

# Eastern Caribbean Central Bank



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# EASTERN CARIBBEAN CENTRAL BANK

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**The ECCB welcomes your questions and comments on this publication.**



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## DOMESTIC ECONOMIC DEVELOPMENTS

### Overview

The pace of economic activity in the Eastern Caribbean Currency Union (ECCU) decelerated in the period January to September 2008 relative to performance in the corresponding period of 2007. This was primarily due to a decline in activity in the manufacturing sector and the tourism industry. The consumer price index rose by 1.6 per cent on an end of period basis, driven by higher prices for food and fuel. The merchandise trade deficit is estimated to have widened as import payments increased, fuelled in part by the higher cost of oil-related products. The fiscal operations of the central governments resulted in a reduction of the overall deficit, largely reflecting a decrease in capital expenditure. In the banking system, broad money and domestic credit expanded, albeit at slower paces relative to the increases in the comparable period of 2007. Liquidity tightened and the weighted average interest rate spread between loans and deposits fell.

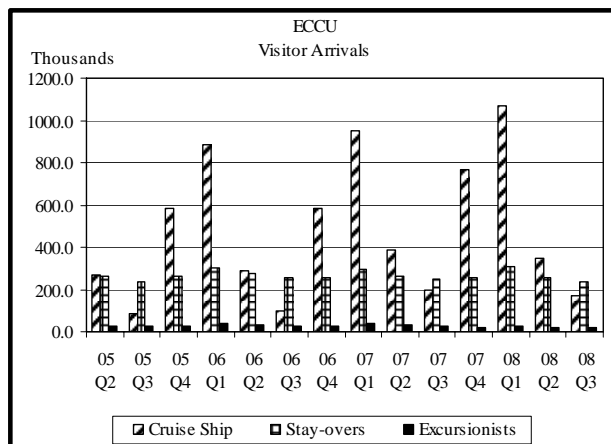
Economic growth in the ECCU is projected to slow in the last quarter of 2008 relative to the rate in the corresponding period of 2007, largely due to developments in the first nine months of 2008 as well as a contraction in construction activity. The downturn in construction activity is based on a projected reduction in foreign direct investment as access to credit tightens in the wake of the global financial crisis. Major downside risks include a further slow down in activity in the USA – the main trading partner and a deepening of the global

economic and financial crisis. The second round effects associated with these risks, may result in a fall in tourism receipts and foreign remittances as well as a contraction in construction activity.

### Output

The contraction in the tourism industry in the first nine months of 2008 was largely caused by a fall in stay-over arrivals. The number of stay-over visitors declined by 1.1 per cent to 799,790, reflecting decreases in arrivals from the Caribbean (2.8 per cent) and the USA (1.9 per cent), which together accounted for roughly 61 per cent of the total. The decline in arrivals from the US market was associated with the slow down in that economy and reduced airlift; while the reduction in stay-over arrivals from the Caribbean was attributed in part to the high cost of intra-regional travel. Cruise ship passenger arrivals rose by 3.6 per cent to 1.6m, while the number of cruise ship calls decreased by 227 to 990. The expansion in cruise passengers relative to the contraction in cruise ship calls partly reflected visits by larger vessels. Cruise passenger arrivals rose in all countries except Antigua and Barbuda and St Vincent and the Grenadines. Of the other categories of visitors, the number of excursionists and yacht passengers decreased by 29.7 per cent and 43.3 per cent, respectively. These developments resulted in a 1.4 per cent fall to 2.5m in the total number of visitors to the ECCU.





Manufacturing output is estimated to have contracted in the period under review, partly attributable to high input costs and lower external demand for some commodities. In Dominica, output contracted by 29.1 per cent, mainly due to the discontinuation of dental cream production – a major commodity – in September 2007 and a fall in beverage output. In Grenada, a 6.1 per cent decline in output was as a result of the temporary closure of a soft drink factory as well as a slow down in the production of beer. In the case of St Vincent and the Grenadines, output of manufacturing commodities declined by 6.9 per cent due to increases in the price of wheat and other primary input commodities on the international market coupled with a fall in export demand for flour and animal feed.

Construction activity increased in the first nine months of 2008, although at a slower rate relative to the corresponding period of 2007 as some major projects associated with preparations for Cricket World Cup (CWC) 2007 were completed in the previous year. The increase in the period under review was buoyed by ongoing work in the private

sector. Private sector construction focused on hotels, condominiums, commercial buildings and residential properties. Public sector projects included the upgrading of sports facilities in St Kitts and Nevis and Antigua and Barbuda, the expansion of airports in Antigua and Barbuda and St Vincent and the Grenadines, and the rehabilitation of roads and other public infrastructure. The reduction in the level of public sector construction activity was influenced in part by a fall in capital outlays as evidenced by a contraction of 10.2 per cent in capital expenditure by the central governments. Construction activity decelerated in Anguilla, Antigua and Barbuda, St Kitts and Nevis and St Vincent and the Grenadines; while in Grenada and Saint Lucia activity contracted. By contrast construction activity accelerated in Dominica and Montserrat. Partly reflecting the developments in construction activity were the increases of 16.0 per cent and 4.8 per cent in commercial bank credit for construction and for home construction and renovation; these compared with rates of increase of 19.3 per cent and 19.4 per cent respectively in the corresponding period of 2007.

Agricultural production is estimated to have slowed in the first nine months of 2008 relative to output in the corresponding period of 2007, influenced by developments in the banana industry. Decreases in banana production were recorded in St Vincent and the Grenadines (43.4 per cent) and Dominica (9.5 per cent). This outturn reflected the impact of hurricane damage to banana plants in Dominica and the effects of the Moko disease; and leaf-spot





infestation in both Dominica and St Vincent and the Grenadines. The reduction in agricultural output was compounded by increases in the prices of fertilizers, chemicals, seeds and other agricultural inputs and the ongoing difficulties associated with the loss of the preferential market regime for bananas in Europe. By contrast, in St Kitts and Nevis, agricultural output rose by 24.4 per cent in the first nine months of 2008. This expansion was attributed to increased production of vegetable and root crops and livestock.

Lower levels of growth were recorded in all of the other sectors, with the exception of government services. Growth in the government services sector accelerated, largely attributable to salary reclassification exercises undertaken in some of the member countries and the subsequent increase in salary increments. The slower rate of growth in the transportation sector was attributed in part to the downturn in the tourism industry, while the lower level of growth in the electricity and water sub-sector was as a result of a reduction in the consumption of electricity partly attributable to the increases in the fuel surcharge.

### **Prices**

Consumer prices in the ECCU continued to increase in the first nine months of 2008, influenced by higher prices in all sub-categories of the basket of goods and services, mainly reflecting the high international food and commodity prices. The consumer price index (CPI) increased in all the

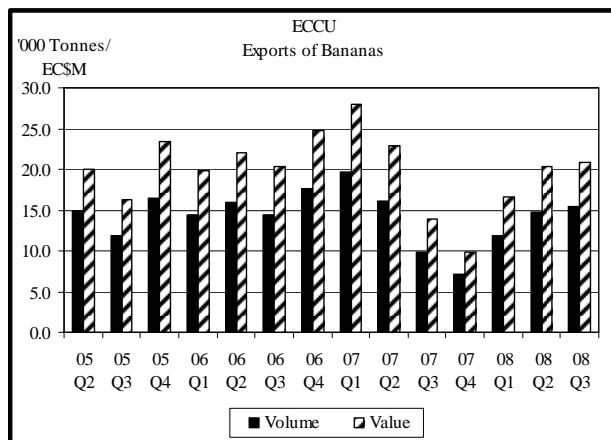
ECCU member countries ranging from 3.2 per cent in Antigua and Barbuda to 9.4 per cent in St Vincent and the Grenadines. Increases in the food sub index, the largest weighted, ranged from 2.5 per cent in Antigua and Barbuda to 13.9 per cent in St Vincent and the Grenadines; while, the expansion in the fuel and light sub index ranged from 1.2 per cent in St Kitts and Nevis to 32.5 per cent in Antigua and Barbuda. Prices in the sub index transport and communication rose substantially in Saint Lucia (23.2 per cent), partly attributable to increases in the retail price of petrol. The average price of gasoline in the ECCU member countries increased from \$12.06 a gallon to \$14.48. Price increases for gasoline were recorded in all the countries during the nine-month period under review.

### **Trade and Payments**

Complete trade data are unavailable for all the member countries. The merchandise trade deficit is estimated to have widened, partly based on higher international prices for most commodities, particularly fuel, which would have led to increases in import payments. The available data on domestic exports indicate that receipts from bananas fell by 10.6 per cent, reflecting in part a lower volume of exports. Of the other major exports, earnings from dental cream fell, consistent with the fall in production; while receipts from cocoa rose, on account of an expansion in volumes exported, and those from flour and rice increased, reflecting a rise in volumes and prices. Gross visitor expenditure rose by 0.4 per cent to \$2,425.6m, reflecting the

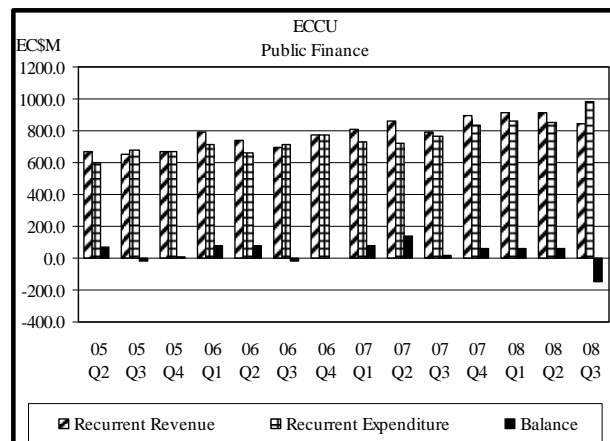


increase in cruise ship passenger arrivals. Net external disbursements to the central governments rose by 36.7 per cent to \$243.8m, reflecting an increase in loan receipts. Commercial banks' transactions resulted in a net inflow of short term capital of \$215.3m.



**Central Governments' Fiscal Operations**

The fiscal operations of the central governments resulted in an overall deficit of \$280.4m in the first nine months of 2008, below the deficit of \$363.8m in the corresponding period of 2007. The reduction in the deficit was attributed to a 10.2 per cent decrease in capital expenditure. The current account surplus fell to \$98.1m from \$233.2m in the corresponding period of 2007, on account of strong growth in current expenditure that outweighed an increase in current revenue. A primary surplus of \$62.9m was recorded, in contrast to a primary deficit of \$47.3m in the first nine months of 2007, reflecting the contraction in capital expenditure.



Current revenue rose by 8.4 per cent to \$2,665.4m, influenced by growth in receipts from tax and non-tax sources. Receipts from taxes on domestic goods and services were higher by 14.6 per cent, largely reflecting increases in collections from the sales tax in Antigua and Barbuda and the value added tax in Dominica and St Vincent and the Grenadines. Receipts from taxes on income and profits rose by 18.9 per cent to \$583.5m, mainly influenced by an increase in revenue from company taxes. Growth in receipts from that tax was substantial in Saint Lucia, attributable in part to increased profits from some corporations. The intake from taxes on international trade and transactions fell by 1.1 per cent, mainly associated with a decline in receipts from consumption tax, which was replaced by the value added tax in some countries. Collections from non-tax sources rose by 9.0 per cent, largely boosted by an increase in revenue from fees and services.

Current expenditure grew by 15.4 per cent to \$2,567.2m, reflecting larger outlays in all sub-



components. The main contributor to the expansion was goods and services, spending for which rose by 23.2 per cent (\$112.1m), partly reflecting increases in the price of fuel and the cost of utilities. Expenditure on personal emoluments grew by 11.1 per cent (\$106.6m), driven by salary and wage increases in Anguilla, Grenada, St Kitts and Nevis and St Vincent and the Grenadines in 2008. Outlays on transfers and subsidies were up by 20.8 per cent (\$96.8m), attributable in part to larger transfers to public entities in Anguilla; an expansion in social safety net programmes in Antigua and Barbuda and St Vincent and the Grenadines; an increase in pension payments in Grenada and retirement benefits in St Vincent and the Grenadines. Interest payments rose by 8.5 per cent (\$26.9m), largely reflecting growth in domestic interest payments associated with increased debt in some countries.

Grant receipts amounted to \$261.7m, an increase of 56.8 per cent over the total in the first nine months of 2007. This outturn reflected higher receipts in Dominica and St Vincent and the Grenadines. Of the total grants received, \$200.9m represented capital grants associated with financing various public sector projects. Capital expenditure declined in all of the ECCU member countries, with the exception of Dominica and Montserrat, as some major projects that were under construction in the first nine months of 2007 were completed.

### **Public Sector Debt**

The total public sector disbursed outstanding debt of the ECCU member countries was estimated at \$11,324.6m at the end of September 2008, roughly 1.2 per cent above the amount at the end of December 2007. Increased borrowing by both the central governments and public corporations contributed to the expansion in the total debt stock. The outstanding stock of debt of the central governments, which accounted for roughly 81.1 per cent of total debt, rose by roughly 1.0 per cent to \$9,187.0m at the end of September 2008. Of the central governments' debt, external debt accounted for roughly 55.7 per cent of the total and the remaining 44.3 per cent represented domestic debt. The disbursed outstanding debt of the public corporations is estimated to have increased by 3.4 per cent (\$70.6m).

On an individual country basis, growth in central government's debt was observed for all countries with the exception of Antigua and Barbuda, Dominica and Montserrat. The largest increase in the debt stock was for the government of St Vincent and the Grenadines (6.2 per cent, \$51.9m), where growth was mainly on account of external disbursements from multilateral creditors to finance infrastructural development projects.



Debt service payments for the first nine months of 2008 amounted to \$663.6m, an increase of 5.6 per cent over the total recorded during the corresponding period of 2007. Interest payments accounted for 52.5 per cent of total debt servicing and principal repayments represented 47.5 per cent. Higher debt service payments were recorded for all the countries except Antigua and Barbuda and Grenada.

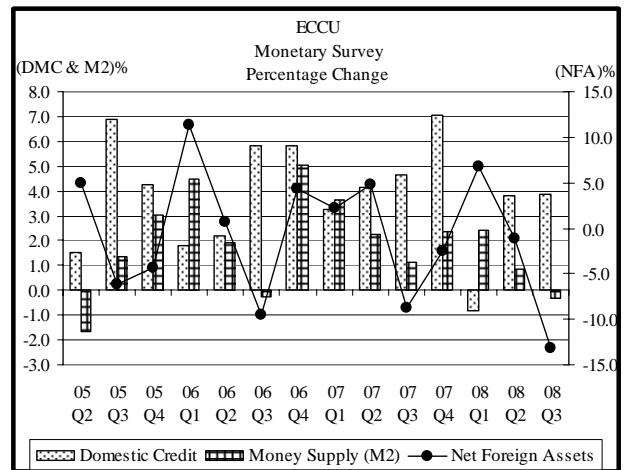
**Financial Sector Developments**

Monetary and Credit Developments

Monetary liabilities (M2) expanded by 3.0 per cent to \$11,417.0m during the period under review compared with growth of 6.4 per cent during the corresponding period of 2007. The lower rate of increase is consistent with the deceleration in economic activity in the ECCU. Growth in M2 was attributed to a 4.7 per cent expansion in quasi money, reflecting increases in private sector savings deposits (6.5 per cent) and time deposits (10.5 per cent). The stock of narrow money stood at \$2,419.3m, a decrease of 3.0 per cent over that at the end of 2007, marked by a contraction in private sector demand deposits and currency with the public.

The major source of the increase in M2 was a 6.9 per cent expansion in domestic credit, driven by growth in private sector credit (7.8 per cent). Of private sector credit, outstanding loans to households and businesses grew by 7.4 per cent and 7.5 per cent respectively; down from increases of 8.6 per cent and 14.7 per cent in the corresponding period of 2007. Net credit to the central governments fell by

16.2 per cent to \$728.6m. The decline was influenced by an 11.0 per cent increase in their deposits, as outstanding loans from the banking system fell by 0.1 per cent. Of the member countries, growth in central government’s deposits was strong for Dominica, St Kitts and Nevis, and St Vincent and the Grenadines. The net deposits of the non-bank financial institutions rose by 18.5 per cent, largely reflecting an increase in their deposits.

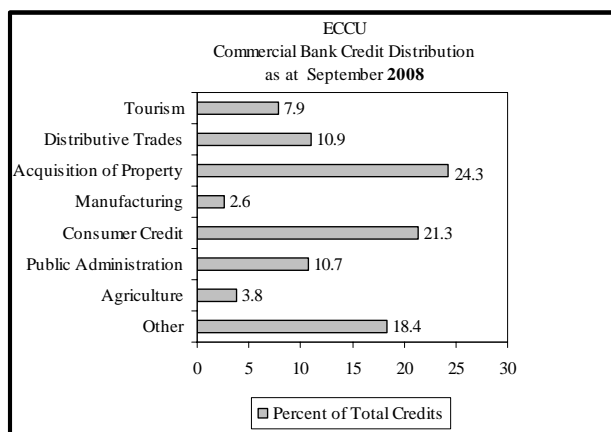


The distribution of credit by economic activity shows that most of the growth in credit was channelled to personal use, largely for the acquisition of property. Lower rates of growth were recorded for credit extended for construction and tourism relative to levels recorded in the corresponding period of 2007. By contrast, substantial increases were recorded in outstanding loans for distributive trades, agriculture and manufacturing (including mining and quarrying).

The net foreign assets of the ECCU stood at \$2,775.3m at the end of September 2008, down by 7.9 per cent relative to the level at the end of 2007.



The contraction was mainly influenced by a 22.2 per cent decline in the net foreign assets of commercial banks, reflecting an increase in foreign liabilities. Net foreign assets of the Central Bank fell by 1.7 per cent.



Commercial banks' liquidity fell during the period under review, but remained at a high level. The ratio of liquid assets to total deposits plus liquid liabilities declined by 1.1 percentage points to 33.4 per cent, while the ratio of loans and advances to total deposits rose by 2.2 percentage points to 86.8 per cent.

The spread between the weighted average deposit and lending interest rates narrowed by 0.28 percentage point to 6.1 percentage points at the end of September 2008. The weighted average interest rate on loans declined to 9.43 per cent at the end of September 2008 from 9.61 per cent at the end of December 2007. The weighted average interest rate on deposits rose to 3.32 per cent from 3.24 per cent, largely reflecting higher interest on EC dollar time deposits and foreign currency savings deposits.

### Developments on the Regional Government Securities Market

Activity on the primary market in government securities continued to be robust during January to September 2008. Gross funds raised by issuing governments amounted to \$578.0m, an increase of 40.7 per cent relative to the total in the corresponding period of 2007. This performance was due mainly to increased activity by the government of Saint Lucia, which issued nine (9) securities compared with three (3) in the comparative period a year earlier. The other participating governments on the market were Antigua and Barbuda and St Vincent and Grenadines with nine (9) issues each, and one issue from the government of Grenada.

Treasury bills continued to dominate the securities issued on the market accounting for 25 out of the 28 auctions, as participating governments on the RGSM continued to rely on short term instruments to meet their financing needs. There were 3 bond issues by the government of Saint Lucia during the review period which was an improvement from the corresponding period of 2007, when there was a single issue of bonds, by the same government.

An analysis of the investor profile indicates that commercial banks continue to be the major investors on the RGSM. During the review period, the securities issued on the RGSM were consistently oversubscribed due to the increased liquidity in the banking system. Total subscriptions of Treasury bills were 66.0 per cent of issues in the period



January to September 2008 compared with 28.0 per cent in the corresponding period of 2007.

At the beginning of the review period, interest rates fell sharply due to the increased demand for securities as reflected in the value of bids and the level of over subscriptions. However, from June 2008 to the end of the review period, interest rates rose gradually due mainly to a reduction in the liquidity in the banking system. By the end of the period, the weighted average interest rate on 91-day Treasury bills was 5.61 per cent, 41 basis points below the rate one year earlier. Comparing the corresponding period in 2007, the average weighted interest rate on 180-day Treasury bills decreased by 19 basis points to 5.46 per cent, but remained at 7.50 per cent for the 10-year bond. The average weighted interest rate for the 365-day Treasury bill remained the same as one year earlier at 6.5 per cent.

Trading activity in the secondary market for government securities continued to contract during the period. The value of securities traded on the secondary market of the RGSM declined by 30.0 per cent to \$21.7m compared with the corresponding period of 2007. This may be due to the commercial banks' dominance in the markets and continuing buy-and-hold culture by ECCU investors.

### **Prospects**

Recent developments in the international economy have presented new uncertainties and challenges for

member countries of the currency union. Against this backdrop and based on the performance in the first nine months of 2008 and the outlook for the last quarter, real GDP growth in 2008 is projected to be below the 5.2 per cent rate estimated for 2007. The economic prospects are based largely on the outlook for construction and tourism. The pace of construction activity is likely to slow in light of developments in both the private and public sectors. Work on a number of private sector foreign direct investment projects is expected to slow, due in part to difficulties experienced by some private companies in accessing credit and investment funds from overseas, as the global financial crisis deepens. In addition, no major public sector investment projects are planned for the fourth quarter of 2008. Tourism activity is projected to remain weak in 2008 as a result of a combination of factors, including the higher airfares and reduced airlift consequent on the sharp rise in oil prices. A fall in disposable incomes of some potential visitors who were hard hit by the crisis will also contribute to a decline in that industry. Additionally a major hotel in Nevis was closed in October 2008 as a result of sustained hurricane damage. The projected fall in arrivals is likely to be broad-based, with declines projected for all categories of visitors, and from all the major markets in the case of stay-over arrivals.

The overall fiscal deficit of the central governments is likely to widen as a result of larger outlays associated with increases in salaries in some countries, and in expenditure on goods and services on account of the rise in fuel prices. A smaller



current account surplus is projected as growth in current expenditure is expected to outweigh that of current revenue. The outstanding debt of the combined central governments is likely to rise, based on governments' borrowing to finance the overall fiscal deficit.

The merchandise trade deficit will widen based on higher import payments, largely associated with the rise in international prices of oil, food and other commodities. Growth in receipts from domestic exports is contingent on developments in the banana industry and the manufacturing sector. Uncertainty

associated with the recent international financial turmoil is likely to lead to decreases in gross travel receipts and inflows of foreign direct investment, particularly for tourism related projects. External public sector debt servicing payments are expected to increase based on the higher level of debt.

The major risks to the economic outlook are the high degree of global uncertainty, the deepening of the financial crisis and the deterioration of the global economy.



## ANGUILLA

### Overview

The pace of economic activity in Anguilla is estimated to have slowed in the first nine months of 2008 relative to the corresponding period of 2007, influenced by higher international commodity prices, a global financial meltdown and the weak economic performances of its major trading partners. Economic activity during the period under review was underpinned by construction. Performance in the tourism industry was weak, reflecting the impact of the global crisis. Increases in the cost of imported food and fuel filtered through to domestic prices. Consequently consumer price inflation rose compared with the rate during the first nine months of 2007. The merchandise trade deficit widened on account of larger import payments. Central government's fiscal operations resulted in an overall deficit, in contrast to a surplus in the first nine months of 2007. In the banking sector, commercial bank liquidity tightened, as growth in loans outpaced the increase in deposits.

The economic outlook for the rest of 2008 is unfavourable; as a result economic growth in 2008 will be below the rate in 2007. Tourism activity is expected to continue to contract in the last quarter as the recession in major source countries deepens. The pace of construction activity is projected to slow compared with that in the last quarter of 2007 as some major tourism projects were completed and work on some others has halted or was postponed

because of financing difficulties. The upside risk to the economy is that inflation is expected to moderate, as prices of international commodities fall. Additionally a smaller external current account deficit is projected in the last quarter, based on a likely fall in construction related imports and international oil prices. The central government's overall fiscal position is expected to result in a deficit, as expenditure growth is likely to outpace the increase in tax intake. In the banking sector, growth in domestic credit and monetary liabilities is expected to decelerate, based on the slow down in economic activity and a fall in inflows of foreign direct investment.

### Output

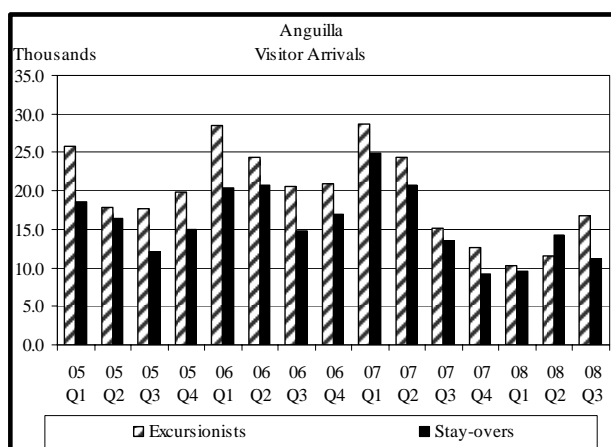
The pace of activity in the construction sector is estimated to have decelerated in the first nine months of 2008, in contrast to the robust growth experienced in the corresponding period of 2007. The slow down was largely the result of a major tourism project being suspended, due to financing difficulties. Reflecting the slow down in the pace of construction activity was a fall in cement consumption, as well as a decrease in the value of imported construction materials during the months of June through August.

Tourism activity, which has contributed significantly to economic growth in Anguilla over recent years, fell substantially during the first nine months of





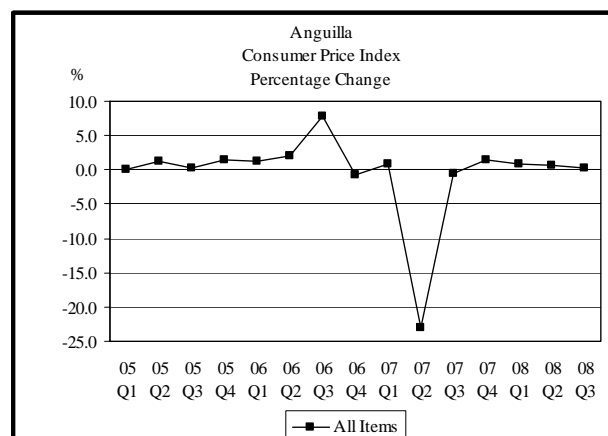
2008 compared with the corresponding period of 2007. Total visitor arrivals contracted by 24.0 per cent to 102,607, in contrast to a 4.6 per cent increase in the corresponding period of 2007. Stay-over visitors, the major category, decreased by 11.0 per cent, largely reflecting a 12.0 per cent decline in arrivals from the United States, the main source market. Decreases were also recorded in the number of stay-over visitors from the United Kingdom (14.6 per cent) and Canada (8.3 per cent). The decline in arrivals from those markets was largely as a result of the slow down in these economies. Arrivals from the Caribbean, the second largest market, declined by 1.6 per cent, partly as a result of high regional air fares. The number of excursionists declined markedly, by 35 per cent to 47, 831.



**Prices**

Increases in international oil and commodity prices had an adverse impact on domestic prices. Preliminary data indicate that consumer prices rose by 7.7 per cent during the period under review, well above the 1.2 per cent increase during the

corresponding period of 2007. The higher rate of inflation was largely reflected in a 30.3 per cent jump in the fuel and light sub-index and increases of 13.7 per cent and 6.1 per cent in the food and transportation sub-indices respectively.



**Trade and Payments**

The merchandise trade account of the balance of payments show a deficit estimated at \$493.7m, roughly 5.5 per cent (\$25.9m) above that recorded in the first three quarters of 2007. The larger deficit was the result of a 5.0 per cent (\$24.5m) increase in import payments, largely reflecting a rise in the value of intermediate goods associated with the surge in oil prices. The value of exports fell by 8.0 per cent (\$1.4m), reflecting a decrease in the volume of rum exported.

Gross travel receipts are estimated to have declined by 4.9 per cent to \$216.0m, reflecting the fall in visitor arrivals. Commercial banks' external transactions resulted in a net inflow of short term

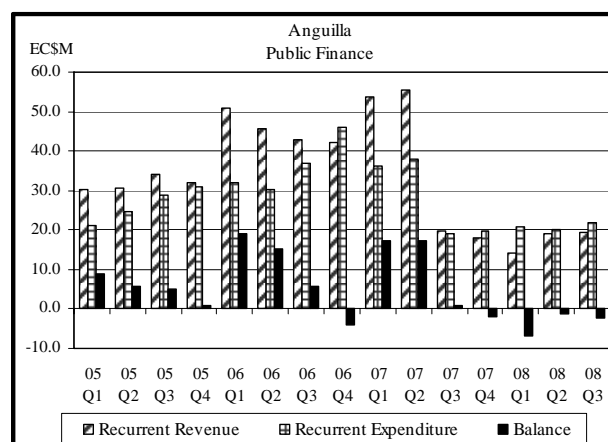
capital of \$199.9m, compared with one of \$61.6m recorded in the first nine months of 2007.

**Central Government Fiscal Operations**

The central government’s fiscal operations resulted in an overall deficit of \$12.0m in the first nine months of 2008, in contrast to a surplus of \$4.9m in the corresponding period of 2007. The primary balance shifted to a deficit of \$6.3m from a surplus of \$10.0m in the first nine months of 2007. The deterioration of the fiscal accounts was attributed to strong growth in current expenditure (27.1 per cent to \$150.8m), which outpaced the increase in current revenue (0.3 per cent to \$159.3m). A current account surplus of \$8.4m was realised, substantially below the surplus of \$40.1m in the first nine months of 2007.

Increases were recorded in all the sub-components of current expenditure. The largest increase in outlays was recorded for transfers and subsidies which grew by 37.2 per cent (\$11.0m), mostly reflecting transfers made to the National Health Authority. Expenditure on personal emoluments grew by 30.4 per cent (\$14.0m), largely as a result of salary increases granted in July 2007 and September 2008. Spending on goods and services rose by 17.4 per cent (\$6.7m), partly reflecting the impact of higher import prices for fuel. Interest payments increased by 11.0 per cent (\$0.6m), on account of growth in domestic interest payments.

Current revenue grew marginally, by 0.3 per cent, as a 12.0 per cent (\$4.0m) increase in non-tax receipts almost offset a 2.8 per cent (\$3.5m) decrease in tax revenue. Growth in non-tax receipts stemmed from larger collections of company annual fees and work permits, particularly in the first half of the year. In the case of tax revenue, the decrease was largely as a result of a 4.9 per cent decline in receipts from taxes on international trade and transactions. The contraction was attributed to a fall in collections of import duties 6.9 per cent (\$4.0m) as imports of construction materials declined in the third quarter. The intake from taxes on domestic goods and services remained relatively flat at \$55.7m.



Capital expenditure declined by 22.0 per cent to \$30.2m compared with the total in the first nine months of 2007, partly reflecting the completion of a major road construction project. Capital revenue more than doubled to \$9.8m, largely as the result of land sales.



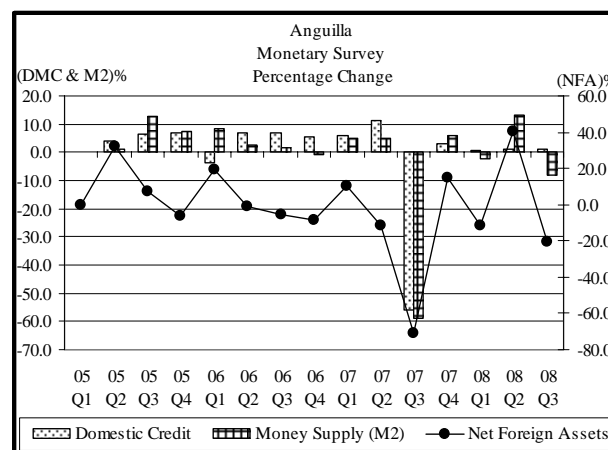
## Public Sector Debt

Preliminary data indicate that as at end September 2008 the total disbursed outstanding debt of the public sector stood at \$148.4m. This represents a 14.8 per cent increase on the total for the corresponding period of 2007, largely reflecting a rise in central government borrowing. Of the total, \$128.3m was central government debt, while \$20.2m was borrowed by statutory bodies.

## Money and Credit

The slow down in economic activity and reduced inflows of gross travel receipts and foreign direct investment had an adverse impact on the monetary and credit aggregates during the period under review. Monetary liabilities (M2) fell by 2.5 per cent, in contrast to growth of 10.7 per cent during the first nine months of 2007. Decreases were recorded in narrow (M1) and quasi money (the two components of broad money), which fell by 14.3 per cent (\$7.5m) and 1.9 per cent (\$21.2m) respectively. A 23.4 per cent (\$9.3m) decrease in private sector demand deposits was responsible for the fall in M1. The contraction in quasi money was largely attributed to declines of 13.5 per cent (\$13.2m) and 1.3 per cent (\$12.0m) in private sector time and foreign currency deposits respectively. Commercial bank data on deposit holdings indicate that deposits of private business firms contracted by 16.5 per cent, while those of households increased by 3.7 per cent

Domestic credit rose by 18.9 per cent to \$1,263.8m, well below the 28.9 per cent rate recorded in the first nine months of 2007 and was attributed to a slow down in private sector credit demand. Private sector credit increased by 18.9 per cent (\$218.2m), compared with growth of 28.3 per cent during the first nine months of 2007. Of private sector credit, outstanding loans to both households and businesses grew at reduced rates, by 18.0 and 20.0 per cent respectively compared with 29.3 per cent and 27.2 per cent in 2007. Net credit to the central government contracted by 26.0 per cent, partly as a result of growth in its deposits. Deposits of non-bank financial institutions rose by 16.6 per cent (\$5.1m), while credit extended to those institutions fell by 17.3 per cent (\$1.6m). As a consequence, their net deposits increased by 30.5 per cent (\$6.6m).



The composition of commercial bank lending by economic activity indicates a deceleration in credit for construction, personal use and distributive trades. Outstanding loans for construction increased by



43.6 per cent compared with growth of 98.9 per cent during the first nine months of 2007. Credit for personal use grew 17.0 per cent, almost half the 31.0 per cent rate of increase during the corresponding period of 2007. Most of the increase in credit for personal use was channelled into home construction and renovation. Outstanding loans for distributive trades rose by 10.5 per cent, down from the 21.5 per cent rate. By contrast, outstanding loans for tourism grew at an increased rate, by 20.0 per cent compared with 12.0 per cent, partly driven by construction of tourism related facilities.

The net foreign assets of the banking sector fell substantially, by 49.3 per cent to \$200.8m, compared with the 11.4 per cent decline during the first nine months of 2007. This development was the result of a 72.7 per cent decrease in the net foreign assets of commercial banks, as banks drew down on their assets and borrowed from institutions in the rest of the ECCB area to finance domestic credit expansion. Anguilla's imputed share of the reserves of the ECCB increased by 3.7 per cent to \$125.6m.

Liquidity in the commercial banking system tightened during the period under review. The ratio of liquid assets to total assets decreased to 24.3 per cent from 30.9 per cent at the end of 2007. The loans and advances to deposits ratio rose to 97.9 per cent from 85.3 per cent at the end of 2007, as credit growth outpaced the increase in deposits. The ratio of liquid assets to total deposits plus liquid liabilities fell to 31.8 per cent from 39.6 per cent at the end of 2007.

The weighted average interest rate on deposits rose to 4.77 per cent from 4.63 per cent at the end of 2007, while that on loans and advances fell to 9.44 per cent from 9.64 per cent. Consequently the spread on interest rates declined to 4.7 percentage points from 5.0 percentage points at the end of 2007.

### Prospects

Growth in the economy of Anguilla is expected to slow in 2008 compared with the rate in 2007, based on the performance in the first nine months and the outlook for the last quarter. The macroeconomic prospects for the last quarter are unfavourable, as the economy continues to be adversely affected by the global financial crisis. Tourism activity is expected to be weak compared with the performance in the last quarter of 2007, as economic activity in the major industrialised countries and source markets slows. The construction sector will drive economic activity, but the pace is expected to slow as a number of tourism-related projects have been postponed due to financing difficulties arising from the global financial crisis.

The overall fiscal position of the central government is likely to worsen in the fourth quarter, based on a higher level of current expenditure associated with an increase in outlays on personal emoluments. Growth in the intake from taxes is likely to be reduced, as economic activity slows. The report from the Business Outlook survey, conducted by the ECCB in the first half of 2008, indicates that business men are very pessimistic about the



prospects for the rest of the year, on account of a worsening of economic conditions in the USA and other industrialised countries.

In the banking sector, slower growth in monetary liabilities and domestic credit is projected, based on lower levels of gross travel receipts and foreign direct investment as well as a slow down in private sector credit demand.

Risks to the outlook are tilted strongly to the downside. A more protracted global slowdown than currently anticipated, combined with tighter international financial conditions arising from the

ongoing global financial crisis, could have significant adverse spill-over effects on Anguilla. These include further decreases in visitor arrivals and inflows of foreign direct investment.

The upside is that consumer prices are likely to moderate toward the end of the year and into 2009, as prices of international oil and other commodities continue to fall, easing global inflationary pressures. The merchandise trade deficit is projected to decrease in the fourth quarter, based on slower economic activity coupled with the fall in international oil and commodity prices.



## ANTIGUA AND BARBUDA

**Overview**

Economic activity in Antigua and Barbuda increased in the first nine months of 2008, although the rate is estimated to have slowed relative to the comparable period of 2007. Growth was largely driven by the construction sector and tourism industry, supported by the wholesale and retail trade, and communications sectors. The consumer price index rose by 3.2 per cent during the period under review. The merchandise trade deficit is estimated to have narrowed. The fiscal operations of the central government resulted in a larger overall deficit. However, public sector indebtedness decreased. Monetary liabilities and domestic credit increased, while commercial bank liquidity tightened and the weighted average interest rate spread narrowed.

The level of economic activity in the final quarter of 2008 is projected to be below that in the corresponding period of 2007, based on expected developments in construction and tourism. Both tourism and construction are likely to be adversely affected by the recession or softening of economic growth in the major trading countries, associated with the global financial crisis. An increase in current expenditure is expected to result in a larger overall deficit on the central government's fiscal operations. Risks to these projections are biased toward the downside, and are likely to emanate from a larger than expected deepening of the international financial and economic crisis.

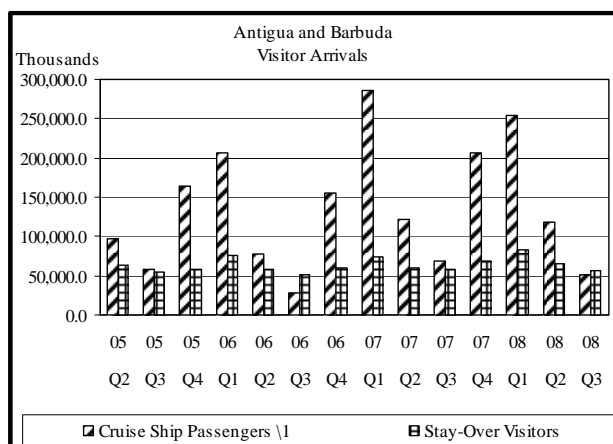
**Output**

The expansion in construction activity in the first nine months of 2008, was largely driven by the private sector. However, the pace of construction activity slowed, as work on some private sector projects was completed in 2007. Private sector activity, in the period under review, was associated with tourism related projects, a car park project and home construction. The expansion in private sector construction activity was partly financed by commercial bank credit, as evidenced by a 3.6 per cent increase in outstanding credit for home construction and renovation and growth of 8.6 per cent in credit for construction and land development. Public sector activity focussed on the rehabilitation of a number of sporting facilities and administrative complexes, as well as the airport, and on road construction.

In the tourism industry, activity in the stay-over visitor category strengthened compared with the first nine months of 2007, when the number of visitors remained relatively flat. Stay-over arrivals increased by 5.3 per cent to 203,921, with growth recorded in arrivals from all major markets, except the UK. The number of visitors from the USA rose by 13.2 per cent, well above the 1.4 per cent rate in the first nine months of 2007. The improved performance was mainly attributed to increased airlift and intensified marketing in the USA. Arrivals from the Caribbean increased by 9.4 per cent, in contrast to the 16.1 per



cent contraction recorded in the first nine months of 2007. The increase was associated with the hosting of a number of sporting and cultural events, including the 20/20 Cricket Tournament and the inaugural Romantic Rhythms Music Festival. Arrivals from Canada rose by 36.9 per cent in contrast to a 5.4 per cent decline in 2007, partly reflecting favourable economic conditions in that market. The number of visitors from Germany and Italy posted double-digit growth, 13.1 per cent and 17.9 per cent respectively. The overall increase in stay over arrivals was tempered by a 5.7 per cent contraction to 66,117 in visitor arrivals from the UK. The fall-off in the number of UK visitors partly reflects a return to trend following a surge in arrivals in the first nine months of 2007 associated with cricket world cup (CWC) 2007.



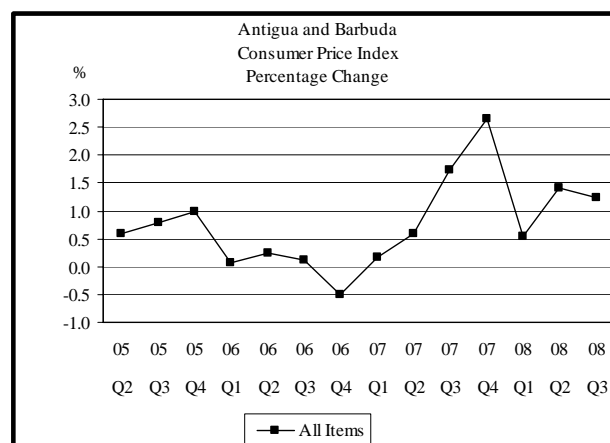
The number of cruise ship passengers fell by 10.9 per cent to 416,263, in contrast to growth of 10.9 per cent recorded in the comparable period of 2007. This fall-off in cruise passenger arrivals was attributed to a 19.0 per cent contraction to 218 in the number of cruise ship calls, partly reflecting the

impact of increases in international fuel prices particularly during the first half of 2008.

Activity in the wholesale and retail trades, and communication sectors increased, partly reflecting the positive spill-over effects of the expansion in construction and growth in stay-over visitor arrivals.

**Prices**

Increases in prices of international oil and other commodities contributed to a rise in consumer inflation during the period under review. Consumer prices rose by 3.2 per cent, compared with an increase of 2.5 per cent during the corresponding period of 2007 (on an end-of-period basis). The increase was driven in part by a 2.5 per cent rise in the food sub-index, reflecting higher prices for some imported meat and dairy products and fresh fruits. The fuel and light sub-index rose by 32.5 per cent, attributable to an increase in the fuel surcharge on electricity consumption. Prices in the transport and communication sub-index increased by 2.5 per cent.



## Trade and Payments

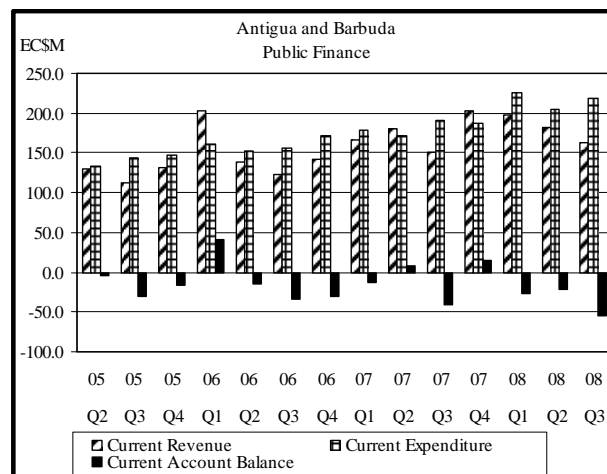
Complete trade statistics were not available. However, cargo throughput data indicate that the total volume of imports fell by 8.0 per cent, on account of contractions in all major categories except cement. Imports of general cargo were 12.9 per cent below the volume in the first nine months of 2007. Imports of vehicles and fuel also contracted, by 10.0 per cent and 6.3 per cent respectively, while the volume of cement imported increased by 6.8 per cent, consistent with the expansion in construction activity. The volume of exports rose by 20.9 per cent, partly reflecting an increase in re-exports of fuel.

Gross travel receipts were estimated to have increased by 4.3 per cent to \$702.5m, reflecting the increase in stay-over arrivals. Commercial bank transactions resulted in a net inflow of \$194.2m in short term capital, compared with one of \$141.7m during the comparable period in 2007. Inflows of capital grants amounted to \$17.0 m, compared with \$14.0m in the first nine months of the previous year.

## Central Government Fiscal Operations

The central government incurred an overall deficit of \$221.0m in the first nine months of 2008, compared with one of \$169.8m in the corresponding period of 2007. The increase in the deficit was traced to deterioration in the current account performance. The overall deficit was financed mainly from

domestic sources and by an accumulation of arrears, largely foreign.



The current account deficit more than doubled to \$106.9m, reflecting a faster rate of increase in current expenditure relative to that of current revenue. Current expenditure is estimated to have increased by 14.4 per cent to \$650.2m, largely on account of growth in outlays on goods and services, and transfers and subsidies. Expenditure on goods and services rose by 40.3 per cent, mainly attributable to the rise in fuel prices, an expansion of the school meals and school uniforms programmes and an increase in payments for utility services. An expansion of government support programmes, in the wake of increases in international fuel and food prices particularly in the first half of 2008, contributed to growth of 24.8 per cent in outlays on transfers and subsidies. Expenditure on personal emoluments and interest payments grew by 2.3 per cent and 1.7 per cent respectively.



Current revenue increased by 4.3 per cent to \$543.3m, attributable to growth in tax receipts (5.2 per cent). The yield from taxes on domestic goods and services increased by 17.4 per cent to \$238.9m, mainly attributable to a larger intake from the Antigua and Barbuda Sales Tax (ABST), implemented in January 2007. Revenue from the ABST amounted to \$174.6m, compared with \$134.4m in the corresponding period of 2007. Collections from taxes on income and profits rose by 17.7 per cent, largely on account of an increase in collections from corporations. Receipts from taxes on international trade and transactions fell by 13.9 per cent to \$176.3m, reflecting a contraction in consumption tax collections as government absorbed some of the rise in oil prices and granted concessions on some basic goods to ameliorate the social impact of the increases in international prices. Of the other sub-categories, revenue from customs duties increased by 7.2 per cent, while the intake from the customs service charge decreased by 13.1 per cent.

Capital expenditure is estimated to have decreased by 3.9 per cent to \$135.0m, as some major projects in the public sector investment programme were completed. Capital expenditure was largely associated with road rehabilitation and construction and the repair and upgrade of sporting facilities.

### **Public Sector Debt**

The total outstanding public sector debt fell by 0.9 per cent to \$2,948.1m during the period under

review. An analysis of the debt components revealed a 2.1 per cent contraction in the obligations of central government and a 12.8 per cent increase in the indebtedness of public corporations. For the most part, those changes were on account of the reclassification of certain obligations and the liquidation of others.

### **Money and Credit**

Monetary liabilities (M2) grew by 3.3 per cent to \$2,842.2m, that is, by less than half the 8.4 per cent rate of expansion during the first three quarters of 2007, reflecting in part the reduced pace of economic activity. The slow down in M2 growth was reflected in the quasi money category, which expanded at the reduced rate of 4.0 per cent compared with 12.0 per cent in 2007. Within quasi money, growth in private sector time deposits decelerated, and private sector foreign currency deposits contracted in contrast to an increase in 2007. Savings deposits increased by 7.0 per cent, which was above the 6.0 per cent rate in 2007. The narrow measure of the money supply increased by 1.0 per cent to \$678.6m, largely on account of a 2.2 per cent expansion in private sector demand deposits, as currency with the public fell by 3.7 per cent.

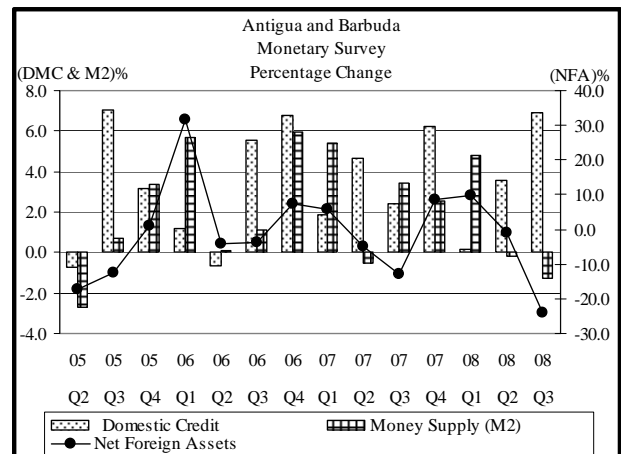
The counterpart to the increase in M2 was growth of 10.9 per cent in domestic credit, which accelerated compared with the 9.1 per cent expansion during the corresponding period of 2007. The expansion in domestic credit was driven mainly by increased



borrowing by the central government and the private sector. Net credit to the central government rose by 17.3 per cent (\$45.7m), in contrast to an 8.9 per cent decline during the first nine months of 2007, reflecting a 7.4 per cent (\$30.0m) increase in commercial bank loans and advances and a 10.7 per cent (\$15.6m) reduction in deposits. These developments were associated with the financing of the deficit on the fiscal operations. Credit to the private sector rose by 5.5 per cent, roughly one-half the rate of increase in 2007, largely reflecting a deceleration in the growth of credit to businesses. Outstanding loans to businesses rose by 5.6 per cent, well below the 15.2 per cent rate in the first nine months of 2007, consistent with the slow down in the pace of economic activity. Credit to households increased by 5.5 per cent compared with 7.3 per cent in 2007. The deceleration in private sector credit growth was partly attributed to a tightening in credit conditions. Among the other components of domestic credit, outstanding loans to subsidiaries and affiliates rose more than three-fold while their deposits fell, resulting in a net credit position in contrast to a net deposit position at the beginning of the period under review. The net deposits of the non-bank financial institutions and non-financial public enterprises increased by 30.2 and 3.0 per cent respectively.

The distribution of credit by economic activity indicates that the bulk of the increase in commercial bank credit was for personal use, followed by public sector activity (including statutory bodies), and distributive trades. Credit for personal use, the

single largest component of commercial bank credit, rose by 5.6 per cent (\$68.6m), mainly for the acquisition of property. Outstanding loans for public sector activity increased by 15.5 per cent (\$51.3m). Credit for construction and land development, and for tourism (including construction related projects) increased by 8.6 per cent (\$18.5m) and 6.1 per cent (\$14.6m) respectively, albeit at reduced rates compared with double-digit growth during the first nine months of 2007. Movements in credit for those activities reflected, in part, developments in the construction sector.



The net foreign assets of the banking system totalled \$730.0m at the end of September 2008, representing a 17.3 per cent decline from the level at the beginning of 2008. The contraction was largely reflective of developments in the commercial banking system, as Antigua and Barbuda’s imputed share of the central bank’s reserves increased by 10.6 per cent to \$429.7m. The net foreign assets of the commercial banks fell by 39.2 per cent



(\$194.2m), mainly reflecting a reduction in assets held outside the ECCU (\$175.5m) and an increase in liabilities to institutions in the rest of the ECCU. These developments were occasioned by the need to finance domestic credit expansion and protect assets in view of the international financial turmoil.

Commercial bank liquidity fell during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities decreased to 43.9 per cent, from 47.7 per cent at the end of 2007; and the ratio of loans and advances to deposits increased to 83.3 per cent from 78.9 per cent.

The spread between weighted average deposit and lending rates fell by 0.39 percentage point to 6.67 percentage points, reflecting decreases in both deposit and lending rates. The weighted average interest rate on deposits fell to 3.31 per cent from 3.42 per cent nine months earlier, and the weighted average lending rate decreased to 10.06 per cent from 10.58 per cent.

### **Prospects**

The economy of Antigua and Barbuda is projected to expand in 2008, albeit at slower rate than in 2007. This projection is based on developments in the first nine months of the year and the expected outturn in the fourth quarter. The ongoing international financial and economic turmoil is expected to adversely affect tourist arrivals and inflows of

foreign direct investment. Consequently, activity in the tourism industry and construction sector is likely to contract in the fourth quarter. Nevertheless, the outturn for the entire year is expected to be positive, as the performance over the first nine months was fairly strong. Consumer prices are projected to fall, in keeping with the decline in the international price for oil and other commodities.

The central government's overall fiscal deficit is projected to widen, as growth in current expenditure is expected to outstrip an increase in revenue. Growth in current expenditure is likely to be driven by further increases in transfer payments, particularly in view of the emerging global economic crisis. Capital expenditure is likely to decrease, as no new projects have been scheduled to start in the last quarter.

In the external sector, the volume of imports is projected to decline, based on the outcome in the first nine months of 2008 and a likely fall in the last quarter as economic activity is projected to contract. Commercial banks are likely to continue drawing down on foreign assets during the last quarter in order to fund the expansion in domestic credit.

The projections for the economy in the fourth quarter of 2008 are subject to downside risks associated with a deeper than expected slow down of the international economy.



## DOMINICA

### Overview

Economic performance in Dominica is estimated to have increased in the first nine months of 2008, relative to the outturn in the comparable period of 2007, underpinned by robust growth in the construction sector. Agricultural and manufacturing activity is estimated to have contracted, while the performance of the tourism industry was mixed. Consumer prices rose by 3.8 per cent, on an end of period basis. The merchandise trade deficit is estimated to have widened, largely attributable to an increase in import payments. The central government's operations yielded a larger fiscal surplus as a result of strong growth in current revenue and larger capital grant inflows. Monetary liabilities increased partly driven by growth in net foreign assets. Commercial bank liquidity declined, but remained at a high level. The interest rate spread between loans and deposits narrowed.

Growth is projected in the last quarter of 2008, based on developments in the construction sector. Construction activity is likely to surpass the level in the corresponding period in 2007, based on ongoing projects including rehabilitation work to infrastructure that sustained damage during the passage of hurricanes Dean and Omar in August 2007 and October 2008 respectively. In the tourism industry, cruise visitor arrivals are likely to increase based on the cruise ship itinerary; the outlook for stay over arrivals is uncertain. Major downside risks

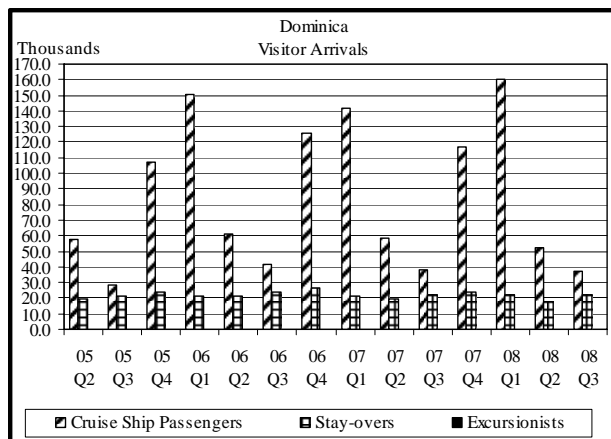
to the projections include adverse weather and a further slow down in activity in industrial economies.

### Output

Growth in construction activity during the first nine months of 2008 was influenced by both the public and private sectors. Public sector activity focused on air access improvement, housing development, as well as hurricane-related restoration to road networks, bridges, schools and churches. In the private sector, activity concentrated on residential construction, as reflected in part by increases in commercial bank credit for home construction and renovation (1.9 per cent) and in the number of residential starts (4.3 per cent).

In the tourism industry, total visitor arrivals are estimated to have increased by 3.4 per cent to 312,759 in the first nine months of 2008, in contrast to a 5.9 per cent decline in the corresponding period of 2007. This outturn reflected an increase of 5.1 per cent to 250,033 in the number of cruise ship passengers, associated with calls by larger cruise vessels. By contrast, stay-over arrivals fell by 2.8 per cent to 62,012, partly attributable to an increase in airfares and a slowdown in global demand for the tourism product. Declines were recorded in arrivals from the major source markets, particularly the Caribbean (4.1 per cent) and the USA (1.1 per cent).



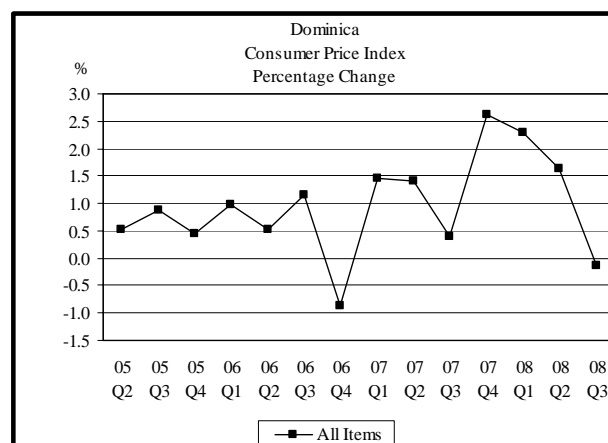


Activity in the agricultural sector contracted, reflecting the impact of damage to crops by hurricane Dean. Banana production fell by 13.8 per cent to 5,798 tonnes, as a decline in the first quarter more than offset increases in output in the second and third quarters of 2008. Output of non-banana crops is estimated to have declined as the sector has not fully recovered from the hurricane damages. Livestock and fish production is estimated to have increased, based on increased local demand.

The manufacturing sector experienced a downturn in activity as the production of dental cream, a major commodity, was discontinued in September 2007. In addition, beverage production fell by 3.6 per cent, partly attributable to low domestic and regional demand. The overall decrease in activity in the sector was tempered by growth of 10.0 per cent in output of soap, as the manufacturer focussed on expanding that line of product following the discontinuation of dental cream production.

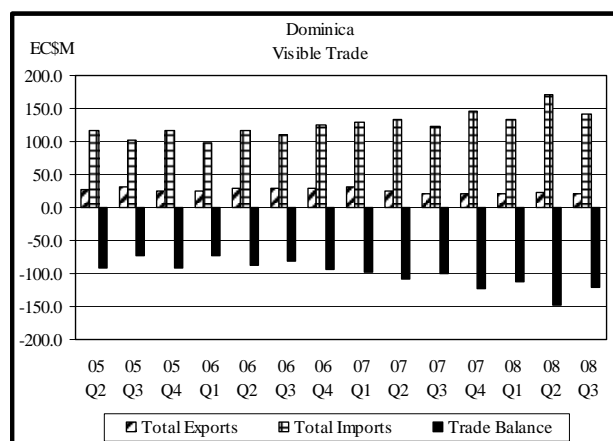
**Prices**

Inflation, as measured by the consumer price index, was 3.8 per cent during the first nine months of 2008, compared with the 3.3 per cent rate in the corresponding period of 2007. Growth in the index was primarily driven by increases in the cost of food, transportation and communication. Prices in the food sub-index, the highest weighted, rose by 8.1 per cent, mainly attributable to increases in the price of cereal, dairy items and oil and fat products. Increases in bus fares and airfares contributed to a 4.5 per cent increase in the transportation and communication sub-index. Those increases were partially offset by a 0.7 per cent decline in prices in the fuel and light sub-index, reflecting a fall in the fuel surcharge in September 2008 associated with decreases in the price of oil on the world market. In the local market, there were two price reductions for gasoline, diesel and kerosene in the month of August. Declines in prices were also recorded for the sub-indices clothing and footwear, as well as household furniture and equipment.



## Trade and Payments

The merchandise trade deficit is estimated to have widened to \$380.1m in the first nine months of 2008, from \$307.1m in the corresponding period of 2007, mainly as a result of growth of 16.7 per cent (\$64.0m) in import payments. Rises in commodity prices, particularly oil prices in the first half of the year and increased imports of machinery and transport equipment (\$13.0m) associated with the high level of construction activity, contributed to growth in import payments. The value of total exports fell by 11.8 per cent (\$9.0m), primarily as a result of a decrease in receipts from domestic exports. Declines were registered in export earnings from bananas (\$1.6m) on account of a fall in production, as well as from dental cream (\$6.3m) as production ceased.



Gross travel receipts are estimated to have increased by 5.4 per cent to \$150.4m, as a result of growth in cruise ship passenger arrivals. Commercial bank transactions resulted in a net outflow of \$72.5m in short-term capital compared with one of \$98.8m

during the corresponding period of 2007. External loan disbursements to the central government more than doubled to \$17.6m, while external amortisation fell by 4.7 per cent to \$16.0m, resulting in a net inflow of \$1.6m.

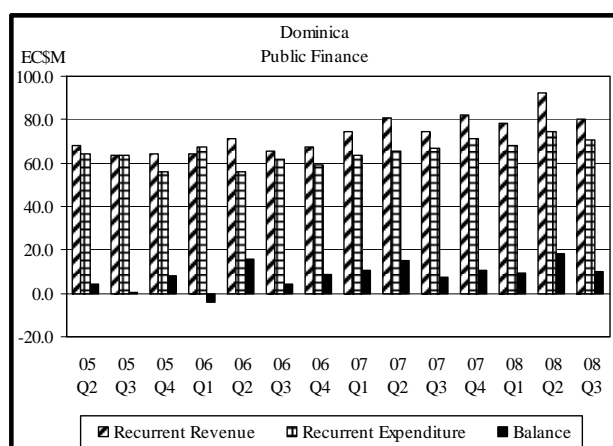
## Central Government Fiscal Operations

The overall surplus on the central government's fiscal accounts more than tripled to \$19.8m in the first nine months of 2008, attributable to larger current savings and grant inflows. A primary surplus of \$45.8m was realised, up from one of \$27.0m in the first nine months of 2007.

The central government recorded a current account surplus of \$37.6m, above that of \$33.8m in the corresponding period of 2007. The larger surplus resulted from strong growth in current revenue that outweighed the increase in current expenditure. Current revenue rose by 8.9 per cent to \$250.8m, largely attributable to growth of 7.9 per cent (\$16.7m) in tax revenue. The yield from taxes on domestic goods and services increased by 8.1 per cent (\$9.7m), mainly associated with larger receipts from the value added tax (VAT) partly on account of the expansion in the economy. The intake from the excise tax declined by 7.9 per cent (\$2.6m), reflecting the impact of budgetary measures to address the increase in the cost of living. Those measures included a 50 per cent reduction to \$1.19 per gallon in the excise tax on fuel for electricity effective September 2007, and the removal in July 2008 of the excise tax on liquid petroleum gas



(LPG). Collections from taxes on international trade and transactions rose by 16.6 per cent (\$7.1m) consistent with growth in the value of imports. Those increases were partly offset by a decline (\$0.8m) in taxes on income, profits and capital gains, mainly associated with a fall in receipts from personal income tax (\$1.4m) on account of income tax relief measures implemented in January 2008. Non-tax revenue rose by 18.6 per cent (\$3.8m), as a result of larger collections from interest and rent.



Current expenditure increased by 8.5 per cent to \$213.2m, reflecting larger outlays in all sub-categories. The main contributor to the increase was goods and services, payments for which rose by 25.7 per cent (\$10.8m), largely on account of higher professional and consultancy fees as well as the impact of high oil prices on the value of imported goods. Interest payments grew by 19.1 per cent (\$4.2m), mainly associated with an increase in domestic payments. Expenditure associated with transfers and subsidies rose by 3.7 per cent (\$1.7m), reflecting increased contributions to local and regional institutions. Outlays on personal emoluments, which accounted for the bulk of current

expenditure, rose marginally (\$0.1m) as a result of salary increases awarded to police and teachers, effective July 2008.

Capital expenditure expanded by 33.3 per cent to \$102.5m, partly associated with air access improvement, road rehabilitation and housing projects. Grant receipts totalled \$83.6m, up from \$47.1m in the first nine months of 2007, largely representing inflows from the European Union and the government of Venezuela for capital projects, and from the CARICOM Petroleum Fund for hurricane related rehabilitation projects.

### Public Sector Debt

The total disbursed outstanding debt of the public sector is estimated to have declined by 1.8 per cent to \$915.9m during the first nine months of 2008. The contraction was attributed to a 1.2 per cent (\$9.3m) reduction in central government debt, partly attributable to favourable exchange rate movements. The outstanding debt of statutory bodies declined by 5.0 per cent (\$7.7m) to \$147.4m, reflecting scheduled debt repayments.

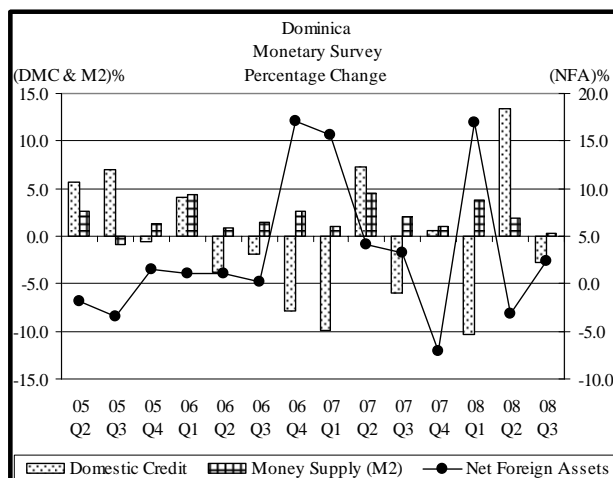
### Money and Credit

Monetary liabilities (M2) grew by 6.2 per cent to \$795.3m during the first nine months of 2008, partly influenced by the growth in the economy. The expansion in M2 reflected increases of 11.4 per cent and 4.8 per cent in narrow money (M1) and quasi-money respectively. Growth in M1 resulted from a



22.2 per cent increase in private sector demand deposits. All components of quasi-money registered growth, with the most notable increase recorded for private sector savings deposits.

Growth of 16.0 per cent to \$571.5m in the net foreign assets was the main counterpart to the increase in monetary liabilities. The net foreign assets of commercial banks rose by 23.5 per cent, mainly on account of growth in assets held with banks and other institutions within the rest of the currency union. Dominica's imputed share of the Central Bank's reserves was \$191.0m at the end of September 2008, representing a 3.4 per cent increase over the level at the end of December 2007.



Domestic credit contracted by 1.1 per cent to \$318.9m, mainly reflecting developments in the accounts of central government. The central government's deposits in the banking system rose by 15.0 per cent, while outstanding credit increased by 8.0 per cent. Consequently, the central government's net deposits expanded by 21.9 per cent

to \$91.7m. The net deposits of non-bank financial institutions rose by 2.4 per cent mirroring an increase in deposits. Private sector credit increased by 4.0 per cent, reflecting growth in outstanding loans to both households and businesses.

Data on commercial bank credit distribution shows that personal loans, which comprised 56.4 per cent of commercial bank credit, registered growth of 2.5 per cent, mainly associated with an increase in outstanding loans for house and land purchases. Increases in credit were also observed for manufacturing, fisheries and distributive trades. However, those increases were tempered by declines in credit for tourism, agriculture, mining and quarrying as well as construction.

Liquidity in the commercial banking system declined, but remained at a high level during the first nine months of 2008. The fall in liquidity was evidenced by a 4.3 percentage point decrease to 51.5 per cent in the liquid assets to total deposits plus liquid liabilities ratio. The ratio of loans and advances to total deposits fell by 0.2 percentage points to 54.1 per cent.

The weighted average interest rate on deposits fell by 0.05 percentage point to 3.18 per cent and that on loans decreased by 0.18 percentage point to 9.0 per cent. Consequently, the interest spread between loans and deposits fell to 5.82 percentage points at the end of September 2008 from 5.95 percentage points at the end of December 2007.



**Prospects**

The outlook for economic activity in 2008 is positive, based on the outturn in the period under review and expected developments during the remainder of the year. Growth in 2008 is projected to be at a higher rate compared to the level in 2007. The construction sector will be the main impetus for growth as work intensifies on major public sector projects. A major road development project which is estimated at \$20.6m, is expected to commence in October 2008. Further rehabilitation work is expected, following the passage of hurricane Omar in October 2008 which caused damage to roads and other infrastructure along the west coast of the island.

Lacklustre performance is forecasted for the productive sectors. In the tourism industry, visitor arrivals are expected to rise as the upward trend in cruise passenger arrivals observed in the first nine months is likely to continue based on the 2008/09 cruise schedule. However, in the stay-over visitor category, arrivals are likely to be affected by the end of operations of a major regional carrier in September 2008 coupled with a slow-down in the global economy. Agricultural output is projected to fall, as a result of the effects of the hurricane in the first quarter of 2008 and the negative impact of leaf spot disease on the banana industry in the latter part of the year. A downturn is expected in manufacturing, primarily associated with the discontinuation of dental cream production in 2007.

An overall surplus is projected on the central government's fiscal accounts. Revenue collections are expected to remain strong in line with the increase in economic activity. The VAT is expected to be the main contributor to revenue, offsetting any reductions in the yield from the excise tax and personal income tax associated with policy measures to reduce the cost of living. The larger revenue intake is likely to offset higher current expenditure. Current expenditure is likely to increase in the face of high prices for goods and services. The capital account is forecasted to improve based on higher grant inflows for capital projects.

The merchandise trade deficit is likely to widen in 2008, based on an increase in import payments associated with higher import prices and a projected decline in domestic export receipts resulting from a fall in earnings from dental cream and agricultural exports. Gross travel receipts are expected to be higher in comparison to the preceding year partly based on increased visitor arrivals.

Downside risks to the projections include a protracted slowdown in major industrial economies, particularly the USA. This can adversely impact tourism prospects and investment inflows. Unfavourable weather pose threats to the agricultural sector, particularly the banana industry.



## GRENADA

**Overview**

Economic activity in Grenada increased in the first nine months of 2008, albeit at a slower rate relative to the outcome in the corresponding period of 2007. The expansion was led by strong growth in the agricultural sector. Activity contracted in the tourism industry as well as in the construction and manufacturing sectors. The consumer price index rose by 5.5 per cent on an end of period basis. The merchandise trade deficit widened, as import payments increased and the value of exports declined. The central government's fiscal position deteriorated, mainly attributable to growth in current expenditure. Total outstanding debt of the public sector increased during the review period. In the banking system, monetary liabilities and domestic credit increased. Commercial bank liquidity remained at a high level and the weighted average interest rate spread between loans and deposits narrowed slightly.

Economic growth is projected to slow in the remainder of 2008 compared with the corresponding period of 2007, as the pace of activity in the tourism industry and construction sector is likely to contract. Downside risks to the projections include a deepening in recessionary conditions in the USA and other industrial economies.

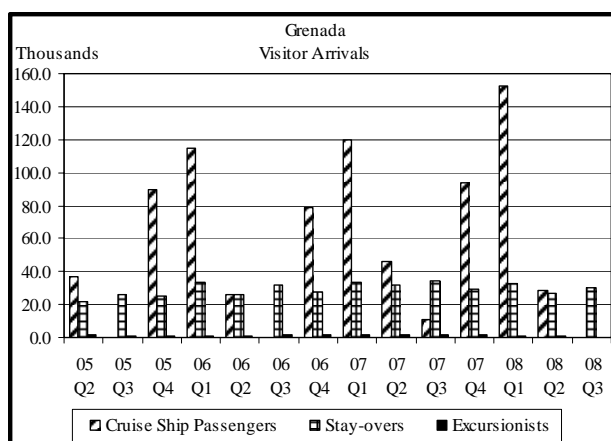
**Output**

Agricultural production was robust in the first nine months of 2008, with output of all major crops increasing, partly reflecting the impact of post hurricane Ivan crop recovery and rehabilitation programmes. Of the traditional crops, increases were recorded in output of cocoa (59.5 per cent), nutmeg (12.1 per cent) and mace (22.2 per cent). Banana production rose by 30.0 per cent to 1,157 tonnes, due in part to an increase in acreage under cultivation.

Activity in the tourism industry contracted in the first nine months of 2008 relative to the corresponding period of 2007. Total visitor arrivals fell by 3.2 per cent, in contrast to a 19.7 per cent expansion in the first nine months of 2007, reflecting a decrease in the number of stay-over visitors and excursionists. Stay-over arrivals declined by 9.4 per cent to 90,325, in contrast to growth of 9.7 per cent in the first nine months of 2007. Decreases were recorded in arrivals from the USA (28.1 per cent), the Caribbean (8.6 per cent) and Canada (4.8 per cent). The decline in stay-over arrivals was partly as a result of a combination of factors including an increase in the cost of travel and a reduction in airlift as two major airlines ceased operations. By contrast visitor arrivals from Europe increased by



6.2 per cent as a result of increased marketing, particularly in the UK. The number of excursionists fell by 70.9 per cent, compared with the total in the first nine months of 2007 when arrivals rose significantly associated with the hosting of cricket world cup (CWC) 2007. Despite a 22.3 per cent fall to 143 in the number of cruise ship calls, passenger arrivals rose by 2.4 per cent to 181,162. This outcome was attributed to visits by large cruise ships and the discontinuation of calls by some small sized vessels. The increase in cruise passenger arrivals occurred in the first half of the year, as there were no cruise ship calls during the third quarter. Yacht visitor arrivals rose by 8.1 per cent, as a result of favourable weather, and increased marketing of the Grenada Sailing Festival held in January 2008.



Manufacturing output decreased in the first nine months of 2008 relative to the level in the corresponding period of 2007. Most notably, the production of soft drinks, the largest contributor to the sector, fell by 48.4 per cent due to restructuring of the plant. Output of beer declined by 7.4 per cent, as the company discontinued the production of a

major brand. Decreases were also recorded in the production of paint (10.3 per cent), oxygen (33.7 per cent) and animal feed (17.1 per cent). Those declines were partially offset by increases in output of rum (69.7 per cent), stout (15.9 per cent) and malt (4.3 per cent).

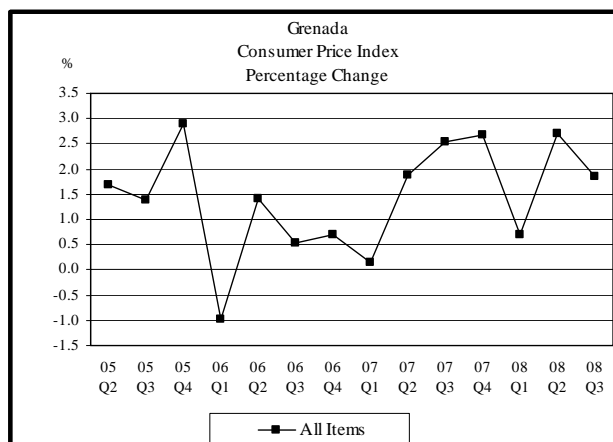
Construction activity fell compared with the outturn in the first nine months of 2007. This contraction was largely as a result of the completion of some major projects and a slowdown in the pace of private sector activity associated with lower inflows of foreign direct investment (FDI). Activity on some tourism-related FDI funded projects halted in the period under review, due in part to financing difficulties stemming from the global financial crisis. The decline in construction activity was further evidenced by a reduction in commercial bank credit for construction (1.5 per cent), as well as decreases in imports of construction material and in output in the mining and quarrying sector.

## Prices

The rate of inflation, as measured by the change in the consumer price index (CPI), was 5.5 per cent, during the first nine months of 2008, compared with 4.6 per cent during the corresponding period of 2007. The increase was largely attributed to higher prices in the food and fuel and light sub-indices. The food sub-index, the largest weighted, rose by 10.4 per cent compared with 7.1 per cent in 2007, due to increases in retail prices of fish, brown rice, flour, biscuit, vegetables, and edible oil. The fuel



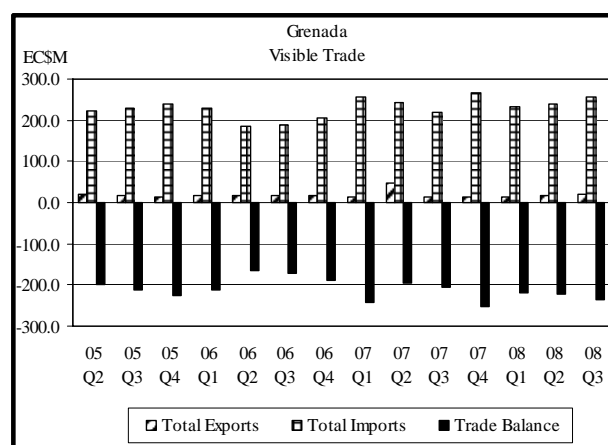
and light sub-index expanded by 17.9 per cent, well above the 12.3 per cent rate recorded in 2007, reflecting higher prices for kerosene, cooking gas and electricity as a result of increases in international crude oil prices during the period under review. Among the other sub-indices, the personal services sub-index rose by 6.9 per cent, due in part to the higher cost of driving lessons and barber services. Prices in the clothing and footwear sub-index fell by 0.1 per cent.



**Trade and Payments**

A merchandise trade deficit of \$678.4m was recorded for the first nine months of 2008, representing a 5.4 per cent increase on the level in the corresponding period of 2007. The widening of the deficit was attributed to a 32.6 per cent (\$24.8m) decrease in the value of exports, mainly reflecting a fall in re-exports. The value of re-exports fell by 78.5 per cent (\$27.9m), in contrast to a substantial increase in the first nine months of 2007 when equipment used on CWC 2007 related projects was re-exported. Domestic export earnings increased by

7.6 per cent to \$43.6m, reflecting larger receipts from cocoa exports, as a result of a rise in the volume exported. Manufactured exports rose by 3.2 per cent, attributable in part to an increase in earnings from rum exports, reflecting an expansion in production and the volume exported. Import payments rose by 1.4 per cent, influenced by increases in commodity prices, particularly for food and fuel during the first half of 2008.



Gross travel receipts are estimated to have contracted by 4.6 per cent to \$211.1m, consistent with the decline in visitor arrivals. Commercial bank transactions resulted in a net inflow of \$53.3m in short-term capital during the review period. External disbursements to the central government almost doubled to \$36.7m; during the period under review, and principal repayments rose by 36.8 per cent to \$23.0m.

**Central Government and Fiscal Operations**

The fiscal operations of the central government resulted in an overall deficit of \$115.2m in the first

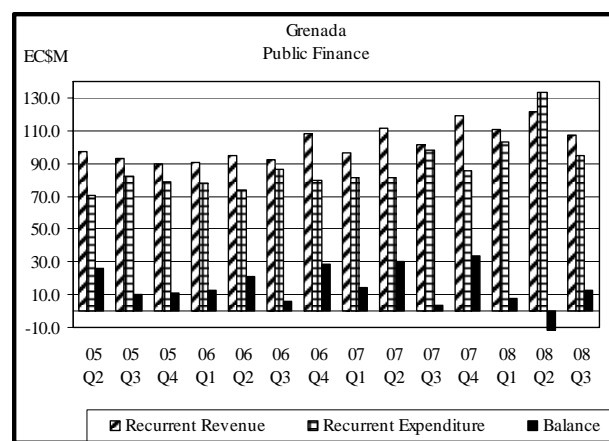


nine months of 2008 compared with one of \$99.5m in the corresponding period of 2007. The increase in the deficit reflected an expansion in current expenditure. The deficit was financed from both external and domestic sources, including proceeds from government divestments. A primary deficit of \$90.1m was incurred; an increase of 24.3 per cent (\$17.6m) over the total for the corresponding period of 2007.

A current account surplus of \$9.0m was realised, compared with one of \$48.3m in the first nine months of 2007. The smaller surplus was attributed to faster growth in expenditure relative to that of revenue. Current expenditure increased by 26.9 per cent to \$331.2m reflecting an expansion in outlays in all its sub-categories, with the exception of interest payments. Outlays on personal emoluments, which account for the largest share of current expenditure, rose by 26.7 per cent (\$30.9m), on account of salary increases and retroactive payments to civil servants and teachers in April 2008 and September 2008. Expenditure on goods and services expanded by 36.1 per cent (\$22.1m), partly reflecting increases in the price of fuel and the cost of utilities and fuel. Outlays on transfers and subsidies rose by 33.7 per cent (\$19.2m), partly due to an increase in pension payments and expenditure associated with social safety net programmes. Interest payments contracted by 7.1 per cent (\$1.9m), reflecting a decrease in domestic interest payments.

Current receipts grew by 10.0 per cent to \$340.2m, influenced by increases in both tax and non-tax

revenue. Of the components of tax revenue, receipts from taxes on international trade and transactions rose by 8.8 per cent, owing to increases in the price of imported goods. Collections from taxes on domestic goods and services grew by 6.6 per cent, on account of an increase in the yield from the general consumption tax (GCT), consistent with the larger import bill. Proceeds from taxes on income and profit rose by 15.7 per cent, largely due to improved efficiency in tax collection and increases in salaries. Revenue from property taxes contracted by 10.1 per cent, as a result of a reduction in the sale of land. An increase of 40.8 per cent (\$7.5m) in non-tax revenue was attributed to improved efficiency in collections, particularly of administrative and services fees.



Capital expenditure contracted by 5.9 per cent to \$155.3m as some major projects that were under construction in the first nine months of 2007 were completed. Total grants rose by 66.9 per cent to \$28.3m, primarily due to disbursements from



Venezuela in support of government’s social programmes.

**Public Sector Debt**

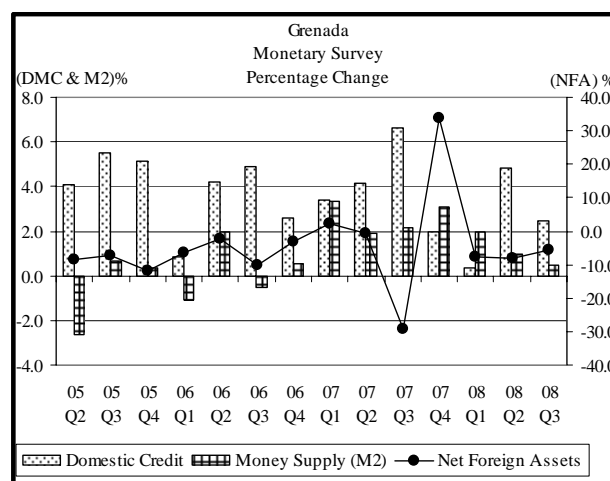
At the end of September 2008, the total outstanding debt stock of the public sector was estimated at \$1,817.4m, reflecting an increase of 2.6 per cent on the level at the end of December 2007. The increase was attributed primarily to a 3.2 per cent rise to \$1,573.1m in central government’s debt. Estimates of public corporations’ outstanding debt indicate a 5.4 per cent increase to \$244.3m during the first nine months of 2008.

**Money and Credit**

Monetary liabilities (M2) grew by 3.5 per cent to \$1,702.3m during the period under review, well below the 7.6 per cent rate of increase during the corresponding period of 2007, reflecting the slow down in the pace of economic activity. Growth of M2 was supported by an expansion in quasi money, 5.3 per cent compared with 5.8 per cent during 2007. Of quasi money, private sector savings deposits and time deposits grew by 7.9 per cent (\$71.9m) and 10.6 per cent (\$27.0m) respectively, but those increases were partly offset by a 25.2 per cent (\$30.4m) decline in foreign currency deposits. Narrow money (M1) fell by 3.1 per cent, in contrast to a 14.4 per cent increase during the first nine months of 2007, attributable to a decline in currency with the public. Private sector demand deposits

remained relatively flat compared with the level at the end of 2007.

Domestic credit also expanded at a reduced rate, by 7.8 per cent to \$1,478.7m, compared with the 14.9 per cent during the first nine months of 2007. Private sector credit rose by 5.7 per cent, roughly half the rate recorded during 2007, largely reflecting a slow down in growth in credit to the business sector. Central government’s net indebtedness to the banking system increased by 17.0 per cent to \$122.1m, associated primarily with growth in commercial bank credit. In the rest of the public sector, the net deposits of non-financial public enterprises increased by 4.1 per cent, reflecting an expansion in their deposits. The net deposits of non-bank financial institutions fell to \$10.7m from \$27.2m at the end of 2007, as growth in credit outpaced that of deposits.



An analysis of the distribution of credit by economic activity indicates that most of the increase in credit was for personal use. Credit for that purpose rose by



6.6 per cent (\$62.8m), mainly channeled into the acquisition of property and financing personal services. Substantial increases in credit were also recorded for distributive trades, 21.8 per cent (\$26.3m), and for manufacturing (including mining and quarrying), 58.5 per cent (\$13.6m), with the latter associated in part with plant upgrading.

The net foreign assets of the banking system fell by 19.8 per cent to \$325.2m, compared with the decline of 28.0 per cent during the first nine months of 2007. The decline mostly reflected a reduction in commercial bank net foreign assets to \$54.1m from \$107.4m at the end of 2007, as banks drew down on their assets to finance the increase in domestic credit. Grenada's imputed share of the Central Bank's reserves fell by 9.1 per cent to \$271.1m, in contrast to growth of 4.9 per cent during 2007.

Liquidity in the commercial banking system fell during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities fell to 27.1 per cent at the end of September 2008 from 32.1 per cent at the end of December 2007. The loans and advances to total deposits ratio increased to 76.6 per cent from 75.9 per cent.

The weighted average deposit rate increased to 3.13 per cent at the end of September 2008 from 3.04 per cent at the end of December 2007, while the weighted average interest rate on loans fell to 9.40 per cent from 9.65 per cent. Consequently, the weighted average interest rate spread contracted by

0.34 percentage point to 6.27 percentage points during the period under review.

### Prospects

Growth in the Grenadian economy in the last quarter is contingent on developments in the global economy. Recessionary conditions in the industrial economies are likely to negatively impact growth prospects in Grenada. Economic activity is projected to slow in 2008, based on the downward trend in visitor arrivals and construction activity observed in the first nine months of 2008, and expected developments in the last quarter. Additional airlift is expected from Miami effective 02 November 2008 and from the UK effective 17 December, 2008; however, prospects for a boost in tourism activity are likely to be tempered by an expected decline in the number of forward bookings, as reported by some hoteliers. Activity in the construction sector is projected to decline, based on government's policy to reduce its public sector investment programme in the last quarter, as part of its expenditure reducing measures. An increase in agricultural output is likely, based on the success of the agricultural recovery and rehabilitation programme. Activity in the manufacturing sector is expected to remain depressed in 2008, as a result of developments in the first nine months of 2008; however, some improvement is expected in December 2008 based on the re-opening of a beverage plant, mainly producing soft drinks.



The central government's overall fiscal deficit is expected to widen, based on growth in expenditure on transfers and subsidies, and personal emoluments associated with salary increases. The increase in current expenditure is likely to outstrip any gains from tax revenue, associated with the tax amnesty announced by the government effective 17 November 2008.

In the external sector, the merchandise trade deficit (f.o.b) is projected to narrow in the last quarter of 2008, based in part on a decrease in the value of

imports as a result of a significant reduction in crude oil prices. Domestic export receipts are likely to increase on account of an expansion in agricultural production. However, gross inflows from travel are expected to decline based on the projected reduction in visitor arrivals.

Downside risks to the prospects include a deepening of the international financial crisis and a further slow down in economic activity in the USA and other developed countries.





## MONTSERRAT

### Overview

Economic activity in Montserrat is estimated to have increased during the first nine months of 2008, but at a decelerated pace relative to the comparable period in 2007. The expansion was mainly attributed to favourable performances in the construction, mining and quarrying and hotels and restaurants sectors. The consumer price index grew by 4.8 per cent, on an end of period basis. In the external sector, the merchandise trade deficit widened on account of an increase in import payments. The central government's fiscal operations resulted in a smaller overall deficit. Total outstanding public sector debt fell during the period under review. In the banking sector, monetary liabilities expanded fuelled by an increase in net foreign assets. Liquidity in the commercial banking system remained at a high level and the weighted average interest rate spread between loans and deposits widened slightly.

Growth prospects for the remainder of 2008 are contingent on developments in construction, mining and quarrying and tourism. Construction activity in both the public and private sector is expected to be above the level in the last quarter of 2007, and will contribute positively to growth in 2008. Downside risks to the projections include a deeper than expected global economic slowdown and the continued threat of volcanic activity.

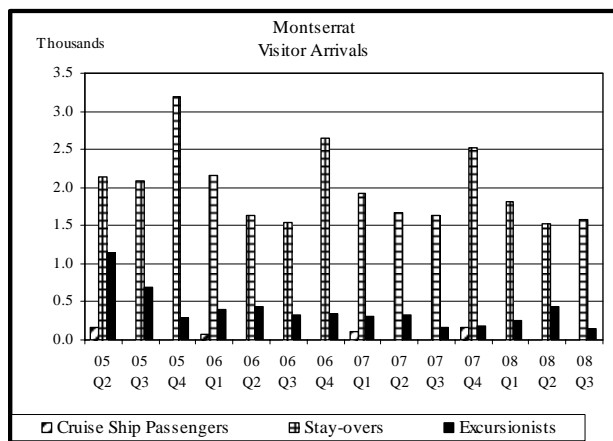
### Output

Construction activity picked up during the first nine months of 2008 compared with the corresponding period in 2007. This outturn was underpinned by activity in both the private and public sectors. In the public sector, activity included housing development for the mentally challenged, an early childhood centre, commentators' booth and toilet facilities at the new sports ground in Little Bay, improvement to the cargo housing area at the port, and the Drummonds Housing Project which was completed during the review period. Activity in the private sector was led primarily by residential construction, partly linked to the government's housing grants programme. The government provided fifteen housing grants to individuals, in keeping with its housing development objectives, and at least ten people have started construction work on their dwellings.

The pace of activity in the tourism industry slowed during the period under review. Total visitor arrivals rose by 1.2 per cent to 7,378 in the first nine months of 2008, substantially below the 11.1 per cent rate of growth recorded in the same period of 2007. Increases in the number of excursionists (5.3 per cent) and yacht passengers (36.4 per cent) were partly offset by a 5.5 per cent decline in stay-over arrivals. Stay-over arrivals from



most of the major source markets fell, except for those from Canada which increased by 7.8 per cent.

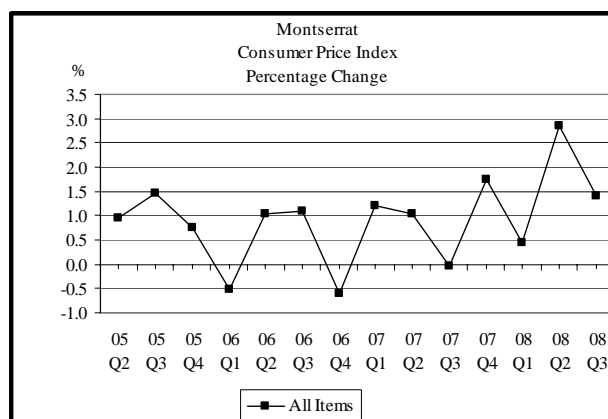


Output in the mining and quarrying sector expanded, driven by an increase in both domestic and external demand for sand and aggregate material. During the period January to September 2008, production of sand and aggregate material for export rose by 14.5 per cent compared with the total in the corresponding period of 2007.

Agricultural output is estimated to have increased over the period, based on favourable developments in the production of vegetable and root crops. Output of vegetable and root crops rose by 8.9 per cent to 68, 838 pounds, on account of increased production of string beans, sweet potatoes, cabbage and sweet peppers. Livestock production also increased, while the volume of fish caught fell by 15.6 per cent to 51, 203 pounds, reflecting in part less time at sea as a result of bad weather and the high cost of fuel.

**Prices**

Inflationary pressures increased during the period under review. The consumer price index rose by 4.8 per cent (on an end of period basis), well above the 2.2 per cent rate of increase recorded during the first nine months of 2007. Growth in the index was primarily driven by a 6.8 per cent increase in the food sub-index, reflecting higher prices for poultry, dairy products, oats, powdered milk, rice and flour. Higher prices for oil on the international market, particularly in the first half of 2008, led to an increase of 18.8 per cent in the gas, electricity and water sub-index. The services sub-index rose by 6.1 per cent as a result of higher retail prices for gasoline, also reflecting the impact of high oil prices. An increase was also recorded in the household goods sub-index (1.3 per cent), while the alcohol and tobacco and clothing sub-indices declined marginally by 0.4 per cent and 0.1 per cent respectively.



## Trade and Payments

A merchandise trade deficit of \$67.2m was recorded for the first nine months of 2008, well above the \$51.0m in the corresponding period of 2007. The widening of the deficit was the result of larger import payments (\$19.2m), reflecting increases in the import value of mineral fuels and waxes, iron and steel, vehicles and furniture. The value of exports rose by 58.0 per cent (\$3.0m), influenced by a \$2.2m increase in the value of re-exports. Growth in domestic export receipts was negligible (\$0.9m), compared with \$2.1m in the same period of 2007. The growth in domestic exports was on account of increases in the export volumes of aggregate and sand. Gross travel receipts declined by 6.7 per cent to \$13.0m reflecting the fall in stay-over visitor arrivals.

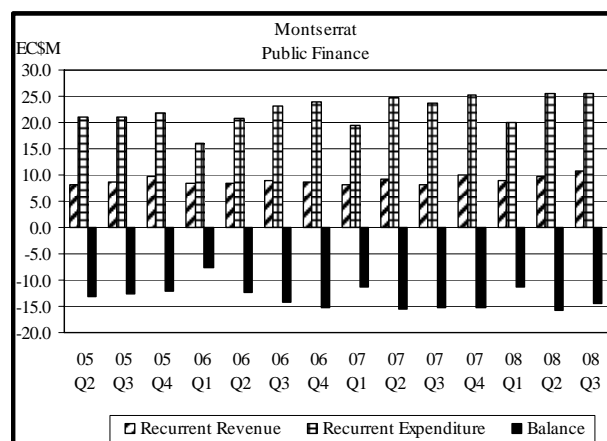
Inflows of official grants increased by 26.5 per cent to \$60.7m, on account of larger receipts of current grants. The transactions of commercial banks resulted in a net outflow of \$9.3m of short-term capital compared with one of \$13.1m during the corresponding period of 2007.

## Central Government Fiscal Operations

An overall deficit of \$5.1m was recorded for the first nine months of 2008, compared with one of \$10.0m in the corresponding period of last year. The smaller deficit was on account of an increase of \$15.0m in capital grant receipts. A primary deficit of \$4.4m

was recorded, almost half the deficit of \$9.2m in the first nine months of 2007.

The central government incurred a current account deficit (before grants) of \$41.5m, marginally below the deficit of \$42.0m recorded in the first nine months of 2007. Current receipts grew by \$3.6m to \$29.5m, driven by increases in non-tax revenue and collections from taxes on international trade and transactions partly associated with growth in import payments. Current expenditure grew by \$3.0m to \$70.9m, attributable to larger outlays on personal emoluments, goods and services and transfers and subsidies. Expenditure on personal emoluments rose by 3.6 per cent (\$1.0m), partly a result of increases in salaries. The higher cost of fuel and electricity contributed to a 4.2 per cent (\$0.9m) increase in outlays on goods and services, particularly for maintenance services and utilities. Expenditure associated with transfers and subsidies rose by 7.0 per cent (\$1.2m) as a result of increased grants and subventions, as well as gratuities, pensions and other benefits.



## Public Sector Debt

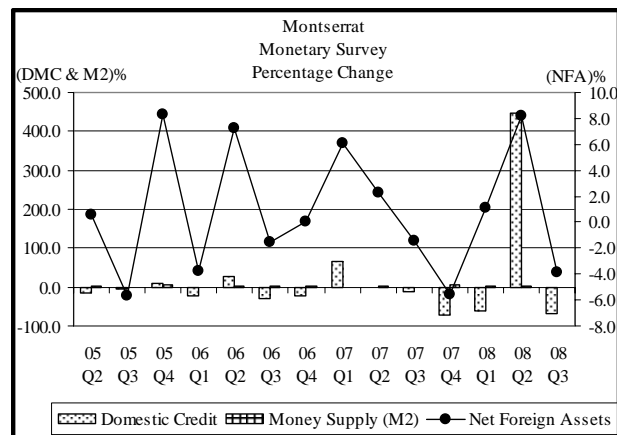
The total disbursed outstanding debt of the public sector was estimated at \$9.9m at the end of September 2008, approximately 11.8 per cent less than the total at the end of December 2007. The central government's outstanding debt fell by 27.2 per cent, mainly attributable to a decrease in domestic debt. The debt of public corporations, which account for an estimated 72.0 per cent of the total debt stock, fell by \$0.3m to \$7.1m at the end of September 2008 as a result of a reduction in external debt.

## Money and Credit

Broad money (M2) grew by 3.5 per cent to \$149.7m compared with 2.4 per cent during the period January to September 2007. This outcome stemmed from growth of (\$8.7m) in quasi money, largely reflecting an increase in private sector savings deposits (\$7.8m) associated in part with the expansion in economic activity. Growth in M2 was moderated by a decline of 10.0 per cent (\$3.7m) in narrow money, attributable to reductions in currency with the public and private sector demand deposits.

Commercial bank credit extended to the private sector grew by 10.4 per cent to \$43.9m, reflecting an expansion in outstanding loans to households. Central government's deposits with the banking system increased by 6.2 per cent (\$1.7m) associated with inflows of grants, while borrowing contracted by 61.9 per cent (\$1.0m). As a consequence the net

deposits of central government increased by \$2.7m to \$28.1m. The net deposits of the non-financial public enterprises fell by 3.6 per cent (\$0.5m), on account of a decline in their deposits.



The distribution of credit by economic activity indicates that the bulk of the increase in commercial bank credit, which rose by 14.2 per cent (\$3.4m), was for personal use, largely associated with the acquisition of property. Credit for distributive trades also increased, by 16.3 per cent (\$0.6m).

The net foreign assets of the banking system stood at \$177.9m at the end of September 2008, an increase of 5.2 per cent on the level at the end of December 2007. This outturn was fuelled in part by an increase in grant inflows. The net foreign assets of commercial banks rose by 7.2 per cent (\$9.3m), largely reflecting an increase in assets held at banks and other institutions within the rest of the currency union and abroad. Montserrat's imputed share of the Central Bank's reserves fell by 1.5 per cent to \$38.6m.



Liquidity in the commercial banking system remained high despite a fall in the level. The ratio of liquid assets to total deposits plus liquid liabilities rose by 0.1 percentage point to 107.6 per cent. The loans and advances to total deposits ratio increased to 21.4 per cent from 20.7 per cent at the end of December 2007.

The weighted average interest rate on deposits decreased by 0.07 percentage point to 2.52 per cent while the weighted average interest rate on lending declined by 0.56 percentage point to 9.74 per cent. As a result, the weighted average interest rate spread fell by 0.49 percentage point to 7.22 percentage points.

### **Prospects**

The economy is expected to expand in 2008, largely based on the performance of the construction sector in the first nine months of 2008 and likely developments in the last quarter. Activity in the construction sector will be driven by public sector work associated with infrastructure and housing development projects. Work is expected to continue on the Little Bay Town development and the housing project for the mentally challenged. In the private sector, the focus will be on residential construction. It is unlikely that construction activity in Montserrat will be adversely affected by the global financial crisis during the last quarter of 2008 as funding has already been allocated for the ongoing projects.

Activity in the tourism industry will be less robust than in the previous year, given the developments in the first nine months of 2008. Performance in the tourism industry in the last three months will hinge to a large extent on whether the ferry service comes on stream. However, tourist arrivals are likely to be adversely affected by the global economic slowdown.

The merchandise trade deficit is expected to widen in 2008. Growth in import payments is likely to slow down in the last quarter of 2008 due to a fall in oil prices on the world market; however, the trade deficit will widen in 2008 based on the outcome during the period January to September 2008. Growth in receipts from sand and aggregate exports is projected in 2008, but the extent of the increase will hinge to a large extent on developments in the construction sector of the importing countries given the current economic climate.

On the fiscal accounts, it is likely that expenditure on personal emoluments will rise based on salary increases and the recruitment of additional staff during the year. Larger outlays on goods and services are projected, although some moderation is likely in the last quarter as the price of oil on the world market falls. Growth in current revenue is also expected to be lower in the last three months based on a slow down in the rate of increase in receipts from taxes on international trade and transactions as consumption tax is expected to fall in line with lower oil prices. Capital expenditure is



expected to increase, consistent with the expansion in public sector construction activity.

Downside risks to the projections include the elevated cost of intra-regional and international

travel, a further deepening of the global economic slowdown, the threat of volcanic activity and a delay in the start of the ferry service.



## ST KITTS AND NEVIS

### Overview

Economic growth continued in the first nine months of 2008 but at a slower pace relative to the corresponding period of 2007. With the exception of the agricultural sector where production increased substantially relative to the corresponding period of 2007, growth in output from all the other key productive sectors is estimated to have been less robust than in the corresponding period of 2007, in large measure, as a consequence of the global economic downturn. Notwithstanding the slow down in economic activity, consumer prices rose by 6.3 per cent, imbued by high international commodity prices. The fiscal operations of the federal government improved, as evidenced by an overall surplus realised in the review period, in contrast to the deficit recorded in the corresponding period of 2007. Total outstanding public sector debt, however, increased marginally, largely because of new external loans contracted during the review period. Growth in monetary liabilities (M2) slowed considerably, while domestic credit fell slightly. The net foreign assets increased substantially, contributing to an improvement in the liquidity position of the commercial banking system. The weighted average interest rate spread between loans and deposits narrowed.

Based on the macro-economic developments for the first nine months of the year, economic growth is likely to be positive in 2008, but the pace is expected

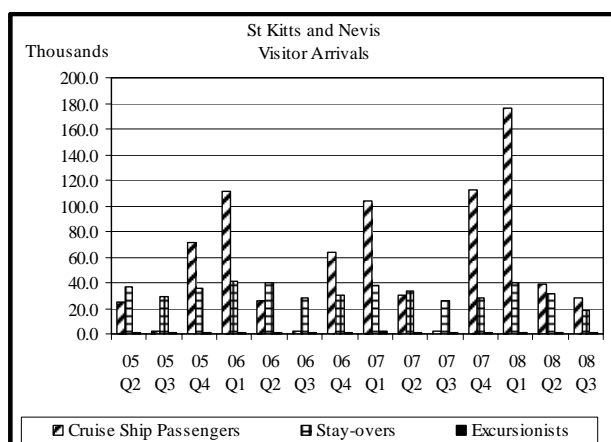
to decelerate relative to 2007. Ongoing construction activity in both the public and private sectors, as well as increased output in the agricultural sector will be the main drivers of economic activity. Economic weakness in the USA and euro area will dampen activity in the tourism industry and manufacturing sector. In addition, activities in those sectors such as wholesale and retail and transportation, that receive direct spill-overs from the tourism industry, will also be curtailed. The federal government is likely to realise an overall fiscal surplus, based on larger capital revenue and lower capital spending. Consumer prices are likely to remain elevated as international commodity prices, although receding, are still at unprecedented highs. The major downside risk to the outlook relates to the economic and financial turmoil in the USA and the euro area, which is likely to have an adverse effect on capital inflows, remittances and visitor arrivals from those countries.

### Output

Preliminary data indicate that construction activity expanded in the first nine months of 2008, but at a reduced pace as some major projects associated with the hosting of the Cricket World Cup (CWC) 2007 were completed in the previous year. The expansion in the period under review was underpinned by ongoing work in both the public and private sectors. The major public sector projects included road development, in particular, the West Basseterre



Bypass road in St Kitts and the Links road in Nevis; upgrades to sporting facilities; refurbishment of public buildings, in particular, the Pogson Health Facility in St Kitts, the Charlestown Court House and the Government House in Nevis. In the private sector, construction activity focussed on commercial properties particularly at Port Zante, condominium developments, and a cinema complex. Reflecting the expansion in construction activity was a 17.0 per cent increase in the value of building material imports, relative to the total in the corresponding period of 2007.



Output in the agricultural sector rose by 24.4 per cent during the first nine months of 2008, attributable to a larger output of onions, carrots, white potatoes, beef and fish. The outcome mainly reflects the impact of a joint initiative of the Ministry of Agriculture and the Food and Agricultural Organisation to increase agricultural production following the closure of the sugar industry in July 2005. Under this initiative, farmers are given subsidies and, in some cases, free seeds and other inputs.

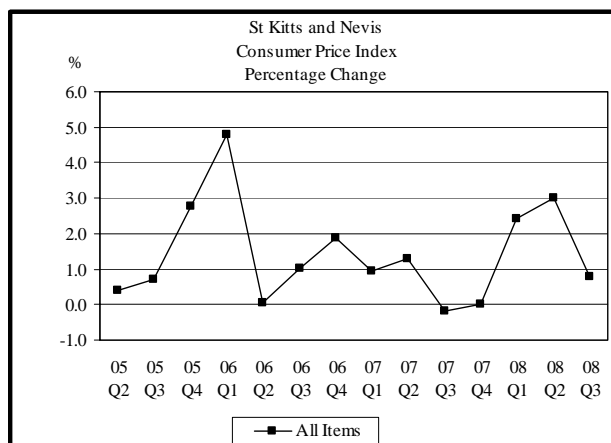
Complete data on manufacturing output are not available for the first nine months of 2008. However, preliminary information indicates that activity in the manufacturing sector contracted relative to that in the corresponding period of 2007. In particular, the production of beverages is estimated to have been lower than the level recorded in the first nine months of 2007 when output rose substantially associated with Cricket World Cup 2007. The production of electrical components is estimated to have slowed in the first nine months of 2008 relative to the comparable period in 2007, associated in part with lower quota requirements and cancellations of orders from some buyers in the United States.

Provisional tourism data indicate a 41.6 per cent (99,435) increase in total visitor arrivals during the first nine months of 2008 relative to the corresponding period of 2007. The outturn is based solely on the strong performance from the cruise sector, as total stay-over arrivals fell. Cruise ship passenger arrivals increased by 78.8 per cent (107,741), associated with additional visits by larger cruise ship vessels. The number of stay-over visitors is estimated to have declined by 7.2 per cent (6,987), reflecting reductions in arrivals from all the major markets, with the fall most significant for visitors from the Caribbean (14.9 per cent or 3,456). The decline in arrivals from the Caribbean was partly attributed to higher airfares and reduced airlift.



## Prices

The consumer price index (CPI) rose by 6.3 per cent on an end of period basis, during the first nine months of 2008. Higher prices were recorded for all the sub-indices. The largest increase (11.2 per cent) was registered for the transportation and communication sub-index, reflecting higher gasoline prices. At the end of September 2008, the average price of a gallon of gasoline in St Kitts and Nevis was \$16.20 compared with an average price of \$12.90 in December 2007. The food sub-index, which carries the largest weight in the overall price index, rose by 6.7 per cent, reflecting higher prices for dairy and meat products.



## Trade and Payments

Complete trade data are unavailable for the first nine months of 2008. Preliminary estimates indicate that the value of imports grew by 15.9 per cent to \$640.7m, reflecting higher international prices for most commodities, in particular, fuel. Total receipts from exports are estimated to have expanded by

38.1 per cent to \$93.1m, due in large measure to the increase in exports of mining and quarrying products, in particular, stones and boulders. Consequently, a merchandise trade deficit of \$547.5m was recorded, 12.8 per cent (\$62.2m) above the level in the corresponding period of 2007. Gross travel receipts are estimated to have increased by 6.4 per cent to \$275.9m, mainly underpinned by the strong growth in cruise ship passenger arrivals. External loan disbursements to the federal government increased by \$54.8m to \$75.3m, primarily associated with a loan from the Caribbean Development Bank and a bond issued by Citibank on behalf of the central government during the period under review. External amortisation increased by \$20.5m to \$40.7m, and commercial banks' transactions resulted in a net outflow of \$219.2m in short-term capital, as banks accumulated assets abroad. Inflows of foreign direct investment (FDI) and remittances are estimated to have decreased, reflecting the impact of the global financial crisis. Reflecting the fall in FDI inflows, was a slow down in the sale of condominiums and other commercial lots in the period under review. Information from four of the six commercial banks in St Kitts and Nevis show a 38.1 per cent decline in total remittance inflows in August 2008 (the latest period for which data are available) relative to the same period in 2007.

## Federal Government Fiscal Operations

The fiscal operations of the federal government improved in the first nine months of 2008, evidenced

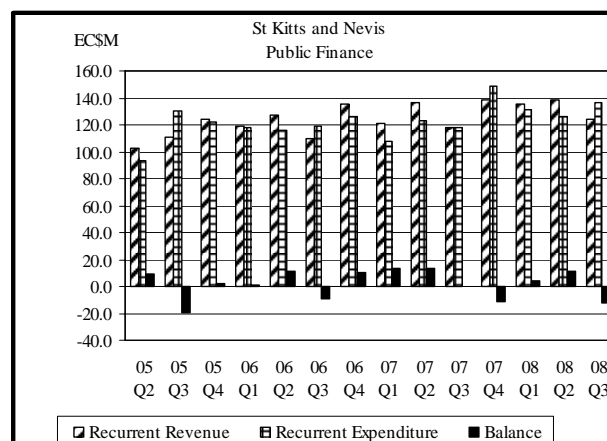


by an overall surplus of \$13.0m in marked contrast to the deficit of \$32.9m in the corresponding period of 2007. The outturn was the result of strong growth in capital revenue and reduced capital spending. Accordingly, the primary surplus increased by 18.8 per cent to \$105.9m.

A current account surplus of \$3.9m was realised, compared with one of \$26.0m in the corresponding period of 2007. The smaller surplus was as a result of weak growth in current revenue relative to that of current expenditure. Current revenue rose by 6.3 per cent to \$397.9m, primarily on account of a 7.8 per cent increase to \$314.8m in tax revenue. Of tax revenue, collections from taxes on income and profits increased by 22.9 per cent (\$19.5m), as a result of improved tax administration. Collections from taxes on international trade and transactions grew by 3.7 per cent (\$5.0m), largely reflecting a higher intake from custom duties. Collections from property tax fell by 20.2 per cent (\$1.3m), reflecting a reduced intake from land and condominium taxes due to a fall in the sale of condominiums, partly associated with the global economic slow down. Receipts from taxes on domestic goods and services fell marginally by 0.8 per cent (\$0.5m) mainly on account of a decline in revenue from stamp duties, consistent with reduced sales of condominiums. Non-tax revenue rose by 0.9 per cent to \$83.1m, largely attributable to larger collections from the rental of government property.

Current expenditure increased by 13.1 per cent to \$394.0m, on account of larger outlays on goods and

services, personal emoluments, transfers and subsidies and interest payments. Payments for goods and services rose by 7.8 per cent (\$7.6m), reflecting in part increases in oil prices, particularly in the first half of the year. Spending on personal emoluments and wages grew by 16.2 per cent (\$21.2m), reflecting a 5.0 per cent increase in salaries and wages paid to civil servants in September 2008. Outlays on transfers and subsidies rose by 11.4 per cent (\$4.5m), attributable to increases in pension payments, transfers and contributions to local, regional and international agencies. Interest payments grew by 15.2 per cent (\$12.2m), on account of a 23.8 per cent increase in domestic interest payments on Treasury bills and overdrafts in particular, and growth of 2.7 per cent in external interest payments.



Capital expenditure fell by 38.4 per cent to \$42.9m, reflecting a lower rate of implementation of the public sector investment programme, as work on some major projects slowed. Capital revenue increased markedly to \$47.2m in the first nine months of 2008, compared with the total of \$2.5m in



the corresponding period of 2007, mainly because of the privatisation of a state-owned supermarket and the sale of crown lands. Inflows of capital grants increased by 5.5 per cent to \$13.3m, most of which was used to upgrade several sporting facilities island-wide and to construct a police station.

On a disaggregated level, the central government realised an overall surplus of \$16.9m, in contrast to a deficit of \$11.0m in the first nine months of 2007. This performance resulted from a large increase in capital revenue associated with the sale of a state-owned supermarket as well as crown land, and a reduction in capital spending as work on most major projects waned. The current account balance shifted to a deficit of \$10.5m in the first nine months of 2008, from a surplus of \$15.0m in the corresponding period of 2007, as expenditure growth outpaced that of revenue. Current revenue grew by 5.7 per cent (\$16.8m), mainly on account of increased collections from taxes on income and profits (\$18.6m) and taxes on international trade and transactions (\$3.3m). Non-tax revenue fell by 2.7 per cent (\$1.7m), due to reduced collections by the electricity department (\$4.4m), as a result of government's instituted cap of 50.0 per cent on the fuel surcharge to consumers. Current expenditure rose by 15.1 per cent to \$323.8m, mainly as a result of higher outlays on all categories of expenditure. Capital revenue of \$47.0m was well above that of \$2.5m in the corresponding period of 2007, due to privatisation receipts and proceeds from the sale of crown lands.

Capital expenditure of \$24.4m was 33.6 per cent below the level in the corresponding period of 2007 as work on some major projects wound down or were completed.

An overall deficit of \$3.9m was realised by Nevis Island Administration (NIA) during the first nine months of 2008, compared with one of \$21.9m in the corresponding period of 2007. The smaller overall deficit was primarily as a result of lower spending on capital projects. The current account surplus of \$14.5m was 31.3 per cent larger than in the corresponding period in 2007, attributable to strong growth in revenue (8.5 per cent or \$6.6m) relative to the increase in expenditure (4.7 per cent or \$3.1m). The increase in current revenue was as a result of higher receipts from taxes on income and profits (\$0.9m), taxes on domestic goods and services (\$2.2m) and taxes on international trade and transactions (\$1.7m). The intake from taxes on property fell by \$0.6m, reflecting a decrease in receipts for commercial properties as the assessment for all properties was not yet completed. Non-tax revenue rose by 13.9 per cent (\$2.4m), mainly on account of a larger intake from the rental of government properties. The expansion in current expenditure reflected increases in all expenditure categories with the exception of interest payments and transfers and subsidies. Capital expenditure fell by 43.7 per cent (\$14.4m), as work on major road development projects waned.



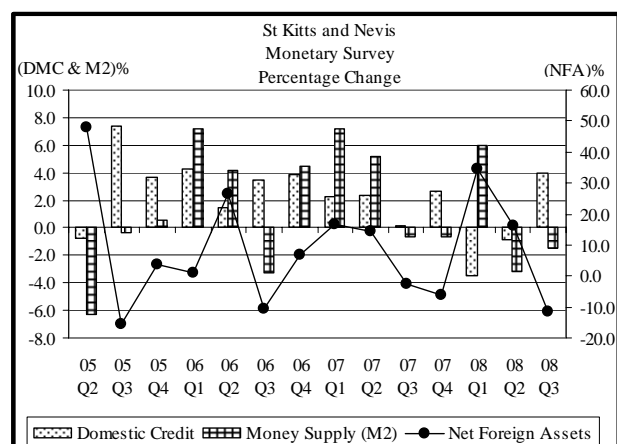
## Public Sector Debt

At the end of September 2008, the stock of total outstanding debt of the public sector was estimated at \$2,428.30m, or 0.1 per cent larger than the stock at the end of December 2007. The central government's outstanding debt grew by 0.6 per cent to \$1,518.7m, solely on account of a 6.1 per cent (\$33.5m) increase in external debt, associated with the Caribbean Development Bank's disbursement of a policy based loan to the government and a bond issued by the authorities. The stock of central government's domestic debt declined by 2.6 per cent (\$24.7m), partly attributed to reduced borrowing from domiciled commercial banks. The outstanding debt of public corporations fell by 0.6 per cent to \$909.5m, reflecting a reduction in external debt due to the repayment of loans by two major statutory bodies. Total debt service payments of the federal government increased by 1.1 per cent to \$156.4m during the first nine months of 2008 relative to the corresponding period of 2007, solely on account of the 15.2 per cent (\$12.2m) increase in interest payments as principal repayments fell by 14.3 per cent (\$10.6m).

## Money and Credit

Broad money (M2) grew marginally by 1.0 per cent to \$ 1,458.5m during the first nine months of 2008, significantly below the 12.0 per cent increase recorded in the corresponding period of 2007. The deceleration in the growth of M2 was due to low rates of increases in narrow money (M1)

(1.6 per cent) and quasi-money (1.0 per cent), congruent with the slow down in economic activity. The growth in M1 was solely because of a 3.0 per cent expansion in private sector demand deposits, as currency with the public (the other component of M1), declined by 2.2 per cent. The increase in quasi money was linked to expansions of 10.7 per cent in private sector time deposits and 6.5 per cent in private sector saving deposits. Foreign currency deposits of the private sector fell by 11.2 per cent.



Domestic credit fell slightly, by 0.5 per cent to \$1,379.0m partly attributable to declines in credit to non-bank financial institutions and to the federal government, which countered the expansion in credit to the private sector. Commercial banks' credit to the non-bank financial institutions fell by 62.7 per cent to \$40.7m, reflecting tighter lending conditions by commercial banks. The net indebtedness of the federal government to commercial banks declined by 29.1 per cent or \$135.3m, solely reflecting the activities of the central government. The central government increased its deposits with commercial banks by 96.8 per cent and reduced its borrowings



by 45.4 per cent, arising in part from proceeds received from the privatisation of a state-owned supermarket and the sale of crown lands. By contrast, the net indebtedness of the NIA to the banking system rose by 7.0 per cent or \$3.1m, as the Administration increased its borrowings from the commercial banks by 10.1 per cent to finance infrastructural development projects. Credit to the private sector grew by 8.8 per cent or \$89.2m, as outstanding loans to households and businesses expanded by 10.7 per cent and 5.2 per cent respectively.

An analysis of commercial banks' credit by economic activity shows that the bulk of loans (37.0 per cent) were extended for personal use, which grew by 9.2 per cent or \$65.8m, mainly for the acquisition of property. Commercial banks' lending for all the key productive activities increased with the exception of manufacturing. The strongest increase in credit was recorded for agriculture (28.8 per cent), reflecting heightened activity in that sector. Credit for construction rose by 13.3 per cent, supporting activities in that sector. However, credit for tourism grew marginally, by 0.4 per cent, reflecting the softness in the sector.

At the end of September 2008, the net foreign assets of the banking system was \$770.0m, or 38.1 per cent higher than the level at the end of December 2007. The increase mainly reflected a 73.2 per cent expansion in commercial banks' net foreign assets, stemming from inflows of grants and loan funds to the central government for infrastructure

development. St Kitts and Nevis' imputed share of the reserves of the Central Bank fell by 2.6 per cent to \$251.5m.

Liquidity in the commercial banking system increased during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities rose by 8.7 percentage points to 53.9 per cent. The ratio of total loans and advances to total deposits fell to 85.2 per cent from 86.9 per cent at the end of December 2007 due to the strong growth in deposits relative to the increase in loans. The weighted average interest rate on loans declined by 0.5 percentage point to 8.5 per cent and that on deposits fell by 0.1 percentage point to 3.7 per cent. Accordingly, the weighted average interest rates spread narrowed by 0.4 percentage point to 4.8 percentage points at the end of September 2008.

### **Prospects**

Based on the macroeconomic developments for the first nine months of the year and the prospects for the last quarter, economic growth is likely to be positive in 2008, but the rate is expected to decelerate relative to 2007. Activity in the construction sector is likely to moderate, as some major public sector projects were completed in 2007. In addition, work on some foreign direct investment projects in the private sector is expected to slow, based on the global financial and economic turmoil. Inflows of foreign direct investment (FDI) and remittances are likely to be below the 2007 levels,



based largely on an expected economic slow down in the USA and euro area.

In the tourism industry, the stay-over visitors segment in particular is likely to be hardest hit, as hotels are reporting that occupancy levels are likely to be in the range of 25.0 per cent to 40.0 per cent in the last quarter of 2008, a marked slow down relative to the same period in 2007 when occupancy levels were in the range of 60.0 per cent to 80.0 per cent. In addition, one of the larger properties on the island that sustained damage by Hurricane Omar in October 2008 will remain closed well into 2009. Growth in visitor arrivals from the Caribbean is also expected to be lacklustre, based on the high cost of travel and reduced airlift. Given the likely slow down in tourism, activity in those sectors such as wholesale and retail trade and transportation, that receive direct spin-offs from the tourism industry, is also expected to be reduced.

In the manufacturing sector, reduced demand from the US market will curtail the production of electronic components in particular. In addition, output of both alcoholic and non-alcoholic beverages is likely to contract as the trend exhibited in the first

three quarters of the year is expected to continue in the remainder of 2008.

Output in the agricultural sector is expected to increase in 2008 relative to 2007. The allocation of roughly 180 acres of land to farmers, as well as favourable weather experienced for most of the year, is expected to boost agricultural production, in particular carrots, onions and potatoes.

On the fiscal operations of the federal government, a small overall surplus is projected for 2008, based on the outturn for the first nine months of the year and likely developments in the fourth quarter. Strong growth in capital revenue is projected for 2008, associated with the sale of some state assets, while capital spending is expected to decrease.

Congruent with the anticipated slow down in economic activity and reduced inflows of foreign direct investment, deposit growth is likely to decelerate at a faster pace than credit growth, which should result in tighter liquidity conditions. While commodity prices have been descending, they remain elevated and will sustain high import prices and hence domestic inflation.



## SAINT LUCIA

### Overview

Preliminary data indicate that economic activity in Saint Lucia expanded in the first nine months of 2008 albeit at a slower rate, compared with the performance in the corresponding period of 2007. The expansion was based largely on increased activity in the tourism industry and the agricultural sector. However, growth was tempered by a decline in activity in construction and manufacturing. The consumer price index increased by 5.2 per cent on an end of period basis. The merchandise trade deficit narrowed, as a result of an expansion in export earnings and a decline in import payments. The central government's fiscal operations resulted in a larger overall surplus, influenced by an increase in current revenue and a reduction in capital expenditure. The total disbursed outstanding debt of the public sector rose during the period under review. In the banking sector, monetary liabilities (M2) and domestic credit increased, while commercial bank liquidity eased. The weighted average interest rate spread between loans and deposits narrowed.

Economic prospects for the remainder of 2008 are unfavourable, as a deceleration in tourism activity and a decline in construction is projected. Construction activity is likely to decrease based on a projected decline in the implementation of public sector projects as well as a lull in some major private sector developments, as a result of financing

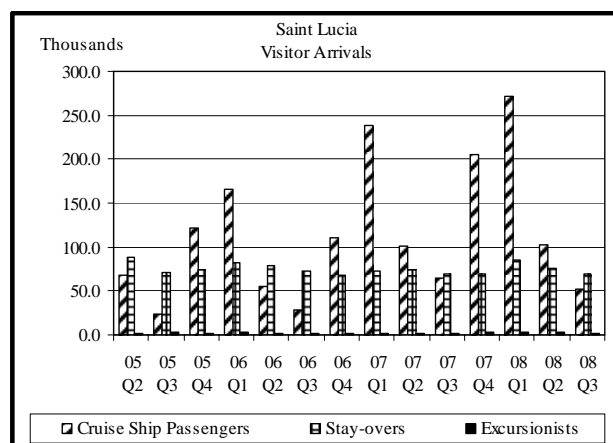
difficulties associated with the credit crunch in the USA and Europe. Some strengthening in the agricultural sector is expected, largely associated with a rebound in the banana industry. The merchandise trade deficit is projected to decline as imports fall in response to lower construction activity. The major downside risk will be a further deepening of the economic recession in the USA and Europe and its adverse implications for tourism and foreign direct investment. In addition, the possible escalation in petroleum prices remains an imminent threat.

### Output

Activity in the tourism industry was above the level in the corresponding period of 2007, marked by an expansion in the number of visitors from all categories. Total visitor arrivals rose by 5.4 per cent to 682,287, as both the number of stay-over visitors and cruise ship passenger arrivals increased. Stay-over visitor arrivals expanded by 5.9 per cent, reflecting growth in the number of arrivals from Canada (43.6 per cent), Europe (9.0 per cent) and the USA (3.5 per cent). The performance in the Canadian market was buoyed by an increase in airlift from that destination in response to greater marketing efforts. Growth in the number of visitors from Europe was largely influenced by the performance of the UK market, as intensified marketing initiatives resulted in additional airlift. Arrivals from the Caribbean, a major source market,



grew by 0.3 per cent, largely reflecting a 9.6 per cent increase in arrivals from the French West Indies.



Cruise ship passenger arrivals increased by 5.1 per cent reflecting in part an increase in the number of cruise ship calls to 208 from 200 in the comparable period of 2007. Developments in the cruise industry were influenced by the return of a major cruise line earlier in 2008. The number of excursionists rose by 55.8 per cent while the number of visitors by yacht fell by 7.3 per cent.

Agricultural output is estimated to have increased, fuelled largely by the performance of bananas. The output of bananas rose by 7.7 per cent to 28,340 tonnes based on recovery efforts geared toward stimulating that industry following the storm damage in August 2007.

Construction activity is estimated to have declined in the period under review marked by a reduction in the implementation of public sector investment projects and a contraction in private sector activity. Construction activity in the public sector fell as a

number of major projects under construction in 2007, were completed. Ongoing activity focused on maintenance work on a number of roads. In the private sector work continued on the completion of a wholesale facility as well as entertainment facilities. Work on a number of major hotel and tourism projects slowed significantly, attributable in part to difficulties experienced by some private companies in accessing credit following the deepening of the global financial crisis. Residential construction appeared to have declined as evidenced by a 9.4 per cent fall in credit for home construction and renovation.

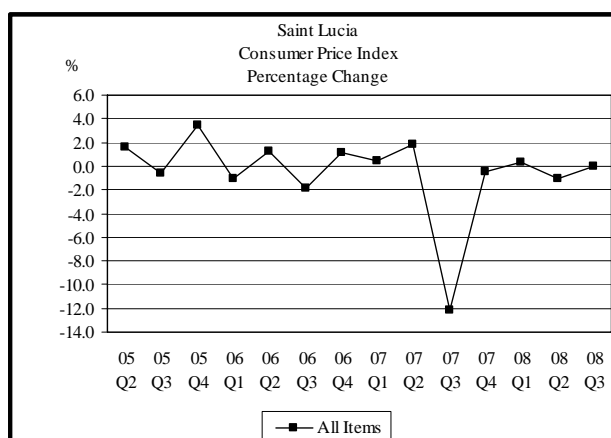
Manufacturing data indicate a fall in output in the first nine months of 2008 relative to that of the comparable period of 2007, largely associated with declines in the production of electrical products (17.1 per cent), plastic products (11.1 per cent) and metal products (16.1 per cent). A decline in external demand, attributable to adverse economic developments in the major export market – the USA, accounted for these reductions. However, these declines were partially off-set by a 12.4 per cent increase in the output of copra.

### Prices

The rate of inflation accelerated during the first nine months of 2008 as evidenced by an upward movement in the consumer price index (CPI). Consumer prices rose by 5.2 per cent on average compared with 4.1 per cent in the corresponding period of 2007 influenced by increases in the sub-



indices transport (23.2 per cent), housing utilities, gas and fuels (15.0 per cent) and food and non-alcoholic beverages (3.5 per cent). Higher prices for fuel and lubricants contributed to the rise in the transport sub-index, while the upward movement in the housing utilities, gas and fuels sub-index reflected an increase in maintenance costs and an expansion in international prices for petroleum. The increase in the overall index was mitigated by declines in the sub-indices alcoholic beverages, tobacco and narcotics and clothing and footwear.



### Trade and Payments

A merchandise trade deficit of \$963.4m was recorded in the period under review compared with one of \$1,047.6m in the first nine months of 2007. The decrease in the deficit reflected a near doubling in total exports to \$332.2m, largely as a result of an expansion in re-exports. The value of re-exports rose to \$198.2m from \$66.2m in the first nine months of 2007, mainly attributable to the re-export of minerals, fuel, lubricants and related material associated with the shipment of petroleum products

from the Hess Oil storage facility, and the re-export of machinery and transportation equipment. Receipts from the export of bananas rose by 5.7 per cent to \$40.1m, reflecting in part an increase in the volume of bananas exported. The value of imports rose by 11.4 per cent to \$206.9m, driven by increases in payments for fuel and machinery and transport equipment.

Gross travel receipts rose by 8.6 per cent to \$686.6m, consistent with the increase in the total number of visitors. The transactions of commercial banks resulted in a net inflow of \$161.6m in short-term capital, while net external loan disbursements to the central government amounted to \$9.1m.

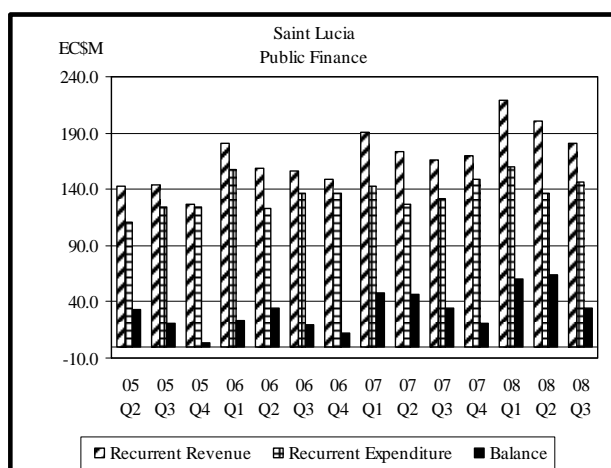
### Central Government Fiscal Operations

The central government recorded an overall surplus of \$45.4m, in contrast to a deficit of \$32.8m in the first nine months of 2007. The improvement in the fiscal outturn reflected a reduction in capital expenditure and an increase in current savings. The primary surplus increased to \$108.8m from \$24.6m in the first nine months of 2007.

A current account surplus of \$158.4m was recorded in the period under review compared with one of \$129.8m in the first nine months of 2007, reflecting strong growth in revenue relative to the increase in expenditure. Current revenue rose by 13.3 per cent to \$600.9m, attributable to increases in both tax and non-tax revenue sources. The higher tax revenue yields reflected increased collections from taxes on



income and profits (28.1 per cent), taxes on domestic goods and services (14.8 per cent) and taxes on international trade and transactions (4.4 per cent). The increase in collections from taxes on income and profits largely reflected a 53.1 per cent rise in receipts from corporation taxes, associated in part with increased profits from some corporations. The expansion in receipts from taxes on domestic goods and services reflected increases in the collection of licences and the hotel occupancy tax. The rise in yields from taxes on international trade and transactions was largely fuelled by an increase in receipts from import duties (6.7 per cent) in line with higher imports. Non-tax revenue collections rose by 19.8 per cent to \$36.7m largely associated with an expansion in collections from fees, fines and sales.



Current expenditure rose by 10.4 per cent to \$442.5m, associated with increases in all of the major categories. Spending on goods and services rose by 15.1 per cent mainly due to increased outlays on travel and subsistence, payments on

build/operate/lease/transfer (BOLT) arrangements, and rental payments. Outlays on transfers and subsidies increased by 13.3 per cent, attributable to larger transfer payments to statutory bodies in the education and health sectors. Expenditure on personal emoluments rose by 7.2 per cent associated with the employment of additional staff and the restructuring of a number of posts in the public service. Interest payments rose by 10.4 per cent (\$6.0m), associated in part with an increase in the stock of debt.

Capital expenditure outlays fell by 26.0 per cent to \$126.4m mainly associated with the completion of major infrastructural projects under construction in 2007 in preparation for hosting Cricket World Cup (CWC) 2007.

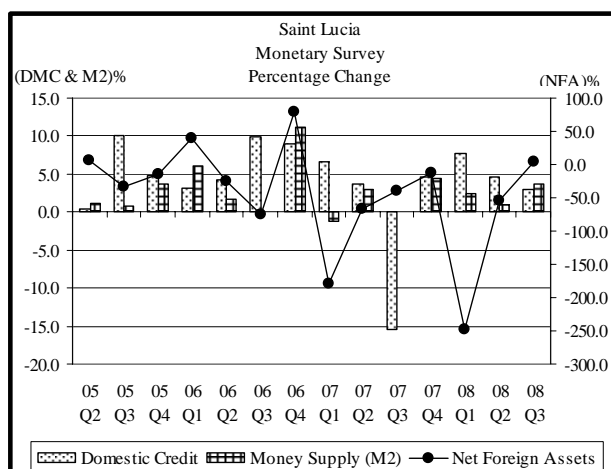
**Public Sector Debt**

The disbursed outstanding debt of the public sector is estimated to have increased by 1.1 per cent to \$1,928.3m during the first nine months of 2008, largely attributable to a 17.8 per cent rise in the outstanding domestic debt of the central government. This development reflected a 40.7 per cent increase in the issue of outstanding instruments on the regional government securities market (RGSM). The central government’s external debt fell by 8.0 per cent. The total outstanding debt of statutory bodies declined by 2.5 per cent, mainly as a result of a fall in external borrowing.



## Money and Credit

Broad money (M2) expanded by 7.2 per cent to \$2,340.9m during the first nine months of 2008, well above the increase of 1.8 per cent recorded during the corresponding period of 2007. The rise during the period under review was attributed to a 13.2 per cent increase in quasi money, of which expansions were recorded in time (31.6 per cent), foreign currency (23.2 per cent) and savings deposits (7.7 per cent). Narrow money declined by 7.3 per cent to \$592.6m, influenced by a reduction in currency with the public.



Domestic credit increased by 6.9 per cent to \$3,198.0m during the first nine months of 2008, a deceleration from the 19.6 per cent rate of growth recorded in the corresponding period of 2007. Lending to the private sector expanded by 8.7 per cent, buoyed by a rise in credit to businesses (10.4 per cent) and households (6.1 per cent). This outturn, however, reflected a slower rate of growth relative to that of the corresponding period during

2007, as the pace of economic activity decelerated. The net credit position of the central government increased to \$24.2m at the end of September 2008 from \$17.2m at the end of December 2007. This outturn was attributed to a 9.9 per cent (\$30.3m) contraction in central government deposits held at commercial banks. Credit extended by the commercial banks to the central government declined by 3.1 per cent (\$10.4m). The net deposits of non-financial public enterprises increased by 6.9 per cent, as growth in deposits outpaced that of loans.

An analysis of credit by economic activity indicates increases in lending mainly for construction (23.7 per cent), manufacturing – including mining and quarrying (23.6 per cent) and distributive trades (12.0 per cent). Credit for personal use, which represents 33.5 per cent of total credit, rose by 8.2 per cent (\$94.4m).

The net foreign liabilities rose to \$244.6m from \$47.7m during the first nine months of 2008. This outturn largely reflected a decline in commercial bank assets held in other ECCU territories (46.3 per cent) coupled with an increase in their liabilities held in institutions abroad (28.3 per cent). The reduction in foreign held asset balances and the build up in liabilities held in regional institutions by commercial banks were associated in part with the increased demand for credit. Saint Lucia's imputed share of the reserves at the central bank fell by 8.7 per cent to \$372.9m.



Liquidity in the commercial banking system eased during the period under review. This assessment was based on an increase of 9.6 percentage points in the ratio of liquid assets to total deposits plus liquid liabilities to 26.7 per cent at the end of September 2008. The loans and advances to total deposits ratio fell to 111.1 per cent from 113.2 per cent.

An analysis of interest rate spreads indicates increases in both the deposit and lending rates. The weighted average deposit interest rate increased by 0.25 percentage point to 3.21 per cent, and the weighted average lending interest rate rose by 0.14 percentage point to 9.54 per cent. Consequently, the weighted average interest rate spread narrowed by 0.12 percentage point to 6.33 percentage points at the end of September 2008.

### **Prospects**

The macroeconomic prospects for the last quarter of 2008 are unfavourable as the economy continues to be adversely affected by the global financial crisis. Consequently, based on the performance of the economy in the first nine months of 2008 and the prospects for the last quarter, the outlook for economic growth in Saint Lucia is unfavourable. Real sector activity will slow appreciably as the second round effects of the global crisis impact the tourism industry and the construction sector. Construction activity in the private sector, particularly with respect to foreign direct investment, is projected to contract based on a reduction in access to financing for some projects.

Public sector construction activity is projected to contract as a result of a low rate of implementation of the public sector investment programme. Output in the manufacturing sector is likely to fall as a result of a decline in demand in the USA - the major market. The current international macroeconomic environment is unprecedented and will pose a severe challenge to policy makers in the near-term as the global recession threatens to hamper recent gains in the tourism industry. As economic conditions worsen in the major tourism markets it is likely that Saint Lucia may record fewer stay-over arrivals and lower economic activity in the tourism industry. Hotel properties will likely experience a fall in occupancy rates and generally reduced business. Additionally, the recent restructuring of the San Juan hub by a regional airline has resulted in a dramatic reduction in regional flights to the destination and represents a major marketing hurdle to the destination.

These developments will have implications for the domestic economy and impact other sectors including construction, manufacturing and wholesale and retail. The merchandise trade deficit is projected to fall as construction related imports decline consistent with the slow down in activity in both the public and private sectors.

The central government's overall fiscal surplus is projected to increase, based on a reduction in capital spending in line with a reduction in implementation of the public sector investment programme. This improvement will be buoyed by higher tax revenue



building on the gains of the first nine months of 2008.

Intermittent threats from geo-political conflicts could possibly disrupt petroleum supplies and result in an escalation in oil prices, thereby posing a

downside risk to the projections. Yet another downside risk is the recent depreciation of the pound sterling, which threatens to reduce UK demand for bananas as the fruit becomes relatively more expensive.



## ST VINCENT AND THE GRENADINES

### Overview

Preliminary data indicate that economic activity in St Vincent and the Grenadines increased marginally in the first nine months of 2008 compared with the performance in the corresponding period of 2007. Activity in the construction sector increased, but this was almost offset by weak performances in the tourism industry and the agricultural and manufacturing sectors. Consumer prices rose by 9.4 per cent during the review period, on an end of period basis. In the external sector, the merchandise trade deficit widened on account of an increase in import payments. The fiscal operations of the central government resulted in a narrowing of the overall deficit, attributable to an increase in grant inflows. The total disbursed outstanding debt of the public sector rose during the period under review. In the banking system, monetary liabilities and domestic credit declined, and commercial bank liquidity fell, but remained at a high level. The spread between commercial bank weighted average interest rate on loans and deposits narrowed marginally.

Economic growth is projected to decelerate in the remainder of 2008, compared with the performance in the corresponding period of 2007, as activity in the tourism industry and the agricultural and manufacturing sectors is likely to decline. Construction activity is expected to drive the economy as work progresses on a number of

projects. The expansion in construction is likely to have a positive impact on wholesale and retail trade. Notwithstanding, a further deepening of the current international financial market crisis and a more than expected economic slow down in major source markets pose a threat to foreign direct investment inflows and visitor arrivals to St Vincent and the Grenadines.

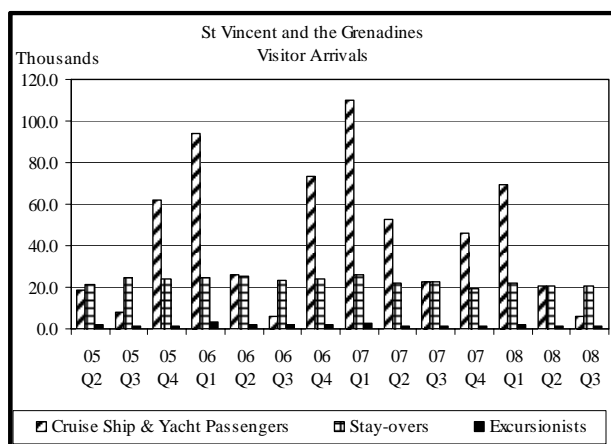
### Output

Construction activity in the period January to September 2008 was buoyed by developments in both the public and private sectors. Public sector activity was largely associated with infrastructure-related projects such as the Windward Highway, the Canouan airport expansion, construction of schools, learning resource centres, a fisheries complex, a correctional facility, and low income housing. In the private sector, the focus was on ongoing construction of a major hotel, and residential building. The increase in residential building was evidenced in part by growth of 4.5 per cent in commercial bank lending for home construction and renovation.

In the tourism industry, performance was weak as a result of decreases in all categories of visitors. Stay-over visitor arrivals fell by 9.9 per cent to 63,433, more than twice the 4.5 per cent rate of decline in the comparable period of 2007. Visitor arrivals from all the source markets decreased. The number of



visitors from the United States fell by 14.0 per cent, attributable in part to the slow down in that economy and a reduction in airlift. Arrivals from the UK market declined by 11.5 per cent; this contrasts with the performance in the first nine months of 2007 when the number rose by 20.3 per cent, associated with Cricket World Cup (CWC) 2007. However, UK arrivals in 2008 remained above the level in the corresponding period of 2006. Arrivals from the Caribbean, the major source market, fell by 8.2 per cent mainly on account of an increase in the cost of intra-regional travel. Cruise ship passengers fell by 35.8 per cent. The fall in cruise passenger arrivals was partly as a result of a 48.8 per cent reduction in the number of cruise ship calls. The number of yacht passengers and excursionists also fell during the period under review.



Agricultural output is estimated to have declined, in contrast to an increase in the first nine months of 2007. The contraction was mainly on account of a weak performance by the banana industry, the major contributor to value added in that sector. Banana production decreased by 43.1 per cent to

6,614 tonnes, reversing the upward trend observed in the corresponding period of the previous two years. The downturn reflected the combined effects of Moko and leaf spot diseases, which destroyed a large proportion of crops. Production of non-banana crops, particularly dasheen, eddoes and sweet potatoes, is estimated to have decreased.

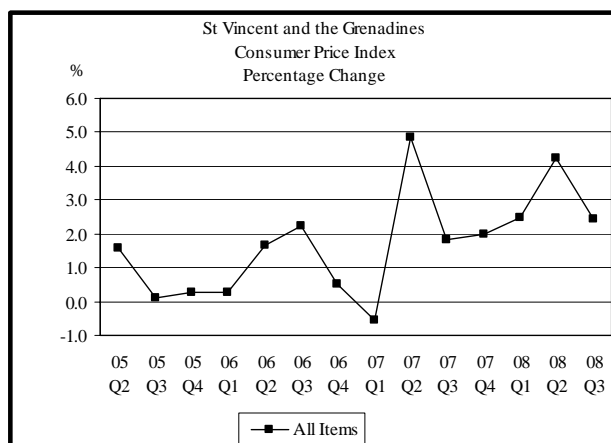
In the manufacturing sector, activity remained weak. Output is estimated to have declined, although the rate slowed compared with that in the first nine months of 2008. There were decreases in production of some major commodities, in particular animal feeds which fell by 24.1 per cent due to a decline in domestic demand. Of the other commodities, output of beverages fell by 16.6 per cent, flour fell marginally, while rice production increased by 29.3 per cent on account of a rise in external demand.

## Prices

Consumer prices rose by 9.4 per cent during the first nine months of 2008, well above the 6.2 per cent rate of increase during the corresponding period of 2007, partly as a result of higher international prices for food and fuel. The food sub-index, which carries the largest weight in the consumer basket, rose by 13.9 per cent, more than double the rate in 2007, attributable to increases in the prices of several basic food commodities including fish, chicken, sugar, flour, rice, bread, milk and beans. The fuel and light sub-index rose by 15.2 per cent, compared with 4.4 per cent in 2007, attributed in part to a rise in the



fuel surcharge, which contributed to an increase in the cost of electricity. The transport and communications sub-index rose by 9.1 per cent, on account of higher petrol prices. Increases were also recorded for all other sub indices including household furnishings and supplies (5.4 per cent), personal services (1.7 per cent) and clothing and footwear (1.3 per cent).



### Trade and Payments

A merchandise trade deficit of \$655.6m is estimated for the first nine months of 2008 compared with one of \$534.3m in the corresponding period of 2007. The widening of the deficit mirrored an increase in import payments. The value of imports grew by 15.2 per cent to an estimated \$732.7m, attributed in part to increases in import prices, particularly for machinery and transport equipment, food, manufactured goods and crude materials.

The value of exports is estimated to have decreased by 24.1 per cent to \$77.0m. The decline was partly as a result of a 76.3 per cent fall in re-exports,

reflecting a high base in the first nine months of 2007 associated with re-exports of CWC related machinery and equipment. Domestic export earnings fell by \$3.3m to \$70.4m, largely as a result of a 44.1 per cent (\$7.1m) reduction in receipts from bananas, which was partly offset by increases in earnings from flour and rice. The fall in banana export receipts reflected a decrease in the volume exported, consistent with the contraction in output.

Gross travel receipts fell by 31.0 per cent to \$170.1m, reflecting the decline in visitor arrivals. There was a net outflow of \$62.5m in commercial bank short-term capital, in contrast to a net inflow of \$17.1m during the first nine months of 2007. External loan disbursements to the central government decreased by 8.6 per cent to \$47.1m, whereas amortisation increased by 7.4 per cent to \$26.4m. As a result, there was a net inflow of \$20.7m in long term capital for the central government, compared with one of \$23.0m in the first nine months of 2007.

### Central Government Fiscal Operations

The central government incurred an overall fiscal deficit of \$5.4m in the first nine months of 2008, well below one of \$28.9m in the corresponding period of 2007. The smaller deficit resulted primarily from a fall in capital spending and larger grant inflows. A primary surplus of \$33.4m was recorded, up from one of \$5.5m in the comparable period of 2007.



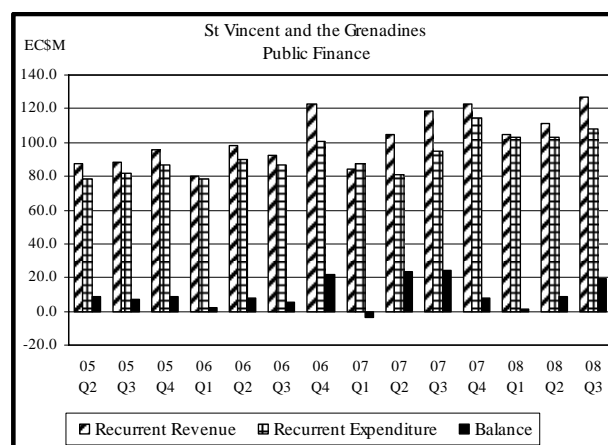


In the capital account, capital expenditure fell by 19.5 per cent to \$75.6m as some infrastructure development projects were completed. Capital grants increased by \$5.8m to \$25.9m.

A current account surplus of \$15.1m was realised, compared with one of \$44.3m recorded in the first three quarters of 2007. The smaller surplus was attributed to strong growth in current expenditure relative to the increase in current revenue. Current expenditure rose by 19.4 per cent to \$314.4m, mainly on account of increases in outlays on personal emoluments, goods and services and transfers and subsidies. A 17.0 per cent (\$19.3m) increase in expenditure on personal emoluments partly reflected a salary reclassification and increases for civil servants, effective January 2008. Expenditure on goods and services rose by 26.2 per cent (\$13.2m), partially attributed to increases in outlays for utilities, mainly telephone and electricity. Outlays on transfers and subsidies rose by 25.2 per cent (\$12.9m), largely on account of an improvement of the safety net programmes and increases in retirement benefits and contributions to regional organisations.

Current revenue grew by 11.6 per cent to \$343.5m, compared with the total in the corresponding period of 2007. This outturn was largely attributed to a 12.0 per cent (\$33.9m) increase in tax revenue. Receipts from taxes on domestic goods and services rose by 34.4 per cent (\$43.2m), on account of a more than two-fold increase in receipts from the value added tax (VAT) implemented on 1 May 2007.

Collections from taxes on income and profits rose by 12.4 per cent (\$8.6m), reflecting larger yields from corporation taxes and personal income tax. By contrast, revenue from taxes on international trade and transactions decreased by 20.5 per cent (\$17.7m), mainly attributable to lower receipts from the consumption tax, which was replaced by the VAT on May 01 2007. Collections from import duty rose by 4.5 per cent, mirroring the increase in the value of imports. Revenue from non-tax sources was 7.8 per cent (\$1.9m) above the total recorded in the first nine months of 2007.



### Public Sector Debt

The total disbursed outstanding debt of the public sector is estimated to have risen by 9.8 per cent to \$1128.4 during the first nine months of 2008. The larger debt was attributed in part to an 11.6 per cent increase in external borrowing by the central government, largely for the Windward Highway reconstruction project. The outstanding debt of public corporations increased by 26.1 per cent,



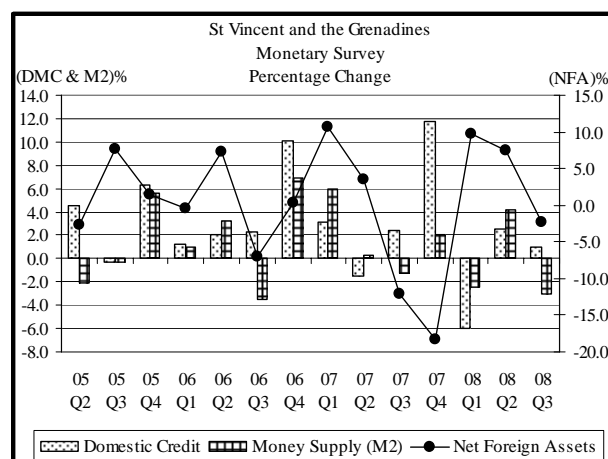
mainly reflecting growth in domestic borrowing, associated with the international airport project.

### Money and Credit

Broad money (M2) fell by 1.4 per cent to \$992.7m during the first nine months of 2008, in contrast to growth of 5.0 per cent during the first nine months of 2007, consistent with the deceleration in the pace of economic activity. The decline in M2 largely mirrored a 9.3 per cent (\$34.4m) fall in narrow money (M1), as quasi-money expanded by 3.3 per cent. The two components of M1 declined. Private sector demand deposits decreased by (6.0 per cent), in contrast to an increase of 6.5 per cent during the first nine months of 2007, and currency with the public fell by (19.4 per cent) compared with a 6.2 per cent decline in 2007. Growth in quasi-money also slowed, as private sector savings deposits grew at a reduced rate, 2.1 per cent compared with 7.8 per cent in 2007, and foreign currency deposits fell by 10.5 per cent, in contrast to a 19.7 per cent increase. Private sector time deposits which contracted by 9.9 per cent during the first nine months of 2007, rose by 17.4 per cent during the period under review.

The counterpart to the fall off in M2 was a decline of 2.7 per cent to \$860.4m in domestic credit, influenced in part by a reduction in net borrowing by the central government. Net claims on the central government declined by \$28.3m to \$59.5m, reflecting an expansion in its deposits partly associated with inflows of grant receipts and loan

funds. In the rest of the public sector, the net deposits of non-financial public enterprises rose by 14.2 per cent influenced largely by an increase in deposits. Private sector credit grew by 0.7 per cent to \$897.4m, reflecting an increase in outstanding loans to households which was almost offset by a decline in credit to the business sector. A reduction of 15.2 per cent was recorded in the net deposits of non-bank financial institutions on account of an increase in credit.



The distribution of credit by economic activity indicates that outstanding loans for personal use, which represented 48.7 per cent of total credit during the period, grew by 4.5 per cent. The increase in personal loans was channelled into construction and renovation of residential buildings and into other personal use. Outstanding loans for construction rose by 37.1 per cent, indicative of the expansion in that sector. Among the other activities, lending for agriculture and fisheries, and manufacturing and mining and quarrying increased by 11.6 per cent and 9.4 per cent respectively, while credit for the tourism industry declined by 3.7 per cent.



The net foreign assets of the banking system amounted to \$405.8m at the end of September 2008, an increase of 15.1 per cent on the level at the end of December 2007, and substantially above the 0.7 per cent rate during the corresponding period of 2007. The net foreign assets of the commercial banks rose by 52.2 per cent, in contrast to a 7.9 per cent decline in 2007. Growth was largely attributed to a reduction in liabilities to banks and other financial institutions within the currency union combined with an increase in assets. St Vincent and the Grenadines' imputed share of the Central Bank's reserves fell by 3.9 per cent to \$223.5m.

Liquidity in the commercial banking system declined, but remained at a high level during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities fell by 0.8 percentage point to 40.7 per cent. The ratio of loans and advances to total deposits increased to 84.6 per cent at the end of September 2008 from 84.1 per cent at the end of December 2007.

The weighted average interest rate spread between deposit and loan rates fell by 0.22 percentage point to 6.6 percentage point during the first nine months of 2008. The weighted average interest rate on deposits was unchanged from its value at the end of December 2008, while the weighted average lending rate declined by 0.22 percentage point.

## **Prospects**

Economic growth in 2008 is expected to be below trend, given the performance in the first nine months of 2008 and projections for the last quarter. Construction activity has been the engine of growth in the first nine months and this is likely to continue in the rest of 2008. Work is expected to continue on residential construction and public sector projects, particularly road development, school expansion and renovation, a fisheries complex and learning resource centres. The expansion in construction is expected to have positive spill-over effects on mining and quarrying activity and the wholesale and retail trade sector. In the tourism industry, the outlook is bleak. The decline in visitor arrivals observed in the first nine months is expected to persist in the last quarter. Aggressive marketing efforts by tourism authorities are not likely to boost visitor arrivals in the last quarter, based on developments in the global financial market and the economic slowdown in the major source markets. In the manufacturing sector, output is projected to contract, based on expected declines in production of flour, animal feeds and beer. A contraction in agricultural output is expected, based on a fall in banana production associated with Moko and leaf spot diseases.



The overall fiscal deficit of the central government is expected to narrow in 2008, based on a decrease in capital expenditure and larger inflows of grants. Current revenue is projected to increase, based on VAT and other fiscal reform measures introduced in May 2007, as well as improved efficiency in revenue collection. It is likely that current expenditure growth will surpass that of revenue. Larger outlays are projected on personal emoluments associated with salary increases, and on goods and services and transfers and subsidies, based on improvements in the social safety net programmes and a rise in utilities cost. Capital expenditure is forecasted to be below the level of 2007.

In the external sector, the merchandise trade deficit is projected to widen on account of larger import

payments, consistent with increases in commodity prices. Domestic export earnings are expected to fall, based on a decline in earnings from banana exports associated with reduced production. Gross travel receipts are projected to be below the level recorded in 2007, as a result of a weak performance by the tourism industry.

The main downside risks to the economic prospects for St Vincent and the Grenadines include a further deepening of the global financial crisis, which is likely to negatively impact investment financing and remittances, and a protracted slowdown in the USA and other advanced economies.



## INTERNATIONAL ECONOMIC DEVELOPMENTS

### Overview

In recent months, the global economy has been buffeted by a confluence of shocks, namely the deepening crisis in financial markets, severe corrections in housing markets in several advanced countries, and high and volatile commodity prices. The financial crisis that had its genesis in the US sub-prime mortgage market entered a new and dangerous phase in September 2008, severely affecting confidence in financial institutions and markets. Most notably, intensifying solvency concerns resulted in a spate of bankruptcies, forced mergers, and widespread public interventions more generally. Against this backdrop, the global economy has markedly deteriorated, led by increasingly difficult conditions in some advanced economies. Indeed, the major advanced economies are either in or close to a recession, led by persistent strains in financial markets. Despite showing some resilience to the deteriorating global outlook in the first half of 2008, emerging economies have also started to weaken, stemming from a deceleration in external demand growth, tighter financing constraints, and persistent inflationary pressures. The outlook for the global economy is exceptionally uncertain; much will depend on the efficacy of policy interventions and stabilization in credit and financial markets. As a result, there are risks that the current downturn will be more prolonged than currently anticipated.

### Output

In the United States, preliminary estimates indicate that real Gross Domestic Product (GDP) contracted at an annualized rate of 0.3 per cent in the third quarter of 2008, compared with an expansion of 2.8 per cent in the preceding quarter. The deceleration can be attributed in part to a decline in consumption, the ongoing housing market correction, and a contraction in business investment. Notably, net trade contributed positively to growth in the third quarter, despite a fall in external demand. Further, strains in financial markets increased substantially in September. Several financial market institutions, which were most exposed to losses in the sub-prime mortgage market, collapsed. Increased difficulties in wholesale funding markets elevated concerns about the availability of credit more generally and further clouded the economic outlook.

Available data suggest that activity in the Canadian economy expanded at an annualized rate of 0.8 per cent during the third quarter of 2008. Consumer spending is estimated to have declined as a result of slower real income growth, increased uncertainty due to the dislocation in global financial markets, as well as the deteriorating outlook for the US economy. Net export growth is likely to have declined due to reduced US demand for automobiles, machinery and equipment.



Output growth in the United Kingdom fell by 0.5 per cent in the third quarter of 2008 relative to the second quarter of 2008. The decline was associated with weaker growth in consumer spending reflecting in part reduced real incomes, tighter credit conditions, and a decrease in asset prices. Key indicators of investment activity reveal that investment also declined in the third quarter of 2008. Weaknesses in the commercial property market has translated into reduced investment in buildings; moreover, surveys of companies revealed that intentions to invest in plant and machinery declined appreciably in the third quarter of 2008. The correction in the housing market continued unabated, as house prices fell at an annualized rate of 12.0 per cent, relative to the corresponding period in 2007. Concomitantly, construction output contracted by 0.8 per cent on a quarterly basis.

The pace of economic activity in the euro zone declined markedly, as real GDP growth contracted by 0.2 per cent in the third quarter. The deterioration in demand growth was broad-based, led by falls in consumption and investment. Tighter financial conditions, contractions in financial wealth and deteriorating labour market prospects stymied private consumption growth. Investment growth moderated in the third quarter, reflecting in part a slowdown in residential and commercial construction. Non-construction investment also declined, as weakening demand lowered profitability. The cost and availability of finance

proved to be a more potent factor, as credit conditions have tightened and the real cost of financing has risen. The sectors with the greatest sensitivity to the economic cycle – manufacturing and construction – decelerated markedly, but a slowdown in activity was seen in all the sectors. While activity in the service sector has been more resilient, the expansion in that sector was the weakest since 2004.

Economic activity in Japan continues to be plagued by significant headwinds, notably anemic domestic demand and weaknesses in the pace of export growth. However, financial conditions have not deteriorated as much as in other advanced economies, owing in part to a lower exposure to structured financial products. Notwithstanding, the slowdown in external demand coupled with reduced profit growth has reduced business confidence and investment intentions, according to the September 2008 Tankan survey. Concomitantly, elevated food and fuel prices have negatively affected consumer sentiment.

Real GDP growth in China slowed to an annualized rate of 9.0 per cent in the third quarter of 2008, attributed in part to weak external demand and a slowdown in construction activity. Another proximate cause was the lagged effect of tight macroeconomic policies pursued during the first half of the year to restrain domestic demand growth.



**Developments in Oil and Consumer Prices.*****Oil Prices***

Petroleum prices remained volatile during the third quarter of 2008, following the peak of US\$ 147.50 a barrel on July 11. As the financial market turmoil intensified, oil prices declined on concerns of a widening global recession. The financial crisis has prompted a re-assessment of the underlying fundamentals in the oil market; specifically, demand from emerging markets have moderated, largely attributable to the slowdown in global economic activity, while rising inventory levels point to excess supply. However, tighter financial market conditions and volatile prices may negatively affect investment in capacity expansion, thus setting the stage for renewed tension in the supply and demand balance.

***Consumer Prices***

Consumer price inflation moderated somewhat during the third quarter of 2008, primarily due to decelerations in the rate of increase in oil and commodity prices. In the United States, consumer prices rose at an annualized rate of 2.6 per cent in the third quarter of 2008, after increasing by 7.9 per cent in the second quarter. The deceleration mainly reflected a fall-off in energy cost pressures. Core inflation rates (excluding food and energy) advanced by 2.7 per cent over the review period. In the United Kingdom, inflation rose to 4.8 per cent in the period, reflecting a broad-based increase in all components. The deceleration in oil and commodity prices however, may have arrested a more substantial

increase in consumer prices. The depreciation of the pound sterling will place upward pressure on import prices, and hence inflation in coming months. In the euro zone, preliminary data indicate that the rate of growth of consumer prices decelerated to 3.6 per cent in September 2008, primarily as a result of slower growth in food and energy prices.

**Monetary Policy Developments**

The decline in global economic and financial conditions in the latter part of the review period prompted the leading central banks to consider unconventional policy interventions. The US Federal Reserve, in concert with other leading central banks established reciprocal currency arrangements to alleviate strains in short-term US dollar funding markets. The arrangements were devised to improve liquidity conditions in global financial markets and to ease funding pressures. In addition, the Federal Reserve enhanced both the quantum and duration of existing liquidity facilities. The target for the federal funds rate was left unchanged at each of the scheduled rate settings meetings over the review period. The European Central Bank (ECB) increased its key interest rate by 25 basis points at its scheduled meeting on 03 July 2008. The ECB expressed concern about persistent inflationary pressures and the possibility that second round effects of the recent increases in commodity prices will feed through to domestic prices, thus imparting upside risks to medium-term price stability. The ECB left its main interest rate unchanged at its rate setting meetings in August and



September. Inflationary pressures were expected to remain elevated for a protracted period. The ECB participated in joint action with the Federal Reserve and other central banks to provide short term liquidity to US dollar funding markets, and increased the size of liquidity providing operations.

The Bank of England (BoE) left its main interest rate unchanged at its regular rate-setting meetings over the review period. The BoE adjudged that the balance of risks for inflation was tilted to the upside over the medium-term, given the likely impact of the depreciation of the pound sterling on import prices and inflation. In line with other central banks, the Bank of Canada undertook a series of operations over the review period so as to support market liquidity over longer horizons. Specifically, the central bank significantly increased both the size and frequency of its liquidity operations, and broadened the lists of acceptable collateral and eligible counterparties.

### **Outlook**

The outlook for the global economy is shrouded in exceptional uncertainty, given the conditions in financial and housing markets, as well as the recent broad-based deceleration in economic activity. As a result, global economic growth will fall below potential in 2008 and possibly 2009. Economic weakness will be most evident in the advanced countries, as they struggle with persistent housing, credit and financial market corrections. Emerging market economies have not decoupled from the

advanced countries and so will not be immune from the fall-out, due to extensive trade and financial linkages.

The US economy is projected to be in a technical recession, defined as two successive quarters of negative growth, in the fourth quarter of 2008. Going forward, tighter credit conditions and deteriorating sentiment will negatively affect household consumption and reduce residential and business investment. It is anticipated that credit spreads will eventually narrow, but tighter financial conditions, higher borrowing costs and reduced availability of credit will exert a sizeable drag on the economy. Thus the recovery will be somewhat more gradual and protracted than was earlier anticipated. In the United Kingdom, business surveys and other leading indicators point to a further contraction in output in the near term. The conflation of subdued real income growth, tighter credit conditions and lower asset prices point to further weakness in domestic demand. The current weakness in economic activity in the euro area is projected to continue, as domestic demand growth slows and external demand comes under pressure from the global slowdown.

The balance of risks to the global economic outlook is weighted firmly on the downside. Ongoing financial market tensions may affect the real economy more adversely than is currently anticipated. Moreover, a disorderly resolution of global imbalances and rising protectionist pressures may herald a marked reduction in global growth.





## REGIONAL ECONOMIC DEVELOPMENTS

### Output

Data available for five of the seven non-ECCB member countries of the Caribbean Community (CARICOM), with the exception of Belize, point to a deceleration in the pace of economic activity, in the first nine months of 2008 relative to the performance in the corresponding period in 2007. In the Bahamas, a mild pace of economic growth was reported, due primarily to a weak performance of the tourism industry. This was evidenced by a reduction in occupied hotel rooms and a decline in average monthly room rates. In Barbados, economic growth slowed to an estimated 1.7 per cent in the first nine months of 2008 on account of sluggish growth in both the traded and non-traded sectors. In the non-traded sector, the tourism industry was the hardest-hit, with value added increasing by an estimated 1.4 per cent, roughly half the level recorded in the corresponding period of 2007. In Belize, real economic growth was estimated at 4.3 per cent, relative to an expansion of 2.1 per cent recorded in the corresponding period of 2007. The rise in economic activity was underpinned by increased production of fish and petroleum in particular. In Guyana, the increase in output was lower during the third quarter of 2008 relative to the corresponding period in 2007, attributable to a slow down in growth in production of rice, sugar, forestry products, fish, and diamonds. In Jamaica, the economy is estimated to have contracted by 0.3 per cent in the third quarter of 2008, relative to the third

quarter of 2007. The decline was the result of decreases in output in the agricultural (10.0 per cent) and construction (8.8 per cent) sectors.. In Trinidad and Tobago, notwithstanding the buoyancy of the non-energy sector, economic growth is estimated to have slowed, due to a reduction in oil production and a lacklustre performance in the petro-chemical sub-sector.

### Prices

All of the countries experienced higher rates of inflation during the period under review compared with the corresponding period in 2007. In the Bahamas, consumer prices rose to 3.9 per cent on an annual point-to-point basis at end September 2008 from 2.4 per cent at the end of September 2007, due to strengthening in the prices of furniture and household items, medical and health care, and food and beverages. In Barbados, the point-to-point rate of inflation was 10.2 per cent at the end of July 2008 (the latest period for which data are available), almost triple the rate of 3.9 per cent recorded in the corresponding period of 2007. The escalation in prices was mainly as a result of strong increases in transportation costs, fuel and light, and food. In Belize, inflation (on an annualised basis) surged to 9.6 per cent in August 2008 (the latest period for which data are available), well above the 0.3 per cent recorded in the corresponding period of 2007. Inflationary pressures emanated largely from increases in the price of food and beverage, fuel,



transportation and communication and rent. In Guyana, the inflation rate rose by 7.8 per cent in the third quarter of 2008, compared with 13.8 per cent in the corresponding period in 2007. The increase in prices was directly linked to higher international commodity and fuel prices. In Jamaica, a point-to-point inflation rate of 25.3 per cent was recorded for the period September 2007 to September 2008 reflecting an increase in international prices of major commodities. In Trinidad and Tobago, headline inflation surged to 14.8 per cent in September 2008 on a year-on-year basis, from a rate of 7.3 per cent in the corresponding period of 2007. The increase in the rate was primarily influenced by an escalation in food prices, which rose by 35.0 per cent in September 2008.

### Employment

Unemployment data are available only for Barbados, Jamaica and Trinidad and Tobago. Barbados and Jamaica experienced higher unemployment rates, a direct consequence of the economic slow down in those countries. In Barbados, the unemployment rate rose to 8.6 per cent at the end of June 2008 (the latest period for which data are available), from 6.7 per cent in the corresponding period of 2007. In Jamaica, the rate rose to 11.9 per cent in April 2008 (the latest period for which data are available) from 9.5 per cent in the corresponding period of 2007. However, in Trinidad and Tobago, the unemployment rate fell to 4.6 per cent in the second quarter of 2008 (the latest period for which data are available) from 6.0 per cent in the corresponding

period of 2007, partly reflecting the buoyancy of the non-energy sector.

### Central Governments' Fiscal Developments

On the fiscal operations of the central governments, the outcomes varied among the member countries. In the Bahamas, the overall deficit rose by 18.3 per cent to B\$60.1m in the first nine months of 2008 relative to the corresponding period of 2007, due to an increase in capital expenditure. In Barbados, a higher level of current expenditure contributed to an increase in the central government's overall deficit, which was estimated at 3.4 per cent of GDP compared with 1.7 per cent of GDP in the first nine months of 2007. In Belize, the overall surplus of BZ\$74.7m recorded in the first nine months of 2008 was almost twice the surplus (BZ\$47.4m) realised in the corresponding period of 2007. The improved performance was attributed to strong growth in total revenue and grants and a reduction in total expenditure. In Guyana, the overall deficit of G\$6,345.7m realised during the third quarter of 2008 was a marked deterioration compared with the deficit of G\$25.5m in the corresponding period of 2007. The outturn was attributed in part to a significant reduction in capital grants and a strong increase in current expenditure. In Jamaica, preliminary data indicate an overall deficit of J\$8.6billion in the second quarter of 2008, (the latest period for which data are available), J\$4.2 billion below the budgeted deficit, mainly on account of higher than budgeted revenue. In Trinidad and Tobago, an overall surplus of TT\$9,817.2m was



realised in the fiscal year 2007/2008 (October 2007 to September 2008), four times the surplus in fiscal year 2006/2007. The favourable outturn was mainly due to larger energy revenues, which grew to 21.2 per cent of GDP in the fiscal year 2008 from 16.7 per cent in the previous fiscal year.

### **External Sector Developments**

The available data indicate that in Barbados, the current account deficit widened to BDS\$552.8m in the first nine months of 2008, from BDS\$312.8m in the corresponding period in 2007. The larger deficit was mainly as a result of a 17.5 per cent increase in the value of imports arising from high commodity prices. In Belize, the external current account shifted to a deficit of BZ\$151.8m in the first half of 2008, (the latest period for which data are available) from a surplus of BZ\$10.0m in the corresponding period of 2007. This deterioration was mainly as a result of larger payments for imports combined with lower inflows from tourism and grants. In Guyana, the balance of payments recorded a surplus of US\$36.1m at the end of September 2008 relative to a deficit of US\$0.9m in the corresponding period of 2007, due to a larger surplus on the capital account. In Jamaica, the trade deficit widened by 37.7 per cent to US\$4,216m in the first eight months of 2008 (the latest period for which data are available), due mainly to higher import payments. Recent data are unavailable for Trinidad and Tobago.

### **Monetary and Credit Developments**

During the first nine months of 2008, monetary and credit conditions in the Bahamas were characterised by a deceleration in the growth of total deposits, a modest increase in private sector credit and a reduction in claims on the central government. The less than robust performance of credit accounted for the almost 50.0 per cent increase in excess liquid assets during the review period. In Barbados, the Central Bank eased its monetary policy stance by reducing the minimum savings deposit rate by 25 basis points to 4.5 per cent on 1 April 2008, with the aim of stimulating lending to the productive sectors. Indeed, lending to the non-financial private sector rose by 7.4 per cent in September 2008, compared with 4.9 per cent in September 2007. In Belize, monetary and credit conditions eased during the first nine months of 2008, as evidenced by the expansions of 14.7 per cent and 13.9 per cent in both broad money (M2) and total private sector credit respectively. In addition, the weighted average interest rate spread between lending and deposit rates narrowed by 20 basis points to 8.0 percentage points. In Guyana, an expansion in broad money (M2), domestic credit, net foreign assets and commercial banks' liquidity characterised monetary and credit conditions during the first nine months of 2008. In Jamaica, broad money and private sector credit expanded during the third quarter of 2008, albeit modestly, relative to the corresponding period



of 2007. Sanguine about the outlook for inflation, the BOJ maintained its monetary policy stance during the third quarter. In Trinidad and Tobago, in a bid to contain inflation pressures, the Central Bank adopted a very aggressive monetary policy posture and increased its repo rate three times during the first nine months of 2008. The repo rate was 8.75 per cent at the end of September 2008, 75 basis points higher than it was at the beginning of the year.

### **Outlook**

As major industrialised economies either weaken considerably or enter into a recession, the regional economies are likely to be severely impacted. In the Bahamas, economic growth is projected to be, at best, modest to flat. The tourism and construction sectors are likely to be hardest-hit, as visitor arrivals decline and as work subsides on several foreign investment projects. In Barbados, the economy is

forecasted to grow by between 1.0 per cent and 2.0 per cent in 2008 as the effects of the global economic slowdown continue to curtail expansion in the key productive sectors, especially the tourism sector. In Belize, real GDP growth of 2.0 per cent is estimated in 2008 based on sluggish growth in the key productive sectors. The economy of Guyana is projected to grow by 5.0 per cent in 2008, underpinned by an expansion in agricultural production, particularly rice and sugar. Inflation is expected to moderate as commodity prices recede. In Jamaica, economic activity is expected to expand albeit at a slow pace. Headline inflation is likely to moderate based on receding international commodity prices and an easing of domestic capacity constraints. In Trinidad and Tobago, economic growth is projected to slow to 3.5 per cent in 2008 from 5.5 per cent in 2007, based on a slow down in the rate of oil production. Inflationary pressures are likely to remain strong amid high food prices.



## 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

	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>R</sup> 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
Total Visitors	492,695	1,070,007	1,443,257	645,784	434,472	2,558,377	2,523,513
Stay-Over Visitors	251,165	256,843	308,722	256,898	234,170	808,752	799,790
Of which:							
USA	83,249	88,001	113,776	103,511	75,976	298,999	293,263
Canada	8,387	14,987	27,766	10,563	9,008	39,437	47,337
UK	53,983	66,233	75,931	59,595	49,296	186,186	184,822
Caribbean	81,922	61,201	58,962	59,014	76,307	199,924	194,283
Other Countries	23,624	26,421	32,287	24,215	23,583	84,206	80,085
Excursionists <sup>1</sup>	27,101	20,061	25,705	22,819	18,830	95,777	67,354
Cruise Ship Passengers <sup>2</sup>	195,391	769,869	1,068,189	347,640	171,445	1,531,909	1,587,274
Yacht Passengers <sup>4</sup>	19,038	23,234	40,641	18,427	10,027	121,939	69,095
Number of Cruise Ship Calls <sup>3</sup>	99	513	741	188	61	1,217	990
<b>Total Visitor Expenditure (EC\$M)</b>	<b>676.01</b>	<b>800.66</b>	<b>1,013.72</b>	<b>755.12</b>	<b>656.79</b>	<b>2,416.72</b>	<b>2,425.63</b>

Sources: Central Statistics Offices, OECS and ECCB

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

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

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

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

**Data available at November 2008**

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

	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 <sup>R</sup> 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr
Net Foreign Assets	3,402.92	3,103.44	3,026.53	3,230.54	3,196.04	2,775.30
Central Bank (net)	1,942.33	1,989.28	2,056.78	2,180.17	2,148.30	2,020.84
External Assets	1,950.79	1,998.31	2,065.13	2,193.23	2,154.91	2,029.15
External Liabilities	8.46	9.03	8.35	13.06	6.61	8.32
Commercial Banks (net)	1,460.59	1,114.15	969.76	1,050.37	1,047.74	754.46
External Assets	4,034.76	4,132.12	4,265.62	4,401.36	4,473.89	4,435.23
External Liabilities	2,574.17	3,017.97	3,295.86	3,350.99	3,426.14	3,680.77
Net Domestic Assets	7,306.14	7,728.23	8,061.58	8,125.76	8,256.82	8,641.74
Domestic Credit	9,101.48	9,525.66	10,198.50	10,114.98	10,498.83	10,902.67
Central Government (net)	671.38	659.45	869.96	703.92	679.99	728.63
Other Public Sector (net)	(876.83)	(891.23)	(944.57)	(956.81)	(864.35)	(894.43)
Non-Bank Financial Institutions (net)	(261.70)	(206.33)	(228.87)	(218.47)	(314.84)	(286.95)
Subsidiaries & Affiliates (net)	94.26	64.45	56.13	58.14	95.02	95.47
Private Sector	9,474.37	9,899.32	10,445.85	10,528.19	10,903.02	11,259.95
Other Items (net)	(1,795.34)	(1,797.43)	(2,136.92)	(1,989.21)	(2,242.01)	(2,260.93)
Monetary Liabilities (M2)	10,709.07	10,831.67	11,088.11	11,356.30	11,452.86	11,417.04
Money Supply (M1)	2,382.26	2,379.46	2,493.82	2,544.45	2,581.82	2,419.25
Currency with the Public	556.55	545.64	594.71	573.40	583.03	548.28
Demand Deposits	1,825.71	1,833.82	1,899.11	1,971.04	1,998.79	1,870.97
Quasi Money	8,326.81	8,452.21	8,594.29	8,811.86	8,871.04	8,997.78
Savings Deposits	4,499.34	4,583.96	4,643.74	4,766.04	4,866.42	4,944.51
Time Deposits	1,922.41	1,970.80	2,021.03	2,153.80	2,156.34	2,234.12
Foreign Currency Deposits	1,905.06	1,897.45	1,929.51	1,892.02	1,848.28	1,819.15

Source: Eastern Caribbean Central Bank

**Data available at November 2008**



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

	2007	2007	2008 <sup>R</sup>	2008 <sup>R</sup>	2008	2007	2008
	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	Jan - Sep	Jan - Sep
<b>Current Revenue</b>	788.18	896.65	915.27	910.34	839.76	2,458.09	2,665.36
Tax Revenue	714.85	814.55	829.13	808.76	766.79	2,218.99	2,404.67
Taxes on Income and Profits <sup>11</sup>	148.20	148.54	203.74	196.75	182.98	490.90	583.46
Of Which:							
Personal Income Tax <sup>12</sup>	54.11	54.96	65.01	60.11	57.26	164.14	182.38
Company	71.69	67.97	115.01	112.59	101.87	241.74	329.47
Taxes on Property	21.30	14.14	14.42	21.70	13.49	50.24	49.61
Taxes on Domestic Goods and Services	249.41	260.25	289.59	270.85	256.78	712.95	817.22
Of Which:							
Accommodation Tax	12.46	8.99	23.41	20.64	14.54	68.59	58.59
Licences	19.42	22.91	36.55	21.17	15.22	66.48	72.94
Sales Tax <sup>13</sup>	52.42	62.61	61.94	59.94	53.15	134.91	175.03
Stamp Duties	38.83	41.49	46.26	52.21	37.84	138.44	136.31
Consumption Tax <sup>14</sup>	10.95	11.24	13.75	13.20	12.39	39.31	39.34
Value Added Tax <sup>15</sup>	58.59	66.29	65.33	62.91	68.63	122.20	196.88
Taxes on International Trade and Transactions	295.93	391.60	321.38	319.46	313.54	964.89	954.39
Of Which:							
Import Duties	105.89	138.62	113.38	116.96	113.63	324.06	343.97
Consumption Tax <sup>17</sup>	79.00	120.10	85.68	82.12	81.88	292.83	249.69
Customs Service Charge <sup>17</sup>	66.17	78.75	66.55	67.48	69.76	203.59	203.79
Non-Tax Revenue	73.33	82.10	86.14	101.57	72.97	239.10	260.69
<b>Current Expenditure</b>	768.43	834.90	858.84	853.26	855.13	2,224.90	2,567.22
Personal Emoluments	331.37	362.81	345.46	356.30	364.83	959.98	1,066.59
Goods and Services	179.25	210.63	200.15	210.29	185.93	484.27	596.37
Interest Payments	102.19	106.05	128.12	106.93	108.23	316.41	343.29
Domestic	48.68	57.90	57.05	57.93	46.41	138.77	161.39
External	53.51	48.15	71.07	49.00	61.83	177.64	181.90
Transfers and Subsidies	155.61	155.41	185.10	179.74	196.14	464.23	560.98
Of Which: Pensions	54.69	60.90	65.84	53.10	49.94	164.23	168.88
<b>Current Account Balance</b>	19.74	61.75	56.43	57.08	(15.37)	233.19	98.13
<b>Capital Revenue</b>	7.02	34.90	22.52	3.29	36.66	10.82	62.48
<b>Grants</b>	61.14	77.91	83.64	99.20	78.89	166.98	261.74
<b>Capital Expenditure and Net Lending</b>	274.27	282.48	219.13	256.00	227.65	774.73	702.78
Of Which: Capital Expenditure	269.57	282.81	218.50	254.71	218.89	770.98	692.10
<b>Primary Balance</b>	(84.17)	(1.88)	71.59	10.50	(19.23)	(47.33)	62.87
<b>Overall Balance</b>	(186.36)	(107.93)	(56.53)	(96.43)	(127.46)	(363.75)	(280.42)
<b>Financing</b>	186.36	107.93	56.53	96.43	127.46	363.75	280.42
Domestic	202.94	37.01	40.80	35.16	86.66	283.89	162.62
ECCB (net)	0.49	35.84	(56.31)	17.13	(15.29)	(39.94)	(54.48)
Commercial Banks (net)	(12.42)	174.67	(109.73)	(41.06)	62.59	80.94	(88.20)
Other	214.86	(173.50)	206.85	59.09	39.36	242.89	305.30
External	(44.83)	43.85	(6.09)	53.57	23.75	3.36	71.24
Net Amortisation/(Amortisation)	(44.07)	43.69	(5.81)	56.08	26.89	(22.55)	77.17
Disbursements	45.05	92.99	89.58	75.96	78.26	178.42	243.80
Amortisation	(89.12)	(49.31)	(95.39)	(19.87)	(51.37)	(200.97)	(166.63)
Change in Government Foreign Assets	(0.76)	0.16	(0.28)	(2.51)	(3.14)	25.91	(5.93)
Arrears <sup>18</sup>	28.26	27.07	21.81	7.70	17.05	76.50	46.56
Domestic	(2.61)	0.05	3.90	(7.90)	1.12	2.00	(2.88)
External	30.87	27.02	17.91	15.60	15.94	74.50	49.44

Sources: Central Statistics Offices, OECS and ECCB

<sup>11</sup> Taxes on income and profits are not collected in Anguilla

<sup>12</sup> Includes a social services levy which is applied in St Kitts and Nevis

<sup>13</sup> Includes data for Dominica and Antigua & Barbuda

<sup>14</sup> Excludes Anguilla, Antigua and Barbuda and Montserrat

<sup>15</sup> Includes data for Dominica, Grenada and St Vincent and

<sup>16</sup> Includes data for Anguilla and Montserrat only

<sup>17</sup> Includes data for all territories except Anguilla

<sup>18</sup> Excludes Montserrat and St. Vincent and the Grenadines

Data available at November 2008



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

	2004 <sup>R</sup>	2005 <sup>R</sup>	2006 <sup>R</sup>	2007 <sup>R</sup>	Sep 2008
Anguilla	89.9	110.2	120.3	141.2	148.4
Antigua and Barbuda	3,565.4	2,706.7	2,797.9	2,974.6	2,948.1
Dominica	879.8	951.7	951.9	933.0	915.9
Grenada	1,528.6	1,637.6	1,712.3	1,770.8	1,817.4
Montserrat	13.2	12.7	12.0	11.2	9.9
St Kitts and Nevis	2,003.4	2,215.7	2,379.8	2,425.4	2,428.3
Saint Lucia	1,514.3	1,613.4	1,742.5	1,906.6	1,928.3
St Vincent and the Grenadines	955.8	992.2	1,040.5	1,027.6	1,128.4
<b>TOTAL ECCU</b>	<b>10,550.4</b>	<b>10,240.2</b>	<b>10,757.0</b>	<b>11,190.4</b>	<b>11,324.6</b>

Source: ECCB

\* Includes arrears of principal

Data available at November 2008

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

	2004 <sup>R</sup>	2005 <sup>R</sup>	2006 <sup>R</sup>	2007 <sup>R</sup>	Sep 2008
Anguilla	69.7	91.8	103.2	121.1	128.3
Antigua and Barbuda	3,288.2	2,465.1	2,581.0	2,735.6	2,678.4
Dominica	694.3	775.1	789.3	777.8	768.5
Grenada	1,234.0	1,382.3	1,458.4	1,539.1	1,573.1
Montserrat	4.6	4.2	4.2	3.8	2.8
St Kitts and Nevis	1,243.1	1,364.0	1,473.2	1,509.9	1,518.7
Saint Lucia	1,215.8	1,293.5	1,428.0	1,595.4	1,624.7
St Vincent and the Grenadines	836.1	849.8	890.7	840.6	892.5
<b>TOTAL ECCU</b>	<b>8,585.9</b>	<b>8,225.8</b>	<b>8,727.9</b>	<b>9,123.3</b>	<b>9,187.0</b>

Source: ECCB

Data available at November 2008

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

	2004	2005 <sup>R</sup>	2006 <sup>R</sup>	2007 <sup>R</sup>	Jan - Sep 2007	Jan - Sep 2008
Anguilla	8.6	5.2	26.9	11.0	7.7	18.7
Antigua and Barbuda	197.0	550.2	246.59	217.7	179.2	157.3
Dominica	54.3	37.9	54.91	55.1	44.2	47.1
Grenada	138.7	62.6	45.71	86.3	73.6	58.3
Montserrat	1.6	1.1	1.28	1.4	0.3	0.9
St Kitts and Nevis	132.1	158.2	209.16	210.4	154.7	156.4
Saint Lucia	158.5	130.1	129.69	136.2	96.1	130.4
St Vincent and the Grenadines	142.0	198.2	138.73	93.1	72.4	94.6
<b>TOTAL ECCU</b>	<b>832.8</b>	<b>1,143.3</b>	<b>853.0</b>	<b>811.1</b>	<b>628.2</b>	<b>663.6</b>

Source: ECCB

Data available at November 2008



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

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	Jan - Sep 2007	Jan - Sep 2008
Total Bid Amount	236.70	209.70	220.40	439.8	315.8	527.7	976.0
Funds Raised	185.70	194.50	154.00	126.0	298.0	410.7	578.0

Source: Eastern Caribbean Securities Exchange (ECSE)

Data available as at November 2008

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

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	Jan - Sep 2007	Jan - Sep 2008
91-day Treasury Bills	5.91	6.10	5.80	4.99	6.00	6.02	5.61
180-day Treasury Bills	5.65		6.00	**	5.20	5.65	5.46
365-day Treasury Bills	6.50	6.00	**	**	6.50	**	6.5
5-year Bond	**	7.00	**	**	**	**	6.8
7-year Bond	**	**	**	**	**	**	**
10-year Bond	7.50	7.56	7.50	**	7.5	7.5	7.5

Source: ECSE

Data available as at November 2008

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

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr
Volume Traded	8.9	0.4	5.8	5.8	8.8
Value Traded	11.8	0.7	6.7	5.9	9.1

Source: ECSE

Data available as at November 2008



**Table 10**  
**Liabilities of the Eastern Caribbean Central Bank**  
**(In thousands of Eastern Caribbean dollars)**

Period Ended	Demand Liabilities							General Reserve	Other Liabilities	Total Liabilities
	Currency in Circulation	Due to Banks			Foreign Liabilities	Other Demand Liabilities	Total			
		Bankers Reserves	Bankers Fixed Deposits	Other						
1989 Dec.	313,546	205,576	25,339	-	16,739	5,341	566,541	32,112	50,439	646,092
1990 Dec.	330,021	224,373	62,060	-	13,657	22,170	652,280	33,527	50,320	728,847
1991 Dec.	344,636	241,612	42,574	-	27,268	30,970	687,060	41,960	58,401	775,877
1992 Dec.	350,279	325,656	34,177	20,969	27,954	34,198	793,234	45,825	73,692	896,594
1993 Dec.	365,832	308,364	34,173	1,107	12,496	51,252	773,224	51,941	79,275	883,733
1994 Dec.	381,101	306,277	28,388	13,197	12,789	51,961	793,715	51,941	59,728	879,403
1995 Dec.	417,504	307,852	63,084	10,561	18,084	61,219	878,305	51,941	102,149	1,006,414
1996 Dec.	420,212	308,126	14,447	16,070	19,879	75,322	854,057	51,941	74,398	954,415
1997 Dec.	439,669	320,352	12,901	36,785	7,919	90,734	908,360	51,941	58,616	992,936
1998 Dec.	478,206	416,145	30,563	27,341	4,291	102,107	1,058,654	51,941	65,742	1,150,357
1999 Dec.	575,278	385,607	28,977	22,672	8,507	93,875	1,114,915	51,941	44,946	1,185,822
2000 Dec.	538,574	459,321	19,590	39,197	17,105	96,742	1,170,529	51,941	66,077	1,262,567
2001 Dec.	539,974	606,898	20,252	35,626	11,921	77,254	1,291,925	51,941	94,566	1,409,731
2002 Dec.	561,149	639,426	17,832	88,575	7,771	84,813	1,399,566	61,664	110,221	1,542,751
2003 Dec.	608,200	742,222	17,464	68,785	8,503	81,581	1,526,754	68,057	85,401	1,651,013
2004 Dec.	662,897	939,133	19,174	26,703	4,563	110,985	1,763,455	80,748	72,706	1,894,778
2005 Dec.	732,831	775,041	28,806	22,696	10,480	106,968	1,676,822	77,523	71,944	1,805,207
2006 Mar.	627,450	865,394	31,211	24,606	6,927	121,800	1,677,389	80,765	55,752	1,834,153
Jun.	627,090	932,306	29,071	36,957	6,683	120,035	1,752,141	83,550	56,851	1,912,788
Sep.	624,741	927,047	29,071	23,361	8,710	135,759	1,748,689	83,550	83,789	1,936,274
Dec.	783,319	936,007	11,465	24,049	7,171	134,041	1,896,053	83,550	91,512	2,091,362
2007 Jan.	689,958	1,089,244	11,465	23,855	7,022	134,276	1,955,821	83,550	91,782	2,151,400
Feb.	696,868	1,061,120	11,465	22,980	10,844	132,233	1,935,511	83,550	101,963	2,141,270
Mar.	708,614	983,962	11,465	24,573	8,495	159,824	1,896,933	90,761	71,631	2,080,814
Apr.	701,869	1,050,483	11,465	27,870	14,151	157,124	1,962,963	94,521	76,229	2,155,202
May	701,407	1,071,401	14,165	30,906	6,473	183,836	2,008,189	94,521	71,606	2,195,805
Jun.	692,102	1,060,590	12,067	26,897	8,459	160,849	1,960,964	94,521	68,800	2,145,773
Jul.	697,281	982,767	12,067	25,118	6,305	152,239	1,875,777	94,521	80,554	2,072,340
Aug.	706,304	1,032,357	12,067	25,693	7,972	180,363	1,964,755	94,521	92,801	2,173,566
Sep.	682,612	1,084,903	12,067	24,817	9,027	154,760	1,968,186	94,521	100,735	2,184,930
Oct.	698,041	1,001,866	12,067	23,949	5,984	186,794	1,928,701	94,521	107,266	2,151,976
Nov.	711,789	1,039,018	12,067	27,951	8,046	140,084	1,938,955	94,521	128,701	2,183,666
Dec.	842,090	1,033,051	12,067	24,223	8,351	133,867	2,053,648	94,521	131,510	2,301,168
2008 Jan.	739,601	1,106,656	12,067	23,459	6,264	151,780	2,039,826	94,521	156,647	2,312,482
Feb.	730,583	1,119,048	7,719	35,796	7,005	153,684	2,053,835	120,922	116,766	2,339,412
Mar.	740,066	1,189,562	6,188	25,028	13,062	184,098	2,158,004	116,171	70,711	2,393,502
Apr.	742,527	1,234,279	6,188	24,958	9,022	158,804	2,175,778	120,922	55,101	2,400,416
May	739,816	1,207,986	6,188	26,506	8,448	179,100	2,168,044	120,922	44,736	2,382,318
Jun.	742,625	1,200,990	6,188	26,910	6,613	159,937	2,143,263	120,922	46,616	2,359,417
Jul.	765,872	962,190	6,188	25,475	10,138	255,830	2,025,693	120,922	50,997	2,246,228
Aug.	751,611	1,058,202	6,188	27,281	8,962	177,132	2,029,375	120,922	58,318	2,257,231
Sep.	729,956	1,052,353	6,188	27,727	8,316	174,607	1,999,147	120,922	62,414	2,231,099

Source: Eastern Caribbean Central Bank  
 Data available at November 2008



**Table 11**  
**Assets of the Eastern Caribbean Central Bank**  
**(In thousands of Eastern Caribbean dollars)**

Period Ended	External Assets <sup>1/</sup>				Claims on Central Government				Other Assets	Total Assets
	Fixed Call Deposits	Securities	Foreign Balances	Other External Assets	Local Government Debentures	Local Treasury Bills	Loans and Advances	Other Claims		
1989 Dec.	191,193	259,602	34,251	-	33,037	29,407	86,215	-	12,388	646,092
1990 Dec.	212,876	289,667	41,703	-	34,047	48,780	87,099	-	14,675	728,847
1991 Dec.	180,848	355,118	54,147	-	34,047	50,259	88,124	-	13,333	775,877
1992 Dec.	162,344	534,208	50,088	-	32,426	11,020	84,244	-	22,264	896,594
1993 Dec.	166,815	498,788	53,869	-	37,708	15,154	69,828	-	41,572	883,733
1994 Dec.	171,387	477,940	48,812	-	33,402	10,004	73,050	-	64,808	879,403
1995 Dec.	268,990	521,573	46,209	-	36,549	7,055	60,270	1,662	64,106	1,006,414
1996 Dec.	201,196	522,770	54,686	-	41,549	13,007	53,092	1,485	66,630	954,415
1997 Dec.	288,501	465,679	69,523	-	41,549	10,055	41,969	1,771	73,891	992,936
1998 Dec.	389,649	522,460	53,534	-	40,696	10,055	37,048	1,525	95,390	1,150,357
1999 Dec.	256,812	679,380	48,193	-	40,696	11,405	37,371	3,836	108,128	1,185,822
2000 Dec.	347,835	657,418	30,681	-	43,196	10,224	36,160	5,896	131,157	1,262,567
2001 Dec.	406,985	764,562	32,555	-	40,196	7,054	34,233	8,687	115,459	1,409,731
2002 Dec.	354,165	948,848	35,475	24,429	37,296	3,923	29,702	1,015	107,898	1,542,751
2003 Dec.	320,741	1,084,908	50,185	1,819	36,148	3,923	46,065	2,454	104,771	1,651,013
2004 Dec.	574,727	1,058,481	74,295	-	35,448	1,952	20,613	533	128,728	1,894,778
2005 Dec.	400,729	1,191,028	30,440	-	35,448	1,702	20,344	4	125,512	1,805,207
2006 Mar.	551,850	1,014,792	34,574	-	36,041	1,702	28,620	-	166,573	1,834,153
Jun.	628,630	1,031,698	35,814	-	36,041	1,702	13,763	63	165,076	1,912,788
Sep.	631,538	1,069,826	18,143	-	22,757	1,702	30,285	0	162,023	1,936,274
Dec.	795,726	1,032,821	50,555	-	22,757	1,702	24,737	-	163,065	2,091,362
2007 Jan.	818,209	1,078,397	47,369	-	22,757	1,702	20,456	34	162,474	2,151,400
Feb.	815,140	1,040,685	95,336	-	18,757	1,702	12,219	141	157,290	2,141,270
Mar.	866,087	986,629	30,425	-	18,757	1,702	14,966	32	162,216	2,080,814
Apr.	908,649	1,020,245	36,580	-	18,757	1,702	7,533	0	161,735	2,155,202
May	895,217	1,015,325	96,431	-	18,757	1,702	7,005	0	161,367	2,195,805
Jun.	896,258	1,034,038	20,497	-	18,257	1,702	14,374	89	160,557	2,145,773
Jul.	799,213	1,027,985	56,937	-	18,257	4,556	6,183	0	159,209	2,072,340
Aug.	871,799	1,043,589	66,845	-	18,257	4,556	9,764	-	158,756	2,173,566
Sep.	878,112	1,063,071	57,127	-	18,257	4,556	7,780	59	155,968	2,184,930
Oct.	829,213	1,065,582	59,766	-	18,257	4,556	18,373	0	156,229	2,151,976
Nov.	835,476	1,109,561	30,565	-	18,257	4,556	5,103	0	180,149	2,183,666
Dec.	852,389	1,135,937	75,867	-	17,431	4,556	20,534	31	194,423	2,301,168
2008 Jan.	899,799	1,066,492	140,085	-	17,431	4,487	5,372	-	178,816	2,312,482
Feb.	1,046,647	1,069,264	28,663	-	17,431	4,487	5,481	-	167,439	2,339,412
Mar.	1,022,944	1,068,905	99,749	-	17,431	5,865	2,691	-	175,918	2,393,502
Apr.	1,007,868	1,082,148	102,947	-	17,431	5,865	7,500	-	176,658	2,400,416
May.	1,070,312	1,059,412	36,856	-	17,431	5,865	16,456	-	175,986	2,382,318
Jun.	1,056,160	1,025,000	73,748	-	17,431	4,487	7,329	-	175,261	2,359,417
Jul.	979,983	993,843	70,424	-	16,571	8,252	3,687	-	173,468	2,246,228
Aug.	1,035,573	982,905	26,448	-	16,571	11,007	8,348	-	176,379	2,257,231
Sep.	971,144	995,827	61,616	-	16,571	11,007	1,307	0	173,626	2,231,099

Source: Eastern Caribbean Central Bank

<sup>1/</sup> Includes Funds Under Management: Government of Grenada Bond Proceeds from July 2002

Data available at November 2008



**Table 12**  
**Eastern Caribbean Central Bank**  
**Net Issue of Notes in each Territory**  
**(In thousands of Eastern Caribbean dollars)**

Period Ended	Anguilla	Antigua and Barbuda	Dominica	Grenada	Montserrat	St Kitts and Nevis	Saint Lucia	St Vincent and the Grenadines	Total
1989 Dec.	7,391	54,075	30,796	48,561	12,122	26,041	83,820	31,715	294,521
1990 Dec.	5,340	57,373	31,357	51,727	11,160	29,808	86,357	34,198	307,319
1991 Dec.	5,438	65,815	33,362	53,415	10,252	28,931	88,895	33,657	319,764
1992 Dec.	6,991	61,646	32,765	52,813	8,285	30,045	86,983	44,085	323,613
1993 Dec.	6,988	68,205	36,855	59,893	8,153	33,351	86,239	38,019	337,702
1994 Dec.	6,698	72,852	32,364	64,148	8,698	35,656	87,989	42,150	350,553
1995 Dec.	9,287	88,849	38,803	66,748	8,940	37,844	95,296	38,795	384,563
1996 Dec.	9,345	79,005	39,844	70,057	10,217	40,878	93,951	42,010	385,308
1997 Dec.	9,570	76,867	39,538	76,508	18,280	40,727	91,671	49,332	402,494
1998 Dec.	11,034	89,505	37,756	80,182	14,454	42,553	111,608	51,395	438,487
1999 Dec.	12,547	108,183	52,025	94,643	16,168	54,631	113,808	80,195	532,199
2000 Dec.	10,176	101,527	45,405	96,393	11,321	52,153	110,519	65,247	492,742
2001 Dec.	11,124	99,009	44,662	97,674	13,137	49,176	107,317	70,325	492,423
2002 Dec.	10,790	107,880	48,656	98,645	12,445	47,073	112,417	73,691	511,598
2003 Dec.	11,788	123,160	47,223	109,692	14,368	50,916	119,509	78,666	555,321
2004 Dec.	12,828	141,678	48,963	125,089	14,371	54,407	126,885	82,220	606,442
2005 Dec.	12,795	155,859	53,110	131,599	15,098	58,965	146,964	97,115	671,505
2006 Mar.	10,473	137,493	47,381	110,853	13,020	52,373	115,772	78,165	565,530
Jun.	12,675	139,123	46,331	109,674	13,107	56,072	113,825	72,880	563,687
Sep.	14,693	134,181	47,570	104,594	14,348	55,523	113,861	75,342	560,113
Dec.	16,452	168,666	57,996	130,112	15,679	70,904	163,395	94,047	717,252
2007 Jan.	15,082	155,538	51,097	111,874	14,580	60,909	129,142	85,528	623,750
Feb.	15,638	153,034	54,057	109,971	16,341	60,872	132,930	87,378	630,220
Mar.	16,585	164,852	52,352	110,854	15,873	61,063	133,407	86,248	641,234
Apr.	16,018	156,745	53,383	114,308	16,896	60,501	133,205	83,278	634,335
May	16,697	153,777	50,836	116,282	15,273	62,024	134,804	83,656	633,348
Jun.	15,954	156,263	49,944	108,783	15,281	58,853	130,273	88,309	623,660
Jul.	15,483	160,100	50,290	107,907	14,302	60,854	133,822	85,820	628,577
Aug.	16,104	156,858	49,462	113,108	15,420	59,739	140,424	86,089	637,206
Sep.	14,911	147,378	52,942	108,602	14,271	57,904	135,686	81,690	613,384
Oct.	14,998	153,257	54,664	114,830	13,941	60,099	137,401	79,389	628,579
Nov.	15,172	159,399	50,359	116,677	14,365	60,612	137,950	87,550	642,083
Dec.	16,709	177,595	63,213	138,252	16,395	75,823	170,601	113,268	771,856
2008 Jan.	14,760	163,367	55,010	117,432	15,179	63,061	144,555	95,548	668,911
Feb.	13,929	160,282	53,369	115,108	16,955	61,580	139,458	98,900	659,581
Mar.	13,202	162,803	53,502	115,203	16,092	63,382	159,013	85,523	668,720
Apr.	14,064	168,000	52,076	126,163	16,217	59,506	141,840	93,025	670,891
May.	14,769	160,264	55,934	118,783	15,654	60,189	146,906	95,309	667,809
Jun.	15,777	163,150	54,081	123,739	15,855	62,750	141,987	92,960	670,299
Jul	18,683	171,363	53,227	120,010	15,860	66,257	153,142	94,511	693,054
Aug	18,735	166,165	53,675	125,304	16,626	64,439	146,817	86,443	678,204
Sep	17,909	157,829	50,870	118,117	15,595	65,433	142,269	88,253	656,274

Source: Eastern Caribbean Central Bank

Data available at November 2008



**Table 13**  
**Eastern Caribbean Central Bank**  
**Net Issue of Coins in each Territory**  
**(In thousands of Eastern Caribbean dollars)**

Period Ended	Anguilla	Antigua and Barbuda	Dominica	Grenada	Montserrat	St Kitts and Nevis	Saint Lucia	St Vincent and the Grenadines	Sub-Total	Former BCCB/ECCA Members	Proof Sets	Net Total
1989 Dec.	108	3,920	1,376	2,175	567	2,056	4,132	2,105	16,439	2,588	114	19,141
1990 Dec.	139	4,627	1,827	2,872	831	2,339	4,786	2,694	20,116	2,585	115	22,816
1991 Dec.	188	5,126	1,927	3,262	892	2,524	5,511	2,858	22,287	2,585	115	24,987
1992 Dec.	322	5,612	1,933	3,439	894	2,727	6,035	3,112	24,072	2,585	117	26,775
1993 Dec.	380	6,010	1,959	3,619	854	2,940	6,603	3,172	25,538	2,585	117	28,240
1994 Dec.	448	6,695	2,064	3,970	870	3,221	7,398	3,289	27,956	2,585	117	30,658
1995 Dec.	527	7,339	2,211	4,269	945	3,466	7,996	3,616	30,369	2,593	117	33,079
1996 Dec.	616	7,814	2,340	4,636	852	3,742	8,520	3,831	32,353	2,593	117	35,063
1997 Dec.	665	8,316	2,564	5,144	890	4,088	8,954	4,009	34,629	2,593	117	37,340
1998 Dec.	775	8,938	2,744	5,596	849	4,236	9,693	4,347	37,180	2,573	117	39,869
1999 Dec.	917	9,590	2,944	6,209	885	4,597	10,605	4,799	40,547	2,551	117	43,215
2000 Dec.	1,019	10,172	3,060	6,786	913	4,914	11,364	5,063	43,290	2,546	117	45,953
2001 Dec.	1,062	10,569	3,144	7,155	916	5,243	11,775	5,213	45,076	2,540	117	47,733
2002 Dec.	1,122	11,103	3,365	7,648	927	5,468	11,975	5,444	47,052	2,532	117	49,701
2003 Dec.	1,225	11,934	3,675	8,096	923	5,719	12,812	6,016	50,400	2,532	117	53,050
2004 Dec.	1,372	12,784	3,853	8,824	945	6,198	13,585	6,426	53,988	2,525	117	56,631
2005 Dec.	1,614	13,974	4,147	9,720	970	6,814	14,755	6,866	58,859	2,525	117	61,502
2006 Mar.	1,682	14,191	4,219	9,825	970	6,941	14,787	6,840	59,455	2,466	117	62,038
Jun.	1,781	14,619	4,247	10,014	978	7,054	15,207	7,037	60,937	2,471	117	63,525
Sep.	1,850	14,887	4,361	10,317	983	7,183	15,444	7,136	62,162	2,498	117	64,777
Dec.	1,953	15,172	4,426	10,480	989	7,355	15,873	7,353	63,601	2,498	117	66,216
2007 Jan.	1,953	15,270	4,451	10,509	989	7,306	15,882	7,383	63,742	2,498	117	66,357
Feb.	2,016	15,398	4,512	10,564	1,001	7,302	15,932	7,457	64,182	2,498	117	66,797
Mar.	2,035	15,661	4,539	10,630	1,001	7,490	16,056	7,502	64,914	2,498	117	67,529
Apr.	2,035	15,763	4,484	10,649	1,002	7,436	16,122	7,578	65,068	2,498	117	67,684
May	2,099	15,936	4,505	10,685	1,002	7,451	16,238	7,676	65,593	2,498	117	68,208
Jun.	2,120	16,014	4,496	10,694	1,013	7,540	16,310	7,789	65,976	2,498	117	68,591
Jul.	2,125	16,144	4,537	10,699	1,013	7,513	16,344	7,863	66,238	2,498	117	68,853
Aug.	2,187	16,270	4,557	10,707	1,013	7,593	16,385	7,921	66,633	2,498	117	69,248
Sep.	2,187	16,296	4,593	10,735	1,013	7,578	16,409	7,951	66,763	2,498	117	69,378
Oct.	2,208	16,362	4,608	10,756	1,013	7,598	16,437	8,013	66,996	2,498	117	69,611
Nov.	2,208	16,433	4,651	10,800	1,020	7,633	16,456	8,040	67,240	2,478	117	69,835
Dec.	2,237	16,591	4,695	10,853	1,034	7,745	16,530	8,082	67,768	2,478	117	70,363
2008 Jan.	2,237	16,701	4,726	10,906	1,034	7,796	16,631	8,194	68,224	2,478	117	70,819
Feb.	2,259	16,794	4,758	10,946	1,038	7,788	16,710	8,245	68,536	2,478	117	71,131
Mar.	2,297	16,894	4,748	11,008	1,038	7,855	16,769	8,271	68,880	2,466	117	71,463
Apr.	2,327	16,949	4,762	11,104	1,038	7,890	16,940	8,161	69,170	2,466	117	71,753
May	2,338	17,069	4,813	11,138	1,038	7,977	16,985	8,183	69,542	2,466	117	72,125
Jun.	2,349	17,159	4,901	11,198	1,038	7,940	17,064	8,212	69,860	2,466	117	72,443
Jul.	2,360	17,266	4,908	11,298	1,038	8,069	17,186	8,226	70,351	2,466	117	72,934
Aug.	2,390	17,377	4,952	11,396	1,038	8,140	17,352	8,296	70,942	2,466	117	73,525
Sep.	2,401	17,496	4,980	11,464	1,038	8,179	17,416	8,242	71,216	2,466	117	73,799

Source: Eastern Caribbean Central Bank  
 Data available at November 2008





**Table 14**  
**Eastern Caribbean Currency Union**  
**Commercial Banks' Liabilities**  
(In thousands of Eastern Caribbean dollars)

Period Ended	Deposits					Balances Due to			Foreign Liabilities	Other Liabilities	Total Liabilities
	Demand	Time	Savings	Foreign Currency	Total Deposits	ECCB	Other Local Banks	Other ECCB Area Banks			
1989 Dec.	517,511	1,034,168	1,133,595	181,679	2,866,953	9,212	29,447	67,061	118,885	459,421	3,550,979
1990 Dec.	541,383	1,229,472	1,209,788	204,214	3,184,857	3,509	29,403	48,100	147,847	512,321	3,926,037
1991 Dec.	477,383	1,413,736	1,308,981	257,801	3,457,901	4,647	15,408	54,401	139,032	527,479	4,198,868
1992 Dec.	615,289	1,441,961	1,492,213	268,296	3,817,759	1,425	17,142	103,062	222,093	539,334	4,700,815
1993 Dec.	658,841	1,484,685	1,727,798	322,671	4,193,995	22,881	22,637	138,423	217,605	588,241	5,183,782
1994 Dec.	713,348	1,520,847	1,960,821	368,712	4,563,728	15,129	42,610	137,733	259,602	571,851	5,590,653
1995 Dec.	837,357	1,707,660	2,170,099	468,891	5,184,007	6,925	38,992	136,449	234,749	630,974	6,232,096
1996 Dec.	836,811	1,861,007	2,293,815	504,741	5,496,374	11,868	21,857	204,682	354,281	665,320	6,754,382
1997 Dec.	929,221	2,026,049	2,446,297	630,815	6,032,382	10,826	29,064	273,809	398,261	726,307	7,470,649
1998 Dec.	1,072,583	2,325,523	2,726,487	732,452	6,857,045	33,273	65,467	269,738	361,622	861,331	8,448,476
1999 Dec.	1,139,743	2,659,850	2,827,501	1,074,748	7,701,842	22,960	54,808	324,615	454,185	967,219	9,525,629
2000 Dec.	1,136,246	2,996,261	2,949,685	1,315,030	8,397,222	48,382	47,458	427,559	481,779	1,084,129	10,486,529
2001 Dec.	1,254,204	3,264,232	3,129,019	1,352,390	8,999,845	43,754	69,002	335,708	538,375	1,273,800	11,260,484
2002 Dec.	1,376,894	3,391,905	3,434,458	1,530,443	9,733,700	16,915	103,828	448,337	588,434	1,365,156	12,256,370
2003 Dec.	1,581,344	3,531,934	3,799,435	1,616,180	10,528,893	28,322	68,704	447,793	537,517	1,615,179	13,226,408
2004 Dec.	2,110,878	3,451,160	4,407,015	1,809,902	11,778,955	10,838	29,937	788,448	724,392	1,834,432	15,167,002
2005 Dec.	2,256,712	3,535,176	4,785,500	2,013,499	12,590,887	11,169	40,756	1,453,522	961,562	2,230,468	17,288,364
2006 Mar.	2,374,923	3,575,583	4,935,718	2,217,212	13,103,436	9,519	36,458	1,574,777	940,365	2,234,136	17,898,691
Jun.	2,424,268	3,681,041	5,076,030	2,266,756	13,448,095	16,420	28,872	1,626,380	939,252	2,245,051	18,304,070
Sep.	2,355,516	3,681,420	5,229,098	2,290,136	13,556,170	15,741	18,224	1,577,184	1,089,549	2,335,295	18,592,163
Dec.	2,410,191	3,762,594	5,317,937	2,516,502	14,007,224	9,986	12,395	1,666,225	1,267,928	2,553,336	19,517,094
2007 Jan.	2,537,353	3,832,176	5,365,730	2,616,758	14,352,017	17,704	35,432	1,260,935	1,174,043	2,621,336	19,461,467
Feb.	2,619,477	3,871,840	5,389,169	2,580,297	14,460,783	8,134	39,464	1,301,840	1,180,740	2,670,882	19,661,843
Mar.	2,669,987	3,935,341	5,428,625	2,632,413	14,666,366	6,635	24,188	1,332,943	1,257,075	2,654,860	19,942,067
Apr.	2,724,218	4,029,929	5,450,114	2,664,135	14,868,396	8,584	27,290	1,512,710	1,110,585	2,636,474	20,164,039
May	2,738,787	4,100,206	5,506,362	2,685,252	15,030,607	8,380	21,355	1,502,526	1,332,763	2,599,840	20,495,471
Jun.	2,690,812	4,118,075	5,501,132	2,728,347	15,038,366	8,500	18,527	1,543,320	1,326,578	2,876,936	20,812,227
Jul.	2,728,424	4,149,046	5,543,239	2,706,964	15,127,673	8,733	22,318	1,414,450	1,501,460	3,068,756	21,143,390
Aug.	2,774,651	4,064,736	5,540,727	2,699,180	15,079,294	9,320	19,481	1,595,702	1,671,110	3,184,601	21,559,508
Sep.	2,741,145	4,153,731	5,608,543	2,724,720	15,228,139	14,640	12,399	1,780,511	1,758,708	3,034,840	21,829,237
Oct.	2,741,687	4,188,685	5,652,422	2,683,557	15,266,351	12,446	13,547	1,755,988	1,887,170	3,039,734	21,975,236
Nov.	2,781,324	4,203,256	5,668,171	2,685,403	15,338,154	38,152	13,609	1,969,911	2,001,825	3,121,770	22,483,421
Dec.	2,842,633	4,191,028	5,712,500	2,731,705	15,477,866	48,158	15,582	2,128,978	2,006,659	3,335,134	23,012,377
2008 Jan.	2,937,108	4,278,651	5,766,014	2,690,459	15,672,232	34,449	18,096	1,865,474	2,080,301	3,116,227	22,786,779
Feb.	2,985,168	4,361,512	5,851,926	2,630,588	15,829,194	18,330	23,360	1,937,251	2,274,725	3,146,428	23,229,288
Mar.	2,970,614	4,397,406	5,881,163	2,726,065	15,975,248	18,677	23,741	2,049,246	2,001,070	3,164,431	23,232,413
Apr.	3,016,802	4,471,711	5,944,527	2,830,018	16,263,058	18,159	28,232	2,003,028	2,080,822	3,333,596	23,726,895
May.	2,999,898	4,462,008	5,968,331	2,778,379	16,208,616	20,601	29,436	1,984,414	2,016,596	3,451,662	23,711,325
Jun.	2,942,553	4,457,923	6,024,249	2,763,896	16,188,621	19,972	31,767	1,955,298	2,030,687	3,487,381	23,713,726
Jul.	2,842,262	4,422,514	6,038,284	2,782,840	16,085,900	27,586	36,431	1,992,801	2,310,991	3,356,836	23,810,545
Aug.	2,897,844	4,480,672	6,078,582	2,773,121	16,230,219	18,326	32,712	2,198,667	2,316,096	3,334,217	24,130,237
Sep.	2,814,110	4,515,511	6,058,107	2,730,802	16,118,530	18,405	29,550	2,025,357	2,319,667	3,471,980	23,983,489

Source: Eastern Caribbean Central Bank  
Data available at November 2008



**Table 15**  
**Eastern Caribbean Currency Union**  
**Commercial Banks' Assets**  
(In thousands of Eastern Caribbean dollars)

Period Ended	Claims On				Loans and Advances	Investments		Foreign Assets	Other Assets	Total Assets
	Central Bank		Other Local Banks	Other ECCB Area Banks		Treasury Bills	Securities			
	Cash	Deposits <sup>1/</sup>								
1989 Dec.	64,769	233,688	49,319	52,824	2,314,801	40,882	58,673	504,916	231,107	3,550,979
1990 Dec.	82,221	274,478	52,747	54,467	2,629,932	33,586	62,356	472,194	264,056	3,926,037
1991 Dec.	88,198	285,741	54,991	61,517	2,877,521	34,798	57,448	520,894	217,760	4,198,868
1992 Dec.	75,000	375,802	44,087	97,799	3,180,644	81,762	75,105	553,825	216,791	4,700,815
1993 Dec.	93,098	352,074	45,772	106,283	3,544,569	94,380	76,853	588,803	281,950	5,183,782
1994 Dec.	95,556	334,734	47,149	167,795	3,766,254	97,476	80,094	631,488	370,107	5,590,653
1995 Dec.	105,925	363,339	36,811	151,869	4,232,406	100,852	78,321	724,952	437,621	6,232,096
1996 Dec.	121,851	329,480	24,207	210,991	4,760,786	114,565	79,321	700,801	412,380	6,754,382
1997 Dec.	124,360	376,564	41,088	284,504	5,343,260	125,598	81,721	715,947	377,607	7,470,649
1998 Dec.	131,183	484,983	72,001	255,744	5,898,557	119,603	80,986	914,795	490,624	8,448,476
1999 Dec.	183,813	447,743	71,337	341,251	6,452,778	139,517	136,962	1,183,025	569,203	9,525,629
2000 Dec.	149,101	513,979	46,275	456,613	7,094,459	207,631	207,935	1,140,134	670,402	10,486,529
2001 Dec.	164,057	681,876	77,586	367,919	7,297,589	308,733	184,217	1,480,303	698,204	11,260,484
2002 Dec.	165,426	753,976	92,451	489,697	7,570,138	334,632	252,867	1,824,625	772,558	12,256,370
2003 Dec.	178,586	798,603	69,184	606,996	7,600,182	379,680	300,691	2,319,443	973,043	13,226,408
2004 Dec.	176,755	981,971	31,129	851,171	8,206,068	393,100	410,116	2,849,034	1,267,658	15,167,002
2005 Dec.	211,429	818,968	69,324	1,439,736	9,297,763	365,634	470,829	3,244,298	1,370,383	17,288,364
2006 Mar.	125,176	912,362	82,874	1,578,992	9,574,434	359,789	482,256	3,548,876	1,233,932	17,898,691
Jun.	123,176	964,496	25,886	1,594,308	9,901,453	367,011	482,589	3,515,002	1,330,149	18,304,070
Sep.	119,505	959,960	31,856	1,541,291	10,388,368	364,090	526,762	3,352,785	1,307,546	18,592,163
Dec.	197,314	981,373	11,942	1,649,335	11,013,448	346,246	496,249	3,440,713	1,380,474	19,517,094
2007 Jan.	169,762	1,099,680	27,382	1,295,658	11,159,657	353,916	494,731	3,521,332	1,339,349	19,461,467
Feb.	176,235	1,116,369	32,522	1,278,528	11,320,345	327,542	477,567	3,577,713	1,355,022	19,661,843
Mar.	150,511	1,029,224	20,914	1,367,430	11,569,772	321,423	479,626	3,525,106	1,478,061	19,942,067
Apr.	138,982	1,056,124	23,591	1,557,659	11,690,381	318,441	476,877	3,491,853	1,410,131	20,164,039
May	179,396	1,070,847	16,586	1,530,347	11,878,776	308,156	481,548	3,611,529	1,418,286	20,495,471
Jun.	135,549	1,115,832	21,152	1,565,401	11,984,468	309,945	481,506	3,657,570	1,540,804	20,812,227
Jul.	159,416	1,121,297	19,362	1,469,964	12,148,810	297,264	479,603	3,841,749	1,605,925	21,143,390
Aug.	151,745	1,131,939	18,440	1,587,267	12,311,404	300,157	475,079	3,772,987	1,810,490	21,559,508
Sep.	136,968	1,153,863	22,813	1,727,096	12,516,145	301,403	479,381	3,745,110	1,746,458	21,829,237
Oct.	172,591	1,106,865	10,396	1,728,993	12,706,484	294,149	479,627	3,939,383	1,536,748	21,975,236
Nov.	144,444	1,127,192	10,639	1,956,336	12,901,611	292,855	468,530	3,878,907	1,702,907	22,483,421
Dec.	247,380	1,059,380	17,784	2,076,982	13,153,852	286,392	481,191	3,868,982	1,820,434	23,012,377
2008 Jan.	199,585	1,133,352	18,009	1,842,297	13,206,900	299,884	487,618	3,811,726	1,787,408	22,786,779
Feb.	145,717	1,183,077	23,052	1,958,217	13,287,979	309,467	486,811	4,057,111	1,777,857	23,229,288
Mar.	166,662	1,247,970	22,596	1,985,178	13,158,585	300,527	571,046	4,001,211	1,778,638	23,232,413
Apr.	177,180	1,320,349	16,231	1,949,968	13,271,924	295,834	596,691	4,307,858	1,790,860	23,726,895
May.	147,739	1,255,301	27,177	1,891,872	13,453,277	271,797	610,962	4,280,026	1,773,174	23,711,325
Jun.	159,598	1,250,056	33,385	1,915,068	13,610,285	277,712	648,823	4,089,617	1,729,182	23,713,726
Jul.	184,340	1,064,274	34,220	1,937,409	13,729,757	305,236	575,276	4,251,179	1,728,854	23,810,545
Aug.	155,460	1,163,179	34,254	2,017,446	13,871,846	296,630	562,610	4,088,297	1,940,515	24,130,237
Sep.	181,676	1,085,865	36,238	1,991,140	13,993,581	322,683	541,901	4,042,147	1,788,258	23,983,489

Source: Eastern Caribbean Central Bank

<sup>1/</sup> Includes Statutory Reserve Requirements

Data as at November 2008



**Table 16**  
**Eastern Caribbean Currency Union**  
**Money Supply**  
(In thousands of Eastern Caribbean dollars)

Period Ended	ECCB Notes in Circulation	ECCB <sup>1/</sup> Coins in Circulation	Cash at Commercial Banks	Notes and Coins Held by the Public	Demand Deposits	Money Supply (M1)	Quasi <sup>2/</sup> Money	Money Supply (M2)
1989 Dec.	294,521	19,025	64,769	248,777	321,104	569,881	1,657,368	2,227,249
1990 Dec.	307,319	22,701	82,221	247,800	343,222	591,022	1,861,124	2,452,146
1991 Dec.	319,764	24,872	88,198	256,438	335,171	591,609	2,073,827	2,665,436
1992 Dec.	323,613	26,665	75,000	275,279	444,646	719,925	2,150,802	2,870,727
1993 Dec.	337,702	28,131	93,098	272,734	475,244	747,978	2,400,061	3,148,039
1994 Dec.	350,553	30,549	95,556	285,545	507,658	793,203	2,602,057	3,395,260
1995 Dec.	384,563	32,941	105,925	311,579	601,276	912,855	2,961,530	3,874,385
1996 Dec.	385,308	34,904	121,851	298,361	584,536	882,897	3,065,536	3,948,433
1997 Dec.	402,494	37,175	124,360	315,309	648,632	963,941	3,361,407	4,325,348
1998 Dec.	438,487	39,720	131,183	347,023	744,032	1,091,055	3,790,630	4,881,685
1999 Dec.	532,199	43,079	183,813	391,465	802,023	1,193,488	4,205,830	5,399,318
2000 Dec.	492,742	45,832	149,101	389,473	824,763	1,214,236	4,756,951	5,971,187
2001 Dec.	492,423	47,551	164,057	375,917	872,572	1,248,489	5,073,632	6,322,121
2002 Dec.	511,598	49,550	165,426	395,723	925,940	1,321,663	5,415,314	6,736,977
2003 Dec.	555,321	52,879	178,586	429,614	1,078,516	1,508,130	5,871,564	7,379,694
2004 Dec.	606,442	56,454	176,755	486,142	1,409,877	1,896,019	6,471,589	8,367,608
2005 Dec.	671,505	61,325	211,429	521,402	1,565,289	2,086,691	6,968,949	9,055,640
2006 Mar.	565,530	61,921	125,176	502,274	1,664,837	2,167,111	7,296,682	9,463,793
Jun.	563,687	63,403	123,176	503,914	1,681,847	2,185,761	7,456,751	9,642,512
Sep.	560,113	64,628	119,505	505,236	1,592,399	2,097,635	7,520,266	9,617,901
Dec.	717,252	66,067	197,314	586,005	1,672,897	2,258,902	7,846,237	10,105,139
2007 Jan.	623,750	66,208	169,762	520,196	1,747,087	2,267,283	7,841,924	10,109,207
Feb.	630,220	66,648	176,235	520,633	1,791,009	2,311,642	7,969,054	10,280,696
Mar.	641,234	67,380	150,511	558,103	1,818,420	2,376,523	8,094,363	10,470,886
Apr.	634,335	67,534	138,982	562,887	1,849,300	2,412,187	8,155,119	10,567,306
May	633,348	68,059	179,396	522,011	1,852,364	2,374,375	8,267,980	10,642,355
Jun.	623,660	68,442	135,549	556,553	1,825,706	2,382,259	8,326,807	10,709,066
Jul.	628,577	68,704	159,416	537,865	1,827,776	2,365,641	8,362,951	10,728,592
Aug.	637,206	69,098	151,745	554,559	1,852,577	2,407,136	8,316,879	10,724,015
Sep.	613,384	69,228	136,968	545,644	1,833,815	2,379,459	8,452,210	10,831,669
Oct.	628,579	69,461	172,591	525,450	1,826,204	2,351,654	8,448,747	10,800,401
Nov.	642,083	69,706	144,444	567,345	1,825,870	2,393,215	8,534,191	10,927,406
Dec.	771,856	70,234	247,380	594,710	1,899,110	2,493,820	8,594,285	11,088,105
2008 Jan.	668,911	70,690	199,585	540,016	1,912,604	2,452,620	8,666,397	11,119,017
Feb.	659,581	71,002	145,717	584,866	1,984,850	2,569,716	8,693,216	11,262,932
Mar.	668,720	71,346	166,662	573,404	1,971,042	2,544,446	8,811,859	11,356,305
Apr.	670,891	71,636	177,180	565,347	1,985,784	2,551,131	9,013,758	11,564,889
May	667,809	72,008	147,739	592,077	2,024,249	2,616,326	8,939,361	11,555,687
Jun.	670,299	72,326	159,598	583,027	1,998,792	2,581,819	8,871,040	11,452,859
Jul.	693,054	72,817	184,340	581,532	1,917,187	2,498,719	8,913,775	11,412,494
Aug.	678,204	73,407	155,460	596,151	1,920,043	2,516,194	9,015,920	11,532,114
Sep.	656,274	73,682	181,676	548,280	1,870,972	2,419,252	8,997,784	11,417,036

Source: Eastern Caribbean Central Bank

<sup>1/</sup> Includes coins of the former British Caribbean Currency Board (BCCB) and the Eastern Caribbean Currency Authority (ECCA)

<sup>2/</sup> Includes Time, Savings, and Foreign Currency Deposits of the Private Sector

Data available at November 2008



**Table 17**  
**Eastern Caribbean Currency Union**  
**Sectoral Distribution of Loans and Advances**  
**(In thousands of Eastern Caribbean dollars)**

	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06
Agriculture	308,608	310,639	324,887	340,256	347,859	333,797	336,924	335,207	334,931
Fisheries	14,383	13,808	11,996	12,266	12,905	11,386	11,584	12,571	13,251
Manufacturing	231,202	225,219	225,387	219,535	218,315	222,418	232,683	240,931	244,163
Food & Non-Alcoholic Bev	43,754	39,537	40,499	42,865	42,205	42,310	42,526	45,869	46,037
Clothing & Accessories	17,495	15,711	14,111	14,595	15,173	16,764	16,628	15,315	14,938
Other Industries <sup>1/</sup>	169,953	169,971	170,777	162,075	160,937	163,344	173,529	179,747	183,188
Distributive Trades	784,936	806,501	797,393	810,764	845,528	863,663	864,059	871,195	862,940
Tourism	584,344	599,639	633,753	587,506	601,479	677,136	744,463	770,265	820,538
Entertainment	81,217	83,061	81,528	79,671	77,177	81,067	80,213	80,287	91,508
Transport	153,582	147,049	138,924	157,522	166,151	172,335	180,955	193,824	206,647
Public Utilities	199,767	209,558	204,956	203,398	196,261	143,963	195,035	265,297	273,509
Construction & Land Dev.	450,785	465,960	461,324	470,897	495,351	498,307	512,904	507,625	536,967
Gov't & Statutory Bodies	573,281	665,857	753,712	786,817	751,062	909,043	931,636	926,713	997,570
Professional Services	539,746	526,599	550,712	565,185	576,577	635,495	650,753	725,183	799,253
Financial Institutions	138,036	122,264	125,102	114,935	146,751	151,292	144,262	145,068	135,999
Personal	3,769,985	3,895,889	3,896,394	3,998,809	4,116,079	4,253,043	4,412,292	4,500,268	4,584,177
Acquisition of Property <sup>2/</sup>	2,137,222	2,175,353	2,209,624	2,235,275	2,333,066	2,389,833	2,523,855	2,602,237	2,671,450
Durable Consumer Goods	283,180	287,438	293,752	306,893	328,016	345,027	371,578	402,756	420,926
Other Personal Loans	1,349,583	1,433,098	1,393,018	1,456,641	1,454,997	1,518,183	1,516,859	1,495,275	1,491,801
<b>TOTAL</b>	<b>7,829,872</b>	<b>8,072,043</b>	<b>8,206,068</b>	<b>8,347,561</b>	<b>8,551,495</b>	<b>8,952,945</b>	<b>9,297,763</b>	<b>9,574,434</b>	<b>9,901,453</b>
% of Long Term Loans to Total Loans	63.38	64.52	64.79	64.89	64.50	62.80	62.76	62.89	62.55
	Sep-06	Dec-06	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08	Jun-08	Sep-08
Agriculture	333,473	330,456	344,662	346,275	348,499	352,036	359,364	438,056	431,214
Fisheries	12,770	11,660	13,572	13,013	11,082	11,377	11,716	12,768	12,435
Manufacturing	248,268	267,249	267,180	266,326	258,579	253,025	258,586	284,505	296,618
Food & Non-Alcoholic Bev	47,705	52,734	54,154	55,292	55,612	53,505	52,880	64,456	71,431
Clothing & Accessories	12,623	13,590	14,394	15,402	11,223	10,655	10,677	11,783	12,287
Other Industries <sup>1/</sup>	187,940	200,925	198,632	195,632	191,744	188,865	195,029	208,266	212,900
Distributive Trades	870,190	870,117	871,862	868,717	893,219	900,145	913,135	967,992	1,016,350
Tourism	941,729	1,060,845	1,138,241	1,187,103	1,286,609	1,477,014	1,464,730	1,544,314	1,546,744
Entertainment	98,134	100,837	103,024	107,525	109,974	117,470	117,682	121,134	127,353
Transport	214,629	227,557	263,119	266,010	312,641	321,445	345,588	362,197	343,992
Public Utilities	292,184	354,024	448,154	471,406	422,500	465,885	472,279	479,130	472,121
Construction	599,267	659,035	690,663	771,710	843,082	886,547	953,205	960,572	1,040,213
Government Services	1,050,114	1,105,220	1,199,780	1,252,444	1,329,223	1,403,767	1,224,073	1,225,046	1,298,193
Professional Services	838,487	907,297	974,547	1,077,527	1,112,479	1,175,430	1,182,155	1,190,503	1,185,830
Financial Institutions	128,531	127,190	124,832	114,918	120,617	114,495	116,198	113,880	104,064
Personal	4,760,592	4,991,961	5,130,136	5,241,494	5,467,641	5,675,216	5,739,874	5,910,188	6,118,454
Acquisition of Property <sup>2/</sup>	2,756,884	2,829,354	2,892,833	2,887,018	2,981,501	3,064,516	3,148,354	3,198,709	3,235,994
Durable Consumer Goods	442,197	478,567	490,439	531,352	551,659	604,847	615,586	626,555	634,619
Other Personal Loans	1,561,511	1,684,040	1,746,864	1,823,124	1,934,481	2,005,853	1,975,934	2,084,924	2,247,841
<b>TOTAL</b>	<b>10,388,368</b>	<b>11,013,448</b>	<b>11,569,772</b>	<b>11,984,468</b>	<b>12,516,145</b>	<b>13,153,852</b>	<b>13,158,585</b>	<b>13,610,285</b>	<b>13,993,581</b>
% of Long Term Loans to Total Loans	61.66	62.51	64.75	64.95	65.32	64.19	65.77	65.24	66.28

Source: Eastern Caribbean Central Bank

<sup>1/</sup> Includes Mining and Quarrying

<sup>2/</sup> Includes House and Land Purchase and Home Construction

Data available at November 2008



**Table 18**  
**Comparative Treasury Bills Monthly Discount Rates**

Period Ended	USA <sup>1/</sup>	UK <sup>1/</sup>	Barbados <sup>2/</sup>	Jamaica <sup>3/</sup>	Trinidad <sup>2/</sup>	Guyana <sup>2/</sup>
1988 Dec.	8.12	13.28	4.90	19.10	7.13	15.19
1989 Dec.	7.51	14.09	7.07	26.21	7.50	30.00
1990 Dec.	5.41	10.82	9.34	25.56	7.67	30.94
1991 Dec.	3.46	8.94	10.88	34.36	9.26	25.75
1992 Dec.	3.02	5.21	5.44	28.85	9.45	16.83
1993 Dec.	4.27	5.15	7.26	42.98	10.00	17.66
1994 Dec.	5.51	6.33	8.01	27.65	8.41	17.51
1995 Dec.	5.02	5.78	6.85	37.95	10.44	11.35
1996 Dec.	5.07	6.48	3.61	21.14	9.83	8.91
1997 Dec.	4.82	6.82	5.61	25.65	11.93	8.33
1998 Dec.	4.66	5.04	5.83	20.75	10.40	11.31
1999 Dec.	5.84	5.80	5.29	18.24	10.56	9.88
2000 Dec.	3.45	4.77	3.14	16.71	8.55	7.78
2001 Dec.	1.61	3.86	2.10	15.54	4.83	4.94
2002 Dec.	1.01	3.55	1.41	25.94	4.71	3.04
2003 Dec.	16.55	53.16	14.45	185.61	57.26	43.44
2004 Dec.	38.02	54.62	55.45	160.62	58.37	45.49
2005 Mar.	13.12	13.17	17.74	39.72	15.44	11.61
Jun.	14.10	13.46	18.10	38.73	17.90	11.55
Sep.	14.76	14.12	16.22	38.09	19.26	11.85
Dec.	14.68	15.03	19.48	36.89	20.24	12.44
2006 Jan.	4.96	5.30	6.91	11.99	6.80	4.16
Feb.	5.02	5.34	6.85	11.94	6.75	3.94
Mar.	4.96	5.33	5.74	11.65	6.80	3.94
Apr.	4.87	5.43	5.77	11.81	6.81	3.94
May	4.77	5.55	5.85	11.96	6.83	3.94
Jun.	4.63	5.67	5.76	12.13	6.90	3.94
Jul.	4.83	5.77	5.61	12.16	6.91	3.90
Aug.	4.71	5.79	5.37	12.21	6.86	3.90
Sep.	4.01	5.69	5.16	14.29	6.97	3.90
Oct.	3.96	5.61	5.00	13.61	7.00	3.90
Nov.	3.49	5.50	4.85	13.57	7.11	3.90
Dec.	3.08	5.30	4.90	13.34	7.00	3.90
2007 Jan.	2.86	5.12	4.68	13.33	7.00	3.90
Feb.	2.21	5.02	4.72	14.22	6.99	3.90
Mar.	1.38	4.88	4.70	14.22	7.00	3.90
Apr.	1.32	4.83	4.51	14.20	7.00	3.90
May	1.71	4.95	4.31	14.28	7.04	3.90
Jun.	1.89	5.11	n.a	14.43	n.a	3.94
Jul.	1.72	n.a	n.a	n.a	n.a	n.a
Aug.	n.a	n.a	n.a	n.a	n.a	n.a
Sep.	n.a	n.a	n.a	n.a	n.a	n.a

Source: International Monetary Fund

**Quarterly and Annual data are period averages**

<sup>1/</sup> **UK and USA** - Arithmetic average of daily market yields

<sup>2/</sup> **Barbados, Trinidad and Guyana** - Average tender rate for three months.

<sup>3/</sup> **Jamaica** - Average yield of bills issued during the month with maturities closest to 180 days

**Data available at November 2008**



**Table 19**  
**Anguilla - Selected Tourism Statistics**

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
Total Vistors	36,792	28,763	39,614	34,147	28,846	135,304	102,607
Stay-Over Visitors	15,754	16,264	21,731	17,941	15,104	61,388	54,776
Of which:							
USA	7,150	9,057	13,994	11,706	6,811	36,917	32,511
Canada	265	639	915	402	292	1,754	1,609
UK	1,027	1,092	1,187	912	871	3,476	2,970
Italy	604	265	418	320	615	1,527	1,353
Germany	63	380	147	118	70	379	335
Caribbean	5,380	3,497	3,488	3,024	5,225	11,928	11,737
Other Countries	1,265	1,334	1,582	1,459	1,220	5,407	4,261
Excursionists	21,038	12,499	17,883	16,206	13,742	73,916	47,831
<b>Total Visitor Expenditure (EC\$M)</b>	<b>69.84</b>	<b>68.21</b>	<b>82.64</b>	<b>61.76</b>	<b>71.63</b>	<b>227.19</b>	<b>216.03</b>

Sources: Department of Finance and Statistical Department and ECCB Estimates (September 2007)

Data available at 27 November 2008

**Table 20**  
**Anguilla - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Sep 2008	Percentage Change*						
			2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
All Items	1,000.0	145.10	0.77	2.36	1.34	4.84	1.40	1.15	7.72
Food	321.2	142.49	0.41	3.38	4.55	6.64	2.00	3.24	13.72
Alcoholic Beverages and Tobacco	3.0	115.30	0.65	1.84	3.98	0.35	-	5.34	4.34
Housing	171.5	109.80	2.33	-	0.36	(0.27)	-	(0.09)	0.09
Fuel and Light	68.6	173.56	-	0.68	11.04	13.93	3.00	(5.16)	30.30
Clothing and Footwear	30.7	151.60	(2.49)	4.97	3.79	(1.17)	-	(6.88)	2.57
Household Furnishings and Supplies	97.3	175.10	(0.64)	3.83	(1.14)	0.57	-	(3.42)	(0.57)
Transport and Communications	235.3	155.35	2.00	2.38	(3.48)	7.78	2.00	5.22	6.11
Medical Care and Expenses	30.9	142.10	-	3.83	0.64	0.07	-	0.07	0.71
Education	9.9	197.40	(1.72)	(0.70)	3.92	(4.50)	-	4.60	(0.75)
Personal Services	16.4	132.00	(0.74)	-	(1.57)	-	-	0.75	(1.57)
Miscellaneous	15.3	98.60	-	(1.66)	(7.85)	6.36	-	(8.58)	(1.99)

Sources: Statistics Department, Ministry of Finance

\*at end of period

Data available at 27 November 2008



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

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
<b>Current Revenue</b>	49.74	51.58	62.06	52.65	44.54	158.79	159.25
Tax Revenue	35.70	38.34	48.32	39.27	34.84	125.94	122.42
Taxes on Property	0.15	0.08	0.25	0.19	0.08	0.61	0.52
Taxes on Domestic Goods and Services	13.11	10.67	24.69	15.55	15.40	55.65	55.65
Of Which:							
Accommodation Tax	1.38	1.06	7.27	5.01	2.07	12.48	14.35
Bank Deposit Levy	4.62	-	-	0.81	5.49	5.39	6.30
Licences	2.68	1.81	5.49	3.20	2.43	10.27	11.13
Stamp Duties	3.76	6.69	10.73	5.38	4.28	24.52	20.39
Taxes on International Trade and Transactions	22.44	27.60	23.38	23.52	19.35	69.67	66.25
Of Which:							
Import Duty	18.96	24.17	18.98	19.51	16.03	58.57	54.52
Customs Surcharge	1.10	1.25	0.99	1.06	0.79	3.37	2.85
Ticket Tax	0.26	0.36	0.83	0.72	0.40	0.86	1.95
Foreign Exchange Tax	-	-	-	(0.00)	-	0.29	(0.00)
Embarkation Tax	1.32	1.11	1.75	1.54	1.24	4.18	4.53
Non-Tax Revenue	14.03	13.24	13.74	13.38	9.70	32.85	36.83
<b>Current Expenditure</b>	44.38	51.69	48.39	47.17	55.28	118.66	150.84
Goods and Services	14.09	15.61	14.40	13.49	16.90	38.14	44.79
Personal Emoluments	17.63	22.57	18.98	19.49	21.44	45.94	59.91
Interest Payments	1.58	2.00	1.75	1.52	2.42	5.10	5.69
Domestic	1.37	1.73	1.72	1.37	2.27	4.56	5.35
External	0.21	0.28	0.04	0.15	0.15	0.55	0.34
Transfers & Subsidies	11.07	11.50	13.26	12.67	14.52	29.48	40.45
Of Which: Pensions	1.33	1.56	1.42	1.44	1.77	3.31	4.63
<b>Current Account Balance</b>	5.36	(0.11)	13.67	5.49	(10.74)	40.13	8.42
<b>Capital Revenue</b>	3.28	0.11	9.79	-	0.04	3.28	9.83
<b>Grants</b>							
Of which: Capital Grants	-	-	-	-	-	-	-
<b>Capital Expenditure and Net Lending</b>	13.92	20.49	11.55	7.21	11.44	38.53	30.20
Of which: Capital Expenditure	13.92	20.49	11.55	7.21	11.44	38.53	30.20
<b>Primary Balance (after grants)</b>	(3.71)	(18.49)	13.66	(0.21)	(19.72)	9.97	(6.27)
<b>Overall Balance</b>	(5.29)	(20.49)	11.91	(1.73)	(22.13)	4.87	(11.95)
<b>Financing</b>	5.29	20.49	(11.91)	1.73	22.13	(4.87)	11.95
Domestic	5.63	20.93	(11.84)	1.96	22.41	(4.28)	12.53
ECCB (net)	0.02	(0.04)	(0.49)	(0.34)	(0.03)	(0.30)	(0.86)
Commercial Banks (net)	(1.02)	14.42	(10.12)	(4.17)	3.62	7.33	(10.66)
Other	6.63	6.55	(1.23)	6.47	18.82	(11.31)	24.06
External	(0.34)	(0.44)	(0.07)	(0.24)	(0.27)	(0.59)	(0.58)
Net Amortisation	(0.34)	(0.44)	(0.07)	(0.24)	(0.27)	(0.59)	(0.58)
Disbursements	-	-	-	-	-	-	-
Amortisation	(0.34)	(0.44)	(0.07)	(0.24)	(0.27)	(0.59)	(0.58)
Change in Government Foreign Assets	-	-	-	-	-	-	-

Source: Ministry of Finance and Treasury Department  
Data available at 27 November 2008



**Table 22**  
**Anguilla - External Trade**  
**(EC\$M)**

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
Total Exports (without transshipment)	4.32	6.39	5.11	4.55	7.32	18.41	16.98
Total Imports (without transshipment)	175.25	183.12	174.88	196.80	139.04	486.23	510.71
Trade Balance	(170.93)	(176.73)	(169.77)	(192.24)	(131.72)	(467.81)	(493.73)

Source: Statistical Department

Data available at 27 November 2008

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

	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr
Net Foreign Assets	513.37	468.28	396.29	321.29	360.70	200.85
Central Bank (net)	124.28	114.43	121.15	132.34	142.21	125.64
Commercial Banks (net)	389.09	353.85	275.13	188.95	218.49	75.21
External (net)	290.18	233.69	170.72	136.41	198.93	93.54
Assets	524.71	486.37	436.04	401.20	434.98	361.99
Liabilities	234.54	252.67	265.31	264.79	236.06	268.46
Other ECCB Territories	98.91	120.16	104.41	52.54	19.56	(18.32)
Assets	180.09	183.26	201.96	156.17	165.37	144.82
Liabilities	81.19	63.10	97.55	103.63	145.80	163.14
Net Domestic Assets	619.22	670.37	765.47	799.56	813.06	932.20
Domestic Credit	892.60	977.83	1,063.06	1,105.04	1,189.43	1,263.79
Central Government (net)	30.99	29.98	44.37	33.76	29.26	32.84
Other Public Sector (net)	(119.91)	(127.74)	(129.91)	(137.66)	(145.96)	(130.03)
Non-Bank Financial Institutions (net)	(12.55)	(17.47)	(21.68)	(20.89)	(18.64)	(28.30)
Subsidiaries and Affiliates (net)	12.42	12.26	16.97	17.48	17.48	17.73
Private Sector	981.66	1,080.79	1,153.30	1,212.36	1,307.29	1,371.54
Other Items (net)	(273.38)	(307.46)	(297.59)	(305.48)	(376.36)	(331.59)
Monetary Liabilities (M2)	1,132.59	1,138.65	1,161.75	1,120.86	1,173.76	1,133.05
Money Supply (M1)	43.60	46.69	52.36	40.49	50.00	44.87
Currency with the Public	13.57	13.38	12.44	10.82	13.09	14.28
Demand Deposits	30.02	33.31	39.92	29.67	36.91	30.60
Quasi Money	1,088.99	1,091.96	1,109.39	1,080.37	1,123.76	1,088.18
Savings Deposits	88.13	89.91	96.07	94.98	99.75	100.09
Time Deposits	89.34	93.98	97.80	99.02	79.08	84.56
Foreign Currency Deposits	911.52	908.07	915.52	886.37	944.93	903.53

Source: Eastern Caribbean Central Bank

Data available at 27 November 2008





**Table 24**  
**Antigua and Barbuda - Selected Tourism Statistics**

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
Total Vistors	127,414	273,918	336,863	174,642	108,679	660,656	620,184
Stay-Over Visitors	58,086	68,136	82,077	64,778	57,066	193,650	203,921
Of which:							
USA	16,576	19,797	26,069	22,344	18,271	58,900	66,684
Canada	1,425	3,158	5,990	2,343	1,702	7,331	10,035
Europe	22,544	30,062	33,425	24,827	19,138	79,938	77,390
UK	19,710	26,680	28,358	21,639	16,120	70,117	66,117
Germany	436	1,168	1,243	849	522	2,312	2,614
Switzerland	116	213	388	207	111	585	706
Italy	1,602	1,338	2,370	1,470	1,829	4,809	5,669
France	521	498	549	368	302	1,343	1,219
Other Europe	159	165	517	294	254	772	1,065
Caribbean	14,464	11,647	11,990	11,194	15,187	35,077	38,371
South America	200	249	329	312	287	683	928
Other Countries	2,877	3,223	4,274	3,758	2,481	11,721	10,513
Cruise Ship Passengers <sup>/1</sup>	69,328	205,782	254,786	109,864	51,613	467,006	416,263
Number of Cruise Ship Calls	23	111	154	48	16	269	218
<b>Total Visitor Expenditure (EC\$M)</b>	<b>190.67</b>	<b>238.42</b>	<b>295.60</b>	<b>220.68</b>	<b>186</b>	<b>673.56</b>	<b>702.54</b>

Sources: Department of Tourism and Eastern Caribbean Central Bank  
 Data available at 19 November 2008

**Table 25**  
**Antigua and Barbuda - Consumer Price Index**  
**January 1993 = 100**

	Weight	Index Sep 2008	Percentage Change*						
			2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
<b>All Items</b>	1,000.0	120.42	1.74	2.66	0.53	1.40	1.24	2.51	3.20
Food	214.2	119.05	2.67	1.03	1.77	0.25	0.47	5.89	2.51
Alcoholic Beverages and Tobacco	1.6	126.87	0.15	0.82	0.23	1.94	0.15	10.96	2.33
Housing	218.3	110.30	-	0.51	-	-	-	-	-
Fuel and Light	63.9	170.63	4.52	6.48	3.05	12.81	13.97	12.13	32.50
Clothing and Footwear	110.6	100.77	(6.96)	1.25	-	-	-	(7.85)	-
Household Furnishings and Supplies	126.0	112.12	12.84	(7.27)	-	-	(3.03)	9.01	(3.03)
Transport and Communications	153.5	123.03	-	8.00	(0.10)	2.61	-	1.29	2.51
Medical Care and Expenses	27.6	113.75	-	0.74	1.26	0.24	-	-	1.50
Education	23.4	164.48	-	24.47	-	-	13.17	-	13.17
Personal Services	43.0	154.48	-	18.78	(1.38)	-	-	-	(1.38)
Miscellaneous	17.9	108.91	0.34	1.00	0.07	(0.14)	0.64	(1.31)	0.57

Sources: Central Statistical Office and Eastern Caribbean Central Bank  
 \*at end of period

Data available at 19 November 2008



**Table 26**  
**Antigua and Barbuda - Central Government Fiscal Operations**  
**(In millions of Eastern Caribbean dollars)**

	2007	2007	2008	2008	2008	2007	2008
	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	Jan - Sep	Jan - Sep
<b>Current Revenue</b>	151.38	203.54	195.80	183.89	163.61	521.12	543.30
Tax Revenue	142.86	196.29	188.13	176.15	156.02	494.58	520.30
Taxes on Income and Profits	17.18	20.91	37.14	27.76	29.30	80.02	94.20
Of Which:							
Personal Income	10.80	11.11	12.69	12.93	11.57	38.88	37.19
Company	6.31	9.77	24.46	14.83	17.72	40.63	57.00
Taxes on Property	3.02	2.79	3.36	4.76	2.75	6.15	10.88
Taxes on Domestic Goods and Services	66.41	78.05	78.13	87.29	73.52	203.60	238.94
Of Which:							
Sales Tax	52.35	62.53	61.82	59.80	53.02	134.39	174.64
Stamp Duties	9.02	10.32	9.59	21.29	14.24	34.90	45.12
Hotel and Guest Tax	0.02	0.08	-	0.15	-	12.71	0.15
Taxes on International Trade and Transactions	56.25	94.54	69.49	56.34	50.45	204.81	176.28
Of Which:							
Import Duty	19.85	26.80	24.93	23.17	22.47	65.85	70.56
Consumption Tax	6.46	28.90	9.59	3.23	0.94	39.70	13.76
Customs Service Charge	21.17	27.23	21.97	19.13	17.07	66.94	58.17
Non-Tax Revenue	8.51	7.25	7.67	7.75	7.59	26.54	23.01
<b>Current Expenditure</b>	191.40	187.79	224.80	207.56	217.85	568.26	650.20
Personal Emoluments	84.72	70.57	80.72	81.68	81.68	238.47	244.07
Other Goods and Services	34.91	49.92	51.08	42.97	42.97	97.64	137.03
Interest Payments	29.18	21.75	31.80	29.11	29.77	89.18	90.68
Domestic	10.64	7.48	12.45	9.75	10.42	28.13	32.62
External	18.54	14.27	19.35	19.35	19.35	61.05	58.06
Transfers & Subsidies	42.59	45.54	61.19	53.81	63.43	142.97	178.43
Of Which: Pensions	18.08	21.04	24.33	11.44	11.44	58.49	47.22
<b>Current Account Balance</b>	(40.02)	15.75	(29.00)	(23.67)	(54.23)	(47.14)	(106.90)
<b>Capital Revenue</b>	1.27	1.27	1.30	1.30	1.30	3.87	3.90
<b>Grants</b>	4.00	6.00	17.00	-	-	14.00	17.00
Of which: Capital Grants	4.00	6.00	17.00	-	-	14.00	17.00
<b>Capital Expenditure and Net Lending</b>	30.00	60.00	45.00	45.00	45.00	140.50	135.00
<b>Primary Balance</b>	(35.57)	(15.22)	(23.90)	(38.26)	(68.16)	(80.60)	(130.32)
<b>Overall Balance</b>	(64.75)	(36.98)	(55.70)	(67.37)	(97.93)	(169.78)	(221.00)
<b>Financing</b>	64.75	36.98	55.70	67.37	97.93	169.78	221.00
Domestic	55.85	(11.60)	28.32	52.67	91.04	110.84	174.04
ECCB (net)	0.18	0.55	(7.06)	0.55	7.28	(15.85)	0.77
Commercial Banks (net)	15.42	85.87	(21.36)	(5.70)	72.02	(1.63)	44.96
Other	40.25	(98.01)	56.73	57.83	11.74	128.31	126.30
External	(14.01)	26.97	(0.81)	0.94	(6.86)	(15.60)	(6.72)
Net Amortisation/(Amortisation)	(14.64)	26.97	(0.85)	0.91	(6.90)	(16.63)	(6.84)
Disbursements	0.48	29.81	8.43	3.51	0.05	6.69	11.99
Amortisation	(15.12)	(2.85)	(9.27)	(2.60)	(6.95)	(23.32)	(18.83)
Change in Government Foreign Assets	0.62	-	0.04	0.04	0.04	1.03	0.11
Arrears	22.92	21.61	28.19	13.75	13.75	74.54	55.69
Domestic	-	1.21	4.28	-	-	6.31	4.28
External	22.92	20.40	23.91	13.75	13.75	68.23	51.41

Source: Ministry of Finance, Treasury Department and ECCB Estimates  
 Data available at 19 November 2008



**Table 27**  
**Antigua and Barbuda - Monetary Survey**  
**(EC\$M at end of period)**

	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr
Net Foreign Assets	932.66	812.71	882.83	967.38	949.34	729.97
Central Bank (net)	410.72	413.34	388.34	459.21	462.15	429.67
Commercial Banks (net)	521.94	399.37	494.49	508.17	487.19	300.30
External (net)	609.22	503.18	481.69	589.81	430.99	296.32
Assets	1,055.39	1,338.42	1,461.76	1,489.60	1,282.35	1,286.28
Liabilities	446.18	835.24	980.07	899.79	851.36	989.96
Other ECCB Territories	(87.27)	(103.81)	12.80	(81.64)	56.21	3.98
Assets	531.47	617.06	733.57	784.68	793.75	746.51
Liabilities	618.75	720.87	720.77	866.32	737.54	742.53
Net Domestic Assets	1,662.99	1,871.29	1,869.56	1,916.57	1,929.86	2,112.18
Domestic Credit	2,021.77	2,069.93	2,199.12	2,202.24	2,290.55	2,439.16
Central Government (net)	162.53	178.12	264.54	236.13	230.97	310.27
Other Public Sector (net)	(221.91)	(215.34)	(243.07)	(259.22)	(236.56)	(250.25)
Non-Bank Financial Institutions (net)	(41.50)	(59.69)	(43.51)	(54.38)	(58.26)	(56.63)
Subsidiaries and Affiliates (net)	(47.40)	(56.52)	(62.57)	(4.71)	15.26	26.47
Private Sector	2,170.05	2,223.36	2,283.74	2,284.43	2,339.13	2,409.31
Other Items (net)	(358.79)	(198.64)	(329.56)	(285.67)	(360.69)	(326.98)
Monetary Liabilities (M2)	2,595.65	2,684.00	2,752.38	2,883.95	2,879.19	2,842.15
Money Supply (M1)	641.83	629.41	671.78	729.89	736.82	678.63
Currency with the Public	136.98	129.57	133.88	147.39	140.51	128.96
Demand Deposits	504.85	499.84	537.91	582.50	596.31	549.66
Quasi Money	1,953.82	2,054.59	2,080.60	2,154.06	2,142.38	2,163.53
Savings Deposits	844.94	866.73	876.32	901.26	925.43	937.43
Time Deposits	875.53	940.51	923.07	967.27	972.26	989.07
Foreign Currency Deposits	233.35	247.34	281.21	285.52	244.69	237.03

Source: Eastern Caribbean Central Bank

Data available at 19 November 2008



**Table 28**  
**Dominica - Selected Tourism Statistics**

	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>R</sup> 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 <sup>P</sup> Jan - Sep
Total Vistors	60,589	141,105	182,599	70,485	59,675	302,381	312,759
Stay-Over Visitors	22,482	24,225	21,876	18,044	22,092	63,810	62,012
Of which:							
USA	5,463	5,098	6,603	5,237	5,362	17,394	17,202
Canada	542	930	757	450	532	1,777	1,739
UK	1,729	2,020	1,956	1,088	1,701	4,858	4,745
Caribbean	13,425	13,773	10,204	9,884	13,198	34,699	33,286
Other Countries	1,323	2,404	2,356	1,385	1,299	5,082	5,040
Excursionists	178	222	325	211	178	714	714
Cruise Ship Passengers	37,929	116,658	160,398	52,230	37,405	237,857	250,033
Number of Cruise Ship Calls	14	73	100	24	12	179	136
<b>Total Visitor Expenditure (EC\$M)</b>	<b>41.02</b>	<b>58.38</b>	<b>60.53</b>	<b>46.57</b>	<b>43.27</b>	<b>142.68</b>	<b>150.37</b>

Sources: Central Statistical Office  
Data available at 21 November 2008

**Table 29**  
**Dominica - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Sep 2008	Percentage Change*						
			2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>R</sup> 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 <sup>P</sup> Jan - Sep
<b>All Items</b>	1,000.0	120.51	0.41	2.61	2.29	1.64	(0.12)	3.32	3.84
Food	328.8	134.81	2.40	3.73	6.28	0.65	1.01	4.49	8.06
Alcoholic Beverages and Tobacco	9.5	118.48	0.12	1.58	0.38	0.66	1.58	3.10	2.63
Housing and Utilities	111.7	116.60	-	(0.28)	0.06	2.51	(0.29)	0.86	2.27
Fuel and Light	58.6	166.33	(4.04)	9.57	0.40	9.10	(9.36)	13.27	(0.72)
Clothing and Footwear	82.1	95.25	(0.09)	(0.40)	(0.03)	(0.13)	(0.21)	0.01	(0.37)
Household and Furnishing Equipment	93.5	98.43	(0.06)	1.73	0.25	(0.61)	(0.08)	(0.08)	(0.43)
Transportation and Communication	194.3	110.18	(0.43)	1.65	(0.21)	2.48	2.14	4.02	4.46
Medical Care and Expenses	31.6	111.23	-	-	1.58	-	0.28	(0.43)	1.86
Education	29.0	115.45	0.06	1.56	0.10	0.26	(0.12)	(0.32)	0.23
Personal Services	42.5	117.29	0.08	2.22	0.06	-	(0.03)	0.07	0.03
Miscellaneous	18.4	109.35	0.06	0.87	(0.16)	(0.46)	0.41	(0.86)	(0.20)

Sources: Central Statistical Office and Eastern Caribbean Central Bank  
\*at end of period

Data available at 21 November 2008



**Table 30**  
**Dominica - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 <sup>P</sup> Jan - Sep
<b>Current Revenue</b>	74.74	81.93	78.04	92.55	80.20	230.31	250.79
Tax Revenue	69.88	75.65	72.89	80.04	73.55	209.81	226.48
Taxes on Income, Profit and Capital Gains	12.94	12.43	13.11	14.95	11.86	40.76	39.92
Of Which:							
Personal Income	9.08	8.62	9.46	9.98	7.71	28.56	27.16
Corporation	4.36	4.16	4.29	5.85	4.69	14.25	14.83
Development Levy	-	-	-	-	-	-	-
Stabilisation Levy	0.02	0.01	0.03	0.00	0.00	0.09	0.03
Taxes on Property	2.90	2.61	2.44	2.05	2.86	6.69	7.36
Taxes on Domestic Goods and Services	39.78	43.33	42.08	45.14	41.83	119.33	129.05
Of Which:							
Sales Tax	0.07	0.08	0.12	0.15	0.13	0.52	0.39
Licences	3.37	3.33	4.54	6.75	3.37	13.11	14.66
Consumption Tax	-	-	0.00	0.00	-	-	0.01
Hotel Accommodation Tax	0.02	0.02	0.02	0.02	0.02	0.06	0.05
Value Added Tax	23.90	30.59	27.02	26.15	28.81	70.97	81.98
Excise Tax	11.78	8.93	9.92	11.78	9.01	33.34	30.71
Taxes on International Trade and Transactions	14.26	17.28	15.26	17.90	17.00	43.03	50.16
Of Which:							
Consumption Tax	0.01	0.02	0.03	0.08	0.00	0.12	0.12
Import Duty	7.29	9.36	7.63	9.65	9.53	21.60	26.81
Customs Service Charge/Customs Surcharge	3.61	4.20	3.80	3.90	3.45	10.44	11.15
Non-Tax Revenue	4.86	6.29	5.14	12.52	6.65	20.49	24.31
<b>Current Expenditure</b>	67.09	71.43	68.36	74.49	70.35	196.50	213.20
Personal Emoluments	30.00	29.75	28.85	29.95	29.09	87.78	87.88
Goods and Services	14.25	22.53	15.51	19.19	17.92	41.87	52.62
Interest Payments	7.44	6.35	8.06	11.42	6.53	21.83	26.00
Domestic	1.20	3.09	0.96	6.33	0.89	5.47	8.18
External	6.24	3.26	7.10	5.09	5.63	16.36	17.82
Transfers and Subsidies	15.39	12.81	15.95	13.93	16.82	45.02	46.69
Of Which: Pensions	4.72	3.62	3.64	3.76	3.74	11.85	11.13
<b>Current Account Balance</b>	7.65	10.50	9.68	18.06	9.85	33.81	37.59
<b>Capital Revenue</b>	0.09	0.47	0.11	0.16	0.07	0.47	0.34
<b>Grants</b>	13.68	29.00	18.47	40.79	24.32	47.09	83.58
Of which: Capital Grants	13.68	29.00	18.47	40.79	24.32	47.09	83.58
<b>Capital Expenditure and Net Lending</b>	24.70	35.93	23.41	51.73	26.61	76.24	101.75
Of which: Capital Expenditure	24.33	36.18	23.57	52.14	26.75	76.87	102.45
<b>Primary Balance</b>	4.16	10.39	12.91	18.71	14.16	26.96	45.77
<b>Overall Balance</b>	(3.28)	4.04	4.85	7.29	7.63	5.13	19.77
<b>Financing</b>	3.28	(4.04)	(4.85)	(7.29)	(7.63)	(5.13)	(19.77)
Domestic	1.64	(4.70)	0.51	5.09	(15.62)	4.36	(10.02)
ECCB (net)	(0.28)	(1.45)	(10.98)	(4.34)	2.90	(3.50)	(12.42)
Commercial Banks (net)	(10.19)	(0.60)	(0.76)	30.84	(34.13)	(23.14)	(4.04)
Other	12.11	(2.65)	12.25	(21.41)	15.61	30.99	6.45
External	(3.70)	(4.80)	1.02	(6.33)	4.69	(11.45)	(0.62)
Net Amortisation	(3.31)	(3.97)	1.33	(4.65)	4.98	(8.91)	1.67
Disbursements	0.16	0.21	9.28	0.00	8.33	7.82	17.62
Amortisation	(3.47)	(4.17)	(7.95)	(4.65)	(3.35)	(16.73)	(15.95)
Change in Government Foreign Assets	(0.39)	(0.83)	(0.32)	(1.68)	(0.29)	(2.54)	(2.29)
Other Foreign Financing	-	-	-	-	-	-	-
Arrears	5.34	5.46	(6.38)	(6.05)	3.30	1.96	(9.13)
Domestic	(2.61)	(1.16)	(0.37)	(7.90)	1.12	(4.31)	(7.16)
External	7.95	6.63	(6.01)	1.85	2.19	6.27	(1.98)

Source: Ministry of Finance

Data available at 21 November 2008



**Table 31**  
**Dominica - Selected Trade Statistics**  
 (Value: EC\$M; Volume: tonnes)

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 <sup>P</sup> Jan - Sep
Visible Trade Balance	(100.97)	(123.53)	(111.47)	(147.58)	(121.09)	(307.11)	(380.13)
Total Imports	122.53	145.25	133.31	171.53	142.70	383.53	447.54
Total Exports	21.57	21.72	21.84	23.95	21.61	76.42	67.41
Re-Exports	0.44	0.99	1.04	1.00	0.69	1.62	2.73
Domestic Exports	21.13	20.73	20.80	22.95	20.93	74.80	64.68
Of Which:							
Bananas							
Value	1.64	0.12	0.92	3.03	4.05	9.56	8.00
Volume	1,181	86	682	2,280	2,837	6,729	5,798
Soap							
Value	5.46	6.85	8.57	8.58	8.55	19.36	25.70
Volume	1,481	1,917	2,250	2,228	1,769	5,576	6,246
Dental Cream							
Value	3.10	0.09	1.14	0.30	0.10	7.84	1.54
Volume	425	13	171	40	13	1,084	225

Source: Central Statistical Office, Dominica Coconut Products and WIBDECO  
 Data available at 21 November 2008

**Table 32**  
**Dominica - Monetary Survey**  
 (EC\$M at end of period)

	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr
Net Foreign Assets	514.23	530.63	492.69	575.82	557.95	571.45
Central Bank (net)	163.35	174.79	184.74	187.44	198.92	191.02
Commercial Banks (net)	350.88	355.84	307.95	388.38	359.03	380.43
External (net)	114.67	115.45	108.59	142.13	122.02	99.64
Assets	303.49	310.15	303.64	335.49	320.10	300.59
Liabilities	188.82	194.70	195.05	193.36	198.08	200.95
Other ECCB Territories	236.21	240.39	199.35	246.26	237.01	280.79
Assets	270.76	269.46	276.24	285.27	297.49	336.38
Liabilities	34.55	29.07	76.89	39.02	60.48	55.59
Net Domestic Assets	211.89	210.44	256.38	201.36	234.48	223.85
Domestic Credit	341.07	320.86	322.53	289.31	328.20	318.91
Central Government (net)	(62.69)	(73.16)	(75.20)	(86.94)	(60.44)	(91.66)
Other Public Sector (net)	(61.82)	(67.30)	(71.84)	(80.10)	(80.67)	(85.95)
Non-Bank Financial Institutions (net)	(76.27)	(74.52)	(81.96)	(86.17)	(99.13)	(83.89)
Subsidiaries and Affiliates (net)	(6.31)	(7.82)	(7.32)	(7.69)	(0.33)	(0.75)
Private Sector	548.16	543.66	558.85	550.20	568.75	581.17
Other Items (net)	(129.18)	(110.42)	(66.16)	(87.95)	(93.71)	(95.06)
Monetary Liabilities (M2)	726.12	741.07	749.07	777.18	792.44	795.31
Money Supply (M1)	160.53	169.47	159.12	166.76	178.55	177.25
Currency with the Public	43.01	45.07	49.03	44.69	45.78	42.67
Demand Deposits	117.52	124.40	110.09	122.07	132.78	134.58
Quasi Money	565.59	571.60	589.95	610.42	613.89	618.06
Savings Deposits	413.06	421.81	437.74	449.33	456.47	457.99
Time Deposits	142.11	138.72	142.12	147.80	144.41	146.33
Foreign Currency Deposits	10.42	11.07	10.10	13.28	13.01	13.73

Source: Eastern Caribbean Central Bank  
 Data available at 18 November 2008



**Table 33**  
**Grenada - Selected Tourism Statistics**

	2007	2007	2008 <sup>R</sup>	2008 <sup>R</sup>	2008 <sup>P</sup>	2007	2008 <sup>P</sup>
	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	Jan - Sep	Jan - Sep
Total Vistors	47,886	125,613	187,831	57,779	31,223	285,860	276,833
Stay-Over Visitors	34,387	29,424	33,054	27,201	30,070	99,721	90,325
Of which:							
USA	7,912	5,086	6,077	4,153	5,690	22,131	15,920
Canada	1,597	1,160	2,173	675	1,798	4,878	4,646
Europe	8,846	10,906	13,930	10,582	8,297	30,899	32,809
Of which:							
Germany	485	646	1,011	561	462	2,033	2,034
United Kingdom	7,336	8,987	10,786	9,014	6,932	24,906	26,732
Caribbean	9,051	6,283	6,233	7,067	7,432	22,675	20,732
Other Countries	6,981	5,989	4,641	4,724	6,853	19,138	16,218
Excursionists	1,448	1,668	549	472	397	4,872	1,418
Cruise Ship Passengers	10,928	93,407	152,299	28,863	0	176,852	181,162
Yacht Passengers	715	999	1,725	1,102	668	3,233	3,495
Number of Cruise Ship Calls	18	74	120	23	0	184	143
<b>Total Visitor Expenditure (EC\$M)</b>	<b>71.30</b>	<b>69.47</b>	<b>84.22</b>	<b>61.52</b>	<b>65.33</b>	<b>221.31</b>	<b>211.06</b>

Sources: Board of Tourism and ECCB estimates (Stayovers, Excursionists and Yacht Passengers) for September 2007  
Data available at 20 November 2008

**Table 34**  
**Grenada - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Sep 2008	Percentage Change*						
			2007	2007	2008	2008 <sup>R</sup>	2008 <sup>P</sup>	2007	2008 <sup>P</sup>
			3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	Jan - Sep	Jan - Sep
<b>All Items</b>	1000.0	130.41	2.55	2.66	0.71	2.70	1.85	4.62	5.49
Food	367.5	143.34	5.12	4.40	0.84	4.78	4.05	7.09	10.37
Alcoholic Beverages and Tobacco	8.6	115.49	3.47	2.08	(0.01)	0.30	1.29	2.97	1.62
Housing	102.0	124.90	0.03	0.03	0.74	(0.05)	1.00	0.80	1.70
Fuel and Light	55.0	172.03	3.71	6.68	3.78	9.11	3.12	12.27	17.88
Clothing and Footwear	97.7	99.08	-	-	(0.20)	-	0.09	0.53	(0.11)
Household Furnishings and Supplies	95.3	108.60	0.30	0.07	0.09	1.38	0.30	0.25	1.78
Transport and Communications	156.5	131.77	0.13	2.69	(0.06)	1.32	(1.02)	3.49	0.23
Medical Care and Expenses	46.5	126.86	2.12	2.36	0.10	0.31	0.04	5.18	0.46
Education	37.4	124.25	6.17	-	-	0.59	3.79	5.06	4.40
Personal Services	16.0	109.00	0.87	-	6.87	-	-	0.87	6.87
Miscellaneous	17.5	111.57	0.39	0.22	1.07	0.53	0.10	3.46	1.71

Sources: Central Statistical Office and Ministry of Finance

\*at end of period

Data available at 20 November 2008



**Table 35**  
**Grenada - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2007	2007	2008	2008 <sup>R</sup>	2008 <sup>P</sup>	2007	2008 <sup>P</sup>
	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	Jan - Sep	Jan - Sep
<b>Current Revenue</b>	101.23	119.13	110.88	121.71	107.66	309.31	340.24
Tax Revenue	96.44	112.00	105.75	106.85	101.62	290.83	314.22
Taxes on Income and Profits	16.72	21.99	21.51	18.91	20.69	52.84	61.11
Of Which:							
Personal Income	3.58	4.20	6.87	5.54	5.88	12.11	18.29
Company	10.30	14.64	14.64	13.37	14.81	31.16	42.82
Taxes on Property	9.18		6.30	11.54	3.92	24.20	21.76
Taxes on Domestic Goods and Services	19.01	16.18	21.71	20.67	16.33	55.10	58.71
Of Which:							
Consumption Duties	8.96	8.92	10.96	11.26	10.05	27.20	32.28
Stamp Duties	1.11	1.79	1.37	2.23	1.22	3.60	4.82
Licences	5.26	1.37	5.21	4.14	1.43	12.76	10.77
Taxes on International Trade and Transactions	51.53	68.99	56.22	55.73	60.69	158.70	172.64
Of Which:							
Import Duty	11.28	16.34	13.66	12.77	14.36	34.64	40.79
Consumption Tax	22.65	30.14	25.90	26.23	27.78	69.95	79.91
Customs Service Charge	10.25	11.26	9.77	9.94	12.50	28.86	32.22
Non-Tax Revenue	4.80	7.13	5.13	14.86	6.03	18.48	26.02
<b>Current Expenditure</b>	97.79	85.80	103.25	132.98	95.02	260.99	331.24
Personal Emoluments	39.23	42.55	44.83	52.62	49.29	115.85	146.75
Goods and Services	27.12	17.70	22.86	46.10	14.54	61.38	83.51
Interest Payments	13.28	6.76	11.44	6.46	7.18	27.00	25.09
Domestic	4.27	4.22	2.42	1.81	0.48	7.07	4.71
External	9.01	2.54	9.03	4.65	6.70	19.93	20.38
Transfers and Subsidies	18.15	18.79	24.11	27.79	23.99	56.75	75.90
Of Which: Pensions	4.67	4.65	6.29	7.45	5.66	14.07	19.40
<b>Current Account Balance</b>	3.45	33.33	7.62	(11.27)	12.64	48.32	9.00
<b>Capital Revenue</b>	0.05	0.01	0.03	0.04	0.02	0.08	0.09
<b>Grants</b>	8.33	2.67	14.07	12.95	3.99	17.18	31.02
Of which: Capital Grants	8.20	2.67	14.07	10.25	3.99	16.97	28.32
<b>Capital Expenditure and Net Lending</b>	69.29	46.24	50.80	64.21	40.26	165.04	155.26
Of which: Capital Expenditure	69.29	46.24	50.80	64.21	40.26	165.04	155.26
<b>Primary Balance</b>	(44.18)	(3.47)	(17.62)	(56.02)	(16.42)	(72.46)	(90.06)
<b>Overall Balance</b>	(57.46)	(10.22)	(29.07)	(62.48)	(23.60)	(99.46)	(115.15)
<b>Financing</b>	57.46	10.22	29.07	62.48	23.60	99.46	115.15
Domestic	56.82	5.23	31.70	57.61	12.13	97.35	101.44
ECCB (net)	8.97	(4.19)	(12.38)	12.02	(7.31)	16.76	(7.67)
Commercial Banks (net)	15.78	13.44	(2.41)	7.49	20.30	41.01	25.37
Other	32.08	(4.01)	46.49	38.10	(0.86)	39.59	83.73
External	0.64	4.99	(2.63)	4.87	11.47	2.10	13.71
Net Amortisation	0.71	5.04	(2.63)	4.87	11.47	2.29	13.71
Disbursements	6.12	10.45	6.17	11.93	18.59	19.09	36.69
Amortisation	(5.41)	(5.41)	(8.80)	(7.06)	(7.12)	(16.80)	(22.98)
Change in Government Foreign Assets	(0.07)	(0.05)	-	-	-	(0.19)	-
Arrears	-	-	-	-	-	-	-
Domestic	-	-	-	-	-	-	-
External	-	-	-	-	-	-	-

Source: Ministry of Finance

Data available at 20 November 2008





**Table 36**  
**Grenada - Selected Agricultural Production**

		2007	2007	2008 <sup>R</sup>	2008 <sup>R</sup>	2008 <sup>P</sup>	2007	2008 <sup>P</sup>
	Unit	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	Jan - Sep	Jan - Sep
Bananas	(tonnes)	306	444	514	252	392	891	1157
Cocoa	(tonnes)	21	15	162	141	32	210	335
Nutmeg	(tonnes)	78	56	73	104	92	240	269
Mace	(tonnes)	5	3	5	12	6	18	22

Source: Central Statistical Office

Data available at 20 November 2008

**Table 37**  
**Grenada - Selected Trade Statistics**  
(Value: EC\$M; Volume: tonnes)

	2007 <sup>R</sup>	2007 <sup>R</sup>	2008 <sup>R</sup>	2008 <sup>R</sup>	2008 <sup>P</sup>	2007 <sup>R</sup>	2008 <sup>P</sup>
	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	Jan - Sep	Jan - Sep
Visible Trade Balance	(206.66)	(252.23)	(219.88)	(222.18)	(236.34)	(643.42)	(678.40)
Total Imports	219.60	266.38	233.90	238.87	256.89	719.48	729.66
Total Exports	12.95	14.15	14.02	16.70	20.55	76.06	51.26
Re-Exports	1.13	3.26	0.94	1.34	5.35	35.50	7.63
Domestic Exports	11.82	10.89	13.07	15.36	15.20	40.56	43.64
Of Which:							
Bananas							
Volume	74.52	31.31	17.86	7.14	45.78	160.54	70.79
Value	0.10	0.04	0.02	0.01	0.06	0.22	0.09
Nutmeg							
Volume	63.15	93.21	89.34	85.04	109.86	471.74	284.25
Value	0.99	1.60	1.75	1.48	2.39	5.22	5.63
Mace							
Volume	7.90	5.42	6.41	0.00	3.94	19.28	10.35
Value	0.20	0.13	0.18	0.00	0.07	0.54	0.25
Cocoa							
Volume	29.16	0.00	153.22	110.01	45.78	213.81	309.01
Value	0.36	0.00	1.70	1.13	0.61	2.35	3.43
Manufactured Exports							
Value	6.96	7.40	7.20	8.47	7.42	22.38	23.09

Source: Central Statistical Office and WIBDECO

Data available at 20 November 2008



**Table 38**  
**Grenada - Monetary Survey**  
**(EC\$M at end of period)**

	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr
Net Foreign Assets	427.69	303.57	405.63	374.69	344.64	325.22
Central Bank (net)	279.63	282.63	298.21	273.98	306.31	271.11
Commercial Banks (net)	148.06	20.94	107.42	100.71	38.33	54.11
External (net)	14.37	(40.49)	(35.19)	(63.20)	(77.25)	(92.57)
Assets	414.17	378.95	388.88	376.64	365.28	367.71
Liabilities	399.80	419.45	424.07	439.84	442.54	460.28
Other ECCB Territories	133.69	61.43	142.61	163.91	115.58	146.68
Assets	181.27	165.18	255.20	224.39	205.33	222.80
Liabilities	47.58	103.75	112.59	60.48	89.75	76.11
Net Domestic Assets	1,133.77	1,291.52	1,239.08	1,302.58	1,349.13	1,377.08
Domestic Credit	1,261.95	1,345.68	1,372.06	1,376.60	1,443.16	1,478.73
Central Government (net)	70.36	95.10	104.35	89.55	109.06	122.05
Other Public Sector (net)	(85.56)	(91.11)	(116.83)	(123.25)	(111.61)	(121.61)
Non-Bank Financial Institutions (net)	(40.08)	(29.97)	(27.22)	(2.11)	3.23	(10.69)
Subsidiaries and Affiliates (net)	6.42	5.84	2.56	2.34	2.33	-
Private Sector	1,310.81	1,365.82	1,409.20	1,410.07	1,440.15	1,488.97
Other Items (net)	(128.18)	(54.17)	(132.98)	(74.03)	(94.03)	(101.65)
Monetary Liabilities (M2)	1,561.46	1,595.08	1,644.71	1,677.27	1,693.77	1,702.29
Money Supply (M1)	334.01	353.92	355.76	356.51	357.96	344.88
Currency with the Public	98.07	96.97	107.77	98.41	105.96	96.81
Demand Deposits	235.94	256.95	247.98	258.11	252.00	248.07
Quasi Money	1,227.45	1,241.16	1,288.95	1,320.76	1,335.81	1,357.41
Savings Deposits	900.02	914.67	914.20	944.41	967.29	986.06
Time Deposits	225.96	236.96	254.06	280.19	281.61	281.08
Foreign Currency Deposits	101.47	89.53	120.69	96.16	86.92	90.27

Source: Eastern Caribbean Central Bank

Data available at 19 November 2008



**Table 39**  
**Montserrat - Selected Tourism Statistics**

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 <sup>P</sup> Jan - Sep
Total Visitors	1,894	3,156	3,096	2,431	1,851	7,294	7,378
Stay-Over Visitors	1,629	2,529	1,816	1,531	1,581	5,217	4,928
Of which:							
USA	357	703	560	388	411	1,406	1,359
Canada	48	133	155	87	33	255	275
UK	477	777	453	430	422	1,413	1,305
Caribbean	681	842	565	587	683	1,954	1,835
Other Countries	66	74	83	39	32	189	154
Excursionists	159	187	251	428	143	781	822
Cruise Ship Passengers	-	171	-	-	-	102	-
Number of Cruise Ship Calls	-	2	-	-	-	1	-
Yacht Passengers	106	269	1,029	472	127	1,194	1,628
Number of Yachts	25	53	153	136	25	258	314
<b>Total Visitor Expenditure (EC\$M)</b>	<b>3.81</b>	<b>6.16</b>	<b>5.53</b>	<b>3.84</b>	<b>3.64</b>	<b>13.94</b>	<b>13.00</b>

Sources: Ministry of Finance and Eastern Caribbean Central Bank

Data available at 19 November 2008

**Table 40**  
**Montserrat - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Sep 2008	Percentage Change*						
			2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 <sup>P</sup> Jan - Sep
<b>All Items</b>	1,000.0	237.20	(0.04)	1.75	0.44	2.86	1.41	2.20	4.77
Food	495.0	234.00	0.28	2.67	0.59	3.31	2.77	2.84	6.80
Alcohol and Tobacco	46.0	215.30	0.09	1.41	0.56	0.41	(1.37)	0.66	(0.42)
Household Goods	102.0	168.20	(1.38)	0.73	0.06	1.99	(0.71)	1.42	1.33
Gas, Electricity and Water	18.0	238.30	1.61	2.45	2.34	10.42	5.12	5.04	18.79
Rent	7.0	955.70	-	-	-	-	-	-	-
Clothing and Footwear	179.0	220.30	-	(0.18)	(0.05)	-	-	-	(0.05)
Services	153.0	287.90	(0.45)	1.99	0.59	5.05	0.38	3.62	6.08

Sources: Statistics Department, Ministry of Finance

\*at end of period

Data available at 19 November 2008



**Table 41**  
**Montserrat - Central Government Fiscal Operations**  
**(In millions of Eastern Caribbean dollars)**

	2007 <sup>R</sup>	2007	2008	2008	2008 <sup>P</sup>	2007	2008 <sup>P</sup>
	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	Jan - Sep	Jan - Sep
<b>Current Revenue</b>	8.28	9.92	8.84	9.76	10.84	25.86	29.45
Tax Revenue	7.09	8.90	7.84	8.46	8.88	22.66	25.18
Taxes on Income and Profits	3.62	3.16	3.45	4.06	4.02	11.19	11.52
Of Which:							
Personal Income	3.14	2.86	3.04	3.31	3.52	9.39	9.87
Company	0.37	0.16	0.33	0.57	0.28	1.59	1.18
Taxes on Property	0.34	0.72	0.14	0.10	0.62	0.66	0.86
Taxes on Domestic Goods and Services	0.44	1.01	1.08	0.89	0.64	2.43	2.60
Of Which:							
Hotel Occupancy	0.00	0.01	0.01	0.01	0.02	0.03	0.03
Insurance Company Levy	0.13	0.06	0.03	0.04	0.04	0.22	0.12
Licences and Stamp Duties	0.28	0.59	0.73	0.66	0.39	1.74	1.77
Taxes on International Trade and Transactions	2.70	4.01	3.17	3.41	3.61	8.37	10.20
Of Which:							
Import Duty	0.75	1.20	0.98	1.06	1.02	2.30	3.06
Consumption Tax	1.22	1.64	1.40	1.48	1.48	3.43	4.36
Customs Service Charge	0.70	1.06	0.79	0.87	1.12	2.02	2.78
Non-Tax Revenue	1.19	1.01	1.01	1.31	1.96	3.20	4.27
<b>Current Expenditure</b>	23.58	25.29	20.06	25.43	25.43	67.89	70.92
Personal Emoluments	9.70	9.81	9.45	9.63	10.03	28.11	29.12
Goods and Services*	7.70	9.46	5.46	8.72	8.06	21.36	22.25
Interest Payments	0.18	0.18	0.32	0.18	0.18	0.77	0.67
Domestic	0.00	-	0.05	-	-	0.05	0.05
External	0.18	0.18	0.27	0.18	0.18	0.72	0.62
Transfers and Subsidies	6.00	5.85	4.83	6.90	7.15	17.65	18.88
Of Which: Pensions	3.14	2.63	3.15	2.83	3.65	9.45	9.62
<b>Current Account Balance</b>	(1.25)	(0.76)	(5.89)	6.96	(1.42)	1.31	(0.35)
<b>Capital Revenue</b>	-	-	-	-	-	-	-
<b>Grants</b>	16.04	28.00	13.86	32.84	13.99	47.97	60.70
Of which: Capital Grants	1.99	13.38	8.54	10.22	0.82	4.62	19.57
<b>Capital Expenditure and Net Lending</b>	7.46	10.67	5.65	8.33	10.31	15.88	24.30
<b>Primary Balance</b>	(6.54)	2.13	(2.69)	9.02	(10.73)	(9.17)	(4.40)
<b>Overall Balance</b>	(6.72)	1.95	(3.01)	8.85	(10.91)	(9.95)	(5.07)
<b>Financing</b>	6.72	(1.95)	3.01	(8.85)	10.91	9.95	5.07
Domestic	7.68	(2.97)	3.04	(8.72)	10.94	10.99	5.26
ECCB (net)	(0.08)	(0.25)	(1.23)	(0.20)	(0.01)	(0.43)	(1.43)
Commercial Banks (net)	2.08	12.52	7.71	(13.90)	4.97	(13.80)	(1.22)
Other	5.68	(15.24)	(3.44)	5.37	5.98	25.23	7.91
External	(0.96)	1.02	(0.03)	(0.13)	(0.03)	(1.05)	(0.18)
Net Amortisation/(Amortisation)	(0.03)	(0.03)	(0.03)	(0.13)	(0.03)	(0.09)	(0.18)
Disbursements	-	-	-	-	-	-	-
Amortisation	(0.03)	(0.03)	(0.03)	(0.13)	(0.03)	(0.09)	(0.18)
Change in Government Foreign Assets	(0.93)	1.05	-	-	-	(0.96)	-

Source: Ministry of Finance

\*Goods and Services include Miscellaneous Payments

Data available at 20 November 2008



**Table 42**  
**Montserrat - Selected Trade Statistics**  
**(Value: EC\$M)**

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 <sup>P</sup> Jan - Sep
Visible Trade Balance	(18.36)	(21.88)	(16.00)	(21.12)	(30.08)	(51.03)	(67.20)
Total Imports	20.17	23.76	20.66	22.83	31.98	56.27	75.48
Total Exports	1.81	1.88	4.66	1.72	1.91	5.24	8.28
Total Domestic Exports	1.28	1.42	1.78	1.41	1.37	3.69	4.56
Total Re-Exports	0.53	0.47	2.87	0.31	0.54	1.55	3.72

Source: Ministry of Finance

Data available at 19 November 2008

**Table 43**  
**Montserrat - Monetary Survey**  
**(EC\$M at end of period)**

	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr
Net Foreign Assets	181.93	179.24	169.18	171.10	185.10	177.91
Central Bank (net)	37.46	37.87	39.14	34.64	38.74	38.57
Commercial Banks (net)	144.47	141.37	130.04	136.46	146.37	139.34
External (net)	63.49	61.22	49.40	47.72	59.02	56.40
Assets	102.15	101.89	89.78	87.40	100.54	97.78
Liabilities	38.66	40.66	40.37	39.68	41.52	41.38
Other ECCB Territories	80.99	80.15	80.64	88.74	87.34	82.94
Assets	134.65	141.41	153.87	167.08	171.05	177.06
Liabilities	53.66	61.26	73.23	78.33	83.70	94.12
Net Domestic Assets	(43.85)	(41.17)	(24.56)	(23.09)	(34.73)	(28.24)
Domestic Credit	(24.53)	(21.35)	(5.88)	(2.22)	(12.16)	(3.93)
Central Government (net)	(39.74)	(37.74)	(25.47)	(18.99)	(33.08)	(28.12)
Other Public Sector (net)	(16.21)	(14.87)	(15.11)	(14.58)	(14.56)	(14.57)
Non-Bank Financial Institutions (net)	(4.49)	(5.44)	(5.05)	(8.99)	(5.76)	(5.14)
Subsidiaries and Affiliates (net)	-	-	(0.02)	(0.02)	(0.02)	(0.02)
Private Sector	35.90	36.70	39.77	40.36	41.25	43.91
Other Items (net)	(19.32)	(19.82)	(18.67)	(20.86)	(22.57)	(24.30)
Monetary Liabilities (M2)	138.07	138.07	144.62	148.01	150.38	149.67
Money Supply (M1)	31.60	29.20	36.59	35.94	35.46	32.93
Currency with the Public	14.53	13.35	15.07	14.53	14.25	13.97
Demand Deposits	17.07	15.86	21.52	21.41	21.21	18.97
Quasi Money	106.48	108.86	108.03	112.08	114.92	116.74
Savings Deposits	95.14	96.10	93.33	97.51	99.20	101.08
Time Deposits	5.27	5.44	5.55	6.95	5.81	5.83
Foreign Currency Deposits	6.07	7.33	9.16	7.62	9.91	9.83

Source: Eastern Caribbean Central Bank

Data available at 18 November 2008



**Table 44**  
**St Kitts and Nevis - Selected Tourism Statistics**

	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>R</sup> 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
Total Vistors	29,383	141,442	218,472	72,358	47,622	239,017	338,452
Stay-Over Visitors	26,276	27,588	40,130	31,483	17,993	96,593	89,606
Of which:							
USA	13,379	15,164	24,442	18,864	9,285	55,277	52,591
Canada	1,014	1,974	2,680	1,606	674	5,071	4,960
UK	2,892	2,867	3,991	2,289	1,975	9,332	8,255
Caribbean	8,234	6,574	7,023	7,173	5,551	23,203	19,747
Other Countries	757	1,009	1,994	1,551	508	3,710	4,053
Excursionists	880	1,070	1,419	1,194	880	3,974	3,493
Cruise Ship Passengers	2,107	112,660	176,380	39,409	28,615	136,663	244,404
Yacht Passengers	120	124	543	272	134	1,787	949
Number of Cruise Ship Calls	4	73	136	27	13	171	176
<b>Total Visitor Expenditure (EC\$M)</b>	<b>66.61</b>	<b>81.33</b>	<b>123.57</b>	<b>90.24</b>	<b>62.10</b>	<b>259.21</b>	<b>275.91</b>

Source: Ministry of Sustainable Development (St Kitts), Tourism Authority (Nevis) and ECCB Estimates  
Data available at 19 November 2008

**Table 45**  
**St Kitts and Nevis - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Sep 2008	Percentage Change*						
			2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
<b>All Items</b>	1,000.00	134.68	(0.18)	0.02	2.44	2.99	0.79	2.05	6.33
Food	280.50	136.92	1.00	1.10	2.78	1.00	2.82	4.64	6.74
Alcoholic Beverages and Tobacco	7.10	123.29	10.56	1.24	0.67	(0.22)	-	11.17	0.45
Housing	129.90	122.36	0.19	(0.22)	-	6.09	-	0.07	6.09
Fuel and Light	43.70	105.58	0.44	0.12	0.63	0.51	-	(0.11)	1.15
Clothing and Footwear	92.90	129.55	(0.29)	(1.30)	4.47	0.23	0.06	3.00	4.78
Transportation and Communication	21.40	168.20	(0.07)	2.16	3.17	7.61	0.19	0.76	11.24
Household Furnishings and Supplies	37.20	111.87	(4.13)	(4.97)	3.70	1.95	(1.90)	0.40	3.71
Medical Care and Expenses	140.50	156.29	0.95	0.09	0.51	(1.08)	3.65	1.10	3.05
Education	192.70	128.15	(0.17)	-	-	0.08	2.63	3.08	2.71
Personal Services	19.90	115.16	-	-	-	-	-	5.57	-
Miscellaneous	34.20	113.41	(0.45)	(0.77)	0.74	0.32	(1.03)	0.04	0.02

Source: Ministry of Sustainable Development  
\*at end of period  
Data available at 19 November 2008



**Table 46**  
**St Kitts and Nevis - Federal Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>R</sup> 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
<b>Current Revenue</b>	117.80	138.14	135.26	138.27	124.39	374.49	397.92
Tax Revenue	94.86	107.45	102.33	112.26	100.21	292.10	314.81
Taxes on Income and Profits	25.37	30.79	30.67	42.27	31.69	85.17	104.63
Of Which:							
Company	15.32	20.20	20.38	32.76	21.53	57.29	74.66
Social Services	8.76	8.59	9.11	9.04	9.04	24.42	27.19
Taxes on Property	2.89	1.23	0.78	2.37	1.79	6.19	4.94
Taxes on Domestic Goods and Services	20.19	18.49	25.75	22.45	16.91	65.60	65.11
Of Which:							
Hotel Room Tax	2.74	1.74	5.30	4.50	2.43	12.51	12.23
Stamp Duties	11.03	7.31	9.87	9.93	5.41	31.04	25.21
Gasoline Levy	-	-	-	-	-	0.65	-
Taxes on International Trade and Transactions	46.42	56.95	45.14	45.17	49.83	135.14	140.13
Of Which:							
Import Duty	13.33	15.77	12.01	12.67	13.48	37.31	38.16
Consumption Tax	22.53	28.32	22.17	21.36	24.28	65.85	67.81
Customs Service Charge	8.25	10.01	8.45	8.92	10.04	25.27	27.40
Non-Tax Revenue	22.94	30.70	32.93	26.01	24.18	82.39	83.12
<b>Current Expenditure</b>	118.17	149.22	131.06	126.51	136.42	348.48	393.98
Personal Emoluments	43.59	60.13	46.27	47.78	57.88	130.79	151.93
Goods and Services	36.32	42.15	38.64	33.06	33.39	97.48	105.10
Interest Payments	26.50	35.05	33.78	28.11	31.02	80.68	92.91
Domestic	14.35	29.16	24.05	20.70	14.11	47.54	58.86
External	12.15	5.89	9.73	7.40	16.91	33.14	34.04
Transfers and Subsidies	11.77	11.89	12.37	17.56	14.12	39.54	44.04
Of Which: Pensions	5.89	6.86	5.91	6.06	7.44	17.38	19.42
<b>Current Account Balance</b>	(0.37)	(11.08)	4.20	11.76	(12.02)	26.01	3.94
<b>Capital Revenue</b>	2.13	32.72	10.87	1.57	34.75	2.49	47.19
<b>Grants</b>	7.69	6.36	10.72	1.85	3.58	12.57	16.15
Of which: Capital Grants	7.69	6.36	10.52	1.36	1.38	12.57	13.25
<b>Capital Expenditure and Net Lending</b>	27.19	25.97	17.55	15.46	21.26	73.93	54.26
Of which: Capital Expenditure	22.88	26.05	16.77	13.75	12.36	69.55	42.88
<b>Primary Balance</b>	8.75	37.08	42.02	27.83	36.07	47.82	105.92
<b>Overall Balance</b>	(17.75)	2.04	8.25	(0.28)	5.05	(32.85)	13.02
<b>Financing</b>	17.75	(2.04)	(8.25)	0.28	(5.05)	32.85	(13.02)
Domestic	44.27	3.33	3.71	8.88	(19.57)	73.50	(6.98)
ECCB (net)	(1.15)	2.35	(5.62)	0.84	1.20	(2.79)	(3.59)
Commercial Banks (net)	(17.55)	2.43	(83.45)	(50.65)	2.37	40.29	(131.73)
Other	62.97	(1.45)	92.78	58.69	(23.14)	35.99	128.33
External	(26.52)	(5.37)	(11.96)	(8.60)	(8.60)	(40.65)	(5.35)
Net Amortisation	(26.52)	(5.37)	(11.96)	(8.60)	15.21	(40.65)	(5.35)
Disbursements	5.57	4.34	43.10	3.13	29.10	20.52	75.34
Amortisation	(32.09)	(9.70)	(15.06)	(11.73)	(13.89)	(61.16)	(40.68)
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	-	-	-	-	-	-	-
Domestic	-	-	-	-	-	-	-
External	-	-	-	-	-	-	-

Source: Ministry of Finance

Data available at 19 November 2008



**Table 47**  
**St Kitts and Nevis - Monetary Survey**  
**(EC\$M at end of period)**

	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr
Net Foreign Assets	609.80	595.28	557.56	750.18	870.90	769.98
Central Bank (net)	209.11	254.12	258.28	312.43	244.31	251.54
Commercial Banks (net)	400.70	341.16	299.28	437.75	626.59	518.45
External (net)	481.47	435.01	425.55	524.43	630.17	523.85
Assets	918.28	850.00	870.40	936.61	1,136.29	1,039.77
Liabilities	436.80	414.99	444.85	412.18	506.13	515.93
Other ECCB Territories	(80.78)	(93.85)	(126.27)	(86.68)	(3.58)	(5.40)
Assets	227.92	249.15	227.99	345.97	392.29	379.10
Liabilities	308.69	343.00	354.26	432.65	395.86	384.50
Net Domestic Assets	854.02	858.29	886.00	779.03	609.92	688.54
Domestic Credit	1,347.37	1,349.25	1,385.62	1,338.09	1,325.94	1,379.04
Central Government (net)	478.69	459.99	464.77	375.70	325.88	329.44
Other Public Sector (net)	(67.63)	(84.59)	(71.39)	(57.60)	33.90	30.11
Non-Bank Financial Institutions (net)	38.89	58.20	34.14	58.07	(31.09)	(21.58)
Subsidiaries & Affiliates (net)	(52.60)	(61.40)	(60.64)	(75.17)	(68.43)	(66.91)
Private Sector	950.03	977.05	1,018.74	1,037.10	1,065.69	1,107.98
Other Items (net)	(493.35)	(490.96)	(499.62)	(559.05)	(716.02)	(690.50)
Monetary Liabilities (M2)	1,463.82	1,453.57	1,443.55	1,529.21	1,480.82	1,458.53
Money Supply (M1)	203.10	199.59	205.10	215.81	218.66	208.32
Currency with the Public	51.18	49.06	56.19	51.93	54.42	54.97
Demand Deposits	151.91	150.53	148.91	163.88	164.24	153.36
Quasi Money	1,260.73	1,253.98	1,238.45	1,313.40	1,262.17	1,250.20
Savings Deposits	547.34	552.74	562.49	580.66	594.63	598.87
Time Deposits	209.40	217.94	232.94	251.85	255.22	257.84
Foreign Currency Deposits	503.98	483.30	443.01	480.89	412.32	393.49

Source: Eastern Caribbean Central Bank

Data available at 18 November 2008





**Table 48**  
**Saint Lucia - Selected Tourism Statistics**

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
Total Visitors	141,449	284,145	368,458	186,309	127,520	647,542	682,287
Stay-Over Visitors	70,138	69,559	86,028	75,202	69,559	217,959	230,789
Of which:							
USA	26,899	27,554	29,637	34,037	25,182	85,879	88,856
Canada	2,122	5,295	12,878	3,603	2,678	13,345	19,159
UK	17,213	20,296	24,811	20,550	17,657	58,884	63,018
France	910	720	1,283	928	1,159	2,922	3,370
Germany	258	395	533	357	338	1,197	1,228
Caribbean	20,515	12,339	13,552	13,257	20,030	46,710	46,839
Excursionists	1,499	3,063	2,875	2,517	2,052	4,778	7,444
Cruise Ship Passengers	65,519	204,721	271,172	102,989	51,936	405,444	426,097
Number of Cruise Ship Calls	21	114	146	46	16	200	208
Yacht Passengers	4,293	6,802	8,383	5,601	3,973	19,361	17,957
<b>Total Visitor Expenditure (EC\$M)</b>	<b>174.09</b>	<b>224.85</b>	<b>291.06</b>	<b>216.62</b>	<b>178.94</b>	<b>632.29</b>	<b>686.63</b>

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

Data available at 20 November 2008

**Table 49**  
**Saint Lucia - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Sep 2008	Percentage Change*						
			2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
<b>All items</b>	99.87	106.32	2.02	2.62	0.89	2.37	1.85	4.07	5.19
Food & Non-Alcoholic Beverages	25.02	107.93	4.14	4.16	(3.21)	2.58	4.20	7.51	3.46
Alcoholic Beverages, Tobacco & Narc	6.53	98.94	0.20	-	0.06	(1.47)	(0.19)	5.89	(1.60)
Clothing & Footwear	1.66	96.85	-	-	(1.11)	(2.20)	0.14	-	(3.15)
Housing, Utilities, Gas & Fuels	17.36	113.58	0.11	2.34	6.84	9.91	(2.10)	2.03	14.96
Household Furnishings, Supplies & Ma	3.31	104.03	-	(0.60)	3.15	1.80	2.00	1.17	7.10
Health	3.96	109.02	(0.19)	0.08	9.80	0.08	1.57	(1.40)	11.61
Transport	16.40	110.58	(1.15)	1.77	16.03	2.49	3.57	(1.07)	23.15
Communication	12.54	100.00	-	-	-	-	-	-	-
Recreation & Culture	1.37	103.10	0.44	(0.01)	1.44	1.14	0.49	0.44	3.10
Education	3.70	100.00	-	-	-	-	-	-	-
Hotels & Restaurants	1.10	110.73	-	-	2.59	5.27	4.18	-	12.51
Miscellaneous									

\*at end of period

Data available at 20 November 2008



**Table 50**  
**Saint Lucia - Central Government Fiscal Operations**  
**(In millions of Eastern Caribbean dollars)**

	2007	2007	2008	2008	2008	2007	2008
	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	Jan - Sep	Jan - Sep
<b>Current Revenue</b>	166.13	169.38	219.49	200.04	181.37	530.48	600.89
Tax Revenue	156.02	159.18	207.24	182.13	174.84	499.87	564.22
Taxes on Income and Profits	43.95	25.25	76.93	58.88	58.09	151.36	193.89
Of Which:							
Personal Income	16.48	14.82	22.77	18.29	17.88	51.24	58.93
Company	21.05	2.08	44.96	31.97	31.36	70.71	108.28
Taxes on Property	1.47	1.09	0.83	0.32	0.39	3.77	1.54
Taxes on Domestic Goods and Services	27.93	33.78	40.64	27.47	30.60	85.94	98.70
Of Which:							
Consumption Duty	1.55	1.93	2.17	1.54	1.94	7.31	5.65
Licences	3.18	7.74	13.05	1.61	2.87	11.83	17.52
Hotel Occupancy Tax	8.20	6.09	10.82	10.96	9.99	24.75	31.77
Taxes on International Trade and Transactions	82.68	99.05	88.85	95.46	85.76	258.80	270.08
Of Which:							
Consumption Tax (Imports)	25.14	30.88	26.40	29.82	27.15	82.62	83.38
Import Duty	24.23	31.36	26.40	27.91	24.70	74.08	79.01
Service Charge (Imports)	14.88	17.30	15.68	17.93	17.38	49.41	50.99
Non-Tax Revenue	10.11	10.21	12.24	17.90	6.53	30.61	36.67
<b>Current Expenditure</b>	131.32	148.78	159.59	136.09	146.79	400.73	442.47
Personal Emoluments	64.07	66.84	66.79	66.28	65.86	185.54	198.94
Goods and Services	25.44	28.01	32.85	23.87	30.83	76.07	87.55
Interest Payments	12.70	23.62	26.83	18.22	18.38	57.45	63.43
Domestic	9.47	8.41	7.18	11.17	10.77	26.36	29.11
External	3.23	15.21	19.65	7.06	7.61	31.09	34.32
Transfers and Subsidies	29.10	30.31	33.12	27.72	31.71	81.67	92.55
Of Which: Pensions	10.26	11.95	11.88	10.31	7.79	29.08	29.98
<b>Current Account Balance</b>	34.81	20.61	59.89	63.94	34.58	129.75	158.42
<b>Capital Revenue</b>	-	-	-	-	-	0.04	-
<b>Grants</b>	0.34	1.14	2.23	5.63	5.51	8.13	13.37
Of which: Capital Grants	0.34	1.14	2.23	5.63	5.51	8.13	13.37
<b>Capital Expenditure and Net Lending</b>	51.30	45.58	53.49	31.84	41.09	170.74	126.42
<b>Primary Balance</b>	(3.44)	(0.21)	35.46	55.95	17.39	24.63	108.80
<b>Overall Balance (after grants)</b>	(16.15)	(23.83)	8.64	37.73	(1.00)	(32.82)	45.37
<b>Financing</b>	16.15	23.83	(8.64)	(37.73)	1.00	32.82	(45.37)
Domestic	16.13	1.69	4.21	(56.01)	1.10	12.49	(50.70)
ECCB (net)	(4.27)	(7.25)	21.92	10.07	(7.28)	(16.13)	24.70
Commercial Banks (net)	(9.35)	3.99	(3.33)	(10.38)	(4.07)	68.65	(17.78)
Other	29.74	4.94	(14.37)	(55.71)	12.45	(40.03)	(57.62)
External	0.02	22.14	(12.85)	18.29	(0.10)	20.32	5.34
Net Amortisation	0.02	22.14	(12.85)	19.15	2.75	19.01	9.05
Disbursements	23.02	39.71	18.50	25.62	10.97	72.77	55.08
Amortisation	(23.00)	(17.57)	(31.34)	(6.46)	(8.22)	(53.75)	(46.03)
Change in Government Foreign Assets	-	-	-	(0.87)	(2.85)	1.31	(3.72)

Source: Ministry of Finance

Data available at 20 November 2008



**Table 51**  
**Saint Lucia - Banana Production**

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
Volume (tonnes)	5,799	4,003	7,840	10,136	10,365	26,315	28,340
Value (EC\$M)	8.33	5.68	11.07	14.11	14.89	37.92	40.08
Unit Price (EC\$/ tonnes)	1,437.00	1,419.05	1,412.35	1,392.04	1,436.97	4,322.72	4,241.36

Source: Windward Islands Banana Development Exporting Company (WIBDECO)

Data available at 20 November 2008

**Table 52**  
**Saint Lucia - Selected Trade Statistics**  
(Value: EC\$M)

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
<b>Total Exports</b>	43.52	37.89	94.32	124.50	113.35	167.63	332.17
Total Domestic Exports	27.54	24.18	37.73	47.47	48.77	101.46	133.97
Total Re-Exports	15.98	13.71	56.59	77.03	64.58	66.17	198.21
<b>Total Imports</b>	401.39	446.77	420.46	428.76	446.32	1,215.26	1,295.54
<b>Trade Balance</b>	(357.87)	(408.88)	(326.14)	(304.26)	(332.97)	(1,047.62)	(963.37)

Sources: Statistics Department and ECCB estimates for Total Exports for 2006 and Domestic Exports for January to September 2007

Data available at 20 November 2008



**Table 53**  
**Saint Lucia - Monetary Survey**  
**(EC\$M at end of period)**

	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr
Net Foreign Assets	(30.38)	(42.11)	(47.66)	(165.98)	(255.65)	(244.64)
Central Bank (net)	419.22	360.04	408.25	431.94	409.66	372.89
Commercial Banks (net)	(449.60)	(402.15)	(455.91)	(597.93)	(665.31)	(617.54)
External (net)	(282.73)	(275.53)	(292.15)	(393.71)	(361.94)	(253.49)
Assets	396.34	421.66	486.22	523.28	595.73	745.12
Liabilities	679.07	697.19	778.37	916.99	957.66	998.61
Other ECCB Territories	(166.86)	(126.62)	(163.76)	(204.22)	(303.37)	(364.05)
Assets	320.76	411.38	584.43	380.11	330.75	313.71
Liabilities	487.62	538.00	748.19	584.33	634.13	677.76
Net Domestic Assets	2,120.57	2,134.43	2,230.88	2,401.35	2,512.61	2,585.56
Domestic Credit	2,522.94	2,726.71	2,990.44	3,007.56	3,112.97	3,197.98
Central Government (net)	34.12	20.51	17.25	35.83	35.52	24.17
Other Public Sector (net)	(242.53)	(234.68)	(243.41)	(248.61)	(263.70)	(260.25)
Non-Bank Financial Institutions (net)	(80.16)	(41.90)	(41.31)	(52.36)	(51.96)	(44.21)
Subsidiaries and Affiliates (net)	181.74	172.09	167.11	125.95	128.81	118.38
Private Sector	2,629.77	2,810.70	3,090.80	3,146.75	3,264.29	3,359.90
Other Items (net)	(402.37)	(592.28)	(759.57)	(606.22)	(600.36)	(612.42)
Monetary Liabilities (M2)	2,090.20	2,092.33	2,183.21	2,235.36	2,256.96	2,340.92
Money Supply (M1)	595.89	592.16	638.97	648.17	638.13	592.64
Currency with the Public	115.81	120.24	128.05	136.92	126.34	121.75
Demand Deposits	480.08	471.92	510.92	511.26	511.79	470.89
Quasi Money	1,494.31	1,500.17	1,544.25	1,587.19	1,618.83	1,748.28
Savings Deposits	1,104.10	1,128.23	1,150.78	1,184.84	1,201.96	1,239.59
Time Deposits	292.82	257.65	283.28	315.79	322.94	372.89
Foreign Currency Deposits	97.39	114.29	110.19	86.56	93.93	135.80

Source: Eastern Caribbean Central Bank

Data available at 17 December 2008



**Table 54**  
**St Vincent and the Grenadines - Selected Tourism Statistics**

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>R</sup> 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 <sup>P</sup> Jan - Sep
Total Visitors	46,373	66,331	93,533	42,917	28,005	261,171	164,455
Stay-Over Visitors	22,413	19,118	22,010	20,718	20,705	70,414	63,433
Of which:							
USA	5,513	5,542	6,394	6,782	4,964	21,095	18,140
Canada	1,374	1,698	2,218	1,397	1,299	5,026	4,914
UK	3,599	3,514	4,389	3,673	3,618	13,200	11,680
Caribbean	10,172	6,246	5,907	6,828	9,001	23,678	21,736
Other Countries	1,755	2,118	3,102	2,038	1,823	7,415	6,963
Excursionists	1,491	1,237	2,199	1,650	1,350	5,560	5,199
Yacht Passengers	12,889	9,506	16,170	6,264	4,074	77,212	26,508
Cruise Ship Passengers	9,580	36,470	53,154	14,285	1,876	107,985	69,315
Number of Cruise Ship Calls	19	66	85	20	4	213	109
<b>Total Visitor Expenditure (EC\$M)</b>	<b>58.67</b>	<b>53.64</b>	<b>70.58</b>	<b>53.89</b>	<b>45.61</b>	<b>246.54</b>	<b>170.08</b>

Sources: Department of Tourism and ECCB estimates for September 2008

Data available at 20 November 2008

**Table 55**  
**St Vincent and the Grenadines - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Sep 2008	Percentage Change*						
			2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 Jan - Sep
<b>All Items</b>	1,000.0	135.47	1.84	2.00	2.48	4.22	2.43	6.21	9.40
Food	536.1	147.73	4.02	3.10	3.79	6.07	3.42	6.21	13.85
Alcoholic Beverages and Tobacco	9.5	127.68	2.54	0.24	(0.29)	0.30	0.38	12.69	0.39
Housing	97.9	107.26	(0.11)	2.47	-	(0.07)	0.08	(0.14)	0.02
Fuel and Light	29.8	171.99	(2.78)	3.80	2.54	11.57	0.68	4.39	15.18
Clothing and Footwear	88.7	113.03	(3.12)	-	0.04	0.47	0.81	14.65	1.33
Household Furnishings and Supplies	61.5	112.03	(0.22)	(0.44)	1.38	1.66	2.24	5.52	5.37
Transport and Communications	68.5	131.15	-	-	3.24	2.89	2.67	4.75	9.06
Medical Care and Expenses	10.1	121.19	-	-	-	-	-	12.53	-
Education	34.3	151.61	0.01	-	-	0.09	0.42	15.94	0.51
Personal Services	33.5	118.05	0.69	(1.42)	(0.80)	1.22	1.30	11.06	1.72
Miscellaneous	30.1	104.59	-	-	-	-	-	(10.99)	-

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

\*at end of period

Data available at 20 November 2008



**Table 56**  
**St Vincent and the Grenadines - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 <sup>P</sup> Jan - Sep
<b>Current Revenue</b>	118.88	123.02	104.90	111.46	127.14	307.74	343.51
Tax Revenue	112.00	116.73	96.63	103.61	116.81	283.21	317.05
Taxes on Income and Profits	28.43	34.02	20.93	29.92	27.34	69.56	78.19
Of Which:							
Individual	13.07	15.87	13.76	13.95	13.23	38.42	40.94
Company Tax	13.99	16.96	5.96	13.24	11.49	26.10	30.69
Taxes on Property	1.35	0.79	0.31	0.38	1.07	1.97	1.75
Taxes on Domestic Goods and Services	62.55	58.75	55.52	51.39	61.56	125.31	168.46
Of Which:							
Stamp Duties	5.70	4.91	6.84	6.72	4.91	23.13	18.47
Consumption Duties	(0.00)	0.00	0.00	0.00	0.00	3.60	0.00
Hotel Turnover Tax	0.10	0.01	0.00	0.01	0.01	6.04	0.02
Value Added Tax	34.69	35.71	38.31	36.76	39.83	51.23	114.90
Taxes on International Trade and Transactions	19.67	23.18	19.88	21.92	26.85	86.37	68.65
Of Which:							
Import Duty	10.19	13.62	8.80	10.22	12.05	29.73	31.07
Consumption Tax	0.97	0.20	0.19	(0.08)	0.24	31.16	0.35
Customs Service Charge	7.30	7.69	6.09	6.78	8.20	20.65	21.07
Non-Tax Revenue	6.88	6.29	8.27	7.85	10.33	24.54	26.45
<b>Current Expenditure</b>	94.71	114.90	103.32	103.05	108.00	263.40	314.37
Personal Emoluments	42.42	60.59	49.57	48.86	49.55	127.51	147.98
Goods and Services	19.41	25.25	19.34	22.89	21.30	50.34	63.53
Interest Payments	11.33	10.35	14.15	11.92	12.75	34.40	38.82
Domestic	7.36	3.82	8.25	6.80	7.46	19.59	22.50
External	3.97	6.52	5.90	5.12	5.30	14.81	16.32
Transfers and Subsidies	21.55	18.71	20.27	19.38	24.40	51.15	64.04
Of Which: Pensions	6.58	8.57	9.21	9.82	8.45	20.60	27.48
<b>Current Account Balance</b>	24.16	8.12	1.58	8.42	5.07	44.34	15.07
<b>Capital Revenue</b>	0.21	0.32	0.42	0.23	0.48	0.60	1.12
<b>Grants</b>	11.05	4.74	7.28	5.15	27.50	20.04	39.92
Of which: Capital Grants	11.05	4.74	7.28	5.15	13.43	20.04	25.85
<b>Capital Expenditure and Net Lending</b>	50.39	37.61	11.67	32.23	31.69	93.87	75.59
Of which: Capital Expenditure	50.39	37.61	11.67	32.23	31.69	93.87	75.59
<b>Primary Balance</b>	(3.63)	(14.08)	11.75	(6.52)	28.19	5.51	33.42
Overall Balance (after grants)	(14.96)	(24.43)	(2.40)	(18.44)	15.44	(28.89)	(5.40)
<b>Financing</b>	14.96	24.43	2.40	18.44	(15.44)	28.89	5.40
Domestic	14.93	25.09	21.15	(26.32)	(10.10)	(21.36)	(15.27)
ECCB (net)	(2.82)	24.59	(20.07)	(2.97)	(12.21)	(10.28)	(35.26)
Commercial Banks (net)	(7.59)	42.60	3.99	5.40	(2.48)	(37.76)	6.91
Other	25.33	(42.09)	37.23	(28.74)	4.60	26.68	13.09
External	0.03	(0.66)	(18.75)	44.76	(5.34)	50.25	20.67
Net Amortisation/(Amortisation)	0.03	(0.66)	(18.75)	44.76	(5.34)	23.01	20.67
Disbursements	9.70	8.48	4.10	31.76	11.22	51.53	47.08
Amortisation	(9.67)	(9.14)	(22.85)	12.99	(16.56)	(28.52)	(26.42)
Change in Government Foreign Assets	-	-	-	-	-	27.25	-

Source: Ministry of Finance, Treasury Department and ECCB Estimates  
Data available at 20 November 2008



**Table 57**  
**St Vincent and the Grenadines - Selected Trade Statistics**  
 (Value: EC\$M; Volume: tonnes)

	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr	2007 Jan - Sep	2008 <sup>P</sup> Jan - Sep
Visible Trade Balance	(189.11)	(218.87)	(175.75)	(245.56)	(234.33)	(534.31)	(655.64)
Total Imports	214.01	245.64	198.62	272.26	261.77	635.82	732.65
Total Exports	24.91	26.78	22.87	26.69	27.44	101.51	77.01
Re-Exports	2.39	2.20	1.41	2.57	2.59	27.76	6.57
Domestic Exports	22.52	24.57	21.46	24.12	24.85	73.76	70.43
Of Which:							
Bananas							
Volume	2.58	2.52	2.87	2.09	1.65	11.63	6.61
Value	3.55	3.48	3.86	2.87	2.31	16.17	9.05
Flour							
Volume	2.30	2.89	2.37	2.72	2.49	7.53	7.57
Value	3.69	4.99	2.89	6.37	6.20	11.36	15.46
Rice							
Volume	1.01	1.69	1.22	1.75	1.46	3.04	4.43
Value	1.98	3.23	2.66	5.40	5.46	5.62	13.52
Feeds							
Volume	1.63	1.78	1.15	1.47	1.14	6.52	3.77
Value	1.42	1.45	1.05	1.47	1.34	5.08	3.85

Source: Statistical Office, Central Planning Division, Ministry of Finance and Planning and ECCB Estimates for July to September 2008  
 Data available at 20 November 2008

**Table 58**  
**St Vincent and the Grenadines - Monetary Survey**  
 (EC\$M at end of period)

	2007 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr	2008 <sup>R</sup> 2 <sup>nd</sup> Qr	2008 <sup>P</sup> 3 <sup>rd</sup> Qr
Net Foreign Assets	490.95	431.54	352.46	386.87	415.63	405.79
Central Bank (net)	212.02	230.70	232.68	215.39	242.01	223.52
Commercial Banks (net)	278.93	200.84	119.78	171.48	173.62	182.27
External (net)	169.93	81.62	61.14	66.79	45.82	30.85
Assets	320.23	244.69	228.92	251.15	238.62	235.99
Liabilities	150.30	163.07	167.78	184.36	192.80	205.14
Other ECCB Territories	109.00	119.22	58.64	104.69	127.80	151.42
Assets	324.91	329.66	338.78	333.89	330.00	362.86
Liabilities	215.91	210.44	280.14	229.20	202.20	211.44
Net Domestic Assets	507.74	554.91	653.87	595.12	607.44	586.85
Domestic Credit	772.23	790.75	883.94	831.22	852.10	860.44
Central Government (net)	31.04	20.64	87.83	71.74	74.17	59.47
Other Public Sector (net)	(60.25)	(55.60)	(53.02)	(35.78)	(45.20)	(60.53)
Non-Bank Financial Institutions (net)	(45.54)	(35.53)	(42.29)	(51.64)	(53.24)	(35.86)
Subsidiaries and Affiliates (net)	-	-	(0.04)	(0.03)	(0.09)	(0.08)
Private Sector	846.98	861.24	891.46	846.93	876.47	897.44
Other Items (net)	(264.49)	(235.84)	(230.07)	(236.09)	(244.66)	(273.59)
Monetary Liabilities (M2)	998.70	986.44	1,006.34	981.99	1,023.07	992.65
Money Supply (M1)	369.24	356.55	371.67	348.40	363.78	337.26
Currency with the Public	80.93	75.54	89.82	66.26	80.21	72.41
Demand Deposits	288.31	281.02	281.86	282.14	283.57	264.85
Quasi Money	629.45	629.89	634.66	633.59	659.29	655.39
Savings Deposits	506.61	513.76	512.82	513.04	521.69	523.40
Time Deposits	81.99	79.60	82.22	84.94	95.01	96.52
Foreign Currency Deposits	40.85	36.52	39.62	35.61	42.58	35.48

Source: Eastern Caribbean Central Bank  
 Data available at 17 November 2008

