



PSOJ MONTHLY ECONOMIC BULLETIN



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Economic Highlights

Jamaica Continues to Slide in Global Competitiveness

Jamaica's global competitiveness continued to decline in 2010/11 according to the World Economic Forum 'Global Competitiveness Report' (GCR). Jamaica has consistently ranked in the bottom-third of countries in terms of global competitiveness, and the country's position worsened in 2010/11. From 86 out of 134 countries in 2008/2009, Jamaica's global competitiveness declined to 91 out of 135 countries in 2009/10 and slid further to 95 out of 139 countries in 2010/11. (See Table to left)

Jamaica's decline was manifested in all but three of twelve "pillars" of global competitiveness, according to the CGR. In terms of "Basic Requirements", Jamaica's position declined by two notches overall, but while there was a slight 2 notch improvement in our ranking on infrastructure,

Table 1: GLOBAL COMPETITIVENESS INDEX: JAMAICA			
GCI 2010-11 (out of 139)	95		
GCI 2009-10 (out of 133)	91		
GCI 2008-9 (out of 134)	86		
	GCI 2010-11	GCI 2009-10	
	Rank (out of 139)	Rank (out of 133)	Change
Basic Requirements	103	101	-2
1st Pillar: Institutions	85	82	-3
2nd Pillar: Infrastructure	65	67	2
3rd Pillar: Macroeconomic Stability	137	131	-6
4th Pillar: Health and Primary Education	102	88	-14
Efficiency Enhancers	80	73	-7
5th Pillar: Higher Education & Training	80	77	-3
6th Pillar: Goods Market Efficiency	80	69	-11
7th Pillar: Labour Market Efficiency	83	72	-11
8th Pillar: Financial Market Sophistication	46	46	0
9th Pillar: Technological Readiness	60	50	-10
10th Pillar: Market Size	99	100	1
Innovation and Sophistication Factors	86	83	-3
11th Pillar: Business Sophistication	81	79	-2
12th Pillar: Innovation	93	82	-11

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there was a very serious 14 point deterioration, in the country's ranking regarding the provision of Health and Primary Education.

In regards to **Efficiency Enhancers**, there was a seven notch deterioration overall from 73 of 133 countries to 80 of 139 countries. Jamaica held steady only on the pillar of Financial Market Sophistication—46 out of 139 countries, which was the country's best performance within the index. But on the five other pillars among Efficiency Enhancers, Jamaica's ranking deteriorated with the most notable deterioration occurring in "Goods Market Efficiency" and "Labour Market Efficiency" which both deteriorated by 11 notches.

As regards **Innovation and Sophistication Factors**, the country's ranking deteriorated three (3) notches, with the most severe deterioration of 11 notches occurring in the Innovation pillar.

High on the list of 'Problematic Factors For Doing Business' in Jamaica, respondents ranked "Crime and Theft" (23%); "Inefficient Government Bureaucracy" (13.1%); "Corruption" (12.7%); "Access to Financing" (8.7%) and "Inadequately Educated Workforce" (8.7%).

The larger issues presented by Jamaica's deteriorating global competitiveness is who is responsible for performance in these various areas and what needs to be done to improve Jamaica's global competitiveness. In a modern free-enterprise economy, the role and responsibilities of public and private sectors are often inextricably intertwined. But it is clear that performance of some of these pillars such as provision of infrastructure; health and primary education; and higher education and training are largely the responsibility of Government.

Contd. On Page 10.

★ No new updates since previous issue



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Net International Reserves (NIR)

During the month of August 2010, Net International Reserves increased by US\$224.32 million to US\$1,956.93 million compared to US\$1,732.61 million at the end of July 2010. This was largely due to an increase in Foreign Assets of US\$281.76 million to US\$2.762 billion, resulting from the receipt of a loan of US\$200 million from the Inter-American Development Bank (IADB). This more than offset a US\$57.4 million increase in Foreign Liabilities to US\$806.1 million. At current levels, gross reserves are adequate to finance 29.8 weeks of “goods” imports or 21.6 weeks of “goods and services” imports, well above the 12 weeks international benchmark of reserves adequacy.

Foreign Currency Deposits

During June 2010, foreign currency deposits (FCD's) in the local financial system increased marginally by US\$10.35 million or 0.44% to US\$2.335 billion compared to US\$2.325 billion at the end of April 2010. The increase in June largely resulted from an increase in FCD's of US\$12.28 million in Building Societies and an increase of \$4.6 million in commercial banks net a decrease of -US\$6.54 million in Merchant Banks. The steady levels of FCD's in recent months probably reflects weak demand conditions in the economy and improving investor confidence which may be encouraging the holding of more FCD's locally.

Foreign Exchange Rate

US DOLLAR: During the month of August 2010, there was moderate appreciation of the J\$ dollar against its US counterpart of J\$0.51 (0.6%) to J\$85.58 from J\$86.09 at the end of July 2010. The appreciation in August reverses a slight depreciation of 0.09% in July 2010, and could be a signal for continuing appreciation of the J\$ against the USD or consolidation. After being very stable from the second quarter of 2009, the J\$ began to appreciate sharply against the USD from the beginning of March 2010, following on the successful implemen-

Table 1: Changes in the NIR

	US\$M NIR	Change US\$M			Imports (Weeks)
		Mthly	12 Mth	YTD	
Aug-10	1,956.93	224.32	22.71	227.58	29.80
Aug-09	1934.22	285.29	-353.62	161.28	21.5

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

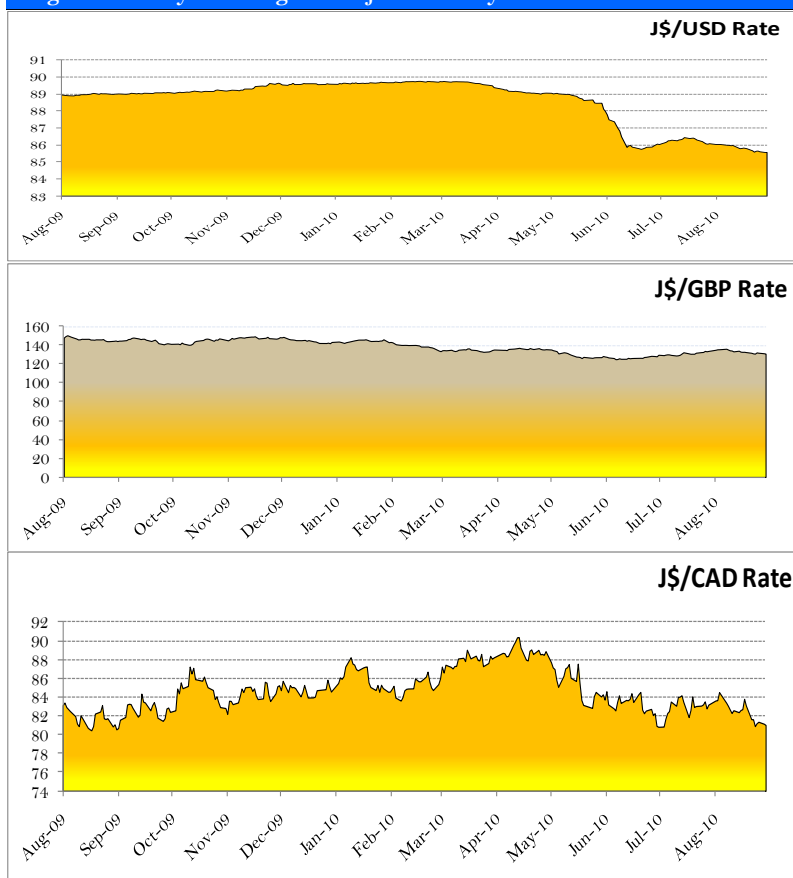
	US\$000 Jun 10	Change (US\$000)		% Change	
		mtly	12 mth	mtly	12 mth
Commercial Banks	1,741,865	4,608	92,928	0.26	5.64
Building Societies.	504,024	12,282	10,820	2.44	2.19
Merchant Banks	89,475	-6,541	-25,233	-7.31	-22.00
Total Deposits	2,335,364	10,349	78,515	0.44	3.48

Source: Compiled from the BOJ (Preliminary)

Table 3: Foreign Exchange Trends

	YTD Currency Rate Change (Dec 31, 2009—08/30/10) *					
	J\$ / US\$	%	J\$ / UK£	%	J\$ / Can\$	%
2010	-4.02	-4.49	-12.37	-8.62	-3.56	-4.21
2009	8.53	10.60	27.92	23.90	15.31	23.36
2008	1.45	2.06	-8.23	-5.87	-1.99	-2.78
Aug 2010						
Actual Rate	85.58	0.09	131.18	4.24	81.01	1.11
Mth Change	-0.51	-0.60	-2.84	-2.12	-2.17	-2.60

Figure 1: Daily % Change in Major Currency Rates



Source: Bank of Jamaica Database (BOJ)

tation of the JDX and the signing of the GOJ/IMF Agreement. In March 2010, the J\$ appreciated by 20 cents; then by 44 cents in April; 59 cents in May and then by J\$2.46 during June 2010. In sum, since the beginning of 2010, the J\$ has appreciated by \$4.02 against the USD or 4.5%.

Persons who were concerned, that the appreciation of the J\$ could increase Jamaica's internal cost structure, and impair the external price competitiveness of the country's exports, may again be alarmed as the J\$ moves to test support at JS85. If J\$/USD breaks through JS85 then the next key psychological level is JS80, but intermediate support may be found at JS83.50.

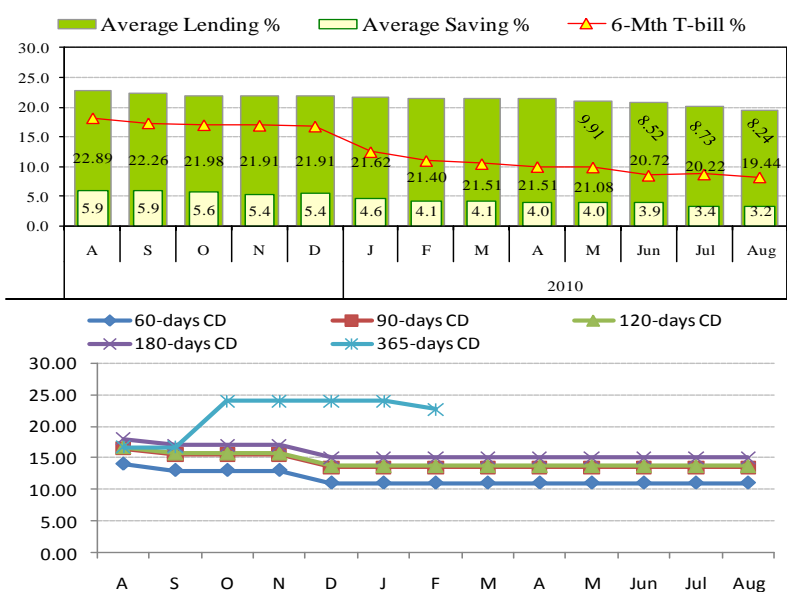
POUND & CANADIAN DOLLAR: During August 2010, GBP fell by J\$2.84 or 2.12% to sell at JS131.18 compared to J\$134.02 at the end of July 2010. The CAD for its part, fell by J\$2.17 or 2.60% to sell at J\$81.01 compared to J\$83.13 in July 2010. The resumption of the depreciation of GBP and the CAD is a significant reversal of the appreciation they experienced in July when GBP recovered J\$5.45 from a massive sell-off of J\$14.97 in June 2010, and CAD retraced J\$0.91 or 1.11% of its J\$2.30 loss against the J\$ in June.

Whether, the USD, CAD or GBP appreciate or continue their depreciation against the J\$, will largely depend on the strength of the recovery in the local economy which in turn will depend on the strength of the recovery in global economy. While risk sentiment has been driving the movement of GBP and CAD globally, no clear link has yet been established between the global movement of these internationally traded currencies and the movement of the J\$ in relation to them in the Jamaican space.

Interest Rates

During August 2010, the downward

Figure 2A & 2B: Interest Rate Movements



Source: Bank of Jamaica Database (BOJ preliminary)

Table 4: Interest Rate Movements

	Aug-10	Change (%age pts)		
		Monthly	12-Mth	YTD
30-days CD	8.00%	-0.50%	-5.50%	-2.50%
60-days CD	11.00%	0.00%	-3.00%	0.00%
90-days CD	13.50%	0.00%	-3.00%	0.00%
120-days CD	13.70%	0.00%	-3.00%	0.00%
180-days CD	15.00%	0.00%	-3.00%	0.00%
Avg Savings Deposit	3.23%	-0.13%	-2.64%	-2.17%
Avg Loan Rate	19.44%	-0.78%	-3.45%	-2.47%
6-Month T-Bill	8.24%	-0.49%	-9.97%	-8.56%

Source: Bank of Jamaica (BOJ Preliminary)

movement of Jamaica's interest rates continued in both the commercial sphere and on GOJ issues. Since the implementation of the JDX, interest rates on GOJ 3-month and 6-month treasury bills have led in rate reductions. Year to date, rates on the 3-month have declined by 700 bps and by 856 on the 6-month T-bill; and at the end of August 2010, stood at 8.06% and 8.24% respectively.

In August 2010, the BOJ continued to reduce rates on selected instruments. Citing the downtrend in Jamaica's inflation and the adequacy of net international reserves, the

BOJ had slashed 100 bps in two stages from its 30 day CD to 8.50% in June 2010. Effective August 26, 2010, it slashed an additional 50 bps from the same instrument reducing the interest rate to 8%; and also reduced the overnight rates payable to commercial banks from 0.50% to 0.25%. Also, in July, the three largest commercial banks in the country had announced substantial cuts in their base lending rates of 225 to 300 bps bringing these rates within the 16.5% to 17% range from above 20%. In August 2010, commercial banks lending rates continued to edge down with average lending rates breaking



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below 20% for the first time in over a decade. Still, Jamaica's interest rates have a long way to go to match our trading partners. Prime lending rates in Trinidad are 9.5% and central bank rates about 4% to 5%. In the US, the Fed's Fund rate remains at 0.25% and prime rates at 3.25%. In Canada the benchmark is at 0.25%. In the UK, it is 0.50% and the ECB repo rate is 1%. Both the BOJ and the MOF have deliberately withheld their longer tenors from the market to allow interest rates to recalibrate post-JDX. It is interesting therefore to speculate 'when' these longer-term instruments will be re-introduced and what rates will then obtain.

Base Money & Money Supply

The BOJ reports that during the June 2010 quarter, broad Jamaica Dollar money supply (M3J) increased by 3.9%, compared to the growth of 2.7% recorded in the June 2009 quarter. The expansion in the review quarter was also at a faster rate than the average growth of 3.3 % recorded for the last five June quarters.

The measure of money supply that includes foreign currency deposits (M3*) increased by 1.8% relative to an expansion of 1.4% in the corresponding quarter of 2009. Within M3*, foreign currency deposits declined by 3.4 per cent, which was a sharper reduction than the decline of 1.6 per cent recorded in the June 2009 quarter. As at end of June 2010, the ratio of foreign currency deposits to total deposits was 29.8 per cent which was lower than the 31.6 per cent recorded at end of June 2009. In August 2010, the monetary base expanded by 0.86%, to J\$75,120 billion relative to the previous month. Year over year the increase is 2.80% which is slower than the 8.6% average for FY2009/10.

Table 5: Base Money and Money Supply

	J\$M	Percentage Change (%)	
	May -10	Mthly	12 Mth
M1	102,637.00	-0.36	2.85
Quasi Money	231,542.00	0.81	3.16
M2	334,179.00	0.45	3.06
	Aug '10	Mthly	12 Mth
Base Money	75,120.91	0.86	2.80

Source: BOJ Economic Statistics

Table 6: Inflation Trends

	% Percent Changes			
	Aug	12-Mth	YTD	Fiscal
2010	0.43	12.58	7.71	3.45
2009	0.42	6.12	5.42	4.12

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

Table 7: Mining Production

	000 tonnes			YTD	
	Aug-10	Aug-09	%	Aug-10	10/09 %
Production					
Alumina	168.9	120.5	40.2	966.0	-25.9
C. Bauxite	452.0	365.1	23.8	3,025.7	60.8
Export					
Alumina	147.5	195.6	-24.6	915.5	-34.23
C. Bauxite	422.3	346.5	21.8	2,996.5	59.5

Source: Jamaica Bauxite Institute (JBI)

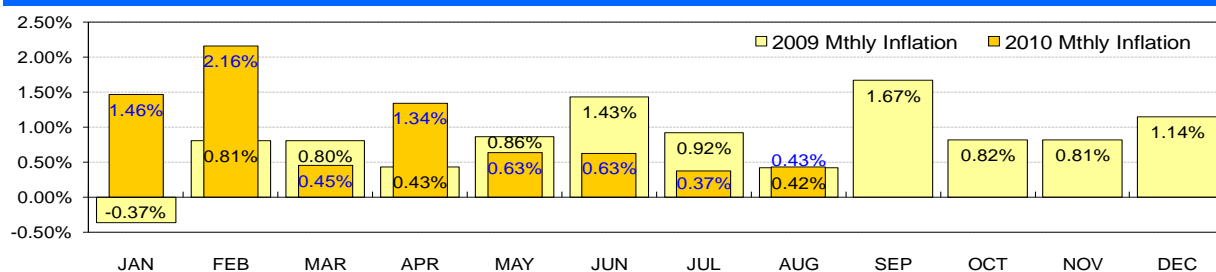
Inflation

The inflation rate in August 2010 was a moderate 0.43% - a little higher than the 0.37% recorded in July 2010, but statistically the same as one year ago. Of the 12 divisions within the CPI, "Communication" was the only division to record an increase above 1% coming in at 2.3% due to an increase in the rates for landlines. "Miscellaneous Goods and Services" recorded the second highest increase of 1% due to increases for personal care items and personal effects. Three (3) divisions- "Clothing and Footwear", "Furnishings, House-

hold Equipment etc", and "Recreation and Culture" recorded increases of 0.7%. All other divisions recorded increases of 0.5% or less with "Education" and "Housing, Water, Electricity, Gas and Other Fuels" coming in flat at 0.0% for the month; while "Transport" recorded a decline of 0.1% due to a fall in price for petroleum products.

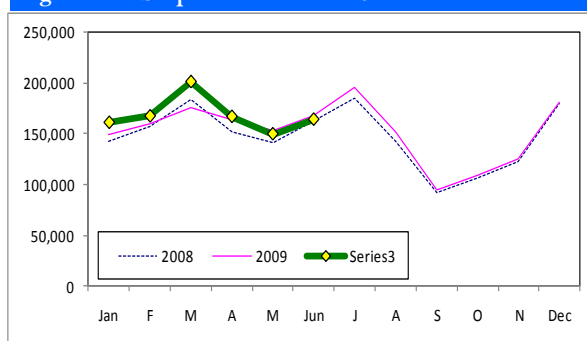
Prices within the "Food and Alcoholic Beverages" division, which carries the highest weight in the CPI showed a moderate 0.5% increase in August 2010, with the highest price increase of 1.9% occurring within the sub-division- 'Vegetables and Starchy Foods'. All other sub-divisions re-

Figure 3: Monthly Inflation Changes



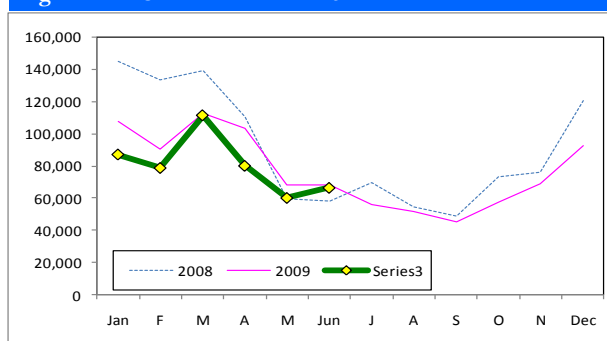
Source: STATIN and PSQJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

corded increases of 0.5% or less.

The inflation rate for the calendar year to date was 7.7%, in comparison to the 5.0% that was recorded for the corresponding period in 2009. The point-to-point rate –Aug. 2009 to Aug. 2010— was 12.6%, while, the fiscal year to date increase was 3.4 per cent.

Bauxite & Alumina

Production of alumina in August 2010 amounted to 168,926 tons compared to 120,472 tons in August 2009 – a 40.2% increase. For its part, production of crude bauxite in August 2010 increased by 23% to 452,005 tons compared to 365,100 tons produced in August 2009. For the first eight months of 2010, alumina production is down by –25.9% to 965,964 tons and alumina exports by –34.23% to 915,518 tons compared to the same period of 2009. Reflecting the continuing of an upturn in the industry, production of crude bauxite is up by 60.8% to 3.026 million tons year to date, compared to 1.881 million tons for the corresponding 8-month period of 2009. Bauxite exports are also up 59.5% to 2.99 million tons. Indeed, since February 2010, production and export of crude bauxite has increased month over month compared with the same month in 2009.

Confirming these signs of turnaround, Windalco recently reopened the Ewarton plant rehiring 630 workers; and Noranda Bauxite Partners in St. Ann recently announced plans to invest US\$150 million over the next 5 years to improve its facilities and operations.

Tourism

Stopover arrivals in June 2010 were 164,205—a decrease of 2.6% from the

Tourist Arrivals

	2009	2010	%Change	
	YTD (Jan –Jun)	YTD – YOY	Jun 09/10	
Stopover	971,191	1,010,869	4.1%	7.0%
Foreign	904,604	945,044	4.5%	5.3%
Non-Resident	66,587	65,825	-1.1%	31.6%
Cruise	550,924	484,230	-12.1%	-2.4%
Total Arrivals	1,522,115	1,495,099	-1.8%	4.1%

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

168,561 recorded in June 2009, but a rebound of 9.6% over the 149,775 recorded in May 2010. May's downturn, very likely reflected the violent upheavals in Western Kingston and the negative international publicity the country received in the wake of efforts to extradite a reputed Jamaican gang leader wanted in the United States on drugs and weapons charges. The number of cruise passengers were also down in June by 3% to 66,517 visitors compared to 68,539 in June 2009.

For the first six months of calendar year 2010, there have been 39,687 more stopover arrivals or 1,010,869 visitors coming to Jamaica marking a 4.1% increase over the corresponding period of 2009 when there were 971,191 stopover visitors to the island. For 2010, the GOJ is targeting 2 million stopovers.

Stopovers from the US in June 2010 were up marginally by 0.1% to 122,793 compared to 122,688 in June 2009. For the first six months of 2010, stopovers from the United States increased by 5.7% to 654,233, compared to 619,070 for the corresponding period of 2009. Stopovers from the Canadian market declined month over month for the second time in June 2010, following May's decline, by 3.0% to 12,829 compared to 13,219 in June

2009. Year to date, stopovers from Canada are up 8.9% to 190,104 compared to 175,365 in 2009.

Visitors from Europe, including the UK, decreased by 10.9% in June 2010 to 22,209 compared to 22,916 in 2009; while visitors from the Caribbean decreased markedly by 20.3% to 4,620 compared to 5,798 in June 2009. Visitors from Latin America were also down 11.5% in June 2010 to 906, compared to 1,024 in June 2009.

Cruise visitors to the Island for the first six months of 2010 were down – 12.1% to 484,230 visitors compared to 552,924 for the same period in 2009. Total Visitors to the island for the January to June 2010 period was 1,495,099 marking a small –1.8% decrease relative to the 1,522,115 million visitors for the same period of 2009.

External Trade

Indicating signs of a rebound in trade, Jamaica's exports increased by \$32.5 million or 8.2% to US\$457.7 million during the first four months of 2010, compared to US\$423.2 million for the corresponding period of 2009. Possibly, confirming a rebound in trade and the economy, the rate of

decline of imports, which fell by a hefty 38.9% in 2009 over the same period in 2008, also lessened considerably during the first four months of 2010. For the first four months of 2010, imports declined by -0.3%, to US\$1.623 billion compared to US\$1.632 billion in Q1 2009. Even, with the decline in imports, considering the traditional wide gap between the country's imports and exports, the resultant trade balance in January-April 2010 was -US\$1.169 billion compared to -US\$1.209 billion for the January-April 2009 –marking a US\$39.78 million improvement in the negative trade balance.

Traditional Exports: For the first four months of 2010, traditional domestic exports earned US\$211.09 million, a decline of -US\$24.01 million below the amounts recorded for January 2009. The share of traditional exports in total domestic exports also declined from 55.6% in Jan-April 2009 to 46.1% for the corresponding period of 2010. Agricultural exports, which were the only group among our traditional exports to grow in 2009, did not start 2010 so well, declining by -34.9% to US\$9.56 million for the first four months of 2010, from US\$11.13 million for the corresponding period of 2009. This was largely due to a steep -44% drop in coffee exports. Nonetheless, exports of “Coffee” valued at US\$7.03 million, remained Jamaica's leading traditional agricultural export.

Exports from the Mining and Quarrying group, which declined by a massive 66.4% in 2009, continued to decline during the first four months of 2010, but at the significantly slower rate of -17.1%. Exports from this group amounted to US\$152.3 million, accounting for 72.0% of total Traditional Domestic Exports. Of this, “Alumina” earned US\$109.9 million about US\$34.2 million less than the amount earned for the corresponding period of 2009. “Bauxite” exports however, earned US\$42.3 million, increasing by US\$17.13 million or 68.0%.

Exports of traditional manufactured items also did not fare well during calendar year 2009 declining by 17.6% to US\$123.6 million from US\$150 million a year earlier. For the first four months of 2010, the

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

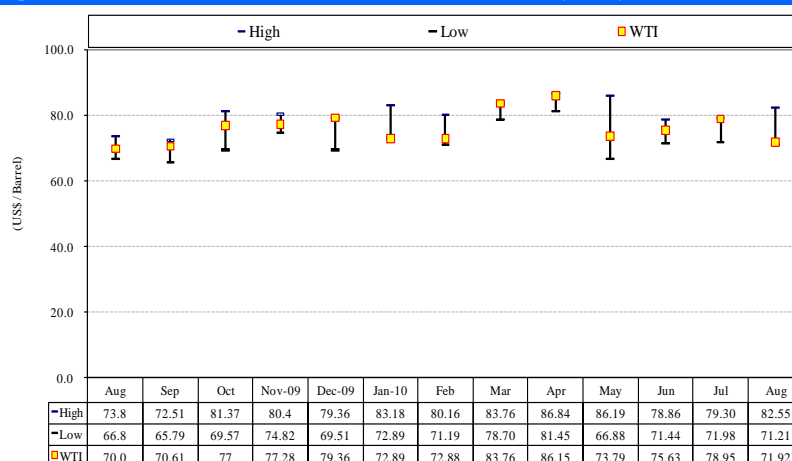


Table 9: External Trade (US\$M)

	Jan-Apr'09	Jan-Apr'10	Change	% Change
TOTAL EXPORTS (fob)	423.15	457.66	34.50	8.2%
Major Traditional Exports	235.10	211.09	-24.01	-10.2%
<i>by Sector:-</i>				
Agriculture	14.70	9.56	-5.14	-34.9%
Mining & Quarrying	169.36	152.25	-17.11	-10.1%
Manufacturing	51.04	49.28	-1.76	-3.4%
<i>by Industry:-</i>				
Bauxite	25.17	42.30	17.13	68.0%
Alumina	144.10	109.95	-34.15	-23.7%
Sugar	37.83	31.81	-6.02	-15.9%
Rum	12.41	15.26	2.84	22.9%
Bananas	-	0.00	0.00	0.0%
Coffee	12.55	7.03	-5.52	-44.0%
Other	3.04	4.75	1.71	56.1%
Non-Traditional Exports	162.52	218.61	56.08	34.5%
Re-exports	25.53	27.96	2.43	9.5%
TOTAL IMPORTS	1,632.17	1,626.90	-5.27	-0.3%
Food	262.47	296.60	34.13	13.0%
Beverages & Tobacco	23.22	25.73	2.51	10.8%
Crude Materials (excl. Fuels)	18.75	15.12	-3.64	-19.4%
Mineral Fuels, etcetera	554.27	442.79	-111.48	-20.1%
Animal & Vegetable Oils & Fats	4.49	11.19	6.71	149.6%
Chemicals	178.08	216.41	38.32	21.5%
Manufactured Goods	175.76	172.85	-2.91	-1.7%
Machinery and Transport Equip.	233.80	284.38	50.58	21.6%
Misc. Manufactured Articles	149.64	131.81	-17.83	-11.9%
Other	31.70	30.03	-1.67	-5.3%
TRADE BALANCE	(1,209.02)	(1,169.24)	39.78	-3.3%

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

“Manufacture” group earned US\$49.3 million, only about US\$1.8 million less than the US\$51.4 million earned in for the same period of 2009. This suggest that stabilization, if not recovery, may be occurring in the sector. An important contributor to the stabilization of exports of manufactures, has being exports of “Rum” which increased by

22.9% from US\$12.4 million to US\$15.3 million year over year.

Non-traditional exports accounted for 50.4% of exports by value in calendar year 2009 surpassing earnings from traditional exports. For the first four months of 2010, non-traditional exports continued to out-

perform traditional exports, growing by 56% from US\$162.5 million in Jan-April 2009 to US\$218.6 million for the corresponding period of 2010. The share of non-traditional exports in total exports, also increased from 38.4% in Jan-April 2009 to 47.8% in 2010.

Earnings from non-traditional "Food" items improved from US\$37.1 million in Jan-April 2009 to US\$39.9 million for the same period in 2010. Of this amount, Yams (the leading non-traditional food item), earned US\$5.9 million, a 6.5% increase above the US\$5.5 million earned in 2009. 'Ackee' - another leading non-traditional food export - grew by 4.7% from US\$3.97 million to US\$4.16 million; 'Baked Products' by 12.7% to US\$4.5 million from US\$3.9 million; 'and 'Juices excluding Citrus' to US\$2.5 million from US\$2.2 million. But 'Dairy Products & Bird's Eggs' fell -12.5% to US\$3.2 million; 'Sauces' by -9.6% to US\$2.9 million; and 'Meat Preparations' by -26% to US\$858,000.

Exports of 'Beverages & Tobacco (excl. Rum)' fell by -10.0% for the review period to US\$17.5 million from US\$19.5 million during the corresponding period of 2009. Of the amount, 'Alcoholic Beverages (excl. Rum)' accounted for US\$14.8 million, down -12.3% from US\$16.9 million a year earlier.

'Crude Materials' grew by 68.6% from US\$4.8 million in Jan-April 2009 period to US\$8.1 million in the current review period. Exports of all items in this group increased. Earnings from 'Waste and Scrap Metals' rose 45.2% to US\$5.2 million; 'Limestone' exports by 81% to US\$924,000; while exports of 'Other' crude materials increased to US\$2.03 million.

'Other' non-traditional exports also increased significantly during the review period, from US\$101.12 million in Jan-April 2009 to US\$152.98 million in Q1 2010—an 51% rise. Exports of 'Mineral Fuels, etcetera' grew from US\$75 million in the previous period to US\$119.3 million in the current period. 'Chemicals (incl. Ethanol)' also increased significantly from US\$22.7 million one year ago, to US\$29.2 million in Jan-April 2010.

Imports. The 39.4% decline in Jamaica's imports observed in 2009 due to depressed domestic demand brought on by the global recession, appears to now

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

	Jan-Mar 2009	Jan-Mar 2010	\$ Change	% Change
Current Account	(164.6)	1.1	165.7	100.7%
Goods Balance	(749.1)	699.0	50.1	6.7%
Exports	349.2	369.3	20.1	5.8%
Imports	1,098.2	1,068.3	(29.9)	-2.7%
Services Balance	261.2	315.5	54.4	20.8%
Transportation	(82.9)	64.5	18.4	22.2%
Travel	502.4	548.9	46.5	9.3%
Other Services	(158.3)	168.8	(10.6)	-6.7%
Income	(150.5)	129.0	21.5	14.3%
Compensation of empl	1.6	0.8	(0.8)	-50.0%
Investment Income	(152.1)	129.8	22.3	14.7%
Current Transfers	473.8	513.5	39.7	8.4%
Official	31.9	27.0	(4.9)	-15.4%
Private	441.8	486.5	44.6	10.1%
Capital & Financial Account	164.6	(1.1)	(165.7)	-100.7%
Capital Account	32.1	(5.7)	(37.7)	-117.4%
Capital Transfers	32.1	(5.7)	(37.7)	-117.4%
Official	41.9	4.0	(37.9)	-90.5%
Private	(9.8)	(9.7)	0.1	1.0%
Acq/disp.	-	-	-	0.0%
Financial Account	132.5	4.6	(128.0)	-96.6%
Other Official Invst	(179.7)	428.3	608.0	338.3%
Other Private Invst	167.9	401.2	(569.1)	-339.0%
Reserves	144.4	22.5		

Source: BOJ & Statistical Update:

have abated with the onset of the recovery, though the recovery has been quite fitful. Compared to US\$1.632 billion in Jan-April 2009, imports increased by 0.5% to US\$1.165 billion in during Jan-April 2010. The main contributor to this increase however, was rising prices for crude oil which pushed up the costs of crude imports by 58.4% from US\$147.7 million in Jan-April 2009 to US\$245.9 million in the current review period. All other categories of imports continued to record declines. 'Consumer Goods' were down -5.0% from US\$535.9 million a year earlier. Apart from fuels and lubricants, most other 'Raw Materials/ Intermediate Goods' were down from a year earlier, and **Capital Goods (excl. Cars)** were down -26.6% to US\$119.5 million from US\$162.7 million in Jan-April 2009..

Oil: At the end of August 2010, West Texas Intermediate (WTI) Crude Oil price stood at US\$71.92 per 42 gallon barrel - a decrease in price of US\$7.03 compared to the closing price of US\$78.95 the previous month. During August 2010 the price ranged between a low of US\$71.21 and a high of US\$82.55 per

barrel. (See Fig. 5)

Balance of Payments

For the period January to March 2010, the current account recorded a small surplus of US\$1.1 million. This represented an improvement of US\$165.7 million compared to the deficit of US\$164.6 million for Q1 2009.

All sub-accounts contributed to the improvement. In particular, the **Services sub-account** recorded an expansion of US\$54.4 million due primarily to an increase earnings of US\$39.0 million from higher stop-over arrivals of 9.2 per cent.

In addition, there was an improvement of US\$50.1 million in the **Goods sub-account** due to a reduction of US\$29.9 million in imports and growth of US\$20.1 million in exports. For the period, all the categories of imports contracted, with the exception of mineral fuel, miscellaneous manufactured goods and crude materials. Higher earnings from non-traditional exports were responsible for the increase in exports.

Table 11: Fiscal Accounts (J\$ Million)

	Apr-Jul (Fiscal—2010/11)				Apr-Jul (YOY)	
	J\$ million		Deviation		09/10 - 10/11	
	Provisional	Budget	J\$M	(%)	J\$M	(%)
Revenue & Grants	96,176.8	93,826.7	2,350.1	2.50	9,954.4	11.5
Tax Revenue	82,294.0	81,553.4	740.6	0.91	1,950.8	2.4
Non-Tax Revenue	8,737.3	9,011.0	-273.7	-3.04	4,664.6	114.5
Bauxite Levy	17.5	199.4	-181.9	-91.22	-26.4	-60.0
Capital Revenue	1,699.0	1,679.7	19.3	1.15	788.3	86.6
Grants	3,429.0	1,383.1	2,045.9	147.92	2,577.5	302.7
Expenditure	112,976.3	119,442.2	-6,465.9	-5.41	-27,234.7	-19.6
Recurrent Expenditure	94,414.9	97,375.2	-2,960.3	-3.04	-33,942.3	-26.7
Programmes	24,060.8	23,803.0	257.8	1.08	2,653.7	12.4
Wages & Salaries	42,855.8	43,394.2	-538.4	-1.24	-825.9	-1.9
Interest	27,498.4	30,178.0	-2,679.6	-8.88	-35,770.2	-57.8
Domestic	12,695.9	14,107.2	-1,411.3	-10.00	-32,061.5	-71.6
External	14,802.5	16,070.8	-1,268.3	-7.89	-3,708.7	-21.6
Capital Expenditure	18,561.4	22,067.0	-3,505.6	-15.89	6,707.4	56.6
Capital Programmes	18,561.4	22,067.0	-3,505.6	-15.89	6,707.4	56.6
IMF #1 Account	0.0	0.0	0.0		0.0	0.0
Fiscal Balance (Surplus [+ve])	-16,799.5	-25,615.5	8,816.0	34.42	37,189.2	70.7
Loan Receipts	76,052.2	83,854.2	-7,802.0	-9.30	-28,243.9	-27.7
Domestic	65,397.2	58,857.3	6,539.9	11.11	-30,878.8	-32.1
External	10,655.0	24,996.9	-14,341.9	-57.37	2,635.1	46.6
Divestment Proceeds	0.0	0.0	0.0		0.0	0.0
Amortization	42,827.5	42,925.2	-97.7	-0.23	-9,075.6	-17.5
Domestic	35,084.9	34,892.4	192.5	0.55	-8,328.4	-19.2
External	7,742.5	8,032.8	-290.3	-3.61	-747.0	-8.8
Overall Balance (Surplus [+ve])	16,425.2	15,313.5	1,111.7	7.26	18,020.6	697.0
Primary Balance (Surplus [+ve])	10,698.9	4,562.5	6,136.4	134.50	1,419.2	15.2

Source: Ministry of Finance and Planning

The improvement of US\$129 million in the **Income sub-account** was principally related to lower interest payments on official external debt, while the increase of US\$513 million in net **Current Transfers** reflected a rise of 9.7 per cent in gross remittance inflows.

Net official investment inflows and the current account surplus were more than sufficient to finance net private capital outflows as well as the deficit on the capital account. As a result, there was an increase of US\$22.5 million in the NIR during the review period.

Fiscal Accounts

During the first four months of fiscal year 2010/11, the Government of Jamaica (GOJ) accumulated a fiscal deficit of -J\$16.4 billion. This was J\$8.8 billion or 34.4% less than the -J\$25.6 billion budgeted and compares with a deficit of -J\$60.5 billion recorded for the same

period in 2009/10. Annualized, this fiscal deficit is a substantial J\$29 billion below the deficit targeted for 2010/11 of J\$77.35 billion, which means that the GOJ is well ahead of target under the Standby Agreement with the International Monetary Fund. The deficit reduction was achieved predominantly by reductions in expenditures of -J\$6.5 billion augmented by an increase in Revenues and Grants by J\$2.4 billion due mainly to a 148% increase in Grants to J\$3.43 billion relative to the J\$1.32 billion budgeted.

REVENUE: Total Revenues & Grants to the GOJ for April to July 2010 was \$96.2 billion. This was, as noted, \$2.4 billion or 2.50% more than the \$93.8 billion targeted for the period. The main outperformers on the revenue accounts were GCT (Imports) which was J\$2.02 billion above budget, and GCT (Local) which exceeded budget by J\$625.3

million. Other notable outperformers on the revenue accounts were taxes garnered from Bauxite/Alumina of J\$759.6 million; Other Company taxes of J\$739.7; and Travel Taxes of J\$344.1 million. Combined these five heads yielded a surplus of J\$4.5 billion, exceeding the main under-performers on the revenue accounts by over J\$1 billion.

Possibly reflecting the still weak conditions in the economy brought on by the recession, PAYE recorded a notable shortfall of -J\$2.46 billion below budget, and was J\$2.16 billion below the corresponding period of FY2009/10. Customs Duty was running -J\$1.36 billion below budget and -J\$1.13 billion below FY2009/10 levels; STC (Imports) fell -J\$359.0 million below budget, but was J\$3.7 billion higher than the corresponding period last year; and GCT (Imports) were up J\$2.02

billion, but down -J\$2.2 billion from 2009/10.

EXPENDITURE: For the first four months of FY2010/11, actual expenditure amounted to J\$112.97 billion, about J\$6.5 billion or -5.4% less than the J\$119.4 billion originally budgeted. This reduced expenditure was greatly contributed to by -J\$2.96 billion reduction in interest payments (-J\$1.4 billion in domestic and -J\$1.26 in external interests payments); and -J\$3.5 billion reduction in expenditures on recurrent capital programs. There were also significant cutbacks of J\$538.4 million in Wages and Salaries. But while payments on interests and wages appear to be moving in the right direction, there was a significant above-budget increase in new domestic borrowing of J\$6.5 billion to J\$65.4 billion, while external borrowing was actually slashed by -J\$14.3 billion to J\$10.7 billion. Maybe with the cheaper cost of funds on the local market due to the JDX, the GOJ decided to meet its financial needs from local sources rather than external sources.

FISCAL OUTTURN

On an annualized basis, the fiscal deficit of J\$16.8 billion for April to July 2010/11 is about J\$29 billion below the J\$77.5 billion targeted in the Stand-by Agreement between the GOJ and the IMF. This is exceptional performance, but it is too early to say whether it is sustainable.

The Primary Surplus—the difference between total revenues and non-interest expenditures—for the first four months of 2010 was J\$10.6 billion. This was \$6.2 billion better than the \$4.6 billion originally budgeted, and a 15.2% improvement on the primary balance of J\$9.32 billion achieved in 2009/10.

The fiscal deficit was financed by loans amounting to J\$76.05 billion, which was -J\$7.8 billion below budget. Eighty-six percent of loan receipts or \$65.4 billion were sourced from the domestic market, while external borrowing provided the remaining 14% or \$10.7 billion of loans. Amortization of J\$42.83 billion was roughly in line with planned amortization of J\$42.93 billion. J\$35.1 billion or 82% went to domestic creditors of the GOJ and the remaining J\$7.7 billion to external creditors.

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

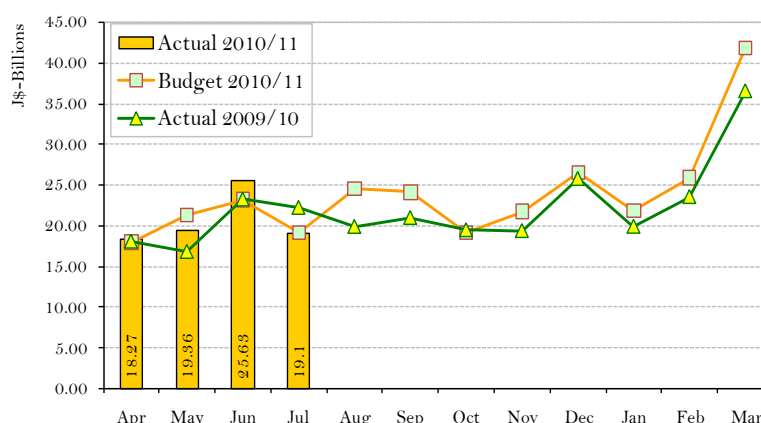
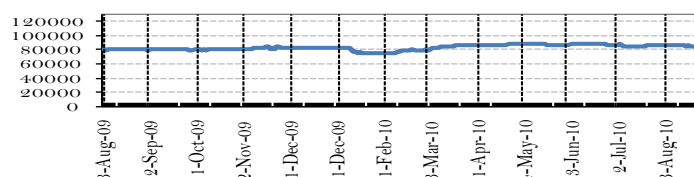


Table 12: Major Deviations in Fiscal Revenue and Expenditure

J\$-Millions		Apr-Jul 2010/11
Revenue (Revenue Surpluses)		
GCT (Imports)	-	2,017.1
GCT (Local)		625.3
Bauxite/Alumina		759.6
Other Companies		739.7
Travel Tax		344.1
Revenue (Revenue Shortfalls)		
PAYE		-2,161.7
Custom Duty		-1,364.4
SCT		-378.7
GCT (Imports)		359.2
SCT (Imports)		-273.7
Expenditure (Changes)		
External Loans	(under-spend)	-14,341.9
Capital Programmes	(under-spend)	-3,505.6
Domestic - Interest	(under-spend)	-1,411.3
External Interest	(under-spend)	-1,268.3
Wages and salaries	(under-spend)	-538.4

Source: Ministry Of Finance and Planning (Jamaica)

Figure 7: Main JSE Index, July '09 - July '10



Source: Jamaica Stock Exchange (Online Database) and PSQJ

PUBLIC DEBT: Total public debt at the end of March 2010 stood at \$1.43 trillion. This represents an additional \$234 billion added to the debt stock over FY 2008/9. As of June 2010, the domes-

tic debt is estimated at J\$773.3 billion or 54.2.0% of the total, while the external debt amounts to US\$7.7 billion or 45.8.0% of the total debt stock.

Stock Market

During the month of August 2010, market capitalization decreased by J\$7,870 billion or 1.4% to close at J\$554.51 billion. Four of five indices on the Jamaica Stock Exchange declined. The main **JSE Market Index** declined by **1,256.8** points or 1.46% to close at 84,593 points. The **JSE All Jamaican Composite** declined by 902 points, or 1.11%, to close at 80,143 points. The **JSE Cross Listed Index** of mostly foreign companies operating in Jamaica, declined by 17.05 points or 1.95% to close at 857.3 points; and the **Jamaica Stock Exchange Junior** declined by 41 points to close at 270 points. The only gainer was the **JSE Select** which advanced by 17.4 points or 0.78% to close at 2,231 points;

Market volume continued to be light in August 2010 with only 53.3 million units valued at \$864.2 million changing hands, compared to 67.2 million units in July 2010.

Economic Highlights

(contd. from page 1.)

But many others, such as Innovation, Technological Readiness, Market size and Goods Market Efficiency are mainly the responsibility of the private sector. Reversing Jamaica's global uncompetitiveness, which is reflected in our chronic trade deficits, will require each sector stepping up to the plate and taking responsibility and doing better what it needs to do.

The Global Economy

The global economy continued in August 2010 to be troubled by uncertainty about the strength of the recovery. While sentiment appears to have congealed around the belief that a 'double-dip' recession was unlikely, the data pointed to such a weak recovery that many investors and businesses were opting to remain on the sidelines awaiting stronger signs of improvement, instead of investing, expanding operations and renew hiring.

Aside from China, the data from most of the other leading economies tended to be flat or mixed, but breaking slightly to the upside.

In Japan, the final reading of Second

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

	31- Dec-09	31- Jul 10	\$ change	% change
Top Five (unadjusted for dividends or transact. Costs)				
Berger Paints (Jamaica)	1.20	2.01	0.81	67.5%
Kingston Wharves	3.08	4.50	1.42	46.1%
Hardware & Lumber	3.50	5.00	1.50	42.9%
GraceKennedy Limited	40.50	57.15	16.65	41.1%
Carreras Limited	35.02	48.66	13.64	38.95%
Bottom Five (unadjusted for dividends or transact. Costs)				
Ciboney Group	0.10	0.05	(0.05)	-50.0%
Pulse Investments	5.44	3.00	(2.44)	-44.9%
Salada Foods Jamaica	15.50	9.67	(5.58)	-37.6%
Capital & Credit Financial Group	4.41	3.00	(1.41)	31.9%
Guardian Holdings Ltd	299.50	220.0	(79.50)	26.5%

Source: Compiled from the JSE

Overall market activity resulted from trading in 39 stocks of which 14 advanced, 19 declined and 6 traded firm. Jamaica Money Market Brokers was the volume leader with 15.8 million or 29.6% of traded shares; followed by GraceKennedy with 13.3% of market volume and National Commercial Bank with 7.8% of market volume. The lead-

ing advancers year to date are: Berger Paints, Kingston Wharves, Hardware & Lumber, GraceKennedy, and Carreras Limited. The leading decliners were Ciboney Group, Pulse Investments, Salada Foods, Capital and Credit Financial Group and Guardian Holdings. (See Table 13).

Quarter GDP came bang in line with expectations of 0.4%. The Leading Index—a measure of future activity—was also in line at 98.1, but Machine Orders—another measure of future economic activity, recorded blowout numbers of 8.8% against expectations of 2.1%.

In Great Britain, Industrial Production (Jul) at 0.3% was slightly less than the 0.4% expected and a private (National Institute of Economic and Social Research) estimate of gross domestic product for August 2010 was also slightly less than expected at 0.7% against expectations of 0.8%. Unemployment however held steady at 7.8% of the workforce.

The Canadian economy, which was growing robustly in Q1 2010 appears to have moderated somewhat, no doubt slow down by the fears and uncertainty emanating from other parts of the world. Manufacturing Sales were down -0.9%, well below expectations for a 0.2% rise, but employers added 79.9k workers in August recovering from a -139k drop the previous month, while Housing Starts continued fairly robustly at 183k against expectations of 185k.

Consumer Confidence in the Euro zone remained in the doldrums in August

coming in at -11; (against expectations of -12; prev.-12); as Unemployment remained high (7.8% in Germany) but Economic Confidence held steady at 101. Euro-zone GDP were in line (1% year over year) and Household consumption inched up to 0.5% compared to the 0.2% expected.

The same mixed data breaking slightly to the upside was also recorded in the United States. Personal Consumption and Personal Spending were roughly in line at 0.1% and 0.4% respectively; Consumer Confidence beat expectations coming in at 53.5 against expectations of 50.7 and there was some small improvement of New and Existing Home Sales at their historic lows. But there was widespread concern that regional manufacturing—a bright spot in Q1—was slowing and that job creation in the private sector (67k against 40k expected) remained too weak to impact the high 9.6% unemployment in the United States.

The US Federal Reserve took a 'wait-and-see' attitude at its last meeting, but it has hinted at more 'quantitative easing' if the US recovery falters.

INFLATION (AUG 2010) - CPI

APPENDIX

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	0.43%	0.434		
FOOD AND NON-ALCOHOLIC BEVERAGES	0.51%	0.189	1	
Food	0.45%			
Bread and Cereals	0.21%			
Meat	0.42%			
Fish and Seafood	0.48%			
Milk, Cheese and eggs	0.41%			
Oils and Fats	0.45%			
Fruit	1.97%			
Vegetables and Starchy Foods	0.46%			
Vegetables	0.68%			
Starchy Foods	0.11%			
Sugar, Jam, Honey, Chocolate and Confectionery	0.66%			
Food Products n.e.c.	0.78%			
Non-Alcoholic Beverages	0.64%			
Coffee, tea and Cocoa	0.67%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	0.63%			
ALCOHOLIC BEVERAGES AND TOBACCO	0.24%	0.003	9	
CLOTHING AND FOOTWEAR	0.78%	0.026	5	
Clothing	0.63%			
Footwear	0.92%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	0.00%	0.000	10	
Rentals for Housing	0.00%			
Maint and Repair of Dwelling	0.38%			
Water Supply and Misc. Serv Related to the Dwelling	3.10%			
Electricity, Gas and Other Fuels and Routine	-0.63%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	0.64%	0.032	4	
Furniture and Furnishings (including Floor Coverings)	0.84%			
Household Textiles	0.77%			
Household Appliances	1.13%			
Glassware, Tableware and Household Utensils	0.97%			
Tools and Equipment for House and Garden	1.08%			
Goods and Serv. for Routine Household Maint	0.52%			
HEALTH	0.34%	0.011	8	
Medical Products, Appliances and Equipment	0.65%			
Health Services	0.09%			
TRANSPORT	-0.07%	-0.008	12	
COMMUNICATION	2.29%	0.091	2	
RECREATION AND CULTURE	0.63%	0.021	7	
EDUCATION	0.00%	0.000	10	
RESTAURANTS AND ACCOMMODATION SERVICES	0.41%	0.026	6	
MISCELLANEOUS GOODS AND SERVICES	0.91%	0.077	3	

INFLATION YTD (JAN-AUG 2010) CPI

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	7.71%	7.713		
FOOD AND NON-ALCOHOLIC BEVERAGES	7.12%	2.666	2	
Food	7.12%			
Bread and Cereals	2.89%			
Meat	5.77%			
Fish and Seafood	7.81%			
Milk, Cheese and eggs	6.95%			
Oils and Fats	8.38%			
Fruit	6.79%			
Vegetables and Starchy Foods	10.49%			
Vegetables	12.14%			
Starchy Foods	7.23%			
Sugar, Jam, Honey, Chocolate and Confectionery	10.14%			
Food Products n.e.c.	9.69%			
Non-Alcoholic Beverages	6.71%			
Coffee, tea and Cocoa	7.58%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	6.37%			
ALCOHOLIC BEVERAGES AND TOBACCO	12.89%	0.178	10	
CLOTHING AND FOOTWEAR	6.64%	0.221	7	
Clothing	7.03%			
Footwear	6.12%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	3.13%	0.400	4	
Rentals for Housing	19.57%			
Maint and Repair of Dwelling	9.08%			
Water Supply and Misc. Serv Related to the Dwelling	3.17%			
Electricity, Gas and Other Fuels and Routine	-5.31%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	4.95%	0.244	5	
Furniture and Furnishings (including Floor Coverings)	7.04%			
Household Textiles	5.42%			
Household Appliances	9.48%			
Glassware, Tableware and Household Utensils	5.20%			
Tools and Equipment for House and Garden	5.29%			
Goods and Serv. for Routine Household Maint	3.60%			
HEALTH	1.96%	0.064	12	
Medical Products, Appliances and Equipment	1.98%			
Health Services	2.00%			
TRANSPORT	23.49%	3.012	1	
COMMUNICATION	5.38%	0.215	8	
RECREATION AND CULTURE	5.30%	0.178	9	
EDUCATION	3.26%	0.070	11	
RESTAURANTS AND ACCOMMODATION SERVICES	3.62%	0.224	6	
MISCELLANEOUS GOODS AND SERVICES	5.89%	0.493	3	

FISCAL ACCOUNT (APR-JUL 2010)

REV. & EXPEN. (APR'10 - JUL'10)	J\$m	PROVISIONAL Results	J\$m	BUDGET DEVIATION	J\$m	YOY - CHANGE
Revenue & Grants	96,176.8		2,350.1		13,053.70	
Tax Revenue	82,294.0		740.6		5,110.60	
Non-Tax Revenue	8,737.3		-273.7		4,243.10	
Bauxite Levy	17.5		-181.9		-25.50	
Capital Revenue	1,699.0		19.3		724.10	
Grants	3,429.0		2,045.9		3,001.60	
Expenditure	112,976.3		-6,465.9		-13,162.20	
Recurrent Expenditure	94,414.9		-2,960.3		-19,847.50	
Programmes	24,060.8		257.8		2,006.80	
Wages & Salaries	42,855.8		-538.4		831.10	
Interest	27,498.4		-2,679.6		-22,685.60	
Domestic	12,695.9		-1,411.3		-19,897.40	
External	14,802.5		-1,268.3		-2,788.10	
Capital Expenditure	18,561.4		-3,505.6		6,685.20	
Capital Programmes	18,561.4		-3,505.6		6,685.20	
IMF #1 Account	0.0		0.0		0.00	
Fiscal Balance (Surplus [+]/ve)	-16,799.5		8,816.0		26,216.00	
Loan Receipts	76,052.2		-7,802.0		7,427.10	
Domestic	65,397.2		6,539.9		4,292.10	
External	10,655.0		-14,341.9		3,135.10	
Divestment Proceeds	0.0		0.0		0.00	
Amortization	42,827.5		-97.7		11,446.00	
Domestic	35,084.9		192.5		11,805.70	
External	7,742.5		-290.3		-359.50	
Overall Balance (Surplus [+]/ve)	16,425.2		1,111.7		22,196.80	
Primary Balance (Surplus [+]/ve)	10,698.9		6,136.4		3,530.50	

REV. & EXPEN. (APR'10 - JUL'10)	J\$m	PROVISIONAL Results	J\$m	BUDGET DEVIATION	J\$m	YOY - CHANGE
Revenue & Grants	96,176.8		2,350.1		-8,470.9	
Tax Revenue	82,294.0		740.6		3340	
Income and profits	27,530.8		13.5		3888.9	
Bauxite/alumina	866.3		759.6		19	
Other companies	6,085.5		739.7		-336.5	
PAYE	16,550.5		-2,161.7		1568.3	
Tax on dividend	465.1		316.0		-115.2	
Other individuals	890.6		234.3		-973.8	
Tax on interest	2,672.8		125.6		3727.1	
Environmental Levy	670.5		-17.2		-121.3	
Production and consumption	25,415.9		91.4		-759.7	
SCT	2,647.4		-378.7		372.3	
Motor vehicle licenses	569.7		-73.7		71.9	
Other Licenses	88.4		-194.9		76.4	
Betting, gaming and lottery	516.8		-9.8		138.1	
Education Tax	4,163.2		109.5		156.8	
Contractors levy	301.2		8.7		-16.6	
GCT (Local)	15,141.0		625.3		20.4	
Stamp Duty (Local)	1,988.2		4.9		-1578.8	
International Trade	28,676.9		653.0		332.3	
Custom Duty	6,129.6		-1,364.4		-1132.1	
Stamp Duty	409.7		15.4		70.2	
Travel Tax	1,239.2		344.1		-30.4	
GCT (Imports)	11,862.3		2,017.1		-2260.4	
SCT (Imports)	9,036.1		-359.2		3685.2	
Non-Tax Revenue	8,737.3		-273.7		-1306.5	
Bauxite Levy	17.5		-181.9		-2637.1	
Capital Revenue	1,699.0		19.3		237.9	
Grants	3,429.0		2,045.9		2903.4	

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'09	-3.35	19.97	0.41	8.86	1,764.98	2,238.85	-0.37	16.49	-10.7	86.07	24.26	22.91	5.89	627,394.74	6,246.45
Feb	5.7	26.47	-0.09	6.79	1,601.85	2,226.86	0.81	12.84	-13.6	88.29	23.13	22.34	5.89	650,215.09	6,154.8
Mar	-2.59	21.01	0.88	11.53	1,628.58	2,214.26	0.80	12.45	-10.9	88.82	21.17	22.34	5.89	651,657.43	6,177.6
Apr	1.49	25.53	1.86	10.50	1,663.60	n/a	0.43	11.22	1.72	89.01	21.17	23.32	5.89	658,557.83	6,228.69
May	1.13	27.76	0.20	10.05	1,671.75	2,289.71	0.86	9.55	10.2	89.08	21.08	23.32	5.89	664,819.68	6,296.99
Jun	-0.52	26.12	-1.47	9.77	1,619.41	2,256.85	1.43	8.98	7.8	89.07	21.05	23.32	5.87	676,761.65	6,279.89
Jul	0.61	23.40	n/a	n/a	1,648.93	2,317.60	0.92	6.94	-1.1	89.01	20.60	22.89	5.87	705,054.23	6,283.50
Aug	-0.09	18.48	n/a	n/a	1,934.22	n/a	0.42	6.12	n/a	89.00	18.21	22.89	5.87	n/a	n/a
Sep	-1.30	25.29	n/a	n/a	1,933.24	n/a	n/a	n/a	n/a	89.08	17.35	22.26	5.86	n/a	n/a
Oct	1.14	25.87	1.64	8.97	1,909.30	2,299	n/a	n/a	-3.1	89.16	17.00	21.98	5.60	720,830.00	593,330.00
Nov	0.61	21.07	324.191	n/a	1,794.0	n/a	0.81	9.0	2.7	89.59	16.80	21.91	5.35	733,610.00	598,190.00
Dec	10.35	13.45	332,010	6.03	1,736	n/a	1.14	10.2	1.2	89.62	16.80	21.91	5.35	754,612.01	590,849.70
Jan '10	75,972.	9.94	n/a	n/a	1,566	n/a	1.46	12.21	n/a	89.70	12.50	21.62	4.61	774,116.9	6,564.6
Feb	76,862	1.17	336,882	n/a	1,559	n/a	2.16	12.8	n/a	89.72	11.01	21.40	4.13	800,675.8	7,586.8
Mar	77,322	0.60	325,963 1		1,7519	2,332.28	0.45	4.1	-1.8	89.51	10.49	21.40	4.09	758,700.3	7,553.0
Apr	77,652	8.6	332,696.	2.07	1,736	n/a	1.34	5.5	14.5	89.07	9.99	21.51	4.03	n/a	n/a
May	81,011	10.9	334,179	3.06	1,675.6	2,325	0.63	6.2	-2.4	88.48	9.91	21.08	4.03	n/a	n/a
Jun	77,754	-4.02	n/a	n/a	1,795.8	n/a	0.63	6.8	-2.6	86.02	8.52	20.72	3.90	n/a	n/a
Jul	74,477	-4.22	n/a	n/a	1,732.6	2,335.4	0.37	7.2	n/a	86.09	8.73	20.22	3.36	n/a	n/a
Aug	75,121	2.80	n/a	n/a	1,956.93	n/a	0.43	7.7	n/a	85.58	8.24	19.44	3.23	n/a	n/a

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

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