PSOJ MONTHLY ECONOMIC BULLETIN

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Economic Highlights

The Financial Administration and Audit (FAA) Amendment Act, 2010,requires that the Minister lays before the Houses of Parliament a Fiscal Policy Paper (FPP) outlining(1) **a Fiscal Responsibility Statement, (2) a Macroeconomic Framework and (3) a Fiscal Management Strategy.** All provisional reports should focus mainly on mid-year outturn and its implications that will update planning relating to the following financial year. The following summarizes the interim report for FY 2013/14.

PART 1: A FISCAL RESPONSIBILITY STATEMENT

Mention was made of the SDR615mn (US$943mn) that GOJ acquired with the4-year EFF arrangement from the IMF. This programme has so far been working in Jamaica's favour and the government is expecting continuous improvement to reach all targets. In October, the inflation rate was 10.3% due to the depreciation of the Jamaican dollar, seasonal price adjustments, and increased administered prices .There was an improvement in the current account deficit for FY2013/14 compared to FY2012/13. At the end of October 2013, the *(continues on page 9)*

Inside this issue:

CEO's VIEWS

Jamaica has now completed three quarters of the 2013/14 fiscal year, and more importantly has officially passed the IMF tests for the first two quarters, and seems pretty confident about passing the third quarter ended December 2013.

The focus now is on the final quarter, which by all measurements will be the most difficult. The primary surplus target for the fiscal year is $111 billion, and for the last quarter approximately $50 billion of that must be achieved.

This is against the background of an expected $12 billion revenue shortfall, and already suppressed capital expenditure of $7 billion, and programmes of $6 billion, which is going to mean lower than expected economic impact from GOJ spending.

This in an environment where accrual accounting is not practiced, hence making it difficult to predict expenditure commitments. This is one of the reasons why the government must consider the adoption of IPSAS (public sector accrual accounting) to improve financial management.

Despite the lower expenditure, and revenue, projection, the feeling is that the 2013/14 fiscal targets will be met, although with some amount of difficulty. This has resulted in some amount of confidence returning to the market, and in particular in real investments. So we see the commitment by Grace Kennedy to invest US$30 million in developing downtown offices, Red Stripe to plant tens of acres of cassava (to substitute for imports), and Jamaica Broilers doing the same with Sorghum. In addition to this, we see some growth in agriculture, expected to continue with the impact of the agro parks, and the private sector showing increased interest in the logistics hub.

So the hope is that even though GOJ expenditure will be curtailed that private sector led growth will fill the void to be created.

The Fiscal Policy Paper, and the Balance of Payments, shows some ositive signs in this respect. The Balance of Payments in particular, has shown some US$400 million improvement over the first three quarters of 2013, and non-traditional exports are up, which is an indication of private sector diversification.

So there is some amount of cautious optimism, which is expected to continue as long as we continue to maintain the current trajectory with the fiscal and legislative adjustments.

There are, however, some risks that we face. Of note are the continued risk from crime and the inhibition of the bureaucracy. More specifically, the society must improve its discipline and address bureaucratic issues such as the development approval process. If both are addressed, in a significant way we can add approximately 1 to 2 percent to GDP.

What the above analysis shows is that even though there are positive indicators that the economy can improve, the risks are still very real. The implication here is that while many of the policy initiatives, to deal with the risks, rests with the government, we all have a part to play as the private sector and civil society.

The PSOJ has recognized these risks and as a result has determined our main focus areas for 2014 to be (i) the development approval process; (ii) small business development, to support economic growth; and (iii) crime.

Net International Reserves (NIR)

During December 2013, Net International Reserves increased by US$217.11 million from US$835.69 million in November 2013, to US$1052.80 million at the end of December 2013. This represents a 26% increase when compared to November. This 26% month over month increase , was mostly due to a 14.8% rise in Foreign Assets despite the 1.9% increase in monies owed to IMF (Foreign Liabilities). Year to date, the NIR is down US$72.78 million, which is approximately 6.5% of the US$1,125.58 billion in December 2012.

This US$72.78 million decline however, is significantly less than the US$243.2 million decline anticipated under the GOJ/IMF Agreement. This has been helped by the improvement in the Balance of Payments over the period.

At the end of December 2013, gross reserves were adequate to finance 12.64 weeks of "goods and services" imports, (16.78 weeks of 'goods' imports).

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 December 2013, depreciation of the Jamaican dollar continued at the rate of 0.55% (J$0.58), moving to J$106.38, when compared to J$105.80 at the end of November 2013.

For the calendar year 2013, the J$ devalued by $13.41, or 14.42%, against

Table 1b: Changes in the NIR

	US$M	Change US$M			Imports
	NIR	*Mthly*	*12 Mth*	*YTD*	(Weeks)
Dec-13	1,052.80	217.11	**-72.78**	**-72.78**	16.78
Dec-12	1,125.58	47.43	**-841.43**	**-841.43**	17.66

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

	US$000	Change (US$000)		% Change	
	Jun '13	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

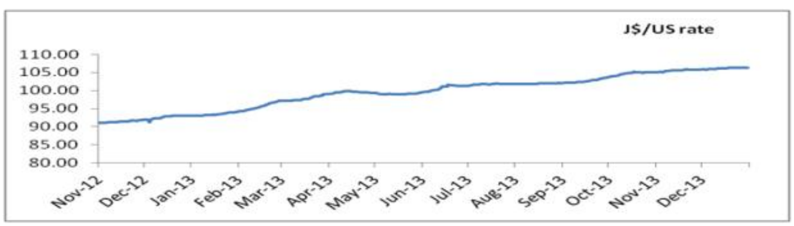
Source: Compiled from the BOJ (Preliminary)

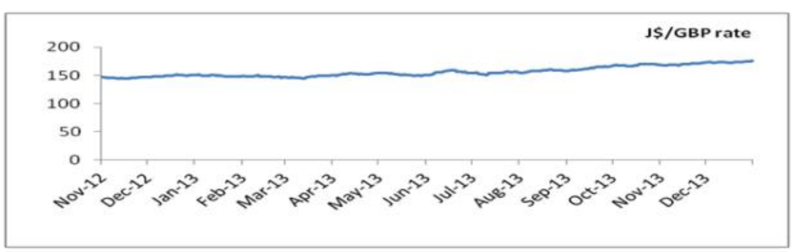
Table 3: Foreign Exchange Trends

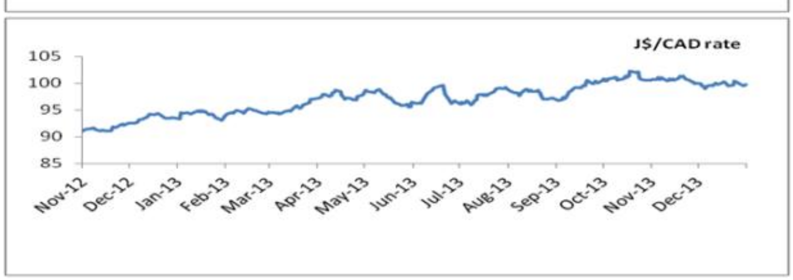
	YTD Currency Rate Change (Dec 31, 2012—Dec 31, 2013)					
	J$ / US$	%	J$ / UK£	%	J$ / Can$	%
2013	-13.40	-14.41	-25.44	-16.93	-6.30	-6.74
2012	-6.38	-7.37	-16.96	-12.72	-8.66	-10.22
2011	-0.74	-0.86	-1.2	-0.91	1.09	1.27
	MOM Dec- 2013					
Actual Rate	106.38	0.54	175.70	1.54	99.72	-0.27
Mth Change	0.57	0.54	2.67	1.54	-0.27	-0.27

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

Figure 1: Daily movement in Major Currency Rates







Source: Bank of Jamaica Database (BOJ) the benchmark USD compared to a decline of J$5.31 during the corresponding period of 2012 and J$0.83 in Jan-Dec 2011.

POUND & 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 December 2013, the J$ depreciated by J$2.39 against the GBP and appreciated by J$0.22 against the CAD reaching lows of J$175.70 and J$99.72 respectively. Year to date, the J$ is down by J$24.56 or 16.25% against GBP and J$6.34 or 6.79% against CAD.

Interest Rates

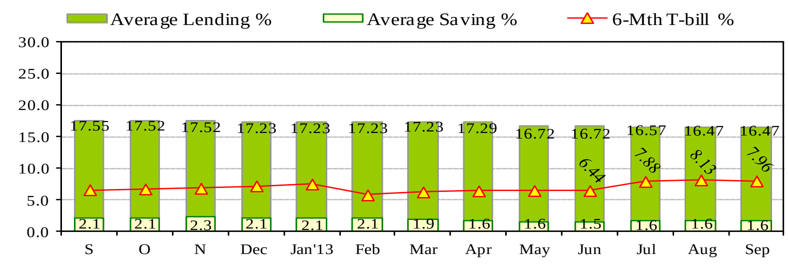
During September 2013, the Bank of Jamaica continued its open market liquidity management operations to mop-up Jamaican dollar liquidity in order to reduce pressure on the Jamaican dollar exchange rate and/or to support the net international reserves.

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 have 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.

But, as mentioned previously, 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

Figure 2A & 2B: Interest Rate Movements



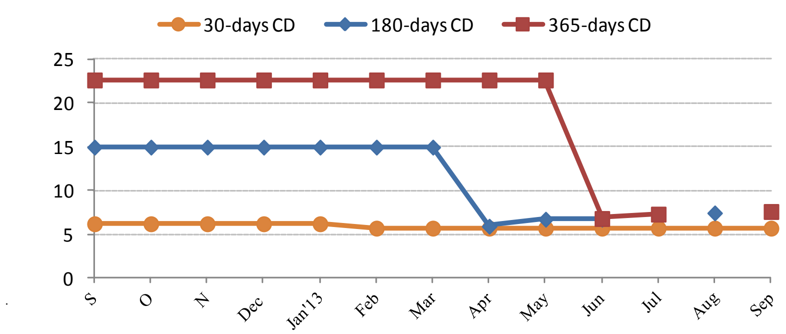


Table 4: Interest Rate Movements

	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*

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.

It is important to note that short term rates are above long term rates, implying that there is still a certain level of uncertainty about the future, as reflected in the inversion of the yield curve.. Therefore although confidence seems to be improving people are still cautious.

Base Money & Money Supply

During October 2013, M1 decreased by 3.65% to J$132,164.54 million due to a J$5,010.5 million decrease in currency with the public. Quasi money for its part increased by 0.9% to J$275,604.40 million. Given the change in both components - Quasi money and M1 - broad money (M2) decreased by 0.6% to J$407,769.00 million during October 2013 compared to J$410,316.56 million the previous month.

In December 2013, the monetary base increased by 12.5% to J$103,633.00 million. Money supply is expected to increase by approximately 6.1% over December 2012, in expectation of the shopping season. To date, however, spending has been subdued and could lead to unfulfilled expectations.

Inflation

For December 2013, the inflation rate was 0.6% which brought the calendar year inflation rate to 9.7%. This was a 1.7% increase over the 8% for December 2012. In addition, the fiscal year to date (April—December 2013) rate was 6.8%.

The division which had the largest increase for the calendar year 2013 was “Transport” which increased by 20.4% due to rise in bus fares in September. However , the division with the lowest movement of a 4.2% decline, was “Communication” and this was the only division to record a decrease due to telecommunication rates falling during the year.

All the divisions recorded increases for the entire December 2013. The highest weighted division was ‘Food and Non-Alcoholic Beverages’ which had a 0.5% increase mainly due to rise in prices for eggs and sugar. The ’Transport’ division had a similar 0.5% increase due to rise in petroleum and its related products, and air fares. ‘Housing, Water, Electricity, Gas and other fuels’ increased by 0.8% as a result of higher cost of electricity.

Additionally; ‘Miscellaneous goods and Services’ increased by 0.8%, ‘Furnishings Household Equipment and Routine Household Maintenance’ and ‘Restaurants and Accommodation Services’ both went up by 0.7%. ‘Clothing and Footwear’ increased by 0.5%, ‘Alcoholic Beverages and Tobacco’ 0.4%, ‘Recreation and Culture’ 0.3% and ‘Health’ 0.2%. However, there was no movement recorded for ‘Education’ and ‘Communication’ for the month.

For all three areas, there was an upward movement in the regional index: Greater Kingston Metropolitan Area (GKMA) with 0.7%, Other Urban Centres (OUC) and Rural Areas, 0.5%.

Bauxite & Alumina

The soft conditions in the global economy during 2012 resulted in Jamaica’s production of alumina falling by 10.86% to 1,602,346 tons compared to 1,797,614 tons during 2011. Production of crude bauxite was also down 6.69% to 4,354,336 million tons relative to 4,666,763 million tons during 2011.

For Jan-Nov 2013, alumina production is up 5.2% to 1,685,440 tons compared to 1,602,346 tons during the corresponding period of 2012. Production of crude bauxite is down slightly however, by 2.9% to 3,894,884 tons relative to 4,227,371 tons during the corresponding eleven month period of 2012.

Tourism

For November 2013, stopover arrivals were 148,512 - an increase of

Table 5: Base Money and Money Supply

	J$M	Percentage Change (%)	
	Oct - 13	Mthly	12 Mth
M1	132,164.54	-3.65	13.90
Quasi Money	275,604.41	0.90	14.70
M2	407,768.95	-0.60	14.44
	Dec -‘13	Mthly	12 Mth
Base Money	103,633.00	12.5	6.1

Source: BOJ Economic Statistics

Table 6: Inflation Trends

	% Percent Changes			
	Dec	12-Mth	YTD	Fiscal
2013	0.6	10.7	9.7	6.8
2012	1.0	8.2	7.8	6.1

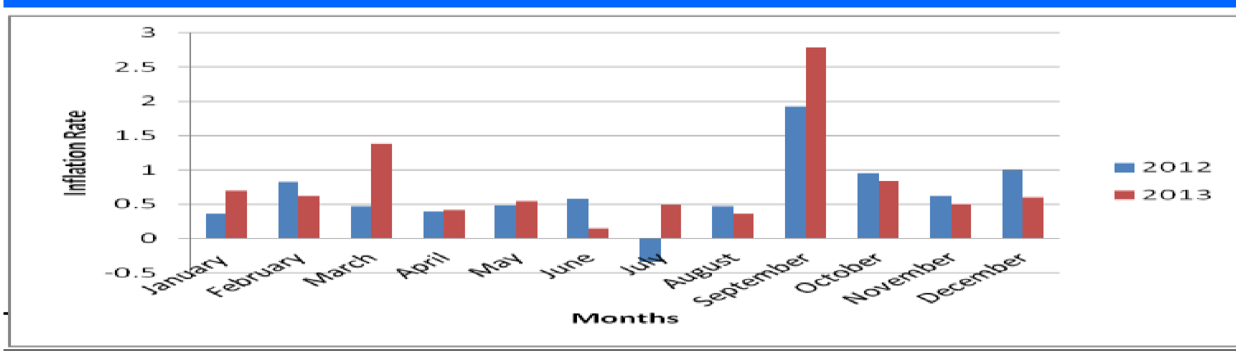
Source: STATIN & BOJ Statistical Digest - Fiscal : represents fiscal year to date

Table 7: Mining Production

	‘000 tonnes			YTD	
	Nov-13	**Nov-12**	**%**	**Nov-13**	**13/12 %**
Production					
Alumina	168.7	149.2	13.1	1,685.4	5.19
C. Bauxite	332.5	397.0	-16.3	4,227.4	-2.92
Export					
Alumina	214.4	137.4	56.0	1,750.2	10.8
C. Bauxite	332.0	363.8	-8.7	4,245.9	-1.49

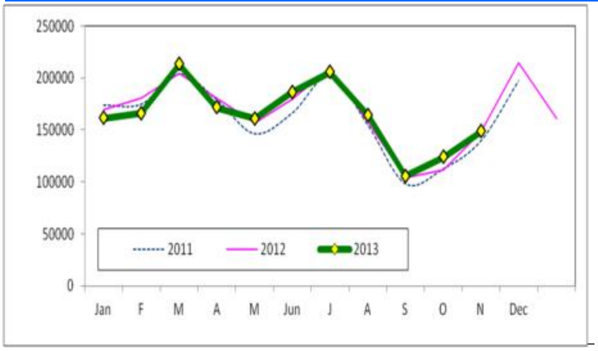
Source: Jamaica Bauxite Institue (JBI)

Figure 3: Monthly Inflation Changes



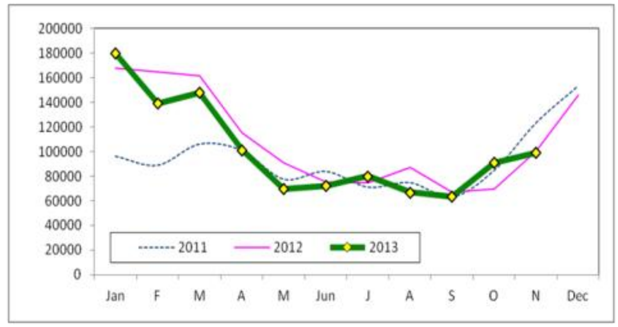
Source: STATIN and PSOJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Tourist Arrivals

	2012	2013	%Change	
	YTD (JAN-NOV)		YOY	MOM
Stopover	**1,803,431**	**1,807,062**	**0.2%**	**20.1%**
Foreign	1,671,960	1,681,830	**0.6%**	21.5%
Non-Resident	131,471	125,232	**-4.7%**	1.6%
Cruise	**1,174,033**	**1,109,539**	**-5.5%**	**9.1%**
Total Arrivals	**2,977,464**	**2,916,601**	**-2.0%**	**15.4%**

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

7.3% compared to the 138,395 stopovers recorded in November 2012. Additionally, the number of cruise passengers decreased by 1.2% in November 2013, to 99,000 visitors, compared to the previous 100,239 recorded in November 2012.

Regionally, stopovers from the US market grew by 4% in November 2013 with a total of 86,925 arrivals compared to 83,563 in November 2012. For the Jan – Nov period of 2013, stopovers from the US recorded an increase of 0.8% with 1,152,963 visitors compared to 1,144,139 visitors during Jan-Nov 2012.

From the Canadian market, stopovers increased by 21.4% during Nov 2013 with 34,729 arrivals compared to 28,609 in Nov 2012.

The European market recorded an increase of 9% in November 2013 with 19,773 stopover arrivals which is a 1,365 increase compared to the 18,138 recorded in November 2012. For Jan-Nov 2013, stopover visitors from Europe are up 5.5% to 211,810, compared to 200,831 during the corresponding period of 2012.

Stopover arrivals from the Caribbean rose by 22.1% in November 2013 with a total of 4,123 visitors compared to 5,295 in November 2012. The Cayman Islands and Trinidad & Tobago remains the major visitor producing islands from the Caribbean in November 2013 with 1,126 and 793 stopover arrivals respectively. Cumulatively, stopovers for the January to November 2013 period fell by 10.7% moving from 58,585 in 2012 to 58,288 in 2013. This amount shows a decrease of 11.9% over 59,362 stopovers in the year 2011.

Additionally, it is seen where stopover arrivals from Latin America rose by 13.1%, moving to 1,928, in November 2013 compared to that of 1,704 in November 2012. From the Central American region, stopovers rose by 13.9% with 599 arrivals and from the South American region, stopovers grew by 12.8% with 1,329 arrivals.

In November 2013, a total of 99,000 cruise passengers visited Jamaica and this represented a 1.2% decrease over the 100,239 for November 2012. Additionally, cruise passengers visiting the Falmouth port grew by 13.5%, with those visiting the Ocho Rios Port remaining flat and those visiting the port of Montego Bay falling by 29.4%.

Total Visitors (stopover and cruise arrivals) to Jamaica during Jan-Nov 2013 period were 2,916,601 registered a 2% decline compared to 2,977,464 visitors during Jan-Nov 2012

External Trade

During the period January to September, total expenditure on Merchandise imports for 2013 was valued at J$457,192.53 million, compared to J$436,429.67 million in the similar 2012 period, signifying a 4.8% increase. During the period under review, total export earnings went up to J$112,076.72 million, a 5.3% increase. The trade deficit during January to September 2013 was valued at J$345,117.81 million, as compared to J$330,041.37 million in the same period for 2012, which is an indication that the trade deficit increased by J$15,074.44 million or 4.6%.

During the 2013 period, merchandise imports from the United States of America valued US$1,330.2 million, compared to US$1,488.8 million in the 2012 period. In the 2013 period, goods from this country represented 32.2% of Jamaica's total import bill, compared to 33.4% for the corresponding 2012 period.

Conversely, total exports to the USA were valued at US$545.3 million, or 49.7% of the total exports of all goods from Jamaica. At the end of the 2013 review period, the trade deficit with this country moved down from US$996.8 million (in 2012) to US$784.9 million.

Imports

Generally, there was an upward trend in the value of imports for most of the commodity groups.

"Mineral Fuels, etcetera" accounted for J$162,553.25 million, the highest value for this period. However this commodity fell by J$5,459.43 million (3.2%) from the corresponding period in 2012. "Misc. Manufactured Articles" increased by J$1,054.95 million or 3.5%.

"Food", one of the leading imports, showed an increase when compared to the 2012 period, rising by J$9,324 million, or 14.8%, valuing J$72,186.95 million. This commodity was the second highest valued import for the 2013 review period due to increased importation of 'cereal & cereal preparations', 'vegetables & fruit preparations'., and 'miscellaneous edible products and preparations". The commodity group "Chemicals" increased by J$6,555.56 million or 12.1%, valuing J$60,554.05 million, as compared to the J$53,998.49 million recorded in the similar 2012 period.

Traditional Domestic Exports

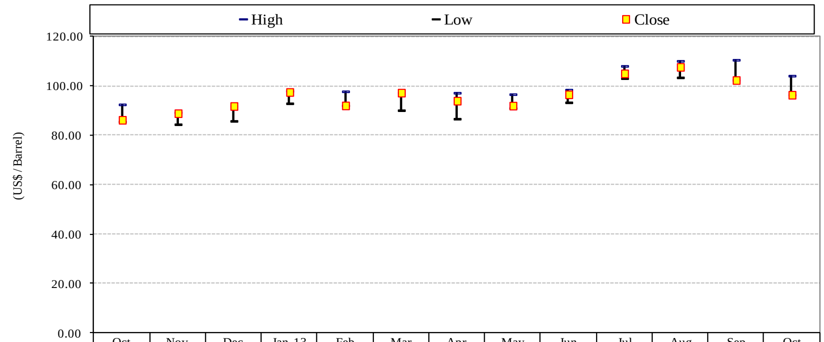
During the period January to September 2013, earnings from major traditional commodities increased by 2.9% (J$1,658.24 million) when compared to that same period in 2012. This was as a result of increase in exports of "Manufactured" goods. Exports from "Mining and quarrying" increased to J$47,095 million, by a factor of 9.4%, as a result of surges in 'Alumina' and 'Bauxite'. Receipts from 'Alumina' moved up by 9.1% (J$3,138.24 million) from J$34,422.57.3 million in the 2012 period to J$37,560.81 million in the current review period. In the 2013 period, earnings from 'Bauxite' moved up marginally to J$9,534.38 million, a factor of 10.8%. The "Agriculture" sector saw receipts increasing from J$1,527.91 million, in the 2012 period, to J$1,939.77 million during the 2013 period under review. "Coffee" recorded a decrease of 21.7% to J$220.84 million. Also increasing, "Citrus" gained US$3.1 million, rising by 99.0%, from the US$1.5 million earned over the corresponding 2012 period. However, "Cocoa" and "Pimento" declined by factors of 72.5% and 26.5%, from the January to August 2013 period, to earn US$0.3 million and US$0.5 million respectively.

Non-traditional exports increased by a factor of 8.1%, or J$4,030.19 million, from the similar period in 2012, to a value of J$53,736.54 million. The sub-commodity 'Alcoholic beverages (excluding rum), proved to be the reason for this increase, moving from J$3,568.24 million to J$3,768.04(an increase of 5.6%) in the current review period of January to September 2013.

CARICOM

During the January to August 2013 period, goods imported from the Caribbean Common Market decreased by US$80.3 million to US$599.2 million when compared to the US$679.5 million spent in the corresponding 2012 period, a factor of 11.8%. The main contributor to this overall decline was caused by "Mineral Fuels, etcetera", with expenditure on this commodity falling by US$90.8 million to US$403.4 million during January to August 2013. "Food" moved from a value of US$103.4 million in January – August 2012, to US$116.8 million in the corresponding period in 2013. Imports of "Beverages and Tobacco" and "Chemicals" valued US$27.6 million and US$17.4 million respectively in the period currently under review. This is comparable to values of US$26.4 million and US$19.8 million

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



	Oct	Nov	Dec	Jan-13	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
High	92.48	89.28	91.82	97.94	97.77	97.23	97.19	96.61	98.44	108.05	110.10	110.53	104.10
Low	85.54	84.44	85.79	92.92	92.05	90.12	86.68	91.03	93.31	103.08	103.40	102.33	96.38
Close	86.24	88.91	91.82	97.49	92.05	97.23	93.97	91.97	96.56	105.03	107.65	102.33	96.38

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

J$ '000	Jan-Sept'12	Jan-Sept '13	Change	% Change
TOTAL EXPORTS (fob)	106,388,294	112,076,721	5,688,427	5.3%
Major Traditional Exports	56,681,941	58,340,183	1,658,242	2.9%
by Sector:-				
Agriculture	1,527,908	1,939,772	411,864	27.0%
Mining	43,030,543	47,095,193	4,064,650	9.4%
Manufacture	12,123,490	9,305,218	(2,818,272)	-23.2%
by Industry-				
Bauxite	8,607,975	9,534,383	926,408	10.8%
Alumina	34,422,568	37,560,810	3,138,242	9.1%
Sugar	8,208,880	5,252,025	(2,956,855)	-36.0%
Rum	3,568,240	3,768,040	199,800	5.6%
Coffee products	281,956	220,836	(61,120)	-21.7%
Other	64,414	64,317	(97)	-0.2%
Non-Traditional Exports	49,706,353	53,736,538	4,030,185	8.1%
TOTAL IMPORTS	436,429,665	457,192,531	20,762,866	4.8%
Food	62,862,953	72,186,952	9,323,999	14.8%
Beverages & Tobacco	5,316,473	5,744,480	428,007	8.1%
Crude Materials (excl. Fuels)	3,172,847	4,334,588	1,161,741	36.6%
Mineral Fuels, etcetera	168,012,678	162,553,247	(5,459,431)	-3.2%
Animal & Vegetable Oils &	3,653,286	3,088,757	(564,529)	-15.5%
Chemicals	53,998,490	60,554,053	6,555,563	12.1%
Manufactured Goods	42,074,407	43,643,535	1,569,128	3.7%
Machinery and Transport	59,827,762	65,867,722	6,039,960	10.1%
Misc. Manufactured Articles	30,228,811	31,283,761	1,054,950	3.5%
Other	7,281,958	7,935,436	653,478	9.0%
TRADE BALANCE	-330,041,371	-345,115,810	-15,074,439	4.6%

Source: STATIN Jamaica

respectively for the similar period in 2012.

Jamaica's total export value of goods to CARICOM fell marginally by 1.9% or US$0.9 million, to a value of US$44.2 million from January to August 2013. Domestic exports accounted for majority of the total value – US$37.3 million. This value declined from US$37.8 million for the corresponding period in 2012. The main group exported was "Food", increasing in value by US$1.4 million, to US$21.6 million. "Misc. Manufactured Articles" recorded a fall of 12.4% from US$3.0 million earned in the comparable 2012 review period, to US$2.6 million. "Beverages & Tobacco" increased by 20.4% to US$6.8 million, but re-exports fell by US$0.4 million to a value of US$6.9 million.

During this eight month period (January to August 2013), a trade deficit of US$555.0 million was recorded with CARICOM, down from the US$634.4 million recorded for the same period in 2012. The trade deficit therefore narrowed by US$79.4 million or 12.5%.

Table 10: Balance Of Payments (US$M)

	Jan-Sept 2012	Jan-Sept 2013	$ Change	% Change
Current Account	**-1398.1**	**-997.2**	**400.9**	28.7
Goods Balance	**-3161.1**	**-2917.6**	**243.6**	7.7
Exports	1289.4	1227.9	-61.5	-4.8
Imports	4450.5	4145.5	-305.1	-6.9
Services Balance	**525.4**	**558.5**	**33.0**	6.3
Transportation	-555.8	-548.6	7.2	1.3
Travel	1469.1	1465.5	-3.6	-0.2
Other Services	-387.9	-358.4	29.5	7.6
Income	**-289.4**	**-246.3**	**43.0**	14.9
Compensation of empl	49	12.5	-36.5	-74.5
Investment Income	-338.4	-258.8	79.6	23.5
Current Transfers	**1527.0**	**1608.3**	**81.3**	5.3
Official	126.8	161.9	35.1	27.7
Private	1400.2	1446.4	46.2	46.2
Capital & Financial Account	**1398.1**	**997.2**	**-400.9**	-28.7
Capital Account	**-19.1**	**-19.4**	**-0.3**	-1.6
Capital Transfers	-19.1	-19.4	-0.3	-1.6
Official	5.7	17.2	11.5	201.8
Private	-24.8	-36.6	-11.8	-47.6
Acq/disp.	0	0	0	0
Financial Account	**1417.2**	**1016.6**	**-400.6**	-28.3
Other Official Invst	-124.6	1.7	126.2	101.4
Other Private Invst	836.4	747.2	-89.2	-10.7
Reserves	705.4	267.6	-437.8	-62.1

Balance of Payments

During 2013, there was a current account deficit of US$997.2 million, which represented an improvement of US$400.9 million relative to the corresponding period in 2012. The improvement in the Current Account emanated from all sub-accounts.

During the period, the **Goods balance** recorded a deficit of US$2,917.6 million, an improvement of US$243.6 million when compared to 2012. This resulted primarily from a decrease of US$305.1 million in imports, with a small decrease of US$ 61.5 million in exports.

In relation to the **Services sub-account,** there was an increase of US$33 million in its surplus position. This resulted primarily from an increase of US$36.7 million in Transportation and Other Business Services inflows and a reduction of US$3.6 million in Travelling outflows.

The **Income sub-account** improved by US$43 million for the review year, emanating primarily from an increase of US$79.6 in Investment Income and a decrease of US$36.5 million in Compensation of employees.

During 2013 **Current Transfers** increased by US$81.3 million to US$1608.3 million, relative to 2012. This improvement resulted primarily from an increase of both Official and Private flows of US$35.1 million and US$46.2 million respectively.

Fiscal Accounts

During the first seven months (April to Nov) of fiscal year 2013/14, the Government of Jamaica ran a fiscal deficit of J$24.92 billion. This fiscal deficit was J$5.12 billion or 17% better than the J$30.03 billion budgeted and J$23.35 billion better than the deficit recorded during April-Nov 2012.

REVENUE: Total Revenues & Grants to the GOJ during April-Nov 2013 was J$233.46 billion. This was J$8.14 billion or 3.4% less than the J$241.59 billion budgeted but J$22.8 billion or 10.8% greater than Revenues and Grants collected during April-Nov 2012. Tax revenue of J$210.71 billion though J$10.44 billion less than the J$221.15 billion budgeted was also well in excess of the J$150.0 billion targeted under the GOJ/IMF Agreement.

EXPENDITURE: During Apr-Nov 2013, total expenditure was J$258.37 billion. As noted, this was J$13.25 billion or 4.9% less than the J$271.63 billion budgeted, but was J$554 million or 0.2% less than expenditure during Apr– Nov 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$4.79 billion, or 10.7%, which was achieved on 'Domestic Interest' with J$39.80 billion spent relative to J$44.59 billion budgeted. 'External Interest' payment increased by a more modest J$914.20 million (3.4%) with J$27.65 billion spent relative to the J$26.73 billion budgeted.

In addition, there was a significant 1.4% curtailment of outlays on 'Recurrent Programmes' with J$61.33 billion spent compared to J$62.18 billion budgeted. There was also a J$1.25 billion reduction in outlays on 'Wages and Salaries' with J$107.58 billion disbursed compared to J$108.83 billion budgeted. Though in the past, to meet fiscal targets, the GOJ has massively curtailed Capital Expenditure, for the first eight months of FY2013/14, the curtailment has been significant (24.8%), rather than massive, with CapEx amounting to J$22.02 billion

CENTRAL GOVERNMENT SUMMARY ACCOUNTS (in millions of Jamaican dollars)							
	April-Nov (2013/14)				Apr-Nov (YOY) 12/13 - 13/14)		
MONTHLY Fiscal Accounts	Provisional	Budget	J$ Diff	%Diff	Prior Year (12/13)	J$ Diff (YOY)	%Diff (YOY)
Revenue & Grants	**233,456.40**	**241,593.80**	**-8,137.40**	**-3.4%**	**210,658.30**	**22,798.10**	**10.8%**
Tax Revenue	210,708.20	221,148.40	-10,440.20	-4.7%	197,478.90	13,229.30	6.7%
Non-Tax Revenue	17,768.20	16,396.90	1,371.30	8.4%	10,812.30	6,955.90	64.3%
Bauxite Levy	795.90	893.2	-97.30	-10.9%	799.4	-3.50	-0.4%
Capital Revenue	469.30	533.7	-64.40	-12.1%	571.0	-101.70	-17.8%
Grants	3,714.80	2,621.60	1,093.20	41.7%	996.7	2,718.10	272.7%
Expenditure	**258,373.60**	**271,626.60**	**-13,253.00**	**-4.9%**	**258,927.80**	**-554.20**	**-0.2%**
Recurrent Expenditure	236,358.40	242,338.00	-5,979.60	-2.5%	238,374.30	-2,015.90	-0.8%
Programmes	61,330.60	62,179.60	-849.00	-1.4%	57,845.20	3,485.40	6.0%
Wages & Salaries	107,577.20	108,828.90	-1,251.70	-1.2%	100,955.80	6,621.40	6.6%
Interest	67,450.60	71,329.50	-3,878.90	-5.4%	79,573.30	-12,122.70	-15.2%
Domestic	39,801.70	44,594.80	-4,793.10	-10.7%	52,509.50	-12,707.80	-24.2%
External	27,648.90	26,734.70	914.20	3.4%	27,063.80	585.10	2.2%
Capital Expenditure	22,015.20	29,288.60	-7,273.40	-24.8%	20,553.50	1,461.70	7.1%
Capital Programmes	22,015.20	29,288.60	-7,273.40	-24.8%	20,553.50	1,461.70	7.1%
Fiscal Balance (Surplus [+]ve)	**-24,917.20**	**-30,032.80**	**5,115.60**	**-17.0%**	**-48,269.50**	**23,352.30**	**-48.4%**
Loan Receipts	**36,883.80**	**53,846.30**	**-16,962.50**	**-31.5%**	**96,508.50**	**-59,624.70**	**-61.8%**
Domestic	14,976.50	9,296.30	5,680.20	61.1%	91,961.00	-76,984.50	-83.7%
External	21,907.30	44,550.00	-22,642.70	-50.8%	4,547.50	17,359.80	381.7%
Amortization	**31,842.00**	**31,871.60**	**-29.60**	**-0.1%**	**65,907.70**	**-34,065.70**	**-51.7%**
Domestic	11,618.20	11,883.10	-264.90	-2.2%	24,109.30	-12,491.10	-51.8%
External	20,223.80	19,988.50	235.30	1.2%	41,798.40	-21,574.60	-51.6%
Overall Balance (Surplus + / Deficit -)	**-19,875.40**	**-8,058.10**	**-11,817.30**	**146.7%**	**-17,668.70**	**-2,206.70**	**12.5%**
Primary Balance (Surplus +/ Deficit -)	**42,533.40**	**41,296.80**	**1,236.60**	**3.0%**	**31,303.70**	**11,229.70**	**35.9%**

compared to the J$29.29 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$24.92 billion deficit for April-Nov 2013, relative to J$30.03 billion budgeted for, therefore seems to be moving in the right direction despite the pace at which it is moving.

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-Nov 2013, the primary balance was J$42.53 billion which exceeded the J$41.30 billion projected under the GOJ/IMF Agreement.

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.

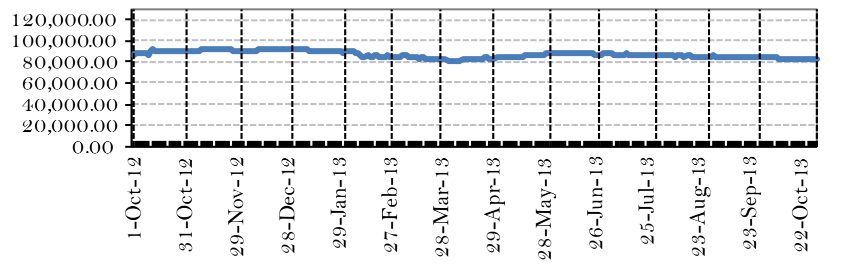
The main **JSE Market Index** declined by 2,668 points or 3.16% to close at 81,832 points. The **JSE Combined Index** declined by 2,808 points or 3.24% to close at 83,962 points. The **JSE All Jamaican Composite Index** declined by 4,694 points, or 5.6%, to close at 79,677 points and the **JSE Select 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 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.

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



Source: Jamaica Stock Exchange (Online Database) and PSOJ

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%
C)iboney 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

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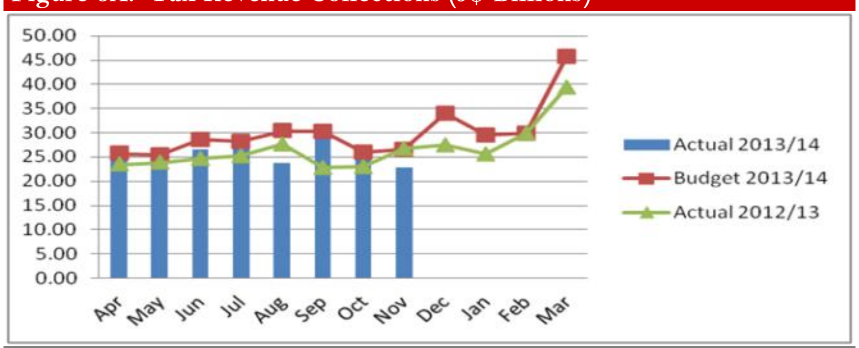
contd. from page 1.)

Central Government primary surplus and fiscal deficit were better than anticipated, by approximately $3.9bn and $9.2bn respectively.

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



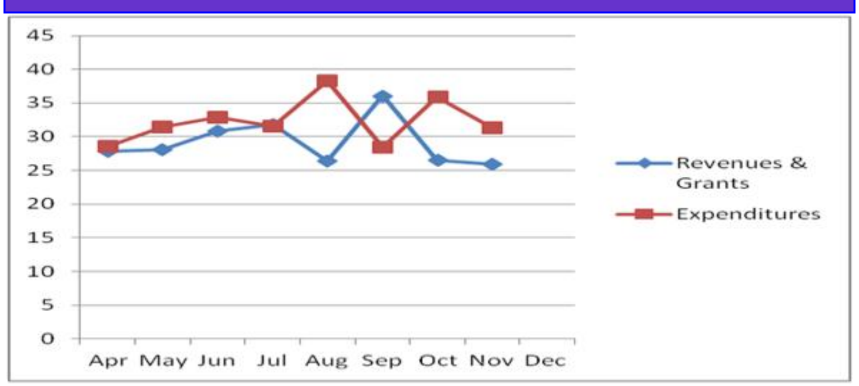
Source: Ministry Of Finance and Planning (Jamaica)

PART 2: MACROECONOMIC FRAMEWORK

Real Sector Developments

In contrast to the June 2012 quarter, real GDP contracted in June 2013 followed by an increase during the September quarter. There was growth in the Real value added for the *Goods Producing Industry* with all industries reporting growth except *manufacturing* which reported a decline. The *Services* industry experienced a slight growth which reflected an increase in the real value added in six industries. The growth for the September 2013 quarter reflected: better weather conditions and improved production which influenced growth in Agriculture, increase in capital expenditure and growth in the volume and value of mortgages

Figure 6B: Monthly Revenues and Expenditure Trend **(J$-Billions)**



Source: Ministry of Finance and Planning and PSOJ Compilation disbursed and, enhanced performances in *Mining and Tourism.*

For the first nine months of 2013 (Jan – Sep), real GDP fell compared to the corresponding 2012 period. The *Goods Producing Industry* fell, whilst the *Services* Industry remained flat and the *Agriculture and Electricity and Water Supply* sub-sectors proved the largest declines.

The December quarter is expected to show Real GDP growth where most industries are expected to improve but the real GDP growth rate is expected to fall for both calendar years 2013 and FY 2013/14.

Labour Market Developments

The Labour Force Survey for July 2013 showed an increase in the total labour force compared to July 2012.Female unemployment rate (19.9%) was higher than male (11.7%) and the unemployment rate of youths (38.3%), between ages 14 and 24 years, continued to be higher than other groups. The employed labour force decreased marginally in the July 2013 period compared to July 2012 where the 'Real Estate' group recorded the highest increase. However, the 'Manufacturing' group showed the largest reduction in employment.

Monetary Developments – *Inflation, Exchange Rates and External Sector Developments*

Throughout the first half of FY2013/14, the Bank of Jamaica sustained its policy rate, interest rate on 30-day Certificate of Deposit, the rate on its overnight instrument, local cash currency reserve and liquidity asset requirement and, there is low expectation of changes in inflation for the fiscal year. For the fiscal year to June, there was a fall in the monetary base, however; there was overall growth for the fiscal year to September.

Inflation

The inflation rate for both June 2013 and September 2013 quarters were 1.1% and 3.7% respectively, compared to the 1.5% and 2.1%for the corresponding quarters in 2012. There was an increase in inflation for October 2013 when compared to the October 2012 period and an increase when comparing the fiscal year-to- date. The main subdivisions of the CPI which contributed to this were: transport, miscellaneous goods and services, alcoholic beverages and tobacco, and housing, water, electricity, gas and other fuels.

Exchange Rate

Over the first two quarters in FY2013/14, there was a 4.8% depreciation of the Jamaican dollar due to a combination of weak net private capital flows and recurrent spending on imports and a fall in earnings from sugar and remittances.

External Sector Developments

In comparison to FY2012/13, there is an improvement for FY2013/14 where the Current Account recorded a lower deficit which comes from all the sub-accounts, primarily the Goods and Primary Income. The Goods account had a reduction in imports of goods and the Primary Income account had an increase in investment income inflows. Also, the Services sub-account had increases in net transportation and personal, cultural and recreational services flows. However, there was a fall in the Capital Account for the June 2013 quarter with the Financial Account recording a net borrowing position for the quarter.

PART 3: FISCAL MANAGEMENT STRATEGY

The revenues and grants projection for FY 2013/14 shows an increase over that of FY 2012/13, where tax revenue accounts for most. Additionally, there is a projected increase in Non-tax revenue due to the programme transfer from the NHT to the Consolidated Fund. Also, it is projected that Bauxite Levy receipts for FY 2013/14 will increase. Capital revenue was higher than budgeted, which was influenced by higher inflows of royalties from bauxite mining. There is an expected increase in Grants for FY 2013/14 which will be extensively influenced by the European Union's (EU) budget support.

Central Government Performance: April- October

The data shows a lower fiscal deficit than anticipated and a higher primary surplus than targeted; implying that Central Government actions have been generating improvement in fiscal operations.

Total expenditure was below budget. The reduction in recurrent spending was caused by lower outflows from all subcategories and spending on capital programmes fell due to slow execution of capital projects. In contrast to the corresponding period for 2012/13, total spending for FY 2013/14 increased and this was mainly influenced by higher spending on wages and salaries and recurrent programmes, driven primarily by inflation adjustments. Revenues and grants were below projection, and in particular tax revenue collected was below the target although above the amount for the similar period last year. The main tax types which influenced the increase over prior year are: Travel Tax, Telephone Call Tax, GCT and

Economic Highlights
contd. from page 10.)

Education Tax; however, these were offset by a cutback in some tax types. In general, the tax revenue collection fell from what was budgeted for the period and the main contributors to this were SCT Imports, PAYE, Tax on Interest and Custom Duty. Furthermore, it was seen that some of the new tax measures put forward did not perform as expected.

Public Debt

At the end of October 2013, Jamaica's total public debt increased over March 2013, due to the depreciation of the Jamaican dollar and financing of the fiscal deficit, and now stands at $1.92 Trillion. Notably, both the Domestic and External Debt increased over the seven-month period.

Public Bodies

Of the 65 self-financing public bodies (PBs), 17 Selected Public Bodies (SPBs) are expected to generate a deficit that will be mitigated by the 48 Other Public Bodies (OPBs), which budgeted surpluses. The first half of FY 2013/14 reflects an improvement in the overall deficit as the SPBs returned a deficit of marginal improvement and the OPBs doubled that which was targeted. The SPBs that reported the highest underperformance for the half-year were CAP, JMB and NIF and this shortfall was compensated by other SPBs and OPBs who reported surpluses.

Fiscal Outlook

With all the efforts to keep tax collections in line with the budget for the rest of the year, it may still be insufficient to reduce the revenue shortfall. In fact the government has projected tax revenue shortfall in the region of some $12 billion at the end of the fiscal year.

The projection is that we will end this fiscal year with a fiscal deficit of 0.1% of GDP, which is an improvement from the 0.5% of GDP budgeted.

The current estimation for Revenues and Grants for this FY 2013/14 is 1.7% below the projected amount where there is a shortfall in the budgeted amount for tax revenue. However, there is an estimated increase in Revenues and Grants compared to that of the previous fiscal year and the main contributor to this is an increase in tax revenue and non-tax revenue. The current expenditure for this fiscal year is now projected to be less than the original budget and this is mainly due to savings on domestic interest costs, adjustment to non-debt expenditure and slower execution of some projects. The projection of expenditure on Wages and Salaries is parallel to what was budgeted for and the total capital expenditure projected reflects an overall reduction.

The implication is that we should meet the fiscal target but this will be done more through suppressing expenditure, rather than revenue performance. This is to be expected given the tighter economic conditions, which is attributable to some extent by the tight liquidity, which results from the central bank's efforts to meet the NIR target.

Public Debt

Compared to a debt-to-GDP ratio of 135.6% at the end of FY2012/13, the public debt stock for end of FY2013/14 is expected to be 129.9% where the domestic debt will show a decrease over the previous fiscal year's domestic debt. The stock of public and publicly guaranteed external debt at the end of FY2013/14 is projected to have a slight increase with the main cause being depreciation of the Jamaican dollar and the US$ value of external debt stock is projected to increase.

Medium Term Fiscal Profile

Revenues and Grants are predicted to decrease from 27% of GDP in FY2013/14 to 25.7% in FY2014/15 and to 24.9% in FY2016/17 where the main contributor in FY2014/15 is Non-Tax Revenue. There is also an estimated decline in Tax Revenue from 23.5% of GDP in FY2013/14 to 23% of GDP in FY2014/15 and to 22.7% in FY2016/17 where the main factors are: flat wage bill over the medium term, clearing the outstanding withholding tax refunds and some fixed tax rates which will not grow with nominal GDP, as a result of the current tax reform. Additionally, there is an estimated decline in bauxite levy receipt to the Consolidated Fund in FY2014/15 due to the WINDALCO Settlement Agreement where earnings from the bauxite levy will be used to clear GOJ's debt to WINDALCO starting April 2014.

Conclusion

From the requirements outlined under the EFF for the medium term (FY 2013/14 to FY 2016/17), the primary surplus which is projected to be 7.5% of GDP and the decrease in inflation are already in line with what was projected in the April 2013 FPP. It is also anticipated that the current account balance will get better from the reduction of imports of consumer goods and raw material. This means that careful management of all the fiscal policies is required to meet the main objectives.

APPENDIX

INFLATION (OCT - 2013) - CPI

	%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–NOV

CENTRAL GOVERNMENT SUMMARY ACCOUNTS (in millions of Jamaican dollars)	April-Nov (2013/14)				Apr-Nov (YOY) 12/13 - 13/14)		
MONTHLY Fiscal Accounts	Provisional	Budget	J$ Diff	%Diff	Prior Year (12/13)	J$ Diff (YOY)	%Diff (YOY)
Revenue & Grants	**233,456.40**	**241,593.80**	**-8,137.40**	**-3.4%**	**210,658.30**	**22,798.10**	**10.8%**
Tax Revenue	210,708.20	221,148.40	-10,440.20	-4.7%	197,478.90	13,229.30	6.7%
Non-Tax Revenue	17,768.20	16,396.90	1,371.30	8.4%	10,812.30	6,955.90	64.3%
Bauxite Levy	795.90	893.2	-97.30	-10.9%	799.4	-3.50	-0.4%
Capital Revenue	469.30	533.7	-64.40	-12.1%	571.0	-101.70	-17.8%
Grants	3,714.80	2,621.60	1,093.20	41.7%	996.7	2,718.10	272.7%
Expenditure	**258,373.60**	**271,626.60**	**-13,253.00**	**-4.9%**	**258,927.80**	**-554.20**	**-0.2%**
Recurrent Expenditure	236,358.40	242,338.00	-5,979.60	-2.5%	238,374.30	-2,015.90	-0.8%
Programmes	61,330.60	62,179.60	-849.00	-1.4%	57,845.20	3,485.40	6.0%
Wages & Salaries	107,577.20	108,828.90	-1,251.70	-1.2%	100,955.80	6,621.40	6.6%
Interest	67,450.60	71,329.50	-3,878.90	-5.4%	79,573.30	-12,122.70	-15.2%
Domestic	39,801.70	44,594.80	-4,793.10	-10.7%	52,509.50	-12,707.80	-24.2%
External	27,648.90	26,734.70	914.20	3.4%	27,063.80	585.10	2.2%
Capital Expenditure	22,015.20	29,288.60	-7,273.40	-24.8%	20,553.50	1,461.70	7.1%
Capital Programmes	22,015.20	29,288.60	-7,273.40	-24.8%	20,553.50	1,461.70	7.1%
Fiscal Balance (Surplus [+]ve)	**-24,917.20**	**-30,032.80**	**5,115.60**	**-17.0%**	**-48,269.50**	**23,352.30**	**-48.4%**
Loan Receipts	**36,883.80**	**53,846.30**	**-16,962.50**	**-31.5%**	**96,508.50**	**-59,624.70**	**-61.8%**
Domestic	14,976.50	9,296.30	5,680.20	61.1%	91,961.00	-76,984.50	-83.7%
External	21,907.30	44,550.00	-22,642.70	-50.8%	4,547.50	17,359.80	381.7%
Amortization	**31,842.00**	**31,871.60**	**-29.60**	**-0.1%**	**65,907.70**	**-34,065.70**	**-51.7%**
Domestic	11,618.20	11,883.10	-264.90	-2.2%	24,109.30	-12,491.10	-51.8%
External	20,223.80	19,988.50	235.30	1.2%	41,798.40	-21,574.60	-51.6%
Overall Balance (Surplus + / Deficit -)	**-19,875.40**	**-8,058.10**	**-11,817.30**	**146.7%**	**-17,668.70**	**-2,206.70**	**12.5%**
Primary Balance (Surplus +/ Deficit -)	**42,533.40**	**41,296.80**	**1,236.60**	**3.0%**	**31,303.70**	**11,229.70**	**35.9%**

REV. & EXPEN. (APR-NOV '13/14)	April-November (2013/14)				Apr-Nov (YOY) 12/13 - 13/14)		
in millions of Jamaican dollars	Provisional	Budget	J$ Diff	%Diff	Prior Year (12/13	J$ Diff (YOY)	%Diff (YOY)
Revenue & Grants	***233,456.10***	***241,594.10***	***(8,138.00)***	***-3.4%***	***210,658.30***	***22,797.80***	***10.8%***
Tax Revenue	***210,707.90***	***221,148.70***	***(10,440.80)***	***-4.7%***	***197,478.90***	***13,229.00***	***6.7%***
Income and profits	*61,227.10*	*65,093.90*	*(3,866.80)*	*-5.9%*	*64,293.80*	*(3,066.70)*	*-4.8%*
Bauxite/alumina	-	-	-		-	-	
Other companies	14,922.00	13,807.20	1,114.80	8.1%	14,301.70	620.30	4.3%
PAYE	41,023.60	43,479.40	(2,455.80)	-5.6%	39,846.70	1,176.90	3.0%
Tax on dividend	868.60	1,813.60	(945.00)	-52.1%	970.60	(102.00)	-10.5%
Other individuals	1,466.40	1,865.20	(398.80)	-21.4%	1,348.20	118.20	8.8%
Tax on interest	2,946.50	4,128.40	(1,181.90)	-28.6%	7,826.60	(4,880.10)	-62.4%
Environmental Levy	*1,382.40*	*1,443.10*	*(60.70)*	*-4.2%*	*1,342.20*	*40.20*	*3.0%*
Production and consumption	*73,929.90*	*75,053.00*	*(1,123.10)*	*-1.5%*	*62,461.30*	*11,468.60*	*18.4%*
SCT	7,950.70	7,420.60	530.10	7.1%	7,529.00	421.70	5.6%
Motor vehicle licenses	1,711.40	1,520.20	191.20	12.6%	1,581.40	130.00	8.2%
Other licenses	231.60	231.40	0.20	0.1%	215.30	16.30	7.6%
Betting, gaming and lottery	1,560.30	2,402.40	(842.10)	-35.1%	1,258.60	301.70	24.0%
Accomodation Tax	1,143.60	739.70	403.90	54.6%	156.40	987.20	631.2%
Education tax	11,565.90	12,500.40	(934.50)	-7.5%	9,654.90	1,911.00	19.8%
Telephone Call Tax	3,963.90	3,729.40	234.50	6.3%	1,875.60	2,088.30	111.3%
Contractors levy	666.30	971.60	(305.30)	-31.4%	807.80	(141.50)	-17.5%
GCT (Local)	38,536.70	38,245.40	291.30	0.8%	34,282.70	4,254.00	12.4%
Stamp Duty (Local)	6,599.50	7,291.90	(692.40)	-9.5%	5,099.60	1,499.90	29.4%
International Trade	*74,168.50*	*79,558.70*	*(5,390.20)*	*-6.8%*	*69,381.60*	*4,786.90*	*6.9%*
Custom Duty	17,003.80	19,065.20	(2,061.40)	-10.8%	15,673.40	1,330.40	8.5%
Stamp Duty	1,232.50	1,153.60	78.90	6.8%	1,049.40	183.10	17.4%
Travel Tax	6,367.40	4,049.80	2,317.60	57.2%	3,386.70	2,980.70	88.0%
GCT (Imports)	33,818.10	35,689.00	(1,870.90)	-5.2%	30,109.00	3,709.10	12.3%
SCT (Imports)	15,746.70	19,601.10	(3,854.40)	-19.7%	19,163.10	(3,416.40)	-17.8%
Non-Tax Revenue	***17,768.20***	***16,396.90***	***1,371.30***	***8.4%***	***10,812.30***	***6,955.90***	***64.3%***
Bauxite Levy	***795.90***	***893.20***	***(97.30)***	***-10.9%***	***799.40***	***(3.50)***	***-0.4%***
Capital Revenue	***469.30***	***533.70***	***(64.40)***	***-12.1%***	***571.00***	***(101.70)***	***-17.8%***
Grants	***3,714.80***	***2,621.60***	***1,093.20***	***41.7%***	***996.70***	***2,718.10***	***272.7%***

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	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	413,078.06	1.85	881.6	n/a	0.4	9.5	4.1	102.08	8.13	16.42	1.62	n/a	n/a
Sept	92, 083.29	0.98	410,316.60	-0.67	910.14	n/a	2.8	10.6	1.0	103.60	7.96	16.47	1.62	n/a	n/a
Oct	91,727.80	-0.39	407,769.00	-0.6	890.43	n/a	0.8	10.35	n/a	105.05	n/a	n/a	n/a	n/a	n/a
Nov	92,118.00	0.43	n/a	n/a	835.69	n/a	0.5	10.33	n/a	105.80	n/a	n/a	n/a	n/a	n/a
Dec	103,633.00	12.5	n/a	n/a	1,052.80	n/a	0.6	9.7	n/a	106.38	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.

Key:	
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—Skingston 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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