



CENTRAL BANK

of BELIZE



MONTHLY ECONOMIC HIGHLIGHTS

MAY 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:

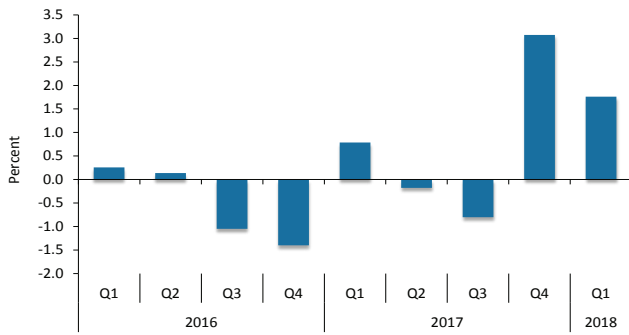
1. Since May of 1976, the Belize dollar has been fixed to the US dollar at the rate of US\$1.00 = BZ\$2.00.
2. The 2018 figures in this report are provisional and the figures for 2017 have been revised.
3. Unless otherwise indicated, the Central Bank of Belize is the source of all tables and charts.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

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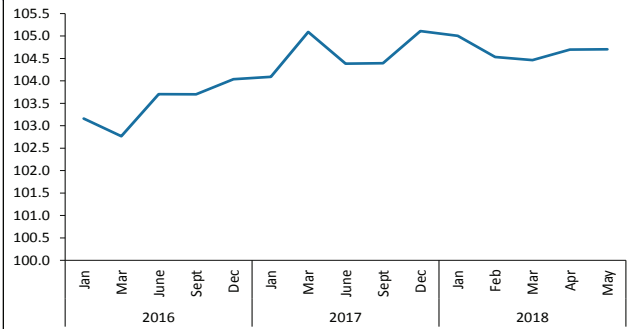
Summary of Economic Indicators

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

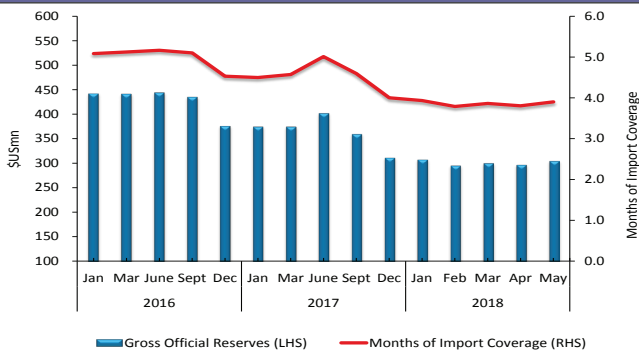


Chart IV: Current Account Balance to GDP

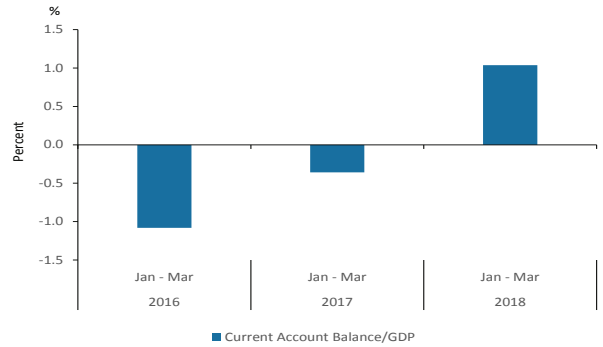


Chart V: Domestic Banks - Deposits and Loans and Advances

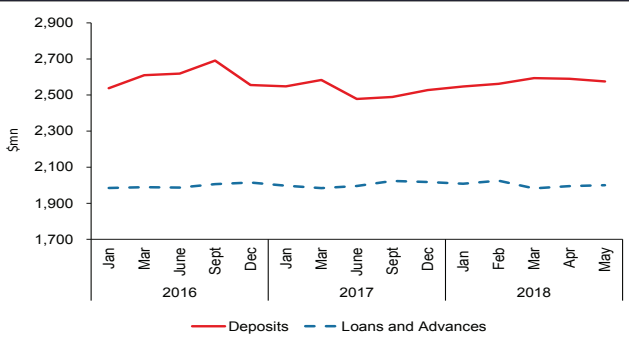
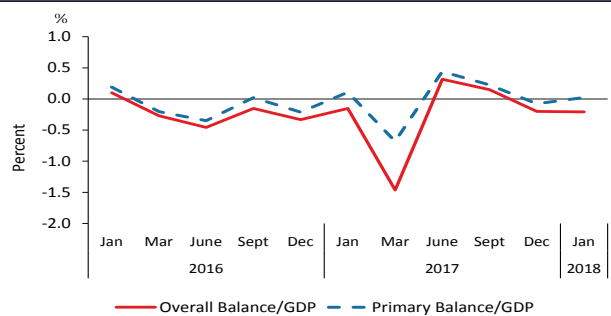


Chart VI: Primary and Overall Balances to GDP



Sources: MOF and CBB

Chart VII: Public Sector External Debt

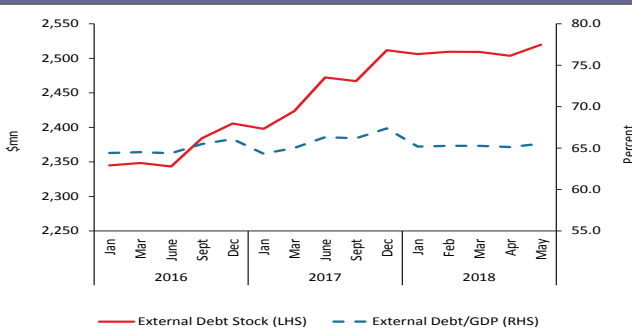
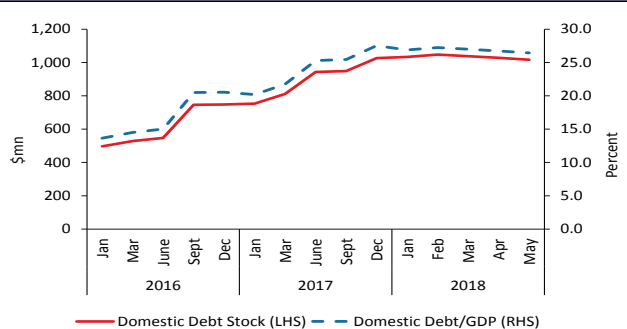


Chart VIII: Central Government Domestic Debt



Overview

- For the first five months of the year, broad money supply (M2) rose by 1.2% (\$34.8mn), driven by a \$57.2mn increase in the net foreign assets of the banking system, as net domestic credit declined by \$36.0mn.
- A \$71.1mn increase in domestic banks' net holdings underpinned the expansion in net foreign assets, which was supported by the sale of a group of banana farms to Fyffes in March and a firm growth in tourism earnings. In contrast, the net foreign assets of the Central Bank fell by \$13.9mn, as foreign currency outflows of \$106.5mn exceeded inflows of \$91.9mn.
- The contraction in net domestic credit was precipitated by declines of \$35.8mn and \$17.8mn in bank lending to the private sector and Central Government, respectively, as credit to other public sector entities rose by \$17.3mn. Lending by the five largest credit unions fell by \$10.4mn, compared to an \$8.9mn reduction during the same period of 2017.
- Buoyed by the build-up in net foreign assets, domestic banks' excess statutory liquid holdings rose to 48.3% above the required level at the end of May. However, additional Treasury bill purchases by domestic banks earlier in the year, reduced excess cash reserves from 128.1% at the end of December 2017 to 97.4% above the legal requirement.
- The 12-month (rolling) weighted average interest rate on new loans and deposits fell by 47 basis points to 8.78% and 22 basis points to 1.64%, respectively, when compared to May 2017. As a result, the weighted average spread tightened by 25 basis points to 7.14% year-on-year.
- Export receipts fell by 23.4% to \$179.7mn, with declines across all major exports, except petroleum. On the other hand, gross imports (including electricity) rose by 1.0% to \$766.9mn with notable increases in spending on "*Machinery, Transport and Equipment*" (\$7.3mn), "*Fuels, Lubricants and Crude Materials*" (\$6.1mn) and goods for the "*Commercial Free Zone*" (\$5.9mn).
- Tourism remained the bright spot, as stay over arrivals rose by 12.9% to 202,674 visitors and cruise ship disembarkations grew by 6.0% to 500,190 visitors.
- The Consumer Price Index (CPI) was unchanged in May compared to April, but dipped by 0.1% on average relative to the first five months of 2017. The deflationary trend

mainly reflected price declines in the “*Food and Non-Alcoholic Beverages*”, “*Recreation and Culture*”, and “*Transport*” categories.

- Total public sector debt fell by 0.1% to \$3,536.6mn and stood at 92.0% of GDP. Central Government’s domestic debt contracted by 0.9% to \$1,016.8mn (26.4% of GDP), while the public sector external debt expanded by 0.3% to \$2,519.7mn (65.5% of GDP).

Money and Credit

- During the first five months of the year, broad money supply rose by 1.2%, due to the \$57.2mn expansion in the net foreign assets of the banking system, as net domestic credit contracted by \$36.0mn.
- The upturn in net foreign assets was due to a \$71.1mn increase in domestic banks' holdings to \$301.9mn over the five-month period, despite a \$9.8mn decline in May. The sustained growth in tourism earnings during the high season and the sale of seven banana farms to Fyffes in March underpinned the year-to-date expansion.
- In contrast, the Central Bank's net foreign assets increased by \$19.1mn in May, but declined by \$13.9mn to \$614.6mn over the year-to-date. Over the five-month period, foreign currency inflows almost halved to \$91.9mn due to marked reductions in loan disbursements, sugar receipts and a halt in the purchase of foreign cheques from domestic banks. Concurrently, outflows contracted by 17.4% to \$106.5mn with 85.5% of the latter sold to Government, mainly for debt servicing. As a result, the gross official international reserves dipped from the equivalent of 4.0 months of merchandise imports in December 2017 to 3.9 months at the end of May 2018.
- The decline in net domestic credit reflected reduced lending to Central Government and the private sector, since credit to other public sector entities rose. Net credit to Central Government fell by \$17.4mn, owing to a \$12.4mn increase in deposits with banks and a \$9.4mn reduction in its overdraft balance with the Central Bank to \$37.8mn – 44.3% of the

Chart 1.1: Net Foreign Assets and Net Domestic Credit of the Banking System

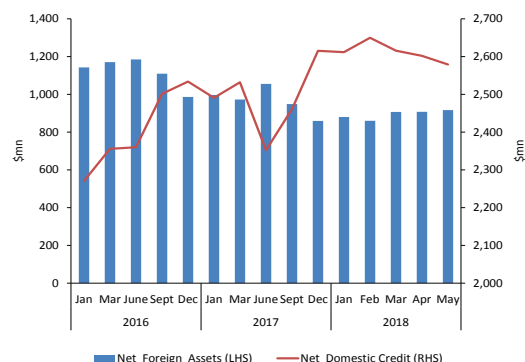
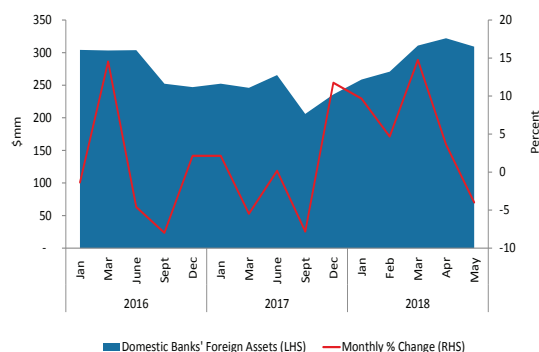


Table 1.1: Central Bank's Foreign Asset Flows

	\$mn	
	Jan - May 2017	Jan - May 2018
Total Inflows	177.6	91.9
Loan Disbursements	100.6	36.2
Sugar Receipts	36.1	30.7
Banks	23.9	0.3
Other	17.0	24.7
Total Outflows	128.9	106.5
Central Government	105.2	91.1
Banks	0.9	0.0
Other	22.8	15.4

Chart 1.2: Domestic Banks' Net Foreign Assets



statutory requirement. Domestic bank lending to other public sector entities rose by \$17.3mn largely due to borrowings by Belize Telemedia Limited to fund its network expansion.

- Notwithstanding a \$2.3mn uptick in May, lending to the private sector fell by \$35.8mn over the reporting period due to the payoff of bank loans with the proceeds from the March sale of banana farms to Fyffes (\$59.0mn) as well as net loan repayments on loans extended for personal purposes (\$7.1mn), real estate (\$5.0mn) and marine products (\$2.3mn). New disbursements were channelled mainly to manufacturing (\$38.5mn), particularly for agricultural processing. Write-offs amounted to \$10.7mn, down markedly from \$60.1mn in the same period of 2017.
- Net lending by the five largest credit unions fell by \$10.4mn, reflecting a steeper decline than the \$8.9mn recorded in the same period of 2017. The downturn in credit union lending reflected write-offs and repayments for personal purposes (\$11.5mn), grains (\$3.3mn), residential construction (\$3.8mn), and home improvement (\$3.7mn).
- The surge in foreign assets supported the \$31.4mn expansion in excess statutory liquid asset holdings of domestic banks to \$300.4mn, which stood at 48.3% above the required level. However, excess cash holdings fell by \$60.1mn to \$223.9mn (97.4% above the legal requirement), as domestic banks increased their Treasury bill holdings over the period.
- The 12-month (rolling) weighted average interest rate on new loans contracted by two basis points to 8.78% during the month and

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

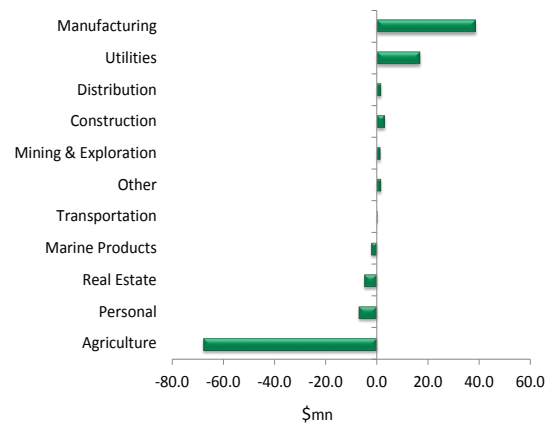


Chart 1.4: Change in Credit Union Lending Jan - May 2018

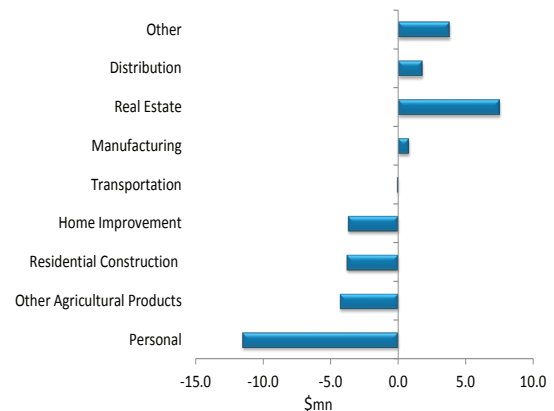
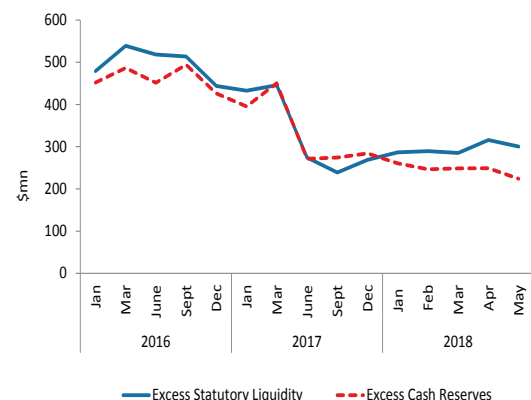


Chart 1.5: Excess Statutory Liquidity



by 47 basis points, when compared to May 2017. The latter reflected rate declines of 72 and 63 basis points on loans for commercial and personal purposes, respectively, which outweighed respective rate increases of 51 and six basis points on loans for residential construction and “other” purposes.

- The 12-month (rolling) weighted average interest rate on new deposits narrowed by five basis points to 1.64% in May and by 22 basis points relative to May 2017. Year-on-year rates declined across all major deposit categories, except for savings, which rose by 38 basis points. In contrast, the rates on savings/chequing deposits fell by 33 basis points, while rates on demand and time deposits fell by two basis points each. Consequently, the weighted average interest rate spread tightened by 25 basis points to 7.14%.

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

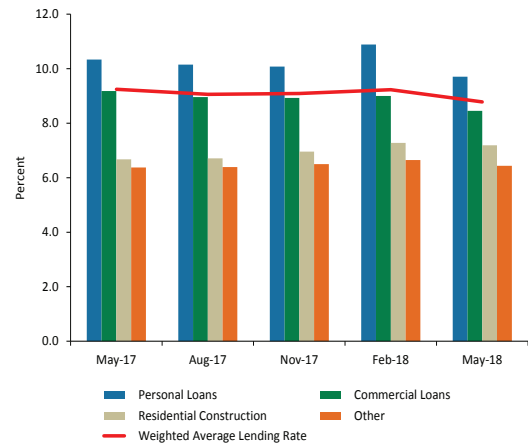
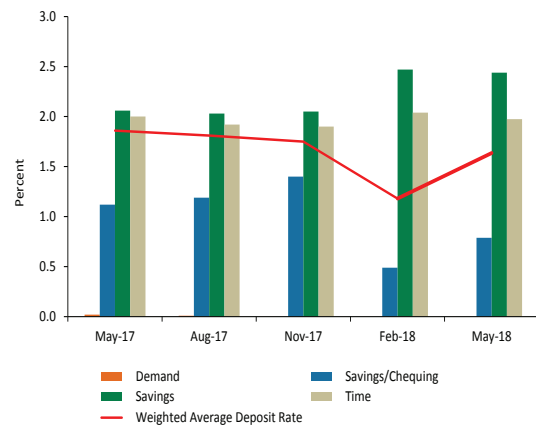


Chart 1.7: Domestic Banks' Weighted (Rolling) Average Interest Rates on Deposits



Real Sector Developments

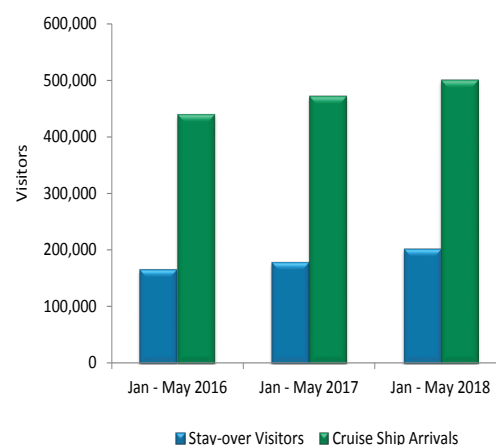
- Production of all major export commodities fell during the first five months of the year, except for sugar and conch.
- On a brighter note, stay-over tourist arrivals rose by 12.9% to 202,674 visitors for the year to date, buoyed by increased air capacity, sustained marketing efforts and economic growth in key source markets. In addition, cruise ship disembarkations grew by 6.0% to 500,190 visitors, as calls to the Belize City and Harvest Caye ports rose by 11 ships to 196.
- The Consumer Price Index was unchanged in May relative to April, but averaged a 0.1% decline over the first five months of 2018. The deflationary trend mainly reflected price reductions for fresh meats and select fruits and vegetables in “*Food and Non-Alcoholic Beverages*” (0.4%), cultural services in “*Recreation and Culture*” (2.1%) and airfares in “*Transport*” (1.6%). Price declines were partly offset by increased costs for house rent and liquefied petroleum gas (LPG) in “*Housing, Water, Electricity, Gas, and Other Fuels*” (0.5%), as well as price hikes of 5.4% and 2.2% in the “*Alcoholic Beverages and Tobacco*” and “*Health*” sub-indices, respectively.
- Export receipts contracted by 23.4% to \$179.7mn due to lower earnings from all major commodities, except for petroleum.
- Gross imports (including electricity) increased by 1.0% to \$766.9mn, as higher outlays on “*Machinery, Transport and Equipment*” (\$7.3mn), “*Fuels, Lubricants and Crude Materials*” (\$6.1mn) and goods for the “*Commercial Free Zone*” (\$5.9mn) and “*Export*

Table 2.1: Production of Main Domestic Exports

	Jan - May 2017	Jan - May 2018
Sugarcane Deliveries (long tons)	1,277,885	1,298,276
Sugar (long tons)	140,870	146,548
Molasses (long tons)	43,460	36,935
Bananas (metric tons)	37,296	30,555
Citrus Deliveries (boxes)	3,145,984	2,397,032
Citrus Juices ('000 ps)	18,451	13,647
Marine Exports ('000 lbs)	1,124	846
Petroleum (barrels)	160,968	131,990

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 - May 2017	Jan - May 2018
Sugar	94.8	54.9
Molasses	5.2	2.6
Citrus	28.9	28.0
Bananas	42.2	33.0
Petroleum	11.3	15.8
Marine Exports	12.9	11.4
Other Domestic Exports	39.2	34.0
Total	234.5	179.7

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

Processing Zones” (\$2.3mn) outweighed lower spending on *“Manufactured Goods and Other Manufactures”* (\$12.6mn), *“Oils, Fats and Chemicals”* (\$2.2mn) and *“Other Goods”* (\$0.7mn).

Sugarcane and Sugar

- Disrupted by excessive rainfall when harvesting began, sugarcane deliveries in the North dipped by 0.1% to 1,109,085 long tons for the crop year to date. In turn, sugar production was down by 0.8% to 124,646 long tons, as the adverse impact of a 1.8% decline in factory time efficiency outweighed a marginal 0.9% improvement in cane purity to 88.2%. Consequently, the cane-to-sugar ratio deteriorated by 0.9% to 8.83.
- Despite a rain-induced two-week delay to the scheduled start of the harvest, sugarcane deliveries in the West grew by 7.8% to 337,322 long tons. Sugar production expanded by 23.7% to 35,316 long tons, supported by a 17.2% improvement in factory time efficiency and 0.2% upturn in cane purity to 85.0%. As a result, the cane-to-sugar ratio improved by 13.0% to 9.54.
- When combined, sugarcane deliveries expanded by 1.6% to 1,446,407 long tons, while sugar production rose by 3.7% to 159,962 long tons. This resulted in a 2.0% improvement in the industry’s cane-to-sugar ratio to 9.0. Total molasses production fell by 13.4% to 40,449 long tons.
- For the first five months of the year, sugar export volume and value contracted by 25.0% to 82,579 long tons and 53.5% to \$54.9mn, compared to the same period of 2017. While

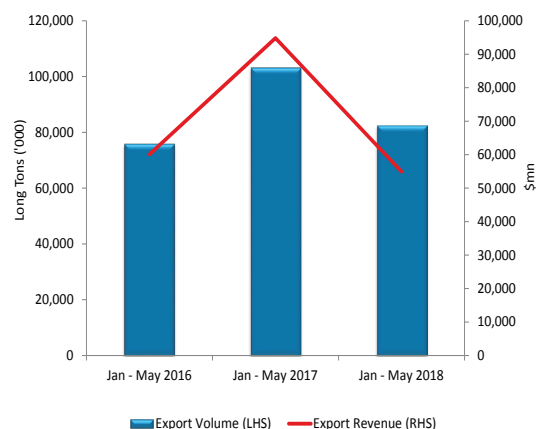
Table 2.3: Gross Imports by Standard International Trade Classification⁽¹⁾

	\$mn		
	Jan - May 2016	Jan - May 2017	Jan - May 2018
Food, Beverages and Tobacco	114.6	105.0	106.0
Fuels, Lubricants and Crude Materials	98.1	127.7	133.9
Of which: Electricity	10.3	20.0	14.5
Oils, Fats and Chemicals	75.3	76.6	74.4
Manufactured Goods and Other Manufactures	156.0	169.4	156.8
Machinery, Transport and Equipment	206.3	154.5	161.8
Other Goods	1.4	1.9	1.3
Export Processing Zones	24.7	16.6	18.9
Commercial Free Zone	110.4	107.8	113.8
Total	786.8	759.6	766.9

Source: SIB

⁽¹⁾ Imports are valued at cost, insurance and freight

Chart 2.2: Sugar Exports



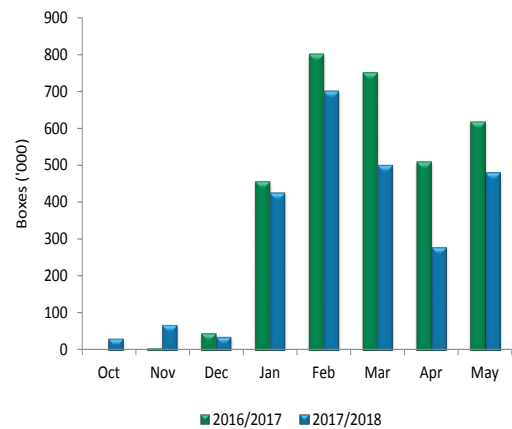
Sources: BSI and Santander Group

the marked reduction in export volume reflected a difference in shipping schedule, the plunge in earnings stemmed from a sizeable 28.1% reduction in the average unit price on the European Union (EU) market to US\$0.15 per pound. EU sugar prices fell in line with world market prices, following the abolition of the EU quota system in September 2017. Notwithstanding, the EU accounted for the majority of total export volume (98.4%), while the balance went to CARICOM (1,239 long tons) and Canada (59 long tons).

Citrus

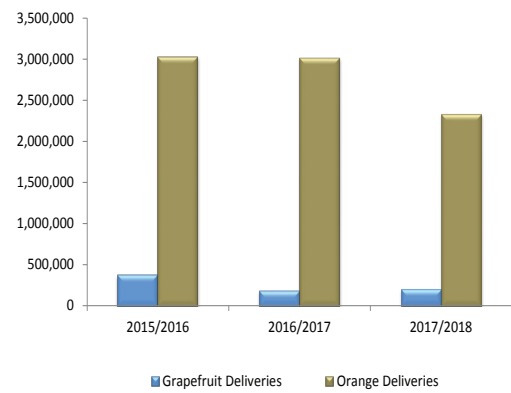
- In March, the industry lowered its 2017/2018 citrus production forecast by 17.0% to 2,748,031 boxes due to a revised estimate for orange deliveries. The decline was attributed to the devastating effects of heavy rains at the beginning of the harvest period, the resurgence of citrus leprosis and the intensification of citrus greening. When compared to the previous crop year, citrus deliveries are projected to fall by 20.9%, with orange and grapefruit deliveries down by 22.0% and 2.5%, respectively.
- For the crop year to date, citrus deliveries plummeted by 20.7% to 2.5mn boxes, as orange deliveries fell by 22.6% to 2.3mn boxes and grapefruit deliveries increased by 10.4% to 0.2mn boxes.
- Lower fruit deliveries and a 3.4% reduction in the average juice outturn per box of fruit caused citrus juice production to plunge by 23.4% to 14.3mn pound solids (ps). Orange juice production declined by 24.7% to 13.5mn ps, while grapefruit juice production rose by 8.4% to 0.8mn ps.

Chart 2.3: Monthly Citrus Deliveries



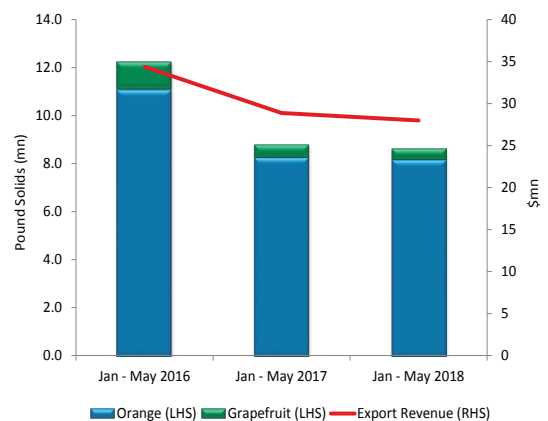
Source: CPBL

Chart 2.4: Citrus Deliveries for Crop Year to Date



Sources: CGA and CPBL

Chart 2.5: Citrus Juice Export Volume and Revenue



Source: CPBL

- The export volume of citrus juices edged down by 1.8% to 8.7mn ps for the first five months of the year. Receipts fell by 3.1% to \$28.0mn, reflecting an 11.6% reduction in the average unit price for orange concentrate on the US market due to a temporary glut from a bumper 2016/2017 Brazilian citrus crop.

Banana

- Banana exports contracted by 18.1% to 30,555 metric tons, as heavy rainfall in late 2017 and early 2018 slowed production. With a 4.3% reduction in the average unit price, export receipts fell by a steeper margin of 21.6% to \$33.0mn.

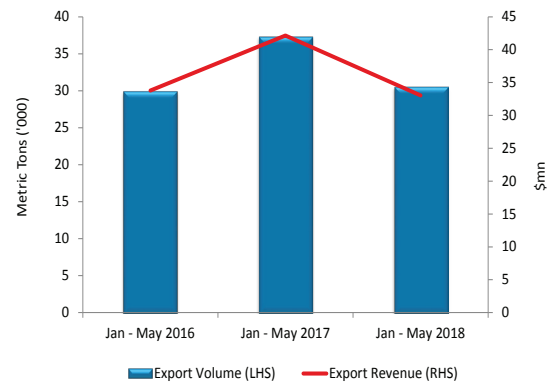
Petroleum

- Crude oil extraction fell by 18.0% to 131,990 barrels for the year to date, with the average daily extraction rate down by 192 barrels to 874 barrels per day, relative to the same period of 2017. Output from the Spanish Lookout oilfield contracted by 18.7% to 130,317 barrels, while output from the Never Delay oilfield more than doubled to 1,673 barrels.
- Although the export volume of petroleum dipped by 0.6% to 133,048 barrels, earnings rose by 39.9% to \$15.8mn on account of a rally in the average price per barrel from US\$42.16 to US\$59.32 over the reporting period.

Marine Exports

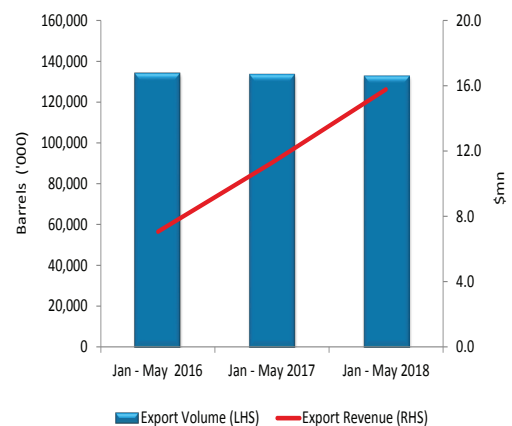
- Lower outturns of lobster, shrimp and other fish precipitated a 24.8% decline in marine export volume to 0.8mn pounds, as conch sales rose by 6.5%. While lobster and farmed fish production were hampered by adverse weather earlier in the year, continuing difficulties in controlling the Early Mortality Syndrome led

Chart 2.6: Banana Exports



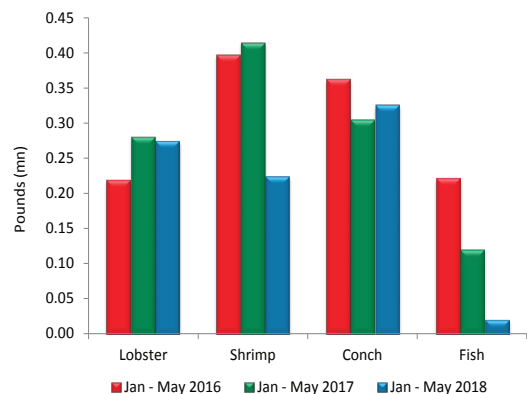
Source: BGA

Chart 2.7: Petroleum Exports



Source: Geology and Petroleum Department

Chart 2.8: Marine Export Volumes



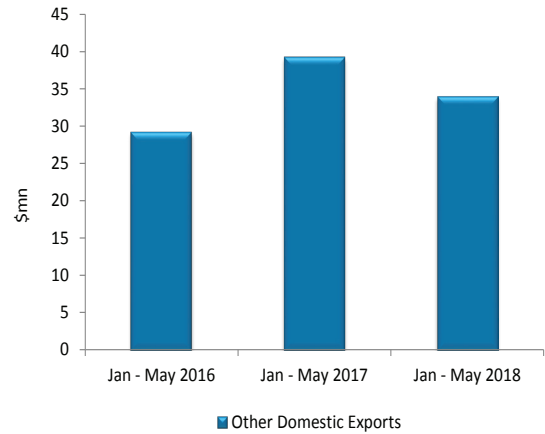
Sources: SIB and CBB

to a 46.0% reduction in the export volume of farmed shrimp. Receipts fell by 12.0% to \$11.4mn, tempered by favourable price improvements for lobster and conch.

Other Domestic Products

- Receipts from other domestic products contracted by 13.4% to \$34.0mn, as decreases in earnings from orange oil (\$3.9mn), black-eyed peas (\$2.4mn), animal feed (\$1.0mn), pulp cells (\$0.3mn) and papaya (\$0.3mn) outweighed increases from other miscellaneous products (\$1.2mn), grapefruit oil (\$0.8mn), pepper sauce (\$0.3mn) and red kidney beans (\$0.2mn).

Chart 2.9: Other Domestic Exports



Source: SIB

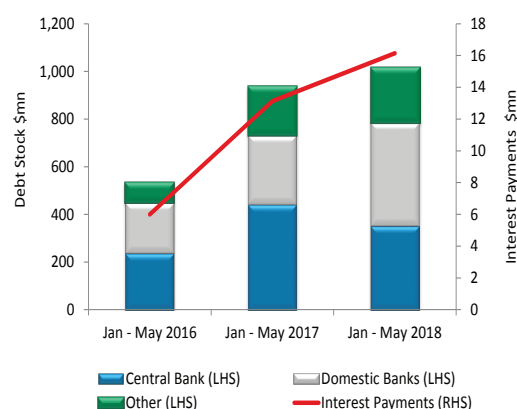
Central Government Operations

Information on Central Government's operations after January 2018 has not yet been made available.

Central Government Domestic Debt

- During the first five months of 2018, Central Government's domestic debt fell by 0.9% to \$1,016.8mn. The \$9.7mn decline reflected a \$9.4mn contraction in Central Government's overdraft balance with the Central Bank and amortization payments of \$0.5mn on several small loans. These were slightly offset by a \$0.2mn credit facility for dredging services by the Fort Street Tourism Village.
- Interest payments summed to \$16.1mn. The Central Bank received \$6.6mn, including \$2.2mn on short-term credit provided by way of the overdraft and Treasury bills, and \$4.4mn on longer-term Treasury notes. Domestic banks and non-bank entities were paid \$4.0mn and \$5.5mn, respectively, on their holdings of government securities.
- In securities trading, domestic banks purchased \$43.9mn in Treasury bills from the Central Bank and \$0.8mn from non-bank entities. In addition, non-bank entities sold \$1.7mn worth of Treasury notes to the Central Bank. On the primary market, the Central Bank acquired \$16.0mn in one-year Treasury notes, which replaced an equivalent amount of one-year Floating Rate Treasury Notes that matured in May.
- At the end of May, domestic banks held the largest share of Central Government's domestic debt, as it rose from 39.0% at the end of 2017 to 42.3%. Concurrently, the portions held by the Central Bank and non-bank entities

Chart 3.1: Central Government Domestic Debt



shrank from 37.8% to 34.7% and from 23.2% to 23.0%, respectively.

Public Sector External Debt

- During the first five months of the year, the public sector's external debt rose by 0.3% (\$7.8mn) to \$2,519.7mn, as disbursements of \$42.9mn outweighed principal payments of \$34.5mn and downward valuation adjustments of \$0.6mn. The latter was due to the appreciation of the US dollar against the SDR, the Kuwait dinar and the Euro.
- New borrowings from bilateral and multilateral sources amounted to \$29.5mn and \$13.4mn, respectively. Disbursements from bilateral creditors included \$9.5mn from the Government of Venezuela under the Venezuelan Petrocaribe Agreement initiative and \$20.0mn from the Republic of China (ROC)/Taiwan for budget support. In the case of multilateral lenders, the Caribbean Development Bank (CDB) disbursed \$10.0mn to Central Government, principally for the rehabilitation of the Philip S.W. Goldson Highway and funding of Social Investment Fund programmes, while the International Bank for Reconstruction and Development issued \$2.6mn for the municipal development project.
- Central Government amortized \$32.6mn, of which \$22.5mn was paid to multilateral creditors and \$10.1mn went to the ROC/Taiwan. Meanwhile, loan repayments by the non-financial and financial public sector amounted to \$1.5mn and \$0.5mn, respectively.
- Interest and other payments summed to \$39.7mn. Of this amount, \$26.0mn was paid on the 2034 bond in February.

Chart 3.2: External Debt Service

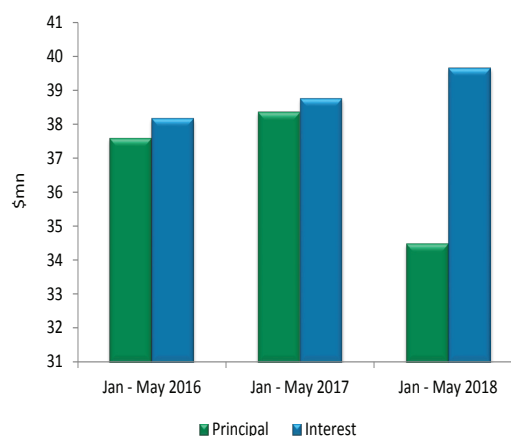
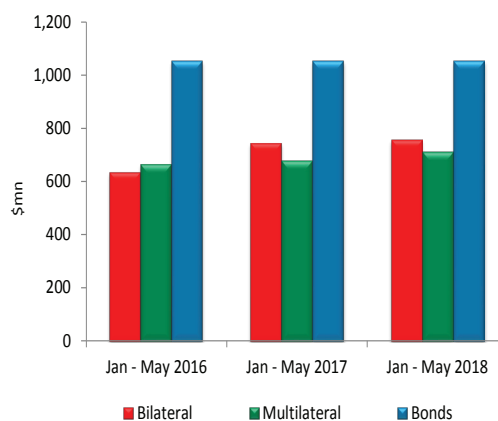


Chart 3.3: Public Sector External Debt



Statistical Appendix

Table A.1: Factors Responsible for Money Supply Movements⁽¹⁾

		\$mn		
		Changes During		
	Position as at May 2018	Apr 2018 to May 2018	Dec 2017 to May 2018	Dec 2016 to May 2017
Net Foreign Assets	916.5	9.3	57.2	72.1
Central Bank	614.6	19.1	-13.9	51.7
Domestic Banks	301.9	-9.8	71.1	20.4
Net Domestic Credit	2,579.2	-22.9	-36.0	156.8
Central Government (Net)	573.5	-28.2	-17.5	-125.7
Other Public Sector	24.0	3.0	17.3	-3.6
Private Sector	1,981.7	2.3	-35.8	-27.6
Central Bank Foreign Liabilities (Long-term)	50.7	-0.8	-0.3	1.4
Other Items (Net)	471.8	0.5	-13.3	-26.2
Money Supply (M2)	2,973.2	-13.3	34.8	-59.9

⁽¹⁾ 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		
		Changes During		
	Position as at May 2018	Apr 2018 to May 2018	Dec 2017 to May 2018	Dec 2016 to May 2017
Net Foreign Assets of the Banking System	916.5	9.3	57.2	72.1
Net Foreign Assets of the Central Bank	614.6	19.1	-13.9	51.7
Central Bank Foreign Assets	616.2	16.6	-14.1	48.9
Central Bank Foreign Liabilities (Demand)	1.6	-2.5	-0.2	-2.8
Net Foreign Assets of Domestic Banks	301.9	-9.8	71.1	20.4
Domestic Banks' Foreign Assets	309.2	-12.9	73.3	13.4
Domestic Banks' Foreign Liabilities (Short-Term)	7.3	-3.1	2.2	-7.0

Table A.3: Net Domestic Credit

		\$mn		
		Changes During		
	Position as at May 2018	Apr 2018 to May 2018	Dec 2017 to May 2018	Dec 2016 to May 2017
Total Credit to Central Government	692.7	-8.8	-5.0	127.9
From Central Bank	352.5	-50.7	-35.6	70.3
Loans and Advances	37.8	-11.1	-9.4	1.7
Government Securities ⁽¹⁾	314.7	-39.6	-26.2	68.6
From Domestic Banks	340.2	41.9	30.6	57.6
Loans and Advances	1.6	0.0	0.4	-1.5
Government Securities	338.6	41.9	30.2	59.1
Of which: Treasury bills ⁽²⁾	181.4	56.9	44.7	-35.0
Treasury notes	157.2	-15.0	-14.5	94.1
Other	0.0	0.0	0.0	0.0
Less Central Government Deposits	119.3	19.3	12.4	253.6
With Central Bank	95.8	22.3	7.6	241.4
With Domestic Banks	23.5	-3.0	4.8	12.2
Net Credit to Central Government	573.5	-28.2	-17.5	-125.7
Credit to Other Public Sector	24.0	3.0	17.3	-3.5
From Central Bank	0.0	0.0	0.0	0.0
From Domestic Banks	24.0	3.0	17.3	-3.5
Of which: Local Government	1.6	-3.0	-0.2	-0.3
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	17.1	5.5	16.6	-1.1
Other Statutory Bodies	2.7	0.5	0.9	-2.1
Securities	2.6	0.0	0.0	0.0
Plus Credit to the Private Sector	1,981.7	2.3	-35.8	-27.6
Loans and Advances	1,981.3	2.3	-35.8	-27.6
Securities	0.4	0.0	0.0	0.0
Net Domestic Credit of the Banking System ⁽³⁾	2,579.1	-22.8	-35.9	-156.8

⁽¹⁾ Includes 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.

⁽³⁾ 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 May 2018	Apr 2018 to May 2018	Dec 2017 to May 2018	Dec 2016 to May 2017
PRIMARY SECTOR	208.8	-4.1	-68.5	16.7
Agriculture	172.7	-3.7	-67.7	33.8
Sugar	85.2	-1.6	-2.4	17.2
Citrus	14.6	0.2	-0.1	-2.3
Bananas	22.3	-1.1	-59.0	14.5
Other	50.6	-1.2	-6.2	4.4
Marine Products	31.3	-0.6	-2.3	-3.1
Forestry	0.7	0.0	0.2	-0.2
Mining and Exploration	4.1	0.2	1.3	-13.8
SECONDARY SECTOR	678.0	6.0	58.4	-20.4
Manufacturing	73.3	1.9	38.5	-1.1
Building and Construction	574.4	1.5	3.1	-19.4
Utilities	30.3	2.6	16.8	0.1
TERTIARY SECTOR	679.9	3.0	-0.9	-14.1
Transport	57.5	-0.4	0.2	-1.0
Tourism	118.0	1.9	1.8	-12.3
Distribution	159.9	-1.0	1.6	9.1
Real Estate	285.9	1.9	-5.0	-1.5
Professional Services	49.0	0.0	-1.1	-1.6
Other ⁽¹⁾	9.6	0.6	1.6	-6.8
PERSONAL LOANS	433.4	0.4	-7.1	-14.6
TOTAL	2,000.1	5.3	-18.1	-32.4

⁽¹⁾ Includes government services, financial institutions and entertainment.

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

	\$mn			
		Changes During		
	Position as at May 2018	Apr 2018 to May 2018	Dec 2017 to May 2018	Dec 2016 to Apr 2017
Holdings of Approved Liquid Assets	922.2	-12.1	53.3	-127.6
Notes and Coins	87.7	2.4	12.2	2.7
Balances with Central Bank	453.0	-23.8	-54.8	-96.8
Money at Call and Foreign Balances (due 90 days)	206.5	-12.4	113.2	-8.9
Central Government Securities maturing within 90 days ⁽¹⁾	160.7	12.3	1.8	-29.0
Other Approved Assets	14.3	9.4	-19.1	4.4
Required Liquid Assets	621.8	3.2	21.9	9.5
Excess/(Deficiency) Liquid Assets	300.4	-15.3	31.4	-137.1
Daily Average Holdings of Cash Reserves	453.7	-24.0	-52.0	-96.2
Required Cash Reserves	229.8	1.2	8.1	3.5
Excess/(Deficiency) Cash Reserves	223.9	-25.2	-60.1	-99.7
Actual Securities Balances ⁽²⁾	181.7	67.1	45.0	-35.0
Excess/(Deficiency) Securities	181.7	67.1	45.0	-35.0

⁽¹⁾ Four week average of domestic banks' Treasury bill holdings.

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

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

	Percent			
		Changes During		
	Position as at May 2018	Apr 2018 to May 2018	Dec 2017 to May 2018	Dec 2016 to May 2017
Weighted Lending Rates				
Personal Loans	10.84	-0.09	-0.47	-0.11
Commercial Loans	9.04	-0.02	-0.08	-0.19
Residential Construction	7.11	0.04	-0.06	-0.26
Other	6.82	0.29	0.09	-0.34
Weighted Average	9.23	0.03	-0.11	-0.18
Weighted Deposit Rates				
Demand	0.01	0.00	0.00	0.00
Savings/Chequing	0.49	0.01	0.00	-0.28
Savings	2.70	0.21	0.20	-0.02
Time	2.01	0.04	-0.07	-0.06
Weighted Average	1.23	0.07	0.02	-0.05
Weighted Average Spread	8.00	-0.04	-0.13	-0.13

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
	May 2018	Apr 2018	May 2017	May 2018 over Apr 2018	May 2018 over May 2017
Weighted Lending Rates					
Personal Loans	9.71	9.81	10.34	-0.10	-0.63
Commercial Loans	8.46	8.36	9.18	0.09	-0.72
Residential Construction	7.19	7.19	6.67	-0.01	0.51
Other	6.44	6.45	6.38	-0.02	0.06
Weighted Average	8.78	8.80	9.24	-0.02	-0.47
Weighted Deposit Rates					
Demand	0.00	0.00	0.02	0.00	-0.02
Savings/Chequing	0.79	0.93	1.12	-0.14	-0.33
Savings	2.44	2.35	2.06	0.09	0.38
Time	1.97	2.00	2.00	-0.03	-0.02
Weighted Average	1.64	1.69	1.86	-0.05	-0.22
Weighted Average Spread	7.14	7.12	7.39	0.02	-0.25

Table A.8: Tourist Arrivals

	Jan - May 2017	Jan - May 2018
Air	148,743	168,796
Land	27,078	31,682
Sea	3,650	2,196
Stay-over Visitors	179,471	202,674
Cruise Ship Disembarkations	471,788	500,190

Sources: BTB and CBB

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

Major Commodity	Weights	April 2018	May 2018	% Change	
				May 2018 over Apr 2018	YTD 2018 over YTD 2017
Food and Non-Alcoholic Beverages	195	104.9	104.5	-0.4	-0.4
Alcoholic Beverages and Tobacco	17	107.3	106.7	-0.6	5.4
Clothing and Footwear	83	97.8	97.6	-0.2	-0.2
Housing, Water, Electricity, Gas, and Other Fuels	265	104.1	103.9	-0.2	0.5
Furnishing, Household Equipment, and Routine Household Maintenance	69	101.5	101.4	-0.1	0.3
Health	41	116.2	117.2	0.9	2.2
Transport	136	109.1	110.1	0.9	-1.6
Communication	33	101.7	101.0	-0.7	0.5
Recreation and Culture	69	104.1	104.3	0.2	-2.1
Education	32	102.7	103.3	0.6	-0.6
Restaurants and Hotels	7	114.6	120.1	4.8	-0.7
Miscellaneous Goods and Services	52	104.3	104.2	-0.1	0.8
All Items	1,000	104.7	104.7	0.0	-0.1

Source: SIB

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

	May 2017	May 2018	Dec - May 2016/2017	Dec - May 2017/2018
Deliveries of Sugarcane (long tons)	304,196	334,050	1,423,224	1,446,407
Sugar Processed (long tons)	30,999	39,996	154,211	159,962
Molasses Processed (long tons)	11,950	10,956	46,691	40,449
Performance				
Factory Time Efficiency (%)	95.9	93.4	96.4	91.2
Cane Purity (%)	86.5	87.1	86.8	87.5
Cane/Sugar	9.8	8.4	9.2	9.0

Source: BSI and Santander Group

Table A.11: Exports of Sugar and Molasses

	May 2017		May 2018		Jan - May 2017		Jan - May 2018	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
Sugar	40,874	37,662	30,635	17,494	103,297	94,832	82,579	54,940
E.U.	40,849	37,631	30,561	17,411	102,700	94,092	81,281	53,550
USA	0	0	0	0	0	0	0	0
Caricom	25	32	74	84	575	705	1,239	1,327
Other	0	0	0	0	22	34	59	63
Molasses	14,992	3,089	4,429	693	24,960	5,203	16,507	2,629

Sources: BSI and Santander Group

Table A.12: Citrus Deliveries and Production

	May 2017	May 2018	Oct - May 2016/2017	Oct - May 2017/2018
Deliveries (boxes)				
Orange	617,984	482,873	3,014,054	2,333,540
Grapefruit	1,742	0	186,106	205,475
Total	619,726	482,873	3,200,160	2,539,015
Concentrate Produced (ps)				
Orange	3,486,532	2,560,491	17,697,159	13,222,258
Grapefruit	6,175	0	730,703	778,838
Total	3,492,708	2,560,491	18,427,862	14,001,096
Not from concentrate (ps)				
Orange	0	133,272	225,567	268,242
Grapefruit	0	0	20,460	35,637
Total	0	133,272	246,027	303,879
Pulp (pounds)				
Orange	560,528	374,816	2,293,840	1,472,976
Grapefruit	0	0	5,936	103,880
Total	560,528	374,816	2,299,776	1,576,856
Oil Produced (pounds)				
Orange	251,200	164,000	1,174,000	762,000
Grapefruit	300	0	31,100	22,600
Total	251,500	164,000	1,205,100	784,600

Source: CPBL

Table A.13: Export Sales of Citrus Products

	May-2017		May-2018		Jan - May 2017		Jan - May 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	1,632	4,234	1,262	3,449	4,714	14,509	4,376	11,903
Grapefruit	0	0	0	0	0	0	0	0
Caribbean								
Orange	911	3,431	548	2,053	2,714	9,979	3,038	11,332
Grapefruit	70	263	66	345	171	639	140	740
Europe								
Orange	424	1,186	250	768	845	2,314	697	2,179
Grapefruit	89	320	0	0	336	1,201	199	799
Other								
Orange	0	0	34	112	0	0	68	225
Grapefruit	30	110	0	0	30	110	132	714
Sub-Total ⁽¹⁾	3,156	9,543	2,159	6,727	8,810	28,753	8,651	27,891
Orange	2,967	8,851	2,094	6,382	8,273	26,802	8,180	25,639
Grapefruit	189	693	66	345	538	1,951	472	2,253
Not-From-Concentrate								
Sub-Total	6	33	0	0	25	133	20	106
Orange	5	26	0	0	20	108	17	87
Grapefruit	1	7	0	0	4	25	3	19
Total Citrus Juices	3,162	9,576	2,159	6,727	8,835	28,886	8,672	27,997
Pulp (pounds '000)								
Total ⁽¹⁾	46	40	33	28	346	274	1,189	904
Orange	46	40	5	7	346	274	1,108	841
Grapefruit	0	0	28	22	0	0	81	62

Source: CPBL

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

Table A.14: Banana Exports

	May 2017	May 2018	Jan - May 2017	Jan - May 2018
Volume (metric tons)	7,060	6,374	37,296	30,555
Value (\$'000)	7,708	6,758	42,156	33,047

Source: BGA

Table A.15: Marine Exports

	Jan - May 2017		Jan - May 2018	
	Volume ('000 pounds)	Value (\$'000)	Volume ('000 pounds)	Value (\$'000)
Lobster	281	4,938	275	5,994
Shrimp	415	4,227	224	912
Conch	306	3,647	326	4,446
Other Fish	121	129	21	43
Total	1,124	12,942	846	11,394

Source: SIB

Table A.16: Other Domestic Exports

	Jan - May 2017	Jan - May 2018
Other Domestic Exports (\$'000)	39,221	33,958
<i>Of which:</i>		
Pepper Sauce	1,607	1,939
Red Kidney Beans	3,739	3,949
Orange Oil	8,495	4,582
Grapefruit Oil	636	1,403
Animal Feed	8,718	7,742

Source: SIB

Table A.17: Petroleum Production and Exports

	May 2017	May 2018	Jan - May 2017	Jan - May 2018
Crude Oil Production				
Never Delay (Barrels)	187	253	661	1,673
Spanish Lookout (Barrels)	31,758	26,006	160,307	130,317
Crude Oil Export				
Volume (Barrels)	0	65,973	133,866	133,048
Value (\$'000)	0	8,167	11,286	15,784

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 ^P	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%
CURRENT BALANCE	103,700	3,482	(738)	58,351	48,441	46.7%
PRIMARY BALANCE	115,722	4,045	829	(3,745)	33,684	29.1%
OVERALL BALANCE	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%
FINANCING	(6,667)	5,664	7,783	75,189	44,622	
Domestic Financing		(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	
Financing Abroad		(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 ⁽¹⁾		12,055	2,173	20,171	(84,931)	

Sources: CBB and MOF

^P - Provisional⁽¹⁾ 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 ^R	TRANSACTIONS THROUGH MAY 2018				Disbursed Outstanding Debt 31/05/18 ^P
		Disbursement/ New Issue of Securities	Amortization/ Reduction in Securities	Interest	Net Change in Overdraft/ Securities	
Overdraft/Loans	47,235	0	0	1,682	(9,443)	37,793
Central Bank	47,235	0	0	1,682	(9,443)	37,793
Domestic Banks	0	0	0	0	0	0
Treasury Bills	245,000	0	0	1,442	0	245,000
Central Bank	106,823	0	0	533	(43,965)	62,858
Domestic Banks	136,700	0	0	901	44,745	181,445
Other	1,477	0	0	8	(780)	697
Treasury Notes	640,000	16,008	16,008	12,940	0	640,000
Central Bank	234,100	16,008	8	4,421	1,756	251,856
Domestic Banks	171,771	0	15,000	3,082	460	157,231
Other	234,129	0	1,000	5,438	(2,216)	230,913
Belize Bank Limited ⁽¹⁾	91,000	0	0	0	0	91,000
Heritage Bank Limited	1,020	0	318	37	0	702
Belize Social Security Board ⁽²⁾	311	0	23	12	0	288
Fort Street Tourism Village	0	215	54	0	0	161
Debt for Nature Swap	1,970	0	91	28	0	1,879
Total	1,026,537	16,223	16,494	16,142	(9,443)	1,016,823

^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⁽²⁾ 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 ^R	TRANSACTIONS THROUGH MAY 2018			Disbursed Outstanding Debt 31/05/18 ^P	
		Disbursements	Principal Payments	Interest & Other Payments		Parity Change
CENTRAL GOVERNMENT	2,415,444	42,580	32,552	38,866	-323	2,425,149
Government of Venezuela ⁽¹⁾	419,615	9,474	0	272	0	429,089
Kuwait Fund for Arab Economic Development	26,512	0	0	144	-70	26,442
Mega International Commercial Bank Company LTD.	50,000	0	0	1,010	0	50,000
Republic of China	241,601	20,000	10,059	2,685	0	251,541
Caribbean Development Bank	259,805	9,994	11,714	4,382	0	258,086
Caricom Development Fund	799	0	207	19	0	592
European Economic Community	8,442	0	185	10	-212	8,045
Inter-American Development Bank	228,478	215	7,764	2,935	0	220,929
International Fund for Agriculture Development	2,924	0	168	33	-41	2,715
International Bank for Reconstruction and Development	32,242	2,600	791	521	0	34,051
Opec Fund for International Development	70,574	297	1,485	790	0	69,386
Central American Bank for Economic Integration	21,447	0	179	68	0	21,269
Bank of New York	1,053,004	0	0	25,996	0	1,053,004
NON-FINANCIAL PUBLIC SECTOR	22,620	282	1,508	356	0	21,394
Caribbean Development Bank ⁽²⁾⁽³⁾	22,620	282	1,508	356	0	21,394
FINANCIAL PUBLIC SECTOR	73,905	0	450	444	-268	73,186
Caribbean Development Bank	22,845	0	431	444	0	22,413
European Economic Community	93	0	19	0	0	73
International Monetary Fund ⁽⁴⁾	50,968	0	0	0	-268	50,700
GRAND TOTAL	2,511,969	42,862	34,510	39,666	-590	2,519,729

^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 May 2018 amount to principal of \$10.8mn and interest of \$2.5mn.

⁽²⁾ Effective 21 June 2011, the nationalization of BEL caused an increase (\$23.1mn) in debt, which was matched by Government's acquisition of assets of equal value.

⁽³⁾ 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.

⁽⁴⁾ International Monetary Fund Special Drawing Rights allocation is included as part of the financial public sector external debt obligation.