

# Eastern Caribbean Central Bank



## *Economic and Financial Review*

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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

A preliminary assessment of the performance of the major sectors in the first half of 2006 indicates that economic activity in the Eastern Caribbean Currency Union (ECCU) was above the level in the corresponding period of 2005. On an individual country basis, output is estimated to have increased in all member countries except Grenada and Montserrat, where declines were recorded as construction activity fell. The expansion in the ECCU was largely fuelled by public and private sector construction, as some countries prepared to host Cricket World Cup (CWC) 2007. The developments in the construction sector had positive spillover effects on the other sectors, particularly wholesale and retail trade, and transport. Tourism activity was buoyed by growth in stay-over visitor arrivals. As a result of a rebound in banana production, agricultural production is estimated to have increased, in contrast to a decline in the first half of 2005. Consumer prices rose in all countries, driven in part by increases in prices of international oil and other commodities. The merchandise trade deficit widened on account of an increase in import payments and a decline in domestic export receipts. The consolidated accounts of the central governments showed a smaller overall fiscal deficit, stemming from strong growth in current revenue. The outstanding debt of the public increased during the first half of 2006. Monetary liabilities expanded,

commercial bank liquidity remained high, and interest rates were largely stable.

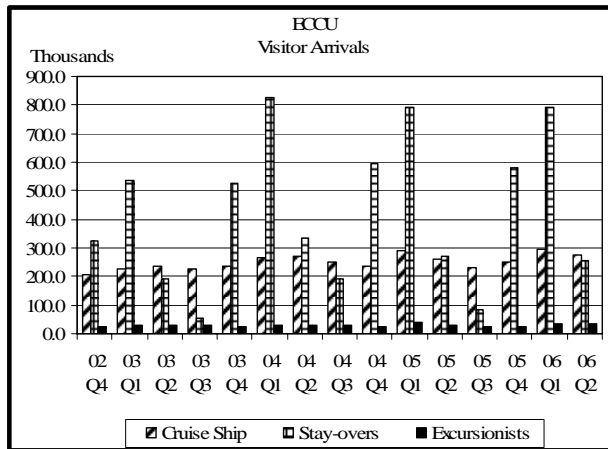
The economic outlook for the currency union for the rest of 2006 is positive. Activity is projected to increase compared with the level in the first half of 2005, partly based on ongoing construction projects, some of which are likely to intensify, and new projects to be implemented in the second half of 2006. The expansion in construction is expected to influence growth in some of the other sectors. However, high international oil prices and interest rates, a likely slowdown in the pace of economic activity in the USA, as well as geopolitical tensions, pose risks to the outlook.

### Output

Construction activity was robust in the first half of 2006. Major public sector projects included ongoing work on cricket stadia in Antigua and Barbuda, St Kitts and Nevis, and Grenada; upgrading a sports facility in St Vincent and the Grenadines; rehabilitating roads, ports and drainage systems; building schools and a hospital. Private sector activity focused on hotels, villas, commercial buildings and private dwellings. On a country basis, construction activity expanded in all countries except Grenada and Montserrat which experienced declines as repair work was completed on a number of buildings that sustained hurricane damage in Grenada, and on the new airport in Montserrat.



Activity in the tourism industry is estimated to have expanded compared with the outturn in the first half of 2005. Growth stemmed in part from a 2.3 per cent increase to 561,160 in the number of stay-over visitors, influenced by the reopening of some hotels in Grenada, coupled with intense marketing and additional airlift in some countries. Stay-over arrivals increased in all the member countries except Montserrat and Saint Lucia, where declines were recorded. The breakdown of arrivals by market indicates increases in the number of stay-over visitors from the USA, Canada and the Caribbean.



Of the other categories of visitors, cruise ship passenger arrivals declined by 1.0 per cent to 1.0m, despite a 16.8 per cent increase in the number of cruise ship calls. This development reflected the use of smaller ships as the larger vessels were diverted to other destinations, including the US. Declines in cruise ship passenger arrivals were recorded in Antigua and Barbuda, Grenada, Montserrat, St Kitts and Nevis and Saint Lucia. A rebound in yacht passenger arrivals in St Vincent and the Grenadines contributed to a 12.8 per cent increase in the number of yacht visitors to the ECCU. The number of

excursionists rose by 6.7 per cent to 69,137. These developments led to an increase of 0.9 per cent to 1.8m in the total number of visitors to the ECCU.

The available data on manufacturing activity indicate an expansion in production in the first half of 2006, partly attributed to a higher level of demand. Increases were recorded in output of beer, rice and animal feed in St Vincent and the Grenadines, electronic components in St Kitts and Nevis, and beverages and paper board in Saint Lucia. In Grenada production of beverages, animal feed and rum increased as companies continued to recover from the effects of hurricane Ivan in 2004. The overall expansion in manufacturing output was tempered by decreases in production of soap, dental cream and beverages in Dominica as a result of a fall in export demand.

Agricultural production is estimated to have increased in the first half of 2006 relative to the performance in the corresponding period of 2005. Growth stemmed largely from a rebound in output of banana in Saint Lucia, where leaf spot disease were brought under control, and favourable weather. Banana production rose in all the banana producing countries except St Vincent and the Grenadines where output declined by 0.9 per cent. Production of cocoa, nutmeg and mace in Grenada more than doubled, but output was still below pre-hurricane levels. In St Kitts and Nevis agricultural output fell after the sugar industry was closed in July 2005.



## Prices

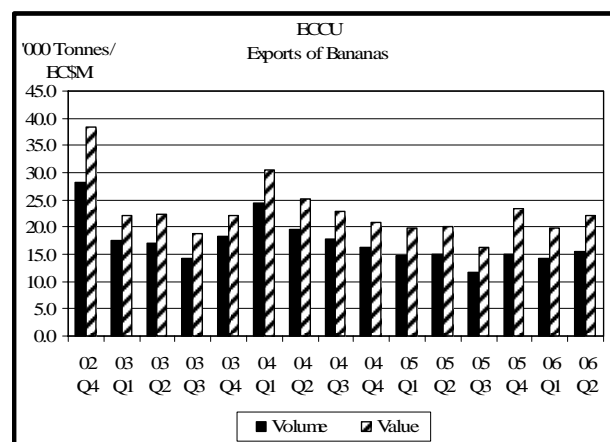
Data on consumer prices in the ECCU member countries (excluding St Kitts and Nevis for which data are unavailable) indicate increases in the all items indices during the period under review. Price increases ranged from 0.1 per cent for Saint Lucia to 3.4 per cent for Anguilla. Those increases stemmed in part from higher prices of some food commodities and a rise in prices of oil on the international market. The food sub-index, which has the largest weight, rose in all the countries except Saint Lucia where it declined by 0.5 per cent due to a fall in prices of some vegetables. Increases were also observed in the fuel and light sub index, particularly in Antigua and Barbuda, Dominica, Montserrat, Saint Lucia and St Vincent and the Grenadines. In Grenada the fuel and light sub index fell as a result of reductions in the retail prices of kerosene and LPG.

## Trade and Payments

Complete trade data for the ECCU are unavailable for the period under review. The value of imports is estimated to have been above the total recorded in the first half of 2005, based on the expansion in economic activity and increases in prices of oil and other commodities. The available data on domestic export receipts indicate that earnings from banana exports rose by 4.8 per cent to \$41.8m, reflecting increases in the volume exported and the price per tonne. Receipts from soap exports declined, and there were no sugar exports from St Kitts and Nevis, the industry having been closed.

The merchandise trade deficit is estimated to have widened, influenced by the rise in import payments.

Gross travel receipts (as represented by total visitor expenditure) rose by 6.0 per cent to \$1,683.0m, reflecting the increase in visitor arrivals. External interest payments by the central governments remained virtually unchanged at \$107.7m. Gross inflows of official grants declined by 12.8 per cent to \$152.7m, largely reflecting reduced receipts by Grenada. The external transactions of commercial banks resulted in a net outflow of \$281.8m in short term capital.

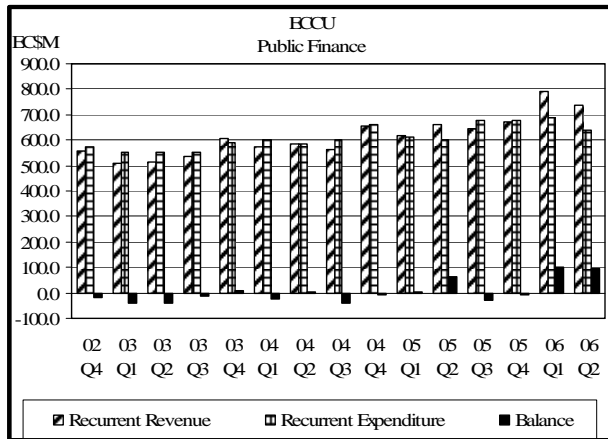


## Central Government Fiscal Operations

The central governments incurred an overall deficit of \$70.5m in the first half of 2006, compared with one of \$80.9m in the corresponding period of 2005. The smaller deficit was the result of strong growth in current revenue, partly on account of new tax measures in some countries. A primary surplus (excludes interest payments) of \$132.8m was



realised, up from one of \$96.0m in the first half of 2005.



With the strong growth in current revenue the current account surplus more than doubled to \$199.5m, the largest recorded in the last ten years. This improvement stemmed from a 19.3 per cent increase to \$1,525.9m in current revenue, largely attributable to an increase in tax revenue. Of the main categories of tax revenue, receipts from taxes on income and profits rose by 29.5 per cent, mainly reflecting a significant increase in Antigua and Barbuda where personal income tax was reintroduced in the second quarter of 2005. The yield from taxes on domestic goods and services rose by 41.6 per cent, influenced by the introduction of a value added tax in Dominica and windfall receipts of stamp duties from land sales in Anguilla and St Kitts and Nevis. Reflecting the rise in import payments, revenue from taxes on international trade and transactions rose by 6.9 per cent, with receipts from import duty and the customs service charge contributing largely to the increase. Receipts from non-tax sources rose by 15.6 per cent to \$166.8m,

attributable to upward adjustments to the fuel surcharge in St Kitts and Nevis, and increases in collections from fees and other user charges in some of the member countries.

Current expenditure rose by 9.4 per cent to \$1,326.4m, reflecting increases in all the main categories. Outlays on personal emoluments grew by 7.2 per cent, largely driven by salary increases in Anguilla in the latter part of 2005 and Saint Lucia in the first quarter of 2006. Interest payments increased by 14.9 per cent, largely reflecting a rise in domestic interest payments as some countries borrowed from the commercial banking system to finance the public sector investment programme. Domestic interest payments rose substantially in St Kitts and Nevis, associated in the main with severance payments to former sugar workers. Outlays on transfers and subsidies rose by 11.9 per cent, partly reflecting transfers by the government of Antigua and Barbuda on behalf of a public corporation. Expenditure on goods and services rose by 7.8 per cent, attributable in part to an increase in fuel costs.

Grant receipts declined by 12.8 per cent to \$152.7m, largely on account of a reduction in hurricane related receipts in Grenada. Capital expenditure rose by 26.6 per cent to \$439.3m, associated with public sector investment in cricket stadia, schools, road repairs and other infrastructural projects.



**Public Debt**

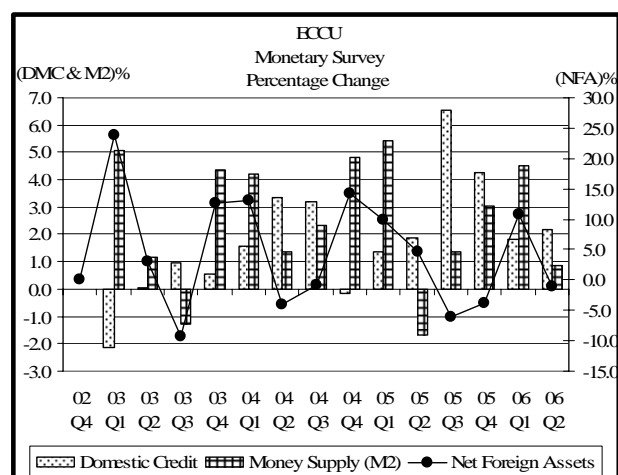
The outstanding public sector debt of the ECCU stood at \$10,414.9m at the end of June 2006, representing a 2.6 per cent increase on the level at the end of December 2005. Most of the increase was attributed to the central government, as some member governments contracted debt to finance CWC 2007 related projects and other infrastructural development. The outstanding debt of the central governments rose by 3.1 per cent to \$8,464.6m, representing roughly 81.0 per cent of the total public sector debt. The largest contributors to the growth in central governments' debt were Antigua and Barbuda, and Saint Lucia, associated with the issue of 91-day treasury bills and a ten-year bond respectively on the Regional Government Securities Market. Debt service payments by the central governments amounted to \$350.5m, representing an 18.3 per cent increase on the total in the first half of 2005. Increases in debt service payments were recorded in all the countries except Grenada, where interest payments fell as a result of debt restructuring. The ratio of total interest payments to current revenue stood at 13.3 per cent, down from 13.8 per cent in the first half of 2005. The fall in the ratio was the result of strong growth in revenue in the first half of 2006.

**Monetary and Financial Developments**

**Money and Credit**

Broad money (M2) increased by 6.5 per cent to \$9,642.5m during the first half of 2006, the highest

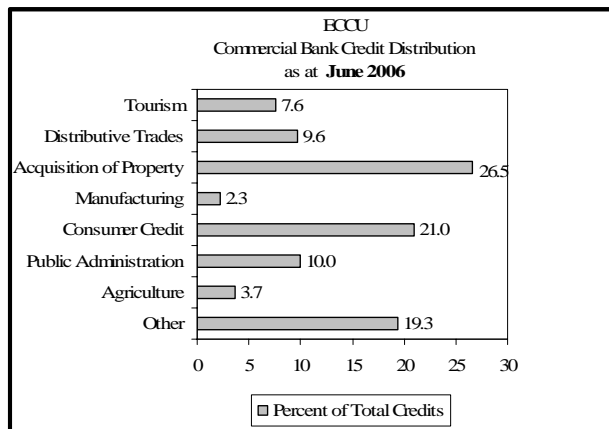
rate recorded over the corresponding periods of the last five years. Growth in M2 was driven by increases in private sector foreign currency deposits (13.9 per cent), demand deposits (7.5 per cent) and savings deposits (5.3 per cent), reflecting in part the expansion in economic activity. The relatively strong increase in foreign currency deposits stemmed from inflows of foreign direct investment for construction related projects, particularly in Anguilla, Antigua and Barbuda, and St Kitts and Nevis.



Domestic credit rose by 4.5 per cent to \$7,594.8m compared with the total at the end of December 2005. The increase was driven largely by growth of 6.8 per cent in outstanding credit to the private sector, well above the 3.2 per cent rate in the corresponding period of 2006. This performance was partly attributable to an increase in business and consumer confidence and an easing in commercial banks' terms and conditions of lending. Credit to businesses was particularly strong, reflecting in part increased borrowing for tourism related investment projects, transport and professional services.



Household credit rose by 4.5 per cent, reflecting growth in outstanding loans for the acquisition of property – house construction and renovation, and the purchase of house and land. Increases in private sector credit were recorded in all member countries, with the highest rate reported by Antigua and Barbuda (9.2 per cent), followed by Dominica (12.6 per cent) and Saint Lucia (6.8 per cent). Net deposits of the non bank financial institutions rose by 22.3 per cent, as growth in deposits outweighed that of credit.



The easing in the terms and conditions of credit by commercial banks was indicated in the results of the ECCB's credit market conditions survey and the recent business outlook survey. The business outlook survey focused on the period April to June 2006 and on expectations for the second half of the year. Businesses in the ECCU felt that the terms and conditions on business loans eased, although not significantly. The credit market conditions survey for the same period showed that banks eased their terms and conditions of lending to businesses and

to households for mortgages and other consumer expenditure during the first six months of 2006.

The net indebtedness of the central governments declined by 10.0 per cent to \$568.4m due to growth in their deposits which outweighed an increase in outstanding loans. The deposits of the central governments rose by 18.8 per cent, partly influenced by strong growth in Antigua and Barbuda, reflecting a temporary build-up from securities issued on the Regional Government Securities Market (RGSM). Outstanding credit to the central governments rose by 6.5 per cent, largely reflecting an increase in loans and advances from the commercial banking system. Of the member countries, significant increases were recorded in credit to the governments of St Kitts and Nevis, and Saint Lucia. In St Kitts and Nevis the increase was associated in part with severance payments to former sugar workers, and in Saint Lucia it was the result of a bond issue. Net deposits of the non financial public enterprises rose by 7.9 per cent, reflecting an increase in deposits combined with a decline in credit.

The net foreign assets of the banking system increased by 11.9 per cent to \$3,375.9m during the period under review. The increase stemmed largely from growth of 20.1 per cent in commercial banks' net foreign assets, reflecting a build up in assets. The net foreign assets of the ECCB rose by 4.8 per cent in contrast to a decline one year earlier.



Liquidity in the ECCU commercial banking system remained at a high level during the first half of 2006. The ratio of liquid assets to total deposits plus liquid liabilities rose by 0.2 percentage point to 36.8 per cent, mainly reflecting growth in liquid assets. The loans and advances to deposits ratio increased by 0.1 percentage point to 73.9 per cent.

Interest rates in the ECCU remained largely stable during the period under review except for a 0.8 percentage point increase in the minimum rate on six- to twelve-month time deposits and a 0.5 percentage point rise in the maximum rate. The rates on savings deposits ranged from 3.0 per cent to 5.5 per cent; those on time deposits ranged from 1.0 per cent to 8.0 per cent. Prime lending rates ranged from 8.5 per cent to 12.0 per cent.

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

Primary issuance activity on the Regional Government Securities Market increased during the first half of 2006. Eleven securities were issued compared with eight in the corresponding period of 2005, as the Government of Antigua and Barbuda became the fifth government to issue securities on the market.

The value of securities issued during the period January to June 2006 was EC\$183.0m, comprising ten treasury bill issues (nine 91-day and one 365-day) and one ten-year bond. The Government of Antigua and Barbuda issued three new EC\$17.0m 91-day treasury bills. Other securities issued by

participating governments during the reporting period included a \$25.0m ten-year bond by the Government of Saint Lucia. The Government of Antigua and Barbuda also issued a US\$26.0m seven-year bond and a \$30.0m five-year treasury note. All issues during the reporting period were fully or over subscribed, except for two treasury bill issues by the Government of Saint Lucia.

#### **Financial Sector Stability**

The Eastern Caribbean Central Bank (ECCB) continues to focus on the threats to financial stability, with particular emphasis on credit risk mitigation and corporate governance.

Credit risk exposure at several banks remains high, as evidenced by the continuing high levels of non-performing loans. To mitigate credit risk, the Bank has been developing and strengthening its supervisory tools and resources, in particular the establishment of an efficient monitoring system. Progress has been made in this area with the introduction of stress testing, which allows supervisors to identify potentially weak banks and assess the robustness of the financial system. Work has commenced on developing a risk profile for banks and enhancing the early warning system, which would enable supervisors to identify emerging problems and take remedial actions at the earliest stage.

The Banking Act was updated in 2004 to enhance the regulatory process. The improved features of the new legislation, such as information sharing, limits on large exposures, fit and proper criteria for directors and management, and increased enforcement powers to supervisors, would enhance financial stability in the ECCU. The revised Banking Act has not been passed in Saint Lucia and St Vincent and the Grenadines; efforts continue to expedite the passage of the Act in these two countries.

The Bank issued guidelines on corporate governance, liquidity management and related party transactions to commercial banks and affiliates, effective 15 May 2006. Guidelines to promote best practices in other areas of banking such as credit, market and operational risks are being drafted. The Bank in partnership with the relevant stakeholders will institute measures to ensure adherence to these guidelines.



The secondary market for government securities was much more active in the first half of 2006 compared with the performance in the corresponding period of 2005, with activities primarily confined to retailing Government of Saint Lucia securities.

At the end of June 2006 total outstanding government securities in the ECCU amounted to \$2,813.6m, representing an increase of 37.7 per cent on the amount at the end of 2005. The increase reflected the issuance of new debt by the governments of Antigua and Barbuda, and Saint Lucia. Total securities issued on the RGSM by member governments amounted to \$534.7m, roughly 19.0 per cent of the total outstanding government securities.

During the period under review the ECCB, as fiscal agent, continued to collaborate with participating governments to list existing bonds on the Eastern Caribbean Securities Exchange (ECSE). The listing of bonds is expected to increase the liquidity of those instruments and facilitate trading on the ECSE.

### **Prospects**

The economic outlook for 2006 is positive. The ECCU's economy is projected to expand, with growth in construction activity likely to be sustained in the rest of 2006. Performance in the tourism industry is expected to improve based on growth in stay over visitor arrivals as a result of the reopening of hotels, particularly in Grenada; increased airlift;

intense marketing; and assuming favourable international economic conditions. The transport and retail and wholesale trade sectors will benefit from the expansion in construction and tourism. Performance in the agricultural sector would depend on developments in the banana industry. Consumer prices are expected to trend upwards based on international oil price expectations and increases in commodity prices.

The overall fiscal deficit of the central governments is projected to widen, driven by increases in capital expenditure, as work intensifies on major construction projects. The current account surplus is projected to increase, based on strong growth in current revenue which is likely to stem from the expansion in economic activity coupled with new tax measures in some countries.

The merchandise trade deficit is projected to widen in 2006 as import payments increase, largely associated with a higher level of public and private investment and rising oil prices. Gross inflows from travel are expected to increase, consistent with the growth in stay-over arrivals. External debt service payments of the central governments will likely increase, based on the higher level of debt. Larger inflows of foreign direct investment are expected, associated with hotel related investment activity.

The major risks to the ECCU economy are high and rising international oil prices, high interest rates and a slowdown in economic growth in the USA, a major trading partner. These, together with the



geopolitical disturbances in the Middle East, could dampen growth in the global economy and by extension economic performance in the ECCU. The collapse of global trade talks could have serious

implications for the competitiveness of the export sector and for access to much-needed development assistance tied to the trade negotiations.



## ANGUILLA

### Overview

The increasing trend in economic activity observed in Anguilla since 2003 continued in the first half of 2006. The economy is estimated to have expanded in the first half of 2006 compared with the performance in the corresponding period of 2005. Construction and tourism continued to be the main sources of economic growth. The consumer price index (CPI) increased by 3.4 per cent during the period under review. The merchandise trade deficit widened due to an increase in import payments and a decline in export receipts. An overall surplus was recorded by the central government, in contrast to a deficit in the first half of 2005. In the banking sector, net foreign assets increased, contributing to growth in broad money. Commercial bank liquidity remained at a high level, while interest rates were unchanged.

Real output is projected to expand in the remainder of 2006, fuelled by developments in the construction sector and the tourism industry. This outlook is contingent on favourable weather and developments in the global economy.

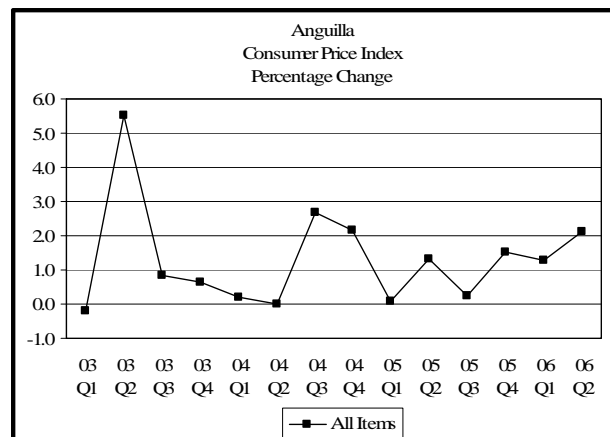
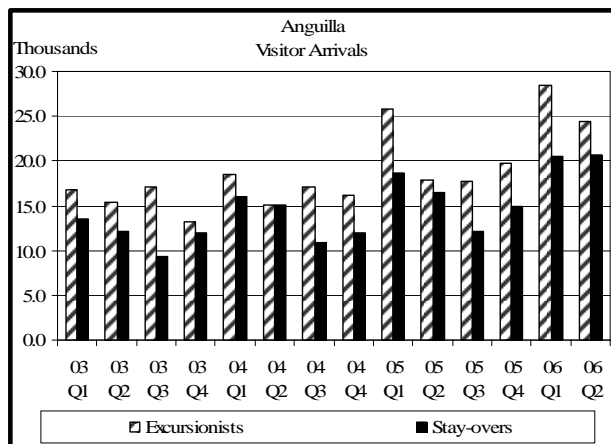
### Output

Activity in the construction sector was robust in the first half of 2006, fuelled by private sector

investment, largely in hotel development. Work progressed on the Royale Caribbean Resort, the St Regis luxury development and Viceroy Resorts and Residences. Activity also focused on a new shopping plaza and residential construction. Private sector residential construction rose, as indicated by a 12.0 per cent increase in commercial bank credit for home construction and renovation. Public sector activity included improvements to the hospital and ongoing road construction and rehabilitation. The expansion in construction activity resulted in an influx of workers from neighbouring islands to meet the demand for skilled labour.

The performance of the tourism industry improved in the first six months of 2006 compared with the corresponding period in 2005. Total visitor arrivals grew by 19.4 per cent to 93,983, partly reflecting the impact of intensive marketing and an increase in airlift as a result of the improvements to the Wallblake airport. The number of stay-over visitors rose by 17.2 per cent to 41,144. Increases were recorded in stay-over arrivals from all markets, particularly the USA, the major market, as well as the Caribbean and Germany. The number of excursionists grew by 21.1 per cent compared with the total in the corresponding period of 2005.





**Prices**

The consumer price index (CPI) rose by 3.4 per cent in the first half of 2006 in comparison with a 1.4 per cent increase in the corresponding period of 2005. The acceleration in the rate was partly attributable to a larger rate of increase in the household furnishings and supplies sub-index, which rose by 23.1 per cent compared with 0.6 per cent in the first half of 2005. This outcome reflected higher prices for linens, kitchen utensils and household appliances, as a result of increased demand. The food sub-index, which has the largest weight in the goods and services basket, increased by 2.4 per cent in contrast to a 0.1 per cent decrease in the first half of 2005. Increases in prices of vegetables and poultry products contributed to the rise in the food sub-index. Those increases were partly offset by a 0.1 per cent decrease in the transportation and communications sub-index.

**Trade and Payments**

A merchandise trade deficit of \$202.2m was recorded in the first half of 2006, compared with one of \$144.1m in the corresponding period of 2005. The widening of the deficit was attributable to a 30.3 per cent (\$49.9m) increase in import payments and a 40.8 per cent (\$8.3m) decline in the value of exports. The rise in import payments was partly influenced by increased imports of building materials associated with the boom in construction activity. Larger payments were also recorded for imports of mineral fuels and lubricants, partly resulting from the increase in international oil prices. The decline in the value of exports reflected a decrease in manufacturing exports.

Gross travel receipts grew by 21.1 per cent to \$154.1m in the first half of 2006, consistent with the increase in visitor arrivals. Transactions by the commercial banks resulted in a net outflow of \$78.0m in short term capital.

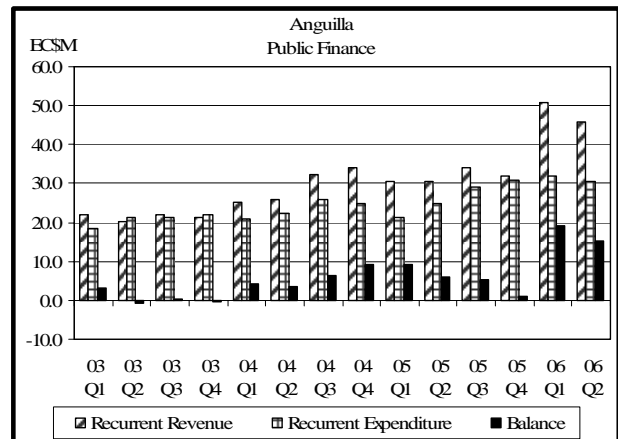
**Central Government Fiscal Operations**

The fiscal operations of the central government resulted in an overall surplus of \$20.3m for the first six months of 2006, in contrast to a deficit of \$6.1m in the first half of 2005. The improved fiscal position was attributed to reduced capital spending and an increase in current savings. Capital expenditure fell by 44.8 per cent to \$14.0m, as a number of major projects were completed in 2005.

The current account operations yielded a surplus of \$34.3m, well above the surplus of \$14.9m in the first half of 2005. This outturn was due to strong growth in current revenue relative to the increase in current expenditure. Current revenue amounted to \$96.6m during the period under review, representing a 58.7 per cent (\$35.7m) increase on collections in the first half of 2005. Growth in current revenue was largely driven by a more than doubling in receipts from taxes on domestic goods and services, reflecting an increase in collections from stamp duties associated with land transfers. Collections from taxes on international trade and transactions rose by 27.3 per cent, consistent with the increase in the value of imports.

Current expenditure rose by 35.6 per cent to \$62.3m in the first half of 2006, influenced by increases in all the major components. Expenditure on transfers and subsidies rose by 54.7 per cent (\$6.6m), reflecting increased subventions to the Health Authority, Tourist Board and the Albena Lake Hodge Comprehensive School. Outlays on

goods and services grew by 39.8 per cent (\$5.2m), attributed to increases in operating costs. Expenditure on personal emoluments rose by 19.9 per cent (\$3.8m), partly as a result of additional staff. Interest payments were 42.4 per cent (\$0.8m) above the level in the first half of 2005.



**Public Sector Debt**

The public sector debt was estimated at \$111.3m at the end of June 2006, roughly 3.2 per cent below the total at the end of December 2005, reflecting reductions in both the central government’s debt and that of the public corporations. The outstanding debt of the central government, which accounted for roughly 81.0 per cent of the total public sector debt, fell by 2.5 per cent to \$89.7m at the end of June 2006, largely attributable to a decline in domestic debt.

**Money and Credit**

Monetary liabilities (M2) increased by 11.6 per cent to \$1,018.6m during the first half of 2006, partly influenced by growth in construction and



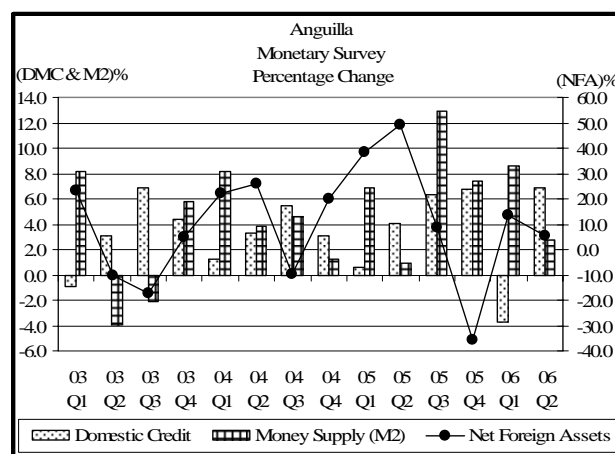
tourism activity. The expansion in M2 was largely driven by an increase of 11.9 per cent (\$88.7m) in private sector foreign currency deposits. Growth in those deposits partly resulted from the sale of land to non-residents, higher receipts from travel, and inflows of foreign direct investment for tourism related construction projects. Increases were also recorded in private sector time deposits (\$8.1m) and savings deposits (\$3.7m). Narrow money (comprising currency with the public and private sector demand deposits) grew by 18.1 per cent, reflecting increases in both components.

Domestic credit rose by 2.8 per cent to \$673.6m during the first half of 2006, mainly reflecting an increase in outstanding loans to the private sector. Of private sector credit, outstanding loans to households and businesses grew by 8.6 per cent and 2.1 per cent respectively. Central government's borrowing from the banking system declined by 3.2 per cent and its deposits rose by 68.3 per cent, reflecting the improvement in the fiscal accounts. Consequently, the central government's net indebtedness to the banking system decreased by 34.3 per cent to \$35.0m.

The distribution of commercial bank credit by economic activity shows that most of the growth in credit was channelled into personal use, lending for which increased by 9.6 per cent, largely for home construction and renovation, and the purchase of durable consumer goods. Credit for tourism grew by 3.3 per cent. By contrast, decreases in credit were recorded for agriculture and fisheries,

manufacturing, construction and the distributive trades.

The major source of expansion in monetary liabilities was a 19.3 per cent increase in net foreign assets to \$575.7m, partly associated with inflows of investment funds. Commercial banks' net foreign assets rose by 20.8 per cent to \$453.2m, largely reflecting an 11.5 per cent increase in assets held with banks and other institutions outside the Eastern Caribbean Currency Union. Anguilla's imputed share of the reserves held at the ECCB rose by 14.3 per cent to \$122.5m.



Liquidity in the commercial banking system remained at a high level during the first six months of 2006. The ratio of liquid assets to total deposits plus liquid liabilities was 52.6 per cent at the end of June 2006, roughly 1.6 percentage points above that at the end of December 2005. The loans and advances to total deposits ratio decreased by 4.0 percentage points to 64.4 per cent. Interest rates remained unchanged during the period under review. The rates offered on savings deposits ranged from



3.0 per cent to 4.0 per cent, and prime lending rates ranged from 10.0 per cent to 12.0 per cent.

### Prospects

Growth in economic activity is projected for 2006, based on the performance of the economy in the first half of 2006 and the prospects for construction and tourism in the latter half of the year. Construction activity will be driven by private sector investment in hotel development, including luxury villas and resorts. Public sector activity will focus on road construction and rehabilitation, and port development in Road Bay and Blowing Point. The tourism industry is expected to benefit from the opening of an 18-hole championship golf course scheduled for November.

On the central government's fiscal accounts, a larger current account surplus is projected based on an increase in current revenue associated with

windfall receipts from stamp duty. This is likely to be partially offset by larger outlays on personal emoluments, attributable to a wage increase to civil servants in the second half of the year. A wider overall surplus is projected based on a likely fall in capital expenditure.

In the external accounts, the merchandise trade deficit is projected to widen based on an increase in import payments, associated with the expansion in economic activity and rising international oil prices. Gross receipts from travel are expected to increase as a result of growth in visitor arrivals.

The projections are subject to downside risks which include unfavourable weather, a slowing US economy and high international oil prices. These conditions can adversely affect consumer prices, the merchandise trade balance, and overall economic activity.



## ANTIGUA AND BARBUDA

### Overview

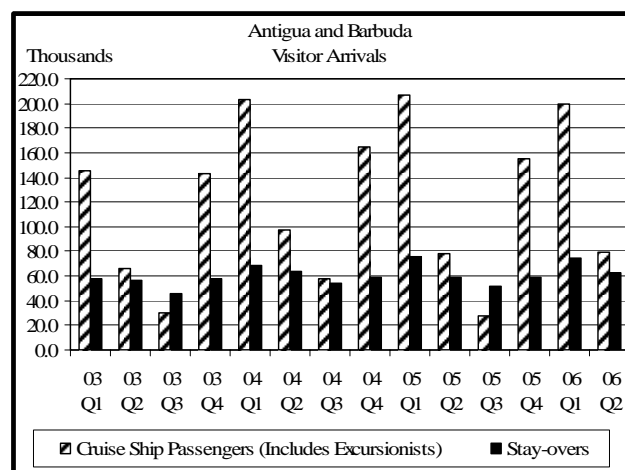
Economic activity in Antigua and Barbuda is estimated to have expanded in the first six months of 2006 relative to the performance in the corresponding period of 2005. The construction sector provided the impetus for growth. The rate of inflation rose by 0.3 per cent during the period under review. The central government's fiscal operations resulted in a narrowing of the overall deficit. Monetary liabilities expanded and commercial bank liquidity remained at a high level. Interest rates were generally stable, except for upward adjustments to the maximum interest rates on some deposits.

Economic activity is projected to increase in the second half of 2006, based on likely developments in construction and tourism. These projections are contingent on favourable developments in the global economy. Shortages of cement and skilled workers for construction, and sustained high international oil prices could weaken economic activity, particularly in construction and tourism. On the central government's fiscal accounts, a larger overall deficit is expected as current and capital expenditure increase.

### Output

Construction activity in the first half of 2006 was fuelled by developments in both the public and

private sectors, primarily associated with Cricket World Cup (CWC) 2007. In the private sector, work continued on hotels, condominiums and housing developments, with new ones being built and some existing ones expanded. Construction of residential properties remained robust, and work began on some guest house-type accommodation. Public sector activity focussed on the cricket stadium for CWC and surrounding infrastructure and on infrastructural development in Barbuda.

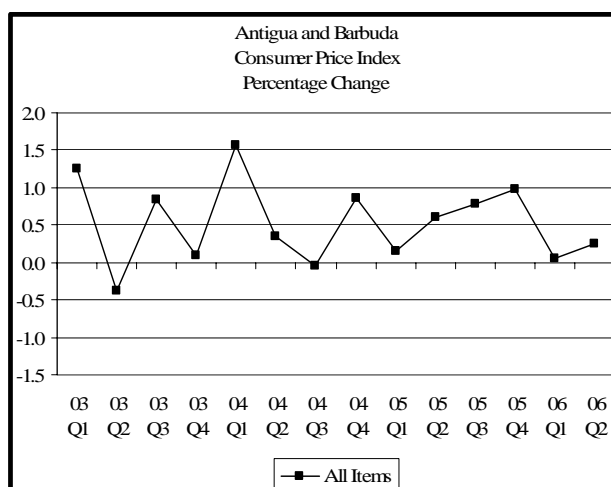


Tourism activity in Antigua and Barbuda declined in the first six months of 2006, despite favourable developments in the stay-over visitor category. Total visitor arrivals decreased by 0.7 per cent to 415,848 in the period under review compared with the amount in the corresponding period of 2005. This outturn resulted from a 1.9 per cent decline to 278,691 in the number of cruise ship visitors, despite a 5.8 per cent increase to 220 in the number of cruise ship calls. This development was partly on account of visits by smaller cruise ships.



Stay-over arrivals grew by 1.8 per cent to 137,157 compared with the total in the first half of 2005. The number of stay-over visitors from the USA increased by 6.8 per cent, compared with growth of 1.0 per cent in the first six months of 2005. This outturn partly reflected additional airlift and increased marketing; the tourism product was re-branded, and some hotels offered special romantic packages during the summer months. Stay-over arrivals from Germany increased by 17.8 per cent, partly attributed to the introduction of weekly direct flights from that country in December 2005. Increases were also recorded in arrivals from the Caribbean (16.2 per cent) and France (10.0 per cent). Those increases were partly offset by declines in arrivals from Italy (11.4 per cent) and the UK (8.4 per cent).

## Prices



The consumer price index grew by 0.3 per cent during the first half of 2006. The “fuel and light” sub-index increased by 2.3 per cent, reflecting a rise

in the cost of electricity caused by the upturn in oil prices on the international market. Increases were also recorded for the sub-indices “education” (0.9 per cent), “food” (0.6 per cent) and “alcoholic beverages and tobacco” (0.6 per cent). All other sub-indices remained unchanged.

## Trade and Payments

Complete trade statistics are not available for the period under review. Data on cargo throughput show that the volume of imports rose by 21.8 per cent compared with the level in the first six months of 2005, largely reflecting increases in the volume of general cargo and cement. The volume of general cargo imported rose by 31.4 per cent, and that of cement more than doubled in line with developments in the construction sector. The volume of exports fell by 33.5 per cent, primarily reflecting a decline in the re-export of fuel.

Gross travel receipts were estimated to have increased by 1.7 per cent to \$456.2m, attributed to growth in the number of stay-over visitors. Commercial bank transactions resulted in a net outflow of \$244.3, in contrast to a net inflow of \$8.1m in the first half of 2005. Inflows of grants, associated with central government’s projects, were estimated at \$42.0m.

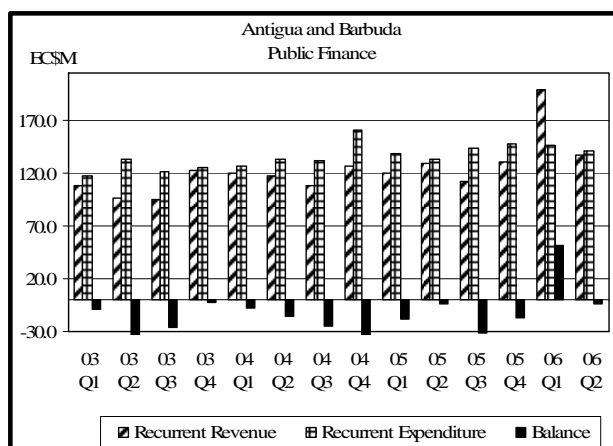
## Central Government Fiscal Operations

The fiscal operations of the central government resulted in an overall deficit of \$16.4m in the first



six months of 2006, well below that of \$41.5m in the corresponding period of 2005. The smaller overall deficit resulted from improvements in the current operations. A current account surplus of \$48.7m was recorded in contrast to a deficit of \$22.0m in the first half of 2005, reflecting faster growth in current revenue relative to the rise in current expenditure. The overall deficit was largely financed by the accumulation of external arrears.

Preliminary data indicate that current revenue grew by 34.4 per cent to \$335.8m, partly on account of budgetary measures introduced in March 2005. Revenue from taxes on income and profits more than doubled to \$77.3m, reflecting collections of personal income tax and larger receipts from corporation tax. Collections from personal income tax, re-introduced in the second quarter of 2005, totalled \$21.9m in the period under review. Revenue from the corporation tax more than doubled to \$55.2m, reflecting the payment of arrears by a large company.



The yield from taxes on international trade and transactions rose by 22.6 per cent to \$167.5m,

attributed to increased collections from consumption tax (38.3 per cent), import duty (24.8 per cent) and the customs service charge (17.2 per cent). This outturn primarily reflected improvements in tax administration and a higher level of activity at the port in January 2006. Revenue from taxes on domestic goods and services grew by 15.3 per cent. Growth in this category of taxes stemmed from increased receipts from stamp duties (18.8 per cent) partly associated with land sales, and from hotel and guest taxes (11.7 per cent), in line with the higher level of stay-over arrivals.

Current expenditure rose by 5.6 per cent to \$287.1m in the first six months of 2006 compared with the total in the corresponding period of 2005. Expenditure on transfers and subsidies grew by 29.5 per cent, partly attributed to the transfer of funds to a company on behalf of a public corporation. Larger outlays on personal emoluments (5.0 per cent) partly reflected an increase in the number of technical staff employed at the Inland Revenue Department to administer new revenue measures. Outlays on goods and services declined by 14.2 per cent, reflecting government's efforts to improve expenditure management. In 2006 the government embarked on an initiative to use funds raised on the RGSM to repay high interest domestic loans. As a result, domestic interest payments declined by 12.2 per cent. However, total interest payments remained relatively stable, as the fall in domestic interest payments was offset by a 6.5 per cent increase in external interest payments.

Capital expenditure more than doubled to \$109.7m, primarily associated with the cricket stadium and infrastructural development in the area around the cricket stadium and in Barbuda.

### Public Sector Debt

Preliminary data indicate that the outstanding stock of public sector debt rose by 3.0 per cent to \$2,739.9m during the first half of 2006. Growth stemmed from a 4.0 per cent increase to \$2,559.0m in central government's debt. The higher level of debt was partly associated with three issues of 91-day treasury bills on the Regional Government Securities Market.

### Money and Credit

Monetary liabilities (M2) expanded by 5.7 per cent to \$2,309.6m during the first half of 2006, mirroring the expansion in economic activity. The rise in M2 reflected increases in all categories of deposits, particularly private sector foreign currency deposits (21.4 per cent), primarily attributed to inflows of foreign direct investment for major construction projects. Increases were also recorded for private sector savings deposits (7.5 per cent), demand deposits (4.4 per cent) and time deposits (3.0 per cent).

Domestic credit grew marginally, by 0.5 per cent to \$1,683.9m. Credit to the private sector rose by 9.2 per cent compared with the level at the end of June 2005, reflecting increased lending to business

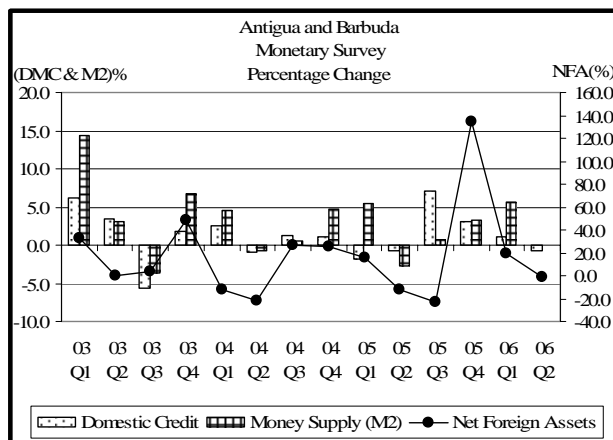
entities (12.6 per cent) and households (6.6 per cent). However, the growth in domestic credit was tempered by a 34.5 per cent decline in the central government's net indebtedness to the banking system. This development was attributed to a more than doubling of growth in central government's deposits with commercial banks, primarily associated with inflows from the issue of treasury bills during the period under review. Decreases were recorded in the net deposits of non-bank financial institutions (80.0 per cent) and non-financial public enterprises (15.2 per cent), reflecting an increase in their deposits and a decline in loans outstanding.

The distribution of commercial bank credit by economic activity shows growth in credit for construction (18.4 per cent), tourism (8.4 per cent) and agriculture and fisheries (6.8 per cent), reflecting the higher level of economic activity. Decreases were recorded in outstanding loans for the distributive trades (3.2 per cent) and the manufacturing (1.1 per cent) sectors.

The net foreign assets of the banking system increased by 18.3 per cent to \$1,589.3m at the end of June 2006 compared with the level at the end of 2005. Growth in net foreign assets was the major counterpart to the increase in monetary liabilities. The increase in net foreign assets primarily reflected a build-up of commercial banks' assets with banks and other financial institutions within the ECCU and internationally. Antigua and Barbuda's imputed share of the Central Bank's reserves stood at



\$345.5m at the end of June 2006, representing a 0.5 per cent increase on the level at the end of December 2005.



Commercial bank liquidity remained at a high level during the first half of 2006. The ratio of liquid assets to total deposits plus liquid liabilities, which measures commercial banks' ability to meet short term obligations, rose by 2.5 percentage points to 56.4 per cent. The loans and advances to total deposits ratio fell by 0.8 percentage point to 75.2 per cent. The cash reserve to deposits ratio stood at 7.9 per cent.

There were some changes in interest rates during the period under review. The maximum rate on savings deposits increased to 4.75 per cent at the end of June 2006 from 4.25 per cent at the end of June 2005. The maximum rate on time deposits rose by 125 basis points to 7.0 per cent. Prime lending rates remained stable and ranged from 10.0 per cent to 11.5 per cent.

## Prospects

Economic activity is projected to expand in 2006, fuelled primarily by developments in construction and supported by tourism. New and ongoing projects are expected to contribute to increased construction activity. In the private sector, work is projected to intensify on building and expanding a number of hotels and condominium developments. In addition, the construction of private homes as well as a number of medium and small scale accommodation establishments is expected to contribute to the growth in economic activity. Activity in the public sector will focus on the cricket stadium, roads and other infrastructural development around St Johns and in Barbuda. Performance in the tourism industry is forecasted to strengthen in 2006, based on increases in the number of hotel rooms and airlift, and on a new marketing thrust in North America.

A current account deficit is projected on the central government's fiscal accounts as the growth in current expenditure is expected to outstrip the increase in current revenue. This is based on a likely surge in current expenditure associated with voluntary severance payments to workers. Growth in current revenue is projected based on measures introduced in 2005 and improvements in tax administration. Higher capital expenditure, primarily associated with preparations for CWC 2007, is also projected. Thus, the overall deficit is expected to widen.



In the external sector, the merchandise trade deficit is projected to widen, based on an increase in import payments consistent with the expansion in economic activity and rising international oil prices.

construction sector, and high oil prices. These could have an adverse impact on economic activity, the merchandise trade balance, consumer prices and the central government's fiscal operations.

The downside risks to these projections include a shortage of cement and skilled workers for the



## DOMINICA

### Overview

Economic activity in Dominica is estimated to have expanded in the first six months of 2006 relative to the corresponding period of 2005. This assessment is based on growth in agricultural production, buoyant construction activity, and an improvement in tourism performance. Manufacturing output decreased. The consumer price index rose by 1.5 per cent during the first half of 2006. The fiscal operations of the central government resulted in a smaller overall surplus. In the external sector, the merchandise trade deficit is estimated to have decreased. Broad money and domestic credit increased, while commercial bank liquidity declined. Interest rates were unchanged during the period under review.

In the second half of 2006 economic activity is projected to increase relative to the performance in the corresponding period of 2005, based on expected developments in the construction sector and tourism industry. The central government is likely to realise a larger current account surplus, based on ongoing fiscal discipline supported by the IMF Poverty Reduction and Growth Facility (PRGF), and the introduction of the value added tax in March 2006. Capital expenditure is projected to increase as new projects are implemented and work on ongoing projects intensifies. High international oil prices pose a downside risk to the projections, particularly

through their likely adverse impact on the merchandise trade balance and consumer prices.

### Output

The growth in agricultural output in the first half of 2006 mirrored an increase in banana production, the major agricultural activity. Banana production rose by 1.1 per cent to 5,719 tonnes, largely as a result of favourable weather. Data on non-banana agricultural production are not available.

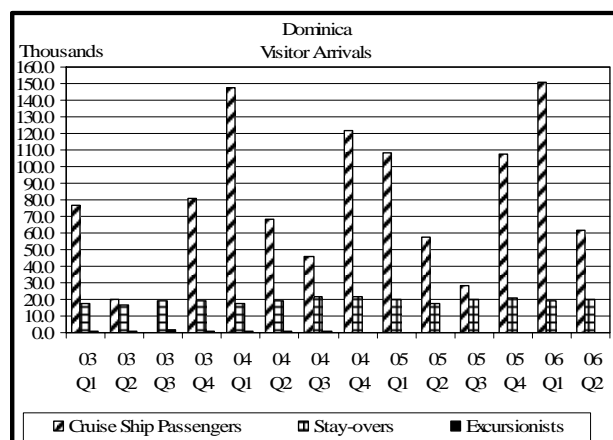
Construction activity in the first six months of 2006 was buoyed by public sector projects which included expanding the Melville Hall airport and developing eco-tourism sites. Public sector activity also focused on schools, a sports stadium and road repairs. Private sector residential construction activity is estimated to have expanded based on growth of 22.0 per cent in the number of construction starts and a 15.8 per cent increase in commercial bank credit for home construction and renovation.

In the tourism industry, the number of stay-over visitors is estimated to have increased by 2.9 per cent to 39,078, due in part to the introduction of flights into Melville Hall airport by a regional airline. Cruise ship activity rebounded as passenger arrivals grew by 27.9 per cent to 212,064, in contrast to a decline of 23.3 per cent in the first six months of





2005. The turnaround reflected a 33.6 per cent increase in the number of calls to 187.

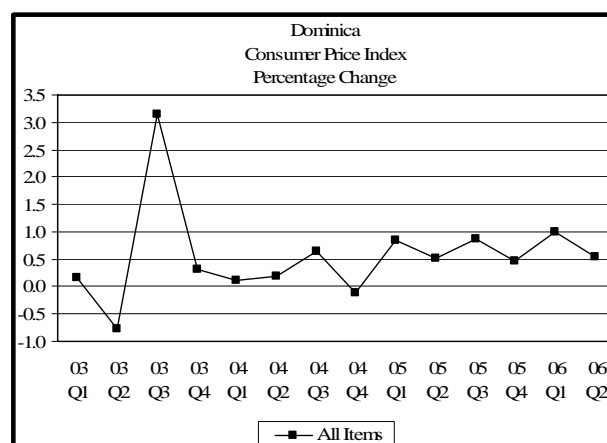


Manufacturing output is estimated to have declined compared with the total in the first half of 2005, reflecting a decrease in production of most major commodities. Reductions were recorded in output of soap (10.6 per cent) and dental cream (9.4 per cent), mainly due to a fall in demand. Beverage production also fell, by 13.0 per cent, on account of a decrease in local demand.

## Prices

The consumer price index rose by 1.5 per cent (on an end-of-period basis) during the first six months of 2006, due in part to an increase in international oil prices and the introduction of the value added tax on 01 March 2006. All sub-indices increased except clothing and footwear, and transport and communication, which fell by 1.0 per cent and 0.4 per cent respectively. The food sub-index, which has the largest weight in the goods and services basket, rose by 2.4 per cent, partly

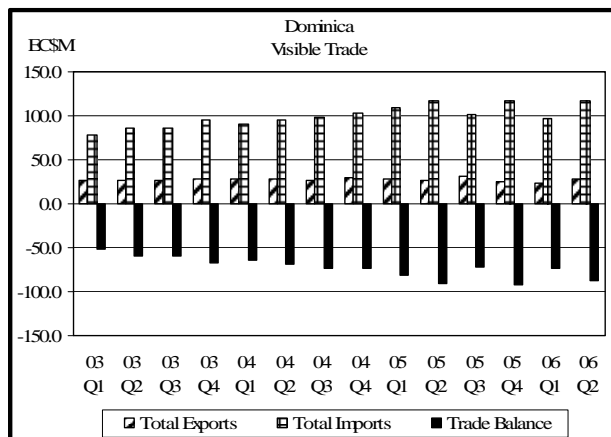
reflecting increases in the price of meat (fresh, chilled and frozen), dairy products and cereals. The fuel and light sub-index rose by 5.8 per cent, attributed to an increase in the fuel surcharge for electricity, reflecting the impact of rising international oil prices.



## Trade and Payments

Provisional data on merchandise trade indicate a deficit of \$163.8m in the first six months of 2006, compared with one of \$171.4m in the corresponding period of 2005. The decrease in the deficit was associated with a decline in the value of imports, largely machinery and equipment, and manufactured goods. The value of exports contracted by 12.1 per cent to \$48.7m, largely as a result of a decline in receipts from domestic exports. Earnings from domestic exports fell by 12.1 per cent to \$47.5m, attributed in part to a decrease in receipts from the category “chemicals and related products”, which includes soap. Receipts from soap exports declined by 6.6 per cent, reflecting a decrease in the volume exported.





Gross inflows from travel are estimated to have increased by 14.7 per cent to \$87.3m, in line with growth in visitor arrivals. There were net inflows of \$1.9m in commercial bank short-term capital, compared with \$3.7m recorded in the first six months of 2005. Disbursements of external loans to the central government amounted to \$2.3m compared with \$13.1m in the first six months of 2005. Inflows of official grants rose by 86.3 per cent to \$38.5m, mainly attributed to the airport and stadium projects.

### Central Government Fiscal Operations

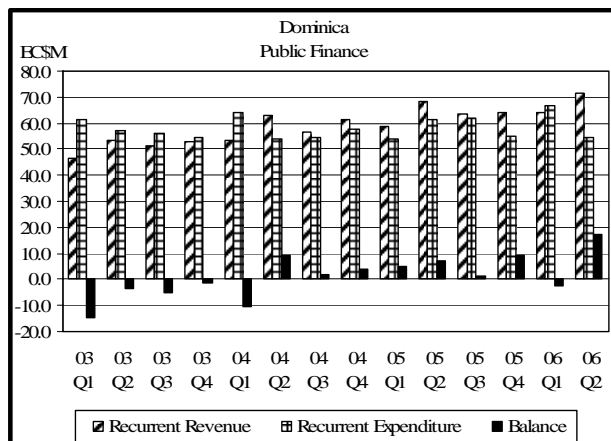
The fiscal accounts of the central government show an overall surplus of \$3.9m in the first half of 2006 compared with one of \$4.7m in the corresponding period of 2005. The reduced surplus was largely a result of increases in both capital and current expenditure. Capital expenditure grew by 45.6 per cent to \$45.0m, largely associated with the Melville Hall airport expansion project and the

sports stadium. Capital expenditure was partly financed by capital grants which amounted to \$38.5m, roughly 86.3 per cent above the total in the first half of 2005.

Current expenditure rose by 7.7 per cent to \$124.3m, mainly driven by increases in interest payments and in outlays on goods and services. Interest payments grew by 51.7 per cent (\$7.3m), largely attributed to an increase in domestic interest payments. This outcome reflected the settlement of outstanding obligations to a non-financial public enterprise in the first quarter of 2006, following negotiations with the government. Expenditure on goods and services increased by 16.5 per cent, influenced by larger outlays on utilities and medical supplies.

Current revenue amounted to \$132.9m, which represented a 4.4 per cent increase on the total in the first half of 2005. The growth in revenue mainly reflected an increase in tax receipts. Revenue from taxes on domestic goods and services rose by 64.1 per cent, mainly associated with the introduction of a value added tax and excise tax on 01 March 2006. The value added tax replaced taxes on consumption, hotel occupancy, entertainment and sales. The yield from taxes on international trade and transactions fell by 27.5 per cent, primarily as a result of the elimination of the consumption tax. Collections from taxes on income and profit rose by 12.2 per cent, largely reflecting the collection of arrears.





The strong growth in expenditure relative to the increase in revenue led to a smaller current account surplus, \$8.6m in the period under review, compared with one of \$11.9m in the first six months of 2005. A primary surplus of \$25.4m was realised, roughly 35.0 per cent above that recorded in the first six months of 2005.

### Public Sector Debt

Preliminary data indicate that at the end of June 2006 the outstanding debt of the public sector stood at \$954.6m, an increase of 0.4 per cent on the total at the end of December 2005. The central government's debt, which represented 81.8 per cent of the total public sector debt, rose by 0.9 per cent, whereas the debt of the public corporations fell by 1.8 per cent to \$173.7m.

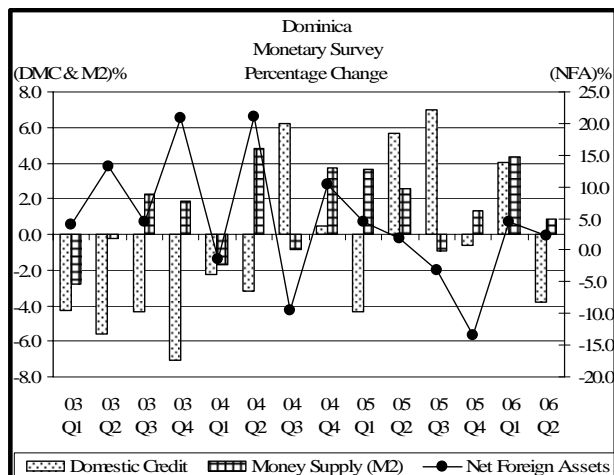
### Money and Credit

Broad money (M2), comprising currency with the public and private sector deposits, rose by 5.2 per cent to \$659.7m during the first six months of

2006, partly attributed to the expansion in economic activity. The increase in M2 reflected growth of 2.5 per cent and 6.0 per cent in narrow money (M1) and quasi-money respectively. An expansion in private sector demand deposits, particularly of households, influenced the increase in M1. Currency with the public, the other component of M1, declined marginally. Growth in private sector savings deposits (5.6 per cent) and time deposits (6.7 per cent) contributed largely to the increase in quasi-money.

The counterpart to the growth in M2 was an 8.9 per cent increase to \$424.9m in domestic credit. Growth was fuelled by increased demand for credit by the private sector (12.6 per cent), associated with a rise in outstanding loans to households and businesses. The net indebtedness of the central government to the banking system fell by 65.4 per cent, as credit declined and deposits increased. Credit to the central government fell by 4.8 per cent, mainly reflecting a reduction in the Central Bank's holdings of government debentures. The deposits of the central government rose by 13.0 per cent, generated in part by larger grant inflows. In the rest of the public sector, an increase in the deposits of the non-financial public enterprises resulted in growth of 32.0 per cent in their net deposits. This outturn mainly reflected the settlement of outstanding obligations by government to a non-financial public enterprise.





The distribution of credit by economic activity indicates that a large proportion of the increase in credit was for personal use, credit for which grew by 12.0 per cent, mainly associated with the acquisition of property. Increases were also recorded in outstanding loans for manufacturing, mining and quarrying and tourism, while credit for agriculture and fisheries declined.

The net foreign assets of the banking system increased by 6.6 per cent to \$338.9m during the first half of 2006. The expansion reflected in part growth in Dominica's imputed share of the Central Bank's reserves (14.4 per cent). Commercial banks' net foreign assets rose by 1.0 per cent, largely reflecting an increase in net foreign assets held with banks and institutions in the rest of the currency union.

Commercial bank liquidity decreased, but remained at a high level during the period under review. The loans and advances to deposits ratio, a measure of liquidity, fell to 57.7 per cent at the end of June from 58.1 per cent at the end of 2005, as

growth in deposits outpaced the increase in loans and advances. The ratio of liquid assets to total deposits plus liquid liabilities was 46.8 per cent at the end of June 2006, roughly 1.9 percentage points below the ratio at the beginning of the year. Interest rates were unchanged during the period under review. The rates on savings deposits ranged from 3.0 per cent to 4.25 per cent, and those on time deposits were in the range of 1.0 per cent to 6.0 per cent. Prime lending rates ranged from 8.5 per cent to 10.0 per cent.

### Prospects

Growth in economic activity is projected for 2006, based on developments in the first half of the year and the outlook for the rest of 2006. The expansion is expected to be driven by construction and tourism. In the construction sector, activity on the airport improvement project and the Windsor Park stadium is expected to intensify, while work is likely to begin on a road improvement and maintenance project. Growth in the number of stay-over visitors is projected as a result of increased marketing and additional flights from Puerto Rico from December 2005. An increase in commercial flights into Canefield airport is also expected to contribute to growth in arrivals. Growth in the agricultural sector will be contingent on developments in the banana industry.

On central government's fiscal accounts, an improvement in the current account balance is projected as revenue increases in line with the

economic expansion. The overall deficit is likely to widen as capital outlays rise. In the external sector, the merchandise trade deficit is projected to widen, as import payments increase along with oil prices, and economic activity expands. Gross inflows from travel are expected to increase in line with visitor arrivals. Broad money and domestic credit are projected to increase as private sector borrowing and

economic activity expand. The consumer price index is projected to rise, influenced by rising oil prices.

The prospects for growth are subject to favourable economic conditions in the major tourism markets, and good weather.



## GRENADA

### Overview

Economic activity in Grenada is estimated to have contracted in the first half of 2006 compared with the performance in the corresponding period of 2005. This downturn was attributed largely to a decline in construction activity, following strong growth in 2005 associated with rehabilitating buildings damaged by hurricane Ivan in September 2004. Agricultural and manufacturing output rose, reflecting a steady recovery from hurricane damage. Tourism activity also increased, led by growth in stay-over arrivals. The consumer price index rose by 0.3 per cent during the period under review. The merchandise trade deficit narrowed, largely attributed to a fall in the value of imports. The central government realised a smaller overall surplus on its fiscal accounts, mainly as a result of decreases in current grants. Commercial bank liquidity remained at a high level.

The prospects for economic growth for the rest of 2006 are favourable, based on the projections for improvements in performance of tourism, manufacturing and agriculture. Unfavourable weather and security concerns in the international airline industry threaten the prospects for growth in 2006.

### Output

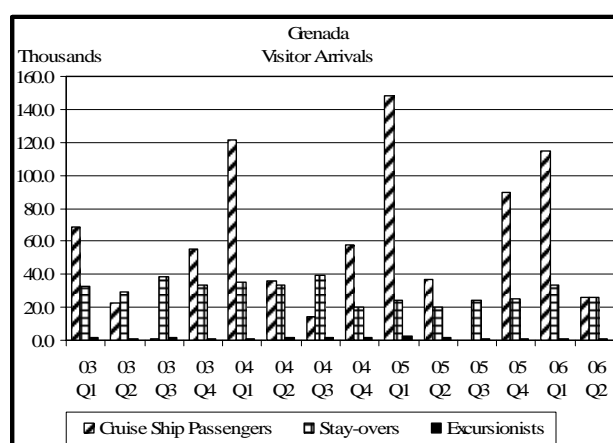
The downturn in construction activity in the first half of 2006 was linked to the completion of major restorative work on buildings and other infrastructure damaged by hurricane Ivan. Reflecting the fall in construction was a 9.3 per cent decline in commercial bank credit extended for that purpose. In the period under review public sector activity focused on upgrading roads and bridges, and rebuilding the Grenada National Stadium and the practice grounds at Progress Park in preparation for Cricket World Cup (CWC) 2007. Private sector activity concentrated on residential properties.

The decline in construction led to decreases in output in the wholesale and retail trade, and transport sectors, which together account for roughly 23.0 per cent of gross domestic product.

In the tourism industry, the number of stay-over visitors grew by 32.5 per cent to 58,513 compared with arrivals in the first half of 2005. This performance was attributable to the reopening of some major hotels that were closed for renovations in the first six months of 2005. Substantial increases were recorded in arrivals from all the major source markets – Europe (68.7 per cent), Canada (62.9 per cent), and the USA (22.8 per cent).



Arrivals from the Caribbean rose by 19.6 per cent due in part to increased promotions. Of the other categories of visitors, yacht passenger arrivals rose marginally, while decreases were recorded in the number of excursionists (45.2 per cent), and cruise ship passengers (24.3 per cent). The number of cruise ship calls fell by 6.0 per cent to 156, partly as a result of increased competition from other destinations, including US home ports.

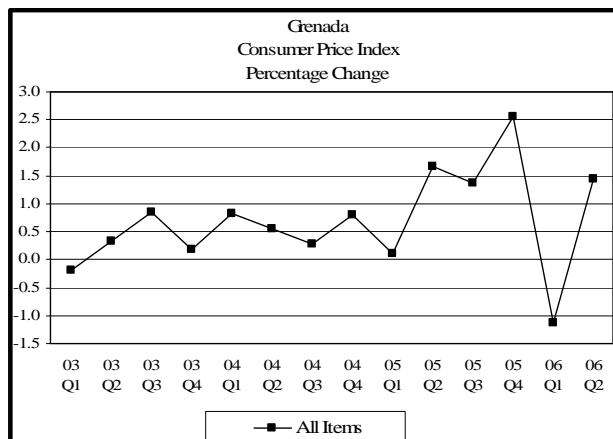


Agricultural activity rebounded in the first six months of 2006 compared with the outturn in the corresponding period of 2005. Output of traditional crops grew substantially, attributable in part to favourable weather and a crop recovery programme implemented by government in the aftermath of hurricane Ivan. Cocoa and mace production more than doubled and output of nutmeg rose more than threefold. Banana production amounted to 299 tonnes, which was above the pre-Ivan level of 276 tonnes in the first half of 2004.

Output in the manufacturing sector increased in the first half of 2006 compared with production in the corresponding period of 2005, partly reflecting some recovery from hurricane damage. Growth was recorded in the production of stout (102.8 per cent), beer (73.6 per cent), malt (24.5 per cent) and rum which increased from 3,245 gallons in 2005 to 53,308 gallons in 2006. Output of prepared animal feed rose by 27.0 per cent. In contrast, output of soft drinks fell, and cigarette production, which has been declining since the passage of hurricane Ivan, ceased with the closure of the factory in the first quarter of 2006.

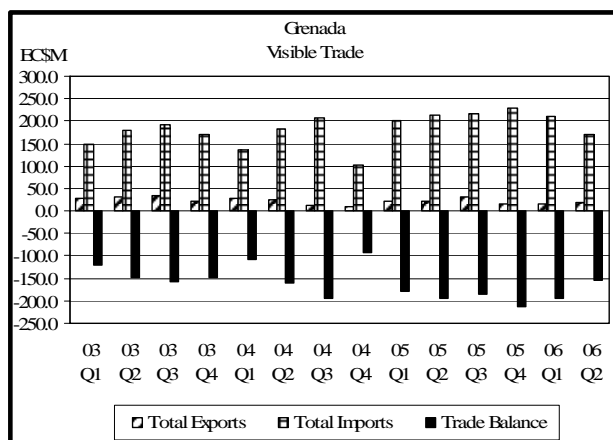
### Prices

The consumer price index rose by 0.3 per cent (on an end of period basis) during the period under review. The increase was driven by higher prices for food and housing, which were partly offset by a decrease in prices in the fuel and light sub-index. The food sub-index, the largest weighted in the goods and services basket, increased by 1.7 per cent, attributable to higher prices for a variety of foodstuffs. The “housing” sub-index rose by 1.2 per cent, reflecting rises in rent and prices of building materials, in particular cement. The “fuel and light” sub-index fell by 9.2 per cent, reflecting decreases in the cost of kerosene and liquid propane gas. The “education” sub-index also decreased, by 2.2 per cent, as a result of a fall in the price of text books.



**Trade and Payments**

A merchandise trade deficit of \$349.2m was recorded in the first six months of 2006 compared with one of \$370.8m in the corresponding period of 2005. The narrowing of the deficit was largely the result of a decrease in import payments, partly attributable to a fall in imports of building materials. The value of exports decreased by 25.1 per cent, mainly reflecting reduced receipts from agricultural exports, particularly nutmeg (77.6 per cent) and mace (46.1 per cent). Receipts from manufactured exports, however, increased by 10.7 per cent.



Gross travel receipts are estimated to have increased by 34.7 per cent to \$128.2m, in line with the increases in stay-over visitor arrivals and yacht passengers, the two largest spending groups of visitors. Disbursements of external loans to the central government amounted to \$15.8m for the first six months of 2006, well below the total of \$35.5m for the comparative period in 2005, in keeping with government’s commitment to keep debt at a sustainable level. The commercial banking sector registered a net inflow of \$40.5m in short term capital during the first half of 2006, as banks drew down their assets to finance domestic credit growth.

**Central Government Fiscal Operations**

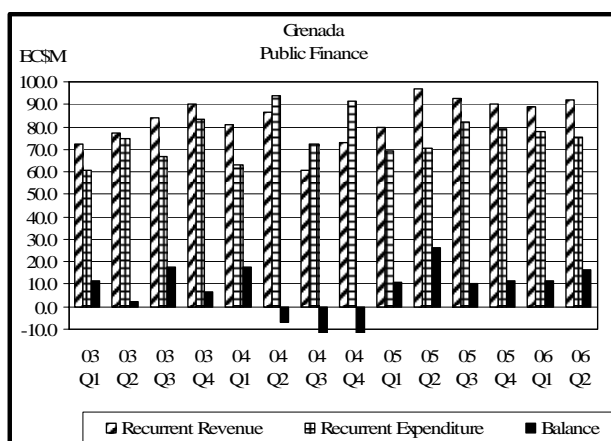
The fiscal operations of the central government resulted in a smaller overall surplus of \$2.8m in the first six months of 2006 compared with one of \$61.9m in the corresponding period of 2005. This outturn was largely attributed to a decrease in receipts of current grants. A current account surplus of \$39.9m was recorded, well above that of \$23.8m in the first half of 2005. The larger surplus stemmed from a 6.7 per cent increase in current revenue coupled with a 2.7 per cent decrease in current expenditure.

Of the components of current revenue, growth in receipts from taxes on income and profits was substantial at 30.2 per cent. This development reflected the implementation of the national reconstruction levy at the beginning of 2006. Receipts from taxes on domestic goods and services



rose by 14.0 per cent, reflecting an increase in collections from consumption tax. Revenue from taxes on international trade and transactions fell by 6.0 per cent, in line with the contraction in import payments. Non-tax revenue was estimated at \$15.1m during the first half of 2006.

The fall in current expenditure largely reflected a 49.8 per cent (\$11.8m) decline in interest payments, attributable to debt restructuring. Outlays on transfers and subsidies grew by 28.0 per cent, partly associated with larger outlays on subventions to foreign institutions. Expenditure on personal emoluments rose by 1.2 per cent, due in part to increases in merit payments and allowances. Outlays on goods and services rose marginally.



Capital expenditure totalled \$71.5m compared with \$68.4m in the first half of 2005. Capital outlays were mainly associated with infrastructural development, in particular the national stadium, financing for which was largely obtained from local sources and grants. Grants amounted to \$26.7m;

this was well below receipts of \$106.1m in the first half of 2005, most of which was for hurricane relief.

**Public Sector Debt**

Preliminary data indicate a 2.4 per cent increase to \$1,624.5m in the outstanding public sector debt during the first half of 2006. Growth of 2.4 per cent in the outstanding stock of debt of the central government was primarily responsible for the increase in the public debt. The central government’s debt stood at \$1,399.4m, representing 86.1 per cent of total public sector debt.

**Money and Credit**

Broad money (M2) totalled \$1,482.1m at the end of June 2006, representing a 0.9 per cent increase on the amount at the end of December 2005. Growth in broad money mainly reflected a 4.9 per cent increase in narrow money (M1) which was tempered by a 0.2 per cent decrease in quasi money. Of the components of M1, private sector demand deposits grew by 10.4 per cent, while currency with the public fell by 6.0 per cent. The decrease in quasi money reflected a 28.1 per cent decline in private sector foreign currency deposits which more than offset increases in private sector time deposits (4.1 per cent) and savings deposits (2.1 per cent).

Domestic credit grew by 5.1 per cent to \$1,088.8m during the first half of 2006, reflecting increases in outstanding loans to the private sector and the central government. Credit extended to the



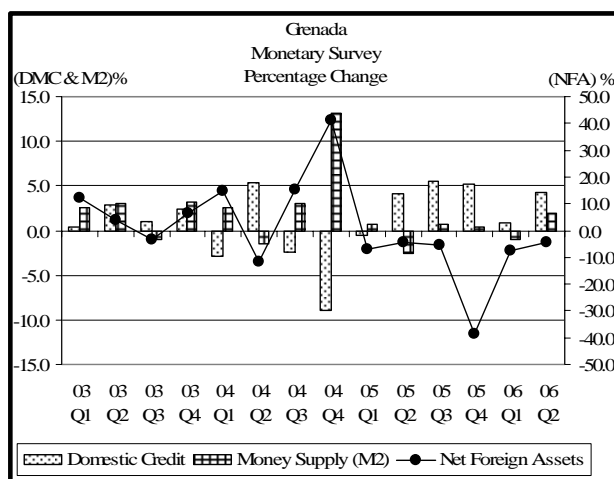
private sector rose by 4.8 per cent, attributable to increases in credit to businesses (11.1 per cent) and households (1.5 per cent). The net indebtedness of the central government to the banking system rose by 18.3 per cent (\$2.8m), influenced by an increase in outstanding loans and advances associated with infrastructural development. The net deposits of the non-bank financial institutions decreased by 3.9 per cent, attributed to a fall in their deposits.

The classification of commercial bank credit by economic activity shows that a large portion of the increase in credit extended during the period under review was channelled to personal use. Credit for personal use rose by 3.2 per cent, reflecting growth in lending for the acquisition of property, particularly house and land purchase. Increases were also recorded in credit for tourism and agriculture, partly attributed to the expansion in activity in those sectors. Outstanding loans for construction fell by 9.3 per cent, mirroring the lower level of activity in that sector.

The net foreign assets of the banking system contracted by 11.9 per cent to \$295.2m during the first half of 2006, mainly influenced by developments in the commercial banking sector. Commercial banks drew down on their assets abroad to meet the increased demand for domestic credit. Accordingly the net foreign assets of the commercial banks fell by 50.0 per cent (\$40.5m), largely reflecting a decline in assets held abroad and in other ECCB territories. Grenada’s imputed share of the reserves held by the Central Bank stood at \$255.2m, marginally above the level at the end of 2005.

Commercial bank liquidity remained at a high level although a decrease was observed during the first six months of 2006. The ratio of liquid assets to total deposits plus liquid liabilities fell by 2.9 percentage points to 28.1 per cent at the end of June 2006. The loans and advances to deposits ratio rose by 2.3 percentage points to 68.3 per cent, mainly influenced by a 5.4 per cent increase in loans and advances. The cash reserves to deposits ratio stood at 7.6 per cent.

Interest rates on deposits were unchanged during the period under review. The rates on savings deposits ranged from 3.0 per cent to 4.0 per cent, and those on time deposits ranged from 1.0 per cent to 5.0 per cent. Prime lending rates increased by 1.0 percentage point at the upper end to 10.5 per cent.



## Prospects

Prospects for the second half of 2006 are favourable compared with the performance in the corresponding period of 2005, based on expected developments in tourism, manufacturing and agriculture. In the tourism industry, growth in stay-over visitor arrivals is projected based on the reopening of hotels, increased marketing and assuming favourable weather. Cruise ship passenger arrivals are expected to fall as the number of calls and visits by smaller vessels decreases. Growth in agricultural and manufacturing output is projected, as crops recover from hurricane damage and as businesses resume full operations. Construction activity is expected to contract, as work on the stadium and practice grounds, as well as on residential buildings and small tourist facilities nears completion. A smaller merchandise trade deficit is projected based on a decrease in imports of building materials and machinery. Consistent with the decline in the construction activity, value added in the mining and quarrying, and wholesale and retail trade sectors is expected to fall.

On central government's fiscal accounts, current revenue is projected to increase, based in part on growth in tax revenue. With the introduction of the national reconstruction levy and plans to update the values of properties throughout the island, the government expects higher collections from taxes on income and property. Improvements in the collections and audit capacity of the customs are likely to raise the intake from taxes on international trade and transactions. Current expenditure is projected to decline, based on a decrease in outlays on interest payments associated with debt restructuring. Capital expenditure is expected to be above the level in 2005, based on ongoing work on the stadium and practice grounds and other infrastructure development projects.

Downside risks to the projections include adverse weather and rising international oil prices. Increasing geopolitical tension could also have an adverse impact on tourist travel from the major source markets.



## MONTSERRAT

### Overview

Montserrat's economy declined in the first half of 2006 compared with the outturn in the corresponding period of 2005. This outturn was largely the result of a decrease in construction activity, a major contributor to gross domestic product in Montserrat. Consumer prices rose by 0.5 per cent during the period under review. The merchandise trade deficit narrowed as import payments fell. The central government's fiscal balance shifted from a deficit to a surplus. Monetary liabilities expanded while domestic credit contracted, contributing to an increase in liquidity.

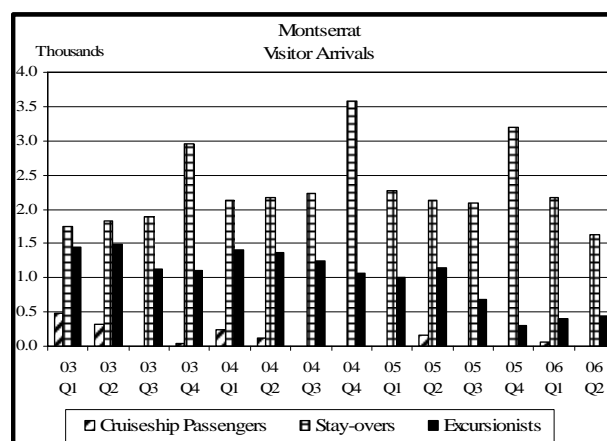
Economic activity is projected to expand in the second half of 2006 compared with the corresponding period of 2005. The expansion is expected to be driven by activity in the construction sector, as work on the Lookout housing development project intensifies in the second half of 2006. High oil prices coupled with the continued threat of volcanic eruptions, pose major challenges to the economy.

### Output

The decline in construction activity in the first half of 2006 was attributed to a fall in public sector investment associated with the completion of the airport project in the first half of 2005. Public sector activity focused on the start of the Lookout housing

project. Private sector activity concentrated on a cultural centre and residential and commercial construction.

Activity in the tourism industry declined in the period under review, mainly as a result of the discontinuation of the ferry service between Antigua and Montserrat, coupled with the continued threat of volcanic eruptions. The number of stay-over visitors fell by 14.6 per cent to 3,771, largely reflecting a decrease in arrivals from the Caribbean. The number of excursionists also fell, by 61.0 per cent to 841. Those declines led to a 28.2 per cent fall in the total number of visitors to 5,458.

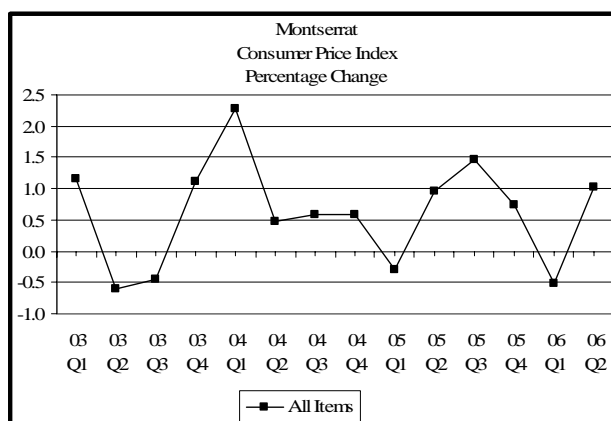


Agricultural production is estimated to have increased, based on a more than threefold increase in crops harvested. In the rest of the agricultural sector, the volume of fish caught rose by 5.2 per cent to 60,486 pounds.



## Prices

The consumer price index rose by 0.5 per cent during the first half of 2006 compared with 0.7 per cent in the corresponding period of 2005. Increases were recorded for the sub-indices gas, electricity and water (4.7 per cent), food (0.5 per cent), and clothing and footwear (0.5 per cent). The relatively large increase in the gas, electricity and water sub index reflects upward adjustments to the retail price of fuel. Those increases were partially offset by declines in the sub-indices alcohol and tobacco (1.3 per cent) and household goods (2.6 per cent).



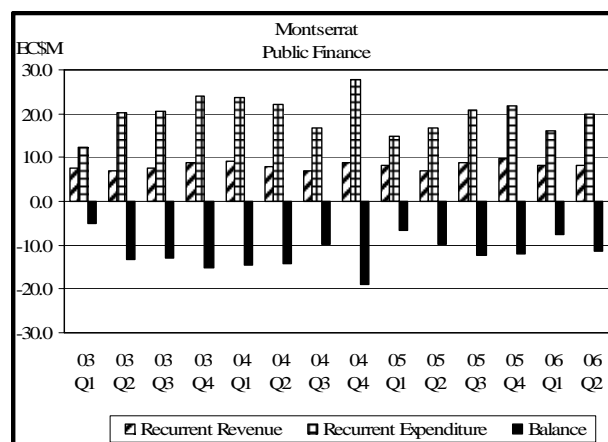
## Trade and Payments

A merchandise trade deficit of \$32.5m was recorded, compared with one of \$34.0m in the first half of 2005. The smaller deficit was the result of a fall in import payments and an increase in the value of exports. Import payments declined by \$1m to \$34.4m, reflecting decreases in the volume and value of diesel imports after the ferry service was discontinued. Gross travel receipts fell by \$1.2m to \$10.2m, in line with the decline in the number of

visitors. Total grant inflows increased by 58.7 per cent to \$28.9m, representing larger receipts of current grants. Commercial bank external transactions resulted in a net outflow of \$10.3m in short-term capital in contrast to a net inflow of \$19.3m in the first half of 2005.

## Central Government Fiscal Operations

The overall fiscal balance shifted from a deficit of \$12.4m in the first half of 2005 to a surplus of \$0.6m in the corresponding period of 2006. This outturn was influenced by a 58.7 per cent increase to \$28.9m in grant receipts, largely current grants, and a decrease in capital outlays. Capital expenditure fell by 26.6 per cent, consistent with the decline in public sector construction activity.



The current account deficit (before grants) was \$20.2m, which was above the deficit of \$19.5m in the first half of 2005, attributable to an increase in expenditure. Current expenditure grew by 2.8 per cent to \$36.9m, mainly reflecting increased outlays on goods and services, and personal emoluments.



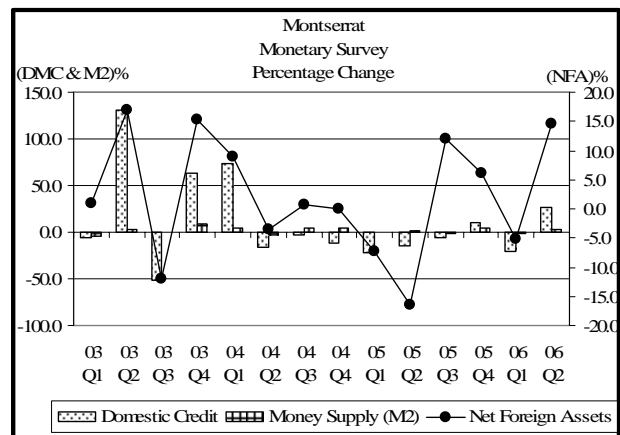
The rise in outlays on goods and services (\$1.6m) was largely associated with ash cleaning following a volcanic eruption, and increased expenditure on fuel-related supplies. Growth of \$1.6m in expenditure on personal emoluments was partly attributable to salary increases to civil servants in May 2005. Current revenue rose by 2.2 per cent to \$16.7m, largely as a result of an increase in receipts from taxes on income and profits. Non tax revenue rose by 36.4 per cent (\$0.4m).

### Public Sector Debt

The public sector disbursed outstanding debt was estimated at \$12.3m at the end of June 2006, marginally below the total of \$12.9m at the end of December 2005. The outstanding debt of the public corporations which account for the major share of public sector debt fell to \$8.1m from \$8.5m at the end of 2005. The stock of debt of the central government was \$4.2m compared with \$4.5m at the end of 2005.

### Money and Credit

Broad money (M2) rose by 1.7 per cent to \$125.8m during the period under review, slightly above the 1.1 per cent increase in the corresponding period of 2005. Growth in M2 was driven by increases in private sector savings (\$2.6m) and foreign currency deposits (\$1.5m). Narrow money declined by \$1.3m, due to a fall in private sector demand deposits partly associated with the decrease in economic activity.



Commercial bank credit to the private sector rose by 2.2 per cent to \$28.7m, largely reflecting growth in outstanding loans to households. The net deposits of the central government rose by 10.8 per cent, reflecting an increase in deposits associated with grant receipts, which more than offset a rise in credit. The net deposits of non-financial public enterprises declined by 5.8 per cent (\$1.0m).

An analysis of credit by economic activity shows that a major portion of the increase in credit was for personal use which rose by 3.8 per cent, largely for the acquisition of property. Credit for construction fell by 7.2 per cent, consistent with the decline in activity in that sector. Outstanding loans for tourism rose by 4.2 per cent.

The net foreign assets of the banking system stood at \$172.9m at the end of June 2006, representing an 8.8 per cent increase on the total at the end of December 2005. Commercial banks' net foreign assets rose by 8.5 per cent, reflecting an increase in assets held in other ECCB territories.

Montserrat's imputed share of the ECCB's reserves increased by 9.6 per cent to \$41.3m.

Commercial bank liquidity remained at a high level during the first half of 2006. The ratio of liquid assets to total deposits plus liquid liabilities rose to 110.7 per cent at the end of June 2006 from 105.6 per cent at the end of 2005. The loans and advances to deposits ratio increased by 0.6 percentage points to 16.0 per cent.

There were some changes in interest rates during the period under review. The maximum rate on saving deposits was reduced by one percentage point to 3.5 per cent. The maximum rate on time deposits of three to six months duration rose by 2.0 percentage points to 4.0 per cent, and that on time deposits between one to two years increased by 2.5 percentage points to 4.0 per cent. The prime lending rate remained unchanged at 9.5 per cent.

### Prospects

Economic activity in Montserrat is expected to improve in the second half of the year, largely as a result of an increase in construction associated with the start of the housing project at Lookout and the public market, as well as private sector residential building. However, real GDP is projected to

contract in 2006 as the decline in activity in the first half of the year is expected to more than offset the increase in the second half of 2006. Activity in the tourism industry is projected to decline, partly as a result of the discontinuation of the ferry service. The outlook for agricultural production is contingent on developments in relation to volcanic activity, and the weather.

The current account deficit of the central government is projected to widen, based on strong growth in expenditure. Outlays on goods and services are projected to increase, associated with the ash cleaning programme. Growth in expenditure on personal emoluments is projected, based on salary increases awarded to civil servants effective January 2006, but paid from July 2006. Growth in capital expenditure is contingent on the rate of implementation of the housing project and on the start of other public sector projects during the latter half of the year.

The merchandise trade deficit is projected to decrease in 2006 based on reduced payments for imports, particularly fuel related imports associated with the discontinuation of the ferry service. Gross inflows from travel will decrease, based on the decline in the number of visitors.



## ST KITTS AND NEVIS

### Overview

Preliminary data indicate that economic activity in St Kitts and Nevis expanded in the first half of 2006 relative to the performance in the corresponding period of 2005. This outcome was influenced in part by strong construction activity and increased output in the manufacturing sector. Performance in the tourism industry was mixed, while agricultural output fell in the wake of the sugar industry's closure in July 2005. The federal government's overall fiscal deficit widened as a result of higher capital expenditure. Total monetary liabilities rose, commercial bank liquidity remained at a high level, and interest rates were unchanged.

For the remainder of 2006 economic growth will continue to be fuelled by construction as preparations for Cricket World Cup (CWC) 2007 intensify. The fiscal operations of the federal government are expected to result in a larger overall deficit, based on an increase in expenditure on capital projects.

### Output

Growth in the construction sector was driven by ongoing work on the Warner Park stadium in preparation for CWC 2007, expanding the airport in St Kitts, and developing commercial properties at Port Zante. Other projects include a fisheries complex, a sporting complex, upgrading commercial

buildings in Basseterre, hotel, villa and housing development, and road construction and rehabilitation. The higher level of construction activity was reflected in increases in the volume of cement (30.7 per cent) and lumber (5.4 per cent) imported in the first half of 2006 compared with the total in the corresponding period of 2005.

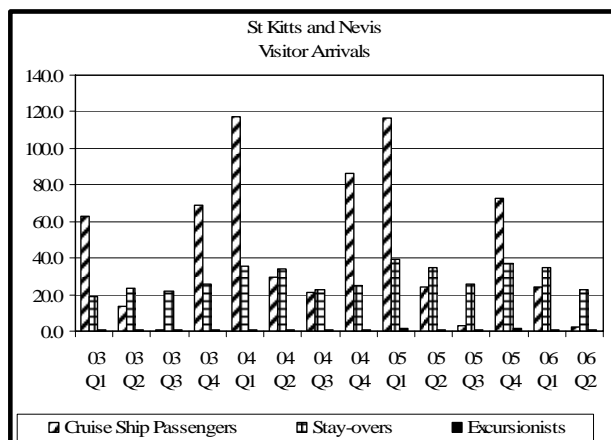
Activity in the manufacturing sector remained buoyant, despite the discontinuation of sugar manufacturing from July 2005. Production of electronic components is estimated to have been above the total in the first half of 2005, based on an increase in exports to the USA. Output of beverages rose, attributable to an increase in external demand. The production of blocks and pre-mixed concrete is estimated to have expanded, based on the volume of cement imported and the high level of construction activity.

Complete data on visitor arrivals to St Kitts and Nevis are not available for the period under review. Estimates of stay-over arrivals indicate a 2.0 per cent increase on the total in the first half of 2005, partly attributed to the hosting of international cricket matches and the annual meeting of the International Whaling Commission. The number of cruise ship passengers fell by 6.1 per cent, despite an increase in cruise ship calls. This outturn was the result of visits by smaller vessels. As a consequence total visitor arrivals are estimated to have decreased by 3.2 per





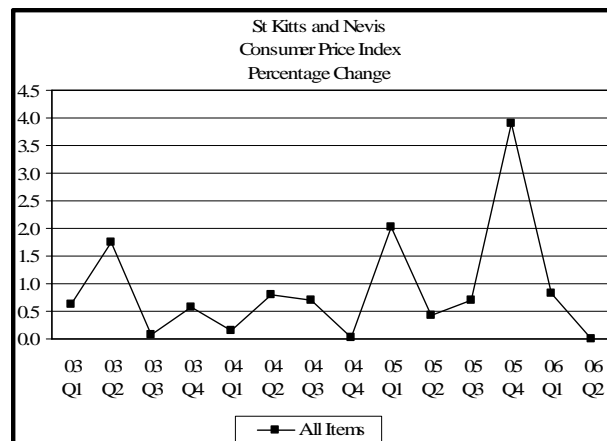
cent to 214,973 compared with the amount in the first half of 2005.



Output in the agricultural sector is estimated to have been below the total in the first half of 2005, as no sugar cane was harvested due to the closure of the sugar industry. Data on non-sugar cane crops, available for St Kitts only, reveal a 26.3 per cent increase in production. This performance was partly as a result of increased demand by hotels for fruits, particularly pineapple and watermelon. In the livestock sub-sector decreases were recorded in the production of mutton (2.9 per cent), egg (2.5 per cent) and beef (1.8 per cent), while output of pork and goat rose by 13.2 per cent and 5.9 per cent respectively.

### Prices

Complete data on consumer prices are not available for the first half of 2006.



### Trade and Payments

Complete trade statistics are not available for the period under review. Data on cargo throughput for St Kitts alone indicate that the volume of imports was 0.9 per cent above the total in the first half of 2005, reflecting increased imports of cement and vehicles, partly offset by a decline in fuel imports. The volume of exports fell by 73.2 per cent on account of reductions in sugar and molasses exports, associated with the closure of the sugar industry. The volume of non-alcoholic beverages exported more than tripled.

Gross travel receipts as represented by total visitor expenditure are estimated at \$182.1m, a 3.4 per cent increase over the total for the first half of 2005, reflecting growth in the number of stay-over visitors. External loan disbursements to the federal government amounted to \$4.0m, whereas loan repayments totalled \$30.3m, resulting in net repayment of \$26.3m in the first half of 2006.



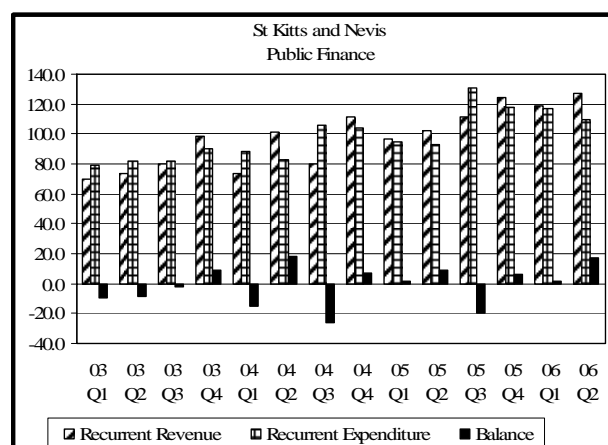
Commercial bank transactions resulted in a net outflow of \$77.5m in short-term capital, compared with a net outflow of \$163.6m in the first six months of 2005.

### Central Government Fiscal Operations

The fiscal accounts of the federal government for the first half of 2006 show an overall deficit of \$14.8m, well above that of \$3.7m in the corresponding period of 2005. The widening of the deficit was attributable to an 83.6 per cent increase to \$44.0m in capital expenditure associated with a number of projects. These include the Warner Park stadium development, a fisheries complex in Old Road and road development. The primary balance (excludes interest payments) showed a surplus of \$46.7m compared with one of \$37.1m in the first half of 2005.

A current account surplus of \$16.2m was realised, more than double the surplus of \$6.1m recorded in the first half of 2005, as the increase in revenue exceeded that of expenditure. Current revenue rose by 26.8 per cent to \$245.7m, reflecting larger yields from both tax and non-tax sources. The increase in tax revenue (22.6 per cent) was largely attributable to growth of 77.4 per cent (\$22.7m) in receipts from taxes on domestic goods and services, reflecting higher collections from stamp duties. Proceeds from stamp duties rose by \$20.4m, associated with land sales for tourism related projects. Collections of taxes on property more than doubled to \$6.4m, influenced by increased receipts

from land tax. Receipts from taxes on income and profits grew by 8.3 per cent (\$3.4m), reflecting larger collections from corporate income tax (\$3.1m), partly on account of a higher compliance level. Increases in revenue from import duty (\$1.8m) and consumption tax (\$1.5m) contributed to growth of \$4.4m in receipts from taxes on international trade and transactions. Non-tax revenue grew by 41.0 per cent (\$18.0m), reflecting increased collections by the electricity department (\$11.4m), following the introduction of a fuel surcharge in late 2005. Interest and dividends earned by the government increased by \$3.5m.



Current expenditure rose by 22.2 per cent to \$229.5m, largely associated with an increase in domestic interest payments which more than doubled to \$40.8m compared with the total in the first half of 2005. The growth in interest payments was the result of increased borrowing from the commercial banking system to finance the capital investment programme and for severance payments to former sugar industry workers. Debt servicing on behalf of the former St Kitts Sugar Manufacturing

Corporation also contributed to the rise in interest payments. Outlays on transfers and subsidies rose by 31.1 per cent (\$6.9m), partly on account of severance payments (\$4.9m) to former sugar workers. Spending on goods and services increased by 27.5 per cent (\$12.3m), partly reflecting higher operating and maintenance costs for electricity generation.

The disaggregated accounts of the federal government show that the central government incurred a larger overall deficit, \$16.6m compared with \$8.6m in the first half of 2005, as a result of a \$12.9m increase in capital expenditure. A current account surplus of \$3.6m was realised in contrast to a deficit of \$2.6m in the first half of 2005. This outturn was attributable to growth in revenue, largely reflecting increased receipts from stamp duties and from the provision of electricity services. Current expenditure grew by 25.9 per cent, as a result of increases in interest payments and outlays on fuel supplies. A primary surplus of \$39.9m was realised compared with one of \$25.2m in the first half of 2005.

An overall surplus of \$1.8m was realised by the Nevis Island Administration (NIA), down from the surplus of \$5.0m in the first half of 2005. This outturn is attributed to a \$7.2m increase in capital expenditure, mainly associated with hospital, airport and road improvement projects. A current account surplus of \$12.7m was achieved, as growth in current revenue (13.7 per cent) exceeded that in expenditure (5.2 per cent). The relatively strong

growth in revenue resulted from increased receipts from stamp duties. Larger outlays on goods and services, and on personal emoluments contributed to the increase in expenditure.

### **Public Sector Debt**

Preliminary data indicate that the disbursed outstanding debt of the public sector stood at \$2,294.9m at the end of June 2006, roughly 4.0 per cent above the total at the end of December 2005. The outstanding debt of the federal government rose by 4.5 per cent to \$1,425.5m. This outturn was influenced by an 8.6 per cent increase in domestic debt, largely from the commercial banking system, as the central government borrowed to finance its infrastructural development programme and to pay severance to former sugar workers. External loan obligations declined by 0.9 per cent.

### **Money and Credit**

Broad money (M2) grew by 11.6 per cent to \$1,284.3m during the first half of 2006, reflecting expansions in both quasi money and narrow money (M1). Quasi money rose by 12.6 per cent, largely driven by increases in private sector foreign currency deposits, savings deposits and time deposits. Narrow money (M1) grew by 5.4 per cent, reflecting increases in both private sector demand deposits and currency with the public.

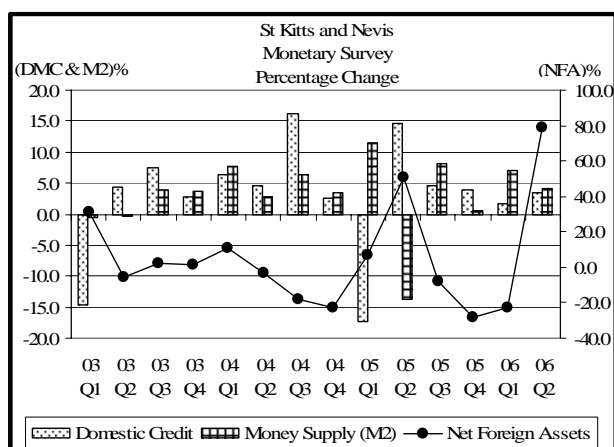
Domestic credit totalled \$1,197.5m at the end of June 2006, representing an increase of 5.8 per cent



on the level at the end of December 2005. This rise in credit was the result of an expansion in lending to the federal government and the private sector. The net indebtedness of the federal government to the banking system grew by 18.7 per cent, reflecting increases of 20.7 per cent and 2.1 per cent in net credit to the central government and the NIA respectively. Loans and advances from the commercial banks to the central government rose by 33.9 per cent, associated with severance payments to former sugar industry employees, and financing for the capital investment programme. Credit to the private sector increased by 5.2 per cent, as a result of growth in lending to business enterprises (8.3 per cent) and households (3.4 per cent), reflecting the expansion in economic activity.

with most of the increase channeled into house and land purchase, for which credit grew by 8.8 per cent. Decreases were recorded in credit for tourism-related activities (4.2 per cent) and agriculture (1.3 per cent).

The net foreign assets of the banking system rose by 38.7 per cent to \$339.6m during the period under review, largely on account of a more than twofold increase in commercial banks' net foreign assets. Commercial banks' net assets held with institutions outside the Eastern Caribbean Currency Union rose substantially, reflecting an increase in foreign investment. St Kitts and Nevis' imputed share of the Central Bank's reserves rose by 9.0 per cent to \$210.0m at the end of June.



The distribution of commercial bank credit by economic activity indicates an increase in outstanding loans for distributive trades (6.6 per cent) and for personal use (3.5 per cent), which together accounted for 42.7 per cent of total credit. Outstanding loans for personal use rose 3.5 per cent,

Liquidity in the commercial banking system remained at a high level during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities was 39.6 per cent compared with 39.2 per cent at the end of December 2005. The loans and advances to deposits ratio fell by 1.6 percentage points to 78.8 per cent, as deposits grew at a faster rate than the increase in credit.

Interest rates remained unchanged during the period under review. The rates offered on savings deposits ranged from 3.0 per cent to 5.5 per cent and those on time deposits were in the range of 1.0 per cent to 6.5 per cent. Prime lending rates ranged from 8.5 per cent to 9.0 per cent.

**Prospects**

Growth in economic activity is projected for 2006 based on the performance in the first half of the year and expectations for the rest of 2006. The expansion in construction activity is likely to be sustained in the second half of 2006. Public sector construction activity will focus on completing the Warner Park Stadium and the airport expansion project for CWC. Work will also continue on the fisheries complex at Old Road and road improvements. In the private sector, activity will concentrate on ongoing construction of commercial buildings at Port Zante, a racecourse, residential properties and the start of major hotel and villa development in St Kitts and Nevis. Growth in manufacturing production is likely, based on increases in output of beverages on account of a favourable export market, and in masonry products as a result of the expansion in the construction sector.

Performance in the tourism industry is likely to be mixed. Growth in stay-over arrivals is expected to be sustained, whereas the downward trend in the number of cruise ship passengers is projected to continue. Agricultural output is projected to decline.

The fiscal operations of the federal government are expected to result in a larger overall deficit based on a projected increase in capital outlays. The current account balance will likely improve on account of increased revenue associated with land sales for hotel and villa development and a higher level of collections for electricity services. Current expenditure is projected to increase, influenced by the rise in oil prices.

The major risk to the projections is high and volatile oil prices. These could have an adverse effect on tourist travel from some of the major markets, on domestic consumer prices and on the central government's fiscal operations, through increased expenditure for electricity generation.



## SAINT LUCIA

### Overview

Saint Lucia's economy is estimated to have expanded in the first six months of 2006 compared with the corresponding period of 2005. This performance was fuelled largely by developments in the construction sector, as the authorities undertook infrastructural upgrading to host Cricket World Cup 2007 and work continued in the private sector on a number of tourism related projects. Output in the agricultural sector is estimated to have expanded based on an increase in banana production, while tourism activity declined. The consumer price index (CPI) rose by 0.1 per cent during the first half of 2006. The merchandise trade deficit is estimated to have widened, attributable to an increase in import payments. A smaller overall deficit was recorded on the fiscal accounts of the central government, reflecting growth in current revenue. Monetary liabilities and domestic credit expanded, and liquidity tightened. Interest rates remained unchanged except for some categories of time deposits.

Growth in economic activity is expected to be sustained in the remainder of 2006, as construction activity is projected to increase compared with the level in the second half of 2005. The merchandise trade deficit is expected to widen based on an increase in import payments influenced by imports of construction related materials and fuel. High and volatile petroleum prices on the international market

pose the major downside risk to the economic outlook for Saint Lucia. An observed softening in some of the major tourism markets, particularly the UK, also poses a downside risk.

### Output

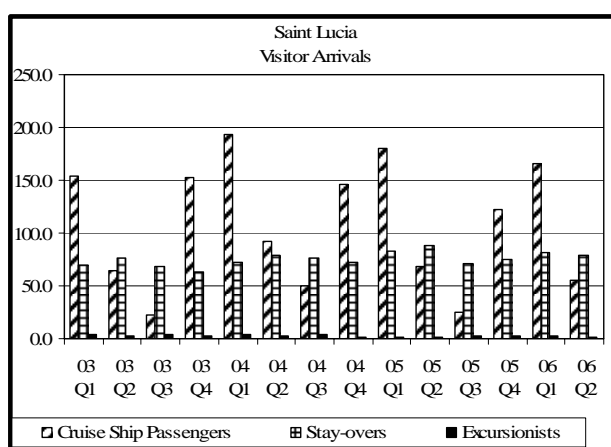
In the first six months of 2006 activity in the construction sector is estimated to have improved compared with the performance in the corresponding period of 2005, as work progressed on a number of projects in the public and private sectors. In the public sector work was concentrated on the psychiatric hospital, rehabilitating two highways, flood mitigation in Castries, Anse La Raye and Dennery, and constructing an access road for the new general hospital. Private sector construction focused on new hotels, condominiums, commercial properties, and private residential development. The increase in construction activity was supported in part by growth of 10.8 per cent in commercial bank credit for construction during the period under review.

Agricultural output is estimated to have increased, influenced largely by developments in the banana industry. Banana production rose by 1.5 per cent to 8,151 tonnes, in contrast to a 35.8 per cent decline in the corresponding period of 2005. The rebound in output was largely attributed to favourable weather and the containment of the leaf



spot disease which affected production in 2005. Data on production of other crops were unavailable.

Output in the manufacturing sector is estimated to have increased compared with production in the first half of 2005. The expansion was largely attributable to increases in output of major commodities, particularly paper board, electrical appliances and refined coconut oil.



Tourism activity is estimated to have contracted in the first half of 2006. The number of visitors fell by 8.5 per cent to 400,719, attributed mainly to reductions in stay-over visitors and cruise ship passengers. The number of stay-over visitors fell by 6.5 per cent to 160,505 compared with that in the first half of 2005, partly reflecting a 17.4 per cent fall in arrivals from the European market, particularly the UK, Germany and France. The decline in arrivals was partly associated with the loss of a charter service from the UK, and the World Cup football in Germany in June 2006. Stay-over arrivals from the Caribbean decreased by 7.4 per cent. Those declines were partly offset by increases

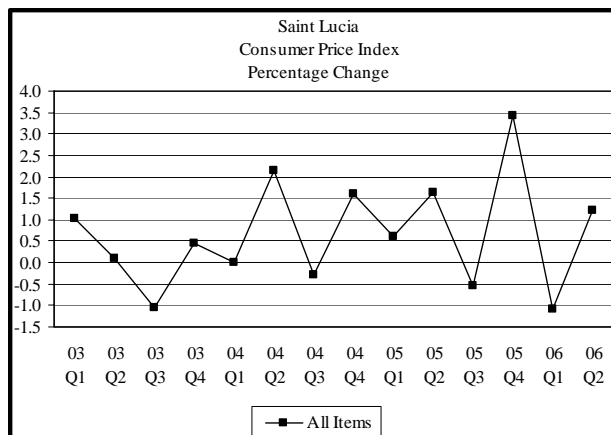
in stay-over arrivals from Canada (5.1 per cent) and the USA (3.1 per cent), the largest market. Hotel occupancy rates averaged 70.4 per cent, well below the average of 73.9 per cent for the first half of 2005, consistent with the decline in stay-over arrivals.

Cruise ship passenger arrivals decreased by 10.6 per cent to 221,413, despite a 15.0 per cent increase to 184 in the number of cruise vessels. This outturn reflected the use of smaller ships, as larger cruise vessels were diverted to some northern Caribbean destinations and the United States. Yacht visitor arrivals also fell, by 9.8 per cent to 14,553, whereas the number of excursionists grew by 59.8 per cent to 4,248.

### Prices

The rate of inflation as measured by the change in the CPI was 0.1 per cent during the first six months of 2006 compared with 2.2 per cent during the corresponding period of 2005. The deceleration in the rate was mainly attributable to movements in the food sub-index, which has the largest weight in the goods and services basket. The food sub-index fell by 0.5 per cent, in contrast to a 4.4 per cent increase in the first half of 2005, reflecting decreases in prices of vegetables and fish. The decline in the food sub-index was more than offset by increases in the sub indices “fuel and light” (5.5 per cent) associated with a rise in electricity surcharge, and “medical care and health” (5.7 per cent) attributable to higher fees charged by physicians.





### Trade and Payments

A merchandise trade deficit of \$553.2m was estimated for the first six months of 2006, above that of \$527.7m recorded for the corresponding period of 2005. The widening of the deficit was attributed to a 4.2 per cent increase to \$644.7m in import payments, partly reflecting growth in imports of machinery and transport equipment associated with developments in construction. Import payments for minerals, fuel and lubricants also rose, mainly reflecting higher international fuel prices. The value of exports rose marginally to \$91.5m, reflecting increases in both re-exports and domestic exports. Of domestic exports, earnings from bananas rose by 3.5 per cent to \$21.0m, as a result of increases in the volume exported and the price per tonne. Gross inflows from travel (as represented by total visitor expenditure) are estimated to have decreased by 3.0 per cent to \$504.3m, consistent with the fall in the number of stay-over visitors and cruise passengers. The external transactions of commercial banks resulted in a net inflow of short term capital of \$50.1m during the first six months of 2006.

External disbursements to the central government amounted to \$71.0m compared with \$58.0m in the first half of 2005, and amortisation payments rose by 37.6 per cent to \$18.7m.

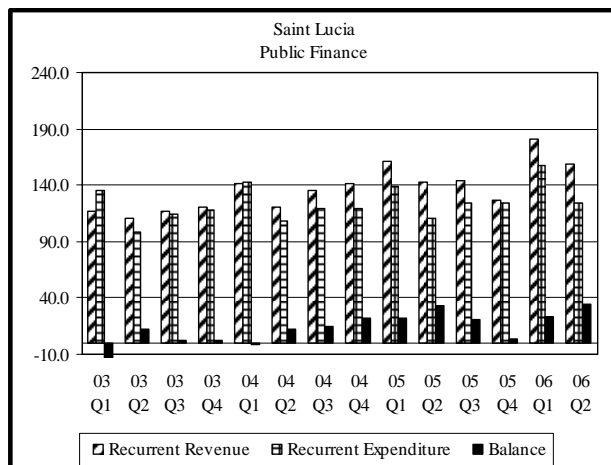
### Central Government Fiscal Operations

The central government incurred an overall deficit of \$44.2m in the first six months of 2006, below that of \$53.3m in the corresponding period of 2005. The smaller deficit was attributed to higher growth in current revenue relative to the increase in current expenditure.

The current operations yielded a surplus of \$64.9m, which was above the \$54.8m recorded in the first six months of 2005. The larger surplus was attributed to growth of 9.9 per cent to \$334.1m in current revenue, associated with an increase in tax revenue. Receipts from taxes rose by 10.7 per cent (\$29.9m), reflecting increases in revenue in all its components, particularly taxes on international trade and transactions (\$12.1m), taxes on income and profits (\$8.8m), and taxes on domestic goods and services (\$8.0m). The larger receipts from taxes on international trade and transactions were mainly attributable to an increase in intake from import duties, consistent with the higher value of imports. The growth in revenue from taxes on income and profits largely reflected an \$8.1m increase in receipts from personal income tax. The higher yield from taxes on domestic goods and services was influenced by a \$4.7m rise in collection of licence fees.







Current expenditure totalled \$269.2m, roughly 8.0 per cent above the amount in the first half of 2005. This outturn resulted in part from an increase in personal emoluments (16.5 per cent), influenced largely by retroactive salary payments to civil servants in January 2006. Increases were also recorded in outlays on goods and services (7.6 per cent) due to fuel related expenditure, and in interest payments (7.0 per cent), attributable to higher debt obligations. Those increases were partly offset by a decrease in expenditure on transfers and subsidies.

Capital expenditure increased by 4.4 per cent to \$112.8m, in line with the expansion in construction activity in the public sector.

### Public Sector Debt

At the end of June 2006 the disbursed outstanding debt of the public sector stood at \$1,684.4m, roughly 4.3 per cent above the level at the end of 2005. The outstanding debt of the central government totalled \$1,359.8m, an increase of 4.9

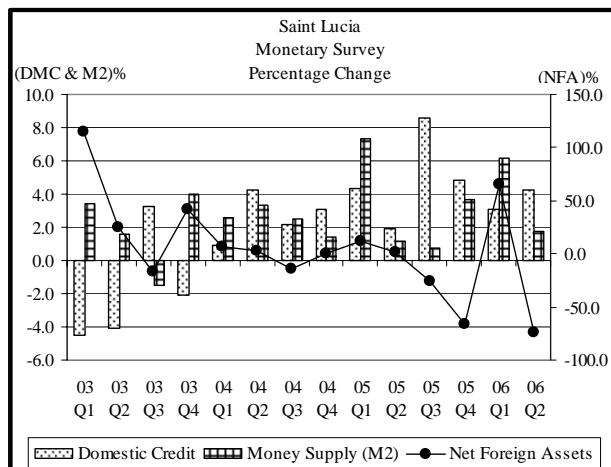
per cent over the amount at the end of December 2005. Growth in central government debt reflected increases in both domestic and external debt, as government borrowed to finance its capital expenditure programme.

### Money and Credit

Broad money (M2) increased by 8.0 per cent to \$1,848.6m during the first six months of 2006 compared with growth of 8.6 per cent during the corresponding period of 2005. The growth in M2 largely reflected a 9.8 per cent rise in quasi money as all its components increased, particularly time deposits and savings deposits. Narrow money rose by 4.1 per cent, influenced by an increase in private sector demand deposits.

The counterpart to the expansion in M2 was a 7.5 per cent increase to \$1,904.4m in domestic credit. The expansion in domestic credit was influenced by growth of 6.8 per cent in outstanding loans to the private sector, reflecting increases in credit to both businesses (10.1 per cent) and households (3.4 per cent). The net deposits of the central government fell by 12.4 per cent, mainly as a result of a 10.8 per cent increase in borrowing to finance its capital expenditure programme. The net deposits of the non-financial public enterprises rose by 2.6 per cent, reflecting an accumulation of deposits, as outstanding credit fell.





An analysis of credit by economic activity indicates that credit for tourism and construction rose by 14.6 per cent and 10.8 per cent respectively, supporting the expansion in hotel related and other construction activity. Outstanding loans for personal use also rose, by 0.8 per cent, largely reflecting increases in credit for the purchase of durable goods, and for home construction and renovation.

The net foreign assets of the banking system fell by 57.0 per cent to \$38.8m during the first six months of 2006, mainly reflecting developments in the commercial banking sector. The net liabilities of commercial banks rose by 23.0 per cent, as banks borrowed from abroad to finance credit demand. Saint Lucia's imputed share of the reserves held at the Central Bank fell by 0.4 per cent to \$307.0m.

Liquidity in the commercial banking system remained tight during the first half of 2006. The ratio of liquid assets to total deposits plus liquid liabilities was 21.3 per cent at the end of June 2006, roughly 0.3 percentage point below the ratio at the end of 2005. The loans and advances to deposits

ratio increased by 0.5 percentage point to 86.2 per cent.

Interest rates remained unchanged during the first six months of 2006, except for those on some categories of time deposits. The maximum rate on time deposits held for six to twelve months fell to 3.8 per cent from 4.0 per cent at the end of December 2005, and those on deposits held for more than two years rose by 0.3 percentage point to 4.0 per cent. Interest rates on savings deposits ranged from 3.0 per cent to 4.8 per cent, and prime lending rates ranged from 9.5 per cent to 10.0 per cent.

### Prospects

The economy is expected to expand in 2006, based on the outturn in the first half of 2006 and expectations for the rest of the year. Construction activity in both the public and private sectors will continue to fuel the economic expansion in the second half of 2006. Public sector projects include the psychiatric hospital, roads and schools. Private sector activities include ongoing work on a number of hotels, condominiums and residential properties. Growth in agricultural output is projected, based on a likely increase in banana production as the industry continues to recover from the effects of leaf spot disease. In the tourism industry the decline observed in cruise ship passenger arrivals in the first six months of 2006 is expected to continue. Developments in the stay-over visitor category will be influenced by the performance of the European market, particularly the UK.



The central government's overall deficit is projected to widen, as work intensifies on capital projects. The deficit will be financed primarily through the issue of instruments on the Regional Government Securities Market and by contracting loans from the domestic banking system and from external sources. The expansion in economic activity is expected to have a favourable impact on current revenue through higher receipts from trade related taxes, and taxes on income and profits. Growth in current expenditure is projected, in line with higher debt obligations and an increase in outlays on goods and services.

In the external sector, the merchandise trade deficit is projected to widen, based on the expansion in economic activity and higher oil prices. The outlook for domestic exports depends on developments in the banana industry.

High prices of petroleum on the international market, fuelled by international tension and high global demand, represent the major downside risk to the economic outlook for Saint Lucia. Rising international interest rates, which could result in higher debt servicing costs, also pose some risk to the economic outlook.



## ST VINCENT AND THE GRENADINES

### Overview

The economy of St Vincent and the Grenadines is estimated to have expanded in the first half of 2006 compared with the performance in the corresponding period of 2005. This outturn was largely influenced by buoyant activity in construction and an increase in manufacturing output. Tourism performance improved, whereas agricultural production contracted. The consumer price index rose by 1.9 per cent during the first half of 2006. The central government's fiscal operations resulted in a narrowing of the overall deficit. In the external sector, the merchandise trade deficit widened. The expansion of the economy was supported by growth in domestic credit, which contributed to an increase in broad money. Commercial bank liquidity remained at a high level. There were some upward movements in commercial bank interest rates on time deposits.

Economic activity in the second half of 2006 is expected to remain buoyant, based on ongoing activity and likely developments in construction, tourism and manufacturing. However, unfavourable weather and rising international oil prices may pose some downside risks to economic performance.

### Output

Activity in the construction sector in the first half of 2006 was estimated to have increased,

primarily driven by public sector investment in infrastructure. Work progressed on upgrading the Arnos Vale Playing Field ahead of Cricket World Cup (CWC) 2007. Other major public sector projects included developing low-income housing and building secondary roads, a cross-country road and the Windward Highway, a diesel plant and a correctional facility. Activity in the private sector included housing development and renovations to tourism-related facilities. Private sector residential activity is estimated to have increased, based in part on growth of 1.5 per cent in commercial bank lending for home construction and renovation.

Performance in the manufacturing sector improved, reflecting growth in the production of some major commodities. In particular, beer production grew by 23.2 per cent, attributable to an increase in domestic demand. Increases were also recorded in output of rice (20.2 per cent) and feed (10.4 per cent), due to increased export demand with the establishment in November 2005 of a direct distribution operation for those commodities in St Kitts and Nevis. Flour production increased by 5.4 per cent in contrast to a decline of 0.1 per cent in the first half of 2005, as a result of a higher level of demand.

In the tourism industry, visitor arrivals are estimated to have increased by 31.2 per cent to 176,122 in the first half of 2006, in contrast to a 12.4 per cent fall in the corresponding period of 2005.

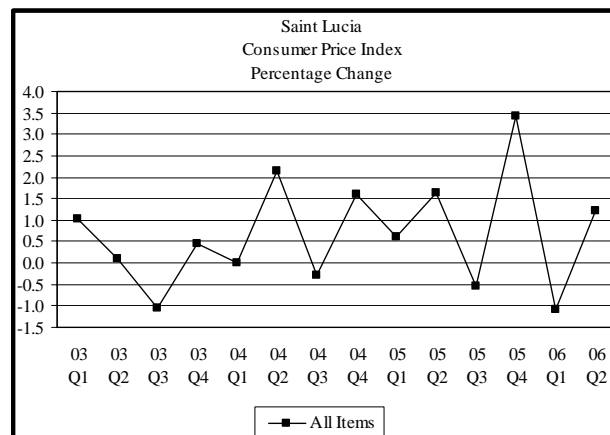
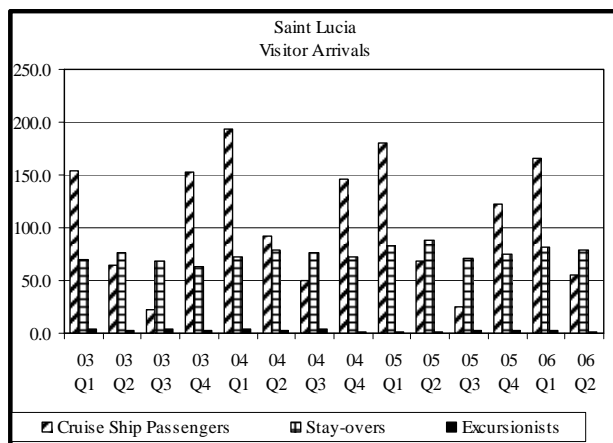


The turnaround was largely attributable to growth of 84.0 per cent to 63,332 in the number of cruise ship passengers, on account of visits by new cruise lines and additional calls by traditional liners. Cruise ship calls amounted to 169 compared with 91 in the first half of 2005. The number of yacht passengers is estimated to have increased by 22.5 per cent, reflecting the impact of remedial measures introduced in 2005 to address issues of crime and harassment as well as non-clearance. Those measures included more patrols by the coastguard, immigration and other security personnel, and the declaration of a new port of entry. Improved marketing, through the country’s inaugural participation in the Grand Pavios Boat Show in France in September 2005, also contributed to growth in the number of yacht passengers. Stay-over visitor arrivals are estimated to have increased by 6.3 per cent to 49,548 as a result of the reintroduction of direct air access from Puerto Rico and Martinique to mainland St Vincent in the last quarter of 2005.

Output in the agricultural sector fell, largely reflecting a 0.9 per cent decline to 8,983 tonnes in banana production. The lower yield resulted from drought and a windstorm between March and June 2006 that interrupted the rebound observed in the first quarter.

**Prices**

Consumer prices rose on average by 1.9 per cent during the first half of 2006, mainly influenced by increases in food and international oil prices. The “food” sub-index, which has the highest weight among the sub-indices, rose by 1.5 per cent, attributable to increases in the prices of fish, beef and orange juice. Rising international oil prices led to higher costs of petroleum products and electricity services, which contributed to increases in the fuel and light (16.6 per cent) and transport and communications (6.5 per cent) sub-indices.



**Trade and Payments**

The merchandise trade deficit is estimated to have increased by 28.4 per cent to \$320.5m, as a result of larger import payments. Growth of 24.1 per cent in import payments partly reflected increased imports of manufactured goods and of machinery and transport equipment, associated with the expansion in the manufacturing and construction sectors. The value of exports rose by 4.9 per cent to \$59.8m, as a result of higher receipts from domestic exports. Increases were recorded in export receipts from manufactured goods, particularly rice (6.4 per cent), feed (6.4 per cent), and flour (2.4 per cent), as a result of increased demand. Despite a lower export volume, banana export earnings increased by 2.2 per cent to \$12.3m. This outturn was the result of the decision to market all bananas bound for Europe under the “fair trade” label, which commands better prices.

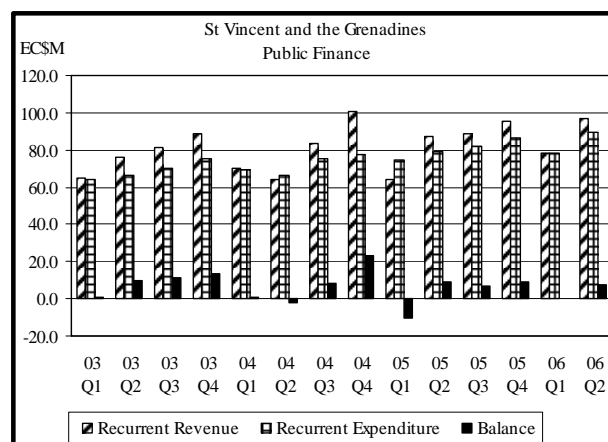
Gross inflows from travel, represented by total visitor expenditure, increased by 13.4 per cent to \$171.8m, reflecting growth in the number of visitors. There was a net outflow of \$6.7m in commercial bank short-term capital, in contrast to a net inflow of \$24.7m recorded during the first half of 2005.

**Central Government Fiscal Operations**

The fiscal accounts of the central government resulted in an overall deficit of \$22.7m in the first half of 2006, roughly 25.7 per cent below that

recorded in the corresponding period of 2005. The deficit was financed largely by domestic sources. The smaller deficit was mainly attributable to developments in the current account. The current account balance shifted to a surplus of \$7.1m from a deficit of \$4.2m in the first half of 2005. A primary surplus of \$1.7m was recorded in contrast to a deficit of \$12.6m.

Current revenue rose by 17.3 per cent to \$175.2m, reflecting increased tax receipts partly as a result of economic growth and ongoing improvements in tax administration. Collections from taxes on domestic goods and services grew by 44.6 per cent (\$10.4m), largely influenced by a \$7.3m increase in the proceeds from stamp duty, resulting from the sale of private property on Mustique. The yield from taxes on international trade and transactions grew by 14.0 per cent, reflecting increased revenue from import-related taxes, in line with the rise in import payments. Non-tax revenue grew by 24.2 per cent, attributable to collections from the alien landholding licence associated with the sale of land.



Current expenditure amounted to \$168.1m, representing a 9.4 per cent increase relative to the total in the first half of 2005, as a result of higher interest payments and outlays on personal emoluments. Interest payments grew by 35.5 per cent, reflecting an increase in the stock of debt associated with bonds issued in 2004 and 2005. Expenditure on personal emoluments rose by 8.6 per cent, partly associated with a 4.0 per cent salary increase paid to civil servants effective January 2006. Payments for goods and services grew by 3.6 per cent, influenced by larger outlays for electricity consumption.

Capital expenditure grew by 6.9 per cent to \$34.3m, in line with the increase in activity associated with infrastructural development. Capital grants totalled \$2.4m compared with \$2.8m in the first half of 2005.

### **Public Sector Debt**

Preliminary data show that disbursed outstanding debt of the public sector fell by 0.7 per cent to \$993.1m during the first half of 2006, reflecting a reduction in central government's stock of debt. The disbursed outstanding debt of the central government amounted to \$846.2m at the end of June 2006, representing a 1.0 per cent decrease on the stock at the end of 2005.

### **Money and Credit**

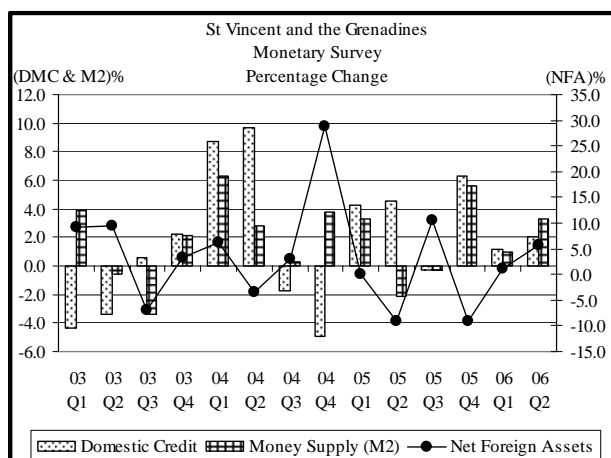
Broad money (M2) increased by 4.3 per cent to \$911.4m during the first half of 2006, partly influenced by the growth in economic activity. The expansion in M2 largely reflected increases in private sector demand deposits (14.1 per cent) primarily of businesses, and savings deposits (4.6 per cent) mainly of households. Private sector time deposits fell by 11.4 per cent, largely reflecting a decrease in deposits of businesses. Currency with the public decreased by 11.8 per cent.

The sources of the expansion in M2 were increases in domestic credit and net foreign assets. Domestic credit grew by 3.3 per cent to \$675.1m, mirroring increased borrowing by the private sector – both businesses (7.0 per cent) and households (1.5 per cent). The central government's net indebtedness to the banking system fell by 20.3 per cent, reflecting decreases in commercial banks' holdings of debentures, and in advances from the Central Bank. The net deposits of non-bank financial institutions declined by 35.4 per cent, as one of the institutions drew down on its deposits to finance a project. The net deposits of the non-financial public enterprises fell by 4.5 per cent, influenced by a fall in their deposits.

The composition of credit by economic activity indicates increases in outstanding loans for professional and other services (38.1 per cent) and transport (14.8 per cent). Lending for personal use rose by 1.5 per cent, primarily for the acquisition of



property. Credit for manufacturing fell by 6.5 per cent.



The net foreign assets of the banking system expanded by 6.9 per cent to \$415.7m during the first six months of 2006, in contrast to a decrease of 9.2 per cent in the corresponding period of 2005. The expansion largely reflected a 10.9 per cent increase in St Vincent and the Grenadines’ imputed share of the reserves of the ECCB. The net foreign assets of the commercial banks rose by 3.3 per cent, largely attributable to an increase in assets held at institutions in the rest of the Eastern Caribbean Currency Union.

Liquidity in the commercial banking system remained at a high level during the period under review. The ratio of liquid assets to total deposits plus liquid liabilities rose to 42.9 per cent at the end of June 2006, from 40.9 per cent at the beginning of the year. The loans and advances to deposits ratio was 73.6 per cent, roughly 0.7 percentage point above that at the end of 2005.

Interest rates remained generally stable except for increases in the maximum rates on time deposits up to three months (1.0 percentage point), three to six months (0.5 percentage point) and six to twelve months (0.25 percentage point). Interest rates on savings deposits ranged from 3.0 per cent to 4.5 per cent, and prime lending rates were in the range of 9.0 per cent to 11.0 per cent.

**Prospects**

Growth in economic activity is projected for 2006, based on performance in the first half of the year and likely developments in construction and tourism in the rest of 2006. Construction activity is expected to accelerate in the second half of 2006 as work intensifies on infrastructure to host warm-up matches for CWC 2007. Public sector projects will include ongoing work on the sporting complex at Arnos Vale and road development. Work is expected to begin on a new jetport in Canouan in the second half of the year. In the tourism industry, growth in visitor arrivals is projected, based on an increase in cruise ship and yacht traffic, as well as additional airlift. The outlook for the agricultural sector depends on the performance of the banana industry.

Fiscal projections for 2006 show a smaller overall deficit, as the rate of increase in current revenue is likely to exceed that of current expenditure. Growth in tax revenue is likely to be sustained in the second half of 2006, supported by the economic expansion, improved administrative



efficiency and reduced concessions. Current expenditure is expected to increase, based in part on larger outlays on personal emoluments as a result of increases in salaries, wages and allowances to public servants. Interest payments are likely to increase, on account of the larger stock of the central government's debt. Growth in capital expenditure is projected, associated with the implementation of the public sector investment programme.

The merchandise trade deficit is expected to widen, based in part on the expansion in construction and increases in international oil prices. Gross travel receipts are expected to be above the

level in 2005 as a result of growth in visitor arrivals. Monetary liabilities are projected to increase based on the economic expansion. Liquidity in the commercial banking system is expected to remain high.

A potential risk to the growth prospects is high and rising international oil prices, which can have an adverse impact on consumer prices, as well as on the fiscal and external balances. Unfavourable weather also poses a threat to the prospects, particularly for tourism and agriculture.



## INTERNATIONAL ECONOMIC DEVELOPMENTS

The global economy continued to experience strong growth in the first half of 2006. US economic growth remains solid, although it moderated as demand started to respond to increases in interest rates over the last two years, the recent slowing in the housing market, and high energy prices. Rapid growth in the economy of China continued to support growth elsewhere in Asia and around the world. Growth was fuelled by business sector activity and net exports. In Japan the economic expansion continued, with growth broadly based across domestic private demand and the export sector. Growth in real GDP in the UK increased to 0.8 per cent in the second quarter from 0.7 per cent in the first quarter, primarily driven by private consumption. In the euro area the economic recovery is progressing, although at a moderate pace.

The strong growth performance underpinned continuing high international prices for oil and other commodities. Oil prices peaked at US\$74.62 a barrel in the first half of 2006, up from \$63.11 a barrel at the start of the year. Most of the increase was attributable to strong demand and low spare capacity in global supply. Long term futures prices remained at high levels, suggesting that market participants expect prices to remain around current levels for an extended period.

Inflation continued on an upward trend in most of the major industrial countries, on account of the

strong economic growth and increases in prices of oil and other commodities. Core inflation (excluding food and energy) also increased in some countries, leading to concerns that the higher energy prices may be feeding through to second round effects. Those developments have prompted some central banks to tighten monetary policy. Notwithstanding, inflation has been more contained than in the past, partly as a result of solid productivity growth. The annual rate of inflation in the US was 4.3 per cent in June; in the UK and euro zone the annual inflation rate was estimated at 2.5 per cent.

International interest rates trended upwards during the first six months of 2006, as the monetary authorities in the major economies pursued policies aimed at combating inflationary pressures. The European Central Bank increased rates, starting in late 2005. With the economic recovery in Europe continuing and with inflation still above 2.0 per cent, the market expects further increases later in 2006. In the US rates have risen by 425 basis points since June 2004 to 5.25 per cent in late June 2006. The Federal Reserve indicated that further increases are dependent on the outlook for inflation and for economic growth.



## REGIONAL ECONOMIC DEVELOPMENTS

### Output

The available data on developments in some of the member countries of the Caribbean Community (CARICOM) indicate that economic activity in the first half of 2006 was robust in The Bahamas, Barbados, Jamaica and Trinidad and Tobago. In the Bahamas the momentum in economic activity was led by tourism and construction. In Barbados the economy grew by an estimated 3.6 per cent, reflecting robust growth in the non-traded sectors. Economic growth in Jamaica was driven by tourism and agriculture, despite a decline in sugar cane production. Trinidad and Tobago continued to register strong economic growth, reflecting activity in the energy sector as a result of increased production of liquid natural gas, crude oil and natural gas. Growth in the non-energy sector was driven mainly by construction.

Construction activity was robust in all the countries, driven by preparations for CWC 2007, particularly in Barbados and Jamaica. Increases in stay-over visitor arrivals contributed to the expansion in tourism activity. The number of cruise ship passengers fell in most of the countries, a trend that was also evident in the Eastern Caribbean Currency Union in the first half of 2006.

Agricultural output rebounded in Jamaica as the industry continued to recover from the effects of adverse weather in the previous two years. In

Barbados and in Trinidad and Tobago agricultural output fell, reflecting decreases in sugar cane production. In Barbados the decline was attributable to decreases in acreage under cultivation and yield. In Trinidad and Tobago unfavourable weather, which delayed the start of harvesting operations, was responsible for the decrease in sugar cane production.

### Prices

Consumer price inflation accelerated in all the countries except Jamaica, mainly reflecting the impact of increases in energy prices. In the Bahamas retail price inflation rose to 1.9 per cent for the twelve months ended May 2006, from 1.4 per cent for the corresponding period a year earlier. The rise in inflation reflected the pass-through effect of higher energy costs. In Barbados, the moving average rate of inflation at end of March 2006 was 7.0 per cent compared with 2.4 per cent at the end of March 2005. The higher rate was due to increases in most of the categories, especially housing, transportation, fuel and light, and food. Inflationary pressures intensified in Trinidad and Tobago during the first five months of 2006, with headline inflation at 8.0 per cent compared with 6.5 per cent in the corresponding period a year earlier. In Jamaica annual point-to-point inflation at the end of June was 8.4 per cent. This rate was 9.1 percentage points below that at the end of June 2005 and the lowest annual rate since April 2003.



## **Employment**

Data available for two of the member countries indicate that the average rate of unemployment in Barbados was estimated at 8.1 per cent for the first quarter of 2006, down from 9.9 per cent in the comparable period of 2005. In Trinidad and Tobago the unemployment rate stood at 6.8 per cent in the first quarter of 2006 compared with 9.0 per cent in the corresponding quarter of 2005. Over the period, the labour force increased by 1,800 while the number of persons with jobs rose by 15,400. Jobs in the manufacturing sector increased by 2,500 but manufacturers in certain sectors found it difficult to procure labour and have had to pay higher wages in order to attract and retain staff. In the agricultural sector the number employed continued to decline, and fell by 1,500 in the first quarter.

## **Central Governments' Fiscal Developments**

The fiscal accounts of the central governments' of The Bahamas, Barbados and Trinidad and Tobago improved, largely on account of the economic expansion. The government of the Bahamas reduced its fiscal deficit by almost 50 per cent to B\$79.4m in the period July 2005 to May 2006, as revenue growth outpaced that of expenditure. With the improvement in economic conditions, revenue and grants together increased by 19.5 per cent. Current expenditure rose by 9.3 per cent, reflecting higher outlays for goods and services, wages and transfers and subsidies. In Barbados the central government realised an overall surplus of BDS\$68.7m in the first

half of 2006 in contrast to a deficit of BDS\$43.7m in the corresponding period of 2005. This improved performance reflected a 15.0 per cent rise in total revenue, which was partially offset by a 4.4 per cent increase in government spending.

The central government of Trinidad and Tobago realised an overall surplus of TT\$2,285.7m in the period October 2005 to March 2006 (the first six months of FY 2005/06), marginally below the surplus recorded in the corresponding period of the previous fiscal year. Total revenue rose by 32.3 per cent to TT\$16,583.9m, reflecting increases from both oil and non-oil revenue. Total expenditure for the six months to the end of March 2006 grew by 41.7 per cent to TT\$14,298.2m, mainly reflecting increases in capital expenditure and outlays associated with transfers and subsidies.

## **External Sector Developments**

The available information on external sector developments in two of the countries indicate that in Barbados the deficit on the current account widened in the first half of 2006. This outturn was due primarily to a slowdown in growth of domestic export receipts, coupled with larger net outflows of factor incomes. In Trinidad and Tobago the external current account surplus is estimated to have increased substantially as a result of high energy prices and increased volumes of the country's main exports.



**Monetary and Credit Developments**

In Barbados commercial bank credit to the private sector grew at a slower rate between January and June 2006, partly reflecting the dampening effect of monetary measures implemented earlier. In Trinidad and Tobago the authorities continued to use restrictive monetary policy in response to persistent inflationary pressures and the narrowing of the spread between the Trinidad and Tobago and US three-month treasury bill rates. The Bank of Jamaica eased its monetary policy stance on three occasions during the June quarter, in the context of continued stability in the financial markets as well as expectations of further improvements in the macroeconomic environment. In the Bahamas private sector credit expanded, reflecting mortgage and consumer credit growth.

**Outlook**

The outlook for 2006 is positive for all countries. In the Bahamas the strong growth of the economy is expected to be sustained for the rest of 2006, underpinned by robust tourism related investments and buoyant activity in construction. In Barbados the forecast is for real GDP to increase between 4.0 per cent and 4.5 per cent in 2006, largely driven by activity in the non-traded goods sector, particularly construction. In Jamaica the economic expansion is expected to continue, based on a turnaround in construction and growth in visitor arrivals. The tourism industry is expected to benefit from a significant increase in cruise ship visitors. In Trinidad and Tobago the forecast is for the solid growth observed in 2005 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

	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 <sup>R</sup> 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 <sup>R</sup> Jan - Jun	2006 Jan - Jun
Total Vistors	579,290	351,285	892,988	1,171,185	583,742	1,744,339	1,759,789
Stay-Over Visitors	257,593	231,288	248,566	290,531	266,673	548,713	561,160
Of which:							
USA	102,291	75,960	83,080	113,727	108,256	213,810	222,807
Canada	10,410	7,940	12,019	21,818	10,887	30,733	32,895
UK	55,251	47,118	57,882	66,185	52,270	123,571	118,845
Caribbean	68,292	80,446	72,461	58,558	72,739	127,952	133,360
Other Countries	21,349	19,824	23,124	30,243	22,520	52,647	53,252
Excursionists <sup>1</sup>	27,609	25,292	26,848	36,744	32,285	64,823	69,137
Cruise Ship Passengers <sup>2</sup>	269,210	81,172	581,894	790,931	257,557	1,058,988	1,048,488
Yacht Passengers <sup>4</sup>	24,878	13,533	35,680	52,979	27,227	71,815	81,004
Number of Cruise Ship Calls <sup>3</sup>	212	46	529	869	231	942	1,100
Total Visitor Expenditure (EC\$M)	706.07	585.43	723.09	916.60	758.53	1,587.67	1,683.01

Sources: Central Statistics Offices, OECS and ECCB

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

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

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

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

Data available at 22 August 2006

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

	2005 <sup>R</sup> 1 <sup>st</sup> Qr	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr
Net Foreign Assets	3,189.5	3,336.2	3,136.0	3,016.4	3,343.9	3,375.9
Central Bank (net)	1,682.0	1,666.2	1,506.3	1,611.7	1,594.3	1,689.5
External Assets	1,688.1	1,672.2	1,515.1	1,622.2	1,601.2	1,696.1
External Liabilities	6.1	5.9	8.8	10.5	6.9	6.7
Commercial Banks (net)	1,507.5	1,670.0	1,629.8	1,404.7	1,749.6	1,686.5
External Assets	3,385.1	3,574.9	3,553.9	3,445.5	3,721.5	3,679.6
External Liabilities	1,877.7	1,905.0	1,924.1	2,040.8	1,971.9	1,993.2
Net Domestic Assets	5,628.9	5,334.6	5,654.0	6,039.2	6,119.9	6,266.6
Domestic Credit	6,421.2	6,540.8	6,968.4	7,266.0	7,398.1	7,594.8
Central Government (net)	476.6	504.6	569.9	631.4	553.5	568.4
Other Public Sector (net)	(618.9)	(689.6)	(645.6)	(663.0)	(673.0)	(715.5)
Non-Bank Financial Institutions (net)	(190.3)	(194.3)	(144.6)	(187.4)	(186.9)	(229.0)
Subsidiaries & Affiliates (net)	91.3	96.6	95.8	114.1	118.4	102.9
Private Sector	6,662.5	6,823.5	7,092.8	7,370.9	7,586.1	7,868.1
Other Items (net)	(792.2)	(1,206.2)	(1,314.4)	(1,226.7)	(1,278.3)	(1,328.2)
Monetary Liabilities (M2)	8,818.4	8,670.9	8,790.1	9,055.6	9,463.8	9,642.5
Money Supply (M1)	2,010.8	1,907.2	1,923.9	2,086.7	2,167.1	2,185.8
Currency with the Public	467.0	456.8	472.2	521.4	502.3	503.9
Demand Deposits	1,543.8	1,450.4	1,451.7	1,565.3	1,664.8	1,681.8
Quasi Money	6,807.6	6,763.7	6,866.1	6,968.9	7,296.7	7,456.8
Savings Deposits	3,781.7	3,839.0	3,865.2	3,913.5	4,025.9	4,121.8
Time Deposits	1,699.1	1,658.0	1,655.7	1,647.5	1,702.0	1,731.4
Foreign Currency Deposits	1,326.9	1,266.7	1,345.2	1,407.9	1,568.7	1,603.5

Source: Eastern Caribbean Central Bank

Data available at 22 August 2006



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

	2005 <sup>R</sup>	2005 <sup>R</sup>	2005 <sup>R</sup>	2006 <sup>R</sup>	2006	2005 <sup>R</sup>	2006
	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	Jan - Jun	Jan - Jun
<b>Current Revenue</b>	662.3	645.3	669.5	790.9	735.0	1,278.7	1,525.9
Tax Revenue	593.0	583.0	603.0	697.0	662.1	1,134.4	1,359.1
Taxes on Income & Profits <sup>11</sup>	135.7	140.4	124.8	173.5	151.0	250.6	324.5
Of Which:							
Personal Income Tax <sup>12</sup>	44.3	44.9	46.7	54.1	50.6	88.5	104.7
Company	75.2	79.7	60.2	99.5	75.2	137.3	174.7
Taxes on Property	15.4	11.2	8.3	16.0	18.3	26.7	34.3
Taxes on Domestic Goods & Services	123.9	114.7	105.4	171.0	173.8	243.5	344.8
Of Which:							
Accommodation Tax	31.0	21.0	13.6	33.8	35.1	63.5	68.9
Licences	19.6	10.5	16.6	30.8	16.2	40.3	47.1
Sales Tax <sup>13</sup>	9.7	9.4	9.5	10.3	0.2	18.9	10.5
Consumption Tax <sup>14</sup>	11.0	12.3	12.5	14.4	12.1	21.6	26.5
Taxes on International Trade and Transactions	318.0	316.6	364.5	336.6	319.0	613.6	655.6
Of Which:							
Import Duties	87.6	88.5	111.1	97.6	93.5	167.2	191.1
Licences	19.6	10.5	16.6	30.8	16.2	40.3	47.1
Consumption Tax <sup>15</sup>	135.7	129.4	154.4	136.2	127.7	262.1	263.9
Customs Service Charge <sup>15</sup>	59.1	55.9	64.4	60.9	57.6	111.2	118.5
Non-Tax Revenue	69.3	62.3	66.5	93.9	72.9	144.3	166.8
<b>Current Expenditure</b>	601.7	676.1	677.8	688.8	637.6	1,212.9	1,326.4
Personal Emoluments	275.1	282.8	295.9	302.5	286.3	549.4	588.8
Goods and Services	121.4	161.9	149.6	137.1	134.1	251.5	271.2
Interest Payments	85.6	91.2	107.3	105.8	97.5	176.9	203.3
Domestic	34.0	39.0	45.4	45.9	49.7	69.6	95.6
External	51.6	52.3	61.9	59.9	47.8	107.3	107.7
Transfers and Subsidies	119.6	140.2	125.0	143.4	119.7	235.2	263.1
Of Which: Pensions	39.2	60.7	48.3	49.8	39.0	78.7	88.8
<b>Current Account Balance</b>	60.6	(30.8)	(8.3)	102.1	97.3	65.8	199.4
<b>Capital Revenue</b>	18.7	18.6	8.7	11.5	3.5	21.0	15.0
<b>Grants</b>	97.7	78.5	614.1	50.1	102.6	175.1	152.7
<b>Capital Expenditure and Net Lending</b>	135.6	163.4	193.4	242.1	195.5	342.7	437.6
Of Which: Capital Expenditure	137.5	164.8	195.4	242.8	196.5	347.1	439.3
<b>Primary Balance</b>	127.1	(5.9)	528.4	27.4	105.4	96.0	132.8
<b>Overall Balance</b>	41.4	(97.2)	421.1	(78.4)	7.9	(80.9)	(70.5)
<b>Financing</b>	(41.4)	97.2	(421.1)	78.4	(7.9)	80.9	70.5
Domestic	(78.9)	14.6	22.2	28.1	(25.0)	(9.0)	3.1
ECCB (net)	47.9	6.9	13.8	(2.8)	(16.8)	(14.5)	(19.6)
Commercial Banks (net)	(19.8)	58.4	47.7	(75.1)	31.7	46.0	(43.4)
Other	(106.9)	(50.7)	(39.3)	106.0	(39.9)	(40.5)	66.1
External	11.7	69.8	(304.1)	26.5	(1.2)	21.5	25.4
Net Amortisation/(Amortisation)	16.1	74.7	(291.2)	26.0	0.5	29.3	26.5
Disbursements	58.3	126.4	246.9	66.8	42.7	114.1	109.6
Amortisation	(42.2)	(51.7)	(538.0)	(40.8)	(42.2)	(84.8)	(83.1)
Change in Government Foreign Assets	(4.4)	(5.0)	(12.9)	0.6	(1.7)	(7.7)	(1.1)
Arrears <sup>16</sup>	25.8	12.8	(139.2)	23.8	18.2	68.4	42.0
Domestic	1.7	(10.6)	(0.9)	(2.8)	(0.9)	12.0	(3.7)
External	24.1	23.4	(138.3)	26.6	19.1	56.4	45.7

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> Dominica is the only territory with a sales tax

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

<sup>15</sup> For all territories except Anguilla

<sup>16</sup> Excludes Montserrat and St Vincent and the Grenadines

Data available at 22 August 2006



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

	2002 <sup>R</sup>	2003 <sup>R</sup>	2004 <sup>R</sup>	2005 <sup>R</sup>	Jun 2005	Jun 2006 <sup>P</sup>
Anguilla	61.7	64.2	94.9	115.0	109.6	111.3
Antigua and Barbuda	2,656.9	2,830.8	2,618.6	2,659.0	2,899.5	2,739.9
Dominica	907.3	930.7	879.8	950.7	1,207.4	954.6
Grenada	1,269.9	1,360.2	1,561.0	1,586.6	1,238.1	1,624.5
Montserrat	19.8	15.2	13.2	12.9	12.8	12.3
St Kitts and Nevis	1,504.2	1,731.7	2,003.4	2,206.7	2,145.1	2,294.9
Saint Lucia	1,061.3	1,267.4	1,484.2	1,615.7	1,488.4	1,684.4
St Vincent and the Grenadines	719.0	816.4	936.5	1,000.3	915.8	993.1
TOTAL ECCU	8,200.2	9,016.8	9,591.5	10,146.9	10,016.7	10,414.9

Source: ECCB

\* Includes arrears of principal

Data available at August 2006

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

	2002 <sup>R</sup>	2003 <sup>R</sup>	2004 <sup>R</sup>	2005 <sup>R</sup>	Jun 2005	Jun 2006 <sup>P</sup>
Anguilla	31.8	37.5	69.7	92.0	85.7	89.7
Antigua and Barbuda	2,493.1	2,665.2	2,426.1	2,461.6	2,703.8	2,559.0
Dominica	725.1	745.3	694.3	773.9	1,034.3	780.9
Grenada	948.9	1,047.5	1,221.7	1,366.8	1,217.4	1,399.4
Montserrat	10.8	5.9	4.6	4.5	4.5	4.2
St Kitts and Nevis	1,028.6	1,169.9	1,243.1	1,364.0	1,301.2	1,425.5
Saint Lucia	777.5	958.9	1,186.3	1,296.3	1,175.3	1,359.7
St Vincent and the Grenadines	655.2	728.0	813.6	854.6	795.4	846.2
TOTAL ECCU	6,671.0	7,358.2	7,659.5	8,213.7	8,317.5	8,464.6

Source: ECCB

Data available at August 2006

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

	2002 <sup>R</sup>	2003 <sup>R</sup>	2004 <sup>R</sup>	2005 <sup>R</sup>	Jan - Jun 2005	Jan - Jun 2006 <sup>P</sup>
Anguilla	4.2	6.8	8.6	5.2	2.8	3.8
Antigua and Barbuda	167.8	136.0	197.0	550.2	68.9	81.1
Dominica	56.8	56.1	54.3	37.9	19.1	30.8
Grenada	92.5	103.0	138.7	94.2	31.9	21.1
Montserrat	2.3	1.8	1.4	0.3	0.2	0.5
St Kitts and Nevis	102.3	123.4	132.1	153.4	77.5	101.0
Saint Lucia	164.6	117.2	158.5	130.1	61.2	66.4
St Vincent and the Grenadines	46.2	97.0	142.0	161.7	34.7	46.0
TOTAL ECCU	636.8	641.3	832.6	1,133.0	296.3	350.5

Source: ECCB

Data available at August 2006



**Table 7**  
**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	Fixed Deposits	Other						
1987 Dec.	235,863	156,156	127,739	-	8,021	5,207	532,985	27,649	31,409	590,044
1988 Dec.	230,533	184,807	57,579	5,580	11,503	6,639	496,640	27,798	26,996	548,434
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 Mar.	478,899	754,709	24,582	114,892	6,606	98,990	1,478,678	68,057	105,468	1,623,004
Jun.	483,357	765,866	23,176	120,790	6,975	101,926	1,502,089	68,057	100,020	1,640,968
Sep.	480,535	717,361	23,176	137,157	8,964	82,228	1,449,420	68,057	93,947	1,582,225
Dec.	608,200	742,222	17,464	68,785	8,503	81,581	1,526,754	68,057	85,401	1,651,013
2004 Mar.	532,925	853,384	17,464	144,865	8,962	68,988	1,626,589	73,083	82,037	1,763,317
Jun.	536,602	796,679	17,464	126,299	5,628	65,906	1,548,578	76,377	68,257	1,671,080
Sep.	537,646	773,766	17,464	110,178	4,920	125,309	1,569,284	76,377	72,728	1,696,256
Dec.	662,897	939,133	19,174	26,703	4,563	110,985	1,763,455	80,748	72,706	1,894,778
2005 Jan.	579,464	985,268	19,867	64,494	21,633	106,470	1,777,196	76,377	73,115	1,904,555
Feb.	574,560	993,381	19,867	58,236	6,037	164,002	1,816,083	76,377	68,374	1,938,701
Mar.	605,775	890,443	24,322	55,852	6,081	178,849	1,761,322	73,297	63,663	1,877,200
Apr.	590,233	903,761	24,322	30,176	6,918	169,113	1,724,523	77,523	71,267	1,852,231
May	591,261	1,056,920	25,641	22,420	5,646	119,248	1,821,134	77,523	74,943	1,952,519
Jun.	590,534	955,292	25,641	21,484	5,934	121,674	1,720,559	77,523	76,420	1,853,420
Jul.	598,008	878,230	25,641	18,246	7,868	128,472	1,656,466	77,523	68,317	1,781,224
Aug.	597,749	861,563	25,641	23,639	5,772	122,035	1,636,399	77,523	75,740	1,768,580
Sep.	589,049	810,152	25,641	23,915	8,801	118,497	1,576,055	77,523	68,748	1,701,244
Oct.	594,503	798,478	25,641	21,322	6,038	164,959	1,610,940	77,523	65,777	1,733,158
Nov.	610,425	805,854	26,106	22,856	12,418	148,529	1,626,188	77,523	67,769	1,750,398
Dec.	732,831	775,041	28,806	22,696	10,480	103,788	1,673,641	77,523	71,944	1,802,026
2006 Jan.	625,328	874,730	29,044	23,751	8,464	128,154	1,689,471	77,523	71,212	1,817,124
Feb.	620,076	890,564	29,044	29,759	9,218	105,217	1,683,879	77,523	68,931	1,809,251
Mar.	627,450	865,394	31,211	24,606	6,927	121,800	1,677,389	80,765	55,752	1,834,153
Apr.	631,319	915,707	31,921	36,178	11,146	115,384	1,741,656	83,550	55,964	1,901,416
May.	638,929	964,802	32,610	25,476	6,556	117,874	1,786,247	83,550	57,083	1,947,126
Jun.	627,090	932,306	29,071	36,957	6,683	120,035	1,752,141	83,550	56,851	1,912,788

Source: Eastern Caribbean Central Bank  
 Data available at August 2006



**Table 8**  
**Assets of the Eastern Caribbean Central Bank**  
**In thousands of Eastern Caribbean dollars**

Period Ended	External Assets <sup>1/</sup>				Claims on Central Government				Other Assets	Total Assets
	Fixed Call Deposits	Securities	Foreign Balances	Other External Assets	Local Government Debentures	Local Treasury Bills	Loans and Advances	Other Claims		
1987 Dec.	151,195	234,985	36,893	-	28,219	41,440	83,679	-	13,634	590,044
1988 Dec.	82,450	269,806	43,607	-	30,337	26,641	82,217	-	13,375	548,434
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 Mar.	460,028	941,453	33,454	20,226	37,296	3,923	18,777	2,655	105,192	1,623,004
Jun.	388,938	1,026,526	32,864	18,785	37,296	3,923	21,113	3,082	108,443	1,640,968
Sep.	275,774	1,069,475	47,017	8,814	37,296	3,923	33,740	1,786	104,400	1,582,225
Dec.	320,741	1,084,908	50,185	1,819	36,148	3,923	46,065	2,454	104,771	1,651,013
2004 Mar.	407,627	1,088,805	78,713	1,823	36,148	3,923	14,024	2,656	129,598	1,763,317
Jun.	389,533	1,043,408	48,496	-	35,448	3,923	18,448	653	131,171	1,671,080
Sep.	383,264	1,052,320	70,969	-	35,448	4,415	17,226	574	132,040	1,696,256
Dec.	574,727	1,058,481	74,295	-	35,448	1,952	20,613	533	128,728	1,894,778
2005 Jan.	633,969	1,033,484	56,075	-	35,448	1,952	13,989	292	129,345	1,904,555
Feb.	628,151	1,033,883	96,298	-	35,448	1,952	11,441	-	131,528	1,938,701
Mar.	592,853	1,042,925	52,328	-	35,448	1,952	14,770	202	136,721	1,877,200
Apr.	576,817	1,032,660	57,011	-	35,448	5,200	12,250	419	132,426	1,852,231
May	546,490	1,143,554	78,175	-	35,448	1,952	14,800	38	132,062	1,952,519
Jun.	459,733	1,168,345	44,075	-	35,448	1,952	12,073	32	131,761	1,853,420
Jul.	407,206	1,164,987	27,108	-	35,448	1,952	13,812	38	130,674	1,781,224
Aug.	340,571	1,216,547	32,672	-	35,448	1,702	11,791	0	129,848	1,768,580
Sep.	293,925	1,184,097	37,054	-	35,448	1,702	18,509	0	130,509	1,701,244
Oct.	316,627	1,180,323	40,708	-	35,448	1,702	31,593	234	126,523	1,733,158
Nov.	321,514	1,185,364	49,270	-	35,448	1,702	30,057	157	126,885	1,750,398
Dec.	400,729	1,191,028	30,440	-	35,448	1,702	20,344	4	122,332	1,802,026
2006 Jan.	363,957	1,199,348	57,951	-	35,448	1,702	36,998	34	121,686	1,817,124
Feb.	420,956	1,180,967	20,446	-	32,301	1,702	28,806	0	124,073	1,809,251
Mar.	372,407	1,194,235	34,574	-	36,041	1,702	28,620	-	166,573	1,834,153
Apr.	436,968	1,201,946	47,990	-	36,041	1,702	11,500	-	165,269	1,901,416
May.	472,196	1,201,542	61,616	-	36,041	1,702	8,644	-	165,385	1,947,126
Jun.	446,998	1,213,331	35,814	-	36,041	1,702	13,763	63	165,076	1,912,788

Source: Eastern Caribbean Central Bank

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

Data available at August 2006



**Table 9**  
**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
1987 Dec.	5,574	40,781	23,225	36,623	9,142	19,639	63,213	23,918	222,116
1988 Dec.	5,415	39,615	22,560	35,575	8,880	19,077	61,405	23,234	215,762
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 Mar.	9,277	99,282	38,275	81,019	9,367	40,442	88,950	62,407	429,018
Jun.	9,894	99,839	37,496	82,385	10,599	42,097	89,585	60,916	432,810
Sep.	10,351	98,972	38,155	83,517	12,505	40,353	89,558	55,787	429,198
Dec.	11,788	123,160	47,223	109,692	14,368	50,916	119,509	78,666	555,321
2004 Mar.	10,818	113,154	41,501	85,747	14,295	43,132	102,505	68,440	479,592
Jun.	12,190	111,529	38,908	89,415	13,309	44,934	100,150	71,917	482,352
Sep.	10,770	108,467	40,466	94,037	13,490	45,248	101,498	68,546	482,522
Dec.	12,828	141,678	48,963	125,089	14,371	54,407	126,885	82,220	606,442
2005 Jan.	10,797	124,350	42,887	106,856	15,336	47,687	102,224	72,680	522,817
Feb.	10,910	119,249	45,391	104,866	14,754	48,725	102,268	71,449	517,613
Mar.	9,733	127,108	46,666	113,613	12,801	51,519	111,882	75,045	548,366
Apr.	9,960	124,851	49,590	111,281	12,634	50,009	102,129	72,020	532,473
May	10,629	123,476	50,570	110,849	12,381	49,556	105,747	69,999	533,207
Jun.	10,501	123,666	47,468	109,799	12,043	48,573	104,902	75,038	531,991
Jul.	11,154	127,355	44,362	110,259	12,684	52,680	108,298	72,216	539,009
Aug.	10,431	122,129	48,817	114,862	12,905	50,953	106,889	71,504	538,489
Sep.	10,751	125,691	44,890	110,721	12,679	50,682	103,241	70,813	529,468
Oct.	11,423	126,756	46,563	108,461	12,005	50,601	107,906	70,911	534,626
Nov.	10,655	130,751	45,360	111,817	13,996	51,834	113,531	72,095	550,040
Dec.	12,795	155,859	53,110	131,599	15,098	58,965	146,964	97,115	671,505
2006 Jan.	11,859	135,937	42,599	110,120	14,492	52,326	115,888	80,580	563,802
Feb.	11,661	139,073	43,304	109,260	13,949	51,810	114,887	74,496	558,439
Mar.	10,473	137,493	47,381	110,853	13,020	52,373	115,772	78,165	565,530
Apr.	11,444	138,297	48,795	105,507	12,301	54,195	116,686	81,620	568,844
May.	13,317	138,429	47,797	113,170	13,031	55,613	116,699	77,875	575,930
Jun.	12,675	139,123	46,331	109,674	13,107	56,072	113,825	72,880	563,687

Source: Eastern Caribbean Central Bank

Data available at August 2006



**Table 10**  
**Eastern Caribbean Central Bank**  
**Net Issue of Coins in each Territory**  
**In thousands of Eastern Caribbean dollars**

Period Period Ended	Antigua and Barbuda		Dominica	Grenada	Montserrat	St Kitts and Nevis		St Vincent and the Grenadines		Sub-Total	Former BCCB/ECCA Members	Proof Sets	Net Total
	Anguilla	Barbuda				St Kitts and Nevis	St Vincent and the Grenadines						
1987 Dec.	32	2,911	813	1,828	425	1,280	2,409	1,463	11,161	2,588	112	13,861	
1988 Dec.	60	3,200	905	1,931	494	1,385	2,640	1,569	12,185	2,585	113	14,883	
1989 Dec.	108	3,920	1,376	2,175	567	2,056	4,132	2,105	16,439	2,585	114	19,139	
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	2,593	117	28,248	
1994 Dec.	448	6,695	2,064	3,970	870	3,221	7,398	3,289	27,956	2,593	117	30,666	
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	2,573	117	35,042	
1997 Dec.	665	8,316	2,564	5,144	890	4,088	8,954	4,009	34,629	2,551	117	37,298	
1998 Dec.	775	8,938	2,744	5,596	849	4,236	9,693	4,347	37,180	2,546	117	39,843	
1999 Dec.	917	9,590	2,944	6,209	885	4,597	10,605	4,799	40,547	2,540	117	43,204	
2000 Dec.	1,019	10,172	3,060	6,786	913	4,914	11,364	5,063	43,290	2,532	117	45,939	
2001 Dec.	1,062	10,569	3,144	7,155	916	5,243	11,775	5,213	45,076	2,532	117	47,725	
2002 Dec.	1,122	11,103	3,365	7,648	927	5,468	11,975	5,444	47,052	2,542	117	49,712	
2003 Mar.	1,152	11,244	3,373	7,669	927	5,516	11,983	5,519	47,383	2,536	117	50,036	
Jun.	1,182	11,491	3,387	7,719	928	5,535	12,169	5,637	48,049	2,522	117	50,688	
Sep.	1,187	11,656	3,449	7,873	928	5,572	12,430	5,744	48,839	2,475	117	51,432	
Dec.	1,225	11,934	3,675	8,096	923	5,719	12,812	6,016	50,400	2,475	117	52,993	
2004 Mar.	1,267	12,114	3,683	8,208	934	5,781	12,889	5,991	50,867	2,466	117	53,450	
Jun.	1,306	12,454	3,703	8,402	937	5,876	13,067	6,039	51,785	2,471	117	54,372	
Sep.	1,339	12,575	3,780	8,542	938	5,953	13,355	6,177	52,658	2,498	117	55,273	
Dec.	1,372	12,784	3,853	8,824	945	6,198	13,585	6,426	53,988	2,498	117	56,603	
2005 Jan.	1,392	12,869	3,854	8,879	954	6,181	13,622	6,431	54,181	2,498	117	56,796	
Feb.	1,404	12,975	3,875	8,949	954	6,268	13,627	6,428	54,481	2,498	117	57,096	
Mar.	1,413	13,080	3,895	9,064	954	6,345	13,768	6,422	54,943	2,498	117	57,558	
Apr.	1,458	13,216	3,899	9,112	954	6,385	13,800	6,469	55,294	2,498	117	57,909	
May	1,467	13,326	3,945	9,128	955	6,437	13,882	6,447	55,588	2,498	117	58,203	
Jun.	1,513	13,438	3,981	9,248	955	6,511	13,946	6,485	56,077	2,498	117	58,693	
Jul.	1,530	13,512	4,045	9,375	957	6,533	14,042	6,538	56,533	2,498	117	59,148	
Aug.	1,530	13,601	3,961	9,437	957	6,614	14,113	6,580	56,793	2,498	117	59,409	
Sep.	1,549	13,669	3,984	9,491	961	6,607	14,204	6,650	57,115	2,498	117	59,730	
Oct.	1,583	13,741	4,016	9,527	961	6,620	14,296	6,666	57,410	2,498	117	60,025	
Nov.	1,590	13,844	4,067	9,614	967	6,693	14,424	6,719	57,919	2,478	117	60,514	
Dec.	1,614	13,974	4,147	9,720	970	6,814	14,755	6,866	58,859	2,478	117	61,455	
2006 Jan.	1,635	14,027	4,169	9,770	970	6,866	14,757	6,867	59,060	2,478	117	61,656	
Feb.	1,659	14,070	4,208	9,790	970	6,869	14,767	6,838	59,170	2,478	117	61,766	
Mar.	1,682	14,191	4,219	9,825	970	6,941	14,787	6,840	59,455	2,466	117	62,038	
Apr.	1,701	14,482	4,231	9,871	970	6,902	14,914	6,937	60,009	2,466	117	62,592	
May.	1,718	14,570	4,251	9,950	970	6,966	15,110	6,997	60,533	2,466	117	63,116	
Jun.	1,781	14,619	4,247	10,014	978	7,054	15,207	7,037	60,937	2,466	117	63,520	

Source: Eastern Caribbean Central Bank

Data available at August 2006





**Table 11**  
**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	Other ECCB	Local Banks	Other Area Banks			
1987 Dec.	352,414	788,883	770,683	75,062	1,987,042	6,276	15,622	66,082	137,448	370,279	2,582,749
1988 Dec.	453,366	922,372	950,617	121,965	2,448,320	5,731	25,522	63,805	94,239	393,523	3,031,140
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 Mar.	1,482,360	3,538,469	3,554,609	1,589,815	10,165,253	20,941	97,380	408,905	587,880	1,434,374	12,714,733
Jun.	1,513,585	3,540,076	3,649,507	1,572,401	10,275,569	15,420	54,754	375,867	526,108	1,508,357	12,756,075
Sep.	1,477,566	3,533,215	3,697,117	1,577,814	10,285,712	21,263	50,005	408,969	575,394	1,514,586	12,855,929
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 Mar.	1,826,053	3,490,052	3,944,127	1,705,178	10,965,410	24,336	60,667	437,148	584,611	1,639,662	13,711,834
Jun.	1,937,524	3,413,820	4,042,093	1,751,103	11,144,540	23,654	54,397	475,249	781,923	1,834,227	14,313,990
Sep.	2,002,212	3,378,307	4,173,487	1,776,349	11,330,355	16,300	62,627	529,650	702,108	1,782,122	14,423,162
Dec.	2,110,878	3,451,160	4,407,015	1,809,902	11,778,955	10,838	29,937	619,312	701,558	2,029,870	15,170,470
2005 Jan.	2,200,597	3,448,344	4,463,847	1,895,976	12,008,764	13,693	41,687	587,717	686,143	2,031,291	15,369,295
Feb.	2,306,113	3,423,779	4,506,474	1,924,004	12,160,370	13,555	34,033	659,346	692,530	2,131,844	15,691,678
Mar.	2,244,687	3,433,244	4,575,441	1,993,484	12,246,856	15,699	39,625	734,685	720,160	2,005,325	15,762,350
Apr.	2,195,508	3,465,041	4,639,359	1,882,833	12,182,741	14,337	133,253	765,569	718,312	2,076,809	15,891,021
May	2,203,082	3,520,402	4,660,689	1,907,704	12,291,877	12,185	151,372	965,341	703,875	2,113,423	16,238,073
Jun.	2,152,819	3,563,005	4,676,743	1,946,901	12,339,468	4,649	58,302	1,336,037	666,434	2,278,762	16,683,652
Jul.	2,173,223	3,564,064	4,676,463	1,903,034	12,316,784	16,441	59,855	1,468,325	705,994	2,337,732	16,905,131
Aug.	2,182,565	3,563,159	4,679,750	1,912,396	12,337,870	6,790	33,823	1,434,910	715,540	2,437,008	16,965,941
Sep.	2,124,530	3,534,364	4,710,794	1,959,902	12,329,590	8,515	36,805	1,480,952	788,267	2,425,510	17,069,639
Oct.	2,162,271	3,524,705	4,747,775	2,038,546	12,473,297	11,733	36,240	908,198	818,707	2,650,793	16,898,968
Nov.	2,237,997	3,566,102	4,713,687	2,022,943	12,540,729	5,729	46,373	859,810	874,343	2,810,031	17,137,015
Dec.	2,256,712	3,535,176	4,785,500	2,013,499	12,590,887	11,169	42,463	829,373	901,090	2,858,365	17,233,347
2006 Jan.	2,302,905	3,531,687	4,857,872	2,108,596	12,801,060	6,925	38,095	780,434	914,499	2,876,096	17,417,109
Feb.	2,318,467	3,546,925	4,879,859	2,148,778	12,894,029	9,493	39,778	801,692	870,230	2,859,222	17,474,444
Mar.	2,374,923	3,575,583	4,935,718	2,217,212	13,103,436	9,519	37,499	916,493	852,609	2,984,777	17,904,333
Apr.	2,401,895	3,618,889	5,001,048	2,224,647	13,246,479	37,206	24,967	867,187	838,521	3,044,642	18,059,002
May.	2,456,904	3,644,044	5,043,314	2,290,967	13,435,229	6,676	24,954	854,498	803,648	3,025,018	18,150,023
Jun.	2,424,268	3,681,041	5,076,030	2,266,756	13,448,095	16,420	28,872	931,640	833,976	2,986,885	18,245,888

Source: Eastern Caribbean Central Bank

Data available at August 2006



**Table 12**  
**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>								
1987 Dec.	47,746	278,037	51,803	59,377	1,495,309	28,523	44,687	425,318	151,949	2,582,749
1988 Dec.	37,684	242,643	52,085	66,120	1,800,157	29,869	50,284	580,524	171,774	3,031,140
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 Mar.	104,560	907,993	82,308	394,112	7,516,493	342,339	261,554	2,201,264	904,110	12,714,733
Jun.	101,423	957,589	60,095	353,358	7,515,652	357,358	266,697	2,221,271	922,632	12,756,075
Sep.	110,588	865,706	48,012	436,334	7,549,981	374,367	292,425	2,191,777	986,739	12,855,929
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 Mar.	124,538	953,702	60,239	444,641	7,644,429	384,066	318,501	2,588,480	1,193,238	13,711,834
Jun.	128,251	948,079	42,413	481,209	7,829,872	382,947	321,500	2,855,956	1,323,763	14,313,990
Sep.	136,353	842,538	64,578	519,236	8,072,043	403,527	369,782	2,692,879	1,322,226	14,423,162
Dec.	176,755	981,971	31,129	637,433	8,206,068	393,100	410,116	2,845,325	1,488,573	15,170,470
2005 Jan.	119,961	1,073,437	34,356	605,206	8,256,963	395,027	390,093	2,986,087	1,508,165	15,369,295
Feb.	111,651	1,071,837	33,022	658,749	8,294,587	414,969	393,409	3,095,372	1,618,082	15,691,678
Mar.	138,782	951,418	34,475	697,434	8,347,561	418,913	392,263	3,174,745	1,606,759	15,762,350
Apr.	110,157	958,113	29,409	747,630	8,412,586	401,162	384,923	3,237,446	1,609,595	15,891,021
May	135,542	1,078,100	37,247	981,152	8,435,653	422,657	389,245	3,323,982	1,434,495	16,238,073
Jun.	133,772	983,490	36,331	1,361,251	8,551,495	426,684	416,819	3,363,517	1,410,293	16,683,652
Jul.	108,259	911,717	34,906	1,521,368	8,686,064	415,238	440,242	3,297,672	1,489,665	16,905,131
Aug.	145,458	917,909	36,228	1,457,624	8,754,761	391,034	449,939	3,311,237	1,501,751	16,965,941
Sep.	116,865	826,612	43,068	1,510,011	8,952,945	389,357	427,183	3,313,244	1,490,354	17,069,639
Oct.	122,158	845,530	50,519	941,369	9,041,705	365,748	480,021	3,334,490	1,717,428	16,898,968
Nov.	150,568	862,132	81,248	878,815	9,211,598	366,417	461,922	3,238,544	1,885,771	17,137,015
Dec.	211,429	818,968	69,324	832,944	9,297,763	365,634	470,829	3,199,602	1,966,854	17,233,347
2006 Jan.	155,849	901,499	85,468	783,343	9,380,176	348,986	483,898	3,317,752	1,960,138	17,417,109
Feb.	141,937	920,847	89,251	804,432	9,467,022	345,929	472,255	3,286,988	1,945,783	17,474,444
Mar.	125,176	912,362	82,887	918,408	9,574,434	359,789	482,256	3,461,886	1,987,135	17,904,333
Apr.	127,944	938,370	50,314	902,248	9,697,261	365,382	482,102	3,423,703	2,071,678	18,059,002
May.	164,226	995,908	25,539	879,332	9,778,716	364,703	480,441	3,487,475	1,973,683	18,150,023
Jun.	123,176	964,497	25,886	934,968	9,935,849	367,022	482,589	3,420,284	1,991,617	18,245,888

Source: Eastern Caribbean Central Bank

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

Data as at August 2006



**Table 13**  
**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)
1987 Dec.	222,116	13,746	47,746	188,117	215,594	403,711	1,120,487	1,524,198
1988 Dec.	215,762	14,770	37,684	192,849	269,102	461,951	1,352,949	1,814,900
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 Mar.	429,018	49,881	104,560	374,339	984,546	1,358,885	5,720,960	7,079,845
Jun.	432,810	50,547	101,423	381,934	983,921	1,365,855	5,797,008	7,162,863
Sep.	429,198	51,337	110,588	369,947	1,003,178	1,373,125	5,698,928	7,072,053
Dec.	555,321	52,879	178,586	429,614	1,078,516	1,508,130	5,871,564	7,379,694
2004 Mar.	479,592	53,333	124,538	408,387	1,207,161	1,615,548	6,075,544	7,691,092
Jun.	482,352	54,251	128,251	408,351	1,257,312	1,665,663	6,131,898	7,797,561
Sep.	482,522	55,124	136,353	401,293	1,311,862	1,713,155	6,265,343	7,978,498
Dec.	606,442	56,454	176,755	486,142	1,409,042	1,895,184	6,467,370	8,362,554
2005 Jan.	522,817	56,647	119,961	459,503	1,478,682	1,938,185	6,596,462	8,534,647
Feb.	517,613	56,947	111,651	462,909	1,585,791	2,048,700	6,642,964	8,691,664
Mar.	548,366	57,409	138,782	466,993	1,543,810	2,010,803	6,807,637	8,818,440
Apr.	532,473	57,760	110,157	480,076	1,508,840	1,988,916	6,759,252	8,748,168
May	533,207	58,054	135,542	455,719	1,527,006	1,982,725	6,831,920	8,814,645
Jun.	531,991	58,543	133,772	456,762	1,450,409	1,907,171	6,763,686	8,670,857
Jul.	539,009	58,999	108,259	489,749	1,462,811	1,952,560	6,732,834	8,685,394
Aug.	538,489	59,259	145,458	452,291	1,479,457	1,931,748	6,772,391	8,704,139
Sep.	529,468	59,581	116,865	472,184	1,451,737	1,923,921	6,866,133	8,790,054
Oct.	534,626	59,876	122,158	472,345	1,488,048	1,960,393	6,946,249	8,906,642
Nov.	550,040	60,385	150,568	459,857	1,548,135	2,007,992	6,929,807	8,937,799
Dec.	671,505	61,325	211,429	521,402	1,565,289	2,086,691	6,968,949	9,055,640
2006 Jan.	563,802	61,526	155,849	469,479	1,606,494	2,075,973	7,127,482	9,203,455
Feb.	558,439	61,636	141,937	478,139	1,630,720	2,108,859	7,165,451	9,274,310
Mar.	565,530	61,921	125,176	502,274	1,664,837	2,167,111	7,296,682	9,463,793
Apr.	568,844	62,475	127,944	503,375	1,676,140	2,179,515	7,372,207	9,551,722
May.	575,930	62,999	164,226	474,703	1,719,487	2,194,190	7,439,742	9,633,932
Jun.	563,687	63,403	123,176	503,914	1,681,847	2,185,761	7,456,751	9,642,512

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 August 2006



**Table 14**  
**Eastern Caribbean Currency Union**  
**Sectoral Distribution of Loans & Advances**  
(In thousands of Eastern Caribbean dollars)

	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04
Agriculture	282,162	282,937	293,051	298,454	296,990	298,190	301,941	300,448	291,936
Fisheries	15,902	16,625	16,859	14,945	15,199	14,281	13,943	13,345	13,836
Manufacturing	216,277	216,698	224,306	225,400	225,761	233,482	233,761	241,077	228,771
Food & Non-Alcoholic Bev	45,301	44,839	39,955	46,622	45,530	45,699	41,919	45,998	43,164
Clothing & Accessories	18,950	18,742	18,666	17,902	18,066	17,702	17,222	15,842	19,168
Other Industries <sup>1/</sup>	152,026	153,117	165,685	160,876	162,165	170,081	174,620	179,237	166,439
Distributive Trades	830,259	847,308	835,178	841,791	815,993	799,714	796,969	777,084	777,588
Tourism	538,385	540,468	604,242	597,505	573,281	568,525	595,406	570,712	578,483
Entertainment	82,708	83,592	85,553	84,959	80,774	75,910	83,858	87,765	86,848
Transport	216,301	207,126	209,171	202,512	192,393	191,782	191,026	153,237	150,789
Public Utilities	144,821	164,281	156,876	166,525	157,589	168,821	150,090	177,126	187,550
Construction & Land Dev.	347,676	351,745	362,113	365,373	345,576	362,011	325,080	340,046	360,108
Gov't & Statutory Bodies	671,591	768,545	817,924	727,544	659,509	650,024	640,754	619,044	615,406
Professional Services	460,084	455,491	468,546	449,796	489,994	491,167	493,937	491,835	517,650
Financial Institutions	86,372	78,007	79,875	80,352	115,367	141,190	143,926	148,595	143,868
Personal	3,432,044	3,464,475	3,479,297	3,514,982	3,548,067	3,520,555	3,579,290	3,679,868	3,691,596
Acquisition of Property <sup>2/</sup>	1,821,700	1,838,512	1,852,659	1,881,657	1,913,957	1,987,247	2,012,929	2,053,180	2,056,242
Durable Consumer Goods	306,183	300,117	274,287	260,205	252,425	281,882	275,487	287,542	290,524
Other Personal Loans	1,304,161	1,325,846	1,352,351	1,373,120	1,381,685	1,251,426	1,290,874	1,339,146	1,344,830
<b>TOTAL</b>	<b>7,324,582</b>	<b>7,477,298</b>	<b>7,632,991</b>	<b>7,570,138</b>	<b>7,516,493</b>	<b>7,515,652</b>	<b>7,549,981</b>	<b>7,600,182</b>	<b>7,644,429</b>
% of Long Term Loans to Total Loans	58.61	58.67	60.13	60.87	62.01	62.19	64.35	64.45	62.70
	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06
Agriculture	308,608	310,639	324,887	340,256	347,859	333,797	336,924	335,207	340,068
Fisheries	14,383	13,808	11,996	12,266	12,905	11,386	11,584	12,571	13,217
Manufacturing	231,202	225,219	225,387	219,535	218,315	222,418	232,683	240,931	241,977
Food & Non-Alcoholic Bev	43,754	39,537	40,499	42,865	42,205	42,310	42,526	45,869	47,415
Clothing & Accessories	17,495	15,711	14,111	14,595	15,173	16,764	16,628	15,315	14,808
Other Industries <sup>1/</sup>	169,953	169,971	170,777	162,075	160,937	163,344	173,529	179,747	179,754
Distributive Trades	784,936	806,501	797,393	810,764	845,528	863,663	864,059	871,195	869,196
Tourism	584,344	599,639	633,753	587,506	601,479	677,136	744,463	770,265	817,022
Entertainment	81,217	83,061	81,528	79,671	77,177	81,067	80,213	80,287	91,021
Transport	153,582	147,049	138,924	157,522	166,151	172,335	180,955	193,824	207,205
Public Utilities	199,767	209,558	204,956	203,398	196,261	143,963	195,035	265,297	273,780
Construction	450,785	465,960	461,324	470,897	495,351	498,307	512,904	507,625	533,786
Government Services	573,281	665,857	753,712	804,138	751,091	909,043	931,636	926,713	1,002,500
Professional Services	539,746	526,599	550,712	565,185	576,577	635,495	650,753	725,183	797,923
Financial Institutions	138,036	122,264	125,102	114,935	146,751	151,292	144,262	145,068	136,429
Personal	3,769,985	3,895,889	3,896,394	3,981,488	4,116,050	4,253,043	4,412,292	4,500,268	4,611,725
Acquisition of Property <sup>2/</sup>	2,137,222	2,175,353	2,209,624	2,235,275	2,333,066	2,389,833	2,523,855	2,602,237	2,690,330
Durable Consumer Goods	283,180	287,438	293,752	306,893	328,016	345,027	371,578	402,756	425,480
Other Personal Loans	1,349,583	1,433,098	1,393,018	1,439,320	1,454,968	1,518,183	1,516,859	1,495,275	1,495,915
<b>TOTAL</b>	<b>7,829,872</b>	<b>8,072,043</b>	<b>8,206,068</b>	<b>8,347,561</b>	<b>8,551,495</b>	<b>8,952,945</b>	<b>9,297,763</b>	<b>9,574,434</b>	<b>9,935,849</b>
% of Long Term Loans to Total Loans	63.38	64.52	64.79	64.89	64.50	62.80	62.76	62.89	62.74

Source: Eastern Caribbean Central Bank

<sup>1/</sup> Includes Mining & Quarrying<sup>2/</sup> Includes House & Land Purchase and Home Construction

Data available at August 2006



**Table 15**  
**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>
1987 Dec.	5.83	9.23	4.84	18.16	4.63	11.33
1988 Dec.	6.67	9.80	4.75	18.50	4.88	11.03
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.	1.35	3.80	1.73	17.81	4.23	3.94
2003 Qtr. 1	1.15	3.59	1.50	25.96	4.32	2.92
Qtr. 2	1.05	3.45	2.13	30.13	4.96	2.99
Qtr. 3	0.93	3.41	1.24	25.16	4.76	3.04
Qtr. 4	0.92	3.76	0.77	22.51	4.81	3.20
2004 Qtr. 1	2.75	11.98	1.10	48.69	14.40	10.41
Qtr. 2	3.25	13.11	0.91	45.03	14.39	10.30
Qtr. 3	4.52	14.05	5.38	46.12	14.30	11.40
Qtr. 4	6.03	14.02	7.06	45.77	14.17	11.33
2005 Jan.	2.35	4.66	2.85	14.40	4.70	3.83
Feb.	2.59	4.69	2.88	13.95	4.71	3.84
Mar.	2.76	4.77	3.28	13.46	4.80	3.84
Apr.	2.78	4.70	4.48	13.43	4.80	3.80
May	2.87	4.66	4.61	13.43	4.86	3.80
Jun.	3.00	4.62	4.75	12.88	4.83	3.80
Jul.	3.21	4.46	4.71	13.03	4.94	3.80
Aug.	3.46	4.41	4.88	13.03	4.94	3.76
Sep.	3.46	4.40	5.28	13.15	4.93	3.76
Oct.	3.74	4.40	5.67	13.16	4.93	3.76
Nov.	3.91	4.42	5.84	13.15	4.98	3.76
Dec.	3.89	4.43	6.22	13.55	4.95	3.74
2006 Jan.	4.23	4.39	5.69	13.30	5.01	3.88
Feb.	4.44	4.38	5.83	13.24	5.00	3.88
Mar.	4.51	4.40	n.a	13.18	5.43	3.85
Apr.	4.59	n.a	n.a	n.a	n.a	n.a
May.	n.a	n.a	n.a	n.a	n.a	n.a
Jun.	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 & 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 August 2006



**Table 16**  
**Anguilla - Selected Tourism Statistics**

	2005	2005	2005	2006	2006	2005	2006
	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	Jan - Jun	Jan - Jun
Total Vistors	34,353	29,746	34,699	48,885	45,098	78,741	93,983
Stay-Over Visitors	16,471	12,078	14,900	20,441	20,703	35,106	41,144
Of which:							
USA	11,753	6,427	9,832	14,308	13,229	25,474	27,537
Canada	386	245	465	770	351	1,082	1,121
UK	868	905	987	1,041	1,132	1,942	2,173
Italy	205	495	222	311	277	482	588
Germany	99	54	137	127	149	219	276
Caribbean	2,103	2,586	2,157	2,623	4,305	3,786	6,928
Other Countries	1,057	1,366	1,100	1,261	1,260	2,121	2,521
Excursionists	17,882	17,668	19,799	28,444	24,395	43,635	52,839
Total Visitor Expenditure (EC\$M)	55.28	47.76	57.27	76.28	77.82	127.26	154.10

Sources: Department of Finance and Statistical Department

Data available at 24 August 2006

**Table 17**  
**Anguilla - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Jun 2006	Percentage Change*						
			2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
All Items	1,000.0	121.70	1.31	0.26	1.52	1.27	2.13	1.40	3.43
Food	321.2	112.30	0.43	1.13	1.97	0.71	1.72	(0.09)	2.44
Alcoholic Beverages and Tobacco	3.0	102.40	0.31	(0.39)	(0.59)	0.63	0.96	0.49	1.59
Housing	171.5	98.70	9.85	0.94	(0.50)	1.88	0.68	10.11	2.58
Fuel and Light	68.6	130.80	0.13	-	12.54	-	0.02	0.17	0.02
Clothing and Footwear	30.7	149.40	(7.31)	2.74	(1.94)	(2.12)	3.77	(5.93)	1.57
Household Furnishings and Supplie	97.3	135.90	1.69	(0.77)	(5.42)	15.04	7.02	0.60	23.12
Transport and Communications	235.3	134.60	0.26	(0.23)	2.30	(2.69)	2.66	0.30	(0.10)
Medical Care and Expenses	30.9	134.40	(0.01)	0.46	(0.06)	1.63	0.02	0.15	1.65
Education	9.9	186.90	(0.01)	(1.82)	0.03	2.05	(0.01)	(0.69)	2.05
Personal Services	16.4	130.20	0.22	6.09	0.06	6.68	(0.02)	2.68	6.66
Miscellaneous	15.3	117.70	(0.94)	(3.10)	6.32	1.39	(2.86)	1.84	(1.51)

Sources: Statistics Department, Ministry of Finance

\*at end of period

Data available at 24 August 2006



**Table 18**  
**Anguilla - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2005	2005	2005	2006 <sup>R</sup>	2006	2005	2006
	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	Jan - Jun	Jan - Jun
<b>Current Revenue</b>	30.52	34.08	31.86	50.92	45.69	60.89	96.61
Tax Revenue	24.01	27.79	25.56	44.09	40.43	49.07	84.52
Taxes on Property	0.14	0.08	0.07	0.12	0.28	0.39	0.40
Taxes on Domestic Goods & Services	10.54	13.63	7.79	28.04	22.75	22.50	50.79
Of Which:							
Accommodation Tax	4.71	1.57	1.04	6.06	4.52	10.02	10.57
Bank Deposit Levy	0.63	1.74	-	-	1.17	2.33	1.17
Licences	2.05	1.50	1.57	3.91	2.58	4.67	6.48
Stamp Duties	2.45	8.27	4.79	17.30	13.72	4.39	31.01
Taxes on International Trade and Transactions	13.33	14.08	17.71	15.93	17.40	26.17	33.33
Of Which:							
Import Duty	10.82	11.48	15.54	13.31	14.48	21.43	27.79
Export Duty	0.00	-	0.00	0.00	-	0.00	0.00
Customs Surcharge	0.59	0.55	0.79	0.65	0.70		
Ticket Tax	0.50	0.50	0.14	0.29	0.39		
Foreign Exchange Tax	0.22	0.29	0.21	0.23	0.27	0.47	0.50
Embarkation Tax	0.94	0.87	0.78	1.04	1.16	1.94	2.21
Non-Tax Revenue	6.51	6.28	6.30	6.83	5.26	11.82	12.09
<b>Current Expenditure</b>	24.65	28.93	30.96	31.93	30.41	45.98	62.34
Goods and Services	6.99	11.80	10.45	10.11	8.10	13.02	18.21
Personal Emoluments	9.54	9.86	11.97	11.00	11.77	18.99	22.77
Interest Payments	1.41	1.26	1.51	1.21	1.52	1.91	2.73
Domestic	1.06	1.14	1.34	1.21	1.35	1.56	2.56
External	0.35	0.13	0.17	-	0.17	0.35	0.17
Transfers & Subsidies	6.72	6.01	7.03	9.62	9.03	12.05	18.64
Of Which: Pensions	0.51	0.55	0.64	0.61	0.66	0.85	1.27
<b>Current Account Balance</b>	5.87	5.14	0.90	18.99	15.28	14.91	34.27
<b>Capital Revenue</b>	0.01	0.00	0.00	-	-	0.01	-
<b>Grants</b>							
Of which: Capital Grants	4.42	-	-	-	-	4.42	-
<b>Capital Expenditure</b>	8.76	8.22	7.32	6.72	7.29	25.39	14.02
<b>Primary Balance</b>	2.95	(1.81)	(4.90)	13.48	9.50	(4.13)	22.98
<b>Overall Balance</b>	1.54	(3.07)	(6.41)	12.27	7.98	(6.05)	20.25
<b>Financing</b>	(1.54)	3.07	6.41	(12.27)	(7.98)	6.05	(20.25)
Domestic	(1.47)	3.24	6.51	(12.20)	(7.88)	6.18	(20.08)
ECCB (net)	1.09	0.62	(0.21)	0.22	0.00	(0.52)	0.22
Commercial Banks (net)	(2.11)	2.51	3.87	(13.79)	(4.69)	10.32	(18.48)
Other	(0.44)	0.11	2.84	1.37	(3.19)	(3.62)	(1.82)
External	(0.07)	(0.17)	(0.09)	(0.07)	(0.11)	(0.14)	(0.18)
Net Amortisation	(0.07)	(0.17)	(0.09)	(0.07)	(0.11)	(0.14)	(0.18)
Disbursements	0.02	-	-	-	-	0.07	-
Amortisation	(0.09)	(0.17)	(0.09)	(0.07)	(0.11)	(0.20)	(0.18)
Change in Government Foreign Assets	-	-	-	-	-	-	-

Source: Ministry of Finance and Treasury Department

Data available at 24 August 2006



**Table 19**  
**Anguilla - External Trade**  
**(EC\$M)**

	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
Total Exports (without transhipment)	13.90	11.51	7.88	6.03	6.06	20.42	12.09
Total Imports (without transhipment)	86.81	81.85	104.23	112.13	102.19	164.47	214.33
Trade Balance	(72.91)	(70.34)	(96.35)	(106.10)	(96.13)	(144.05)	(202.24)

Source: Statistical Department, Ministry of Finance

**Data available at 16 August 2006**

**Table 20**  
**Anguilla - Monetary Survey**  
**(EC\$M at end of period)**

	2005 1 <sup>st</sup> Qr	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr
Net Foreign Assets	463.12	690.38	748.27	482.41	546.63	575.69
Central Bank (net)	91.19	93.13	89.32	107.20	110.23	122.51
Commercial Banks (net)	371.93	597.26	658.95	375.21	436.40	453.18
External (net)	326.63	355.38	394.62	336.78	386.61	390.28
Assets	606.27	594.29	584.58	524.61	586.90	584.82
Liabilities	279.64	238.91	189.96	187.83	200.29	194.55
Other ECCB Territories	45.30	241.88	264.33	38.43	49.79	62.90
Assets	109.58	313.51	343.15	108.43	123.64	122.34
Liabilities	64.28	71.63	78.82	70.00	73.85	59.44
Net Domestic Assets	282.62	62.40	101.60	430.36	444.67	442.95
Domestic Credit	554.46	577.01	613.77	655.17	630.49	673.57
Central Government (net)	47.52	46.50	49.63	53.29	39.71	35.03
Other Public Sector (net)	(81.22)	(87.14)	(89.88)	(93.11)	(97.34)	(98.10)
Non-Bank Financial Institutions (net)	(8.07)	(4.99)	(13.76)	(26.19)	(21.22)	(21.80)
Subsidiaries and Affiliates (net)	5.05	5.72	5.72	10.06	10.64	10.64
Private Sector	591.17	616.91	662.06	711.12	698.69	747.80
Other Items (net)	(271.84)	(514.60)	(512.17)	(224.80)	(185.81)	(230.62)
Monetary Liabilities (M2)	745.74	752.79	849.87	912.77	991.30	1,018.65
Money Supply (M1)	22.56	21.24	30.40	29.82	27.56	35.21
Currency with the Public	8.22	8.79	9.45	9.58	9.67	12.01
Demand Deposits	14.34	12.45	20.95	20.24	17.88	23.20
Quasi Money	723.18	731.54	819.47	882.95	963.75	983.44
Savings Deposits	61.77	65.20	65.59	69.57	71.04	73.26
Time Deposits	65.72	74.43	68.87	70.92	74.34	79.01
Foreign Currency Deposits	595.69	591.91	685.01	742.47	818.37	831.17

Source: Eastern Caribbean Central Bank

**Data available at 25 August 2006**





**Table 21**  
**Antigua and Barbuda - Selected Tourism Statistics**

	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 <sup>P</sup> 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
Total Vistors	136,893	79,075	214,261	273,532	142,316	418,895	415,848
Stay-Over Visitors	59,055	51,482	59,209	74,157	63,000	134,689	137,157
Of which:							
USA	17,521	13,058	14,743	24,162	19,434	40,836	43,596
Canada	1,708	1,158	2,196	4,609	1,951	6,544	6,560
Europe	26,331	20,143	26,823	32,727	24,622	61,695	57,349
UK	22,944	17,649	23,326	27,088	20,618	52,062	47,706
Germany	510	288	770	1,133	757	1,605	1,890
Switzerland	196	99	245	336	212	574	548
Italy	1,085	1,238	920	1,915	1,218	3,538	3,133
France	306	199	301	486	325	737	811
Other Europe	1,290	670	1,261	1,769	1,492	3,179	3,261
Caribbean	10,916	14,651	12,738	10,291	14,160	21,035	24,451
South America	247	175	255	245	287	460	532
Other Countries	2,332	2,297	2,454	2,123	2,546	4,119	4,669
Cruise Ship Passengers \1	77,838	27,593	155,052	199,375	79,316	284,206	278,691
Number of Cruise Ship Calls	47	8	105	164	56	208	220
Total Visitor Expenditure (EC\$M)	193.25	165.43	199.57	250.34	205.87	448.81	456.22

Sources: Department of Tourism and Eastern Caribbean Central Bank  
**Data available at 15 August 2006**

**Table 22**  
**Antigua and Barbuda - Consumer Price Index**  
**January 1993 = 100**

	Weight	Index Jun 2006	Percentage Change*						
			2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>P</sup> 1 <sup>st</sup> Qr	2006 <sup>P</sup> 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>All Items</b>	1,000.0	111.22	0.60	0.79	0.98	0.06	0.24	0.75	0.31
Food	214.2	107.76	0.33	1.25	(0.53)	(0.18)	0.80	0.74	0.62
Alcoholic Beverages & Tobacco	1.6	107.56	(0.02)	0.96	(0.12)	0.63	-	1.21	0.63
Housing	218.3	109.74	-	-	-	-	-	-	-
Fuel & Light	63.9	115.71	9.15	2.39	1.17	1.16	1.15	13.61	2.32
Clothing & Footwear	110.6	108.03	-	0.86	(0.58)	-	-	1.06	-
Household Furnishings & Supplies	126.0	114.37	(0.08)	0.60	4.54	-	-	(0.35)	-
Transport & Communications	153.5	109.71	-	1.37	3.50	-	-	(3.63)	-
Medical Care & Expenses	27.6	111.25	-	-	-	-	-	1.33	-
Education	23.4	116.77	-	-	-	0.93	-	10.99	0.93
Personal Services	43.0	131.87	-	-	-	-	-	-	-
Miscellaneous	17.9	108.64	0.13	-	-	-	-	1.35	-

Sources: Central Statistical Office and Eastern Caribbean Central Bank  
 \*at end of period  
**Data available at 15 August 2006**



**Table 23**  
**Antigua and Barbuda - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>Current Revenue</b>	129.66	112.83	130.94	198.67	137.10	249.91	335.77
Tax Revenue	119.31	104.00	121.78	189.29	129.91	229.27	319.20
Taxes on Income & Profits	16.03	17.78	18.36	54.65	22.61	27.66	77.27
Of Which:							
Personal Income	5.07	9.02	9.28	10.41	11.46	5.07	21.86
Company	10.37	8.64	8.95	44.08	11.08	20.47	55.16
Taxes on Property	4.69	1.48	1.11	4.52	4.10	7.94	8.62
Taxes on Domestic Goods & Services	28.92	21.11	22.39	33.67	32.10	57.03	65.77
Of Which:							
Stamp Duties	9.92	7.90	11.04	10.36	10.27	17.37	20.63
Hotel and Guest Tax	11.32	6.48	4.22	12.36	13.16	22.85	25.52
Telecommunications Tax	2.40	2.35	2.22	1.93	2.39	5.27	4.33
Taxes on International Trade and Transactions	69.67	63.63	79.92	96.44	71.10	136.65	167.54
Of Which:							
Import Duty	17.57	16.25	21.35	25.00	16.90	33.58	41.90
Consumption Tax	26.15	23.39	30.71	39.69	28.33	49.20	68.02
Customs Service Charge	15.47	15.37	19.10	19.47	17.10	31.19	36.57
Environmental Tax	1.75	1.92	2.20	2.77	1.33	3.53	4.10
Passenger Facility Charge	3.46	1.75	1.27	2.56	1.92	6.15	4.48
Non-Tax Revenue	10.35	8.83	9.17	9.38	7.18	20.64	16.57
<b>Current Expenditure</b>	133.86	143.55	147.79	146.43	140.67	271.93	287.10
Personal Emoluments	60.90	65.82	65.72	64.10	63.30	121.28	127.40
Other Goods & Services	26.28	28.08	29.95	21.25	24.20	52.95	45.45
Interest Payments	18.76	22.40	25.41	21.93	19.48	41.46	41.41
Domestic	5.94	8.29	10.99	7.05	5.79	14.63	12.84
External	12.82	14.11	14.42	14.88	13.69	26.83	28.58
Transfers & Subsidies	27.91	27.25	26.72	39.15	33.70	56.25	72.84
Of Which: Pensions	9.41	9.25	9.50	11.11	11.22	19.43	22.34
<b>Current Account Balance</b>	(4.19)	(30.72)	(16.85)	52.24	(3.57)	(22.02)	48.66
<b>Capital Revenue</b>	14.82	0.81	0.73	1.42	1.25	16.46	2.66
<b>Grants</b>	2.50	3.00	554.25	21.00	21.00	11.43	42.00
Of which: Capital Grants	2.50	3.00	7.00	21.00	21.00	-	11.43
Debt Forgiveness	-	-	547.25	-	-	-	-
<b>Capital Expenditure and Net Lending</b>	21.42	12.46	34.44	77.29	32.43	47.32	109.73
<b>Primary Balance</b>	10.47	(16.97)	529.11	19.30	5.72	0.00	25.02
<b>Overall Balance</b>	(8.29)	(39.36)	503.70	(2.64)	(13.76)	(41.46)	(16.40)
<b>Financing</b>	8.29	39.36	(503.70)	2.64	13.76	41.46	16.40
Domestic	(5.80)	15.07	25.66	(18.03)	(8.15)	3.07	(26.19)
ECCB (net)	(0.09)	0.05	0.20	(0.20)	(0.50)	0.97	(0.70)
Commercial Banks (net)	(15.60)	(3.15)	7.88	(62.29)	(27.21)	(11.87)	(89.50)
Other	9.89	18.17	17.58	44.46	19.55	13.97	64.01
External	(5.65)	3.28	(389.24)	1.02	4.05	(10.99)	5.07
Net Amortisation/(Amortisation)	(5.65)	3.21	(389.27)	0.99	4.01	(11.03)	5.00
Disbursements	-	7.88	14.52	0.99	4.01	-	5.00
Amortisation	(5.65)	(4.67)	(403.79)	-	-	(11.03)	-
Change in Government Foreign Assets	-	0.07	0.04	0.04	0.04	0.03	0.07
Arrears	19.75	21.01	(140.13)	19.65	17.86	49.38	37.51
Domestic	4.27	(0.45)	2.94	(1.16)	0.35	10.73	(0.81)
External	15.48	21.46	(143.06)	20.81	17.51	38.65	38.33

Source: Ministry of Finance, Treasury Department and ECCB Estimates  
Data available at 15 August 2006



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

	2005 <sup>R</sup>	2005	2005	2005 <sup>R</sup>	2006 <sup>P</sup>	2006 <sup>P</sup>
	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr
Net Foreign Assets	841.62	739.31	571.99	1,343.18	1,606.47	1,589.28
Central Bank (net)	344.43	341.91	299.46	343.72	348.65	345.48
Commercial Banks (net)	497.19	397.40	272.54	999.47	1,257.82	1,243.81
External (net)	421.41	554.15	525.22	622.01	792.47	764.13
Assets	692.78	843.97	837.43	1,009.35	1,100.51	1,115.74
Liabilities	271.37	289.82	312.20	387.34	308.04	351.62
Other ECCB Territories	75.78	(156.75)	(252.68)	377.45	465.35	479.68
Assets	263.25	482.69	536.67	507.00	586.35	605.29
Liabilities	187.47	639.44	789.35	129.54	121.00	125.61
Net Domestic Assets	1,314.14	1,358.53	1,541.00	840.87	701.28	720.27
Domestic Credit	1,529.14	1,518.02	1,624.70	1,675.65	1,695.03	1,683.85
Central Government (net)	272.40	256.71	253.61	261.68	199.19	171.48
Other Public Sector (net)	(170.37)	(200.68)	(160.95)	(180.39)	(203.24)	(207.78)
Non-Bank Financial Institutions (net)	(24.72)	(37.68)	(21.22)	(35.50)	(35.50)	(63.18)
Subsidiaries & Affiliates (net)	(50.96)	(53.32)	(47.64)	(35.79)	(23.78)	(36.19)
Private Sector	1,502.80	1,553.00	1,600.90	1,665.65	1,758.38	1,819.51
Other Items (net)	(215.01)	(159.49)	(83.69)	(834.78)	(993.76)	(963.58)
Monetary Liabilities (M2)	2,155.75	2,097.84	2,113.00	2,184.05	2,307.75	2,309.55
Money Supply (M1)	508.90	485.58	471.76	525.35	557.06	542.67
Currency with the Public	108.61	107.31	109.98	122.14	121.16	121.93
Demand Deposits	400.29	378.27	361.78	403.20	435.91	420.75
Quasi Money	1,646.86	1,612.25	1,641.24	1,658.70	1,750.69	1,766.88
Savings Deposits	727.42	724.07	728.80	741.72	777.10	797.52
Time Deposits	778.96	765.89	784.25	780.22	792.18	803.38
Foreign Currency Deposits	140.48	122.30	128.18	136.76	181.41	165.99

Source: Eastern Caribbean Central Bank  
**Data available at 15 August 2006**



**Table 25**  
**Dominica - Selected Tourism Statistics**

	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
Total Visitors	75,420	48,531	127,972	168,811	82,682	204,088	251,493
Stay-Over Visitors	17,731	20,163	20,494	18,555	20,523	37,964	39,078
Of which:							
USA	4,807	4,280	3,365	5,016	5,859	10,058	10,875
Canada	381	370	308	631	399	1,061	1,030
UK	1,295	1,422	1,475	1,726	1,548	2,893	3,274
Caribbean	10,149	12,793	13,186	9,405	11,764	21,170	21,169
Other Countries	1,099	1,298	2,160	1,777	953	2,782	2,730
Excursionists	129	183	209	142	209	284	351
Cruise Ship Passengers	57,560	28,185	107,269	150,114	61,950	165,840	212,064
Number of Cruise Ship Calls	35	11	83	148	39	140	187
Total Visitor Expenditure (EC\$M)	34.39	33.74	41.05	44.48	42.83	76.13	87.31

Sources: Central Statistical Office

Data available at 21 August 2006

**Table 26**  
**Dominica - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Jun 2006	Percentage Change*						
			2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>P</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>All Items</b>	1,000.0	109.20	0.52	0.87	0.45	0.99	0.54	1.36	1.54
Food	328.8	112.84	0.48	1.82	0.48	2.18	0.21	1.39	2.40
Alcoholic Beverages and Tobacco	9.5	107.35	(0.16)	0.67	0.50	8.00	(0.27)	0.12	7.71
Housing and Utilities	111.7	110.35	(0.42)	(0.27)	0.25	0.33	(0.01)	(0.55)	0.32
Fuel and Light	58.6	148.16	2.18	7.40	(3.90)	0.76	4.99	19.94	5.79
Clothing and Footwear	82.1	95.92	(0.04)	0.09	(0.09)	(0.84)	(0.16)	0.12	(0.99)
Household and Furnishing Equipm	93.5	97.58	(0.02)	0.72	(0.28)	0.32	(0.27)	(0.96)	0.05
Transportation and Communication	194.3	101.26	1.56	(2.72)	3.31	(1.13)	0.75	(1.18)	(0.39)
Medical Care and Expenses	31.6	102.26	(0.19)	(0.00)	0.24	2.30	0.16	(0.19)	2.46
Education	29.0	113.25	(1.42)	0.72	0.06	1.18	(0.40)	0.08	0.77
Personal Services	42.5	114.62	(0.00)	2.79	0.00	5.52	-	(0.00)	5.52
Miscellaneous	18.4	108.92	1.01	1.50	0.06	(0.06)	(0.34)	(0.08)	(0.40)

Sources: Central Statistical Office and Eastern Caribbean Central Bank

\*at end of period

Data available at 15 August 2006



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

	2005	2005	2005	2006	2006	2005	2006
	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	Jan - Jun	Jan - Jun
<b>Current Revenue</b>	68.34	63.57	64.22	63.96	68.92	127.31	132.87
Tax Revenue	60.21	57.55	59.01	58.99	63.65	112.70	122.64
Taxes on Income, Profit and Capital Gains	13.63	13.54	12.85	13.19	14.03	24.26	27.21
Of Which:							
Personal Income	7.99	7.29	7.38	8.94	8.94	15.62	17.89
Corporation	5.89	6.53	5.88	4.47	4.80	9.04	9.27
Development Levy	-	-	-	-	-	-	-
Stabilisation Levy	0.12	0.13	0.06	0.09	0.58	0.21	0.68
Taxes on Property	1.76	2.33	1.42	1.79	2.37	3.14	4.16
Taxes on Domestic Goods and Services	17.65	13.61	13.52	20.47	32.25	32.13	52.72
Of Which:							
Sales Tax	9.67	9.37	9.46	10.26	0.20	18.86	10.47
Licenses	6.34	2.24	2.44	3.90	3.22	9.92	7.11
Consumption Tax	1.02	1.46	1.32	1.31	0.00	2.35	1.31
Hotel Accommodation Tax	0.29	0.14	0.12	0.27	0.02	0.48	0.29
Value Added Tax	-	-	-	3.33	19.82	-	19.82
Excise Tax	-	-	-	0.79	8.60	-	8.60
Taxes on International Trade and Transactions	27.17	28.06	31.22	23.54	15.00	53.18	38.55
Of Which:							
Consumption Tax	13.31	15.35	16.49	9.92	0.57	26.46	10.49
Import Duty	6.65	6.40	8.39	6.81	7.22	13.07	14.02
Customs Service Charge/Customs Surcharge	3.51	3.02	3.27	3.00	3.36	6.21	6.35
Non-Tax Revenue	8.14	6.01	5.22	4.97	5.26	14.61	10.23
<b>Current Expenditure</b>	61.45	62.11	55.09	66.47	57.85	115.42	124.32
Personal Emoluments	25.80	27.04	28.44	27.63	25.96	53.06	53.59
Goods and Services	10.43	15.54	9.74	8.90	14.28	19.90	23.18
Interest Payments	7.70	6.04	5.63	16.11	5.40	14.18	21.51
Domestic	2.58	2.14	1.31	7.40	3.84	4.41	11.24
External	5.12	3.90	4.32	8.71	1.56	9.77	10.27
Transfers and Subsidies	17.52	13.49	11.28	13.83	12.21	28.28	26.04
Of Which: Pensions	3.34	3.36	3.38	3.40	2.26	6.59	5.66
<b>Current Account Balance</b>	6.90	1.46	9.14	(2.51)	11.07	11.88	8.56
<b>Capital Revenue</b>	0.93	14.55	1.36	0.19	0.15	1.19	0.34
<b>Grants</b>	7.47	9.77	10.68	15.41	23.07	20.66	38.48
Of which: Capital Grants	7.47	9.77	10.68	15.41	23.07	20.66	38.48
<b>Capital Expenditure and Net Lending</b>	11.75	11.67	13.72	17.06	26.39	29.07	43.45
Of which: Capital Expenditure	12.65	12.35	14.56	17.81	27.15	30.88	44.96
<b>Primary Balance</b>	11.25	20.15	13.08	12.14	13.30	18.85	25.44
<b>Overall Balance</b>	3.55	14.11	7.45	(3.97)	7.90	4.66	3.93
<b>Financing</b>	(3.55)	(14.11)	(7.45)	3.97	(7.90)	(4.66)	(3.93)
Domestic	(2.55)	1.57	2.39	1.69	(6.14)	(15.62)	(4.45)
ECCB (net)	(2.28)	(3.27)	0.84	(5.10)	(1.98)	(10.51)	(7.08)
Commercial Banks (net)	0.40	6.63	0.05	(5.96)	1.51	9.39	(4.45)
Other	(0.67)	(1.79)	1.50	12.75	(5.67)	(14.50)	7.08
External	0.70	(3.79)	(7.89)	(1.83)	(2.14)	3.77	(3.97)
Net Amortisation	2.73	(0.33)	3.20	(2.86)	(0.36)	9.58	(3.21)
Disbursements	3.78	2.42	5.19	0.53	1.80	13.07	2.32
Amortisation	(1.06)	(2.75)	(1.99)	(3.38)	(2.15)	(3.49)	(5.53)
Change in Government Foreign Assets	(2.03)	(3.46)	(11.09)	1.02	(1.78)	(5.81)	(0.76)
Other Foreign Financing	-	-	-	-	-	-	-
Arrears	(1.70)	(11.89)	(1.95)	4.11	0.38	7.18	4.48
Domestic	(5.38)	(10.19)	(3.80)	(1.64)	(1.21)	(4.04)	(2.85)
External	3.68	(1.70)	1.85	5.74	1.59	11.22	7.33

Source: Ministry of Finance  
 Data available at 21 August 2006



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

	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
Visible Trade Balance	(90.34)	(71.61)	(91.59)	(53.23)	(110.61)	(171.43)	(163.84)
Total Imports	116.86	102.29	117.33	76.84	135.70	226.81	212.54
Total Exports	26.53	30.68	25.74	23.61	25.09	55.38	48.70
Re-Exports	0.63	5.19	0.63	0.81	0.45	1.39	1.26
Domestic Exports	25.90	25.49	25.11	22.81	24.64	53.99	47.45
Of Which:							
Bananas							
Value	3.83	3.06	3.82	3.46	4.56	7.57	8.02
Volume	2,856	2,267	2,761	2,546	3,173	5,655	5,719
Soap							
Value	6.91	5.84	7.07	5.75	7.09	13.75	12.84
Volume	2,090	1,692	1,913	1,751	2,137	4,247	3,888
Dental Cream							
Value	2.90	3.91	3.62	3.54	3.96	7.51	7.50
Volume	260	379	404	394	345	683	739

Source: Central Statistical Office, Dominica Coconut Products and WIBDECO  
Data available at 23 August 2006

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

	2005 1 <sup>st</sup> Qr	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr
Net Foreign Assets	372.95	379.83	367.67	317.96	332.07	338.88
Central Bank (net)	128.57	133.20	146.55	132.70	143.66	151.78
Commercial Banks (net)	244.38	246.63	221.11	185.26	188.41	187.18
External (net)	115.95	109.70	102.86	27.45	32.88	21.39
Assets	252.43	259.43	243.82	173.96	182.59	178.33
Liabilities	136.48	149.73	140.95	146.51	149.71	156.94
Other ECCB Territories	128.44	136.93	118.25	157.81	155.53	165.79
Assets	156.34	159.90	139.44	176.65	185.16	196.60
Liabilities	27.90	22.97	21.19	18.84	29.63	30.81
Net Domestic Assets	235.89	244.54	250.99	309.02	322.01	320.84
Domestic Credit	347.24	366.98	392.63	390.18	405.85	424.93
Central Government (net)	15.26	13.38	16.74	17.64	6.58	6.11
Other Public Sector (net)	(32.55)	(36.48)	(39.54)	(39.77)	(50.17)	(52.51)
Non-Bank Financial Institutions (net)	(80.17)	(58.46)	(56.52)	(59.89)	(56.83)	(60.47)
Subsidiaries and Affiliates (net)	(5.08)	(5.31)	(5.50)	(5.63)	(5.94)	(6.10)
Private Sector	449.77	453.85	477.45	477.84	512.22	537.90
Other Items (net)	(111.35)	(122.44)	(141.65)	(81.16)	(83.84)	(104.09)
Monetary Liabilities (M2)	608.84	624.37	618.65	626.98	654.08	659.72
Money Supply (M1)	114.89	122.13	135.21	143.04	152.98	146.58
Currency with the Public	41.51	37.80	37.52	38.96	39.73	38.93
Demand Deposits	73.38	84.32	97.69	104.08	113.25	107.66
Quasi Money	493.94	502.25	483.44	483.94	501.10	513.14
Savings Deposits	350.72	353.38	340.05	343.04	352.81	362.15
Time Deposits	132.14	137.36	132.31	130.60	137.45	139.30
Foreign Currency Deposits	11.08	11.51	11.08	10.30	10.84	11.69

Source: Eastern Caribbean Central Bank  
Data available at 15 August 2006



**Table 30**  
**Grenada - Selected Tourism Statistics**

	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 <sup>R</sup> Jan - Jun	2006 Jan - Jun
Total Vistors	61,938	26,805	117,619	151,039	54,604	240,880	205,643
Stay-Over Visitors	19,959	24,146	25,036	33,263	25,250	44,168	58,513
Of which:							
USA	4,945	6,262	4,852	8,896	5,772	11,946	14,668
Canada	730	868	1,098	2,607	788	2,084	3,395
UK	4,139	4,572	6,122	10,903	5,986	10,009	16,889
Of which:							
Germany	478	141	641	1,189	453	1,664	1,642
United Kingdom	2,989	3,905	4,588	7,692	4,646	6,503	12,338
Caribbean	6,160	6,957	7,881	6,756	7,894	12,247	14,650
Other Countries	3,985	5,487	5,083	4,101	4,810	7,882	8,911
Excursionists	1,759	923	1,029	930	1,194	3,877	2,124
Cruise Ship Passengers	37,150	311	89,456	114,491	25,910	185,571	140,401
Yacht Passengers	1,174	357	1,069	2,264	971	3,082	3,235
Number of Cruise Ship Calls	40	7	85	122	34	166	156
Total Visitor Expenditure (EC\$M)	40.49	46.81	50.90	74.75	53.47	95.19	128.22

Sources: Board of Tourism

Data available at 18 August 2006

**Table 31**  
**Grenada - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Jun 2006	Percentage Change*						
			2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>P</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 <sup>R</sup> Jan - Jun	2006 Jan - Jun
<b>All Items</b>	1000.0	113.31	1.67	1.38	2.55	(1.12)	1.43	1.78	0.29
Food	367.5	113.88	1.96	2.84	1.83	(0.38)	2.11	2.08	1.72
Alcoholic Beverages & Tobacco	8.6	108.07	0.04	0.79	0.69	0.06	0.08	0.65	0.14
Housing	102.0	117.84	5.56	1.52	0.91	(0.84)	2.02	7.24	1.16
Fuel and Light	55.0	125.86	2.55	2.47	23.46	(11.20)	2.32	2.19	(9.15)
Clothing and Footwear	97.7	98.56	0.19	0.09	-	-	0.06	(0.52)	0.06
Household Furnishings & Supplies	156.5	120.87	1.52	(0.29)	2.62	(0.53)	1.38	1.54	0.85
Transport and Communications	95.3	106.07	-	(0.06)	0.26	-	0.23	(0.30)	0.23
Medical Care and Expenses	46.5	116.18	(0.26)	0.09	0.36	0.16	0.82	(0.25)	0.97
Education	37.4	110.18	-	2.46	-	(2.20)	-	-	(2.20)
Personal Services	16.0	101.11	-	-	-	-	-	1.11	-
Miscellaneous	17.5	103.09	0.02	(0.11)	0.33	0.39	0.10	(0.45)	0.49

Sources: Central Statistical Office and Ministry of Finance

\*at end of period

Data available at 21 August 2006



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

	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 <sup>R</sup> Jan - Jun	2006 Jan - Jun
<b>Current Revenue</b>	97.12	92.67	90.11	90.78	98.11	176.96	188.90
Tax Revenue	90.85	89.85	86.56	84.00	89.82	167.48	173.82
Taxes on Income and Profits	10.93	21.11	14.69	13.78	14.73	21.90	28.51
Of Which:							
Personal Income	2.98	2.87	4.61	3.97	3.22	6.41	7.19
Company	7.53	18.06	9.38	8.39	8.28	14.87	16.67
Taxes on Property	5.41	3.64	2.41	3.67	7.03	9.32	10.70
Taxes on Domestic Goods and Services	17.76	13.27	14.12	20.08	17.02	32.56	37.10
Of Which:							
Consumption Duties	6.32	7.15	7.37	8.16	7.88	12.80	16.04
Stamp Duties	2.02	1.61	2.01	1.22	1.38	3.91	2.60
Licences	6.53	1.33	2.16	7.52	3.83	10.40	11.35
Taxes on International Trade and Transactions	56.75	51.83	55.34	46.47	51.03	103.70	97.50
Of Which:							
Import Duty	12.39	12.91	13.89	11.66	11.61	23.33	23.27
Consumption Tax	30.29	26.50	28.21	23.03	26.20	55.10	49.22
Customs Service Charge	12.37	10.82	11.36	10.43	8.75	22.35	19.18
Non-Tax Revenue	6.27	2.82	3.54	6.78	8.30	9.49	15.07
<b>Current Expenditure</b>	78.08	84.91	94.71	76.92	72.12	153.13	149.04
Personal Emoluments	38.96	38.27	37.75	38.65	37.08	74.82	75.73
Goods and Services	15.25	21.96	14.86	16.46	14.65	31.09	31.11
Interest Payments	12.72	9.51	26.43	5.85	5.94	23.46	11.79
Domestic	5.35	6.98	10.60	1.26	2.30	10.17	3.56
External	7.37	2.53	15.82	4.59	3.64	13.29	8.23
Transfers and Subsidies	11.14	15.17	15.67	15.96	14.45	23.75	30.41
Of Which: Pensions	4.31	4.17	4.50	5.04	4.57	8.27	9.61
<b>Current Account Balance</b>	19.04	7.75	(4.60)	13.86	26.00	23.84	39.86
<b>Capital Revenue</b>	0.10	0.02	0.03	7.75	0.00	0.26	7.75
<b>Grants</b>	54.96	38.85	15.54	2.10	24.59	106.12	26.69
Of which: Capital Grants	17.32	29.98	12.44	2.10	24.59	23.21	26.69
<b>Capital Expenditure and Net Lending</b>	37.70	52.36	42.93	21.58	49.89	68.35	71.47
Of which: Capital Expenditure	37.70	52.36	42.93	21.58	49.89	68.35	71.47
<b>Primary Balance</b>	49.12	3.78	(5.53)	7.97	6.64	85.34	14.61
<b>Overall Balance</b>	36.40	(5.73)	(31.96)	2.13	0.70	61.87	2.83
<b>Financing</b>	(36.40)	5.73	31.96	(2.13)	(0.70)	(61.87)	(2.83)
Domestic	(63.57)	(15.82)	(7.87)	(8.50)	(19.12)	(100.94)	(27.62)
ECCB (net)	(0.07)	(0.09)	(0.19)	0.11	(5.57)	(0.64)	(5.46)
Commercial Banks (net)	(5.92)	(13.19)	1.25	(12.69)	20.91	(43.62)	8.22
Other	(57.58)	(2.55)	(8.94)	4.08	(34.47)	(56.68)	(30.39)
External	19.47	17.88	36.92	6.37	18.42	27.23	24.80
Net Amortisation	19.52	17.94	36.97	6.37	18.42	27.33	24.80
Disbursements	24.05	36.77	43.39	4.05	11.71	35.49	15.76
Amortisation	(4.53)	(18.82)	(6.42)	2.32	(2.86)	(8.17)	(0.54)
Change in Government Foreign Assets	(0.05)	(0.06)	(0.05)	-	-	(0.10)	-
Arrears	7.70	3.67	2.91	-	-	11.84	-
Domestic	2.80	-	-	-	-	5.30	-
External	4.90	3.67	2.91	-	-	6.53	-

Source: Ministry of Finance  
Data available at 18 August 2006





**Table 33**  
**Grenada - Selected Agricultural Production**

	Unit	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
Bananas	(tonnes)	0	0	0	113	186	0	299
Cocoa	(tonnes)	22	15	7	20	47	25	67
Nutmeg	(tonnes)	29	47	65	63	50	30	113
Mace	(tonnes)	1	3	3	3	4	2	7

Source: Central Statistical Office

**Data available at 18 August 2006**



**Table 34**  
**Grenada - Selected Trade Statistics**  
(Value: EC\$M; Volume: 000 tonnes)

	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 <sup>R</sup> Jan - Jun	2006 Jan - Jun
<b>Visible Trade Balance</b>	(193.71)	(185.85)	(213.93)	(195.10)	(154.13)	(371.72)	(349.23)
<b>Total Imports</b>	214.67	216.97	228.34	210.47	171.63	414.71	382.10
<b>Total Exports</b>	20.96	31.12	14.41	15.37	17.50	42.98	32.87
Re-Exports	3.27	3.42	2.20	5.02	4.57	9.82	9.59
Domestic Exports	17.69	27.70	12.21	8.51	12.97	33.16	21.48
Of Which:							
Bananas							
Volume	-	-	-	-	23.34	0.00	23.34
Value	-	-	-	-	0.04	0.00	0.04
Nutmeg							
Volume	491.73	243.22	161.00	148.99	112.40	1,046.05	261.39
Value	7.12	3.55	2.34	2.20	1.32	15.69	3.52
Mace							
Volume	20.09	-	1.20	8.36	1.11	20.27	9.47
Value	0.44	-	0.03	0.21	0.02	0.44	0.23
Cooca							
Volume	-	0.03	0.01	-	57.02	0.00	57.02
Value	-	0.20	0.05	-	0.53	0.00	0.53
Manufactured Exports							
Volume	-	-	-	-	-	-	-
Value	6.08	7.31	7.05	5.56	6.80	11.17	12.36

Source: Central Statistical Office and WIBDECO  
Data available at 18 August 2006

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

	2005 1 <sup>st</sup> Qr	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 <sup>R</sup> 2 <sup>nd</sup> Qr
<b>Net Foreign Assets</b>	604.44	577.64	546.15	334.84	308.90	295.17
Central Bank (net)	303.32	308.89	263.45	254.43	245.21	255.24
Commercial Banks (net)	301.12	268.75	282.71	80.41	63.70	39.93
External (net)	204.54	108.90	167.41	77.35	53.00	43.97
Assets	544.49	437.65	505.66	422.20	394.29	391.72
Liabilities	339.95	328.74	338.25	344.85	341.30	347.75
Other ECCB Territories	96.58	159.85	115.29	3.07	10.70	(4.04)
Assets	176.18	283.33	263.50	131.35	137.85	124.41
Liabilities	79.60	123.48	148.20	128.28	127.15	128.45
<b>Net Domestic Assets</b>	888.62	876.48	918.06	1,134.18	1,144.38	1,186.92
Domestic Credit	896.89	933.37	985.08	1,035.76	1,044.78	1,088.82
Central Government (net)	33.29	27.30	14.03	15.10	2.51	17.86
Other Public Sector (net)	(67.50)	(72.56)	(56.08)	(47.05)	(44.59)	(47.04)
Non-Bank Financial Institutions (net)	(58.86)	(34.14)	(19.72)	(28.80)	(30.40)	(29.92)
Subsidiaries and Affiliates (net)	5.65	5.52	5.04	8.19	7.23	7.36
Private Sector	984.31	1,007.26	1,041.81	1,088.32	1,110.02	1,140.56
Other Items (net)	(8.27)	(56.90)	(67.02)	98.43	99.60	98.11
<b>Monetary Liabilities (M2)</b>	1,493.06	1,454.12	1,464.21	1,469.02	1,453.28	1,482.10
Money Supply (M1)	337.53	303.95	305.61	315.34	311.42	330.92
Currency with the Public	97.73	96.19	100.85	105.26	100.47	98.92
Demand Deposits	239.79	207.75	204.76	210.07	210.95	232.00
Quasi Money	1,155.54	1,150.18	1,158.60	1,153.69	1,141.86	1,151.17
Savings Deposits	859.93	861.24	860.09	862.24	870.64	880.58
Time Deposits	205.17	197.58	197.18	189.84	192.33	197.56
Foreign Currency Deposits	90.43	91.36	101.33	101.62	78.89	73.04

Source: Eastern Caribbean Central Bank  
Data available at 15 August 2006



**Table 36**  
**Montserrat - Selected Tourism Statistics**

	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
Total Vistors	3,729	2,799	3,741	3,089	2,369	7,599	5,458
Stay-Over Visitors	2,136	2,084	3,192	2,136	1,635	4,414	3,771
Of which:							
USA	394	435	673	678	452	926	1,130
Canada	64	44	159	196	53	201	249
UK	515	628	1,216	582	393	1,124	975
Caribbean	1,086	907	1,087	612	680	1,993	1,292
Other Countries	77	70	57	68	57	170	125
Excursionists	1,147	685	293	406	435	2,159	841
Cruise Ship Passengers	169	-	-	65	-	169	65
Number of Cruise Ship Calls	2	-	-	1	-	2	1
Yacht Passengers	277	30	256	482	299	857	781
Number of Yachts	129	11	44	124	116	214	240
Total Visitor Expenditure (EC\$M)	4.98	4.85	7.99	6.03	4.19	11.41	10.22

Sources: Department of Tourism and Eastern Caribbean Central Bank  
Data available at 15 August 2006

**Table 37**  
**Montserrat - Consumer Price Index**  
**January 2001 = 100**

	Weight	Index Jun 2006	Percentage Change*						
			2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>P</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>All Items</b>	1,000.00	216.60	0.96	1.47	0.75	(0.51)	1.03	0.67	0.51
Food	495.00	203.00	2.19	1.79	1.51	(0.35)	0.79	0.51	0.45
Alcoholic and Tobacco	46.00	208.80	(0.19)	0.05	1.34	(0.24)	(1.09)	0.34	(1.32)
Household Goods	102.00	159.80	0.37	-	0.06	(2.99)	0.38	4.86	(2.62)
Gas, Electricity and Water	18.00	192.80	2.22	3.96	(1.23)	(2.61)	7.53	3.16	4.73
Rent	7.00	955.70	-	-	-	-	-	-	-
Clothing and Footwear	179.00	220.80	(0.50)	-	(0.05)	(0.14)	0.59	(0.09)	0.45
Services	153.00	266.30	0.08	3.37	-	(0.31)	2.42	(0.04)	2.11

Sources: Statistics Department, Ministry of Finance

\*at end of period

Data available at 16 August 2006



**Table 38**  
**Montserrat - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>Current Revenue</b>	8.15	8.58	9.66	8.30	8.43	16.37	16.73
Tax Revenue	7.65	8.06	9.04	7.59	7.78	15.38	15.38
Taxes on Income and Profits	3.33	3.56	2.76	3.50	3.64	6.70	7.15
Of Which:							
Personal Income	2.86	2.84	2.58	2.61	2.92	5.59	5.53
Company	0.38	0.69	0.09	0.71	0.62	0.99	1.34
Taxes on Property	0.16	0.14	0.85	0.18	0.11	0.39	0.29
Taxes on Domestic Goods and Services	0.71	0.73	0.72	1.06	0.87	1.89	1.93
Of Which:							
Hotel Occupancy	0.02	0.01	0.02	0.01	0.03	0.03	0.04
Insurance Company Levy	0.03	0.07	0.10	0.04	0.02	0.14	0.06
Licenses and Stamp Duties	0.94	0.44	0.44	0.80	0.65	1.74	1.46
Taxes on International Trade and Transactions	3.46	3.63	4.71	2.85	3.16	6.40	6.01
Of Which:							
Import Duty	0.96	0.98	1.22	0.82	0.82	1.80	1.64
Consumption Tax	1.44	1.61	1.99	1.07	1.19	2.71	2.27
Customs Service Charge	0.75	0.87	1.07	0.74	0.76	1.37	1.50
Non-Tax Revenue	0.49	0.52	0.62	0.70	0.65	0.99	1.35
<b>Current Expenditure</b>	21.12	20.45	21.75	16.02	20.86	35.86	36.88
Personal Emoluments	7.87	7.80	7.90	8.11	8.08	14.59	16.19
Goods and Services*	6.33	6.32	8.38	4.18	7.31	9.87	11.49
Interest Payments	0.05	0.01	0.05	0.23	0.18	0.11	0.42
Domestic	0.04	0.00	0.04	0.05	0.00	0.09	0.05
External	0.01	0.01	0.01	0.18	0.18	0.03	0.37
Transfers and Subsidies	6.88	6.32	5.41	3.49	5.29	11.29	8.79
Of Which: Pensions	2.24	1.84	2.14	2.18	2.09	3.65	4.27
<b>Current Account Balance</b>	12.97	(11.86)	(12.09)	(7.72)	(12.43)	(19.50)	(20.15)
<b>Capital Revenue</b>	-	-	-	-	-	-	-
<b>Grants</b>	18.22	19.98	13.19	4.76	24.15	18.22	28.92
Of which: Capital Grants	13.19	0.80	0.02	0.04	3.97	13.19	4.01
<b>Capital Expenditure and Net Lending</b>	8.04	7.64	6.61	2.42	5.73	11.11	8.15
Of which: Capital Expenditure	5.16	(6.83)	(6.59)	(2.37)	(1.77)	2.09	(4.14)
<b>Primary Balance</b>	(2.74)	0.49	(5.46)	(5.14)	6.18	(12.27)	1.04
<b>Overall Balance</b>	(2.79)	0.48	(5.51)	(5.37)	5.99	(12.38)	0.62
<b>Financing</b>	2.79	-0.48	5.51	5.37	(5.99)	12.38	(0.62)
Domestic	2.86	-0.43	5.57	5.41	(5.98)	12.49	(0.56)
ECCB (net)	(0.08)	0.02	(0.16)	(0.15)	0.30	(0.10)	0.14
Commercial Banks (net)	7.02	(1.33)	(3.61)	4.47	(7.88)	15.20	(3.41)
Other	(4.08)	0.88	9.34	1.10	1.61	(2.61)	2.71
External	(0.07)	(0.05)	(0.07)	(0.04)	(0.02)	(0.11)	(0.06)
Net Amortisation/(Amortisation)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.06)	(0.06)
Disbursements	-	-	-	-	-	-	-
Amortisation	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.06)	(0.06)
Change in Government Foreign Assets	(0.04)	(0.02)	(0.04)	(0.01)	0.01	(0.05)	0.00

Source: Ministry of Finance, Treasury Department and ECCB Estimates

\*Goods and Services includes Miscellaneous Payments

Data available at 25 August 2006



**Table 39**  
**Montserrat - Selected Trade Statistics**  
 (Value: EC\$M; Volume: 000 tonnes)

	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
Total Exports	0.92	1.49	0.96	0.62	1.25	1.45	1.87
Total Domestic Exports	-	0.19	0.10	0.30	0.60	-	0.91
Total Re-Exports	0.92	1.30	0.86	0.32	0.65	1.45	0.96
Total Imports	19.03	23.55	21.47	19.50	14.92	35.40	34.41
Visible Trade Balance	(18.11)	(22.06)	(20.51)	(18.87)	(13.67)	(33.95)	(32.54)

Source: Ministry of Finance

Data available at 16 August 2006

**Table 40**  
**Montserrat - Monetary Survey**  
 (EC\$M at end of period)

	2005 1 <sup>st</sup> Qr	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr
Net Foreign Assets	160.55	159.13	149.99	159.00	150.75	172.91
Central Bank (net)	38.67	43.37	37.57	37.66	34.15	41.26
Commercial Banks (net)	121.88	115.76	112.42	121.34	116.60	131.65
External (net)	34.17	27.22	33.51	35.72	33.02	38.73
Assets	63.55	58.65	68.65	70.00	69.00	73.05
Liabilities	29.38	31.43	35.14	34.28	35.98	34.32
Other ECCB Territories	87.71	88.54	78.91	85.62	83.58	92.92
Assets	90.30	89.73	80.50	87.74	85.11	94.87
Liabilities	2.59	1.19	1.59	2.12	1.53	1.95
Net Domestic Assets	(41.25)	(38.27)	(31.73)	(35.35)	(28.80)	(47.10)
Domestic Credit	(30.87)	(26.17)	(24.80)	(27.43)	(21.71)	(27.59)
Central Government (net)	(32.26)	(25.32)	(26.63)	(30.40)	(26.09)	(33.67)
Other Public Sector (net)	(16.80)	(17.46)	(17.52)	(17.16)	(16.42)	(16.16)
Non-Bank Financial Institutions (net)	(7.40)	(9.44)	(7.10)	(7.94)	(7.08)	(6.45)
Subsidiaries and Affiliates (net)	-	-	-	-	-	-
Private Sector	25.60	26.06	26.46	28.07	27.88	28.69
Other Items (net)	(10.38)	(12.09)	(6.93)	(7.91)	(7.10)	(19.51)
Monetary Liabilities (M2)	119.30	120.86	118.26	123.65	121.95	125.81
Money Supply (M1)	31.36	31.19	30.12	31.96	29.41	30.66
Currency with the Public	11.30	11.17	11.41	12.29	11.50	12.62
Demand Deposits	20.06	20.02	18.71	19.67	17.91	18.04
Quasi Money	87.95	89.68	88.14	91.69	92.54	95.15
Savings Deposits	77.63	79.18	78.73	82.30	82.84	84.88
Time Deposits	4.63	4.74	5.24	5.37	4.85	4.69
Foreign Currency Deposits	5.69	5.76	4.17	4.03	4.85	5.57

Source: Eastern Caribbean Central Bank

Data available at 16 August 2006



**Table 41**  
**St Kitts and Nevis - Selected Tourism Statistics**

	2005	2005 <sup>E</sup>	2005 <sup>E</sup>	2006 <sup>RE</sup>	2006 <sup>E</sup>	2005	2006
	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	Jan - Jun	Jan - Jun
Total Visitors	62,241	30,395	100,884	150,004	64,969	222,161	214,973
Stay-Over Visitors	35,015	25,924	26,477	39,029	36,954	74,526	75,983
Of which:							
USA	22,973	13,418	16,719	25,264	24,245	47,162	49,510
Canada	3,042	1,103	2,232	3,006	3,160	5,718	6,166
UK	2,588	2,112	2,158	2,835	2,657	5,271	5,492
Caribbean	5,515	8,561	4,597	6,723	5,912	11,803	12,635
Other Countries	897	731	771	1,200	980	4,572	2,180
Excursionists	1,016	800	600	1,166	1,016	2,271	2,182
Cruise Ship Passengers	24,351	3,038	72,719	107,426	25,096	141,075	132,522
Yatch Passengers	1,859	633	1,088	2,383	1,903	4,289	4,286
Number of Cruise Ship Calls	25	5	83	158	25	175	183
Total Visitor Expenditure (EC\$M)	78.97	49.03	64.50	97.12	84.94	176.09	182.06

Source: Eastern Caribbean Central Bank

<sup>RE</sup> = Revised Estimates

**Data available at 28 August 2006**

**Table 42**  
**St Kitts and Nevis - Consumer Price Index**  
**January 1993 = 100**

	Weight	Index Jun 2006	Percentage Change*							
			2005	2005	2005	2006	2006	2005	2006	
			2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	Jan - Jun	Jan - Jun	
<b>All Items</b>	1,000.00	n.a	0.42	0.71	3.90	0.82	n.a	2.45	n.a	
Food	280.50	n.a	0.66	1.42	2.95	2.88	n.a	0.81	n.a	
Alcoholic Beverages and Tobacco	7.10	n.a	0.42	(0.17)	0.39	0.99	n.a	0.47	n.a	
Housing	129.90	n.a	-	0.64	0.23	1.25	n.a	-	n.a	
Fuel and Light	43.70	n.a	-	-	31.74	-	n.a	1.44	n.a	
Clothing and Footwear	92.90	n.a	0.50	1.15	1.33	0.82	n.a	1.42	n.a	
Transportation and Communication	21.40	n.a	0.90	0.42	5.59	0.30	n.a	8.98	n.a	
Household Furnishings and Supplies	37.20	n.a	(0.16)	0.07	2.16	(2.17)	n.a	1.75	n.a	
Medical Care and Expenses	140.50	n.a	0.18	0.77	1.77	0.47	n.a	0.18	n.a	
Education	192.70	n.a	-	-	0.25	0.22	n.a	-	n.a	
Personal Services	19.90	n.a	-	-	0.43	-	n.a	-	n.a	
Miscellaneous	34.20	n.a	0.42	0.24	3.44	(0.12)	n.a	0.66	n.a	

Sources: Planning Unit, Ministry of Finance

\*at end of period

**Data available at 28 August 2006**



**Table 43**  
**St Kitts and Nevis - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2005 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 <sup>R</sup> 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>Current Revenue</b>	98.91	107.42	121.80	118.62	127.08	193.85	245.70
Tax Revenue	78.91	85.56	97.82	86.84	97.15	150.09	183.99
Taxes on Income and Profits	21.51	30.55	29.75	15.97	28.72	41.28	44.70
Of Which:							
Company	13.64	21.49	19.75	9.18	21.43	27.49	30.61
Social Services	7.34	8.77	9.44	6.54	6.78	12.82	13.32
Taxes on Property	1.74	0.91	1.10	3.75	2.68	3.03	6.43
Taxes on Domestic Goods and Services	14.80	12.88	15.19	28.64	23.41	29.34	52.05
Of Which:							
Hotel Room Tax	5.05	2.85	1.91	5.44	5.26	10.25	10.69
Stamp Duties	5.31	5.23	5.20	17.27	12.51	9.37	29.78
Gasoline Levy	-	-	0.05	0.18	0.21	-	0.38
Taxes on International Trade and Transactions	40.87	41.23	51.79	38.48	42.34	76.44	80.81
Of Which:							
Import Duty	11.32	11.80	15.57	11.34	12.16	21.76	23.50
Consumption Tax	19.33	19.42	24.83	17.72	20.02	36.20	37.74
Customs Service Charge	8.42	7.35	9.49	7.66	7.95	14.93	15.61
Non-Tax Revenue	20.00	21.87	23.98	31.78	29.93	43.76	61.71
<b>Current Expenditure</b>	93.12	130.34	117.49	117.07	112.40	187.72	229.47
Personal Emoluments	40.11	40.01	43.14	41.27	40.51	79.96	81.78
Goods and Services	22.26	33.95	36.30	26.60	30.59	44.86	57.19
Interest Payments	18.52	27.55	22.75	30.74	30.75	40.77	61.50
Domestic	11.67	10.71	14.24	16.51	24.25	18.76	40.77
External	6.85	16.84	8.51	14.23	6.50	22.01	20.73
Transfers and Subsidies	12.24	28.83	15.31	18.46	10.54	22.13	29.00
Of Which: Pensions	5.20	23.50	10.12	10.46	5.02	10.19	15.48
<b>Current Account Balance</b>	5.79	(22.92)	4.30	1.55	14.68	6.13	16.23
<b>Capital Revenue</b>	2.74	-	1.29	1.52	1.76	2.74	3.28
<b>Grants</b>	8.14	3.93	16.87	5.07	5.93	11.43	11.00
Of which: Capital Grants	8.13	3.82	16.32	4.91	5.91	11.43	10.82
<b>Capital Expenditure and Net Lending</b>	15.92	24.60	27.06	20.01	25.26	23.95	45.27
Of which: Capital Expenditure	15.95	24.60	27.06	18.76	25.26	23.98	44.03
<b>Primary Balance</b>	19.26	(16.04)	18.14	18.88	27.85	37.12	46.73
<b>Overall Balance</b>	0.74	(43.59)	(4.60)	(11.87)	(2.90)	(3.65)	(14.77)
<b>Financing</b>	(0.74)	43.59	4.60	11.87	2.90	3.65	14.77
Domestic	10.53	56.33	10.35	29.20	11.87	33.88	41.06
ECCB (net)	0.91	0.14	(1.18)	(1.74)	3.78	1.25	2.04
Commercial Banks (net)	(18.97)	71.39	16.29	40.37	1.32	0.81	41.69
Other	28.59	(15.20)	(4.75)	(9.43)	6.77	31.82	(2.66)
External	(11.28)	(12.74)	(5.75)	(17.33)	(8.97)	(30.23)	(26.30)
Net Amortisation	(11.28)	(12.74)	(5.75)	(17.33)	(8.97)	(30.23)	(26.30)
Disbursements	1.64	1.81	2.38	3.82	0.17	3.05	3.99
Amortisation	(12.92)	(14.56)	(8.13)	(21.14)	(9.14)	(33.28)	(30.29)
Change in Government Foreign Assets	-	-	-	-	-	-	-
Arrears	-	-	-	-	-	-	-
Domestic	-	-	-	-	-	-	-
External	-	-	-	-	-	-	-

Source: Ministry of Finance

Data available at 15 August 2006



**Table 44**  
**St Kitts and Nevis - Monetary Survey**  
**(EC\$M at end of period)**

	2005 <sup>R</sup> 1 <sup>st</sup> Qr	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 <sup>R</sup> 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr
Net Foreign Assets	291.30	438.76	405.56	244.76	225.68	339.59
Central Bank (net)	192.67	213.75	194.09	193.03	203.97	210.34
Commercial Banks (net)	98.63	225.01	211.47	51.73	21.71	129.25
External (net)	284.01	387.11	270.67	216.01	324.00	366.12
Assets	590.12	749.28	649.34	592.02	698.59	690.58
Liabilities	306.11	362.17	378.67	376.01	374.59	324.45
Other ECCB Territories	(185.38)	(162.10)	(59.19)	(164.27)	(302.29)	(236.87)
Assets	120.72	211.30	283.27	112.94	78.04	76.64
Liabilities	306.09	373.40	342.46	277.22	380.33	313.51
Net Domestic Assets	933.82	709.90	738.49	906.07	1,007.38	944.69
Domestic Credit	1,024.90	1,017.15	1,091.91	1,132.10	1,180.41	1,197.54
Central Government (net)	283.08	265.03	336.56	351.66	390.29	417.42
Other Public Sector (net)	(17.95)	(13.92)	(25.92)	(33.69)	(34.50)	(40.17)
Non-Bank Financial Institutions (net)	41.69	33.18	28.30	41.00	36.08	21.91
Subsidiaries & Affiliates (net)	(28.25)	(31.72)	(34.74)	(31.28)	(44.03)	(47.47)
Private Sector	746.33	764.57	787.71	804.41	832.56	845.85
Other Items (net)	(91.08)	(307.25)	(353.41)	(226.03)	(173.03)	(252.85)
Monetary Liabilities (M2)	1,225.12	1,148.66	1,144.06	1,150.84	1,233.06	1,284.29
Money Supply (M1)	194.14	157.79	162.92	163.69	179.84	172.60
Currency with the Public	42.62	41.35	45.04	49.88	46.68	51.08
Demand Deposits	151.53	116.44	117.88	113.80	133.17	121.52
Quasi Money	1,030.98	990.87	981.14	987.15	1,053.22	1,111.69
Savings Deposits	444.08	455.21	467.81	468.12	481.18	495.68
Time Deposits	221.25	175.62	178.82	183.31	191.02	188.72
Foreign Currency Deposits	365.65	360.05	334.52	335.72	381.02	427.29

Source: Eastern Caribbean Central Bank

Data available at 15 August 2006





**Table 45**  
Saint Lucia - Selected Tourism Statistics

	2005	2005	2005	2006 <sup>R</sup>	2006	2005	2006
	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	Jan - Jun	Jan - Jun
Total Visitors	164,822	103,275	205,946	257,249	143,470	438,154	400,719
Stay-Over Visitors	88,123	71,329	74,941	81,666	78,839	171,669	160,505
Of which:							
USA	33,830	23,866	26,567	30,665	33,399	62,124	64,064
Canada	2,753	1,963	3,788	8,443	2,858	10,755	11,301
UK	21,869	17,798	20,468	21,548	18,301	46,459	39,849
France	2,084	1,106	984	1,084	709	5,151	1,793
Germany	716	384	775	850	622	2,159	1,472
Caribbean	24,264	24,811	20,297	15,980	20,704	39,621	36,684
Excursionists	1,542	2,653	2,229	2,431	1,817	2,659	4,248
Cruise Ship Passengers	67,860	24,349	122,382	165,528	55,885	247,700	221,413
Number of Cruise Ship Calls	38	9	89	141	43	160	184
Yacht Passengers	7,297	4,944	6,394	7,624	6,929	16,126	14,553
Total Visitor Expenditure (EC\$M)	247.95	188.85	223.70	273.81	230.53	520.03	504.34

Source: Saint Lucia Tourist Board

Data available at 05 September 2006

**Table 46**  
Saint Lucia - Consumer Price Index  
January 2001 = 100

	Weight	Index Jun 2006	Percentage Change*						
			2005	2005 <sup>R</sup>	2005 <sup>R</sup>	2006 <sup>R</sup>	2006	2005	2006
			2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	Jan - Jun	Jan - Jun
<b>All Items</b>	1,000.00	193.10	1.63	(0.53)	3.43	(1.09)	1.21	2.24	0.10
Food	467.51	200.80	3.27	(1.97)	6.83	(2.58)	2.08	4.44	(0.54)
Alcoholic Beverages and Tobacco	28.17	164.50	0.12	-	(0.12)	1.67	-	0.87	1.67
Clothing and Footwear	64.97	248.90	-	-	-	-	-	-	-
Housing	135.34	137.30	-	0.07	-	-	-	-	-
Fuel and Light	44.95	162.30	2.91	5.87	(2.04)	(0.85)	6.43	2.28	5.53
Furniture and Household Appliances	57.71	191.90	-	-	-	-	-	-	-
Medical Care and Health	22.78	263.60	-	(0.52)	0.36	5.65	-	0.28	5.65
Transportation and Communication	63.48	195.70	(0.22)	2.38	4.08	(0.46)	-	(0.11)	(0.46)
Recreation and Entertainment	32.36	306.50	-	0.53	0.13	0.46	(0.16)	0.13	0.29
Miscellaneous Goods and Services	82.73	159.50	0.57	-	-	0.57	-	0.57	0.57

Source: Central Statistical Office

\*at end of period

Data available at 16 August 2006



**Table 47**  
**Saint Lucia - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 <sup>R</sup> 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>Current Revenue</b>	143.01	144.53	127.19	181.34	152.74	303.99	334.08
Tax Revenue	133.81	138.45	122.44	162.49	147.35	279.94	309.85
Taxes on Income and Profits	39.25	35.17	20.38	51.47	41.45	84.09	92.92
Of Which:							
Personal Income	12.78	12.82	12.48	20.28	15.56	27.78	35.84
Company	17.99	16.69	1.64	24.28	18.23	42.02	42.51
Taxes on Property	1.21	1.29	0.71	1.64	1.36	2.01	3.00
Taxes on Domestic Goods and Services	21.32	24.22	20.46	28.25	24.57	44.83	52.82
Of Which:							
Consumption Duty	1.96	1.83	1.66	2.88	1.83	3.50	4.71
Licenses	1.17	1.79	2.85	9.19	1.82	6.31	11.01
Hotel Occupancy Tax	7.35	8.78	5.46	7.09	9.27	15.09	16.36
Taxes on International Trade and Transactions	72.02	77.77	80.89	81.13	79.97	149.01	161.11
Of Which:							
Consumption Tax (Imports)	25.79	23.91	28.04	26.93	29.75	57.34	56.67
Import Duty	20.12	20.88	24.58	21.64	21.61	38.50	43.25
Service Charge (Imports)	12.93	13.09	13.39	14.36	13.41	25.32	27.77
Non-Tax Revenue	9.19	6.08	4.75	18.85	5.38	24.05	24.23
<b>Current Expenditure</b>	110.51	123.85	123.66	155.50	113.66	249.24	269.16
Personal Emoluments	53.48	55.93	56.92	70.01	57.95	109.83	127.96
Goods and Services	16.22	22.27	20.18	35.92	16.32	48.57	52.24
Interest Payments	16.32	16.67	16.40	20.85	18.65	36.93	39.50
Domestic	3.48	5.44	3.80	7.16	6.98	11.85	14.14
External	12.84	11.23	12.60	13.69	11.67	25.08	25.36
Transfers and Subsidies	24.49	28.98	30.16	28.73	20.73	53.91	49.45
Of Which: Pensions	8.98	11.07	12.50	9.37	7.22	18.85	16.59
<b>Current Account Balance</b>	32.50	20.68	3.54	25.84	39.08	54.75	64.92
<b>Capital Revenue</b>	-	-	-	0.30	0.05	-	0.35
<b>Grants</b>	-	1.26	2.94	1.76	1.51	-	3.27
Of which: Capital Grants	-	1.26	2.94	1.76	1.51	-	3.27
<b>Capital Expenditure and Net Lending</b>	13.67	25.38	33.06	86.08	26.67	108.04	112.75
<b>Primary Balance</b>	35.15	13.23	(10.18)	(37.33)	32.63	(16.36)	(4.70)
<b>Overall Balance (before grants)</b>	18.83	(4.70)	(29.52)	(59.94)	12.47	(53.29)	(47.47)
<b>Overall Balance (after grants)</b>	18.83	(3.44)	(26.58)	(58.18)	13.97	(53.29)	(44.21)
<b>Financing</b>	(18.83)	3.44	26.58	58.18	(13.97)	53.29	44.21
Domestic	(35.37)	(36.07)	9.27	11.17	(19.92)	8.52	(8.75)
ECCB (net)	51.35	7.92	(6.57)	(4.54)	1.07	2.36	(3.48)
Commercial Banks (net)	(14.03)	11.58	(4.07)	1.70	13.07	28.34	14.77
Other	(72.68)	(55.56)	19.91	14.01	(34.06)	(22.18)	(20.04)
External	16.54	39.51	17.31	47.01	5.94	44.77	52.95
Net Amortisation	16.68	38.74	16.79	46.58	5.70	44.35	52.28
Disbursements	25.70	44.78	27.32	53.79	17.22	57.96	71.01
Amortisation	(9.02)	(6.04)	(10.53)	(7.21)	(11.52)	(13.61)	(18.73)
Change in Government Foreign Assets	(0.15)	0.77	0.52	0.43	0.24	0.42	0.67

Source: Ministry of Finance, Treasury Department and ECCB Estimates  
Data available at 15 August 2006



**Table 48**  
**Saint Luica - Banana Production**

	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
Volume (tonnes)	7,520	6,067	8,935	7,072	8,151	15,005	15,223
Value (EC\$M)	10.17	8.38	12.69	9.73	11.24	20.26	20.98
Unit Price (EC\$/ tonnes)	1,352.58	1,381.87	1,420.33	1,376.59	1,379.01	2,701.01	2,755.60

Source: WIBDECO

**Data available at 16 August 2006**



**Table 49**  
**Saint Lucia - Selected Trade Statistics**  
 (Value: EC\$M; Volume: 000 tonnes)

	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 <sup>R</sup> 4 <sup>th</sup> Qr	2006 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>Total Exports</b>	47.79	41.84	40.31	45.50	45.99	91.09	91.49
Total Domestic Exports	29.28	27.53	28.05	20.96	30.74	51.36	51.70
Total Re-Exports	18.51	14.31	12.26	24.55	15.25	39.73	39.80
<b>Total Imports</b>	298.12	319.63	344.49	297.83	346.85	618.75	644.68
<b>Trade Balance</b>	(250.33)	(277.79)	(304.19)	(252.33)	(300.85)	(527.66)	(553.19)

Source: Central Statistical Office

Data available at 28 August 2006

**Table 50**  
**Saint Lucia - Monetary Survey**  
 (EC\$M at end of period)

	2005 1 <sup>st</sup> Qr	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 <sup>R</sup> 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr
<b>Net Foreign Assets</b>	356.50	361.30	266.01	90.25	149.28	38.81
Central Bank (net)	327.93	298.85	249.55	308.34	288.63	307.03
Commercial Banks (net)	28.57	62.45	16.45	(218.09)	(139.35)	(268.22)
External (net)	(21.08)	8.91	(29.16)	(91.87)	(49.37)	(121.07)
Assets	352.44	377.81	358.27	333.07	390.88	343.42
Liabilities	373.52	368.90	387.42	424.94	440.25	464.49
Other ECCB Territories	49.65	53.54	45.61	(126.22)	(89.99)	(147.14)
Assets	194.01	253.11	258.17	141.31	164.73	187.28
Liabilities	144.36	199.58	212.57	267.53	254.71	334.42
<b>Net Domestic Assets</b>	1,263.47	1,277.92	1,385.59	1,621.53	1,667.91	1,809.74
Domestic Credit	1,528.67	1,557.36	1,690.70	1,772.09	1,826.74	1,904.38
Central Government (net)	(136.83)	(99.51)	(80.02)	(90.65)	(93.50)	(79.36)
Other Public Sector (net)	(175.76)	(197.52)	(190.47)	(185.24)	(170.65)	(190.11)
Non-Bank Financial Institutions (net)	(34.60)	(65.83)	(32.61)	(37.78)	(41.17)	(48.30)
Subsidiaries and Affiliates (net)	165.11	175.73	172.95	168.50	174.33	174.61
Private Sector	1,710.76	1,744.50	1,820.86	1,917.27	1,957.73	2,047.54
Other Items (net)	(265.20)	(279.44)	(305.10)	(150.57)	(158.83)	(94.64)
<b>Monetary Liabilities (M2)</b>	1,619.97	1,639.21	1,651.60	1,711.78	1,817.19	1,848.55
Money Supply (M1)	493.92	492.34	499.36	547.32	571.06	569.99
Currency with the Public	91.04	86.67	92.81	106.38	100.91	100.28
Demand Deposits	402.87	405.67	406.55	440.94	470.15	469.72
Quasi Money	1,126.05	1,146.88	1,152.25	1,164.46	1,246.13	1,278.56
Savings Deposits	861.71	889.69	907.13	916.34	952.17	977.86
Time Deposits	166.74	190.08	185.59	185.88	214.30	228.98
Foreign Currency Deposits	97.61	67.11	59.53	62.24	79.67	71.72

Source: Eastern Caribbean Central Bank

Data available at 15 August 2006



**Table 51**  
**St Vincent and the Grenadines - Selected Tourism Statistics**

	2005 <sup>R</sup>	2005 <sup>R</sup>	2005 <sup>R</sup>	2006 <sup>R</sup>	2006 <sup>E</sup>	2005	2006
	2 <sup>nd</sup> Qr	3 <sup>rd</sup> Qr	4 <sup>th</sup> Qr	1 <sup>st</sup> Qr	2 <sup>nd</sup> Qr	Jan - Jun	Jan - Jun
Total Vistors	42,160	33,954	87,866	121,895	54,227	134,255	176,122
Stay-Over Visitors	21,369	24,576	24,317	24,692	24,856	46,611	49,548
Of which:							
USA	6,749	5,540	6,329	8,252	7,424	15,284	15,676
Canada	1,411	1,126	1,773	2,183	1,570	3,288	3,753
UK	3,055	2,960	3,664	4,108	3,379	7,317	7,487
Caribbean	8,528	13,129	10,518	7,212	10,404	16,297	17,616
Other Countries	1,626	1,821	2,033	2,937	2,079	4,425	5,016
Excursionists	2,238	1,512	1,660	3,045	2,048	5,756	5,093
Yacht Passengers	14,271	7,556	26,873	40,226	17,923	47,461	58,149
Cruise Ship Passengers	4,282	310	35,016	53,932	9,400	34,427	63,332
Number of Cruise Ship Calls	25	7	84	135	34	91	169
Total Visitor Expenditure (EC\$M)	57.91	50.93	78.03	101.88	69.93	151.55	171.81

Sources: Department of Tourism and Eastern Caribbean Central Bank

**Data available at 07 September 2006**

**Table 52**  
**St Vincent and the Grenadines - Consumer Price Index<sup>+</sup>**  
**January 2001 = 100**

	Weight	Index Jun 2006	Percentage Change*						
			2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>P</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>All Items</b>	1,000.00	111.20	1.59	0.09	0.28	0.27	1.65	3.52	1.92
Food	536.1	113.80	2.94	(0.36)	0.54	0.36	1.16	5.77	1.52
Alcoholic Beverages and Tobacco	9.5	110.50	0.28	(0.18)	1.20	0.64	-	3.23	0.64
Housing	97.9	104.50	-	-	0.10	(0.77)	1.55	0.78	0.77
Fuel and Light	29.8	147.00	0.57	4.55	(2.10)	(1.35)	18.17	14.39	16.57
Clothing and Footwear	88.7	98.00	-	0.82	(0.10)	-	0.10	-	0.10
Household Furnishings and Supplie	61.5	100.60	0.60	0.50	(1.29)	0.80	0.20	(2.14)	1.00
Transport and Communications	68.5	109.70	-	-	-	3.79	2.62	(2.18)	6.50
Medical Care and Expenses	10.1	107.70	-	-	1.32	-	-	-	-
Education	34.3	122.60	-	0.25	1.31	(0.89)	-	-	(0.89)
Personal Services	33.5	101.30	0.20	0.10	1.00	(0.49)	0.50	3.73	-
Miscellaneous	30.1	114.30	-	-	-	-	-	0.88	-

Source: Central Statistical Office, Ministry of Finance

+ The categories and weights of the consumer price index were revised and the base year of the index was changed to January 2001.

\*at end of period

**Data available at 15 August 2006**



**Table 53**  
**St Vincent and the Grenadines - Central Government Fiscal Operations**  
(In millions of Eastern Caribbean dollars)

	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 <sup>R</sup> 3 <sup>rd</sup> Qr	2005 <sup>R</sup> 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>Current Revenue</b>	86.55	81.59	93.70	78.29	96.92	149.38	175.21
Tax Revenue	78.19	71.71	80.77	65.72	86.01	130.46	151.72
Taxes on Income & Profits	30.99	18.66	26.02	20.90	25.81	44.67	46.70
Of Which:							
Individual	10.38	10.26	10.22	11.78	13.15	20.29	24.93
Company Tax	19.32	7.55	14.49	8.41	10.72	22.30	19.13
Taxes on Property	0.30	1.37	0.60	0.30	0.39	0.53	0.69
Taxes on Domestic Goods and Services	12.20	15.28	11.23	12.79	20.82	23.24	33.61
Of Which:							
Stamp Duties	5.65	5.91	4.80	5.00	12.40	10.10	17.40
Consumption Duties	1.50	1.61	1.82	1.83	1.95	2.46	3.78
Hotel Turnover Tax	2.24	1.19	0.84	2.62	2.85	4.81	5.47
Taxes on International Trade and Transactions	34.70	36.40	42.92	31.74	38.99	62.03	70.73
Of Which:							
Import Duty	7.78	7.83	10.53	6.99	8.68	13.79	15.67
Consumption Tax	19.40	19.22	24.18	17.82	21.68	35.06	39.50
Customs Service Charge	5.68	5.39	6.71	5.25	6.22	9.80	11.48
Non-Tax Revenue	8.37	9.89	12.93	12.57	10.92	18.92	23.49
<b>Current Expenditure</b>	78.87	81.97	86.38	78.45	89.67	153.61	168.12
Personal Emoluments	38.40	38.05	44.05	41.74	41.68	76.84	83.42
Goods and Services	17.60	21.94	19.75	13.64	18.67	31.20	32.31
Interest Payments	10.13	7.78	9.17	8.88	15.57	18.05	24.45
Domestic	3.88	4.25	3.10	5.25	5.17	8.10	10.42
External	6.25	3.53	6.07	3.64	10.40	9.95	14.04
Transfers and Subsidies	12.75	14.19	13.41	14.18	13.76	27.52	27.94
Of Which: Pensions	5.26	6.96	5.48	7.62	6.01	10.87	13.63
<b>Current Account Balance</b>	7.69	(0.37)	7.33	(0.16)	7.25	(4.23)	7.09
<b>Capital Revenue</b>	0.13	3.17	5.29	0.35	0.27	0.33	0.61
<b>Grants</b>	2.01	1.71	0.66	-	2.36	2.79	2.36
Of which: Capital Grants	2.01	1.71	0.66	-	2.36	2.79	2.36
<b>Capital Expenditure and Net Lending</b>	18.36	21.07	28.30	10.98	21.82	29.49	32.80
Of which: Capital Expenditure	19.29	21.84	29.46	12.18	22.07	32.04	34.25
<b>Primary Balance</b>	1.59	(8.77)	(5.86)	(1.91)	3.63	(12.55)	1.72
Overall Balance (before grants)	(10.55)	(18.27)	(15.69)	(10.79)	(14.31)	(33.38)	(25.10)
Overall Balance (after grants)	(8.54)	(16.56)	(15.02)	(10.79)	(11.94)	(30.59)	(22.73)
<b>Financing</b>	8.54	16.56	15.02	10.79	11.94	30.59	22.73
Domestic	16.49	(9.26)	(29.68)	14.78	16.92	43.38	31.70
ECCB (net)	(2.30)	2.14	21.69	12.37	(13.22)	(5.97)	(0.86)
Commercial Banks (net)	29.39	(16.02)	26.02	(26.89)	12.63	37.42	(14.26)
Other	(10.60)	4.61	(77.40)	29.30	17.52	11.93	46.82
External	(7.95)	25.82	44.70	(3.99)	(4.98)	(12.79)	(8.97)
Net Amortisation/(Amortisation)	(5.79)	28.10	47.01	(3.02)	(4.74)	(10.54)	(7.76)
Disbursements	3.12	32.73	154.06	3.66	7.83	4.46	11.49
Amortisation	(8.91)	(4.63)	(107.05)	(6.68)	(12.57)	(15.00)	(19.25)
Change in Government Foreign Assets	(2.16)	(2.28)	(2.31)	(0.97)	(0.24)	(2.24)	(1.21)

Source: Ministry of Finance, Treasury Department and ECCB Estimates  
Data available at 15 August 2006



**Table 54**  
**St Vincent and the Grenadines - Selected Trade Statistics**  
 (Value: EC\$M; Volume: 000 tonnes)

	2005 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 <sup>E</sup> 2 <sup>nd</sup> Qr	2005 Jan - Jun	2006 Jan - Jun
<b>Visible Trade Balance</b>	(134.44)	(111.61)	(156.34)	(144.46)	(176.05)	(249.56)	(320.51)
<b>Total Imports</b>	167.70	134.13	181.05	169.11	211.22	306.58	380.34
<b>Total Exports</b>	33.26	22.52	24.71	24.65	35.17	57.01	59.83
Re-Exports	8.24	2.87	1.54	1.41	7.90	10.65	9.32
Domestic Exports	25.02	19.65	23.17	23.24	27.27	46.37	50.51
Of Which:						-	-
Bananas						-	-
Volume	4.60	3.46	4.85	4.68	4.30	9.07	8.98
Value	6.00	4.75	6.94	6.37	5.95	12.05	12.32
Vegetables	-	-	-	-	-	-	-
Volume	-	-	-	-	-	-	-
Value	-	-	-	-	-	-	-
Flour						-	-
Volume	2.49	2.40	2.47	2.72	2.44	4.98	5.16
Value	3.52	3.36	3.49	3.79	3.37	6.99	7.16
Rice						-	-
Volume	1.08	1.04	1.04	1.32	1.16	1.85	2.48
Value	2.16	2.00	2.03	2.02	1.81	3.60	3.83

Source: Central Statistical Office and ECCB Estimates

Data available at 16 August 2006

**Table 55**  
**St Vincent and the Grenadines - Monetary Survey**  
 (EC\$M at end of period)

	2005 1 <sup>st</sup> Qr	2005 <sup>R</sup> 2 <sup>nd</sup> Qr	2005 3 <sup>rd</sup> Qr	2005 4 <sup>th</sup> Qr	2006 <sup>R</sup> 1 <sup>st</sup> Qr	2006 2 <sup>nd</sup> Qr
<b>Net Foreign Assets</b>	426.66	387.66	428.11	388.89	393.10	415.69
Central Bank (net)	224.32	185.91	186.49	185.75	175.90	205.90
Commercial Banks (net)	202.34	201.75	241.63	203.14	217.20	209.79
External (net)	141.86	118.62	164.61	181.23	177.02	182.62
Assets	283.09	253.88	306.15	320.31	298.77	301.68
Liabilities	141.24	135.26	141.53	139.08	121.75	119.07
Other ECCB Territories	60.48	83.12	77.01	21.91	40.17	27.17
Assets	162.17	197.91	189.20	137.46	155.74	146.48
Liabilities	101.69	114.78	112.19	115.55	115.56	119.31
<b>Net Domestic Assets</b>	421.53	442.88	399.82	485.19	489.62	495.69
Domestic Credit	590.10	617.13	615.10	653.80	661.69	675.12
Central Government (net)	13.50	40.58	26.71	74.42	59.90	59.31
Other Public Sector (net)	(56.78)	(63.87)	(65.22)	(66.61)	(56.09)	(63.59)
Non-Bank Financial Institutions (net)	(18.14)	(16.94)	(21.94)	(32.24)	(30.74)	(20.84)
Subsidiaries and Affiliates (net)	(0.21)	-	-	-	-	-
Private Sector	651.73	657.36	675.56	678.23	688.62	700.24
Other Items (net)	(168.57)	(174.25)	(215.28)	(168.61)	(172.08)	(179.43)
<b>Monetary Liabilities (M2)</b>	848.19	830.54	827.93	874.08	882.72	911.38
Money Supply (M1)	305.05	290.50	286.07	327.71	335.32	354.66
Currency with the Public	63.50	65.01	62.66	74.44	69.68	65.69
Demand Deposits	241.55	225.49	223.41	253.27	265.63	288.97
Quasi Money	543.14	540.04	541.87	546.37	547.40	556.72
Savings Deposits	398.42	411.01	417.06	430.19	438.16	449.91
Time Deposits	124.44	112.30	103.41	101.38	95.56	89.80
Foreign Currency Deposits	20.28	16.74	21.39	14.80	13.68	17.00

Source: Eastern Caribbean Central Bank

Data available at 15 August 2006



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## ECCU BUSINESS OUTLOOK SURVEY

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Businesses in the ECCU are positive about the future of the economies and business environment conditions. This is one of the conclusions drawn from the ECCB's first Business Outlook Survey (BOS), which compared April to June 2005 with April to June 2006 and asked businesses about their expectations for the second half of 2006.

The survey was carried out by private consulting firms and statistics offices in the ECCU. Twenty-five companies in each member country (except Montserrat) were selected to participate. The companies represented industry sectors that make up the pillars of each member economy, among them Hotels and Restaurants (21 per cent), Wholesale and Retail (20 per cent), Other Services (17 per cent), Construction (14 per cent), and Banks (13 per cent). A total of 151 completed questionnaires were received. The response rate was 86.0 per cent.

A net 35.0 per cent of the respondents believed that business conditions in the ECCU improved in 2006. This was due to improvement in the business environment in all the countries except Grenada, where businesses faced an uphill rebuilding task in the wake of hurricane Ivan in 2004. Anguilla had the most significant improvement, followed by St Kitts and Nevis.

In terms of the performance of the various sectors the own sector business activity index shows that business conditions across the different sectors of the ECCU improved (on net 33.0 per cent). The various indicators of own sector activity (such as employment and profits, among others) all registered positive changes. Anguilla and St Kitts and Nevis had the highest levels of confidence about own sector activities. Grenada was the only territory to have experienced deteriorating conditions. The survey also revealed that the main concern in the sectors was the increase in prices of goods and services. This was attributed to high fuel, labour, freight and insurance costs. The mining and quarrying sector had the highest business confidence, followed by the agriculture and insurance sectors. However, firms in the hotel and restaurant sector felt that although business conditions had improved over the review period relative to the same period in 2005, it was not as robust as it could have been.

The optimism in the business environment is reflected in the positive net 49 per cent of businesses who indicated that the overall performance for the rest of the year (July to December 2006), relative to the corresponding period of 2005, is expected to "improve".





Business confidence is positive, with a net 40 per cent of the respondents expecting general business conditions to improve over the rest of the year (July to December 2006). A net 49 per cent of businesses expect conditions in their sector to improve over the rest of the year. Anguillian businesses are the most optimistic while their Grenadian counterparts were somewhat pessimistic about the future. The prospect for employment is favourable in all territories, while that for inflation shows a belief by businesses that rising input and operating costs will lead to price increases for goods and services in the ECCU.

In respect of credit, businesses in the ECCU felt the terms and conditions on business loans eased, but not significantly. Respondents highlighted the high rates and demand for security on loans as major inhibitors to financing from banks in the ECCU. Some also expressed frustration over the length of time it takes for the banks to process loan applications.

On the issue of services offered by various agencies and suppliers, respondents rated as fair to good the services provided by government agencies in the ECCU. However, they expressed concerns about the efficacy of the public sector bureaucracy, especially as it relates to processing payment claims. Overall, businesses were pleased with the quality of service provided by both the local and foreign suppliers.

Businesses cited rising fuel prices and the concomitant hikes in utility rates as major factors affecting their operations and profitability. Forty-

six per cent acknowledged adopting and implementing measures aimed at reducing energy consumption. This reflected a general trend, with the exception of Dominica and St Kitts and Nevis. It was especially pronounced in St Vincent and the Grenadines and Anguilla. The measures implemented to handle these issues include turning off air condition units and lights when not in use, using air condition units with timers and making rooms more airtight, and installing energy saving bulbs and other equipment (e.g. flat screen computer monitors).

The top five problems cited as impacting on the operation of businesses, in order of importance, are lack of skilled employees, high utility rates, cash flow/debts/receivables, price of oil, and public sector bureaucracy. Businesses identified other issues in the business environment that were retarding growth prospects as inefficiencies in inter-island shipping, poor work ethic, unfair trading practices by the informal sector, smuggling, noise pollution and procurement deficiencies.

The general conclusion of the survey is that there has been an improvement in current business and economic conditions, and that prospects for growth and expansion are favourable. This positive outlook is shared by the businesses surveyed in all the member countries, except Grenada. Notwithstanding this positive outlook, firms must implement strategies to deal with the major problems in the business environment that could adversely affect their growth prospects.



*The statistic of significance used in this analysis is the single net balance index. It is calculated as the difference between “improved/increased” and “deteriorated/decreased” responses. Therefore the net balance index is a change-value measure that is a good*

*predictor of current and future business conditions. A positive index indicates improvement in economic conditions over time while a negative one indicates deterioration. The complete survey report is available at [www.eccb-centralbank.org](http://www.eccb-centralbank.org).*

