



EASTERN CARIBBEAN CENTRAL BANK

Economic and Financial Review

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EASTERN CARIBBEAN CENTRAL BANK

CONTENTS

ECONOMIC REVIEW

Review of the Regional Economy 1

Country Performances

Anguilla.....6

Antigua and Barbuda10

Dominica.....15

Grenada20

Montserrat25

St Kitts and Nevis29

St Lucia35

St Vincent and The Grenadines40

STATISTICAL TABLES INDEX.....45

REGIONAL ECONOMY

Overview

Available data for the first quarter of 2000 indicated that economic activity in the Eastern Caribbean currency union slowed relative to the pace in the corresponding quarter of 1999. This outturn largely reflected a weak performance in tourism, mainly in relation to stay-over visitors, and a slowdown in the pace of activity in the construction sector. The agricultural sector was vibrant over the quarter under review, driven by a higher output of banana, sugar, cocoa, nutmeg and mace. Performance in the manufacturing sector was mixed. The level of savings of the combined central governments fell, as evidenced by a smaller current account surplus. Developments in the banking system were characterised by growth in the broad money supply, domestic credit and net foreign assets.

Output and Prices

The available data indicated some strengthening in performance in the agricultural sector in the currency union during the quarter under review compared with the performance in the corresponding period in 1999. Banana production for the first quarter of 2000 amounted to 33,843 tonnes, an increase of 2.2 per cent over the corresponding quarter of 1999. Output grew in all the banana producing countries with the exception of Dominica, when compared with the levels in the first quarter of 1999. In St Lucia, the largest banana producing country, output rose by 2.2 per cent (382 tonnes), attributable to favourable weather during the latter half of 1999. In St Vincent and The Grenadines, output increased by 13.9 per cent (1,233 tonnes) due to a banana replanting programme implemented in 1999. In Grenada, production rose by 33.3 per cent (46 tonnes), largely as a result of the reopening in 1999 of the United Kingdom market to Grenadian exports. In Dominica, damage to the crop by hurricane Lenny in the last quarter of 1999

resulted in a decline of 14.3 per cent in banana output during the quarter under review.

Of the other agricultural crops, output of cocoa totalled 802 tonnes during the quarter under review, up 48.2 per cent from the total in the same period in 1999. Production of nutmeg and mace more than doubled to 937 tonnes and 66 tonnes respectively, with nutmeg benefitting from an increase in the domestic price in January 2000. In St Kitts and Nevis, output of sugar cane rose by 46.7 per cent to 76,063 tonnes due to favourable weather and an early start of the 2000 sugar harvest.

The available data indicated that performance in the manufacturing sector was mixed across the region. In Dominica, beverage production rose by 10.5 per cent, partly associated with the introduction of new products in 1999. Output of dental cream increased by 18.0 per cent, while soap production fell by 11.8 per cent. Output of non-alcoholic beverages grew by 27.9 per cent in St Lucia, attributable in part to the commencement of operations of a new bottling company, while garment production experienced a decline due in part to the closure of one of the major manufacturing enterprises during the fourth quarter of 1999. In Grenada, output of beer rose by 26.6 per cent, while production of malt declined by 7.0 per cent. St Kitts and Nevis reported an increase in manufacturing output as a result of growth in production of sugar and electrical components.

In the tourism industry, total visitors to the region increased by 9.8 per cent to 907,160 over the quarter under review, mainly due to a 16.6 per cent growth in the number of cruise ship passengers. A total of 718 cruise ships called at the ports in the region compared with 651 in the first quarter of 1999. St Lucia and Antigua and Barbuda remained the dominant destinations, each accounting for 25.5 per cent of the total number of

cruise ship passengers to the region. Antigua and Barbuda enjoyed a particularly good quarter, with the number of passengers increasing by 65.3 per cent compared with the first quarter of 1999, partly due to the commencement of visits to the territory by a cruise line.

In contrast to the cruise ship category the number of stay-over visitors, traditionally the highest spending category of visitors, declined by 6.6 per cent to 228,584 compared with the first quarter of 1999. Stay-over visitors fell in all the countries with the exception of St Vincent and The Grenadines and Grenada where increases of 2.4 per cent and 3.5 per cent were recorded respectively. The largest decline was reported for Anguilla (21.7 per cent), followed by Antigua and Barbuda (10.3 per cent) and St Kitts and Nevis (9.4 per cent), partly as a result of damage to hotels during the passage of hurricane Lenny. During the quarter under review there was a decrease in stay-overs from all major markets with the exception of the United Kingdom where visitors from that source rose by 5.1 per cent as a result of an increase in airline services.

The pace of activity in the construction sector was likely to have slowed during the quarter under review compared with performance in the first quarter of 1999. Construction activity in St Lucia, St Vincent and The Grenadines and Anguilla was estimated to have declined, partly due to the completion of major projects in these territories. Available data indicated that the value of construction starts fell in Dominica and Montserrat. Construction activity remained buoyant in the other countries, driven by ongoing work on both private and public sector projects.

The available information on consumer price movements in six of the member countries showed that prices fell on average in Dominica, Grenada, St Kitts and Nevis and St Lucia, while in Montserrat and St Vincent and The Grenadines

prices increased. Data were not available for Antigua and Barbuda and Anguilla.

Trade and Payments

Complete trade data for the first quarter of 2000 were not available. Data on some major export commodities indicated that receipts from banana exports to the UK totalled \$43.0m for the quarter under review, 10.9 per cent lower than in the first quarter of 1999. This performance partly reflected a fall of 10.7 per cent in the average green market price (AGMP) per tonne of banana and a decline in the volume exported.

Of the other exports, earnings from soap contracted by 15.9 per cent. Receipts from the export of mace and cocoa fell by 18.9 per cent and 21.3 per cent respectively, while earnings from nutmeg rose by 23.9 per cent.

Gross visitor expenditure for the currency union, excluding Montserrat, was estimated to have declined by 4.6 per cent to \$661.3m compared with the total for the first quarter of 1999. The largest decrease was recorded for Antigua and Barbuda (7.7 per cent), followed by Anguilla (16.6 per cent) and St Kitts and Nevis (5.2 per cent), which experienced declines in stay-over visitors for the period under review.

Central Government Fiscal Operations

The available data on the fiscal operations of the central government for the period under review showed an increase in the current account surplus compared with the position in the corresponding quarter of 1999. A current account surplus of \$40.5m was realised, marginally above the surplus of \$39.3m in the first quarter of 1999, reflecting a higher rate of growth in current revenue relative to the increase in current expenditure.

Current expenditure grew by 11.5 per cent to \$450.0m over the period under review, as governments spent more on personal emoluments, goods and services, interest payments and transfers and subsidies. Expenditure on personal emoluments, which accounted for 51.7 per cent of current expenditure, went up by 8.1 per cent, partly as a result of salary increases awarded in some countries. Outlays on goods and services increased by 19.8 per cent to \$110.9m, partly reflecting the establishment of new ministries and departments in Antigua and Barbuda and in the Nevis Island Administration. Interest payments on external and domestic debt went up by 11.1 per cent (\$4.4m) over the corresponding period of 1999.

Current revenue grew by 10.7 per cent to \$490.5m, driven mainly by growth in tax revenue. A total of \$416.0m was collected in tax revenue, representing a 9.6 per cent increase on the amount in the first quarter of 1999. The higher tax receipts were reflected in increased revenue from taxes on income and profits, attributable in part to an improvement in tax administration.

Taxes on income and profits generated 31.5 per cent more revenue than in the corresponding period of 1999, largely reflecting higher receipts from company taxes. Taxes on domestic goods and services grew by 9.1 per cent, attributable to an increase in receipts from sales tax (14.2 per cent) and consumption tax (19.9 per cent). Receipts from the accommodation tax fell by 3.1 per cent, largely in line with the decline in stay-over visitors during the period under review. Marginal growth (0.3 per cent) was recorded in revenue from taxes on international trade and transactions. Non-tax revenue rose by 17.4 per cent.

Money and Credit

The broad money supply (M2) increased by 4.2 per cent to \$5,580.9m over the first quarter of 2000, reflecting growth in savings deposits (3.4 per cent), time deposits (3.1 per cent) and foreign currency deposits (12.6 per cent). Currency with the public declined by 8.2 per cent from the seasonal high in the previous quarter, associated with the Christmas season and Y2K preparations in December 1999.

Total domestic credit grew by 2.6 per cent to \$5,172.2m from the previous quarter, influenced mainly by growth in lending to the central governments and the private sector. Central governments in the currency union increased their indebtedness to commercial banks by \$35.3m, while their borrowing from the Central Bank fell by \$3.6m over the quarter under review.

Lending to the private sector was up by 1.8 per cent. Lending to households increased by 3.8 per cent compared with an expansion of 1.7 per cent over the first quarter of 1999, while outstanding credit to the business community fell marginally by 0.6 per cent. Increased borrowing for home construction and renovation, and house and land purchase contributed to the growth in credit to households.

Net foreign assets of the banking system in the currency union approached one billion dollars as an increase of 12.5 per cent to \$999.9m was recorded during the quarter under review. There was growth of 3.7 per cent in commercial banks' assets and a reduction of 3.9 per cent in their foreign liabilities. Central Bank's net foreign assets increased by 0.7 per cent (\$6.9m) over the period under review.

The commercial banking system was more liquid over the period under review. The net liquid assets to total deposits ratio rose to 21.4 per cent from 20.7 per cent at the beginning of the quarter. The ratio of loans and advances to deposits was 82.8 per cent, roughly 1.0 percentage point lower than in the previous quarter.

Interest rates on deposits remained stable during the first quarter of 2000. Savings deposits ranged from 4.0 per cent to 10.0 per cent, while time deposits ranged from 1.5 per cent to 9.3 per cent. Prime lending rates remained virtually unchanged and ranged from 9.5 per cent to 12.5 per cent, while the maximum rate charged on add-on loans in the region was 18.0 per cent.

Prospects

Prospects for the remainder of 2000 will depend on the performance of the tourism industry and the agricultural, construction and services sectors. Activity in the tourism industry is expected to strengthen based on an expansion in the number of hotel rooms, ongoing promotional efforts in the USA and UK markets, increased airline services, particularly from the UK, and assuming favourable economic conditions in the major international markets. The tourism plants in Anguilla and St Kitts and Nevis are expected to experience some recovery from the effects of hurricane Lenny, as rehabilitation works on some major hotels are completed.

With favourable weather, the banana production recovery plan is likely to contribute

to growth in banana output for the rest of 2000. However, the performance of banana exports will depend on price developments in the export market. Output of sugar cane is projected to increase based on favourable weather and a higher yield of sugar per acre. Nutmeg and mace production is expected to benefit from favourable conditions in the international market. In the manufacturing sector, an expansion in output is likely based on increases in the production of sugar and electronic components.

Over the remainder of 2000, activity in the construction sector is expected to be driven by ongoing work on projects such as road rehabilitation, hotel and school renovation, sporting facilities, government offices and residential construction across the currency union. Consumer price inflation is forecast to remain low and will be influenced by inflation rates in the major trading partners. Developments in the international price of oil will be critical and any further increases may put some upward pressure on the price of fuel in the region.

Central government savings are projected to weaken as a result of higher debt service payments and increased outlays on personal emoluments. However, ongoing reforms in tax administration are expected to continue to yield higher tax receipts. In the external sector, higher receipts from tourism, agricultural and manufacturing exports are anticipated and are likely to contribute to an improvement in the current account balance. The money supply is expected to increase in line with the growth in nominal GDP.

Table 1
ECCB Area
Central Government Fiscal Operations
(In millions of Eastern Caribbean dollars)

	1999 ^R 1 st Qr	1999 ^R 2 nd Qr	1999 ^R 3 rd Qr	1999 ^R 4 th Qr	2000 ^P 1 st Qr
Current Revenue	443.03	459.54	442.81	541.01	490.49
Tax Revenue	379.63	399.26	371.52	432.49	416.03
Taxes on Income and Profits ^{/1}	86.87	94.97	81.29	96.98	114.22

of which:					
Personal ¹²	36.61	32.81	33.45	31.82	38.62
Company	40.27	55.17	43.26	59.20	65.65
Taxes on Property	5.37	4.11	4.29	7.17	6.93
Taxes on Domestic Goods & Services	75.64	75.93	69.10	58.12	82.53
of which:					
Accommodation Tax	19.98	18.19	12.28	10.52	19.36
Licences ¹³	16.30	10.95	9.27	10.23	15.77
Sales Tax ¹⁴	2.96	2.82	2.94	3.01	3.38
Consumption Tax ¹⁵	10.04	14.73	13.09	10.70	12.04
Taxes on International Trade & Transactions	211.75	224.25	216.84	270.22	212.36
of which:					
Import Duties	65.59	66.75	66.90	87.48	65.66
Foreign Exchange Tax ¹⁶	2.89	2.42	1.99	2.53	2.26
Consumption Tax ¹⁷	105.13	115.81	109.67	131.70	97.86
Customs Service Charge ¹⁷	25.89	28.54	28.15	33.61	27.63
Non-Tax Revenue	63.41	60.28	71.29	108.53	74.46
Current Expenditure	403.70	418.73	450.72	490.87	450.00
Personal Emoluments	215.26	233.34	230.84	265.02	232.65
Goods and Services	92.57	91.50	110.62	117.60	110.94
Interest Payments	39.16	32.12	41.52	44.53	43.52
Domestic	25.00	21.62	24.65	28.42	27.61
External	14.16	10.50	16.87	16.12	15.91
Transfers and Subsidies	56.71	61.78	67.74	63.73	62.90
of which: Pensions	22.25	25.84	26.26	26.99	25.83
Current Account Balance	39.33	40.80	-7.92	50.14	40.49

Source: Ministry of Finance and ECCB Estimates

¹¹ Taxes on income and profits are not collected in Anguilla

¹² Includes a Social Services Levy which is applied in St Kitts and Nevis

¹³ Excludes St Vincent and The Grenadines

¹⁴ Dominica is the only territory with a Sales Tax

¹⁵ For all territories except Anguilla, Antigua and Barbuda, Montserrat and St Kitts and Nevis

¹⁶ For all territories except Dominica, Grenada, St Kitts and Nevis, St Lucia, and St Vincent and The Grenadines

¹⁷ For all territories except Anguilla

R = Revised

P = Provisional

Data as at July 12, 2000

Table 2
ECCB Area
Monetary Survey
(EC\$M at end of period)

	1998 4 th Qr	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Net Foreign Assets	998.95	1,139.33	1,028.54	856.36	888.50	999.89
Central Bank (net)	961.35	979.73	928.27	844.60	974.90	981.75
External Assets	965.64	990.01	936.17	864.29	984.38	991.99
External Liabilities	4.29	10.27	7.90	19.69	9.48	10.24
Commercial Banks (net)	37.60	159.60	100.27	11.76	-86.41	18.15
External Assets	1,086.94	1,177.62	1,208.06	1,181.57	1,338.36	1,387.23
External Liabilities	1,049.34	1,018.02	1,107.79	1,169.82	1,424.76	1,369.08
Net Domestic Assets	3,880.20	3,931.41	4,126.57	4,321.45	4,508.29	4,581.05
Domestic Credit	4,451.90	4,481.56	4,672.57	4,860.86	5,042.32	5,172.24
Central Government (net)	459.53	448.43	486.00	470.21	516.81	525.20
Other Public Sector (net)	-570.86	-569.03	-575.00	-547.54	-509.37	-528.05
Non-Bank Financial Institutions	-180.77	-189.72	-208.41	-196.64	-184.43	-156.32
Subsidiaries and Affiliates (net)	-55.92	-55.39	-55.83	-50.26	-74.10	-58.67
Private Sector	4,799.91	4,847.26	5,025.80	5,185.09	5,293.41	5,390.08
Other Items (net)	-571.70	-550.15	-546.00	-539.40	-534.03	-591.19
Money Supply (M2)	4,879.15	5,070.75	5,155.11	5,177.81	5,396.79	5,580.94
Currency with the Public	344.48	327.23	324.17	311.88	388.93	357.17
Demand Deposits	744.03	745.16	793.68	775.39	802.02	827.93
Savings Deposits	2,127.56	2,216.14	2,247.15	2,274.44	2,313.30	2,391.78
Time Deposits	1,185.70	1,229.22	1,261.07	1,303.07	1,338.65	1,380.19
Foreign Currency Deposits	477.37	553.00	529.03	513.04	553.87	623.87

Source: Eastern Caribbean Central Bank

Data as at July 11, 2000

Table 3
ECCB Area
Selected Tourism Statistics

	1999 ^R 1 st Qr	1999 ^R 2 nd Qr	1999 3 rd Qr	1999 ^R 4 th Qr	2000 ^P 1 st Qr
Total Visitor Arrivals	826,316	534,781	404,650	607,475	907,160
Stay-Over Arrivals	244,801	217,419	208,730	194,903	228,584
USA	92,710	74,104	53,705	58,135	82,795
Canada	18,542	8,602	7,140	10,742	17,537
UK	52,354	52,904	48,909	48,059	55,037
Caribbean	41,218	54,438	70,331	48,237	38,982
Other Countries	39,977	27,371	28,645	29,730	34,233
Excursionists	28,981	24,534	28,470	20,648	34,230
Cruise Ship Passengers ¹	552,534	292,828	167,450	391,924	644,346
Number of Cruise Ship Calls ²	651	309	168	392	718
Total Visitor Expenditure (EC\$M)	693.20	554.46	501.17	500.92	661.27

Source: Ministry of Tourism and ECCB Estimates

Excludes Montserrat

Excursionists includes sea arrivals for St Lucia and excludes Antigua

¹ Excludes Anguilla but includes yacht passengers for St Kitts and Nevis, and St Vincent and The Grenadines

² Excludes Anguilla and St Vincent and The Grenadines

R = Revised

P = Provisional

Data as at July 11, 2000

ANGUILLA

Overview

Economic activity in Anguilla was estimated to have contracted during the first quarter of 2000 compared with the corresponding period of the previous year. This outturn largely reflected the impact of hurricane Lenny, which struck the island in November 1999 and caused damage to crops, livestock and the hotel plant. Performance in the tourism industry weakened, while construction activity was estimated to have moderated. The merchandise trade deficit widened as a result of strong growth in imports. Central government's current revenue intake declined, resulting in a lower current account surplus compared with the corresponding quarter in 1999. The total monetary liabilities (M2) of the banking system expanded, largely reflecting increased private sector foreign currency deposits associated with inflows from insurance claims. Consequently, liquidity conditions within the banking system improved.

Output and Prices

During the period under review the performance of the tourism industry weakened. Stay-over arrivals declined by 21.7 per cent to 12,833 compared with the corresponding quarter of the previous year. Excursionists grew by 14.4 per cent to 20,804. The net effect on total visitor arrivals was a 2.7 per cent decline to 33,637.

An analysis of stay-over arrivals revealed that visitors from all the major markets declined. Visitors from the United States of America (USA) fell by 21.7 per cent to 8,049. Arrivals from the USA maintained the dominant share of the market, accounting for 62.7 per cent of the total, the same as in the corresponding period in 1999. Visitors from Italy, the second largest market, declined by 31.9 per cent to 1,370, while those from the Caribbean fell by 5.5 per cent to 1,163.

During the first quarter of 2000, construction activity was estimated to have moderated due to the completion of a 93-room hotel in November 1999. Residential construction activity was likely to have been below the level of the first quarter in 1999. Partly reflecting this, outstanding commercial bank credit for home construction and renovation contracted during the quarter by 7.0 per cent (\$3.6m) in contrast to an expansion of 7.2 per cent during the corresponding period of the previous year. Within the public sector, activity focussed on the construction of 'Campus B' - a new school.

Performance in the manufacturing sector improved during the quarter under review relative to the corresponding period in 1999, mainly as a result of the establishment of a block-making factory in Anguilla in July 1999.

Data on consumer price movements were not available. Inflation was however likely to have been in line with that of Anguilla's major trading partners.

Trade and Payments

During the period under review, a deterioration in the merchandise trade deficit was observed as growth in imports more than offset the increase in export earnings. Imports rose by 30.4 per cent to \$65.2m, largely associated with the refurbishing of hotels damaged by hurricane Lenny. Export earnings more than tripled to \$2.5m as a result of an increase in earnings from rum and the export of concrete blocks. In the services sector, gross visitor expenditure was estimated at \$51.3m, roughly 16.6 per cent lower than the total for the corresponding period in 1999. This decline was consistent with the fall in stay-over visitors.

Central Government Operations

During the first quarter of 2000, a surplus of \$3.3m was realised on the current operations of the central government compared with one of \$6.1m in the corresponding period in 1999. The lower level of savings was largely as a result of a decline in current revenue.

Total revenue fell by 13.4 per cent to \$16.8m and reflected declines in both the tax and non-tax categories. Tax revenue, which accounted for 84.5 per cent of total current revenue, contracted by 9.0 per cent (\$1.4m) as a result of lower receipts (16.6 per cent) from taxes on domestic goods and services. Of this tax group, revenue from the accommodation tax fell by 44.6 per cent (\$1.1m) as a direct consequence of the contraction in stay-over visitors. Collections from taxes on international trade and transactions fell by 5.2 per cent (\$0.6m), as a result of a 6.2 per cent decline in receipts from import duties, which accounted for 54.7 per cent of current revenue. Lower receipts from import duties were largely attributable to the discontinuation of aluminium transshipment to Europe in July 1999. Meanwhile, non-tax revenue contracted by 31.4 per cent to \$2.7m, largely attributable to a fall in collections from rent on government property and land.

Current expenditure grew by 1.7 per cent to \$13.5m and reflected higher outlays on personal emoluments. Spending on personal emoluments grew by 9.9 per cent to \$8.1m, largely reflecting salary increases awarded in the second quarter of 1999. Personal emoluments accounted for 60.1 per cent of current expenditure. Outlays on goods and services contracted by 10.2 per cent to \$4.8m. Of the remaining items, interest payments declined by 20.0 per cent, while there was a 10.0 per cent increase in transfers and subsidies.

Money and Credit

At the end of the quarter under review total monetary liabilities (M2) of the banking system stood at \$413.2m, roughly 11.8 per cent higher than the level of the previous quarter. The growth in M2 was largely reflected in a 12.6 per cent rise in quasi money, which accounted for 95.7 per cent of the total. Foreign currency deposits grew by 17.0 per cent (\$45.6m) and remained the largest component of monetary liabilities, accounting for 75.9 per cent of the total. Growth in foreign currency deposits was attributable to the inflow of insurance compensation in the aftermath of hurricane Lenny. Of the other components of quasi money, saving deposits expanded by 3.5 per cent (\$1.6m), while time deposits contracted by 7.4 per cent (\$2.8m). The narrow money supply (M1), which accounted for 4.3 per cent of the total monetary liabilities, contracted by 4.7 per cent, largely as a result of an 18.0 per cent decline in currency held by the public. Private sector demand deposits grew by 7.0 per cent to \$10.5m.

Domestic credit expanded by 3.7 per cent to \$311.3m compared with the level at the end of December 1999. This expansion was attributed to growth in credit to the private sector, in particular a 7.5 per cent (\$12.5m) increase in lending to households. The net deposits of the central government grew by 63.5 per cent (\$0.6m), largely reflecting a 40.5 per cent reduction in loans and advances from commercial banks. In the rest of the public sector, the net deposits of the non-financial public enterprises rose by 6.4 per cent (\$2.5m), largely reflecting a 6.0 per cent rise in deposits at commercial banks.

An analysis of credit by economic activity showed that credit expansion was dominated by lending for personal use, which grew by 10.1 per cent (\$17.3m). Credit to the distributive trades

and construction sectors rose by 18.8 per cent (\$5.0m) and 8.5 per cent (\$1.0m) respectively. By contrast, lending to the manufacturing sector (including mining and quarrying) and the tourism industry declined by 31.4 per cent (\$3.1m) and 10.2 per cent (\$8.5m) respectively. The fall in outstanding credit to the tourism industry largely reflected the repayment of loans granted in the fourth quarter of 1999 to rehabilitate hotels affected by hurricane Lenny. These loans were repaid on receipt of insurance proceeds.

The net foreign assets of the banking system rose by 36.1 per cent (\$39.3m), reflecting a 74.3 per cent (\$41.0m) increase in commercial banks' net foreign assets. Commercial banks net external assets held outside the Eastern Caribbean currency union more than doubled to \$75.0m, while those held with institutions within the currency union fell marginally. Anguilla's imputed share of the Central Bank's reserves contracted by 3.2 per cent (\$1.7m).

Liquidity within the commercial banking system improved during the quarter under review. Indicating this, the liquid assets to total deposits ratio moved from 51.4 per cent at the end of the previous quarter to 54.0 per cent at the end of the quarter under review, while the loans and advances to total deposits ratio declined by 4.3 percentage points to 65.7 per cent. The cash reserves to deposits ratio fell by 0.6 percentage points to 8.1 per cent.

The interest rates offered on savings deposits ranged from 4.0 per cent, the statutory minimum rate, to 5.0 per cent. The rates on six-month time deposits ranged from 2.0 per cent to 5.5 per cent, while those on twelve-month deposits ranged from 4.8 per cent to 5.8 per cent. The prime lending rate ranged from 10.0 per cent to 12.0 per cent, while other lending rates were as high as 19.5 per cent.

Prospects

Real GDP growth in Anguilla is likely to slow down during 2000. This assessment was based largely on a likely decline in activity in the tourism industry, due to the lagged effect of hurricane Lenny. Tourist arrivals are projected to decrease, particularly during the first half of the year.

The construction sector is likely to register slower growth in 2000 as a result of the completion of a 93-room hotel during 1999. Within the private sector, activity is likely to be associated with post-hurricane rehabilitation work, the construction of additional hotel rooms and the building of residential properties. In the public sector, activity is expected to focus on the resurfacing of roads and the continuation of construction of Campus "B" - a new school.

In the agricultural and fisheries sector output of crops and livestock is forecast to decline, reflecting the continuing impact of hurricane Lenny. Some increase in fish production is expected based on the likely commencement of commercial long-line fishing during the year. Growth in output is anticipated in most of the other sectors except transportation, which is likely to decline as a result of the anticipated fall in visitor arrivals.

In 2000 the finances of the central government are likely to deteriorate. Current revenue is projected to decline, largely as a result of the discontinuation of transshipment activity and the anticipated slowdown in economic activity. Growth in current expenditure is likely, due partly to an anticipated increase in outlays on goods and services.

Domestic credit expansion is projected to continue into 2000. Growth in monetary liabilities

may be moderated during 2000 due to the anticipated slowdown in economic activity. Some tightening in commercial bank liquidity is likely.

In the external sector, the current account balance is expected to widen, partly due to

increased imports associated with the renovation and refurbishing of hotels affected by hurricane Lenny and lower net inflows from travel as a result of the likely decline in stay-over visitors.

Table 4
Anguilla - Selected Tourism Statistics

	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Total Visitors	34,588	27,266	26,059	18,816	33,637
Stay-Over Visitors	16,395	11,932	9,605	8,850	12,833
USA	10,284	7,208	4,043	4,425	8,049
Canada	537	343	213	394	502
UK	922	560	526	695	744
Italy	2,013	1,036	1,734	552	1,370
Germany	235	211	122	699	1,37
Caribbean	1,231	1,440	2,061	1,270	1,163
Other Countries	1,173	1,134	906	815	868
Excursionists	18,193	15,334	16,454	9,966	20,804
Total Visitor Expenditure (EC\$M)	61.56	30.20	25.29	35.39	51.33

Source: Statistical Unit

Data as at May 24, 2000

Table 5
Anguilla Central Government Fiscal Operations
(EC\$M)

	1999 ^R 1 st Qr	1999 ^R 2 nd Qr	1999 ^R 3 rd Qr	1999 ^R 4 th Qr	2000 ^R 1 st Qr
Current Revenue	19.40	17.59	14.61	14.41	16.81
Tax Revenue	15.60	14.79	11.27	12.11	14.20
Taxes on Property	0.10	0.09	0.04	0.03	0.05
Taxes on Domestic Goods & Services	4.80	4.51	3.94	3.14	4.00
of which:					
Accommodation Tax	2.50	2.29	1.31	0.51	1.39
Bank Deposit Levy	--	0.48	0.84	--	--
Licences	1.60	1.05	1.01	1.60	1.71
Stamp Duties	0.60	0.60	0.74	0.99	0.80
Taxes on International Trade & Transactions	10.70	10.19	7.29	8.94	10.14
of which:					
Import Duty	9.80	9.23	6.23	8.20	9.19
Export Duty	--	--	--	--	--
Foreign Exchange Tax	0.20	0.20	0.23	0.17	0.22
Embarkation Tax	0.50	0.49	0.44	0.32	0.50
Non-Tax Revenue	3.80	2.80	3.34	2.30	2.61
Current Expenditure	13.30	15.49	16.53	15.08	13.52
Goods & Services	5.30	5.85	6.69	5.54	4.76
Personal Emoluments	7.40	8.75	8.83	8.94	8.13
Interest Payments	0.10	0.09	0.24	0.02	0.08
Domestic	0.10	0.03	0.14	0.01	0.08
External	--	0.06	0.10	0.01	--

Transfers & Subsidies	0.50	0.80	0.77	0.58	0.55
of which:					
Pensions & Gratuity	0.30	0.38	0.35	0.45	0.34
Current Account Balance	6.10	2.10	-1.92	-0.67	3.29
Memo Item					
Principal Repayments	0.30	--	0.50	0.05	0.25

Source: Ministry of Finance

R = Revised

Data as at May 24, 20000

Table 6
Anguilla - Retail Price Index
1985 = 100

	Weight	Index Mar 2000	Percentage Change*				
			1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
All Items	100.0	n.a.	0.67	n.a.	n.a.	n.a.	n.a.
Food	32.0	n.a.	--	n.a.	n.a.	n.a.	n.a.
Alcoholic Beverages & Tobacco	8.0	n.a.	-0.24	n.a.	n.a.	n.a.	n.a.
Rent and Rates	12.0	n.a.	0.25	n.a.	n.a.	n.a.	n.a.
Fuel and Light	7.0	n.a.	--	n.a.	n.a.	n.a.	n.a.
Clothing and Footwear	9.0	n.a.	--	n.a.	n.a.	n.a.	n.a.
Household Goods	8.0	n.a.	--	n.a.	n.a.	n.a.	n.a.
Transport	12.0	n.a.	--	n.a.	n.a.	n.a.	n.a.
Miscellaneous Goods	6.0	n.a.	0.25	n.a.	n.a.	n.a.	n.a.
Services	6.0	n.a.	--	n.a.	n.a.	n.a.	n.a.

Source: Statistical Unit

*at end of period

Data as at May 24, 2000

Table 7
Anguilla - Monetary Survey
(EC\$M at end of period)

	1998 4 th Qr	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Net Foreign Assets	167.69	142.04	136.98	112.34	108.99	148.29
Central Bank (net)	49.00	52.07	47.09	47.53	53.76	52.02
Commercial Banks (net)	118.69	89.97	89.90	64.81	55.23	96.27
External (net)	91.24	65.15	63.77	46.65	33.88	74.97
Assets	257.66	246.73	228.96	215.79	205.95	259.57
Liabilities	166.42	181.58	165.19	169.14	172.06	184.60
Other ECCB Territories	27.45	24.82	26.13	18.16	21.35	21.30
Assets	34.14	32.15	34.66	34.60	35.81	34.40
Liabilities	6.69	7.33	8.53	16.44	14.46	13.10
Net Domestic Assets	173.30	222.18	220.32	241.22	260.79	264.94
Domestic Credit	220.48	233.50	267.12	278.85	300.28	311.31
Central Government (net)	-3.74	-1.93	-2.05	-4.69	-0.96	-1.57
Other Public Sector (net)	-34.85	-30.90	-34.91	-39.12	-38.95	-41.43
Non-Bank Financial Institutions (net)	-3.28	-4.11	-3.17	-3.38	-4.46	-3.53
Subsidiaries and Affiliates (net)	1.45	2.60	7.04	6.79	7.59	7.77
Private Sector	260.91	267.85	300.21	319.26	337.06	350.07
Other Items (net)	-47.19	-11.32	-46.80	-37.62	-39.49	-46.37
Money Supply (M2)	340.99	364.22	357.30	353.56	369.78	413.23

Currency with the Public	8.45	6.98	8.31	7.98	8.72	7.15
Demand Deposits	9.06	8.78	9.29	10.45	9.81	10.50
Savings Deposits	41.38	42.67	44.00	43.56	44.82	46.39
Time Deposits	32.57	31.96	33.20	36.25	38.37	35.54
Foreign Currency Deposits	249.52	273.83	262.50	255.32	268.07	313.65

Source: Eastern Caribbean Central Bank
Data as at May 24, 2000

ANTIGUA AND BARBUDA

Declines were also registered for stay-over visitors from Canada (10.8 per cent) and the Caribbean (6.5 per cent). The contraction in arrivals from

Overview

Provisional estimates indicated that economic activity in Antigua and Barbuda remained flat during the first quarter of 2000 relative to the comparable period of 1999. This performance was mainly attributable to a decline in tourism, which was offset by buoyancy in the construction sector. The fiscal position of the central government weakened, as the expansion in current expenditure outpaced revenue growth. Liquidity in the commercial banking system remained tight, while interest rates were relatively unchanged.

Output and Prices

The tourism industry turned in a weak performance during the quarter under review relative to the outturn in the corresponding period in 1999. Stay-over visitors, whose contribution to the industry is the largest, fell by 10.3 per cent to 59,274 in contrast to growth of 4.2 per cent in the first quarter of 1999. This development reflected declines in all major markets except the United Kingdom (UK). Visitors from the UK grew by 5.4 per cent to 21,311, attributed to increased airline services. First quarter comparisons indicated that the market share of stay-over visitors from the UK rose by 5.4 percentage points to 36.0 per cent. Of the other destinations, stay-over visitors from the USA, the second largest market, contracted by 21.2 per cent, associated with increased competition from other destinations. Consequently, the share of visitors from the USA fell by 4.5 percentage points to 31.9 per cent.

Canada was mainly due to the cancellation of a regular charter service after the passage of hurricane Lenny in November 1999.

Despite the decline in stay-over visitors, total visitor arrivals rose by 35.1 per cent to 223,474 during the period January to March 2000 in contrast to a 16.2 per cent decline in the corresponding quarter of 1999. This improvement was primarily associated with a 65.3 per cent expansion in the number of cruise ship passengers to 164,200, and was consistent with the 37.5 per cent increase in the number of cruise ship calls. The rise in the number of calls was partly due to visits by a new cruise line.

During the period under review, the level of activity in the construction sector was estimated to have increased relative to the corresponding period of 1999. In the public sector, construction work on the new hospital intensified. Activity also focussed on the completion of the vendors mall and the rehabilitation of two schools. In private sector, work continued on a number of residential and commercial properties including an office complex and a vegetable market. Data on consumer price movements were not available for the quarter under review.

Trade and Payments

Complete trade statistics were not available for the first quarter of 2000. Data on cargo throughput revealed that the volume of imports fell by 29.0 per cent to 125,165 tonnes, reflecting declines of 20.8 per cent and 38.7 per cent in general cargo and fuel respectively. The number of vehicles imported decreased substantially compared with the total in the first quarter of 1999 when duty waivers on vehicles were granted.

Consistent with the contraction in stay-over visitors, gross visitor expenditure was estimated to have declined by 7.7 per cent to \$196.0m.

Central Government Fiscal Operations

Preliminary estimates of the fiscal operations of the central government revealed a widening of the current account deficit during the period January to March 2000 in comparison with the same quarter of the previous year. A current account deficit of \$21.4m was recorded, more than double that realised in the first quarter of 1999, associated with a faster rate of growth in expenditure relative to the increase in revenue.

Current revenue rose by 2.3 per cent to \$83.9m, reflecting growth in tax revenue. Receipts from taxes on income and profits grew by 46.8 per cent (\$2.7m) with collections from the company tax expanding by 49.8 per cent to \$9.0m. This performance was attributed to the collection of arrears and improved auditing at the Inland Revenue Department.

Earnings from taxes on international trade and transactions fell by 1.9 per cent to \$43.4m. Receipts from the consumption tax contracted by 7.9 per cent (\$1.4m) and more than offset the 7.1 per cent (\$0.9m) increase in revenue from import duty.

The yield from taxes on domestic goods and services went up marginally by 0.1 per cent to \$18.7m. Increases of 21.6 per cent (\$1.4m) and 39.0 per cent (\$0.7m) were recorded for revenue from the hotel and guest tax and telecommunications tax respectively, but these were moderated by a fall of 13.6 per cent (\$0.6m) in receipts from stamp duties. Additionally, there was no revenue from drivers' licences and

associated fees, as responsibility for the collection of these was transferred to the Transport Board in August 1999. The higher yield from hotel taxes reflected the collection of arrears. Earnings from the property tax rose by 23.1 per cent (\$0.6m).

Non-tax revenue fell by 8.7 per cent to \$9.3m, reflecting a decline in receipts from licences and fees from international business corporations. Responsibility for the collection of revenue from the offshore industry was transferred to the international financial sector authority.

Current expenditure expanded by 15.3 per cent to \$105.3m. All the major categories of expenditure increased relative to the first quarter of 1999. Outlays on personal emoluments rose by 11.6 per cent to \$58.0m. Spending on goods and services grew by 28.3 per cent to \$30.1m, partly on account of the establishment of two new ministries and departments. Interest payments rose by 2.9 per cent (\$0.2m), mainly reflecting domestic interest payments which were up by 43.3 per cent, while external interest payments fell by 81.8 per cent. In the corresponding first quarter of 1999, domestic interest payments increased by a modest 4.2 per cent as the central government had a moratorium on its domestic debt obligations. Expenditure on transfers and subsidies rose by 13.6 per cent to \$9.3m.

Money and Credit

During the quarter under review total monetary liabilities of the commercial banking system rose by 3.7 per cent to \$1,360.2m. This outturn reflected growth in quasi money, which rose by 5.3 per cent to \$1,062.1m. Of the components of quasi-money, time deposits rose by 4.9 per cent to \$490.5m, associated with favourable movements in interest rates on these

deposits. Savings deposits increased by 3.5 per cent to \$487.7m, while foreign currency deposits went up by 19.5 per cent to \$84.0m. The narrow money supply (M1) contracted by 1.5 per cent to \$298.1m, largely as a result of a 1.7 per cent decline in demand deposits. Currency with the public fell by 0.8 per cent as currency in circulation and cash at commercial banks decreased by 16.8 per cent and 58.5 per cent respectively. In the corresponding quarter of 1999 currency in circulation increased by 0.2 per cent, while cash at commercial banks expanded by 8.7 per cent.

Total domestic credit grew by 1.6 per cent to \$1,431.4m, largely reflecting developments in the private sector. Outstanding credit to the private sector rose by 1.5 per cent, attributable to growth in lending to the business sector. Loans to non-financial public enterprises increased by 9.0 per cent, while deposits of these institutions rose at the higher rate of 11.9 per cent, resulting in a lower net liabilities position of \$11.3m. Net credit to the central government remained relatively unchanged at \$277.4m. Commercial banks' loans and advances to the central government declined by 0.5 per cent to \$225.8m, while their deposits grew by 12.6 per cent to \$15.2m. Central bank's credit to the government rose by 10.9 per cent (\$2.7m), reflecting a 28.9 per cent increase in loans and advances. During the quarter under review the Central Bank extended an advance of \$2.0m to central government, while in the previous quarter no advances were provided.

An analysis of credit by economic activity revealed that lending to the tourism industry rose by 2.6 per cent, while credit for personal use grew at a slower rate of 0.5 per cent compared with 3.2 per cent in the first quarter of 1999.

During the period January to March 2000, the net foreign assets of the banking system fell substantially to \$33.4m from \$54.9m. In the corresponding period of 1999, the net foreign assets almost doubled to \$90.5m. This development during the first quarter of 2000 reflected an expansion in the net liabilities position of commercial banks. Commercial banks' liabilities to the other countries in the Eastern Caribbean currency union increased by 23.4 per cent, while their assets went up by 5.5 per cent. Commercial banks' liabilities to countries outside of the currency union contracted by 1.1 per cent, while their assets grew by 3.9 per cent. Antigua and Barbuda's imputed share of the Central Bank's reserves contracted by 2.0 per cent to \$184.5m.

During the first quarter the liquidity position of the commercial banks improved. The loans and advances to deposits ratio fell by 2.3 percentage points to 86.8 per cent. This development reflected the faster growth in deposits relative to the increase in loans. Loans and advances rose by 0.9 per cent while deposits expanded by 3.6 per cent. The interest rate offered on six-month time deposits was increased by 0.5 percentage point to 6.0 per cent, while that offered on twelve-month time deposits was raised by 3.3 percentage points to 9.3 per cent. The maximum prime lending rate fell by 0.5 percentage point to 11.5 per cent.

Prospects

Growth in real GDP is expected to be sustained in 2000 based on developments in the construction sector and the tourism industry. Value added in the construction sector is projected to increase as work on ongoing projects is expected to intensify and as plans for new projects materialise. In the public sector ongoing projects

include the hospital and the parallel taxiway. Likely new projects are road rehabilitation, a prison, sewerage system and schools rehabilitation. In the private sector construction work is expected to continue on the vegetable market, government office complex, a cricket ground and pavilion, a headquarters building for a finance company and residential homes under the various housing schemes.

Activity in the tourism industry is expected to strengthen, with growth in visitor arrivals projected at 3.0 per cent, partly on account of an anticipated rise in arrivals from the USA market. The projected increase in visitors from that market is based on an intensified marketing campaign by a USA company contracted by the government of Antigua and Barbuda. The UK market is likely to remain the major source of stay-over visitors based on promotional activities undertaken in that market and the continuation of direct flights from London. Growth in cruise passengers is also anticipated as the number of vessels visiting the island is expected to increase.

At the end of the first quarter of 2000 the government's budget for the financial year 2000

was passed, and additional tax measures in relation to the turnover tax and property tax were introduced. Changes are being proposed to a few other taxes to strengthen their base and increase revenue. Additionally, the revenue collecting departments are likely to be strengthened to improve tax administration. As a result it is expected that current revenue will increase. The central government has reiterated its decision to control expenditure and reduce exemptions. Consequently, some improvement is anticipated in the current account operations.

In the external sector, the current account deficit is projected to deteriorate slightly. This is associated in part with an expected decline in net inflows related to transfers, compared with 1999 when net transfers rose substantially as a result of increased insurance inflows for settlement of insurance claims for hurricane damage. Net travel receipts are projected to rise in line with the anticipated growth in stay-over visitors. Net inflows on the capital and financial account are expected to fall, reflecting a contraction in net official inflows, which rose substantially in 1999 as a result of the rescheduling of some loans.

Table 8
Antigua and Barbuda - Selected Tourism Statistics

	1999 ^R 1 st Qr	1999 ^R 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Total Visitors	165,398	124,897	87,114	155,648	223,474
Stay-Over Visitors	66,073	53,683	44,016	44,090	59,274
USA	24,032	17,600	10,523	12,798	18,929
Canada	5,834	2,242	1,525	2,157	5,206
Europe	26,341	21,628	19,577	19,321	26,185
UK	20,228	18,370	16,992	15,723	21,311
Germany	1,625	1,031	538	1,062	1,507
Switzerland	681	388	213	359	418
Italy	1,062	545	945	786	1,001
France	1,143	384	263	532	734
Other Europe	1,602	910	626	859	1,214
Caribbean	7,280	9,368	10,263	7,930	6,810
South America	1,194	1,105	1,516	1,214	1,350
Other Countries	1,392	1,740	612	670	794
Cruise Ship Passengers ^{\1}	99,325	71,214	43,098	111,558	164,200
Number of Cruise Ship Calls	96	51	23	78	132
Total Visitor Expenditure (EC\$M)	212.32	171.79	139.74	145.01	196.00

Source: Department of Tourism and Eastern Caribbean Central Bank
R = Revised
Data as at May 15, 2000

\1 Includes excursionists

Table 9
Antigua and Barbuda - Monetary Survey
(EC\$M at end of period)

	1998 4 th Qr	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Net Foreign Assets	48.95	90.48	68.46	14.10	54.91	33.42
Central Bank (net)	160.27	157.91	161.97	150.78	188.25	184.48
Commercial Banks (net)	-111.31	-67.43	-93.51	-136.69	-133.34	-151.06
External (net)	6.71	42.04	30.73	3.90	7.06	27.26
Assets	160.35	185.08	191.18	184.73	403.98	419.72

Liabilities	153.64	143.04	160.45	180.83	396.91	392.46
Other ECCB Territories	-118.02	-109.47	-124.23	-140.59	-140.40	-178.32
Assets	32.26	27.72	28.14	28.26	28.30	29.86
Liabilities	150.28	137.19	152.37	168.85	168.70	208.18
Net Domestic Assets	1,138.57	1,132.16	1,187.41	1,223.13	1,256.80	1,326.81
Domestic Credit	1,254.34	1,266.36	1,323.15	1,367.43	1,408.42	1,431.38
Central Government (net)	238.42	242.14	260.08	262.17	277.38	277.37
Other Public Sector (net)	-30.50	-33.84	-29.54	-21.74	12.19	11.34
Non-Bank Financial Institutions (net)	-34.11	-35.54	-38.76	-46.70	-32.14	-38.93
Subsidiaries and Affiliates (net)	-22.77	-22.45	-19.83	-21.76	-45.03	-31.77
Private Sector	1,103.30	1,116.05	1,151.19	1,195.46	1,196.01	1,213.37
Other Items (net)	-115.76	-134.21	-135.74	-144.29	-151.61	-104.57
Money Supply (M2)	1,187.53	1,222.64	1,255.87	1,237.23	1,311.71	1,360.23
Currency with the Public	79.78	78.32	73.22	68.64	85.01	84.34
Demand Deposits	218.92	213.61	223.52	188.99	217.58	213.79
Savings Deposits	453.63	465.70	465.39	464.39	471.31	487.66
Time Deposits	372.67	394.03	428.17	451.02	467.53	490.45
Foreign Currency Deposits	62.53	70.98	65.56	64.20	70.28	83.99

Source: Eastern Caribbean Central Bank
Data as at

Table 10
Antigua and Barbuda - Central Government Fiscal Operations
(In millions of Eastern Caribbean Dollars)

	1999 1 st Qr	1999 2 nd Qr	1999 ^R 3 rd Qr	1999 ^R 4 th Qr	2000 ^P 1 st Qr
Current Revenue	81.99	86.17	81.50	97.43	83.85
Tax Revenue	71.83	75.50	67.62	87.47	74.57
Taxes on Income & Profits	6.35	8.47	7.06	13.27	9.32
of which:					
Company	6.01	8.19	6.60	12.78	9.00
Business Tax	0.32	0.28	0.46	0.48	0.30
Taxes on Property	2.60	0.64	0.51	0.47	3.18
Taxes on Domestic Goods & Services	18.71	16.15	14.45	13.96	18.72
of which:					
Stamp Duties	4.63	2.27	4.05	3.40	4.00
Hotel and Guest Tax	6.38	6.25	3.99	5.69	7.76
Telecommunications Tax	1.82	3.02	2.86	2.28	2.53
Taxes on International Trade & Transactions	44.17	50.24	45.60	59.77	43.35
of which:					
Import Duty	12.67	12.64	13.06	18.83	13.57
Consumption Tax	17.83	25.35	20.82	24.12	16.42
Customs Service Charge	5.71	6.30	7.11	10.96	6.26
Foreign Currency Levy	2.44	1.84	1.54	2.13	1.75
Non-Tax Revenue	10.16	10.67	13.88	9.96	9.28
Current Expenditure	91.29	92.70	100.50	104.15	105.28
Personal Emoluments	52.02	53.00	52.38	62.56	58.03
Goods & Services	23.46	23.38	31.09	20.59	30.11
Interest Payments	7.64	4.78	8.09	11.30	7.86
Domestic	5.17	3.99	6.67	7.62	7.41
External	2.47	0.80	1.42	3.68	0.45
Transfers & Subsidies	8.17	11.54	8.94	9.70	9.28
of which: Pensions	3.55	4.72	4.16	4.71	4.07
Current Account Balance	-9.30	-6.53	-19.00	-6.72	-21.43

Memo Items:

Principal Repayments	11.32	4.84	8.29	7.54	0.41
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Source: Ministry of Finance, Treasury Department and ECCB Estimates

R = Revised

P = Provisional

Data as at May 31, 2000

DOMINICA**Overview**

Based on the available data economic activity in Dominica was estimated to have contracted during the first quarter of 2000 relative to the corresponding period of 1999. This performance was based largely on developments in the major sectors. Output in the agricultural sector contracted, influenced by a fall in banana production, a major activity in that sector. Performance in the manufacturing sector was mixed as soap production fell, while increases were reported for other manufactured goods. Construction activity declined. In the tourism industry, growth in total tourist arrivals was accounted for by an increase in cruise ship passengers as stay-over arrivals fell. Notwithstanding, central government's fiscal operations improved as the growth in current revenue outpaced that of current expenditure. Developments in the banking system were marked by a fall in net foreign assets and monetary liabilities and an increase in domestic credit.

Output and Prices

Activity in the agricultural sector contracted during the period under review compared with the first quarter of 1999. Banana production, the primary activity in that sector, fell by 14.3 per cent to 5,563 tonnes, partly reflecting the lagged effect of hurricane Lenny, which caused damage to the banana crop during the last quarter of 1999. During the quarter under review the quality of the

fruit produced declined by 6.9 percentage points to 82.9 percentage units within specification (PUWS). Data on the other agricultural crops were not available. It was likely that output of these crops increased in light of the continued efforts by the authorities to diversify the agricultural sector.

The level of construction activity was estimated to have declined relative to that of the first quarter of 1999. This assessment was based on a 22.8 per cent fall in the value of construction starts, an indicator of activity in the sector, in contrast to a 44.0 per cent increase in the first quarter of 1999. During the period under review public sector construction activity focussed on the completion of ongoing projects related to housing schemes, road improvement and the rehabilitation of schools and health centres.

There was a mixed performance in the manufacturing sector. Soap production decreased by 11.8 per cent to 2,712 tonnes during the first quarter of 2000 in contrast to growth of 8.8 per cent in the corresponding period of 1999. In the rest of the manufacturing sector, production of dental cream rose by 18.0 per cent to 530 tonnes, while output of beverages expanded by 10.5 per cent to 62,571 cases as a result of increased promotion and the introduction of new beverages during the latter half of 1999. Output of cardboard cartons was up by 5.4 per cent as a result of an increase in export demand from the neighbouring islands.

The available data indicated that the performance of the tourism industry was mixed during the period under review compared with the outturn in the first quarter of 1999. Total visitor arrivals rose by 5.3 per cent to 98,422, mainly reflecting growth of 7.6 per cent in cruise ship passengers to 81,199. In the corresponding first quarter of 1999 cruise ship passengers fell by 7.2 per cent. The increase in the number of cruise ship passengers was associated in part with the addition of two new cruise lines, as evidenced by a 9.7 per cent rise in the number of cruise ship calls. The number of excursionists contracted by 15.0 per cent to 364.

Stay-over visitors, whose contribution to the tourism industry is the largest, fell by 4.1 per cent to 16,859 in contrast to growth of 3.9 per cent in the first quarter of 1999. This performance was due in part to increased competition from other tourist destinations. An analysis of stay-over visitors by market sources revealed that arrivals from the Caribbean, the main market, declined by 11.1 per cent as a result of a 60.8 per cent fall in arrivals from the French West Indies. Increases were noted in arrivals from the United Kingdom (16.0 per cent) and Canada (10.7 per cent).

Consumer prices fell on average by 0.1 per cent following an increase of 0.6 per cent in the previous quarter. The fall in the price index was as a result of a 1.2 per cent decrease in the “food” sub-index, which more than offset increases in all the other sub-indices. The fall in food prices was largely influenced by declines in the price of vegetables. Increases were recorded for other sub-indices including “clothing” (2.0 per cent), “transportation” (0.9 per cent) and “alcoholic beverages” (0.6 per cent).

Trade and Payments

Complete data on trade were not available for the period under review. Preliminary estimates indicated a widening in the trade deficit, which was roughly 12.0 per cent higher than the level in the comparative period of 1999. This outturn was largely as a result of a 7.7 per cent fall in export earnings coupled with a 1.8 per cent increase in import payments.

Revenue from banana exports fell by 25.3 per cent to \$6.8m, due to the joint effect of a 14.3 per cent decrease in the volume of bananas exported and a fall in the average green market price (AGMP). Compared with the first quarter of 1999, the AGMP fell by 10.7 per cent to £527 per tonne in the first quarter of 2000. Export earnings from soap contracted by 15.9 per cent to \$9.0m, reflecting a fall in the volume exported. By contrast, receipts from dental cream rose by 8.5 per cent to \$5.3m.

Gross visitor expenditure for the first quarter of 2000 was estimated at \$30.9m, roughly 2.5 per cent higher than the amount for the corresponding quarter of 1999. This increase occurred in spite of a fall in stay-over visitors, attributable in part to growth of 12.9 per cent in business tourists, whose average daily expenditure is the highest among the categories of tourists.

Central Government Fiscal Operations

The finances of the central government improved during the first quarter of 2000. A current account surplus of \$5.1m was realised for the period under review, substantially above that of \$0.5m recorded in the first quarter of 1999, attributable to strong growth in current revenue.

Current revenue amounted to \$58.9m, an increase of 23.1 per cent compared with one of 5.8 per cent in the corresponding period of 1999, influenced by growth in both tax and non-tax sources. Tax revenue rose by 21.9 per cent to \$49.1m, reflecting increases in revenue from all the tax categories. Revenue from taxes on income and profits grew by 49.1 per cent (\$5.6m), partly reflecting windfall receipts from withholding

taxes. The yield from taxes on domestic goods and services rose by 14.1 per cent to \$8.3m, reflecting higher receipts from consumption tax and sales tax. Collections from taxes on international trade and transactions increased by 10.6 per cent (\$2.2m), reflecting the growth in imports. Of those taxes, receipts from import duties and the customs service charge increased by 23.8 per cent (\$1.2m) and 30.5 per cent (\$0.3m) respectively. Earnings from non-tax revenue rose by 29.7 per cent (\$2.2m), mainly reflecting increased receipts from financial services and the economic citizenship programme.

Current expenditure rose by 13.8 per cent to \$53.8m during the period under review, mirroring increases in expenditure in the major categories. Expenditure on personal emoluments, which accounted for 55.1 per cent of current expenditure, grew by 8.7 per cent to \$29.6m, largely as a result of a 3.0 per cent increase in wages awarded to civil servants in July 1999. Outlays on goods and services rose by 12.1 per cent to \$8.4m in contrast to a decline of 4.8 per cent in the first quarter of 1999. Total interest payments expanded by 53.2 per cent to \$7.5m, as external interest payments rose more than fourfold to \$4.9m as a result of interest payments on foreign bonds. Domestic interest payments declined by 31.9 per cent to \$2.5m, reflecting a contraction in liabilities to the commercial banks. Transfers and subsidies rose by 8.4 per cent, associated with the payment of arrears on contributions to regional and international organisations.

Money and Credit

Provisional estimates for the period under review indicated that the broad money supply (M2) contracted by 3.8 per cent to \$450.5m in contrast to growth of 3.1 per cent in the first

quarter of 1999. The major components of M2 – the narrow money supply (M1) and quasi money - recorded declines of 9.8 per cent and 2.0 per cent respectively. The fall in M1 was attributable to contractions of 5.1 per cent and 12.1 per cent in currency with the public and demand deposits respectively, partly reflecting the declines in economic activity. Of the components of quasi money, time and foreign currency deposits contracted by 7.2 per cent and 46.6 per cent respectively. By contrast, savings deposits grew by 2.9 per cent to \$243.5m.

Domestic credit was estimated to have increased by 6.2 per cent to \$446.3m compared with 2.0 per cent in the first quarter of 1999. Lending to the private sector rose by 2.6 per cent, substantially above the 0.4 per cent rate recorded in the previous year, reflecting increases in credit to households and businesses. During the quarter under review net credit to the central government rose by 4.1 per cent compared with an increase of 8.0 per cent in the corresponding period of 1999. Central government credit from the Central Bank grew by 9.5 per cent to \$12.0m, reflecting an increase in loans and advances, as the Bank's holdings of treasury bills and debentures remained unchanged at \$2.5m and \$6.5m respectively. Commercial banks' credit to the central government fell by 4.0 per cent to \$90.4m in contrast to an increase of 6.1 per cent in the corresponding period in 1999. This performance reflected developments in loans and advances, which contracted by 7.7 per cent to \$45.7m. Deposits of the central government in the commercial banks and the Central Bank fell by 11.5 per cent and 7.9 per cent respectively. In the rest of the public sector, net deposits of the non-financial public enterprises contracted by 37.9 per cent to \$6.6m. Net deposits of the non-bank financial institutions declined by 13.1 per cent to

\$38.1m as against a growth rate of 2.9 per cent in the corresponding quarter of 1999.

An analysis of credit by economic activity indicated an increase of 15.7 per cent in lending to the agricultural sector. Outstanding credit to the distributive trades sector rose by 4.7 per cent, while lending to the personal sector grew by 1.4 per cent, primarily due to increased credit for durable consumer goods.

During the period under review, the net foreign assets of the banking sector declined by 30.6 per cent (\$38.4m) in contrast to an increase of 16.3 per cent (\$14.9m) in the first quarter of 1999. The net foreign assets of the commercial banks fell substantially to \$0.1m from \$40.2m at the end of December. This performance reflected a 46.0 per cent decrease in net external assets held outside the Eastern Caribbean currency union and an increase in net liabilities to banks and other institutions within the currency union, as commercial banks drew on their external assets to finance the growth in credit. Dominica's imputed share of the reserves held with the Central Bank increased by 2.0 per cent, indicating a net inflow on the overall balance of payments during the quarter under review.

Liquidity in the commercial bank system tightened as indicated by an increase in the loans and advances to total deposits ratio to 80.9 per cent from 75.9 per cent at the end of 1999. The net liquid assets to total deposits ratio declined by 4.9 percentage points to 26.5 per cent. During the first quarter of 2000 interest rates remained stable except for those on time deposits. The rates on three-month time deposits moved to a range of 3.0 per cent to 5.5 per cent from one of 1.5 per cent to 5.0 per cent at the end of December 1999. The minimum interest rate on six-month time deposits doubled to 3.0 per cent, while the maximum rate

rose to 6.0 per cent from 5.3 per cent. The minimum interest rate on one-year time deposits moved to 3.5 per cent from 2.0 per cent, while the rates on deposits with a maturity of two years moved to a range of 3.8 per cent to 6.3 per cent from one of 2.0 to 6.0 per cent. The rates offered on savings deposits remained in the range of 4.0 per cent to 5.5 per cent. Prime lending rates ranged from 9.5 per cent to 10.5 per cent.

Prospects

The performance of the Dominican economy in 2000 will depend to a large extent on developments in the banana industry and the manufacturing sector during the rest of the year. The authorities are projecting a recovery in banana production based on the assumption of favourable weather, an increase in exports and the success of the ongoing banana recovery plan. Soap production is expected to increase in 2000 and contribute to growth in the manufacturing sector.

Activity in the construction sector is expected to increase based on the intensification of work in the public and private sectors. Activity in the tourism industry is expected to be flat in 2000 following the increase in the previous year, associated with the 21st Independence Anniversary Celebrations. In the fiscal accounts, interest payments are expected to increase in 2000 as a result of government's obligations associated with its recent bond issue. Consequently, the central government is expected to continue to focus on improving revenue collection and controlling the growth in current expenditure.

In the external sector, the current account deficit is expected to widen in 2000, largely influenced by growth in the import bill associated with the anticipated increase in construction activity.

Table 11
Dominica - Selected Tourism Statistics

	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 ^R 4 th Qr	2000 ^P 1 st Qr
Total Visitors	93,480	51,875	58,060	75,935	98,422
Stay-Over Visitors	17,584	16,141	19,385	20,396	16,859
USA	4,620	3,542	3,472	3,979	4,628
Canada	549	319	382	908	608
UK	1,491	1,217	1,301	2,624	1,729
Caribbean	8,573	9,712	12,983	11,373	7,618
Other Countries	2,351	1,351	1,247	1,512	2,276
Excursionists	428	686	2,261	529	364
Cruise Ship Passengers ¹	75,468	35,048	36,414	55,010	81,199
Number of Cruise Ship Calls	114	49	30	73	125
Total Visitor Expenditure (EC\$M)	30.14	26.06	28.55	25.08	30.89

Source: Central Statistical Office
R = Revised
Data as at May 16, 2000

P = Provisional

Table 12
Dominica - Selected Trade Statistics
(Volume - Tonnes; Value - EC\$M0)

	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 ^P 1 st Qr
Visible Trade Balance	-39.62	-39.41	-51.04	-46.14	-44.39
Total Imports	82.08	80.34	87.61	86.27	83.56
Total Exports	42.46	40.93	36.57	40.13	39.17
Re-Exports	1.03	0.96	0.80	0.75	0.90
Domestic Exports	41.43	39.97	35.77	39.38	38.27
of which:					
Bananas					
value	9.13	13.21	8.36	7.70	6.82
volume	6,494	8,034	6,671	6,064	5,563
Soap					
value	10.65	10.16	10.13	8.60	8.96
volume	2,751	3,059	3,324	2,637	2,710
Dental Cream					
value	4.85	3.54	5.33	5.12	5.26
volume	420	310	545	493	496

Source: Central Statistical Office, Dominica Coconut Products and WIBDECO
P = Provisional
Data as at

Table 13
Dominica - Central Government Fiscal Operations
(In millions of Eastern Caribbean Dollars)

	1999 ^R 1 st Qr	1999 ^R 2 nd Qr	1999 ^R 3 rd Qr	1999 ^R 4 th Qr	2000 ^P 1 st Qr
Current Revenue	47.83	54.09	44.97	53.61	58.90
Tax Revenue	40.27	45.37	38.02	44.70	49.10
Taxes on Income and Profits	11.40	13.38	9.64	13.47	17.00
of which:					
Personal	8.25	7.71	7.41	7.45	10.42
Company	3.39	6.11	2.68	6.50	6.83
Taxes on Property	0.59	0.69	0.65	0.62	0.58
Taxes on Domestic Goods & Services	7.24	6.48	5.89	6.42	8.26
of which:					
Sales Tax	2.96	2.82	2.94	3.01	3.38
Licences	2.84	2.00	1.54	1.40	2.67
Consumption Tax	1.22	1.31	1.10	1.74	1.84
Hotel Occupancy Tax	0.16	0.25	0.12	0.20	0.19
Taxes on International Trade & Transactions	21.04	24.80	21.84	24.19	23.26
of which:					
Import Duty	5.17	5.65	6.15	7.60	6.40
Consumption Tax	13.71	16.67	13.08	14.60	13.93
Customs Service Charge	0.82	0.93	0.93	1.04	1.07
Non-Tax Revenue	7.55	8.72	6.96	8.90	9.79
Current Expenditure	47.29	50.17	53.54	55.49	53.80
Personal Emoluments	27.28	27.97	29.55	31.65	29.64

Goods and Services	7.50	8.41	8.46	10.00	8.41
Interest Payments	4.87	4.80	6.49	3.49	7.46
Domestic	3.70	3.14	2.98	2.45	2.52
External	1.17	1.66	3.50	1.04	4.94
Transfers and Subsidies	7.65	8.97	9.05	10.35	8.29
of which:					
Pensions	2.25	2.21	2.24	2.23	2.29
Current Account Balance	0.53	3.92	-8.57	-1.88	5.10
Memo Item					
Principal Repayments	4.70	4.09	1.25	3.51	5.51

Source: Ministry of Finance
R = Revised
Data as at

P = Provisional

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

	1998 4 th Qr	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 ^E 1 st Qr
Net Foreign Assets	91.14	106.00	87.18	131.44	125.41	87.00
Central Bank (net)	74.66	82.20	76.73	71.38	85.19	86.91
Commercial Banks (net)	16.48	23.80	10.45	60.05	40.23	0.09
External (net)	30.79	26.45	27.87	43.03	42.13	22.73
Assets	133.06	128.39	127.78	140.87	136.97	120.45
Liabilities	102.28	101.94	99.91	97.83	94.85	97.73
Other ECCB Territories	-14.31	-2.65	-17.43	17.02	-1.90	-22.64
Assets	6.89	7.55	8.44	38.64	25.79	13.23
Liabilities	21.20	10.20	25.86	21.62	27.69	35.87
Net Domestic Assets	333.19	331.45	349.99	319.96	342.89	363.51
Domestic Credit	401.94	410.13	421.59	404.59	420.38	446.34
Central Government (net)	51.55	55.68	67.80	38.28	59.50	61.94
Other Public Sector (net)	-14.26	9.57	14.92	-7.32	-10.56	-6.56
Non-Bank Financial Institutions (net)	-43.45	-44.69	-46.21	-41.47	-43.86	-38.11
Subsidiaries and Affiliates (net)	-1.88	-2.99	-0.71	-1.99	-4.48	-1.48
Private Sector	409.97	411.70	415.63	417.10	419.77	430.55
Other Items (net)	-68.75	-78.68	-71.60	-84.63	-77.49	-82.83
Money Supply (M2)	424.32	437.45	437.16	451.39	468.30	450.51
Currency with the Public	29.13	29.95	30.72	29.45	34.09	32.35
Demand Deposits	56.32	52.50	61.17	69.97	72.73	63.95
Savings Deposits	208.57	217.26	221.67	231.15	236.74	243.53
Time Deposits	120.21	126.89	116.08	112.34	111.80	103.76
Foreign Currency Deposits	10.10	10.85	7.51	8.49	12.94	6.91

Source: Eastern Caribbean Central Bank
E = Estimates
Data as at May 23, 2000

Table 15
Dominica - Retail Price Index
February 1994 = 100

Weight	Index Mar 2000	Percentage Change*				
		1999 1 st Qr	1999 ^R 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr

All Items	1000.00	107.17	0.16	-0.86	0.08	0.58	-0.07
Food	401.81	102.61	-0.53	-2.74	0.27	1.37	-1.19
Alcoholic Beverages	16.16	114.02	-0.19	--	-0.37	-0.11	0.64
Housing & Utilities	133.71	107.44	0.47	0.91	2.85	0.17	0.13
Furniture & Household Equipment	57.79	99.68	-0.44	0.40	-0.32	0.34	0.32
Transportation	162.02	105.95	2.38	--	-2.22	-0.28	0.86
Clothing	68.35	107.59	0.07	--	-0.01	0.84	2.03
Miscellaneous	160.16	121.50	-0.26	0.44	-0.04	0.02	0.45

Source: Central Statistical Office and Eastern Caribbean Central Bank

*at end of period

R = Revised

Data as at May 16, 2000

GRENADA

Overview

Preliminary data indicated that during the first quarter of 2000 economic activity in Grenada was above the level recorded in the same period in 1999. Value added in the agricultural sector expanded based on an increase in output in the major agricultural crops. Activity in the construction sector was estimated to have increased. The performance of the manufacturing sector was mixed, while activity in the tourism industry was buoyed by growth in stay-over visitors. There was an increase in liquidity in the commercial banking system. Central government's fiscal operations strengthened. In the external sector, the visible trade deficit widened. Consumer prices fell on average during the period under review.

Output and Prices

During the first quarter of 2000 output in the agricultural sector grew substantially relative to the outturn in the same period in 1999. Output of cocoa was up 48.2 per cent to 802 tonnes, attributable to favourable weather and an increase in export demand. The production of nutmeg and mace more than doubled to 937 tonnes and 66 tonnes respectively, due in part to an increase in the domestic price of nutmeg in January 2000 and a higher yield per acre. Performance in the banana

industry continued to strengthen following the resumption of banana exports to the United Kingdom market in the last quarter of 1998. During the quarter under review banana production grew by 33.3 per cent to 184 tonnes compared with the total in the first quarter of 1999.

The available data on manufacturing indicated a mixed performance of that sector during the first quarter of 2000 compared with the corresponding period in 1999. Output of beer, prepared animal feed, and chemical and paints grew by 26.6 per cent, 24.2 per cent and 34.3 per cent respectively due to higher levels of demand in the domestic and external markets. The production of bakery products rose by 16.3 per cent. However, output of malt and toilet paper fell by 7.0 per cent and 30.3 per cent respectively, due in part to a lower demand on the domestic market. Data on the production of electrical components, mainly for export to the USA, were not available for the first quarter of 2000. It was unlikely that output would have decreased based on demand conditions for electronic components in the external market.

Activity in the tourism industry was buoyant during the period under review. Stay-over visitors, whose contribution to the industry is the largest, rose by 3.5 per cent to 35,546, largely influenced by an increase of 18.0 per cent to 7,749 in arrivals from the United Kingdom. The growth in arrivals from the UK was attributed to an

expansion in promotional activities and increased airline access from that market. Arrivals from the USA rose marginally by 0.5 per cent to 11,311. The USA maintained the dominant share of the market. Visitors from West Germany and from the Caribbean grew by 33.0 per cent and 11.5 per cent respectively, while arrivals from Canada and Italy were down by 36.4 per cent and 36.7 per cent respectively. The number of excursionists rose by 7.7 per cent during the period under review. By contrast, the number of cruise ship passengers fell by 4.8 per cent to 89,276; consequently, total arrivals contracted by 2.4 per cent to 127,229.

During the quarter under review activity in the construction sector was estimated to have increased relative to the level in the corresponding period in 1999. Private sector activity concentrated mainly on residential construction, which continued to increase. This was reflected in an expansion of 4.7 per cent in loans from commercial banks for home construction and renovation during the quarter, compared with growth of 5.7 per cent for the corresponding period of the previous year. Data on construction starts were not available. The Land Development Control Authority reported that 169 plans were approved for development in the first quarter of the year, roughly 9.7 per cent more than the number in the corresponding period of 1999. Of the 169 plans approved, 149 were for residential construction and 16 for commercial purposes. In the public sector construction activity involved the completion of road rehabilitation and sea defense projects. In addition, some major capital projects were started in the first quarter of the year. These include the construction of a fish vendor's market and the headquarters of the Ministry of Education.

These capital projects were financed by grants, loans and central government savings.

The rate of inflation, as measured by the change in the consumer price index, was estimated to be negative 0.6 per cent compared with 1.0 per cent in the previous quarter and negative 1.1 per cent in the corresponding period in 1999. The fall in the consumer price index was influenced by a decrease in the average price of "food, drink and tobacco" (1.8 per cent) and "housing and household expenses" (0.1 per cent), which jointly accounted for roughly 58.0 per cent of the basket of goods and services. Prices in the sub-indices "housing and fuel supplies" and "transport equipment and vehicles" rose by 1.8 per cent and 0.2 per cent respectively.

Trade and Payments

In the first quarter of 2000, the deficit on the visible trade account widened by 31.1 per cent to \$136.0m relative to the level in the first quarter of 1999. This performance was attributed to a faster rate of growth in imports relative to the increase in exports. Total imports grew by 25.3 per cent to \$163.6m, reflecting the expansion in economic activity during the quarter, while export earnings increased by 2.8 per cent to \$27.6m. In spite of a 25.0 per cent decline in the volume of nutmeg exported, receipts from nutmeg exports rose by 23.9 per cent to \$5.9m due to higher prices on the external market. Export earnings from mace declined by 18.9 per cent, reflecting a fall in volume exported, while receipts from cocoa exports contracted by 21.3 per cent due to lower prices in the external market. Revenue from banana exports amounted to \$0.1m, marginally above the total in the first quarter of 1999, reflecting an increase in the volume exported.

Consistent with the increase in stay-over arrivals, gross visitor expenditure was estimated to have grown by 3.1 per cent to \$56.8m in the first quarter of 2000.

Central Government Fiscal Operations

During the first quarter of 2000 central government's fiscal operations strengthened, due in part to the introduction of measures to improve tax administration. A current account surplus of \$24.9m was realised compared with one of \$10.3m in the corresponding period in 1999. This performance reflected a higher growth in current revenue relative to current expenditure.

Current revenue grew by 27.1 per cent to \$75.3m, reflecting increases in receipts from both tax and non-tax sources. Tax revenue rose by 21.3 per cent to \$65.3m, mirroring increased collections from all its categories. Revenue from taxes on international trade and transactions grew by 20.9 per cent to \$36.3m as collections from import duty and the customs service charge rose by 22.6 per cent and 30.8 per cent respectively. The higher collection from taxes on international trade and transactions was attributable in part to measures implemented by the Customs and Excise Department to improve tax administration.

Revenue from taxes on income and profit grew by 40.8 per cent to \$14.5m in the first quarter of 2000. Of those taxes, the intake from company tax rose by 42.2 per cent (\$3.5m) as a result of the continued improvement in tax administration with the implementation of the Standard Integrated Government Tax Administration System (SIGTAS) programme. Receipts from personal income tax rose by 30.6 per cent (\$0.5m). The yield from taxes on property grew by 36.0 per cent to \$1.4m due to the widening of the tax base.

Collections from taxes on domestic goods and services increased by 5.0 per cent to \$13.1m, influenced by a 17.0 per cent growth in revenue from licenses and a 9.8 per cent rise in receipts from domestic consumption tax.

In the first quarter of 2000 revenue from non-tax sources almost doubled to \$10.0m compared with the total in the corresponding period of the previous year. This performance was due to higher intake of revenue arising from the offshore financial services sector, in particular the economic citizenship programme.

During the quarter under review current expenditure amounted to \$50.4m, approximately 2.9 per cent higher than in the corresponding period of 1999. The rise in current expenditure was mainly attributed to higher outlays on interest payments, which were up by 24.2 per cent to \$6.7m, mainly reflecting an increase in domestic interest payments associated with an expansion in borrowing from the commercial banks. Expenditure on transfers and subsidies increased by 19.3 per cent to \$11.1m. By contrast, expenditure on personal emoluments and on goods and services fell by 4.4 per cent and 6.1 per cent respectively. The lower outlays on personal emoluments were in keeping with government's policy to maintain a freeze on the number of staff employed.

Money and Credit

During the first quarter of 2000, developments in the banking system were characterised by growth in monetary liabilities and domestic credit, and an expansion in the net foreign assets. Total monetary liabilities (M2) expanded by 4.6 per cent to \$893.5m, largely influenced by an increase of 5.7 per cent in quasi money to \$718.4m. Of the

components of quasi money, savings and time deposits both grew by 5.2 per cent to \$462.7m and \$207.4m respectively. Foreign currency deposits rose by 14.0 per cent to \$48.3m. The narrow component of the money supply (M1) remained stable at \$175.1m.

The net domestic assets of the commercial banks increased slightly by 0.1 per cent to \$721.7m, compared with 0.8 per cent for the corresponding period in 1999. Domestic credit grew by 2.2 per cent to \$778.9m, at a rate higher than that of 1.4 per cent recorded in the first quarter of 1999, largely due to increased borrowing by the private sector and the central government. Credit to the private sector rose by 1.8 per cent to \$781.4m, largely as a result of an increase in credit to households, as lending to businesses contracted. The net deposits of the non-bank financial institutions rose by 43.6 per cent to \$20.2m, reflecting a 13.1 per cent growth in deposits. The net deposits of the non-financial public enterprises fell by 1.2 per cent as credit increased by 9.8 per cent.

During the quarter under review central government's credit from the banking system grew by 9.5 per cent to \$88.8m as against a fall of 3.0 per cent in the first quarter of 1999. Borrowing from the commercial banks increased by 13.2 per cent to \$73.5m; most of this credit was in the form of loans and advances, and treasury bills. By contrast, Central Bank credit to the central government declined by 5.3 per cent to \$15.3m. The deposits of the central government in the banking system declined by 2.7 per cent to \$36.5m. These transactions of the central government led to an increase in its net credit from the banking system of 20.1 per cent, which was substantially higher than the 3.6 per cent growth recorded in the corresponding period in 1999.

An analysis of credit by economic activity indicated that loans to the agricultural and construction sectors rose by 20.5 per cent and 25.0 per cent respectively. Loans for personal use grew by 3.5 per cent, largely associated with increased borrowing for the acquisition of property. Lending to the manufacturing sector and the tourism industry declined by 3.5 per cent and 6.2 per cent respectively.

At the end of March 2000, the net foreign assets of the banking system expanded by 28.4 per cent to \$171.7m, albeit at a rate below that of 32.4 per cent for the corresponding period of 1999. The commercial banks moved to a net assets position of \$16.2m after registering net liabilities of \$3.5m at the end of the previous quarter. This performance was attributed to an accumulation of assets with banks and other institutions in the rest of the Eastern Caribbean currency union, and a reduction in liabilities to their head offices and other institutions outside of the currency union. Grenada's imputed share of the reserves held by the Central Bank grew by 13.3 per cent to \$155.5m compared with 2.7 per cent in the first quarter of 1999, indicating an improvement in the overall balance of payments position of Grenada.

Liquidity in the commercial banking system improved during the period under review. The loans and advances to deposits ratio decreased by 0.6 percentage points to 79.7 per cent, as growth in deposits outpaced that of loans and advances. The liquid assets to total deposits ratio increased by 0.9 percentage point to 22.1 per cent.

During the first quarter of 2000, interest rates remained stable except for those on three- and six-month time deposits. The maximum interest rate on three-month time deposits moved to 5.8 per

cent from 5.5 per cent at the end of December, while that on six-month deposits rose to 6.3 per cent from 6.0 per cent. The rates offered on savings deposits ranged from 4.0 per cent to 6.0 per cent. Prime lending rates ranged from 9.5 per cent to 10.5 per cent.

Prospects

Economic activity is projected to increase in the remainder of the year, influenced by likely developments in the agricultural and manufacturing sectors and the tourism industry. Growth is also likely to be spurred by an expansion in the services provided by the telecommunications sector.

Output in the agricultural sector is expected to increase assuming good weather and favourable external conditions for nutmeg and mace. The successful implementation of the banana rehabilitation plan is also expected to contribute to growth in agricultural output. Manufacturing output is likely to increase assuming external market conditions remain favourable. Growth in

the tourism industry is projected based on increased promotion in the USA and the UK, the continued availability of airline services and favourable economic conditions in the major markets. The pace of construction activity is expected to slow down, as some public sector projects are likely to be completed during the year.

In the commercial banking system, liquidity conditions are expected to remain favourable. Growth in monetary liabilities is projected based on the anticipated expansion in economic activity. The operations of the central government are likely to result in a current account surplus based on an anticipated strong growth in revenue. Current expenditure is projected to increase, partly attributed to higher outlays on personal emoluments due to negotiations with trade unions. In the external sector the trade deficit is likely to widen. Exports are projected to increase but receipts are expected to be more than offset by growth in imports associated with the likely expansion in economic activity. Inflation is projected to rise slightly based on an increase in nominal wages during the year.

Table 16
Grenada - Selected Agricultural Production

	Unit	1999 ^R 1 st Qr	1999 2 nd Qr	1999 ^R 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Bananas	(tonnes)	138	132	159	153	184
Cocoa	(tonnes)	541	211	59	163	802
Nutmeg	(tonnes)	444	1,674	644	256	937
Mace	(tonnes)	32	185	46	14	66

Source: Statistical Department, Ministry of Finance
R = Revised
Data as at

Table 17
Grenada - Selected Tourism Statistics

	1999 ^R 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 ^R 4 th Qr	2000 1 st Qr
Total Visitors	130,376	92,465	64,426	91,616	127,229
Stay-over Visitors	34,358	28,802	31,663	30,397	35,546
USA	11,250	7,883	7,599	7,962	11,311
Canada	3,082	930	818	1,306	1,959
Europe	10,246	8,798	7,867	9,903	12,038
of which					
Germany	1,519	807	604	1,389	2,020
UK	6,569	6,749	5,832	7,084	7,749
Caribbean	4,159	5,843	6,986	5,010	4,636
Other*	5,621	5,348	8,393	6,216	5,602
Excursionists	2,234	1,799	2,362	1,807	2,407
Cruise Ship Passengers	93,784	61,864	30,401	59,412	89,276
No. of Cruise Ship Calls	139	78	56	96	131
Total Visitor Expenditure (EC\$M)	55.11	40.24	44.40	43.77	56.82

Source: Grenada Board of Tourism
*Includes Grenadians residing abroad
R= Revised
Data as at March 1, 2000

Table 18
Grenada - Retail Price Index
1987 = 100

	Weight	Index Mar 2000	Percentage Change*				
			1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
All Items	100.0	138.50	-1.09	0.59	0.51	1.02	-0.57
Food, Drink & Tobacco	40.7	147.30	-2.33	0.55	0.41	1.28	-1.80
Housing & Fuel Supplies	9.5	121.90	-0.61	1.23	1.21	2.57	1.75
Housing & Household Expenses	17.3	128.60	--	-0.08	--	0.08	-0.08
Housing, Furniture & Fittings, etc	2.7	125.90	0.80	-0.55	--	--	--
Clothing & Accessories	5.2	115.00	0.09	-1.46	0.09	0.26	--
Transport Equipment, Vehicles, etc	9.1	143.60	0.51	2.18	1.56	0.35	0.21
Personal Care & Health Expenses	8.6	136.80	-0.07	0.44	0.22	0.29	--
Recreational, Reading & Educational Expenses	4.6	157.10	--	-2.60	0.57	-0.63	--
Miscellaneous Expenses	2.3	159.20	--	9.08	2.01	12.03	--

Source: Statistical Department, Ministry of Finance
*at end of period
Data as at May 26, 2000

Table 19
Grenada - Selected Trade Statistics
(Volume - Tonnes; Value - EC\$M)

	1999 ^R	1999 ^R	1999	1999	2000
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	1 st Qr	2 nd Qr	3 rd Qr	4 th Qr	1 st Qr
Visible Trade Balance	-103.77	-98.33	-95.70	-137.86	-136.02
Total Imports	130.59	125.88	129.09	173.57	163.59
Total Exports	26.82	27.55	33.39	35.71	27.57
Re-Exports	2.10	0.59	0.34	4.00	2.57
Domestic Exports	24.72	26.96	33.05	31.71	25.00
of which:					
Bananas*					
volume	134.70	128.22	154.86	152.60	177.10
value	0.09	0.10	0.07	0.08	0.13
Nutmeg					
volume	398.30	628.60	919.93	747.84	298.66
value	4.72	8.45	14.02	14.00	5.85
Mace					
volume	45.60	19.63	62.06	39.64	38.02
value	1.06	0.57	1.56	1.00	0.86
Cocoa					
volume	320.34	321.39	199.59	7.31	382.72
value	1.50	1.18	0.74	0.33	1.18

Source: Central Statistical Office

*Includes exports to the Caribbean countries.

R = Revised

Data as at May 26, 2000

Table 20
Grenada - Central Government Fiscal Operations
(In millions of Eastern Caribbean Dollars)

	1999 ^R 1 st Qr	1999 ^R 2 nd Qr	1999 ^R 3 rd Qr	1999 ^R 4 th Qr	2000 ^P 1 st Qr
Current Revenue	59.26	63.34	60.82	87.86	75.29
Tax Revenue	53.85	56.49	55.68	65.97	65.34
Taxes on Income & Profits	10.30	8.52	8.25	11.50	14.50
of which					
Personal	1.70	1.49	1.45	1.06	2.22
Company	8.37	6.92	6.70	10.41	11.90
Taxes on Property	1.00	1.09	1.09	3.93	1.36
Taxes on Domestic Goods & Service	12.51	13.48	11.94	6.64	13.14
of which					
Consumption Tax	6.41	7.18	7.40	4.01	7.04
Licences	2.47	1.77	1.72	1.07	2.89
Taxes on International Trade & Transactions	30.05	33.40	34.40	43.90	36.34
of which					
Import Duty	6.65	7.80	8.00	9.56	8.15
Consumption Tax	17.20	18.95	19.52	23.43	19.91
Customs Service Charge	5.07	5.58	5.41	7.24	6.63
Non-Tax Revenue	5.40	6.85	5.14	21.89	9.95
Current Expenditure	48.96	54.45	59.04	66.42	50.38
Personal Emoluments	24.56	27.16	29.88	38.61	23.49
Goods & Services*	9.76	8.12	7.73	8.95	9.16
Interest Payments	5.37	5.80	4.72	9.01	6.67
Domestic	3.57	4.10	2.92	5.41	5.20
External	1.80	1.70	1.80	3.60	1.47
Transfers & Subsidies	9.27	13.37	16.71	9.85	11.06
of which:					

Pensions	4.60	6.99	6.99	2.92	4.91
Current Account Balance	10.28	8.89	1.78	21.44	24.91
Memo Items					
Principal Repayments	4.69	4.11	3.23	2.54	2.63

Source: Ministry of Finance
R = Revised
P = Provisional
Data as at

Table 21
Grenada - Monetary Survey
(EC\$M at end of period)

	1998 4 th Qr	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Net Foreign Assets	88.16	116.69	121.10	134.25	133.76	171.74
Central Bank (net)	126.37	129.83	121.09	117.39	137.27	155.51
Commercial Banks (net)	-38.21	-13.15	--	16.86	-3.50	16.22
External (net)	-59.89	-41.14	-32.71	-15.99	-39.53	-26.63
Assets	119.30	139.45	154.80	170.35	155.00	157.46
Liabilities	179.20	180.60	187.51	186.34	194.53	184.09
Other ECCB Territories	21.68	28.00	32.71	32.85	36.03	42.86
Assets	29.11	37.33	41.13	37.28	41.32	48.85
Liabilities	7.43	9.33	8.42	4.43	5.30	5.99
Net Domestic Assets	662.28	667.56	686.86	688.23	720.80	721.72
Domestic Credit	707.76	717.45	742.26	749.81	762.41	778.93
Central Government (net)	71.25	73.78	69.35	55.76	43.57	52.31
Other Public Sector (net)	-24.78	-31.58	-25.92	-31.27	-34.85	-34.43
Non-Bank Financial Institutions (net)	-23.39	-18.90	-20.33	-12.18	-14.08	-20.22
Subsidiaries and Affiliates (net)	--	--	--	--	-0.10	-0.10
Private Sector	684.68	694.14	719.16	737.49	767.87	781.37
Other Items (net)	-45.48	-49.89	-55.40	-61.58	-41.61	-57.21
Money Supply (M2)	750.44	784.24	807.96	822.49	854.56	893.46
Currency with the Public	64.08	56.84	58.98	55.01	64.75	63.05
Demand Deposits	95.33	102.70	104.58	100.00	110.40	112.05
Savings Deposits	390.65	408.82	419.21	428.09	439.99	462.71
Time Deposits	170.81	182.81	190.55	197.28	197.09	207.40
Foreign Currency Deposits	29.57	33.06	34.64	42.11	42.34	48.25

Source: Eastern Caribbean Central Bank
Data as at May 17, 2000

MONTSERAT

Overview

Preliminary reports and data for the first quarter of 2000 indicated that the level of economic activity declined compared with the corresponding period of 1999. This development was associated with a fall in activity in the

construction sector. Performance of the tourism industry appeared to have been mixed as the number of day-trippers to the island increased, while the number of stay-over visitors declined. Retail prices increased during the quarter under review. The fiscal operations of the central government resulted in a smaller current account deficit. Liquidity in the commercial banking

system improved, while the net foreign assets of the banking system increased.

Output and Prices

Activity in the construction sector contracted during the period under review. The value of construction starts declined by 41.2 per cent to \$3.0m. In the private sector there was a fall in the number of buildings started during the period. Construction began on 19 residential properties and two commercial buildings during the first quarter of 2000 compared with 32 residential properties during the corresponding period of 1999. In the public sector, construction activity focussed on infrastructure development.

Preliminary data on visitor arrivals indicated a mixed performance in the tourism industry during the quarter under review, relative to the outturn in the first quarter of 1999. The number of excursionists to the island grew by 24.6 per cent to 983, while stay-over visitors declined marginally

by 0.9 per cent to 2,405. Of stay-over arrivals, visitors from the Caribbean market, which accounted for 43.2 per cent of the total, fell by 21.4 per cent to 1,040.

The production of vegetable crops for domestic consumption continued to be the focus of activity in the agricultural sector. Based on preliminary reports, it was likely that production would have increased due to improvements in farming techniques and irrigation practices, and an increase in the number of backyard gardens.

The rate of inflation, as measured by the change in the consumer price index, was 0.2 per cent during the quarter under review. The “food” sub-index, which accounted for 49.5 per cent of the total basket of goods and services, increased by 0.6 per cent following a contraction of 0.4 per cent in the previous quarter. Price increases were recorded for the sub-indices “alcohol and tobacco” (0.6 per cent) and “gas, electricity and water” (2.6 per cent). A decrease in price was recorded in the “household goods” sub-index (1.3 per cent) and the “services” sub-index (0.2 per cent). Prices in the sub-indices “rent” and “clothing” remained stable during the period under review.

Trade and Payments

Preliminary data indicated a deterioration in the trade deficit. A visible trade deficit of \$15.6m was recorded compared with one of \$13.2m during the corresponding quarter of 1999. This was attributed to a 13.6 per cent growth in payments for imports to \$16.2m, while earnings from exports increased by 80.6 per cent to \$0.7m, reflecting the re-export of machinery and transport equipment. Data on gross visitor expenditure were not available for the first quarter of 2000.

Central Government Fiscal Operations

The fiscal operations of the central government resulted in a current account deficit of \$3.6m before grants compared with one of \$5.0m in the corresponding period of 1999. The lower deficit position was attributable to strong growth in current revenue coupled with a decline in current expenditure.

Current revenue rose by 17.9 per cent to \$7.0m, mainly due to an increase of 18.2 per cent in tax revenue to \$6.6m. The yield from taxes on international trade and transactions, the largest source of revenue, expanded by 5.7 per cent to \$3.0m, consistent with the growth in the import bill. Receipts from taxes on income and profits increased by 57.0 per cent to \$2.6m, primarily reflecting growth in the yield from company taxes (\$0.8m) as a result of the collection of arrears. Collections from taxes on domestic goods and services declined by 11.3 per cent to \$0.9m, influenced by a fall in revenue from hotel occupancy tax and licenses. The contraction in receipts from the hotel occupancy tax was consistent with the fall in the number of stay-over visitors. Non-tax revenue grew by 12.1 per cent to \$0.4m.

Current expenditure contracted by 3.4 per cent to \$10.6m in contrast to an increase of 8.5 per cent during the first quarter of 1999. The decline in expenditure was the result of lower outlays on all categories except personal emoluments. Spending on goods and services declined by 19.8 per cent (\$1.0m), while outlays on transfers and subsidies fell by 3.3 per cent (\$0.1m). Interest payments contracted by 91.7 per cent (\$0.1m), reflecting the fall in external interest payments due to moratoriums on foreign loans. Outlays on personal emoluments expanded by 16.8 per cent

(\$0.8m), associated with an increase in the number of civil servants employed relative to the total in the first quarter of 1999.

The current account deficit was financed by budgetary assistance in the form of current grants, which amounted to \$5.5m, roughly 37.3 per cent below the total received in the first quarter of 1999. A current account surplus of \$1.9m after grants was realised relative to one of \$3.7m in the first quarter of 1999.

Money and Credit

During the first quarter of 2000 the broad money supply (M2) contracted by 3.1 per cent to \$107.9m compared with a decline of 4.3 per cent in the corresponding period of 1998. The narrow money supply (M1) fell by 6.1 per cent to \$29.5m, attributable to a decrease in currency with the public, which fell by 23.3 per cent (\$3.1m) and more than offset the 6.7 per cent (\$1.2m) increase in private sector demand deposits. The fall in currency with the public reflected a contraction in currency in circulation and cash at commercial banks, which is normal during the first quarter following the seasonal increase in the December quarter. Quasi money declined by 1.9 per cent to \$78.3m. Of the components of quasi money, savings deposits decreased marginally by 1.0 per cent to \$71.5m. Time deposits fell by 9.3 per cent to \$3.6m, while foreign currency deposits contracted by 12.0 per cent to \$3.3m.

Net deposits of the central government rose by 55.0 per cent (\$6.9m) during the quarter under review in contrast to a decrease of 20.4 per cent (\$3.9m) in the corresponding period of 1999, associated with an expansion of 35.5 per cent (\$4.9m) in deposits held at commercial banks.

Credit to the private sector grew marginally by 1.1 per cent to \$23.0m.

An analysis of credit by economic activity indicated that lending for personal use, which accounted for 63.4 per cent of total loans and advances, increased by 2.2 per cent (\$0.4m) mainly reflecting growth in lending for the acquisition of property. Credit to the distributive trades sector expanded by 4.7 per cent (\$0.2m), while lending to the construction sector remained virtually unchanged at \$1.9m. Outstanding credit to the tourism industry fell by 76.9 per cent (\$0.1m) compared with a contraction of 12.8 per cent in the corresponding period of 1999.

The net foreign assets of the banking system increased by 2.5 per cent to \$136.8m, primarily attributable to an expansion in commercial banks' net foreign assets, which grew by 4.9 per cent to \$100.3m. This reflected a 60.0 per cent (\$8.6m) growth in net assets held with banks and other institutions outside of the Eastern Caribbean currency union (ECCU). The net assets held with banks within the rest of the currency union contracted by 4.9 per cent to \$77.3m. Montserrat's imputed share of the reserves held at the Central Bank declined by 3.4 per cent to \$36.6m.

During the quarter under review, commercial banks remained relatively liquid as indicated by the loans and advances to deposits ratio of 17.4 per cent, roughly 1.7 percentage point below the ratio at the end of the previous period. The ratio of net liquid assets to total deposits increased by 3.0 percentage points to 80.6 per cent, while the cash reserves to deposits ratio grew by less than 1.0 percentage point to 16.5 per cent. Interest rates remained relatively stable during the first quarter of 2000. The rates offered on savings deposits

ranged from 4.0 per cent to 10.0 per cent. The maximum rate of 10.0 per cent was mainly applicable to savings deposits for educational and retirement purposes. Time deposits earned a minimum of 1.5 per cent and a maximum of 4.0 per cent. Prime lending rates ranged from 9.5 per cent to 10.5 per cent.

Prospects

During 2000 the authorities will continue rebuilding the economic infrastructure to facilitate the growth and development of Montserrat. Output in the agricultural sector is likely to increase during the rest of 2000 due to improved farming techniques and irrigation practices aimed at promoting year-round production of crops. Activity in the tourism industry is expected to expand based on increased accommodation, which is likely to contribute to an increase in stay-over visitors during the remainder of the year. Proposed improvements to the heliport facility, as well as plans to redevelop the tourism package, are also likely to enhance the tourism product. The delay in the introduction of the soft mortgage scheme is likely to retard private sector construction activity and further dampen the performance in the construction sector.

The return of some Montserradians from overseas is also likely to stimulate economic activity. Service-oriented businesses based on information technology, financial services and telecommunications have been identified by the government of Montserrat as avenues for economic development and growth.

Central government operations are expected to strengthen in 2000 based on efforts to expand current revenue and control the growth in current expenditure. Growth in receipts from taxes on

international trade and transactions is likely due to an increase in the rate of duty and consumption tax on imported tobacco, and the reintroduction of the departure tax for residents and CARICOM nationals. Moreover, the charges to non-residents and non-CARICOM nationals have been increased from their pre-volcanic crisis levels. The reintroduction of exit certificates for persons wishing to travel abroad is also likely to generate additional revenue.

The implementation of the social welfare system aimed at streamlining financial assistance to target groups is expected to reduce current expenditure. The projected decline in emergency expenditure is also likely to lead to a contraction in government expenses.

Table 22
Montserrat - Central Government Fiscal Operations
(In millions of Eastern Caribbean Dollars)

	1999 ^R 1 st Qr	1999 ^R 2 nd Qr	1999 ^R 3 rd Qr	1999 ^R 4 th Qr	2000 ^E 1 st Qr
Current Revenue	5.92	6.41	7.26	7.16	6.98
Tax Revenue	5.59	6.10	5.89	6.67	6.61
Taxes on Income & Profits	1.65	2.00	1.72	2.19	2.59
of which					
Personal	1.58	1.65	1.70	1.82	1.78
Company	0.07	0.35	0.02	0.36	0.82
Taxes on Property	0.07	0.06	0.36	0.35	0.11
Taxes on Domestic Goods & Service	1.06	0.84	0.44	0.72	0.94
of which					
Hotel Occupancy Tax	0.04	0.02	0.01	0.02	0.02
Insurance Company Levy	0.01	0.05	0.02	0.03	0.01
Licences & Stamp Duty	0.93	0.45	0.18	0.47	0.78
Taxes on International Trade & Transactions	2.81	3.20	3.37	3.41	2.97
of which					
Import Duty	0.58	0.65	0.71	0.77	0.68
Consumption Tax	0.96	1.01	1.08	1.25	1.07
Customs Service Charge	0.90	1.10	1.05	1.15	1.04
Foreign Currency Levy	0.25	0.38	0.22	0.23	0.29
Non-Tax Revenue	0.33	0.31	1.37	0.49	0.37
Current Expenditure	10.95	13.95	13.56	19.46	10.58
Personal Emoluments	4.46	4.99	5.13	5.30	5.21
Goods & Services*	4.85	7.31	7.24	11.91	3.89
Interest Payments	0.12	--	0.10	0.57	0.01
Domestic	--	--	0.10	0.56	0.01
External	0.12	--	--	0.01	--
Transfers & Subsidies	1.52	1.65	1.09	1.68	1.47
of which:					
Pensions	0.76	1.03	0.86	0.96	0.93
Current Account Balance (before grants)	-5.03	-7.54	-6.30	-12.30	-3.60
Current Account Balance (after grants)	3.74	1.05	-3.32	0.69	1.90

Memo Items

Principal Repayments	0.10	0.02	0.09	0.01	0.07
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Source: Treasury Department, Ministry of Finance
R = Revised E = Estimates
*Goods and Services include Miscellaneous Payments
Data as at May 24, 2000

Table 23
Montserrat – Retail Price Index
1982 = 100

	Weight	Index Mar 2000	Percentage Change*				
			1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
All Items	1,000.00	180.80	0.34	0.45	1.66	-1.64	0.22
Food	495.00	181.10	0.50	1.28	-0.77	-0.44	0.61
Alcohol & Tobacco	46.00	180.60	-1.70	3.63	--	-3.28	0.56
Household Goods	102.00	146.90	1.56	1.17	0.65	6.82	-1.28
Gas, Electricity & Water	18.00	125.00	-0.66	2.00	-1.31	0.66	2.63
Rent	7.00	515.80	46.53	-	--	--	--
Clothing	179.00	164.50	-6.47	0.38	15.11	-10.40	--
Services	153.00	213.30	1.26	-0.37	0.32	-1.61	-0.19

Source: Central Statistical Office
*at end of period
Data as at

Table 24
Montserrat – Monetary Survey
(EC\$M at end of period)

	1998 4 th Qr	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Net Foreign Assets	131.19	131.32	144.44	140.00	133.47	136.83
Central Bank (net)	66.89	80.47	50.07	40.11	37.86	36.56
Commercial Banks (net)	64.30	50.84	94.37	99.89	95.61	100.28
External (net)	10.70	5.54	15.53	12.08	14.38	23.01
Assets	31.13	28.09	37.11	32.64	35.76	44.05
Liabilities	20.43	22.55	21.58	20.57	21.38	21.04
Other ECCB Territories (net)	53.60	45.30	78.84	87.81	81.22	77.27
Assets	58.00	50.43	83.40	92.96	83.76	79.60
Liabilities	4.41	5.13	4.56	5.15	2.54	2.33
Net Domestic Assets	-13.75	-18.90	-31.95	-29.50	-22.17	-28.97
Domestic Credit	-1.39	-6.44	-9.92	-7.39	-1.60	-9.05
Central Government (net)	-18.84	-14.99	-20.13	-16.66	-12.49	-19.36
Other Public Sector (net)	-7.52	-7.86	-8.81	-8.17	-8.78	-8.75
Non-Bank Financial Institutions	-7.62	-7.98	-4.58	-5.47	-3.04	-3.92
Subsidiaries and Affiliates (net)	-0.18	0.00	0.00	0.00	0.00	-0.01
Private Sector	32.78	24.38	23.60	22.91	22.72	22.98
Other Items	-12.36	-12.46	-22.03	-22.11	-20.57	-19.91
Money Supply (M2)	117.44	112.42	112.49	110.51	111.30	107.87
Currency with the Public	13.27	9.88	11.09	11.53	13.36	10.25
Demand Deposits	24.14	19.28	17.99	18.08	18.07	19.28
Savings Deposits	73.86	76.84	76.03	73.88	72.16	71.45

Time Deposits	3.86	3.90	4.75	4.02	3.97	3.60
Foreign Currency Deposits	2.32	2.52	2.63	2.99	3.74	3.29

Source: Eastern Caribbean Central Bank
Data as at May 22, 2000

Table 25
Montserrat - Selected Tourism Statistics

	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Total Visitors	3,217	2,907	3,332	3,516	3,388
Stay-Over Visitors	2,428	2,126	2,390	2,841	2,405
USA	309	298	287	356	374
Canada	127	59	51	70	132
UK	542	447	493	696	561
Caribbean	1,323	1,208	1,332	1,370	1,040
Other Countries	127	114	227	349	298
Excursionists	789	781	942	675	983
Cruise Ship/Yacht Passengers	n.a.	n.a.	n.a.	n.a.	n.a.
Number of Cruise Ship Calls	n.a.	n.a.	n.a.	n.a.	n.a.
Total Visitor Expenditure (EC\$M)	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Statistics Department, Montserrat
Data as at May 26, 2000

Table 26
Montserrat - Selected Trade Statistics
(Volume - Tonnes; Value - EC\$M)

	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Visible Trade Balance	-13.22	-13.60	-15.24	-14.51	-15.59
Total Imports	14.29	14.78	15.79	14.87	16.24
Total Exports	1.07	1.18	0.55	0.36	0.65
Total Domestic Exports	0.00	0.01	--	--	--
Total Re-Exports	1.07	1.18	0.55	0.36	0.65

Source: Statistics Department, Montserrat

ST KITTS AND NEVIS

Overview

During the first quarter of 2000 economic activity in St Kitts and Nevis was estimated to have increased, compared with the outturn in the corresponding quarter of 1999. This assessment

was based largely on an expansion in the agricultural and manufacturing sectors and increased construction activity. Activity in the tourism industry weakened, mainly attributable to a decline in stay-over visitors. The finances of the central government (including the Nevis Island Administration) deteriorated during the first quarter of 2000 as growth in current expenditure

outpaced that of current revenue. The net foreign assets of the banking system increased, while liquidity in the commercial banking system improved marginally. Consumer prices fell on average during the period under review.

Output and Prices

During the first quarter of 2000 value added in the agricultural sector was estimated to have expanded based on a substantial increase in the output of sugar cane which more than offset the decline in value added in the non-sugar agricultural sector. The volume of sugar cane produced rose by 46.7 per cent to 76,063 tons in 2000 in contrast to a contraction of 49.1 per cent in 1999. This performance was due to favourable weather and an early start of the 2000 harvesting season. In the first quarter of 1999 sugar cane production declined, partly as a result of damage sustained by the sugar cane crop during the passage of hurricane Georges in September 1998. In the non-sugar agricultural sector, production of vegetables and root crops contracted as decreases were recorded for all crops with the exception of sweet peppers. Total production of vegetable and root crops declined by 67.1 per cent to 247,500 pounds as against an increase of 17.8 per cent in the corresponding quarter of 1999. In the livestock sub-sector, the performance was mixed as the production of pork increased by 21.7 per cent, while the production of beef more than doubled to 35,200 pounds. Decreases were recorded for the production of mutton (37.8 per cent), eggs (5.8 per cent), milk (57.9 per cent) and fish (32.1 per cent).

Output in the manufacturing sector during the quarter under review was above the level in the corresponding period of 1999. This improvement reflected an increase in sugar production, which

rose by 60.2 per cent to 7,342 tons in contrast to a decrease of 57.6 per cent in the comparative quarter of 1999. Complete data on production in the rest of the manufacturing sector were not available for the quarter under review. Information for the first two months of 2000 indicated that output of electronic components, beer and ale and food products increased compared with the corresponding period of 1999.

Construction activity remained vibrant during the quarter under review, stimulated by ongoing public and private sector projects. Partly reflecting this was an increase in the volume of cement and building materials imported. The value of sand and stones sold at the government quarry increased by 15.2 per cent and 13.9 per cent respectively. The growth in construction activity was also reflected in the level of public sector expenditure on capital projects. For the quarter under review, expenditure on capital projects more than doubled to \$14.1m. In the public sector, ongoing projects included the construction of low and middle income homes, the reconstruction of the surgical and medical wards at the Joseph N France General Hospital, repair and upgrade of the Long Point Sea Port, Phase II of the Charlestown Bay Front Project and road works. In the private sector, activity was fuelled by the construction of two hotels, shopping complexes and other commercial properties as well as residential properties.

Stay-over arrivals, the largest spending category of visitors, declined by 9.4 per cent to 20,050 compared with a fall of 25.1 per cent in the first quarter of 1999. The weak performance of the stay-over visitor category during the period under review was as a direct consequence of the temporary closure of two hotels, one of which sustained damage during the passage of hurricane

Lenny in November 1999. An analysis of stay-over visitors by country of origin revealed a 31.8 per cent decline in arrivals from the major market, the USA. Visitors from Europe excluding the UK fell by 54.1 per cent to 640. By contrast, growth was recorded in tourist arrivals from the Caribbean (57.5 per cent), the UK (46.1 per cent) and Canada (31.0 per cent).

Cruise ship visitors and yacht passengers together amounted to \$75,449 compared with 69,425 in the first quarter of 1999. The number of cruise ship passengers rose by 12.5 per cent to 74,669, consistent with the increase in the number of cruise ship calls, and more than offset the decline in stay-over visitors. Consequently, the total number of visitors grew by 4.4 per cent to 96,370.

Consumer prices fell on average by 3.0 per cent during the quarter under review, compared with a decline of 0.2 per cent in the previous quarter. In the corresponding quarter of 1999, consumer prices increased by 3.4 per cent on

average. The “food” sub-index, which carries the largest weight in the consumer goods and services basket, fell by 5.1 per cent, reflecting lower prices in meat, cereals and bakery products, dairy products and eggs, oils and fats and non-alcoholic beverages. Increases in prices were recorded for fruit and vegetables. Among the other sub-indices, decreases were recorded for “furniture and domestic appliances” (4.1 per cent) and “household supplies” (16.3 per cent). In contrast, increases were recorded for the sub-indices “alcoholic beverages and tobacco” (0.8 per cent), “housing” (0.1 per cent), and “clothing and footwear” (3.4 per cent). Prices in the sub-indices “fuel and light” and “transportation” remained relatively stable.

Trade and Payments

Complete trade statistics for the first quarter of 2000 were not available. Data on cargo throughput indicated that the volume of cargo exported declined by 85.9 per cent to 672 tonnes in contrast to a substantial increase during the corresponding period of 1999, reflecting in part the timing of molasses shipments. There was no shipment of molasses during the first quarter of 2000 compared with the corresponding period of 1999 when a substantial increase in the volume exported was recorded. The total volume of imports rose by 27.1 per cent to 59,972 tonnes, attributable to increases in the volume of standard cargo, fuel oil, cement, reefer cargo, vehicles and building materials.

Gross visitor expenditure was estimated to have decreased by 5.2 per cent to \$49.3m compared with a fall of 29.1 per cent during the first quarter of 1999. The decline in visitor expenditure largely reflected the contraction in stay-over arrivals.

Central Government Fiscal Operations

During the first quarter of 2000 the fiscal position of the central government (including the operations of the Nevis Island Administration [NIA]) deteriorated when compared with the performance in the corresponding period of 1999. The current account recorded a deficit of \$23.1m compared with one of \$1.0m in the first quarter of 1999, reflecting the combined effect of an expansion in current expenditure and a fall in current revenue.

Current expenditure grew by 27.1 per cent to \$70.7m, influenced by increases in all its categories. Expenditure on personal emoluments rose by 17.3 per cent to \$32.3m, largely as a result of the payment of a 10.0 per cent increase in wages and salaries to civil servants during the quarter under review. Outlays on goods and services grew by 45.5 per cent to \$21.6m, attributable to expenditure associated with reconstruction work as a result of the passage of hurricane Lenny in November 1999 and the creation of three new ministries by the Nevis Island Administration. Interest payments increased by 23.7 per cent to \$9.8m, reflecting higher domestic and foreign interest payments. Transfers and subsidies rose by 30.6 per cent (\$1.6m), largely attributable to the timing of contributions to regional and international organisations.

Current revenue contracted by 12.9 per cent to \$47.6m, associated with decreases in both tax and non-tax sources. Tax revenue declined by 6.2 per cent to \$36.6m, largely due to a fall in receipts from taxes on income and profits. Of those taxes, receipts from corporation tax and the social services levy decreased by 23.5 per cent and 15.9

per cent respectively, partly reflecting a lag in payment.

The yield from taxes on domestic goods and services declined by 15.0 per cent to \$8.1m, due to a 51.9 per cent fall in revenue from the hotel room tax. This was consistent with the decrease in the number of stay-over visitors. Revenue from licenses fell by 21.3 per cent (\$0.4m).

Revenue from taxes on international trade and transactions, which accounted for 51.8 per cent of total tax revenue, rose by 3.7 per cent to \$19.0m. This reflected increases in receipts from import duty (1.8 per cent), consumption tax (3.4 per cent) and the customs service charge (16.6 per cent) as a result of the growth in imports.

Non-tax revenue contracted by 29.6 per cent (\$4.6m), reflecting in part a decline in receipts from offshore operations. This decline was largely due to the timing of payments. In 1999 payments by offshore companies were made during the first quarter.

In examining the fiscal operations of the central government (excluding the Nevis Island Administration), the data indicated a worsening in the current account position. A current account deficit of \$19.9m was recorded compared with one of \$2.9m in the first quarter of 1999. Current expenditure grew by 31.0 per cent (\$13.4m), while current revenue declined by 8.9 per cent (\$3.6m). Of current expenditure, outlays on personal emoluments rose by 18.3 per cent to \$25.2m, largely reflecting an increase in salaries and wages awarded to civil servants in February 2000. Expenditure on goods and services grew by 60.5 per cent to \$16.9m, partly associated with reconstruction work as a result of the hurricane. Interest payments rose substantially to \$8.0m.

The contraction in current revenue was influenced by decreases in both tax and non-tax revenue. Tax revenue declined by 4.6 per cent to \$28.9m, reflecting a fall in receipts from corporate income tax and the social services levy. The yield from taxes on international trade and transactions rose by 1.4 per cent to \$15.0m, while receipts from taxes on domestic goods and services remained unchanged at \$5.5m. Non-tax revenue contracted by 21.9 per cent to \$7.8m, largely reflecting decreases in receipts from all categories with the exception of electricity services.

The fiscal operations of the Nevis Island Administration during the first quarter of 2000 resulted in a current account deficit of \$3.2m in contrast to a surplus of \$1.9m in the corresponding quarter of 1999. Current expenditure rose by 13.4 per cent to \$14.1m, while current revenue declined by 24.0 per cent to \$10.9m.

The decline in current revenue was partly attributed to a decrease in receipts from the hotel room tax. Receipts from hotel room taxes fell by 75.9 per cent (\$1.9m) as a result of the temporary closure of a large hotel that was damaged during the hurricane. Non-tax revenue also fell associated with declines in receipts from offshore operations and from the Electricity Department.

The growth in current expenditure was influenced by higher outlays on all categories of expenditure with the exception of interest payments. Outlays on personal emoluments, goods and services, and transfers and subsidies increased by 14.0 per cent, 8.7 per cent and 18.9 per cent respectively.

Money and Credit

The broad money supply (M2) rose by 3.6 per cent to \$629.1m during the first quarter of 2000 in comparison with an increase of 10.6 per cent in the corresponding quarter of 1999. The expansion in M2 was attributed to growth in both the narrow money supply (M1) and quasi money. M1 rose by 3.0 per cent to \$109.2m. Of the components of M1, demand deposits increased by 11.4 per cent to \$72.0m, while currency with the public declined by 10.3 per cent, reflecting a contraction in currency in circulation (23.2 per cent) and cash at commercial banks (53.4 per cent). Quasi money rose by 3.7 per cent to \$519.8m, attributable to increases in savings deposits (2.9 per cent), time deposits (1.4 per cent) and foreign currency deposits (7.7 per cent).

Total domestic credit rose by 4.3 per cent to \$653.7m over the quarter under review. Central government's net indebtedness to the banking system rose by 16.8 per cent to \$184.1m, reflecting an increase in credit from the commercial banks. Commercial banks' credit to the central government expanded by 17.0 per cent to \$201.6m in contrast to a decline of 2.5 per cent in the comparative quarter of 1999. The increase in credit to the central government reflected a 21.7 per cent increase in loans and advances. Credit from the Central Bank declined by 6.0 per cent to \$2.6m. The deposits of the central government at the commercial banks and the Central Bank increased by 20.0 per cent and 7.2 per cent respectively. In the rest of the public sector, the net deposits of the non-financial public enterprises grew by 11.8 per cent, in contrast to the decline of

12.4 per cent in first quarter of 1999. Outstanding credit to the private sector increased by 2.6 per cent to \$626.3m compared with growth of 0.4 per cent in the corresponding period of 1999.

The net foreign assets of the banking system rose by 1.2 per cent to \$100.7m, largely attributable to developments in the commercial banking sector. During the quarter under review, commercial banks net liabilities fell to \$16.1m from \$34.0m at the end of the previous quarter. This was occasioned by a 6.3 per cent increase in commercial banks' external assets held with financial institutions outside of the Eastern Caribbean currency union, combined with a 7.3 per cent decline in their external liabilities.

Liquidity in the banking system tightened during the quarter under review. The liquid assets to deposits ratio fell to 30.8 per cent from 32.3 per cent at the end of the previous quarter, while the cash reserve ratio decreased to 5.4 per cent from 7.9 per cent. The loans to deposits ratio moved from 91.2 per cent at the end of December 1999 to 90.8 per cent at the end of March 2000.

Interest rates remained unchanged during the period under review. The rates on savings deposits ranged from 4.0 per cent to 6.0 per cent. Interest rates on time deposits ranged from 1.5 per cent to 7.0 per cent. Lending rates ranged from a minimum of 9.5 per cent to a maximum of 21.6 per cent.

Prospects

Prospects for the economy of St. Kitts and Nevis during 2000 will depend on the performance of the agricultural, manufacturing and construction sectors and on a recovery in the tourism industry. The agricultural sector is likely to experience

growth in output as a result of an increase in sugar cane production. In the manufacturing sector, prospects for growth are favourable based on an expected increase in output of sugar and electronic components.

Activity in the construction sector is expected to remain buoyant during the remainder of 2000. The projection is based on ongoing construction activity in both the public and private sectors. In addition, in the public sector a number of new projects are likely to commence. These include the construction of 200 additional middle income homes, the St Pauls and Saddlers sporting complexes, the air traffic control tower, the deep water port expansion project, the Newcastle airport terminal and the road improvement and maintenance project in Nevis. In the private sector, the construction of a 230-room hotel is expected to start during the latter part of 2000.

In the tourism industry, a recovery is expected based on the reopening of two hotels during the start of the 2000/2001 tourist season and an expansion in marketing and promotional efforts to boost arrivals for the Caribbean Festival of Arts (CARIFESTA) in August 2000. An increase in the number of hotel rooms is also expected as a result of the anticipated opening of a new hotel during the fourth quarter of 2000. Growth in cruise ship arrivals is expected to maintain its upward trend.

The consolidated fiscal position of the central government and the NIA is expected to deteriorate, as the current account deficit is projected to widen. This performance is based on an anticipated increase in current expenditure as a result of growth in outlays on personal emoluments and goods and services, and higher debt service payments. Current revenue is

expected to remain flat. Liquidity in the banking system is expected to remain tight. The overall balance of payments is expected to realise a

surplus based on increased inflows of direct investment associated with hotel development and reconstruction.

Table 27
St Kitts and Nevis - Selected Tourism Statistics

	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Total Visitors	92,331	50,901	29,477	59,211	96,370
Stay-Over Visitors	22,136	24,440	18,648	18,778	20,050
USA	11,396	10,261	6,487	6,572	7,768
Canada	1,860	1,323	1,028	1,669	2,436
UK	2,074	3,644	3,365	3,411	3,030
Caribbean	3,646	8,020	7,045	6,430	5,741
Other Countries	3,160	1,192	723	696	1,075
Excursionists	770	1,049	590	597	871
Cruise Ship/Yacht Passengers	69,425	25,412	10,239	39,836	75,449
Number of Cruise Ship Calls	138	57	24	62	162
Total Visitor Expenditure (EC\$M)	52.05	53.30	37.36	39.34	49.32

Source: Planning Unit, Ministry of Finance
R = Revised
Data as at May 17, 2000

Table 28
St Kitts and Nevis - Retail Price Index
1978 = 100

	Weight	Index Mar 2000	Percentage Change*				
			1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 ^R 4 th Qr	2000 1 st Qr
All Items	1,000.00	251.30	3.38	0.27	-1.63	-0.15	-2.97
Food	500.00	235.20	-1.66	0.21	1.85	0.20	-5.08
Alcoholic Drinks and Beverages	55.60	234.00	-3.06	4.42	-3.15	-3.33	0.78
Housing	76.10	227.00	11.47	1.07	0.22	0.13	0.09
Fuel and Light	66.00	215.10	--	--	0.09	--	-
Clothing and Footwear	75.00	241.60	9.15	-4.21	-2.10	-3.71	3.38
Furniture and Household Appliances	36.80	248.70	--	-0.34	4.82	4.68	-4.09
Household Supplies	57.10	188.40	1.92	0.54	-6.49	0.22	-16.34
Transportation	43.40	278.60	--	--	--	--	-
Other Services	90.00	434.40	20.86	0.93	-12.01	--	0.98

Source: Planning Unit, Ministry of Finance
*at end of period
R = Revised
Data as at May 17, 2000

Table 29
St Kitts and Nevis - Central Government Fiscal Operations
(In millions of Eastern Caribbean Dollars)

	1999 ^R 1 st Qr	1999 ^R 2 nd Qr	1999 ^R 3 rd Qr	1999 ^R 4 th Qr	2000 1 st Qr
Current Revenue	54.62	59.43	57.51	80.51	47.58
Tax Revenue	39.06	41.50	42.00	60.98	36.64
Taxes on Income & Profits	10.67	10.16	10.76	17.92	8.82
of which:					
Company	5.48	6.22	6.96	13.62	4.19
Social Services Levy	5.04	3.75	3.55	3.92	4.24
Taxes on Property	0.55	1.16	0.68	1.01	0.73
Taxes on Domestic Goods & Services	9.55	9.01	9.91	9.16	8.12
of which:					
Hotel Room Tax	3.10	2.70	2.46	1.17	1.49
Licenses	1.64	0.47	0.94	2.38	1.29
Taxes on International Trade & Transactions	18.29	21.17	20.65	32.90	18.97
of which:					
Import Duty	7.41	8.66	8.74	13.95	7.81
Consumption Tax	7.84	9.14	9.15	15.11	8.30
Non-Tax Revenue	15.56	17.93	15.51	19.53	10.95
Current Expenditure	55.65	59.72	68.09	80.24	70.71
Personal Emoluments	27.49	28.15	28.49	38.30	32.27
Salaries	20.99	21.70	21.34	28.16	24.50
Wages	6.51	6.46	7.15	10.14	7.77
Goods & Services	14.82	18.57	22.42	26.33	21.57
Interest Payments	7.92	8.67	10.09	10.11	9.80
Domestic	4.53	5.98	4.40	6.21	5.50
External	3.39	2.69	5.69	3.90	4.30
Transfers & Subsidies	5.42	4.33	7.09	5.50	7.08
of which:					
Pensions	3.44	2.66	3.72	4.02	3.47
Current Account Balance	-1.03	-0.29	-10.57	0.27	-23.13
Memo Item					
Principal Repayments	2.51	4.97	5.16	22.85	3.31

Source: Ministry of Finance
R = Revised
Data as at June 15, 2000

Table 30
St Kitts and Nevis - Monetary Survey
(EC\$M at end of period)

	1998 4 th Qr	1999 1 st Qr	1999 ^R 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Net Foreign Assets	175.48	178.02	156.80	136.93	99.52	100.68
Central Bank (net)	126.30	111.94	101.17	109.92	133.58	116.79
Commercial Banks (net)	49.18	66.08	55.63	27.01	-34.06	-16.11
External (net)	35.94	103.27	69.30	48.08	-56.54	-28.04
Assets	240.94	268.67	244.61	232.14	178.14	189.45
Liabilities	205.00	165.41	175.31	184.06	234.68	217.50
Other ECCB Territories	13.24	-37.19	-13.67	-21.07	22.48	11.93
Assets	91.91	65.23	109.68	110.41	125.84	121.12
Liabilities	78.68	102.42	123.36	131.48	103.37	109.19
Net Domestic Assets	370.44	425.52	447.53	453.24	507.86	528.38
Domestic Credit	512.24	535.08	555.80	568.24	626.95	653.75
Central Government (net)	112.55	122.58	124.89	130.61	157.55	184.05
Other Public Sector (net)	-139.40	-122.06	-117.69	-112.54	-107.02	-119.67
Non-Bank Financial Institutions (net)	-0.17	-4.39	-4.54	-11.16	-3.55	-3.72
Subsidiaries and Affiliates (net)	-24.42	-26.91	-28.82	-32.11	-30.21	-33.18
Private Sector	563.67	565.87	582.09	593.44	610.17	626.26
Other Items (net)	-141.79	-109.56	-108.27	-115.00	-119.09	-123.37
Money Supply (M2)	545.92	603.54	604.33	590.16	607.38	629.06
Currency with the Public	35.84	30.57	30.36	31.72	41.45	37.20
Demand Deposits	55.56	63.21	67.59	67.24	64.64	72.02
Savings Deposits	239.62	258.52	263.40	261.79	267.00	274.76
Time Deposits	110.76	114.30	116.99	116.88	115.30	116.93
Foreign Currency Deposits	104.15	136.94	125.99	112.53	119.00	128.15

Source: Eastern Caribbean Central Bank
R = Revised
Data as at June 27, 2000

ST LUCIA

Overview

The performance of the St Lucian economy during the first quarter of 2000 was mixed compared with the outturn in the corresponding quarter of 1999. Output in the agricultural sector rose, driven by growth in banana production, while activity in the manufacturing sector increased. However, the performance of the tourism industry was weak, influenced by a fall in the number of stay-over visitors, the highest spending category of tourists. The level of construction activity was estimated to have

declined. The fiscal position of the central government improved as evidenced by an increase in the current account surplus. Liquidity in the banking system increased, while interest rates remained stable. The consumer price index (CPI) fell by 0.2 per cent in the first quarter of 2000.

Output and Prices

Agricultural production was estimated to have increased during the first quarter of 2000 compared with the same period in 1999, as output of bananas, the major crop, rose by 2.2 per cent to 17,970 tonnes. The increase in banana production was attributable in part to favourable weather in

the latter half of 1999. The quality of fruit produced deteriorated during the quarter under review. Using the percentage units within specification (PUWS) measure, St Lucia recorded a banana quality score of 76.8 per cent compared with one of 88.3 per cent in the corresponding period of 1999. The fall in the quality score reflected in part the effect of the high incidence of leaf spot disease reported in the latter half of 1999, following the temporary suspension of aerial spraying. The quality score achieved for the quarter under review was 3.2 per cent below the minimum standard set by the Windward Island Banana Development and Export Company (WIBDECO).

Based on the available data on production by selected industries, output in the manufacturing sector appeared to have expanded during the first quarter of 2000. During the period under review, increases in output were recorded for alcoholic and non-alcoholic beverages, rum, electrical products and raw and refined coconut oil. The expansion in the production of non-alcoholic beverages was due in part to the commencement of operations by a new bottling company in the latter half of 1999. By contrast, a contraction in the production of wearing apparel was reported, associated in part with the closure of a major garment manufacturing enterprise in the fourth quarter of 1999. Output of paper products also declined.

Activity in the tourism industry decreased in the first quarter of the year compared with the corresponding period in 1999. Stay-over visitors, whose contribution to the industry is the largest, contracted by 6.5 per cent to 66,584 in contrast to growth of 4.0 per cent in the first quarter of 1999. The fall in stay-over visitors during the period under review largely reflected declines in arrivals

from all major markets except the USA and Canada. Visitors from the USA maintained the dominant share of the market and rose by 2.4 per cent to 26,424, while visitors from Canada increased by 1.5 per cent to 5,373. Of the other destinations, stay-over visitors from all the major European markets contracted. Visitors from the UK declined by 3.7 per cent to 17,412, while those from France and Germany fell by 19.6 per cent and 25.3 per cent respectively. Stay-over visitors from the Caribbean also contracted by 25.6 per cent to 8,946. The number of cruise ship passengers grew by 4.3 per cent to 164,478, while excursionists more than doubled to 4,845. Consequently, total visitors increased by 2.3 per cent to 235,907.

The level of construction activity was estimated to have been lower in the first quarter of 2000 relative to the corresponding period in 1999, influenced by a fall in public sector construction. In the public sector, construction activity focussed on ongoing projects including multi-purpose agricultural development centres across the island, residential properties by the Urban Development Corporation (UDC) and the completion of work on the Castries multi-storey car park. In the private sector, the construction of commercial and residential properties stimulated activity in the sector.

During the quarter under review the consumer price index fell by 0.2 per cent in contrast to an increase of 2.8 per cent in the previous quarter. In the corresponding period of 1999, consumer prices decreased by 0.9 per cent. The fall in the price level in the first quarter of 2000 was mainly associated with a 2.1 per cent decline in the "food" sub-index, reflecting decreases in the price of tubers, fruits, vegetables and frozen meats. A fall was also reported in the

“housing” sub-index (2.4 per cent), while price increases were reported in all the other sub-indices except the “furniture and household equipment” sub-index, which remained unchanged.

Trade and Payments

Complete trade data were not available for the period under review. Data on banana exports indicated that earnings fell by 13.7 per cent to \$22.7m in spite of an increase in the volume exported. This reflected in part a depreciation in the value of the pound sterling in relation to the EC dollar and a fall in the average green market price (AGMP) per tonne of banana to £527. The value of imports was estimated to have increased during the quarter under review.

Estimates for visitor expenditure indicated a worsening in the services account balance during the first quarter of 2000 relative to the corresponding period of the previous year. Consistent with the fall in stay-over arrivals, gross visitor expenditure fell by 3.2 per cent to \$207.1m.

Central Government Fiscal Operations

Preliminary estimates of central government’s fiscal operations revealed an improvement as evidenced by an increase in the current account surplus in the first quarter of 2000. A current account surplus of \$54.2m was realised in the quarter under review compared with one of \$42.4m in the first quarter of 1999.

During the quarter under review, current revenue totalled \$147.6m, representing growth of 14.6 per cent (\$18.8m) relative to the corresponding period in 1999 and reflecting increased receipts from both tax and non-tax sources. Tax revenue rose by 6.9 per cent to

\$124.7m, largely as a result of a 26.7 per cent increase in the yield from taxes on income and profits. Of those taxes, collections from company tax almost doubled to \$25.1m compared with the amount collected in the first quarter of 1999, due to higher profits of companies in two major sectors.

Receipts from taxes on domestic goods and services grew by 42.2 per cent to \$21.9m, primarily due to an increase in revenue from the excise tax as a result of the broadening of the base of the tax. A decline of 13.4 per cent was reported in collections from taxes on international trade and transactions, partly attributable to a reduction in consumption taxes on petroleum and the implementation of Phase IV of the common external tariff. Decreases of 29.6 per cent and 19.6 per cent were recorded for receipts from consumption duty and import duty

Current expenditure for the quarter under review amounted to \$93.4m, representing an increase of 8.1 per cent over the corresponding period of 1999. Partly accounting for this expansion in expenditure was growth of 6.4 per cent in personal emoluments, associated with salary increases awarded to civil servants in May 1999. Expenditure on goods and services rose by 33.6 per cent (\$5.6m). Outlays on transfers and subsidies rose by 3.4 per cent (\$0.6m), while interest payments fell by 26.0 per cent (\$2.1m), reflecting lower domestic interest payments as a result of a decrease in loans from the banking sector.

Money and Credit

During the quarter under review, total monetary liabilities (M2) of the banking sector expanded by 3.0 per cent to \$1,126.1m compared

with an increase of 1.4 per cent in the corresponding quarter of 1999. Quasi money grew by 2.8 per cent to \$848.5m. Of the components of quasi money, the growth in savings deposits was the highest (3.0 per cent). The narrow money supply (M1) grew by 3.7 per cent to \$277.6m, reflecting a 9.4 per cent increase in demand deposits, which was partly offset by an 8.7 per cent decline in currency with the public. In the corresponding period in 1999 the narrow money

supply fell by 1.5 per cent as a result of declines of 2.7 per cent and 0.9 per cent in currency held with the public and demand deposits respectively.

Domestic credit declined by 0.7 per cent to \$1,106.7m compared with a fall of 1.9 per cent in the corresponding quarter of 1999. This outturn was largely attributed to a contraction in the borrowing requirement of the central government as a result of the improvement in the fiscal operations. During the period under review the net deposits of the central government grew by 45.4 per cent, reflecting a fall in credit and an increase in deposits. Commercial bank credit to the central government declined by 2.7 per cent to \$118.4m, largely as a result of a 3.7 per cent fall in loans and advances. Credit from the Central Bank contracted by 14.7 per cent to \$15.5m. Loans and advances declined by 22.6 per cent to \$5.1m, while holdings of treasury bills fell by 18.2 per cent to \$5.4m. Central government's deposits in the banking system grew by 11.3 per cent to \$226.6m. In the rest of the public sector, the net deposits of the non-financial public enterprises rose by 5.5 per cent to \$185.1m, reflecting the joint effect of an increase in deposits and a fall in outstanding credit. Credit to the private sector grew marginally by 0.8 per cent to \$1,405.4m, influenced by an increase of 7.4 per cent in lending to households, as credit to businesses fell by 5.5 per cent. Net deposits of the non-bank financial institutions decreased by 45.5 per cent to \$21.0m, mainly as a result of a 23.9 per cent decline in deposits.

The net foreign assets of the banking system increased to \$146.5m at the end of the first quarter of 2000 from \$81.4m. This development was influenced by a reduction in commercial banks liabilities to financial institutions outside of the

Eastern Caribbean currency union (ECCU) combined with an increase in foreign assets held with those institutions.

During the quarter under review liquidity in the commercial banking system remained tight although some increase was observed. The liquid assets to deposits ratio increased to 16.3 per cent from 15.4 per cent at the end of the previous quarter. The loans to deposits ratio declined by 3.0 percentage points to 93.5 per cent, reflecting a higher rate of growth in deposits relative to loans and advances. Interest rates remained unchanged over the period under review. The rates offered on savings deposits ranged from 4.0 per cent to 6.0 per cent, while the rates on time deposits ranged from 2.0 per cent to 9.3 per cent. Prime lending rates ranged from 9.5 per cent to 10.5 per cent.

Prospects

Growth in the St Lucian economy is expected to accelerate during the rest of 2000 based on an anticipated improvement in the performance of the tourism industry and construction sector. In the tourism industry activity is expected to increase based on growth in stay-over arrivals. The growth in arrivals is partially on account of intensive promotion in the main markets and an expected increase in room capacity based on the likely opening of two hotels and expansions to existing hotels. An improvement in airline services into St Lucia is also likely in 2000 and is expected to contribute to the projected growth in stay-over arrivals. Cruise ship visitors are expected to grow in 2000 on account of an anticipated increase in the size of cruise lines visiting St Lucia.

Activity in the construction sector is projected to increase during the latter half of 2000. In the private sector, activity is expected to intensify with ongoing work on a 100-room hotel and the likely expansion of one of the island's major hotel resorts. Construction of a national sports stadium and a national cricket stadium are expected to be the major public sector projects in 2000.

Prospects for the agricultural sector are likely to be influenced by developments in relation to the pilot irrigation scheme. The implementation of the pilot irrigation scheme is likely to contribute positively to banana production and the agricultural diversification programme, as it is expected to address the problems posed by inadequate rainfall.

The central government is expected to continue to realise savings on its current account operations during the rest of 2000. Current revenue is projected to increase in line with the expansion in nominal GDP, and is likely to offset an anticipated growth in current expenditure.

In the external sector, the current account deficit is expected to widen. This projection is based on the assumption of higher imports as a result of the anticipated increase in construction activity and the likely growth in the tourism industry. In the capital and financial account, net inflows of capital are likely to increase based on an anticipated growth in grant funding from the European Commission to finance the economic diversification programme and inflows of direct investment for hotel development.

Table 31
St Lucia - Selected Tourism Statistics

	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr

Total Visitor Arrivals	230,548	143,524	101,612	146,167	235,907
Stay-Over Visitors	71,226	66,933	68,316	54,108	66,584
USA	25,807	23,202	17,394	17,172	26,424
Canada	5,296	2,561	2,309	2,993	5,373
Europe	27,213	25,655	23,256	26,566	25,111
UK	18,087	19,710	18,116	15,195	17,412
France	3,739	2,940	2,096	4,811	3,005
Germany	2,864	1,693	1,377	2,731	2,138
Italy	427	142	247	127	267
Rest of Europe	2,096	1,170	1,420	1,709	2,289
Caribbean	12,027	14,432	23,961	10,728	8,946
OECS	2,087	2,336	3,414	1,999	1,532
French West Indies	4,533	4,924	11,933	1,928	2,312
Other Caribbean	5,407	7,172	8,614	5,995	5,102
Latin America	198	206	242	263	246
Other	685	877	1,154	8,020	484
Excursionists	1,657	915	3,346	4,117	4,845
Cruise Ship Passengers	157,665	75,676	29,950	87,942	164,478
No. of Cruise Ship Calls	164	74	35	83	168
Total Visitor Expenditure (EC\$M)	213.88	189.87	186.98	158.07	207.07

Source: St Lucia Tourist Board
Data as at

Table 32
St Lucia - Retail Price Index
1982 = 100

	Weight	Index Mar 2000	Percentage Change*				
			1999 1 st Qr	1999 2 rd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
All Items	1,000.0	167.40	-0.89	3.83	0.25	2.82	-0.18
Food	467.5	172.20	-1.97	3.66	-1.30	4.89	-2.05
Beverages and Tobacco	28.2	146.40	0.99	0.56	0.63	0.49	0.97
Clothing and Footwear	64.0	236.40	0.82	7.76	1.29	3.60	0.13
Housing	135.3	109.90	-	-	-	-	-2.40
Fuel and Light	45.0	130.00	-1.15	3.50	1.21	2.23	1.17
Furniture and Household Equipment	57.7	177.80	0.43	1.47	7.11	-	-
Medical Care and Health Expenses	22.8	225.70	0.63	4.51	0.87	0.05	2.78
Transport and Communication	63.5	169.60	-0.30	0.49	0.30	0.06	2.85
Recreation, Entertainment, Education and Culture	22.4	246.90	-	19.61	0.14	-0.33	17.57
Miscellaneous	82.7	151.90	1.56	1.96	2.88	0.73	0.53

Source: Statistics Department, Ministry of Finance
* at end of period

Table 33
St Lucia - Monetary Survey
(EC\$M at end of period)

	1998 4 th Qr	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Net Foreign Assets	92.61	116.65	109.81	44.88	81.38	146.51

Central Bank (net)	185.05	197.33	207.44	170.69	195.62	209.34
Commercial Banks (net)	-92.44	-80.67	-97.63	-125.81	-114.24	-62.84
External (net)	-78.82	-85.06	-110.19	-131.93	-113.09	-67.13
Assets	82.88	73.04	88.55	89.61	87.40	101.00
Liabilities	161.69	158.10	198.74	221.53	200.48	168.13
Other ECCB Territories	-13.62	4.39	12.56	6.11	-1.16	4.30
Assets	60.37	68.47	59.51	59.26	59.13	58.49
Liabilities	73.99	64.08	46.95	53.15	60.29	54.19
Net Domestic Assets	903.84	894.22	923.43	1,012.33	1,011.89	979.59
Domestic Credit	989.94	971.51	1,011.90	1,102.45	1,114.58	1,106.66
Central Government (net)	-38.89	-58.14	-53.79	-43.35	-63.76	-92.68
Other Public Sector (net)	-171.30	-185.82	-193.01	-182.61	-175.37	-185.10
Non-Bank Financial Institutions (net)	-49.95	-48.60	-56.78	-29.89	-38.59	-21.03
Subsidiaries and Affiliates (net)	-8.12	-5.63	-1.31	-1.18	-1.88	0.10
Private Sector	1,258.19	1,269.70	1,316.79	1,359.47	1,394.19	1,405.38
Other Items (net)	-86.11	-77.29	-88.48	-90.13	-102.69	-127.07
Money Supply (M2)	996.44	1,010.88	1,033.24	1,057.21	1,093.27	1,126.10
Currency with the Public	77.52	75.43	71.42	67.04	84.06	76.72
Demand Deposits	170.38	168.79	192.83	201.20	183.56	200.87
Savings Deposits	467.90	485.61	497.42	504.23	512.51	527.71
Time Deposits	273.57	273.90	266.72	278.75	292.19	297.53
Foreign Currency Deposits	7.07	7.14	4.85	6.00	20.95	23.27

Source: Eastern Caribbean Central Bank
Data as at May 30, 2000

Table 34
St Lucia - Banana Exports

	1999 1 st Qr	1999 2 nd Qr	1999 ^R 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Volume (tonnes)	17,588	17,339	12,931	17,338	17,970
Value (EC\$M)	26.30	25.95	13.54	21.22	22.71
Unit Price (EC\$/tonne)	1,495.34	1,496.63	1,047.10	1,223.90	1,263.77

Source: WIBDECO
R = Revised
Data as at June 4, 2000

Table 35
St Lucia - Central Government Fiscal Operations
(In millions of Eastern Caribbean Dollars)

	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 ^P 1 st Qr
Current Revenue	128.80	105.75	121.03	122.28	147.58
Tax Revenue	116.60	101.66	103.68	92.97	124.67
Taxes on Income & Profit	37.02	33.22	31.83	15.99	46.89
of which:					
Personal	13.17	10.03	12.18	9.26	13.09
Company	14.39	19.32	15.40	1.25	25.08
Taxes on Property	0.30	0.08	0.09	0.21	0.56

Taxes on Domestic Goods & Services	15.39	15.35	13.34	11.03	21.88
of which:					
Consumption Duty	1.09	4.64	3.05	2.87	1.81
Hotel Occupancy Tax	6.67	5.08	4.07	2.37	6.63
Taxes on International Trade & Transactions	63.89	53.01	58.42	65.74	55.34
of which:					
Consumption Duty (imports)	34.01	25.99	29.38	32.91	23.94
Import Duty	18.80	16.21	18.50	21.56	15.12
Service Charge (imports)	9.46	9.07	9.04	8.24	8.32
Non-Tax Revenue	12.20	4.09	17.35	29.28	22.91
Current Expenditure	86.43	81.90	84.68	94.22	93.40
Personal Emoluments	45.09	55.34	48.52	48.95	47.98
Goods & Services	16.78	8.23	14.27	21.37	22.41
Interest Payments	8.10	5.50	5.92	7.03	5.99
Foreign	3.79	2.39	0.89	2.08	2.80
Domestic	4.31	3.11	5.03	4.95	3.19
Transfers & Subsidies	16.46	12.83	15.97	16.87	17.02
of which:					
Pensions	4.78	5.31	5.86	8.09	7.14
Current Account Balance	42.37	23.85	36.35	28.05	54.18
Memo Items					
Principal Repayments	--	--	--	--	--

Source: Ministry of Finance and Eastern Caribbean Central Bank

P = Provisional

Data as at

ST VINCENT AND THE GRENADINES

Overview

During the first quarter of 2000 economic activity in St Vincent and The Grenadines appeared to have expanded compared with the corresponding period in 1999. This assessment was based on improved performance of the agricultural sector, particularly the banana industry, and growth in the tourism industry. Central government's fiscal position improved with the current account realising a surplus of \$1.2m. Commercial banks remained relatively liquid.

Output and Prices

In the agricultural sector banana production totalled 10,126 tonnes, roughly 13.9 per cent more

than the amount in the comparable period in 1999. The increase in output was mainly attributable to the replanting programme undertaken in 1999. Data on non-banana agriculture for the first quarter of 2000 were unavailable. The production of root crops may have increased as a result of export opportunities arising from the reopening of the Barbados market.

Provisional estimates for visitor arrivals indicated that the number of visitors increased by 15.7 per cent to 92,121 during the quarter under review compared with the total for the first quarter of 1999. This increase was attributable to growth of 27.0 per cent, 20.0 per cent and 2.4 per cent in cruise ship visitors, yacht passengers, and stay-over arrivals respectively. Growth in cruise passengers was related to an increase in cruise ship calls, while the number of yacht passengers continued to reflect the growing popularity of The

Grenadines as a yachting destination. In the stay-over visitor category arrivals from all the major markets, with the exception of the Caribbean, increased. The largest increase was recorded for visitors from the USA (6.9 per cent) followed by Canada (5.0 per cent) and the UK (2.6 per cent). Visitors from the Caribbean fell by 5.4 per cent.

Construction activity during the quarter under review appeared to have declined following the completion of work on two major public sector projects - the cruise ship and ferry berth facility and the Central Leeward Highway. Public sector construction during the quarter under review focussed on the Kingstown vegetable market, the Prime Minister's residence, the Bequia revenue office and emergency road reconstruction. In the private sector, activity centred on residential construction.

Available data suggested that the performance of the manufacturing sector during the first quarter of 2000 was mixed. Decreases in output were recorded for flour (13.8 per cent) and beer and malt (4.4 per cent). The decline in flour was attributable in part to competition in the export market. Increases in output were recorded for rice (20.6 per cent) and feeds (9.9 per cent).

Inflation, as measured by the change in the retail price index, was 0.4 per cent during the quarter under review compared with 0.6 per cent in the previous quarter. By contrast, retail prices decreased on average by 1.9 per cent in the corresponding first quarter of 1999. For the quarter under review, increases were recorded in all the sub-indices except "food and beverages". These expansions were moderated by a 0.7 per cent decline in the "food and beverages" sub-

index, which is accorded the highest weight in the consumer goods and services basket.

Trade and Payments

Complete trade statistics for the quarter under review were not available. The available data indicated that banana export earnings increased by 4.7 per cent to \$13.3m compared with the amount recorded in the corresponding period of 1999. This performance was largely associated with an increase in export volume. Increased earnings were also recorded for feeds (15.8 per cent). Of the other merchandise exports, earnings from rice, flour, and beer and malt contracted by 19.4 per cent, 18.9 per cent and 18.5 per cent respectively, reflecting decreases in export volumes. It was likely that imports increased moderately during the quarter under review consistent with the estimated expansion in economic activity.

The estimated gross visitor expenditure during the first quarter of 2000 was \$69.8m, which was 2.5 per cent above the amount for the comparable period in 1999. This reflected the increase in stay-over visitors and yacht passengers, who on average spend a longer period of time and have a higher daily expenditure.

Central Government Fiscal Operations

During the first quarter of 2000 the central government's fiscal operations improved compared with the performance in the corresponding period in 1999. A current account surplus of \$1.2m was recorded in contrast to a deficit of \$4.6m for the first quarter in 1999, as a result of an estimated 18.3 per cent increase in current revenue.

Of current revenue, receipts from taxes increased by 22.0 per cent to \$44.9m. The yield from taxes on international trade and transactions grew by 5.6 per cent, reflecting higher receipts from consumption tax and import duties associated with the growth in imports. Receipts from taxes on domestic goods and services grew by 17.1 per cent (\$1.1m), attributed in part to higher receipts from the hotel turnover tax, consistent with the increase in stay-over visitors. Revenue from taxes on income and profits rose by 59.5 per cent (\$5.6m), representing higher collections of company taxes. The increase in revenue from company tax during the quarter under review was related in part to improvements in tax administration. Collections from non-tax sources grew by 2.4 per cent to \$8.6m.

Current expenditure of \$52.3m was 5.0 per cent higher than in the corresponding quarter in 1999, associated with higher outlays on all the major categories. Outlays on personal emoluments grew by 3.5 per cent, associated with salary increases under a new wage agreement for public servants. Expenditure on goods and services rose by 5.2 per cent to \$10.6m, while interest payments grew by 11.9 per cent to \$5.7m, mainly attributed to debt service on a rescheduled loan.

Money and Credit

The broad money supply (M2) increased by 3.4 per cent to \$600.5m compared with growth of 3.7 per cent in the first quarter of 1999. Of the components of M2, increases were recorded for private sector time deposits (11.2 per cent) and savings deposits (3.3 per cent). Foreign currency deposits fell by 1.1 per cent to \$16.4m. Narrow

money declined by 0.6 per cent to \$181.6m. This was mainly attributed to a fall in currency with the public, due in part to the holding of lower money balances following the Y2K uncertainty in December 1999. Demand deposits grew by 8.2 per cent to \$135.5m.

During the quarter under review domestic credit increased by 10.2 per cent to \$452.9m in contrast to a decline of 3.4 per cent in the corresponding period in 1999. This expansion reflected growth in net credit to the central government and to the private sector, as well as a decline in the net deposits of the non-bank financial institutions. Commercial bank lending to the central government grew by 8.6 per cent as against a 1.3 per cent decline during the first quarter of 1999, reflecting increased loans and advances as well as holdings of treasury bills. Central government borrowing from the Central Bank fell by 20.0 per cent to \$14.6m compared with a decline of 4.2 per cent in 1999, while deposits grew marginally to \$1.2m. In the private sector commercial bank lending increased by 2.7 per cent to \$560.1m, mainly associated with credit to businesses. Net deposits of the non-bank financial institutions contracted by 39.9 per cent to \$26.9m.

During the first quarter of 2000 the banking system was relatively liquid. The liquid assets to total deposits ratio increased to 39.0 per cent from 36.3 per cent at the beginning of the quarter. The cash reserve to deposits ratio increased to 9.9 per cent from 8.1 per cent at the beginning of the quarter. The loans to deposits ratio moved to 72.6 per cent from 70.8 per cent at the end of December 1999.

As a result of the combined movements in domestic credit and money supply aggregates, the net foreign assets of the banking system increased by 18.8 per cent to \$255.9m at the end of the first quarter compared with 23.4 per cent growth in the corresponding period in 1999. The net foreign assets of the commercial banks increased by 44.6 per cent, largely reflecting growth in assets held in the other ECCB territories. St Vincent and The Grenadines' imputed share of the reserves held by the Central Bank decreased by 4.6 per cent compared with a decline of 5.0 per cent in the corresponding quarter of 1999.

Prospects

Prospects for the economy of St Vincent and The Grenadines during the rest of 2000 will be influenced particularly by developments in the banana and tourism industries. The growth in banana production is expected to continue as a result of the replanting and irrigation programmes.

In the tourism industry growth in total visitor arrivals is expected to be sustained, largely influenced by an anticipated increase in cruise ship

and yacht visitors. The number of cruise ship visitors is anticipated to rise based on a projected increase in cruise ship calls and the larger size of the vessels visiting the island. An increase in yacht visitors is likely as a result of the growing popularity of The Grenadines as a yachting destination. Growth in stay-over visitors will be dependent on the success of marketing activities.

Construction activity declined in the first quarter following the completion of several major public sector projects during 1999. Performance in the construction sector for the rest of 2000 will be influenced by developments in relation to the implementation of projects in the public sector investment programme. The manufacturing sector is likely to experience some decline during the year, consistent with the loss of market share for some of the major products.

Central government's fiscal operations are expected to remain strong during the year but will be affected by higher outlays on interest payments and personal emoluments, associated with higher debt service on external loans and the new wage agreement for public servants.

Table 36
St Vincent and The Grenadines - Selected Tourism Statistics

	1999 1 st Qr	1999 ^R 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 ^E 1 st Qr
Total Visitors	79,595	43,853	37,902	60,082	92,121
Stay-Over Visitors	17,029	15,488	17,097	18,284	17,438
USA	5,321	4,408	4,187	5,227	5,686
Canada	1,384	884	865	1,315	1,453
UK	2,983	2,654	2,777	3,327	3,062
Caribbean	4,302	5,623	7,032	5,496	4,068
Other Countries	3,039	1,919	2,236	2,919	3,169
Excursionists	5,699	4,751	3,457	3,632	4,939
Yacht Passengers	35,381	15,466	13,009	23,541	42,457

Cruise Ship Passengers	21,486	8,148	4,339	14,625	27,287
Number of Cruise Ship Calls	n.a.	n.a.	n.a.	n.a.	n.a.
Total Visitor Expenditure (EC\$M)	68.14	43.00	38.85	54.26	69.84

Source: Department of Tourism and ECCB Estimates
R = Revised E = Estimates
Data as at May 31, 2000

Table 37
St Vincent and The Grenadines - Selected Trade Statistics
(Volume: 000 tonnes; Value: EC\$M)

	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Visible Trade Balance	-82.89	-116.16	n.a.	n.a.	n.a.
Total Imports	114.38	151.58	n.a.	n.a.	n.a.
Total Exports	31.49	35.42	n.a.	n.a.	n.a.
Re-Exports	2.76	2.73	n.a.	n.a.	n.a.
Domestic Exports	28.73	32.69	n.a.	n.a.	n.a.
of which:					
Bananas					
volume	8.89	8.87	9.11	10.50	10.13
value	12.68	13.82	11.67	12.98	13.28
Flour					
volume	3.71	3.07	3.29	3.12	3.00
value	5.59	4.71	4.97	4.67	4.53
Rice					
volume	1.81	2.41	1.54	1.98	1.76
value	3.95	5.06	3.27	4.31	3.18

Source: Statistical Office and ECCB Estimates
Data as at May 18, 2000

Table 38
St Vincent and The Grenadines - Retail Price Index
1981 = 100

	Weight	Index Mar 2000	Percentage Change*				
			1999 1 st Qr	1998 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
All Items	1000.0	185.36	-1.86	0.92	-1.40	0.55	0.35
Food and Beverages	597.9	164.47	-3.05	1.33	-2.39	1.20	-0.72
Alcohol and Tobacco	27.9	193.85	-1.82	--	2.06	0.25	0.24
Clothing and Footwear	77.2	179.01	-5.45	-0.51	0.29	-2.95	5.59
Housing	62.8	358.46	--	--	-0.03	0.01	0.04
Fuel and Light	62.3	150.44	-4.79	4.39	1.38	1.26	0.99
Furniture, Furnishings and Domestic Appliances	31.9	131.94	-3.50	-1.24	1.17	-0.43	2.48
Household Supplies	34.3	162.89	0.48	-1.25	-3.60	-0.23	1.72
Transport and Communication	37.2	247.15	14.29	--	--	--	0.63
Other	68.5	247.13	--	0.49	-1.63	0.88	1.65

Source: Statistical Office, Ministry of Finance
*at end of period

Data as at May 18, 2000

Table 39
St Vincent and The Grenadines - Monetary Survey
(EC\$M at end of period)

	1998 4 th Qr	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 4 th Qr	2000 1 st Qr
Net Foreign Assets	179.52	221.46	248.14	220.17	215.40	255.86
Central Bank (net)	102.52	97.40	110.28	99.81	112.88	107.67
Commercial Banks (net)	77.00	124.06	137.85	120.37	102.51	148.19
External (net)	0.93	43.35	35.98	5.93	25.30	-8.01
Assets	61.61	108.16	135.07	115.45	135.16	95.52
Liabilities	60.68	64.81	99.10	109.52	109.87	103.53
Other ECCB Territories	76.07	80.71	101.88	114.44	77.22	156.21
Assets	82.83	90.53	116.26	128.52	107.61	174.51
Liabilities	6.76	9.82	14.38	14.08	30.40	18.31
Net Domestic Assets	336.55	313.91	298.62	335.08	365.08	344.63
Domestic Credit	366.59	353.96	360.66	396.88	410.91	452.93
Central Government (net)	47.23	29.30	39.85	48.09	56.03	63.15
Other Public Sector (net)	-148.27	-147.40	-150.08	-144.77	-146.04	-143.46
Non-Bank Financial Institutions (net)	-18.80	-25.51	-34.04	-46.39	-44.71	-26.87
Subsidiaries and Affiliates (net)	0.00	0.00	-12.21	0.00	0.00	0.00
Private Sector	486.42	497.57	517.14	539.96	545.63	560.11
Other Items (net)	-30.05	-40.05	-62.04	-61.79	-45.83	-108.30
Money Supply (M2)	516.06	535.37	546.76	555.26	580.48	600.49
Currency with the Public	36.43	39.26	40.05	40.51	57.49	46.11
Demand Deposits	114.32	116.29	116.72	119.45	125.24	135.47
Savings Deposits	251.96	260.71	260.04	267.36	268.78	277.57
Time Deposits	101.24	101.42	104.61	106.54	112.40	124.96
Foreign Currency Deposits	12.12	17.69	25.35	21.40	16.57	16.38

Source: Eastern Caribbean Central Bank
Data as at May 18, 2000

Table 40
St Vincent and The Grenadines - Central Government Fiscal Operations
(In millions of Eastern Caribbean Dollars)

	1999 1 st Qr	1999 2 nd Qr	1999 3 rd Qr	1999 ^P 4 th Qr	2000 ^E 1 st Qr
Current Revenue	45.21	66.76	55.10	77.75	53.50
Tax Revenue	36.81	57.85	47.36	61.58	44.90
Taxes on Income and Profit	9.47	19.22	12.04	22.63	15.10
of which:					
Personal	6.86	8.18	7.17	8.31	6.88
Company	2.24	7.78	4.44	13.79	7.53
Taxes on Property	0.16	0.30	0.87	0.52	0.36
Taxes on Domestic Goods & Services	6.37	10.10	9.19	7.06	7.46
of which:					
Consumption Duties	1.32	1.60	1.54	2.07	1.35
Hotel Turnover Tax	1.14	1.60	0.32	0.56	1.88
Taxes on International Trade & Transactions	20.81	28.23	25.26	31.37	21.98
of which:					
Import Duty	4.51	5.91	5.50	7.02	4.74
Consumption Tax	13.58	18.70	16.64	20.28	14.29
Customs Service Charge	2.00	2.85	2.51	1.75	2.11
Non-Tax Revenue	8.40	8.91	7.74	16.17	8.60
Current Expenditure	49.83	50.36	54.78	55.80	52.33
Personal Emoluments	26.96	27.97	28.06	30.70	27.90
Goods and Services	10.10	11.63	12.73	12.90	10.63
Interest Payments	5.05	2.48	5.88	3.00	5.65
Domestic	3.63	1.27	2.41	1.20	3.70
External	1.42	1.21	3.47	1.80	1.95
Transfers and Subsidies	7.72	8.28	8.11	9.20	8.15
of which:					
Pensions*	2.57	2.54	2.09	3.60	2.68
Current Account Balance	-4.62	16.40	0.32	21.95	1.17
Memo Item					
Principal Repayments	4.87	4.14	3.76	5.30	5.30

Source: Ministry of Finance
P= Provisional
Data as at May 18, 2000

E = Estimate

Table 41
Liabilities of the Eastern Caribbean Central Bank
(in thousands of Eastern Caribbean dollars)

Period Ended	Demand Liabilities					Bankers' Fixed Deposits	General Reserve	Other Liabilities	Total Liabilities
	Currency in Circulation ¹	Bankers Reserves ²	Foreign Reserves	Other Demand Liabilities	Total				
1986 Dec	211,566	133,371	5,421	81	350,439	134,929	22,630	47,787	555,785
1987 Dec	235,862	156,156	8,021	81	400,120	127,739	27,649	41,991	597,499
1988 Dec	274,051	187,025	8,840	10,434	480,350	54,392	27,798	28,884	591,424
1989 Dec.	313,546	205,576	16,739	8,519	544,380	25,339	32,112	56,079	657,910
1990 Dec.	330,020	224,373	13,657	16,486	584,536	62,060	33,527	63,416	743,539

1991	Dec.	344,636	241,611	27,268	16,441	629,956	42,574	41,960	75,703	790,193
1992	Dec.	350,279	325,656	27,953	30,592	734,480	34,177	45,825	97,397	911,879
1993	Dec.	365,832	308,363	12,496	6,075	692,766	34,173	51,941	104,853	883,733
1994	Dec.	381,101	306,510	12,788	20,899	721,298	28,388	51,941	77,776	879,403
1995	Dec.	417,505	308,187	18,084	33,497	777,272	63,084	51,941	113,671	1,005,968
1996	Mar.	353,510	348,365	29,014	34,445	765,333	63,414	51,941	107,505	988,194
	Jun	357,832	326,359	15,318	37,805	737,315	62,610	51,941	112,118	963,984
	Sep	345,817	330,908	28,678	35,352	740,755	37,332	51,941	101,290	931,318
	Dec.	420,211	309,173	19,879	30,712	779,976	14,447	51,941	108,050	954,414
1997	Mar.	367,300	381,851	29,296	19,644	798,091	17,063	51,941	100,558	967,652
	Jun	365,959	375,515	19,122	51,243	811,839	21,467	51,941	93,542	978,789
	Sep	351,482	352,351	26,208	25,653	755,694	20,456	51,941	97,921	926,012
	Dec.	439,670	321,560	7,919	52,518	821,666	12,901	51,941	104,016	990,525
1998	Mar.	381,288	418,813	13,981	32,660	846,742	14,101	51,941	110,289	1,023,072
	Jun	378,177	444,819	13,930	31,764	868,690	20,601	51,941	113,826	1,055,058
	Sep.	386,834	401,512	11,956	37,401	837,703	26,541	51,941	115,034	1,031,219
	Dec.	478,206	418,196	4,291	48,343	949,038	30,563	51,941	118,815	1,150,357
1999	Jan. ^R	419,183	471,905	7,477	46,568	945,132	31,671	51,941	119,464	1,148,208
	Feb. ^R	417,586	477,254	8,204	46,777	949,820	31,671	51,941	106,857	1,140,289
	Mar.	430,112	496,287	10,274	43,638	980,310	32,481	51,941	102,881	1,167,612
	Apr.	423,308	496,568	5,925	46,118	971,920	33,027	51,941	111,170	1,168,058
	May	425,207	473,539	7,812	47,193	953,749	33,027	51,941	104,971	1,143,689
	Jun.	431,117	481,673	7,897	19,271	939,958	33,027	51,941	103,214	1,128,140
	Jul.	435,368	473,715	10,907	34,850	954,840	34,377	51,941	85,622	1,126,779
	Aug.	421,528	417,045	18,876	65,037	922,486	34,377	51,941	84,788	1,093,591
	Sep.	412,451	400,995	19,692	42,815	875,954	34,377	51,941	87,353	1,049,625
	Oct.	428,137	407,085	6,898	52,136	894,256	33,567	51,941	86,363	1,066,126
	Nov	432,192	441,452	7,679	76,691	958,014	31,137	51,941	82,646	1,123,738
	Dec	575,278	388,412	9,480	49,787	1,022,957	28,977	51,941	81,946	1,185,822
2000	Jan.	452,440	472,858	15,685	37,965	978,948	28,977	51,941	78,903	1,138,769
	Feb.	445,032	479,130	13,668	44,530	982,360	29,247	51,941	85,058	1,148,606
	Mar.	448,813	532,627	10,241	37,104	1,028,786	27,897	51,941	80,360	1,188,984

Source: Eastern Caribbean Central Bank

R = Revised

¹ See Table 6 and Table 7 for separate totals for Notes and Coins issued. Proof Sets not included in total

² Statutory Required Reserves and Bankers' Balances were consolidated into a single account referred to as Bankers' Reserves Data as at July 11, 2000

Table 42
Assets of the Eastern Caribbean Central Bank
(in thousands of Eastern Caribbean dollars)

Period Ended	External Assets				Local Government Debentures	Local Treasury Bills	Other Assets	Total Assets	External Assets to Demand Liabilities	
	Fixed & Call Deposits	Securities	Foreign Balances	Total External Assets						
1986	Dec.	142,915	205,086	39,902	387,903	26,219	41,440	100,223	555,785	93.11
1987	Dec.	151,195	234,985	36,892	423,072	28,219	41,440	104,768	597,499	103.53
1988	Dec.	115,315	270,289	35,098	420,702	30,337	26,837	113,548	591,424	110.88
1989	Dec.	196,099	259,601	34,250	489,950	33,037	29,407	105,516	657,910	86.00
1990	Dec.	212,877	289,667	41,279	543,823	34,047	48,780	116,889	743,539	122.42
1991	Dec.	180,848	355,118	54,147	590,113	34,047	50,259	115,774	790,193	87.07
1992	Dec.	162,344	534,208	50,088	746,640	32,426	11,020	121,793	911,879	97.49
1993	Dec.	166,814	498,788	53,869	719,471	37,708	15,154	111,400	883,733	98.91
1994	Dec.	171,387	477,940	48,813	698,140	33,402	10,004	137,857	879,403	92.75
1995	Dec.	268,990	521,126	46,209	836,326	36,549	7,055	126,038	1,005,968	99.47
1996	Mar.	217,144	555,132	53,479	825,754	36,549	10,055	115,836	988,194	99.60
	Jun.	218,099	534,984	43,301	796,385	36,549	10,055	120,995	963,984	99.51
	Sep.	174,689	550,790	45,141	770,620	36,549	10,055	114,094	931,318	98.95
	Dec.	201,196	522,770	54,686	778,652	41,549	13,007	121,206	954,414	97.93
1997	Mar.	218,360	529,953	59,661	807,974	41,549	10,055	108,074	967,652	95.60
	Jun.	229,426	534,817	47,852	812,095	41,549	10,055	115,090	978,789	97.33
	Sep.	253,348	468,563	39,506	761,416	41,549	10,055	112,992	926,012	97.98
	Dec.	288,500	465,679	69,523	823,702	41,549	10,055	115,218	990,525	98.67
1998	Mar.	311,556	491,763	52,693	856,012	41,549	10,055	115,456	1,023,072	99.40
	Jun.	357,480	479,598	35,163	872,241	41,549	10,055	131,214	1,055,058	98.01
	Sep.	314,467	500,701	40,040	855,208	40,689	10,055	125,266	1,031,219	97.47
	Dec.	389,649	522,460	53,534	965,643	40,696	10,055	133,963	1,150,357	97.67
1999	Jan. ^R	419,135	498,294	44,908	962,336	40,696	10,055	135,121	1,148,208	97.68
	Feb. ^R	388,640	517,876	48,766	955,282	40,696	10,055	134,256	1,140,289	95.28
	Mar.	388,050	547,644	54,314	990,008	40,696	10,224	126,684	1,167,612	97.70
	Apr.	416,820	518,499	45,023	980,342	40,696	10,224	136,795	1,168,058	97.46
	May	252,882	644,779	40,221	937,882	40,696	10,224	154,886	1,143,689	94.84
	Jun.	246,566	653,131	36,469	936,165	40,696	10,224	141,054	1,128,140	96.06
	Jul.	263,053	649,834	26,861	939,748	40,696	10,224	136,111	1,126,779	94.77
	Aug.	200,878	658,772	32,038	891,688	40,696	10,224	150,983	1,093,591	92.85
	Sep.	177,644	652,613	34,034	864,292	40,696	10,224	134,413	1,049,625	94.63
	Oct.	172,135	673,195	28,545	873,875	40,696	10,224	141,331	1,066,126	93.93
	Nov.	197,660	677,736	36,709	912,105	40,696	11,405	159,531	1,123,738	91.91
	Dec.	256,812	679,380	48,193	984,385	40,696	11,405	149,336	1,185,822	93.35
2000	Jan.	234,436	676,941	31,651	943,028	40,696	10,224	144,820	1,138,769	93.29
	Feb.	243,592	681,694	26,790	952,076	40,696	10,224	145,609	1,148,606	93.87
	Mar.	283,908	672,166	35,914	992,274	40,696	10,224	146,075	1,188,984	93.66

Source: Eastern Caribbean Central Bank
R = Revised
Data as at July 11, 2000

Table 43
Eastern Caribbean Central Bank
Net Issue of Notes in Each Territory
(in thousands of Eastern Caribbean dollars)

Period Ended	Anguilla	Antigua & Barbuda	Dominica	Grenada	Montserrat	St Kitts & Nevis	St Lucia	St Vincent & The Grenadines	Total
1986 Dec.	--	38,027	10,422	36,317	5,251	15,633	46,758	46,480	198,888
1987 Dec.	--	44,016	25,389	40,926	4,209	18,717	61,479	29,150	223,886
1988 Dec.	4,403	54,861	28,285	43,283	6,398	22,561	65,532	33,699	259,022
1989 Dec.	7,923	65,325	26,065	43,530	6,568	27,508	78,902	38,700	294,521
1990 Dec.	8,513	64,506	31,131	47,389	10,603	27,474	83,130	34,573	307,319
1991 Dec.	7,994	67,054	36,869	50,650	10,105	28,075	82,138	31,145	314,030
1992 Dec.	7,702	68,384	35,017	53,755	8,706	27,088	82,138	40,842	323,632
1993 Dec.	6,988	68,218	36,841	59,893	8,153	33,351	86,239	38,018	337,701
1994 Dec.	6,698	72,852	32,364	64,148	8,698	35,656	86,379	42,150	348,945
1995 Dec.	9,287	88,849	38,803	66,748	8,940	37,844	93,722	38,795	382,989
1996 Mar.	6,248	79,520	30,920	55,799	6,702	30,256	79,109	31,685	320,239
Jun.	8,233	75,981	30,467	54,789	8,459	30,358	82,271	33,514	324,071
Sep.	8,375	72,504	30,333	55,511	7,985	29,312	76,786	30,934	311,740
Dec.	9,345	79,005	39,844	70,057	10,217	40,878	93,951	42,010	385,307
1997 Mar.	7,707	75,684	30,739	57,509	11,205	34,641	77,753	36,885	332,123
Jun.	8,315	74,084	31,575	59,246	13,452	33,319	72,407	37,845	330,243
Sep.	8,809	68,096	30,127	56,763	17,987	30,235	68,105	35,219	315,340
Dec.	9,570	76,867	39,538	76,508	18,280	40,727	91,671	49,332	402,494
1998 Mar.	8,643	74,827	29,862	64,820	16,952	33,068	74,508	40,954	343,634
Jun.	9,502	72,768	29,427	64,272	14,585	32,982	75,710	41,052	340,297
Sep.	9,388	74,677	32,818	64,155	14,069	34,164	80,007	39,019	348,297
Dec.	11,034	89,505	37,756	80,182	14,454	42,553	111,608	51,395	438,487
1999 Jan.	9,525	85,001	33,970	69,613	12,966	35,458	86,699	46,083	379,316
Feb.	9,090	85,103	35,076	69,064	11,555	34,025	86,663	47,006	377,582
Mar.	8,093	89,501	37,620	69,701	10,402	36,355	89,295	48,962	389,930
Apr.	8,976	85,619	37,587	71,144	12,358	35,713	85,790	45,712	382,898
May	9,364	85,016	37,352	69,996	11,484	34,629	88,106	48,620	384,567
Jun.	9,543	84,563	38,189	69,266	12,402	35,070	88,889	52,321	390,242
Jul.	10,208	85,506	38,850	74,066	11,769	38,812	87,630	47,404	394,246
Aug.	9,391	83,027	36,224	71,191	11,039	36,632	85,143	47,578	380,226
Sep.	9,780	77,731	36,408	68,703	12,254	37,346	80,374	48,318	370,912
Oct.	9,609	82,197	40,932	67,569	12,854	38,962	80,780	53,569	386,472
Nov.	9,171	85,313	39,025	70,358	12,419	39,202	82,722	51,880	390,089
Dec.	12,547	108,183	52,025	94,643	16,168	54,631	113,808	80,195	532,199
2000 Jan.	10,124	86,329	41,599	71,507	12,888	41,402	83,703	61,751	409,304
Feb.	10,187	87,117	40,669	70,623	12,123	40,382	87,779	52,866	401,746
Mar.	9,056	88,225	41,261	72,116	11,667	40,875	89,745	52,428	405,372

Source: Eastern Caribbean Central Bank
Data as at July 11, 2000

Table 44
Eastern Caribbean Central Bank
Net Issue of Coins in Each Territory
(in thousands of Eastern Caribbean dollars)

Period Ended	Anguilla	Antigua & Barbuda	Dominica	Grenada	Montserrat	St Kitts & Nevis	St Lucia	St Vincent & The Grenadines	Sub-Total	Former BCCB/ECCA Members	Proof Sets	Net Total
1986 Dec. ^R	--	2,627	709	1,699	386	1,158	2,167	1,344	10,090	2,588	117	12,795
1987 Dec. ^R	--	2,931	814	1,825	423	1,277	2,408	1,461	11,139	2,585	117	13,841
1988 Dec. ^R	67	3,248	932	1,958	494	1,411	2,727	1,607	12,444	2,585	117	15,146
1989 Dec. ^R	108	3,920	1,376	2,175	567	2,056	4,132	2,105	16,439	2,585	117	19,141
1990 Dec. ^R	139	4,627	1,827	2,872	831	2,339	4,786	2,694	20,115	2,585	117	22,817
1991 Dec. ^R	188	5,126	1,927	3,262	892	2,524	6,035	2,858	22,812	2,585	117	25,514
1992 Dec. ^R	322	5,612	1,933	3,439	894	2,727	6,035	3,112	24,074	2,572	117	26,763
1993 Dec. ^R	380	5,997	1,973	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	27,955	2,593	117	30,665
1995 Dec.	527	7,339	2,211	4,269	945	3,466	7,996	3,616	30,369	2,573	117	33,059
1996 Mar.	536	7,463	2,216	4,291	964	3,531	8,080	3,630	30,711	2,561	117	33,389
Jun.	567	7,621	2,236	4,337	965	3,583	8,235	3,657	31,201	2,560	117	33,878
Sep.	578	7,715	2,250	4,465	872	3,625	8,329	3,690	31,524	2,551	117	34,192
Dec.	616	7,814	2,340	4,636	852	3,742	8,520	3,831	32,351	2,551	117	35,019
1997 Mar.	616	7,906	2,357	4,649	877	3,812	8,598	3,843	32,658	2,517	117	35,292
Jun.	640	8,038	2,437	4,784	890	3,885	8,633	3,858	33,165	2,551	117	35,833
Sep.	659	8,160	2,496	4,904	890	3,918	8,681	3,890	33,598	2,545	117	36,259
Dec.	665	8,316	2,564	5,144	890	4,088	8,954	4,009	34,630	2,546	117	39,835
1998 Mar. ^R	690	8,410	2,576	5,194	890	4,056	9,033	4,012	34,861	2,793	117	37,771
Jun.	721	8,634	2,582	5,263	824	4,102	9,102	4,113	35,341	2,540	117	37,998
Sep. ^R	753	8,731	2,614	5,402	824	4,108	9,386	4,178	35,996	2,540	117	38,653
Dec. ^R	775	8,938	2,744	5,596	849	4,236	9,693	4,347	37,178	2,540	117	39,835
1999 Jan.	775	8,992	2,742	5,621	852	4,255	9,733	4,357	37,327	2,540	117	39,984
Feb.	786	9,047	2,742	5,622	852	4,268	9,784	4,358	37,459	2,545	117	40,121
Mar.	794	9,105	2,745	5,638	852	4,270	9,846	4,387	37,637	2,545	117	40,299
Apr.	805	9,199	2,706	5,696	852	4,278	9,888	4,447	37,871	2,538	117	40,526
May	805	9,258	2,709	5,765	860	4,287	9,938	4,486	38,108	2,532	117	40,757
Jun.	823	9,296	2,712	5,803	860	4,296	10,009	4,544	38,343	2,532	117	40,992
Jul.	831	9,331	2,724	5,831	866	4,350	10,091	4,565	38,589	2,532	117	41,238
Aug.	831	9,368	2,692	5,898	866	4,372	10,145	4,597	38,769	2,532	117	41,418
Sep.	864	9,412	2,709	5,944	875	4,398	10,190	4,615	39,007	2,532	117	41,656
Oct. ^R	864	9,431	2,721	5,957	875	4,417	10,238	4,632	39,135	2,532	117	41,784
Nov. ^R	864	9,477	2,799	6,015	885	4,441	10,416	4,673	39,570	2,532	117	42,219
Dec. ^R	917	9,590	2,944	6,209	885	4,597	10,605	4,799	40,546	2,532	117	43,195
2000 Jan.	919	9,627	2,944	6,216	885	4,597	10,620	4,801	40,609	2,525	117	43,251
Feb.	919	9,695	2,923	6,226	891	4,642	10,662	4,803	40,761	2,525	117	43,403
Mar.	922	9,719	2,932	6,265	895	4,611	10,758	4,814	40,916	2,525	117	43,558

Source: Eastern Caribbean Central Bank
R = Revised
Data as at July 11, 2000

Table 45
ECCB Area
Commercial Banks' Liabilities
(in thousands of Eastern Caribbean dollars)

Period Ended	Deposits					Balances Due to			Foreign Liabilities	Other Liabilities	Total Liabilities	
	Demand	Time	Savings	Foreign Currency	Total Deposits	ECCB	Other Local Banks	Other ECCB Area Banks				
1986	Dec.	297,025	731,494	627,407	128,084	1,784,010	6,012	49,123	41,727	98,225	339,251	2,318,348
1987	Dec.	358,090	804,098	789,661	147,225	2,099,074	6,276	15,622	66,122	136,790	382,083	2,705,966
1988	Dec.	441,115	943,706	968,992	151,861	2,505,674	7,163	22,930	78,430	102,831	427,528	3,144,556
1989	Dec.	517,511	1,034,168	1,133,595	181,679	2,866,953	9,212	29,447	67,061	118,135	460,171	3,550,979
1990	Dec.	541,383	1,229,472	1,209,788	204,214	3,184,857	3,509	29,403	48,100	147,097	513,071	3,926,037
1991	Dec.	477,383	1,413,736	1,308,981	257,801	3,457,901	4,647	15,408	54,401	138,282	528,229	4,198,868
1992	Dec.	615,289	1,441,961	1,492,213	268,296	3,817,759	1,425	17,142	98,132	221,343	545,014	4,700,815
1993	Dec.	658,841	1,484,685	1,727,798	322,671	4,193,995	22,881	22,637	133,493	216,855	593,921	5,183,782
1994	Dec.	713,348	1,520,847	1,960,821	368,712	4,563,728	15,129	42,610	132,848	258,852	577,486	5,590,653
1995	Dec.	837,357	1,707,660	2,170,099	468,891	5,184,007	6,925	38,992	131,564	233,999	636,609	6,232,096
1996	Mar.	850,711	1,740,776	2,203,021	487,529	5,282,037	1,851	48,271	152,094	240,135	640,508	6,364,896
	Jun.	816,333	1,810,955	2,243,175	495,599	5,366,062	7,333	43,806	153,614	242,874	636,771	6,450,460
	Sep.	802,370	1,858,467	2,248,003	475,790	5,384,630	11,934	38,808	159,994	280,504	647,097	6,522,967
	Dec.	836,811	1,861,007	2,293,815	504,741	5,496,374	11,868	21,857	199,797	353,531	670,955	6,754,382
1997	Mar.	870,109	1,871,932	2,384,594	556,502	5,683,137	5,612	30,428	202,905	363,360	689,053	6,974,495
	Jun.	878,093	1,941,736	2,422,487	587,539	5,829,855	8,556	29,718	200,676	370,189	708,151	7,147,145
	Sep.	919,497	1,970,378	2,423,446	589,173	5,902,494	16,173	23,218	216,758	391,044	742,122	7,291,809
	Dec.	929,221	2,026,049	2,446,297	630,815	6,032,382	10,826	29,064	265,964	397,511	734,902	7,470,649
1998	Mar.	994,924	2,096,187	2,521,487	686,665	6,299,263	17,179	39,169	253,481	379,762	745,610	7,734,464
	Jun.	1,029,884	2,154,244	2,579,964	696,043	6,460,135	13,223	45,308	242,726	348,715	760,347	7,870,454
	Sep.	1,011,481	2,215,034	2,622,262	659,606	6,508,383	34,867	49,910	275,250	368,056	850,616	8,087,082
	Dec.	1,072,583	2,325,523	2,726,487	732,452	6,857,045	33,273	65,467	261,778	360,872	870,041	8,448,476
1999	Jan.	1,056,144	2,380,612	2,751,173	791,368	6,979,297	23,541	67,461	245,547	350,915	906,409	8,573,170
	Feb.	1,059,768	2,404,573	2,782,025	765,703	7,012,069	40,701	73,522	228,870	353,752	856,238	8,565,152
	Mar.	1,079,858	2,427,340	2,806,623	777,132	7,090,953	20,227	70,804	239,445	369,075	856,696	8,647,200
	Apr.	1,104,970	2,464,399	2,820,820	798,746	7,188,935	23,802	66,671	303,386	337,608	862,885	8,783,287
	May	1,107,222	2,485,728	2,832,848	783,213	7,209,011	11,632	62,074	307,549	361,152	864,309	8,815,727
	Jun.	1,139,510	2,489,892	2,839,479	792,111	7,260,992	8,658	58,904	302,447	393,373	886,463	8,910,837
	Jul. ^R	1,178,441	2,491,923	2,849,421	803,444	7,323,229	15,891	57,302	317,829	432,087	899,656	9,045,994
	Aug.	1,132,373	2,609,679	2,747,444	816,281	7,305,777	28,482	49,882	344,785	423,537	919,309	9,071,772
	Sep.	1,113,770	2,594,114	2,775,705	815,305	7,298,894	36,297	49,450	340,188	433,491	948,586	9,106,906
	Oct.	1,088,564	2,615,341	2,829,881	821,506	7,355,292	34,856	72,082	326,941	405,189	963,494	9,157,854
	Nov.	1,129,056	2,645,809	2,815,270	1,004,659	7,594,794	24,058	69,414	290,916	421,509	943,025	9,343,716
	Dec.	1,139,743	2,659,850	2,827,501	1,074,748	7,701,842	22,960	54,808	321,655	453,435	970,929	9,525,629
2000	Jan.	1,140,021	2,688,696	2,854,728	1,114,230	7,797,675	30,377	61,640	347,355	419,915	991,539	9,648,501
	Feb.	1,162,651	2,717,935	2,869,409	1,109,690	7,859,685	32,107	62,006	359,308	441,150	1,047,489	9,801,745
	Mar.	1,171,714	2,750,386	2,897,243	1,129,108	7,948,451	36,683	69,613	337,838	399,101	1,006,217	9,797,903

Source: Eastern Caribbean Central Bank

R = Revised

Data as at July 11, 2000

Table 46
ECCB Area
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 ¹									
1986	Dec.	43,264	253,933	90,886	45,028	1,355,758	22,751	30,502	322,376	153,850	2,318,348
1987	Dec.	48,804	282,861	52,665	64,744	1,533,823	28,523	45,910	488,690	159,946	2,705,966
1988	Dec.	56,719	233,681	42,529	69,120	1,868,391	29,494	54,984	600,926	188,712	3,144,556
1989	Dec.	64,769	231,971	49,319	52,824	2,314,801	40,882	58,673	504,916	232,824	3,550,979
1990	Dec.	82,221	274,066	52,747	54,467	2,629,932	33,586	62,356	472,194	264,468	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	Mar.	58,247	418,156	44,959	182,071	4,270,878	102,283	78,321	772,220	437,761	6,364,896
	Jun.	60,684	401,706	40,205	182,169	4,398,725	102,196	78,321	778,473	407,981	6,450,460
	Sep.	70,556	376,458	32,912	181,493	4,582,055	109,007	78,321	683,014	409,151	6,522,967
	Dec.	121,851	329,480	24,207	210,991	4,760,786	114,565	79,321	700,801	412,380	6,754,382
1997	Mar.	57,477	396,409	27,425	220,926	4,874,525	119,959	81,571	781,478	414,725	6,974,495
	Jun.	71,366	431,699	37,569	220,292	4,989,461	127,408	78,821	804,952	385,577	7,147,145
	Sep.	76,652	383,265	39,987	244,767	5,136,511	125,700	78,321	813,552	393,054	7,291,809
	Dec.	124,360	376,564	41,088	284,504	5,343,260	125,598	81,721	715,947	377,607	7,470,649
1998	Mar.	83,771	447,721	53,977	269,458	5,424,306	120,557	81,966	851,530	401,178	7,734,464
	Jun.	79,891	469,562	57,701	270,094	5,532,533	120,550	81,966	856,970	401,187	7,870,454
	Sep.	97,151	457,566	57,428	272,826	5,701,036	116,634	80,486	813,702	490,253	8,087,082
	Dec.	131,183	484,983	72,001	255,744	5,898,557	117,309	83,280	914,795	490,624	8,448,476
1999	Jan.	84,013	521,915	82,709	237,287	5,936,439	117,646	80,986	1,003,191	508,984	8,573,170
	Feb.	86,964	523,100	84,154	249,118	5,945,849	120,162	83,686	959,930	512,189	8,565,152
	Mar.	100,338	550,687	81,605	239,033	5,956,165	121,137	83,186	1,009,275	505,774	8,647,200
	Apr.	76,098	544,729	82,111	305,335	6,025,716	121,134	83,036	1,059,097	486,031	8,783,287
	May	90,040	513,814	71,883	303,747	6,072,556	121,134	83,036	1,061,561	497,956	8,815,727
	Jun.	104,412	509,690	63,920	328,489	6,130,547	122,095	107,955	1,058,437	485,292	8,910,837
	Jul. ^R	80,373	500,316	64,605	345,388	6,201,221	122,095	107,955	1,097,031	527,010	9,045,994
	Aug.	97,207	460,216	63,775	361,964	6,233,099	123,095	109,645	1,088,451	534,320	9,071,772
	Sep.	98,041	466,211	65,621	363,084	6,308,369	125,157	122,677	1,028,700	529,046	9,106,906
	Oct.	78,779	466,199	87,642	361,371	6,361,684	125,157	129,915	1,001,693	545,414	9,157,854
	Nov.	98,280	505,777	85,870	324,654	6,384,237	141,257	137,962	1,139,375	526,304	9,343,716
	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	Jan.	106,314	503,439	66,433	373,859	6,503,076	149,236	133,866	1,229,539	582,739	9,648,501
	Feb.	100,324	556,082	72,142	361,747	6,536,780	149,236	148,980	1,261,135	615,319	9,801,745
	Mar.	89,118	585,187	69,972	373,467	6,583,274	147,431	163,713	1,225,178	560,563	9,797,903

Source: Eastern Caribbean Central Bank
¹ Includes Statutory Reserve Requirements
R = Revised

Data as at July 11, 2000

Table 47
ECCB Area
Money Supply
(in thousands of Eastern Caribbean dollars)

Period Ended	ECCB Notes in Circulation	ECCB ¹ Coins in Circulation	Cash at Commercial Banks	Notes & Coins Held by Public	Demand Deposits	Money Supply (M1)	Quasi Money	Money Supply (M2)	
1986	Dec.	198,888	12,678	41,705	169,861	177,702	347,563	935,833	1,283,396
1987	Dec.	222,116	13,746	47,746	188,116	215,594	403,710	1,120,487	1,524,197
1988	Dec.	259,022	15,029	56,098	217,953	272,176	490,129	1,379,885	1,870,014
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	247,799	343,222	591,021	1,861,124	2,452,145
1991	Dec.	319,763	24,873	88,198	256,438	335,171	591,609	2,073,827	2,665,436
1992	Dec.	323,633	26,646	75,000	275,279	444,646	719,925	2,150,802	2,870,727
1993	Dec.	337,701	28,131	93,098	272,734	475,244	747,978	2,400,061	3,148,039
1994	Dec.	350,553	30,548	95,556	285,545	507,658	793,203	2,602,057	3,395,260
1995	Dec.	384,563	32,942	105,925	311,580	601,276	912,856	2,961,530	3,874,386
1996	Mar.	320,239	33,271	58,247	295,263	590,241	885,504	3,037,203	3,922,707
	Jun.	324,071	33,761	60,684	297,148	568,567	865,715	3,031,082	3,896,797
	Sep.	311,740	34,077	70,556	275,261	561,003	836,264	3,030,306	3,866,570
	Dec.	385,308	34,904	121,851	298,360	584,536	882,896	3,065,536	3,948,432
1997	Mar.	332,123	35,177	57,477	309,823	594,203	904,026	3,164,019	4,068,045
	Jun.	330,243	35,716	71,366	294,593	606,080	900,673	3,192,068	4,092,741
	Sep.	315,340	36,142	76,652	274,830	607,083	881,913	3,234,842	4,116,755
	Dec.	402,494	37,176	124,360	315,310	648,632	963,942	3,361,407	4,325,349
1998	Mar.	343,634	37,654	83,771	297,517	671,397	968,914	3,465,802	4,434,716
	Jun.	340,297	37,880	79,891	298,286	677,174	975,460	3,534,779	4,510,239
	Sep.	348,297	38,537	97,151	289,683	673,757	963,440	3,593,914	4,557,354
	Dec.	438,487	39,720	131,183	347,023	744,032	1,091,055	3,790,630	4,881,685
1999	Jan.	379,316	39,867	84,013	335,170	735,713	1,070,883	3,924,782	4,995,665
	Feb.	377,582	40,004	86,964	330,622	738,774	1,069,396	3,946,201	5,015,597
	Mar.	389,930	40,182	100,338	329,774	745,160	1,074,934	3,998,358	5,073,292
	Apr.	382,898	40,410	76,098	347,210	771,573	1,118,783	4,017,985	5,136,768
	May	384,567	40,640	90,040	335,167	769,947	1,105,114	4,023,744	5,128,858
	Jun.	390,242	40,875	104,412	326,705	793,681	1,120,386	4,037,253	5,157,639
	Jul.	394,246	41,122	80,373	354,995	806,146	1,161,141	4,061,507	5,222,648
	Aug.	380,226	41,302	97,207	324,321	801,790	1,126,111	4,081,590	5,207,701
	Sep.	370,912	41,539	98,041	314,410	775,386	1,089,796	4,090,547	5,180,343
	Oct.	386,472	41,665	78,779	349,358	747,028	1,096,386	4,143,200	5,239,586
	Nov.	390,089	42,103	98,280	333,912	776,822	1,110,734	4,354,427	5,465,161
	Dec.	532,199	43,079	183,813	391,465	802,023	1,193,488	4,205,830	5,399,318
2000	Jan.	409,304	43,135	106,314	346,125	803,757	1,149,882	4,286,887	5,436,769
	Feb.	401,746	43,285	100,324	344,707	820,054	1,164,761	4,362,391	5,527,152
	Mar.	405,372	43,441	89,118	359,695	827,932	1,187,627	4,395,840	5,583,467

Source: Eastern Caribbean Central Bank

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

² Includes Time, Savings, and Foreign Currency Deposits of the Private Sector

Data as at July 11, 2000

Table 48
ECCB Area
Sectoral Distribution of Loans and Advances

	Dec 95	Mar 96	Jun 96	Sep 96	Dec 96	Mar 97	Jun 97	Sep 97	Dec 97
Agriculture	134,393	143,355	137,074	145,399	145,433	161,367	156,000	148,849	159,611
Fisheries	7,366	8,137	8,655	10,079	7,542	8,936	9,766	9,117	9,323
Manufacturing	199,404	203,269	205,543	208,535	215,347	212,763	215,941	215,127	219,114
Food & Non-Alcoholic Bev.	50,508	52,152	46,858	50,381	52,893	53,152	57,037	53,714	53,472
Clothing & Accessories	13,892	15,597	16,876	18,580	17,141	16,842	21,952	17,911	18,575
Other Industries ¹	135,004	135,520	141,809	139,574	145,313	142,769	136,952	143,502	147,067
Distributive Trades	625,249	641,233	652,580	681,625	668,383	712,218	719,530	721,582	730,183
Tourism	394,413	393,910	407,725	422,270	447,622	444,046	432,590	452,449	456,180
Entertainment	49,453	48,482	54,593	56,584	64,185	59,226	59,874	66,125	64,497
Transport	138,748	139,051	144,893	134,847	144,063	138,166	134,455	158,527	162,885
Public Utilities	82,920	84,752	80,961	84,831	107,226	98,578	97,085	100,426	113,674
Construction & Land Dev.	225,776	228,246	239,028	251,307	254,334	261,655	268,052	270,934	280,109
Gov't & Statutory Bodies	395,629	369,348	399,423	414,668	431,716	427,409	456,018	449,238	472,458
Professional Services	209,365	210,590	213,673	228,664	234,899	251,766	256,704	267,237	289,706
Financial Institutions	53,256	49,489	51,546	50,375	50,117	56,673	60,151	57,748	61,659
Personal	1,716,434	1,751,016	1,803,031	1,892,871	1,989,919	2,041,722	2,123,295	2,219,122	2,323,861
Acquisition of Property ²	1,015,657	1,064,867	1,091,039	1,137,526	1,185,913	1,201,744	1,275,659	1,297,813	1,308,677
Durable Consumer Goods	207,312	209,821	224,889	223,477	234,467	252,856	253,620	262,921	264,692
Other Personal Loans	493,465	476,328	487,103	531,868	569,539	587,122	594,016	658,388	750,492
TOTAL	4,232,406	4,270,878	4,398,725	4,582,055	4,760,786	4,874,525	4,989,461	5,136,481	5,343,260
% of Long Term Loans to Total Loans & Advances	44.02	45.1	45.07	47.06	47.31	48.28	48.61	47.31	48.82
	Mar 98	Jun 98	Sep 98	Dec 98	Mar 99	Jun 99	Sep 99	Dec 99	Mar 2000
Agriculture	163,058	179,400	182,164	151,312	163,592	180,080	189,722	181,274	205,726
Fisheries	9,313	8,576	8,664	7,730	9,017	9,335	8,875	10,897	12,718
Manufacturing	221,121	215,779	207,592	209,610	210,948	216,994	214,803	214,509	210,222
Food & Non-Alcoholic Bev.	53,158	52,371	46,374	50,252	48,045	50,504	51,020	50,642	50,688
Clothing & Accessories	17,538	19,408	18,863	19,535	19,457	19,226	20,208	20,036	20,231
Other Industries ¹	150,425	144,000	142,355	139,823	143,446	147,264	143,575	143,831	139,303
Distributive Trades	733,083	755,087	762,360	755,177	752,849	765,259	786,952	762,138	781,496
Tourism	445,085	434,049	442,734	456,958	440,109	447,179	476,707	501,491	489,061
Entertainment	66,611	74,206	76,043	78,116	75,969	75,800	80,853	78,641	79,763
Transport	162,263	155,618	157,470	156,337	148,456	155,363	163,498	180,020	178,467
Public Utilities	107,302	116,910	117,102	128,658	132,470	127,574	120,832	132,699	145,383
Construction & Land Dev.	286,233	288,593	298,448	295,043	313,661	330,268	337,370	326,626	329,814
Gov't & Statutory Bodies	496,351	498,863	521,112	601,021	589,310	577,942	581,856	612,471	643,606
Professional Services	297,512	296,578	294,601	311,692	310,648	377,292	389,933	406,794	412,197
Financial Institutions	61,627	67,557	77,615	86,658	84,489	84,561	92,869	94,839	88,975
Personal	2,374,747	2,441,317	2,555,131	2,660,245	2,724,647	2,782,900	2,864,099	2,950,379	3,005,846
Acquisition of Property ²	1,322,310	1,385,597	1,422,328	1,401,637	1,433,875	1,541,099	1,570,627	1,572,533	1,606,959
Durable Consumer Goods	271,743	276,810	289,700	400,989	413,877	342,271	349,188	364,039	364,923
Other Personal Loans	780,694	778,910	843,103	857,619	876,895	899,530	944,284	1,013,807	1,033,964
TOTAL	5,424,306	5,532,533	5,701,036	5,898,557	5,956,165	6,130,547	6,308,369	6,452,778	6,583,274
% of Long Term Loans to Total Loans & Advances	50.77	49.23	48.25	49.11	49.73	51.13	51.39	52.33	53.47

Source: Eastern Caribbean Central Bank
¹ Includes Mining & Quarrying
Data as at July 11, 2000

² Includes House & Land Purchase and Home Construction

Table 49
Comparative Treasury Bills Monthly Discount Rates

Period Ended	USA ¹	UK ¹	Barbados ²	Jamaica ³	Trinidad ²	Guyana ²	
1986	5.49	10.68	4.34	15.93	4.42	12.75	
1987	5.80	8.19	4.99	19.61	4.74	10.36	
1988	8.09	12.55	4.71	18.03	7.13	11.00	
1989	8.11	13.28	4.90	19.10	7.13	15.20	
1990	7.51	14.09	7.07	26.21	7.50	30.00	
1991	5.41	10.85	9.34	25.56	7.67	30.90	
1992	3.46	8.94	10.88	34.36	9.26	22.57	
1993	3.02	5.25	5.44	28.25	9.45	16.80	
1994	4.27	5.15	7.26	42.98	10.00	17.70	
1995	Qtr. 1	5.78	6.06	7.88	25.01	6.82	18.70
	Qtr. 2	5.62	6.29	7.95	22.79	8.39	18.30
	Qtr. 3	5.38	6.58	7.99	25.22	9.24	17.20
	Qtr. 4	5.27	6.41	8.21	37.57	9.18	15.80
1996	Qtr. 1	4.95	5.95	8.24	42.35	9.76	13.20
	Qtr. 2	5.04	5.73	7.25	42.75	10.69	12.10
	Qtr. 3	5.14	5.52	6.12	38.10	10.22	10.20
	Qtr. 4	5.01	5.88	5.79	28.60	11.11	9.80
1997	Qtr. 1	5.06	5.91	5.24	22.25	9.87	9.60
	Qtr. 2	5.07	6.20	3.85	16.97	9.01	9.90
	Qtr. 3	5.06	6.76	1.66	18.32	9.75	8.60
	Qtr. 4	5.09	7.02	3.67	27.03	10.68	8.40
1998	Mar.	5.03	6.95	5.61	27.99	11.89	8.10
	Jun.	4.99	7.29	5.65	26.28	11.93	8.20
	Sep.	4.74	6.94	5.57	22.64	11.93	8.50
	Dec.	4.42	5.72	5.70	23.52	11.88	8.80
1999	Jan.	4.34	5.28	5.74	22.62	11.57	10.50
	Feb.	4.45	5.04	5.70	21.85	10.81	10.40
	Mar.	4.48	4.92	5.67	21.67	10.66	13.00
	Apr.	4.28	4.90	5.65	21.75	10.57	12.40
	May	4.51	4.93	5.65	21.32	10.32	12.10
	Jun.	4.59	4.76	5.90	20.42	10.07	11.90
	Jul.	4.60	4.76	5.97	20.04	10.11	11.10
	Aug.	4.76	4.84	5.93	20.63	10.23	10.40
	Sep.	4.73	5.07	5.87	19.21	10.17	11.20
	Oct.	4.88	5.25	5.88	19.19	10.05	11.00
	Nov.	5.07	5.21	5.88	19.64	n.a.	10.80
	Dec.	5.23	5.49	6.05	20.61	n.a.	11.10
2000	Jan.	5.34	5.72	n.a.	20.54	n.a.	10.70
	Feb.	5.57	5.83	n.a.	20.05	n.a.	10.70
	Mar.	5.72	8.86	n.a.	17.76	n.a.	n.a.

Source: IMF - International Monetary Fund

¹ Arithmetic average of daily market yields

² Average tender rate for three months

³ Average yield of bills issued during the month with maturities closest to 180 days

Data as at July 11, 2000