



PSOJ MONTHLY ECONOMIC BULLETIN



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Economic Highlights

Jamaica's 2012/13 Budget: "A New Covenant for Stability, Equity & Growth".

On May 10th, 2011, the Government of Jamaica (GOJ) presented the Estimates of Expenditure for fiscal year 2012/13. The Estimates outlined total expenditures of J\$612.4 billion with J\$335.3 billion or 54% going towards interest payments and amortization; approximately J\$143.0 or 23.1% going for wages, salaries and pensions for public sector workers; and the remainder, J\$135.1 billion, to fund programs and overheads. Expenditures on important domestic priorities - Health, Education, National Security and Tourism were either flat or suffered moderate cut-backs in real terms.

On May 24th, 2012, MOF Phillips explained that the GOJ hopes to fund the budget with J\$337.9 billion in Revenues and Grants and J\$274.5 billion in loans, and J\$23.5 bil. in new revenue measures.

Inside this issue:

Economic Highlights	1
Net International Reserve	2
Foreign Currency Deposits	2
Foreign Exchange Rates	2
Interest Rates	3
Base Money & Money Supply	3
Inflation	4
Bauxite & Alumina	4
Tourism	5
External Trade	5
Balance of Payments	7
Fiscal Accounts	8
Stock Market	9
Economic Highlights (contd)	10
Appendix	11
Statistical Index	14
Key of Acronyms	15
Subscription Form	16



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Table 1(a) Expenditure Budget (Billions J\$)

	2009/10	2010/11	2011/12	2012/13
Recurrent	\$385.97	\$338.8	\$352.3	\$375.0
Capital (A+B)	\$205.3	\$158.8	\$192.7	\$237.4
Total	\$591.3	\$497.6	\$544.7	\$612.4

Main Areas of Expenditure

Interest & Amortization	\$332.0	\$231.2	\$263.3	\$335.3
<i>%age of Budget</i>	<i>56%</i>	<i>47%</i>	<i>48%</i>	<i>54.8%</i>
Wages & Salaries	\$125.0	\$130.0	\$135	\$142.9
<i>%age of Budget</i>	<i>21%</i>	<i>26%</i>	<i>25%</i>	<i>23.1%</i>
Programs & Overheads	\$136.0	\$136	\$146	\$135.1
<i>%age of Budget</i>	<i>23%</i>	<i>27%</i>	<i>27%</i>	<i>22.1%</i>

Financing the Budget

Revenues and Grants	\$298	\$314.6	\$322.5	\$337.9
Loans	\$298	\$213.0	\$164.	\$274.5
Fiscal Deficit (% GDP)	-10.9	-6.1	-6.2	-3.8%

The important questions are: what does the FY 2011/12 out-turn and current budget indicate about the fiscal consolidation efforts of the GOJ begun two years ago; and how might prospects for economic growth be impacted by the policies and other measures introduced in the 2012/13 Budget.

Fiscal Consolidation

Though the Jamaican economy grew by 1.2% in FY2011/12, there is little doubt that GOJ efforts at fiscal consolidation veered off-track during 2011/12 and the program of structural reforms agreed with the International Monetary Fund lagged in implementation. The fiscal deficit target for 2011/12 was set at -4.8% of GDP compared to the actual out-turn of -6.2%. The primary surplus—the extent to which the GOJ is able to service its debts from revenues, was targeted at J\$69.3 billion or 6.1% of GDP compared to the out-turn of J\$40 billion or 3.5% of GDP. To keep the 2011/12 slippage in perspective however, it is useful to recall that in 2009/10, the fiscal deficit was J\$140 billion or 11% of GDP. For 2012/13, the GOJ is targeting a fiscal deficit of 3.8%. But the achievement of that target is unlikely to result from further expenditure, compression but will require more

substantial economic growth than the 1% the GOJ is currently projecting.

Growth Prospects

The J\$23.5 billion in new revenue measures announced by Government could have a contractionary effect on the economy, but they are likely to be muted, because though they are wide-ranging and significant on certain high impact areas like profits in the tourism sector, phone calls and lunch time expenditures (patties) several were directed at discretionary spending. On the other hand, the capital expenditure program of Central government (J\$39.4 billion) and the public bodies (J\$41.4 billion) could increase aggregate demand by increasing income to persons with a high propensity to consume. The J\$8 billion increase in pension payments could also contribute in that regard.

Though financing has not been locked in for several of the major infrastructural projects - Container Terminal, South Terminal, Fort Augusta Logistic Hub and Business Center, among others mentioned by the Minister Phillips, estimates are that development of these projects, could result in FDI of US\$6-8 billion. (Contd. P10)

Net International Reserves (NIR)

During April 2012, Net International Reserves decreased by an additional US\$5.35 million to US\$1,771.78 million compared to US\$1,777.1 million at the end of March 2012. This marks the eleventh monthly decline of NIR over the past twelve months and likely reflects continued net selling of the USD since May 2011 by the BOJ to support the J\$ which has been under moderate pressure, possibly, because of the hiatus and uncertainty in the GOJ/IMF Arrangement.

At the end of April 2012, gross reserves were adequate to finance 23.04 weeks of “goods” imports or 17.75 weeks of “goods and services” imports, well above the 12 weeks international benchmark of reserves adequacy.

Foreign Currency Deposits

During February 2011, foreign currency deposits (FCD's) in the local financial system increased by US\$21.9 million or 0.92 to US\$2.379 billion compared to US\$2.258 billion at the end of January 2012. The increase in November 2011 is the second month over month increase in FCD's over the past three months reversing three consecutive monthly declines in Q3 2011.

During 2010 FCD's increased compared to 2009 because investors preferred holding Jamaican dollar denominated assets due to the improving stability of the Jamaican macro-economy and the sufficiency of foreign exchange. In 2011 however, safe haven holding of FCD's appears to have increased as sentiment regarding prospects for the Jamaican economy became more cautious.

Foreign Exchange Rate

US DOLLAR: During April 2012, the J\$ depreciated by J\$0.05 or 0.05% against the USD to J\$87.35 from J\$87.30 in March 2012. Apart from three months in 2011 when there were small month over month gains, the J\$ has declined steadily though modestly against the USD over the past 14 months. During calendar year 2011,

Table 1b: Changes in the NIR

	US\$M NIR	Change US\$M			Imports (Weeks)
		Mthly	12 Mth	YTD	
Apr-12	1,771.78	-5.35	-830.62	-195.23	23.04
Apr-11	2602.4	49.24	866.16	430.99	30.65

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

	US\$000 Feb '12	Change (US\$000)		% Change	
		mtly	12 mth	mtly	12 mth
Commercial Banks	1,784,643	18,818	132,367	1.05	8.01
Building Societies.	550,878	3,371	20,676	0.61	3.90
Merchant Banks	43,692	-262	-19,736	-0.60	-31.12
Total Deposits	2,379,213	21,927	133,307	0.92	5.94

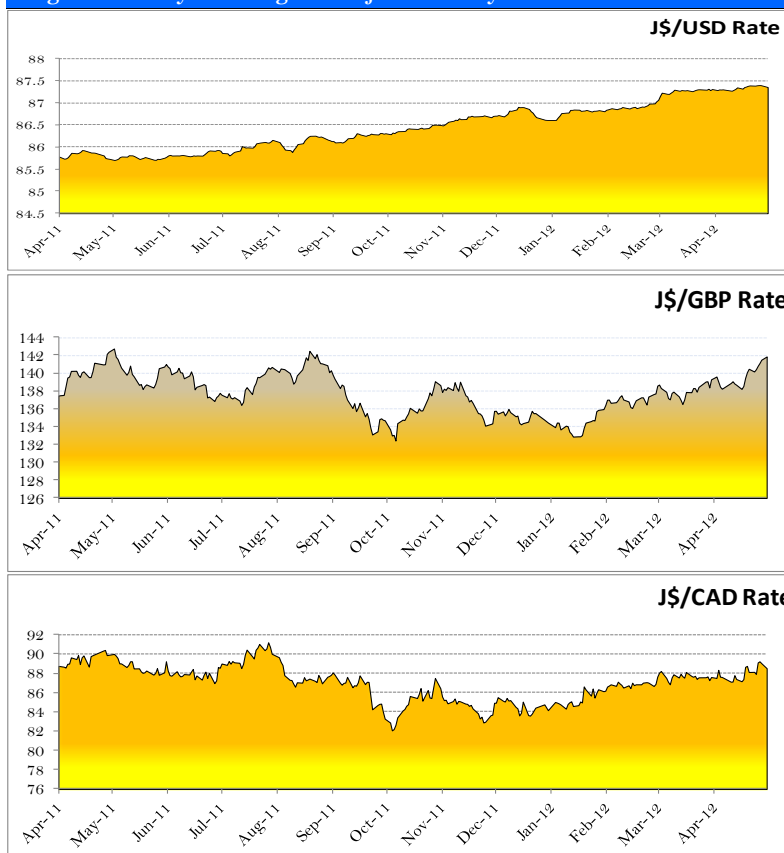
Source: Compiled from the BOJ (Preliminary)

Table 3: Foreign Exchange Trends

	YTD Currency Rate Change (Dec 31, 2011—04/30/12) *					
	J\$ / US\$	%	J\$ / UK£	%	J\$ / Can\$	%
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
2010	0.53	0.59	7.69	5.36	-4.30	-5.09
	MOM Apr- 2012					
Actual Rate	87.35	0.05	141.84	1.84	88.56	1.05
Mth Change	0.05	0.05	2.57	1.84	0.92	1.05

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

Figure 1: Daily % Change in Major Currency Rates



Source: Bank of Jamaica Database (BOJ)

the USD gained J\$0.46 against the J\$ and has now retraced approximately 42% of the decline from its three year low of J\$85.49 hit in September 2010. But the USD remains well below its three year high of J\$89.79 and below key resistance at J\$90. For calendar year 2012, the J\$ is down 74 cents or 0.86% against the USD, after beginning the year at J\$86.60.

POUND & CANADIAN DOLLAR:

During April 2012, the J\$ depreciated by J\$2.57 or 1.84% against the GBP to J\$141.84 from J\$139.25 in March 2012. Against the CAD, the J\$ also depreciated in April 2012 - by J\$0.92 or 1.05% to sell for J\$88.56 compared to J\$87.65 in March 2012. During 2011 there were sharp up and down movements of the J\$ against GBP and CAD (See Chart 1) mirroring the rise and fall of these currencies against the USD on international exchanges in response to risk sentiment. For the first three months of calendar year 2012, the J\$ is down J\$7.40 or 5.51% against GBP, and by J\$4.37 or -5.19% against the CAD.

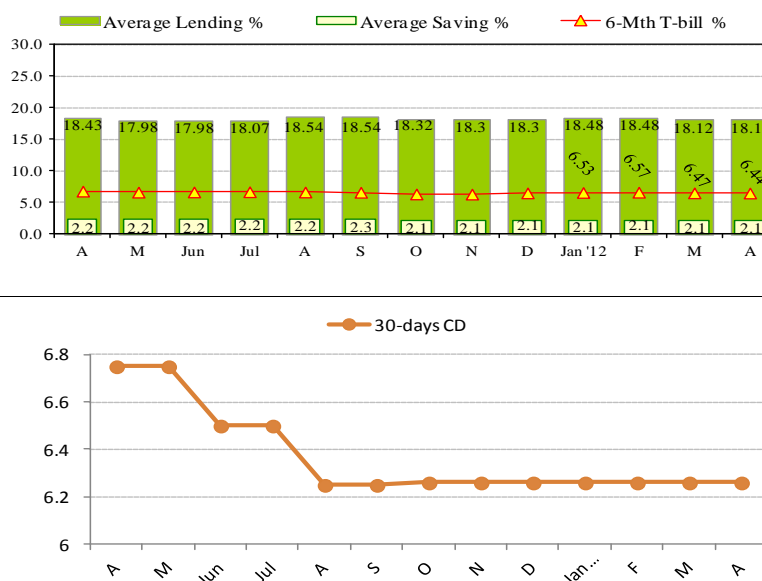
Interest Rates

During calendar year 2011, Jamaican monetary authorities maintained their dovish (low interest rate) policy stance and continued the policy of withholding medium and longer term instruments from the market in their efforts to allow interest rates to recalibrate at much lower levels than was the norm for the previous two decades. In furtherance of that policy, the Bank of Jamaica only issued 30 days certificate of deposits during the 2011 and the longest tenure issued by the Ministry of Finance was the 6-month treasury bill.

The Minister of Finance in the recently elected People's National Party Government has also affirmed the dovish policy bias of his predecessor.

Continuing the steadiness since the beginning of 2012, during April 2012, there was only a slight 3 bps decline on the 6-month Treasury Bill to 6.44%. Rates on all the other benchmarks were unchanged during the month. Year to

Figure 2A & 2B: Interest Rate Movements



Source: Bank of Jamaica Database (BOJ preliminary)

Table 4: Interest Rate Movements

	Apr-12	Change (%age pts)		
		Monthly	12-Mth	YTD
30-days CD	6.26%	0.00%	-0.49%	0.00%
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 Deposit	2.10%	0.00%	-0.14%	-0.03%
Avg Loan Rate	18.12%	0.00%	-0.31%	-0.18%
6-Month T-Bill	6.44%	-0.03%	-0.30%	-0.02%

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

date, the 6-month T-Bill is down 2 bps. The average lending rate (ALR) which has been the slowest declining rate over the past three years and which dropped by 36 bps in March 2012 to 18.12% was unchanged in April 2012 but is down 18 bps year to date. The average saving rate also held steady during the month at 2.10% and is down 3 bps year to date.

Base Money & Money Supply

During Q1 2012, M1 declined by

J\$11.2 billion or -8.6% to J\$119.17 billion due largely to a J\$11.1 billion reduction in 'currency with the public' as the BOJ engaged in its usual post-Christmas mopping-up of currency issues. Quasi money for its part increased by J\$6.0 billion or 2.6% to J\$236.17 billion as savings balances were rebuilt following the usual Christmas splurge.

Given the significant drop in M1 and the smaller increase in Quasi money, M2, not unexpectedly declined by 1.4% during Q1 2012, though it inched up slightly by 0.19% (MoM) to J\$356,099.1 billion in March 2012.



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During April 2012 the monetary base increased by J\$1.269 billion or 1.52% to J\$84.97 billion. This largely resulted from an increase of J\$683.5 in Commercial Banks' Statutory Reserves; a J\$414.0 million increase in Net Currency Issue and a J\$172.4 million increase in demand deposits..

Inflation

The rate of inflation increased by 0.4% during the first month (April) of fiscal year 2011/12. The increase in April 2012 was just below the 0.58% average monthly increase for calendar 2012.

Within the Consumer Price Index (CPI), the division recording the highest increase (0.7%) was the most heavily weighted **"Food and Non-Alcoholic Beverages"**. This reflected increases of 1.8% for the classes 'Vegetables and Starchy Foods' and a 1.2% rise for 'Fruit'. Other notable increases were recorded for 'Sugar, Jam, Honey, Chocolate and Confectionery' - up 0.9% and a 0.7% rise for 'Food Products n.e.c'.

The second highest increase (0.6%) was recorded within two divisions **"Transport"** and **"Recreation and Culture"**. Increased prices for petrol and its related products were the main contributors to the increase in the index for the former; while increased prices for the daily newspapers, equipment for recreation and culture, and stationery accounted for the increase in the latter.

A 0.4% increase was recorded for **"Furnishings, Household Equipment etc"**, but all nine other divisions within CPI recorded modest price movements of less than 0.4% in April 2012. Three divisions— **"Education"**, **Restaurants and Accommodation Services"** and **"Clothing and Footwear"** recorded increases of 0.3% while **"Health"** and **"Miscellaneous Goods and Services"** recorded increases of 0.2%. **"Communication"** was flat (0.0%) on the month; with only **"Housing, Water,**

Table 5: Base Money and Money Supply

	J\$M	Percentage Change (%)	
	Mar -12	Mthly	12 Mth
M1	119,170.21	-3.79	11.49
Quasi Money	236,928.87	2.31	4.86
M2	356,099.08	0.19	6.99
	Apr -'12	Mthly	12 Mth
Base Money	84,966.58	1.52	4.38

Source: BOJ Economic Statistics

Table 6: Inflation Trends

	% Percent Changes			
	Apr	12-Mth	YTD	Fiscal
2012	0.39	7.19	2.08	0.39
2011	0.47	6.93	0.95	0.47

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

Table 7: Mining Production

	000 tonnes			YTD	
	Apr-12	Apr-11	%	Apr-12	10/11 %
Production					
Alumina	150.4	155.2	-3.08	626.9	-5.19
C. Bauxite	348.3	477.5	-27.1	1,503.0	-15.3
Export					
Alumina	210.8	227.6	-7.40	654.1	1.82
C. Bauxite	335.9	482.8	-30.4	1,480.9	-15.8

Source: Jamaica Bauxite Institute (JBI)

Electricity, Gas and Other Fuels" recording a decline (-0.3%) in April 2012.

The calendar year to date inflation rate was 2.1%, in contrast to 1.0 % rise during the first four months of 2011. The point to point rate was 7.2% compared to 6.9% one year ago.

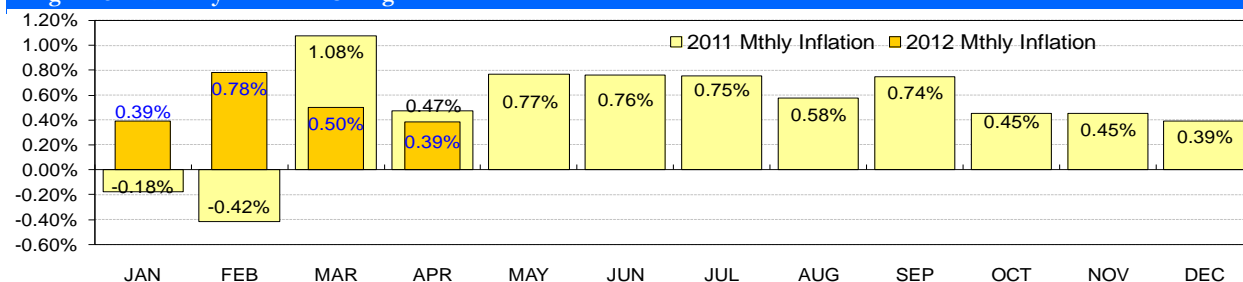
Bauxite & Alumina

Production of alumina in April 2012 amounted to 150,368 tons compared to 155,152 tons in April 2011 - a decrease of -3.08%. For its part, production of crude bauxite in April 2012 fell by -27.1% to 348,309 tons compared to 477,510 tons in April

2011.

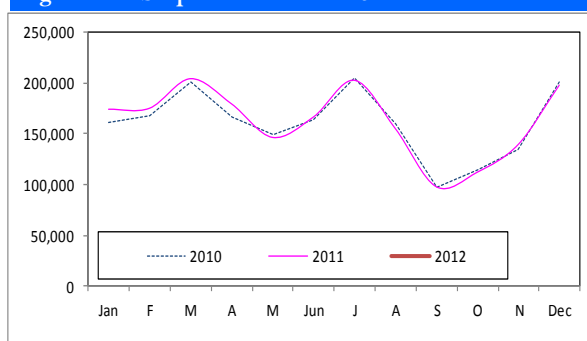
During calendar year 2010, alumina production fell by -10.3% to 1.59 million tons and alumina exports by -16.4% to 1.56 million tons compared to 2009. But reflecting the upturn in the global economy, during calendar year 2011, alumina production increased by 23.2% to 1.959 million tons, while production of crude bauxite was up by 19.5% to 5.143 million tons. relative to 2010. However, reflecting the softening conditions in the global economy, production of alumina is down -5.19% to 626,857 tons in the first four months of 2012 compared to 661,189 tons during the corresponding period of 2011; while production of crude bauxite is down -

Figure 3: Monthly Inflation Changes



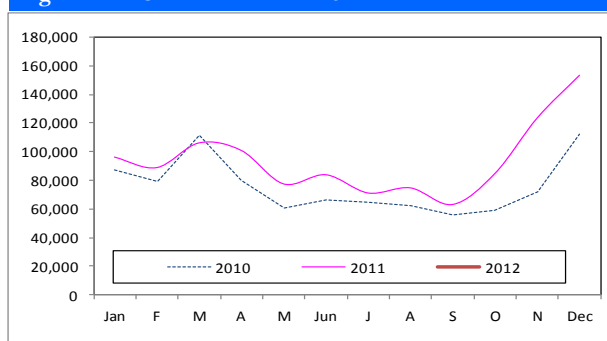
Source: STATIN and PSQJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

15.3% to 1.503 million tons relative to 1.773 million tons for the corresponding period of 2011.

Tourism

Stopover arrivals in January 2012 were 169,355 - a decrease of -2.8% relative to the 174,144 stopovers recorded in January 2011. The number of cruise passengers increased in January 2012 however, by 74.1% to 167,745 visitors, compared to 96,323 in January 2011.

For calendar year 2011, stopovers increased by 1.6% to 1,951,752 compared to 1,921,678 arrivals in 2010. This fell short however of the 6% to 8% growth the GOJ was targeting for 2011 of 2,060,000. Thus for the second year in a row, GOJ targets for stopovers fell short of projections.

Regionally, stopovers from the US decreased by 5.9% in January 2012 to 85,571 compared to 90,919 in January 2011. This extends the decline from calendar year 2011, during which stopovers from the United States declined by -1.4% to 1,225,565 visitors. From the Canadian market, stopovers increased slightly by 0.6% in January 2012 with 55,839 arrivals, compared to 55,488 in January 2011. This continues the increase in stopovers from Canada during 2011 in which stopovers increased by 16.5% with 378,983 visitors compared to 325,191 visitors in 2010.

Visitors from Europe, including the UK, declined by -0.5% in January 2012 to 20,798 compared to 20,907 arrivals in January 2011. This extends the decline recorded in calendar year 2011 in which stopovers from Europe declined by -6.7% to 253,049 compared to 271,315 in 2010.

Stopover arrivals from the Caribbean recorded a 13.6% increase in 2011 to 66,216 reversing a -10.8% decline in

Tourist Arrivals

	2011	2012	%Change	
	YTD (JAN-)	YTD - YOY	YTD - YOY	MOM
Stopover	174,144	169,355	-2.8%	-14.3%
Foreign	164,155	159,295	-3.0%	-8.6%
Non-Resident	9,989	10,060	0.7%	-57.1%
Cruise	96,323	167,745	74.1%	9.2%
Total Arrivals	270,467	337,100	24.6%	-4.0%

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

2010. For the first month of 2012 however, stopovers from the Caribbean are down by 5.7% to 3,765 compared to 3,991 in January 2011. On the other hand, stopovers from Latin America increased in January 2012 by 43.5% to 1,969 visitors extending their 23.4% rise during 2011.

During calendar year 2011, cruise visitors to the Island increased by 23.7% to 1,125,481 visitors. During January 2012, cruise arrivals are up by 74.1% to 167,745 visitors. Total Visitors to Jamaica for January 2012 were 337,100 marking a 24.6% increase relative to 270,467 visitors during January 2011.

External Trade

During calendar year 2011, Jamaica's exports increased by US\$288.62 million or 21.6% to US\$1,624.3 million, compared to US\$1,335.7 million in 2010. Imports for their part, grew by US\$1,288.3 million or 24.2%, to US\$6.61 billion compared to US\$5.33 billion during calendar year 2010. As is usually the case when economic conditions are picking up globally and in Jamaica, the negative imbalance in Jamaica's merchandise trade worsened in 2011 by -US\$999.7 million or 25.1% to -US\$4.99 billion compared to US\$3.99 billion in January - Dec 2010.

Traditional Exports: During 2011, traditional domestic exports earned US\$862.7 million, an increase of US\$208.4 million or 31.9% over the US\$654.3 million recorded in 2010. The share of traditional exports in total domestic exports also increased from 48.9% in calendar year 2010 to 53.1% in 2011.

The increased earnings from traditional exports largely resulted from the continuing recovery of alumina production with earnings increasing by US\$180.3 million or 44.8% to US\$583.1 million during 2011 compared to US\$402.8 million in 2010. This was supported by a solid 10.2% increase in bauxite exports to US\$141.9 million and a strong 40.5% increase in sugar exports to US\$62.2 million relative to US\$44.2 million during 2010. Notable contributions to the growth in traditional exports were also made by a 17.2% rise in 'Manufacturing' exports to US\$114.2 million compared to US\$97.4 million one year ago, with 'Rum' exports in particular, growing by 3.2% to US\$48.7 million.

There was however, a notable -5.9% decline in traditional agricultural exports to US\$23.4 million, and in particular, coffee. Compared to earnings of US\$19.2 million in 2010, earn-

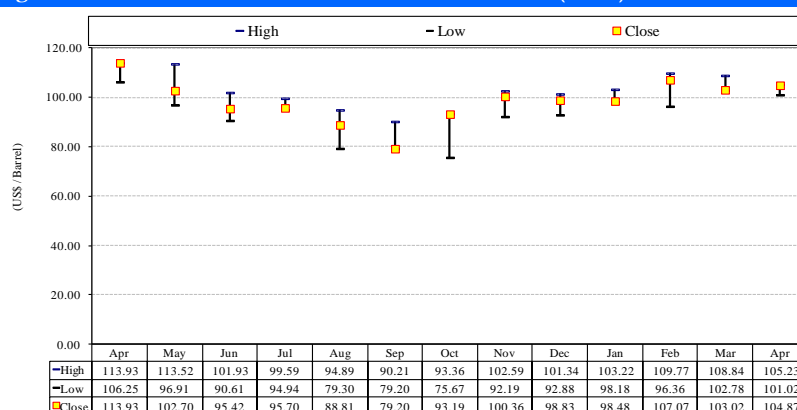
ings from Coffee exports fell by -4.5% to US\$18.3 million during 2011. This was however a much smaller rate of decline than the 43.2% drop in 2010 from US\$33.8 million. But it does show that the price for Jamaican coffee has not recovered its premium since the global recession. Earnings from 'Other' Traditional exports also decreased significantly during 2011 by -30.3% to US\$8.5 million compared to US\$12.2 million during 2010.

Non-traditional exports accounted for 50.4% of exports by value in calendar year 2009 surpassing earnings from traditional exports. But due to the recovery in the Bauxite/ Alumina industry in 2010 and significant declines in several non-traditional exports groups, traditional exports again moved to the top in 2010. During 2011, earnings from non-traditional exports rebounded by 12.8% to US\$675.5 million relative to US\$599.1 million during 2010 but accounted for only 41.6% of exports.

Several groups of non-traditional exports contributed to the expansion in 2011. In the category **"Food"**, there was a 8.1% increase in earnings to US\$135.14 million compared to US\$125.04 million in 2010 as twelve of seventeen categories recorded increases. Among the main contributors to the increase in 'Food' earnings were: a 61.5% increase in 'Animal Feed' to US\$7.5 million; a 40.7% increase in 'Meat and Meat Preparations' to US\$3.6 million; and a 23.5% increase in 'Dairy Products & Birds Eggs' to US\$7.4 million. There was also a 12.1% increase in 'Other Vegetables & Preparations thereof' to US\$2.86 million; a 10.5% increase in 'Baked Products' to US\$12.9 million; a 9.5% increase in 'Malt Extract & Preparations thereof' to US\$4.5 million; and a 4.6% increase in 'Yam' exports to US\$19.7 million which continues to be Jamaica's leading non-traditional export.

There were however, notable decreases in earnings from some 'Food' categories in 2011 compared to 2010. Earnings from 'Sweet Potatoes' fell by -17.8% to US\$2.06 million from US\$2.7 million in 2010; 'Papaya' exports were down -22.8% to US\$1.92 million from US\$2.5 million; 'Ackee' exports were down -4.5% to US\$10.35 million from US\$10.83 million; and 'Juices excl. Citrus' were down by -9.9% to US\$5.85 million from US\$6.5 million. The three other categories of non-traditional exports also recorded in-

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-Dec'10	Jan-Dec '11	Change	% Change
TOTAL EXPORTS (fob)	1,335.68	1,624.30	288.62	21.6%
Major Traditional Exports	654.30	862.72	208.42	31.9%
<i>by Sector:-</i>				
Agriculture	24.91	23.43	-1.48	-5.9%
Mining & Quarrying	531.98	725.09	193.10	36.3%
Manufacturing	97.41	114.20	16.79	17.2%
<i>by Industry:-</i>				
Bauxite	128.73	141.91	13.18	10.2%
Alumina	402.76	583.07	180.31	44.8%
Sugar	44.24	62.16	17.92	
Rum	47.20	48.70	1.50	3.2%
Bananas	0.00	0.06	0.06	0.0%
Coffee	19.19	18.33	-0.86	-4.5%
Other	12.18	8.48	-3.69	-30.3%
Non-Traditional Exports	599.08	675.49	76.41	12.8%
Re-exports	82.30	86.10	3.79	4.6%
TOTAL IMPORTS	5,326.44	6,614.76	1288.32	24.2%
Food	812.92	938.40	125.48	15.4%
Beverages & Tobacco	76.01	77.48	1.47	1.9%
Crude Materials (excl. Fuels)	60.83	63.22	2.39	3.9%
Mineral Fuels, etcetera	1,688.72	2,441.82	753.10	44.6%
Animal & Vegetable Oils & Fats	32.64	58.60	25.96	79.5%
Chemicals	696.85	909.58	212.73	30.5%
Manufactured Goods	587.11	647.06	59.95	10.2%
Machinery and Transport Equip.	793.44	939.69	146.25	18.4%
Misc. Manufactured Articles	483.05	470.51	-12.54	-2.6%
Other	94.86	68.40	-26.47	-27.9%
TRADE BALANCE	(3,990.76)	(4,990.46)	-999.70	25.1%

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

creases during Jan-Dec 2011. **"Crude Materials"** were up by 92.0% largely driven by a 120% increase in (the now outlawed) 'Waste and Scrap Metals' trade from US\$17.6 million in 2010 to US\$38.8 million in the current period; and a 123% increase in 'Limestone' exports to US\$2.10 million from US\$940,000. But exports of 'Other' crude materials declined by -29.8% to

US\$3.05 million from US\$4.35 million 2010.

In the category **"Beverages & Tobacco (excl. Rum)"** there was a 14.8% increase from US\$56.25 million in 2010 to US\$64.6 million during 2011. This was mainly due to a 29.4% increase in 'Non-Alcoholic Beverages' from US\$8.9 million to

US\$11.6 million and a 12.0% increase in 'Alcoholic Beverages (excl. Rum)' to US\$47.21 million from US\$52.88 million.

"Other" non-traditional exports, generally, the largest category of non-traditional exports, increased by 9.3% to US\$431.77 million from US\$394.9 million in 2010. This mainly reflected a large 27.1% increase in 'Mineral Fuels etc' to US\$371.8 million from US\$291.2 million. This increase was nearly canceled by large declines of -48.0% in 'Chemicals (incl. Ethanol)' from US\$79.0 million in 2010 to US\$41.13 million; and a -57.2% reduction in exports of 'Manufactured Goods' to US\$4.9 million from US\$11.4 million in 2010.

Imports. Extending the upturn from 2010, imports surged by 24.2% during 2011 to US\$6.6 billion relative to US\$5.3 billion in 2010. The largest increase was recorded in **Raw Materials/Intermediate Goods** which typically accounts for the bulk of imports. In this category, imports increased by 38.6% to US\$4.28 billion from US\$3.09 billion in 2010. The greatest contributors to that increase were imports of 'Mineral Fuels' - up 44.6% to US\$2.44 billion from US\$1.68 billion during 2010. Imports of 'Food' for intermediate use surged by 26.0% to US\$300.4 million; while 'Industrial Supplies' grew by 32.6% to US\$1.2 billion from US\$901.4. 'Parts & Accessories of Capital Goods' also grew by 32.9% to US\$346.9 million.

Possibly reflecting expansion or retooling by Jamaican firms, imports of '**Capital Goods (excl. Motor Cars)**' grew significantly by 13.5% to US\$487.14 million in 2011. Apart from a slight -2.2% decline in 'Construction Materials' to US\$121.7 million, all categories of Capital Goods imports registered increases. 'Other Industrial Transport Equipment' was up 62.2% to US\$94.4 million relative to US\$85.9 million a year earlier; 'Machinery and Equipment' was up by 24.0% to US\$265.4 million from US\$213.9 million; and 'Other Capital Goods' increased by 15.4% to US\$5.7 million from US\$4.9 million in 2010.

Imports of **Consumer Goods (excl. Motor Cars)** dipped slightly in 2011, by -0.2% to US\$1.698 billion relative to US\$1.70 billion in 2010 as a moderately large 9.6% increase in 'Food' imports from US\$661.3 million to US\$724.6

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

	Jan-Dec 2010	Jan-Dec 2011	\$ Change	% Change
Current Account	(934.0)	(2,068.9)	(1,134.9)	-121.5%
Goods Balance	(3,259.4)	(4,261.0)	(1,001.6)	-30.7%
Exports	1,368.0	1,662.5	294.5	21.5%
Imports	4,627.4	5,923.5	1,296.1	28.0%
Services Balance	810.0	697.8	(112.2)	-13.9%
Transportation	(429.7)	(533.8)	(124.1)	-28.9%
Travel	1,808.8	1,833.2	24.4	1.3%
Other Services	(569.1)	(581.6)	(12.5)	-2.2%
Income	(494.6)	(548.2)	(53.6)	-10.8%
Compensation of empl	89.1	48.7	(40.4)	-45.3%
Investment Income	(583.7)	(596.9)	(13.2)	-2.3%
Current Transfers	2,010.0	2,042.6	32.6	1.6%
Official	194.3	121.3	(73.0)	-37.6%
Private	1,815.7	1,921.3	105.6	5.8%
Capital & Financial Account	934.0	2,068.9	1,134.9	121.5%
Capital Account	(22.1)	2.7	24.8	112.2%
Capital Transfers	(22.1)	2.7	24.8	112.2%
Official	4.2	29.0	24.8	590.5%
Private	(26.3)	(26.3)	-	0.0%
Acq/dis.	-	-	-	0.0%
Financial Account	956.1	2,066.2	1,110.1	116.1%
Other Official Invst	967.7	452.7	(515.0)	-53.2%
Other Private Invst	430.4	1,408.3	977.9	227.2%
Reserves	(442.0)	205.2	647.2	146.4%

Source: BOJ & Statistical Update:

million was counter-balanced by moderately large declines in other categories of food imports. Imports of Non-durable Goods' declined by -9.3% to US\$472.3 million from US\$520.9 million one year earlier; 'Semi-durable Goods' declined by -5.3% to US\$166.3 million from US\$175.6 million, while 'Other Durable Goods (excl. Motor cars)' declined by -2.5% to US\$335.4 million from US\$344.2 million in 2010. Imports of '**Passenger Motor Cars**' increased however by 39.2% to US\$148.4 million from US\$106.6 million in 2010.

Oil: At the end of April 2012, the price of West Texas Intermediate (WTI) Crude Oil stood at US\$104.87 per 42 gallon barrel - an increase in price of US\$1.85 relative to the closing price of US\$103.02 the previous month. During April 2012 the price ranged between a high of US\$105.23 and a low of US\$101.02. (See Fig. 5)

Balance of Payments

For 2011, there was a **Current Account deficit** of US\$2,068.9 million, which represented a deterioration of US\$1,134.9 million relative to the

corresponding period in 2010. The deterioration in the current account resulted from all sub-accounts except the Current Transfers sub-account

During the period, the **Goods Balance** recorded a deficit of US\$4,261.0 million, a deterioration of US\$1,001.6 million when compared to the corresponding period in 2010. This resulted primarily from an increase in imports of US\$1,296.1 million, which was significantly influenced by an increase in mineral fuel of US\$856.3 million. The deterioration in the Goods sub-account was partially offset by a US\$294.6 million increase in exports, stemming mainly from an increase in alumina exports of US\$178.0 million.

In relation to the **Services Balance**, there was a decline of US\$112.2 million in its surplus position. This resulted from an increase in estimated freight cost associated with imports. The **Income Sub-account** deteriorated by US\$53.6 million during the review period. This reduction emanated primarily from a decrease of US\$39.7 million in compensation of employee inflows from Jamaican residents working abroad.

During the review period, **Current**

Table 11: Fiscal Accounts (J\$ Million)

	Apr-Mar (Fiscal—2011/12)				Apr-Mar (YOY)	
	J\$ million		Deviation		10/11 - 11/12	
	Provisional	Budget	J\$M	(%)	J\$M	(%)
Revenue & Grants	322,457.3	324,540.2	-2,082.9	-0.64	6,703.2	2.1
Tax Revenue	289,882.2	290,908.3	-1,026.1	-0.35	10,037.3	3.6
Non-Tax Revenue	17,016.7	17,934.2	-917.5	-5.12	-2,541.0	-12.4
Bauxite Levy	1,524.5	1,530.8	-6.3	-0.41	1,103.5	262.0
Capital Revenue	10,585.1	9,053.7	1,531.4	16.91	4,547.6	123.9
Grants	3,448.8	5,113.2	-1,664.4	-32.55	-6,445.1	-67.6
Expenditure	403,191.6	397,186.7	6,004.9	1.51	19,126.1	4.9
Recurrent Expenditure	349,960.7	349,044.0	916.7	0.26	19,612.9	5.9
Programmes	89,699.4	88,428.8	1,270.6	1.44	14,445.8	19.0
Wages & Salaries	139,556.9	139,900.2	-343.3	-0.25	11,371.8	8.8
Interest	120,704.4	120,715.0	-10.6	-0.01	-6,204.2	-4.9
Domestic	81,617.3	81,636.9	-19.6	-0.02	-6,664.1	-7.5
External	39,087.1	39,078.1	9.0	0.02	459.7	1.2
Capital Expenditure	53,230.9	48,142.7	5,088.2	10.57	-486.8	-0.9
Capital Programmes	53,230.9	48,142.7	5,088.2	10.57	-486.8	-0.9
IMF #1 Account	0.0	0.0	0.0	0.00	0.0	0.0
Fiscal Balance (Surplus [+ve])	-80,734.2	-72,646.5	-8,087.7	-11.13	-12,422.9	-16.9
Loan Receipts	163,519.2	164,061.7	-542.5	-0.33	-5,329.7	-3.0
Domestic	142,751.1	133,883.2	8,867.9	6.62	27,085.2	22.1
External	20,768.2	30,178.5	-9,410.3	-31.18	-32,415.0	-60.9
Divestment Proceeds	0.0	0.0	0.0		-1,482.5	-100.0
Amortization	128,373.2	128,059.1	314.1	0.25	25,403.0	24.9
Domestic	67,820.3	67,186.7	633.6	0.94	-12,207.0	-15.4
External	60,553.0	60,872.4	-319.4	-0.52	37,609.6	165.2
Overall Balance (Surplus [+ve])	-45,588.3	-36,643.9	-8,944.4	-24.41	-115,881.8	-145.2
Primary Balance (Surplus [+ve])	39,970.1	48,068.5	-8,098.4	-16.85	-18,627.5	-34.8

Source: Ministry of Finance and Planning

Transfers increased by US\$32.6 million to US\$2,042.6 million. This improvement resulted primarily from an increase in net private transfers of **US\$105.6 million**.

Flows from official and private sources were insufficient to finance the current account deficit. Consequently, the NIR declined by US\$205.2 million during the period.

Fiscal Accounts

During fiscal year 2011/12 there was notable slippage on several fiscal targets set by the GOJ. During the year, the GOJ ran a fiscal deficit of -J\$80.7 billion which was J\$8.09 billion or 11.1% worse than the -J\$72.65 billion budgeted and worse than the -J\$73.7 billion recorded for FY 2010/11. The worse than expected fiscal deficit reflected the fact that expenditures exceeding budget by J\$6.0 billion while revenues fell short of projections by J\$2.08 billion.

REVENUE: Total Revenues & Grants to

the GOJ during Apr-Mar 2011/12 was J\$322.5 billion. This was - J\$2.08 billion or 0.64% below the J\$324.5 billion budgeted, but J\$6.7 billion higher than the J\$315.8 billion collected in FY 2010/11.

The main outperformers on the revenue accounts were 'Capital Revenues' - up J\$1.53 billion; 'PAYE' - up J\$1.03 billion; and 'GCT (Imports)' which was J\$706.4 million above budget. 'Stamp Duty' also came in J\$534.0 million above budget and so did 'Tax on Interest' - which exceeded budget by J\$497.1 million. Overall, returns on seventeen revenue heads and sub-heads were positive and twelve were negative.

Among the main underperformers on the revenue accounts were: 'Other Companies' taxes which registered a shortfall of -J\$3.64 billion; 'SCT (Imports)' was down -J\$917.5 million; and 'Customs Duty' came in -

J\$805.1 million below budget. Notable shortfalls were also recorded by 'Other Individual' taxes- down - J\$687.2 million and 'Tax on Dividend' which came in -J\$134.3 million below budget.

EXPENDITURE: Total expenditure for fiscal year 2011/12 was J\$403.2 billion. This was J\$6.0 billion more than J\$397.2 budgeted, and also J\$19.13 billion more than the J\$360.6 billion expended during Y2010/11. Among the heads showing notable deviations from budget were: 'Capital Programmes' - overspent by J\$5.09 billion and 'Recurrent Programmes' - overspent by J\$1.27 billion. In contrast, there were modest under-spending on 'Wages and Salaries' of -J\$343.3 million and -J\$19.6 million on 'Domestic Interest', but spending on 'External Interest' exceeded budget by an even more modest J\$9.0 million.

FISCAL OUTTURN

As noted, during FY2011/12 (Apr-Mar 2011), the Budget recorded a fiscal deficit of -J\$80.74 billion which was J\$8.09 billion worse than the revised targets.

During FY2010/11, there was a fiscal deficit of -J\$74.2 billion amounting to 6.1% of GDP which represented a 40.2% improvement on the deficit of -J\$123 billion recorded in 2009/10. For FY2011/12, the GOJ originally projected a deficit of -J\$61.8 billion or 4.7% of GDP. The out-turn for FY 2011/12 is therefore about 6.2% of GDP.

The Primary Surplus - the difference between total revenues and non-interest expenditures for FY2010/11 was J\$54.1 billion or 5.6% of GDP. This fell short of budget by J\$7.15 billion or 11.7% relative to the J\$61.3 billion originally budgeted. For FY2011/12, the primary surplus originally targeted was J\$69.3 billion which was downwardly revised to J\$48.07 billion in mid-year. Even then, the GOJ fell short of that target by J\$8.09 billion as the actual out-turn was J\$39.97 billion.

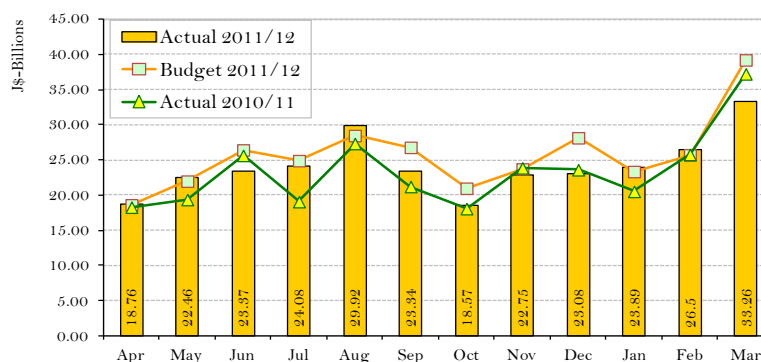
PUBLIC DEBT

At the end of calendar year 2011 the total public debt stood at J\$1.630 trillion - an increase of J\$93.7 billion over the J\$1.536 trillion recorded at the start of January 2011. During 2011, the domestic debt increased by J\$69.58 billion to J\$883.39 billion or 54.2% of the total, while the external debt grew by J\$24.13 billion (US\$280 million) to J\$747.03 billion (US\$8.626 billion) or 46.0% of the total debt stock.

Stock Market

During April 2012, market capitalization increased by J\$11.185 billion or 1.8% to close at J\$620.5 billion. All five indices on the Jamaican Stock Exchange advanced during the month. The main **JSE Market Index** advanced by 91.7 points or 0.10% to close at 91,460 points. The **JSE All Jamaican Composite** advanced by 114.4 points or 0.12% to close at 96,440 points. The **JSE Select Index** advanced by 4.70 points or 0.17% to close at 2,730 points. The **JSE Cross Listed Index** of mostly foreign companies operating in Jamaica also advanced modestly by 0.55 points or 0.07% to close at 785.3 points; and the **JSE Junior Market Index** advanced by 6.15 points or 0.94% to close at 661.6 points.

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



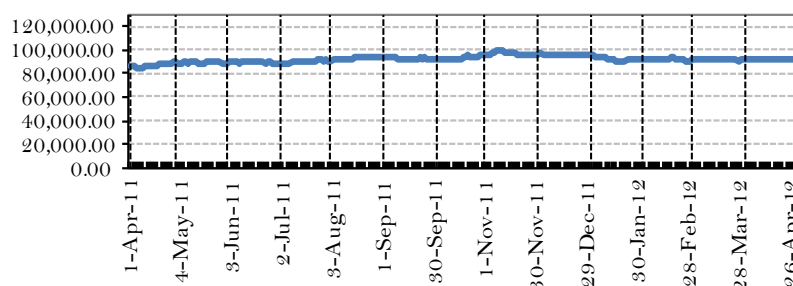
Source: Ministry Of Finance and Planning (Jamaica)

Table 12: Major Deviations in Fiscal Revenue and Expenditure

J\$-Millions		Apr-Mar 2011/12
Revenue (Revenue Surpluses)		
Capital Revenue		1,531.4
PAYE		1,026.1
GCT (Imports)		706.4
Stamp Duty (Local)		533.9
Tax on Interest		497.1
Revenue (Revenue Shortfalls)		
Other Companies		-3,637.8
SCT (Imports)		-917.5
Customs Duty		-805.1
Other Individuals		-687.2
Tax on Dividend		-134.3
Expenditure (Changes)		
Capital Programmes	(over-spend)	5,088.2
Recurrent Programmes	(over-spend)	1,270.6
Wages & Salaries	(under-spend)	-343.3
Domestic Interest	(under-spend)	-19.6
External Interest	(over-spend)	9.0

Source: Ministry Of Finance and Planning (Jamaica)

Figure 7: Main JSE Index Apr '11 - Apr'12



Source: Jamaica Stock Exchange (Online Database) and PSQJ

Market volume was light in April with 43.17 million units valued at J\$401.6 million changing hands compared to 94.6 million units valued at J\$1.089 billion changing hands during March 2012.

Overall market activity resulted from trading in 48 stocks of which 18 advanced, 28 declined and 2 traded firm. The Gleaner Company Ltd. was the market leader with 6.29 million units

or 14.9% of market volume; followed by Sagicor Life Jamaica Ltd. with 5.375 million units while Cable & Wireless (Jamaica) was third with 11.5% or 4.95 million units changing hands.

The leading advancers year to date were: Ciboney Group, Sagicor Life Jamaica, Scotia Investments, Capital & Credit Financial Group and Carreras Limited.

The leading decliners are Caribbean Cement Company Ltd, Pulse Investments, Barita Investments Ltd, Mayberry Investments and Jamaica Broilers Group.

Economic Highlights

(contd. from page 1.)

Possibly more impactful than the actual amounts of the capital expenditure or revenue measures is how GOJ policies are likely to affect investor confidence. The consolidation of activities to register a business and the

The GOJ has clearly drafted its medium term program with expectations of IMF support in mind. But it is unclear whether the IMF will consider these policies sufficient to warrant its support. In particular the GOJ proposals for rationalization of the public sector without reduction in the head count plus the modest steps towards tax reform might not be regarded by the IMF as sufficient to ensure long-term fiscal sustainability. These uncertainties, as well as, the softening of the global economy could continue to drag on Jamaica's growth prospects in the short to medium term.

The Global Economy

The three year long economic crisis in Greece and the Eurozone has now reached a tipping point, which in the view of many observers could witness the consolidation or unraveling of the European Union as a monetary union. The second stage run-off of Greek presidential elections is set for June 15th, 2012. If the anti-austerity parties emerge with the largest blocs of votes, then analysts are speculating that Greece may pull out of the European Monetary Union (EMU). The very thought that one country could exit the EMU, means that others could do so as well marking the beginning of the end for the euro as the currency for the bloc. This catastrophic weakening of the euro would likely plunge the global economy into a severe

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

	31- Dec '11	30- Mar '12	\$ change	% change
Top Five (unadjusted for dividends or transact. Costs)				
Ciboney Group	0.05	0.07	0.02	40.0%
Sagicor Life Jamaica	10.00	10.08	0.08	8.10%
Scotia Investments Ja	28.9	31.18	0.28	7.93%
Capital & Credit Fin. Gp.	4.55	4.65	0.10	2.20%
Carreras Limited	61.52	61.54	0.02	0.03%
Bottom Five (unadjusted for dividends or transact. Costs)				
Caribbean Cement Co	3.00	1.53	(1.47)	-49.00%
Pulse Investments	2.45	1.34	(1.11)	-45.31%
Barita Investments Ltd.	4.71	3.31	(1.40)	-29.72%
Mayberry Investments	3.26	2.50	(0.76)	-23.31%
Jamaica Broilers Gp.	5.92	4.56	(0.36)	-22.9%

Source: Compiled from the JSE

establishment of a single development approval center will certainly make it easier to do business in Jamaica.

The rather modest reduction in GCT from 17.5% to 16.5%, and the 8 percentage point cut in the tax rate for unregulated companies from 33.3% to 25%; efforts to broaden the tax base in

relation to personal income by imposing a required minimum tax on self-employed persons; and on the consumption side, by eliminating GCT exemption of certain basic items, could also boost investor sentiment and confidence to the extent they are viewed as a pay-down on badly needed tax reform.

recession, in which the GDP of Euro-zone countries would shrink by an average 11% according to some analysts with consequential severe contraction in global trade.

The good news is that recent public opinion polls in Greece show the pro-bailout parties have moved ahead and are likely to win the June 15th elections. This implies that Greece will remain in the Euro-zone and avert a potential break-up of the monetary union. This news has resulted in a temporary stabilization of the euro and global equity markets in recent days.

Beyond the Euro-zone, data from the nearly all the other major economies continue to be mixed with increasing signs of weakening.

In the United States there are signs that the housing market has joined the labour market in tenuous stability. In April 2012, 'Housing Starts' came in at 717,000 ahead of expectations for 685,000; 'New Home Sales' of 4.62 million (annualized) also beat expectations for 4.47 million; units and the 'House Price Index' recorded a 1.8% rise relative to expectations of 0.3%. 'Weekly Initial Jobless Claims' also continue to hover in the 370,000 range below the critical 400,000 level, suggesting that

job gains continue to exceed job losses in the US economy.





































Despite these signs of stability in the US housing and labour markets, two of five regional manufacturing indices came in well below expectations and 'Durable Goods Order (Excl. Transportation)' declined by -0.6% relative to expectations of a 0.8% gain.

Concerns about slowing conditions in China also continued to roil markets in April 2012. Chinese 'Business Sentiment', though still positive at 53 came in below expectations for a 56 reading; 'Imports' were barely positive at 0.4% against expectations of a 12.5% rise; and 'Industrial Production' also came in below expectations at 9.3% relative to expectations of 12.2% rise. In Japan however, Q1 2012 GDP of 4.1% exceeded expectations for a 3.5% increase.

Consensus is that the global economy, though not 'falling off a cliff' is weakening due to headwinds from Europe. Jamaica has been experiencing this softening in both tourist arrivals and bauxite/alumina output.

INFLATION (APR- 2012) - CPI

APPENDIX

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	0.39%	0.386		
FOOD AND NON-ALCOHOLIC BEVERAGES	0.69%	0.259	1	
Food	0.74%			
Bread and Cereals	0.09%			
Meat	0.52%			
Fish and Seafood	0.42%			
Milk, Cheese and eggs	0.30%			
Oils and Fats	0.30%			
Fruit	1.23%			
Vegetables and Starchy Foods	1.88%			
Vegetables	2.27%			
Starchy Foods	0.81%			
Sugar, Jam, Honey, Chocolate and Confectionery	0.92%			
Food Products n.e.c.	0.73%			
Non-Alcoholic Beverages	0.33%			
Coffee, tea and Cocoa	0.37%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	0.34%			
ALCOHOLIC BEVERAGES AND TOBACCO	0.14%	0.002	10	
CLOTHING AND FOOTWEAR	0.34%	0.011	6	
Clothing	0.42%			
Footwear	0.26%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	-0.25%	-0.031	12	
Rentals for Housing	0.29%			
Maint and Repair of Dwelling	0.51%			
Water Supply and Misc. Serv Related to the Dwelling	0.15%			
Electricity, Gas and Other Fuels and Routine	-0.69%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	0.35%	0.017	5	
Furniture and Furnishings (including Floor Coverings)	0.47%			
Household Textiles	0.55%			
Household Appliances	0.12%			
Glassware, Tableware and Household Utensils	0.40%			
Tools and Equipment for House and Garden	0.13%			
Goods and Serv. for Routine Household Maint	0.41%			
HEALTH	0.16%	0.005	9	
Medical Products, Appliances and Equipment	0.23%			
Health Services	0.16%			
TRANSPORT	0.55%	0.070	2	
COMMUNICATION	0.00%	0.000	11	
RECREATION AND CULTURE	0.60%	0.020	3	
EDUCATION	0.39%	0.008	7	
RESTAURANTS AND ACCOMMODATION SERVICES	0.13%	0.008	8	
MISCELLANEOUS GOODS AND SERVICES	0.23%	0.020	4	

INFLATION YTD (JAN-APR 2012) CPI

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	2.08%	2.076		
FOOD AND NON-ALCOHOLIC BEVERAGES	2.41%	0.904	1	
Food	2.40%			
Bread and Cereals	1.16%			
Meat	3.10%			
Fish and Seafood	2.47%			
Milk, Cheese and eggs	2.01%			
Oils and Fats	3.59%			
Fruit	0.46%			
Vegetables and Starchy Foods	2.62%			
Vegetables	4.26%			
Starchy Foods	-1.58%			
Sugar, Jam, Honey, Chocolate and Confectionery	2.82%			
Food Products n.e.c.	3.25%			
Non-Alcoholic Beverages	2.61%			
Coffee, tea and Cocoa	4.14%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	2.01%			
ALCOHOLIC BEVERAGES AND TOBACCO	1.19%	0.016	10	
CLOTHING AND FOOTWEAR	2.60%	0.087	5	
Clothing	2.68%			
Footwear	2.50%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	2.17%	0.277	3	
Rentals for Housing	1.33%			
Maint and Repair of Dwelling	4.30%			
Water Supply and Misc. Serv Related to the Dwelling	1.90%			
Electricity, Gas and Other Fuels and Routine	2.43%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	1.57%	0.078	6	
Furniture and Furnishings (including Floor Coverings)	2.26%			
Household Textiles	1.86%			
Household Appliances	2.36%			
Glassware, Tableware and Household Utensils	2.45%			
Tools and Equipment for House and Garden	0.95%			
Goods and Serv. for Routine Household Maint	1.23%			
HEALTH	0.57%	0.019	9	
Medical Products, Appliances and Equipment	0.78%			
Health Services	0.49%			
TRANSPORT	2.35%	0.301	2	
COMMUNICATION	0.00%	0.000	12	
RECREATION AND CULTURE	1.47%	0.049	8	
EDUCATION	0.39%	0.008	11	
RESTAURANTS AND ACCOMMODATION SERVICES	1.12%	0.069	7	
MISCELLANEOUS GOODS AND SERVICES	2.57%	0.215	4	

FISCAL ACCOUNT (APR-MAR 2011/12)

REV. & EXPEN. (APR-MAR '11/12)	J\$M	PROVISIONAL RESULTS	J\$M	BUDGET DEVIATION	J\$M	YOY - CHANGE
Revenue & Grants	322,457.3		-2,082.9		6,703.20	
Tax Revenue	289,882.2		-1,026.1		10,037.30	
Non-Tax Revenue	17,016.7		-917.5		-2,541.00	
Bauxite Levy	1,524.5		-6.3		1,103.50	
Capital Revenue	10,585.1		1,531.4		4,547.60	
Grants	3,448.8		-1,664.4		-6,445.10	
Expenditure	403,191.6		6,004.9		19,126.10	
Recurrent Expenditure	349,960.7		916.7		19,612.90	
Programmes	89,699.4		1,270.6		14,445.80	
Wages & Salaries	139,556.9		-343.3		11,371.80	
Interest	120,704.4		-10.6		-6,204.20	
Domestic	81,617.3		-19.6		-6,664.10	
External	39,087.1		9.0		459.70	
Capital Expenditure	53,230.9		5,088.2		-486.80	
Capital Programmes	53,230.9		5,088.2		-486.80	
IMF #1 Account	0.0		0.0		0.00	
Fiscal Balance (Surplus [+ve])	-80,734.2		-8,087.7		-12,422.90	
Loan Receipts	163,519.2		-542.5		-5,329.70	
Domestic	142,751.1		8,867.9		27,085.20	
External	20,768.2		-9,410.3		-32,415.00	
Divestment Proceeds	0.0		0.0		-1,482.50	
Amortization	128,373.2		314.1		25,403.00	
Domestic	67,820.3		633.6		-12,207.00	
External	60,553.0		-319.4		37,609.60	
Overall Balance (Surplus [+ve])	-45,588.3		-8,944.4		-115,881.80	
Primary Balance (Surplus [+ve])	39,970.1		-8,098.4		-18,627.50	

REV. & EXPEN. (APR-MAR '11/12)	J\$M	PROVISIONAL RESULTS	J\$M	BUDGET DEVIATION	J\$M	YOY - CHANGE
Revenue & Grants	322,457.3		-2,082.9		6,742.0	
Tax Revenue	289,882.2		-1,026.1		10,046.89	
Income and profits	106,422.9		-2,937.8		1327.3	
Bauxite/alumina	1.3		-33.1		-865	
Other companies	29,035.2		-3,637.8		-3,417.6	
PAYE	60,164.8		1,057.5		8,606.2	
Tax on dividend	805.8		-134.3		-226.1	
Other individuals	3,786.6		-687.2		-214.2	
Tax on interest	12,629.2		497.1		-2,555.5	
Environmental Levy	2,318.8		71.2		280.6	
Production and consumption	84,629.0		1,306.7		6136.8	
SCT	9,238.2		351.2		584.3	
Motor vehicle licenses	1,737.7		2.7		-40.4	
Other Licenses	377.9		33.0		112.4	
Betting, gaming and lottery	1,640.8		120.1		110.6	
Education Tax	14,995.7		309.8		1,896.9	
Contractors levy	1,171.1		60.8		378.6	
GCT (Local)	47,973.2		284.3		1,600.2	
Stamp Duty (Local)	7,494.4		144.8		1,493.6	
International Trade	96,511.6		533.9		2,302.7	
Custom Duty	20,769.0		-805.1		271.5	
Stamp Duty	1,470.3		73.5		74.4	
Travel Tax	5,086.9		159.4		1,127.7	
GCT (Imports)	41,684.8		706.4		3,142.9	
SCT (Imports)	27,500.5		399.6		-2,313.7	
Non-Tax Revenue	17,016.7		-917.5		-2,511.8	
Bauxite Levy	1,524.5		-6.3		1,103.5	
Capital Revenue	10,585.1		1,531.4		4,547.6	
Grants	3,448.8		-1,664.4		-6,445.1	

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 '11	78,380	-7.89	n/a	n/a	2,088.97	n/a	-0.18	-0.2	8.5	85.69	7.46	18.52	2.4	813,805.6	8,436.2
Feb	77,963	-0.53	340,301	1.23	2,471.40	2,245..9	-0.42	-0.6	6.3	85.84	6.75	18.52	2.4	760,227.2	8,856.7
Mar	78,919	1.23	332,828	2.20	2,553.16	n/a	1.04	0.5	n/a	85.75	6.70	18.52	2.34	760,997.9	8,874.8
Apr	81,399	3.14	342,336	n/a	2,602.40	2,336.53	0.47	1.0	7.5	85.73	6.74	18.43	2.24	763,624.7	8,907.5
May	79,357	-2.51	342,497	n/a	2,334.38	n/a	0.77	1.7	n/a	85.78	6.58	17.98	2.24	836,417.3	8,521.1
Jun	80,560	1.52	341,652	-0.25	2267.13	2,275.4	0.76	2.5	1.4	85.91	6.61	17.98	2.24	839,103.7	8,587.5
Jul	81,443.4	1.10	338,018.	1.06	2,156.37	n/a	0.75	2.8	-1.0	86.15	6.44	18.07	2.24	842,200.0	8,590.0
Aug	82,207.2	0.94	n/a	n/a	2,126.32	2,255.48	0.58	3.3	2.7	86.12	6.51	n/a	n/a	868,318.9	8,575.0
Sep	80,479.2	-2.10	338,501.	-0.73	2,080.6	2,308,044	0.74	4.1	5.9	86.30	6.56	18.54	2.27	868,990	8,550.0
Oct	80,597.7	0.15	342,310.	1.15	2,032.17	2,240,633	0.45	5.1	1.8	86.49	6.29	18.32	2.13	868,936	8,674.6
Nov.	81,296.7	0.87	346,348.	1.18	1,961.74	2,285,800	0.45	5.1	4.0	86.70	6.27	18.3	2.1	880,569	8,625.5
Dec	91,710.2	12.81	361,211	n/a	1,967.01	2,306,539	0.40	6.0	-1.6	86.60	6.46	18.3	2.1	883,388.6	8,626.1
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	n/a	n/a
Feb	84,950.7	1.66	n/a	n/a	1,874.65	2,379,213	0.8	6.7	n/a	87.06	6.57	18.48	2.10	n/a	n/a
Mar	83,696.6	-1.48	356,099	0.19	1,777.13	n/a	0.50	1.68	n/a	87.30	6.47	18.12	2.10	n/a	n/a
April	84,966.6	1.52	n/a.	n/a	1,771.8	n/a	0.4	2.1	n/a	87.35	6.44	18.12	2.10	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—Skinston 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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