higher payments for imports and the transfer of \$62.0mn in VPCA funds from the domestic banking system to an international bank exceeded heightened tourism and export earnings.

The contraction in net domestic credit was largely attributable to an \$86.1mn reduction in net credit to Central Government as the VPCA inflows boosted its deposits and enabled a reduction in its overdraft facility at the Central Bank. On the other hand, credit to the private sector and other public sector bodies increased by \$3.7mn and \$1.6mn, respectively.

Chart 1.1: Net Foreign Assets and Net Domestic Credit

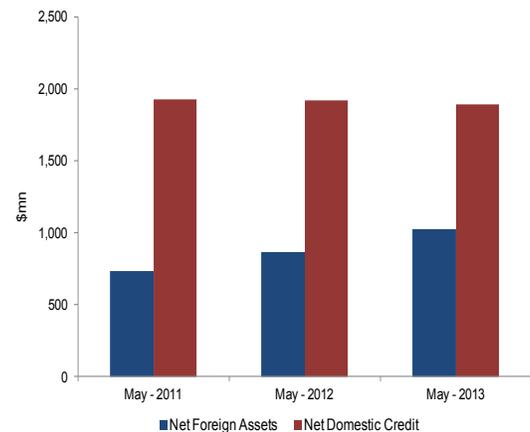
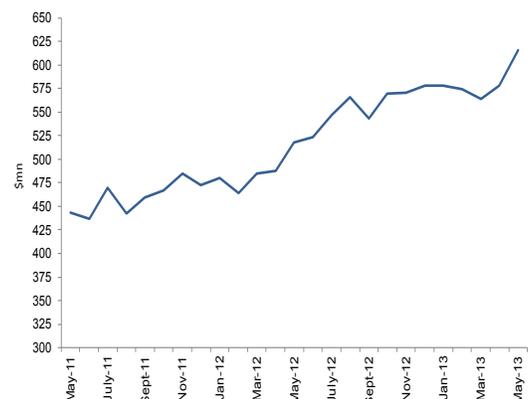


Chart 1.2: Commercial Banks' Net Foreign Assets



Chart 1.3: Gross International Reserves



After declining in January and February, private sector credit maintained an upward trend, although the net change relative to December 2012 did not become positive until May, after loan write-offs notably began tapering off in the last two months of the period reviewed. Increased disbursements for real estate (\$20.8mn), construction (\$14.7mn) and agriculture (\$3.9mn) were partly offset by net declines for other categories, the largest being in distribution (\$9.7mn), personal use (\$7.1mn), transport (\$6.4mn) and manufacturing (\$6.0mn). Loan write-offs over the five month period amounted to \$12.9mn and were mostly concentrated in tourism, distribution and real estate ventures.

The five largest credit unions recorded a \$14.8mn increase in loans, almost triple the amount registered for the comparable period of 2012 and substantially above the increase in commercial bank loans to the private sector this year. Lending was mainly for residential construction, agricultural processing and land acquisition. Personal and home improvement loan balances fell due to net repayments.

Relatively weak growth in credit was a consistent factor in the accumulation of excess liquidity in the banking system during the review period. Holdings of approved liquid assets rose by \$65.1mn against a \$23.3mn increase in the required level. Consequently, excess statutory holdings rose by 13.5% to \$352.0mn. Holdings of excess cash also rose by 14.0% to \$173.8mn.

In this environment, commercial banks' interest rates continued to trend downwards. Since December, the weighted average lending rate fell by 28 basis points to 11.71%, following rate cuts in all loan categories, but more so for residential construction and personal loans, which fell by 34 and 27 basis points, respectively. At the same

Chart 1.4: Changes in Commercial Banks' Loans and Advances
May 2013 Position over Dec 2012

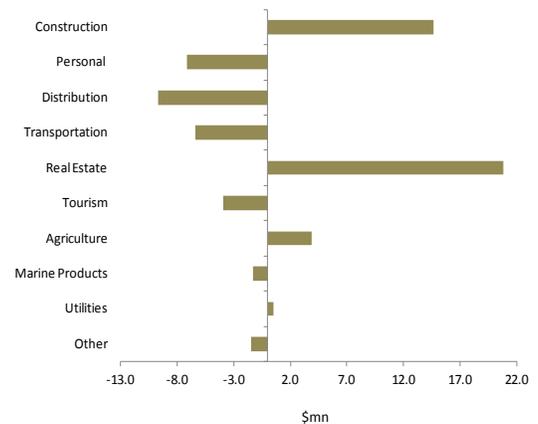


Chart 1.5: Excess Statutory Liquidity

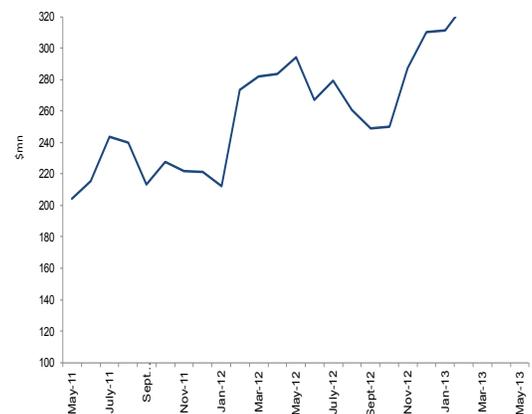
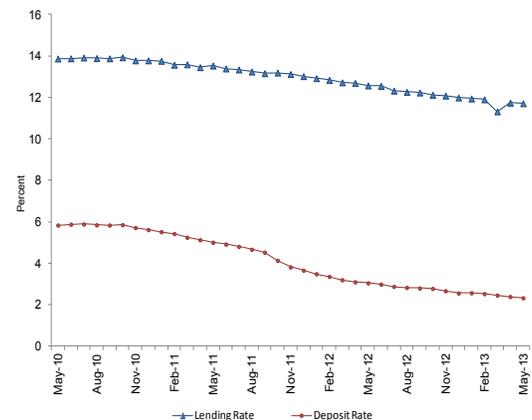


Chart 1.6: Commercial Banks' Weighted Average Lending and Deposit Interest Rates



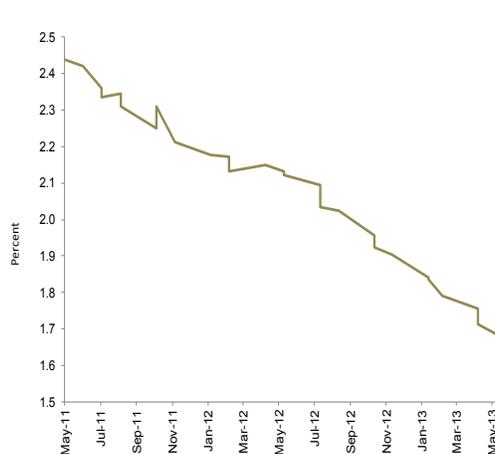
time, a 35 basis point decline in time deposit rates underpinned a 23 basis point reduction in the weighted average deposit rate, which fell to 2.32%. Lower rates were also recorded for all other categories of deposit accounts except savings/ checking accounts which rose by 12 basis points. The net result was a reduction in the weighted average interest rate spread by five basis points to 9.3%.

High levels of excess liquidity continued to spur competitive bidding by commercial banks for Treasury bills. At the end of May, the Treasury bill holdings of the banks amounted to \$166.0mn or 94.9% of the total. During the five month reporting period, the weighted average yield on Treasury bills continued to decline, falling by 22 basis points from 1.90302% at the last auction in 2012 to 1.68569% at the May auction.

Chart 1.7: Weighted Average Interest Rates on New Loans and New Deposits



Chart 1.8: Treasury Bill Yield



Real Sector Developments

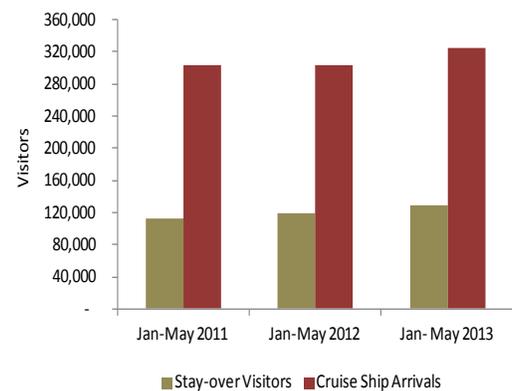
In the five-month period, output of papaya, banana, molasses and marine products increased while declines were registered in sugarcane deliveries, citrus deliveries, petroleum extraction and production of sugar and citrus juices.

The Consumer Price Index (CPI) increased by 1.7% relative to the previous month. This largely reflected higher prices for "Housing, Water, Electricity, Gas and Other Fuels" (1.4%) and "Food and Non-Alcoholic Beverages" (2.4%) that were attributable to price hikes for household maintenance, vehicle servicing, beef and cereal. For the period January through May, the general price level was 0.4% higher with increases in the fuel dependent categories being softened by declines, the largest of which were in "Miscellaneous Goods and Services" and "Restaurants and Hotels".

Stayover tourist arrivals continued on the upswing with an 8.0% increase to 128,514 that reflected increases at all ports of entry. In contrast to the 0.1% contraction during the same period of 2012, cruise ship disembarkations rose by 6.9% to 324,616 reflecting the deployment of larger ships on the Belize route.

Earnings from domestic exports were virtually unchanged at \$315.8mn, as lower revenues from citrus juices and petroleum were offset by increases from all other domestic commodities. The importation of "Machinery and Transport Equipment", "Manufactured Goods and Other Manufactures" and "Food, Beverages and Tobacco" rose by \$20.5mn, \$15.1mn and \$7.5mn, respectively. Conversely, purchases of "Fuels, Lubricants and Crude Materials" and goods for the Commercial Free Zone (CFZ) fell by \$8.3mn and \$12.8mn. The result was a 3.7% (\$27.1mn) rise in

Chart 2.1: Tourist Arrivals



Sources: BTB and CBB

Table 2.1: Value of Domestic Exports

	\$mn	
	Jan - May 2012	Jan - May 2013
Sugar	67.6	69.7
Molasses	1.6	3.4
Bananas	41.5	48.2
Citrus	65.0	45.0
Petroleum	76.7	71.8
Papaya	5.6	10.1
Marine Exports	17.4	24.4
Other Domestic Exports	40.0	43.1
Total	315.4	315.8

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

Table 2.2: Gross Imports by Standard International Trade Classification⁽¹⁾

	\$mn		
	Jan - May 2011	Jan - May 2012	Jan - May 2013
Food, beverages and tobacco	78.6	98.7	106.1
Fuels, lubricants and crude materials	123.1	145.3	137.0
Oils, fats and chemicals	68.3	70.8	70.1
Manufactured goods and Other Manufactures	130.5	123.0	138.1
Machinery, Transport and Equipment	92.0	121.3	141.8
Other goods	0.7	3.5	2.9
Export Processing Zones and Commercial Free Zone	167.5	162.2	155.7
Total	660.7	724.7	751.8

Source: SIB

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

gross Imports (excluding electricity) to \$751.8mn over the review period.

Sugarcane and Sugar

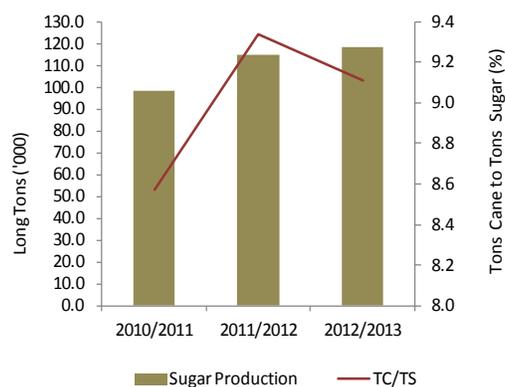
The 2012/2013 crop year ended on 25 May with sugarcane deliveries expanding by 2.6% to 1,078,019 long tons. With an increase in cane purity boosting the cane to sugar ratio by 2.0%, sugar production rose by 5.3% to 118,339 long tons. Molasses output also expanded by 16.7% to 34,508 long tons.

Sugar exports rose for the second consecutive month, making a full recovery from first quarter hiccups when shipments were down due to weather and equipment related issues. The volume exported for January through May grew by 4.1% to 67,144 long tons when compared to the same period of 2012, while revenues grew by a less than proportionate 3.0% to \$69.7mn due to a 1.0% decline in average export prices. The latter was due to exchange rate losses on the average Euro price negotiated on the market. Exports of molasses also increased by 68.5% to 15,767 long tons, valued at \$3.4mn.

Citrus

Unfavourable weather caused premature fruit drop from trees that were already affected by citrus greening and resulted in a 25.4% decline in citrus deliveries to 4.6mn boxes for the 2012/2013 crop year-to-date. Orange deliveries decreased by 25.8% to 4.0mn boxes, while the grapefruit harvest ended in April with deliveries totalling 0.7mn boxes, down by 23.0% when compared to the previous crop year. Juice production fell by 25.0% to 27.8 mn pound solids (ps), in line with the fall in deliveries, as the average juice outturn per box remained stable. The out-turn of orange juices decreased sharply by 25.4% to 25.0mn ps, which was 89.9% of the

Chart 2.2: Sugar Production



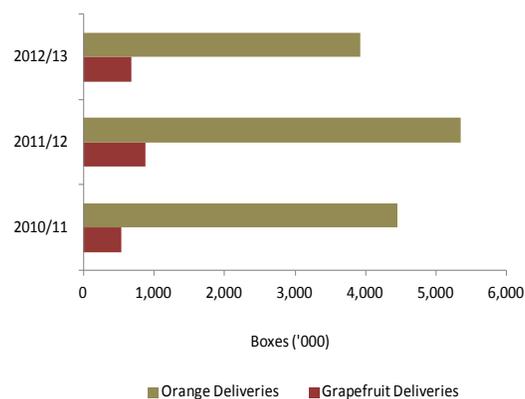
Source: BSI

Chart 2.3: Sugar Exports



Source: BSI

Chart 2.4: Citrus Deliveries



Sources: CGA and CPBL

total juice output. Grapefruit juice out-turn also contracted by 21.8% to 2.8mn ps, which accounted for 10.1% of the total. Production of citrus oils and pulp declined as well, amounting to 1.6mn and 2.3mn pounds, respectively.

Exports of citrus juices declined by 15.7% to 16.0mn ps over the first five months of the year, when compared to the same period of 2012. Grapefruit and orange concentrates declined by 34.0% to 1.7mn ps and by 13.1% to 14.2mn ps, respectively. The 30.7% reduction in revenues to \$45.0mn was steeper than anticipated, as a 10.6% rally in grapefruit concentrate prices was insufficient to offset lower prices for orange concentrate and the fall in export volume. International prices of orange concentrates weakened in response to reports of higher juice stocks in Florida and Brazil, while a smaller grapefruit harvest in the United States (US) caused juice prices to strengthen.

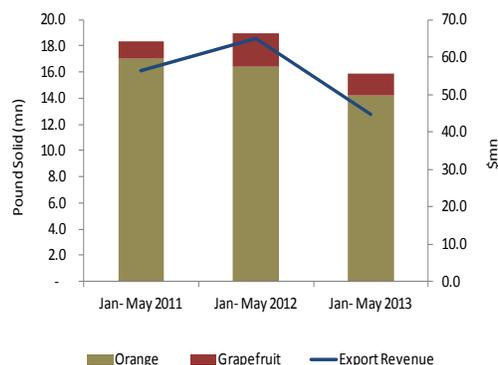
Banana

With industry production fluctuating over the past three months, banana output edged up by 0.1% to 42,580 metric tons for the year-to-date, compared to the same period of 2012. Supported by the 16.0% increase in the average negotiated export price, revenues grew by 16.1% to \$48.2mn. The Banana Growers Association and Fyffes renegotiated the extension of their exclusive marketing contract in late 2012 for another five years that commenced on 1 January 2013.

Petroleum

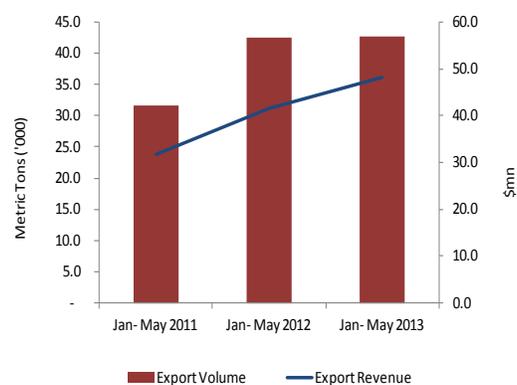
Petroleum output fell by 23.0% to 354,758 barrels over the first five months of the year in comparison to the same period of 2012. Production from the Spanish Lookout and Never Delay fields decreased by 18.4% and 91.6%, respectively. Export volume decreased in both April and May leading to a 4.0%

Chart 2.5: Citrus Juice Export Volume and Revenue



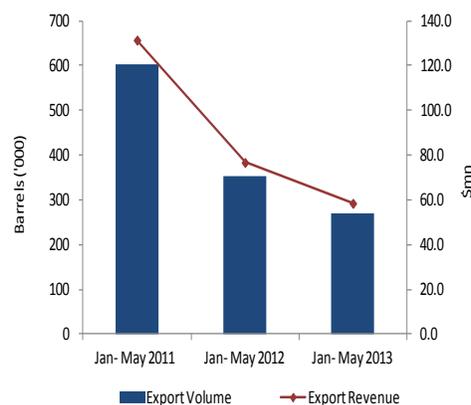
Source: CPBL

Chart 2.6: Banana Exports



Source: BGA

Chart 2.7: Petroleum Exports



Source: Geology and Petroleum Department

year-to-date reduction to 337,405 barrels, while export revenue declined even more by 6.4% to \$71.8mn against a backdrop of seasonally weaker global demand and prices. Over the five months, the export price averaged US\$106.43 per barrel, which is US\$16.43 over the threshold price at which the petroleum surcharge becomes applicable.

Marine Exports

Compared to the same period of the previous year, the volume of marine exports increased by 69.6% to 5.7mn pounds for January through May, as increases in farmed shrimp and whole fish sales outweighed declines in lobster and conch. Price increases for all commodities, except fish, boosted revenues by 40.4% to \$24.4mn. While receipts from shrimp exports benefitted from price and volume increases, fish revenue increased from \$0.1mn to \$0.4mn, driven solely by the 133.7% increase in export volume. Lobster and conch export earnings fell by 40.7% to \$2.5mn and 14.1% to \$4.5mn, respectively.

Other Domestic Exports

Sharp increases in papaya (82.6%) and red kidney bean (150.5%) receipts offset decreases in fresh orange and orange oil earnings of 98.7% and 71.1%, respectively, and was the primary reason for the 16.8% expansion to \$53.3mn in revenues from other miscellaneous exports. Papaya and bean benefitted from volume and price increases, while revenue from pepper sauces recorded a double digit increase due solely to higher volume. Offsetting these increases, revenues from fresh orange and orange oil contracted due to reductions in export volume and price.

Chart 2.8: Marine Export Volume

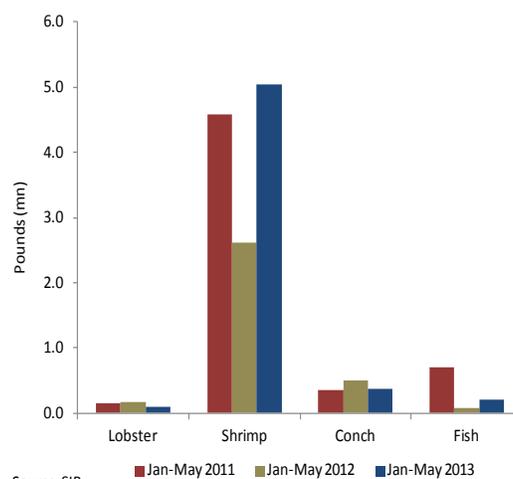
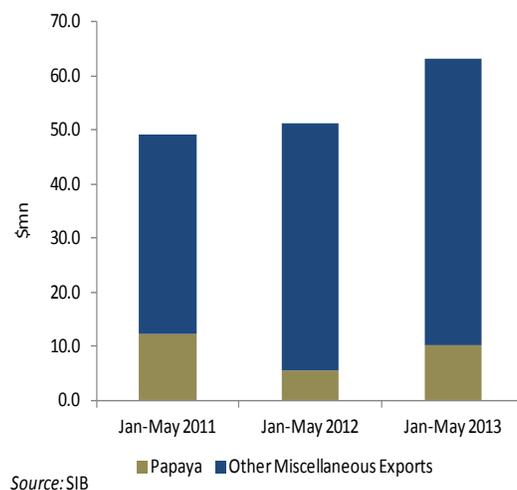


Chart 2.9: Revenue of Papaya and Other Miscellaneous Exports



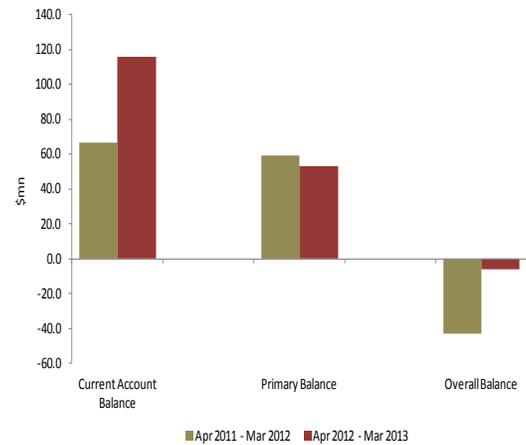
Central Government Operations

During the last quarter of the government's 2012/2013 fiscal year, expenditures fell at a faster pace than revenues, resulting in a \$13.3mn reduction in the overall deficit compared to the same period of 2012. The current surplus was significantly higher (\$32.2mn versus \$7.1mn). Current and capital spending were down by \$36.4mn and \$14.2mn, respectively, with the former being mainly due to the capitalisation of interest due on the super bond in February. Revenues were down by 15.3%, reflecting lower receipts from import duties, the petroleum industry, non-tax receipts and grants. The court-mandated withholding of Belize Telemedia Limited (BTL) dividends and lower collection in license fees were significant factors in the contraction in non-tax receipts.

The outturn for the entire 2012/2013 fiscal year (April to March) included a decline in the primary surplus from \$59.3mn to \$53.0mn (1.6% of GDP). On the other hand, the overall deficit fell from \$43.0mn to \$6.3mn (0.2% of GDP) largely due to the reduction in interest paid on the restructured 2029 super bond. The deficit was funded by external sources, as domestic financing contracted largely due to the build-up in deposits with the Central Bank.

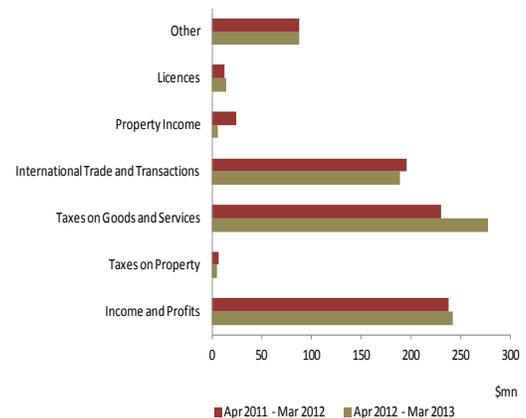
Revenues amounted to \$846.2mn, nearly 100% of the amount budgeted and almost identical to that received in the previous fiscal year. Although receipts from the petroleum industry, import duties, property income and grants were lower, this was offset by higher collections from the General Sales Tax (GST), personal income tax (PAYE), business tax, repayment of old loans, stamp duties and licenses. Repayment of old loans was boosted by one-off payments of \$10.0mn from Belize Sugar

Chart 3.1: Central Government Operations



Sources: MOF and CBB estimates

Chart 3.2: Public Government Current Revenue



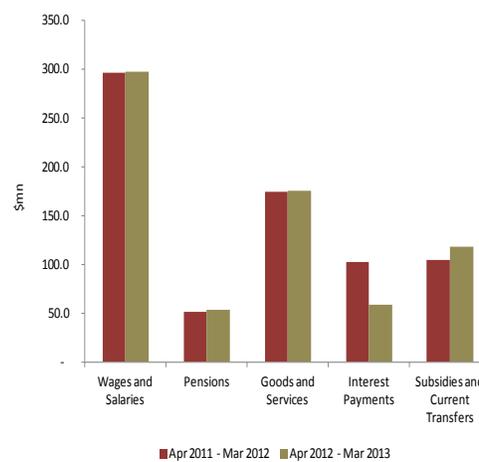
Sources: MOF and CBB estimates

Industries and \$7.0mn from Belize Telemedia Limited (BTL). The increase in PAYE resulted from improved monitoring and reporting, while the buoyancy of GST and the associated fall in revenues from import duties reflected the July shift to a GST on fuel imports instead of a fixed import duty. On the downside, petroleum receipts contracted by \$28.8mn due to declining production, while the court-mandated withholding of BTL dividends was the main reason for an \$18.4mn fall in property income. Grant receipts stood at only 60.6% of budget and were \$21.2mn lower than the previous fiscal year.

Expenditure fell by 4.1% during the fiscal year and stood at 90.9% of budget with current and capital spending falling by \$24.4mn and \$12.5mn, respectively. The capitalisation of February's interest payments on the restructured bond was mostly responsible for the decline in current outlays as all other categories of current expenditure increased. The most notable was in domestic subsidies and this was due to the reclassification of teachers' salaries in order to more accurately reflect the public/private partnership status of most of the nation's educational institutions.

Capital expenditure amounted to \$147.7mn (92.2% of budget) and included \$3.3mn in transfers to Belize Water Service Limited (BWSL). While spending on externally funded projects exceeded the budgetary target, locally funded projects consumed just 83.9% of planned outlays as project implementation resource constraints contributed to the non-realisation of the envisaged target. Some \$40.1mn of capital spending went on infrastructural projects such as the completion of the Southern Highway, the Big Falls border, road infrastructural developments on the south-side of Belize City, the completion of the Kendall Bridge

Chart 3.3: Central Government Current Expenditure



Source: MOF

Table 3.1: Central Government Capital Expenditure

	Apr 11 - Mar 12	Apr 12 - Mar 13
Public Works	39.95	40.14
Environmental Protection	13.80	20.95
Natural Resources	15.18	19.94
Housing	5.49	0.93
Health	3.10	1.65
Education	2.38	3.01
Security and Defense	11.73	1.60
Agriculture and Fisheries	28.00	15.48
Other	35.72	40.73
Net lending	4.85	3.26
Total	160.20	147.70

Source: MOF

and maintenance/rehabilitation of highways, streets and drains. Another \$19.9mn was spent on land management and solid waste management, while \$15.5mn was spent on agriculture, mostly for the European Union (EU) funded road infrastructure in the sugarcane belt and the rehabilitation of banana fields. Environmental projects were allotted some \$21.0mn and social protection projects received \$11.3mn. Another \$6.8mn was spent on youth, sports and culture. Outlays on education, health, housing, security, science and technology amounted to \$7.2mn, and the remainder was spent on furniture, equipment, upgrading of buildings and contributions to international agencies.

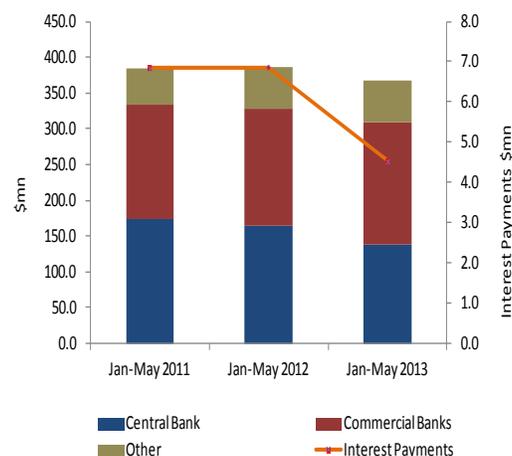
Central Government Domestic Debt

Central Government's domestic debt contracted by 5.9% to \$366.8mn during the first five months of the year. Revenues from Belize Natural Energy (BNE), Central Bank's profit transfer, sizeable income tax receipts and \$9.5mn in loan disbursement facilitated a \$20.7mn reduction in government's overdraft facility held with the Central Bank, while principal repayments amounted to \$2.3mn. Of the latter, \$1.0mn went to Guardian Life Belize for the retirement of that loan, while the remainder went to the Belize Social Security Board (BSSB), Fort Street Tourism Village, Debt-For-Nature Swap and commercial banks.

At the end of May, the share of the domestic debt held by the Central Bank stood at 37.6%, compared to 39.5% in December 2012. The share held by commercial banks rose from 45.9% to 46.4%, while non-bank holdings increased from 14.6% to 15.9%.

Interest payments totalled \$4.5mn, of which \$3.0mn was paid to the Central Bank and consisted of \$2.0mn on short-term credit provided by way of the overdraft and \$1.0mn for longer term Treasury

Chart 3.4: Central Government Domestic Debt



notes. Commercial banks were paid \$1.3mn, and the remainder was paid to the BSSB and Guardian Life.

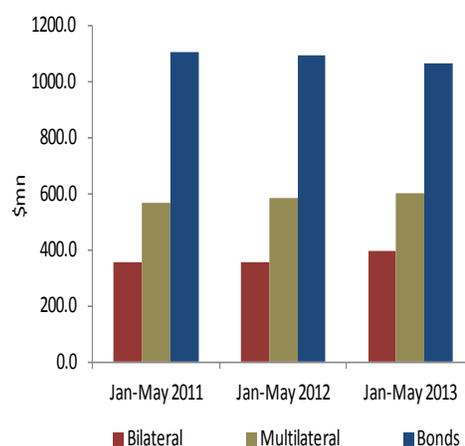
Public Sector External Debt

The public sector external debt increased by 1.3% (\$26.8mn) to \$2,064.2mn, as disbursements of \$173.9mn outweighed amortization payments of \$145.1mn and downward valuation adjustments of \$2.0mn. Except for a small amount to the BWSL for water and service expansion projects, all disbursements went to Central Government and included \$77.5mn in capitalized interest that was added to the restructured bond. Of the remainder, \$67.8mn and \$28.7mn came from bilateral and multilateral sources, respectively. Bilateral sources included \$65.3mn from Venezuela for budget support under the Venezuelan Petrocaribe Agreement and \$2.5mn from the Republic of China (ROC)/Taiwan.

Excluding the \$109.4mn haircut on the restructured bond, actual principal repayments by Central Government amounted to \$26.9mn, of which \$11.5mn went to bilateral lenders and \$15.4mn to multilateral creditors. The Development Finance Corporation (DFC) and the non-financial public sector repaid \$2.6mn to the Caribbean Development Bank (CDB), and Central Bank repaid \$3.6mn to the International Monetary Fund (IMF) for the Emergency Natural Disaster Assistance (ENDA) facility. Commercial suppliers were also paid \$2.3mn.

Interest payments amounted to \$10.2mn, of which Central Government paid \$9.5mn. The latter included \$5.1mn to multilateral creditors such as the CDB (\$2.9mn) and the IDB (\$1.4mn) and payments to bilateral lenders such as ROC/Taiwan (\$3.1mn) and the Government of Kuwait (\$0.6mn).

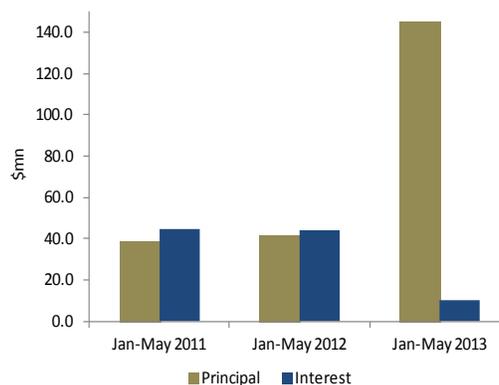
Chart 3.5: Public Sector External Debt



The financial and non-financial public sectors paid the CDB \$0.5mn in combined interest.

Belize's restructured bond accounted for 51.4% of the total public sector external debt. Taiwan maintained its position as the largest bilateral creditor to Belize, with an outstanding debt of \$273.0mn (13.2% of the public sector external debt), while the Inter-American Development Bank (IDB) was the largest multilateral creditor with \$232.8mn in outstanding debt (11.3% of the public sector external debt).

Chart 3.6: External Debt Service⁽¹⁾



⁽¹⁾ The principal payments in 2013 do not reflect the retirement of the 2029 bond as it was replaced by a 2038 bond.

Statistical Appendix

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

\$mn

	Position as at May-13	Changes During		
		Apr-13 to May-13	Dec-12 to May-13	Dec-11 to May-12
Net Foreign Assets	1,027.6	28.9	79.5	115.9
Central Bank	691.3	40.4	98.9	33.6
Commercial Bank	336.3	-11.5	-19.4	82.3
Net Domestic Credit	1,892.2	-28.8	-80.8	1.3
Central Government (Net)	84.5	-35.3	-86.1	-13.3
Other Public Sector	12.8	-0.2	1.6	4.5
Private Sector	1,794.9	6.7	3.7	10.1
Central Bank Foreign Liabilities (Long-Term)	58.9	-2.2	-5.1	-2.9
Other Items (Net)	404.8	11.8	-8.7	2.8
Money Supply M2	2,456.1	-9.5	12.5	117.3

⁽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.

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

\$mn

	Position as at May-13	Changes During		
		Apr-13 to May-13	Dec-12 to May-13	Dec-11 to May-12
Net Foreign Assets of Banking System	1,027.6	28.9	79.5	115.9
Net Foreign Assets of Central Bank	691.3	40.4	98.9	33.6
Central Bank Foreign Assets	692.5	37.9	98.0	34.7
Central Bank Foreign Liabilities (Demand)	1.2	-2.5	-0.9	1.1
Net Foreign Assets of Commercial Banks	336.3	-11.5	-19.4	82.3
Commercial Bank Foreign Assets	344.9	-12.3	-18.0	75.0
Commercial Bank Foreign Liabilities (Short-Term)	8.6	-0.8	1.4	-7.3

Table A.3: Net Domestic Credit

\$mn

	Position as at May-13	Changes During		
		Apr-13 to May-13	Dec-12 to May-13	Dec-11 to May-12
Total Credit to Central Government	308.3	-0.5	-25.1	-0.2
From Central Bank	138.0	4.8	-16.1	2.6
Loans and Advances	35.6	-0.2	-20.7	3.3
Government Securities ⁽¹⁾	102.4	5.0	4.6	-0.7
From Commercial Banks	170.3	-5.3	-9.0	-2.8
Loans and Advances	4.8	-0.1	-0.6	0.8
Government Securities	165.5	-5.2	-8.4	-3.6
(of which) Treasury bills ⁽²⁾	165.5	-5.2	-8.0	-3.6
Treasury notes	0.0	0.0	0.0	0.0
Other	0.0	0.0	-0.4	0.0
Less Central Government Deposits	223.8	34.8	61.0	13.1
With Central Bank	180.7	38.5	57.2	13.1
With Commercial Banks	43.1	-3.7	3.8	0.0
Net Credit to Central Government	84.5	-35.3	-86.1	-13.3
Credit to Other Public Sector	12.8	-0.2	1.6	4.5
From Central Bank	0.0	0.0	0.0	0.0
From Commercial Banks	12.8	-0.2	1.6	4.5
(of which) Local Government	0.8	0.0	-0.4	-0.2
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	11.1	-0.2	1.9	4.7
Other Statutory Bodies	0.9	0.0	0.1	0.0
Securities	0.0	0.0	0.0	0.0
Plus Credit to the Private Sector	1,794.9	6.7	3.7	10.1
Loans and Advances	1,793.4	6.7	3.2	10.1
Securities	1.5	0.0	0.5	0.0
Net Domestic Credit of the Banking System⁽³⁾	1,892.2	-28.8	-80.8	1.3

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

⁽²⁾ Treasury bill holdings reported by commercial 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 Commercial Banks' Loans and Advances

\$mn

	Position as at May-13	Changes During		
		Apr-13 to May-13	Dec-12 to May-13	Dec-11 to May-12
PRIMARY SECTOR	184.2	3.1	2.1	-5.7
Agriculture	128.6	2.2	3.9	-6.7
Sugar	12.6	0.0	-0.9	-2.5
Citrus	16.4	-0.6	-0.2	-2.0
Bananas	68.3	-0.3	-1.2	-3.1
Other	31.3	3.1	6.2	0.9
Marine Products	34.1	0.7	-1.3	0.9
Forestry	1.8	0.2	0.6	-0.1
Mining and Exploration	19.7	0.0	-1.1	0.2
SECONDARY SECTOR	554.7	2.8	9.2	19.5
Manufacturing	26.5	0.6	-6.0	-5.2
Building and Construction	492.7	2.4	14.7	20.6
Utilities	35.5	-0.2	0.5	4.1
TERTIARY SECTOR	649.3	-0.9	0.1	3.5
Transport	43.5	0.7	-6.4	-1.8
Tourism	92.3	-1.6	-3.9	-1.2
Distribution	192.6	-0.8	-9.7	0.2
Other ¹	320.9	0.8	20.1	6.3
Personal Loans	418.7	1.4	-7.1	-1.8
TOTAL	1806.9	6.4	4.3	15.5

¹ Includes government services, real estate, financial institutions, professional services and entertainment.

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

\$mn

	Position as at May-13	Changes During		
		Mar-13 to May-13	Dec-12 to May-13	Dec-11 to May-12
Holdings of Approved Liquid Assets	881.0	-15.2	65.1	96.5
Notes and Coins	71.2	-1.7	2.3	0.4
Balances with Central Bank	368.8	3.4	30.2	18.6
Money at Call and Foreign Balances (due 90 days)	254.6	-15.0	34.5	88.0
Treasury bills maturing in not more than 90 days ⁽¹⁾	168.5	-2.0	-4.8	-8.1
Other Approved assets	17.9	0.1	2.9	-2.4
of which: Treasury notes	0.0	0.0	0.0	-2.5
Required Liquid Assets	529.0	4.8	23.3	23.5
Excess/(Deficiency) Liquid Assets	352.0	-20.0	41.8	73.0
Daily Average Holdings of Cash Reserves	369.3	3.2	29.9	16.9
Required Cash Reserves	195.5	1.8	8.6	8.7
Excess/(Deficiency) Cash Reserves	173.8	1.4	21.3	8.2
Actual Securities Balances ⁽²⁾	166.0	-5.0	-7.9	-3.5
Excess/(Deficiency) Securities	166.0	-5.0	-7.9	-3.5

⁽¹⁾ Four week average of commercial banks' Treasury bill holdings.

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

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

Percent

	Position as at May-13	Changes During		
		Apr-13 to May-13	Dec-12 to May-13	Dec-11 to May-12
Weighted Lending Rates				
Personal Loans	12.68	-0.02	-0.27	-0.59
Commercial Loans	11.93	-0.01	-0.22	-0.26
Residential Construction	10.16	-0.07	-0.34	-0.57
Other	9.84	-0.12	-0.49	-0.95
Weighted Average	11.71	-0.03	-0.28	-0.45
Weighted Deposit Rates				
Demand	0.40	-0.02	-0.03	0.04
Savings/Cheque	2.54	0.12	0.09	-0.01
Savings	2.65	-0.12	-0.23	-0.10
Time	3.60	-0.05	-0.35	-0.86
Weighted Average	2.32	-0.06	-0.23	-0.61
Weighted Average Spread	9.39	0.03	-0.05	0.17

Table A.7: Commercial Banks' Weighted Average Interest Rates
on New Loans and Deposits

	Percent			
	Position as at Dec-10	Position as at Dec-11	Position as at Dec-12	Position as at May-13
Weighted Lending Rates				
Personal Loans	15.57	11.84	10.12	10.64
Commercial Loans	14.20	12.25	10.81	10.83
Residential Construction	13.15	10.06	10.68	8.38
Other	13.77	10.83	9.00	8.36
Weighted Average	14.36	11.79	10.33	10.09
Weighted Deposit Rates				
Demand	0.00	0.00	0.00	0.00
Savings/Cheque	4.87	1.42	1.71	1.96
Savings	4.65	2.51	0.92	2.20
Time	8.06	3.99	3.48	3.33
Weighted Average	8.02	3.83	3.10	2.99
Weighted Average Spread	6.34	7.96	7.23	7.10

Table A.8: Tourist Arrivals

	Jan - May 2012	Jan - May 2013
Air	100,103	105,283
Land	14,932	18,958
Sea	<u>3,955</u>	<u>4,273</u>
Stay-over Visitors	118,990	128,514
Cruise Ship Disembarkations	303,774	324,616

Sources: BTB and CBB

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

Major Commodity	Weights	Dec 2012	Apr 2013	May 2013	Monthly ⁽¹⁾ Change	Average ⁽²⁾ Change
Food and Non-Alcoholic Beverages	195	105.0	105.0	107.4	2.4	-0.1
Alcoholic Beverages and Tobacco	17	97.9	97.9	99.5	1.6	-0.2
Clothing and Footwear	83	99.7	99.7	99.1	-0.6	0.2
Housing, Water, Electricity, Gas, and Other Fuels	265	101.2	101.2	102.6	1.4	0.9
Furnishing, Household Equipment, and Routine Household Maintenance	69	97.9	97.9	101.0	3.2	-0.3
Health	41	106.1	106.1	106.3	0.2	0.3
Transport	136	106.9	106.9	106.1	-0.7	1.1
Communication	33	93.9	93.9	98.9	5.3	-0.3
Recreation and Culture	69	102.2	102.2	106.2	3.9	1.1
Education	32	97.8	97.8	101.7	4.0	-0.1
Restaurants and Hotels	7	99.8	99.8	100.4	0.6	-0.8
Miscellaneous Goods and Services	52	100.7	100.7	99.2	-1.5	-1.6
All Items	1000	102.1	102.1	103.8	1.7	0.4

Source: SIB

⁽¹⁾ Percent change in CPI of May over April 2013.

⁽²⁾ Percent change in average CPI of January to May 2013 over CPI of December 2012.

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

	May 2012	May 2013	Dec - May 2011/2012	Dec - May 2012/2013
Deliveries of Sugarcane (long tons)	186,046	130,704	1,051,160	1,078,019
Sugar Processed (long tons)	21,135	17,216	112,373	118,339
Molasses processed (long tons)	6,048	6,015	29,563	34,508
Performance				
Factory Time Efficiency (%)	97.58	93.93	95.42	94.06
Cane Purity (%)	85.59	86.09	85.81	86.04
Cane/Sugar	8.84	8.15	9.30	9.11

Source: BSI

Table A.11: Exports of Sugar and Molasses

	May 2012		May 2013		Jan - May 2012		Jan - May 2013	
	Volume (long tons)	Value (\$'000)						
Sugar	15,246	16,148	16,174	15,905	64,485	67,641	67,144	69,691
E.U.	15,226	16,125	16,174	15,905	64,425	67,572	67,079	69,608
USA	0	0	0	0	0	0	0	0
Caricom	0	0	0	0	0	0	0	0
Other	20	23	0	0	60	69	65	83
Molasses	0	0	2,066	444	9,356	1,608	15,767	3,390

Source: BSI

Table A.12: Citrus Deliveries and Production

	May 2012	May 2013	Oct - May 2011/2012	Oct - May 2012/2013
Deliveries (boxes)				
Orange	885,223	591,195	5,353,233	3,970,328
Grapefruit	18,052	0	880,489	678,147
Total	903,275	591,195	6,233,722	4,648,475
Concentrate Produced (ps)				
Orange	5,120,344	4,158,092	33,533,375	24,808,613
Grapefruit	69,589	0	3,265,412	2,749,901
Total	5,189,933	4,158,092	36,798,787	27,558,514
Not from concentrate (ps)				
Orange	0	0	0	216,731
Grapefruit	0	0	323,157	55,871
Total	0	0	323,157	272,602
Pulp (pounds)				
Orange	54,272	201,824	2,628,376	1,723,984
Grapefruit	0	0	318,848	527,456
Total	54,272	201,824	2,947,224	2,251,440
Oil Produced (pounds)				
Orange	328,000	249,600	1,882,310	1,469,600
Grapefruit	2,400	0	115,216	92,955
Total	330,400	249,600	1,997,526	1,562,555

Source: CPBL

Table A.13: Export Sales of Citrus Products

	May 2012		May 2013		Jan - May 2012		Jan - May 2013	
	Pound Solid ('000)	Value (\$ '000)						
Citrus Concentrates								
U.S.A.								
Orange	0.0	0	1,818	4,213	6,755	23,577	7,426.8	17,450
Grapefruit	0.0	0	0.0	0	0.0	0	0.0	0
Caribbean								
Orange	819.8	2,680	640.1	2,026	4,624.8	14,799	3,210.3	10,094
Grapefruit	79.6	281	36.1	121	360.7	1,262	323.5	1,124
Europe								
Orange	490.2	1,884	1,700.1	5,092	1,822.3	6,969	3,145.4	9,461
Grapefruit	411.3	1,549	93.9	379	985.8	3,675	1,341.6	5,420
Other								
Orange	374.4	1,235	270.4	720	3,168.0	10,554	451.7	1,207
Grapefruit	0.0	0	0.0	0	1,200.7	4,102	16.6	57
Sub-Total⁽¹⁾	2,175.4	7,630	4,558.4	12,552	18,917.7	64,939	15,915.8	44,812
Orange	1,684.5	5,800	4,428.4	12,051	16,370.5	55,900	14,234.2	38,211
Grapefruit	490.9	1,830	130.0	501	2,547.2	9,039	1,681.7	6,601
Not-From-Concentrate								
Sub-Total	5.8	34	12.6	62	5.8	34	39.6	219.4
Orange	3.8	20	11.1	53	3.8	20	32.8	175
Grapefruit	2.0	13	1.5	9	2.0	13	6.9	44
Total Citrus Juices	2,181.2	7,663	4,571.0	12,614	18,923.5	64,972	15,955.4	45,031
Pulp (pounds '000)								
Total⁽¹⁾	329.0	259	286.6	222	581.3	467	742.1	590
Orange	237.9	187	251.4	194	362.9	294	583.5	464
Grapefruit	91.2	72	35.2	28	218.4	173	158.6	126

Source: CPBL

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

Table A.14: Banana Exports

	May 2012	May 2013	Jan - May 2012	Jan - May 2013
Volume (metric tons)	10,522	9,580	42,530	42,580
Value (\$'000)	10,253	10,562	41,485	48,162

Source: BGA

Table A.15: Marine Exports

	Jan - May 2012		Jan - May 2013	
	Volume ('000 pounds)	Value (\$'000)	Volume ('000 pounds)	Value (\$'000)
Lobster	171	4,303	93	2,549
Shrimp⁽¹⁾	2,614	7,654	5,043	16,961
Conch	501	5,268	383	4,525
Other Fish	85	173	200	399
Total	3,372	17,398	5,718	24,433

Sources: SIB and Individual Shrimp Farms

⁽¹⁾ Data up to March from shrimp farms plus SIB data for April and May.

Table A.16: Other Domestic Exports

	Jan - May 2012	Jan - May 2013
Other Miscellaneous Exports (\$'000)	45,597	53,255
of which:		
Papaya		
Volume ('000 pounds)	15,644	27,967
Value (\$'000)	5,558	10,149

Source: SIB

Table A.17: Government Revenue and Expenditure

	Approved Budget 2012/2013 ^P	Jan-12 to Mar-12	Jan-13 to Mar-13 ^P	Apr-11 to Mar-12	Apr-12 to Mar-13 ^P	\$'000 Actual YTD as % of Budget
TOTAL REVENUE & GRANTS (1+2+3)	849,539	243,750	206,463	846,257	846,193	99.6%
1). Current Revenue	806,265	215,241	204,001	795,882	820,232	101.7%
Tax Revenue	683,285	174,253	186,623	671,122	712,673	104.3%
Income and Profits	226,157	62,447	64,060	238,218	241,734	106.9%
Taxes on Property	6,873	1,742	1,756	6,673	4,897	71.2%
Taxes on Goods and Services	263,861	60,854	77,286	230,251	277,274	105.1%
International Trade and Transactions	186,395	49,210	43,521	195,980	188,768	101.3%
Non-Tax Revenue	122,980	40,989	17,378	124,760	107,559	87.5%
Property Income	20,609	7,606	1,196	24,119	5,714	27.7%
Licences	12,929	4,443	2,325	12,578	14,560	112.6%
Other	89,442	28,940	13,857	88,063	87,285	97.6%
2). Capital Revenue	8,075	3,343	1,508	7,839	4,619	57.2%
3). Grants	35,199	25,165	955	42,536	21,342	60.6%
TOTAL EXPENDITURE (1+2)	937,857	269,694	219,086	889,294	852,444	90.9%
1). Current Expenditure	777,734	208,162	171,752	729,103	704,741	90.6%
Wages and Salaries	294,743	76,072	73,394	296,421	296,976	100.8%
Pensions	50,826	13,572	13,149	51,634	53,685	105.6%
Goods and Services	170,369	49,512	47,413	174,117	176,072	103.3%
Interest Payments on Public Debt	135,176	42,788	8,508	102,342	59,253	43.8%
Subsidies and Current Transfers	126,619	26,217	29,287	104,589	118,755	93.8%
2). Capital Expenditure	160,124	61,532	47,334	160,191	147,702	92.2%
Capital II (Local Sources)	79,330	20,626	21,871	74,462	66,523	83.9%
Capital III (Foreign Sources)	77,541	40,049	24,689	80,884	77,915	100.5%
Capital Transfer and Net Lending	3,253	857	774	4,846	3,264	100.4%
CURRENT BALANCE	28,532	7,079	32,249	66,779	115,491	404.8%
Primary Balance	46,859	16,844	(4,115)	59,305	53,003	113.1%
OVERALL BALANCE	(88,318)	(25,944)	(12,623)	(43,037)	(6,251)	7.1%
<i>Primary less Grants</i>	<i>11,659</i>	<i>(8,321)</i>	<i>(5,070)</i>	<i>16,769</i>	<i>31,661</i>	<i>271.5%</i>
<i>Overall Balance less Grants</i>	<i>(123,517)</i>	<i>(51,109)</i>	<i>(13,578)</i>	<i>(85,573)</i>	<i>(27,593)</i>	<i>22.3%</i>
FINANCING	88,318	25,944	12,623	43,037	6,251	
Domestic Financing		26,483	(25,133)	17,819	(35,065)	
Central Bank		25,264	(18,104)	(8,948)	(40,560)	
Net Borrowing		(3,119)	(227)	15,568	(5,650)	
Change in Deposits		28,384	(17,877)	(24,516)	(34,910)	
Commercial Banks		(2,394)	(7,883)	(2,879)	4,234	
Net Borrowing		(641)	(4,325)	(6,787)	10,463	
Change in Deposits		(1,753)	(3,558)	3,908	(6,229)	
Other Domestic Financing		3,613	854	29,645	1,261	
Financing Abroad		(5,214)	30,309	22,278	51,005	
Disbursements		6,664	126,805	70,840	192,224	
Amortization		(11,878)	(125,562)	(48,562)	(170,285)	
Net Reduction		0	29,065	0	29,065	
Other		4,675	7,447	2,940	(9,689)	

Sources: CBB and MOF

^P - Provisional

Table A.18: Central Government's Domestic Debt 2013⁽¹⁾

\$'000

	Disbursed Outstanding Debt 31/12/12 ^R	TRANSACTIONS THROUGH MAY 2013				Disbursed Outstanding Debt 31/05/13 ^P
		Disbursement/ New Issue of Securities	Amortization/ Reduction in Securities	Interest	Net Change in Overdraft/ Securities	
Overdraft/Loans	56,350	0	0	2,058	(20,722)	35,628
Central Bank	56,350			2,058	(20,722)	35,628
Commercial Banks	0			0	0	0
Treasury Bills	175,000	0	0	1,068	(0)	175,000
Central Bank	0	0	0	0	4,983	4,983
Commercial Banks	173,480	0	0	1,050	(8,003)	165,477
Other	1,520	0	0	18	3,020	4,540
Treasury Notes	136,500	0	0	1,043	0	136,500
Central Bank	87,797	0	0	983	(340)	87,457
Commercial Banks	0	0	0	0	0	0
Other	48,703	0	0	60	340	49,043
Defence Bonds	10,000	0	0	0	0	10,000
Central Bank	10,000		0	0	0	10,000
Commercial Banks	0		0	0	0	0
Other	0		0	0	0	0
Atlantic Bank Limited	1,163	0	114	42	0	1,050
Heritage Bank Limited	4,230	0	460	175	0	3,770
Belize Social Security Board⁽²⁾	2,572	0	495	99	0	2,078
Fort Street Tourism Village	285	0	159	0	0	126
Debt for Nature Swap	2,810	0	120	0	0	2,690
Guardian Life Belize	1,000	0	1,000	45	0	0
Total	389,910	0	2,347	4,530	(20,722)	366,842

⁽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 loans with BSSB consisting of (i) Hopeville Housing Project and (ii) loan purchased from Development Finance Corporation as of 30 January 2007.

^R - Revised

^P - Provisional

Table A.19: Public Sector External Debt 2013

\$'000

	Disbursed Outstanding Debt 31/12/12 ^R	TRANSACTIONS THROUGH MAY 2013			Parity Change	Disbursed Outstanding Debt 31/05/13 ^P
		Disbursements	Principal Payments	Interest & Other Payments		
CENTRAL GOVERNMENT	1,926,087	173,927	136,207	9,481	-427	1,963,379
Banco Nacional de Comercio Exterior	2,647	0	529	81	-0	2,117
Government of the United States	384	0	189	10	0	194
Government of Venezuela	36,050	65,266	894	206	0	100,423
Kuwait Fund for Arab Economic Development	18,744	0	0	584	-305	18,439
Republic of China	280,331	2,500	9,846	3,129	0	272,986
Caribbean Development Bank	199,240	6,284	7,034	3,204	0	198,490
Caricom Development Fund	2,140	0	0	30	0	2,140
European Economic Community	13,154	0	231	30	-197	12,726
Inter-American Development Bank	234,198	3,740	5,089	1,513	0	232,849
International Fund for Agriculture Development	1,642	487	274	8	75	1,929
International Bank for Reconstruction and Development	21,459	3,265	1,721	172	0	23,002
Opec Fund for International Development	21,566	12,230	1,000	456	0	32,796
Central American Bank for Economic Integration	958	2,698	42	58	0	3,615
Bear Stearns & company (Untendered portion) ⁽⁴⁾	5,492	0	5,492	0	0	0
Bank of New York ⁽⁴⁾	1,088,080	77,458	103,865	0	0	1,061,673
NON-FINANCIAL PUBLIC SECTOR	37,361	14	4,745	532	-67	32,563
Kuwait Fund for Arab Economic Development	2,843	0	347	55	-49	2,447
The Bank of Nova Scotia ⁽¹⁾	6,380	0	1,595	41	0	4,785
European Investment Bank ⁽¹⁾	1,475	0	724	29	-18	734
Caribbean Development Bank ⁽¹⁾⁽²⁾	26,662	14	2,080	406	0	24,597
FINANCIAL PUBLIC SECTOR	73,890	0	4,129	187	-1,554	68,207
Caribbean Development Bank	9,310	0	548	116	0	8,762
European Economic Community	347	0	19	2	-5	323
Paine Webber Real Estate Securities Inc.	200	0	0	0	0	200
International Monetary Fund ⁽³⁾	64,033	0	3,563	70	-1,549	58,922
GRAND TOTAL	2,037,337	173,942	145,082	10,200	-2,048	2,064,150

⁽¹⁾ Effective 21 June 2011, the nationalization of Belize Electricity Limited caused the increase (\$23.1mn) in debt, which was matched by Government's acquisition of assets of equal value.

⁽²⁾ Effective 3 October 2005, loans to Belize Water Services Limited were reclassified as public sector debt as a result of Government of Belize's repurchase of the company.

⁽³⁾ International Monetary Fund Special Drawing Rights allocation is included as part of the financial public sector external debt obligation.

⁽⁴⁾ With the restructuring of the 2029 Bond on 20 March 2013, disbursement of \$77.5mn represents the capitalized interest up to 19 March 2013 and amortization of \$109.4mn is the 10% haircut.

^R - Revised

^P - Provisional