

Eastern Caribbean Central Bank



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EASTERN CARIBBEAN CENTRAL BANK



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The ECCB welcomes your questions and comments on this publication.

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INTERNATIONAL ECONOMIC DEVELOPMENTS

Overview

The global economy has had a difficult time regaining and sustaining stronger traction, even with unprecedented monetary accommodation and historically low borrowing costs among the advanced nations, and expanded government deficits internationally. Output growth has averaged just a mediocre 3 per cent over the past five years of recession and recovery. In the third quarter of 2013, global growth remained sluggish as some developed nations around the world continued to experience sub-par recoveries while fiscal austerity programs were implemented. This has led to slower growth in most emerging market countries, as their export driven economies have suffered. Disappointing growth figures in the Euro-area and Japan driven by weak export numbers have dashed hopes that a global economic recovery would gather pace in the second half of the year. Growth in the Euro-area faltered in the third quarter, expanding 0.1 per cent following growth of 0.3 per cent in the second quarter. In Japan, the rate of growth almost halved to an annualized rate of 1.9 per cent as weaker consumption and exports offset rises in public spending and property investment. In contrast, estimates of USA's economic performance

indicate that GDP grew at an annual rate of 3.6 per cent in the third quarter, supported by accelerations in private inventory investment and a deceleration in imports. The UK economy registered its strongest expansion since the middle of 2010 in the third quarter. In China the economy grew at its quickest pace this year between July and September in a rebound fuelled largely by investment. Signs of economic improvement particularly in China boosted commodity prices during the third quarter, notwithstanding some erosion of gains during September. Looking ahead, the global economy is positioned to advance further for the rest of the year, albeit slightly slower than previous estimates, and to carry the positive momentum into 2014.

Developments in the Major Economies

The **USA** economy continued on its resilient growth path in the third quarter with positive contributions from a number of sources, including private inventory investment, personal consumption expenditures, exports and state and local government spending. Recent estimates indicate that the US Gross Domestic Product grew at a 3.6 per cent annualized rate in the quarter that ended



30 September 2013. This marked an improvement from the second-quarter's 2.5 per cent rate of expansion, and was the strongest quarterly growth since the first quarter of 2012. But much of the growth came from a one-time build-up of inventory among businesses. Home construction also rose and state and local governments spent at the fastest pace in four years. But businesses spent less on equipment, federal spending fell and consumers spent at a slower pace. Business inventories rose by \$116.5 billion in the third quarter, contributing 1.7 percentage points to GDP as companies restocked warehouse shelves at the fastest rate in six quarters. Investment in the housing sector remained strong with a 13.0 per cent increase and exports outpaced imports. Exports rose by 3.7 per cent in comparison to a 2.7 per cent increase in imports. Consumer spending, the main engine of the US economy, slowed to a 1.4 per cent increase from 1.8 per cent in the second quarter, while business investments rose by 3.5 per cent in comparison to a 4.7 per cent gain in the same period. Federal spending fell for the fourth straight quarter, down by 1.4 per cent. The unemployment rate, at 7.2 per cent, remained relatively unchanged in September when compared to the previous month's figure but has declined by 0.4 percentage points since June. The lower

quarter-on-quarter unemployment rate was largely due to a reduction in the labour force rather than new job creation.

In **Canada** the gross domestic product (GDP) rose by 0.3 per cent in August 2013 relative to the gains in the prior month. The increase built further on the strong, and unrevised, 0.6 per cent gain in July thus more than reversing the 0.5 per cent drop in June. The overall increase reflected strength in both goods-producing industries, which were up 0.4 per cent, and service-producing sectors, which were up 0.3 per cent. Additionally, Canadian retail sales increased by 0.2 per cent in August following a downwardly revised 0.5 per cent (was 0.6 per cent) increase in July and a 0.7 per cent (was 0.6 per cent) drop in June. However, the August 2013 merchandise trade deficit unexpectedly deteriorated to \$1.3 billion from an upwardly revised deficit in July of \$1.2 billion (originally \$0.9 billion). In September, the unemployment rate declined by 0.2 percentage points to 6.9 per cent as fewer youths searched for work; it was 1.2 per cent (212,000) higher compared to 12 months earlier.

The **United Kingdom** recorded its best quarterly performance since 2010 in the July to



September 2013 quarter. Economic output is estimated to have risen by 0.8 per cent in the review period following a 0.7 per cent GDP rise in the period April – June 2013. Growth was driven largely by the continued recovery in the construction sector which grew by 2.5 per cent over the quarter, the second successive quarter of growth after a volatile performance over the past year. Supporting this outturn was a marginal growth of 0.5 per cent in production, though this remains 12.8 per cent below its 2008 level. Within production, manufacturing improved 0.9 per cent in the third quarter. The services sector, which represents three-quarters of economic output, grew by 0.7 per cent. Output from services is now 0.4 per cent above its pre-crisis peak in the first quarter of 2008. The number of unemployed people in the UK fell by 48,000 to 2.47 million between July and September 2013 and the unemployment rate fell to 7.6 per cent, the lowest rate in more than three years.

GDP rose by 0.1 per cent in the **Euro area** (EA17) during the third quarter of 2013, a slowdown from 0.3 per cent growth in the second quarter; but compared with the same quarter of the previous year; seasonally adjusted GDP fell by 0.4 per cent. The

outcome arose mainly from a slowdown in Germany, the Euro area's biggest economy, and actual output declines in France and Italy, the second and third largest respectively. Germany's output expanded by 0.3 per cent, less than its 0.7 per cent rise in the previous quarter. France, which had emerged from recession in the second quarter, did particularly badly as its GDP unexpectedly shrank, by 0.1 per cent. Poor trade numbers was a drag on growth in the area's two largest economies. Meanwhile Italy stayed in recession, with its output declining by 0.1 per cent. The Euro area seasonally-adjusted unemployment rate was 12.2 per cent in September 2013, relatively stable compared with the previous month's outturn. By comparison, the unemployment rate was 11.6 per cent in September 2012.

Economic growth in **Japan**, the world's third-largest economy, slowed to 0.5 per cent in the third quarter of 2013, down from 0.9 per cent in the previous quarter. The performance represented the fourth successive quarter of growth in Japan, its best consecutive quarterly growth performance in three years. The economy grew at an annualised pace of 1.9 per cent in the third quarter; half the annualised rate of 3.8 per cent recorded in the



previous quarter. The deceleration comes despite aggressive measures taken this year to spur growth after years of stagnation, which include boosting stimulus and key sector reforms. The stronger growth recorded earlier in the year had been driven by personal consumption, which weakened in the third quarter. Private consumption, which makes up about 60 per cent of the economy, grew by 0.1 per cent in July – September 2013 period, following a revised 0.6 per cent growth in the period April - June 2013, as falls in Japanese shares weighed on consumer sentiment. External demand subtracted 0.5 percentage point from GDP in the third quarter, which contrasts with a revised 0.1 percentage point contribution in the previous quarter. Inventories contributed 0.4 percentage point to GDP in the third quarter, after detracting 0.1 percentage points in the previous quarter.

China's economic output grew at its quickest pace this year between July and September in a rebound fuelled largely by investment. Gross domestic product in the world's second-biggest economy rose by 7.8 per cent from a year earlier, marking only the second quarter in the last 10 quarters in which growth has accelerated. Investment accounted for 56 per cent of growth in the first nine months,

consumption accounting for 46.0 per cent. Exports, on the other hand, subtracted 1.7 per cent from growth. Overall investment rose in the first nine months by 20.2 per cent from a year earlier. Preliminary figures also showed growth in industrial output, retail sales and fixed asset investment. In September 2013, China's trade surplus decreased to US\$15.2 billion, from US\$28.6 billion in August and US\$27.5 billion a year earlier, due to a fall in exports.

Developments in Commodity, Oil and Consumer Prices

Commodity Prices

Signs of positive economic growth in Europe, albeit small and improvement in the USA's and China's economic performance helped commodity prices fare better during the third quarter of 2013 compared to the previous quarter, notwithstanding some erosion of gains during September 2013. Crude oil prices gave commodity indices a boost early in the third quarter amid signs of robust global demand, and heightened tensions in Syria pushed West Texas Intermediate (WTI) crude to two-year highs in late August. Energy prices fell back in September as the threat of a US intervention in Syria was averted. Gold prices rebounded in



the third quarter after experiencing a sharp selloff earlier in the year.

Oil prices

West Texas Intermediate (WTI), the US oil benchmark, advanced by 2.5 per cent to \$107.65 a barrel in August, rising for a third month and averaged \$106 per barrel during September 2013. Brent, its European equivalent, added 5.9 per cent to \$114.01 a barrel in August, the biggest gain in a year but fell to \$108 per barrel at the end of September as some crude oil production restarted in Libya and concerns over the conflict in Syria moderated.

Consumer Prices

USA consumer prices rose by 1.2 per cent year-over-year through September 2013, as American consumers paid more for energy related items, like gasoline and electricity, and they spent more for shelter, medical care and new vehicles. The September outturn represented the smallest gain since April 2013. The USA's core inflation advanced by 1.7 per cent over the past 12 months to September 2013, slightly lower than the annual reading of 1.8 per cent in the prior month. In **Canada** inflation pressures were benign in the third quarter of 2013 with the headline

consumer price index (CPI) rate averaging 1.2 per cent. Price increases were modest among most of the key areas; the highest rates of increases came in the form of rising tuition fees (3.1 per cent although still down from 3.7 per cent in 2012). Over the first nine months of the year, Canada's inflation rate has averaged 0.9 per cent with the core rate at 1.3 per cent. In the **United Kingdom**, the CPI fell from 2.9 per cent in June 2013 to 2.7 per cent in September. The UK inflation rate in September was unchanged from the August outturn as declines in petrol and diesel prices were offset by upward pressure from air fares. In the **Euro area** the CPI 12-month average rate of change decreased from 1.0 per cent in August 2013 to 0.8 per cent in September. The core inflation index, which excludes unprocessed food and energy, remained stable at 0.5 per cent. **Japan's** September 2013 consumer price index was up by 0.3 per cent from the previous month, and up 1.1 per cent over the year. **China's** inflation hit a seven-month high in September 2013 of 3.1 per cent, as poor weather drove up food prices.



Monetary Policy Developments

Developments at most of the major central banks indicated a continuation of their previous accommodative policy positions. At the **US Federal Reserve**, the Federal Open Market Committee (FOMC) at its September 2013 meeting decided to maintain the policy of 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 indicated that they will retain the existing policy of reinvesting principal payments from its holdings of agency debt and agency mortgage-backed securities in agency mortgage-backed securities and of rolling over maturing Treasury securities at auction. Taken together, these actions are expected to keep downward pressure on longer-term interest rates, support mortgage markets, and help to make broader financial conditions more accommodative. To support continued progress toward maximum employment and price stability, the Committee decided to keep 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.

The **Bank of England's** Monetary Policy Committee (MPC) maintained Bank Rate at 0.5 per cent and the stock of asset purchases financed by the issuance of central bank reserves at £375 billion. During the review period, the MPC agreed to reinvest the £1.9 billion of cash flows associated with the redemption of the September 2013 gilt held in the Asset Purchase Facility. The Governing Council of **European Central Bank** at their 5 September 2013 meeting decided that the interest rates on the main refinancing operations, on the marginal lending facility and the deposit facility will remain unchanged at 0.50 per cent, 1.00 per cent and 0.00 per cent respectively.

At other central banks, the **Bank of Canada** maintained its target for the overnight rate at 1.0 per cent. The Bank Rate is correspondingly 1.25 per cent and the deposit rate is 0.75 per cent. The **Bank of Japan** at its September 2013 meeting decided to maintain its policy of conducting money market operations so that the monetary base will increase at an annual pace of about 60-70 trillion yen. The **People's Bank of**



China (PBC) maintained its base interest rate at 6.0 per cent.

Prospects

Global growth is still below par with evidence of a rebalancing in the drivers of growth. Global growth is forecasted by the IMF to average 2.9 per cent in 2013 - below the 3.2 per cent recorded in 2012 - and to rise to 3.6 per cent in 2014. Much of the growth impetus is expected to be borne by advanced economies, unlike recent growth performance which were predominantly emerging-market driven. Growth in major emerging markets, although still robust, is expected to weaken from forecasts made earlier in the year. This is in part a result of a natural cooling in growth following the stimulus-driven surge in activity after the Great Recession, and mediocre growth in the advanced economies. Structural bottlenecks in infrastructure, labour markets, and investment have also contributed to slowdown in many emerging markets. The emerging market economies are therefore faced with the challenge of both slowing growth and changing global financial conditions.

In the United States of America, growth is expected to rise from 1.5 per cent this year to

2.5 per cent in 2014 driven by continued strength in private demand, which is supported by a recovering housing market and rising household wealth. The projections are based on the key assumption that the matters of raising the debt ceiling and passing a budget for the fiscal year – issues which are scheduled to be debated again in January and February 2014 – are resolved speedily and the federal government avoids a shut down.

In the Euro-area, policy actions have reduced major risks and stabilized financial conditions, although growth in the periphery is still constrained by credit bottlenecks. The region is expected to continue its gradual progress out of recession, with growth reaching roughly 1.0 per cent in 2014.

In Japan, fiscal stimulus and monetary easing under the authorities' new policy package - the so-called Abenomics - has facilitated a rebound in activity. However, a combination of the expected unwinding of fiscal stimulus and reconstruction spending together with consumption tax hikes will lower growth from 2.0 per cent this year to 1.25 per cent in 2014. In China, growth is projected to decelerate slightly from 7.5 per cent this year to 7.25 per cent in 2014. Policymakers are reluctant to stimulate activity any further amid



concerns of financial stability and the need to support a more balanced and sustainable growth path. One major headwind in China is the country's addiction to credit - which shows no signs of slowing, even as debt piles up. China also faces challenges in growing local government debt, rising property prices and weak demand for exports.

Overall, growth in emerging market and developing economies is expected to remain strong at 4.5 and 5.1 per cent in 2013 and 2014 respectively, supported by solid domestic demand, recovering exports, and supportive fiscal, monetary and financial conditions. Commodity prices will continue to boost growth in many low-income countries, including those in sub-Saharan Africa.

Strong headwinds to the global economic prospects still remain. In particular, the prospect of further political gridlock in the USA, especially in relation to the extension of the national debt limit early in the New Year, is a foreboding threat for the entire global

economy. Persistent weaknesses in the Euro-area banking system, a "major drag" on growth, continue to present threats to growth in the Euro area. There is also a distinct risk that financial conditions could tighten from their current, still supportive levels, as central bank contemplate removing or reducing quantitative easing measures. Additionally, risks of a longer growth slowdown in emerging market economies are real, due to protracted effects of domestic capacity constraints, slowing credit growth, and weak external conditions. Imminent tail risks in advanced economies have eased, but measures to keep them subdued will be necessary.



DOMESTIC ECONOMIC DEVELOPMENTS

Overview

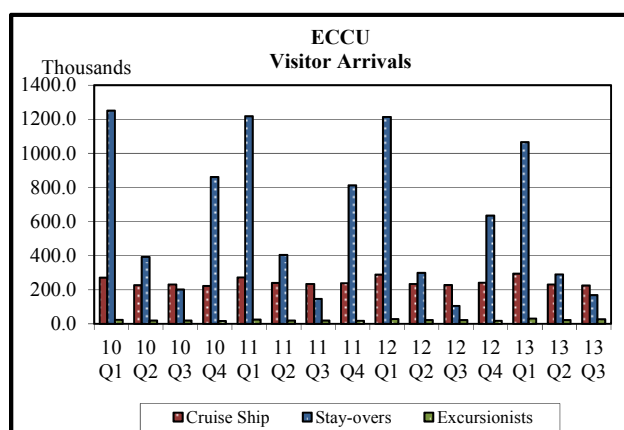
The pace of economic activity in the Eastern Caribbean Currency Union (ECCU) is estimated to have declined in the period January to September 2013 relative to the performance in the corresponding period of 2012, largely reflecting declines in output in the major productive sectors. The fall in economic output reflected broad based contractions in the major sectors such as hotels and restaurants, construction, transport, storage and communications, financial intermediation, manufacturing and agriculture. This fall in output was tempered somewhat by increases in value added in real estate, renting and business activities. On an individual country basis, economic activity is estimated to have contracted in Anguilla, Antigua and Barbuda and Montserrat; remained relatively flat in Dominica and Saint Lucia; but growth was recorded in Grenada, St Kitts and Nevis and St Vincent and the Grenadines. Consumer prices fell on average during the period under review, influenced mainly by lower prices for food and energy. The merchandise trade account of the ECCU showed a smaller deficit, associated with lower import payments. The

overall fiscal deficit of the central governments contracted, mainly attributable to higher current revenue. The total outstanding debt of the public sector fell. In the banking system, monetary liabilities and net foreign assets expanded while domestic credit declined. Liquidity in the commercial banking system eased and the weighted average interest rate spread between loans and deposits increased.

The ECCU economy is projected to expand in the fourth quarter of 2013, sustained by a recovery in output in construction and an expansion in the hotels and restaurants and wholesale and retail trade sectors. Activity in the construction sector will largely reflect developments in the public sector as private sector construction will continue to be hampered by limited capital flows in the form of FDI. Notwithstanding, the estimated decline in private sector construction, the increase in public sector activity is estimated to provide some impetus for an increase in value added in the construction sector. The outlook for the hotels and restaurants sector is expected to improve during the final quarter of 2013 as tourism activity accelerates in Anguilla, Saint Lucia and St Kitts and Nevis associated with improved airlift. A recovery in activity is



also estimated for Antigua and Barbuda associated with improved airlift and intensified marketing and in Grenada attributable to increased airlift and the opening of the Sandals La Source Resort and Spa in December as well as announced increased airlift. Potential downside risks include a stalled recovery in the USA and the UK and a late start to the traditional “high season”. At an annualized aggregated level, the ECCU economy is expected to marginally expand for the year 2013 in contrast to the decline recorded for 2012.



Output

Activity in the construction sector is estimated to have contracted, reflecting lower activity in most of the countries of the ECCU. The lower performance of the construction sector mainly reflected minimal developments in the private sector in all of the countries, except Grenada.

The lingering uncertainties in global financial markets and associated soft investor confidence continue to constrain FDI inflows used to primarily fund tourism related construction projects. Additionally, residential construction is estimated to have declined evidenced in part by the slowdown in commercial banks' credit. Public sector construction was buoyant in most of the territories of the ECCU and expanded in all of the countries except Dominica. Of the countries where public sector construction rose, the increases were strongest in St Vincent and the Grenadines where capital outlays nearly trebled to \$62.6m in the review period.

Value added in the hotels and restaurants sector, an indicator of activity in the tourism industry, is estimated to have declined in contrast to an expansion for the period January to September 2012. The lower performance reflected the broad based declines throughout the Currency Union. Total visitor arrivals declined by 3.5 per cent to 2.5m in contrast to a 15.1 per cent increase in the corresponding period of 2012. The reduction in total visitor arrivals was dominated by a contraction in cruise ships passengers arrivals and stay-overs visitors' arrivals. Cruise ship passenger arrivals decreased by 5.8 per cent to 1.5m, as 7 less cruise ships calls were made to the

region in the review period. The decline was largest in Dominica (28.1 per cent), Grenada (22.0 per cent), Antigua and Barbuda (4.4 per cent), Montserrat (3.2 per cent) and St Kitts and Nevis (2.1 per cent). By contrast, increases in cruise ship arrivals were recorded for Saint Lucia (4.3 per cent) and St Vincent and the Grenadines (12.7 per cent). The number of excursionists rose by 10.9 per cent to 79,351, while yacht passengers increased by 1.6 per cent to 99,225.

Stay-over visitors declined marginally by 0.1 per cent to 749,266, in contrast to a slight increase of 0.4 per cent in the first nine months of 2012. Half of the countries including Antigua and Barbuda, St Vincent and the Grenadines, Dominica and Grenada recorded decreases in stay-over arrivals, while the others recorded increases. Of the countries where declines were registered they ranged from 6.4 per cent in Antigua and Barbuda to 0.5 per cent in Grenada. The major source markets which contributed to the reduction in stay-overs visitor arrivals were the UK (4.8 per cent) and Caribbean (1.8 per cent); while travelers from other minor markets fell by 4.3 per cent. The decline in stay-over visitors was slowed by increases from the Canadian and USA markets of 8.1 per cent and

2.4 per cent respectively. The USA market remained the most lucrative for the region accounting for 40.7 per of total visitors followed by the Caribbean (21.0 per cent) and the UK (18.4 per cent).

Manufacturing output is estimated to have declined during the review period, constrained by generally weak export markets and contracting domestic markets. More than half of the member countries are estimated to have recorded decreases in manufacturing activity, with the exception of St Vincent and the Grenadines, Grenada and Dominica which recorded increases. In Saint Lucia manufacturing activity is estimated to have declined based on weak external and domestic demand for manufactured goods. In St Kitts and Nevis, a major exporter of manufactured goods, domestic beverage production is estimated to have contracted. By contrast, real manufacturing output expanded in Dominica in the first nine months of 2013, compared with the outturn in the corresponding period of 2012. The output of paints and beverages increased by 2.6 per cent and 19.0 per cent respectively, coupled with higher outputs for soap (5.8 per cent). Manufacturing output expanded in Grenada associated with increases in the production of beer (9.0 per cent),



paint (8.0 per cent) and poultry feed (7.7 per cent). Of the other major producer of manufactured goods, St Vincent and the Grenadines, output was higher, driven mainly by increases for beverages (52.5 per cent), feeds (12.8 per cent) and flour (14.1 per cent), respectively.

Agricultural output fell during the period January to September 2013, attributable to declines in the sector in some of the major regional producers. The reduction in output was in part influenced by a 9.0 per cent decline in banana production, largely reflecting challenges impacting banana output in three of the main producing countries. Output fell in Saint Lucia (7.3 per cent) St Vincent and the Grenadines (28.9 per cent), and Dominica (39.6 per cent), but is estimated to have increased in Grenada (3.6 per cent). The decline in banana output was attributable to the slow recovery of the sector from storm induced damage and the debilitating effects of Black Sigatoka disease infestation.

Value added was lower in the transport, storage and communication sector mainly attributable to the fall in activity in other sectors such as hotels and restaurants and manufacturing. The performance of the sector

was constrained by a decline in road transportation largely reflecting lower activity in the construction sector and fewer cruise passengers. Value added is estimated to have declined in the wholesale and retail trade sector, consistent with lower levels of economic activity in the ECCU region.

As a consequence of lower activity in the major economic sectors, the financial intermediation sector is estimated to have registered lower value added. The overall decline in economic output was however, moderated by increased value-added in the real estate, renting and business activities and public administration sectors.

Prices

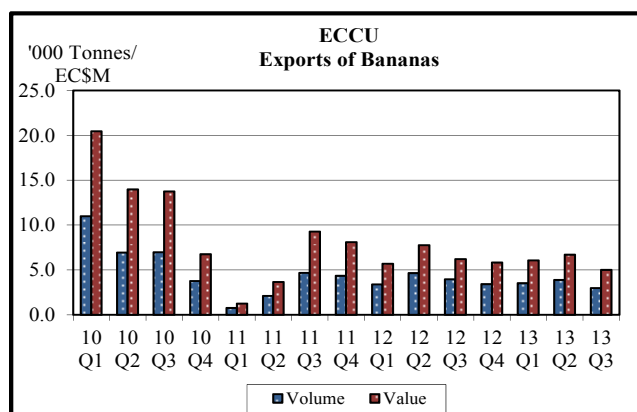
The Consumer Price Index (CPI) fell by 0.9 per cent, on average, in contrast to a 1.0 per cent rise in the first nine months of 2012. The decline in the overall index was fuelled by decreases in the sub-indices for fuel and light (3.4 per cent), food (0.7 per cent), clothing and footwear (2.3 per cent) and housing and utilities (2.0 per cent). The consumer price index declined in Saint Lucia, Grenada, Dominica and Montserrat and ranged



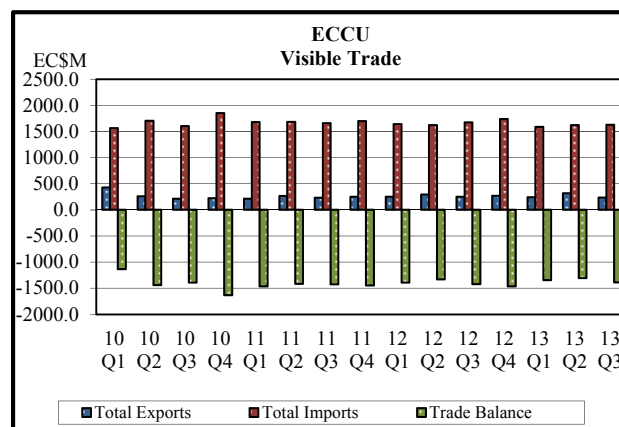
from a contraction of 2.1 per cent in Saint Lucia to 0.1 per cent in Montserrat.

Trade and Payments

Preliminary estimates indicate a 2.6 per cent (\$107.2m) decline in the merchandise trade deficit to \$4,039.2 in the review period, largely driven by a reduction in import payments, consistent with the continued weakness in the major productive sectors. Also contributing to the narrowing of the visible trade balance was a marginal increase in exports receipts of \$3.3m. Estimates for domestic exports indicate that the volume of bananas exported declined leading to a 10.1 per cent (\$2.0m) fall in revenue, relative to the outturn in the first nine months of 2012. Of the other major regional exports, increases were recorded in earnings from nutmeg, paints and fish in Grenada, as well as increases in flour in St Vincent and the Grenadines and paint and soap in Dominica.



Gross travel receipts fell by 1.0 per cent to \$2,409.5m, consistent with the reduction in stay-over arrivals. Gross external disbursements to the central governments amounted to \$388.4.0m, while debt repayment totalled \$178.4m, resulting in net inflows of \$210.1m in official long term capital, compared with an inflow of \$70.14m in the first nine months of 2012. Commercial bank transactions resulted in a net outflow of \$329.0m in short term capital as banks reduced their net liability position.

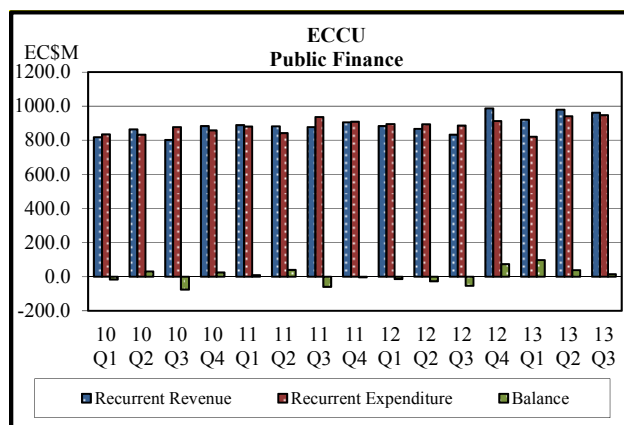


Central Government Fiscal Operations

The consolidated fiscal operations of the central governments resulted in an overall deficit of \$294.6m in the first nine months of 2013 lower than the \$323.2m outturn in the corresponding period of 2012. The fiscal outturn reflected the movement to a current account surplus from a deficit during the



corresponding period of 2012. A primary surplus of \$17.3m was recorded compared with one of \$33.8m in the first nine months of 2012. Of the member countries, a larger overall surplus was recorded for St Kitts and Nevis and smaller overall deficits were recorded for Grenada, Dominica and Saint Lucia. The overall deficit expanded in Antigua and Barbuda, St Vincent and the Grenadines and Montserrat, while in Anguilla the overall balance moved to a deficit from a surplus.



The central governments realised a current account surplus of \$68.4m, a reversal of the deficit of \$92.8m recorded in the January – September period of 2012, as the increase in current revenue outpaced that of current expenditure. Current revenue rose by 7.5 per cent to \$2,776.8m, attributable to higher receipts of both tax and non-tax revenues. Tax revenue receipts were buoyed by higher

collections of taxes on domestic goods and services which rose by 19.5 per cent (\$184.8m), attributable to a 54.0 per cent increase in the collections of the Value Added Tax (VAT). This development was largely fuelled by the implementation of the VAT in Saint Lucia. Also contributing to the growth in tax revenue was a rise in property tax receipts which advanced by 7.7 per cent. In contrast revenue from taxes on international trade and transactions declined by 15.6 per cent (\$117.9m), largely as a result of a reduction in yields from consumption tax in Saint Lucia related to the introduction of the VAT. Taxes on income and profits fell by 3.4 per cent, attributable to lower receipts mainly in Saint Lucia, St Vincent and the Grenadines and Grenada. However, much of the increase in tax revenue was attributable to higher collections of non-tax revenue, which rose by 45.2 per cent (\$140.3m), largely attributable to increased collections in St Kitts and Nevis and Dominica.

Current expenditure rose by 1.2 per cent to \$2,708.4m compared with a 0.7 per cent increase in the corresponding period of 2012. The upward movement was largely associated with higher outlays on personal emoluments and goods and services, which rose by 4.6 per cent (\$54.4m) and 6.5 per cent

(\$33.4m) respectively. Higher outlays on personal emoluments reflected increases in all islands except Montserrat and those for goods and services were primarily associated with expansions in Antigua and Barbuda and St Kitts and Nevis. However, the rise in current spending was mitigated by declines in interest payments led by reductions in Antigua and Barbuda, Grenada and St Kitts and Nevis.

Capital outlays rose by 26.6 per cent to \$636.2m, reflecting higher spending in all of the territories except Dominica. Grant receipts amounted to \$220.5m, a 12.0 per cent reduction over the total in the corresponding period of 2012, mainly attributable to a reduction in receipts in St Kitts and Nevis and Anguilla. Of the total grants received, 79.3 per cent (\$174.7m) represented capital grants compared with 88.6 per cent in the comparable 2012 period.

Public Sector Debt

At the end of September 2013 the total disbursed outstanding public sector debt of the ECCU stood at \$12,897.1m, representing a 1.9 per cent reduction compared with the outstanding debt at the end of 2012. The

reduction in the public sector debt of the ECCU was influenced by a 2.1 per cent decrease to \$10,907.7m in central governments' debt. Additionally, the outstanding debt of public corporations decreased by 1.0 per cent to \$1,989.4m. Of the individual countries, decreases in public sector debt were recorded in St Kitts and Nevis and Montserrat. All other countries registered increases. The largest decline in the debt stock was for the government of St Kitts and Nevis (20.8 per cent, \$557.7m), largely reflecting the operationalization of the land for debt swap in which 1,200 acres were used to retire public debt. The other territory to record a reduction in outstanding debt was government of Montserrat (5.2 per cent, \$0.4m) reflective of amortisation payments. The decline in the outstanding debt was moderated by higher debt levels, primarily for Antigua and Barbuda (4.1 per cent), Grenada (4.3 per cent), Saint Lucia (2.1 per cent) and St Vincent and the Grenadines (2.1 per cent).

Debt service payments for the first nine months of 2013 amounted to \$838.3m, compared with \$781.8m, an increase of 7.2 per cent above the total recorded during the corresponding period of 2012. Principal repayments represented 62.8 per cent while interest payments accounted for the remaining 37.2 per cent of



total debt servicing. Lower debt service payments were recorded for St Kitts and Nevis and Dominica; remained unchanged for Montserrat while in the other territories these payments were higher, ranging from an increase of 62.4 per cent in Grenada to 2.1 per cent in Anguilla. In Montserrat debt service payments were unchanged from the 2012 amounts.

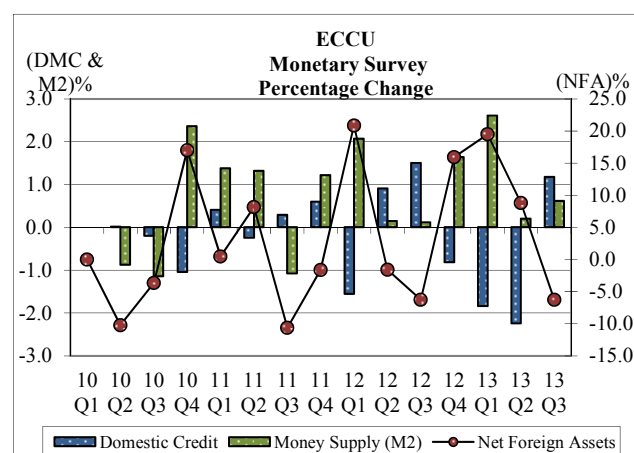
Monetary and Financial Developments

Money and Credit

Monetary liabilities (M2) expanded by 3.5 per cent to \$13,810.6m, attributable to an expansion in quasi money and narrow money (M1). Quasi money rose by 4.1 per cent, influenced largely by growth in savings deposits and foreign currency deposits of 4.7 per cent and 9.4 per cent respectively. Narrow money expanded by 1.1 per cent, reflecting an increase in demand deposits (2.9 per cent).

Domestic credit declined by 2.9 per cent, in contrast to an increase of 0.8 per cent in the first nine months of 2012 influenced primarily by a reduction of 59.9 per cent in the net credit position of the central government. Credit to the central governments fell by 25.6 per cent in

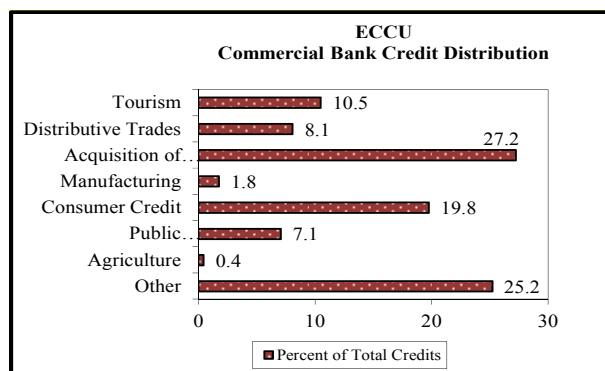
contrast to an increase of 1.1 per cent in the corresponding period of 2012, while deposits grew by 2.8 per cent compared with a 0.1 per cent rate of growth in the previous year. Outstanding credit to the private sector increased by 3.1 per cent, compared with 1.6 per cent in the previous year, driven by increases in credit mainly to businesses (6.5 per cent). The net deposits of non-financial public enterprises rose by 7.9 per cent as deposit rose and outstanding credit fell. Credit to non-bank financial institutions decreased by 9.9 per cent, influenced largely by a reduction in outstanding loans.



The distribution of commercial bank credit by economic activity shows that decreases were recorded for credit allocated to manufacturing plus mining and quarrying (6.5 per cent) tourism (4.7 per cent), and construction (1.7 per cent). By contrast, outstanding loans

for personal use and distributive trades increased by 0.5 per cent and 0.9 per cent respectively. Lending for personal use represented the largest allocation of credit accounting for 47.0 per cent of outstanding credit. Of credit for personal use, 37.6 per cent was for home construction and renovation. Outstanding credit fell in all of the territories except Dominica and St Vincent and the Grenadines.

The net foreign assets of the banking system increased by 21.8 per cent to \$3,233.2m, reflecting increases in the net foreign assets of the ECCB and a reduction in the net liability position of commercial banks. Commercial banks' net foreign liabilities declined by 87.1 per cent to \$48.7m, reflecting a decline in foreign liabilities coupled with an increase in externally held assets. The Central Bank's net foreign assets rose by 8.3 per cent to \$3,281.9m, influenced primarily by an increase in foreign assets.



Commercial bank liquidity eased during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities rose by 6.5 percentage points to 34.0 per cent and the ratio of loans and advances to total deposits decreased by 8.4 percentage points to 77.4 per cent.

The spread between the average weighted interest rate on deposits and loans increased by 0.2 percentage point to 6.05 percentage points. The average weighted deposit interest rate was 2.89 per cent and the average weighted lending rate was 8.94 per cent at the end of the first nine months of 2013.

Developments on the RGSM

The pace of activity on the Regional Government Securities Market (RGSM) increased during the first nine months of 2013, when compared to the corresponding period of the previous year. Gross issuance on the RGSM rose by 4.2 per cent to \$751.5m, compared with a 38.4 per cent increase during the first nine months of 2012. The value of bids on the RGSM also rose during the period under review. A total of thirty-nine (39) issues were brought to the market comprising thirty-one (31) Treasury bills and eight (8) bonds. In the corresponding period of 2012 a total of



thirty-five (35) securities were issued. The total value of securities issued rose as the Governments of Antigua and Barbuda, Dominica and Saint Lucia issued larger values of securities. By contrast the value of securities issued by the Government of Grenada fell and the Nevis Island Administration did not return to the market.

The concentration in terms of the tenor of the securities continued to be mainly on the short end of the maturity spectrum, with Treasury bills comprising 74.2 per cent of the securities issued. The weighted average interest rate on 91-day Treasury bills for the first nine months of 2013 increased to 4.37 per cent from 4.15 per cent in the corresponding period in 2012. The rate on the 365-day and 180-day Treasury bills remained unchanged at 6.00 per cent. The interest rate on a ten year bond was 7.75 per cent after having no issue in the corresponding period of 2012.

Prospects

The World Economic Outlook (WEO) in its most recent update for October 2013 lowered its growth estimate for 2013 to 2.9 per cent, from a previous estimate of 3.2 per cent. The growth impetus has shifted from emerging economies to more advanced economies led by

the USA – the world's largest economy and recoveries in some of the economies of the Eurozone. Notwithstanding the positive growth forecast, the global recovery remains weak by historic standards, constrained by subdued demand in the USA, a function of a persistently high unemployment level.

In the context of the global outlook and based on the outturn in the domestic economies of the ECCU year-to-date, economic activity is estimated to remain relatively subdued in 2013. The outturn is expected to be influenced by mixed performances in major economic sectors. Increased activities are forecasted for the construction, hotels and restaurants, transport, storage and communications, and wholesale and retail trade sectors. However, projected contraction in manufacturing and agriculture will likely temper the overall economic performance of the ECCU region.

Activity in the construction sector will be partially buoyed by major public sector projects in St Vincent and the Grenadines, Antigua and Barbuda, Grenada, Saint Lucia and St Kitts and Nevis. The contribution of private construction will be relatively small compared with the public sector as the region continues to grapple with investor caution. The projected higher value added in the hotels



and restaurants sector is attributable to an estimated increase in most of the countries led by performances in Anguilla, Saint Lucia, Antigua and Barbuda, Grenada and St Kitts and Nevis consistent with higher stay-over visitor arrivals, facilitated by additional room stock and airlift into those territories. Activity in transport, storage and communications as well as wholesale and retail trade will likely be positively impacted by the developments in these key sectors. In contrast however, the agricultural sector will remain fairly depressed as the industry recovers from the protracted effects of Black Sigatoka infestation through replanting, while weak demand domestically and externally will constrain manufacturing.

A combination of increased demand for imported goods associated with developments in the hotels and restaurants, and construction sectors and lower exports will contribute to a widening of the merchandise trade deficit. Receipts from manufacturing exports will also be constrained by weak international and regional demand.

The current fiscal surplus is predicted to expand, as higher collections of tax and non-

tax revenues are expected to continue to outpace the growth in current obligations. At the same time, the overall fiscal deficit of the central governments for the year is projected to decrease. However, projected increased outlays for capital projects will likely mitigate the reduction in the fiscal deficit outcomes.

Previously identified major downside risks have abated somewhat, but continue to threaten to derail the fragile economic recovery in the ECCU. The prospects of a more robust global economic recovery have been tempered with the sudden deceleration in the performance of emerging markets and weaker than previously forecasted growth projections in most advanced economies. Intractably high unemployment in the USA and Europe continues to constrain consumer sentiment and hamper the economic recovery in the respective countries. These developments could further stymie efforts to revitalise the region's tourism industry which already shows signs of stagnation and halt the progress observed in tourism related construction activity.



ANGUILLA

Overview

Preliminary data suggest that economic activity in Anguilla fell in the first nine months of 2013, compared with the outturn in the corresponding period of 2012. This decline can be attributed to contractions in key sectors such as construction, wholesale and retail trade, and financial intermediation. Reduced valued added in the aforementioned sectors more than offset growth in the tourism industry and the real estate, renting and business activities sector. Consumer prices rose by 1.8 per cent on an end-of-period basis. In the external sector, the merchandise trade deficit is estimated to have expanded marginally, due to a contraction in exports. The fiscal operations of central government resulted in an overall deficit, in contrast to a surplus in the corresponding period, influenced largely by a decrease in the collection of revenues from accommodation tax. Total outstanding public sector debt fell during the review period. In the banking system, monetary liabilities and net foreign assets increased while domestic credit fell. Commercial bank liquidity and the weighted average interest rate spread between loans and deposits both increased.

Economic activity is expected to contract in 2013. This outturn is based on the expectation of limited construction activity and continued declines in the wholesale and retail trade and financial intermediation sectors. Real sector activity will continue to be negatively impacted by lower consumer spending partly associated with a reduction in the disposable incomes of consumers and more stringent lending policies of the domestic banks. Construction activity is not anticipated to be robust, however on-going renovations to the Malliouhana Hotel and Spa and continued work, albeit at a slow pace, on the Solaire and Zemi Beach resorts are expected to buoy developments in the sector. Consequently, the constraints on spending in the economy will adversely impact tax revenue receipts, leading to a worsening of the fiscal outlook as expenditure remains rigid. Inflationary pressures will be contained by the weak external environment; however the persistent high cost of fuel and electricity should contribute to overall price rigidities

Downside risks to this outlook stem mainly from a lacklustre global economic growth outlook occasioned by slowing growth in emerging economies, associated with a



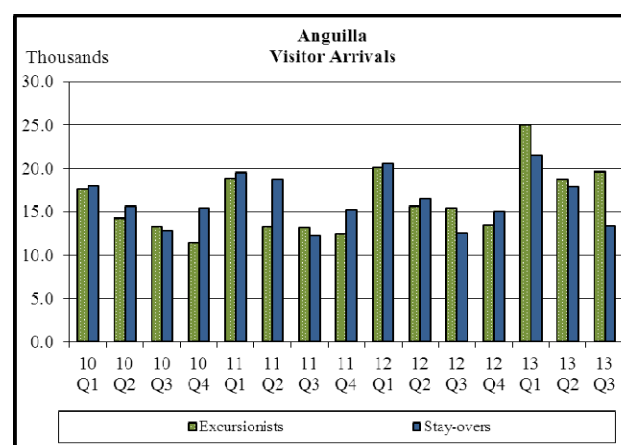
constrained recovery in the USA and continuing albeit diminishing challenges in the Eurozone.

Output

Construction activity in the first nine months of 2013 is estimated to have declined relative to the comparable period in 2012, based on a reduction in FDI related outlays and limited activity in the public sector capital projects programme. Government outlays on capital projects rose, but remained below pre-crisis levels and were largely associated with road development in the Valley and the acquisition of land. Public sector led construction activity has been limited by reduced grant funding and constraints on government borrowing. Construction activity overall was also impacted by lower private sector construction, consistent with a reduction in the value of continuing projects due to financing difficulties. Private sector construction activity concentrated on on-going renovations to the Malliouhana Hotel and Spa and on two boutique resorts during the review period. This reduction in construction activity was also evidenced by a decrease in lending for the acquisition of property (6.1 per cent).

Value added in the wholesale and retail trade sector is estimated to have declined, as evidenced by the virtual stagnation in the value of imports. The outturn is reflective of contracting real sector activity and generally low business optimism.

Value added in the financial intermediation sector also declined in the first nine months of 2013, on account of reductions in loans and advances extended by commercial banks. This outturn is consistent with the negative effects of increased levels of risk aversion by banks and reduced real incomes of consumers.



The decline in those sectors was tempered by positive developments in the tourism industry. Total visitor arrivals are estimated to have increased by 15.0 per cent to 116,153 in the first nine months of the year, compared with a 5.4 per cent increase in the comparable period



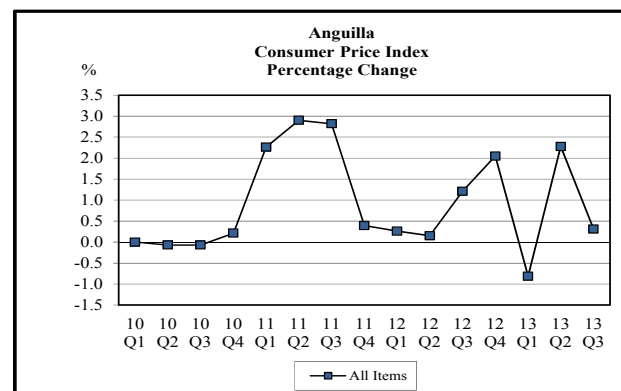
of 2012. Stay-over visitor arrivals are estimated to have risen by 6.1 per cent to 52,749, led primarily by growth in the number of visitors from the USA (7.1 per cent) and the Caribbean (9.6 per cent) markets. The improvement in stay over visitor arrivals was recorded despite tepid economic recovery in the major source markets of the USA and UK, as well as the high cost of inter-regional travel. Arrivals from Germany and Italy registered declines of 12.9 per cent and 10.3 per cent respectively. Excursionists, increased by 23.7 per cent to 63,404 compared with a 13.2 per cent increase in the first nine months of 2012.

Value added in the public administration sector is estimated to have increased based on the recruitment of additional personnel.

Prices

The consumer price index grew by 1.8 per cent on an end of period basis during the first nine months of 2013 compared with an increase of 1.6 per cent in the corresponding period of 2012. The main sub-indices contributing to this increase were; transport and communications (6.1 per cent), food

(1.4 per cent), education (2.8 per cent) and alcoholic beverages and tobacco (3.3 per cent).

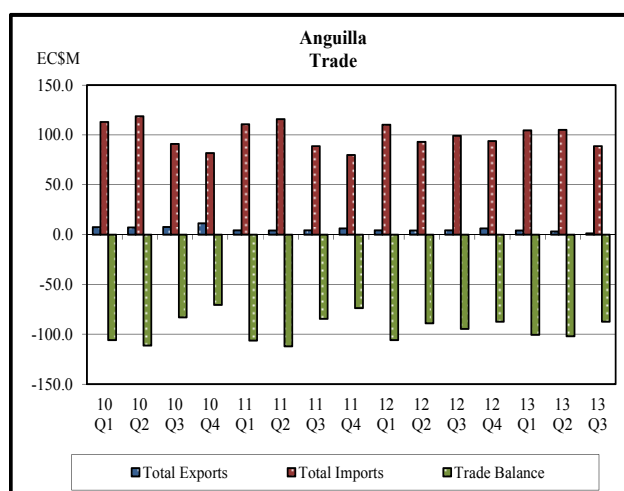


Increases in the prices for transport and communication services were associated with higher airfares to the US Virgin Islands, while higher prices for food were mainly attributable to increased prices for cereals, bread, poultry and some meats. The rise in the education sub-index was as result of higher prices for text books. Higher prices for alcoholic beverages and tobacco were due to a rise in the price of alcohol.

The increases in those sub-indices however, were partially tempered by declines in the sub-indices for clothing and footwear (4.5 per cent), household furnishings and supplies (0.5 per cent) and supplies and housing (0.9 per cent), respectively.

Trade and Payments

A merchandise trade deficit of \$289.8m was estimated in the first nine months of the year compared with one of \$289.6m in the corresponding 2012 period. The widening of the deficit reflects a decline in exports.



Gross travel receipts are estimated to have increased by 6.8 per cent to \$248.2m, consistent with the improvement in stay-over visitor arrivals. The transactions of commercial banks resulted in a net outflow of \$44.4m in short term capital, a larger amount than the \$27.8m registered in the comparable 2012 period. There were no external disbursements in the first nine months of 2013; however external principal repayments totalled \$0.8m.

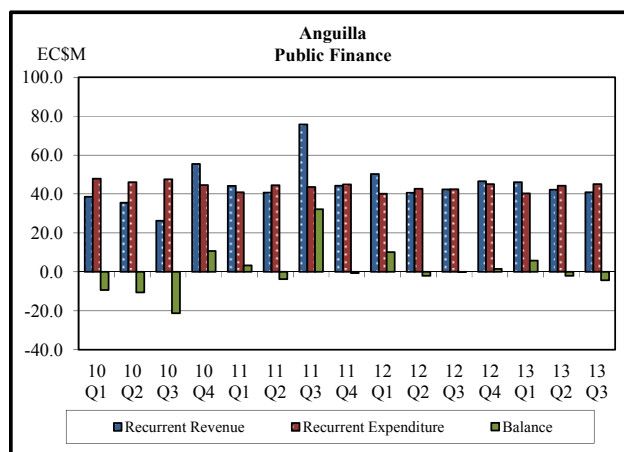
Central Government Fiscal Operations

The fiscal operations of the central government resulted in an overall deficit (after grants) of \$7.5m in the first nine months of the year, a reversal from the surplus of \$13.7m recorded in the corresponding period of 2012. Similarly, a primary deficit (after grants) of \$1.0m was recorded in the review period, in contrast to a surplus of \$19.9m in the comparable period of 2012. This fiscal performance reflects the effects of reduced revenue intake and increasing expenditure outlays.

Current revenue declined by 3.1 per cent (\$4.1m) to \$129.1m, due in part to lower yields from tax revenue, mainly attributable to lower collections from taxes on domestic goods and services and taxes on income and profits. The revenue intake from taxes on domestic goods and services fell by 16.7 per cent, on account of reductions in collection of accommodation taxes and stamp duties of 33.6 per cent (\$5.4m) and 27.4 per cent (\$2.9m) respectively. Lower receipts for accommodation tax reflected delays in the payment by some hotel properties and lower stamp duties were associated with a reduction in the value of land sales. Lower receipts of



taxes on income and profits were influenced by a 10.8 per cent decline in the collection of the Interim Stabilization Levy (ISL), consistent with the reduced disposable incomes of consumers. In contrast receipts from taxes on international trade increased by 10.6 per cent in the review period, largely attributable to a near three-fold increase (\$2.5m) in embarkation tax collections influenced by higher stay-over visitor arrivals. The reduction in tax receipts was also tempered by higher collections of non-tax revenue, which rose by 6.9 per cent (\$1.2m) to \$17.8m largely attributed to increased earnings from the Post Office.



Current expenditure rose by 3.4 per cent to \$129.6m, in contrast to a contraction of 2.8 per cent in the first nine months of 2012, attributable to increased outlays on all major expenditure categories. Personal emoluments,

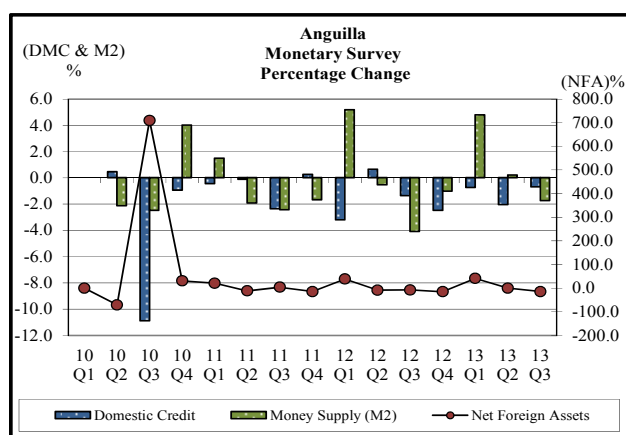
the largest expenditure component, increased by 0.3 per cent (\$0.2m), reflecting the effects of increased employment in the public service to fill vacancies for which there were budget allocations. Interest payments rose by 4.2 per cent (\$0.3m) on account of higher domestic interest costs, while expenditures on transfers and subsidies increased by 7.6 per cent (\$2.5m), due to higher subventions to the tourist board and the community college. Outlays on goods and services were 4.9 per cent higher compared with the total in the corresponding 2012 period. Capital expenditure rose to \$7.1m from \$5.9m in the corresponding period of 2012, consistent with intensified road development works during the period under review.

Public Sector Debt

The total disbursed outstanding debt of the public sector was estimated at \$238.7m at the end of September 2013, 2.0 per cent above the level recorded at the end of 2012. Central government debt accounted for 93.7 per cent of total disbursed outstanding debt while external debt accounted for 71.8 per cent of the estimated debt stock. The outstanding debt of statutory bodies amounted to \$15.1m.

Money and Credit

Monetary liabilities (M2) expanded by 3.2 per cent to \$1,039.6m compared with growth of 0.3 per cent in the corresponding period of 2012. The rise in M2 is attributed to increases in the sub-components of quasi money and M1. Quasi money, which accounts for 95.3 per cent of M2 as at September 2013, rose by 2.7 per cent to \$990.8m as result of higher private sector foreign currency deposits (2.9 per cent), savings deposits (2.7 per cent) and time deposits (1.7 per cent). Narrow money (M1) rose by 14.4 per cent in contrast to a 16.2 per cent reduction recorded in the corresponding period of 2012. The major contributors to the rise in M1 were a 19.4 per cent increase in private sector demand deposits and an increase in currency with the public (11.4 per cent).



Domestic credit contracted by 3.4 per cent during the period under review compared with a 3.9 per cent decline in the corresponding period of 2012. The decline was attributable to a reduction in outstanding credit to the private sector, combined with an increase in the net deposit position of non-financial public enterprises. Private sector credit declined by 2.4 per cent (\$32.6m), fuelled by a 2.9 per cent (\$22.5m) reduction in lending to businesses and a 2.4 per cent (\$13.4m) decrease in outstanding credit to households. The reduction in credit to the private sector reflected the weak business environment and limited opportunities for investment. The net deposit position of statutory bodies rose by 9.4 per cent owing to an increase in deposits (8.0 per cent) while outstanding credit to those entities fell. The net deposit position of the Central Government decreased by 19.4 per cent (\$11.2m) to \$46.6m associated with an increase in outstanding credit (\$10.7m) to the central government. At the same time central government deposits remained virtually unchanged.

An analysis of the distribution of credit by economic activity indicates that credit for personal use registered the largest decline of \$23.2m, due to reduced credit for the acquisition of property (\$20.4m) as well as



durable consumer goods (\$7.3m). Reductions in credit extended to tourism and construction of 4.4 per cent and 2.1 per cent respectively, also influenced the decline in overall credit. The declines in credit were partly moderated by increases for distributive trades (7.1 per cent) and for other uses (4.2 per cent).

The net foreign assets of the banking system increased by 21.3 per cent to \$226.0m in the first nine month of 2013, as a result of the transactions of commercial banks. Activities by the commercial banks resulted in a 56.7 per cent increase in their net foreign assets position owing to an increase in assets (17.7 per cent) held with other ECCB territories combined with reductions in outstanding liabilities held both with financial institutions outside of the Currency Union (5.9 per cent) and in other ECCB territories (9.6 per cent). Anguilla's imputed share of ECCB reserves declined by 4.4 per cent to \$103.3m largely on account of a contraction in its imputed assets.

Liquidity in the commercial banking system improved, as evidenced by a 1.6 percentage point increase in the ratio of liquid assets to total deposits plus liquid liabilities to 30.5 and a decrease of 1.5 percentage points in the loans and advances to total deposits ratio to 94.6.

The weighted average interest rate spread between loans and deposits widened to 5.72 per cent at the end of September 2013, from 5.70 per cent at the end of 2012. A 0.5 percentage points decline in the weighted average interest rate on loans to 9.14 per cent counter by a 1.9 percentage point decline to 3.43 per cent in the weighted average total deposits rate, contributed to this widening of the spread.

Prospects

Based on an updated World Economic Outlook (WEO) report of the International Monetary Fund (IMF), projected global economic growth was revised down to 2.9 per cent in 2013, 0.3 percentage points below the July estimate. Global economic growth will be gradual and led largely by accelerations in the performance of advanced economies as emerging economies, which were originally estimated to fuel the global recovery have recently slowed. This change in global growth drivers from emerging economies to more traditional advanced economies bodes well for Anguilla; however, the overall estimate for global growth remains below initial estimates of 3.3 per cent at the beginning of the year.



In view of the foregoing the Anguillan economy is provisionally estimated to contract in 2013 based on the slow global recovery and unfavourable domestic developments including declines in key sectors, such as construction, wholesale and retail trade, storage, transport and communications as well as financial intermediation. These developments are premised on minimal foreign direct investment flows for the remainder of 2013, no private or public sector wage growth and subdued government expenditure.

Construction activity, historically a major driver of growth, is not expected to improve in 2013 due to the lack of implementation of any major public sector projects during the course of the year. Likewise no improvement is expected in private sector capital outlays as work moves at a very slow pace on a number of projects, indicative of caution on the part of investors. The transport and storage and communications as well as wholesale and retail trade sectors both of which are heavily influenced by the imports of goods and the income earning potential of consumers, are expected to contract in 2013, on account of no wage growth and a contracting economy. Likewise, continued restraint on lending and weak consumer demand are estimated to

adversely impact the financial intermediation sector in 2013.

Tourism activity however, is anticipated to moderate the overall decline in economic activity due to expectations that the observed improvement in arrivals in the first nine months of the year, will continue into the fourth quarter. Additionally, consistent with expectations regarding tourist arrivals, gross visitor expenditure is expected to increase relative to earnings in 2012. These developments are estimated to reflect the sustained performance of the economy in the USA and accelerated improvement in the UK economy.

On the external accounts the merchandise trade deficit is projected to widen given higher imports associated with the tourism industry in general and building materials associated with the refurbishment of the Malliouhana Hotel and Spa. These developments may impact the construction and wholesale and retail trade sectors favourably, however they are likely to be insufficient to offset the decline recorded during the first nine months of 2013.

Notwithstanding the modest forecast significant downside risks remain. These include further slowing of the global expansion, continued



labour market rigidities in the USA adversely impacting the employment situation in that country. The threat of higher energy costs, though unlikely in the short-run remains a potential adverse shock to the global expansion and to the domestic economy of Anguilla.

Other risks on the domestic front include a late start to the tourist season, further restrictions on commercial bank lending owing to prolonged weakness in the economy and declining disposable incomes.

ANTIGUA AND BARBUDA

Overview

The pace of economic activity in Antigua and Barbuda is provisionally estimated to have decelerated in the first nine months of 2013, compared with the performance in the corresponding period of 2012. Economic activity was dragged down by the performance of the tourism industry, as the total number of visitors declined, as well as, by lower activity in the construction sector. The decline in those two key sectors contributed to a reduction in the level of activity in the other related sectors of the economy. In this context, employment conditions remained challenging, while softness in international oil prices tempered domestic consumer price inflation. Consumer prices rose by 0.2 per cent, on an end-of-period basis. In the external sector, the merchandise trade deficit is estimated to have decreased marginally due to an increase in export value attributed to the re-export of fuel related products. The fiscal operations of the central government resulted in a larger overall deficit, as revenue collections fell and expenditure increased. As a result of those fiscal developments total outstanding public sector debt increased. In the banking system, monetary liabilities and net foreign assets

increased while domestic credit declined. Commercial bank liquidity improved and the weighted average interest rate spread between loans and deposits widened.

The global forecast for economic growth was cut by the IMF in October 2013, based on factors such as appreciably weaker domestic demand and slower growth in several key emerging market economies and the budget cuts in the USA. The IMF now expects the global economy to expand by 2.9 per cent in 2013 and 3.6 per cent in 2014, down by 0.3 and 0.2 percentage points respectively from its July forecast, despite signs of recovery in the Euro Area. Against the backdrop of weak and uncertain pace of global economic growth and weak domestic economic developments, economic activity in Antigua and Barbuda is expected to improve at a slower pace in 2013 than what was obtained in 2012. Activity in the tourism industry is expected to be lower than in 2012 given the developments for the first nine months of the year. Construction activity has begun to moderate as on-going work on the new airport terminal building culminates. In addition, residential construction activity has begun to taper off and capital spending remains constrained, due to lack of

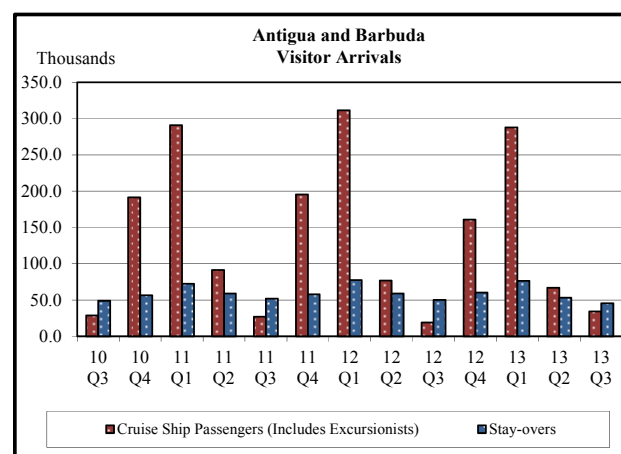


finances to execute a large Public Sector Investment Programme (PSIP). The fiscal operations of the central government are expected to result in a larger deficit as revenue growth is not expected to exceed the 2012 total and capital expenditure is expected to increase relative to 2012. On the balance of payments, the merchandise trade deficit is expected to narrow marginally on account of increased re export of fuel related products. Price pressures are expected to remain muted given the outlook for food, commodity and energy prices. The major downside risk to the economic outlook is the continued uncertainty in the global economic environment which continues to weigh down consumer and investor confidence, both foreign and domestic.

Output

Value added in the hotels and restaurants sector in the first three quarters of 2013 is estimated to have declined, as evidenced by the contraction in total visitor arrivals to the island. Total visitor arrivals fell by 4.9 per cent as all sub categories of visitor arrivals recorded declines. Stay-over visitor arrivals decreased by 6.4 per cent to 174, 773 in contrast to a 1.7 per cent increase recorded

in the corresponding period of 2012. There was a decrease in visitor arrivals from all the major source markets, except the Canadian market. The fall in stay-over visitor arrivals was most pronounced in the USA (12.2 per cent), Europe (6.7 per cent) and the Caribbean (12.8 per cent). Weak economic performance in Europe and the Caribbean may explain the declines from these markets. By contrast visitor arrivals from Canada rose by 27.9 per cent. Cruise ship passenger arrivals fell by 4.4 per cent to 389,181 as the number of cruise calls decreased by two.



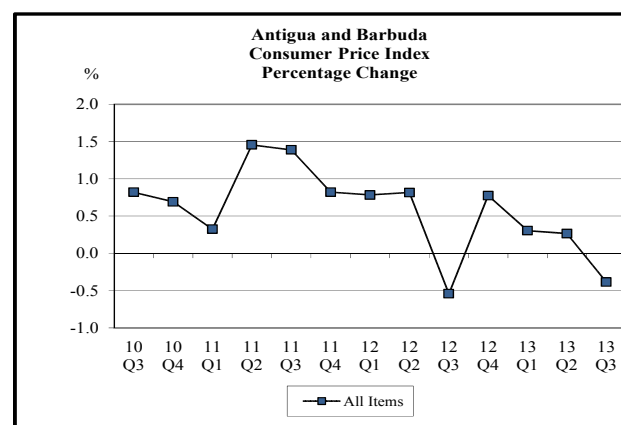
Available data for the construction sector, suggest that output decelerated in the review period, due to a slowdown in private residential construction activity while public sector activity rose marginally. In the public sector, activity expanded at a modest pace with work on the new airport terminal winding

down. The terminal building is expected to open in early 2014. Central government capital expenditure increased by \$11.8m to \$24.0m compared with \$12.9m in the corresponding period of 2012. The majority of the spending (\$15.0m) was allocated to a road repairs and rehabilitation programme. In the private sector, residential construction activity tapered as evidenced by the slower rate of increase (0.8 per cent) in credit for the acquisition of property, compared with growth of 6.1 per cent in the corresponding nine months of 2012. In addition, the volume of cement imported, a key indicative indicator of construction activity, rose by 11.0 per cent. A number of projects in the private non-residential sub category which were supposed to have started remained dormant during the review period.

Provisional estimates suggest that value added in the wholesale and retail trade sector has decreased marginally as volume of cargo landed at the Port was lower. By contrast value added from financial intermediation is estimated to have increased as the deposits within the banking sector rose.

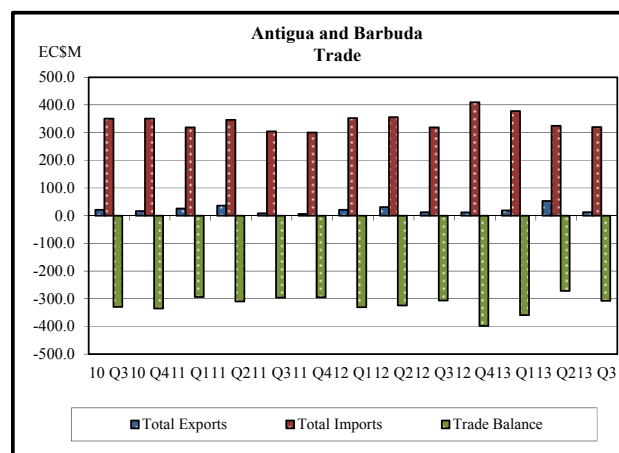
Prices

The rate of inflation slowed during the first nine months of 2013 as consumer prices rose by 0.2 per cent, compared with a 1.1 per cent increase during the corresponding period of 2012. The deceleration in consumer prices was largely attributed to slower growth in the price of food (0.2 per cent) and households furnishings and supplies (0.8 per cent) compared with growth of 1.9 per cent and 5.3 per cent a respectively, in the comparable period of 2012. There was also reduction in the rate of price increases of other major sub-indices such as, clothing and footwear (0.6 per cent), transport and communications (0.6 per cent) and fuel and light (2.5 per cent), respectively. The only sub index to show a faster rate of growth was personal services which rose by 6.7 per cent in contrast to a decline of 3.8 per cent during the corresponding period of 2012.



Trade and Payments

The merchandise trade deficit is estimated to have decreased by 2.5 per cent (\$23.6m) to \$937.7m in the first nine months 2013, compared with one of \$961.2m in the corresponding period of 2012. The narrowing of the deficit was due primarily to growth of 30.3 per cent (\$20.0m) in the value of exports, reflecting an increase in the value of re-exports. The value of re-exports rose by 34.0 per cent attributed to the re-export of fuel related products associated with the West Indies Oil Corporation. By contrast the value of import fell by 0.3 per cent. Gross travel receipts are estimated to have decreased by 6.1 per cent to \$609.6m, consistent with the decline in tourist arrivals. Transactions by commercial banks resulted in a net inflow of \$0.6m in short-term capital compared with one of \$16.7m during the comparable period of 2012. In terms of the long term public sector flows, external disbursements to the government totalled \$96.0m, primarily attributed to the final disbursement received from the IMF under the Stand by Arrangement programme, while external loan repayments totalled \$40.7m.

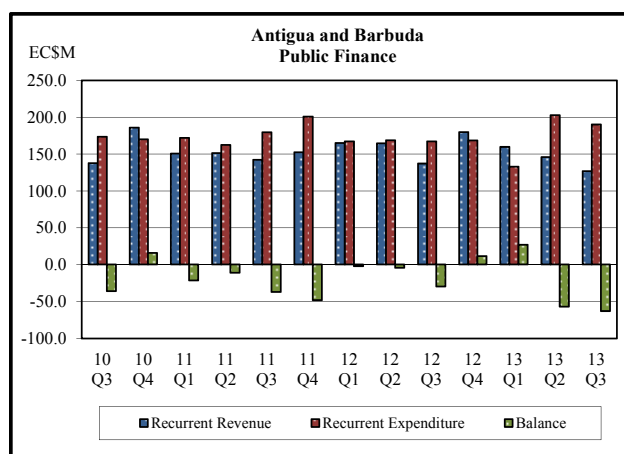


Central Government Fiscal Operations

The fiscal operations of the central government deteriorated in the first nine months of 2013 as the overall deficit increased by \$68.5m to \$116.3m. A primary deficit of \$69.6m was recorded, in contrast to a surplus of \$9.7m in the comparable period of 2012. The overall fiscal performance was primarily influenced by developments on the current account, in particular a reduction in revenue collections and an increase in outlays on current expenditure.

The current account deficit increased by \$57.0m to \$93.4m, as revenues fell and expenditure increased. Current revenue fell by 7.3 per cent to \$432.4m, in contrast to a 5.1 per cent increase in the corresponding period in 2012. The reduction in current revenue collections was influenced by a 7.0 per

cent (\$30.9m) decrease in tax revenues. Declines of 10.9 per cent (\$21.9m) in the receipts from taxes on domestic goods and services and 11.1 per cent (\$18.5m) in collection from taxes on international trade and transactions were primarily responsible for the overall reduction in tax revenue. Lower collections from taxes on domestic goods and services were primarily driven by a \$16.9m decline in receipts from stamp duties collections. The removal and transfer of the passenger facility charge to the airport authority was responsible for the decline in taxes on international trade. Offsetting the reduction in tax revenue collections was an 18.3 per cent increase in taxes on income and profits, as collections from the corporation tax rose by \$11.4m largely reflecting the collection of tax arrears. Non - tax revenue declined by 13.0 per cent to \$22.1m.



Current expenditure rose by 4.5 per cent to \$525.4m in the first nine months of 2013, in contrast to a 2.1 per cent decrease in the corresponding period of 2012. Expenditure on goods and services rose by 23.2 per cent (\$20.2m) attributed to outlays for road maintenance and payment of arrears on previously contracted goods and services. Transfers and subsidies expenditure was higher by 7.4 per cent (\$11.4m) due to an increase in pension payments, as more persons retired from the public service this year. Offsetting those increases was an 18.7 per cent (\$10.8m) reduction in interest payments. Central government capital expenditure increased by \$11.2m to \$24.0m for the period January to September 2013, as the government embarked on road rehabilitation work.

The overall deficit was funded by the use of external debt and RGSM securities, as the Government over the last couple years, reduce its reliance on commercial bank funding.

Public Sector Debt

The total disbursed outstanding debt of the public sector is estimated to have increased by 4.1 per cent (\$114.9m) to \$3.0b during the nine-month period under review. Both central



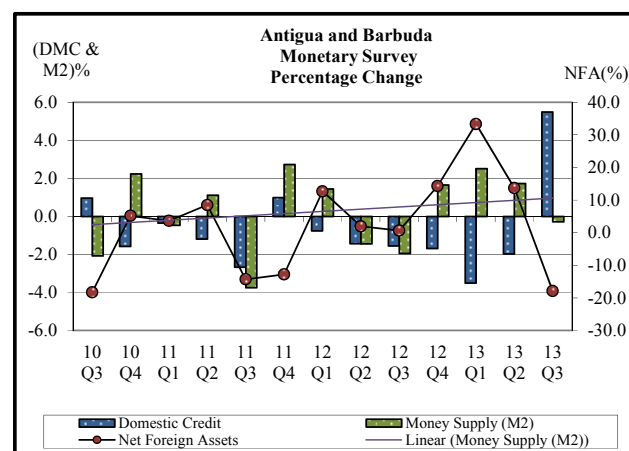
government and public corporations debt increased. Central government debt rose by \$58.8m to 2.4b attributed primarily to an \$83.7m expansion in external indebtedness, while domestic debt declined by \$24.8m. Public corporations indebtedness rose by \$56.1m to \$534.5m as both external (\$14.4m) and domestic (\$41.7m) debt increased.

Money and Credit

Broad money (M2) aggregates rose by 4.0 per cent to \$2,901.2m during the period January to September 2013, from \$2,790.1m at the end of December 2012, as both narrow money (M1) and quasi money components expanded. M1 grew by 9.0 per cent to \$604.0m, associated with increases in demand deposits (11.4 per cent), EC\$ dollar cheques and drafts issued (13.2 per cent) and currency with the public (0.3 per cent). Quasi money increased by 2.7 per cent to \$2,297.3m on account of expansions in private sector savings deposits (6.0 per cent) and private sector foreign currency deposits (22.7 per cent).

Domestic credit decreased by 0.2 per cent to \$2,694.3m influenced by continued deleveraging by the private sector and the central government and the constraint of credit

growth by low economic activity. Outstanding loans to the private sector fell by 3.2 per cent (\$75.3m); primarily reflecting reduced loans to businesses (\$43.5m) and households (\$20.0m). Net credit to the central government fell by 4.7 per cent (\$26.0m) to \$526.5m, reflecting mainly a reduction in borrowing from commercial banks and payments on a loan to the Central Bank. The net deposit position of Non-Financial Public Enterprises (NFPEs) declined by 44.0 per cent, driven by the combined effects of an 39.8 per cent expansion in borrowing and a 17.7 per cent fall in deposits.



The distribution of credit by economic activity indicates that credit to the economy fell by 1.4 per cent for the period under review. The largest declines were recorded in credit for personal use (2.8 per cent), businesses in the construction sector (6.9 per cent) and tourism

(5.4 per cent). Credit for personal use which accounts for roughly 46.0 per cent of total credit, declined on account of lower credit for consumer durable goods (16.8 per cent) and other personal use (6.9 per cent). Tempering the decline in credit for personal use was an increase in credit for the acquisition of property which rose by 0.8 per cent (\$6.6m). Of the other major sectors, credit for public utilities, water and electricity rose by 33.0 per cent consistent with the increase in credit by non-financial public enterprises. Those declines were partly offset by a 2.5 per cent (\$6.5m) expansion in loans for distributive trades.

The net foreign assets of the banking system increased by 24.5 per cent (\$113.9m) to \$579.4m, marked by an increase in Antigua and Barbuda's imputed share of the Central Bank's reserves, which increased by 26.3 per cent (\$113.5m). The increase in the imputed reserves was only partially offset by a \$0.6m reduction in commercial banks net foreign assets to \$29.4m.

Liquidity in the commercial banking system improved during the period under review. This assessment is based on a 0.7 percentage point increase to 49.0 per cent in the ratio of liquid assets to total deposits plus liquid

liabilities at the end of September 2013. The loans and advances to total deposits ratio decreased by 0.6 percentage points to 78.9 per cent at the end of September 2013 from 79.6 per cent at the end of December 2012.

The weighted average interest rate spread between loans and deposits increased slightly moving to 6.54 per cent at the end of September 2013 from 6.47 per cent at the end of December 2012. The weighted average interest rate on loans rose by 10.0 basis points to 9.49 per cent and that on deposits decreased by 6.0 basis points 2.95 per cent.

Prospects

Based on the developments for the first three quarters of 2013, economic activity in Antigua and Barbuda will continue to face headwinds over the remaining months of 2013, reflecting weakness in the tourism sector—specifically the high value-added stay-over visitor segment.

Economic growth is set to expand at a moderate pace in 2013 albeit at a slower pace than that recorded in 2012. Output from the tourism industry is anticipated to decline as the industry is not expected to recoup the losses



incurred thus far for the year. Construction activity is anticipated to stagnate for the rest of 2013 but provide positive impulses in the near-term, supported mainly by public sector infrastructure programmes and to a lesser extent private residential construction as activity in that segment has begun to slow down. The developments in the tourism industry and the construction sectors are expected to spill-over to the other sectors of the economy thereby constraining growth in those sectors. In this context, unemployment levels are projected to remain elevated, until the recovery becomes more established and broadens to other sectors. The relatively benign inflationary environment is expected to persist over the near-term, although global oil price developments will continue to affect domestic energy costs.

The fiscal operations of Central Government are projected to deteriorate as revenues are likely to remain below expenditure. The outlook for revenue reflects the performance

for the first nine months of 2013. Therefore public sector debt is expected to increase as the Government funds its operations against the backdrop of lower revenue intake.

In the monetary sector, liquidity is expected to remain buoyant, amid the sustained weakness in domestic demand, the high levels of unemployment and the elevated loan arrears situation, which has led to a more conservative lending approach by commercial banks. In light of this, credit growth is expected to remain subdued.

On the external accounts, the merchandise trade deficit is likely to widen based on a projected reduction in export earnings. While the economy is expected to record a modest improvement in economic growth for 2013 downside risks are abound. Risks to the economy are on balance with the main downside risks emanating from the uncertainty in the global economy.



DOMINICA

Overview

Available indicators point to a mixed economic performance for Dominica in the first nine months of 2013. Activity in the service sectors and goods producing industries, with the exception of manufacturing, either weakened or remained flat. Consumer prices fell by 0.8 per cent, on an end of period basis. The merchandise trade deficit is estimated to have narrowed based on an increase in the value of exports. Preliminary data indicate that the central government generated a smaller overall fiscal deficit reflecting an increase in non-tax revenue and a reduction in capital spending. Total outstanding debt of the public sector rose. In the banking system, there were increases in monetary liabilities and domestic credit, while net foreign assets declined. Liquidity in the banking system fell marginally, while the spread between weighted average interest rates on loans and deposits narrowed.

Economic activity in Dominica is likely to remain flat in 2013. No significant turnaround is anticipated in construction, tourism and agriculture. Continued government supported

construction activity is likely to be tempered by weak private sector activity. The overall performance of the tourism industry is likely to be weak and agricultural production is expected to continue to face setback from plant diseases. Against this backdrop, a smaller overall fiscal deficit is projected on the fiscal accounts in 2013. Economic conditions could deteriorate if the risks of a delayed global recovery and adverse weather materialise.

Output

The output of the agricultural sector remained constrained by the effects of plant disease in the banana sub-sector. Banana production recorded a contraction of 39.6 per cent to 1,277 tonnes in the first nine months of 2013. Other agricultural output is estimated to have increased based on on-going diversification efforts including those to boost supply of root crops, cocoa, coffee and livestock.

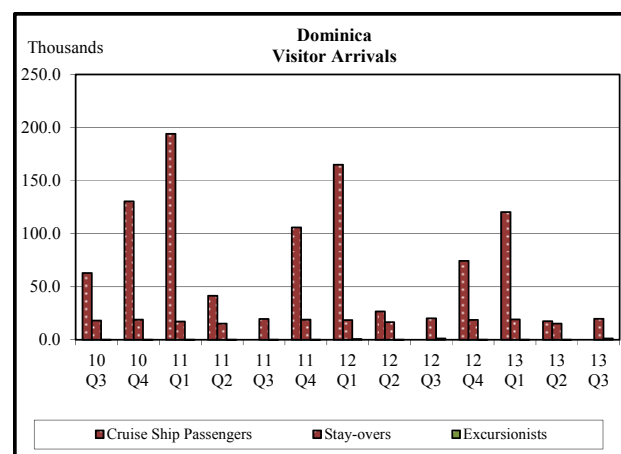
Available information on construction activity suggests that the performance was mixed. Construction work on major public sector projects such as the State House Renovation



and Extension Project and the State College winded down. Meanwhile, work continued apace on other public sector infrastructure such as the water supply networks, a hospital, hotel, the geothermal initiative, a coffee processing plant and road networks. Government supported construction activity is estimated to have outpaced that of the private sector. In the private sector, the number and value of construction starts fell by 26.0 per cent and 37.0 per cent respectively, while declines were observed in commercial bank credit extended for construction (1.1 per cent) and for private home construction and renovation (0.2 per cent).

Tourism activity is estimated to have weakened in the period of review, on account of soft demand from the stay-over and cruise segments of the industry. Stay-over visitor arrivals are estimated to have decreased by 2.3 per cent to 54,174 mirroring declines in all major source markets with the exception of the USA which grew by 2.5 per cent. Arrivals from the largest source market, the Caribbean, fell by 5.0 per cent, while those from the UK and Canada contracted by 2.9 per cent and 0.1 per cent respectively. The cruise ship market continued to experience a combination of fewer calls and visits by smaller vessels, resulting in a fall of 28.1 per cent to 137,899

cruise visitors. There were no cruise calls in the third quarter of 2013, thus the number of cruise calls recorded for the first nine months of 2013 was 102, which was 25 less than the number registered for January to September 2012. Preliminary estimates indicate a decline of 1.9 per cent in the number of excursionists and an increase of 4.7 per cent in yacht passengers. Consequently, total visitor arrivals dropped by 21.1 per cent to 204,253.



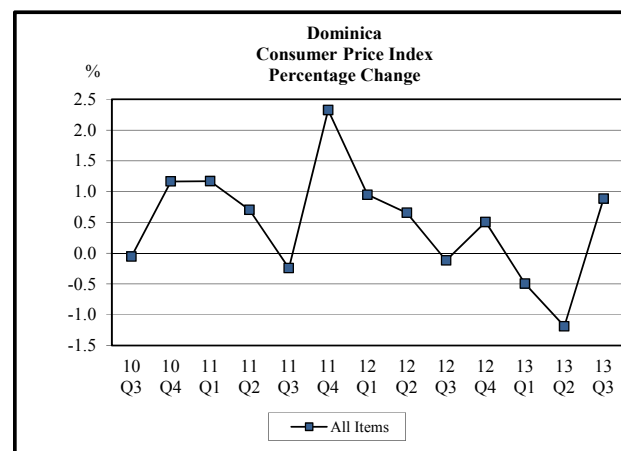
Developments in the tourism industry are likely to have negatively impacted activity in the transport, storage and communications sector. Activity in the wholesale and retail trade sector is likely to have recovered based on available indicators which show increases in the value of imports (0.6 per cent) and the volume of cargo landed (3.5 per cent).

Manufacturing activity rebounded in the period of review. Increases were recorded in the production of beverages (19.0 per cent), soap (5.8 per cent) and paints and varnishes (2.6 per cent). The solid performance of the manufacturing sector was supported in part by additional marketing.

Prices

The overall level of consumer prices fell by 0.8 per cent during the first nine months of 2013, in contrast to a rate of increase of 1.5 per cent in the corresponding period of 2012. This is consistent with the subdued inflationary pressure in major world economies and the pace of local economic activity. The main contributing factor to the deflation was the housing, utilities, gas and fuels sub-index which fell by 2.8 per cent reflecting lower costs for gas and electricity. The transport sub-index, the second highest weighted sub-index, fell by 0.4 per cent, largely attributed to reduced costs of air travel as a new carrier offered special fares during the second quarter of the year. These declines were moderated by increases in a number of sub-indices including those for clothing and footwear (3.4 per cent), household furnishings, supplies and

maintenance (2.6 per cent) and food and non-alcoholic beverages (0.6 per cent).

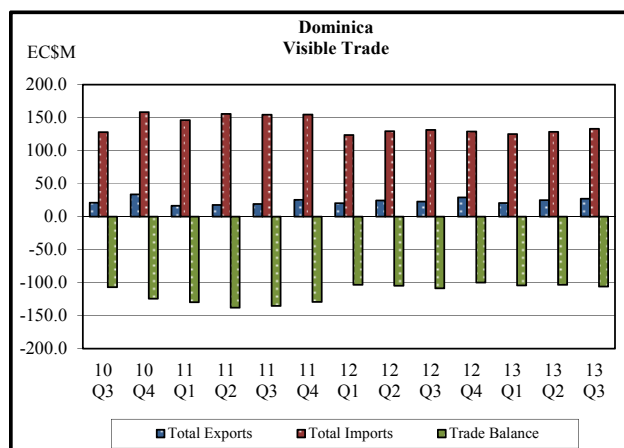


Trade and Payments

The merchandise trade deficit is provisionally estimated to have narrowed by 1.0 per cent to \$313.4m in the first nine months of 2013 resulting from an increase in the value of exports. The value of total exports is estimated to have increased by 8.1 per cent to \$72.8m, primarily attributable to higher export receipts from commodities, chemicals and related products, and crude materials (except fuels). This was partially offset by reductions in the value of exports of bananas (42.2 per cent), owing to both price and volume effects, and soap (4.9 per cent) due to price effects. The value of imports reached \$386.3m, up slightly by 0.6 per cent, mainly for payments of fuels and miscellaneous manufactured articles.



The setbacks in the stay-over and cruise ship markets contributed to a decline of 25.1 per cent to \$171.9m in gross travel receipts. The transactions of commercial banks led to a net inflow of \$8.4m in short term capital. External loan disbursements to the central government more than halved to \$26.7m against the backdrop of reduced capital spending. A decline of 67.3 per cent was observed in external principal repayments relative to the corresponding period of 2012 when additional payments were made to bilateral and multilateral creditors.



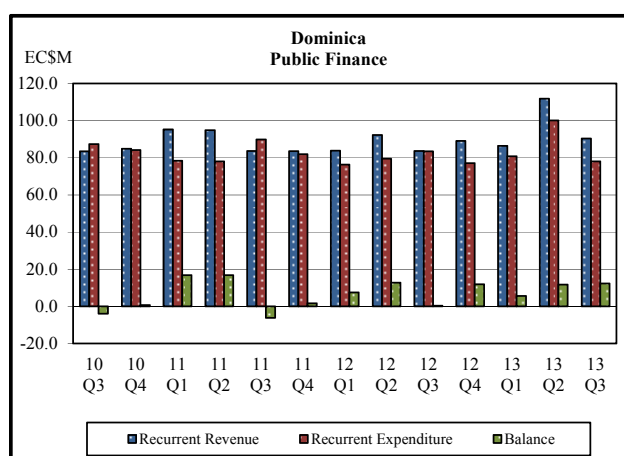
Central Government Fiscal Operations

The fiscal operations of the Central Government resulted in a smaller overall deficit of \$93.3m in the first nine months of 2013 relative to that of \$115.8m in the corresponding period of 2012. The outturn reflected the dual effect of an increase in non-

tax revenue and cut back in capital spending. A primary deficit of \$75.4m was recorded, down from one of \$99.9m in the corresponding period of 2012. The overall deficit was partly financed by a draw-down in deposits in the banking system, the issuance of Treasury bills on the Regional Government Securities Market (RGSM), and the contraction of loans and advances from commercial banks.

The current account surplus a little more than doubled to \$41.4m, reflecting the receipt of budgetary support from the 10th European Development Fund (EDF) and continued growth in the non-tax component of current revenue. Revenue from the Economic Citizenship Programme (ECP), the largest component of non-tax-revenue, recorded an almost three-fold increase to \$48.9m, supported by an increase in fees from 01 September 2012. Collections from the ECP combined with marginal increases from fees, fines, and sales, as well as financial services, resulted in an almost doubling of non-tax revenue to \$60.9m. The performance of the tax revenue category was not as robust, reflecting the weak pace of economic activity. Collections from taxes on international trade and transactions registered the largest decline of 8.0 per cent, mainly attributed to a reduced intake from import duty, the embarkation/exit

tax, and the cruise passenger tax. The intake from taxes on income, profit and capital gains fell marginally by 0.1 per cent as a contraction in receipts from corporation tax offset an increase in revenue from personal income tax, which rose in association with higher salaries. The largest sub-category of tax revenue, taxes on domestic goods and services, registered growth of 1.0 per cent, largely on account of a higher yield from the excise tax. There was also an upward movement in earnings from property tax, from \$4.7m to \$5.7m. As a result, total current revenue rose by 11.1 per cent to \$288.5m in the review period.



Current expenditure rose by 8.3 per cent to \$258.9m. Personal emoluments, the largest component of current outlays, rose by 12.8 per cent to \$113.5m, reflecting the 2.5 per cent increase in salaries granted in February 2013 and retroactive salary increases

of 1.0 per cent for 2010/2011 and 1.5 per cent for 2011/2012 awarded in April 2013. Expenditure on goods and services grew by 6.6 per cent to \$76.4m, which was partly influenced by higher professional and consultancy fees. Interest payments amounted to \$18.0m, up from \$16.0m, reflecting an increase in external interest obligations. Spending on transfers and subsidies rose by 0.2 per cent to \$51.1m.

Provisional data for capital expenditure indicated that this type of spending dropped by 10.1 per cent to \$135.2m. There was no capital grant received in the review period.

Public Sector Debt

The disbursed outstanding debt of the public sector stood at \$1,031.1m at the end of September 2013, 0.2 per cent above the level recorded at the end of 2012. This outturn reflected an increase in central government debt. The outstanding debt of the Central Government rose by 1.2 per cent to \$866.0m, partly attributed to an increase in commercial bank credit. A reduction of 5.2 per cent was recorded in the outstanding debt of public corporations which amounted to \$165.1m at the end of September 2013. The stock of external debt declined by 0.6 per cent to



\$718.9m while domestic debt increased by 1.9 per cent to \$312.1m.

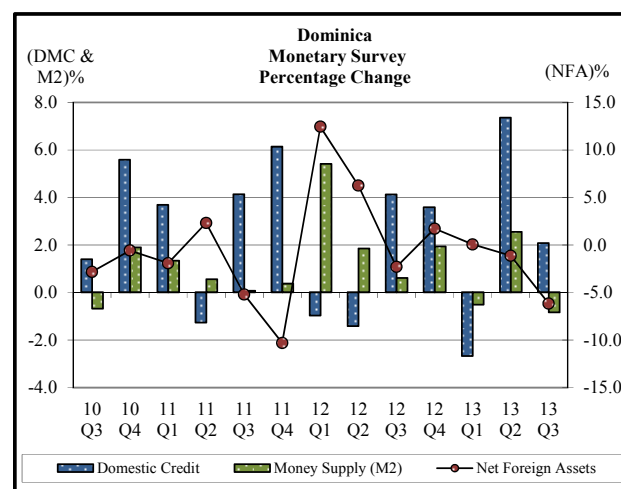
Money and Credit

Growth in broad money (M2) decelerated by 1.2 per cent to \$1,151.6m in the first nine months of 2013, from a rate of increase of 8.0 per cent in the corresponding period of 2012. The increase in M2 stemmed mainly from growth in quasi money as private sector savings deposits rose by 6.9 per cent. There was a fall of 4.8 per cent in M1, largely influenced by an 18.5 per cent contraction in currency in circulation.

The net foreign assets of the banking system declined by 7.2 per cent to \$505.9m, primarily on account of a reduction in the assets of the Government of Dominica held at the Central Bank. Dominica's imputed share of the Central Bank's reserves fell by 12.4 per cent to \$217.3m. The net foreign assets of the commercial banks decreased by 2.8 per cent, indicative of a fall in assets held with institutions in other ECCU member states.

Domestic credit rose by 6.7 per cent to \$733.1m, mainly influenced by central government transactions. The total deposits of central government in the entire banking

system fell by 35.2 per cent while the total credit extended to central government rose by 17.9 per cent. This led to a net credit position of \$47.4m at the end of September 2013, representing a turnaround from the net deposit position of \$6.6m at the end of December 2012. Credit to the private sector rose by 0.9 per cent (\$6.8m), due to growth in lending to households. The net deposits of the non-financial public enterprises rose by 14.8 per cent to \$117.6m, largely associated with growth in deposits. The credit to non-bank financial institutions fell by 21.3 per cent to \$11.2m.



According to the distribution of credit by economic activity, credit for personal use rose by 3.4 per cent, mainly for house and land purchases. While credit for the distributive trades rose by 1.7 per cent, most other economic sectors faced contractions including

manufacturing, mining and quarry (2.0 per cent), agriculture and fisheries (1.6 per cent), tourism (1.3 per cent) and construction (1.1 per cent). Credit for public administration rose by 25.7 per cent, registering the largest increase among the sectors.

Liquidity in the commercial banking system fell marginally during the review period. The ratio of liquid assets to total deposits plus liquid liabilities declined by 0.3 percentage point to 39.8 per cent at the end of September 2013. The loans and advances to total deposits ratio decreased by 0.4 percentage point to 64.1 per cent. The weighted average interest rate spread between deposit and lending rates fell by 0.04 percentage point to 5.97 per cent at the end of September 2013. The weighted average interest rate on deposits decreased by 0.04 percentage point to 2.98 per cent, and that on loans declined by 0.08 percentage point to 8.95 per cent.

Prospects

Real GDP is expected to remain relatively flat in 2013 compared with the level recorded in 2012. In the agricultural sector, banana production is projected to remain below the

level recorded in 2012. Output of other crops and livestock is anticipated to rise based on ongoing diversification ventures, tempering the fall in the banana sub-sector. The performance in the cruise sub sector is likely to strengthen in the last quarter of this year, but this is unlikely to result in a complete turnaround for the tourism industry. Overall tourism activity is likely to be weaker in 2013 premised on softening demand in major source markets. Based on the projected outturn in the tourism industry, activity in the transport, storage and communications is likely to be dampened. A rebound is anticipated in the manufacturing sector and construction activity is likely to remain mixed. A marginal pick up may be registered in the wholesale and retail trade sector with the projected increase in imports.

The current forecast indicates a smaller overall fiscal deficit in 2013 premised on continued growth in non-tax revenue, fiscal consolidation efforts via reductions in capital expenditures and restraint in current spending for the rest of the year, and additional grant receipts in the last quarter of the year. The collection of tax revenue is anticipated to be weak but is likely to be offset by an improved performance of non-tax revenue.



In the external sector, the merchandise trade balance is likely to widen marginally, premised on higher imports payments. The value of exports is expected to increase marginally from the projected improved outturn from manufacturing, albeit constrained by the contraction in banana production. Gross receipts from travel are likely to decline based on a projected contraction in total visitor arrivals.

Risks to these projections remain on the downside. In the world economy, advanced economies are strengthening while growth in emerging market economies has slowed. In

the event that the recovery is not sustained in advanced economies and/or does not strengthen in emerging market economies, the potential spill overs to Dominica's economy will be negative. External inflows such as tourism receipts and grants could be more adversely affected, leading to a worsening of the external position. This would exacerbate the dual challenges of slow economic activity and fiscal sustainability in the local economy. Adverse weather also poses a significant downside risk to production and infrastructure.



GRENADA

Overview

Economic activity in Grenada expanded in the first nine months of 2013, in contrast to a decline in the corresponding period of 2012. Growth was driven mainly by construction activity, with support from increased output from education and manufacturing and continued growth in agriculture. In contrast, preliminary estimates of tourism activity indicate a contraction. The expansion occurred within an environment of lower prices, as the consumer price index declined by 1.5 per cent, on an end of period basis. The merchandise trade deficit widened slightly, as growth in import payments outpaced export receipts. The fiscal operations of the central government is estimated to have resulted in a narrowing of the overall deficit position relative to the corresponding period of 2012, while the outstanding debt of the public sector rose. Monetary developments were marked by an expansion in monetary liabilities and a reduction in domestic credit. Liquidity in the commercial banking system increased and the spread between weighted average interest rates of commercial banks on loans and deposits widened.

The economic outlook for the rest of 2013 suggest a continuation of economic growth in Grenada; supported mainly by further expansion in construction, with other key sectors namely, agriculture, transport, storage and communications and manufacturing providing positive contributions. Risks to the projections are biased to the downside, with the global economic recovery still very fragile in general and the possibility of the volatility in the US fiscal policy environment spilling over in the wider US economy. Those developments could dampen global and regional demand for local goods and services through negative spill-over effects on consumer and investor confidence.

Output

Construction activity is estimated to have continued to grow in the period under review, as reflected by the increase in an indicative indicator, the total value of construction related materials imported. Imports of construction materials were higher by 25.8 per cent over the outturn in the corresponding period of 2012. In the private sector, activity was centred on the



development of the Sandals La Source Resort and Spa and works on the National Insurance Scheme's Commercial Complex in St George's. However, a decline in commercial banks' credit for construction purposes suggest that household related construction activity remains depressed. Public sector construction works focused primarily on road rehabilitation works with the commencement of Phase II of the Agriculture Feeder Road Project.

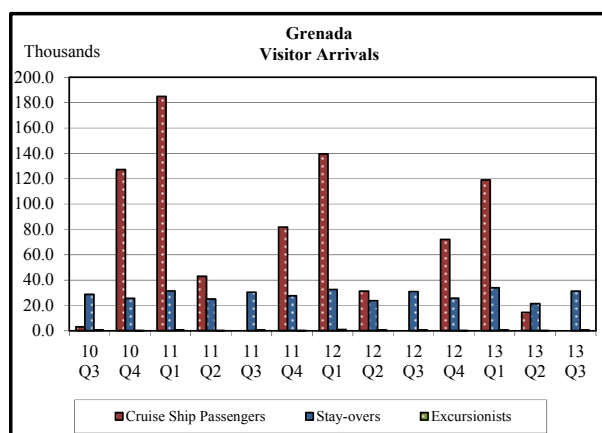
Activity in the manufacturing sector is estimated to have expanded, underscored by expansions in industrial production, as internal demand picked up, consistent with improved economic conditions. Increased production of beverages was the main contributor to the growth in the sector. Production of beer is estimated to have grown by 9.0 per cent; soft drinks by 8.0 per cent and stout and malt by 15.9 and 13.7 respectively. With the current boom in construction activity, paint production rose by 8.0 per cent. Also contributing positively to the sector's expansion was a rise in the output of poultry feed which increased by 7.7 per cent. However, tempering the overall growth in manufactured output were declines in rum production (8.7 per cent) and the output of flour (4.1 per cent).

The education sector has become a significant contributor to economic activity as it has accounted for an average of 18.0 per cent of Grenada's real GDP over the past five years, primarily due to the presence of the privately owned St George's University (SGU). Value added by the sector is estimated to have increased by 0.5 per cent, driven primarily by developments in private education services. Arrivals of students at SGU which is used as a proxy for movements in the sector rose by 6.3 per cent to 3943 in the review period relative to the corresponding period of 2012. Public education also made a positive but small contribution with growth of 0.5 per cent.

Agricultural output continued to grow, driven mainly by the recovery in nutmeg yield and further growth in banana production. The yield from nutmeg crop is estimated to have risen by 21.2 per cent to 312.4 tonnes, benefiting from a peak in the crop's annual cyclical yield patterns. Banana production continued to rise with output increasing by 3.6 per cent to 5,185.6 tonnes in the review period. Other crops yield, such as fruits and vegetables, also recorded positive growth, expanding by 6.1 per cent. By contrast, output from cocoa production declined by



7.6 per cent to 634.2 tonnes; a consequence of a trough in the crop's annual cyclical yield patterns.



The performance of the tourism industry weakened during the period under review, as reflected by a 15.0 per cent reduction to 223,436 in total visitor arrivals. Developments in the cruise ship sub category were primarily responsible for the contraction in total visitor arrivals, as cruise passenger arrivals fell by 22.0 per cent to 133,163, following a 25.1 per cent decline in the first three quarters of 2012. This contraction resulted from thirty two (32) less cruise ships making calls on Port St George's, relative to the number of calls in the first nine months of 2012. The category with the most significant economic impact, stay-over visitors, recorded a decline of 0.5 per cent (432) to 86,227 in arrivals

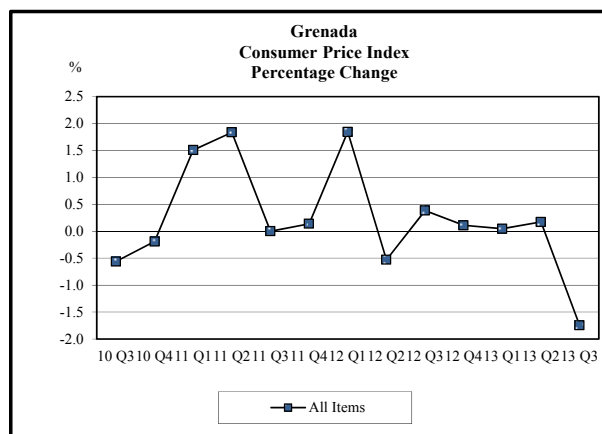
over the outturn in the same period of 2012. Estimates of stay-over visitor arrivals by country of origin indicated decreases in the number of visitors from Europe and the Caribbean by 17.5 per and 4.8 per cent respectively. Those declines were however mitigated by increased visitor arrivals from the United States (12.7 per cent) and Canada (31.3 per cent), as these economies benefit from relatively stronger economic performance relative to the economies of the Caribbean and Europe. The number of excursionists fell by 693 persons to 1,172, while the number of yacht passengers rose by 73 persons to 2,618.

Prices

Preliminary estimates of the Consumer Price Index (CPI) indicate that prices in Grenada fell by 1.5 per cent, primarily on account of an 18.5 per cent decline in the communications sub-index. Other contributing indices to the decline were the Clothing and Footwear (3.9 per cent), Household Furnishings, Supplies and Maintenance (1.3 per cent) and Housing, Utilities, Gas and Fuels (0.1 per cent). Tempering the magnitude of price deflation were marginally higher prices in the second



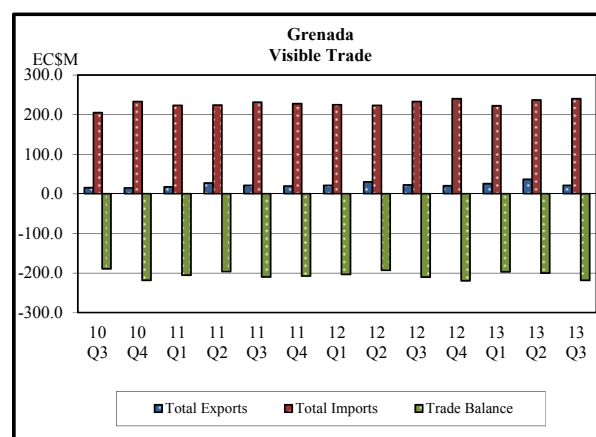
heaviest weighted sub-index, Food and Non-Alcoholic Beverages of 0.5 per cent and a (1.7 per cent) increase in the Transport sub-index.



Trade and Payments

A merchandise trade deficit of \$616.3m was recorded in the first three quarters of 2013, approximately 1.3 per cent (\$8.2m) above the deficit in the comparable period of 2012. The widening of the deficit was associated with a 2.7 per cent (\$18.1m) rise in import payments to \$699.5m which outpaced the 13.5 per cent (\$9.9m) increase in export receipts to \$83.2m. Import expansion is consistent with the uptick in economic activity in general and construction activity in particular, as imports of construction materials largely accounted for the increase in imports. The growth in the value of total

exports was mainly attributable to an 11.0 per cent (\$7.0m) rise in the value of domestic export earnings. Supporting this expansion were increased receipts from fish, nutmeg, paints and animal feed due to increased external demand for these commodities on the international market.



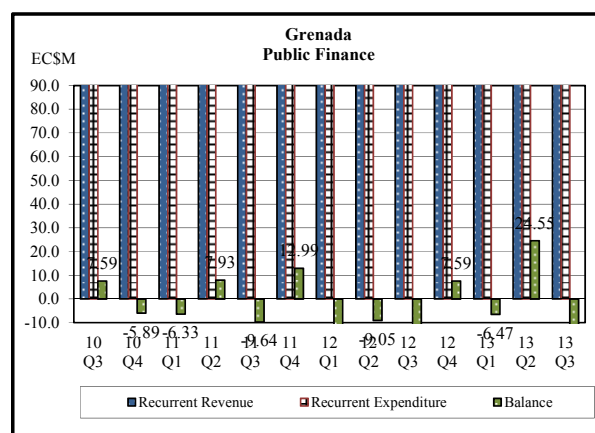
Gross receipts from travel are estimated to have marginally decline by \$0.4m to \$251.7m, consistent with the decline in total visitor arrivals. Transactions of commercial banks resulted in a net outflow of \$147.3m in short-term capital, in contrast to inflow of \$23.9m realised during the corresponding period of 2012. External disbursements to the central government more than tripled to \$65.7m concurrently, external amortisation fell by 9.2 per cent to \$37.9m.

Central Government Fiscal Operations

The fiscal operations of the central government over the period January to September, 2013 is estimated to have generated an overall deficit of \$69.0m; a 27.7 per cent improvement on the upwardly revised outturn of \$95.3m recorded in the corresponding period of 2012. Cuts in expenditure and higher revenue yields accounted for the smaller overall deficit. The current account balance shifted to a surplus position of roughly \$5.0m, from a deficit position of \$40.5m in the comparable period of 2012, emanating from a combination of reduced current expenditure and increased tax intake. The primary deficit narrowed to \$27.0m, from \$32.5m in the corresponding period of 2012.

Current revenue receipts amounted to \$328.9m, representing a 6.2 per cent rise over the total for the corresponding period of 2012. The increase in current revenue resulted exclusively from an expansion in tax receipts from transactions related to domestic goods and services. The collection of revenue from this tax category expanded by 20.7 per cent (\$28.4m) associated primarily with a more than tripling of licences receipts

to \$40.4m. VAT collections which recorded a marginal gain of 1.0 per cent (\$1.1m) also contributed to rise in the tax type. All the other category of taxes recorded declines. Receipts from income and profit were down by 12.9 per cent (\$7.4m), mainly due to lower collections of company taxes, as corporations recorded lower levels of profits. For taxes on property, revenues collected were comparatively less by 4.1 per cent (\$0.5m), while receipts from taxes on international trade and transaction were lower by \$0.8m relative to the same period in 2012. Non-tax revenue fell by 3.2 per cent (\$0.5m) reflecting reduced collections of administrative fees and charges.



Current expenditure declined by 7.5 per cent to \$323.9m, compared to an upwardly revised total of \$350.0m in the comparable period of 2012. The reduced spending was



driven by reductions in outlays for all major expenditure types except personnel emoluments. Interest payments declined by 33.3 per cent (\$20.9m), mainly reflecting a 53.9 per cent (\$24.8m) contraction in external interest payments as the moratorium on the servicing of some debt obligations associated with the debt restructuring announced in March 2013 continued. Spending on goods and services were down by 9.0 per cent (\$5.6m), due to on-going consolidations in areas such as utility and transport cost. Expenditure on transfers and subsidies fell by 2.6 per cent (\$1.4m), partly due to consolidations of foreign services. By contrast outlays for personal emoluments were marginally higher by 1.0 per cent (\$1.8m) to \$172.7m, reflecting the effects of salary increases given to public servant earlier in the year and retroactive payments made during the third quarter.

Capital expenditure totalled \$97.7m, an increase of 31.6 per cent relative to the amount spent in the corresponding period of 2012. Supporting the expansion in capital activity was a 28.1 per cent increase in grant receipts to \$23.7m.

Public Sector Debt

The total outstanding debt of the public sector rose by 4.3 per cent to \$2,489.2m at the end of September 2013. Domestic and external debt both increased by 5.0 per cent (\$34.2m) and 5.1 per cent (\$68.2m) respectively. As a result the disbursed outstanding debt of the central government amounted to \$2,117.1m, 5.1 per cent higher than the total at end of December 2012. The outstanding debt of public corporations remained relatively unchanged the end of September 2013 compared to the same period of 2012.

Money and Credit

Monetary liabilities (M2) totalled \$1,906.5m at the end of September 2013, approximately 2.4 per cent above the level at the end of December 2012, following a 1.3 per cent rise in the corresponding period of 2012. The increase reflected a 6.0 per cent growth in narrow money (M1) and a 1.6 per cent rise in quasi money. The increase in M1 was influenced primarily by a 13.2 per cent (\$28.0m) expansion in private sector demand deposits and a 2.6 per cent (\$0.2m) increase in EC cheques and drafts used, with the



combined effects more than compensating for a 7.3 per cent (\$8.2m) decline in currency with the public. Meanwhile, the rise in quasi money can be attributed to growth of 1.7 per cent (\$18.5m) in private sector saving deposits and a 14.4 per cent (\$13.4m) rise in private sector foreign currency deposits. The build-up of quasi money was countered by reductions in private sector time deposits of 2.2 per cent (\$7.6m).

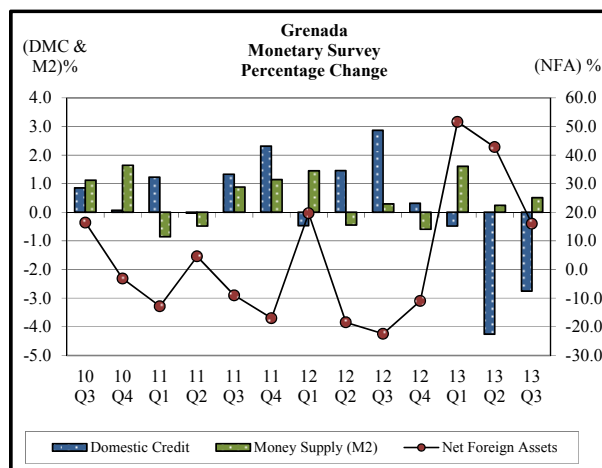
Domestic credit fell by 7.4 per cent to \$1,720.7m, on account of a reduction in credit to the private sector. Private sector borrowings fell by 4.8 per cent (\$86.1m), associated mainly with an 11.5 per cent (\$71.7m) decline in lending to businesses. Also contributing to the overall contraction in private sector credit was a 0.8 per cent (\$9.5m) reduction in loans to households while credit to non-bank financial institutions was lower by 32.3 per cent (\$4.8m). The net deposit position of non-financial public enterprises rose by 53.5 per cent (\$28.5m) as companies build up their deposits. Net claims on the central government fell by 20.6 per cent, as the government reduced its borrowings from both the central bank and the commercial banking system while increasing its deposits.

The distribution of credit by economic activity reveals that reduction in private sector credit resulted mainly from a fall in credit for professional and other services which contracted by 41.7 per cent (\$79.2m). Loans for personal use, the largest category of commercial bank lending, marginally declined by 0.4 per cent (\$4.6m) consistent with the contraction in household credit. Outstanding loans for construction fell by 17.4 per cent (\$12.7m), supporting the view that the growth in construction activity is mainly externally funded. Similarly lending to the manufacturing (including mining and quarrying) sector was lower by 5.4 per cent (\$2.0m); loans for distributive trade declined by 2.1 per cent (\$3.0m); while credit extended for agriculture and fisheries were decreased by 10.0 per cent (\$2.6m). On the other hand, outstanding loans to the tourism industry rose by 21.6 per cent (\$28.2m), reflecting increased demand for investment capital mainly by two select industry players.

The net foreign assets of the banking system more than doubled to \$285.8m. This expansion was primarily influenced by an 88.2 per cent (\$147.3m) rise in commercial banks' foreign assets, due to a combination of commercial banks building up assets and concurrently reducing their external



liabilities, both within other ECCB territories and elsewhere. In addition, Grenada's imputed share of ECCB's reserves increased by 8.8 per cent (\$24.8m) to \$305.6m.



Liquidity in the commercial banking system increased. The ratio of liquid assets to total deposits plus liquid liabilities rose by 2.7 percentage points to 27.9 per cent. The ratio of loans and advances to total deposits stood at 78.6 per cent at end of September 2013, reflecting a 5.9 percentage points reduction from the ratio at end of December 2012.

The spread between deposit and lending rates was marginally higher by 0.1 percentage point, compared to the outturn at the same time in 2012. The weighted average interest rate on deposits moved to 2.52 per cent from 2.68 per cent at end December 2012, while

the weighted average rate on loans was reduced to 9.14 per cent from 9.19 per cent at the end of December 2012.

Prospects

The near-term prospects for the Grenadian economy remain challenging but positive. The economy is estimated to continue its recovery in the fourth quarter of 2013, supported largely by the continued good performance in the construction sector, with both private and public projects making positive contributions to the sector's performance. A possible uptick in stay-over arrivals following the announcement of additional airlift and the opening of the 225 room Sandals La Source Resort and Spa in December, increased airlift, coupled with the continued positive growth in the agriculture sector are expected bolster the growth momentum. Other sectors such as transport, storage and communications, manufacturing and wholesale and retail could also make positive contributions to growth given the time of the year.

Projections for 2013 fiscal operation, suggest that the overall fiscal position is likely to improve above the line, relative to the

outturn in 2012, mainly on account of lower current spending and some improvements in tax intakes. With increased activity in the government public sector investment programme, capital spending is forecasted to be higher supported by a projected growth in revenues and higher grants. A small current account surplus is projected in contrast to a deficit in 2012.

The merchandise trade deficit is expected to widen as import payments rises, associated with higher levels of imports to sustain the growth in construction activity and for other domestic consumption. Nonetheless domestic export receipts are also likely to expand on account of increased productive capacity of high-demand agricultural produce such as nutmeg. Gross inflows from travel

are expected to be relatively higher, consistent with the expected upturn in stay-over visitor arrivals.

Risks to the projections though are still skewed to the downside albeit not as severe as the recent past given some recovery in both the USA and Eurozone economies, Grenada's largest trading partners. Notwithstanding this improvement the threat of volatility in fiscal policy making in the USA on account of the debt ceiling and budget debates deferred to early January 2014, present cause for concern. Should these debates compromise US consumers' confidence then this can potentially adversely impact the demand for Grenada's exports, including tourism and limit the prospects of positive economic activity for the rest of the year.



MONTserrat

Overview

Preliminary data indicate that the overall performance of the economy of Montserrat weakened in the period January to September 2013 relative to the corresponding period in 2012 largely on account of a decline in construction activity. Value added in the tourism industry was positive as evidenced by growth in the number of stay-over visitors and visitor expenditure. The merchandise trade deficit is estimated to have widened as a result of a higher level of imports. The consumer price index declined by 0.1 per cent on an end of period basis. The fiscal account improved as a smaller overall deficit was achieved through expenditure reduction and larger inflows of external grants. In the banking system, total monetary liabilities, net foreign assets and domestic credit declined. Liquidity virtually remained unchanged. The weighted average interest rate spread between loans and deposits widened.

Economic performance is expected to be weaker in 2013 than in 2012 as private sector activity will remain sluggish and value added

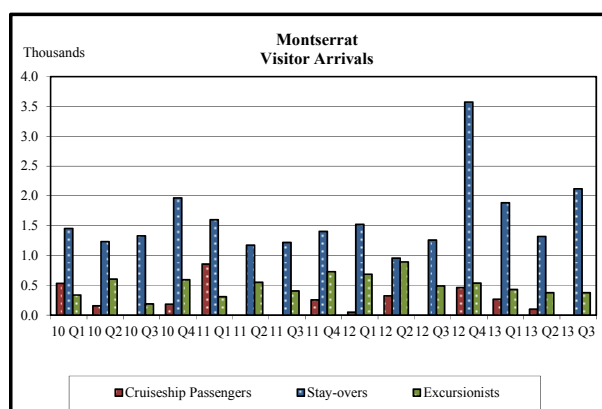
by public administration, the largest contributor to GDP, is projected to fall. The level of activity in the tourism industry, however, is expected to continue to grow. Total government spending is projected to be higher than in 2012 as a result of higher capital expenditures, and grant receipts will be sufficient to generate a surplus on the fiscal account. Economic activity could be undermined by adverse developments in the main source markets for tourist arrivals, slow programme and project implementation, unfavourable weather and significant seismic activity.

Output

The level of activity in the construction sector declined in the period under review. The value of construction starts was \$6.6m compared with \$10.1m in the first three quarters of 2012 although the number of starts increased to 24 from 16. The value of new starts in the public sector, which normally drives the construction sector, fell by 62.9 per cent to \$2.1m. In the residential sector, the value of new starts decreased by 45.5 per cent to \$2.2m. The decline in the



construction sector was further evidenced by a 40.0 per cent decline in bank credit for construction purposes, relative to the period ended December 2012. The contraction was moderated by increased investments in the commercial sector with an almost quadrupling of the value of new starts to \$2.0m from \$0.4m commensurate with a more than three-fold increase in the number of new projects, which moved to ten (10) from three (3). These projects were mainly in the retail distributive trade and in food and beverage services.



Value added in the tourism industry, on the other hand, is estimated to have increased on the basis of growth in the dominant stay-over visitor category. Total visitor arrivals increased by 10.5 per cent to 8,077. The number of stay-over visitors, which accounted for two-thirds of all arrivals, increased by 42.5 per cent to 5,324. The

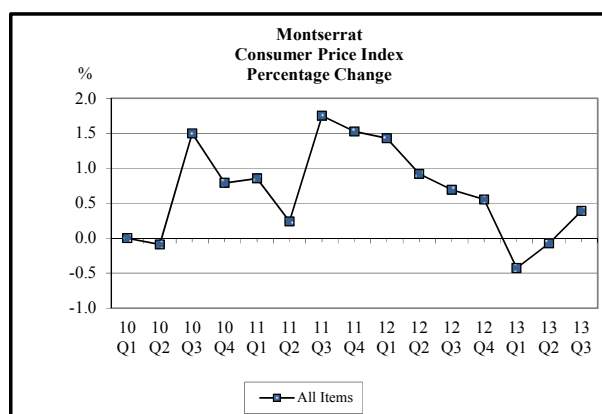
increase in stay-over visitors was attributed to growth in the number of visitors for the various festivals and the hosting of the Caribbean Association of Public Service Unions' meeting. There was growth in the number of visitors from all source markets with the largest number coming from the United Kingdom (70.0 per cent), Caribbean (29.6 per cent) and the United States of America (27.4 per cent). The number of yacht passengers increased by 6.5 per cent to 1,203 which was consistent with a 12.0 increase in the number of yachts to 307. All other categories of visitor-arrivals declined. The number of travelers on excursions fell by 42.7 per cent to 1186, and the number of cruise passengers was lower by 3.2 per cent to total 364.

Prices

The consumer price index fell by 0.1 per cent during the first three quarters of 2013. This is in marked contrast to an increase of 3.1 per cent in the same period in 2012. The fall in prices was reflective of downward movements in the gas, electricity and water (7.0 per cent), services (2.7 per cent) and clothing and footwear (0.2 per cent) sub-indices. On the other



hand, there were increases in the sub-indices of food (0.6 per cent), household goods (1.4 per cent), and alcohol and tobacco (1.9 per cent), but at a slower pace when compared with that in the corresponding period of 2012. These increases, however, were at a slower pace than the increases observed in the corresponding period in 2012. Rental prices remained unchanged.

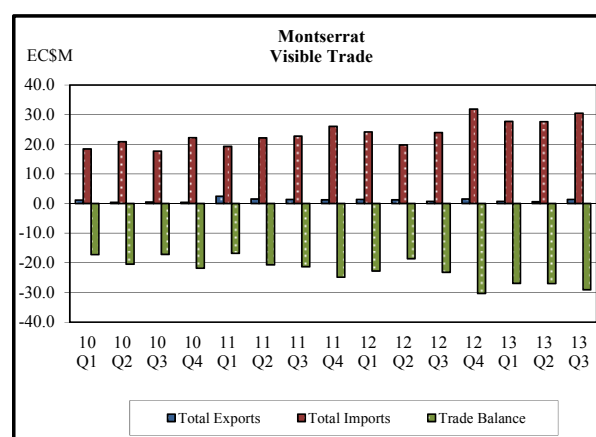


Trade and Payments

The merchandise trade deficit was estimated to have widened by 28.7 per cent to \$83.1m. The deterioration was driven by higher imports of machinery and transport equipment, fuels and related materials, and manufactured goods. Consequently, the value of total imports increased by 26.5 per cent to \$85.9m. Export earnings, which have very little effect on the magnitude of the deficit, declined by

17.7 per cent to \$2.7m to which domestic exports contributed \$1.9m.

On the services account, gross travel receipts increased by 42.6 per cent to \$14.0m in line with the 10.5 per cent growth in total visitor arrivals. The commercial banks' transactions resulted in a net inflow of \$40.4m of short-term capital. External grant inflows of \$97.8m were recorded during the review period compared with \$55.9m in 2012.

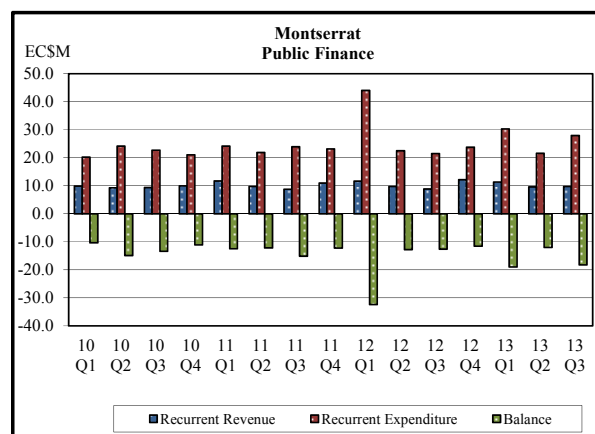


Central Government Fiscal Operations

The fiscal operations of the government improved during the period under review when compared with the corresponding period in 2012. An overall deficit of \$1.9m (after grants) was recorded, which was significantly less than the deficit of \$28.6m obtained in 2012. This was primarily due to

larger grant inflows and a reduction in expenditure. The deficit on the current account narrowed to \$18.0m from \$31.1m in 2012.

Current expenditure was contained at \$79.8m, a 9.3 per cent reduction in the spending level reported in the prior year. The most influential factor was the sharp reduction in spending on pensions. Expenditure on pensions for the first nine months of 2013 was \$8.4m, compared with \$26.7m spent in the comparative period in 2012. In 2012, the payment of \$17.7m in outstanding arrears to the Social Security Fund lifted spending above historical levels. Outlays on personal emoluments decreased by 1.3 per cent to \$31.2m. Spending on goods and services increased by 21.8 per cent to \$19.9m. The main factors for the increase were the payment of arrears owed to external organisations and the transfer of the Annual Country Training Scheme to the recurrent budget from the capital budget. Interest payments, a very small expenditure item, remained unchanged at \$0.02m.



Current revenue increased by 1.3 per cent to \$30.7m. Tax revenue was up by 0.1 per cent to \$26.4m. Increased yields were obtained from the property tax (\$0.5m) and taxes on international trade and transactions (\$0.3m). The outturn of the latter revenue category was largely attributable to the yield from the consumption tax which grew by 19.6 per cent (\$1.2m) due in part to upward adjustments that were made to that tax as part of the government's review of taxes on international trade in 2012. Revenue from import duty also increased but only marginally (\$0.2m). Nonetheless, the overall performance of international trade taxes in the 2013 review period, relative to the comparative period in 2012, was tempered by the abolition of the customs service charge in June 2012. Taxes on income and profits, the largest contributor to revenue, fell by 6.4 per cent to \$11.5m, reflecting the general slowdown in private



sector economic activity. Revenues from taxes on domestic goods and sales transactions declined slightly by 0.5 per cent. By contrast, non-tax revenue contributed an additional \$0.4m above last year's intake to total domestic revenue. By contrast, non-tax revenue contributed an additional \$0.4m above last year's intake to total domestic revenue as a consequence of an increase in the collection from fees and fines.

Inflows of external grants totalled \$97.8m in the nine months of 2013, compared with \$55.9m received in the corresponding period in 2012. As a result, capital spending increased to \$50.6m, almost doubling the outlay of \$26.7m in 2012. Among the major projects benefiting from donor support is the drilling of two geothermal wells as part of the Government of Montserrat's geothermal energy development thrust. The drilling phase, which cost \$23.9m, was completed in the latter part of the period under review. Capital grants more than doubled to \$66.7m. Budget support for the recurrent operations of the government increased by 17.2 per cent to \$31.2m. Seventy-five per cent (75%) of the government's expenditure was funded by grants.

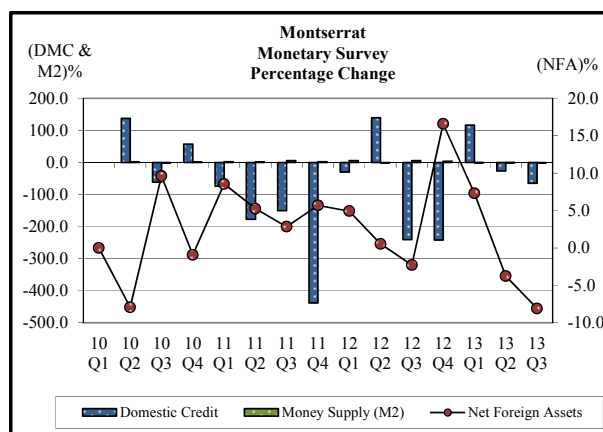
Public Sector Debt

Public sector debt stood at \$7.0m at the end of the third quarter 2013, a decline of 5.2 per cent from the stock of \$7.4m at the end of 2012. Of the total debt stock, central government held \$1.7m and public corporations \$5.3m. The domestic portion of the debt totaled \$0.1m and external debt amounted to \$6.9m. The total debt service of the central government was \$0.1m.

Money and Credit

Monetary liabilities (M2) of the banking system decreased by 4.0 per cent to \$212.0m during the first nine months of 2013 compared with a growth rate of 10.3 per cent in the corresponding period in 2012. The outturn reflected developments in the quasi-money component, which decreased by 8.0 per cent to \$117.2m at the end of September 2013, compared to \$148.6m at the end of December 2012. Private sector foreign currency deposits declined by 17.9 per cent to \$7.3m. Narrow money (M1), the other component of M2, increased by 10.7 per cent to \$52.4m. This was largely influenced by growth of 60.0 per cent (\$12.9m) in private sector demand deposits.





The banking system remained in a net deposit position but it narrowed to \$9.6m from \$17.0m at the end of December 2012. Both the government and non-financial public enterprises (NFPEs) drew down on their deposits. The net deposit of government declined by 16.0 per cent to \$54.0m while that of the NFPEs declined by \$6.2m to \$21.7m. Credit to households declined by 12.0 per cent to \$57.5m. Lending to the business sector also fell with the stock of credit reported at \$8.7m, 11.3 per cent less than the amount for December 2012.

In terms of the distribution of credit, the personal sector continued to be the main investment vehicle for banks, accounting for 81.4 per cent in the period under review. Within this category, lending for home construction and renovation, which received 45.1 per cent of bank credit, declined by 14.0 per cent (\$5.3m). In contrast, loans for

house and land purchases, which made up 25.6 per cent of the credit, more than doubled to \$18.6m. There were declines in credit for other personal loans (56.7 per cent), construction (40.0 per cent) and tourism (1.8 per cent). On the other hand, there was an increase in lending to the distributive trades (2.5 per cent) and manufacturing, mining and quarry (56.2 per cent).

The net foreign asset position (NFA) of the banking system declined by 5.1 per cent to 264.7m. The NFA of commercial banks was reduced by 21.0 per cent to \$151.8m primarily on account of a draw down on their assets held within the Eastern Caribbean Currency Union. Montserrat's share of the Central Bank's imputed reserves increased by 30.3 per cent to \$112.9m.

Liquidity in the commercial banking system virtually remained the unchanged. The ratio of loans and advances to total deposit was 24.0 per cent at end September 2013 compared to 24.1 per cent at the end of December 2012. The ratio of liquid assets to total deposits and liquid liabilities marginally increased to 85.8 per cent from 85.0 per cent at the end of December 2012.



The interest rate spread between deposits and loans widened to 6.07 per cent at the end of the third quarter in 2013 from 5.78 per cent at end December 2012. The weighted average lending rate increased to 8.02 per cent from 7.98 per cent while the weighted average deposit rate declined to 1.94 per cent from 2.19 per cent.

Prospects

Economic activity in 2013 is forecasted to be weaker than in 2012. Value added in public administration, the largest sector in the economy is projected to decrease on account of lower expenditures on personal emoluments and pensions. A slowdown in the construction sector will adversely affect the mining and quarry sector and the transport, storage and communications sector. However, the tourism industry is expected to do better based on the growth observed in 2012 and the first nine months of 2013.

Domestic revenue of government is projected to decline marginally in 2013 largely on account of a fall in import taxes relative to 2012. Although the higher import levels for the first three quarters of 2013 would suggest

an increase in revenues from trade taxes, the growth in imports is driven by public sector projects (such as the capital intensive geothermal drilling project) which are exempted from all import taxes and fees. The prevailing economic weakness in the private sector would also impact tax collection. Total current expenditure is forecasted to decrease due to reduced spending on transfers and subsidies, particularly given the significant reduction in pension payments.

Grants receipts will be higher in 2013. As a result of the receipt of additional grant funds from DFID and other donors, the approved budget for fiscal year 2013/2014 was revised to \$210.5m from an original amount of \$179.0m. Consequently, the overall balance and the primary balance on the fiscal accounts are projected to be in surplus.

The external current account deficit is expected to worsen in 2013 based on developments in the first nine months while inflationary pressures will be limited by the falling global price of crude oil and the slowdown in the local economy.

Adverse developments in the main tourism source markets, slow project implementation,



adverse weather and significant seismic activity remain the main downside risks to the economy.



ST KITTS AND NEVIS

Overview

Preliminary data suggest that economic activity in St Kitts and Nevis rose in the first nine months of 2013. This increase reflects estimates of positive growth in the construction, hotels and restaurants and wholesale and retail trade sectors. Consumer prices rose by 0.3 per cent, on an end of period basis. The fiscal operations of the Federal Government resulted in an improvement of the overall surplus and contraction in the total outstanding public sector debt. 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 rebound of the construction sector and positive growth in the tourism industry. Growth in these two sectors is expected to lead to direct and indirect positive spill overs in related sectors such as: wholesale and retail trade and the transport,

storage and communications sectors. Public sector capital outlays are expected to center mainly on road rehabilitation while in the private sector, construction activity is expected to focus on the completion of Phase One of Kittitian Hill. In Nevis, private outlays include the expansion of the Four Seasons Resort. Expectations of positive value added in the tourism industry, are contingent on the successful introduction of additional airlift to the Federation of St Kitts and Nevis and increased cruise ship calls.

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. Risks to this outlook could stem from a failure of work on tourism related projects to materialise as envisaged, a deterioration in consumer confidence in major trading partners which would negatively impact consumption and possibly lead to lower levels of visitor expenditures.

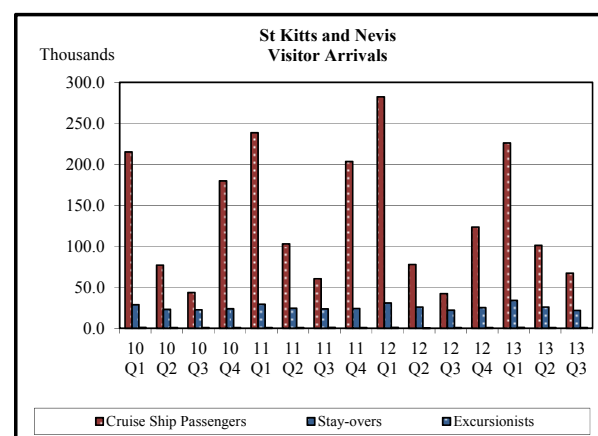


Output

Value added in the construction sector, is estimated to have increased in the first nine months of 2013 relative to the corresponding period of 2012. This increase was attributed to higher levels of both public and private sector activity. In the public sector, capital outlays rose by 52.8 per cent with activity concentrated on road and drainage works in both St Kitts and in Nevis. In the private sector, works continued on phase one of the Kittitian Hill project and the expansion of the Four Seasons Resort. The sector also benefited from an accommodative government tax policy which offered concessions to first time home owners; as well as a mortgage lending initiative championed by the government in the non-bank sector that facilitated loans for home construction. A 2.5 per cent increase in lending by commercial banks for construction purposes and a 23.0 per cent increase in the importation of construction materials, provide supporting evidence of an expansion in the sector.

Value added in the hotels and restaurants sector, a proxy measure of tourism activity, is also estimated to have increased in the first nine months of 2013, due to a higher

numbers of stay-over visitors. Stay-over visitor arrivals rose by 3.5 per cent to 81,809, compared with a 1.9 per cent expansion in the first nine months of 2012. The increase in the number of stay-over visitors was driven by a 3.3 per cent (1,696) expansion in arrivals from the largest source market, United States of America, to 53,652, consistent with an increase in the number of flights by a major USA airline carrier to the Federation of St Kitts and Nevis. The improved performance was also supported by increases in arrivals from the United Kingdom (10.0 per cent), the Caribbean (2.3 per cent) and Canada (3.6 per cent). The number of excursionists rose by 8.4 per cent to 2,650. The overall increase in visitor arrivals was partly tempered by a 2.1 per cent (8,374) fall in arrivals of cruise passengers in contrast to an increase of 0.3 per cent (995) in the comparable period of 2012, as fewer cruise ships made calls to Port Zante.

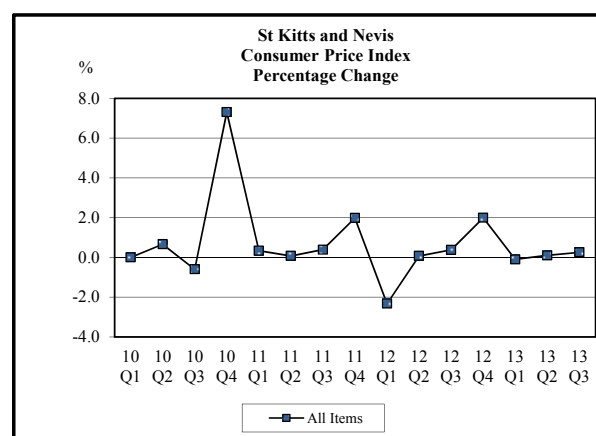


Developments in the agriculture, livestock and forestry sector were also positive, as output of crops expanded, reflecting the increased use of shade and greenhouses and favourable weather. Total crop production rose by 13.3 per cent; attributable to a more than doubling in the production of tomato and watermelon and an 80.1 per cent increase in the output of sweet potatoes, consistent with the successful replanting drive during 2012. Livestock production was mixed with the output of goat and pork meats estimated to have increased by 60.2 and 5.6 per cent respectively. By contrast output of beef was lower by 13.4 per cent and fish production fell by 0.2 per cent to 206,720kg.

Those positive developments in overall economic activity were partially mitigated by a contraction in manufacturing sector output. Value added in this sector is estimated to have declined in the review period on account of reduced domestic beverage production, following the loss of the license to produce several internationally branded beverages such as the Cocoa Cola products.

Prices

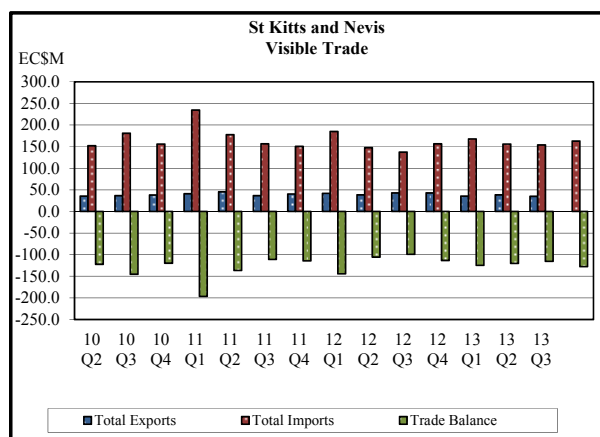
The consumer price index rose by 0.3 per cent during the first nine months of 2013, in contrast to a fall of 1.9 per cent in the corresponding period of 2012. The contributing factors to this outturn were increases in the food and non-alcoholic beverages (2.2 per cent) and alcoholic beverages, tobacco and narcotics (2.5 per cent) sub-indices. The major sub-indices which tempered the increase in inflationary pressures were; recreation and culture (6.4 per cent), miscellaneous goods and services (2.2 per cent) and health (2.6 per cent).



Trade and Payments

A merchandise trade deficit of \$363.6m was estimated in the first nine months of the year compared with one of \$318.3m 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 increased importation of petroleum products and related materials, while the fall in export performance can be attributed to lower exports of machinery and transport equipment.



Gross travel receipts are estimated to have risen by 7.0 per cent to \$209.2m in the first nine months of 2013, in line with increased numbers of stay-over visitors. The transactions of commercial banks resulted in a net outflow of \$124.0m in short term capital during the review period, compared with an outflow of \$234.0m in the corresponding 2012 period. External loan disbursements received in the first nine

months of the year amounted to \$56.3m, compared with \$80.5m in the corresponding period of 2012; while external principal repayments totalled \$21.4m compared with \$80.1m in the first nine months of 2012.

Federal Government Operations

The fiscal operations of the Federal Government resulted in an overall surplus of \$176.6m in the first nine months of 2013, compared with one of \$133.9m in the corresponding 2012 period. This continued improvement in the overall balance was influenced primarily by developments in the current account as revenue growth exceeded that of expenditure. Similarly a primary surplus of \$188.8m was recorded in the review period, almost doubling the surplus recorded in the comparable 2012 period. The improvements in these two key fiscal balances were tempered by a rise in capital expenditure.

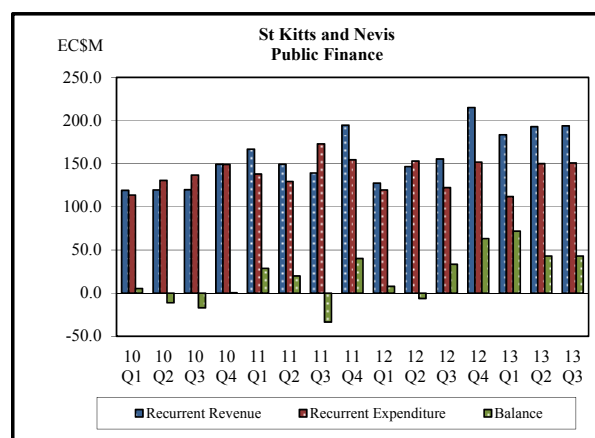
Current revenue is estimated to have risen by 32.8 per cent to \$570.3m in the first nine months of 2013, due largely to increased collections of non-tax revenues. Non-tax revenue collections almost doubled to \$261.3m, buoyed by continued increases in



revenues associated with the Citizenship by Investment (CBI) Program. Tax revenue rose by 5.1 per cent to \$309.0, associated with higher receipts from taxes on domestic goods and services (7.9 per cent) and international trade (2.4 per cent). Collections of taxes on domestic goods and services rose largely due to increased VAT and stamp duty receipts. VAT revenues totalled \$111.8m an increase of 4.6 per cent over the amount collected in the corresponding period of 2012. Improved collections of taxes on international trade reflected higher excise and custom service charge collections. The increase in tax revenue was moderated slightly by lower collections of taxes on income and profits (0.5 per cent), on account of reduced company tax revenues. The receipt of grants fell by 56.8 per cent to \$56.1m. This decline however reflects the normalisation of the grant inflows in 2013 given that inflows for the first nine months of 2012 were associated with debt forgiveness being recorded as grants.

Current expenditure rose by 4.6 per cent to \$412.7m in contrast to a decline of 10.4 per cent in the first nine months of 2012. Notable contributing factors to this

development was a 14.3 per cent (\$23.6m) increase in personal emoluments and wages reflecting payment of a one-off salary bonus to civil servants in the third quarter, a 7.6 per cent increase in transfer and subsidy payments and a 15.2 per cent increase in outlays for goods and services. Tempering those increases was a 24.7 per cent (\$22.3m) fall in interest expenses reflecting the normalization of interest payments relative to the same period of 2012 when interest expenses were abnormally high due largely to goodwill interest payments made to creditors as part of the debt restructuring exercise.



Capital expenditure outlays rose by 52.8 per cent to \$58.3m in the first nine months of 2013, and centered on road rehabilitation and construction in addition to

building of a police station and a day-care facility.

On a disaggregated basis the overall surplus of the central government stood at \$173.2m, which represented a 30.1 per cent increase over the one (\$133.1m) recorded in the first nine months of 2012. Current account transactions resulted in a surplus of \$155.1m compared with a surplus of \$33.4m in the corresponding period of 2012. Recurrent revenues rose by 40.9 per cent to \$484.2m, mainly due to higher collections of non-tax revenues which more than doubled to \$239.7m from \$115.4m in the comparable period of 2012, associated with the performance of the CBI program. Consistent with positive growth in imports, receipts of taxes on international trade and transactions rose by 0.7 per cent (\$0.4m), largely reflecting positive growth in the collections of customs service charges (\$2.8m) and import duties (\$0.4m). Revenues from taxes on domestic goods and services also rose, increasing by 10.9 per cent (\$11.9m) mainly due to higher receipts from stamp duties (\$9.6m). VAT collections totalled \$84.8m, compared with \$83.2m in the corresponding period of 2012. Collections on incomes and profits also increased on account of

performance of the of withholding taxes sub category.

Current expenditure rose by 6.1 per cent (\$18.8m) to \$329.1m in the first nine months of 2013, reflecting primarily increased outlays on personal emoluments and wages (\$19.5m). This increase in wage cost was driven by a one-off payment of bonuses to public servants during the review period. Increased outlays on goods and services also contributed to expenditure growth due to payment for electricity services and consultancy fees associated with finalisation of debt restructuring efforts. Expenditure growth however was tempered by lower levels of interest payments which fell by 25.6 per cent (\$19.1m). Capital expenditure increased by 70.9 per cent (\$21.6m) to \$51.0m, with works centered on the rehabilitation of the Dr Kennedy Simmonds highway and construction of a police centre and day care facility.

The fiscal operations of the Nevis Island Administration (NIA) improved in the first nine months of 2013, as an overall surplus of \$3.4m was recorded, compared with a surplus of \$0.8m in the corresponding period of 2012. This development was



mainly a result of an improved current account position and lower capital outlays. On the current account, expenditure fell while revenues rose, resulting in the surplus increasing to \$2.5m, compared with one of \$1.6m in the corresponding period of 2012. Current revenue rose marginally by 0.3 per cent (\$0.3m) to \$86.1m, on the basis of improved economic performance. Collections of taxes on income and profits and domestic goods and services fell by \$2.1m and \$0.1m respectively, while the receipt of taxes on international trade and non-tax revenues each rose by \$1.4m. Current expenditure fell by 0.8 per cent, on account of declines in interest payments (20.5 per cent) and outlays on goods and services (5.6 per cent). The decline in interest payments reflect non-payment to domestic creditors, as negotiations on a debt restructuring proposal is still pending, while lower outlays on goods and services is consistent with fiscal consolidation efforts to limit discretionary spending. Personal emoluments and wages, which is the largest expenditure item, partly tempered the fall in spending on current operations as it increased by 10.0 per cent to \$45.5m. Capital expenditure fell by 12.1 per cent (\$1.0m), with activity being concentrated on the rehabilitation of the Hamilton roads.

Public Sector Debt

The total disbursed outstanding debt of the public sector continued to decline, falling by 20.8 per cent to \$2,124.7m, compared with a decline of 6.1 per cent in the comparable 2012 period. The outstanding debt of the Central Government, which accounted for 77.6 per cent of total debt, fell by 23.7 per cent to \$1,648.0m, while that of the public sector corporations also declined, falling by 9.0 per cent to \$476.7m. The fall in central government's debt reflect the successful completion of \$565.0m debt for land swap between the government and the St Kitts-Nevis-Anguilla National Bank (SKNANB) during the third quarter of 2013. Consequently domestic debt which represents 61.7 per cent of the debt portfolio fell by 29.0 per cent to \$1,311.6m and external debt of the public sector contracted by 2.5 per cent to \$813.1m. The continued decline in the Federation of St Kitts and Nevis's outstanding debt is also consistent with non-accumulation of debt by the Federal Government, as part of structural reforms aimed at fiscal consolidation under the 'home grown' IMF supported programme.



Money and Credit

The monetary survey of the Federation of St Kitts and Nevis was affected by the recording of a debt for land swap transaction valued at \$565.0m between the Federal Government and a commercial bank, during the review period. The recording of this transaction resulted in a reclassification of Central Government's loans and advances to business credit investments.

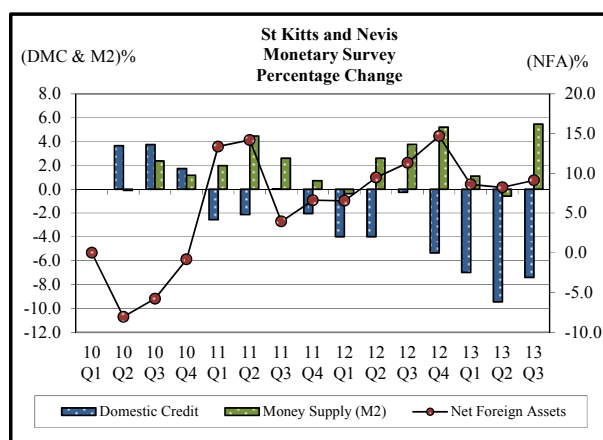
Monetary liabilities (M2) rose by 6.1 per cent to \$2,487.7m, compared with an increase of 6.1 per cent in the corresponding 2012 period. The increase in the monetary base reflected a 9.0 per cent (\$162.6m) rise in quasi money which was tempered by a 4.0 per cent fall in the money supply (M1). Quasi money rose on account of increases in all sub-components namely growth in private sector savings deposits (6.6 per cent), private sector time deposits (8.5 per cent) and private sector foreign currency deposits (13.2 per cent). The decline in M1 resulted from lower levels of private sector demand deposits (8.0 per cent) and the use of cheques and drafts (46.7 per cent).

Domestic credit continued to contract, falling by 22.0 per cent to \$1,161.6m, compared with a decline of 8.1 per cent in the first nine months of 2012. This decline was influenced primarily by increased deposits of general government and a higher net deposit position of non-financial public enterprises (NFPE's). Due to the recording of the debt for land swap general government now has a net deposit position of \$175.2m with the banking system, compared with a net credit position of \$576.2m at end of December 2012.

The net credit position of the central government fell threefold to a net deposit position of \$374.6m, consistent with a 79.8 per cent fall in commercial bank credit and a 54.7 per cent increase in deposits. The improved fiscal performances and the restricting of debt accumulation which is a quantitative performance criteria under the standby arrangement with the IMF, would have also contributed to those developments. The net credit position of the Nevis Island Administration (NIA) with the banking system rose, on account of an increase in credit of \$5.2m and a \$1.1m decline in deposits. Also contributing to the decline in domestic credit was a 24.9 per cent rise in the net deposit position of NFPE's to \$617.7m. Although credit



extended to the private sector rose by 38.8 per cent (\$545.9m) during the review period, this was largely artificial as it reflects the recording of the debt for land swap transaction. Further disaggregation of private sector credit showed declines in credit to households (1.5 per cent) and subsidiary and affiliated credit institutions (2.6 per cent).



The distribution of credit by economic activity was also influenced by the debt for land swap transaction, as evidenced by credit for public administration registering the largest decline of \$566.7m (74.8 per cent), which led to it being the largest contributor to the overall decline in credit extended. Lower levels of credit for utilities, electricity and water (47.8 per cent), tourism (18.8 per cent) and personal uses (0.7 per cent) also contributed to the decline. Credit for

personal use, the largest sub-component, fell on account of lower levels of credit for the acquisition of property (1.9 per cent) and purchase of durable consumer goods (12.1 per cent). By contrast, there were increases in credit of 2.5 per cent and 34.7 per cent for construction and entertainment and catering respectively.

Net foreign assets of the banking system, grew by 28.3 per cent (\$389.4m) in the first nine months of 2013, compared with growth of 29.8 per cent (\$275.9m) in the corresponding 2012 period. The increase was largely due to a 39.1 per cent expansion in St. Kitts and Nevis's share of the Central Bank's reserves to \$944.9m on account of rising levels of banker's reserves consistent with minimal credit extension and rising deposits. Commercial banks' net foreign asset position rose by 17.8 per cent (\$124.0m) during the review period, as banks increased their net external asset position with both ECCB and non ECCB territories by 13.3 and 8.5 per cent respectively.

Liquidity in the commercial banking system eased in the review period. The ratio of loans and advances to total deposits fell by 22.2 percentage points to 43.76 per cent

while the ratio of liquid assets to total deposits rose by 6.0 percentage points to 76.6 per cent. Further supporting evidence included the increase in the ratio of liquid assets to total deposits plus liquid liabilities which rose, by 4.1 percentage points to 62.79 per cent.

The weighted average interest rate spread between loans and deposits widened to 5.69 percentage points during the first nine months 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 0.43 percentage points to 8.79 per cent, while that of deposits fell by 0.31 percentage points to 3.10 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 rebound in the construction sector, increased value added from the tourism industry and the concomitant spill over effects of these developments on other economic sectors. However, the pace of expansion is likely to be constrained by a

forecasted decline in the value added contribution of the manufacturing sector.

Improved prospects in the tourism industry are premised on growth in the numbers of both stay over visitors and cruise ship passengers given the addition of new airlift by American Airlines and the launching of two new air carries namely Tradewinds and Seaborne Airlines into Nevis. Cruise arrivals growth is predicated on a projected 22.0 per cent increase in the number of cruise ship calls in the 2013/2014 season. In the construction sector, capital expenditure by the central government is expected to increase relative to 2012 on account of road rehabilitation works, efforts to complete a police station and a day care facility and the laying of infrastructure on public lands ahead of proposed housing developments. Capital outlays of the Nevis Island Administration are also anticipated to increase, driven mainly by implementation of a Caribbean Development Bank funded water development and drilling project. In the private sector, works on new and the completion of existing tourism and commercial related properties should bode well for the 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. This outturn is based on a continuation of the performance of the Citizenship by Investment Program. 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). The overall balance ceiling, which serves as a performance criteria under the IMF stand-by arrangement, serves to limit expenditure growth. The fiscal operation of the Nevis Island Administration (NIA) is

expected to be positively influenced by the Administration's stated policy position of limiting discretionary expenditure.

The merchandise trade deficit is anticipated to widen as imports should continue to grow in line with improved economic activity and an extension of the deadline for tax concessions on select building materials; meanwhile exports are forecasted to decline, given projections of lower levels of manufacturing activity.

Downside risk to these projections stem from a delay or deceleration in the construction of several anticipated and on-going commercial and tourism related projects, if proposed financing fail to materialise. In addition, adverse weather conditions could also delay construction activity.



SAINT LUCIA

Overview

Based on an assessment of preliminary data, economic activity in Saint Lucia is estimated to have remained relatively flat in the first three quarters of 2013 compared with the outturn in the corresponding period of 2012. The overall assessment is largely based on mixed performances in a number of the major economic sectors. The consumer price index (CPI) fell by 2.1 per cent, on an end of period basis. Central government's operations yielded a smaller overall deficit, associated with a turn-around on the current account. In the external sector, the merchandise trade deficit narrowed, mainly on account of a reduction in the value of imports. The total disbursed outstanding public sector debt stock rose during the period under review. In the banking system, monetary liabilities (M2) and domestic credit expanded, while liquidity at commercial banks remained tight. The weighted average interest rate spread between loans and deposits was relatively unchanged during the review period.

Economic prospects for the last quarter of 2013 remain challenged by the slow global

recovery; however improvements are expected in the output of construction, tourism and agriculture. Based on developments in the first nine months of the year and plans for the final quarter, the pace of construction activity in the public sector is expected to increase, as work progresses on reconstruction and rehabilitation of roads and bridges. It is anticipated that the private sector will lend support and add further value to the construction sector through the upgrade and development of tourism accommodation. Agricultural output is estimated to increase, contingent on the success of the investment initiatives in the non-banana sub-sectors and, to a lesser extent, on the recovery of the banana industry from the Black Sigatoka disease. Manufacturing activity is expected to continue to decline, as demand is not likely to pick up sufficiently in the final quarter to reverse the adverse effects of the first three quarters. Gradual recovery in the USA, the major source market, and increased airlift from the European market are likely to fuel higher value added in the hotels and restaurants sector.



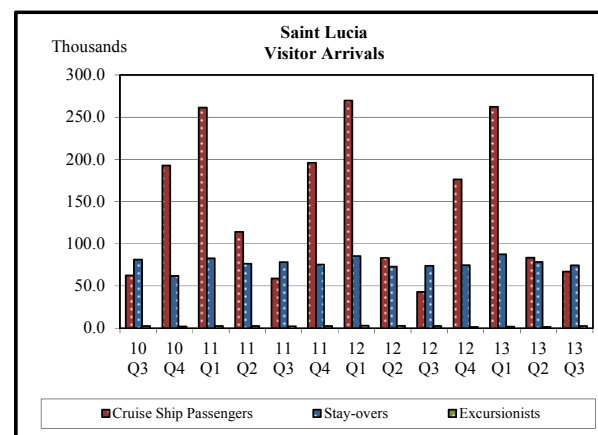
The fiscal deficit is expected to continue to narrow as revenue intake improves and government rationalizes expenditure, particularly by streamlining transfers.

On balance, the risks remain tilted to the downside, reflecting the weaknesses and uncertainties in the global economy, the increasing debt level, fluctuations in commodity and energy prices and adverse weather.

Output

Tourism activity in the first nine months of 2013 is estimated to have improved relative to the performance in the first three quarters of last year. Total visitor arrivals increased by 3.2 per cent to 688,764, largely attributable to growth in the number of cruise passengers and stay-over visitors. The number of cruise passengers increased by 4.3 per cent to 412,693 in contrast to a contraction of 8.9 per cent in the corresponding nine months of 2012. The expansion in the number of cruise ship passengers largely reflected an increase of 5.8 per cent in the number of cruise ship calls from 225 to 238.

Stay-over visitor arrivals increased by 3.6 per cent to 240,471, mainly influenced by growth in the number of visitors from the USA and the Caribbean markets. Arrivals from the USA, the major source market, grew by 11.1 per cent to 98,093, reflecting an improvement in the USA economy. The number of stay-over visitors from the Caribbean increased by 5.6 per cent while a slight improvement was noted in arrivals from Latin America and Japan. Those increases were tempered by declines of 5.0 per cent and 4.9 per cent in visitor arrivals from Canada and Europe, respectively. Of the other categories of visitors, the number of excursionists fell by 24.7 per cent and yacht visitor arrivals declined by 5.6 per cent.



Construction activity is estimated to have increased in the first nine months of 2013,

compared with the level in the comparable period of 2012. This assessment is partially supported by a 2.0 per cent increase in commercial bank lending to construction and growth of 2.3 per cent in lending for home construction and renovation; notwithstanding a decline in the value of imported construction materials. Activity in the private sector primarily involved tourism related developments, supported by a few residential projects. Also, activity in the public sector increased, evidenced by larger outlays on capital projects, which added support to the marginal increase in the pace of overall construction activity. The focus of public sector activity continued to be on road and other post-Tomas infrastructural reconstruction and rehabilitation work.

In the agricultural sector, output is provisionally estimated to have risen largely associated with developments in the non-banana agricultural produce, supported by a number of investment initiatives in livestock and other crops. The performance in livestock production improved as a number of young persons received funding for livestock farming. That initiative was supported by investments in small agribusinesses and an increase in local demand for other crops. The output of banana

decreased by 7.3 per cent to 8,542 tonnes, as the industry struggled to recover from the Black Sigatoka disease and new initiatives in that industry have not yet taken root.

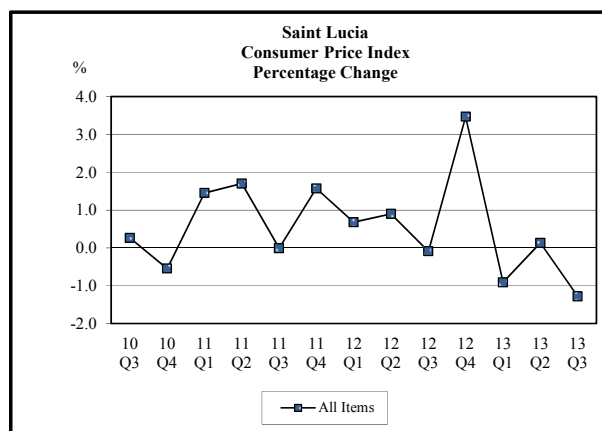
Manufacturing output is estimated to have contracted in the period under review, compared with the level in the first three quarters of 2012. This outturn was primarily a result of contractions in the production of a number of manufactured items in response to weakened demand both domestically and internationally, attributable in part to slow recovery in the major export market. The assessment was also supported by a decline of 16.3 per cent in domestic exports, largely associated with a fall in the export of manufactured articles (45.9 per cent), goods (28.3 per cent) and beverages and tobacco (10.2 per cent) and a 9.4 per cent contraction in commercial bank credit to the manufacturing sector.

Prices

Prices of goods and services in the economy are estimated to have decreased on average by 2.1 per cent, as indicated by movements in the consumer price index during the first nine months of 2013. This outturn is in

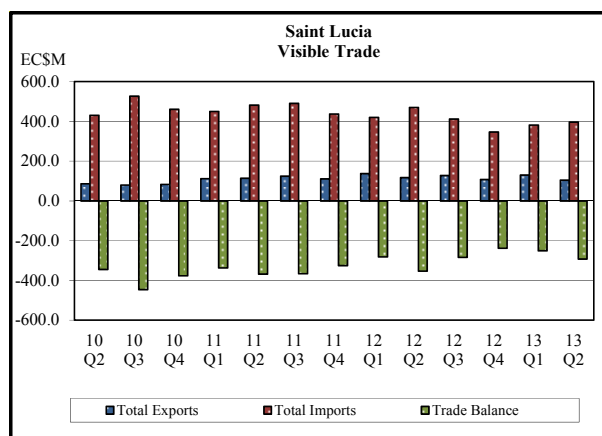


contrast to the 1.5 per cent rate of increase recorded in the corresponding period of 2012. The fall in prices was largely influenced by declines in the sub-indices of food and non-alcoholic beverages (3.6 per cent), housing, utilities, gas and fuels (6.4 per cent), transport (2.5 per cent), miscellaneous goods and services (3.5 per cent), clothing and footwear (4.1 per cent), recreation and culture (21.8 per cent) and hotels and restaurants (4.4 per cent). The overall reduction in the consumer price index however, was tempered by increases in the sub-indices communication (3.7 per cent), health (3.2 per cent), education (2.2 per cent) and household furnishings, supplies and maintenance (8.6 per cent).



Trade and Payments

A merchandise trade deficit of \$782.6m was recorded for the first nine months of 2013, lower than the \$961.1m deficit recorded in the corresponding period of 2012. The lower deficit was attributable to a 15.3 per cent fall in the value of imports to \$1,123.3m, which was largely influenced by a two-fold decline in the imports of commodities. Significant declines were also recorded in the value of imports of miscellaneous manufactured articles (38.7 per cent), minerals, fuels, lubricants and related materials (20.9 per cent) and machinery and transport equipment (17.7 per cent). Total export receipts fell by 6.7 per cent to \$340.7m, reflecting a 16.3 per cent decline in domestic exports, which was partly moderated by an 8.8 per cent rise in re-exports, mainly associated with manufactured articles, machinery and transport equipment and minerals, fuels, lubricants and related materials.



Gross travel receipts were estimated to have risen by 6.7 per cent to \$718.1m consistent with the higher number of stay-over visitors. This outturn also reflected a positive change in the visitors' average daily expenditure. Commercial banks' transactions resulted in a net inflow of \$25.2m in short-term capital during the first nine months of 2013, in contrast to an outflow of \$38.0m recorded during the corresponding period of 2012. External loan disbursements to the central government totalled \$57.3m in the period under review, down from \$79.0m in the corresponding period of 2012; while principal repayment on debt declined by 37.8 per cent to \$36.5m.

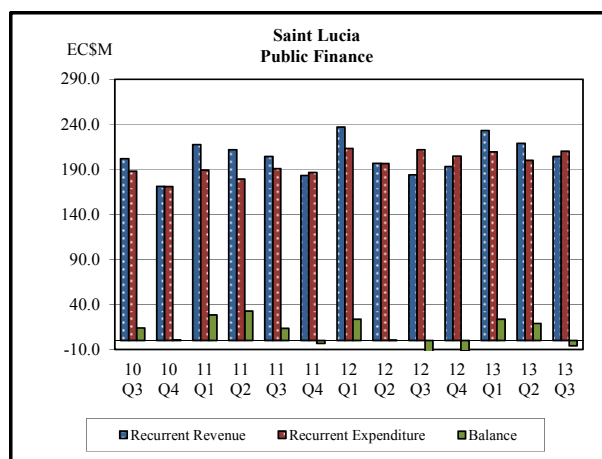
Central Government Fiscal Operations

The central government recorded an overall fiscal deficit of \$146.0m compared with one

of \$154.3m recorded in the first nine months of 2012. This improvement in the fiscal performance was principally attributed to developments on the current account. A primary deficit of \$45.0m was recorded, down from one of \$60.1m in first nine months of 2012.

A surplus of \$36.7m was recorded on the current account operations, in contrast to a deficit of \$3.9m in the corresponding period of 2012. The improved performance was attributed to an expansion in current revenue collection, supported by a marginal decline in current expenditure. Current revenue rose by 6.2 per cent to \$655.9m, reflecting an increase in tax revenue which was partially offset by lower non-tax revenue collections. Non-tax revenue fell by 32.7 per cent (\$19.6m) mainly on account of a decline in inflows from interest and rents, which more than doubled in the corresponding period of 2012, due to a one-off receipt on accrued interest income from an investment abroad.





Growth of 10.4 per cent (\$58.2m) in tax revenue primarily reflected increases in collection 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 on 01 October 2012. VAT revenues collected in the review period totalled \$225.7m, while the yields of the other key taxes in that sub-category declined, as the VAT replaced a number of those taxes. Collections from the property tax almost doubled as the authorities stepped up efforts to increase the compliance rate of that tax. The increase in the overall tax revenue was tempered by declines in collections from taxes on international trade and transactions

(38.6 per cent) and taxes on income and profits (5.1 per cent).

Current expenditure declined marginally (0.3 per cent) to \$619.2m, reflecting reduced outlays on transfers and subsidies and goods and services. Outlays on transfers and subsidies declined by 12.2 per cent as the authorities began to streamline social expenditure and make subsidies more targeted. Spending on goods and services fell slightly (0.8 per cent) on account of lower utility expenses. By contrast, outlays on personal emoluments, which account for the largest share of expenditure, increased by 3.5 per cent, while interest payments grew by 7.2 per cent, concomitant with increasing debt. On the capital account, expenditure increased by 16.0 per cent (\$27.7m) to \$200.2m, in contrast to a decline of 19.5 per cent (\$41.9m) in first nine months of 2012. Capital spending over the period under review continued to focus on post-Tomas reconstruction and rehabilitation of key infrastructure.

Public Sector Debt

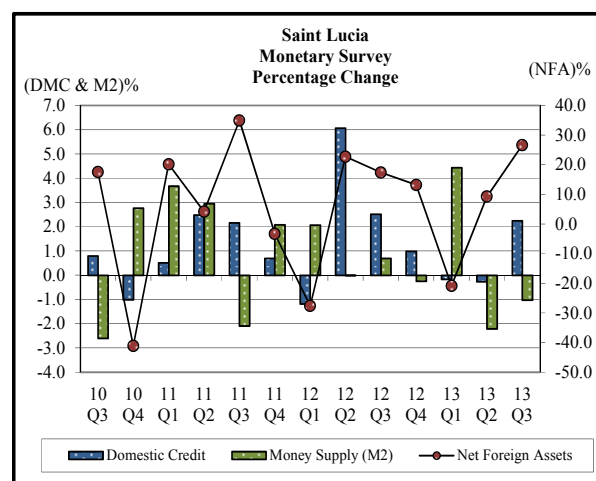
The disbursed outstanding debt of the public sector increased by 2.1 per cent to

\$2,665.8m during the first nine months of 2013 fuelled by growth of 3.3 per cent (\$78.4m) in central government's borrowing. The rise in central government's total debt largely reflected a 9.0 per cent increase in its stock of external debt. By contrast, the government's stock of domestic debt declined by 1.7 per cent (\$21.5m) to \$1,261.1m. Also, the outstanding debt of public corporations fell by 10.5 per cent to \$198.2m during the period under review.

Money and Credit

The broad money supply (M2) expanded by 1.1 per cent to \$2,828.2m during the first three quarters of 2013, compared with growth of 2.8 per cent during the corresponding period of 2012. The major contributor to the expansion of M2 was growth of 3.5 per cent (\$73.2m) in quasi money, led by an increase of 4.6 per cent (\$66.1m) in private sector savings deposits and one of 7.9 per cent (\$12.8m) in private sector foreign currency deposits. The other components of quasi money – private sector time deposits, contracted by 1.2 per cent (\$5.8m). The narrow money supply (M1) fell by 6.2 per cent to \$657.6m, influenced by declines of 6.3 per cent in private sector

demand deposits and 7.7 per cent in currency with the public.



Domestic credit grew by 1.8 per cent to \$3,974.0m during the first nine months of 2013 compared with growth of 7.4 per cent during the corresponding period of the previous year. This outturn was partially influenced by increased lending to the private sector, as both loans to businesses and investments by businesses grew. The transactions of the central government resulted in a net credit position of \$247.2m at the end of September 2013 from 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 grew by 4.3 per cent, mainly as a result of an increase in their deposits.



The distribution of commercial bank credit by economic activity indicates that outstanding loans and advances declined marginally (0.1 per cent), compared with growth of 6.8 per cent during the comparable period of 2012. Lending to the tourism industry, the manufacturing sector and the distributive trades fell by 7.6 per cent (\$59.0m), 9.4 per cent (\$10.1m) and 1.5 per cent (\$4.7m) respectively; while a marginal decline was recorded in credit for agriculture and fisheries. Those declines were partially offset by increases in credit for other uses (\$39.7m), personal use (\$23.1m) and construction (\$7.2m). Outstanding credit for other uses grew by 3.1 per cent driven largely by an increase in lending of 8.6 per cent (\$69.6m) for professional and other services. This increase more than offset declines in lending to all the other sub-categories including financial institutions (\$9.7m), utilities, electricity and water (\$8.1m) and transport and storage (\$6.2m).

The net foreign liability position of the banking system rose to \$631.0m at the end of September 2013 from \$576.8m at the end of December 2012. This development was partly associated with growth of 2.2 per cent in the net liability position of commercial banks as they increased their liabilities to

institutions within the ECCU region by 5.7 per cent. Saint Lucia's imputed share of the reserves held at the Central Bank fell by 5.2 per cent to \$533.2m.

Liquidity in the commercial banking system improved during the review period, but remained relatively tight. At the end of September 2013, the ratio of liquid assets to total deposits plus liquid liabilities was at 23.4 per cent, about 0.9 percentage point above the level at the end of December 2012. The loans and advances to total deposits ratio fell by 1.7 percentage points to 117.4 per cent.

The weighted average interest rate on deposits and lending both declined marginally from their positions at the end of December 2012. The rate on deposits decreased by 0.12 percentage point to 2.81 per cent, while that on lending rate fell by the same magnitude to 8.40 per cent. Consequently, the weighted average interest rate spread remained virtually unchanged at 5.58 per cent.



Prospects

The International Monetary Fund, in its October 2013 update of the World Economic Outlook (WEO), further revised global growth downwards to 2.9 per cent and 3.6 per cent for 2013 and 2014 respectively. These downward revisions are largely attributable to weakening demand, a slower pace of growth in a number of the emerging markets, as they come off cyclical peaks, and developments in the Euro area, which is slowing coming out of its recession. Although the USA economy has been recovering, the pace remains slow and uneven, reflected by a downward revision to its 2013 growth projections to 1.6 per cent. Given the openness of the ECCU economies, against the backdrop of these international developments, coupled with its own domestic pressures, economic activity in Saint Lucia is projected to remain subdued in 2013. However, concomitant with expected moderate strengthening of activity in the global economy into 2014, economic activity in Saint Lucia is expected to gain some traction in the short run.

The uptick is likely to be driven by increased output in a number of sectors, including

construction, agriculture and tourism. Public sector construction activity is likely to drive growth in construction, as work continues on road maintenance and intensifies on infrastructural rehabilitation and reconstruction. In addition, the construction sector will be supported by activity on the National Insurance Corporation funded Financial Administrative Complex and the Hewanorra International Airport expansion project. In the private sector, expected activity on the development and renovation of hotel plants may also provide further boost to construction.

In the agricultural sector, production is expected to increase, based on further improvement in the output of livestock, poultry and other crops and likely recovery in the banana industry. On-going investments in a number of initiatives, including entrepreneurship development, the completion and commissioning of an abattoir, a clearing house and guaranteed domestic market for agricultural products, are expected to enhance value added in the sector. Further impetus is anticipated emanating from the Banana Accompanying Measures agreement signed between the Ministry of Agriculture and the European Union.



Activity in the hotels and restaurants sector is projected to improve, associated with an anticipated increase in the number of stay-over visitors, largely driven by improvements in airlift and intensified marketing initiatives. The other categories of visitors – cruise and yacht passengers are expected to contribute to the improved overall performance in the tourism industry. These projections are contingent on the economic recovery of the major source markets. Also, the high costs of intra-regional travel continue to pose a challenge to excursionists from neighbouring islands and Caribbean stay-over arrivals.

A smaller overall deficit is projected for the central government as efforts to contain expenditure continue. Although recurrent expenditure is expected to decline as a result of planned cuts in spending on transfers and subsidies and goods and services, it is very likely that outlays on personal emoluments will maintain its upward trajectory. Notwithstanding, anticipated growth in current revenue is likely to offset the increasing wage bill and result in a current account surplus. In spite of a policy decision to curtail capital expenditure, that category of spending is expected to increase in the short

run as government implements its planned public sector investment programme.

The debt level of the central government is projected to rise as grant funding is not as forthcoming and government will have to borrow to finance its deficit, which will also result in inflated debt servicing costs. In the external sector, the merchandise trade deficit is likely to widen as manufacturing exports decline, while imports may increase to facilitate the anticipated improvement in construction activity. Pressures on the balance of payments from a larger trade deficit may be partly offset by higher external loan disbursements and an increase in net inflows from travel, consistent with forecasts for an improvement in visitor arrivals. It is likely that foreign investment flows may be restrained in line with the slow global recovery. Inflationary pressures may continue to ease as the VAT effect cools. Although strengthening of global activity is expected, risks to global growth prospects hence to these projections remain tilted to the downside. Additionally, adverse weather, fluctuations in global fuel and commodity prices and the inability to effectively manage and control the Black Sigatoka disease pose risks to economic prospects for Saint Lucia.



ST VINCENT AND THE GRENADINES

Overview

Preliminary data indicate an expansion in economic activity in St Vincent and the Grenadines in the first nine months of 2013, relative to the performance in the corresponding period of 2012. The increase was driven by positive contributions by major sectors such as construction, wholesale and retail trade, and transport, storage and communications as well as by developments in the tourism industry. The consumer price index rose by 0.1 per cent on an end of period basis. On the external account, the merchandise trade deficit is estimated to have widened, influenced by a rise in import payments. Central government operations resulted in an increase in the overall deficit and contributed to a rise in the outstanding debt stock of the public sector. In the banking system, monetary liabilities, net foreign assets and domestic credit increased. Liquidity in the commercial banking system remained at an elevated level and the spread between the weighted average interest rate on loans and deposits widened.

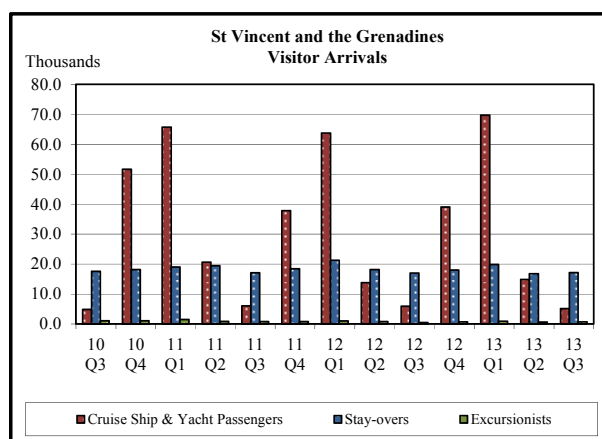
Positive growth is anticipated in 2013 driven by an acceleration of activity in the construction sector, and an improvement in cruise tourism with spill-over effects in the wholesale and retail trade, and the transport, storage and communications sectors. Government spending, especially on capital projects, is expected to fuel growth in the construction sector and is likely to contribute to an expansion of the fiscal deficit. Inflows of remittances from the Vincentian diaspora during the last quarter will likely boost local demand and thereby increase business activity. Downside risks to this forecast are associated with adverse global developments, unfavourable weather and unforeseen domestic developments that would constrain access to finance.

Output

Construction sector activity is estimated to have expanded in the first nine months of 2013, relative to the corresponding period in 2012. This expansion was largely driven by



the public sector, evidenced by a near tripling of capital expenditure to \$62.6m. Major public sector works included construction of the Argyle International Airport, the Maritime and Hospitality Institute and the Disaster Vulnerability Reduction Project, along with road and building maintenance. In the private sector, residential home construction showed some gains as one of the indicative indicators, outstanding credit for this purpose, increased by 13.6 per cent. Tourism related construction continued apace on two major tourism developments. Further evidence of the expansion in construction activity was provided by a 16.9 per cent rise in the imported value of construction materials.



Value added in the manufacturing sector is estimated to have decreased as the production of rice, galvanize sheets and beverages fell

mainly due to lower domestic and regional demand. Rice and galvanize sheets production contracted by 51.3 per cent and 4.0 per cent, respectively. The production of beverages which make up a significant proportion of manufacturing output, declined by 22.0 per cent mainly due to lower domestic demand for malts and soft drinks. Meanwhile, flour and animal feed production continued to increase by 9.6 per cent and 10.7 per cent respectively to meet higher levels of export demand.

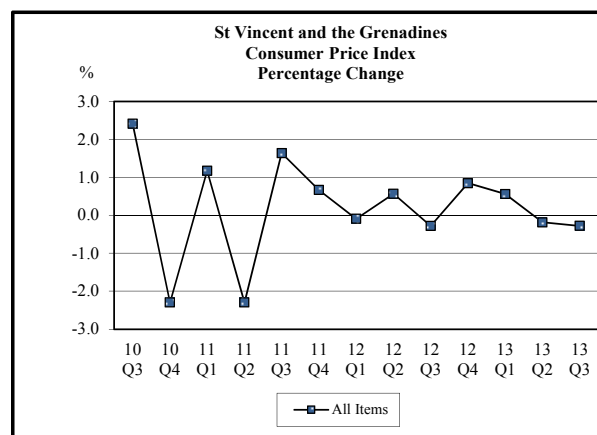
Developments in the tourism industry were mixed in the first nine months of 2013. Stay-over arrivals, which constitute the largest value added to the industry contracted by 4.7 per cent, a reversal of the 1.6 per cent growth recorded in 2012, as labour market and economic conditions in the main source markets remained challenged. This outcome reflected decreases in the number of stay-over visitors from the USA (7.8 per cent), the Caribbean (6.0 per cent), Canada (3.4 per cent) and other countries (5.9 per cent). By contrast, the number of stay-over visitors from the UK rose by 2.1 per cent. The high cost of travel to St Vincent and the Grenadines and airlift challenges also contributed to the downturn in stay-over arrivals. In the cruise sub-

category, the performance was much better with the number of cruise passengers increasing by 12.7 per cent, in contrast to a decline of 15.8 per cent in the corresponding period in 2012. The turnaround in the performance was consistent with the 45 additional cruise ship calls. The yachting sub-industry, which is a significant component of the tourism product in St Vincent and the Grenadines, experienced no change in the number of passenger arrivals, relative to the corresponding period in 2012. The number of excursionists continued to decline, albeit at a slower rate of 2.5 per cent, relative to one of 25.4 per cent at the end of September 2012. The mixed performance of the various categories of visitors yielded an increase in the total number of visitors by 2.5 per cent to 145,709 in contrast to a contraction of 5.9 per cent last year. The increase in the cruise sub-category is estimated to have positively impacted auxiliary sectors such as wholesale and retail and transport, storage and communications.

Prices

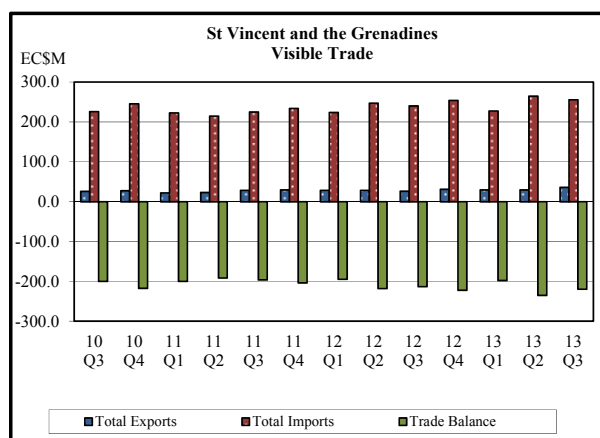
Inflationary pressures were relatively mute during the review period evidenced by a

marginal 0.1 per cent rise in the Consumer Price Index. The slight increase in prices was mainly driven by growth in the food and non-alcoholic beverages (1.4 per cent) and the housing, water, gas and other fuels (0.7 per cent) sub-indices on account of higher prices for ground provisions, fruits, processed meats and milk and an increase in the fuel surcharge, respectively. Other significant increases were observed in the health (3.1 per cent), alcoholic beverages, tobacco and narcotics (1.4 per cent), furnishing, household equipment and routine household maintenance (1.6 per cent), and recreation and culture (1.3 per cent) sub-indices. The substantial increase in the health sub-index was due to higher dental fees and costs for cancer drugs. Those increases were virtually offset by decreases in the communication (7.2 per cent) and the transport (0.1 per cent) sub-indices.



Trade and Payments

Preliminary trade data indicate that the merchandise trade deficit increased by 4.1 per cent to \$652.7m in the first nine months of 2013, relative to the corresponding period last year. The widening of the deficit was mainly due to an increase in import payments by 5.2 per cent to \$747.7m, reflective of higher import values for manufactured goods and machinery and transport equipment. The growth in imports was tempered by a 13.2 per cent growth in the value of exports to \$95.0m, namely domestic exports of flour, feeds and beer.



Consistent with the decline in stay-over visitor arrivals, gross travel receipts are estimated to have fallen by 2.5 per cent to \$187.0m. The transactions of commercial banks resulted in a net outflow of \$63.2m in

short-term capital relative to a net inflow of \$54.9m during the first three quarters of 2012. External loan disbursements to the central government amounted to \$63.5m during the review period, up from disbursements of \$38.4m in the comparable period in 2012. External debt payments declined by 4.5 per cent to \$35.8m.

Central Government Fiscal Operations

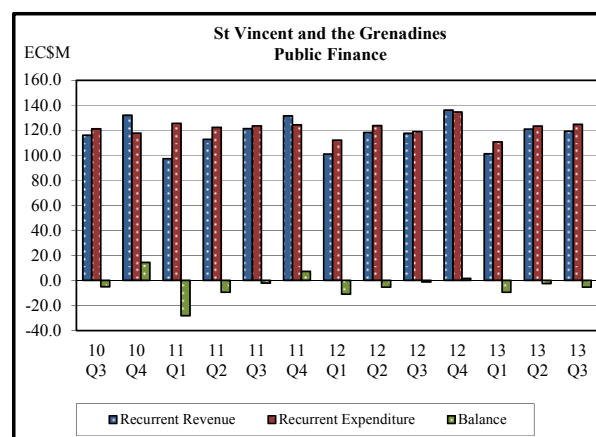
Preliminary fiscal data indicate an expansion in the overall deficit to \$37.3m from \$29.0m in the corresponding period of 2012. The expansion mainly reflected developments on the capital account. Consequently, a primary deficit of \$7.6m was recorded, reversing the primary surplus of \$0.8m recorded at the end of September 2012. The deficit was financed by external loans and the issuance of treasury bills.

Operations on the capital account led to a near tripling of capital expenditure to \$62.6m to support the construction of a number of infrastructural projects. The capital budget was partly financed by grant receipts of \$14.0m and capital revenue of \$28.8m. The increase in capital revenue from \$5.2m at the end of September 2012 was primarily due to

inflows from the sale of crown lands and government shares in a financial institution.

The current account deficit narrowed by 1.7 per cent to \$17.4m, as growth in current revenue outstripped that in current expenditure. Current revenue grew by 1.3 per cent to \$341.0m mainly due to a rise in non-tax revenue. The increase in non-tax revenue by 27.4 per cent to \$29.5m was fueled by higher intake from interest and rents and other miscellaneous sources. Tax revenue, which constituted 91.3 per cent of current revenue, declined by 0.6 per cent to \$311.5m mainly as a result of a reduction in receipts from taxes on income and profits. Receipts from income and profits contracted by 9.9 per cent to \$77.6m largely associated with a fall in corporate tax collection as personal income tax receipts remained virtually unchanged. There was also a contraction in the collections from taxes on international trade and transactions by 0.9 per cent to \$57.6m, reflecting declines in all of its subcategories except customs service charge. In contrast, tax receipts from domestic goods and services, the largest source of tax revenue, increased by 4.0 per cent to \$174.0m as a result of a rise in inflows from stamp duty (\$5.4m) related

to land sales, while VAT receipts contracted by 3.6 per cent to \$96.8m.



Current expenditure rose by 1.2 per cent to \$358.5m on account of increased outlays for personal emoluments and wages, and transfers and subsidies. Expenditure on personal emoluments and wages rose by 3.0 per cent to \$180.1m and that on transfers and subsidies increased by 1.4 per cent to \$103.1m. The increase in these two subcategories was largely associated with increments and higher salary levels of public officers due to a 1.5 per cent salary increase paid in December 2012. Spending on goods and services decreased by 5.2 per cent (\$2.5) mainly due to a contraction in payment of utilities. Interest payments remained relatively unchanged at \$29.7m.



Public Sector Debt

The total outstanding public sector debt is estimated to have increased by 2.1 per cent to \$1,389.8m at the end of September 2013, relative to the amount at the end of December 2012. Central government debt which constituted 84.0 per cent of total public sector debt grew by 1.9 per cent to \$1,167.4m as the government increased borrowing to support its capital programme. The growth in central government debt was mainly due to a 6.1 per cent increase in external debt as domestic debt contracted by 7.1 per cent, associated with the maturity of an over-the-counter bond, reduction in arrears and amortization payments. The debt stock of Public Corporations increased by 2.8 per cent to \$222.4m.

Money and Credit

Monetary liabilities (M2) of the banking system grew by 8.3 per cent to \$1,281.7m during the first nine months of 2013, compared with growth of 2.0 per cent during the corresponding period in 2012. The rise in M2 was largely attributable to an increase in quasi money which rose by 8.6 per cent to \$894.0m, reflecting growth in both private

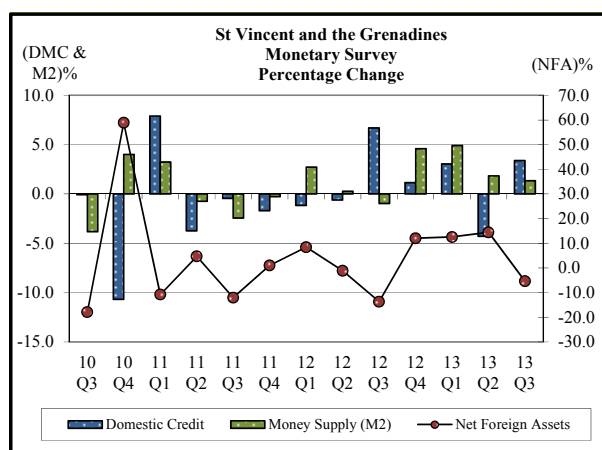
sector savings deposits (9.6 per cent) and private sector foreign currency deposits (60.2 per cent), partly offset by a 7.7 per cent fall in private sector time deposits. Narrow money (M1) grew by 7.4 per cent to \$387.6m, mainly due to a 10.3 per cent increase in private sector demand deposits, the largest component. Currency with the public, the second largest component of M1, contracted by 14.2 per cent, mainly due to a fall in currency in circulation.

Domestic credit rose by 1.9 per cent to \$979.5m during the period under review, largely associated with private sector activity namely household borrowing. Credit extended to households increased by 10.3 per cent while commercial lending dipped by 12.3 per cent. The net deposit position of non-financial public enterprises rose by 6.1 per cent due to an increase in deposits. Net claims on the central government fell by 1.4 per cent to \$48.9m largely on account of a reduction in debt obligations with commercial banks, partly financed by a drawdown of deposits,

An analysis of credit distribution by economic activity indicated that outstanding loans increased by 1.1 per cent to



\$1,192.7m. Of the other major economic categories, the only increase was recorded in outstanding loans for distributive trades (2.4 per cent). Meanwhile, decreases were recorded in credit extended for public administration (6.8 per cent), manufacturing plus mining and quarrying (11.5 per cent), construction (10.2 per cent) and tourism (5.6 per cent).



The net foreign assets of the banking system rose by 21.9 per cent to \$498.3m during the period under review. The expansion was mainly fueled by a 55.4 per cent increase in commercial banks' net foreign assets, primarily on account of a higher asset position with institutions outside the currency union. Moreover, St Vincent and the Grenadines share of the Central Bank's imputed reserves rose by 8.9 per cent to \$321.0m.

Commercial bank liquidity increased during the first nine months of 2013, relative to the period ended December 2012. The ratio of liquid assets to total deposits plus liquid liabilities increased to 41.2 per cent at the end of September 2013 from 39.0 per cent at the end of December 2012. The loans and advances to deposits ratio fell by 2.5 percentage points to 72.7 per cent.

The weighted average interest rate spread between loans and deposits widened by 0.14 percentage points to 6.76 per cent at the end of September 2013. This outturn mainly resulted from a reduction in the weighted average interest rate on deposits. The weighted average interest rate on lending dipped by 0.03 percentage point to 9.39 per cent, while that on deposits fell to 2.63 per cent from 2.79 per cent.

Prospects

The economy of St Vincent and the Grenadines rebounded from the global economic crisis in 2012, concomitant with improvements in the global economy. Supported by higher levels of domestic activity, economic activity in 2013 will continue to build on the gains made in 2012.



Growth is expected to be driven by acceleration in construction activity especially in the public sector, and other sectors such as wholesale and retail trade, and transport, storage and communications. Construction activity will continue on a number of public sector projects such as the Hospitality and Maritime Training Institute, the Argyle international airport and health facilities as part of the Modernisation of the Health Sector project. In the private sector, tourism related construction will continue in Bequia and Canouan, albeit at a slower pace, as those projects near completion. The increase in construction activity will contribute to improvements in auxiliary sectors, such as mining and quarrying and transport, storage and communications. Activity in the tourism industry will be largely influenced by the global economy. However, activity in the cruise sub-category is expected to improve in the last quarter of 2013, based on the cruise ship schedule. Value added in the manufacturing sector is likely to be below the levels of 2012, as local demand for beverages is anticipated to be weak. Agricultural production will remain challenged due to plant diseases and current efforts aimed at diversifying the sector will likely succeed in 2014-2015.

Based on the performance in the first nine months of 2013, the fiscal deficit is anticipated to widen in 2013. Tax revenue is likely to increase in accordance with the improvement in economic activity. However, the growth in capital expenditure is expected to exceed the anticipated growth in tax revenue, capital revenue and grants.

In the external sector, the merchandise trade deficit is projected to expand based on higher demand for imports, consistent with the expected improvement in real sector activity. Foreign direct investment and remittances are not expected to be significantly above the levels in 2012 as the global environment, though much improved, exhibits some weaknesses, especially in the labour market.

The outlook for the rest of 2013 is positive, given the performance in the first nine months of the year. Nevertheless, given the dependence on the global economy, the pace of economic activity will be influenced by global developments, especially as it relates to tourism demand, remittances and foreign direct investment. Downside risks to the forecast include the possibility of adverse weather; high food and energy prices and the spread of plant diseases.



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 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 Jan - Sept	2013 ^P Jan - Sept
Total Visitors	370,397	926,617	1,445,895	570,716	434,717
Stay-Over Visitors	227,965	241,053	293,991	230,278	224,997
Of which:					
USA	83,249	86,919	117,602	102,203	85,351
Canada	13,855	23,029	43,676	16,328	13,519
UK	41,522	56,269	57,952	42,469	37,543
Caribbean	66,170	48,058	43,115	48,379	65,836
Other Countries	23,169	26,778	31,646	20,899	22,748
Excursionists ^{\1}	21,752	17,810	30,467	22,819	26,065
Cruise Ship Passengers ^{\2}	104,588	635,056	1,064,865	290,154	168,467
Yacht Passengers ^{\4}	16,092	32,698	56,572	27,465	15,188
Number of Cruise Ship Calls ^{\3}	47	405	809	177	64
Total Visitor Expenditure (EC\$M)	673.71	810.40	1,038.78	704.55	666.21

Sources: ECCU Central Statistics Offices and Eastern Caribbean Central Bank

¹ Excursionists includes Sea Arrivals for Saint Lucia and excludes Antigua and Barbuda.

² Cruise ship passengers excludes Anguilla but includes Antigua and Barbuda.

³ Cruise ship calls excludes Anguilla and St Vincent and the Grenadines.

⁴ Yacht passengers includes St Kitts and Nevis and St Vincent and the Grenadines.

Data as at 12 November 2013



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

	2012 2nd Qr	2012 3rd Qr	2012 4th Qr	2013 ^a 1st Qr	2013 ^a 2nd Qr	2013 ^a 3rd Qr
Net Foreign Assets	2,441.48	2,288.62	2,653.67	3,171.08	3,449.42	3,233.18
Central Bank (net)	2,969.62	2,847.44	3,031.40	3,266.39	3,221.26	3,281.87
External Assets	2,976.66	2,854.62	3,036.61	3,289.24	3,223.18	3,287.98
External Liabilities	7.03	7.19	5.21	22.85	1.92	6.11
Commercial Banks (net)	(528.15)	(558.81)	(377.73)	(95.31)	228.16	(48.70)
External Assets	3,926.19	4,000.83	4,045.46	4,364.10	4,558.23	4,095.86
External Liabilities	4,454.34	4,559.64	4,423.19	4,459.41	4,330.07	4,144.55
Net Domestic Assets	10,678.95	10,847.05	10,696.84	10,527.73	10,276.88	10,577.44
Domestic Credit	12,558.89	12,747.67	12,643.63	12,410.72	12,132.17	12,274.29
Central Government (net)	1,150.35	1,292.39	1,256.51	1,192.80	1,086.04	614.86
Other Public Sector (net)	(1,570.30)	(1,526.23)	(1,546.95)	(1,660.79)	(1,741.05)	(1,668.77)
Private Sector	12,978.83	12,981.51	12,934.07	12,878.71	12,787.18	13,328.20
Households	6,626.44	6,642.08	6,642.01	6,599.99	6,612.90	6,671.25
Business	6,011.52	6,002.71	5,958.69	5,960.98	5,864.47	6,347.53
Non-Bank Financial Institution	178.03	172.97	167.12	153.54	150.85	150.59
Subsidiaries & Affiliates	162.85	163.76	166.24	164.20	158.97	158.83
Other Items (Net)	(1,879.94)	(1,900.62)	(1,946.79)	(1,882.99)	(1,855.29)	(1,696.85)
Monetary Liabilities (M2)	13,120.43	13,135.68	13,350.51	13,698.80	13,726.30	13,810.61
Money Supply (M1)	2,645.82	2,710.77	2,810.22	2,880.65	2,798.60	2,842.04
Currency with the Public	598.70	593.05	633.82	631.72	620.97	610.58
Demand Deposits	1,967.13	2,038.51	2,110.15	2,179.87	2,113.02	2,170.56
EC\$ Cheques and Drafts Issued	79.99	79.21	66.25	69.07	64.62	60.90
Quasi Money	10,474.62	10,424.91	10,540.29	10,818.15	10,927.69	10,968.57
Savings Deposits	5,771.41	5,819.06	5,895.92	6,090.55	6,203.31	6,171.26
Time Deposits	2,948.33	2,926.11	2,906.12	2,915.04	2,873.91	2,896.12
Foreign Currency Deposits	1,754.88	1,679.74	1,738.25	1,812.57	1,850.47	1,901.19

Source: Eastern Caribbean Central Bank
 Data available as at 14 November 2013



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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Current Revenue	832.74	987.64	920.06	968.23	888.47	2,583.00	2,776.76
Tax Revenue	727.92	798.78	775.30	809.41	741.69	2,272.92	2,326.40
Taxes on Income and Profits ^{/1}	172.54	153.44	173.57	167.10	157.56	515.78	498.23
Of which:							
Personal ^{/1}	76.43	76.82	82.58	80.81	75.50	240.08	238.89
Company/Corporation ^{/2}	71.89	55.21	66.23	63.00	56.35	215.02	185.57
Taxes on Property	12.32	13.83	14.46	25.64	17.98	53.94	58.09
Taxes on Domestic Goods and Services	298.83	377.08	372.56	400.27	357.61	945.67	1,130.44
Of which:							
Accommodation Tax	12.08	5.13	5.85	4.23	3.46	50.22	13.54
Licences	19.90	29.42	29.88	54.97	24.35	74.01	109.21
Sales Tax ^{/3}	48.02	67.91	52.96	54.48	47.55	159.69	154.99
Value Added Tax ^{/5}	133.61	196.59	219.92	216.71	204.32	416.09	640.95
Consumption Tax ^{/4}	1.47	1.29	0.86	0.06	0.06	5.38	0.98
Stamp Duties	30.34	40.64	27.98	33.76	26.34	100.68	88.08
Taxes on International Trade and Transactions	244.22	254.44	214.70	216.39	208.54	757.53	639.63
Of which:							
Import Duties	96.69	119.82	94.37	99.82	98.26	297.90	292.46
Consumption Tax ^{/6}	30.08	16.55	10.85	11.31	9.78	99.23	31.94
Customs Service Charge	48.23	51.55	43.54	49.17	46.55	144.95	139.25
Non-Tax Revenue	104.82	188.86	144.76	158.82	146.78	310.08	450.36
Current Expenditure	885.84	913.55	821.48	943.66	943.22	2,675.74	2,708.36
Personal Emoluments	390.62	409.01	390.64	409.27	428.18	1,173.73	1,228.08
Goods and Services	181.66	197.44	155.91	207.03	186.71	516.29	549.65
Interest Payments	116.57	109.74	100.01	106.11	105.80	356.94	311.92
Domestic	71.52	72.30	62.99	63.41	78.70	203.30	205.10
External	45.05	37.43	37.02	42.69	27.10	153.65	106.82
Transfers and Subsidies	197.00	197.36	174.92	221.26	222.54	628.77	618.72
Of which: Pensions	62.18	67.45	64.35	80.78	70.01	220.58	215.14
Current Account Balance	(53.10)	74.09	98.58	24.57	(54.75)	(92.75)	68.40
Capital Revenue	6.87	4.53	31.17	6.90	14.61	21.48	52.68
Grants	38.60	127.46	92.32	80.32	47.83	250.52	220.47
Of which: Capital Grants	38.48	46.76	66.50	62.53	45.71	28.61	45.74
Capital Expenditure and Net Lending	137.72	211.91	198.14	240.67	197.35	502.45	636.16
Of which: Capital Expenditure	138.50	212.20	197.47	240.51	197.61	503.02	635.60
Primary Balance after grants	(28.78)	103.92	123.93	(22.77)	(83.86)	33.75	17.31
Overall Balance after grants	(145.35)	(5.81)	23.92	(128.87)	(189.66)	(323.20)	(294.61)
Financing	145.35	5.81	(23.92)	128.87	189.66	323.20	294.61
Domestic	88.63	(49.41)	(1.27)	(28.66)	20.46	165.26	(9.47)
ECCB (net)	82.13	(128.26)	95.65	(76.94)	40.44	34.46	59.15
Commercial Banks (net)	59.91	92.38	(159.36)	(29.82)	(511.61)	(8.97)	(700.80)
Other	(53.41)	(13.53)	62.45	78.09	491.63	139.78	632.18
External	67.11	60.50	(15.57)	176.96	47.08	100.06	208.47
Net Disbursements/(Amortisation)	28.39	52.91	(15.55)	179.03	46.62	70.14	210.09
Disbursements	107.45	108.94	50.30	228.97	109.17	347.11	388.44
Amortisation	79.06	56.04	65.85	49.95	62.55	276.97	178.35
Change in Government Foreign Assets	38.71	7.59	(0.02)	(2.07)	0.47	29.92	(1.62)
Arrears ^{/7}	-	-	-	-	-	-	-
Domestic	(111.07)	(5.27)	(7.08)	(19.42)	122.12	(42.81)	95.62
External	(29.81)	(3.52)	(11.05)	(20.26)	100.70	4.04	69.38

Source: ECCU Ministries of Finance and Eastern Caribbean Central Bank

^{/1} Taxes on Income & Profits include stabilization levy collected in Anguilla and Social Services Levy in St Kitts and Nevis^{/2} Excludes Anguilla^{/5} Excludes Anguilla, Antigua and Barbuda, Montserrat^{/3} Includes Antigua and Barbuda and Dominica^{/6} Excludes St Vincent and the Grenadines^{/4} Excludes Montserrat^{/7} Excludes Grenada, Montserrat, St Kitts and Nevis and Saint Lucia

Data as at 12 November 2013



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

	2012 ^R 2 nd Qr	2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr
Anguilla	225.77	226.50	234.01	225.09	231.43	238.69
Antigua and Barbuda	2,883.02	2,783.39	2,836.02	2,814.07	2,884.85	2,950.92
Dominica	971.99	1,009.98	1,029.44	1,014.03	1,002.61	1,031.05
Grenada	2,062.04	2,106.06	2,386.80	2,440.01	2,471.09	2,489.15
Montserrat	7.76	9.35	7.40	7.27	7.14	7.01
St Kitts and Nevis	2,707.21	2,704.46	2,682.45	2,655.14	2,596.08	2,795.49
Saint Lucia	2,438.60	2,454.90	2,610.75	2,642.01	2,668.56	2,665.76
St Vincent and the Grenadines	1,329.43	1,337.98	1,361.57	1,348.92	1,366.77	1,389.79
TOTAL ECCU	12,625.81	12,632.63	13,148.44	13,146.54	13,228.54	13,567.86

Source: ECCB

* Includes arrears of principal

Data available at 12 November 2013

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

	2012 ^R 2 nd Qr	2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr
Anguilla	209.06	210.36	217.34	208.94	215.80	223.57
Antigua and Barbuda	2,429.80	2,302.97	2,357.61	2,339.86	2,358.67	2,416.45
Dominica	800.45	832.64	855.37	842.11	831.23	865.95
Grenada	1,847.56	1,891.58	2,014.74	2,067.95	2,099.03	2,117.09
Montserrat	1.98	3.67	1.81	1.78	1.74	1.71
St Kitts and Nevis	2,168.92	2,166.17	2,158.60	2,142.83	2,085.66	1,648.04
Saint Lucia	2,185.61	2,200.20	2,389.18	2,429.08	2,463.73	2,467.55
St Vincent and the Grenadines	1,124.16	1,128.44	1,145.10	1,128.12	1,145.86	1,167.37
TOTAL ECCU	10,767.54	10,736.03	11,139.75	11,160.66	11,201.72	10,907.74

Source: ECCB

Data available at 12 November 2013

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

	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 ^R Jan-Sept	2013 ^P Jan-Sept
Anguilla	3.80	3.70	3.72	3.98	11.18	11.41
Antigua and Barbuda	65.47	60.03	101.80	46.06	160.52	207.89
Dominica	9.04	15.54	10.29	3.59	43.99	29.43
Grenada	30.05	28.59	43.62	136.23	125.42	208.44
Montserrat	0.04	0.04	0.04	0.04	0.11	0.11
St Kitts and Nevis	44.36	29.38	44.71	42.02	188.89	116.11
Saint Lucia	52.48	85.20	49.50	44.14	171.51	178.84
St Vincent and the Grenadines	37.30	28.74	34.27	25.15	80.13	88.17
TOTAL ECCU	242.55	251.22	287.95	301.22	781.75	840.39

Source: ECCB

Data available at 12 November 2013



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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr
Total Bid Amount	325.5	389.1	360.3	290.8	362.4
Total Offer Amount	237.0	350.0	272.0	177.0	302.5

Source: Eastern Caribbean Central Bank

Data as at 12 November 2013

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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr
91-day Treasury Bills	4.15	4.51	3.67	3.55	4.37
180-day Treasury Bills	6.00	**	6.00	**	6.00
365-day Treasury Bills	6.00	6.25	6.00	5.36	6.00
3-year Bond	**	**	**	**	6.75
4-year Bond	**	**	**	**	**
5-year Bond	**	6.99	**	**	**
6-year Bond	**	**	6.75	**	**
7-year Bond	**	7.00	7.00	**	7.50
8-year Bond	**	**	**	**	7.10
10-year Bond	**	7.50	7.14	**	7.75

Source: Eastern Caribbean Central Bank

Data as at 12 November 2013

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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr
Volume	0.001	0.01	5.1	5.1	0.001
Value	0.001	0.01	5.1	5.2	0.001

Source: Eastern Caribbean Securities Exchange

Data as at 12 November 2013



Table 10
Anguilla - Selected Tourism Statistics

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sep	2013 ^P Jan - Sep
Total Visitors	28,006	28,431	46,563	36,640	32,950	100,960	116,153
Stay-Over Visitors	12,523	14,986	21,502	17,906	13,341	49,712	52,749
Of which:							
USA	6,808	9,482	15,201	12,040	7,372	32,313	34,613
Canada	450	679	1,308	858	469	2,612	2,635
UK	589	637	749	686	606	1,962	2,041
Caribbean	3,020	2,597	2,319	2,605	3,387	7,584	8,311
Other Countries	1,656	1,591	1,925	1,717	1,507	5,241	5,149
Excursionists	15,483	13,445	25,061	18,734	19,609	51,248	63,404
Total Visitor Expenditure (EC\$M)	64.65	72.12	103.17	75.12	69.87	232.40	248.16

Source: Anguilla Statistics Department, Ministry of Finance, Economic Development, Investment, Commerce and Tourism
Data as at 11 November 2013

Table 11
Anguilla - Consumer Price Index
January 2001 = 100

	Weight	Index Sep 2013	Percentage Change*						
			Quarter over Previous Quarter						
			2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 3 rd Qr	2012 ^R Jan - Sep	2013 ^R Jan - Sep
All Items	100.0	162.30	1.21	2.05	(0.82)	2.28	0.31	1.63	1.76
Food	32.1	164.10	0.13	1.38	0.74	0.12	0.55	2.24	1.42
Alcoholic Beverages and Tobacco	0.3	157.90	(0.71)	(0.59)	1.24	2.07	-	2.33	3.34
Housing	17.2	124.00	0.81	-	(1.44)	0.57	-	1.21	(0.88)
Fuel and Light	6.9	176.10	-	-	0.06	-	-	0.00	0.06
Clothing and Footwear	3.1	85.80	(2.37)	(0.77)	(1.67)	(1.59)	(1.27)	(4.44)	(4.45)
Household Furnishings and Supplies	9.7	162.30	(1.03)	(0.37)	(1.53)	(0.50)	1.56	(5.05)	(0.49)
Transport and Communications	23.5	181.60	2.90	2.70	(2.57)	8.81	0.06	3.22	6.07
Medical Care and Expenses	3.1	296.60	12.20	20.77	(0.03)	0.03	-	12.35	0.00
Education	1.0	220.90	(1.83)	0.05	(0.60)	-	3.42	(2.63)	2.79
Personal Services	1.6	138.40	0.95	-	-	-	-	1.62	0.00
Miscellaneous	1.5	66.30	0.42	(0.97)	(1.12)	0.42	(6.49)	(0.41)	(7.14)

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

*at end of period

Data as at 11 November 2013



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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sep	2013 ^P Jan - Sep
Current Revenue	42.33	46.61	46.07	42.24	40.83	133.28	129.14
Tax Revenue	37.45	38.50	40.10	35.54	35.69	116.63	111.34
Taxes on Income and Profits	3.08	3.30	3.38	3.38	2.67	10.56	9.42
Of which: Stabilisation Levy	3.08	3.30	3.38	3.38	2.67	10.56	9.42
Taxes on Property	0.36	1.06	0.48	0.36	1.08	2.85	1.92
Taxes on Domestic Goods and Services	17.79	14.21	17.03	11.80	14.31	51.83	43.15
Of which:							
Licenses	2.25	1.54	5.62	2.67	2.51	10.39	10.80
Accommodation Tax	4.93	2.38	4.33	3.80	2.64	16.20	10.77
Stamp Duties	4.06	7.68	4.70	2.04	0.91	10.54	7.66
Taxes on International Trade and Transactions	16.22	19.94	19.22	20.00	17.63	51.39	56.84
Of which:							
Import Duty	11.83	14.50	13.72	14.56	12.66	39.11	40.95
Customs Surcharge	3.26	4.37	3.85	3.92	3.54	10.35	11.31
Embarkation Tax	0.85	0.81	1.44	1.28	1.13	1.31	3.84
Non-Tax Revenue	4.88	8.10	5.96	6.69	5.14	16.65	17.80
Current Expenditure	42.46	45.08	40.26	44.24	45.08	125.35	129.58
Personal Emoluments	19.90	20.28	19.86	20.08	19.87	59.63	59.81
Good and Services	8.96	11.53	7.44	10.79	9.90	26.81	28.13
Interest Payments	2.11	2.14	2.07	2.09	2.32	6.21	6.47
Domestic	0.59	0.69	0.65	0.59	0.81	1.73	2.04
External	1.52	1.45	1.42	1.50	1.50	4.48	4.43
Transfers and Subsidies	11.49	11.14	10.90	11.28	12.99	32.70	35.17
Of which: Pensions	2.06	1.55	2.06	2.05	2.05	6.22	6.16
Current Account Balance	(0.13)	1.53	5.81	(2.00)	(4.25)	7.93	(0.44)
Capital Revenue	-	-	-	-	-	-	-
Grants	11.64	-	-	-	-	-	-
Of which: Capital Grants	11.64	-	-	-	-	11.64	-
Capital Expenditure and Net Lending	1.83	3.62	0.53	2.73	3.82	5.90	7.07
Of which: Capital Expenditure	1.83	3.62	0.53	2.73	3.82	5.90	7.07
Primary Balance before grants	0.15	0.05	7.35	(2.64)	(5.75)	8.24	(1.04)
Primary Balance after grants	11.79	0.05	7.35	(2.64)	(5.75)	19.88	(1.04)
Overall Balance before grants	(1.96)	(2.09)	5.28	(4.72)	(8.07)	2.04	(7.51)
Overall Balance after grants	9.68	(2.09)	5.28	(4.72)	(8.07)	13.68	(7.51)
Financing	(9.68)	2.09	(5.28)	4.72	8.07	(13.68)	7.51
Domestic	(9.26)	7.77	(7.75)	5.78	8.55	(15.25)	6.58
ECCB (net)	2.67	3.82	(1.76)	2.49	(0.37)	1.89	0.36
Commercial Banks (net)	(5.04)	0.09	(5.00)	4.32	11.55	(9.30)	10.87
Other	(6.90)	3.86	(0.99)	(1.02)	(2.64)	(7.85)	(4.64)
External	(0.29)	(0.28)	(0.25)	(0.25)	(0.28)	(0.80)	(0.77)
Net Disbursements/(Amortisation)	(0.29)	(0.28)	(0.25)	(0.25)	(0.28)	(0.80)	(0.77)
Disbursements	-	-	-	-	-	-	-
Amortisation	0.29	0.28	0.25	0.25	0.28	0.80	0.77
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	(0.13)	(5.40)	2.71	(0.82)	(0.20)	2.38	1.70
Domestic	(0.13)	(5.40)	2.71	(0.82)	(0.20)	2.38	1.70
External	-	-	-	-	-	-	-
Other Financing	-	-	-	-	-	-	-

Source: Treasury Department, Anguilla and the Eastern Caribbean Central Bank
 Data as at 11 November 2013



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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sep	2013 ^P Jan - Sep
Total Exports	4.39	6.28	4.16	3.23	1.24	12.70	8.63
Total Imports	99.06	93.74	104.61	105.15	88.71	302.25	298.46
Trade Balance	(94.66)	(87.46)	(100.45)	(101.91)	(87.47)	(289.55)	(289.83)

Source: ECCB Estimates

Data as at 11 November 2013



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

	2012 2nd Qr	2012 3rd Qr	2012 4th Qr	2013 1st Qr	2013 2nd Qr	2013 ^P 3rd Qr
Net Foreign Assets	237.56	219.38	186.28	262.84	263.69	225.96
Central Bank (Net)	108.08	106.23	108.04	111.36	112.24	103.33
Commercial Banks (Net)	129.48	113.16	78.24	151.48	151.45	122.64
External (Net)	36.64	48.97	12.11	44.83	60.58	15.54
Assets	255.71	258.19	224.43	255.20	274.70	215.37
Liabilities	219.07	209.22	212.33	210.37	214.12	199.83
Other ECCB Territories (Net)	92.84	64.18	66.14	106.65	90.87	107.10
Assets	207.22	185.68	173.75	199.72	202.52	204.43
Liabilities	114.38	121.50	107.61	93.07	111.65	97.33
Net Domestic Assets	823.82	798.56	821.31	792.92	794.28	813.59
Domestic Credit	1,168.14	1,152.15	1,123.55	1,115.23	1,092.41	1,084.83
Central Government (Net)	(59.36)	(61.72)	(57.81)	(64.58)	(57.77)	(46.59)
Other Public Sector (Net)	(175.05)	(177.18)	(184.35)	(188.78)	(195.32)	(201.74)
Private Sector	1,402.55	1,391.05	1,365.72	1,368.59	1,345.50	1,333.16
Household	586.40	572.06	565.42	563.30	557.11	552.00
Business	792.90	795.78	776.95	780.89	761.10	754.45
Non-Bank Financial Institution	5.58	5.52	5.67	5.58	5.65	5.51
Subsidiaries & Affiliates	17.68	17.69	17.68	18.83	21.64	21.20
Other Items (Net)	(344.32)	(353.59)	(302.24)	(322.32)	(298.13)	(271.24)
Monetary Liabilities (M2)	1,061.37	1,017.94	1,007.59	1,055.76	1,057.97	1,039.55
Money Supply (M1)	35.49	38.09	42.62	40.48	43.84	48.76
Currency with the Public	9.54	10.62	11.19	10.85	12.26	12.46
Demand Deposits	25.22	26.55	29.93	29.04	28.36	35.74
EC\$ Cheques and Drafts Issued	0.73	0.92	1.51	0.59	3.22	0.56
Quasi Money	1,025.88	979.85	964.96	1,015.27	1,014.13	990.79
Savings Deposits	106.30	108.07	106.24	107.81	109.12	109.08
Time Deposits	126.76	124.80	127.03	128.75	129.26	129.16
Foreign Currency Deposits	792.81	746.98	731.69	778.71	775.76	752.55

Source: Eastern Caribbean Central Bank

Data available as at 12 November 2013



Table 15
Antigua and Barbuda - Selected Tourism Statistics

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 ^P Jan - Sept
Total Visitors	69,733	227,956	378,936	125,311	80,286	614,737	584,533
Stay-Over Visitors	50,165	60,300	76,302	53,089	45,382	186,626	174,773
Of which:							
USA	18,565	19,931	27,609	21,532	15,202	73,283	64,343
Canada	2,660	6,408	14,591	4,748	3,377	17,777	22,716
Europe	16,483	23,242	25,307	17,943	15,144	62,585	58,394
UK	13,144	19,472	20,833	14,578	12,054	49,205	47,465
Germany	276	811	932	448	179	1,957	1,559
Switzerland	97	303	353	230	169	811	752
Italy	2,426	1,644	1,641	1,885	2,229	7,397	5,755
France	312	482	562	296	285	1,301	1,143
Other Europe	228	530	986	506	228	1,914	1,720
Caribbean	10,362	7,891	5,597	6,536	9,482	24,789	21,615
South America	220	278	348	292	242	899	882
Other Countries	1,875	2,550	2,850	2,038	1,935	7,293	6,823
Cruise Ship Passengers	18,802	160,750	287,992	67,045	34,144	406,957	389,181
Number of Cruise Ship Calls	9	98	180	37	16	235	233
Yacht Passengers	766	6,906	14,642	5,177	760	21,154	20,579
Number of Yacht Calls	165	782	1,824	1,032	196	3,021	3,052
Total Visitor Expenditure (EC\$M)	161.53	212.07	282.10	179.96	147.51	649.23	609.57

Source: Ministry of Tourism, Antigua and Barbuda

Data available as at 11 November 2013

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

	Weight	Index Sep-13	Percentage Change*					Sep-12 Dec-11	Sep-13 Dec-12
			2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr		
All Items	100.00	131.50	(0.54)	0.78	0.30	0.27	(0.39)	1.06	0.18
Food	21.42	151.12	0.96	0.64	0.23	0.03	(0.07)	1.92	0.19
Alcoholic Beverages and Tobacco	0.16	139.07	0.10	0.97	0.62	0.65	1.41	(1.66)	2.70
Housing	21.83	109.68	-	-	-	-	-	-	-
Fuel and Light	6.39	153.96	(12.72)	10.02	(4.14)	5.18	(3.29)	(4.36)	(2.48)
Clothing and Footwear	11.06	96.19	(1.97)	0.09	(0.25)	(0.02)	(0.30)	(1.16)	(0.57)
Household Furnishings and Supplies	12.60	136.83	0.02	(0.01)	2.57	(0.73)	(0.97)	5.26	0.84
Transport and Communications	15.35	132.45	1.58	0.36	(0.13)	(0.43)	0.05	1.66	(0.51)
Medical Care and Expenses	2.76	134.52	0.69	3.83	(0.20)	(1.80)	(0.03)	4.84	(2.02)
Education	2.34	192.90	4.55	-	-	-	2.78	4.55	2.78
Personal Services	4.30	150.84	-	(5.31)	5.96	1.94	(1.32)	(3.82)	6.59
Miscellaneous	1.79	122.84	0.14	0.06	0.06	(0.10)	(0.28)	0.74	(0.31)

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

*at end of period

Data available as at 11 November 2013



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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 ^P Jan - Sept
Current Revenue	137.23	179.98	159.70	145.78	126.96	466.66	432.44
Tax Revenue	129.28	162.99	152.50	136.72	121.08	441.23	410.30
Taxes on Income and Profits	18.81	21.63	29.35	18.61	17.89	55.69	65.85
Of which:							
Personal Income	11.22	9.52	11.57	9.96	9.41	32.37	30.94
Corporation	7.59	12.12	17.60	8.64	8.48	23.30	34.73
Taxes on Property	2.75	2.36	4.75	8.79	3.52	17.79	17.06
Taxes on Domestic Goods and Services	56.56	74.74	60.30	63.01	55.52	200.67	178.83
Of which:							
Stamp Duties	6.47	4.77	5.01	6.51	5.83	34.30	17.35
Antigua and Barbuda Sales Tax	48.01	67.91	52.95	54.47	47.54	159.58	154.96
Taxes on International Trade and Transactions	51.16	64.25	58.10	46.31	44.15	167.08	148.57
Of which:							
Import Duty	18.24	24.56	19.31	19.11	18.11	56.47	56.52
Consumption Tax	6.68	12.00	8.33	8.44	7.25	18.94	24.02
Passenger Facility Charge	4.20	1.54	-	-	-	14.10	-
Revenue Recovery Charge	16.10	21.01	16.54	16.42	15.89	49.46	48.85
Embarkation Tax							
Non-Tax Revenue	7.96	16.99	7.20	9.06	5.87	25.43	22.13
Current Expenditure	167.06	168.41	132.86	202.88	190.11	503.08	525.84
Personal Emoluments	68.41	69.13	65.70	71.42	69.51	204.68	206.63
Other Goods and Services	30.93	26.91	17.55	43.71	45.75	86.84	107.02
Interest Payments	22.21	22.57	18.57	14.77	13.34	57.45	46.68
Domestic	17.20	19.87	10.70	11.28	12.14	44.53	34.12
External	5.02	2.71	7.87	3.50	1.20	12.92	12.56
Transfers and Subsidies	45.50	49.80	31.04	72.98	61.50	154.10	165.52
Of which: Pensions	13.35	15.75	13.63	27.97	18.32	54.91	59.91
Current Account Balance	(29.83)	11.57	26.84	(57.10)	(63.15)	(36.42)	(93.41)
Capital Revenue	0.64	0.71	0.29	0.51	0.39	1.50	1.18
Grants	-	-	-	-	-	-	-
Of which:							
Capital Grants	-	-	-	-	-	-	-
Debt Forgiveness	-	-	-	-	-	-	-
Capital Expenditure and Net Lending	5.71	8.01	1.29	10.54	12.20	12.88	24.02
Of which: Capital Expenditure	5.71	8.01	1.29	10.54	12.20	12.88	24.02
Primary Balance after grants	(12.69)	26.84	44.41	(52.35)	(61.62)	9.65	(69.57)
Overall Balance after grants	(34.90)	4.27	25.84	(67.13)	(74.96)	(47.80)	(116.25)
Financing	34.90	(4.27)	(25.84)	67.13	74.96	47.80	116.25
Domestic	55.43	(17.32)	(14.40)	1.93	102.62	33.04	90.15
ECCB (net)	7.11	3.13	1.86	(25.89)	8.35	(4.57)	(15.68)
Commercial Banks (net)	2.47	10.06	(29.98)	11.10	8.59	(0.31)	(10.29)
Other	45.85	(30.50)	13.72	16.72	85.68	37.92	116.12
External	(13.35)	10.23	(14.42)	87.12	(18.82)	25.16	53.88
Net Disbursements/(Amortisation)	(24.46)	10.23	(14.42)	89.07	(19.30)	16.28	55.34
Disbursements	-	14.13	-	96.03	-	58.35	96.03
Amortisation	24.46	3.90	14.42	6.96	19.30	42.07	40.69
Change in Government Foreign Assets	11.11	-	(0.00)	(1.94)	0.49	8.88	(1.46)
Other	-	-	-	-	-	-	-
Arrears	(107.86)	2.82	2.98	(21.92)	(8.84)	(111.08)	(27.78)
Domestic	(7.18)	(2.53)	6.75	(24.70)	(13.77)	(12.93)	(31.72)
External	(100.68)	5.35	(3.77)	2.77	4.93	(98.16)	3.94
Other Financing	100.69	-	-	-	-	100.69	-

Source: Ministry of Finance, Antigua and Barbuda and Eastern Caribbean Central Bank
 Data available as at 11 November 2013



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

	2012 2nd Qr	2012 3rd Qr	2012 4th Qr	2013 ^R 1st Qr	2013 ^R 2nd Qr	2013 ^P 3rd Qr
Net Foreign Assets	404.57	407.15	465.45	620.53	705.52	579.35
Central Bank (Net)	515.36	468.20	435.38	586.76	533.24	549.92
Commercial Banks (Net)	(110.79)	(61.05)	30.07	33.77	172.27	29.43
External (Net)	(261.06)	(217.75)	(299.26)	(272.62)	(152.02)	(389.31)
Assets	1,208.57	1,234.33	966.07	977.62	1,010.23	678.55
Liabilities	1,469.63	1,452.08	1,265.33	1,250.24	1,162.25	1,067.85
Other ECCB Territories (Net)	150.27	156.70	329.33	306.39	324.30	418.74
Assets	1,240.56	1,232.67	1,310.36	1,323.79	1,347.73	1,474.59
Liabilities	1,090.28	1,075.97	981.04	1,017.40	1,023.44	1,055.85
Net Domestic Assets	2,394.94	2,337.72	2,324.66	2,239.45	2,203.91	2,321.87
Domestic Credit	2,790.20	2,746.79	2,700.20	2,605.47	2,554.22	2,694.32
Central Government (Net)	529.24	538.81	552.00	523.88	509.08	526.03
Other Public Sector (Net)	(145.25)	(180.54)	(216.53)	(253.22)	(263.67)	(121.17)
Private Sector	2,406.22	2,388.52	2,364.73	2,334.81	2,308.81	2,289.47
Household	1,279.49	1,289.86	1,281.87	1,268.13	1,262.08	1,261.89
Business	1,035.20	1,013.92	998.20	983.71	970.98	951.11
Non-Bank Financial Institution	35.98	29.30	29.58	28.25	28.63	30.24
Subsidiaries & Affiliates	55.56	55.43	55.09	54.72	47.12	46.23
Other Items (Net)	(395.26)	(409.07)	(375.54)	(366.03)	(350.31)	(372.45)
Monetary Liabilities (M2)	2,799.51	2,744.86	2,790.11	2,859.97	2,909.43	2,901.22
Money Supply (M1)	552.12	519.02	554.01	546.97	584.66	603.96
Currency with the Public	119.03	116.79	121.73	128.41	128.37	122.06
Demand Deposits	400.53	375.68	413.33	390.78	434.05	460.46
EC\$ Cheques and Drafts Issued	32.57	26.55	18.95	27.79	22.25	21.45
Quasi Money	2,247.39	2,225.85	2,236.10	2,313.00	2,324.76	2,297.26
Savings Deposits	1,053.99	1,054.23	1,082.44	1,142.64	1,154.44	1,147.49
Time Deposits	1,007.18	984.72	978.83	975.08	954.53	935.30
Foreign Currency Deposits	186.22	186.90	174.83	195.29	215.80	214.46

Source: Eastern Caribbean Central Bank

Data available as at 12 November 2013



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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 ^P Jan - Sept
Visible Trade Balance	(306.40)	(397.89)	(358.95)	(271.59)	(307.14)	(961.23)	(937.68)
Total Exports	12.71	12.24	19.25	53.65	13.20	66.07	86.10
Total Imports	319.10	410.13	378.20	325.24	320.34	1,027.30	1,023.78

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

Data available as at 11 November 2013

Table 20
Dominica - Selected Tourism Statistics

	2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sep	2013 Jan - Sep
Total Visitors	22,202	95,245	145,377	36,824	22,052	258,944	204,253
Stay-Over Visitors	20,195	18,714	19,179	15,306	19,689	55,430	54,174
USA	3,385	3,643	3,931	3,676	3,196	10,538	10,803
Canada	687	816	988	613	643	2,247	2,244
UK	1,130	1,273	1,364	851	1,080	3,393	3,295
Caribbean	12,877	10,604	9,129	8,046	12,601	31,354	29,776
Other Countries	2,116	2,378	3,767	2,120	2,169	7,898	8,056
Excursionists	1,192	133	344	249	1,341	1,971	1,934
Yacht Passengers	815	1,981	5,536	3,688	1,022	9,782	1,934
Cruise Ship Passengers	-	74,417	120,318	17,581	-	191,761	137,899
Number of Cruise Ship Calls	-	56	89	13	-	127	102
Total Visitor Expenditure (EC\$M)	74.19	77.88	67.09	47.79	56.97	229.29	171.85

Sources: Discover Dominica Authority and ECCB Estimates

Data as at 12 November 2013

Table 21
Dominica - Consumer Price Index
June 2010 = 100

	Percentage Change*										
	Weight	Index Sep 2013	Quarter over Previous Quarter					Sep-12 Dec-11			Sep-13 Dec-12
			2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr				
All Items	100.00	102.40	(0.12)	0.51	(0.49)	(1.19)	0.89	1.49	(0.80)		
Food and Non-Alcoholic Beverages	18.08	109.22	1.82	1.05	(0.96)	0.73	0.80	1.89	0.57		
Alcoholic Beverages, Tobacco and Narcotics	0.77	102.79	(0.05)	0.41	(0.34)	0.46	(0.03)	0.68	0.09		
Clothing and Footwear	5.08	102.97	0.23	0.01	1.33	0.04	1.95	(1.20)	3.35		
Housing, Utilities, Gas and Fuels	30.62	97.25	0.59	(1.33)	(0.05)	(4.34)	1.67	4.26	(2.79)		
Household Furnishings, Supplies and Maintenance	5.23	104.29	(1.29)	0.17	1.26	(0.02)	1.35	(1.73)	2.61		
Health	3.36	101.73	-	0.60	-	-	-	(0.10)	-		
Transport	20.11	103.36	(2.43)	2.24	(1.02)	0.18	0.45	0.05	(0.40)		
Communication	3.95	98.89	-	3.30	(4.04)	(0.17)	-	-	(4.20)		
Recreation and Culture	3.74	109.36	(0.19)	-	(1.67)	-	0.70	(0.47)	(0.99)		
Education	1.33	102.58	(1.12)	-	-	-	-	-	-		
Hotels and Restaurants	2.88	104.43	0.04	1.08	(0.51)	(0.56)	-	0.68	(1.07)		
Miscellaneous	4.85	103.10	(0.08)	-	1.57	-	0.15	0.65	1.72		

Sources: Central Statistical Office, Dominica and ECCB Estimates

*at end of period

Data as at 12 November 2013



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

	2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sep	2013 Jan - Sep
Current Revenue	83.71	89.03	86.38	111.81	90.35	259.70	288.54
Tax Revenue	73.44	73.17	73.68	80.81	73.19	229.00	227.68
Taxes on Income and Profits	13.86	12.03	13.90	18.32	12.81	45.08	45.04
Of which:							
Personal	7.53	7.29	9.00	9.82	7.71	24.69	26.53
Company/Corporation	6.80	5.09	5.41	9.17	5.41	22.42	19.98
Taxes on Property	1.37	1.59	1.64	2.14	1.92	4.70	5.70
Taxes on Domestic Goods and Services	42.83	43.98	45.58	46.43	43.46	134.12	135.47
Of which:							
Licences	3.43	3.18	4.62	7.00	3.44	14.53	15.06
Value Added Tax	30.53	30.26	30.45	30.04	31.37	95.00	91.86
Excise Tax	8.26	10.02	10.06	9.04	8.25	22.74	27.35
Taxes on International Trade and Transactions	15.38	15.58	12.56	13.92	15.00	45.10	41.48
Of which:							
Import Duty	8.50	9.45	6.79	7.78	8.66	24.64	23.23
Customs Service Charge	3.55	3.40	3.01	3.38	3.42	10.23	9.81
Environmental Levy	1.98	1.97	1.63	2.12	2.20	5.50	5.95
Non-Tax Revenue	10.27	15.86	12.70	31.00	17.15	30.70	60.85
Current Expenditure	83.37	77.11	80.82	100.07	78.01	239.15	258.89
Personal Emoluments	34.32	34.60	34.99	42.55	35.91	100.59	113.45
Goods and Services	23.58	22.01	21.01	34.66	20.69	71.62	76.36
Interest Payments	6.17	4.48	7.24	7.46	3.26	15.95	17.96
Domestic	3.03	1.67	3.40	1.27	2.64	9.50	7.31
External	3.14	2.81	3.84	6.19	0.63	6.44	10.65
Transfers and Subsidies	19.29	16.01	17.58	15.39	18.14	50.99	51.12
Of which: Pensions	4.10	4.28	4.22	4.27	4.38	11.14	12.88
Current Account Balance	0.34	11.93	17.26	11.75	12.34	20.55	41.35
Capital Revenue	0.30	0.99	0.09	0.01	0.08	1.74	0.18
Grants	0.27	0.48	11.70	-	-	11.30	11.70
Of which: Capital Grants	0.27	0.48	-	-	-	11.30	-
Capital Expenditure and Net Lending	10.13	18.15	14.16	100.64	20.07	149.40	134.87
Of which: Capital Expenditure	11.08	18.19	14.14	100.62	20.40	150.29	135.16
Primary Balance after grants	(3.04)	(0.28)	10.43	(81.42)	(4.39)	(99.87)	(75.38)
Overall Balance after grants	(9.21)	(4.76)	3.19	(88.88)	(7.65)	(115.81)	(93.34)
Financing	9.21	4.76	(3.19)	88.88	7.65	115.81	93.34
Domestic	(36.14)	(21.05)	(1.80)	81.08	(11.73)	41.96	67.55
ECCB (net)	17.43	(5.22)	(12.47)	19.86	19.75	(13.79)	27.14
Commercial Banks (net)	0.29	(3.58)	22.43	9.36	(4.88)	48.50	26.92
Other	(53.86)	(12.26)	(11.76)	51.86	(26.60)	7.25	13.50
External	49.03	29.43	(0.08)	6.91	14.45	77.86	21.28
Net Disbursements (Amortisation)	21.42	21.84	(0.06)	7.03	14.47	56.82	21.45
Disbursements	24.86	26.08	2.62	9.61	14.47	72.88	26.70
Amortisation	3.44	4.25	2.68	2.57	-	16.06	5.25
Change in Government Foreign Assets	27.61	7.59	(0.02)	(0.13)	(0.02)	21.04	(0.17)
Arrears	(3.68)	(3.62)	(1.31)	0.89	4.93	(4.01)	4.51
Domestic	(3.68)	(3.62)	(1.31)	0.89	4.93	(3.66)	4.51
External	-	-	-	-	-	(0.35)	-
Other Financing	-	-	-	-	-	-	-

Source: Ministry of Finance, Dominica

Data as at 12 November 2013



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

	2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sep	2013 Jan - Sep
Visible Trade Balance	(108.70)	(100.00)	(104.24)	(103.28)	(105.92)	(316.75)	(313.44)
Total Imports	131.33	129.15	125.00	128.35	132.91	384.13	386.25
Total Exports	22.63	29.15	20.76	25.06	26.99	67.38	72.81
Re-Exports	3.84	8.66	5.14	5.56	3.93	14.33	14.63
Domestic Exports	18.78	20.49	15.61	19.51	23.06	53.06	58.18
Of which:							
Bananas							
Value	0.75	0.53	0.56	0.70	0.66	3.33	1.93
Volume	492	349	382	462	434	2,116	1,277

Source: Central Statistical Office, WINFRESH and ECCB Estimates

Data as at 12 November 2013



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

	2012 2nd Qr	2012 3rd Qr	2012 4th Qr	2013 1st Qr	2013 2nd Qr	2013 ^P 3rd Qr
Net Foreign Assets	548.46	535.79	544.98	545.30	539.13	505.94
Central Bank (Net)	231.76	231.85	247.96	227.49	236.41	217.29
Commercial Banks (Net)	316.71	303.94	297.02	317.80	302.72	288.64
External (Net)	(15.26)	(21.30)	8.99	42.14	40.59	29.96
Assets	168.81	169.53	252.95	284.54	282.67	271.87
Liabilities	184.06	190.84	243.97	242.40	242.08	241.92
Other ECCB Territories (Net)	331.96	325.24	288.03	275.67	262.13	258.69
Assets	405.39	403.36	333.42	320.38	312.53	311.92
Liabilities	73.43	78.13	45.38	44.72	50.40	53.23
Net Domestic Assets	561.58	581.00	593.37	587.16	622.18	645.62
Domestic Credit	637.37	663.66	687.42	669.02	718.23	733.11
Central Government (Net)	(15.54)	2.17	(6.62)	3.34	32.56	47.44
Other Public Sector (Net)	(134.74)	(132.23)	(102.44)	(132.22)	(118.66)	(117.62)
Private Sector	787.65	793.71	796.48	797.90	804.32	803.30
Household	430.97	436.25	443.08	445.48	453.40	455.97
Business	334.20	336.17	332.64	330.79	329.91	329.59
Non-Bank Financial Institution	15.91	14.73	14.20	15.06	14.45	11.17
Subsidiaries & Affiliates	6.57	6.57	6.57	6.57	6.57	6.57
Other Items (Net)	(75.79)	(82.66)	(94.06)	(81.86)	(96.05)	(87.50)
Monetary Liabilities (M2)	1,110.05	1,116.78	1,138.35	1,132.45	1,161.32	1,151.55
Money Supply (M1)	210.27	213.79	227.83	217.94	227.57	216.91
Currency with the Public	45.58	42.09	45.61	43.46	39.43	37.15
Demand Deposits	161.83	168.88	175.67	172.11	184.68	176.76
EC\$ Cheques and Drafts Issued	2.86	2.82	6.56	2.37	3.46	3.00
Quasi Money	899.78	902.99	910.52	914.51	933.75	934.64
Savings Deposits	610.10	621.91	628.20	639.33	660.80	671.67
Time Deposits	259.73	257.65	248.77	251.63	245.37	238.96
Foreign Currency Deposits	29.94	23.43	33.55	23.55	27.58	24.02

Source: Eastern Caribbean Central Bank

Data available as at 13 November 2013

^RRevisions included changes to Imputed Reserves calculation



Table 25
Grenada - Selected Tourism Statistics

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 ^P Jan - Sept
Total Visitors	31,886	98,866	154,663	36,701	32,072	262,807	223,436
Stay-Over Visitors	30,707	25,676	33,736	21,306	31,185	86,659	86,227
Of which:							
USA	9,168	5,967	10,504	6,047	10,758	24,238	27,309
Canada	1,802	2,015	4,855	1,094	1,678	5,807	7,627
United Kingdom	5,065	5,844	6,636	4,177	4,332	18,645	15,145
Caribbean	7,436	5,051	5,635	5,662	7,555	19,798	18,852
Other Countries	7,236	6,799	6,106	4,326	6,862	18,171	17,294
Excursionists	704	439	663	326	439	2,904	1,428
Cruise Ship Passengers	0	72,058	118,840	14,323	0	170,699	133,163
Yacht Passengers	475	693	1,424	746	448	2,545	2,618
Number of Cruise Ship Calls	0	3	90	10	0	132	100
Total Visitor Expenditure (EC\$M)	82.63	76.13	108.09	53.41	90.21	252.13	251.70

Source: Grenada Board of Tourism and ECCB Estimates

Data as at 11 November 2013



Table 26
Grenada - Consumer Price Index
January 2010 = 100

	Percentage Change*								
	Weight	Index Sep 2013	Quarter over Previous Quarter					Sep-12 Dec-11	Sep-13 Dec-12
			2012	2012	2013	2013	2013 ^P		
			3 rd Qr	4 th Qr	1 st Qr	2 nd Qr	3 rd Qr		
All Items	100.0	108.03	0.38	0.11	0.05	0.17	(1.75)	1.70	(1.53)
Food & Non-Alcoholic Beverages	20.4	114.69	0.41	0.25	0.19	0.51	(0.23)	1.04	0.47
Alcoholic Beverages, Tobacco and Narcotics	1.8	119.93	(0.10)	0.10	0.16	3.71	0.22	0.08	4.11
Clothing and Footwear	3.7	100.99	0.58	0.05	(1.26)	(1.34)	(1.40)	0.87	(3.94)
Housing, Utilities, Gas and Fuels	29.1	105.98	(0.09)	0.36	0.19	(0.32)	0.03	0.50	(0.10)
Household Furnishings, Supplies and Maintenance	4.5	111.20	(0.84)	0.19	(0.55)	(0.60)	(0.12)	7.63	(1.26)
Health	1.9	125.85	1.01	(0.51)	0.15	0.14	(0.01)	1.28	0.28
Transport	18.7	112.09	1.15	0.48	(0.87)	1.60	0.99	4.43	1.72
Communication	10.0	92.72	-	(1.44)	0.90	(2.34)	(17.28)	-	(18.49)
Recreation and Culture	2.7	104.14	(0.54)	-	-	2.10	(0.11)	(0.09)	1.99
Education	0.8	117.81	4.15	-	-	-	3.35	8.83	3.35
Hotels and Restaurants	1.8	107.24	(1.46)	0.46	(0.63)	2.23	-	(1.46)	1.58
Miscellaneous	4.6	104.54	2.62	0.08	2.14	0.28	0.36	1.87	2.79

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

*at end of period

Data as at 11 November 2013

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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 ^P Jan - Sept
Current Revenue	103.71	115.71	98.99	126.33	103.52	309.56	328.85
Tax Revenue	99.10	108.16	95.00	122.42	97.34	295.02	314.77
Taxes on Income and Profits	22.15	18.58	14.76	16.16	18.64	56.92	49.56
Of which:							
Personal	7.14	6.82	7.43	6.24	7.75	21.13	21.42
Company/Corporation	15.00	11.76	7.33	9.92	10.88	35.79	28.14
Taxes on Property	2.47	4.22	3.69	5.92	2.09	12.20	11.70
Taxes on Domestic Goods and Services	43.98	52.57	48.70	71.09	45.48	136.91	165.27
Of which:							
Value-added Tax	36.82	38.90	40.56	36.54	37.71	113.73	114.81
Stamp Duties	0.79	9.58	0.69	0.82	1.00	3.23	2.52
Licences	4.77	2.60	4.57	30.30	5.56	12.91	40.43
Taxes on International Trade and Transactions	30.51	32.80	27.86	29.25	31.13	88.99	88.24
Of which:							
Import Duty	12.55	12.71	11.89	11.01	12.12	35.33	35.02
Customs Service Charge	7.33	10.87	7.96	8.24	8.65	24.79	24.86
Non-Tax Revenue	4.61	7.54	3.99	3.91	6.18	14.55	14.08
Current Expenditure	118.78	108.11	105.47	101.78	116.63	350.02	323.88
Personal Emoluments	56.42	56.31	55.24	56.40	61.04	170.90	172.68
Goods and Services	17.09	24.20	19.79	19.89	16.91	62.19	56.59
Interest Payments	28.31	10.82	13.68	8.67	19.58	62.82	41.93
Domestic	8.08	6.26	4.78	5.14	10.83	16.83	20.75
External	20.24	4.57	8.90	3.53	8.75	45.98	21.18
Transfers and Subsidies	16.96	16.77	16.76	16.82	19.10	54.10	52.68
Of which: Pensions	6.77	6.67	6.81	7.09	6.70	19.95	20.59
Current Account Balance	(15.07)	7.59	(6.47)	24.55	(13.11)	(40.45)	4.97
Capital Revenue	0.07	0.01	0.01	-	0.01	0.08	0.02
Grants	4.77	2.30	4.63	14.00	5.09	19.24	23.71
Of which: Capital Grants	4.77	2.30	4.63	14.00	5.09	18.51	23.71
Capital Expenditure	23.05	34.15	33.36	27.67	36.62	74.21	97.65
Of which: Capital Expenditure	23.05	34.15	33.36	27.67	36.62	74.21	97.65
Primary Balance after grants	(4.95)	(13.43)	(21.53)	19.54	(25.05)	(32.52)	(27.03)
Overall Balance after grants	(33.27)	(24.25)	(35.20)	10.88	(44.63)	(95.34)	(68.96)
Financing	33.27	24.25	35.20	(10.88)	44.63	95.34	68.96
Domestic	37.74	45.50	20.05	(58.28)	(58.43)	67.64	(96.65)
ECCB (net)	5.64	(2.90)	4.87	(57.10)	38.82	5.16	(13.41)
Commercial Banks (net)	(8.91)	(21.96)	0.92	4.09	(13.76)	(23.19)	(8.76)
Other	41.01	70.36	14.26	(5.26)	(83.49)	85.67	(74.49)
External	(1.25)	(4.07)	1.69	35.51	(9.36)	(23.73)	27.84
Net Disbursements/(Amortisation)	(1.25)	(4.07)	1.69	35.51	(9.36)	(23.73)	27.84
Disbursements	5.70	7.12	12.28	44.81	8.60	17.96	65.69
Amortisation	6.95	11.19	10.59	9.30	17.96	41.68	37.85
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	(3.22)	(17.18)	13.46	11.90	112.42	51.42	137.77
Domestic	(22.64)	(10.08)	5.72	13.83	95.92	(0.23)	115.47
External	19.42	(7.11)	7.74	(1.94)	16.49	51.65	22.30
Other Financing	-	-	-	-	-	-	-

Source: Ministry of Finance, Planning, Economy, Energy and Cooperatives, Grenada and the ECCB
 Data as at 11 November 2013



Table 28
Grenada - Selected Trade Statistics
(Value: EC\$M; Volume: 000 tonnes)

	2012 3 rd Qr	2012 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 ^P Jan - Sept
Visible Trade Balance	(210.72)	(219.86)	(197.03)	(200.45)	(218.82) -	608.14 -	616.30
Total Imports	232.97	240.05	222.39	236.86	240.20	681.37	699.45
Total Exports	22.25	20.19	25.36	36.41	21.39	73.23	83.15
Re-Exports	3.76	2.21	5.16	5.20	1.74	9.22	12.10
Domestic Exports	18.50	17.99	20.19	31.21	19.65	64.02	71.05
Of Which:							
Bananas							
Volume	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Value	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nutmeg							
Volume	67.70	80.23	79.95	116.35	74.55	236.83	270.85
Value	4.05	4.98	4.83	6.78	4.53	13.64	16.13
Mace							
Volume	2.46	3.47	5.92	17.81	4.19	13.50	27.92
Value	0.15	0.27	0.32	1.00	0.24	0.92	1.56
Cocoa							
Volume	98.22	159.79	282.38	282.38	127.68	731.74	692.45
Value	0.99	1.62	2.88	3.07	1.28	7.29	7.24
Manufactured Exports							
Value	9.54	9.11	8.49	8.39	8.51	26.57	25.40

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

Data as at 11 November 2013

Table 29
Grenada - Monetary Survey
(EC\$M at end of period)

	2012 2nd Qr	2012 3rd Qr	2012 4th Qr	2013 1st Qr	2013 2nd Qr	2013 ^P 3rd Qr
Net Foreign Assets	164.79	127.77	113.78	172.53	246.39	285.82
Central Bank (Net)	259.12	268.71	280.81	286.24	331.01	305.59
Commercial Banks (Net)	(94.33)	(140.94)	(167.03)	(113.71)	(84.62)	(19.77)
External (Net)	(213.11)	(246.76)	(263.29)	(243.53)	(226.23)	(195.59)
Assets	281.34	253.31	244.30	262.33	284.79	274.35
Liabilities	494.44	500.07	507.59	505.87	511.02	469.94
Other ECCB Territories (Net)	118.78	105.83	96.26	129.83	141.61	175.82
Assets	224.61	236.40	233.69	231.23	247.12	264.02
Liabilities	105.83	130.58	137.43	101.40	105.51	88.20
Net Domestic Assets	1,703.26	1,745.68	1,748.47	1,719.67	1,650.39	1,620.65
Domestic Credit	1,800.13	1,851.67	1,857.44	1,848.47	1,769.60	1,720.73
Central Government (Net)	135.65	132.38	107.51	113.31	60.29	85.35
Other Public Sector (Net)	(142.73)	(89.29)	(53.29)	(66.97)	(76.40)	(81.78)
Private Sector	1,807.20	1,808.58	1,803.22	1,802.14	1,785.71	1,717.16
Household	1,174.87	1,167.95	1,162.76	1,160.73	1,164.61	1,153.27
Business	616.95	625.90	625.56	630.60	610.89	553.81
Non-Bank Financial Institution	15.38	14.73	14.90	10.80	10.21	10.09
Subsidiaries & Affiliates	-	-	-	-	-	-
Other Items (Net)	(96.86)	(105.99)	(108.97)	(128.80)	(119.21)	(100.08)
Monetary Liabilities (M2)	1,868.05	1,873.45	1,862.25	1,892.20	1,896.78	1,906.46
Money Supply (M1)	316.55	337.10	333.00	335.71	322.78	352.96
Currency with the Public	101.17	103.92	112.88	110.13	104.93	104.65
Demand Deposits	206.45	221.51	211.12	217.81	209.76	239.07
EC\$ Cheques and Drafts Issued	8.92	11.67	9.01	7.76	8.08	9.24
Quasi Money	1,551.50	1,536.35	1,529.25	1,556.49	1,574.00	1,553.51
Savings Deposits	1,063.18	1,074.91	1,095.90	1,129.13	1,127.99	1,114.36
Time Deposits	364.82	342.87	339.92	335.46	343.78	332.32
Foreign Currency Deposits	123.50	118.57	93.42	91.90	102.24	106.84

Source: Eastern Caribbean Central Bank

Data available as at 13 November 2013

^RRevisions included changes to Imputed Reserves calculation



Table 30
Grenada - Selected Agricultural Production

	Unit	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 ^P Jan - Sept
Bananas	(tonnes)	2,107	2,455	1,708	1,804	1,674	5,005	5,186
Cocoa	(tonnes)	50	212	268	257	109	686	634
Nutmeg	(tonnes)	81	82	135	103	74	258	312
Mace	(tonnes)	7	7	15	11	6	22	33

Source: Central Statistics Office, Ministry of Finance, Planning, Economy, Energy and Cooperatives, Grenada
Data as at 11 November 2013

Table 31
Montserrat - Selected Tourism Statistics

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Total Visitors	1,860	4,815	3,214	2,223	2,640	7,312	8,077
Stay-Over Visitors	1,257	3,574	1,885	1,320	2,119	3,736	5,324
Of which:							
USA	245	939	508	292	488	1,011	1,288
Canada	49	255	224	67	83	250	374
UK	270	1,336	499	319	562	812	1,380
Caribbean	633	955	493	529	837	1,435	1,859
Other Countries	60	89	161	113	149	228	423
Excursionists	491	536	432	377	377	2,070	1,186
Cruise Ship Passengers	-	464	266	98	-	376	364
Number of Cruise Ship Calls	-	2	2	2	-	3	4
Yacht Passengers	112	241	631	428	144	1,130	1,203
Number of Yachts	20	53	165	113	29	274	307
Total Visitor Expenditure (EC\$M)	2.74	9.17	5.75	3.27	4.95	9.80	13.97

Source: Statistics Department, Ministry of Finance and Economic Development, Montserrat

Data as at 22 November 2013

Table 32
Montserrat - Consumer Price Index
January 2001 = 100

	Weight	Index Sep-13	Percentage Change*						Sep-12 Dec-11	Sep-13 Dec-12
			Quarter over Previous Quarter							
			2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 3 rd Qr			
All Items	100.00	268.74	0.69	0.55	(0.43)	(0.07)	0.39	3.07	(0.12)	
Food	49.50	286.37	1.68	(0.46)	0.45	(0.60)	0.71	2.59	0.55	
Alcohol and Tobacco	4.60	258.56	(0.16)	0.32	1.46	0.18	0.28	4.53	1.93	
Household Goods	10.20	193.99	0.54	2.13	0.51	(0.18)	1.09	5.57	1.42	
Gas, Electricity and Water	1.80	237.60	(2.94)	11.29	(10.61)	3.81	0.22	(5.29)	(7.00)	
Rent	0.70	955.73	-	-	0.00	-	-	0.00	-	
Clothing and Footwear	17.90	222.36	-	0.11	(0.22)	0.04	(0.04)	4.80	(0.22)	
Services	15.30	290.93	(1.10)	2.69	(3.31)	1.15	(0.49)	2.99	(2.67)	

Source: Statistics Department, Ministry of Finance and Economic Development, Montserrat

*at end of period

Data as at 22 November 2013



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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Current Revenue	8.86	12.20	11.34	9.60	9.73	30.29	30.67
Tax Revenue	8.02	10.76	9.50	8.57	8.31	26.42	26.38
Taxes on Income and Profits	3.94	3.30	3.92	3.94	3.61	12.25	11.47
Of which:							
Personal	2.63	2.91	3.25	2.80	2.88	9.25	8.93
Company/Corporation	1.31	0.28	0.59	0.90	0.56	2.50	2.05
Taxes on Property	0.06	0.56	0.16	0.10	0.51	0.30	0.78
Taxes on Domestic Goods and Services	0.43	0.61	1.76	0.72	0.39	2.89	2.87
Of which:							
Licences and Stamp Duties	0.21	0.38	1.07	0.46	0.20	1.77	1.73
Hotel Occupancy	0.01	0.01	0.00	0.01	0.00	0.02	0.02
Insurance Company Levy	0.07	0.09	0.04	0.04	0.02	0.27	0.10
Taxes on International Trade and Transactions	3.59	6.29	3.66	3.81	3.79	10.98	11.27
Of which:							
Import Duty	1.17	2.36	1.13	1.14	1.19	3.31	3.46
Consumption Tax	2.18	3.82	2.32	2.43	2.38	5.96	7.13
Customs Service Charge	0.12	-	-	-	-	1.27	-
Non-Tax Revenue	0.83	1.44	1.83	1.02	1.43	3.87	4.28
Current Expenditure	21.49	23.77	30.27	21.60	27.92	87.99	79.80
Personal Emoluments	10.46	10.69	10.55	10.32	10.35	31.63	31.22
Goods and Services*	4.54	5.77	8.48	4.27	7.18	16.37	19.94
Interest Payments	0.01	0.01	0.01	0.01	0.01	0.02	0.02
Domestic	-	-	-	-	-	0.00	-
External	0.01	0.01	0.01	0.01	0.01	0.02	0.02
Transfers and Subsidies	6.48	7.30	11.23	7.00	10.38	39.97	28.62
Of which: Pensions	2.68	3.03	2.73	2.84	2.83	26.74	8.40
Current Account Balance before grants	(12.63)	(11.57)	(18.94)	(12.00)	(18.19)	(57.70)	(49.13)
Current Account Balance after grants	(12.63)	16.60	(5.30)	5.53	(18.19)	(31.11)	(17.97)
Capital Revenue	-	-	-	-	-	-	-
Grants	8.31	41.18	60.25	21.51	16.06	55.85	97.83
Of which: Capital Grants	8.31	13.01	46.62	3.98	16.06	29.26	66.66
Capital Expenditure and Net Lending	8.03	12.89	21.70	11.91	16.97	26.71	50.59
Of which: Capital Expenditure	8.03	12.89	21.70	11.91	16.97	26.71	50.59
Primary Balance before grants	(20.65)	(24.45)	(40.63)	(23.90)	(35.15)	(84.40)	(99.69)
Primary Balance after grants	(12.34)	16.73	19.62	(2.40)	(19.09)	(28.55)	(1.86)
Overall Balance before grants	(20.66)	(24.46)	(40.64)	(23.91)	(35.16)	(84.41)	(99.71)
Overall Balance after grants	(12.35)	16.73	19.62	(2.41)	(19.10)	(28.57)	(1.89)
Financing	12.35	(16.73)	(19.62)	2.41	19.10	28.57	1.89
Domestic	12.38	(16.70)	(19.59)	2.44	19.13	28.65	1.98
ECCB (net)	(0.05)	0.13	(0.16)	0.05	0.16	(0.11)	0.04
Commercial Banks (net)	12.97	(34.42)	(16.43)	7.97	18.68	24.72	10.23
Other	(0.55)	17.60	(3.00)	(5.58)	0.29	4.05	(8.29)
External	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.09)	(0.09)
Net Disbursements/(Amortisation)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.09)	(0.09)
Disbursements	-	-	-	-	-	-	-
Amortisation	0.03	0.03	0.03	0.03	0.03	0.09	0.09
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	-	-	-	-	-	-	-
Domestic	-	-	-	-	-	-	-
External	-	-	-	-	-	-	-
Other Financing	-	-	-	-	-	-	-

Source: Ministry of Finance, Montserrat and Eastern Caribbean Central Bank

*Goods and Services include Miscellaneous Payments

Data as at 13 December 2013



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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Visible Trade Balance	(23.23)	(30.32)	(26.97)	(27.05)	(29.11)	(64.58)	(83.13)
Total Imports	23.94	31.85	27.73	27.65	30.48	67.91	85.87
Total Exports	0.71	1.53	0.76	0.60	1.37	3.33	2.74
Total Domestic Exports	0.57	0.70	0.68	0.54	0.66	2.93	1.88
Total Re-Exports	0.13	0.83	0.08	0.06	0.71	0.40	0.86

Source: Statistics Department, Ministry of Finance and Economic Development, Montserrat

Data as at 22 November 2013



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

	2012 2nd Qr	2012 3rd Qr	2012 4th Qr	2013 1st Qr	2013 2nd Qr	2013 ^P 3rd Qr
Net Foreign Assets	244.75	239.18	278.87	299.26	288.01	264.69
Central Bank (Net)	84.14	102.25	86.63	85.91	91.04	112.87
Commercial Banks (Net)	160.61	136.94	192.24	213.36	196.97	151.83
External (Net)	16.68	11.47	69.94	85.67	84.58	68.12
Assets	57.03	52.04	121.48	136.59	136.34	121.35
Liabilities	40.34	40.58	51.53	50.92	51.77	53.23
Other ECCB Territories (Net)	143.93	125.47	122.30	127.68	112.39	83.71
Assets	257.29	241.48	128.24	134.39	119.26	91.22
Liabilities	113.36	116.01	5.95	6.71	6.87	7.51
Net Domestic Assets	(44.25)	(26.81)	(58.03)	(80.27)	(70.64)	(52.71)
Domestic Credit	(8.52)	12.01	(17.04)	(36.89)	(27.05)	(9.55)
Central Government (Net)	(42.95)	(30.02)	(64.31)	(80.90)	(72.88)	(54.04)
Other Public Sector (Net)	(35.98)	(32.33)	(27.87)	(25.00)	(22.36)	(21.71)
Private Sector	70.40	74.35	75.14	69.01	68.19	66.20
Household	60.28	64.27	65.29	58.41	57.99	57.46
Business	10.13	10.09	9.85	10.59	10.21	8.74
Non-Bank Financial Institution	-	-	-	0.00	-	-
Subsidiaries & Affiliates	-	-	-	-	-	-
Other Items (Net)	(35.73)	(38.81)	(40.99)	(43.38)	(43.59)	(43.15)
Monetary Liabilities (M2)	200.50	212.38	220.84	219.00	217.37	211.99
Money Supply (M1)	41.11	46.44	47.37	43.86	39.53	52.42
Currency with the Public	18.60	20.49	25.69	21.18	17.61	17.76
Demand Deposits	22.14	25.69	21.55	22.52	21.85	34.49
EC\$ Cheques and Drafts Issued	0.37	0.26	0.13	0.15	0.07	0.17
Quasi Money	159.39	165.94	173.47	175.14	177.85	159.57
Savings Deposits	135.64	141.17	148.63	148.83	150.78	117.20
Time Deposits	15.09	15.31	15.94	16.65	18.34	35.05
Foreign Currency Deposits	8.66	9.46	8.91	9.66	8.73	7.32

Source: Eastern Caribbean Central Bank

Data available as at 12 November 2013



Table 36
St Kitts and Nevis - Selected Tourism Statistics

	2012 3Qr	2012 4Qr	2013 1 Qr	2013 2Qr	2013 3Qr	2012 Jan - Sept	2013 Jan - Sept
Total Visitors	65,389	149,773	262,073	128,444	89,886	485,653	480,403
Stay-Over Visitors	22,169	25,219	33,964	26,078	21,767	79,021	81,809
Of which:							
USA	13,522	15,032	22,488	17,579	13,585	51,956	53,652
Canada	1,154	1,804	3,120	1,159	1,182	5,269	5,461
UK	1,683	2,491	2,723	1,757	1,553	5,484	6,033
Caribbean	4,695	4,508	4,164	4,528	4,408	12,809	13,100
Other Countries	1,115	1,384	1,469	1,055	1,039	3,503	3,563
Excursionists	763	786	1,023	835	792	2,444	2,650
Cruise Ship Passengers	42,423	123,458	226,117	101,204	67,152	402,847	394,473
Yacht Passengers	34	310	969	327	175	1,341	1,471
Number of Cruise Ship Calls	13	77	148	44	22	221	214
Total Visitor Expenditure (EC\$M)	51.50	62.78	89.63	65.72	53.83	195.53	209.18

Source: Statistics Department, Sustainable Development, St Kitts and Central Statistics Office, Nevis and ECCB Estimates

Data as at 11 November 2013

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

	Weight	Index Sept 2012	Percentage Change*						
			Quarter over Previous Quarter					Sep-12 Dec-11	Sep-13 Dec-12
			2012	2012	2013	2013	2013		
			3Qr	4Qr	1 Qr	2Qr	3Qr		
All items	100.00	110.84	0.38	1.99	(0.10)	0.10	0.26	(1.88)	0.26
Food and Non-Alcoholic Beverages	15.98	117.48	0.35	2.63	0.83	1.72	(0.31)	(2.48)	2.24
Alcoholic Beverages, Tobacco & Narcotics	2.71	120.38	(0.20)	0.17	2.98	(0.96)	0.52	(0.17)	2.52
Clothing and Footwear	4.20	113.42	-	(0.08)	1.26	(0.03)	(0.95)	0.15	0.28
Housing, Utilities, Gas and Fuels	27.56	103.13	-	0.07	0.05	0.04	(0.00)	(0.07)	0.08
Household Furnishings, Supplies and Maintenance	6.10	107.13	(0.13)	0.09	2.27	(0.08)	(2.30)	0.91	(0.16)
Health	2.38	104.38	-	(0.30)	1.08	-	(2.17)	0.30	(1.11)
Transport	16.14	122.83	0.81	9.48	(3.66)	(0.50)	4.61	(8.66)	0.28
Communication	8.47	104.48	-	(0.30)	(0.12)	-	(0.00)	0.31	(0.13)
Recreation and Culture	2.92	102.93	(0.26)	-	0.21	(0.94)	(5.65)	-	(6.35)
Education	2.41	113.83	9.10	1.00	4.06	(3.44)	0.29	(0.99)	0.78
Hotels and Restaurants	5.60	118.13	0.05	-	(0.60)	-	1.44	-	0.84
Miscellaneous Goods and Services	5.54	107.82	(0.14)	0.44	2.09	0.78	(4.95)	(0.44)	(2.21)

Source: Statistics Department, Sustainable Development, St Kitts

* at end of period

Data as at 11 November 2013



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

	2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 ^R Jan - Sept	2013 ^P Jan - Sept
Current Revenue	155.53	215.07	183.54	192.91	193.79	429.54	570.25
Tax Revenue	100.76	105.11	94.56	109.66	104.77	293.90	308.99
Taxes on Income and Profits	21.12	19.15	16.63	21.25	23.99	62.21	61.87
Of Which:							
Personal	8.98	10.05	9.19	9.98	9.25	28.18	28.42
Company/Corporation	7.41	7.98	6.51	9.58	9.06	27.63	25.16
Taxes on Property	3.28	2.14	1.58	6.28	4.78	10.76	12.64
Taxes on Domestic Goods and Services	47.50	54.28	54.01	55.51	51.30	149.02	160.83
Of Which:							
Licences	0.86	0.98	2.93	1.04	1.09	4.60	5.05
Value Added Tax	33.39	37.31	37.93	37.58	36.28	106.93	111.79
Stamp Duties	8.59	11.08	8.33	11.68	7.21	23.27	27.21
Unincorporated Business Levy	1.14	1.16	1.23	1.25	0.95	3.47	3.42
Island Enhancement Levy	0.75	0.79	1.18	1.14	1.08	2.95	3.40
Taxes on International Trade and Transactions	28.86	29.54	22.34	26.62	24.70	71.91	73.66
Of Which:							
Import Duty	11.43	14.15	9.98	11.04	11.86	32.29	32.88
Customs Service Charge	9.05	7.48	6.81	9.70	8.71	22.66	25.22
Excise Tax	3.11	3.47	2.71	3.47	2.36	7.13	8.54
Non-Refundable Duty Free Store Levy	0.18	1.16	1.54	0.59	0.34	1.78	2.47
Non-Tax Revenue	54.77	109.96	88.98	83.25	89.02	135.65	261.25
Current Expenditure	122.20	151.89	111.87	150.01	150.83	394.58	412.70
Personal Emoluments	55.10	57.32	53.82	56.30	78.42	129.84	148.52
Goods and Services	30.20	46.05	24.34	44.63	26.83	83.16	95.80
Interest Payments	19.41	26.08	16.00	27.43	24.81	90.58	68.23
Domestic	18.38	20.57	13.48	24.68	21.94	57.27	60.10
External	1.03	5.51	2.52	2.75	2.86	33.31	8.13
Transfers and Subsidies	17.49	22.45	17.71	21.65	20.78	55.90	60.13
Of Which: Pensions	6.57	6.82	6.62	6.91	8.80	19.08	22.34
Current Account Balance	33.33	63.18	71.67	42.91	42.97	34.97	157.55
Capital Revenue	1.20	2.34	17.79	2.33	2.00	7.76	22.13
Grants	7.85	56.70	8.36	29.41	18.28	129.60	56.06
Of which: Capital Grants	7.73	4.17	7.87	29.15	16.16	10.39	53.18
Capital Expenditure and Net Lending	14.27	33.81	6.02	22.25	30.87	38.45	59.14
Of which: Capital Expenditure	14.10	34.05	5.37	22.12	30.81	38.14	58.29
Primary Balance after grants	47.52	114.49	107.80	79.83	57.18	94.85	188.76
Overall Balance	28.11	88.41	91.81	52.40	32.38	133.87	176.59
Financing							
Domestic	(34.48)	(91.13)	(85.87)	(58.82)	(66.79)	(134.30)	(211.48)
ECCB (net)	21.62	(65.48)	48.85	0.43	(32.48)	(8.50)	16.79
Commercial Banks (net)	(24.69)	35.91	(117.08)	(92.34)	(558.73)	(112.06)	(768.15)
Other	(31.41)	(61.56)	(17.65)	33.10	524.42	(13.75)	539.88
External	6.37	2.71	(5.93)	6.41	34.42	0.43	34.89
Net Disbursements/(Amortisation)	6.37	2.71	(5.93)	6.41	34.42	0.43	34.89
Disbursements	14.11	14.04	0.72	14.48	41.12	80.53	56.32
Amortisation	7.74	11.32	6.65	8.07	6.70	80.11	21.42
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	-	-	-	-	-	-	-
Domestic	-	-	-	-	-	-	-
External	-	-	-	-	-	-	-
Other Financing	-	-	-	-	-	-	-

Source: Ministry of Finance, St Kitts and Nevis
Data as at 11 November 2013



Table 39
St Kitts and Nevis - Monetary Survey
(EC\$M at end of period)

	2012 2nd Qr	2012 3rd Qr	2012 4th Qr	2013 1st Qr	2013 2nd Qr	2013 ^P 3rd Qr
Net Foreign Assets	1,078.97	1,201.03	1,377.56	1,496.13	1,619.42	1,767.01
Central Bank (Net)	704.72	671.25	679.43	787.44	802.48	944.90
Commercial Banks (Net)	374.25	529.78	698.13	708.69	816.94	822.11
External (Net)	454.77	513.15	667.01	740.78	891.62	895.57
Assets	1,326.53	1,401.32	1,558.09	1,679.08	1,778.08	1,765.80
Liabilities	871.76	888.17	891.07	938.30	886.46	870.23
Other ECCB Territories (Net)	(80.52)	16.62	31.12	(32.09)	(74.68)	(73.46)
Assets	688.37	753.33	644.34	666.83	669.25	699.36
Liabilities	768.90	736.71	613.22	698.92	743.93	772.81
Net Domestic Assets	1,070.41	1,029.34	969.13	876.53	739.37	720.65
Domestic Credit	1,578.22	1,574.25	1,490.04	1,385.70	1,254.65	1,161.59
Central Government (Net)	610.14	605.76	576.19	507.96	416.05	(175.17)
Other Public Sector (Net)	(463.59)	(463.70)	(494.69)	(527.59)	(552.15)	(617.70)
Private Sector	1,431.67	1,432.19	1,408.54	1,405.33	1,390.76	1,954.46
Household	897.39	888.41	883.81	877.11	880.50	870.47
Business	441.59	452.05	433.84	437.37	422.32	992.80
Non-Bank Financial Institution	54.26	51.43	49.18	50.26	48.86	50.54
Subsidiaries & Affiliates	38.43	40.30	41.71	40.59	39.08	40.65
Other Items (Net)	(507.80)	(544.91)	(520.91)	(509.18)	(515.28)	(440.94)
Monetary Liabilities (M2)	2,149.38	2,230.37	2,346.69	2,372.65	2,358.79	2,487.66
Money Supply (M1)	485.42	538.25	541.16	561.48	545.31	519.53
Currency with the Public	104.56	105.78	107.60	116.48	119.29	126.15
Demand Deposits	368.47	413.88	419.20	436.64	418.12	385.73
EC\$ Cheques and Drafts Issued	12.39	18.60	14.36	8.36	7.91	7.66
Quasi Money	1,663.96	1,692.11	1,805.53	1,811.18	1,813.48	1,968.13
Savings Deposits	725.46	742.47	753.26	768.83	781.43	803.09
Time Deposits	572.97	569.60	555.00	554.80	537.01	602.26
Foreign Currency Deposits	365.54	380.04	497.27	487.55	495.04	562.78

Source: Eastern Caribbean Central Bank

Data available as at 13 November 2013



Table 40
St Kitts and Nevis - Selected Trade Statistics
(Value: EC\$M)

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 ^P Jan - Sept
Visible Trade Balance	(113.58)	(124.66)	(120.41)	(115.63)	(127.51)	(318.33)	(363.55)
Total Imports	156.56	167.66	156.00	154.07	162.69	441.49	472.76
Total Exports	42.98	43.00	35.59	38.45	35.18	123.16	109.21
Total Domestic Exp	36.07	34.92	31.09	34.21	31.38	108.74	96.68
Total Re-Exports	6.91	8.09	4.50	4.24	3.79	14.42	12.53

Source: Statistics Department, Sustainable Development,
Data as at 11 November 2013

Table 41
Saint Lucia - Selected Tourism Statistics

	2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Total Visitor Arrivals	127,893	263,813	364,615	172,344	151,805	667,409	688,764
Stay Over Arrivals	73,969	74,588	87,594	78,522	74,355	232,213	240,471
USA	26,926	26,803	31,537	36,048	30,508	88,262	98,093
Canada	5,553	9,019	16,220	6,257	4,782	28,690	27,259
UK	16,638	21,338	20,370	16,722	14,135	54,336	51,227
Caribbean	20,617	11,454	11,506	14,958	20,645	44,612	47,109
Other Countries	4,235	5,974	7,961	4,537	4,285	16,313	16,783
Excursionists	2,588	1,759	2,001	1,688	2,779	8,595	6,468
Cruise Ship Passenger	42,960	176,163	262,009	83,580	67,104	395,731	412,693
Number of Cruise Ships	16	111	177	39	22	225	238
Yacht Passengers	8,376	11,303	13,011	8,554	7,567	30,870	29,132
Total Visitor Expenditure (EC\$M)	189.17	237.90	298.71	223.57	195.80	672.74	718.07

Source: Saint Lucia Tourist Board

Data as at 12 November 2013

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

	Weight	Percentage Change*							<u>Sep-12</u> Dec-11	<u>Sep-13</u> Dec-12
		Index Sep 2013	Quarter over Previous Quarter							
			2012 ^K	2012 ^K	2013 ^K	2013 ^K	2013 ^P			
			3 rd Qr	4 th Qr	1 st Qr	2 nd Qr	3 rd Qr			
All items	99.87	113.76	(0.09)	3.47	(0.91)	0.13	(1.28)	1.49	(2.06)	
Food and Non-Alcoholic Beverages	25.02	121.42	1.09	7.34	(0.41)	0.41	(3.62)	2.82	(3.63)	
Alcoholic Beverages, Tobacco & Narcotics	6.53	133.77	3.52	11.64	1.07	(0.48)	3.44	3.92	4.04	
Clothing and Footwear	1.66	125.07	(0.41)	8.11	(7.02)	(13.83)	19.72	5.89	(4.09)	
Housing, Utilities, Gas and Fuels	17.36	99.51	(0.59)	(0.29)	(2.30)	1.92	(5.99)	(0.92)	(6.39)	
Household Furnishings, Supplies and Maintenance	3.31	120.50	1.99	5.22	4.64	(2.08)	5.98	2.79	8.59	
Health	3.96	126.20	(0.59)	4.58	(1.17)	0.52	3.85	(0.50)	3.17	
Transport	16.40	111.97	(1.53)	1.13	(4.31)	5.84	(3.72)	2.16	(2.49)	
Communication	12.54	109.70	-	3.19	3.73	-	-	1.71	3.73	
Recreation & Culture	1.37	81.08	(5.58)	(2.74)	0.52	(5.32)	(17.84)	(0.73)	(21.81)	
Education	3.70	136.71	(0.17)	(0.22)	0.37	-	1.82	(0.56)	2.21	
Hotels & Restaurants	1.10	114.62	1.40	8.42	(4.17)	(2.82)	2.68	(3.87)	(4.38)	
Miscellaneous Goods and Services	6.92	112.33	(0.14)	2.17	0.87	0.39	(4.74)	2.78	(3.54)	

*at end of period

Source: Central Statistical Office, Saint Lucia

Data as at 12 November 2013



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

	2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Current Revenue	183.85	193.05	232.93	218.79	204.16	617.33	655.88
Tax Revenue	169.53	182.96	216.77	205.33	193.34	557.28	615.44
Taxes on Income and Profits	59.90	39.24	67.49	56.27	53.63	186.87	177.38
Of which:							
Personal	22.06	20.38	25.29	22.80	22.98	72.50	71.07
Company/Corporation	24.45	4.22	23.71	18.11	16.61	76.24	58.43
Taxes on Property	1.02	1.17	1.75	1.80	2.40	3.39	5.94
Taxes on Domestic Goods and Services	29.05	79.57	93.31	91.54	85.22	103.01	270.07
Of which:							
Consumption Duty	1.36	1.23	0.85	0.02	0.02	5.02	0.89
Licences	3.58	9.83	4.68	5.37	4.49	13.23	14.54
Excise Tax	2.61	0.80	0.94	0.86	1.04	9.80	2.84
Hotel Occupancy Tax	7.10	2.56	1.48	0.39	0.78	33.68	2.65
Value Added Tax	-	56.50	78.42	77.37	69.88	-	225.67
Taxes on International Trade and Transactions	79.55	62.98	54.23	55.72	52.09	264.02	162.04
Of which:							
Consumption Tax	20.91	0.54	0.01	0.04	0.07	73.17	0.12
Import Duties	21.89	28.21	21.94	23.39	22.24	73.20	67.57
Customs Service Charge	17.81	17.02	15.51	15.96	14.37	52.20	45.84
Excise Tax	11.27	13.38	12.84	13.21	14.25	40.56	40.30
Non-Tax Revenue	14.32	10.08	16.16	13.46	10.82	60.06	40.44
Current Expenditure	211.69	204.64	209.33	199.81	210.08	621.21	619.22
Personal Emoluments	87.77	92.65	90.17	92.01	93.49	266.47	275.68
Goods and Services	48.00	38.63	45.80	32.10	42.30	121.18	120.20
Interest Payments	30.32	29.03	31.48	35.55	33.89	94.15	100.92
Domestic	20.95	13.71	23.63	15.14	26.15	59.68	64.92
External	9.37	15.32	7.85	20.42	7.74	34.47	36.01
Transfers and Subsidies	45.60	44.33	41.88	40.14	40.40	139.40	122.42
Of which: Pensions	15.48	14.55	15.67	14.83	14.72	47.75	45.22
Current Account Balance	(27.84)	(11.60)	23.60	18.98	(5.92)	(3.87)	36.66
Capital Revenue	0.03	0.27	0.31	0.05	0.02	5.25	0.38
Grants	3.68	6.18	6.67	7.92	2.63	16.91	17.22
Of which: Capital Grants	3.68	6.18	6.67	7.92	2.63	16.91	17.22
Capital Expenditure and Net Lending	66.62	69.45	113.14	32.13	54.97	172.56	200.23
Of which: Capital Expenditure	66.62	69.45	113.14	32.13	54.97	172.56	200.23
Primary Balance after grants	(60.43)	(45.57)	(51.08)	30.38	(24.35)	(60.13)	(45.05)
Overall Balance after grants	(90.74)	(74.60)	(82.56)	(5.17)	(58.24)	(154.28)	(145.97)
Financing	90.74	74.60	82.56	5.17	58.24	154.28	145.97
Domestic	58.55	52.23	80.59	(7.01)	51.56	134.01	125.14
ECCB (net)	21.15	(70.80)	50.43	(5.97)	(1.26)	92.49	43.20
Commercial Banks (net)	49.46	110.39	(19.78)	40.81	20.62	31.25	41.65
Other	(12.06)	12.63	49.94	(41.84)	32.20	10.27	40.30
External	32.19	22.37	1.97	12.18	6.68	20.27	20.83
Net Disbursements (Amortisation)	32.19	22.37	1.97	12.18	6.68	20.27	20.83
Disbursements	56.89	33.28	21.01	21.55	14.76	78.96	57.32
Amortisation	24.69	10.91	19.04	9.37	8.08	58.69	36.49
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	-	-	-	-	-	-	-
Domestic	-	-	-	-	-	-	-
External	-	-	-	-	-	-	-
Other financing	-	-	-	-	-	-	-

Source: Ministry of Finance, Saint Lucia
 Data as at 12 November 2013



Table 44
Saint Lucia - Banana Production

	2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Volume (tonnes)	3,203	2,913	2,972	3,204	2,366	9,211	8,542
Value (EC\$M)	5.17	5.12	5.31	5.76	4.17	15.60	15.24
Unit Price (EC\$/ tonnes)	1,615.54	1,756.61	1,786.59	1,798.48	1,762.80	5,088.08	5,347.87

Source: Winfresh Ltd

Data as at 12 November 2013

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

	2012 ^R 3 rd Qr	2012 ^R 4 th Qr	2013 ^R 1 st Qr	2013 ^R 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Total Exports	117.20	127.32	107.11	129.75	103.86	365.25	340.73
Total Domestic Exports	75.12	61.49	55.26	69.97	63.88	225.94	189.11
Total Re-Exports	42.08	65.83	51.85	59.78	39.98	139.30	151.62
Total Imports	470.28	411.37	345.70	381.20	396.42	1,326.34	1,123.33
Visible Trade Balance	(353.08)	(284.05)	(238.59)	(251.45)	(292.56)	(961.09)	(782.60)

Source: Central Statistical Office, Saint Lucia and ECCB Estimates

Data as at 12 November 2013



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

	2012 2nd Qr	2012 3rd Qr	2012 4th Qr	2013 1st Qr	2013 2nd Qr	2013 ^P 3rd Qr
Net Foreign Assets	(434.23)	(509.73)	(576.84)	(456.30)	(498.48)	(631.04)
Central Bank (Net)	497.68	459.33	562.22	619.98	541.39	533.25
Commercial Banks (Net)	(931.92)	(969.06)	(1,139.07)	(1,076.27)	(1,039.87)	(1,164.29)
External (Net)	(478.42)	(549.10)	(485.18)	(436.87)	(447.92)	(454.77)
Assets	485.77	525.27	558.28	619.32	606.09	589.54
Liabilities	964.19	1,074.37	1,043.46	1,056.19	1,054.01	1,044.30
Other ECCB Territories (Net)	(453.49)	(419.96)	(653.88)	(639.41)	(591.95)	(709.53)
Assets	463.74	511.32	314.40	325.20	346.62	313.99
Liabilities	917.24	931.28	968.29	964.60	938.57	1,023.52
Net Domestic Assets	3,220.45	3,315.29	3,375.33	3,378.76	3,356.18	3,459.29
Domestic Credit	3,770.57	3,865.35	3,903.50	3,897.02	3,886.70	3,974.02
Central Government (Net)	52.16	122.78	162.38	193.03	227.86	247.22
Other Public Sector (Net)	(324.79)	(308.05)	(343.46)	(355.32)	(374.23)	(375.20)
Private Sector	4,043.21	4,050.62	4,084.59	4,059.31	4,033.07	4,102.00
Household	1,541.14	1,558.22	1,568.14	1,554.19	1,559.86	1,579.07
Business	2,438.38	2,422.69	2,438.25	2,438.55	2,405.99	2,455.76
Non-Bank Financial Institution	23.07	29.95	37.01	27.07	26.66	26.99
Subsidiaries & Affiliates	40.62	39.76	41.19	39.49	40.57	40.18
Other Items (Net)	(550.12)	(550.06)	(528.17)	(518.26)	(530.52)	(514.74)
Monetary Liabilities (M2)	2,786.22	2,805.56	2,798.49	2,922.46	2,857.70	2,828.24
Money Supply (M1)	664.29	688.27	701.03	771.50	668.64	657.61
Currency with the Public	155.59	154.85	163.01	154.90	156.53	150.48
Demand Deposits	495.95	521.26	528.78	603.28	501.38	495.65
EC\$ Cheques and Drafts Issued	12.75	12.16	9.24	13.32	10.73	11.48
Quasi Money	2,121.93	2,117.29	2,097.46	2,150.96	2,189.06	2,170.63
Savings Deposits	1,448.07	1,445.99	1,448.31	1,483.63	1,519.51	1,514.44
Time Deposits	472.37	496.84	486.90	504.48	499.70	481.14
Foreign Currency Deposits	201.50	174.46	162.25	162.85	169.85	175.05

Source: Eastern Caribbean Central Bank

Data available as at 13 November 2013

^RRevisions included changes to Imputed Reserves calculation



Table 47
St Vincent and the Grenadines - Selected Tourism Statistics

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Total Visitors	23,428	57,718	90,454	32,229	23,026	142,122	145,709
Stay-Over Visitors	16,980	17,996	19,829	16,751	17,159	56,368	53,739
Of which:							
USA	4,630	5,122	5,824	4,989	4,242	16,332	15,055
Canada	1,500	2,033	2,370	1,532	1,305	5,391	5,207
UK	3,003	3,878	4,778	3,379	3,221	11,145	11,378
Caribbean	6,530	4,998	4,272	5,515	6,921	17,770	16,708
Other Countries	1,317	1,965	2,585	1,336	1,470	5,730	5,391
Excursionists	531	712	943	610	728	2,339	2,281
Yacht Passengers	5,514	11,264	20,359	8,545	5,072	33,982	33,976
Cruise Ship Passengers	403	27,746	49,323	6,323	67	49,433	55,713
Number of Cruise Ship Calls	9	58	123	32	4	114	159
Total Visitor Expenditure (EC\$M)	47.30	62.35	84.24	55.72	47.08	191.85	187.04

Source: St Vincent and the Grenadines Tourism Authority and ECCB Estimates
Data as at 07 November 2013

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

	Percentage Change*								
	Weight	Index Sep 2013	Quarter over Previous Quarter					Sep-12 Dec-11	Sep-13 Dec-12
			2012	2012	2013	2013	2013 ^P		
			3 rd Qr	4 th Qr	1 st Qr	2 nd Qr	3 rd Qr		
All Items	100.0	107.30	(0.28)	0.85	0.56	(0.19)	(0.28)	0.19	0.09
Food and Non-Alcoholic Beverages	21.91	111.90	0.92	0.82	(0.27)	0.27	1.36	0.27	1.36
Alcoholic Beverages, Tobacco and Narcotics	3.87	107.80	(0.10)	4.01	(0.28)	0.94	0.75	1.39	1.41
Clothing and Footwear	3.22	105.40	0.57	(0.38)	(0.19)	0.76	(0.38)	3.12	0.19
Housing, Water, Electricity, Gas and Other Fuels	30.06	105.30	(1.24)	0.67	1.24	(0.85)	0.29	0.48	0.67
Furnishing, Household Equipment and Routine Maintenance	6.59	101.00	(0.10)	0.10	0.91	0.90	(0.20)	0.10	1.61
Health	1.79	103.50	0.31	1.83	2.29	0.10	0.68	0.41	3.09
Transport	11.84	122.30	(0.91)	2.17	1.31	(0.97)	(0.41)	(1.56)	(0.08)
Communications	9.41	96.50	-	-	-	-	(7.21)	-	(7.21)
Recreation and Culture	3.81	103.70	(0.30)	1.19	0.29	0.68	0.29	(0.78)	1.27
Education	1.32	109.30	0.92	-	-	-	(0.27)	0.92	(0.27)
Restaurants and Hotels	1.87	103.30	0.58	-	(0.19)	(2.62)	2.99	0.39	0.10
Miscellaneous Goods and Services	4.31	100.90	(0.59)	(0.10)	(0.10)	0.30	0.20	-	0.40

Source: Statistical Office, Central Planning Division, Ministry of Finance and Economic Planning, St Vincent and the Grenadines

*at end of period

Data as at 07 November 2013



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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Current Revenue	117.53	136.00	101.10	120.77	119.13	336.62	341.01
Tax Revenue	110.34	117.13	93.17	110.35	107.97	313.45	311.49
Taxes on Income and Profits	29.67	36.21	24.15	29.17	24.32	86.20	77.64
Of which:							
Personal	16.86	19.85	16.85	19.21	15.53	51.96	51.59
Company/Corporation	9.34	13.77	5.08	6.67	5.34	27.13	17.09
Taxes on Property	1.01	0.73	0.42	0.26	1.67	1.96	2.34
Taxes on Domestic Goods and Services	60.70	57.13	51.86	60.16	61.94	167.22	173.96
Of which:							
Stamp Duties	4.12	3.42	5.75	9.52	7.30	13.99	22.57
Excise Tax	6.80	7.48	6.34	6.46	6.77	20.07	19.57
Value Added Tax	32.87	33.62	32.56	35.19	29.08	18.41	96.83
Licences	4.49	10.53	6.05	7.81	6.75	18.41	20.61
Taxes on International Trade and Transactions	18.96	23.06	16.74	20.77	20.04	58.06	57.55
Of which:							
Import Duty	11.09	13.93	9.62	11.82	11.42	33.67	32.86
Customs Service Charge	7.11	8.41	6.40	7.95	7.86	21.81	22.21
Non-Tax Revenue	7.19	18.87	7.94	10.42	11.16	23.17	29.52
Current Expenditure	118.81	134.54	110.60	123.29	124.57	354.38	358.45
Personal Emoluments	58.24	68.03	60.31	60.18	59.58	174.87	180.08
Goods and Services	18.35	22.34	11.49	16.98	17.15	48.11	45.62
Interest Payments	8.02	14.61	10.97	10.13	8.60	29.78	29.69
Domestic	3.30	9.53	6.34	5.32	4.20	13.75	15.86
External	4.73	5.07	4.63	4.81	4.40	16.03	13.84
Transfers and Subsidies	34.20	29.56	27.82	35.99	39.24	101.61	103.06
Of which: Pensions	11.16	14.81	12.62	14.82	12.21	34.80	39.64
Current Account Balance	(1.28)	1.46	(9.49)	(2.52)	(5.43)	(17.75)	(17.44)
Capital Revenue	4.62	0.22	12.69	3.99	12.11	5.16	28.79
Grants	2.07	20.62	0.70	7.48	5.77	5.97	13.96
Of which: Capital Grants	2.07	20.62	0.70	7.48	5.77	5.97	13.96
Capital Expenditure and Net Lending	8.07	31.83	7.95	32.80	21.83	22.33	62.58
Of which: Capital Expenditure	8.07	31.83	7.95	32.80	21.83	22.33	62.58
Primary Balance after grants	5.36	5.09	6.92	(13.72)	(0.79)	0.83	(7.58)
Overall Balance after grants	(2.67)	(9.52)	(4.05)	(23.85)	(9.38)	(28.95)	(37.28)
Financing	2.67	9.52	4.05	23.85	9.38	28.95	37.28
Domestic	4.41	(8.72)	27.49	4.21	(1.51)	9.51	30.19
ECCB (net)	8.25	3.19	5.02	(10.17)	7.71	(25.42)	2.56
Commercial Banks (net)	33.34	(4.12)	5.54	(15.12)	6.32	31.41	(3.26)
Other	(37.19)	(7.79)	16.93	29.50	(15.54)	3.52	30.88
External	(5.57)	0.14	1.48	29.11	(2.92)	0.97	27.67
Net Disbursements/(Amortisation)	(5.57)	0.14	1.48	29.11	(2.92)	0.97	27.67
Disbursements	5.90	14.29	13.67	42.50	7.29	38.44	63.46
Amortisation	11.47	14.15	12.19	13.39	10.21	37.47	35.79
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	3.82	18.11	(24.92)	(9.47)	13.82	18.47	(20.57)
Domestic	3.82	18.11	(24.92)	(9.47)	13.82	18.47	(20.57)
External	-	-	-	-	-	-	-
Other Financing	-	-	-	-	-	-	-

Source: Ministry of Finance and Economic Planning, St Vincent and the Grenadines and the Eastern Caribbean Central Bank
 Data as at 07 November 2013



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

	2012 3 rd Qr	2012 4 th Qr	2013 1 st Qr	2013 2 nd Qr	2013 ^P 3 rd Qr	2012 Jan - Sept	2013 Jan - Sept
Visible Trade Balance	(213.58)	(222.58)	(197.91)	(234.97)	(219.78)	(626.70)	(652.66)
Total Imports	240.14	253.71	227.46	264.70	255.53	710.63	747.68
Total Exports	26.56	31.13	29.55	29.73	35.75	83.93	95.03
Re-Exports	2.87	2.43	2.90	2.95	6.16	9.34	12.01
Domestic Exports	23.69	28.70	26.64	26.78	29.59	74.59	83.01

Source: Statistical Office, Central Planning Division, Ministry of Finance and Economic Planning, St Vincent and the Grenadines
Data as at 07 November 2013



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

	2012 2nd Qr	2012 3rd Qr	2012 4th Qr	2013 1st Qr	2013 2nd Qr	2013 ^P 3rd Qr
Net Foreign Assets	422.67	364.85	408.78	460.13	526.48	498.33
Central Bank (Net)	286.86	263.57	294.66	318.49	339.13	321.01
Commercial Banks (Net)	135.81	101.28	114.12	141.64	187.36	177.32
External (Net)	(68.39)	(97.50)	(88.05)	(55.70)	(23.05)	(18.21)
Assets	142.45	106.83	119.86	149.42	185.32	179.04
Liabilities	210.84	204.33	207.91	205.12	208.37	197.25
Other ECCB Territories (Net)	204.21	198.78	202.17	197.34	210.40	195.54
Assets	300.77	300.55	300.24	281.08	281.68	270.43
Liabilities	96.57	101.77	98.07	83.73	71.28	74.89
Net Domestic Assets	720.41	767.23	775.17	781.91	738.20	783.35
Domestic Credit	890.54	950.06	960.86	990.06	947.39	979.46
Central Government (Net)	8.77	50.49	49.53	60.12	34.83	48.86
Other Public Sector (Net)	(148.16)	(142.92)	(124.31)	(111.69)	(138.26)	(131.84)
Private Sector	1029.93	1042.49	1035.64	1041.63	1050.82	1062.45
Household	655.91	665.07	671.64	672.63	677.36	741.12
Business	342.17	346.11	343.40	348.47	353.08	301.27
Non-Bank Financial Institutions	27.86	27.31	16.60	16.52	16.39	16.05
Subsidiaries & Affiliates	4.00	4.00	4.00	4.00	4.00	4.00
Other Items (Net)	(170.13)	(182.83)	(185.69)	(208.15)	(209.19)	(196.11)
Monetary Liabilities (M2)	1143.08	1132.08	1183.95	1242.04	1264.69	1281.68
Money Supply (M1)	338.29	327.54	360.94	360.45	364.03	387.64
Currency with the Public	42.35	36.25	43.87	44.05	40.30	37.63
Demand Deposits	286.54	285.07	310.58	307.68	314.82	342.66
EC\$ Cheques and Drafts Issued	9.40	6.23	6.50	8.72	8.91	7.35
Quasi Money	804.79	804.54	823.01	881.59	900.66	894.04
Savings Deposits	628.68	630.31	632.95	670.35	699.25	693.94
Time Deposits	129.40	134.32	153.73	148.19	145.94	141.93
Foreign Currency Deposits	46.72	39.91	36.32	63.06	55.47	58.17

Source: Eastern Caribbean Central Bank

Data available as at 12 November 2013

