

Eastern Caribbean Central Bank



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The ECCB welcomes your questions and comments on this publication.

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DOMESTIC ECONOMIC DEVELOPMENTS

Overview

Overall economic activity in the Eastern Caribbean Currency Union (ECCU) is estimated to have contracted in the first nine months of 2010 relative to the performance in the corresponding period of 2009 partly reflecting the prolonged effects of the global economic and financial crisis and its impact on the ECCU economies. The performance at the end of the nine-month period reflected declines in major sectors such as construction, manufacturing and agriculture, as well as transport and wholesale and retail trade. These sectors together accounted for roughly 55.0 per cent of real GDP. By contrast, the performance of the tourism industry was estimated to have improved in the period under review. On an individual country basis, economic activity contracted in all the member countries except Montserrat. Consumer prices rose on average during the period under review, influenced mainly by increases in prices of food and oil. The merchandise trade account of the ECCU show a decrease in the deficit, associated with a reduction in import payments. The central governments incurred a smaller overall fiscal deficit in the first nine months of 2010 relative to the outturn in the corresponding period of 2009, mainly attributable to lower capital expenditure. The total outstanding public sector debt rose marginally. Monetary liabilities contracted during the period under review, influenced by a decrease in domestic credit as well as a lower level of net foreign assets. Liquidity in

the commercial banking system declined, but remained at a high. The weighted average interest rate spread between loans and deposits increased.

The ECCU economy is estimated to contract in 2010, albeit at a slower rate relative to the outturn in 2009. Real GDP is projected to decline in most member countries in 2010 with the exception of Saint Lucia where real GDP is projected to expand. Value added in the construction industry which provided the major impetus for growth in previous years is expected to contract in 2010, influenced by lower FDI flows and less expenditure on investment projects in the public sector. Contractions in construction activity are estimated for all ECCU member countries. The outlook for the ECCU hotels and restaurants sector is expected to be favourable in 2010 as a result of the increase in tourism activity in Anguilla, Antigua and Barbuda, Dominica, Montserrat and Saint Lucia. Some member countries have benefited from increased airlift and intensive marketing in Latin America and Europe. However, slow growth in the US economy and rising international oil prices are some of the down side risks to the projections.

Output

Activity in the construction sector contracted by 27.3 per cent, partly attributable to a slowdown in work on private sector projects that encountered financing difficulties as a result of the global



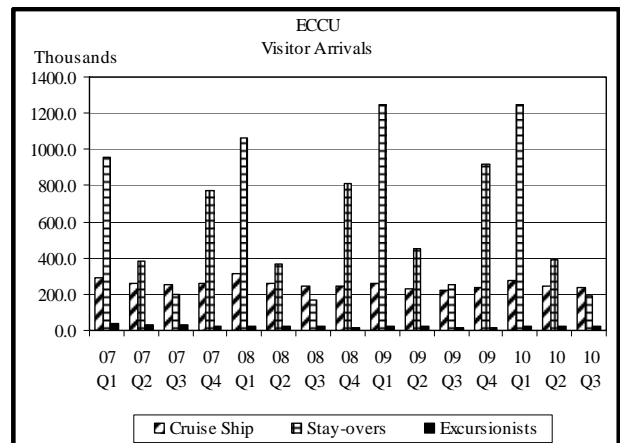
financial crisis. The level of construction activity in the public sector also declined, evidenced by a 25.5 per cent reduction in capital spending. Among the member countries the contraction in capital expenditure ranged from 5.2 per cent in Saint Lucia to 79.1 per cent in Anguilla. Double digit declines in the value added for construction were estimated for Anguilla (40.8 per cent), Grenada (38.4 per cent), Antigua and Barbuda (37.5 per cent), St Kitts and Nevis (29.9 per cent), Montserrat (28.1 per cent), St Vincent and the Grenadines (10.2 per cent) and Dominica (10.0 per cent). In Saint Lucia, construction activity decreased by 2.4 per cent.

Manufacturing output is estimated to have declined by 3.2 per cent during the review period, compared with a 9.9 per cent contraction in the corresponding period of 2009. Most member countries, with the exception of Grenada, recorded decreases in manufacturing activity. In Dominica, output of manufactured goods remained subdued, decreasing by 5.5 per cent, mainly as a result of lower production of soap and paint. Of the other major producers of manufactured goods, declines were realised in St Kitts and Nevis (17.2 per cent), attributable to the weak demand for electronics in the USA; Saint Lucia (5.0 per cent) based largely on decreases in the output of metal products, chemicals, rubber products, food, beverage and tobacco products and paper products, the latter being linked to the performance of the banana industry. In St Vincent and the Grenadines, output fell by 3.3 per cent, attributable to decreases in the production of galvanise sheets, rice and packaging products. The

unfavourable outturn for the ECCU manufacturing sector was mitigated by the positive outturn in Grenada, where growth of 33.1 per cent was recorded, largely as a result of the re-opening of a beverage plant in July 2009.

Agricultural output decreased by 3.1 per cent in the period January to September 2010, in contrast to growth of 3.1 per cent in the corresponding period of 2009. The contraction in the industry partly reflected declines in banana output in all banana producing countries, as the sector was affected by pest infestation and drought conditions.

Among the other industries which contracted, value added decreased for wholesale and retail trade (5.7 per cent), transport (9.3 per cent) and communications (0.7 per cent). Real output for mining and quarrying also declined by 14.2 per cent. The developments in the wholesale and retail trade, transport, and mining and quarrying industries were partly associated with the weak performance in the construction sector in the review period.



The performance of the hotels and restaurants industry, which provides an indication of tourism activity, improved in the period January to September 2010. Value added in that sector rose by 5.2 per cent in contrast to declines in the three consecutive periods (January to September 2007 to 2009). This improved performance for the currency union was mainly attributed to developments in Saint Lucia, where value added rose by 14.1 per cent and in Antigua and Barbuda where output rose by 1.0 per cent. The outturn in both countries was largely as a result of additional airlift that commenced in the latter part of 2009. Favourable outturns for the hotels and restaurant industry were also estimated for Anguilla, Dominica and Montserrat. By contrast, contractions in value added were recorded for Grenada, St Vincent and the Grenadines and St Kitts and Nevis. A review of the tourism data for the ECCU revealed that the number of stay-over visitors increased by 5.9 per cent to 749,557. Of this total, arrivals from the USA amounted to 301,477 or 15.9 per cent above the total recorded in the corresponding period of 2009. Arrivals from Canada were also at a higher level during the review period, increasing by 19.7 per cent to 59,472. The outcome for the industry was mitigated by decreases in arrivals from the United Kingdom (6.5 per cent) and the Caribbean (4.1 per cent).

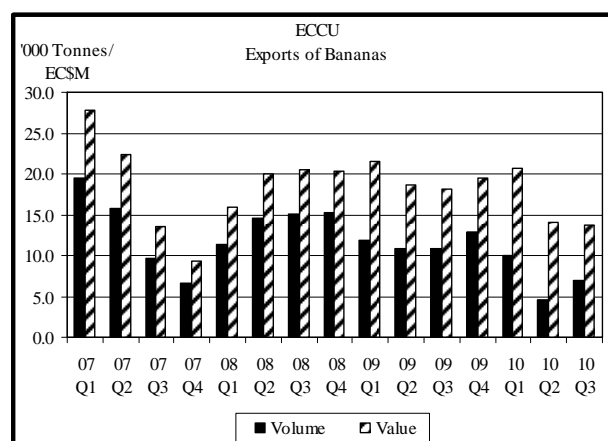
Prices

Consumer prices in the ECCU continued to increase during the first three quarters of 2010, largely

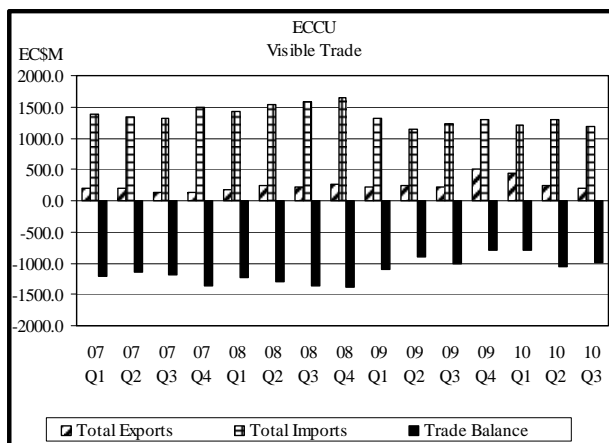
reflecting the impact of high international prices for oil and food. The consumer price index rose in all the member countries, except in St Kitts and Nevis. Consumer price increases ranged from 0.6 per cent in Anguilla to 6.4 per cent in Grenada. The relatively strong increase in consumer prices in Grenada partly reflected the effects of the introduction of the value added tax (VAT) earlier in 2010. During the period under review the average price of gasoline in the ECCU increased to \$12.01 a gallon from \$11.40, contributing to a rise in the fuel sub-index. In addition, the average price of a 20lb cylinder of cooking gas rose to \$37.45 from \$34.28. Price increases for gasoline were recorded in all the countries except for Antigua and Barbuda, where they remained constant relative to the price in the corresponding period in 2009.

Trade and Payments

Complete trade data are unavailable for all of the member countries. However, the merchandise trade deficit is estimated to have declined, partly based on the contraction in economic activity which would have led to a decrease in the volume and value of imports.



The available data on domestic exports indicate that receipts from banana declined by 17.0 per cent to \$48.4m, in contrast to growth of 3.3 per cent in the first nine months of 2009, reflecting a fall in the volume exported. Of the other exports, increases were recorded in earnings from nutmeg and cocoa in Grenada and soap in Dominica, on account of higher prices for these commodities. Gross travel receipts rose by 5.5 per cent to \$2,263.5m, reflecting the increase in stay-over arrivals. Gross disbursements to the central governments amounted to \$601.0m, while debt repayment totalled \$287.7m.



Consequently there were net inflows of \$313.2m in official long term capital, compared with that of \$196.1m in the first nine months of 2009. Commercial bank transactions resulted in a net inflow of \$174.0m in short term capital as banks reduced their net liability position.

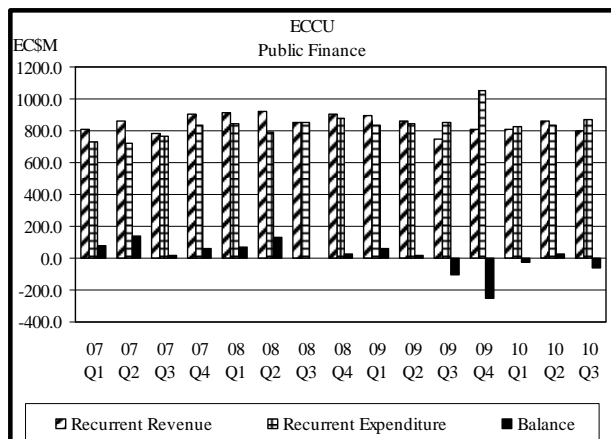
Central Government Fiscal Operations

The consolidated fiscal operations of the central governments resulted in a smaller overall deficit,

\$280.4m in the first nine months of 2010 compared with \$385.9m in the corresponding period of 2009. This outturn was influenced by a decrease in capital expenditure. Accordingly, the primary balance shifted to a surplus of \$42.8m from a deficit of \$82.6m in the first nine months of 2009. Of the member countries, smaller overall deficits were recorded for Anguilla, Antigua and Barbuda, Grenada and St Vincent and the Grenadines. In Dominica, a shift to a surplus from a deficit was registered, while the surplus increased in Montserrat. In Saint Lucia the deficit increased and St Kitts and Nevis moved to a deficit from a surplus.

The central governments realised a current account deficit of \$60.1m, substantially above that of \$31.0m in the first nine months of 2009, as the decrease in current revenue outweighed that of current expenditure. Current revenue fell by 1.3 per cent to \$2,467.2m, mainly reflecting a reduction in receipts from taxes on income and profits. Revenue from taxes on income and profits declined by 11.3 per cent (\$66.2m), largely as a result of a lower yield from company taxes in St Kitts and Nevis. Non-tax revenue rose by 15.9 per cent (\$40.0m), attributable to increased collections in Antigua and Barbuda, St Kitts and Nevis and St Vincent and the Grenadines.

Current expenditure at \$2,527.3m was 0.2 per cent below the level in the first nine months of 2009. The main contributor to the decline was goods and services, expenditure for which fell by 6.5 per cent (\$36.1m), largely reflecting stricter procurement



guidelines and reduced spending on rent and leases, and vehicles. By contrast, interest payments rose by 6.5 per cent (\$19.9m) mainly reflecting growth in domestic interest payments associated with increased debt in some countries. Outlays on personal emoluments rose by 1.2 per cent (\$13.6m) primarily influenced by retroactive payments and additional staff in Saint Lucia.

Capital outlays declined by 25.5 per cent to \$458.1m, reflecting reduced spending in all ECCU member countries except St Kitts and Nevis. The largest decrease was recorded in Antigua and Barbuda based on a policy decision to curtail expenditure in light of financing constraints. Grant receipts amounted to \$224.1m, a decrease of 20.1 per cent over the total in the first nine months of 2009. This outturn reflected lower receipts in St Kitts and Nevis and Dominica. Of the total grants received, \$135.6m represented capital grants; a 5.4 per cent reduction on the total recorded in the first nine months of 2009.

Public Sector Debt

At the end of September 2010 the total disbursed outstanding debt of the ECCU's public sector stood at \$11,767.4m, roughly 0.2 per cent above the amount at the end of 2009. On an individual country basis, increases in public sector debt were recorded in Anguilla, Dominica, St Kitts and Nevis and Saint Lucia, while declines were registered in Antigua and Barbuda, Grenada, Montserrat and St Vincent and the Grenadines. The largest increase in the debt stock was for the government of Anguilla (22.0 per cent, \$42.2m), reflecting the receipt of funds from a policy based loan with the Caribbean Development Bank. The Government of Saint Lucia recorded the second largest rise in the debt stock (10.7 per cent, \$203.7m), attributable to an increase in the number of bonds and securities issued during the period under review.

Debt service payments for the first nine months of 2010 amounted to \$865.9m, an increase of 43.9 per cent over the total recorded during the corresponding period of 2009. Higher debt service payments were recorded for all the territories except Grenada and Montserrat.

Monetary and Financial Developments

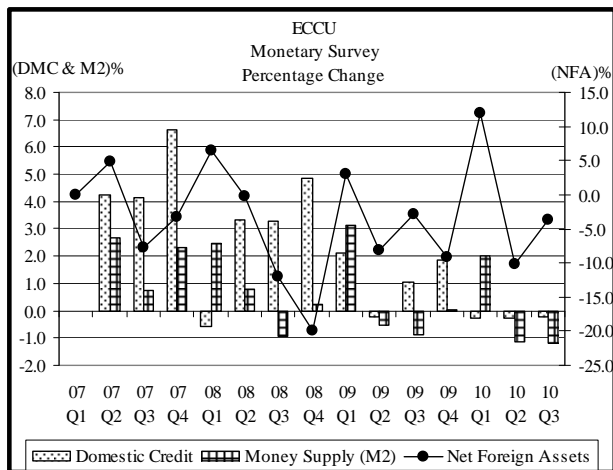
Money and Credit

Monetary liabilities (M2) decreased by 0.3 per cent to \$12,346.9m, attributable in part to the contraction



in economic activity. Narrow money fell by 4.9 per cent, reflecting a reduction in currency with the public as well as decreases in EC\$ cheques and drafts and demand deposits. Quasi money rose by 0.8 per cent, influenced by growth in time deposits and savings deposits.

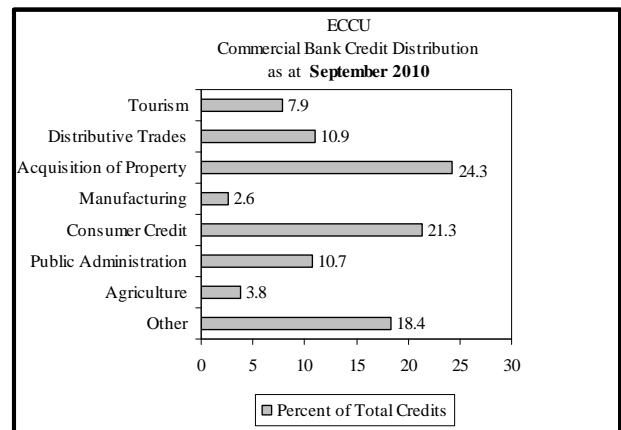
Domestic credit contracted by 0.8 per cent, in contrast to growth of 2.9 per cent in the first nine months of 2009, largely attributable to a reduction in net credit to the central governments. Outstanding credit to the private sector increased by 2.0 per cent, compared with 1.6 per cent in the previous year, driven by growth in credit to households. The net deposits of non-financial public enterprises rose by 5.8 per cent as a result of an increase in their total deposits. Credit to non-bank financial institutions grew by 9.0 per cent, mainly reflecting an expansion in investments.



The distribution of commercial bank credit by economic activity shows that credit for construction and land development, and home construction and renovation fell, reflecting weak activity in private

sector construction. By contrast, outstanding loans for tourism rose, partly associated with investments in tourism related facilities. Increases in credit were also recorded for distributive trades and manufacturing, associated in part with working capital support.

The net foreign assets of the banking system fell by 3.1 per cent to \$1,836.2m, on account of developments in the commercial banking system. Commercial banks' net foreign liabilities rose by 66.5 per cent to \$435.7m, reflecting a decline in foreign assets. The Central Bank's net foreign assets rose by 5.3 per cent to \$2,271.8m, due largely to an increase in foreign assets.



Commercial bank liquidity declined during the period under review, but remained at a high level. The ratio of liquid assets to total deposits plus liquid liabilities fell by 2.0 percentage points to 27.6 per cent and the ratio of loans and advances to total deposits decreased by 1.5 percentage points to 89.2 per cent.

The spread between the average weighted interest rate on deposits and loans increased by 0.1 percentage point to 6.37 percentage points. The average weighted deposit interest rate stood at 3.19 per cent and the average weighted lending rate at 9.56 per cent at the end of the period under review.

Developments on the RGSM

The pace of activity on the Regional Government Securities Market (RGSM) slowed during the first nine months of 2010, when compared to the corresponding period of the previous year. A total of 23 securities were issued compared with 31 in the corresponding period of 2009, and the total bid amount decreased by 19.5 per cent to \$602.9m. The Government of Saint Lucia was the most active player on the market over the period, increasing its issuance of long-term securities. The total amount of government securities on the RGSM at the end of September 2010 amounted to \$496.3m.

Despite the subdued performance, bond issuance on the market rose by 17.4 per cent, driven by the Government of Saint Lucia. Treasury bill issuance fell by 23.6 per cent to \$373.0m during the period under review, mainly attributable to a reduction in issuance by the Government of Antigua and Barbuda, which had previously issued monthly T-bills. Other T-bill issuers were the Governments of St Vincent and the Grenadines, with its monthly 91-day issue, Saint Lucia, Grenada and the Nevis Island Administration (NIA). Both Grenada and the

NIA issued 365-day Treasury bills during the nine-month period. Notwithstanding the fall in the issuance of short-term securities, Treasury bills remained the dominant product on the market, comprising 75.2 per cent of the securities issued during the nine-month period.

The weighted average interest rate on 91-day Treasury bill issues was 4.83 per cent at the end of September 2010 compared with that of 5.74 per cent at the end of December 2009.

Activity in the secondary market decreased during the first nine months of the 2010. The volume of trading fell by 55.1 per cent and the total value of securities declined by 14.0 per cent to \$11.7m.

Prospects

Based on developments in the first nine months of 2010 and expectations for the fourth quarter, economic activity is projected to contract in 2010 albeit at a slower rate relative to that in 2009. The decline will be largely influenced by a fall in construction, reflecting weak activity in the private sector, associated with tourism-related projects in most of the member countries. In the tourism industry, one of the main drivers of economic activity in 2010, stay-over arrivals are projected to increase mainly as a result of additional airlift and intensified marketing efforts, particularly in Saint Lucia and Antigua and Barbuda.



The merchandise trade deficit is estimated to decrease as a result of lower import payments associated with the contraction in economic activity.

The value of domestic exports is estimated to decline based on lower receipts from banana and manufactured exports.

The overall fiscal deficit of the central governments is estimated to decrease as a result of a reduction in capital expenditure. Despite efforts to contain spending, the current account deficit is estimated to

increase as the fall in spending is not likely to outweigh that in revenue given the weak prospects in economic activity.

The risks to the projections in economic activity in the currency union are on the downside. These include rising international prices for oil and other commodities, anaemic growth in the US economy and uncertainty in the euro-zone with respect to debt sustainability.



ANGUILLA

Overview

Economic activity in Anguilla is estimated to have contracted in the first nine months of 2010 compared with the outturn in the corresponding period of 2009. This contraction reflected declines in value added for all sectors except agriculture, electricity and water and hotels and restaurants. Consumer prices rose by 0.6 per cent on an end-of-period basis reflecting increases in the prices of food and fuel. In the external sector the merchandise trade deficit widened, primarily on account of lower re-exports relative to the level in the corresponding 2009 period. The fiscal operations of central government resulted in a smaller overall deficit due in part to budgetary support received from the EU. Total outstanding public sector debt increased during the review period. In the banking system, monetary liabilities declined, net foreign assets rose and commercial bank liquidity increased. The weighted average interest rate spread between deposits and loans widened over the review period

A decline in economic activity is projected for the remainder of 2010, largely influenced by weak activity in the construction and government sectors. The Government of Anguilla is expected to receive a Caribbean Development Bank (CDB) policy based loan, which will be used to refinance domestic commercial debt. This in turn will facilitate reduced debt servicing payments in the medium term due to the concessional nature of the loan, and thereby

positively influence the fiscal operations of government. The sale of Viceroy Hotel to the Starwood Group bodes well for the tourism sector and government as it is projected to result in windfall revenue due to transfer fees, stamp duty and alien land holding license fees and the strengthening of the hotel industry. This development should in turn have positive spillover effects on the construction sector, further enhancing the level of economic activity. Downside risks to this outlook include reduced financial aid and assistance from the UK government, and slower than expected growth in tourist arrivals.

Output

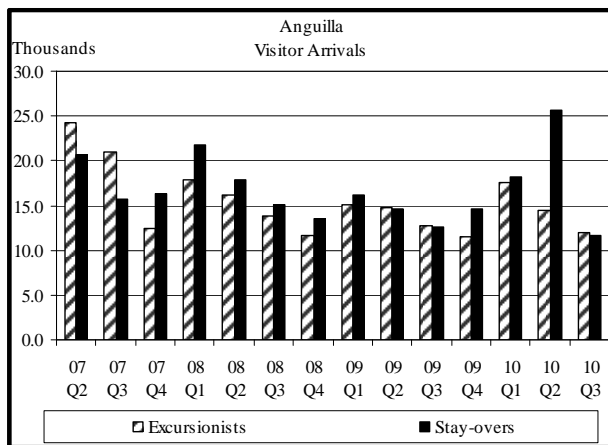
Value added in the construction sector, which accounts for roughly 13.6 per cent of real GDP, is estimated to have contracted by 40.8 per cent. The outturn in the period under review was mainly as a result of a reduction in investments in tourism-related projects and minimal activity on public sector infrastructural works. The value of construction-related imported materials, a key indicator of activity in the sector, fell by 40.0 per cent in the period January to September 2010.

Value added in the transport industry declined by 16.9 per cent following a decrease of 35.4 per cent in the corresponding period of 2009. Of the sub-industries, value added for road transport fell by 25.1 per cent due to lower construction activity and



that for air transport was lower by 7.7 per cent as a result of the reduction in passenger arrivals and departures by air. Value added for sea transport fell by 2.9 per cent, associated with a 7.5 per cent fall off in imports as passenger movement at the seaport increased by 2.8 per cent.

Output in the wholesale and retail trade sector declined by 8.6 per cent. For the first nine months of 2010, demand was sluggish resulting in a 29.2 per cent fall-off in the value of imported manufactured goods entering the distribution channel.



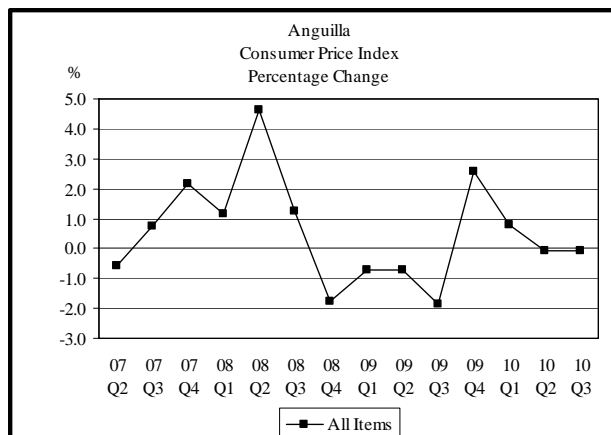
By contrast, tourism activity rebounded in the first nine months of 2010. The number of visitors rose by 15.4 per cent to 99,343, in contrast to a decline of 16.2 per cent in the first nine months of 2009. Stay-over arrivals grew by 28.1 per cent to 55,514, primarily attributable to an increased number of visitors from Canada (54.5 per cent), the USA - the

largest source market (29.4 per cent), and the UK (16.1 per cent). The positive growth in the industry can be attributed in part to continued marketing efforts via tourism road shows in key markets and a stabilisation in the economic conditions in the major source markets. A 2.7 per cent increase to 43,829 was recorded in the number of excursionists.

Prices

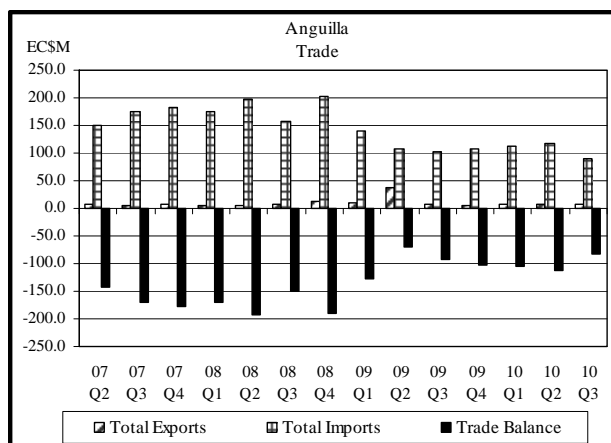
The consumer price index rose by 0.6 per cent on an end-of-period basis during the period January to September 2010, in contrast to a decline of 1.4 per cent in the comparable period of 2009. The larger index was attributed primarily to increases recorded in the sub-indices, fuel and light (5.1 per cent), transportation (2.2 per cent) and food (1.0 per cent). A 25.0 per cent increase in the fuel surcharge in the first quarter of 2010, contributed to the rise in the fuel and light sub-index. Similarly, prices for transportation increased, mainly on account of higher vehicle costs in the first quarter, which precipitated a rise in insurance premiums. Those increases were partly offset by declines, particularly in the sub-indices, housing and clothing and footwear. Housing, the third largest weighted index, declined by 3.5 per cent on account of lower prices of building materials.





Trade and Payments

A merchandise trade deficit of \$300.3m was recorded in the first nine months of 2010 compared with one of \$292.4m in the corresponding 2009 period. The larger deficit mainly reflected a 59.5 per cent (\$33.6m) decline in export earnings, as the level of re-exports of equipment to St. Maarten, observed in the second quarter of 2009 was not repeated in 2010. Import payments decreased by 7.5 per cent (\$26.2m), largely influenced by a reduction in payments for manufactured goods.



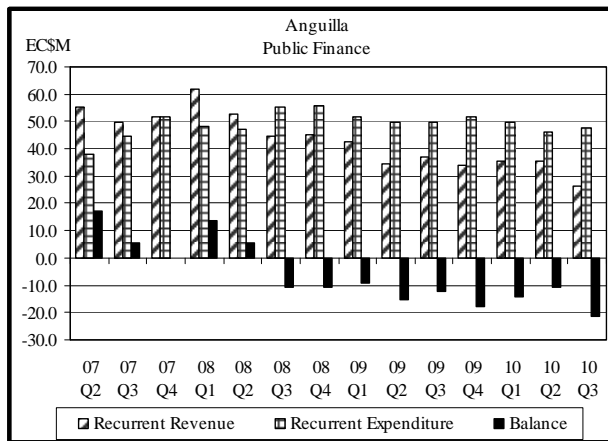
Gross travel receipts are estimated to have increased by 15.6 per cent to \$218.0m, consistent with the rise in the number of tourist arrivals estimated over the review period. The transactions of commercial banks resulted in a net inflow of \$6.6m in short-term capital during the period under review, compared with an inflow of \$126.1m in the period January to September 2009. External loan disbursements to the central government amounted to \$145.8m, representing the full disbursement of a policy based loan from the Caribbean Development Bank (CDB).

Central Government Fiscal Operations

The fiscal operations of the central government resulted in an overall deficit of \$25.5m in the first nine months of 2010 compared with one of \$43.9m in the corresponding period of 2009. A primary deficit of \$14.5m was observed in the period under review, 61.4 per cent lower than that recorded in the first nine months of 2009. The improvement on the fiscal accounts was partially attributed to an increase in official grants, of \$22.3m, which were used as budgetary support.

A current account deficit (before grants) of \$46.2m was realised, compared with that of \$36.4m recorded in the period January to September 2009. Current revenue fell by 14.9 per cent to \$97.4m as a result of declines in collections from all major revenue sub-components, with the exception of that from taxes on property, which rose by 4.1 per cent to \$1.2m.

The outcome is consistent with the lower level of economic activity. Non tax revenue, which recorded the largest decline, decreased by 31.2 per cent (\$8.6m) to \$19.0m, largely as a result of reduced earnings by government departments.



Current expenditure contracted by 4.8 per cent to \$143.6m, influenced by decreases in outlays for all sub components with the exception of interest payments, which rose by 72.3 per cent (\$4.6m). The increase in interest payments was fuelled by larger domestic payments (\$4.5m), which reflected the servicing of commercial debt that was restructured in 2009. Spending on goods and services declined by 20.0 per cent (\$7.2m), largely as a result of a 2010 budget decision to reduce this sub component by \$7.3m during the calendar year. Outlays on transfers and subsidies fell by 7.0 per cent (\$2.8m), while expenditure on personal emoluments declined by 2.8 per cent (\$1.9m), reflecting wage cuts and a hiring freeze implemented during the review period.

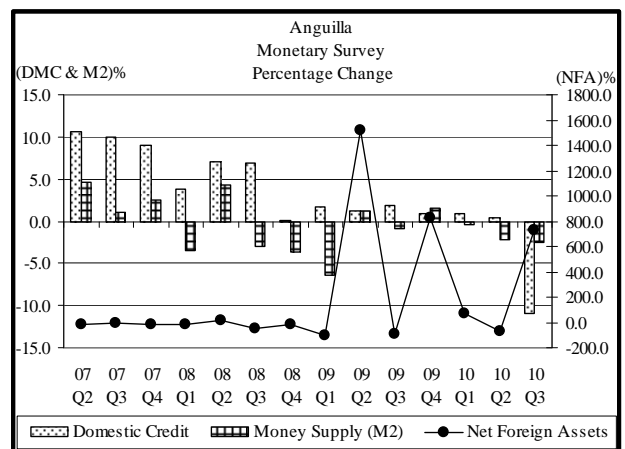
Capital expenditure declined by 79.1 per cent (\$5.9m), due to cuts aimed at achieving a balanced budget.

Public Sector Debt

The total disbursed outstanding debt of the public sector was estimated at \$233.8m at the end of September 2010, up from \$191.6m at the end of December 2009. The disbursed outstanding debt of the central government, which accounted for 92.4 per cent of total public sector debt, rose to \$216.0m from \$139.3m at the end of December 2009, mainly reflecting receipt of a \$148.5m policy-based loan from the Caribbean Development Bank (CDB).

Money and Credit

Monetary liabilities (M2) totaled \$1,021.4m at the end of the first nine months of 2010, 4.9 per cent below the level at the end of December 2009. The decline in M2 was the result of a 4.0 per cent fall in quasi money, largely private sector foreign currency deposits.



Domestic credit fell by 9.6 per cent to \$1,243.7m during the period under review, largely as a result of transactions related to the central government. The deposits of central government in the banking system rose to \$74.3m from \$30.0m at the end of 2009, while outstanding credit fell to \$49.3m from \$159.3m at the end of 2009. Consequently, the central government shifted to a net deposit position of \$24.9m at the end of September 2010 from a net credit position of \$129.3m at the end of 2009. In the rest of the public sector, the net deposits of the non-financial public enterprises fell by 6.3 per cent, mainly as a result of an increase in their outstanding credit. Credit to the private sector rose by 0.8 per cent (\$11.3m), mainly attributable to an increase in lending to businesses (7.4 per cent). This outturn was offset in part by a decrease in credit to households (5.7 per cent).

The distribution of credit by economic activity indicates that commercial bank lending fell by 6.8 per cent (\$104.2m), mainly reflecting a contraction in credit for personal use and for public administration. Lending for personal use, which accounts for 44.3 per cent of total credit, declined by 12.8 per cent (\$93.3m), primarily due to a decrease in loans for the acquisition of property, particularly home construction and renovation. Credit for public administration contracted by 58.7 per cent (\$82.1m), as a result of external restrictions, precipitated by fiscal challenges.

The net foreign assets of the banking system increased to \$149.9m at the end of September 2010

from \$37.5m at the end of 2009, reflecting a more than two-fold increase in Anguilla's imputed share of the Central Bank's reserves. This outcome was primarily due to the receipt of the CDB policy-based loan. The net foreign liabilities of commercial banks fell by 4.02 per cent, largely reflecting a reduction in assets held with institutions outside of the Eastern Caribbean Currency Union.

Liquidity in the commercial banking system increased during the review period. The ratio of liquid assets to total assets rose to 24.9 per cent from 21.2 per cent at the end of 2009. The ratio of liquid assets to total deposits plus liquid liabilities also increased to 32.7 per cent from 24.0 per cent. The ratio of loans and advances to total deposits fell to 102.9 per cent from 110.0 per cent at the end of 2009.

The weighted average interest rate spread between loans and deposits widened to 6.77 percentage points at the end of September 2010, from 6.53 percentage points at the end of December 2009. The weighted average interest rate on loans rose by 0.09 percentage point to 10.16 per cent and that on deposits decreased by 0.15 percentage point to 3.39 per cent.

Prospects

Economic activity is expected to contract in 2010 albeit at a lower rate relative to the decline recorded in 2009. Lower construction activity is expected given the minimal public sector projects projected



and the cessation and completion of major hotel infrastructural works. Activity in the tourism industry is expected to increase in the rest of 2010 with the start of the tourist season in October. As a result of the subdued economic climate inflationary pressures are expected to be minimal.

On the fiscal accounts of central government, larger receipts from taxes on domestic goods and services are expected, due to windfall revenues, precipitated by the transfer of ownership of a major hotel which occurred in July 2010. The communication tax, which is to be levied at a rate of 7.0 per cent on communication services, is likely to have limited impact given the late implementation date. The government is expected to receive the first tranche of funds (\$9.5m) in October of 2010 with reference to the transfer of ownership of the hotel in July. These funds are the result of stamp duty and license fees related to the sale. The receipt of a Caribbean Development Bank (CDB) policy based loan in September 2010 to refinance domestic debt is expected to reduce government's debt servicing cost relative to payments in 2009. Notwithstanding these events, an overall deficit is projected due to the continued declines in revenue collection, which are expected to outpace the fall in expenditure. The UK government permitted the Government of Anguilla to borrow up to \$50m in 2010 to finance government

operations and as such the Government of Anguilla is expected to borrow this amount in the fourth quarter of 2010. Minimal capital expenditure is expected, given financing constraints.

In the external sector the merchandise trade deficit is expected to narrow as a result of continued reductions in import payments consistent with the contraction in economic activity. Gross visitor expenditure however is likely to increase relative to receipts in 2009 given the strong growth recorded in the first three quarters of 2010.

These projections are contingent largely on developments in the global arena. Although moderate growth is projected for the US economy, unemployment remains high, thereby constraining consumer spending. Additionally economic growth in the UK has slowed and is expected to decline further due to recent austerity measures. Should lower than projected growth occur in these key markets, then tourism demand will be adversely affected. Another significant risk is the proposed increases in November 2010 in the Air Passenger Duty (APD) tariffs on air travel from the UK, which may hinder tourist arrivals from this important source market.



ANTIGUA AND BARBUDA

Overview

The economy of Antigua and Barbuda is estimated to have contracted in the first nine months of 2010 compared with the outturn in the corresponding period of 2009. Dampened construction activity and lower visitor arrivals contributed to declines in other sectors, including mining and quarrying, wholesale and retail trade, and transportation. The consumer price index increased by 2.2 per cent, on an end-of-period basis. The central government incurred a smaller overall deficit reflecting reductions in expenditure on account of the implementation of measures under the International Monetary Fund (IMF) supported Stand-By Arrangement (SBA). Disbursed outstanding debt of the public sector declined. In the banking sector, monetary liabilities fell, commercial bank liquidity declined marginally and the weighted average interest rate spread widened.

The economic outlook for the remainder of 2010 is largely unfavourable, as activity in the leading sectors is likely to remain depressed. However, a modest recovery is anticipated in the stay-over visitor category based on intensified marketing efforts and increased airlift. Substantial risks to the local economy still persist, including the impact of low global growth and adverse weather.

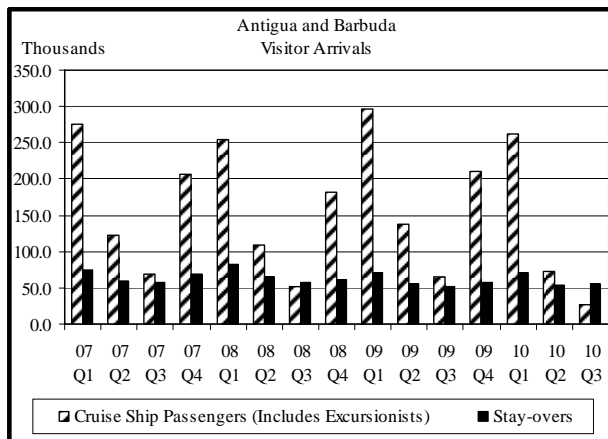
Output

Construction activity is estimated to have declined in the first nine months of 2010, reflecting lower levels of investment in both the private and public sectors. In the private sector, construction work was suspended or scaled back on Half Moon Bay, La Perla's, Eden Beach Club, Hodge's Bay Club, Sunrise Community Hub, Marina Residences and Reeds Point. Work progressed slowly on major public sector projects such as the airport and a housing development. The volume of cement imports fell by 37.5 per cent, indicative of the decline in the construction sector. Output for the mining and quarrying sector is estimated to have contracted, consistent with the downturn in construction activity.

Activity in the tourism industry was mixed, as increases were recorded in stay-over arrivals and yacht passengers but not in the number of cruise ship visitors. Total visitor arrivals fell by 19.4 per cent to an estimated 557,399 in the first three quarters of 2010, in contrast to an 8.3 per cent increase in the corresponding period of 2009. This development reflected a decline of 27.7 per cent to 360,714 in cruise ship passengers. Fifty five (55) less cruise ships calls were made to Antigua and Barbuda



relative to the number of calls in the first nine months of 2009. The number of yacht passengers rose by 11.8 per cent to 17,689, indicative of successful efforts in attracting visitors for the 2010 Antigua Sailing Week. A marginal increase (0.9 per cent) was registered for stay-over arrivals, in contrast to a 13.1 per cent decline in the first nine months of 2009. The turnaround reflected increased airlift, strengthened marketing efforts and hotel discounting. Arrivals increased from Canada (61.0 per cent), USA (3.5 per cent), and South America (7.7 per cent). Those increases were tempered by declines in arrivals from the UK (12.6 per cent) and the Caribbean (6.5 per cent).

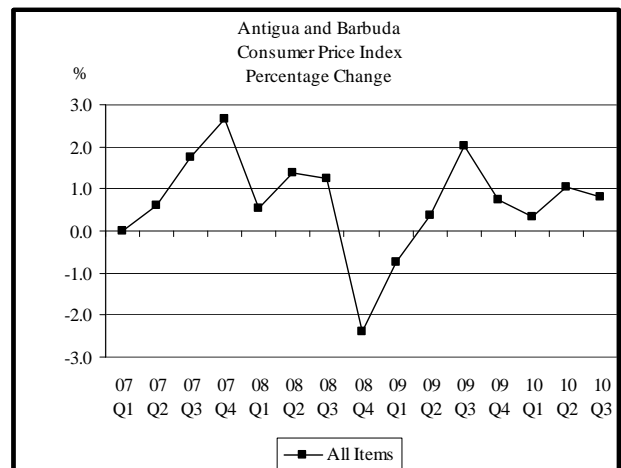


Activity in the wholesale and retail trade sector is estimated to have decreased, based largely on a decline in the value of imports. Value added in the transport sector is estimated to have contracted, partly reflecting a reduction in the number of cruise ship passengers. Among the other economic sectors, declines were also recorded in value added for manufacturing, banks and insurance and

communications; whereas growth was registered for real estate and housing, agriculture, electricity and water, and government services.

Prices

The consumer price index increased by 2.2 per cent during the first nine months of 2010, on an end-of-period basis, compared with the 1.6 per cent recorded in the corresponding period of 2009. The rise reflected increases in the sub-indices for food, fuel and light, and household supplies sub-indices. The average cost of food rose by 7.4 per cent on account of a reduction in the number of zero rated items under the Antigua and Barbuda Sales Tax. The fuel and light sub-index increased by 5.1 per cent, reflecting a higher fuel variation rate, while the household furnishings and supply sub-index increased by 4.8 per cent. The inflation rate was tempered in large part by a decline of 7.3 per cent in the clothing and footwear sub-index.



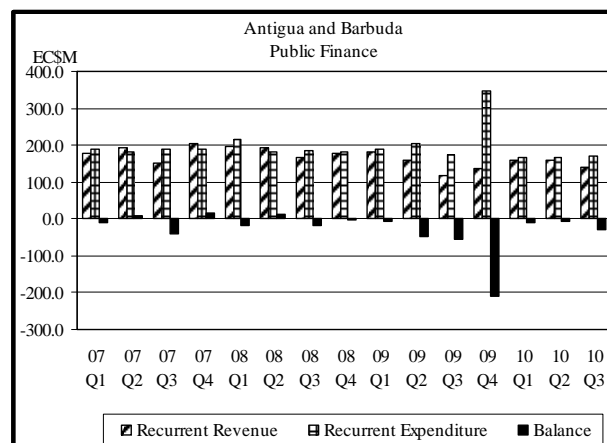
Trade and Payments

Complete merchandise trade data are not available for the first nine months of 2010. Available data on cargo throughput indicate declines in the volumes of imports (13.5 per cent) and exports (16.3 per cent), reflecting reductions in all major subcategories. The decline in import volume was the result of declines in the importation of cement (37.5 per cent) and fuel (9.2 per cent), both of which are good barometers of domestic economic activity. The number of vehicles imported - another indicator of economic activity, declined by 26.5 per cent to 1,093 in the review period. The contraction in exports mainly reflected a 17.7 per cent decline in the re-export of fuel.

Gross travel receipts are estimated to have declined marginally (0.5 per cent), to \$617.2m in the first nine months of 2010, despite a 19.4 per cent decline in total visitor arrivals. The transactions of commercial banks resulted in a net outflow of \$35.1m in short-term capital in contrast to an inflow of \$3.4m recorded in the corresponding 2009 period. Disbursements of external loans to the central government stood at \$154.9m at the end of September 2010, a 12.6 per cent increase relative to the corresponding 2009 period. This increase in disbursements was due to the receipt of the first tranche from the IMF SBA. Meanwhile, amortization payments increased to \$82.9m from \$21.3m at the end of September 2009; consequently, a net inflow of \$72.0m was recorded in the first nine months of 2010.

Central Government Fiscal Operations

The central government's fiscal operations resulted in an overall deficit of \$75.1m in the first nine months of 2010, less than half the deficit recorded in the corresponding period of 2009. The improved outturn was primarily the result of reductions in both current and capital expenditure made under the adjustment programme with the IMF. A primary deficit of \$14.9m was recorded in the period under review, significantly lower than that of \$142.1m recorded in the corresponding period of 2009. The current account deficit totaled \$46.8m, a 57.0 per cent reduction when compared with the outturn in the first nine months of 2009.



Current expenditure fell to \$502.3m, largely on account of reduced spending on discretionary items such as goods and services, and transfers and subsidies, which declined by 26.0 per cent and 13.0 per cent respectively. The lower levels of



transfers and subsidies reflected policy decisions to revise the operations of foreign offices and overseas missions, while reduced outlays on goods and services mirrored the implementation of stricter procurement guidelines and curtailed spending on rent and leases and vehicles. Both reductions are part of the broader framework of fiscal consolidation supported by the IMF programme. Personal emoluments also declined by 7.2 per cent to \$202.4m. Higher interest payments of 6.8 per cent (\$3.9m) were recorded in the first nine months of 2010 on account of increased domestic payments. External payments were lower, reflecting debt restructuring during the review period.

Current revenue declined marginally by 0.8 per cent to \$455.6m in the first nine months of the year, as reductions in taxes on income and profits, and on domestic goods and services were partially offset by increased non-tax revenue and tax receipts from international trade. Revenue from taxes on domestic goods and services declined by 11.4 per cent to \$169.8m, due in part to lower collections from the sales tax (10.8 per cent) that signal weak economic conditions and poor compliance. Also, tax receipts on income and profits declined by 23.3 per cent to \$62.3m, primarily due to a 30.6 per cent fall in receipts of company taxes, indicative of the subdued level of economic activity. A 10.9 per cent (\$17.0m) increase in tax collection on international trade and transactions provided a partial offset. This outturn was primarily the result of increases in restructured taxes such as the money transfer levy and the revenue recovery charge, which replaced the

customs service charge. Capital expenditure amounted to \$30.0m in the first nine months of 2010, roughly one third of the level recorded in the corresponding period of 2009.

Public Debt

The total disbursed debt of the public sector outstanding at the end of September 2010 declined by an estimated 10.0 per cent to \$2,780.1m from the total at the end of December 2009. The outstanding debt of the central government, which represented 85.4 per cent of the total public sector debt, declined by 8.1 per cent to \$2,375.1, reflecting a decline in domestic debt. The debt of public sector corporations also declined, by 19.1 per cent to \$405.0m at the end of September 2010. These declines largely reflected the on-going debt restructuring programme undertaken as part of the IMF Stand-By arrangement.

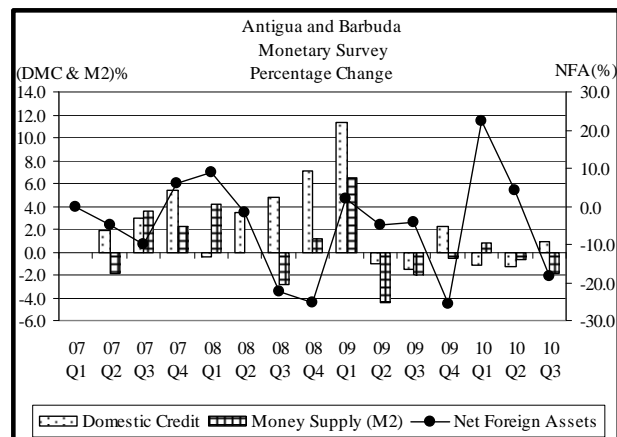
Money and Credit

Monetary liabilities (M2) declined by 1.7 per cent to \$2,944.9m consistent with the decline in economic activity. Quasi-money decreased by 0.1 per cent (\$1.2m) reflecting declines in private sector time deposits (\$8.4m) and private sector foreign currency deposits (\$4.7m). The decline was tempered by an increase in private sector savings deposits of 1.2 per cent (\$11.9m). Narrow money fell by 8.1 per cent, as both currency with the public and private sector demand deposits declined by 12.8 per cent and 7.4 per cent respectively.



Domestic credit contracted by 1.5 per cent to \$2,988.4m, primarily influenced by a decline in the net borrowing requirements of the central government under the IMF programme. Net claims on the central government fell by 11.5 per cent (\$72.6m), largely reflecting a contraction (32.1 per cent) in loans and advances from commercial banks. In the remainder of the public sector, the net deposits of non-financial public enterprises fell by 8.7 per cent, mainly influenced by a contraction in deposits. Credit to the private sector rose by 0.6 per cent, as increases in lending to households and businesses were tempered by reductions in credit to subsidiaries and affiliates, as well as non-bank financial institutions.

Data on commercial bank credit distribution indicate that the most notable decline was in outstanding loans for public administration. Lending for public administration fell by 31.9 per cent, as a commercial bank securitised a central government loan and sold the new instrument to other institutions. Declines were also recorded in credit for agriculture and fisheries (20.6 per cent) and tourism (1.0 per cent). By contrast, increases were registered in credit for distributive trades (9.5 per cent), construction (7.5 per cent), and manufacturing, including mining and quarrying (3.9 per cent). Lending for personal use, which accounts for the bulk of credit, increased by 0.2 per cent.



The net foreign assets of the banking system grew by 4.4 per cent to \$396.6m at the end of September 2010. The expansion was due to a 40.1 per cent increase in the net foreign assets of commercial banks, partly attributable to the reduction of commercial banks' liabilities with institutions outside the currency union. Antigua and Barbuda's imputed share of ECCB's reserves decreased by 6.3 per cent to \$274.0m.

Liquidity in the commercial banking system declined during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities declined to 41.4 per cent from 42.0 per cent at the end of 2009. The ratio of loans and advances to total deposits fell by 3.1 percentage points to 88.2 per cent. Consistent with the overall tightening of liquidity during the review period, the weighted average interest rate spread increased to 6.92 percentage points from 5.61 at the end of 2009.



Prospects

Economic activity is estimated to decline in 2010, on account of decreases in key sectors such as construction, wholesale and retail trade, and transport. It is anticipated that the weak global economic recovery will adversely affect the performance of those sectors. Construction activity is likely to remain weak as a result of limited financing to undertake investment projects. The decline in wholesale and retail trade is based on a contraction in imports. Value added in the transport sector will be negatively impacted by declines in the number of cruise passenger arrivals partly stemming from the discontinuation of visits from a large cruise vessel in January 2010. Those declines are likely to be tempered by a modest increase in stay-over arrivals, supported by intensified marketing and additional airlift.

The overall fiscal deficit is estimated to be lower in 2010, based on continued progress with the IMF-supported fiscal consolidation programme. Despite the introduction of revenue and tax reform measures,

current revenue is likely to remain constrained by the decline in domestic activity. Both current and capital expenditure are forecasted to decline based on the continued efforts by the authorities to restrain expenditure growth.

The merchandise trade deficit is estimated to narrow, based on a decline in the value of imports. Gross visitor expenditure is forecast to fall, mainly as a result of the lower number of cruise ship calls.

The medium term outlook is contingent on developments in the global economy, particularly in the major tourism source markets. Increased economic tensions in the Euro zone can lead to a more protracted decline in visitor arrivals from Europe. The increase in the Air Passenger Duty (APD) on 01 November 2010 can further dampen travel demand from the UK. Weaker than anticipated recoveries in the USA and Canada can reverse any expected gain in arrivals from North America. Other risks include unfavourable weather and volatility in international commodity prices.



DOMINICA

Overview

Economic activity in Dominica is estimated to have declined in the first nine months of 2010 compared to the outturn in the corresponding period of 2009. Activity in most of the economic sectors fell, particularly in the agricultural sector. However, the tourism industry showed signs of recovery. Consumer prices rose by 1.2 per cent, on an end-of-period basis. The merchandise trade deficit is estimated to have widened, mainly attributable to an increase in imports. Preliminary data indicate that the central government generated an overall fiscal surplus, due to an increase in tax revenue and lower capital expenditure. Total outstanding debt of the public sector rose, mainly influenced by an increase in domestic debt. Growth in monetary liabilities slowed, marked by a decline in the net foreign assets of the banking system. Liquidity tightened, spurred by increases in domestic credit. The spread between weighted average interest rates on loans and deposits narrowed.

The economic outlook for the remainder of 2010 is unfavourable, as activity in the agricultural, manufacturing and construction sectors is likely to remain depressed. A slow global recovery and unfavourable weather pose downside risks to the projections.

Output

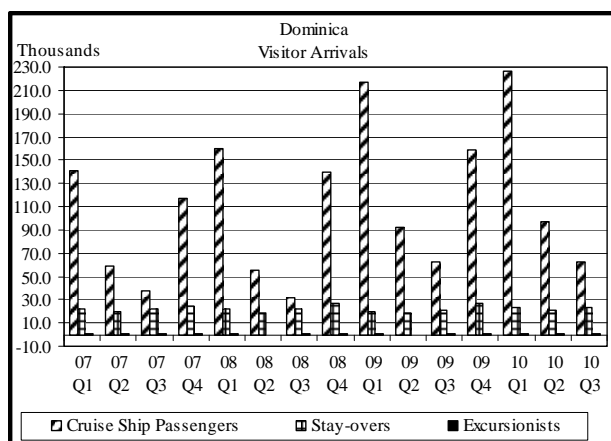
Agricultural production is estimated to have fallen during the review period, based largely on lower banana output. Banana output declined by 54.3 per cent to 2,166 tonnes, influenced by the lingering effects of drought and leaf spot disease. The production of other crops is estimated to have contracted as well.

Activity in the manufacturing sector is estimated to have also decreased in the first nine months of 2010, reflecting declines in the output of most product categories. The production of soap and paint fell by 7.8 per cent and 27.7 per cent respectively, influenced by depressed local demand. These declines were offset in part by a 3.6 per cent increase in the production of beverages, as machinery repairs boosted production from the first quarter of the year.

Construction activity is estimated to have declined in the first three quarters of 2010, largely as a result of a decline in public sector activity. In the public sector, spending on projects fell by 38.8 per cent, in comparison to the expenditure in the corresponding period of 2009 when it was boosted by hurricane-related reconstruction. Public sector activity focussed mainly on ongoing road projects, including the Roseau Road reinstatement, the Roseau Melville Hall road upgrade, and the rehabilitation of the West Coast Road.



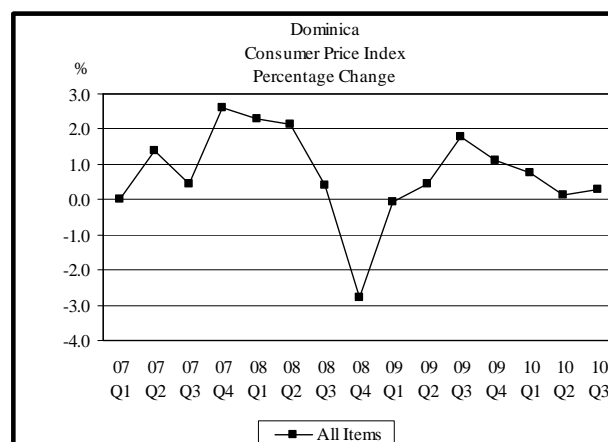
In the private sector, the number of construction starts fell by 11.5 per cent to 69, mainly reflecting a decline of 19.4 per cent in the number of residential starts.



The performance of the tourism industry improved during the review period due to rebounds in all categories of visitors. The number of stay-over visitors increased by 14.0 per cent to 66,791, as opposed to a decline of 5.3 per cent in the corresponding period of 2009. Additional airlift by a regional carrier and targeted marketing efforts contributed to the improved performance. Arrivals from the Caribbean, the major source market, rose by 12.9 per cent, while visits from the USA, the second largest market, increased by 15.5 per cent. Visitor numbers from the other source markets, Canada and the UK, were up by 15.0 per cent and 13.8 per cent respectively. The cruise ship sub-sector registered an increase of 4.2 per cent in passenger arrivals, mainly due to visits from larger vessels. The number of excursionists almost doubled to 694, reflecting greater demand for ferry services by groups rather than single visitors.

Prices

The consumer price index (CPI) rose by 1.2 per cent (on an end-of-period basis), driven by increases in all sub-indices, except personal services, which decreased marginally. Food prices, the highest weighted sub-index, were up 1.1 per cent, mainly resulting from increases in the prices of meat, fish, sugar and other sweets. The fuel and light sub-index registered the largest increase (5.8 per cent), reflecting higher costs for electricity. Prices in the housing and utilities sub-index rose by 1.5 per cent, largely on account of higher costs for house repairs.

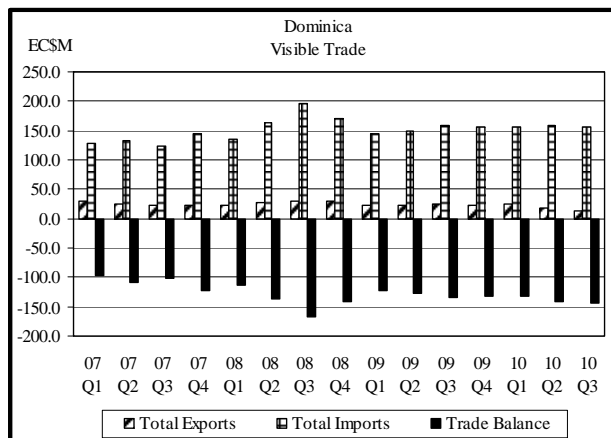


Trade and Payments

Estimates of merchandise trade indicate a deficit of \$415.3m for the period January to September 2010, compared with one of \$384.2m in the corresponding period of 2009. The larger deficit was attributable primarily to a 4.3 per cent (\$19.6m) increase in import payments, for crude materials, food and live animals. Concurrently, the value of exports fell by 16.8 per cent (\$11.5m), due to an 18.5 per cent fall



in domestic exports, particularly of bananas (\$3.1m). A 12.1 per cent (\$2.3m) expansion in revenue from soap exports, reflecting an increase in export prices for toilet soap, provided a partial offset.



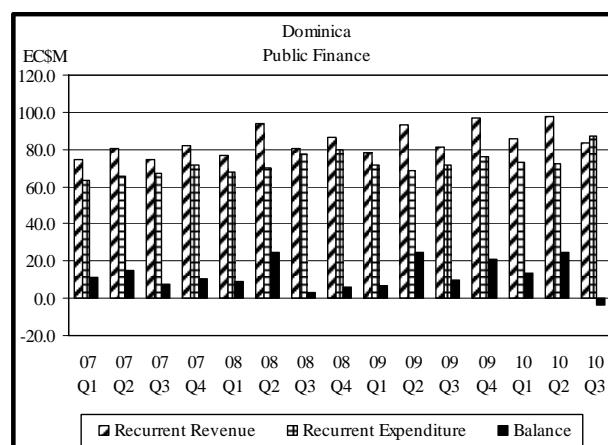
Consistent with the growth in visitor arrivals, gross travel receipts rose by 12.6 per cent to an estimated \$202.5m. On the capital account, a net inflow of \$7.5m was registered in commercial bank short-term capital, in contrast to a net outflow of \$54.2m in the corresponding period of 2009.

Central Government Fiscal Operations

The fiscal operations of the central government yielded an overall surplus of \$3.9m in the first nine months of 2010, in contrast to the deficit of \$11.9m realised in the corresponding period of 2009. The turnaround was driven by the dual effect of an increase in tax revenue and a decline in capital expenditure. A primary surplus of \$20.0m was realised, in contrast to a marginal deficit in the corresponding period of 2009.

The current account surplus amounted to \$34.4m in the review period, compared with one of \$40.8m in the first nine months of 2009, as the increase in current expenditure outpaced that of current revenue.

Current expenditure rose by 9.6 per cent (\$20.4m) to \$232.5m, reflecting increases in all expenditure categories. Interest payments increased by 35.7 per cent (\$4.2m), indicative of larger domestic debt. Payments for goods and services rose by 16.2 per cent (\$9.7m), reflecting higher costs for electricity, and for professional and consultancy services. Spending on transfers and subsidies rose by 10.7 per cent (\$5.1m) on account of an increased provision for social safety nets. Outlays on personal emoluments rose by 1.6 per cent (\$1.5m), associated with an increase in the minimum hourly wage rate of non-established public sector workers which took effect on 01 April, 2010.



Current revenue increased by 5.6 per cent to \$267.0m, largely due to increases in tax receipts. Tax revenue rose by 5.5 per cent (\$12.9m) with



collections up in all major sub-categories, except taxes on property (which recorded a marginal decline of \$0.4m). The yield from taxes on income, profit and capital gains rose by 10.2 per cent (\$4.5m), supported by increased revenue from the corporation tax. Receipts from taxes on domestic goods and services increased by 3.3 per cent (\$4.4m), primarily resulting from higher collections from the value added tax. Collections of taxes on international trade and transactions grew by 8.7 per cent (\$4.3m), largely on account of increased receipts from import duty, consistent with the expansion in imports. Non-tax revenue grew by 7.2 per cent (\$1.2m), mainly due to increased collections from fees, fines, sales and the economic citizenship programme.

Capital expenditure fell by 38.8 per cent to \$70.6m as major projects that were ongoing during the corresponding period of 2009 were completed. Capital grants amounted to \$37.0m, down from \$61.7m recorded in the first nine months of 2009.

Public Sector Debt

The disbursed outstanding debt of the public sector totalled \$878.0m at the end of September 2010, roughly 1.8 per cent above the level at the end of December 2009. The outstanding debt of the central government, which accounted for 82.7 per cent of total public sector debt, rose by 1.7 per cent to \$726.0m, largely reflecting an increase in domestic obligations. Domestic debt increased by 5.0 per cent, associated with greater use of the overdraft

facility from commercial banks, while external debt rose marginally (0.3 per cent), influenced by unfavourable exchange rate movements. The estimated outstanding debt of public corporations grew by 2.0 per cent to \$152.0m during the first nine months of 2010.

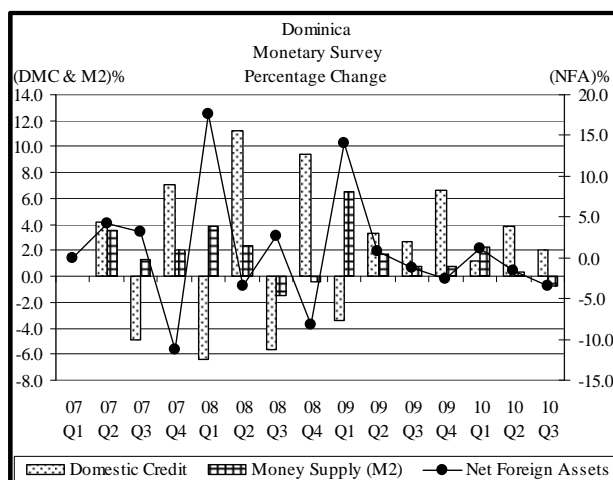
Money and Credit

Monetary liabilities (M2) rose by 1.9 per cent to \$991.4m during the period January to September 2010, compared with growth of 9.1 per cent during the corresponding period of 2009. The deceleration is attributable to slower growth in both narrow money (M1) and quasi money. Narrow money grew at a marginal rate (0.1 per cent), primarily due to a 19.9 per cent decline in currency with the public. The contraction was tempered by increases in the issuance of EC dollar cheques and drafts (18.4 per cent) and private sector demand deposits (6.5 per cent). Quasi money rose by 2.4 per cent, mainly influenced by growth in private sector time deposits.

Domestic credit grew by 7.1 per cent to \$550.4m, indicative of increased borrowings by the private sector and central government. Credit to the private sector grew by 7.7 per cent, as both businesses and households increased their loan portfolios by \$34.8m and \$12.6m respectively. Outstanding credit of the central government grew by 12.3 per cent. Notwithstanding, the net deposit position of the central government rose by 31.5 per cent, as deposits in the banking system increased by 19.9 per cent. In the rest of the public sector, the net deposits of non-



financial public enterprises declined by 1.7 per cent, reflecting a contraction in deposits.



An analysis of credit by economic activity during the period under review indicates increases in credit for tourism (74.3 per cent); distributive trades (34.8 per cent); manufacturing, mining and quarry (33.3 per cent); and agriculture and fisheries (16.4 per cent). Declines were registered in credit for construction (23.0 per cent), and personal use (1.3 per cent).

The net foreign assets of the banking system declined by 3.9 per cent to \$535.8m at the end of September 2010, in contrast to an increase of 13.5 per cent during the first nine months of 2009. The net foreign assets of commercial banks fell by 2.0 per cent to \$375.8m, as assets held with banks and institutions outside of the ECCB territories decreased by 26.2 per cent. Dominica's imputed share of the ECCB's reserves declined by 8.1 per cent.

Liquidity in the commercial banking system tightened as the ratio of liquid assets to total deposits plus liquid liabilities fell by 3.6 percentage points to 40.9 per cent at the end of September 2010. The ratio of loans and advances to total deposits increased to 62.1 per cent, from 60.4 per cent at the end of December 2009.

The interest rate spread between loans and deposits narrowed to 5.76 percentage points at the end of September 2010, from 6.79 percentage points at the end of December 2009. The weighted average interest rate on loans declined by 1.02 percentage points to 8.98 per cent and that on deposits increased marginally to 3.21 per cent.

Prospects

Based on the developments for the first nine months of the year and the prospects for the last quarter, the economy of Dominica is estimated to decline in 2010. Agricultural output, one of the leading sectors in the economy, is forecasted to contract as banana output remains depressed due to the lingering effects of drought and plant disease. The level of construction activity is estimated to remain subdued, given the tightening in spending on public sector projects. The declining trend observed in the manufacturing sector, is estimated to continue in the fourth quarter of the year, influenced by low demand both in internal and external markets. A turnaround is anticipated in the tourism industry, as increased

marketing and additional airlift are likely to boost arrivals. However, an improved performance in the tourism industry will be insufficient to drive an overall economic recovery in 2010.

The fiscal operations of the central government are estimated to result in an overall surplus in 2010, based largely on a reduction in capital expenditure. Growth in current expenditure is likely to outpace that of current revenue. Current revenue will be tempered by the decline in economic activity, while higher current expenditure will be partly associated with the increased provision of social safety nets.

Consistent with the declines in agricultural and manufacturing output, conditions in the external sector are forecasted to deteriorate. The merchandise trade deficit is estimated to widen,

partly influenced by reduced export receipts. Gross travel inflows are expected to rise based on an anticipated rebound in visitor arrivals.

The projections are tilted to the downside, as the global economy continues to be characterised by currency tensions, high fiscal/debt overhang, and weak economic recoveries. A further deterioration of global economic and financial conditions can pose a more serious threat to inflows of tourism receipts and foreign direct investment, and can lead to other unfavourable exchange rate movements in Dominica's debt. The implementation of more austerity measures in some developed and emerging market economies can further dampen Dominica's export and grant receipts. Unfavourable weather and volatility in prices also pose major risks to the outlook.



GRENADA

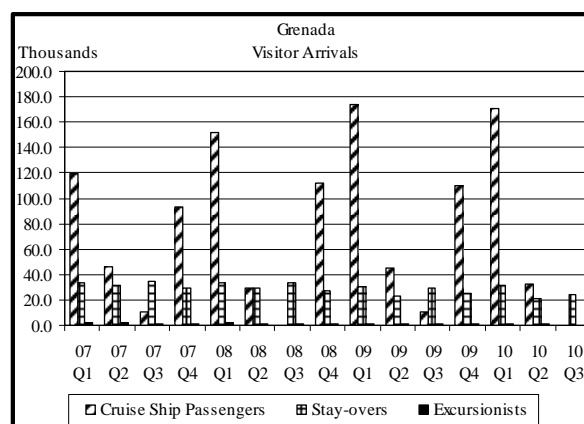
Overview

Economic activity in Grenada contracted in the first nine months of 2010 compared with the level in the corresponding period of 2009. All major economic sectors, including construction, tourism and transport contracted. The decline occurred within an environment of higher inflation, as the consumer price index rose by 6.4 per cent (on an end of period basis). The merchandise trade deficit widened as growth in import payments was not matched by an increase in export receipts. The fiscal operations of the central government generated a smaller overall deficit than that recorded in the corresponding period of 2009 and the outstanding debt of the public sector fell. Monetary developments were marked by a decline in monetary liabilities and an expansion of domestic credit. Liquidity in the commercial banking system continued to be relatively tight and the spread between weighted average interest rates of commercial banks on loans and deposits fell marginally.

The economic outlook for the rest of 2010 is largely unfavourable, as no major turnaround in tourism and construction, the leading sectors, is expected. Downside risks to the projections include a sluggish US economy, depreciation of the US dollar and higher international commodities and fuel prices.

Output

Activity in the tourism industry declined in the period under review, mainly resulting from the continued weak global economic recovery. Total visitor arrivals fell by 11.6 per cent to 282,254 in the first nine months of 2010 in contrast to an 11.7 per cent expansion in the corresponding period of 2009. The outturn in the period under review reflected declines in all categories of visitors. Cruise ship activity accounted for much of the contraction in the industry, as cruise passenger arrivals fell by 11.6 per cent to 202,904, in contrast to an increase of 26.6 per cent in the first three quarters of 2009. Forty (40) less cruise ship calls were made to Grenada relative to the number of calls in the first nine months of 2009. Stay-over arrivals declined by 10.5 per cent to 74,953. Estimates of stay-over arrivals by country of origin indicate decreases in the number of visitors from all major source markets except Canada (which increased by 2.1 per cent), as economic challenges persisted in the global economy.



Construction activity is estimated to have continued to decline in the period under review. Construction in the public sector was limited to school rehabilitation, and road repairs as well as a fisheries complex at Gouyave. In the private sector, activity was centred in residential development, with most large commercial projects remaining stalled due to the continued caution of foreign investors. Imports of construction materials were down by 38.4 per cent.

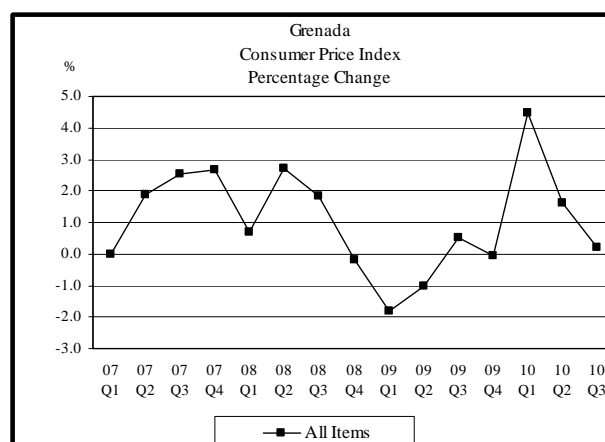
The performance of the manufacturing sector improved, underpinned by growth in the production of some major commodities. Output of beverages increased (except for malt and stout), reflecting improved facilities and better capacity utilisation. Soft drink production more than doubled during the period under review, following the reopening of the soft drinks plant that was closed for most of the first nine months of 2009. Output of rum grew by 39.1 per cent, as the manufacturer resolved difficulties in sourcing raw materials and beer production rose by 10.4 per cent, reflecting higher domestic demand. Output of paint increased by 2.7 per cent and prepared animal feed by 2.4 per cent. With respect to the latter, the rise was on account of higher demand for wheat bran. By contrast, production of flour and toilet paper decreased by 3.0 per cent and 15.7 per cent respectively in the first three quarters of 2010.

Agricultural output continued to expand, influenced by ongoing improvement in the sector such as farm labor support and restoration of agriculture feeder

roads; these developments were partly influenced by expansions in the agro-processing industry. Output of other crops, such as fruits and vegetables, led the expansion during the first nine months of 2010. Other crops increased by 26.3 per cent, reflecting a shift from the production of traditional crops, particularly bananas, to short-term crops such as peppers and vegetables. By contrast, drought conditions in the first half of the year negatively impacted the output of traditional crops (Table 27).

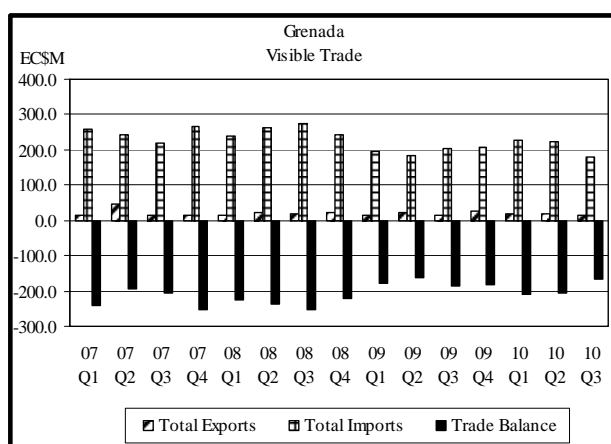
Prices

Consumer prices rose by 6.4 per cent during the first nine months of 2010, reflecting higher prices in most sub-indices, especially food (the highest weighted sub-index) and fuel and light. The average cost of food items increased by 8.7 per cent, largely attributable to the initial effects of the introduction of the value added tax (VAT) earlier in the year. There were increases in the sub-indices for fuel and light (5.5 per cent) and transport and communications (8.5 per cent), reflecting higher costs of petroleum products and electricity services as a result of rising international oil prices.



Trade and Payments

A merchandise trade deficit of \$580.2m was recorded in the first nine months of 2010, roughly 9.8 per cent above the deficit in the corresponding period of 2009. The widening of the deficit was associated with an 8.4 per cent rise in import payments (f.o.b.) to \$630.4m, coupled with a 6.2 per cent (\$3.3m) contraction in export receipts. Increased prices in the international commodity markets contributed to the rise in import payments. The fall in the value of exports was mainly attributable to a 53.9 per cent (\$4.2m) decline in the value of re-exports. Domestic export earnings were up by 2.0 per cent to \$46.6m, with increased receipts for nutmeg (26.9 per cent) and cocoa (8.3 per cent) exports, due to higher prices for these commodities on the international market. Receipts from manufactured exports fell by 11.5 per cent, primarily reflecting lower external demand for Grenada's manufactured goods.



Gross receipts from travel are estimated to have declined by 9.8 per cent to \$181.5m, consistent with

the decline in visitor arrivals. Transactions of commercial banks resulted in a net inflow of \$33.0m in short-term capital, in contrast to an outflow of \$27.9m during the first nine months of 2009. External disbursements to the central government increased by 16.4 per cent to \$45.6m, associated with increased flows from multilateral partners; external amortisation rose by 47.0 per cent to \$25.9m.

Central Government Fiscal Operations

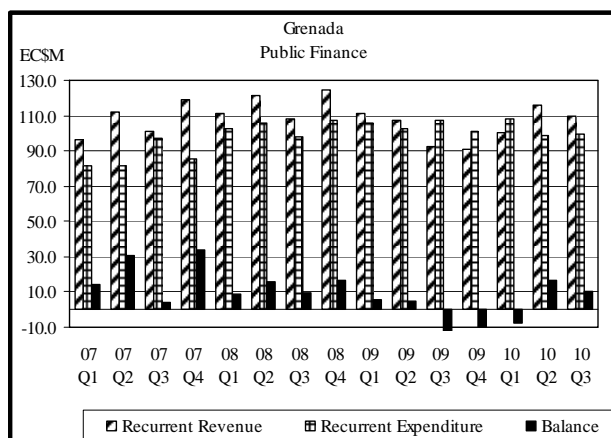
The fiscal operations of the central government generated an overall deficit of \$25.7m in the first nine months of 2010, down from \$79.7m in the corresponding period of 2009. The reduced overall deficit largely reflected an increase in tax receipts and a reduction in capital expenditure. The current account balance shifted to a surplus position (\$19.7m) in the first nine months of 2010, from a deficit position in the comparable period of 2009, as current revenue expanded and current expenditure contracted. The primary balance moved to a surplus of \$7.2m, from a deficit of \$41.7m in the corresponding period of 2009.

Current receipts amounted to \$325.9m, representing a 4.8 per cent increase over the total for the period January to September 2009. Growth in current revenue resulted from larger tax receipts from domestic goods and services and international trade and transactions, associated primarily with the introduction of VAT in February 2010. By contrast, receipts from taxes on income and profit



fell by 12.1 per cent (\$8.3m) relative to the same period in 2009. The higher level of receipts in 2009 was due to a tax amnesty on penalties that was in place for the first four months of 2009. Collections from property taxes decreased by 6.1 per cent (\$1.0m), due primarily to a reduction in real estate activities. Non-tax revenue rose by 20.0 per cent (\$3.6m) reflecting increased administrative fees.

Current expenditure fell by 3.0 per cent to \$306.2m, driven mainly by reduced outlays on transfers and subsidies and lower interest payments. Expenditure on transfers and subsidies fell by 18.1 per cent, reflecting ongoing efforts to reform this category of spending. Interest payments were down by 13.5 per cent, mainly reflecting a 45.2 per cent (\$5.0m) fall in domestic interest payments due to the amortization of existing debt. However, spending on goods and services increased by 9.2 per cent, reflecting higher costs for supplies and utilities, particularly fuel. Outlays on personal emoluments rose marginally (1.4 per cent) to \$145.0m.



On the capital account, grant receipts more than doubled to \$23.9m compared with the total in the first nine months of 2009. Inflows of grants were primarily associated with planned construction and rehabilitation of roads and schools. Capital expenditure totalled \$80.2m, 17.9 per cent less than the amount spent in the corresponding period of 2009.

Public Sector Debt

The total outstanding debt of the public sector fell marginally by 0.5 per cent to \$1,873.8m at the end of September 2010. Disbursed outstanding debt of the central government amounted to \$1,677.7m, a decline of 0.4 per cent on the total at the end of December 2009, with declines in both domestic and external debt. The outstanding debt of public corporations declined by 1.7 per cent to an estimated \$196.1m at the end of September 2010.

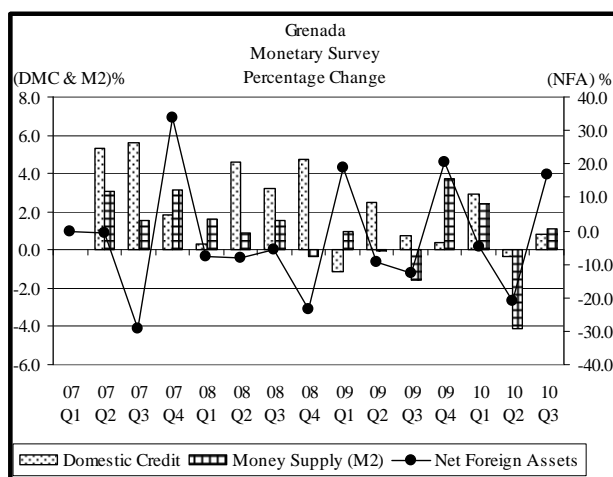
Money and Credit

Monetary liabilities (M2) totalled \$1,807.7m at the end of September 2010, approximately 0.7 per cent below the level at the end of December 2009, following a similar decline (0.7 per cent) in the corresponding period of 2009. The decline reflected a 3.1 per cent contraction in narrow money (M1), consistent with the low level of economic activity.

Domestic credit increased by 3.4 per cent to \$1,697.8m, reflecting growth in private sector credit and net borrowing by the central government.



Private sector credit rose by 4.8 per cent (\$80.6m), associated with increased borrowing by both households and businesses. Net claims on the central government increased by 30.2 per cent, mainly attributable to a decrease in its deposits. The net deposit position of non-financial public enterprises grew by 43.2 per cent (\$54.4m) largely due to a rise in deposits. Credit to non-bank financial institutions rose by 22.6 per cent (\$3.6m), mainly on account of an expansion in investment.



The distribution of credit by economic activity indicates that outstanding loans for tourism rose by 16.2 per cent (\$24.0m) mainly for the provision of working capital for the industry. Personal loans rose by 1.6 per cent and were primarily used for construction and renovation of residential dwellings. Lending for distributive trade increased by 10.4 per cent (\$14.1m) as businesses borrowed to maintain their operations. Outstanding loans for construction rose by 8.8 per cent (\$8.0m), mainly to support residential home repairs and renovations. However, credit for agriculture and fisheries declined by 5.2

per cent (\$1.3m), while lending for manufacturing (including mining and quarrying) remained largely unchanged.

The banking system's net foreign assets fell by 11.8 per cent to \$250.3m, on account of an 11.0 per cent (\$33.3m) decrease in Grenada's imputed share of ECCB's reserves. In addition, commercial banks drew down on their foreign assets to finance the expansion in domestic credit. Most of these funds (88.8 per cent) were obtained from external sources.

Commercial bank liquidity remained relatively low. The ratio of liquid assets to total deposits plus liquid liabilities rose slightly (by 0.1 percentage points) to 24.3 per cent. The ratio of loans and advances to total deposits remained unchanged at 83.3 per cent at the end of September 2010.

The spread between deposit and lending rates fell marginally (0.2 percentage point) during the first nine months of 2010. The weighted average interest rate on deposits was unchanged at 3.03 per cent at the end of September 2010, while the weighted average rate on loans fell to 10.47 per cent from 10.70 per cent at the end of December 2009.

Prospects

The near-term prospects for the Grenadian economy remain challenging. The economy is estimated to contract in the fourth quarter of 2010, based on the continued decline in tourism and construction. Stay-over arrivals are anticipated to remain subdued, on



account of persistent economic pressures in major source markets. The construction sector is likely to remain in decline, as no change is expected in either public or private sector activity for the remainder of the year. The continued expansion in agriculture and manufacturing activity is likely to temper the overall economic decline for 2010.

Projections for 2010 indicate that the overall fiscal position is likely to improve relative to the outturn in 2009, on account of lower capital spending and increased external disbursements of concessional financing and grants. A current account surplus is estimated in contrast to a deficit in 2009, on account of increased revenues from the introduction of VAT.

The merchandise trade deficit is expected to widen as import payments increase, associated with rising

fuel prices and US dollar depreciation. Nonetheless domestic export receipts are also likely to increase on account of higher external demand for agricultural produce. Gross inflows from travel are expected to remain relatively subdued, based particularly on the outturn observed for the first nine months of the year.

The downside risks to the projections include external inflationary pressures, particularly with respect to food and oil prices, continued slow growth and high unemployment in the US economy. These developments, along with bad weather, can adversely affect consumer prices and economic activity.



MONTSERRAT

Overview

The economy of Montserrat is estimated to have contracted in the first nine months of 2010, relative to the outcome in the corresponding period of 2009. The decline was attributed mainly to unfavourable performances in the construction and mining and quarrying sectors. Consumer prices grew by 1.8 per cent, on an end-of-period basis. In the external sector, the merchandise trade deficit widened, reflecting an increase in import payments. The central government's fiscal operations resulted in an overall surplus, due largely to a decline in capital expenditure. The total outstanding public sector debt fell during the period under review. Developments in the banking system were marked by a fall in domestic credit and growth in monetary liabilities influenced by an increase in net foreign assets. Commercial bank liquidity remained at a high level and the spread between the weighted average interest rate on loans and deposits widened.

Growth prospects for the rest of 2010 are contingent on developments in construction, wholesale and retail trade and tourism. The economic performance for the year is projected to be lower than the 2009 level as the economy continues to battle with the impact of the global financial crisis and the setbacks associated with increased volcanic activity. Other downside risks to the projections include the protracted economic recovery in the advanced economies, particularly in the UK (which has the

ability to affect grant inflows), vulnerabilities in the financial sector in the Euro area and the continued threat of the active Soufriere Hills volcano.

Output

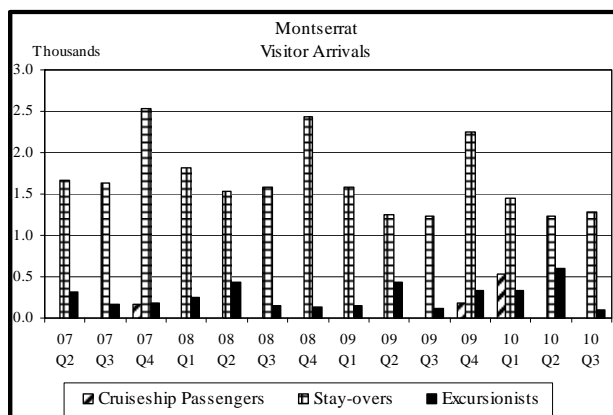
Preliminary data indicate that construction activity declined in the first nine months of 2010 compared with the level in the corresponding period in 2009. This outturn was underpinned by reduced activity in the private sector, where the focus was primarily on residential properties, which experienced a decline in the number and value of new construction starts. By contrast, activity in the public sector improved and focussed mainly on infrastructural development of the town of Little Bay, port expansion and rehabilitation of public facilities.

The contraction in construction activity had spillover effects on a few of the other sectors, particularly mining and quarrying, wholesale and retail and transport. Output in the mining and quarrying sector declined in the first nine months of 2010, mainly on account of damage to and loss of mining equipment as a result of increased volcanic activity in the first half of the year.

Output in the agricultural sector declined over the period, largely based on unfavourable developments in the production of crops and fish. Total output of crops almost halved due to drought conditions, ash fall and acid rain brought about by the increase in



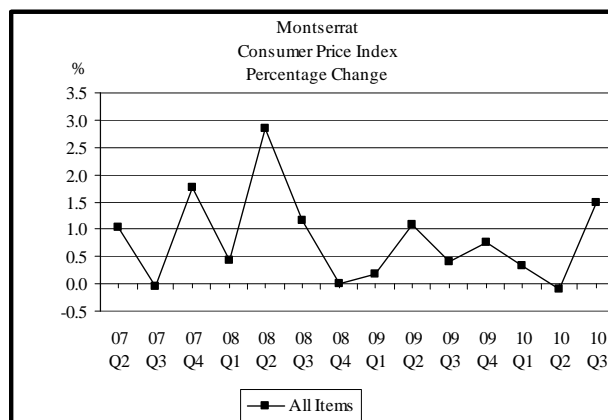
volcanic activity. The volume of fish caught decreased by about 20.0 per cent, partly reflecting less time spent at sea.



Tourism activity in the first nine months of 2010 is estimated to have increased in contrast to a decline in performance recorded in the comparable period of 2009. Total visitor arrivals were estimated to have risen by 6.7 per cent in the review period compared with growth of 3.5 per cent in the corresponding period of the prior year. Growth was fuelled by increases in the number of cruise passengers and excursionists. A total of 535 cruise passengers were recorded as two cruise liners made inaugural visits to the island. Notwithstanding, stay-over arrivals, which accounted for approximately 62.6 per cent of total visitors, fell marginally, reflecting declines in arrivals from the Caribbean and the UK. Visitors from the Caribbean, the major source market, fell slightly, while those from the UK declined by an estimated 19.4 per cent, as unemployment in that economy has not been restored to pre-crisis levels.

Prices

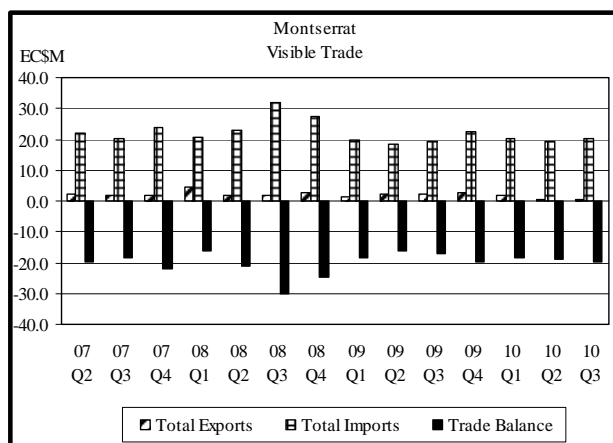
The consumer price index rose by 1.8 per cent on an end-of-period basis, marginally above the 1.7 per cent rate of increase recorded during the first nine months of 2009. These price developments were influenced by growth in all the sub-indices. The food sub-index, the largest weighted in the basket of goods and services, increased by 2.0 per cent compared with growth of 1.1 per cent in the corresponding period last year. The gas, electricity and water sub-index grew by 7.3 per cent, in contrast to a decline of 8.0 per cent during the first three quarters of 2009, influenced by increasing international oil prices.



Trade and Payments

A merchandise trade deficit of \$57.2m was recorded for the first nine months of 2010, compared with one of \$51.6m in the first three quarters of the previous year. The larger deficit resulted from a combination

of a decline in export receipts and growth in import payments. The total value of exports declined by 55.4 per cent, occasioned by decreases in both domestic exports (\$1.7m) and re-exports (\$1.5m). A decline in the production of sand and aggregate accounted for the fall in domestic exports, while re-exports were negatively affected by lower exports of machinery and transport equipment.



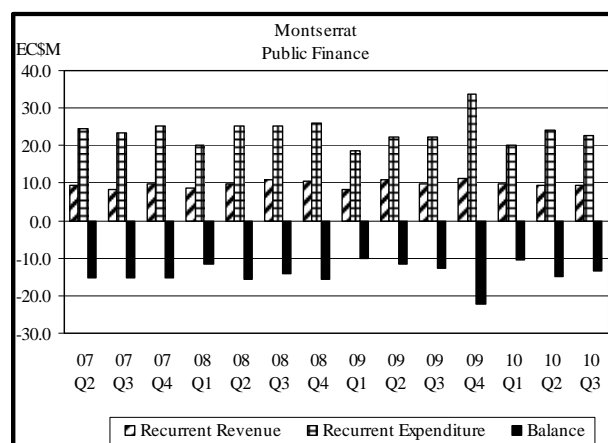
Gross travel receipts fell by 4.6 per cent to \$10.4m, reflecting the decrease in stay-over visitors. Official grant inflows declined marginally to \$65.2m, on account of lower receipts of capital grants. The transactions of commercial banks resulted in a net outflow of \$2.6m of short-term capital, in contrast to a net inflow of \$1.4m during the corresponding period of 2009.

Central Government Fiscal Operations

The fiscal operations of the central government resulted in an overall surplus (after grants) of \$5.9m in the first nine months of 2010, compared with one of \$4.0m in the comparable period of 2009. The

improvement in the fiscal position was attributed to a decline in capital expenditure. A primary surplus (after grants) of \$6.0m was recorded, up from one of \$4.1m in the first nine months of 2009.

The central government incurred a current account deficit (before grants) of \$38.5m, compared with one of \$34.8m in the first three quarters of 2009. The larger deficit was mainly attributed to an increase in expenditure. Current expenditure grew by 5.6 per cent to \$67.1m, on account of increased outlays on transfers and subsidies and personal emoluments. Outlays on transfers and subsidies rose by 23.9 per cent (\$4.0m) as government strengthened social safety net programmes to respond to the impact of the international crisis. Growth in the public service was partly responsible for a 3.3 per cent (\$1.0m) increase to \$32.0m in expenditure on personal emoluments.



Current revenue fell marginally (\$0.1m), driven by a 4.2 per cent decline in tax revenue. Declines were recorded in collections from all tax categories— taxes on domestic goods and services (0.6m), property



taxes (\$0.3m), taxes on income and profits (\$0.1m) and taxes on international trade and transactions (\$0.1m). These decreases more than offset growth of 32.7 per cent (\$1.0m) in non-tax revenue.

Capital expenditure fell by 21.5 per cent (\$5.7m), to \$20.8m. Grant receipts totalled \$65.2m in the first three quarters of 2010, a slight decline from the total recorded in the comparable period of 2009. Grant inflows allocated to capital expenditure fell by 2.5 per cent (\$0.8m) in the review period.

Public Sector Debt

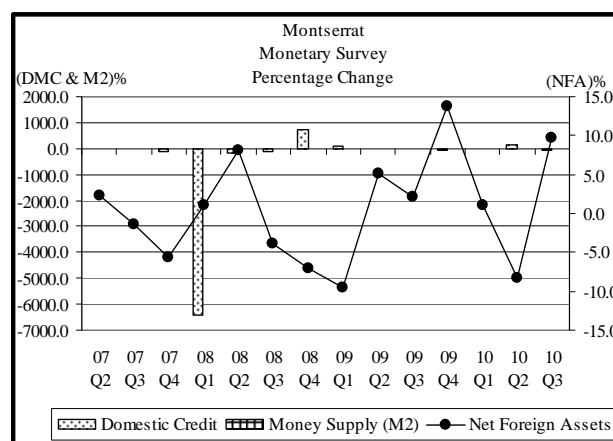
The total disbursed outstanding debt of the public sector was estimated at \$8.8m at the end of September 2010, down from \$9.3m at the end of December 2009. The central government's outstanding debt fell by 5.2 per cent (\$0.1m), mainly attributable to a decrease in foreign obligations. Public corporations' debt, which accounts for approximately 73.0 per cent of the total debt stock, fell by 4.3 per cent to \$6.5m at the end of September 2010, as a result of a reduction in their external debt.

Money and Credit

Monetary liabilities (M2) expanded by 1.1 per cent to \$167.6m during the review period, in contrast to a decline of 1.4 per cent during the period January to September 2009. This outcome stemmed from growth of 5.7 per cent in quasi money, largely reflecting an increase of 6.6 per cent in private sector savings deposits. Narrow money decreased by 14.1

per cent, primarily as a result of a decline of 14.9 per cent in private sector demand deposits and a contraction of 13.5 per cent in currency in circulation.

Domestic credit fell by 3.2 per cent to \$9.6m, due largely to a 23.9 per cent decline in deposits to non-financial public enterprises. Commercial bank credit to the private sector grew by 13.1 per cent (\$6.9m) to \$60.1m, on account of increases of 11.2 per cent (\$5.1m) and 23.7 per cent (\$1.9m) in loans extended to households and businesses, respectively. The net deposits of the central government in the banking system, primarily at commercial banks, grew by 59.8 per cent (\$12.6m), associated with grant receipts.



The distribution of credit by economic activity indicates commercial bank credit for personal use, rose by 10.6 per cent (\$4.7m), associated with the acquisition of property, mainly for home construction and renovation. Outstanding loans for construction increased by 35.6 per cent (\$0.9m), while that for distributive trades and tourism grew



by 20.9 per cent (\$0.6m) and 9.6 per cent (\$0.4m), respectively.

The net foreign assets of the banking system stood at \$186.1m at the end of September 2010, roughly 1.7 per cent higher than the total at the end of December 2009. This outturn was attributed largely to developments in the commercial banking system. Commercial banks' net foreign assets increased by 1.8 per cent (\$2.6m), as banks drew down on their assets held with banks and other institutions outside the currency union and increased those held within the union. Montserrat's imputed share of the Central Bank's reserves rose by 1.5 per cent to \$39.2m.

Liquidity in the commercial banking system remained at a high level during the first nine months of 2010. The ratio of liquid assets to total deposits plus liquid liabilities declined to 88.0 per cent from 89.4 per cent at the end of December 2009. The ratio of loans and advances to total deposits increased by 1.7 percentage points to 26.1 per cent.

The weighted average deposit and lending rates declined from their positions at the end of December 2009. The weighted average interest rate on deposits fell by 0.09 percentage point to 2.49 per cent, while that on loans decreased by 0.01 percentage point to 8.74 per cent. Consequently, the weighted average interest rate spread between deposit and lending rates widened by 8 basis points during the period under review.

Prospects

Economic activity in Montserrat is projected to remain subdued in 2010, as the contraction observed in the construction sector in the first three quarters of the year is likely to continue into the final quarter. Public sector construction activity, the main driver of economic activity, is not expected to generate sufficient momentum to spur growth. Notwithstanding, the forecast for the tourism industry is positive based on the improved performance for the year thus far and continued efforts by the authorities to make the island more accessible.

On the government's fiscal accounts, based on developments in the period January to September 2010, it is likely that current expenditure will be higher in the fourth quarter of 2010 relative to spending in the corresponding period of 2009; consequently, current expenditure in 2010 will be above the level recorded in 2009. Moreover, it is estimated that the increase in current expenditure would outpace any gains that may be realised from a decline in capital expenditure. Therefore, the overall surplus is projected to decrease, as a result of the likely deterioration in the current account. Domestic exports are expected to remain weak as exports of sand and aggregate continue along a declining trend, which started earlier this year, when mining equipment was lost due to increased volcanic



activity. Since imports are not likely to decrease, the merchandise trade deficit is projected to widen.

Downside risks to the projections persist. These risks include the elevated cost of intra-regional and international travel, the possible reduction in grant

receipts as a result of the negative impact of the global economic and financial crisis on the UK economy and the slower than anticipated recovery of the global economy. Other risks include the fragility of the Euro financial system, adverse weather and the continued threat of an active volcano.



ST KITTS AND NEVIS

Overview

The economy of St Kitts and Nevis is estimated to have contracted in the period January to September 2010 compared with the performance in the corresponding period of 2009. This assessment is based on a decline in activity in most of the economic sectors, except agriculture. The sluggish recovery of the global economy, especially key trading partners such as the USA and UK, continues to negatively impact real economic activity in the twin island federation of St Kitts and Nevis. Consumer prices decreased by 1.1 per cent on an end-of-period basis. The merchandise trade deficit decreased, mainly reflecting a fall in import payments. The fiscal operations of the federal government deteriorated, as a result of a fall in tax revenue and grants coupled with increases in expenditure. Consequently, total outstanding debt of the public sector rose. Total monetary liabilities increased and commercial bank liquidity eased. The spread between the weighted average interest rates on loans and deposits of commercial banks decreased.

Economic activity in St Kitts and Nevis is estimated to deteriorate in 2010 largely as a consequence of global economic developments. Construction activity is projected to decline influenced by the slowdown in major private sector projects following lower demand for condominium and villa properties, a major output of this sector. Tourism activity is

expected to contract due to the general downturn and employment situation in major markets such as the USA and the United Kingdom (UK). Manufacturing activity is estimated to decrease based on the continued fall-off in export demand for electronic parts by major source markets such as the USA. Activity in ancillary industries such as transport and wholesale and retail trade, that receive direct spin-offs from tourism and construction are likely to decline. The impact of austerity measures in the UK and a weakening of the recovery observed in the USA could exacerbate the contraction in the domestic economy.

Output

Construction activity is estimated to have contracted in the period under review, as no new major construction projects commenced and ongoing projects were at an advanced stage. The value of imports of construction materials, an indicator of construction activity, declined by 34.6 per cent for the period January to September 2010. In addition, output in the mining and quarrying sector decreased by 51.6 per cent compared with a 20.2 per cent contraction in the corresponding period in 2009. The volume of stones mined during the review period also fell sharply and is reflective of the decline in construction activity.

Value added in the manufacturing sector declined by 17.2 per cent during the first nine months of 2010

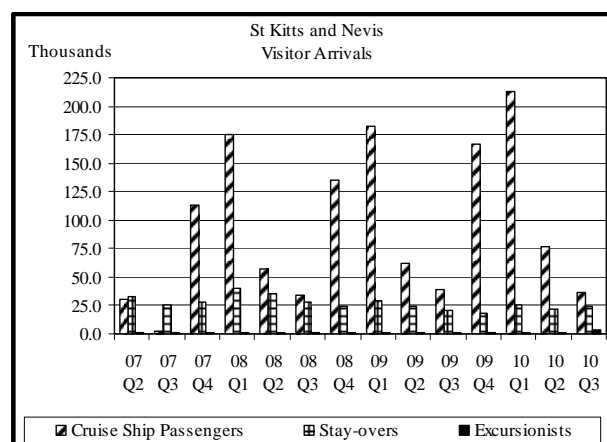


compared with the decline of 15.8 per cent in the corresponding period of 2009. Performance in this sector was largely attributed to a 22.0 per cent decrease in electronic exports to the USA as demand declined. Value added in the wholesale and retail trade sector is estimated to have declined by 16.4 per cent compared with a contraction of 10.2 per cent in the corresponding period of 2009. The outturn in this sector is reflective of the decrease in total imports, as a result of lower demand from the construction and hotels and restaurants sectors in the period under review.

Output in the transport sector contracted by 7.0 per cent in January to September 2010 compared with a decline of 11.2 per cent during the corresponding period of 2009. Of the sub-sectors, air transport declined by 8.9 per cent associated with the reduction in passenger arrivals and departures at the airport. Road transport fell by 9.1 per cent due to a reduction in the overall number of visitor arrivals. Value added for sea transport decreased by 3.8 per cent, partly due to a 10.1 per cent decline in cargo landed and loaded at the seaport.

Output in the hotels and restaurants industry is estimated to have declined in the period January to September 2010. The number of stay-over visitors decreased by 4.3 per cent (3,201) to 71,485. Arrivals from all the major markets were down, except from the UK. Stay-over visitors from the USA, which accounted for 38.8 per cent of the overall number of stay-over arrivals, fell by

1.7 per cent in the period under review. The downturn in the US economy contributed to this performance. Stay-over arrivals from the Caribbean, the second largest source, and Canada, fell by 10.8 per cent and 20.7 per cent, respectively. The number of visitors from the UK increased by 12.7 per cent. In the cruise sub category, activity was vibrant. The number of cruise ship passengers rose by 15.0 per cent (42,542), compared with an increase of 6.6 per cent in the first nine months of 2009. The outturn in the period under review was in line with a 16.1 per cent rise (24) in the number of calls.

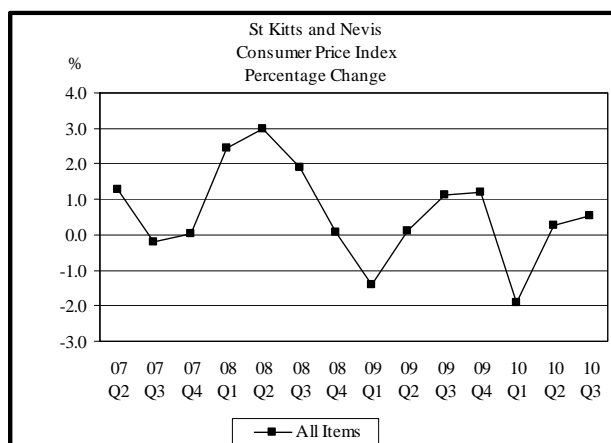


By contrast, output in the agricultural sector is estimated to have increased in the period under review. The expansion in value added was mainly driven by a higher level of production in the crop and fisheries sub sectors which rose by 13.3 per cent and 10.0 per cent respectively.



Prices

The consumer price index (CPI) is estimated to have decreased by 1.1 per cent (on an end-period basis) during the period January to September 2010. Declines were recorded in the food sub-index, the largest weighted category in the basket of goods and services, which fell by 0.3 per cent, housing (3.3 per cent), transportation and communication (4.4 per cent) and fuel and light (2.1 per cent). Together, these sub-indices account for approximately 65.0 per cent of the basket of goods and services. Factors, which contributed to the declines, included a fall in international prices for commodities such as building materials and food, as well as weak domestic demand.



Trade and Payments

The merchandise trade deficit is estimated to have declined in the period January to September 2010, on account of a decrease in import payments. Preliminary estimates indicate that the value of imports fell by 14.7 per cent (\$84.0m), consistent

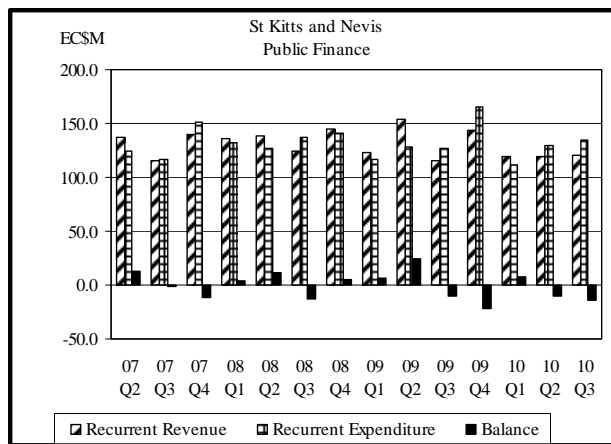
with the continued depressed state of economic activity and the concomitant decline in domestic consumption. The general reduction in the value of imports was reflected in major sub-categories such as fuels and related material, (15.6 per cent), manufactured goods (35.3 per cent), food and live animals (13.9) and beverages and tobacco (11.3 per cent). The value of exports is estimated to have increased by 6.7 per cent due mainly to an increase in re-exports, while domestic exports fell.

Gross travel receipts, as represented by total visitor expenditure, are estimated to have declined by 1.1 per cent (\$2.0m), on account of a decrease in the number of stay-over visitors. Commercial bank transactions resulted in a net outflow of \$30.1m in short-term capital.

Central Government Fiscal Operations

The fiscal operations of the federal government resulted in an overall deficit of \$54.9m in the period January to September 2010, in contrast to a surplus of \$29.6m in the corresponding period of 2009. The deterioration in the overall balance was influenced by weak performance on the current account and an increase in capital expenditure. A current account deficit of \$16.4m was recorded, in contrast to surplus of \$20.7m in the period January to September 2009. A primary surplus of \$37.6m was realised, down from one of \$108.7m in the first nine months of the previous year.





Current revenue fell by 8.4 per cent to \$359.3m, on account of lower tax receipts. Tax revenue, which on average accounts for over 70.0 per cent of current revenue, fell by 15.7 per cent to \$244.2m, reflecting the impact of the fall-off in economic activity on overall demand and consumption spending. This decline in tax revenue was driven by decreases in receipts from taxes on income and profits and from taxes on domestic goods and services, consistent with the weak business environment. Non-tax revenue is estimated to have increased by 12.1 per cent, mainly attributable to larger collections from the citizenship by investment programme.

Current expenditure increased by 1.1 per cent to \$375.m, in contrast to a 6.0 per cent decline in the first nine months 2009. The increase was mainly associated with larger outlays on personal emoluments and interest payments. Expenditure on personal emoluments (including wages), which accounted for approximately 44.0 per cent of current expenditure, rose by 3.0 per cent (\$4.8m), as a result of an increase in the number of persons employed and natural increases associated with incremental

payments. Interest payments rose by 16.9 per cent (\$13.4m), attributable to increased external obligations. By contrast, outlays on goods and services declined by 15.9 per cent (\$14.5m), reflecting expenditure restraint aimed at realigning expenditure with revenue.

Grant receipts, fell by 57.9 per cent (\$31.6m) as the level of budgetary support (current grants) recorded in the period January to September 2009 was not repeated in the period under review. Capital expenditure rose by 22.3 per cent (\$13.4m), mainly attributable to the purchase of four electricity generators. Implementation of the public sector investment programme was constrained due to financing difficulties associated with the global crisis. The overall deficit was financed principally by domestic sources, particularly commercial banks.

Performances on a disaggregated basis were mixed during the first nine months of 2010, as the fiscal operations of the central government deteriorated, while that of the Nevis Island Administration (NIA) improved, relative to the corresponding period in 2009. Central government fiscal operations resulted in an overall deficit (after grants) of \$40.4m in contrast to a surplus of \$50.3m in the first three quarters of 2009. This outturn was attributed to a deterioration in the current account position, a decline in grant flows and an increase in capital expenditure. A shift in the current account balance to a deficit of \$12.9m from a surplus of \$26.0m in the corresponding period of 2009 was registered, largely as a result of a 20.2 per cent fall in tax



revenues. The overall balance was also negatively impacted by a 59.1 per cent decline in grants and a 36.9 per cent increase in capital spending.

The fiscal operations of the Nevis Island Administration (NIA) improved in the first nine months of 2010, evidenced by a reduction in the overall deficit, relative to the outturn in the corresponding period of 2009. An overall deficit of \$14.5m was recorded, below the deficit of \$20.7m recorded in the first nine months of 2009, attributable to a smaller current account deficit and a decline in capital expenditure. Developments on the current account were influenced primarily by a 10.1 per cent expansion in tax revenue, driven by an increased intake from taxes on income and profits as well as that from taxes on domestic goods and services. This higher level of tax revenue combined with a 6.0 per cent rise in non-tax revenue, contributed to 8.0 per cent increase in current revenue. Growth in current revenue outstripped that of expenditure (5.4 per cent), resulting in the smaller deficit. This positive development on the current account was further reinforced by a 19.7 per cent decline in capital expenditure (\$3.1m), which contributed to the fall in the overall deficit.

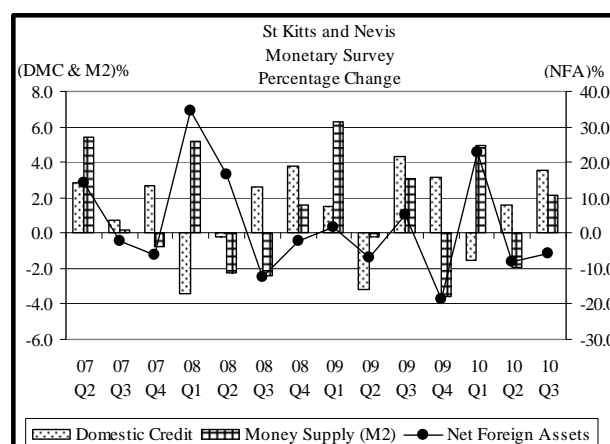
Public Sector Debt

The total disbursed outstanding debt of the public sector was estimated at \$2,760.0m at the end of September 2010, up from \$2,686.9m at the end of December 2009. Growth was attributed to a 5.1 per cent increase in central government borrowings.

The disbursed outstanding debt of the central government, which accounted for 77.8 per cent of total public sector debt, rose by 4.6 per cent to \$2,146.4m, largely reflecting an increase in domestic borrowings (7.2 per cent). The disbursed outstanding debt of public corporations is estimated to have declined by 3.3 per cent to \$613.7m at the end of September 2010.

Money and Credit

Broad money (M2) grew by 5.2 per cent to \$1,850.0m during the period January to September 2010. This outturn reflected growth in the two main components, quasi money and the narrow money supply (M1). Quasi money, which on average accounts for 84.0 per cent of the total liabilities, rose by 3.7 per cent to \$1,560.0m, influenced by increases in private sector time deposits (7.2 per cent), foreign currency deposits (2.2 per cent) and savings deposits (1.9 per cent). M1 expanded at a higher rate of 13.6 per cent, fueled by strong growth in currency in circulation (9.4 per cent) and private sector demand deposits (11.9 per cent).



Domestic credit grew by 3.6 per cent to \$1,763.0m at the end of September 2010, influenced by developments in the public sector. The central government increased its outstanding loans with the banking system by 12.4 per cent, while its deposits rose by 11.7 per cent (\$25.3m). As a result, the central government's net credit position increased to \$482.1m at the end of September 2010, from a net credit of \$427.4m at the beginning of 2010. In the rest of the public sector, net deposits rose by 30.4 per cent to \$47.6m, attributable to an increase in deposits. Credit to the private sector, including borrowing and investment transactions, rose by 1.3 per cent, mainly reflecting increased lending to non-bank financial institutions (\$20.2m). By contrast credit to businesses fell by 3.9 per cent, indicative of the contraction in economic activity.

An analysis of the distribution of commercial bank credit by economic activity showed that there was overall growth, attributable to an expansion in credit for personal use, construction, manufacturing (including mining and quarrying) and for other activities. Credit for personal use, which accounts for approximately 35.0 per cent of the total, grew by 3.3 per cent (\$27.9m), driven by increases in credit for the acquisition of property and for other personal use. Increases were partially offset by a 7.8 per cent (\$3.3m) reduction in credit for purchase of durable consumer goods. In the comparable period of 2009, credit for personal use grew by 6.0 per cent. Of the other major sub categories, increases in outstanding loans were also substantial for public administration (26.4 per cent).

The net foreign assets of the banking system rose by 6.4 per cent to \$646.4m during the first nine months of 2010, primarily reflecting growth of 10.9 per cent in commercial banks' net foreign assets. The expansion in commercial banks' net foreign assets was attributed to an increase of 28.7 per cent in assets held with banks and other institutions in the rest of the Eastern Caribbean Currency Union. By contrast, commercial bank assets held with institutions outside the ECCU contracted by 6.1 per cent. St Kitts and Nevis' imputed share of the reserves at the Central Bank rose by 2.7 per cent (\$8.9m), reflecting mainly inflows of loan funds from the Caribbean Development Bank.

Liquidity in the commercial banking system declined marginally during the period under review. The ratio of cash reserves to deposits fell by less than a percentage point to 8.3 per cent and the liquid assets to total deposits plus liquid liabilities declined by 2.0 percentage points to 51.9 per cent at the end of September 2010. Further evidence of a decrease in liquidity, was provided by the ratio of loans and advances to total deposits, which increased by less than a percentage point to 78.0 per cent. The weighted average interest rate on loans fell by 0.05 percentage point to 8.43 per cent and that on deposits rose by 0.04 percentage point to 3.41 per cent. Consequently, the weighted average interest rate spread narrowed by 0.08 percentage point to 5.03 percentage points during the period January to September 2010.



Prospects

The slow recovery of major trading partners is expected to lead to economic activity in St Kitts and Nevis remaining depressed for the rest of the year, as key sectors that are the drivers of growth, such as tourism and construction, continue to be negatively impacted. The pace of contraction is expected to decrease further in line with developments over the first nine months of 2010. In addition, weak fundamentals such as, high debt ratios, constrain the federal government's policy space to implement programmes and projects aimed at stimulating aggregate demand. These domestic policy challenges, coupled with the financial constraints facing a number of major tourism-related private sector projects, suggest that construction activity, in both the public and private sector, will remain depressed for the rest of the year. In the tourism industry, the robust growth in the cruise sector, which is expected to continue through the current cycle, should partially temper the negative impact on stay-over arrivals. The full recovery of the economy in 2011 will therefore, depend critically on a major improvement in economic conditions in advanced economies, particular the USA and UK, as well as a resolution of some of the domestic policy constraints.

The performance of the fiscal operations of the federal government will depend on how successful efforts are at restraining expenditure growth. The introduction of the value added tax (VAT) in November 2010 is estimated to result in an increase

in revenue collections in the fourth quarter of 2010. However, even with this improvement, revenue may not reach the 2009 level given the trend to date. Hence, the overall outcome would depend to a large extent on government's ability to reduce expenditure at a faster rate than any projected increase in revenue.

Balance of payments developments are likely to be mixed as economic agents adjust to signals from the international economy as well as domestically. There is likely to be a narrowing of the merchandise trade deficit as the volume effects, associated with the expected decreases in import volume due to weak demand conditions, outweigh the price effect associated with elevated international prices of some commodities, particularly oil. Meanwhile, gross inflows from travel are likely to be lower than the total in 2009, based on slow recovery in visitor arrivals by the end of 2010. In the banking system, credit conditions should remain tight and monetary liabilities are projected to grow at a relatively modest pace, indicative of real sector developments.

One of the major downside risks to this outlook is a possibility of policy paralysis in the USA, which could result in key stimulus programmes not being implemented or funded. Another downside risk centres around the effects of the austerity measures, announced by the British government in 2010, on aggregate demand, especially consumption spending on leisure activity. A contractionary response could significantly hinder the growth of tourist arrivals from this market for St Kitts and Nevis. However, a



noticeable upside is the relative weak dollar against other non-pegged currencies, such as the pound and Euro. This should help in maintaining

competitiveness in the export of key goods and services, mainly to non-US markets, through the depreciation of the real effective exchange.



SAINT LUCIA

Overview

Economic activity in Saint Lucia is estimated to have expanded in the first nine months of 2010 based on the performances of the hotel and restaurant, wholesale and retail and transportation sectors. The outturn was moderated by declines in construction, agriculture and manufacturing. The rate of inflation on an end-of-period basis was 2.0 per cent. The merchandise trade deficit is estimated to have decreased, largely associated with a rise in the value of re-exports. The overall deficit of the central government was larger than that in the first nine months of 2009, and total public sector outstanding debt increased. The stock of monetary liabilities (M2) fell during the period under review, while liquidity at commercial banks remained tight and the weighted average interest rate spread between loans and deposits narrowed.

Economic activity is likely to decelerate in the fourth quarter of 2010 in line with a fall in output in the agricultural sector as well as subdued activity in the construction and manufacturing sectors. However, the hotel and restaurant sector is expected to strengthen with the start of the tourism season and a gradual recovery in the traditional tourist markets. Construction activity will continue to be constrained by the fall-off in tourism-related foreign direct investment (FDI) inflows and delays in the implementation of major public sector projects. Manufacturing is expected to remain depressed,

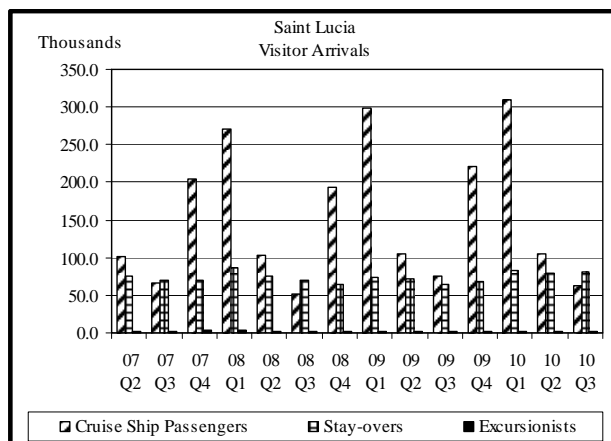
largely influenced by the pace of the recovery in the USA, and agricultural output will continue to decline due to the debilitating effects of black sikatoka disease and drought earlier in the year. The fiscal position is projected to worsen, reflecting lower revenue collections associated with the projected slowdown in economic growth coupled with higher expenditure. Downside risks include the slow pace of the global recovery, a sustained freeze on the extension of credit by financial institutions in advanced economies and structurally high unemployment in the advanced economies, coupled with the vagaries of the weather.

Output

The performance of the tourism industry was stronger in the first nine months of 2010 than that in the corresponding period of 2009. The number of visitors increased by 5.9 per cent to 760,138, as stay-over arrivals increased by 16.0 per cent, driven by improvements in the US, Canadian and German markets. Arrivals from the USA rose by 39.8 per cent, sustained by ongoing marketing initiatives, improved air access and the addition of a low cost air carrier. The number of visitors from Canada increased by 17.1 per cent reflecting additional airlift out of that market, while that of visitors from Germany more than doubled also reflecting targeted airlift arrangements from that source market. Stay-over arrivals from the UK and Caribbean markets



however fell by 2.3 per cent and 5.8 per cent, respectively.



The number of cruise passengers declined by 0.2 per cent, to 477,361, in contrast to a 12.3 per cent increase in the corresponding period of 2009. The reduction was related to the discontinuation of calls by a major cruise line earlier in the year. Nevertheless, the number of cruise ship calls rose by 3.0 per cent to 276 compared with the 268 calls recorded during the first nine months of 2009. The number of visitors by yacht increased by 33.6 per cent and that of excursionists by 40.4 per cent.

Activity in the construction sector was below that of the first nine months of 2009, based on a 20.4 per cent reduction in the volume of imported construction materials. This reflected protracted delays in the resumption of activity on a number of stalled FDI-financed hotel developments. Since the onset of the global financial crisis work has stopped on a number of major projects as access to financing

dried up. Various planned projects in the public sector, including the new international airport and additional office space, have experienced implementation challenges, while some major projects such as the resurfacing of the Alan Bousquet highway neared completion. Ongoing work in the public sector included the general hospital and housing developments. Private sector construction continued on a villa/residential development, an office complex and the Jalousie (Tides Sugar Beach) project.

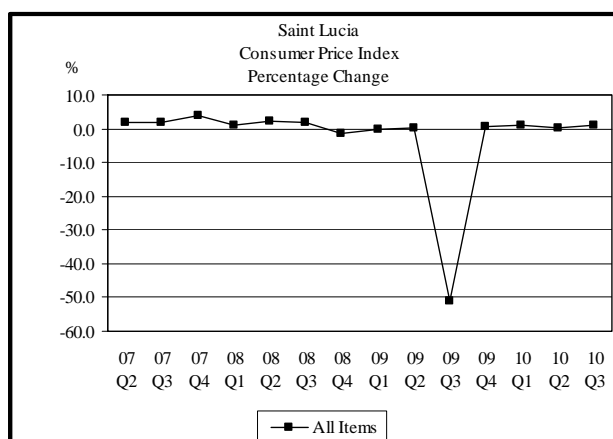
Agricultural output fell as a result of weak performance in both banana and non-banana produce. The production of bananas fell by 31.3 per cent to 15,985 tonnes, influenced by the effects of leaf spot disease and drought earlier in the year. In the rest of the agricultural sector, other crops and egg production fell by 20.3 per cent and 9.1 per cent respectively, while fish landings were lower by 10.1 per cent. The declines were moderated somewhat by the strong performance of the livestock sub-sector, an increase of 45.3 per cent.

Manufacturing output fell by 5.0 per cent in the period under review when contrasted with 1.0 per cent growth in the corresponding period of 2009. The decline reflected reductions in the output of metal products, 'other chemicals' and corrugated paper and paperboard. The overall decline was offset in part by increases in the production of copra and copra derivatives and plastic products.



Prices

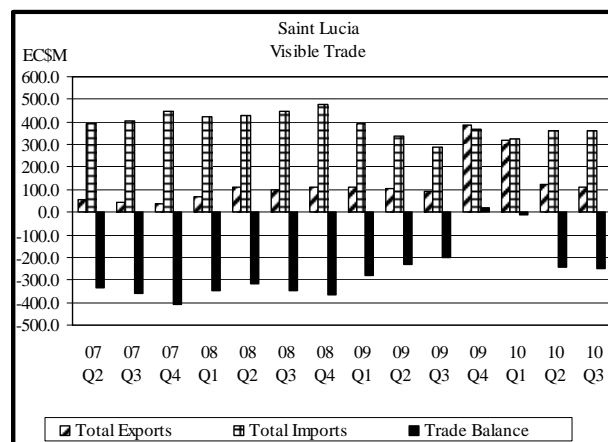
The consumer price index rose by 2.0 per cent during the first nine months of 2010, above the 0.4 per cent rate recorded in the corresponding period of 2009. The rise in prices largely reflected increases in the cost of education (30.8 per cent); housing, utilities, gas and fuels (4.8 per cent); and clothing and footwear (10.0 per cent). The higher cost of tuition at the tertiary institution fuelled the rise in the education sub-index, and increased costs of utilities gas and fuels reflected the rise in the fuel surcharge consistent with that in international fuel prices. The price of food and non-alcoholic beverages, which has the largest weight in the goods basket, increased by 0.7 per cent. Declines in the prices of alcoholic beverages, tobacco and narcotics (0.7 per cent) and communication (1.0 per cent) helped to offset part of the overall increase in prices.



Trade and Payments

A merchandise trade deficit of \$501.3m was recorded for the first nine months of 2010, below

one of \$711.7m registered in the corresponding period of 2009 as the value of exports rose by 78.6 per cent to \$548.7m. The value of re-exports, mainly jewellery, more than doubled, and domestic exports increased by 28.8 per cent. At \$37.4m the export of banana, the largest individual source of earnings, was down by 9.9 per cent.



Gross travel receipts increased by 17.2 per cent, fuelled by the performance of stay-over visitors. Commercial banks' transactions resulted in a net inflow of \$20.4m in short-term capital, in contrast to an outflow of 42.8m in the same period of 2009. Meanwhile, net external loan disbursements to the central government totalled \$144.8m, up from \$86.5m in the corresponding period of 2009.

Central Government Fiscal Operations

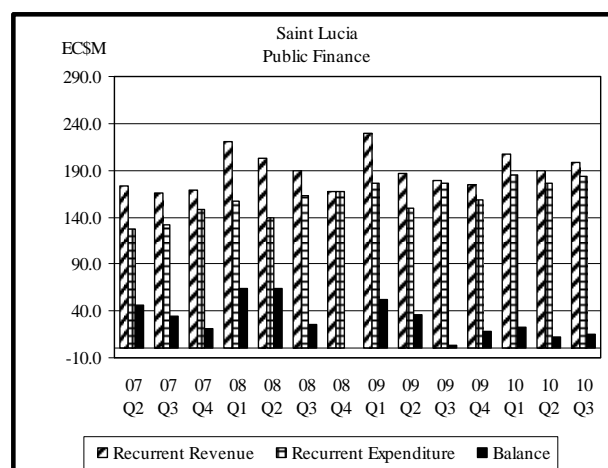
The central government recorded an overall deficit of \$68.5m, well above that of \$39.5m recorded during the first nine months of 2009, attributable to a smaller current account surplus. A primary surplus



of \$3.4m was recorded, compared with \$33.2m in first nine months of 2009.

The current account surplus fell to \$49.0m in the first nine months of 2010 compared with one of \$91.7m in the corresponding period of 2009 attributable to a rise in current expenditure, coupled with a decline in current revenue. Current revenue fell by 0.2 per cent to \$594.2m, reflecting decreases in both tax and non tax revenue. Lower tax revenue mainly reflected declines in collections from taxes on international trade and transactions, attributable to lower receipts from consumption duties on imports, airport taxes and through-put charges. Consumption duties decreased due to a reallocation of collections to excise taxes with the implementation of the fuel surcharge, while airport tax receipts fell as a result of adjustments in the revenue sharing arrangements between the central government and the port authority. The decline in revenue from throughput charges was associated with a decrease in the volume of oil imports. The lower yield from taxes on international trade and transactions was partly offset by a near trebling in receipts from excise taxes on imports, particularly that of petroleum, reflecting the change in the fuel pricing regime introduced in September 2009. In contrast, the collection of taxes on domestic goods and services rose by 12.1 per cent fuelled by increases in hotel occupancy taxes and excise taxes. Receipts from taxes on income and profits rose by 0.5 per cent, largely due to the collection of outstanding arrears. Gains in taxes on income and profit were partly offset by lower collections of

corporate taxes (15.1 per cent) consistent with reduced company profits. Non tax revenue fell by 1.4 per cent mainly attributable to a reduction in the collection of interest and rents, and fees, fines and sales.



Current expenditure rose by 8.2 per cent to \$545.3m, reflecting larger outlays on personal emoluments and goods and services. Expenditure on personal emoluments rose by 7.7 per cent, fuelled by retroactive salary payments of \$7.8m and higher civil service employment. Outlays on goods and services increased by 11.2 per cent reflecting increased rental obligations and utility expenses. Transfers and subsidies expanded by 13.3 per cent largely as a result of the payment of outstanding contributions.

Capital expenditure declined by 5.2 per cent to \$149.0m largely reflecting the near completion of the Alan Bousquet highway. The delayed implementation of some public sector projects including, the renovation of an existing building and



the construction of an office building have constrained capital expenditure. However, the fall in capital expenditure was partly offset by intensified work on the general hospital.

Public Sector Debt

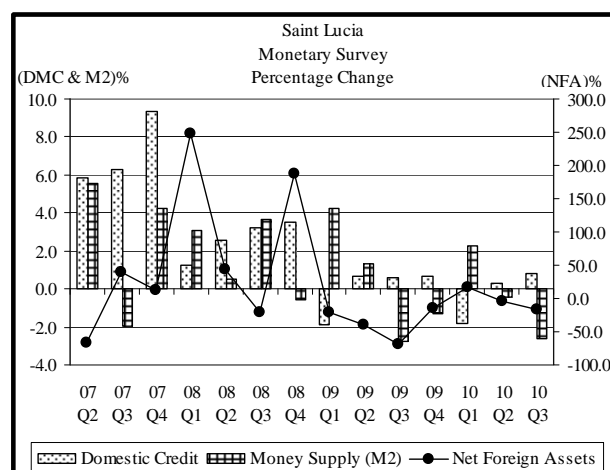
The disbursed outstanding debt of the public sector stood at \$2,115.3m, up 10.7 per cent from end December 2009. The major factor influencing the outturn was a 10.9 per cent increase in the outstanding debt of the central government, largely reflecting the issuance of bond and Treasury bill instruments on the RGSM. The outstanding debt of public corporations rose by 9.2 per cent to \$294.3m during the period under review.

Money and Credit

Broad money (M2) contracted by 0.8 per cent to \$2,490.4m during the first nine months of 2010 in contrast to an expansion of 2.7 per cent in the corresponding period of 2009, due entirely to a fall in narrow money (M1) by 6.8 per cent. All of the components of M1 registered declines, primarily private sector demand deposits (5.9 per cent) and currency with the public (7.5 per cent). Quasi money increased by 1.3 per cent during the period under review.

Domestic credit contracted by 0.7 per cent to \$3,430.5m, attributable to a reduction in net credit to the central government. The central government shifted to a net deposit position of \$27.4m from a net

credit position of \$47.7m at the end of December 2009. The shift was influenced by a 41.3 per cent (\$99.0m) increase in the deposits of the central government in the banking system, attributable in part to proceeds from Treasury bill and bond issues. Outstanding loans to the central government rose by 8.4 per cent. The outstanding obligations of the private sector to the commercial banks increased by 1.1 per cent (\$39.3m), reflecting an expansion in credit to households (5.0 per cent) and non-bank financial institutions (6.7 per cent).



The data on credit by economic activity indicate that total loans and advances increased by 1.6 per cent (\$63.6m) and that 29.8 per cent was concentrated in the tourism and construction sectors. Credit to tourism rose by 12.4 per cent consistent with the performance of the industry, in contrast to a 16.5 per cent fall in construction-related lending. Loans for personal use rose by 7.3 per cent, primarily for the acquisition of property.



Developments in the banking system during the period January to September 2010 resulted in net foreign liabilities of \$513.8m compared with one of \$503.6m at the end of December 2009. This outturn was attributed to an increase of 2.2 per cent (\$20.4m) in the net liabilities of commercial banks, reflecting growth in liabilities with institutions within the ECCU. Saint Lucia's imputed share of the reserves of the Central Bank increased by 2.5 per cent to \$416.8m.

Liquidity in the commercial banking system remained tight during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities was 22.3 per cent at the end of September 2010, virtually unchanged from the end of December 2009, while the loans and advances to deposits ratio fell to 116.1 per cent from 117.3 per cent at the end of December 2009.

The weighted average interest rate on deposits increased by 0.09 percentage point to 3.23 per cent, while the weighted average lending rate fell by 0.29 percentage point to 9.44 per cent. Thus the weighted average interest rate spread fell by 0.38 percentage point to 6.21 per cent at the end of September 2010.

Prospects

The prospects for tourism, the leading industry, appear favourable based mainly on developments in the period January to September 2010 with respect to airlift and marketing/publicity. Increased marketing activity and favourable publicity in

reputable travel publications are expected to result in an increase in arrivals from the US market. This should result in an improvement in performance in that industry relative to the corresponding period of 2009. By contrast, manufacturing output will continue to be constrained by the sluggish pace of the recovery in the USA and will likely decline compared to the level recorded in 2009. Output in the agricultural sector is projected to fall below the performance in the previous year, based on the trend recorded in the period January to September 2010 and the impact of weather in the fourth quarter 2010. The prospects for construction are mixed. Public sector construction is estimated to increase based on announced projects including the international airport and continuing projects such as the hospital. Additionally, rehabilitation work during the fourth quarter of 2010 is estimated to spur activity. Construction activity in the private sector, however, will remain weak based on the decline in tourism-related foreign direct investment.

The merchandise trade deficit is estimated to decrease, in line with lower imports influenced by sluggish economic growth and delays in the implementation of public sector projects. Gross inflows from travel however, are projected to increase fuelled by an expansion in the number of stay-over visitors.

The central government's overall fiscal deficit is estimated to widen, influenced in part by larger outlays on capital expenditure during the fourth quarter of 2010.



The medium term prospects appear uncertain as the external environment continues to be adversely impacted by the lingering effects of the financial crisis which started in 2008. Although the global economy is in recovery, protracted high unemployment in the US as well as ongoing economic adjustments in the Euro zone and the rest of Europe have limited the pace of the recovery. The major drivers of economic growth in the global

economy - China, India, and Brazil - are not closely aligned to the ECCU. Therefore, this presents a challenge to member states whose economic fortunes are closely tied to the advanced economies particularly the USA. Other global risks include the threat of higher commodity prices, the emerging global trade and currency war and rising geopolitical tensions in the Korean peninsula.



ST VINCENT AND THE GRENADINES

Overview

Preliminary data indicate that economic activity in St Vincent and the Grenadines contracted in the first three quarters of 2010 compared with the outturn in the corresponding period of 2009. A decline in the construction sector, one of the major contributors to real output, contributed largely to the weak economic performance. The consumer price index (CPI) rose by 1.7 per cent, on an end-of-period basis. The fiscal operations of the central government yielded a smaller overall deficit, associated with lower capital expenditure. In the external sector, the merchandise trade deficit widened, mainly on account of lower export receipts. The total disbursed outstanding debt of the public sector fell slightly during the period under review. In the banking system, the stock of monetary liabilities, domestic credit and net foreign assets all decreased. Commercial bank liquidity fell, but remained at a high level. The weighted average interest rate spread between loans and deposits widened marginally.

Although economic prospects for the remainder of 2010 are favourable, risks to the annual performance remain biased toward the downside. Output in the final quarter of 2010 is expected to accelerate as activity in the construction sector becomes robust. Rebuilding in the aftermath of hurricane Tomas will bolster economic activity and contribute to real sector growth. However, this boost will be

insufficient to offset the weak performance of the first nine months of the year. The overall fiscal deficit is estimated to increase, as growth in total expenditure is likely to outpace any revenue gains from increased economic activity. Downside risks include a sluggish resurgence in global output growth - especially in the advanced economies, continued threats in the global financial sector, increasing international food and oil prices and adverse weather.

Output

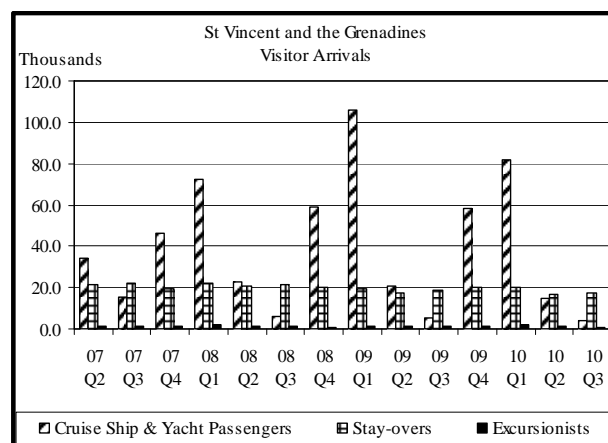
The decline in construction reflected decreases in both public and private sector activity. The delay or postponement of planned projects, as a result of the international financial crisis, contributed to the fall in construction activity. Private sector construction focused on the completion and soft opening of the first phase of the Buccament Bay Resort and a few residential buildings. Work in the public sector was limited to road maintenance and the rehabilitation and renovation of a number of public buildings. Partly indicative of the fall in construction were a 27.8 per cent decline in commercial bank lending for construction and an 8.0 per cent fall in the import of construction materials. The weak performance of the construction sector negatively impacted activity in the mining and quarrying sector, which also declined in the first nine months of 2010.



The pace of activity in the transport sector, an important contributor to real output, contracted by 10.4 per cent, in contrast to a 3.2 per cent expansion in the corresponding period of 2009. Declines were recorded in the road and air transport sub-sectors, partially due to a fall in visitor arrivals. In the manufacturing sector, output was also below the level recorded in the first nine months of 2009. The production of packaging, rice and galvanized sheets is estimated to have fallen by 33.1 per cent, 28.5 per cent and 21.5 per cent respectively. These declines more than offset growth of 9.0 per cent, 5.0 per cent and 3.8 per cent in the output of beverages, flour and feeds respectively.

Tourism activity in the first nine months of 2010 is estimated to have continued its downward trajectory, marked by a 17.1 per cent decline in the total number of visitors compared with the outturn in the corresponding period of 2009. The number of cruise passengers fell by 30.5 per cent, a reversal from growth of 50.5 per cent in the corresponding period of 2009, as cruise ships made fewer calls. Stay-over arrivals decreased by an estimated 3.3 per cent to 53,752 in the review period. Visitor arrivals from the Caribbean, the premier source market, were estimated to have declined by 14.9 per cent, mainly attributable to the high cost of intra-regional airfares and reduced airlift. The number of stay-over visitors from the UK fell by 9.9 per cent as that economy continued to grapple with persistent unemployment and financial sector instability. However, stay-over visitor arrivals from the USA and Canada were estimated to have increased by 12.2 per cent and

10.1 per cent respectively. The number of excursionists fell by 3.1 per cent during the review period, while that of yacht passengers increased marginally by 1.0 per cent.



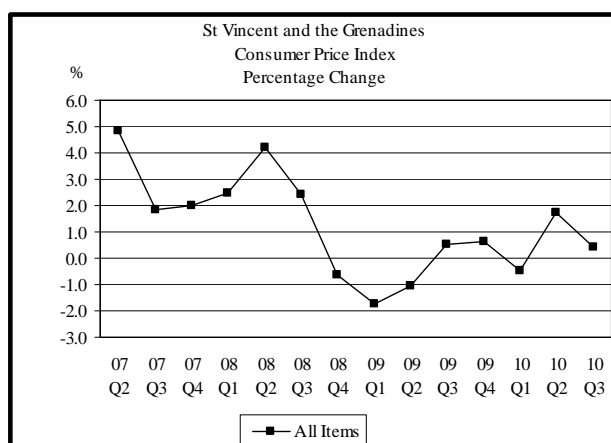
In the agricultural sector, output declined influenced by a contraction in the crops and fishing sub-sectors. Banana production fell by an estimated 10.0 per cent, partly due to the impact of disease and diversification by farmers to alternative crops. The output of other crops declined as a result of drought in the first half of the year. Activity in the fishing sub-sector decreased, as evidenced by a 15.8 per cent fall in the volume of fish landed.

Prices

The consumer price index (CPI) rose by 1.7 per cent during the first nine months of 2010, in contrast to a decline of 2.3 per cent during the comparable period of 2009. The increase in the CPI was broad-based, influenced by price movements in all of the sub-indices except household furnishing and supplies. Prices in the food sub-index, the largest weighted,



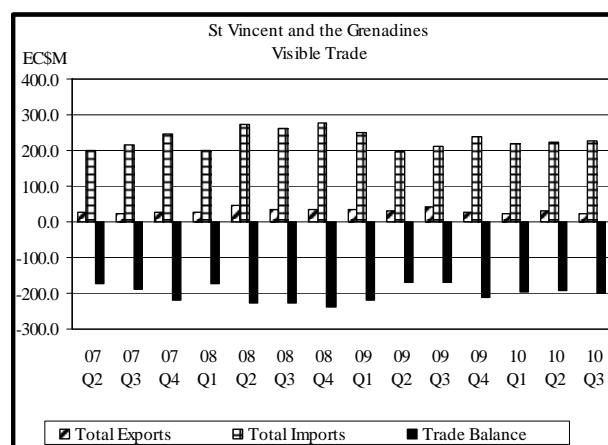
rose by 1.9 per cent in contrast to a 3.1 per cent decline during the first three quarters of 2009. Higher prices for ground provisions, oranges, codfish, brown sugar, fresh fish, chicken and tomatoes were largely responsible for the increase in food prices. The fuel and light sub-index, which fell by 16.9 per cent during the first nine months of 2009 as a result of a reduction in the fuel surcharge and the price of kerosene, increased by 4.6 per cent during the period under review, largely due to higher prices of kerosene and electricity.



Trade and Payments

A merchandise trade deficit of \$589.8m was recorded for the first nine months of 2010, up from one of \$556.9m in the corresponding period of 2009. The increase of 5.9 per cent was mainly the result of a 25.5 per cent fall in the value of exports. Earnings from domestic exports fell by 21.4 per cent, primarily attributable to lower receipts from banana, rice and flour. The value of re-exports

declined by 40.0 per cent, mainly on account of a 47.6 per cent fall in the re-export of machinery and transport equipment. Payments for imports grew by 1.0 per cent to \$667.2m, in contrast to a decline of 9.8 per cent in the corresponding period of 2009. Increases in import payments were recorded for food and live animals and machinery and transport equipment.



Gross travel receipts are estimated to have fallen by 4.5 per cent to \$165.9m, on account of the decline in visitor arrivals. The external transactions of commercial banks resulted in a net inflow of \$73.4m in short-term capital during the first nine months of 2010, in contrast to a net outflow of \$38.4m registered during the corresponding period of 2009.

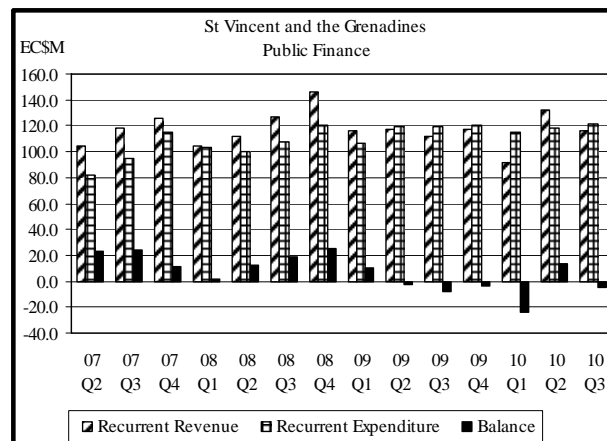
Central Government Fiscal Operations

The fiscal operations of the central government yielded an overall deficit of \$40.6m in the first nine



months of 2010, compared with one of \$46.2m in the corresponding period of 2009. The larger deficit was primarily associated with a deterioration in the current account position. A primary deficit of \$2.0m was incurred, down from one of \$7.3m in the first three quarters of 2009.

The current account shifted to a deficit of \$15.5m from a surplus of \$0.7m in the first nine months of 2009, as current expenditure rose and current revenue fell. The increase in current expenditure by 2.7 per cent to \$354.7m was influenced by growth in outlays on transfers and subsidies and personal emoluments. Transfers and subsidies grew by 16.3 per cent, mainly reflecting increased expenditure on social safety net programmes and larger subventions to state-owned enterprises. Spending on personal emoluments rose by 2.8 per cent, as public servants were granted a 3.0 per cent salary increase effective January 2010. Those increases more than offset declines in expenditure on goods and services and interest payments. Spending on goods and services fell by 15.9 per cent, as deliberate measures were implemented towards that end. Also, part of the budgetary allocation for goods and services was reassigned to a new statutory body in the latter part of 2009, for the administration of maintenance services. Interest payments decreased marginally (\$0.3m), reflecting a reduction in foreign interest obligations.



Current revenue fell by 1.9 per cent, attributable to a 6.0 per cent decline in tax collections. Revenue from taxes on domestic goods and services fell by 6.6 per cent, reflecting decreases in collections from the value added tax and the excise tax, as economic activity contracted. The yield from taxes on international trade and transactions declined by 6.7 per cent, primarily on account of a 15.0 per cent fall in receipts from the customs service charge. Receipts from taxes on income and profits contracted by 4.7 per cent, driven mainly by a fall in collections from corporate taxes, as corporate tax rates were reduced in the latter half of 2009. By contrast, non-tax revenue increased due to improved collections from fees, fines, interest and rents.

On the capital account, expenditure fell by 41.4 per cent to \$36.3m in the first nine months of 2010, as the implementation of a number of development projects was delayed. Capital grants receipts totalled

\$10.7m during the review period, about 23.4 per cent below the amount received in the corresponding period of 2009.

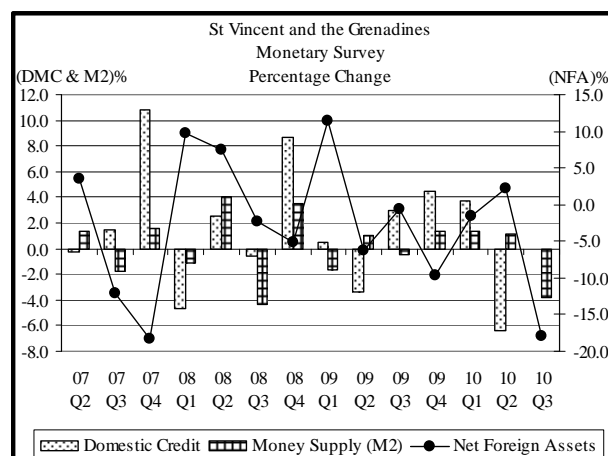
Public Sector Debt

The total disbursed outstanding debt of the public sector was estimated at \$1,117.6m at the end of September 2010, roughly \$0.8m below the level at the end of December 2009 largely reflecting a decrease in the debt of the public corporations. The outstanding debt of the central government, which accounted for 82.5 per cent of the total, grew by 3.6 per cent associated with increases in both external and domestic borrowing. Central government's domestic debt rose by 5.2 per cent, while its foreign debt increased by 2.8 per cent.

Money and Credit

Broad money (M2) fell by 1.3 per cent during the first nine months of 2010 to \$1,071.2m compared with a decline of 1.1 per cent during the corresponding period of 2009. The contraction in M2 was associated with a decline in narrow money, while quasi money increased. Narrow money decreased by 9.6 per cent to \$324.8m, influenced by reductions in all its components - currency with the public, private sector demand deposits and cheques and drafts issued in EC dollars. Quasi money rose by 2.7 per cent to \$746.4m, reflecting increases in private sector savings deposits and time deposits.

Domestic credit contracted by 3.0 per cent to \$998.6m at the end of September 2010, reflecting declines in loans to the central government and non-financial public enterprises. Net credit to the central government decreased by 19.9 per cent to \$102.2m, primarily due to a fall of 11.7 per cent in its borrowing from the commercial banking system. Net lending to the non-financial public enterprises fell by 33.6 per cent, influenced by an increase in their deposits. Credit to the private sector grew by 2.5 per cent, mirroring increases in outstanding loans to businesses and households.



The distribution of commercial bank credit by economic activity indicates that outstanding loans decreased by 1.2 per cent, in contrast to growth of 0.9 per cent in the corresponding period of 2009. Reduced lending (27.8 per cent) for construction accounted for a large portion of the decline. Credit to the agricultural sector contracted by 47.7 per cent and that for manufacturing (including mining and quarrying) declined by 3.1 per cent. Decreases were



also recorded in outstanding loans for other uses, including entertainment and catering and public administration. Those declines were partially offset by an increase of 44.1 per cent in credit for tourism. Outstanding credit for personal use, which accounts for more than half of the credit extended, grew by 0.5 per cent.

The net foreign assets of the banking system fell by 17.4 per cent to \$298.3m, in contrast to an increase of 3.8 per cent during the first three quarters of 2009. The contraction mirrored developments in the commercial banking system. Commercial banks' net foreign assets decreased by 46.4 per cent to \$84.7m in contrast to growth of 23.9 per cent during the corresponding period of the previous year. This outturn reflected an increase in liabilities to banks and other financial institutions, combined with a 15.7 per cent decline in external assets. St Vincent and Grenadines' imputed share of the Central Bank's reserves rose by 5.2 per cent to \$213.6m.

Liquidity in the commercial banking system declined, but remained at a high level during the review period. The ratio of liquid assets to total deposits plus liquid liabilities fell by 1.2 percentage points to 36.4 per cent at the end of September 2010. The ratio of loans and advances to total deposits fell, by 1.7 percentage points to 83.9 per cent.

The weighted average deposit and lending rates of commercial banks declined marginally (0.06 percentage point) from their levels at the end of December 2009, to 2.87 per cent and 9.08 per cent

respectively. Consequently, the weighted average spread between deposit and lending rates remained virtually unchanged.

Prospects

Given the performance in the first nine months of 2010 and expected developments for the last quarter of the year, economic activity in St Vincent and the Grenadines is projected to contract in 2010. This position is supported by the slow pace of the global economic recovery. Despite the uptick in construction in the last quarter, associated with post hurricane reconstruction, the decline in construction experienced in the first nine months of the year will more than offset the gains of the last quarter. Notwithstanding, developments in the construction sector are expected to spill over into other sectors like mining and quarrying, transport and wholesale and retail trade.

Joblessness in the advanced economies is expected to remain at record high levels for some time; consequently, demand for travel is likely to remain subdued in the short to medium term. In this light, stay-over arrivals are estimated to decrease. In the manufacturing sector, output is likely to remain constrained, and hover below the level of the previous year.

Agricultural output is estimated to be below levels recorded in 2009, attributable to the severe destruction of bananas, plantains and other tree crops by strong winds associated with the passage of



hurricane Tomas. The rehabilitation of the agricultural sector is also estimated to be a costly venture.

The fiscal operations of the central government are estimated to yield a larger overall deficit, as the current account deficit widens. Larger outlays on transfers and subsidies are estimated as a result of support given to citizens who suffered loss from the passage of hurricane Tomas. Increased outlays on personal emoluments are estimated based on the finalisation of arrangements to pay an outstanding 2.0 per cent salary raise to public servants, retroactive from January 2010. Capital expenditure is expected to increase, partly due to the reconstruction of infrastructure destroyed by the hurricane.

In the external sector, a wider merchandise trade deficit is estimated, as import payments increase, in line with the acceleration in construction activity. The government and the private sector have already placed, and begun to receive, large emergency orders for building materials to facilitate the rebuilding process. The estimated decrease in stay-over arrivals is likely to translate to a decline in visitor expenditure. Foreign direct investment is estimated to remain low given the weak global economic recovery.

Downside risks include the negative effects of low foreign direct investment and remittance flows, adverse weather associated with a very active hurricane season and an increase in international oil and other commodity prices.



INTERNATIONAL ECONOMIC DEVELOPMENTS

Overview

The recovery in global economic activity, which began in the last quarter of 2009 and strengthened during the first half of 2010, continued during the third quarter of 2010, albeit at a more moderate pace than the preceding quarters. The pace of recovery remains relatively uneven, proceeding at different rates in the advanced economies. Headline inflationary pressures remained subdued partly reflecting accommodative monetary policy measures as central banks around the globe maintained low interest rates to stimulate aggregate demand. However, in spite of the accommodative stance, the pace of the recovery has been insufficient to reduce high rates of unemployment. Furthermore, a combination of more stringent lending regulations for banks and increased uncertainty, have dampened prospects for a strong economic recovery.

While headline inflation remained low, core inflationary pressures strengthened. Commodity prices increased largely associated with the rise in energy and metal prices, partly fuelled by speculation of a stronger recovery and limited progress in increasing supply. The policy of a number of emerging economies to limit the export of certain “rare earth” minerals intensified price pressures as supply contracted. Rising demand for fuel and base metals in rapidly expanding economies such as China, India, south-east Asia and Brazil has

also influenced price increases. During the first nine months of 2010 crude oil prices averaged US\$77.94 per barrel, about 40.0 per cent above the average price per barrel in the first nine months of 2009. Prices peaked at US\$86.84 per barrel from a low of US\$68.01 during the first nine months of 2010. Higher crude oil prices were associated with increasing demand in China, the world largest consumer of energy, and other emerging economies. Other developments which supported petroleum price increases included generally positive economic data for the US as well as a fall in that country’s strategic petroleum reserves.

Developments in the Major Economies

In the third quarter of 2010, the pace of economic activity in the **USA** strengthened to 2.6 per cent, following growth of 1.7 per cent in the second quarter and an expansion of 3.7 per cent in the first quarter. The rise in output was sustained by increases in personal consumption expenditures, private inventory investment, non-residential fixed investment, exports, and federal government spending that were partly offset by a negative contribution from residential fixed investment. Investments in inventory stockpiles were partly offset by a downturn in residential fixed investment and decelerations in non-residential fixed investment and in exports. The housing market continued to act as a drag on the economy as evidenced by a 27.3 per cent fall in residential fixed investment.



Consequently, a weak housing market combined with slowing growth in industrial production contributed to the historically high unemployment rate of 10.1 per cent at the end of September 2010. Inflationary pressures remained contained as the consumer price index rose by 0.1 per cent in September on an annualised basis and by 1.1 per cent over the last 12 months. Increases in the food price index and sustained increases in the gasoline index contributed to the upward movement in the headline CPI. Core prices which excluded food and energy remained unchanged in September.

The total value of goods and services produced in **Canada** expanded by 0.3 per cent in the third quarter of 2010 compared with a 0.6 per cent expansion in the previous quarter. On an annualized rate, real GDP grew 1.0 per cent in the third quarter of 2010. The rise in GDP was fuelled by an increase in business investment in plant and. An increase in consumer spending of 0.9 per cent also contributed to the growth in domestic demand, while declines in exports and housing restrained the rate of growth. Significant contributions to GDP were also made by manufacturing, mining and the public sector during the third quarter. Consumer prices rose by 1.9 per cent at the end of September 2010 compared with 1.0 per cent at the end of June 2010. The rate of unemployment increased to 8.0 per cent at the end of the third quarter compared with a 7.9 per cent jobless rate during the corresponding period of 2009.

The economic recovery in the **UK** decelerated in the third quarter, as GDP expanded by 0.7 per cent

compared with a 1.2 per cent increase in the second quarter of 2010. On an annualized basis the growth rate was 2.8 per cent when compared with the first nine months of 2009. Nonetheless, the expansion was broad based as production industries recorded increases of 0.5 per cent compared with 1.1 per cent in the second quarter. Increases were recorded for mining and quarrying, manufacturing, construction and services. The annual CPI rose by 3.1 per cent in the quarter ended September 2010 compared with the previous quarter's 3.2 per cent rate and a 1.1 per cent expansion in 2009. Though the rate of inflation remains above the Bank of England's targeted 2.0 per cent, monetary tightening is not anticipated. House prices, rose by 0.1 per cent in September 2010 compared with a 0.8 per cent decline in August or on an annual basis, by 3.1 per cent in September. The unemployment rate in the UK was 7.7 per cent in the third quarter marginally lower than the 7.8 per cent in the corresponding period of 2009.

The **Euro Area** real GDP grew by 0.4 per cent on a quarterly basis in the third quarter after a 1.0 per cent increase in the second quarter. The main growth drivers were domestic demand and net exports. Private consumption increased by 0.3 per cent in the third quarter after a 0.2 per cent second quarter expansion. Combined with a 0.2 per cent increase in the first quarter of 2010, private consumption has regained about half the losses incurred during the recession. There were variations in consumption between countries in the third quarter of 2010 as the gains in some countries were partially offset by losses in others, in part related to



the increases in the rates of the value added tax (VAT). The Euro Zone's Harmonized Index of Consumer Prices (HICP) rose by 1.8 per cent in September 2010. The annual growth rate in the CPI was 0.2 per cent compared with August 2010. The Euro area unemployment rate was 10.0 per cent in the third quarter, unchanged from the second quarter.

The sustainability of the economic recovery in **Japan** remains uncertain despite a 0.9 per cent increase in the GDP in the third quarter following a 0.4 per cent expansion in the previous quarter. The improved outturn was attributable to higher private consumption, fuelled by the granting of subsidies to consumers on the purchase of specific types of vehicles as well as increased demand for tobacco products ahead of the imposition of a higher tax on 1 October 2010. Private residential investment increased by 1.3 per cent buoyed by government support. The CPI fell by 0.6 per cent during September 2010 compared with a decline of 0.9 per cent in August. On an annual basis the index fell by 1.1 per cent. The jobless rate fell to 5.0 per cent at the end of September from 5.1 per cent in August 2010 and a 5.3 per cent rate at the end of September 2009.

Real GDP in **China** expanded by 9.6 per cent in the third quarter of 2010 on an annualised basis, representing a policy-induced deceleration from the 10.3 per cent recorded in the second quarter. The central bank implemented measures to curtail lending and to contain inflationary pressures and

rising labour costs. The monthly trade surplus rose to \$16.9 billion in September 2010, back to pre-crisis levels, while inflationary pressures continued to increase. Consumer price inflation rose to 3.6 per cent in September 2010 compared with 2.9 per cent in the previous quarter. The rate of unemployment was 4.1 per cent during the third quarter of 2010 compared with 4.2 per cent in the second quarter of 2010 and 4.3 per cent in the third quarter of 2009.

Commodity Prices

After a period of falling prices in 2009 which coincided with the contraction in global economic activity, commodity price pressures rebounded in 2010. Sustained and rapid economic expansions in a number of emerging economies as well as rebounds in the USA and other advanced economies fuelled the rise in commodity prices. Crude oil prices rose steadily during the period influenced by rising demand and a depreciating US dollar. According to the International Monetary Fund's Commodity Price Index, compared with the end of 2009 price increases were generally observed for both fuel and non-fuel commodities. During the third quarter of 2010 prices for non fuel commodities rose by 4.3 per cent compared with a 20.7 per cent increase in energy prices. Metal prices rose by 43.2 per cent reflecting in part, heightened demand in China. Food prices also experienced upward pressures increasing by 12.3 per cent, mainly attributable to the economic recovery.



Prospects

Although the pace of the global recovery in the latter half of 2010 has moderated, the economic outlook for the global economy remains broadly favourable. A further improvement in economic conditions is anticipated in 2011 relative to 2010. Global growth is likely to be fuelled by continued expansions in emerging economies of China, India and Brazil which are helping to bolster the performances of primary producers such as Australia, Chile and to a lesser extent Canada. For the major industrialised economies the outlook is somewhat mixed. The US economy could experience accelerated growth. However, major constraints to a strengthening recovery remain, including high and entrenched

unemployment, the weak housing market and lingering fiscal stresses. Developments in the US market could also weigh negatively on the Canadian economy through trade linkages. For Canada, uncertainty about the direction of the US economy is compounded by a strengthening dollar, which inhibits export growth. Fiscal imbalances and financial system instability have intensified, thereby dampening growth prospects in Europe and the Euro zone. Commodity prices are expected to strengthen further as the recovery gains traction led by the demand for petroleum minerals and metals. Developments in commodity prices also threaten to spur inflationary pressures similar to those experienced in 2008. Crude oil prices are likely to rise to US\$100.0 per barrel some time in 2011.



REGIONAL ECONOMIC DEVELOPMENTS

Output

Real sector activity in five member countries of the Caribbean Community (CARICOM) remained largely subdued during the first nine months of 2010. In the **Bahamas**, economic conditions were stable in the review period, supported by an improvement in the tourism industry. Preliminary estimates indicate that visitor arrivals rose by 13.1 per cent, relative to the outturn in the corresponding period of 2009. In **Barbados**, real GDP is estimated to have declined marginally (0.9 per cent) compared with a decline of 4.7 per cent in the first three quarters of 2009. The output of the tourism industry increased by 3.0 per cent in the first nine months of 2010, compared with the level in the corresponding period of 2009, indicative of growth in arrivals from the USA and Canada. Value added in the construction sector declined by 15.0 per cent. The **Belizean** economy grew by 2.7 per cent in the first six months of 2010 (the latest available period), compared with a 1.5 per cent contraction in the corresponding period of 2009. The improved performance was mainly on account of increases in value added in major sectors such as government services, hotel and restaurants, construction and agriculture. In **Jamaica**, real GDP is estimated to have declined within the range of 0.0 per cent to 1.0 per cent in the third quarter of 2010. This outturn was influenced by declines in manufacturing, construction, and finance and insurance services. Those declines were tempered by a rebound in

mining and quarrying, agriculture, forestry and fishing, and hotel and restaurants. In **Trinidad and Tobago**, economic activity fell by 0.9 per cent (year-on-year) in the second quarter of 2010 (the latest available period). The performance was influenced by a deceleration in growth of the energy sector and continued weaknesses in construction, manufacturing, agriculture and distribution.

Prices

Inflationary pressures moderated for some of the CARICOM member countries. In the **Bahamas**, average consumer prices fell by 0.8 per cent during the twelve-month period ended July 2010 (the latest available period) from 3.9 per cent for the corresponding period of 2009, underpinned by a decline in average housing costs. In **Barbados**, the 12-month average rate of inflation increased to 5.0 per cent at the end of July 2010 (the latest available period), reflecting higher costs for food, transportation and housing. In **Belize**, the consumer price index for the twelve-month period ended August 2010 (the latest available period) rose marginally (0.5 per cent), influenced by higher acquisition costs for fuel and an increase in the General Sales Tax (GST) from 10.0 per cent to 12.5 per cent, which took effect on 01 April 2010. Headline inflation in **Jamaica** reached 1.3 per cent during the third quarter of 2010, below the level of 3.1 per cent recorded in the corresponding period of 2009. The moderation in prices was due to a



reduction in energy costs, stability in the exchange rate, and weak consumer demand. By contrast, headline inflation in **Trinidad and Tobago** rose to 13.2 per cent (year-on-year) during September 2010, from 1.3 per cent during December 2009. Food prices surged by 29.2 per cent influenced by adverse weather in the first two quarters of 2010. Core inflation (which excludes changes in food prices) rose to 4.1 per cent (year-on-year) during September 2010.

Employment

Available data indicate that labour market conditions remained relatively weak during the review period, reflecting subdued economic activity. Unemployment levels in the **Bahamas** were elevated mirroring challenges in the business environment. In **Barbados**, the unemployment rate was 11.2 per cent in the third quarter of 2010, about 0.7 percentage point higher than the level recorded in the corresponding period of 2009. Government introduced an employment stabilisation programme and an interest waiver programme, to help employers with the management of their National Insurance contributions. Despite public policy to alleviate the pressure of employees' benefits on the cash flow of companies, private firms were forced to lay off persons due to the decline in economic activity. The unemployment rate in **Jamaica** was 11.6 per cent at the end of July 2010 (the latest available period), marginally below the level (11.3 per cent) recorded at the end of July 2009, indicative of declines in non-tradable industries. In **Trinidad**

and Tobago, the unemployment rate rose to 6.7 per cent in the first quarter of 2010, (the latest available period), up from 5.3 per cent at the end of 2009, reflecting a concentration of job losses in the construction sector.

Central Governments' Fiscal Developments

The fiscal position of central governments continued to be characterised by deficits. In the **Bahamas**, the overall deficit widened to B\$104.6m in the first quarter of the FY2010/11 (July to September 2010), as growth in expenditure outpaced the increase in total revenue. In **Barbados**, the fiscal deficit is estimated to have decreased to BDS\$500.8m in the first eight months of 2010 (latest available period), from BDS\$535.0m in the corresponding period of 2009. The outturn was associated with reductions in both current and capital expenditure. In **Belize**, the fiscal position improved for the first eight months of 2010 (latest available period), with revenues increasing by 10.7 per cent, partly associated with larger receipts from the GST. Notwithstanding a 4.1 per cent rise in expenditure, the primary surplus increased to 1.9 per cent of GDP and the overall deficit narrowed to 1.1 per cent of GDP. In **Jamaica**, provisional data indicate that the central government operations resulted in an overall deficit of J\$33.7 billion in the third quarter of 2010, relative to the budgeted deficit of J\$33.2 billion. The performance was based on a budget shortfall in revenues and lower than budgeted expenditure. In **Trinidad and Tobago**, the overall deficit of the central government is estimated at 2.8 per cent of



GDP for the FY 2010 (October 2009 to September 2010), compared with a budgeted deficit of 5.4 per cent of GDP. The favorable variance is partly based on larger than anticipated revenue collections from the energy sector.

External Sector Developments

Developments on the external current account were mixed. Preliminary balance of payments estimates for the **Bahamas** indicate that the external current account deficit narrowed to B\$291.0m in the third quarter of 2010, compared with one of B\$312.2 in the similar period of 2009. This outturn reflected developments in the real sector, as the services account improved as a result of increased travel receipts. In **Barbados**, provisional estimates show that the deficit on the current account widened to BDS\$429.3m in the review period, from BDS\$287.3m in the corresponding period of 2009, primarily the result of growth in import payments. External sector performance improved for **Belize**, which registered a reduction in its current account deficit to BZ\$19.1m in the first six half of 2010 (the latest available period) from BZ\$81.6m in the comparable period of 2009. The outturn reflected higher export receipts coupled with a reduction in import payments. In **Jamaica**, a surplus of US\$31.0m on the current account is provisionally estimated for the first quarter of 2010 (the latest available period), in contrast to a deficit of US\$215.7m in the corresponding period of 2009. The turnaround was partly associated with an increase in travel receipts consistent with the

rebound in the hotel and restaurants sector. In **Trinidad and Tobago**, the external current account surplus narrowed to US\$1,808.7m in the first half of 2010, from US\$2,083.2m in the corresponding period of 2009, reflecting a decline in exports.

Monetary and Credit Developments

The trends in the monetary aggregates reflected weaknesses in real economic activity and the monetary policy stance was loosened in some countries. Developments in the banking system in the **Bahamas** during the third quarter of 2010 featured growth in domestic credit but declines in liquidity and external reserves. Domestic credit grew by 5.1 per cent to B\$8,410.5m at the end of September 2010 relative to the level at the end of 2009. The net free cash balances of the banking system, a measure of liquidity, stood at B\$248.8m at the end of September 2010, up from B\$229.5m at the end of December 2009. External reserves declined by 6.2 per cent to B\$765.4m during the review period, compared with the level at the end of December 2009. In **Barbados**, the commercial banking system was marked by an increase in loan delinquency but an adequate capital adequacy ratio (10 percentage points above the regulatory limit of 8.0 per cent) during the first nine months of 2010. The foreign exchange reserves stood at BDS\$1.4 billion at the end of September 2010 representing BDS\$42m less than the level at the end of December 2009. In **Belize**, monetary developments for the review period included a stronger net foreign asset position; rising non-performing loans; weak credit



demand; and build-up in liquidity. Against the backdrop of increased liquidity, in May 2010 the Central Bank of Belize introduced a requirement on commercial banks to hold a minimum of 6.5 per cent of their average deposit liabilities as treasury bills. The Central Bank also reduced the cash reserve requirement from 10.0 per cent to 8.5 per cent of average deposit liabilities. In **Jamaica**, the Central Bank continued to loosen its stance on monetary policy during the third quarter of 2010. The rate on overnight deposits was reduced to 0.25 per cent from 0.5 per cent, while the interest rate applicable to the Bank's 30-day Certificates of Deposit (CD) was lowered by 100 basis points to 8.0 per cent. The cash reserve and liquid assets requirements on Jamaica Dollar prescribed liabilities were each lowered by 2.0 percentage points to 12.0 per cent and 26.0 per cent respectively on 1 July 2010. Against this background, the quantitative economic programme targets, for the period July to September, stipulated in the International Monetary Fund Stand-By Arrangement (IMF-SBA) were achieved. Notably, net international reserves rose to US\$1.9 billion at the end of September 2010, representing US\$609.7 million above the target outlined in the IMF-SBA. By way of other developments, the monetary base contracted by 4.5 per cent, while private sector credit grew by 1.0 per cent during the quarter ended September 2010. In **Trinidad and Tobago**, the Central Bank reduced the "repo" rate by 50 and 25 basis points in August and September 2010 respectively, after maintaining the rate at

5.0 per cent for the first seven months of 2010. Against this backdrop, reductions have been observed in the commercial banks' median prime lending rate, which reached 9.0 per cent in September 2010, down from 10.25 per cent in December 2009. Despite lower interest rates, credit demand remained weak and savings and demand deposits rose, contributing to a build up of liquidity.

Outlook

Economic conditions in the **Bahamas** are estimated to remain relatively stable over the remainder of 2010, supported by a turnaround in the tourism industry and pickup in domestic demand. The economy of **Barbados** is estimated to have contracted by 0.4 per cent in 2010, reflecting weak recovery in advanced economies which are a major source of tourism arrivals. In **Belize**, economic activity is estimated to expand by 2.0 per cent in 2010, driven by increased value added in major sectors including tourism, distribution, and construction. Rehabilitation efforts associated with the passage of hurricane Richard, in late October, are likely to contribute to growth. Against the backdrop of international developments, output in **Jamaica** is estimated to contract in the last quarter of 2010, albeit at a slower pace, influenced by declines in manufacturing and agriculture. In **Trinidad and Tobago**, real GDP growth is estimated to be flat or reach a maximum of 1.0 per cent in 2010.



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 and private businesses.

4. Currency = total currency liabilities of the Central Bank less commercial banks' holdings of local currency cash.

5. Demand Deposits = total private businesses and households residents' demand deposits.

6. Savings Deposits = total private businesses and households residents' savings deposits.

7. Time Deposits = total private businesses and households residents' time deposits.

8. Foreign Currency Deposits = total private businesses and households residents' foreign currency deposits



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Table 1
ECCU - Selected Tourism Statistics

	2009 3 rd Qr	2009 4 th Qr	2010 ^R 1 st Qr	2010 ^R 2 nd Qr	2010 ^P 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Total Visitors	501,833	1,187,774	1,586,493	676,758	459,498	2,804,334	2,722,749
Stay-Over Visitors	219,807	232,660	272,737	240,019	236,801	707,724	749,557
Of which:							
USA	75,126	77,221	106,876	103,970	90,631	260,026	301,477
Canada	8,607	16,962	34,014	13,970	11,488	49,674	59,472
UK	41,716	53,487	54,529	43,597	42,192	150,049	140,318
Caribbean	73,034	58,883	45,882	55,341	68,456	176,973	169,679
Other Countries	21,324	26,107	31,436	23,141	24,034	71,002	78,611
Excursionists ¹	16,740	15,979	23,089	19,238	20,162	56,945	62,489
Cruise Ship Passengers ²	252,822	916,022	1,247,024	389,735	188,663	1,963,368	1,825,422
Yacht Passengers ⁴	12,464	23,113	43,643	27,766	13,872	76,297	85,281
Number of Cruise Ship Calls ³	99	534	792	216	65	1,147	1,073
Total Visitor Expenditure (EC\$M)	597.18	739.77	912.01	709.51	641.93	2,145.74	2,263.45

Sources: Central Statistics Offices, OECS and ECCB

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

² Cruiseship passengers excludes Anguilla but includes Antigua and Barbuda.

³ Cruiseship calls excludes Anguilla and St Vincent and the Grenadines.

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

Data available at 19 November 2010

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

	2009 2 nd Qr	2009 3 rd Qr	2009 ^R 4 th Qr	2010 ^R 1 st Qr	2010 ^R 2 nd Qr	2010 3 rd Qr
Net Foreign Assets	2,148.51	2,085.00	1,895.29	2,123.30	1,906.15	1,836.15
Central Bank (net)	2,097.36	2,226.29	2,156.97	2,200.34	2,252.55	2,271.84
External Assets	2,105.53	2,232.82	2,162.25	2,202.87	2,257.90	2,286.81
External Liabilities	8.18	6.53	5.29	2.53	5.35	14.97
Commercial Banks (net)	51.15	(141.29)	(261.68)	(77.04)	(346.39)	(435.69)
External Assets	3,310.51	3,802.10	4,015.13	4,335.47	3,678.90	3,476.21
External Liabilities	3,259.36	3,943.38	4,276.81	4,412.51	4,025.29	3,911.90
Net Domestic Assets	10,347.94	10,298.74	10,493.18	10,512.26	10,586.09	10,510.70
Domestic Credit	12,338.08	12,467.13	12,698.24	12,666.46	12,630.80	12,597.37
Central Government (net)	1,119.21	1,122.00	1,325.48	1,268.53	1,118.89	1,037.94
Other Public Sector (net)	(867.50)	(878.43)	(952.06)	(914.25)	(953.00)	(1,007.37)
Private Sector	12,086.37	12,223.56	12,324.83	12,312.18	12,464.90	12,566.80
Households	5,971.11	6,080.72	6,137.77	6,151.74	6,194.46	6,237.47
Business	5,648.80	5,699.97	5,767.36	5,761.50	5,860.59	5,926.80
Non-Bank Financial Institutions (ne Subsidiaries & Affiliates (net)	173.52	154.62	134.37	127.76	152.01	146.39
Subsidiaries & Affiliates (net)	292.94	288.26	285.33	271.20	257.85	256.15
Other Items (net)	(1,990.13)	(2,168.39)	(2,205.06)	(2,154.20)	(2,044.71)	(2,086.67)
Monetary Liabilities (M2)	12,496.45	12,383.74	12,388.47	12,635.56	12,492.24	12,346.85
Money Supply (M1)	2,556.16	2,450.54	2,530.66	2,593.17	2,509.90	2,407.51
Currency with the Public	569.29	553.51	621.37	583.86	567.49	551.87
Demand Deposits	1,885.80	1,806.45	1,834.62	1,904.02	1,857.24	1,787.53
EC\$ Cheques and Drafts Issued	101.08	90.58	74.66	105.29	85.17	68.11
Quasi Money	9,940.29	9,933.21	9,857.81	10,042.39	9,982.35	9,939.35
Savings Deposits	5,190.40	5,202.19	5,222.29	5,290.15	5,312.18	5,282.13
Time Deposits	2,752.00	2,743.30	2,705.37	2,763.50	2,801.12	2,804.93
Foreign Currency Deposits	1,997.90	1,987.72	1,930.15	1,988.75	1,869.05	1,852.28

Source: Eastern Caribbean Central Bank

Data available at 19 November 2010



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

	2009 ^R 3 rd Qr	2010 ^R 4 th Qr	2010 ^R 1 st Qr	2010 ^R 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Current Revenue	745.68	806.09	806.83	857.02	803.30	2,499.97	2,467.15
Tax Revenue	671.64	719.91	703.47	760.41	711.22	2,247.88	2,175.09
Taxes on Income and Profits ¹¹	159.94	155.83	178.77	185.87	155.79	586.67	520.43
Of Which:							
Personal Income Tax ¹²	57.66	58.18	61.26	61.93	56.55	187.14	179.75
Company	85.13	77.49	86.62	96.77	77.66	335.71	261.06
Taxes on Property	13.98	10.55	14.46	20.76	15.84	50.67	51.06
Taxes on Domestic Goods and Services	223.72	237.54	236.60	250.40	236.38	736.29	723.38
Of Which:							
Accommodation Tax	8.07	6.46	14.21	14.21	12.36	34.24	40.77
Licences	18.91	22.62	24.78	15.83	15.66	66.22	56.26
Sales Tax ¹³	42.45	51.83	42.38	46.28	47.12	152.50	135.78
Stamp Duties	29.65	25.60	26.51	32.04	24.93	91.42	83.47
Consumption Tax ¹⁴	10.15	10.23	8.89	2.40	2.40	35.31	13.69
Value Added Tax ¹⁵	58.41	73.98	67.74	87.88	79.80	193.29	235.43
Taxes on International Trade and Transactions	273.99	316.00	273.64	303.37	303.21	874.25	880.22
Of Which:							
Import Duties	90.86	117.40	86.22	104.22	103.22	283.67	293.66
Consumption Tax ¹⁷	84.31	90.55	69.24	73.96	76.86	275.13	220.06
Customs Service Charge ¹⁷	55.80	62.24	40.41	44.55	47.10	174.68	132.05
Non-Tax Revenue	74.04	86.18	103.36	96.62	92.08	252.09	292.05
Current Expenditure	848.61	1,054.13	829.91	832.08	865.29	2,531.00	2,527.28
Personal Emoluments	368.36	392.15	368.01	376.55	371.49	1,102.45	1,116.06
Goods and Services	191.17	204.24	166.05	171.16	180.00	553.33	517.22
Interest Payments	98.11	253.11	109.83	98.68	114.66	303.32	323.18
Domestic	59.86	165.03	57.83	54.73	66.66	165.44	179.22
External	38.24	88.09	52.00	43.94	48.01	137.89	143.95
Transfers and Subsidies	190.98	204.63	186.01	185.69	199.13	571.90	570.83
Of Which: Pensions	48.34	57.70	52.88	45.40	54.66	149.36	152.95
Current Account Balance	(102.93)	(248.04)	(23.08)	24.94	(61.99)	(31.03)	(60.14)
Capital Revenue	2.46	4.13	3.69	6.83	5.41	18.72	15.93
Grants	58.50	98.65	65.96	63.67	94.49	244.24	224.12
Capital Expenditure and Net Lending	216.82	281.82	130.50	173.78	156.06	617.82	460.34
Of Which: Capital Expenditure	214.43	278.14	129.17	173.70	155.18	614.91	458.06
Primary Balance	(160.68)	(173.96)	25.90	20.34	(3.48)	(82.55)	42.76
Overall Balance	(258.79)	(427.08)	(83.93)	(78.34)	(118.15)	(385.88)	(280.42)
Financing	258.79	427.08	83.93	78.34	118.15	385.88	280.42
Domestic	46.98	460.48	(40.05)	38.89	(78.33)	135.81	(79.48)
ECCB (net)	24.86	37.69	(3.62)	20.71	(8.22)	11.75	8.88
Commercial Banks (net)	(21.54)	113.50	(41.28)	(157.62)	(104.86)	78.64	(303.75)
Other	43.65	309.29	4.85	175.80	34.74	45.43	215.39
External	184.39	(9.10)	56.99	57.26	190.45	196.12	304.70
Net Amortisation/(Amortisation)	188.27	(12.10)	58.07	61.74	193.42	196.07	313.24
Disbursements	238.69	48.66	135.51	177.94	287.51	385.30	600.96
Amortisation	(50.42)	(60.76)	(77.44)	(116.19)	(94.09)	(189.23)	(287.72)
Change in Government Foreign Assets	(3.88)	3.00	(1.08)	(4.48)	(2.97)	0.05	(8.54)
Arrears ¹⁸	27.41	(24.31)	66.99	(17.81)	(226.88)	53.95	(177.70)
Domestic	7.02	(40.14)	41.77	6.01	9.09	33.04	56.87
External	20.40	15.83	25.22	(23.82)	(235.98)	20.91	(234.58)

Sources: Central Statistics Offices, OECS and ECCB

¹¹ Taxes on income and profits are not collected in Anguilla¹² Includes a social services levy which is applied in St Kitts and Nevis¹³ Includes data for Dominica and Antigua & Barbuda¹⁴ Excludes Anguilla, Antigua and Barbuda and Montserrat¹⁵ Includes data for Dominica, Grenada and St Vincent and¹⁶ Includes data for Anguilla and Montserrat only¹⁷ Includes data for all territories except Anguilla¹⁸ Excludes Montserrat and St. Vincent and the Grenadines

Data available at 19 November 2010



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

	2006 ^R	2007 ^R	2008 ^R	2009 ^R	Sep 2010
Anguilla	120.3	141.2	170.9	191.6	233.8
Antigua and Barbuda	2,840.1	2,835.7	2,979.1	3,085.3	2,780.1
Dominica	951.9	917.9	898.1	862.8	878.0
Grenada	1,656.3	1,710.0	1,777.1	1,883.8	1,873.8
Montserrat	12.0	11.2	11.1	9.3	8.8
St Kitts and Nevis	2,406.3	2,505.7	2,550.2	2,686.9	2,760.0
Saint Lucia	1,718.0	1,857.1	1,884.8	1,911.6	2,115.3
St Vincent and the Grenadines	1,028.1	1,026.9	1,093.8	1,118.4	1,117.6
TOTAL ECCU	10,733.0	11,005.7	11,365.0	11,749.6	11,767.4

Source: ECCB

* Includes arrears of principal

Data available at 03 December 2010

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

	2006 ^R	2007 ^R	2008 ^R	2009 ^R	Sep 2010
Anguilla	103.2	121.1	149.6	172.3	216.0
Antigua and Barbuda	2,582.8	2,558.2	2,683.6	2,584.7	2,375.1
Dominica	789.3	762.1	749.2	713.8	726.0
Grenada	1,458.4	1,539.1	1,580.2	1,684.3	1,677.7
Montserrat	4.2	3.8	4.0	2.5	2.4
St Kitts and Nevis	1,759.7	1,806.2	1,941.9	2,052.4	2,146.4
Saint Lucia	1,428.0	1,595.4	1,616.2	1,642.2	1,821.0
St Vincent and the Grenadines	891.6	840.1	849.8	890.3	922.5
TOTAL ECCU	9,017.2	9,225.9	9,574.5	9,742.4	9,887.0

Source: ECCB

Data available at 03 December 2010

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

	2006 ^R	2007 ^R	2008 ^R	2009 ^R	Jan - Sep Sep 2009	Jan - Sep 2010
Anguilla	26.9	11.0	40.3	51.0	10.5	160.4
Antigua and Barbuda	246.6	202.5	243.5	306.8	119.8	227.3
Dominica	54.9	55.1	53.8	29.3	23.8	28.9
Grenada	45.7	86.3	79.2	117.5	98.0	63.1
Montserrat	0.2	1.2	0.2	0.2	0.2	0.2
St Kitts and Nevis	209.2	206.0	212.6	202.5	130.8	153.9
Saint Lucia	119.2	136.2	156.7	173.3	130.7	134.0
St Vincent and the Grenadines	83.0	93.6	107.6	112.9	88.2	98.1
TOTAL ECCU	785.6	791.8	894.0	993.5	601.9	865.9

Source: ECCB

Data available at 03 December 2010



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

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Total Bid Amount	214.5	241.8	292.9	161.5	240.5	135.4	227.0
Funds Raised	176.3	178.8	238.0	146.8	205.6	96.0	194.7

Source: Eastern Caribbean Securities Exchange (ECSE)

Data available as at November 2010

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

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
91-day Treasury Bills	5.94	5.78	5.83	5.74	5.39	4.95	4.83
180-day Treasury Bills	5.90	**	4.50	**	5.00	**	4.50
365-day Treasury Bills	**	6.75	6.00	6.26	**	6.75	6.00
5-year Bond	**	**	7.00	**	**	**	**
6-year Bond	**	**	7.15	7.25	7.25	**	**
7-year Bond	8.00	8.00	**	**	**	**	**
8-year Bond	**	**	**	**	7.50	**	7.5
10-year Bond	**	**	**	**	**	**	**

Source: ECSE

Data available as at November 2010

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

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr
Volume Traded	1.8	2.7	2.2	3.8	0.1
Value Traded	1.8	2.6	4.1	7.4	0.2

Source: ECSE

Data available as at November 2010



Table 10
Anguilla - Selected Tourism Statistics

	2009	2009 ^R	2010	2010 ^R	2010 ^E	2009 ^R	2010 ^E
	3 rd Qr	4 th Qr	1 st Qr	2 nd Qr	3 rd Qr	Jan - Sep	Jan - Sep
Total Vistors	25,435	26,051	35,691	39,998	23,654	86,064	99,343
Stay-Over Visitors	12,617	14,558	18,068	25,712	11,734	43,333	55,514
Of which:							
USA	5,797	8,823	12,329	14,961	5,392	25,250	32,682
Canada	229	603	984	1,011	213	1,429	2,208
UK	686	825	789	1,037	638	2,122	2,464
Italy	444	216	339	368	413	1,096	1,120
Germany	40	89	115	161	37	336	313
Caribbean	4,539	3,007	2,431	5,242	4,221	9,917	11,894
Other Countries	882	995	1,081	2,932	820	3,183	4,833
Excursionists	12,818	11,493	17,623	14,286	11,920	42,731	43,829
Total Visitor Expenditure (EC\$M)	55.76	64.03	77.79	90.46	49.73	188.63	217.99

Sources: Statistics Department
Data available at 17 December 2010

Table 11
Anguilla - Consumer Price Index
January 2001 = 100

	Weight	Index Sep 2010	Percentage Change*						
			2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
All Items	1,000.0	141.30	0.07	0.57	0.78	(0.07)	(0.07)	(1.36)	0.64
Food	321.2	148.60	0.62	0.34	0.48	(0.47)	0.95	1.75	0.95
Alcoholic Beverages and Tobacco	3.0	126.60	(0.71)	1.20	(0.08)	(0.47)	0.48	3.74	(0.08)
Housing	171.5	110.30	(0.70)	0.26	(1.75)	0.45	(2.22)	0.07	(3.50)
Fuel and Light	68.6	136.50	-	6.83	5.08	-	-	(17.05)	5.08
Clothing and Footwear	30.7	107.20	(1.17)	(0.54)	(1.46)	(1.85)	1.23	2.63	(2.10)
Household Furnishings and Supplies	97.3	162.40	(0.18)	(0.80)	1.24	0.12	(0.92)	(7.03)	0.43
Transport and Communications	235.3	141.90	(0.14)	0.65	2.16	0.07	(0.07)	(7.20)	2.16
Medical Care and Expenses	30.9	219.30	0.09	0.09	(0.27)	0.37	0.05	54.39	0.14
Education	9.9	216.40	5.36	0.60	(1.32)	-	-	8.57	(1.32)
Personal Services	16.4	135.70	(1.47)	1.27	-	(0.07)	-	1.18	(0.07)
Miscellaneous	15.3	87.70	0.22	(2.46)	(5.16)	6.05	-	(0.53)	0.57

Sources: Statistics Department, Ministry of Finance
*at end of period
Data available at 17 December 2010



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

	2009 3 rd Qr	2009 4 th Qr	2010 ^R 1 st Qr	2010 2 nd Qr	2010 ^E 3 rd Qr	2009 Jan - Sep	2010 ^E Jan - Sep
Current Revenue	37.09	33.82	35.53	35.55	26.34	114.52	97.43
Tax Revenue	28.50	24.75	28.45	28.94	21.00	86.84	78.40
Taxes on Property	0.20	0.33	0.64	0.34	0.23	1.17	1.22
Taxes on Domestic Goods and Services	13.36	7.03	13.54	11.91	7.63	37.63	33.08
Of Which:							
Accommodation Tax	1.97	1.41	4.20	3.72	1.29	9.94	9.22
Bank Deposit Levy	3.00	-	2.77	3.79	2.77	6.48	9.34
Licences	2.57	1.64	4.76	2.44	2.38	10.11	9.59
Stamp Duties	4.57	2.87	1.29	1.42	0.88	7.59	3.59
Taxes on International Trade and Transactions	14.93	17.39	14.27	16.70	13.14	48.05	44.10
Of Which:							
Import Duty	12.61	15.02	11.74	14.42	10.80	40.20	36.96
Export Duty	0.00	-	0.19	-	0.34	0.00	0.53
Customs Surcharge	0.72	0.79	0.62	0.69	0.57	2.29	1.88
Ticket Tax	0.25	0.27	0.23	0.18	0.16	0.67	0.57
Foreign Exchange Tax	-	-	-	-	-	-	-
Embarkation Tax	1.10	1.01	1.30	1.25	1.03	3.74	3.57
Non-Tax Revenue	8.59	9.06	7.08	6.61	5.34	27.67	19.03
Current Expenditure	49.47	51.51	49.86	46.13	47.58	150.89	143.58
Goods and Services	13.14	12.63	9.79	8.47	10.36	35.78	28.62
Personal Emoluments	22.09	22.40	22.13	22.61	21.67	68.34	66.42
Interest Payments	1.49	1.90	5.08	1.95	3.95	6.38	10.98
Domestic	0.96	1.78	4.24	1.31	3.83	4.82	9.37
External	0.53	0.12	0.85	0.65	0.12	1.56	1.61
Transfers & Subsidies	12.75	14.58	12.85	13.10	11.60	40.39	37.56
Of Which: Pensions	1.92	2.03	2.13	2.23	2.45	5.24	6.80
Current Account Balance	(12.38)	(17.70)	(14.33)	(10.58)	(21.24)	(36.37)	(46.15)
Capital Revenue	-	-	-	-	-	0.00	-
Grants	-	-	-	-	-	-	22.30
Of which: Current Grants	-	-	27.00	-	-	-	-
Of which: Capital Grants	-	-	-	-	-	-	-
Capital Expenditure and Net Lending	2.77	3.08	0.21	0.38	0.98	7.50	1.57
Primary Balance (after grants)	(13.66)	(18.87)	12.81	(9.01)	(18.27)	(37.50)	(14.47)
Overall Balance	(15.15)	(20.77)	7.72	(10.96)	(22.21)	(43.87)	(25.45)
Financing	15.15	20.77	(7.72)	10.96	22.21	43.87	25.45
Domestic	15.43	21.01	(22.01)	37.65	(127.17)	41.70	(111.52)
ECCB (net)	2.05	11.60	(0.27)	(11.78)	1.47	2.06	(10.58)
Commercial Banks (net)	13.14	22.93	(22.22)	(17.53)	(103.91)	21.00	(143.66)
Other	0.24	(13.51)	0.48	66.96	(24.73)	18.64	42.72
External	(0.27)	(0.24)	(3.81)	(16.67)	148.23	2.17	127.75
Net Amortisation	(0.27)	(0.24)	(3.81)	(16.67)	148.23	2.17	127.75
Disbursements	-	-	-	-	148.50	2.69	148.50
Amortisation	(0.27)	(0.24)	(3.81)	(16.67)	(0.27)	(0.51)	(20.75)
Change in Government Foreign Assets	-	-	-	-	-	-	-

Source: Ministry of Finance and Treasury Department
Data available at 18 November 2010



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

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 ^E Jan - Sep
Total Exports (without transshipment)	8.38	5.86	7.36	7.25	8.22	56.43	22.83
Total Imports (without transshipment)	101.69	107.32	113.10	118.72	90.85	348.83	322.66
Trade Balance	(93.31)	(101.47)	(105.74)	(111.47)	(83.08)	(292.41)	(300.29)

Source: Statistical Department

Data available at 18 November 2010

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

	2009 2 nd Qr	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 ^E 3 rd Qr
Net Foreign Assets	34.74	4.05	37.51	62.53	18.15	149.93
Central Bank (net)	80.01	80.71	101.14	92.98	81.72	220.15
Commercial Banks (net)	(45.27)	(76.65)	(63.63)	(30.45)	(63.56)	(70.22)
External (net)	17.88	9.67	36.34	44.68	6.69	8.89
Assets	277.92	286.50	305.08	322.16	289.27	266.84
Liabilities	260.05	276.83	268.75	277.48	282.58	257.95
Other ECCB Territories	(63.14)	(86.33)	(99.97)	(75.13)	(70.25)	(79.11)
Assets	123.90	137.09	131.36	126.90	121.45	118.03
Liabilities	187.04	223.41	231.33	202.03	191.70	197.14
Net Domestic Assets	1,033.29	1,054.52	1,037.05	1,007.72	1,029.36	871.51
Domestic Credit	1,338.28	1,363.67	1,376.39	1,389.23	1,395.56	1,243.74
Central Government (net)	79.58	94.77	129.30	106.82	77.50	(24.94)
Other Public Sector (net)	(154.00)	(158.22)	(162.54)	(150.07)	(111.97)	(152.28)
Private Sector	1,412.70	1,427.12	1,409.62	1,432.48	1,430.03	1,420.97
Households	666.02	665.04	666.85	650.87	651.06	628.57
Business	720.77	737.82	717.99	761.60	759.82	771.31
Non-Bank Financial Institutions	7.55	6.00	6.49	6.37	5.50	5.01
Subsidiaries and Affiliates	18.36	18.26	18.30	13.65	13.65	16.08
Other Items (net)	(304.99)	(309.15)	(339.34)	(381.52)	(366.20)	(372.23)
Monetary Liabilities (M2)	1,068.03	1,058.57	1,074.55	1,070.25	1,047.51	1,021.44
Money Supply (M1)	54.10	49.07	51.38	47.10	41.03	39.39
Currency with the Public	12.32	12.92	16.40	13.57	10.46	10.34
Demand Deposits	34.17	31.97	31.95	31.08	28.98	26.01
EC\$ Cheques and Drafts Issued	7.61	4.18	3.03	2.46	1.60	3.04
Quasi Money	1,013.93	1,009.50	1,023.18	1,023.15	1,006.48	982.05
Savings Deposits	104.15	101.53	101.18	103.01	102.62	101.96
Time Deposits	97.95	98.62	102.41	107.08	106.85	108.18
Foreign Currency Deposits	811.83	809.35	819.59	813.05	797.00	771.91

Source: Eastern Caribbean Central Bank

Data available at 18 November 2010



Table 15
Antigua and Barbuda - Selected Tourism Statistics

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 ^R 2 nd Qr	2010 ^E 3 rd Qr	2009 Jan - Sep	2010 ^P Jan - Sep
Total Visitors	117,809	273,491	342,560	132,950	81,889	691,940	557,399
Stay-Over Visitors	51,089	57,092	70,516	54,002	54,478	177,318	178,996
Of which:							
USA	18,156	18,014	25,982	22,044	18,261	64,054	66,287
Canada	1,727	3,938	9,350	3,155	2,002	9,009	14,507
Europe	16,644	22,708	24,267	17,878	19,629	66,169	61,774
UK	13,482	18,947	18,600	14,362	14,489	54,304	47,451
Germany	702	1,108	1,077	725	1,339	2,644	3,141
Switzerland	134	281	334	206	430	687	970
Italy	1,847	1,561	2,897	1,915	2,314	6,165	7,126
France	264	386	559	341	516	1,181	1,416
Other Europe	215	425	800	329	541	1,188	1,670
Caribbean	12,097	9,358	7,493	8,340	11,243	28,944	27,076
South America	296	294	385	341	508	1,146	1,234
Other Countries	2,169	2,780	3,039	2,244	2,835	7,996	8,118
Cruise Ship Passengers	65,776	210,990	261,408	72,598	26,708	498,805	360,714
Number of Cruise Ship Calls	20	109	147	46	10	258	203
Yacht Passengers	944	5,409	10,636	6,350	703	15,817	17,689
Number of Yacht Calls	210	765	1,775	1,542	154	2,996	3,471
Total Visitor Expenditure (EC\$M)	168.24	203.82	256.74	184.73	175.73	619.99	617.21

Sources: Department of Tourism and Eastern Caribbean Central Bank

Data available at 18 November 2010

Table 16
Antigua and Barbuda - Consumer Price Index
January 1993 = 100

	Weight	Index Sep 2010	Percentage Change*						
			2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 ^P Jan - Sep
All Items	1,000.0	123.03	2.02	0.74	0.35	1.03	0.82	1.64	2.22
Food	214.2	140.90	(0.46)	3.33	0.14	3.07	4.02	5.32	7.36
Alcoholic Beverages and Tobacco	1.6	133.04	0.95	0.06	(3.48)	(0.34)	2.27	6.14	(1.63)
Housing	218.3	109.68	-	-	-	-	-	(0.56)	-
Fuel and Light	63.9	134.32	16.44	4.27	6.14	2.90	(3.75)	5.91	5.12
Clothing and Footwear	110.6	96.88	-	3.66	(0.46)	(3.90)	(3.04)	(0.67)	(7.26)
Household Furnishings and Supplies	126.0	118.63	0.34	(2.66)	(0.26)	3.93	1.06	1.38	4.76
Transport and Communications	153.5	121.98	2.60	-	(0.11)	0.05	1.48	(1.23)	1.42
Medical Care and Expenses	27.6	115.02	-	-	-	0.06	1.27	(2.97)	1.33
Education	23.4	160.44	10.75	-	-	-	(0.32)	(2.14)	(0.32)
Personal Services	43.0	153.35	-	-	-	-	(0.73)	-	(0.73)
Miscellaneous	17.9	122.60	8.19	(1.07)	(0.07)	(0.12)	4.58	9.25	4.38

Sources: Central Statistical Office and Eastern Caribbean Central Bank

*at end of period

Data available at 01 December 2010



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

	2009 ^R 3 rd Qr	2009 ^R 4 th Qr	2010 ^R 1 st Qr	2010 ^R 2 nd Qr	2010 ^P 3 rd Qr	2009 ^R Jan - Sep	2010 ^P Jan - Sep
Current Revenue	117.82	136.69	158.00	158.51	139.04	459.17	455.55
Tax Revenue	113.47	132.37	140.16	145.64	132.88	441.02	418.68
Taxes on Income and Profits	20.42	16.75	22.94	25.71	13.68	81.27	62.33
Of Which:							
Personal Income	8.23	6.95	9.80	8.08	7.95	28.80	25.83
Company	12.19	9.72	13.13	17.38	5.73	52.24	36.24
Taxes on Property	3.47	2.00	5.25	5.37	3.80	12.85	14.42
Taxes on Domestic Goods and Services	53.29	60.79	55.21	57.70	56.93	191.78	169.84
Of Which:							
Stamp Duties	7.23	6.30	6.94	9.66	7.60	23.21	24.20
Sales Tax	42.19	51.78	42.32	46.24	47.07	152.04	135.63
Telecommunications Tax	-	-	1.15	0.07	0.11	-	1.33
Taxes on International Trade and Transactions	36.30	52.82	56.76	56.86	58.47	155.12	172.09
Of Which:							
Import Duty	15.32	24.45	16.52	19.35	20.67	54.42	56.54
Consumption Tax	0.02	2.85	8.68	6.35	6.14	22.67	21.17
Customs Service Charge	13.14	18.32	3.16	0.94	1.33	44.64	5.43
Environmental Tax	0.39	1.41	0.56	0.72	0.94	2.95	2.22
Passenger Facility Charge	2.27	0.28	7.00	4.51	5.30	10.24	16.81
Non-Tax Revenue	4.35	4.32	17.84	12.87	6.16	18.15	36.87
Current Expenditure	174.73	347.44	168.04	165.69	168.59	567.97	502.32
Personal Emoluments	71.86	72.44	67.13	67.70	67.61	218.22	202.44
Other Goods and Services	32.33	50.85	25.60	31.76	31.62	120.19	88.98
Interest Payments	21.57	173.01	24.18	20.37	15.60	56.30	60.15
Domestic	14.22	123.29	14.00	13.09	13.15	34.40	40.24
External	7.36	49.72	10.18	7.28	2.45	21.91	19.91
Transfers & Subsidies	48.96	51.14	51.13	45.86	53.76	173.26	150.75
Of Which: Pensions	15.07	16.94	17.71	12.22	21.95	55.55	51.88
Current Account Balance	(56.90)	(210.75)	(10.04)	(7.18)	(29.55)	(108.80)	(46.77)
Capital Revenue	-	-	0.59	0.60	0.53	2.51	1.72
Grants	-	-	-	-	-	-	-
Of which: Capital Grants	-	-	-	-	-	-	-
Capital Expenditure and Net Lending	29.59	82.97	2.21	21.67	6.13	92.06	30.01
Primary Balance	(64.92)	(120.71)	12.52	(7.88)	(19.55)	(142.05)	(14.91)
Overall Balance	(86.49)	(293.72)	(11.66)	(28.25)	(35.15)	(198.35)	(75.06)
Financing	86.49	293.72	11.66	28.25	35.15	198.35	75.06
Domestic	(64.19)	311.94	(18.18)	(22.59)	27.02	48.49	(13.75)
ECCB (net)	(34.04)	31.87	3.22	(30.83)	28.15	45.69	0.53
Commercial Banks (net)	(32.89)	54.30	(2.21)	(75.56)	4.68	32.43	(73.08)
Other	2.74	225.77	(19.20)	83.80	(5.81)	(29.63)	58.79
External	129.62	4.76	(2.07)	63.47	10.58	116.30	71.99
Net Amortisation/(Amortisation)	129.62	4.76	(2.07)	63.47	10.58	116.30	71.99
Disbursements	135.00	7.61	9.29	103.67	41.96	137.64	154.92
Amortisation	(5.38)	(2.85)	(11.36)	(40.20)	(31.38)	(21.34)	(82.94)
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	21.07	(22.98)	31.91	(12.63)	(235.37)	33.56	(216.09)
Domestic	0.67	(38.81)	6.69	11.19	0.61	11.40	18.49
External	20.40	15.83	25.22	(23.82)	(235.98)	22.17	(234.58)

Source: Ministry of Finance, Treasury Department and ECCB Estimates

Data available at 26 November 2010



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

	2009 2 nd Qr	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 ^P 3 rd Qr
Net Foreign Assets	533.65	511.15	379.77	464.62	484.67	396.58
Central Bank (net)	259.95	336.49	292.26	241.10	276.06	273.98
Commercial Banks (net)	273.70	174.66	87.51	223.52	208.61	122.61
External (net)	(52.40)	(99.72)	(128.10)	(35.63)	123.39	(123.98)
Assets	776.20	958.14	1,147.18	1,305.36	827.41	874.19
Liabilities	828.59	1,057.87	1,275.28	1,340.99	704.02	998.16
Other ECCB Territories	326.09	274.38	215.61	259.14	85.22	246.58
Assets	890.55	932.42	862.87	967.52	1,017.67	1,024.76
Liabilities	564.45	658.04	647.26	708.38	932.45	778.18
Net Domestic Assets	2,540.66	2,501.09	2,617.11	2,556.82	2,518.44	2,548.32
Domestic Credit	3,011.02	2,966.39	3,033.76	3,000.12	2,961.17	2,988.42
Central Government (net)	609.30	542.37	628.54	629.55	523.16	555.99
Other Public Sector (net)	(128.00)	(116.26)	(134.33)	(141.35)	(109.72)	(122.60)
Private Sector	2,529.72	2,540.28	2,539.55	2,511.92	2,547.72	2,555.03
Households	1,292.42	1,309.47	1,320.25	1,298.21	1,312.05	1,325.03
Business	1,137.44	1,144.67	1,142.74	1,143.87	1,168.98	1,165.97
Non-Bank Financial Institutions	31.53	21.40	16.11	14.00	14.69	14.36
Subsidiaries and Affiliates	68.33	64.73	60.45	55.84	52.00	49.67
Other Items (net)	(470.35)	(465.30)	(416.64)	(443.30)	(442.73)	(440.11)
Monetary Liabilities (M2)	3,074.31	3,012.24	2,996.88	3,021.43	3,003.10	2,944.90
Money Supply (M1)	646.43	607.95	630.51	632.64	626.37	579.71
Currency with the Public	131.42	124.58	146.13	133.02	129.17	127.48
Demand Deposits	474.39	452.99	459.62	467.53	464.21	425.52
EC\$ Cheques and Drafts Issued	40.61	30.38	24.76	32.09	32.98	26.72
Quasi Money	2,427.88	2,404.28	2,366.37	2,388.79	2,376.73	2,365.19
Savings Deposits	981.17	984.15	960.27	987.84	981.27	972.21
Time Deposits	1,014.63	1,005.90	1,000.24	992.15	983.62	991.80
Foreign Currency Deposits	432.08	414.24	405.86	408.80	411.84	401.18

Source: Eastern Caribbean Central Bank

Data available at 26 November 2010



Table 19
Dominica - Selected Tourism Statistics

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Total Vistors	83,389	186,041	249,841	118,702	86,017	430,419	454,560
Stay-Over Visitors	20,717	26,748	22,923	20,836	23,032	58,599	66,791
Of which:							
USA	5,042	5,423	6,933	6,010	5,620	16,076	18,563
Canada	503	1,038	794	518	560	1,628	1,872
UK	1,607	2,239	2,047	1,246	1,765	4,443	5,058
Caribbean	12,346	15,300	10,709	11,438	13,731	31,775	35,878
Other Countries	1,219	2,748	2,440	1,624	1,356	4,677	5,420
Excursionists	151	430	175	375	144	350	694
Cruise Ship Passengers	62,521	158,863	226,743	97,491	62,841	371,470	387,075
Number of Cruise Ship Calls	19	78	131	44	21	195	196
Total Visitor Expenditure (EC\$M)	54.29	84.57	76.46	63.38	62.61	179.85	202.45

Sources: Central Statistical Office
Data available at 17 November 2010

Table 20
Dominica - Consumer Price Index
January 2001 = 100

	Weight	Index Sep 2010	Percentage Change*						
			2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 ^E 3 rd Qr	2009 Jan - Sep	2010 ^E Jan - Sep
All Items	1,000.0	123.71	1.79	1.11	0.75	0.15	0.28	2.17	1.18
Food	328.8	144.85	2.45	1.33	0.48	1.26	(0.64)	4.22	1.10
Alcoholic Beverages and Tobacco	9.5	133.00	1.44	4.47	0.63	0.57	0.52	2.60	1.73
Housing and Utilities	111.7	119.45	(2.67)	-	(0.58)	0.04	2.04	(3.10)	1.50
Fuel and Light	58.6	145.68	6.57	4.80	6.41	(2.46)	1.92	5.81	5.79
Clothing and Footwear	82.1	99.87	1.26	1.59	0.67	(0.69)	0.86	1.63	0.83
Household and Furnishing Equipment	93.5	110.53	0.94	0.45	1.49	(0.49)	0.33	1.56	1.32
Transportation and Communication	194.3	103.96	2.00	0.53	0.22	(0.51)	0.37	0.31	0.08
Medical Care and Expenses	31.6	112.56	(0.12)	-	(0.07)	0.12	(0.05)	0.72	-
Education	29.0	121.70	3.69	0.31	(0.25)	(0.15)	0.77	4.19	0.37
Personal Services	42.5	117.21	1.85	-	-	(0.04)	-	0.73	(0.04)
Miscellaneous	18.4	116.03	4.66	0.50	0.19	(0.38)	0.30	5.28	0.11

Sources: Central Statistical Office and Eastern Caribbean Central Bank
*at end of period
Data available at 17 November 2010



Table 21
Dominica - Central Government Fiscal Operations
(In millions of Eastern Caribbean dollars)

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 ^p 3 rd Qr	2009 Jan - Sep	2010 ^p Jan - Sep
Current Revenue	81.52	97.21	86.05	97.50	83.40	252.86	266.95
Tax Revenue	74.42	84.75	78.77	93.29	76.62	235.82	248.68
Taxes on Income, Profit and Capital Gains	13.89	11.43	13.08	24.05	11.93	44.51	49.05
Of Which:							
Personal Income	6.93	6.93	7.50	7.95	6.97	25.14	22.42
Corporation	7.61	4.86	6.22	15.26	5.71	21.49	27.19
Development Levy	-	-	-	-	-	-	-
Stabilisation Levy	0.01	0.00	0.00	0.00	0.01	0.02	0.01
Taxes on Property	2.09	2.03	2.59	2.16	1.95	7.11	6.70
Taxes on Domestic Goods and Services	41.59	51.26	47.14	47.81	44.11	134.67	139.06
Of Which:							
Sales Tax	0.25	0.06	0.06	0.04	0.05	0.46	0.15
Licences	3.06	4.42	5.16	6.60	3.01	13.72	14.77
Value Added Tax	28.04	36.95	30.38	31.53	30.75	87.91	92.66
Excise Tax	9.79	9.35	10.96	8.84	9.52	31.37	29.32
Taxes on International Trade and Transactions	16.85	20.02	15.96	19.27	18.63	49.53	53.86
Of Which:							
Consumption Tax	0.00	0.01	0.02	0.00	-	0.03	0.02
Import Duty	8.05	10.26	8.34	9.50	10.41	23.39	28.25
Customs Service Charge/Customs Surcharge	4.00	5.50	3.21	3.82	4.44	11.98	11.47
Non-Tax Revenue	7.11	12.46	7.28	4.21	6.78	17.04	18.27
Current Expenditure	71.62	76.36	72.80	72.56	87.18	212.10	232.54
Personal Emoluments	30.75	32.87	31.03	31.53	31.71	92.82	94.27
Goods and Services	20.10	24.65	17.87	22.46	29.06	59.72	69.39
Interest Payments	2.85	2.20	7.62	2.95	5.52	11.86	16.09
Domestic	0.93	0.94	3.76	2.44	1.42	3.26	7.62
External	1.92	1.26	3.86	0.51	4.10	8.60	8.47
Transfers and Subsidies	17.93	16.63	16.28	15.62	20.89	47.69	52.79
Of Which: Pensions	4.00	5.23	3.95	4.04	2.93	11.89	10.91
Current Account Balance	9.90	20.85	13.25	24.94	(3.78)	40.77	34.41
Capital Revenue	0.06	0.11	0.42	0.48	0.47	0.29	1.37
Grants	-	-	0.53	15.94	20.51	61.73	36.99
Of which: Capital Grants	-	-	0.53	15.94	20.51	61.73	36.99
Capital Expenditure and Net Lending	30.08	36.10	16.68	21.60	30.60	114.66	68.88
Of which: Capital Expenditure	30.24	36.39	17.07	22.26	31.26	115.37	70.58
Primary Balance	(17.27)	(12.95)	5.14	22.71	(7.88)	(0.01)	19.97
Overall Balance	(20.12)	(15.15)	(2.48)	19.76	(13.40)	(11.87)	3.88
Financing	20.12	15.15	2.48	(19.76)	13.40	11.87	(3.88)
Domestic	7.58	4.47	1.00	(19.63)	20.14	(7.04)	1.52
ECCB (net)	(10.98)	3.34	1.27	3.26	0.19	(12.66)	4.72
Commercial Banks (net)	5.49	21.85	(5.09)	(1.37)	(13.42)	(3.07)	(19.88)
Other	13.07	(20.73)	4.82	(21.51)	33.37	8.69	16.68
External	12.94	12.01	1.97	(0.39)	(5.56)	23.02	(3.97)
Net Amortisation	16.82	9.01	3.06	4.10	(2.58)	22.97	4.57
Disbursements	20.90	11.65	6.38	7.17	1.53	33.27	15.07
Amortisation	(4.08)	(2.64)	(3.32)	(3.07)	(4.11)	(10.30)	(10.51)
Change in Government Foreign Assets	(3.88)	3.00	(1.08)	(4.48)	(2.97)	0.05	(8.54)
Other Foreign Financing	-	-	-	-	-	-	-
Arrears	(0.40)	(1.33)	(0.50)	0.26	(1.19)	(4.11)	(1.43)
Domestic	(0.40)	(1.33)	(0.50)	0.26	(1.19)	(2.86)	(1.43)
External	-	-	-	-	-	(1.25)	-

Source: Ministry of Finance

Data available at 17 November 2010



Table 22
Dominica - Selected Trade Statistics
(Value: EC\$M; Volume: tonnes)

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 ^E 2 nd Qr	2010 ^E 3 rd Qr	2009 Jan - Sep	2010 ^E Jan - Sep
Visible Trade Balance	(134.48)	(132.20)	(131.43)	(141.07)	(142.74)	(384.17)	(415.25)
Total Imports	158.79	155.73	157.17	158.51	156.37	452.46	472.06
Total Exports	24.31	23.53	25.74	17.43	13.63	68.29	56.80
Re-Exports	2.20	1.57	2.97	0.87	0.49	3.91	4.32
Domestic Exports	22.11	21.95	22.77	16.57	13.14	64.37	52.48
Of Which:							
Bananas							
Value	2.05	1.76	1.80	1.24	1.16	7.29	4.20
Volume	1,343	1,151	971	625	569	4,739	2,166
Soap							
Value	6.61	7.14	8.62	7.01	5.64	18.98	21.28
Volume	1,588	1,447	1,908	1,572	1,223	4,906	4,703

Source: Central Statistical Office, Dominica Coconut Products and WIBDECO
Data available at 17 November 2010

Table 23
Dominica - Monetary Survey
(EC\$M at end of period)

	2009 2 nd Qr	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr
Net Foreign Assets	579.18	571.98	557.34	564.02	554.84	535.76
Central Bank (net)	157.50	162.42	174.06	176.70	168.49	159.97
Commercial Banks (net)	421.68	409.56	383.28	387.31	386.35	375.79
External (net)	66.74	48.23	48.87	6.51	17.44	12.70
Assets	254.15	227.93	232.48	209.30	225.43	171.50
Liabilities	187.41	179.69	183.61	202.79	207.99	158.80
Other ECCB Territories	354.94	361.32	334.41	380.81	368.91	363.09
Assets	445.83	449.64	426.92	462.76	473.55	474.74
Liabilities	90.89	88.32	92.51	81.96	104.64	111.65
Net Domestic Assets	379.55	393.66	415.69	430.99	443.44	455.67
Domestic Credit	469.14	481.80	513.71	519.81	539.68	550.41
Central Government (net)	(67.87)	(73.36)	(48.17)	(51.98)	(50.10)	(63.33)
Other Public Sector (net)	(79.14)	(88.04)	(92.47)	(89.75)	(93.28)	(90.86)
Private Sector	616.14	643.19	654.34	661.54	683.06	704.60
Households	385.78	388.39	389.51	387.73	392.04	402.13
Business	221.49	246.44	256.44	265.48	282.79	291.19
Non-Bank Financial Institutions	2.12	1.78	1.79	1.73	1.66	4.70
Subsidiaries and Affiliates	6.76	6.57	6.60	6.60	6.57	6.57
Other Items (net)	(89.59)	(88.14)	(98.02)	(88.82)	(96.24)	(94.74)
Monetary Liabilities (M2)	958.72	965.63	973.03	995.01	998.28	991.43
Money Supply (M1)	202.77	205.08	202.06	209.97	202.80	202.16
Currency with the Public	43.23	41.66	50.68	45.69	41.16	40.57
Demand Deposits	156.21	156.20	147.68	161.83	158.96	157.21
EC\$ Cheques and Drafts Issued	3.34	7.22	3.70	2.46	2.68	4.38
Quasi Money	755.95	760.56	770.97	785.03	795.48	789.27
Savings Deposits	502.23	504.25	520.53	532.28	523.89	520.81
Time Deposits	239.55	241.00	236.27	238.43	252.09	250.68
Foreign Currency Deposits	14.17	15.31	14.16	14.32	19.50	17.78

Source: Eastern Caribbean Central Bank
Data available at 18 November 2010



Table 24
Grenada - Selected Tourism Statistics

	2009	2009	2010	2010 ^R	2010 ^P	2009 ^R	2010 ^P
	3 rd Qr	4 th Qr	1 st Qr	2 nd Qr	3 rd Qr	Jan - Sep	Jan - Sep
Total Visitors	41,585	136,808	203,718	54,216	24,320	319,156	282,254
Stay-Over Visitors	29,598	25,622	30,913	20,467	23,573	83,785	74,953
Of which:							
USA	7,185	4,760	7,874	4,297	6,321	19,987	18,492
Canada	1,552	1,587	2,995	846	1,509	5,241	5,350
Europe	6,880	9,016	10,447	6,795	5,710	25,060	22,952
Of which:							
Germany	213	771	826	388	170	1,539	1,384
United Kingdom	5,946	6,941	7,726	5,551	4,854	20,155	18,131
Caribbean	8,259	5,774	5,387	5,362	5,464	20,090	16,213
Other Countries	5,722	4,485	4,210	3,167	4,569	13,407	11,946
Excursionists	656	711	903	583	416	2,117	1,902
Cruise Ship Passengers	10,882	110,337	170,613	32,291	0	229,415	202,904
Yacht Passengers	449	122	1,289	875	331	3,657	2,495
Number of Cruise Ship Calls	13	72	111	21	0	172	132
Total Visitor Expenditure (EC\$M)	65.13	65.67	78.26	48.16	55.05	201.07	181.47

Sources: Board of Tourism and ECCB estimates (Stayovers, Excursionists and Yacht Passengers) for September 2007
Data available at 18 November 2010

Table 25
Grenada - Consumer Price Index
January 2001 = 100

	Weight	Index Sep 2010	Percentage Change*						
			2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 ^R 2 nd Qr	2010 ^P 3 rd Qr	2009 ^R Jan - Sep	2010 ^P Jan - Sep
All Items	100.00	135.25	0.52	(0.07)	4.46	1.62	0.22	(2.28)	6.38
Food	36.75	149.51	0.47	(1.18)	4.14	2.96	1.47	(4.57)	8.70
Alcoholic Beverages and Tobacco	0.86	129.57	0.35	0.48	7.19	1.45	0.03	1.13	8.81
Housing	10.20	125.35	0.62	(0.08)	(0.54)	0.48	(0.22)	0.46	(0.29)
Fuel and Light	5.50	145.08	8.83	3.63	3.04	1.13	1.07	(5.83)	5.52
Clothing and Footwear	9.77	103.88	(0.79)	(0.01)	5.40	1.20	(0.01)	(1.74)	6.65
Household Furnishings and Supplies	9.53	113.16	(0.33)	(0.53)	2.04	0.45	0.16	1.03	2.65
Transport and Communications	15.65	144.13	(0.39)	1.40	7.07	1.50	(0.24)	(1.32)	8.53
Medical Care and Expenses	4.65	140.25	(0.33)	0.09	11.07	(0.08)	(0.06)	(0.39)	10.93
Education	3.74	122.80	0.65	0.17	7.75	0.04	(9.06)	0.65	(1.98)
Personal Services	1.60	114.74	-	-	-	-	-	-	-
Miscellaneous	1.75	122.02	(0.04)	0.44	6.45	(0.65)	0.16	2.03	5.95

Sources: Central Statistical Office and Ministry of Finance
*at end of period

Data available at 18 November 2010



Table 26
Grenada - Central Government Fiscal Operations
(In millions of Eastern Caribbean dollars)

	2009	2009	2010	2010 ^R	2010 ^P	2009 ^R	2010 ^P
	3 rd Qr	4 th Qr	1 st Qr	2 nd Qr	3 rd Qr	Jan - Sep	Jan - Sep
Current Revenue	92.42	90.85	100.22	115.77	109.91	310.95	325.90
Tax Revenue	87.34	86.84	95.96	106.32	102.19	293.09	304.47
Taxes on Income and Profits	17.19	18.73	23.59	17.17	19.46	68.50	60.22
Of Which:							
Personal Income	5.60	6.15	6.93	5.65	5.91	22.07	18.49
Company	11.60	12.57	16.66	11.53	13.54	46.44	41.73
Taxes on Property	2.24	2.99	3.08	8.35	3.46	15.85	14.89
Taxes on Domestic Goods and Services	18.51	14.29	23.24	27.87	28.19	61.68	79.30
Of Which:							
Value-added Tax	-	-	7.12	20.83	19.22	-	47.17
Consumption Duties	7.93	8.15	6.91	0.70	0.74	29.38	8.35
Stamp Duties	0.73	0.85	0.92	0.84	0.81	3.42	2.57
Licences	6.63	1.43	4.34	3.07	5.65	14.93	13.05
Taxes on International Trade and Transactions	49.40	50.83	46.04	52.92	51.09	147.07	150.05
Of Which:							
Import Duty	10.95	11.54	10.81	12.06	11.74	32.78	34.61
Consumption Tax	21.06	21.33	18.73	20.42	20.34	63.22	59.50
Customs Service Charge	7.78	9.37	7.85	8.50	8.28	23.96	24.63
Non-Tax Revenue	5.08	4.01	4.26	9.46	7.71	17.86	21.43
Current Expenditure	107.50	100.85	107.82	98.92	99.43	315.80	306.17
Personal Emoluments	47.82	48.20	47.94	48.42	48.65	143.05	145.02
Goods and Services	19.79	20.40	27.15	26.16	18.30	65.56	71.60
Interest Payments	18.81	7.27	13.61	4.93	14.36	38.04	32.89
Domestic	6.72	3.50	1.62	1.47	2.93	10.97	6.01
External	12.09	3.77	11.99	3.46	11.43	27.08	26.88
Transfers and Subsidies	21.08	24.99	19.12	19.41	18.12	69.15	56.65
Of Which: Pensions	5.68	5.91	5.94	6.16	6.29	17.44	18.39
Current Account Balance	(15.08)	(10.00)	(7.60)	16.85	10.48	(4.85)	19.73
Capital Revenue	0.02	0.05	0.06	0.01	0.10	0.09	0.16
Grants	17.34	6.38	16.53	10.83	7.23	22.77	34.58
Of which: Capital Grants	3.85	3.42	14.00	2.64	7.23	9.28	23.87
Capital Expenditure and Net Lending	33.23	19.35	31.38	22.50	26.32	97.72	80.20
Primary Balance	(12.14)	(15.65)	(8.79)	10.11	5.85	(41.66)	7.17
Overall Balance	(30.95)	(22.92)	(22.40)	5.19	(8.51)	(79.70)	(25.72)
Financing	30.95	22.92	22.40	(5.19)	8.51	79.70	25.72
Domestic	33.45	32.10	32.19	(13.25)	(12.89)	58.18	6.05
ECCB (net)	0.61	(42.89)	41.74	(0.90)	(2.85)	5.97	38.00
Commercial Banks (net)	5.17	3.95	(12.34)	8.28	(4.10)	8.92	(8.16)
Other	27.67	71.03	2.78	(20.63)	(5.94)	43.29	(23.79)
External	(2.50)	(9.18)	(9.79)	8.06	21.40	21.53	19.68
Net Amortisation	(2.50)	(9.18)	(9.79)	8.06	21.40	21.53	19.68
Disbursements	2.03	-	2.33	19.04	24.22	39.15	45.59
Amortisation	(4.53)	(9.18)	(12.12)	(10.98)	(2.82)	(17.62)	(25.91)
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	-	-	-	-	-	-	-
Domestic	-	-	-	-	-	-	-
External	-	-	-	-	-	-	-

Source: Ministry of Finance

Data available at 18 November 2010



Table 27
Grenada - Selected Agricultural Production

		2009	2009	2010	2010 ^R	2010 ^R	2009 ^R	2010 ^P
	Unit	3 rd Qr	4 th Qr	1 st Qr	2 nd Qr	3 rd Qr	Jan - Sep	Jan - Sep
Bananas	(tonnes)	409	375	247	174	207	1389	628
Cocoa	(tonnes)	43	73	307	69	15	445	391
Nutmeg	(tonnes)	111	78	72	59	72	329	202
Mace	(tonnes)	8	5	7	4	4	25	16

Source: Central Statistical Office

Data available at 18 November 2010

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

	2009	2009	2010	2010 ^R	2010 ^P	2009 ^R	2010 ^P
	3 rd Qr	4 th Qr	1 st Qr	2 nd Qr	3 rd Qr	Jan - Sep	Jan - Sep
Visible Trade Balance	(185.82)	(183.38)	(207.67)	(207.05)	(165.45)	(528.20)	(580.17)
Total Imports	201.64	208.66	226.47	224.11	179.81	581.72	630.39
Total Exports	15.82	25.29	18.80	17.06	14.37	53.52	50.22
Re-Exports	1.72	10.90	1.36	1.19	1.05	7.83	3.61
Domestic Exports	14.10	14.39	17.44	15.86	13.31	45.69	46.62
Of Which:							
Bananas							
Volume	17.41	8.31	0.00	0.00	0.00	40.93	0.00
Value	0.02	0.01	0.00	0.00	0.00	0.05	0.00
Nutmeg							
Volume	93.52	140.96	157.22	62.34	45.60	209.01	265.15
Value	1.83	2.96	3.48	1.42	1.11	4.03	6.01
Mace							
Volume	17.25	8.87	5.42	3.45	7.88	21.69	16.75
Value	0.40	0.22	0.14	0.13	0.20	0.48	0.46
Cocoa							
Volume	49.11	61.39	343.77	73.67	21.49	405.26	438.92
Value	0.47	0.59	3.28	0.72	0.22	4.22	4.22
Manufactured Exports							
Value	9.07	8.55	8.00	6.36	8.50	25.82	22.85

Source: Central Statistical Office and WIBDECO

Data available at 18 November 2010



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

	2009 2 nd Qr	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 ^R 2 nd Qr	2010 ^P 3 rd Qr
Net Foreign Assets	269.05	235.26	283.67	270.57	214.26	250.31
Central Bank (net)	240.00	239.56	303.45	261.07	256.98	270.12
Commercial Banks (net)	29.05	(4.30)	(19.78)	9.50	(42.72)	(19.81)
External (net)	(155.69)	(147.99)	(140.11)	(148.69)	(175.04)	(170.09)
Assets	332.06	334.22	340.23	324.16	311.18	313.10
Liabilities	487.75	482.21	480.34	472.85	486.23	483.19
Other ECCB Territories	184.74	143.69	120.34	158.20	132.33	150.28
Assets	238.50	209.69	209.08	233.53	224.24	243.46
Liabilities	53.75	66.00	88.74	75.34	91.91	93.18
Net Domestic Assets	1,513.91	1,519.21	1,536.36	1,593.63	1,573.36	1,557.39
Domestic Credit	1,622.96	1,635.19	1,641.80	1,689.41	1,683.90	1,697.83
Central Government (net)	132.00	137.78	98.85	128.25	135.63	128.68
Other Public Sector (net)	(133.38)	(158.30)	(125.80)	(126.06)	(171.42)	(180.17)
Private Sector	1,624.34	1,655.71	1,668.76	1,687.22	1,719.69	1,749.32
Households	1,036.19	1,059.96	1,087.57	1,096.23	1,108.82	1,111.47
Business	565.49	572.62	565.41	575.83	596.25	618.50
Non-Bank Financial Institutions	22.66	23.13	15.78	15.15	14.62	19.35
Subsidiaries and Affiliates	-	-	-	-	-	-
Other Items (net)	(109.04)	(115.99)	(105.44)	(95.78)	(110.54)	(140.44)
Monetary Liabilities (M2)	1,782.97	1,754.47	1,820.03	1,864.20	1,787.62	1,807.70
Money Supply (M1)	320.46	306.96	332.26	370.58	320.10	321.90
Currency with the Public	88.03	85.27	106.66	100.44	91.46	89.76
Demand Deposits	221.76	209.90	217.67	249.19	221.40	224.94
EC\$ Cheques and Drafts Issued	10.67	11.78	7.94	20.95	7.24	7.20
Quasi Money	1,462.51	1,447.52	1,487.77	1,493.62	1,467.52	1,485.80
Savings Deposits	1,008.74	1,015.03	1,014.42	1,013.97	1,008.99	1,010.72
Time Deposits	329.75	306.71	339.17	344.68	355.03	359.65
Foreign Currency Deposits	124.02	125.78	134.18	134.98	103.50	115.43

Source: Eastern Caribbean Central Bank

Data available at 18 November 2010



Table 30
Montserrat - Selected Tourism Statistics

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 ^R 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Total Visitors	1,479	2,912	2,779	2,086	1,484	5,952	6,349
Stay-Over Visitors	1,230	2,247	1,453	1,233	1,290	4,064	3,976
Of which:							
USA	277	543	391	382	394	1,063	1,167
Canada	36	131	137	78	29	236	244
UK	391	758	292	265	334	1,106	891
Caribbean	506	762	509	463	524	1,505	1,496
Other Countries	20	53	124	45	9	154	178
Excursionists	122	328	338	603	104	696	1,045
Cruise Ship Passengers	-	189	535	-	-	-	535
Number of Cruise Ship Calls	-	1	2	-	-	-	2
Yacht Passengers	127	148	453	250	90	1,192	793
Number of Yachts	29	28	86	80	17	267	183
Total Visitor Expenditure (EC\$M)	2.91	5.54	4.22	3.14	2.99	10.85	10.35

Sources: Department of Tourism and Eastern Caribbean Central Bank

Data available at 24 November 2010

Table 31
Montserrat - Consumer Price Index
January 2001 = 100

	Weight	Index Sep 2010	Percentage Change*						
			2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
All Items	1,000.0	246.63	0.42	0.75	0.33	(0.09)	1.50	1.69	1.75
Food	495.0	252.40	(0.41)	0.65	0.35	(1.22)	2.92	1.11	2.02
Alcohol and Tobacco	46.0	241.69	0.40	0.61	1.87	0.32	3.00	4.06	5.27
Household Goods	102.0	180.80	0.53	1.52	(0.03)	1.41	2.74	1.91	4.15
Gas, Electricity and Water	18.0	215.96	6.19	3.82	4.16	2.14	0.89	(7.98)	7.34
Rent	7.0	955.73	-	-	0.00	-	-	-	0.00
Clothing and Footwear	179.0	220.87	-	(0.09)	0.01	0.02	-	0.32	0.03
Services	153.0	275.06	3.05	1.18	0.16	2.21	(1.88)	5.62	0.46

Source: Statistics Department, Ministry of Finance

*at end of period

Data available at 24 November 2010



Table 32
Montserrat - Central Government Fiscal Operations
(In millions of Eastern Caribbean dollars)

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 ^R 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Current Revenue	9.61	11.40	9.94	9.28	9.36	28.69	28.59
Tax Revenue	8.63	10.15	8.40	8.22	7.97	25.67	24.59
Taxes on Income and Profits	4.25	4.38	3.76	4.43	4.16	12.45	12.35
Of Which:							
Personal Income	3.77	3.31	3.26	3.42	3.29	10.11	9.96
Company	0.29	0.96	0.37	0.61	0.48	1.78	1.46
Taxes on Property	0.60	0.22	0.15	0.08	0.34	0.84	0.57
Taxes on Domestic Goods and Services	0.40	0.67	1.60	0.50	0.28	3.02	2.38
Of Which:							
Hotel Occupancy	0.01	0.01	0.01	0.01	0.01	0.03	0.02
Insurance Company Levy	0.06	0.06	0.04	0.03	0.08	0.16	0.15
Licences and Stamp Duties	0.22	0.46	1.06	0.33	0.06	2.06	1.44
Taxes on International Trade and Transactions	3.39	4.88	2.89	3.20	3.19	9.36	9.29
Of Which:							
Import Duty	0.96	1.44	0.82	0.97	0.93	2.76	2.72
Consumption Tax	1.52	2.27	1.32	1.46	1.47	4.02	4.25
Customs Service Charge	0.87	1.08	0.72	0.77	0.79	2.38	2.28
Non-Tax Revenue	0.98	1.25	1.54	1.06	1.39	3.01	4.00
Current Expenditure	22.44	33.81	20.25	24.12	22.69	63.50	67.06
Personal Emoluments	10.83	10.47	10.71	10.59	10.66	30.93	31.96
Goods and Services*	4.81	8.23	4.24	5.00	4.92	15.67	14.16
Interest Payments	0.01	0.01	-	0.01	0.09	0.08	0.10
Domestic	-	-	-	-	0.08	0.05	0.08
External	0.01	0.01	-	0.01	0.01	0.03	0.02
Transfers and Subsidies	6.80	15.10	5.30	8.52	7.02	16.82	20.84
Of Which: Pensions	3.62	8.64	2.60	3.21	3.05	8.64	8.86
Current Account Balance	(0.65)	3.81	0.54	(3.22)	(1.04)	(0.72)	(3.71)
Capital Revenue	-	-	-	-	-	-	-
Grants	27.45	34.92	19.15	11.62	34.41	65.27	65.18
Of which: Capital Grants	15.26	8.69	8.30	-	22.12	31.18	30.42
Capital Expenditure and Net Lending	11.45	10.62	6.50	7.85	6.44	26.47	20.78
Primary Balance	(24.28)	(33.03)	(16.80)	(22.68)	(19.68)	(61.21)	(59.16)
Overall Balance	3.16	1.88	2.35	(11.07)	14.64	3.99	5.92
Financing	(3.16)	(1.88)	(2.35)	11.07	(14.64)	(3.99)	(5.92)
Domestic	(3.13)	(1.85)	(2.35)	11.10	(14.61)	(3.90)	(5.86)
ECCB (net)	0.14	(0.44)	0.29	(0.42)	0.14	(0.30)	0.01
Commercial Banks (net)	0.21	(1.57)	(4.41)	11.19	(19.37)	0.59	(12.59)
Other	(3.48)	0.16	1.77	0.33	4.61	(4.18)	6.71
External	(0.03)	(0.03)	-	(0.03)	(0.03)	(0.09)	(0.06)
Net Amortisation/(Amortisation)	(0.03)	(0.03)	-	(0.03)	(0.03)	(0.09)	(0.06)
Disbursements	-	-	-	-	-	-	-
Amortisation	(0.03)	(0.03)	(0.00)	(0.03)	(0.03)	(0.09)	(0.06)
Change in Government Foreign Assets	-	-	-	-	-	-	-

Source: Ministry of Finance

*Goods and Services include Miscellaneous Payments

Data available at 24 November 2010



Table 33
Montserrat - Selected Trade Statistics
 (Value: EC\$M)

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Visible Trade Balance	(17.16)	(19.84)	(18.65)	(18.78)	(19.75)	(51.64)	(57.18)
Total Imports	19.47	22.53	20.37	19.16	20.24	57.46	59.77
Total Exports	2.31	2.69	1.72	0.38	0.49	5.81	2.59
Total Domestic Exports	1.03	0.66	0.93	0.21	0.28	3.13	1.42
Total Re-Exports	1.28	2.02	0.79	0.16	0.22	2.68	1.17

Source: Ministry of Finance

Data available at 24 November 2010

Table 34
Montserrat - Monetary Survey
 (EC\$M at end of period)

	2009 2 nd Qr	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr
Net Foreign Assets	157.39	160.74	182.89	184.89	169.48	186.07
Central Bank (net)	29.34	28.30	38.61	52.85	47.00	39.17
Commercial Banks (net)	128.04	132.44	144.27	132.04	122.48	146.90
External (net)	37.05	42.00	51.15	47.01	44.42	44.80
Assets	79.79	81.82	90.81	87.11	86.10	76.72
Liabilities	42.74	39.83	39.66	40.10	41.68	31.92
Other ECCB Territories	90.99	90.44	93.12	85.03	78.07	102.10
Assets	192.14	194.56	203.70	199.87	200.68	206.85
Liabilities	101.14	104.12	110.58	114.84	122.62	104.75
Net Domestic Assets	(9.64)	(9.85)	(17.12)	(17.25)	2.38	(18.44)
Domestic Credit	15.61	17.23	9.93	10.49	24.93	9.61
Central Government (net)	(19.38)	(19.03)	(21.04)	(25.16)	(14.39)	(33.62)
Other Public Sector (net)	(12.60)	(14.52)	(22.22)	(20.30)	(19.03)	(16.90)
Private Sector	47.59	50.78	53.19	55.95	58.36	60.14
Households	40.29	43.27	45.28	46.82	48.21	50.36
Business	7.30	7.52	7.91	9.13	10.16	9.78
Non-Bank Financial Institutions	-	-	-	-	-	-
Subsidiaries and Affiliates	-	0.00	-	-	-	-
Other Items (net)	(25.25)	(27.08)	(27.05)	(27.75)	(22.55)	(28.05)
Monetary Liabilities (M2)	147.75	150.89	165.77	167.64	171.86	167.63
Money Supply (M1)	24.73	26.85	38.15	36.89	34.00	32.78
Currency with the Public	4.06	6.67	14.86	12.54	11.52	12.88
Demand Deposits	20.46	19.96	23.06	24.07	22.08	19.63
EC\$ Cheques and Drafts Issued	0.22	0.22	0.22	0.29	0.40	0.27
Quasi Money	123.02	124.04	127.62	130.74	137.86	134.85
Savings Deposits	107.67	107.14	110.61	111.93	120.69	117.94
Time Deposits	6.84	8.23	9.21	9.08	10.17	10.28
Foreign Currency Deposits	8.50	8.68	7.80	9.73	7.01	6.63

Source: Eastern Caribbean Central Bank

Data available at 23 November 2010



Table 35
St Kitts and Nevis - Selected Tourism Statistics

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 ^R 2 nd Qr	2010 ^E 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Total Vistors	60,958	185,997	239,333	99,444	64,824	361,564	403,601
Stay-Over Visitors	21,267	18,395	25,371	21,865	24,249	74,686	71,485
Of which:							
USA	12,393	9,913	16,214	13,055	14,467	44,497	43,736
Canada	1,240	1,131	1,861	1,162	1,168	5,282	4,191
UK	1,396	1,678	1,873	1,959	1,596	4,818	5,428
Caribbean	5,534	4,878	4,383	5,100	6,157	17,532	15,640
Other Countries	704	795	1,040	589	861	2,557	2,490
Excursionists	719	678	1,004	753	3,966	3,040	5,723
Cruise Ship Passengers	38,972	166,835	212,850	76,810	36,600	283,718	326,260
Yacht Passengers	-	89	108	16	9	120	133
Number of Cruise Ship Calls	12	86	121	40	12	149	173
Total Visitor Expenditure (EC\$M)	47.96	48.82	66.39	52.63	55.62	176.59	174.64

Source: Ministry of Sustainable Development (St Kitts), Tourism Authority (Nevis) and ECCB Estimates
Data available at 24 November 2010

Table 36
St Kitts and Nevis - Consumer Price Index
January 2001 = 100

	Weight	Index Sep 2010	Percentage Change*						
			2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 ^R 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
All Items	1,000.00	136.02	1.13	1.18	(1.93)	0.27	0.52	(0.21)	(1.14)
Food	280.50	140.13	(0.35)	1.09	0.11	1.12	(1.50)	(0.61)	(0.28)
Alcoholic Beverages and Tobacco	7.10	128.89	3.00	(0.38)	(0.02)	0.12	(1.15)	3.24	(1.04)
Housing	129.90	117.11	0.03	(0.39)	(5.53)	0.31	2.07	(8.15)	(3.27)
Fuel and Light	43.70	102.10	(0.23)	(0.11)	(2.12)	-	-	(0.45)	(2.12)
Clothing and Footwear	92.90	131.94	(0.07)	(3.15)	0.59	0.29	0.14	0.12	1.02
Transportation and Communication	21.40	162.80	3.21	6.80	(6.06)	(0.41)	2.20	(0.69)	(4.39)
Household Furnishings and Supplies	37.20	118.78	4.64	(3.77)	0.11	(0.56)	1.95	5.55	1.49
Medical Care and Expenses	140.50	166.80	(1.70)	2.16	2.10	0.69	(1.80)	4.52	0.95
Education	192.70	143.01	0.50	5.86	-	1.22	4.50	0.50	5.78
Personal Services	19.90	115.16	-	-	-	-	-	-	-
Miscellaneous	34.20	124.11	0.41	(1.92)	0.70	(0.20)	(0.43)	9.18	0.07

Source: Ministry of Sustainable Development
*at end of period
Data available at 17 November 2010



Table 37
St Kitts and Nevis - Federal Government Fiscal Operations
(In millions of Eastern Caribbean dollars)

	2009 ^R 3 rd Qr	2009 ^R 4 th Qr	2010 ^R 1 st Qr	2010 ^R 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Current Revenue	115.79	144.07	119.04	119.44	120.77	392.32	359.26
Tax Revenue	84.77	104.86	81.48	79.99	82.68	289.60	244.16
Taxes on Income and Profits	24.80	38.66	21.54	22.27	24.48	108.94	68.29
Of Which:							
Company	15.45	28.53	14.46	12.43	14.27	80.33	41.17
Social Services	8.97	9.43	6.51	9.16	6.94	26.79	22.61
Taxes on Property	3.32	1.48	1.46	3.22	3.43	7.41	8.10
Taxes on Domestic Goods and Services	15.68	15.75	20.97	14.35	13.09	53.92	48.41
Of Which:							
Hotel Room Tax	1.07	0.77	1.79	1.40	0.92	3.87	4.11
Stamp Duties	7.82	5.70	10.08	6.54	5.66	27.17	22.27
Gasoline Levy	-	-	-	-	-	-	-
Taxes on International Trade and Transactions	40.97	48.97	37.51	40.16	41.68	119.33	119.35
Of Which:							
Import Duty	10.88	13.36	10.36	11.19	12.27	32.90	33.82
Consumption Tax	19.07	23.35	17.24	19.41	18.95	55.29	55.60
Customs Service Charge	8.94	9.64	7.37	7.64	8.47	24.46	23.48
Non-Tax Revenue	31.02	39.21	37.56	39.45	38.09	102.72	115.10
Current Expenditure	126.53	166.02	111.28	129.62	134.71	371.61	375.61
Personal Emoluments	54.46	72.29	54.64	55.75	56.03	161.59	166.42
Goods and Services	41.10	31.82	24.75	24.37	27.78	91.44	76.90
Interest Payments	17.90	42.29	21.20	35.14	36.13	79.09	92.46
Domestic	16.25	24.65	12.35	18.45	21.15	53.04	51.95
External	1.64	17.64	8.85	16.68	14.98	26.06	40.51
Transfers and Subsidies	13.07	19.61	10.70	14.36	14.77	39.49	39.83
Of Which: Pensions	5.23	5.73	5.29	5.55	5.47	15.64	16.31
Current Account Balance	(10.74)	(21.95)	7.76	(10.18)	(13.94)	20.71	(16.35)
Capital Revenue	1.97	3.75	2.37	5.55	4.15	14.49	12.07
Grants	4.99	12.96	2.26	7.75	12.99	54.59	23.01
Of which: Capital Grants	2.98	7.41	1.39	2.92	0.90	4.45	5.21
Capital Expenditure and Net Lending	30.11	42.67	9.15	45.75	18.69	60.18	73.58
Of which: Capital Expenditure	27.56	38.71	7.43	45.02	17.16	56.56	69.61
Primary Balance	(15.99)	(5.61)	24.44	(7.49)	20.65	108.71	37.60
Overall Balance	(33.89)	(47.91)	3.24	(42.62)	(15.48)	29.62	(54.86)
Financing	33.89	47.91	(3.24)	42.62	15.48	(29.62)	54.86
Domestic	21.00	59.94	1.12	59.75	7.46	(10.27)	68.33
ECCB (net)	46.96	19.70	(10.92)	24.70	(19.28)	16.51	(5.49)
Commercial Banks (net)	(0.93)	(23.29)	9.46	(17.85)	44.14	25.15	35.76
Other	(25.03)	63.53	2.57	52.90	(17.40)	(51.93)	38.07
External	12.89	(12.04)	(4.36)	(17.13)	8.02	(19.35)	(13.47)
Net Amortisation	12.89	(12.04)	(4.36)	(17.13)	8.02	(19.35)	(13.47)
Disbursements	21.38	6.80	2.30	2.00	29.44	22.25	33.74
Amortisation	(8.49)	(18.84)	(6.66)	(19.13)	(21.42)	(41.61)	(47.21)
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	-	-	-	-	-	-	-
Domestic	-	-	-	-	-	-	-
External	-	-	-	-	-	-	-

Source: Ministry of Finance

Data available at 17 November 2010



Table 38
St Kitts and Nevis - Monetary Survey
(EC\$M at end of period)

	2009 2 nd Qr	2009 3 rd Qr	2009 ^R 4 th Qr	2010 ^R 1 st Qr	2010 ^R 2 nd Qr	2010 3 rd Qr
Net Foreign Assets	708.68	746.86	607.36	746.65	686.25	646.42
Central Bank (net)	499.76	438.11	331.92	407.57	370.97	340.88
Commercial Banks (net)	208.92	308.75	275.45	339.07	315.28	305.54
External (net)	516.31	531.79	469.06	579.87	212.23	397.78
Assets	964.62	1,315.94	1,297.64	1,431.93	1,325.45	1,218.25
Liabilities	448.31	784.15	828.59	852.06	1,113.23	820.46
Other ECCB Territories	(307.39)	(223.05)	(193.61)	(240.79)	103.05	(92.24)
Assets	365.03	381.24	380.50	376.23	672.33	489.78
Liabilities	672.42	604.28	574.11	617.03	569.28	582.01
Net Domestic Assets	1,060.66	1,077.49	1,151.93	1,100.20	1,124.42	1,203.55
Domestic Credit	1,581.26	1,650.14	1,702.00	1,675.65	1,702.52	1,763.05
Central Government (net)	336.37	378.71	427.41	428.49	422.61	482.10
Other Public Sector (net)	(1.07)	5.17	(36.47)	(41.84)	(44.37)	(47.57)
Private Sector	1,245.96	1,266.26	1,311.06	1,289.00	1,324.28	1,328.51
Households	766.00	791.78	794.74	799.09	806.56	801.25
Business	405.17	396.48	435.43	413.59	427.20	418.60
Non-Bank Financial Institutions	43.53	44.07	46.48	43.29	45.96	66.71
Subsidiaries & Affiliates	31.26	33.94	34.41	33.03	44.56	41.96
Other Items (net)	(520.60)	(572.65)	(550.08)	(575.45)	(578.10)	(559.50)
Monetary Liabilities (M2)	1,769.34	1,824.35	1,759.29	1,846.85	1,810.67	1,849.97
Money Supply (M1)	274.29	270.78	255.24	283.87	294.28	289.97
Currency with the Public	84.64	84.81	78.33	86.94	91.52	92.54
Demand Deposits	178.53	174.45	165.53	184.63	183.16	185.19
EC\$ Cheques and Drafts Issued	11.13	11.52	11.38	12.30	19.60	12.24
Quasi Money	1,495.04	1,553.58	1,504.05	1,562.97	1,516.38	1,560.00
Savings Deposits	628.34	632.02	638.55	645.52	651.86	650.93
Time Deposits	457.19	503.59	490.97	518.45	505.94	526.18
Foreign Currency Deposits	409.51	417.98	374.53	399.01	358.59	382.89

Source: Eastern Caribbean Central Bank

Data available at 08 December 2010



Table 39
Saint Lucia - Selected Tourism Statistics

	2009 ^R	2009	2010	2010	2010 ^R	2009 ^R	2010 ^P
	3 rd Qr	4 th Qr	1 st Qr	2 nd Qr	3 rd Qr	Jan - Sep	Jan - Sep
Total Visitors	146,329	297,252	408,740	196,648	154,750	717,509	760,138
Stay-Over Visitors	64,773	68,143	83,530	79,326	81,168	210,348	244,024
Of which:							
USA	22,148	24,155	30,980	37,796	35,410	74,530	104,186
Canada	2,223	6,564	15,427	5,759	4,574	21,999	25,760
UK	15,446	18,536	19,584	16,644	15,848	53,317	52,076
France	1,300	1,222	2,015	1,126	1,383	4,134	4,524
Germany	323	1,030	1,516	769	721	1,386	3,006
Caribbean	20,925	13,411	10,108	13,634	20,305	46,768	44,047
Excursionists	1,223	1,085	1,185	1,585	2,682	3,882	5,452
Cruise Ship Passengers	74,671	220,960	310,250	104,597	62,514	478,346	477,361
Number of Cruise Ship Calls	35	129	198	56	22	268	276
Yacht Passengers	5,662	7,064	13,775	11,140	8,386	24,933	33,301
Total Visitor Expenditure (EC\$M)	156.32	204.64	277.93	217.62	201.81	595.10	697.35

Sources: Saint Lucia Tourist Board and ECCB Estimates for September 2007

Data available at 18 November 2010

Table 40
Saint Lucia - Consumer Price Index
January 2001 = 100

	Weight	Index Sep 2010	Percentage Change*						
			2009 ^R	2009	2010	2010	2010	2009 ^R	2010 ^P
			3 rd Qr	4 th Qr	1 st Qr	2 nd Qr	3 rd Qr	Jan - Sep	Jan - Sep
All items	99.87	108.16	0.70	0.64	0.92	0.22	0.90	0.41	2.04
Food & Non-Alcoholic Beverages	25.02	109.29	0.51	(0.15)	0.67	0.46	(0.40)	(1.41)	0.73
Alcoholic Beverages, Tobacco & Nar	6.53	106.79	1.75	4.17	(0.30)	(0.55)	0.13	2.98	(0.72)
Clothing & Footwear	1.66	110.91	7.17	(2.59)	4.71	5.92	(0.80)	(6.57)	10.02
Housing, Utilities, Gas & Fuels	17.36	102.30	4.07	(0.81)	1.32	1.68	1.71	(0.50)	4.78
Household Furnishings, Supplies & Me	3.31	108.42	(1.41)	0.71	5.07	(2.05)	(5.33)	6.53	(2.57)
Health	3.96	114.65	0.87	(1.23)	1.97	(0.43)	(1.62)	(2.43)	(0.11)
Transport	16.40	108.08	(1.97)	6.17	(0.53)	(0.51)	1.18	(6.24)	0.13
Communication	12.54	98.98	(0.52)	-	(1.02)	-	-	-	(1.02)
Recreation & Culture	1.37	114.63	0.18	(5.84)	5.77	0.65	0.36	11.27	6.84
Education	3.70	139.65	(2.08)	1.06	14.80	-	13.90	6.29	30.76
Hotels & Restaurants	1.10	110.98	0.58	(1.11)	(0.34)	0.95	(0.05)	0.88	0.55
Miscellaneous									

*at end of period

Data available at 18 November 2010



Table 41
Saint Lucia - Central Government Fiscal Operations
(In millions of Eastern Caribbean dollars)

	2009 ^R 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 ^R Jan - Sep	2010 ^P Jan - Sep
Current Revenue	179.73	175.34	206.90	188.77	198.55	595.51	594.22
Tax Revenue	172.90	163.43	191.49	185.44	182.88	560.61	559.81
Taxes on Income and Profits	52.16	35.68	73.05	64.61	53.88	190.58	191.54
Of Which:							
Personal Income	18.83	17.65	22.36	19.64	19.35	59.80	61.34
Company	25.86	7.10	31.46	29.18	26.22	102.34	86.86
Taxes on Property	0.68	0.94	0.99	0.93	0.80	3.28	2.72
Taxes on Domestic Goods and Services	24.56	30.30	28.43	27.13	30.89	77.14	86.45
Of Which:							
Consumption Duty	1.80	1.53	1.57	1.34	1.31	4.61	4.23
Licences	2.55	9.15	3.77	2.20	3.20	9.87	9.17
Hotel Occupancy Tax	5.01	4.28	8.21	9.08	10.14	20.39	27.43
Taxes on International Trade and Transactions	95.51	96.51	89.02	92.77	97.30	289.62	279.10
Of Which:							
Consumption Tax (Imports)	42.64	34.28	23.25	26.31	29.95	129.77	79.51
Import Duty	22.65	26.61	21.44	24.41	24.90	67.11	70.75
Service Charge (Imports)	14.99	16.17	14.19	14.92	16.71	44.99	45.81
Non-Tax Revenue	6.83	11.91	15.41	3.33	15.67	34.90	34.41
Current Expenditure	176.71	157.99	184.41	176.81	184.06	503.84	545.27
Personal Emoluments	77.66	79.23	80.25	85.65	81.51	229.78	247.41
Goods and Services	40.81	28.80	44.32	34.12	39.69	106.22	118.12
Interest Payments	22.89	17.16	23.69	22.30	25.92	72.68	71.91
Domestic	12.31	6.19	12.89	11.72	15.40	38.02	40.00
External	10.58	10.97	10.80	10.59	10.52	34.66	31.91
Transfers and Subsidies	35.35	32.79	36.15	34.74	36.94	95.15	107.83
Of Which: Pensions	2.23	1.87	1.94	2.02	1.96	5.10	5.92
Current Account Balance	3.02	17.35	22.50	11.96	14.49	91.67	48.95
Capital Revenue	0.04	0.01	-	0.12	-	0.09	0.12
Grants	0.68	-	5.15	12.99	13.25	25.91	31.39
Of which: Capital Grants	0.68	-	5.15	12.99	13.25	25.91	31.39
Capital Expenditure and Net Lending	54.49	43.03	62.86	28.50	57.61	157.20	148.97
Primary Balance	(27.85)	(8.51)	(11.53)	18.88	(3.95)	33.15	3.40
Overall Balance (after grants)	(50.74)	(25.68)	(35.22)	(3.42)	(29.87)	(39.53)	(68.52)
Financing	50.74	25.68	35.22	3.42	29.87	39.53	68.52
Domestic	50.49	24.79	(2.46)	(29.10)	13.88	3.64	(17.68)
ECCB (net)	15.81	16.94	(37.82)	36.12	(22.66)	(26.08)	(24.37)
Commercial Banks (net)	(1.45)	(22.26)	(40.24)	(3.29)	(7.12)	10.03	(50.65)
Other	36.12	30.11	75.60	(61.93)	43.66	19.69	57.34
External	0.26	0.89	37.68	32.53	15.99	35.89	86.20
Net Amortisation	0.26	0.89	37.68	32.53	15.99	35.89	86.20
Disbursements	16.67	17.34	60.63	44.55	39.64	86.47	144.83
Amortisation	(16.41)	(16.45)	(22.95)	(12.03)	(23.65)	(50.58)	(58.63)
Change in Government Foreign Assets	-	-	-	-	-	-	-

Source: Ministry of Finance

Data available at 18 November 2010



Table 42
Saint Lucia - Banana Production

	2009 ^R 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 ^R Jan - Sep	2010 ^P Jan - Sep
Volume (tonnes)	7,933	9,814	7,329	3,131	5,524	23,282	15,985
Value (EC\$M)	13.39	14.80	15.76	10.67	10.96	41.50	37.39
Unit Price (EC\$/ tonnes)	1,687.89	1,508.05	2,150.76	3,407.56	1,983.13	5,346.70	7,541.45

Source: Windward Islands Banana Development Exporting Company (WIBDECO)

Data available at 18 November 2010

Table 43
Saint Lucia - Selected Trade Statistics
(Value: EC\$M)

	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Total Exports	91.02	386.90	317.40	120.76	110.57	307.19	548.72
Total Domestic Exports	52.84	54.78	58.35	51.74	60.06	132.10	170.15
Total Re-Exports	38.18	332.12	259.05	69.02	50.50	175.09	378.57
Total Imports	291.39	366.40	325.76	363.31	360.99	1,018.85	1,050.06
Trade Balance	(200.37)	20.50	(8.37)	(242.55)	(250.42)	(711.66)	(501.34)

Sources: Statistics Department

Data available at 18 November 2010



Table 44
Saint Lucia - Monetary Survey
(EC\$M at end of period)

	2009 2 nd Qr	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr
Net Foreign Assets	(262.47)	(441.50)	(503.58)	(420.88)	(437.39)	(513.81)
Central Bank (net)	478.13	437.77	406.63	450.38	483.55	416.77
Commercial Banks (net)	(740.59)	(879.27)	(910.21)	(871.26)	(920.95)	(930.59)
External (net)	(390.04)	(511.44)	(572.59)	(540.00)	(535.37)	(526.20)
Assets	412.82	424.59	441.69	487.03	440.58	420.59
Liabilities	802.86	936.02	1,014.28	1,027.03	975.95	946.79
Other ECCB Territories	(350.55)	(367.84)	(337.62)	(331.26)	(385.58)	(404.39)
Assets	357.32	379.27	367.66	384.38	393.95	427.39
Liabilities	707.87	747.10	705.28	715.64	779.52	831.78
Net Domestic Assets	2,879.03	2,985.84	3,014.39	2,988.05	2,994.47	3,004.17
Domestic Credit	3,411.51	3,432.60	3,456.10	3,393.54	3,402.77	3,430.45
Central Government (net)	38.61	52.98	47.66	(30.40)	2.42	(27.36)
Other Public Sector (net)	(307.96)	(316.01)	(337.01)	(305.96)	(324.27)	(326.94)
Private Sector	3,680.87	3,695.63	3,745.45	3,729.90	3,724.62	3,784.75
Households	1,202.68	1,228.08	1,240.90	1,279.47	1,281.75	1,303.36
Business	2,261.22	2,255.85	2,297.73	2,247.66	2,258.24	2,295.48
Non-Bank Financial Institutions	48.74	46.94	41.25	40.69	43.56	44.03
Subsidiaries and Affiliates	168.24	164.77	165.57	162.08	141.07	141.87
Other Items (net)	(532.48)	(446.76)	(441.71)	(405.48)	(408.30)	(426.28)
Monetary Liabilities (M2)	2,616.56	2,544.33	2,510.80	2,567.17	2,557.08	2,490.35
Money Supply (M1)	689.65	633.59	659.58	648.80	630.38	614.55
Currency with the Public	146.77	143.45	142.46	130.67	135.67	131.79
Demand Deposits	524.06	474.87	504.23	492.67	479.18	474.25
EC\$ Cheques and Drafts Issued	18.83	15.26	12.89	25.47	15.53	8.50
Quasi Money	1,926.91	1,910.75	1,851.22	1,918.37	1,926.70	1,875.81
Savings Deposits	1,290.39	1,285.91	1,301.71	1,324.31	1,335.99	1,317.65
Time Deposits	472.52	458.85	405.44	427.74	459.69	429.53
Foreign Currency Deposits	164.00	165.99	144.07	166.32	131.02	128.63

Source: Eastern Caribbean Central Bank
 Data available at 18 November 2010



Table 45
St Vincent and the Grenadines - Selected Tourism Statistics

	2009 3 rd Qr	2009 ^R 4 th Qr	2010 ^R 1 st Qr	2010 ^R 2 nd Qr	2010 ^P 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Total Visitors	24,849	79,222	103,831	32,714	22,475	191,730	159,020
Stay-Over Visitors	18,516	19,855	19,963	16,578	17,211	55,591	53,752
Of which:							
USA	4,128	5,590	6,173	5,425	4,744	14,569	16,342
Canada	1,097	1,970	2,466	1,441	1,431	4,850	5,338
UK	2,762	3,563	3,618	2,533	2,663	9,784	8,814
Caribbean	8,828	6,393	4,862	5,762	6,780	20,442	17,404
Other Countries	1,701	2,339	2,844	1,417	1,593	5,946	5,854
Excursionists	1,051	1,238	1,861	1,053	911	3,947	3,825
Yacht Passengers	5,282	10,281	17,382	9,135	4,353	30,578	30,870
Cruise Ship Passengers	0	47,848	64,625	5,948	0	101,614	70,573
Number of Cruise Ship Calls	0	59	82	9	0	105	91
Total Visitor Expenditure (EC\$M)	46.57	62.68	74.22	49.38	42.28	173.67	165.88

Sources: Department of Tourism and ECCB estimates for September 2010

Data available at 19 November 2010

Table 46
St Vincent and the Grenadines - Consumer Price Index
January 2001 = 100

	Weight	Index Sep 2010	Percentage Change*							
			2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep	
All Items	1,000.0	134.71	0.53	0.65	(0.47)	1.74	0.43	(2.26)	1.70	
Food	536.1	147.86	0.37	0.85	(1.31)	2.89	0.39	(3.05)	1.94	
Alcoholic Beverages and Tobacco	9.5	139.00	0.39	1.12	1.92	0.17	(0.47)	1.61	1.62	
Housing	97.9	107.50	(0.01)	0.04	-	0.10	0.02	0.03	0.12	
Fuel and Light	29.8	138.08	0.24	3.55	4.09	(0.95)	1.48	(16.88)	4.62	
Clothing and Footwear	88.7	115.25	(0.34)	0.41	0.79	-	1.10	(0.34)	1.89	
Household Furnishings and Supplies	61.5	111.91	0.25	(0.26)	(0.04)	(0.28)	0.23	(0.01)	(0.08)	
Transport and Communications	68.5	125.38	3.98	-	1.14	1.39	0.80	(0.44)	3.36	
Medical Care and Expenses	10.1	141.88	8.75	-	-	-	-	17.07	-	
Education	34.3	151.17	(0.54)	0.58	0.57	-	-	(0.54)	0.57	
Personal Services	33.5	120.01	0.51	(0.03)	0.28	0.21	0.31	0.54	0.80	
Miscellaneous	30.1	104.59	-	-	-	-	-	-	-	

Source: Statistical Office, Central Planning Division, Ministry of Finance and Planning

*at end of period

Data available at 19 November 2010



Table 47
St Vincent and the Grenadines - Central Government Fiscal Operations
(In millions of Eastern Caribbean dollars)

	2009 ^R 3 rd Qr	2009 ^R 4 th Qr	2010 ^R 1 st Qr	2010 ^R 2 nd Qr	2010 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Current Revenue	111.70	116.72	91.14	132.19	115.93	345.96	339.25
Tax Revenue	101.60	112.77	78.76	112.55	105.00	315.22	296.31
Taxes on Income and Profits	27.23	30.20	20.82	27.62	28.20	80.43	76.64
Of Which:							
Individual	13.56	14.70	14.71	16.12	14.10	43.23	44.92
Company Tax	12.12	13.75	4.33	10.38	11.71	31.09	26.41
Taxes on Property	1.39	0.55	0.30	0.31	1.82	2.16	2.43
Taxes on Domestic Goods and Services	56.34	57.44	46.45	63.13	55.27	176.46	164.85
Of Which:							
Stamp Duties	4.16	3.71	2.74	9.96	4.96	15.23	17.67
Value Added Tax	30.37	37.03	30.25	35.52	29.83	105.38	95.59
Taxes on International Trade and Transactions	16.64	24.57	11.19	21.49	19.70	56.17	52.38
Of Which:							
Import Duty	9.43	14.73	6.19	12.32	11.50	30.12	30.01
Customs Service Charge	6.08	2.15	3.91	7.97	7.07	22.27	18.94
Non-Tax Revenue	10.09	3.96	12.38	19.63	10.93	30.75	42.95
Current Expenditure	119.61	120.15	115.44	118.23	121.06	345.30	354.73
Personal Emoluments	52.89	54.24	54.18	54.29	53.65	157.72	162.12
Goods and Services	19.09	26.86	12.32	18.83	18.29	58.76	49.44
Interest Payments	12.58	9.26	14.45	11.03	13.10	38.88	38.59
Domestic	8.47	4.68	8.98	6.26	8.71	20.89	23.94
External	4.11	4.59	5.48	4.77	4.39	17.99	14.64
Transfers and Subsidies	35.04	29.79	34.48	34.08	36.02	89.95	104.59
Of Which: Pensions	10.59	11.34	13.32	9.98	10.56	29.86	33.86
Current Account Balance	(7.91)	(3.43)	(24.31)	13.96	(5.13)	0.66	(15.48)
Capital Revenue	0.38	0.22	0.26	0.07	0.16	1.24	0.50
Grants	8.03	44.39	0.07	4.53	6.10	13.96	10.70
Of which: Capital Grants	8.03	44.39	0.07	4.53	6.10	13.96	10.70
Capital Expenditure and Net Lending	25.09	44.00	1.51	25.52	9.30	62.02	36.34
Of which: Capital Expenditure	25.09	44.00	1.51	25.52	9.30	62.02	36.34
Primary Balance	(12.01)	6.45	(11.03)	4.07	4.94	(7.27)	(2.03)
Overall Balance (after grants)	(24.59)	(2.82)	(25.49)	(6.96)	(8.17)	(46.15)	(40.62)
Financing	24.59	2.82	25.49	6.96	8.17	46.15	40.62
Domestic	(13.65)	8.09	(29.35)	14.96	7.84	5.00	(6.56)
ECCB (net)	4.31	(2.43)	(1.14)	0.57	6.63	(19.45)	6.06
Commercial Banks (net)	(10.28)	57.60	35.76	(61.50)	(5.76)	(16.41)	(31.49)
Other	(7.67)	(47.08)	(63.98)	75.89	6.97	40.86	18.87
External	31.48	(5.27)	37.36	(12.58)	(8.19)	16.65	16.59
Net Amortisation/(Amortisation)	31.48	(5.27)	37.36	(12.58)	(8.19)	16.65	16.59
Disbursements	42.71	5.26	54.58	1.51	2.22	63.83	58.31
Amortisation	(11.23)	(10.53)	(17.23)	(14.09)	(10.41)	(47.18)	(41.73)
Change in Government Foreign Assets	-	-	-	-	-	-	-

Source: Ministry of Finance

Data available at 19 November 2010



Table 48
St Vincent and the Grenadines - Selected Trade Statistics
 (Value: EC\$M; Volume: 000 tonnes)

	2009 3 rd Qr	2009 4 th Qr	2010 ^R 1 st Qr	2010 ^R 2 nd Qr	2010 ^R 3 rd Qr	2009 Jan - Sep	2010 Jan - Sep
Visible Trade Balance	(169.86)	(211.29)	(195.29)	(192.92)	(201.55)	(556.90)	(589.76)
Total Imports	211.27	239.85	219.38	222.17	225.64	660.81	667.19
Total Exports	41.41	28.57	24.09	29.24	24.09	103.91	77.43
Re-Exports	14.80	6.39	3.05	7.57	2.93	22.61	13.56
Domestic Exports	26.61	22.18	21.04	21.67	21.16	81.30	63.87
Of Which:							
Bananas							
Volume	1.61	1.87	1.62	0.81	0.77	5.65	3.20
Value	2.73	2.97	3.05	2.11	1.66	9.49	6.82
Flour							
Volume	2.76	2.79	2.82	2.81	2.96	7.81	8.59
Value	6.23	6.05	6.02	5.89	6.25	18.37	18.15
Rice							
Volume	1.14	0.79	0.97	1.02	1.03	3.71	3.02
Value	3.41	2.43	2.96	3.00	3.75	10.83	9.71
Feeds							
Volume	1.30	1.34	1.42	1.46	1.64	3.62	4.51
Value	1.12	1.09	1.33	1.36	1.45	3.83	4.14

Source: Statistical Office, Ministry of Finance and Planning and ECCB Estimates

Data available at 19 November 2010

Table 49
St Vincent and the Grenadines - Monetary Survey
 (EC\$M at end of period)

	2009 2 nd Qr	2009 3 rd Qr	2009 4 th Qr	2010 1 st Qr	2010 2 nd Qr	2010 3 rd Qr
Net Foreign Assets	402.05	399.68	361.19	355.54	363.54	298.34
Central Bank (net)	197.46	200.18	203.03	226.94	250.70	213.63
Commercial Banks (net)	204.59	199.50	158.16	128.60	112.84	84.71
External (net)	11.31	(13.84)	(26.29)	(30.78)	(40.14)	(79.27)
Assets	212.97	172.96	160.01	168.41	173.48	135.03
Liabilities	201.66	186.79	186.30	199.20	213.62	214.30
Other ECCB Territories	193.29	213.34	184.45	159.38	152.97	163.98
Assets	374.48	383.31	365.48	346.64	343.90	358.56
Liabilities	181.19	169.97	181.03	187.26	190.92	194.58
Net Domestic Assets	674.25	671.24	724.58	745.13	750.25	772.81
Domestic Credit	956.11	984.78	1,029.23	1,067.47	999.52	998.62
Central Government (net)	78.41	72.43	127.61	162.23	101.30	102.18
Other Public Sector (net)	(51.36)	(32.25)	(41.23)	(38.93)	(78.93)	(70.04)
Private Sector	929.06	944.60	942.85	944.17	977.15	966.49
Households	581.74	594.73	592.67	593.31	593.98	597.11
Business	329.92	338.57	343.71	344.33	357.15	354.17
Non-Bank Financial Institutions	17.40	11.30	6.47	6.53	26.02	15.20
Subsidiaries and Affiliates	0.00	-	-	-	-	-
Other Items (net)	(281.86)	(313.55)	(304.65)	(322.34)	(249.27)	(225.81)
Monetary Liabilities (M2)	1,076.31	1,070.91	1,085.77	1,100.67	1,113.78	1,071.15
Money Supply (M1)	341.25	347.92	359.13	360.95	358.59	324.78
Currency with the Public	56.36	51.81	63.50	58.65	54.18	44.22
Demand Deposits	276.22	286.11	284.89	293.01	299.28	274.80
EC\$ Cheques and Drafts Issued	8.67	10.01	10.75	9.29	5.12	5.76
Quasi Money	735.06	722.99	726.64	739.72	755.20	746.38
Savings Deposits	567.70	572.18	575.02	571.30	586.88	589.91
Time Deposits	133.57	120.41	121.65	125.89	127.73	128.63
Foreign Currency Deposits	33.78	30.40	29.96	42.53	40.59	27.84

Source: Eastern Caribbean Central Bank

Data available at 19 November 2010

