



CENTRAL BANK  

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of BELIZE



# MONTHLY ECONOMIC HIGHLIGHTS

FEBRUARY 2018

# List of Acronyms and Abbreviations

## **Acronyms:**

BGA	Banana Growers Association
BSI	Belize Sugar Industries Limited
BTB	Belize Tourism Board
BTL	Belize Telemedia 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
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

## **Abbreviations and Conventions:**

\$	the Belize dollar unless otherwise stated
bn	billion
mn	million
ps	pound solids
TC/TS	tons cane to tons sugar

## **Notes:**

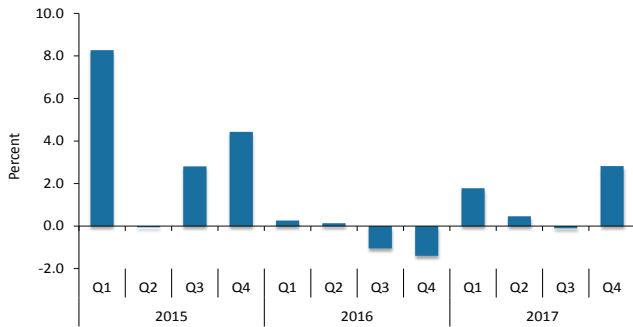
1. Since May of 1976, the Belize dollar has been fixed to the US dollar at the rate of US\$1.00 = BZ\$2.00.
2. The 2018 figures in this report are provisional and the figures for 2017 have been revised.
3. Unless otherwise indicated, the Central Bank of Belize is the source of all tables and charts.
4. Ratios to GDP for 2018 are based on Central Bank's forecast of annual GDP.

# Table of Contents

<b>Summary of Economic Indicators</b>	<b>iv</b>
<b>Overview</b>	<b>1</b>
<b>Money and Credit</b>	<b>3</b>
<b>Real Sector Developments</b>	<b>6</b>
Sugarcane and Sugar	7
Citrus	7
Banana	8
Petroleum	9
Marine Exports	9
Other Domestic Exports	9
<b>Central Government Operations</b>	<b>10</b>
Central Government Domestic Debt	11
Public Sector External Debt	12
<b>Statistical Appendix</b>	<b>13</b>
Table A.1: Factors Responsible for Money Supply Movements	13
Table A.2: Net Foreign Assets of the Banking System	13
Table A.3: Net Domestic Credit	14
Table A.4: Sectoral Composition of Domestic Banks' Loans and Advances	15
Table A.5: Domestic Banks' Liquidity Position and Cash Reserves	16
Table A.6: Domestic Banks' Weighted Average Interest Rates	16
Table A.7: Domestic Banks' (Rolling) Weighted Average Interest Rates on New Loans and Deposits	17
Table A.8: Tourist Arrivals	17
Table A.9: Percentage Change in CPI Components by Major Commodity Group	18
Table A.10: Sugarcane Deliveries and Production of Sugar and Molasses	19
Table A.11: Exports of Sugar and Molasses	19
Table A.12: Citrus Deliveries and Production	20
Table A.13: Export Sales of Citrus Products	21
Table A.14: Banana Exports	21
Table A.15: Marine Exports	22
Table A.16: Other Domestic Exports	22
Table A.17: Petroleum Production and Exports	22
Table A.18: Central Government Revenue and Expenditure	23
Table A.19: Central Government Domestic Debt 2018	24
Table A.20: Public Sector External Debt 2018	25

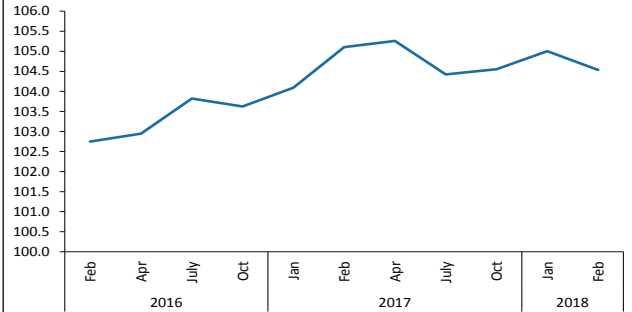
# Summary of Economic Indicators

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



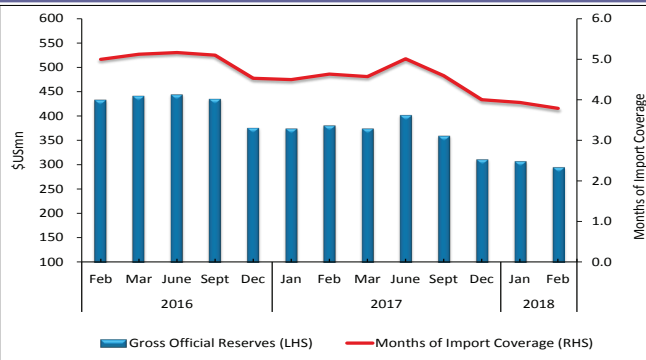
Source: SIB

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

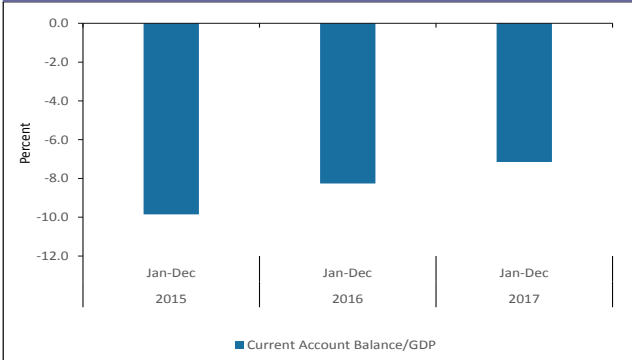


Source: SIB

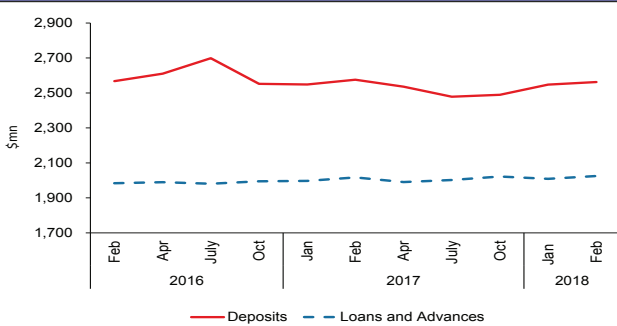
**Chart III: Gross International Reserves and Import Cover**



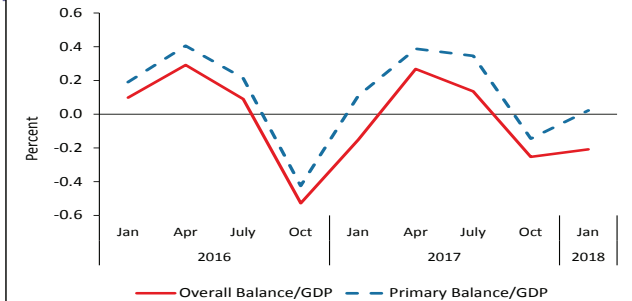
**Chart IV: Current Account Balance to GDP**



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

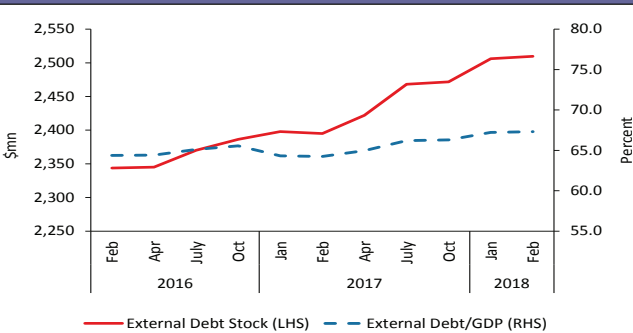


**Chart VI: Primary and Overall Balances to GDP**

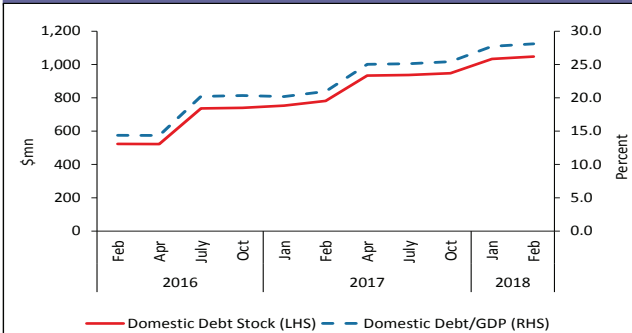


Sources: MOF and CBB

**Chart VII: Public Sector External Debt**



**Chart VIII: Central Government Domestic Debt**



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## Overview

- During the first two months of the year, broad money supply grew by 0.9%, driven by a \$34.6mn expansion in net domestic credit and a \$0.3mn increase in the net foreign assets of the banking system.
- The uptick in the net foreign assets of the banking system was attributable to a \$34.1mn expansion in domestic banks' holdings, which rose on account of higher tourism revenue. In contrast, Central Bank's position declined by \$33.8mn, as outflows of \$61.3mn exceeded inflows of \$27.1mn.
- The expansion in net domestic credit reflected increases in net credit to Central Government and other public sector entities of \$28.2mn and \$9.8mn, respectively. In contrast, domestic banks' loans and advances to the private sector contracted by \$3.4mn, while credit union lending fell by \$7.4mn over the two-month period.
- Buoyed by the expansion in foreign assets, the excess statutory liquid assets of domestic banks increased by \$20.2mn and stood at 47.3% above the required level. Concurrently, Treasury bill purchases during the two-month period reduced domestic banks' excess cash reserves from 128.1% (at the end of December 2017) to 109.1% above the legal requirement.
- The 12-month (rolling) weighted average interest rate on new loans and deposits contracted by 50 basis points to 8.90% and by 13 basis points to 1.75%, respectively, when compared to February 2017. As a result, the weighted average interest rate spread on new loans tightened by 37 basis points to 7.15% year-on-year.
- During the first 10 months (April to January) of the 2017/2018 fiscal year, Central Government's revenues rose by 1.1% to \$891.7mn, while expenditure fell by 2.2% to \$936.3mn. Consequently, the primary balance swung from a deficit of 0.01% of GDP to a surplus of 0.9% of GDP, while the overall deficit narrowed from 2.2% of GDP to 1.2% of GDP, when compared to the same period of the previous fiscal year. The financing gap was funded mainly from domestic sources.
- Total public sector debt rose by 0.5% to \$3,557.1mn and stood at 92.5% of GDP at the end of February. Central Government's domestic debt rose by 2.1% to \$1,047.6mn, while the public sector external debt dipped by 0.1% to \$2,509.6mn.

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- Export receipts declined by 20.4% to \$48.4mn with contractions in sugar, banana and marine export earnings. In contrast, gross imports (including electricity) increased by 1.1% to \$285.3mn, due to higher expenditures on “*Machinery, Transport and Equipment*” (\$5.8mn), goods for the “*Export Processing Zones*” (\$3.9mn) and “*Food, Beverages and Tobacco*” (\$2.4mn).
  - Tourism activities were more buoyant, as stay-over arrivals grew by 17.1% to 83,710 visitors, and cruise ship disembarkations inched up by 0.9% to 223,251 visitors.
  - The Consumer Price Index (CPI) was down by 0.4% in February, compared to the previous month, but averaged 0.2% year-on-year. Contributing to inflationary pressures were higher prices for Liquefied Petroleum Gas and house rentals, which increased prices for “*Housing, Water, Electricity, Gas and Other Fuels*” by 0.7%, while the pass-through of increased fuel prices led to a 0.3% rise in “*Transport*” costs.

## Money and Credit

- During the first two months of the year, broad money supply rose by 0.9%, driven largely by a \$34.6mn expansion in net domestic credit and, to a much lesser extent, a \$0.3mn increase in the net foreign assets of the banking system.
- Central Bank's net foreign asset position declined by \$33.8mn, as inflows of \$27.1mn, coming mostly from sugar exports (\$11.9mn), loan disbursements (\$4.1mn) and the international ship registry (\$4.0mn), were eclipsed by outflows of \$61.3mn. Of total outflows, 94.3% was sold to the Central Government mostly to service the external debt, including the first biannual interest payment of \$26.0mn on the 2034 bond in February. Consequently, official international reserves decreased from the equivalent of 4.0 months of merchandise imports in December to 3.8 months in February.
- In contrast, domestic banks' net foreign assets increased by \$34.1mn with the peak tourism season.
- The expansion in net domestic credit was led by a \$28.2mn increase in lending to Central Government, most of which occurred in February. The funding was sourced mostly through a \$21.2mn increase in the overdraft facility at the Central Bank and a \$9.2mn drawdown in deposits at the Central Bank. In addition, increased lending to utilities mostly accounted for the \$9.8mn growth in credit to other public sector entities.
- A \$7.5mn upturn in lending during the month softened the year-to-date decline in credit to the private sector to \$3.4mn. The contraction

Chart 1.1: Net Foreign Assets and Net Domestic Credit

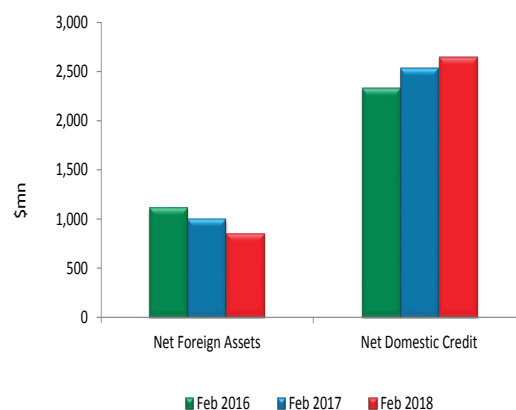
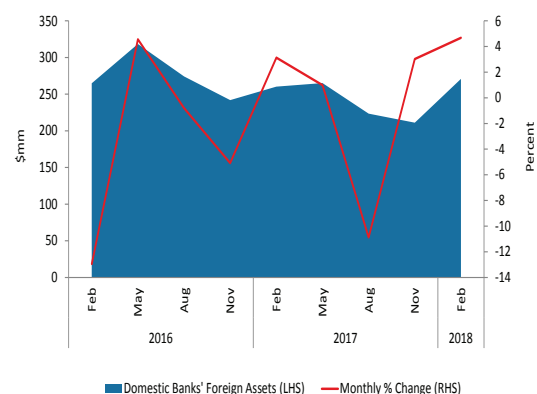


Table 1.1: Central Bank's Foreign Asset Flows

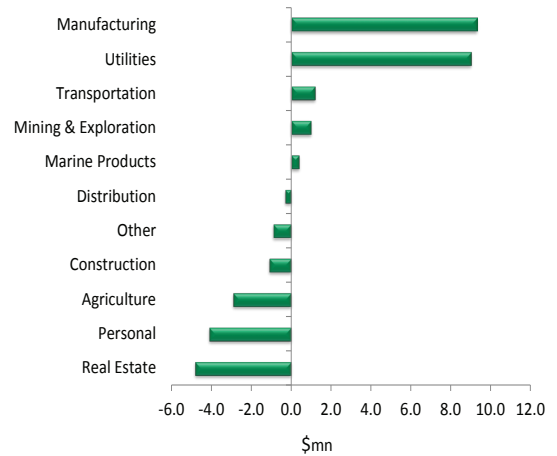
	\$mn	
	Jan - Feb 2017	Jan - Feb 2018
Total Inflows	45.1	27.1
Loan Disbursements	13.6	4.1
Sugar Receipts	13.3	11.9
Banks	9.8	0.2
Other	8.3	11.0
Total Outflows	36.7	61.3
Central Government	27.0	57.8
Banks	0.9	0.0
Other	8.7	3.4

Chart 1.2: Domestic Banks' Net Foreign Assets



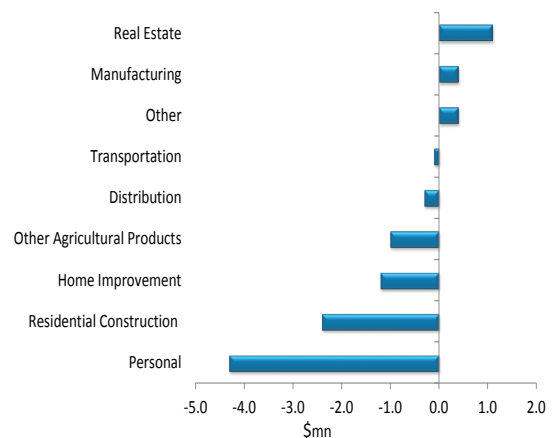
reflected repayments and \$6.5mn in write-offs. Reductions were concentrated in loans for real estate activities (\$4.8mn), personal purposes (\$4.1mn) and agricultural production (\$2.9mn), while increases were recorded for manufacturing (\$9.3mn) and merchandise trade (\$4.2mn).

Chart 1.3: Change in Domestic Banks' Loans Jan - Feb 2018



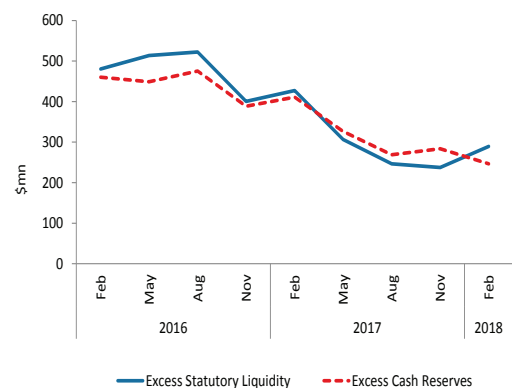
- Year-to-date lending by the five largest credit unions declined by \$7.4mn, compared to a \$1.0mn reduction for the same period of 2017. The decreases were concentrated in loans for personal purposes (\$4.3mn), residential construction (\$2.4mn), home improvement (\$1.2mn) and production of non-traditional agricultural products (\$1.0mn). Write-offs over the period amounted to \$2.0mn, compared to \$0.1mn for the same period of 2017.

Chart 1.4: Change in Credit Union Lending Jan - Feb 2018



- Over the year to date, domestic banks' holdings of excess liquid assets rose by \$20.2mn to 47.3% of requirement largely due to a build up in foreign assets. In contrast, the purchase of Government securities reduced excess cash reserves by \$37.6mn to 109.1% of the required level.

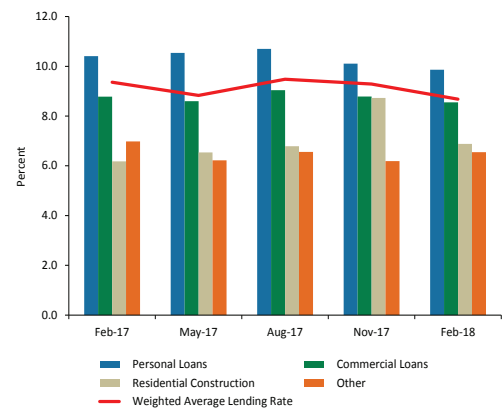
Chart 1.5: Excess Statutory Liquidity





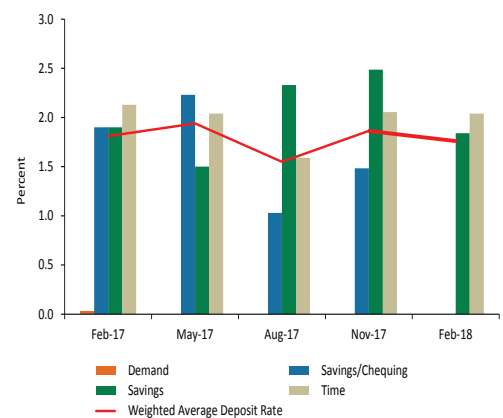
- The 12-month (rolling) weighted average interest rate on new loans contracted by six basis points during the month to 8.9% and by 50 basis points relative to February 2017. The year-on-year reduction reflected respective declines in rates for personal and commercial loans of 53 and 57 basis points, as lending rates on loans for residential construction and other miscellaneous purposes increased by 26 and eight basis points, respectively.

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



- The corresponding (rolling) weighted average interest rate on new deposits dipped by one basis point to 1.75%, relative to January 2018, and by 13 basis points, relative to February 2017. The annual contraction was due to lower rates on demand, savings and time deposits of three, 17 and three basis points, respectively, since the rate for saving/chequing deposits rose by 32 basis points. As a result, the weighted average interest rate spread narrowed by 37 basis points to 7.15% year-on-year.

Chart 1.7: Domestic Banks' Weighted (Rolling) Average Interest Rates on Deposits



## Real Sector Developments

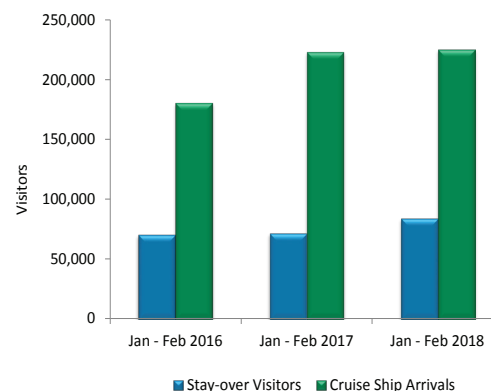
- Production of all the major commodities fell during the first two months of 2018.
- In contrast, arrivals of stay-over tourists rose by 17.1% to 83,710 visitors, supported by an expansion in air lift capacity, sustained marketing efforts and economic growth in major source markets. Cruise ship disembarkations inched up by 0.9% to 223,251 visitors, relative to the same period of 2017, with port calls to the Belize City and Harvest Caye sea ports up by three ships to 97.
- The Consumer Price Index (CPI) contracted by 0.4%, compared to January, but rose by 0.2% for the first two months of 2018, compared to the same period of 2017. A 0.7% expansion in the “*Housing, Water, Electricity, Gas and Other Fuels*” category was driven by higher prices for Liquefied Petroleum Gas and house rent. Furthermore, the upward momentum in fuel prices underpinned a 0.3% increase in “*Transport*”, while higher beer prices, owing to the April 2017 increase in excise taxes, contributed to a 7.3% rise in prices for “*Alcoholic Beverages and Tobacco*”. Inflationary pressures were dampened mostly by price reductions in “*Recreation and Culture*” (2.6%) and “*Food and Non-Alcoholic Beverages*” (0.3%).
- Year-to-date domestic export receipts contracted by 20.4% to \$48.4mn due to lower earnings from sugar, banana and marine products, as those of citrus and petroleum rose.
- Gross imports (including electricity) increased by 1.1% to \$285.3mn, with increased

Table 2.1: Production of Main Domestic Exports

	Jan - Feb 2017	Jan - Feb 2018
Sugarcane Deliveries (long tons)	400,713	369,250
Sugar (long tons)	43,399	40,680
Molasses (long tons)	11,308	9,448
Bananas (metric tons)	15,271	10,541
Citrus Deliveries (boxes)	1,261,841	1,130,902
Citrus Juices ('000 ps)	7,103	6,361
Papaya ('000 lbs)	643	151
Marine Exports ('000 lbs)	696	354
Petroleum (barrels)	64,535	52,504

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

Chart 2.1: Tourist Arrivals



Sources: BTB and CBB

Table 2.2: Main Domestic Exports

	\$mn	
	Jan - Feb 2017	Jan - Feb 2018
Sugar	13.4	6.1
Molasses	0.3	0.0
Bananas	17.5	11.5
Citrus	4.6	7.5
Petroleum	5.7	7.6
Other Domestic Exports	10.8	10.5
of which: Papaya	0.3	0.1
Marine Exports	8.4	5.2
<b>Total</b>	<b>60.8</b>	<b>48.4</b>

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

expenditures on “*Machinery, Transport and Equipment*” (\$5.8mn), goods for the “*Export Processing Zones*” (\$3.9mn) and “*Food, Beverages and Tobacco*” (\$2.4mn), outweighing lower outlays on “*Manufactured Goods and Other Manufactures*” (\$5.5mn), “*Oils, Fats and Chemicals*” (\$2.5mn) and goods for the “*Commercial Free Zone*” (\$1.4mn).

### Sugarcane & Sugar

- For the crop year to date, sugarcane deliveries in the North, impeded by heavy rains, decreased by 5.3% to 517,381 long tons, but sugar production declined by only 4.7% to 54,094 long tons due to a modest increase in cane purity. Molasses production contracted by 10.8% to 12,962 long tons. The harvest in the West was scheduled to begin in late February but due to heavy rains was postponed to early March.
- Sugar exports for the first two months of the year totalled 5,056 long tons of bagged sugar, compared to 16,699 long tons sold in the corresponding period of 2017. Of the total, exports to the European Union amounted to 4,811 long tons, while the remaining 245 long tons were sold to CARICOM. Sugar receipts totalled \$6.1mn.

### Citrus

- Citrus deliveries for the crop year to date fell by 3.3% to 1.3mn boxes on account of citrus greening and excessive moisture, which caused the blossoms to drop. Orange deliveries declined by 7.1% to 1.1mn boxes, while those of grapefruit rose by 45.0% to 0.1mn boxes.
- Citrus juice production decreased by 4.2% to 7.0mn pound solids (ps), when compared to

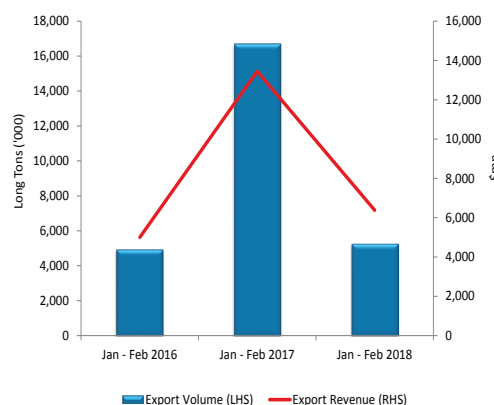
Table 2.3: Gross Imports by Standard International Trade Classification<sup>(1)</sup>

	Jan - Feb 2016	Jan - Feb 2017	Jan - Feb 2018
Food, Beverages and Tobacco	40.4	40.1	42.5
Fuels, Lubricants and Crude Materials	33.9	45.6	46.7
Of which: Electricity	3.0	5.7	4.4
Oils, Fats and Chemicals	29.2	27.2	24.7
Manufactured Goods and Other Manufactures	59.6	62.6	57.1
Machinery, Transport and Equipment	70.6	57.6	63.3
Other Goods	0.4	1.1	0.4
Export Processing Zones	9.6	4.0	7.9
Commercial Free Zone	45.3	44.1	42.8
Total	288.9	282.3	285.3

Source: SIB

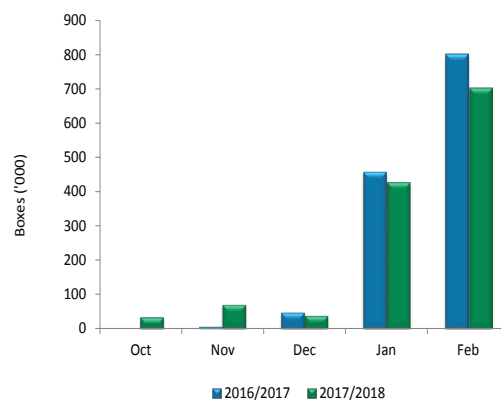
<sup>(1)</sup> Imports are valued at cost, insurance and freight

Chart 2.2: Sugar Exports



Sources: BSI and Santander Group

Chart 2.3: Monthly Citrus Deliveries

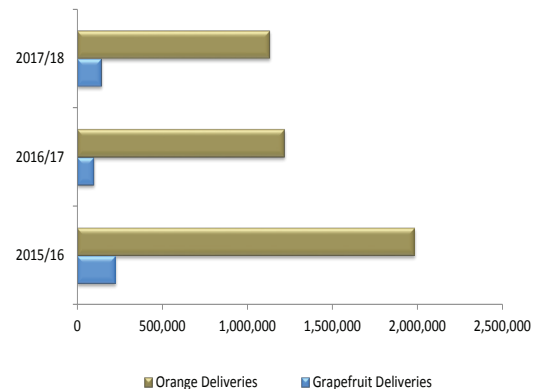


Source: CPBL

the same period of the 2016/2017 crop due to a slight deterioration in the average outturn per box of fruit. Orange juice production fell by 7.0% to 6.4mn ps, while that of grapefruit juice rose by 44.6% to 0.6mn ps.

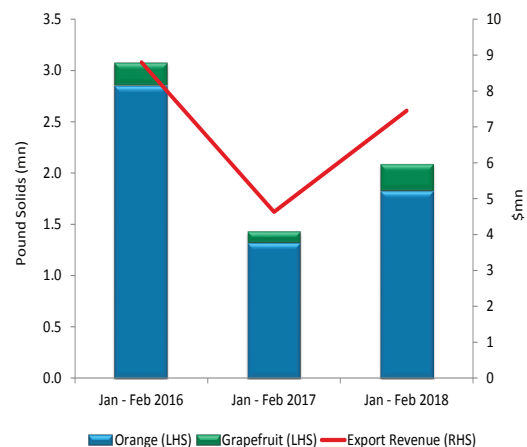
- However, the volume of citrus juice exports surged by 45.6% to 2.1mn ps and by 61.0% to \$7.5mn. The proportionately higher growth in revenue reflected a 10.6% improvement in the average unit price, due to smaller crops in Brazil, the EU and the US caused by bad weather.

Chart 2.4: Citrus Deliveries



Sources: CGA and CPBL

Chart 2.5: Citrus Juice Export Volume and Revenue

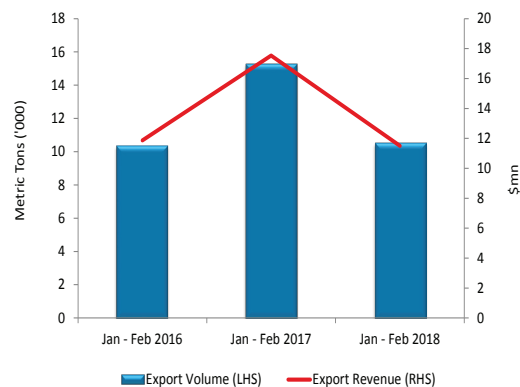


Source: CPBL

## Banana

- Pummeled by abnormally high rainfall in late 2017 and January 2018, banana production declined by 31.0% to 10,541 metric tons for the year to date, and revenues subsequently decreased by 34.4% to \$11.5mn.

Chart 2.6: Banana Exports

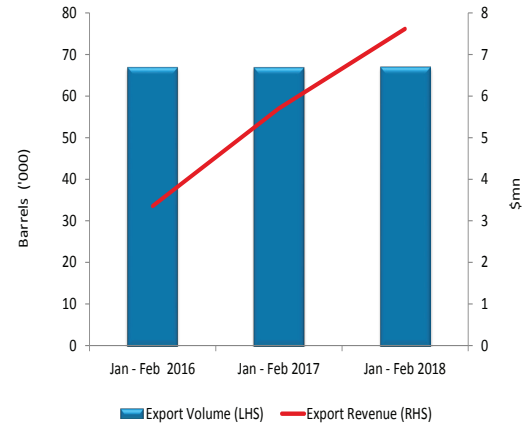


Source: BGA

## Petroleum

- Up to February, crude oil extraction declined by 18.6% to 52,504 barrels, with the average daily extraction rate decreasing by 204 barrels to 889 barrels per day. Output from the Spanish Lookout oilfield contracted by 20.0% to 51,649 barrels, while 856 barrels were extracted at the Never Delay oilfield.
- On the other hand, earnings increased by 33.5% to \$7.6mn, driven by a hike in the average price per barrel from US\$42.59 to US\$56.78.

Chart 2.7: Petroleum Exports

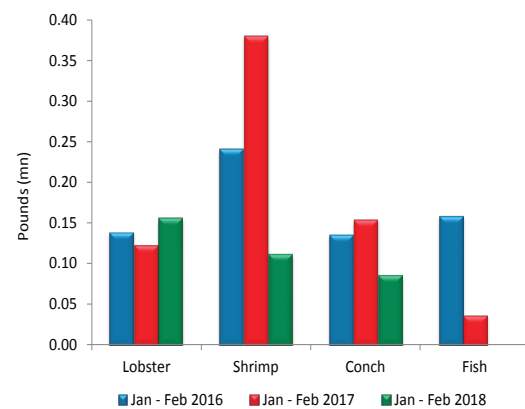


Source: Geology and Petroleum Department

## Marine Exports

- The volume of marine exports contracted by 49.1% to 0.4mn pounds, on account of lower production of conch, farmed shrimp and other fish. In contrast, the wild capture of lobster increased by 26.3%. Ameliorated by better prices for lobster and conch, marine export receipts fell by only 37.6% to \$5.2mn.

Chart 2.8: Marine Export Volumes

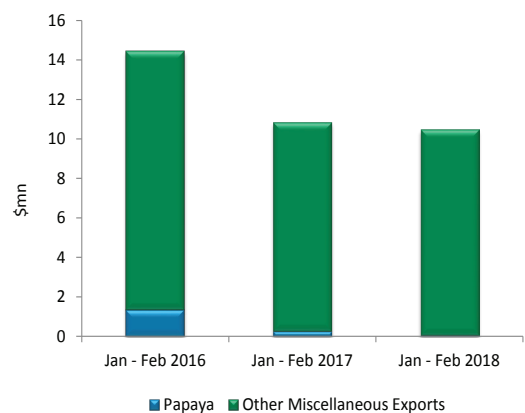


Sources: SIB and CBB

## Other Domestic Products

- Earnings from other domestic products edged down by 3.3% to \$10.5mn, with lower receipts from black-eyed pea (\$1.4mn), orange oil (\$0.3mn), papaya (\$0.2mn) and other miscellaneous exports (\$0.2mn) outweighing higher earnings from animal feed (\$0.9mn), sawn wood (\$0.4mn), grapefruit oil (\$0.3mn) and pepper sauce (\$0.2mn).

Chart 2.9: Revenue of Papaya and Other Miscellaneous Exports

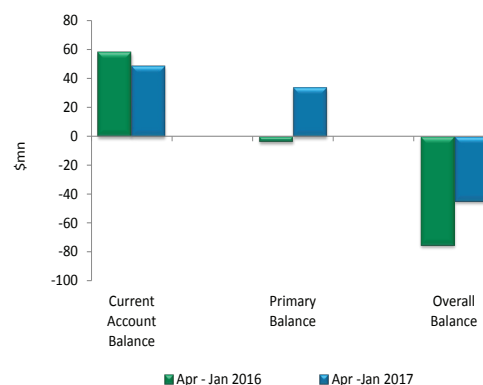


Source: SIB

## Central Government Operations

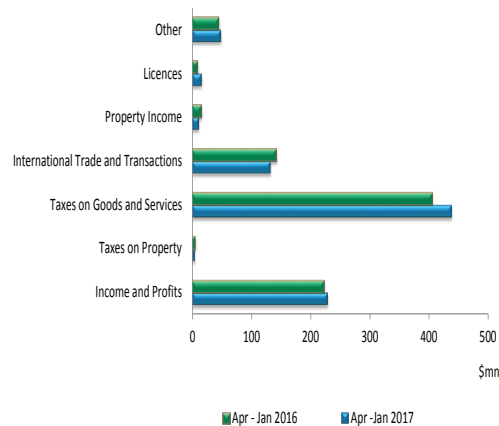
- During the first ten months (April to January) of the 2017/2018 fiscal year, Central Government's revenues rose by 1.1% to \$891.7mn, while expenditure fell by 2.2% to \$936.3mn. When compared to the same period of the previous fiscal year, the primary balance swung from a deficit of 0.01% of GDP to a surplus of 0.9% of GDP, while the overall deficit narrowed from 2.2% of GDP to 1.2% of GDP. The overall deficit was financed largely from domestic sources.
- The \$9.5mn increase in revenues was attributable to tax and non-tax revenues, since grants fell by \$26.5mn. Boosted by the new revenue-enhancing measures effected at the beginning of the fiscal year, tax revenue grew by \$29.1mn, notwithstanding 21.6% and 2.2% respective declines in collections of import duties and the general sales tax. Non-tax revenue rose by \$7.5mn with higher receipts from licenses and the international business company and ship registries.
- Expenditure fell by \$21.1mn, as a 5.9% increase in current spending was outweighed by a 38.9% plunge in capital outlays. A 7.9% hike in personal emoluments and pensions (arising from the final increase in negotiated wages for public officers), as well as an almost doubling in domestic interest payments, accounted for most of the \$46.5mn increase in current expenditure. In response to tighter cost controls, development expenditure shrank by \$66.0mn with 38.7% of the amount spent on infrastructural projects.
- Central Government's financing gap (the overall deficit, principal repayments and

Chart 3.1: Central Government Operations



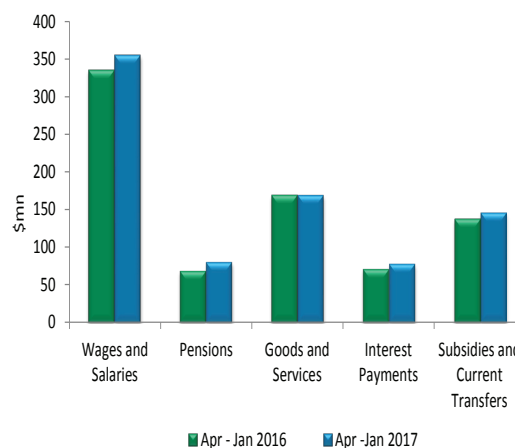
Sources: MOF and CBB estimates

Chart 3.2: Central Government Current Revenue



Sources: MOF and CBB estimates

Chart 3.3: Central Government Current Expenditure



Sources: MOF and CBB estimates

Belize Telemedia Limited (BTL) settlement payments) during the 10-month period totalled \$329.6mn, of which 63.0% was financed domestically, mostly through the issuance of government securities and the sale of shares in Belize Electricity Limited and BTL. The balance (37.0%) came from external sources. The debt dependency ratio (new borrowings to expenditure) stood at 35.2%, which was well above the international threshold of 20.0%.

### Central Government Domestic Debt

- During the first two months of 2018, Central Government’s domestic debt rose by 2.1% to \$1,047.6mn due to a \$21.2mn increase in its overdraft facility with the Central Bank.
- Treasury bills trading in the secondary market continued to pick up with the yield at a more attractive rate. Domestic banks and non-bank entities increased their holdings of Treasury bills by \$32.8mn and \$1.4mn, respectively, while Central Bank’s holdings declined by the same amount. In addition, Central Bank picked up \$2.2mn in Treasury notes from non-bank entities and domestic banks. Domestic banks held the largest share of Government’s domestic debt, which grew from 39.0% at the end of December 2017 to 41.4%. Meanwhile, the portions held by the Central Bank and non-bank entities narrowed from 37.8% to 36.0% and from 23.2% to 22.6%, respectively, over the same time period.
- Amortization payments of \$0.1mn went to Heritage Bank and Belize Social Security Board.
- Interest payments amounted to \$8.3mn, of which \$5.1mn was paid to the Central Bank

Chart 3.4: Central Government Domestic Debt

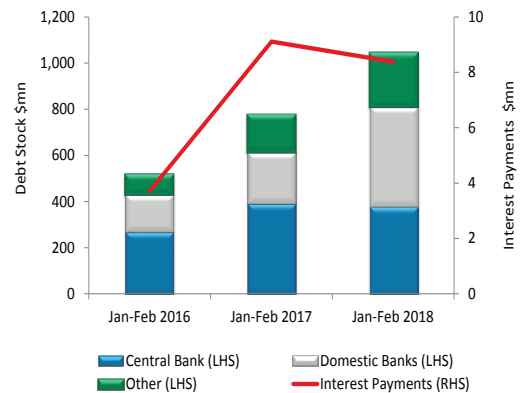
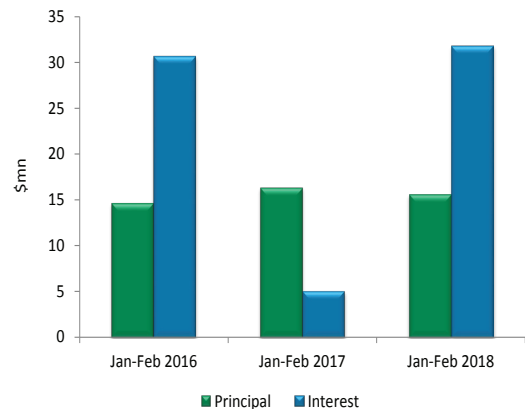


Chart 3.5: External Debt Service

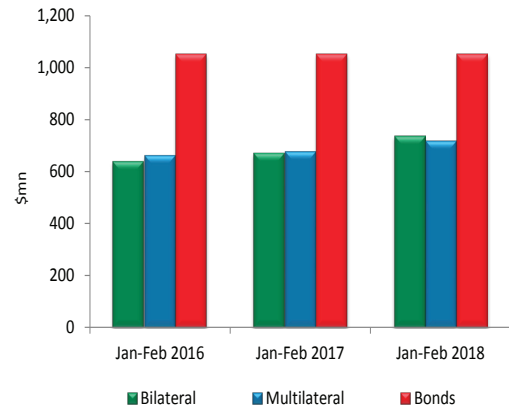


on the overdraft facility and security holdings, while domestic banks and non-bank entities received \$0.9mn and \$2.4mn, respectively.

### Public Sector External Debt

- With amortizations exceeding disbursements, the public sector external debt fell by 0.1% (\$2.4mn) to \$2,509.6mn in the first two months of 2018.
- Loan disbursements amounted to \$12.1mn, of which Central Government received \$7.0mn from bilateral lenders and \$4.9mn from multilateral creditors, while \$0.3mn went to Belize Electricity Limited from the Caribbean Development Bank (CDB).
- Central Government amortized \$14.6mn, of which \$7.6mn was paid to multilateral creditors and \$7.0mn to the Republic of China (ROC). Loan repayments by the non-financial public sector amounted to \$0.8mn, while the financial public sector repaid \$0.2mn.
- Interest and other payments summed to \$32.0mn, with \$26.0mn paid to the holders of the 2038 bond.

Chart 3.6: Public Sector External Debt





## Statistical Appendix

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

	\$mn			
	Position as at Feb 2018	Jan 2018 to Feb 2018	Dec 2017 to Feb 2018	Dec 2016 to Feb 2017
Net Foreign Assets	859.7	-20.5	0.3	18.3
Central Bank	594.8	-26.7	-33.8	6.7
Domestic Banks	264.9	6.2	34.1	11.6
Net Domestic Credit	2,649.7	38.0	34.6	-2.7
Central Government (Net)	619.1	22.0	28.2	-4.5
Other Public Sector	16.5	8.5	9.8	-0.7
Private Sector	2,014.1	7.5	-3.4	2.5
Central Bank Foreign Liabilities (Long-term)	51.7	-0.4	0.8	0.3
Other Items (Net)	493.7	11.5	8.4	-2.8
Money Supply (M2)	2,964.0	6.4	25.7	18.1

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

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

	\$mn			
	Position as at Feb 2018	Jan 2018 to Feb 2018	Dec 2017 to Feb 2018	Dec 2016 to Feb 2017
Net Foreign Assets of the Banking System	859.7	-20.5	0.3	18.3
Net Foreign Assets of the Central Bank	594.8	-26.7	-33.8	6.7
Central Bank Foreign Assets	596.1	-26.5	-34.2	8.4
Central Bank Foreign Liabilities (Demand)	1.3	0.2	-0.4	1.7
Net Foreign Assets of Domestic Banks	264.9	6.2	34.1	11.6
Domestic Banks' Foreign Assets	270.8	0.8	34.9	8.6
Domestic Banks' Foreign Liabilities (Short-Term)	5.9	-5.4	0.8	-3.0

Table A.3: Net Domestic Credit

	Position as at Feb 2018	Changes During		
		Jan 2018 to Feb 2018	Dec 2017 to Feb 2018	Dec 2016 to Feb 2017
Total Credit to Central Government	720.0	14.3	22.3	12.5
From Central Bank	377.2	8.9	-10.9	19.7
Loans and Advances	68.4	13.9	21.2	3.6
Government Securities <sup>(1)</sup>	308.8	-5.0	-32.1	16.1
From Domestic Banks	342.8	5.4	33.2	-7.2
Loans and Advances	1.6	0.4	0.4	-0.4
Government Securities	341.2	5.0	32.8	-6.8
Of which: Treasury bills <sup>(2)</sup>	169.5	5.0	32.8	-10.0
Treasury notes	171.7	0.0	0.0	3.2
Other	0.0	0.0	0.0	0.0
Less Central Government Deposits	100.9	-7.7	-5.9	17.0
With Central Bank	78.9	-8.9	-9.2	12.3
With Domestic Banks	22.0	1.2	3.3	4.7
Net Credit to Central Government	619.1	22.0	28.2	-4.5
Credit to Other Public Sector	16.5	8.5	9.8	-0.7
From Central Bank	0.0	0.0	0.0	0.0
From Domestic Banks	16.5	8.5	9.8	-0.7
Of which: Local Government	2.4	0.5	0.5	-0.1
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	9.3	7.6	8.9	-0.5
Other Statutory Bodies	2.2	0.4	0.4	-0.1
Securities	2.6	0.0	0.0	0.0
Plus Credit to the Private Sector	2,014.1	7.5	-3.4	2.5
Loans and Advances	2,013.7	7.5	-3.4	2.5
Securities	0.4	0.0	0.0	0.0
Net Domestic Credit of the Banking System <sup>(3)</sup>	2,649.7	38.0	34.6	-2.7

<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		
		Changes During		
	Position as at Feb 2018	Jan 2018 to Feb 2018	Dec 2017 to Feb 2018	Dec 2016 to Feb 2017
PRIMARY SECTOR	275.7	-1.2	-1.6	17.9
Agriculture	237.5	-1.1	-2.9	18.9
Sugar	87.3	0.0	-0.3	11.0
Citrus	14.6	-0.1	-0.1	-0.1
Bananas	81.1	0.6	-0.2	3.6
Other	54.5	-1.6	-2.3	4.4
Marine Products	34.0	-0.1	0.4	-0.6
Forestry	0.4	-0.1	-0.1	0.0
Mining and Exploration	3.8	0.1	1.0	-0.4
SECONDARY SECTOR	636.8	19.1	17.2	-3.9
Manufacturing	44.1	9.3	9.3	3.1
Building and Construction	570.2	0.7	-1.1	-6.3
Utilities	22.5	9.1	9.0	-0.7
TERTIARY SECTOR	676.1	2.0	-4.7	0.4
Transport	58.5	-0.2	1.2	-0.5
Tourism	116.2	-0.7	0.0	-0.3
Distribution	158.0	4.2	-0.3	-1.1
Real Estate	286.1	-1.0	-4.8	4.2
Professional Services	48.0	-1.7	-2.1	0.3
Other <sup>(1)</sup>	9.3	1.4	1.3	-2.2
PERSONAL LOANS	436.4	-3.5	-4.1	-12.7
TOTAL	2,025.0	16.4	6.8	1.7

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

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

	\$mn			
	Position as at Feb 2018	Jan 2018 to Feb 2018	Dec 2017 to Feb 2018	Dec 2016 to Feb 2017
Holdings of Approved Liquid Assets	900.8	7.9	31.9	-15.1
Notes and Coins	79.7	-6.9	4.2	-1.6
Balances with Central Bank	472.1	-14.6	-35.7	-21.7
Money at Call and Foreign Balances (due 90 days)	136.0	17.0	42.7	6.5
Central Government Securities maturing within 90 days <sup>(1)</sup>	179.6	11.4	20.7	-12.5
Other Approved Assets	33.4	1.0	0.0	14.2
Required Liquid Assets	611.5	5.1	11.7	1.4
Excess/(Deficiency) Liquid Assets	289.3	2.8	20.2	-16.5
Daily Average Holdings of Cash Reserves	472.5	-12.2	-33.3	-14.8
Required Cash Reserves	226.0	1.9	4.3	0.5
Excess/(Deficiency) Cash Reserves	246.5	-14.1	-37.6	-15.3
Actual Securities Balances <sup>(2)</sup>	169.6	5.0	32.9	-10.0
Excess/(Deficiency) Securities	169.6	5.0	32.9	-10.0

<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 Feb 2018	Jan 2018 to Feb 2018	Dec 2017 to Feb 2018	Dec 2016 to Feb 2017
Weighted Lending Rates				
Personal Loans	10.89	-0.35	-0.74	-0.05
Commercial Loans	9.00	-0.03	-0.51	-0.03
Residential Construction	7.28	0.14	-0.29	-0.14
Other	6.65	-0.03	-0.55	-0.21
Weighted Average	9.23	-0.04	-0.43	-0.06
Weighted Deposit Rates				
Demand	0.01	0.00	0.00	0.00
Savings/Chequing	0.49	0.01	-0.13	1.96
Savings	2.47	-0.03	0.07	-0.05
Time	2.04	-0.05	-0.16	-0.01
Weighted Average	1.18	-0.01	-0.10	-0.02
Weighted Average Spread	8.05	-0.03	-0.33	-0.03

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
	Feb 2018	Jan 2018	Feb 2017	Feb 2018 over Jan 2018	Feb 2018 over Feb 2017
<b>Weighted Lending Rates</b>					
Personal Loans	9.89	9.94	10.42	-0.05	-0.53
Commercial Loans	8.80	8.81	9.37	-0.01	-0.57
Residential Construction	7.01	6.95	6.75	0.06	0.26
Other	6.49	6.52	6.41	-0.03	0.08
Weighted Average	8.90	8.96	9.40	-0.06	-0.50
<b>Weighted Deposit Rates</b>					
Demand	0.00	0.00	0.03	0.00	-0.03
Savings/Chequing	1.21	1.37	0.89	-0.16	0.32
Savings	2.15	2.16	2.32	-0.01	-0.17
Time	1.98	1.99	2.01	-0.01	-0.03
Weighted Average	1.75	1.76	1.88	-0.01	-0.13
Weighted Average Spread	7.15	7.20	7.52	-0.05	-0.37

Table A.8: Tourist Arrivals

	Jan - Feb 2017	Jan - Feb 2018
Air	57,986	68,747
Land	11,904	13,608
Sea	1,569	1,355
Stay-over Visitors	71,459	83,710
Cruise Ship Disembarkations	223,251	225,277

Sources: BTB and CBB

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

Major Commodity	Weights	Jan 2018	Feb 2018	% Change	
				Feb 2018 over Jan 2018	YTD 2018 over YTD 2017
Food and Non-Alcoholic Beverages	195	105.1	104.7	-0.4	-0.3
Alcoholic Beverages and Tobacco	17	107.5	107.3	-0.2	7.3
Clothing and Footwear	83	97.9	97.8	-0.1	-0.4
Housing, Water, Electricity, Gas, and Other Fuels	265	103.9	103.8	-0.0	0.7
Furnishing, Household Equipment, and Routine Household Maintenance	69	101.2	101.5	0.3	0.1
Health	41	113.9	116.3	2.1	1.3
Transport	136	112.3	108.8	-3.1	0.3
Communication	33	101.2	101.7	0.5	0.6
Recreation and Culture	69	104.3	104.1	-0.1	-2.6
Education	32	104.1	102.7	-1.3	-0.3
Restaurants and Hotels	7	111.1	114.6	3.2	-1.5
Miscellaneous Goods and Services	52	104.7	104.4	-0.2	1.2
All Items	1,000	105.0	104.5	-0.4	0.2

Source: SIB

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

	Feb 2017	Feb 2018	Dec - Feb 2016/2017	Dec - Feb 2017/2018
Deliveries of Sugarcane (long tons)	200,083	183,178	546,053	517,381
Sugar Processed (long tons)	22,814	20,336	56,740	54,094
Molasses Processed (long tons)	5,633	4,439	14,540	12,962
Performance				
Factory Time Efficiency (%)	96.6	98.2	96.6	96.8
Cane Purity (%)	86.5	88.7	86.5	87.4
Cane/Sugar	9.4	9.1	9.4	9.4

Source: BSI and Santander Group

Table A.11: Exports of Sugar and Molasses

	Feb 2017		Feb 2018		Jan - Feb 2017		Jan - Feb 2018	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
Sugar	1,393	1,575	2,955	3,513	16,699	13,447	5,056	6,098
E.U.	1,393	1,575	2,784	3,323	16,674	13,419	4,811	5,817
USA	0	0	0	0	0	0	0	0
Caricom	0	0	172	189	25	28	245	280
Other	0	0	0	0	0	0	0	0
Molasses	0	0	0	0	1,278	260	0	0

Sources: BSI and Santander Group

Table A.12: Citrus Deliveries and Production

	Feb 2017	Feb 2018	Oct - Feb 2016/2017	Oct - Feb 2017/2018
Deliveries (boxes)				
Orange	797,251	703,162	1,219,160	1,132,469
Grapefruit	5,898	0	96,857	140,416
Total	803,149	703,162	1,316,017	1,272,885
Concentrate Produced (ps)				
Orange	4,499,344	4,051,395	6,930,163	6,446,597
Grapefruit	24,570	0	375,708	537,250
Total	4,523,914	4,051,395	7,305,871	6,983,847
Not from concentrate (ps)				
Orange	0	0	0	0
Grapefruit	0	0	20,460	35,637
Total	0	0	20,460	35,637
Pulp (pounds)				
Orange	864,960	429,088	1,212,640	798,816
Grapefruit	0	0	0	78,440
Total	864,960	429,088	1,212,640	877,256
Oil Produced (pounds)				
Orange	303,600	204,000	472,000	329,600
Grapefruit	1,200	0	18,000	15,600
Total	304,800	204,000	490,000	345,200

Source: CPBL



Table A.13: Export Sales of Citrus Products

	February 2017		February 2018		Jan - Feb 2017		Jan - Feb 2018	
	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	669.8	2,043	445.6	1,193	670	2,043	445.6	1,193
Grapefruit	0.0	0	0.0	0	0	0	0.0	0
Caribbean								
Orange	281.0	916	708.7	2,644.8	583	1,978	1,145.7	4,250
Grapefruit	0.0	0	33.3	177.8	31	116	68.0	361
Europe								
Orange	68.9	192	91	311	69	192	233.2	757
Grapefruit	52.5	179	88.3	401	79	269	163.6	673
Other								
Orange	0.0	0	0.0	0	0	0	0.0	0
Grapefruit	0.0	0	0.0	0	0	0	30.1	188
Sub-Total <sup>(1)</sup>	1,072.2	3,329	1,367	4,727	1,431	4,597	2,086	7,422
Orange	1,019.7	3,150	1,245.6	4,149	1,321	4,212	1,824.5	6,200
Grapefruit	52.5	179	121.6	579	110	385	261.6	1,222
Not-From-Concentrate								
Sub-Total	6.3	34	0.0	0	6	34	6.4	32
Orange	5.2	26	0.0	0	5	26	5.5	27
Grapefruit	1.1	7	0.0	0	1	7	0.9	5
Total Citrus Juices	1,078.5	3,363	1,367.2	4,727	1,438	4,630	2,092.6	7,454
Pulp (pounds '000)								
Total <sup>(1)</sup>	13.6	12	50.1	39	24	22	946.4	714
Orange	13.6	12	50.1	39	24	22	893.4	674
Grapefruit	0.0	0	0.0	0	0	0	53.0	41

Source: CPBL

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

Table A.14: Banana Exports

	Feb 2017	Feb 2018	Jan - Feb 2017	Jan - Feb 2018
Volume (metric tons)	7,341	5,307	15,271	10,541
Value (\$'000)	8,389	5,703	17,534	11,505

Source: BGA

Table A.15: Marine Exports

	Jan - Feb 2017		Jan - Feb 2018	
	Volume ('000 pounds)	Value (\$'000)	Volume ('000 pounds)	Value (\$'000)
Lobster	123	2,328	156	3,595
Shrimp	380	4,171	112	541
Conch	155	1,825	86	1,091
Other Fish	37	53	0	0
Total	696	8,376	354	5,227

Source: SIB

Table A.16: Other Domestic Exports

	Jan-Feb 2017	Jan-Feb 2018
Other Miscellaneous Exports (\$'000)	10,825	10,472
<i>Of which:</i>		
<b><u>Papaya</u></b>		
Volume ('000 pounds)	643	151
Value (\$'000)	274	65

Source: SIB

Table A.17: Petroleum Production and Exports

	Feb 2017	Feb 2018	Jan - Feb 2017	Jan - Feb 2018
<b>Crude Oil Production</b>				
Never Delay (Barrels)	0	294	0	856
Spanish Lookout (Barrels)	30,278	24,188	64,535	51,649
<b>Crude Oil Export</b>				
Volume (Barrels)	0	0	66,971	67,075
Value (\$'000)	0	0	5,705	7,617

Source: Petroleum and Geology Department

Table A.18: Central Government Revenue and Expenditure

	\$'000					
	Approved Budget 2017/2018	Jan 2017	Jan 2018	Apr 2016 to Jan 2017	Apr 2017 to Jan 2018 <sup>(P)</sup>	Fiscal YTD as % of Budget
TOTAL REVENUE & GRANTS (1+2+3)	1,186,770	91,216	94,831	882,196	891,678	75.1%
1). Current Revenue	1,134,105	85,777	94,474	841,997	878,616	77.5%
Tax Revenue	1,032,903	82,355	88,575	773,026	802,099	77.7%
Income and Profits	270,781	29,348	30,338	222,083	228,561	84.4%
Taxes on Property	6,230	428	226	5,094	4,603	73.9%
Taxes on Goods and Services	551,881	40,009	45,555	404,180	436,930	79.2%
International Trade and Transactions	204,011	12,569	12,455	141,669	132,005	64.7%
Non-Tax Revenue	101,202	3,422	5,899	68,971	76,517	75.6%
Property Income	31,025	144	337	15,442	11,645	37.5%
Licences	10,039	1,371	2,391	8,876	16,170	161.1%
Other	60,138	1,907	3,170	44,654	48,702	81.0%
2). Capital Revenue	5,984	216	147	2,109	1,500	25.1%
3). Grants	46,682	5,223	211	38,090	11,562	24.8%
TOTAL EXPENDITURE (1+2)	1,180,103	96,880	102,614	957,385	936,299	79.3%
1). Current Expenditure	1,030,405	82,295	95,212	783,646	830,175	80.6%
Wages and Salaries	422,373	34,366	36,463	335,440	355,413	84.1%
Pensions	79,080	6,298	7,102	68,802	80,614	101.9%
Goods and Services	235,564	16,364	25,107	169,888	169,541	72.0%
Interest Payments on Public Debt	109,055	9,709	8,612	71,444	78,306	71.8%
Subsidies and Current Transfers	184,333	15,559	17,929	138,072	146,301	79.4%
2). Capital Expenditure	149,698	14,584	7,402	173,739	106,125	70.9%
Capital II (Local Sources)	66,243	6,023	4,573	75,201	47,024	71.0%
Capital III (Foreign Sources)	81,156	7,526	2,829	95,711	57,925	71.4%
Capital Transfer and Net Lending	2,299	1,035	0	2,827	1,177	51.2%
<b>CURRENT BALANCE</b>	103,700	3,482	(738)	58,351	48,441	46.7%
<b>PRIMARY BALANCE</b>	115,722	4,045	829	(3,745)	33,684	29.1%
<b>OVERALL BALANCE</b>	6,667	(5,664)	(7,783)	(75,189)	(44,622)	-669.3%
Primary Balance less grants	69,040	(1,178)	618	(41,834)	22,122	32.0%
Overall Balance less grants	(40,014)	(10,887)	(7,993)	(113,278)	(56,183)	140.4%
<b>FINANCING</b>	(6,667)	5,664	7,783	75,189	44,622	
<b>Domestic Financing</b>		(1,309)	5,563	204,462	273,770	
Central Bank		(22,443)	(19,727)	63,280	(72,250)	
Net Borrowing		(22,656)	(19,836)	74,384	(57,244)	
Change in Deposits		212	110	(11,104)	(15,007)	
Commercial Banks		(2,403)	25,768	63,041	126,975	
Net Borrowing		3,130	27,843	70,261	113,320	
Change in Deposits		(5,533)	(2,075)	(7,220)	13,655	
Assumption of UHS liability		0	0	0	91,000	
International Banks		(1,242)	217	3,540	2,396	
Other Domestic Financing		24,780	(695)	74,601	125,650	
<b>Financing Abroad</b>		(5,082)	46	47,077	64,098	
Disbursements		4,210	9,747	120,926	140,517	
Amortization		(9,293)	(9,700)	(73,849)	(76,418)	
Nationalization of BTL		0	0	(196,522)	(208,316)	
Other <sup>(1)</sup>		12,055	2,173	20,171	(84,931)	

Sources: CBB and MOF

<sup>P</sup> - Provisional<sup>(1)</sup> In 2017, this line item reflects the recognition of the \$91.0mn award against the government for the UHS loan, which has not yet been paid.

Table A.19: Central Government Domestic Debt 2018

	\$'000					
	Disbursed Outstanding Debt 31/12/17 <sup>R</sup>	TRANSACTIONS THROUGH FEBRUARY 2018			Net Change in Overdraft/ Securities	Disbursed Outstanding Debt 28/02/18 <sup>P</sup>
		Disbursement/ New Issue of Securities	Amortization/ Reduction in Securities	Interest		
Overdraft/Loans	47,235	0	0	758	21,165	68,400
Central Bank	47,235	0	0	758	21,165	68,400
Domestic Banks	0	0	0	0	0	0
Treasury Bills	245,000	0	0	804	0	245,000
Central Bank	106,823	0	0	316	(34,285)	72,537
Domestic Banks	136,700	0	0	481	32,831	169,531
Other	1,477	0	0	7	1,454	2,932
Treasury Notes	640,000	0	0	6,800	0	640,000
Central Bank	234,100	0	0	3,983	2,159	236,259
Domestic Banks	171,771	0	0	435	(30)	171,741
Other	234,129	0	0	2,382	(2,129)	232,000
Belize Bank Limited <sup>(1)</sup>	91,000	0	0	0		91,000
Heritage Bank Limited	1,020	0	126	16	0	894
Belize Social Security Board <sup>(2)</sup>	311	0	11	6	0	300
Debt for Nature Swap	1,970	0	0	0	0	1,970
<b>Total</b>	<b>1,026,537</b>	<b>0</b>	<b>137</b>	<b>8,385</b>	<b>21,165</b>	<b>1,047,565</b>

<sup>R</sup> - Revised

<sup>P</sup> - Provisional

<sup>(1)</sup> Caribbean Court of Justice award in November 2017 against the Government of Belize in favour of Belize Bank relating to the loan guarantee

<sup>(2)</sup> Government has outstanding loan with BSSB for Hopeville Housing Project.

Table A.20: Public Sector External Debt 2018

\$'000

	Disbursed Outstanding Debt 31/12/17 <sup>R</sup>	TRANSACTIONS THROUGH FEBRUARY 2018			Parity Change	Disbursed Outstanding Debt 28/02/18 <sup>P</sup>
		Disbursements	Principal Payments	Interest & Other Payments		
<b>CENTRAL GOVERNMENT</b>	2,415,444	11,854	14,642	31,685	297	2,412,952
Government of Venezuela <sup>(1)</sup>	419,615	6,998	0	111	0	426,613
Kuwait Fund for Arab Economic Development	26,512	0	0	0	97	26,609
Mega International Commercial Bank Company	50,000	0	0	1,010	0	50,000
Republic of China	241,601	0	7,017	2,086	0	234,584
Caribbean Development Bank	259,805	3,656	5,824	2,110	0	257,637
Caricom Development Fund	799	0	0	0	0	799
European Economic Community	8,442	0	122	9	154	8,475
Inter-American Development Bank	228,478	0	1,679	363	0	226,799
International Fund for Agriculture Development	2,924	0	0	0	45	2,969
International Bank for Reconstruction and Development	32,242	1,200	0	0	0	33,442
Opec Fund for International Development	70,574	0	0	0	0	70,574
Central American Bank for Economic Integration	21,447	0	0	0	0	21,447
Bank of New York	1,053,004	0	0	25,996	0	1,053,004
<b>NON-FINANCIAL PUBLIC SECTOR</b>	22,620	282	751	149	0	22,151
Caribbean Development Bank <sup>(2)(3)</sup>	22,620	282	751	149	0	22,151
<b>FINANCIAL PUBLIC SECTOR</b>	73,905	0	216	199	780	74,470
Caribbean Development Bank	22,845	0	216	199	0	22,629
European Economic Community	93	0	0	0	2	94
International Monetary Fund <sup>(4)</sup>	50,968	0	0	0	779	51,746
<b>GRAND TOTAL</b>	<b>2,511,969</b>	<b>12,135</b>	<b>15,608</b>	<b>32,033</b>	<b>1,077</b>	<b>2,509,573</b>

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

<sup>(1)</sup> Since September 2017, debt service payments for oil imports have been suspended due to U.S. sanctions on Petroleos de Venezuela, S.A. Unpaid debt service payments up to the end of February 2018 amount to principal of \$6.8mn and interest of \$1.6mn.

<sup>(2)</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>(3)</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>(4)</sup> International Monetary Fund Special Drawing Rights allocation is included as part of the financial public sector external debt obligation.