

# 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

Preliminary data indicate that economic activity in the ECCU expanded in the first quarter of 2008, amidst increases in international oil and food prices and a slow down in the global economy, particularly the US. However, the pace of economic activity is estimated to have slowed compared with that in the first quarter of 2007. Tourism activity rebounded compared with the outturn in the first quarter of 2007. However, the pace of activity in the construction sector slowed. Manufacturing and agricultural output declined; the latter on account of lower banana production associated with damage to crops by hurricane Dean in August 2007. On an individual country basis, economic activity is estimated to have expanded in all the member countries. Consumer prices rose in all the countries, at rates ranging from 0.4 per cent in Montserrat to 3.6 per cent in St Kitts and Nevis. Central governments' overall fiscal deficit narrowed on account of reduced capital spending. The stock of public sector debt declined. The merchandise trade deficit fell, reflecting a reduction in import payments. Developments in the banking sector were characterised by a fall in domestic credit and a marginal increase in commercial bank liquidity. The spread between interest rates on lending and deposits remained unchanged.

The economic outlook for the remainder of 2008 is favourable. Activity is projected to increase,

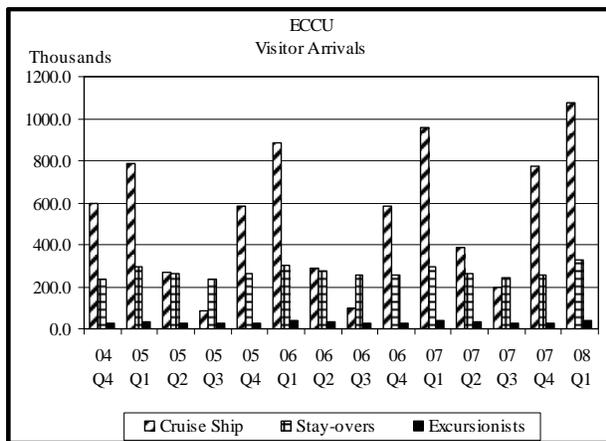
although the pace is likely to slow based on developments in the construction sector. An upturn in agricultural production is likely as the banana industry is expected to recover from hurricane damage. The prospects for tourism are uncertain, based on plans to reduce airlift from the US in the latter part of 2008, and the slow down in the global economy, particularly the USA, a major trading partner. These projections are subject to downside risks which include a further slow down of the global economy, increases in fuel and commodity prices and adverse weather.

### Output

The improvement in performance in the tourism industry in the first quarter of 2008 was driven by a rebound in stay-over arrivals. The number of stay-over visitors rose by 10.5 per cent to 324,829, in contrast to a fall of 1.6 per cent in the first quarter of 2007. This outturn stemmed from increases in all the major markets, particularly Canada. Arrivals from Canada rose by 28.6 per cent, as a result of additional airlift from that market coupled with an appreciation of the Canadian dollar relative to the EC dollar. The number of visitors from the US increased by 9.4 per cent, on account of intense marketing by some countries and additional airlift. Arrivals from the UK increased by 9.1 per cent, partly reflecting the impact of an appreciation of the pound sterling in relation to the EC dollar. The hosting of special events including the Stanford



20/20 cricket in Antigua and Barbuda contributed to growth in arrivals from other Caribbean countries. In the case of cruise visitors, the return of a few major cruise lines to some ECCU member countries coupled with the use of larger sized vessels led to a 12.6 per cent increase to 1,075,031 in cruise ship passenger arrivals. Of the other categories of visitors, the number of excursionists was up by 5.6 per cent and yacht passenger arrivals rose marginally. As a result of those developments the total number of visitors increased by 11.5 per cent to 1,496,895.



Activity in the construction sector expanded, albeit at a slow pace relative to that in the first quarter of 2007 when work intensified on a number of public sector projects in preparation for Cricket World Cup (CWC) 2007. Public sector construction activity fell in the quarter under review, as reflected by a 33.8 per cent reduction in capital outlays. Private sector activity remained buoyant as work continued on constructing or expanding hotels, condominiums, commercial properties and residential

accommodation. The expansion in private sector construction was supported in part by a 7.7 per cent increase in commercial bank credit for construction and land development. Among the member territories, construction activity expanded in all countries except Grenada and Saint Lucia.

Manufacturing production declined as the sector continued to be adversely affected by high input costs and lower external demand for some commodities. Appreciable increases in prices of wheat and other primary commodities on the international market as well as a fall in export demand contributed to declines in production of flour and animal feed in Grenada and St Vincent and the Grenadines. Production of paperboard and electrical products declined in Saint Lucia, reflecting a fall in demand. In Dominica, output of dental cream also fell, as production of that commodity was discontinued in the latter part of 2007.

Agricultural output is estimated to have declined on account of a decrease in banana production. Banana output fell by 39.5 per cent to 11,868 tonnes, in contrast to a 36.0 per cent rise in the first quarter of 2007. This outturn reflected the impact of hurricane damage to banana plants in Saint Lucia and Dominica and of Moko and leaf-spot diseases in St Vincent and the Grenadines. In the case of non-banana traditional export crops, performance was mixed. Output of cocoa rose in Grenada, while production of nutmeg declined.



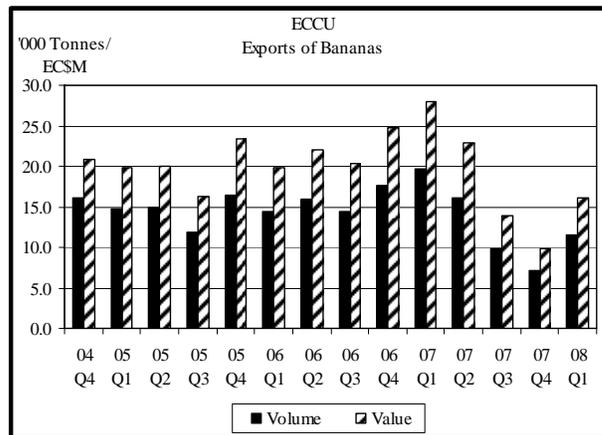
**Prices**

Consumer prices continued to increase during the quarter under review, spurred by rising cost of food and fuel on the international market. Prices rose in all the ECCU member countries, with rates ranging from 0.4 per cent in Montserrat to 3.6 per cent in St Kitts and Nevis. Increases in the food sub-index, the largest weighted, ranged from 0.6 per cent in Montserrat to 6.3 per cent in Anguilla. During the quarter under review the average price of gasoline in the ECCU member countries increased from \$10.64 a gallon to \$12.75 contributing to a rise in the fuel sub-index. Price increases for gasoline were recorded in all the countries except Antigua and Barbuda.

**Trade and Payments**

Preliminary estimates indicate that the merchandise trade deficit narrowed, attributable to a fall in import payments. The value of imports declined by an estimated 4.1 per cent to \$1,393.6m, partly reflecting the slow down in the pace of construction activity. Import payments for construction materials declined relative to the high level in the first quarter of 2007 when some countries prepared for the CWC 2007 event. The value of exports also declined, attributable to decreases in domestic export receipts and re-exports. The fall in domestic export earnings was partly the result of declines in receipts from banana associated with the smaller volume of production, as well as manufactured goods reflecting a fall in demand. The value of re-exports fell, in

contrast to a strong increase in the March 2007 quarter when machinery was brought in for the CWC 2007 preparations.

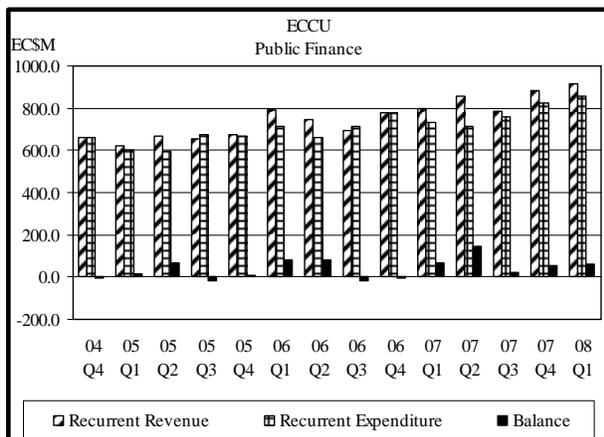


Gross travel receipts rose by 13.1 per cent to \$1,080.1m, in line with the increase in visitor arrivals. Commercial bank transactions resulted in an 8.1 per cent increase in net outflows of short term capital. Gross disbursements to the central governments amounted to \$75.3m, representing a 13.6 per cent decline on the level in the first quarter of 2007, while external loan repayments rose by 34.9 per cent to \$92.6m. This resulted in a net amortisation of \$17.3m, in contrast to a net disbursement of \$18.5m in the first quarter of 2007.

**Central Government Fiscal Operations**

The consolidated fiscal operations of the central governments indicate an overall deficit of \$54.6m, well below that of \$194.3m in the first quarter of 2007. This outturn stemmed from a 33.8 per cent reduction to \$203.0m in capital expenditure, as a number of major public sector projects were

completed in 2007 in preparation for CWC 2007. Accordingly, the primary balance shifted to a surplus of \$62.9m from a deficit of \$77.5m in the first quarter of 2007. Of the member countries, Antigua and Barbuda, Montserrat and St Vincent and the Grenadines recorded smaller overall deficits, while in Grenada the deficit increased. Dominica, St Kitts and Nevis and Saint Lucia moved from a deficit to a surplus, and in Anguilla a larger surplus was recorded.



The current operations of the central governments resulted in a smaller surplus, as the increase in expenditure exceeded that in revenue. Current expenditure rose by 16.8 per cent to \$855.1m driven by increases in outlays on personal emoluments, goods and services and transfers. Spending on personal emoluments was up by 41.9 per cent, partly associated with salary and wage increases in Anguilla, St Kitts and Nevis and St Vincent and the Grenadines in 2007. The rise in outlays on goods and services (29.8 per cent) was mainly influenced by price increases of fuel and other commodities. Expenditure on transfers rose by 21.9 per cent,

reflecting increases in pension payments in Antigua and Barbuda and Saint Lucia, and grants and subventions in Grenada. Interest payments increased marginally, by 0.6 per cent, associated with domestic interest payments.

Current revenue rose by 14.5 per cent to \$913.4m, reflecting increases in collections from taxes on income and profits (28.7 per cent) and taxes on domestic goods and services (35.5 per cent). The larger yield from taxes on income and profits was largely as a result of the collection of company tax arrears coupled with the increase in economic activity. Growth in receipts from taxes on domestic goods and services was attributed to an increase in the yield from sales tax in Antigua and Barbuda, as well as the introduction of value added tax (VAT) in Dominica and St Vincent and the Grenadines. Collections from taxes on international trade and transactions were down by 2.7 per cent, as consumption tax and service charge on imports, formerly classified under this category, were replaced with the VAT. Receipts from non-tax revenue fell by 1.3 per cent, reflecting a decrease in collections of fees and fines.

**Public Sector Debt**

The total stock of public sector debt was \$10,995.1m at the end of the quarter under review, representing a decline of 1.6 per cent on the level at the end of 2007. This development was attributed to a reduction in central governments’ outstanding debt, consistent with the smaller overall deficit. The stock



of outstanding central government debt fell by 2.4 per cent to \$8,986.0m, representing 81.7 per cent of total public sector debt. During the review period central governments' domestic debt declined by 5.3 per cent to \$3,912.9m, while external debt remained largely unchanged at \$5,073.1m. On an individual country basis, the public sector debt was smaller in all countries except Dominica, Grenada, and St Vincent and the Grenadines.

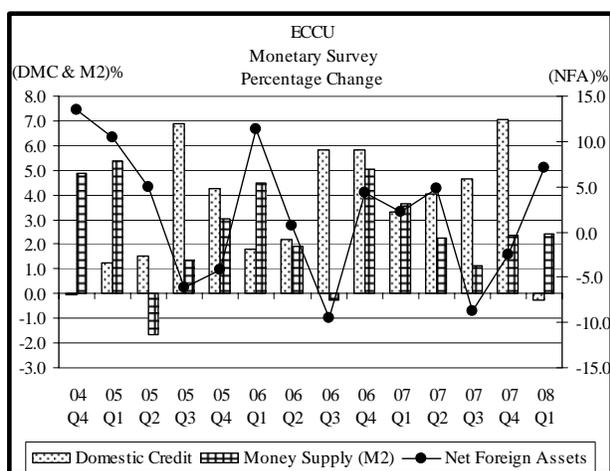
**Financial Developments**

**Monetary and Credit Developments**

Monetary liabilities expanded by 2.4 per cent to \$11,356.3m during the quarter under review, mainly reflecting growth of 2.5 per cent in quasi money. Increases in private sector savings and time deposits were responsible for growth in quasi money. Narrow money rose by 2.0 per cent, compared with 5.2 per cent in the first quarter of 2007. The reduced rate of growth reflected the slow down in economic activity during the period under review. Growth in M1 was attributed to an increase in private sector demand deposits.

Domestic credit fell by 0.2 per cent, the first decline to be recorded in the first quarter since 2005. Growth in private sector credit was 0.8 per cent, well below that of 4.6 per cent one year earlier. This downturn was associated with a fall in business credit (0.5 per cent) and reduced growth in household credit (1.9 per cent). Net credit to the central governments from the banking system declined by 12.6 per cent, reflecting the smaller overall deficit on the fiscal accounts. Central governments' outstanding loans from the commercial banking system fell by 3.5 per cent (\$61.5m) while its deposits rose by 5.5 per cent (\$46.8m). The decline in commercial bank credit was the result of a fall in outstanding loans and advances, which was partly offset by a rise in debentures. Central Government's net indebtedness to the central bank fell by 38.9 per cent, reflecting a reduction in the outstanding balance on the operating account.

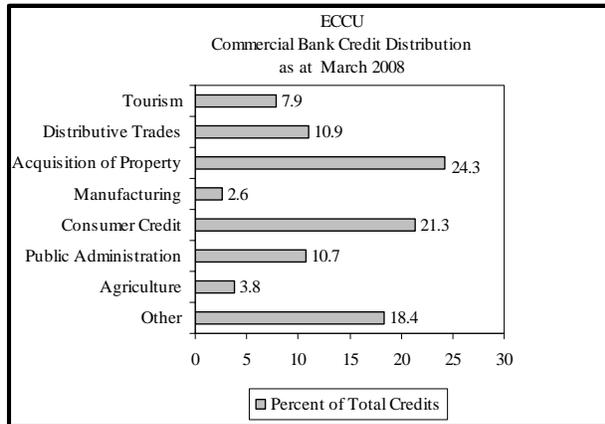
Net deposits of non-financial public enterprises rose by 6.5 per cent, largely influenced by growth in deposits of the social security systems.



The distribution of credit by economic activity shows an increase in outstanding credit for construction (7.7 per cent), reflecting the expansion in private sector construction activity. Increases in credit were also recorded for transport (7.7 per cent) and personal use (1.1 per cent).

The net foreign assets of the banking system rose by 7.0 per cent to \$3,237.9m during the quarter under review. Growth was driven by increases in the net

foreign assets of the central bank (by 6.4 per cent or \$131.7m) and the commercial banks (by 8.3 per cent or \$80.6m).



Commercial bank liquidity fell marginally, but remained at a high level during the quarter under review. This was evidenced by a 0.7 percentage point decline to 40.2 per cent in the ratio of liquid assets to total deposits plus liquid liabilities. However, the ratio of loans to deposits fell by 2.6 percentage points to 82.4 per cent, as growth in deposits was higher than that of loans. The cash reserves to deposit ratio rose by 0.6 percentage point to 8.6 per cent

The spread between the average weighted interest rate on deposits and loans remained unchanged at 6.2 percentage points.

### ***Developments on the Regional Government Securities Market***

Activity on the Regional Government Securities Market (RGSM) was robust during the first quarter of 2008. Nine auctions were recorded compared with six in the corresponding period of 2007. These

auctions were undertaken by the governments of Antigua and Barbuda, Saint Lucia and St Vincent and the Grenadines. A 10-year bond valued at \$16.0m was issued by the government of Saint Lucia. Gross funds raised amounted to \$154m, an increase of 55.5 per cent relative to the total in the first quarter of 2007.

During the review period securities issued on the RGSM were oversubscribed by \$23.2m (23.4 per cent), and the value of bids almost doubled to \$220.4m. This performance signals a marked increase in investor confidence in the RGSM.

The average yield on 91-day Treasury bills fell by 37 basis points to 5.80 per cent, attributable in part to an increase in demand for securities as reflected in the value of bids and the level of over subscriptions. In the first quarter of 2008, the average weighted interest rates for 180-day Treasury bills and 10-year bonds were 6.0 per cent and 7.50 per cent respectively. There were no issues of securities with those tenors in the corresponding period of 2007.

An analysis of the investor profile indicates that commercial banks and other financial institutions were the major investors in government securities. The Social Security Systems did not participate on the RGSM during the quarter under review; this contrasts with the corresponding period of 2007 when the Systems invested \$1.0m.

Indications are that during the review period investor participation on the RGSM increased considerably



compared with the level in the first quarter of 2007. Commercial banks' investment in the RGSM was \$51.7m, well above the \$35.6m recorded in the first quarter of 2007. Investments by other financial institutions amounted to \$19.5m; in the corresponding quarter of the previous year, these institutions did not participate. Insurance companies invested \$15.5m and private individuals' investments amounted to \$0.6m in 2008.

The value of securities traded on the secondary market of the RGSM declined by 62.8 per cent to \$6.7m, compared with the total in the first quarter of 2007. This outturn was due to a significant contraction in secondary trading of the securities of St Vincent and the Grenadines and Saint Lucia.

### **Prospects**

The outlook for the ECCU economy in 2008 is positive. However, growth is expected to slow compared with the rate in 2007, partly based on likely developments in the construction sector. A slow down in the pace of construction activity is projected, as a number of major public sector projects were completed in 2007. Construction activity will be driven by ongoing work on a number of tourism-related facilities and residential buildings, as well as new projects expected to start during the second half of the year. The deceleration in the pace of construction activity is expected to have a dampening effect on activity in some of the other sectors, particularly mining and quarrying, transport and banking and insurance.

Agricultural production is expected to rebound, based on a likely increase in banana output in the second half of the year as the industry recovers from hurricane damage. However, the recent challenges to the European Union's (EU) banana regime by the World Trade Organisation could dampen banana production and exports.

In the case of tourism, the outlook is uncertain. Growth in visitor arrivals is likely, based on increased tourism accommodation in some countries, intense marketing, additional airlift from some markets, and a strengthening of the pound sterling and euro in relation to the US dollar to which the EC dollar is pegged. However, growth in visitor arrivals is likely to be stymied, based on reduced airlift from the US in the latter part of 2008, and a decrease in disposable income of potential tourists as a result of high prices of fuel, food and other commodities.

In the external sector, the merchandise trade deficit is projected to widen, notwithstanding the expected slow down in economic activity. The projected outturn is based in part on an increase in import payments associated with high and rising prices of food, fuel and other commodities. The value of exports is projected to decline, based on decreases in re-exports and receipts from manufactured goods.

The overall fiscal deficit of the central governments is projected to narrow on the basis of lower capital spending. The fall in capital expenditure in the first quarter is expected to continue for the rest of 2008 as some governments cut-back on investment spending.



A smaller current surplus is projected as growth in expenditure is likely to surpass that of revenue. The growth in current expenditure is expected to be driven by larger outlays on personal emoluments associated with wage and salary increases, and on goods and services on account of higher fuel prices. Current revenue is likely to grow at a reduced rate, based on concessions granted by some member governments to cushion the impact of higher food prices.

The slow down in the domestic economy is expected to lead to a moderation in the growth of monetary liabilities. Domestic credit is forecast to grow at a reduced rate in 2008 relative to 2007. This forecast is based on a tightening in commercial bank lending terms and conditions and the slow down in

economic activity. The outlook for the RGSM for the rest of 2008 is positive. Increased activity on the RGSM is expected, based on the number of scheduled auctions.

The economic outlook for the ECCU for 2008 is contingent, to a large extent, on developments in the global economy and is therefore subject to downside risks. These include a further slow down in global economic activity, rising international prices of food, fuel and other commodities, and reduced airlift from the US. These could dampen economic activity in the ECCU, contribute to further increases in domestic prices and erode consumers' purchasing power.



## ANGUILLA

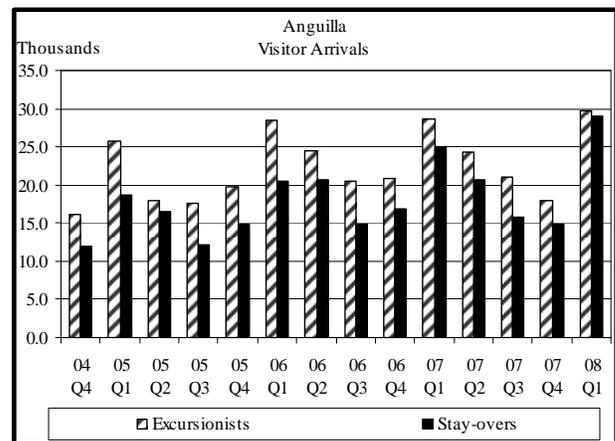
### Overview

The economy of Anguilla continued to expand in the first quarter of 2008, consistent with the trend observed over the last five years. Economic performance is estimated to have been above the level of the corresponding period of 2007, driven by growth in the construction sector. Consumer prices increased by 1.3 per cent, on an end of period basis. In the external sector, the merchandise trade deficit widened, reflecting an increase in import payments. The fiscal operations of the central government yielded a larger overall surplus. Total outstanding public sector debt fell during the quarter under review. In the banking system, monetary liabilities and net foreign assets contracted and commercial bank liquidity remained at a high level. The weighted average interest rate spread between deposits and loans narrowed.

The economic expansion is projected to continue in the remainder of 2008, albeit at a slow pace relative to that in the corresponding of 2007. The expansion will be driven mainly by developments in the construction sector and to a lesser extent, the tourism industry. Downside risks to the projections include further increases in international oil and food prices, unfavourable weather and a deeper than expected slow down in economic activity in the US economy, a major trading partner.

### Output

Construction activity in the first quarter of 2008 was robust, as work intensified on a number of ongoing projects both in the private and public sectors. In the private sector, the focus was on ongoing construction of high-end tourist related properties including villas and residences, golf clubs and a tennis facility. Growth in private construction was partially supported by increases in commercial bank credit to construction companies (41.8 per cent) and to individuals (7.5 per cent) for home construction and renovation. The pace of activity in the public sector slowed as a major project – the seaport development- was completed in late 2007. Public sector activity concentrated on developing water and health services facilities, rehabilitating roads and completing expansion work on a primary school.

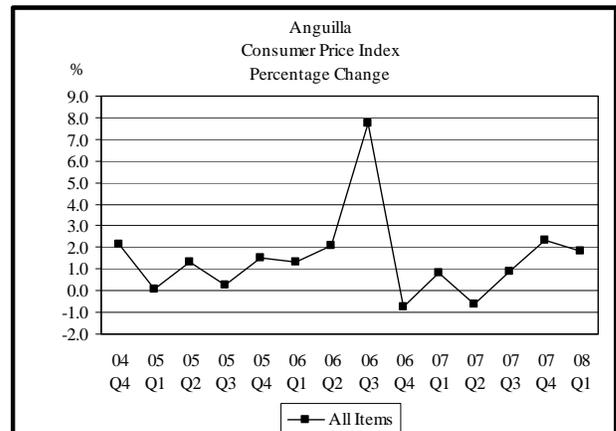


Performance in the tourism industry is estimated to have declined in the first quarter of 2008 compared with the corresponding period of 2007. Total visitor arrivals were down by 24.4 per cent to 40,478, reflecting contractions in all categories of visitors. The number of stay-over visitors fell by 17.4 per cent, mirroring decreases in arrivals from all the main markets, except the Caribbean. Of the major markets, arrivals from the USA, the largest market, declined by 18.7 per cent (3,142), consistent with a slowing US economy and the rising cost of travel. Stay-over arrivals from the UK and Italy are estimated to have decreased by 20.1 per cent (269) and 40.0 per cent (207) respectively. The number of visitors from Germany decreased by 18.7 per cent, while arrivals from the Caribbean increased by 11.1 per cent. Excursionists declined by 30.6 per cent (8,738).

**Prices**

The rate of inflation, as measured by the change in the consumer price index was 1.3 per cent during the first quarter of 2008, compared with 0.9 per cent during the corresponding period of 2007. Consistent with recent spikes in world food prices, the food sub-index, which has the largest weight in the goods and services basket, rose by 4.6 per cent, reflecting price increases in flour, dairy and poultry. The fuel and light sub-index increased by 11.0 per cent, attributable in part to a rise in the fuel surcharge, resulting from the upsurge in international oil prices. An increase of 3.8 per cent in the clothing and footwear sub-index was a consequence of higher

costs of uniforms and casual wear. The overall increase in consumer prices was tempered by declines in the sub-indices transport and communications (3.5 per cent) and household furnishing and supplies (1.1 per cent).



**Trade and Payments**

A merchandise trade deficit of \$168.7m is estimated in the first quarter of 2008 compared with one of \$153.8m in the corresponding period of 2007. The larger deficit reflected growth of 9.4 per cent in import payments, partly driven by the expansion in construction activity and increases in prices of international oil and other commodities. The value of exports is estimated to have increased by 3.4 per cent, primarily as a result of larger receipts from the export of rum and concrete blocks.

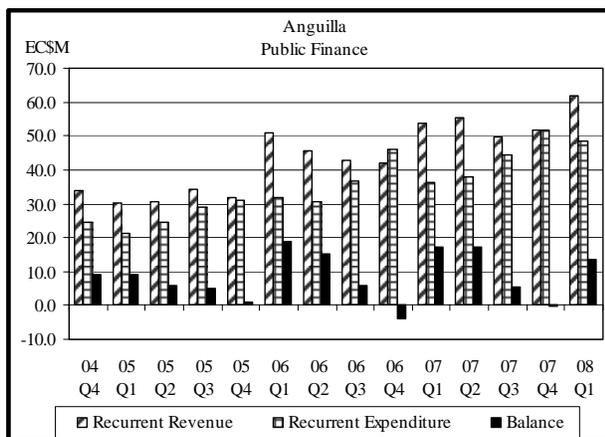
Gross travel receipts are estimated to have decreased by 16.7 per cent, in line with the fall in visitor arrivals. The transactions of commercial banks resulted in a net inflow of \$86.2m in short term



capital, in contrast to a net outflow of \$40.0m during the first quarter of 2007.

**Central Government Fiscal Operations**

The fiscal operations of the central government resulted in an overall surplus of \$11.9m, exceeding that of \$4.8m in the corresponding period of 2007. The improvement was largely attributed to strong growth in both current and capital revenue. A primary surplus of \$13.7m was recorded, up from one of \$6.8m in the first three months of 2007.



A current account surplus of \$13.7m was realised, compared with that of \$17.4m recorded in the first quarter of 2007. Current revenue rose by 15.9 per cent to \$62.1m, mainly attributable to an increase in non-tax revenue and larger collections from taxes on domestic goods and services. Non-tax revenue grew by 48.6 per cent (\$4.5m), reflecting larger receipts from fees for work permits, company registration and pier dues. Collections from taxes on domestic goods and services rose by 27.8 per cent (\$5.4m), mainly associated with an increase in revenue from

stamp duty. Receipts from taxes on international trade and transactions declined by 5.2 per cent (\$1.3m).

Current expenditure expanded by 33.7 per cent to \$48.4m, influenced by increases in outlays for personal emoluments, transfers and subsidies and goods and services. Expenditure on personal emoluments rose by 36.7 per cent (\$5.1m) associated with salary increases to public servants in the latter half of 2007. An increase of \$4.3m in outlays on transfers and subsidies was partly as a result of larger subventions to institutions, particularly the Anguilla Health Authority. Spending on goods and services rose by 27.3 per cent (\$3.1m), mainly attributable to an increase in the cost of supplies and materials. Interest payments fell by 13.4 per cent (\$0.3m), reflecting decreases in both external and domestic payments.

Capital revenue increased, partly as a result of larger proceeds from the sale of crown land. Capital expenditure declined by 8.0 per cent (\$1.0m), in contrast to a sharp increase in the previous year, as construction work was completed on two seaport projects.

**Public Sector Debt**

The total outstanding public sector debt was estimated at \$124.8m at the end of March 2008, a decline of 7.8 per cent on the amount at the end of 2007. This development was mainly attributed to a

reduction in the debt of the central government. The central government’s debt, which represented 84.1 per cent of the total public sector debt, decreased by 8.9 per cent to \$105.0m, largely reflecting a decline in domestic borrowing. The outstanding debt of the public corporations fell by 1.4 per cent to \$19.8m during the review period.

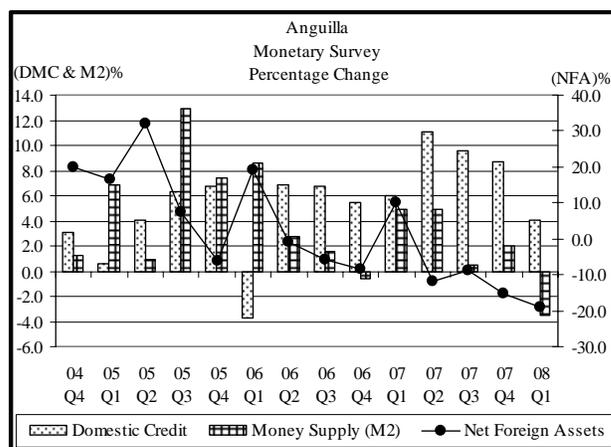
**Monetary and Credit Developments**

Monetary liabilities (M2) amounted to \$1,120.9m at the end of March 2008, roughly 3.5 per cent below the level at the end of December 2007. The contraction in M2 was influenced by decreases of 22.7 per cent (\$11.9m) and 2.6 per cent (\$29.0m) in narrow money (M1) and quasi money respectively. Of M1, private sector demand deposits and currency with the public fell by 25.7 per cent and 13.0 per cent respectively. The decline in quasi money was largely on account of a 3.2 per cent (\$29.2m) reduction in private sector foreign currency deposits.

Domestic credit grew by 4.0 per cent to \$1,105.6m, as a result of an expansion in outstanding loans to the private sector. Credit to the private sector rose by 5.1 per cent, attributable to increases in lending to households (6.2 per cent) and private businesses (3.9 per cent). The central government’s net indebtedness to the banking system fell by 22.6 per cent (\$10.0m), reflecting a decrease of 10.7 per cent (\$9.9m) in commercial bank credit. In the rest of the public sector, the net deposits of the non-financial public enterprises increased by 6.0 per cent, mainly as a result of growth in their deposits.

The distribution of credit by economic activity shows that commercial bank lending increased by 2.9 per cent (\$36.4m), mainly reflecting growth in credit for construction (\$34.9m), in line with the expansion in activity in that sector. Increases were also observed in credit for personal use (\$25.2m) largely for the acquisition of property, particularly home construction and renovation. By contrast, a decrease was recorded in credit for tourism (\$18.1m).

The net foreign assets of the banking system fell by 19.1 per cent to \$320.7m, in contrast to an increase of 10.0 per cent during the first three months of 2007. The contraction was primarily influenced by a 31.3 per cent decline to \$189.0m in commercial banks’ net foreign assets, largely reflecting a drawdown on assets held with institutions abroad and in the rest of the Eastern Caribbean currency union. Anguilla’s imputed share of the reserves held at the Central Bank rose by 8.8 per cent to \$131.8m.



Commercial bank liquidity fell, but remained at a high level during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities fell to 36.9 per cent at the end of March 2008, from 39.6 per cent at the end of December 2007. The loans and advances to total deposits ratio, however, increased by 3.0 percentage points to 88.3 per cent, as growth in loans and advances outpaced that in deposits.

The spread between lending and deposit interest rates fell to 5.61 percentage points at the end of the first quarter of 2008 from 6.04 percentage points at the end of December 2007. The weighted average interest rate on deposits increased by 0.32 percentage point to 3.91 per cent, and that on loans decreased by 0.11 percentage point to 9.52 per cent.

### **Prospects**

Economic activity is expected to increase in 2008, albeit at lower rate relative to 2007. Growth is likely to be led by continued buoyancy in the construction sector and expected developments in the tourism industry. Activity in the construction sector will be driven by ongoing private sector investment projects, mainly villas and residences. In addition, work will intensify on a major hotel-rebuilding project, which started in the first quarter of 2008. In the public sector, work will continue on road rehabilitation and a government offices complex. In

the tourism industry activity is expected to increase based on continued efforts in high-end niche marketing by the Tourist Board and hoteliers. However, the projected outturn is likely to be below that of 2007.

On the fiscal accounts of the central government, an increase in current savings is projected, as growth in current revenue is expected to outpace that in current expenditure. Notwithstanding, an overall deficit is projected, based on an expected increase in capital expenditure associated with road and infrastructural improvement and development of a government office complex.

On the external accounts, the merchandise trade deficit is projected to widen, on account of an increase in import payments, in line with the expansion in economic activity and rising prices of international oil and other commodities. Gross inflows from travel are likely to be lower than in the previous year.

Downside risks to these projections include a further slowdown in the US economy, high and rising international food and oil prices and unfavourable weather. The increasing cost of travel and the reduction of some American-based flights in the latter part of the year could negatively impact visitor arrivals.



## ANTIGUA AND BARBUDA

### Overview

Economic activity in Antigua and Barbuda is estimated to have increased in the first quarter of 2008 relative to the comparable period in 2007, fueled by growth in tourism and construction. The consumer price index increased by 0.6 per cent during the review period. The fiscal operations of the central government resulted in a lower overall deficit. The weighted average interest rate spread between loans and deposits fell, and commercial bank liquidity decreased compared with the level at the end of the previous quarter.

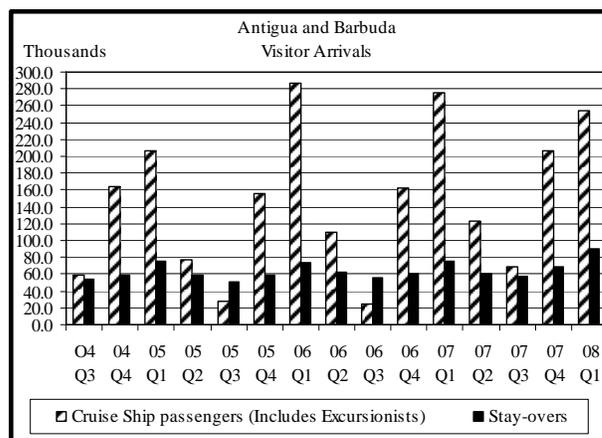
Output is projected to increase for the remainder of 2008 compared with the corresponding period in 2007, based on expected developments in tourism. Growth in output, however, is expected to be below the rate attained in 2007. On the fiscal operations of the central government, the overall deficit is projected to decline. The prospects for the domestic economy are contingent upon the global economic out-turn and the relative success of tourism policies designed to improve the competitiveness of the destination.

### Output

The expansion in tourism activity in the first quarter of 2008 was underpinned by an increase of 19.6 per cent to 90,147 in stay-over arrivals, surpassing the 1.6 per cent growth recorded in the comparable

period of 2007. The hosting of the Stanford 20/20 cricket tournament, favourable economic developments in some major source markets, increased competitiveness in favour of visitors from major non-US countries as a result of a depreciation of the US dollar to which the EC dollar is pegged, and a fervent marketing campaign contributed to this outcome. Growth was recorded in all major source markets particularly the Caribbean (42.9 per cent), the USA (14.1 per cent) and the UK (11.5 per cent).

The number of cruise-ship passengers, however, fell by 7.5 per cent to 254,786, well below the 4.0 per cent rate recorded in the corresponding period of 2007. The decline was partly the result of an 18.5 per cent (35) fall in the number of cruise ship calls, as some major cruise lines re-deployed ships.



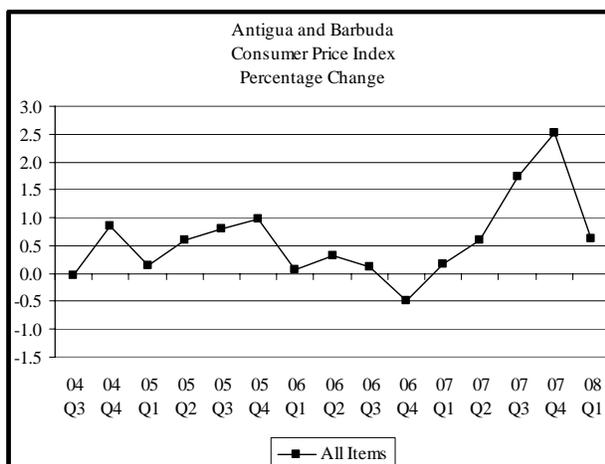
Construction activity was vibrant, in the period under review, although the pace of activity decelerated compared with the level in the corresponding period of 2007. The growth in



construction activity was driven by private sector investments, particularly in tourism-related accommodation. Public sector activity focused on road construction and rehabilitation, airport development, a car park and administrative structures. Partly reflecting the expansion in construction activity were increases in imports of cement and commercial bank lending for construction purposes.

**Prices**

The consumer price index increased by 0.6 per cent during the first quarter of 2008, up from a rate of 0.2 per cent in the comparable period of 2007, largely as a result of global price developments. The food sub-index, which has the second largest weight, rose by 1.8 per cent, mainly reflecting the impact of increases in imported prices. The fuel and light sub-index increased by 3.1 per cent. This was largely as a result of a rise in the fuel surcharge on electricity consumption and in fuel prices at the pump following government’s decision to implement a partial pass-through of international oil price increases.



The housing sub-index, which is the single largest component of the basket, increased by 0.6 per cent on account of higher rental rates. These increases were partly off-set by a 0.1 per cent decrease in the transport and communications sub-index.

**Trade and Payments**

Complete trade statistics are not available for the period under review. The available data on cargo throughput indicate that the volume of imports fell by 15.6 per cent, reflecting decreases in all major sub-categories except cement. The volume of general cargo imported fell by 25.4 per cent and that of fuel and motor vehicles contracted by 11.8 per cent and 9.7 per cent respectively. These decreases were broadly attributed to the deceleration in economic activity, particularly construction which has a high import content. By contrast imports of cement increased by 2.0 per cent, consistent with the expansion in construction activity. The volume of exports increased marginally.

Gross travel receipts are estimated to have increased by 18.1 per cent to \$321.5m, on account of the growth in stay-over arrivals. The external transactions of commercial banks resulted in a net outflow of \$11.6m in short-term capital, well below that of \$66.5m reported during the comparable period in 2007.

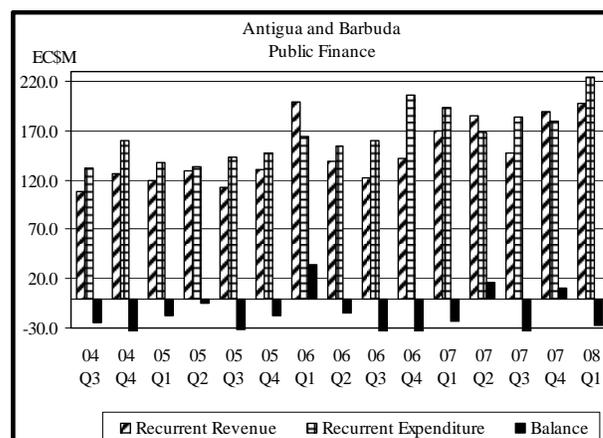
### Central Government Fiscal Operations

The fiscal operations of the central government resulted in an overall deficit of \$49.1m, well below one of \$92.8m in the first quarter of 2007. This outcome was mainly associated with a fall in capital expenditure, as the current account deficit increased. In those developments a primary deficit of \$20.5m was recorded, substantially below that of \$58.5m in the first quarter of 2007. The overall deficit was financed mainly by domestic borrowing and an accumulation of arrears.

The central government incurred a current account deficit of \$27.2m compared with one of \$23.7m in the first quarter of 2007. Current revenue increased by \$27.3m to \$197.5m, but this was more than offset by growth in current expenditure. An 18.3 per cent (\$29.5m) expansion in tax revenue largely contributed to the growth in revenue. The intake from taxes on domestic goods and services increased by 38.4 per cent (\$21.7m), partly reflecting the impact of the Antigua and Barbuda sales tax (ABST), which came into effect at the end of January 2007. Collections of stamp duties fell by 32.5 per cent (\$4.6m), partly attributed to a reduction in land sales. Receipts from taxes on income and profits rose by 23.4 per cent (\$7.0m), largely as a result of an increase in revenue from company tax. Company tax collections increased by 59.7 per cent (\$9.1m), reflecting in part the elevated level of economic activity in the previous year. Collections of personal income tax contracted by 12.5 per cent (\$1.8m), on account of revisions to the

regime in 2008, which included reductions in rates and in the number of bands. These increases were partially offset by a 2.4 per cent decline to \$71.6m in revenue from taxes on international trade and transactions. Decreases were observed in the intake from consumption tax and customs service charge, which were traced to the introduction of the ABST and government's efforts to cushion the rising cost of imports, particularly food and energy. Revenue from non-tax sources fell by \$2.3m to \$7.3m.

Current expenditure grew by \$30.8m to \$224.7m, largely on account of increased outlays on goods and services and transfers and subsidies. Payments for goods and services grew by 46.3 per cent (\$15.6m) and expenditure on transfers and subsidies rose by 24.2 per cent (\$12.9m). Outlays on personal emoluments were up by 11.1 per cent (\$8.0m), largely reflecting a 10.0 per cent salary increase at the beginning of 2008. A 16.9 per cent (\$5.8m) reduction in interest payments, mainly on external debt, tempered the overall growth in expenditure.



Capital expenditure fell by 71.5 per cent to \$23.0m. This decrease was largely on account of the completion of major projects such as the stadium and road works, which formed the bulk of the public sector investment programme during the first quarter of 2007.

### **Public Sector Debt**

The outstanding public sector debt is estimated to have decreased by 6.6 per cent to \$2,813.9m during the first quarter of 2008. This development reflected a decline of 6.9 per cent to \$2661.8m in central government's outstanding debt.

### **Monetary and Credit Developments**

Monetary liabilities (M2) increased by 4.7 per cent to \$2,883.9m during the review period, reflecting the expansion in economic activity. Growth in M2 was driven by an 8.5 per cent expansion in narrow money (M1) and growth of 3.5 per cent in quasi-money. An 8.1 per cent increase in private sector demand deposits was the major contributor to the growth in M1. A 4.8 per cent increase in private sector time deposits was largely responsible for growth in quasi money. Private sector savings deposits and foreign currency deposits grew by 2.8 per cent and 1.5 per cent respectively.

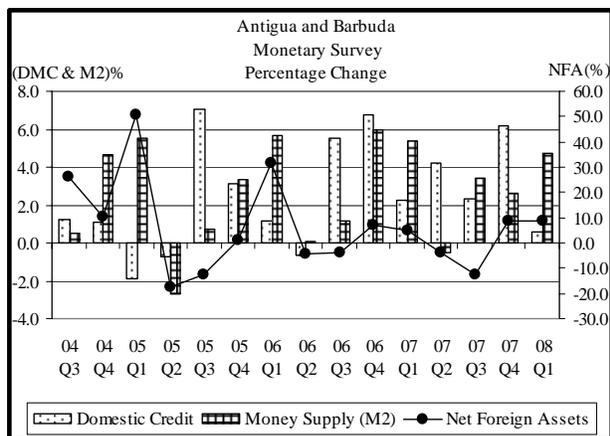
Domestic credit expanded by 0.6 per cent to \$2,209.5m, mainly on account of an increase in credit to subsidiaries and affiliates. Private sector credit, the single largest component of domestic

credit, increased by 0.1 per cent to \$2,284.3m. Household credit expanded by 2.4 per cent, but this was almost offset by a 2.4 per cent decrease in outstanding loans to businesses. The fall in credit to businesses was attributed to the repayment of a loan by a commercial entity. Net credit to the central government decreased by 8.1 per cent, mainly reflecting growth in deposits held at commercial banks as credit extended declined marginally. Net credit to non-bank financial institutions decreased by 67.6 per cent (\$8.6m), largely as a result of reduced investments by commercial banks.

The distribution of credit by economic activity indicates that loans for personal use increased by 1.4 per cent, mainly reflecting growth in credit for the acquisition of property, particularly for house and land purchase (3.3 per cent) and home construction and renovation (2.0 per cent). Credit for construction expanded by 4.3 per cent, mirroring the increase in activity in that sector. Credit for distributive trades and tourism grew by 0.3 per cent and 1.0 per cent respectively.

The net foreign assets of the banking system increased by 8.5 per cent to \$960.2m, largely reflecting a 16.4 per cent expansion in Antigua and Barbuda's imputed share of the Central Bank's reserves. The net foreign assets of commercial banks also increased, by 2.3 per cent, largely associated with an accumulation of assets in banks and other institutions abroad, combined with a reduction in their liabilities





Commercial bank liquidity decreased but remained at a high level during the first quarter of 2008. The ratio of liquid assets to total deposits plus liquid liabilities decreased by 0.7 percentage point to 47.3 per cent. However, the ratio of loans to deposits decreased by 2.0 percentage points to 76.8 per cent, reflecting a faster rate of growth in deposits relative to that of loans.

The weighted average interest rate on deposits fell to 3.18 per cent during the quarter under review from 3.31 per cent at the end of 2007, and that on loans decreased to 10.22 per cent from 10.38 per cent. Thus the weighted average interest rate spread fell to 7.04 percentage points from 7.06 percentage points at the end of December 2007.

### Prospects

Based on first quarter performance and expected developments in the rest of the year, economic

activity is projected to increase in 2008, albeit at a slower rate than in 2007. Growth is likely to be led by developments in the tourism industry, supported by construction activity. The increase in tourism capacity and additional airlift planned for the second and fourth quarters, are expected to contribute to growth in tourist arrivals. Construction activity is likely to expand, although the pace is expected to decelerate from the high levels of the past two years.

The current account deficit of the central government is projected to narrow. Revenue is expected to increase based on growth in economic activity; however, the increase is likely to be tempered by measures introduced by government to cushion the impact of rising international commodity prices on consumers. These measures include subsidising imports of fuel and eliminating duties and customs service charge on a number of imported items. These measures are also expected to lead to significant upward pressure on current expenditure. However, the expenditure associated with the voluntary separation and early retirement programme is likely to be less than the total in the corresponding period of 2007.

Capital expenditure is projected to be below the 2007 level, and will focus mainly on road reconstruction. Based on those developments in the current and capital accounts, a smaller overall deficit is projected.



A further slowdown of the global economy, particularly the US, constitutes the main downside risk to these projections. Further increases in prices of oil, food and other commodities on the international market may also pose challenges to growth and economic management.



## DOMINICA

### Overview

Economic activity in Dominica is estimated to have contracted in the first quarter of 2008 relative to the outturn in the corresponding period of 2007. This downturn was mainly attributed to declines in agricultural and manufacturing activity. The consumer price index rose by 1.3 per cent, on an end of period basis. The merchandise trade deficit widened, primarily reflecting a decline in domestic export earnings. The central government's fiscal operations yielded an overall surplus, in contrast to a deficit in the first quarter of 2007. Total public sector outstanding debt increased, compared with the level at the end of December 2007. In the banking sector, monetary liabilities rose, commercial bank liquidity remained at a high level and the interest rate spread widened.

Economic prospects for the remainder of 2008 are positive, based on the outlook for construction and tourism. The construction sector is expected to be the main driver of growth, influenced by post-hurricane Dean reconstruction efforts. Tourism performance is likely to improve as a result of increased marketing and additional airlift. An overall surplus is projected on the fiscal accounts of central government, based on an expected increase in revenue collections. Downside risks to the projections include a slow down in the global economy, higher international food and energy prices and adverse weather. These are likely to

impact negatively on consumer prices and economic activity.

### Output

The fall in agricultural output in the first quarter of 2008 mainly reflected the effects of hurricane Dean in August 2007. In the crops sub-sector, banana output fell by 76.4 per cent to 682 tonnes, in contrast to a 13.3 per cent increase in the first three months of 2007. Output of non-banana crops is estimated to have declined. Those declines were partly offset by marginal increases in livestock and fish production.

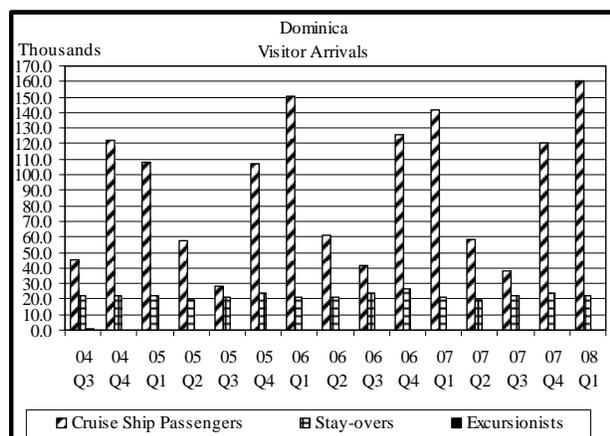
Output in the manufacturing sector is estimated to have declined compared with the level in the first quarter of 2007. Production of soap and beverages fell by 23.8 per cent and 2.6 per cent respectively, partly on account of a fall in demand. The discontinuation of production of dental cream by a major manufacturer, from September 2007, also contributed to the fall in manufacturing output.

Construction activity expanded in the first quarter of 2008 largely driven by public sector projects. Government's housing revolution programme and post-hurricane rehabilitation of infrastructure were some of the major projects that spurred activity in the sector. Construction work continued on roads, bridges, schools, a sea-defence wall and the Melville Hall airport. In the private sector, residential construction is estimated to have expanded,



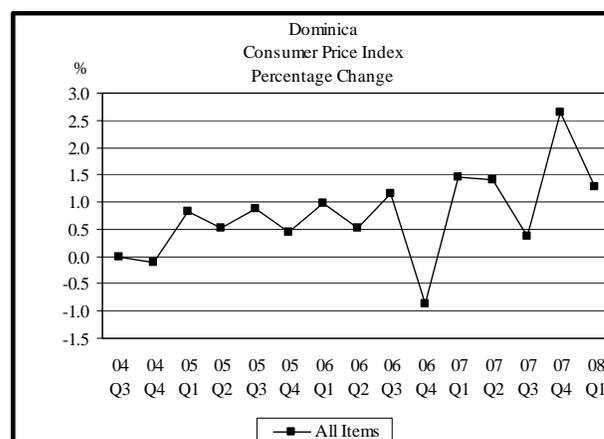
evidenced by a 16.2 per cent increase in the number of starts and growth of 1.5 per cent in commercial bank credit for home construction and renovation.

In the tourism industry, total visitor arrivals rose by 12.2 per cent to 182,972, partly influenced by increased marketing and promotions, additional airlift and the depreciation in the US dollar (to which the EC dollar is pegged) relative to major currencies. The number of cruise ship passengers increased by 13.6 per cent, in contrast to a decline of 6.2 per cent in the first three months of 2007. Growth in cruise passenger arrivals was facilitated by visits of larger vessels, as the number of cruise ship calls fell by 21.9 per cent to 100. Stay-over visitor arrivals rose by 3.5 per cent to 22,249, compared with growth of 2.2 per cent in the first quarter of 2007. Among the source markets, increases were recorded in arrivals from the US (8.5 per cent), Europe (3.8 per cent) and Canada (3.1 per cent). Arrivals from the Caribbean, the major source market, rose marginally (0.1 per cent), as this market continued to be adversely affected by rising transportation costs and capacity constraints following the merger of two leading regional carriers.



**Prices**

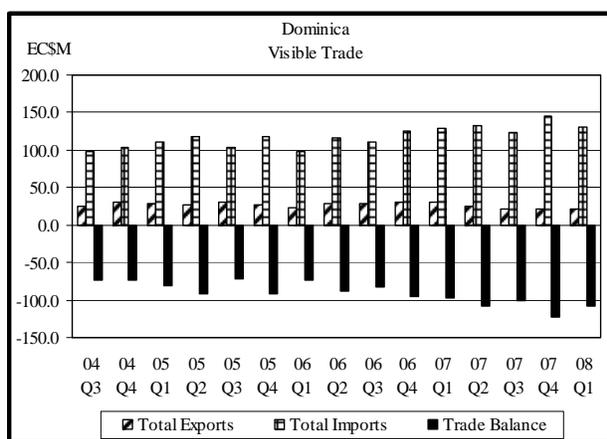
The consumer price index is estimated to have increased by 1.3 per cent during the quarter under review. The increase was mainly driven by higher prices for food, household and furniture equipment, and fuel and light. The food sub-index, which has the largest weight in the goods and services basket, grew by 6.3 per cent, largely on account of higher prices for dairy products and cereals, reflecting a rise in import prices. The household and furniture equipment sub-index rose by 12.9 per cent, reflecting a rise in the price of kitchen supplies, radios and video recorders. The fuel and light sub-index grew by 0.4 per cent, associated with the rise in international oil prices. Those increases were partly offset by declines in the sub-indices housing and utilities, education, transport and communication and medical care and expenses.



**Trade and Payments**

A merchandise trade deficit of \$108.3m was recorded in the first quarter of 2008 compared with

one of \$97.9m in the corresponding period of 2007. The larger deficit was mainly attributed to a 27.7 per cent (\$8.5m) decline in the value of exports, as a result of a fall in agricultural exports. Domestic export receipts were estimated to have contracted, primarily influenced by a fall in banana export earnings. Import payments rose by 1.5 per cent (\$1.9m), largely associated with a rise in import prices particularly for fuel and related products and some food commodities.



Gross inflows from travel are estimated to have increased by 13.4 per cent to \$59.0m, consistent with growth in visitor arrivals. Grant inflows grew by 14.3 per cent to \$18.8m, the bulk of which was from the Government of Venezuela and the CARICOM Petroleum Fund. Commercial bank transactions resulted in a net outflow of \$80.4m in short term capital during the first quarter of 2008. External loan disbursements to the central government amounted to \$9.3m, or \$8.0m above the total in the corresponding period of 2007, partly representing an emergency loan from the IMF for

post-hurricane Dean recovery efforts. External principal repayments rose by 5.0 per cent to \$8.0m.

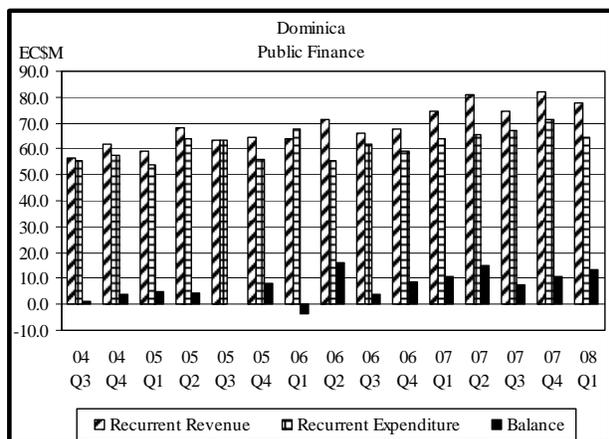
### Central Government Fiscal Operations

The fiscal accounts of the central government improved in the first quarter of 2008, largely attributable to an increase in revenue and a decrease in capital expenditure. An overall surplus of \$8.7m was recorded, in contrast to a deficit of \$1.3m in the corresponding period of 2007. The primary surplus amounted to \$12.7m, up from one of \$5.6m in the first quarter of 2007.

A current account surplus of \$13.5m was realised, exceeding that of \$11.0m in the first quarter of 2007. This improvement was influenced by growth in revenue, which offset an increase in current expenditure. Current revenue rose by 4.1 per cent (\$3.1m) mainly associated with increases in collections from taxes on domestic goods and services, as well as from international trade and transactions. Receipts from taxes on domestic goods and services rose by 6.5 per cent (\$2.6m), primarily on account of a larger intake from the value added tax (VAT). Revenue from taxes on international trade and transactions grew by 6.4 per cent (\$0.9m), driven by an increase in receipts from import duties and customs service charge, consistent with growth in import payments. Non-tax revenue decreased by 13.9 per cent (\$0.8m), largely reflecting a fall in receipts from interest and rent.

Current expenditure rose by 0.9 per cent (\$0.6m) attributable to larger outlays in all its sub-categories except interest payments. Outlays on goods and services were 11.3 per cent above the total in the first quarter of 2007, partly reflecting rehabilitation expenditure associated with hurricane Dean. Expenditure on personal emoluments rose by 5.4 per cent on account of salary increases to public officers. Spending on transfers and subsidies grew by 2.9 per cent, partly associated with increases in payments to pensioners. By contrast, interest payments fell by 42.3 per cent (\$2.9m), reflecting the impact of debt restructuring

Capital expenditure amounted to \$23.9m, down from \$29.6m in the first quarter of 2007. Expenditure on the road network, the airport development project and housing accounted for the bulk of capital outlays. Capital grants rose by \$2.4m to \$18.8m.



**Public Sector Debt**

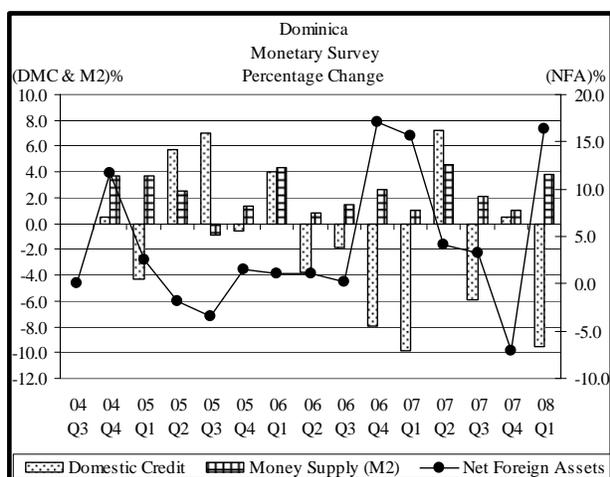
The total disbursed outstanding debt of the public sector stood at \$932.3m at the end of March 2008, marginally above the stock of \$931.8m at the end of December 2007. The central government’s debt, which represented 83.5 per cent of total public sector debt, increased by \$1.5m to \$778.5m. The disbursed outstanding debt of statutory bodies declined by \$1.0m to \$153.8m.

**Monetary and Credit Developments**

Monetary liabilities (M2) rose by 3.8 per cent to \$777.2m during the first quarter 2008. Growth in M2 reflected increases of 4.8 per cent and 3.5 per cent in narrow money (M1) and quasi money respectively. Of M1, private sector demand deposits rose by 10.9 per cent, whereas currency with the public decreased by 8.9 per cent. All of the components of quasi money rose, with the largest increase recorded for private sector savings deposits (2.6 per cent).

The counterpart to the growth in M2 was a 16.4 per cent expansion to \$573.3m in the net foreign assets of the banking system. Growth in net foreign assets was influenced by an increase in assets held outside the Eastern Caribbean currency union. Dominica’s imputed share of the Central Bank’s reserves rose by 0.1 per cent to \$184.9m.

Domestic credit contracted by 9.5 per cent to \$291.9m during the quarter under review. The decline was influenced in part by a 1.5 per cent fall in private sector credit and growth in net deposits of the central government. The net deposits of the central government rose by 12.2 per cent to \$84.4m, mainly as a result a 6.1 per cent increase in deposits associated with higher grant inflows. Credit to the central government declined marginally (0.2 per cent). The net deposits of non-financial public enterprises and non-bank financial institutions also rose, by 11.5 per cent and 5.1 per cent respectively, largely on account of growth in deposits.



The distribution of credit by economic activity indicates that the bulk of the increase in credit was extended for personal use, particularly for the acquisition of property. Outstanding loans for the acquisition of property, largely for house and land purchases, rose by \$2.9m. An increase in credit was also registered for distributive trades (\$3.1m). By contrast, declines were recorded in credit for tourism

(\$8.2m), manufacturing (\$1.1m), agriculture (\$0.1m) and construction (\$0.3m).

Commercial bank liquidity remained at a high level during the first quarter of 2008. The ratio of liquid assets to total deposits plus liquid liabilities fell by 3.0 percentage points to 52.8 per cent at the end of March 2008. The loans and advances to deposits ratio declined by 2.3 percentage points to 52.1 per cent.

The spread between lending and deposit interest rates widened by 0.06 percentage point to 6.01 percentage points at the end of March 2008. The weighted average interest rate on deposits increased by 0.06 percentage point to 3.29 per cent, while that on loans increased by 0.12 percentage point to 9.30 per cent.

## Prospects

The economic outlook for Dominica in 2008 is positive. The economy is expected to experience its sixth consecutive year of positive growth in 2008. The main drivers of economic activity are likely to be construction and tourism. Construction activity is projected to be influenced by public sector investment in infrastructure development. Work is expected to focus on the airport, schools, bridges and road networks. The government's housing development programme including the construction of homes in the Carib Territory, will continue to spur residential construction.

The prospects for the agricultural sector are contingent on the speed of recovery of the banana industry from hurricane damage. Production is likely to be restored to the pre-hurricane Dean level in the latter half of 2008, based on investment and support programmes, including rehabilitation of farm access roads, and the development of on-farm infrastructure.

In the tourism industry, activity is expected to expand. Efforts to secure additional airlift and increased marketing campaigns are likely to result in growth in visitor arrivals. Output in the manufacturing sector is projected to decline, based on the closure of the dental cream product line by a major manufacturer in September 2007.

The fiscal operations of the central government are expected to result in an overall surplus, based on larger grant inflows and an increase in current revenue associated with the higher level of economic activity. Growth in current expenditure is projected, based on larger outlays on personal emoluments on

account of salary increases. Capital expenditure is likely to rise as work intensifies on major public sector projects.

The merchandise trade deficit is projected to widen, based on increased import payments, associated with reconstruction-related materials and a rise in commodity prices. Domestic exports are projected to increase in the latter part of 2008, as exports of bananas are likely to resume. Gross inflows from travel are projected to rise in line with growth in visitor arrivals.

Downside risks to the projections for growth include a more than expected slow down in the global economy, higher international food and energy prices, and adverse weather. Further weakening of the global economy can have negative spill over effects on tourist arrivals, remittances and inflows of foreign investment. Increasing prices of oil and other commodities can lead to inflationary pressures, a widening of the merchandise trade deficit and a deterioration in central government's finances.



## GRENADA

### Overview

Preliminary data indicate that economic activity in Grenada increased in the first quarter of 2008 compared with the performance in the corresponding period of 2007. This outturn was largely influenced by strong activity in the tourism industry and agricultural sector. Output in the construction and manufacturing sectors declined. Consumer prices increased by 0.7 per cent, on an end of period basis. The merchandise trade deficit narrowed, as a result of a sharp reduction in import payments. The central government incurred a larger overall deficit, attributable to strong growth in expenditure. The disbursed outstanding public sector debt rose, compared with the level at the end of December 2007. Monetary liabilities of the banking system increased, driven by growth in domestic credit. Commercial bank liquidity decreased and interest rates fell slightly.

Growth in the economy is projected for the rest of 2008, driven by continued expansion in the agricultural sector and tourism industry. Agricultural output is projected to be above the level of the corresponding period of 2007 as the sector continues to recover from hurricane damage in September 2004 and July 2005. Tourist arrivals, particularly stay-over visitors, are expected to increase as a result of enhanced marketing efforts. Those projections are subject to downside risks,

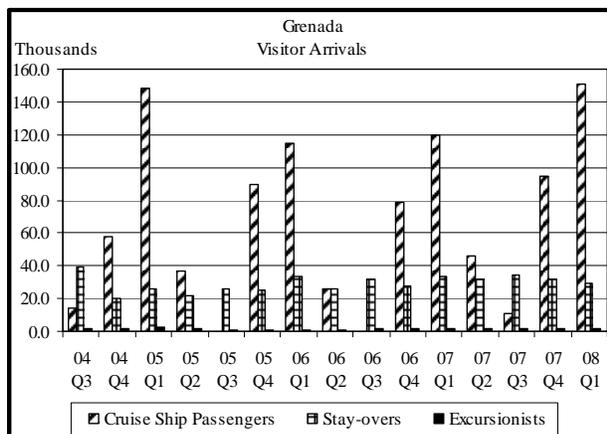
which include rising international commodity prices and a prolonged deceleration in US growth.

### Output

In the tourism industry, total visitor arrivals are estimated to have increased by 23.2 per cent to 192,863 in the first quarter of 2008, well above the 3.6 per cent rate of growth in the corresponding period of 2007. The improved performance reflected increases in all the categories of visitors, except excursionists. Cruise ship passenger arrivals grew by 28.9 per cent to 154,109, consistent with an increase in the number of cruise ship calls and inaugural cruise visits. The number of stay-over visitors rose by 7.9 per cent to 36,072. Stay-over arrivals from the main source markets increased, except for Germany with arrivals from that market declining by 6.9 per cent. Visitor arrivals from the Caribbean grew by 32.6 per cent, in contrast to a decline of 9.1 per cent in the first quarter of 2007. The increase in the number of Caribbean tourists could be attributed to the celebration of the Easter holiday weekend in March as opposed to April. The Easter holiday weekend is the peak travel period for Caribbean residents. Arrivals from the US rose by 22.8 per cent, following the introduction of a new flight service to Miami in November 2007. Yacht passenger arrivals are estimated to have increased by 3.3 per cent to 1,486. The number of excursionists fell by 38.1 per cent (675) on account of a reduction



in seat capacity and higher airfares following the merger of two regional airlines.



Agricultural output is estimated to have expanded, reflecting the impact of an ongoing crop recovery programme and a de-bushing exercise. Banana production rose by 80.8 per cent to 472 tonnes, reflecting the eradication of the Black Sigatoka disease that affected output from late 2006 to early 2007. Among the traditional crops, output of cocoa grew by 42.6 per cent, and mace production remained stable at 5 tonnes, while nutmeg production declined by 10.8 per cent. Output of other crops was estimated to have increased by 4.0 per cent, largely attributable to an expansion in vegetable production.

Construction activity declined in the first quarter of 2008, as opposed to an increase in the corresponding period of 2007 when activity was dominated by private and public sector projects in relation to preparations for Cricket World Cup (CWC) 2007. Partly indicative of the fall in overall construction activity was a 23.6 per cent reduction in the value of

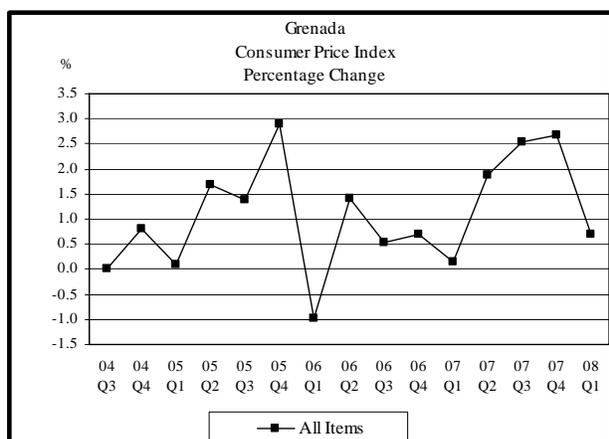
imported building materials. In the private sector, work was ongoing on Grand Harbour Villas development, Bailles Bacolet Resort and Spa and a number of other tourism-related projects. Renovation work on an all-inclusive resort was completed during the quarter under review; the property was reopened in February 2008. Public sector activity focussed on repairs and renovations to schools and some other public buildings.

Performance in the manufacturing sector fell, attributable to decreases in the output of some major commodities. The production of beer and soft drinks declined by 11.8 per cent and 10.3 per cent respectively, reflecting low domestic demand. This contrasts with the performance in the first quarter of 2007 when the volumes produced increased in anticipation of high CWC-related sales. The output of flour and prepared animal feed fell as a result of the loss of an export market. A breakdown in operations at an oxygen plant in March 2008, led to a 56.5 per cent decline in output in the quarter under review. The overall decrease in the sector’s output was tempered by increases in the production of malt, stout, rum, macaroni and toilet paper.

**Prices**

The consumer price index rose by 0.7 per cent on an end of period basis, partly reflecting increases in the prices of food, personal services, fuel and light, and housing. Prices in the food sub-index, the highest weighted, rose by 0.8 per cent, as a result of increases in the prices of milk, cheese, flour and

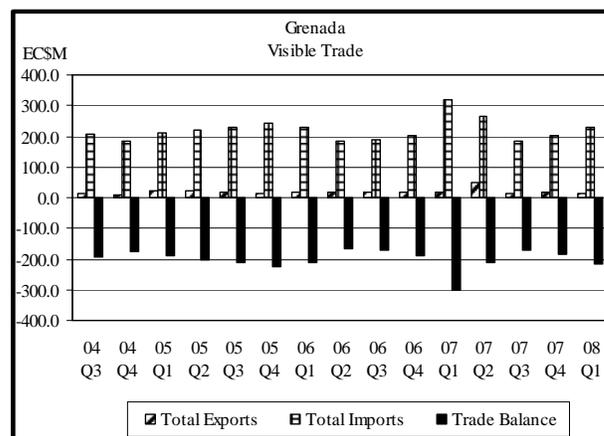
yeast. Increases in the prices of barbering services and driving lessons led to a 6.9 per cent rise in the personal services sub-index. Higher costs of petroleum products and electricity services, in response to rising international oil prices, contributed to a 3.7 per cent increase in the fuel and light sub-index. A 2.4 per cent rise in the housing sub-index reflected price increases for rent and building materials.



**Trade and Payments**

Complete trade data for the quarter under review are not available. A merchandise trade deficit of \$215.4m was estimated for the first quarter of 2008, compared with one of \$242.1m in the corresponding period of 2007. The smaller deficit reflected a 10.8 per cent reduction to \$229.5m in import payments; the decline was linked to the high base in the first quarter of 2007 when imports rose substantially, associated with CWC 2007-related construction activity. The value of total exports fell by 6.9 per cent to \$14.1m, primarily as a result of a decrease in re-exports. This contrasts with the

outturn in the first quarter of 2007 when the value of re-exports rose substantially on account of the re-export of machinery brought in to reconstruct the national stadium. Receipts from domestic exports declined marginally, primarily as a result of a reduction in earnings from nutmeg and manufactured exports.



Gross travel receipts rose by 14.0 per cent to \$91.0m, reflecting the increase in total visitor arrivals. Commercial bank transactions resulted in a net inflow of \$6.7m in short-term capital, as banks borrowed from abroad to finance the increase in domestic credit. Gross disbursements to the central government amounted to \$12.6m, while debt repayment totalled \$8.8m. Consequently there was a net inflow of official capital of \$3.8m, down from \$4.2m recorded in the first quarter of 2007.

**Central Government Fiscal Operations**

The fiscal operations of the central government yielded an overall deficit of \$31.2m in the first three months of 2008, above that of \$28.0m in the

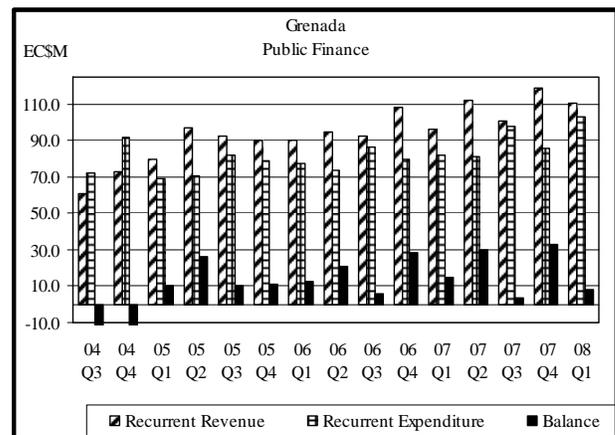


corresponding period of 2007. The widening of the deficit stemmed from an increase in capital expenditure and a reduction in current savings. A primary deficit of \$20.8m was incurred, compared with one of \$19.8m in the first quarter of 2007.

The central government recorded a current account surplus of \$8.1m, below that of \$14.5m in the first three months of 2007. The smaller surplus was attributed to a strong increase in current expenditure that outweighed growth in current revenue. Current expenditure rose by 25.7 per cent to \$102.8m, influenced by increases in outlays on all categories of expenditure. Spending on goods and services grew by 45.4 per cent (\$7.4m), largely reflecting higher costs for utilities, particularly electricity services. Outlays on personal emoluments rose by 19.4 per cent (\$7.3m) as retroactive salary increases for 2006 were paid to public servants in February 2008. Expenditure associated with transfers and subsidies grew by 20.7 per cent (\$4.1m), mainly on account of increased outlays for grants and subventions. Interest payments rose by 28.0 per cent (\$2.3m), reflecting an increase in outstanding debt.

Current revenue rose by 15.2 per cent to \$110.9m, attributable to growth of 15.8 per cent (\$14.5m) in tax revenue. The yield from taxes on property increased by 54.4 per cent (\$2.2m) as a result of the collection of outstanding arrears and revisions to the applicable market values used for tax computation. Receipts from taxes on income and profit rose by 29.7 per cent (\$4.9m), influenced by a larger intake from both the company tax and personal income tax.

Collections from taxes on domestic goods and services increased by 18.3 per cent (\$3.4m), associated with growth in receipts from the consumption tax. Despite a fall in the value of imports, revenue from taxes on international trade and transactions grew by 7.5 per cent (\$3.9m), as tax concessions granted for CWC 2007 related activities were discontinued.



Capital expenditure increased by 21.6 per cent to \$57.0m, associated with rehabilitation and maintenance of public infrastructure. Capital grants quadrupled to \$17.6m as grants from Venezuela, budgeted for disbursement in 2007, were received in early 2008.

**Public Sector Debt**

The total disbursed outstanding debt of the public sector was estimated at \$1,799.9m at the end of March 2008, up from \$1,770.8m at the end of December 2007. Both the central government and the public corporations contributed to the increase in the debt stock. The disbursed outstanding debt of

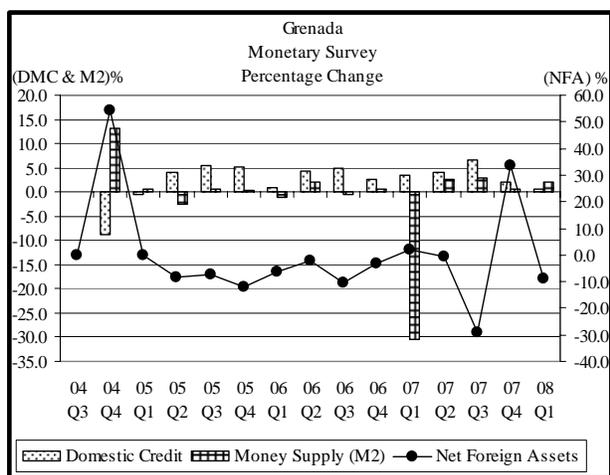
the central government, which accounted for 86.7 per cent of total public sector debt, grew by 1.4 per cent to \$1,560.1m, reflecting increases in both external and domestic debt. The disbursed outstanding debt of statutory bodies amounted to \$239.8m, roughly 3.5 per cent above the total at the end of 2007.

**Monetary and Credit Developments**

Monetary liabilities (M2) expanded by 2.0 per cent to \$1,677.3m during the first quarter of 2008, compared with a 3.3 per cent increase during the corresponding period of 2007. Growth in M2 was largely associated with an increase of 2.5 per cent in quasi money, attributable to expansions in private sector time deposits (10.3 per cent) and savings deposits (3.3 per cent). Those increases were tempered by a decline of 20.3 per cent in private sector foreign currency deposits. Narrow money rose marginally (0.2 per cent) as an increase in private sector demand deposits was almost offset by a fall in currency with the public.

Domestic credit grew by 0.7 per cent to \$1,382.1m during the quarter under review. Commercial bank credit to the private sector increased by 0.1 per cent, as an expansion in credit to households was partially offset by a decline in lending to businesses. The net deposits of non-bank financial institutions fell by 92.2 per cent (\$25.1m) on account of a near tripling of credit, largely in the form of investments. Net claims on the central government fell by 8.9 per cent, mainly attributable to an increase in its deposits. Credit to the central government grew by 10.6 per cent, on account of increases in commercial bank loans and advances. In the rest of the public sector, the net deposits of non-financial public enterprises rose by 5.5 per cent, reflecting an expansion in their deposits.

The distribution of credit by economic activity indicates that lending for personal use, the largest category, rose by 1.9 per cent (\$17.8m), with most of the increase directed to house and land purchase. Increases were also recorded in credit for distributive trades, construction, tourism and manufacturing (including mining and quarrying).



The net foreign assets of the banking system stood at \$369.2m at the end of March 2008, representing a 9.0 per cent reduction from the total at the end of December 2007. Grenada’s imputed share of ECCB’s reserves fell by 10.0 per cent to \$268.5m. The net foreign assets of commercial banks declined by 6.2 per cent, reflecting both a reduction in assets and an increase in liabilities held with institutions outside the currency union.



Liquidity in the commercial banking system fell. This was evidenced by a 3.7 percentage point decline to 28.4 per cent in the ratio of liquid assets to total deposits plus liquid liabilities. However, the loans and advances to total deposits ratio fell to 74.1 per cent at the end of March 2008, from 75.9 per cent at the end of December 2007.

The interest rate spread between loans and deposits narrowed to 6.57 percentage points at the end of March 2008, from 6.61 percentage points at the end of December 2007. The weighted average interest rate on loans fell by 0.07 percentage point to 9.58 per cent and that on deposits decreased by 0.03 percentage point to 3.01 per cent.

### **Prospects**

The outlook for economic activity in 2008 is positive, based on projected developments for the remainder of the year. However economic growth is likely to be below the level recorded in 2007. Agricultural production is expected to expand, partly on account of increased access to farm lands as the de-bushing exercise continues. Activity in the tourism industry is projected to increase based on intensified marketing in Europe. The reopening of a large resort in February 2008 and additional flights from the US and the Caribbean in the latter part of the year are also expected to contribute to an increase in visitor arrivals. A projected expansion in enrollment at the St George's University is expected to lead to increased activity in the other services

sector. Those increases are likely to be partially offset by a decline in value added in the construction sector.

The overall fiscal deficit of the central government is likely to be smaller relative to the outturn in 2007 on account of larger grant receipts. Capital grants from the European Union, in particular, are expected to be released in the latter half of the year. Additional revenue is also expected from the sale of central government-owned shares in a telecommunications company. Nonetheless, current savings are likely to be lower than in 2007, largely based on increased expenditure obligations for personal emoluments as new wage agreements were reached with the Public Workers Union in January 2008. Tax revenue growth, as a result of efficiency gains in tax administration and collections, will partially offset some of the additional payments.

In the external sector, growth in domestic export receipts is projected based on a likely expansion in the volume of agricultural exports. Gross inflows from travel are projected to expand consistent with the expected increase in visitor arrivals.

The downside risks to the projections include external inflationary pressures, further depreciation of the US dollar and slower growth in the US. These are likely to lead to higher consumer prices in Grenada and a depressed economy given its close linkages with the USA.



## MONTSERRAT

### Overview

The economy of Montserrat is estimated to have expanded in the first quarter of 2008 relative to the corresponding period of 2007. Growth was fuelled by developments in mining and quarrying, construction, wholesale and retail and transport. Consumer prices fell by 0.8 per cent, on an end of period basis. In the external sector, the merchandise trade deficit widened, reflecting growth in import payments. The central government's fiscal operations yielded a smaller overall deficit. The total outstanding public sector debt fell. Developments in the banking system were marked by growth in monetary liabilities and domestic credit and a decline in net foreign assets. The spread between commercial bank weighted average interest rates on loans and deposits narrowed marginally, while commercial bank liquidity remained at a high level.

Economic prospects for the rest of 2008 are positive, based on the outlook for construction and mining and quarrying. Construction activity is expected to drive economic growth in 2008. However, the growth prospects for Montserrat are subject to downside risks which include, the threat of volcanic activity, further increases in food and oil prices, a larger than expected slow down in the global economy and a fall in the rate of implementation of the Public Sector Investment Programme (PSIP).

### Output

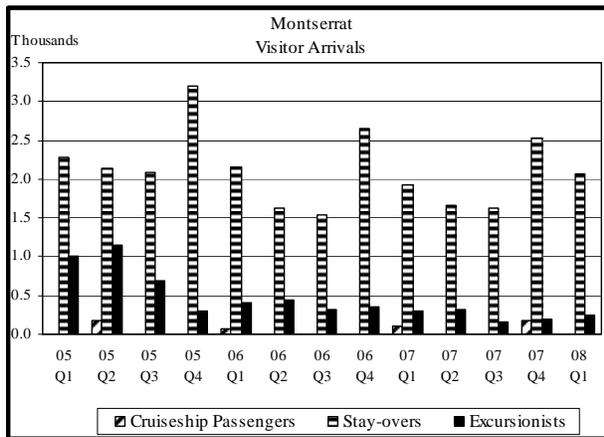
Preliminary data indicate that activity in the construction sector improved during the first quarter of 2008 relative to the corresponding period in 2007. This was mainly attributed to the Little Bay Town Centre Expansion Phase and housing development initiatives including the Drummonds Housing, undertaken by the government. The expansion in construction activity was partly evidenced by increases in the value (\$4.0m) and number (7) of new construction starts.

Performance in the mining and quarrying sector is estimated to have improved during the quarter under review. It is estimated that output in this sector doubled when compared with the total in the first quarter of 2007, as a result of an increase in the number of companies involved in producing sand and aggregate for export. The improvement in activity in the construction and mining and quarrying sectors had positive spill over effects on the wholesale and retail trade and transport sectors which registered increases in output.

Tourism activity in the first three months of 2008 continued to be constrained by the ongoing problem of limited access to the island and the increasing cost of intra-regional travel. Stay-over arrivals decreased by 5.7 per cent to 1,816, reflecting declines in visitors from all the major markets. The number of



stay-over visitors in paid accommodation fell by 2.9 per cent to 802. Arrivals by excursionists decreased by 16.9 per cent to 251, while the number of yacht passengers rose by 84.0 per cent to 870. The growth in yacht passenger arrivals more than offset the decreases in stay-over visitors and excursionists and contributed to an increase of 4.8 per cent (135) in total visitor arrivals.

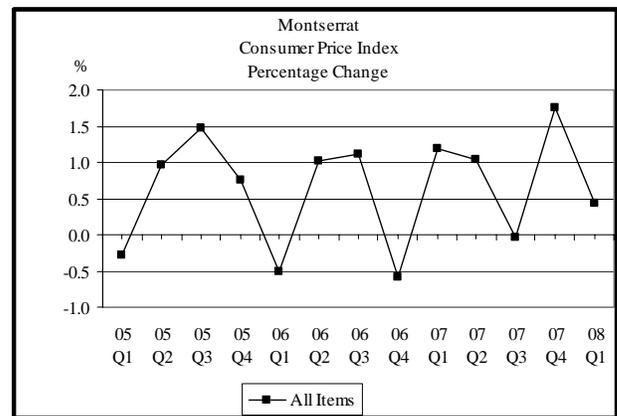


Output in the agricultural sector is estimated to have contracted, partly reflecting decreases in the production of vegetables and root crops and in the quantity of fish caught. The volume of fish caught fell by 13.5 per cent to 14, 591 pounds, reflecting in part the impact of rising oil prices on transportation costs. However, the production of livestock, which includes meat, eggs and milk, is estimated to have improved.

**Prices**

The inflation rate as measured by the rate of change in the consumer price index (CPI) was 0.4 per cent during the first three months of 2008, on an end of

period basis. The increase was largely influenced by higher prices for food, gas, electricity and water, and services. The food sub-index, the largest weighted, rose by 0.6 per cent, mainly associated with increases in the prices of poultry, dairy products and vegetables. Higher oil prices on the international market led to increases in the gas, electricity and water sub-index (2.3 per cent) and the services sub-index (0.6 per cent). Increases were also recorded in the sub-indices alcohol and tobacco (0.6 per cent) and household goods (0.6 per cent). The clothing sub-index fell by 0.1 per cent and the rent sub-index remained unchanged during the first quarter.



**Trade and Payments**

Estimates of merchandise trade indicate a deficit of \$16.0m compared with one of \$13.0m in the corresponding period of 2007. The widening of the deficit was the result of growth of 47.6 per cent to \$20.7m in import payments, reflecting increases in the import value of mineral fuels and waxes and boilers, machinery and mechanical appliances. The value of exports is estimated at \$4.7m, substantially

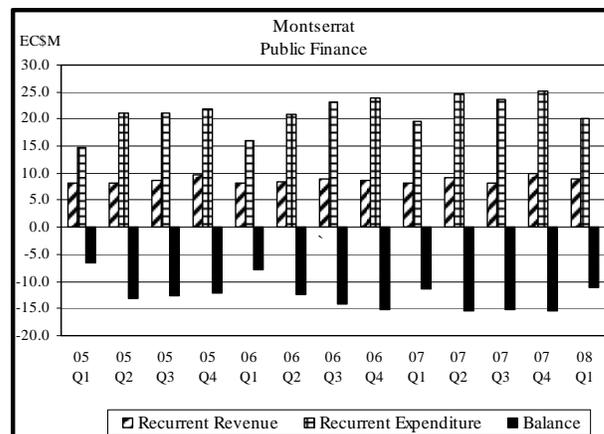
above the \$1.0m recorded in the corresponding period of 2007. This improvement was underpinned by a more than threefold increase to \$1.9m in domestic exports, reflecting growth in export volumes of aggregate and sand. Gross travel receipts are estimated to have declined by 5.8 per cent to \$5.5m, mirroring a decline in the number of stay-over visitors in paid accommodation.

Grant inflows increased by \$5.9m to \$13.9m, with capital grants accounting for the bulk of the increase. The transactions of commercial banks resulted in a net outflow of \$4.4m in short-term capital, compared with one of \$12.2m in the first quarter of 2007.

### Central Government Fiscal Operations

The central government's fiscal operations resulted in an overall deficit of \$3.0m compared with one of \$4.7m in the first quarter of 2007. The smaller deficit was the result of an increase in grant receipts. A smaller primary deficit (after grants) was also recorded, \$2.7m, compared with \$4.3m in the first quarter of 2007.

A current account deficit (after grants) of \$5.9m was largely unchanged, compared with the total in the corresponding period of 2007. Current revenue grew by \$0.6m to \$8.8m, mainly attributable to increases in collections from taxes on international trade and transactions. Current expenditure rose by \$0.5m to \$20.1m, largely reflecting increases in outlays on personal emoluments (\$0.3m) and on goods and services (\$0.3m).



Capital expenditure was estimated at \$5.7m in the first quarter of 2008, well above that of \$1.4m in the corresponding period of 2007. The growth in capital expenditure was linked mainly to the Little Bay Expansion project which accounted for 50.0 per cent of the total, and the Water Development Phase III, which represented 23.8 per cent. These projects were financed by capital grants, which increased by \$5.9m in the first three months of 2008.

### Public Sector Debt

The stock of outstanding public sector debt was estimated at \$10.3m at the end of March 2008, down from \$11.2m at the end of December 2007. The disbursed outstanding debt of the central government fell by 20.1 per cent to \$3.0m, reflecting a decline in domestic debt.

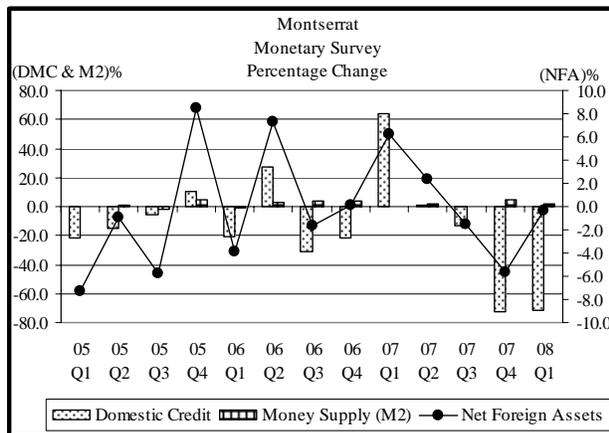
### Monetary and Credit Developments

Broad money (M2) expanded by 2.3 per cent to \$148.0m during the first three months of 2008, compared with a 0.2 per cent increase during the



corresponding period of 2007. The expansion reflected a 3.7 per cent (\$4.0m) increase in quasi money, which was partially offset by a 1.8 per cent (\$0.7m) decline in narrow money (M1). Growth in quasi money was mainly attributed to an increase of \$4.2m in private sector savings deposits.

Commercial bank credit to the private sector grew by 1.5 per cent (\$0.6m). Growth in private sector credit was on account of a 4.7 per cent (\$1.5m) increase in credit to households, which was partially offset by a fall in business credit. The net deposits of the central government fell by 27.5 per cent to \$18.4m, as a result of a decrease of \$7.7m in deposits held at commercial banks. This fall was mainly linked to a drawdown on deposits in March, part of which was used to finance the housing development project. The net deposits of the non-bank financial institutions grew by \$3.9m, reflecting an increase in deposits.



The distribution of credit by economic activity revealed that the bulk of the expansion in credit was

channelled into personal use, lending for which rose by 2.8 per cent (\$1.0m), mainly associated with the acquisition of property. Credit for distributive trade also increased, by \$0.4m, while lending for agriculture, construction and mining and quarrying fell marginally.

The net foreign assets of the banking system stood at \$166.2m at the end of March 2008, roughly 0.4 per cent (\$0.7m) lower than the total at the end of December 2007. This outturn was attributed to a \$5.1m decline to \$34.1m in Montserrat’s imputed share of the Central Bank’s reserves. Commercial banks’ net foreign assets rose by 3.5 per cent (\$4.4m), largely reflecting an increase in assets held with institutions in the other ECCB territories.

Liquidity in the commercial banking system fell, but remained at a high level during the first three months of 2008. The ratio of liquid assets to total deposits plus liquid liabilities fell by 0.7 percentage point to 110.6 per cent. The loans and advances to total deposits ratio increased by 0.2 percentage point to 20.7 per cent.

The interest rate spread between loans and deposits narrowed by 0.09 percentage point to 7.62 percentage points at the end of March 2008, as the weighted average interest rate on deposits fell by 0.05 percentage point to 2.54 per cent and that on loans decreased by 0.14 percentage points to 10.16 per cent.

## Prospects

Economic activity in Montserrat is projected to improve in 2008 relative to 2007 as the expansion observed in the construction sector in the first quarter is likely to continue throughout the rest of the year. Work on the Little Bay Town Development project will continue and a housing project for the mentally challenged is expected to start during the second half of the year. It is also likely that the government's housing initiatives will continue using proceeds from the sale of houses under the EU Lookout Housing project.

Activity in the tourism industry is not expected to improve, due to inadequate access by air and sea. Improvement in this sector is highly dependent on the resumption of the ferry service, which is currently under negotiation. Visitor arrivals as well

as gross travel receipts are therefore likely to contract.

In the external sector, growth in domestic export receipts is projected based on a likely increase in external demand for sand and aggregate.

The public sector reform programme, coupled with obligations to the Social Security Fund, is likely to contribute to an increase in central government's expenditure in 2008. Capital expenditure is expected to increase, associated with infrastructure development projects.

The increasing prices of food, oil and petroleum products, as well the global economic slow down and the threat of volcanic activity can dampen the growth prospects for Montserrat in 2008.



## ST KITTS AND NEVIS

### Overview

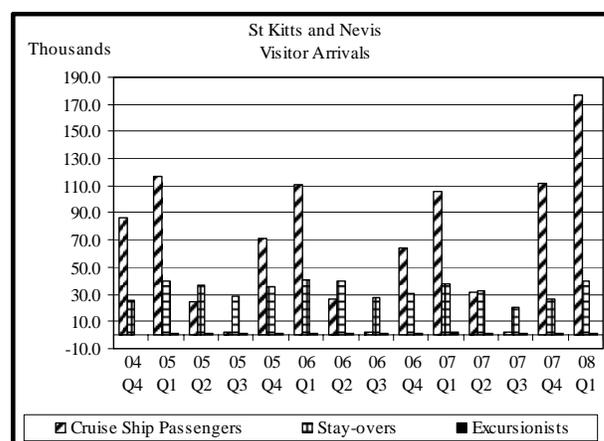
Preliminary data indicate that economic activity in St Kitts and Nevis continued to expand in the first quarter of 2008 following growth in 2007. A rebound in tourism activity as well as expansions in the construction and manufacturing sectors provided the main impetus for growth in the first quarter. Consumer prices rose by 3.6 per cent during the period under review. The federal government experienced an overall surplus on its fiscal operations, in contrast to a deficit in the first quarter of 2007. Total public sector outstanding debt declined relative to the stock at the end of December 2007. In the banking system, monetary liabilities rose, commercial bank liquidity remained at a high level and the weighted average interest rate spread narrowed.

Economic activity is projected to expand in the remainder of 2008, underpinned by likely developments in the construction and agricultural sectors. Construction activity is expected to be strong, although not as robust as in the corresponding period of 2007. Growth in that sector will continue to be driven by both public and private sector projects. Growth in the agricultural sector is expected to be supported by an expansion in crop production, based on an increase in acreage under cultivation as a result of government’s land distribution programme. The outlook for manufacturing is likely to be challenged by a slow

down in the US economy as exports to that market could be adversely affected. The federal government is likely to incur a larger overall fiscal deficit as revenue collection is expected to fall, while current expenditure is projected to increase. Downside risks to the projections include high and rising international prices for food, energy and other commodities, unfavourable weather and a further slow down in the USA economy.

### Output

Tourism activity improved in the first quarter of 2008 relative to the performance in the corresponding period of 2007. Total visitor arrivals are estimated to have increased by 50.0 per cent, in contrast to a 5.6 per cent decline in the first quarter of 2007. This outturn reflected growth in both stay-over arrivals and the number of cruise ship passengers. Additional airlift and ongoing marketing campaigns in international markets, particularly in the USA, contributed to an estimated



7.0 per cent increase to 39,966 in stay-over arrivals. Stay-over arrivals from all the major destinations rose. An increase in the number of cruise ship calls contributed to growth of 67.2 per cent in cruise ship passenger arrivals.

Activity in the construction sector expanded, driven by both public and private sector projects. In the public sector, work focussed on ongoing infrastructural development on the West Basseterre by-pass Road in St Kitts and the Link Road Project, the road improvement project and the Secondary Village Road Project in Nevis, as well as upgrades to a number of sporting complexes. Renovation work continued on various government buildings. Private sector projects concentrated on ongoing construction of the Beaumont Park Horse Racing track, Sunrise Hill Villas, Ocean Edge condominiums, a cinema, as well as residential and commercial buildings. The expansion in activity in the construction sector was evidenced in part by increases in commercial bank credit for construction (6.5 per cent) and for home construction and renovation (1.2 per cent).

Agricultural output contracted mainly as a result of a decline in livestock production, which more than offset an increase in crop production. In the livestock sub-sector, the largest decline was recorded for pork production, which fell by 50.0 per cent as farmers have been shifting from pork production as a result of the high costs of imported pig feed. The number of fish caught decreased by 8.6 per cent as fishermen made fewer trips due to the

high cost of fuel. By contrast, domestic crop production expanded, on account of increases in output of carrots, watermelons and sweet potatoes. This outcome 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, in some cases, free seeds and other inputs.

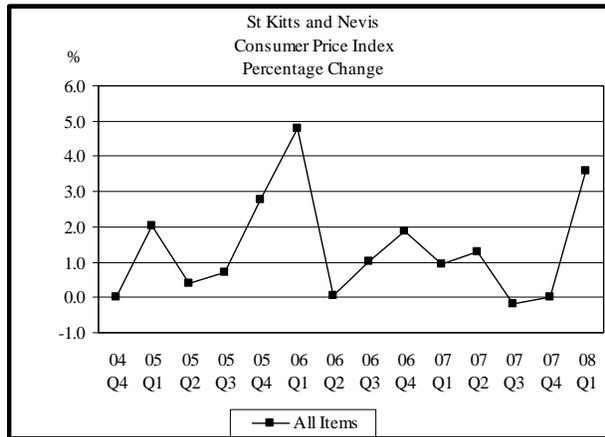
Manufacturing output is estimated to have expanded, largely reflecting increased production of alcoholic and non-alcoholic beverages. The expansion in the production of non-alcoholic beverages was attributed to an increase in export demand. The production of electrical components is estimated to have declined as a result of lower quota requirements from major clients, especially those in the USA partly associated with the slow down in economic activity.

### **Prices**

The consumer price index increased by 3.6 per cent during the first quarter of 2008, on an end-of-period basis, a notable pick up compared with the 0.9 per cent recorded in the first quarter of 2007. Increases were observed for all of the sub-indices, with the exception of education and personal services. The largest increase was recorded for the transportation and communication sub-index which rose by 5.0 per cent, mainly reflecting rising international prices of petroleum products. The food



sub-index, the largest weighted, increased by 2.4 per cent influenced by upward movements in international food prices.



**Trade and Payments**

Complete trade data are unavailable for the first quarter of 2008. Preliminary estimates indicate that the value of imports increased by 6.5 per cent, reflecting higher international prices for most commodities, in particular fuel. The value of exports is estimated to have declined by 5.0 per cent, reflecting mainly reduced exports of electronic components, as a result of lower quota requirements from major clients in the USA.

Gross travel receipts increased by 13.2 per cent to \$108.5m, underpinned by strong growth in cruise ship passenger arrivals and stay-over visitors. External loan disbursements to the federal government amounted to \$42.3m, mainly associated with a bond issued by Citibank on behalf of the central government in March 2008. Repayments on external debt totalled \$15.1m during the review period. The external transactions of commercial

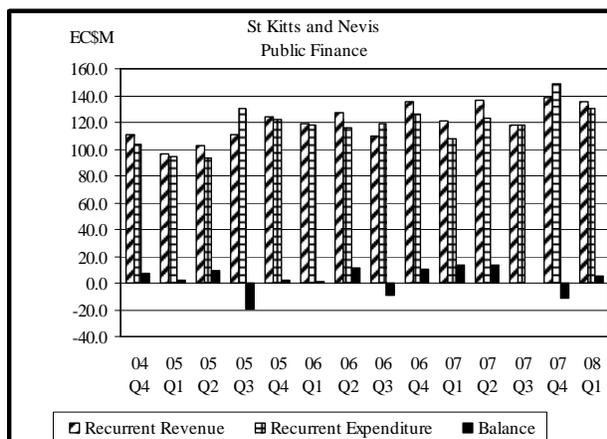
banks resulted in a net outflow of \$138.5m, reflecting an accumulation of assets abroad.

**Central Government Fiscal Operations**

Preliminary fiscal data for the federal government show an overall surplus of \$9.2m in the first quarter of 2008, in contrast to a deficit of \$6.8m in the corresponding period of 2007. This outturn was mainly attributed to an expansion in capital revenue and grants and a fall in capital expenditure. A primary surplus of \$42.0m was recorded, more than double that of \$17.7m in the first quarter of 2007.

The federal government realised a current account surplus of \$5.2m compared with one of \$13.3m in the first quarter of 2007. The reduced surplus was attributed to a smaller rate of growth in revenue relative to that of expenditure. Current revenue grew by 12.2 per cent (\$14.7m) on account of increased tax receipts, largely from taxes on income and profits. Revenue from those taxes grew by 37.0 per cent (\$14.9m), attributable to the collection of outstanding arrears from withholding tax and company tax. Increases were also recorded in receipts from taxes on domestic goods and services (11.4 per cent or \$2.6m) and from taxes on international trade and transactions (10.8 per cent or \$4.4m), mainly reflecting a rise in the value of imports due to higher international prices of oil and food commodities. Non-tax revenue fell by 0.4 per cent to \$32.9m, reflecting decreases in fees, fines and sales.

Current expenditure grew by 21.2 per cent (\$22.8m), mainly as a result of an increase in outlays on goods and services and larger interest payments. Spending on goods and services rose by 40.0 per cent (\$11.0m), reflecting the impact of increases in prices of international oil and other basic commodities. Total interest payments rose by 34.0 per cent (\$8.3m), as a result of an increase in domestic payments (\$10.9m) associated with a matured treasury bill. That increase was partly offset by a 20.9 per cent (\$2.6m) decline in foreign interest payments. Expenditure on personal emoluments grew by 8.4 per cent (\$3.6m), largely as a result of a 5.0 per cent salary increase to civil servants in December 2007.



Capital expenditure declined by 16.5 per cent to \$16.8m, reflecting a lower rate of implementation of the public sector investment programme as some major projects were completed in 2007. Capital revenue amounted to \$11.2m, well above the total of \$0.1m in the first quarter of 2007, mainly due to the sale of Crown lands. Capital grants of \$10.2m were

mainly for the construction of an international sports track and a police station.

On a disaggregated level, the fiscal operations of the central government indicate an overall surplus of \$8.6m, in contrast to a deficit of \$0.3m in the first quarter of 2007. This outturn was underpinned by strong growth in capital revenue due to the sale of Crown lands. The current account balance shifted to a deficit from a surplus position in the first quarter of 2007, as revenue growth was substantially below that of expenditure. Current revenue grew by 7.2 per cent to \$104.3m, largely on account of the collection of arrears of corporate income tax, as well as larger intakes from withholding tax and the rental of government property. Current expenditure rose by 25.2 per cent to \$107.9m, mainly reflecting salary increases and larger domestic interest payments as government honoured its obligations on a treasury bill that matured. Capital grants grew markedly, partly associated with the international track. Capital expenditure declined as some major projects were completed in 2007.

The Nevis Island Administration (NIA) realised an overall fiscal surplus of \$0.6m, in contrast to a deficit of \$6.5m in the first quarter of 2007. This development was underpinned by a larger surplus on the current account and a decline in capital expenditure. The larger current account surplus was attributed to strong growth in revenue relative to the increase in expenditure. Current revenue increased by 33.0 per cent to \$31.0m, reflecting larger tax

receipts due to an improvement in tax administration. Current expenditure rose by 5.1 per cent to \$22.2m, mainly on account of the increase in wages and salaries and higher international prices of oil and other basic commodities. Capital expenditure declined by 3.3 per cent, partly as a result of a moratorium on some projects that were not considered priority.

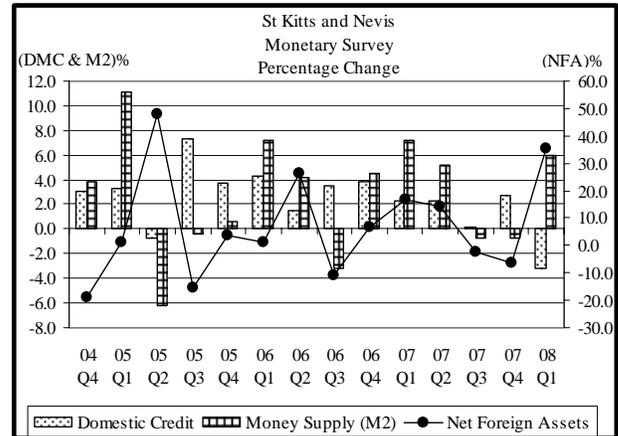
**Public Sector Debt**

The total outstanding debt of the public sector was estimated at \$2,397.0m at the end of March 2008, a decrease of 0.4 per cent on the level at the end of December 2007. This development was on account of a 0.8 per cent decline to \$1,491.0m in the debt of the federal government, reflecting a reduction in its domestic debt. The external debt of the federal government increased by 4.8 per cent to \$787.0m, attributable to a bond issued in March 2008. Total outstanding debt of statutory bodies is estimated to have increased by 0.2 per cent to \$906.0m.

**Monetary and Credit Developments**

Monetary Liabilities rose by 5.9 per cent to \$1,529.2m during the first quarter of 2008, reflecting growth of 5.2 per cent in narrow money (M1) and 6.1 per cent in quasi money. The increase in M1 was as a result of an expansion in private sector demand deposits, which more than offset a decline in currency in circulation. The expansion in demand deposits mirrored the increase in economic activity, in particular construction. The fall in currency in

circulation was attributed mainly to a decrease in cash at banks, following the Christmas season build-up. The expansion in quasi money was led by both private sector foreign currency deposits and time deposits, which grew by 8.6 per cent and 8.1 per cent respectively.



Domestic credit declined by 3.2 per cent to \$1,341.0m, due largely to an 18.5 per cent fall in net credit to the federal government. The federal government’s indebtedness to the commercial banking system fell by 14.3 per cent, on account of a one-off payment on its overdraft using the proceeds from a bond issue. Meanwhile, the federal government’s deposits with the banking system increased by 12.0 per cent during the quarter under review. The net indebtedness of non-bank financial institutions (NBFIs) rose by 70.1 per cent, mainly attributable to a draw down on their deposits to finance lending. Credit to the private sector increased by 1.8 per cent compared with growth of 3.0 per cent during the corresponding period of 2007. The slower rate of growth reflected a fall in credit to businesses.

An analysis of credit by economic activity indicates that commercial bank credit for all the major economic activities, except construction declined during the period under review. Decreases in credit were recorded for tourism (2.3 per cent), manufacturing (1.0 per cent) and agriculture (0.5 per cent). Outstanding loans for construction increased by 6.5 per cent, in line with the buoyancy of that sector. Credit for personal use rose by 3.7 per cent, reflecting an expansion in credit for house and land purchase, and home construction and renovation.

The net foreign assets of the banking system expanded by 35.4 per cent to \$755.1m during the period under review. The expansion mainly reflected an increase in the net foreign assets of commercial banks (46.3 per cent), as banks accumulated assets in institutions abroad and in other ECCB territories. St Kitts and Nevis' imputed share of ECCB's reserves rose by 22.9 per cent to \$317.4m.

Liquidity in the commercial banking system rose during the first quarter of 2008. The ratio of liquid assets to total deposits plus liquid liabilities increased by 5.5 percentage points to 50.7 per cent. The ratio of loans and advances to total deposits declined to 78.4 per cent from 86.9 per cent at the end of December 2007, partly attributable to faster growth in deposits relative to the increase in credit. The weighted average interest rate on loans fell by 0.18 percentage point to 8.81 per cent and that on deposits declined by 0.1 percentage point to 3.68 per cent. Consequently, the weighted average interest

rate spread narrowed by 0.08 percentage point to 5.13 percentage points during the first quarter of 2008.

### **Prospects**

Economic activity is projected to expand in 2008, based on first quarter performance as well as ongoing and likely developments mainly in the construction and agricultural sectors. However, growth is likely to slow compared with the rate in 2007. In the construction sector, work will continue on infrastructural developments as well as residential and commercial buildings. The allocation of roughly 180 acres of land to farmers and the recent thrust to produce local vegetable and food crops to cushion the impact of the global food crisis are expected to result in an increase in agricultural activity. In the manufacturing sector, growth in output is projected but the rate is likely to slow compared with that in 2007. While the production of beverages is expected to increase on account of plant upgrades, new markets and the introduction of new products, output of electronic components is likely to contract based on the slow down in the economy of the US, a major market. The outlook for tourism is uncertain. The rising cost of airfares, due to increases in oil prices, poses a challenge to any gains that might accrue in relation to additional tourists from the Euro area as a result of the depreciation of the US dollar. Possible cut backs in flights from the US, a major tourist market, are likely to mitigate the benefits that might ensue from ongoing marketing campaigns for example, the



*“Fall in Love with St Kitts and Nevis Campaign”* which offers savings and special deals to visitors.

On the fiscal operations of the federal government, the current account balance is expected to worsen in 2008, notwithstanding the first quarter performance. Current revenue growth is likely to be lower due to the removal of the consumption tax on ten items to ease the burden of rising food prices on consumers. In addition, current expenditure is projected to increase based on rising international prices of food, oil and other commodities.

The outlook for 2008 depends in large measure on the performance of the international economy, in particular the US. Should the US economy slow more than anticipated, this would have an adverse effect on the domestic economy. In addition, further increases in international prices of food, energy and other commodities will contribute to sustained high import prices and hence domestic inflation.

## SAINT LUCIA

### Overview

Saint Lucia experienced an increase in economic activity during the first three months of 2008 compared with the corresponding period of 2007. This assessment is based on a rebound in tourism activity, fuelled largely by an increase in stay-over arrivals. However, the pace of economic activity slowed as a result of declines in construction, manufacturing and agriculture. Consumer prices rose by 2.2 per cent, on an end of period basis. The merchandise trade deficit narrowed, reflecting lower import payments. The central government recorded an overall surplus, mainly the result of lower capital expenditure and a higher current surplus. In the banking sector, monetary liabilities increased, driven by growth in both domestic credit and net foreign liabilities. Liquidity in the commercial banking system remained tight and the interest rate spread between loans and deposits narrowed.

In the remaining nine months of 2008 economic activity is likely to be above the level in the corresponding period of 2007, based on continued rebound in tourism and an improvement in performance in the agricultural sector. A reduction in construction activity is projected and manufacturing output is likely to remain depressed. The merchandise trade deficit is expected to narrow, based on a fall in import payments and larger receipts from banana exports. The downside risks to the projections include rising fuel and food prices,

slowing USA economic growth and threats to the tourism industry, associated with reduced airlift as international carriers scale down their operations in the face of escalating fuel prices.

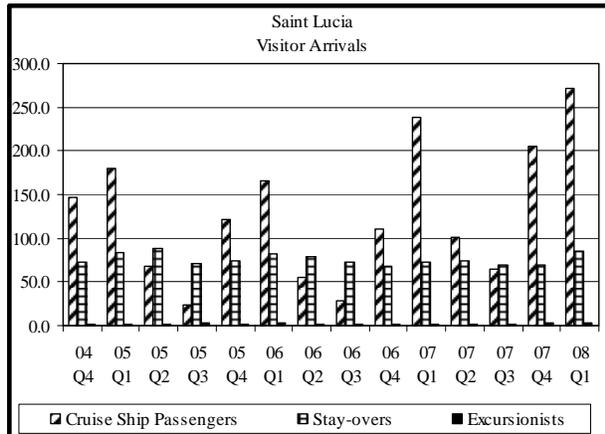
### Output

Performance in the tourism industry improved in the first three months of 2008 relative to the corresponding period of 2007. Total visitor arrivals increased by 14.7 per cent to 368,458, reflecting growth in the number of stay-over visitors and cruise passengers. Stay-over arrivals rose by 17.7 per cent to 86,028, in contrast to a 10.5 per cent decline in the first quarter of 2007. Growth in stay-over arrivals was fuelled by increases in all of the major markets. Visitor arrivals from Canada increased by 53.6 per cent partly on account of additional chartered flights contracted for the winter season. US arrivals rose by 11.6 per cent and the number of UK visitors increased by 11.0 per cent attributable to intensified marketing in those markets. Stay-over visitors from the Caribbean rose by 17.7 per cent, in contrast to a 27.9 per cent decrease in the first quarter of 2007. Additional airlift by a regional carrier out of Barbados contributed to growth in Caribbean visitor arrivals.

The number of cruise passengers rose by 13.8 per cent to 271,172 in the first quarter of 2008, at a reduced rate compared with a 44.0 per cent increase in the corresponding period of 2007. The number of



cruise calls also rose by 11.5 per cent to 146, partly reflecting the return of a major cruise line. The number of excursionists more than doubled, while yacht visitor arrivals declined.



Output in the agricultural sector fell, on account of damage to banana plants by hurricane Dean in August 2007. Output of bananas contracted by 30.4 per cent to 7,840 tonnes, in contrast to a 59.3 per cent increase in the first quarter of 2007. Complete data on non-banana agricultural production were unavailable.

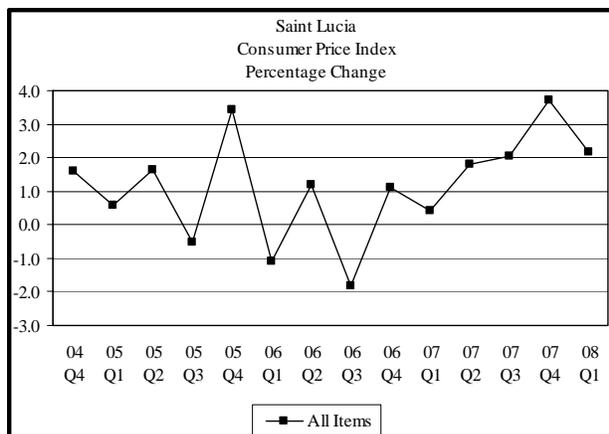
Activity in the construction sector is estimated to have declined compared with the performance in the first quarter of 2007. This assessment is based on a reduction in the volume of imports of construction materials. The decline in activity largely reflected developments in the public sector as a number of major projects that were under construction in 2007 were completed. Public sector construction consisted of minor rehabilitation work on roads and other infrastructure. Private sector activity remained buoyant, as work continued on a number of hotels

and golf courses in the northern and western sections of the island. Additionally activity continued on residential construction and on villas and entertainment facilities in the north-western side of the island.

Data on manufacturing activity indicate that output was below the level in the first three months of 2007. Declines were recorded in the production of paperboard (14.8 per cent), partly reflective of the reduction in the output of bananas. Decreases were also recorded in the output of electrical components (11.9 per cent), plastic products (11.4 per cent) and metal products (10.9 per cent) associated in part with a fall in external demand.

**Prices**

The rate of inflation as measured by the change in the consumer price index (CPI) was 2.2 per cent during the first three months of 2008 compared with 0.4 per cent in the corresponding period of 2007. The acceleration in the rate of inflation was driven mainly by increases in the sub-indices alcoholic beverages and tobacco (25.5 per cent), fuel and light (11.6 per cent) and food (1.7 per cent). Higher prices for alcoholic beverages and tobacco influenced the increase in that sub-index. The increase in the fuel and light sub-index was associated with a rise in the fuel surcharge. Higher prices for milk and dairy products, oil and fats and vegetables were largely responsible for the increase in food prices.



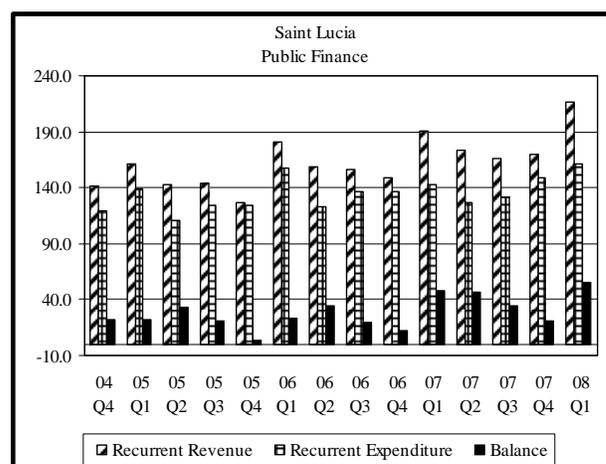
**Trade and Payments**

A merchandise trade deficit of \$334.8m was estimated in the first three months of 2008 compared with one of \$356.8m in the corresponding period of 2007. The smaller deficit was the result of a 1.2 per cent fall in import payments, reflecting the lower level of construction activity. Receipts from domestic exports fell by 15.7 per cent attributable to a decrease in the volume of banana exports.

Gross travel receipts rose by 10.4 per cent to \$277.9m, mirroring the increase in visitor arrivals. Commercial bank transactions resulted in a net inflow of \$142.0m in short-term capital, compared with one of \$187.9m in the corresponding period of 2007. External loan disbursements to the central government amounted to \$1.2m, well below the \$32.7m disbursed in the corresponding period of 2007.

**Central Government Fiscal Operations**

The central government recorded an overall surplus of \$1.2m in the first three months of 2008, in contrast to a deficit of \$44.9m in the corresponding period of 2007. The improvement in the overall fiscal position was attributed to larger current savings and a smaller deficit on the capital account. The primary balance shifted to a surplus of \$26.8m from a deficit of \$50.1m in the first three months of 2007.



A current account surplus of \$54.7m was realised in the first three months of 2008, surpassing that of \$48.2m in the corresponding period of 2007, as growth in revenue outpaced that of expenditure. Current revenue rose by 13.5 per cent to \$216.2m, largely fuelled by increases in receipts from taxes on income and profits and taxes on domestic goods and



services. Revenue from taxes on income and profits grew by 35.2 per cent (\$20.2m) mainly attributable to an increase of \$19.2m in corporation tax receipts. Collections from taxes on domestic goods and services were 23.1 per cent (\$7.1m) above the level in the first quarter of 2007, mainly attributable to an increase in licenses paid by telecommunications companies. Revenue from taxes on international trade and transactions rose marginally, as larger receipts from import duty were almost offset by declines in collections of consumption tax and service charge. Non-tax revenue fell by 15.0 per cent, attributable in part to declines in the collection of interest and rents.

Current expenditure increased by 13.5 per cent to \$161.5m, largely influenced by larger outlays on personal emoluments and transfers and subsidies. Personal emoluments rose by 16.6 per cent (\$9.5m), reflecting an increase in civil service employment. Outlays associated with transfers and subsidies grew by 27.5 per cent (\$7.8m) partly on account of larger pension contributions. Expenditure on goods and services rose by 6.5 per cent (\$2.0m), reflecting in part the impact of higher oil prices. Those increases were partly offset by a 0.4 per cent decline in interest payments.

Capital expenditure, at \$53.5m, was 42.5 per cent below the total in the first quarter of 2007. The reduction in capital spending was associated with the completion of some major projects that were under construction in the first quarter of 2007, in preparation for Cricket World Cup (CWC) 2007.

### **Public Sector Debt**

The disbursed outstanding debt of the public sector is estimated to have declined by 0.4 per cent to \$1,899.2m during the first three months of 2008. The major factor influencing the outturn was a 0.6 per cent reduction in the outstanding debt of the central government, reflecting the maturity of a \$12.0m portion of a \$50.0m bond in January 2008. The external debt of the central government fell by 1.1 per cent to \$976.9m, while the domestic debt rose by 3.3 per cent associated with a \$16.0m treasury bill issue in January 2008. The outstanding debt of the statutory bodies increased by 0.7 per cent to \$313.4m.

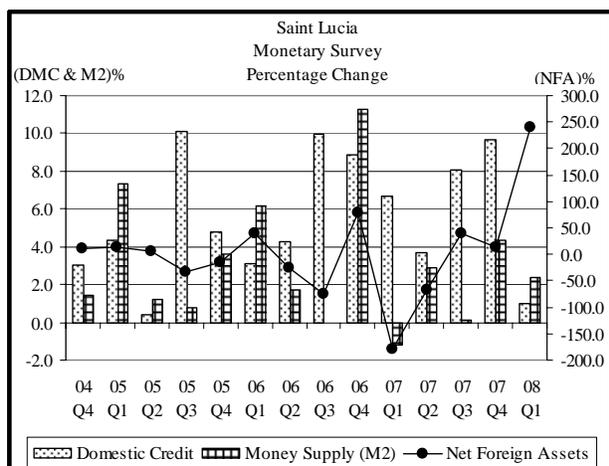
### **Monetary and Credit Developments**

Broad money (M2) expanded by 2.4 per cent to \$2,235.4m during the first three months of 2008, in contrast to a decline of 1.2 per cent during the corresponding period of 2007. This development reflected an increase in quasi money (2.8 per cent) to \$1,587.2m, associated with growth in both private sector savings and time deposits. Narrow money rose by 1.4 per cent, largely reflecting an increase in currency with the public.

Domestic credit increased by 1.0 per cent to \$3,020.0m during the period under review. Outstanding loans to the private sector grew by 1.8 per cent, driven by increased credit to businesses (2.4 per cent) and households (0.9 per cent). Credit extended to the central government by the



commercial banks rose by 3.0 per cent, while its deposits declined by 10.3 per cent. Consequently, the net credit position of the central government increased substantially to \$48.3m at the end of March 2008. The net deposits of the non-financial public enterprises rose by 2.1 per cent, largely reflecting an increase in deposits.



The breakdown of credit by economic activity indicates that the largest proportion of the increase in credit was directed to tourism, followed by personal use. Credit for tourism rose by 3.1 per cent consistent with the expansion in tourism activity. A 0.8 per cent growth (\$9.3m) in credit for personal use reflected increases in outstanding loans for the acquisition of property and the purchase of consumer durables.

At the end of March 2008 the banking system was in a net foreign liabilities position of \$161.7m, well above that of \$47.7m at the end of December 2007. The increase was mainly attributed to developments in the commercial banking sector, as banks

borrowed from abroad or drew down on their assets to meet the increased demand for credit. The net foreign liabilities of commercial banks rose by 31.2 per cent, partly reflecting a reduction in assets held with institutions in the rest of the Eastern Caribbean currency union, combined with an increase in liabilities from banks outside of the ECCU. Saint Lucia’s imputed share of the reserves of the central bank increased by 6.9 per cent to \$436.2m.

Commercial bank liquidity remained tight during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities fell by 2.2 percentage points to 23.3 per cent at the end of March 2008, and the loans and advances to total deposits ratio declined by 3.1 percentage points to 110.1 per cent.

The weighted average interest rate on deposits increased by 0.14 percentage point to 3.21 per cent, and that on lending rose by 0.26 percentage point to 9.10 per cent. As a result the weighted average interest rate spread widened by 0.12 percentage point to 5.89 percentage points at the end of March 2008.

**Prospects**

The economy is projected to expand in 2008, based on an improvement in performance in the tourism industry. Stay-over arrivals are projected to increase in response to intensified marketing in the major source markets. Growth will also be supported by



an increase in agricultural production as the sector rebounds from the effects of hurricane damage in August 2007. The construction sector, a major driver of economic activity is projected to decline, largely based on delays in the implementation of the public sector investment programme. In the private sector, activity will consist of on-going work on a number of major hotels and villas and commercial properties in the Rodney Bay and Castries areas. Manufacturing output is projected to fall, based in part on lower demand from the major export markets. The fall in construction and manufacturing activity is likely to temper the overall growth in economic activity. Consequently, the economy is expected to grow at a slow rate in 2008 relative to 2007.

A reduction in the merchandise trade deficit is expected, based in part on lower import payments as activity in the construction sector slows.

On the central government's fiscal accounts, a smaller overall deficit is projected compared with the level in 2007, mainly based on a decrease in capital expenditure and a larger current account surplus. The overall deficit is expected to be financed by the issuance of treasury bills on the Regional Government Securities Market and increased credit from domestic commercial banks.

The major downside risks to the projections include further escalation in prices of fuel and other commodities, a slowing US economy, the likelihood of reduced airlift to the island by major air carriers in response to rising fuel prices, and unfavourable weather.



## ST VINCENT AND THE GRENADINES

### Overview

Economic activity in St Vincent and the Grenadines continued to expand in the first quarter of 2008, albeit at a slower pace compared with the corresponding period in 2007. The construction sector provided the main impetus to growth. The consumer price index rose by 2.5 per cent during the first quarter of 2008, on an end of period basis. The central government's fiscal operations resulted in a narrowing of the overall deficit. The total outstanding public sector debt was above the level recorded at the end of December 2007. The merchandise trade deficit increased, largely attributable to a decline in the value of re-exports. Monetary liabilities and domestic credit declined, while commercial bank liquidity fell but remained at a high level. The spread between commercial bank lending and deposit interest rates rose in the period under review.

Economic conditions for the remainder of 2008 are expected to be less benign than in previous years, based on a worsening global outlook. Nonetheless construction activity is projected to expand, based on new and ongoing projects. The likelihood of a recession in the USA and rising international fuel, food and commodity prices pose some downside risks to economic performance in St Vincent and the Grenadines.

### Output

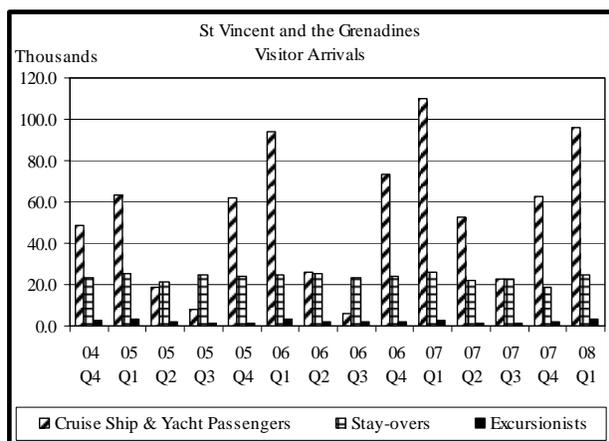
Activity in the construction sector was sustained in part by ongoing public sector projects, including rehabilitating the Windward Highway, upgrading the Canouan airport and building schools, the National Library Complex and a fish landing complex at Owia. The focus of activity in the private sector was on constructing and renovating hotels and resorts. The expansion in the construction sector was supported, to some extent, by a 21.7 per cent increase in commercial bank lending for construction and land development.

Agricultural output is estimated to have declined, mainly as a result of a contraction in banana production, the major activity in that sector. Banana output fell by 44.8 per cent to 2,874 tonnes. This decline was linked to the twin incidences of Moko and leaf spot diseases, as well as damage to crops by Hurricane Dean in August 2007. Output of non-banana crops also declined.

Activity in the tourism industry contracted, as evidenced by declines in the major categories of visitors. Stay-over arrivals fell by 5.0 per cent to 24,938, reflecting decreases from all the markets. The number of visitors from the USA fell by 4.9 per cent, partly reflecting the unfavourable economic conditions in that market.



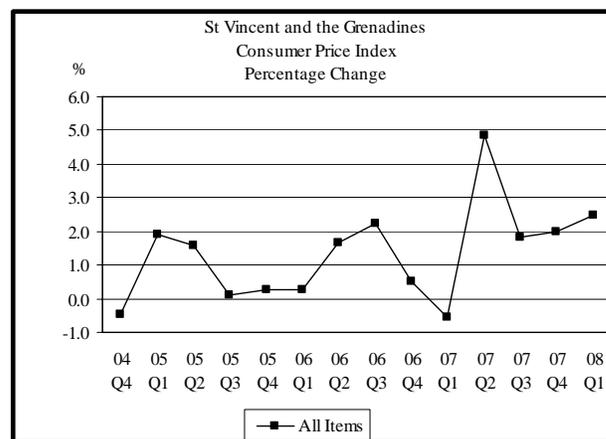
Arrivals from the UK declined by 4.9 per cent, in contrast to an increase of 31.8 per cent in the comparable period of 2007 when the country hosted Cricket World Cup (CWC) 2007 warm-up matches. Reduced airlift and higher airfares contributed to a 4.9 per cent decline in tourist arrivals from the Caribbean. In the cruise visitor category, passenger arrivals fell by 17.0 per cent to 61,761, attributable to visits by smaller vessels and a reduction in the number of cruise ship calls. Yacht passenger arrivals fell by 5.0 per cent.



In the manufacturing sector performance was weak, as the sector was adversely affected by rising costs of raw material inputs. Output of flour and rice fell by 6.5 per cent and 6.0 per cent respectively. Rising commodity prices on the international market, an increase in the cost of electricity and transportation, combined with a reduction in external demand contributed to the declines. Feed production fell by 28.0 per cent, while output of beer was down by 19.1 per cent, reflecting weaker domestic and external demand.

**Prices**

Consumer prices rose by 2.5 per cent during the period under review, largely attributable to increases in the food, transport and communications, and fuel and light sub-indices. A 3.8 per cent increase in the food sub-index, the highest weighted, reflected higher prices for chicken, milk and ground provisions. A rise in international oil prices led to an increase of 3.2 per cent in the transport and communications sub-index. Prices in the fuel and light sub-index rose by 2.5 per cent, mainly as a result of an increase in fuel surcharge on electricity.



**Trade and Payments**

Estimated data on merchandise trade for the first quarter of 2008 show a deficit of \$190.7m, compared with one of \$173.7m in the corresponding period of 2007. The larger deficit was attributed to a 72.1 per cent (\$17.1m) decline in the value of re-exports. This contrasts with the outturn in the first quarter of 2007 when the value of re-exports

rose substantially as a result of the re-export of machinery and transport equipment, associated with the construction of cricket stadia for CWC 2007. Import payments declined by 1.0 per cent (\$2.2m), consistent with the deceleration in the pace of economic activity.

The value of domestic exports fell by 8.6 per cent (\$2.2m). This outturn reflected declines in earnings from bananas (47.1 per cent), as a result of the fall in the volume exported, and from feed (36.8 per cent) and flour (10.2 per cent). Rising input prices and a fall in demand largely due to reduced price competitiveness contributed to the declines in export earnings from flour and feed.

Gross travel receipts are estimated to have decreased by 2.8 per cent to \$102.9m, reflecting the fall in visitor arrivals. There was a net outflow of \$51.7m in commercial bank short-term capital in the first quarter of 2008, in comparison with one of \$38.3m recorded in the corresponding period of 2007.

### **Central Government Fiscal Operations**

The fiscal operations of the central government resulted in an overall deficit of \$2.4m in the first three months of 2008, compared with one of \$20.7m in the corresponding period of 2007. Developments on the current account were mainly responsible for the smaller overall deficit. The current account balance shifted to a surplus of \$1.6m from a deficit of \$3.4m in the first quarter of 2007. This outturn was attributed to strong growth in current revenue,

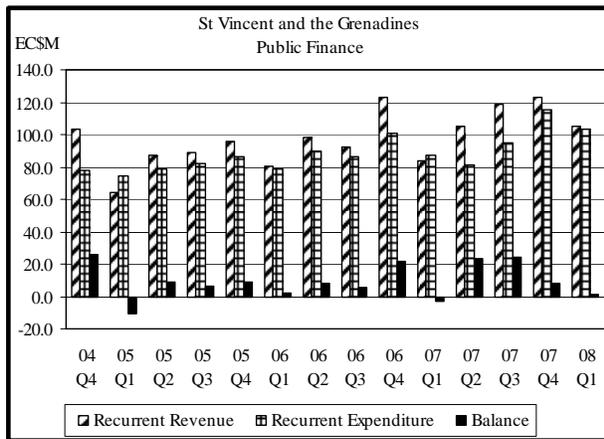
which outpaced an increase in current expenditure. A primary surplus of \$11.8m was recorded, in contrast to a deficit of \$5.8m in the first three months of 2007. The deficit was primarily financed from domestic resources.

Current revenue increased by 24.9 per cent to \$104.9m, reflecting a 28.7 per cent increase in tax revenue primarily on account of new tax measures and improved compliance. Of tax revenue, collections from taxes on domestic goods and services were \$32.3m above the level in the first quarter of 2007. This outturn was attributed to the implementation of the value-added tax (VAT) and revisions to the excise tax on 01 May 2007. The intake from the VAT was \$38.3m in the quarter under review. Receipts from the excise tax almost tripled to \$1.2m. The yield from taxes on income and profits rose by 35.4 per cent (\$5.5m), partly on account of an increase in receipts from company tax. Receipts from company tax rose by \$3.0m, in contrast to a decline of \$5.5m in the first quarter of 2007. Revenue from taxes on international trade and transactions declined by 45.0 per cent (\$16.3m), due largely to a fall in consumption tax receipts (\$19.7m) as that tax was replaced by the VAT. Non-tax revenue was 7.2 per cent (\$0.6m) below the total recorded in the first three months of 2007.

Current expenditure grew by 18.2 per cent to \$103.3m, attributed in part to increased outlays on personal emoluments (\$6.6m), transfers and subsidies (\$5.3m) and goods and services (\$4.8m). Growth in personal emoluments resulted from a



10.0 per cent salary increase to civil servants effective January 2008. Increased outlays on social welfare and pension benefits contributed to the larger outlays on transfers and subsidies. A rise in the cost of utilities and supplies led to increased spending on goods and services. Interest payments fell by 5.1 per cent (\$0.8m), reflecting in part a decrease in domestic payments.



Capital expenditure amounted to \$11.7m compared with \$17.5m in the first quarter of 2007. The completion of several large infrastructural projects, including the cricket stadium at Arnos Vale and the jet-port in Canouan led to the decline in capital outlays.

**Public Sector Debt**

Provisional data show that the total disbursed outstanding debt of the public sector increased by 1.6 per cent to \$1,013.0m during the quarter under review. This outturn largely reflected an increase in the outstanding debt of the public corporations, as the debt held by the central government declined.

Debt incurred by the public corporations increased by 15.6 per cent to \$216.9m, while central government debt fell by 1.7 per cent to \$796.1m.

**Monetary and Credit Developments**

Broad money (M2) fell by 2.4 per cent to \$982.0m during the quarter ending March 2008, consistent with the deceleration in economic activity. The fall in M2 reflected declines of 6.3 per cent and 0.2 per cent in narrow money (M1) and quasi-money respectively. Of the components of M1, currency with the public declined by 26.2 per cent, while private sector demand deposits increased marginally (0.1 per cent). The decrease in quasi-money was influenced by a decline in private sector foreign currency deposits, as both private sector time and savings deposits rose.

Domestic credit declined by 5.5 per cent to \$835.6m, reflecting in part a fall in loans to the private sector. Private sector credit fell by 5.0 per cent, mainly as a result of a 12.1 per cent decrease in outstanding loans to businesses. The net deposits of the non-financial public enterprises declined by 32.5 per cent. Net credit to the central government fell by 13.3 per cent, partly attributable to an increase in deposits and reduced borrowing.

The distribution of credit by economic activity shows increases in outstanding loans for construction (21.7 per cent), in line with the strong activity in that sector. Credit for tourism fell by 21.6 per cent, reflecting the decline in tourism

activity. Decreases were also recorded in outstanding loans for mining and quarrying, agriculture and fisheries, and distributive trade.

The net foreign assets of the banking system rose by 8.5 per cent to \$382.5m, compared with 10.7 per cent during the first quarter of 2007. The expansion was driven by a 43.2 per cent increase in the net foreign assets of the commercial banks, largely reflecting a reduction in liabilities to institutions in other ECCB territories. This increase was partly offset by a decline of 9.3 per cent to \$211.0m in St Vincent and the Grenadines' imputed share of the Central Bank's reserves.

Liquidity in the commercial banking system fell, but remained at a high level during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities was 40.7 per cent at the end of March 2008, roughly 0.7 percentage point below the level at the end of 2007. The ratio of loans and advances to total deposits fell by 1.1 percentage points to 83.0 per cent. The weighted average interest rate on deposits fell to 2.75 from 2.85 at the end of December 2007, while the weighted average lending rate remained unchanged at 9.62 per cent. This resulted in an increase of 0.12 percentage point to 6.95 percentage points in the weighted average interest rate spread.

### **Prospects**

Economic growth is projected to decelerate in 2008, partly based on an expected weak performance in the

agricultural and manufacturing sectors. The construction sector will drive growth in 2008. The start of construction of an international airport and some private resorts, ongoing work on schools and road rehabilitation will stimulate construction activity. An intensive marketing campaign, coupled with additional hotel capacity, is expected to contribute to an improvement in tourism activity. However, a slow down in the economies of major source markets is likely to have an adverse impact on tourism activity. In the agricultural sector, a fall in banana production is projected, partly as a result of Moko and leaf spot diseases. The difficulties experienced by the manufacturing sector in the first quarter are likely to persist.

The central government's current account operations are likely to improve based on increased tax compliance and a larger revenue intake on account of a full year's operation of the VAT. Current expenditure is likely to be above the level in 2007, based in part on larger outlays on personal emoluments emanating from increases in salaries, wages and allowances to public servants. Interest payments are also likely to increase, on account of a larger stock of central government debt. Growth in capital expenditure is expected, based on new and ongoing projects.

In the external sector, the trade deficit is likely to widen, based on growth in the value of imports associated with increases in international commodity prices and the expansion in construction activity. In the banking system, a deceleration in broad money



growth and domestic credit is projected, in line with the reduced level of economic activity.

External economic conditions are projected to be less benign than in previous years. The risks to economic growth in St Vincent and the Grenadines lie on the downside. Further increases in commodity and energy prices can result in an increase in

inflation, a reduction in disposable income and a dampening in economic activity in St Vincent and the Grenadines. The ongoing financial market crisis and the attendant risks posed to advanced economies could adversely affect tourist arrivals and prospects for foreign direct investment inflows to St Vincent and the Grenadines.



## INTERNATIONAL ECONOMIC DEVELOPMENTS

**Output**

Preliminary estimates indicate that global growth slowed appreciably during the first quarter of 2008 compared with the corresponding period of 2007. The deceleration in growth was most apparent in the advanced economies, particularly the United States as the ongoing housing market correction exacerbated financial market stresses. In contrast, developing economies have so far proven to be resilient to the financial turbulence and have continued to grow at a fairly rapid pace, led by China and India.

In North America, the US economy continued to face significant challenges which have exerted a sizeable drag on the economy. Real GDP increased at an annualised rate of 0.9 per cent in the first quarter of 2008, following growth of 0.6 per cent in the last quarter of 2007. Declining home values and tightening credit conditions negatively affected consumption and residential investment, with concomitant effects on business investment. Residential investment fell at an annualised rate of 25.5 per cent in the first quarter, the largest quarterly decline since the current period of housing market weakness; private fixed investment contracted by 7.8 per cent. There are indications that the effects of the housing downturn are being felt more broadly, particularly in labour markets and real consumption growth. Monthly declines were recorded in non-farm payrolls in the first quarter, while real

consumption grew by 1.0 per cent, the slowest rate of increase since the 2001 recession. Moreover, negative consumer and corporate sentiment suggests further declines in domestic spending and personal incomes. The financial crisis has reduced the availability of credit, and contributed to declines in house prices and household net worth, while the sharp increase in commodity prices has eroded workers' disposable income. After several years of strong growth, the Canadian economy slowed in the first quarter of 2008. Real GDP is estimated to have contracted by 0.1 per cent at an annualised rate, compared with an expansion of 1.0 per cent in the first quarter of 2007. Inventory de-cumulation, weaker external demand, and tighter credit conditions acted as a drag on growth, offsetting the gains in domestic demand as a result of the improvement in the terms of trade.

Growth in the Euro area slowed in the first quarter of 2008 to an estimated annualised rate of 2.2 per cent, from 3.2 per cent in the comparable period of 2007. The slower growth reflected in part contagion effects, associated with the financial market dislocations in the US. Elevated international oil prices, an appreciation of the Euro and widening risk spreads have reduced investment and consumption growth. Economic activity in the Euro area was largely influenced by developments in Germany, due in part to heightened construction activity.



In the United Kingdom, real GDP increased by 0.3 per cent in the first quarter of 2008, or at an annualised rate of 2.5 per cent, slightly below its average over the past decade. Activity in the services sector, which accounts for roughly three-quarters of the economy, slowed to 3.0 per cent, as business and financial services grew at the slowest pace since the second quarter of 2003. Output growth in the construction sector was broadly unchanged from the previous quarter, despite a weaker housing market. Industrial production fell marginally, driven by declines in the energy sector. Manufacturing output, however, rose modestly, occasioned by a fall in the pound sterling. Indicators of growth in household spending were mixed in the first quarter of 2008. Official data point to buoyant growth in retail sales, while business surveys suggested weak household spending growth. The housing market weakened further and house prices fell appreciably.

The Japanese economy expanded by 0.8 per cent in the first quarter of 2008. Economic activity was supported by growth in exports and private consumption, which expanded by 4.5 per cent and 0.5 per cent respectively. Residential investment rose, recovering from the fall-off recorded in the latter part of 2007, as a result of changes in the Building Standard Law. Private non-residential investment, however, contracted by 0.9 per cent while imports rose by 2.0 per cent, thus offsetting the positive contributions from the other components of GDP.

Real GDP growth in China expanded by an annualised rate of 10.6 per cent in the first quarter of 2008. Growth was supported by domestic demand, with urban fixed investment and retail sales increasing by 25.9 per cent and 20.6 per cent respectively. Export growth decelerated in the period under review, particularly to the United States. The cumulative trade surplus fell by 11.0 per cent to US\$41.1 billion during the first three months of 2008 compared with the corresponding period of 2007.

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

#### *Oil prices*

Petroleum prices remained elevated during the period under review, with the price of crude oil closing above US\$100 a barrel for the first time on February 19 2008. The price of crude oil ranged between US\$99 and US\$106 a barrel during the period under review. Rising global demand, limited refining capacity and a weakening US dollar contributed to the increase in crude oil prices in the first quarter of 2008. The limited spare capacity of the Organisation of Petroleum Exporting Countries (OPEC) and their policy of restricting oil production have raised concerns about long-term oil supply. Oil prices are likely to stay elevated in the near term and will remain sensitive to the demand-supply balance, and to geopolitical concerns.



**Consumer Prices**

Consumer prices continued to face upward pressures during the review period, associated with the increase in energy and commodity prices. In the USA, overall consumer prices rose by 4.1 per cent, compared with an increase of 3.7 per cent in the corresponding period of 2007. Core inflation rates (which exclude food and fuel) rose by 2.4 per cent.

Headline inflation in the Euro area rose to an annualised rate of 3.5 per cent in March, exceeding the 2.0 per cent target set by the European Central Bank (ECB). This outturn was largely attributed to increased food and energy prices, associated with elevated prices in global markets. Core inflation rose by 2.0 per cent as a result of rising input costs in the industrial and services sectors.

In Canada, the consumer price index (CPI) increased by 1.8 per cent during the period under review, compared with 1.4 per cent during the first quarter of 2007. Core inflation averaged 1.4 per cent during the first three months of 2008, below the 2.3 per cent rate in the corresponding period of 2007. The reduction in the core rate of inflation reflected one-off factors, such as a decline in indirect taxes, and the price level adjustments associated with the appreciation of the Canadian dollar.

Inflation in the United Kingdom was 2.5 per cent in the first three months of 2008, compared with 3.1 per cent in the first quarter of 2007. Inflation during the quarter under review was influenced by higher gas and electricity tariffs, reflecting the

impact of higher global oil prices on the cost of petrol. Rising import prices associated with sterling's depreciation also contributed to the inflationary pressures.

In Japan inflationary pressures increased during the first quarter of 2008, at an annualised rate of 1.2 per cent. This outturn was largely attributed to increases in imported raw material prices and the cost of energy, as domestic inflationary pressures remain subdued. Consumer prices in China rose by an annualised rate of 8.0 per cent in March. The main driver of inflation was an increase in food prices caused by a temporary fall in the supply of livestock.

**Monetary Policy Developments**

The monetary policy responses, of the leading central banks, to deteriorating growth prospects and rising inflationary pressures differed markedly during the review period. In an unscheduled meeting on 22 January 2008 the Federal Reserve lowered both the federal funds rate and the discount rate by 75 basis points to 3.50 per cent and 4.0 per cent respectively. At its next two scheduled meetings on 30 January 2008 and 18 March 2008, the Federal Reserve lowered the federal funds rate by 75 and 50 basis points, leaving the benchmark interest at 2.50 per cent at the end of the quarter. The discount rate was also lowered by a cumulative 125 basis points. The bases for the Federal Reserve's actions were cited as follows: continued stresses in financial and housing markets; declining



retail spending and the tightening of credit conditions; and the downside risks these events posed to output growth. In contrast, the European Central Bank (ECB) left its main interest rate unchanged at each of its scheduled meetings over the review period. The ECB highlighted upside risks to price stability, occasioned by elevated food and energy prices and robust domestic money and credit growth. The Bank of England reduced its Bank Rate by 0.25 basis points to 5.25 per cent at its regular meeting on 07 February in a bid to support output growth in light of tightening credit conditions, housing market weaknesses and reductions in consumer spending. The Bank of Canada lowered the overnight interest rate by a cumulative 0.75 per cent over the review period, as the economy was not primarily affected by the sub-prime and credit market crisis. In Japan inflation remained low in Japan and as a result the Bank of Japan kept the target interest rate unchanged at 0.5 per cent. The People's Bank of China raised the statutory reserve requirement ratio of commercial banks by 50 basis points to 15.5 per cent to restrain inflationary pressures.

### **Outlook**

The prospects for the global economy are less benign than in previous years, based on the

international 'credit crunch' and rising inflationary pressures. Global growth is projected to decelerate to 3.7 per cent from 4.9 per cent in 2007, and will hinge largely on the performances of the emerging economies of China (9.7 per cent) and India (7.9 per cent). For the rest of 2008, the US economy is projected to grow at a real rate of 0.5 per cent due to weaknesses in the housing market, and the potential for spill-over effects to the rest of the economy. The Canadian economy is projected to grow by 1.3 per cent, as a weakening US economy and tighter credit conditions slow economic activity. In the United Kingdom, real GDP growth is projected to slow to 1.4 per cent in 2008, as higher lending costs and weaknesses in the housing market are expected to curtail both investment and consumption demand. Growth in economic activity in the Euro area is expected to fall below potential in 2008, as a result of tighter financial conditions, higher inflation and weaker housing market activity. Average annual real GDP growth is projected to be between 1.5 per cent and 2.1 per cent in 2008. Downside risks to these projections include further deterioration in developed country housing and financial markets and a possible transmission to emerging economies, as well as rising energy and commodity prices.



## REGIONAL ECONOMIC DEVELOPMENTS

### Output

The available data on developments in some of the large member countries of the Caribbean Community (CARICOM) indicate that economic activity in the first three months of 2008 increased in The Bahamas, Barbados, Jamaica and Trinidad and Tobago.

In The Bahamas, growth in economic activity was led by increased tourism inflows and consumer demand. In Barbados, the economy grew by an estimated 4.0 per cent compared with 2.6 per cent in the first quarter of 2007, reflecting robust growth in tourism activity and a moderate increase in manufacturing output. Value added in the tourism industry was estimated to have expanded by 9.7 per cent, following three consecutive first-quarter contractions. The rebound in tourism activity was associated with an increase in the number of stay-over visitors and cruise passenger arrivals. In the manufacturing sector, the increase was driven by a higher level of production of processed foods. Economic growth in Jamaica is estimated to have ranged between 1.0 per cent and 1.5 per cent, largely influenced by developments in construction and installation, tourism, storage and communication, financing and insurance, and distributive trade. The outturn represents a deceleration in the pace of growth, mainly

attributable to contractions in agriculture, forestry and fishing, electricity and water and mining and quarrying. In Trinidad and Tobago the economy is estimated to have expanded, supported by activity in the energy sector.

### Prices

Consumer price inflation rose in all the countries, partly reflecting persistently high and increasing global prices for food, oil and other commodities. In The Bahamas prices increased by 2.4 per cent during the twelve-month period ending March 2008 compared with 2.3 per cent for the corresponding period a year earlier. In Barbados, the moving average rate of inflation at end of January 2008, the latest period available, was 4.0 per cent compared with 7.1 per cent at the end of January 2007. Inflationary pressures intensified in Jamaica during the March 2008 quarter, driven by excess demand for agricultural commodities following domestic supply constraints. As a result headline inflation was 5.2 per cent in the first quarter of 2008, with the largest increase reflected in the food sub-index. Administered prices as well as energy costs were also significantly higher. For the twelve-month period ending March 2008, headline inflation was estimated to be close to 20.0 per cent. In Trinidad and Tobago, annual point-to-point inflation at the end of March 2008 was estimated at 10.0 per cent.



## **Employment**

Data on employment are not available for the first three months of 2008. Anecdotal information and the sustained level of economic activity in most of the CARICOM member countries suggest that the average rate of unemployment remained relatively stable compared with the level in the first quarter of 2007.

## **Central Governments' Fiscal Developments**

Preliminary estimates indicate that in The Bahamas the overall fiscal deficit of the central government increased by 24.4 per cent to B\$92.7m in the period July 2007 to February 2008, as current expenditure growth outpaced that of current revenue. Higher outlays were recorded for wages and salaries as well as transfers and subsidies. The increase in revenue was mainly attributed to larger receipts from taxes on international trade and hotel services, as well as from business and professional fees. In Barbados, the central government recorded its highest first quarter deficit in at least ten years. An overall deficit of BDS\$128.9m was recorded in the first three months of 2008, roughly four times the level in the corresponding period of 2007. This outturn was largely attributed to strong growth in expenditure, associated with larger outlays on transfers and subsidies, partly representing payments to the University of the West Indies, and on goods and services associated with the reclassification of some items that were under capital expenditure.

## **External Sector Developments**

The available information on external sector developments in two of the countries indicates that in Barbados the deficit on the current account stood at BDS\$7.5m in the first quarter of 2008 compared with BDS\$37.0m in the corresponding period of 2007. The smaller deficit was due primarily to a 9.0 per cent increase in travel credits and growth in domestic exports, particularly electronic components and food and beverages. On the capital and financial account, a smaller surplus was realised, mainly attributable to larger outflows associated with repayment of tourism-related loans. In Trinidad and Tobago, the external current account surplus is estimated to have increased, as the country benefited from high energy prices and larger volumes of its main exports.

## **Monetary and Credit Developments**

Developments in the banking system in The Bahamas during the first quarter of 2008 were characterised by a high level of commercial bank liquidity; a deceleration in credit growth, particularly for consumer credit and mortgages; and an expansion in external reserves partly reflecting an increase in the Central Bank's net foreign currency purchases from the public sector. In Barbados commercial bank liquidity remained relatively high compared with the level at the end of the first quarter of 2007, as growth in credit was outpaced by an increase in deposits stemming from larger inflows of



foreign capital. In Trinidad and Tobago the authorities continued to use tight monetary policy in response to persistent inflationary pressures. The Bank of Jamaica (BOJ) tightened its monetary policy stance during the March 2008 quarter, in the context of continued instability in financial markets influenced by excess Jamaica Dollar liquidity. The BOJ sold foreign currency to the market and issued a variable rate certificate of deposit in an effort to restore stability. The Bank also adjusted open market operation rates twice during the quarter, which resulted in a 22.0 basis point increase in the overall commercial bank weighted average lending rate.

### **Outlook**

The economic outlook for the remainder of 2008 is positive, but will be largely contingent on the performance of the international economy, particularly the US, as well as developments in global food, oil and other commodity prices.

In The Bahamas expected developments in the tourism industry are likely to contribute favourably to economic activity; however, economic growth is likely to soften as the pace of construction activity slows and consumer spending moderates. Monetary conditions are expected to remain favourable.

In Barbados the forecast is for real GDP to increase between 2.5 per cent to 3.0 per cent in 2008, based on expected improvements in the traded and non-traded sectors. Slower growth is projected in the

number of stay-over arrivals and cruise ship visitors, but value added in the tourism industry is expected to be marginally above the level in the previous year. The external current account deficit is projected to widen, based on growth in imports given the increase in international prices of food and fuel. Performance on the capital and financial account is likely to be below that of 2007, based on a projected fall in private sector inflows and higher outflows from the public sector to service debt obligations. Lending rates are expected to fall following a reduction in the minimum deposit rate. Liquidity is projected to moderate as growth in deposits is expected to slow down, while a strong increase in credit is likely. The fiscal balance of the central government is projected to remain at the 2007 level. Strong growth in overall revenue is expected, a deceleration in the rate of growth of current expenditure is projected, while capital expenditure is likely to increase.

In Jamaica the economic expansion is expected to continue, albeit at a slower pace. Growth is projected based on increases in the mining and quarrying, construction and installation, and transport, storage and communication sectors. Consistent with its tight monetary stance in an effort to constrain inflation, the BOJ targeted a reduction of roughly 3.0 per cent in the monetary base for the June 2008 quarter.

In Trinidad and Tobago the forecast is for the solid growth observed in 2007 to continue into the short to medium term.



## 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> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 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
Total Vistors	1,342,912	724,871	487,554	1,096,492	1,496,895
Stay-Over Visitors	293,873	263,250	245,882	255,791	324,829
Of which:					
USA	113,261	102,060	80,102	85,473	123,853
Canada	21,574	9,372	8,038	14,826	27,745
UK	72,305	59,483	53,004	66,393	78,861
Caribbean	54,332	63,545	81,190	62,496	60,317
Other Countries	32,401	28,790	23,548	26,603	34,053
Excursionists <sup>1</sup>	37,062	31,749	27,101	26,371	39,123
Cruise Ship Passengers <sup>2</sup>	954,454	384,760	195,391	776,694	1,075,031
Yacht Passengers <sup>4</sup>	57,523	45,112	19,180	37,636	57,912
Number of Cruise Ship Calls <sup>3</sup>	817	296	99	553	771
<b>Total Visitor Expenditure (EC\$M)</b>	<b>954.83</b>	<b>759.99</b>	<b>655.30</b>	<b>815.09</b>	<b>1,080.13</b>

Sources: Central Statistics Offices, OECS and ECCB

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

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

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

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

**Data available at 09 June 2008**

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

	2006 <sup>R</sup> 4 <sup>th</sup> Qr	2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>R</sup> 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
Net Foreign Assets	3,177.90	3,246.43	3,402.92	3,103.44	3,025.66	3,237.91
Central Bank (net)	1,871.93	1,874.65	1,942.33	1,989.28	2,055.84	2,187.54
External Assets	1,879.10	1,883.14	1,950.79	1,998.31	2,064.19	2,193.73
External Liabilities	7.17	8.49	8.46	9.03	8.35	6.19
Commercial Banks (net)	1,305.97	1,371.78	1,460.59	1,114.15	969.82	1,050.37
External Assets	3,789.71	3,898.67	4,034.76	4,132.12	4,265.68	4,401.36
External Liabilities	2,483.74	2,526.89	2,574.17	3,017.97	3,295.86	3,350.99
Net Domestic Assets	6,927.24	7,224.46	7,306.14	7,728.23	8,063.50	8,118.39
Domestic Credit	8,467.26	8,740.99	9,101.48	9,525.66	10,196.32	10,171.66
Central Government (net)	618.46	633.35	671.38	660.03	869.96	760.72
Other Public Sector (net)	(787.03)	(855.84)	(875.83)	(891.23)	(944.57)	(989.97)
Non-Bank Financial Institutions (net)	(172.53)	(197.12)	(261.70)	(206.33)	(228.87)	(185.31)
Subsidiaries & Affiliates (net)	111.36	61.86	94.26	64.45	56.05	58.14
Private Sector	8,697.00	9,098.75	9,473.37	9,898.74	10,443.75	10,528.07
Other Items (net)	(1,540.02)	(1,516.53)	(1,795.34)	(1,797.43)	(2,132.82)	(2,053.27)
Monetary Liabilities (M2)	10,105.14	10,470.89	10,709.07	10,831.67	11,089.16	11,356.30
Money Supply (M1)	2,258.90	2,376.52	2,382.26	2,379.46	2,494.71	2,544.45
Currency with the Public	586.00	558.10	556.55	545.64	594.71	573.40
Demand Deposits	1,672.90	1,818.42	1,825.71	1,833.82	1,900.00	1,971.04
Quasi Money	7,846.24	8,094.36	8,326.81	8,452.21	8,594.45	8,811.86
Savings Deposits	4,337.71	4,445.00	4,499.34	4,583.96	4,643.91	4,766.04
Time Deposits	1,746.69	1,828.85	1,922.41	1,970.80	2,021.03	2,153.80
Foreign Currency Deposits	1,761.84	1,820.52	1,905.06	1,897.45	1,929.51	1,892.02

Source: Eastern Caribbean Central Bank

**Data available at 09 June 2008**



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

	2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	798.04	858.00	784.39	882.80	913.44
Tax Revenue	712.34	777.31	710.47	798.95	828.87
Taxes on Income and Profits <sup>11</sup>	158.67	184.02	148.20	148.54	204.26
Of Which:					
Personal Income Tax <sup>12</sup>	52.44	57.59	54.11	54.96	65.01
Company	72.63	97.42	71.69	67.97	111.19
Taxes on Property	9.65	19.30	21.30	14.14	14.42
Taxes on Domestic Goods and Services	211.70	246.33	246.42	258.89	286.76
Of Which:					
Accommodation Tax	34.87	21.26	12.46	8.99	23.41
Licences	27.21	19.86	19.42	22.77	33.91
Sales Tax <sup>12</sup>	20.93	56.04	49.31	61.40	62.04
Sales Duties	48.36	51.24	38.83	41.49	46.26
Consumption Tax <sup>14</sup>	12.85	15.50	10.95	11.24	13.75
Value Added Tax	23.27	40.33	58.59	66.29	65.33
Taxes on International Trade and Transactions	332.32	327.67	294.55	377.37	323.44
Of Which:					
Import Duties	108.36	109.81	105.89	141.89	113.38
Consumption Tax <sup>16</sup>	102.30	102.56	77.63	103.24	86.92
Customs Service Charge <sup>16</sup>	69.28	68.15	66.17	78.89	66.81
Non-Tax Revenue	85.70	80.69	73.92	83.86	84.56
<b>Current Expenditure</b>	732.05	710.45	760.94	826.71	855.07
Personal Emoluments	303.46	311.14	315.16	363.87	345.37
Goods and Services	153.48	156.32	178.09	194.46	199.21
Interest Payments	116.87	97.35	102.19	106.05	117.51
Domestic	43.43	46.66	48.68	57.90	51.65
External	73.43	50.69	53.51	48.15	65.85
Transfers and Subsidies	158.25	145.64	165.49	162.33	192.98
Of Which: Pensions	56.02	55.26	67.68	70.92	63.46
<b>Current Account Balance</b>	65.99	147.55	23.46	56.09	58.37
<b>Capital Revenue</b>	1.75	2.04	7.02	34.90	22.57
<b>Grants</b>	43.92	61.92	61.05	78.35	67.99
<b>Capital Expenditure and Net Lending</b>	306.00	194.47	274.06	282.94	203.52
Of Which: Capital Expenditure	306.74	194.67	269.37	283.27	202.98
<b>Primary Balance</b>	(77.48)	114.40	(80.34)	(7.55)	62.92
<b>Overall Balance</b>	(194.34)	17.04	(182.54)	(113.61)	(54.59)
<b>Financing</b>	194.34	(17.04)	182.54	113.61	54.59
Domestic	125.48	(31.17)	230.56	91.59	49.76
ECCB (net)	(27.38)	(13.06)	0.49	35.84	0.49
Commercial Banks (net)	50.37	42.99	(11.84)	174.09	(109.73)
Other	102.49	(61.10)	241.91	(118.34)	158.99
External	47.80	(13.05)	(76.29)	(5.05)	(17.66)
Net Amortisation/(Amortisation)	18.52	(10.44)	(75.53)	(5.21)	(17.29)
Disbursements	87.18	32.76	13.59	44.13	75.34
Amortisation	(68.66)	(43.19)	(89.12)	(49.34)	(92.63)
Change in Government Foreign Assets	29.28	(2.61)	(0.76)	0.16	(0.37)
Arrears <sup>17</sup>	21.07	27.17	28.26	27.07	22.49
Domestic	1.24	3.37	(2.61)	0.05	2.59
External	19.82	23.80	30.87	27.02	19.91

Source: Ministry of Finance 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> Excludes Anguilla, Antigua and Barbuda and Montserrat

<sup>14</sup> Includes Dominica and Grenada

<sup>15</sup> Excludes Dominica and St Vincent and the Grenadines

<sup>16</sup> Includes Antigua and Barbuda and Dominica

Data available at 09 June 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>	Mar 2008 <sup>P</sup>
Anguilla	89.9	110.2	114.0	135.3	124.8
Antigua and Barbuda	3,482.7	2,708.5	2,967.1	3,013.4	2,813.9
Dominica	879.8	951.7	951.9	931.8	932.3
Grenada	1,528.6	1,637.6	1,712.3	1,770.8	1,799.9
Montserrat	13.2	12.7	12.0	11.2	10.3
St Kitts and Nevis	2,003.4	2,215.7	2,378.6	2,407.2	2,397.0
Saint Lucia	1,514.3	1,613.5	1,742.5	1,906.6	1,899.2
St Vincent and the Grenadines	955.8	992.2	1,040.5	997.4	1,017.6
<b>TOTAL ECCU</b>	<b>10,467.6</b>	<b>10,242.1</b>	<b>10,918.9</b>	<b>11,173.7</b>	<b>10,995.1</b>

Source: ECCB

\* Includes arrears of principal

Data available at June 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>	Mar 2008 <sup>P</sup>
Anguilla	69.7	91.8	97.1	115.2	105.0
Antigua and Barbuda	3,270.3	2,512.8	2,799.8	2,859.8	2661.8
Dominica	694.3	775.1	789.3	777.0	778.5
Grenada	1,234.0	1,382.3	1,458.4	1,539.1	1560.1
Montserrat	4.6	4.2	4.2	3.8	3.0
St Kitts and Nevis	1,243.1	1,364.0	1,473.2	1,503.3	1491.0
Saint Lucia	1,215.8	1,293.5	1,428.0	1,595.4	1585.9
St Vincent and the Grenadines	836.1	849.8	890.7	809.7	800.7
<b>TOTAL ECCU</b>	<b>8,568.0</b>	<b>8,273.5</b>	<b>8,940.7</b>	<b>9,203.3</b>	<b>8,986.0</b>

Source: ECCB

Data available at June 2008

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

	2004 <sup>R</sup>	2005 <sup>R</sup>	2006 <sup>R</sup>	2007 <sup>R</sup>	Jan - Mar 2007 <sup>R</sup>	Jan - Mar 2008 <sup>P</sup>
Anguilla	8.6	6.7	26.9	11.0	2.6	11.9
Antigua and Barbuda	197.0	569.5	246.6	217.7	57.1	54.9
Dominica	54.3	37.4	55.8	55.1	16.2	12.9
Grenada	138.7	65.0	45.7	86.3	13.0	19.2
Montserrat	1.6	1.1	1.2	2.1	0.4	0.3
St Kitts and Nevis	132.1	158.1	209.2	210.4	50.4	53.2
Saint Lucia	158.5	102.8	129.7	136.2	48.7	61.5
St Vincent and the Grenadines	142.0	201.4	138.7	93.1	24.5	42.4
<b>TOTAL ECCU</b>	<b>832.9</b>	<b>1,142.1</b>	<b>853.8</b>	<b>811.8</b>	<b>213.0</b>	<b>256.5</b>

Source: ECCB

Data available at June 2008



**Table 7**  
**Regional Government Securities Market (RGSM)**  
**Funds Raised on the RGSM**

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
Total Bid Amount (EC\$M)	122.20	168.80	236.70	209.70	220.40
Volume	99.00	126.00	185.70	194.50	154.00

Source: ECCB

Data available at end of June 2008

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

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
91-day Treasury Bills	6.17	5.99	5.91	6.10	5.80
180-day Treasury Bills	**	**	5.65	**	6.00
365-day Treasury Bills	**	**	6.50	6.00	**
5-year Bond	**	**	**	7.00	**
7-year Bond	**	**	**	**	**
10-year Bond	**	**	7.50	7.56	7.50

Source: ECCB

Data available at end of June 2008

**Table 9**  
**Regional Government Securities Market (RGSM)**  
**Secondary Market Activity on the RGSM**

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
Volume	17.50	0.70	8.90	0.40	5.90
Value (EC\$M)	18.00	1.10	11.80	0.70	6.70

Source: ECCB

Data available at end of June 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	157,008	1,970,434	94,521	100,735	2,187,179
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

Source: Eastern Caribbean Central Bank

Data available at June 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 Notes and Coins 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	158,216	2,187,179
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

Source: Eastern Caribbean Central Bank

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

Data available at June 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

Source: Eastern Caribbean Central Bank

Data available at June 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	2,466	117	70,363
2008 Jan.	2,237	16,701	4,726	10,906	1,034	7,796	16,631	8,194	68,224	2,466	117	70,807
Feb.	2,259	16,794	4,758	10,946	1,038	7,788	16,710	8,245	68,536	2,466	117	71,119
Mar.	2,297	16,894	4,748	11,008	1,038	7,855	16,769	8,271	68,880	2,466	117	71,463

Source: Eastern Caribbean Central Bank

Data available at June 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

Source: Eastern Caribbean Central Bank

Data available at June 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

Source: Eastern Caribbean Central Bank

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

Data as at June 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	1,825,808	2,393,153	8,534,191	10,927,344
Dec.	771,856	70,234	247,380	594,710	1,899,110	2,493,820	8,594,279	11,088,099
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

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 June 2008**



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

	Dec-03	Mar-04	Jun-04	Sep-04	Dec-04	Mar-05	June-05	Sep-05	Dec-05
Agriculture	300,448	291,936	308,608	310,639	324,887	340,256	347,859	333,797	336,924
Fisheries	13,345	13,836	14,383	13,808	11,996	12,266	12,905	11,386	11,584
Manufacturing	241,077	228,771	231,202	225,219	225,387	219,535	218,315	222,418	232,683
Food & Non-Alcoholic Bev	45,998	43,164	43,754	39,537	40,499	42,865	42,205	42,310	42,526
Clothing & Accessories	15,842	19,168	17,495	15,711	14,111	14,595	15,173	16,764	16,628
Other Industries <sup>1/</sup>	179,237	166,439	169,953	169,971	170,777	162,075	160,937	163,344	173,529
Distributive Trades	777,084	777,588	784,936	806,501	797,393	810,764	845,528	863,663	864,059
Tourism	570,712	578,483	584,344	599,639	633,753	587,506	601,479	677,136	744,463
Entertainment	87,765	86,848	81,217	83,061	81,528	79,671	77,177	81,067	80,213
Transport	153,237	150,789	153,582	147,049	138,924	157,522	166,151	172,335	180,955
Public Utilities	177,126	187,550	199,767	209,558	204,956	203,398	196,261	143,963	195,035
Construction & Land Dev.	340,046	360,108	450,785	465,960	461,324	470,897	495,351	498,307	512,904
Gov't & Statutory Bodies	619,044	615,406	573,281	665,857	753,712	786,817	751,062	909,043	931,636
Professional Services	491,835	517,650	539,746	526,599	550,712	565,185	576,577	635,495	650,753
Financial Institutions	148,595	143,868	138,036	122,264	125,102	114,935	146,751	151,292	144,262
Personal	3,679,868	3,691,596	3,769,985	3,895,889	3,896,394	3,998,809	4,116,079	4,253,043	4,412,292
Acquisition of Property <sup>2/</sup>	2,053,180	2,056,242	2,137,222	2,175,353	2,209,624	2,235,275	2,333,066	2,389,833	2,523,855
Durable Consumer Goods	287,542	290,524	283,180	287,438	293,752	306,893	328,016	345,027	371,578
Other Personal Loans	1,339,146	1,344,830	1,349,583	1,433,098	1,393,018	1,456,641	1,454,997	1,518,183	1,516,859
<b>TOTAL</b>	<b>7,600,182</b>	<b>7,644,429</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>
% of Long Term Loans to Total Loans	64.45	62.70	63.38	64.52	64.79	64.89	64.50	62.80	62.76
	Mar-06	Jun-06	Sep-06	Dec-07	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08
Agriculture	335,207	334,931	333,473	330,456	344,662	346,275	348,499	352,036	344,102
Fisheries	12,571	13,251	12,770	11,660	13,572	13,013	11,082	11,377	11,716
Manufacturing	240,931	244,163	248,268	267,249	267,180	266,326	258,579	253,025	258,586
Food & Non-Alcoholic Bev	45,869	46,037	47,705	52,734	54,154	55,292	55,612	53,505	52,880
Clothing & Accessories	15,315	14,938	12,623	13,590	14,394	15,402	11,223	10,655	10,677
Other Industries <sup>1/</sup>	179,747	183,188	187,940	200,925	198,632	195,632	191,744	188,865	195,029
Distributive Trades	871,195	862,940	870,190	870,117	871,862	868,717	893,219	898,045	913,135
Tourism	770,265	820,538	941,729	1,060,845	1,138,241	1,187,103	1,286,609	1,477,014	1,464,730
Entertainment	80,287	91,508	98,134	100,837	103,024	107,525	109,974	117,470	117,682
Transport	193,824	206,647	214,629	227,557	263,119	266,010	312,641	321,445	345,588
Public Utilities	265,297	273,509	292,184	354,024	448,154	471,406	422,500	465,885	472,279
Construction	507,625	536,967	599,267	659,035	690,663	771,710	843,082	886,547	953,205
Government Services	926,713	997,570	1,050,114	1,105,220	1,199,780	1,252,444	1,329,223	1,403,767	1,239,335
Professional Services	725,183	799,253	838,487	907,297	974,547	1,077,527	1,112,479	1,175,430	1,182,155
Financial Institutions	145,068	135,999	128,531	127,190	124,832	114,918	120,617	114,495	116,198
Personal	4,500,268	4,584,177	4,760,592	4,991,961	5,130,136	5,241,494	5,467,641	5,675,216	5,739,874
Acquisition of Property <sup>2/</sup>	2,602,237	2,671,450	2,756,884	2,829,354	2,892,833	2,887,018	2,981,501	3,064,516	3,148,354
Durable Consumer Goods	402,756	420,926	442,197	478,567	490,439	531,352	551,659	607,462	618,091
Other Personal Loans	1,495,275	1,491,801	1,561,511	1,684,040	1,746,864	1,823,124	1,934,481	2,003,238	1,973,429
<b>TOTAL</b>	<b>9,574,434</b>	<b>9,901,453</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>13,151,752</b>	<b>13,158,585</b>
% of Long Term Loans to Total Loans	62.89	62.55	61.66	62.51	64.75	64.95	65.32	64.20	65.77

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 June 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>
1989 Dec.	8.12	13.28	4.90	19.10	7.13	15.19
1990 Dec.	7.51	14.09	7.07	26.21	7.50	30.00
1991 Dec.	5.41	10.82	9.34	25.56	7.67	30.94
1992 Dec.	3.46	8.94	10.88	34.36	9.26	25.75
1993 Dec.	3.02	5.21	5.44	28.85	9.45	16.83
1994 Dec.	4.27	5.15	7.26	42.98	10.00	17.66
1995 Dec.	5.51	6.33	8.01	27.65	8.41	17.51
1996 Dec.	5.02	5.78	6.85	37.95	10.44	11.35
1997 Dec.	5.07	6.48	3.61	21.14	9.83	8.91
1998 Dec.	4.82	6.82	5.61	25.65	11.93	8.33
1999 Dec.	4.66	5.04	5.83	20.75	10.40	11.31
2000 Dec.	5.84	5.80	5.29	18.24	10.56	9.88
2001 Dec.	3.45	4.77	3.14	16.71	8.55	7.78
2002 Dec.	1.61	3.86	2.10	15.54	4.83	4.94
2003 Dec.	1.01	3.55	1.41	25.94	4.71	3.04
2004 Dec.	16.55	53.16	14.45	185.61	57.26	43.44
2005 Dec.	38.02	54.62	55.45	160.62	58.37	45.49
2006 Mar.	13.18	13.17	n.a	39.72	15.44	11.61
Jun.	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
Dec.	n.a	n.a	n.a	n.a	n.a	n.a
2007 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	n.a	n.a	n.a	3.90
Oct.	n.a	5.61	n.a	n.a	n.a	n.a
Nov.	n.a	5.50	n.a	n.a	n.a	n.a
Dec.	n.a	5.30	n.a	n.a	n.a	n.a
2008 Jan.	n.a	n.a	n.a	n.a	n.a	n.a
Feb.	n.a	n.a	n.a	n.a	n.a	n.a
Mar.	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 June 2008



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

	2007 <sup>R</sup>	2007 <sup>R</sup>	2007 <sup>R</sup>	2007 <sup>E</sup>	2008 <sup>E</sup>
	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
Total Visitors	53,571	44,941	36,792	32,735	40,478
Stay-Over Visitors	24,974	20,660	15,754	14,819	20,619
Of which:					
USA	16,808	12,959	7,150	8,202	13,666
Canada	926	563	265	444	807
UK	1,340	1,109	1,027	1,004	1,071
Italy	518	405	604	339	311
Germany	171	145	63	176	139
Caribbean	2,912	3,636	5,380	3,416	3,235
Other Countries	2,299	1,843	1,265	1,238	1,390
Excursionists	28,597	24,281	21,038	17,916	19,859
<b>Total Visitor Expenditure (EC\$M)</b>	<b>91.46</b>	<b>79.73</b>	<b>66.63</b>	<b>74.11</b>	<b>76.23</b>

Sources: Department of Finance, Statistical Department and ECCB Estimates  
Data available at 19 May 2008

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

	Weight	Index Mar 2008	Percentage Change*				
			2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 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
All Items	1,000.00	136.40	0.85	(0.61)	0.92	2.36	1.26
Food	321.2	131.00	1.45	1.34	0.41	3.38	4.55
Alcoholic Beverages and Tobacco	3.0	114.90	4.85	(0.19)	0.65	1.84	3.98
Housing	171.5	110.10	(0.82)	(1.56)	2.33	-	0.36
Fuel and Light	68.6	147.90	0.07	(5.23)	-	0.68	11.04
Clothing and Footwear	30.7	153.40	(1.72)	(2.83)	(2.49)	4.97	3.79
Household Furnishings and Supplies	97.3	174.10	(2.79)	(0.88)	0.24	3.83	(1.14)
Transport and Communications	235.3	141.30	3.83	(0.78)	2.14	2.38	(3.48)
Medical Care and Expenses	30.9	142.00	0.07	-	-	3.83	0.64
Education	9.9	206.70	3.29	3.03	(1.72)	(0.70)	3.92
Personal Services	16.4	132.00	1.50	-	(0.74)	-	(1.57)
Miscellaneous	15.3	92.70	(4.92)	(3.85)	-	(1.66)	(7.85)

Sources: Statistics Department, Ministry of Finance and ECCB Estimates  
\*at end of period

Data available at 19 May 2008



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

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
<b>Current Revenue</b>	53.56	55.49	49.74	51.58	62.06
Tax Revenue	44.32	45.92	35.70	38.34	48.32
Taxes on Property	0.33	0.13	0.15	0.08	0.25
Taxes on Domestic Goods and Services	19.32	23.21	13.11	10.67	24.69
Of Which:					
Accommodation Tax	5.87	5.24	1.38	1.06	7.27
Bank Deposit Levy	-	0.78	4.62	-	-
Licences	4.72	2.87	2.68	1.81	5.49
Stamp Duties	7.55	13.21	3.76	6.69	10.73
Taxes on International Trade and Transactions	24.67	22.57	22.44	27.60	23.38
Of Which:					
Import Duty	20.61	19.00	18.96	24.17	18.98
Customs Surcharge	1.19	1.08	1.10	1.25	0.99
Ticket Tax	0.26	0.35	0.26	0.36	0.83
Embarkation Tax	1.46	1.41	1.32	1.11	1.75
Non-Tax Revenue	9.25	9.57	14.03	13.24	13.74
<b>Current Expenditure</b>	36.20	38.08	44.38	51.69	48.39
Personal Emoluments	13.89	14.42	17.63	22.57	18.98
Goods and Services	11.31	12.73	14.09	15.61	14.40
Interest Payments	2.02	1.51	1.58	2.00	1.75
Domestic	1.84	1.34	1.37	1.73	1.72
External	0.17	0.16	0.21	0.28	0.04
Transfers & Subsidies	8.98	9.43	11.07	11.50	13.26
Of Which: Pensions	0.88	1.10	1.33	1.56	1.42
<b>Current Account Balance</b>	17.37	17.40	5.36	(0.11)	13.67
<b>Capital Revenue</b>	0.00	(0.00)	3.28	0.11	9.79
<b>Grants</b>					
Of which: Capital Grants	-	-	-	-	-
<b>Capital Expenditure</b>	12.56	12.06	13.92	20.49	11.55
<b>Primary Balance (after grants)</b>	6.83	6.85	(3.71)	(18.49)	13.66
<b>Overall Balance</b>	4.81	5.34	(5.29)	(20.49)	11.91
<b>Financing</b>	(4.81)	(5.34)	5.29	20.49	(11.91)
Domestic	(4.81)	(5.10)	5.63	20.93	(1.73)
ECCB (net)	(0.29)	(0.02)	0.02	(0.04)	0.09
Commercial Banks (net)	(0.53)	8.88	(1.02)	14.42	(10.12)
Other	(3.99)	(13.95)	6.63	6.55	8.29
External	-	(0.25)	(0.34)	(0.44)	(10.18)
Net Amortisation	-	(0.25)	(0.34)	(0.44)	(10.18)
Disbursements	-	-	-	-	-
Amortisation	-	(0.25)	(0.34)	(0.44)	(10.18)
Change in Government Foreign Assets	-	-	-	-	-

Source: Ministry of Finance and Treasury Department  
Data available at 19 May 2008



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

	2007 1 <sup>st</sup> Qr	2007 <sup>R</sup> 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>P</sup> 4 <sup>th</sup> Qr	2008 <sup>E</sup> 1 <sup>st</sup> Qr
Total Exports (without transshipment)	6.80	7.29	3.81	6.39	7.03
Total Imports (without transshipment)	160.63	150.34	171.02	183.12	175.73
Trade Balance	(153.83)	(143.05)	(167.21)	(176.73)	(168.70)

Source: Statistical Department, Ministry of Finance and ECCB Estimates  
Data available at 19 May 2008

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

	2006 4 <sup>th</sup> Qr	2007 1 <sup>st</sup> Qr	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
Net Foreign Assets	528.34	581.08	513.37	468.28	396.29	320.71
Central Bank (net)	112.91	125.63	124.28	114.43	121.15	131.76
Commercial Banks (net)	415.43	455.45	389.09	353.85	275.13	188.95
External (net)	334.40	352.11	290.18	233.69	170.72	136.41
Assets	530.29	567.80	524.71	486.37	436.04	401.20
Liabilities	195.89	215.69	234.54	252.67	265.31	264.79
Other ECCB Territories	81.03	103.33	98.91	120.16	104.41	52.54
Assets	149.01	191.10	180.09	183.26	201.96	156.17
Liabilities	67.98	87.77	81.19	63.10	97.55	103.63
Net Domestic Assets	500.07	498.21	619.22	670.37	765.47	800.15
Domestic Credit	758.38	803.65	892.60	977.83	1,063.06	1,105.62
Central Government (net)	22.96	22.13	30.99	29.98	44.37	34.34
Other Public Sector (net)	(104.02)	(112.89)	(119.91)	(127.74)	(129.91)	(137.66)
Non-Bank Financial Institutions (net)	(14.65)	(14.05)	(12.55)	(17.47)	(21.68)	(20.89)
Subsidiaries and Affiliates (net)	11.48	11.48	12.42	12.26	16.97	17.48
Private Sector	842.62	896.98	981.66	1,080.79	1,153.30	1,212.36
Other Items (net)	(258.31)	(305.44)	(273.38)	(307.46)	(297.59)	(305.47)
Monetary Liabilities (M2)	1,028.42	1,079.29	1,132.59	1,138.65	1,161.75	1,120.86
Money Supply (M1)	44.75	39.31	43.60	46.69	52.36	40.49
Currency with the Public	13.52	13.41	13.57	13.38	12.44	10.82
Demand Deposits	31.22	25.90	30.02	33.31	39.92	29.67
Quasi Money	983.67	1,039.98	1,088.99	1,091.96	1,109.39	1,080.37
Savings Deposits	80.98	82.24	88.13	89.91	96.07	94.98
Time Deposits	82.80	88.48	89.34	93.98	97.80	99.02
Foreign Currency Deposits	819.89	869.25	911.52	908.07	915.52	886.37

Source: Eastern Caribbean Central Bank  
Data available at 19 May 2008



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

	2007	2007	2007	2007	2008
	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
Total Vistors	350,665	182,577	127,414	273,918	344,933
Stay-Over Visitors	75,367	60,197	58,086	68,136	90,147
Of which:					
USA	24,074	18,250	16,576	19,797	27,468
Canada	4,243	1,663	1,425	3,158	5,712
Europe	31,635	25,759	22,544	30,062	35,308
UK	27,295	23,112	19,710	26,680	30,430
Germany	1,076	800	436	1,168	1,029
Switzerland	281	188	116	213	394
Italy	2,110	1,097	1,602	1,338	2,390
France	482	340	521	498	602
Other Europe	391	222	159	165	463
Caribbean	10,105	10,508	14,464	11,647	14,440
South America	236	247	200	249	333
Other Countries	5,074	3,770	2,877	3,223	6,886
Cruise Ship Passengers	275,298	122,380	69,328	205,782	254,786
Number of Cruise Ship Calls	189	57	23	111	154
<b>Total Visitor Expenditure (EC\$M)</b>	<b>272.16</b>	<b>210.73</b>	<b>190.67</b>	<b>238.42</b>	<b>321.50</b>

Sources: Department of Tourism and Eastern Caribbean Central Bank

Data available at 27 May 2008

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

	Weight	Index Mar 2008	Percentage Change*				
			2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
<b>All Items</b>	1,000.0	117.27	0.16	0.59	1.74	2.52	0.63
Food	214.2	118.19	1.23	1.87	2.67	1.03	1.77
Alcoholic Beverages and Tobacco	1.6	124.27	8.58	2.04	0.15	0.82	0.23
Housing	218.3	110.30	-	-	-	(0.12)	0.63
Fuel and Light	63.9	132.71	1.21	5.99	4.52	6.48	3.05
Clothing and Footwear	110.6	100.77	0.52	(1.46)	(6.96)	1.25	-
Household Furnishings and Supplies	126.0	115.62	(3.39)	-	12.84	(7.27)	-
Transport and Communications	153.5	119.90	1.29	0.01	-	8.00	(0.10)
Medical Care and Expenses	27.6	112.07	-	-	-	0.74	-
Education	23.4	145.34	-	-	-	24.47	-
Personal Services	43.0	154.48	-	-	-	18.78	(1.38)
Miscellaneous	17.9	108.37	0.12	(1.76)	0.34	1.00	0.07

Sources: Central Statistical Office and Eastern Caribbean Central Bank

\*at end of period

Data available at 27 May 2008



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

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	170.29	185.58	147.59	189.70	197.54
Tax Revenue	160.80	176.42	138.48	180.70	190.27
Taxes on Income and Profits	30.10	32.73	17.18	20.91	37.14
Of Which:					
Personal Income	14.50	13.58	10.80	11.11	12.69
Company	15.32	19.00	6.31	9.77	24.46
Business Tax	0.01	0.01	0.01	0.00	-
Turnover Tax	0.00	0.01	-	-	0.00
Taxes on Property	0.89	2.24	3.02	2.79	3.36
Taxes on Domestic Goods and Services	56.52	75.15	63.41	76.69	78.21
Of Which:					
Stamp Duties	14.21	11.67	9.02	10.32	9.59
Hotel and Guest Tax	11.96	0.74	0.02	0.07	-
Telecommunications Tax	1.38	1.01	-	-	-
Taxes on International Trade and Transactions	73.29	66.29	54.87	80.31	71.55
Of Which:					
Import Duty	23.01	22.98	19.85	30.07	24.93
Consumption Tax	12.52	11.74	5.10	12.04	11.09
Customs Service Charge	24.23	21.54	21.17	27.37	21.97
Environmental Tax	2.91	1.35	1.45	1.55	0.56
Passenger Facility Charge	1.90	2.27	1.69	2.56	1.72
Non-Tax Revenue	9.49	9.16	9.11	9.00	7.28
<b>Current Expenditure</b>	193.94	168.96	183.90	179.61	224.71
Personal Emoluments	72.61	67.13	68.52	71.64	80.65
Other Goods and Services	33.75	33.75	33.75	33.75	49.38
Interest Payments	34.38	25.62	29.18	21.75	28.58
Domestic	9.26	8.23	10.64	7.48	9.21
External	25.13	17.39	18.54	14.27	19.38
Transfers & Subsidies	53.20	42.46	52.46	52.46	66.10
Of Which: Pensions	21.07	21.07	31.07	31.07	24.33
<b>Current Account Balance</b>	(23.65)	16.62	(36.31)	10.09	(27.17)
<b>Capital Revenue</b>	1.32	1.27	1.27	1.27	1.05
<b>Grants</b>	10.00	-	4.00	6.00	-
Of which: Capital Grants	10.00	-	4.00	6.00	-
Debt Forgiveness	-	-	-	-	-
<b>Capital Expenditure</b>	80.50	30.00	30.00	60.00	22.95
<b>Primary Balance</b>	(58.45)	13.51	(31.86)	(20.88)	(20.49)
<b>Overall Balance</b>	(92.83)	(12.11)	(61.04)	(42.64)	(49.07)
<b>Financing</b>	92.83	12.11	61.04	42.64	49.07
Domestic	74.19	(19.28)	52.13	(5.94)	7.87
ECCB (net)	(2.41)	(13.61)	0.18	0.55	0.29
Commercial Banks (net)	38.89	(55.94)	15.42	85.87	(21.35)
Other	37.71	50.27	36.54	(92.35)	28.93
External	(4.18)	2.59	(14.01)	26.97	10.84
Net Amortisation/(Amortisation)	(4.14)	2.14	(14.64)	26.97	10.84
Disbursements	1.72	4.49	0.48	29.81	7.47
Amortisation	(5.86)	(2.35)	(15.12)	(2.85)	3.36
Change in Government Foreign Assets	(0.04)	0.45	0.62	-	-
Arrears	22.82	28.80	22.92	21.61	30.37
Domestic	0.69	5.61	-	1.21	4.46
External	22.13	23.19	22.92	20.40	25.91

Source: Ministry of Finance, Treasury Department and ECCB Estimates  
Data available at 27 May 2008



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

	2006 4 <sup>th</sup> Qr	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
Net Foreign Assets	926.12	972.04	932.66	814.08	884.99	960.16
Central Bank (net)	385.06	364.50	410.72	413.34	388.34	451.87
Commercial Banks (net)	541.07	607.54	521.94	400.74	496.65	508.29
External (net)	771.39	622.84	609.22	503.18	481.76	589.81
Assets	1,224.96	1,115.02	1,055.39	1,338.42	1,461.83	1,489.60
Liabilities	453.56	492.18	446.18	835.24	980.07	899.79
Other ECCB Territories	(230.33)	(15.30)	(87.27)	(102.44)	14.90	(81.51)
Assets	544.25	464.42	531.47	618.43	733.57	784.81
Liabilities	774.58	479.72	618.75	720.87	718.67	866.32
Net Domestic Assets	1,549.43	1,637.33	1,662.99	1,869.91	1,868.45	1,923.79
Domestic Credit	1,897.40	1,940.48	2,021.77	2,068.56	2,197.02	2,209.46
Central Government (net)	195.60	232.08	162.53	178.12	264.54	243.47
Other Public Sector (net)	(226.99)	(234.01)	(233.31)	(245.50)	(273.92)	(292.38)
Non-Bank Financial Institutions (net)	(36.88)	(23.99)	(30.09)	(29.54)	(12.67)	(21.22)
Subsidiaries and Affiliates (net)	(39.80)	(112.40)	(47.40)	(56.52)	(62.57)	(4.71)
Private Sector	2,005.46	2,078.79	2,170.05	2,221.99	2,281.64	2,284.31
Other Items (net)	(347.96)	(303.15)	(358.79)	(198.64)	(328.57)	(285.67)
Monetary Liabilities (M2)	2,475.56	2,609.37	2,595.65	2,684.00	2,753.44	2,883.95
Money Supply (M1)	641.75	680.33	641.83	629.41	672.67	729.89
Currency with the Public	143.71	134.94	136.98	129.57	133.88	147.39
Demand Deposits	498.04	545.39	504.85	499.84	538.79	582.50
Quasi Money	1,833.81	1,929.03	1,953.82	2,054.59	2,080.77	2,154.06
Savings Deposits	817.86	844.27	844.94	866.73	876.49	901.26
Time Deposits	813.21	838.58	875.53	940.51	923.07	967.27
Foreign Currency Deposits	202.74	246.18	233.35	247.34	281.21	285.52

Source: Eastern Caribbean Central Bank

Data available at 27 May 2008



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

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 <sup>E</sup> 4 <sup>th</sup> Qr	2008 <sup>E</sup> 1 <sup>st</sup> Qr
Total Vistors	163,059	78,671	60,684	144,929	182,972
Stay-Over Visitors	21,491	19,775	22,577	23,940	22,249
Of which:					
USA	6,281	5,630	5,494	5,039	6,814
Canada	747	486	546	919	770
UK	1,949	1,177	1,736	1,997	1,975
Caribbean	10,275	10,969	13,474	13,611	10,289
Other Countries	2,239	1,513	1,327	2,374	2,401
Excursionists	325	211	178	222	325
Cruise Ship Passengers	141,243	58,685	37,929	120,767	160,398
Number of Cruise Ship Calls	128	37	14	92	100
<b>Total Visitor Expenditure (EC\$M)</b>	<b>52.02</b>	<b>44.48</b>	<b>39.22</b>	<b>54.68</b>	<b>58.97</b>

Sources: Central Statistical Office

Data available at 12 June 2008

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

	Weight	Index Mar 2008	Percentage Change*				
			2007 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>P</sup> 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
<b>All Items</b>	1,000.0	117.53	1.46	1.41	0.38	2.64	1.28
Food	328.8	132.58	0.72	1.31	2.23	3.91	6.27
Alcoholic Beverages and Tobacco	9.5	115.88	2.99	(0.02)	0.12	1.58	0.38
Housing and Utilities	111.7	96.94	0.51	0.35	-	(0.28)	(14.97)
Fuel and Light	58.6	168.18	12.22	5.18	(2.05)	7.36	0.38
Clothing and Footwear	82.1	95.57	0.15	(0.04)	(0.09)	(0.40)	(0.03)
Household and Furnishing Equipment	93.5	111.60	(0.04)	0.02	(0.06)	1.73	12.89
Transportation and Communication	194.3	103.86	1.51	2.91	(1.16)	2.40	(1.54)
Medical Care and Expenses	31.6	109.18	(0.42)	(0.01)	-	-	(0.02)
Education	29.0	112.02	(0.40)	0.02	0.06	1.56	(2.74)
Personal Services	42.5	117.32	(0.01)	-	0.08	2.22	0.06
Miscellaneous	18.4	109.29	(0.45)	(0.47)	0.06	0.87	(0.26)

Sources: Central Statistical Office and Eastern Caribbean Central Bank

\*at end of period

Data available at 12 June 2008



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

	2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>P</sup> 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	74.67	80.89	74.74	81.93	77.76
Tax Revenue	68.70	71.23	69.88	75.65	72.62
Taxes on Income, Profit and Capital Gains	13.46	14.36	12.94	12.43	13.11
Of Which:					
Personal Income	8.62	10.86	9.08	8.62	9.46
Corporation	5.18	4.71	4.36	4.16	4.29
Development Levy	-	-	-	-	-
Stabilisation Levy	0.07	0.01	0.02	0.01	0.03
Taxes on Property	1.65	2.14	2.90	2.61	2.44
Taxes on Domestic Goods and Services	39.25	40.30	39.78	43.33	41.81
Of Which:					
Sales Tax	0.15	0.29	0.07	0.08	0.12
Licences	4.12	5.62	3.37	3.33	4.54
Consumption Tax	-	-	-	-	0.00
Hotel Accommodation Tax	0.03	0.02	0.02	0.02	0.02
Value Added Tax	23.27	23.80	23.90	30.59	27.02
Excise Tax	11.31	10.25	11.78	8.93	9.64
Taxes on International Trade and Transactions	14.34	14.43	14.26	17.28	15.26
Of Which:					
Consumption Tax	(0.26)	0.37	0.01	0.02	0.03
Import Duty	7.24	7.07	7.29	9.36	7.63
Customs Service Charge/Customs Surcharge	3.34	3.49	3.61	4.20	3.80
Non-Tax Revenue	5.97	9.66	4.86	6.29	5.14
<b>Current Expenditure</b>	63.71	65.69	67.09	71.43	64.27
Personal Emoluments	27.35	30.43	30.00	29.75	28.82
Goods and Services	13.94	13.67	14.25	22.53	15.51
Interest Payments	6.92	7.47	7.44	6.35	3.99
Domestic	1.34	2.92	1.20	3.09	0.96
External	5.58	4.54	6.24	3.26	3.03
Transfers and Subsidies	15.50	14.13	15.39	12.81	15.95
Of Which: Pensions	3.58	3.55	4.72	3.62	3.64
<b>Current Account Balance</b>	10.96	15.20	7.65	10.50	13.49
<b>Capital Revenue</b>	0.15	0.23	0.09	0.47	0.11
<b>Grants</b>	16.48	16.93	13.59	29.44	18.83
Of which: Capital Grants	16.48	16.93	13.59	29.44	18.83
<b>Capital Expenditure and Net Lending</b>	28.88	22.65	24.50	36.39	23.69
Of which: Capital Expenditure	29.63	22.92	24.12	36.64	23.93
<b>Primary Balance</b>	5.62	17.18	4.27	10.37	12.73
<b>Overall Balance</b>	(1.30)	9.71	(3.17)	4.02	8.74
<b>Financing</b>	1.30	(9.71)	3.17	(4.02)	(8.74)
Domestic	8.50	(5.78)	1.52	(4.68)	(1.87)
ECCB (net)	(1.44)	(1.79)	(0.28)	(1.45)	(8.42)
Commercial Banks (net)	(26.60)	13.65	(10.19)	(0.60)	(0.76)
Other	36.54	(17.65)	11.99	(2.63)	7.31
External	(5.45)	(2.30)	(3.70)	(4.80)	1.00
Net Amortisation	(6.27)	0.67	(3.31)	(3.97)	1.32
Disbursements	1.30	6.36	0.16	0.21	9.27
Amortisation	(7.57)	(5.69)	(3.47)	(4.17)	(7.95)
Change in Government Foreign Assets	0.82	(2.97)	(0.39)	(0.83)	(0.32)
Other Foreign Financing	-	-	-	-	-
Arrears	(1.75)	(1.62)	5.34	5.46	(7.88)
Domestic	0.55	(2.24)	(2.61)	(1.16)	(1.87)
External	(2.30)	0.62	7.95	6.63	(6.01)

Source: Ministry of Finance  
Data available at 12 June 2008



**Table 31**  
**Dominica - Selected Trade Statistics**  
 (Value: EC\$M; Volume: 000 tonnes)

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 <sup>P</sup> 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
Visible Trade Balance	(97.90)	(108.25)	(100.97)	(123.53)	(108.31)
Total Imports	128.51	132.49	122.53	145.25	130.42
Total Exports	30.61	24.24	21.57	21.72	22.12
Re-Exports	0.42	0.76	0.44	0.99	1.92
Domestic Exports	30.19	23.48	21.13	20.73	20.20
Of Which:					
Bananas					
Value	4.21	3.71	1.64	0.12	0.92
Volume	2,884	2,664	1,181	86	682
Soap					
Value	7.81	6.09	5.46	6.85	8.57
Volume	2,348	1,747	1,481	1,917	2,250
Dental Cream					
Value	2.86	1.88	3.10	0.09	1.14
Volume	398	261	425	13	171

Source: Central Statistical Office, Dominica Coconut Products and WIBDECO  
 Data available at 12 June 2008

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

	2006 4 <sup>th</sup> Qr	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 <sup>R</sup> 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
Net Foreign Assets	427.21	493.69	514.23	530.63	492.70	573.26
Central Bank (net)	170.16	183.38	163.35	174.79	184.70	184.88
Commercial Banks (net)	257.06	310.31	350.88	355.84	307.95	388.38
External (net)	61.67	97.69	114.67	115.45	108.59	142.13
Assets	246.77	284.36	303.49	310.15	303.64	335.49
Liabilities	185.10	186.67	188.82	194.70	195.05	193.36
Other ECCB Territories	195.38	212.62	236.21	240.39	199.35	246.26
Assets	234.57	246.26	270.76	269.46	276.24	285.27
Liabilities	39.19	33.64	34.55	29.07	76.89	39.02
Net Domestic Assets	259.96	200.79	211.89	210.44	256.40	203.92
Domestic Credit	352.83	318.02	341.07	320.86	322.50	291.87
Central Government (net)	(46.52)	(74.55)	(62.69)	(73.16)	(75.20)	(84.38)
Other Public Sector (net)	(57.00)	(61.39)	(61.82)	(67.30)	(71.84)	(80.10)
Non-Bank Financial Institutions (net)	(68.58)	(82.39)	(76.27)	(74.52)	(81.96)	(86.17)
Subsidiaries and Affiliates (net)	(6.28)	(6.14)	(6.31)	(7.82)	(7.32)	(7.69)
Private Sector	531.21	542.51	548.16	543.66	558.85	550.20
Other Items (net)	(92.86)	(117.23)	(129.18)	(110.42)	(66.16)	(87.95)
Monetary Liabilities (M2)	687.17	694.48	726.12	741.07	749.07	777.18
Money Supply (M1)	138.31	152.00	160.53	169.47	159.12	166.76
Currency with the Public	45.44	45.18	43.01	45.07	49.03	44.69
Demand Deposits	92.87	106.82	117.52	124.40	110.09	122.07
Quasi Money	548.86	542.48	565.59	571.60	589.95	610.42
Savings Deposits	392.32	394.79	413.06	421.81	437.74	449.33
Time Deposits	145.43	137.97	142.11	138.72	142.12	147.80
Foreign Currency Deposits	11.12	9.72	10.42	11.07	10.10	13.28

Source: Eastern Caribbean Central Bank  
 Data available at 12 June 2008



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

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
Total Vistors	156,504	81,541	47,905	128,973	192,863
Stay-Over Visitors	33,431	31,905	34,406	31,838	36,072
Of which:					
USA	7,737	6,427	7,875	5,649	9,502
Canada	2,327	938	1,589	1,397	2,991
Europe	12,605	9,400	8,824	11,721	14,381
Of which:					
Germany	956	590	484	816	890
United Kingdom	9,739	7,792	7,317	9,507	11,635
Caribbean	6,142	7,414	9,016	6,845	8,142
Other Countries	4,620	7,726	7,102	6,226	1,056
Excursionists	1,770	1,654	1,448	1,668	1,095
Cruise Ship Passengers	119,584	46,409	10,928	94,353	154,109
Yacht Passengers	1,438	1,080	715	999	1,486
Number of Cruise Ship Calls	111	56	18	81	121
<b>Total Visitor Expenditure (EC\$M)</b>	<b>79.84</b>	<b>70.17</b>	<b>71.30</b>	<b>69.47</b>	<b>90.98</b>

Sources: Board of Tourism

Data available at 23 May 2008

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

	Weight	Index Mar 2008	Percentage Change*				
			2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
<b>All Items</b>	1000.0	124.67	0.14	1.87	2.55	2.66	0.71
Food	367.5	131.48	0.25	1.63	5.12	4.40	0.84
Alcoholic Beverages and Tobacco	8.6	113.68	0.19	(0.67)	3.47	2.08	(0.01)
Housing	102.0	125.72	0.86	(0.09)	0.03	0.03	2.37
Fuel and Light	55.0	152.84	(0.08)	8.34	3.71	6.68	3.74
Clothing and Footwear	97.7	98.99	0.53	-	-	-	(0.20)
Household Furnishings and Supplies	95.3	106.80	(0.05)	-	0.30	0.07	0.09
Transport and Communications	156.5	131.40	(1.02)	4.42	0.13	2.69	(0.06)
Medical Care and Expenses	46.5	126.42	1.56	1.42	2.12	2.36	0.10
Education	37.4	119.01	(0.71)	(0.35)	6.17	-	-
Personal Services	16.0	109.00	-	-	0.87	-	6.87
Miscellaneous	17.5	110.87	2.33	0.71	0.39	0.22	1.07

Sources: Central Statistical Office and Ministry of Finance

\*at end of period

Data available at 23 May 2008



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

	2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 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
<b>Current Revenue</b>	96.26	111.81	101.23	119.13	110.90
Tax Revenue	91.31	103.08	96.44	112.00	105.77
Taxes on Income and Profits	16.58	19.53	16.72	21.99	21.51
Of Which:					
Personal Income	4.85	3.67	3.58	4.20	6.87
Company	8.58	12.28	10.30	14.64	10.81
Taxes on Property	4.08	10.94	9.18	4.84	6.30
Taxes on Domestic Goods and Services	18.37	17.72	19.01	16.18	21.74
Of Which:					
Value-added Tax	-	-	-	-	-
Consumption Duties	8.97	9.27	8.96	8.92	10.96
Stamp Duties	1.20	1.30	1.11	1.79	1.37
Licences	4.39	3.11	5.26	1.37	5.23
Taxes on International Trade and Transactions	52.28	54.89	51.53	68.99	56.22
Of Which:					
Import Duty	11.33	12.02	11.28	16.34	13.66
Consumption Tax	22.54	24.76	22.65	30.14	25.90
Customs Service Charge	9.73	8.88	10.25	11.26	9.77
Petrol Tax					
Non-Tax Revenue	4.96	8.72	4.80	7.13	5.13
<b>Current Expenditure</b>	81.73	81.47	97.79	85.80	102.77
Personal Emoluments	37.54	39.07	39.23	42.55	44.83
Goods and Services	16.24	18.02	27.12	17.70	23.62
Interest Payments	8.12	5.60	13.28	6.76	10.39
Domestic	0.65	2.15	4.27	4.22	1.36
External	7.47	3.45	9.01	2.54	9.03
Transfers and Subsidies	19.82	18.78	18.15	18.79	23.93
Of Which: Pensions	4.68	4.72	4.67	4.65	5.48
<b>Current Account Balance</b>	14.53	30.34	3.45	33.33	8.13
<b>Capital Revenue</b>	0.03	0.00	0.05	0.01	0.03
<b>Grants</b>	4.33	4.51	8.33	2.67	17.59
Of which: Capital Grants	4.33	4.44	8.20	2.67	17.59
<b>Capital Expenditure</b>	46.85	48.89	69.29	46.24	56.96
<b>Primary Balance</b>	(19.83)	(8.44)	(44.18)	(3.47)	(20.82)
<b>Overall Balance</b>	(27.96)	(14.04)	(57.46)	(10.22)	(31.21)
<b>Financing</b>	27.96	14.04	57.46	10.22	31.21
Domestic	23.84	16.69	56.82	5.23	27.49
ECCB (net)	1.91	5.87	8.97	(4.19)	(6.90)
Commercial Banks (net)	19.95	5.27	15.78	13.44	(2.41)
Other	1.97	5.54	32.08	(4.01)	36.80
External	4.12	(2.65)	0.64	4.99	3.72
Net Amortisation	4.17	(2.58)	0.71	5.04	3.78
Disbursements	8.97	4.01	6.12	10.45	12.58
Amortisation	(4.80)	(6.59)	(5.41)	(5.41)	(8.80)
Change in Government Foreign Assets	(0.05)	(0.07)	(0.07)	(0.05)	(0.05)
Arrears	-	-	-	-	-
Domestic	-	-	-	-	-
External	-	-	-	-	-

Source: Ministry of Finance  
Data available at 23 May 2008



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

		2007	2007	2007 <sup>R</sup>	2007	2008
	Unit	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
Bananas	(tonnes)	261	325	306	444	472
Cocoa	(tonnes)	115	75	21	15	164
Nutmeg	(tonnes)	83	79	78	56	74
Mace	(tonnes)	5	9	5	3	5

Source: Central Statistical Office

Data available at 23 March 2008

**Table 37**  
**Grenada - Selected Trade Statistics**  
(Value: EC\$M; Volume: 000 tonnes)

	2007 <sup>R</sup>	2007	2007 <sup>R</sup>	2007	2008
	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr
<b>Visible Trade Balance</b>	(242.09)	(212.61)	(171.58)	(184.55)	(215.42)
<b>Total Imports</b>	257.19	263.70	186.26	202.01	229.48
<b>Total Exports</b>	15.10	51.09	14.69	17.46	14.06
Re-Exports	1.93	37.53	2.51	3.83	0.94
Domestic Exports	13.17	13.55	12.18	13.63	13.12
Of Which:					
Bananas					
Volume	66.29	19.73	74.52	31.30	16.81
Value	0.09	0.03	0.10	0.04	0.02
Nutmeg					
Volume	232.95	175.12	63.15	93.70	178.86
Value	2.21	2.02	0.99	1.60	1.75
Mace					
Volume	3.67	7.71	7.90	5.42	5.18
Value	0.12	0.22	0.20	0.13	0.18
Cocoa					
Volume	110.98	73.66	29.16	0.00	160.10
Value	1.14	0.84	0.36	0.00	1.70
Manufactured Exports					
Volume	0.00	0.00	0.00	0.00	0.00
Value	7.44	7.75	7.30	8.95	7.20

Source: Central Statistical Office and WIBDECO

Data available at 23 May 2008



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

	2006 4 <sup>th</sup> Qr	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
Net Foreign Assets	421.47	430.62	427.69	303.57	405.63	369.21
Central Bank (net)	269.43	258.19	279.63	282.63	298.21	268.50
Commercial Banks (net)	152.04	172.43	148.06	20.94	107.42	100.71
External (net)	5.82	44.82	14.37	(40.49)	(35.19)	(63.20)
Assets	394.94	421.15	414.17	378.95	388.88	376.64
Liabilities	389.12	376.33	399.80	419.45	424.07	439.84
Other ECCB Territories	146.21	127.61	133.69	61.43	142.61	163.91
Assets	291.86	212.57	181.27	165.18	255.20	224.39
Liabilities	145.65	84.96	47.58	103.75	112.59	60.48
Net Domestic Assets	1,060.91	1,101.16	1,133.77	1,291.52	1,239.08	1,308.06
Domestic Credit	1,171.71	1,211.82	1,261.95	1,345.68	1,372.06	1,382.09
Central Government (net)	37.34	59.21	70.36	95.10	104.35	95.04
Other Public Sector (net)	(73.33)	(87.31)	(85.56)	(91.11)	(116.83)	(123.25)
Non-Bank Financial Institutions (net)	(23.33)	(23.52)	(40.08)	(29.97)	(27.22)	(2.11)
Subsidiaries and Affiliates (net)	7.13	6.97	6.42	5.84	2.56	2.34
Private Sector	1,223.89	1,256.48	1,310.81	1,365.82	1,409.20	1,410.07
Other Items (net)	(110.79)	(110.66)	(128.18)	(54.17)	(132.98)	(74.03)
Monetary Liabilities (M2)	1,482.38	1,531.78	1,561.46	1,595.08	1,644.71	1,677.27
Money Supply (M1)	309.46	329.18	334.01	353.92	355.76	356.51
Currency with the Public	104.50	100.48	98.07	96.97	107.77	98.41
Demand Deposits	204.96	228.70	235.94	256.95	247.98	258.11
Quasi Money	1,172.92	1,202.60	1,227.45	1,241.16	1,288.95	1,320.76
Savings Deposits	894.87	908.60	900.02	914.67	914.20	944.41
Time Deposits	201.16	208.89	225.96	236.96	254.06	280.19
Foreign Currency Deposits	76.89	85.11	101.47	89.53	120.69	96.16

Source: Eastern Caribbean Central Bank

Data available at 20 May 2008



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

	2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
Total Vistors	2,802	2,598	1,894	3,156	2,937
Stay-Over Visitors	1,926	1,662	1,629	2,529	1,816
Of which:					
USA	606	443	357	703	560
Canada	157	50	48	133	155
UK	484	452	477	777	453
Caribbean	616	657	681	842	565
Other Countries	63	60	66	74	83
Excursionists	302	320	159	187	251
Cruise Ship Passengers	102	-	-	171	-
Number of Cruise Ship Calls	1	-	-	2	-
Yacht Passengers	472	616	106	269	870
Number of Yachts	105	128	25	53	159
<b>Total Visitor Expenditure (EC\$M)</b>	<b>5.87</b>	<b>4.25</b>	<b>3.81</b>	<b>6.16</b>	<b>5.53</b>

Sources: Ministry of Finance and Eastern Caribbean Central Bank  
Data available at 21 May 2008

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

	Weight	Index Mar 2008	Percentage Change*				
			2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
<b>All Items</b>	1,000.0	227.40	1.19	1.04	(0.04)	1.75	0.44
Food	495.0	220.40	2.22	0.33	0.28	2.67	0.59
Alcohol and Tobacco	46.0	217.40	0.42	0.14	0.09	1.41	0.56
Household Goods	102.0	166.10	2.03	0.78	(1.38)	0.73	0.06
Gas, Electricity and Water	18.0	205.30	(0.48)	3.88	1.61	2.45	2.34
Rent	7.0	955.70	-	-	-	-	-
Clothing and Footwear	179.0	220.30	-	-	-	(0.18)	(0.05)
Services	153.0	273.00	(0.04)	4.13	(0.45)	1.99	0.59

Sources: Statistics Department, Ministry of Finance  
\*at end of period

Data available at 21 May 2008



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

	2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>P</sup> 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	8.28	9.30	8.28	9.92	8.84
Tax Revenue	7.24	8.33	7.09	8.90	7.84
Taxes on Income and Profits	3.41	4.17	3.62	3.16	3.45
Of Which:					
Personal Income	2.93	3.32	3.14	2.86	3.04
Company	0.37	0.85	0.37	0.16	0.33
Taxes on Property	0.25	0.08	0.34	0.72	0.14
Taxes on Domestic Goods and Services	1.03	0.96	0.44	1.01	1.08
Of Which:					
Hotel Occupancy	0.02	0.01	0.00	0.01	0.01
Insurance Company Levy	0.04	0.05	0.13	0.06	0.03
Licences and Stamp Duties	1.54	0.68	0.14	0.59	0.73
Taxes on International Trade and Transactions					
Of Which:	2.54	3.13	2.70	4.01	3.17
Import Duty	0.69	0.86	0.75	1.20	0.98
Consumption Tax	0.96	1.24	1.22	1.64	1.40
Customs Service Charge	0.53	0.79	0.70	1.06	0.79
Non-Tax Revenue	1.04	0.96	1.19	1.01	1.01
<b>Current Expenditure</b>	19.53	24.78	23.58	25.29	20.07
Personal Emoluments	9.14	9.27	9.70	9.81	9.45
Goods and Services*	5.15	8.51	7.70	9.46	5.47
Interest Payments	0.41	0.18	0.18	0.18	0.32
Domestic	0.05	0.00	0.00	-	0.05
External	0.36	0.18	0.18	0.18	0.27
Transfers and Subsidies	4.83	6.82	6.00	5.85	4.83
Of Which: Pensions	3.15	3.16	3.14	2.63	1.58
<b>Current Account Balance</b>	(5.94)	8.50	(1.25)	(0.76)	(5.90)
<b>Capital Revenue</b>	-	-	-	-	-
<b>Grants</b>	7.94	23.98	16.04	28.00	13.86
Of which: Capital Grants	2.63	-	1.99	13.38	8.54
<b>Capital Expenditure</b>	1.39	7.03	7.46	10.67	5.65
<b>Primary Balance</b>	(4.29)	1.65	(6.54)	2.13	(2.70)
<b>Overall Balance</b>	(4.70)	1.47	(6.72)	1.95	(3.01)
<b>Financing</b>	4.70	(1.47)	6.72	(1.95)	3.01
Domestic	4.74	(1.43)	7.68	(2.97)	3.04
ECCB (net)	(0.33)	(0.02)	(0.08)	(0.25)	(0.66)
Commercial Banks (net)	(13.71)	(2.17)	2.08	12.52	7.71
Other	18.78	0.76	5.68	(15.24)	(4.01)
External	(0.04)	(0.04)	(0.96)	1.02	(0.03)
Net Amortisation/(Amortisation)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Disbursements	-	-	-	-	-
Amortisation	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Change in Government Foreign Assets	(0.01)	(0.01)	(0.93)	1.05	-

Source: Ministry of Finance

\*Goods and Services include Miscellaneous Payments

Data available at 21 May 2008



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

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
Visible Trade Balance	(13.01)	(19.66)	(18.36)	(21.88)	(16.00)
Total Imports	14.00	22.11	20.17	23.76	20.66
Total Exports	0.99	2.44	1.81	1.88	4.66
Total Domestic Exports	0.57	1.84	1.28	1.42	1.78
Total Re-Exports	0.41	0.61	0.53	0.47	2.87

Source: Ministry of Finance  
 Data available at 17 May 2007

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

	2006 4 <sup>th</sup> Qr	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
Net Foreign Assets	165.31	175.58	179.63	176.94	166.88	166.23
Central Bank (net)	39.30	37.39	37.46	37.87	39.14	34.07
Commercial Banks (net)	126.00	138.19	142.17	139.07	127.74	132.16
External (net)	42.22	61.32	63.49	61.22	49.40	47.72
Assets	75.30	95.25	102.15	101.89	89.78	87.40
Liabilities	33.09	33.93	38.66	40.66	40.37	39.68
Other ECCB Territories	83.79	76.87	78.69	77.85	78.34	84.44
Assets	118.65	118.58	132.35	139.11	151.57	162.78
Liabilities	34.86	41.71	53.66	61.26	73.23	78.33
Net Domestic Assets	(30.45)	(40.52)	(41.55)	(38.87)	(22.26)	(18.22)
Domestic Credit	(14.86)	(24.40)	(24.53)	(21.35)	(5.88)	(1.65)
Central Government (net)	(23.51)	(37.55)	(39.74)	(37.74)	(25.47)	(18.42)
Other Public Sector (net)	(20.26)	(18.92)	(16.21)	(14.87)	(15.11)	(14.58)
Non-Bank Financial Institutions (net)	(3.48)	(3.28)	(4.49)	(5.44)	(5.05)	(8.99)
Subsidiaries and Affiliates (net)	-	-	-	-	(0.02)	(0.02)
Private Sector	32.38	35.35	35.90	36.70	39.77	40.36
Other Items (net)	(15.59)	(16.12)	(17.02)	(17.52)	(16.37)	(16.56)
Monetary Liabilities (M2)	134.86	135.06	138.07	138.07	144.62	148.01
Money Supply (M1)	32.70	32.54	31.60	29.20	36.59	35.94
Currency with the Public	14.18	14.90	14.53	13.35	15.07	14.53
Demand Deposits	18.53	17.64	17.07	15.86	21.52	21.41
Quasi Money	102.16	102.52	106.48	108.86	108.03	112.08
Savings Deposits	91.26	91.69	95.14	96.10	93.33	97.51
Time Deposits	4.93	5.02	5.27	5.44	5.55	6.95
Foreign Currency Deposits	5.97	5.81	6.07	7.33	9.16	7.62

Source: Eastern Caribbean Central Bank  
 Data available at 23 May 2008



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

	2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>P</sup> 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
Total Vistors	146,152	66,150	24,128	140,069	218,535
Stay-Over Visitors	37,366	32,547	20,879	26,556	39,966
Of which:					
USA	22,719	18,825	10,155	13,386	24,313
Canada	2,461	1,510	669	2,040	2,651
UK	3,722	2,345	1,925	2,778	3,965
Caribbean	6,496	8,446	7,488	7,385	6,969
Other Countries	1,968	1,421	642	967	2,068
Excursionists	1,919	1,310	880	1,070	1,646
Cruise Ship Passengers	105,483	31,700	2,107	112,065	176,380
Yacht Passengers	1,384	593	262	378	543
Number of Cruise Ship Calls	126	35	4	78	136
<b>Total Visitor Expenditure (EC\$M)</b>	<b>95.87</b>	<b>62.16</b>	<b>50.91</b>	<b>77.96</b>	<b>108.51</b>

Source: Eastern Caribbean Central Bank  
Data available at 30 May 2008

**Table 45**  
**St Kitts and Nevis - Consumer Price Index**  
**January 1993 = 100**

	Weight	Index Mar 2008	Percentage Change*				
			2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2008 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
<b>All Items</b>	1,000.00	131.85	0.93	1.29	(0.18)	0.02	3.60
Food	280.50	131.40	2.07	1.50	1.00	1.10	2.43
Alcoholic Beverages and Tobacco	7.10	123.07	0.51	0.04	10.56	1.24	0.27
Housing	129.90	115.38	(0.29)	0.17	0.19	(0.22)	0.03
Fuel and Light	43.70	105.04	(0.67)	0.12	0.44	0.12	0.60
Clothing and Footwear	92.90	129.70	2.36	0.92	(0.29)	(1.30)	4.90
Transportation and Communication	21.40	158.75	(1.40)	2.26	(0.07)	2.16	4.99
Household Furnishings and Supplies	37.20	112.77	2.92	1.75	(4.13)	(4.97)	4.54
Medical Care and Expenses	140.50	152.87	(0.01)	0.15	0.95	0.09	0.80
Education	192.70	124.74	0.73	2.51	(0.17)	-	(0.02)
Personal Services	19.90	115.12	5.57	-	-	-	(0.03)
Miscellaneous	34.20	114.43	1.33	(0.83)	(0.45)	(0.77)	0.92

Source: Planning Unit, Ministry of Finance  
\*at end of period  
Data available at 21 May 2008



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

	2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	120.55	136.14	117.80	138.14	135.26
Tax Revenue	87.48	109.76	94.86	107.45	102.33
Taxes on Income and Profits	22.39	37.42	25.37	30.79	30.67
Of Which:					
Company	14.42	27.55	15.32	20.20	20.38
Social Services	7.63	8.03	8.76	8.59	9.11
Taxes on Property	1.24	2.06	2.89	1.23	0.78
Taxes on Domestic Goods and Services	23.12	22.29	20.19	18.49	25.75
Of Which:					
Hotel Room Tax	5.18	4.59	2.74	1.74	5.30
Stamp Duties	9.87	10.14	11.03	7.31	9.87
Gasoline Levy	0.24	0.41	-	-	-
Taxes on International Trade and Transactions	40.73	48.00	46.42	56.95	45.14
Of Which:					
Import Duty	11.62	12.36	13.33	15.77	12.01
Consumption Tax	19.03	24.29	22.53	28.32	21.91
Customs Service Charge	8.02	8.99	8.25	10.01	8.71
Non-Tax Revenue	33.08	26.37	22.94	30.70	32.93
<b>Current Expenditure</b>	107.30	123.00	118.17	149.22	130.09
Personal Emoluments	42.67	44.53	43.59	60.13	46.27
Goods and Services	27.64	33.52	36.32	42.15	38.64
Interest Payments	24.48	29.70	26.50	35.05	32.80
Domestic	12.18	21.00	14.35	29.16	23.07
External	12.30	8.70	12.15	5.89	9.73
Transfers and Subsidies	12.51	15.26	11.77	11.89	12.37
Of Which: Pensions	5.84	5.65	5.89	6.86	5.91
<b>Current Account Balance</b>	13.25	13.14	(0.37)	(11.08)	5.18
<b>Capital Revenue</b>	0.05	0.31	2.13	32.72	11.17
<b>Grants</b>	-	4.88	7.69	6.36	10.42
Of which: Capital Grants	-	4.88	7.69	6.36	10.22
<b>Capital Expenditure and Net Lending</b>	20.09	26.64	27.19	25.97	17.55
Of which: Capital Expenditure	20.09	26.58	22.88	26.05	16.77
<b>Primary Balance</b>	17.70	21.38	8.75	37.08	42.02
<b>Overall Balance</b>	(6.78)	(8.32)	(17.75)	2.04	9.22
<b>Financing</b>	6.78	8.32	17.75	(2.04)	(9.22)
Domestic	13.85	15.82	44.65	6.85	3.53
ECCB (net)	(1.32)	(0.31)	(1.15)	2.35	(2.73)
Commercial Banks (net)	34.29	23.55	(17.55)	2.43	(83.45)
Other	(19.12)	(7.41)	63.35	2.08	89.71
External	(7.07)	(7.51)	(26.90)	(8.89)	(12.75)
Net Amortisation	(7.07)	(7.51)	(26.90)	(8.89)	(12.75)
Disbursements	12.22	2.28	5.19	0.81	2.31
Amortisation	(19.29)	(9.79)	(32.09)	(9.70)	(15.06)
Change in Government Foreign Assets	-	-	-	-	-
Arrears	-	-	-	-	-
Domestic	-	-	-	-	-
External	-	-	-	-	-

Source: Ministry of Finance

Data available at 30 May 2008



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

	2006 4 <sup>th</sup> Qr	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
Net Foreign Assets	457.94	533.80	609.80	595.28	557.56	755.14
Central Bank (net)	239.14	258.76	209.11	254.12	258.28	317.39
Commercial Banks (net)	218.80	275.05	400.70	341.16	299.28	437.75
External (net)	197.88	329.42	481.47	435.01	425.55	524.43
Assets	635.41	767.10	918.28	850.00	870.40	936.61
Liabilities	437.53	437.68	436.80	414.99	444.85	412.18
Other ECCB Territories	20.92	(54.37)	(80.78)	(93.85)	(126.27)	(86.68)
Assets	281.93	208.82	227.92	249.15	227.99	345.97
Liabilities	261.01	263.19	308.69	343.00	354.26	432.65
Net Domestic Assets	840.39	857.58	854.02	858.29	886.00	774.07
Domestic Credit	1,287.58	1,316.78	1,347.37	1,349.25	1,385.62	1,340.98
Central Government (net)	422.49	455.46	478.69	459.99	464.77	378.59
Other Public Sector (net)	(30.35)	(58.71)	(67.63)	(84.59)	(71.39)	(57.60)
Non-Bank Financial Institutions (net)	37.91	39.75	38.89	58.20	34.14	58.07
Subsidiaries & Affiliates (net)	(41.98)	(45.86)	(52.60)	(61.40)	(60.64)	(75.17)
Private Sector	899.51	926.14	950.03	977.05	1,018.74	1,037.10
Other Items (net)	(447.19)	(459.19)	(493.35)	(490.96)	(499.62)	(566.91)
Monetary Liabilities (M2)	1,298.33	1,391.38	1,463.82	1,453.57	1,443.55	1,529.21
Money Supply (M1)	184.49	201.18	203.10	199.59	205.10	215.81
Currency with the Public	55.10	51.89	51.18	49.06	56.19	51.93
Demand Deposits	129.38	149.29	151.91	150.53	148.91	163.88
Quasi Money	1,113.84	1,190.20	1,260.73	1,253.98	1,238.45	1,313.40
Savings Deposits	518.94	535.43	547.34	552.74	562.49	580.66
Time Deposits	188.10	188.51	209.40	217.94	232.94	251.85
Foreign Currency Deposits	406.80	466.27	503.98	483.30	443.01	480.89

Source: Eastern Caribbean Central Bank

Data available at 20 May 2008



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

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
Total Visitors	321,305	184,212	141,449	284,145	368,458
Stay-Over Visitors	73,070	74,751	70,138	69,559	86,028
Of which:					
USA	26,560	32,420	26,982	27,554	29,637
Canada	8,382	2,841	2,122	5,295	12,878
UK	22,361	19,310	17,213	20,296	24,811
France	1,211	801	910	720	1,283
Germany	599	340	258	395	533
Caribbean	11,518	14,677	20,515	12,339	13,552
Excursionists	1,282	1,997	1,499	3,063	2,875
Cruise Ship Passengers	238,367	101,558	65,519	204,721	271,172
Number of Cruise Ship Calls	131	48	21	114	146
Yacht Passengers	8,586	5,906	4,293	6,802	8,383
<b>Total Visitor Expenditure (EC\$M)</b>	<b>251.71</b>	<b>206.49</b>	<b>174.09</b>	<b>224.85</b>	<b>277.86</b>

Source: Saint Lucia Tourist Board  
Data available at 22 May 2008

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

	Weight	Index Mar 2008	Percentage Change*				
			2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
<b>All Items</b>	1,000.00	211.90	0.42	1.82	2.04	3.70	2.17
Food	467.51	228.50	0.81	3.11	4.23	4.90	1.65
Alcoholic Beverages and Tobacco	28.17	230.56	2.37	0.89	0.24	7.87	25.51
Clothing and Footwear	64.97	248.90	-	-	-	-	-
Housing	135.34	137.60	0.07	-	-	-	-
Fuel and Light	44.95	201.39	(1.09)	8.00	0.42	8.15	11.64
Furniture and Household Appliances	57.71	201.21	-	-	-	2.34	2.45
Medical Care and Health	22.78	261.50	(1.06)	(0.15)	(0.19)	0.08	0.23
Transportation and Communication	63.48	200.10	0.51	(0.45)	(1.06)	2.05	0.10
Recreation and Entertainment	32.36	310.40	-	-	0.42	(0.03)	-
Miscellaneous Goods and Services	82.73	174.90	-	-	-	8.03	1.51

Source: Central Statistical Office and ECCB Estimates

\*at end of period

Data available at 29 May 2008



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

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
<b>Current Revenue</b>	190.40	173.95	166.13	169.38	216.17
Tax Revenue	177.39	166.46	156.02	159.18	205.11
Taxes on Income and Profits	57.28	50.14	43.95	25.25	77.45
Of Which:					
Personal Income	17.50	17.27	16.48	14.82	22.77
Company	25.80	23.86	21.05	2.08	44.96
Taxes on Property	0.97	1.33	1.47	1.09	0.83
Taxes on Domestic Goods and Services	30.86	27.15	27.93	33.78	37.98
Of Which:					
Consumption Duty	1.56	4.20	1.55	1.93	2.17
Licences	6.33	2.33	3.18	7.74	10.40
Hotel Occupancy Tax	8.21	8.34	8.20	6.09	10.82
Taxes on International Trade and Transactions	88.29	87.83	82.68	99.05	88.85
Of Which:					
Consumption Tax (Imports)	27.66	29.81	25.14	30.88	26.40
Import Duty	24.84	25.02	24.23	31.36	26.40
Service Charge (Imports)	17.61	16.92	14.88	17.30	15.68
Non-Tax Revenue	13.01	7.49	10.11	10.21	11.06
<b>Current Expenditure</b>	142.24	127.17	131.32	148.78	161.45
Personal Emoluments	57.30	64.16	64.07	66.84	66.79
Goods and Services	30.86	19.77	25.44	28.01	32.85
Interest Payments	25.62	19.12	12.70	23.62	25.53
Domestic	7.71	9.18	9.47	8.41	7.05
External	17.91	9.95	3.23	15.21	18.48
Transfers and Subsidies	28.46	24.11	29.10	30.31	36.28
Of Which: Pensions	9.36	9.46	10.26	11.95	11.88
<b>Current Account Balance</b>	48.16	46.78	34.81	20.61	54.72
<b>Capital Revenue</b>	0.04	-	-	-	-
<b>Grants</b>	5.13	2.66	0.34	1.14	-
Of which: Capital Grants	5.13	2.66	0.34	1.14	-
<b>Capital Expenditure and Net Lending</b>	98.25	21.18	51.30	45.58	53.49
<b>Primary Balance</b>	(19.30)	47.38	(3.44)	(0.21)	26.76
<b>Overall Balance (after grants)</b>	(44.92)	28.25	(16.15)	(23.83)	1.23
<b>Financing</b>	44.92	(28.25)	16.15	23.83	(1.23)
Domestic	33.39	(35.01)	37.50	38.55	28.69
ECCB (net)	(7.01)	(4.85)	(4.27)	(7.25)	34.38
Commercial Banks (net)	27.87	50.13	(9.35)	3.99	(3.33)
Other	12.53	(80.29)	51.11	41.80	(2.36)
External	11.53	6.76	(21.35)	(14.71)	(29.91)
Net Amortisation	10.22	6.76	(21.35)	(14.71)	(29.91)
Disbursements	32.66	15.08	1.65	2.86	1.21
Amortisation	(22.44)	(8.32)	(23.00)	(17.57)	(31.12)
Change in Government Foreign Assets	1.31	-	-	-	-

Source: Ministry of Finance  
Data available at 22 May 2008



**Table 51**  
**Saint Luica - Banana Production**

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
Volume (tonnes)	11,265	9,251	5,799	4,003	7,840
Value (EC\$M)	16.20	13.39	8.33	5.68	11.07
Unit Price (EC\$/ tonnes)	1,437.83	1,447.90	1,437.00	1,419.05	1,412.30

Source: WIBDECO

Data available at 22 May 2008

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

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
<b>Total Exports</b>	66.67	53.76	43.52	37.89	83.61
Total Domestic Exports	37.21	33.02	27.54	24.18	31.38
Total Re-Exports	29.45	20.74	15.98	13.71	52.23
<b>Total Imports</b>	423.47	388.05	401.39	446.77	418.37
<b>Trade Balance</b>	(356.80)	(334.29)	(357.87)	(408.88)	(334.76)

Source: Central Statistical Office and ECCB Estimates

Data available at 22 May 2008



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

	2006 4 <sup>th</sup> Qr	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 1 <sup>st</sup> Qr
Net Foreign Assets	117.62	(92.82)	(30.38)	(42.11)	(47.66)	(161.68)
Central Bank (net)	356.92	334.40	419.22	360.04	408.25	436.25
Commercial Banks (net)	(239.31)	(427.21)	(449.60)	(402.15)	(455.91)	(597.93)
External (net)	(224.71)	(301.22)	(282.73)	(275.53)	(292.15)	(393.71)
Assets	427.03	339.69	396.34	421.66	486.22	523.28
Liabilities	651.74	640.91	679.07	697.19	778.37	916.99
Other ECCB Territories	(14.60)	(126.00)	(166.86)	(126.62)	(163.76)	(204.22)
Assets	388.14	232.62	320.76	411.38	584.43	380.11
Liabilities	402.74	358.61	487.62	538.00	748.19	584.33
Net Domestic Assets	1,938.58	2,124.26	2,120.57	2,134.43	2,230.88	2,397.04
Domestic Credit	2,280.48	2,432.61	2,522.94	2,726.71	2,990.44	3,020.03
Central Government (net)	(32.02)	(11.16)	34.12	20.51	17.25	48.30
Other Public Sector (net)	(214.76)	(241.68)	(242.53)	(234.68)	(243.41)	(248.61)
Non-Bank Financial Institutions (net)	(40.39)	(45.91)	(80.16)	(41.90)	(41.31)	(52.36)
Subsidiaries and Affiliates (net)	180.81	207.81	181.74	172.09	167.11	125.95
Private Sector	2,386.83	2,523.54	2,629.77	2,810.70	3,090.80	3,146.75
Other Items (net)	(341.90)	(308.35)	(402.37)	(592.28)	(759.57)	(622.99)
Monetary Liabilities (M2)	2,056.20	2,031.45	2,090.20	2,092.33	2,183.21	2,235.36
Money Supply (M1)	560.67	575.81	595.89	592.16	638.97	648.17
Currency with the Public	126.58	114.17	115.81	120.24	128.05	136.92
Demand Deposits	434.09	461.64	480.08	471.92	510.92	511.26
Quasi Money	1,495.53	1,455.64	1,494.31	1,500.17	1,544.25	1,587.19
Savings Deposits	1,064.90	1,084.29	1,104.10	1,128.23	1,150.78	1,184.84
Time Deposits	222.69	279.65	292.82	257.65	283.28	315.79
Foreign Currency Deposits	207.94	91.70	97.39	114.29	110.19	86.56

Source: Eastern Caribbean Central Bank

**Data available at 28 May 2008**



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

	2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 <sup>R</sup> 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 <sup>R</sup> 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
Total Visitors	139,038	75,760	46,373	83,202	123,955
Stay-Over Visitors	26,248	21,753	22,413	18,414	24,938
Of which:					
USA	8,476	7,106	5,513	5,143	8,064
Canada	2,331	1,321	1,374	1,440	2,211
UK	5,415	4,186	3,599	3,354	5,152
Caribbean	6,268	7,238	10,172	6,411	5,962
Other Countries	3,758	1,902	1,755	2,066	3,549
Excursionists	2,586	1,483	1,491	2,130	3,220
Yacht Passengers	35,827	28,496	12,889	23,823	34,036
Cruise Ship Passengers	74,377	24,028	9,580	38,835	61,761
Number of Cruise Ship Calls	131	63	19	75	116
<b>Total Visitor Expenditure (EC\$M)</b>	<b>105.89</b>	<b>81.97</b>	<b>58.67</b>	<b>69.45</b>	<b>102.93</b>

Source: Department of Tourism

Data available at 29 May 2008

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

	Weight	Index Mar 2008	Percentage Change*				
			2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 <sup>R</sup> 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
<b>All Items</b>	1,000.0	126.90	(0.53)	4.86	1.84	2.00	2.48
Food	536.1	134.68	(1.49)	3.65	4.02	3.10	3.79
Alcoholic Beverages and Tobacco	9.5	126.82	1.57	8.20	2.54	0.24	(0.29)
Housing	97.9	107.24	(0.23)	0.19	(0.11)	2.47	-
Fuel and Light	29.8	153.12	2.88	4.37	(2.78)	3.80	2.54
Clothing and Footwear	88.7	111.59	8.95	8.61	(3.12)	-	0.04
Household Furnishings and Supplies	61.5	107.79	2.28	3.40	(0.22)	(0.44)	1.38
Transport and Communications	68.5	124.15	(4.22)	9.37	-	-	3.24
Medical Care and Expenses	10.1	121.19	10.22	2.09	-	-	-
Education	34.3	150.84	-	15.93	0.01	-	-
Personal Services	33.5	115.12	2.10	8.02	0.69	(1.42)	(0.80)
Miscellaneous	30.1	104.59	(15.81)	5.73	-	-	-

Source: Central Statistical Office, Ministry of Finance

\*at end of period

Data available at 29 May 2008



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

	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Current Revenue</b>	84.01	104.85	118.88	123.02	104.90
Tax Revenue	75.10	96.11	112.00	116.73	96.63
Taxes on Income and Profits	15.46	25.67	28.43	34.02	20.93
Of Which:					
Individual	10.92	14.44	13.07	15.87	13.76
Company Tax	2.96	9.16	13.99	16.96	5.96
Taxes on Property	0.25	0.37	1.35	0.79	0.31
Taxes on Domestic Goods and Services	23.22	39.54	62.55	58.75	55.52
Of Which:					
Stamp Duties	8.31	9.12	5.70	4.91	6.84
Consumption Duties	1.99	1.61	(0.00)	0.00	0.00
Hotel Turnover Tax	3.61	2.33	0.10	0.01	0.00
Value Added Tax	-	16.53	34.69	35.71	38.31
Taxes on International Trade and Transactions	36.17	30.52	19.67	23.18	19.88
Of Which:					
Import Duty	9.03	10.51	10.19	13.62	8.80
Consumption Tax	19.85	10.34	0.97	0.20	0.19
Customs Service Charge	5.81	7.54	7.30	7.69	6.09
Non-Tax Revenue	8.91	8.75	6.88	6.29	8.27
<b>Current Expenditure</b>	87.40	81.29	94.71	114.90	103.32
Personal Emoluments	42.96	42.13	42.42	60.59	49.57
Goods and Services	14.58	16.35	19.41	25.25	19.34
Interest Payments	14.91	8.16	11.33	10.35	14.15
Domestic	10.39	1.84	7.36	3.82	8.25
External	4.52	6.32	3.97	6.52	5.90
Transfers and Subsidies	14.95	14.65	21.55	18.71	20.27
Of Which: Pensions	7.46	6.56	6.58	8.57	9.21
<b>Current Account Balance</b>	(3.38)	23.56	24.16	8.12	1.58
<b>Capital Revenue</b>	0.16	0.22	0.21	0.32	0.42
<b>Grants</b>	0.03	8.96	11.05	4.74	7.28
Of which: Capital Grants	0.03	8.96	11.05	4.74	7.28
<b>Capital Expenditure and Net Lending</b>	17.48	26.00	50.39	37.61	11.67
Of which: Capital Expenditure	17.48	26.00	50.39	37.61	11.67
<b>Primary Balance</b>	(5.75)	14.89	(3.63)	(14.08)	11.75
Overall Balance (after grants)	(20.66)	6.73	(14.96)	(24.43)	(2.40)
<b>Financing</b>	20.66	(6.73)	14.96	24.43	2.40
Domestic	(28.22)	2.92	24.63	33.57	22.74
ECCB (net)	(9.37)	1.91	(2.82)	24.59	(15.70)
Commercial Banks (net)	(29.79)	(0.38)	(7.01)	42.02	3.99
Other	10.94	1.39	34.46	(33.04)	34.45
External	48.88	(9.65)	(9.67)	(9.14)	(20.35)
Net Amortisation/(Amortisation)	21.64	(9.65)	(9.67)	(9.14)	(20.35)
Disbursements	30.31	0.53	-	-	2.51
Amortisation	(8.67)	(10.18)	(9.67)	(9.14)	(22.85)
Change in Government Foreign Assets	27.25	-	-	-	-

Source: Ministry of Finance, Treasury Department and ECCB Estimates  
Data available at 24 May 2008



**Table 57**  
**St Vincent and the Grenadines - Selected Trade Statistics**  
(Value: EC\$M; Volume: 000 tonnes)

	2007 <sup>R</sup> 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 <sup>R</sup> 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Visible Trade Balance</b>	(173.68)	(174.18)	(189.77)	(178.28)	(190.69)
<b>Total Imports</b>	222.65	199.46	215.91	205.05	220.42
<b>Total Exports</b>	48.97	25.28	26.14	26.78	29.73
Re-Exports	23.69	0.85	2.12	2.20	6.62
Domestic Exports	25.27	24.43	24.02	24.57	23.11
Of Which:					
Bananas					
Volume	5.20	3.84	2.58	2.52	2.87
Value	7.30	5.32	3.55	3.48	3.86
Flour					
Volume	2.22	2.70	2.30	2.89	2.37
Value	3.22	4.01	3.69	4.99	2.89
Rice					
Volume	0.94	0.91	1.01	1.69	1.22
Value	1.60	1.70	1.98	3.23	2.66
Feeds					
Volume	2.31	2.22	1.63	1.78	1.15
Value	1.65	1.69	1.42	1.45	1.05

Source: Central Statistical Office  
Data available at 29 May 2008

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

	2006 <sup>R</sup> 4 <sup>th</sup> Qr	2007 1 <sup>st</sup> Qr	2007 2 <sup>nd</sup> Qr	2007 3 <sup>rd</sup> Qr	2007 4 <sup>th</sup> Qr	2008 <sup>P</sup> 1 <sup>st</sup> Qr
<b>Net Foreign Assets</b>	428.39	474.33	490.95	431.54	352.46	382.49
Central Bank (net)	210.43	218.04	212.02	230.70	232.68	211.01
Commercial Banks (net)	217.96	256.29	278.93	200.84	119.78	171.48
External (net)	117.29	164.80	169.93	81.62	61.14	66.79
Assets	255.01	308.31	320.23	244.69	228.92	251.15
Liabilities	137.72	143.52	150.30	163.07	167.78	184.36
Other ECCB Territories	100.67	91.50	109.00	119.22	58.64	104.69
Assets	257.53	293.16	324.91	329.66	338.78	333.89
Liabilities	156.86	201.67	215.91	210.44	280.14	229.20
<b>Net Domestic Assets</b>	511.37	521.28	507.74	554.91	653.87	599.50
Domestic Credit	760.32	783.82	772.23	790.75	883.94	835.59
Central Government (net)	68.68	29.52	31.04	21.22	87.83	76.12
Other Public Sector (net)	(60.33)	(48.70)	(60.25)	(55.60)	(53.02)	(35.78)
Non-Bank Financial Institutions (net)	(23.14)	(35.96)	(45.54)	(35.53)	(42.29)	(51.64)
Subsidiaries and Affiliates (net)	-	-	-	-	(0.04)	(0.03)
Private Sector	775.10	838.96	846.98	860.66	891.46	846.93
Other Items (net)	(248.95)	(262.54)	(264.49)	(235.84)	(230.07)	(236.09)
<b>Monetary Liabilities (M2)</b>	939.76	995.61	998.70	986.44	1,006.34	981.99
Money Supply (M1)	344.31	363.70	369.24	356.55	371.67	348.40
Currency with the Public	80.50	80.67	80.93	75.54	89.82	66.26
Demand Deposits	263.81	283.04	288.31	281.02	281.86	282.14
Quasi Money	595.45	631.91	629.45	629.89	634.66	633.59
Savings Deposits	476.57	503.68	506.61	513.76	512.82	513.04
Time Deposits	88.38	81.75	81.99	79.60	82.22	84.94
Foreign Currency Deposits	30.50	46.48	40.85	36.52	39.62	35.61

Source: Eastern Caribbean Central Bank  
Data available at 29 May 2008

