



CENTRAL BANK  
*of* BELIZE

**JUNE 2022**  
**QUARTERLY  
REVIEW**

**CENTRAL BANK OF BELIZE**

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## List of Acronyms and Abbreviations

### **Acronyms:**

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

### **Abbreviations and Conventions:**

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

### **Notes:**

1. Since May of 1976, the Belize dollar has been fixed to the US dollar at the rate of US\$1.00 = BZ\$2.00.
2. The 2022 figures in this report are provisional and the figures for 2021 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 2021 are based on the Central Bank's forecast.

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## SUMMARY OF ECONOMIC INDICATORS

### Money Supply

<b>Broad Money Supply</b> June 2022 <b>+3.0%</b> YTD change on December 2021	<b>Net Foreign Assets</b> June 2022 <b>+8.9%</b> YTD change on December 2021	<b>Net Domestic Credit</b> June 2022 <b>+0.6%</b> YTD change on December 2021
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### Liquidity and Interest Rates

<b>Excess Cash</b> June 2022 <b>\$514.8mn</b> +23.9% change on December 2021	<b>New Deposit Rates</b> June 2022 <b>1.89%</b> -2 bps change on June 2021	<b>New Lending Rates</b> June 2022 <b>8.76%</b> +17 bps change on June 2021
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### Real and External Sectors

<b>GDP</b> January - June 2022 <b>+10.7%</b> Y-o-Y change on same period of the previous year	<b>CPI</b> January - June 2022 <b>+5.6%</b> YTD change on the same period of the previous year	<b>Tourist Arrivals</b> January - June 2022 <b>+114.3%</b> YTD change on the same period of the previous year.
<b>Current Account Deficit</b> January - June 2022 <b>\$127.4mn</b> \$37.8mn increase compared to the same period of the previous year	<b>Financial Account Balance</b> January - June 2022 <b>\$92.0mn</b> \$108.7mn increase compared to the same period of the previous year	<b>Reserve Import Coverage</b> June 2022 <b>4.3</b> months equivalent of merchandise imports

### Central Government Operations and Public Debt

<b>Primary Surplus</b> April 2022- June 2022 <b>\$71.6mn</b> 0.7% of GDP for the first quarter of the fiscal year	<b>Domestic Debt</b> January - June 2022 <b>-\$0.5mn</b> \$1,315.3mn at June-end, 22.5% of GDP	<b>External Debt</b> January - June 2022 <b>+\$20.4mn</b> \$2,697.4mn at June-end, 46.2% of GDP
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# Overview

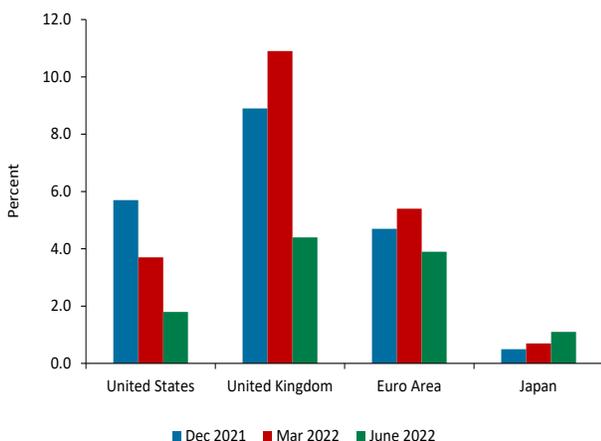
## International Overview

Global growth slowed during the second quarter of 2022 constrained by persistent and broad inflationary pressures, tighter monetary and financial conditions, and lingering supply bottleneck problems. In addition, Russia’s war in Ukraine exacerbated global inflationary pressures, while raising concerns about food security, triggering a humanitarian crisis, and weighing on global economic activity. Accordingly, the International Monetary Fund’s most recent outlook projected that global output would slow from 6.0% in 2021 to 3.2% in 2022.

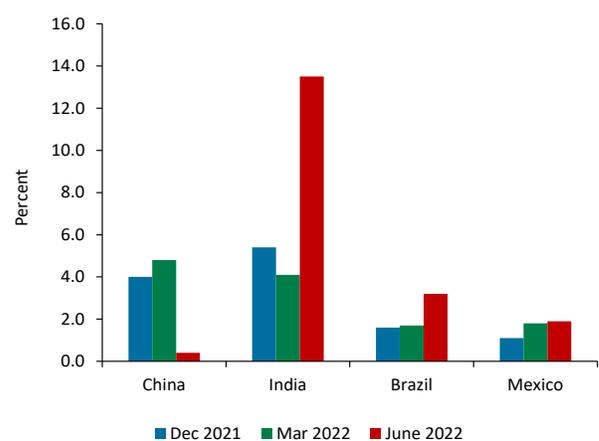
Growth weakened among key advanced countries. In the second quarter, the United States (US) real gross domestic product (GDP) grew by 1.8%, following a 3.7% first-quarter increase in the same period of 2021. Notwithstanding, labour markets remained tight as the unemployment rate held steady at 3.6%. However, the US consumer price index continued to rise,

reaching 9.1% for the 12 months ending June, the largest 12-month increase since November 1981. Although the price level increase was broad-based, energy and food prices rose to heights not seen since April 1980 and February 1981, respectively. With inflation remaining well above the 2.0% long-run rate, the Federal Reserve raised its federal funds rate target range by a record high 0.75 percentage point to 1.50%-1.75% in June as the dollar strengthened. The United Kingdom’s (UK’s) GDP expanded by 2.9% in quarter two of 2022 relative to the corresponding quarter of the previous year. The economy was still 0.2% below its pre-pandemic level relative to the fourth quarter of 2019, making the UK the only G7 country that has not yet fully recovered from this shock. Nevertheless, output continued to be driven by the recovery in “high-contact” service industries that were adversely affected by Coronavirus Disease 2019 (COVID-19) restrictions, as production output contracted. With inflation expected to average over 10.0% at its peak this year,

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



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



the Bank of England raised its Bank Rate from 0.1% in December 2021 to 1.0% in June 2022. In comparison, euro area GDP increased by 4.1% in the second quarter and was 2.3% above the level recorded in the fourth quarter of 2019. All 19 euro area countries reported positive year-on-year growth, despite the adverse effects of Russia's military aggression against Ukraine. Benefiting from the relaxing of COVID-19 measures and improved private consumption, Japan's growth rate climbed to 1.1% year-on-year in the second quarter of 2022. However, strong headwinds from supply chain constraints, rising inflation, and decelerating global output slowed growth. Unlike other central banks among major advanced countries, the Bank of Japan maintained a relaxed monetary policy to promote private consumption amid rising inflation of 2.4% through June.

The performance among major emerging market economies was mixed. India was the bright spot as the country's GDP accelerated by 13.5% during the three months that ended June 2022, underpinned by higher consumer spending and upticks in exports. However, China's economy grew by 0.4% year-on-year in the second quarter of 2022, reflecting the lowest growth rate since the COVID-19 outbreak. The economy was slowed by lockdowns in multiple cities in line with the Government's "zero-COVID" policy, which led to reduced consumer spending, disrupted production processes, and hindered supply chains. Meanwhile, Mexico's GDP grew by 1.9%, owing to heightened manufacturing activities. Lastly, Brazil's GDP expanded by 3.2%, propped up by solid construction and service activities.

In contrast, growth among select Caribbean economies strengthened. On the one hand, tourism-dependent economies were buoyed by the solid rebound in international travellers, following the expiration of international travel restrictions and the reopening of high-contact activities. For example, in Barbados, tourist arrivals reportedly grew more than ten-fold. In addition, Jamaica's output increased by 4.8% during the second quarter of 2022 compared to the second quarter of 2021. Led by a significant upturn in the hotel and restaurant sector, all eight service industries recorded improvements, as output in the goods-producing industries fell. On the other hand, high energy prices coupled with increased petroleum production supported economic expansion in commodity-dependent economies like Guyana, whose GDP soared 36.4% in the first half of 2022.

### **Domestic Overview**

#### Real Sector Developments

Belize's GDP increased by 13.5% in the second quarter, lifting the growth pace for the first half of 2022 to 10.7% compared to the same period a year ago. The robust expansion was driven by a sustained rebound in services output, owing to the expiration of COVID-19 lockdown measures and the reopening of the economy. Growth was concentrated in high-contact service industries, namely "*Accommodation and Food Services*," "*Wholesale and Retail Trade*," and "*Transport*." However, reduced primary and secondary production tempered the overall growth momentum. Primary output fell by 4.1%, weighed down by contractions in agriculture and livestock production. Meanwhile, value-added

losses tied to a reduction in construction activities outweighed positive contributions from increased electricity, manufacturing, and water production, causing secondary output to shrink by 0.7%.

### Money and Credit

Broad money supply (M2) rose by 3.0% for the first six months of 2022, decelerating from an 8.2% increase in the comparative period of 2021. Nevertheless, this period's expansion reflected increases in net foreign assets and net domestic credit of the banking system. Accordingly, the system's net foreign assets grew by \$129.3mn (8.9%) to \$1,573.5mn, as the Central Bank and domestic banks' holdings increased by \$66.6mn and \$62.7mn, respectively. Net domestic credit rose by \$19.5mn (0.6%) to \$3,066.9mn, with the stock of public and private sector borrowings increasing by \$26.2mn and \$22.1mn, respectively, partially offsetting a \$28.8mn decline in net credit to Central Government.

Bank liquidity strengthened as the modest foreign asset buildup was augmented by a steep falloff in aggregate Treasury bill (T-bill) holdings. Over the review period, domestic banks' excess liquid assets and cash reserves rose by \$70.7mn and \$99.2mn to 98.6% and 213.3% above the secondary and primary reserve requirements, respectively. Domestic banks redeemed more than half of their T-bill holdings as yields trended downwards during competitive auctions. Financial conditions tightened somewhat as lending rates rose while deposit rates fell. Over the last 12 months ending June, the 12-month (rolling) weighted average lending

rate rose by 17 basis points to 8.76%, driven by increased interest on mortgages and personal loans. Then, deposit rates slid two basis points on average to 1.89%, resulting in an 18-basis-point increase in the spread.

### International Trade and Payments

Belize's current account deficit widened by \$37.8mn (42.2%) to \$127.4mn (2.2% of GDP) for the first half of 2022. This expansion was primarily due to a growing merchandise trade deficit and a resurgence in profit outflows that outweighed an upturn in tourism earnings. Net financial account transactions amounted to \$92.0mn, reflecting increases in both inward foreign direct investments and, to a lesser extent, net public sector borrowings. The increase in net liabilities was partly offset by the buildup in domestic banks' foreign assets. At June end, the gross international reserves rose by \$64.7mn to \$912.8mn or 4.3 months of merchandise imports.

### Government Operations and Public Debt

From April 2022 to June 2022, Central Government's operations resulted in a primary surplus of \$71.6mn (1.2% of GDP), up from a surplus of \$32.3mn (0.7% of GDP) generated in the first quarter of the previous fiscal year (FY). Concurrently, the overall surplus widened to \$41.7mn (0.7% of GDP) from \$14.9mn (0.3% of GDP). The improved performance was primarily attributable to a 22.8% increase in revenues and grants, as the ongoing economic recovery boosted tax collections, despite fuel tax subsidies to tame inflation. Meanwhile, expenditure grew by a lesser 13.9%, following increases in both current and capital spending.

For the first half of 2022, the total public sector debt increased by 0.5% or \$19.9mn to \$4,012.7mn (68.7% of GDP). This result occurred as a \$20.4mn increase in the public sector external debt rose to \$2,697.4mn (22.5% of GDP), which was partly offset by a \$0.5mn dip in Central Government's domestic debt to \$1,315.3mn (46.2% of GDP).

## Domestic Production and Prices

### Real Gross Domestic Product

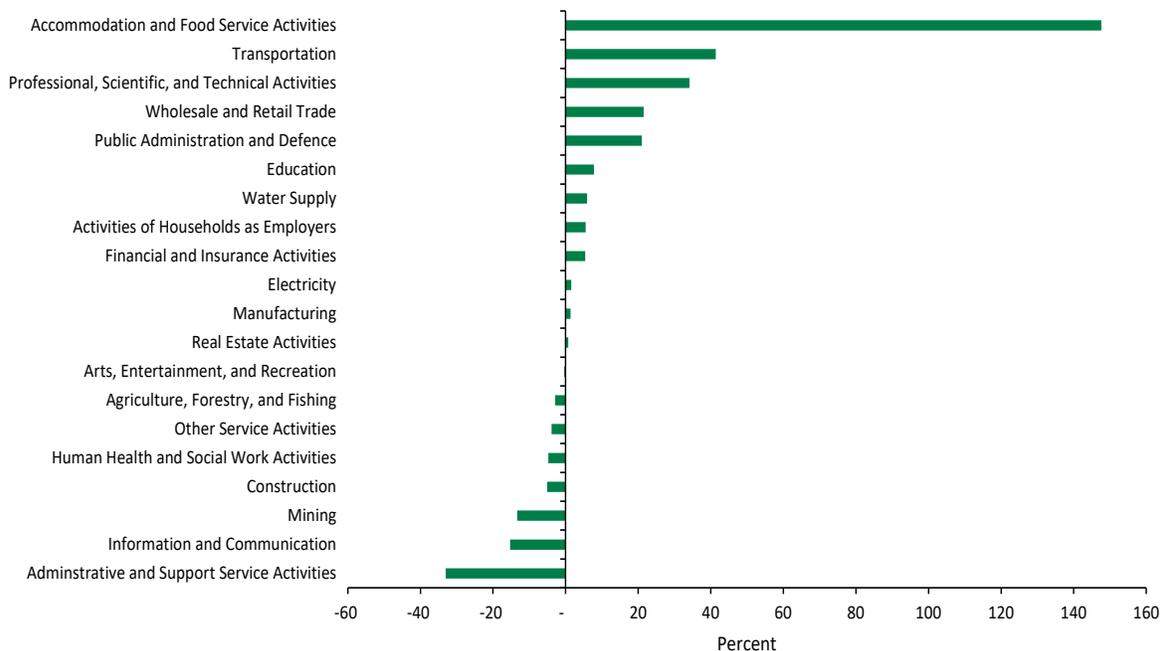
Belize’s economic rebound continued to strengthen. Underpinned by a 13.5% second-quarter expansion, the economy grew by 10.7% year-on-year for the first half of 2022. At \$2,604.6mn, this outturn was 8.1% higher than that of the same period of 2019, even though tourism—the industry that was most severely affected by the pandemic—has not yet fully rebounded. Growth was concentrated mainly among those service-oriented industries that were weakened by the pandemic, as output in the primary and secondary sectors contracted.

Primary output contracted by 4.1%, dragged down by declines of 5.6% and 20.5% in the “Agriculture, Forestry, and Fishing” and

“Mining” industries, respectively. Whereas the former was adversely affected by reduced sugarcane, banana, and cattle production, the latter remained significantly below pre-COVID-19 levels because of significant falloffs in crude oil extraction and quarrying activities.

Meanwhile, activities in the secondary sector dipped slightly, down 0.7% after a strong comeback the year before. The sector’s output weakened due to a drop in construction activities amid heightened manufacturing, electricity, and water production. On the one hand, “Construction” activities slid 7.2%, down modestly from the first semester high of 2021. On the other hand, “Manufacturing” output rose 1.4%,

**Chart 2.1:** Real GDP Growth Rates by Industries for Jan to June 2022 Compared to the First Half of 2021



as value-added losses tied to reductions in sugar and molasses production outweighed positive contributions from increased soft drink, rum, citrus juice, and flour production. Furthermore, “*Electricity*” expanded by 33.2%, driven by an upsurge in renewable power production from water and biomass sources, while “*Water*” supply grew by 5.9%.

Favourable outcomes in the tertiary sector were chiefly responsible for the strong overall growth momentum. Service industries expanded by 14.4%, boosted mainly by the ongoing tourism recovery. Hence, the “*Accommodation and Food Service Activities*” led the rebound, soaring by 147.6% as inbound international tourist arrivals more than doubled. Additionally, “*Transport*” activities grew by 41.4%, mainly reflecting the positive impact linked to the resumption of cruise tourism. The reopening of the economy resulted in heightened demand for goods, which yielded an 11.3% rise in “*Wholesale and Retail Trade*”. More modest expansions were recorded in various other services industries, including financial, real estate, professional, public administration, and educational services. However, the sector’s growth momentum was partially offset by marked declines in information and communication; administrative support services; and, to a lesser degree, health and social work; arts, entertainment, and recreation; and other services.

### **Sugarcane and Sugar**

Sugarcane deliveries for the 2021/2022 crop year to date (December 2021-June 2022) contracted by 7.8% to 1,553,920 long

tons. Cane quality improvements, however, factored in softening the slide in sugar production to only half of a percentage point at 158,218 long tons.

Sugar cane deliveries to the northern mill fell 5.4% to 987,895 long tons. Heavy rains, reduced factory time efficiency, and increased input costs contributed to the weakened outcome. Nonetheless, sugar production increased by 1.6% to 109,489 long tons, bolstered by a slight increase in cane sugar content. Accordingly, the long-tons cane to long-ton sugar ratio (TC/TS) improved by 6.9% over the year to 9.02.

Following a similar trend, sugarcane deliveries to the western mill declined by 11.6% to 566,026 long tons, while sugar production dropped by only 4.9% to 48,730 long tons. Consequently, the miller’s TC/TS ratio improved by 1.6% over the year to 12.3.

Aggregate molasses production tumbled 10.3% to 53,292 long tons. This downturn reflected declines in the north and west by 2.9% to 34,211 long tons and 21.0% to 19,081 long tons, respectively.

### **Citrus**

Citrus deliveries rose by 1.4% to 1,383,342 boxes of fruit from October 2021 to June 2022 compared to the previous crop period. This marginal upturn—the first year-to-date increase since 2014—was due to a 35.9% upsurge in grapefruit deliveries to 142,481 boxes. Grapefruit deliveries soared as ripened fruits from greening-resistant trees continued to be harvested. In contrast,

orange deliveries fell by 1.5% to 1,240,861 boxes, suppressed by the persistent adverse effects of citrus greening and citrus leprosis, which caused fruit drop and deterioration in fruit quality.

In parallel, citrus juice production increased by 1.4% to 7.7mn pound solids (ps). A 49.4% increase in grapefruit juice production to 0.6mn ps, which eclipsed a 1.1% decline in orange juice production at 7.1mn ps, supported the turnaround. As for the main by-products, both citrus pulp and oil output narrowed slightly, down 1.0% to 1.1mn pounds and 1.1% to 0.4mn pounds, respectively. Notably, the average juice yield for the crop was the same as last year's at 5.5ps.

### Banana

Banana production decreased by 4.3% for the first half of the year to 2.4mn boxes compared to the first six months of 2021. Rising input costs for fuel and fertiliser, combined with farmworker shortages earlier in the year, suppressed production.

### Tourism

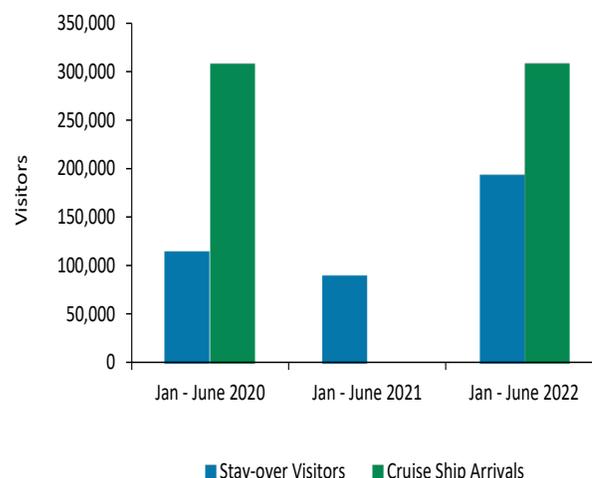
According to the World Tourism Organisation, international tourism arrivals increased to almost half (46.0%) of 2019's level during the first five months of 2022. Strong intra-regional demand, stimulated by the removal of travel restrictions in many countries, bolstered the rebound. However, persistent inflationary pressures alongside spillovers from the Russia-Ukraine war dampened the uneven pace of recovery. For instance, Europe and the Americas recorded robust growth paces of 64.0% and 60.0%, respectively, while

the Caribbean climbed the fastest—reaching 82.0% of 2019 tourist levels.

At home, stay-over arrivals more than doubled to 193,048 visitors over the year to date but remained 26.5% behind 2019's level. An analysis of source markets showed that 80.7% of overnight visitors originated from the US, a 4.5 percentage point decrease compared to the same period in 2021. Meanwhile, Europeans and Canadians accounted for 6.8% and 4.0% of the total, respectively.

For the first half of 2022, 161 port calls led to 308,255 cruise ship disembarkations, reflecting a solid recovery from the suspension of cruise ship sails to Belize between April 2020 and July 2021. Almost three-fourths of these day-trippers (226,563 visitors) disembarked at Fort Street Tourism Village, while the balance (81,692 visitors) stepped off at the Harvest Caye Port. As a result, cruise ship disembarkations to date were 49.1% of 2019's outturn.

**Chart 2.2:** Stay-Over Arrivals



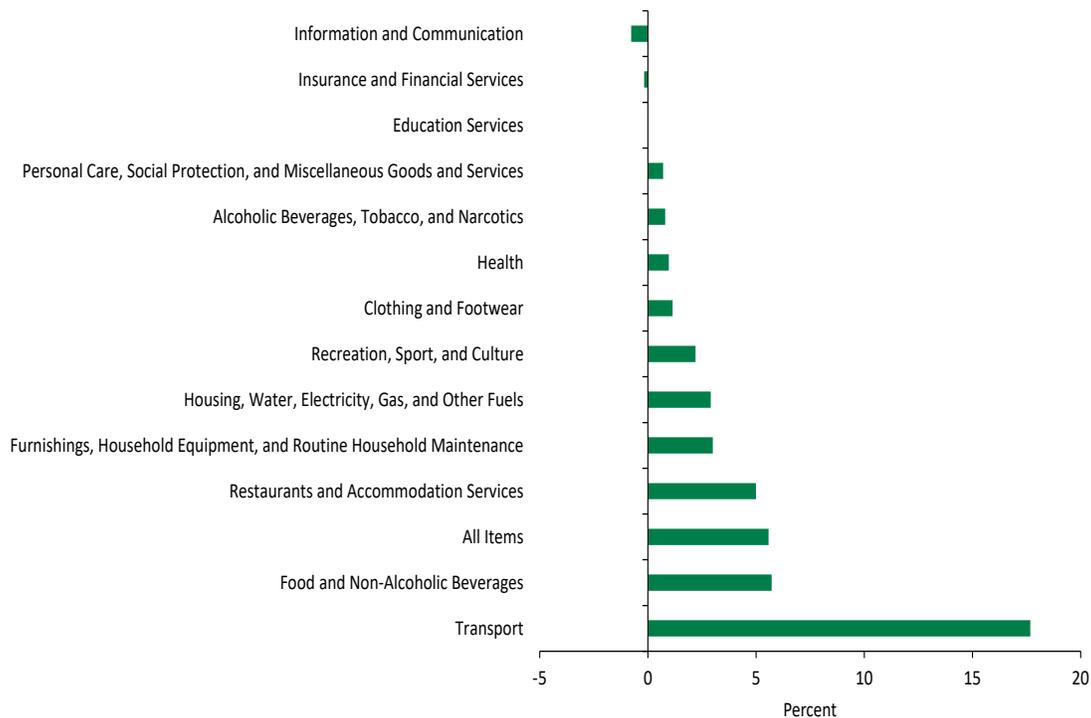
Sources: BTB, CBB, and Immigration and Nationality Department.

### Consumer Price Index

The consumer price index averaged a 5.6% increase for the first six months of 2022. The rise in the all-items index was more than double the 2.0% growth for the same period of 2021 and several multiples above the recent 10-year annual average of 0.7% between 2012 and 2021. Global demand-supply imbalances tied to the COVID-19 pandemic, extreme stimulus measures in advanced countries, and the Russia-Ukraine war contributed to the inflationary bout. The synchronisation of rising food and fuel prices among Belize’s major trading partners passed through to the domestic

economy mainly through the trade channel. Hence, rising motor vehicle fuel prices lifted the “*Transport*” index by 17.7%. Likewise, price increases for meats, cereal products, and cooking oils led to a 5.7% upswing in the “*Food and Non-Alcoholic Beverages*” index. Then, a surge in liquid petroleum gas and household construction material costs lifted “*Housing, Water, Electricity, Gas, and Other Fuels*” by 2.9%. However, marginal declines of 0.8% and 0.2% in the “*Information and Communication*” and “*Insurance and Financial Services*” subindices tempered the upward price momentum.

**Chart 2.3:** Consumer Price Index



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## Money and Credit

### Money Supply

M2 rose by 3.0% for the first two quarters of 2022, slowing to less than half the 8.2% growth pace recorded in the same period of 2021. This rate is the slowest observed for the same six-month period since 2018. On the asset side of banks' balance sheets, this moderation was due to a deceleration in domestic banks' net foreign asset accumulation coupled with a slight contraction in Central Government's net borrowings. These outcomes overshadowed the strengthening of the Central Bank's net foreign asset position as well as credit increases to the private sector and public corporations. On the liability side, a significant expansion in narrow money (M1) was responsible for money growth as quasi-money contracted. M1 grew by \$162.9mn, reflecting a \$172.4mn increase in demand deposits and a \$15.2mn uptick in currency with the public, which were partly offset by a \$24.8mn reduction in savings/chequing deposits. The jump in demand deposits was linked to the following factors:

1. Sizeable reclassifications of deposits from savings and savings/chequing to this category;
2. An upswing in public sector entities' deposits, mainly utility companies and the Social Security Board; and
3. A build up in non-bank financial institutions' deposits.

Concurrently, quasi-money contracted by \$45.1mn, owing to a \$46.2mn decline in savings deposits, mainly because of reclassifications. However, time deposits, the

second component of quasi-money, edged up by \$1.1mn, somewhat softening the downward trend.

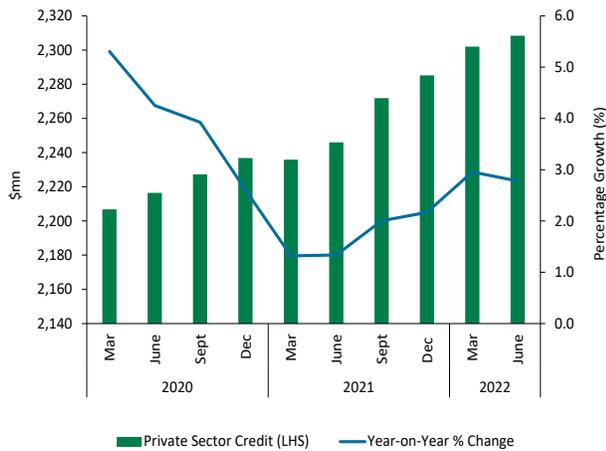
### Net Domestic Credit

Net domestic credit from the banking system increased by \$19.5mn (0.6%) to \$3,066.9mn over the six-month period. The sluggish outcome reflected heightened lending to the public and private sectors while net credit to Central Government contracted. Reversing the \$25.7mn expansion recorded in the first half of 2021, net credit to Central Government fell by \$28.8mn this semester to \$658.3mn. The result stemmed from a \$21.7mn increase in Central Government's deposits—comprising \$18.5mn with domestic banks and \$3.2mn with the Central Bank—coupled with a \$7.1mn decline in direct financing. The latter lessened as domestic banks reduced their Treasury securities holdings by \$106.7mn to \$219.1mn, which was largely offset by a \$99.6mn increase in the Central Bank's to \$710.8mn.

**Chart 3.1:** Net Credit to Central Government



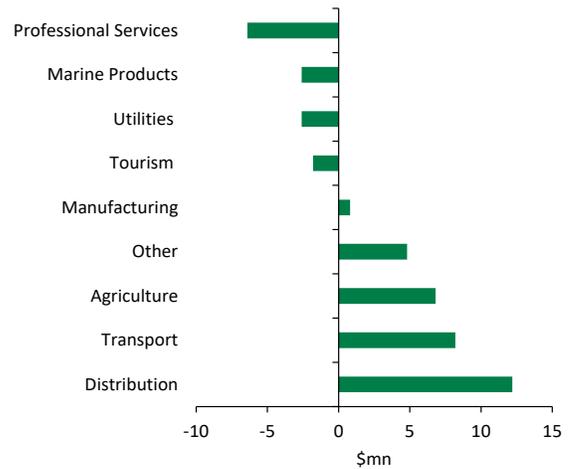
**Chart 3.2:** Domestic Banks' Private Sector Credit



Meanwhile, credit to the private sector rose by \$22.1mn (1.0%) to \$2,338.5mn over the year to date, reflecting a marginal improvement when compared to the \$17.8mn increase recorded in the same period of 2021. Notably, the \$16.2mn boost in lending during the first quarter of the year slowed markedly to \$5.9mn in the second quarter. Firms engaged in merchandise trade (\$12.2mn), transport (\$8.2mn), and agricultural (\$6.8mn) activities received the majority of new disbursements. However, net repayments from professionals (\$6.4mn), marine goods producers (\$2.6mn), and tourism enterprises (\$1.8mn) cooled the overall credit expansion. In addition, loan write-offs amounted to \$9.0mn, less than half the \$20.3mn reported during the first semester of 2021. Write-offs were applied predominantly against construction (\$3.5mn), personal (\$2.3mn), and distribution (\$1.3mn) non-performing loans.

In addition, credit to other public sector entities rose by \$26.2mn over the review period to \$70.1mn. This boost was attributable to

**Chart 3.3:** Change in Domestic Banks' Loans and Advances, Dec 2021 - June 2022



*Due to reclassifications, changes in loans for construction, real estate, and personal consumption were omitted from the chart.*

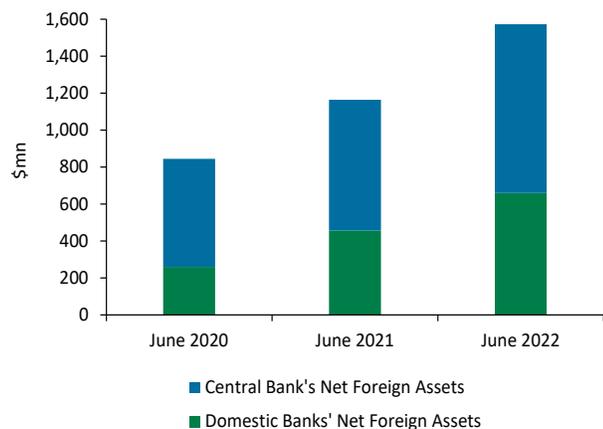
domestic banks' uptake of \$30.0mn worth of a utility company's debentures and, to a much lesser extent, disbursements of \$0.2mn to statutory bodies. Notwithstanding, this increase was softened by public utilities' (\$3.0mn) and local government's (\$1.0mn) net loan repayments.

As for domestic banks' health, the sector's non-performing loans (net of specific provisions) to total loans ratio (NPL ratio) increased by 0.8 percentage points to 3.3% since December 2021. However, at this level, the industry's NPL ratio was still well below the 5.0% prudential benchmark. Meanwhile, domestic banks' profitability, measured by the return on assets (ROA) ratio, averaged 0.3% for the first half of 2022, down slightly from 0.4% in the same period of 2021 when loan moratoriums were still being granted to customers.

**Net Foreign Assets**

The net foreign assets of the banking system rose by \$129.3mn (8.9%) between January

**Chart 3.4:** Net Foreign Assets of the Banking System

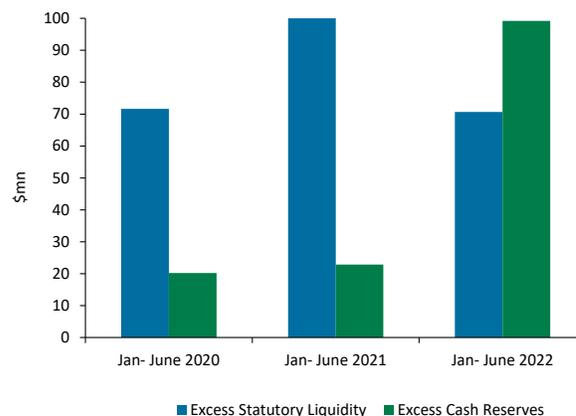


and June to \$1,573.5mn, with simultaneous increases in the Central Bank and domestic banks' holdings. Over the period, the Central Bank's net foreign assets grew by \$66.6mn to \$914.3mn, several folds higher than the \$8.7mn uptick during the same months of 2021. Boosted by a \$40.0mn one-off transfer from a domestic bank, gross foreign currency inflows rose by 11.3% to \$178.1mn. In contrast, gross foreign currency outflows dipped by 25.3% to \$109.4mn, owing to a reduction in portfolio investment outflows. In addition, domestic banks' holdings expanded by \$62.7mn to \$659.2mn, owing mainly to a solid rebound in tourism revenues.

**Domestic Bank Liquidity**

Bank liquidity continued to expand as the aggregate rise in domestic banks' foreign assets was augmented by a steep reduction in T-bill holdings. As a result, domestic banks' holdings of approved excess liquidity assets passed the \$700.0mn mark earlier this year, following a \$70.7mn jump over the review period to \$769.0mn at June end. At this level, excess liquid assets were 98.6% above the secondary reserve requirement. In addition,

**Chart 3.5:** Changes in Bank Liquidity



cash reserves—the largest component of liquid assets—soared as domestic banks lost their dominant position in the T-bill market after several unsuccessful bids at roll-over auctions. Hence, domestic banks' excess cash reserves increased by \$99.2mn to \$514.8mn, 213.3% above the required level.

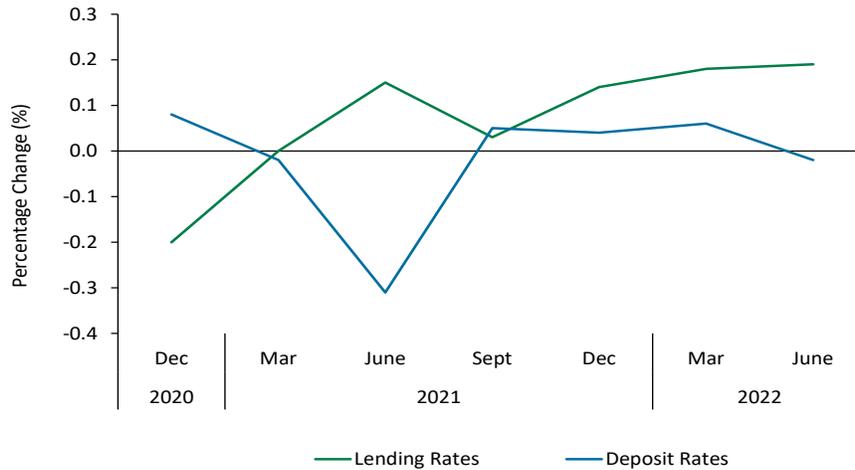
**Interest Rates**

Loan and deposit rates diverged over the past 12 months, as lending rates climbed while deposit rates fell.

At 8.76%, the weighted average lending rate on new loans rose by 17 basis points since June 2021, following a four-basis point increase this quarter. The annual rate increase was driven by 65 and 41 basis-point lifts on residential construction and consumer loans, respectively. These rate hikes eclipsed eight- and four-basis-point declines on "other" and commercial loans, respectively.

At 1.89%, the weighted average deposit rate on new deposits contracted by two basis points over the last 12 months ending June

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



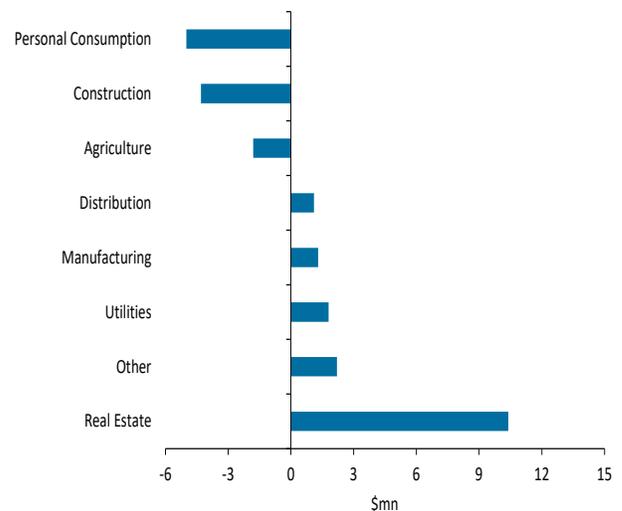
2022, after a 15-basis-point decline between March and June. While savings/chequing, time, and savings rates increased by 38, six, and three basis points, respectively, a significant shift in deposits to the interest-free demand-deposit category, outweighed the weighted impact of rising rates in the other three smaller deposit categories. Consequently, the weighted average interest rate spread between lending and deposit rates widened by 18 basis points to 6.86%.

**Credit Union Lending**

Aggregate lending by credit unions grew by \$5.7mn for the first half of 2022 to \$643.2mn, marking the first increase over this six-month span since 2016. Net disbursements for real estate (\$10.4mn), utilities (\$1.8mn), professional services (\$1.6mn), manufacturing (\$1.3mn) and distribution (\$1.1mn) activities outstripped net repayments and write-offs of personal (\$5.0mn), construction (\$4.3mn), and agricultural (\$1.8mn) loans. Notably, NPL write-offs totalled \$3.6mn, less than one-

third of the \$12.9mn registered in the comparable period of 2021. Two categories, construction (\$1.2mn) and personal loans (\$1.1mn), accounted for most of the loan write-offs. Subsequently, credit unions’ aggregate NPL ratio increased from 1.1% in December 2021 to 1.2% in June. Concurrently, the industry’s ROA ratio slid from 3.4% in December 2021 to 3.2% at the end of the second quarter.

**Chart 3.7:** Change in Credit Unions’ Loans and Advances, Dec 2021 - June 2022



### Development Bank Lending

The Development Finance Corporation’s (DFC’s) loan portfolio grew by \$8.2mn or 6.7% over the six months to \$128.5mn. Fresh net disbursements supported construction (\$5.8mn), agriculture (\$2.3mn), and professional (\$1.9mn) activities. Meanwhile, net repayments were concentrated in the tourism (\$1.1mn) and manufacturing (\$0.4mn) industries.

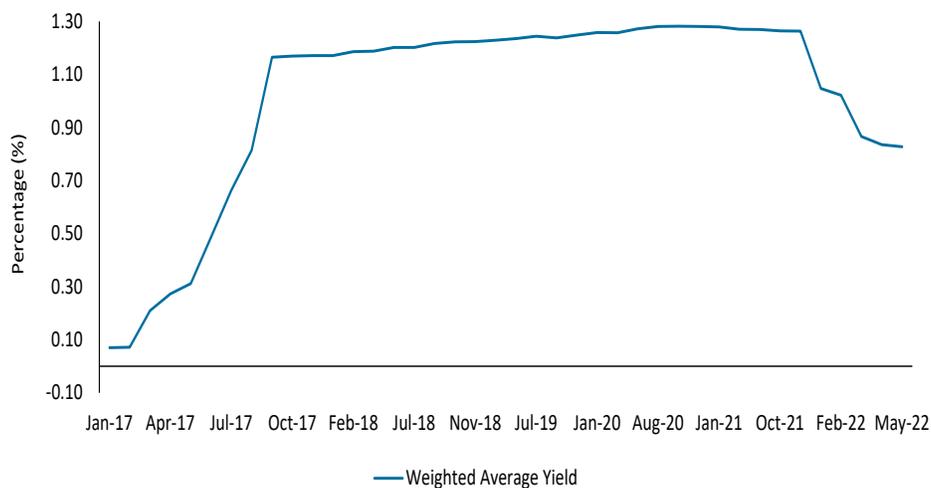
### Open Market Operations

Domestic banks lost their collective position as the principal holder of T-bills to the Central Bank as yields fell. Over the first six months of 2022, the Central Bank purchased \$91.0mn in T-bills, raising the face value of its holdings to \$156.0mn,

representing 63.7% of total issuances. On the downside, domestic banks’ holdings more than halved, plunging from \$167.8mn to \$80.0mn. Furthermore, non-bank entities reduced theirs by \$3.2mn to \$8.9mn.

The weighted average T-bills yield slid by 43 basis points from 1.26% at the end of 2021 to 0.83% at the last auction during the period, the lowest rate since July 2017. This downward trend was attributable to the implementation of an active yield curve management strategy to reduce the public sector’s borrowing costs. In line with this strategy, a \$36.0mn inflation-indexed Treasury note was converted to a fixed-rate note upon maturity in May 2022.

**Chart 3.8:** Treasury Bill Yields, Jan 2017 - May 2022



## International Trade and Payments

Compared to the same period of 2021, the external current account deficit increased by \$40.4mn (45.1%) to \$130.0mn (2.3% of GDP) for the first half of 2022. The deficit widened as increased payments for goods and profit repatriation outweighed the growth in revenues from the rebound in tourism and merchandise exports. Nevertheless, net capital and financial inflows of \$18.0mn and \$105.9mn, respectively, managed to cover the deficit while boosting reserves. Whereas net inflows on the former reflected a jolt in grants from multilateral agencies, the latter reflected a surge in foreign direct investments. As a result, the gross international reserves rose by \$64.7mn to \$912.8mn at June end, the equivalent of 4.3 months of merchandise imports.

### Merchandise Trade

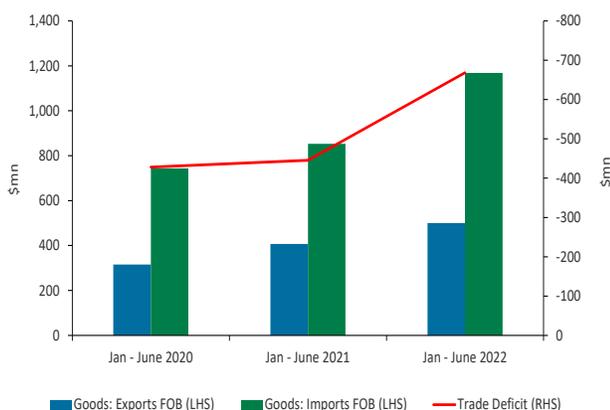
The trade-in-goods deficit expanded by 50.6% (\$225.5mn) to \$671.0mn, as imports rose faster than exports. On the one hand, imports FOB skyrocketed, up \$315.9mn to a first semester high of \$1,168.4mn. This surge was driven by heightened demand for foreign goods, with the reopening of the

economy that was amplified by upward price pressures among Belize’s main trading partners. Hence, domestic imports, which accounted for 89.2% of total imports, rose by 41.2% (\$315.8mn) to \$1,042.4mn with substantial increases across all major import categories, except for “*Beverages and Tobacco*” and “*Personal Goods*”. However, commercial free zone (CFZ) imports grew at a more moderate pace, rising by 10.0% (\$11.5mn) to \$126.1mn. On the other hand, exports FOB increased by 22.2% (\$90.4mn) to \$497.5mn, supported by increases in domestic exports and CFZ sales as re-exports from the Customs territory contracted. Accordingly, domestic exports rose by 26.3% (\$53.8mn) to \$258.0mn, following a mixed performance among major food commodities. Meanwhile, total re-exports expanded by 21.5% (\$42.3mn) to \$239.5mn, as a 36.0% boost in CFZ sales to \$202.5mn outweighed a 23.4% decline in other re-exports to \$37.0mn.

### Gross Imports

Imports FOB climbed 37.1% over the six-month period to \$1,168.4mn. Increased purchases of energy products, comprising transportation fuels, liquified petroleum gas, and electricity, were responsible for the doubling in import value of “*Mineral Fuels and Lubricants (including electricity)*”, the largest increase across goods categories over the reporting period. Next, heightened outlays on vehicles, aircraft equipment, and food processing machinery caused “*Machinery and Transport Equipment*” to expand by 50.0%. With the full reopening of the Corozal Commercial Free Zone,

Chart 4.1: Trade Deficit in Goods



added expenditure on cigarettes, apparel, and tennis shoes for resale lifted imports in the “Commercial Free Zone” category. Furthermore, soaring fertiliser prices (due to surging input costs, supply disruptions, and export restrictions) and the ongoing purchases of diagnostic testing kits contributed to the double-digit increase in “Chemical Products”.

### Domestic Exports

Domestic exports rose by 22.2% between January and June to \$258.0mn relative to the previous period. The strong revenue growth stemmed mainly from increased sales of animal feed (\$22.8mn), sugar (\$22.1mn), marine exports (\$6.1mn), and molasses (\$5.3mn). However, declines in banana (\$2.0mn) and citrus juice earnings (\$0.6mn) tempered the overall growth.

### *Sugar and Molasses*

Sugar export receipts rose by 32.4% to \$90.3mn because of a 30.9% price rally and a 1.2% volume increase to 91,755 long tons. International prices strengthened due

to the projected reduction in global sugar inventories. Europe remained the top export destination, having purchased 90.6% of the export volume (83,153 long tons) at \$79.2mn. CARICOM bought 8,513 long tons valued at \$11.0mn, while Canada (\$0.07mn) and the US (\$0.06mn) procured the balance. Concurrently, molasses revenue almost doubled to \$10.8mn, bolstered by a 21.6% average unit price increase and a 61.7% expansion in export volume to 33,998 long tons.

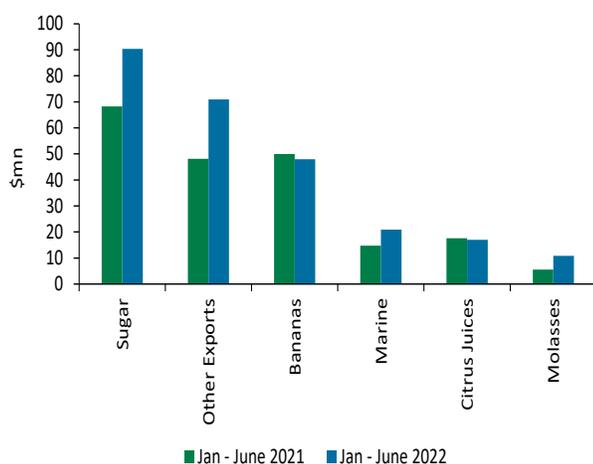
### *Citrus Juices and Pulp*

Citrus juice export earnings declined by 3.4% to \$17.0mn, attributable primarily to a 14.7% decline in export volume to 5.1mn ps with the slump in fruits for processing due to citrus greening. Notwithstanding, the revenue falloff was mitigated by a 15.2% average unit price increase for orange concentrates, which comprised 93.4% of total citrus juice export receipts. CARICOM was the top destination for orange concentrates, accounting for 73.8% (\$12.5mn) of the product’s sales. The balance was shipped to the US (\$2.2mn) and Europe (\$0.8mn), with a paltry amount going to other destinations (\$0.4mn). Meanwhile, grapefruit concentrate revenue totalled \$1.0mn, while pulp exports generated \$0.2mn in receipts.

### *Marine Exports*

Marine export revenue soared by 41.5% to \$20.9mn, even though the combined volume of products sold remained at 0.9mn pounds. The sharp revenue growth was due to heightened external demand for lobster and conch that drove up prices by 35.6% and 36.7%, respectively. Accordingly,

**Chart 4.2:** Domestic Exports



Sources: SIB and CBB

lobster and conch export earnings rose by 41.5% to \$10.6mn and 48.6% to \$9.9mn, respectively. Conversely, shrimp receipts plunged 39.3% to \$0.4mn, despite a 10.2% increase in the average unit price. This outcome resulted as the early mortality syndrome continued to plague farmed shrimp production. Purchases of other fish were minuscule.

*Banana*

Banana export earnings fell 4.0% to \$47.9mn in tandem with a 4.3% decline in export volume to 44,382 metric tons. The average unit price hardly moved, rising by only 0.3%.

*Other Domestic Exports*

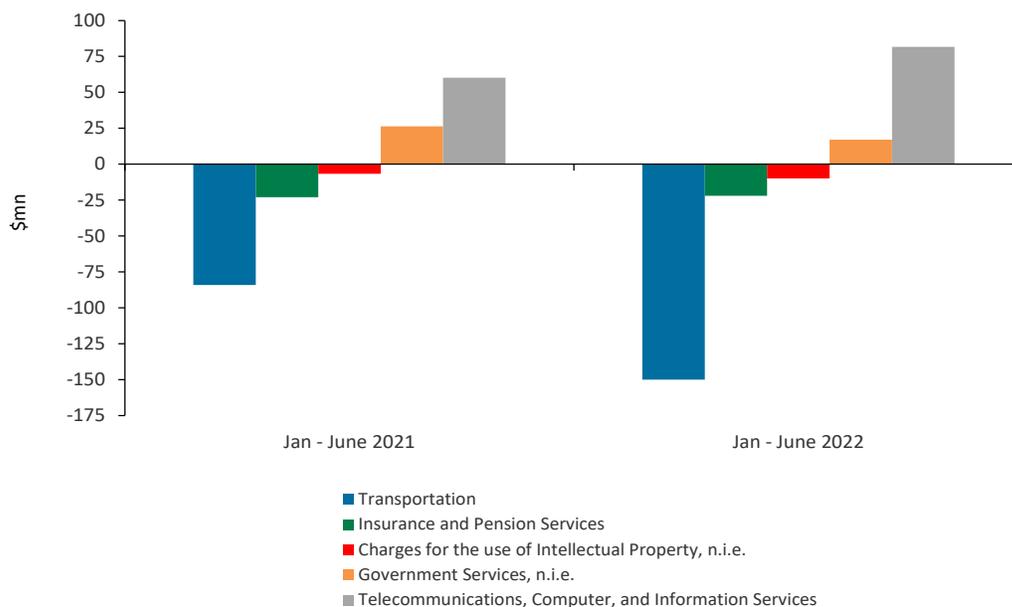
Sales of other domestic exports surged by 47.3% (\$22.8mn) to \$71.0mn. The strong upward trend reflected increased earnings from animal feed (\$13.2mn), cattle (\$2.7mn), and sorghum (\$2.3mn). Heightened inflows from these items eclipsed lesser declines

from red kidney beans (\$0.9mn), black-eyed peas (\$0.7mn), and cacao beans (\$0.3mn).

**Services**

Net inflows on the services account climbed sharply by 79.5% (\$243.8mn) to \$550.4mn. The surplus ballooned as the sustained recovery in tourism proceeds more than compensated for the sharp rise in freight outlays as the balance for other services remained virtually unchanged. Travel receipts more than doubled to \$594.8mn, fuelled by significant increases in stay-over and cruise-ship arrivals to Belize. At the same time, transportation outlays expanded by 78.4% (\$65.9mn) to a stark \$150.0mn attributable to escalating acquisition costs for shipping containers that are in high demand, in conjunction with higher freight charges. However, net inflows for other services remained unchanged at \$105.6mn, though movements within the subaccounts varied. Specifically, increased earnings from business process outsourcing activities

**Chart 4.3:** Sub-components of Services



(\$21.5mn) and financial services (\$1.0mn) neutralised declines in other business services (\$9.3mn), government goods and services (\$9.2mn), as well as personal, cultural, and recreational services (\$2.2mn).

### Primary and Secondary Income

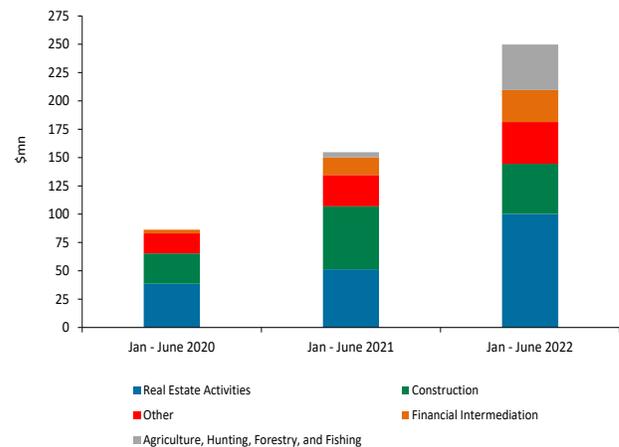
Net outflows on the primary income account grew by 92.6% (\$64.1mn) to \$133.4mn. Increased profit repatriation in the energy, distribution, and tourism sectors and, to a much lesser extent, heightened reinvested earnings by domestic banks contributed to the rising deficit. Meanwhile, net inflows on the secondary income account grew by 4.6% (\$5.4mn) to \$124.0mn, with additional donations to local non-profit organisations.

### Capital and Financial Account

The capital account surplus rose by \$18.0mn to \$24.2mn. Grants from the Caribbean Development Bank (CDB) for infrastructural-related projects, including the Philip Goldson and Coastal Highways, boosted capital inflows.

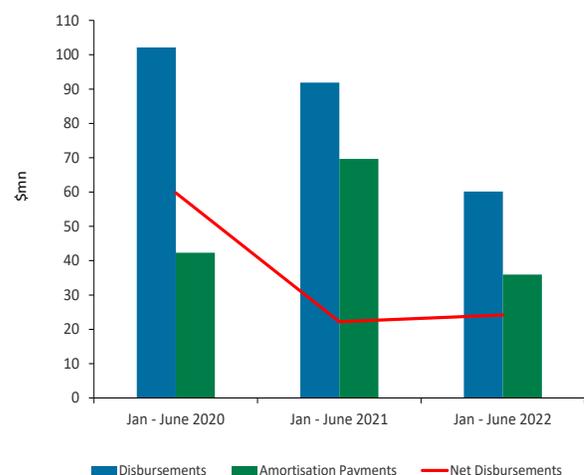
Net financial inflows totalled \$92.0mn for the first six months of 2022, up significantly from \$16.7mn in the comparable period of 2021. A bump in net direct investments and, to a lesser extent, a moderate increase in the public sector's external debt drove up net borrowings from the rest of the world. However, a sizeable increase in the domestic bank's net foreign asset position and a reduction in the private sector's external liabilities partly offset the net rise in liabilities. Notably, net direct investments increased to \$171.4mn, reflecting substantial inward investments

**Chart 4.4:** FDI Breakdown by Sector



in real estate (\$100.2mn) and tourist-related construction (\$70.7mn) activities. Furthermore, the general government's net external liabilities grew by \$26.4mn, driven by the incurrence of bilateral and multilateral concessionary loans to fund public investment. In addition, domestic banks registered a \$62.7mn increase in their aggregate net foreign asset position, lifted mainly by the surge in tourism receipts. Meanwhile, the "other sectors" lowered their net liability position by \$11.6mn as loan repayments to foreign creditors exceeded

**Chart 4.5:** Central Government Net External Loan Disbursements



new borrowings.

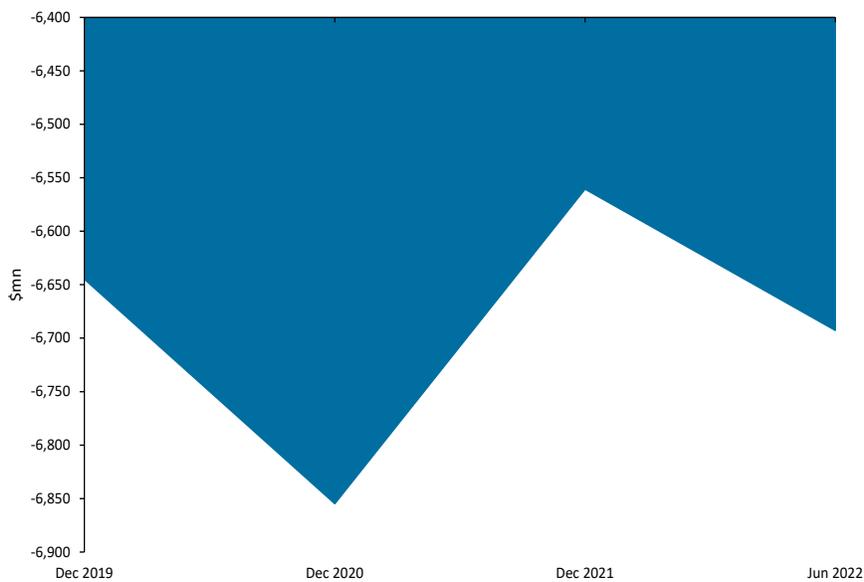
**International Investment Position**

Belize’s net international investment position was \$6,632.6mn at June-end, reflecting the difference of \$8,431.4mn in residents’ liabilities to the rest of the world and \$1,798.8mn in residents’ external financial assets. During the first six months of 2022, the deficit grew by \$27.2mn as the incurrence of \$138.7mn in foreign liabilities

exceeded the accumulation of \$111.5mn in foreign assets. On the one hand, increased exports of goods and services, a boon in multilateral grants, and proceeds from the Central Government’s borrowings contributed to the rise in foreign assets. On the other hand, increases in inward foreign direct investments, unrepatriated dividends of banks, and net public sector borrowings lifted the stock of foreign liabilities.

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**Chart 4.6:** Net International Investment Position



# Government Operations and Public Debt

## Central Government Operations

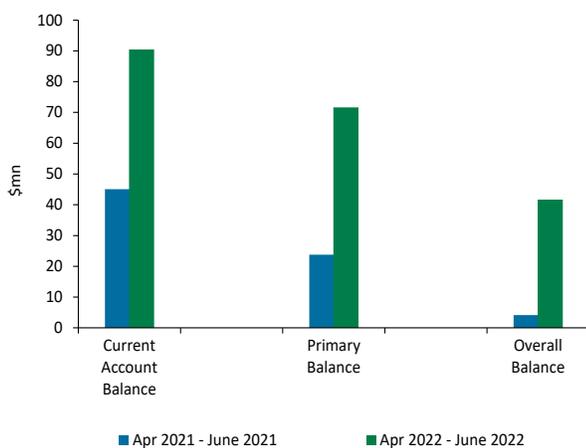
Between January and June, Central Government’s fiscal position strengthened as revenue and grants surged by 33.1%, while total expenditure increased by a lesser 12.2% compared to the same period of 2021. Strong revenue growth allowed Central Government to generate a primary surplus of \$75.7mn (1.3% of GDP) compared to a deficit of \$43.3mn (0.7% of GDP) in the same period of 2021. Concurrently, the overall balance swung to a surplus of \$31.6mn (0.5% of GDP) from a deficit of \$79.2mn (1.3% of GDP) in the previous period. On the one hand, higher collections of general sales tax, business tax, import duties, and foreign currency stamp duties boosted receipts. On the other hand, total expenditure grew at a more modest pace, slowed by reductions in public officers’ emoluments and capital investments financed from foreign sources.

During the first quarter of the FY 2022/2023 (April to June), total revenue and grants were

ahead of budgeted income by 2.1 percentage points at 27.1% of budgeted income, while expenditures were 3.0 percentage points behind at 22.0% of budget outlays. This performance led to a quarterly primary surplus of 0.7% of GDP, which compared favourably to a surplus of 0.3% of GDP in the same period of the previous FY. In tandem, the overall surplus widened to 1.2% of GDP this quarter, up from 0.7% of GDP in the comparable period of FY 2021/2022.

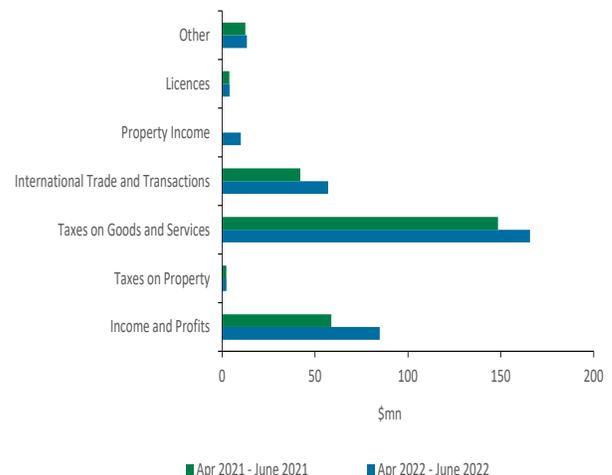
Total revenue and grants increased by \$63.4mn over the three months to \$341.9mn. Tax revenues rose by 19.5% or \$50.6mn to \$309.9mn, supported by the marked economic rebound from the pandemic shock. Tax receipts rose across all categories. Increased intakes from business tax and pay-as-you-earn (\$21.4mn), general sales tax (\$19.5mn), import duties (\$7.4mn), and environmental tax (\$7.2mn) drove the revenue surge. In contrast, excise collections fell by \$5.7mn, reflecting the

**Chart 5.1:** Central Government Operations



Sources: MOF and CBB

**Chart 5.2:** Central Government Current Revenue



Source: MOF

impact of price controls levied on diesel fuel and regular gasoline to mitigate the sharp rise in the price of these products. Additionally, non-tax receipts expanded by \$11.0mn to \$27.4mn, following a \$10.0mn increase in property income arising from inward transfers from quasi-government institutions. Meanwhile, grants—mainly from international financial institutions—amounted to \$2.2mn.

Concurrently, total expenditure and net lending rose by 13.9% or \$36.6mn, following expansions in current and capital spending over the quarter. Current expenses rose by \$26.4mn, propagated by: (a) an \$11.6mn increase in external interest payments tied to the commencement of debt service payments on the “blue loan” in April; (b) a \$9.0mn increase in domestic transfers; and (c) a \$6.2mn increase in goods and services, reflecting in part the combined impact of escalating cost pressures and subsidies to limit price increases of essential items. However, a \$2.7mn drop in compensation for public workers tempered expenditure pressures.

Capital spending and net lending increased by \$10.2mn to \$53.3mn, 19.3% of the budgeted amount. The rise in public investment reflected an \$18.0mn increase in Capital II expenditures (projects funded from local sources) to \$35.3mn, partially offsetting a \$7.9mn decline in Capital III spending (projects financed from foreign sources) at \$18.0mn.

**Total Public Sector Debt**

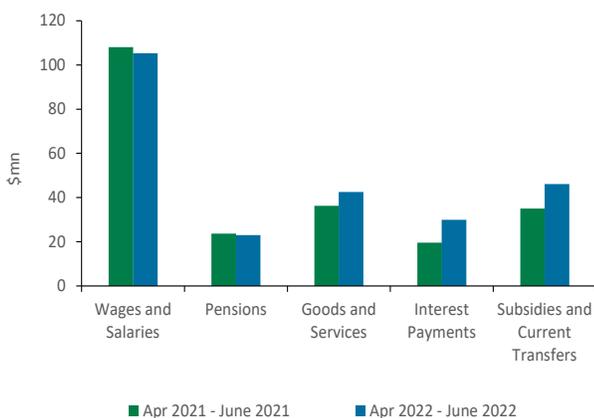
The stock of public sector debt increased marginally during the first half of 2022. Debt accumulation slowed as a slight rise in external public sector debt was partially offset by a dip in Central Government’s domestic debt. Over the period, the total public sector debt edged up 0.5% or \$19.9mn to \$4,012.7mn, equivalent to 68.7% of GDP.

Domestic Debt

Over the semester, the Central Government’s domestic debt dipped by \$0.5mn to \$1,315.3mn, 22.5% of GDP. The fall in outstanding borrowings reflected \$0.5mn in amortisation payments to the Social Security Board, Debt for Nature Swap programme, and the Fort Street Tourism Village. As a result, Central Government’s domestic debt as a share of the total public sector debt slid 0.2 percentage point to 32.8% at June end.

For the six months, interest payments totalled \$21.1mn, down 0.8% relative to the same period last year. The domestic interest burden lightened after Central Government paid off its overdraft facility with the Central Bank in June 2021 and embarked on an initiative to reduce Treasury yields in early 2022. Consequently, the average annual

**Chart 5.3:** Central Government Current Expenditure



Sources: MOF and CBB

effective interest rate slid by almost one-fifth of a percentage point to 3.09% in June 2022 from 3.28% in June 2021. The Central Bank, the principal holder of the Central Government's domestic debt, received \$9.2mn in interest income on its Treasury holdings. Meanwhile, domestic banks and non-bank entities earned \$4.3mn and \$7.5mn on their respective investments.

In securities trading, active yield management efforts led the Central Bank to increase its T-bill holdings during roll-over auctions by \$91.0mn over the review period to \$155.7mn. Furthermore, the Central Bank and the non-bank sector acquired \$8.6mn and \$10.4mn in notes, respectively, from domestic banks on the aftermarket. Consequently, the shares of outstanding domestic debt held by the Central Bank and non-bank entities rose by 7.6 and 0.5 percentage points to 54.0% and 22.4%, respectively. In contrast, domestic banks' portion fell by 8.1 percentage points to 23.6%.

#### Public Sector External Debt

Over the six-month period, the public sector's external debt rose marginally by 0.8% or \$20.4mn to \$2,697.4mn, 46.2% of GDP. This outturn resulted as loan disbursements of \$67.5mn, exceeded repayments of \$41.0mn, and downward valuation adjustments of \$6.0mn.

Central Government received \$67.5mn in fresh disbursements, accounting for 89.1% of the total. Bilateral and multilateral lenders accounted for \$6.3mn and \$53.8mn of new disbursements, respectively. The Republic

of China/Taiwan (ROC/Taiwan), Belize's second largest bilateral creditor, disbursed the entire \$6.3mn towards the Sarteneja Road upgrade and Laguna Seca Bridge construction. Meanwhile, multilateral funding stemmed from CDB, OPEC Fund for International Development (OFID), and Inter-American Development Bank (IDB) to finance several projects and programmes, including:

- the Haulover Bridge Replacement Project,
- the Social Investment Fund,
- the Philip Goldson Highway and Remate Bypass Project,
- the Coastal Road Upgrading Project,
- the Sarteneja Road and Laguna Seca Bridge Project, and
- the Caracol Road Upgrading Project.

The non-financial and financial public sectors also received external funding. More specifically, the Belize Electricity Limited obtained \$0.6mn from CDB to finance its ongoing Electricity System Upgrade and Expansion Project. Additionally, the DFC acquired \$2.0mn from CDB and \$4.0mn from the IDB to bolster its lending programmes.

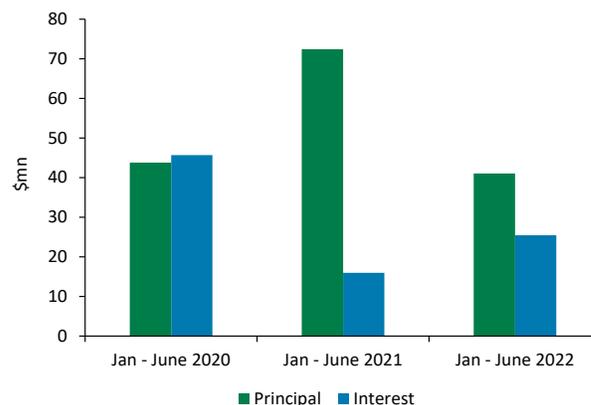
Loan amortisation payments summed to \$41.0mn. Central Government paid off \$36.0mn in outstanding loans. The sovereign's multilateral loans contracted by \$34.1mn with notable repayments of \$12.7mn, \$12.2mn, and \$4.8mn to IDB, CDB, and OFID, respectively. Furthermore, its bilateral debt fell by \$1.9mn, following repayments of \$1.3mn and \$0.6mn to Kuwait and ROC/Taiwan, respectively.

Meanwhile, the non-financial and financial public sectors repaid \$4.2mn and \$0.9mn, respectively, on their outstanding loans.

Interest and other payments amounted to \$26.4mn. Central Government accounted for 91.2% or \$24.0mn of the total. Interest costs on Central Government’s commercial debt were \$10.7mn after paying the first instalment of \$10.1mn on the “blue loan” in April. Additionally, the Central Government paid bilateral and multilateral creditors \$2.9mn and \$10.2mn, respectively. Next, the financial public sector spent \$0.8mn on interest, most of which went to CDB. Then, the non-financial public sector repaid CDB and the International Cooperation and Development Fund \$1.6mn combined.

Distribution of the public sector debt among institutional sectors remained unchanged over the review period. At June end, Central Government maintained its share at 91.1%; the financial public sector, 6.5%; and the non-financial public sector, 2.4%.

**Chart 5.4:** External Debt Service



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# ANNEX I

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**Table A.1:** Gross Domestic Product Growth Rates of Selected Countries  
(Percent Change from Quarter One Year Ago)

	Percent		
	Dec 2021	Mar 2022	June 2022
Advanced Economies			
US	5.7	3.7	1.8
UK	6.6	8.7	2.9
Euro area	4.7	5.4	3.9
Japan	0.5	0.7	1.1
Emerging Economies			
China	4.0	4.8	0.4
India <sup>(1)</sup>	5.4	4.1	13.5
Brazil	1.6	1.7	3.2
Mexico	1.1	1.8	1.9
Caribbean Economies			
Jamaica	6.7	6.4	4.8

Sources: Respective Statistical Bureaus and Central Banks.

**Table A.2:** Real Gross Domestic Product Growth Rates

	Year-on-Year Growth (%)	
	Jan - June 2021	Jan - June 2022
	over Jan - June 2020 <sup>R</sup>	over Jan - June 2021 <sup>R</sup>
Agriculture, Forestry, and Fishing	17.5	-2.8
Mining	99.1	-13.4
Manufacturing	10.2	1.4
Electricity	16.9	1.6
Water Supply	-5.8	5.9
Construction	40.3	-5.1
Wholesale and Retail Trade	11.3	21.5
Transportation	22.1	41.4
Accommodation and Food Service Activities	-27.7	147.6
Information and Communication	-17.1	-15.3
Financial and Insurance Activities	6.1	5.4
Real Estate Activities	2.5	0.8
Professional, Scientific, and Technical Activities	11.1	34.1
Administrative and Support Service Activities	92.2	-33.1
Public Administration and Defence	10.9	21.0
Education	-1.6	7.8
Human Health and Social Work Activities	8.6	-4.8
Arts, Entertainment, and Recreation	-1.5	-0.4
Other Service Activities	-12.8	-3.9
Activities of Households as Employers	2.0	5.6
Taxes and Subsidies	14.7	23.3
GDP at Constant 2014 Prices	12.0	10.7

Source: SIB

<sup>R</sup> - Revised

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

	\$mn	
	Jan - June 2021 over Jan - June 2020 <sup>R</sup>	Jan - June 2022 over Jan - June 2021 <sup>R</sup>
Agriculture, Forestry, and Fishing	244.5	237.6
Mining	32.1	27.8
Manufacturing	201.1	203.9
Electricity	44.8	45.5
Water Supply	16.0	17.0
Construction	141.1	134.0
Wholesale and Retail Trade	305.2	370.9
Transportation	92.7	131.0
Accommodation and Food Service Activities	58.5	144.9
Information and Communication	67.2	56.9
Financial and Insurance Activities	206.2	217.3
Real Estate Activities	128.0	129.0
Professional, Scientific, and Technical Activities	23.8	31.9
Administrative and Support Service Activities	123.6	82.7
Public Administration and Defence	154.5	186.9
Education	144.9	156.2
Human Health and Social Work Activities	34.6	33.0
Arts, Entertainment, and Recreation	21.2	21.1
Other Service Activities	25.6	24.6
Activities of Households as Employers	15.9	16.8
Taxes and Subsidies	272.3	335.6
<b>GDP at Constant 2014 Prices</b>	<b>2,353.8</b>	<b>2,604.6</b>

Source: SIB

<sup>R</sup> - Revised**Table A.4:** Deliveries of Sugarcane and Production of Sugar and Molasses

	Dec - June 2020/2021	Dec - June 2021/2022
Deliveries of Sugarcane to BSI and Santander (long tons)	1,684,877	1,553,920
Sugar Processed by BSI and Santander (long tons)	158,982	158,219
Molasses processed by BSI and Santander (long tons)	59,383	53,292
Performance		
Cane/Sugar	10.60	10.59

Sources: BSI and Santander

**Table A.5:** Output of Citrus Products

	Oct - June 2020/2021	Oct - June 2021/2022
Deliveries (boxes)		
Orange	1,259,496	1,240,861
Grapefruit	<u>104,875</u>	<u>142,481</u>
Total	1,364,371	1,383,342
Concentrate Produced (ps)		
Orange	7,037,281	6,944,460
Grapefruit	<u>342,254</u>	<u>548,612</u>
Total	7,379,535	7,493,072
Not from Concentrate (ps)		
Orange	151,272	164,432
Grapefruit	<u>34,782</u>	<u>14,853</u>
Total	186,054	179,285
Pulp (pounds)		
Orange	1,046,856	871,744
Grapefruit	<u>55,544</u>	<u>219,632</u>
Total	1,102,400	1,091,376
Oil Produced (pounds)		
Orange	415,900	401,484
Grapefruit	<u>13,400</u>	<u>23,000</u>
Total	429,300	424,484

Source: CPBL

**Table A.6:** Banana Production

	40 pound boxes	
	Jan - June 2021	Jan - June 2022
Quarter 1	1,037,895	1,014,934
Quarter 2	<u>1,518,523</u>	<u>1,431,330</u>
Total	2,556,418	2,446,264

Source: BGA

**Table A.7:** Bona Fide Tourist Arrivals

	Jan - June 2021	Jan - June 2022
Stay-Over Arrivals		
Air	83,273	172,342
Land	5,170	18,817
Sea	<u>1,701</u>	<u>1,889</u>
Total	90,144	193,048
Cruise Ship	0	308,255

Sources: BTB, CBB, and Immigration Department

**Table A.8:** Consumer Price Index Commodity Group

Major Commodity	Weights	April 2022	May 2022	June 2022	June 2022 over May 2022	YTD-2022 over YTD-2021
Food and Non-Alcoholic Beverages	195	109.2	109.7	110.8	1.0	5.7
Alcoholic Beverages and Tobacco, and Narcotics	17	101.5	101.7	101.7	0.0	0.8
Clothing and Footwear	83	101.3	101.0	101.0	0.0	1.1
Housing, Water, Electricity, Gas, and Other Fuels	265	105.1	104.8	104.7	-0.1	2.9
Furnishing, Household Equipment, and Routine Household Maintenance	69	102.8	103.5	103.5	0.0	3.0
Health	41	102.6	102.9	102.9	0.0	1.0
Transport	136	131.0	134.3	136.4	1.6	17.7
Information and Communication	33	99.1	99.1	99.1	0.0	-0.8
Recreation and Culture	69	100.8	106.9	106.9	0.0	2.2
Education Services	32	99.9	100.0	100.0	0.0	0.0
Restaurants and Accommodation Services	7	106.3	107.6	107.6	0.0	5.0
Insurance and Financial Services	21	99.8	99.8	99.8	0.0	-0.2
Personal Care, Social Protection, and Miscellaneous Goods and Services	31	100.7	101.2	101.2	0.0	0.7
All Items	1,000	108.9	109.9	110.5	0.5	5.6

Source: SIB

**Table A.9:** Factors Responsible for Money Supply Movements<sup>(1)</sup>

	Position as at June 2022	Changes During	
		Dec 2021 to June 2022	Dec 2020 to June 2021
Net Foreign Assets	1,573.5	129.3	163.7
Central Bank	914.3	66.6	8.7
Domestic Bank	659.2	62.7	155.0
Net Domestic Credit	3,066.9	19.5	34.4
Central Government (Net)	658.3	-28.8	25.7
Other Public Sector	70.1	26.2	-9.1
Private Sector	2,338.5	22.1	17.8
Central Bank Foreign Liabilities (Long-term)	115.5	-6.2	-0.5
Other Items (Net)	438.6	37.2	-92.2
Money Supply (M2)	4,086.3	117.8	290.8

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

**Table A.10:** Money Supply

	Position as at June 2022	Changes During	
		Dec 2021 to June 2022	Dec 2020 to June 2021
Money Supply (M2)	4,086.3	117.8	290.8
Money Supply (M1)	2,395.9	162.9	198.0
Currency with the Public	472.2	15.2	-12.2
Demand Deposits	1,923.4	172.4	205.2
Savings/Chequing Deposits	0.4	-24.8	5.0
Quasi-Money	1,690.4	-45.1	92.8
Savings Deposits	918.5	-46.2	13.4
Time Deposits	771.9	1.1	79.4

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

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

		\$mn	
	Position as at June 2022	Changes During	
		Dec 2021 to June 2022	Dec 2020 to June 2021
Net Foreign Assets of Banking System	1,573.5	129.3	163.7
Net Foreign Assets of Central Bank	914.3	66.6	8.7
Central Bank Foreign Assets	916.1	65.6	11.4
Central Bank Foreign Liabilities (Demand)	1.8	-1.0	2.7
Net Foreign Assets of Domestic Banks	659.2	62.7	155.0
Domestic Bank Foreign Assets	691.6	47.7	182.0
Domestic Bank Foreign Liabilities (Short-term)	32.5	-14.9	27.0

**Table A.12:** Net Domestic Credit

	\$mn		
	Position as at June 2022	Changes During Dec 2021 to June 2022	
		Dec 2020 to June 2021	
Total Credit to Central Government	929.9	-7.1	12.6
From Central Bank	710.8	99.6	15.9
Loans and Advances	0.0	0.0	-61.8
Government Securities <sup>(1)</sup>	710.8	99.6	77.7
From Domestic Banks	219.1	-106.7	-3.3
Loans and Advances	0.0	0.0	0.0
Government Securities	219.1	-106.7	-3.3
Of which: Treasury Bills	79.9	-87.7	-3.3
Treasury Notes	139.2	-19.0	0.0
Other	0.0	0.0	0.0
Less Central Government Deposits	271.6	21.7	-13.1
With Central Bank	176.2	3.2	-31.6
With Domestic Banks	95.4	18.5	18.5
Net Credit to Central Government	658.3	-28.8	25.7
Credit to Other Public Sector	70.1	26.2	-9.1
From Central Bank	0.0	0.0	0.0
From Domestic Banks	70.1	26.2	-9.1
Of which: Local Government	7.2	-1.0	1.5
Public Financial Institutions	0.0	0.0	0.0
Public Utilities	15.0	-3.0	-10.5
Other Statutory Bodies	1.8	0.2	-0.1
Securities	46.1	30.0	0.0
Plus Credit to the Private Sector	2,338.5	22.1	17.8
Loans and Advances	2,314.2	24.2	9.0
Securities	24.3	-2.1	8.8
Net Domestic Credit of the Banking System <sup>(2)</sup>	3,066.9	19.5	34.4

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

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

**Table A.13:** Sectoral Composition of Domestic Banks' Loans and Advances

		\$mn	
	Position as at June 2022	Changes During	
		Dec 2021 to June 2022	Dec 2020 to June 2021
PRIMARY SECTOR	255.6	3.8	-2.9
Agriculture	228.0	6.8	-1.9
Sugar	97.5	2.8	-1.5
Citrus	17.8	0.8	-0.3
Bananas	48.4	-0.3	1.0
Other	64.3	3.5	-1.1
Marine Products	21.9	-2.6	-0.8
Forestry	1.3	0.0	0.1
Mining and Exploration	4.4	-0.4	-0.3
SECONDARY SECTOR	814.6	186.4	-11.2
Manufacturing	65.7	0.7	3.2
Building and Construction <sup>(1)</sup>	711.7	188.3	-5.9
Utilities	37.2	-2.6	-8.5
TERTIARY SECTOR	907.3	-7.7	47.8
Transport	57.1	8.2	-7.9
Tourism	284.9	-1.8	33.5
Distribution	183.4	12.2	11.5
Real Estate <sup>(1)</sup>	309.7	-17.5	1.0
Professional Services	59.8	-6.4	8.2
Other	12.4	-2.4	1.5
Personal Loans <sup>(1)</sup>	354.9	-163.1	-33.5
<b>TOTAL</b>	<b>2,332.4</b>	<b>19.4</b>	<b>0.2</b>

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

**Table A.14:** Sectoral Composition of Credit Unions’  
Loans and Advances

		\$mn	
	Position as at June 2022	Changes During	
		Dec 2021 to June 2022	Dec 2020 to June 2021
PRIMARY SECTOR	61.9	-2.0	-2.3
Agriculture	52.6	-1.8	-2.3
Sugar	5.2	-1.0	-0.6
Citrus	1.3	-0.1	0.0
Bananas	0.6	-0.1	-0.9
Other	45.5	-0.6	-0.8
Marine Products	8.9	-0.2	0.1
Forestry	0.1	0.0	0.0
Mining and Exploration	0.3	0.0	-0.1
SECONDARY SECTOR	214.8	-1.2	-2.6
Manufacturing	26.7	1.3	5.2
Building and Construction	183.0	-4.3	-7.7
Utilities	5.1	1.8	-0.1
TERTIARY SECTOR	121.6	13.8	-23.1
Transport	1.0	-0.2	-0.2
Tourism	0.6	-0.2	0.0
Distribution	22.8	1.1	-1.3
Real Estate	80.8	10.4	-21.5
Residential	16.4	2.7	-0.1
Commercial	244.9	-5.0	4.8
Land Acquisition	643.2	5.7	-23.3
Other <sup>(1)</sup>	14.6	0.9	0.1
Personal Loans	248.3	-1.6	-1.1
<b>TOTAL</b>	<b>647.2</b>	<b>9.5</b>	<b>-18.4</b>

<sup>(1)</sup> Includes Government Services, Financial Institutions, Professional Services, and Entertainment.

**Table A.15:** Sectoral Composition of Development Finance Corporation  
Loans and Advances

		\$mn	
	Position as at June 2022	Changes During	
		Dec 2021 to June 2022	Dec 2020 to June 2021
PRIMARY SECTOR	32.6	2.5	3.3
Agriculture	22.4	2.3	3.2
Marine Products	9.7	0.1	0.2
Other <sup>(1)</sup>	0.5	0.0	-0.1
SECONDARY SECTOR	42.4	5.4	2.2
Manufacturing	6.6	-0.4	0.3
Building and Construction	35.8	5.8	1.8
TERTIARY SECTOR	37.1	0.7	3.7
Tourism	17.0	-1.0	1.9
Professional Services	16.3	1.9	0.2
Other <sup>(2)</sup>	3.8	-0.2	1.8
Student Loans	16.0	-0.1	0.2
Personal Loans	0.4	-0.1	0.0
<b>TOTAL</b>	<b>128.5</b>	<b>8.2</b>	<b>9.6</b>

<sup>(1)</sup> Includes Mining and Forestry.

<sup>(2)</sup> Includes Distribution, Financial Institutions, Real Estate, Transport, and Entertainment.

**Table A.16:** Domestic Banks' Liquidity Position and Cash Reserves

		\$mn	
	Position as at June 2022	Changes During	
		Dec 2021 to June 2022	Dec 2020 to June 2021
Holdings of Approved Liquid Assets	1,548.8	106.7	236.9
Notes and Coins	114.0	16.2	16.3
Balances with Central Bank	756.7	112.0	44.0
Money at Call and Foreign Balances (due in 90 days)	563.9	76.9	166.3
Treasury Bills maturing in not more than 90 days	86.0	-100.3	-2.7
Other Approved Assets	28.2	1.8	13.1
Required Liquid Assets	779.8	36.1	67.7
Excess/(Deficiency) Liquid Assets	769.0	70.7	169.2
Daily Average Holdings of Cash Reserves	756.2	110.4	43.8
Required Cash Reserves	241.4	11.2	20.9
Excess/(Deficiency) Cash Reserves	514.8	99.2	22.9
Actual Securities Balances	80.0	-87.8	-3.2
Excess/(Deficiency) Securities	80.0	-87.8	-3.2

**Table A.17:** Domestic Banks' Weighted Average Interest Rates

		Percent	
	Position as at June 2022	Changes During	
		Dec 2021 to June 2022	Dec 2020 to June 2021
Weighted Lending Rates			
Personal Loans	11.41	1.24	-0.20
Commercial Loans	8.01	-0.20	-0.14
Residential Construction	6.71	-0.20	0.00
Other	6.99	0.40	0.04
Weighted Average	8.36	-0.07	-0.14
Weighted Deposit Rates			
Demand	0.09	-0.01	0.09
Savings/Chequing	2.60	2.11	-0.02
Savings	2.65	0.01	-0.01
Time	2.18	-0.07	0.05
Weighted Average	1.16	-0.09	0.00
Weighted Average Spread	7.19	0.02	-0.15

**Table A.18:** Domestic Banks' Weighted Average Interest Rates on New Loans and Deposits

	Percent				
	Twelve Month Rolling Averages At			Changes	
	June 2022	Mar 2022	June 2021	June 2022 over Mar 2022	June 2022 over June 2021
<b>Weighted Lending Rates</b>					
Personal Loans	10.37	10.33	9.96	0.04	0.41
Commercial Loans	8.19	8.20	8.23	-0.01	-0.04
Residential Construction	8.51	8.56	7.86	-0.05	0.65
Other	6.46	6.65	6.54	-0.19	-0.08
Weighted Average	8.76	8.72	8.59	0.04	0.17
<b>Weighted Deposit Rates</b>					
Demand	0.00	0.00	0.00	0.00	0.00
Savings/Chequing	0.89	0.78	0.51	0.11	0.38
Savings	2.45	2.46	2.42	-0.01	0.03
Time	2.55	2.81	2.49	-0.26	0.06
Weighted Average	1.89	2.04	1.91	-0.15	-0.02
Weighted Average Spread	6.86	6.68	6.68	0.19	0.18

**Table A.19:** Balance of Payments Summary

	\$mn	
	Jan - June 2021 <sup>R</sup>	Jan - June 2022 <sup>P</sup>
A. CURRENT ACCOUNT		
(I+II+III+IV)	-89.6	-127.4
I. Goods (Trade Balance)	-445.5	-668.4
Exports, Free on Board (FOB)	407.1	500.0
Domestic Exports	204.2	260.5
CFZ Gross sales	154.6	202.5
Re-exports	48.3	37.0
Imports, FOB	852.6	1168.4
Domestic Imports	738.0	1042.4
CFZ Imports	114.6	126.1
II. Services	306.6	550.4
Transportation	-84.1	-150.0
Travel	285.1	594.8
Other Services	105.6	105.6
III. Primary Income	-69.3	-133.4
Compensation of Employees	-5.2	-4.7
Investment Income	-64.0	-128.6
IV. Secondary Income	118.5	124.0
Government	-0.2	-0.7
Private	118.7	124.7
B. Capital Account	6.1	24.2
C. Financial Account	-16.7	-92.0
D. NET ERRORS AND OMISSIONS	80.0	76.0
E. RESERVE ASSETS	13.2	64.7

<sup>R</sup> - Revised<sup>P</sup> - Provisional

**Table A.20:** Capital and Financial Accounts

		\$mn	
		Jan - June 2021 <sup>R</sup>	Jan - June 2022 <sup>P</sup>
A.	CAPITAL ACCOUNT	6.1	24.2
B.	FINANCIAL ACCOUNT (1+2+3+4)	-16.7	-92.0
	1. Direct Investment in Belize	-136.1	-140.8
	2. Portfolio Investment	24.0	0.0
	Monetary Authorities	0.0	0.0
	General Government	24.0	0.0
	Banks	0.0	0.0
	Other Sectors	0.0	0.0
	3. Financial Derivatives	0.0	0.0
	4. Other Investments	95.5	48.8
	Monetary Authorities	-2.7	1.0
	General Government	-52.5	-26.4
	Banks	155.0	62.7
	Other Sectors	-4.3	11.6
	Special Drawing Rights	0.0	0.0
C.	NET ERRORS AND OMISSIONS	80.0	76.0
D.	OVERALL BALANCE	13.2	64.7
E.	RESERVE ASSETS	13.2	64.7

<sup>R</sup> - Revised<sup>P</sup> - Provisional

**Table A.21:** Balance of Payments

	\$mn	
	Jan - June 2021 <sup>R</sup>	Jan - June 2022 <sup>P</sup>
CURRENT ACCOUNT	-89.6	-127.4
Goods: Exports FOB	407.1	500.0
Goods: Imports FOB	852.6	1168.4
Trade Balance	-445.5	-668.4
Services: Credit	547.1	895.5
Transportation	27.4	33.9
Travel	313.8	647.1
Other Goods and Services	157.4	179.0
Government Goods and Services	48.5	35.4
Services: Debit	240.4	345.0
Transportation	111.5	184.0
Travel	28.6	52.2
Other Goods and Services	78.1	90.5
Government Goods and Services	22.2	18.4
Balance on Goods and Services	-138.9	-118.0
Primary Income: Credit	6.8	8.2
Compensation of Employees	2.4	2.4
Investment Income	4.5	5.9
Primary Income: Debit	76.1	141.6
Compensation of Employees	7.6	7.1
Investment Income	68.5	134.5
Balance on Goods, Services and Primary Income	-208.1	-251.4
Secondary Income: Credit	161.7	165.0
Secondary Income: Debit	43.2	41.1
CAPITAL ACCOUNT	6.1	24.2
Capital Account: Credit	6.1	24.2
Capital Account: Debit	0.0	0.0
FINANCIAL ACCOUNT	-16.7	-92.0
Direct Investment Abroad	0.6	0.5
Direct Investment in Reporting Economy	-136.1	-140.8
Portfolio Investment Assets	0.0	0.0
Portfolio Investment Liabilities	-24.0	0.0
Financial Derivatives	0.0	0.0
Other Investment Assets	186.6	46.3
Other Investment Liabilities	91.1	-2.5
NET ERRORS AND OMISSIONS	80.0	76.0
OVERALL BALANCE	13.2	64.7
RESERVE ASSETS	13.2	64.7

Source: CBB

<sup>R</sup> - Revised

<sup>P</sup> - Provisional

**Table A.22:** Gross Imports at Cost, Insurance and Freight (CIF) by Standard International Trade Classification (SITC)

SITC Section	\$'000			
	Jan - June 2021	Jan - June 2022	\$ Change	% Change
0. Food and Live Animals	121,708	140,183	18,476	15.2
1. Beverages and Tobacco	42,971	23,683	-19,288	-44.9
2. Crude Materials	14,187	17,646	3,459	24.4
3. Mineral Fuels and Lubricants	126,915	255,208	128,293	101.1
of which Electricity	22,139	37,289	15,150	68.4
4. Oils and Fats	11,152	16,081	4,930	44.2
5. Chemical Products	101,851	147,188	45,338	44.5
6. Manufactured Goods	154,340	195,756	41,416	26.8
7. Machinery and Transport Equipment	176,836	265,198	88,362	50.0
8. Other Manufactures	71,972	90,810	18,838	26.2
9. Commodities not elsewhere specified	251	462	211	83.9
10. Designated Processing Areas	17,596	23,360	5,764	32.8
11. Commercial Free Zone	129,918	185,754	55,836	43.0
12. Personal Goods	1,938	1,835	-102	-5.3
Total	971,633	1,363,165	391,532	40.3

Sources: CBB and SIB

**Table A.23:** Sugar and Molasses Exports

	Jan - June 2021		Jan - June 2022	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
Sugar	90,651	68,200	91,755	90,329
Europe	84,812	61,818	83,153	79,179
US	0	0	49	58
CARICOM	5,817	6,327	8,513	11,020
Other	22	56	39	71
Molasses	21,022	5,512	33,998	10,837

Sources: BSI and Santander Group

**Table A.24:** Citrus Product Exports

	Jan - June 2021		Jan - June 2022	
	Pound Solid (‘000)	Value (\$‘000)	Pound Solid (‘000)	Value (\$‘000)
Citrus Concentrates				
US				
Orange	2,076.0	4,608	885.8	2,242
Grapefruit	62.5	413	62.2	410
CARICOM				
Orange	2,519.3	8,727	3,623.9	12,465
Grapefruit	161.0	830	48.6	257
Europe				
Orange	1,067.8	2,610	285.7	804
Grapefruit	49.0	269	31.1	172
Other				
Orange	10.7	43	100.0	379
Grapefruit	0.0	0	30.0	164
Sub-Total <sup>(1)</sup>	5,946.1	17,499	5,067.2	16,893
Orange	5,673.7	15,988	4,895.4	15,889
Grapefruit	272.4	1,511	171.9	1,004
Not-From-Concentrate				
Sub-Total	19.5	93.4	18.5	110.1
Orange	17.6	83	10.8	54
Grapefruit	1.9	10	7.7	56
Total Citrus Juices	5,965.6	17,593	5,085.7	17,003
Pulp (pounds ‘000)				
Total <sup>(1)</sup>	1,472.7	152	753.0	186
Orange	1,419.7	109	597.3	49
Grapefruit	53.0	43	155.7	137

Source: CPBL

<sup>(1)</sup> Values may not be equal to total due to rounding.

**Table A.25:** Marine Product Exports

	Jan - June 2021		Jan - June 2022	
	Volume ('000 pounds)	Value (\$'000)	Volume ('000 pounds)	Value (\$'000)
Lobster	258	7,450	269	10,545
Shrimp	154	677	85	411
Conch	453	6,641	492	9,867
Other Fish	0	1	17	73
Total	865	14,768	864	20,895

Source: SIB

**Table A.26:** Banana Exports

	Jan - June 2021	Jan - June 2022
Volume (metric tons)	46,381	44,382
Value (\$'000)	49,943	47,943

Source: BGA

**Table A.27:** Petroleum Exports

	Jan - June 2021	Jan - June 2022
Volume (barrels)	2,248	9,111
Value (\$'000)	279	1,678

Source: SIB

**Table A.28:** Long-Term Private Sector External Debt by Economic Sector<sup>(1,2)</sup>

Economic Sectors	Transactions (Jan - June 2022)				DOD as at 30/06/2022
	DOD as at 31/12/2021	Disbursements	Principal Payments	Interest Payments	
Agriculture	30,064	0	0	0	30,064
Arts, Entertainment, and Recreation	0	0	0	0	0
Construction	21,339	0	2,257	1,703	19,082
Economic Diversification	2	0	0	0	2
Education	0	0	0	0	0
Electricity and Gas	14,905	0	244	532	14,661
Financial and Insurance Activities	111	0	0	0	111
Fishing	9,355	0	0	0	9,355
Information and Communication	0	0	0	0	0
Real Estate Activities	0	0	0	0	0
Tourism Activities	91,332	0	30	2,280	91,302
Transportation	38,119	0	0	0	38,119
Wholesale and Retail Trade	3,817	0	648	76	3,169
Other	0	0	0	0	0
Total	209,043	0	3,178	4,591	205,865

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

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

**Table A.29:** Extended Balance of Payment Services Classifications (EBOPS)

		\$mn	
		Jan - June 2021	Jan - June 2022
Total Services	Net	306.6	550.1
	Credits	547.1	895.2
	Debits	240.4	345.0
Manufacturing Services	Net	0.0	0.0
	Credits	0.0	0.0
	Debits	0.0	0.0
Maintenance and Repair Services	Net	0.0	0.5
	Credits	0.0	0.5
	Debits	0.0	0.0
Transportation	Net	-84.1	-150.0
	Credits	27.4	33.9
	Debits	111.5	184.0
Travel	Net	285.1	594.6
	Credits	313.8	646.8
	Debits	28.6	52.2
Telecommunications, Computer, and Information Services	Net	60.2	81.7
	Credits	69.6	92.3
	Debits	9.4	10.6
Construction Services	Net	0.0	0.0
	Credits	0.0	0.0
	Debits	0.0	0.0
Insurance and Pension Services	Net	-23.1	-22.0
	Credits	0.6	0.5
	Debits	23.6	22.6
Financial Services	Net	2.7	3.7
	Credits	5.1	8.2
	Debits	2.4	4.5
Charges for the use of Intellectual Property, n.i.e.	Net	-6.7	-10.0
	Credits	0.0	0.0
	Debits	6.7	10.0
Other Business Services	Net	41.6	32.3
	Credits	77.2	73.4
	Debits	35.6	41.1
Personal, Cultural, and Recreational Services	Net	4.6	2.3
	Credits	4.9	4.0
	Debits	0.4	1.7
Government Services, n.i.e.	Net	26.3	17.1
	Credits	48.5	35.4
	Debits	22.2	18.4

**Table A.30:** International Investment Position

	Position as at Dec 2021	Financial Account Transactions Jan - June 2022	Position as at June 2022
			\$mn
Net position	-6,570.2	-27.2	-6,632.6
A. Assets	1,687.2	111.5	1,798.8
1. Direct Investment Abroad	149.4	0.5	149.9
2. Portfolio Investment	43.5	0.0	43.5
2.1 Equity Securities	34.7	0.0	34.7
2.2 Debt Securities	8.8	0.0	8.8
3. Other Investment	646.3	46.3	692.6
3.1 Trade Credits	-0.7	0.0	-0.7
3.2 Loans	3.1	-1.4	1.6
3.3 Currency and Deposits	643.9	47.7	691.6
3.4 Other Assets	0.0	0.0	0.0
4. Reserve Assets	848.1	64.7	912.8
4.1 Monetary Gold	0.0	0.0	0.0
4.2 Special Drawing Rights	128.6	-29.4	99.2
4.3 Reserve Position in the Fund	17.3	-0.8	16.6
4.4 Foreign Exchange	681.9	96.2	778.1
4.5 Other Claims	20.2	-1.3	18.9
B. Liabilities	8,257.5	138.7	8,431.4
1. Direct Investment	5,075.6	141.3	5,216.8
2. Portfolio Investment	0.0	0.0	0.0
2.1 Equity Securities	0.0	0.0	0.0
2.2 Debt Securities	0.0	0.0	0.0
3. Other Investment	3,181.9	-2.5	3,210.0
3.1 Trade Credits	35.3	2.1	37.5
3.2 Loans	2,996.5	5.6	3,016.6
3.3 Currency and Deposits	110.1	-4.4	102.3
3.4 Other Liabilities	40.0	-5.8	53.5

**Table A.31:** Central Government's Revenue and Expenditure

	\$mn			
	Jan 2021 to June 2021	Jan 2022 to June 2022	Apr 2021 to June 2021	Apr 2022 to June 2022
Total Revenue and Grants	491.9	666.1	270.0	341.9
Of which: Current Revenue	485.0	637.6	267.8	337.3
Of which: Grants	5.6	25.6	1.6	3.0
Total Expenditure	571.1	634.5	265.9	300.2
Current Expenditure	469.1	505.4	222.7	246.8
Capital Expenditure	102.0	129.1	43.2	53.3
Current Balance	15.9	132.2	45.1	90.5
Primary Balance	-43.3	75.7	23.8	71.6
Overall Balance	-79.2	31.6	4.1	41.7

Source: MOF

**Table A.32:** Summary of Central Government's Revenue

	\$mn			
	Jan 2021 to June 2021	Jan 2022 to June 2022	Apr 2021 to June 2021	Apr 2022 to June 2022
Current Revenue	485.0	637.6	267.8	337.3
Tax Revenue	453.9	595.8	251.5	309.9
Income and Profits	108.3	170.2	58.8	84.8
Taxes on Property	4.6	5.0	2.3	2.3
Taxes on Goods and Services	263.8	315.7	148.5	165.7
International Trade and Transactions	77.2	105.0	42.0	57.1
Non-Tax Revenue	31.1	41.7	16.3	27.4
Property Income	2.1	11.7	0.0	10.0
Licenses	8.1	9.4	3.8	4.0
Other	21.0	20.6	12.4	13.3
Capital Revenue	1.3	2.9	0.7	1.5
Grants	5.6	25.6	1.6	3.0

Source: MOF

**Table A.33:** Summary of Central Government's Expenditure

	\$mn			
	Jan 2021 to June 2021	Jan 2022 to June 2022	Apr 2021 to June 2021	Apr 2022 to June 2022
Current Expenditure	469.1	505.4	222.7	246.8
Wages and Salaries	219.7	208.0	108.0	105.3
Pensions	46.6	47.2	23.7	23.0
Goods and Services	91.3	116.9	36.3	42.5
Interest Payments	35.9	44.1	19.6	29.9
Subsidies and Current Transfers	75.6	89.1	35.0	46.1
Capital Expenditure	102.0	129.1	43.2	53.3
Capital II	53.0	88.9	17.1	35.2
Capital III	48.5	39.8	25.8	18.0
Net Lending	0.4	0.4	0.2	0.2

Sources: MOF and CBB

**Table A.34: Central Government's Revenue and Expenditure**

		\$'000					
	Approved Budget 2022/2023	Jan 2021 to June 2021	Jan 2022 to June 2022	Apr 2021 to June 2021	Apr 2022 to June 2022 <sup>P</sup>	Fiscal YTD as % of Budget	
TOTAL REVENUE & GRANTS (1+2+3)	1,263,300	491,890	666,090	270,014	341,875	27.1%	
1). Current Revenue	1,222,619	485,012	637,584	267,779	337,295	27.6%	
Tax Revenue	1,122,911	453,871	595,847	251,508	309,939	27.6%	
Income and Profits	268,944	108,281	170,158	58,763	84,836	31.5%	
Taxes on Property	10,000	4,610	4,969	2,259	2,328	23.3%	
Taxes on Goods and Services	654,966	263,822	315,737	148,470	165,715	25.3%	
International Trade and Transactions	189,000	77,157	104,984	42,016	57,061	30.2%	
Non-Tax Revenue	99,709	31,142	41,737	16,271	27,356	27.4%	
Property Income	17,180	2,075	11,725	4	10,012	58.3%	
Licences	16,814	8,084	9,428	3,819	4,012	23.9%	
Other	65,715	20,982	20,584	12,448	13,331	20.3%	
2). Capital Revenue	5,681	1,256	2,871	665	1,547	27.2%	
3). Grants	35,000	5,622	25,635	1,570	3,033	8.7%	
TOTAL EXPENDITURE (1+2)	1,365,968	571,060	634,495	265,882	300,169	22.0%	
1). Current Expenditure	1,087,896	469,086	505,360	222,720	246,834	22.7%	
Wages and Salaries	461,788	219,698	208,012	108,028	105,283	22.8%	
Pensions	100,866	46,606	47,168	23,713	23,006	22.8%	
Goods and Services	226,647	91,299	116,948	36,312	42,541	18.8%	
Interest Payments on Public Debt	110,000	35,872	44,124	19,640	29,901	27.2%	
Subsidies and Current Transfers	188,596	75,611	89,108	35,027	46,102	24.4%	
2). Capital Expenditure	275,773	101,974	129,135	43,162	53,335	19.3%	
Capital II (Local Sources)	160,762	53,038	88,904	17,131	35,168	21.9%	
Capital III (Foreign Sources)	115,012	48,530	39,832	25,827	17,968	15.6%	
Capital Transfer and Net Lending	2,299	407	399	203	199	8.7%	
CURRENT BALANCE	134,723	15,926	132,224	45,059	90,462	67.1%	
PRIMARY BALANCE	7,332	-43,298	75,718	23,772	71,608	976.7%	
OVERALL BALANCE	-102,668	-79,171	31,595	4,132	41,707	-40.6%	
Primary Balance less grants	-27,668	-48,920	50,084	22,202	68,575		
Overall Balance less grants	-137,668	-84,793	5,960	2,562	38,674		
FINANCING	102,668	79,171	-31,595	-4,132	-41,707		
Domestic Financing		-7,723	-28,514	-65,047	-59,223		
Central Bank		47,551	51,593	-29,331	21,942		
Net Borrowing		15,893	59,630	-52,684	68,521		
Change in Deposits		31,658	-8,037	23,353	-46,579		
Commercial Banks		-21,717	-86,442	-18,498	-91,652		
Net Borrowing		-3,246	-66,443	-9,184	-79,215		
Change in Deposits		-18,471	-19,999	-9,314	-12,437		
Other Domestic Financing		-33,556	6,335	-17,218	10,487		
Financing Abroad		31,548	24,862	16,756	15,020		
Disbursements		77,199	67,925	42,685	39,215		
Amortisation		-45,651	-43,069	-25,929	-24,198		
Other		55,345	-27,942	44,160	2,496		

Sources: CBB and MOF

<sup>P</sup> - Provisional

**Table A.35:** Central Government's Domestic Debt

	\$mn		
	Dec 2021	June 2022	Changes in Stock
Overdraft	0.0	0.0	0.0
Loans	93.0	92.5	-0.5
Treasury Bills	245.0	245.0	0.0
Treasury Notes	977.8	977.8	0.0
<b>Total</b>	<b>1,315.8</b>	<b>1,315.3</b>	<b>-0.5</b>

**Table A.36:** Central Government's Domestic Debt by Creditor

	\$'000					
	Disbursed Outstanding Debt 31/12/21 <sup>R</sup>	TRANSACTIONS THROUGH JUNE 2022			Net Change in Overdraft/ Securities	Disbursed Outstanding Debt 30/06/22 <sup>P</sup>
		Disbursement/ New Issue of Securities	Amortisation/ Reduction in Securities	Interest		
Overdraft/Loans	0	0	0	0	0	0
Central Bank	0	0	0	0	0	0
Domestic Banks	0	0	0	0	0	0
Treasury Bills	245,000	0	0	1,233	0	245,000
Central Bank	64,730	0	0	525	91,000	155,730
Domestic Banks	167,571	0	0	599	-88,028	79,543
Other	12,699	0	0	109	-2,972	9,727
Treasury Notes	977,800	0	0	19,802	0	977,800
Central Bank	546,515	0	0	8,629	8,649	555,164
Domestic Banks	158,435	0	0	3,777	-19,003	139,432
Other	272,850	0	0	7,396	10,354	283,204
Belize Bank Limited <sup>(1)</sup>	91,000	0	0	0	0	91,000
Belize Social Security Board <sup>(2)</sup>	100	0	31	4	0	68
Fort Street Tourism Village	702	0	383	0	0	319
Debt for Nature Swap	1,205	0	102	18	0	1,104
<b>Total</b>	<b>1,315,807</b>	<b>0</b>	<b>516</b>	<b>21,057</b>	<b>0</b>	<b>1,315,291</b>

<sup>R</sup> - Revised<sup>P</sup> - Provisional<sup>(1)</sup> Caribbean Court of Justice award in November 2017 against the Government of Belize in favour of Belize Bank relating to the loan guarantee.<sup>(2)</sup> Government has outstanding loan with BSSB for Hopeville Housing Project.

**Table A.37: Public Sector External Debt by Creditor**

	Disbursed Outstanding Debt 31/12/21 <sup>R</sup>	TRANSACTIONS THROUGH JUNE 2022				Disbursed Outstanding Debt 30/06/22 <sup>P</sup>
		Disbursements	Principal Payments	Interest & Other Payments	Parity Change	
<b>CENTRAL GOVERNMENT</b>	2,433,035	60,144	35,977	23,972	10	2,457,213
Government of Venezuela <sup>(1)</sup>	429,692	0	0	0	0	429,692
Kuwait Fund for Arab Economic Development	31,974	0	1,314	451	-406	30,255
Mega International Commercial Bank Company Ltd.	45,714	0	0	614	0	45,714
Republic of China/Taiwan	279,216	6,330	561	1,812	0	284,985
Caribbean Development Bank	307,991	27,642	12,204	4,448	0	323,429
CARICOM Development Fund	3,000	0	0	45	0	3,000
European Economic Community	4,191	0	243	17	492	4,440
Inter-American Development Bank	298,996	7,497	12,655	2,183	0	293,839
International Fund for Agriculture Development	8,046	0	693	70	-76	7,277
International Bank for Reconstruction and Development	75,228	0	2,309	621	0	72,919
OPEC Fund for International Development	165,088	18,675	4,822	3,114	0	178,941
Central American Bank for Economic Integration	21,299	0	1,176	528	0	20,123
Belize Blue Investment Company LLC	728,000	0	0	10,070	0	728,000
US\$30.0mn Fixed-Rate Notes	34,600	0	0	0	0	34,600
<b>NON-FINANCIAL PUBLIC SECTOR</b>	68,881	1,331	4,159	1,569	0	66,053
Caribbean Development Bank	35,826	1,331	2,215	630	0	34,942
International Cooperation and Development Fund	33,056	0	1,944	939	0	31,111
<b>FINANCIAL PUBLIC SECTOR</b>	175,106	6,000	910	821	-6,053	174,143
Caribbean Development Bank	47,174	2,000	910	754	0	48,264
European Investment Bank	2,209	0	0	67	192	2,402
Inter-American Development Bank	4,000	4,000	0	0	0	8,000
International Monetary Fund	121,723	0	0	0	-6,246	115,477
<b>GRAND TOTAL</b>	<b>2,677,023</b>	<b>67,475</b>	<b>41,045</b>	<b>26,362</b>	<b>-6,043</b>	<b>2,697,410</b>

<sup>R</sup> - Revised<sup>P</sup> - Provisional

<sup>(1)</sup> 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 June 2022 amounted to principal of \$83.4mn and interest of \$18.0mn.