



CENTRAL BANK  
*of* BELIZE



## MONTHLY ECONOMIC HIGHLIGHTS

DECEMBER 2016

# List of Acronyms and Abbreviations

## **Acronyms:**

BCB	British Caribbean Bank
BEL	Belize Electricity Limited
BGA	Banana Growers Association
BSI	Belize Sugar Industries Limited
BSSB	Belize Social Security Board
BTB	Belize Tourism Board
BTL	Belize Telemedia Limited
BSWL	Belize Water Services Limited
CBB	Central Bank of Belize
CDB	Caribbean Development Bank
CGA	Citrus Growers Association
CPBL	Citrus Products of Belize Limited
CPI	Consumer Price Index
EU	European Union
FY	Fiscal Year
GDP	Gross Domestic Product
IDB	Inter-American Development Bank
MOF	Ministry of Finance
SIB	Statistical Institute of Belize
UHS	Universal Health Services
US	United States
VPCA	Venezuelan Petrocaribe Agreement

## **Abbreviations and Conventions:**

\$	refers to the Belize dollar unless otherwise stated
bn	denotes billion
mn	denotes million
ps	pound solids
TC/TS	Tons Cane to Tons Sugar

## **Notes:**

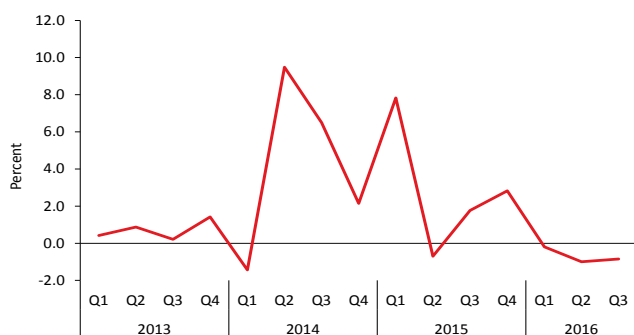
1. Since May of 1976, the Belize dollar has been fixed to the US dollar at the rate of US\$1.00 = BZ\$2.00.
2. The 2016 figures in this report are provisional and the figures for 2015 have been revised.
3. Unless otherwise indicated, the Central Bank of Belize is the source of all tables and charts.
4. Ratios to GDP for 2016 are based on Central Bank's forecast of annual GDP 2016.

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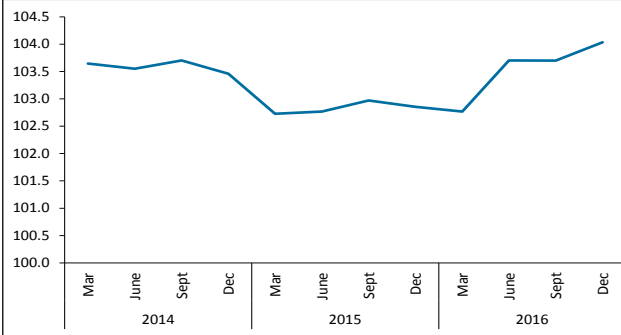
# Summary of Economic Indicators

**Chart I: Gross Domestic Product Growth Rate (Year-on-Year - Percentage Change)**



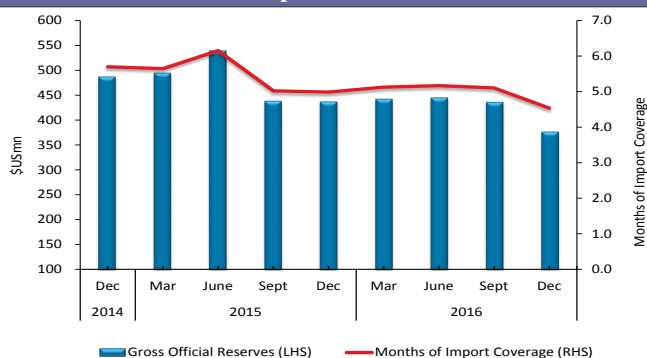
Source: SIB

**Chart II: Consumer Price Index (All Items)**

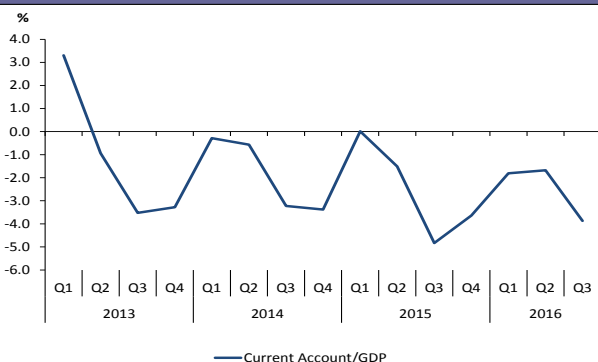


Source: SIB

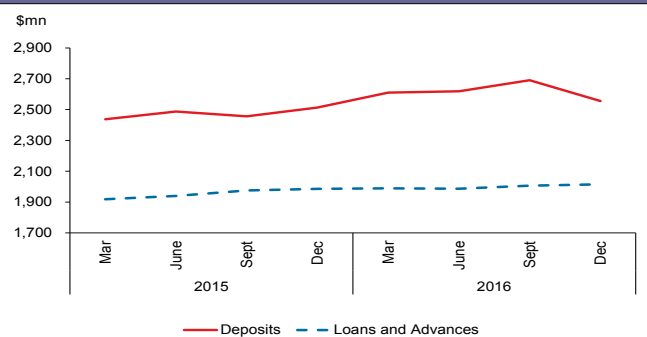
**Chart III: Gross International Reserves and Import Cover**



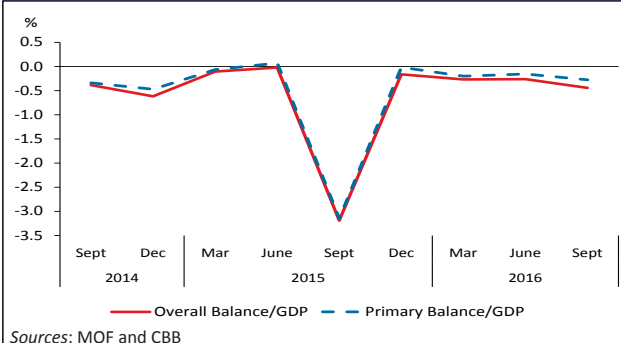
**Chart IV: Current Account Balance to GDP**



**Chart V: Domestic Banks - Deposits and Loans and Advances**

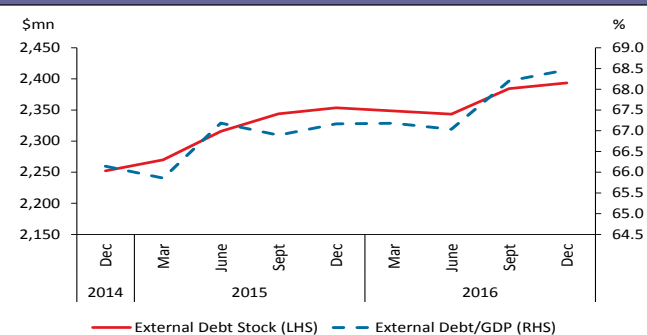


**Chart VI: Primary and Overall Balances to GDP**

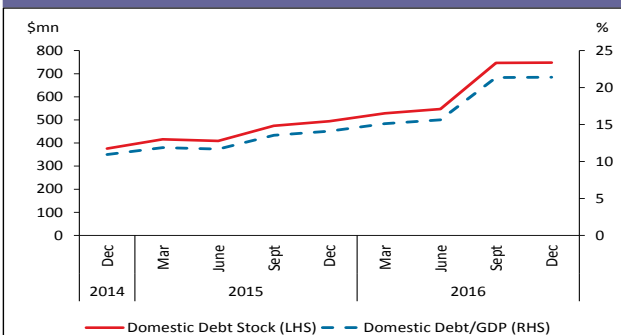


Sources: MOF and CBB

**Chart VII: Public Sector External Debt**



**Chart VIII: Central Government Domestic Debt**



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## Overview

- The broad money supply (M2) rose by 2.8% in 2016, reflecting an upswing in net domestic credit of \$250.2mn, as the net foreign assets of the banking system contracted by \$164.1mn.
- The Central Bank's net foreign assets increased by \$7.8mn in December but was down by \$122.9mn for the entire year. Annual inflows of \$435.7mn were exceeded by outflows of \$558.9mn, which were mainly for external debt servicing and to cover payments for the Belize Telemedia Limited (BTL) acquisition.
- Following a similar trend, the net foreign assets of the domestic banks rose by \$13.8mn in December and fell by \$41.2mn over the 12-month period due to lower earnings from domestic export commodities and the purchase of the local branch of First Caribbean International Bank.
- Net domestic credit ballooned in 2016 due to net lending of \$218.2mn to Central Government to cover the first half of the BTL acquisition costs and budgetary support. Loans to the private sector expanded by \$3.3mn in December and by \$31.7mn over the year taking into account loan write-offs of \$52.8mn. Lending for the year by the five largest credit unions rose by \$49.0mn, up from \$35.1mn in the previous year.
- At the end of the year, the domestic banks' holdings of statutory liquid assets were 72.2% above the required level, while their excess cash reserves were almost double the legal requirement.
- During 2016, the 12-month (rolling) weighted average interest rate on new loans and deposits dipped by 18 basis points and by five basis points to 9.42% and 1.79%, respectively. As a result, the weighted average interest rate spread fell by 13 basis points to 7.63%.
- At the end of 2016, the public sector debt stood at 92.3% of GDP, having grown by 10.3% over the year. The largest increase was in the domestic debt, which rose by \$253.3mn to \$747.8mn (22.0% of GDP) mainly due to the issuance of \$270.0mn in new securities. Concurrently, the public sector external debt rose by \$40.0mn to 70.3% of GDP.
- Revenues from domestic commodity exports fell by 26.6% to \$379.3mn, with lower earnings recorded for all the major export categories. Gross imports (including electricity) also contracted by 5.1% to \$1,994.5mn with reductions in all categories of goods except *"Food, Beverages and Tobacco"*, *"Manufactured Goods"* and *"Machinery and Transport Equipment"*.
- In 2016, the average annual inflation rate was 0.7%, compared to the 0.9% deflation recorded in 2015.

## Money and Credit

- The broad money supply (M2) expanded by 2.8% in 2016, with a \$248.3mn increase in net domestic credit outweighing a \$164.1mn contraction in the net foreign assets of the banking system.
- The Central Bank's net foreign assets grew by \$7.8mn in December but registered an overall decline of \$122.9mn for the year mainly due to the payments in July and October for the BTL settlement and external debt servicing, inclusive of the bi-annual interest payments on the 2038 bond. Foreign currency inflows to the Bank were lower as a result of decreases in external loan disbursements and sugar export receipts of \$32.0mn and \$20.3mn, respectively.
- The domestic banks also recorded a \$13.8mn increase in December but an overall annual contraction of \$41.2mn in their net foreign asset holdings mainly due to the sizeable payment for the acquisition of the local branch of First Caribbean International Bank (FCIB), the marked drop in export earnings and disruptions in cross border flows due to correspondent banking issues.
- The strong growth in net domestic credit was dominated by Central Government, which recorded a \$218.2mn expansion in net borrowing to accommodate the settlement payments for BTL and other budgetary outlays. Financing came mostly through the issuance of \$270.0mn in new securities. Over the course of the year, the domestic banks and the Central Bank increased their holdings by \$79.5mn and \$140.2mn, respectively. Central Government also drew down its deposits by

Chart 1.1: Net Foreign Assets and Net Domestic Credit

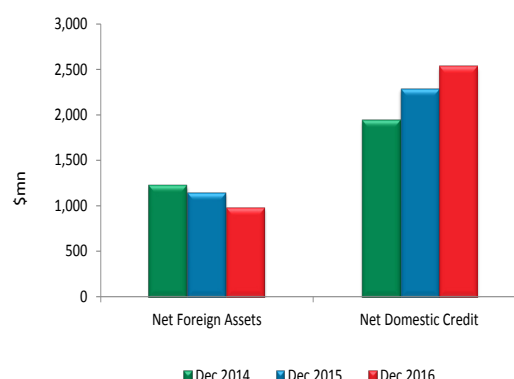
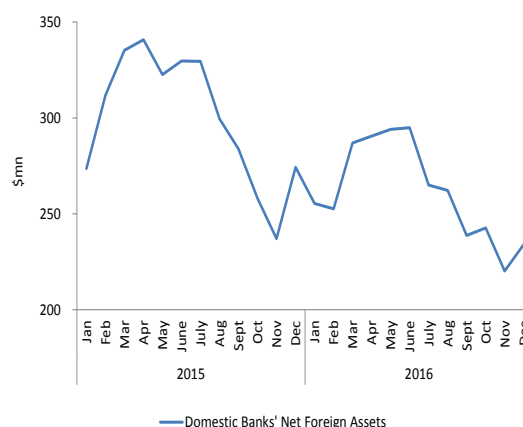


Table 1.1: Central Bank's Foreign Asset Flows

	\$mn	
	Jan-Dec 2015	Jan-Dec 2016
Total Inflows	461.5	435.7
Loan Disbursements	162.0	130.8
Sugar Receipts	74.6	54.3
Banks	125.6	176.2
Other	99.3	75.1
Total Outflows	568.9	558.9
Central Government	425.9	398.8
Banks	76.8	117.1
Other	66.2	43.0

Chart 1.2: Domestic Banks' Net Foreign Assets



\$13.7mn and reduced its overdraft facility at the Central Bank by \$15.5mn to \$48.2mn (58.3% of the legal threshold).

- Credit to the private sector was up by \$3.3mn in December and by \$31.7mn for the year. Disbursements were mainly for tourism-related activities (\$34.5mn), marine production (\$5.6mn), transportation (\$6.1mn) and personal loans (\$4.9mn). Loan write-offs summed to \$52.8mn, compared to \$32.7mn in 2015.
- Lending by the five largest credit unions rose by \$49.0mn, compared to a \$35.1mn increase in 2015, with disbursements targeting personal (\$26.6mn), residential construction (\$4.8mn), home improvement (\$4.7mn) and real estate (\$4.9mn) loans.
- Excess holdings of statutory liquid assets expanded by \$43.3mn in December, reflecting a contraction in required holdings of \$22.3mn following the removal of the local currency portion of the BTL settlement payment from deposits, while actual holdings rose by \$21.0mn partly due to the inclusion of Treasury notes that were nearing maturity. Holdings of excess cash reserves rose by \$37.7mn, reflecting a contraction in required reserves of \$8.3mn, while average cash holdings rose by \$29.4mn with the surrender of Treasury bills accounting for 68.0% of the latter's expansion.
- Over the year, the banks purchased some \$77.8mn worth of long-term Treasury notes, which contributed to a \$9.7mn dip in their holdings of excess statutory liquid assets. At \$443.7mn, the excess was still a substantial 72.3% above the required level. Excess cash reserves also declined by \$19.6mn to

Chart 1.3: Net Change in Lending by Domestic Banks

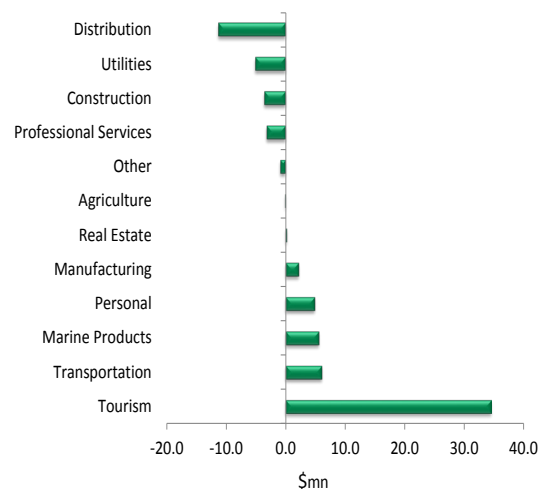


Chart 1.4: Net Change in Lending by Credit Unions

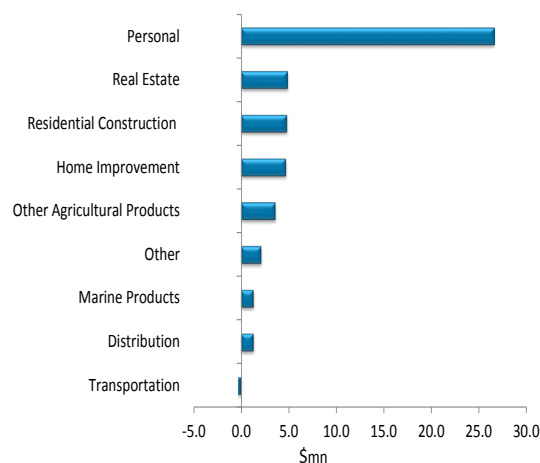
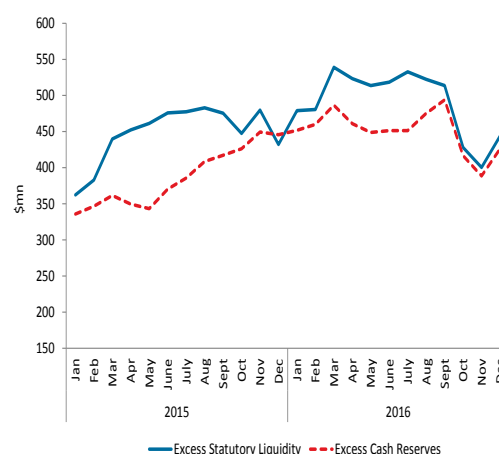


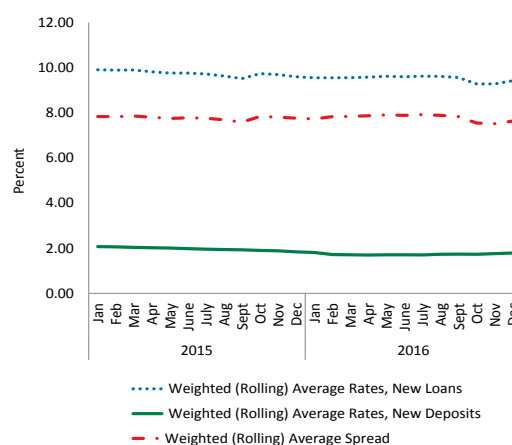
Chart 1.5: Excess Statutory Liquidity



\$426.1mn, which was still almost double the legal requirement of \$226.8mn.

- In December, the 12-month (rolling) weighted average interest rate on new loans rose by 14 basis to 9.42% points. The latter was still 18 basis points below the rate in December 2015 and reflected reductions in rates on loans for personal, commercial and other miscellaneous purposes of nine, 40 and 25 basis points, as rates on residential construction loans rose by 21 basis points.
- The corresponding 12-month (rolling) weighted average interest rate on new deposits rose by three basis points in December to 1.79% but was lower than the December 2015 rate of 1.84%. Rates offered for savings/chequing and time deposits fell by 48 and six basis points, respectively. These were partly offset by a 34 basis-point increase in rates on savings deposits. The weighted average interest rate spread, consequently, narrowed by 13 basis points to 7.63%.

Chart 1.6: Domestic Banks' Weighted (Rolling) Average Interest Rates on New Loans and Deposits





## Real Sector Developments

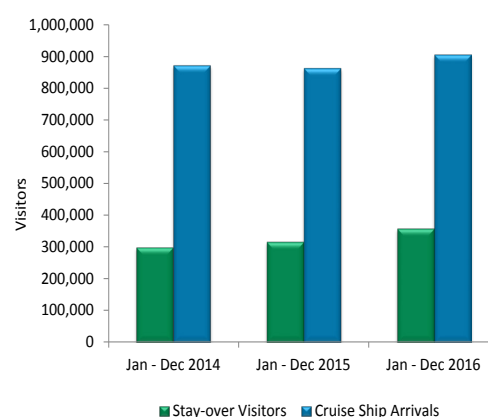
- Except for sugarcane and molasses, production of the major commodity exports fell in 2016.
- Annual stay-over visitor arrivals increased by 13.2% to 356,550, driven by a 16.7% surge in air arrivals that reflected increased air-lift capacity, lower international air fares and sustained marketing efforts. Cruise ship port calls fell by two to 323 ships, which included 17 dockings at Harvest Caye. Disembarkations were up by 4.9% to 904,855 because the visiting ships were larger and carried more passengers.
- The Consumer Price Index (CPI) declined by 0.2% in December but, on average, was 0.7% higher in 2016 relative to the previous year. During the year, there were modest price increases for items in the “*Clothing and Footwear*”, “*Housing, Water, Electricity, Gas and Other Fuels*” and “*Health*” categories.
- Export receipts contracted by 26.6% to \$379.3mn, with across-the-board declines in the major exports. Marine, sugar, banana and petroleum earnings recorded double-digit declines of \$46.8mn, \$31.1mn, \$28.8mn and \$13.7mn, respectively.
- Gross imports (including electricity) declined by 5.1% to \$1,994.5mn, as decreases in “*Fuels, Lubricants and Crude Materials*” (\$51.5mn), “*Export Processing Zones*” (\$47.4mn) and “*Commercial Free Zone*” (\$34.8mn) outweighed increased purchases of “*Machinery, Transport and Equipment*” (\$29.2mn), “*Manufactured Goods and Other Manufactures*” (\$8.8mn) and “*Food, Beverages and Tobacco*” (\$8.4mn).

Table 2.1: Production of Main Domestic Exports

	Jan - Dec 2015	Jan - Dec 2016
Sugarcane Deliveries (long tons)	1,300,657	1,467,153
Sugar (long tons)	151,795	145,534
Molasses (long tons)	40,615	46,658
Bananas (metric tons)	98,842	70,662
Citrus Deliveries (boxes)	4,510,065	3,425,561
Citrus Juices ('000 ps)	27,710	20,447
Papaya ('000 lbs)	30,741	7,500
Marine Exports ('000 lbs)	11,661	3,409
Petroleum (barrels)	528,209	449,249

Sources: BSI, Santander, BGA, CPBL, Geology & Petroleum Department

Chart 2.1: Tourist Arrivals



Sources: BTB and CBB

Table 2.2: Main Domestic Exports

	Jan - Dec 2015	Jan - Dec 2016
Sugar	134.1	103.0
Molasses	7.1	7.0
Bananas	98.4	69.5
Citrus	69.3	67.1
Petroleum	36.1	22.3
Other Domestic Exports	83.5	69.1
Of which: Papaya	13.0	3.9
Marine Exports	88.0	41.3
Total	516.5	379.3

Sources: BSI, Santander, BGA, CPBL, SIB, Geology and Petroleum Department

## Sugarcane and Sugar

- In the North, the 2016/2017 crop year began on schedule, as the factory commenced operations on 5 December with the aim of producing 130,900 long tons of sugar from 1.31mn long tons of sugarcane within a 28-week period.
- The initial estimate for the average price per long ton of sugarcane to be paid to farmers was \$49.47, which represented a \$4.22 increase over the average final price of the 2015/2016 crop. This uptick reflected the expectation that world consumption will exceed sugar production for the second consecutive year and cause a modest rally in the world market price for raw sugar.
- Deliveries for December totalled 145,339 long tons, which was 9.1% higher than the amount delivered in the same period of the previous year. Sugar production increased by 13.6% to 13,342 long tons, boosted by a 2.4% improvement in cane purity and an average cane to sugar ratio of 10.52. Molasses production rose by 6.0% to 3,232 long tons.
- The annual volume of sugar exports dipped by 0.8% to 124,405 long tons, while receipts contracted by 23.2% to \$103.0mn due to further erosion of prices on the EU market, where 96.2% of the sugar was sold.

## Citrus

- The start of the 2016/2017 citrus crop was delayed by nearly one month in the wake of Hurricane Earl. Between late November and December, the factory accepted fruit deliveries for only seven days due to the pound solid content being below the desired level of total

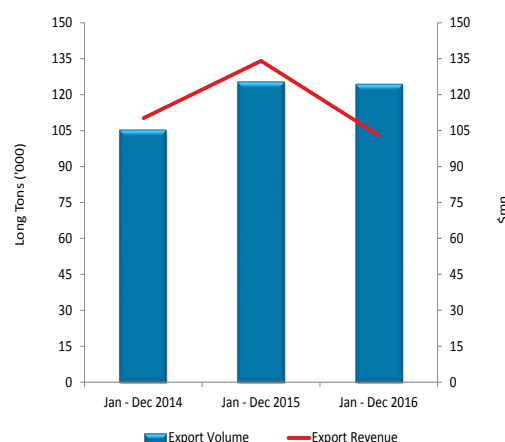
Table 2.3: Gross Imports by Standard International Trade Classification<sup>(1)</sup>

	\$mn		
	Jan - Dec 2014	Jan - Dec 2015	Jan - Dec 2016
Food, Beverages and Tobacco	280.4	277.7	286.1
Fuels, Lubricants and Crude Materials	374.3	301.0	249.5
Of which: Electricity	41.9	42.6	24.5
Oils, Fats and Chemicals	187.0	204.3	186.7
Manufactured Goods and Other Manufactures	368.3	409.2	418.0
Machinery, Transport and Equipment	390.7	469.8	499.0
Other Goods	7.1	6.7	4.5
Export Processing Zones	219.3	115.8	68.5
Commercial Free Zone	223.0	317.1	282.4
Total	2,050.1	2,101.6	1,994.5

Sources: SIB and CBB

<sup>(1)</sup> Imports are valued at cost, insurance and freight.

Chart 2.2: Sugar Exports

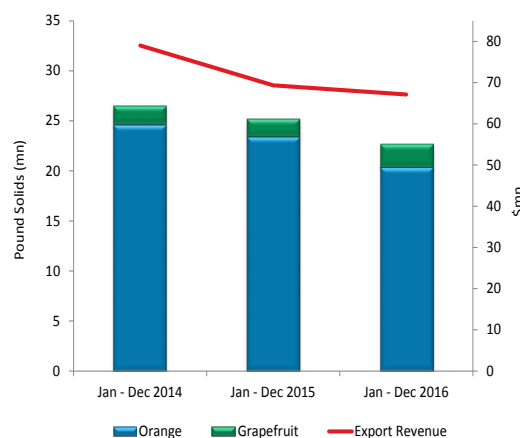


Sources: BSI and Santander

soluble solids or Degree Brix. Consequently, fruit deliveries declined by 78.0% to 54,176 boxes, all of which were grapefruit.

- When factoring in a 4.5% decrease in the average juice outturn per box of fruit, citrus juice production fell by 79.0% to 222,972 pound solids (ps) and consisted of only grapefruit concentrate juice.
- Annual exports of citrus juices contracted by 9.7% to 22.7mn ps, and receipts fell by a smaller margin of 3.2% to \$66.8mn, ameliorated by an upturn in orange concentrate prices since prices for grapefruit juices fell. The volume of orange concentrate sales to the US fell by 26.4%, while shipments to the Caribbean and Europe rose by 1.2% and 3.6%, respectively.
- Meanwhile, lower harvests by major citrus producers (Brazil, Mexico, & US) underpinned a 17.8% increase in the average price for orange concentrate in the US to \$2.59 per ps. In contrast, average prices received for sales to the Caribbean and Europe dipped by 0.2% and 5.3% to \$3.28 per ps and \$2.72 per ps, respectively.

Chart 2.3: Citrus Juice Export Volume and Revenue

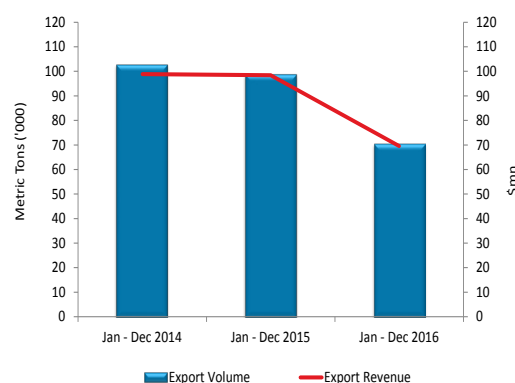


Source: CPBL

## Banana

- Annual exports of banana contracted by 28.5% to 70,662 metric tons, while earnings shrank by 29.3% to \$69.5mn. The sharp downturn in export volume was attributable to the closure of the Meridian Group of banana farms due to US sanctions, losses from flooding that occurred in late 2015 and damages sustained from Hurricane Earl in August 2016.

Chart 2.4: Banana Exports

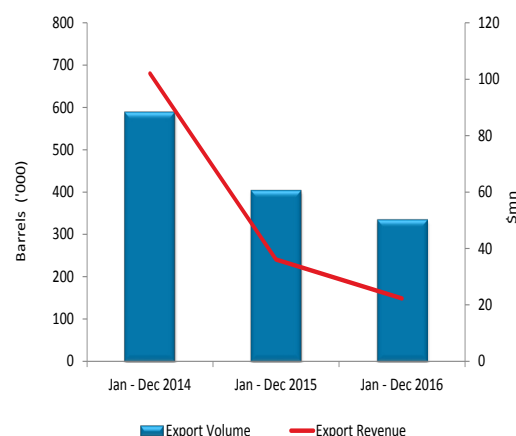


Source: BGA

## Petroleum

- The annual volume of oil production declined by 14.9% to 449,249 barrels, as the average daily extraction rate decreased by 15.2% to 1,227.5 barrels per day, compared to that of 2015. Operations were confined to the Spanish Lookout field, since low production and weak international prices made the Never Delay field uneconomical to operate.
- With no shipments in December, crude oil exports for 2016 contracted by 17.1% to 335,183 barrels when compared to 2015. Earnings declined by 38.1% to \$22.3mn, as the fall in export volume was exacerbated by a 25.3% drop in the average export price to US\$33.29 per barrel.

Chart 2.5: Petroleum Exports

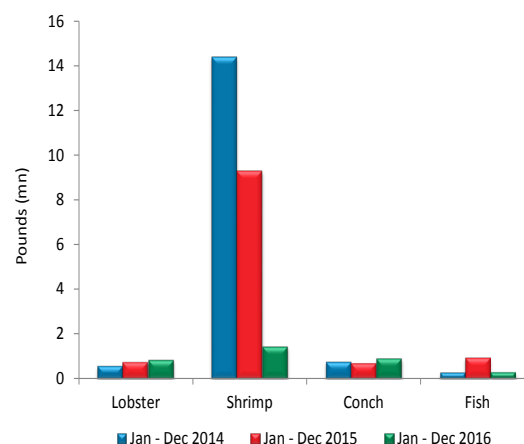


Source: Geology and Petroleum Department

## Marine

- Exports of marine products fell by 70.8% to 3.4mn pounds over the year, as an 84.8% plunge in farmed shrimp exports outweighed modest increases in lobster (10.9%) and conch (27.6%) sales. The fall in export receipts was smaller at 53.1% due to more favourable prices for shrimp, conch and fish.
- Following major losses in 2015 from the Early Mortality Syndrome (EMS), shrimp farms virtually halted production during 2016, while test trials were conducted with new bacteria-resistant genetic material from July through to December. Commercial restocking is expected to take place in the first quarter of 2017, following the favourable results from these trials.

Chart 2.6: Marine Export Volumes



Sources: SIB and CBB

## Other Domestic Exports

- Revenue from other domestic exports fell by 17.3% to \$69.1mn, as lower receipts from

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papaya (\$9.1mn), red kidney beans (\$2.4mn) and orange oil (\$2.0mn) outweighed modest increases in earnings from animal feed (\$0.8mn), pepper sauce (\$0.8mn) and pulp cells (\$0.5mn).

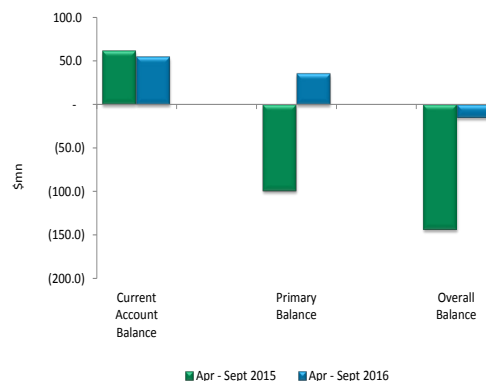
## Central Government Operations

**Information on Central Government's operations for the fourth quarter of 2016 has not yet been made available.**

### Central Government Domestic Debt

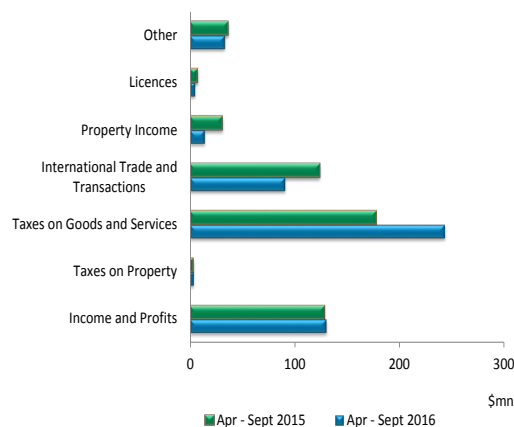
- In 2016, Central Government's domestic debt ballooned by 51.2% to \$747.8mn to meet payments associated with the BTL settlement, interest on the 2038 bond and other budgetary commitments. The bulk of funding came from new securities totalling \$270.0mn, which consisted of \$15.0mn worth of Treasury bills issued in July and \$255.0mn in Treasury notes. The latter included the issuance of \$20.0mn each in February and March, \$185.0mn in July and a further \$30.0mn in December. In addition, work valuing \$0.4mn was incurred from Fort Street Tourism Village for dredging the mouth of the Belize River. Consequently, the domestic debt rose from 14.2% of GDP in 2015 to 22.0% of GDP over the year, while its share of total public sector debt increased from 17.4% to 23.8%.
- Over the year, amortization payments to domestic banks, the Fort Street Tourism Village, Debt for Nature Swap and the Belize Social Security Board amounted to \$1.6mn.
- At the end of December, the share of domestic debt held by the Central Bank fell from 49.7% to 49.6%, with the sale of \$141.5mn worth of Treasury notes on the secondary market and a \$15.5mn decline in the overdraft facility. The share held by the domestic banks remained on par with the previous year (30.9%), while the share held by non-bank entities edged up from 19.4% to 19.5%.

Chart 3.1: Central Government Operations



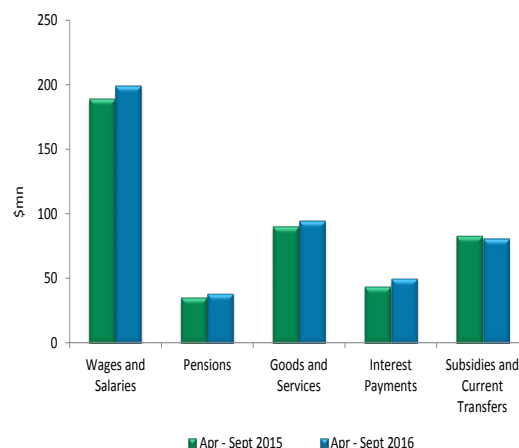
Sources: MOF and CBB estimates

Chart 3.2: Central Government Current Revenue



Sources: MOF and CBB estimates

Chart 3.3: Central Government Current Expenditure



Sources: MOF and CBB estimates

- Interest payments totalled \$16.8mn, with \$11.2mn paid to the Central Bank on the overdraft facility and on its holdings of government securities, while non-bank entities and domestic banks received \$3.9mn and \$1.7mn, respectively.

### Public Sector External Debt

- The public sector external debt rose by 1.7% (\$40.0mn) to \$2,393.52mn during the year to 70.3% of GDP.
- Loan disbursements totalled \$128.7mn, of which Central Government received \$121.5mn mainly from bilateral sources (\$61.4mn) and the Caribbean Development Bank (CDB). In addition, the Development Finance Corporation (DFC) obtained \$5.0mn, and \$2.2mn went to non-financial public entities.
- Central Government amortized \$82.9mn, of which \$45.7mn was paid to multilateral creditors and \$37.2mn to bilateral lenders, particularly the Republic of China (ROC) and the Government of Venezuela.
- Loan repayments by the non-financial public sector amounted to \$3.0mn, while the financial public sector repaid \$0.8mn.
- Interest and other payments totalled \$82.7mn, of which \$52.7mn went to the 2038 bond holders. Multilateral lenders were paid \$18.1mn, and \$11.9mn went to bilateral creditors.

Chart 3.4: Central Government Domestic Debt

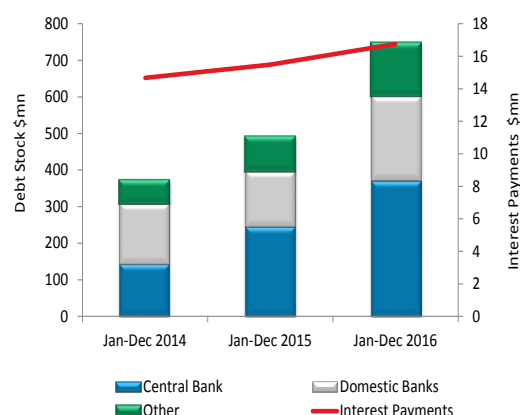


Chart 3.5: External Debt Service

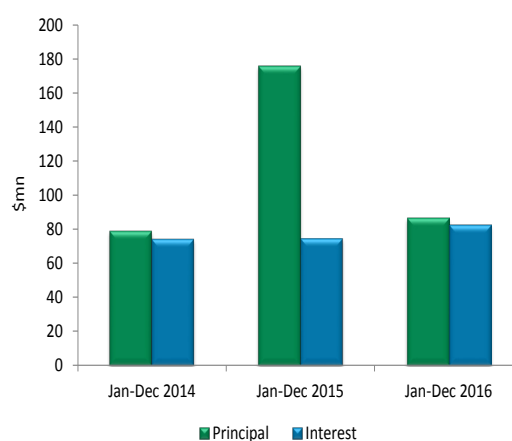
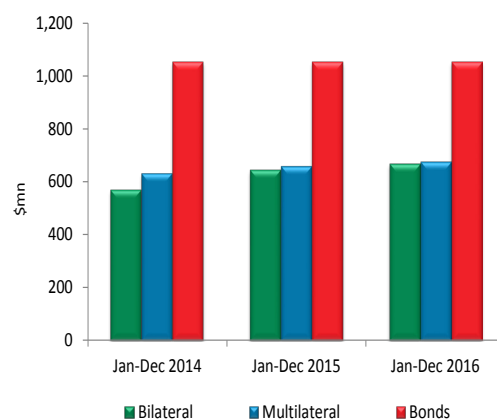


Chart 3.6: Public Sector External Debt



## Statistical Appendix

Table A.1: Factors Responsible for Money Supply Movements<sup>(1)</sup>

	\$mn			
	Position as at Dec 2016	Nov 2016 to Dec 2016	Dec 2015 to Dec 2016	Dec 2014 to Dec 2015
Net Foreign Assets	986.0	21.6	-164.1	-80.0
Central Bank	752.0	7.8	-122.9	-107.2
Domestic Banks	234.0	13.8	-41.2	27.2
Net Domestic Credit	2,533.9	-8.3	248.3	345.8
Central Government (Net)	514.6	-11.0	218.2	293.3
Other Public Sector	8.4	-0.6	-1.6	-6.3
Private Sector	2,010.9	3.3	31.7	58.8
Central Bank Foreign Liabilities (Long-term)	48.1	-0.3	-1.5	-2.3
Other Items (Net)	517.4	3.7	5.1	66.3
Money Supply (M2)	2,954.4	9.9	80.6	201.8

<sup>(1)</sup> Transactions associated with the Universal Health Services (UHS) loan with the Belize Bank Limited are not included in this table, as this matter is under litigation.

Table A.2: Net Foreign Assets of the Banking System

	\$mn			
	Position as at Dec 2016	Nov 2016 to Dec 2016	Dec 2015 to Dec 2016	Dec 2014 to Dec 2015
Net Foreign Assets of the Banking System	986.0	21.6	-164.1	-80.0
Net Foreign Assets of the Central Bank	752.0	7.8	-122.9	-107.2
Central Bank Foreign Assets	759.2	7.5	-123.3	-100.8
Central Bank Foreign Liabilities (Demand)	7.2	-0.3	-0.4	6.4
Net Foreign Assets of Domestic Banks	234.0	13.8	-41.2	27.2
Domestic Banks' Foreign Assets	247.1	5.2	-62.3	25.5
Domestic Banks' Foreign Liabilities (Short-Term)	13.1	-8.6	-21.1	-1.7



Table A.3: Net Domestic Credit

		\$mn		
		Changes During		
	Position as at Dec 2016	Nov 2016 to Dec 2016	Dec 2015 to Dec 2016	Dec 2014 to Dec 2015
Total Credit to Central Government	602.9	-12.0	204.5	87.8
From Central Bank	370.5	8.2	124.7	101.6
Loans and Advances	48.2	-29.3	-15.5	16.2
Government Securities <sup>(1)</sup>	322.3	37.5	140.2	85.4
From Domestic Banks	232.4	-20.2	79.8	-13.8
Loans and Advances	2.9	-0.2	0.3	-0.9
Government Securities	229.5	-20.0	79.5	-12.9
Of which: Treasury bills <sup>(2)</sup>	151.7	-20.0	1.7	-12.9
Treasury notes	77.8	0.0	77.8	0.0
Other	0.0	0.0	0.0	0.0
Less Central Government Deposits	88.3	-1.0	-13.7	-205.5
With Central Bank	60.7	-1.7	4.2	-209.5
With Domestic Banks	27.6	0.7	-17.9	4.0
Net Credit to Central Government	514.6	-11.0	218.2	293.3
Credit to Other Public Sector	8.4	-0.6	-1.6	-6.3
From Central Bank	0.0	0.0	0.0	0.0
From Domestic Banks	8.4	-0.6	-1.6	-6.3
Of which: Local Government	0.5	0.0	0.5	0.8
Public Financial Institutions	0.0	0.0	-4.1	-7.8
Public Utilities	1.1	-0.3	-2.7	-1.2
Other Statutory Bodies	4.1	-0.3	2.1	1.9
Securities	2.6	0.0	2.6	0.0
Plus Credit to the Private Sector	2,010.9	3.3	31.7	58.8
Loans and Advances	2,010.5	3.3	31.7	58.8
Securities	0.4	0.0	0.0	0.0
Net Domestic Credit of the Banking System <sup>(3)</sup>	2,533.9	-8.3	248.3	345.8

<sup>(1)</sup> Includes Central Bank's holdings of Government Treasury bills and Treasury notes.

<sup>(2)</sup> Treasury bill holdings reported by domestic banks reflect a mix of par and market values.

<sup>(3)</sup> Values may not equal to total due to rounding.

Table A.4: Sectoral Composition of Domestic Banks' Loans and Advances

		\$mn		
		Changes During		
	Position as at Dec 2016	Nov 2016 to Dec 2016	Dec 2015 to Dec 2016	Dec 2014 to Dec 2015
PRIMARY SECTOR	257.8	-2.8	5.8	-0.2
Agriculture	202.8	-2.1	-0.1	1.8
Sugar	72.4	-0.1	0.4	4.7
Citrus	12.2	0.1	-2.6	-0.9
Bananas	69.3	-0.5	-1.6	2.1
Other	49.0	-1.5	3.7	-4.1
Marine Products	36.2	-0.8	5.6	1.8
Forestry	1.0	0.2	0.3	-1.2
Mining and Exploration	17.8	-0.1	0.0	-2.6
SECONDARY SECTOR	623.2	-5.4	-6.5	59.1
Manufacturing	38.3	0.3	2.2	14.3
Building and Construction	574.5	-5.7	-3.6	52.7
Utilities	10.4	0.0	-5.1	-7.9
TERTIARY SECTOR	699.7	-2.7	25.1	6.6
Transport	54.6	-0.8	6.1	4.6
Tourism	130.5	1.5	34.5	0.1
Distribution	159.0	-5.5	-11.3	-13.4
Real Estate	293.4	6.1	0.2	15.1
Professional Services	48.8	-1.8	-3.2	4.6
Other <sup>(1)</sup>	13.4	-2.2	-1.2	-4.4
PERSONAL LOANS <sup>(2)</sup>	434.3	13.3	4.9	-12.8
TOTAL	2,015.0	2.4	29.3	52.7

<sup>(1)</sup> Includes government services, financial institutions and entertainment.

<sup>(2)</sup> Changes due to reclassification from personal loans mainly to building and construction.

Table A.5: Domestic Banks' Liquidity Position and Cash Reserves

		Changes During			\$mn
	Position as at Dec 2016	Nov 2016 to Dec 2016	Dec 2015 to Dec 2016	Dec 2014 to Dec 2015	
Holdings of Approved Liquid Assets	1,057.4	21.0	10.0	144.3	
Notes and Coins	75.4	-5.9	-1.7	5.7	
Balances with Central Bank	656.3	33.0	-10.7	124.5	
Money at Call and Foreign Balances (due 90 days)	138.0	2.4	-6.3	33.9	
Treasury bills maturing in not more than 90 days <sup>(1)</sup>	151.7	-20.0	1.7	-12.9	
Other Approved Assets	36.0	11.5	27.0	-6.9	
Of which: Treasury notes	26.3	9.3	26.3	0.0	
Required Liquid Assets	613.7	-22.3	19.7	29.8	
Excess/(Deficiency) Liquid Assets	443.7	43.3	-9.7	114.5	
Daily Average Holdings of Cash Reserves	652.9	29.4	-12.3	120.9	
Required Cash Reserves	226.8	-8.3	7.3	11.0	
Excess/(Deficiency) Cash Reserves	426.1	37.7	-19.6	109.9	
Actual Securities Balances <sup>(2)</sup>	151.7	-20.0	1.7	-12.9	
Excess/(Deficiency) Securities	151.7	-20.0	1.7	-12.9	

<sup>(1)</sup> Four week average of domestic banks' Treasury bill holdings.

<sup>(2)</sup> Face value of domestic banks' Treasury bill holdings at the end of the month.

Table A.6: Domestic Banks' Weighted Average Interest Rates

		Changes During			Percent
	Position as at Dec 2016	Nov 2016 to Dec 2016	Dec 2015 to Dec 2016	Dec 2014 to Dec 2015	
Weighted Lending Rates					
Personal Loans	11.63	0.03	0.03	-0.84	
Commercial Loans	9.51	-0.07	-0.51	-0.68	
Residential Construction	7.57	0.04	-0.39	-0.84	
Other	7.20	-0.07	-0.64	-0.64	
Weighted Average	9.66	-0.04	-0.37	-0.63	
Weighted Deposit Rates					
Demand	0.01	-0.01	-0.08	-0.19	
Savings/Chequing	0.62	-0.18	-1.94	-0.01	
Savings	2.40	0.04	0.01	0.04	
Time	2.20	0.01	-0.24	-0.27	
Weighted Average	1.28	0.01	-0.18	-0.27	
Weighted Average Spread	8.38	-0.05	-0.19	-0.36	

Table A.7: Domestic Banks' (Rolling) Weighted Average Interest Rates  
on New Loans and Deposits

				Percent	
	Twelve Month Rolling Averages at			Monthly Change Dec 2016 over Nov 2016	Annual Change Dec 2016 over Dec 2015
	Dec 2016	Nov 2016	Dec 2015		
Weighted Lending Rates					
Personal Loans	10.45	10.28	10.54	0.17	-0.09
Commercial Loans	9.47	9.33	9.87	0.14	-0.40
Residential Construction	6.99	7.01	6.78	-0.02	0.21
Other	6.44	6.43	6.69	0.01	-0.25
Weighted Average	9.42	9.28	9.60	0.14	-0.18
Weighted Deposit Rates					
Demand	0.03	0.03	0.03	0.00	0.00
Savings/Chequing	0.85	0.90	1.33	-0.05	-0.48
Savings	2.44	2.41	2.10	0.03	0.34
Time	1.92	1.92	1.98	0.00	-0.06
Weighted Average	1.79	1.76	1.84	0.03	-0.05
Weighted Average Spread	7.63	7.52	7.76	0.11	-0.13

Table A.8: Tourist Arrivals

	Jan - Dec 2015	Jan - Dec 2016
Air	225,748	298,455
Land	51,601	51,460
Sea	7,529	6,634
Stay-over Visitors	314,878	356,550
Cruise Ship Disembarkations	862,178	904,855

Sources: BTB and CBB

Table A.9: Percentage Change in the Consumer Price Index Components  
by Major Commodity Group

Major Commodity	Weights	Nov 2016	Dec 2016	Monthly <sup>(1)</sup> Change	Average <sup>(2)</sup> Annual Change
Food and Non-Alcoholic Beverages	195	106.3	105.6	-0.7	0.1
Alcoholic Beverages and Tobacco	17	100.7	100.8	0.1	0.3
Clothing and Footwear	83	98.7	98.7	0.0	2.0
Housing, Water, Electricity, Gas, and Other Fuels	265	103.0	102.9	0.0	0.6
Furnishing, Household Equipment, and Routine Household Maintenance	69	101.7	101.6	0.0	0.2
Health	41	113.7	113.7	0.0	2.3
Transport	136	105.6	105.5	-0.2	0.2
Communication	33	100.7	100.7	0.0	0.7
Recreation and Culture	69	107.0	107.0	-0.1	0.6
Education	32	103.5	103.5	0.0	0.7
Restaurants and Hotels	7	113.5	113.5	0.0	1.9
Miscellaneous Goods and Services	52	103.0	103.0	0.0	1.4
All Items	1,000	104.2	104.0	-0.2	0.7

Source: SIB

<sup>(1)</sup> Percent change in CPI for December 2016 over November 2016.

<sup>(2)</sup> Average CPI for January to December 2016 over January to December 2015.

Table A.10: Sugarcane Deliveries and Production of Sugar and Molasses

	Dec 2015	Dec 2016	Nov - Dec 2015/2016	Nov - Dec 2016/2017
Deliveries of Sugarcane (long tons)	133,230	145,339	133,230	145,339
Sugar Processed (long tons)	11,744	13,342	11,744	13,342
Molasses Processed (long tons)	3,048	3,232	3,048	3,232
Performance				
Factory Time Efficiency (%)	92.32	95.99	92.32	95.99
Cane Purity (%)	82.85	84.80	82.85	84.80
Cane/Sugar	11.60	10.52	11.60	10.52

Source: BSI and Santander

Table A.11: Exports of Sugar and Molasses

	Dec 2015		Dec 2016		Jan - Dec 2015		Jan - Dec 2016	
	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)	Volume (long tons)	Value (\$'000)
Sugar	361	356	381	422	125,391	134,098	124,405	102,976
E.U.	361	356	381	422	97,168	103,580	119,710	97,778
USA	0	0	0	0	24,563	26,598	2,411	2,555
Caricom	0	0	0	0	3,592	3,817	2,239	2,575
Other	0	0	0	0	67	102	45	68
Molasses	0	0	0	0	28,588	7,125	30,551	6,970

Source: BSI and Santander

Table A.12: Citrus Deliveries and Production

	Dec 2015	Dec 2016	Oct - Dec 2015/2016	Oct - Dec 2016/2017
Deliveries (boxes)				
Orange	8,332	0	57,454	0
Grapefruit	52,138	47,611	188,913	54,176
Total	60,470	47,611	246,367	54,176
Concentrate Produced (ps)				
Orange	78,348	0	296,004	0
Grapefruit	232,411	195,335	765,435	222,972
Total	310,759	195,335	1,061,439	222,972
Not from concentrate (ps)				
Orange	0	0	0	0
Grapefruit	0	0	0	0
Total	0	0	0	0
Pulp (pounds)				
Orange	0	0	0	0
Grapefruit	0	0	0	0
Total	0	0	0	0
Oil Produced (pounds)				
Orange	2,800	0	10,400	0
Grapefruit	4,800	9,200	18,400	10,400
Total	7,600	9,200	28,800	10,400

Source: CPBL

Table A.13: Export Sales of Citrus Products

	Dec 2015		Dec 2016		Jan - Dec 2015		Jan - Dec 2016	
	Pound Solids ('000)	Value (\$'000)	Pound Solids ('000)	Value (\$'000)	Pound Solids ('000)	Value (\$'000)	Pound Solids ('000)	Value (\$'000)
Citrus Concentrates								
U.S.A.								
Orange	592.6	1,642	0.0	0	12,212.8	26,852	8,982.6	23,261
Grapefruit	0.0	0	0.0	0	0.0	0	0.0	0
Caribbean								
Orange	669.0	2,162	664.4	2,265	7,725.4	25,355	7,818.2	25,614
Grapefruit	78.3	290	161.1	596	488.7	1,813	858.0	3,178
Europe								
Orange	0.0	0	104.5	281	3,307.4	9,496	3,427.0	9,313
Grapefruit	116.0	391	57.3	201	1,068.5	4,329	1,387.1	4,752
Other								
Orange	0.0	0	0.0	0	101.4	288	101.5	281
Grapefruit	0.0	0	0.0	0	221.8	832	120.2	380
Sub-Total <sup>(1)</sup>	1,455.9	4,485	987.3	3,344	25,125.9	68,965	22,694.5	66,780
Orange	1,261.6	3,804	768.9	2,546.5	23,347.0	61,991	20,329.2	58,469
Grapefruit	194.3	681	218.4	797.4	1,779.0	6,974	2,365.4	8,311
Not-From-Concentrate								
Sub-Total	6.8	36	7.1	40	65.2	362	58.8	336
Orange	6.1	31	5.2	28	53.0	284	47.7	266
Grapefruit	0.7	4	1.9	12	12.2	78	11.1	71
Total Citrus Juices	1,462.7	4,521	994.3	3,384	25,191.1	69,326	22,753.4	67,116
Pulp (pounds '000)								
Total <sup>(1)</sup>	0.0	0	54.3	42	3,086.3	2,348	3,238.1	2,463
Orange	0.0	0	4.2	4.7	2,980.3	2,267	3,046.9	2,320
Grapefruit	0.0	0	50	37	106.0	81	191.2	143

Source: CPBL

<sup>(1)</sup> Values may not be equal to total due to rounding.

Table A.14: Banana Exports

	Dec 2015	Dec 2016	Jan - Dec 2015	Jan - Dec 2016
Volume (metric tons)	5,756	5,160	98,842	70,662
Value (\$'000)	3,849	4,418	98,380	69,536

Source: BGA

Table A.15: Marine Exports

	Jan - Dec 2015		Jan - Dec 2016	
	Volume ('000 pounds)	Value (\$'000)	Volume ('000 pounds)	Value (\$'000)
Lobster	742	19,345	823	18,259
Shrimp	9,284	59,673	1,412	12,028
Conch	697	8,025	889	10,572
Other Fish	938	981	284	400
Total	11,661	88,024	3,409	41,260

Source: SIB

Table A.16: Other Domestic Exports

	Jan - Dec 2015	Jan - Dec 2016
Other Miscellaneous Exports (\$'000)	83,474	69,076
<i>Of which:</i>		
<b><u>Papaya</u></b>		
Volume ('000 pounds)	30,741	7,500
Value (\$'000)	13,037	3,922

Source: SIB

Table A.17: Petroleum Production and Exports

	Dec 2015	Dec 2016	Jan - Dec 2015	Jan - Dec 2016
<b>Crude Oil Production</b>				
Never Delay (Barrels)	0	0	468	0
Spanish Lookout (Barrels)	41,788	34,907	527,741	449,249
<b>Crude Oil Export</b>				
Volume (Barrels)	0	0	404,490	335,183
Value (\$'000)	0	0	36,066	22,317

Source: Petroleum and Geology Department



Table A.18: Central Government Revenue and Expenditure

		\$'000				
	Approved Budget 2016/2017	Jan 2015 to Sept 2015	Jan 2016 to Sept 2016	Apr 2015 to Sept 2015	Apr 2016 to Sept 2016 <sup>p</sup>	Fiscal YTD as % of Budget
TOTAL REVENUE & GRANTS (1+2+3)	1,088,540	792,602	786,040	522,595	537,601	49.4%
1). Current Revenue	1,041,042	771,632	764,897	504,176	518,541	49.8%
Tax Revenue	936,597	671,880	690,035	430,704	466,667	49.8%
Income and Profits	256,051	202,889	197,361	127,672	129,911	50.7%
Taxes on Property	5,682	4,636	5,431	2,846	3,459	60.9%
Taxes on Goods and Services	366,187	271,016	334,980	176,879	242,689	66.3%
International Trade and Transactions	308,677	193,339	152,263	123,308	90,609	29.4%
Non-Tax Revenue	104,445	99,752	74,862	73,472	51,873	49.7%
Property Income	20,064	31,359	19,689	30,569	14,032	69.9%
Licences	12,646	10,931	9,422	6,825	4,676	37.0%
Other	71,735	57,462	45,751	36,079	33,165	46.2%
2). Capital Revenue	5,916	4,352	2,172	3,062	1,394	23.6%
3). Grants	41,581	16,617	18,971	15,358	17,666	42.5%
TOTAL EXPENDITURE (1+2)	1,151,104	998,974	850,603	665,742	552,506	48.0%
1). Current Expenditure	959,193	673,054	713,906	442,580	464,200	48.4%
Wages and Salaries	402,731	274,470	296,427	188,932	199,064	49.4%
Pensions	67,169	51,550	58,137	35,740	38,652	57.5%
Goods and Services	224,536	153,973	153,735	90,486	94,967	42.3%
Interest Payments on Public Debt	99,030	78,459	86,824	44,171	50,334	50.8%
Subsidies and Current Transfers	165,726	114,603	118,783	83,250	81,184	49.0%
2). Capital Expenditure	191,911	325,920	136,697	223,162	88,306	46.0%
Capital II (Local Sources)	93,432	84,756	71,347	48,500	47,292	50.6%
Capital III (Foreign Sources)	95,973	151,912	63,533	86,045	39,808	41.5%
Capital Transfer and Net Lending	2,507	89,252	1,816	88,617	1,206	48.1%
CURRENT BALANCE	81,849	98,578	50,991	61,596	54,340	66.4%
Primary Balance	36,465	(127,914)	22,261	(98,976)	35,429	97.2%
OVERALL BALANCE	(62,565)	(206,372)	(64,563)	(143,147)	(14,905)	23.8%
Primary Balance less grants	(5,115)	(144,531)	3,290	(114,333)	17,763	-347.2%
Overall Balance less grants	(104,146)	(222,989)	(83,533)	(158,504)	(32,571)	31.3%
FINANCING	62,565	206,372	64,563	143,147	14,905	
Domestic Financing		243,462	240,413	200,149	179,728	
Central Bank		233,627	77,073	201,697	42,314	
Net Borrowing		84,333	101,482	59,456	73,813	
Change in Deposits		149,294	(24,409)	142,241	(31,499)	
Commercial Banks		(18,909)	116,844	(8,892)	85,575	
Net Borrowing		(19,156)	103,867	(12,872)	92,138	
Change in Deposits		247	12,977	3,980	(6,563)	
Other Domestic Financing		28,744	46,496	7,343	51,839	
Financing Abroad		94,585	30,383	67,987	37,127	
Disbursements		146,837	90,233	103,010	79,104	
Amortization		(52,252)	(59,851)	(35,023)	(41,976)	
Nationalization of BEL		(70,221)	0	(70,221)	0	
Nationalization of BTL		(65,088)	(196,522)	(65,088)	(196,522)	
Other		3,634	(9,711)	10,320	(5,429)	

Sources: CBB and MOF

<sup>p</sup> - Provisional

Table A.19: Central Government Domestic Debt 2016<sup>(1)</sup>

\$'000

	Disbursed Outstanding Debt 31/12/15 <sup>R</sup>	TRANSACTIONS THROUGH DECEMBER 2016				Disbursed Outstanding Debt 30/12/16 <sup>P</sup>
		Disbursement/ New Issue of Securities	Amortization/ Reduction in Securities	Interest	Net Change in Overdraft/ Securities	
Overdraft/Loans	63,759	0	0	6,042	(15,538)	48,221
Central Bank	63,759	0	0	6,042	(15,538)	48,221
Domestic Banks	0	0	0	0	0	0
Treasury Bills	200,000	15,000	0	72	0	215,000
Central Bank	24,996	15,000	0	7	11,796	51,792
Domestic Banks	149,982	0	0	59	1,718	151,700
Other	25,022	0	0	5	(13,514)	11,508
Treasury Notes	225,000	255,000	0	10,326	0	480,000
Central Bank	157,026	255,000	0	5,107	(141,549)	270,477
Domestic Banks	0	0	0	1,430	77,825	77,825
Other	67,974	0	0	3,789	63,724	131,698
Atlantic Bank Limited	241	0	241	8	0	0
Heritage Bank Limited	2,374	0	642	210	0	1,732
Belize Social Security Board <sup>(2)</sup>	395	0	40	30	0	355
Fort Street Tourism Village	355	438	464	0	0	328
Debt for Nature Swap	2,320	0	173	65	0	2,147
<b>Total</b>	<b>494,445</b>	<b>270,438</b>	<b>1,560</b>	<b>16,754</b>	<b>(15,538)</b>	<b>747,784</b>

<sup>R</sup> - Revised<sup>P</sup> - Provisional

<sup>(1)</sup> Transactions associated with the Universal Health Services (UHS) loan with the Belize Bank Limited are not included in this table, as no action has been taken to enforce the claim.

<sup>(2)</sup> Government has outstanding loan with BSSB for Hopeville Housing Project.

Table A.20: Public Sector External Debt 2016

	TRANSACTIONS THROUGH DECEMBER 2016					\$'000
	Disbursed Outstanding Debt 31/12/15 <sup>R</sup>	Disbursements	Principal Payments	Interest & Other Payments	Parity Change	Disbursed Outstanding Debt 30/12/16 <sup>P</sup>
CENTRAL GOVERNMENT	2,272,784	121,480	82,903	81,616	-426	2,310,935
Government of Venezuela	373,269	41,390	10,373	2,740	0	404,286
Kuwait Fund for Arab Economic Development	19,300	0	1,904	3,922	-99	17,296
Republic of China	249,150	20,000	24,903	5,240	0	244,247
Caribbean Development Bank	227,870	37,609	17,250	6,745	0	248,228
Caricom Development Fund	2,398	0	589	90	0	1,810
European Economic Community	8,893	0	565	51	-257	8,071
Inter-American Development Bank	238,682	6,054	17,902	5,586	-0	226,835
International Fund for Agriculture Development	2,685	277	444	44	-70	2,446
International Bank for Reconstruction and Development	25,290	7,959	3,568	864	0	29,680
Opec Fund for International Development	47,925	8,192	4,339	2,252	-0	51,778
Central American Bank for Economic Integration	24,317	0	1,065	1,432	0	23,252
Bank of New York	1,053,004	0	0	52,650	0	1,053,004
NON-FINANCIAL PUBLIC SECTOR	16,499	2,227	3,033	578	4	15,697
Kuwait Fund for Arab Economic Development	658	0	662	17	4	0
Caribbean Development Bank <sup>(1) (2)</sup>	15,841	2,227	2,371	561	-0	15,697
FINANCIAL PUBLIC SECTOR	64,209	5,000	834	475	-1,484	66,890
Caribbean Development Bank	14,466	5,000	800	474	-0	18,666
European Economic Community	149	0	34	1	-2	113
International Monetary Fund <sup>(3)</sup>	49,593	0	0	0	-1,482	48,112
GRAND TOTAL	2,353,492	128,707	86,770	82,669	-1,906	2,393,523

<sup>R</sup> - Revised<sup>P</sup> - Provisional

<sup>(1)</sup> Effective 21 June 2011, the nationalization of Belize Electricity Limited caused an increase (\$23.1mn) in debt, which was matched by Government's acquisition of assets of equal value.

<sup>(2)</sup> Effective 3 October 2005, loans to BWSL were reclassified as public sector debt as a result of Government of Belize's repurchase of the company.

<sup>(3)</sup> International Monetary Fund Special Drawing Rights allocation is included as part of the financial public sector external debt obligation.