



CENTRAL BANK

of BELIZE



MONTHLY ECONOMIC REPORT

OCTOBER 2013

List of Acronyms and Abbreviations

Acronyms:

BEL	Belize Electricity Limited
BGA	Banana Growers Association
BSI	Belize Sugar Industries Limited
BSSB	Belize Social Security Board
BTB	Belize Tourism Board
BTL	Belize Telemedia Limited
BWSL	Belize Water Services Limited
CABEI	Central American Bank for Economic Intelligence
CBB	Central Bank of Belize
CDB	Caribbean Development Bank
CFZ	Corozal Free Zone
CGA	Citrus Growers Association
CPBL	Citrus Products of Belize Limited
CPI	Consumer Price Index
DFC	Development Finance Corporation
ENDA	Emergency Natural Disaster Assistance
EU	European Union
GDP	Gross Domestic Product
GOB	Government of Belize
GST	General Sales Tax
IDB	Inter-American Development Bank
IMF	International Monetary Fund
KHMH	Karl Heusner Memorial Hospital
MOF	Ministry of Finance
OFID	OPEC Fund for International Development
OPEC	Organisation of the Petroleum Exporting Countries
PAYE	Personal Income Tax
ROC/Taiwan	Republic of China/Taiwan
SDR	Special Drawing Right
SIB	Statistical Institute of Belize
SIF	Social Investment Fund
UHS	Universal Health Services
US	United States
VPCA	Venezuelan Petrocaribe Agreement

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:

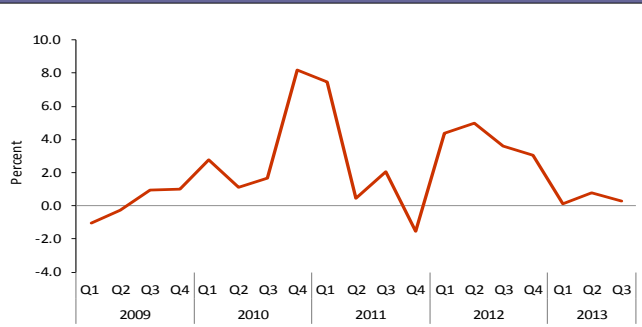
1. Since May of 1976, the Belize dollar has been fixed to the US dollar at the rate of US\$1.00 = BZ\$2.00.
2. The 2013 figures in this report are provisional and the figures for 2012 have been revised.
3. Unless otherwise indicated, the Central Bank of Belize is the source of all tables and charts.
4. Ratios to GDP for 2013 are based on Central Bank's forecast of annual GDP 2013.

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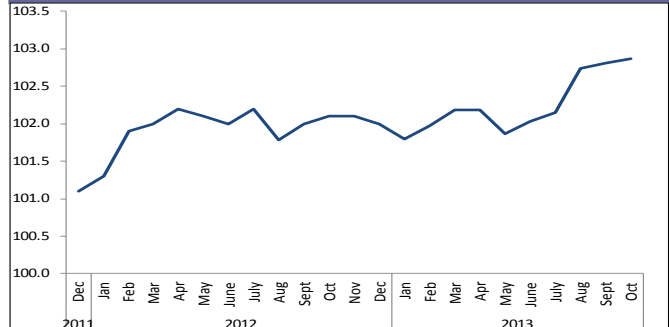
Summary of Economic Indicators

Chart I: Gross Domestic Product Growth Rate (Year-on-Year - Percentage Change)



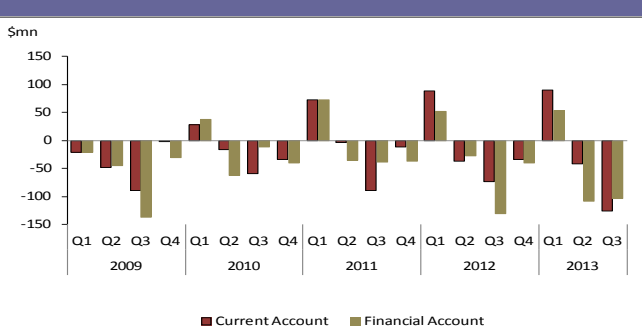
Source: SIB

Chart II: Consumer Price Index (All Items)



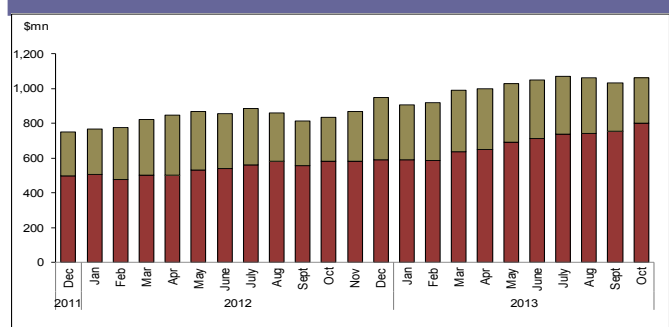
Source: SIB

Chart III: Balance of Payments



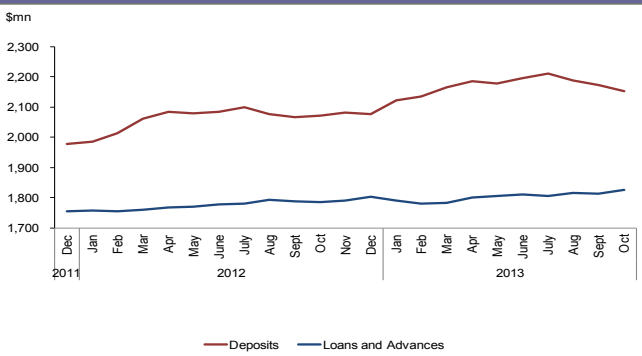
■ Current Account ■ Financial Account

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

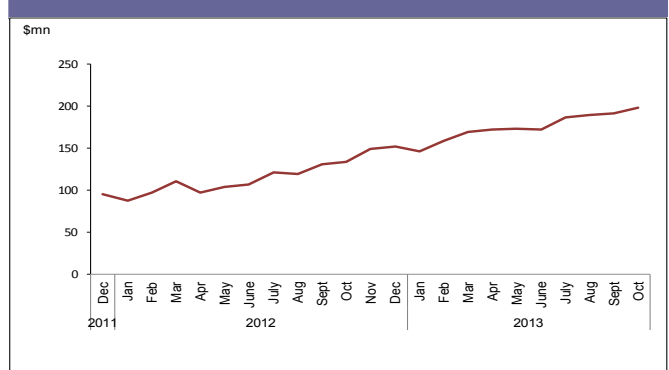
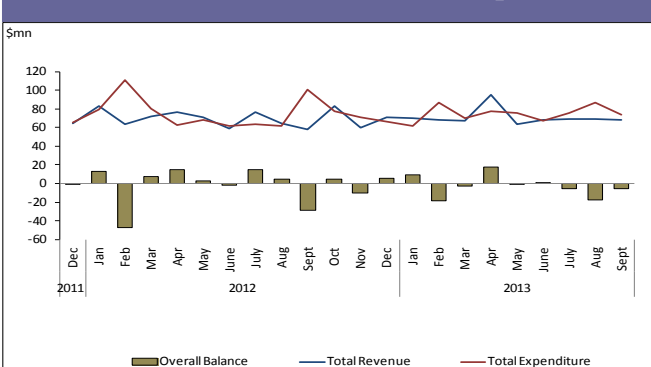


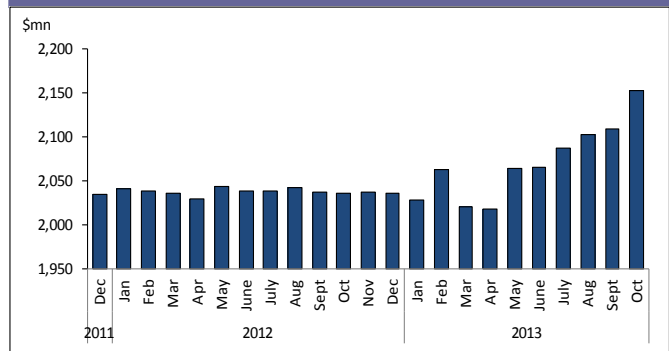
Chart VII: Central Government Operations



■ Overall Balance — Total Revenue — Total Expenditure

Sources: CBB and MOF

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



Money and Credit

The broad measure of money contracted by 1.2% during the first ten months of the year in contrast to the 4.9% growth achieved during the comparable period of 2012. The reversal reflected a \$152.5mn contraction in net domestic credit that eclipsed a \$119.4mn expansion in the banking system's net foreign assets. Bilateral flows to Central Government from Venezuela under the Petrocaribe Agreement (VPCA) and from the Republic of China/Taiwan (ROC/Taiwan) for budget support were the main factors behind both the sharp contraction in net domestic credit and the rise in the net foreign assets of the banking system.

The net foreign assets of the Central Bank rose sharply by \$211.8mn largely due to the aforementioned bilateral support as well as the capitalization of the February interest payment on the 2038 bond. Foreign exchange purchases by the Bank amounted to \$392.4mn and was comprised mostly of loan disbursements (56.2%), sugar export proceeds (14.0%), and petroleum royalties and license fees (12.8%). The Central Bank's foreign exchange sales totalled \$181.4mn, of which 78.9% was for external debt servicing, including the August interest payment of \$22.0mn on the 2038 bond. In contrast, the net foreign assets of the commercial banks contracted by \$92.4mn as higher tourism flows were offset by increased import payments, lower export earnings, and the transfer of \$62.0mn in VPCA funds from the domestic banking system to an international bank earlier in the year.

Net credit to Central Government contracted by \$176.4mn with the accumulation of deposits stemming from the bilateral flows overshadowing a \$5.0mn increase in the overdraft balance. At the end of October, the overdraft balance stood at \$61.3mn which was \$7.7mn below the legislated ceiling

Chart 1.1: Net Foreign Assets and Net Domestic Credit

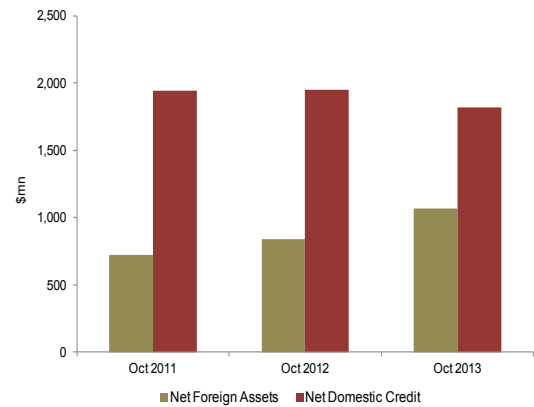
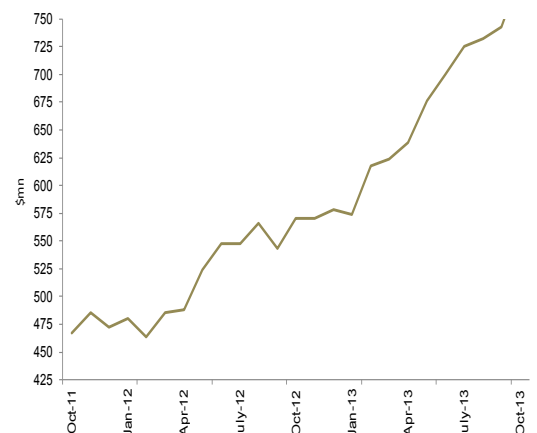


Chart 1.2: Commercial Banks' Net Foreign Assets



Chart 1.3: Gross International Reserves



of \$69.0mn for advances to Central Government during the 2013/2014 fiscal year.

Commercial bank credit picked up pace in October as net disbursements amounted to \$9.5mn, matching the net total recorded during the first three quarters ending September. Even with this impetus, credit rose by just 1.0% (\$18.3mn) over the first ten months of the year, almost in line with growth recorded during the comparable ten month period of 2012. Lending went mainly to finance residential and commercial construction (\$20.4mn), land acquisition (\$18.5mn), residential real estate (\$8.8mn), citrus production (\$6.3mn) and grain production (\$4.8mn). These were largely offset by repayments and the continuation of loan write-offs which totaled \$42.7mn. (Loan write-offs for 2012 amounted to \$37.3mn.) Write-offs occurred mainly for entities engaged in tourism, marine, real estate, distribution, and transportation activities.

Lending from the five largest credit unions remained buoyant, rising by 11.3% (\$45.6mn) over the first ten months of the year. Loans were extended mainly for agricultural production and processing activities (\$12.8mn), commercial real estate and land acquisition (\$11.9mn), residential construction and home improvement (\$10.0mn) and personal loans, especially education (\$8.1mn) and vehicles (\$4.3mn). Net repayments were made on loans for manufacturing activities, household items and other personal loans.

The seasonal third quarter downturn in foreign exchange earnings coupled with the uptick in private sector credit in October resulted in a sharp drop of \$74.1mn in excess secondary liquidity since the end of July and helped to explain the year-to-date decline of \$16.8mn. Actual holdings rose by \$8.0mn against a \$24.8mn increase in required holdings. Cash reserves, however, rose by \$55.1mn relative

Chart 1.4: Changes in Commercial Banks' Loans and Advances Oct 2013 Position over Dec 2012

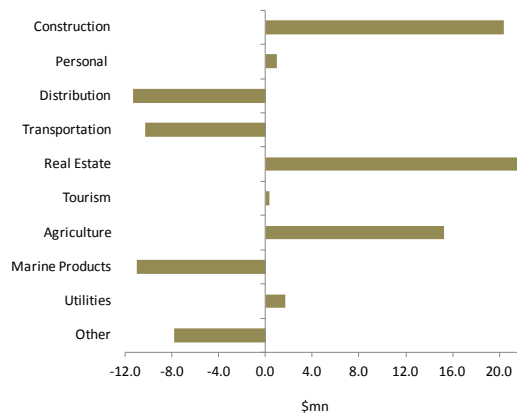


Chart 1.5: Excess Statutory Liquidity

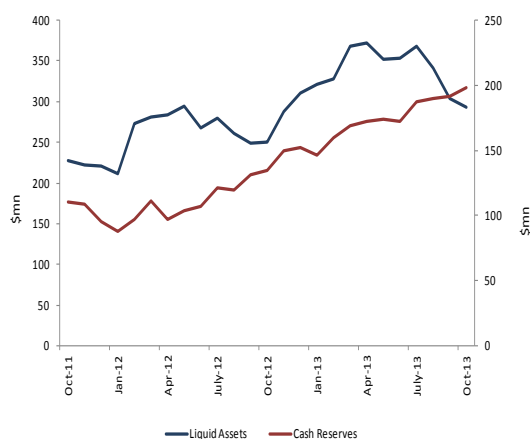
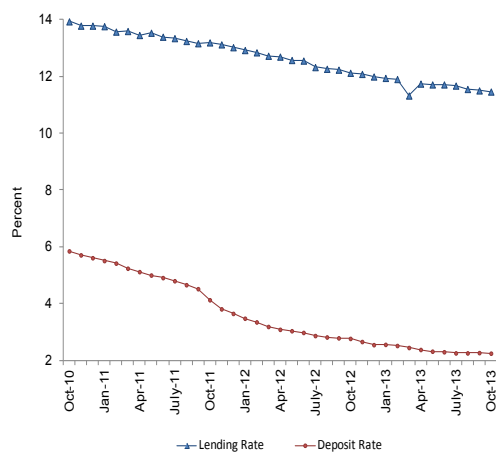


Chart 1.6: Commercial Banks' Weighted Average Lending and Deposit Interest Rates

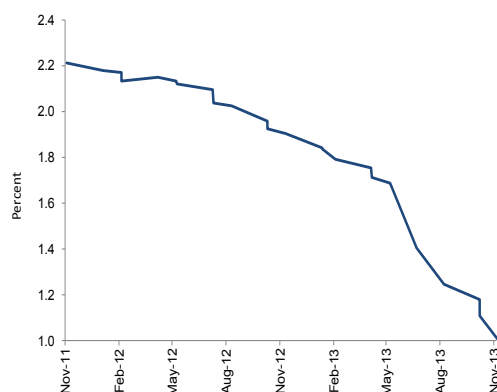


to a \$9.2mn increase in the required level. At the end of October, statutory liquid assets exceeded requirements by 55.3% while primary reserve holdings more than doubled the requirement.

High liquidity levels continued to exert downward pressure on commercial banks' interest rates. The weighted average lending rate fell by 53 basis points to 11.5%, led by a 58 basis point reduction in residential construction loans, in addition to declines of 46 basis points on personal loans and 43 basis points on commercial loans. Lending rates for other loans dropped by 100 basis points. Rates on deposits fell by a smaller 30 basis points as respective declines of 49, 24 and 4 basis points on time, savings and demand deposits were partly offset by a 10 basis point increase in the rates for savings/chequing accounts.

High levels of liquidity in the banking system also prompted commercial banks to continue to submit competitive bids for Treasury bills. At the end of October, banks' holdings of Treasury bills amounted to \$160.1mn, or 91.5% of the total outstanding. With competitive bidding, the Treasury bill yield declined by 90 basis points to its lowest level of 1.00501% at the last auction for 2013.

Chart 1.7: Treasury Bill Yield



Real Sector Developments

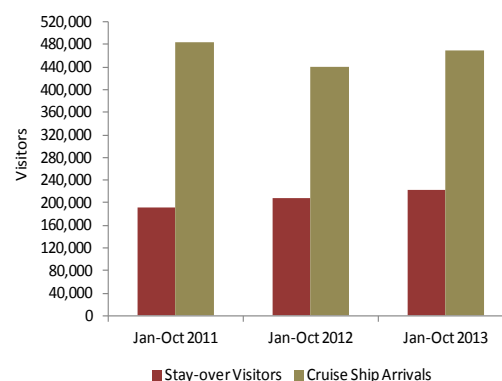
In the ten-month period, output of papaya and marine products increased while declines were registered for banana, sugarcane, citrus deliveries, petroleum extraction and the production of sugar and citrus juices.

The Consumer Price Index (CPI) increased marginally by 0.1% in the month of October and by 0.3% over the year to date. Most of the categories of the index experienced marginal price increases, which were partially offset by declines in “Miscellaneous Goods and Services” and “Clothing and Footwear”. Items contributing to the CPI increase included food, bread and cereals, meat, vegetables and electricity.

Stay-over visitors rose by 6.5% to 221,864 with higher arrivals at all entry points while cruise ship disembarkations rose by 6.7% to 469,382 visitors, reversing the 9.3% contraction in 2012. The growth in the tourism sector held constant through the period largely due to aggressive marketing, heightened publicity and improvements in the economies of Belize’s main source markets.

The value of domestic exports registered a 5.1% downturn to \$571.8mn due to steep declines in receipts from petroleum, citrus juices and other domestic exports that fell by \$30.0mn \$27.0mn and \$12.1mn respectively. Simultaneously, gross imports (including electricity) rose by 7.4% to \$1,639.6mn with all import categories recording increases. The most notable changes were in "Manufactured Goods and Other Manufactures", "Food, Beverage and Tobacco" and "Machinery, Transport and Equipment" which rose by \$48.0mn, \$17.2mn and \$15.6mn, respectively.

Chart 2.1: Tourist Arrivals



Sources: BTB and CBB

Table 2.1: Value of Domestic Exports

	\$mn	
	Jan-Oct 2012	Jan-Oct 2013
Sugar	107.5	107.3
Molasses	3.8	5.5
Bananas	80.4	84.5
Citrus	106.3	79.3
Petroleum	157.6	127.5
Papaya	13.5	18.5
Marine Exports	53.9	81.6
Other Domestic Exports	79.8	67.7
Total	602.8	571.8

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

Table 2.2: Gross Imports by Standard International Trade Classification⁽¹⁾

	\$mn		
	Jan-Oct 2011	Jan-Oct 2012	Jan-Oct 2013
Food, Beverages and Tobacco	153.3	187.5	204.7
Fuels, Lubricants and Crude Materials	291.7	326.0	335.8
of which Electricity	48.8	68.5	77.7
Oils, Fats and Chemicals	130.8	141.0	147.8
Manufactured Goods and Other Manufactures	250.9	259.6	307.5
Machinery, Transport and Equipment	188.6	270.4	286.0
Other Goods	2.6	5.7	6.3
Export Processing Zones	61.1	55.8	70.2
Commercial Free Zone	317.5	280.6	281.2
Total	1396.5	1526.6	1639.6

Source: SIB

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

Sugarcane and Sugar

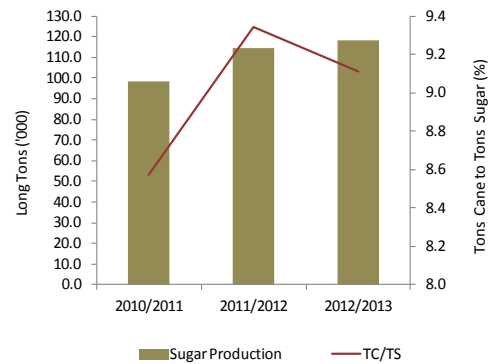
With the harvest ending on 25 May 2013, sugarcane deliveries for the crop year edged up by 0.7% to 1,078,019 long tons. For the second consecutive harvest, sugar production exceeded 100,000 long tons as improvements in cane purity, partly due to improved delivery schedules along with factory efficiency, boosted sugar production by 3.3%. The expanded processing capacity of the factory and the higher hourly grinding rate allowed farmers to complete their harvesting in a period when weather conditions were more favorable. These factors resulted in a 2.5% improvement in the cane/sugar ratio. Molasses output also expanded by 11.5% to 34,508 long tons.

Annual sugar exports increased by 7.4% to 104,275 long tons; however, revenues fell by 0.2% to \$107.3mn due to a 7.1% decline in average export prices. Lower prices in the United States (US) market compared to the previous year caused the processor to divert all sales to the European Union (EU), except 258 long tons that were sold in niche markets. Also contributing to the price decline was a lower exchange rate negotiated on the futures market for the euro versus the US dollar. Exports of molasses increased by 16.4% to 25,770 long tons valued at \$5.5mn.

Citrus

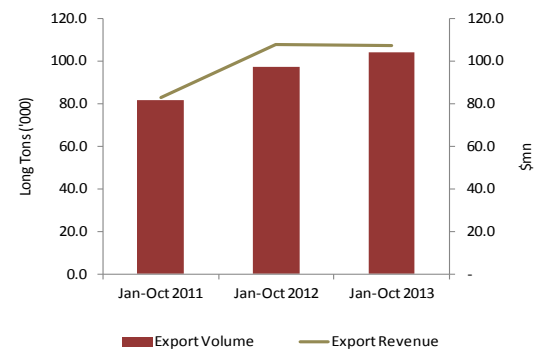
The 2013/2014 citrus crop commenced during the first week of October and industry projections are for orange deliveries to increase from 4.1mn to 4.6mn boxes while grapefruit dips from 0.7mn to 0.6mn boxes for an overall increase of 9.6%. International prices for orange concentrates are expected to remain the same or slighter higher than last year prices due to lower juice stocks in Florida and Brazil. The projected price for orange is \$1.53 per ps or \$9.01 per box. Grapefruit prices

Chart 2.2: Sugar Production



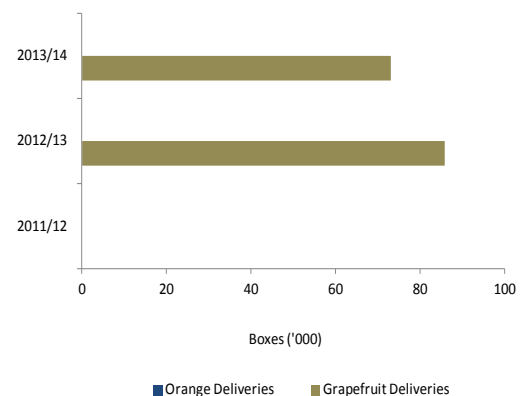
Source: BSI

Chart 2.3: Sugar Exports



Source: BSI

Chart 2.4: Citrus Deliveries



Sources: CGA and CPBL

are projected to further increase to \$2.33 per ps or \$9.09 per box. This is a result of the impact of greening on Cuban grapefruit production.

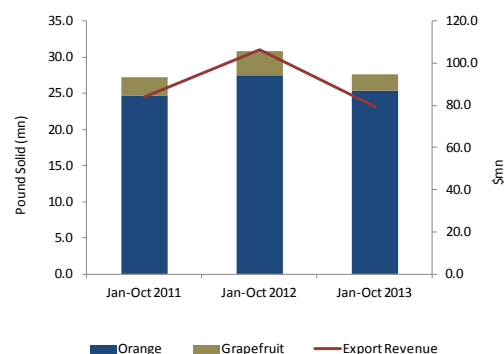
The 2013/2014 harvest began three weeks earlier than the previous crop year, but due to a smaller first crop, only 73,070 boxes of grapefruit was delivered which represented a 14.8% decline in output relative to October 2012. Grapefruit concentrate production fell by a lesser 11.9% due to higher average juice outturn. Production impediments early in the crop year included a shortage of pickers in addition to some farmers ceasing grapefruit cultivation. The shortage of pickers could also negatively impact orange deliveries should it persist into January when the crop is at its peak.

The export volume of citrus juices fell by 10.2% to 27.7mn ps over the period reviewed, with grapefruit and orange concentrate declining by 31.6% and 7.8%, respectively. The 25.4% reduction in revenues (to \$79.3mn) was steeper than anticipated as a 7.0% rally in grapefruit concentrate prices was insufficient to offset lower prices for orange concentrate and the fall in export volume. International prices for orange concentrates weakened due to higher juice stocks in Florida and Brazil, while a smaller grapefruit harvest in the US caused juice prices to strengthen.

Banana

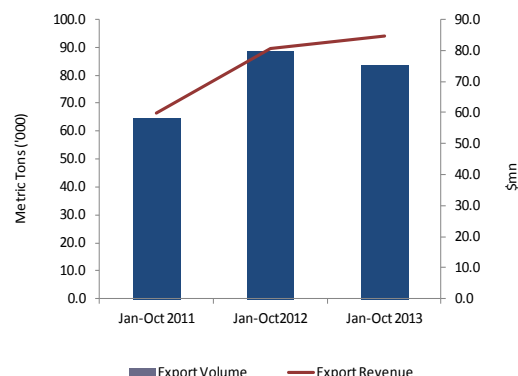
Banana output returned to its customary level following a bumper crop in 2012 with production falling by 5.9% to 83,361 metric tons. However, revenues expanded by 5.1% to \$84.5mn due to the 11.7% increase in the average export price. The Banana Growers Association and Fyffes renegotiated the extension of their exclusive marketing contract in late 2012 for another five years that commenced on 1 January 2013.

Chart 2.5: Citrus Juice Export Volume and Revenue



Source: CPBL

Chart 2.6: Banana Exports



Source: BGA

Petroleum

Petroleum extraction continued to decline, falling by 23.1% to 673,881 barrels when compared to the ten-month period of 2012. Production from the Spanish Lookout and Never Delay fields decreased by 20.0% and 88.0%, respectively. Export volume consequently decreased by 19.7% to 607,135 barrels over the review period, and export revenue fell by 19.1% to \$127.5mn. With reduced concerns about short-term geopolitical risks and military confrontation in Iran and Syria, benchmark spot prices fell during the month. Consequently, the average export price dipped during October to US\$105.03 per barrel, US\$15.03 over the threshold price at which the petroleum surcharge becomes applicable.

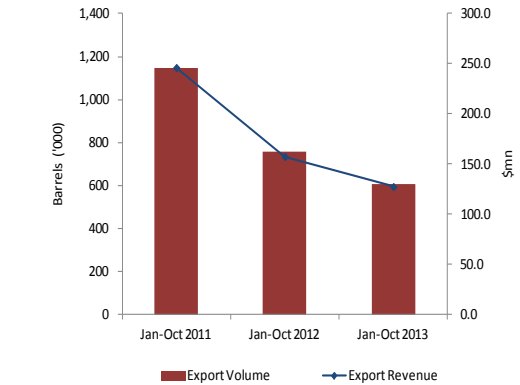
Marine Exports

Higher sales of farmed shrimp and whole fish outweighed declines in lobster and conch exports and resulted in a 35.8% increase in marine export volume to 13.8mn pounds during the first ten months of 2013. Price increases for all commodities, except fish, boosted revenues by 51.5% to \$81.6mn. Shrimp exports benefitted significantly from elevated prices and volume increases, while fish revenue rose from \$0.6mn to \$0.8mn, driven solely by the 40.7% increase in export volume. Conch revenue posted its first positive gain for the year of 1.9% to 8.1mn due to the reopening of the season in October. In contrast, lobster export earnings fell by 14.5% to \$11.6mn mirroring a 37.3% fall in export volume.

Other Domestic Exports

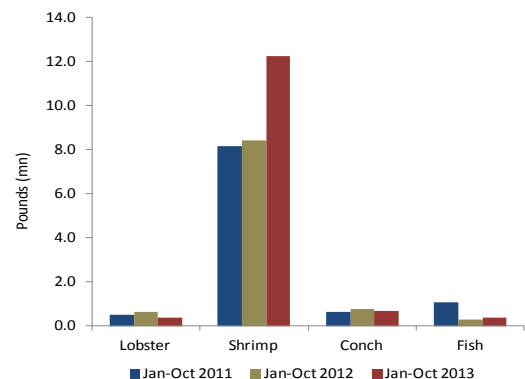
Strong growth in sales of papaya 36.3%, pepper sauce 22.9% and red kidney beans 15.3% was outpaced by falling revenues from fresh orange, sawn wood, black eye peas and orange oil and, as a result, revenues from other exports declined by 7.7% to \$86.1mn. On the upside, papaya benefitted

Chart 2.7: Petroleum Exports



Source: Geology and Petroleum Department

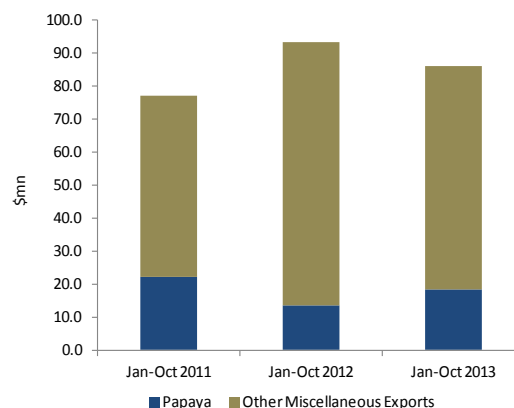
Chart 2.8: Marine Export Volume



Source: SIB

from volume and price increases while the double digit increase in revenue from pepper sauces and red kidney beans were due solely to volume and price increases, respectively. In contrast, revenues from fresh orange, sawn wood and black eye peas plunged by 98.7%, 53.2% and 23.2%, respectively, due to reductions in export volume, while price declines also contributed to the 70.2% fall in orange oil revenues.

Chart 2.9: Revenue of Papaya and Other Miscellaneous Exports



Source: SIB

Central Government Operations

Data for Central Government's October fiscal operations are not yet available.

Government Operations

For January through September, Central Government operations yielded an overall deficit of 0.8% of GDP and a primary surplus equivalent to 0.7% of GDP. Revenue and grants contracted by 2.5% mostly due to declines in non-tax revenue, grants and import duties. Concurrently, expenditure fell at a slower pace (1.9%) mainly due to the capitalisation of interest due on the restructured 2029 bond and a reduction in capital outlays.

During the first half of the 2013/2014 fiscal year, Central Government's primary surplus weakened to 0.8% of GDP or \$27.5mn and was \$20.9mn lower than that of the comparable period of fiscal year 2012/2013. The overall balance swung from a surplus of 0.2% of GDP (\$6.2mn) in 2012 to a deficit of 0.4% of GDP (\$11.7mn). The deficit was mainly funded from external sources.

Notwithstanding an 8.3% decline in import duties and 4.1% dip in petroleum receipts, fiscal revenues expanded by \$20.4mn to \$444.9mn. Tax revenue grew by \$16.2mn and accounted for almost all of the income growth as the increase in grants and non-tax revenue was substantially less at \$4.0mn and 0.1mn, respectively. Receipts were boosted by higher collections from General Sales Tax (GST), business tax and personal income tax (PAYE). The increases in PAYE and business tax resulted from better monitoring and reporting, while the buoyancy of GST and the associated fall in revenues from import duties reflected the shift back to a GST on fuel imports instead of a fixed import duty. The \$0.1mn increase in non-tax collections was largely explained by oil dividend and royalty payments.

Chart 3.1: Central Government Operations

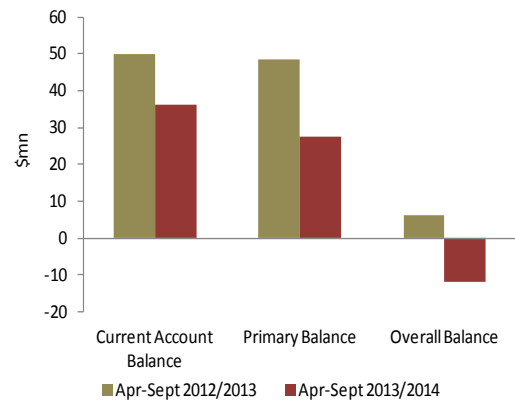
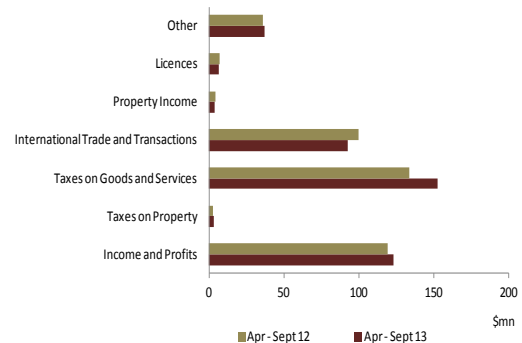
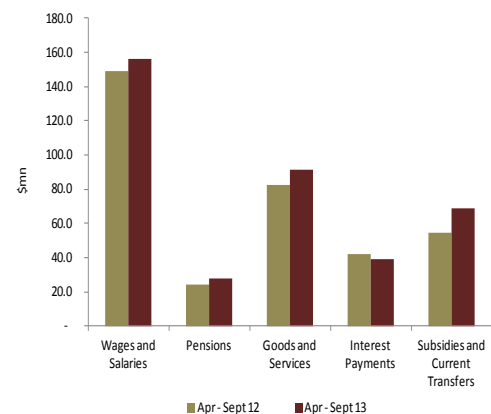


Chart 3.2: Central Government Current Revenue



Sources: MOF and CBB estimates

Chart 3.3: Central Government Current Expenditure



Source: MOF

Grants totalled \$22.8mn with most of this coming from ROC/Taiwan and the Inter-American Development Bank (IDB).

At \$456.6mn, expenditure was 9.2% (\$38.3mn) higher than the previous year and 48.9% of budgeted outlays. Current spending rose by 8.5% (\$30.2mn) with increases across all categories except interest payments. The most notable increase was in subsidies and transfers which reflected the reclassification of teachers' salaries to this category as well as an increase in contributions to Karl Heusner Memorial Hospital (KMHM) and international organizations. Outlays on wages and salaries rose by \$7.1mn and accounted for 42.3% of current spending. Goods and services outlays were \$8.4mn higher and reflected moderate growth in rents and other operating costs.

Capital expenditure totalled \$73.2mn, \$8.2mn above the same period of the previous fiscal year, as spending on locally funded projects doubled. Road infrastructure accounted for 35.2% of the total and included developments on the south side of Belize, the construction of Big Falls/Southern Highway and maintenance and rehabilitation of highways. Another 29.0% was spent on social sectors for the development of sports infrastructure such as the Belize Sports Centre and projects relating to culture, education, health, environment and social protection. Waste management and land development projects received \$10.0mn, while the remainder was allocated for miscellaneous outlays on furniture, office equipment and contributions to external institutions.

Central Government Domestic Debt

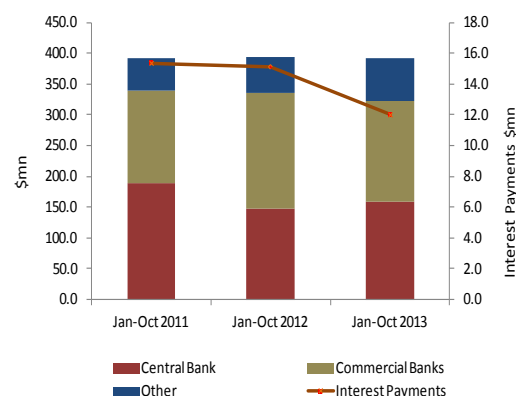
During the first ten months, Central Government's domestic debt rose by 0.4% to \$391.5mn, as a \$5.0mn rise in overdraft financing from the Central

Table 3.1: Central Government Capital Expenditure

	\$mn	
	Apr - Sept 12	Apr - Sept 13
Public Works	20.87	24.37
Environmental Protection	5.17	7.73
Natural Resources	7.74	9.66
Housing	0.16	0.83
Health	0.66	1.90
Education	1.23	2.11
Security and Defense	0.72	0.98
Agriculture and Fisheries	14.65	1.44
Other	12.08	22.61
Net lending	1.71	1.54
Total	64.99	73.18

Source: MOF

Chart 3.4: Central Government Domestic Debt



Bank was partly offset by \$3.4mn in amortization payments. The latter reflected payments of \$1.0mn to Guardian Life Belize to retire that loan and smaller amounts to the Belize Social Security Board (BSSB), Debt-for-Nature Swap, Fort Street Tourism Village and commercial banks. With the growth in the Central Bank overdraft accounting for most of the debt increase, the share of Central Government's debt held by the Central Bank rose from 39.5% in December 2012 to 40.5%, while the commercial banks' share stood at 42.0%.

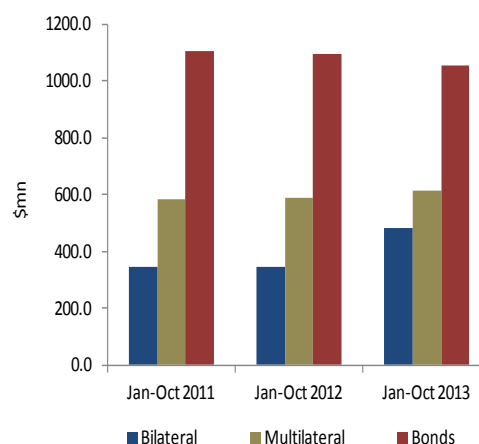
Of the \$12.0mn in interest payments, Central Bank received \$4.4mn on short-term credit provided by way of the overdraft and \$4.8mn on long-term government securities. Commercial banks received \$2.4mn on their holdings of government debt, while non-bank entities received \$0.4mn.

Public Sector External Debt

The public sector external debt rose by \$124.3mn to \$2,152.8mn as disbursements of \$305.9mn which included the \$76.5mn in capitalized interest that was added to the restructured bond, exceeded amortization payments of \$177.1mn. Except for a small amount to the Belize Water Services Limited (BWSL) for water and service expansion projects, all disbursements were to Central Government with \$167.9mn and \$56.3mn coming from bilateral and multilateral sources, respectively. Notable disbursements included \$142.9mn from Venezuela under the VPCA, \$25.0mn from ROC/Taiwan for the construction of the Belize Sports Center and budgetary support, \$17.6mn from the Caribbean Development Bank (CDB) for the Santa/Elena Bypass, Social Investment Fund (SIF) and water expansion project and \$13.2mn from IDB for solid waste and land management projects.

Excluding the \$107.9mn haircut on the restructured bond due 2038, actual principal repayments by

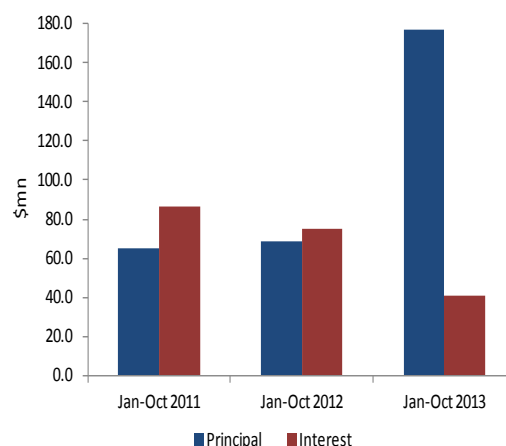
Chart 3.5: Public Sector External Debt



Central Government amounted to \$53.8mn, of which \$23.8mn went to bilateral and \$29.9mn to multilateral creditors. The Development Finance Corporation (DFC) amortized \$1.1mn to the CDB while the Central Bank repaid \$5.4mn to the International Monetary Fund (IMF) for the Emergency Natural Disaster Assistance (ENDA) facility. The non-financial public sector paid \$4.2mn to the CDB and \$3.9mn to commercial suppliers.

Interest and other payments totalled \$41.2mn, of which \$22.0mn was for the 2038 bond. Bilateral lenders received \$7.1mn, of which \$5.4mn went to ROC/Taiwan, while the \$11.5mn in payments to multilateral lenders went mostly to CDB and IDB.

Chart 3.6: External Debt Service



Statistical Appendix

Table A.1: Factors Responsible for Money Supply Movements

	Position as at Oct-13	Changes During		
		Sept-13 to Oct-13	Dec-12 to Oct-13	Dec-11 to Oct-12
Net Foreign Assets	1,067.5	34.4	119.4	84.7
Central Bank	804.2	47.9	211.8	86.6
Commercial Bank	263.3	-13.5	-92.4	-1.9
Net Domestic Credit	1,820.4	-51.4	-152.5	30.7
Central Government (Net)	-5.9	-61.6	-176.4	3.2
Other Public Sector	16.9	0.7	5.6	6.5
Private Sector	1,809.4	9.5	18.3	21.0
Central Bank Foreign Liabilities (Long-term)	58.7	0.2	-5.4	-3.4
Other Items (Net)	414.6	2.4	1.2	11.3
Money Supply M2	2,414.6	-19.6	-28.9	107.5

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

	Position as at Oct-13	Changes During		
		Sept-13 to Oct-13	Dec-12 to Oct-13	Dec-11 to Oct-12
Net Foreign Assets of the Banking System	1,067.5	34.4	119.4	84.7
Net Foreign Assets of the Central Bank	804.2	47.9	211.8	86.6
Central Bank Foreign Assets	805.5	47.6	211.0	86.8
Central Bank Foreign Liabilities (Demand)	1.3	-0.3	-0.8	0.2
Net Foreign Assets of Commercial Banks	263.3	-13.5	-92.4	-1.9
Commercial Banks' Foreign Assets	273.8	-22.8	-89.1	-16.6
Commercial Banks' Foreign Liabilities (Short-Term)	10.5	-9.3	3.3	-14.7

Table A.3: Net Domestic Credit

\$mn

	Position as at Oct-13	Changes During		
		Sept-13 to Oct-13	Dec-12 to Oct-13	Dec-11 to Oct-12
Total Credit to Central Government	326.5	-3.7	-6.9	10.3
From Central Bank	158.5	0.6	4.4	-15.8
Loans and Advances	61.3	0.6	5.0	10.9
Government Securities ⁽¹⁾	97.2	0.0	-0.6	-26.7
From Commercial Banks	168.0	-4.3	-11.3	26.1
Loans and Advances	4.5	-0.1	-0.9	3.5
Government Securities	163.5	-4.2	-10.4	22.6
(of which) Treasury bills ⁽²⁾	160.1	-6.4	-13.4	22.2
Treasury notes	0.0	0.0	0.0	0.0
Other	3.4	2.2	3.0	0.4
Less Central Government Deposits	332.4	57.9	169.5	7.1
With Central Bank	290.0	57.9	166.5	5.8
With Commercial Banks	42.4	0.0	3.0	1.3
Net Credit to Central Government	-5.9	-61.6	-176.4	3.2
Credit to Other Public Sector	16.9	0.7	5.6	6.5
From Central Bank	0.0	0.0	0.0	0.0
From Commercial Banks	16.9	0.7	5.6	6.5
(of which) Local Government	1.3	0.2	0.0	-0.1
Public Financial Institutions	0.0	0.0	0.0	0.0
Public Utilities	14.1	-0.2	4.9	8.0
Other Statutory Bodies	1.5	0.7	0.7	-1.4
Securities	0.0	0.0	0.0	0.0
Plus Credit to the Private Sector	1,809.4	9.5	18.3	21.0
Loans and Advances	1,807.9	9.5	17.8	21.0
Securities	1.5	0.0	0.5	0.0
Net Domestic Credit of the Banking System⁽³⁾	1,820.4	-51.4	-152.5	30.7

⁽¹⁾ Includes Central Bank's holdings of Government Treasury bills and Treasury notes.

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

⁽³⁾ Values may not equal to total due to rounding.

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

\$mn

	Position as at Oct-13	Changes During		
		Sept-13 to Oct-13	Dec-12 to Oct-13	Dec-11 to Oct-12
PRIMARY SECTOR	186.4	2.7	4.3	-9.6
Agriculture	140.0	3.2	15.3	-9.3
Sugar	15.2	0.4	1.7	-0.2
Citrus	22.9	-0.1	6.3	-1.0
Bananas	68.9	0.1	-0.6	-8.3
Other	33.0	2.8	7.9	0.2
Marine Products	24.4	-0.2	-11.0	0.0
Forestry	1.5	-0.2	0.3	-0.1
Mining and Exploration	20.5	-0.1	-0.3	-0.2
SECONDARY SECTOR	556.9	0.3	11.4	35.2
Manufacturing	21.8	-1.6	-10.7	-1.3
Building and Construction	498.4	2.3	20.4	30.3
Utilities	36.7	-0.4	1.7	6.2
TERTIARY SECTOR	655.0	5.1	5.8	-0.2
Transport	39.6	-0.4	-10.3	-1.3
Tourism	96.5	0.9	0.3	-9.6
Distribution	191.0	1.3	-11.3	-4.8
Other ¹	327.9	3.3	27.1	15.5
Personal Loans	426.8	2.2	1.0	5.3
TOTAL	1825.1	10.3	22.5	30.7

¹ 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 Oct-13	Changes During		
		Sept-13 to Oct-13	Dec-12 to Oct-13	Dec-11 to Oct-12
Holdings of Approved Liquid Assets	823.9	-15.1	8.0	55.7
Notes and Coins	60.4	2.3	-8.5	0.1
Balances with Central Bank	402.3	-3.7	63.6	53.3
Money at Call and Foreign Balances (due 90 days)	181.3	-8.5	-38.8	-16.9
Treasury bills maturing in not more than 90 days ⁽¹⁾	162.6	-3.9	-10.6	15.3
Other Approved Assets	17.3	-1.3	2.3	3.9
of which: Treasury notes	0.0	0.0	0.0	7.5
Required Liquid Assets	530.6	-5.0	24.8	26.8
Excess/(Deficiency) Liquid Assets	293.3	-10.1	-16.8	28.9
Daily Average Holdings of Cash Reserves	394.5	5.2	55.1	48.6
Required Cash Reserves	196.1	-1.8	9.2	9.9
Excess/(Deficiency) Cash Reserves	198.4	7.0	45.9	38.7
Actual Securities Balances ⁽²⁾	160.4	-6.4	-13.5	22.4
Excess/(Deficiency) Securities	160.4	-6.4	-13.5	22.4

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

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

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

Percent

	Position as at Oct-13	Changes During		
		Sept-13 to Oct-13	Dec-12 to Oct-13	Dec-11 to Oct-12
Weighted Lending Rates				
Personal Loans	12.49	-0.02	-0.46	-1.02
Commercial Loans	11.72	-0.03	-0.43	-0.67
Residential Construction	9.92	-0.07	-0.58	-1.23
Other	9.33	-0.12	-1.00	-1.40
Weighted Average	11.46	-0.04	-0.53	-0.90
Weighted Deposit Rates				
Demand	0.39	0.00	-0.04	0.11
Savings/Cheque	2.55	-0.01	0.10	-0.04
Savings	2.64	-0.02	-0.24	-0.08
Time	3.46	-0.06	-0.49	-1.34
Weighted Average	2.25	-0.02	-0.30	-0.88
Weighted Average Spread	9.21	-0.02	-0.23	-0.02

Table A.7: Commercial Banks' Weighted Average Interest Rates
on New Loans and Deposits

	Percent			
	Position as at Dec-10	Position as at Dec-11	Position as at Dec-12	Position as at Oct-13
Weighted Lending Rates				
Personal Loans	15.57	11.84	10.12	10.41
Commercial Loans	14.20	12.25	10.81	10.27
Residential Construction	13.15	10.06	10.68	9.76
Other	13.77	10.83	9.00	8.07
Weighted Average	14.36	11.79	10.33	10.00
Weighted Deposit Rates				
Demand	0.00	0.00	0.00	0.25
Savings/Cheque	4.87	1.42	1.71	0.00
Savings	4.65	2.51	0.92	1.82
Time	8.06	3.99	3.48	2.83
Weighted Average	8.02	3.83	3.10	2.71
Weighted Average Spread	6.34	7.96	7.23	7.29

Table A.8: Tourist Arrivals

	Jan-Oct 2012	Jan-Oct 2013
Air	173,033	182,767
Land	28,579	31,622
Sea	<u>6,803</u>	<u>7,475</u>
Stay-over Visitors	208,415	221,864
Cruise Ship Disembarkations	439,837	469,382

Sources: BTB and CBB

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

Major Commodity	Weights	Dec 2012	Sept 2013	Oct 2013	Monthly ⁽¹⁾ Change	Average ⁽²⁾ Change
Food and Non-Alcoholic Beverages	195	105.4	106.6	107.3	0.6	0.2
Alcoholic Beverages and Tobacco	17	99.4	100.5	100.8	0.3	0.6
Clothing and Footwear	83	98.0	95.6	95.6	0.0	-1.8
Housing, Water, Electricity, Gas, and Other Fuels	265	100.1	101.1	101.1	0.0	0.7
Furnishing, Household Equipment, and Routine Household Maintenance	69	99.7	99.7	99.7	-0.0	-0.1
Health	41	106.0	107.8	107.8	0.0	0.8
Transport	136	105.1	108.0	107.3	-0.6	0.9
Communication	33	97.1	98.1	98.1	0.0	0.4
Recreation and Culture	69	102.0	103.1	103.1	-0.0	1.2
Education	32	100.2	100.5	100.5	0.0	0.3
Restaurants and Hotels	7	102.6	105.3	105.3	0.0	0.8
Miscellaneous Goods and Services	52	101.9	100.1	100.1	0.0	-2.0
All Items	1000	102.0	102.8	102.9	0.1	0.3

Source: SIB

⁽¹⁾ Percent change in CPI for October over September 2013.

⁽²⁾ Percent change in average CPI for January to October 2013 over CPI of December 2012.

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

	Oct 2012	Oct 2013	Dec-Oct 2011/2012	Dec-Oct 2012/2013
Deliveries of Sugarcane (long tons)	0	0	1,070,278	1,078,019
Sugar Processed (long tons)	0	0	114,536	118,339
Molasses Processed (long tons)	0	0	30,955	34,508
Performance				
Factory Time Efficiency (%)	0.00	0.00	95.27	94.06
Cane Purity (%)	0.00	0.00	85.77	86.04
Cane/Sugar	0.00	0.00	9.34	9.11

Source:BSI

Table A.11: Exports of Sugar and Molasses

	October 2012		October 2013		Jan-Oct 2012		Jan-Oct 2013	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
Sugar	0	0	25	38	97,114	107,516	104,275	107,266
E.U.	0	0	0	0	79,933	81,756	103,992	106,855
USA	0	0	0	0	17,081	25,645	0	0
Caricom	0	0	0	0	0	0	0	0
Other	0	0	25	38	100	115	283	411
Molasses	0	0	0	0	22,135	3,805	25,770	5,541

Source: BSI

Table A.12: Citrus Deliveries and Production

	Oct 2012/2013	Oct 2013/2014
Deliveries (boxes)		
Orange	0	0
Grapefruit	85,788	73,070
Total	85,788	73,070
Concentrate Produced (ps)		
Orange	0	0
Grapefruit	352,225	310,445
Total	352,225	310,445
Not from concentrate (ps)		
Orange	0	0
Grapefruit	0	0
Total	0	0
Pulp (pounds)		
Orange	0	0
Grapefruit	0	18,656
Total	0	18,656
Oil Produced (pounds)		
Orange	0	0
Grapefruit	9,200	10,400
Total	9,200	10,400

Source: CPBL

Table A.13: Export Sales of Citrus Products

	Oct 2012		Oct 2013		Jan - Oct 2012		Jan - Oct 2013	
	Pound Solids ('000)	Value (\$ '000)	Pound Solids ('000)	Value (\$ '000)	Pound Solids ('000)	Value (\$ '000)	Pound Solids ('000)	Value (\$ '000)
Citrus Concentrates								
U.S.A.								
Orange	742.2	1,841	0	0	7,943.0	26,497	10,099.4	23,738
Grapefruit	0.0	0	0.0	0	0	0	0.0	0
Caribbean								
Orange	894.4	2,950	562.0	1,798	8,616.8	27,767	5,854.2	18,532
Grapefruit	12.0	42	98.2	342	541.2	1,883	557.4	1,922
Europe								
Orange	649.8	2,389	650.8	1,960	7,677.3	29,122	8,310.5	24,901
Grapefruit	0.0	0	62.5	258	1,406.1	5,262	1,627.6	6,514
Other								
Orange	0.0	0	0.0	0	3,226.1	10,748	1,056.9	2,831
Grapefruit	0.0	0	0.0	0	1,409.8	4,903	109.7	378
Sub-Total⁽¹⁾	2,298.5	7,222	1,373.5	4,357	30,820.4	106,181	27,615.7	78,815
Orange	2,286.4	7,179.7	1,212.8	3,757.8	27,463.2	94,133	25,321.0	70,002
Grapefruit	12.0	42.2	160.7	599.1	3,357.2	12,048	2,294.7	8,813
Not-From-Concentrate								
Sub-Total	6.0	34	6.7	39	23.6	134	80.7	462.1
Orange	3.7	19	4.7	26	15.4	81	67.3	376
Grapefruit	2.3	15	2.0	13	8.2	54	13.4	86
Total Citrus Juices	2,304.4	7,256	1,380.2	4,396	30,844.0	106,315	27,696.5	79,277
Pulp (pounds '000)								
Total⁽¹⁾	61.5	49	167.9	125	1,843.6	1,470	2,726.8	2,139
Orange	56.8	45	167.9	125	1,438.6	1,149	2,430.5	1,903
Grapefruit	4.7	4	0.0	0	404.9	321	296.4	235

Source: CPBL

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

Table A.14: Banana Exports

	Oct 2012	Oct 2013	Jan-Oct 2012	Jan-Oct 2013
Volume (metric tons)	7,879	7,587	88,616	83,361
Value (\$'000)	6,398	6,511	80,430	84,502

Source: BGA

Table A.15: Marine Exports

	Jan-Oct 2012		Jan-Oct 2013	
	Volume ('000 pounds)	Value (\$'000)	Volume ('000 pounds)	Value (\$'000)
Lobster	656	13,594	412	11,617
Shrimp⁽¹⁾	8,438	31,691	12,243	61,042
Conch	748	7,963	702	8,118
Other Fish	281	611	395	815
Total	10,124	53,859	13,752	81,592

Sources: SIB and Individual Shrimp Farms

⁽¹⁾ Data up to September from shrimp farms plus SIB October data.

Table A.16: Other Domestic Exports

	Jan-Oct 2012	Jan-Oct 2013
Other Miscellaneous Exports (\$'000)	93,349	86,121
of which:		
Papaya		
Volume ('000 pounds)	37,250	50,296
Value (\$'000)	13,538	18,454

Source: SIB

Table A.17: Government Revenue and Expenditure

\$'000

	Approved Budget 2012/2013 ^P	Jan-12 to Sept-12	Jan-13 to Sept-13	Apr-12 to Sept-12	Apr-13 to Sept-13	Actual YTD as % of Budget
TOTAL REVENUE & GRANTS (1+2+3)	872,469	668,223	651,334	424,475	444,871	51.0%
1). Current Revenue	826,337	618,331	623,453	403,090	419,453	50.8%
Tax Revenue	727,011	529,951	558,567	355,699	371,945	51.2%
Income and Profits	233,782	181,652	187,222	119,206	123,162	52.7%
Taxes on Property	7,154	4,526	5,012	2,784	3,256	45.5%
Taxes on Goods and Services	282,609	194,874	230,005	134,021	152,719	54.0%
International Trade and Transactions	203,465	148,898	136,329	99,688	92,808	45.6%
Non-Tax Revenue	99,326	88,380	64,886	47,391	47,508	47.8%
Property Income	6,870	11,908	4,856	4,302	3,660	53.3%
Licences	15,818	11,715	8,946	7,273	6,622	41.9%
Other	76,638	64,756	51,083	35,817	37,227	48.6%
2). Capital Revenue	5,051	5,890	4,095	2,546	2,587	51.2%
3). Grants	41,082	44,003	23,785	18,839	22,831	55.6%
TOTAL EXPENDITURE (1+2)	934,106	687,964	675,695	418,270	456,609	48.9%
1). Current Expenditure	777,863	561,433	555,177	353,271	383,425	49.3%
Wages and Salaries	313,156	225,364	229,803	149,292	156,408	49.9%
Pensions	55,230	38,009	40,888	24,436	27,738	50.2%
Goods and Services	181,535	132,228	138,519	82,716	91,106	50.2%
Interest Payments on Public Debt	95,913	84,927	47,727	42,139	39,219	40.9%
Subsidies and Current Transfers	132,029	80,905	98,240	54,688	68,953	52.2%
2). Capital Expenditure	120,518	126,531	83,855	64,999	73,184	60.7%
Capital II (Local Sources)	72,592	46,166	51,575	25,540	50,721	69.9%
Capital III (Foreign Sources)	45,608	77,796	30,731	37,747	20,918	45.9%
Capital Transfer and Net Lending	2,318	2,569	1,549	1,712	1,544	66.6%
CURRENT BALANCE	48,474	56,897	68,277	49,819	36,028	74.3%
Primary Balance	34,276	65,186	23,366	48,343	27,481	80.2%
OVERALL BALANCE	(61,637)	(19,741)	(24,361)	6,204	(11,738)	19.0%
Primary less Grants	(6,806)	21,183	(419)	29,505	4,650	-68.3%
Overall Balance less Grants	(102,718)	(63,744)	(48,146)	(12,634)	(35,568)	34.6%
FINANCING	61,637	19,741	24,361	(6,204)	11,738	
Domestic Financing		14,640	(110,127)	(11,843)	(84,995)	
Central Bank		(9,289)	(104,760)	(34,554)	(86,656)	
Net Borrowing		(12,114)	3,808	(8,994)	4,035	
Change in Deposits		2,824	(108,569)	(25,559)	(90,691)	
Commercial Banks		19,757	(10,886)	22,151	(3,003)	
Net Borrowing		24,040	(7,843)	24,681	(3,518)	
Change in Deposits		(4,283)	(3,043)	(2,530)	515	
Other Domestic Financing		4,173	5,519	560	4,665	
Financing Abroad		12,181	125,090	17,395	92,000	
Disbursements		53,095	253,241	46,431	122,170	
Amortization		(40,913)	(154,496)	(29,036)	(30,170)	
Net Reduction		0	26,344	0	0	
Other		(7,081)	9,398	(11,757)	4,732	

Sources: CBB and MOF

^P - Provisional

Table A.18: Central Government Domestic Debt 2013⁽¹⁾

\$'000

	Disbursed Outstanding Debt 31/12/12 ^R	TRANSACTIONS THROUGH OCTOBER 2013			Net Change in Overdraft/ Securities	Disbursed Outstanding Debt 31/10/13 ^P
		Disbursement/ New Issue of Securities	Amortization/ Reduction in Securities	Interest		
Overdraft/Loans	56,350	0	0	4,364	4,970	61,320
Central Bank	56,350			4,364	4,970	61,320
Commercial Banks	0			0	0	0
Treasury Bills	175,000	0	0	2,158	0	175,000
Central Bank	0	0	0	54	0	0
Commercial Banks	173,480	0	0	2,028	(13,381)	160,099
Other	1,520	0	0	76	13,381	14,901
Treasury Notes	136,500	0	0	4,843	0	136,500
Central Bank	87,797	0	0	4,783	(565)	87,232
Commercial Banks	0	0	0	0	0	0
Other	48,703	0	0	60	565	49,268
Defence Bonds	10,000	0	0	0	0	10,000
Central Bank	10,000		0	0	0	10,000
Commercial Banks	0		0	0	0	0
Other	0		0	0	0	0
Atlantic Bank Limited	1,163	0	232	79	0	932
Heritage Bank Limited	4,230	0	663	327	0	3,568
Belize Social Security Board⁽²⁾	2,572	0	1,000	169	0	1,572
Fort Street Tourism Village	285	0	285	0	0	0
Debt for Nature Swap	2,810	0	199	39	0	2,610
Guardian Life Belize	1,000	0	1,000	45	0	0
Total	389,910	0	3,380	12,025	4,970	391,502

^R - Revised^P - Provisional

⁽¹⁾ Transactions associated with the Universal Health Services (UHS) loan with the Belize Bank Limited are not included in this table, as no action has been taken to enforce the claim.

⁽²⁾ Government has outstanding loans with Belize Social Security Board consisting of (i) Hopeville Housing Project and (ii) loan purchased from Development Finance Corporation as of 30 January 2007.

Table A.19: Public Sector External Debt 2013

\$'000

	Disbursed Outstanding Debt 31/12/12 ^R	TRANSACTIONS THROUGH OCTOBER 2013				Disbursed Outstanding Debt 31/10/13 ^P
		Disbursements	Principal Payments	Interest & Other Payments	Parity Change	
CENTRAL GOVERNMENT	1,917,354	305,807	161,707	39,887	943	2,056,905
Banco Nacional de Comercio Exterior	2,647	0	1,059	145	0	1,588
Government of the United States	384	0	384	14	0	0
Government of Venezuela	36,050	142,873	1,468	417	0	177,455
Kuwait Fund for Arab Economic Development	18,744	0	1,001	963	-70	17,673
Republic of China	280,331	25,000	19,918	5,419	0	285,414
Caribbean Development Bank	199,240	17,562	14,047	6,570	0	202,755
Caricom Development Fund	2,140	0	0	60	0	2,140
European Economic Community	13,154	0	454	50	551	13,251
Inter-American Development Bank	234,198	13,220	10,219	2,684	0	237,199
International Fund for Agriculture Development	1,642	1,161	538	18	462	2,727
International Bank for Reconstruction and Development	21,459	5,074	2,756	399	0	23,777
Opec Fund for International Development	21,566	13,100	1,800	1,010	-0	32,866
Central American Bank for Economic Integration	958	6,227	129	178	0	7,057
Bear Stearns & company (Untendered Portion) ⁽⁴⁾	5,492	0	0	0	0	0
Bank of New York ⁽⁴⁾	1,079,348	81,591	107,935	21,959	0	1,053,004
NON-FINANCIAL PUBLIC SECTOR	37,361	52	8,778	988	8	28,642
Kuwait Fund for Arab Economic Development	2,843	0	699	105	-18	2,125
The Bank of Nova Scotia ⁽¹⁾	6,380	0	3,190	65	-0	3,190
European Investment Bank ⁽¹⁾	1,475	0	724	29	26	777
Caribbean Development Bank ^{(1) (2)}	26,662	52	4,165	788	0	22,550
FINANCIAL PUBLIC SECTOR	73,839	0	6,565	322	-12	67,262
Caribbean Development Bank	9,310	0	1,095	225	-0	8,214
European Economic Community	295	0	19	2	12	289
Paine Webber Real Estate Securities Inc.	200	0	100	1	0	100
International Monetary Fund ⁽³⁾	64,033	0	5,351	95	-24	58,658
GRAND TOTAL	2,028,554	305,859	177,051	41,197	939	2,152,810

^R - Revised^P - Provisional⁽¹⁾ Effective 21 June 2011, the nationalization of Belize Electricity Limited caused an increase (\$23.1mn) in debt, which was matched by Government's acquisition of assets of equal value.⁽²⁾ Effective 3 October 2005, loans to Belize Water Services Limited were reclassified as public sector debt as a result of Government of Belize's repurchase of the company.⁽³⁾ International Monetary Fund Special Drawing Rights allocation is included as part of the financial public sector external debt obligation.⁽⁴⁾ With the restructuring of the 2029 Bond on the 20 March 2013, disbursement of \$76.5mn represents the capitalized interest up to 19 March 2013, amortization of \$107.9mn is the 10% haircut and \$5.5mn is debt reduction.