



CENTRAL BANK  

---

of BELIZE



MONTHLY ECONOMIC REPORT

JANUARY 2013

## List of Acronyms and Abbreviations

### Acronyms:

BEL	Belize Electricity Limited
BGA	Banana Growers Association
BMC	Belize Mortgage Company
BSI	Belize Sugar Industries
BSSB	Belize Social Security Board
BTB	Belize Tourism Board
BTL	Belize Telemedia Limited
BWSL	Belize Water Services Limited
CBB	Central Bank of Belize
CDB	Caribbean Development Bank
CFZ	Commercial Free Zone
CGA	Citrus Growers Association
CPBL	Citrus Products of Belize Limited
DFC	Development Finance Corporation
ENDA	Emergency Natural Disaster Assistance
EU	European Union
GOB	Government of Belize
GST	General Sales Tax
IDB	Inter-American Development Bank
IBRD	International Bank for Reconstruction and Development
LIBOR	London Interbank Offered Rate
IMF	International Monetary Fund
MOF	Ministry of Finance
OFID	OPEC Fund for International Development
OPEC	Organisation of the Petroleum Exporting Countries
ROC/Taiwan	Republic of China/Taiwan
SDR	Special Drawing Right
SIB	Statistical Institute of Belize
T-bills	Treasury bills
T-notes	Treasury notes
UHS	Universal Health Services

### Abbreviations and Conventions:

\$	refers to the Belize dollar unless otherwise stated
bn	denotes billion
mn	denotes million
Ps	Pound solid
Pps	Per pound solid
TC/TS	Tons Cane to Tons Sugar

### Notes:

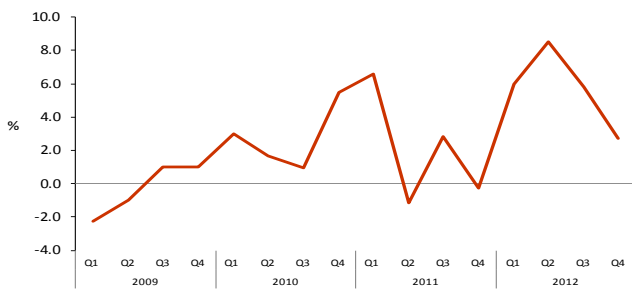
1. Since May of 1976 the Belize dollar has been fixed to the US dollar at the rate of US\$1.00 = BZ\$2.00.
2. The 2012 figures in this report are provisional and the figures for 2011 have been revised.
3. Unless otherwise indicated, the Central Bank of Belize is the source of all tables and charts.

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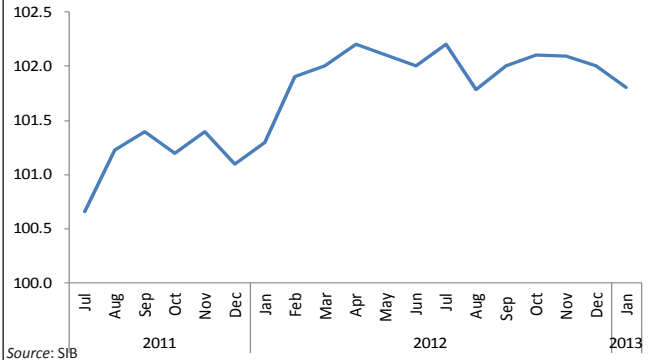
# Summary of Economic Indicators

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



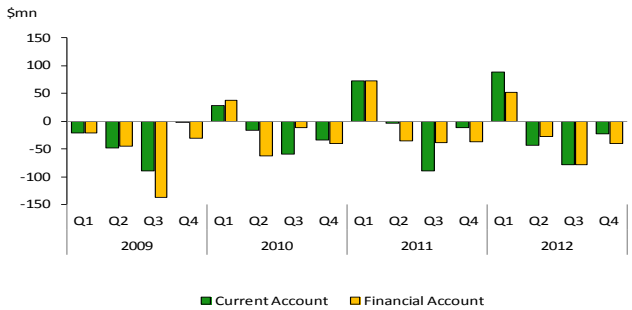
Source: SIB

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



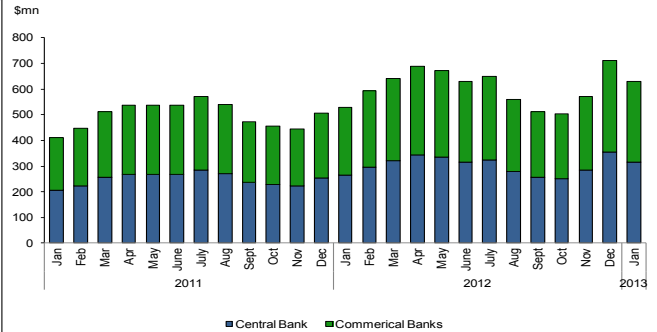
Source: SIB

**Chart III: Balance of Payments**



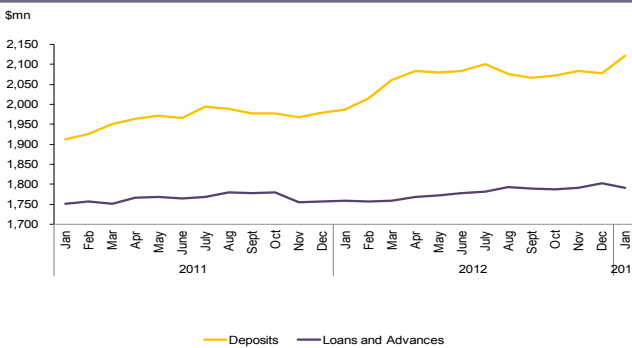
■ Current Account ■ Financial Account

**Chart IV: Net Foreign Assets**



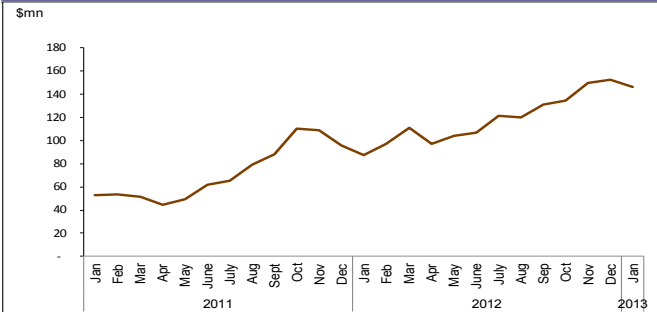
■ Central Bank ■ Commercial Banks

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

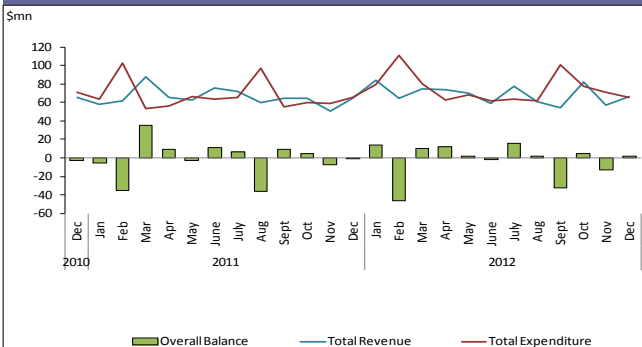


— Deposits — Loans and Advances

**Chart VI: Excess Cash Balances**

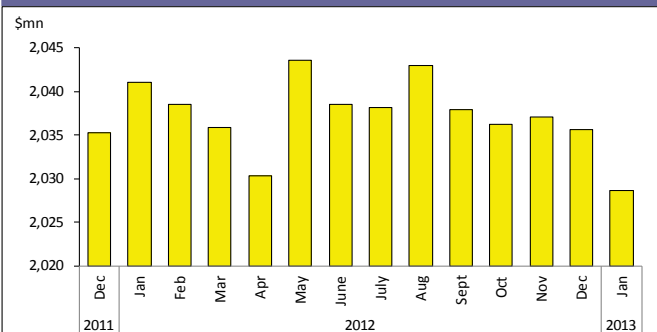


**Chart VII: Central Government Operations**



Source: MOF

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



## Money & Credit

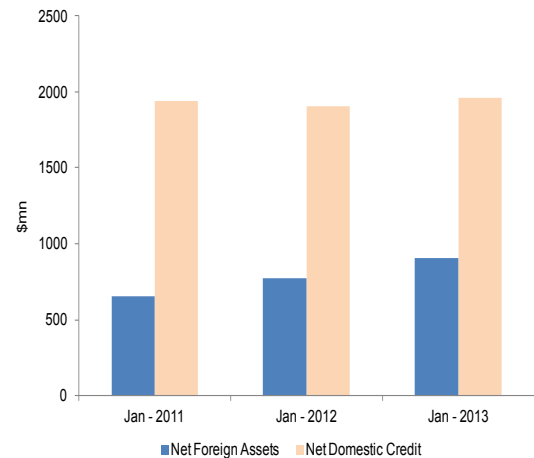
Foreign currency transfers associated with the Venezuelan Petro Caribe Agreement coupled with additional loan write-offs dominated monetary developments and resulted in an unexpected contraction of 2.0% (\$49.0mn) in broad money supply during January. The latter has only occurred on two previous occasions since 2000 as the beginning of the year typically sees strong seasonal growth in foreign assets push broad money supply upward despite subdued private sector credit demand.

Net foreign assets of the banking system fell sharply by \$44.0mn, led by a \$40.4mn reduction in the net holdings of the commercial banks. This was mainly due to the transfer of Petro Caribe oil shipment receipts from the local commercial bank account held by a Government of Venezuela/Government of Belize joint-venture company to an international bank. The Central Bank also registered a small reduction of \$3.6mn with foreign exchange sales of \$16.6mn outpacing purchases of \$13.2mn. Inflows were mainly comprised of sugar receipts (51.5%) and loan disbursements (15.1%), while 84.0% of outflows went to Central Government mainly for external debt servicing.

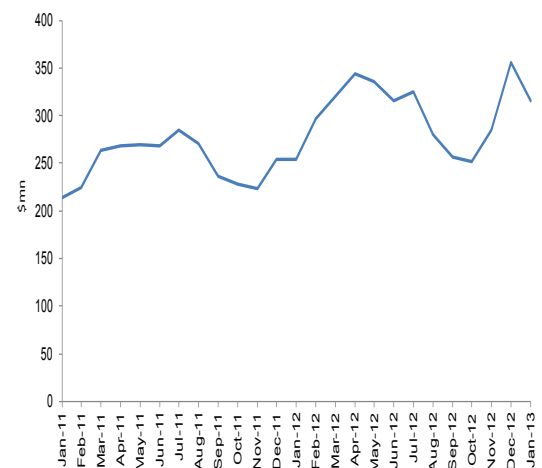
Net domestic credit contracted by \$14.0mn during January as reductions of \$13.7mn in private sector credit and \$2.7mn in net credit to the Central Government overshadowed a \$2.4mn increase in credit to other public sector entities, principal among which was Belize Telemedia Limited. The \$2.7mn reduction in net credit to the Central Government occurred as deposits accumulation, mostly at the commercial banks, was partly offset by a \$1.8mn increase in the overdraft balance held with the Central Bank.

Further commercial bank private sector loan write-offs totalled \$7.0mn during the month with the bulk of

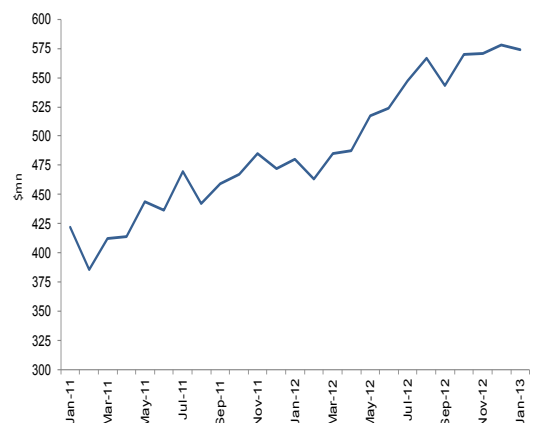
**Chart 1.1: Net Foreign Assets and Net Domestic Credit**



**Chart 1.2: Commercial Banks' Net Foreign Assets**



**Chart 1.3: Gross International Reserves**



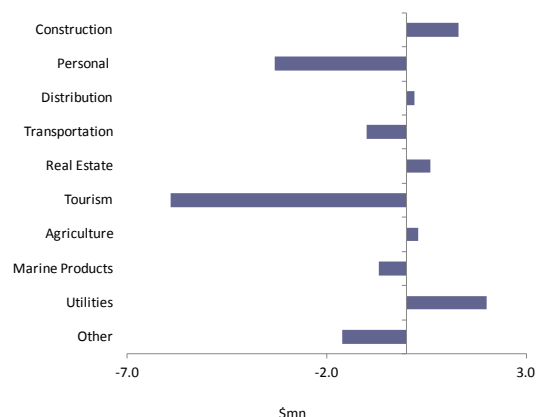
these occurring in the tourism (\$4.2mn) and real estate (\$1.9mn) subsectors. Meanwhile, notable net repayments of \$4.3mn were made by manufacturers, particularly those engaged in the production of beer, spirits and soft drinks, and individuals repaid \$3.3mn on personal loans. In contrast, positive but small disbursements were made to the construction sub-sector, citrus and banana growers and merchandise trade distributors. Lending by the five largest credit unions contracted by \$3.0mn, due mainly to repayments of loans by the secondary sector.

Concurrent with the decline in private sector credit, excess statutory liquidity expanded by 2.1% compared to a 1.1% decline in the corresponding period of 2012. Average holdings of approved liquid assets rose by \$21.3mn against a \$10.5mn increase in the required level. While excess cash holdings declined by 4.3% to \$146.1mn, these balances were still a substantial 76.6% above required levels.

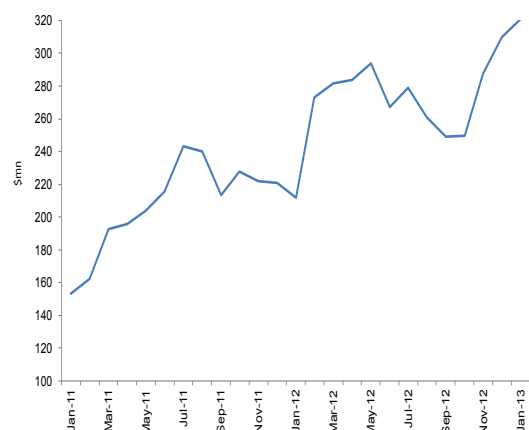
The persistence of high levels of liquidity in the banking system underpinned a 5 basis points fall in the weighted average lending rate to 11.94% during the month, with all loan categories recording rate cuts, of which the more notable declines were for personal loans (9 basis points) and residential construction (8 basis points). At the same time, an increase of 4 basis points in the demand deposit rate was the major driver of the 1 basis point increase in the weighted average deposit rate to 2.56%. As a result, the weighted average spread decreased by 6 basis points to 9.38%, a deviation from the general increasing trend recorded throughout 2012.

While there was a slight dip in the nominal weighted average lending rate, commercial banks' actual interest earned (as a percentage of total loans) fell by 59 basis points to 9.16%, some 278 basis points lower than the

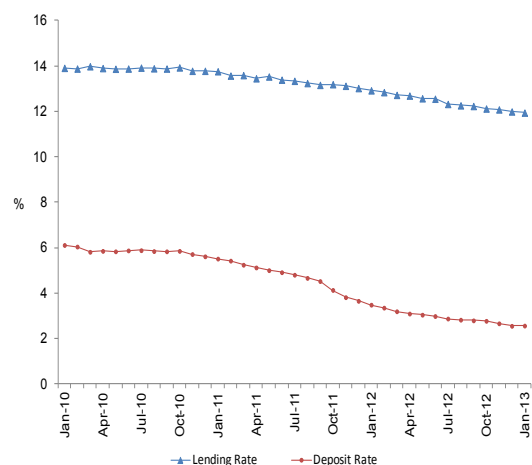
**Chart 1.4: Changes in Commercial Banks' Loans and Advances**



**Chart 1.5: Excess Statutory Liquidity**



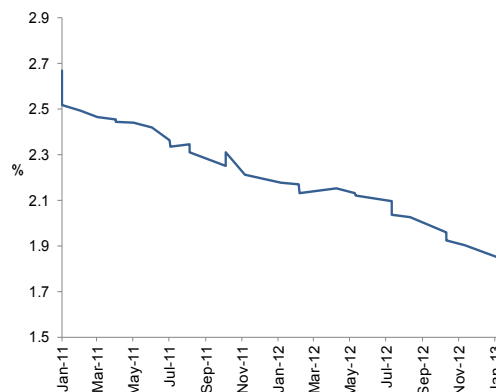
**Chart 1.6: Commercial Banks' Weighted Average Lending and Deposit Interest Rates**



nominal lending rate. This largely reflects the erosion of interest income due to the high level of non-performing loans in the system. On the other hand, actual interest payments for deposits rose by 2 basis points to 2.22%, 34 basis points lower than the weighted average deposit rate of 2.56%. These movements resulted in the actual interest rate spread accruing to commercial banks falling by 61 basis points to 6.94%.

With the distribution of liquidity remaining highly uneven, the interbank market saw some activity in January as \$12.0mn was successfully placed at an interest rate of 4.75%. Holdings of Treasury bills by the commercial banks remained relatively constant over the month, as the weighted average yield declined from 1.84214% at the first auction in 2013 to 1.83682% at the end of January. The latter was 7 basis points lower than the average yield recorded in November 2012 and 34 basis points lower than that at the end of January 2012.

**Chart 1.7: Treasury Bill Yield**



## Real Sector Developments

The performance of the main domestic exports was uneven in January with increased production of sugarcane, sugar, molasses and banana being partly offset by declines in petroleum, citrus deliveries and citrus juices. An increase in the acreage under cultivation boosted banana production, while factory improvements facilitated higher sugarcane deliveries and sugar output. Earnings from the main domestic exports declined by 15.7% as sharp decreases in sugar and citrus revenues eclipsed higher revenues from banana and petroleum.

With higher arrivals recorded through all entry ports, stay-over visitors rose by 15.0% to 25,490 compared to the amount recorded in January 2011. This buoyancy was also observed in cruise ship disembarkations that rose by 19.4% to 92,584 visitors due to the deployment of larger ships.

Led by growth in food and fuel prices, the Consumer Price Index (CPI) rose by 0.5% in comparison with the CPI of January 2012. The prices for "Food and Non Alcoholic Beverages" and "Transport" rose by 0.6% and 0.9%, respectively, mostly in response to higher poultry and fuel prices. The 6.3% hike in "Health" prices reflected hospital accommodation and surgical procedures, while nightclub entertainment underpinned the 3.7% increase in prices for "Recreation and Culture".

### Sugarcane and Sugar

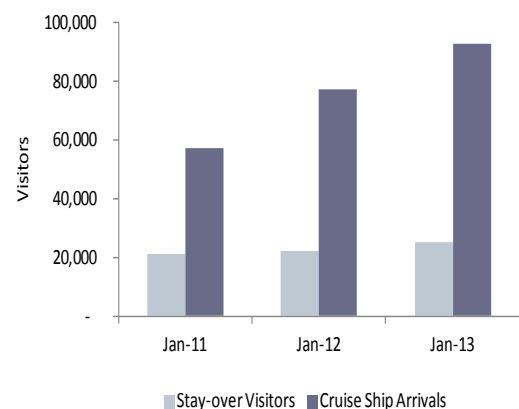
Sugarcane deliveries for the 2012/2013 crop year to date amounted to 386,132 long tons, a 25.2% increase over the corresponding period of the previous crop year. Supported by a 4.7% improvement in the cane-to-sugar ratio, production of sugar was up by 32.1% to 37,126 long tons. Factory improvements initiated by the strategic investor (American Sugar Refinery), significantly raised the sugarcane hourly grinding rate and expanded the processing throughput capacity. Consequently, by the

**Table 2.1 Value of Selected Domestic Exports**

	\$mn	
	Jan 2012	Jan 2013
Sugar	8.4	1.3
Molasses	0.0	0.0
Bananas	8.8	10.9
Citrus	9.4	7.5
Petroleum	13.7	14.7
<b>Total</b>	<b>40.3</b>	<b>34.4</b>

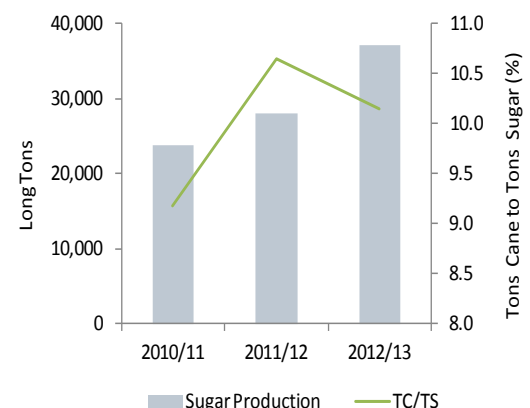
Sources: BSI, BGA, CPBL, Geology and Petroleum Dept.

**Chart 2.1: Tourist Arrivals**



Sources: BTB and CBB

**Chart 2.2: Sugar Production**



Source: BSI



end of January, approximately 35.0% of the crop was processed, compared to the 28.8% achieved during the same period of the previous crop year. Molasses output also grew robustly by 34.9% to 10,671 long tons.

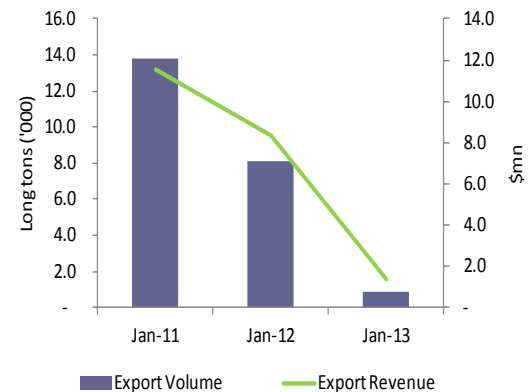
Export activity during the month was sharply asymmetrical to the surge in production. The volume exported stood at 897 long tons valued at \$1.3mn compared to exports of 8,099 long tons valued at \$8.4mn in January 2011. The dramatic decline in export volume and receipts was due to delays in the ship loading schedule that was affected by weather and equipment related issues. There were no exports of molasses during the month.

### Citrus

Citrus deliveries contracted by 19.5% to 1.7mn boxes for the 2012/2013 crop year to date. Premature fruit drop and unfavourable weather reduced orange deliveries by 21.1% to 1.3mn boxes, while an unusually long crop maturation period decreased grapefruit deliveries by 14.7% to 0.4mn boxes and temporarily halted deliveries during January. Exacerbated by a 3.1% fall in the average juice outturn per box of fruit, juice production fell by 22.0% to 9.3mn pound solids (ps). In line with deliveries, the output of grapefruit juices fell by 11.5% to 2.0mn ps, which accounted for 21.5% of the total. The out-turn of orange juices also declined by 24.4% to 7.3mn ps, which was 78.5% of the total juice output. Production of citrus oils and pulp declined as well and amounted to 0.5mn pounds and 1.1mn pounds, respectively.

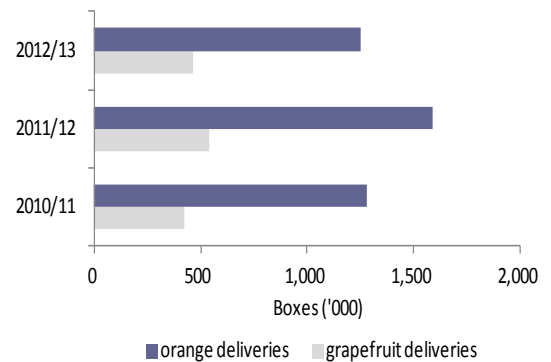
The volume of citrus juice exports during January fell by 8.5% to 2.6mn ps with grapefruit and orange concentrate declining by 17.7% to 0.5mn ps and by 6.2% to 2.1mn ps, respectively. Concurrently, revenues plunged by 20.4% to \$7.5mn, as a 21.6% rally in grapefruit concentrate prices was insufficient to offset lower prices for orange concentrate and the fall in export volume. International prices of orange concentrates fell with the reports of

**Chart 2.3: Sugar Exports**



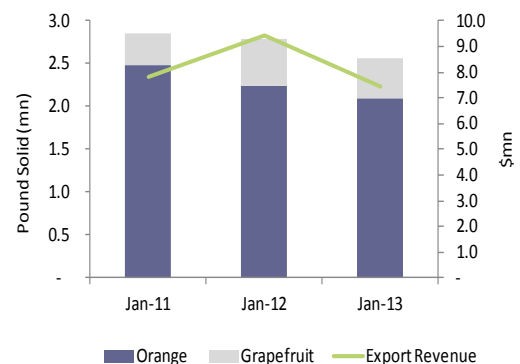
Source: BSI

**Chart 2.4: Citrus Deliveries**



Sources: CGA and CPBL

**Chart 2.5: Citrus Juice Export Volume and Revenue**



Source: CPBL

higher opening juice stocks in Florida and Brazil, while a smaller grapefruit harvest in the US supported the strengthening of grapefruit prices.

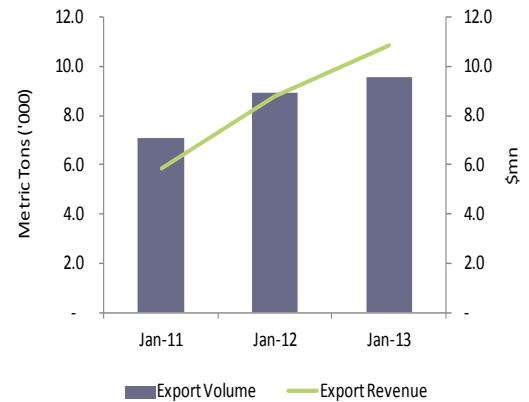
### Banana

Favourable weather and higher acreage boosted banana output by 7.4% to 9,579 metric tons, when compared to January 2011. In addition to the increase in production, the average export price rose by 15.5% thus enabling a 24.0% expansion in revenues to \$10.9mn. The Banana Growers Association and Fyffes renegotiated the extension of their exclusive marketing contract with the official signing occurring in November 2012. This new agreement established another five year exclusive marketing contract that commenced on 1 January 2013.

### Petroleum

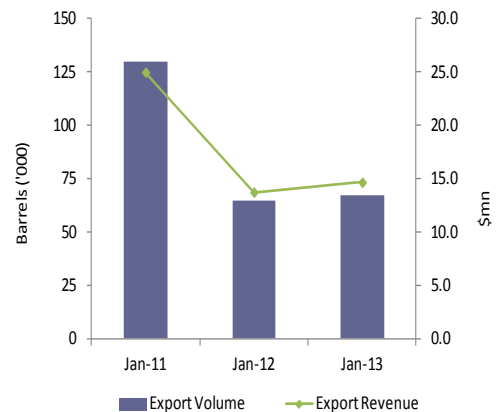
Petroleum extraction continued its downward trajectory, declining by 22.8% to 77,330 barrels as production from the Never Delay and Spanish Lookout fields fell by 93.3% and 16.2%, respectively. In contrast, the volume of oil exports grew marginally by 3.9% to 66,947 barrels, while export revenue increased by 6.7% to \$14.7mn. The latter reflected a 2.7% increase in the average export price to US\$109.56 per barrel, which is US\$19.56 over the threshold price at which the petroleum surcharge becomes applicable. The upward creep in international crude oil prices since November 2012 reflected low global inventories, production constraints and continued government instability in many oil producing countries.

**Chart 2.6: Banana Exports**



Source: BGA

**Chart 2.7: Petroleum Exports**



Source: Geology and Petroleum Dept.

## Central Government Operations

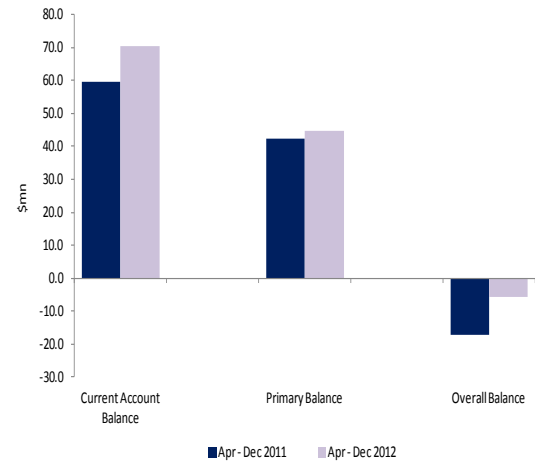
January data for fiscal operations are not yet available.

Comparing the first nine months of the 2012/2013 fiscal year (April to December) with the same period of the previous fiscal year, government's operations improved with a 3.3% increase in revenues outstripping a 1.4% rise in expenditures. The net result was a relatively stable primary surplus that amounted to \$44.8mn (1.4% of GDP) and an \$11.3mn reduction in the overall deficit to \$5.8mn (0.2% of GDP). The deficit was funded by external sources as domestic financing contracted due to a build-up in government's deposits at the Central Bank.

Higher collections from the GST, licenses, RRD, repayment of old loans and grants from the European Union (EU) to finance the banana and sugar support programmes pushed revenues up by \$20.0mn to \$622.5mn (72.2% of budget). Repayment of old loans was boosted by one-off payments of \$10.0mn from Belize Sugar Industries and \$7.0mn from Belize Telemedia Limited (BTL). The buoyancy of the GST and the associated fall in revenues from import duties reflected the shift in July back to a GST on fuel imports instead of the levying of a fixed import duty. On the downside, business taxes fell by \$7.9mn, while petroleum receipts contracted by \$15.4mn due to declining production and lower average export prices. The court-mandated hold on payment of BTL dividends led to a \$12.0mn decline in property income.

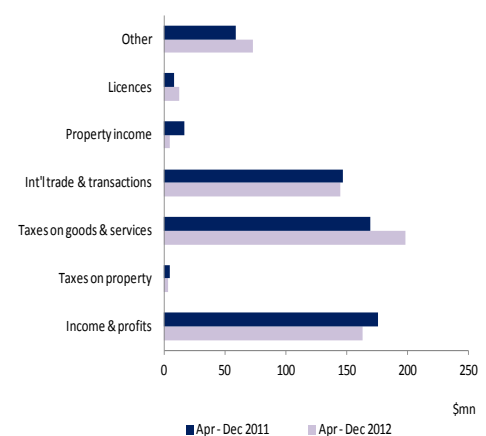
Higher current outlays underpinned an \$8.7mn year-on-year increase in total expenditure that stood at 67.0% of budget. All categories of current spending expanded, except interest payments, which fell by \$8.9mn mostly due to the decision to withhold half of the second interest payment on the super bond. Domestic subsidies increased due to the reclassification of teachers' salaries to this line item in order to more accurately reflect the public/private partnership status of most of the nation's educational institutions.

**Chart 3.1: Central Government Operations**



Sources: MOF and CBB estimates

**Chart 3.2: Central Government Current Revenue**



Sources: MOF and CBB estimates

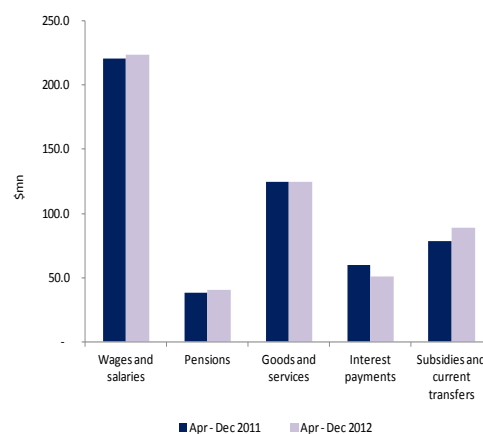
At 62.2% of budget, capital expenditure stood at \$99.5mn (3.2% of GDP), inclusive of \$2.5mn in net lending. Transportation infrastructure projects accounted for 29.9% of the total and included the completion of works on the Southern Highway, the Big Falls border road, developments on the south-side of Belize City, the completion of the Kendal Bridge and maintenance/rehabilitation of highways. Some \$15.1mn was spent on agriculture, mainly in the sugar and banana belts. Land management and solid waste management accounted for \$14.9mn, while environmental projects were allotted \$12.9mn. Another \$5.6mn was spent on youth, sports and culture, while social protection received \$8.6mn. Outlays on education, health, housing, security, science and technology amounted to \$5.4mn, and the remainder was spent on furniture, equipment and upgrading of buildings.

### Central Government's Domestic Debt

During January, Central Government's domestic debt increased by \$0.4mn to \$390.6mn, as a \$1.8mn rise in overdraft financing from the Central Bank eclipsed amortization payments of \$1.4mn. The largest principal repayment (\$1.0mn) was the retirement of the loan from Guardian Life Belize, while smaller payments amounting to \$0.4mn were spread among the Belize Social Security Board (BSSB), Fort Street Tourism Village and Heritage Bank. At month-end, Central Bank's share of the domestic debt stood at 39.9%, compared to 39.5% in December 2012 and the government's overdraft balance was 7.6% of the previous fiscal year's current revenue. The commercial banks' share of the domestic debt fell from 48.4% in December 2012 to 45.7%.

Of the \$1.4mn paid in interest, the Central Bank received \$1.0mn, which included \$0.5mn on short-term credit provided by way of the overdraft and \$0.5mn for longer term Treasury notes. Some \$0.3mn went to the commercial banks as earnings on their Treasury bill holdings, and the remainder was paid to the BSSB and Guardian Life.

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



Source: MOF

**Table 3.1: Central Government's Capital Expenditure**

	\$mn	
	Apr - Dec 2011	Apr - Dec 2012
Public Works	25.06	29.06
Environmental Protection	9.06	12.93
Natural Resources	13.16	14.89
Housing	3.41	0.71
Health	1.66	1.16
Education	1.57	1.94
Security & Defense	2.18	1.10
Agriculture & Fisheries	12.38	15.07
Other	26.19	20.19
Net lending	3.99	2.49
<b>Total</b>	<b>98.66</b>	<b>99.54</b>

Source: MOF

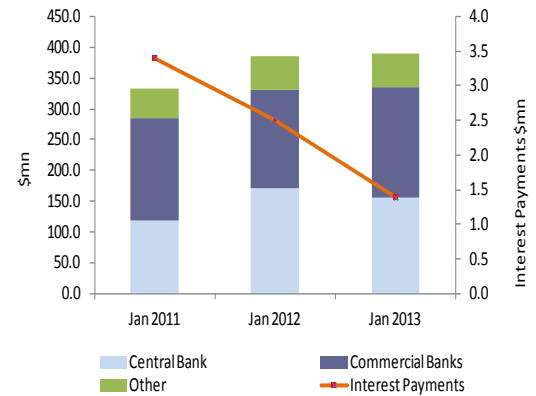
### Public Sector External Debt

During the month, the public sector external debt fell by \$7.0mn to \$2,028.7mn, with amortization payments of \$8.8mn exceeding new borrowings of \$1.2mn and an upward valuation adjustment of \$0.6mn that was due to the appreciation of the Special Drawing Rights (SDRs) and Euro against the US dollar. Disbursements came solely from the Caribbean Development Bank (CDB) for the Santa Elena/San Ignacio Bypass project.

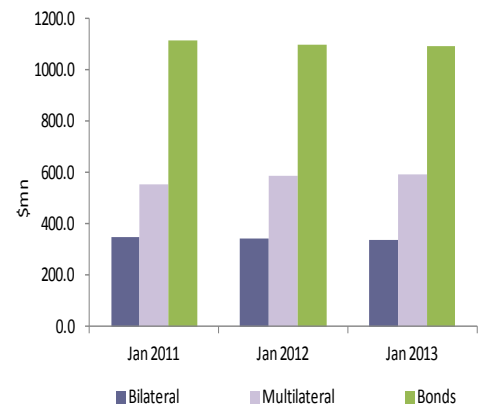
Central Government amortized \$7.5mn, of which \$4.4mn was paid to multilateral creditors and \$3.1mn went to bilateral lenders. The Development Finance Corporation (DFC) and the non-financial public sector repaid \$1.3mn to the CDB.

Interest and other payments totalled \$3.3mn, of which Central Government accounted for 92.1%. Most of this went to multilateral creditors such as the CDB (\$1.5mn) and the IDB (\$0.2mn), followed by bilateral lenders like Republic of China (ROC)/Taiwan (\$0.8mn) and the Government of Kuwait (\$0.6mn). The financial and non-financial public sectors paid the CDB \$0.3mn in combined interest.

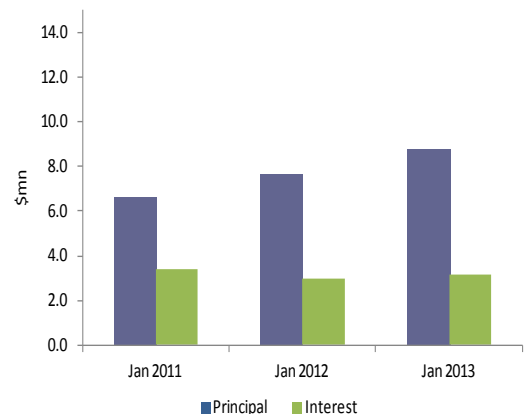
**Chart 3.4: Central Government's Domestic Debt**



**Chart 3.5: Public Sector External Debt**



**Chart 3.6: External Debt Service Payments**



## Statistical Appendix

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

\$mn

	Position as at Dec-12	Position as at Jan-13	Changes During	
			Dec-12 to Jan-13	Dec-11 to Jan-12
<b>Net Foreign Assets</b>	<b>948.1</b>	<b>904.3</b>	<b>-44.0</b>	<b>17.1</b>
Central Bank	592.4	588.9	-3.6	6.8
Commercial Bank	355.7	315.4	-40.4	10.3
<b>Net Domestic Credit</b>	<b>1,973.0</b>	<b>1,958.8</b>	<b>-14.0</b>	<b>-12.8</b>
Central Government (Net)	170.6	167.8	-2.7	-24.0
Other Public Sector	11.3	13.6	2.4	8.2
Private Sector	1,791.1	1,777.4	-13.7	3.0
<b>Central Bank Foreign Liabilities (Long-term)</b>	<b>64.0</b>	<b>64.2</b>	<b>0.2</b>	<b>0.7</b>
<b>Other Items (net)</b>	<b>413.5</b>	<b>404.3</b>	<b>-9.2</b>	<b>-0.9</b>
<b>Money Supply M2</b>	<b>2,443.6</b>	<b>2,394.6</b>	<b>-49.0</b>	<b>4.5</b>

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

\$mn

	Position as at Dec-12	Position as at Jan-13	Changes During	
			Dec-12 to Jan-13	Dec-11 to Jan-12
<b>Net Foreign Assets of Banking System</b>	<b>948.1</b>	<b>904.3</b>	<b>-44.0</b>	<b>17.1</b>
<b>Net Foreign Assets of Central Bank</b>	<b>592.4</b>	<b>588.9</b>	<b>-3.6</b>	<b>6.8</b>
Central Bank Foreign Assets	594.5	590.4	-4.2	8.3
Central Bank Foreign Liabilities (Demand)	2.1	1.5	-0.6	1.5
<b>Net Foreign Assets of Commercial Banks</b>	<b>355.7</b>	<b>315.4</b>	<b>-40.4</b>	<b>10.3</b>
Commercial Bank Foreign Assets	362.9	324.6	-38.3	6.3
Commercial Bank Foreign Liabilities (Short-Term)	7.2	9.2	2.1	-4.0

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

\$mn

	Changes During			
	Position as at Dec-12	Position as at Jan-13	Dec-12 to Jan-13	Dec-11 to Jan-12
<b>Total Credit to Central Government</b>	<b>333.4</b>	<b>335.2</b>	<b>1.8</b>	<b>-5.2</b>
<b>From Central Bank</b>	<b>154.1</b>	<b>155.9</b>	<b>1.8</b>	<b>7.3</b>
Loans and Advances	56.3	58.1	1.8	4.4
Government Securities <sup>(1)</sup>	97.8	97.8	0.0	2.9
<b>From Commercial Banks</b>	<b>179.3</b>	<b>179.3</b>	<b>0.0</b>	<b>-12.5</b>
Loans and Advances	5.4	5.3	-0.1	-0.1
Government Securities	173.9	174.0	0.1	-12.4
(of which) Treasury bills <sup>(2)</sup>	173.5	173.4	-0.1	-3.0
Treasury notes	0.0	0.0	0.0	-10.0
Other	0.4	0.6	0.2	0.6
<b>Less Central Government Deposits</b>	<b>162.8</b>	<b>167.4</b>	<b>4.5</b>	<b>18.8</b>
With Central Bank	123.5	123.9	0.3	18.2
With Commercial Banks	39.3	43.5	4.2	0.6
<b>Net Credit to Central Government</b>	<b>170.6</b>	<b>167.8</b>	<b>-2.7</b>	<b>-24.0</b>
<b>Credit to Other Public Sector</b>	<b>11.3</b>	<b>13.6</b>	<b>2.4</b>	<b>8.2</b>
From Central Bank	0.0	0.0	0.0	0.0
From Commercial Banks	11.3	13.6	2.4	8.2
(of which) Local Government	1.3	1.0	-0.2	-2.1
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	9.2	11.8	2.6	11.8
Other Statutory Bodies	0.8	0.8	0.0	-1.5
Securities	0.0	0.0	0.0	0.0
<b>Plus Credit to the Private Sector</b>	<b>1,791.1</b>	<b>1777.4</b>	<b>-13.7</b>	<b>3.0</b>
Loans and Advances	1,790.1	1776.4	-13.7	3.0
Securities	1.0	1.0	0.0	0.0
<b>Net Domestic Credit of the Banking System<sup>(3)</sup></b>	<b>1,973.0</b>	<b>1958.8</b>	<b>-14.0</b>	<b>-12.8</b>

<sup>(1)</sup> Includes Government T-bills and T-notes.

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

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

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

\$mn

	Changes During			
	Position as at Dec-12	Position as at Jan-13	Dec-12 to Jan-13	Dec-11 to Jan-12
<b>PRIMARY SECTOR</b>	<b>182.1</b>	<b>181.4</b>	<b>-0.7</b>	<b>0.1</b>
Agriculture	124.7	125.0	0.3	-1.4
Sugar	13.5	13.2	-0.3	-0.3
Citrus	16.6	16.9	0.3	0.1
Bananas	69.5	69.9	0.4	-0.5
Other	25.1	25.0	-0.1	-0.7
Marine Products	35.4	34.7	-0.7	1.0
Forestry	1.2	1.2	0.0	0.0
Mining & Exploration	20.8	20.5	-0.3	0.5
<b>SECONDARY SECTOR</b>	<b>545.5</b>	<b>544.5</b>	<b>-1.0</b>	<b>1.0</b>
Manufacturing	32.5	28.2	-4.3	-2.7
Building & Construction	478.0	479.3	1.3	3.7
Utilities	35.0	37.0	2.0	0.0
<b>TERTIARY SECTOR</b>	<b>649.2</b>	<b>642.7</b>	<b>-6.5</b>	<b>1.8</b>
Transport	49.9	48.9	-1.0	-0.2
Tourism	96.2	90.3	-5.9	-0.8
Distribution	202.3	202.5	0.2	0.9
Other <sup>1</sup>	300.8	301.0	0.2	1.9
<b>Personal Loans</b>	<b>425.8</b>	<b>422.5</b>	<b>0.2</b>	<b>-0.2</b>
<b>TOTAL</b>	<b>1802.6</b>	<b>1791.1</b>	<b>-11.5</b>	<b>2.7</b>

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



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

\$mn

	Position as at Dec-12	Position as at Jan-13	Changes During	
			Dec-12 to Jan-13	Dec-11 to Jan-12
<b>Holdings of Approved Liquid Assets</b>	<b>815.8</b>	<b>837.2</b>	<b>21.3</b>	<b>-7.7</b>
Notes and Coins	68.9	76.1	7.1	5.8
Balances with Central Bank	338.6	336.5	-2.1	-5.1
Money at Call and Foreign Balances (due 90 days)	220.1	237.2	17.1	3.9
Treasury bills maturing in not more than 90 days <sup>(1)</sup>	173.2	173.2	0.0	-8.5
Other Approved assets	15.0	14.2	-0.8	-3.8
of which: Treasury notes	0.0	0.0	0.0	-2.5
<b>Required Liquid Assets</b>	<b>505.7</b>	<b>516.2</b>	<b>10.5</b>	<b>1.4</b>
<b>Excess/(Deficiency) Liquid Assets</b>	<b>310.1</b>	<b>321.0</b>	<b>10.8</b>	<b>-9.1</b>
Daily Average holdings of Cash Reserves	339.5	336.9	-2.6	-4.7
Required Cash Reserves	186.9	190.8	3.9	0.5
<b>Excess/(Deficiency) Cash Reserves</b>	<b>152.6</b>	<b>146.1</b>	<b>-6.5</b>	<b>-5.2</b>
Actual Securities Balances <sup>(2)</sup>	173.9	173.9	0.0	-3.0
Required Securities Balances	0.0	0.0	0.0	0.0
<b>Excess/(Deficiency) Securities</b>	<b>173.9</b>	<b>173.9</b>	<b>0.0</b>	<b>-3.0</b>

<sup>(1)</sup> Four week average of commercial banks' T-bills holdings.

<sup>(2)</sup> Face value of commercial banks' T-bill holdings at the end of the month.

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

Percent

	Position as at Dec-12	Position as at Jan-13	Changes During	
			Dec-12 to Jan-13	Dec-11 to Jan-12
<b>Weighted Lending Rates</b>				
Personal Loans	12.95	12.86	-0.09	-0.04
Commercial Loans	12.15	12.13	-0.02	-0.12
Residential Construction	10.49	10.41	-0.08	-0.13
Other	10.32	10.24	-0.08	-0.12
<b>Weighted Average</b>	<b>11.99</b>	<b>11.94</b>	<b>-0.05</b>	<b>-0.10</b>
<b>Weighted Deposit Rates</b>				
Demand	0.43	0.47	0.04	-0.03
Savings/ Cheque	2.45	2.45	0.00	-0.03
Savings	2.88	2.83	-0.05	-0.07
Time	3.95	3.87	-0.08	-0.20
<b>Weighted Average</b>	<b>2.55</b>	<b>2.56</b>	<b>0.01</b>	<b>-0.17</b>
<b>Weighted Average Spread</b>	<b>9.44</b>	<b>9.38</b>	<b>-0.06</b>	<b>0.07</b>

**Table A.7: Commercial Banks' Actual Interest Rate Spread**

	Percent			
	Position as at Dec-12	Position as at Jan-13	Changes during	
			Dec-12 to Jan-13	Dec-11 to Jan-12
<b>Actual Loan Interest (% of Loans)</b>	9.75	9.16	-0.59	-0.84
<b>Actual Deposit Expense (% of Deposits)</b>	2.20	2.22	0.02	-0.22
<b>Actual Interest Rate Spread</b>	7.55	6.94	-0.61	-0.62

**Table A.8: Tourist Arrivals**

	Jan 2012	Jan 2013
Air	18,541	19,933
Land	2,757	4,329
Sea	<u>873</u>	<u>1,228</u>
Stay-over Visitors	22,170	25,490
Cruise Ship Disembarkations	77,515	92,584

Sources: BTB and CBB

**Table A.9: Sugarcane Deliveries and Production of Sugar and Molasses**

	Jan 2012	Jan 2013	Dec - Jan 2011/2012	Dec - Jan 2012/2013
Deliveries of Sugarcane (long tons)	167,176	188,035	308,432	386,132
Sugar Processed (long tons)	16,047	18,747	28,100	37,126
Molasses processed (long tons)	4,305	4,989	7,909	10,671
Performance				
Factory Time Efficiency (%)	93.72	95.85	93.44	94.65
Cane Purity (%)	84.88	85.49	84.13	84.36
Cane/Sugar	10.18	9.77	10.65	10.15

Source: BSI

**Table A.10: Exports of Sugar and Molasses**

	January 2012		January 2013	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
<b>Sugar</b>	<b>8,099</b>	<b>8,367</b>	<b>897</b>	<b>1,336</b>
E.U.	8,079	8,344	877	1,313
USA	0	0	0	0
Caricom	0	0	0	0
Other	20	23	20	23
<b>Molasses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Source: BSI

**Table A.11: Citrus Deliveries and Production**

	January 2012	January 2013	Oct-Jan 2011/2012	Oct-Jan 2012/2013
<b>Deliveries (boxes)</b>				
Orange	997,287	950,294	1,588,810	1,253,123
Grapefruit	98,280	0	541,666	462,058
<b>Total</b>	<b>1,095,567</b>	<b>950,294</b>	<b>2,130,476</b>	<b>1,715,181</b>
<b>Concentrate Produced (ps)</b>				
Orange	6,154,281	5,564,569	9,647,960	7,291,180
Grapefruit	401,698	0	2,047,949	1,991,599
<b>Total</b>	<b>6,555,979</b>	<b>5,564,569</b>	<b>11,695,909</b>	<b>9,282,779</b>
<b>Not from concentrate (ps)</b>				
Orange	0	0	0	0
Grapefruit	0	0	212,171	7,934
<b>Total</b>	<b>0</b>	<b>0</b>	<b>212,171</b>	<b>7,934</b>
<b>Pulp (pounds)</b>				
Orange	666,104	585,120	840,792	976,048
Grapefruit	1,696	0	318,848	162,816
<b>Total</b>	<b>667,800</b>	<b>585,120</b>	<b>1,159,640</b>	<b>1,138,864</b>
<b>Oil Produced (pounds)</b>				
Orange	344,000	286,400	496,510	422,600
Grapefruit	15,200	0	71,800	62,555
<b>Total</b>	<b>359,200</b>	<b>286,400</b>	<b>568,310</b>	<b>485,155</b>

Source: CPBL

**Table A.12: Export Sales of Citrus Products**

	January 2012		January 2013	
	Volume (ps '000)	Value (\$ '000)	Volume (ps '000)	Value (\$ '000)
<b>Citrus Concentrates</b>				
<b>U.S.A.</b>				
Orange	1,784.7	6,171	1,113.1	2,676
Grapefruit	0.0	0	0.0	0
<b>Caribbean</b>				
Orange	456.7	1,501	847.7	2,680
Grapefruit	50.6	172	102.9	357
<b>Europe</b>				
Orange	0.0	0	130.0	398
Grapefruit	124.3	443	347.9	1,394
<b>Other</b>				
Orange	0.0	0	0.0	0
Grapefruit	377.6	1,150	0.0	0
<b>Sub-Total<sup>(1)</sup></b>	<b>2,793.9</b>	<b>9,437</b>	<b>2,541.5</b>	<b>7,433</b>
Orange	2,241.4	7,672	2,090.7	5,682
Grapefruit	552.5	1,765	450.7	1,751
<b>Not-From-Concentrate</b>				
<b>Sub-Total</b>	0.0	0	14.9	82
Orange	0.0	0	10.8	55
Grapefruit	0.0	0	4.1	27
<b>Total Citrus Juices</b>	<b>2,793.9</b>	<b>9,437</b>	<b>2,556.3</b>	<b>7,515</b>
<b>Pulp (pounds '000)</b>				
<b>Total<sup>(1)</sup></b>	<b>58.5</b>	<b>47</b>	<b>163.3</b>	<b>139</b>
Orange	5.5	5	155.7	133
Grapefruit	53.0	42	8	6

Source: CPBL

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

**Table A.13: Government Revenue and Expenditure**

\$'000

	Approved Budget 2012/2013 <sup>P</sup>	Jan-11 to Dec-11	Jan-12 to Dec-12	Apr-11 to Dec-11	Apr-12 to Dec-12	Actual YTD as % of Budget
<b>TOTAL REVENUE &amp; GRANTS (1+2+3)</b>	<b>862,643</b>	<b>816,198</b>	<b>868,000</b>	<b>602,509</b>	<b>622,500</b>	<b>72.2%</b>
1). Current revenue	819,369	786,999	815,994	580,642	599,002	73.1%
Tax revenue	683,285	666,440	683,943	496,870	508,917	74.5%
Income and profits	226,157	236,420	226,103	175,772	162,983	72.1%
Taxes on property	6,873	7,468	4,882	4,931	3,140	45.7%
Taxes on goods and services	263,861	236,417	258,812	169,397	197,952	75.0%
Int'l trade and transactions	186,395	186,135	194,145	146,770	144,841	77.7%
Non-Tax Revenue	136,084	120,560	132,050	83,772	90,085	66.2%
Property income	20,609	23,326	12,124	16,512	4,518	21.9%
Licences	12,929	11,530	16,788	8,136	12,395	95.9%
Other	102,546	85,703	103,138	59,124	73,172	71.4%
2). Capital revenue	8,075	6,164	6,455	4,496	3,111	38.5%
3). Grants	35,199	23,034	45,552	17,371	20,387	57.9%
<b>TOTAL EXPENDITURE (1+2)</b>	<b>937,857</b>	<b>839,095</b>	<b>898,016</b>	<b>619,602</b>	<b>628,323</b>	<b>67.0%</b>
1). Current Expenditure	777,734	717,380	736,944	520,942	528,782	68.0%
Wages and Salaries	294,743	290,968	299,640	220,349	223,567	75.9%
Pensions	50,826	49,895	54,108	38,062	40,536	79.8%
Goods and Services	170,369	172,703	174,386	124,604	124,873	73.3%
Interest Payments on Public Debt	135,176	103,562	93,425	59,555	50,638	37.5%
Subsidies & current transfers	126,619	100,251	115,385	78,372	89,168	70.4%
2). Capital Expenditure	160,124	121,715	161,073	98,659	99,541	62.2%
Capital II (local sources)	79,330	69,653	65,276	53,836	44,650	56.3%
Capital III (foreign sources)	77,541	46,409	92,450	40,835	52,400	67.6%
Capital Transfer & Net Lending	3,253	5,654	3,348	3,989	2,491	76.6%
<b>CURRENT BALANCE</b>	<b>41,636</b>	<b>69,620</b>	<b>79,050</b>	<b>59,699</b>	<b>70,220</b>	<b>168.7%</b>
<b>Primary Balance</b>	<b>59,963</b>	<b>80,665</b>	<b>63,409</b>	<b>42,462</b>	<b>44,815</b>	<b>74.7%</b>
<b>OVERALL BALANCE</b>	<b>(75,213)</b>	<b>(22,897)</b>	<b>(30,016)</b>	<b>(17,093)</b>	<b>(5,822)</b>	<b>7.7%</b>
<b>Primary less Grants</b>	<b>24,764</b>	<b>57,631</b>	<b>17,858</b>	<b>25,091</b>	<b>24,428</b>	<b>98.6%</b>
<i>Overall Balance less Grants</i>	<i>(110,413)</i>	<i>(45,931)</i>	<i>(75,568)</i>	<i>(34,464)</i>	<i>(26,209)</i>	<i>23.7%</i>
<b>FINANCING</b>	<b>75,213</b>	<b>22,897</b>	<b>30,016</b>	<b>17,093</b>	<b>5,822</b>	
<b>Domestic Financing</b>		<b>9,457</b>	<b>16,192</b>	<b>(9,802)</b>	<b>(9,933)</b>	
Central Bank		(23,121)	2,808	(34,212)	(22,457)	
Net Borrowing		9,639	(8,543)	18,687	(5,423)	
Change in Deposits		(32,760)	11,350	(52,899)	(17,033)	
Commercial Banks		(487)	9,723	(485)	12,117	
Net Borrowing		(538)	14,147	(6,146)	14,788	
Change in Deposits		51	(4,424)	5,661	(2,671)	
Other Domestic Financing		33,065	3,661	24,895	407	
<b>Financing Abroad</b>		<b>18,739</b>	<b>14,686</b>	<b>27,492</b>	<b>19,900</b>	
Disbursements		71,698	71,432	64,177	64,769	
Amortization		(52,959)	(56,746)	(36,684)	(44,869)	
<b>Other</b>		<b>(5,299)</b>	<b>(862)</b>	<b>(597)</b>	<b>(4,145)</b>	

Sources: MOF and CBB estimates

<sup>P</sup> - Provisional

**Table A.14: Central Government's Domestic Debt<sup>(1)</sup>**

\$'000

	Disbursed Outstanding Debt 31/12/12 <sup>R</sup>	TRANSACTIONS THROUGH JANUARY 2013			Net Change in Overdraft/ Securities	Disbursed Outstanding Debt 31/01/13 <sup>P</sup>
		Disbursement/ New Issue of Securities	Amortization/ Reduction in Securities	Interest		
<b>Overdraft/Loans</b>	<b>56,350</b>	<b>0</b>	<b>0</b>	<b>463</b>	<b>1,790</b>	<b>58,140</b>
Central Bank	56,350	0	0	463	1,790	58,140
Commercial Banks	0	0	0	0	0	0
<b>Treasury Bills</b>	<b>175,000</b>	<b>0</b>	<b>0</b>	<b>310</b>	<b>0</b>	<b>175,000</b>
Central Bank	0	0	0	0	0	0
Commercial Banks	173,480	0	0	309	(63)	173,417
Other	1,520	0	0	1	63	1,583
<b>Treasury Notes</b>	<b>136,800</b>	<b>0</b>	<b>0</b>	<b>493</b>	<b>0</b>	<b>136,800</b>
Central Bank	87,797	0	0	493	(17)	87,780
Commercial Banks	0	0	0	0	0	0
Other	49,003	0	0	0	17	49,020
<b>Defence Bonds</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,000</b>
Central Bank	10,000	0	0	0	0	10,000
Commercial Banks	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Atlantic Bank Limited</b>	<b>1,164</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,164</b>
<b>Heritage Bank Limited</b>	<b>4,231</b>	<b>0</b>	<b>98</b>	<b>38</b>	<b>0</b>	<b>4,134</b>
<b>Belize Social Security Board<sup>(2)</sup></b>	<b>2,572</b>	<b>0</b>	<b>237</b>	<b>42</b>	<b>0</b>	<b>2,335</b>
<b>Fort Street Tourism Village</b>	<b>285</b>	<b>0</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>253</b>
<b>Debt for Nature Swap</b>	<b>2,810</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,810</b>
<b>Guardian Life Belize</b>	<b>1,000</b>	<b>0</b>	<b>1,000</b>	<b>45</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>390,212</b>	<b>0</b>	<b>1,367</b>	<b>1,390</b>	<b>1,790</b>	<b>390,635</b>

<sup>(1)</sup> Transactions associated with the UHS loan with the Belize Bank are not included in this table as no action has been taken to enforce the claim.

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

<sup>R</sup> - Revised

<sup>P</sup> - Provisional

**Table A.15: Public Sector External Debt by Creditor**

\$'000

	Disbursed Outstanding Debt 31/12/12 <sup>R</sup>	TRANSACTIONS THROUGH JANUARY 2013				Disbursed Outstanding Debt 31/01/13 <sup>P</sup>
		Disbursements	Principal Payments	Interest & Other Payments	Parity Change	
<b>CENTRAL GOVERNMENT</b>	<b>1,924,392</b>	<b>1,210</b>	<b>7,467</b>	<b>3,059</b>	<b>361</b>	<b>1,918,496</b>
Banco Nacional de Comercio Exterior	2,647	0	0	0	0	2,647
Government of the United States	384	0	0	0	0	384
Government of Venezuela	36,050	0	180	43	0	35,870
Kuwait Fund for Arab Economic Development	17,788	0	0	584	0	17,788
Republic of China	280,331	0	2,912	773	0	277,419
Caribbean Development Bank	199,240	1,210	3,532	1,496	0	196,918
Caricom Development Fund	2,140	0	0	0	0	2,140
European Economic Community	13,003	0	0	0	356	13,359
Inter-American Development Bank	233,654	0	842	164	0	232,811
International Fund for Agriculture Development	1,642	0	0	0	5	1,647
International Bank for Reconstruction & Development	21,459	0	0	0	0	21,459
Opec Fund for International Development	21,566	0	0	0	0	21,566
Central American Bank for Economic Integration	958	0	0	0	0	958
Bear, Stearns & Company (Untendered portion)	5,916	0	0	0	0	5,916
Bank of New York (New Bond Issue)	1,087,613	0	0	0	0	1,087,613
<b>NON-FINANCIAL PUBLIC SECTOR</b>	<b>37,397</b>	<b>1</b>	<b>1,038</b>	<b>204</b>	<b>41</b>	<b>36,402</b>
Kuwait Fund for Arab Economic Development	2,843	0	0	0	0	2,843
The Bank of Nova Scotia <sup>(1)</sup>	6,380	0	0	0	0	6,380
European Investment Bank <sup>(1)</sup>	1,516	0	0	0	41	1,557
Caribbean Development Bank <sup>(1)(2)</sup>	26,658	1	1,038	204	-0	25,621
<b>FINANCIAL PUBLIC SECTOR</b>	<b>73,890</b>	<b>0</b>	<b>274</b>	<b>59</b>	<b>194</b>	<b>73,810</b>
Caribbean Development Bank	9,310	0	274	59	0	9,036
European Economic Community	347	0	0	0	9	356
Paine Webber Real Estate Securities Inc.	200	0	0	0	0	200
International Monetary Fund <sup>(3)</sup>	64,033	0	0	0	184	64,218
<b>GRAND TOTAL</b>	<b>2,035,679</b>	<b>1,211</b>	<b>8,778</b>	<b>3,321</b>	<b>596</b>	<b>2,028,708</b>

<sup>(1)</sup> Effective 21 June 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 3 October 2005, loans to BWSL were reclassified as public sector debt as a result of Government of Belize's repurchase of the company.

<sup>(3)</sup> IMF SDR Allocation is included as part of the financial public sector external debt obligation.

<sup>R</sup> - Revised

<sup>P</sup> - Provisional