



CENTRAL BANK  

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of BELIZE



MONTHLY  
ECONOMIC HIGHLIGHTS

AUGUST 2016

# List of Acronyms and Abbreviations

## **Acronyms:**

BCB	British Caribbean Bank
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
BSWL	Belize Water Services Limited
CBB	Central Bank of Belize
CDB	Caribbean Development Bank
CGA	Citrus Growers Association
CPBL	Citrus Products of Belize Limited
CPI	Consumer Price Index
EU	European Union
FY	Fiscal Year
GDP	Gross Domestic Product
IDB	Inter-American Development Bank
MOF	Ministry of Finance
SIB	Statistical Institute of Belize
UHS	Universal Health Services
US	United States
VPCA	Venezuelan Petrocaribe Agreement

## **Abbreviations and Conventions:**

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

## **Notes:**

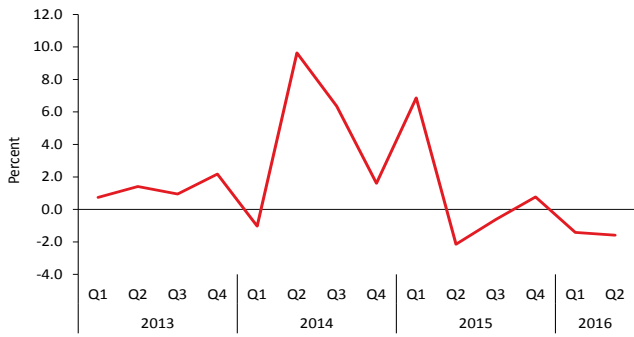
1. Since May of 1976, the Belize dollar has been fixed to the US dollar at the rate of US\$1.00 = BZ\$2.00.
2. The 2016 figures in this report are provisional and the figures for 2015 have been revised.
3. Unless otherwise indicated, the Central Bank of Belize is the source of all tables and charts.
4. Ratios to GDP for 2016 are based on Central Bank's forecast of annual GDP 2016.

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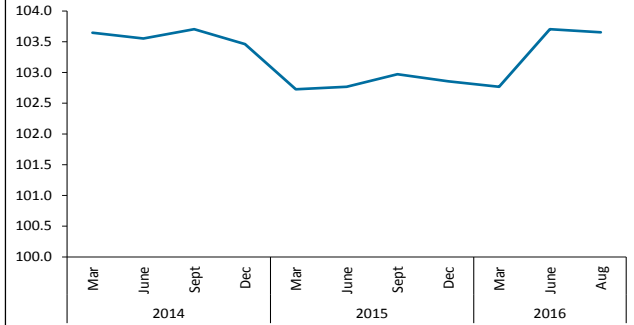
# Summary of Economic Indicators

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



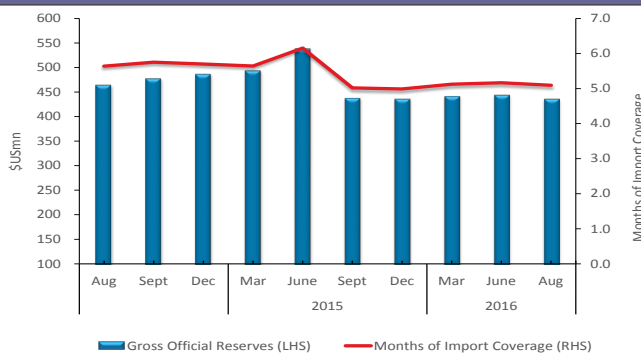
Source: SIB

**Chart II: Consumer Price Index (All Items)**

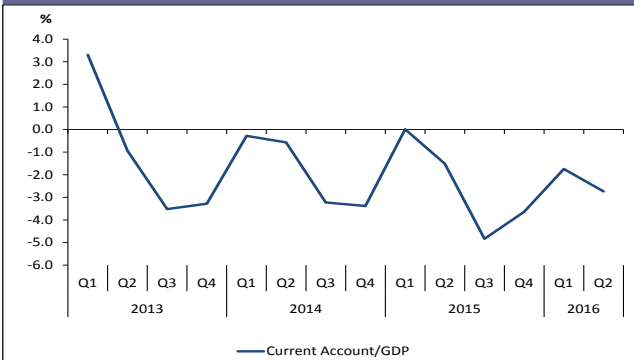


Source: SIB

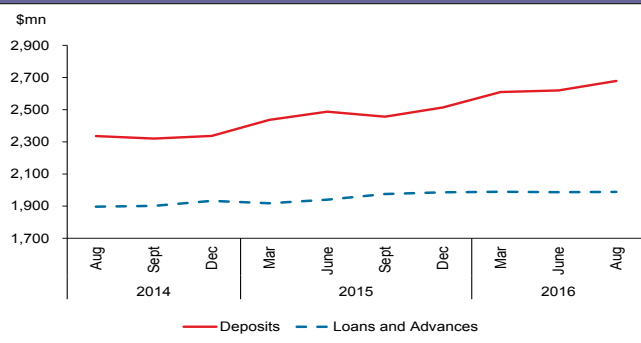
**Chart III: Gross International Reserves and Import Cover**



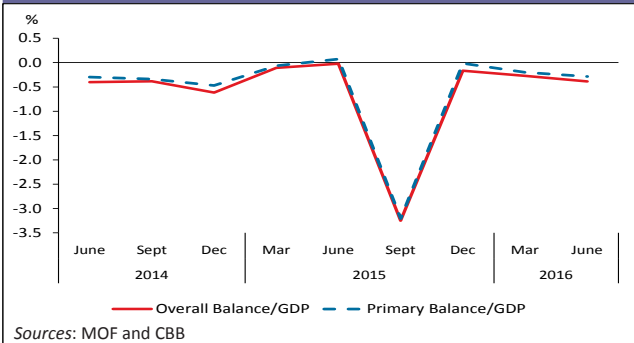
**Chart IV: Current Account Balance to GDP**



**Chart V: Domestic Banks - Deposits and Loans and Advances**

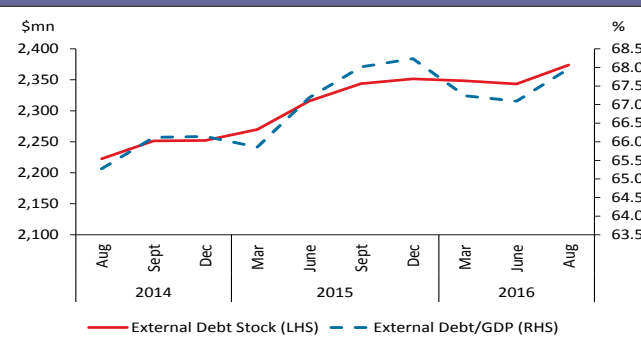


**Chart VI: Primary and Overall Balances to GDP**

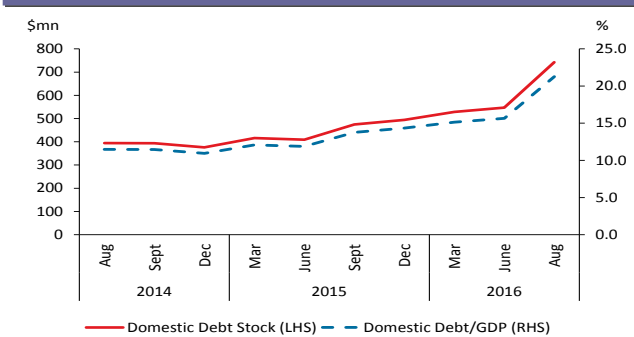


Sources: MOF and CBB

**Chart VII: Public Sector External Debt**



**Chart VIII: Central Government Domestic Debt**



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## Overview

- During the first eight months, the broad money supply increased by nearly 6.0%, reflecting strong growth of 8.5% in net domestic credit, while the net foreign assets of the banking system declined by \$15.7mn.
- The Central Bank's net foreign assets dipped by \$2.7mn over the reporting period, as outflows for public sector external debt servicing and the extraordinary payments to cover the foreign currency portion of the Belize Telemedia Limited settlement outweighed inflows of \$309.5mn.
- Net lending of \$191.1mn to Central Government dominated the growth in net domestic credit. Muted by loan write-offs of \$37.0mn, credit to the private sector rose by only \$4.8mn. On the other hand, lending by the five largest credit unions rose by \$27.2mn up to August, compared to \$19.0mn during the same period of 2015.
- The liquidity of the domestic banks continued to grow. Holdings of statutory liquid assets were 81.7% above the required level, and excess cash holdings were more than double the legal requirement.
- In August, the 12-month (rolling) weighted average interest rates on new loans and deposits dipped by one basis point to 9.62% and by three basis points to 1.73%, respectively. As a result, the weighted average interest rate spread broadened by 20 basis points to 7.88%.
- The public sector debt rose by 9.4% during the first eight months of 2016 to reach 89.2% of GDP. The domestic debt grew by \$248.0mn to 21.3% of GDP, and the external sector public debt rose by \$20.0mn to 67.9% of GDP.
- Commodity export receipts fell by 23.0% to \$302.3mn due to lower earnings from all of the major domestic exports except molasses. Gross imports (including electricity) contracted by 3.0% to \$1,327.8mn due to reductions in "*Fuels, Lubricants and Crude Materials*", "*Export Processing Zones*", "*Commercial Free Zone*" and "*Oil, Fats and Chemicals*".
- The Consumer Price Index (CPI) declined by 0.2% in August but edged up by 0.4% for the year-to-date. This increase was mostly attributable to higher fuel prices that boosted prices for "*Transport*" services by 3.0%.

## Money and Credit

- In the first eight months of the year, the broad money supply increased by nearly 6.0%, reflecting strong growth of 8.5% in net domestic credit, while the net foreign assets of the banking system declined by \$15.7mn.
- The Central Bank's net foreign assets dipped by \$2.7mn over the eight-month reporting period, as outflows, which included the interest payments in February and August on the 2038 bond and the foreign currency portion of the Belize Telemedia Limited settlement payment in July, just exceeded foreign exchange inflows, sourced mostly from sugar exports, loan disbursements and purchases from banks.
- The net foreign asset holdings of the domestic banks also fell by \$13.0mn partly due to the significant foreign exchange outflows occasioned by Heritage Bank's acquisition of the local branch of First Caribbean International Bank, lower earnings from major exports and disruptions to cross border flows due to correspondent banking issues.
- Net credit to Central Government surged upward by \$191.1mn, and this accounted for almost all the growth in net domestic credit. This borrowing was facilitated by the issuance of additional Treasury notes (\$225.0mn) and Treasury bills (\$15.0mn) to finance half of the outstanding BTL nationalization payments and other budgetary outlays. Over the eight-month period, the domestic banks invested \$104.6mn in Government securities, and the Central Bank added \$88.6mn worth to its portfolio. In addition, Government increased its use of the overdraft facility at the Central Bank by \$9.1mn to \$72.8mn (89.5% of the

Chart 1.1: Net Foreign Assets and Net Domestic Credit

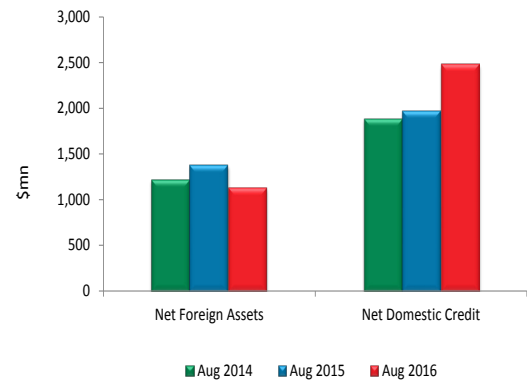
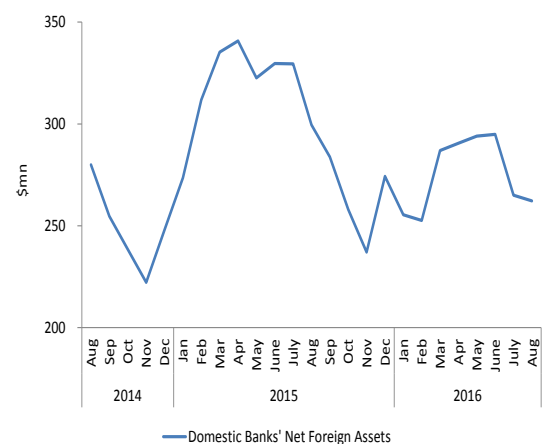


Table 1.1: Central Bank's Foreign Asset Flows

	\$mn	
	Jan-Aug 2015	Jan-Aug 2016
Total Inflows	304.7	309.5
Loan Disbursements	103.9	83.5
Sugar Receipts	61.4	44.5
Banks	57.5	120.6
Other	82.0	60.9
Total Outflows	202.1	311.3
Central Government	146.5	208.2
Other	55.6	103.2

Chart 1.2: Domestic Banks' Net Foreign Assets



legal threshold), while building up its deposits by \$11.5mn.

- Credit to the private sector rose by \$8.7mn in August and by \$4.8mn over the year-to-date. Notable increases were for tourism activities (\$20.8mn), marine production (\$6.6mn) and manufacturing (\$2.4mn). Write-offs amounted to \$37.0mn and were applied to loans issued for commercial real estate activities (\$15.2mn) and, to a lesser extent, for financial institutions, banana production and commercial construction.
- Compared to the \$19.0mn growth recorded for the first eight months of 2015, net lending by the five largest credit unions rose by \$27.2mn up to August, with notable increases occurring in loans for personal purposes (\$12.0mn), home improvement (\$3.8mn), residential construction (\$3.6mn) and land acquisition (\$3.5mn).
- The statutory liquid assets of domestic banks grew by \$114.5mn to \$1,161.7mn, which was 81.7% above the required level. Concurrently, excess cash reserves increased by \$29.5mn to \$475.2mn, which was double the legal requirement of \$236.3mn.
- At 9.62%, the 12-month (rolling) weighted average interest rate on new loans reflected a one-basis point reduction in August and no change when compared to August 2015. The year-on-year flattening reflected rate declines of 60 basis points on personal loans and 33 basis points on lending for other purposes that offset rate increases of six basis points for residential construction and two basis points for commercial loans.

Chart 1.3: Net Change in Lending by Domestic Banks

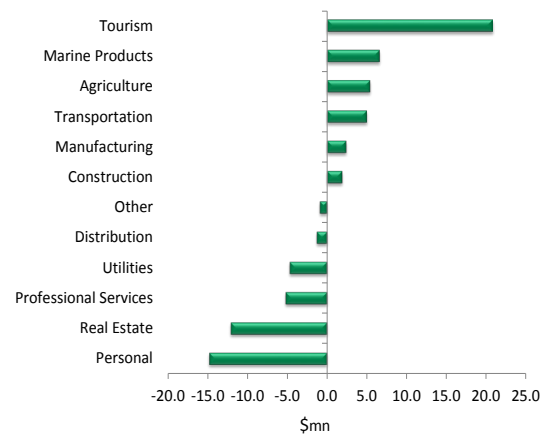


Chart 1.4: Net Change in Lending by Credit Unions

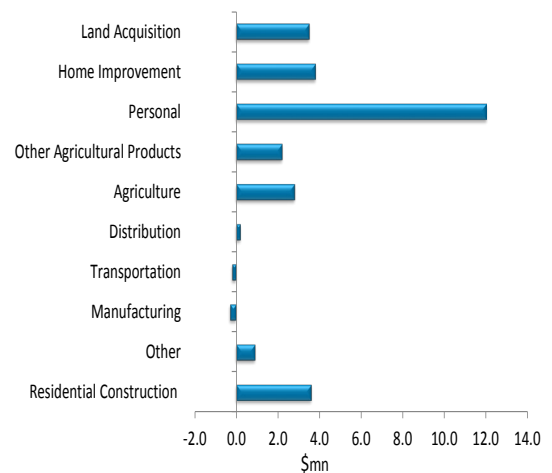
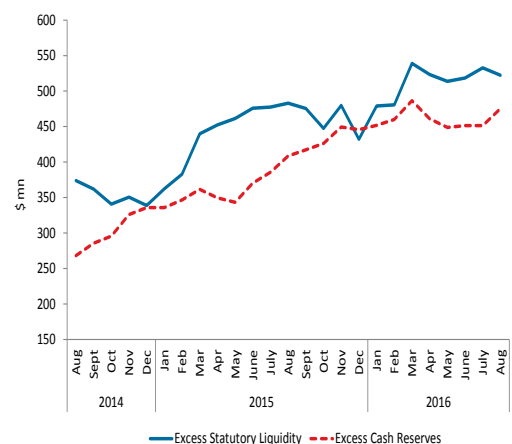
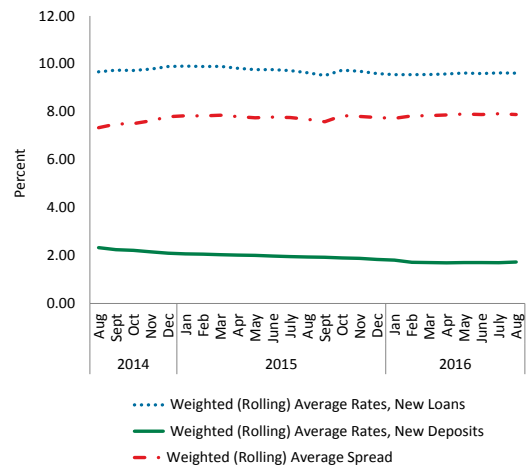


Chart 1.5: Excess Statutory Liquidity



- At 1.73%, the 12-month (rolling) weighted average interest rate on new deposits was down by three basis points in August, and by 20 basis points relative to August 2015. Over the year, rate reductions of 52 basis points on savings/chequing deposits, 13 basis points on time deposits and one basis point on demand deposits outweighed the 36 basis-point hike on the rate for savings deposits. Consequently, the weighted average interest rate spread widened by 20 basis points to 7.88%.

Chart 1.6: Domestic Banks' Weighted (Rolling) Average Interest Rates on New Loans and Deposits





## Real Sector Developments

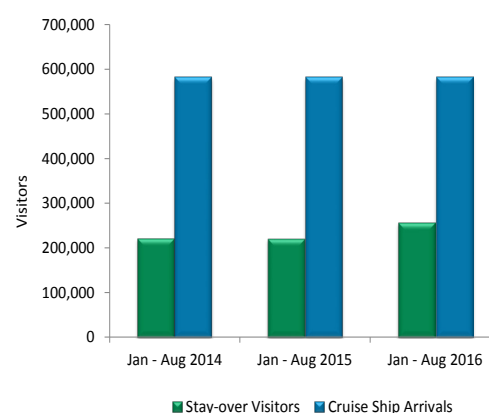
- Output of all major domestic exports, except sugarcane and molasses, decreased significantly over the eight-month period.
- In contrast, stay-over tourist arrivals increased by 16.4% to 256,812 visitors, with air arrivals up by 21.2%, aided by an expansion in air-lift capacity, lower international air fares and sustained marketing efforts by the industry. With three cancellations in early August in the aftermath of Hurricane Earl, port calls by cruise ships decreased by 13 for the year to date. However, the use of larger ships maintained cruise ship disembarkations unchanged at 582,344.
- The consumer price index (CPI) fell by 0.2% in August, but rose by 0.4% on average compared to December 2015. The year-to-date increase was mainly due to a 3.0% rise in prices for “*Transport*”, which reflected the pass-through of higher fuel taxes levied in December and February.
- Receipts for domestic exports contracted by 23.0% to \$302.3mn, with declines across all major export commodities except molasses. Marine products and banana recorded the steepest decreases, falling by \$44.0mn and \$19.6mn, respectively.
- Imports (including electricity) dipped by 3.0% to \$1,327.8mn, as increases in “*Machinery, Transport and Equipment*” (\$58.5mn), “*Food, Beverages and Tobacco*” (\$13.6mn) and “*Manufactured Goods*” (\$5.5mn) were outweighed by decreases in all other major categories of goods. The largest declines were recorded in “*Fuels, Lubricants and Crude*

Table 2.1: Production of Main Domestic Exports

	Jan-Aug 2015	Jan-Aug 2016
Sugarcane Deliveries (long tons)	1,167,427	1,321,813
Sugar (long tons)	140,051	132,192
Molasses (long tons)	37,567	46,658
Bananas (metric tons)	63,973	50,702
Citrus Deliveries (boxes)	4,263,698	3,371,385
Citrus Juices ('000 ps)	26,648	20,224
Papaya ('000 lbs)	24,298	6,917
Marine Exports ('000 lbs)	9,666	1,820
Petroleum (barrels)	363,912	308,551

Sources: BSI, Santander, BGA, CPBL, Geology & Petroleum Department

Chart 2.1: Tourist Arrivals



Sources: BTB and CBB

Table 2.2: Main Domestic Exports

	\$mn	
	Jan-Aug 2015	Jan-Aug 2016
Sugar	104.3	102.0
Molasses	5.6	7.0
Bananas	72.1	52.5
Citrus	54.8	52.5
Petroleum	27.5	16.7
Other Domestic Exports	62.3	49.4
Of which: Papaya	9.1	3.7
Marine Exports	66.3	22.3
Total	392.9	302.3

Sources: BSI, Santander, BGA, CPBL, SIB, Geology and Petroleum

*Materials*” (\$44.9mn), *“Export Processing Zones”* (\$42.6mn), *“Commercial Free Zone”* (\$17.2mn), and *“Oil, Fats and Chemicals”* (\$12.5mn).

### Sugarcane and Sugar

- There were no deliveries of sugarcane and no production of sugar in August.
- Export volume increased by 25.7% to 123,556 long tons, buoyed by a large shipment of raw sugar to Europe (EU) in August. Receipts, however, declined by 2.2% to \$102.0mn with a fall in sugar prices in the EU market where most (96.5%) of the sugar was sold.

### Citrus

- There were no citrus deliveries and no juice production in August.
- The volume of juice exports decreased by 11.7% to 18.2mn ps, while receipts fell by 4.2% to \$52.5mn. More than half of the orange concentrate juices were sold to the United States (US), where prices improved by 19.9% in response to lower orange harvests by large producers such as Brazil, Mexico and the US. In the Caribbean, where 32.1% of orange concentrate juices were sold, the average price dipped by 0.8% to \$3.26 per ps, which was still significantly higher than the \$2.59 per ps received in the US.

### Banana

- Banana output dropped by 25.4% to 50,702 metric tons, while receipts declined by 27.2% to \$52.5mn. The decline was the result of the lingering effects of floods in late 2015 and the loss of 16.4% of productive acreage due to U.S. sanctions on the Meridian Group.

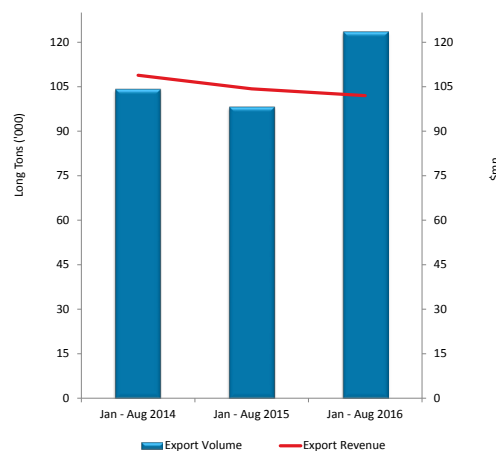
Table 2.3: Gross Imports by Standard International Trade Classification<sup>(1)</sup>

	Jan-Aug 2014	Jan-Aug 2015	Jan-Aug 2016
Food, Beverages and Tobacco	186.0	179.9	193.6
Fuels, Lubricants and Crude Materials	249.9	210.4	165.6
Of which: Electricity	16.9	25.5	17.0
Oils, Fats and Chemicals	122.9	134.7	122.1
Manufactured Goods and Other Manufactures	240.1	266.8	272.3
Machinery, Transport and Equipment	245.4	287.3	345.8
Other Goods	5.5	3.8	2.9
Export Processing Zones	86.3	76.6	34.0
Commercial Free Zone	179.9	208.8	191.6
<b>Total</b>	<b>1,316.0</b>	<b>1,368.4</b>	<b>1,327.8</b>

Source: SIB

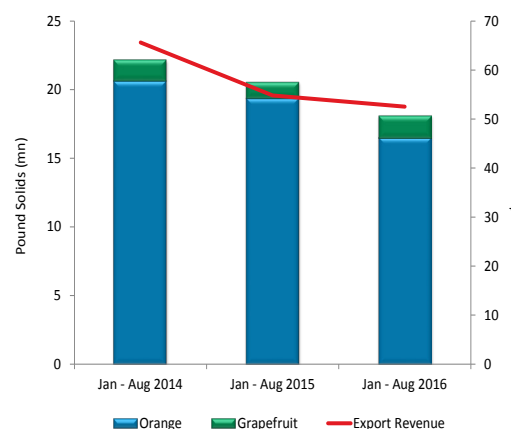
<sup>(1)</sup> Imports are valued at cost, insurance and freight

Chart 2.2: Sugar Exports



Sources: BSI and Santander

Chart 2.3: Citrus Juice Export Volume and Revenue

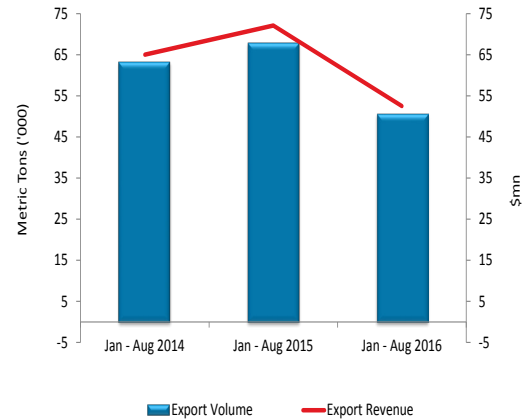


Source: CPBL

## Petroleum

- Oil production declined by 15.2% to 308,551 barrels, as the average daily extraction rate fell by 16.0% to 1,265 barrels. Operations were confined to the Spanish Lookout field, since low production and weak international prices made the Never Delay field uneconomical to operate.
- Oil exports fell by 8.2% to 267,169 barrels. Earnings contracted by 39.2% to \$16.7mn, further exacerbated by a 33.8% decrease in the export price to US\$31.33 per barrel.

Chart 2.4: Banana Exports

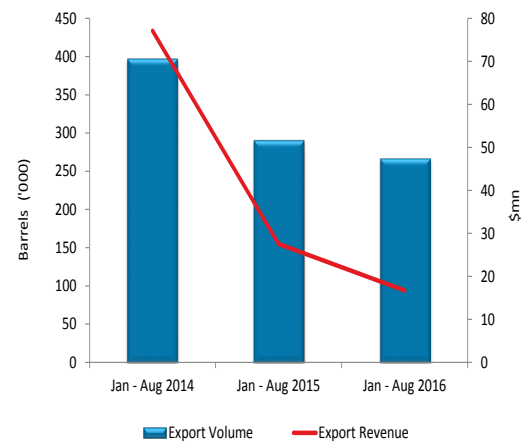


Source: BGA

## Marine

- Marine exports decreased sharply by 81.2% to 1.8mn pounds, as a 92.8% reduction in farmed shrimp outweighed increased exports of lobster (33.7%) and conch (52.1%). As a result, receipts declined by 66.4% to \$22.3mn.
- Following major losses in 2015 from the Early Mortality Syndrome, farmed shrimp production remained very low, as a few shrimp farms started field trials in July on new brood stocks that are more resistant to bacterial infection before commencing commercial restocking.

Chart 2.5: Petroleum Exports

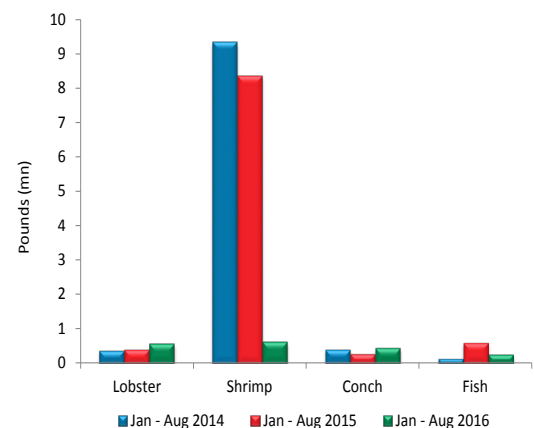


Source: Geology and Petroleum Department

## Other Domestic Products

- Receipts from other domestic exports declined by 20.7% to \$49.4mn, as lower earnings from papaya (\$5.5mn), orange oil (\$2.9mn) and black-eyed peas (\$1.8mn) outweighed higher earnings from animal feed (\$1.9mn), pulp cells (\$0.6mn) and pepper sauce (\$0.4mn). Papaya revenues contracted by 71.5% to \$6.9mn due to the earlier-than-anticipated closure of the foreign-owned papaya operations in June.

Chart 2.6: Marine Export Volumes



Sources: SIB and CBB

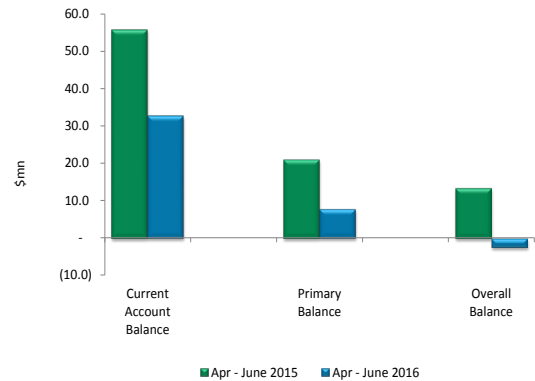
## Central Government Operations

*No data is available on Central Government operations past June 2016.*

### Central Government Domestic Debt

- A surge in Central Government's domestic borrowing to meet payments associated with the BTL settlement, the 2038 bond interest payments and other budgetary commitments dominated public debt developments during the first eight months of 2016. Central Government issued new securities totalling \$240.0mn, consisting of \$15.0mn worth of Treasury bills in July and \$225.0mn in Treasury notes. For the latter, \$20.0mn each was issued in February and March, and \$185.0mn was issued in July. Consequently, domestic debt rose by 50.2% from 14.3% of GDP at the end of December 2015 to 21.3% of GDP (\$742.4mn), and its share of total public sector debt increased from 17.4% at the end of December 2015 to 23.8% at the end of August.
- Amortization payments totalled \$1.1mn and included payments to domestic banks, the Fort Street Tourism Village, Debt for Nature Swap and the Belize Social Security Board.
- At the end of August, the share of domestic debt held by the Central Bank fell from 49.7% to 46.3%, with the sale of \$128.8mn worth of Treasury notes and \$22.6mn worth of Treasury bills in the secondary market. The share held by the domestic banks increased from 30.9% to 34.6%, while the share held by non-bank entities fell from 19.4% to 19.1%.
- Interest payments totalled \$11.9mn with \$8.8mn paid to the Central Bank on the overdraft facility and on its holdings of

Chart 3.1: Central Government Operations



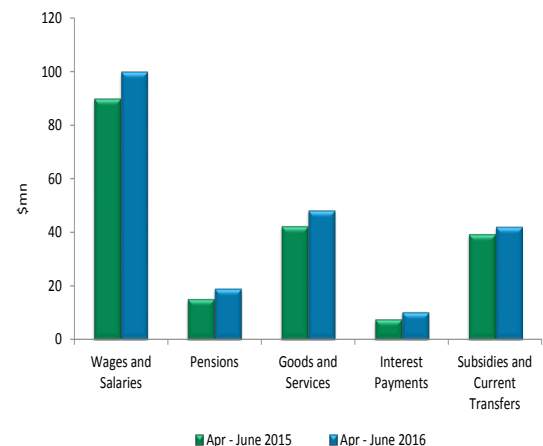
Sources: MOF and CBB estimates

Chart 3.2: Central Government Current Revenue



Sources: MOF and CBB estimates

Chart 3.3: Central Government Current Expenditure



Sources: MOF and CBB estimates

government securities, while the non-bank entities received \$2.5mn.

### Public Sector External Debt

- During the first eight months of 2016, the public sector external debt rose by 0.9% (\$20.0mn) to \$2,373.8mn.
- Loan disbursements included \$73.0mn to Central Government (of which 56.7% came from bilateral sources), \$4.5mn to the Development Finance Corporation (DFC) and \$1.2mn to the non-financial sector.
- Central Government loan repayments were shared among multilateral creditors (\$28.2mn) and bilateral creditors (\$28.4mn), particularly the Republic of China (ROC) and the Government of Venezuela.
- Loan repayments by the non-financial public sector amounted to \$2.2mn, while the financial public sector repaid \$0.6mn.
- Interest and other payments totalled \$70.2mn, more than half of which comprised the \$52.6mn paid to the 2038 bond holders. Multilateral lenders were paid \$10.8mn, and \$6.8mn went to bilateral creditors.

Chart 3.4: Central Government Domestic Debt

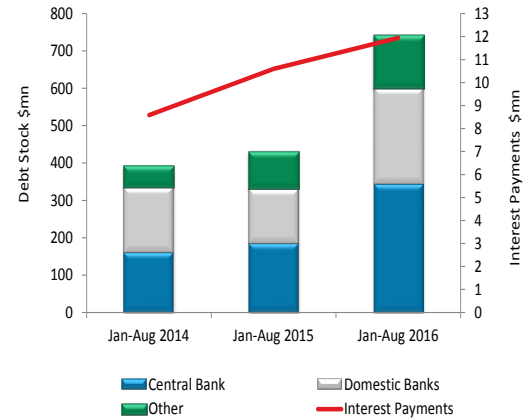


Chart 3.5: External Debt Service

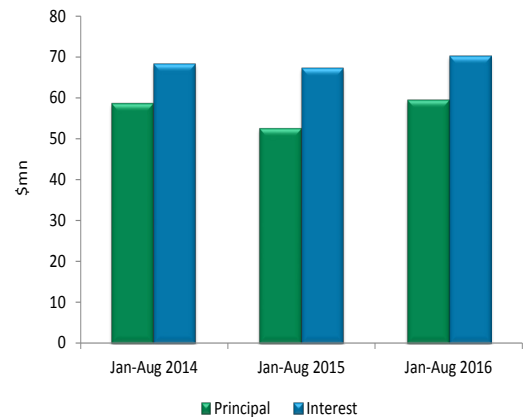
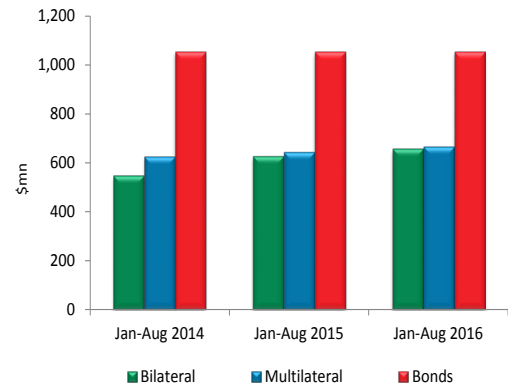


Chart 3.6: Public Sector External Debt



## Statistical Appendix

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

	\$mn			
		Changes During		
	Position as at Aug 2016	July 2016 to Aug 2016	Dec 2015 to Aug 2016	Dec 2014 to Aug 2015
Net Foreign Assets	1,134.3	-4.8	-15.7	148.7
Central Bank	872.1	-2.0	-2.7	97.3
Domestic Banks	262.2	-2.8	-13.0	51.4
Net Domestic Credit	2,480.4	10.8	194.2	27.6
Central Government (Net)	487.6	2.5	191.1	2.4
Other Public Sector	8.9	-0.4	-1.7	-4.3
Private Sector	1,983.9	8.7	4.8	29.5
Central Bank Foreign Liabilities (Long-term)	49.9	0.0	0.3	-1.6
Other Items (Net)	509.4	14.1	-3.4	52.9
Money Supply (M2)	3,055.4	-8.1	181.6	125.0

<sup>(1)</sup> Transactions associated with the Universal Health Services (UHS) loan with the Belize Bank Limited are not included in this table, as this matter is under litigation.

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

	\$mn			
		Changes During		
	Position as at Aug 2016	July 2016 to Aug 2016	Dec 2015 to Aug 2016	Dec 2014 to Aug 2015
Net Foreign Assets of the Banking System	1,134.3	-4.8	-15.7	148.7
Net Foreign Assets of the Central Bank	872.1	-2.0	-2.7	97.3
Central Bank Foreign Assets	880.6	-1.1	-1.8	102.9
Central Bank Foreign Liabilities (Demand)	8.5	0.9	0.9	5.6
Net Foreign Assets of Domestic Banks	262.2	-2.8	-13.0	51.4
Domestic Banks' Foreign Assets	274.2	-2.2	-35.1	42.1
Domestic Banks' Foreign Liabilities (Short-Term)	12.0	0.6	-22.1	-9.3

Table A.3: Net Domestic Credit

		\$mn		
		Changes During		
	Position as at Aug 2016	July 2016 to Aug 2016	Dec 2015 to Aug 2016	Dec 2014 to Aug 2015
Total Credit to Central Government	601.1	-3.9	202.6	22.4
From Central Bank	343.5	23.8	97.7	41.5
Loans and Advances	72.8	6.2	9.1	16.6
Government Securities <sup>(1)</sup>	270.7	17.6	88.6	24.9
From Domestic Banks	257.6	-27.7	104.9	-19.1
Loans and Advances	3.0	-0.2	0.3	-0.6
Government Securities	254.6	-27.5	104.6	-18.5
Of which: Treasury bills <sup>(2)</sup>	176.6	-27.4	26.6	-18.5
Treasury notes	78.0	-0.1	78.0	0.0
Other	0.0	0.0	0.0	0.0
Less Central Government Deposits	113.5	-6.4	11.5	20.0
With Central Bank	83.7	-4.5	27.2	17.2
With Domestic Banks	29.8	-1.9	-15.7	2.8
Net Credit to Central Government	487.6	2.5	191.1	2.4
Credit to Other Public Sector	8.9	-0.4	-1.7	-4.3
From Central Bank	0.0	0.0	0.0	0.0
From Domestic Banks	8.9	-0.4	-1.7	-4.3
Of which: Local Government	0.3	-0.1	-0.5	-0.4
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	2.1	-0.2	-1.9	-2.8
Other Statutory Bodies	3.9	-0.1	0.1	-1.1
Securities	2.6	0.0	0.6	0.0
Plus Credit to the Private Sector	1,983.9	8.7	4.8	29.5
Loans and Advances	1,983.5	8.7	4.8	29.5
Securities	0.4	0.0	0.0	0.0
Net Domestic Credit of the Banking System <sup>(3)</sup>	2,480.4	10.8	194.2	27.6

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

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

<sup>(3)</sup> Values may not equal to total due to rounding.

Table A.4: Sectoral Composition of Domestic Banks' Loans and Advances

	\$mn			
	Position as at Aug 2016	Changes During		
		July 2016 to Aug 2016	Dec 2015 to Aug 2016	Dec 2014 to Aug 2015
PRIMARY SECTOR	264.4	0.5	12.4	2.6
Agriculture	208.3	-2.1	5.4	-0.4
Sugar	72.2	1.5	0.2	-0.8
Citrus	12.5	0.1	-2.3	-0.9
Bananas	75.6	1.3	4.7	3.2
Other	48.0	-5.0	2.8	-1.9
Marine Products	37.2	2.2	6.6	4.3
Forestry	1.0	-0.1	0.3	-1.0
Mining and Exploration	17.9	0.5	0.1	-0.3
SECONDARY SECTOR	629.3	0.9	-0.4	29.4
Manufacturing	38.5	3.4	2.4	8.1
Building and Construction	580.0	-2.0	1.9	25.0
Utilities	10.8	-0.5	-4.7	-3.7
TERTIARY SECTOR	680.5	2.8	5.9	8.8
Transport	53.5	0.7	5.0	1.7
Tourism	116.8	2.7	20.8	10.1
Distribution	169.0	1.8	-1.3	-9.4
Real Estate	281.1	-1.3	-12.1	10.8
Professional Services	46.8	-1.4	-5.2	0.6
Other <sup>(1)</sup>	13.3	0.3	-1.3	-5.0
PERSONAL LOANS <sup>(2)</sup>	414.6	3.9	-14.8	-15.9
TOTAL	1,988.8	8.1	3.1	24.9

<sup>(1)</sup> Includes government services, financial institutions and entertainment.

<sup>(2)</sup> Changes due to reclassification from personal loans mainly to building and construction.



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

	\$mn			
	Position as at Aug 2016	July 2016 to Aug 2016	Dec 2015 to Aug 2016	Dec 2014 to Aug 2015
Holdings of Approved Liquid Assets	1,161.7	1.0	114.5	177.4
Notes and Coins	73.8	0.7	-3.2	2.0
Balances with Central Bank	715.9	27.8	48.9	87.2
Money at Call and Foreign Balances (due 90 days)	156.2	-20.9	11.9	107.4
Treasury bills maturing in not more than 90 days <sup>(1)</sup>	193.0	-7.2	43.1	-18.5
Other Approved Assets	22.8	0.6	13.8	-0.7
Of which: Treasury notes	10.0	0.0	10.0	0.0
Required Liquid Assets	639.3	11.5	45.3	33.4
Excess/ (Deficiency) Liquid Assets	522.4	-10.5	69.2	144.0
Daily Average Holdings of Cash Reserves	711.5	28.0	46.3	85.0
Required Cash Reserves	236.3	4.2	16.8	12.3
Excess/ (Deficiency) Cash Reserves	475.2	23.8	29.5	72.7
Actual Securities Balances <sup>(2)</sup>	176.6	-27.4	26.6	-18.5
Excess/ (Deficiency) Securities	176.6	-27.4	26.6	-18.5

<sup>(1)</sup> Four week average of domestic banks' Treasury bill holdings.

<sup>(2)</sup> Face value of domestic banks' Treasury bill holdings at the end of the month.

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

	Percent			
	Position as at Aug 2016	July 2016 to Aug 2016	Dec 2015 to Aug 2016	Dec 2014 to Aug 2015
Weighted Lending Rates				
Personal Loans	11.64	-0.02	0.05	-0.37
Commercial Loans	9.66	-0.04	-0.35	-0.36
Residential Construction	7.66	-0.03	-0.30	-0.52
Other	7.45	-0.17	-0.38	-0.49
Weighted Average	9.77	-0.04	-0.26	-0.37
Weighted Deposit Rates				
Demand	0.02	-0.01	-0.08	-0.10
Savings/Chequing	2.59	0.00	0.03	-0.00
Savings	2.28	0.03	-0.11	0.03
Time	2.29	-0.00	-0.16	-0.16
Weighted Average	1.26	-0.02	-0.20	-0.18
Weighted Average Spread	8.51	-0.03	-0.06	-0.20

Table A.7: Domestic Banks' (Rolling) Weighted Average Interest Rates on New Loans and Deposits

	Percent				
	Twelve Month Rolling Averages at			Monthly Change	Annual Change
	Aug 2016	July 2016	Aug 2015	Aug 2016 over July 2016	Aug 2016 over Aug 2015
<b>Weighted Lending Rates</b>					
Personal Loans	10.31	10.40	10.91	-0.09	-0.60
Commercial Loans	9.83	9.81	9.81	0.03	0.02
Residential Construction	6.88	6.78	6.81	0.10	0.06
Other	6.63	6.66	6.96	-0.03	-0.33
Weighted Average	9.62	9.63	9.62	-0.01	0.00
<b>Weighted Deposit Rates</b>					
Demand	0.03	0.04	0.04	-0.01	-0.01
Savings/Chequing	1.05	1.01	1.56	0.04	-0.52
Savings	2.40	2.41	2.03	-0.01	0.36
Time	1.90	1.87	2.03	0.03	-0.13
Weighted Average	1.73	1.70	1.94	0.03	-0.20
Weighted Average Spread	7.88	7.92	7.69	-0.04	0.20

Table A.8: Tourist Arrivals

	Jan - Aug 2015	Jan - Aug 2016
Air	179,040	217,063
Land	36,440	35,498
Sea	5,238	4,251
Stay-over Visitors	220,719	256,812
Cruise Ship Disembarkations	582,313	582,344

Sources: BTB and CBB

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

Major Commodity	Weights	Dec 2015	July 2016	Aug 2016	Monthly <sup>(1)</sup> Change	YTD <sup>(2)</sup> Change
Food and Non-Alcoholic Beverages	195	107.3	106.2	106.1	-0.1	-0.5
Alcoholic Beverages and Tobacco	17	100.2	99.3	100.2	0.9	-0.3
Clothing and Footware	83	96.7	99.0	98.7	-0.3	1.3
Housing, Water, Electricity, Gas, and Other Fuels	265	102.9	103.5	103.0	-0.5	0.0
Furnishing, Household Equipment, and Routine Household Maintenance	69	101.7	101.9	101.9	0.0	0.2
Health	41	112.0	114.5	114.1	-0.3	1.5
Transport	136	96.0	101.6	101.9	0.3	3.0
Communication	33	96.9	97.2	100.1	3.0	1.0
Recreation and Culture	69	106.7	107.0	107.6	0.6	0.1
Education	32	103.6	103.1	103.4	0.3	-0.2
Restaurants and Hotels	7	109.7	106.9	109.8	2.7	0.3
Miscellaneous Goods and Services	52	106.4	106.8	102.8	-3.8	-0.3
All Items	1,000	102.9	103.8	103.7	-0.2	0.4

Source: SIB

<sup>(1)</sup> Percent change in CPI for August 2016 over July 2016.

<sup>(2)</sup> Percent change in CPI for January to August 2016 over December 2015.

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

	Aug 2015	Aug 2016	Dec - Aug 2014/2015	Dec - Aug 2015/2016
Deliveries of Sugarcane (long tons)	0	0	1,167,427	1,455,043
Sugar Processed (long tons)	0	0	140,051	143,937
Molasses Processed (long tons)	0	0	37,567	49,706
Performance				
Factory Time Efficiency (%)	0.00	0.00	97.92	93.15
Cane Purity (%)	0.00	0.00	87.88	84.85
Cane/Sugar	0.00	0.00	8.35	10.11

Sources: BSI and Santander

Table A.11: Exports of Sugar and Molasses

	Aug 2015		Aug 2016		Jan - Aug 2015		Jan - Aug 2016	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
Sugar	874	1,037	39,366	34,010	98,284	104,303	123,556	101,999
E.U.	531	626	36,908	31,392	84,781	89,939	119,230	97,239
USA	0	0	2,411	2,555	10,923	11,402	2,411	2,555
Caricom	320	377	25	29	2,534	2,894	1,870	2,138
Other	22	34	22	34	45	68	45	68
Molasses	7,971	2,013	0	0	22,395	5,583	30,551	6,970

Sources: BSI and Santander

Table A.12: Citrus Deliveries and Production

	Aug 2015	Aug 2016	Oct - Aug 2014/2015	Oct - Aug 2015/2016
Deliveries (boxes)				
Orange	0	0	3,963,779	3,246,788
Grapefruit	0	0	722,104	370,964
Total	0	0	4,685,883	3,617,752
Concentrate Produced (ps)				
Orange	0	0	25,274,410	19,542,246
Grapefruit	0	0	3,054,389	1,509,438
Total	0	0	28,328,799	21,051,684
Not from concentrate (ps)				
Orange	0	0	90,316	233,524
Grapefruit	0	0	45,720	0
Total	0	0	136,036	233,524
Pulp (pounds)				
Orange	-	0	2,678,832	3,386,488
Grapefruit	0	0	184,864	104,304
Total	0	0	2,863,696	3,490,792
Oil Produced (pounds)				
Orange	0	0	1,393,600	1,178,000
Grapefruit	0	0	108,000	53,200
Total	0	0	1,501,600	1,231,200

Source: CPBL

Table A.13: Export Sales of Citrus Products

	Aug 2015		Aug 2016		Jan - Aug 2015		Jan - Aug 2016	
	Pound Solids ('000)	Value (\$'000)	Pound Solids ('000)	Value (\$'000)	Pound Solids ('000)	Value (\$'000)	Pound Solids ('000)	Value (\$'000)
Citrus Concentrates								
U.S.A.								
Orange	1,190.9	2,622	0.0	0	11,101.1	23,985	8,982.6	23,261
Grapefruit	0.0	0	0.0	0	0.0	0	0.0	0
Caribbean								
Orange	676.4	2,252	730.1	2,370	5,144.3	16,885	5,295.2	17,239
Grapefruit	0.0	0	8.3	31	269.3	1,000	466.1	1,728
Europe								
Orange	230.7	689	566.8	1,527	3,018.0	8,640	2,099.5	5,726
Grapefruit	161.2	590	35.4	120	743.5	3,127	1,097.3	3,773
Other								
Orange	0.0	0	0.0	0	67.6	192	101.5	281
Grapefruit	41.6	156	0.0	0	191.8	738	90.2	289
Sub-Total <sup>(1)</sup>	2,300.8	6,308	1,340.6	4,049	20,535.6	54,567	18,132.4	52,298
Orange	2,098.0	5,563	1,296.9	3,897.6	19,331.0	49,702	16,478.8	46,508
Grapefruit	202.9	745	43.7	151.8	1,204.6	4,865	1,653.6	5,790
Not-From-Concentrate								
Sub-Total	6.8	38	6.3	36	45.6	255	39.1	225
Orange	5.2	28	5.0	28	36.6	197	31.4	177
Grapefruit	1.6	11	1.2	8	9.1	58	7.6	48
Total Citrus Juices	2,307.7	6,347	1,346.9	4,085	20,581.2	54,822	18,171.4	52,523
Pulp (pounds '000)								
Total <sup>(1)</sup>	482.1	363	446.9	340	2,988.8	2,269	2,630.5	1,994
Orange	482.1	363	446.9	339.7	2,882.8	2,189	2,489.3	1,888
Grapefruit	0.0	0	0	0	106.0	81	141.2	105

Source: CPBL

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

Table A.14: Banana Exports

	Aug 2015	Aug 2016	Jan - Aug 2015	Jan - Aug 2016
Volume (metric tons)	7,695	8,227	67,973	50,702
Value (\$'000)	6,624	7,064	72,077	52,482

Source: BGA

Table A.15: Marine Exports

	Jan - Aug 2015		Jan - Aug 2016	
	Volume ('000 pounds)	Value (\$'000)	Volume ('000 pounds)	Value (\$'000)
Lobster	408	11,569	546	12,029
Shrimp	8,372	50,776	599	4,799
Conch	281	3,245	427	5,126
Other Fish	605	695	249	299
Total	9,666	66,286	1,820	22,253

Source: SIB

Table A.16: Other Domestic Exports

	Jan - Aug 2015	Jan - Aug 2016
Other Miscellaneous Exports (\$'000)	62,264	49,362
Of which:		
<u>Papaya</u>		
Volume ('000 pounds)	24,298	6,917
Value (\$'000)	9,147	3,696

Source: SIB

Table A.17: Petroleum Production and Exports

	July 2015	Aug 2016	Jan -Aug 2015	Jan - Aug 2016
Crude Oil Production				
Never Delay (Barrels)	92	0	421	0
Spanish Lookout (Barrels)	43,664	37,233	363,491	308,551
Crude Oil Export				
Volume (Barrels)	55,193	66,553	290,892	267,169
Value (\$'000)	4,222	4,299	27,549	16,742

Source: Petroleum and Geology Department

Table A.18: Central Government Revenue and Expenditure

	\$'000					
	Approved Budget 2016/2017	Jan 2015 to June 2015	Jan 2016 to June 2016	Apr 2015 to June 2015	Apr 2016 to June 2016 <sup>P</sup>	Fiscal YTD as % of Budget
TOTAL REVENUE & GRANTS (1+2+3)	1,088,540	534,695	505,531	264,689	257,092	23.6%
1). Current Revenue	1,041,042	517,684	498,893	250,228	252,536	24.3%
Tax Revenue	936,597	457,479	459,754	216,303	236,387	25.2%
Income and Profits	256,051	138,054	130,866	62,837	63,417	24.8%
Taxes on Property	5,682	3,492	4,606	1,701	2,634	46.4%
Taxes on Goods and Services	366,187	183,152	209,883	89,014	117,591	32.1%
International Trade and Transactions	308,677	132,781	114,399	62,751	52,745	17.1%
Non-Tax Revenue	104,445	60,205	39,138	33,925	16,149	15.5%
Property Income	20,064	8,619	8,759	7,829	3,102	15.5%
Licences	12,646	8,322	7,203	4,216	2,457	19.4%
Other	71,735	43,264	23,176	21,880	10,591	14.8%
2). Capital Revenue	5,916	2,962	1,617	1,672	840	14.2%
3). Grants	41,581	14,049	5,022	12,789	3,717	8.9%
TOTAL EXPENDITURE (1+2)	1,151,104	584,408	557,811	251,176	259,564	22.5%
1). Current Expenditure	959,193	424,839	469,753	194,365	219,897	22.9%
Wages and Salaries	402,731	175,346	197,423	89,808	100,060	24.8%
Pensions	67,169	31,060	38,581	15,250	19,095	28.4%
Goods and Services	224,536	105,801	107,066	42,315	48,298	21.5%
Interest Payments on Public Debt	99,030	41,946	46,905	7,658	10,265	10.4%
Subsidies and Current Transfers	165,726	70,686	79,778	39,334	42,178	25.5%
2). Capital Expenditure	191,911	159,569	88,058	56,812	39,667	20.7%
Capital II (Local Sources)	93,432	61,217	46,374	24,960	22,319	23.9%
Capital III (Foreign Sources)	95,973	95,088	40,469	29,221	16,743	17.4%
Capital Transfer and Net Lending	2,507	3,265	1,215	2,630	605	24.1%
Unidentified expenditure				5,000		
CURRENT BALANCE	81,849	92,845	29,140	55,863	32,639	39.9%
Primary Balance	36,465	(7,767)	(5,375)	21,171	7,793	21.4%
OVERALL BALANCE	(62,565)	(49,713)	(52,280)	13,513	(2,472)	4.0%
Primary Balance less grants	(5,115)	(21,816)	(10,396)	8,381	4,076	-79.7%
Overall Balance less grants	(104,146)	(63,762)	(57,302)	723	(6,189)	5.9%
FINANCING	62,565	49,713	52,280	(13,513)	2,472	
Domestic Financing		(24,160)	66,998	(67,473)	6,314	
Central Bank		(27,084)	(871)	(59,013)	(35,630)	
Net Borrowing		18,573	(237)	(6,304)	(27,906)	
Change in Deposits		(45,657)	(634)	(52,710)	(7,724)	
Commercial Banks		(10,703)	73,726	(686)	42,457	
Net Borrowing		1,079	58,618	7,363	46,889	
Change in Deposits		(11,782)	15,108	(8,049)	(4,432)	
Other Domestic Financing		13,627	(5,856)	(7,774)	(513)	
Financing Abroad		72,243	(12,637)	45,645	(4,837)	
Disbursements		107,307	29,132	63,479	19,057	
Amortization		(35,064)	(41,768)	(17,834)	(23,894)	
Other		1,629	(2,082)	8,315	996	

Sources: CBB and MOF

<sup>P</sup> - Provisional

Table A.19: Central Government Domestic Debt 2016<sup>(1)</sup>

	\$'000					
	Disbursed Outstanding Debt 31/12/15 <sup>R</sup>	<i>TRANSACTIONS THROUGH AUGUST 2016</i>			Disbursed Outstanding Debt 31/08/16 <sup>P</sup>	
		<i>Disbursement/ New Issue of Securities</i>	<i>Amortization/ Reduction in Securities</i>	<i>Interest</i>	<i>Net Change in Overdraft/ Securities</i>	
Overdraft/Loans	63,759	0	0	3,829	9,090	72,849
Central Bank	63,759	0	0	3,829	9,090	72,849
Domestic Banks	0	0	0	0	0	0
Treasury Bills	200,000	15,000	0	50	0	215,000
Central Bank	24,996	15,000	0	3	(22,590)	17,406
Domestic Banks	149,982	0	0	43	26,607	176,589
Other	25,022	0	0	4	(14,017)	21,005
Treasury Notes	225,000	225,000	0	7,857	0	450,000
Central Bank	157,026	225,000	0	5,000	(128,772)	253,254
Domestic Banks	0	0	0	400	78,029	78,029
Other	67,974	0	0	2,457	50,743	118,717
Atlantic Bank Limited	241	0	241	8	0	0
Heritage Bank Limited	2,374	0	420	148	0	1,954
Belize Social Security Board <sup>(2)</sup>	395	0	30	23	0	365
Fort Street Tourism Village	355	0	326	0	0	28
Debt for Nature Swap	2,320	0	86	33	0	2,234
<b>Total</b>	<b>494,445</b>	<b>240,000</b>	<b>1,104</b>	<b>11,948</b>	<b>9,090</b>	<b>742,431</b>

<sup>R</sup> - Revised<sup>P</sup> - Provisional<sup>(1)</sup> 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.<sup>(2)</sup> Government has outstanding loan with BSSB for Hopeville Housing Project.



Table A.20: Public Sector External Debt 2016

	Disbursed Outstanding Debt 31/12/15 <sup>R</sup>	TRANSACTIONS THROUGH AUGUST 2016				Disbursed Outstanding Debt 31/08/16 <sup>P</sup>
		Disbursements	Principal Payments	Interest & Other Payments	Parity Change	
<b>CENTRAL GOVERNMENT</b>	2,271,507	73,003	56,606	69,470	348	2,289,842
Government of Venezuela	373,269	21,399	7,312	2,180	0	387,357
Kuwait Fund for Arab Economic Development	19,300	0	956	413	114	18,458
Republic of China	249,150	20,000	20,163	4,175	0	248,988
Caribbean Development Bank	227,840	16,401	12,771	4,681	-0	231,469
Caricom Development Fund	2,398	0	391	61	0	2,007
European Economic Community	8,893	0	342	31	214	8,765
Inter-American Development Bank	239,026	3,967	10,616	3,072	0	232,377
International Fund for Agriculture Development	2,685	186	253	25	20	2,637
International Bank for Reconstruction and Development	25,290	6,927	1,721	391	0	30,496
Opec Fund for International Development	47,925	4,123	1,903	1,072	0	50,145
Central American Bank for Economic Integration	24,317	0	179	718	0	24,139
Bank of New York	1,053,004	0	0	52,650	0	1,053,004
<b>NON-FINANCIAL PUBLIC SECTOR</b>	16,499	1,247	2,196	428	4	15,554
Kuwait Fund for Arab Economic Development	658	0	331	11	4	331
Caribbean Development Bank <sup>(1) (2)</sup>	15,841	1,247	1,865	417	0	15,223
<b>FINANCIAL PUBLIC SECTOR</b>	64,209	4,500	617	337	312	68,403
Caribbean Development Bank	14,466	4,500	600	336	0	18,366
European Economic Community	149	0	17	1	4	136
International Monetary Fund <sup>(3)</sup>	49,593	0	0	0	308	49,901
<b>GRAND TOTAL</b>	<b>2,353,804</b>	<b>78,750</b>	<b>59,419</b>	<b>70,236</b>	<b>664</b>	<b>2,373,799</b>

<sup>R</sup> - Revised

<sup>P</sup> - Provisional

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

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

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