



CENTRAL BANK OF BELIZE



# MONTHLY ECONOMIC REPORT

OCTOBER 2011

# Summary of Economic Indicators

Chart I: Quarterly GDP

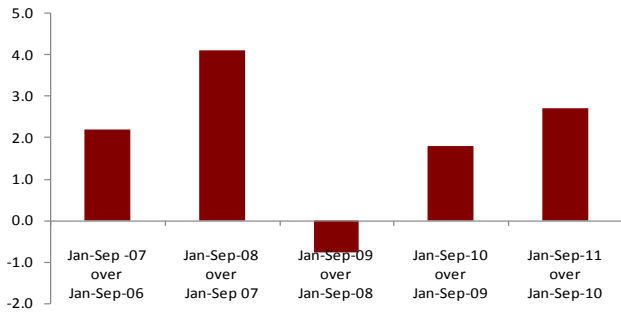


Chart II: Consumer Price Index

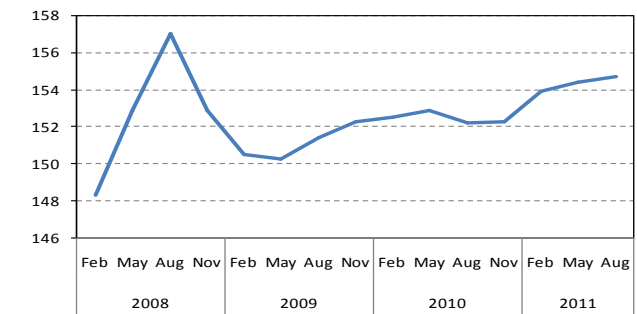


Chart III: BOP Current Account & Financial Account

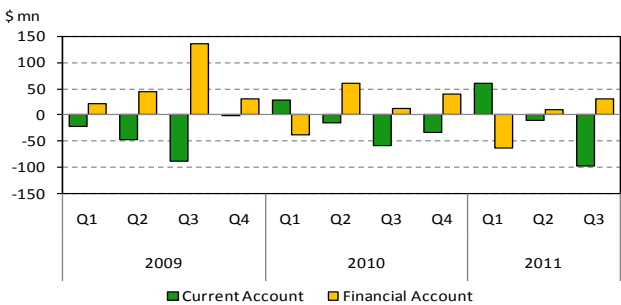


Chart IV: Total Foreign Assets

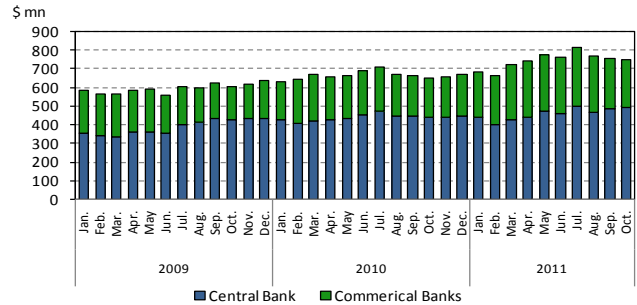


Chart V: Commerical Banks - Deposits and Loans & Advances

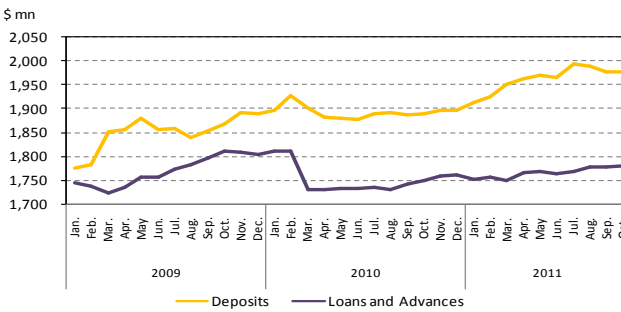


Chart VI: Excess Cash Balances

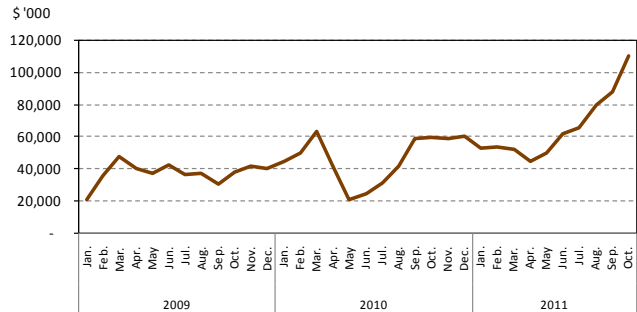


Chart VII: Central Government's Operations (Disbursed Outstanding Balance)

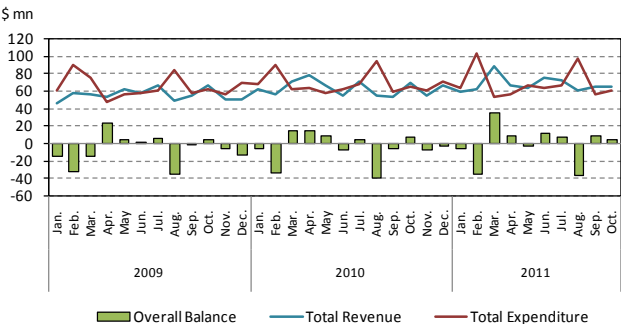
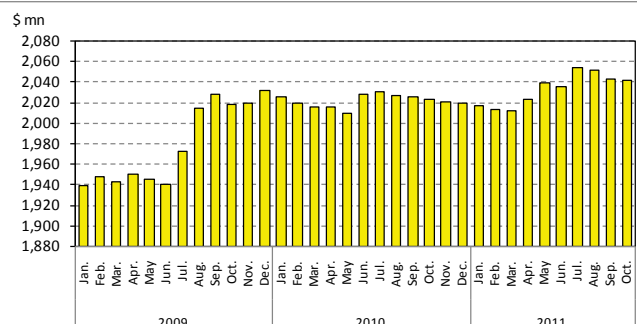


Chart VIII: Public Sector External Debt (Disbursed Outstanding Balance)



## Monetary & Financial Sector Developments

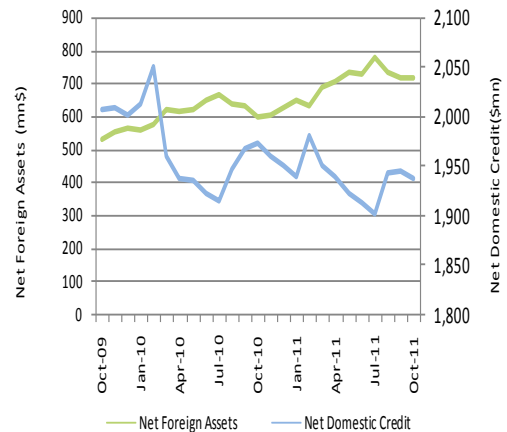
The broad measure of money dipped again in October, for the third consecutive month, but rose by 4.1% over the first ten months of the year. The growth stood in contrast to the 0.9% decline recorded over the same period of 2010 and was entirely driven by a 14.7% increase in net foreign assets since net domestic contracted by 0.6% due to a contraction in net financing to Central Government.

The \$92.2mn expansion in net foreign assets reflected increases of \$46.8mn and \$45.4mn in the net holdings of the Central Bank and commercial banks, respectively. Increased inflows from CFZ, domestic exports and tourism boosted commercial banks' foreign assets by \$32.5mn and facilitated a \$12.9mn reduction in their foreign liabilities. The Central Bank recorded inflows of \$248.1mn, comprised of tax and royalty payments from oil production (32.3%), loan disbursements (21.5%), sugar export receipts (16.1%), and purchases from the commercial banks (13.3%). The Bank's outflows amounted to \$201.7mn with foreign exchange sales to Central Government totalling \$161.5mn. External debt servicing accounted for 73.8% of the latter. Since the start of the year, gross international reserves rose by \$7.7mn to \$466.9mn, the equivalent of 4.2 months of merchandise imports.

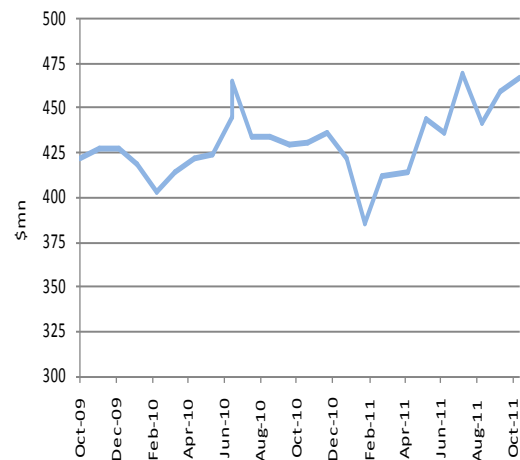
Net domestic credit of the banking system fell by \$11.8mn as a \$29.8mn contraction in net financing to Central Government eclipsed a tepid growth of \$18.4mn in credit to the private sector. Despite higher year on year debt servicing costs, Central Government's net borrowing fell as heightened receipts from oil production, loan disbursements and proceeds from the sale of BTL shares significantly boosted deposit holdings.

Loans to the private sector were led by disbursements to the tertiary sector and personal category of \$18.7mn

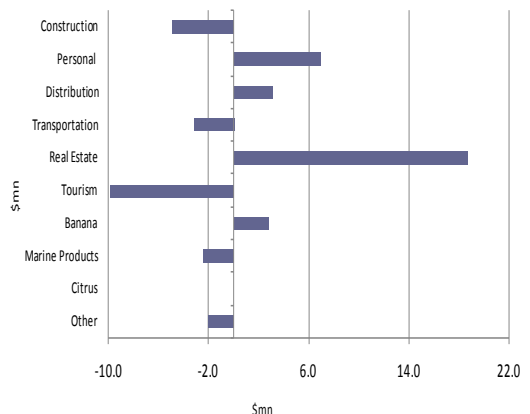
**Chart 1.1: Net Foreign Assets & Net Domestic Credit**



**Chart 1.2: Gross International Reserves**



**Chart 1.3: Changes in Commercial Banks' Loans & Advances December 2010 - October 2011**



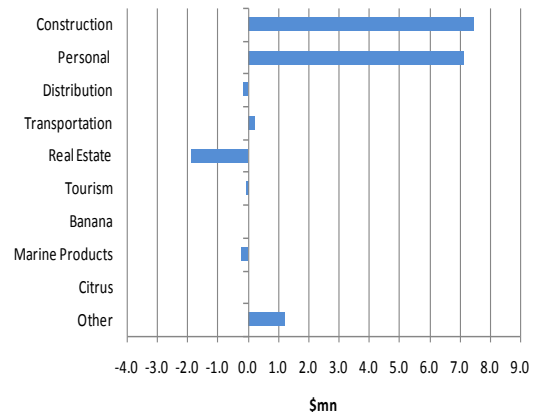
and \$6.9mn, respectively. Even with operators in tourism and transportation effecting net repayments, the tertiary sector experienced an upswing in credit that primarily reflected advances for entities involved in real estate (\$18.7mn), professional services (\$7.7mn), distribution (\$3.1mn) and entertainment (\$2.8mn). Credit growth to the primary sector was channelled into the production of banana, sugar and other commodities which were partly offset by repayments attributable to entities engaged in marine production and mining & exploration. On the other hand, loans to the secondary sector contracted by \$9.3mn as repayments by manufacturers (\$7.7mn) and the building & construction subsector (\$4.9mn) overshadowed disbursements for utility providers.

Loans and advances by the five largest credit unions were up by 4.1% or \$14.1mn, slightly slower than the 5.5% expansion in credit recorded for the same period last year. Most of the disbursements were for personal consumption and home improvements which outweighed repayments on mortgages and from persons engaged in commercial real estate.

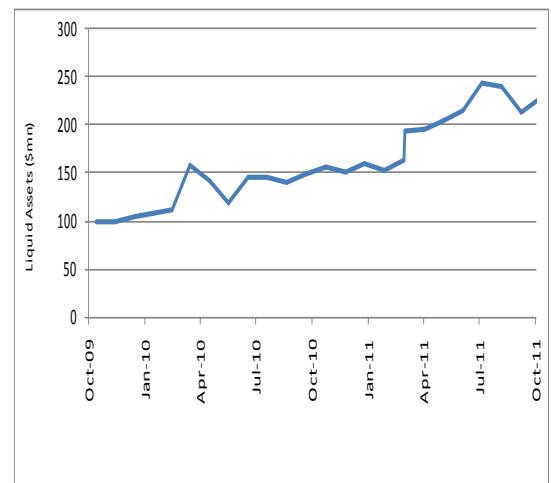
Except for a seasonal dip in excess liquidity in September, commercial banks' holdings of excess liquid assets showed an upward trend over the first ten months of the year, rising by 42.3% to \$227.8mn. The persistent growth in excess liquidity mainly reflected the continued sluggish demand for credit and higher than average foreign asset growth. Similarly, by the end of October, excess cash balances had almost doubled to \$110.5mn, which was 63.0% above the required level.

Reflecting high levels of excess liquidity in the commercial banking system and weak demand for loans, interest rates continued their downward trend noted throughout 2011. The weighted average interest rate spread widened to

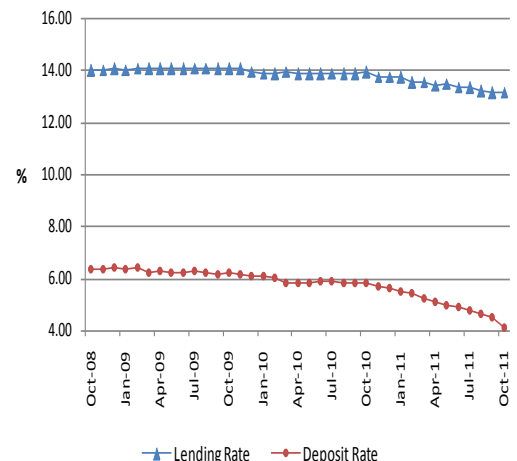
**Chart 1.4: Changes in Credit Unions' Loans & Advances  
December 2010 - October 2011**



**Chart 1.5: Excess Statutory Liquidity**



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

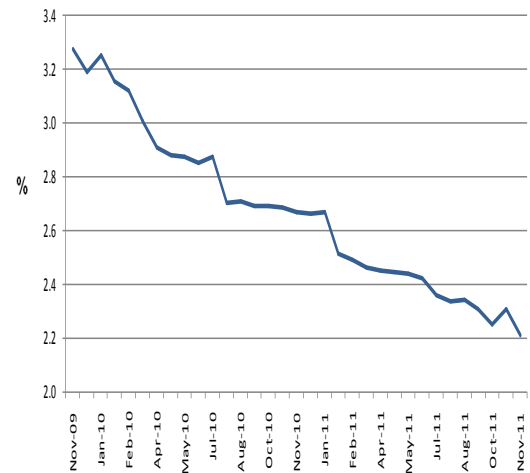


9.06% as weighted average lending rates declined by 59 basis points to 13.19% at the same time that weighted average deposit rates plunged by 148 basis points to 4.13%. Reductions in rates were recorded for all classes of loans, especially for residential construction and personal loans which fell by 112 basis points and 89 basis points, respectively. Regarding deposit rates, the most prominent reductions were noted in interest paid on savings/checking accounts which fell by 249 basis points to 2.51% and on time deposits which declined by 166 basis points to 5.76%.

On February 1, the Central Bank lowered its lender of last resort rate from 18.0% to 11.0% as part of its continued efforts to bring interest rates in line with current market and economic conditions. Responding also to their increased voluntary participation in the government securities market, the Central Bank abolished the requirement that commercial banks hold a specific quantity of government securities as part of their liquid asset holdings on 1 October. This followed reductions in the securities requirement in January (from 6.5% to 5.0%) and in April (from 5.0% to 3.0%). In October, the commercial banks Treasury bill portfolio dipped by approximately \$16.0mn to \$136.1mn resulting in a year to date decline of 11.0%.

In line with prevailing credit and liquidity conditions, the average yield on Treasury bills continued its downward trend, falling from 2.66172% to 2.21263%. On November 30, Treasury bill issue number 15/2011, valued at \$42.4mn, was rolled over. The average yield saw a further decline, falling from 2.23969% of issue 14/2011 to 2.21263%.

**Chart 1.7: Treasury Bill Average Yield**



## Real Sector Developments

Production of sugar, citrus juices and citrus deliveries increased during the first ten months while output declines were modest for petroleum and banana and significant for molasses and sugarcane deliveries. Declining earnings from citrus, banana and molasses were eclipsed by increased revenues from sugar and petroleum. While petroleum receipts increased solely on the basis of higher prices, sugar revenues rose as a result of improvements in both price and volume. Export revenues of these commodities consequently increased by 27.9% to \$475.4mn.

For January through October, stay-over arrivals grew by 2.2% as visitors through the sea ports and international airport expanded by 22.1% and 3.3%, respectively, while visitors through the land borders fell by 6.2%. Notwithstanding a 25.9% surge in cruise arrivals for the month of October, year to date, cruise ship disembarkations declined by 8.0% to 484,885 due to the controversy at the start of the year between local tender operators and the Carnival Cruise Line which resulted in the cancellations of eleven port calls.

### Sugar

With the season closed since 24 June, there were no sugarcane deliveries in October. Sugarcane deliveries for the 2010/2011 crop were down 24.8% to 843,786 long tons, a 23 year low. Crop yields were reduced due to heavy rains in November and December, followed by a prolonged dry period from January to May. This was exacerbated by severe rat infestation in several areas and the premature harvest of some sugarcane fields during the extended 2009/10 crop. In addition, the failure of two steam turbines disrupted processing operations in early February.

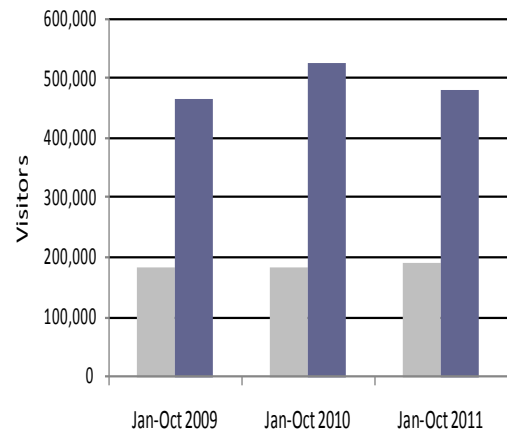
The extensive dry period improved the crop's sucrose content to a pol of 13.77%, compared to the 10.82%

**Table 2.1 Production of Selected Domestic Exports**

	Jan-Oct 2010	Jan-Oct 2011
Sugarcane Deliveries (long tons)	1,099,897	778,449
Sugar (Long tons)	87,359	92,725
Molasses (long tons)	53,930	27,177
Bananas (metric tons)	65,023	64,425
Citrus Deliveries (boxes)	4,451,933	4,578,150
Citrus Juices ('000 ps)	24,712	28,582
Petroleum (barrels)	1,252,301	1,190,316

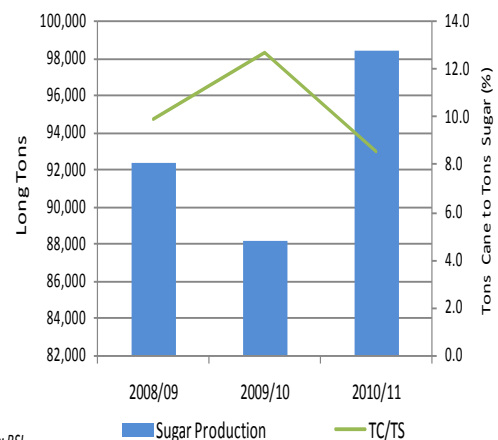
Sources: B.S.I., CPBL, Geology & Petroleum Department

**Chart 2.1: Tourist Arrivals**



Sources: BTB, CBB

**Chart 2.2: Sugar Production December to October**



Source: BSI

in 2009/10. Sugar levels were also improved by the implementation of delivery schedules by appointment and test groups which reduced long factory queues. The net result was a 32.7% reduction in the cane/sugar ratio from 12.70 to 8.57 and an 11.7% expansion in sugar production to 98,482 long tons for the crop year.

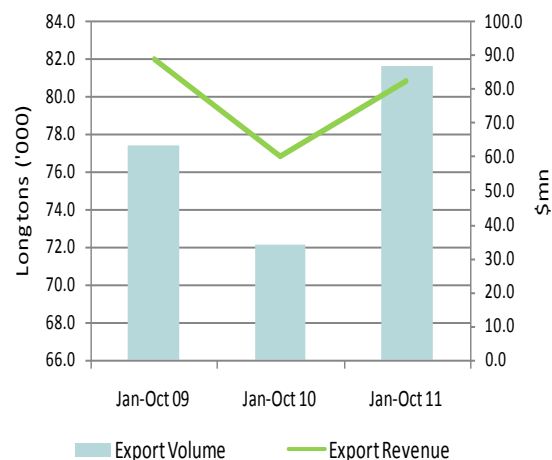
The export volume for the first ten months of the year was 13.3% higher, year on year. A 23.7% improvement in the average price raised receipts further by 40.2% to \$82.7mn. The price improvement was linked to the increased sales of value added products, the revival of sales to the US market where average unit prices were 80.3% higher than those in the EU, and exchange rate gains from the average Euro price negotiated on the futures market. The EU with its Fair Trade premium (US\$60 per metric ton) remained the dominant market with 83.1% of sales followed by the US with 16.8%, and Canada accounting for the remainder (100 long tons). Hampered by lower production, the volume of molasses exports fell by 50.4%, while revenues declined by a smaller 32.2% to \$2.9mn due to higher prices.

## Citrus

There were no citrus deliveries in October as the 2010/2011 crop year had ended on May 11th. Citrus deliveries for the 2010/2011 crop year were 2.3% lower than the previous crop year as a 51.6% decline in grapefruit deliveries outstripped a 15.5% increase in those of orange.

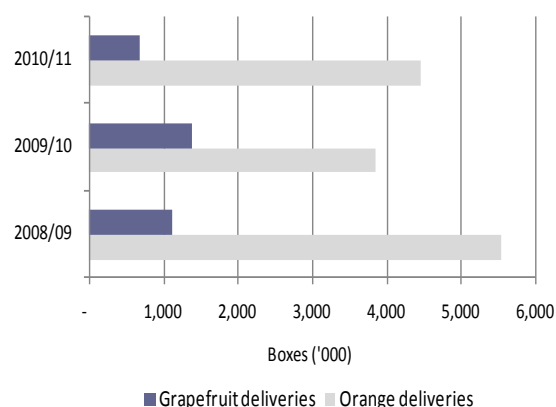
For the crop year, juice production expanded by 11.1% to 31.1mn pound solids (ps), boosted by a 13.7% improvement in the average yield of ps per box of fruit. Orange concentrate increased by 27.4% to 28.0mn ps, while grapefruit concentrate declined by 47.4% to 2.6mn ps. The plunge in grapefruit NFC was the main cause of a 57.8% downturn in NFC juices to 0.4mn ps. Pulp and

**Chart 2.3: Sugar Exports**



Source: BSI

**Chart 2.4: Citrus Deliveries November to October**



Sources: CGA & CPBL

oil production came in at 1.9mn and 1.6mn pounds, respectively.

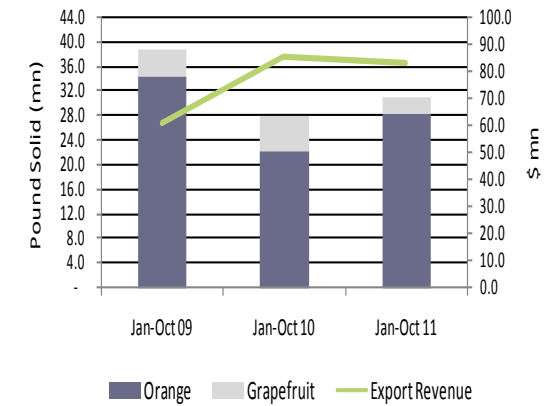
The volume of citrus juice exports was down 20.3% during the ten-month review period. Although production of citrus juices increased in the first half of the year, low beginning juice stocks affected overall export availability and sale schedules. Higher international prices kept citrus concentrate revenues stable over the previous year at \$83.7mn. Despite good orange harvests and juice production in Florida and Brazil, orange concentrate prices strengthened due to an upswing in demand from the major importing countries. Revenues from orange concentrate consequently rose by 5.5% to \$76.2mn as the 23.9% increase in average unit price more than compensated for the 14.8% reduction in export volume. In the case of grapefruit, the average concentrate price rose by 14.3% due to low beginning US juice stocks and a smaller crop in Florida. However, the price hike could not fully compensate for a 51.4% decline in the volume of grapefruit exports, so revenues fell by 44.5% to \$7.6mn.

### Banana

Banana production during October was 21.4% lower than that of October 2010 due to the production losses that stemmed from three days of thunderstorms in the first week of September. As a result, banana output and receipts for the first ten months of the year fell by 0.9% and 1.6%, respectively.

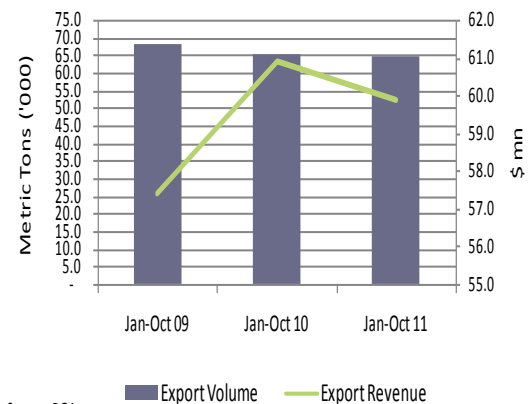
In May, total acreage stood at 7,025 with 6,863 acres having harvestable trees, 162 acres consisting of plantilla trees and 75 acres under rehabilitation. In October, total acreage had risen marginally to 7,077 acres consisting of 6,632 acres in harvestable trees, 444 acres with young trees and 192 acres under rehabilitation.

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



Source: CPBL

**Chart 2.6: Banana Exports**



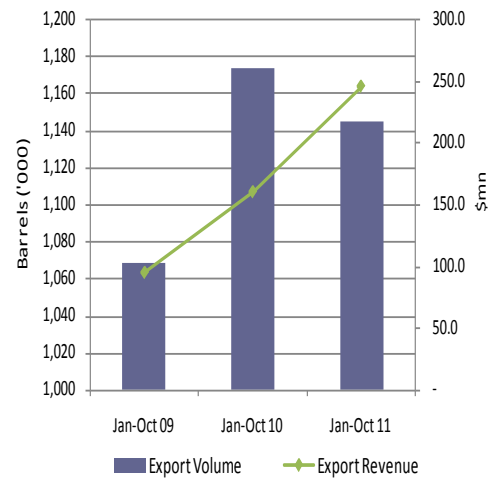
Source: BGA



## Petroleum

Petroleum production was down 4.9% to 1,190,316 barrels for January through October, with the 72,995 barrels from the Never Delay field only partially compensating for the 10.8% fall in Spanish lookout production. Petroleum exports also fell by 2.5% in tandem with the movement in production. Since the beginning of the year, Louisiana Light Sweet spot prices, the new benchmark for Belize's petroleum, has consistently remained above the West Texas Intermediate price. Historically, light sweet crude has fetched a premium to heavier grades of oil due to the higher valued light products, such as gasoline, that it yields. Therefore, export revenues rose by 53.1% to \$246.1mn as the average price of oil spiked by 57.1% to US\$107.53 per barrel, US\$17.53 above the threshold price at which the petroleum surcharge becomes available.

Chart 2.7: Petroleum Exports



Source: Geology & Petroleum Dept.

## Central Government Operations

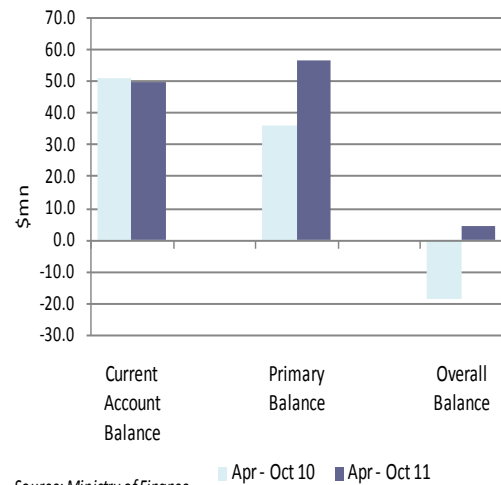
For January through October, Central Government's revenues increased by 4.9% mostly due to higher receipts from the petroleum industry and import duties. Expenditures remained almost at par with the previous year as current spending increased by \$28.3mn while capital expenditures declined by \$28.6mn. Consequently, the fiscal outturn improved markedly with current and primary surpluses of \$59.6mn and \$94.6mn, respectively, and a reduced overall deficit of \$4.1mn compared to \$36.4mn over the comparable period of 2010.

Likewise, for the first seven months of the fiscal year 2011/2012, Central Government realized primary and current surpluses of \$56.4mn and \$49.7mn, respectively. The overall surplus amounted to \$1.7mn, which, along with foreign disbursements and the sale of BTL shares, contributed to the build-up of government deposits.

Total revenues and grants rose by 4.1% to \$466.4mn as intake from the petroleum industry and import duties more than compensated for the drop in revenues from the General Sales Tax (GST), business tax, transfers from government departments and grants. The surge in the price of crude oil boosted oil receipts by \$19.8mn to \$61.9mn, which included \$11.2mn in windfall receipts. The 20.8% rise in import duties reflected higher imports and the imposition of a direct tax on fuel imports instead of the previous GST. As a result of the decision to zero rate petroleum products, GST collection fell by \$11.9mn. Other noteworthy revenue developments included loan repayments from the DFC as well as increases in stamp and excise duties receipts.

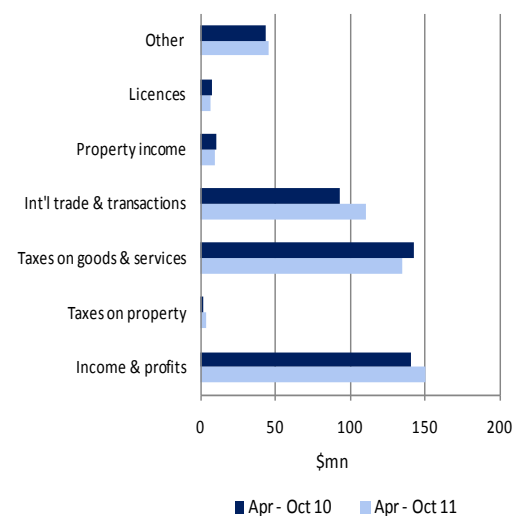
At \$464.7mn, total expenditure was 0.3% lower than the previous year. Current spending rose by 5.4% with increases

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



Source: Ministry of Finance

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



Source: Ministry of Finance

across all categories. Outlays on wages and salaries, which accounted for 41.3% of current spending, rose by \$9.2mn reflecting the addition of new staff and the payment of overtime. Goods and services were \$6.2mn higher due to prepayments on electricity services and increased payments to contractors, while interest payments edged up by \$0.1mn. Grants to municipalities and contributions to Caribbean organizations explained the increase in subsidies and transfers.

Expenditure on development projects totalled \$53.3mn, \$22.7mn below last fiscal year as capacity constraints and administrative delays in accessing funds restricted spending on both locally and externally funded projects. Of total outlays, some \$14.2mn went on infrastructure projects such as the completion of the Southern Highway, poverty alleviation, construction and maintenance of streets and drains. Waste management and land development projects received a combined \$8.9mn, while \$4.3mn went on environmental protection projects. Youth, sports and culture accounted for \$3.6mn. Outlays on education, health, social protection, agriculture, housing, security and defence amounted to \$11.1mn with the remainder being spent on furniture, equipment, contribution to international agencies and the upgrading of office buildings.

### Central Government's Domestic Debt

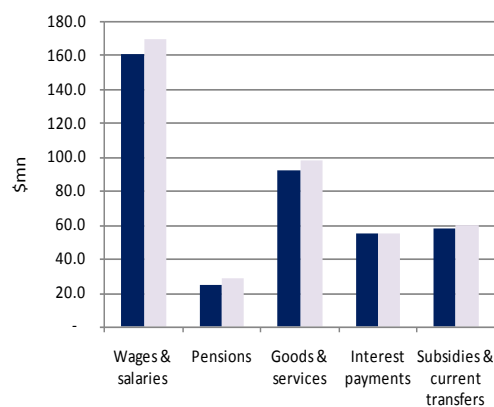
During the first ten months, Central Government's domestic debt rose by 6.6% to \$392.0mn, as a \$24.7mn rise in overdraft financing from the Central Bank was partly offset by \$2.0mn in amortization payments to the Debt for Nature Swap, BSSB, Heritage Bank, Fort Street Tourism Village and commercial banks. Increased reliance on overdraft financing from the Central Bank reflected higher debt servicing costs, electricity prepayments, and transfers for salaries. With the growth in the Central Bank overdraft accounting for most of the debt, the share of

**Table 3.1: Capital Expenditure**

	\$mn	
	Apr - Oct'10	Apr - Oct '11
Public Works	25.3	14.2
Environmental Protection	6.9	4.3
Natural Resources	8.3	8.9
Housing	6.9	2.5
Health	2.6	1.4
Education	1.4	1.2
Security & Defense	1.1	1.8
Agriculture & Fisheries	1.2	2.1
Other	18.4	13.0
<b>Total</b>	<b>71.9</b>	<b>49.3</b>

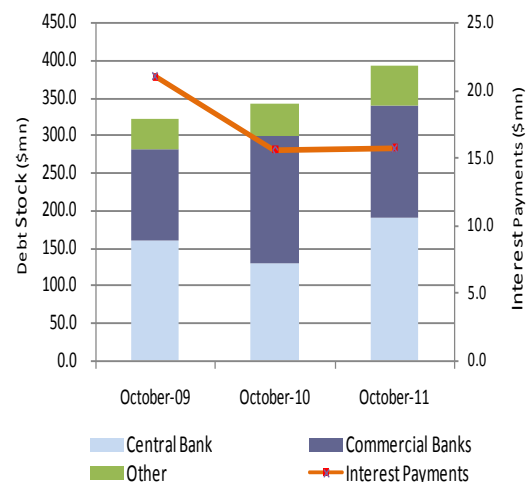
Source: Ministry of Finance

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



Source: Ministry of Finance

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



Central Government's debt held by the Central Bank rose from 37.9% in 2010 to 48.2%, while the commercial banks' share stood at 38.1%.

Of the \$15.7mn in interest payments, Central Bank received \$4.0mn on short-term credit provided by way of the overdraft and Treasury bills and \$5.9mn on long-term government securities. Commercial banks received \$3.9mn on their holdings of government debt, while non-bank entities received \$2.0mn.

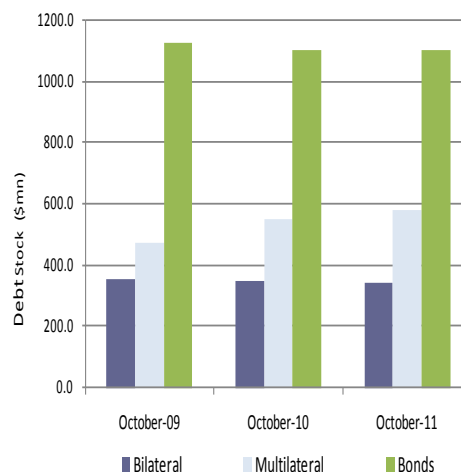
### Public Sector External Debt

The public sector external debt rose by \$20.5mn to \$2041.9mn as disbursements of \$58.9mn, a one-off shift of \$21.9mn from the private sector to public sector debt due to the nationalization of the electricity company and upward valuation adjustments of \$3.9mn (due to the depreciation of the US Dollar against the SDR, Euro and Kuwait dinar) exceeded amortization payments of \$64.9mn.

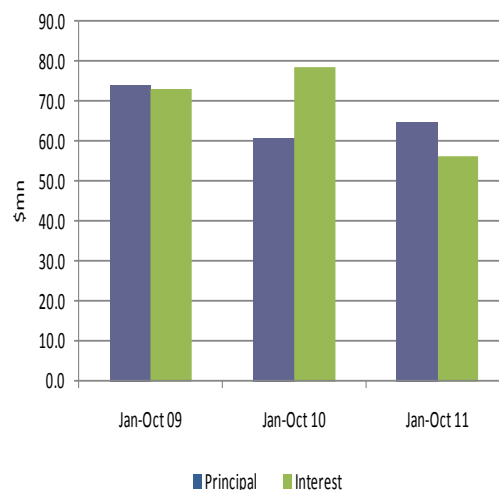
Notable disbursements included \$20.0mn from ROC/Taiwan for budget support, \$17.0mn from IDB as the second tranche of a policy based loan and for projects involving solid waste management and land management, and \$16.0mn from CDB for the Kendall Bridge, SIF, health reform project, DFC and water expansion. Of the \$46.2mn amortized by Central Government, \$24.0mn was repaid by multilateral creditors and \$22.2mn to bilateral lenders. The DFC amortized \$9.1mn to the Belize Mortgage Company for the North American Securitization and \$1.6mn to CDB, while the non-financial public sector paid \$4.8mn to multilateral creditors and \$2.4mn to commercial banks.

Interest and other payments totaled \$86.5mn, of which \$66.1mn was for the 'super bond'. Bilateral lenders received \$7.8mn, of which \$6.2mn went to ROC/Taiwan, while the \$11.2mn in payments to multilateral lenders went mostly to CDB and IDB.

**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 Oct 2011	Changes during		
		Dec 2009 to Oct 2010	Dec 2010 to Oct 2011	Sep 2011 to Oct 2011
<b>Net Foreign Assets</b>	<b>720.1</b>	<b>35.9</b>	<b>92.2</b>	<b>-1.5</b>
Central Bank	492.5	5.4	46.8	7.1
Commercial Bank	227.6	30.5	45.4	-8.6
<b>Net Domestic Credit</b>	<b>1,938.8</b>	<b>-29.0</b>	<b>-11.8</b>	<b>-7.7</b>
Central Government (Net)	157.4	25.4	-29.6	-11.4
Other Public Sector	5.5	-0.6	-0.6	0.2
Private Sector	1,775.9	-53.8	18.4	3.5
<b>Central Bank Foreign Liabilities(Long-term)</b>	<b>71.7</b>	<b>0.2</b>	<b>2.1</b>	<b>1.1</b>
<b>Other Items (net)</b>	<b>411.2</b>	<b>25.8</b>	<b>-6.9</b>	<b>-7.7</b>
<b>Money Supply M2</b>	<b>2,176.0</b>	<b>-19.1</b>	<b>85.2</b>	<b>-2.6</b>

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

	\$mn			
	Position as at Oct 2011	Changes during		
		Dec 2009 to Oct 2010	Dec 2010 to Oct 2011	Sep 2011 to Oct 2011
<b>Net Foreign Assets of Banking System</b>	<b>720.1</b>	<b>35.9</b>	<b>92.2</b>	<b>-1.5</b>
<b>Net Foreign Assets of Central Bank</b>	<b>492.5</b>	<b>5.4</b>	<b>46.8</b>	<b>7.1</b>
Central Bank Foreign Assets	495.1	6.5	46.4	7.8
Central Bank Foreign Liabilities(Demand)	2.6	1.1	-0.4	0.7
<b>Net Foreign Assets of Commercial Banks</b>	<b>227.6</b>	<b>30.5</b>	<b>45.4</b>	<b>-8.6</b>
Commercial Bank Foreign Assets	259.0	6.3	32.5	-10.2
Commercial Bank Foreign Liab. (Short-Term)	31.4	-24.2	-12.9	-1.6

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

	\$mn			
	Position as at Oct 2011	Changes during		
		Dec 2009 to Oct 2010	Dec 2010 to Oct 2011	Sep 2011 to Oct 2011
<b>Total Credit to Central Government</b>	<b>338.5</b>	<b>20.2</b>	<b>20.2</b>	<b>5.5</b>
<b>From Central Bank</b>	<b>189.0</b>	<b>-40.1</b>	<b>36.0</b>	<b>22.2</b>
Loans and Advances	58.7	-88.4	24.7	6.3
Gov't Securities <sup>(1)</sup>	130.3	48.3	11.3	15.9
<b>From Commercial Banks</b>	<b>149.5</b>	<b>60.3</b>	<b>-15.8</b>	<b>-16.7</b>
Loans and Advances	3.8	-0.1	1.1	-0.7
Gov't Securities	145.7	60.4	-16.9	-16.0
(of which) Treasury Bills <sup>(2)</sup>	135.7	51.4	-16.9	-16.0
Treasury Notes	10.0	9.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
<b>Less Central Government Deposits</b>	<b>181.1</b>	<b>-5.2</b>	<b>49.8</b>	<b>16.9</b>
With Central Bank	145.2	-4.4	43.1	14.6
With Commercial Banks	35.9	-0.8	6.7	2.3
<b>Net Credit to Central Government</b>	<b>157.4</b>	<b>25.4</b>	<b>-29.6</b>	<b>-11.4</b>
<b>Credit to Other Public Sector</b>	<b>5.5</b>	<b>-0.6</b>	<b>-0.6</b>	<b>0.2</b>
From Central Bank	0.0	0.0	0.0	0.0
From Commercial Banks	5.5	-0.6	-0.6	0.2
(of which) Local Government	3.6	0.6	0.3	0.2
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	0.0	0.0	0.0	0.0
Other Statutory Bodies	1.9	-1.2	-0.9	0.0
Securities	0.0	0.0	0.0	0.0
<b>Plus Credit to the Private Sector</b>	<b>1,775.9</b>	<b>-53.8</b>	<b>18.4</b>	<b>3.5</b>
Loans and Advances	1,774.9	-53.8	18.6	3.5
Securities	1.0	0.0	-0.2	0.0
<b>Net Domestic Credit of the Banking System <sup>(3)</sup></b>	<b>1,938.8</b>	<b>-29.0</b>	<b>-11.8</b>	<b>-7.7</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**

	\$mn			
	Position as at Oct 2011	Changes during		
		Dec 2009 to Oct 2010	Dec 2010 to Oct 2011	Sep 2011 to Oct 2011
<b>PRIMARY SECTOR</b>	<b>196.8</b>	<b>3.8</b>	<b>2.3</b>	<b>3.3</b>
Agriculture	138.5	-0.6	6.1	4.3
Sugar	14.3	-2.2	1.3	1.0
Citrus	18.9	2.1	0.0	0.2
Bananas	81.2	-0.7	2.8	1.6
Other	24.1	0.2	2.0	1.5
Marine Products	35.1	4.8	-2.4	-1.0
Forestry	1.7	-0.9	0.1	-0.1
Mining & Exploration	21.5	0.5	-1.5	0.1
<b>SECONDARY SECTOR</b>	<b>511.9</b>	<b>-40.3</b>	<b>-9.3</b>	<b>-1.0</b>
Manufacturing	39.5	-0.5	-7.7	0.1
Building & Construction	443.0	-41.3	-4.9	-0.4
Utilities	29.4	1.5	3.3	-0.7
<b>TERTIARY SECTOR</b>	<b>680.1</b>	<b>-19.9</b>	<b>18.7</b>	<b>-0.5</b>
Transport	54.7	-18.2	-3.2	-0.2
Tourism	128.0	4.4	-9.8	-0.1
Distribution	220.8	2.4	3.1	2.4
Other <sup>1</sup>	276.6	-8.5	28.6	-2.6
<b>Personal Loans</b>	<b>391.8</b>	<b>1.7</b>	<b>6.9</b>	<b>1.2</b>
<b>TOTAL</b>	<b>1780.6</b>	<b>-54.7</b>	<b>18.6</b>	<b>3.0</b>

1 Includes government services, real estate, financial institutions, professional services and entertainment

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

	\$mn			
	Position as at	Changes during		
		Dec 2009 to	Dec 2010 to	Sep 2011 to
		Oct 2010	Oct 2011	Oct 2011
<b>Holdings of Approved Liquid Assets</b>	<b>702.5</b>	<b>54.0</b>	<b>94.3</b>	<b>-1.9</b>
Notes and Coins	55.6	-0.1	-9.0	4.8
Balances with Central Bank	290.4	-4.7	64.7	19.2
Money at Call and Foreign Balances (due 90 days)	191.7	13.9	56.5	-26.1
Treasury Bills maturing in not more than 90 days <sup>(1)</sup>	140.0	49.8	-10.9	-11.5
Other Approved assets	24.8	-4.9	-7.0	11.7
of which: Treasury Notes	10.0	-2.2	-6.6	10.0
<b>Required Liquid Assets</b>	<b>474.6</b>	<b>3.1</b>	<b>26.6</b>	<b>-16.1</b>
<b>Excess/(Deficiency) Liquid Assets</b>	<b>227.9</b>	<b>50.9</b>	<b>67.7</b>	<b>14.2</b>
Daily Average holdings of Cash Reserves	285.9	-8.2	59.8	16.4
Required Cash Reserves	175.4	-28.0	9.8	-6.0
<b>Excess/(Deficiency) Cash Reserves</b>	<b>110.5</b>	<b>19.8</b>	<b>50.0</b>	<b>22.4</b>
Actual Securities Balances <sup>(2)</sup>	136.1	150.5	-16.9	-16.0
Required Securities Balances	0.0	128.3	-128.3	-58.8
<b>Excess/(Deficiency) Securities</b>	<b>136.1</b>	<b>22.2</b>	<b>111.4</b>	<b>42.8</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**

	%			
	Position as at	Changes during		
		Dec 2009 to	Dec 2010 to	Sep 2011 to
		Oct 2010	Oct 2011	Oct 2011
<b>Weighted Lending Rates</b>				
Personal Loans	14.61	0.67	-0.89	-0.11
Commercial Loans	13.01	-0.03	-0.38	0.09
Residential Construction	12.04	-0.77	-1.12	-0.04
Other	11.99	1.21	-0.33	-0.07
<b>Weighted Average</b>	<b>13.19</b>	<b>-0.05</b>	<b>-0.59</b>	<b>0.03</b>
<b>Weighted Deposit Rates</b>				
Demand	0.53	-0.03	0.05	-0.08
Savings/ Cheque	2.51	-0.01	-2.49	-1.32
Savings	4.34	0.03	-0.63	-0.30
Time	5.76	-0.57	-1.66	-0.33
<b>Weighted Average</b>	<b>4.13</b>	<b>-0.27</b>	<b>-1.48</b>	<b>-0.39</b>
<b>Weighted Average Spread</b>	<b>9.06</b>	<b>0.22</b>	<b>0.89</b>	<b>0.42</b>



**Table A.7: Tourist Arrivals**

	Jan-Oct 2010	Jan-Oct 2011
Air	142,713	147,401
Land	36,231	33,968
Sea	7,812	9,541
<b>Stay-over Visitors</b>	<b>186,756</b>	<b>190,910</b>
<b>Cruiase Ship Disembarkations</b>	<b>527,225</b>	<b>484,885</b>

Source: Belize Tourism Board

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

	October 2010	October 2011	Dec—Oct 2009/2010	Dec—Oct 2010/2011
<b>Deliveries of Sugarcane (long tons)</b>	0	0	1,122,765	843,786
<b>Sugar Processed (long tons)</b>	0	0	88,177	98,482
<b>Molasses processed (long tons)</b>	0	0	54,215	28,727
<b>Performance</b>				
Factory Time Efficiency (%)	0.0	0.0	93.9	90.3
Cane Purity (%)	0.0	0.0	80.3	86.6
Cane/Sugar	0.0	0.0	12.7	8.6

Source: Belize Sugar Industries

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

	October 2010		October 2011		Jan— Oct 2010		Jan— Oct 2011	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
<b>Sugar</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>23</b>	<b>72,129</b>	<b>58,999</b>	<b>81,730</b>	<b>82,720</b>
E.U.	0	0	0	0	72,029	58,904	67,900	60,538
USA	0	0	0	0	0	0	13,730	22,075
Caricom	0	0	0	0	0	0	0	0
Other	0	0	20	23	100	95	100	107
<b>Molasses</b>	<b>2,629</b>	<b>265</b>	<b>0</b>	<b>0</b>	<b>42,303</b>	<b>4,260</b>	<b>20,968</b>	<b>2,889</b>

Source: Belize Sugar Industries

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

	October 2010	October 2011	Nov– Oct 2009/10	Nov– Oct 2010/11
<b>Deliveries (boxes)</b>				
Orange	0	0	3,851,429	4,447,339
Grapefruit	<u>0</u>		<u>1,389,753</u>	<u>673,043</u>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>5,241,182</b>	<b>5,120,382</b>
<b>Concentrate Produced (ps)</b>				
Orange	0	0	22,023,426	28,046,917
Grapefruit	<u>0</u>		<u>5,023,326</u>	<u>2,643,698</u>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>27,046,752</b>	<b>30,690,615</b>
<b>Not from concentrate (ps)</b>				
Orange	0	0	361,622	267,735
Grapefruit	<u>0</u>	<u>0</u>	<u>586,630</u>	<u>132,587</u>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>948,252</b>	<b>400,322</b>
<b>Pulp (pounds)</b>				
Orange	0	0	1,405,740	1,734,340
Grapefruit	<u>0</u>		<u>0</u>	<u>155,184</u>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,405,740</b>	<b>1,889,524</b>
<b>Oil Produced (pounds)</b>				
Orange	0	0	1,463,200	1,490,400
Grapefruit	<u>0</u>		<u>220,000</u>	<u>80,800</u>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,683,200</b>	<b>1,571,200</b>

Source: Citrus Products of Belize

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

	October		October		Jan– Oct		Jan– Oct	
	2010		2011		2010		2011	
	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	726.8	2,095	0.0	0	14,441.1	36,649	5,662.6	16,524
Grapefruit	0.0	0	0.0	0	348.9	903	0.0	0
<b>Caribbean</b>								
Orange	220.3	591	753.3	2,474	6,158.9	15,832	12,926.9	37,038
Grapefruit	97.0	324	31.4	106	532.7	1,779	486.3	1,699
<b>Europe</b>								
Orange	244.3	554	0.0	0	5,786.0	13,764	1,855.6	6,190
Grapefruit	243.9	639	341.5	1,151	2,709.2	6,959	1,197.3	3,831
<b>Other</b>								
Orange	270.4	641	33.8	110	2,613.1	5,938	4,253.8	16,433
Grapefruit	0.0	0	0.0	0	1,501.0	3,979	790.7	2,035
<b>Sub-Total<sup>(1)</sup></b>	<b>1,803.0</b>	<b>4,844</b>	<b>1,160.0</b>	<b>3,841</b>	<b>34,090.4</b>	<b>85,802</b>	<b>27,173.2</b>	<b>83,750</b>
Orange	1,461.8	3,881	787.1	2,584	28,999.0	72,183	24,698.9	76,185
Grapefruit	340.9	963	372.9	1,257	5,091.4	13,620	2,474.3	7,565
<b>Not-From-Concentrate</b>								
<b>Sub-Total</b>	<b>0.0</b>	<b>0</b>	<b>1.1</b>	<b>7</b>	<b>0.0</b>	<b>0</b>	<b>3.2</b>	<b>21</b>
Orange	0.0	0	1.1	7	0.0	0	0.0	0
Grapefruit	0.0	0			0.0	0	3.2	21
<b>Total Citrus Juices</b>	<b>1,802.7</b>	<b>4,844</b>	<b>1,161.1</b>	<b>3,848</b>	<b>34,090.4</b>	<b>85,802</b>	<b>27,176.4</b>	<b>83,771</b>
<b>Pulp (pounds '000)</b>								
<b>Sub-Total<sup>(1)</sup></b>	<b>0.0</b>	<b>0</b>	<b>37.3</b>	<b>29</b>	<b>1,584.6</b>	<b>1,142</b>	<b>1,396.4</b>	<b>1,017</b>
Orange	0.0	0	37.3	29	1,423.9	1,025	1,275.1	924
Grapefruit	0.0	0	0.0	0	160.7	117	121.3	93

Source: Citrus Products of Belize

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

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

	Approved Budget 2010/2011	Jan-10 to Oct-10	Jan-11 to Oct-11	Apr-10 to Oct-10	Apr-11 to Oct-11	Actual YTD as % of Budget
<b>TOTAL REVENUE &amp; GRANTS (1+2+3)</b>	<b>843,630</b>	<b>648,095</b>	<b>680,118</b>	<b>447,860</b>	<b>466,429</b>	<b>55.3%</b>
1). Current revenue	784,049	634,847	667,499	440,877	461,141	58.8%
Tax revenue	687,267	534,097	568,771	378,892	399,201	58.1%
Income and profits	256,742	200,376	210,703	140,793	150,055	58.4%
Taxes on property	5,459	3,800	6,286	2,338	3,749	68.7%
Taxes on goods and services	226,740	196,778	201,977	142,347	134,957	59.5%
Int'l trade and transactions	198,325	133,143	149,806	93,413	110,440	55.7%
Non-Tax Revenue	96,783	100,750	98,728	61,985	61,940	64.0%
Property income	12,229	21,687	16,303	10,666	9,489	77.6%
Licences	13,619	11,379	9,782	8,002	6,388	46.9%
Other	70,935	67,685	72,642	43,318	46,062	64.9%
2). Capital revenue	5,286	3,322	4,926	2,363	3,258	61.6%
3). Grants	54,295	9,926	7,693	4,619	2,030	3.7%
<b>TOTAL EXPENDITURE (1+2)</b>	<b>889,787</b>	<b>684,452</b>	<b>684,238</b>	<b>466,191</b>	<b>464,744</b>	<b>52.2%</b>
1). Current Expenditure	729,553	579,585	607,925	390,237	411,486	56.4%
Wages and Salaries	300,368	230,777	240,697	160,918	170,078	56.6%
Pensions	48,916	37,556	40,046	24,981	28,213	57.7%
Goods and Services	168,444	139,479	146,410	92,149	98,312	58.4%
Interest Payments on Public Debt	111,566	91,034	98,732	54,601	54,724	49.1%
Subsidies & current transfers	100,259	80,739	82,040	57,589	60,161	60.0%
2). Capital Expenditure	160,234	104,867	76,313	75,954	53,257	33.2%
Capital II (local sources)	47,994	61,990	53,592	44,508	37,775	78.7%
Capital III (foreign sources)	107,281	37,987	17,068	27,358	11,494	10.7%
Capital Transfer & Net Lending	4,959	4,890	5,654	4,089	3,989	80.4%
<b>CURRENT BALANCE</b>	<b>54,496</b>	<b>55,262</b>	<b>59,574</b>	<b>50,640</b>	<b>49,655</b>	<b>91.1%</b>
<b>Primary Balance</b>	<b>65,410</b>	<b>54,678</b>	<b>94,612</b>	<b>36,270</b>	<b>56,409</b>	<b>86.2%</b>
<b>OVERALL BALANCE</b>	<b>(46,157)</b>	<b>(36,356)</b>	<b>(4,120)</b>	<b>(18,331)</b>	<b>1,685</b>	<b>-3.7%</b>
<b>PB less Grants</b>	<b>11,115</b>	<b>44,752</b>	<b>86,919</b>	<b>31,651</b>	<b>54,379</b>	<b>489.2%</b>
<b>OB less Grants</b>	<b>(100,452)</b>	<b>(46,282)</b>	<b>(11,813)</b>	<b>(22,950)</b>	<b>(345)</b>	<b>0.3%</b>
FINANCING	46,157	36,356	4,120	18,331	(1,685)	
<b>Domestic Financing</b>		<b>32,511</b>	<b>2,381</b>	<b>(1,046)</b>	<b>(16,878)</b>	
Central Bank		(35,682)	(7,059)	(69,188)	(18,150)	
Net Borrowing		(40,116)	36,026	(41,805)	45,074	
Change in Deposits		4,434	(43,084)	(27,383)	(63,224)	
Commercial Banks		61,107	(22,526)	61,464	(22,524)	
Net Borrowing		60,295	(15,791)	60,339	(21,399)	
Change in Deposits		812	(6,735)	1,125	(1,125)	
Other Domestic Financing		7,087	31,966	6,678	23,796	
<b>Financing Abroad</b>		<b>4,081</b>	<b>12,457</b>	<b>12,329</b>	<b>21,715</b>	
Disbursements		51,637	58,630	43,656	51,613	
Amortization		(47,556)	(46,173)	(31,326)	(29,898)	
Other		(235)	(10,718)	7,048	(6,522)	

Source: Ministry of Finance

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

	BZ\$'000					Disbursed Outstanding Debt 31/10/11 <sup>P</sup>
	Disbursed Outstanding Debt 30/12/10 <sup>R</sup>	TRANSACTIONS THROUGH OCTOBER 2011			Net Change in Overdraft/ Securities	
		Disbursement/ New Issue of Securities	Amortization/ Reduction in Securities	Interest		
<b>Overdraft / Loans</b>	34,046	<b>0</b>	<b>0</b>	3,497	24,702	58,748
Central Bank	34,046	0	0	3,497	24,697	58,742
Commercial Banks	0	0	0	0	7	7
<b>Treasury Bills</b>	<b>175,000</b>	<b>0</b>	<b>0</b>	<b>3,773</b>	<b>0</b>	<b>175,000</b>
Central Bank	21,014	0	0	487	16,571	37,585
Commercial Banks	152,522	0	0	3,269	(16,868)	135,654
Other	1,464	0	0	18	297	1,761
<b>Treasury Notes</b>	<b>136,800</b>	<b>0</b>	<b>0</b>	<b>6,862</b>	<b>0</b>	<b>136,800</b>
Central Bank	87,991	0	0	5,061	(5,242)	82,749
Commercial Banks	10,000	0	0	300	0	10,000
Other	38,809	0	0	1,501	5,242	44,051
<b>Defence Bonds</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>800</b>	<b>0</b>	<b>10,000</b>
Central Bank	10,000	0	0	800	0	10,000
Commercial Banks	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Atlantic Bank Ltd.</b>	<b>0</b>	<b>1,500</b>	<b>40</b>	<b>22</b>	<b>0</b>	<b>1,460</b>
<b>Heritage Bank Ltd</b>	<b>2,743</b>	<b>0</b>	<b>389</b>	<b>322</b>	<b>0</b>	<b>2,354</b>
<b>Belize Social Security Board<sup>(2)</sup></b>	<b>4,374</b>	<b>0</b>	<b>862</b>	<b>307</b>	<b>0</b>	<b>3,512</b>
<b>Fort St Tourism Vlg.</b>	<b>96</b>	<b>0</b>	<b>57</b>	<b>0</b>	<b>0</b>	<b>40</b>
<b>Debt for Nature Swap</b>	<b>3,747</b>	<b>0</b>	<b>693</b>	<b>45</b>	<b>0</b>	<b>3,054</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>367,806</b>	<b>1,500</b>	<b>2,041</b>	<b>15,719</b>	<b>24,702</b>	<b>391,967</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 (1) Hopeville Housing Project and (2) loan purchased from DFC (as of Jan 30th 2007).

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

BZ\$'000

	Disbursed					Disbursed
	Outstanding	TRANSACTIONS THROUGH OCTOBER 2011				Outstanding
	Debt	Disbursements	Principal Payments	Interest & Other Payments	Parity Change	Debt
	30/12/10 <sup>R</sup>					31/10/11 <sup>P</sup>
<b>CENTRAL GOVERNMENT</b>	<b>1,888,214</b>	<b>58,580</b>	<b>46,173</b>	<b>83,318</b>	<b>1,626</b>	<b>1,902,247</b>
Banco Nacional de Comercio Exterior	4,764	0	1,059	273	0	3,705
Government of the United States	1,096	0	347	51	0	748
Government of Venezuela	38,857	57	998	293	0	37,916
Kuwait Fund for Arab Economic Dev	16,930	0	1,597	766	524	15,857
Republic of China	280,884	20,000	17,300	6,202	0	283,584
Caribbean Development Bank	189,383	15,996	9,435	5,942	0	195,944
European Economic Community	14,903	0	486	62	889	15,307
European Investment Bank	91	0	93	2	2	0
Inter-American Development Bank	207,082	16,975	6,786	2,560	-0	217,272
International Fund for Agric. Dev.	1,450	741	70	14	211	2,332
Intl. Bank for Reconstruction & Dev.	22,585	2,463	5,105	206	-0	19,943
Opec Fund for Int'l. Development	14,814	2,347	2,032	674	-0	15,129
Central American Bank for Econ. Integ.	980	0	0	102	0	980
Manufacturers & Traders Trust Co.	865	0	865	25	0	0
Bear Stearns & Co (Untendered portion)	5,916	0	0	0	0	5,916
Bank of New York (New Bond Issue)	1,087,613	0	0	66,149	0	1,087,613
<b>NON-FINANCIAL PUBLIC SECTOR</b>	<b>31,551</b>	<b>296</b>	<b>7,923</b>	<b>1,450</b>	<b>130</b>	<b>46,698</b>
Kuwait Fund for Arab Economic Dev	4,603	0	720	165	130	4,013
Deutsche Bank	844	0	211	16	0	633
Royal Merchant Bank and Finance Co. <sup>(1)</sup>	0	0	559	57	0	601
The Bank of Nova Scotia <sup>(1)</sup>	0	0	1,595	56	0	9,012
European Investment Bank <sup>(1)</sup>	0	0	0	0	0	2,278
Intl. Bank for Reconstruction & Dev. <sup>(1)</sup>	0	0	495	15	0	0
Caribbean Development Bank <sup>(2)</sup>	26,104	296	4,344	1,141	0	30,161
<b>FINANCIAL PUBLIC SECTOR</b>	<b>101,600</b>	<b>0</b>	<b>10,766</b>	<b>1,723</b>	<b>2,102</b>	<b>92,936</b>
Caribbean Development Bank	12,204	0	1,565	290	0	10,639
European Economic Community	423	0	20	2	29	433
Paine Webber Real Estate Securities Inc.	600	0	100	0	0	500
Belize Mortgage Company <sup>(3)</sup>	18,781	0	9,081	1,058	0	9,700
International Monetary Fund <sup>(4)</sup>	69,592	0	0	373	2,073	71,665
<b>GRAND TOTAL</b>	<b>2,021,365</b>	<b>58,876</b>	<b>64,862</b>	<b>86,490</b>	<b>3,858</b>	<b>2,041,880</b>

<sup>(1)</sup> The increase in debt is due to the nationalization of BEL effective 21st June 2011, thus GOB took on 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.