



CENTRAL BANK

of BELIZE



MONTHLY ECONOMIC HIGHLIGHTS

OCTOBER 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 ton 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)

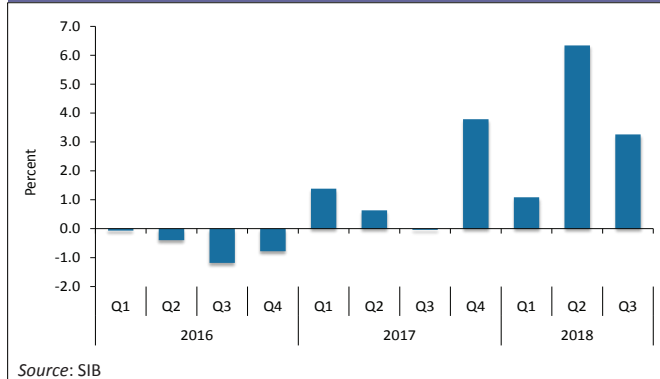


Chart II: Consumer Price Index (All Items)

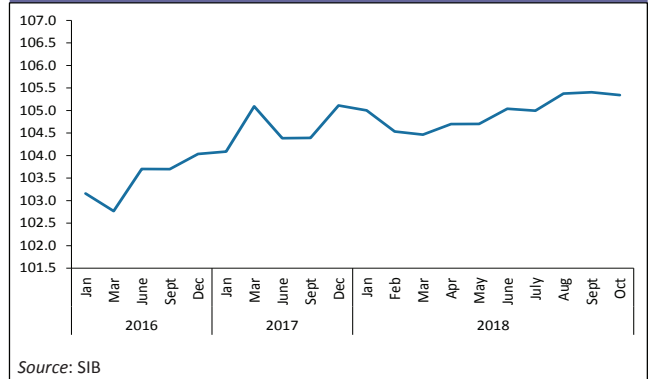


Chart III: Gross International Reserves and Import Cover

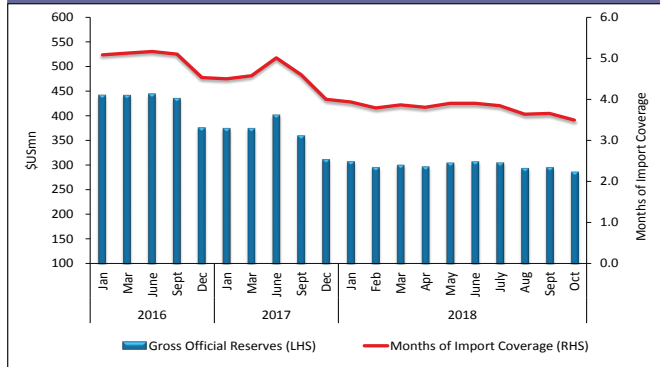


Chart IV: Current Account Balance to GDP

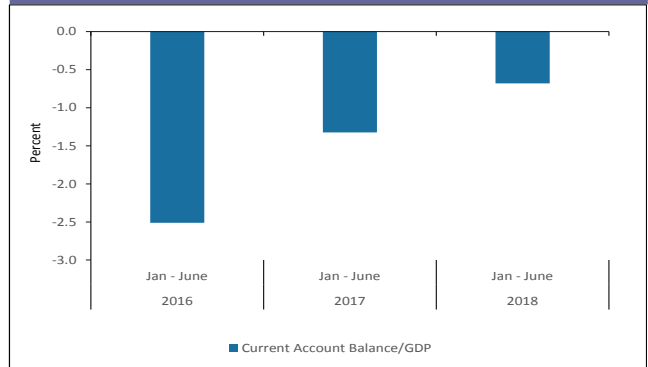


Chart V: Domestic Banks - Deposits and Loans and Advances

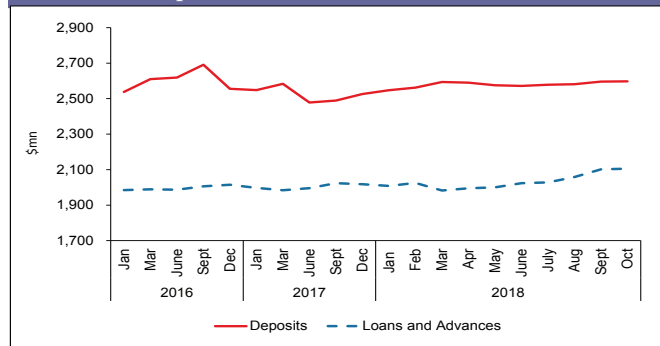


Chart VI: Primary and Overall Balances to GDP

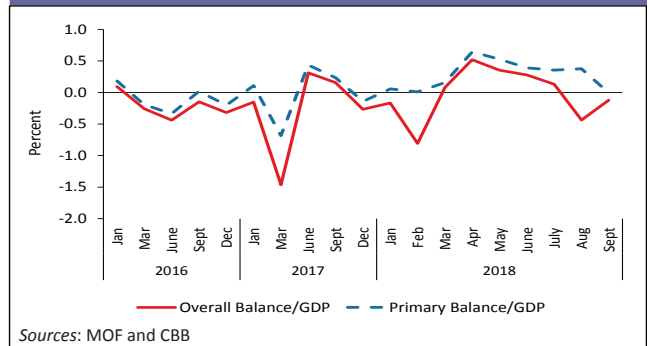


Chart VII: Public Sector External Debt

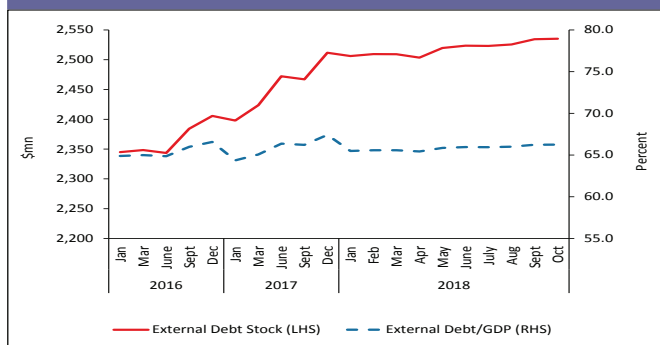
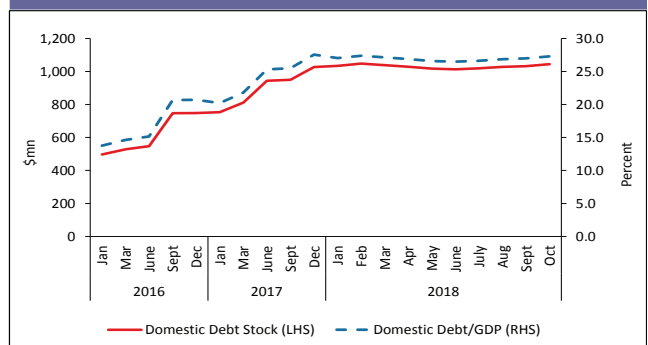


Chart VIII: Central Government Domestic Debt



Overview

- A 2.8% increase in net domestic credit pushed broad money supply (M2) up by 1.5% during the first ten months of 2018, as the net foreign asset of the banking system fell by 3.6%.
- The downturn in the net foreign assets over the year to date was due to a \$53.0mn decline in the Central Bank's holdings, as outflows of \$223.2mn exceeded inflows of \$170.4mn. On the other hand, domestic banks' net foreign assets fell by \$19.9mn in October, reducing the year-to-date expansion to \$21.8mn.
- Net domestic credit rose by \$4.8mn during the month, lifting the overall growth in net lending to \$74.5mn for the year to date. The latter was largely due to increases in net credit to the private sector (\$44.5mn) and other public sector entities (\$40.7mn), since bank lending to Central Government contracted by \$10.7mn.
- For the first ten months of the year, domestic banks' holdings of excess statutory liquidity decreased by \$35.0mn to \$233.9mn (37.6% above requirement), while their holdings of excess cash fell by \$91.3mn to \$192.9mn (83.8% above requirement).
- The 12-month (rolling) weighted average interest rate on new loans declined by 42 basis points to 8.66%, relative to October 2017, while the corresponding interest rate on new deposits fell by 27 basis points to 1.50%. Consequently, the 12-month weighted average interest rate spread tightened by 16 basis points to 7.16%.
- Merchandise exports declined by 15.5% to \$343.5mn due to lower receipts from all major commodities, except for petroleum and marine products. Meanwhile, gross imports (including electricity) grew by 6.5% to \$1,646.4mn, driven by marked increases in spending on goods in the "*Fuels, Lubricants and Crude Materials*", "*Machinery and Transport Equipment*" and "*Commercial Free Zone*" categories.
- Tourism activities remained robust, as stay-over arrivals expanded by 12.8% to 355,556 visitors and cruise ship disembarkations increased by 17.9% to 851,070 visitors.
- The Consumer Price Index (CPI) dipped by 0.1% in October but increased by an average of 0.3% during the first ten months of 2018, compared to the same period of 2017. The upward price momentum for the year to date was principally driven by increased costs for liquid petroleum gas, fuels and lubricants and medical services.

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- For the first ten months of 2018, Central Government's domestic debt expanded by 1.7% to \$1,043.8mn (27.3% of GDP), while the public sector's external debt rose by 0.9% to \$2,535.3mn (66.3% of GDP). Consequently, the total public sector debt-to-GDP ratio narrowed from 95.0% of GDP at December 2017 to 93.5% of GDP at the end of October.

Money and Credit

- Broad money supply increased by 1.5% during the first ten months of the year, driven by a 2.8% expansion in net domestic credit, as the net foreign assets of the banking system contracted by 3.6%.
- The reduction in net foreign assets in the banking system was attributable to a marked reduction in the Central Bank's holdings over the ten-month period, which fell by \$53.0mn to \$575.6mn after declining by \$16.3mn in October. Foreign currency inflows amounted to \$170.4mn, down by 41.4%, as foreign currency purchases from external loan proceeds and sugar export receipts declined by 43.9% and 25.8%, respectively, while inflows from domestic banks were minimal. Meanwhile, the decline in foreign currency outflows was disproportionate, contracting by 21.4% to \$223.2mn. The majority of outflows (88.1%) went to Central Government and was used mainly for external debt servicing. As a result, the gross official international reserves declined from 4.0 months of merchandise imports in December 2017 to 3.5 months at the end of October.
- In contrast, the net foreign assets of domestic banks fell by \$19.9mn in October but registered a \$21.8mn increase over the year to date. The former resulted from the pickup in import payments for the holidays, as inflows subsided due to the seasonal downturn in tourism.
- Net domestic credit rose by \$4.8mn during the month, raising the year-to-date expansion to \$74.5mn. The overall growth was due to increased lending to the private sector and government-owned entities, as net borrowing

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

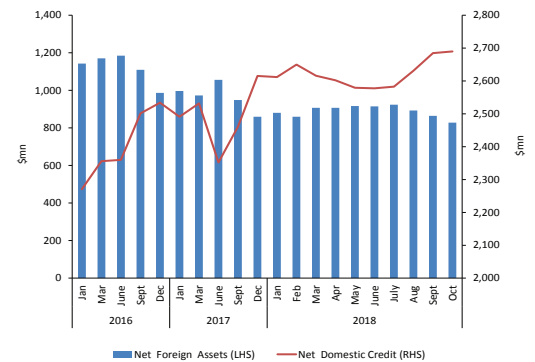
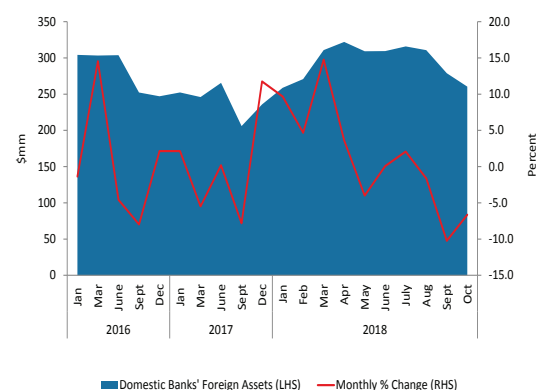


Table 1.1: Central Bank's Foreign Asset Flows

	\$mn	
	Jan - Oct 2017	Jan - Oct 2018
Total Inflows	290.6	170.4
Loan Disbursements	134.3	74.7
Sugar Receipts	71.0	44.0
Banks	24.3	0.8
Other	61.0	50.9
Total Outflows	284.0	223.2
Central Government	231.8	196.5
Banks	16.9	0.0
Other	35.2	26.6

Chart 1.2: Domestic Banks' Foreign Assets



by Central Government declined. For the first ten months of 2018, net credit to Central Government contracted by \$10.7mn, as the \$21.2mn rise in Government's deposits and the Central Bank's sale of \$9.6mn in securities to non-bank entities, outweighed a \$2.0mn increase in borrowing from domestic banks and an \$18.1mn expansion in Central Bank's overdraft balance. At the end of October, the latter had risen to \$65.4mn and stood at 76.7% of the statutory limit. However, increased domestic bank lending to Belize Telemedia Limited (BTL) to fund its national broadband project underpinned the \$40.7mn upsurge in net credit to other public sector entities.

- Growth in net loans and advances to the private sector inched up by \$1.3mn in October to \$44.5mn for the year to date. The expansion over the ten-month period reflected increased net loan disbursements for manufacturing (\$42.3mn), tourism (\$26.0mn), merchandise trade (\$24.6mn) and construction (\$18.4mn), which outweighed reductions in net lending for agricultural production (\$70.2mn), marine production (\$8.6mn) and personal purposes (\$7.3mn). Loan write-offs totalled \$38.6mn, down from \$68.5mn in the same period in 2017.
- Lending by the five largest credit unions expanded by \$3.1mn during the month, softening the year-to-date decline to \$6.9mn. The overall downturn was due to loan reductions for personal purposes (\$9.8mn), grain production (\$2.9mn) and residential construction (\$2.8mn), which outweighed net disbursements for land acquisition (\$4.8mn), commercial real estate (\$1.5mn) and home improvement (\$1.5mn). Loan write-offs by

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

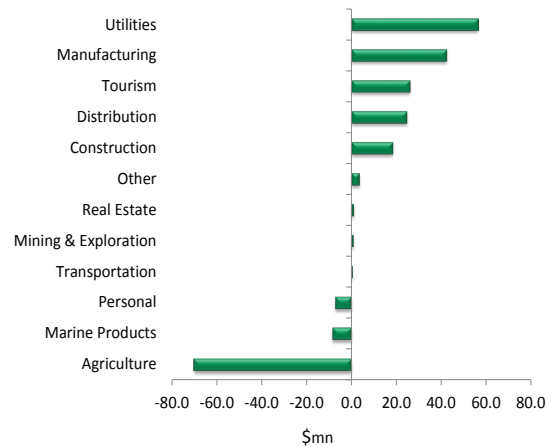


Chart 1.4: Loans for Top Five Credit Unions

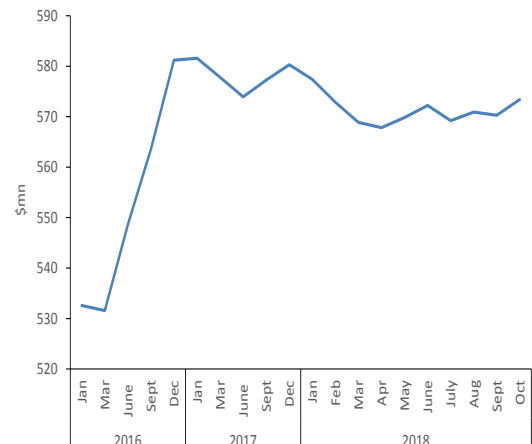
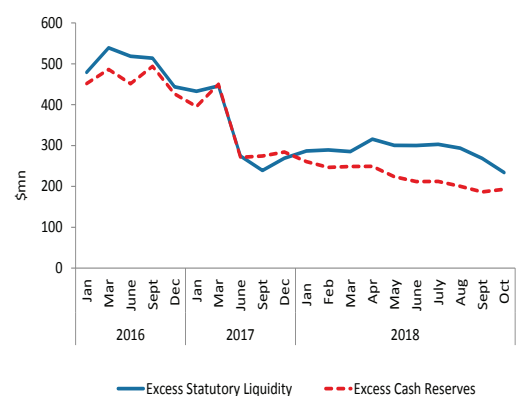


Chart 1.5: Excess Statutory Liquidity



these credit unions totalled \$6.0mn for the ten-month period, down from \$7.5mn in the corresponding period a year earlier.

- The excess liquid assets of domestic banks contracted by \$35.0mn during the first ten months of the year to \$233.9mn—37.6% above the statutory legal requirement. Concurrently, increased Treasury bill purchases by domestic banks on the secondary market earlier in the year partly caused aggregate excess cash reserves to decline by \$91.3mn to \$192.9mn, which was 83.8% above the required level.
- The 12-month (rolling) weighted average interest rate on new loans contracted by six basis points during the month and by 42 basis points relative to October 2017 to 8.66%. The latter resulted as rate declines of 16, 55 and eight basis points on loans for personal, commercial and miscellaneous purposes, respectively, easily outweighed an 18 basis points rate increase on residential construction loans.
- On the other hand, the 12-month (rolling) weighted average interest rate on new deposits remained unchanged at 1.50% during the month, but dipped by 27 basis points over the last 12 months to October 2017. The annualised downward trend reflected rate declines on time and savings/chequing deposits of two and 70 basis points, respectively, which more than compensated for the 45 basis points lift on savings deposits, as the change in demand deposit rates remained muted. Consequently, the 12-month weighted average interest rate spread narrowed by 16 basis points to 7.16%.

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

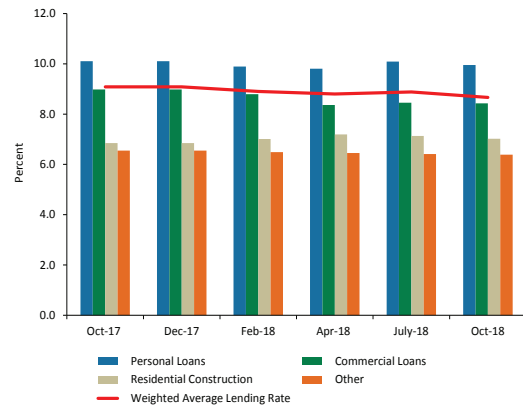
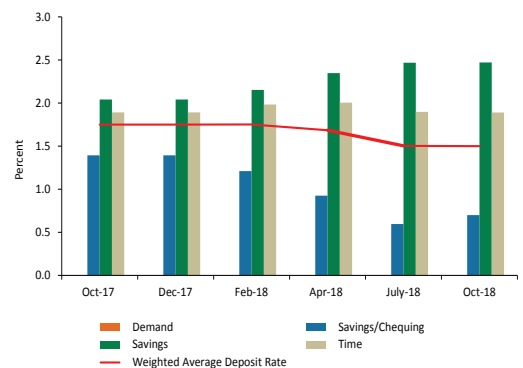


Chart 1.7: Domestic Banks' Weighted (Rolling) Average Interest Rates on Deposits



Real Sector Developments

- For the first ten months of 2018, the production of sugarcane, sugar and conch rose, while output of all other major agricultural, marine and crude oil commodities declined.
- Merchandise export receipts contracted by 15.5% to \$343.5mn, as increased earnings from petroleum and marine products were more than offset by lower receipts from all other major domestic exports.
- Gross imports (including electricity) rose by 6.5% to \$1,646.4mn, due to increases in all major categories of goods, except for “*Manufactured Goods and Other Manufactures*” (\$8.9mn) and “*Other Goods*” (\$0.1mn). The largest expansion was recorded in “*Fuels, Lubricants and Crude Materials*” (\$55.5mn), followed by “*Machinery and Transport Equipment*” (\$25.3mn) and “*Commercial Free Zone*” (\$15.4mn).
- Stay-over arrivals rose by 12.8% to 355,556 visitors for the year to date, supported by increased airlift capacity, sustained marketing efforts and economic growth in key source markets. Cruise ship disembarkations expanded by 17.9% to 851,070 visitors due to a 48-ship increase in calls to the Belize City and Harvest Caye ports.
- The Consumer Price Index (CPI) dipped by 0.1% in October, relative to September, but averaged a 0.3% increase for the first ten months of 2018, compared to the same period of 2017. The inflationary trend arose principally from higher costs of liquid petroleum gas, fuels and lubricants and outpatient medical services, which drove up the sub-indexes for

Table 2.1: Production of Main Domestic Exports

	Jan - Oct 2017	Jan - Oct 2018
Sugarcane Deliveries (long tons)	1,499,066	1,532,720
Sugar (long tons)	161,545	161,926
Molasses (long tons)	52,560	48,155
Banana (metric tons)	72,259	66,353
Citrus Deliveries (boxes)	3,332,773	2,496,901
Citrus Juices ('000 ps)	19,775	14,343
Marine Exports ('000 lbs)	2,379	2,289
Petroleum (barrels)	306,127	255,043

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

Table 2.2: Main Domestic Exports

	\$mn	
	Jan - Oct 2017	Jan - Oct 2018
Sugar	175.5	108.7
Molasses	9.0	6.6
Citrus	51.8	47.5
Banana	73.6	63.0
Petroleum	22.5	24.4
Marine Exports	31.7	31.9
Other Domestic Exports	70.1	61.4
Total	406.3	343.5

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

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

	\$mn		
	Jan - Oct 2016	Jan - Oct 2017	Jan - Oct 2018
Food, Beverages and Tobacco	219.0	207.9	216.1
Fuels, Lubricants and Crude Materials	202.2	251.6	307.1
Of which: Electricity	19.4	40.7	49.2
Oils, Fats and Chemicals	149.9	160.3	163.8
Manufactured Goods and Other Manufactures	343.2	339.3	330.4
Machinery and Transport Equipment	385.1	305.3	330.6
Other Goods	3.4	3.4	3.3
Export Processing Zones	40.0	31.4	33.3
Commercial Free Zone	246.0	246.3	261.6
Total	1,588.8	1,545.6	1,646.4

Source: SIB

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

“Housing, Water, Electricity, Gas, and Other Fuels”, “Transport” and “Health” by 0.7%, 0.5% and 3.2%, respectively. The upward pressure was dampened by declines in “Food and Non-Alcoholic Beverages”—which fell by 0.5% owing to lower prices for meat, coffee, tea and cocoa—as well as decreases in “Recreation and Culture” (0.5%) and “Clothing and Footwear” (0.2%).

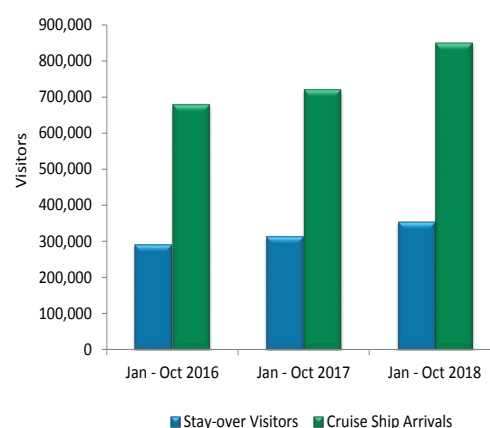
Sugarcane and Sugar

- There were no sugarcane deliveries or sugar production in October.
- For the year to date, sugar exports dipped by 1.1% to 155,778 long tons, while sugar receipts plunged by 26.3% to \$108.7mn. Earnings fell in tandem with the sharp price decline on the European Union (EU) market, following the abolition of the EU sugar production quota system in September 2017. The average unit price received on the EU market fell by 27.5% from an average of US\$0.20 per pound a year ago to US\$0.15 per pound. Majority of the sugar exported went to the EU (90.8%), while the remainder was shipped to the US (7.0%), CARICOM (2.2%) and Canada (0.1%).

Citrus

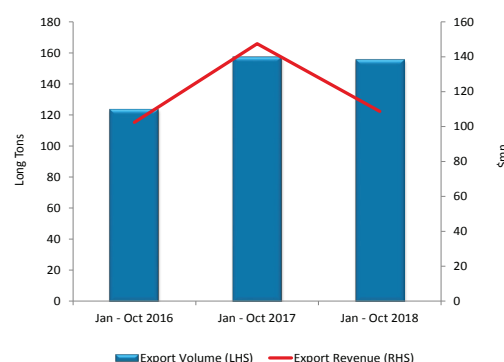
- There were no citrus deliveries or citrus juice production in October.
- Lower citrus juice production led to an 8.4% reduction in the export volume of citrus juices to 14.4mn pound solids (ps). Export earnings also fell by 8.4% to \$47.5mn, as a 9.8% reduction in the average unit price for orange concentrate sold to the US was offset by higher average unit prices for orange and grapefruit concentrate juices sold in other

Chart 2.1: Tourist Arrivals



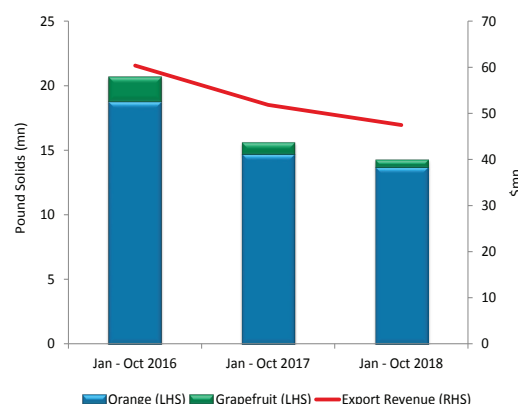
Sources: BTB and CBB

Chart 2.2: Sugar Exports



Sources: BSI and Santander Group

Chart 2.3: Citrus Juice Export Volume and Revenue



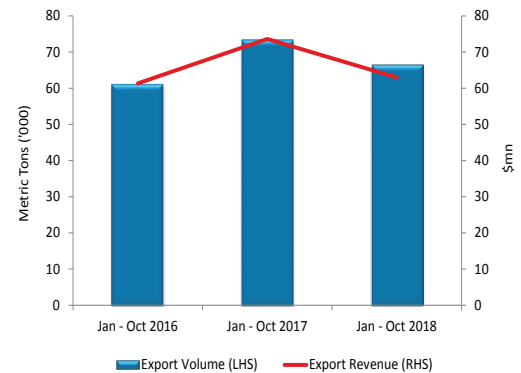
Sources: CPBL

markets. Orange concentrate juice prices were suppressed in the US due to increased supply from Brazil.

Banana

- Unfavourable weather earlier in the year contributed to a slowdown in banana exports, which contracted by 9.4% to 66,353 long tons over the first ten months of the year. Export earnings also contracted by 14.5% to \$63.0mn, owing to a 5.6% decline in average unit price.

Chart 2.4: Banana Exports

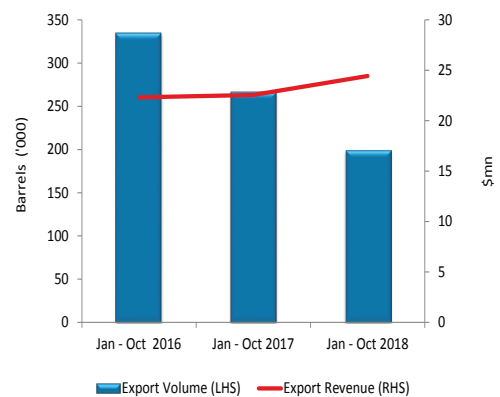


Source: BGA

Petroleum

- Crude oil production fell by 16.7% to 255,043 barrels for the year to date due to a 168 barrel decline in the average daily extraction rate to 839 barrels per day. Output at the Spanish Lookout oilfield contracted by 17.2% to 251,804 barrels, while field testing at the Never Delay oilfield produced an additional 3,239 barrels.
- Petroleum export volume contracted by 25.2% to 199,649 barrels with three shipments to date compared to four in the same period of 2017. However, a 45.0% rally in the average price per barrel from US\$42.21 to US\$61.19 contributed to an 8.4% increase in export receipts to \$24.4mn.

Chart 2.5: Petroleum Exports

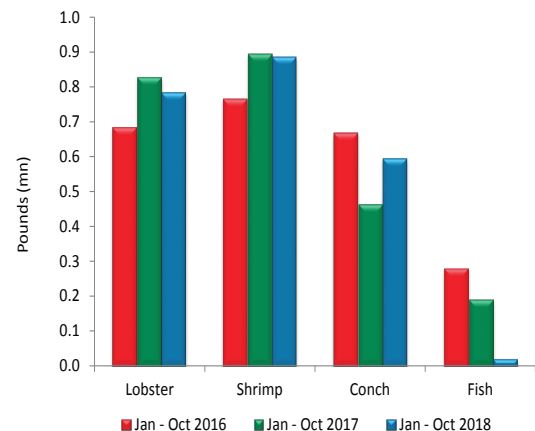


Source: Geology and Petroleum Department

Marine Exports

- Exports of marine products contracted by 3.8% to 2.3mn pounds for the year to date due to declines in sale volume of shrimp, fish and lobster, which outweighed a 28.4% increase in conch. Shrimp exports fell marginally by 0.9% to 0.8mn pounds, as farmed shrimp production continued to be adversely impacted by the early mortality syndrome. Lobster exports also declined, contracting by 5.3% to 0.8mn

Chart 2.6: Marine Export Volumes



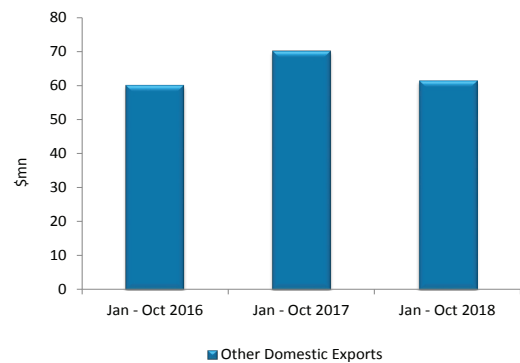
Sources: SIB and CBB

pounds. On the other hand, marine export receipts edged up by 0.5% to \$31.9mn, owing to an 11.1% and 16.2% increase in the average unit price for lobster and conch, respectively.

Other Domestic Products

- Receipts from other domestic products fell by 12.4% to \$61.4mn, as upticks in earnings from grapefruit oil (\$1.1mn), pepper sauce (\$0.9mn) and animal feed (\$0.2mn) were outweighed by sharper declines in the sale of orange oil (\$4.2mn), black-eyed peas (\$2.4mn) and sawn wood (\$2.4mn).

Chart 2.7: Other Domestic Exports



Source: SIB

Central Government Operations

Information on Central Government's operations after September 2018 is not available.

Central Government Domestic Debt

- Central Government's outstanding domestic debt increased by 1.7% (\$17.3mn) to \$1,043.8mn during the first ten months of 2018. The expansion in domestic financing reflected an \$18.2mn increase in Central Government's overdraft balance with the Central Bank, which eclipsed \$1.1mn in amortization payments on several small loans.
- Interest payments totalled \$27.3mn, of which the Central Bank received the largest share, comprising of \$3.6mn on short-term credit (by way of the overdraft and Treasury bills) and \$8.9mn on longer term government securities. Non-bank entities and domestic banks followed, receiving \$9.1mn and \$5.6mn, respectively, on their holdings of government securities.
- In securities trading, the Central Bank sold \$53.0mn worth of Treasury bills to domestic banks and non-bank entities, raising their respective holdings by \$50.7mn and \$2.2mn each. In addition, domestic banks surrendered \$4.6mn worth of Treasury notes, while Central Bank sold \$8.4mn in Treasury notes to non-bank entities. Over the review period, \$36.0mn in Treasury notes had matured, comprising \$16.0mn worth of one-year floating-rate notes in May and \$20.0mn worth of one-year, fixed-rate notes in September. These securities were all re-issued as one-year fixed-income securities and taken up by the Central Bank (\$25.8mn), a domestic bank (\$10.0mn) and an insurance company (\$0.2mn).

Chart 3.1: Distribution of Central Government's Domestic Debt

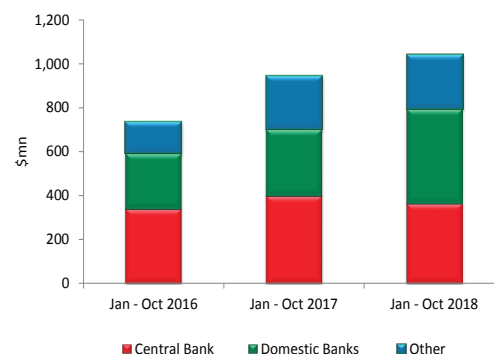


Chart 3.2: Distribution of Interest Payments on Central Government's Domestic Debt

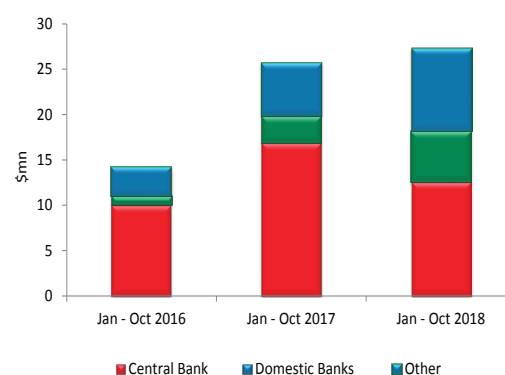
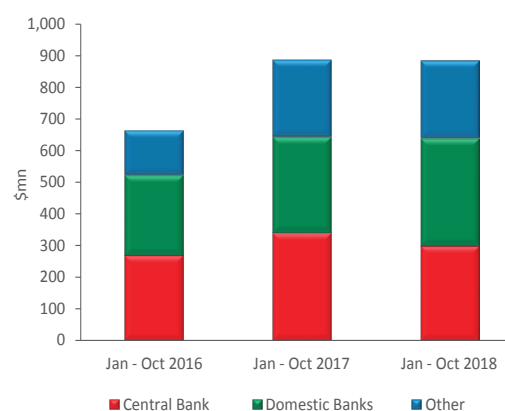


Chart 3.3: Distribution of Central Government's Domestic Securities



- Domestic banks remained the largest holder of Central Government's domestic debt to date, as their aggregate share rose from 39.0% at the end of 2017 to 41.3% at October-end. In turn, the Central Bank's portion narrowed from 37.8% to 35.0%, while non-bank entities' holdings rose marginally from 23.2% to 23.7%.

Public Sector External Debt

- The public sector's external debt increased by 0.9% (\$23.4mn) to \$2,535.3mn, as disbursements of \$98.5mn outweighed principal payments of \$72.8mn and downward valuation adjustments of \$2.3mn. The latter reflected the strengthening of the US dollar vis-à-vis the Euro, Kuwait Dinar and SDR.
- Central Government borrowed \$75.5mn, all of which were drawn from bilateral and multilateral sources. Bilateral creditors disbursed \$30.3mn, comprising \$20.6mn from the Republic of China/Taiwan for budget support and \$9.7mn from the Government of Venezuela under the Petrocaribe Agreement initiative. Multilaterals disbursed \$45.1mn, including \$21.6mn from the Caribbean Development Bank (CDB) for the upgrading of the Philip Goldson Highway, the Santa Elena/San Ignacio By-pass Project, the Education Sector Reform Project and the Social Investment Fund programme. In addition, the International Bank for Reconstruction and Development advanced \$4.2mn for the Climate Resilient Infrastructure Project, while the Inter-American Development Bank expended \$9.8mn for rehabilitation of the George Price Highway, the Solid Waste Management Project II and several other projects. Furthermore, the Central American Bank for Economic Integration disbursed \$6.9mn towards the Integral Security Programme.

Chart 3.4: Distribution of Public Sector External Debt

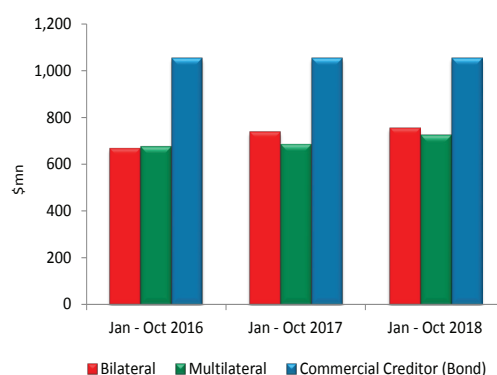


Chart 3.5: Disbursement of Central Government's External Debt

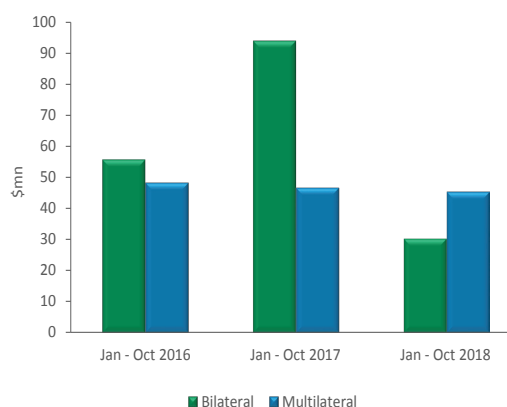
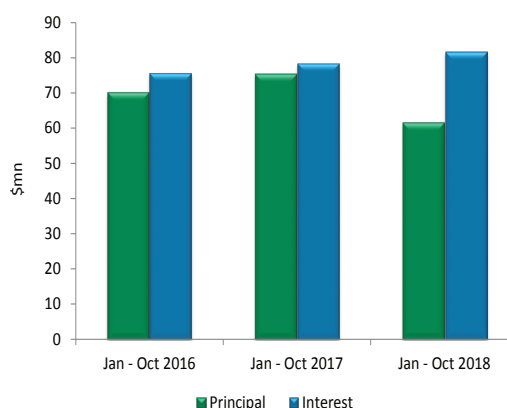


Chart 3.6: External Debt Service Payments



- The non-financial public sector received \$14.3mn, as the CDB disbursed \$0.5mn to Belize Electricity Limited, while Atlantic International Bank Limited and the International Cooperation & Development Fund loaned \$13.8mn combined to BTL for its national broadband project. As for the financial public sector, the Development Finance Corporation received \$8.7mn from the CDB.

- Central Government's amortization payments totalled \$68.8mn, of which \$44.7mn was paid to multilateral creditors, while \$23.1mn and \$1.0mn went to the Republic of China/Taiwan and the Government of Kuwait, respectively. Loan repayments by the non-financial and financial public sector were more modest at \$3.0mn and \$0.9mn, respectively.

- Interest and other payments totalled \$81.7mn. Of this amount, \$52.0mn (63.6%) went to the 2034 bondholders, while multilateral and bilateral institutions received \$20.5mn and \$9.2mn, respectively.

Chart 3.7: Principal Payments on Central Government's External Debt

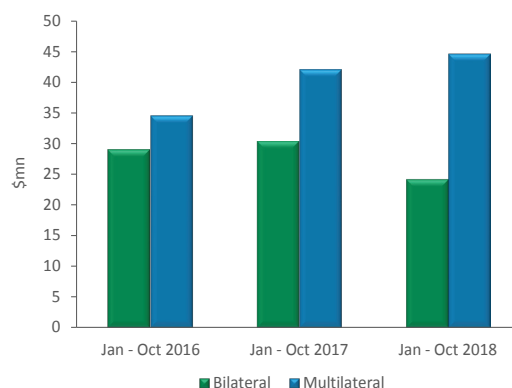
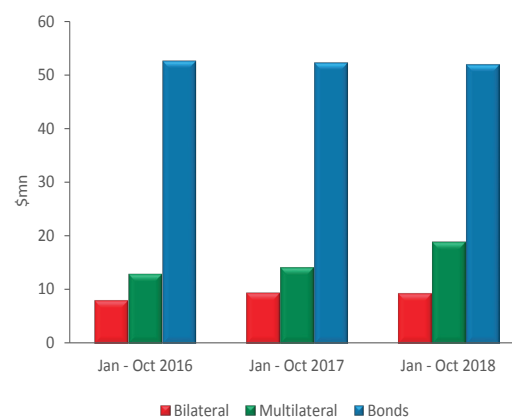


Chart 3.8: Interest Payment on Central Government's External Debt



Statistical Appendix

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

		\$mn		
		Changes During		
	Position as at Oct 2018	Sept 2018 to Oct 2018	Dec 2017 to Oct 2018	Dec 2016 to Oct 2017
Net Foreign Assets	828.2	-36.2	-31.2	-28.2
Central Bank	575.6	-16.3	-53.0	11.3
Domestic Banks	252.6	-19.9	21.8	-39.5
Net Domestic Credit	2,689.8	4.8	74.5	-74.4
Central Government (Net)	580.4	2.0	-10.7	-83.2
Other Public Sector	47.4	1.5	40.7	-1.9
Private Sector	2,062.0	1.3	44.5	10.7
Central Bank Foreign Liabilities (Long-term)	49.5	-0.5	-1.5	2.2
Other Items (Net)	486.2	-23.2	0.9	-24.2
Money Supply (M2)	2,982.3	-7.7	43.9	-80.6

⁽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 Oct 2018	Sept 2018 to Oct 2018	Dec 2017 to Oct 2018	Dec 2016 to Oct 2017
Net Foreign Assets of the Banking System	828.2	-36.2	-31.2	-28.2
Net Foreign Assets of the Central Bank	575.6	-16.3	-53.0	11.3
Central Bank Foreign Assets	577.5	-17.6	-52.8	6.6
Central Bank Foreign Liabilities (Demand)	1.9	-1.3	0.2	-4.7
Net Foreign Assets of Domestic Banks	252.6	-19.9	21.8	-39.5
Domestic Banks' Foreign Assets	260.4	-18.5	24.5	-46.8
Domestic Banks' Foreign Liabilities (Short-term)	7.8	1.4	2.7	-7.3

Table A.3: Net Domestic Credit

		\$mn		
		Changes During		
	Position as at Oct 2018	Sept 2018 to Oct 2018	Dec 2017 to Oct 2018	Dec 2016 to Oct 2017
Total Credit to Central Government	708.4	5.0	10.5	102.9
From Central Bank	365.6	9.3	-22.6	30.3
Loans and Advances	65.4	11.9	18.1	11.3
Government Securities ⁽¹⁾	300.2	-2.6	-40.7	19.0
From Domestic Banks	342.8	-4.3	33.1	72.6
Loans and Advances	3.2	0.3	2.0	-1.4
Government Securities	339.6	-4.6	31.1	74.0
Of which: Treasury bills ⁽²⁾	187.4	0.4	50.7	-20.0
Treasury notes	152.2	-5.0	-19.6	94.0
Other	0.0	0.0	0.0	0.0
Less Central Government Deposits	128.0	3.0	21.2	186.1
With Central Bank	101.3	7.4	13.2	191.2
With Domestic Banks	26.7	-4.4	8.0	-5.1
Net Credit to Central Government	580.4	2.0	-10.7	-83.2
Credit to Other Public Sector	47.4	1.5	40.7	-1.9
From Central Bank	0.0	0.0	0.0	0.0
From Domestic Banks	47.4	1.5	40.7	-1.9
Of which: Local Government	3.1	-0.1	1.2	1.5
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	40.0	1.6	39.6	-1.1
Other Statutory Bodies	1.7	0.0	-0.1	-2.3
Securities	2.6	0.0	0.0	0.0
Plus Credit to the Private Sector	2,062.0	1.3	44.5	10.7
Loans and Advances	2,061.6	1.3	44.5	10.7
Securities	0.4	0.0	0.0	0.0
Net Domestic Credit of the Banking System ⁽³⁾	2,689.8	4.8	74.5	-74.4

⁽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 Oct 2018	Aug 2018 to Oct 2018	Dec 2017 to Oct 2018	Dec 2016 to Oct 2017
PRIMARY SECTOR	199.6	-0.8	-77.7	23.6
Agriculture	170.2	-1.6	-70.2	41.4
Sugar	85.5	0.0	-2.1	18.2
Citrus	15.0	0.4	0.3	2.6
Bananas	22.1	-0.2	-59.2	11.3
Other	47.6	-1.8	-9.2	9.3
Marine Products	25.0	0.8	-8.6	-2.7
Forestry	0.8	0.0	0.3	-0.4
Mining and Exploration	3.6	0.0	0.8	-14.7
SECONDARY SECTOR	736.6	3.1	117.0	-8.7
Manufacturing	77.1	-0.1	42.3	-3.4
Building and Construction	589.7	1.4	18.4	-8.0
Utilities	69.8	1.8	56.3	2.7
TERTIARY SECTOR	736.0	6.0	55.2	0.1
Transport	57.7	0.0	0.4	-0.4
Tourism	142.2	1.6	26.0	-7.2
Distribution	182.9	4.1	24.6	12.5
Real Estate	291.9	0.1	1.0	-0.2
Professional Services	48.8	-0.7	-1.3	0.7
Other ⁽¹⁾	12.5	0.9	4.5	-5.3
PERSONAL LOANS	433.2	-5.0	-7.3	-7.6
TOTAL	2,105.4	3.3	87.2	7.4

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

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

	\$mn			
	Position as at Oct 2018	Sept 2018 to Oct 2018	Dec 2017 to Oct 2018	Dec 2016 to Oct 2017
Holdings of Approved Liquid Assets	856.6	-32.7	-12.1	-248.0
Notes and Coins	98.6	-1.0	23.1	-5.2
Balances with Central Bank	425.6	10.3	-82.1	-164.1
Money at Call and Foreign Balances (due 90 days)	147.2	-34.8	53.9	-49.0
Central Government Securities maturing within 90 days ⁽¹⁾	182.4	-3.5	23.5	-26.0
Other Approved Assets	2.8	-3.7	-30.5	-3.7
Required Liquid Assets	622.7	1.9	22.9	-15.0
Excess/(Deficiency) Liquid Assets	233.9	-34.6	-35.0	-233.0
Daily Average Holdings of Cash Reserves	423.0	7.0	-82.8	-160.3
Required Cash Reserves	230.1	0.7	8.5	-5.5
Excess/(Deficiency) Cash Reserves	192.9	6.3	-91.3	-154.8
Actual Securities Balances ⁽²⁾	177.7	0.6	41.0	-30.0
Excess/(Deficiency) Securities	177.7	0.6	41.0	-30.0

⁽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			
	Position as at Oct 2018	Sept 2018 to Oct 2018	Dec 2017 to Oct 2018	Dec 2016 to Oct 2017
Weighted Lending Rates				
Personal Loans	10.51	-0.34	-0.80	-0.29
Commercial Loans	8.61	-0.03	-0.51	-0.32
Residential Construction	7.20	0.19	0.03	-0.38
Other	6.71	-0.03	-0.02	-0.44
Weighted Average	8.94	-0.02	-0.40	-0.29
Weighted Deposit Rates				
Demand	0.01	0.00	0.00	0.01
Savings/Chequing	0.48	0.00	-0.01	-0.18
Savings	2.73	0.02	0.23	0.02
Time	1.98	0.00	-0.10	-0.13
Weighted Average	1.24	0.02	0.03	-0.06
Weighted Average Spread	7.70	-0.04	-0.43	-0.23

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

	Percent				
	Twelve Month Rolling Averages at			Monthly Change Oct 2018 over Sept 2018	Annual Change Oct 2018 over Oct 2017
	Oct 2018	Sept 2018	Oct 2017		
Weighted Lending Rates					
Personal Loans	9.95	10.01	10.11	-0.06	-0.16
Commercial Loans	8.43	8.46	8.98	-0.03	-0.55
Residential Construction	7.02	7.06	6.84	-0.04	0.18
Other	6.39	6.43	6.47	-0.04	-0.08
Weighted Average	8.66	8.72	9.08	-0.06	-0.42
Weighted Deposit Rates					
Demand	0.00	0.00	0.00	0.00	0.00
Savings/Chequing	0.69	0.70	1.39	-0.01	-0.70
Savings	2.49	2.47	2.04	0.02	0.45
Time	1.89	1.89	1.91	0.00	-0.02
Weighted Average	1.50	1.50	1.77	0.00	-0.27
Weighted Average Spread	7.16	7.21	7.32	-0.05	-0.16

Table A.8: Tourist Arrivals

	Jan - Oct 2017	Jan - Oct 2018
Air	261,867	292,794
Land	46,753	57,995
Sea	6,608	4,767
Stay-over Visitors	315,228	355,556
Cruise Ship Disembarkations	722,038	851,070

Sources: BTB and CBB

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

Major Commodity	Weights	Sept 2018	Oct 2018	Percentage Change	
				Oct 2018 over Sept 2018	YTD 2018 over YTD 2017
Food and Non-Alcoholic Beverages	195	104.8	104.5	-0.3	-0.5
Alcoholic Beverages and Tobacco	17	106.5	106.5	0.0	2.4
Clothing and Footwear	83	97.6	97.6	0.0	-0.2
Housing, Water, Electricity, Gas, and Other Fuels	265	105.5	105.5	0.0	0.7
Furnishing, Household Equipment, and Routine Household Maintenance	69	100.6	100.7	0.1	0.2
Health	41	118.2	118.2	0.0	3.2
Transport	136	110.2	110.4	0.1	0.5
Communication	33	101.0	101.0	0.0	0.2
Recreation and Culture	69	106.0	105.9	-0.1	-0.5
Education	32	105.8	105.8	0.0	0.4
Restaurants and Hotels	7	115.7	115.7	0.0	1.3
Miscellaneous Goods and Services	52	105.1	105.1	0.0	1.0
All Items	1,000	105.4	105.3	-0.1	0.3

Source: SIB

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

	Dec - July 2016/2017	Dec - July 2017/2018
Deliveries of Sugarcane (long tons)	1,644,405	1,680,555
Sugar Processed (long tons)	174,887	175,340
Molasses Processed (long tons)	55,792	51,669
Performance		
Factory Time Efficiency (%)	95.15	88.73
Cane Purity (%)	86.42	86.31
Cane/Sugar	9.40	9.58

Sources: BSI and Santander Group

Table A.11: Exports of Sugar and Molasses

	Oct 2017		Oct 2018		Jan - Oct 2017		Jan - Oct 2018	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
Sugar	9,825	9,442	1,957	2,160	157,536	147,512	155,778	108,743
E.U.	4,921	4,699	1,059	1,263	140,558	128,075	141,400	93,475
USA	4,879	4,711	0	0	15,772	17,352	10,868	11,636
Caricom	25	32	879	866	1,161	1,932	3,372	3,466
Other	0	0	20	30	45	151	138	165
Molasses	0	0	0	0	42,980	9,048	41,156	6,610

Sources: BSI and Santander Group

Table A.12: Citrus Deliveries and Production

	Oct - June 2016/2017	Oct - June 2017/2018
Deliveries (boxes)		
Orange	3,200,843	2,433,409
Grapefruit	186,106	205,475
Total	3,386,949	2,638,884
Concentrate Produced (ps)		
Orange	19,021,381	13,918,012
Grapefruit	730,703	778,838
Total	19,752,084	14,696,850
Not from concentrate (ps)		
Orange	225,567	268,242
Grapefruit	20,460	35,637
Total	246,027	303,879
Pulp (pounds)		
Orange	2,403,232	1,610,352
Grapefruit	5,936	103,880
Total	2,409,168	1,714,232
Oil Produced (pounds)		
Orange	1,256,000	809,600
Grapefruit	31,100	22,600
Total	1,287,100	832,200

Source: CPBL

Table A.13: Export Sales of Citrus Products

	Oct 2017		Oct 2018		Jan - Oct 2017		Jan - Oct 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	0	0	0	0	5,010	15,194	5,637	15,414
Grapefruit	0	0	0	0	0	0	0	0
Caribbean								
Orange	467	1,773	605	2,289	6,126	22,839	6,135	22,961
Grapefruit	36	137	36	174	299	1,119	245	1,269
Europe								
Orange	427	1,516	108	222	3,550	10,055	1,839	5,620
Grapefruit	16	57	0	0	529	1,906	262	1,022
Other								
Orange	0	0	0	0	0	0	68	225
Grapefruit	0	0	0	0	120	442	132	714
Sub-Total ⁽¹⁾	946	3,483	748	2,684	15,635	51,555	14,319	47,225
Orange	894	3,290	712	2,510	14,687	48,088	13,679	44,220
Grapefruit	52	194	36	174	948	3,466	640	3,005
Not-From-Concentrate								
Sub-Total	6	33	6	32	51	273	47	246
Orange	5	28	6	30	42	218	38	194
Grapefruit	1	5	0	2	9	55	9	52
Total Citrus Juices	952	3,516	755	2,717	15,686	51,828	14,365	47,471
Pulp (pounds '000)								
Total ⁽¹⁾	76	63	472	346	1,278	1,002	2,383	1,788
Orange	76	63	472	346	1,278	1,002	2,277	1,706
Grapefruit	0	0	0	0	0	0	106	82

Source: CPBL

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

Table A.14: Banana Exports

	Oct 2017	Oct 2018	Jan - Oct 2017	Jan - Oct 2018
Volume (metric tons)	9,066	9,029	73,259	66,353
Value (\$'000)	7,749	7,246	73,636	62,960

Source: BGA

Table A.15: Marine Exports

	Jan - Oct 2017		Jan - Oct 2018	
	Volume ('000 pounds)	Value (\$'000)	Volume ('000 pounds)	Value (\$'000)
Lobster	828	18,339	784	19,298
Shrimp	895	7,437	887	4,049
Conch	464	5,670	596	8,459
Other Fish	192	244	22	54
Total	2,379	31,690	2,289	31,860

Source: SIB

Table A.16: Other Domestic Exports

	Jan - Oct 2017	Jan - Oct 2018
Other Domestic Exports (\$'000)	70,085	61,378
Of which:		
Pepper Sauce	3,180	4,037
Red Kidney Beans	8,124	7,914
Orange Oil	10,977	6,730
Grapefruit Oil	561	1,663
Animal Feed	12,231	12,432

Source: SIB

Table A.17: Petroleum Production and Exports

	Oct 2017	Oct 2018	Jan - Oct 2017	Jan - Oct 2018
Crude Oil Production				
Never Delay (Barrels)	0	283	1,943	3,239
Spanish Lookout (Barrels)	25,970	24,585	304,184	251,804
Crude Oil Export				
Volume (Barrels)	67,389	66,601	267,071	199,649
Value (\$'000)	6,211	8,651	22,549	24,435

Source: Petroleum and Geology Department

Table A.18: Central Government Revenue and Expenditure

	\$'000					
	Approved Budget 2018/2019	Jan 2017 to Sept 2017	Jan 2018 to Sept 2018 ^(P)	Apr 2017 to Sept 2017	Apr 2018 to Sept 2018 ^(P)	Fiscal YTD as % of Budget
TOTAL REVENUE & GRANTS (1+2+3)	1,183,327	814,744	889,496	553,591	591,476	50.0%
1). Current Revenue	1,134,915	789,926	858,148	542,117	578,828	51.0%
Tax Revenue	1,022,580	718,353	769,918	484,126	522,374	51.1%
Income and Profits	277,322	203,220	214,622	134,247	142,960	51.6%
Taxes on Property	6,421	5,609	4,712	3,476	2,705	42.1%
Taxes on Goods and Services	568,542	393,574	430,934	267,553	294,562	51.8%
International Trade and Transactions	170,296	115,950	119,650	78,850	82,147	48.2%
Non-Tax Revenue	112,335	71,573	88,230	57,991	56,454	50.3%
Property Income	30,021	12,047	22,315	10,602	12,790	42.6%
Licences	16,947	14,128	19,996	9,748	13,432	79.3%
Other	65,367	45,398	45,919	37,641	30,232	46.2%
2). Capital Revenue	3,301	1,593	1,699	964	1,253	38.0%
3). Grants	45,111	23,225	29,649	10,510	11,395	25.3%
TOTAL EXPENDITURE (1+2)	1,208,717	892,672	895,827	555,260	563,592	46.6%
1). Current Expenditure	1,051,354	760,699	791,917	491,447	507,950	48.3%
Wages and Salaries	431,681	314,343	323,476	212,363	216,750	50.2%
Pensions	91,428	69,743	68,590	48,762	47,430	51.9%
Goods and Services	238,375	153,867	169,171	91,882	100,250	42.1%
Interest Payments on Public Debt	111,901	96,945	102,481	54,209	59,675	53.3%
Subsidies and Current Transfers	177,968	125,801	128,199	84,232	83,846	47.1%
2). Capital Expenditure	157,364	131,972	103,910	63,813	55,642	35.4%
Capital II (Local Sources)	61,921	69,885	45,285	25,465	28,357	45.8%
Capital III (Foreign Sources)	93,144	60,462	57,474	37,758	26,134	28.1%
Capital Transfer and Net Lending	2,299	1,625	1,151	591	1,151	50.1%
CURRENT BALANCE	83,561	29,227	66,231	50,670	70,878	84.8%
PRIMARY BALANCE	86,511	19,017	96,150	52,540	87,560	101.2%
OVERALL BALANCE	(25,390)	(77,928)	(6,331)	(1,669)	27,885	-109.8%
Primary Balance less grants	41,400	(4,208)	66,501	42,030	76,165	184.0%
Overall Balance less grants	(70,502)	(101,153)	(35,980)	(12,179)	16,490	-23.4%
FINANCING	25,390	77,928	6,331	1,669	(27,885)	
Domestic Financing		66,807	(12,492)	22,217	(46,868)	
Central Bank		(147,946)	(37,770)	(190,732)	(50,489)	
Net Borrowing		36,326	(31,930)	(18,750)	(22,323)	
Change in Deposits		(184,272)	(5,840)	(171,982)	(28,167)	
Commercial Banks		65,821	23,208	79,656	(119)	
Net Borrowing		68,468	35,549	75,506	12,899	
Change in Deposits		(2,647)	(12,341)	4,150	(13,018)	
International Banks		2,349	(483)	2,393	(304)	
Other Domestic Financing		146,583	2,553	130,900	4,044	
Financing Abroad		66,773	6,335	40,807	9,338	
Disbursements		130,463	65,040	85,448	50,796	
Amortization		(63,690)	(58,705)	(44,641)	(41,458)	
Nationalization of BTL		(51,496)	0	(51,496)	0	
Other		(4,157)	12,488	(9,859)	9,645	

Sources: CBB and MOF

^P - Provisional

Table A.19: Central Government Domestic Debt 2018

\$'000

	TRANSACTIONS THROUGH OCTOBER 2018					Disbursed Outstanding Debt 31/10/18 ^P
	Disbursed Outstanding Debt 31/12/17 ^R	Disbursement/Issue of Securities on Primary Market	Amortization/ Reduction in Securities	Interest	Net Change in Overdraft/ Securities on Secondary Market	
Overdraft/Loans	47,235	0	0	2,996	18,150	65,385
Central Bank	47,235	0	0	2,996	18,150	65,385
Domestic Banks	0	0	0	0	0	0
Treasury Bills	245,000	0	0	1,721	0	245,000
Central Bank	106,823	0	0	592	(52,957)	53,866
Domestic Banks	136,700	0	0	1,118	50,724	187,424
Other	1,477	0	0	11	2,233	3,710
Treasury Notes	640,000	36,008	36,008	22,496	0	640,000
Central Bank	234,100	25,808	9,808	8,945	(3,786)	246,314
Domestic Banks	171,771	10,000	25,000	4,461	(4,621)	152,150
Other	234,129	200	1,200	9,091	8,407	241,536
Belize Bank Limited ⁽¹⁾	91,000	0	0	0	0	91,000
Heritage Bank Limited	1,020	0	650	61	0	370
Belize Social Security Board ⁽²⁾	311	0	35	18	0	276
Fort Street Tourism Village	0	215	188	0	0	27
Debt for Nature Swap	1,970	0	183	55	0	1,787
Total	1,026,537	36,223	37,064	27,347	18,150	1,043,846

^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 OCTOBER 2018				Disbursed Outstanding Debt 31/10/18 ^P
		Disbursements	Principal Payments	Interest & Other Payments	Parity Change	
CENTRAL GOVERNMENT	2,415,389	75,458	68,846	80,002	-784	2,421,217
Government of Venezuela ⁽¹⁾	419,615	9,726	0	480	0	429,341
Kuwait Fund for Arab Economic Development	26,512	0	957	601	-206	25,348
Mega International Commercial Bank Company LTD.	50,000	0	0	2,154	0	50,000
Republic of China/Taiwan	241,601	20,618	23,155	5,976	0	239,063
Caribbean Development Bank	259,751	21,622	23,294	9,068	0	258,079
Caricom Development Fund	799	0	625	54	0	174
European Economic Community	8,442	0	546	37	-443	7,453
Inter-American Development Bank	228,478	9,784	13,564	5,354	0	224,699
International Fund for Agriculture Development	2,924	0	330	66	-134	2,460
International Bank for Reconstruction and Development	32,242	4,200	1,547	1,123	0	34,895
Opec Fund for International Development	70,574	2,561	3,763	2,253	0	69,372
Central American Bank for Economic Integration	21,447	6,947	1,065	844	0	27,329
Bank of New York	1,053,004	0	0	51,992	0	1,053,004
NON-FINANCIAL PUBLIC SECTOR	22,620	14,343	3,027	776	0	33,936
Caribbean Development Bank ⁽²⁾⁽³⁾	22,620	510	3,027	772	0	20,103
Atlantic International Bank Limited	0	4,000	0	3	0	4,000
International Cooperation & Development Fund	0	9,833	0	0	0	9,833
FINANCIAL PUBLIC SECTOR	73,905	8,678	882	957	-1,507	80,195
Caribbean Development Bank	22,845	8,678	863	932	0	30,660
European Economic Community	93	0	19	0	-4	70
International Monetary Fund ⁽⁴⁾	50,968	0	0	0	-1,503	49,464
GRAND TOTAL	2,511,914	98,479	72,755	81,734	-2,291	2,535,348

^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 October 2018 amount to principal of \$17.7mn and interest of \$4.2mn.

⁽²⁾ 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.

⁽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.