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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
CBB	Central Bank of Belize
CDB	Caribbean Development Bank
CFZ	Commercial Free Zone
CGA	Citrus Growers Association
CIF	Cost, Insurance and Freight
CPBL	Citrus Products of Belize Limited
CPI	Consumer Price Index
DFC	Development Finance Corporation
ENDA	Emergency Natural Disaster Assistance
EU	European Union
FOB	Free On Board
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
UK	United Kingdom
US	United States
VPCA	Venezuelan Petrocaribe Agreement
WTI	West Texas Intermediate
WTO	World Tourism Organization

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.

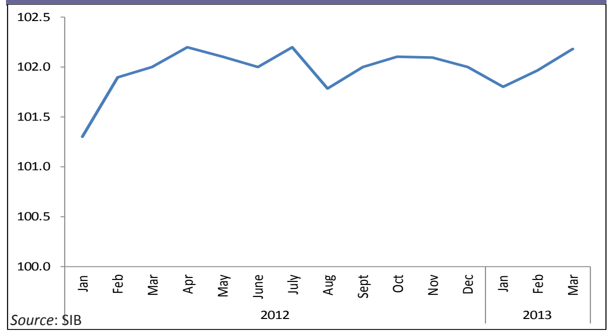
Table of Contents

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

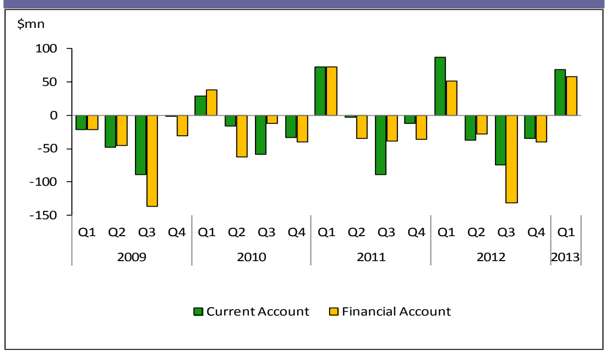


Chart IV: Total Foreign Assets

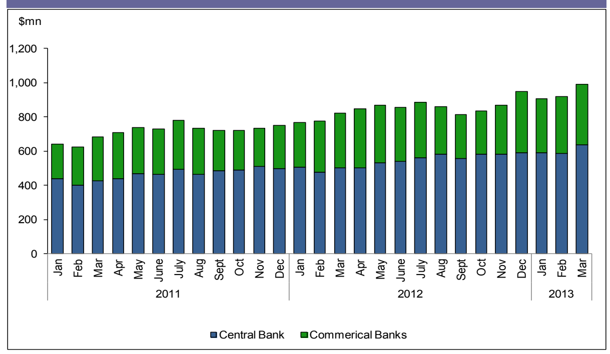


Chart V: Commerical Banks - Deposits and Loans and Advances

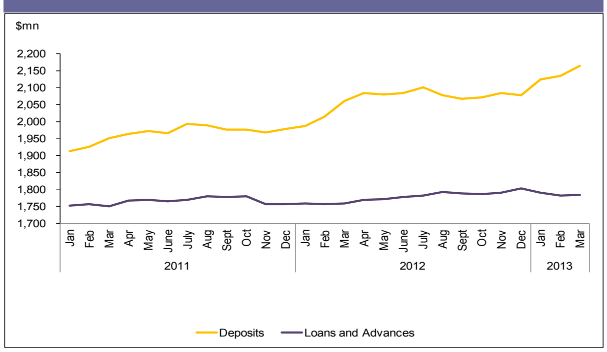


Chart VI: Excess Cash Balances

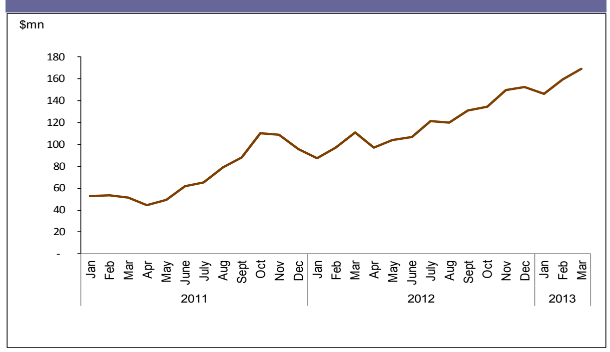
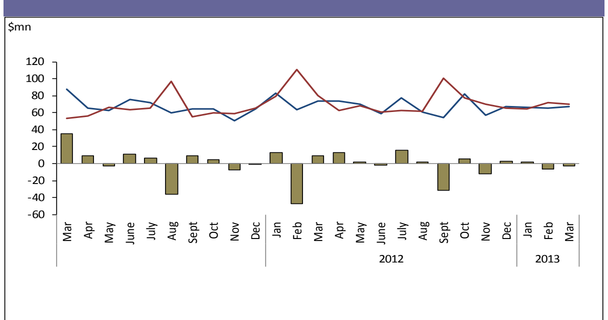
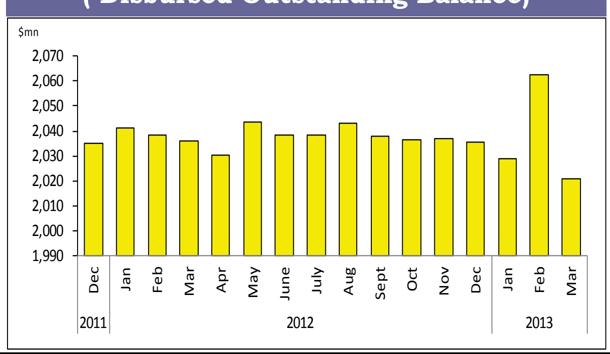


Chart VII: Central Government Operations



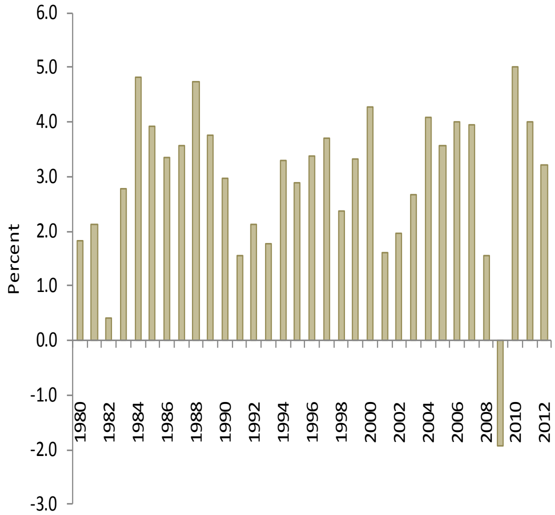
Sources: CBB and MOF

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



International Developments

Chart 1.1: World Gross Domestic Product Growth (Year-on-Year Average)



Source: IMF- World Economic Outlook

Table 1.1: Selected Gross Domestic Product Growth Rates

Percent

	Dec-12	Mar-13
USA[(1)]	0.4	2.5
UK[(2)]	-0.3	0.3
Euro Area[(2)]	-0.6	-0.2
Japan[(2)]	0.3	0.9

[(1)] Quarter-over-quarter percentage change at annual rates.
[(2)] Percentage change compared to the previous quarter.
Source: Respective Statistical Bureaus

Despite an improvement in financial conditions and additional monetary stimulus, global growth remained low and unsteady with a 2.1% increase relative to the 3.1% growth achieved in the first quarter of 2012. With the United States (US) holding the "fiscal cliff" at bay and the euro area dodging a breakup, economic conditions in advanced economies were generally better although far from resolved. At the same time, growth in emerging economies was decelerating largely due to sluggish global demand and country specific factors such as capacity constraints and social unrest. In much of the Caribbean, growth remained constrained by high debt levels, slow tourism activity and reduced competitiveness.

The US economy expanded by a less than impressive 1.8% during the first quarter as gains in consumer spending, which comprised approximately 70% of the US economy, were weaker than expected. The latter partly reflected the impact from fiscal consolidation efforts (budget sequestration) as federal, state and local government spending declined. On the upside, labor market conditions continued to improve with the unemployment rate falling to 7.6%.

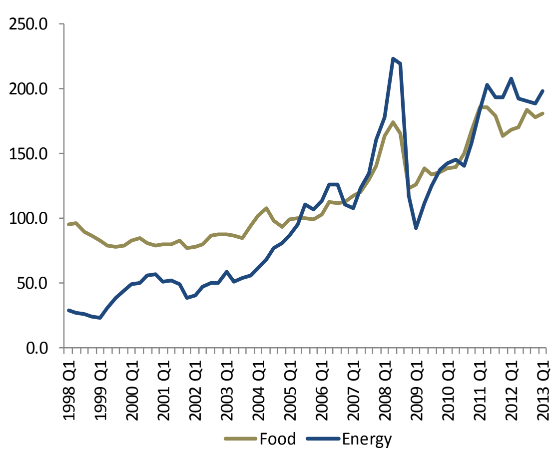
While the euro zone remained in the longest recession since its formation in 1999, the economic contraction was 0.2%, which was relatively smaller than

Table 1.2: Annual Inflation for Selected Economies

	Year-on-Year Change (%)	
	Dec-12	Mar-12
US	1.7	1.5
UK	2.2	1.7
Japan	-0.1	-0.9
China	2.5	2.1

Source: Respective Statistical Bureaus

Chart 1.2: Global Commodity Prices 2005=100



Source: IMF - May Commodity Report

the 0.6% decline reported during the last quarter of 2012. Domestic demand continued to be constrained by fiscal austerity, tight credit conditions and high unemployment. There was some divergence in the core economies as Germany and Belgium squeezed out marginal increases of 0.1% and Austria remained flat. On the other hand, France contracted by 0.2% and the Netherlands and Finland both fell by 0.1%. On the periphery, countries such as Cyprus and Italy continued to grapple with fragile banking sectors and political uncertainty. Joblessness in the 17-nation currency area rose to 12.1%, its highest level on record. Meanwhile, the United Kingdom (UK) avoided a triple dip recession to post better than expected growth of 0.3% that was led by a rebound in the services sector and supplemented by an increase in inventories. Japan's real output rose by 1.0% over the previous quarter underpinned by substantial monetary easing and a depreciated yen that boosted consumer spending and exports.

In contrast to the somewhat mixed performance of the advanced economies and apparent deviation in the recovery speeds of the US and European Union (EU), the emerging market economies continued to post solid gains. Growth in the world's second biggest economy, China, cooled to 1.6% during the first quarter following a 2.0% growth in the last quarter of 2012. Gains in industrial production and consumption weakened, while public expenditures were reduced. India's economy was marginally better than the previous quarter but well below expectations, as weak consumption, reduced investments and lower public spending constrained growth. In Latin America, Mexico's economic growth slumped to 0.8%, reflecting weaker global demand that undercut industrial production and reduced public spending in the wake of its elections.

Inflationary pressures remained contained in both advanced and emerging economies given excess capacity in many countries and stable commodity prices due to slower than expected global growth. Brent oil, the international benchmark price for light crude oil, eased from US$112.96 to US$108.47 per barrel at the end of March, and the spread between Brent and West Texas Intermediate (WTI) prices also narrowed from US$22.13 in December 2012 to US$18.16 at the end of March 2013. Crude oil prices are expected to ebb further during the year in line with slower growth in demand and an ease in supply constraints.

Domestic Overview

The Statistical Institute of Belize (SIB) indicated that GDP contracted by 0.5% in the first quarter mostly due to declines in citrus output, domestic hydro-electricity generation and petroleum extraction. Low water levels at the start of the year followed by very dry weather caused a decline in domestic electricity output while the downward trajectory in petroleum output contributed to a decline in “Manufacturing”. On the upside, “Hotels and Restaurants”, “Transport and Communication” and “Wholesale and Retail Trade” benefitted from an increase in cruise and overnight visitors, while growth in farmed shrimp production underpinned a spike in “Fishing” activities.

The Consumer Price Index (CPI) for the first quarter was 0.3% higher than that of the first quarter of 2012 due to higher prices for “Food and Non-Alcoholic Beverages”, “Health” and “Recreation and Culture”.

On the external front, buoyant tourism activity and the capitalisation rather than payment of the first quarter interest on the restructured 2029 bond were the main contributors to a current account surplus of $68.9mn. Compared to the same period of the previous year, the capital account surplus almost doubled to $44.8mn as a result of debt forgiveness that reflected a 10.0% principal haircut on the value of the 2029 bond. The combined surplus on the current and capital accounts facilitated an increase in private sector foreign assets, a reduction in the country’s external liabilities and a build-up in gross official international reserves by $45.4mn, the equivalent of 3.96 months of merchandise imports.

Growth in broad money decelerated to 0.2%, as an upturn in net foreign assets was almost offset by a downturn in net domestic credit. Most of the growth in the official foreign reserves was due to a loan disbursement under the new Venezuelan Petrocaribe Agreement (VPCA) and the one-off cash flow ease obtained from the agreement to make just one interest payment on the 2038 bond that was issued in March in replacement of the 2029 bond. The bumping up of Central Government deposits at the Central Bank with the VPCA loan proceeds and a reduction in private sector credit caused net domestic credit to contract. Against this backdrop, banking system liquidity increased by 18.6%, and interest rates continued to decline. While a 21 basis point decline in time deposit rates underpinned the drop in the weighted average deposit rate to 2.45%, the weighted average lending rate fell to 11.32% with rate cuts across all categories of loans. Where new loans were concerned, the weighted average lending rate has been slashed by 380 basis points to 10.69% since the end of 2010.

With expenditures declining faster than revenues, Central Government's operations during the final quarter (January - March) of the fiscal year 2012/2013 yielded an overall deficit of 0.4% of GDP, a $13.3mn improvement over the comparable quarter of the 2011/2012 fiscal year. While expenditures fell by 18.8% mainly due to the capitalization of interest that fell due in the first quarter on the bond that replaced the super bond, revenues shrank by 15.3% due to lower collections from the petroleum industry, import duties, non-tax revenues and grants.

The immediate benefit on the external debt exchange of US$547.5mn was a $17.6mn decline in the public sector's external debt to $2,020.6mn (75.1% of GDP) due to a 10.0% principal haricut on the restructured debt. Principal repayments of $1,116.1mn included $1,095mn, which was the value of the 2029 bond that was replaced by a 2038 bond. Of total disbursements, 95.5% was by way of the new 2038 bond. Central Government's domestic debt also declined by $3.8mn to $386.1mn (14.3% of GDP).

Money and Credit

In contrast to a 4.1% increase in the first quarter of 2012, growth in broad money decelerated to 0.2% reflecting counterbalancing movements in net foreign assets and net domestic credit. The former expanded by $43.0mn due to a $45.7mn improvement in the net position of the Central Bank, which received the foreign exchange proceeds from a $36.1mn loan disbursement to Central Government under the new Venezuelan Petrocaribe Agreement (VPCA) in February. The associated increase in Central Government deposits at the Central Bank coupled with a $20.2mn reduction in private sector credit resulted in a $44.6mn contraction in net domestic credit.

The VPCA loan disbursement and the one-off cash flow ease afforded by the necessity of making a single interest payment in August on the newly issued 2038 bond (compared to the February and August payments that would have been made on the 2029 bond that it replaced) caused the Central Bank's foreign asset holdings to escalate by $45.2mn. The Bank's foreign exchange purchases totalled $90.2mn compared

Table 2.1: Factors Responsible for Money Supply Movements(1)

$mn

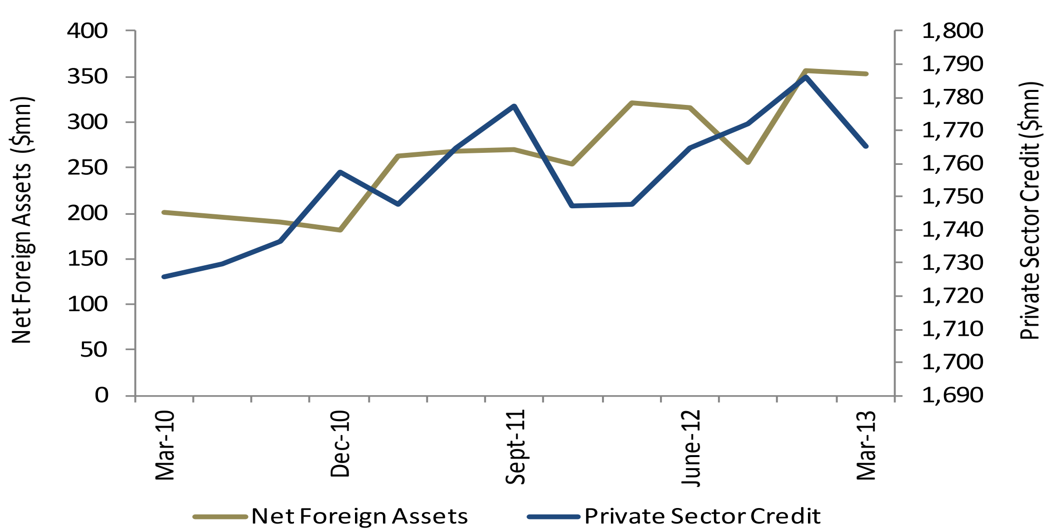
	Position as at Mar-13	Changes During Dec-12 to Mar-13	Changes During Dec-11 to Mar-12
Net Foreign Assets	991.1	43.0	69.5
Central Bank	638.1	45.7	2.8
Commercial Bank	353.0	-2.7	66.7
Net Domestic Credit	1,928.4	-44.6	25.9
Central Government (Net)	144.1	-26.5	22.9
Other Public Sector	13.3	2.1	2.7
Private Sector	1,771.0	-20.2	0.3
Central Bank Foreign Liabilities (Long-term)	60.7	-3.4	0.6
Other Items (Net)	410.0	-3.4	3.8
Money Supply (M2)	2,448.8	5.2	91.0

(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.

to sales of $45.0mn. Inflows were mainly comprised of loan disbursements (53.0%) and sugar export receipts (20.5%), while 75.6% of outflows were to enable Central Government to meet external obligations. The commercial banks' net foreign assets dipped by $2.7mn, as buoyant tourism inflows and export receipts were almost fully offset by the January transfer of approximately $62.0mn in VPCA funds from the domestic banking system to an international bank and payments for imports.

The contraction in net domestic credit was not across the board as small disbursements were made to public sector enterprises, primarily Belize Telemedia Limited. Net domestic credit to Central Government contracted by $26.5mn due to the build-up in its deposits stemming from the VPCA disbursement as well as a $2.4mn reduction in its outstanding loan balances. Meanwhile commercial banks' loans and advances declined by $19.0mn partly due to loan write-offs of $12.5mn for tourism, distribution and commercial real estate projects. The banks also received net repayments on personal loans ($5.0mn) and by entities engaged in transportation ($6.5mn), beverage production ($7.0mn), marine production and distribution that outweighed increases for construction activities ($6.2mn), residential real estate ($3.1mn), farming and telecommunications.

Chart 2.1: Commercial Banks' Net Foreign Assets and Private Sector Credit



In contrast to commercial banks, the five largest credit unions saw a heightening in their lending activity with disbursement of $10.1mn compared to the $1.1mn that was recorded in the comparable period of 2012. Disbursements were mainly for manufacturing, commercial real estate, land acquisition, distribution, agricultural production/processing and professional services with net repayments being made on home improvement and personal loans.

Systemic liquidity continued to trend upward during the quarter with the commercial banks' holdings of approved liquid assets rising by $73.0mn against a $15.3mn increase in the statutory requirements. At the end of March, excess statutory liquidity stood at $367.7mn or some 70.6% above the required level. Excess cash holdings also continued its upward trend, rising by 10.9% to $169.3mn, which was 88.0% above the legal requirement.

Against the backdrop of mounting liquidity, commercial banks' interest rates declined further. The weighted average lending rate fell by 67 basis points to 11.32%, with rate cuts across all loan categories, while the weighted average deposit rate fell by 10 basis points to 2.45% mainly due to a 21 basis

Chart 2.2: Changes in Commercial Banks' Loans and Advances, December 2012 - March 2013

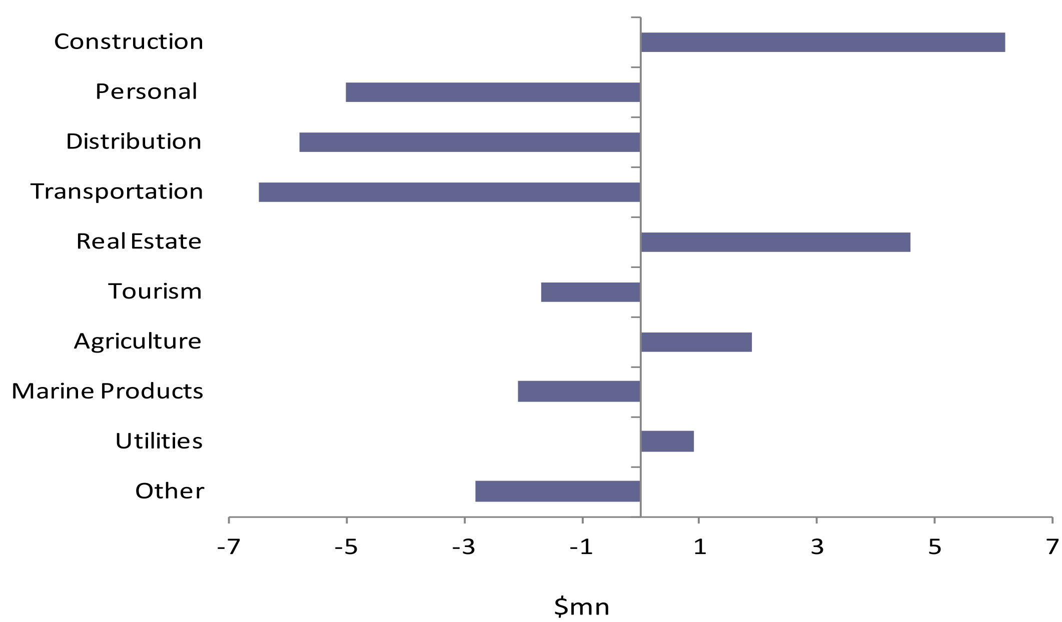


Chart 2.3: Excess Statutory Liquidity and Average Treasury Bill Yield

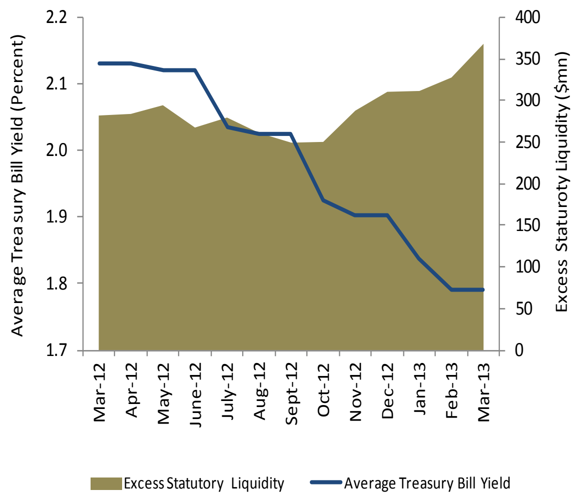
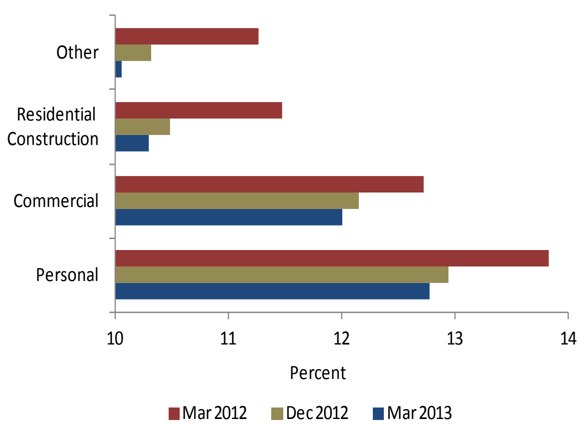


Chart 2.4 : Weighted Average Lending Rate

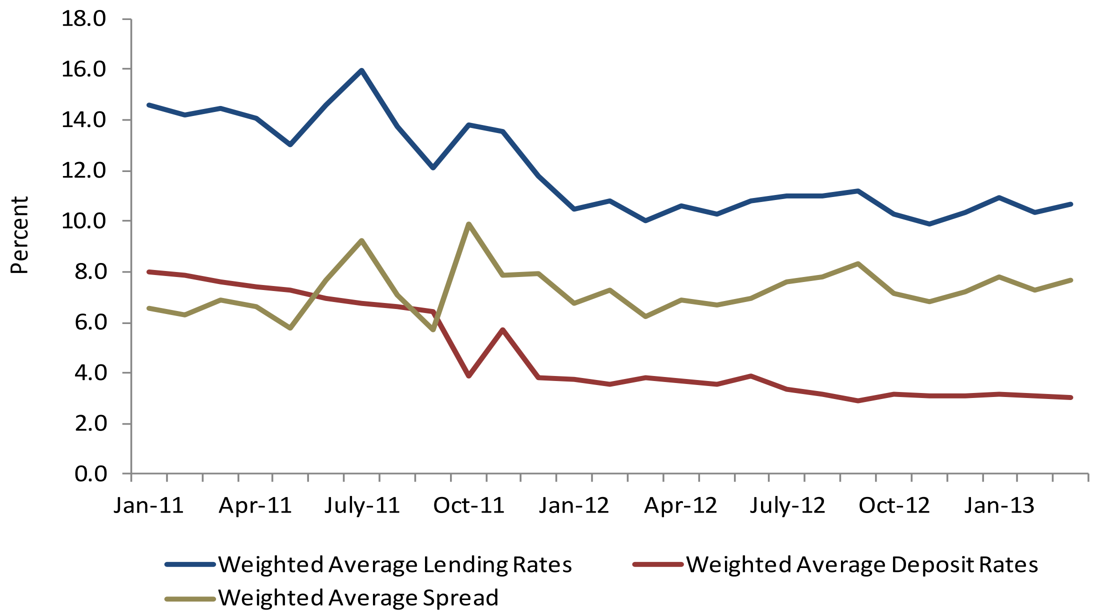


points decline in the weighted average rate for time deposits. The interest rate spread consequently narrowed by 57 basis points to 8.87% during the quarter. The spread on new loans and deposits issued in the month of March stood at 7.76% compared to 7.23% for transactions in December. Interest rates on deposits and mortgage loans continued to edge downward in March while on the other hand, rates for commercial and personal loans moved upward.

Since the end of 2010, rates on new loans have drifted downward at a fast pace, induced by a number of Central Bank initiatives aimed at bringing interest rates more in line with prevailing macroeconomic conditions. In just over two years, the weighted average lending rate applied on new loans has been slashed by 367 basis points to 10.69%. At 102 basis points, the decline in lending rates on personal loans has been most notable, falling to 11.32% at the end of March. Additionally, significant reductions have been recorded for rates on commercial activities, down 93 basis points to 11.22%, and home construction, down 84 basis points to 9.22%.

Competitive bidding by commercial banks for the limited supply of Treasury bills enabled them to maintain their holdings fairly constant during the first quarter and drove down the weighted average yield from 1.90302% at the last auction in 2012 to 1.79000% at the end of February. The latter was 34 basis points lower than that at the end of February 2012.

Chart 2.5: Monthly Weighted Average Interest Rates on New Loans and Deposits



Domestic Productions and Prices

GDP decreased by 0.5% during the first quarter compared to the 6.1% growth recorded for the comparable period of 2012, as heightened activities in services, construction and fishing were overshadowed by steep declines in domestic electricity production, petroleum extraction and agricultural production.

A sharper than anticipated fall in citrus output outweighed modest gains in sugarcane, banana and papaya output and agricultural activities consequently contracted by 14.7%. On the upside, a 44.7% spike in "Fishing" reflected a 13.6% growth in farmed shrimp production that was supported by a notable growth in whole fish output.

"Construction" remained very buoyant with the continuation of public sector infrastructural works and private sector projects. However, the 36.8% downturn in domestic electricity generation combined with the 20.7% fall in petroleum production caused the value added of "Electricity and Water" and "Manufacturing" to decline. As a result, the secondary sector contracted by 18.8%.

In contrast, the tertiary sector expanded by 5.2%, as stay-over and cruise ship tourist arrivals posted double digit increases and contributed to upswings in "Hotels & Restaurants", "Transport & Communication" and "Wholesale and Retail Trade". In addition, the growth in sugarcane milling capacity further spurred transportation activity, while a 7.2% increase in imports boosted the distributive trade.

Table 3.1: Deliveries of Sugarcane and Production of Sugar and Molasses

	Dec-Mar 2011/2012	Dec-Mar 2012/2013
Deliveries of Sugarcane to BSI (long tons)	678,336	756,481
Sugar Processed by BSI (long tons)	69,467	78,554
Molasses processed by BSI (long tons)	18,011	21,641
Performance		
Factory Time Efficiency (%)	94.89	94.78
Cane Purity (%)	85.67	85.81
Cane/Sugar	9.66	9.52

Source: BSI

Sugarcane and Sugar

Sugarcane deliveries were up by 11.5% to 756,481 long tons, compared to the corresponding period of the previous crop year. Boosted further by increases in cane purity and the cane/sugar ratio, sugar production rose by 13.1% to 78,554 long tons. A higher hourly grinding rate and expanded processing capacity enabled an estimated 68.8% of the crop to be processed by the end of March, compared to the 63.3% achieved during the same period of the previous crop year. Molasses output also expanded by 20.2% to 21,641 long tons.

Table 3.2: Output of Citrus Products

	Oct-Mar 2011/2012	Oct-Mar 2012/2013
Deliveries (boxes)		
Orange	3,882,319	2,424,211
Grapefruit	676,268	646,349
Total	4,558,587	3,070,560
Concentrate Produced (ps)		
Orange	24,810,119	14,495,553
Grapefruit	2,582,058	2,620,821
Total	27,392,177	17,116,374
Not from Concentrate (ps)		
Orange	0	131,668
Grapefruit	212,171	55,871
Total	212,171	187,539
Pulp (pounds)		
Orange	2,455,384	1,486,544
Grapefruit	318,848	527,456
Total	2,774,232	2,014,000
Oil Produced (pounds)		
Orange	1,341,110	843,200
Grapefruit	89,800	89,355
Total	1,430,910	932,555

Sources: CGA and CPBL

The average price to be paid to farmers for the 2012/2013 crop year was adjusted upwards from an initial estimate of $56.75 per long ton to $60.68. This improvement was supported by the softening of freight rates and the diversion of sugar earmarked for the US market to the EU, where prices were better. This market shift reversed the sale trend of the previous two crop years and was due to the recent downturn in international sugar prices, which influences price levels in the US.

Citrus

Citrus deliveries contracted by 32.6% to 3.1mn boxes for the 2012/2013 crop year-to-date. Deliveries of grapefruit dipped by 4.4% to 0.6mn boxes, while those of orange plummeted by 37.6% to 2.4mn boxes due to unfavourable weather that triggered premature fruit drop from trees already weakened by citrus greening. Worsened further by a 6.9% decline in the average juice out-turn per box, juice production shrank by 37.3% to 17.3mn pound solids (ps) with production of orange juices down by 41.0% to 14.6mn ps and that of grapefruit dipping by 4.2% to 2.7mn ps. Output of citrus oils and pulp also declined to 0.9mn pounds and 2.0mn pounds, respectively.

The principal influence on international concentrate prices and, by extension those paid to local farmers, continues to be citrus production in the US and Brazil, major global producers. International prices of orange concentrates fell due to higher opening juice stocks in Florida and Brazil, while smaller grapefruit harvests in California and Florida caused juice prices to strengthen. Consequently, the estimated prices paid to farmers for the 2012/2013 crop were $1.50 per ps of orange, compared to $2.31 of the previous crop year, and $2.26 per ps of grapefruit, compared to $2.10 for the 2011/2012 crop year.

Banana

With a strong start in banana production in January and February outweighing a decline in March, banana production increased by 2.9% to 1.3mn boxes in the first quarter, owing to favourable weather and an expansion in productive acreage. At the end of February, banana acreage stood at 7,387 with 7,177 acres under production and 210 acres under plantilla (trees too young to harvest). 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 extraction continued on a downward trajectory, declining by 20.7% to 221,142 barrels, as production from the Never Delay and Spanish Lookout fields fell by 93.5% and 15.0%, respectively. Quarter-on-quarter, the extraction rate at Spanish Lookout fell from an average of 2,874 barrels per day in 2012 to 2,442 barrels in 2013. The downturn in production at the Never Delay field was more pronounced, with the extraction rate falling to an average of 15 barrels per day over the quarter, compared to 224 barrels per day in 2012.

Table 3.3: Banana Production

40 pound boxes

	Jan-Mar 2012	Jan-Mar 2013
January	410,779	527,993
February	363,604	417,258
March	521,022	387,851
Total	1,295,405	1,333,102

Source: BGA

Tourism

The World Tourism Organization (WTO) estimated that global stay-over arrivals increased by 4.0% during the first two months of the year, which was marginally lower than the growth recorded for the same period of 2012. The WTO expects international visitor arrivals to grow between 3.0% and 4.0% for the entire year, with the same growth level expected for the Americas. Caribbean arrivals in the first two months of the year have been less upbeat, with only four out of fourteen countries, namely Anguilla, Aruba, Cayman and Curacao, experiencing growth in stay-over tourists.

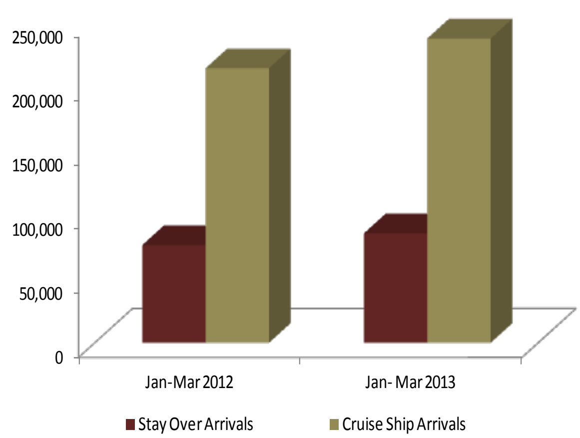
At home, stay-over visitors increased by 12.1% to 85,514 for January through March with higher arrivals recorded at all entry ports. Arrivals from the US increased by 9.1% and dominated the market share of stay-over visitors at 66.2%. Arrivals from Canada continued the strong growth trend, increasing by

Table 3.4: Bona Fide Tourist Arrivals

	Jan-Mar 2012	Jan-Mar 2013
Stay-over Arrivals		
Air	64,826	70,074
Land	9,059	12,587
Sea	2,410	2,853
Total	76,295	85,514
Cruise Ship	214,339	237,648

Sources: BTB, CBB and Immigration Department

Chart 3.1: Tourist Arrivals



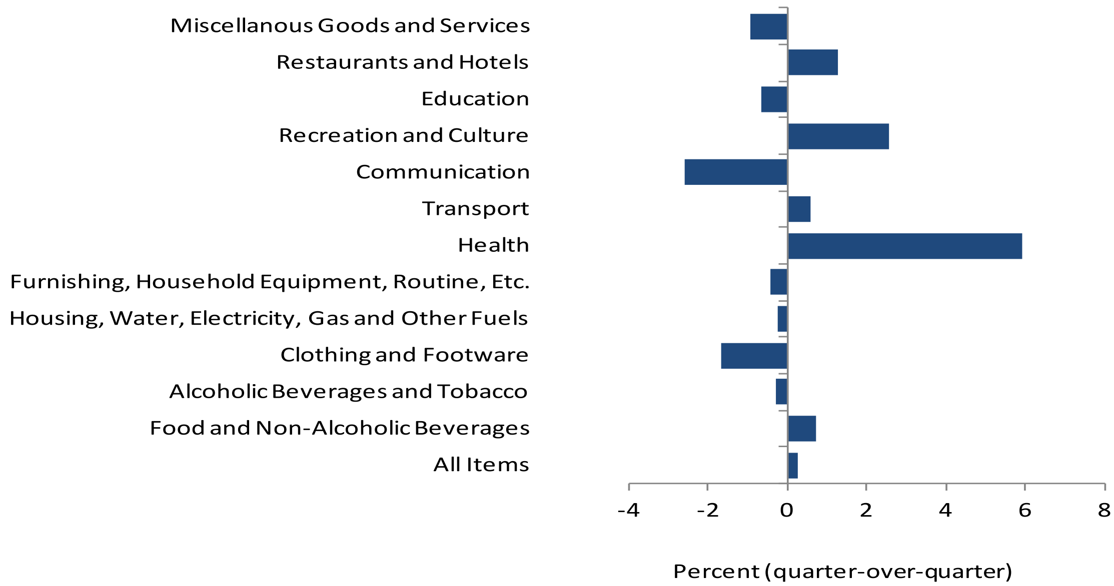
Sources: BTB, CBB and Immigration Department

16.5% over the quarter and comprised the second largest tourist category, accounting for 12.7% of the total. Unlike the contractions in the first quarter of 2012, long-stay visitors from the EU and other countries increased by 13.7% and 24.9%, respectively. With increases from all the main source markets, the quarter posted the largest number of arrivals since 2000. Cruise ship disembarkations also rose by 10.9% to 237,648 visitors due to the deployment of larger ships.

Consumer Price Index

During March, the CPI rose by 0.2% over the preceding month. Average prices for the first quarter were 0.3% higher than that of the first quarter of 2012. Notable changes during the period included a 0.7% increase for "Food and Non-Alcoholic Beverages" that reflected higher prices for rice, poultry and beef. A 5.9% price hike in "Health" was attributable to hospital accommodation, and higher "Recreation and Culture" prices were due to nightclub fares. Ameliorating inflationary pressures were declining prices for "Clothing and Footwear" (-1.7%), "Communication" (-2.6%), and "Miscellaneous Goods and Services" (-0.9%).

Chart 3.2: Average Annual Percentage Change in Consumer Price Index
Quarter 1 2013 over Quarter 1 2012



Source: SIB

International Trade and Payments

The current account of the balance of payments recorded a first quarter surplus for the fourth consecutive year. The successful exchange of the 2029 bond for the new 2038 bond in March and funds from the sale of fuel under the Venezuelan Petrocaribe Initiative dominated balance of payments developments during the quarter. Agreement to capitalise rather than pay the first quarter biannual interest on the restructured bond halved net outflows on the primary income account, while continued buoyancy in tourist arrivals led to an uptick in net earnings from services. These gains partly offset a quadrupling in the merchandise trade deficit, so the external current account surplus narrowed from $87.2mn (3.3% of GDP) in 2012 to $68.9mn (2.6% of GDP). The surplus on the capital account almost doubled to $44.8mn due to debt forgiveness that reflected a 10.0% principal haircut on the value of the 2029 bond. The combined surplus on the current and capital accounts enabled an increase in private sector foreign asset holdings abroad, a reduction in external liabilities and a build-up in gross official international reserves by $45.4mn to $624.0mn, the equivalent of 3.96 months of merchandise imports.

Table 4.1: Current Account Summary

$mn

			2012[R] Jan-Mar	2013[P] Jan-Mar
A.	**CURRENT ACCOUNT**			
	(I+II+III+IV)		**87.2**	**68.9**
	I.	**Goods (Trade Balance)**	**-20.5**	**-80.7**
		Exports, Free on Board (FOB)	345.6	325.0
		Domestic Exports	207.9	176.9
		CFZ Gross Sales	121.1	122.2
		Re-exports	16.7	25.9
		Imports, FOB	366.1	405.7
		Domestic Imports	296.5	334.9
		CFZ Imports	69.7	70.8
	II.	**Services**	**145.4**	**157.0**
		Transportation	-21.6	-22.4
		Travel	168.6	197.6
		Other Services	-1.6	-18.2
	III.	**Primary Income**	**-79.4**	**-40.6**
		Compensation of Employees	-3.5	-2.1
		Investment Income	-75.9	-38.4
	IV.	**Secondary Income**	**41.7**	**33.1**
		Government	-1.9	-1.1
		Private	43.6	34.3
B.		**Capital Account**	**25.2**	**44.8**
C.		**Financial Account**	**51.7**	**57.4**
D.		**NET ERRORS AND OMISSIONS**	**-47.7**	**-10.9**
E.		**RESERVE ASSETS**	**13.0**	**45.4**

[P] - Provisional
[R] - Revised

The merchandise trade deficit quadrupled to $80.7mn, as imports rose by 10.8%, and exports contracted by 6.0%. With Commercial Free Zone (CFZ) imports being relatively stable, the growth in imports was attributable to goods for domestic consumption such as fuel, electricity, construction supplies and equipment, vehicles, engines and electrical equipment.

Chart 4.1: Current Account and Trade Deficit

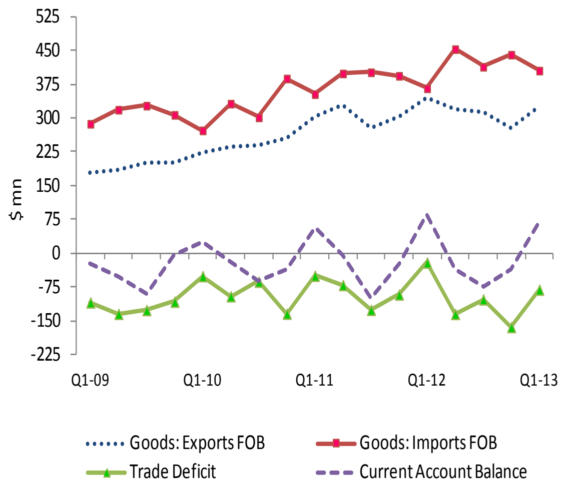
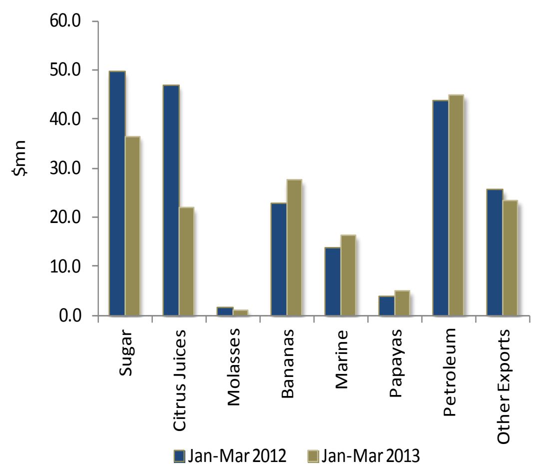


Chart 4.2: Domestic Exports



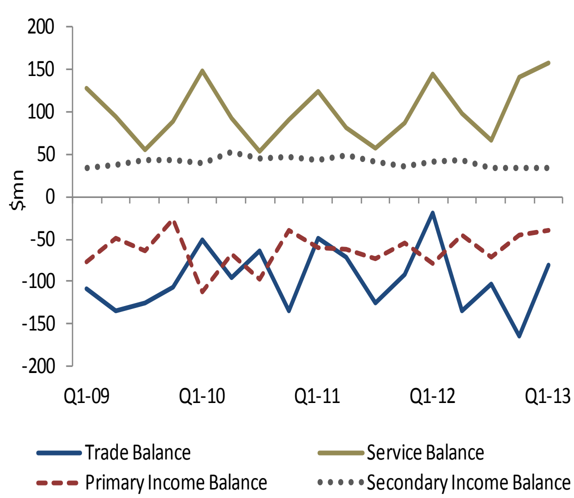
Exports declined by $20.6mn to $325.0mn, as a $31.0mn reduction in domestic exports eclipsed a $1.2mn uptick in CFZ sales. Sharp declines in sugar and citrus receipts outweighed increased revenues from banana, marine commodities, papaya and petroleum. Higher sale volumes pumped up export receipts from petroleum, papaya, banana and marine products, while shipment delays and lower production reduced export earnings from sugar and citrus, respectively.

Sugar export activity during the first quarter was sharply asymmetrical to the surge in production. Sugar exports totalled 34,859 long tons valued at $36.5mn, compared to 46,981 long tons valued at $49.6mn realised over the same period of 2012. The decline in export volume and receipts was due to delays in the ship loading schedule caused by weather and equipment related issues in January. All sales, except 20 long tons that went to Canada, were to the EU market. The first shipment of molasses occurred in March and, at 6,318 long tons ($1.4mn), was 32.5% lower in volume than the comparative period of the previous year.

The export volume of citrus juices fell by 43.0% to 7.8mn ps with grapefruit and orange concentrates declining by 39.7% to 1.1mn ps and by 43.7% to 6.6mn ps, respectively. Revenues consequently plunged by 53.3% to $21.9mn, as an 11.4% rally in grapefruit concentrate prices didn't compensate for the fall in export volumes and lower prices for orange concentrate. International prices of orange concentrates fell due to higher opening juice stocks in Florida and Brazil, while a smaller grapefruit harvest in the US caused juice prices to strengthen.

Marine export volume increased by 44.9% to 3.2mn pounds, as increases in farmed shrimp and fish outweighed declines in lobster and conch. Higher prices for all commodities, except fish, boosted revenues by 18.5% to $16.3mn. The latter was led by an 82.5% spike in farmed shrimp receipts that reflected

Chart 4.3: Trade, Service, Income and Current Transfer Balances



price and volume increases, while the hike in fish earnings was due to higher volume alone. In contrast, lobster and conch revenues fell by 41.9% to $2.5mn and 24.4% to $2.5mn, respectively.

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. With a 2.9% volume increase and 16.4% hike in the average price, banana export revenues were boosted by 19.8% to $27.5mn. Revenues from oil exports edged up by 2.6% to $44.8mn, as export volume rose by 0.3% to 202,357 barrels and the average price increased by 2.4% to US$110.82 per barrel, which is US$20.82 above the threshold price at which the petroleum surcharge becomes applicable. While international crude oil prices reversed their upward trend in March as demand weakened, the average export price for the quarter was higher than the comparable period of 2012 due to the quality premium paid. Higher volume and prices also underpinned a 31.7% increase in papaya receipts to $5.0mn.

In other developments, net earnings from services improved by 8.0% to $157.0mn as buoyancy in stay-over and cruise ship arrivals ramped up tourism travel receipts by 15.9% to $213.1mn. This more than offset increased expenditures on international transportation and

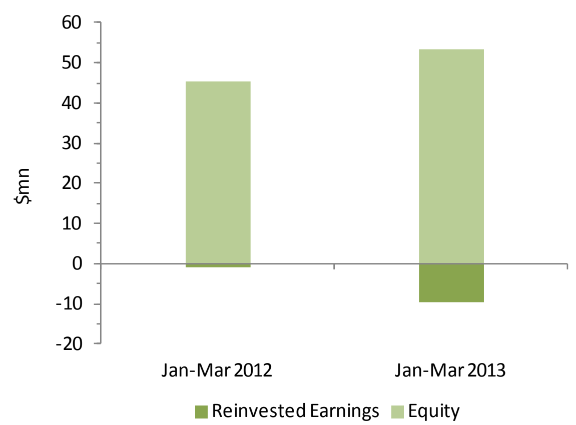
Table 4.2: Capital and Financial Account Summary

$mn

		2012[R] Jan-Mar	2013[P] Jan-Mar
A.	Capital Account	25.2	44.8
B.	Financial Account (1+2+3+4)	51.7	57.4
	1. Direct Investment in Belize	-43.4	-43.7
	2. Portfolio Investment	3.2	44.2
	Monetary Authorities	0.0	0.0
	General Government	3.2	44.2
	Banks	0.0	0.0
	Other Sectors	-0.0	-0.0
	3. Financial Derivatives	0.0	0.0
	4. Other Investments	91.9	56.8
	Monetary Authorities	0.2	0.5
	General Government	8.6	-28.4
	Banks	67.1	-2.8
	Other Sectors	15.9	87.6
C.	NET ERRORS AND OMISSIONS	-47.7	-10.9
D.	OVERALL BALANCE	13.0	45.4
E.	RESERVE ASSETS	13.0	45.4

[P] - Provisional
[R] - Revised

Chart 4.4: Change in Foreign Direct Investment Components



other services such as consultancies, accounting and legal assistance.

Net outflows on the primary income account fell from $79.4mn in 2012 to $40.6mn, as a result of the agreement to capitalize rather than pay interest on the restructured super bond during the first quarter of 2013. On the other hand, lower inflows for family maintenance, a fall in funding for religious and non-profit organizations and higher outflows of remittances resulted in a 20.5% fall in the surplus on the secondary income account.

The capital account surplus of $44.8mn reflected the debt relief negotiated on the restructured 2029 bond after taking into account the 10.0% haircut and capitalization of interest accrued up to 19 March 2013. The combined capital and current surplus boosted the country's net foreign asset position by $57.4mn with the latter reflecting a $28.8mn reduction in external liabilities and a $28.6mn increase in foreign currency holdings abroad, as foreign direct investment remained relatively unchanged. The reduction in liabilities was partly due to the $44.2mn debt relief negotiated on the 2029 bond, while the accumulation of foreign currency holdings abroad was attributable to funds from fuel sales by Alba Petrocaribe under the Venezuelan Petrocaribe Initiative. In a related development, Alba Petrocaribe shifted a

US$18.0mn loan to the government. The latter was mostly responsible for the $45.4mn boost in gross official international reserves.

Government Operations and Public Debt

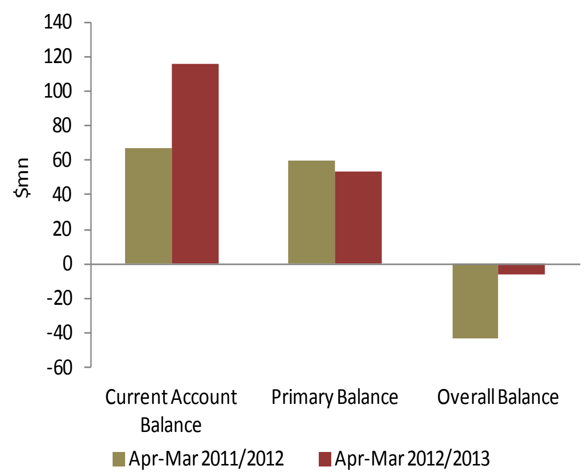
Government Operations

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

Chart 5:1: Central Government Fiscal Operations



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 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-

Table 5.1: Central Government Revenue and Expenditure

$mn

	Jan-12 Mar-12	Jan-13 Mar-13	Apr-11 Mar-12	Apr-12 Mar-13
Total Revenue and Grants	243.8	206.5	846.3	846.2
of which: Current Revenue	215.2	204.0	795.9	820.2
of which: Grants	25.2	1.0	42.5	21.3
Total Expenditure	269.7	219.1	889.3	852.4
Current Expenditure	208.2	171.8	729.1	704.7
Capital Expenditure	61.5	47.3	160.2	147.7
Current Balance	7.1	32.2	66.8	115.5
Primary Balance	16.8	-4.1	59.3	53.0
Overall Balance	-25.9	-12.6	-43.0	-6.3

Sources: MOF and CBB estimates

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

Table 5.2: Summary of Central Government Revenue

$mn

	Jan-12 Mar-12	Jan-13 Mar-13	Apr-11 Mar-12	Apr-12 Mar-13
Current revenue	215.2	204.0	795.9	820.2
Tax Revenue	174.3	186.6	671.1	712.7
Income and Profits	62.4	64.1	238.2	241.7
Taxes on Property	1.7	1.8	6.7	4.9
Taxes on Goods and Services	60.9	77.3	230.3	277.3
International Trade and Transactions	49.2	43.5	196.0	188.8
Non-Tax Revenue	41.0	17.4	124.8	107.6
Property Income	7.6	1.2	24.1	5.7
Licenses	4.4	2.3	12.6	14.6
Other	28.9	13.9	88.1	87.3
Capital Revenue	3.3	1.5	7.8	4.6
Grants	25.2	1.0	42.5	21.3

Sources: MOF and CBB estimates

Table 5.3: Summary of Central Government Expenditure

$mn

	Jan-12 Mar-12	Jan-13 Mar-13	Apr-11 Mar-12	Apr-12 Mar-13
Current Expenditure	208.2	171.8	729.1	704.7
Wages and Salaries	76.1	73.4	296.4	297.0
Pensions	13.6	13.1	51.6	53.7
Goods and Services	49.5	47.4	174.1	176.1
Interest Payments	42.8	8.5	102.3	59.3
of which: External	37.7	5.3	84.1	43.6
Subsidies and Current Transfers	26.2	29.3	104.6	118.8
Capital Expenditure	61.5	47.3	160.2	147.7
Capital II	20.6	21.9	74.5	66.5
Capital III	40.0	24.7	80.9	77.9
Net Lending	0.9	0.8	4.8	3.3

Sources: MOF and CBB estimates

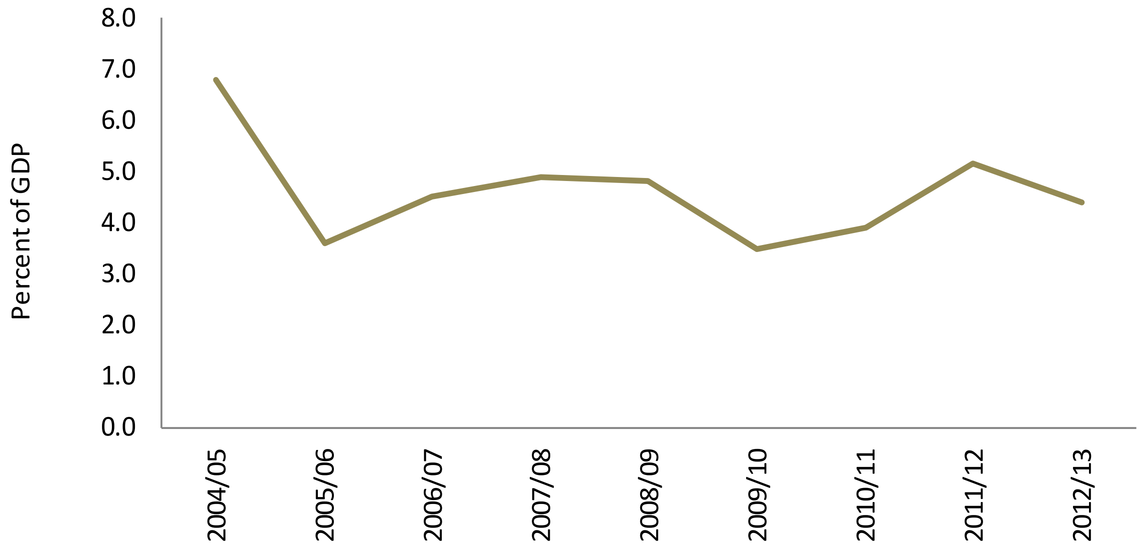
mostly responsible for the decline in current outlays as all other categories of current expenditure increased. The most notable was in domestic subsidies, and this was due to the reclassification of teachers' salaries in order to more accurately reflect the public/private partnership status of most 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. 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 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,

Chart 5.2: Central Government Development Expenditure



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 dipped by 1.0% to $386.1mn during the first quarter, reflecting a $1.9mn reduction in overdraft financing from the Central Bank and $1.9mn in amortization payments to the Belize Social Security Board (BSSB), Fort Street Tourism Village, Debt-for-Nature Swap, commercial banks and Guardian Life Belize for the retirement of that loan.

Since December 2012, the share of domestic debt held by the Central Bank has remained stable at 39.9%, while the overdraft balance ended the quarter at 6.8% of the previous fiscal year's current revenue, below the statutory limit of 8.5%. The share held by commercial banks fell from 46.3% to 45.2%, and non-bank holdings decreased from 14.7% to 13.6%.

Interest payments summed to $3.4mn, which included $2.3mn that was paid to the Central Bank for credit provided through the overdraft as well as holdings of Treasury notes. Some $0.9mn was paid to the commercial banks, and the remainder ($0.1mn) was paid to the BSSB and Guardian Life. At the end of the quarter, the annual effective interest rate was 4.1%, well below the 4.9% calculated for 2012. The fall in

Table 5.4: Central Government Domestic Debt

$mn

	Dec 2012	Mar 2013	Year-to-Date Change
Overdraft	56.3	54.4	-1.9
Loans	12.1	10.1	-1.9
Treasury Bills	175.0	175.0	0.0
Treasury Notes	136.5	136.5	0.0
Defence Bonds	10.0	10.0	0.0
Total	**389.9**	**386.1**	**-3.8**

costs was largely due to the continued decline in Treasury bill yields alongside the retirement of the Guardian Life loan and the redemption of some $0.3mn in Treasury notes.

Public Sector External Debt

On 8 March 2013, Central Government successfully closed the US$547.5mn debt exchange offer, with 86.17% of creditors signalling agreement versus the required creditor participation rate of 75.0%. The main features of the exchange included a principal haircut of 10.0%, an increase in maturity by 9 years to February 2038, equal semi-annual principal amortizations commencing in August 2019, a step-up coupon structure with annual interest payments set at 5.0% for the first four years after issuance of the new bond, then rising to 6.678% thereafter through to maturity and the capitalisation of the unpaid portion of the August 2012 interest payment and interest accrued from August 2012 through to 19 March 2013. The new terms effectively achieved a 43.3% reduction in net present value with debt service costs projected to be significantly lower in the short and medium terms.

In line with this notable development, the public sector's external debt declined by 0.9% ($17.6mn) with amortization payments of $1,116.1mn and downward valuation adjustments ($2.2mn) outweighing disbursements of $1,100.7mn. All disbursements went to Central Government with 95.5% of the total covering the new 2038 bond that was issued in exchange for the 2029 bond. Other disbursements came from bilateral and multilateral sources that extended $38.6mn and $10.9mn, respectively. Of the former, $36.1mn came from Venezuela for budget support under the Venezuelan Petrocaribe Agreement and $2.5mn came from Republic of China (ROC)/Taiwan.

Principal repayments by Central Government amounted to $1,111.4mn of which $1,095.0mn was the value of the 2029 bond that was replaced by the 2038 bond. The remaining $16.3mn was paid to bilateral lenders ($9.6mn), of which $8.5mn went to ROC/Taiwan, and $6.7mn was paid to multilateral creditors that included $3.5mn to the Caribbean Development Bank (CDB) and $2.8mn to the International Development Bank (IDB). The Development Finance

Table 5.5: Public Sector External Debt

$mn

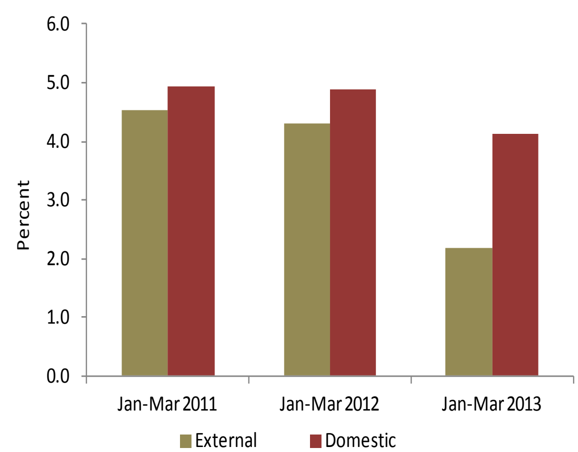
	DOD at: 12/31/2012	DOD at: 3/31/2013	Year-to-Date Change
Central Government	**1,927.0**	**1,915.7**	**-11.3**
Bilateral	338.2	366.9	28.7
Multilateral	493.8	497.7	3.9
Bonds	1,095.0	1,051.2	-43.9
Commercial Banks	0.0	0.0	0.0
Export Credit	0.0	0.0	0.0
Rest of Non-Financial Public Sector	**37.4**	**34.7**	**-2.7**
Bilateral	2.8	2.8	-0.0
Multilateral	28.2	27.1	-1.1
Commercial Banks	6.4	4.8	-1.6
Export Credit	0.0	0.0	0.0
Financial Public Sector	**73.9**	**70.2**	**-3.7**
Bilateral	0.2	0.2	0.0
Multilateral	73.7	70.0	-3.7
Bonds	0.0	0.0	0.0
Export Credit	0.0	0.0	0.0
Grand Total	**2,038.3**	**2,020.6**	**-17.6**

Corporation (DFC) and the non-financial public sector repaid $1.3mn to the CDB, and Central Bank repaid $1.8mn to the International Monetary Fund (IMF) for the Emergency Natural Disaster Assistance (ENDA) facility.

At $5.6mn, interest payments were $32.6mn lower than the amount paid during the comparable period of 2012, as the February payment that was due on the 2029 bond was capitalised as per the negotiated terms of the debt exchange, which allowed one interest payment to be made (in August) only for 2013. As a consequence, the annual (April 2012 to March 2013) effective interest rate averaged 2.2%, compared to the 4.4% recorded for the twelve months ending March 2012. Notable interest payments went to bilateral lenders such as ROC/ Taiwan ($2.4mn) and the Government of Kuwait ($0.6mn), followed by multilateral creditors such as the CDB ($1.4mn) and the IDB ($0.4mn). The financial and non-financial public sectors paid the CDB $0.3mn in combined interest.

At the end of the first quarter, Central Government held 94.8% of the outstanding external debt, and the financial and non-financial public sector

Chart 5.3: Average Interest Rate on Central Government Domestic Debt and Public Sector External Debt



accounted for 3.5% and 1.7%, respectively. A total of $1.8mn of the present portfolio is scheduled to mature during the next nine months and $149.9mn is scheduled to mature during the next ten years, leaving $2.0bn with a maturity that exceeds ten years. Disbursements are projected to amount to $78.8mn during the next three quarters of 2013.

ANNEX I

Table 6.1: Money Supply

$mn

	Position as at Mar-13	Changes During Dec-12 to Mar-13	Changes During Dec-11 to Mar-12
Money Supply (M2)	**2,448.8**	**5.2**	**91.0**
Money Supply (M1)	**1,094.3**	**-8.6**	**91.5**
Currency with the Public	193.6	0.5	3.8
Demand Deposits	695.3	-13.9	70.1
Savings/Cheque Deposits	205.4	4.8	17.6
Quasi-Money	**1,354.5**	**13.8**	**-0.5**
Savings Deposits	350.1	27.1	29.7
Time Deposits	1,004.4	-13.3	-30.2

Table 6.2: Net Foreign Assets of the Banking System

$mn

	Position as at Mar-13	Changes During Dec-12 to Mar-13	Changes During Dec-11 to Mar-12
Net Foreign Assets of Banking System	991.1	43.0	69.5
Net Foreign Assets of Central Bank	638.1	45.7	2.8
Central Bank Foreign Assets	639.8	45.2	2.4
Central Bank Foreign Liabilities (Demand)	1.7	-0.5	-0.4
Net Foreign Assets of Commercial Banks	353.0	-2.7	66.7
Commercial Bank Foreign Assets	365.2	2.3	54.5
Commercial Bank Foreign Liabilities (Short-Term)	12.2	5.0	-12.2

Table 6.3: Net Domestic Credit

$mn

	Position as at Mar-13	Changes During Dec-12 to Mar-13	Changes During Dec-11 to Mar-12
Total Credit to Central Government	**328.4**	**-5.0**	**-3.7**
From Central Bank	**153.9**	**-0.2**	**-3.1**
Loans and Advances	54.4	-1.9	-0.2
Goverment Securities[1]	99.5	1.7	-2.9
From Commercial Banks	**174.5**	**-4.8**	**-0.6**
Loans and Advances	4.9	-0.5	-0.1
Government Securities	169.6	-4.3	-0.5
(of which) Treasury Bills	169.6	-3.9	-0.5
Treasury Notes	0.0	0.0	0.0
Other	0.0	-0.4	0.0
Less Central Government Deposits	**184.3**	**21.5**	**-26.6**
With Central Bank	141.4	17.9	-28.4
With Commercial Banks	42.9	3.6	1.8
Net Credit to Central Government	**144.1**	**-26.5**	**22.9**
Credit to Other Public Sector	**13.3**	**2.1**	**2.7**
From Central Bank	0.0	0.0	0.0
From Commercial Banks	13.3	2.1	2.7
(of which) Local Government	0.8	-0.4	-0.4
Public Financial Institutions	0.0	0.0	0.0
Public Utilities	11.5	2.3	3.0
Other Statutory Bodies	1.0	0.2	0.1
Securities	0.0	0.0	0.0
Plus Credit to the Private Sector	**1,771.0**	**-20.2**	**0.3**
Loans and Advances	1,769.5	-20.7	0.3
Securities	1.5	0.5	0.0
Net Domestic Credit of the Banking System[2]	**1,928.4**	**-44.6**	**25.9**

(1) Include Central Bank's holdings of Government Treasury bills and Treasury notes.
(2) Values may not equal to total due to rounding.

Table 6.4: Sectoral Composition of Commercial Banks' Loans and Advances

$mn

	Position as at Mar-13	Changes during Dec-12 to Mar-13	Changes during Dec-11 to Mar-12
PRIMARY SECTOR	**180.9**	**-1.2**	**-5.6**
Agriculture	126.6	1.9	-4.9
Sugar	12.7	-0.8	-1.4
Citrus	16.8	0.2	-0.7
Bananas	70.0	0.5	-2.2
Other	27.1	2.0	-0.6
Marine Products	33.3	-2.1	-0.6
Forestry	1.2	0.0	-0.2
Mining and Exploration	19.8	-1.0	0.1
SECONDARY SECTOR	**545.4**	**-0.1**	**14.4**
Manufacturing	25.3	-7.2	-6.9
Building and Construction	484.2	6.2	18.9
Utilities	35.9	0.9	2.4
TERTIARY SECTOR	**636.5**	**-12.7**	**-1.9**
Transport	43.4	-6.5	-0.7
Tourism	94.5	-1.7	-1.9
Distribution	196.5	-5.8	0.8
Other[(1)]	302.1	1.3	-0.1
Personal Loans	**420.8**	**-5.0**	**-3.9**
TOTAL	**1783.6**	**-19.0**	**3.0**

[(1)] Includes government services, real estate, financial institutions, professional services and entertainment.

Table 6.5: Commercial Banks' Liquidity Position and Cash Reserves

$mn

	Position as at Mar-13	Changes during Dec-12 to Mar-13	Changes during Dec-11 to Mar-12
Holdings of Approved Liquid Assets	**888.7**	**73.0**	**66.3**
Notes and Coins	68.7	-0.2	-0.6
Balances with Central Bank	363.5	24.9	18.3
Money at Call and Foreign Balances (due in 90 days)	268.0	48.0	55.4
Treasury Bills maturing in not more than 90 days	171.0	-2.2	-5.0
Other Approved Assets	17.5	2.5	-1.8
of which: Treasury Notes	0.0	0.0	-2.5
Required Liquid Assets	**521.0**	**15.3**	**5.7**
Excess/(Deficiency) Liquid Assets	**367.7**	**57.7**	**60.6**
Daily Average Holdings of Cash Reserves	361.8	22.3	17.3
Required Cash Reserves	192.5	5.6	2.1
Excess/(Deficiency) Cash Reserves	**169.3**	**16.7**	**15.2**
Actual Securities Balances	170.1	-3.8	-1.1
Excess/(Deficiency) Securities	**170.1**	**-3.8**	**-1.1**

Table 6.6: Commercial Banks' Weighted Average Interest Rates

Percent

	Position as at Mar-13	Changes during Dec-12 to Mar-13	Changes during Dec-11 to Mar-12
Weighted Lending Rates			
Personal Loans	12.78	-0.17	-0.41
Commercial Loans	12.01	-0.14	-0.18
Residential Construction	10.30	-0.20	-0.40
Other	10.06	-0.27	-0.57
Weighted Average	**11.32**	**-0.67**	**-0.30**
Weighted Deposit Rates			
Demand	0.44	0.01	0.02
Savings/Cheque	2.44	-0.01	-0.02
Savings	2.81	-0.07	-0.07
Time	3.74	-0.21	-0.61
Weighted Average	**2.45**	**-0.10**	**-0.46**
Weighted Average Spread	**8.87**	**-0.57**	**0.16**

Table 6.7: Commercial Banks' Weighted Average Interest Rates on New Loans and Deposits

Percent

	Position as at			
	Dec-10	Dec-11	Dec-12	Mar-13
Weighted Lending Rates				
Personal Loans	15.57	11.84	10.12	10.78
Commercial Loans	14.20	12.25	10.81	11.32
Residential Construction	13.15	10.06	10.68	9.22
Other	13.77	10.83	9.00	8.78
Weighted Average	**14.36**	**11.79**	**10.33**	**10.69**
Weighted Deposit Rates				
Demand	0.00	0.00	0.00	0.00
Savings/Cheque	4.87	1.42	1.71	1.53
Savings	4.65	2.51	0.92	1.26
Time	8.06	3.99	3.48	3.40
Weighted Average	**8.02**	**3.83**	**3.10**	**3.03**
Weighted Average Spread	**6.34**	**7.96**	**7.23**	**7.66**

Table 6.8: Real Gross Domestic Product Growth Rates[1]

	Year-on-Year Growth (%)	
	Jan-Mar 2012 Over Jan-Mar 2011[R]	Jan-Mar 2013 Over Jan-Mar 2012[P]
Agriculture, Hunting and Forestry	23.6	-14.7
Fishing	-6.8	44.7
Manufacturing (including Mining and Quarrying)	-2.7	-19.2
Electricity and Water	57.3	-32.2
Construction	6.3	17.9
Wholesale and Retail	0.4	13.8
Hotels and Restaurants	9.9	11.8
Transport and Communication	5.5	2.8
Other Private Services excluding Financial Services Indirectly Measured	3.5	-0.7
Producers of Government Services	3.2	1.5
All Industries at Basic Prices	6.7	-2.5
Taxes on Products	2.4	13.8
Gross Domestic Product at Market Prices	6.1	-0.5

Source: SIB

(1) Constant 2000 prices

R - Revised

P - Provisional

Table 6.9: Gross Domestic Product by Activity at Constant 2000 Prices

$mn

	2012[R] Quarter 1	2013[P] Quarter 1
Agriculture, Hunting and Forestry	94.8	80.9
Fishing	17.9	25.9
Manufacturing (including Mining and Quarrying)	104.7	84.6
Electricity and Water	33.5	22.7
Construction	13.4	15.8
Wholesale and Retail	93.3	106.2
Hotels and Restaurants	28.8	32.2
Transport and Communication	71.1	73.1
Other Private services excluding Financial Services Indirectly Measured	105.8	105.1
Producers of Government Services	58.1	59.0
All Industries at Basic Prices	621.4	605.6
Taxes on Products	89.7	102.1
Gross Domestic Product at Market Prices	711.1	707.7

Source: SIB

[R] - Revised

[P] - Provisional

Table 6.10: Consumer Price Index (CPI) Commodity Group

					% Change	
Major Commodity	**Weights**	**Jan 2013**	**Feb 2013**	**Mar 2013**	**Mar-2013 over Feb-2013**	**Q1-2013 over Q1-2012**
Food and Non-Alcoholic Beverages	195	104.5	104.7	105.1	0.9	0.7
Alcoholic Beverages and Tobacco	17	99.0	99.7	99.7	0.4	-0.3
Clothing and Footware	83	98.0	96.9	96.9	-2.2	-1.7
Housing, Water, Electricty, Gas, and Other Fuels	265	100.1	100.6	100.6	-0.2	-0.2
Furnishing, Household Equipment, and Routine Household Maintenance	69	99.7	99.1	99.1	-0.0	-0.4
Health	41	106.0	106.7	106.7	5.7	5.9
Transport	136	105.2	106.2	107.1	0.7	0.6
Communication	33	97.1	97.2	97.2	-3.3	-2.6
Recreation and Culture	69	102.0	102.7	102.7	2.0	2.6
Education	32	100.2	100.4	100.4	-0.5	-0.6
Restaurants and Hotels	7	102.5	103.0	103.0	1.3	1.3
Miscellaneous Goods and Services	52	101.9	99.8	99.8	-1.9	-0.9
All Items	**1000**	**101.8**	**102.0**	**102.2**	**0.2**	**0.3**

Source: SIB

Table 6.11: Gross Imports Cost, Insurance and Freight (CIF) by Standard International Trade Classification (SITC)

$'000

SITC Section	Jan-Mar 2012	Jan-Mar 2013
1. Food and Live Animals	45,100	47,638
2. Beverages and Tobacco	9,879	10,501
3. Crude Materials	3,295	3,814
4. Minerals, Fuels and Lubricants	76,343	88,618
of which electricity	*11,293*	*23,568*
5. Oils and Fats	3,751	3,284
6. Chemical Products	34,361	32,818
7. Manufactured Goods	46,454	50,301
8. Machinery and Transport Equipment	70,636	76,931
9. Other Manufactures	23,155	25,186
10. Commodities not elsewhere specified	1,393	0.165
11. Export Processing Zones	14,120	17,970
12. Commercial Free Zone	76,572	77,811
13. Personal Goods	1,017	1,811
Total	406,076	436,683

Sources: CBB and SIB

Table 6.12: Balance of Payments

$mn

	2012[R] Jan-Mar	2013[P] Jan-Mar
CURRENT ACCOUNT	**87.2**	**68.9**
Goods: Exports FOB	345.6	325.0
Goods: Imports FOB	366.1	405.7
Trade Balance	-20.5	-80.7
Services: Credit	230.1	252.8
Transportation	11.0	12.8
Travel	183.9	213.1
Other Goods and Services	21.4	14.7
Government Goods and Services	13.9	12.2
Services: Debit	84.7	95.8
Transportation	32.6	35.2
Travel	15.2	15.5
Other Goods and Services	30.4	38.0
Government Goods and Services	6.4	7.1
Balance on Goods and Services	124.9	76.4
Primary Income: Credit	2.4	2.5
Compensation of Employees	1.2	1.2
Investment Income	1.2	1.3
Primary Income: Debit	81.8	43.1
Compensation of Employees	4.6	3.3
Investment Income	77.1	39.8
Balance on Goods, Services and Income	45.6	35.8
Secondary Income: Credit	55.5	46.9
Secondary Income: Debit	13.8	13.7
CAPITAL ACCOUNT	**25.2**	**44.8**
Capital Account: Credit	25.2	44.8
Capital Account: Debit	0.0	0.0
FINANCIAL ACCOUNT	**51.7**	**57.4**
Direct Investment Abroad	0.9	0.2
Direct Investment in Reporting Economy	44.3	43.8
Portfolio Investment Assets	0.0	0.0
Portfolio Investment Liabilities	-3.2	-44.2
Financial Derivatives	0.0	0.0
Other Investment Assets	53.5	28.4
Other Investment Liabilities	-38.4	-28.4
NET ERRORS AND OMISSIONS	**-47.7**	**-10.9**
OVERALL BALANCE	**13.0**	**45.4**
RESERVE ASSETS	**13.0**	**45.4**

Source: CBB

[P] - Provisional

[R] - Revised

Table 6.13: Private Sector External Debt by Economic Sector(1,3)

$mn

Economic Sectors	Disbursed Outstanding as at 31/12/12	Transactions (January - March 2013) Disbursements	Principal Payments	Interest Payments	Disbursed Outstanding as at 31/03/13
Long Term:					
Agriculture	70,876	0	1,450	264	69,803
Arts, Entertainment and Recreation	1,700	0	0	0	1,700
Construction	59,545	0	65	1,727	59,480
Education	198	0	0	0	198
Electricity and Gas[2]	75,871	0	2	218	75,868
Financial and Insurance Activities	111	0	0	0	111
Fishing	118,142	0	1,941	881	116,202
Information and Communication	0	0	0	0	0
Real Estate Activities	106	0	0	0	106
Toursim Activities	45,908	0	584	234	45,325
Transportation	37,331	0	1,986	164	35,345
Wholesale and Retail Trade	1,707	0	23	13	1,684
Total	**411,495**	**0**	**6,050**	**3,499**	**405,821**

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

(2) In compliance with legislation issued on 21 June 2011, the Government of Belize acquired Belize Electricity Ltd. (BEL) as a public entity. BEL is no longer a private sector entity, thus reflecting a reduction in disbursed outstanding debt (DOD) for the electricity and gas sector as of June 2011.

(3) At the time of reporting not all companies had submitted information on liabilities to the Central Bank of Belize.

Table 6.14: Exports of Sugar and Molasses

	Jan-Mar 2012		Jan-Mar 2013	
	Volume (long tons)	Value ($'000)	Volume (long tons)	Value ($'000)
Sugar	**46,981**	**49,628**	**34,859**	**36,507**
E.U.	46,961	49,605	34,839	36,484
USA	0	0	0	0
Caricom	0	0	0	0
Other	20	23	20	23
Molasses	**9,356**	**1,608**	**6,318**	**1,358**

Source: BSI

Table 6.15: Export Sales of Citrus Product

	Jan-Mar 2012		Jan-Mar 2013	
	Pound Solid ('000)	Value ($ '000)	Pound Solid ('000)	Value ($ '000)
Citrus Concentrates				
U.S.A.				
Orange	6,681.4	23,329	4,457.6	10,566
Grapefruit	0.0	0	0.0	0
Caribbean				
Orange	2,467.1	7,903	1,832.1	5,750
Grapefruit	197.2	683	192.0	668
Europe				
Orange	607.2	2,307	347.3	1,060
Grapefruit	543.4	2,007	901.0	3,628
Other				
Orange	2,050.0	6,849	11.0	37
Grapefruit	1,099.3	3,792	16.6	57
Sub-Total(1)	**13,645.6**	**46,869**	**7,757.6**	**21,766**
Orange	11,805.7	40,387	6,648.0	17,412
Grapefruit	1,839.9	6,482	1,109.6	4,353
Not-From-Concentrate				
Sub-Total	**0.0**	**0**	**21.0**	**122.9**
Orange	0.0	0	16.9	96
Grapefruit	0.0	0	4.1	27
Total Citrus Juices	**13,645.6**	**46,869**	**7,778.6**	**21,889**
Pulp (pounds '000)				
Total(1)	**129.7**	**107**	**248.6**	**208**
Orange	76.7	65	164.2	141
Grapefruit	53.0	42	84.4	67

Source: CPBL

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

Table 6.16: Export of Marine Products

	Jan-Mar 2012		Jan-Mar 2013	
	Volume ('000 pounds)	Value ($'000)	Volume ('000 pounds)	Value ($'000)
Lobster	171	4,303	89	2,499
Shrimp	1,682	6,054	2,761	11,049
Conch	323	3,355	225	2,535
Other Fish	36	73	131	258
Total	**2,212**	**13,785**	**3,205**	**16,341**

Sources: SIB and Individual Shrimp Farms

Table 6.17: Export of Banana

	Jan-Mar 2012	Jan-Mar 2013
Volume (metric tons)	23,502	24,187
Value ($'000)	22,961	27,510

Source: BGA

Table 6.18: Petroleum Exports

	Jan-Mar 2012	Jan-Mar 2013
Volume (Barrels)	201,843	202,357
Value ($'000)	43,699	44,849

Source: Petroleum and Geology Department

Table 6.19: Other Major Exports

	Jan-Mar 2012	Jan-Mar 2013
Other Miscellaneous Exports ($'000)	25,590	23,430
of which:		
Papaya		
Volume ('000 lbs)	10,728	13,834
Value ($'000)	3,818	5,029

Source: SIB

Table 6.20: Central Government Domestic Debt by Creditor [(1)]

$'000

	Disbursed Outstanding Debt 31/12/12[R]	*TRANSACTIONS THROUGH MARCH 2013* *Disbursement/ New Issue of Securities*	*Amortization/ Reduction in Securities*	*Interest*	*Net Change in Overdraft/ Securities*	Disbursed Outstanding Debt 31/03/13[P]
Overdraft/Loans	**56,350**	**0**	**0**	**1,348**	**(1,904)**	**54,445**
Central Bank	56,350			1,348	(1,904)	54,445
Commercial Banks	0			0	0	0
Treasury Bills	**175,000**	**0**	**0**	**793**	**0**	**175,000**
Central Bank	0		0	0	1,998	1,998
Commercial Banks	173,480		0	780	(3,873)	169,607
Other	1,520		0	13	1,875	3,395
Treasury Notes	**136,500**	**0**	**0**	**1,043**	**0**	**136,500**
Central Bank	87,797	0	0	983	(320)	87,477
Commercial Banks	0	0	0	0	0	0
Other	48,703	0	0	60	320	49,023
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	**1,164**	**0**	**68**	**26**	**0**	**1,096**
Heritage Bank Limited	**4,231**	**0**	**384**	**109**	**0**	**3,846**
Belize Social Security Board [(2)]	**2,572**	**0**	**245**	**52**	**0**	**2,327**
Fort Street Tourism Village	**285**	**0**	**95**	**0**	**0**	**189**
Debt-for-Nature Swap	**2,810**	**0**	**119**	**0**	**0**	**2,691**
Guardian Life Belize	**1,000**	**0**	**1,000**	**45**	**0**	**0**
Total	**389,910**	**0**	**1,912**	**3,416**	**(1,904)**	**386,094**

[(1)] Transactions associated with the Univeral 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 6.21: Central Government Revenue and Expenditure

$'000

	Approved Budget 2012/2013P	Jan-12 to Mar-12	Jan-13 to Mar-13P	Apr-11 to Mar-12	Apr-12 to Mar-13P	Actual YTD as % of Budget
TOTAL REVENUE AND 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%
Licenses	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%**
Primary Balance Without Grants	*11,659*	*(8,321)*	*(5,070)*	*16,769*	*31,661*	271.5%
Overall Balance Without Grants	*(123,517)*	*(51,109)*	*(13,578)*	*(85,573)*	*(27,593)*	*22.3%*
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 Reductions		-	29,065	-	29,065	
Other		**4,675**	**7,447**	**2,940**	**(9,689)**	

Sources: CBB and MOF

P - Provisional

Table 6.22: Public Sector External Debt by Creditor

$'000

	Disbursed Outstanding Debt 31/12/12[R]	TRANSACTIONS THROUGH MARCH 2013				Disbursed Outstanding Debt 31/03/13[P]
		Disbursements	Principal Payments	Interest & Other Payments	Parity Change	
CENTRAL GOVERNMENT	**1,925,496**	**49,480**	**16,330**	**5,409**	**-586**	**1,958,060**
Banco Nacional de Comercio Exterior	2,647	0	529	81	-0	2,117
Government of the United States	384	0	0	0	0	384
Government of Venezuela	36,050	36,063	538	123	0	71,576
Kuwait Fund for Arab Economic Development	18,744	0	0	584	-263	18,482
Republic of China	280,331	2,500	8,537	2,384	0	274,294
Caribbean Development Bank	199,240	3,469	3,532	1,552	0	199,177
Caricom Development Fund	2,140	0	0	30	0	2,140
European Economic Community	13,151	0	0	0	-379	12,772
Inter-American Development Bank	233,654	2,838	2,752	432	0	233,739
International Fund for Agriculture Development	1,642	487	0	0	56	2,185
International Bank for Reconstruction and Development	21,459	2,190	0	0	-0	23,649
Opec Fund for International Development	21,566	1,934	400	165	**0**	23,100
Central American Bank for Economic Integration	958	0	42	58	0	917
Bank of New York (Bond Issue 2029)[4]	1,095,044	0	1,095,044	0	0	0
Bank of New York (New Bond Issue 2038)[4]	0	1,051,194	0	0	0	1,051,194
NON-FINANCIAL PUBLIC SECTOR	**37,397**	**13**	**2,633**	**245**	**-79**	**34,698**
Kuwait Fund for Arab Economic Development	2,843	0	0	0	-40	2,803
The Bank of Nova Scotia[1]	6,380	0	1,595	41	0	4,785
European Investment Bank[1]	1,516	0	0	0	-44	1,472
Caribbean Development Bank[1] [2]	26,658	13	1,038	204	4	25,638
FINANCIAL PUBLIC SECTOR	**73,890**	**0**	**2,085**	**104**	**-1,580**	**70,225**
Caribbean Development Bank	9,310	0	274	104	0	9,036
European Economic Community	347	0	0	0	-10	337
Paine Webber Real Estate Securities Inc.	200	0	0	8	0	200
International Monetary Fund[3]	64,033	0	1,811	38	-1,570	60,653
GRAND TOTAL	**2,038,298**	**1,100,687**	**1,116,092**	**5,758**	**-2,244**	**2,020,649**

[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 Right allocation is included as part of the financial public sector external debt obligation.

[4] This figure reflects Central Bank's estimate of the 2029 bond restructuring.

R - Revised

P - Provisional