



# PSOJ MONTHLY ECONOMIC BULLETIN



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## Economic Highlights

### Jamaica's Economy Contracts For 5th Consecutive Quarter

The Planning Institute of Jamaica (PIOJ) reported recently that Jamaica's economy contracted by -0.7% in January - March 2013, marking the fifth consecutive quarterly contraction since January 2012. The Goods Producing Industries contracted by -2.8%; while output in the Services Sector was flat for the second consecutive quarter. Citing a triad of factors, the PIOJ noted that the contraction was due to persistent weak conditions in the global economy, particularly from Europe which impacted Jamaica's Tourism and Mining industries; while the slow recovery of long gestation crops from the effects of Hurricane Sandy in October 2012, was compounded by drought conditions affecting much of the Island from the last quarter of 2012. Though the 0.7% decline was worse than the previous quarter, only five industrial sectors declined compared to ten in

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## Year over Year Change in Quarterly GDP

Industrial Sectors	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>Total GDP</b>	<b>-0.1</b>	<b>-0.2</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-0.7</b>
<b>Goods Producing Industries</b>	<b>-0.2</b>	<b>-0.1</b>	<b>-1.8</b>	<b>-3.9</b>	<b>-2.8</b>
Agric, Forestry & Fishing	6.5	9.5	0.8	-6.2	-10.0
Mining & Quarrying	-5.0	-10.2	-11.1	-10.3	-6.8
Manufacture	0.5	-1.9	0.2	-1.5	0.5
Construction & Installation	-5.6	-3.4	-3.2	-2.6	2.0
<b>Services Industries</b>	<b>-0.2</b>	<b>-0.2</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>
Electricity & Water Supply	0.2	0.3	0.0	-1.8	-1.3
Trans, Storage & Communication	-3.1	-4.1	0.1	1.2	0.5
Wholesale & Retail Trade etc.	0.9	0.3	0.3	-0.1	0.3
Finance & Insurance Services	0.6	0.0	1.1	1.1	0.4
Real Estate, Renting & Business Services	-0.2	-0.2	-0.2	-0.6	0.0
Producers of Government Services	-0.5	-0.2	-1.0	-0.1	-0.2
Hotels & Restaurants	0.8	4.7	2.9	-1.5	-1.8
Other Services	0.0	0.3	0.2	-0.6	0.2

Source: PIOJ

Q4 2012 suggesting a break in our economic contraction may be imminent.

### The Goods Producing Sector

The -10.0% decline in **Agriculture, Forestry and Fishing** was the leading contributor to the decline in the Goods Producing Sector. Within the sector, 'Other Agricultural Crops' declined by -9.9%, as output of Plantains declined by -57.6%; Legumes by 10.8% and Vegetables by -7.7%. 'Traditional Export Crops' declined by an even bigger 30.6% reflecting declines of -67.3% for Bananas; -86.7% for Cocoa; and -3.0% for Coffee. Sugar however, increased marginally by 1.4%.

Reflecting the pall cast by recession in Europe over the global economy, **Mining and Quarrying** declined by -6.8% with total bauxite output falling by 1.4% while alumina production fell by 10.4%. Capacity utilization at alumina refineries also declined by -4.8% to 38.9%.

**Manufacture and Construction and Installation** - the other two industry groups within the Goods Producing sector recorded positive growth of 0.5% and 2.0% respectively. The growth in Manufacturing was contributed to by:

Food, Beverages & Tobacco - up 0.1%; and Other Manufacturing - up 1.0%. The growth in Construction was evidenced by a 11.1% rise in Housing Starts and increased expenditure on civil engineering works by public and private entities of over J\$7.0 billion.

### Services

Though real value-added in the Services sector was flat for the second consecutive quarter, only three industry groups within the sector recorded declines in Q1 2013 compared to six in Q4 2012. Leading the decliners were **Hotels and Restaurants** which fell by 1.8%. This reflected decreased stopover arrivals of -2.5% and decreased cruise ship arrivals of -5.5% with a corresponding reduction in tourist's expenditure of 1.4% to US\$607.2 million. Real value-added in **Electricity & Water Supply** declined by 1.3% as Gross electricity fell by 1.2% and drought conditions reduced Water production by 2.2%. Producers of Government Services also declined for the fifth consecutive quarter, reflecting attrition and expenditure curtailment in the public sector. (Contd. On Page 10)



## Net International Reserves (NIR)

During April 2013, Net International Reserves declined by an additional US\$18.07 million to US\$866.18 million compared to US\$884.25 million at the end of March 2013. April's erosion extended the 20 month decline in NIR and reflected continued nervousness about a GOJ/IMF Agreement before the GOJ's announcement on May 1st, 2013 that the deal had been approved. Year over year (Apr 2012 to Apr 2013), the NIR is down by US\$905.60 million; while for the first four months of 2013, the NIR has declined by US\$259.40 million.

At the end of April 2013, gross reserves were adequate to finance 12.08 weeks of "goods and services" imports, (16 weeks of 'goods' imports) slightly above the 12 weeks international benchmark of reserves adequacy. This improvement in import capacity over the 11.49 weeks in March 2013 reflects a lowering of the estimates of the monthly import bill for 2013 by the BOJ based on assessments that aggregate demand will continue to be subdued.

## Foreign Currency Deposits

At the end of February 2013, foreign currency deposits (FCD's) in the local financial system stood at US\$2.56 billion—an increase of US\$36.6 million or 1.43% over the previous month. Year over year, FCD's are up US\$177.43 million. During 2012, FCD's were fairly steady and even increased by US\$180 million or 7.5% despite the bleeding of NIR. The moderate build-up in FCD's was likely due to the tendency to hold hard currency in times of uncertainty.

## Foreign Exchange Rate

**US DOLLAR:** During April 2013, the Jamaican dollar depreciated by an additional J\$0.47 to J\$99.35 compared to J\$98.89 at the end of March 2013. Indeed, during April 2013, the J\$/USD exchange rate dipped as low as J\$99.73 but encountered strong resistance just below the J\$100 to US\$1.00 level. During FY 2012/13, the J\$ depreciated by J\$11.61 or 13.3% against the USD and is down J\$6.37 or 6.85%

Table 1b: Changes in the NIR

	US\$M NIR	Change US\$M			Imports (Weeks)
		Mthly	12 Mth	YTD	
Apr-13	866.18	-18.07	-905.60	-259.40	16.00
Apr-12	1,771.78	-5.35	-830.62	-195.23	23.04

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

	US\$000 Feb '13	Change (US\$000)		% Change	
		mthly	12 mth	mthly	12 mth
Commercial Banks	1,946,723	44,801	162,080	2.30	9.08
Building Societies	561,579	-10,261	10,701	-1.83	1.94
Merchant Banks	48,338	2,078	4,646	4.30	10.63
Total Deposits	2,556,640	36,618	177,427	1.43	7.46

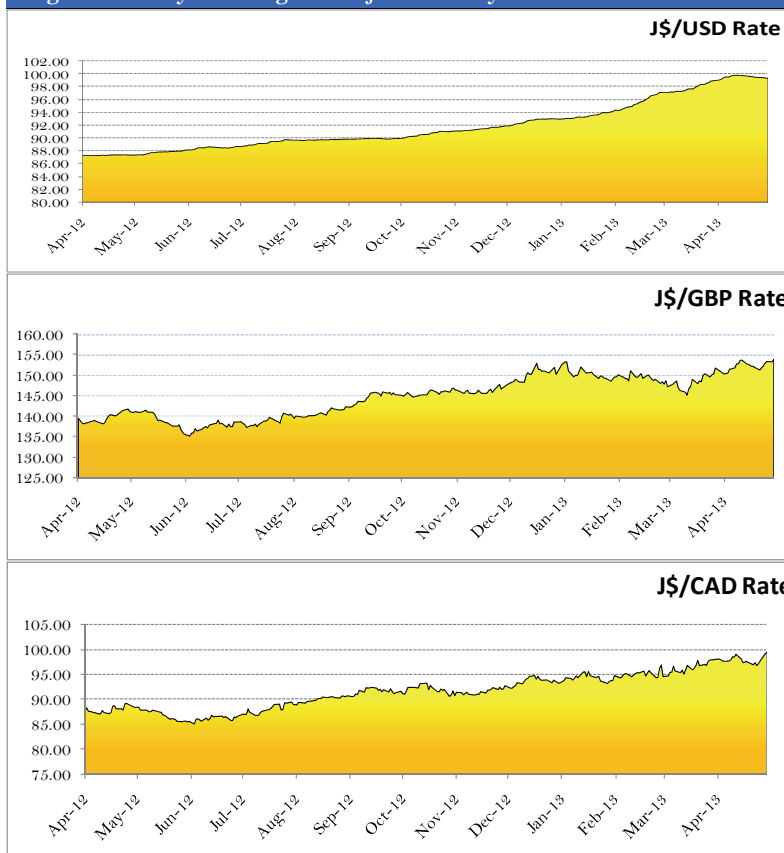
Source: Compiled from the BOJ (Preliminary)

Table 3: Foreign Exchange Trends

	YTD Currency Rate Change (Dec 31, 2012—4/30/13 *					
	J\$ / US\$	%	J\$ / UK£	%	J\$ / Can\$	%
2013	-6.37	-6.85	-1.38	-0.90	-6.30	-6.75
2012	-0.74	-0.86	-7.40	-5.51	-4.37	-5.19
2011	0.13	0.16	-8.63	-6.45	-4.62	-5.41
	MOM Apr - 2012					
Actual Rate	99.35	0.47	154.02	1.39	99.60	1.64
Mth Change	0.46	0.47	2.12	1.39	1.61	1.64

\*minus = appreciation; Source: BOJ database & PSOJ Economic Research

Figure 1: Daily % Change in Major Currency Rates



Source: Bank of Jamaica Database (BOJ)

against the USD for the first four months of 2013. This depreciation was largely driven by uncertainty about when a new GOJ/IMF agreement would be concluded. Since a new GOJ/IMF Agreement was approved on May 1st, 2013, there has been a modest J\$0.60 retracement of recent J\$ losses.

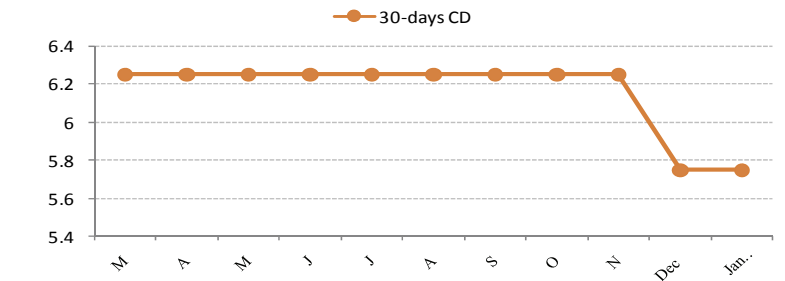
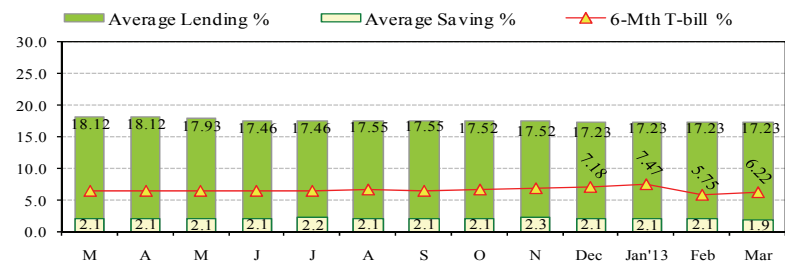
**POUND & CANADIAN DOLLAR:** During April 2013, the J\$ depreciated by J\$2.12 or 1.39% against the GBP to J\$154.02 from J\$151.90 in March 2013. Against the CAD, the J\$ depreciated by J\$1.61 or 1.64% in April 2013 to sell for J\$99.60 compared to J\$97.99 in March 2013. Usually, the J\$ trades in a proxy relation with the USD in regards to GBP and CAD demonstrating sharp up and down movements aligned to similar movements of USD on international markets. In April 2013, GBP and CAD appreciated against the USD on positive risk sentiments. Correspondingly, both currencies appreciated against the Jamaican dollar.

## Interest Rates

The average saving rate dipped by 13 bps in March 2013 to 1.94% while the Average Lending Rate held steady at 17.23% for the fourth month in a row. Given the subdued nature of aggregate and investment demand in the economy, commercial rates have felt little pressure on either the deposit or lending side. Rates in the public sector however, have been more volatile in recent months, seemingly caught between the downward recalibration of rates resulting from the National Debt Exchange and upward pressure exerted by BOJ liquidity management efforts to reduce pressure on the J\$ exchange rate.

Prior to the NDX, interest rate on the 6-month Treasury Bill had jumped by 66 bps in the two previous months to 7.47% in January 2013. But at the February T-Bill auction, after the NDX was announced, interest rate on the 6-month T-Bill fell to 5.75%. Taking their cue from what was happening to treasuries, the BOJ announced a 50 bps cut in its 30-days CD to 5.75% in Feb 2013. It is noteworthy however, that at the March

Figure 2A & 2B: Interest Rate Movements



Source: Bank of Jamaica Database (BOJ preliminary)

Table 4: Interest Rate Movements

	Mar-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*	15.00%	0.00%	0.00%	0.00%
Avg Savings Rate	1.94%	-0.13%	-0.16%	-0.13%
Avg Loan Rate	17.23%	0.00%	-0.89%	0.00%
6-Month T-Bill	6.22%	0.47%	-0.25%	-0.96%

Source: Bank of Jamaica (BOJ Preliminary) \* Not issued since Dec.2009

2013 treasury bill auction, interest rate on the 6-month T-Bill had again risen to 6.22%, and by a further 16 bps in April's auction to 6.39%, showing that administrative actions by the GOJ cannot hold rates below the risk premium demanded by the market.

The BOJ for its part, is being forced to offer higher premiums in its liquidity management activities. On April 8th 2013 it sought to support the NIR by issuing a 365-day US dollar indexed note at a fixed coupon of 4.75%. Later on April 15th, it moved to mop-up Jamaican dollar liquidity with three CD's - a 180

days at 5.97%; a 275 days at 6.02% and an 18 months at 6.07%. On May 16th, 2013 however, the BOJ had upped the rates on the later two instruments to 6.88% and 6.93% respectively. These rate movements illustrate that the BOJ is now paying a higher premium to support the Jamaican dollar.

## Base Money & Money Supply

During March 2013, M1 expanded by 0.54% to J\$139,823.85 million as the BOJ expanded the money supply



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to accommodate the Easter holidays. Thus currency with the public expanded by J\$2,267.8 million to J\$50,754.4 million, but this was counterbalanced by a reduction of checking deposits by J\$1,518.6 million to J\$89,069.5 million. Quasi money for its part contracted in March 2013 by -0.63% reflecting decreases of J\$3,850 million in 'Time Deposits' to J\$64,345.9 million while 'Saving Deposits' increased by J\$2,233.3 million to J\$192,254.1 million. Given that the increase in M1 was exceeded by the decline in Quasi money, M2—the broadest measure of money supply - decreased by -0.22% to J\$396,423.90 million during March 2013.

In April 2013, the monetary base contracted by -1.84% to J\$89,613.98 million reflecting currency redemption by the BOJ following the Easter holidays.

## Inflation

The rate of inflation increased by 0.4% during April 2013. This was the lowest monthly increase since the start of 2013.

The division recording the highest (1.1%) increase in the consumer price index was **"Clothing and Footwear"**. The groups 'Clothing' and 'Footwear' recorded increases of 1.2% and 0.9% respectively, due likely, to the continued passing through of inflationary impulses from the depreciation of the J\$ on imported items.

The second highest increase was recorded in the most heavily-weighted **"Food and Non-Alcoholic Beverages"** division. The two groups that make up this division - 'Food' and 'Non-Alcoholic Beverages' recorded increases of 1.0% and 0.8%. Within the 'Food' group significant increases were recorded for 'Fruit' - up 2.9%; 'Meat' up 1.6%; while 'Bread and Cereals' rose by 1.3%. The index for the group 'Non-Alcoholic Beverages' showed both classes - 'Coffee, Tea and Cocoa' and 'Mineral Waters, Soft Drinks, Fruit and Vegetable Juices' moving upwards by 1.1% and 0.7% re-

Table 5: Base Money and Money Supply

	J\$M	Percentage Change (%)		
		Mar -13	Mthly	12 Mth
M1	139,823.85		0.54	17.33
Quasi Money	256,600.06		-0.63	8.30
M2	396,423.90		-0.22	11.32
		Apr -'13	Mthly	12 Mth
Base Money	89,613.98		-1.84	5.47

Source: BOJ Economic Statistics

Table 6: Inflation Trends

	% Percent Changes			
	Apr	12-Mth	YTD	Fiscal
2013	0.40	9.13	2.43	0.40
2012	0.39	7.19	1.68	0.45

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

Table 7: Mining Production

	000 tonnes			YTD	
	Apr-13	Apr-12	%	Apr-13	13/12 %
<b>Production</b>					
Alumina	143.5	150.4	-4.6	570.3	-9.03
C. Bauxite	377.8	348.3	8.46	1,613.9	7.38
<b>Export</b>					
Alumina	106.5	210.8	-49.5	570.5	-12.8
C. Bauxite	366.0	335.9	8.95	1,575.9	6.42

Source: Jamaica Bauxite Institute (JBI)

spectively.

Three divisions - **"Alcoholic Beverages and Tobacco"**; **"Furnishings, Household Equipment & Routine Household Maintenance"** and **"Recreation and Culture"** - each recorded increases of 0.7%; while **"Miscellaneous Goods and Services"** rose by 0.8%. Again, the price increases on the many imported items within these divisions continued to reflect the passing through of inflationary impulses resulting from the depreciation of the Jamaican dollar.

Mitigating the increases in the six divisions mentioned above, prices fell by -1.6% in **"Housing, Water, Electricity, Gas and Other Fuels"** due to

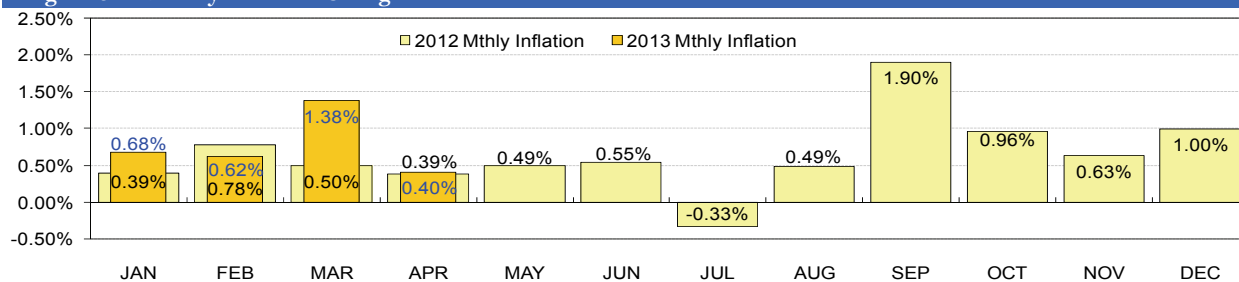
lower prices for imported fuels in April 2013; while two divisions - **"Education"** and **"Communication"** were flat for the month. The other three divisions (of the twelve) within the CPI recorded increases of 0.4% or less.

For January to April 2013, the rate of inflation was 3.2%; while the fiscal year to date and point to point rate were 0.4% and 9.1% respectively.

## Bauxite & Alumina

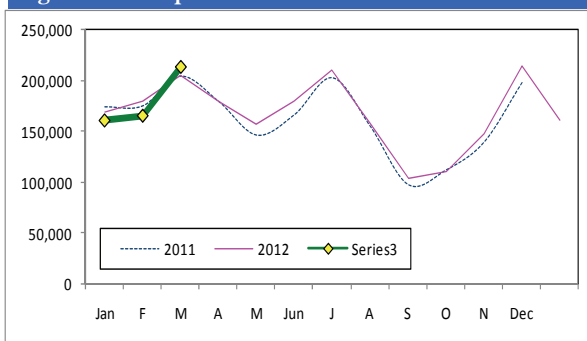
The soft conditions in the global economy during 2012 resulted in Jamaica's production of alumina falling by -10.86% to 1,753,505 tons

Figure 3: Monthly Inflation Changes



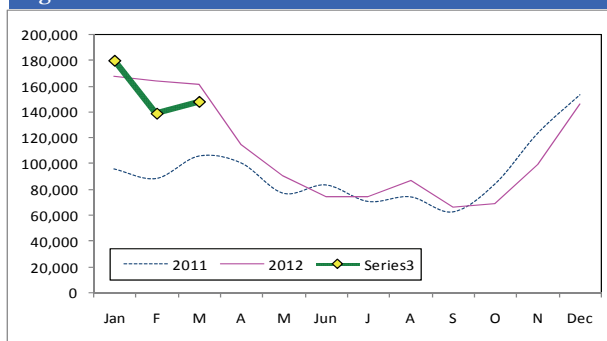
Source: STATIN and PSOJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

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 the first four months of 2013, alumina production is down -9.03% to 570,255 tons compared to 626,857 tons in 2012; while production of crude bauxite at 1,613,902 tons is running 7.38% ahead of output during the first four months of 2012 when output was 1,503,042 tons.

## Tourism

Stopover arrivals in March 2013 were a record 213,109 - an increase of 4.1% over the 204,724 stopovers recorded in March 2012. However, the number of cruise passengers declined by -8.5% in March 2013 to 148,022 visitors, compared to 161,794 in March 2012.

Regionally, stopovers from the US increased by 8.2% in March 2013 to 128,619 compared to 118,834 in March 2012. For Jan-Mar 2013 (Q1 2013), stopovers from the US were up 1.8% to 306,283 compared to 300,855 during Q1 2012. From the Canadian market, stopovers decreased by -6.4% during March 2013 (the third consecutive monthly decrease after a blockbuster 2012) with 54,272 arrivals compared to 57,953 in March 2012. Year to date, the number of visitors from Canada is down -12.3% to 149,967 compared to 171,054 in Q1 2012.

Visitors from Europe, including the UK, increased by 3.5% in March 2013 to 21,502 visitors compared to 20,780 arrivals in March 2012. This is the first increase in over 12 months. For Jan-Mar 2013, visitors from Europe are down -1.2% to 60,663 which has seen a -24.2% drop in arrivals since 2010.

Stopover arrivals from the Caribbean

### Tourist Arrivals

	2012	2013	%Change	
			YTD (MAR)	YOY MOM
<b>Stopover</b>	<b>554,671</b>	<b>540,574</b>	<b>-2.5%</b>	<b>28.4%</b>
Foreign	522,650	508,691	-2.7%	-27.1%
Non-Resident	32,021	31,883	-0.4%	49.8%
<b>Cruise</b>	<b>493,954</b>	<b>466,811</b>	<b>-5.5%</b>	<b>6.6%</b>
<b>Total Arrivals</b>	<b>1,048,625</b>	<b>1,007,385</b>	<b>-3.9%</b>	<b>18.4%</b>

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

recorded a small -1.9% decline during calendar year 2012 to 64,984 visitors compared to 66,216 visitors in 2011. For the first quarter of 2013, stopovers from the Caribbean are up slightly by 1.0% to 13,336 visitors compared to 13,200 visitors for the first three months of 2012. On the other hand, stopovers from Latin America are up strongly by 33.8% in Jan-Mar 2013 to 7,272 extending their strong 50.9% increase (to 25,037) recorded in 2012.

During calendar year 2012, cruise visitors to the Island increased by 17.3% to 1,320,083 visitors on top of a strong 23.4% increase in 2011 reflecting the impact of the opening of the Falmouth Port. For the first three months of 2013 however, cruise arrivals are down -5.5% to 466,811 visitors compared to 493,954 in Jan-Mar 2012. Total Visitors to Jamaica during Jan-Mar 2013 were 1,007,385 - a 3.9% decrease compared to 1,048,625 visitors during Jan-Mar 2012.

### External Trade

During January 2013, Jamaica's exports increased by US\$10.86 million or 7.7% to US\$152.1 million compared to US\$141.2 million during January 2012. Imports for the period increased by the lesser amount of US\$9.7 million or 1.8% to US\$553.1 million relative to

US\$543.4 million in January 2012. Thus the traditional negative imbalance in Jamaica's merchandise trade improved slightly in January 2013 by -US\$1.16 million or 0.3% to (US\$401.1 million) compared to (US\$402.2 million) in January 2012.

**Traditional Exports:** During January 2013, traditional domestic exports earned US\$58.0 million, a decrease of -US\$19.4 million or -25.1% relative to the US\$77.4 million earned during 2012. The share of traditional exports in total domestic exports also decreased to 38.1% in Jan 2013 from 54.7% during Jan 2012.

The decreased earnings from traditional exports were mainly due to the fact that no sugar was exported during January 2013 compared to US\$18.74 million in Jan 2012. This manifested in a large 85.0% drop in exports of Manufactures to US\$3.43 million compared to US\$22.78 million in Jan 2012. A smaller decline of US\$0.47 million in Rum exports to US\$3.21 million also contributed to the decline in manufacturing and traditional exports, as well as, the US\$0.66 million decline of bauxite exports to US\$10.45 million from US\$11.11 million in Jan 2013.

On the positive side, alumina exports inched up by US\$0.59 million to

US\$43.09 million, while Coffee exports increased by US\$0.18 million to US\$0.58 million during Jan 2013.

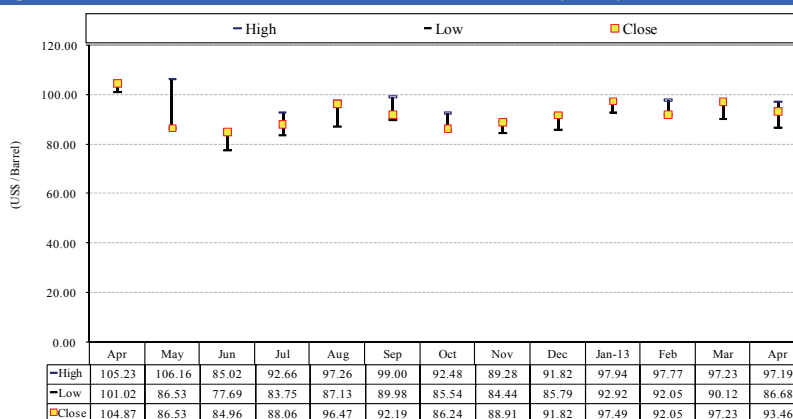
**Non-traditional exports** grew by 22.8% in 2012 to US\$828.4 million, relative to US\$674.7 million in 2011. During the first month of 2013, non-traditional exports continued their strong expansion growing by 47.5% to US\$87.7 million relative to US\$58.5 million during Jan 2012. Two of four categories of non-traditional exports increased and two declined.

In the category **“Food”**, there was a 11.5% increase in earnings to US\$13.13 million compared to US\$11.8 million in Jan 2012. Twelve of seventeen groups recorded increases and five declined. Among the groups recording increased earnings were: ‘Dairy Products and Bird Eggs’ - up 163.7% to US\$1.45 million from US\$549,000; ‘Baked Products’ - up 156.8% to US\$1.57 million from US\$610,000; and ‘Malt Extracts & Preparations Thereof’ - up 88.0% to US\$641,000 from US\$341,000. Notable increases were also recorded for ‘Papayas’ - up 65.2% to US\$319,000; ‘Other Food Exports’ - up 19.9% to US\$1.98 million from US\$1.66 million; and ‘Sauces’ - up 9.1% to US\$1.09 million from US\$1.01 million.

There were however, notable decreases in earnings from some ‘Food’ groups in Jan 2013 compared to Jan 2012. Earnings from ‘Juices excluding Citrus’ were down -28.6% to US\$561,000 from US\$785,000 in Jan 2012. ‘Fish, Crustaceans and Molluscs’ were down -49.0% to US\$432,000 from US\$847,000; and ‘Ackees’ declined by -5.0% to US\$1.13 million compared to US\$1.19 million in Jan 2012. ‘Yams’ exports were also down by -2.0% to US\$1.76 million from US\$1.79 million.

**“Other”** non-traditional exports, generally, the largest category of non-traditional exports, increased by 69.4% to US\$70.2 million in 2012 compared to US\$41.45 million in 2012. This mainly resulted from a 989.7% increase in ‘Chemicals (incl. Ethanol)’ to US\$33.8 million relative to US\$3.1 million in Jan 2012. This was supported by rises of 434.5% in ‘Machinery and Transport Equipment’ to US\$359,000 compared to US\$67,000 in Jan 2012; and a 319.7% increase in ‘Furniture’ exports to US\$59,000 compared to US\$14,000 in Jan 2012. Though declining by 5.3% year over year, significant earnings of

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 '12	Jan '13	Change	% Change
<b>TOTAL EXPORTS (fob)</b>	<b>141.21</b>	<b>152.06</b>	<b>10.86</b>	<b>7.7%</b>
Major Traditional Exports	77.43	58.01	-19.42	-25.1%
<i>by Sector:-</i>				
Agriculture	1.03	1.05	0.02	1.6%
Mining & Quarrying	53.62	53.54	-0.08	-0.1%
Manufacturing	22.78	3.43	-19.36	-85.0%
<i>by Industry:-</i>				
Bauxite	11.11	10.45	-0.66	-6.0%
Alumina	42.50	43.09	0.59	1.4%
Sugar	18.74	-	-18.74	68.0%
Rum	3.68	3.21	-0.47	-12.7%
Bananas	0.01	-	-0.01	0.0%
Coffee	0.40	0.58	0.18	43.8%
Other	0.99	0.69	-0.30	-30.2%
Non-Traditional Exports	59.48	87.71	28.23	47.5%
Re-exports	4.29	6.34	2.05	47.7%
<b>TOTAL IMPORTS</b>	<b>543.41</b>	<b>553.11</b>	<b>9.70</b>	<b>1.8%</b>
Food	61.75	92.24	30.49	49.4%
Beverages & Tobacco	4.92	6.30	1.38	28.0%
Crude Materials (excl. Fuels)	1.62	3.70	2.08	128.9%
Mineral Fuels, etcetera	250.38	178.64	-71.74	-28.7%
Animal & Vegetable Oils & Fats	0.64	6.86	6.23	977.4%
Chemicals	61.14	97.61	36.46	59.6%
Manufactured Goods	49.52	45.81	-3.71	-7.5%
Machinery and Transport Equip.	77.65	77.33	-0.33	-0.4%
Misc. Manufactured Articles	34.15	34.65	0.50	1.5%
Other	1.64	9.97	8.33	508.7%
<b>TRADE BALANCE</b>	<b>(402.21)</b>	<b>(401.05)</b>	<b>1.16</b>	<b>-0.3%</b>

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

US\$35.14 million accrued from exports of ‘Mineral Fuels, etc.’.

**“Beverages & Tobacco (excl. Rum)”** was one of two Non-Traditional export category that declined in 2012. This category declined by -25.1% to US\$48.25 million from US\$64.45 million. For January 2013, Beverages & Tobacco (excl. Rum) is down -41.6% to US\$2.31 million compared to US\$3.96

million in Jan 2012. This mainly reflected a -47.0% reduction in exports of ‘Alcoholic Beverages (excl. Rum)’ to US\$1.75 million relative to US\$3.3 million in Jan 2012.

**“Crude Materials”**, which had been the fastest growing group of non-traditional exports in recent years, declined by -41.0% in 2012. This was largely due to GOJ’s policy of curtail-

ing exports of 'Waste and Scrap Metals' to counter illegal pilfering of metals and scrap. In Jan 2013, exports of Crude Materials continued to decline falling to US\$2.07 million compared to US\$2.31 million in Jan 2012. Again, the main contributor to the decline, was the fall-off in exports of 'Waste and Scrap' to US\$1.35 million compared to US\$2.11 million in Jan 2012.

**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% reflecting the tightening grip of recession in the local economy as imports expanded by only US\$155.5 million to US\$6.59 billion compared to US\$6.44 billion in 2011.

During the first month of 2013, imports grew by 1.8% to US\$553.1 million and compared to US\$543.4 million recorded in Jan 2012. Largely responsible for the growth in imports in Jan 2013 was a 20.4% rise in imports of **Consumer Goods** to US\$138.9 million compared to US\$116.18 million in Jan 2012. All categories of Consumer Goods imports increased led by 'Food' -up 30.3% to US\$68.3 million from US\$52.4 million; 'Non-Durable Goods' - up 13.4% to US\$37.4 million; 'Semi-Durable Goods' - up 8.7% to US\$9.4 million and 'Other Durable Goods' - up 11.9% to US\$24.77 million from US\$22.12 million in January 2012. Though basically flat year over year, imports of 'Passenger Motor Cars' recorded a substantial month over month jump in Jan 2013 to US\$22.73 relative to US\$15.96 imported in Dec 2012 as dealers moved to rebuild their inventories at the start of the year.

The two other main categories of imports -'Raw Materials/Intermediate Goods' and 'Capital Goods (excl. Motor Cars)' both recorded month over month increases due to restocking, but year over year declines. In the case of 'Raw Materials/Intermediate Goods' imports fell by 2.5% in Jan 2013 to US\$355.85 million compared to US\$365.06 million in Jan 2012. Though there was a substantial 110% increase in intermediate 'Food' imports to US\$28.03 million, as well as, a 57.6% increase in imports of 'Industrial Supplies' to US\$126 million, these increases were moderated by declines in the other three sub-categories of 'Raw Materials' imports. 'Crude Oil' imports fell 11.3% to US\$102.3 million compared to US\$131.91 million in Jan 2012;

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

	Jan-Dec 2011	Jan-Dec 2012	\$ Change	% Change
<b>Current Account</b>	<b>(2,116.5)</b>	<b>(1,575.2)</b>	<b>541.3</b>	<b>25.6%</b>
<b>Goods Balance</b>	<b>(4,257.6)</b>	<b>(4,158.0)</b>	<b>99.6</b>	<b>2.3%</b>
Exports	1,664.8	1,746.7	81.9	4.9%
Imports	5,922.4	5,904.7	(17.7)	-0.3%
<b>Services Balance</b>	<b>669.8</b>	<b>751.5</b>	<b>81.7</b>	<b>12.2%</b>
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%
<b>Income</b>	<b>(518.4)</b>	<b>(277.4)</b>	<b>241.0</b>	<b>46.5%</b>
Compensation of empl	36.5	58.1	21.6	59.2%
Investment Income	(554.9)	(335.6)	219.3	39.5%
<b>Current Transfers</b>	<b>1,989.8</b>	<b>2,108.7</b>	<b>118.9</b>	<b>6.0%</b>
Official	141.3	236.1	94.8	67.1%
Private	1,848.4	1,872.7	24.3	1.3%
<b>Capital &amp; Financial Account</b>	<b>1,326.4</b>	<b>1,957.7</b>	<b>631.3</b>	<b>47.6%</b>
<b>Capital Account</b>	<b>(9.1)</b>	<b>(174.0)</b>	<b>(164.9)</b>	<b>-1812.1%</b>
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/disp.	-	-	-	0.0%
<b>Financial Account</b>	<b>1,335.5</b>	<b>2,131.6</b>	<b>796.1</b>	<b>59.6%</b>
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%

'Other Fuels and Lubricants' were down by 42.2% to US\$76.22 million from US\$131.91 million and 'Parts and Accessories of Capital Goods' were down by 5.2% to US\$23.15 million compared to US\$24.42 million in Jan 2012.

The other main category of imports -'Capital Goods (excl. Motor Cars)'-declined by -12.0% to US\$39.36 million during Jan 2013 from US\$34.64 million in Jan 2012. 'Imports of Machinery and Equipment' were down by 15.4% to US\$23.2 million relative to US\$19.62 million during Jan 2012. 'Other Industrial Transport Equipment' fell by 14.2% to US\$7.15 million compared to US\$8.34 million in Jan 2012; while imports of 'Construction Materials' declined by -8.6% to US\$6.86 million compared to US\$7.51 million one year earlier. Imports of 'Other Capital Goods' however rose by 218% to US\$1.0 million compared to US\$314,000 in Jan 2012.

**Oil:** At the end of April 2013, the price of West Texas Intermediate (WTI) Crude Oil stood at US\$93.46 per 42 gallon barrel - a decrease in price of US\$3.74 relative to the clos-

ing price of US\$97.23 the previous month. During April 2013 the price ranged between a high of US\$97.19 and a low of US\$86.68.

## 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

Table 11: Fiscal Accounts (J\$ Million)

	Apr-Mar (Fiscal—2012/13)				Apr-Mar (YOY)	
	J\$ million		Deviation		11/12 - 12/13	
	Provisional	Budget	J\$M	(%)	J\$M	(%)
<b>Revenue &amp; Grants</b>	<b>344,668.5</b>	<b>361,282.5</b>	<b>-16,614.0</b>	<b>-4.60</b>	<b>16,148.8</b>	<b>5.7</b>
Tax Revenue	319,764.9	335,625.1	-15,860.2	-4.73	23,802.0	9.3
Non-Tax Revenue	18,783.6	18,555.2	228.4	1.23	-585.3	-3.8
Bauxite Levy	1,163.7	1,681.3	-517.6	-30.79	-340.5	-24.1
Capital Revenue	1,015.8	1,008.9	6.9	0.69	-7,372.0	-89.7
Grants	3,940.5	4,412.0	-471.5	-10.69	791.5	26.3
<b>Expenditure</b>	<b>399,278.9</b>	<b>414,258.0</b>	<b>-14,979.1</b>	<b>-3.62</b>	<b>-1,625.8</b>	<b>-0.4</b>
Recurrent Expenditure	361,521.0	374,765.0	-13,244.0	-3.53	13,959.5	4.3
Programmes	87,201.5	92,160.7	-4,959.2	-5.38	1,287.2	1.7
Wages & Salaries	147,381.8	146,070.4	1,311.4	0.90	7,055.6	5.5
Interest	126,937.7	136,533.8	-9,596.1	-7.03	5,616.6	4.8
Domestic	87,729.1	90,080.9	-2,351.8	-2.61	5,878.6	7.3
External	39,208.6	46,453.0	-7,244.4	-15.60	-262.2	-0.7
Capital Expenditure	37,757.9	39,493.0	-1,735.1	-4.39	-15,585.2	-38.3
Capital Programmes	37,757.9	39,493.0	-1,735.1	-4.39	-15,585.2	-38.3
IMF #1 Account	0.0	0.0	0.0	0.00	0.0	0.0
<b>Fiscal Balance (Surplus [+ve])</b>	<b>-54,610.8</b>	<b>-52,975.5</b>	<b>-1,635.3</b>	<b>-3.09</b>	<b>17,774.5</b>	<b>22.1</b>
Loan Receipts	147,093.0	251,145.8	-104,052.8	-41.43	-21,631.4	-13.4
Domestic	134,070.2	141,806.9	-7,736.7	-5.46	-11,851.3	-8.4
External	13,022.8	109,338.9	-96,316.1	-88.09	-9,780.1	-50.0
Divestment Proceeds	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	88,329.8	198,170.2	-109,840.4	-55.43	-37,203.0	-30.2
Domestic	37,094.8	124,612.9	-87,518.1	-70.23	-29,055.1	-44.7
External	51,235.0	73,557.4	-22,322.4	-30.35	-8,147.8	-14.0
<b>Overall Balance (Surplus [+ve])</b>	<b>4,152.4</b>	<b>0.0</b>	<b>4,152.4</b>	<b>0.0</b>	<b>47,848.0</b>	<b>134.5</b>
<b>Primary Balance (Surplus [+ve])</b>	<b>72,326.9</b>	<b>83,558.3</b>	<b>-11,231.4</b>	<b>-13.44</b>	<b>23,391.2</b>	<b>62.1</b>

Source: Ministry of Finance and Planning

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. This increase emanated 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 fiscal year (Apr-Mar) 2012/13, the Government of Jamaica ran a fiscal deficit of -J\$54.6 billion. This fiscal deficit was J\$1.64 billion or 3.09% worse than the -J\$52.98 billion budgeted but J\$17.77 billion or 22.1% better than the -J\$86.07 billion deficit recorded during FY2011/12. This slightly worse than expected out-turn on the fiscal deficit resulted from a severe shortfall of J\$16.61 billion in Revenues and Grants which was largely, but not completely offset by a sharp cutback of J\$14.98 billion in Expenditure.

**REVENUE:** Total Revenues & Grants to the GOJ during FY

2012/13 was J\$344.67 billion. This was -J\$16.61 billion or 4.60% short of the budgetary target of J\$361.28 billion though it was J\$16.15 billion or 5.7% greater than Revenues and Grants collected during Apr-Mar 2011/12.

Of 25 revenue heads, only 7 came in (moderately) above target during FY2012/13. This largely reflects the recession in the Jamaican economy. The main outperformers were: 'SCT' - up J\$2.47 billion; 'Stamp Duty (Local)' - up J\$1.16 billion; and 'Tax on Interest' - up J\$808.9 million. Tax on Dividend' - up J\$499.9 million; and 'Non-Tax Revenue' - up J\$228.4 million, also came in above budget.

Among the main underperformers on the revenue account were: 'PAYE' - down -J\$5.01 billion below budget; 'SCT (Imports)' down - J\$2.89 billion; and 'Other Compa-



nies Taxes' - down -J\$2.69 billion. 'GCT (Imports)' - down -J\$2.44 billion and 'GCT (Local)' - down -J\$2.15 billion also underperformed budget.

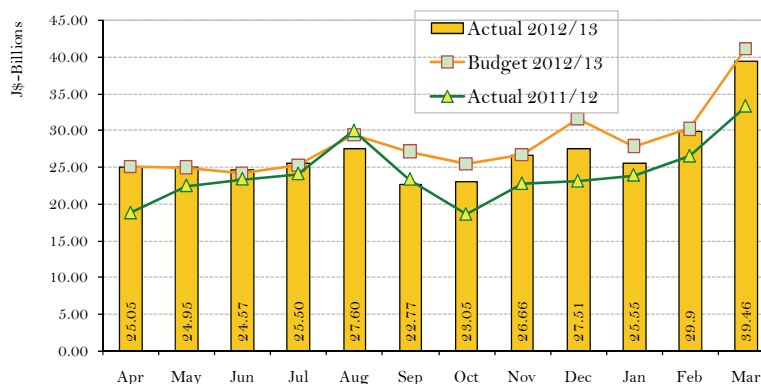
**EXPENDITURE:** During FY2012/13 total expenditure was J\$399.28 billion. This was -J\$14.98 billion or -3.62% less than the J\$414.26 billion budgeted, and J\$1.63 billion or -0.4% less than expenditures for FY2011/12. To move towards the IMF Primary Surplus requirement of 7.5% of GDP and to compensate for the below target performance of Revenues, the GOJ was forced to carefully control expenditures. Substantial savings totalling J\$9.6 billion were achieved on interest payments with GOJ paying out J\$126.94 billion relative to the J\$136.3 billion budgeted. There were saving of J\$7.24 billion on 'External Interest' with J\$39.2 billion paid out relative to the J\$46.45 billion budgeted; while savings of J\$2.35 billion on 'Domestic Interest' (J\$87.73 billion paid relative to J\$90.49 billion budgeted) were also realized. Other significant areas of expenditure compression were: 'Recurrent Programmes' - down J\$4.6 billion to J\$87.2 billion compared to J\$92.16 billion budgeted; and 'Capital Programmes' on which J\$37.76 billion was spent relative to J\$37.76 billion budgeted with a resultant savings of J\$1.74 billion. Expenditures on 'Wages and Salaries' however, were modestly above budget to the tune of J\$1.3 billion with J\$147.38 billion spent compared to J\$146.07 billion budgeted.

### FISCAL OUTTURN

The fiscal deficit for FY2011/12 (Apr-Mar 2011) was -J\$80.74 billion. For FY2012/13, the GOJ originally projecting a fiscal deficit of -J\$48.0 billion or 4% of GDP, but this upwardly revised to -J\$52.97 billion during the year. The final outturn was -J\$54.6 billion, about J\$1.64 billion off-target, but J\$17.77 billion better than outturn for 2011/12.

**The Primary Surplus** - a measure of the country's ability to service its debt from revenues, was J\$39.97 billion in 2011/12. Under pressure from the IMF, to raise the primary surplus target to 7.5% of GDP, the GOJ upwardly revised the primary surplus target for FY2012/13 from J\$60 billion to J\$83.56 billion. The final outturn was J\$72.34, which fell J\$11.23 billion from the revised target, but was an improvement of J\$30.0 billion on the primary surplus for FY2011/12.

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



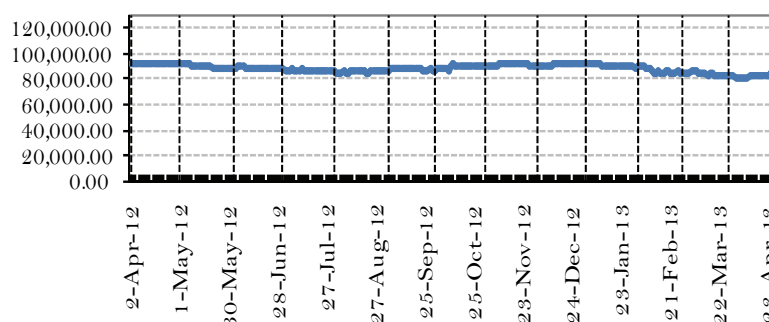
Source: Ministry Of Finance and Planning (Jamaica)

Table 12: Leading Sources of Revenues and Expenditure YTD

J\$-Millions	Apr-Mar 2012/13
<b>Revenue Surpluses</b>	
SCT	2,465.3
Stamp Duty (Local)	1,159.2
Tax on Interest	808.9
Tax on Dividend	499.9
Non-Tax Revenue	228.4
<b>Revenue Shortfalls</b>	
PAYE	-5,011.2
SCT (Imports)	-2,771.6
Other Companies	-2,687.6
GCT (Imports)	-2,439.4
GCT (Local)	-2,145.0
<b>Expenditure Changes</b>	
Recurrent Programmes	-4,959.2
External Interest	-7,244.4
Domestic Interest	-2,351.8
Capital Programmes	-1,735.1
Wages and Salaries	1,311.4

Source: Ministry Of Finance and Planning (Jamaica)

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



Source: Jamaica Stock Exchange (Online Database) and PSOJ

### PUBLIC DEBT

At the end of January 2013 the total public debt stood at J\$1.768 trillion - an increase of J\$106.0 billion over the J\$1,662.3 trillion recorded at the start of

FY 2012/13. For the first ten months of FY2012/13, the domestic debt has increased by J\$81.4 billion to J\$994.05 billion or 56.2% of the total, while the external debt has declined by

US\$365.4 million to US\$8.22 billion. Due to depreciation of the J\$, the external debt denominated in J\$ has actually increased by J\$23 billion since the beginning of FY 2012/13 to J\$773.96 at the end of January 2013.

## Stock Market

During April 2013, market capitalization increased by J\$8.74 billion or 1.7% to close at J\$520.92 billion. Four of six indices on the Jamaican Stock Exchange advanced and two declined. The main **JSE Market Index** advanced by 1,490 points or 1.82% to close at 83,476 points. The **JSE Combined Index** advanced by 1,425 points or 1.7% to close at 84,917 points. The **JSE All Jamaican Composite Index** advanced by 4,641 points or (6.0%) to close at 81,895 points and the **JSE Select Index** advanced by 152.7 points or (7.28%) to close at 2,245 points. The **JSE Cross Listed Index** of mostly foreign companies operating in Jamaica, declined however by 25 points or 3.02% to close at 8802 points; and the **Junior Market Index**

The leading advancers in April 2013 were: Pulse Investments; Palace Amusements Co. Ltd; Hardware & Lumber; Kingston Wharves and LIME. The leading decliners were: Caribbean Cement Co; Ciboney Group; Radio Jamaica Ltd; Sagicor Investments Jamaica Ltd; and National Commercial Bank Ltd.

## Economic Highlights

contd. from page 1.)

**Transport, Storage and Communication**, which grew by 0.5%, recorded the highest growth among the five expanding Service sectors in Q1 2013. A 1.5% increase in Maritime cargo and lower rates and increased competition among mobile phone providers underlay that increase. **Finance and Insurance Service** grew by 0.4% reflecting the combined effect of increased interest income (prior to the NDX) and higher fees and commissions by financial institutions.

**The Wholesale and Retail Trade: Repair and Installation of Machinery (WRTRIM)** grew by 0.3% as three of the nine categories that account for 57.6% of sales recorded increases. This is in spite of a 38% decrease in consumer confidence and a 23% decrease in business confidence. **Real Estate, Renting and Business Services** was flat despite the 11.1% increase in Housing Starts as that output had possibly not yet fed into

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

	2013 Jan 2	2013 Apr 30	\$ change	% change
<b>Top Five (unadjusted for dividends or transact. Costs)</b>				
Pulse Investments	1.00	1.60	0.60	60.00%
Palace Amusement	60.00	95.00	35.00	58.33%
Hardware & Lumber	3.40	4.10	0.70	20.60%
Kingston Wharves	5.00	5.96	0.96	19.20
LIME	0.16	0.18	0.02	12.50%
<b>Bottom Five (unadjusted for dividends or transact. Costs)</b>				
Caribbean Cement Co.	1.00	0.63	(0.37)	37.00
Ciboney Group	0.03	0.02	(0.01)	33.32
Radio Jamaica	1.99	1.35	(0.64)	-32.16%
Sagicor Investments Ja	22.14	15.50	(6.64)	-29.99%
National Comm. Bank	23.92	18.02	(5.90)	-24.67%

Source: Compiled from the JSE

also declined - by 5.26 points or 0.85%, to close at 617 points.

Market volume was low in April 2013 with 41.63 million units valued at J\$401.74 million changing hands compared to 98.58 million units valued at J\$1.061 billion in March 2013.

Overall market activity resulted from trading in 33 stocks of which 19 ad-

the sector.

For the April -June 2013 quarter, the PIOJ is projecting a flat outturn (0.0% growth) based on the expectation of continued growth in Construction and the resumption of growth in Mining and Quarrying. This is expected to be counterbalanced by continued contraction in Agriculture as persistent drought conditions hampers post-Sandy recovery; and contractions in Financial and Insurance Services due to reduction in interest income caused by the National Debt Exchange.

### The Global Picture

Though stock markets around the world continued their record-breaking expansion in April 2013 due to the ready availability of low interest money spawned by quantitative easing, uncertainty continued to be pervasive throughout the global economy.

Adding to the uncertainty caused by loose monetary policies, data from the real economy continued to be mixed. In the United States, the labour market appeared to be stabilizing with a high level of structural unemployment approaching 13% when the long-term unemployed who have given-up looking for work are added to the official 7.5% rate. Thus, while Non-farm Payrolls in April came in better than ex-

pected, 9 declined and 5 traded firm. Proven Investments Ltd. was the volume leader with 7.708 million units or 18.5% of market volume; followed by Jamaica Money Market Brokers Ltd. with 6.65 million units or 15.98% of market volume; while Scotia Group Jamaica Ltd. was third with 4.22 million units or 10.15% of market volume.

pected with 165,000 new jobs created, many analysts agree that this monthly performance was still not strong enough to seriously dent US unemployment. Added to that, though Retail Sales for April 2013 came in better than expected at 0.1% relative to expectations for a -0.2% decline, manufacturing, which has driven the US recovery over the last four years, came in much weaker than expected in five of the six regions monitored by the Federal Reserve. This suggest continued labour market weakness in the US, at least in the short term.

In Europe, recessionary conditions continued to grip much of the continent, and now appears to have spread from the periphery to the center. The out-turn on Germany's Q1 2013 GDP was negative (-0.2%) for the first time in four years and the Purchasing Manager's Index for Services and Manufacturing persisted in negative territory below 50 suggesting continuing contraction.

In China, Q1 GDP of 7.7%; Retail Sales of 12.5% and Fixed Asset Investment of 20.6% continued to be strong, but appeared to be weakening on worries over Europe. This weakness and uncertainty in the global economy does not bode well for a strong recovery in the Jamaican economy.

## INFLATION (APR - 2013) - CPI

## APPENDIX

	%Change	Weighted Δ	Rnk	Infl. Contribution
<b>All Groups</b>	<b>0.40%</b>	<b>0.405</b>		
<b>FOOD AND NON-ALCOHOLIC BEVERAGES</b>	<b>0.95%</b>	<b>0.355</b>	<b>1</b>	
<b>Food</b>	0.98%			
Bread and Cereals	1.31%			
Meat	1.60%			
Fish and Seafood	0.75%			
Milk, Cheese and eggs	1.12%			
Oils and Fats	1.18%			
Fruit	2.87%			
<b>Vegetables and Starchy Foods</b>	<b>0.19%</b>			
Vegetables	-0.79%			
Starchy Foods	3.19%			
Sugar, Jam, Honey, Chocolate and Confectionery	0.08%			
Food Products n.e.c.	0.49%			
<b>Non-Alcoholic Beverages</b>	<b>0.80%</b>			
Coffee, tea and Cocoa	1.11%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	0.67%			
<b>ALCOHOLIC BEVERAGES AND TOBACCO</b>	<b>0.78%</b>	<b>0.011</b>	<b>8</b>	
<b>CLOTHING AND FOOTWEAR</b>	<b>1.10%</b>	<b>0.037</b>	<b>4</b>	
Clothing	1.21%			
Footwear	0.93%			
<b>HOUSING, WATER, ELECT., GAS AND OTHER FUELS</b>	<b>-1.55%</b>	<b>-0.197</b>	<b>12</b>	
Rentals for Housing	0.00%			
Maint and Repair of Dwelling	0.60%			
Water Supply and Misc. Serv Related to the Dwelling	5.67%			
Electricity, Gas and Other Fuels and Routine	-3.76%			
<b>FURNISH, HSHOLD EQUIP &amp; HSHOLD MAINT.</b>	<b>0.73%</b>	<b>0.036</b>	<b>5</b>	
Furniture and Furnishings (including Floor Coverings)	0.58%			
Household Textiles	0.55%			
Household Appliances	0.67%			
Glassware, Tableware and Household Utensils	0.61%			
Tools and Equipment for House and Garden	0.59%			
Goods and Serv. for Routine Household Maint	0.80%			
<b>HEALTH</b>	<b>0.23%</b>	<b>0.008</b>	<b>9</b>	
Medical Products, Appliances and Equipment	0.37%			
Health Services	0.08%			
<b>TRANSPORT</b>	<b>0.30%</b>	<b>0.038</b>	<b>3</b>	
<b>COMMUNICATION</b>	<b>0.00%</b>	<b>0.000</b>	<b>10</b>	
<b>RECREATION AND CULTURE</b>	<b>0.68%</b>	<b>0.023</b>	<b>7</b>	
<b>EDUCATION</b>	<b>0.00%</b>	<b>0.000</b>	<b>10</b>	
<b>RESTAURANTS AND ACCOMMODATION SERVICES</b>	<b>0.42%</b>	<b>0.026</b>	<b>6</b>	
<b>MISCELLANEOUS GOODS AND SERVICES</b>	<b>0.82%</b>	<b>0.068</b>	<b>2</b>	

**INFLATION YTD ( JAN –APR 2013) CPI**

	%Change	Weighted Δ	Rnk	Infl. Contribution
<b>All Groups</b>	<b>3.12%</b>	<b>3.117</b>		
<b>FOOD AND NON-ALCOHOLIC BEVERAGES</b>	<b>3.12%</b>	<b>1.170</b>	<b>1</b>	
<b>Food</b>	2.96%			
Bread and Cereals	3.18%			
Meat	3.21%			
Fish and Seafood	1.90%			
Milk, Cheese and eggs	4.95%			
Oils and Fats	5.13%			
Fruit	7.73%			
<b>Vegetables and Starchy Foods</b>	<b>1.29%</b>			
Vegetables	-0.72%			
Starchy Foods	7.30%			
Sugar, Jam, Honey, Chocolate and Confectionery	3.13%			
Food Products n.e.c.	2.86%			
<b>Non-Alcoholic Beverages</b>	<b>5.91%</b>			
Coffee, tea and Cocoa	7.04%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	5.38%			
<b>ALCOHOLIC BEVERAGES AND TOBACCO</b>	<b>5.57%</b>	<b>0.077</b>	<b>8</b>	
<b>CLOTHING AND FOOTWEAR</b>	<b>4.45%</b>	<b>0.148</b>	<b>7</b>	
Clothing	4.89%			
Footwear	3.83%			
<b>HOUSING, WATER, ELECT., GAS AND OTHER FUELS</b>	<b>3.89%</b>	<b>0.496</b>	<b>2</b>	
Rentals for Housing	0.53%			
Maint and Repair of Dwelling	8.86%			
Water Supply and Misc. Serv Related to the Dwelling	7.56%			
Electricity, Gas and Other Fuels and Routine	4.31%			
<b>FURNISH, HSHOLD EQUIP &amp; HSHOLD MAINT.</b>	<b>3.22%</b>	<b>0.159</b>	<b>6</b>	
Furniture and Furnishings (including Floor Coverings)	2.75%			
Household Textiles	3.86%			
Household Appliances	3.34%			
Glassware, Tableware and Household Utensils	4.18%			
Tools and Equipment for House and Garden	3.15%			
Goods and Serv. for Routine Household Maint	3.26%			
<b>HEALTH</b>	<b>1.96%</b>	<b>0.064</b>	<b>10</b>	
Medical Products, Appliances and Equipment	2.47%			
Health Services	1.61%			
<b>TRANSPORT</b>	<b>1.75%</b>	<b>0.224</b>	<b>5</b>	
<b>COMMUNICATION</b>	<b>0.14%</b>	<b>0.006</b>	<b>11</b>	
<b>RECREATION AND CULTURE</b>	<b>2.19%</b>	<b>0.074</b>	<b>9</b>	
<b>EDUCATION</b>	<b>0.00%</b>	<b>0.000</b>	<b>12</b>	
<b>RESTAURANTS AND ACCOMMODATION SERVICES</b>	<b>4.57%</b>	<b>0.283</b>	<b>4</b>	
<b>MISCELLANEOUS GOODS AND SERVICES</b>	<b>4.23%</b>	<b>0.354</b>	<b>3</b>	

## FISCAL ACCOUNTS (APR-MAR 2012/13)

REV. & EXPEN. (APR-MAR '12/13)	J\$M	PROVISIONAL RESULTS	J\$M	BUDGET DEVIATION	J\$M	YOY - CHANGE
<b>Revenue &amp; Grants</b>	344,668.5		-16,614.0		16,148.80	
Tax Revenue	319,764.9		-15,860.2		23,802.00	
Non-Tax Revenue	18,783.6		228.4		-585.30	
Bauxite Levy	1,163.7		-517.6		-340.50	
Capital Revenue	1,015.8		6.9		-7,372.00	
Grants	3,940.5		-471.5		791.50	
<b>Expenditure</b>	399,278.9		-14,979.1		-1,625.80	
Recurrent Expenditure	361,521.0		-13,244.0		13,959.50	
Programmes	87,201.5		-4,959.2		1,287.20	
Wages & Salaries	147,381.8		1,311.4		7,055.60	
Interest	126,937.7		-9,596.1		5,616.60	
Domestic	87,729.1		-2,351.8		5,878.60	
External	39,208.6		-7,244.4		-262.20	
Capital Expenditure	37,757.9		-1,735.1		-15,585.20	
Capital Programmes	37,757.9		-1,735.1		-15,585.20	
IMF #1 Account	0.0		0.0		0.00	
<b>Fiscal Balance (Surplus [+ve])</b>	-54,610.8		-1,635.3		17,774.50	
Loan Receipts	147,093.0		-104,052.8		-21,631.40	
Domestic	134,070.2		-7,736.7		-11,851.30	
External	13,022.8		-96,316.1		-9,780.10	
Divestment Proceeds	0.0		0.0		0.00	
Amortization	88,329.8		-109,840.4		-37,203.00	
Domestic	37,094.8		-87,518.1		-29,055.10	
External	51,235.0		-22,322.4		-8,147.80	
<b>Overall Balance (Surplus [+ve])</b>	4,152.4		4,152.4		47,848.00	
<b>Primary Balance (Surplus [+ve])</b>	72,326.9		-11,231.4		23,391.20	

REV. & EXPEN. (APR-MAR '12/13)	J\$M	PROVISIONAL RESULTS	J\$M	BUDGET DEVIATION	J\$M	YOY - CHANGE
<b>Revenue &amp; Grants</b>	344,668.5		-16,614.0		16,348.10	
Tax Revenue	319,764.9		-15,860.2		23,517.50	
Income and profits	115,877.0		-7,372.3		9,814.70	
Bauxite/alumina	0.0		-79.9		-0.10	
Other companies	35,798.1		-2,687.6		8,358.20	
PAYE	60,876.2		-5,011.2		498.70	
Tax on dividend	1,664.2		499.9		324.10	
Other individuals	4,022.4		-902.3		39.60	
Tax on interest	13,516.2		808.9		1,438.50	
Environmental Levy	2,122.1		-265.6		-223.20	
Production and consumption	96,459.9		-94.8		6,823.10	
SCT	12,457.4		2,465.3		957.30	
Motor vehicle licenses	2,184.2		-159.4		566.80	
Other Licenses	342.9		-62.3		-37.30	
Betting, gaming and lottery	1,915.1		-219.8		275.90	
Education Tax	15,038.7		-503.9		16.20	
Contractors levy	1,293.4		16.5		87.80	
GCT (Local)	50,897.1		-2,145.0		938.00	
Stamp Duty (Local)	7,898.6		1,159.2		107.50	
International Trade	105,305.8		-8,127.6		7,102.80	
Custom Duty	24,413.7		-2,072.5		2,806.90	
Stamp Duty	1,672.2		-80.6		171.20	
Travel Tax	5,396.6		-763.4		117.00	
GCT (Imports)	45,501.2		-2,439.4		3,381.10	
SCT (Imports)	28,322.1		-2,771.6		626.90	
Non-Tax Revenue	18,783.6		228.4		-395.00	
Bauxite Levy	1,163.7		-517.6		-339.30	
Capital Revenue	1,015.7		6.8		-7,419.20	
Grants	3,940.5		-471.5		984.20	

**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	-33	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	n/a	n/a
Mar	91,294.5	3.30	396,423.0	-0.22	884.25	n/a	1.38	9.1	-3.9	98.89	6.22	1.94	17.23	n/a	n/a
Apr	89,614.0	-1.84	n/a	n/a	866.18	n/a	0.4	9.1	n/a	99.35	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—Organisation for Economic Co-operating and Development (membership of 30 major countries)
WTI — West Texas Intermediate (Spot Oil Price)	

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