



PSOJ MONTHLY ECONOMIC BULLETIN

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Economic Highlights

Jamaica passes IMF Tests, Grows by 0.6% in Q3

The Planning Institute of Jamaica (PIOJ) reported recently that Jamaica's economy grew by 0.6% during Q3 2013. The Ministry of Finance also reported, that most fiscal and monetary targets under the IMF Agreement had been met.

The growth in Q3 breaks six consecutive quarters of negative growth. The Goods Producing Sector grew by 2.2% and Services by 0.1%.

According to the PIOJ, growth in Q3 2013 was underpinned by: increased output in Agriculture aided by improved weather conditions; increased Construction expenditure by public bodies and increases in the value and volume of mortgages; improved performances in Mining and Tourism.

Goods Producing Sector

Three of four industries in the Goods Producing sector recorded growth. (P.10)

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As we move closer to the end of 2013, many businesses and consumers are concerned about what 2014 holds. More specifically they want to know if there will be any improvements in the economy.

In my view, an examination of the indicators show that there is definitely some improvement. Recently we have been informed that the last quarter recorded growth of 0.6%, which although minimal is a move in the right direction, coming off of six consecutive quarters of decline.

Further, the fiscal and legislative adjustments under the economic programme, implies a more friendly business environment going forward, which is less susceptible to the influence of politicians. The fact that the first two IMF tests have been passed, will also serve to improve confidence. There can be no doubt that the feeling is that confidence has improved from the very low levels of the last confidence survey.

The fiscal accounts and balance of payments also show improvement, with non-traditional exports increasing, while imports have been decreasing. The improvement in these two accounts (fiscal and BOP) are an indication that the market is moving to greater efficiency, and particularly the improvement in non-traditional exports is an indication that more businesses are seeking to diversify their exports and take advantage of international opportunities.

The local economy is also showing signs of improvement in some key sectors. Agriculture, Forestry and Fishing AND Mining & Quarrying have shown growth of 5.0%, while the important indicator, Construction, has also shown expansion of 2.5%. The construction

industry is particularly important, as it is a weather vane of how the economy is performing, given the fact that a significant part of the labour force is employed in this industry.

All indicators are therefore pointing in the right direction. The question on everyone's mind is why then does the dollar continue to slide and the market seems so tight.

This in my view is a natural adjustment that is taking place. Consumer and business sentiment, and spending, will always lag the early indicators. As confidence returns however, we should start to see some stabilization in the exchange rate and activity returning to the equities market. There is no doubt that many companies have been repositioning their business models over the past two years, and this has been showing in improving profits.

The key to how quickly buoyancy returns to the economy however will be confidence, which is going to be driven not just by economic policies but also governance transparency.

Although hopeful, the situation still remains fragile, as any policy or governance misstep could erode the fragile confidence we see returning to the market. A big risk remains the ability of the labour market to move towards productivity, and therefore we risk seeing some amount of jobless growth.

With all that said, however, this time is certainly an opportunity for investors to look into opportunities and not wait until the economy returns to full strength, as by then the possible returns would have been reduced.



Net International Reserves (NIR)

During October 2013, Net International Reserves declined by US\$28.54 million to US\$890.43 million compared to US\$910.14 million at the end of September 2013. The decrease in NIR in October 2013 largely reflected the balance sheet effect of a 2:1 increase in foreign liabilities due to the US\$30.0 million second tranche disbursement under the GOJ/IMF Agreement relative to the smaller US\$13.0 million increase in Jamaica's foreign assets. With October's decrease, Jamaica's NIR remain at their lowest levels in more than ten years. Year to date, the NIR is down US\$235.15 million. But this decline was less than the US\$243.2 million decline anticipated under the GOJ/IMF Agreement, enabling Jamaica to surpass the NIR target on the September 2013 IMF tests.

At the end of October 2013, gross reserves were adequate to finance 11.97 weeks of "goods and services" imports, (15.19 weeks of 'goods' imports) just below the 12 weeks international benchmark of reserves adequacy.

Foreign Currency Deposits

At the end of June 2013, foreign currency deposits (FCD's) in the local financial system stood at US\$2.56 billion—an increase of US\$36.11 million or 1.41%, over the previous month. Year to date, FCD's are up about US\$40.0 million. This continues the build-up from 2012 when FCD's increased by US\$180 million or 7.5% despite the bleeding of NIR. This steady build-up in FCD's is likely due to the tendency to hold hard currency in times of uncertainty.

Foreign Exchange Rate

US DOLLAR: During October 2013, depreciation of the Jamaican dollar continued at the high rate of 1.4% (J\$1.46) dropping to J\$105.05 compared to J\$103.60 at the end of August 2013.

After rising above the J\$100 level on June 7th, 2013, the J\$/USD exchange rate held below the J\$102 level over the next seven weeks before breaching that level on Aug 21, 2013. Since then,

Table 1b: Changes in the NIR

	US\$M NIR	Change US\$M			Imports (Weeks)
		Mthly	12 Mth	YTD	
Oct-13	890.43	-19.71	-242.36	-235.15	15.9
Oct-12	1132.79	-125.02	-899.38	-834.22	17.75

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

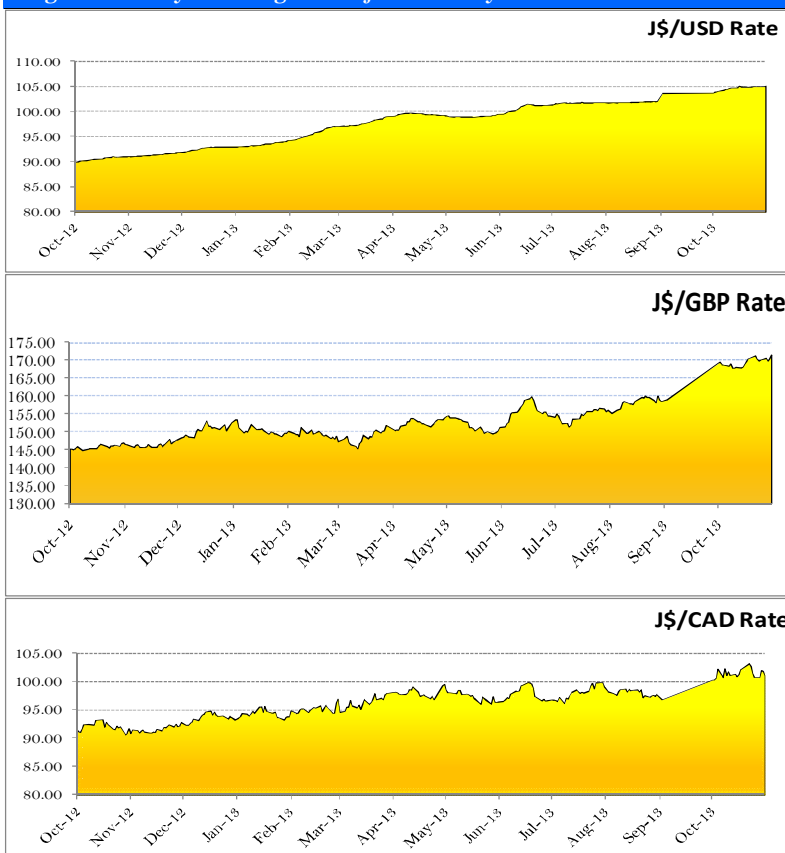
	US\$000 Jun '13	Change (US\$000)		% Change	
		mthly	12 mth	mthly	12 mth
Commercial Banks	1,918,852	25,554	-43,091	1.33	-2.20
Building Societies.	572,557	6,033	21,639	1.05	3.93
Merchant Banks	71,131	4,518	30,049	6.35	73.14
Total Deposits	2,562,540	36,105	8,597	1.41	0.34

Source: Compiled from the BOJ (Preliminary)

Table 3: Foreign Exchange Trends

	YTD Currency Rate Change (Dec 31, 2012—10/30/13 *					
	J\$ / US\$	%	J\$ / UK,£	%	J\$ / Can\$	%
2013	-12.08	-12.99	-18.94	-12.41	-7.79	-8.35
2012	-4.49	-5.19	-12.56	-9.34	-7.58	-9.00
2011	-0.63	-0.73	-4.90	-3.66	-1.14	-1.34
	MOM Oct - 2013					
Actual Rate	105.05	1.41	171.59	2.65	101.10	0.38
Mth Change	1.46	1.41	4.43	2.65	0.38	0.38

Figure 1: Daily % Change in Major Currency Rates



Source: Bank of Jamaica Database (BOJ)

(during September and October 2013), depreciation of the J\$ accelerated by 1.52% and 1.41% crossing the important J\$105.0 level in October 2013.

For the ten month period from Jan–Oct 2013, the J\$ is down -J\$12.08 or 12.98%, against the USD compared to a decline of J\$5.19 during the corresponding period of 2012 and J\$0.78 in Jan–Oct 2011.

POUND & CANADIAN DOLLAR:

The general weakness of the Jamaican dollar in relation to the USD over the past several months has also extended to the British pound and Canadian dollar. Since July 2013, the depreciation of J\$ against both currencies has resumed reversing the short-lived J\$ rally after the GOJ/IMF Agreement was signed in May 2013. In October 2013, the J\$ depreciated by an additional J\$4.43 against GBP and J\$0.38 against the CAD reaching historic lows of J\$171.59 and J\$101.10 respectively. Year to date, the J\$ is down by J\$18.94 or 12.41% against GBP and J\$7.79 or 8.35% against CAD.

Interest Rates

During September 2013, the Bank of Jamaica continued its open market liquidity management operations to mop-up Jamaican dollar liquidity in order to reduce pressure on the Jamaican dollar exchange rate and/or to support the net international reserves. In Sept 2013, the BOJ issued two certificates of deposit - a 237 day CD at 7.65% and a 364-day CD at 7.65%. These were followed in October 2013 by four (4) issuances ranging in maturities from 272-days to 48 months all with initial coupons of 7.42%. In total, since the beginning of calendar year 2013, the BOJ has made 42 issuances, 26 of which has occurred since the start of FY2013/14.

The BOJ has resumed issuing longer tenors (above the 30-day) at much lower interest rates than the double digit rates of the previous two decades. To test whether its two year long efforts (begun in Jan 2010) of recalibrating Jamaica's interest rates at lower sustainable levels has taken hold.

Figure 2A & 2B: Interest Rate Movements

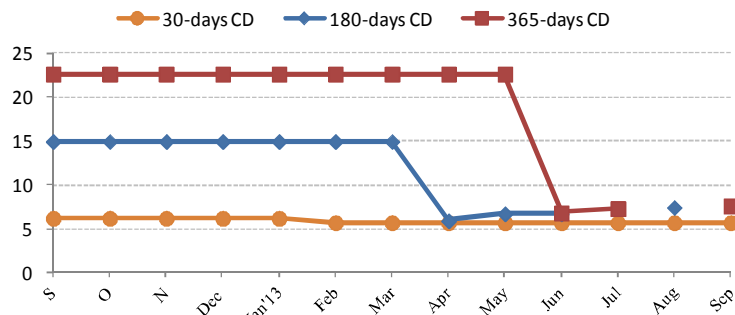
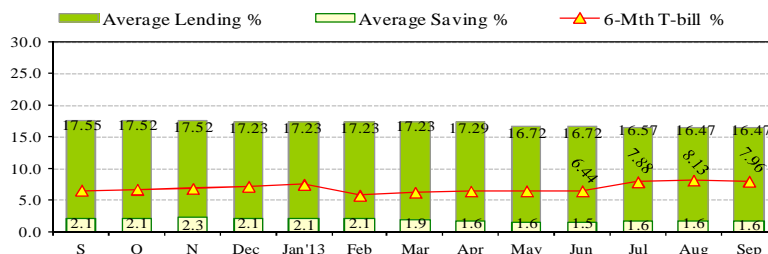


Table 4: Interest Rate Movements

	Sep-13	Change (%age pts)		
		Monthly	12-Mth	YTD
30-days CD	5.75%	0.00%	-0.50%	-0.50%
60-days CD*	11.00%	0.00%	0.00%	0.00%
90-days CD*	13.50%	0.00%	0.00%	0.00%
120-days CD*	13.70%	0.00%	0.00%	0.00%
180-days CD**	6.77%	0.00%	-8.23%	-8.23%
365-days CD**	7.65%	0.30%	-15.02%	-15.02%
Avg Savings Rate	1.62%	0.00%	-0.45%	-0.45%
Avg Loan Rate	16.47%	0.00%	-1.08%	-0.76%
6-Month T-Bill	7.96%	-0.17%	1.39%	0.78%

Source: Bank of Jamaica (BOJ Preliminary) * Not issued since Dec.2009; **Reissued in Q2 2013

But though BOJ rates appear to be stabilizing in Oct 2013, an examination of the interest rate trend since the start of FY2013/14 shows that the BOJ is experiencing difficulty keeping interest rates at sustainable levels - generally regarded as below 7.0%. Since April 2013, the interest rate on the 180-days CD has increased from 5.97% to 7.49% in August 2013. The rate on the 365-day CD increased from 6.85% in June 2013 to 7.65% in September 2013, falling back to 7.42% in Oct 2013. In addition, the rate on the 18-month CD has increased from 6.07% in April 2013 to 7.37% at last

issue in July 2013. The rate on the MOF 6-month T-Bill has also seemingly reversed a 2-year downtrend increasing from 6.44% in June 2013 to 8.13% in August 2013, though falling back by 17 bps in September 2013.

What is notable is these higher rates have not stabilized the exchange rate nor stemmed the decline in the NIR.

Base Money & Money Supply

During September 2013, M1 decreased by 1.76% to J\$137,175.0

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million due to a J\$1,845.0 million decrease in currency with the public as the BOJ reduced liquidity after the August holidays. Quasi money for its part was basically unchanged as the decrease in time deposits was counterbalanced by increased time deposits. Given the decrease in both its components - Quasi money and M1 - broad money (M2) decreased by 0.67% to J\$410,316.6 million during September 2013 compared to J\$413,078.1 million the previous month.

In October 2013, the monetary base decreased by 0.39% to J\$91,727.80 million as commercial banks demand deposits were drawn down to possibly replace the currency with the public withdrawn by the BOJ liquidity management efforts.

Inflation

The rate of inflation increased by 0.8% in October 2013. This is the third highest monthly increase for 2013.

Driving the increase in the Consumer Price Index (CPI) in October 2013 was the 3.9% increase in the division **“Housing, Water, Electricity Gas and Other Fuels”**. This increase was mainly due to the upward movement in the cost of water and sewerage, which resulted in a rise of 20.0% in the group ‘Water Supply and Miscellaneous Services Related to the Dwelling’. The group ‘Electricity, Gas and Other Fuels’ also rose by 2.9%.

The second highest increase (1.8%) was recorded for **“Alcoholic Beverages and Tobacco”**. This was due to higher prices for spirits and tobacco. **“Miscellaneous Goods and Services”** recorded the third highest increase of 1.1% reflecting higher prices for funeral expenses and personal care items. **“Furnishings, Household Equipment and Routine Household Maintenance”** rose by 0.6% due to higher prices for house and garden equipment, household appliances and furniture. The outturn

Table 5: Base Money and Money Supply

	J\$M	Percentage Change (%)		
		Sep - 13	Mthly	12 Mth
M1	137,175.05		-1.76	19.37
Quasi Money	273,141.52		-0.11	15.69
M2	410,316.56		-0.67	16.89
		Oct -13	Mthly	12 Mth
Base Money	91,727.80		-0.39	7.67

Source: BOJ Economic Statistics

Table 6: Inflation Trends

	% Percent Changes			
	Oct	12-Mth	YTD	Fiscal
2013	0.87	10.35	7.84	5.72
2012	0.96	7.19	5.87	5.24

Source: STATIN & BOJ Statistical Digest - Fiscal: represents fiscal year to date

Table 7: Mining Production

Production	000 tonnes			YTD	
	Oct-13	Oct-12	%	Oct-13	13/12 %
Production					
Alumina	162.8	129.1	26.1	1,516.7	4.37
C. Bauxite	420.9	367.3	14.6	3,894.9	-1.58
Export					
Alumina	172.9	100.1	72.7	1,535.8	6.46
C. Bauxite	427.9	371.7	15.1	3,913.9	-0.8

Source: Jamaica Bauxite Institute (JBI)

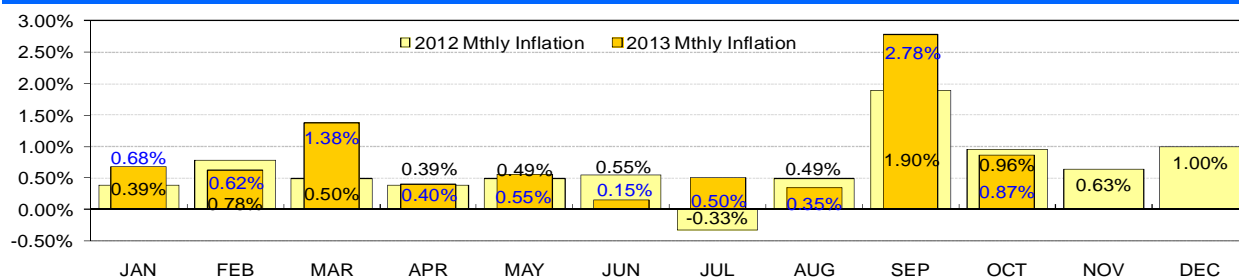
on the other eight divisions within the CPI were moderate and less than 0.5%.

The most heavily -weighted **“Food and Non-Alcoholic Beverage Division”** recorded an increase of 0.4%. This reflected increases of 0.4% and 0.7% for the two groups ‘Food’ and ‘Non-Alcoholic Beverages’ that make up the division. The increase within the ‘Food’ group was contributed to by a similar 1.2% rise for the classes ‘Fruit’; and ‘Milk, Cheese and Eggs’. The two classes within the ‘Non-Alcoholic Beverage’ group - ‘Coffee, Tea and Cocoa’ and ‘Mineral Water, Soft Drinks and Juices’ rose by 0.9% and 0.5% respectively.

Another three divisions recorded increases under 0.4%. **“Health”** rose 0.4%; **“Recreation and Culture”** rose 0.3%; and **“Restaurants and Accommodation Services”** rose by 0.1%. **“Education”** was flat on the month while **“Transport”** and **“Communication”** recorded declines of 0.4% and 0.6% respectively. The decline for Transport was due to the fall in prices for petrol and airfares, while the decline in Communication reflected declines in call rates for certain customers.

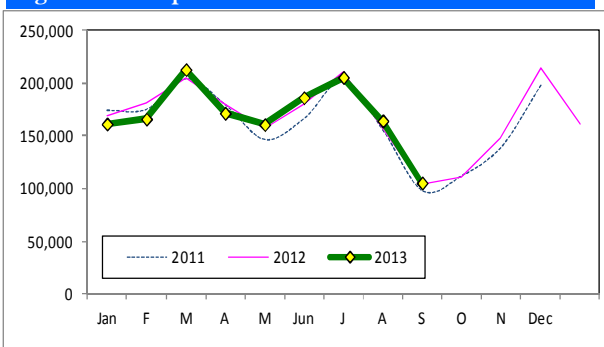
For January to October 2013, the rate of inflation was 8.6%. The fiscal year to date rate was 5.7% and the point to point rate was 8.6%.

Figure 3: Monthly Inflation Changes



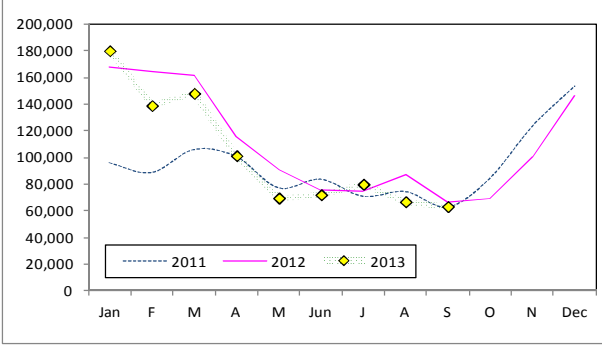
Source: STATIN and PSOJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Bauxite & Alumina

The soft conditions in the global economy during 2012 resulted in Jamaica's production of alumina falling by 10.86% to 1,753,505 tons compared to 1,959,238 tons during 2011. Production of crude bauxite was also down 7.46% to 4,759,647 million tons relative to 5,143,463 million tons during 2011.

For Jan-Oct 2013, alumina production is up 4.4% to 1,516,693 tons compared to 1,453,134 tons during the corresponding period of 2012. Production of crude bauxite is down slightly however, by -1.6% to 3,894,884 tons relative to 3,957,295 tons during the corresponding nine month period of 2012.

Tourism

Stopover arrivals in September 2013 were 105,426 - an increase of 1.0% compared to the 104,360 stopovers recorded in Sept 2012. Additionally, the number of cruise passengers increased by 5.5% in Sept 2013 to 68,224 visitors, compared to 66,869 recorded in Sept 2012.

Regionally, stopovers from the US decreased by 3.1% in Sept 2013 with a total of 63,329 arrivals compared to 65,889 in Sept 2012. For the Jan - Sept period of 2013, stopovers from the US are down by 0.2% with 978,951 visitors compared to 989,904 visitors during Jan-Sept 2012. From the Canadian market, stopovers increased by 11.3% during Sept 2013 with 17,005 arrivals compared to 15,281 in Sept 2012. Year to date, the number of visitors from Canada is down 4.9% to 294,960 compared to 310,073 in the Jan-Sept 2012 period

Visitors from Europe, including the UK, increased notably by 2.8% in Sept 2013 to 16,005 visitors relative to 15,568 arrivals in Sept 2012. This is the fifth con-

Tourist Arrivals

	2012	2013	%Change	
	YTD (JAN-SEP)	YTD (JAN-SEP)	YOY	MOM
Stopover	1,544,276	1,534,887	-0.6%	-35.8%
Foreign	1,431,005	1,427,846	-0.2%	35.4%
Non-Resident	113,271	107,041	-5.5%	-40.3%
Cruise	1,004,212	919,772	-8.4%	-5.5%
Total Arrivals	2,548,488	2,454,659	-3.7%	-27.1%

Source: Jamaica Tourist Board (preliminary) & BOJ BOP Statistical Update

secutive monthly increase after several months of decline dating from Q1 2012. For Jan-Sept 2013, visitors from Europe are up 4.2% to 174,225 compared to 167,240 during the corresponding period of 2012.

Stopover arrivals from the Caribbean recorded a small 1.9% decline, during calendar year 2012, to 64,984 visitors, compared to 66,216 visitors in 2011. For the first nine months of 2013, stopovers from the Caribbean have continued to decline (by 10.5%) to 43,703 visitors compared to 48,842 visitors during Jan-Sept 2012. On the other hand, stopovers from Latin America are up strongly by 26.6% in Jan-Sept 2013 to 24,209 compared to 19,119 during the corresponding period of 2012, extending their strong 50.9% growth in 2012.

During calendar year 2012, cruise visitors to the Island increased by 17.3% to 1,320,083 visitors following a strong 23.4% increase in 2011. This reflected the impact of the opening of the Falmouth Port. For the first nine months of 2013 however, cruise arrivals are down 8.4% to 919,772 visitors compared to 850,002 in Jan-Sept 2012.

Total Visitors to Jamaica during Jan-Sept 2013 were 2,454,659 - a -3.7% decline compared to 2,548,488 visitors during Jan-Sept 2012.

External Trade

During Jan-Jul 2013, Jamaica's total exports were basically flat - US\$978.20 million compared to US\$978.22 million during Jan-Jul 2012. Imports for the period declined by a more significant US\$212.68 million, or 5.6%, to US\$3.62 billion relative to US\$3.83 billion in Jan-Jul 2012. Given the larger absolute and relative decline of imports over exports, the traditional negative imbalance in Jamaica's merchandize trade improved in Jan-Jul 2013 by US\$212.7 million or 5.6%, to US\$2.64 billion, compared to US\$2.85 billion in Jan-Jul 2012.

Traditional Exports: During Jan-Jul 2013, earnings from traditional exports declined by US\$21.1 million, or 4.1%, to US\$487.8 million compared to US\$508.9 million during Jan-Jul 2012. The share of traditional exports in total domestic exports also decreased to 49.9% in Jan-Jul 2013 from 52.0% during Jan-Jul 2012.

Of the three main categories of traditional exports, earnings from "Agriculture" and "Mining & Quarrying" both recorded increases, but these were exceeded by a larger drop in "Manufacturing" exports due to a

68.0% decline in sugar exports. However, Agriculture exports grew by 24.8% to US\$16.98 million from US\$13.61 million. This was due to increased earnings from 'Coffee' which grew by 27.4% to US\$13.25 million. Increased earnings from 'Alumina' - up 5.8% to US\$308.6 million and 'Bauxite' - up 2.7% to US\$76.0 million contributed to the rise in "Mining & Quarrying".

Non-traditional exports grew strongly by 22.8% in 2012 to US\$828.4 million, compared to US\$674.7 million in 2011. During Jan-Jul of 2013, non-traditional exports continued to expand, but at the slower rate of 3.0% to US\$442.36 million relative to US\$429.6 million during Jan-Jul 2012. Two of four categories of non-traditional exports increased and two declined.

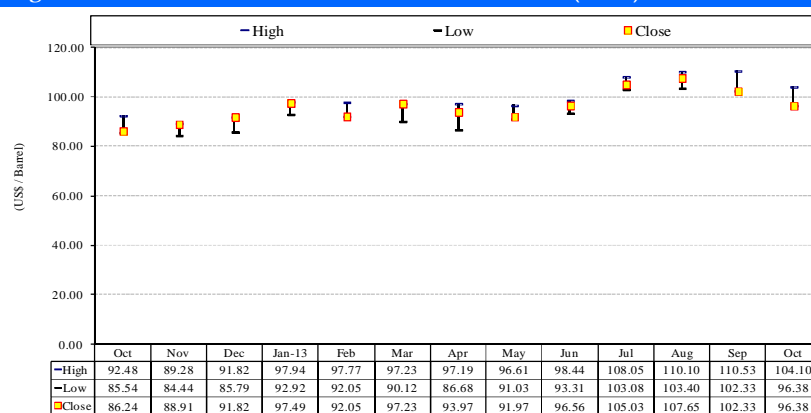
The two categories recording increases were **"Food"**, up by 4.6% to US\$86.85 million compared to US\$83.03 million in Jan-Jul 2012. **"Other"** non-traditional exports, generally, the largest category of non-traditional exports, increased by a more substantial 8.1% to US\$317.51 million in Jan-Jul 2013 compared to US\$293.77 million in Jan-Jul 2012.

Within the **"Food"** category, ten of seventeen groups recorded increased earnings including 'Yams', up 35.9% to US\$13.8 million from US\$10.15 million; 'Sweet Potatoes' - up 45.8% to US\$2.3 million; and 'Fish, Crustaceans and Mollusks', up 38.4% to US\$5.23 million. 'Meat and Meat Preparations' - up 37.1% to US\$3.1 million and 'Baked Products', up 6.1% to US\$8.1 million also recorded significant increases. Notably declines were recorded however for 'Other Fruits and Fruit Preparations', down 37.7% to US\$2.9 million; 'Papayas', down 38.3% to US\$1.9 million and 'Dairy Products and Bird Eggs', down 28.8% to US\$3.62 million.

The increase in **"Other"** was largely driven by a US\$48.0 million or 91.2% increase in 'Chemicals (incl. Ethanol)' to US\$99.05 million from US\$51.8 million in Jan-Jul 2012.

The two categories of non-traditional exports declining were **"Beverages & Tobacco (excl. Rum)"** down 41.9% to US\$20.5 million from US\$35.3 million; and **"Crude Materials"** which declined slightly by 0.1% to US\$17.5 million from US\$17.51 million in Jan-

Figure 5: West Texas Intermediate Crude Oil Prices (WTI) US\$ / Barrel



Source: PSOJ Compilation from Union Pacific (<http://www.uprr.com/customers/surcharge/wti.shtml>)

Table 9: External Trade (US\$M)

	Jan-Jul '12	Jan-Jul '13	Change	% Change
TOTAL EXPORTS (fob)	978.22	978.20	-0.02	0.0%
Major Traditional Exports	508.85	487.80	-21.06	-4.1%
by Sector:-				
Agriculture	13.61	16.98	3.38	24.8%
Mining & Quarrying	365.77	384.63	18.86	5.2%
Manufacturing	129.48	86.19	-43.29	-33.4%
by Industry:-				
Bauxite	74.05	76.02	1.97	2.7%
Alumina	291.72	308.60	16.89	5.8%
Sugar	93.69	53.16	-40.53	-68.0%
Rum	32.68	30.98	-1.70	-5.2%
Bananas	0.09	0.02	-0.07	0.0%
Coffee	10.40	13.25	2.85	27.4%
Other	6.23	5.76	-0.47	-7.5%
Non-Traditional Exports	429.61	442.36	12.75	3.0%
Re-exports	39.75	48.04	8.29	20.9%
TOTAL IMPORTS	3,829.38	3,616.69	-212.68	-5.6%
Food	550.71	563.72	13.01	2.4%
Beverages & Tobacco	47.51	46.39	-1.13	-2.4%
Crude Materials (excl. Fuels)	28.29	35.23	6.94	24.5%
Mineral Fuels, etcetera	1,524.79	1,283.39	-241.40	-15.8%
Animal & Vegetable Oils & Fats	32.85	25.07	-7.78	-23.7%
Chemicals	420.16	507.28	87.12	20.7%
Manufactured Goods	372.86	337.59	-35.28	-9.5%
Machinery and Transport Equip.	522.79	517.53	-5.26	-1.0%
Misc. Manufactured Articles	265.64	238.14	-27.49	-10.4%
Other	63.77	62.35	-1.42	-2.2%
TRADE BALANCE	(2,851.16)	(2,638.49)	212.67	-7.5%

Source: STATIN Jamaica and Bank of Jamaica (BOJ Monthly Statistical Update)

Jul 2012. The decline in the former was mainly due to a 54.2% reduction in exports of 'Alcoholic Beverages (excl. Rum)' to US\$13.55 million from US\$29.6 million. The decline in **"Crude Materials"**, was largely due to a 7.7% decline in exports of 'Waste and Scrap' to US\$13.33 million from US\$14.44 million in Jan-Jul 2013. This was much less however than the 47.2%

decline recorded last year as the industry appears to be rebounding under the new export regime. 'Limestone' increased by 24.9% to US\$1.85 million and 'Other' crude materials by 45.2% to US\$2.32 million reflecting the general rebound in the sector.

Imports. Reflecting more buoyant conditions in the local and global

economy, during 2011, imports surged by 24.2% to US\$6.6 billion. This growth slowed during 2012 to only 2.4% due to the tightening grip of recession in the local economy. During the first seven months of 2013, imports declined by 4.0% to US\$3.11 billion compared to US\$3.24 billion in Jan-Jul 2012.

All categories of imports recorded declines. Imports of **Consumer Goods** declined by 6.0% to US\$946.4 million. Apart from 'Food' imports which recorded a small rise of 0.4% to US\$426.4 million, all other categories of consumer goods declined. 'Non-Durable Goods' declined by 9.4% to US\$283.4 million; 'Semi-Durable Goods' fell by 12.1% to US\$77.15 million; while 'Other Durable Goods' also declined by 12.0% to US\$159.4 million.

Also declining, imports of '**Raw Materials/Intermediate Goods**' - generally the largest category of imports, fell by 5.8% to US\$2.27 billion from US\$2.42 billion in Jan-Jul 2012. Though there were notable increases in imports of 'Industrial Supplies' - up 16.6% to US\$666.5 million; and 'Crude Oil' - up 3.8% to US\$552.04 million, these increases were not sufficient to counter-balance the 26.2% drop in imports of 'Other Fuels and Lubricants' to US\$730.5 million from US\$989.5 million.

The other main category of imports - '**Capital Goods (excl. Motor Cars)**' also declined by 1.9% to US\$269.1 million during Jan-Jul 2013 from US\$274.4 million in Jan-Jul 2012. This was mainly due to a 5.8% fall in imports of 'Machinery and Equipment' from US\$157.4 million in Jan-Jul 2012 to US\$148.3 million during the corresponding period of 2013. This outweighed a 5.5% increase in 'Other Industrial Transport Equipment' to US\$47.16 million from US\$44.69 million; and a modest 1.9% increase in 'Construction Materials' to US\$69.75 million. Imports of **Passenger Motors** for their part declined by 4.8% to US\$127.0 million during Jan-Jul 2013 relative to US\$133.5 million from Jan-Jul of 2012.

Oil: At the end of October 2013, the price of West Texas Intermediate (WTI) Crude Oil stood at US\$96.38 per 42 gallon barrel, a decrease in price of US\$5.95 relative to the closing price of US\$102.33 the previous month. During October 2013 the price ranged between a high of US\$104.10 and the low of US\$96.38 where it closed.

Table 10: Balance Of Payments (US\$M)

	Jan-Dec 2011	Jan-Dec 2012	\$ Change	% Change
Current Account	(2,116.5)	(1,575.2)	541.3	25.6%
Goods Balance	(4,257.6)	(14,158.0)	99.6	2.3%
Exports	1,664.8	1,746.7	81.9	4.9%
Imports	5,922.4	5,904.7	(17.7)	-0.3%
Services Balance	222.6	269.4	81.7	12.2%
Transportation	(576.1)	(605.8)	(29.7)	-5.2%
Travel	1,853.6	1,881.2	27.6	1.5%
Other Services	(607.7)	(523.9)	83.8	13.8%
Income	(518.4)	(277.4)	241.0	46.5%
Compensation of empl	36.5	58.1	21.6	59.2%
Investment Income	(554.9)	(335.6)	219.3	39.5%
Current Transfers	1,989.8	2,108.7	118.9	6.0%
Official	141.3	236.1	94.8	67.1%
Private	1,848.4	1,872.7	24.3	1.3%
Capital & Financial Account	1,326.4	1,957.7	631.3	47.6%
Capital Account	(9.1)	(174.0)	(164.9)	
Capital Transfers	(9.1)	(174.0)	(164.9)	-1812.1%
Official	29.0	5.9	(23.1)	-79.7%
Private	(38.2)	(179.8)	(141.6)	-370.7%
Acq/dis.	-	-	-	0.0%
Financial Account	1,335.5	2,131.6	796.1	59.6%
Other Official Invst	497.9	238.6	(259.3)	-52.1%
Other Private Invst	632.4	1,052.5	420.1	66.4%
Reserves	205.2	840.5	-	0.0%

Balance of Payments

During 2012, there was a current account deficit of US\$1,575.2 million, which represented an improvement of US\$541.3 million relative to the corresponding period in 2011. This deficit represents a continuation of the decline experienced in the last two corresponding periods. The improvement in the Current Account emanated from all sub-accounts.

During the period, the **Goods balance** recorded a deficit of US\$4,158.0 million, an improvement of US\$99.6 million when compared to 2011. This resulted primarily from an increase of US\$81.9 million in exports, which was reinforced by a decrease of US\$17.6 million in imports. The increase in exports stemmed mainly from an increase of US\$32.0 million in sugar exports. The increase in imports was significantly influenced by a decrease of US\$51.6 million in mineral fuel, as well as a decline of US\$23.4 million and US\$20.3 million in Manufactured Goods and Machinery & Transport Goods, respectively.

In relation to the **Services sub-account**, there was an increase of US\$81.7 million in its surplus position. This resulted primarily from an increase of US\$46.9 million in Other

Business Services inflows and a reduction of US\$72.6 million in Construction Services outflows.

The **Income sub-account** improved by US\$241.0 million for the review year, emanating primarily from a decrease of US\$139.4 million in profits remitted by foreign direct investment companies.

During 2012 **Current Transfers** increased by US\$119.0 million to US\$2108.7 million, relative to 2011. This improvement resulted primarily from an increase of US\$94.7 million in net official grant flows.

Flows from official and private sources were insufficient to finance the current account deficit. Consequently, the NIR declined by US\$840.5 million during the period.

Fiscal Accounts

During the first six months (April to Sept) of fiscal year 2013/14, the Government of Jamaica ran a fiscal deficit of -J\$6.61 billion. This fiscal deficit was J\$10.41 billion or 61.2% better than the -J\$17.0 billion budgeted and J\$24.0 billion better than the deficit of -J\$30.6 billion recorded during April-Sep 2012. The improvement in the fiscal deficit was entirely due to expenditure curtailment of J\$10.9 billion below the J\$202.03 billion that was programmed, as Revenues and Grants was marginally

Table 11: Fiscal Accounts (J\$ Million)

	Apr– Sep (Fiscal—2013/14)				Apr-Sep (YOY)	
	J\$ million		Deviation		12/13 - 13/14	
	Provisional	Budget	J\$M	(%)	J\$M	(%)
Revenue & Grants	184,529.4	185,014.8	-485.4	-0.26	27,124.8	17.2
Tax Revenue	162,875.5	168,575.1	-5,699.6	-3.38	15,190.8	10.3
Non-Tax Revenue	16,401.3	13,570.4	2,830.9	20.86	8,405.6	105.1
Bauxite Levy	586.2	610.5	-24.3	-3.98	-22.6	-3.7
Capital Revenue	2,601.6	386.6	2,215.0	572.94	2,392.7	1145.4
Grants	2,064.8	1,872.2	192.6	10.29	1,011.7	96.1
Expenditure	191,138.1	202,026.6	-10,888.5	-5.39	3,139.3	1.7
Recurrent Expenditure	173,441.7	182,598.1	-9,156.4	-5.01	-4,881.7	-2.7
Programmes	43,594.5	46,225.3	-2,630.8	-5.69	1,556.9	3.7
Wages & Salaries	80,208.9	81,161.5	-952.6	-1.17	5,281.9	7.0
Interest	49,638.3	55,211.3	-5,573.0	-10.09	-11,720.6	-19.1
Domestic	30,727.3	35,529.2	-4,801.9	-13.52	-10,995.5	-26.4
External	18,910.9	19,682.1	-771.2	-3.92	-725.0	-3.7
Capital Expenditure	17,696.4	19,428.4	-1,732.0	-8.91	8,020.9	82.9
Capital Programmes	17,696.4	19,428.4	-1,732.0	-8.91	8,020.9	82.9
IMF #1 Account	0.0	0.0	0.0	0.00	0.0	0.0
Fiscal Balance (Surplus [+ve])	-6,608.7	-17,011.8	10,403.1	61.15	23,985.6	78.6
Loan Receipts	25,064.2	34,939.7	-9,875.5	-28.26	-57,387.9	-69.4
Domestic	10,175.4	7,000.1	3,175.3	45.36	-68,621.4	-87.1
External	14,888.8	27,939.6	-13,050.8	-46.71	11,233.7	284.2
Divestment Proceeds	0.0	0.0	0.0		0.0	0.0
Amortization	24,565.9	24,396.0	169.9	0.70	-34,024.4	-58.1
Domestic	9,091.8	9,355.2	-263.4	-2.82	-12,289.2	-57.5
External	15,474.1	15,040.8	433.3	2.88	-21,735.3	-58.4
Overall Balance (Surplus [+ve])	-6,110.4	-6,468.1	357.7	5.53	622.2	9.8
Primary Balance (Surplus [+ve])	43,029.6	38,199.5	4,830.1	12.64	12,265.1	39.8

Source: Ministry of Finance and Planning

lower than budgeted.

REVENUE: Total Revenues & Grants to the GOJ during April-Sep 2013 was J\$184.5 billion. This was -J\$485 million or -0.26% less than the J\$185.0 billion budgeted but J\$27.12 billion or 17.2% greater than Revenues and Grants collected during April-Sep 2012. Tax revenue of J\$162.88 billion though J\$5.7 billion less than the J\$168.0 billion budgeted was also well in excess of the J\$150.0 billion targeted under the GOJ/IMF Agreement.

Of 25 revenue heads, nine (9) came in above budget during the first half of FY2013/14. The main outperformers were: 'Non-Tax Revenue' - up J\$2,830.9 million; 'Capital Revenue' - up J\$2,215.0 million; and 'Travel Tax' - up J\$2,134.3 million. 'Other Companies Taxes' - up J\$799.9 million and 'SCT' - up J\$197.6 also came in above budget.

Among the main underperformers on the

revenue account were: 'SCT (Imports)' - down -J\$2,332.8 million; 'PAYE' - down -J\$2,028.3 million; and 'Custom Duty' which came in - J\$1,231.3 million below budget. and 'GCT (Imports)' - down -J\$1,196.8 million and 'Tax on Dividend' - down -J\$765.1 million also underperformed.

EXPENDITURE: During Apr-Sep 2013, total expenditure was J\$191.14 billion. As noted, this was -J\$10.89 billion or -5.4% less than the J\$202.03 billion budgeted, but was J\$3.13 billion or 1.7% more than expenditure during Apr– Sep 2012.

Under pressure to meet the fiscal and primary surplus targets under the IMF Agreement the GOJ has been running a tight ship making significant expenditure curtailments from already tight budgetary allocations. The largest saving of J\$4.8 billion or -13.5% was achieved on 'Domestic

Interest' with J\$30.73 billion spent relative to J\$339.53 billion budgeted. 'External Interest' payment was reduced by a more modest -J\$771.2 million (-3.92%) with J\$18.91 billion spent relative to J\$19.68 billion budgeted. It is not clear however, whether the reduction in 'Domestic Interest' resulted from deferred payments or continuing savings from the National Debt Exchange.

In addition, there was also a significant -5.69% curtailment of outlays on 'Recurrent Programmes' with J\$43.59 billion spent compared to J\$46.23 billion budgeted. In addition, there was a J\$952.6 million reduction in outlays on 'Wages and Salaries' with J\$80.21 billion disbursed compared to J\$81.16 billion budgeted. Though in the past, to meet fiscal targets, the GOJ has massively curtailed Capital Expenditure, for the first half of FY2013/14, the curtailment has been significant (-8.9%),

rather than massive, with CapEx amounting to J\$17.70 billion compared to J\$19.43 budgeted.

FISCAL OUTTURN

The fiscal deficit for FY2012/13 (Apr 2012 to Mar 2013) was -J\$52.97 billion. For FY2013/14, the GOJ is projecting a fiscal deficit of -J\$8.045 billion or 0.5% of GDP. The -J\$6.61 billion deficit for April-Sep 2013, relative to -J\$17.0 billion the previous month therefore seems to be moving in the right direction.

The Primary Surplus - a measure of the country's ability to service its debt from revenues, was J\$72.34 billion in 2012/13 or about 6% of GDP. For FY2013/14, the GOJ is projecting a primary surplus of J\$111.52 billion or 9.5% of GDP. For April-Sep 2013, the primary balance was J\$43.03 billion which exceeded the J\$38.2 billion projected under the GOJ/IMF Agreement.

PUBLIC DEBT

At the end of July 2013 the total public debt stood at J\$1.857 trillion, an increase of J\$89.0 billion over the J\$1.768 trillion recorded at the start of 2013. For the first five months of 2013 the domestic debt has increased by J\$20.15 billion to J\$1.014 trillion or (54.6% of the total) while the external debt has increased by US\$59.45 million to US\$8.28 billion.

Stock Market

During October 2013, market capitalization decreased by J\$17.2 billion or 3.2% to close at J\$517.6 billion. Five of six indices on the Jamaican Stock Exchange declined and one advanced. The main **JSE Market Index** declined by 2,668 points or 3.16% to close at 81,832 points. The **JSE Combined Index** declined by 2,808 points or 3.24% to close at 83,962 points. The **JSE All Jamaican Composite Index** declined by 4,694 points, or 5.6%, to close at 79,677 points and the **JSE Select Index** declined by 134 points, or 5.8%, to close at 2,190 points. The **JSE Cross Listed Index** of mostly foreign companies operating in Jamaica, inched up 1.73 points or 0.22% to close at 793.7 points; but the **Junior Market Index** declined by 36.2 points or 4.7%, to close at 732.6 points.

Market volume was relatively high in October 2013 with 150 million units valued at J\$1.744 billion changing hands compared to 133 million units valued at J\$617.8 million in September

Figure 6: Tax Revenue Collections (J\$-Billions)

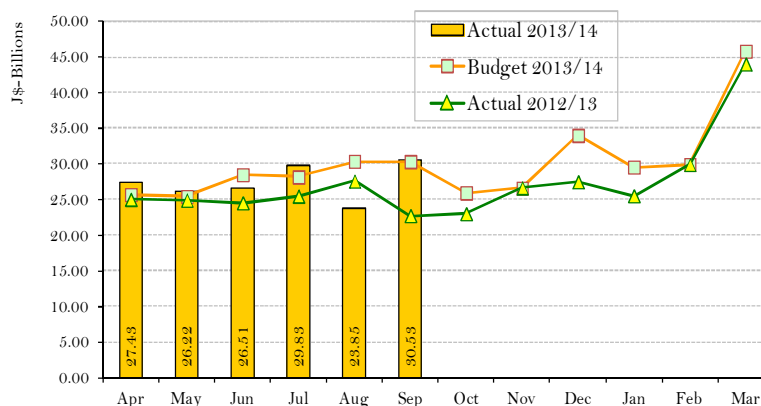
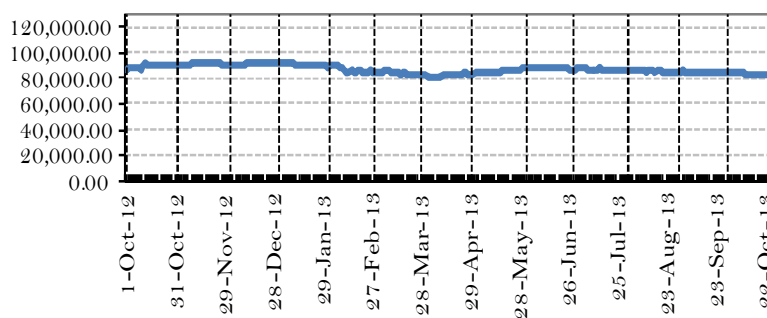


Table 12: Leading Sources of Revenues and Expenditure YTD

J\$-Millions	Apr-Sep 2013
Revenue Surpluses	
Non-Tax Revenue	2,830.9
Capital Revenue	2,215.0
Travel Tax	2,134.3
Other Companies	799.9
SCT	197.6
Revenue Shortfalls	
SCT (Imports)	-2,332.8
PAYE	-2,028.3
Custom Duty	-1,231.3
GCT (Imports)	-1,196.8
Tax on Dividend	-765.1
Expenditure Changes	
Domestic Interest	-4,801.9
Recurrent Programmes	-2,630.8
Capital Programmes	-1,732.0
Wages and Salaries	-952.6
External Interest	-771.2

Source: Ministry Of Finance and Planning (Jamaica)

Figure 7: Main JSE Index Oct '12 - Oct '13



Source: Jamaica Stock Exchange (Online Database) and PSOJ

2013. Overall market activity resulted from trading in 33 stocks of which 1 advanced, 25 declined and 7 traded firm. Scotia

Group Jamaica Ltd with 18.78 million units or 12.5% of market volume was the volume leader; followed by Jamaica Producers Group with 17.52 million

units or 11.6 % of market volume; while Jamaica Broilers Group was third with 15.52 million units or 10.32 % of market volume.

The leading advancers in October 2013 were: Caribbean Cement Company Ltd; Ciboney Group; Palace Amusements Co. Ltd; Hardware & Lumber; and Kingston Properties. The leading decliners were Radio Jamaica Ltd; Sagicor Investments Jamaica Ltd; National Commercial Bank; Gleaner Company; and Carreras Ltd.

Economic Highlights

contd. from page 1.)

Both “Agriculture, Forestry and Fishing” and “Mining and Quarrying” grew by 5.0%. The growth in Agriculture was mainly due to an 8.7% rise in ‘Other Agriculture’ crops as ‘Traditional Export’ crops declined by 0.1%. Similarly a 10.2% rise in Alumina production was sufficient to overcome the 11.5% drop in (lesser-weighted) Crude Bauxite production.

“Other Services” comprising personal and professional services led the increases rising by 1.0%. Very significantly, real value-added in “Hotels and Restaurants” grew by 0.8% reflecting a 0.7% increase in stopover arrivals, though visitor expenditure fell by 2.5%.

Growth of 0.5% was recorded for “Transport and Communication”. This was due to an expansion in the ‘Communication’ component as the lowering of mobile call rates led to an increase in minutes sold. However, the ‘Transport’ component contracted as maritime cargo declined by 6.5% due to a 10.0% fall in exports of crude bauxite, despite increases in air passenger movements and other cargo shipments.

Real value-added in “Wholesale and Retail Trade etc” grew by 0.2% reflecting significantly increased sales of Mineral Fuels and Petroleum Products - up 18.7% ; Hardware, Building Supplies & Electrical Goods - up 8.4%; and Textiles, Clothing & Shoes - up 11.2%. Real value-added in “Finance and Insurance” industry rose 0.4% reflecting increases in net interest income, fees and commissions and gains from foreign exchange trading at deposit taking institutions.

“Producers of Government Services”, and paradoxically for a growing econ-

Table 13: Top & Bottom Five (5) performers on JSE (price per share)

	2013 Jan 2	2013 Oct - 30	\$ change	% change
Top Five (unadjusted for dividends or transact. Costs)				
Caribbean Cement Co	1.00	2.07	1.07	107.0%
Ciboney Group	0.03	0.05	0.02	66.7%
Palace Amusement	60.00	95.00	35.00	58.3%
Hardware & Lumber	3.40	4.50	1.10	32.4%
Kingston Properties Ltd.	3.78	4.50	0.72	19.1%
Bottom Five (unadjusted for dividends or transact. Costs)				
Radio Jamaica	1.99	1.22	(0.77)	-38.69%
Sagicor Investments Ja	22.14	15.66	(5.59)	-25.25%
National Comm. Bank	23.92	18.80	(5.12)	-21.40%
Gleaner Company	1.40	1.11	(0.29)	-20.71%
Carreras Ltd.	50.01	40.00	(10.01)	-20.02%

Source: Compiled from the JSE

Real value-added in “Construction” rose by 2.5% as the volume and value of mortgages increased by 71.7% and 68.8% respectively, reinforced by large increases in public sector construction.

“Manufacturing” however declined by 0.8% as ‘Food, Beverages & Tobacco’ declined by 0.5%, reflecting decreased

output of Animal Feed, Poultry, Beer and Stout. ‘Other Manufacturing’ declined by 1.2% due to a fall in Chemicals and Refined Petroleum products.

Services

Of reported eight Services sectors, six recorded increases and two declined.

omy, “Electricity and Water” were the two Services sectors recording declines in Q3 2013. Electricity consumption fell by 3.5% overall with residential consumption down 4.4%; and small business and large business consumption down 5.0% and 3.2% respectively.

For the 9 months of 2013 the PIOJ estimates that Jamaica’s economy declined by 0.3% but is projecting growth of 0.5% - 1.0% for the last quarter of 2013.

The Global Picture

After muddling through a soft spot during the first half of 2013, the global recovery appears to be consolidating, indeed picking up speed, in many regions of the world.

In the United States, Third Quarter (Q3) GDP came in at 2.8% handily beating expectations for a 2.0% rise. Reflecting signs of improvement in the labour market, the Non-farm Payroll for October was 204,000 and September and August 2013 figures were revised upwards. At the same time Weekly Jobless Claims have held steady in the 320,000 range. While there has been some softening in the housing market possibly due to slight increases in long-term mortgage and

interest rates in anticipation that the Federal Reserve will begin tapering its bond purchases or quantitative easing in the next few months, not many analysts believe that the sustainable recovery of the housing market is threatened. Further, despite the 17 day shutdown of the Federal Government in early October the Univ. of Michigan Consumer Confidence Index suggested that consumers remained resilient with a reading of 75.1 beating expectations for a 73 reading.

In the United Kingdom, though Q3 GDP of 1.5% was largely in line with expectations, the Purchasing Manager’s Index (PMI) for the Services (62.5) and Construction (59.3) sectors, point to a continuation of the UK’s impressive recovery. Similar observations can be made in relation to China, where exports recovered strongly in October 2013 and Retail Sales and Industrial Production continued to perform strongly.

Though Germany continued to outperform, there were renewed concerns of a softening in Europe as the PMI data from Italy and France, came in weaker than expected or had slipped deeper into contraction. Overall, sentiments are that the last quarter of 2013 will be stronger than the beginning of the year, globally and in Jamaica.

INFLATION (OCT - 2013) - CPI

APPENDIX

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	0.87%	0.869		
FOOD AND NON-ALCOHOLIC BEVERAGES	0.41%	0.155	2	
Food	0.41%			
Bread and Cereals	0.41%			
Meat	0.18%			
Fish and Seafood	0.51%			
Milk, Cheese and eggs	1.17%			
Oils and Fats	0.60%			
Fruit	1.17%			
Vegetables and Starchy Foods	0.14%			
Vegetables	0.30%			
Starchy Foods	-0.22%			
Sugar, Jam, Honey, Chocolate and Confectionery	0.32%			
Food Products n.e.c.	0.39%			
Non-Alcoholic Beverages	0.67%			
Coffee, tea and Cocoa	0.88%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	0.55%			
ALCOHOLIC BEVERAGES AND TOBACCO	1.75%	0.024	5	
CLOTHING AND FOOTWEAR	0.24%	0.008	8	
Clothing	0.35%			
Footwear	0.09%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	3.84%	0.489	1	
Rentals for Housing	0.19%			
Maint and Repair of Dwelling	0.48%			
Water Supply and Misc. Serv Related to the Dwelling	19.93%			
Electricity, Gas and Other Fuels and Routine	2.93%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	0.66%	0.033	4	
Furniture and Furnishings (including Floor Coverings)	0.65%			
Household Textiles	0.27%			
Household Appliances	0.50%			
Glassware, Tableware and Household Utensils	0.35%			
Tools and Equipment for House and Garden	1.18%			
Goods and Serv. for Routine Household Maint	0.67%			
HEALTH	0.37%	0.012	6	
Medical Products, Appliances and Equipment	0.57%			
Health Services	0.23%			
TRANSPORT	-0.45%	-0.058	12	
COMMUNICATION	-0.59%	-0.024	11	
RECREATION AND CULTURE	0.36%	0.012	7	
EDUCATION	0.00%	0.000	10	
RESTAURANTS AND ACCOMMODATION SERVICES	0.12%	0.007	9	
MISCELLANEOUS GOODS AND SERVICES	1.10%	0.092	3	

INFLATION YTD (JAN –OCT 2013) CPI

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	8.57%	8.571		
FOOD AND NON-ALCOHOLIC BEVERAGES	6.60%	2.471	Jan-00	
Food	6.39%			
Bread and Cereals	6.23%			
Meat	5.90%			
Fish and Seafood	3.37%			
Milk, Cheese and eggs	11.55%			
Oils and Fats	10.50%			
Fruit	18.72%			
Vegetables and Starchy Foods	4.69%			
Vegetables	3.48%			
Starchy Foods	8.91%			
Sugar, Jam, Honey, Chocolate and Confectionery	4.89%			
Food Products n.e.c.	5.86%			
Non-Alcoholic Beverages	9.89%			
Coffee, tea and Cocoa	11.44%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	9.14%			
ALCOHOLIC BEVERAGES AND TOBACCO	10.09%	0.139	Jan-00	
CLOTHING AND FOOTWEAR	7.92%	0.264	Jan-00	
Clothing	8.10%			
Footwear	7.71%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	10.41%	1.329	Jan-00	
Rentals for Housing	1.11%			
Maint and Repair of Dwelling	12.05%			
Water Supply and Misc. Serv Related to the Dwelling	27.14%			
Electricity, Gas and Other Fuels and Routine	11.66%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	5.95%	0.294	Jan-00	
Furniture and Furnishings (including Floor Coverings)	6.42%			
Household Textiles	5.63%			
Household Appliances	7.32%			
Glassware, Tableware and Household Utensils	6.46%			
Tools and Equipment for House and Garden	8.66%			
Goods and Serv. for Routine Household Maint	5.54%			
HEALTH	5.32%	0.175	Jan-00	
Medical Products, Appliances and Equipment	5.46%			
Health Services	5.23%			
TRANSPORT	20.02%	2.567	Jan-00	
COMMUNICATION	-4.15%	-0.166	Jan-00	
RECREATION AND CULTURE	5.33%	0.179	Jan-00	
EDUCATION	3.62%	0.077	Jan-00	
RESTAURANTS AND ACCOMMODATION SERVICES	6.38%	0.395	Jan-00	
MISCELLANEOUS GOODS AND SERVICES	8.74%	0.731	Jan-00	

FISCAL ACCOUNTS (APR-SEP 2013/14)

REV. & EXPEN. (APR-SEP '13/14)	JSm	PROVISIONAL RESULTS	JSm	BUDGET DEVIATION	JSm	YOY - CHANGE
Revenue & Grants	184,529.4		-485.4		27,124.80	
Tax Revenue	162,875.5		-5,699.6		15,190.80	
Non-Tax Revenue	16,401.3		2,830.9		8,405.60	
Bauxite Levy	586.2		-24.3		-22.60	
Capital Revenue	2,601.6		2,215.0		2,392.70	
Grants	2,064.8		192.6		1,011.70	
Expenditure	191,138.1		-10,888.5		3,139.30	
Recurrent Expenditure	173,441.7		-9,156.4		-4,881.70	
Programmes	43,594.5		-2,630.8		1,556.90	
Wages & Salaries	80,208.9		-952.6		5,281.90	
Interest	49,638.3		-5,573.0		-11,720.60	
Domestic	30,727.3		-4,801.9		-10,995.50	
External	18,910.9		-771.2		-725.00	
Capital Expenditure	17,696.4		-1,732.0		8,020.90	
Capital Programmes	17,696.4		-1,732.0		8,020.90	
IMF #1 Account	0.0		0.0		0.00	
Fiscal Balance (Surplus [+ve])	-6,608.7		10,403.1		23,985.60	
Loan Receipts	25,064.2		-9,875.5		-57,387.90	
Domestic	10,175.4		3,175.3		-68,621.40	
External	14,888.8		-13,050.8		11,233.70	
Divestment Proceeds	0.0		0.0		0.00	
Amortization	24,565.9		169.9		-34,024.40	
Domestic	9,091.8		-263.4		-12,289.20	
External	15,474.1		433.3		-21,735.30	
Overall Balance (Surplus [+ve])	-6,110.4		357.7		622.20	
Primary Balance (Surplus [+ve])	43,029.6		4,830.1		12,265.10	

REV. & EXPEN. (APR-SEP '13/14)	JSm	PROVISIONAL RESULTS	JSm	BUDGET DEVIATION	JSm	YOY - CHANGE
Revenue & Grants	184,529.4		-485.4		27,124.90	
Tax Revenue	162,875.5		-5,699.6		15,190.80	
Income and profits	48,670.5		-2,667.3		-1,635.20	
Bauxite/alumina	0.0		0.0		0.00	
Other companies	13,544.4		799.9		69.00	
PAYE	30,424.8		-2,028.3		745.30	
Tax on dividend	580.3		-765.1		-50.60	
Other individuals	1,203.2		-294.6		89.20	
Tax on interest	2,917.8		-379.2		-2,488.10	
Environmental Levy	971.2		-34.9		-66.30	
Production and consumption	58,109.6		-387.9		13,293.40	
SCT	5,735.0		197.6		1,327.50	
Motor vehicle licenses	1,286.1		161.5		31.20	
Other Licenses	176.0		-12.3		-1.40	
Betting, gaming and lottery	1,134.1		-694.4		178.80	
Education Tax	8,621.8		-713.5		1,373.30	
Contractors levy	485.2		-248.9		-145.60	
GCT (Local)	31,159.4		459.7		5,756.10	
Stamp Duty (Local)	5,215.0		-433.3		1,291.10	
International Trade	55,124.1		-2,609.7		3,598.80	
Custom Duty	12,508.1		-1,231.3		1,146.20	
Stamp Duty	860.4		17.0		-60.90	
Travel Tax	5,240.2		2,134.3		3,193.40	
GCT (Imports)	24,395.7		-1,196.8		2,284.30	
SCT (Imports)	12,119.7		-2,332.8		-2,964.50	
Non-Tax Revenue	16,401.3		2,830.9		8,405.60	
Bauxite Levy	586.2		-24.3		-22.60	
Capital Revenue	2,601.6		2,215.0		2,392.70	
Grants	2,064.8		192.6		1,158.50	

Statistical Index

Major Macro-Economic Indicators

	BM		M2		NIR	Fgn Cur- Dep	Inflation		Tourism	J\$/US\$	T-bill	Loan	Sav	Dom Debt	Fgn Debt
	M	P	M	P	US\$M	US\$M	M	P	P		%	%	%	J\$M	US\$M
Jan '12	83,564.3	-8.8	353,939.	-2.01	1,882.63	2,357,286	0.40	6.6	-2.8	86.83	6.53	18.48	2.10	888,486.9	8,626.4
Feb	84,950.7	1.66	348,180.6	-1.6	1,874.65	2,379,213	0.8	7.9	3.1	87.06	6.57	18.48	2.10	875,211.40	8,605.4
Mar	83,696.6	-1.48	356,099	2.2	1,777.13	2,409,355	0.50	7.3	0.3	87.30	6.47	18.12	2.10	912,642.4	8,586.8
Apr	84,966.6	1.52	348,580	2.2	1,771.8	2,414,159	0.4	7.2	0.6	87.35	6.44	18.12	2.10	930,025.4	8,578.8
May	83,738.1	-1.45	352,407	1.10	1,718.8	2,441,863	0.5	6.9	1.5	88.12	6.39	17.93	2.10	935,140.9	8,506.5
Jun	84,337.4	0.72	351,410.	-0.28	1,540.4	2,553,943	0.6	6.7	8.0	88.70	6.51	17.46	2.10	940,368.6	8,526.2
Jul	87,157.8	3.34	359,205.	0.69	1,483.82	n/a	-3.3	5.5	3.6	89.69	6.52	17.46	2.24	973,858.5	8,226.2
Aug	86,275.1	-1.01	359,293.9	0.02	1,428.60	2,438,745	0.5	5.4	1.8	89.82	6.63	17.55	2.07	976,159.2	8,200.5
Sep	85,193.8	-1.25	351,014.6	-2.30	1,257.8	2,384,316	1.85	6.7	6.2	89.93	6.57	17.55	2.07	976,126.3	8,186.8
Oct	86,488.1	n/a	356,314.3	1.51	1,132.8	2,395,680	0.9	7.2	-1.1	91.09	6.69	17.52	2.07	981,077.7	8,154.5
Nov	87,775.2	1.49	361,573.3	1.48	1,078.2	2,386,212	0.63	7.4	-1.1	91.89	6.80	17.52	2.24	991,336.1	8,233.3
Dec	97,648.5	11.25	374,467.3	3.57	1,125.6	2,486,625	1.0	8.0	-2.8	92.98	7.18	17.28	2.1	995,239.9	8,255.5
Jan '13	88,567.80	-9.2	383,878.1	2.51	1,009.05	2,520,022	0.7	8.4	-4.7	94.14	7.47	17.23	2.1	994,053.4	8,221.6
Feb	88,381.3	-0.2	397,292.1	3.5	939.53	2,556,640	0.62	8.1	-8.1	97.11	5.75	17.23	2.1	1,000,841.6	8,192.5
Mar	91,294.5	3.30	396,423.0	-0.22	884.25	2,536,331	1.38	9.1	-3.9	98.89	6.22	17.29	1.94	1,008,348.7	8,133.4
Apr	89,614.0	-1.84	394,826.5	n/a	866.18	2,536,341	0.4	9.1	-4.9	99.35	6.34	17.29	1.55	1,009,466.3	8,194.0
May	90,515.60	1.01	400,197.8	1.36	988.86	2,526,435	0.5	9.2	2.3	99.45	6.44	16.72	1.51	1,010,031.4	8,271.0
Jun	90,221.88	-0.32	397,899	-0.57	1,003.2	2,562,540	0.2	8.8	3.7	101.38	6.44	16.72	1.5	1,012,913.8	8,273.9
Jul	91,987.68	1.96	403,992.9	1.53	929.72	n/a	0.5	9.7	-2.0	101.86	7.88	16.57	1.6	1,014,205.3	8,281.1
Aug	91,185.60	-0.87	n/a	n/a	881.6	n/a	0.4	9.5	4.1	102.08	8.13	16.42	1.62	n/a	n/a
Sep	92,083.29	0.98	410,316.6	-0.67	910.14	n/a	2.78	10.5	1.0	103.60	7.96	16.47	1.62	n/a	n/a
Oct	91,727.80	-0.39	n/a	n/a	890.43	n/a	0.8	10.35	n/a	105.05	n/a	n/a	n/a	n/a	n/a

Sources: Bank of Jamaica, Statistical Institute of Jamaica, Ministry of Finance and Planning, Jamaica Tourist Board and the PIOJ.
Revised periodically when necessary.

<u>Key:</u>	
ACP— Africa Caribbean Pacific States	Loan – Average Loan Rate
BM – Base Money	M – Monthly Percentage Change
BP — Basis Points	M2 – Money Supply
CaPRI— Caribbean Policy and Research Institute	MT – Million tonnes
CARICOM— Caribbean Community & Common Market	N/A – Not Available
CARIFORUM— CARICOM and Dominican Republic	NIR – Net International Reserves
CPI – Consumer Price Index	OMO – Open Market Operation
CSME— Caribbean Single Market & Economy	P – Point-to-Point Percentage Change
EC— European Commission	R – Revised
EPA—Economic Partnership Agreement	S – Stopover
EU—European Union	Save – Average Savings Deposit Rate
FX Dep – Foreign Exchange Deposit	Tbill – 6-month Treasury Bill Yield
JCB – Jamaica Conference Board	Tourism – Total Tourist Arrivals
JCC – Jamaica Chamber of Commerce	WATBY- weighted average Treasury bill yield
KMA — Kingston and Metropolitan Area	WTO—World Trade Organization
KSA—Kingston and St. Andrew	OECD ⁶ Organisation for Economic Co-operating and Development (membership of 30 major countries)
WTI — West Texas Intermediate (Spot Oil Price)	

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