CENTRAL BANK
of BELIZE

SEPTEMBER 2023
QUARTERLY REVIEW

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ISSN 1025 1634 (PRINT)
ISSN 2304 6902 (ONLINE)

Typeset at the Central Bank of Belize

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List of Acronyms and Abbreviations

Acronyms:

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
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
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 2023 figures in this report are provisional and the figures for 2022 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 2023 are based on the Central Bank's forecast.

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Summary of Economic Indicators

Money Supply

Broad Money Supply	Net Foreign Assets	Net Domestic Credit
September 2023	September 2023	September 2023
+4.9%	**+14.4%**	**+1.4%**
YTD change on December 2022	YTD change on December 2022	YTD change on December 2022

Liquidity and Interest Rates

Excess Cash	New Deposit Rates	New Lending Rates
September 2023	September 2023	September 2023
$498.5mn	**2.08%**	**8.74%**
-0.2% change on December 2022	**+32** bps change on September 2022	**+3** bps change on September 2022

Real and External Sectors

GDP	CPI	Unemployment Rate
January - September 2023	January - September 2023	September 2023
+5.2%	**+4.5%**	**4.0%**
Y-o-Y change on same period of the previous year	YTD change on the same period of the previous year	Persons in the labour force classified as unemployed

Current Account Surplus	Tourist Arrivals	Reserve Import Coverage
January - September 2023	January - September 2023	September 2023
-$8.8mn	**+21.0%**	**4.4**
-97.1% YTD change on same period of the previous year	YTD change on the same period of the previous year	months equivalent of merchandise imports

Central Government Operations and Public Debt

Primary Surplus	Domestic Debt	External Debt
April - September 2023	January - September 2023	January - September 2023
$9.8mn	**-$4.7mn**	**+$86.3mn**
0.2% of GDP for the quarter	**$1,310.9mn** at Sept-end, 21.3% of GDP	**$2,813.5mn** at Sept-end, 45.8% of GDP

Overview

International Overview

In the third quarter of 2023, global economic activity was affected by tighter financial conditions, persistent inflationary pressure, subdued demand, and ongoing geopolitical tension. Notwithstanding the solid growth in the United States (US), global growth slowed with output in some advanced economies trending below their historical averages. In select emerging markets and developing nations, particularly service-oriented economies, the growth pace continued to decelerate as the post-pandemic rebound effects waned. The International Monetary Fund's projection for global growth in October 2023 reflected a mild deceleration in world output to 3.0% in 2023 from 3.5% in 2022.

Advanced Economies

The US economy was the most resilient among advanced economies. Compared to the same quarter of 2022, US real gross domestic product (GDP) expanded by 2.9% in the third quarter of 2023. The country's real output accelerated due to increased personal consumption expenditures, private nonresidential investment, and government consumption and investment, while imports shrank. Job gains slowed, but labour conditions remained tight, as the monthly unemployment rate barely inched up from 3.5% in July to 3.8% in September. Meanwhile, inflation subsided, as the 12-month consumer price index fell from 8.5% in July to 3.7% in September, reflecting the fading effects of higher energy prices in the year before. Committed to returning inflation to its 2.0% objective, the Federal Reserve increased its target range for the federal funds rate once during the quarter to 5.25% to 5.50% in July.

In comparison, quarterly GDP growth in the United Kingdom was nearly flat, increasing by only 0.2% in the third quarter relative to the corresponding quarter of the previous year. Positive contributions stemmed mainly from

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

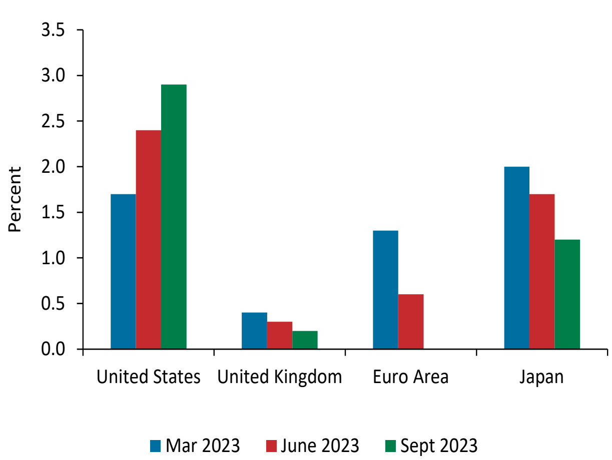
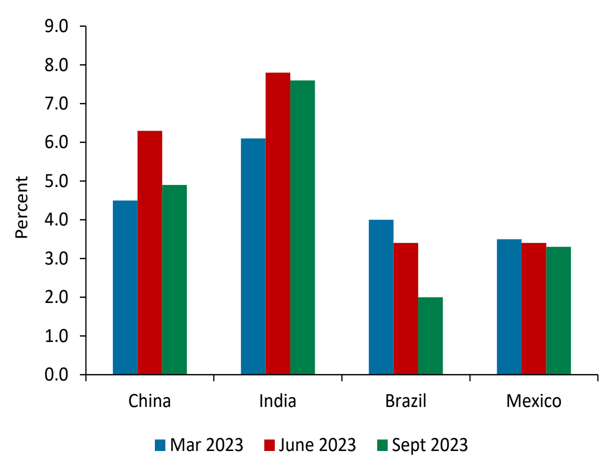


Chart 1.2: Quarterly GDP Growth Rates Over the Same Quarter of the Previous Year for Selected Emerging Economies



value-added increases in manufacturing, construction, and government services. Further monetary policy tightening continued to curb persistently high inflationary pressures, weigh down growth, and loosen labour market conditions. In the euro area, growth stagnated, as increased government consumption and expenditure were offset by declines in household expenditures, gross capital formation, and exports. Growth outcomes among the 20 currency union members were mixed. On the one hand, the economy of the largest member state, Germany, contracted by 0.4%, owing to high energy prices and weak foreign demand. On the other hand, marginal GDP increases were recorded in France (0.6), Italy (0.1), and Spain (1.8). Meanwhile, Japan's production expanded by 1.2% in the third quarter, driven by heightened private and public investments.

Emerging Economies

India's economy grew faster than any other major emerging market. The country's output grew by 7.6% in the third quarter of 2023, bolstered by upturns in manufacturing (13.9%) and government spending (12.9%). China's economy expanded by 4.9% in the third quarter, grappling with a complex international environment, while promoting domestic reforms. Brazil's GDP grew by 2.0%, supported by upticks in agriculture and industrial activities and, to a lesser extent, household consumption. Meanwhile, Mexico's GDP expanded by 3.3%, underpinned by increased domestic consumption and industrial activity.

Caribbean Economies

Among service-oriented economies, output in Barbados grew by 4.4%, driven by increased tourism and construction activities, as tourist arrivals from major markets approached pre-pandemic figures. The Jamaican economy grew by 2.1%, reflecting modest growth in both services and goods-producing industries.

Domestic Overview

Real Sector Developments

Belize's GDP grew by 3.4% in the third quarter of 2023 compared to the same quarter of the previous year. For the first nine months of 2023, the economy grew by 5.1%, slowing from 9.0% in the same period of 2022. Growth was driven mainly by heightened value added among service-based industries, particularly tourism-related activities. The upward momentum was slowed by reduced output in the primary and secondary sectors, which declined by 8.9% and 0.5%, respectively, due to lower crop and agro-manufacturing production.

The Consumer Price Index (CPI) rose by 4.5% on average for the first nine months of 2023. The upward price trend was mainly attributable to increasing food prices, particularly for fruits, vegetables, dairy products, and cereals. Meanwhile, the labour market further tightened as the unemployment rate fell by 1.0 percentage point to 4.0% in September 2023 from 5.0% in October 2022.

Money and Credit

Broad money supply (M2) grew by 4.9% ($201.8mn) over the first three quarters of the year to $4,356.4mn. The modest growth in M2 reflected increases in the net foreign assets and net domestic credit of the banking system. The net foreign asset position rose by 14.4% ($219.4mn) to $1,738.9mn, buoyed by increased earnings from tourism, commercial free zone re-exports, and business process outsourcing services to foreign enterprises. Meanwhile, net domestic credit inched up by 1.4% ($44.1mn) to $3,264.9mn, with increased bank lending to private and quasi-government entities. However, this expansion was partly offset by reduced financing to Central Government.

Liquidity conditions were more buoyant due to the increase in banks' foreign asset position. Domestic banks' liquid asset holdings rose by $43.3mn to $746.2mn over the year to date, which was 91.2% above the secondary reserve requirements. However, domestic banks' holdings of excess cash reserves slid by $0.8mn to $498.5mn, remaining 196.9% above the primary (cash) reserve requirement.

Financing conditions tightened somewhat, as the 12-month rolling (weighted) average lending rate increased by three basis points over the year ending September 2023 to 8.74%. Concurrently, the corresponding deposit rate rose by 32 basis points to 2.08%.

In securities trading, competitive biddings caused the weighted average yield to fall by 13 basis points for the year to date to 0.60002%, with the Central Bank's and the private sector's shares rising, while domestic banks' portion slid.

International Trade and Payments

The external current account deficit narrowed significantly to $8.8mn between January and September 2023, when compared to the $291.2mn deficit recorded in the same period of 2022. The marked improvement was attributable mainly to a sharp rise in tourism earnings. In addition, the external imbalance was lessened by reduced profit repatriation, increased inward transfers, and the absence of a significant arbitral award that occurred in the previous year.

Net capital inflows rose to $48.4mn, buoyed by large non-cash donations. However, net financial inflows dropped to $116.2mn, as inflows from net external borrowings and net foreign direct investments were partly offset by banks' rapid accumulation of foreign assets. As a result, the gross international reserves rose by $83.1mn to $1,048.1mn, the equivalent of 4.4 months of merchandise imports.

Government Operations and Public Debt

Central Government's fiscal operations generated a deficit of $55.4mn between January and September, as revenues fell and expenditures rose. Total revenue and grants declined by $8.7mn due to a falloff in grant receipts, while expenses increased by $47.5mn, owing to a rise in current spending. Consequently, the primary surplus contracted to $29.0mn (0.5% of

GDP) from $61.5mn (1.0% of GDP) in the same period of 2022.

The total public sector debt rose by 2.0% ($81.6mn) to $4,124.4mn (67.2% of GDP) over the first three quarters of the year. The debt increase was attributable to an $86.3mn expansion in the public sector's external debt, which was partly offset by a $4.7mn decrease in Central Government's domestic debt.

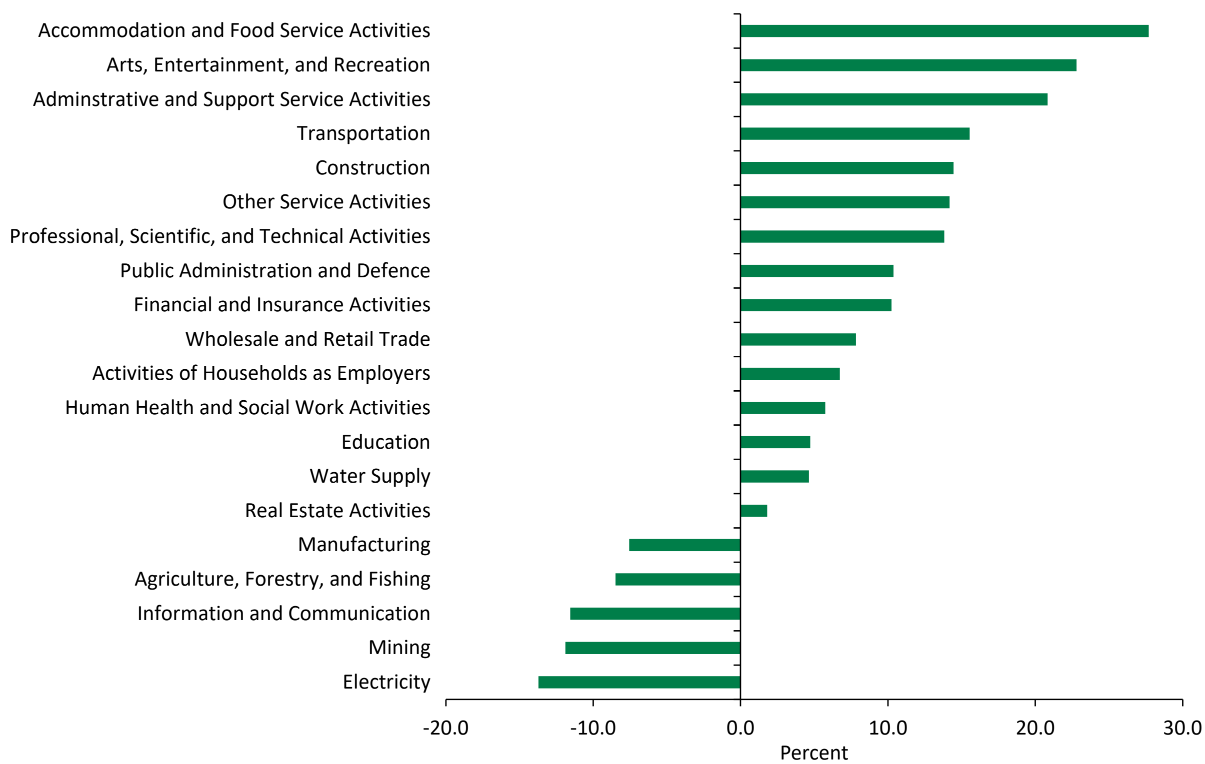
Domestic Production and Prices

Real Gross Domestic Product

Belize's GDP grew by 3.4% in the third quarter of 2023, decelerating from the 10.0% expansion recorded in the same period of 2022. Output for the first nine months of 2023 also slowed to 5.1% after a 9.0% increase during the same period of 2022. Growth was driven by increased value added in services-producing industries and, to a lesser degree, construction and water supply activities. However, reductions in agriculture, mining, manufacturing, electricity, and information and communication output moderated the growth momentum.

Tertiary sector output expanded by 9.9% during the first nine months of 2023 compared to the same period of 2022. Higher output was recorded in 13 of 14 service-based industries. "*Wholesale and Retail Trade*" was the most significant value-added contributor, growing by 7.8% due to heightened domestic consumption. The stellar rebound in tourism elevated output in the "*Accommodation and Food Service Activities*" and "*Transportation*" industries by 27.7% and 15.6%, respectively. Meanwhile, increased Government expenditure on public officers' wages pushed up "*Public Administration*

Chart 2.1: Real GDP Growth Rates at the Half Year (Jan - Sept 2023 vs Jan - Sept 2022)



and Defence" by 10.4%. However, an 11.6% downturn in *"Information and Communication"* tempered the sector's overall growth.

Secondary sector output slid by 0.5% over the nine months due to reduced manufacturing and electricity production. "*Manufacturing*" output decreased by 7.6%, exacerbated by a nosedive in sugar and citrus juice production. Meanwhile, "*Electricity*" contracted by 13.7%, reflecting downturns in hydroelectricity generation due to lower rainfall. However, the sector's decline was almost offset by increased output in the "*Water Supply*" and "*Construction*" industries by 4.6% and 14.4%, respectively.

Primary sector output contracted by 8.9% for the year to date on account of lower agricultural and mining activities. Adverse weather, diseases, and rising input costs stymied production of the main crops (sugar, citrus, and banana), resulting in an 8.5% decline in "*Agriculture, Forestry, and Fishing.*" Additionally, "*Mining*" decreased by 11.9%, owing to reduced mining and crude oil extraction.

Sugarcane and Sugar

For the crop year to date, total sugarcane deliveries contracted by 16.9% to 1,485,129 long tons compared to the previous crop cycle. The reduction in deliveries to both mills combined with a dip in cane quality led to an 18.2% downturn in sugar production to 144,090 long tons. In addition, total molasses production fell by 15.1% to 53,922 long tons.

The northern 2022/2023 harvest ran from 27 December to 15 June, ending 44 days earlier than the previous crop. Farmers harvested 981,915 long tons of sugar cane, 14.2% less than the last period. Consequently, sugar production fell by 16.3% to 103,221 long tons, resulting in a 2.5% deterioration in the long-tons cane to long-ton sugar (TC/TS) ratio to 9.5.

Similarly, the western 2023 harvest spanned from 4 January to mid-June. Sugar cane deliveries contracted by 21.8% to 503,213 long tons. As a result, sugar production fell by 22.6% to 40,869 long tons, yielding a TC/TS ratio of 12.3.

Citrus

The 2022/2023 citrus harvest began on the 17 October 2022 and ended on the 15 September 2023. About 342,373 boxes of fruits were processed, 76.4% less than the previous crop cycle. The combined impact of the ongoing devastation of citrus greening and, more recently, rising input costs and acute labour shortages resulted in the lowest harvest since 1980. Orange and grapefruit deliveries amounted to 280,820 80-pound boxes and 61,553 90-pound boxes, respectively. These outturns resulted in significant year-on-year declines of 78.5% and 57.0%, respectively, relative to the previous harvest.

Citrus juice production decreased by 79.8% to 1.6mn pound solids (ps), as the severe fruit decline was compounded by a 12.8% reduction in average juice yield. Consequently, orange juice production plummeted by 81.5% to 1.4mn ps, while grapefruit juice production fell by 57.6% to 0.2mn pounds. Output of citrus by-products also nosedived, with citrus pulp and oil production declining by 93.2% and 78.6%, respectively, to 0.1mn pounds each.

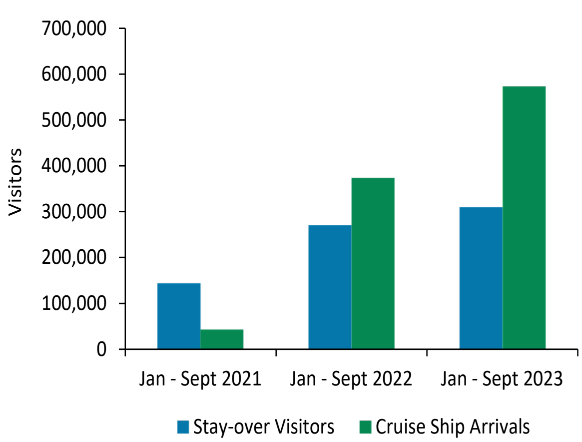
Banana

Banana production fell by 19.3% to 1.0mn boxes for the third quarter relative to the same quarter of last year. Nevertheless, this performance softened the 34.7% year-to-date decline to 2.4mn boxes. Banana output plunged due to the adverse effects of rising fertiliser and fuel costs, farmhand shortages, and the spreading of the Black Sigatoka disease.

Tourism

Stay-over arrivals grew by 21.0% to 327,457 visitors from January to September 2023. The strong post-pandemic rebound pushed the number of arrivals to 92.6% of 2019's pre-pandemic level for the same nine months of that year. When disaggregated by modes of transport, entries through land borders rose to 99.8% of the pre-pandemic level. Additionally, air arrivals, which grew by 12.7%, increased to 93.0% of the pre-pandemic level. Sea arrivals almost doubled, but their recovery remained the farthest behind at 62.9% of its pre-pandemic level.

Chart 2.2: Tourist Arrivals



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

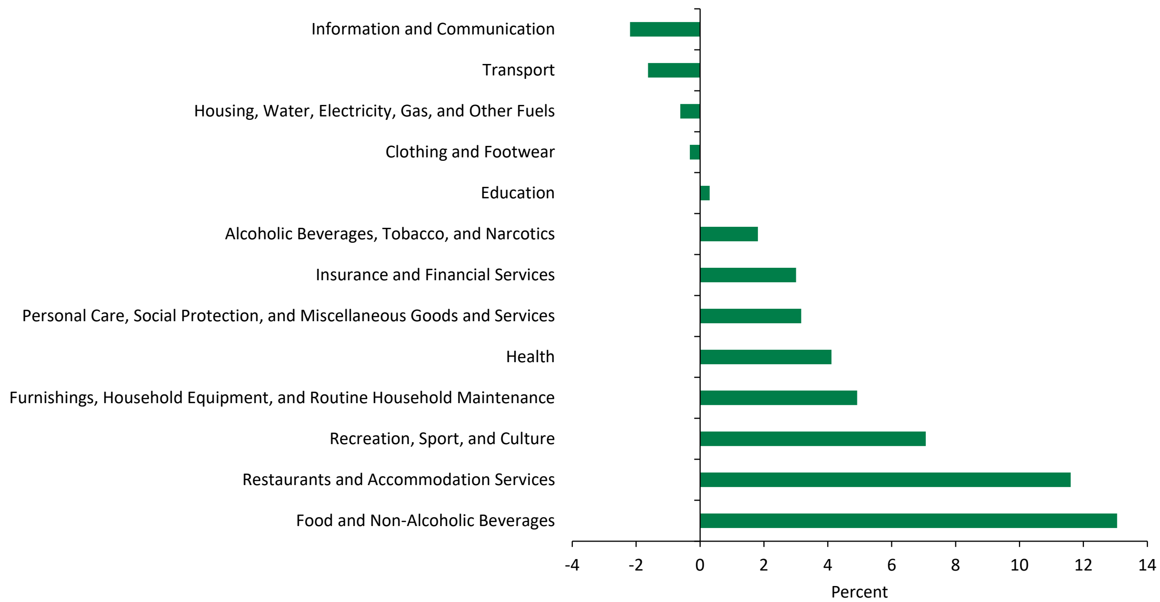
An analysis by source markets revealed that the US remained the primary origin for international visitors, accounting for 71.8% of total stay-over arrivals. This outturn reflected a 6.9 percentage point decrease compared to the same period in 2022. The share of tourists from the US fell as the number of international travellers from other geographical areas picked up following the complete removal of country specific travel restrictions. Accordingly, the share of European travellers increased by 2.4 percentage points to 10.1%, while those from Canada rose by 1.9 percentage points to 5.3%.

Cruise arrivals grew by 60.8% to 600,464 visitors, owing to a 16.8% or 32-ship increase in port calls to 223 combined with a 37.7% upsurge in the average number of passengers per ship. When disaggregated, the Fort Street Tourism Village and Harvest Caye Ports received 176 and 47 ships, respectively. Notably, there were 15 fewer port calls at the Harvest Caye Port compared to the same time last year.

Consumer Price Index

The CPI increased by 4.5% on average for the first nine months of 2023 compared to the same period of 2022. The above-average inflation rate was primarily due to a 13.1% price hike in the "*Food and Non-Alcoholic Beverages*" subindex. The price change in this index accounted for 75.1% of the weighted change in the all-items index. Fruits and

Chart 2.3: Consumer Price Index



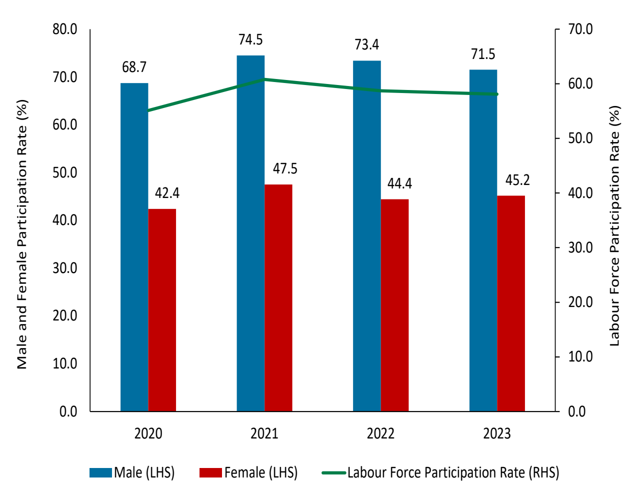
vegetables, dairy products, and cereals were the food items that played the largest role in influencing the upward movements. The second largest contributor, at 16.8% of the total weighted change, was "*Restaurants and Accommodation Services*," which expanded by 11.6% due to increased costs of restaurant services. In addition, higher pet food costs and nightclub entrance fees spurred a 7.1% growth in "*Recreation and Culture*." However, the price level in four subindices declined slightly, partially offsetting the inflation momentum. Most notably, "*Transport*" fell by 1.6% as fuel prices retreated, while "*Housing, Water, Electricity, Gas, and Other Fuels*" dipped by 0.6% as liquefied petroleum gas prices eased.

Employment

The unemployment rate decreased by 1.0 percentage point in September 2023 to 4.0% from 5.0% in October 2022. Employment rose by 1,200 persons, while a small percentage of the working-age population who were actively looking for work shrank. Notably, employment gains were concentrated mainly in the tourism and construction industries.

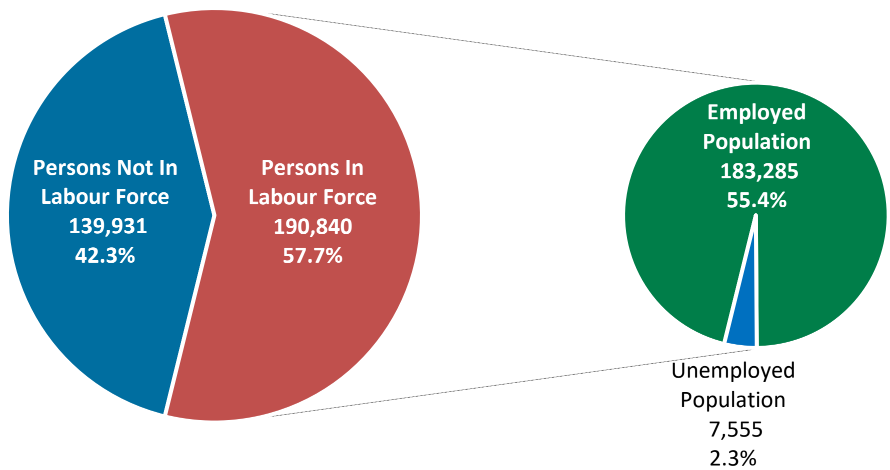
The labour force participation rate stood at 57.7% in September 2023, sliding by 1.0 percentage point from 58.7% in October

Chart 2.4: Labour Force Participation Rate 2020 - 2023



Sources: SIB

Chart 2.5: Labour Force



2022. The labour force was estimated at 190,840 persons, with the participation rate among females remaining the same at 44.5% but dipping slightly for males to 71.4% from 73.4% in October 2022, partially due to concerns about school or training.

Meanwhile, there were 7,555 unemployed persons. The unemployment rate among females was higher at 4.5% compared to males at 3.6%. Additionally, 183,285 persons were employed. The majority worked in service-based industries like "*Wholesale and Retail Trade Repairs*" (15.2%), "*Tourism*" (13.8%), "*Community, Social and Personal Services; Extra Territorial Organisations and Bodies*" (13.0%), "*Real Estate, Renting and Business Activities*" (11.1%), "*Government Services;* and *Compulsory Social Security*" (11.0%).

Money and Credit

Money Supply

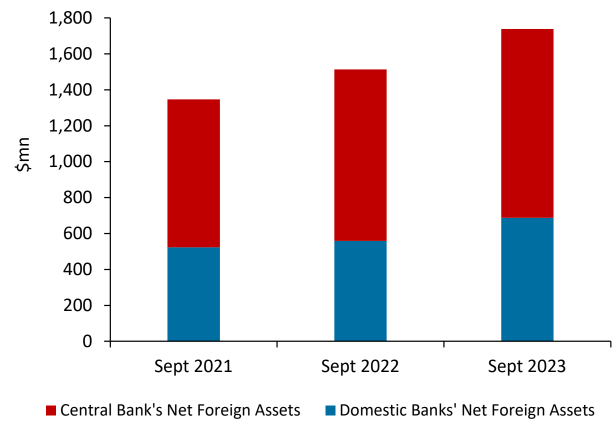
M2 increased significantly during the first three quarters of 2023, expanding by 4.9% ($201.8mn) to $4,356.4mn. On the liabilities side of banks' balance sheets, the expansion was primarily attributable to a 6.4% ($156.2mn) growth in narrow money (M1) to $2,579.8mn. M1 surged due to a $126.3mn increase in demand deposits and, to a lesser extent, a $29.8mn rise in currency with the public and a $0.2mn uptick in savings/chequing deposits. The sizeable growth in demand deposits reflected the liquidation of large time deposits as well as sizeable increases in local currency deposits by business enterprises and foreign currency holdings by firms and regional organisations. Meanwhile, quasi-money rose by 2.6% ($45.6mn), as a $62.2mn rise in savings deposits outweighed a $16.7mn downturn in time deposits. Savings deposits were boosted by deposit increases in individual accounts.

On the asset side, M2 growth was driven by significant increases in the net foreign assets and net domestic credit of the banking system.

Net Foreign Assets

The net foreign assets of the banking system expanded by 14.4% ($219.4mn) to $1,738.9mn for the first nine months of the year, reflecting a marked improvement compared to the $69.6mn increase in the same period of 2022. Domestic banks' net foreign assets, which had declined by $37.2mn during the same period a year earlier, expanded by 24.4% ($135.0mn) to $687.8mn and accounted for 61.5% of the

Chart 3.1: Net Foreign Assets of the Banking System

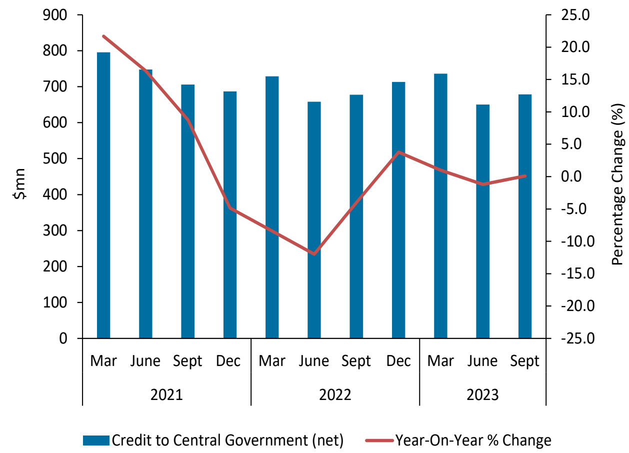


overall growth in net foreign assets. The rise in domestic banks' holdings was primarily because of heightened foreign currency inflows generated from tourism activities during the high season and, to a lesser degree, re-export proceeds from the commercial free zone, inward transfers to individuals and regional organisations, and business process outsourcing revenues.

Concurrently, the Central Bank's net foreign assets grew by 8.7% or $84.5mn to $1,051.1mn, reflecting a decline from the $106.1mn increase registered in the same period a year ago. Nevertheless, the Central Bank accumulated and maintained historically high levels of foreign assets since passing the billion-dollar mark in the second quarter after receiving the proceeds of an $84.0mn loan facility from the Republic of China (ROC)/Taiwan. Gross foreign currency inflows of $305.1mn were $19.1mn lower than the comparable period last year. Inflows were sourced from external loan disbursements ($153.8mn), sugar export receipts ($76.3mn), other "*miscellaneous*" sources ($49.2mn), and international grants

($25.9mn). At the same time, gross foreign currency outflows increased by $5.3mn to $221.3mn, with 86.1% (or $190.6mn) of all sales allocated to Central Government, mainly to meet its debt service payments. Statutory bodies ($18.3mn) and other entities ($12.4mn) accounted for the balance. As a result, the gross official international reserves of the Central Bank strengthened from 4.1 months of merchandise imports in December 2022 to 4.4 months at the end of September 2023.

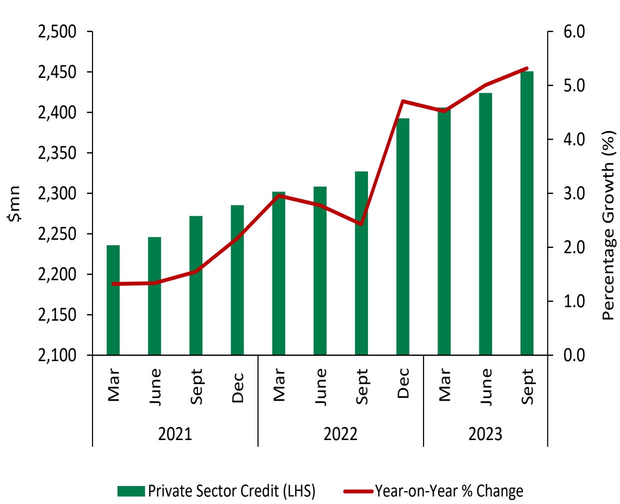
Chart 3.3: Net Credit to Central Government



Net Domestic Credit

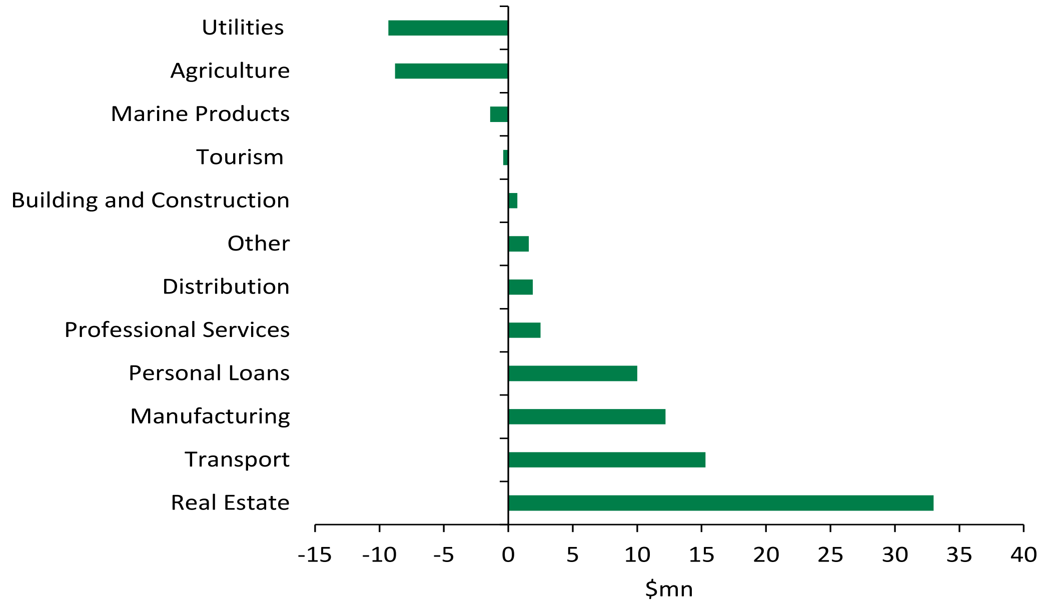
Net domestic credit of the banking system grew by 1.4% ($44.1mn) to $3,264.9mn, as increased lending to the private sector and statutory bodies was partly offset by reduced financing to Central Government. Domestic banks' net credit to the private sector strengthened during the second and third quarters when loans and advances expanded by 2.4% ($58.0mn) to $2,450.8mn. This outturn outpaced the $41.8mn increase recorded during the corresponding six months in 2022. New disbursements were concentrated mainly in the real estate ($33.0mn), transport ($15.3mn), manufacturing ($12.2mn), and personal ($10.0mn) loan categories. The upswing was partly offset by net repayments for agriculture ($8.8mn) and private utilities ($9.3mn), coupled with loan write-offs of $20.0mn, which was up from $13.2mn in the same period last year. These write-offs applied mainly to tourism ($11.4mn), personal ($3.5mn), and construction ($3.3mn) non-performing facilities. As a result, the ratio of domestic banks' non-performing loans (net of specific provisions) to total loans (NPL ratio) declined from 3.5% in December 2022 to 2.5% at the end of September 2023. Furthermore, domestic banks' profitability, measured by their return on assets (ROA), rose by 1.2 percentage points to 1.5%.

Chart 3.2: Domestic Banks' Private Sector Credit



Net credit to public sector entities increased by 16.6% or $14.5mn to $101.8mn, less than half the $31.8mn realised over the first three quarters of 2022. The pickup in domestic bank lending to this sector reflected the acquisition of private securities—comprising the Belize Tourism Board's Transformational

Chart 3.4: Change in Domestic Banks' Loans and Advances, Jan - Sept 2023



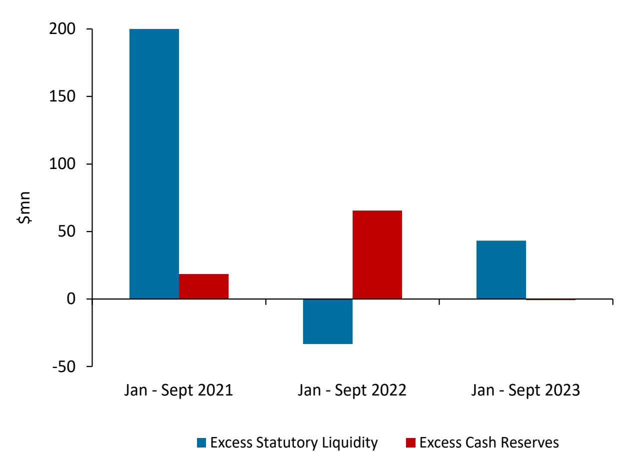
Bonds ($15.2mn) and Belize City Council's Municipal Bonds ($0.2mn)—coupled with increased lending to local governments ($3.2mn). However, net repayments by public utilities ($3.0mn) and other statutory bodies ($0.8mn) partly offset loan growth to the sector.

Contrary to the overall trend, net lending to the Central Government from the banking system declined by 4.9% ($34.7mn) to $678.5mn, mirroring a reduction in financing from both domestic banks ($33.8mn) and the Central Bank ($0.9mn). This downturn in domestic banks' credit to the Central Government was driven by a decrease in their holdings of Treasury securities, including $17.4mn in Treasury bills (T-bills) and $8.0mn in Treasury notes (T-notes), coupled with an $8.4mn increase in Central Government deposits held at these institutions. Simultaneously, credit to the Central Government from the Central Bank contracted, following an uptake of $16.2mn in additional securities and $17.1mn in Central Government deposits with the Central Bank. Notably, as part of its debt consolidation strategy, the Government has refrained from accessing direct advances through the overdraft facility on its current account at the Central Bank since July 2021.

Bank Liquidity

Domestic banks shored up their liquidity balances from January to September 2023,

Chart 3.5: Changes in Bank Liquidity



buoyed by their robust accumulation of foreign assets. Excess statutory holdings of liquid assets rose by $43.3mn to $746.2mn, 91.2% above the secondary reserve requirement. However, domestic banks' holdings of excess cash reserves slid by $0.8mn to $498.5mn, settling at 196.9% above the primary (cash) reserve requirement. The distribution of excess cash reserves remained highly uneven, with one domestic bank holding 78.7% and the remaining three banks accounting for 21.3% combined. The asymmetrical distribution of reserves led to a pick up in interbank market activity, as banks sought to ensure that their cash reserves met the reserve requirements. Five interbank loans were issued between January and September at a rate of 2.25%.

Interest Rates

The interest rate spread narrowed as both lending and deposit rates edged up during the nine-month period. The 12-month rolling (weighted) average interest rate on loans increased by 11 basis points this quarter and by three basis points over the year ending September 2023 to 8.74%. This outcome reflected rate increases of 40, 11 and one basis point in residential construction, "*other*" miscellaneous, and commercial loans, which outweighed a 27 basis-point reduction in personal loans.

Meanwhile, the corresponding rate on new deposits rose by six basis points during the third quarter and by 32 basis points over the last 12 months to 2.08%. The year's trend resulted as rates on savings/chequing, and time deposits increased by 23 and four basis points, respectively, while demand and savings deposit rates remained unchanged at zero basis points. Consequently, the weighted average interest rate spread tightened by 29 basis points to 6.65%.

Credit Union Lending

Growth in aggregate credit union lending slowed to $3.8mn (0.6%) between January and September, compared to a $10.4mn

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

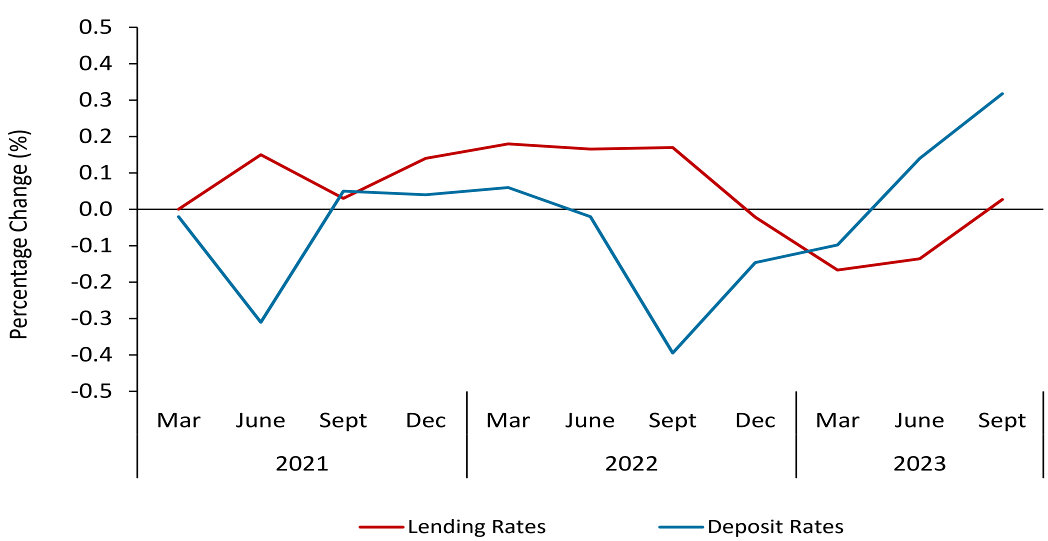
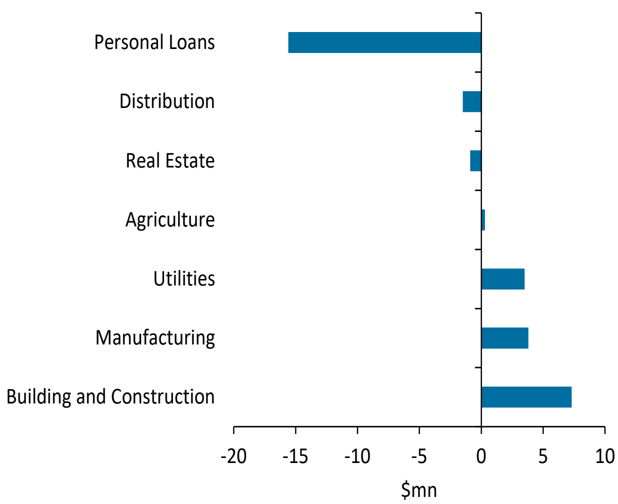


Chart 3.7: Change in Credit Unions' Loans and Advances, Jan - Sept 2023



expansion during the same period in 2022. The bulk of this modest increase occurred in the third quarter ($5.7mn), following a decline ($2.8mn) in the first quarter and a minor uptick ($0.1mn) in the second quarter. New loans were mainly extended for secondary sector activities, including residential construction ($7.4mn), manufacturing ($3.8mn), and utilities ($3.5mn). These positive movements were primarily offset by net repayments on personal ($15.6mn) and commercial real estate ($6.6mn) loans. Credit growth was also tempered by write-offs of $5.7mn, up from $4.1mn for the first nine months in 2022. Write-offs were applied mainly against construction ($2.7mn), personal ($2.0mn), and real estate ($0.3mn) non-performing loans. Notwithstanding, credit unions' asset quality deteriorated as their NPL ratio rose by 0.8 percentage points for the year to date to 1.7%, contributing to the 0.4 percentage-point reduction in the industry's ROA to 2.8%.

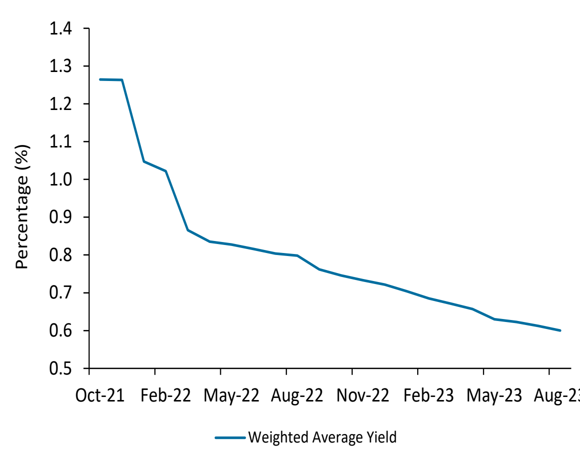
Development Bank Lending

The Development Finance Corporation's loan portfolio grew by $8.2mn over the nine-month period to $143.0mn, lagging the $13.5mn increase for the same period last year. Net disbursements were mostly channelled to support agricultural activities ($4.7mn), construction ($1.7mn), tourism ($0.9mn), and marine production ($0.9mn) activities. This boost in new lending was tempered by a $3.3mn reduction in manufacturing loans.

Open Market Operations

The Central Bank maintained an active presence in the T-bill market during the first nine months of the year. This strategy sought to promote economic growth by easing credit conditions, creating a more competitive bidding environment, and lowering Central Government's domestic debt-servicing costs. Accordingly, the weighted average yield fell by 13 basis points during the first nine months of the year to 0.60002%.

Chart 3.8: Treasury Bill Yields



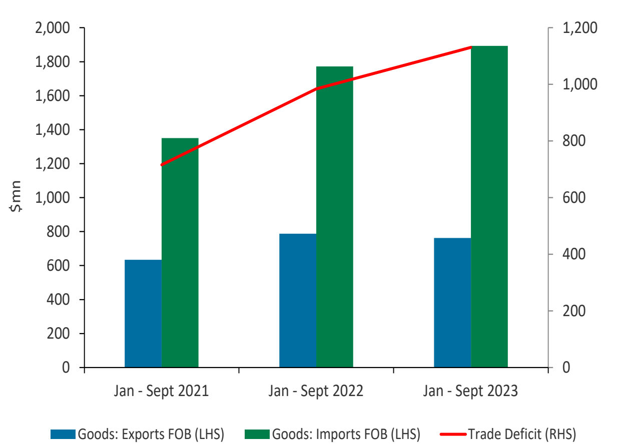
While the aggregate value of T-bills issued was unchanged at $245.0mn over the review period, the Central Bank's holdings rose by 5.0% to $129.1mn, accounting for 52.7% of total issuances. Additionally, the share for non-bank institutions grew by 150.9% after more than doubling to $18.9mn, representing 7.7% of total issuances. In contrast, domestic banks' portion slipped to $97.0mn, 39.6% of total issuances.

International Trade and Payments

For the first nine months of 2023, the external current account balance recorded a deficit of $8.8mn, equivalent to 0.1% of GDP. This outcome was a marked improvement compared to the same period in 2022 when the deficit was $291.2mn or 4.9% of GDP. The lower deficit was mainly due to an upsurge in tourism earnings. Additional contributions stemmed from a decrease in profit repatriation by energy and manufacturing entities, the absence of a significant one-off settlement of an arbitral award, and a boost in inward transfers to insurance companies, regional organisations, and religious denominations. These favourable developments more than compensated for an expansion in the trade deficit in goods.

Net capital inflows rose modestly to $48.4mn, driven by donations of capital items and grants to fund infrastructural projects. However, net inflows or liabilities on the financial account nosedived to $116.2mn, as net direct investments curtailed and the domestic bank's net foreign asset position strengthened. Meanwhile, the increase in Central Government's external borrowings helped boost the gross international reserves, which grew by $83.1mn to $1,048.1mn, the equivalent of 4.4 months of import coverage for goods.

Chart 4.1: Trade Deficit in Goods



Merchandise Trade

During the nine months, the trade-in-goods deficit increased by 14.8% or $146.0mn to $1,130.4mn as imports rose and exports contracted. Imports FOB rose by 6.8% ($120.5mn) to $1,892.7mn, driven by a 7.7% ($118.1mn) increase in domestic imports and a 1.0% ($2.4mn) uptick in commercial free zone (CFZ) imports. In contrast, exports FOB declined by 3.2% ($25.5mn) to $762.3mn because of a 9.2% ($39.1mn) decrease in domestic exports to $383.8mn as receipts from most major commodities fell. However, the overall revenue decline was partially offset by a 3.7% ($13.6mn) rise in total re-exports to $378.5mn, with increases in CFZ gross sales ($9.8mn) and other re-exports ($3.8mn).

<u>Gross Imports</u>

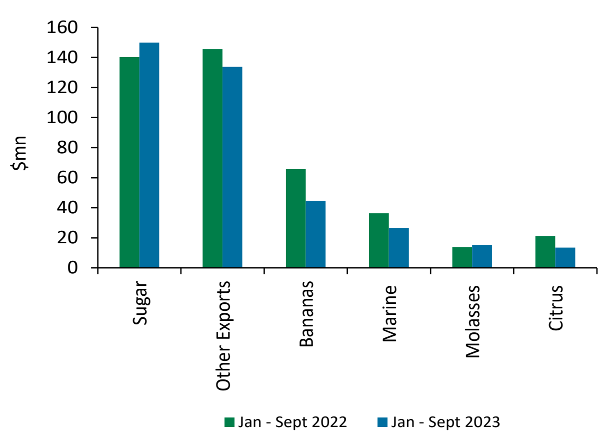
Imports FOB rose by 6.8% or $120.5mn to $1,892.7mn in the first three quarters of 2023. Import growth was led by a $42.4mn expansion in the "*Machinery and Transport*" category. This surge was primarily due to donations of a Cessna aircraft and radar equipment to Government agencies, alongside purchases of electric cables. The "*Food and Live Animals*" category followed, rising by $18.8mn, with additional spending on orange concentrate juice, instant noodles, and condensed milk. The "*Other*

Manufacturers" category rose by $16.9mn, with additional spending on plastic bottles, printed materials, and food containers. The "*Crude Materials*" category also increased by $8.8mn due to higher purchases of pine lumber. However, these increases were partially offset by a $25.3mn decline in "*Chemical Products*," reflecting lower purchases of vaccines, diagnostic testing kits, and detergents; a $19.8mn drop in "*Mineral Fuels and Lubricants*," attributed to reduced volumes and costs of premium and kerosene fuels; and a $11.7mn decrease in "*Commercial Free Zone*," due to lower outlays on cigarettes, footwear, and clothing.

Domestic Exports

Between January and September, revenues from domestic exports decreased by 9.2% ($39.1mn) to $383.8mn. This drop was due to lower earnings from exports of bananas ($20.7mn), non-traditional goods ($11.8mn), marine products ($9.7mn), and citrus juices and pulp ($7.7mn). However, the downturn in earnings from these commodities were partly offset by increased revenues from sugar ($9.5mn) and molasses ($1.6mn).

Chart 4.2: Domestic Exports



Sources: SIB and CBB

Sugar and Molasses

Export receipts for sugar rose by 6.8% ($9.5mn) to $149.9mn during the first nine months of 2023. Sugar earnings grew as a 15.3% price increase, outweighed the impact of a 7.4% reduction in export volume. International market prices strengthened, as global sugar supply weakened due to adverse weather conditions affecting major producers, and European farmers diverted away from sugar beet plantings, owing to the cessation of a pesticide exemption. Consequently, the average price in the European market, the principal market for sugar exports, increased by 17.9% over the period. Meanwhile, the US bought 13.5% of the export mix (16,552 long tons) valued at $21.0mn, as prices dipped by 2.7%. CARICOM purchased the remaining 8.8% (10,851 long tons), valued at $19.3mn, amid a 31.5% price rally. Additionally, molasses export receipts increased by 11.9% ($1.6mn) to $15.4mn, owing to a 26.2% price hike, which compensated for an 11.3% volume decline.

Citrus Juices and Pulp

Export earnings from citrus products contracted by 38.2% ($8.5mn) to $13.7mn due to a 58.8% collapse in citrus juice export volume to 2.9mn ps. Partly offsetting the revenue decline was a 53.7% surge in the average unit price for orange concentrate, which accounted for 85.1% of the $13.5mn realised in citrus juice export earnings. About 98.6% of the orange concentrate sold, equivalent to 2.6mn ps, went to CARICOM, generating $11.4mn. The remaining amount was sold to Asia for $0.2mn. Meanwhile, grapefruit concentrate revenue increased by

3.6% to $1.9mn, bolstered by a 25.5% boost in average price that outweighed a 17.5% downturn in export volume. Not-from-concentrate sales remained minuscule, while pulp export receipts totalled $0.1mn.

Marine Exports

Revenues from marine exports plummeted by 26.6% ($9.7mn) to $26.7mn due to a fall in the export volume and price of lobster alongside a plunge in conch prices. Lobster receipts decreased by 33.3% to $16.9mn, as the average price and export volume fell by 7.5% and 27.9%, respectively. Similarly, conch export earnings contracted by 23.7% due to a 24.6% price decline, which easily outweighted the impact of a 1.2% increase in export volume. However, shrimp export receipts rose to $2.2mn, owing to an 82.4% upsurge in export volume coupled with a 19.0% price uptick. The upswing in shrimp revenues was also influenced by a sharp increase in value-added headless shrimp in the export mix. There were negligible exports of other fish during the review period.

Banana

Banana export receipts plunged by $31.7% to $44.6mn on account of a 34.7% downturn in its export volume. However, the disproportionate revenue outturn was due to additional revenue from producing customised fruit packages for foreign supermarkets.

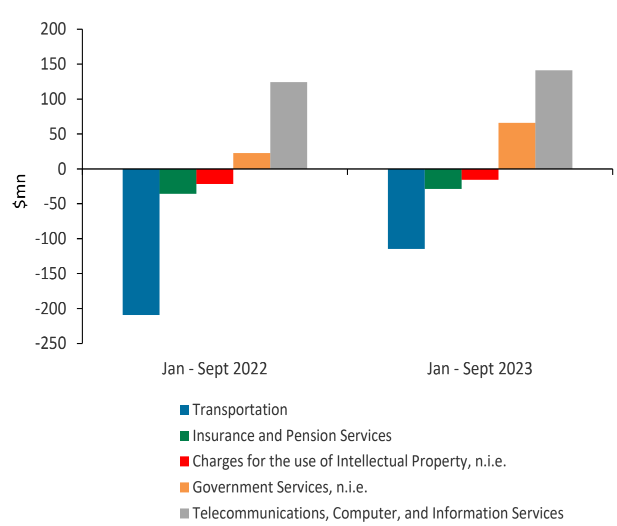
Other Domestic Exports

Earnings from exports of other domestic goods declined by 8.1% ($11.8mn) to $133.7mn, with reduced revenues from animal feed ($9.0mn), red kidney beans ($2.5mn), orange oil ($2.4mn), prefabricated houses ($2.3mn), sorghum ($1.9mn), and grapefruit oil ($0.8mn). The decline was softened by upticks in crude soybean oil ($1.9mn) and pepper sauce ($0.3mn) sales.

Services

During the first three quarters of the year, net inflows on the services account increased by $289.1mn to $1,043.5mn compared to the same period of 2022. At this level, the surplus on the services account reached a new record high, while surpassing 2022's annual outturn by $42.7mn. This exceptional performance was primarily attributable to a surge in tourism revenue, resulting from a continued rebound in overnight and cruise-ship visitors along with an increase in the average expenditure per stay-over visitor. The increase in average visitor expenditure reflected the combined impact of higher domestic prices and longer duration of stays. As a result, net travel receipts rose by $173.6mn to $984.7mn. At the same time, net outflows on the transport subaccount contracted by $94.7mn to

Chart 4.3: Sub-components of Services



$114.2mn due to lower international freight rates. Additionally, the surplus for all other services rose by $20.8mn to $173.1mn, driven by higher net inflows for government ($43.3mn) and computer ($19.2mn) services and lower net outflows for insurance services ($6.9mn) and the use of intellectual property ($6.6mn). However, net inflows from other miscellaneous services contracted by a steep $51.6mn, partially offsetting these developments. The uptick in government services was mainly due to increased transfers to a regional organisation, while the boost in computer services was attributable to greater inflows to fund business process outsourcing operations.

Primary and Secondary Income

Net outflows on the primary income account decreased by $49.8mn to $156.4mn over the review period. The deficit narrowed due to a sharp decline in profit repatriation by foreign-owned entities and a significant increase in the Central Bank's investment income. The overall decline was moderated by increases in the public sector's interest payments and domestic banks' re-invested earnings. Profit repatriation almost halved to $65.5mn, with marked reductions in outflows by energy ($61.2mn) and beverage manufacturing ($10.8mn) firms. Additionally, the Central Bank's interest income on its US securities holdings more than tripled to $24.1mn, triggered by rising US interest rates. In turn, the public sector's interest payments on its external debt increased by $24.5mn to $57.7mn due to climbing rates on variable interest loans with multilateral and bilateral lenders. Furthermore, domestic banks' reinvested earnings grew by $12.7mn to $49.0mn with increased banking profitability.

Net inflows on the secondary income account increased by $89.6mn to $234.6mn, as inward transfers picked up, and the one-off settlement of last year's arbitral award was not repeated. Inward transfers to households and institutions rose due to heightened inflows to religious and other non-profit organisations ($13.3mn), insurance companies ($12.7mn), and workers' remittances ($7.2mn). Meanwhile,

Chart 4.4: FDI Breakdown by Sector

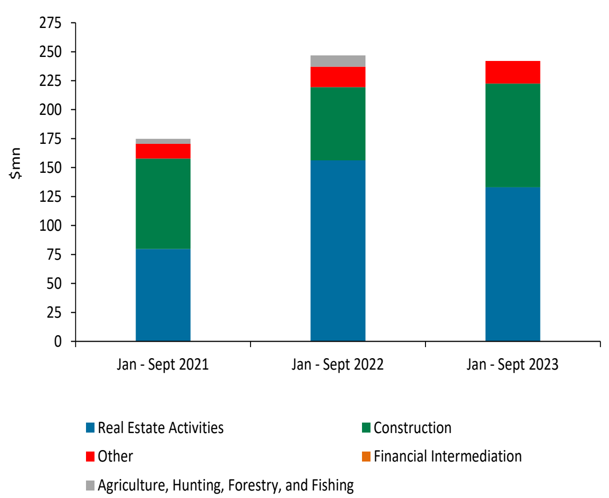
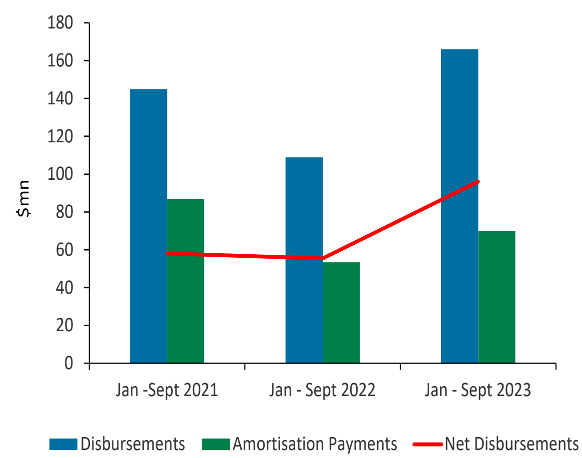


Chart 4.5: Central Government Net External Loan Disbursements



outward transfers by the Government contracted by $61.7mn, owing to the absence of the discounted $65.0mn arbitral settlement to Belize International Services Limited in 2022.

Capital and Financial Account

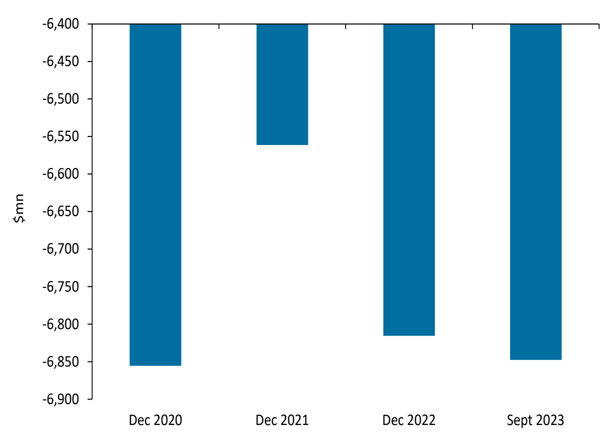
The surplus on the capital account grew by $5.5mn to $48.4mn, as a bump in voluntary donations more than compensated for a falloff in investment grants to fund infrastructural projects. Significant capital donations included a Cessna aircraft from the US Government and a primary surveillance radar from the Central American Corporation of Air Navigation Services (COCESNA). The Government received investment grants mainly from the Caribbean Development Bank (CDB) to partially finance upgrades of the Coastal Road, which was completed in July, and the Philip Goldson Highway, which was still underway.

Net financial inflows plummeted by $206.5mn to $116.2mn compared to the first nine months in 2022. The accumulation of net liabilities lessened, as net direct investments slowed and domestic banks' net foreign asset position strengthened, amid heightened net borrowings from abroad. Net foreign direct investments curtailed by $45.5mn to $182.6mn, as inflows dipped by 1.8% to $321.0mn, while outflows rose by 36.6% to $133.8mn. On the one hand, fresh inward foreign direct investments were concentrated in the real estate ($133.1mn) and construction ($89.5mn) industries. On the other hand, foreign direct investment repatriations stemmed mainly from real estate ($89.8mn) and domestic banking industries ($44.0mn). The build-up of other liabilities stemmed from a $92.2mn increase in the public sector's net external borrowings, which was tempered by the private sector's net repayments of $23.3mn. Furthermore, these liabilities were partly offset by a $135.0mn increase in the foreign asset position of domestic banks, which arose mainly from heightened tourism receipts.

International Investment Position

For the first nine months of 2023, Belize accumulated $33.0mn more in external financial liabilities than financial assets. As a result, the country's net liability international investment position rose by this amount to $6,847.1mn at the end of September. Over the nine months, the net foreign liabilities rose by $256.2mn to $8,807.2mn due to increases in net foreign investments and public sector borrowings. However, the net foreign assets grew by a lesser amount of $223.1mn to $1,960.1mn, as the domestic banks' and the Central Bank's positions strengthened.

Chart 4.6: Net International Investment Position

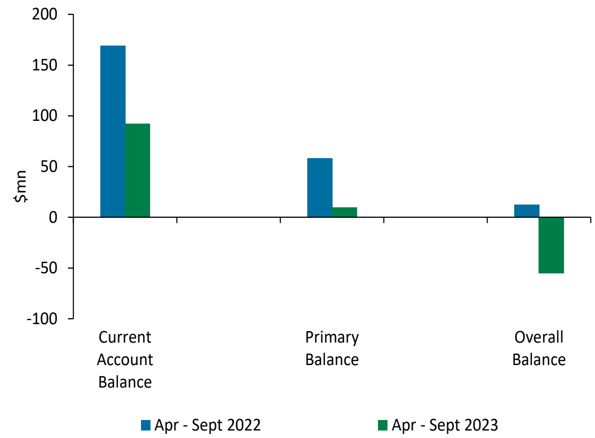


Government Operations and Public Debt

Central Government Operations

Between January and September, Central Government's operations generated an overall deficit of $55.4mn. This outturn was $67.9mn less than the $12.5mn surplus recorded in the first three quarters of 2022, as revenues fell and expenditures rose. Over the period, total revenue and grants dipped by $8.7mn, mainly due to a fall in grants, while expenses increased by $47.5mn because of a surge in current spending. Consequently, the primary surplus narrowed to $29.0mn (0.5% of GDP) from $61.5mn (1.0% of GDP) in the same period last year.

Chart 5.1: Central Government's Operations

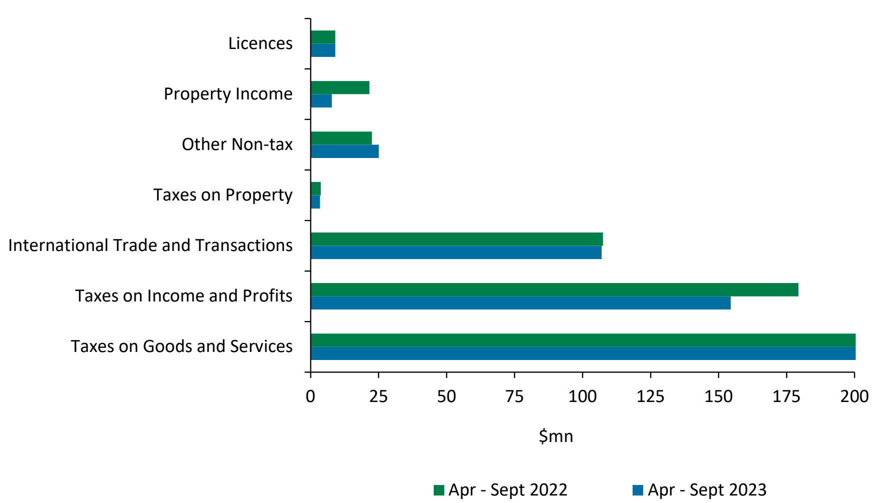


Sources: MOF and CBB

For the first half of FY 2023/24, Central Government's fiscal stance loosened as revenues contracted, while expenditures grew. Total revenue and grants contracted by 1.7%, while total expenditure increased by 8.3% due to an upsurge in recurrent spending. Current spending pressures stemmed from above-average inflation, rising interest costs, and the resumption of public officers full emoluments. As a result, the primary surplus contracted to $9.8mn (0.2% of GDP) compared to $58.3mn (1.0% of GDP) in the same period a year ago. Furthermore, the overall fiscal balance swung to a deficit of $55.4mn (0.9% of GDP) from a surplus of $12.5mn (0.2% of GDP) the period before.

Total revenue and grants declined by $12.0mn to $677.1mn from April to

Chart 5.2: Central Government's Revenue

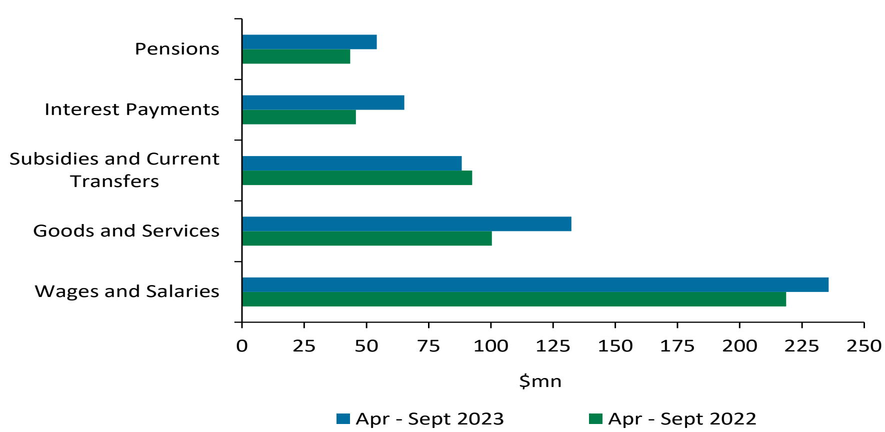


Source: MOF

September, as reductions in non-tax revenue and grants outweighed a marginal rise in tax revenue. Tax receipts rose by $9.2mn (1.5%) due to higher tax intakes on goods and services. Taxes on *"Goods and Services"* expanded by $34.8mn to $361.2mn in response to the normalisation of excise fuel taxes. Notwithstanding, reduced collections in the *"Income and Profits"* ($24.9mn), *"International Trade and Transactions"* ($0.4mn), and *"Taxes on Property"* ($0.3mn) categories dampened the overall growth in tax revenue. Meanwhile, non-tax revenue fell by $11.2mn (21.1%) to $41.9mn, owing in part to a reduction in dividend transfer from the Belize Telemedia Limited. Furthermore, grants amounted to $6.2mn, $9.9mn lower than the first half of FY 2022/23 due to the winding down of sizeable grant-funded infrastructural projects.

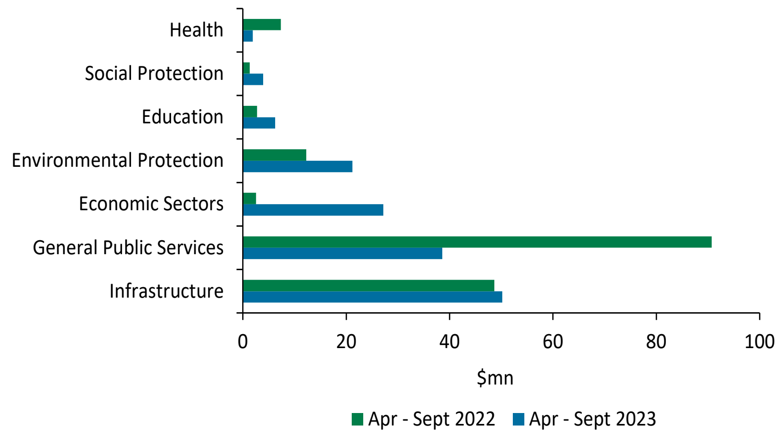
Total government expenditure increased by $55.9mn (8.3%) to $732.5mn when compared to the first half of the previous fiscal year. This increase was due to higher recurrent expenditures as capital spending contracted. Current outlays increased by $74.9mn (14.9%) to $575.7mn, following increases in four of five major expense categories. Outlays on goods and services posted the greatest increase among current expenditure items, rising by $31.9mn. The additional spending was mainly driven by higher outlays on materials and supplies, particularly medical supplies, alongside upticks in training costs and contract payments. *"Interest Payments"* rose by $19.4mn (42.3%), as rising global interest rates lifted the debt service costs of variable interest loans with external creditors. Spending on public officers' compensation increased by $17.1mn or 7.8% due to the restoration of public officers' and teachers' full emoluments on 1 April 2023 along with the resumption in increments. At the same time, pension payments rose by $10.6mn (24.4%), with an uptick in gratuities and indemnity costs. However, outlays on transfers and subsidies recorded a $4.1mn decline due to reduced transfers to domestic organisations.

Chart 5.3: Central Government's Current Expenditures



Source: MOF

Chart 5.4: Central Government's Development Expenditure



Source: MOF

Capital spending fell by $19.2mn (10.9%) to $156.4mn relative to the corresponding period a year ago. This outcome was due to the absence of the $76.5mn arbitral award settlement to Belize International Services Limited made in September 2022 alongside a $5.4mn reduction in outlays on health after the pandemic effects waned. Partly offsetting these declines were increased spending across several functional categories, namely, infrastructural projects ($50.2mn), economic sectors ($27.2mn), and environmental protection ($21.2mn).

Total Public Sector Debt

The total public sector debt rose by 2.0% ($81.6mn) to $4,124.4mn or 67.2% of GDP over the first three quarters of the year. The growth in debt was attributable to an increase in public external liabilities, as Central Government's domestic debt decreased. Consequently, the external debt as a share of total public sector debt rose by 0.8 percentage points to 68.2%. In contrast, the domestic debt portion dipped slightly to 31.8%.

Domestic Debt

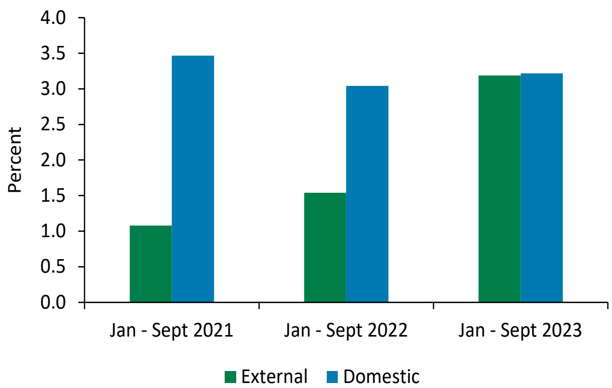
At September end, Central Government's domestic debt amounted to $1,310.9mn, equivalent to 21.3% of GDP. At this level, the debt stock was $4.7mn lower than that recorded at the end of December 2022. This decrease resulted as principal repayments surpassed new disbursements during the first nine months of 2023.

New disbursements totalled $14.0mn, arising from the issuance of $14.0mn in three-year T-notes in June. The proceeds were used to refinance the first of three annual principal repayments on the five-year, US dollar-denominated $30.0mn T-note, which was issued to build reserves after the onset of COVID-19.

Amortisation payments totalled $17.0mn, reflecting the redemption of $16.3mn in T-notes and $0.7mn in principal repayments on three outstanding loans.

In securities trading, domestic banks surrendered $17.4mn in T-bills at rollover

Chart 5.5: Average Interest Rate on Central Government Domestic Debt and Public Sector External Debt



auctions, which were subsequently acquired by the Central Bank and non-bank entities. Furthermore, non-bank entities relinquished $3.5mn in T-notes, which the Central Bank and a non-resident institution took up almost equal portions. The portion that was purchased by the non-resident ($1.7mn) was subsequently reclassified as external debt.

Interest payments amounted to $30.6mn, $0.4mn more than the comparative period. As the main domestic creditor, the Central Bank received 45.0% of Central Government's interest payments, earning $13.8mn in interest income on its Treasury security holdings. Concurrently, non-bank entities and domestic banks received $11.7mn and $5.2mn, respectively, in interest income on their investments.

At the end of September, the Central Bank held 52.9% of Central Government's outstanding domestic debt, while the domestic banks and non-bank entities held 24.4% and 22.7%, respectively.

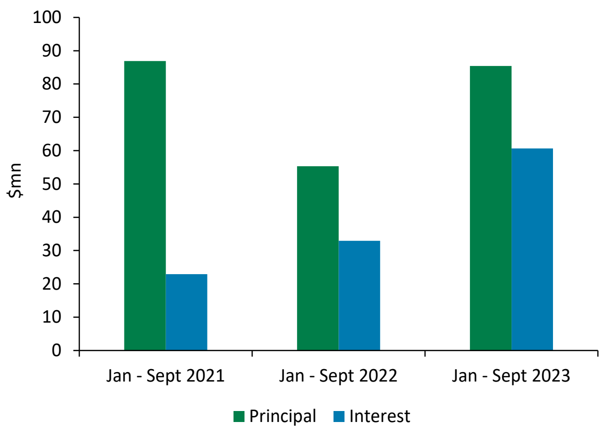
Public Sector External Debt

For the first nine months of 2023, the public sector's external debt increased by 3.2% or $86.3mn to $2,813.5mn (45.8% of GDP). This modest increase resulted as disbursements of $173.3mn outweighed amortisation payments of $85.4mn and downward valuation adjustments of $1.6mn.

Central Government received $154.7mn in new disbursements, equivalent to 89.3% of the total. Bilateral creditors provided $90.3mn to Central Government. ROC/Taiwan disbursed the largest sum, amounting to $86.3mn, to finance budgeted expenses and the Sarteneja Road Project. Other bilateral funding stemmed from the Kuwait Fund for Arab Economic Development, which issued $4.0mn for the Caracol Road Project. Concurrently, multilateral institutions disbursed $64.4mn to fund several major projects, including:

- the Philip Goldson Highway and Remate Bypass Upgrade Project ($15.6mn),
- the Caracol Road Upgrade Project ($12.7mn),
- the Coastal Road Upgrade Project ($10.4mn),
- the Education Quality Improvement Project ($5.0mn),
- the Integral Security Programme Project ($4.6mn),
- the Haulover Bridge Replacement Project ($3.8mn), and
- the Strengthening of the Tax Administration Project ($3.6mn).

Chart 5.6: External Debt Service



Multilateral disbursements also came from the Caribbean Community Climate Change Center, which purchased $2.4mn in Treasury securities as part of its portfolio investment strategy. The public financial and non-financial sectors also received $11.9mn and $6.7mn, respectively, from international financial institutions to fund various initiatives.

Central Government made $74.8mn in loan repayments to multilateral creditors ($60.4mn), bilateral partners ($2.8mn), and US-dollar T-note holders ($11.5mn). The public financial and non-financial sectors also repaid $3.2mn and $7.5mn, respectively, to multilateral creditors.

Interest and other payments totalled $60.6mn, $26.3mn more than the comparable period of 2023. Interest payments skyrocketed due to the hike in effective interest rate from January to September, which more than doubled to 3.7% from 1.4% in the comparable period of 2022. Central Government accounted for $55.3mn or 91.2% of the total interest costs. Most of Central Government's interest payments went to multilateral institutions ($26.8mn), followed by bilateral partners ($14.4mn), Blue Loan creditors ($12.9mn), and US dollar T-note holders ($1.1mn). Due to a much lower debt stock, the public non-financial and financial sectors paid a lower sum of $2.8mn and $2.5mn, respectively, in interest expense to external creditors.

ANNEX I

Table A.1: Gross Domestic Product Growth Rates of Selected Countries

Percent

	Mar 2023	June 2023	Sept 2023
Advanced Economies			
US	1.7	2.4	2.9
UK	0.4	0.3	0.2
Euro Area	1.3	0.6	0.0
Japan	2.7	1.6	1.2
Emerging Economies			
China	4.5	6.3	4.9
India[(1)]	6.1	7.8	7.6
Brazil	4	3.4	
Mexico	3.7	3.6	3.3
Caribbean Economies			
Barbados	6.4	3.9	4.4
Jamaica	4.2	2.3	2.0

Sources: Respective Statistical Bureaus and Central Banks.
[(1)] Quarter-on-Quarter percentage change.

Table A.2: Real Gross Domestic Product Growth Rates

	Year-on-Year Growth (%)	
	Jan - Sept 2022 over Jan - Sept 2021[R]	Jan - Sept 2023 over Jan - Sept 2022[R]
Agriculture, Forestry, and Fishing	0.1	-8.5
Mining	-2.5	-11.9
Manufacturing	5.8	-7.6
Electricity	-17.3	-13.7
Water Supply	3.4	4.6
Construction	-16.6	14.4
Wholesale and Retail Trade	13.5	7.8
Transportation	23.7	15.6
Accommodation and Food Service Activities	67.8	27.7
Information and Communication	6.0	-11.6
Financial and Insurance Activities	-0.9	10.2
Real Estate Activities	1.4	1.8
Professional, Scientific, and Technical Activities	-8.7	13.8
Administrative and Support Service Activities	11.5	20.8
Public Administration and Defence	9.4	10.4
Education	-4.7	4.7
Human Health and Social Work Activities	4.2	5.8
Arts, Entertainment, and Recreation	43.1	22.8
Other Service Activities	36.6	14.2
Activities of Households as Employers	0.7	6.7
Taxes and Subsidies	28.0	0.7
GDP at Constant 2014 Prices	8.9	5.2

Source: SIB
[R] - Revised

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

$mn

	Jan - Sept 2022[R]	Jan - Sept 2023[R]
Agriculture, Forestry, and Fishing	308.8	282.6
Mining	46.2	40.7
Manufacturing	283.1	261.7
Electricity	63.0	54.4
Water Supply	26.6	27.8
Construction	181.3	207.5
Wholesale and Retail Trade	529.8	571.3
Transportation	160.9	186.0
Accommodation and Food Service Activities	148.5	189.6
Information and Communication	135.5	119.8
Financial and Insurance Activities	314.2	346.3
Real Estate Activities	180.0	183.3
Professional, Scientific, and Technical Activities	33.3	37.9
Administrative and Support Service Activities	164.9	199.2
Public Administration and Defence	263.6	291.0
Education	158.4	165.9
Human Health and Social Work Activities	56.6	59.9
Arts, Entertainment, and Recreation	44.5	54.6
Other Service Activities	54.9	62.7
Activities of Households as Employers	22.5	24.1
Taxes and Subsidies	530.4	534.0
GDP at Constant 2014 Prices	3,707.1	3,900.2

Source: SIB

[R] - Revised

Table A.4: Deliveries of Sugarcane and Production of Sugar and Molasses

	Dec - Sept 2021/2022	**Dec - Sept 2022/2023**
Deliveries of Sugarcane to BSI and Santander (long tons)	1,787,488	1,485,129
Sugar Processed by BSI and Santander (long tons)	176,089	144,090
Molasses processed by BSI and Santander (long tons)	63,536	53,922
Performance		
Factory Time Efficiency (%)	72.03	72.68
Cane Purity	63.35	62.73
Cane/Sugar	10.2	10.3

Sources: BSI and Santander

Table A.5: Output of Citrus Products

	Oct - Sept 2021/2022	Oct - Sept 2022/2023
Deliveries (boxes)		
Orange	1,308,067	280,820
Grapefruit	143,188	61,553
Total	**1,451,255**	**342,373**
Concentrate Produced (ps)		
Orange	7,384,518	1,366,575
Grapefruit	548,612	232,510
Total	**7,933,130**	**1,599,085**
Not from Concentrate (ps)		
Orange	164,432	66,403
Grapefruit	14,853	7,914
Total	**179,285**	**74,317**
Pulp (pounds)		
Orange	928,560	78,016
Grapefruit	219,632	0
Total	**1,148,192**	**78,016**
Oil Produced (pounds)		
Orange	454,909	93,220
Grapefruit	23,000	9,055
Total	**477,909**	**102,275**

Source: CPBL

Table A.6: Banana Production

40-pound boxes

	Jan - Sept 2022	Jan - Sept 2023
Quarter 1	1,014,934	484,582
Quarter 2	1,431,330	920,332
Quarter 3	1,255,062	1,012,333
Total	3,701,326	2,417,247

Source: BGA

Table A.7: Bona Fide Tourist Arrivals

	Jan - Sept 2022	Jan - Sept 2023
Stay-Over Arrivals		
Air	235,907	265,825
Land	30,051	51,376
Sea	4,758	10,256
Total	270,716	327,457
Cruise Ship Disembarkations	373,415	600,464

Sources: BTB, CBB, and Immigration Department

Table A.8: Consumer Price Index Commodity Group

Major Commodity	Weights	July 2023	August 2023	Sept 2023	Sept 2023 over Aug 2023	YTD-2023 over YTD-2022
Food and Non-Alcoholic Beverages	195	126.2	127.5	127.9	0.3	13.1
Alcoholic Beverages and Tobacco, and Narcotics	17	104.0	105.7	105.7	0.0	1.8
Clothing and Footwear	83	100.4	100.4	100.4	0.0	-0.3
Housing, Water, Electricity, Gas, and Other Fuels	265	102.9	104.5	104.7	0.2	-0.6
Furnishing, Household Equipment, and Routine Household Maintenance	69	108.4	111.2	111.2	0.0	4.9
Health	41	107.4	111.2	111.2	0.0	4.1
Transport	136	128.3	128.9	132.5	2.8	-1.6
Information and Communication	33	97.1	96.7	96.7	0.0	-2.2
Recreation and Culture	69	112.9	113.9	113.9	0.0	7.1
Education Services	32	100.2	100.5	100.5	0.0	0.3
Restaurants and Accommodation Services	7	121.2	125.2	125.2	0.0	11.6
Insurance and Financial Services	21	104.4	105.8	105.8	0.0	3.0
Personal Care, Social Protection, and Miscellaneous Goods and Services	31	104.4	106.0	106.0	0.0	3.2
All Items	1,000	114.6	116.0	116.7	0.6	4.5

Source: SIB

Table A.9: Labour Force Statistics

Indicators	Oct 2022	Sep 2023
Working Age Population	326,503	330,771
Employed Population	182,084	183,285
Unemployed Population	9,644	7,555
Persons Not in the Labour Force	134,775	139,931
Labour Force	191,728	190,840
Labour Force Participation Rate	58.7%	57.7%
Underemployment Rate	6.7%	4.5%
Unemployment Rate	5.0%	4.0%

Source: SIB

Table A.10: Factors Responsible for Money Supply Movements[1]

$mn

	Position as at Sept 2023	Changes During Dec 2022 to Sept 2023	Changes During Dec 2021 to Sept 2022
Net Foreign Assets	1,738.9	219.4	69.6
Central Bank	1,051.1	84.5	106.8
Domestic Banks	687.8	135.0	-37.2
Net Domestic Credit	3,264.9	44.1	64.9
Central Government (Net)	678.5	-34.7	-8.4
Other Public Sector	101.8	14.5	31.8
Private Sector	2,484.6	64.3	41.7
Central Bank Foreign Liabilities (Long-term)	114.4	-1.3	-10.4
Other Items (Net)	533.0	63.1	39.2
Money Supply (M2)	4,356.4	201.8	105.8

[1] Transactions associated with the Universal Health Services loan with the Belize Bank Limited are not included in this table.

Table A.11: Money Supply

$mn

	Position as at Sept 2023	Changes During Dec 2022 to Sept 2023	Changes During Dec 2021 to Sept 2022
Money Supply (M2)	4,356.4	201.8	105.8
Narrow Money (M1)	2,579.8	156.2	135.1
Currency with the Public	552.9	29.8	33.9
Demand Deposits	2,026.2	126.3	126.0
Savings/Chequing Deposits	0.7	0.2	-24.8
Quasi-Money	1,776.6	45.6	-29.3
Savings Deposits	1,028.6	62.2	-31.5
Time Deposits	748.0	-16.7	2.2

[1] In March 2022, $61.4mn and $22.0mn in savings and savings/chequing deposits, respectively, were reclassified as demand deposits.

Table A.12: Net Foreign Assets of the Banking System

$mn

	Position as at Sept 2023	Changes During Dec 2022 to Sept 2023	Dec 2021 to Sept 2022
Net Foreign Assets of Banking System	1,738.9	219.4	69.6
Net Foreign Assets of Central Bank	1,051.1	84.5	106.8
Central Bank Foreign Assets	1053.8	84.5	106.1
Central Bank Foreign Liabilities (Demand)	2.7	-0.1	-0.7
Net Foreign Assets of Domestic Banks	687.8	135.0	-37.2
Domestic Bank Foreign Assets	713.9	137.0	-57.4
Domestic Bank Foreign Liabilities (Short-term)	26.1	2.0	-20.2

Table A.13: Central Bank's Foreign Asset Flows

$mn

	Jan - Sept 2022	Jan - Sept 2023
Total Inflows	324.3	305.1
Loan Disbursements	80.3	153.8
Grants	41.6	25.9
Sugar Receipts	77.0	76.3
Banks	40.0	0.0
Other	85.3	49.2
Total Outflows	216.1	221.3
Central Government	186.2	190.6
Statutory Bodies	11.9	18.3
Other	17.9	12.4

Table A.14: Net Domestic Credit

$mn

	Position as at Sept 2023	Changes During Dec 2022 to Sept 2023	Changes During Dec 2021 to Sept 2022
Total Credit to Central Government	921.9	-9.2	-7.6
From Central Bank	693.7	16.2	83.5
Loans and Advances	0.0	0.0	0.0
Government Securities[1]	693.7	16.2	83.5
From Domestic Banks	228.2	-25.4	-91.1
Loans and Advances	0.0	0.0	0.0
Government Securities	228.2	-25.4	-91.1
Of which: Treasury Bills	97.0	-17.4	-72.1
Treasury Notes	131.2	-8.0	-19.0
Other	0.0	0.0	0.0
Less Central Government Deposits	243.4	25.5	0.8
With Central Bank	184.1	17.1	30.1
With Domestic Banks	59.3	8.4	-29.3
Net Credit to Central Government	678.5	-34.7	-8.5
Credit to Other Public Sector	101.8	14.5	31.8
From Central Bank	0.0	0.0	0.0
From Domestic Banks	101.8	14.5	31.8
Of which: Local Government	15.5	3.2	4.7
Public Financial Institutions	0.0	0.0	0.0
Public Utilities	9.0	-3.0	-3.0
Other Statutory Bodies	0.9	-0.8	0.1
Securities	76.5	15.2	29.9
Plus Credit to the Private Sector	2,484.6	64.3	41.7
From Central Bank	8.3	1.4	2.0
Loans and Advances	8.3	1.4	2.0
From Domestic Bank	2,476.4	63.0	39.6
Loans and Advances	2,450.8	58.0	41.8
Securities	25.6	5.0	-2.1
Net Domestic Credit of the Banking System[2]	3,264.9	44.1	64.9

(1) Includes the Central Bank’s holdings of Government Treasury bills and Treasury notes.
(2) Treasury bill holdings reported by domestic banks reflect a mix of par and market values.

Table A.15: Sectoral Composition of Domestic Banks' Loans and Advances

$mn

	Position as at Sept 2023	Changes During Dec 2022 to Sept 2023	Changes During Dec 2021 to Sept 2022
PRIMARY SECTOR	255.2	-10.5	3.5
Agriculture	228.1	-8.8	7.0
Sugar	89.4	-5.2	-5.4
Citrus	13.9	-2.9	0.2
Bananas	57.8	2.2	7.4
Other	67.0	-2.9	4.8
Marine Products	21.8	-1.4	-3.0
Forestry	1.4	0.1	0.0
Mining and Exploration	3.9	-0.4	-0.5
SECONDARY SECTOR	829.3	3.6	187.0
Manufacturing	82.5	12.2	2.9
Building and Construction[1]	724.0	0.7	188.6
Utilities	22.8	-9.3	-4.5
TERTIARY SECTOR	992.1	54.2	4.6
Transport	70.8	15.3	8.0
Tourism	288.6	-0.4	-1.9
Distribution	194.2	1.9	21.1
Real Estate[1]	358.6	33.0	-14.0
Professional Services	59.9	2.5	-12.5
Other	20.0	1.9	3.9
Personal Loans[1]	399.5	10.0	-151.5
TOTAL	2,476.1	57.3	43.6

[1] In May 2022, $294.1mn Personal loans were reclassified to Residential Building and Construction.

Table A.16: Sectoral Composition of Credit Unions' Loans and Advances

$mn

	Position as at Sept 2023	Changes During Dec 2022 to Sept 2023	Changes During Dec 2021 to Sept 2022
PRIMARY SECTOR	62.3	0.2	-1.9
Agriculture	54.4	0.3	-1.4
Sugar	5.2	-0.5	-0.6
Citrus	1.2	-0.1	-0.1
Bananas	1.3	1.3	-0.7
Other	46.7	-0.4	0.0
Marine Products	7.8	0.1	-0.4
Forestry	0.0	-0.1	0.0
Mining and Exploration	0.1	-0.1	-0.1
SECONDARY SECTOR	236.2	14.6	5.3
Manufacturing	33.6	3.8	2.6
Building and Construction	194.6	7.3	1.2
Residential	107.6	7.4	7.7
Home Improvement	71.2	-1.3	-4.6
Commercial	12.7	0.6	-1.9
Infrastructure	3.1	0.5	0.0
Utilities	8.0	3.5	1.5
TERTIARY SECTOR	121.9	4.7	10.2
Transport	1.2	0.2	-0.1
Tourism	3.0	2.2	0.0
Distribution	21.1	-1.5	0.1
Real Estate	78.4	-0.9	8.7
Residential	2.8	-0.4	-0.1
Commercial	34.5	-6.6	5.2
Land Acquisition	41.1	6.2	3.6
Other(1)	18.2	4.7	1.5
Personal Loans	242.8	-15.6	-3.2
TOTAL	663.2	3.8	10.4

(1) Includes Government Services, Financial Institutions, Professional Services, and Entertainment.

Table A.17: Sectoral Composition of Development Finance Corporation Loans and Advances

$mn

	Position as at Sept 2023	Changes During Dec 2022 to Sept 2023	Changes During Dec 2021 to Sept 2022
PRIMARY SECTOR	38.8	5.5	3.5
Agriculture	27.9	4.7	3.5
Marine Products	10.6	0.9	0.1
Other[1]	0.3	-0.1	0.0
SECONDARY SECTOR	45.0	-1.6	8.5
Manufacturing	4.9	-3.3	1.2
Building and Construction	40.1	1.7	7.3
TERTIARY SECTOR	42.5	4.2	1.5
Tourism	18.7	0.9	0.0
Professional Services	18.0	0.7	1.9
Other[2]	5.8	2.4	-0.8
Student Loans	16.3	0.2	0.3
Personal Loans	0.5	0.1	0.0
TOTAL	143.0	8.2	13.5

[1] Includes Mining and Forestry.
[2] Includes Distribution, Financial Institutions, Real Estate, Transport, and Entertainment.

Table A.18: Domestic Banks' Liquidity Position and Cash Reserves

$mn

	Position as at Sept 2023	Changes During Dec 2022 to Sept 2023	Changes During Dec 2021 to Sept 2022
Holdings of Approved Liquid Assets	1,564.1	96.6	-3.0
Notes and Coins	116.7	17.9	9.9
Balances with Central Bank	752.7	11.8	74.9
Money at Call and Foreign Balances (due in 90 days)	522.8	55.1	-3.6
Treasury Bills maturing in not more than 90 days	80.3	-55.4	-92.1
Other Approved Assets	91.6	67.1	7.9
Required Liquid Assets	817.9	53.3	30.3
Excess/(Deficiency) Liquid Assets	746.2	43.3	-33.3
Daily Average Holdings of Cash Reserves	751.7	15.7	74.9
Required Cash Reserves	253.2	16.5	9.4
Excess/(Deficiency) Cash Reserves	498.5	-0.8	65.6
Actual Securities Balances	67.1	-47.3	-79.9
Excess/(Deficiency) Securities	67.1	-47.3	-79.9

Table A.19: Domestic Banks' Weighted Average Interest Rates

Percent

	Position as at Sept 2023	Changes During Dec 2022 to Sept 2023	Changes During Dec 2021 to Sept 2022
Weighted Lending Rates			
Personal Loans	11.48	0.01	1.10
Commercial Loans	8.01	-0.07	-0.13
Residential Construction	6.97	0.14	-0.19
Other	7.18	0.11	0.50
Weighted Average	8.45	0.01	-0.04
Weighted Deposit Rates			
Demand	0.12	-0.01	0.00
Savings/Chequing	2.57	-0.06	2.10
Savings	2.65	0.01	0.01
Time	2.08	-0.08	-0.11
Weighted Average	1.18	-0.03	-0.06
Weighted Average Spread	7.27	0.04	0.01

Table A.20: Domestic Banks' Weighted Average Interest Rates on New Loans and Deposits

Percent

	Twelve Month Rolling Averages At			Changes	
				Sept 2023 over	Sept 2023 over
	Sept 2023	June 2023	Sept 2022	June 2023	Sept 2022
Weighted Lending Rates					
Personal Loans	10.02	9.98	10.29	0.04	-0.27
Commercial Loans	8.16	8.09	8.15	0.07	0.01
Residential Construction	8.93	8.61	8.53	0.32	0.40
Other	6.38	6.06	6.28	0.33	0.11
Weighted Average	8.74	8.62	8.71	0.11	0.03
Weighted Deposit Rates					
Demand	0.00	0.00	0.00	0.00	0.00
Savings/Chequing	1.54	1.46	1.31	0.08	0.23
Savings	2.45	2.42	2.45	0.03	0.00
Time	2.42	2.40	2.38	0.02	0.04
Weighted Average	2.08	2.03	1.77	0.06	0.32
Weighted Average Spread	6.65	6.60	6.94	0.06	-0.29

Table A.21: Balance of Payments Summary

$mn

	Jan - Sept 2022R	Jan - Sept 2023P
A. CURRENT ACCOUNT (I+II+III+IV)	-291.2	-8.8
I. Goods (Trade Balance)	-984.4	-1,130.4
Exports, Free on Board (FOB)	787.8	762.3
Domestic Exports	422.9	383.8
CFZ Gross sales	310.3	320.1
Other Re-exports	54.6	58.4
Imports, FOB	1,772.2	1,892.7
Domestic Imports	1,530.8	1,648.8
CFZ Imports	241.4	243.9
II. Services	754.5	1,043.5
Transportation	-208.9	-114.2
Travel	811.1	984.7
Other Services	152.3	173.1
III. Primary Income	-206.2	-156.4
Compensation of Employees	-6.1	-3.0
Investment Income	-200.1	-153.4
IV. Secondary Income	144.9	234.6
Government	-62.7	-6.2
Private	207.7	240.8
B. Capital Account	42.9	48.4
C. Financial Account	-322.7	-116.2
D. NET ERRORS AND OMISSIONS	31.4	-72.7
E. RESERVE ASSETS	105.8	83.1

R - Revised
P - Provisional

Table A.22: Capital and Financial Accounts

$mn

		Jan - Sept 2022^R	Jan - Sept 2023^P
A.	CAPITAL ACCOUNT	42.9	48.4
B.	FINANCIAL ACCOUNT (1+2+3+4)	-322.7	-116.2
	1. Direct Investment in Belize	-228.1	-182.6
	2. Portfolio Investment	0.0	0.0
	Monetary Authorities	0.0	0.0
	General Government	0.0	0.0
	Banks	0.0	0.0
	Other Sectors	0.0	0.0
	3. Financial Derivatives	0.0	0.0
	4. Other Investments	-94.6	66.4
	Monetary Authorities	0.7	0.1
	General Government	-52.7	-92.2
	Banks	-48.7	135.0
	Other Sectors	6.0	23.6
	Special Drawing Rights	0.0	0.0
C.	NET ERRORS AND OMISSIONS	31.4	-72.7
D.	OVERALL BALANCE	105.8	83.1
E.	RESERVE ASSETS	105.8	83.1

R - Revised
P - Provisional

Table A.23: Balance of Payments

	Jan - Sept 2022R	Jan - Sept 2023P
		$mn
CURRENT ACCOUNT	-291.2	-8.8
Goods: Exports FOB	787.8	762.3
Goods: Imports FOB	1,772.2	1,892.7
Trade Balance	-984.4	-1,130.4
Services: Credit	1,275.6	1,477.1
Transportation	49.0	51.0
Travel	904.0	1,088.0
Other Goods and Services	270.3	238.4
Government Goods and Services	52.3	99.7
Services: Debit	521.1	433.6
Transportation	257.9	165.3
Travel	92.9	103.4
Other Goods and Services	140.6	131.1
Government Goods and Services	29.8	33.8
Balance on Goods and Services	-229.9	-86.9
Primary Income: Credit	13.3	31.0
Compensation of Employees	3.5	3.5
Investment Income	9.8	27.4
Primary Income: Debit	219.5	187.4
Compensation of Employees	9.7	6.5
Investment Income	209.9	180.9
Balance on Goods, Services and Primary Income	-436.2	-243.3
Secondary Income: Credit	271.7	299.7
Secondary Income: Debit	126.8	65.1
CAPITAL ACCOUNT	42.9	48.4
Capital Account: Credit	42.9	48.4
Capital Account: Debit	0.0	0.0
FINANCIAL ACCOUNT	-322.7	-116.2
Direct Investment Abroad	0.6	4.5
Direct Investment in Reporting Economy	228.8	187.1
Portfolio Investment Assets	0.0	0.0
Portfolio Investment Liabilities	0.0	0.0
Financial Derivatives	0.0	0.0
Other Investment Assets	-59.4	135.5
Other Investment Liabilities	35.2	69.0
NET ERRORS AND OMISSIONS	31.4	-72.7
OVERALL BALANCE	105.8	83.1
RESERVE ASSETS	105.8	83.1

Source: CBB
R - Revised
P - Provisional

Table A.24: Gross Imports at Cost, Insurance and Freight (CIF) by Standard International Trade Classification (SITC)

$'000

SITC Section	Jan - Sept 2022	Jan - Sept 2023	$ Change	% Change
0. Food and Live Animals	207,404	226,195	18,790	9.1
1. Beverages and Tobacco	36,323	38,360	2,038	5.6
2. Crude Materials	28,255	37,036	8,781	31.1
3. Mineral Fuels and Lubricants	390,065	370,223	-19,842	-5.1
of which Electricity	50,967	67,803	16,836	33.0
4. Oils and Fats	24,383	24,700	317	1.3
5. Chemical Products	222,122	196,856	-25,267	-11.4
6. Manufactured Goods	289,982	279,270	-10,712	-3.7
7. Machinery and Transport Equipment	397,615	440,025	42,410	10.7
8. Other Manufactures	136,815	153,679	16,864	12.3
9. Commodities not elsewhere specified	462	-	-462	-100.0
10. Designated Processing Areas	32,148	31,118	-1,030	-3.2
11. Commercial Free Zone	277,588	265,894	-11,694	-4.2
12. Personal Goods	2,512	2,667	155	6.2
Total	2,045,674	2,066,024	20,349	1.0

Sources: CBB and SIB

Table A.25: Exports of Sugar and Molasses

	Jan - Sept 2022		Jan - Sept 2023	
	Volume (long tons)	Value ($'000)	Volume (long tons)	Value ($'000)
Sugar	132,475	140,356	122,707	149,875
Europe	101,377	98,814	95,304	109,533
US	12,989	16,938	16,552	20,994
CARICOM	18,011	24,427	10,851	19,349
Other	98	178	0	0
Molasses	42,383	13,733	37,576	15,366

Sources: BSI and Santander Group

Table A.26: Citrus Product Exports

	Jan - Sept 2022		Jan - Sept 2023	
	Pound Solid ('000)	Value ($'000)	Pound Solid ('000)	Value ($'000)
Citrus Concentrates				
US				
Orange	885.8	2,242	0.0	0
Grapefruit	93.8	619	0.0	0
CARICOM				
Orange	5,244.1	15,524	2,576.5	11,350
Grapefruit	173.6	919	240.8	1,717
Europe				
Orange	428.5	1,205	0.0	0
Grapefruit	31.1	172	0.0	0
Other				
Orange	101.6	120	36.4	158
Grapefruit	30.0	164	30.2	225
Sub-Total[1]	6,988.5	20,966	2,884.0	13,451
Orange	6,660.0	19,091	2,612.9	11,509
Grapefruit	328.5	1,875	271.1	1,942
Not-From-Concentrate				
Sub-Total	36.0	222.3	12.7	71.0
Orange	21.7	110	11.0	58
Grapefruit	14.3	112	1.7	13
Total Citrus Juices	7,024.5	21,188	2,896.7	13,522
Pulp (pounds '000)				
Total[1]	1,217.0	948	144.6	146
Orange	1,061.3	811	144.6	146
Grapefruit	155.7	137	0.0	0

Source: CPBL

[1] Values may not be equal to total due to rounding.

Table A.27: Marine Product Exports

	Jan - Sept 2022		Jan - Sept 2023	
	Volume ('000 pounds)	Value ($'000)	Volume ('000 pounds)	Value ($'000)
Lobster	732	25,382	528	16,937
Shrimp	223	1,021	407	2,217
Conch	492	9,867	498	7,531
Other Fish	23	98	1	8
Total	1,471	36,369	1,434	26,692

Source: SIB

Table A.28: Banana Exports

	Jan - Sept 2022	Jan - Sept 2023
Volume (metric tons)	67,153	43,856
Value ($'000)	65,345	44,640

Source: BGA

Table A.29: Other Miscellaneous Exports

	Jan - Sept 2022	Jan - Sept 2023
Other Miscellaneous Exports ($'000)	145,908	133,716
of which:		
Pepper Sauce	5,465	5,769
Red Kidney Beans	8,460	5,990
Orange Oil	5,236	2,817
Grapefruit Oil	945	141
Animal Feed	37,862	28,863

Source: SIB

Table A.30: Long-Term Private Sector External Debt by Economic Sector[1,2]

Economic Sectors	DOD as at 31/12/2022	Transactions (Jan - Sept 2023) Disbursements	Principal Payments	Interest Payments	DOD as at 30/09/2023
Agriculture	29,351	0	0	0	29,351
Arts, Entertainment, and Recreation	0	0	0	0	0
Construction	22,134	0	8,770	1,970	13,364
Economic Diversification	0	0	0	0	0
Education	0	0	0	0	0
Electricity and Gas	14,130	0	535	730	13,595
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	88,505	0	2,565	15	85,939
Transportation	37,543	0	4,364	1,746	33,179
Wholesale and Retail Trade	2,964	0	667	178	2,298
Other	1,500	0	0	0	1,500
Total	205,593	0	16,901	4,639	188,691

(1) The loans only cover that portion of the private sector debt that is reported to the Central Bank.
(2) At the time of reporting, not all companies have submitted their balance sheets to the Central Bank.

Table A.31: Extended Balance of Payment Services Classifications (EBOPS)

$mn

		Jan - Sept 2022	Jan - Sept 2023
Total Services	Net	754.5	1,043.51
	Credits	1,275.6	1,477.11
	Debits	521.1	433.6
Manufacturing Services	Net	0.0	0.0
	Credits	0.0	0.0
	Debits	0.0	0.0
Maintenance and Repair Services	Net	0.7	0.2
	Credits	0.7	0.2
	Debits	0.0	0.0
Transportation	Net	-208.9	-114.2
	Credits	49.0	51.0
	Debits	257.9	165.3
Travel	Net	811.1	984.9
	Credits	904.0	1,088.3
	Debits	92.9	103.4
Telecommunications, Computer, and Information Services	Net	124.1	141.2
	Credits	138.2	157.5
	Debits	14.0	16.2
Construction Services	Net	0.6	0.0
	Credits	0.6	0.0
	Debits	0.0	0.0
Insurance and Pension Services	Net	-35.6	-28.7
	Credits	0.8	0.8
	Debits	36.4	29.5
Financial Services	Net	7.2	5.4
	Credits	13.5	13.3
	Debits	6.3	8.0
Charges for the use of Intellectual Property, n.i.e.	Net	-21.9	-15.3
	Credits	0.0	0.0
	Debits	21.9	15.3
Other Business Services	Net	51.8	0.2
	Credits	111.7	60.4
	Debits	59.9	60.2
Personal, Cultural, and Recreational Services	Net	2.7	4.2
	Credits	4.8	6.2
	Debits	2.1	2.0
Government Services, n.i.e.	Net	22.5	65.9
	Credits	52.3	99.7
	Debits	29.8	33.8

Table A.32: International Investment Position

$mn

	Position as at Dec 2022	Financial Account Transactions Jan - Sept 2023	Position as at Sept 2023	Quarterly Change
Net position	-6,814.0	-33.0	-6,847.1	-33.0
A. Assets	1,737.0	223.1	1,960.1	223.1
1. Direct Investment Abroad	151.8	4.5	156.3	4.5
2. Portfolio Investment	43.5	0.0	43.5	0.0
2.1 Equity Securities	34.7	0.0	34.7	0.0
2.2 Debt Securities	8.8	0.0	8.8	0.0
3. Other Investment	576.7	135.5	712.2	135.5
3.1 Trade Credits	-1.4	-0.5	-2.0	-0.5
3.2 Loans	3.1	0.0	3.1	0.0
3.3 Currency and Deposits	575.1	136.0	711.1	136.0
3.4 Other Assets	0.0	0.0	0.0	0.0
4 . Reserve Assets	964.9	83.1	1,048.1	83.1
4.1 Monetary Gold	0.0	0.0	0.0	0.0
4.2 Special Drawing Rights	99.4	-1.2	98.2	-1.2
4.3 Reserve Position in the Fund	17.0	0.0	17.1	0.0
4.4 Foreign Exchange	829.62	84.3	914.0	84.3
4.5 Other Claims	18.9	0.0	18.9	0.0
B. Liabilities	8,551.0	256.2	8,807.2	256.2
1. Direct Investment	5,342.7	187.1	5,529.8	187.1
2. Portfolio Investment	0.0	0.0	0.0	0.0
2.1 Equity Securities	0.0	0.0	0.0	0.0
2.2 Debt Securities	0.0	0.0	0.0	0.0
3. Other Investment	3,208.4	69.0	3,277.4	69.0
3.1 Trade Credits	34.9	6.1	41.0	6.1
3.2 Loans	3,033.4	79.1	3,112.5	79.1
3.3 Currency and Deposits	114.2	-11.4	102.8	-11.4
3.4 Other Liabilities	25.8	-4.8	21.1	-4.8

Table A.33: Central Government's Revenue and Expenditure

$mn

	Jan 2022 to Sept 2022	Jan 2023 to Sept 2023	Apr 2022 to Sept 2022	Apr 2023 to Sept 2023
Total Revenue and Grants	1,012.7	1,004.0	689.1	677.1
Of which: Current Revenue	970.4	991.6	670.1	668.0
Of which: Grants	38.7	8.0	16.1	6.2
Total Expenditure	1,012.1	1,059.6	676.6	732.5
Current Expenditure	760.7	813.5	500.8	575.7
Capital Expenditure	251.4	246.1	175.8	156.8
Current Balance	209.6	178.0	169.3	92.3
Primary Balance	61.5	29.0	58.3	9.8
Overall Balance	0.6	-55.6	12.5	-55.4

Source: MOF

Table A.34: Summary of Central Government's Revenue

$mn

	Jan 2022 to Sept 2022	Jan 2023 to Sept 2023	Apr 2022 to Sept 2022	Apr 2023 to Sept 2023
Current Revenue	970.4	991.6	670.1	668.0
Tax Revenue	902.9	933.4	617.0	626.1
Income and Profits	264.7	255.1	179.3	154.4
Taxes on Property	6.4	6.0	3.8	3.4
Taxes on Goods and Services	476.4	527.1	326.4	361.2
International Trade and Transactions	155.4	145.2	107.5	107.0
Non-Tax Revenue	67.5	58.2	53.1	41.9
Property Income	23.3	9.5	21.6	7.8
Licenses	14.4	13.0	9.0	9.1
Other	29.8	35.7	22.5	25.1
Capital Revenue	3.6	4.4	2.9	2.9
Grants	38.7	8.0	16.1	6.2

Source: MOF

Table A.35: Summary of Central Government's Expenditure

$mn

	Jan 2022 to Sept 2022	Jan 2023 to Sept 2023	Apr 2022 to Sept 2022	Apr 2023 to Sept 2023
Current Expenditure	760.7	813.5	500.8	575.7
Wages and Salaries	321.4	351.2	218.6	235.7
Pensions	67.7	77.6	43.5	54.1
Goods and Services	175.4	183.5	100.4	132.3
Interest Payments	60.9	84.7	45.8	65.2
Subsidies and Current Transfers	135.5	116.6	92.5	88.3
Capital Expenditure	251.4	246.1	175.8	156.8
Capital II	190.0	190.0	136.2	127.3
Capital III	61.2	55.4	39.3	29.0
Net Lending	0.2	0.6	0.2	0.4

Sources: MOF and CBB

Table A.36: Central Government's Revenue and Expenditure

$'000

	Approved Budget 2023/2024	Jan 2022 to Sept 2022	Jan 2023 to Sept 2023	Apr 2022 to Sept 2022	Apr 2023 to Sept 2023[P]	Fiscal YTD as % of Budget
TOTAL REVENUE & GRANTS (1+2+3)	1,408,268	1,012,718	1,003,982	689,088	677,075	48.1%
1). Current Revenue	1,372,743	970,378	991,589	670,089	668,022	48.7%
Tax Revenue	1,260,400	902,862	933,359	616,955	626,126	49.7%
Income and Profits	360,756	264,658	255,113	179,336	154,431	42.8%
Taxes on Property	6,764	6,402	5,962	3,761	3,449	51.0%
Taxes on Goods and Services	667,492	476,425	527,059	326,404	361,234	54.1%
International Trade and Transactions	225,388	155,377	145,225	107,454	107,012	47.5%
Non-Tax Revenue	112,344	67,515	58,229	53,134	41,896	37.3%
Property Income	51,263	23,332	9,538	21,618	7,773	15.2%
Licences	17,652	14,423	13,013	9,008	9,073	51.4%
Other	43,429	29,760	35,679	22,508	25,051	57.7%
2). Capital Revenue	5,525	3,633	4,363	2,894	2,853	51.6%
3). Grants	30,000	38,707	8,030	16,106	6,199	20.7%
TOTAL EXPENDITURE (1+2)	1,496,282	1,012,088	1,059,611	676,587	732,456	49.0%
1). Current Expenditure	1,112,855	760,735	813,540	500,834	575,705	51.7%
Wages and Salaries	466,547	321,372	351,193	218,643	235,741	50.5%
Pensions	100,000	67,665	77,589	43,504	54,127	54.1%
Goods and Services	230,743	175,359	183,472	100,424	132,326	57.3%
Interest Payments on Public Debt	109,195	60,867	84,655	45,799	65,173	59.7%
Subsidies and Current Transfers	206,370	135,471	116,631	92,464	88,337	42.8%
2). Capital Expenditure	383,427	251,353	246,072	175,753	156,751	40.9%
Capital II (Local Sources)	218,125	189,960	190,041	136,224	127,333	58.4%
Capital III (Foreign Sources)	158,004	61,194	55,445	39,330	29,029	18.4%
Capital Transfer and Net Lending	7,299	199	586	199	390	5.3%
CURRENT BALANCE	259,888	209,643	178,049	169,255	92,318	35.5%
PRIMARY BALANCE	21,181	61,497	29,026	58,300	9,792	46.2%
OVERALL BALANCE	-88,013	630	-55,630	12,501	-55,381	62.9%
Primary Balance less grants	-8,819	22,790	20,996	42,194	3,593	-40.7%
Overall Balance less grants	-118,013	-38,077	-63,660	-3,604	-61,580	52.2%
FINANCING	88,013	-630	55,630	-12,501	55,381	
Domestic Financing		-1,578	-28,279	-38,632	-53,231	
Central Bank		52,523	-847	-21,870	-35,037	
Net Borrowing		83,488	16,230	52,459	31,192	
Change in Deposits		-30,965	-17,078	-74,329	-66,229	
Commercial Banks		-61,875	-28,162	-28,330	-22,824	
Net Borrowing		-91,118	-19,864	-63,676	-38,517	
Change in Deposits		29,243	-8,298	35,346	15,693	
Other Domestic Financing		7,773	730	11,568	4,630	
Financing Abroad		54,570	72,030	45,109	65,019	
Disbursements		101,383	146,113	80,454	128,445	
Amortisation		-46,813	-74,083	-35,345	-63,426	
Other		-53,622	11,879	-18,978	43,594	

Sources: CBB and MOF
[P] - Provisional

Table A.37: Central Government's Domestic Debt

$mn

	Dec 2022	Sept 2023	Changes in Stock
Overdraft	0.0	0.0	0.0
Loans	92.8	92.1	-0.7
Treasury Bills	245.0	245.0	0.0
Treasury Notes	977.8	973.8	-4.0
Total	1,315.6	1,310.9	-4.7

Table A.38: Central Government's Domestic Debt by Creditor

$'000

	Disbursed Outstanding Debt 31/12/22[R]	*TRANSACTIONS THROUGH SEPTEMBER 2023*				Disbursed Outstanding Debt 30/09/23[P]
		Disbursement/ New Issue of Securities	*Amortisation/ Reduction in Securities*	*Interest*	*Net Change in Overdraft/ Securities*	
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	1,396	0	245,000
Central Bank	123,017	0	0	695	6,329	129,347
Domestic Banks	114,468	0	0	664	-17,426	97,042
Other	7,515	0	0	36	11,097	18,611
Treasury Notes	977,800	14,000	16,294	29,189	-1,700	973,806
Central Bank	554,755	14,000	6,000	13,073	1,799	564,554
Domestic Banks	139,212	0	8,000	4,491	0	131,212
Other	283,833	0	2,294	11,625	-3,499	278,040
Belize Bank Limited[(1)]	91,000	0	0	0	0	91,000
Belize Social Security Board[(2)]	35	0	35	1	0	0
Fort Street Tourism Village	765	0	574	0	0	191
Debt for Nature Swap	1,000	0	105	14	0	896
Total	1,315,601	14,000	17,008	30,601	-1,700	1,310,893

[R] - Revised

[P] - Provisional

(1) Caribbean Court of Justice award in November 2017 against the Government of Belize in favour of Belize Bank relating to the loan guarantee. Since the first quarter of 2018, the Belize Bank has been offsetting its business tax against the Universal Health Services (UHS) debt. At September 2023-end, the Belize Bank set-off approximately $73.4mn in taxes against the debt, split between principal payments ($48.2mn) and interest payments ($25.2mn).

(2) Government has outstanding loan with BSSB for Hopeville Housing Project.

Table A.39: Public Sector External Debt by Creditor

$'000

	Disbursed Outstanding Debt 31/12/22[R]	TRANSACTIONS THROUGH SEPTEMBER 2023				Disbursed Outstanding Debt 30/09/23[P]
		Disbursements	*Principal Payments*	*Interest & Other Payments*	*Parity Change*	
CENTRAL GOVERNMENT	2,489,254	154,747	74,783	55,293	-214	2,569,004
Government of Venezuela[(1)]	429,692	0	0	0	0	429,692
Kuwait Fund for Arab Economic Development	32,771	4,017	1,856	741	-235	34,699
Mega International Commercial Bank Company Ltd.	45,714	0	0	3,145	0	45,714
Republic of China/Taiwan	286,754	86,330	989	10,518	0	372,095
Caribbean Development Bank	336,440	27,369	16,606	9,560	0	347,203
CARICOM Development Fund	6,000	0	146	134	0	5,854
European Economic Community	4,029	0	208	13	31	3,852
Inter-American Development Bank	303,652	13,298	29,319	10,431	0	287,631
International Fund for Agriculture Development	8,198	0	688	193	-11	7,498
International Bank for Reconstruction and Development	71,825	4,214	2,309	1,823	0	73,730
OPEC Fund for International Development	182,632	12,477	9,074	4,011	0	186,035
Central American Bank for Economic Integration	18,947	4,642	1,355	674	0	22,233
Caribbean Community Climate Change Centre	0	2,400	700	3	0	1,700
Belize Blue Investment Company LLC	728,000	0	0	12,922	0	728,000
US$30.0mn Fixed-Rate Notes	34,600	0	11,533	1,125	0	23,067
NON-FINANCIAL PUBLIC SECTOR	61,822	6,679	7,477	2,805	0	61,025
Caribbean Development Bank	32,656	6,679	3,588	1,224	0	35,747
International Cooperation and Development Fund	29,167	0	3,889	1,582	0	25,278
FINANCIAL PUBLIC SECTOR	176,155	11,850	3,165	2,533	-1,353	183,487
Caribbean Development Bank	48,735	5,000	2,682	1,764	0	51,053
European Investment Bank	1,976	0	483	45	27	1,521
Inter-American Development Bank	9,700	5,900	0	725	0	15,600
International Cooperation and Development Bank	0	950	0	0	0	950
International Monetary Fund	115,744	0	0	0	-1,380	114,364
GRAND TOTAL	2,727,232	173,276	85,425	60,631	-1,567	2,813,516

R - Revised
P - Provisional
(1) Since September 2017, debt service payments for oil imports have been suspended due to U.S. sanctions on Petroleos de Venezuela, S.A. Unpaid debt service payments up to the end of September 2023 amounted to principal of $107.5mn and interest of $22.4mn.