

# Eastern Caribbean Central Bank



## *Economic and Financial Review*

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# EASTERN CARIBBEAN CENTRAL BANK

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## INTERNATIONAL ECONOMIC DEVELOPMENTS

### Output

Overall global growth remains sluggish in the first quarter of 2013, although it entered the year on a better footing than one year ago, as many developed nations around the world continue to experience sub-par recoveries influenced by fiscal austerity programs. This has spilled over to emerging economies as well, with most growing below their historical norms, influenced by sharp deceleration in demand from key advanced economies, domestic policy tightening, and the end of investment booms in some of the major emerging market economies. China, which has flirted with a “hard landing” (i.e. a GDP growth rate below 7.5 per cent), is expected to gradually strengthen with the help of government stimulus programs.

Notably over the past six months, in the developed world policymakers have successfully neutralised two major short-term threats to the global recovery. The threat of a Euro area breakup and a sharp fiscal contraction in the United States of America related to the fiscal cliff. In response, financial markets have rallied on a broad level and financial stability has improved. Notwithstanding, growth prospects appear broadly unchanged.

With recent sub-standard growth and elevated geo-economic risks (Europe, the Middle East and the USA budget sequestration fallout) prospects for strong global economic growth should be tempered. However, with the exception of Europe, only isolated chances of recessionary relapses are expected. Growth should strengthen as the year progresses.

The **USA** economy improved in the first quarter of 2013 as GDP came in at 2.5 per cent year-on-year, after 0.4 per cent in last quarter of 2012. This was mainly due to strong gains in residential investment, private consumption and a rebound in exports. Over the first quarter of 2013, residential investment rose 12.3 per cent year-on-year following a 1.3 per cent gain in the fourth quarter of 2012 and compared to 19.1 per cent in the corresponding period of 2012. Private consumption accelerated for a third consecutive quarter, increasing by 3.2 per cent year-on-year, compared to 1.8 per cent in the prior quarter and 2.9 per cent annualised rate in the first quarter of 2012. Real GDP in the USA is projected to grow by roughly 2.0 per cent for 2013.

The **Canadian** economy is provisionally estimated to have expanded by 2.3 per cent in the first quarter of 2013, based on preliminary



data, the fastest pace of growth since early 2011. Construction, utilities, as well as the agriculture and forestry sector led the growth outturn. The service industry recorded a marginal expansion of 0.1 per cent, led by the arts and entertainment industry, which increased by 3.3 per cent, partly due to the end of the National Hockey League (NHL) lockout.

The recession across the **Eurozone** continued into a sixth consecutive quarter, for the first quarter of 2013. Overall, the 17-nation bloc's economy shrank by 0.2 per cent between January and March, leaving the region's economy one per cent smaller compared to the same period a year ago. On an individual level, nine member countries were in recession, including France which fell into recession for the second time in four years and now has an unemployment rate of 10.6 per cent. Germany recorded weak growth of 0.1 per cent in the period, after a 0.7 per cent contraction in last quarter of 2012. These developments mark the longest recession by the grouping since the Euro currency was launched in 1999.

The **UK** economy grew by 0.3 per cent in the first quarter – avoiding a triple-dip recession. The data show that household spending rose by 0.1 per cent in the quarter, government spending was flat, business investment fell by 0.4 per cent

and exports declined by 0.8 per cent, outstripping the fall in imports. Wages rose by 1.2 per cent and corporate profits were up 4.1 per cent. In addition, data for March show that the service sector, the largest part of the economy continued to grow, suggesting increase momentum going into the second quarter of the year.

**Japan's** economy expanded at a rapid pace at the start of the year. Gross domestic product rose 0.9 per cent from the previous quarter. That outturn translated into an annualized 3.5 per cent growth, the fastest in a year, and topped the 1.0 per cent annualized rise in the fourth quarter of 2012, cementing a turnaround from six months of contraction in 2012. Private consumption, which accounts for roughly 60 per cent of the economy, rose 0.9 per cent and was up for a second consecutive quarter, reflecting improved consumer mood, helped in part by a buoyant stock market. Exports, helped by the yen's retreat to 4-1/2-year low against the dollar, made a 0.4 per cent net contribution to GDP, despite higher import costs caused by a weaker currency. Japan's unemployment rate dropped to 4.1 per cent in March, the lowest level in four years.

The **Chinese** economy lost some of its momentum during the first quarter of this year,





based on slowing factory output and investment spending. The economy expanded by just 7.7 per cent during the first three months of the year, compared with a year earlier, and slower than the previous three months, when GDP rose by 7.9 per cent year-on-year. Industrial output growth of 8.9 per cent and fixed asset investment growth of 20.9 per cent in March compared to a year ago were lower than expected and were considerable drags on GDP. Domestic consumption was the biggest driver of growth in the first quarter, contributing 4.3 percentage points of the 7.7 per cent total. Capital formation accounted for 2.3 per cent while exports generated 1.1 percentage points.

## **Developments in Oil and Consumer Prices**

### *Oil prices*

During the first quarter of 2013 the price of crude oil rose initially then fell towards the end of the period. Crude oil prices rose in January in response to colder winter weather, the end of the USA federal government's fiscal-cliff budget deliberation and a Saudi Arabia production cutback. West Texas Intermediate (WTI) and Brent crude prices continued moving higher in the first half of February before edging lower. WTI recovered slightly and averaged US\$93 per barrel in March, while Brent averaged US\$109 per barrel in March.

### *Consumer Prices*

The **USA** consumer price index (CPI) fell by 0.2 per cent in the latest month, primarily due to a 2.6 per cent drop in energy prices. For the twelve months ending in March prices increased by 1.5 per cent, but comfortably below the Federal Reserve's inflation target. Core inflation (ex-food and energy) rose just 0.1 per cent for the month. The U.S. Energy Information Administration (EIA) is forecasting retail gasoline prices to average \$3.55 per gallon in 2013—seven cents less than the 2012 average price.

**Eurozone** annual inflation was 1.7 per cent in March 2013, down from 1.8 per cent in February. A year earlier the rate was 2.7 per cent. Monthly inflation was 1.2 per cent in March 2013. The largest upward impacts to the Euro area annual inflation came from electricity (+0.17 percentage points), package holidays (+0.12) and accommodation services (+0.09), while fuels for transport (-0.23), telecommunications (-0.22) and medical & paramedical services (-0.08) had the biggest downward impacts.

In the **United Kingdom**, the CPI show that prices grew by 2.8 per cent in the year to March 2013. This continued the trend of, broadly,



consistent inflation that has been seen since spring 2012. The largest upward pressure came from the recreation & culture sector where prices of audio-visual equipment and books, newspapers & stationery rose. Price changes for furniture & furnishings, motor fuels and meat moderated the headline rate between February and March. The new measure of consumer price inflation, including owner occupiers' housing costs (CPIH), grew by 2.6 per cent in the year to March 2013, unchanged from February.

**Canada's** inflation rate slowed in March, as gasoline prices fell. The consumer price index rose by 1.0 per cent in March from a year ago, following a 1.2 per cent gain the prior month. The core rate, which excludes eight volatile products, was unchanged at 1.4 per cent.

**China's** consumer price index (CPI) grew by 2.1 per cent in March 2013 from a year earlier, down from 3.2 per cent in February, as food prices declined due to the country's Lunar New Year holiday season and contractionary monetary policy stance adopted by the People's Bank of China. Food price inflation grew by 2.7 per cent, compared to a growth of 6 per cent in February. The average increase in consumer prices in the first quarter of 2013 was 2.4 per cent, a marginal increase compared to the final quarter of 2012. Meanwhile, **Japan's**

nationwide core consumer prices index fell by 0.9 per cent in the year that ended in March.

### **Monetary Policy Developments**

Developments at most of the major central banks were relatively consistent with maintenance of their previous accommodative policy positions. In the **USA, The Federal Reserve** at its meeting of 20 March 2013, maintained the target range for the federal funds rate at 0 to 0.25 per cent and currently anticipates that this exceptionally low range for the federal funds rate will be appropriate at least as long as the unemployment rate remains above 6.5 per cent. To support a stronger economic recovery and to help ensure that inflation, over time, is at the rate most consistent with its dual mandate, the Federal Open Market Committee (FOMC) decided to continue purchasing additional agency mortgage-backed securities at a pace of \$40 billion per month and longer-term Treasury securities at a pace of \$45 billion per month. The Committee is maintaining its existing policy of reinvesting principal payments from its holdings of agency debt and agency mortgage-backed securities and of rolling over maturing Treasury securities at auction.



The **European Central Bank (ECB)** Governing Council decided at its meeting on 7 March 2013 that the interest rate on the main refinancing operations, on the marginal lending facility and the deposit facility will remain unchanged at 0.75 per cent, 1.50 per cent and 0.00 per cent respectively. The **Bank of England** maintained its Bank Rate at 0.5 per cent and the size of the Asset Purchase Programme at £375 billion.

At other central banks, the **Bank of Canada** maintained its target for the overnight rate at 1.0 per cent. The **Bank of Japan** has adopted an interest rate range of 0 per cent to 0.1 per cent for its base rate – the uncollateralised overnight call rate. The **People's Bank of China (PBC)** maintained its base interest rate 6.0 per cent.

## **Outlook**

Global economic activity is picking up, but the continuing crisis in the Euro area is delaying a meaningful recovery. Reflecting this nuanced view of the global economy, the IMF revised downwards its 2013 global growth forecast by 0.2 percentage points to 3.3 per cent and kept the 2014 forecast constant at 4 per cent. The downward revision was shared among emerging and advanced economies, with the exception of

Japan, where the recent indicators gave way to optimism for solid improved performance.

Emerging economies are expected to continue to lead the global economic recovery. Particularly in China, the world's second-largest economy, even though the annual rate of the Chinese economic growth slowed to 7.7 per cent in the first quarter of 2013, growth is forecasted to be 8.0 per cent in 2013 and 8.2 per cent in 2014. Overall, growth in emerging market and developing economies is expected to strengthen from about 5.0 per cent in 2012 to 5.3 per cent in 2013 and 5.8 percent in 2014.

Among the advanced economies, improved economic fundamentals, as reflected in rising household wealth and a recovering housing market, have positioned the USA economy to maintain its positive growth trend. The IMF expects the US to grow by 1.9 per cent this year and 3 per cent in 2014. In the Eurozone restrictive fiscal policy and uncertainty about the future of the Euro will likely continue to reduced domestic demand, and strain private investment as well as private consumption, thus influencing the Eurozone's growth in 2013. The Eurozone is projected to contract 0.3 per cent in 2013 and recover to grow by 1.1 per cent in 2014 as the negative impacts gets weaker.



With regards to global crude oil prices, the International Energy Agency (IEA) forecasts global oil demand to increase in 2013, albeit at a slower pace than was previously estimated, as a result of deterioration in the European economy, sequestration in the USA and slower Chinese growth. Global crude oil prices could trend higher in 2013 based on the increased demand and improved economic conditions.

While short terms risks have been somewhat abated downside risks still abound; the

Eurozone economies remain fragile and, in the USA, larger-than-expected fiscal adjustment from automatic spending cuts (the so-called budget sequester) or failure to raise the debt ceiling could exert a stronger drag on growth. Over the medium term, the balance of risks remains on the downside and these include disruptions, insufficient institutional progress in the Euro area, inadequate fiscal consolidation plans in the United States of America and Japan and limited policy space to respond favourably to shocks.



## DOMESTIC ECONOMIC DEVELOPMENTS

### Overview

Preliminary estimates indicate that economic activity in the Eastern Caribbean Currency Union (ECCU) was flat for the first three months of 2013 relative to the corresponding period in 2012. This assessment is based on estimated weakness in the key sectors of the economy – construction and hotels and restaurants. Developments in these sectors are estimated to have had adverse knock-on effects on the wholesale and retail trade, as well as the transport, storage and communications sectors. The overall contraction was moderated somewhat by increases in manufacturing, agriculture and public administration, defence and compulsory social security sectors. On an individual country basis, economic activity declined in all of the member countries with the exception of Saint Lucia, St Vincent and the Grenadines and Montserrat and was relatively unchanged in Antigua and Barbuda. Consumer prices fell on average throughout the currency union constrained by overall lower prices in Saint Lucia, Anguilla, St Kitts and Nevis and Montserrat. The fiscal operations of the Central Governments resulted in a lower overall deficit compared with that in the first three months of 2012, mainly influenced by developments on

the current account. The stock of public sector debt decreased. The merchandise trade deficit is estimated to have contracted, as import payments fell. In the banking sector, monetary liabilities (M2) and net foreign assets rose, while domestic credit declined. The liquidity position of commercial banks in the currency union improved and the spread between the weighted average interest rates on loans and deposits narrowed.

The economic outlook for the remainder of 2013 is anticipated to improve buoyed by higher domestic activity and an improved international outlook. Notwithstanding the strengthening global recovery, weak labour markets in the USA and the UK are expected to constrain somewhat earnings from the export of leisure services from the region. In addition, fiscal austerity measures both in the USA and Europe are likely to limit the strength of the recovery in those economies further constraining the performance of the tourism industry. Construction activity, one of the major contributors to economic output in the Currency Union, is expected to strengthen as a result of the implementation of a number of public and private sector projects later in the year.



Fiscal developments are expected to result in a widening of the overall fiscal deficit as member governments undertake delayed capital investment. Increased capital outlays will be partly sustained by higher borrowings and grant funding. The risks to the outlook are tilted to the downside and comprise the on-going fiscal and sovereign debt crisis in the Euro zone, fiscal austerity in Europe and the USA, and the fiscal and debt overhang and financial system challenges on the domestic front.

## **Output**

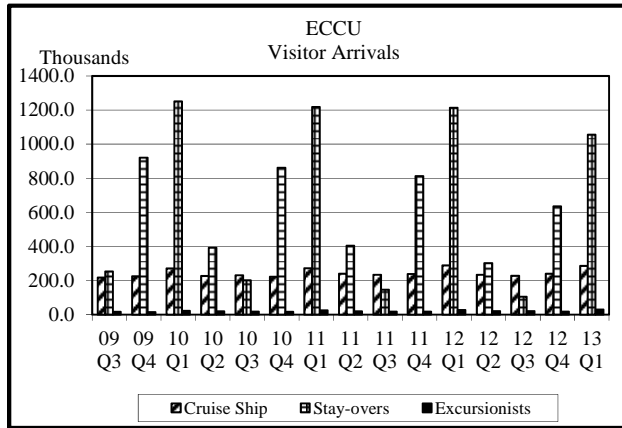
Construction activity is estimated to have contracted marginally when compared with the first three months in 2012, based on continued weakness in private capital inflows and construction related imports. Private sector construction is estimated to have declined, especially foreign direct investment financed construction. Public sector fixed capital investment rose by 23.8 per cent to \$178.8m during the period under review largely on account of developments in Saint Lucia, however the increase was insufficient to offset the decline in private sector construction activity. Among the member countries, activity fell in half of the territories of the Currency Union except Saint Lucia, Antigua and Barbuda, St Vincent and the Grenadines and Montserrat.

Consistent with lower construction activity, output in the mining and quarrying sector is also estimated to have decreased.

Activity in the tourism industry decreased during the first three months of 2013, relative to that in the corresponding period of 2012. Total visitor arrivals fell by 10.2 per cent to 1.4m in contrast to a 1.1 per cent increase in the first quarter of 2012. The lower performance was attributed to developments in the stay-over and cruise-visitors categories. Stay-over arrivals, the group with the largest economic impact, declined by 1.1 per cent to 285,024 in contrast to a 5.5 per cent increase in the comparable period of 2012. The reduction was primarily led by lower arrivals from the UK and Caribbean markets. The number of stay-over visitors from the UK declined by 3.9 per cent, partly attributable to the stalled economic recovery in that source market. Stay-over visitors from the Caribbean fell by 8.5 per cent in contrast to an increase of 3.1 per cent in the first quarter of 2012, constrained by the high cost of inter-regional travel and limited air access. The decline in stay-over visitors was tempered by increases in the North American market, particularly Canada. Stay-over arrivals from Canada rose by 12.0 per cent compared with a 9.6 per cent rise in the first quarter of 2012 and arrivals from the USA grew by 0.8 per cent



compared with a 4.4 per cent increase in the corresponding period of 2012.



Among the member countries, there were declines in stay-over arrivals in Dominica (19.0 per cent), St Vincent and the Grenadines (6.8 per cent), Antigua and Barbuda (1.3 per cent), Grenada (0.8 per cent) and St Kitts and Nevis (0.7 per cent), while increases were recorded in Saint Lucia (2.5 per cent), Anguilla (4.2 per cent) and Montserrat (23.4 per cent). The number of cruise passengers, which accounted for 74.1 per cent of total arrivals to the region, decreased by 13.1 per cent to 1.1m compared with a contraction of 0.4 per cent in the first three months of 2012. A reduction in the number of cruise ship calls by 2.4 per cent to 825, influenced the performance of this sub-category. The number of visitors by yacht fell by 4.2 per cent while a 10.3 per cent rise in the number of excursionists was recorded.

Other key sectors estimated to have contracted include wholesale and retail trade and transport, storage and communications. The decline in wholesale and retail trade was associated with the generally weak economic performance combined with the contraction in the construction and hotels and restaurants sectors.

By contrast, activity in the agricultural and manufacturing sectors is estimated to have risen during the period under review. Output in the agricultural sector was higher on account of improvements in banana output as well as the non-banana crop sub-sectors such as cocoa, nutmeg, fishing, forestry and livestock. Preliminary banana production data indicated that output rose by 3.1 per cent to 4,957.9 tonnes based on increases in all producing countries, except Dominica. Manufacturing activity increased as a result of an expansion in the output of major commodities in key member states. In St Vincent and the Grenadines production of beer, feeds and flour increased and in Saint Lucia higher outputs were recorded for paperboard and beverages. The output of electronic components was higher in St Kitts and Nevis and the output of beverages and soap rose in Dominica. These increases were partially offset by a weak performance in the manufacturing sector in Grenada.



## **Prices**

Consumer prices contracted by 0.3 per cent on average in the first quarter of 2013, in contrast to a 0.2 per cent rise in the first three months of 2012. The reduction in prices during the quarter under review was largely influenced by declines in the sub-indices for clothing and footwear (3.1 per cent), fuel and light (1.4 per cent), transportation and communication (1.6 per cent) and education (1.3 per cent). These decreases were partially offset by a 0.2 per cent rise in the food sub-index which has the greatest weight in the goods and services basket. The food sub-index increased in all of the territories except Saint Lucia and St Vincent and the Grenadines where decreases of 0.4 per cent and 0.3 per cent respectively were recorded. Overall, prices declined in Saint Lucia, Anguilla, St Kitts and Nevis and Montserrat and increased in Dominica, St Vincent and the Grenadines, Antigua and Barbuda and Grenada. The price declines ranged from 0.4 per cent in Montserrat to 0.9 per cent in Saint Lucia. In those territories where consumer prices were higher, the most significant increases were recorded in Dominica (0.7 per cent) attributable to upward movements in the price of petroleum products and St Vincent and the Grenadines (0.6 per cent), reflecting higher prices for steel rods and electricity. The average price of gasoline in the

ECCU member countries during the first three months of 2013 was \$15.81 compared with the average price of \$15.36 in the corresponding period of 2012. Price increases for gasoline were recorded for all countries except Grenada and Montserrat.

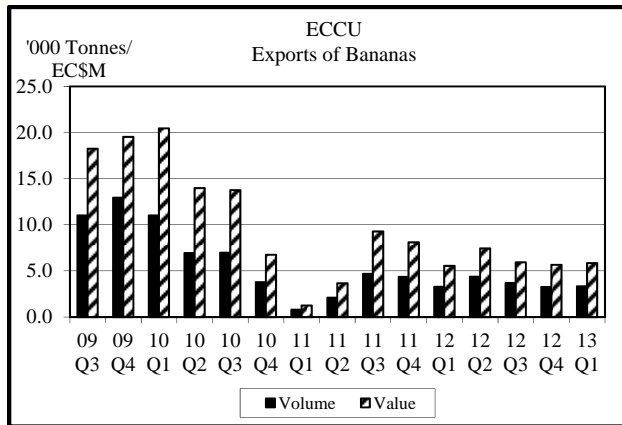
## **Trade and Payments**

Preliminary estimates indicate that the merchandise trade deficit narrowed to \$1,406.8m, from \$1,407.1m on account of a reduction in import payments. Import payments fell by 0.3 per cent, to \$1,647.9m, consistent with sluggish economic activity in the currency union during the review period. The value of imports fell in Saint Lucia, Antigua and Barbuda, Anguilla and Dominica. The value of exports fell by 1.8 per cent to \$241.1m, influenced by estimated reductions in earnings from exports and re-exports. Lower export earnings were partly moderated by higher receipts for the exports of non-banana agricultural produce, especially cocoa and nutmeg in Grenada, and manufactured commodities such as electrical components, flour, animal feed, and rum. Gross travel receipts declined by 0.5 per cent to \$1,019.1m, in line with the reductions in the number of stay-over visitors and cruise passengers. Commercial bank transactions resulted in a net





outflow of \$282.9m in short-term capital, compared with a net outflow of \$200.8m in the corresponding period of 2012. Disbursements on foreign loans to central governments stood at \$69.8m, compared with disbursements of \$107.4m during the comparable period in 2012. Loan amortisation amounted to \$61.7m, compared with \$122.8m during the first three months of 2012.



**Central Government Fiscal Operations**

The consolidated fiscal operations of the central governments resulted in an overall deficit of \$23.5m, compared with one of \$119.9m in the first quarter of 2012. The sharp reduction in the overall deficit was mainly due to developments on the current account. Performances varied amongst the member countries. Of the member countries, St Kitts and Nevis recorded a higher surplus, Antigua and Barbuda and Dominica shifted to an overall surplus from a deficit,

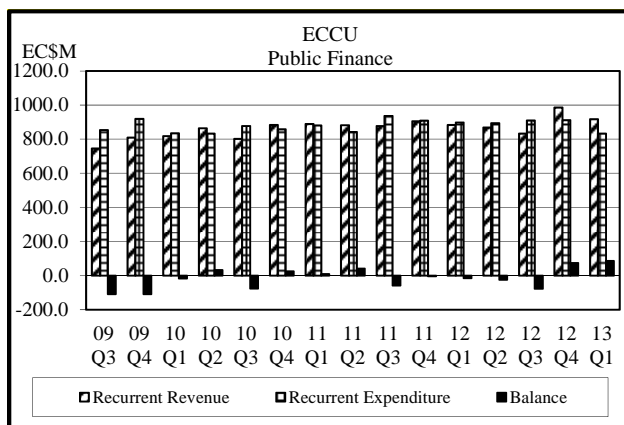
while Montserrat and St Vincent and the Grenadines recorded lower deficits. The improvement in the overall fiscal balance was moderated somewhat by higher deficits in Saint Lucia and Grenada, and a lower overall surplus in Anguilla.

The current operations of the central governments generated a surplus of \$84.9m, in contrast to a deficit of \$14.9m recorded in the first quarter of 2012. This turnaround was due to higher current revenue collections combined with a decline in expenditure. Current revenue increased by 3.9 per cent to \$917.5m, as result of a 42.5 per cent (\$44.0m) rise in non-tax revenue which more than offset a reduction in tax revenue collections. Developments with respects to non-tax revenue were primarily influenced by a rise in the collection of government fees under the Citizenship by Investment Program in St Kitts and Nevis. Lower tax receipts reflected declines in collections for most of the major tax categories. Collections for taxes on international trade and transactions declined by 14.9 per cent and revenue from taxes on property fell by 21.9 per cent, in contrast to a 48.7 per cent increase in the corresponding period of 2012. The decline of taxes receipts on international trade and transactions was primarily as a result of a 64.8 per cent (\$20.0m) reduction in consumption tax



receipts, consistent with the replacement of that tax category with the Value Added Tax (VAT) in Saint Lucia. The performance of income taxes was essentially flat when compared with the first three months of 2012. In contrast, receipts of taxes on domestic goods and services increased by 9.8 per cent, attributable to a 54.4 per cent (\$75.3m) rise in collections from the VAT, attributable to the recent introduction of that fiscal measure in Saint Lucia. Most of the other sub-categories under taxes on domestic goods and services recorded declines associated with generally weak macroeconomic conditions. Overall declines in tax revenue ranged from 0.1 per cent in St Vincent and the Grenadines to 9.1 per cent in Anguilla.

the reduction in current expenditure was outlays on transfers and subsidies which fell by 21.7 per cent (\$48.8m), mainly as a result of measures by the authorities in Antigua and Barbuda to reduce support to some of its statutory bodies. Interest payments fell by 13.3 per cent, attributable to a decrease in external and domestic obligations primarily influenced by the non-payment of some interest obligations by the government of Grenada following an expressed intent to pursue debt restructuring. Outlays on goods and services declined by 1.0 per cent (\$1.6m), as a result of broad based on going expenditure control measures aimed at fiscal restraint. These fiscal reforms measures are consistent with the expressed objectives of the ECCU Eight Point Stabilisation and Growth Programme. Spending on goods and services fell in all countries except for Saint Lucia, St Kitts and Nevis and Montserrat. Antigua and Barbuda recorded the largest decline (28.4 per cent) followed by Grenada (12.4 per cent). In contrast, expenditure on personal emoluments amounted to \$390.7m during the period under review, 0.5 per cent above the level in the first quarter of 2012. Higher outlays on personal emoluments were recorded for St Vincent and the Grenadines, Dominica and Saint Lucia of 3.9 per cent, 6.9 per cent and 1.8 per cent respectively. These increases were constrained



Current expenditure fell by 7.3 per cent to \$832.6m as there was a contraction in all the major sub-components, except personal emoluments. The most significant influence on



somewhat by lower expenditure in the remaining territories ranging from 0.4 per cent in Anguilla to 2.4 per cent in St Kitts and Nevis.

Capital expenditure rose by 15.4 per cent to \$178.8m, as work intensified on a number of public sector projects in Saint Lucia, Grenada, St Vincent and the Grenadines and geothermal exploration in Montserrat. The largest increase in capital expenditure was recorded in Saint Lucia (37.5 per cent). In contrast the other territories recorded declines in capital outlays as part of their fiscal consolidation efforts of which a 59.2 per cent reduction in Dominica was the most significant. Capital grants were 4.8 per cent (\$1.4m) higher during the period under review.

### **Public Sector Debt**

The total outstanding debt of the public sector fell by 0.3 per cent to \$13,092.3m during the quarter under review, on account of decreases in central government's outstanding debt and that of public corporations. Central governments stock of outstanding debt fell by 0.2 per cent to \$11,108.6m, and that of public corporations declined by 1.3 per cent to \$1,983.7m. The stock of outstanding external debt for central government rose by 0.6 per cent to \$5,829.0m, while domestic debt fell by 1.0 per cent to

\$5,279.5m. Of the member countries, declines were recorded in the public sector debt in all of the countries except Grenada (1.4 per cent) and Saint Lucia (0.9 per cent).

## **Monetary and Financial Developments**

### ***Money and Credit***

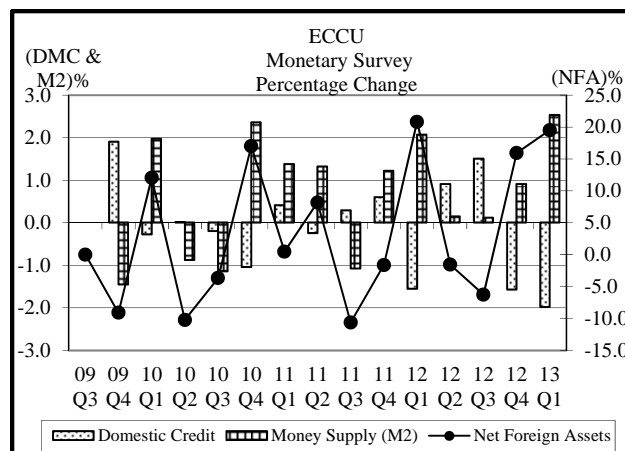
Monetary liabilities (M2) expanded by 2.5 per cent to \$13,590.2m, influenced by an increase in quasi money and narrow money (M1). Quasi money increased by 2.7 per cent, largely as a result of expansions in private sector savings (3.3 per cent) and foreign currency deposits (4.5 per cent). M1 rose by 2.1 per cent, in contrast to a reduction of 1.8 per cent at the end of December 2012, attributable to expansions in all of the major components, primarily private sector demand deposits (2.5 per cent).

Domestic credit fell by 2.0 per cent to \$12,297.3m during the review period, influenced by a decrease in lending to the private sector and an increase in the net deposits position of non-financial public enterprises. Credit to the private sector declined by 0.4 per cent, compared with a contraction of 0.3 per cent in the first quarter of 2012, influenced by lower credit to households (0.7 per cent). The net deposits position of non-financial public enterprises rose by 14.1 per cent as deposits rose

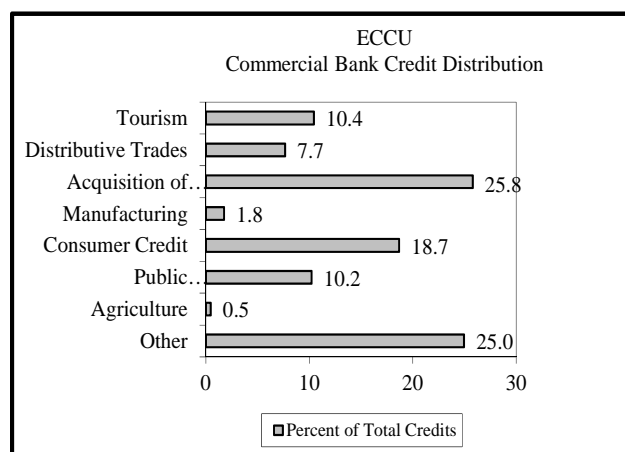


(10.01 per cent), while credit to those enterprises fell. Net credit to the general government increased by 2.0 per cent as a decline in commercial bank credit (2.1 per cent) was offset by a 4.5 per cent reduction in deposits held at commercial banks.

An analysis of the distribution of credit by economic activity indicates that outstanding credit to the tourism industry fell by 0.7 per cent compared with a 3.8 per cent reduction in the corresponding period of 2012, while credit for construction rose by 0.4 per cent compared with an increase of 1.1 per cent in the corresponding period of 2012. Lending for personal use, the largest category, fell by 0.4 per cent reversing a 0.3 per cent increase in the first three months of 2012. The reduction in outstanding credit for personal use was mainly attributable to a decrease of 4.0 per cent in lending for the purchase of durable consumer goods. Credit for the manufacturing, mining and quarrying sector declined by 1.6 per cent compared with a 0.8 per cent contraction in the corresponding period of 2012. Lending to distributive trades and the agricultural sectors rose by 0.3 per cent and 2.0 per cent respectively.



The net foreign assets of the ECCU banking system increased by 19.5 per cent to \$3,171.6m during the first three (3) months of 2013, influenced by increases in the net foreign assets positions of both commercial banks and the Central Bank. The higher net external position was attributable to an increase in the foreign assets of the commercial banks (7.9 per cent) and the Central Bank (8.3 per cent). The Central Bank net foreign assets amounted to \$3,266.4m.



Commercial bank liquidity eased during the quarter under review, underscored by a 2.6 percentage point increase to 34.5 per cent in the ratio of liquid assets to total deposits plus liquid liabilities and a 2.0 percentage point expansion to 12.9 per cent in the ratio of cash reserves to deposits. The loans and advances to deposits ratio fell to 81.7 per cent from 84.5 per cent at the end of December 2012, on account of a contraction in total loans and advances coupled with growth in deposits. The spread between the average weighted interest rate on deposits and loans narrowed to 5.86 per cent at the end of March 2013, from 5.88 per cent at the end of December 2012. This narrowing was due to a greater decrease in the weighted average lending rate relative to that of the weighted average deposit rate. The weighted average lending rate fell to 8.85 per cent from 8.91 per cent at the end of December 2012, while the weighted average interest rate on deposits fell to 2.99 per cent from 3.04 per cent at the end of December 2013.

### ***Developments on the RGSM***

Activity on the primary market for government securities rose moderately, during the first quarter of 2013, as global financial markets recovered and regional financial conditions and domestic markets stabilised. Gross funds

issuance amounted to \$272.0m, an increase of 7.9 per cent relative to the total in the first quarter of 2012. This total represented the issuance of fourteen (14) securities, comprising ten Treasury bills and four bonds. Growth was associated with an increase in issuance by the Government of St Vincent and the Grenadines, which issued four of the fourteen securities on the market during the review period. In addition, the value of bonds issued during the first quarter of 2012 stood at \$92.0m compared with \$70.0m during the corresponding period in 2012. The Government of Saint Lucia, which continued to be the primary issuer of bonds on the market, was partly responsible for the improved performance as a result of the issuance of three long-term bonds; \$15.0m 10-year, \$25.0m 6-year and \$12.0m 10-year, totalling \$52.0m. St Vincent and the Grenadines followed with a \$40.0m 10-year bond. However, this increase in the issued value of bonds was offset by a decline in the value of Treasury bills issued, which fell by 1.1 per cent to \$180.0m. This decline was partly a result of a decline in issuance by the Government of Grenada, moderated by a new issuance by the Government of Antigua and Barbuda.

There was a marginal increase in investor sentiment in the market as evidenced by an increase in subscriptions during the period. The



bid-to-cover ratio rose to 1.32 from a ratio of 1.22 in the comparable period of 2012, as the value of bids increased to \$360.3m. The bid-to-cover ratio represents the value of bids received in an auction divided by the value of bids accepted. The higher the demand by investors at the auction, the higher the ratio would be. There were no under-subscriptions during the first three months of 2013 in contrast to \$1.5m in under-subscriptions in the corresponding period of 2012, reflecting improved investor sentiments.

The weighted average interest rate on 91-day Treasury bills declined by 110.0 basis points to 3.67 per cent at the end of March 2013, compared with the weighted average interest rate at the end of March 2012. Yields for 180-day Treasury bills rose by 175 basis points to 6.0 at the end of March 2013 compared with the corresponding period of 2012. Yields for longer-term, 10-years bonds fell by 26.0 basis points to 7.14 at the end of March 2013 compared with the corresponding period of 2012. Lower yields for 91-day Treasury bills relative to longer-dated instruments reflected the greater demand for short-term securities.

Trading in the secondary market for government securities rose in the first quarter of 2013, to less than \$5.1m from \$0.4m during the first quarter of 2012.

## **Prospects**

The outlook calls for an improvement in economic output, based on expanded global economic growth. The IMF in its most recent World Economic Outlook (WEO) estimated the global expansion at 3.3 per cent a downward revision of 0.2 percentage points from the previous estimate. Notwithstanding the downward revision to the initial estimate, this represents a marginal increase in global output when compared with the previous year. Value added for advanced economies is estimated at a slower 1.2 per cent rate. While the global economy appears to be on the mend, deep structural imbalances exist in advanced economies, coupled with sustainability issues in emerging economies. These factors, along with the legacy effects of the global economic and financial crisis on the mobility of international finance, represent a major headwind to growth in the ECCU.

Notwithstanding some improvement in tourism demand is anticipated from the major source markets, the USA and the UK, buoyed by strengthening consumer demand in the USA and the prospect of a more sustained economic recovery in the UK following weak growth in 2012. However, slow improvement in the labour market in these advanced economies,



will likely constrain the pace of the recovery in the tourism industry. Construction activity, a major contributor to economic activity in the Currency Union, is expected to rebound given the number of private and public sector projects in the pipeline. However, prospects remain subdued as a result of unfavourable external and domestic conditions. On the external front the prolonged weakness of tourism related private capital flows, slow recovery of the global financial markets and tight credit conditions are likely to limit construction activity of leisure accommodations that are heavily dependent on funding from this source. Stringent borrowing requirements will likely continue to limit access to credit for mortgages and related property developments. The sluggish growth in tourism and construction will likely have limiting effects on other key sectors such as: transport, wholesale and retail trade as well as mining and quarrying. In addition, remittance flows, an important source of spending power in the region, are expected to remain below pre-crisis levels given the labour market challenges in the USA and the UK. In view of this outlook, and the lag with which external economic and financial impulses are transmitted to the ECCU, it is expected that recovery of real economic activity in the ECCU will be slow and that domestic labour markets will remain at sub-optimal levels.

Fiscal developments are expected to result in a widening in overall deficits as a number of countries undertake intensified capital expenditure after paring back fixed capital investment for about five years. To this end, member countries are likely to relax fiscal austerity measures while still cognizant of continued weakness in real sector activity. Additionally, as a number of the countries either exit IMF programmes or near the end of these arrangements there will be greater propensity to relax some of the expenditure restraints that have defined fiscal policy over the last few years. The prospects of higher capital and current outlays could further compound the challenging fiscal situation in the ECCU as revenue growth may be challenged by diminished loan and official grant inflows. Options for access to external finance are greatly diminished as the perception of the ECCU by the international community as susceptible to heightened default risk remains elevated. This development further reduces financing options for the governments of the ECCU and highlights the need for even greater prudence going forward.

Given the projected widening of the overall deficits, as a consequence outstanding debt is expected to increase. Activity on the RGSM may increase as member countries tap domestic



sources to finance capital expenditure. Rates are expected to remain low given the lack of higher yielding alternative instruments.

The risks to the outlook are weighted to the downside driven by both external and domestic developments. The external risks are related to fiscal austerity in Europe and the fragility of the banking systems. Low government investment and restricted lending by banks will adversely affect labour market participants and by extension consumer spending. In the USA the threat of the delayed impact of sequestration looms large and could undermine the sustainability of the current slow economic

recovery. On the domestic front, the main risk is centered on the inability of the authorities to effectively jumpstart economic growth and formulate an effective response to the effects of the fiscal and debt overhang. This is compounded further by diminished prospects for access to external financing. This current period of turbulence will require coordinated policy intervention by the governments of the ECCU to address the dilemma of the region's low growth and fiscal and debt overhang in the context of the ECCU Eight Point Stabilisation and Growth Programme.





## ANGUILLA

### Overview

The economy of Anguilla is provisionally estimated to have contracted in the first quarter of 2013, following a decline recorded in the corresponding period of 2012. The fall in economic activity reflected lower activity primarily in the construction, wholesale and retail trade and financial intermediation sectors. However, an improvement was recorded in the hotels and restaurants sector as tourist arrivals increased. Consumer prices decreased by 0.6 per cent, on an end-of-period basis. In the external sector, the merchandise trade deficit declined on account of lower imports. Influenced by lower revenue collections and an increase in expenditure, the fiscal operations of the central government resulted in a smaller overall surplus, compared with the first quarter of 2012. Total outstanding public sector debt fell during the quarter under review. In the banking system, monetary liabilities and net foreign assets increased, while domestic credit decreased. Commercial bank liquidity improved and the weighted average interest rate spread between loans and deposits widened.

The forecast for the remainder of 2013 is for a marginal improvement in the level of economic

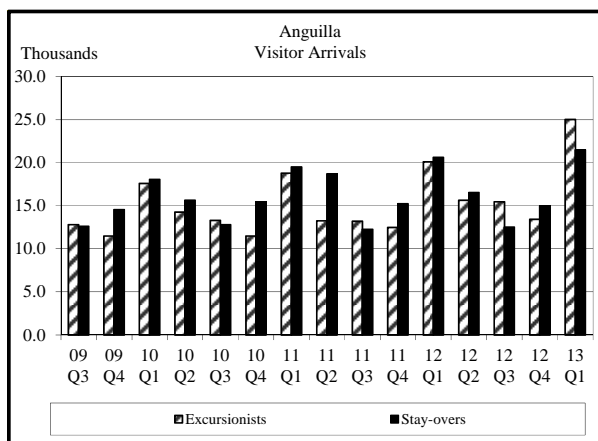
activity, driven by increased activity in some of the key sectors. The improved outlook is based on the likely recovery in the construction sector as a planned major project commences, combined with a sustained improvement in the performance of the tourism industry. Notwithstanding the more favourable prospects in the domestic economy, significant economic headwinds persist associated with weaknesses in the economies of the Euro zone, continued high rates of unemployment in the USA and a stalled recovery in the UK. A further downside risk includes possible hurricane damage to the tourism plant.

### Output

Construction work is estimated to have contracted in the first quarter of 2013 as a result of a fall in activity in both the public and private sectors. In the public sector, activity was minimal and was focused mainly on the rehabilitation of public buildings. Private sector construction activity is estimated to have contracted relative to the outturn in the first quarter of 2012, based on a reduction in commercial bank credit to construction companies (0.9 per cent) and a fall in credit for house and land purchase (3.6 per cent).



Notwithstanding the decline in the sector, ongoing activity consisted of work on the Zemi Beach and Manoa resorts. Lower construction activity would have had negative knock-on effects on wholesale and retail trade as evidenced by lower real imports, as well as on financial intermediation, given the contraction in domestic credit.



The performance of the tourism industry is estimated to have improved in the first quarter of 2013, compared with the corresponding period in 2012. Total visitor arrivals rose by 14.2 per cent to 46,563 buoyed by increases in all categories of visitors, in particular excursionists. The number of excursionists increased by 24.5 per cent to 25,061, compared with an increase of 7.0 per cent in the first three months of 2012. The number of stay-over visitors rose by 4.2 per cent, driven by stronger growth in visitor arrivals from the USA market. Stay-over arrivals from the USA, which

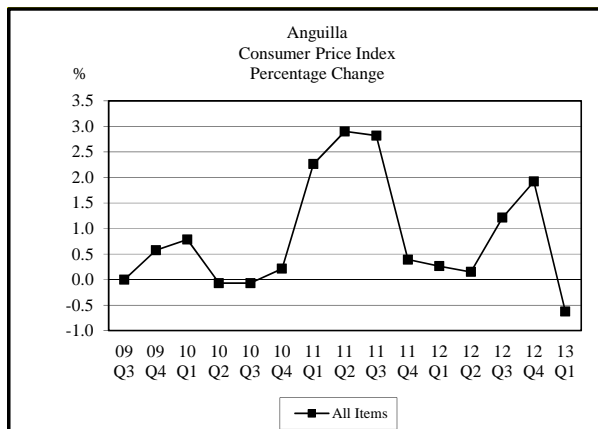
accounts for 71.0 per cent of all stay-over arrivals into Anguilla, rose by 7.2 per cent compared with an increase of 2.3 per cent in the corresponding period of 2012. Activity in the USA market was driven by group and multi-generational travel. All of the other major markets recorded declines including; the Caribbean (48.1 per cent), Canada (13.2 per cent), and the UK (6.7 per cent). Weak economic growth in Europe, the effects of the Airline Passenger Duty for UK travellers, coupled with the high cost of travel in the Caribbean; continue to impede growth in arrivals from those source markets. The performance of the Canadian market was adversely impacted by a deceleration in domestic demand and the slowing pace of activity in the housing market.

**Prices**

The consumer price index declined by 0.6 per cent during the quarter under review. This outturn was attributable to reductions in the sub-indices of transportation and communications (2.0 per cent), household furnishings and supplies (1.5 per cent) and clothing and footwear (1.7 per cent). The contraction in the transport and communications sub-index was due to a reduction in the cost of air travel to the



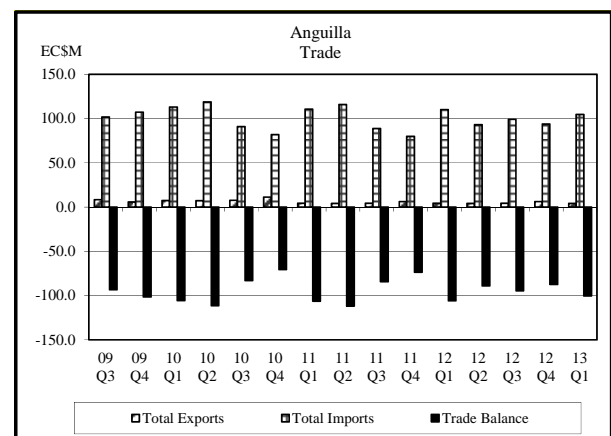
US Virgin Islands, while lower prices for some electrical goods influenced the reduction in the household furnishings and supplies sub-index. The fall in the sub-index for clothing and footwear reflected price declines for some types of female apparel. The overall reduction in the CPI was partly constrained by growth in the food, and fuel and light sub-indices of 0.7 per cent and 0.1 per cent respectively. The rise in the food sub-index, which has the largest weight in the CPI basket, was attributable to higher prices for fruits and vegetables, while the increase in the fuel and light sub-index was associated with higher prices for candles and kerosene.



**Trade and Payments**

A merchandise trade deficit of \$100.5m was estimated in the first quarter of 2013 compared with an estimated deficit of \$105.8m in the corresponding period of 2012. The lower deficit

was attributed to a 5.0 per cent decline in import payments, consistent with the contraction in economic activity. The value of exports is estimated to have fallen by 2.0 per cent to \$4.2m. Gross travel receipts are estimated to have increased by 7.6 per cent to \$105.2m, in line with a higher level of visitor arrivals. The transactions of commercial banks resulted in a net outflow of \$73.2m in short-term capital compared with an outflow of \$45.3m during the first quarter of 2012.

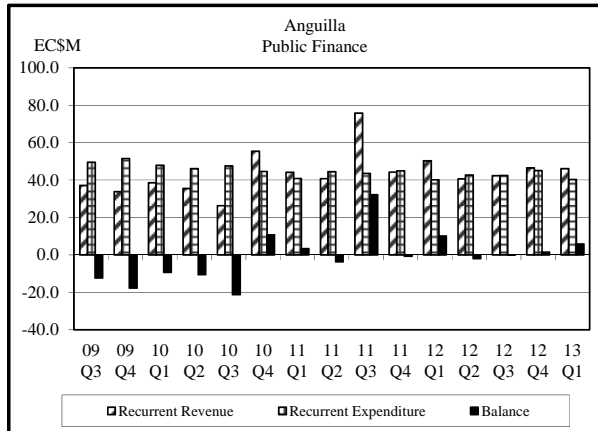


**Central Government Fiscal Operations**

The fiscal operations of the central government resulted in an overall surplus of \$5.4m in the first three months of 2013, compared with one of \$7.7m recorded in the corresponding period of 2012. The outturn was largely attributed to a reduction in the current account surplus. A primary surplus (after grants) of \$7.5m was



recorded, lower than the \$9.8m surplus that was realised in the first quarter of 2012.



The central government recorded a current account surplus of \$5.8m, compared with one of \$10.1m in the first three months of 2012. The smaller surplus reflected a decline in revenue intake. Current revenue fell by 8.5 per cent to \$46.1m, largely associated with decreases in collections from taxes on domestic goods and services, on property tax and on income and profits. Receipts from taxes on domestic goods and services fell by 19.1 per cent (\$4.0m), due to lower revenue from accommodation tax (\$3.6m) as a result of the non-payment by some tourist accommodation establishments. The yield from property taxes fell by 68.4 per cent (\$1.0m). Lower collections from taxes on income and profits mirrored declining yields from the stabilisation levy which fell by 16.8

per cent (\$0.7m), consistent with the high levels of unemployment since the onset of global economic and financial crisis. The contraction in tax revenue was moderated somewhat by a 9.9 per cent increase in receipts from taxes on international trade and transactions. Non-tax revenue contracted by 4.3 per cent (\$0.3m).

Current expenditure increased by 0.1 per cent to \$40.3m, in contrast to a 1.5 per cent decline in the corresponding period of 2012. Of the categories, outlays on transfers and subsidies rose by 5.1 per cent (\$0.5m), while interest payments rose by 2.2 per cent, driven by the payment of outstanding arrears by the central government on behalf of a statutory body. By contrast, spending on goods and services decreased by 5.8 per cent (\$0.5m) and expenditure outlays on personal emoluments contracted by 0.4 per cent (\$0.1m). These developments reflect the continued effects of spending cuts at the ministry level and on-going wage restraint through a government wide hiring and wage freeze. Capital expenditure amounted to \$0.4m in the first quarter of 2013, compared with \$2.4m in the corresponding quarter of 2012, partly attributable to the inability of the government to increase expenditure pending the approval of the 2013 budget by the UK government.



**Public Sector Debt**

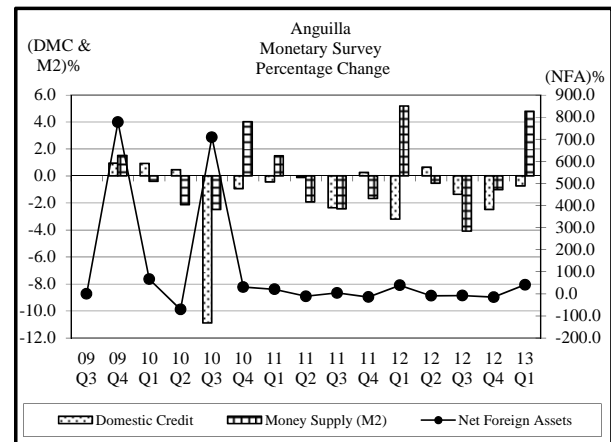
Total disbursed outstanding debt of the public sector is estimated at \$225.1m at the end of March 2013, a decrease of 3.9 per cent on the amount at the end of December 2012. This outturn mainly mirrored a reduction in the debt of the central government, which accounts for 92.8 per cent of the total public sector debt, by 3.9 per cent to \$208.9m, owing to a reduction in domestic borrowing. The outstanding debt of public corporations fell by 3.2 per cent to \$16.2m.

**Money and Credit**

Monetary liabilities (M2) are estimated to have expanded by 4.8 per cent to \$1,055.8m during the first three months of 2013, compared with an increase of 5.2 per cent in the corresponding period of 2012. The expansion in M2 was influenced by a 5.2 per cent (\$50.3m) increase in quasi money, as all the components of narrow money (M1) declined. The increase in quasi money was largely attributable to a 6.4 per cent (\$47.0n) rise in foreign currency deposits.

Domestic credit declined by 0.7 per cent to \$1,115.2m, as a result of an increase in the net deposits positions of the central government and the non-financial public enterprises. The overall

impact of these developments on domestic credit was moderated by an increase in outstanding loans to the private sector, specifically business credit. The central government’s net deposits position with the banking system rose by 11.7 per cent (\$6.8m), mainly on account of a reduction (\$5.1m) in outstanding commercial bank credit, while deposits remained relatively unchanged. In the rest of the public sector, the net deposits of non-financial public enterprises rose by 2.4 per cent, influenced by an increase in their deposits coupled with a reduction in credit.



The distribution of credit by economic activity showed a 0.2 per cent (\$2.7m) contraction in commercial bank credit, indicative of lower activity in the real sector. Decreases were observed in credit extended for all of the major categories including, construction (\$1.8m), and personal use (\$0.6m) which was mainly caused



by a fall in lending for durable consumer goods. Declines were also recorded in credit for manufacturing, mining and quarrying, and tourism of \$0.6m and \$0.3m respectively. The reduction in outstanding credit was slowed by a 2.2 per cent (\$2.0m) increase in credit for distributive trades.

The net foreign assets of the banking system provisionally increased by 41.1 per cent to \$262.8m, compared with growth of 38.8 per cent during the first three months of 2012. The increase was primarily influenced by a 93.6 per cent rise to \$151.5m in commercial banks' net foreign assets position. Anguilla's imputed share of the ECCB reserves increased by 3.1 per cent to \$111.4m.

Liquidity in the commercial banking system rose during the first quarter of 2013. The ratio of liquid assets to total deposits plus liquid liabilities increased by 3.2 percentage points to 32.1 per cent, while the loans and advances to deposits ratio fell by 3.8 percentage points to 95.7 per cent. The weighted average interest rate spread between deposits and loans widened to 5.75 percentage points from 5.70 percentage points at the end of December 2012. This was as a result of a larger increase of 0.08 percentage points to 3.41 per cent in the weighted deposits rate compared with a smaller

decrease in the weighted lending rates to 9.16 per cent from 9.19 per cent in December 2012.

### Prospects

Based on the most recent projections from the World Economic Outlook (WEO) of the International Monetary Fund, the global economy is projected to expand at an accelerated pace of 3.3 per cent in 2013, compared with growth of 3.2 per cent in 2012. However advanced economies to which Anguilla has greater economic ties are expected to grow at a slower pace, in particular the USA (1.9 per cent) and the United Kingdom (0.7 per cent), while the Euro area is projected to remain in recession (-0.3 per cent).

In light of the foregoing, economic activity in Anguilla is projected to make a modest recovery for 2013 after five consecutive years of economic contraction. This outturn is based on a projected recovery in construction activity, following four years of negative growth and on continued strengthening in the tourism industry. The improvement observed in tourism activity during the first quarter of 2013 is expected to continue, as the major source markets remain buoyant and marketing efforts to attract visitors from the Latin American market, through St Maarten intensify. Additionally, the hub



arrangements through St Maarten, including the recently introduced night ferry service are expected to make the travel experience of passengers' in-transit to Anguilla more seamless. Developments in construction will be fuelled by major rehabilitation work at one of the destinations premier resorts, supported by on-going work at a number of boutique type resorts. However, foreign direct investment inflows will be constrained by prevailing economic and financial uncertainties in Europe further muting the recovery in the domestic construction sector.

On the fiscal accounts of the central government, the current account surplus is projected to improve as current revenue collections increase, consistent with the anticipated recovery in real sector activity. Current expenditure, while anticipated to be higher, is likely to be outpaced by the rise in

current revenue. A projected increase in outlays on capital expenditure in 2013 will be facilitated through grant funding from the UK government and the European Union. On the external accounts, the merchandise trade deficit is projected to increase, reflecting higher construction related import payments. Gross inflows from travel are likely to rise in line with positive developments in stay-over visitor arrivals.

Downside risks to the projections include economic fragility in the Euro zone and the UK economies, persistently high unemployment rates in Europe and the USA and the risk of physical damage from natural disasters. On balance, the risks to Anguilla remain tilted to the downside in light of the moderate global expansion, combined with domestic financial pressures related to weak real sector activity.



## ANTIGUA AND BARBUDA

### Overview

Provisional data for the first three months of 2013 produced mixed results about the level of economic activity in Antigua and Barbuda. Value added in the hotels and restaurants, public administration, defence and compulsory Social Security and financial intermediation sectors were provisionally estimated to have recorded declines, by contrast there was an estimated increase in construction activity. Output in the wholesale and retail trade sector is estimated to have been relatively flat, when compared with the corresponding period of 2012. Consumer prices rose by 0.3 per cent, on an end of period basis. The fiscal operations of the central government improved as the overall fiscal balance recorded a surplus, due to a reduction in current expenditure. Disbursed outstanding public sector debt decreased marginally, compared with the level at the end of December 2012. Monetary liabilities and the net foreign assets of the banking system increased as domestic credit fell. Commercial bank liquidity improved and the weighted average interest rate spread fell during the review period.

Economic activity is projected to increase moderately for the rest of 2013 as the global

economy recovers. Growth in the domestic economy is expected to be propelled by an increase in construction activity, by both the public and private sectors. Activity in most of the other major sectors such as; wholesale and retail, and transport and communication is projected to improve modestly. In the tourism industry, activity is forecasted to be on par relative to 2012. It is expected that the fiscal position of the central government will weaken as revenues are forecasted to be below the 2012 total, while total expenditure will be higher, due to increased capital expenditure is towards the end of the year and higher debt service payments. Inflation is forecasted to be around 2.0 per cent for 2013 given the stable outlook for commodity prices. Downside risks to economic outlook for Antigua and Barbuda surround the still fragile global economy which could dampen domestic economic activity.

### Output

Preliminary economic indicators for the first quarter of 2013 presented mixed results about the robustness of economic activity. Activity in the construction sector is estimated to have picked up. By contrast, activity in the hotels and restaurants, public administration and



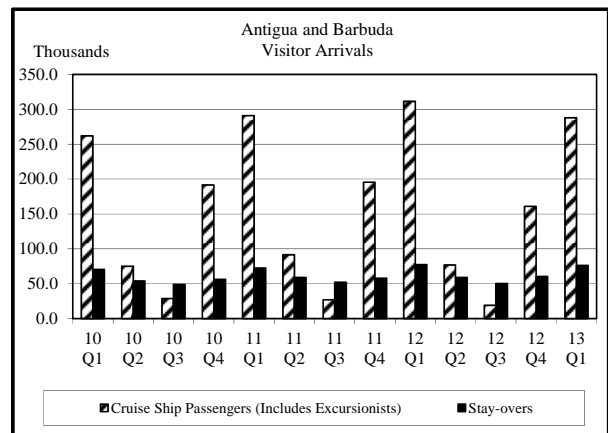


defence, compulsory Social Security and financial intermediation sectors fell. Value added in the wholesale and retail sector is estimated to have been flat. Together those sectors account for roughly 70.0 per cent of all economic activity in Antigua and Barbuda.

Provisional information on the construction sector suggests that the level of activity improved in the first quarter of 2013, relative to the corresponding period of 2012. Supporting evidence for the improvement in activity in the construction sector were a 36.2 per cent increase in the volume of cement imports landed at the port, the importation on construction material rose by 11.2 per cent and credit for the acquisition of property rose by \$9.6m. Contributing negatively to construction output, capital expenditure by the government fell by 38.6 per cent relative to the amount spent in the first quarter of 2012 and amounted to \$1.3m. It is estimated that value added in the mining and quarrying sector rose marginally as activity in the construction sector gathered momentum; there was an increase in the volume of blocks and stone aggregates produced.

Value added in the hotels and restaurants sector, a proxy for developments in the tourism industry, fell in the first three months of 2013. The decline was attributed to a 6.3 per cent fall

in total visitor arrivals to 378,936 as all the main sub-categories of visitor arrivals decreased. The number of stay-over visitors fell by 1.3 per cent to 76,302, compared with growth of 6.9 per cent in the first quarter of 2012. Visitor arrivals from the USA, the largest source market, declined by 4.2 per cent, by contrast visitor arrivals from the UK - the second largest source market - rose by 0.3 per cent. Canadian visitors, which accounted for 19.1 per cent of stay visitor arrivals, rose by 26.6 per cent. Of the other visitor categories, the number of cruise ship passengers fell by 7.6 per cent to 287,992, reflecting reduced number of cruise ship calls. Yacht passenger arrivals are estimated to have decreased by 6.8 per cent to 14,642 in contrast to an increase of 48.0 per cent in the first quarter of 2012.



Activity in the wholesale and retail trade sector is estimated to have remained flat as the real value of imports remained at virtually the same

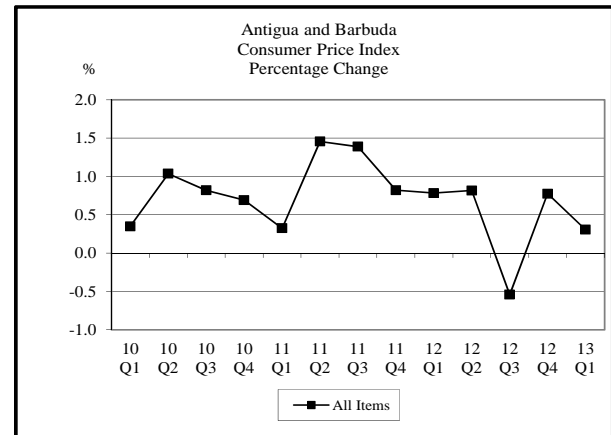


level as that of the corresponding period in 2012. Value added in the transport, storage and communications sector was mixed as road and sea transportation recorded growth, while air transportation decreased. A decline in personal emoluments and pensions paid by the government precipitated a reduction in value added in public administration and defence; compulsory social security sector. A reduction in profitability at commercial banks led to a decline in value added in the financial intermediation sector.

### Prices

The rate of price increases slowed during the first quarter of 2013. The consumer price index rose by 0.3 per cent compared with a 0.8 per cent increase during the corresponding period of 2012. The fuel and light, transport and communication, clothing and footwear and household furnishings and supplies sub-indices were responsible for the deceleration in price increases. A reduction in the fuel variation charge was responsible for a 4.1 per cent fall in the fuel and light sub index, while a decline in the price of motor vehicular spare parts led to a 0.1 per cent decrease in the transport and communication sub index. By contrast, the food sub index, which carries the largest weight in the CPI basket, posted an

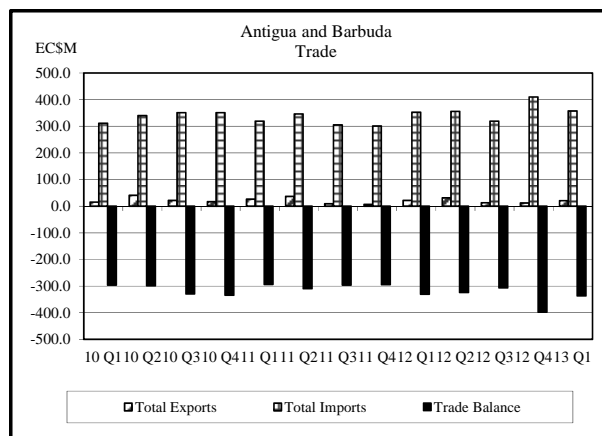
increase of 0.2 per cent in prices when compared with the first quarter of 2012. The upturn in food prices was due to an increase in the price of bakery, cereal products dairy products and fats and oils.



### Trade and Payments

Preliminary trade statistics for the first quarter of 2013 indicate that the trade deficit expanded by 1.9 per cent (\$6.3m) to \$336.9m due to a 1.4 per cent increase in the value of imports and a 6.1 per cent fall in the value of exports. Consistent with the movements in trade data, the cargo throughput indicated that the volume of imports rose by 9.9 per cent, reflecting increases in fuel (13.0 per cent) and cement imports (36.2 per cent). The volume of exports rose by 48.6 per cent influenced by an increase in the re-export of fuel products per cent.





Gross travel receipts decreased by 2.2 per cent to \$282.1m, reflecting mainly the reduction in stay-over visitor arrivals. Commercial banks' transactions resulted in a net outflow of \$3.7m in short-term capital, in contrast to a revised net inflow of \$41.3m during the first quarter of 2012. There were no external loan disbursements to the central government for the first three months of 2013, while debt repayment totalled \$14.4m. Consequently there was a net outflow of \$14.4m compared to a net outflow of \$8.7m recorded in the first quarter of 2012.

### Central Government Fiscal Operations

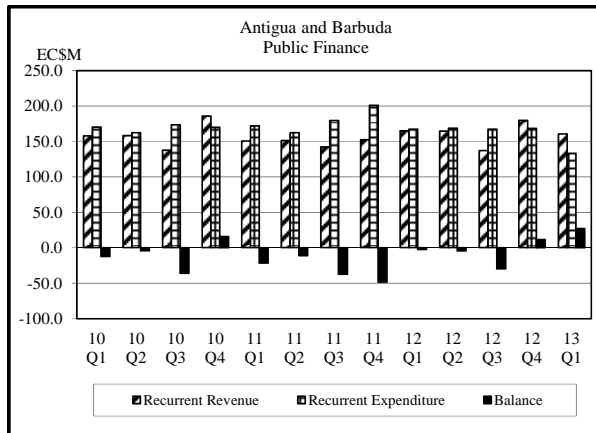
The fiscal operations of the central government improved in the first quarter of 2013 relative to the outturn in the corresponding period of 2012. Preliminary data suggest that the overall balance recorded a surplus of \$26.3m, in contrast to a deficit of \$3.8m in the corresponding period last

year. A primary surplus of \$45.3m was realised, compared with one of \$17.4m in the first quarter of 2012. This turn around in performance was the result of positive developments on the current account, as the authorities were able to achieve cuts in expenditure. Current expenditure fell by 20.4 per cent to \$133.2m as all categories of current expenditure decreased. Outlays on transfers and subsidies recorded the largest reduction, declining by 43.1 per cent (\$23.5m) due to the removal of support to the Antigua and Barbuda Airport Authority and some other statutory bodies. Declines were also recorded for goods and services (\$7.0m), personal emoluments (\$1.5m) and interest payments (\$2.2m). Capital expenditure amounted to \$1.3m, representing a decline of 38.7 per cent relative to the amount spent in the first quarter of 2012.

Current revenue fell by 2.8 per cent to \$160.5m in the first three months of 2013 in contrast to a 9.6 per cent increase in the corresponding period 2012. Tax revenue dropped by 1.7 per cent to \$153.5m in contrast to a 9.7 per cent increase in the first quarter of 2012. The decrease in tax revenue was attributable to a 24.0 per cent (\$1.8m) reduction in collections on property taxes and a 19.5 per cent (\$14.6m) decrease in tax receipts on domestic goods and services attributable to reduced stamp duties collections



which fell by \$14.1m. These declines were partly offset by increases in taxes paid on income and profits (\$13.0m) and international trade and transactions (\$0.9m), respectively. The increase in taxes collected on income and profits as well international trade and transactions were due to the collection of outstanding tax arrears for company and consumption taxes.



The end of the first quarter also coincided with the final review of the Stand-By Arrangement (SBA) with the IMF which commenced in June 2010. The key objectives of the programme were:

- Lowering the debt service burden;
- Restructuring the debt portfolio;
- Restoring debt and fiscal sustainability; and
- Strengthening the institutional framework through a targeted structural reform programme.

An analysis of the performance under the programme based on the aforementioned listed objectives, suggest that all the objectives were met. In particular, the programme has been fairly successful in terms of the fiscal consolidation that has been achieved to date. From an overall fiscal deficit of 11.0 per cent of GDP in 2009, and a debt to GDP ratio of 96.3 per cent, the authorities' program of fiscal consolidation and structural reforms, together with debt relief from external and domestic creditors, resulted in an average overall deficit of 2.9 per cent of GDP from 2010 to 2012 and a debt-to-GDP ratio of 89.3 per cent at end-2012. The authorities have also implemented a number of structural reform measures aimed at strengthening institutional capacity in the country. Among the major ones are tax administration measures which helped to improve public financial management and tax administration.

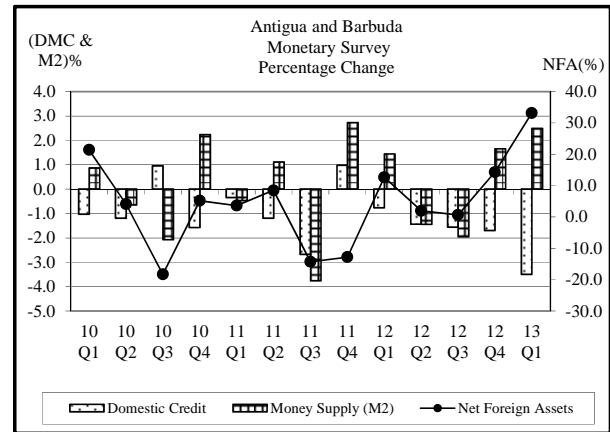
### Public Sector Debt

The total disbursed outstanding debt of the public sector was estimated at \$2,815.3m at the end of March 2013, down from \$2,836.0m at the end of December 2012. The disbursed outstanding debt of the central government declined by 0.7 per cent (\$16.5m) to \$2,341.1m, due mainly to a decrease of 1.2 per cent (\$12.7m) in external debt, while the domestic

debt fell by 0.3 per cent (\$3.8m) to \$1,321.7m. The reduction in the stock of domestic debt is attributable to decrease in the overdraft facility, the redemption of two securities during the quarter and scheduled amortization payments which were made to the various commercial banks. The debt of the public corporations decreased by 0.9 per cent (\$4.2m), attributed to a \$2.7m decrease in domestic debt while external debt fell by \$1.6m.

**Money and Credit**

Monetary liabilities (M2) increased by 2.5 per cent (\$69.5m) to \$2,859.6m during the first quarter of 2013, compared with a 1.4 per cent increase during the corresponding period of 2012. The increase in M2 was largely associated with a 3.4 per cent (\$77.0m) expansion in quasi money, attributable to a 5.6 per cent (\$60.2m) increase in private sector savings deposits and an 11.7 per cent (\$20.5m) expansion in private sector foreign currency deposits. Narrow money supply (M1) declined by 1.4 per cent (\$7.5m), in contrast to an expansion of 1.2 per cent recorded during the similar period of 2012 attributable to a 5.5 per cent (\$22.6m) decrease in Private sector demand deposits. Offsetting the reduction in M1 were increases in currency with the public (\$6.2m) and EC\$ cheques and drafts (\$8.8m).



Consistent with the still fragile recovery of economy and the resulting low investor confidence as well as tightening of credit conditions, the stock of outstanding domestic credit fell by 3.5 per cent (\$94.5m) to \$2,605.7m, following a 0.7 per cent decrease during the corresponding period of 2012. Credit to the private sector, which constitutes the bulk of credit to the economy, recorded a 1.3 per cent (\$29.9m) decline. This reduction reflected a 1.4 per cent (\$14.5m) fall in outstanding loans to businesses and a 1.1 per cent (\$13.7m) credit to households dropped by. Net credit to the Government decreased by 5.1 per cent (\$27.9m) consistent with the improved fiscal performance. Central Bank net credit to the Government declined by 1.9 per cent and the commercial banking system net credit to Government fell by 6.8 per cent as the outstanding stock of government loans and advances decreased by 3.4 per cent (\$15.9m) and deposits rose by 23.3 per cent (\$14.2m). In



the rest of the public sector, the net deposits position of non-financial public enterprises rose by 16.9 per cent, on account of a 9.2 per cent rise in their deposits while their credit declined by 2.9 per cent.

The distribution of credit by economic sector indicates that credit extended to the various sectors of the economy fell by 1.8 per cent (\$51.0m), compared with a 1.2 per cent decline recorded during the first quarter of 2012. Outstanding credit for personal use which constitutes the majority of credit fell by 1.0 per cent (\$13.1m) attributable to a reduction in credit for other personal use which decreased by \$18.2m. Offsetting the reduction in credit for personal use was an increase in credit for the acquisition of property which rose by \$9.6m. Credit extended to distributive trades sector decreased by 2.1 per cent (\$5.3m) in contrast to growth of 4.9 per cent in the corresponding period of 2012. Noted declines in credit allocation were also recorded in construction (\$2.4m), tourism (\$11.5m) and other uses (\$23.3m). The decrease in lending for other uses largely reflected a decline in credit for public administration. By contrast credit for manufacturing rose by \$4.5m.

The net foreign asset of the banking system is provisionally estimated at \$619.9m at the end of

March 2013, representing an increase of 33.2 per cent from the total recorded at the end of December 2012. Antigua and Barbuda's imputed share of ECCB's reserves rose by 34.6 per cent to \$586.1m. The net foreign asset position of commercial banks increased to \$33.8m at the end of March 2013, from \$30.1m at the end of December 2012.

Liquidity in the commercial banking system increased as the ratio of liquid assets to total deposits plus liquid liabilities rose by 2.0 percentage points to 50.2 per cent. The loans and advances to total deposits ratio fell to 77.2 per cent at the end of March 2013, from 79.6 per cent at the end of December 2012.

The interest rate spread between loans and deposits narrowed to 6.33 percentage points at the end of March 2013, from 6.47 percentage points at the end of December 2012. The weighted average interest rate on loans fell by 0.1 percentage point to 9.37 per cent and that on deposits increased by 0.04 percentage point to 3.05 per cent.

### **Prospects**

The world economy is recovering but at divergent pace, according to the April 2013 World Economic Outlook (WEO) report of the



International Monetary Fund. The USA and emerging market economies are expected to record positive economic growth, while the euro area is expected to record another year of less than robust economic growth. Though downside risks have tapered off they are still lingering and pose a threat to the global economic outlook. Against the backdrop of an improving external economic environment, economic activity in Antigua and Barbuda is forecasted to record a modest level of economic growth in 2013. Growth in the economy will be supported by moderate improvements in the construction sector. The improved performance in the construction sector is hinged on an anticipated increase in the level of public sector capital expenditure over the course of the year, as the Government embarks on a road rehabilitation project and activity in the private sector is expected to remain positive. Given the first quarter performance of the tourism industry, it is anticipated that activity in that industry will be either on par or slightly below the 2012 level.

The strong first quarter fiscal performance has created some fiscal space for the Government; however, there are downside risks to the fiscal outlook emanating from upcoming debt payment obligations coupled with higher planned capital expenditure. In that regard if

the increases in these line items materialise, the fiscal performance could deteriorate in 2013 as expenditure is expected to be greater than revenue collected. The inflation outlook remains stable given the outlook for commodity prices which forecasts no major increase in the price of commodities such as food or oil. The still fragile economic recovery is expected to weigh negatively on money and credit conditions which will impinge on value added in the financial intermediation sector. This could act as a drag on economic growth as consumption and investment will be restrained due to tight money and credit conditions.

Some downside risks have abated and policy uncertainty has been reduced; however there are still imminent medium term downside risks. Those risks revolve around the absence of strong fiscal consolidation plans in the United States of America and Japan; and insufficient institutional progress in the Euro area, which could lead to a protracted period of low growth. Unless policies address these risks, global activity is likely to suffer periodic setbacks in the growth performance. These risks pose a challenge to the small open economy of Antigua and Barbuda, given its close relationship with the global economy. Any setbacks in the global economic outlook will weaken the economic prospects for Antigua and Barbuda through the



trade, tourism and financial channels. Therefore the economic outlook for Antigua and Barbuda is one of cautious optimism.





## DOMINICA

### Overview

Preliminary data indicate a contraction in overall economic activity in Dominica in the first three months of 2013 relative to the corresponding period of 2012. There were declines in the agricultural sector and tourism industry, which had negative spill over effects on the transport, storage and communications and wholesale and retail trade sectors. These developments were compounded by a slowdown in construction activity. The performance of the manufacturing sector was mixed. The rate of increase of the consumer price index (CPI) eased to 0.7 per cent, on an end-of-period basis. The merchandise trade deficit is estimated to have narrowed largely on account of lower import payments. Central government's fiscal operations resulted in an overall surplus accompanied by a reduction in the total public sector outstanding debt. In the banking system, there were declines in monetary liabilities and domestic credit, while net foreign assets rose marginally. There was a marginal decline in liquidity and the weighted average interest rate spread narrowed.

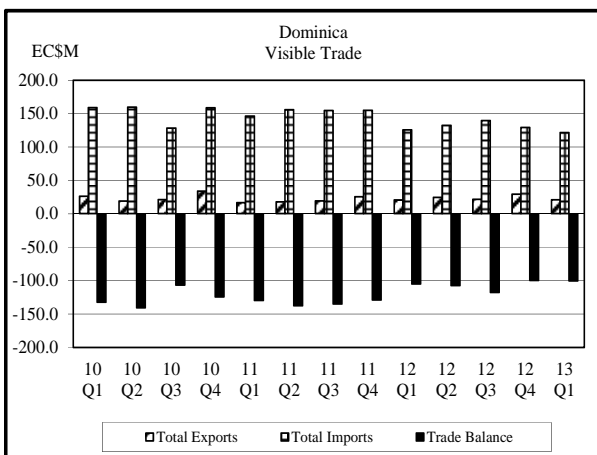
Economic activity is expected to improve in the remainder of the year; however, the short term

macroeconomic outlook for Dominica remains uncertain with significant downside risks. The current forecast of a marginal increase in economic activity is conditional on a gradual improvement in the global economy and the success of local strategies in key economic sectors. Factors which can derail efforts at maintaining macroeconomic stability include: a weaker than anticipated global recovery; adverse weather; and volatility in grants and foreign direct investment inflows.

### Output

Total output of the agricultural sector was constrained by the lacklustre developments in the banana industry. There was 56.8 per cent reduction to 364 tonnes in banana production, reflective of the compounded effects of the Black Sigatoka disease and adverse weather. Output of the non-banana sub-sector is estimated to have risen based on continued diversification efforts which have focused on areas such as horticulture, citrus, cocoa, pineapples, and livestock farming. These efforts have been supported by gains made with the export strategy, whereby exporters of fresh produce and agro-processed goods have strengthened linkages with overseas buyers.





The pace of construction activity seemed to have slowed in the first three months of 2013. In the public sector, capital spending more than halved to \$14.8m as major projects have either ended or are close to completion. Major construction activities were centred on projects such as the State House Renovation and Extension Project and the Dominica State College, which are both expected to be completed by this year. Other public sector projects underway included; rehabilitation of main and feeder roads, the geothermal energy initiative, water supply systems, and housing projects. Declines were recorded in the construction indicators for the private sector. The number and value of construction starts fell by 13.5 per cent and 24.9 per cent respectively, while declines were also recorded in commercial bank credit extended for construction (1.4 per cent) and for home construction and renovation (1.8 per cent). The slower construction activity is estimated to have

had negative spill over effects on the performance of the local mining and quarrying industry.

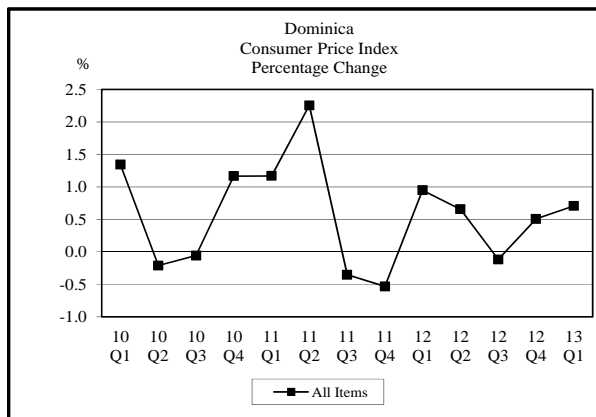
The performance of the tourism industry is estimated to have declined based on reductions in all sub-categories of visitors. Stay-over visitor arrivals fell by 19.0 per cent to 15,012 mirroring declines in major source markets such as the Caribbean (12.2 per cent) and the USA (2.6 per cent). The cruise performance was weaker relative to the same period in 2012, registering a 26.2 per cent decline to 121,864 in cruise visitors, and a 21.4 per cent decrease in cruise ship calls to 88. Reductions were also observed in the number of excursionists (64.6 per cent) and yacht passengers (13.0 per cent). Consequently, total visitors fell by 25.2 per cent to 142,628 reflecting softened demand for travel and limited airlift. The transport, storage and communications and wholesale and retail trade sectors are likely to have been negatively impacted by the downturn in the tourism industry and associated reduction in imports.

The performance in the manufacturing sector was mixed in the quarter under review. Increases were recorded in the production volume of beverages (8.8 per cent) and soap (7.5 per cent) partly due to higher external demand for these products. Output of paints

and varnishes fell by 29.4 per cent as there was a build-up of stocks which was sufficient to meet the export demand.

**Prices**

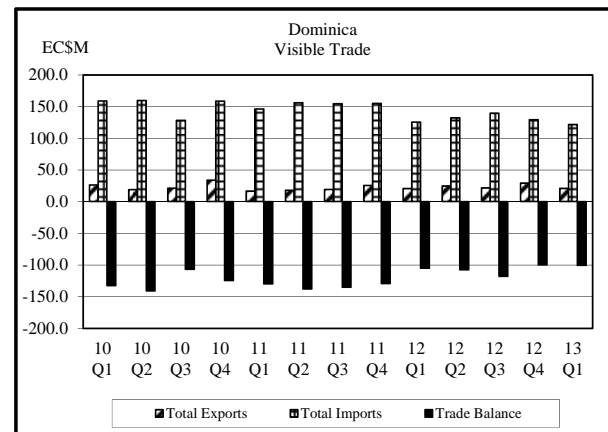
The consumer price index is estimated to have increased by 0.7 per cent during the first three months of 2013, easing from the rate of 1.0 per cent recorded in the corresponding period of 2012. The housing, utilities, gas and fuels sub-index, the highest weighted in the basket of consumer goods, is estimated to have risen by 0.3 per cent, stemming from a rise in the cost of petroleum products. Increases were also recorded in the sub-indices for transport (2.2 per cent) and food and non-alcoholic beverages (0.8 per cent). The other sub-indices are estimated to have remained flat.



**Trade and Payments**

Reduced domestic demand contributed in part to

a decline of 3.2 per cent (\$4.0m) in imports, primarily of food, fuels and manufactured goods. This led to a decline in the merchandise trade deficit to \$100.5m from \$105.1m. There was a slight increase (\$0.5m) in total exports, mainly resulting from growth in receipts from domestic exports of soap (\$0.2m).



Gross travel receipts contracted by 16.2 per cent to \$73.2m reflecting the lower levels of visitors. The activities of commercial banks resulted in a net outflow of \$20.8m in short-term capital, compared with one of \$30.8m in the first three months of 2012. External loan disbursements to the central government amounted to \$3.6m compared with \$27.7m in the comparable period of 2012, when funds were received for restoration work following the damage caused by adverse weather in 2011.

**Central Government Fiscal Operations**

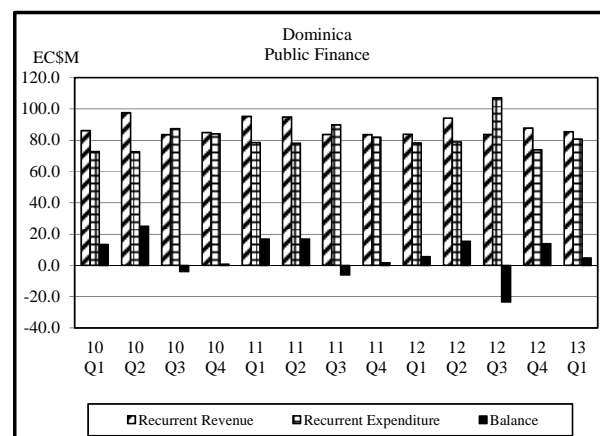
The fiscal operations of the central government



are estimated to have yielded an overall surplus of \$2.3m in the quarter under review, in contrast to a deficit of \$29.0m in the first three months of 2012. This outturn was largely attributed to lower capital outlays. A primary balance surplus of \$9.4m was recorded, in contrast to a deficit of \$23.0m in the first quarter of 2012.

The surplus on the current account tripled to \$16.4m on account of the receipt of \$11.7m in budgetary support from the 10<sup>th</sup> European Development Fund (EDF) and growth in non-tax-revenue. Non-tax revenue grew by 58.1 per cent (\$4.7m), mainly on account of higher receipts from the Economic Citizenship Programme. The fees for this Programme were increased from 1 September 2012, thereby contributing to the improved performance in its revenue intake. By contrast, tax revenue fell by 4.0 per cent (\$3.0m), mirroring weak economic activity. Receipts from taxes on international trade and transactions fell by 13.6 per cent (\$2.0m), consistent with the decline in imports. The revenue from taxes on income, profit and capital gains contracted by 12.3 per cent (\$1.9m), largely attributed to a lower yield from the corporation tax. The intake from taxes on domestic goods and services increased by 1.9 per cent (\$0.9m) owing to a slight uptick in the collections from the value added tax (\$0.7m) and excise taxes (\$0.6m). The revenue from

taxes on property remained unchanged at \$1.6m.



Current expenditure rose by 3.1 per cent to \$80.7m, reflecting increased outlays for most sub-categories, with the exception of goods and services. Expenditure on personal emoluments rose by 6.9 per cent (\$2.3m), as salaries for public service employees were adjusted upwards by 2.5 per cent in February 2013. Interest payments grew by 18.2 per cent (\$1.1m), reflecting higher external interest obligations. There was a slight uptick (\$0.1m) in spending on transfers and subsidies. Those increases were partially tempered by a 4.6 per cent (\$1.0m) fall in payments for goods and services, partly associated with lower professional and consultancy fees and utility costs.

Preliminary data for the capital account indicate that capital expenditure fell by 59.2 per cent to \$14.8m, while capital grants amounted to

\$0.5m, down from \$1.6m in the corresponding period of 2012.

**Public Sector Debt**

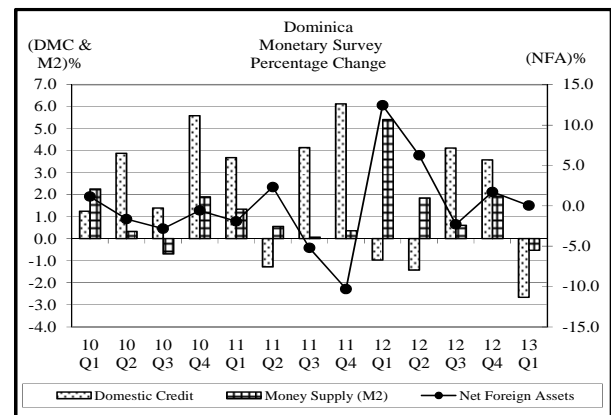
Amid the backdrop of an improvement in the fiscal operations of the central government, the total disbursed outstanding debt of the public sector is estimated to have contracted by 1.2 per cent to \$1,028.7m at the end of March 2013. Declines were recorded in the debt of central government (\$10.5m) and that of public corporations (\$2.2m), reflecting scheduled amortized payments. Total external debt fell by 1.0 per cent to \$728.0m, while domestic debt contracted by 1.8 per cent to \$300.6m.

**Money and Credit**

Broad money (M2) contracted by 0.5 per cent to \$1,132.4m during the first quarter of 2013, in contrast to an increase of 5.4 per cent in the corresponding period of 2012. This development reflected the weak pace of economic activity. The decline in M2 was an account of a fall of 4.4 per cent in narrow money (M1), due to declines in EC\$ cheques and drafts issued (63.9 per cent), private sector demand deposits (2.0 per cent), and currency in circulation (5.9 per cent). Quasi money rose by

0.4 per cent, mainly attributed to an increase in private sector savings deposits.

There was a 2.7 per cent drop in domestic credit which amounted to \$669.1m, largely influenced by the transactions of non-financial public enterprises. The net deposits of non-financial public enterprises and statutory bodies expanded by 29.1 per cent, mainly attributed to an increase in deposits. In the rest of the public sector, the transactions of the central government resulted in a shift from a net deposit position of \$6.6m at the end of December 2012 to a net credit position of \$3.4m at the end of March 2013. An increase of 14.4 per cent in credit extended to the central government offset growth of 3.8 per cent in central government deposits in the banking system. In the private sector, credit was up by 0.2 per cent, reflecting an increase in credit to households which was tempered by a reduction in loans and advances to businesses.



An analysis of credit by economic activity indicated an increase of 1.1 per cent (\$10.2m) in outstanding loans and advances. Notable increases were registered in credit for public administration (23.4 per cent), distributive trades (3.5 per cent) and house and land purchases (2.8 per cent). There were declines in credit to certain key sectors of the economy, including: agriculture and fisheries (3.9 per cent), manufacturing, mining and quarry (2.5 per cent), construction (1.4 per cent) and tourism (0.8 per cent).

The net foreign assets of the banking system remained relatively unchanged at \$545.1m. The net foreign assets of the commercial banks expanded by 7.0 per cent, mainly attributable to growth in assets held with institutions outside of the Eastern Caribbean Currency Union. In light of the growth in commercial bank assets held outside of the Union, Dominica's imputed share of the Central Bank's reserves fell by 8.3 per cent to \$227.3m.

Liquidity in the commercial banking system declined during the quarter under review but remained at a high level. The ratio of liquid assets to total deposits plus liquid liabilities fell by 1.7 percentage points to 38.4 per cent. The ratio of loans and advances to total deposits

decreased by 0.2 percentage point to 64.3 per cent.

The spread between the interest rates on loans and deposits narrowed to 5.94 per cent from 6.02 per cent at the end of December 2012. The weighted average interest rate on loans fell by 0.06 percentage point to 8.97 per cent while the weighted average interest rate on deposits rose by 0.02 percentage point to 3.03 per cent.

### **Prospects**

Economic activity is expected to increase marginally in 2013 based on developments in the first quarter of 2013 and expectations in the global and local economy for the remainder of the year. Anticipated growth in the global economy in 2013 should help to boost external demand for Dominica's goods and services thereby supporting domestic growth. Locally, current efforts geared at diversifying the agricultural sector; improving airlift and marketing for the tourism industry; developing geothermal energy for domestic use; and seeking grants for capital projects should help to anchor growth.

In the agricultural sector, non-banana output is expected to pick up on the assumption of



increased demand for fresh produce and agro-processed goods, ultimately reversing potential losses in banana output.

No significant turnaround is anticipated in construction as the level of capital expenditure, which is a major component of total construction, may be reduced in light of the inherent fiscal pressures.

In the tourism industry, the prospects for stay-over tourists are positive as efforts at improving airlift and marketing are expected to intensify following the scheduled end of visits by a major carrier from 1st April 2013. Other categories of visitors such as yacht passengers and excursionists are also likely to improve with increased attractions such as the regatta, music festivals, and shopping excursions. The prospects for cruise tourism are not as optimistic; a significant turnaround is not anticipated before the beginning of the last quarter of 2013 which is unlikely to make a significant impact on the annual cruise arrivals.

The current trend in manufacturing is likely to continue and value added in the education sector is anticipated to increase in 2013, based on plans to expand the operations of a private education institution.

Against the backdrop of these real sector developments, a lower overall fiscal deficit is likely to be realised in 2013. This forecast is based on the assumption that the authorities will receive additional grant funding and reduce spending on capital programmes and outlays on goods and services in an effort to maintain fiscal sustainability. These spending cuts will be tempered by an increase in expenditure on personal emoluments which is likely to rise from additional retroactive salary increases which should be awarded in the second quarter of 2013. Additional grants are anticipated from bilateral donors, the European Commission's Banana Accompanying Measures (BAM) and the 10th European Development Fund (EDF).

In the external sector, the merchandise trade balance is likely to improve, contingent on lower imports and improved export earnings.

Gross receipts from travel are likely to be constrained by lower receipts from cruise visitors.

The near-term macroeconomic and financial outlook for Dominica remains uncertain, with significant downside risks. The current forecast of marginal real GDP growth is conditional on a gradual improvement in the global economy and the success of growth induced policies in key sectors such as agriculture and tourism. A



substantial departure from any of these conditions, and/or adverse weather may potentially erode a sustained upward trajectory of domestic output. Furthermore, volatility in grants and foreign direct investment inflows threaten macroeconomic stability.





## GRENADA

### Overview

Preliminary data indicated that economic activity in Grenada contracted during the first quarter of 2013, compared with the corresponding period in 2012; consistent with the tenuous global economic environment. This downturn was marked by a decline in the construction and manufacturing sectors along with the tourism industry. The consumer price index remained relatively unchanged during the first quarter of 2013, on an end of period basis. The central government's fiscal operations resulted in a widening of the overall deficit. The total outstanding public sector debt was above the level recorded at the end of December 2012. Developments in the banking sector were marked by an increase in monetary liabilities and a fall in domestic credit. Commercial banks liquidity position improved and the average spread between commercial bank lending and deposit interest rates remained relatively unchanged during the period under review.

The economic prospects for the remainder of 2013 are relatively favourable contingent upon higher implementation rate of both private and public sector investment programmes. Activity

in the tourism industry and construction sector, the leading growth drivers, are both projected to register positive growth for the rest of the year, based on construction projects set to be implemented and the opening of the Grenada Sandals La Source Resort later in the year. Agricultural output is forecasted to moderate. A combination of factors presents significant downside risks to the growth forecast; chief among them on the domestic side are administrative bottlenecks which hampers the implementation of projects and any further reduction in airlift capacity which could adversely affect stay over visitor arrivals. On the external side, deterioration in global economic activity could undermine the prospects for growth in Grenada.

### Output

Construction activity is estimated to have contracted, albeit at a slower pace than the comparable period of 2012. The decline was partly evidenced by a 5.8 per cent drop in the value of imported construction material and supported further by the reduction in commercial banks' credit for construction purposes. While both public and private sector construction activity showed a measure of

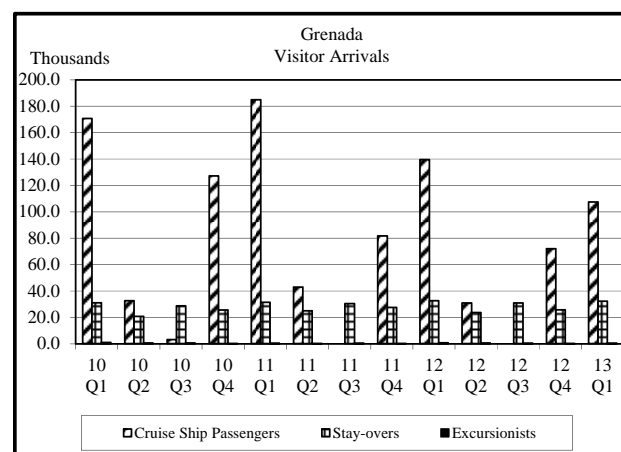


improved activity, these were insufficient to reverse the overall decline in the sector. Private sector construction was boosted by renovation and expansion works done at the Grenada La Source Sandals Resort, but works on private homes were limited mostly to repairs and renovations. Public sector activity focused on school repairs, renovation of other public buildings and some road works.

Output from the manufacturing sector declined in the first quarter of 2013, compared to the corresponding period of 2012, as production of some major commodities fell. Soft drink production, the largest contributor in the manufacturing sector, is estimated to have contracted by 1.7 per cent, with output moderating from the considerable increase recorded in the comparable period of 2012. Low domestic demand contributed to estimated reductions in the production of beer (2.4 per cent), paint (0.8 per cent), and toilet paper (2.7 per cent). The declines were partly offset by estimated increases in the production of flour (1.7 per cent), animal feed (2.6 per cent) and rum (2.9 per cent).

Activity in the tourism industry contracted, evidenced by a 19.3 per cent fall in the number of total arrivals to 140,688, on account of reduction in the number of stay-over visitor and

cruise passenger arrivals. Stay-over arrivals declined marginally by 0.8 per cent to 32,150, partly attributable to the high cost of travel, and reduced airlift. Decreases were recorded in the number of stay-over visitors from the UK (18.9 per cent) and the Caribbean (16.8 per cent). However, visitor arrivals from the USA recorded growth of 13.3 per cent, moderating the fall in the stay-over category. In the cruise-visitor category, passenger arrivals contracted by 23.0 per cent to 107,429 as ships were redeployed to other destinations. Yacht passenger arrivals decreased by 65.7 per cent to 476.

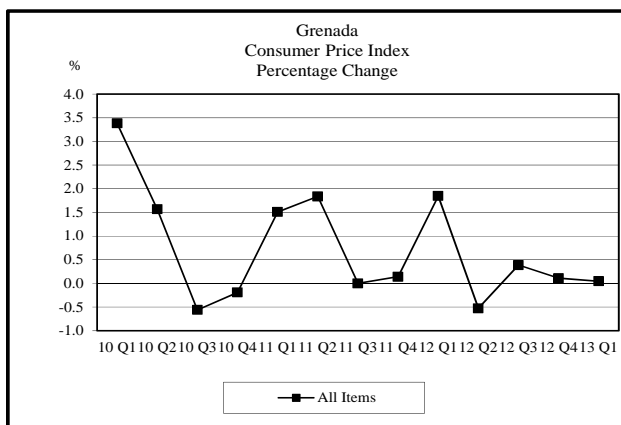


The overall contraction in economic activity was mitigated by an increase in output from the agricultural sector, attributable to higher yield from both traditional and short crops. Of the traditional crops, banana production expanded by 5.3 per cent to 1,622 tonnes, cocoa production rose 2.6 per cent, influenced by

higher prices on the global market and the success of plant recovery efforts. Meanwhile, nutmeg output was higher by 1 tonne to 94 tonnes for the period under review. Additionally, the volume of fish caught during the review period rose by 2.0 per cent to 1,058.0 tons.

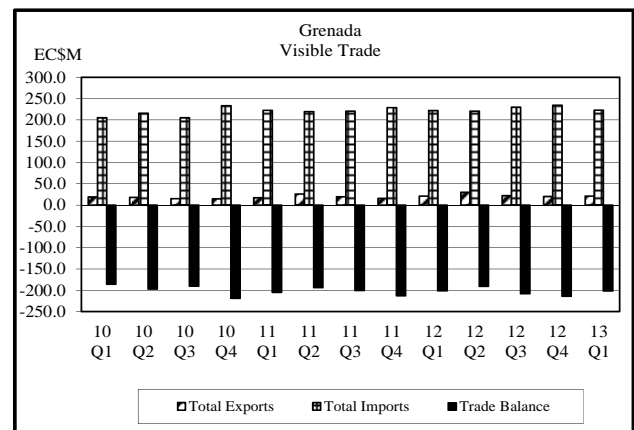
**Prices**

The consumer price index is estimated to have remained relatively unchanged compared to the end-December 2012 outturn, with all sub categories recording only negligible increases or decreases. Prices in the two heaviest weighted sub categories, Housing, Utilities, Gas & Fuels and Food & Non-Alcoholic Beverages rose by 0.2 per cent respectively; but these increases were offset by declines in other categories. Most notable of the categories that recorded a fall in prices was Transport, the third heaviest weighted category, which marginally fell by 0.9 per cent.



**Trade and Payments**

A merchandise trade deficit is estimated to have recorded an increase to \$201.4m in the first quarter of 2013, slightly up from one of \$200.8m in the comparable period of 2012. The marginally higher deficit was attributed to a slight increase of \$0.9m in the value of imports, indicative of the slow economic environment in Grenada. The value of total exports rose by \$0.3m, reflecting in part a softening in demand for Grenada’s domestic exports.



Estimated tourist expenditure receipts fell by 3.8 per cent to \$92.9m on account of the contraction in total visitor arrivals. Commercial bank transactions resulted in a net outflow of \$53.3m in the first quarter of 2013, following an outflow of \$32.3m recorded at end-December 2012, due to a combination of external asset build-up and a reduction of liabilities in other ECCB territories.



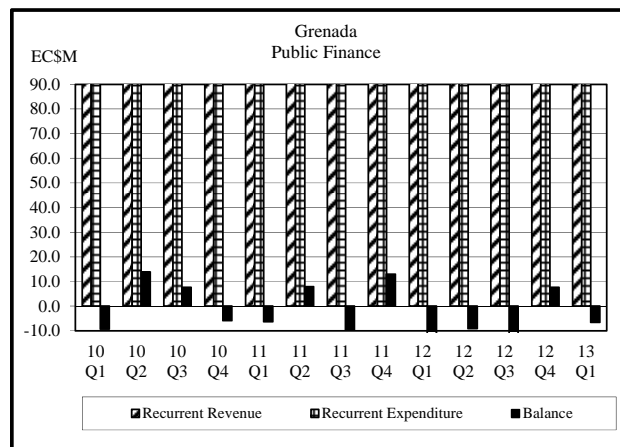
External loan disbursements to the central government amounted to \$10.9m during the review period, compared with a \$4.9m outturn during the corresponding period of 2012; while repayments on external debt were lowered to \$6.4m from \$8.8m in the first quarter of 2012.

### Central Government Fiscal Operations

Central government fiscal operations resulted in an overall deficit of \$36.0m for the first quarter of 2013, up from one of \$34.6m in the comparable period of 2012. The increase in the deficit stemmed mainly from a 26.8 per cent (\$6.4m) rise in capital expenditure, linked to higher public sector capital spending. The primary deficit more than doubled to \$23.8m, up from \$10.2m in the first three months of 2012.

The current account deficit fell by 60.0 per cent to \$6.5m, primarily attributable to a 15.0 per cent (\$18.6m) decrease in current expenditure to \$104.9m, partially influenced by the constraints of lower revenue collection and the non-payment of some interest obligations. Consequently, the decline in current expenditure was led by a 49.8 per cent fall in interest payments (\$12.2m) mainly on external loans, following the formal announcement of debt restructuring. Outlays for goods and services

were estimated to have declined by 12.4 per cent to \$20.1m, largely reflecting the impact of the implementation of some expenditure reducing measures to contain this category of expenditure. Expenditures on transfers and subsidies declined by 12.0 per cent to \$16.8m, influenced by fiscal constraints and on-going consolidation of social programmes. Spending on personal emoluments fell by 2.2 per cent (\$1.3m) to \$55.8m.



Current revenue was reduced by 8.2 per cent to \$98.4m in the review period. Tax revenue fell by 7.4 per cent to \$94.5m, as a result of reduced collections from all tax types, a consequence of the contraction in economic activity. Taxes on income and profits decreased by 22.0 per cent (\$4.0m), mainly due to reduced earnings from companies and corporations as their profit margins were reduced. Receipts from taxes on international trade and transactions declined by 7.2 per cent (\$2.1m), mainly attributable to a



reduction in imports, consistent with the decline in economic growth. Revenue from taxes on property was lower by 22.1 per cent (\$1.1m) and from domestic goods and services by 0.8 per cent (\$0.4m). Non-tax revenue also recorded a decline, falling by 23.0 per cent (\$1.2m), attributable to fall-offs in licenses, administrative fees and service charges.

Capital grants recorded a considerable decline of 87.0 per cent to \$0.7m, from \$5.6m recorded in the 2012 comparable period, due mainly to a contraction in funds received from Petrocaribe and other usual sources of grant funds.

### **Public Sector Debt**

The total outstanding debt of the public sector was estimated at \$2,420.4m at the end of March 2013, up from \$2,058.7m at the end of December 2012. The central government stock of debt, which accounts for roughly 85.0 per cent of the total public sector debt, grew by 1.7 per cent to \$2,048.4m, reflecting a 4.5 per cent (\$34.2m) increase in domestic debt. The external debt at \$1,330.3 was relatively unchanged from the \$1,330.8m recorded at the end of 2012, consistent with the authority's declaration of its inability to service mainly its external debt obligations and an announcement of debt restructuring. The disbursed outstanding

debt of statutory bodies remained unchanged at \$372.1m.

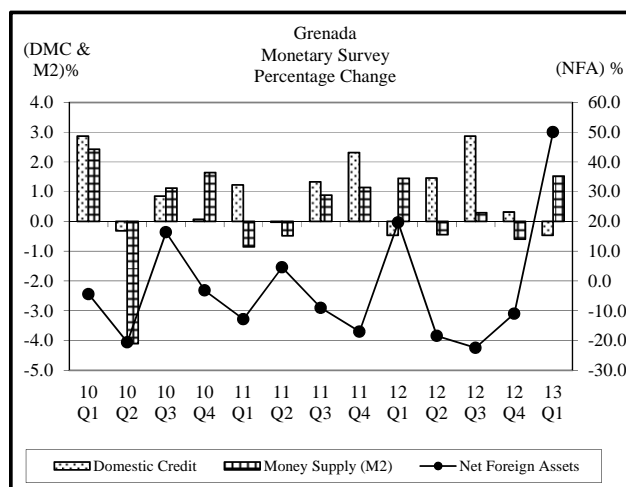
### **Money and Credit**

Broad money (M2) provisionally rose by 1.5 per cent to \$1,890.6m during the first quarter of 2013 supported mainly by a 1.8 per cent expansion in quasi-money. Of the components of quasi-money money, increases were recorded in private sector savings deposits by 3.0 per cent which overwhelmed the declines recorded for foreign currency deposits (1.6 per cent) and time deposits (1.3 per cent). Currency with the public and EC\$ Cheques and Drafts contracted by 3.9 per cent and 13.8 per cent respectively, however, a 3.2 per cent rise in private sector demand deposits led to a net marginal increase in narrow money of 0.3 per cent.

Domestic credit fell by 0.5 per cent to \$1,848.7m largely influenced by a 25.7 per cent increase in the net deposit position of non-financial public enterprises. Private sector credit recorded a negligible decrease of 0.1 per cent (\$1.1m), as a 0.8 per cent (\$5.0m) increase in credit to businesses was tempered by declines in credit to non-bank financial institutions of 27.5 per cent (\$4.1m) and households of 0.2 per cent (\$2.0m). Net claims on the central government expanded by 5.6 per cent (\$6.0m), mainly



attributable to a 19.5 per cent (\$6.2m) increase in loans from the Central Bank.



The distribution of credit by economic activity indicated that loans for personal use the largest category of lending, rose slightly by 0.2 per cent (\$1.8m), supported mainly by growth of 0.2 per cent (\$1.1m) in loans for property acquisition. Credit for tourism related activity recorded a sizable increase of 13.9 per cent (\$18.2m) partly in support of major works being undertaken at a hotel plant. Increases in credit were also recorded for agriculture and fisheries (3.0 per cent), and distributive trade (0.9 per cent), while credit for construction contracted by 7.2 per cent, consistent with the continued decline in the sector.

The net foreign assets of the banking system rose markedly by 50.1 per cent to \$170.7m

compared to a 19.7 per cent increase during the similar period of 2012. The expansion was driven by developments related to commercial bank transactions which led to a reduction in liabilities. A net foreign liabilities position of \$113.7m was recorded at the end of March 2013, representing a 32.9 per cent (\$53.3m) reduction from the net liability position at the end of December 2012. The reduction was driven by a combination of a fall in liabilities in other ECCB territories and an accumulation of foreign assets. Grenada's imputed share of the central bank reserves rose by 1.3 per cent to \$284.4m.

Liquidity in the commercial banking system rose slightly during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities marginally increased by 1.2 percentage points to 26.2 per cent at the end of March 2013. The ratio of loans and advances to total deposits was 83.5 per cent, roughly 1.0 percentage point below the level at the end of 2012. The weighted average interest rate on loans was slightly lower by 0.04 percentage points to 9.19 per cent; similarly, the weighted average deposit rate fell by 0.05 percentage points to 2.63 per cent, leaving the interest rate spread relatively unchanged from its end December 2012 position of 6.52 per cent.



## Prospects

Grenada's economy is forecast to return to positive growth for the rest of the year, reversing the decline recorded in the first quarter of 2013. This forecast is based on projections for improved performance in the two major economic drivers; a mild resurgence in construction and an uptick in tourism activity, particularly in the stay over category. The known construction projects implementation schedules for both public and private sectors hint at increased activity in this industry for the rest of the year. On the private sector side, the continued works on the renovation and expansion of the Grenada Sandals La Source Resort, the new National Insurance Scheme building in St. George's and the resumption of some works at Bacolet Bay Resort are a few of the projects which will positively impact construction activity for 2013. Major contributions to construction coming from the public sector investment programme include the start of Phase II of the Agriculture Feeder Roads Project and the National Athletics and Football Stadium. The new Sandals Resort at La Source is scheduled to open in time for the beginning of the winter tourist season later this year and this combined with expectations for increased airlift to the island, is projected to result in a higher number of stay-over arrivals for 2013. A

projected growth in the student body at St George's University is likely to also stimulate growth in the services sector. The multiplier effect from these developments is expected to impact positively on other areas of the economy such as wholesale and retail trade, real estate and transportation. Output in the agricultural sector is projected to moderate as production normalises in some crops, bananas and cocoa.

On the fiscal side, tax receipts could be compromised by the authority's announcement of increased concessions particularly aimed at stimulating construction activity. However, the reintroduction of a Citizen by Investment Programme beginning at the middle of the year could result in increases in non-tax revenue which could offset the losses from the increased tax concessions. On the expenditure side, the Government's effort at fiscal consolidation is expected to result in a decrease in current expenditure on goods and debt servicing through debt restructuring. Furthermore, the authority has announced a freeze on net hiring. The combination of the current revenue and expenditure measures could lead to a realisation of a current account surplus in contrast to the outturn in 2012. However, the recently announced commitment to honour the agreed salary increases and back pay to teachers and public servants scheduled to be paid by end May



and again in November 2013 could severely undermine the fiscal position of the Grenada government. In the external sector, the merchandise trade deficit is projected to increase due largely to a higher level of imports to support the uptick in economic activity, particularly in tourism and construction. Gross inflows from travel are likely to rise, largely as a result of growth in stay-over arrivals.

Risks to these projections are skewed to the downside, and can be exacerbated on the domestic front by slow implementation rates of both public and private sector construction projects. Additionally, if airlift capacity does not

improve during the course of the year as expected, then this can adversely affect tourism performance by severely limiting stay over arrivals. Furthermore, persistent weaknesses in developed economies, particularly the USA and the Euro-area, could rein in the growth potentials in Grenada. Moreover, it must be appreciated that cumulative real GDP losses in Grenada since the beginning of the crisis in 2008 is roughly 7.7 per cent; therefore while economic conditions could improve somewhat in the coming months, the projected level of growth will still be well below what is required to restore output to pre-crisis levels.





## MONTSERRAT

### Overview

Economic activity in Montserrat is provisionally estimated to have increased in the first quarter of 2013, relative to that in the corresponding period in 2012. The increase in economic activity was fueled by positive value added in major sectors such as construction and agriculture and the tourism industry. The consumer price index declined by 0.4 per cent on an end of period basis. The merchandise trade deficit is estimated to have widened as a consequence of larger import payments coupled with a reduction in export earnings. Central government's fiscal operations resulted in a reduction in the overall deficit due to lower levels of current expenditure and higher grant inflows. Total outstanding public sector debt fell during the period under review. In the banking system, monetary liabilities and private sector credit fell while net foreign assets grew. Commercial bank liquidity rose and the weighted average interest rate spread between loans and deposits widened.

The economic prospects for the remainder of 2013 are positive based on the expectation of increased public sector spending. The rise in public spending would likely fuel higher levels

of construction activity as well as increase value added in the mining and quarrying and the transport, storage and communications sectors. Downside risks to this projection include a slower than anticipated global recovery, continued threat of volcanic activity and continued weakness in the UK economy, which may delay budgetary assistance.

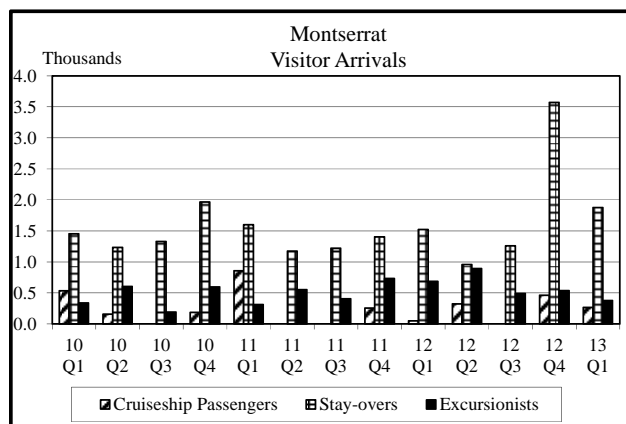
### Output

In the construction sector, activity is estimated to have expanded driven by developments in the public sector. Capital expenditure more than doubled to \$21.7m, reflecting works on the Davy Hill Housing Development, Carrs Port Bay Development and road improvement projects. The total number of new construction starts remained unchanged at 6 while the value declined by 27.0 per cent to \$1.5m. In addition, commercial bank credit to the construction sector increased by 1.8 per cent. In the mining and quarrying sector, the volume of volcanic aggregate and sand produced is estimated to have increased by 26.6 per cent to 25,701 tonnes mainly to supply the domestic market as exports fell.

Agricultural output is estimated to have increased during the period under review largely



due to higher crop and livestock production. Output from the livestock subsector is estimated to have risen by 4.1 per cent owing to increased production of poultry, beef and mutton.



Value added in the tourism industry is estimated to have increased in the first three months of 2013. The total number of visitors increased by 6.5 per cent to 3,150 based on robust performance of the two major categories of visitor arrivals. Stay-over visitor arrivals rose by 23.4 per cent to 1,877 largely reflecting increases in the major source markets of the UK (56.8 per cent), the USA (11.1 per cent), and the Caribbean (2.4 per cent). There was also a 47.3 per cent increase in stay-over visitors from Canada. In the cruise category, passenger arrivals rose to 266 from 51 in the corresponding period of 2012, as cruise ship

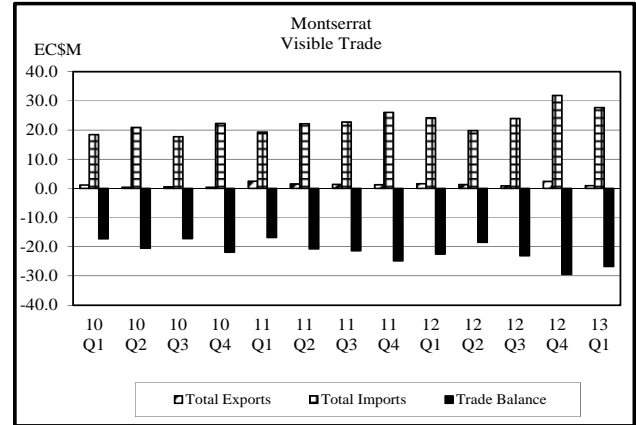
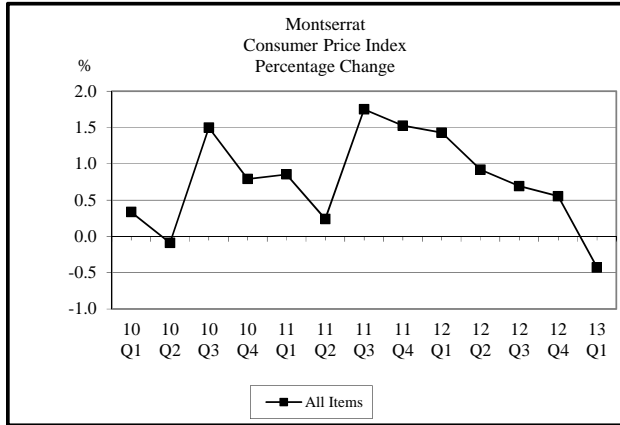
calls increased to 2. Yacht passengers and excursionists declined by 45.2 per cent and 9.9 per cent respectively. Consequently, the positive outturn in the tourism industry contributed to an expansion in the wholesale and retail trade and transport, storage and communications sectors.

Value added in public sector administration, the largest contributor to GDP, is estimated to have fallen due to lower spending on transfers and subsidies.

### Prices

The consumer price index declined by 0.4 per cent, during the first three months of 2013, compared with an increase of 1.4 per cent during the first quarter of 2012. This outturn was largely attributable to declines in the services (3.3 per cent) and the clothing and footwear (0.2 per cent) sub-indices. By contrast, the food sub-index, the largest weighted in the consumer basket, grew by 0.5 per cent. Other increases were recorded for the household goods sub-index (0.5 per cent) and the alcohol and tobacco sub-index (1.5 per cent).





### Trade and Payments

The merchandise trade deficit widened to \$26.8m in the first quarter of 2013 from \$22.5m in the comparable period of 2012. The widening of the deficit was mainly due to a 14.8 per cent rise in import payments to \$27.7m mainly associated with higher imports of mineral fuels, machinery and transport equipment, and food and live animals. In addition, the value of exports fell by 40.4 per cent to \$1.0m mainly associated with lower aggregate export. Gross travel receipts grew by 25.1 per cent to \$5.9m in line with the increase in stay-over visitor arrivals. Commercial bank transactions resulted in a net outflow of \$21.1m in short-term capital in contrast to a net inflow of \$4.5m during the first quarter of 2012. Current grant inflows rose by 6.3 per cent (\$0.8m) while capital grant almost doubled to \$19.8m.

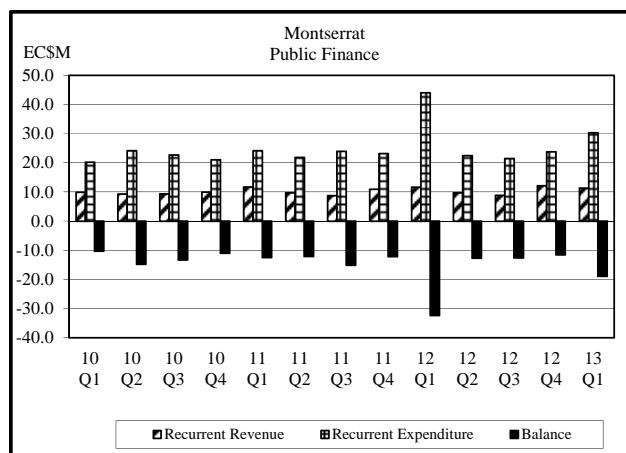
### Central Government Fiscal Operations

The fiscal operations of the central government resulted in a decline in the overall deficit to \$7.2m in the first quarter of 2013, relative to one of \$19.9m in the corresponding period of 2012. This improvement in the fiscal performance mainly reflected a significant reduction in current expenditure along with higher levels of grant inflows. Consequently, both the current account and primary deficits narrowed to \$5.3m and \$7.2m respectively. The overall deficit was financed from domestic sources.

Current expenditure fell by 31.2 per cent to \$30.3m as spending reverted to normal levels after last year’s spike due to the settling of outstanding payments to the Social Security Fund. Consequently, outlays on transfers and subsidies declined by 57.0 per cent to \$11.2m,



of which pension payments totaled \$2.7m compared with \$21.0m for the comparable period last year. Expenditure on personal emoluments contracted by 1.1 per cent to \$10.5m primarily associated with a reduction in short-term employment. Those declines were only partially offset by a 17.4 per cent increase in spending on goods and services due to higher outlays on furniture and equipment and training.



Current revenue decreased by 2.6 per cent to \$11.3m due to contractions in the yield from taxes on income and profits (9.5 per cent) and on domestic goods and services (.5.4 per cent). The drop in the intake from taxes on income and profits was mainly as a result of an 8.8 per cent fall in personal income taxes, while the decline in receipts from taxes on domestic goods and services was as a result of lower revenue collection from licenses and stamp duties. On the other hand, tax revenue on international trade and transactions grew by 0.7 per cent to

\$3.7m reflecting higher intake from both the import duty and the custom service charge associated with greater imports. Non-tax revenue increased by 10.2 per cent to \$1.8m.

Budgetary aid totaled \$33.4m in the first quarter of 2013, which was \$10.5m above the amount received in the comparable period of 2012. As a result capital expenditure more than doubled to \$21.7m, with a considerable amount being spent on geothermal exploration.

### Public Sector Debt

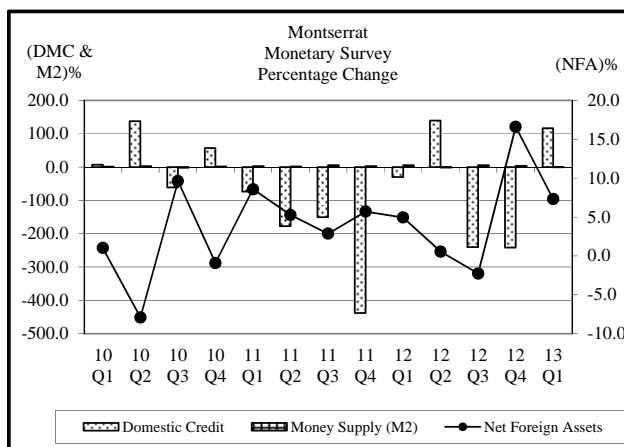
The stock of outstanding public sector debt is estimated to have declined by 1.7 per cent to \$7.3m at the end of March 2013. Declines were recorded in both central government and public corporations debt by 1.6 per cent and 1.7 per cent respectively, mainly reflecting amortized payments.

### Money and Credit

Broad money (M2) declined by 0.8 per cent to \$219.0m during the first quarter of 2013 as a result of a contraction in narrow money (M1). M1 fell by 7.4 per cent to \$43.9m solely reflecting a 17.6 per cent reduction in currency with the public. Of the other components of M1, private sector demand deposits grew by 7.9 per cent and EC\$ cheques and drafts issued rose



by 19.8 per cent. Quasi money rose by 1.0 per cent to \$175.1m, lower than the increase of 3.2 per cent during the first quarter of 2012. This outturn was driven by growth in all components; private sector saving deposits (0.1 per cent), private sector time deposits (4.5 per cent) and private sector foreign currency deposits (8.4 per cent).



The net deposit position of commercial banks increased during the first quarter of 2013 mainly due to a rise in government deposits. The net deposit position of government rose by 25.7 per cent to \$80.9m, largely on account of increased grant inflows. Non-financial public enterprises reduced their deposits with commercial banks by 10.3 per cent during the review period. Domestic credit to the private sector fell by 8.2 per cent primarily on account of a 10.5 per cent reduction in borrowing by households tempered by a 7.5 per cent increase in business loans.

An assessment of the distribution of credit by economic activity indicates that of the major categories, increases in outstanding loans were recorded for distributive trades (16.5 per cent), acquisition of property (12.7 per cent), construction (1.8 per cent) and tourism (1.4 per cent). By contrast, credit for other personal use contracted by 58.9 per cent to \$6.5m.

The net foreign assets of the banking system rose by 7.3 per cent to \$299.2m compared with an increase of 4.9 per cent during the first quarter of 2012. The expansion was driven by an 11.0 per cent increase in the net foreign assets of commercial banks, largely reflecting growth in assets with institutions outside of the Eastern Caribbean Currency Union. Meanwhile, Montserrat’s imputed reserves with the Central Bank fell by 0.9 per cent to \$85.9m due to a reduction in assets.

Liquidity in the commercial banking system rose during the first three months of 2013. The ratio of liquid assets to total deposits plus liquid liabilities increased by 1.5 percentage points to 86.5 per cent. The ratio of loans and advances to total deposits declined to 22.6 per cent from 24.1 per cent at the end of December 2012.

The spread between the weighted average interest rate on loans and deposits widened to 5.91 per cent from 5.78 per cent at the end of 2012. The weighted average interest rate on loans increased by one basis point to 7.99 per cent while that on deposits declined by 11.0 basis points to 2.08 per cent.

### Prospects

Positive economic growth is expected to be realized in 2013, premised on an uptick in public sector capital spending and improved performance of the agricultural sector as well as the tourism industry. Public sector capital spending is projected to increase in line with the commitment from the Department for International Development (DFID) to raise budgetary aid. As a result, public sector construction is likely to expand and will include works on the Hospital Redevelopment, Little Bay Port Development, Davy Hill Housing Development and road rehabilitation. Substantial capital investment will also be made in the exploitation of geothermal energy.

Output in the agricultural sector is expected to increase as efforts toward livestock and vegetable production intensify. In the tourism industry, new institutional arrangements are likely to positively impact the industry. The

activities of the Tourism Board, the Montserrat Cultural Center, the National Trust and related organizations will be merged into one institution which is expected to improve operations and efficiency. The Tourism Development Plan (TDP-4) is expected to be rolled out during the year and will likely focus on core areas such as diversification of the tourism product, upgrading the quality and service standards of the product and undertake cost effective destination marketing. These initiatives along with a more reliable ferry service and improvement in the global economy are expected to strengthen activity in the tourism industry.

The fiscal operations of the central government are likely to result in a lower overall deficit as grant inflows are expected to increase. Montserrat DFID office has pledged an increase in budgetary aid for the fiscal year 2013/2014 which would ease pressures in meeting rising pension costs, on-going liabilities and capital replacement costs. A number of services such as hospital laundry, catering and security services will be outsourced during the year, which may lead to a reduction in recurrent expenditure.

In the external sector the merchandise trade deficit is expected to widen as import payments continue to rise to support the anticipated



expansion in economic activity. Inflationary pressures are expected to be contained as only moderate increases in global commodity prices are anticipated.

The growth prospects for the economy of Montserrat will be challenged by developments in the global economy, in particular the UK

economy. A slow recovery or a recurring recession in the UK will likely affect the amount of grant funding received, which has implications for government spending. Other downside risks to growth include the continued threat of volcanic activity and the slow implementation of public sector projects.



## ST KITTS AND NEVIS

**Overview**

Preliminary data suggest that economic activity in St Kitts and Nevis declined in the first quarter of 2013. This decline resulted from continued contractions in the construction sector and estimates of lower activity in the hotels and restaurants and manufacturing sectors. Consumer prices fell by 0.6 per cent, on an end of period basis. The fiscal operations of the Federal Government resulted in an overall surplus. The total outstanding public sector debt of the Federal Government fell during the period under review. In the banking system, monetary liabilities and net foreign assets increased while domestic credit fell. Commercial bank liquidity rose and the weighted average interest rate spread between loans and deposits widened.

Economic activity is expected to improve in 2013 relative to 2012 premised on expectations of a bottoming out and subsequent rebounding of the construction sector and a return to positive growth in the manufacturing sector and the tourism industry. Agricultural output, which suffered in 2012 from late planting due to heavy rains, is showing signs of rebounding, as re-planting efforts have borne fruit as evidenced by

increased output. Public sector construction activity will be driven mainly by road and drainage works in Basseterre and rehabilitation of the Dr Kennedy Simmonds highway in St Kitts, while in the private sector, work on major developments including the commercial park at Golden Rock, the Imperial Bay Beach and Golf Residence and the expansion of the Four Seasons Resort in Nevis bode well for the sector. Expectations of positive value added in the tourism industry, are contingent on the successful implementation of a new Tourism Master Plan for St Kitts and the introduction of new and expansion of existing cruise lines at the start of the 2013/2014 season. Positive growth in the manufacturing sector will be contingent on successful completion of rules of origin statutes for select goods which is a precursor to eventual full implementation of the Partial Scope Agreement with Brazil. The agreement when fully implemented will redound to the benefit of the manufacturing sector by improving the competitiveness of the country's exports to Brazil.

The fiscal operations of the Federal Government are projected to benefit from both high levels of revenues associated with the Citizenship by





Investment Program and the containment of expenditure outlays as espoused by the standby arrangement with the IMF. Risks to this outlook stem from further delay in full implementation of the Partial Scope Agreement with Brazil and a failure of work on tourism related projects to continue.

## **Output**

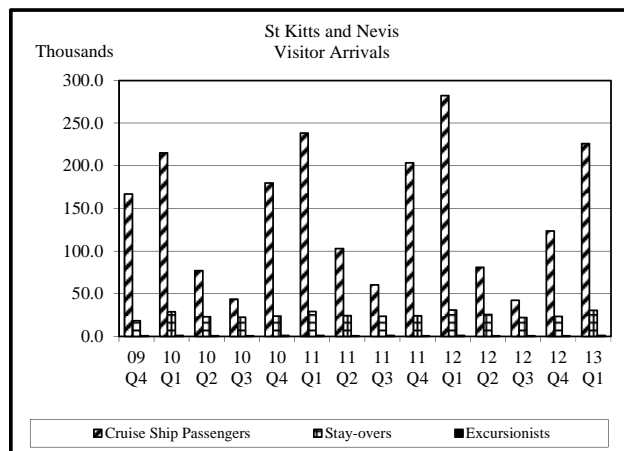
Activity in the construction sector, is estimated to have declined in the first quarter of 2013. This decline is attributed to reduced public sector spending and weak private sector construction activity. In the public sector, capital outlays declined by 42.1 per cent in the review period and were limited to road and drainage works in both St Kitts and in Nevis. In the private sector, work on the first phase of a new commercial park at Golden Rock and continued activity on existing tourism related projects such as the Silver Reef Development, where work on 18 new apartments were started and Kittitian Hill where efforts to complete 84 cottages in this project's first phase moderated the pace of contraction in the sector. A 27.6 per cent decline in the importation of building materials, a proxy for developments in the sector, was also indicative of the contraction in the sector.

The performance of the manufacturing sector is also estimated to have declined in the review period on account of lower levels of exports of machinery and transport equipment (16.3 per cent) and miscellaneous manufactured articles (12.9 per cent) which both serve as proxies for developments in that sector.

Value added in the hotels and restaurants sector, a proxy measure of tourism activity, is estimated to have declined in the first quarter of 2013. This fall in activity reflects lower arrivals from both the cruise and stay-over categories. Stay-over arrivals fell by 0.7 per cent to 30,759 in the first quarter of 2013 in contrast to a 5.5 per cent increase in the first quarter of 2012 while arrivals of cruise passengers fell by 19.9 per cent (56,293) compared with an increase of 18.5 per cent (43,983) in the comparable period of 2012. The fall in the number of stay-over visitors was driven a 21.5 per cent (125) contraction in the number of visitors from Europe (excluding the United Kingdom) and a 4.1 per cent (881) fall in the number of arrivals from the United States of America to 20,463. The number of visitor arrivals however from other major source markets such as the Caribbean, United Kingdom and Canada rose by 7.5 per cent, 5.3 per cent and 7.0 per cent respectively. The fall in the number of arrivals from the United States of America occurred



despite an increase in the number of flights to the Federation in the first quarter of 2013 by major USA airline carriers. Cruise ship passenger arrivals fell by 19.9 per cent (56,303) to 226,117 as a result of fewer calls to the Federation. This in turn could be indicative of a bottoming out of growth in the cruise sector following strong quarter on quarter growth in the previous years. Meanwhile the number of excursionists rose by 11.8 per cent to 1,121.



Those declines however were partially mitigated by positive growth in the agriculture and wholesale and retail trade sectors.

Developments in the agriculture, livestock and forestry sector were positive, as output of crops and other livestock expanded, reflecting the increased use of shade and greenhouses and the absence of adverse weather conditions which hampered output in the comparable period of

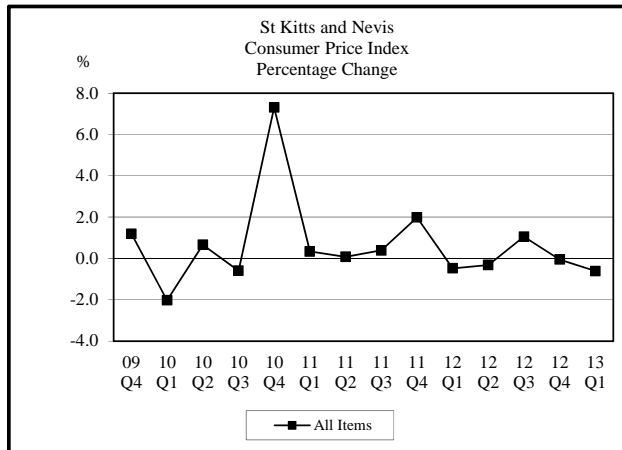
2012. Total crop production rose by 18.6 per cent, attributable to increases in the production of tomato (137.0 per cent), pumpkin (124.0 per cent) and sweet pepper (82.3 per cent). The developments in crop production were due to a rebound following a replanting drive during 2012. Livestock production was mixed with goat output estimated to have increased by 126.4 per cent on account of fewer reported incidents of attack by stray dogs while lower output of beef (12.1 per cent) and pork (1.0 per cent) were recorded. Other livestock production, namely fish increased by 5.6 per cent to 82,400kg.

## Prices

Inflation pressures fell during the first quarter of 2013 as the consumer price index (CPI) declined by 0.6 per cent compared with a fall of 0.5 per cent in the corresponding period of 2012. The largest contributing factors to this decline were decreases in the education (7.5 per cent) and transport (2.4 per cent) sub-indices. A fall in prices of tuition and room and board at regional and international universities and lower prices of air travel to the United States of America was the main factors driving the movement in the education and transport sub-index respectively. The major sub-indices which contributed positively to inflation



pressures were: the food and non-alcoholic beverages (1.3 per cent), clothing and footwear (0.8 per cent) as well as the hotels and restaurants (0.7 per cent) sub-indices.

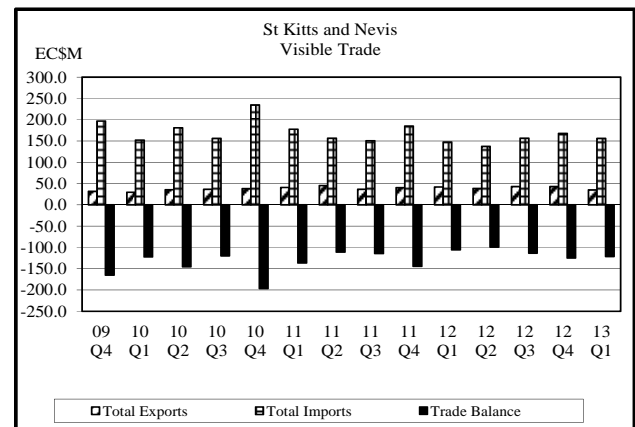


**Trade and Payments**

A merchandise trade deficit of \$121.1m was estimated in the first quarter of the year compared with one of \$105.7m in the corresponding 2012 period. This outturn was the result of an increase in the level of imports coupled with a decline in the level of exports. The rise in the level of imports was driven primarily by developments in the manufacturing and manufacturing related sectors while export performance can be attributed to lower export of machinery and transport equipment.

Gross travel receipts are estimated to have fallen by 3.4 per cent to \$80.4m in the first quarter of 2013, in line with a marked decline in cruise

ship passenger arrivals. The transactions of commercial banks resulted in a net outflow of \$10.6m in short term capital during the review period, in contrast to an inflow of \$14.1m in the corresponding 2012 period. This development was driven by an increase in the external asset position of commercial banks. External disbursements received in the first quarter of the year amounted to \$3.8m compared with \$52.6m in the corresponding period of 2012, while external principal repayments totalled \$6.7m compared with \$63.8m in the first quarter of 2012. The decline in disbursements and principal payments in the review period reflect the abnormally high financing activity in the first quarter of 2012 associated with the receipt of IMF disbursements and high debt repayments prior to the completion of debt restructuring.

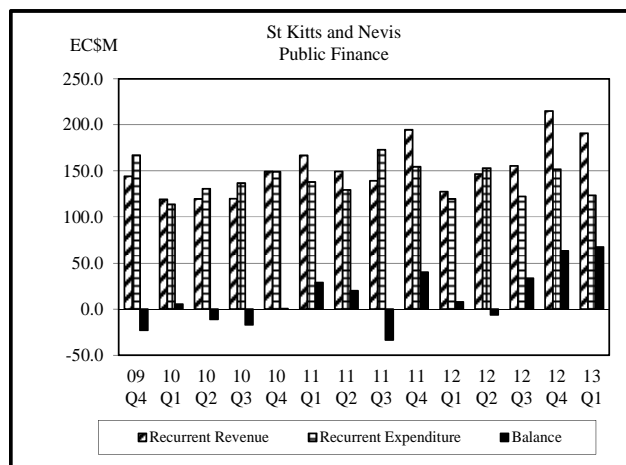


**Federal Government Operations**



The fiscal operations of the Federal Government resulted in an overall surplus of \$67.8m in the first quarter of 2013, compared with one of \$4.1m in the corresponding 2012 period. This improvement in the overall balance was influenced mainly by developments on the current account as revenue performance exceeded growth in expenditure outlays. Capital expenditure fell in the review period consistent with fiscal consolidation efforts and a general containment of expenditures associated with the use of supplementary budgets in the absence of a 2013 Budget during the first quarter of 2013. The Budget was passed in Parliament on 09 April 2013.

\$94.9m buoyed by continued success in the number of successful applications under the citizenship by investment program and the introduction of revenue sharing arrangements in the third quarter of 2013 between the Sugar Industry Diversification Fund (SIDF) and Federal government. Tax revenue expanded by 0.1 per cent, attributable to increased receipts from taxes on domestic goods and services (4.9 per cent) and international trade (11.1 per cent). The increase in tax revenue was offset by lower collections of taxes on income and profits (18.7 per cent). Collections of taxes on domestic goods and services rose largely due to increased stamp duty receipts associated with higher land sales while improved collections of taxes on international trade reflect higher excise tax collections. Tax receipts on income and profits fell on account of lower company receipts reflecting declining profitability of domestic companies during 2012. Consistent with an estimated decline in economic activity collections from the VAT declined by 1.4 per cent and totalled \$37.1m in the first quarter of 2013, compared with \$37.7m in the corresponding period of 2012.



Current revenue rose by 49.9 per cent to \$190.8m in the first quarter of 2013, due primarily to increased collections of non-tax revenues. Non-tax revenue collections tripled to

Current expenditure rose by 3.3 per cent to \$123.4m in the review period in contrast to a decline of 13.5 per cent in the first quarter of 2012. The largest contributing factor to this



turnaround was the increase in outlays on good and services, which increased by 23.6 per cent (\$5.0m) partially reflecting the payment of fees to debt and legal advisors associated with the debt restructuring efforts. Mitigating the increase in current expenditures was a 2.4 per cent decline in outlays on personal emoluments and wages associated with a policy of attrition and wage and hiring freezes in the public service.

Capital expenditure outlays fell by 42.1 per cent to \$4.9m in the first quarter of 2013, primarily on account of the curtailment in the implementation of projects as part of fiscal consolidation efforts.

On a disaggregated basis the overall surplus of the central government estimated at \$60.3m, represented a significant increase over the outturn of \$5.4m recorded in the first quarter of 2012. Current account transactions largely accounted for this development as the current account balance surplus widened to \$62.4m in the review period, from \$7.4m in the corresponding period of 2012. Recurrent revenues rose by 66.4 per cent to \$164.0m mainly due to higher collections of non-tax revenues. Collections of taxes on international trade and transactions increased by 18.8 per cent (\$3.2m), reflecting positive growth in

collections of excise (\$1.3m) and customs service charges (\$0.6m). Revenues from taxes on domestic goods and services rose by 5.1 per cent (\$2.0m), due to increased collections of stamp duties (\$2.2m) and the island enhancement levy (\$1.1m) but were offset by lower VAT receipts (\$0.8m). VAT collections totalled \$27.5m in the first quarter of 2012, compared with \$28.3m in the corresponding period of 2012. The performance of non-tax revenues had the largest influence on the fiscal operations of the Central Government in the review period, with collections tripling to \$88.2m from \$25.1m in the comparable 2012 period. This outturn is due mainly to increased collections of governments fees associated with the Citizenship by Investment Program and the introduction of a revenue sharing arrangement between Central government and the Sugar Industry Diversification Fund (SIDF).

Current expenditure over the review period grew by \$10.5m to \$101.7m in the first quarter of 2013 reflecting increased outlays on goods and services (\$8.7m), interest payments (\$1.9m) and transfers and subsidies (\$1.2m). Growth in outlays on goods and services is consistent with payments to legal and debt advisors associated with the restructuring of the Federal Government's debt while higher interest payments reflect the resumption of debt



servicing albeit on restructured terms. Capital expenditure declined by 42.3 per cent (\$2.8m) to \$3.8m, reflecting fiscal consolidation efforts and was focused on road rehabilitation in Basseterre and its environs.

The fiscal operations of the Nevis Island Administration (NIA) improved in the first quarter of 2013, as an overall surplus of \$7.5m was recorded compared with a deficit of \$1.3m in the corresponding 2012 period. This development was mainly a result of an improved current account position. On the current account, the decline in current expenditure exceeded that of current revenue, resulting in the surplus increasing to \$5.1m in the first quarter of 2013 compared with \$0.5m in the corresponding quarter of 2012. Current revenue declined by 6.8 per cent to \$26.8m, largely on account of reduced collections of taxes on income and profits (43.4 per cent) and taxes on international trade (17.3 per cent). Current expenditure fell by 23.1 per cent, on account of declines in goods and services (59.5 per cent) and interest payments (1.8 per cent). The decline in goods and services outlays reflect abnormally high expenditures in the first quarter 2012 which were associated with payments to the Nevis Electricity Company Limited while lower interest rates outlays reflect non-payment of interest payments to several creditors in

instances where negotiations remain pending. Personal emoluments and wages, which is the largest expenditure item, remained relatively unchanged at \$13.5m in the first quarter of 2013. Capital expenditure fell by 41.0 per cent (\$0.7m), with activity being concentrated on the rehabilitation of the Hamilton roads.

### **Public Sector Debt**

The total disbursed outstanding debt of the public sector remained relatively unchanged at \$2,657.6m in the first quarter of 2013 compared with \$2,682.5m at end December, 2012. The outstanding debt of the central government, which accounted for 80.7 per cent of total debt, fell by 0.1 per cent to \$2,145.8m, while that of the public sector corporations also declined, falling by 0.1 per cent to \$511.8m. External debt which represents 30.4 per cent of public sector debt fell by 16.8 per cent to \$808.8m. The non-accumulation of debt by the Federal Government is consistent with structural reforms aimed at fiscal consolidation under the 'home grown' IMF supported programme. The debt of the central Government is expected to be reduced by \$530.0m upon the completion of a debt for land swap between the Government and the St Kitts -Nevis - Anguilla National Bank (SKNANB).



## Money and Credit

Monetary liabilities (M2) rose by 0.4 per cent to \$2,259.4m in the first quarter of 2013, compared with a decline of 0.4 per cent in the corresponding 2012 period. This increase reflects a 0.4 and 0.3 per cent rise in the money supply (M1) and quasi money respectively. The outturn in M1 reflects higher levels of currency with the public (8.4 per cent) and a decline in the use of cheques and drafts (41.8 per cent). The other component of M2, quasi money, rose on account of increased levels of private sector savings (10.8 per cent) and was tempered by lower levels of private sector time (0.3 per cent) and foreign currency deposits (2.1 per cent).

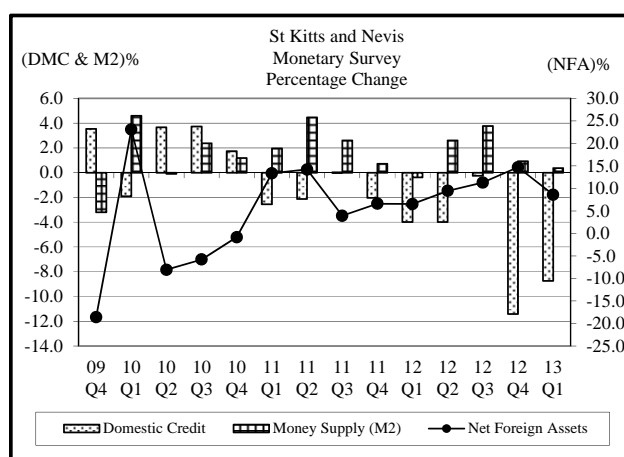
Domestic credit continued to contract, falling by 8.7 per cent in the review period to \$1,272.5m, compared with a decline of 4.0 per cent in the first quarter of 2012. This decline was influenced primarily by an increase in the net deposit position of non-financial private enterprises (NFPE's) and statutory bodies and lower extension of private sector credit. The net deposit position of NFPE's rose by 29.0 per cent to \$611.0m on account of a 19.6 per cent (\$139.5m) increase in their deposits at commercial banks. Credit extended to the private sector fell by 0.2 per cent (\$3.2m) during the review period on account of lower levels of

credit to households (0.8 per cent) and subsidiaries and affiliated financial institutions (2.7 per cent). These declines were mitigated by a 4.1 per cent increase in the net credit position of the General Government to \$478.2m. The increase in the net credit position is a result of a 4.8 per cent (\$21.9m) fall in deposits of general government in the banking system, principally at the Central Bank which is associated with the utilisation of European Union (EU) grants funds received in the fourth quarter of 2013. Meanwhile credit to general government fell by 0.3 per cent consistent with policy efforts aimed at improving fiscal performances, by restricting further debt accumulation. The net credit position of the Central Government rose by 7.2 per cent on account of a fall in deposits (4.6 per cent) while the net credit position of the Nevis Island Administration (NIA) with the banking system fell, on account of the reductions in borrowings \$1.2m (0.6 per cent).

The distribution of credit by economic activity showed that the decline in lending to the private sector was wide spread and included reduced credit for various personal uses like the acquisition of property. Credit for 'other' uses, the largest sub-component of credit extension, fell by 1.0 per cent (\$10.1m) on account of reduced lending in several components such as financial institutions (16.2 per cent) and public



administration (0.5 per cent). Credit for personal use, the second largest category, fell by 0.8 per cent (\$7.1m) due to lower lending for home construction (1.0 per cent) and other personal uses (1.0 per cent). These declines were tempered by increased lending for construction (1.0 per cent) and distributive trades (2.9 per cent).



Growth in the net foreign assets of the banking system accelerated to 8.6 per cent (\$118.6m) in the first quarter of 2013, compared with growth of 6.5 per cent (\$60.5m) in the corresponding 2012 period. The increase was largely due to a 15.9 per cent expansion in St Kitts and Nevis's share of the Central Bank's reserves to \$787.5m. Commercial banks' net foreign asset position rose by 1.5 per cent (\$10.6m) during the review period, as the increase in the net liability position with other ECCB territories tempered the increase in the net external asset position.

Liquidity in the commercial banking system eased in the review period. The ratio of liquid assets to total deposits rose by 4.5 percentage points to 75.08 per cent, while the ratio of liquid assets to total deposits plus liquid liabilities also increased, rising by 2.7 percentage points to 61.42 per cent. Further supporting evidence included the decline in the ratio of loans and advances to total deposits by 3.4 percentage points to 62.54 per cent.

The weighted average interest rate spread between loans and deposits widened to 5.01 percentage points during the first quarter of 2013, from 4.96 percentage points at end of 2012. This outturn was the result of the weighted average interest rate on loans rising by 0.06 percentage points to 8.36 per cent, while that on deposits also increased rising by 0.04 percentage points to 3.35 per cent.

## Prospects

Economic growth in the Federation of St Kitts and Nevis is expected to increase in 2013. This projection is consistent with expectations of a strengthening of the growth prospects of St Kitts and Nevis's largest trading partner, the United States of America and, a reassessment of austerity driven policies in the Euro-zone toward reform and growth. Despite weak





performances in the first quarter of the year the manufacturing sector and tourism industry are expected to be the leading growth sectors for the remainder of the year with agriculture playing a supporting role. Expectations concerning the performance of the manufacturing sector are high, due to the potential for penetration of the Brazilian market, as the Partial Scope Agreement comes into force. Improved prospects in the tourism industry are contingent on a turnaround in cruise passenger arrivals and stay-over visitors associated with the St Kitts Music Festival in the second quarter of 2013. The tourism industry will also benefit from the completion of the Jet Port Facility and spill over effects surrounding the publicity of tourism related projects such as the Park Hyatt and continued development of the Kittitian Hill project. In the construction sector, public sector outlays are expected to centre on renovation works to the Dr Kennedy Simmonds highway and the construction of police stations in St Kitts while in Nevis rehabilitation of the Hamilton roads and the completion of a water drilling effort is expected. In the private sector work on new and the completion of existing tourism and commercial related properties should bode well for the sector. These developments are anticipated to mitigate the decline observed in the first quarter of the year and lead to a rebound of the construction sector.

The fiscal operations of the Federal Government are expected to result in an improvement in the overall surplus relative to that of 2012. On a disaggregated basis, the fiscal operations of the Central Government should lead to an improved overall balance position on account of continued growth in revenues associated with the Citizenship by Investment Program and a revenue sharing arrangement with the SIDF. Central government fiscal operations will also be buoyed by the expected receipt of EU grants funds (€6.3m), associated with the accompanying measures for Sugar Protocol (AMSP). In addition, supporting efforts on the expenditure side to contain growth, via wage and hiring freezes, are expected to continue in 2013. An overall balance ceiling, which serves as a performance criteria under the stand-by arrangement, should also help to limit expenditure growth. The fiscal operations of the Nevis Island Administration (NIA) should be positively influenced by efforts to limit expenditure outlays by ceasing employment of contractual workers.

The merchandise trade deficit is anticipated to widen as imports are projected to continue to increase should economic activity strengthen as anticipated.



Downside risk to these projections include a delay in the construction of several anticipated tourism related projects in St Kitts and Nevis and lower performance of the tourism industry should stay over and cruise arrivals continue to decline.



## SAINT LUCIA

### Overview

Developments in Saint Lucia in the first three months of 2013 point to an expansion in economic activity compared with the outturn in the corresponding period of 2012. The improvement in economic activity was driven largely by developments in a number of the key sectors. Inflationary pressures eased, as indicated by a 0.9 per cent fall in consumer prices, on an end of period basis. The merchandise trade deficit narrowed, influenced by a fall in import payments, as well as, an increase in the value of exports. The central government incurred a larger overall deficit, compared with that in the first quarter of 2012. Total disbursed outstanding debt of the public sector rose during the period under review. The money supply (M2) increased, while domestic credit and net foreign liabilities of the banking system fell. Liquidity in the commercial banking system remained tight, while the interest rate spread between loans and deposits narrowed marginally during the review period.

The economic prospects for the remainder of 2013 are favourable, with risks tilted towards the downside. The pace of construction activity

is projected to increase, as reconstruction and rehabilitation works progress and the impact of the government construction stimulus takes root. Support is anticipated from the private sector as hotel plants are renovated and improved. Recovery in the agricultural sector is expected, contingent on the control of the Black Sigatoka disease, the success of the new investment initiatives and favourable weather. Although the income from the value added tax (VAT) is expected to improve tax revenue, the level of planned current expenditure is likely to offset these gains and contribute to an overall fiscal deficit. Downside risks to the growth outlook also include adverse developments in the advanced economies, fluctuations in commodity prices and inclement weather.

### Output

Construction activity is estimated to have improved during the period under review compared with the first quarter of 2012. This assessment is evidenced by a 4.2 per cent increase in credit for construction and growth in lending for home construction and renovation. Work in the private sector continued on a few hotel plants, supported by a number of

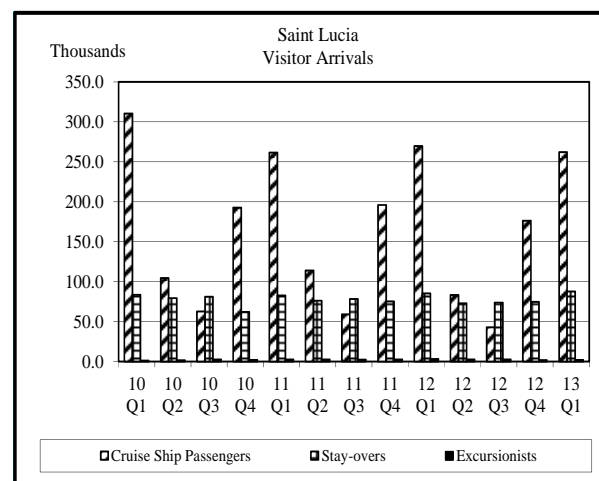


residential properties and a private plaza. In the public sector work progressed on the completion of the New National Hospital, the St Jude's Hospital, a financial complex, LUCELEC substation in Cul de Sac and post-Tomas reconstruction and rehabilitation.

In the tourism industry, activity is estimated to have improved in the first quarter of 2013, as evidenced by a 2.5 per cent increase to 87,593 in the number of stay-over visitors. Consistent with the improvement in US economic activity, visitor arrivals from the USA, the major source market, grew by 4.3 per cent, in contrast to a decline of 6.2 per cent in the corresponding period a year ago. The number of stay-over visitors from Europe rose marginally (0.2 per cent), while arrivals from the Caribbean increased by 11.6 per cent. These increases were tempered by a decline of 2.1 per cent in visitor arrivals from Canada.

In the cruise-visitors category, passenger arrivals fell by 2.8 per cent to 262,009, in contrast to an increase of 3.2 per cent in the first three months of 2012. The contraction in the number of cruise passengers was associated with a decline in the size and capacity of vessels visiting the island, despite an increase in the number of cruise ship calls. Of the other categories of visitors, the number of

excursionists fell by 37.1 per cent, while yacht visitor arrivals rose by 4.7 per cent. The overall effect of those developments was a 1.6 per cent decline in total visitor arrivals to 364,614.



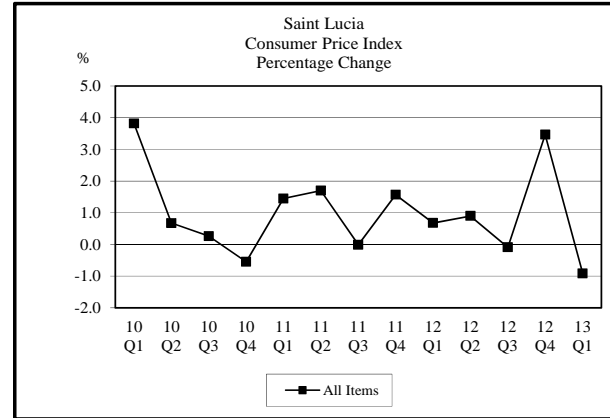
Agricultural output is provisionally estimated to have risen, influenced in part by developments in the banana industry and a number of new investment initiatives in the sector. Banana production rose by 22.4 per cent to 2,972 tonnes, as the industry continued its recovery from the Black Sigatoka disease. Growth in banana output was supported by an improved performance in non-banana crops and an increase in the production of livestock and fish.

In the manufacturing sector, output is estimated to have increased slightly compared with the total in the first quarter of 2012. This outturn was influenced by an expansion in paper products, largely driven by an increase in the

output of paperboard, concomitant with the expansion in banana production. The assessment was also supported by growth of 3.0 per cent in domestic exports, partly associated with an increase in the export of beverages, an important commodity in the manufacturing sector.

**Prices**

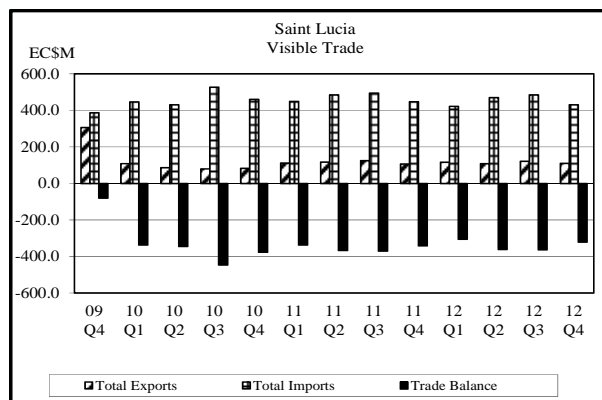
The consumer price index fell by 0.9 per cent during the first quarter of 2013, in contrast to a 0.7 per cent increase during the corresponding quarter of 2012. The fall in prices during the review period was underpinned by declines in the prices of food and non-alcoholic beverages (0.4 per cent), housing, utilities, gas and fuels (2.3 per cent), transport (4.3 per cent), health (1.2 per cent), clothing and footwear (7.0 per cent) and hotels and restaurants (4.2 per cent). The reduction in the overall index was tempered by increases in the sub-indices communication (3.7 per cent), miscellaneous goods and services (0.9 per cent), alcoholic beverages, tobacco and narcotics (1.1 per cent), education (0.4 per cent), household furnishings, supplies and maintenance (4.6 per cent) and recreation and culture (0.5 per cent).



**Trade and Payments**

A merchandise trade deficit of \$321.7m was estimated for the first three months of 2013, compared with one of \$341.7m in the comparable period of 2012. The narrowing of the deficit was attributable to a 3.8 per cent fall in import payments, combined with an increase of 3.0 per cent in the value of exports. The estimated fall in import payments was partly influenced by a decline in the price of a few major commodities. Receipts from total exports increased to \$108.8m, fuelled by improvements in domestic exports and re-exports, which both grew by 3.0 per cent in the period under review. The increase in earnings from domestic exports was broad-based, led by higher exports of bananas, following the recovery of the industry, and beverages and tobacco. Larger earnings from re-exports largely reflected an increase in the re-export of minerals, fuels, lubricants and related materials.





Gross travel receipts are estimated to have risen by 5.8 per cent to \$297.9m, consistent with the increase in the number of stay-over visitors. The increase in travel receipts was also influenced by a change in the average daily expenditure, which is currently compiled by source markets rather than visitor category. Transactions of commercial banks resulted in a net outflow of \$63.3m in short-term capital during the first quarter of 2013, compared with an outflow of \$130.1m recorded during the corresponding period of 2012. In the review period, external loan disbursements to the central government increased marginally to \$21.0m, while debt repayment totalled \$19.0m.

### Central Government Fiscal Operations

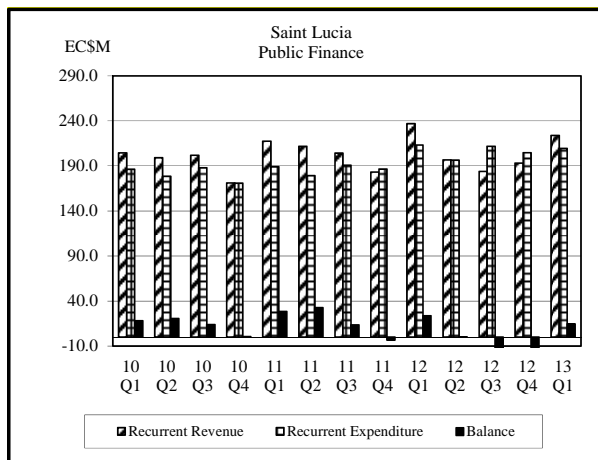
The fiscal operations of the central government resulted in an overall deficit of \$78.1m, compared with one of \$36.3m recorded in the first quarter of 2012. The widening of the overall deficit was associated with development

on both the capital and current accounts. The capital account deteriorated, resulting in a deficit of \$92.7m, compared with one of \$60.0m in the first quarter of 2012. A primary deficit of \$46.6m was recorded, larger than one of \$1.5m realised in the first three months of last year.

A current account surplus of \$14.6m was recorded compared with one of \$23.7m in the first three months of 2012. The smaller surplus was largely the result of a fall in current revenue, which was partly offset by a decline in current expenditure. Current revenue decreased by 5.4 per cent to \$223.9m, largely associated with a fall in non-tax revenue. Non-tax revenue fell by 61.2 per cent (\$21.0m) primarily on account of a decline in interest and rents, which more than doubled in the corresponding period of 2012, as a result of a one-off interest income from an overseas investment.

Tax revenue rose by 4.0 per cent (\$8.1m), reflecting an increase in receipts from taxes on domestic goods and services, which more than offset declines in collections from taxes on international trade and transactions and taxes on income and profits. Yields from taxes on domestic goods and services more than doubled, mirroring the impact of the VAT, which was introduced in October 2012. VAT revenues collected during the review period totalled \$73.1m, while the yields of the other major

taxes in that sub-category declined. Growth in tax revenue was tempered by decreases in collections from taxes on international trade and transactions (41.2 per cent) and taxes on income and profits (2.5 per cent). The declines largely reflected lower collections of the consumption duty, which was replaced by the VAT.



Current expenditure fell by 1.8 per cent to \$209.3m, influenced by declines in outlays on transfers and subsidies (14.4 per cent) and interest payments (9.5 per cent). By contrast, personal emoluments, which account for the largest share of expenditure, increased by 1.8 per cent and spending on goods and services grew by 12.3 per cent associated with higher costs of utilities, supplies and materials. Capital expenditure rose by 37.5 per cent (\$26.6m) to \$97.6m, in contrast to a decline of 12.1 per cent (\$9.8m) in first quarter of 2012. Larger outlays on infrastructural rehabilitation and expansion as well as increased spending on a number of

unemployment programmes contributed to the increase in capital spending.

**Public Sector Debt**

The total disbursed outstanding debt of the public sector was estimated at \$2,603.2m at the end of March 2013, a marginal increase of approximately 0.9 per cent above the total at the end of December 2012. This outturn largely reflected an increase in central government’s borrowing, as its stock of external debt grew by 3.2 per cent, while its domestic borrowing declined by 0.3 per cent. Total debt incurred by the public corporations fell by 3.9 per cent to \$212.9m.

**Money and Credit**

Monetary liabilities (M2) are provisionally estimated to have risen by 4.6 per cent to \$2,926.1m during the quarter ended March 2013, at a higher rate compared with growth of 2.1 per cent during the corresponding period of 2012. Growth in M2 mirrored increases in both the narrow money supply (M1) and quasi money. M1 rose by 10.6 per cent to \$775.1m, largely on account of expansions of 14.2 per cent and 44.2 per cent in private sector demand deposits and EC\$ cheques and drafts issued,



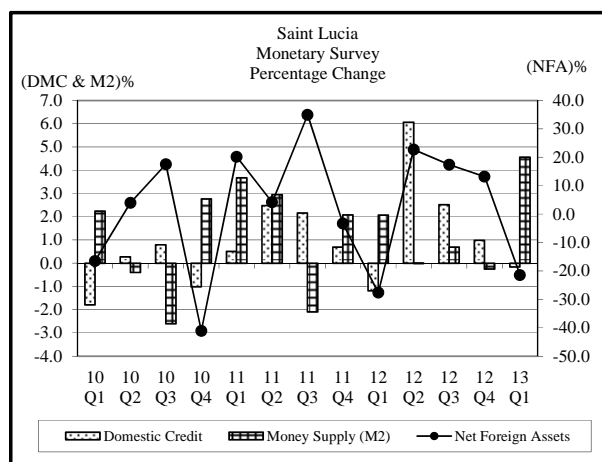
respectively. Quasi money grew by 2.6 per cent, largely associated with growth in private sector savings deposits (2.4 per cent) and private sector time deposits (3.6 per cent).

Domestic credit fell marginally (0.2 per cent) to \$3,897.3m during the first quarter of 2013, compared with a decline of 1.2 per cent during the corresponding period of 2012. This development was influenced by a 0.6 per cent contraction in lending to the private sector, mainly households, as credit to businesses remained virtually unchanged. The transactions of the central government resulted in a net credit position of \$193.3m, compared with one of \$162.4m at the end of December 2012. In the rest of the public sector, the net deposits of non-financial public enterprises rose by 3.5 per cent, partly influenced by an increase in their deposits.

An analysis of the distribution of credit by economic activity indicates that outstanding loans decreased marginally (0.5 per cent), influenced by a contraction in lending for most categories. Outstanding credit for other uses fell by 1.2 per cent (\$15.5m) driven by declines of 24.0 per cent in lending to financial institutions and 3.3 per cent for public administration. Credit for tourism and manufacturing fell by 1.8 per cent (\$13.8m) and 5.3 per cent (\$5.7m) respectively, while marginal declines were recorded in lending for distributive trades and personal use. Those declines were partly offset by an increase in credit for construction (\$15.3m) and agriculture and fisheries (\$1.2m).

At the end of March 2013 the banking system was in a net foreign liabilities position of \$453.0m well below one of \$576.8m at the end of December 2012. The decline was influenced by a 5.6 per cent reduction in commercial banks' net liabilities position, which largely reflected an increase in assets held outside the ECCU. Saint Lucia's share of the imputed reserves of the Central Bank rose by 10.8 per cent to \$622.8m.

Commercial bank liquidity improved, but remained tight, during the review period. The ratio of liquid assets to total deposits plus liquid liabilities was at the prudential minimum of 25.0





per cent at the end of March 2013, roughly 2.5 percentage points above the level at the end of 2012. The loans and advances to deposits ratio was 114.0 per cent or 5.2 percentage points below the ratio at end December 2012.

The weighted average interest rate on deposits decreased to 2.84 per cent from 2.93 per cent at the end of December 2012, while the weighted average lending rate fell marginally to 8.41 per cent. The combined effects of those changes resulted in a decline of 1 basis point in the weighted average interest rate spread.

### **Prospects**

Despite renewed concerns over the developments in the Euro Area and mixed performances in emerging markets in the first quarter of the year, global growth is projected at 3.25 per cent in 2013. Improvements in the US economy and expected acceleration in the advanced economies in the latter part of 2013 augur well for economic recovery in Saint Lucia and the ECCU. Albeit at a slow pace, economic activity in Saint Lucia is projected to pick up in 2013, driven primarily by developments in the tourism industry and the agricultural, construction and manufacturing sectors.

Production in the agricultural sector is expected to increase, assuming good weather and continued recovery in the banana industry. It is anticipated that on-going investments in a number of initiatives in that sector, including the completion of the abattoir, the clearing house and guaranteed local market for particular products, will boost overall output. An injection of \$37.0m, through an agreement with the European Union under the Banana Accompanying Measures, is likely to add impetus to the government's agricultural transformation programme and ultimately to the agricultural sector. Contributions are also expected from non-banana crops and the other sub-sectors like livestock, poultry and egg production, aquaculture and mariculture.

Public sector activity is likely to drive growth in construction, as the government continues work on the maintenance of bridges and culverts, post-Tomas road and infrastructural rehabilitation and reconstruction and the desilting of rivers. In addition, activity on the Financial Administrative Complex by the National Insurance Services is likely to lend support to the construction sector. In the private sector, renovations to hotel plants including the Windjammer Landing Resort, work on the Freedom Bay Hotel development, the completion of a supermarket and residential



projects are likely to add value to construction activity.

In the hotels and restaurants sector, an increase in stay-over visitor arrivals is projected, based on improvements in airlift and other marketing efforts. Growth is also anticipated in the other categories of visitors as the country expects an increase in the number of cruise ship calls and is specifically targeting a new yacht market. These expectations are premised on the economic recovery of the major source markets, which are projected to gain some momentum during the course of the year. Nonetheless, the challenge of high costs of travel within the region remains and is likely to adversely impact arrivals from the Caribbean.

Central Government's fiscal operations are likely to result in a smaller overall deficit, influenced by a deliberate decision on the part of the policy makers to reduce expenditure. Capital expenditure is expected to decrease as a number of on-going projects wind down and few new ones were introduced for the 2013/14 fiscal year. On the other hand, recurrent expenditure is not likely to decline as planned cuts in outlays on goods and services and transfers and subsidies will only partly offset an increase in the wage bill. Wage negotiations concluded in the first quarter of 2013 resulted in

a 4.0 per cent increase, which will add approximately \$28.0m to outlays on personal emoluments. The debt level of the central government is projected to grow as government continues to borrow to finance its deficit.

In the external sector, the merchandise trade deficit is likely to widen to facilitate the forecasted expansion in construction activity. Although the continued recovery in the banana industry and an anticipated pick up in manufacturing is expected to boost export earnings, the projected increase in imports of commodities and construction materials is likely to outpace the gains from exports. Inflationary pressures may continue to ease as the initial effect of the VAT tapers off. An increase is anticipated in net inflows from travel, in line with the projections for an improvement in the number of visitors.

The pace of the global economic recovery shows signs of improvement and the US economy appears to be on a modest path of growth. While these developments may portend optimism for the economy of Saint Lucia, significant downside risks persist. Recovery in the advanced economies is still fragile and the potential adverse effects of reduced foreign investments and remittance inflows remain. Also, the tourism industry may be impacted by



any setback in these economies. Additionally, manage and control agricultural pests and adverse weather and the inability to effectively diseases pose risks to economic prospects.



## ST VINCENT AND THE GRENADINES

**Overview**

Preliminary data indicate that there was a marginal increase in economic activity in St Vincent and the Grenadines in the first quarter of 2013, relative to the performance in the corresponding period of 2012. This improvement in economic activity stemmed from positive growth in some major sectors such as construction, manufacturing and wholesale and retail trade. The consumer price index rose by 0.6 per cent on an end of period basis. The operations of the central government led to a narrowing of the overall fiscal deficit and the total outstanding public sector debt declined. The merchandise trade deficit is estimated to have expanded due to a rise in imports. In the banking sector, monetary liabilities and domestic credit rose, while commercial bank liquidity remained high. Commercial bank weighted average interest rate spread on loans and deposits increased slightly.

Economic activity for the remainder of 2013 is projected to strengthen contingent on positive expectations in the construction, manufacturing and agricultural sectors. The positive developments in those sectors will have spillover effects in the wholesale and retail trade

and transport, storage and communications sectors, which together contribute more than 30.0 per cent to GDP. While global growth forecasts point to a more steady recovery, the Eurozone debt crisis and the contractionary stance of fiscal policy in the USA and UK, still pose some downside risks. Domestically, limited fiscal resources, a small private sector, and vulnerability to natural disasters further add to the downside risks that could impact growth.

**Output**

Value added in the construction sector in the first quarter of 2013 is estimated to have increased, compared with the corresponding period last year, mainly driven by greater public sector activity. The outturn in construction activity is evidenced by a significant increase in capital expenditure, which for the most part was externally funded. Major construction activity on public sector projects included; the Argyle International Airport, the Maritime and Hospitality Institute, the Disaster Vulnerability Reduction Project, and the South Leeward Highway Rehabilitation. Construction activity in the private sector was less buoyant with works continuing apace on the Canouan Resort Development but slowing on the Buccament



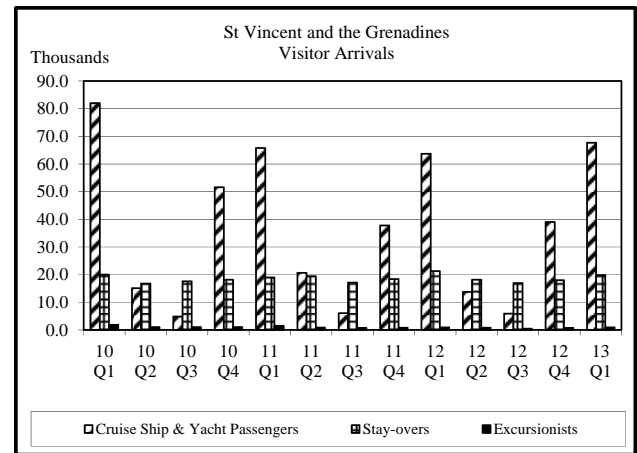
Bay Resort. Construction of private dwellings is estimated to have increased slightly supported by commercial bank data which reflected growth in personal lending for home construction and renovation.

Output in the manufacturing sector is estimated to have increased in the period under review mainly driven by higher export demand. Increases were recorded in the production of beer (64.1 per cent), feeds (12.4 per cent) and flour (3.9 per cent). By contrast, rice production declined by 18.4 per cent.

Activity in the wholesale and retail trade sector is estimated to have increased marginally evidenced by an expansion in the level of imports. An increase in loans and advances and deposits contributed to growth in the value added in financial intermediation. Although data are not available on the agricultural sector, it is estimated that agricultural output increased due to higher production levels of bananas and other non-banana crops.

Value added in the hotels and restaurants sector, an indicator of tourism activity, is estimated to have declined in the first three months of 2013 primarily due to a fall in stay-over visitor arrivals, the highest spending category of visitors. Stay-over arrivals fell by 6.8 per cent

reflecting declines from all source markets with the exception of the UK. Declines were recorded for stay-over arrivals from the Caribbean (16.2 per cent), USA (8.2 per cent), other countries including Latin America (4.2 per cent) and Canada (0.3 per cent). By contrast, the number of stay-over visitors from the UK grew at a slower rate of 0.6 per cent, compared with growth of 16.6 per cent for the same period last year. Yacht passengers declined by 0.2 per cent relative to an increase of 1.0 per cent in the corresponding period of 2012. Excursionists registered a decline of 5.1 per cent compared with a drop of 34.7 per cent in the first quarter last year. On a positive note, cruise ship passengers rose by 9.0 per cent, reflecting 27 additional cruise ship calls.

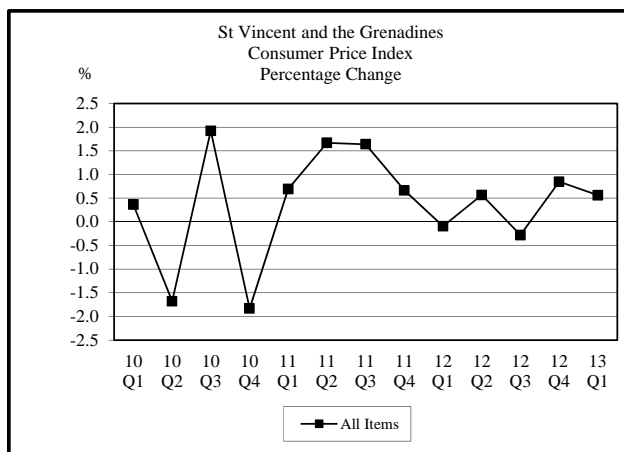


**Prices**

Consumer prices rose by 0.6 per cent during the first quarter of 2013, compared with a decline of



0.1 per cent during the comparable period of 2012. The housing, water, electricity, gas and other fuels sub-index, which is the highest weighted item in the consumer basket, rose by 1.2 per cent on account of higher prices for steel rods and electricity. Other significant increases were reported for the health (2.3 per cent) and transport (1.3 per cent) sub-indices mainly due to higher prices of cancer drugs and passenger airfares, respectively. The food and non-alcoholic beverages sub-index, the second highest weighted, recorded a marginal decline of 0.3 per cent reflecting reductions in the price of various items such as spinach, yams and instant baby foods.

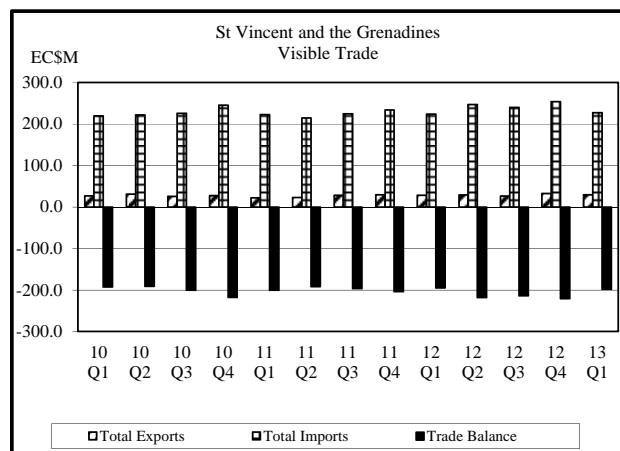


### Trade and Payments

Preliminary trade data indicate that the merchandise trade deficit widened by 1.5 per cent to \$197.9m in the first quarter of 2013, relative to the corresponding period last year.

The widening of the deficit was the result of a 1.7 per cent rise in import payments to \$227.5m, largely associated with increases in the value of imports of manufactured goods and machinery and transport equipment. The growth in imports was partly tempered by a 12.9 per cent rise in the value of domestic exports to \$26.6m, reflecting higher earnings from the exports of flour, feeds and beer.

Gross travel receipts were estimated to have fallen by 3.4 per cent to \$81.4m, consistent with the drop in stay-over arrivals. The transactions of commercial banks resulted in an increase in the net outflow of short-term capital to \$27.5m, from \$24.9m in the comparable period in 2012. External loan disbursements to the central government to fund capital projects amounted to \$30.4m during the review period, up from disbursements of \$1.8m for the comparable period in 2012. External debt payments remained relatively unchanged at \$12.2m.

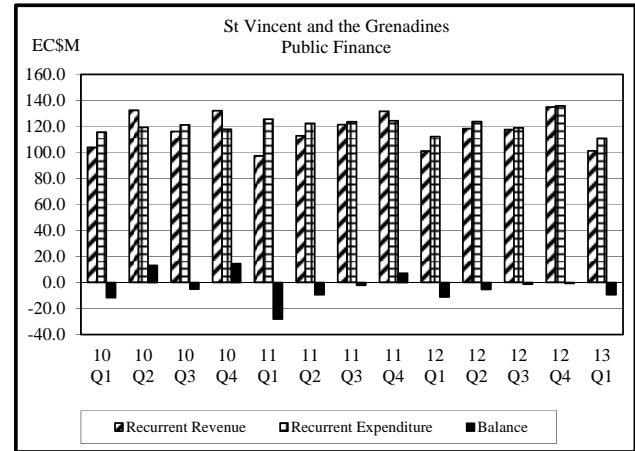


### Central Government Fiscal Operations

The fiscal operations of the central government led to a narrowing of the overall deficit to \$4.1m in the first quarter of 2013, from \$8.1m in the corresponding period of 2012. This outturn was mainly driven by an increase in capital revenue coupled with a reduction in current expenditure. A smaller current account deficit of \$9.5m was recorded relative to one of \$11.1m in the corresponding period of 2012 and the primary surplus increased to \$6.9m from \$3.1m in the first quarter of 2012. The deficit was financed mainly by borrowing from external sources.

Current expenditure declined by 1.3 per cent to \$110.6m on account of reduced outlays for most sub-categories, with the exception of personal emoluments. Interest payments declined by \$0.2m influenced by a reduction in external interest obligations. Expenditure on transfers and subsidies fell by 6.5 per cent (\$1.9m) partly explained by lower spending on social welfare programmes. Spending on goods and services fell by 12.2 per cent (\$1.6m) as the government implemented measures to contain utilities and maintenance costs. In contrast, spending on personal emoluments and wages rose by 3.9 per cent to \$60.3m, associated with increments and

higher outlays for salary, resulting from a 1.5 per cent increase given in December 2012.



Current revenue rose slightly by 0.1 per cent to \$101.1m driven by an increase in non-tax revenue. A 2.5 per cent (\$0.2m) growth was recorded in non-tax revenue mainly attributable to higher receipts from interests and rents. In contrast, tax revenue fell by 0.1 per cent to \$93.2m reflecting declines in revenue intake from taxes on income and profits (1.7 per cent) and international trade and transactions (3.9 per cent). The lower receipts from the income and profits tax category was largely associated with a \$2.4m fall in corporate tax revenue to normal levels, as the intake in the corresponding period last year reflected the collection of some outstanding arrears. Meanwhile, revenue from personal income tax grew by 8.9 per cent (\$1.4m) partly due to higher salary levels of public officers associated with the salary



increase. Receipts from taxes on international trade and transactions fell primarily as a result of lower import duty collection while tax revenue on domestic goods and services grew by 1.9 per cent to \$51.9m. The higher level of receipts on domestic goods and services reflected a 5.9 per cent (\$1.8m) increase in VAT intake consistent the uptick in economic activity.

Capital spending rose to \$8.0m in the first three months of 2013, significantly above the amount of \$0.7m recorded for the comparable period in 2012. This reflected increased activity on a number of major infrastructural projects. Receipts from the sale of government shares in a major financial institution resulted in an increase in capital revenue which amounted to \$12.7m during the first quarter of 2013, relative to \$0.3m in the comparable period in 2012. In contrast, capital grants declined to \$0.7m from \$3.4m.

### **Public Sector Debt**

The total outstanding debt of the public sector decreased to \$1,334.7m at the end of March 2013, from \$1,370.3m at the end of December 2012. The fall in the debt stock was the result of a 12.8 per cent decline in domestic debt to \$420.6 on account of the maturity of an over-

the-counter bond amounting to \$30.0m and a reduction in debt owed to commercial banks. External debt, which accounts for 68.5 per cent of total debt, rose by 2.9 per cent to \$914.1m. The debt stock of statutory corporations grew by 1.0 per cent to \$219.2m.

### **Money and Credit**

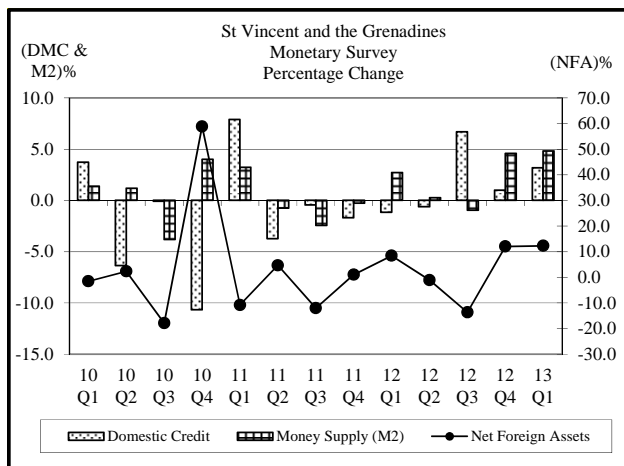
Monetary liabilities (M2) of the banking system grew by 4.8 per cent to \$1,240.9m during the first quarter of 2013, compared with growth of 2.7 per cent during the corresponding period in 2012. The rise in M2 was attributable to an increase in quasi money which rose by 7.1 per cent to \$881.6m owing primarily to growth in private sector savings deposits (5.9 per cent), the largest share, and private sector foreign currency deposits (73.6 per cent). Meanwhile, narrow money (M1) fell marginally by 0.5 per cent to \$359.3m mainly due to a 0.9 per cent drop in private sector demand deposits. Contractions in both currency in circulation and cash at commercial banks led to a 2.2 per cent fall in currency with the public.

Domestic credit grew by 3.2 per cent to \$990.1m during the quarter under review, largely influenced by developments on the accounts of non-financial public enterprises and the central government. The net deposit





position of non-financial public enterprises fell by 11.8 per cent largely on account of a 7.9 per cent drop in deposits. Net claims on the central government grew by 21.6 per cent to \$60.2m largely associated with a 24.1 per cent drawdown on deposits. Private sector credit rose marginally by 0.5 per cent on account of a 1.5 per cent increase in loans extended to businesses as household credit remained relatively unchanged.



An analysis of credit distribution by economic activity indicated that outstanding loans declined by 1.1 per cent to \$1,167.9m. Of the major sectors, decreases were recorded in outstanding loans for construction (8.2 per cent); manufacturing plus mining and quarrying (3.5 per cent); tourism (3.3 per cent); agriculture and fisheries (3.0 per cent); and public administration (15.9 per cent). Credit for professional and other services and distributive

trade rose by 3.5 per cent and 0.8 per cent respectively, while credit for personal use, which accounts for 59.3 per cent of total credit, remained relatively unchanged.

The net foreign assets of the banking system rose by 12.3 per cent to \$459.0m during the period under review. The expansion was fueled by a 24.1 per cent increase in commercial banks' net foreign assets, reflecting an increase in assets held with institutions outside the currency union. Moreover, St Vincent and the Grenadines share of the Central Bank's imputed reserves rose by 7.7 per cent to \$317.3m.

Commercial bank liquidity increased during the first quarter of 2013, relative to December 2012. The ratio of liquid assets to total deposits plus liquid liabilities increased to 41.0 per cent at the end of March 2013 from 39.0 per cent at the end of December 2012. The loans and advances to deposits ratio fell by 1.2 percentage points to 73.9 per cent.

The weighted average interest rate spread between loans and deposits widened by 0.12 percentage points to 6.74 per cent at the end of March 2013. The weighted average interest rate on deposits fell to 2.71 per cent from 2.79 per cent while the weighted average lending rate



increased by 0.02 percentage points to 9.44 per cent.

### Prospects

Based on developments in the first quarter and expectations for the rest of the year, economic activity in St Vincent and the Grenadines is projected to increase in 2013. The growth in real GDP will be spurred by improved activity in the construction, manufacturing and agricultural sectors with spill-over effects into the wholesale and retail trade and transport, storage and communication sectors. Value added in the construction sector is expected to expand, reversing five consecutive years of contraction, as work on a number of major public sector projects such as the Hospitality and Maritime Training Institute, the Argyle international airport, the South Leeward Highway and the Disaster Vulnerability Reduction Project intensify during the course of the year. In the private sector, tourism related construction will continue in Bequia and Canouan. Improved construction activity will catalyze growth in related auxiliary sectors such as mining and quarrying and transport, storage and communications.

Value added in the manufacturing sector is projected to remain positive as the demand for the main manufactured goods such as flour,

feeds and beverages is expected to further strengthen. In the agricultural sector, activity is projected to pick up on account of higher levels of banana and root crop production and the fishing sub-sector benefits from initiatives under the Fisheries Development Programme. Value added in the hotels and restaurants sector is expected to show some improvements during the rest of year as marketing efforts by major establishments increase.

The fiscal operations of the central government are expected to result in an overall deficit as the growth in expenditure is projected to outstrip the anticipated revenue increase from the implementation of a number of measures. Some of which include: removal on the exemption from income tax on lottery winnings of \$500 or less; the implementation of the market based property tax; increase in excise duty on various items; and increase in High Court Registry fees. The increase in receipts from these measures is anticipated to be marginal and will be offset by growth in capital expenditure, as the authorities support donor funded construction activities and seek to spur economic activity. However, expenditure on wages and salaries, transfers and subsidies, and goods and services are expected to be contained. The capital programme will be supported by grant inflows from the European Union and loans from Taiwan, Venezuela and the Caribbean Development Bank.



In the external sector, the merchandise trade deficit is expected to widen on account of higher imports to support the improvement in the construction and wholesale and retail trade sectors. Foreign direct investment inflows to partly finance the current account will remain challenged by the global environment.

Global risks have abated but are still tilted towards the downside as the Eurozone debt crisis and fiscal austerity measures in advanced

economies persist. However, the slow but steady improvement in the global economy augers well for the growth prospects in St Vincent and the Grenadines by fuelling stronger tourism demand, and higher remittances and foreign direct investment. Domestic risks to the positive growth forecast include the inability to absorb external shocks such as natural disasters which pose an annual threat, the challenge in accessing finance for capital projects, and the sluggish pace of private sector development.



## NOTES FOR STATISTICAL TABLES AND MONETARY SURVEY

## STATISTICAL TABLES

All figures have been rounded to either the nearest whole number or the first decimal place (except in cases where values are small and need to be rounded off at two decimal places instead).

--	denotes 'nil'
0.0	denotes 'negligible'
n.a.	denotes 'not available'
**	denotes 'not applicable'
R	denotes 'revised'
P	denotes 'provisional'
E	denotes 'ECCB estimates'

Some figures may differ from those in previous publications because of subsequent revision based on more accurate data.

## MONETARY SURVEY

1. Central government represents central and local government.
  - 1.1 Domestic Credit to Central Government (net)
    - Central Bank and commercial banks' total holdings of Treasury Bills and Debentures
    - plus Central Bank and commercial banks' loans and advances to central government
    - plus Central Bank interest due on Securities
    - minus Total central government deposits held with the Central Bank and commercial banks
    - minus Sinking Fund Call Account and Government Operating Account held with the Central Bank
2. Other Public Sector represents national insurance (social security scheme) and non-financial public enterprises.
3. Private Sector represents households, private businesses, non-bank financial institutions, and subsidiaries and affiliates.
4. Money Supply (M1) = currency plus total private sector demand deposits plus EC cheques and drafts issued.
5. Currency = total currency liabilities of the Central Bank less commercial banks' holdings of local currency cash.
6. Demand Deposits = total private businesses, households, non-bank financial institutions, and subsidiaries and affiliates residents' demand deposits.
7. Savings Deposits = total private businesses, households, non-bank financial institutions, and subsidiaries and affiliates residents' savings deposits.
8. Time Deposits = total private businesses, households, non-bank financial institutions, and subsidiaries and affiliates residents' time deposits.
9. Foreign Currency Deposits = total private businesses, households, non-bank financial institutions, and subsidiaries and affiliates residents' foreign currency deposits.



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**Table 1**  
**ECCU - Selected Tourism Statistics**

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Total Visitors	1,585,126	586,437	370,113	924,843	1,424,050
Stay-Over Visitors	288,107	233,416	227,965	239,128	285,024
Of which:					
USA	114,058	100,473	83,249	85,397	114,910
Canada	38,757	15,082	13,855	22,945	43,412
UK	59,398	44,254	41,522	56,092	57,086
Caribbean	42,953	51,017	66,170	47,500	39,320
Other Countries	32,941	22,590	23,169	27,194	30,296
Excursionists <sup>1</sup>	27,530	21,664	21,431	17,652	30,351
Cruise Ship Passengers <sup>2</sup>	1,213,488	302,338	104,588	635,282	1,055,000
Yacht Passengers <sup>4</sup>	56,001	29,019	16,129	32,781	53,675
Number of Cruise Ship Calls <sup>3</sup>	845	165	48	405	825
<b>Total Visitor Expenditure (EC\$M)</b>	<b>1,023.84</b>	<b>723.09</b>	<b>665.67</b>	<b>793.59</b>	<b>1,019.05</b>

Sources: Central Statistics Offices, OECS and ECCB

<sup>1</sup> Excursionists includes Sea Arrivals for Saint Lucia and excludes Antigua and Barbuda.

<sup>2</sup> Cruise ship passengers excludes Anguilla but includes Antigua and Barbuda.

<sup>3</sup> Cruise ship calls excludes Anguilla and St Vincent and the Grenadines.

<sup>4</sup> Yacht passengers includes St Kitts and Nevis and St Vincent and the Grenadines.

**Data available as at 10 May 2013**



**Table 2**  
**ECCU - Monetary Survey**  
**(EC\$M at end of period)**

	2011	2012	2012	2012	2012	2013
	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>Net Foreign Assets</b>	2,052.89	2,480.31	2,441.48	2,288.62	2,653.67	3,171.56
<b>Central Bank (net)</b>	2,717.94	2,944.52	2,969.62	2,847.44	3,031.40	3,266.39
External Assets	2,720.52	2,950.34	2,976.66	2,854.62	3,036.61	3,289.24
External Liabilities	2.58	5.81	7.03	7.19	5.21	22.85
<b>Commercial Banks (net)</b>	(665.05)	(464.21)	(528.15)	(558.81)	(377.73)	(94.83)
External Assets	3,863.51	3,958.80	3,926.19	4,000.83	4,045.46	4,364.58
External Liabilities	4,528.56	4,423.01	4,454.34	4,559.64	4,423.20	4,459.41
<b>Net Domestic Assets</b>	10,783.27	10,621.12	10,678.95	10,847.05	10,601.19	10,418.67
<b>Domestic Credit</b>	12,642.99	12,446.24	12,558.89	12,747.67	12,546.66	12,297.28
Central Government (net)	1,266.91	1,163.59	1,150.35	1,292.39	1,139.71	1,162.70
Other Public Sector (net)	(1,396.47)	(1,452.64)	(1,570.30)	(1,526.23)	(1,528.12)	(1,744.13)
Private Sector	12,772.55	12,735.30	12,978.83	12,981.51	12,935.08	12,878.71
Households	6,363.55	6,378.34	6,626.44	6,642.26	6,643.02	6,600.15
Business	6,003.62	5,945.98	6,011.52	6,002.71	5,961.39	5,963.65
Non-Bank Financial Institution	146.53	162.99	178.03	172.79	164.42	150.71
Subsidiaries & Affiliates	258.86	247.99	162.85	163.76	166.24	164.20
<b>Other Items (Net)</b>	(1,859.72)	(1,825.13)	(1,879.94)	(1,900.62)	(1,945.47)	(1,878.61)
<b>Monetary Liabilities (M2)</b>	12,836.17	13,101.43	13,120.43	13,135.68	13,254.86	13,590.23
Money Supply (M1)	2,692.94	2,645.28	2,645.82	2,710.77	2,799.50	2,857.63
Currency with the Public	634.59	606.84	598.70	593.05	633.82	636.04
Demand Deposits	1,983.80	1,966.88	1,967.13	2,038.51	2,099.44	2,152.52
ECS\$ Cheques and Drafts Issued	74.54	71.57	79.99	79.21	66.25	69.07
Quasi Money	10,143.23	10,456.14	10,474.62	10,424.91	10,455.35	10,732.61
Savings Deposits	5,483.56	5,694.01	5,771.41	5,819.06	5,895.92	6,090.55
Time Deposits	2,982.94	2,943.31	2,948.33	2,926.11	2,878.99	2,886.60
Foreign Currency Deposits	1,676.73	1,818.83	1,754.88	1,679.74	1,680.45	1,755.47

Source: Eastern Caribbean Central Bank

Data available as at 13 May 2013





**Table 3**  
**ECCU - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	882.93	869.25	832.74	985.09	917.47
Tax Revenue	779.42	767.62	727.89	797.16	769.95
Taxes on Income & Profits <sup>1/</sup>	172.88	170.18	172.51	153.29	172.86
Of Which:					
Personal <sup>1/</sup>	82.85	80.64	76.40	76.85	82.38
Corporation <sup>2/</sup>	69.28	73.84	71.89	55.11	65.64
Taxes on Property	19.84	21.78	12.32	13.83	15.50
Taxes on Domestic Goods & Services	332.99	316.56	298.83	375.81	365.65
Of Which:					
Accommodation Tax	23.48	14.67	12.08	5.13	6.22
Licences	31.39	22.72	19.90	29.39	29.91
Sales Tax <sup>3/</sup>	53.25	58.42	48.02	67.91	52.96
Value Added Tax <sup>5/</sup>	138.47	144.01	133.61	196.60	213.80
Consumption Tax <sup>4/</sup>	2.20	1.70	1.47	1.29	0.03
Stamp Duties	39.23	31.11	30.34	40.66	27.78
Taxes on International Trade and Transactions	253.70	259.10	244.22	254.24	215.94
Of Which:					
Import Duties	97.59	103.25	96.69	119.77	94.69
Consumption Tax <sup>6/</sup>	30.87	38.27	30.08	16.55	10.86
Customs Service Charge	48.09	48.46	48.23	51.46	43.66
Non-Tax Revenue	103.51	101.62	104.85	187.93	147.52
<b>Current Expenditure</b>	897.78	893.37	909.60	911.37	832.59
Personal Emoluments	388.87	394.00	390.51	408.87	390.72
Goods and Services	159.57	174.47	181.20	195.49	157.94
Interest Payments	124.77	116.30	140.82	107.21	108.13
Domestic	69.86	62.15	71.25	71.21	67.72
External	54.91	54.16	69.57	36.00	40.41
Transfers and Subsidies	224.58	208.59	197.06	199.80	175.80
Of Which: Pensions	89.01	70.79	62.25	67.46	64.42
<b>Current Account Balance</b>	(14.85)	(24.12)	(76.86)	73.73	84.88
<b>Capital Revenue</b>	8.47	5.14	6.87	3.77	14.16
<b>Grants</b>	28.57	145.38	38.30	32.26	29.94
<b>Capital Expenditure and Net Lending</b>	155.13	209.68	142.35	192.64	178.92
Of Which: Capital Expenditure	155.01	209.51	141.24	192.85	178.80
<b>Overall Balance</b>	(119.85)	(67.87)	(173.92)	(2.18)	(23.50)
<b>Financing</b>	119.85	67.87	173.92	2.18	23.50
Domestic	121.97	(33.97)	132.29	(42.30)	34.36
ECCB (net)	(21.40)	(26.28)	82.13	(128.26)	95.59
Commercial Banks (net)	(81.92)	13.04	59.91	(24.43)	(72.60)
Other	225.29	(20.73)	(9.75)	110.38	11.37
External	(15.84)	47.30	52.01	49.75	8.07
Net Disbursements/(Amortisation)	(15.37)	55.62	13.30	42.16	8.09
Disbursements	107.43	129.49	102.67	94.62	69.78
Amortisation	(122.80)	(73.87)	(89.38)	(52.46)	(61.69)
Change in Government Foreign Assets	(0.47)	(8.33)	38.71	7.59	(0.02)
Arrears <sup>7/</sup>	13.72	54.54	(111.07)	(5.27)	(18.93)
Domestic	5.26	28.60	(29.81)	(3.52)	(16.31)
External	8.46	25.94	(81.26)	(1.75)	(2.62)
Other Financing	0.00	0.00	100.69	0.00	0.00

Source: Ministry of Finance and ECCB

<sup>1/</sup> Taxes on Income & Profits include stabilization levy collected in Anguilla and Social Services Levy in St Kitts and Nevis

<sup>2/</sup> Excludes Anguilla

<sup>5/</sup> Excludes Anguilla, Antigua and Barbuda, Montserrat

<sup>3/</sup> Includes Antigua and Barbuda and Dominica

<sup>6/</sup> Excludes St Vincent and the Grenadines

<sup>4/</sup> Excludes Montserrat

<sup>7/</sup> Excludes Grenada, Montserrat, St Kitts and Nevis and Saint Lucia

Data available as at 13 May 2013



**Table 4**  
**ECCU - Total Public Sector Disbursed Outstanding Debt (DOD)\***  
(In millions of Eastern Caribbean dollars)  
at end of period

	2009 <sup>R</sup>	2010 <sup>R</sup>	2011 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Anguilla	191.61	235.08	229.51	234.00	225.09
Antigua and Barbuda	3,136.39	2,709.42	2,842.09	2,836.02	2,815.29
Dominica	849.95	927.16	924.82	1,041.29	1,028.69
Grenada	1,883.80	1,943.12	2,244.78	2,386.80	2,420.42
Montserrat	9.25	8.69	7.99	7.40	7.27
St Kitts and Nevis	2,640.32	2,753.31	2,880.63	2,682.50	2,657.60
Saint Lucia	1,911.57	2,119.40	2,372.69	2,579.64	2,603.25
St Vincent and the Grenadines	1,173.79	1,215.31	1,278.83	1,370.27	1,334.68
<b>TOTAL ECCU</b>	<b>11,796.68</b>	<b>11,911.49</b>	<b>12,781.35</b>	<b>13,137.92</b>	<b>13,092.27</b>

Source: ECCB

\* Includes arrears of principal

Data available as at 10 May 2013

**Table 5**  
**ECCU - Central Government Disbursed Outstanding Debt (DOD)**  
(In millions of Eastern Caribbean dollars)  
at end of period

	2009 <sup>R</sup>	2010 <sup>R</sup>	2011 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Anguilla	172.34	217.35	213.13	217.33	208.94
Antigua and Barbuda	2,630.44	2,278.76	2,374.10	2,357.61	2,341.07
Dominica	700.90	762.48	751.15	867.22	856.77
Grenada	1,684.29	1,746.68	1,921.32	2,014.74	2,048.36
Montserrat	2.51	2.33	2.02	1.81	1.78
St Kitts and Nevis	2,018.55	2,127.37	2,325.39	2,158.60	2,145.80
Saint Lucia	1,642.15	1,835.42	2,108.98	2,358.07	2,390.32
St Vincent and the Grenadines	930.12	1,022.49	1,070.12	1,153.30	1,115.52
<b>TOTAL ECCU</b>	<b>9,781.30</b>	<b>9,992.88</b>	<b>10,766.20</b>	<b>11,128.68</b>	<b>11,108.56</b>

Source: ECCB

Data available as at 10 May 2013

**Table 6**  
**ECCU - Total Central Government Debt Service Payments**  
(In millions of Eastern Caribbean dollars)

	2009 <sup>R</sup>	2010 <sup>R</sup>	2011 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Anguilla	51.02	215.84	10.18	14.98	3.70
Antigua and Barbuda	182.70	222.60	197.81	226.00	52.86
Dominica	29.25	33.52	50.38	81.10	15.44
Grenada	117.49	90.93	252.28	338.21	45.65
Montserrat	0.21	0.19	0.24	0.14	0.04
St Kitts and Nevis	204.31	218.26	326.81	233.25	38.51
Saint Lucia	173.28	290.71	192.16	223.99	85.20
St Vincent and the Grenadines	115.75	166.61	115.86	116.71	28.74
<b>TOTAL ECCU</b>	<b>874.00</b>	<b>1,238.65</b>	<b>1,145.73</b>	<b>1,234.38</b>	<b>270.14</b>

Source: ECCB

Data available as at 10 May 2013



**Table 7**  
**Regional Government Securities Market (RGSM)**  
**Activity on the Primary Market (EC\$M)**

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Total Bid Amount	308.6	348.9	325.5	389.1	360.3
Total Offer Amount	252.0	232.0	237.0	350.0	272.0

Source: ECCB

Data available as at 31 May 2013

**Table 8**  
**Regional Government Securities Market (RGSM)**  
**Weighted Average Interest Rates**

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
91-day Treasury Bills	4.77	4.36	4.15	4.51	3.67
180-day Treasury Bills	4.25	5.00	6.00	**	6.00
365-day Treasury Bills	**	**	6.00	6.25	**
3-year Bond	**	**	**	**	**
4-year Bond	**	**	**	6.00	**
5-year Bond	**	**	**	6.99	**
6-year Bond	**	**	**	**	6.75
7-year Bond	**	**	**	7.00	7.00
8-year Bond	7.10	**	**	**	**
10-year Bond	7.40	7.50	**	7.50	7.14

Source: ECCB

Data available as at 31 May 2013

**Table 9**  
**Regional Government Securities Market (RGSM)**  
**Secondary Market Activity on the RGSM (EC\$M)**

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Volume	0.4	**	0.0	0.20	5.1
Value	0.4	**	0.0	0.20	5.1

Source: ECSE

Data available as at 31 May 2013



**Table 10**  
**Anguilla - Selected Tourism Statistics**

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Total Visitors	40,769	32,185	28,006	28,431	46,563
Stay-Over Visitors	20,642	16,547	12,523	14,986	21,502
Of which:					
USA	14,182	11,323	6,808	9,482	15,201
Canada	1,506	656	450	679	1,308
UK	803	570	589	637	749
Italy	319	186	369	191	311
Germany	148	103	60	108	140
Caribbean	2,102	2,462	3,020	2,117	1,090
Other Countries	1,582	1,247	1,227	1,772	2,703
Excursionists	20,127	15,638	15,483	13,445	25,061
<b>Total Visitor Expenditure (EC\$M)</b>	<b>97.80</b>	<b>69.96</b>	<b>65.51</b>	<b>70.84</b>	<b>105.24</b>

Source: Anguilla Statistics Department, Ministry of Finance, Economic Development, Investment, Commerce and Tourism  
Data available as at 22 May 2013

**Table 11**  
**Anguilla - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Mar 2013	Percentage Change*				
			2011 1 <sup>st</sup> Qr	2011 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2012 <sup>P</sup> 1 <sup>st</sup> Qr
All Items	100.00	158.30	0.26	0.15	1.21	1.92	(0.63)
Food	32.12	163.00	1.47	0.63	(1.88)	3.45	0.74
Alcoholic Beverages and Tobacco	0.29	154.70	1.00	2.04	(2.97)	1.73	1.24
Housing	17.15	123.30	0.08	0.32	(0.40)	1.21	(1.44)
Fuel and Light	6.86	176.10	0.00	0.00	0.06	(0.06)	0.06
Clothing and Footwear	3.07	88.30	(0.32)	(1.80)	2.16	(5.17)	(1.67)
Household Furnishings and Supplies	9.73	160.60	(0.41)	(3.67)	4.23	(5.39)	(1.53)
Transport and Communications	23.53	166.90	(0.87)	1.19	0.94	4.14	(2.00)
Medical Care and Expenses	3.09	296.50	0.14	0.00	(0.14)	35.68	(0.03)
Education	0.99	213.60	(1.00)	0.18	0.82	(2.58)	(0.60)
Personal Services	1.64	138.40	0.66	0.00	(0.66)	1.62	0.00
Miscellaneous	1.53	70.60	(2.07)	1.27	0.84	(1.38)	(1.12)

Source: Anguilla Statistics Department, Ministry of Finance, Economic Development, Investment, Commerce and Tourism

\*at end of period

Data available as at 10 May 2013



**Table 12**  
**Anguilla - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>Current Revenue</b>	50.33	40.62	42.33	46.61	46.07
Tax Revenue	44.10	35.08	37.45	38.50	40.10
Taxes on Income and Profits	4.06	3.42	3.08	3.30	3.38
Of which: Stabilisation Levy	4.06	3.42	3.08	3.30	3.38
Taxes on Property	1.51	0.98	0.36	1.06	0.48
Taxes on Domestic Goods & Services	21.04	12.99	17.79	14.21	17.03
Of which:					
Accommodation Tax	7.93	3.34	4.93	2.38	4.33
Licences	5.77	2.37	2.25	1.54	5.62
Stamp Duties	4.63	1.86	4.06	7.68	4.70
Taxes on International Trade and Transactions	17.49	17.68	16.22	19.94	19.22
Of which:					
Import Duty	13.76	13.52	11.83	14.50	13.72
Customs Surcharge	3.63	3.46	3.26	4.37	3.85
Embarkation Tax	0.00	0.45	0.85	0.81	1.44
Non-Tax Revenue	6.23	5.54	4.88	8.10	5.96
<b>Current Expenditure</b>	40.23	42.66	42.46	45.08	40.26
Personal Emoluments	19.94	19.80	19.90	20.28	19.86
Good and Services	7.90	9.95	8.96	11.53	7.44
Interest Payments	2.02	2.07	2.11	2.14	2.07
Domestic	0.57	0.56	0.59	0.69	0.65
External	1.45	1.51	1.52	1.45	1.42
Transfers & Subsidies	10.37	10.84	11.49	11.14	10.90
Of which: Pensions	2.09	2.07	2.06	1.55	2.06
<b>Current Account Balance (before grants)</b>	10.10	(2.04)	(0.13)	1.53	5.81
<b>Current Account Balance (after grants)</b>	10.10	(2.04)	(0.13)	1.53	5.81
<b>Capital Revenue</b>	0.00	0.00	0.00	0.00	0.00
<b>Grants</b>	0.00	0.00	11.64	0.00	0.00
Of which: Capital Grants	0.00	0.00	11.64	0.00	0.00
<b>Capital Expenditure and Net Lending</b>	2.37	1.70	1.83	3.62	0.39
Of which: Capital Expenditure	2.37	1.70	1.83	3.62	0.39
<b>Primary Balance (before grants)</b>	9.76	(1.67)	0.15	0.05	7.49
<b>Primary Balance (after grants)</b>	9.76	(1.67)	11.79	0.05	7.49
<b>Overall Balance (before grants)</b>	7.74	(3.74)	(1.96)	(2.09)	5.42
<b>Overall Balance (after grants)</b>	7.74	(3.74)	9.68	(2.09)	5.42
<b>Financing</b>	(7.74)	3.74	(9.68)	2.09	(5.42)
Domestic	(9.74)	3.75	(9.26)	7.77	(7.88)
ECCB (net)	(3.88)	3.10	2.67	3.82	(3.19)
Commercial Banks (net)	(4.17)	(0.10)	(5.04)	0.09	(5.00)
Other	(1.69)	0.74	(6.90)	3.86	0.31
External	(0.26)	(0.26)	(0.29)	(0.28)	(0.25)
Net Disbursements/(Amortisation)	(0.26)	(0.26)	(0.29)	(0.28)	(0.25)
Disbursements	0.00	0.00	0.00	0.00	0.00
Amortisation	0.26	0.26	0.29	0.28	0.25
Change in Government Foreign Assets	0.00	0.00	0.00	0.00	0.00
Arrears	2.26	0.25	(0.13)	(5.40)	2.71
Domestic	2.26	0.25	(0.13)	(5.40)	2.71
External	0.00	0.00	0.00	0.00	0.00
Other Financing	0.00	0.00	0.00	0.00	0.00

Source: Treasury Department, Anguilla  
Data available as at 10 May 2013



**Table 13**  
**Anguilla - External Trade**  
**(EC\$M)**

	2012 <sup>R</sup> 1 <sup>st</sup> Qr	2012 <sup>R</sup> 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>E</sup> 1 <sup>st</sup> Qr
Total Exports	4.24	4.06	4.39	6.28	4.16
Total Imports	110.09	93.11	99.06	93.74	104.61
Trade Balance	(105.84)	(89.05)	(94.66)	(87.46)	(100.45)

Source: Anguilla Statistics Department, Ministry of Finance, Economic Development, Investment, Commerce and Tourism

Data available as at 10 May 2013

**Table 14**  
**Anguilla - Monetary Survey**  
**(EC\$M at end of period)**

	2011 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>Net Foreign Assets</b>	187.12	259.74	237.56	219.38	186.28	262.83
<b>Central Bank (Net)</b>	101.76	129.05	108.08	106.23	108.04	111.35
<b>Commercial Banks (Net)</b>	85.36	130.69	129.48	113.16	78.24	151.48
External (Net)	7.70	57.32	36.64	48.97	12.11	44.83
Assets	224.86	273.65	255.71	258.19	224.43	255.20
Liabilities	217.16	216.33	219.07	209.22	212.33	210.37
Other ECCB Territories (Net)	77.66	73.37	92.84	64.18	66.14	106.65
Assets	195.69	184.44	207.22	185.68	173.75	199.72
Liabilities	118.03	111.08	114.38	121.50	107.61	93.07
<b>Net Domestic Assets</b>	827.44	807.29	823.82	798.56	821.31	792.93
<b>Domestic Credit</b>	1,199.03	1,160.62	1,168.14	1,152.15	1,123.55	1,115.24
Central Government (Net)	(54.32)	(62.37)	(59.36)	(61.72)	(57.81)	(64.56)
Other Public Sector (Net)	(160.81)	(169.10)	(175.05)	(177.18)	(184.35)	(188.78)
Private Sector	1,414.16	1,392.09	1,402.55	1,391.05	1,365.72	1,368.59
Household	594.13	580.91	586.40	572.06	565.42	563.30
Business	794.05	787.36	792.90	795.78	776.95	780.89
Non-Bank Financial Institutior	6.96	6.14	5.58	5.52	5.67	5.58
Subsidiaries & Affiliates	19.02	17.68	17.68	17.69	17.68	18.83
<b>Other Items (Net)</b>	(371.60)	(353.33)	(344.32)	(353.59)	(302.24)	(322.32)
<b>Monetary Liabilities (M2)</b>	1,014.55	1,067.04	1,061.37	1,017.94	1,007.59	1,055.76
<b>Money Supply (M1)</b>	45.43	39.67	35.49	38.09	42.62	40.49
Currency with the Public	11.22	12.44	9.54	10.62	11.19	10.85
Demand Deposits	31.78	26.55	25.22	26.55	29.93	29.04
EC\$ Cheques and Drafts Issued	2.43	0.68	0.73	0.92	1.51	0.59
<b>Quasi Money</b>	969.12	1,027.37	1,025.88	979.85	964.96	1,015.27
Savings Deposits	98.41	103.05	106.30	108.07	106.24	107.81
Time Deposits	124.48	125.17	126.76	124.80	127.03	128.75
Foreign Currency Deposits	746.24	799.15	792.81	746.98	731.69	778.71

Source: Eastern Caribbean Central Bank

Data available as at 10 May 2013

<sup>R</sup>Revisions included changes to Imputed Reserves calculation



**Table 15**  
**Antigua and Barbuda - Selected Tourism Statistics**

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Total Visitors	404,590	140,414	69,733	227,956	378,936
Stay-Over Visitors	77,330	59,131	50,165	60,300	76,302
Of which:					
USA	28,816	25,902	18,565	19,931	27,609
Canada	11,529	3,588	2,660	6,408	14,591
Europe	26,706	19,396	16,483	23,242	25,307
UK	20,777	15,284	13,144	19,472	20,833
Germany	1,063	618	276	811	932
Switzerland	429	285	97	303	353
Italy	2,723	2,248	2,426	1,644	1,641
France	603	386	312	482	562
Other Europe	1,111	575	228	530	986
Caribbean	6,780	7,647	10,362	7,891	5,597
South America	351	328	220	278	348
Other Countries	3,148	2,270	1,875	2,550	2,850
Cruise Ship Passengers	311,554	76,601	18,802	160,750	287,992
Number of Cruise Ship Calls	184	42	9	98	180
Yacht Passengers	15,706	4,682	766	6,906	14,642
Number of Yacht Calls	1,814	1,042	165	782	1,824
<b>Total Visitor Expenditure (EC\$M)</b>	<b>288.47</b>	<b>199.23</b>	<b>161.53</b>	<b>212.07</b>	<b>282.10</b>

Source: Ministry of Tourism, Antigua and Barbuda  
 Data available as at 10 May 2013

**Table 16**  
**Antigua and Barbuda - Consumer Price Index**  
 January 2001 = 100

	Weight	Index Mar-13	Percentage Change*				
			2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>All Items</b>	100.00	131.66	0.78	0.82	(0.54)	0.78	0.30
Food	21.42	151.17	(1.63)	2.62	0.96	(1.63)	0.23
Alcoholic Beverages and Tobacco	0.16	136.25	(0.34)	(1.43)	0.10	(0.34)	0.62
Housing	21.83	109.68	-	-	-	-	-
Fuel and Light	6.39	151.35	2.61	6.79	(12.72)	2.61	(4.14)
Clothing and Footwear	11.06	96.50	1.19	(0.35)	(1.97)	1.19	(0.25)
Household Furnishings and Supplies	12.60	139.18	5.32	(0.08)	0.02	5.32	2.57
Transport and Communications	15.35	132.96	(0.87)	0.96	1.58	(0.87)	(0.13)
Medical Care and Expenses	2.76	137.02	4.11	-	0.69	4.11	(0.20)
Education	2.34	187.69	-	-	4.55	-	-
Personal Services	4.30	149.95	4.72	(8.16)	-	4.72	5.96
Miscellaneous	1.79	123.30	0.11	0.49	0.14	0.11	0.06

Source: Statistics Division, Ministry of Finance, The Economy and Public Administration, Antigua and Barbuda  
 \*at end of period

Data available as at 10 May 2013





**Table 17**  
**Antigua and Barbuda - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	165.05	164.38	137.23	179.98	160.48
Tax Revenue	156.11	155.84	129.28	162.99	153.50
Taxes on Income and Profits	-	-	-	-	-
Of which:					
Personal	16.37	20.51	18.81	21.63	29.35
Corporation	9.86	11.29	11.22	9.52	11.57
Taxes on Property	6.49	9.22	7.59	12.12	17.60
Taxes on Domestic Goods and Services	7.56	7.47	2.75	2.36	5.75
Of which:					
Stamp Duties	74.94	69.18	56.56	74.74	60.30
Antigua and Barbuda Sales Tax	19.15	8.67	6.47	4.77	5.01
Taxes on International Trade and Transactions	53.16	58.41	48.01	67.91	52.95
Of which:					
Import Duty	57.24	58.68	51.16	64.25	58.10
Consumption Tax	18.54	19.69	18.24	24.56	19.31
Passenger Facility Charge	3.22	9.04	6.68	12.00	8.33
Revenue Recovery Charge	5.37	4.52	4.20	1.54	-
Embarkation Tax	16.30	17.06	16.10	21.01	16.54
Embarkation Tax	4.98	4.06	3.39	1.02	-
Non-Tax Revenue	8.94	8.54	7.96	16.99	6.98
<b>Current Expenditure</b>	167.29	168.73	167.06	168.41	133.15
Personal Emoluments	66.93	69.35	68.41	69.13	65.46
Goods and Services	24.52	31.39	30.93	26.91	17.55
Interest Payments	21.26	13.98	22.21	22.57	19.10
Domestic	17.36	9.97	17.20	19.87	12.61
External	3.90	4.00	5.02	2.71	6.49
Transfers and Subsidies	54.59	54.02	45.50	49.80	31.04
Of which: Pensions	20.91	20.64	13.35	15.75	13.63
<b>Current Account Balance</b>	(2.24)	(4.35)	(29.83)	11.57	27.33
<b>Capital Revenue</b>	0.51	0.35	0.64	0.71	0.29
<b>Grants</b>	-	-	-	-	-
Of which: Capital Grants	-	-	-	-	-
Debt Forgiveness	-	-	-	-	-
<b>Capital Expenditure and Net Lending</b>	2.10	5.06	5.71	8.01	1.29
Of which: Capital Expenditure	2.10	5.06	5.71	8.01	1.29
<b>Primary Balance</b>	17.43	4.91	(12.69)	26.84	45.43
<b>Overall Balance</b>	(3.83)	(9.07)	(34.90)	4.27	26.33
<b>Financing</b>	3.83	9.07	34.90	(4.27)	(26.33)
Domestic	11.36	(33.75)	55.43	(17.32)	(15.33)
ECCB (net)	3.27	(14.95)	7.11	3.13	(0.19)
Commercial Banks (net)	7.55	(10.33)	2.47	10.06	(29.98)
Other	0.54	(8.47)	45.85	(30.50)	14.84
External	(8.66)	47.17	(13.35)	10.23	(14.42)
Net Disbursements/(Amortisation)	(8.53)	49.27	(24.46)	10.23	(14.42)
Disbursements	1.35	57.00	-	14.13	-
Amortisation	9.88	7.73	24.46	3.90	14.42
Change in Government Foreign Assets	(0.14)	(2.09)	11.11	-	(0.00)
Other	-	-	-	-	-
Arrears	1.14	(4.36)	(107.86)	2.82	3.43
Domestic	(1.90)	(3.84)	(7.18)	(2.53)	7.19
External	3.04	(0.51)	(100.68)	5.35	(3.77)
Other Financing	-	-	100.69	-	-

Source: Ministry of Finance, Antigua and Barbuda  
Data available as at 10 May 2013



**Table 18**  
**Antigua and Barbuda - Monetary Survey**  
**(EC\$M at end of period)**

	2011 <sup>R</sup> 4 <sup>th</sup> Qr	2012 <sup>R</sup> 1 <sup>st</sup> Qr	2012 <sup>R</sup> 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Net Foreign Assets</b>	352.01	396.71	404.57	407.15	465.45	619.87
<b>Central Bank (Net)</b>	396.29	482.33	515.36	468.20	435.38	586.10
<b>Commercial Banks (Net)</b>	(44.28)	(85.61)	(110.79)	(61.05)	30.07	33.77
External (Net)	(222.01)	(199.21)	(261.06)	(217.75)	(299.26)	(272.62)
Assets	1,331.69	1,246.88	1,208.57	1,234.33	966.07	977.62
Liabilities	1,553.70	1,446.09	1,469.63	1,452.08	1,265.33	1,250.24
Other ECCB Territories (Net)	177.73	113.60	150.27	156.70	329.33	306.39
Assets	1,189.23	1,165.07	1,240.56	1,232.67	1,310.36	1,323.79
Liabilities	1,011.50	1,051.48	1,090.28	1,075.97	981.04	1,017.40
<b>Net Domestic Assets</b>	2,448.14	2,443.87	2,394.94	2,337.72	2,324.66	2,239.69
<b>Domestic Credit</b>	2,852.67	2,830.83	2,790.20	2,746.79	2,700.20	2,605.71
Central Government (Net)	543.70	554.51	529.24	538.81	552.00	524.07
Other Public Sector (Net)	(124.27)	(136.46)	(145.25)	(180.54)	(216.53)	(253.17)
Private Sector	2,433.24	2,412.77	2,406.22	2,388.52	2,364.73	2,334.81
Household	1,234.30	1,268.45	1,279.49	1,289.86	1,281.87	1,268.13
Business	1,119.41	1,057.93	1,035.20	1,013.92	998.20	983.71
Non-Bank Financial Institution	20.55	30.53	35.98	29.30	29.58	28.25
Subsidiaries & Affiliates	58.98	55.87	55.56	55.43	55.09	54.72
<b>Other Items (Net)</b>	(404.53)	(386.96)	(395.26)	(409.07)	(375.54)	(366.03)
<b>Monetary Liabilities (M2)</b>	2,800.15	2,840.58	2,799.51	2,744.86	2,790.11	2,859.56
<b>Money Supply (M1)</b>	603.09	610.10	552.12	519.02	554.01	546.51
Currency with the Public	130.06	126.02	119.03	116.79	121.73	127.94
Demand Deposits	447.29	452.32	400.53	375.68	413.33	390.78
EC\$ Cheques and Drafts Issued	25.74	31.75	32.57	26.55	18.95	27.79
<b>Quasi Money</b>	2,197.06	2,230.48	2,247.39	2,225.85	2,236.10	2,313.05
Savings Deposits	995.61	1,027.72	1,053.99	1,054.23	1,082.44	1,142.64
Time Deposits	995.61	993.12	1,007.18	984.72	978.83	975.13
Foreign Currency Deposits	205.84	209.64	186.22	186.90	174.83	195.29

Source: Eastern Caribbean Central Bank

Data available as at 10 May 2013

<sup>R</sup> Revisions included changes to Imputed Reserves calculation



**Table 19**  
**Antigua and Barbuda - External Trade**  
**(EC\$M)**

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Visible Trade Balance	(330.57)	(324.26)	(306.40)	(397.89)	(336.87)
Total Exports	21.91	31.46	12.71	12.24	20.58
Total Imports	352.48	355.72	319.10	410.13	357.44

Source: Statistics Division, Ministry of Finance, The Economy and Public Administration, Antigua and Barbuda

**Data available as at 10 May 2013**



**Table 20**  
**Dominica - Selected Tourism Statistics**

	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
Total Visitors	190,565	46,177	22,202	95,245	142,628
Stay-Over Visitors	18,535	16,700	20,195	18,714	15,012
Of which:					
USA	3,756	3,397	3,385	3,643	3,660
Canada	908	652	687	816	983
UK	1,385	878	1,130	1,273	717
Caribbean	8,945	9,532	12,877	10,604	7,851
Other Countries	3,541	2,241	2,116	2,378	1,801
Excursionists	611	168	1,192	133	216
Yacht Passengers	6,365	2,602	815	1,981	5,536
Cruise Ship Passengers	165,054	26,707	-	74,417	121,864
Number of Cruise Ship Calls	112	15	-	56	88
<b>Total Visitor Expenditure (EC\$M)</b>	<b>87.31</b>	<b>67.79</b>	<b>74.19</b>	<b>77.88</b>	<b>73.20</b>

Sources: Discover Dominica Authority and ECCB Estimates

Data available as at 10 May 2013

**Table 21**  
**Dominica - Consumer Price Index**  
June 2010 = 100

	Weight	Index Mar 2013	Percentage Change*				
			2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
			1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>All Items</b>	100.00	103.96	0.95	0.66	(0.12)	0.51	0.71
Food and Non-Alcoholic Beverages	18.08	109.41	(0.06)	0.12	1.82	1.05	0.75
Alcoholic Beverages, Tobacco and Narcotics	0.77	102.70	0.71	0.02	(0.05)	0.41	-
Clothing and Footwear	5.08	99.63	1.14	(2.54)	0.23	0.01	-
Housing, Utilities, Gas and Fuels	30.62	100.38	2.43	1.19	0.59	(1.33)	0.34
Household Furnishings, Supplies and Maintenance	5.23	101.64	(0.10)	(0.35)	(1.29)	0.17	-
Health	3.36	101.73	(0.31)	0.21	-	0.60	-
Transport	20.11	106.05	0.69	1.84	(2.43)	2.24	2.20
Communication	3.95	103.23	(0.01)	0.01	-	3.30	-
Recreation and Culture	3.74	110.45	0.11	(0.39)	(0.19)	-	-
Education	1.33	102.58	-	1.13	(1.12)	-	-
Hotels and Restaurants	2.88	105.56	1.21	(0.56)	0.04	1.08	-
Miscellaneous	4.85	101.36	(0.50)	1.23	(0.08)	-	-

**Table 22**  
**Dominica - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2012 <sup>R</sup> 1 <sup>st</sup> Qr	2012 <sup>R</sup> 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	83.73	94.19	83.70	87.70	85.39
Tax Revenue	75.72	81.89	73.41	71.67	72.72
Taxes on Income and Profits	15.26	15.80	13.83	11.95	13.39
Of which:					
Personal	9.20	7.79	7.50	7.20	8.80
Corporation	6.68	8.94	6.80	5.09	5.09
Taxes on Property	1.64	1.69	1.37	1.59	1.64
Taxes on Domestic Goods and Services	44.29	49.71	42.83	42.80	45.14
Of which:					
Licences	4.82	6.28	3.43	3.18	4.56
Value Added Tax	29.75	34.71	30.53	30.26	30.45
Excise Tax	9.13	8.07	8.26	8.84	9.68
Taxes on International Trade and Transactions	14.53	14.68	15.38	15.33	12.55
Of which:					
Import Duty	7.87	7.89	8.50	9.35	6.79
Customs Service Charge/Customs Surcharge	3.24	3.27	3.55	3.30	3.00
Environmental Levy	1.79	1.76	1.98	1.92	1.63
Non-Tax Revenue	8.01	12.30	10.29	16.04	12.67
<b>Current Expenditure</b>	78.21	78.82	107.12	73.86	80.65
Personal Emoluments	32.73	33.29	34.22	34.54	34.99
Goods and Services	21.95	25.50	23.13	21.30	20.95
Interest Payments	6.03	4.44	30.42	2.37	7.13
Domestic	3.98	2.73	2.76	1.00	3.30
External	2.06	1.71	27.67	1.37	3.84
Transfers and Subsidies	17.51	15.59	19.35	15.64	17.58
Of which: Pensions	4.26	4.17	4.18	4.29	4.22
<b>Current Account Balance</b>	5.52	15.37	(23.42)	13.85	16.44
<b>Capital Revenue</b>	0.16	0.27	0.30	0.23	0.09
<b>Grants</b>	1.55	-	0.10	0.21	12.22
Of which: Capital Grants	1.55	-	0.10	0.21	0.52
<b>Capital Expenditure and Net Lending</b>	36.24	103.11	14.76	18.46	14.77
Of which: Capital Expenditure	36.14	103.07	13.82	18.42	14.75
<b>Primary Balance</b>	(22.98)	(83.02)	(7.36)	(1.80)	9.41
<b>Overall Balance</b>	(29.01)	(87.47)	(37.78)	(4.17)	2.28
<b>Financing</b>	29.01	87.47	37.78	4.17	(2.28)
Domestic	9.70	77.03	2.75	(25.22)	(3.05)
ECCB (net)	(11.80)	(19.42)	17.43	(5.11)	(0.91)
Commercial Banks (net)	(9.04)	57.25	0.29	(3.58)	22.43
Other	30.54	39.20	(14.97)	(16.53)	(24.57)
External	23.55	6.52	38.71	33.01	0.94
Net Disbursements (Amortisation)	23.88	12.76	11.11	25.42	0.96
Disbursements	27.70	20.31	24.86	26.08	3.64
Amortisation	(3.82)	(7.55)	(13.76)	(0.67)	(2.68)
Change in Government Foreign Assets	(0.33)	(6.23)	27.61	7.59	(0.02)
Arrears	(4.24)	3.92	(3.68)	(3.62)	(0.17)
Domestic	(3.89)	3.92	(3.68)	(3.62)	(1.31)
External	(0.35)	-	-	-	1.15
Other Financing	-	-	-	-	-

Source: Ministry of Finance, Dominica  
Data available as at 10 May 2013



**Table 23**  
**Dominica - Selected Trade Statistics**  
 (Value: EC\$M; Volume: tonnes)

	2012 <sup>R</sup> 1 <sup>st</sup> Qr	2012 <sup>R</sup> 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Visible Trade Balance	(105.06)	(107.50)	(117.71)	(100.00)	(100.52)
Total Imports	125.34	131.98	139.18	129.15	121.30
Total Exports	20.27	24.48	21.46	29.15	20.77
Re-Exports	5.04	5.44	3.84	8.66	5.16
Domestic Exports	15.24	19.04	17.62	20.49	15.61
Of Which:					
Bananas					
Value	1.34	1.24	0.75	0.53	0.54
Volume	843	781	492	349	364
Soap					
Value	9.09	8.79	9.22	9.01	9.32
Volume	1,503	1,426	1,531	1,438	1,677

Source: Central Statistical Office, Dominica Coconut Products, WINFRESH and ECCB Estimates  
 Data available as at 10 May 2013

**Table 24**  
**Dominica - Monetary Survey**  
**(EC\$M at end of period)**

	2011 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>Net Foreign Assets</b>	459.12	516.23	548.46	535.79	544.98	545.11
<b>Central Bank (Net)</b>	203.43	229.69	231.76	231.85	247.96	227.31
<b>Commercial Banks (Net)</b>	255.69	286.54	316.71	303.94	297.02	317.80
External (Net)	(17.76)	(25.82)	(15.26)	(21.30)	8.99	42.14
Assets	166.40	164.70	168.81	169.53	252.95	284.54
Liabilities	184.16	190.52	184.06	190.84	243.97	242.40
Other ECCB Territories (Net)	273.45	312.36	331.96	325.24	288.03	275.67
Assets	393.05	383.82	405.39	403.36	333.42	320.38
Liabilities	119.60	71.46	73.43	78.13	45.38	44.72
<b>Net Domestic Assets</b>	574.84	573.67	561.58	581.00	593.37	587.25
<b>Domestic Credit</b>	652.90	646.56	637.37	663.66	687.42	669.11
Central Government (Net)	(32.54)	(53.37)	(15.54)	2.17	(6.62)	3.44
Other Public Sector (Net)	(77.92)	(76.60)	(134.74)	(132.23)	(102.44)	(132.22)
Private Sector	763.35	776.53	787.65	793.71	796.48	797.90
Household	422.83	425.29	430.97	436.25	443.08	445.48
Business	329.52	340.31	334.20	336.17	332.64	330.79
Non-Bank Financial Institutior	4.44	4.35	15.91	14.73	14.20	15.06
Subsidiaries & Affiliates	6.57	6.57	6.57	6.57	6.57	6.57
<b>Other Items (Net)</b>	(78.07)	(72.89)	(75.79)	(82.66)	(94.06)	(81.86)
<b>Monetary Liabilities (M2)</b>	1,033.96	1,089.90	1,110.05	1,116.78	1,138.35	1,132.36
<b>Money Supply (M1)</b>	189.77	212.90	210.27	213.79	227.83	217.85
Currency with the Public	47.00	43.63	45.58	42.09	45.61	43.37
Demand Deposits	140.17	166.30	161.83	168.88	175.67	172.11
EC\$ Cheques and Drafts Issued	2.60	2.98	2.86	2.82	6.56	2.37
<b>Quasi Money</b>	844.19	877.00	899.78	902.99	910.52	914.51
Savings Deposits	564.18	594.29	610.10	621.91	628.20	639.33
Time Deposits	256.21	252.43	259.73	257.65	248.77	251.63
Foreign Currency Deposits	23.80	30.28	29.94	23.43	33.55	23.55

Source: Eastern Caribbean Central Bank

Data available as at 10 May 2013

<sup>R</sup>Revisions included changes to Imputed Reserves calculation



Grenada - Selected Tourism Statistics

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>E</sup> 1 <sup>st</sup> Qr
Total Visitors	174,324	55,621	31,565	98,710	140,688
Stay-Over Visitors	32,410	23,514	30,707	25,676	32,150
Of which:					
USA	8,921	6,140	9,168	5,967	10,104
Canada	2,989	1,016	1,802	2,015	4,787
Europe	10,695	6,340	6,382	7,983	8,885
Of which:					
Germany	576	256	138	342	287
United Kingdom	8,205	5,372	5,065	5,844	6,652
Caribbean	5,837	6,514	7,436	5,051	4,857
Other Countries	3,968	3,504	5,919	4,660	3,517
Excursionists	927	628	383	283	633
Cruise Ship Passengers	139,598	30,798	0	72,058	107,429
Yacht Passengers	1,389	681	475	693	476
Number of Cruise Ship Calls	116	16	0	3	106
<b>Total Visitor Expenditure (EC\$M)</b>	<b>96.58</b>	<b>61.01</b>	<b>74.34</b>	<b>65.98</b>	<b>92.91</b>

Source: Grenada Board of Tourism  
Data available as at 10 May 2013

Table 26  
Grenada - Consumer Price Index  
January 2010 = 100

	Weight	Index Mar 2013	Percentage Change*				
			2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>All Items</b>	100.0	109.76	1.85	(0.53)	0.38	1.85	0.05
Food & Non-Alcoholic Beverages	20.4	114.37	0.75	(0.12)	0.41	0.75	0.19
Alcoholic Beverages, Tobacco and Narcotics	1.8	115.39	1.25	(1.06)	(0.10)	1.25	0.16
Clothing and Footwear	3.7	103.81	0.84	(0.55)	0.58	0.84	(1.26)
Housing, Utilities, Gas and Fuels	29.1	106.29	0.76	(0.16)	(0.09)	0.76	0.19
Household Furnishings, Supplies and Maintenance	4.5	112.00	8.37	0.16	(0.84)	8.37	(0.55)
Health	1.9	125.69	0.20	0.06	1.01	0.20	0.15
Transport	18.7	109.24	5.71	(2.34)	1.15	5.71	(0.87)
Communication	10.0	114.77	-	-	-	-	0.90
Recreation and Culture	2.7	102.11	0.45	-	(0.54)	0.45	-
Education	0.8	113.99	4.50	-	4.15	4.50	-
Hotels and Restaurants	1.8	104.90	-	-	(1.46)	-	(0.63)
Miscellaneous	4.6	103.88	(1.15)	0.44	2.62	1.15	2.14

Source: Central Statistics Office, Ministry of Finance, Planning, Economy, Energy and Cooperatives, Grenada  
\*at end of period  
Data available as at 10 May 2013





**Table 27**  
**Grenada - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	107.13	98.73	103.71	115.71	98.37
Tax Revenue	102.05	93.87	99.10	108.16	94.46
Taxes on Income and Profits	18.32	16.45	22.15	18.58	14.30
Of which:					
Personal	8.23	5.75	7.14	6.82	7.43
Corporation	10.08	10.70	15.00	11.76	6.86
Taxes on Property	4.74	4.99	2.47	4.22	3.69
Taxes on Domestic Goods and Services	49.07	43.86	43.98	52.57	48.70
Of which:					
Value-added Tax	40.29	36.62	36.82	38.90	40.56
Stamp Duties	1.32	1.12	0.79	9.58	0.69
Licences	4.92	3.23	4.77	2.60	4.57
Taxes on International Trade and Transactions	29.92	28.56	30.51	32.80	27.78
Of which:					
Import Duty	11.26	11.52	12.55	12.71	11.89
Customs Service Charge	9.23	8.24	7.33	10.87	7.96
Non-Tax Revenue	5.08	4.86	4.61	7.54	3.91
<b>Current Expenditure</b>	123.47	107.77	118.78	108.11	104.91
Personal Emoluments	57.02	57.46	56.42	56.31	55.76
Goods and Services	22.99	22.12	17.09	24.20	20.14
Interest Payments	24.41	10.09	28.31	10.82	12.25
Domestic	4.16	4.60	8.08	6.26	7.88
External	20.25	5.49	20.24	4.57	4.37
Transfers and Subsidies	19.04	18.10	16.96	16.77	16.76
Of which: Pensions	6.52	6.65	6.77	6.67	6.81
<b>Current Account Balance</b>	(16.34)	(9.05)	(15.07)	7.59	(6.54)
<b>Capital Revenue</b>	0.00	0.01	0.07	0.01	0.01
<b>Grants</b>	5.59	8.88	4.77	2.30	0.72
Of which: Capital Grants	5.59	8.15	4.77	2.30	0.72
<b>Capital Expenditure and Net Lending</b>	23.84	27.32	23.05	34.15	30.23
Of which: Capital Expenditure	23.84	27.32	23.05	34.15	30.23
<b>Primary Balance</b>	(10.17)	(17.39)	(4.95)	(13.43)	(23.79)
<b>Overall Balance</b>	(34.59)	(27.48)	(33.27)	(24.25)	(36.04)
Domestic	24.42	5.49	37.74	45.50	31.48
ECCB (net)	(1.86)	1.38	5.64	(2.90)	5.09
Commercial Banks (net)	(11.67)	(2.60)	(8.91)	(21.96)	0.92
Other	37.94	6.71	41.01	70.36	25.47
External	(3.88)	(18.59)	(1.25)	(4.07)	4.56
Net Amortisation	(3.88)	(18.59)	(1.25)	(4.07)	4.56
Disbursements	4.91	7.34	5.70	7.12	10.92
Amortisation	8.80	25.94	6.95	11.19	6.36
Change in Government Foreign Assets	0.00	0.00	0.00	0.00	0.00
Arrears	14.05	40.59	(3.22)	(17.18)	0.00
Domestic	8.29	14.13	(22.64)	(10.08)	0.00
External	5.77	26.46	19.42	(7.11)	0.00
Other Financing	0.00	0.00	0.00	0.00	0.00

Source: Ministry of Finance, Planning, Economy, Energy and Cooperatives, Grenada  
Data available as at 10 May 2013



**Table 28**  
**Grenada - Selected Agricultural Production**

	Unit	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>E</sup> 1 <sup>st</sup> Qr
Bananas	(tonnes)	1,540	1,357	2,107	2,455	1,622
Cocoa	(tonnes)	423	214	50	212	433
Nutmeg	(tonnes)	93	84	81	82	94
Mace	(tonnes)	8	7	7	7	8

Source: Central Statistics Office, Ministry of Finance, Planning, Economy, Energy and Cooperatives  
Grenada

Data available as at 10 May 2013

**Table 29**  
**Grenada - Selected Trade Statistics**  
(Value: EC\$M; Volume: 000 tonnes)

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>E</sup> 1 <sup>st</sup> Qr
<b>Visible Trade Balance</b>	(200.80)	(190.62)	(207.72)	(213.95)	(201.42)
<b>Total Imports</b>	221.90	220.50	229.97	234.14	222.84
<b>Total Exports</b>	21.10	29.88	22.25	20.19	21.41
Re-Exports	3.36	2.10	3.76	2.21	3.39
Domestic Exports	17.74	27.78	18.50	17.99	18.02
Of Which:					
Bananas					
Volume	-	-	-	-	-
Value	-	-	-	-	-
Nutmeg					
Volume	64.92	104.21	67.70	80.23	66.10
Value	3.77	5.82	4.05	3.21	3.84
Mace					
Volume	2.17	8.87	2.46	3.47	2.21
Value	0.16	0.61	0.15	0.39	0.17
Cocoa					
Volume	417.44	216.08	98.22	159.98	428.49
Value	4.13	2.17	0.99	0.87	4.24
Manufactured Exports					
Value	7.61	9.43	9.54	8.16	7.68

Source: Central Statistics Office, Ministry of Finance, Planning, Economy, Energy and Cooperatives,  
Grenada

Data available as at 10 May 2013



**Table 30**  
**Grenada - Monetary Survey**  
**(EC\$M at end of period)**

	2011 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>Net Foreign Assets</b>	168.90	202.12	164.79	127.77	113.78	170.72
<b>Central Bank (Net)</b>	285.93	286.82	259.12	268.71	280.81	284.43
<b>Commercial Banks (Net)</b>	(117.04)	(84.70)	(94.33)	(140.94)	(167.03)	(113.71)
External (Net)	(245.57)	(221.54)	(213.11)	(246.76)	(263.29)	(243.53)
Assets	255.14	278.30	281.34	253.31	244.30	262.33
Liabilities	500.71	499.83	494.44	500.07	507.59	505.87
Other ECCB Territories (Net)	128.54	136.84	118.78	105.83	96.26	129.83
Assets	256.73	229.49	224.61	236.40	233.69	231.23
Liabilities	128.19	92.65	105.83	130.58	137.43	101.40
<b>Net Domestic Assets</b>	1680.78	1674.37	1703.26	1745.68	1748.47	1719.88
<b>Domestic Credit</b>	1782.55	1774.24	1800.13	1851.67	1857.44	1848.69
Central Government (Net)	150.40	136.87	135.65	132.38	107.51	113.52
Other Public Sector (Net)	(168.17)	(160.65)	(142.73)	(89.29)	(53.29)	(66.97)
Private Sector	1800.32	1798.02	1807.20	1808.58	1803.22	1802.14
Household	1176.17	1170.26	1174.87	1167.95	1162.76	1160.73
Business	608.24	611.33	616.95	625.90	625.56	630.60
Non-Bank Financial Institution	15.91	16.42	15.38	14.73	14.90	10.80
Subsidiaries & Affiliates	0.00	0.00	0.00	0.00	0.00	0.00
<b>Other Items (Net)</b>	(101.77)	(99.88)	(96.86)	(105.99)	(108.97)	(128.80)
<b>Monetary Liabilities (M2)</b>	1849.67	1876.49	1868.05	1873.45	1862.25	1890.61
<b>Money Supply (M1)</b>	324.53	329.28	316.55	337.10	333.00	334.11
Currency with the Public	108.66	106.25	101.17	103.92	112.88	108.54
Demand Deposits	204.06	214.50	206.45	221.51	211.12	217.81
EC\$ Cheques and Drafts Issued	11.81	8.53	8.92	11.67	9.01	7.76
<b>Quasi Money</b>	1525.14	1547.21	1551.50	1536.35	1529.25	1556.49
Savings Deposits	1023.07	1049.25	1063.18	1074.91	1095.90	1129.13
Time Deposits	381.44	373.58	364.82	342.87	339.92	335.46
Foreign Currency Deposits	120.63	124.38	123.50	118.57	93.42	91.90

Source: Eastern Caribbean Central Bank

Data available as at 10 May 2013

<sup>R</sup>Revisions included changes to Imputed Reserves calculation



Montserrat - Selected Tourism Statistics

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 1 <sup>st</sup> Qr
Total Visitors	2,958	2,494	1,860	4,815	3,150
Stay-Over Visitors	1,521	958	1,257	3,574	1,877
Of which:					
USA	461	305	245	939	512
Canada	165	36	49	255	243
UK	384	158	270	1336	602
Caribbean	416	386	633	955	426
Other Countries	95	73	60	89	94
Excursionists	686	893	491	536	376
Cruise Ship Passengers	51	325	0	464	266
Number of Cruise Ship Calls	1	2	0	2	2
Yacht Passengers	700	318	112	241	631
Number of Yachts	158	96	20	53	165
<b>Total Visitor Expenditure (EC\$M)</b>	<b>4.73</b>	<b>2.33</b>	<b>2.74</b>	<b>9.15</b>	<b>5.91</b>

Source: Statistics Department, Ministry of Finance and Economic Development, Montserrat  
 Data available as at 10 May 2013

Table 32  
 Montserrat - Consumer Price Index  
 April 1982 = 100

	Weight	Index Mar-13	Percentage Change*				
			2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 1 <sup>st</sup> Qr
<b>All Items</b>	100.00	267.90	1.43	0.92	0.69	0.55	(0.43)
Food	49.50	286.07	0.01	0.88	1.68	(0.46)	0.45
Alcohol and Tobacco	4.60	257.37	3.19	1.46	(0.16)	0.32	1.46
Household Goods	10.20	192.25	1.20	3.76	0.54	2.13	0.51
Gas, Electricity and Water	1.80	228.37	1.62	(3.98)	(2.94)	11.29	(10.61)
Rent	0.70	955.73	0.00	-	-	-	-
Clothing and Footwear	17.90	222.36	4.54	0.25	-	0.11	(0.22)
Services	15.30	289.02	3.16	0.95	(1.10)	2.69	(3.31)

Source: Statistics Department, Ministry of Finance and Economic Development, Montserrat  
 \*at end of period

Data available as at 10 May 2013



**Table 33**  
**Montserrat - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 1 <sup>st</sup> Qr
<b>Current Revenue</b>	11.64	9.79	8.86	12.20	11.34
Tax Revenue	9.97	8.42	8.02	10.76	9.50
Taxes on Income and Profits	4.33	3.98	3.94	3.30	3.92
Of which:					
Personal	3.56	3.07	2.63	2.91	3.25
Corporation	0.51	0.67	1.31	0.28	0.59
Taxes on Property	0.14	0.09	0.06	0.56	0.16
Taxes on Domestic Goods and Services	1.87	0.59	0.43	0.61	1.76
Of which:					
Hotel Occupancy	0.01	0.01	0.01	0.01	0.00
Insurance Company Levy	0.11	0.09	0.07	0.09	0.04
Licences and Stamp Duties	1.22	0.34	0.21	0.38	1.07
Taxes on International Trade and Transactions	3.64	3.76	3.59	6.29	3.66
Of which:					
Import Duty	0.99	1.14	1.17	2.36	1.13
Consumption Tax	1.56	2.22	2.18	3.82	2.32
Customs Service Charge	0.87	0.27	0.12	0.00	0.00
Non-Tax Revenue	1.66	1.37	0.83	1.44	1.83
<b>Current Expenditure</b>	43.99	22.51	21.49	23.77	30.27
Personal Emoluments	10.66	10.51	10.46	10.69	10.55
Goods and Services	7.23	4.60	4.54	5.77	8.48
Interest Payments	0.00	0.01	0.01	0.01	0.01
Domestic	0.00	0.00	0.00	0.00	0.00
External	0.00	0.01	0.01	0.01	0.01
Transfers and Subsidies	26.10	7.39	6.48	7.30	11.23
Of which: Pensions	21.03	3.02	2.68	3.03	2.73
<b>Current Account Balance (before grants)</b>	(32.35)	(12.72)	(12.63)	(11.57)	(18.94)
<b>Current Account Balance (after grants)</b>	(19.53)	1.05	(12.63)	16.60	(5.30)
<b>Capital Revenue</b>	0.00	0.00	0.00	0.00	0.00
<b>Grants</b>	22.95	24.58	8.31	41.18	33.44
Of which: Capital Grants	10.13	10.81	8.31	13.01	19.81
<b>Capital Expenditure and Net Lending</b>	10.45	8.22	8.03	12.89	21.70
Of which: Capital Expenditure	10.45	8.22	8.03	12.89	21.70
<b>Primary Balance (before grants)</b>	(42.81)	(20.94)	(20.65)	(24.45)	(40.63)
<b>Primary Balance (after grants)</b>	(19.86)	3.65	(12.34)	16.73	(7.19)
<b>Overall Balance (before grants)</b>	(42.81)	(20.95)	(20.66)	(24.46)	(40.64)
<b>Overall Balance (after grants)</b>	(19.86)	3.64	(12.35)	16.73	(7.20)
<b>Financing</b>	19.86	(3.64)	12.35	(16.73)	7.20
Domestic	19.89	(3.61)	12.38	(16.70)	7.22
ECCB (net)	(0.08)	0.02	(0.05)	0.13	(0.13)
Commercial Banks (net)	18.15	(6.40)	12.97	(34.42)	(16.43)
Other	1.83	2.78	(0.55)	17.60	23.78
External	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Net Disbursements/(Amortisation)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Disbursements	0.00	0.00	0.00	0.00	0.00
Amortisation	0.03	0.03	0.03	0.03	0.03
Change in Government Foreign Assets	0.00	0.00	0.00	0.00	0.00
Arrears	0.00	0.00	0.00	0.00	0.00
Domestic	0.00	0.00	0.00	0.00	0.00
External	0.00	0.00	0.00	0.00	0.00
Other Financing	0.00	0.00	0.00	0.00	0.00

Source: Ministry of Finance, Montserrat

\*Goods and Services include Miscellaneous Payments

Data available as at 10 May 2013



**Table 34**  
**Montserrat - Selected Trade Statistics**  
 (Value: EC\$M)

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 1 <sup>st</sup> Qr
Visible Trade Balance	(22.52)	(18.48)	(23.07)	(29.48)	(26.76)
Total Imports	24.15	19.82	23.93	31.85	27.73
Total Exports	1.63	1.34	0.86	2.37	0.97
Total Domestic Exports	1.14	1.17	0.85	2.36	0.65
Total Re-Exports	0.49	0.17	0.01	0.01	0.32

Source: Statistics Department, Ministry of Finance and Economic Development, Montserrat and ECCB Estimates  
**Data available as at 10 May 2013**

**Table 35**  
**Montserrat - Monetary Survey**  
**(EC\$M at end of period)**

	2011 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>Net Foreign Assets</b>	231.97	243.44	244.75	239.18	278.87	299.23
<b>Central Bank (Net)</b>	69.48	85.46	84.14	102.25	86.63	85.88
<b>Commercial Banks (Net)</b>	162.50	157.98	160.61	136.94	192.24	213.36
External (Net)	34.99	24.88	16.68	11.47	69.94	85.67
Assets	73.13	65.69	57.03	52.04	121.48	136.59
Liabilities	38.15	40.81	40.34	40.58	51.53	50.92
Other ECCB Territories (Net)	127.51	133.10	143.93	125.47	122.30	127.68
Assets	242.92	245.78	257.29	241.48	128.24	134.39
Liabilities	115.41	112.68	113.36	116.01	5.95	6.71
<b>Net Domestic Assets</b>	(39.41)	(39.79)	(44.25)	(26.81)	(58.03)	(80.24)
<b>Domestic Credit</b>	(5.10)	(3.56)	(8.52)	12.01	(17.04)	(36.85)
Central Government (Net)	(54.62)	(36.56)	(42.95)	(30.02)	(64.31)	(80.87)
Other Public Sector (Net)	(18.84)	(36.83)	(35.98)	(32.33)	(27.87)	(25.00)
Private Sector	68.36	69.83	70.40	74.35	75.14	69.01
Household	57.93	59.57	60.28	64.27	65.29	58.41
Business	10.43	10.26	10.13	10.09	9.85	10.59
Non-Bank Financial Institution	-	-	-	-	-	0.00
Subsidiaries & Affiliates	-	-	-	-	-	-
<b>Other Items (Net)</b>	(34.31)	(36.23)	(35.73)	(38.81)	(40.99)	(43.38)
<b>Monetary Liabilities (M2)</b>	192.56	203.65	200.50	212.38	220.84	219.00
<b>Money Supply (M1)</b>	41.17	47.50	41.11	46.44	47.37	43.86
Currency with the Public	21.63	23.26	18.60	20.49	25.69	21.18
Demand Deposits	19.41	24.04	22.14	25.69	21.55	22.52
EC\$ Cheques and Drafts Issued	0.13	0.20	0.37	0.26	0.13	0.15
<b>Quasi Money</b>	151.39	156.15	159.39	165.94	173.47	175.14
Savings Deposits	129.84	132.92	135.64	141.17	148.63	148.83
Time Deposits	13.23	14.73	15.09	15.31	15.94	16.65
Foreign Currency Deposits	8.32	8.50	8.66	9.46	8.91	9.66

Source: Eastern Caribbean Central Bank

Data available as at 10 May 2013

<sup>R</sup>Revisions included changes to Imputed Reserves calculation



**Table 36**  
**St Kitts and Nevis - Selected Tourism Statistics**

	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>E</sup>
	1 <sup>st</sup> Qr	2 <sup>st</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
Total Visitors	315,380	107,963	65,426	148,155	258,996
Stay-Over Visitors	30,968	25,635	22,169	23,294	30,759
Of which:					
USA	21,344	16,946	13,522	13,510	20,463
Canada	2,719	1,047	1,154	1,720	2,910
UK	2,265	1,731	1,683	2,314	2,385
Caribbean	3,461	4,653	4,695	4,430	3,721
Other Countries	1,179	1,258	1,115	1,320	1,280
Excursionists	1,003	698	763	784	1,121
Cruise Ship Passengers	283,409	81,630	42,494	124,077	227,116
Yacht Passengers	989	626	71	393	999
Number of Cruise Ship Calls	164	44	14	77	149
<b>Total Visitor Expenditure (EC\$M)</b>	<b>83.17</b>	<b>60.43</b>	<b>50.88</b>	<b>57.44</b>	<b>80.39</b>

Source: Statistics Department, Sustainable Development, St Kitts and Central Statistics Office, Nevis and ECCB Estimates  
Data available as at 10 May 2013

**Table 37**  
**St Kitts and Nevis - Consumer Price Index**  
January 2010 = 100

	Weight	Index Mar 2013	Percentage Change*				
			2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
			1 <sup>st</sup> Qr	2 <sup>st</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>All items</b>	100.00	110.01	(0.48) -	0.32	1.05	(0.05)	(0.61)
Food and Non-Alcoholic Beverages	15.98	116.34	0.60	0.06	0.07	(0.73)	1.34
Alcoholic Beverages, Tobacco & Narcotics	2.71	121.24	(0.20)	1.97	(0.11)	0.80	0.76
Clothing and Footwear	4.20	115.33	0.85	0.08	(0.02)	0.18	0.94
Housing, Utilities, Gas and Fuels	27.56	103.09	0.03	-	0.02	-	-
Household Furnishings, Supplies and Maintenance	6.10	109.58	1.00	1.36	1.19	(0.09)	(0.33)
Health	2.38	105.49	0.87	(0.11)	(0.44)	(0.94)	0.57
Transport	16.14	117.33	(2.86)	(2.72)	3.15	0.66	(2.38)
Communication	8.47	104.48	(0.12)	-	-	-	-
Recreation and Culture	2.92	110.70	0.64	0.76	0.22	(0.76)	(0.13)
Education	2.41	115.48	(7.03)	-	19.83	(0.84)	(7.45)
Hotels and Restaurants	5.60	117.31	(0.60)	-	-	-	0.74
Miscellaneous Goods and Services	5.54	110.40	(0.22)	0.26	0.55	0.05	- 0.51

Source: Statistics Department, Sustainable Development, St Kitts  
\*at end of period  
Data available as at 10 May 2013





**Table 38**  
**St Kitts and Nevis - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2012 <sup>R</sup> 1 <sup>st</sup> Qr	2012 <sup>R</sup> 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>E</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	127.31	146.71	155.53	215.07	190.82
Tax Revenue	95.76	97.37	100.76	105.11	95.90
Taxes on Income and Profits	20.77	20.31	21.12	19.15	16.89
Of which:					
Personal (Social Services Levy)	9.53	9.68	8.98	10.05	9.18
Corporation	10.41	9.82	7.41	7.98	6.71
Taxes on Property	2.48	4.99	3.28	2.14	1.62
Taxes on Domestic Goods and Services	51.22	50.31	47.50	54.28	53.72
Of which:					
Stamp Duties	5.73	8.95	8.59	11.08	8.13
Value Added Tax	37.67	35.86	33.39	37.31	37.14
Licences	2.83	0.91	0.86	0.98	3.02
Unincorporated Business Levy	1.18	1.14	1.14	1.16	1.23
Island Enhancement Levy	1.31	0.89	0.75	0.79	1.20
Taxes on International Trade and Transactor	21.29	21.76	28.86	29.54	23.66
Of which:					
Import Duty	10.20	10.66	11.43	14.15	10.30
Customs Service Charge	6.62	6.98	9.05	7.48	6.94
Excise Tax	1.71	2.30	3.11	3.47	2.91
Non-Refundable Duty Free Store Lev	1.25	0.35	0.18	1.16	1.40
Non-Tax Revenue	31.55	49.33	54.77	109.96	94.93
<b>Current Expenditure</b>	119.46	152.92	122.20	151.89	123.42
Personal Emoluments	54.93	54.91	55.10	57.32	53.63
Goods and Services	21.11	31.85	30.20	46.05	26.09
Interest Payments	25.10	46.07	19.41	26.08	25.12
Domestic	13.78	25.12	18.38	20.57	13.32
External	11.32	20.95	1.03	5.51	11.80
Transfers and Subsidies	18.32	20.08	17.49	22.45	18.58
Of which: Pensions	6.29	6.22	6.57	6.82	6.69
<b>Current Account Balance</b>	7.85	(6.21)	33.33	63.18	67.41
<b>Capital Revenue</b>	2.44	4.12	1.20	2.34	0.79
<b>Grants</b>	2.19	119.56	7.85	56.70	4.61
Of which: Capital Grants	1.92	0.73	7.73	4.17	3.50
<b>Capital Expenditure and Net Lending</b>	8.40	15.79	14.27	33.81	4.96
Of which: Capital Expenditure	8.38	15.66	14.10	34.05	4.85
<b>Primary Balance</b>	29.18	147.75	47.52	114.49	92.97
<b>Overall Balance</b>	4.09	101.68	28.11	88.41	67.85
<b>Financing</b>					
Domestic	7.14	(106.97)	(34.48)	(77.72)	(64.91)
ECCB (net)	(20.38)	(9.74)	21.62	(65.48)	49.04
Commercial Banks (net)	(52.46)	(34.90)	(24.69)	(80.89)	(30.25)
Other	79.99	(62.33)	(31.41)	68.65	83.70
External	(11.23)	5.29	6.37	(10.69)	(2.93)
Net Disbursements/(Amortisation)	(11.23)	5.29	6.37	(10.69)	(2.93)
Disbursements	52.60	13.82	14.11	0.63	3.78
Amortisation	63.83	8.54	7.74	11.32	6.72
Change in Government Foreign Assets	-	-	-	-	-
Arrears	-	-	-	-	-
Domestic	-	-	-	-	-
External	-	-	-	-	-
Other Financing	-	-	-	-	-

Source: Ministry of Finance, St Kitts and Nevis and ECCB Estimates  
Data available as at 24 May 2013



**Table 39**  
**St Kitts and Nevis - Selected Trade Statistics**  
**(Value: EC\$M)**

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Visible Trade Balance	(105.67)	(99.07)	(113.58)	(124.66)	(121.12)
Total Imports	147.61	137.32	156.56	167.66	155.99
Total Exports	41.93	38.25	42.98	43.00	34.87
Total Domestic Exports	38.02	34.65	36.07	34.92	30.37
Total Re-Exports	3.91	3.61	6.91	8.09	4.50

Source: Statistics Department, Sustainable Development, St Kitts  
**Data available as at 24 May 2013**

**Table 40**  
**St Kitts and Nevis - Monetary Survey**  
**(EC\$M at end of period)**

	2011 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3rd Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>Net Foreign Assets</b>	925.14	985.67	1,078.97	1,201.03	1,377.56	1,496.18
<b>Central Bank (Net)</b>	629.40	704.07	704.72	671.25	679.43	787.49
<b>Commercial Banks (Net)</b>	295.73	281.60	374.25	529.78	698.13	708.69
External (Net)	470.38	487.87	454.77	513.15	667.01	740.78
Assets	1,317.90	1,351.72	1,326.53	1,401.32	1,558.09	1,679.08
Liabilities	847.52	863.86	871.76	888.17	891.07	938.30
Other ECCB Territories (Net)	(174.65)	(206.27)	(80.52)	16.62	31.12	(32.09)
Assets	587.61	579.05	688.37	753.33	644.34	666.83
Liabilities	762.26	785.31	768.90	736.71	613.22	698.92
<b>Net Domestic Assets</b>	1,177.95	1,109.35	1,070.41	1,029.34	873.47	763.24
<b>Domestic Credit</b>	1,712.18	1,643.75	1,578.22	1,574.25	1,394.39	1,272.52
Central Government (Net)	726.28	653.43	610.14	605.76	459.39	478.17
Other Public Sector (Net)	(420.49)	(437.20)	(463.59)	(463.70)	(473.54)	(610.98)
Private Sector	1,406.38	1,427.52	1,431.67	1,432.19	1,408.54	1,405.33
Household	891.60	894.23	897.39	888.41	883.81	877.11
Business	427.50	440.56	441.59	452.05	433.84	437.37
Non-Bank Financial Institutions	48.33	53.69	54.26	51.43	49.18	50.26
Subsidiaries & Affiliates	38.95	39.04	38.43	40.30	41.71	40.59
<b>Other Items (Net)</b>	(534.23)	(534.40)	(507.80)	(544.91)	(520.91)	(509.28)
<b>Monetary Liabilities (M2)</b>	2,103.09	2,095.03	2,149.38	2,230.37	2,251.04	2,259.42
<b>Money Supply (M1)</b>	480.18	390.67	485.42	538.25	530.45	533.84
Currency with the Public	101.99	99.00	104.56	105.78	107.60	116.62
Demand Deposits	368.24	278.84	368.47	413.88	408.48	408.85
EC\$ Cheques and Drafts Issued	9.96	12.83	12.39	18.60	14.36	8.36
<b>Quasi Money</b>	1,622.90	1,704.36	1,663.96	1,692.11	1,720.59	1,725.59
Savings Deposits	684.78	758.58	725.46	742.47	753.26	768.83
Time Deposits	581.29	557.54	572.97	569.60	527.87	526.31
Foreign Currency Deposits	356.83	388.24	365.54	380.04	439.46	430.45

Source: Eastern Caribbean Central Bank

Data available as at 13 May 2013

<sup>R</sup>Revisions included changes to Imputed Reserves calculation



**Table 41**  
**Saint Lucia - Selected Tourism Statistics**

	2012 <sup>R</sup> 1 <sup>st</sup> Qr	2012 <sup>R</sup> 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Total Visitors	370,600	168,916	127,893	263,813	364,614
Stay-Over Visitors	85,437	72,807	73,969	74,588	87,593
Of which:					
USA	30,237	31,099	26,926	26,803	31,537
Canada	16,564	6,573	5,553	9,019	16,220
UK	20,828	16,870	16,638	21,338	20,370
France	2,119	1,271	1,050	1,027	2,139
Germany	1,301	407	359	1,096	1,439
Caribbean	10,315	13,680	20,617	11,454	11,506
Excursionists	3,182	2,825	2,588	1,759	2,001
Cruise Ship Passengers	269,551	83,220	42,960	176,163	262,009
Number of Cruise Ship Calls	172	37	16	111	177
Yacht Passengers	12,430	10,064	8,376	11,303	13,011
<b>Total Visitor Expenditure (EC\$M)</b>	<b>281.55</b>	<b>202.02</b>	<b>189.17</b>	<b>237.90</b>	<b>297.93</b>

Source: Saint Lucia Tourist Board  
Data available as at 10 May 2013

**Table 42**  
**Saint Lucia - Consumer Price Index**  
January 2008 = 100

	Weight	Index Mar 2013	Percentage Change*				
			2012 <sup>R</sup> 1 <sup>st</sup> Qr	2012 <sup>R</sup> 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>All items</b>	99.87	115.09	0.68	0.90	(0.09)	3.47	(0.91)
Food and Non-Alcoholic Beverages	25.02	125.47	0.93	0.78	1.09	7.34	(0.41)
Alcoholic Beverages, Tobacco & Narcotics	6.53	129.95	0.50	(0.12)	3.52	11.64	1.07
Clothing and Footwear	1.66	121.24	6.06	0.26	(0.41)	8.11	(7.02)
Housing, Utilities, Gas and Fuels	17.36	103.86	(0.33)	0.00	(0.59)	(0.29)	(2.30)
Household Furnishings, Supplies and Maintenance	3.31	116.12	2.12	(1.32)	1.99	5.22	4.64
Health	3.96	120.89	0.14	(0.05)	(0.59)	4.58	(1.17)
Transport	16.40	109.88	(2.38)	6.28	(1.53)	1.13	(4.31)
Communication	12.54	109.70	1.71	0.00	0.00	3.19	3.73
Recreation & Culture	1.37	104.23	6.58	(1.35)	(5.58)	(2.74)	0.52
Education	3.70	134.26	(1.33)	0.95	(0.17)	(0.22)	0.37
Hotels & Restaurants	1.10	114.87	(1.65)	(3.61)	1.40	8.42	(4.17)
Miscellaneous Goods and Services	6.92	117.46	2.44	0.47	(0.14)	2.17	0.87

\*at end of period

Source: Central Statistical Office, Saint Lucia

Data available as at 10 May 2013



**Table 43**  
**Saint Lucia - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2012 <sup>R</sup> 1 <sup>st</sup> Qr	2012 <sup>R</sup> 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	236.78	196.71	183.85	193.05	223.89
Tax Revenue	202.48	185.27	169.53	182.96	210.60
Taxes on Income and Profits	69.23	57.73	59.90	39.24	67.49
Of which:					
Personal	27.00	23.44	22.06	20.38	25.29
Corporation	27.61	24.18	24.45	4.22	23.71
Taxes on Property	1.39	0.98	1.02	1.17	1.75
Taxes on Domestic Goods and Services	39.69	34.26	29.05	79.57	87.14
Of which:					
Consumption Duty	2.04	1.62	1.36	1.23	0.01
Licences	5.63	4.03	3.58	9.83	4.67
Excise Tax	4.14	3.04	2.61	0.80	0.94
Hotel Occupancy Tax	15.32	11.26	7.10	2.56	1.48
Value Added Tax	-	-	-	56.50	73.09
Taxes on International Trade and Transactions	92.16	92.30	79.55	62.98	54.23
Of which:					
Consumption Tax (Imports)	25.43	26.83	20.91	0.54	0.01
Import Duties	24.62	26.68	21.89	28.21	21.94
Customs Service Charge (Imports)	16.55	17.84	17.81	17.02	15.51
Excise Tax	17.17	12.12	11.27	13.38	12.84
Non-Tax Revenue	34.30	11.44	14.32	10.08	13.30
<b>Current Expenditure</b>	213.10	196.42	211.69	204.64	209.33
Personal Emoluments	88.59	90.11	87.77	92.65	90.17
Goods and Services	40.80	32.38	48.00	38.63	45.80
Interest Payments	34.80	29.03	30.32	29.03	31.48
Domestic	23.83	14.90	20.95	13.71	23.63
External	10.97	14.14	9.37	15.32	7.85
Transfers and Subsidies	48.91	44.89	45.60	44.33	41.88
Of which: Pensions	16.97	15.29	15.48	14.55	15.67
<b>Current Account Balance</b>	23.68	0.29	(27.84)	(11.60)	14.56
<b>Capital Revenue</b>	5.06	0.16	0.03	0.27	0.31
<b>Grants</b>	5.95	7.28	3.68	6.18	4.68
Of which: Capital Grants	5.95	7.28	3.68	6.18	4.68
<b>Capital Expenditure and Net Lending</b>	71.00	34.95	66.62	69.45	97.63
Of which: Capital Expenditure	71.00	34.95	66.62	69.45	97.63
<b>Primary Balance</b>	(1.51)	1.81	(60.43)	(45.57)	(46.61)
<b>Overall Balance</b>	(36.31)	(27.22)	(90.74)	(74.60)	(78.09)
<b>Financing</b>	36.31	27.22	90.74	74.60	78.09
Domestic	40.85	34.61	58.55	52.23	76.12
ECCB (net)	41.99	29.35	21.15	(70.80)	52.63
Commercial Banks (net)	(49.28)	31.06	49.46	110.39	(19.83)
Other	48.14	(25.80)	(12.06)	12.63	43.32
External	(4.54)	(7.38)	32.19	22.37	1.97
Net Disbursements (Amortisation)	(4.54)	(7.38)	32.19	22.37	1.97
Disbursements	19.09	2.98	56.89	33.28	21.01
Amortisation	23.63	10.37	24.69	10.91	19.04
Change in Government Foreign Assets	-	-	-	-	-
Arrears	-	-	-	-	-
Domestic	-	-	-	-	-
External	-	-	-	-	-
Other Financing	-	-	-	-	-

Source: Ministry of Finance, Saint Lucia  
Data available as at 10 May 2013



**Table 44**  
**Saint Lucia - Banana Production**

	2012 <sup>R</sup> 1 <sup>st</sup> Qr	2012 <sup>R</sup> 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Volume (tonnes)	2,427	3,581	3,203	2,913	2,972
Value (EC\$M)	4.22	6.21	5.17	5.12	5.31
Unit Price (EC\$/ tonnes)	1,738.89	1,733.65	1,615.54	1,756.61	1,786.59

Source: Winfresh Ltd

Data available as at 10 May 2013

**Table 45**  
**Saint Lucia - Selected Trade Statistics**  
(Value: EC\$M)

	2012 <sup>R</sup> 1 <sup>st</sup> Qr	2012 <sup>R</sup> 2 <sup>nd</sup> Qr	2012 <sup>R</sup> 3 <sup>rd</sup> Qr	2012 <sup>R</sup> 4 <sup>th</sup> Qr	2013 <sup>E</sup> 1 <sup>st</sup> Qr
<b>Total Exports</b>	105.64	115.99	108.34	121.58	108.80
Total Domestic Exports	65.39	67.42	66.26	64.16	67.35
Total Re-Exports	40.25	48.57	42.08	57.42	41.46
<b>Total Imports</b>	447.34	421.34	470.24	485.27	430.50
<b>Visible Trade Balance</b>	(341.71)	(305.35)	(361.90)	(363.69)	(321.69)

Source: Central Statistical Office, Saint Lucia and ECCB Estimates

Data available as at 10 May 2013



**Table 46**  
**Saint Lucia - Monetary Survey**  
**(EC\$M at end of period)**

	2011 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>Net Foreign Assets</b>	(489.24)	(353.92)	(434.23)	(509.73)	(576.84)	(452.99)
<b>Central Bank (Net)</b>	517.81	523.09	497.68	459.33	562.22	622.80
<b>Commercial Banks (Net)</b>	(1,007.06)	(877.01)	(931.92)	(969.06)	(1,139.07)	(1,075.79)
External (Net)	(591.97)	(508.84)	(478.42)	(549.10)	(485.18)	(436.38)
Assets	368.37	441.14	485.77	525.27	558.28	619.81
Liabilities	960.34	949.98	964.19	1,074.37	1,043.46	1,056.19
Other ECCB Territories (Net)	(415.09)	(368.17)	(453.49)	(419.96)	(653.88)	(639.41)
Assets	454.50	471.64	463.74	511.32	314.40	325.20
Liabilities	869.59	839.82	917.24	931.28	968.29	964.60
<b>Net Domestic Assets</b>	3,219.01	3,140.15	3,220.45	3,315.29	3,375.33	3,379.05
<b>Domestic Credit</b>	3,597.63	3,554.98	3,770.57	3,865.35	3,903.51	3,897.29
Central Government (Net)	(0.96)	(8.25)	52.16	122.78	162.38	193.30
Other Public Sector (Net)	(288.90)	(290.37)	(324.79)	(308.05)	(343.46)	(355.32)
Private Sector	3,887.49	3,853.61	4,043.21	4,050.62	4,084.59	4,059.31
Household	1,349.27	1,337.13	1,541.14	1,558.40	1,568.14	1,554.35
Business	2,384.41	2,367.72	2,438.38	2,422.69	2,440.95	2,441.22
Non-Bank Financial Institutior	22.48	23.92	23.07	29.77	34.31	24.24
Subsidiaries & Affiliates	131.34	124.83	40.62	39.76	41.19	39.49
<b>Other Items (Net)</b>	(378.61)	(414.83)	(550.12)	(550.06)	(528.17)	(518.25)
<b>Monetary Liabilities (M2)</b>	2,729.77	2,786.24	2,786.22	2,805.56	2,798.49	2,926.05
<b>Money Supply (M1)</b>	675.03	670.65	664.29	688.27	701.03	775.09
Currency with the Public	165.24	156.57	155.59	154.85	163.01	158.05
Demand Deposits	496.55	505.25	495.95	521.26	528.78	603.72
EC\$ Cheques and Drafts Issued	13.24	8.83	12.75	12.16	9.24	13.32
<b>Quasi Money</b>	2,054.73	2,115.58	2,121.93	2,117.29	2,097.46	2,150.96
Savings Deposits	1,393.50	1,422.08	1,448.07	1,445.99	1,448.31	1,483.63
Time Deposits	490.99	487.74	472.37	496.84	486.90	504.48
Foreign Currency Deposits	170.25	205.77	201.50	174.46	162.25	162.85

Source: Eastern Caribbean Central Bank

Data available as at 10 May 2013

<sup>R</sup>Revisions included changes to Imputed Reserves calculation



**Table 47**  
**St Vincent and the Grenadines - Selected Tourism Statistics**

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
Total Visitors	85,940	32,667	23,428	57,718	88,475
Stay-Over Visitors	21,264	18,124	16,980	17,996	19,829
Of which:					
USA	6,341	5,361	4,630	5,122	5,824
Canada	2,377	1,514	1,500	2,033	2,370
UK	4,751	3,391	3,003	3,878	4,778
Caribbean	5,097	6,143	6,530	4,998	4,272
Other Countries	2,698	1,715	1,317	1,965	2,585
Excursionists	994	814	531	712	943
Yacht Passengers	18,422	10,046	5,514	11,264	18,380
Cruise Ship Passengers	45,260	3,683	403	27,746	49,323
Number of Cruise Ship Calls	96	9	9	58	123
<b>Total Visitor Expenditure (EC\$M)</b>	<b>84.23</b>	<b>60.32</b>	<b>47.30</b>	<b>62.34</b>	<b>81.37</b>

Source: St Vincent and the Grenadines Tourism Authority  
 Data available as at 10 May 2013

**Table 48**  
**St Vincent and the Grenadines - Consumer Price Index**  
 January 2010 = 100

	Weight	Index Mar-13	Percentage Change*				
			2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>All Items</b>	100.0	107.80	(0.09)	0.57	(0.28)	0.85	0.56
Food and Non-Alcoholic Beverages	21.91	110.10	(1.01)	0.37	0.92	0.82	(0.27)
Alcoholic Beverages, Tobacco and Narcotics	3.87	106.00	1.19	0.29	(0.10)	4.01	(0.28)
Clothing and Footwear	3.22	105.00	0.88	1.65	0.57	(0.38)	(0.19)
Housing, Water, Electricity, Gas and Other Fuels	30.06	105.90	1.64	0.10	(1.24)	0.67	1.24
Furnishing, Household Equipment and Routine Household Maintenance	6.59	100.30	0.10	0.10	(0.10)	0.10	0.91
Health	1.79	102.70	0.10	-	0.31	1.83	2.29
Transport	11.84	124.00	(3.86)	3.33	(0.91)	2.17	1.31
Communications	9.41	104.00	-	-	-	-	-
Recreation and Culture	3.81	102.70	-	(0.49)	(0.30)	1.19	0.29
Education	1.32	109.60	-	-	0.92	-	-
Restaurants and Hotels	1.87	103.00	(0.19)	-	0.58	-	(0.19)
Miscellaneous Goods and Services	4.31	100.40	0.40	0.20	(0.59)	(0.10)	(0.10)

Source: Statistical Office, Central Planning Division, Ministry of Finance and Economic Planning  
 Data available as at 10 May 2013





**Table 49**  
**St Vincent and the Grenadines - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>p</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	100.97	118.13	117.53	134.78	101.10
Tax Revenue	93.22	109.89	110.34	117.01	93.17
Taxes on Income and Profits	24.56	31.97	29.67	36.15	24.15
Of which:					
Personal	15.47	19.63	16.86	19.96	16.85
Corporation	7.49	10.30	9.34	13.68	5.08
Taxes on Property	0.37	0.59	1.01	0.73	0.42
Taxes on Domestic Goods and Services	50.87	55.65	60.70	57.03	51.86
Of which:					
Stamp Duties	5.05	4.82	4.12	3.44	5.75
Excise Tax	6.56	6.71	6.80	7.41	6.34
Value Added Tax	30.76	36.81	32.87	33.63	32.56
Licences	5.90	5.22	4.49	10.49	6.05
Taxes on International Trade and Transactions	17.43	21.68	18.96	23.10	16.74
Of which:					
Import Duties	10.41	12.18	11.09	13.98	9.62
Customs Service Charge	6.31	8.39	7.11	8.41	6.40
Non-Tax Revenue	7.74	8.24	7.19	17.77	7.94
<b>Current Expenditure</b>	112.04	123.53	118.81	135.61	110.60
Personal Emoluments	58.07	58.57	58.24	67.94	60.31
Goods and Services	13.08	16.68	18.35	21.10	11.49
Interest Payments	11.14	10.61	8.02	14.19	10.97
Domestic	6.18	4.27	3.30	9.12	6.34
External	4.96	6.34	4.73	5.07	4.63
Transfers and Subsidies	29.74	37.67	34.20	32.37	27.82
Of which: Pensions	10.92	12.71	11.16	14.80	12.62
<b>Current Account Balance</b>	(11.07)	(5.40)	(1.28)	(0.83)	(9.49)
<b>Capital Revenue</b>	0.30	0.24	4.62	0.22	12.69
<b>Grants</b>	3.42	0.48	2.07	6.39	0.70
Of which: Capital Grants	3.42	0.48	2.07	6.39	0.70
<b>Capital Expenditure and Net Lending</b>	0.74	13.52	8.07	12.26	7.95
Of which: Capital Expenditure	0.74	13.52	8.07	12.26	7.95
<b>Primary Balance</b>	3.06	(7.60)	5.36	7.72	6.92
<b>Overall Balance</b>	(8.08)	(18.21)	(2.67)	(6.47)	(4.05)
<b>Financing</b>	8.08	18.21	2.67	6.47	4.05
Domestic	18.36	(10.52)	9.19	(10.86)	10.72
ECCB (net)	(26.96)	(6.72)	8.25	3.19	5.10
Commercial Banks (net)	19.00	(20.93)	33.34	(4.12)	5.54
Other	26.32	17.13	(32.41)	(9.93)	0.07
External	(10.78)	14.58	(10.34)	(0.78)	18.24
Net Disbursements/(Amortisation)	(10.78)	14.58	(10.34)	(0.78)	18.24
Disbursements	1.77	28.03	1.12	13.37	30.42
Amortisation	12.55	13.45	11.47	14.15	12.19
Change in Government Foreign Assets	0.00	0.00	0.00	0.00	0.00
Arrears	0.50	14.14	3.82	18.11	(24.90)
Domestic	0.50	14.14	3.82	18.11	(24.90)
External	-	-	-	-	-
Other Financing	-	-	-	-	-

Source: Ministry of Finance and Economic Planning, St Vincent and the Grenadines  
Data available as at 10 May 2013



**Table 50**  
**St Vincent and the Grenadines - Selected Trade Statistics**  
 (Value: EC\$M; Volume: 000 tonnes)

	2012 1 <sup>st</sup> Qr	2012 2 <sup>nd</sup> Qr	2012 3 <sup>rd</sup> Qr	2012 4 <sup>th</sup> Qr	2013 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Visible Trade Balance</b>	(194.97)	(218.04)	(213.84)	(221.08)	(197.91)
<b>Total Imports</b>	223.67	246.74	240.08	253.71	227.46
<b>Total Exports</b>	28.71	28.71	26.24	32.63	29.55
Re-Exports	5.10	1.58	2.92	2.43	2.90
Domestic Exports	23.60	27.13	23.32	30.20	26.64
Of Which:					
Flour					
Volume	3.55	3.36	3.04	3.53	3.77
Value	8.34	8.21	7.39	8.57	9.09
Rice					
Volume	0.88	1.29	0.91	1.19	0.95
Value	3.16	3.86	2.76	3.57	2.68
Feeds					
Volume	2.03	2.34	2.43	2.79	2.63
Value	2.11	2.50	2.31	3.09	2.86
Beer					
Volume	3.31	3.61	3.58	7.78	6.31
Value	0.98	1.89	1.03	2.15	1.90

Source: Statistical Office, Central Planning Division, Ministry of Finance and Economic Planning  
 Data available as at 10 May 2013



**Table 51**  
**St Vincent and the Grenadines - Monetary Survey**  
**(EC\$M at end of period)**

	2011 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2012 <sup>R</sup>	2013 <sup>P</sup>
	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>Net Foreign Assets</b>	394.30	427.52	422.67	364.85	408.78	458.98
<b>Central Bank (Net)</b>	238.11	246.40	286.86	263.57	294.66	317.34
<b>Commercial Banks (Net)</b>	156.19	181.11	135.81	101.28	114.12	141.64
External (Net)	(100.81)	(78.88)	(68.39)	(97.50)	(88.05)	(55.70)
Assets	126.02	136.72	142.45	106.83	119.86	149.42
Liabilities	226.83	215.60	210.84	204.33	207.91	205.12
Other ECCB Territories (Net)	257.00	260.00	204.21	198.78	202.17	197.34
Assets	366.69	328.94	300.77	300.55	300.24	281.08
Liabilities	109.69	68.94	96.57	101.77	98.07	83.73
<b>Net Domestic Assets</b>	715.84	712.73	720.41	767.23	775.17	781.91
<b>Domestic Credit</b>	906.67	896.04	890.54	950.06	959.54	990.14
Central Government (Net)	44.49	36.53	8.77	50.49	49.53	60.20
Other Public Sector (Net)	(137.07)	(145.42)	(148.16)	(142.92)	(126.64)	(111.69)
Private Sector	999.25	1,004.93	1,029.93	1,042.49	1,036.65	1,041.63
Household	637.33	642.48	655.91	665.07	672.65	672.63
Business	330.06	330.51	342.17	346.11	343.40	348.47
Non-Bank Financial Instituti	27.86	27.94	27.86	27.31	16.60	16.52
Subsidiaries & Affiliates	4.00	4.00	4.00	4.00	4.00	4.00
<b>Other Items (Net)</b>	(190.83)	(183.31)	(170.13)	(182.83)	(184.37)	(208.23)
<b>Monetary Liabilities (M2)</b>	1,110.14	1,140.25	1,143.08	1,132.08	1,183.95	1,240.89
<b>Money Supply (M1)</b>	331.45	342.26	338.29	327.54	360.94	359.30
Currency with the Public	46.51	37.41	42.35	36.25	43.87	42.89
Demand Deposits	276.31	299.08	286.54	285.07	310.58	307.68
EC\$ Cheques and Drafts Issue	8.62	5.76	9.40	6.23	6.50	8.72
<b>Quasi Money</b>	778.70	797.99	804.79	804.54	823.01	881.59
Savings Deposits	594.18	606.13	628.68	630.31	632.95	670.35
Time Deposits	139.70	138.99	129.40	134.32	153.73	148.19
Foreign Currency Deposits	44.82	52.87	46.72	39.91	36.32	63.06

Source: Eastern Caribbean Central Bank

Data available as at 10 May 2013

<sup>R</sup>Revisions included changes to Imputed Reserves calculation

