



# MONTHLY ECONOMIC REPORT

AUGUST 2012

# Summary of Economic Indicators

Chart I: GDP Growth Rate  
(Year on Year - Percentage Change)

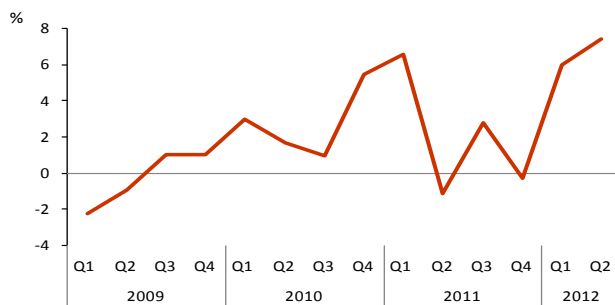


Chart II: Consumer Price Index  
(All Items)

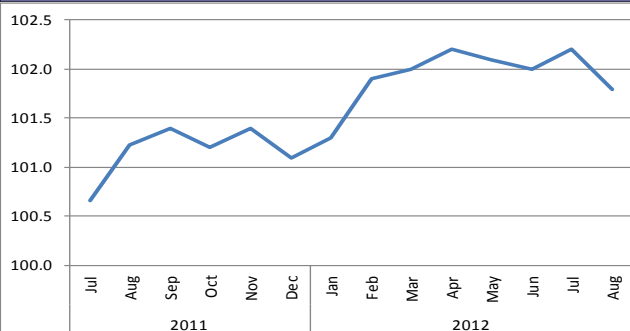


Chart III: BOP Current Account & Financial Account

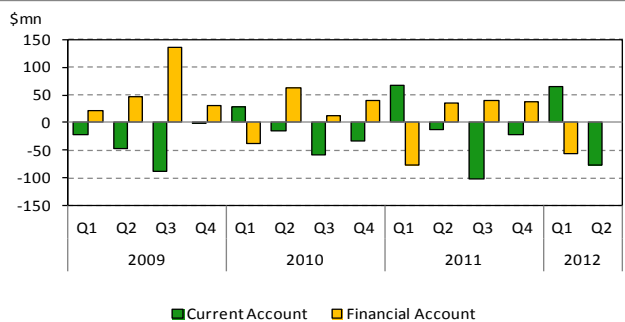


Chart IV: Net Foreign Assets

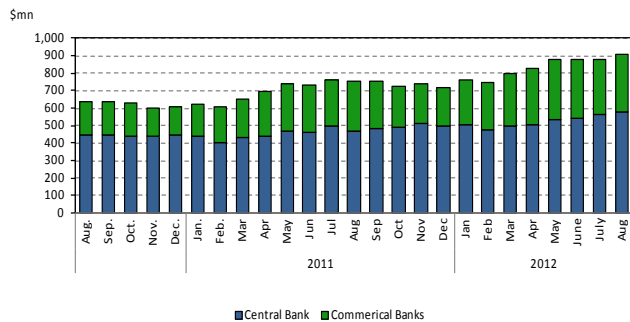


Chart V: Commerical Banks - Deposits and Loans & Advances

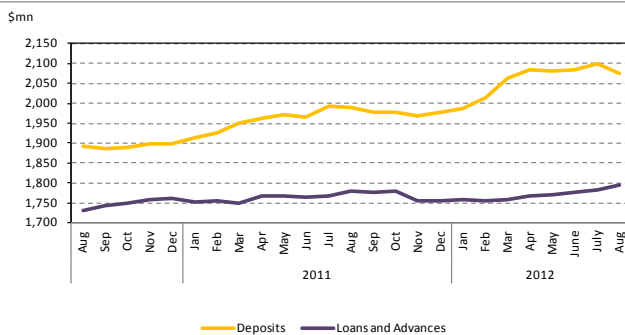


Chart VI: Excess Cash Balances

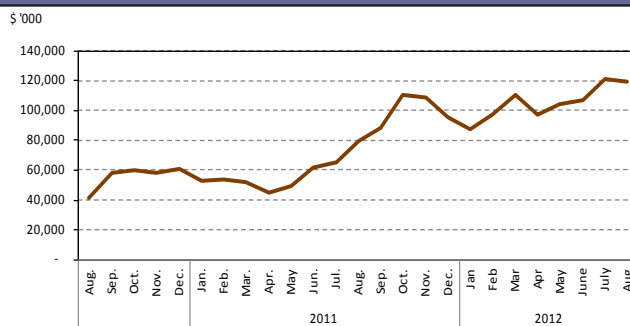


Chart VII: Central Government's Operations  
(Disbursed Outstanding Balance)

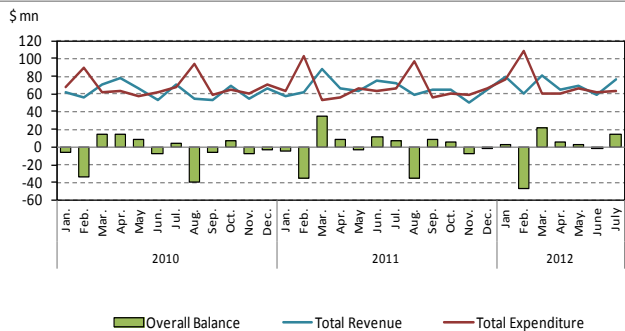
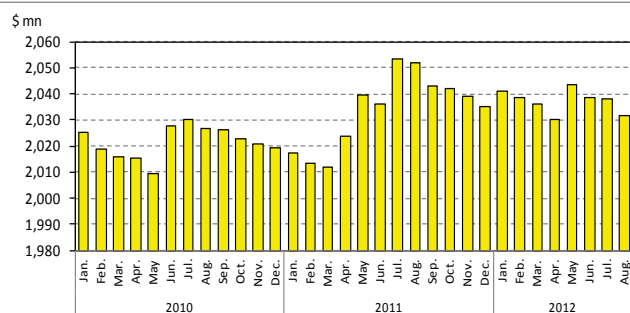


Chart VIII: Public Sector External Debt  
(Disbursed Outstanding Balance)

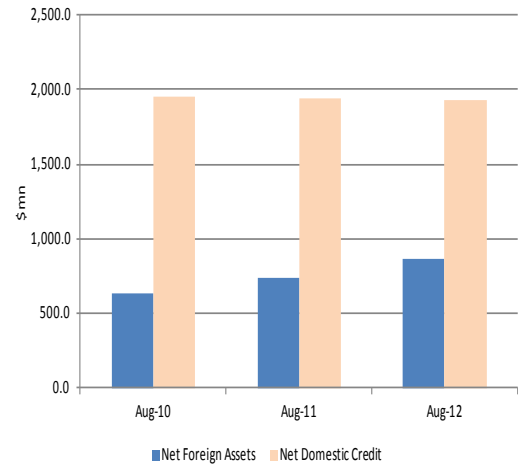


## Money & Credit

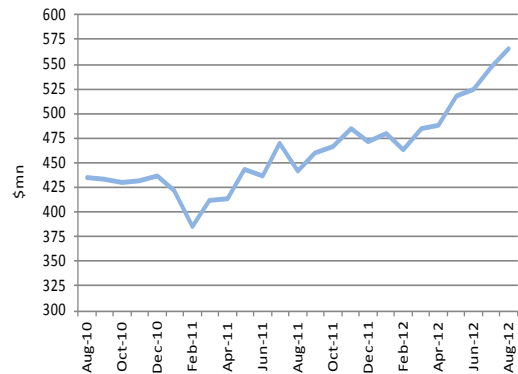
A sharp rise in payments to external suppliers of fuel and electricity contributed to a \$44.5mn contraction in the net foreign assets of the commercial banks and 0.6% dip in M2 during August. Over the eight month period, cumulative increases of 14.5% in net foreign assets and 1.0% in net domestic credit accounted for a 5.4% expansion in broad money. Growth in commercial bank net foreign assets summed to \$26.3mn after taking into account the decline in August as the surge in payments ate into the balances that had been built up earlier due to inflows from tourism, foreign direct investments and free zone sales. With the Government deciding not to execute a \$46.2mn interest payment on the super bond in August, the Central Bank's net foreign asset position rose further in that month and registered an overall increase of \$82.9mn for the year partly due to inflows of \$227.4mn, the main sources of which were domestic oil taxes (25.8%), sugar receipts (24.3%), loan disbursements (18.0%) and purchases from commercial banks (15.8%). Payments abroad totalled \$144.5mn with Central Government accounting for \$110.1mn, of which 78.3% was used for external debt servicing.

Net domestic credit grew by \$20.0mn as loans to the private sector and other public sector entities outweighed a \$16.3mn contraction in net credit to Central Government. The latter was influenced by the withholding of the super bond payment, which facilitated a \$20.8mn build-up in deposits held at the Central Bank whilst moderating the increase in the overdraft balance to \$9.4mn. The notable increases in commercial banks' loans over the eight months were for construction and real estate, which accounted for net disbursements of \$30.2mn and \$19.4mn, respectively. Lending to individuals and the utility companies also increased. Net repayments were made by agricultural producers (\$13.3mn) nearly

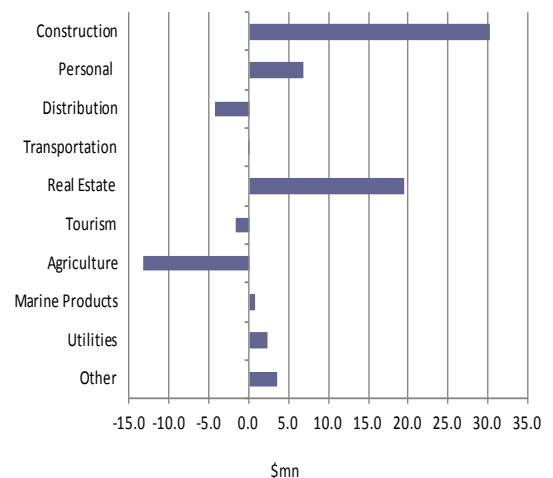
**Chart 1.1: Net Foreign Assets & Net Domestic Credit**



**Chart 1.2: Gross International Reserves**



**Chart 1.3: Changes in Commercial Banks' Loans & Advances December 2011 - August 2012**



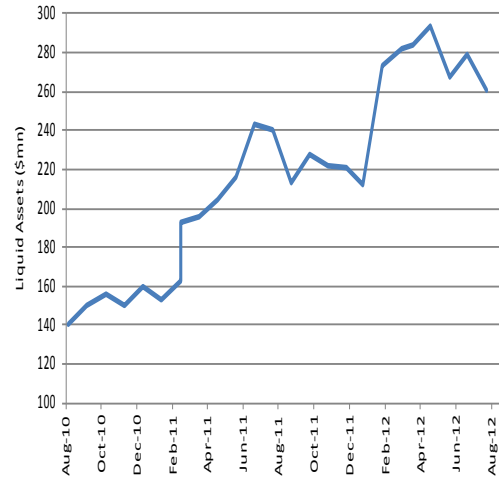
60% of which came from banana growers. Net loans to distributors, manufacturers, and service providers in entertainment and tourism also declined. Lending by the five largest credit unions grew by \$19.6mn with loans channelled primarily to real estate activities, individuals, agricultural and marine producers. These outstripped repayments for home improvement and manufacturing.

Strong foreign exchange inflows and tepid credit growth underpinned an 18.0% increase in excess statutory liquidity over the year. Average holdings of approved liquid assets rose by \$69.7mn compared to the \$29.9mn increase in the required level. Excess cash balances rose by 25.1% to \$119.6mn, which was 64.4% above required levels.

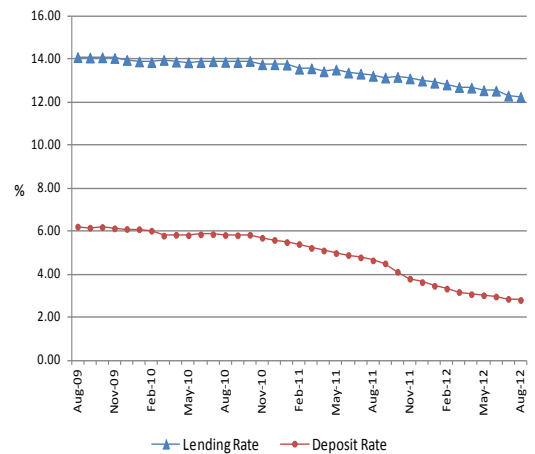
The continued build-up in systemic liquidity underpinned a 76 basis-points fall in the weighted average lending rate to 12.26%, with all loan categories recording rate cuts, of which the most notable were 108 basis points for residential construction and 86 basis points for personal loans. At the same time, a 121 basis-points reduction in the time deposit rate was the major contributor to a fall of 83 basis points in the weighted average deposit rate which fell to 2.82%, the lowest level recorded since 1977. As a result, the weighted average spread increased by seven basis points to 9.44%.

The interbank market continued to be dormant in view of the high levels of excess liquidity. Since the end of 2011, commercial banks' Treasury bill holdings rose by \$22.4mn to \$173.9mn, with the weighted average yield declining from 2.21263% at the last auction in 2011 to 2.02507% in August. The latter was one basis point lower than the preceding auction and 32 basis points below the average yield recorded in August 2011.

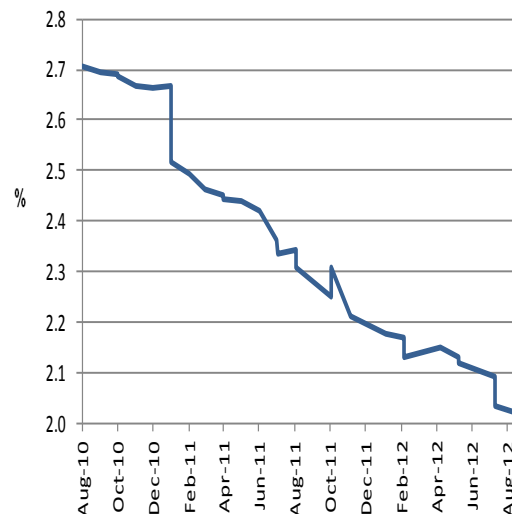
**Chart 1.4: Excess Statutory Liquidity**



**Chart 1.5: Commercial Banks' Weighted Average Lending and Deposit Interest Rates**



**Chart 1.6: Treasury bill Yield**



## Real Sector Developments

While the major agricultural export commodities recorded double digit percentage increases during the first eight months of the year, the 27.5% downturn in petroleum production was much steeper than anticipated. Production of sugar, molasses and citrus juices rose in tandem with deliveries. The output gains translated into increased export earnings of \$54.2mn from sugar, banana and citrus juices. These were more than offset by a \$73.6mn fall in petroleum exports.

Tourism continued the modest recovery that began in 2010, as an increase in visitors entering through the international airport more than compensated for declines in arrivals through the sea and land ports and resulted in an 8.3% increase to 185,355 stay-over tourist arrivals. In contrast, cruise ship disembarkations declined by 7.3% to 388,299, as the mild winter in the US reduced the number of people travelling to warm destinations and North American cruise lines focused attention on new markets in the Far East.

The Consumer Price Index fell by 0.4% relative to the preceding month and increased by 0.6% over the year (August-2012 over August-2011). The annual rise in prices was led by increases of 6.9% in "Health Services", 5.0% in "Recreation and Culture", 4.1% in "Miscellaneous Goods and Services", and 0.5% in "Food and Non Alcoholic Beverages". These were partially offset by falling prices for "Education" (2.2%), "Restaurants and Hotels" (0.7%), and "Transport" (0.6%).

### Sugar

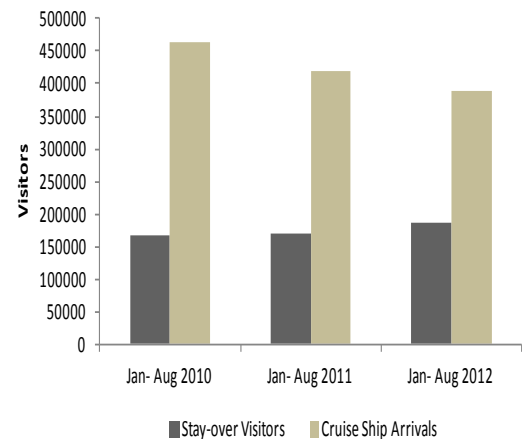
The sugarcane harvest closed on 7 June with deliveries for the crop year amounting to 1,070,278 long tons and surpassing the 2010/11 harvest by some 26.8%. Sugar production rose by a less than proportional 16.3% to 114,536 long tons, as excessive rains diluted the crop's

**Table 2.1 Value of Selected Domestic Exports**

	\$mn	
	Jan-Aug 2011	Jan-Aug 2012
Sugar	82.7	107.5
Molasses	2.4	3.0
Bananas	50.8	65.8
Citrus	75.0	88.8
Petroleum	202.0	128.4
<b>Total</b>	<b>412.8</b>	<b>393.4</b>

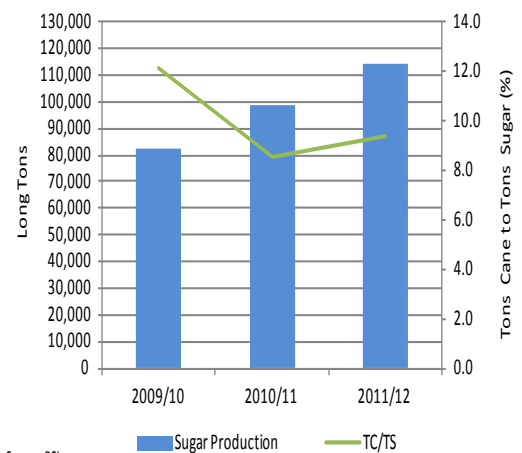
Sources: BSI, BGA, CPBL, Geology & Petroleum Dept.

**Chart 2.2: Tourist Arrivals**



Sources: BTB, CBB

**Chart 2.3: Sugar Production December to August**



Source: BSI

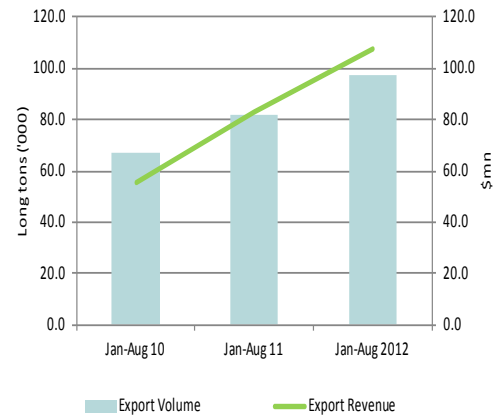
sucrose content and caused a 7.8% decline in the cane/sugar ratio. Even so, sugar production exceeded the 100,000 long ton mark for the first time since the 2005/06 crop. Molasses production rose in line with the processing volume to post a 7.8% gain to 30,955 long tons.

The hike in sugar production facilitated an 18.8% increase in export volume to 107,462 long tons and, with the average price up by 9.4%, a 30.0% increase in revenues. Rising world prices since early 2011 prompted traditional buyers such as Tate & Lyle to offer a premium on the base reference price of €335.0 per metric ton in order to attract and retain suppliers. The average price received consequently increased to €400.0 per metric ton. The additional motivating factor of the EU's 'Fair Trade' premium of US\$60.0 per metric ton resulted in 82.3% of sales being directed to that market with the US market garnering 17.6% and Canada receiving the residual 100 long tons. While molasses exports fell by 2.9% to 17,722 long tons, improved prices due to production shortfalls in major molasses producers, such as India and Afghanistan, caused revenues to increase by 26.3% to \$3.1mn.

## Citrus

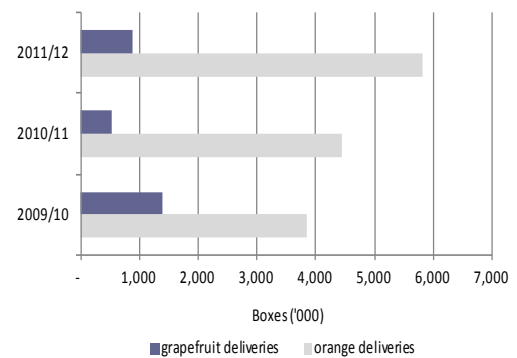
The 2011/12 citrus harvest ended on 29 June with deliveries up by 34.1%, compared to the previous crop year, which had ended much earlier due to hurricane damages. Orange deliveries rose by 30.6% to 5.8mn boxes, and grapefruit, which was the most affected, rebounded to post a 63.4% increase to 0.9mn boxes. Notwithstanding a 2.3% fall in the average juice out-turn per box of fruit, citrus juice production rose by 31.0% to 39.8mn pound solids (ps). At 36.3mn ps, orange concentrate represented 91.8% of juice production, while grapefruit concentrate came in at 3.3mn ps. Production of grapefruit not-from-concentrate (NFC) juice amounted to 0.3mn ps. Output of by-products included 2.9mn pounds of pulp and 2.2mn pounds of oil, most of which were from orange.

Chart 2.4: Sugar Exports



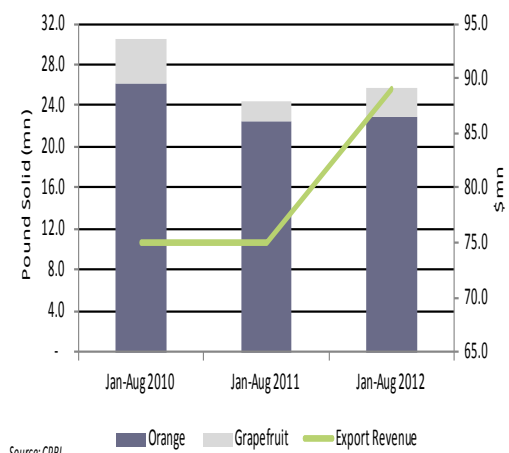
Source: BSI

Chart 2.5: Citrus Deliveries October to August



Sources: CGA & CPBL

Chart 2.6: Citrus Juice Export Volume & Revenue



Source: CPBL

For January through August, increases of 42.6% in the export volume of grapefruit concentrate and 1.3% in that of orange concentrate boosted sales by 4.5% to 25.5mn ps. Concurrently, revenues rose by 18.3% to \$88.7mn, with a rally in concentrate prices influenced by reports of lower juice stocks in Florida and the rebuilding of depleted inventories by Brazilian producers.. The Caribbean was the largest market for orange concentrates, accounting for 30.1% (6.9mn ps) of total sale volume, while the US and Europe accounted for another 29.7% and 26.0%, respectively. In the case of grapefruit, a smaller harvest in Texas and lower juice stocks in Florida supported a further strengthening of grapefruit prices. Revenues from grapefruit concentrate consequently rose by 70.7% to \$9.8mn.

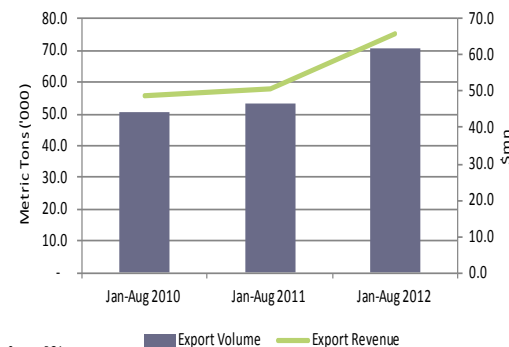
### Banana

During the first eight months of the year, banana exports increased by 32.4% to 70,655 metric tons in response to the rehabilitation of storm-damaged acreages and favourable weather. The inclusion of third class banana in the export mix reduced the average price per box by 4.5%. Revenues consequently rose by a slightly less than proportionate 29.6% to \$65.8mn. The Banana Growers Association and Fyffes entered the final year of their exclusive marketing contract with negotiations for the extension of this agreement already underway.

### Petroleum

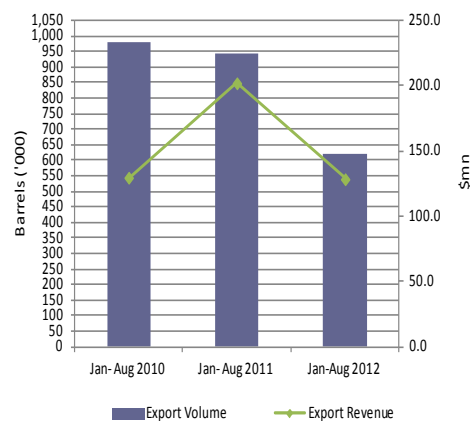
Output from the Spanish Lookout and Never Delay oil fields declined by 44.5% and 26.2%, respectively, so total oil production decreased by 27.5% to 713,805 barrels when compared to the first eight months of 2011. Oil exports fell even more sharply by 34.0% to 621,314 barrels, as supply constraints allowed only one export shipment per month instead of the customary two. Export revenue fell

**Chart 2.7: Banana Exports**



Source: BGA

**Chart 2.8: Petroleum Exports**



Source: Geology & Petroleum Dept.

by a larger 36.4% to \$128.4mn with a 3.7% decline in the average year-to-date price to US\$103.35 per barrel, when compared to the same period of 2011. A modest 6.1% price recovery in August may be indicative of an upswing in the price trend that could be attributed to continued geopolitical tensions, declines in crude oil stockpiles in the US, higher speculative activity and improvements in the global economic outlook.



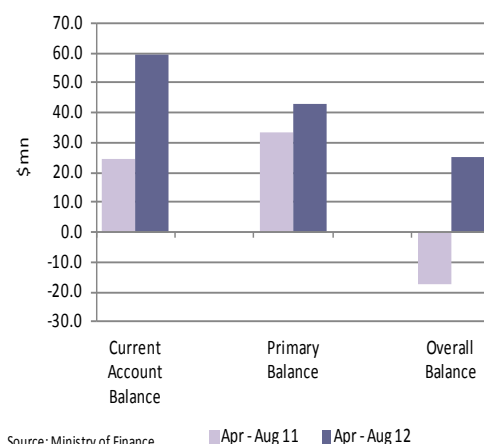
## Central Government Operations

Central Government's revenue and grants rose by \$31.1mn during the January-August period with increases in import duties and grants more than compensating for declines in receipts from the oil industry. Expenditure increased by \$4.8mn due to higher capital outlays as current spending contracted. The surplus on the current account consequently more than doubled to \$69.6mn and an overall surplus of \$3.1mn was recorded in comparison to the \$23.2mn overall deficit recorded during the same period of 2011. On the other hand, the primary surplus was \$8.4mn lower (\$63.1mn versus \$71.5mn in the comparable period of 2011).

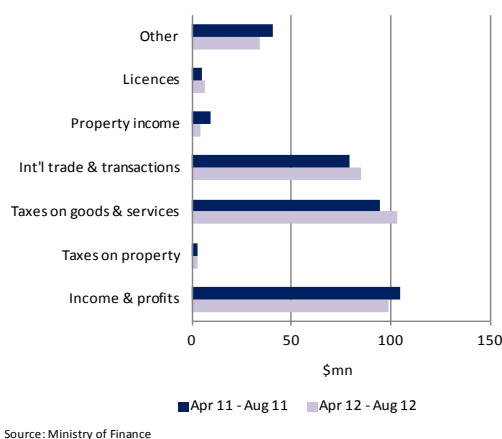
In the first five months of the 2012/13 fiscal year, revenues were \$2.6mn lower than in the comparable period of 2011 as a \$10.1mn fall in non tax revenues outweighed upswings in collections of the GST and taxes on international trade. The reduction in non-tax revenue was attributed to the legal injunction against the declaration and payment of BTL dividends. Total expenditure fell by \$45.4mn as current and capital outlays declined by \$36.7mn and \$8.7mn, respectively. An upward creep in salaries, pensions and transfers was offset by reduced outlays for goods and services and interest payments. The latter reflected Government's decision not to pay the interest that fell due on the super bond in August. As a consequence, the fiscal out-turn yielded higher current, primary and overall surpluses of \$59.3mn, \$42.7mn and \$25.4mn respectively, when compared to the corresponding period in 2011. The overall surplus along with external disbursements facilitated reductions in domestic financing and an increase in deposits.

At the end of the period reviewed, capital spending accounted for 20.5% of the budgeted amount. Of

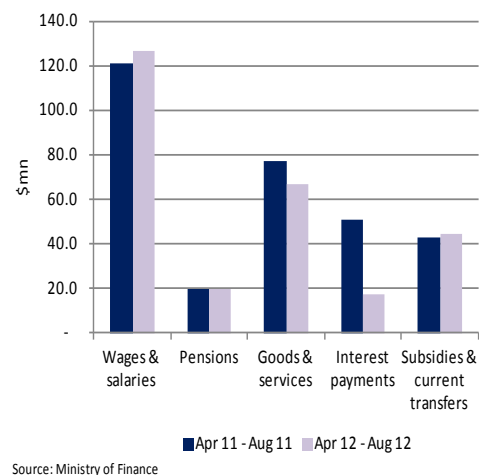
**Chart 3.1: Central Government's Operations**



**Chart 3.2: Central Government's Current Revenue**



**Chart 3.3: Central Government's Current Expenditure**



total development expenditure, \$15.3mn was spent on infrastructural works including maintenance of the Southern Highway, infrastructural works in the Southside of Belize City, and the Kendal Bridge. A total of \$9.8mn was assigned for solid waste management, land development and other environmental projects. Spending on social protection programmes as well as on youth, sports and culture amounted to \$4.7mn and \$4.1mn, respectively. The remainder was allotted to education, health, security and defence.

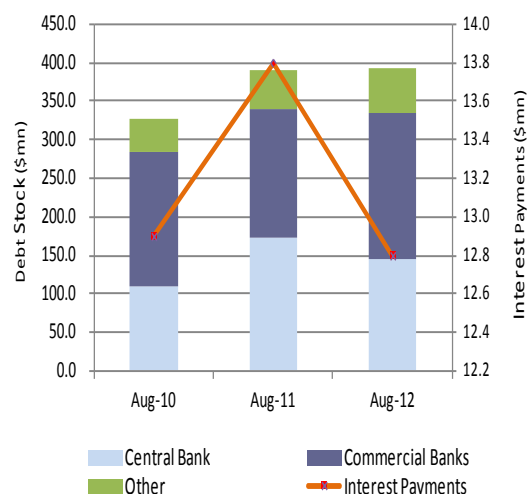
### Domestic Debt

Over the first eight months of the year, Central Government's domestic debt rose by 2.8% to \$391.8mn as a \$9.4mn rise in overdraft financing from the Central Bank and disbursements of \$2.7mn eclipsed amortization payments of \$1.5mn. Repayments were made mostly to the commercial banks, Belize Social Security Board (BSSB), Debt for Nature Swap and the Fort Street Tourism Village. Disbursements included \$2.1mn which was on-lent by Central Government to the Belize City Council, while another \$0.6mn was from Fort Street Tourism Village for dredging at the mouth of the Belize River.

A reduction in its holdings of Government securities was mostly responsible for the decrease in the Central Bank's share of domestic debt, which fell from 42.7% in December 2011 to 37.1%. Over the same period, commercial banks' share rose from 43.2% at the end of December 2011 to 48.1%, while non-bank holdings increased from 14.1% to 14.7%.

Interest payments summed to \$12.8mn, with \$9.8mn going to the Central Bank for credit provided through the overdraft facility, as well as on holdings of Treasury bills and notes. Commercial banks were paid \$2.6mn on

**Chart 3.4: Central Government's Domestic Debt**



their Treasury bill holdings and loans and the balance went to BSSB, Debt for Nature Swap and Guardian Life.

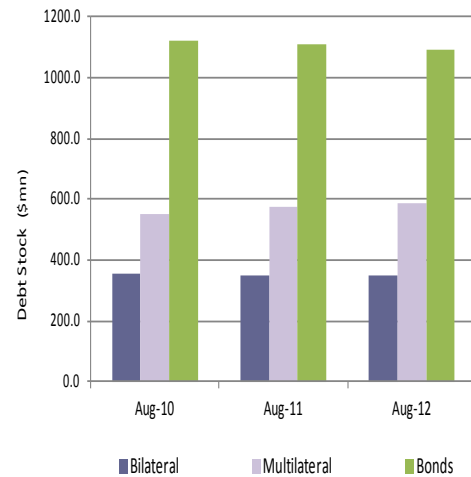
In secondary market activities, the commercial banks increased their Treasury bill holdings by \$22.3mn while the amount held by the Central Bank fell to zero. The bulk of the shift occurred in August and reflected the heightened competitiveness in commercial bank bids. In other developments, the Central Bank sold \$4.2mn worth of Treasury notes to non-bank entities during the year.

### Public Sector External Debt

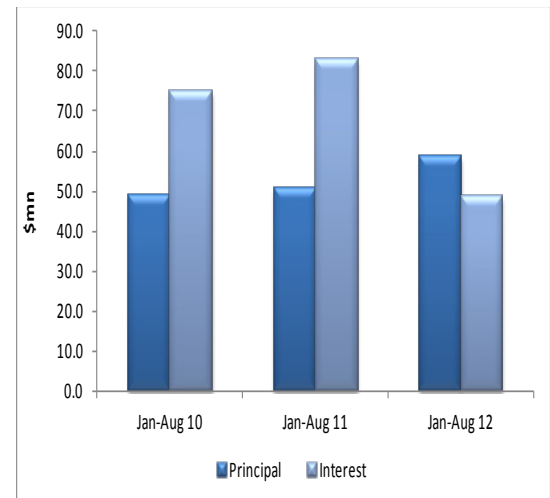
For January through August, the public sector external debt contracted by \$13.3mn to \$2,031.8mn, as disbursements of \$46.6mn were outweighed by amortization payments of \$58.6mn and downward valuation adjustments of \$1.3mn. The latter adjustments were due to the appreciation of the US dollar against the SDR, Euro and Kuwait dinar. Disbursements consisted of \$20.0mn from the ROC/Taiwan for budget support and \$25.2mn from multilateral lenders such as the Inter-American Development Bank (IDB), the OPEC Fund for International Development (OFID) and the Caribbean Development Bank (CDB). CDB funding was channelled into projects such as solid waste management, sustainable tourism, health sector reform, the Kendal Bridge, the Santa Elena/San Ignacio Bypass and the Social Investment Fund.

Central Government repaid \$20.6mn to bilateral creditors, of which \$15.9mn went to ROC/Taiwan for hurricane relief, housing and highway rehabilitation. Multilateral lenders were paid \$18.4mn that included \$7.3mn to the CDB, \$7.7mn to the IDB, \$1.7mn to the International Bank for Reconstruction and Development, and \$1.0mn to the OPEC Fund for International Development. The Development Finance Corporation (DFC) paid \$1.1mn to the CDB and retired the North American Securitization Loan. The International Monetary Fund (IMF) was repaid

**Chart 3.5: Public Sector External Debt**



**Chart 3.6: External Debt Service Payments**



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\$3.6mn on the Emergency National Disaster Assistance (ENDA) facility. The non-financial public sector repaid \$4.0mn to multilateral lenders, \$4.0mn to commercial banks and \$0.4mn to the Government of Kuwait.

At \$48.7mn, interest payments were \$34.5mn lower than the amount paid during the comparable period of 2011 due to a fall in the lending rates of some external loans that are tied to LIBOR rates and the non-payment of \$46.2mn on the super bond in August. The latter was the result of the government's effort to restructure the super bond to bring it in line with the country's sustainable repayment capacity. Payments to bilateral creditors were \$7.0mn, of which \$5.6mn went to ROC/Taiwan, while the \$8.3mn in payments to multilateral lenders went mostly to the CDB.

# Statistical Appendix

**Table A.1: Factors Responsible for Money Supply Movements**

BZ\$mn

	Changes During			
	Position	July 2012	Dec 2011	Dec 2010
	as at	to	to	to
	Aug 2012	Aug 2012	Aug 2012	Aug 2011
<b>Net Foreign Assets</b>	<b>861.6</b>	<b>-25.7</b>	<b>109.2</b>	<b>108.8</b>
Central Bank	581.4	18.8	82.9	20.9
Commercial Bank	280.2	-44.5	26.3	87.9
<b>Net Domestic Credit</b>	<b>1,935.2</b>	<b>12.8</b>	<b>20.0</b>	<b>-6.5</b>
Central Government (Net)	141.3	1.6	-16.3	-22.9
Other Public Sector	11.7	3.1	6.4	-0.6
Private Sector	1,782.2	8.1	29.9	17.0
<b>Central Bank Foreign Liabilities(Long-term)</b>	<b>65.2</b>	<b>-1.2</b>	<b>-4.2</b>	<b>3.1</b>
<b>Other Items (net)</b>	<b>412.2</b>	<b>2.6</b>	<b>15.3</b>	<b>2.9</b>
<b>Money Supply M2</b>	<b>2,319.4</b>	<b>-14.3</b>	<b>118.1</b>	<b>96.3</b>

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

BZ\$mn

	Changes During			
	Position	July 2012	Dec 2011	Dec 2010
	as at	to	to	to
	Aug 2012	Aug 2012	Aug 2012	Aug 2011
<b>Net Foreign Assets of Banking System</b>	<b>861.6</b>	<b>-25.7</b>	<b>109.2</b>	<b>108.8</b>
<b>Net Foreign Assets of Central Bank</b>	<b>581.4</b>	<b>18.8</b>	<b>82.9</b>	<b>20.9</b>
Central Bank Foreign Assets	583.1	18.6	82.9	21.3
Central Bank Foreign Liabilities(Demand)	1.7	-0.2	0.0	0.4
<b>Net Foreign Assets of Commercial Banks</b>	<b>280.2</b>	<b>-44.5</b>	<b>26.3</b>	<b>87.9</b>
Commercial Bank Foreign Assets	293.2	-44.4	18.8	77.5
Commercial Bank Foreign Liab. (Short-Term)	13.0	0.1	-7.5	-10.4

**Table A.3: Net Domestic Credit**

BZ\$mnn

	Position as at Aug 2012	Changes During		
		July 2012 to Aug 2012	Dec 2011 to Aug 2012	Dec 2010 to Aug 2011
<b>Total Credit to Central Government</b>	<b>334.1</b>	<b>0.7</b>	<b>6.7</b>	<b>20.7</b>
<b>From Central Bank</b>	<b>145.5</b>	<b>-18.7</b>	<b>-17.2</b>	<b>20.5</b>
Loans and Advances	57.5	0.2	9.4	22.8
Gov't Securities <sup>(1)</sup>	88.0	-18.9	-26.6	-2.3
<b>From Commercial Banks</b>	<b>188.6</b>	<b>19.4</b>	<b>23.9</b>	<b>0.2</b>
Loans and Advances	5.3	0.5	1.6	1.2
Gov't Securities	183.3	18.9	22.3	-1.0
(of which) Treasury Bills <sup>(2)</sup>	173.3	18.9	22.3	-1.0
Treasury Notes	10.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
<b>Less Central Government Deposits</b>	<b>192.8</b>	<b>-0.9</b>	<b>23.0</b>	<b>43.6</b>
With Central Bank	155.7	0.1	20.8	35.5
With Commercial Banks	37.1	-1.0	2.2	8.1
<b>Net Credit to Central Government</b>	<b>141.3</b>	<b>1.6</b>	<b>-16.3</b>	<b>-22.9</b>
<b>Credit to Other Public Sector</b>	<b>11.7</b>	<b>3.1</b>	<b>6.4</b>	<b>-0.6</b>
From Central Bank	0.0	0.0	0.0	0.0
From Commercial Banks	11.7	3.1	6.4	-0.6
(of which) Local Government	3.0	0.1	-0.1	0.1
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	7.0	3.3	7.0	0.0
Other Statutory Bodies	1.1	-0.3	-1.1	-0.7
Securities	0.6	0.0	0.0	0.0
<b>Plus Credit to the Private Sector</b>	<b>1,782.2</b>	<b>8.1</b>	<b>29.9</b>	<b>17.0</b>
Loans and Advances	1,781.2	8.1	29.9	17.2
Securities	1.0	0.0	0.0	-0.2
<b>Net Domestic Credit of the Banking System <sup>(3)</sup></b>	<b>1,935.2</b>	<b>12.8</b>	<b>20.0</b>	<b>-6.5</b>

(1) Includes Gov't T-Bills, T-Notes & Debentures from Central Bank

(2) T-bill holdings reported by commercial banks reflect a mix of par and market values.

(3) Differences due to rounding

**Table A.4: Sectoral Composition of Commercial Banks' Loans & Advances**

BZ\$mn

	Position as at Aug 2012	Changes During		
		July 2012 to Aug 2012	Dec 2011 to Aug 2012	Dec 2010 to Aug 2011
<b>PRIMARY SECTOR</b>	<b>178.7</b>	<b>-3.2</b>	<b>-12.6</b>	<b>6.7</b>
Agriculture	120.8	-3.3	-13.3	-0.3
Sugar	11.8	1.8	-1.6	-1.1
Citrus	14.5	-0.6	-2.7	1.7
Bananas	70.3	-3.9	-7.9	1.5
Other	24.2	-0.6	-1.1	-2.4
Marine Products	36.1	0.2	0.8	5.4
Forestry	1.7	0.0	0.1	0.3
Mining & Exploration	20.1	-0.1	-0.2	1.3
<b>SECONDARY SECTOR</b>	<b>541.0</b>	<b>2.6</b>	<b>32.2</b>	<b>9.5</b>
Manufacturing	32.1	0.8	-3.0	1.6
Building & Construction	474.0	-0.8	30.2	7.0
Utilities	34.9	2.6	5.0	0.9
<b>TERTIARY SECTOR</b>	<b>661.7</b>	<b>6.7</b>	<b>10.8</b>	<b>20.5</b>
Transport	51.6	2.0	-0.1	3.4
Tourism	106.4	1.5	-1.7	16.6
Distribution	208.7	0.3	-4.3	2.6
Other <sup>1</sup>	295.0	2.9	16.9	-2.1
<b>Personal Loans</b>	<b>412.3</b>	<b>5.4</b>	<b>6.8</b>	<b>-13.8</b>
<b>TOTAL</b>	<b>1793.7</b>	<b>11.5</b>	<b>37.2</b>	<b>22.9</b>

<sup>1</sup> Includes government services, real estate, financial institutions, professional services and entertainment

**Table A.5: Commercial Banks' Liquidity Position & Cash Reserves**

BZ\$mn

	Changes During			
	Position	July 2012	Dec 2011	Dec 2010
	as at Aug 2012	to Aug 2012	to Aug 2012	to Aug 2011
<b>Holdings of Approved Liquid Assets</b>	<b>763.5</b>	<b>-16.1</b>	<b>69.7</b>	<b>101.4</b>
Notes and Coins	61.4	0.5	3.5	-9.0
Balances with Central Bank	304.7	0.3	36.3	28.5
Money at Call and Foreign Balances (due 90 days)	215.0	-34.7	20.4	102.0
Treasury Bills maturing in not more than 90 days <sup>(1)</sup>	173.2	19.8	16.3	0.6
Other Approved assets	9.2	-2.0	-6.8	-20.7
of which: Treasury Notes	0.0	0.0	-2.5	-16.6
<b>Required Liquid Assets</b>	<b>502.7</b>	<b>2.3</b>	<b>29.9</b>	<b>24.6</b>
<b>Excess/(Deficiency) Liquid Assets</b>	<b>260.8</b>	<b>-18.4</b>	<b>39.8</b>	<b>76.8</b>
Daily Average holdings of Cash Reserves	305.4	-0.6	35.1	28.0
Required Cash Reserves	185.8	0.9	11.1	9.1
<b>Excess/(Deficiency) Cash Reserves</b>	<b>119.6</b>	<b>-1.5</b>	<b>24.0</b>	<b>18.9</b>
Actual Securities Balances <sup>(2)</sup>	173.9	19.0	22.4	-0.9
Required Securities Balances	0.0	0.0	0.0	-69.5
<b>Excess/(Deficiency) Securities</b>	<b>173.9</b>	<b>19.0</b>	<b>22.4</b>	<b>68.6</b>

(1) Four week average of commercial banks' T-Bills holdings.

(2) Face value of commercial banks' T-Bill holdings at the end of the month.

**Table A.6: Weighted Average Interest Rates**

Percent

	Changes During			
	Position	July 2012	Dec 2011	Dec 2010
	as at Aug 2012	to Aug 2012	to Aug 2012	to Aug 2011
<b>Weighted Lending Rates</b>				
Personal Loans	13.38	-0.08	-0.86	-0.77
Commercial Loans	12.36	-0.05	-0.55	-0.38
Residential Construction	10.80	-0.07	-1.08	-1.05
Other	10.56	-0.08	-1.28	-0.10
<b>Weighted Average</b>	<b>12.26</b>	<b>-0.06</b>	<b>-0.76</b>	<b>-0.54</b>
<b>Weighted Deposit Rates</b>				
Demand	0.49	0.00	0.01	0.15
Savings/ Cheque	2.46	0.00	-0.03	-1.27
Savings	2.90	0.00	-0.08	-0.33
Time	4.16	-0.09	-1.21	-1.12
<b>Weighted Average</b>	<b>2.82</b>	<b>-0.05</b>	<b>-0.83</b>	<b>-0.95</b>
<b>Weighted Average Spread</b>	<b>9.44</b>	<b>-0.13</b>	<b>0.07</b>	<b>0.41</b>



**Table A.7: Tourist Arrivals**

<b>Tourist Arrivals</b>		
	Jan-Aug 2011	Jan-Aug 2012
Air	133,102	154,560
Land	29,871	24,425
Sea	8,239	6,370
<b>Stay-over Visitors</b>	<b>171,212</b>	<b>185,355</b>
<b>Cruise Ship Disembarkations</b>	<b>419,003</b>	<b>388,299</b>

*Source: Belize Tourism Board*

**Table A.8: Sugarcane Deliveries & Production of Sugar and Molasses**

	August 2011	August 2012	Dec—Aug 2010/2011	Dec—Aug 2011/2012
<b>Deliveries of Sugarcane (long tons)</b>	87,079	19,118	843,786	1,070,278
<b>Sugar Processed (long tons)</b>	8,720	2,163	98,482	114,536
<b>Molasses processed (long tons)</b>	4,749	1,393	28,727	30,955
<b>Performance</b>				
Factory Time Efficiency (%)	85.0	87.8	90.3	95.3
Cane Purity (%)	84.1	83.0	86.6	85.8
Cane/Sugar	11.3	12.4	8.6	9.3

*Source: Belize Sugar Industries*

**Table A.9: Exports of Sugar and Molasses**

	August 2011		August 2012		Jan-Aug 2011		Jan-Aug 2012	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
	(long tons)	(\$'000)	(long tons)	(\$'000)	(long tons)	(\$'000)	(long tons)	(\$'000)
<b>Sugar</b>	<b>8,992.0</b>	<b>8,277</b>	<b>80</b>	<b>104</b>	<b>81,710</b>	<b>82,697</b>	<b>97,074</b>	<b>107,462</b>
E.U.	8,972	8,254	60	81	67,900	60,538	79,893	81,702
USA	0	0	0	0	13,730	22,075	17,081	25,645
Caricom	0	0	0	0	0	0	0	0
Other	20	23	20	23	80	84	100	115
<b>Molasses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18,245</b>	<b>2,413</b>	<b>17,722</b>	<b>3,047</b>

*Source: Belize Sugar Industries*

**Table A.10: Citrus Deliveries & Production**

	August 2011	August 2012	Oct-Aug 2010/11	Oct-Aug 2011/12
<b>Deliveries (boxes)</b>				
Orange	0	0	4,447,339	5,805,948
Grapefruit	0	0	539,022	880,489
<b>Total</b>	<b>0</b>	<b>0</b>	<b>4,986,361</b>	<b>6,686,437</b>
<b>Concentrate Produced (ps)</b>				
Orange	0	0	28,046,917	36,299,166
Grapefruit	0	0	2,006,679	3,265,412
<b>Total</b>	<b>0</b>	<b>0</b>	<b>30,053,596</b>	<b>39,564,578</b>
<b>Not from concentrate (ps)</b>				
Orange	0	0	267,735	0
Grapefruit	0	0	132,587	323,157
<b>Total</b>	<b>0</b>	<b>0</b>	<b>400,322</b>	<b>323,157</b>
<b>Pulp (pounds)</b>				
Orange	0	0	1,734,340	2,628,376
Grapefruit	0	0	21,200	318,848
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,755,540</b>	<b>2,947,224</b>
<b>Oil Produced (pounds)</b>				
Orange	0	0	1,490,400	2,059,510
Grapefruit	0	0	70,400	115,216
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,560,800</b>	<b>2,174,726</b>

Source: Citrus Products of Belize

**Table A.11: Export Sales of Citrus Products**

	August 2011		August 2012		Jan-Aug 2011		Jan-Aug 2012	
	Volume (ps '000)	Value (\$ '000)	Volume (ps '000)	Value (\$ '000)	Volume (ps '000)	Value (\$ '000)	Volume (ps '000)	Value (\$ '000)
<b>Citrus Concentrates</b>								
<b>U.S.A.</b>								
Orange	0.0	0	0.0	0	5,662.6	16,524	6,755.4	23,577
Grapefruit	0.0	0	0.0	0	0.0	0	0.0	0
<b>Caribbean</b>								
Orange	1538.1	4552	653.3	2059	10,817.8	30,460	6,861.2	21,985
Grapefruit	47.9	166	33.0	111	326.3	1,142	466.8	1,631
<b>Europe</b>								
Orange	36.0	129	1398.4	5,301	1,776.8	5,909	5,916.0	22,572
Grapefruit	68.3	222	21.0	80	824.8	2,580	1,102.1	4,096
<b>Other</b>								
Orange	67.6	222	0.0	0	4,220.0	16,323	3,226.1	10,748
Grapefruit	0.0	0	0.0	0	790.7	2,035	1,200.7	4,102
<b>Sub-Total<sup>(1)</sup></b>	<b>1,757.9</b>	<b>5,291</b>	<b>2,106</b>	<b>7,551</b>	<b>24,419.0</b>	<b>74,973</b>	<b>25,528.4</b>	<b>88,712</b>
Orange	1,641.7	4,903	2051.7	5,301	22,477.2	69,216	22,758.7	78,882
Grapefruit	116.2	388.2	54.0	111.0	1,941.8	5,757	2,769.7	9,829
<b>Not-From-Concentrate</b>								
<b>Sub-Total</b>	<b>0.0</b>	<b>0.0</b>	<b>6</b>	<b>34</b>	<b>1.1</b>	<b>7</b>	<b>8.1</b>	<b>46.9</b>
Orange	0.0	0	5.1	27	0.0	0	5.1	27
Grapefruit	0	0	1.1	7	1.1	7	3.0	20
<b>Total Citrus Juices</b>	<b>1,757.9</b>	<b>5,291</b>	<b>2,112</b>	<b>7,585</b>	<b>24,420.1</b>	<b>74,980</b>	<b>25,536.5</b>	<b>88,759</b>
<b>Pulp (pounds '000)</b>								
<b>Sub-Total<sup>(1)</sup></b>	<b>105.2</b>	<b>80</b>	<b>100.0</b>	<b>77.7</b>	<b>1359.1</b>	<b>988</b>	<b>1,563.7</b>	<b>1,241</b>
Orange	60.6	45	38.0	28	1,237.8	895	1,230.0	976
Grapefruit	44.5	34	62.0	50	121.3	93	333.7	265

Source: Citrus Products of Belize

(1) Value may not equal to total due to rounding.

**Table A.12: Government Revenue and Expenditure**

	Approved Budget 2012/2013 <sup>P</sup>	Jan-11 to Aug-11	Jan-12 to Aug-12	Apr-11 to Aug-11	Apr-12 to Aug-12	BZ\$'000 Actual YTD as % of Budget
<b>TOTAL REVENUE &amp; GRANTS (1+2+3)</b>	<b>862,643</b>	<b>557,523</b>	<b>588,588</b>	<b>343,834</b>	<b>341,229</b>	<b>39.6%</b>
1). Current revenue	819,369	543,221	553,741	336,863	334,891	40.9%
Tax revenue	683,285	451,292	466,686	281,722	289,801	42.4%
Income and profits	226,157	165,613	162,015	104,965	98,895	43.7%
Taxes on property	6,873	5,675	4,248	3,138	2,506	36.5%
Taxes on goods and services	263,861	161,665	166,315	94,645	103,596	39.3%
Int'l trade and transactions	186,395	118,339	134,109	78,973	84,804	45.5%
Non-Tax Revenue	136,084	91,929	87,055	55,141	45,090	33.1%
Property income	20,609	16,253	11,864	9,439	4,258	20.7%
Licences	12,929	8,146	11,075	4,752	6,682	51.7%
Other	102,546	67,530	64,116	40,950	34,150	33.3%
2). Capital revenue	8,075	4,092	5,343	2,424	1,999	24.8%
3). Grants	35,199	10,210	29,504	4,547	4,339	12.3%
<b>TOTAL EXPENDITURE (1+2)</b>	<b>937,857</b>	<b>580,689</b>	<b>585,537</b>	<b>361,196</b>	<b>315,844</b>	<b>33.7%</b>
1). Current Expenditure	777,734	508,753	483,777	312,316	275,616	35.4%
Wages and Salaries	294,743	191,599	202,524	120,979	126,451	42.9%
Pensions	50,826	32,047	34,159	20,214	20,587	40.5%
Goods and Services	172,617	125,363	116,587	77,264	67,075	38.9%
Interest Payments on Public Debt	136,085	94,694	60,053	50,687	17,267	12.7%
Subsidies & current transfers	123,463	65,050	70,453	43,171	44,236	35.8%
2). Capital Expenditure	160,124	71,936	101,760	48,880	40,228	25.1%
Capital II (local sources)	79,330	46,428	40,520	30,611	19,894	25.1%
Capital III (foreign sources)	77,541	22,101	58,671	16,527	18,622	24.0%
Capital Transfer & Net Lending	3,253	3,407	2,569	1,742	1,712	52.6%
<b>CURRENT BALANCE</b>	<b>41,636</b>	<b>34,468</b>	<b>69,964</b>	<b>24,547</b>	<b>59,275</b>	<b>142.4%</b>
<b>Primary Balance</b>	<b>59,963</b>	<b>71,528</b>	<b>63,104</b>	<b>33,325</b>	<b>42,652</b>	<b>71.1%</b>
<b>OVERALL BALANCE</b>	<b>(75,213)</b>	<b>(23,166)</b>	<b>3,051</b>	<b>(17,362)</b>	<b>25,385</b>	<b>-33.8%</b>
<b>PB less Grants</b>	24,764	61,318	33,600	28,778	38,313	154.7%
<b>OB less Grants</b>	<b>(110,413)</b>	<b>(33,376)</b>	<b>(26,453)</b>	<b>(21,909)</b>	<b>21,046</b>	<b>-19.1%</b>
FINANCING	75,213	23,166	(3,051)	17,362	(25,385)	
<b>Domestic Financing</b>		<b>7,037</b>	<b>(12,333)</b>	<b>(12,222)</b>	<b>(38,458)</b>	
Central Bank		(14,958)	(37,972)	(26,049)	(63,236)	
Net Borrowing		20,499	(17,179)	29,548	(14,060)	
Change in Deposits		(35,457)	(20,793)	(55,596)	(49,176)	
Commercial Banks		(7,933)	21,688	(7,931)	24,082	
Net Borrowing		210	23,879	(5,398)	24,520	
Change in Deposits		(8,143)	(2,191)	(2,533)	(438)	
Other Domestic Financing		29,928	3,950	21,758	696	
<b>Financing Abroad</b>		<b>16,884</b>	<b>8,152</b>	<b>25,637</b>	<b>13,133</b>	
Disbursements		55,949	47,193	48,427	40,297	
Amortization		(39,065)	(39,042)	(22,790)	(27,164)	
Other		(754)	1,131	3,948	(60)	

Source: Ministry of Finance

P= Provisional

**Table A.13: Central Government's Domestic Debt<sup>(1)</sup>**

BZ\$'000

	Disbursed	TRANSACTIONS THROUGH JULY 2012				Disbursed
	Outstanding Debt 31/12/11 <sup>R</sup>	Disbursement/ New Issue of Securities	Amortization/ Reduction in Securities	Interest	Net Change in Overdraft/ Securities	Outstanding Debt 31/08/12 <sup>P</sup>
<b>Overdraft / Loans</b>	48,130	0	0	3,588	9,391	57,521
Central Bank	48,130	0	0	3,588	9,391	57,522
Commercial Banks	0	0	0	0	(0)	(0)
<b>Treasury Bills</b>	<b>175,000</b>	<b>0</b>	<b>0</b>	<b>2,538</b>	<b>0</b>	<b>175,000</b>
Central Bank	22,331	0	0	252	(22,331)	0
Commercial Banks	151,027	0	0	2,268	22,290	173,317
Other	1,642	0	0	18	41	1,683
<b>Treasury Notes</b>	<b>136,800</b>	<b>0</b>	<b>0</b>	<b>5,748</b>	<b>0</b>	<b>136,800</b>
Central Bank	82,228	0	0	5,533	(4,239)	77,989
Commercial Banks	10,000	0	0	0	0	10,000
Other	44,572	0	0	214	4,239	48,811
<b>Defence Bonds</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>400</b>	<b>0</b>	<b>10,000</b>
Central Bank	10,000	0	0	400	0	10,000
Commercial Banks	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Atlantic Bank Ltd.</b>	<b>1,431</b>	<b>0</b>	<b>179</b>	<b>70</b>	<b>0</b>	<b>1,252</b>
<b>Heritage Bank Ltd</b>	<b>2,269</b>	<b>2,119</b>	<b>351</b>	<b>217</b>	<b>0</b>	<b>4,038</b>
<b>Belize Social Security Board<sup>(2)</sup></b>	<b>3,505</b>	<b>0</b>	<b>742</b>	<b>148</b>	<b>0</b>	<b>2,763</b>
<b>Fort St Tourism Vlg.</b>	<b>0</b>	<b>571</b>	<b>159</b>	<b>0</b>	<b>0</b>	<b>412</b>
<b>Debt for Nature Swap</b>	<b>3,054</b>	<b>0</b>	<b>75</b>	<b>44</b>	<b>0</b>	<b>2,979</b>
<b>Guardian Life Bze</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>90</b>	<b>0</b>	<b>1,000</b>
<b>Total</b>	<b>381,189</b>	<b>2,690</b>	<b>1,505</b>	<b>12,844</b>	<b>9,391</b>	<b>391,764</b>

<sup>(1)</sup> Please Note that transactions associated with UHS loan with the Belize Bank is not included in this table due to ongoing litigation.

<sup>(2)</sup> GOB has outstanding loan with BSSB consisting of (i) Hopeville Housing Project and (ii) loan purchased from DFC (as of Jan 30th 2007).

**Table A.14: Public Sector External Debt by Creditor**

BZ\$'000

	TRANSACTIONS THROUGH JULY 2012					Disbursed Outstanding Debt 31/08/12 <sup>P</sup>
	Disbursed Outstanding Debt 31/12/11 <sup>R</sup>	Disbursements	Principal Pay- ments	Interest & Other Payments	Parity Change	
	<b>CENTRAL GOVERNMENT</b>	<b>1,910,489</b>	<b>46,518</b>	<b>39,043</b>	<b>47,199</b>	
Banco Nacional de Comercio Exterior	3,705	0	1,059	209	0	2,646
Government of the United States	749	0	180	19	0	568
Government of Venezuela	37,492	0	1,235	285	0	36,257
Kuwait Fund for Arab Economic Dev	20,363	1,385	2,257	785	-200	19,291
Republic of China	280,740	20,000	15,898	5,634	0	284,842
Caribbean Development Bank	196,985	6,190	7,257	4,312	0	195,918
Caricom Development Fund	2,000	0	0	0	0	2,000
European Economic Community	13,795	0	502	59	-342	12,951
Inter-American Development Bank	220,755	13,999	7,656	2,242	-0	227,097
International Fund for Agric. Dev.	2,192	0	276	13	-16	1,900
Intl. Bank for Reconstruction & Dev.	19,539	1,369	1,721	100	-0	19,187
Opec Fund for Int'l. Development	17,645	3,576	1,000	396	-0	20,221
Central American Bank for Econ. Integ.	1,000	0	0	29	0	1,000
Bear Stearns & Co (Untendered portion)	5,916	0	0	47	0	5,916
Bank of New York (New Bond Issue)	1,087,613	0	0	33,069	0	1,087,613
<b>NON-FINANCIAL PUBLIC SECTOR</b>	<b>47,247</b>	<b>96</b>	<b>8,300</b>	<b>962</b>	<b>-106</b>	<b>38,937</b>
Kuwait Fund for Arab Economic Dev	3,585	0	358	72	-38	3,189
Deutsche Bank	422	0	211	8	0	211
Royal Merchant Bank and Finance Co. <sup>(1)</sup>	559	0	559	28	0	0
The Bank of Nova Scotia <sup>(1)</sup>	9,571	0	3,190	103	0	6,381
European Investment Bank <sup>(1)</sup>	2,189	0	672	41	-68	1,449
Caribbean Development Bank <sup>(1)(2)</sup>	30,921	96	3,310	710	0	27,708
<b>FINANCIAL PUBLIC SECTOR</b>	<b>87,330</b>	<b>0</b>	<b>11,273</b>	<b>576</b>	<b>-623</b>	<b>75,434</b>
Caribbean Development Bank	10,639	0	1,056	175	0	9,583
European Economic Community	377	0	19	2	-8	350
Paine Webber Real Estate Securities Inc.	400	0	100	2	0	300
Belize Mortgage Company <sup>(3)</sup>	6,538	0	6,538	219	0	0
International Monetary Fund <sup>(4)</sup>	69,377	0	3,561	178	-615	65,201
<b>GRAND TOTAL</b>	<b>2,045,066</b>	<b>46,614</b>	<b>58,616</b>	<b>48,738</b>	<b>(1,287)</b>	<b>2,031,778</b>

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

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

<sup>(3)</sup> BMC is the issuer of the DFC North American Securitization Loan through the Bank of New York.

<sup>(4)</sup> IMF SDR Allocation is included as part of financial public sector external debt obligation.