



PSOJ MONTHLY ECONOMIC BULLETIN



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Economic Highlights

Threats Rising For J'can Economy !!!

The softening of the Jamaican economy is accelerating especially in the external sector. Though business and consumer confidence in the first quarter of 2012 were generally buoyant following the recent general elections, Net International Reserves have declined for twelve of the last 13 months and the exchange rate of the Jamaican dollar against the US dollar has declined steadily over the same period, with the decline accelerating since the beginning of 2012. Serious dislocation in the Jamaican economy, often starts within the external sector, thus these changes require more detailed examination.

USD/J\$ Exchange Rate

During the first half - Jan- Jun 2012, the J\$ declined by J\$2.10 or 2.42% to J\$88.70 from J\$86.60 at the beginning of the year. This rate of decline is about 5 times the rate of decline (0.45%) for the whole of

2011 and the fastest rate of decline since the Jamaica Debt Exchange was initiated in December 2009. In the month of July 2012, the rate of decline has accelerated; and the J\$ has now sunk to J\$89.55 to 1USD, about 21 cents off its historic lows of J\$89.76, and challenging key psychological resistance of J\$90=1USD. If that barrier is broken, decline could snowball towards J\$100.

The likely cause of the decline in the value of the J\$ is the long hiatus in the Jamaica/International Monetary Fund arrangement since September 2010. This has resulted in increasing uncertainty and a retreat by investors to the safe haven US currency. This retreat is indicated by the fact that foreign currency deposits in the Jamaican banking system are at the highest levels in 4 years, but even more importantly, by the pressure being exerted on the country's foreign currency reserves.

Net International Reserve

Since May 2011, Jamaica's gross reserves and net international reserve position have deteriorated by about US\$800 million. From US\$3,224.2 million gross reserves have declined to US\$2,385.1 million and NIR has declined from US\$2,334.4 million to US\$1,540.4 million.

Further, the pace of the decline has accelerated since January 2012, with the loss of some US\$427 million in reserves. Only about US\$300 million of the 12 month decline in reserves have gone to service debt. Close to US\$500 million has been spent on open market operations to support the Jamaican dollar. The shortfall in net private capital inflows has also contributed to the shortage of foreign exchange locally.

At US\$2,385.1 billion, Jamaica has enough reserves to finance 15.79 weeks of 'goods and services' imports. But the rate at which reserves are declining (an average of US\$139 million per month) is cause for concern, especially if as re-

ported, a new Jamaica/International Monetary Fund agreement is unlikely to be concluded before November 2012. At that rate of decline, over the next four to five months, gross reserves could come close to or breach the standard of reserve adequacy of 12 weeks of imports. The key levels of gross reserves to watch for in that regard is US\$1,650.

Consequences of Instability

Historical, the effects of instability in the external sector, is retardation of and a spread of instability to the real sectors of the Jamaican economy. Though the Jamaican economy, like nearly all others globally, has been negatively impacted by the European crises and uncertainty is not the only explanation for the slowdown in Q1 2012 GDP growth to 0.6% relative to 1.7% in Q4 2011, uncertainty likely played some part.

Of potentially more far-reaching impact, deterioration of the exchange rate, often results in higher domestic inflation given the large import content of the country's consumption and production. This in turn often leads the GOJ, to hike interest rates to create a more profitable diversion for speculators and to sop up excess local currency in circulation. These higher interest rates further retard local production, raise the borrowing and debt service costs of the Government, and worsen the fiscal deficit.

With reserves declining fast, the GOJ is approaching the limits of its ability to defend the J\$, through open market operations of the BOJ. It is therefore imperative that greater efforts be made to conclude a new agreement with the International Monetary Fund so that the GOJ does not have to resort to counter-productive monetary tightening such as higher interest rates.

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Net International Reserves (NIR)

During June 2012, Net International Reserves decreased by an additional US\$178.33 million to US\$1,540.42 million compared to US\$1,718.75 million at the end of May 2012. This is the twelfth monthly decline of NIR in thirteen months for a total of US\$726.7 million over the period. This largely reflects continued net selling of the USD since May 2011 by the BOJ to support the J\$ which has been under increasing pressure, possibly, because of the hiatus and uncertainty in the GOJ/IMF Arrangement.

At the end of June 2012, gross reserves were adequate to finance 20.92 weeks of “goods” imports or 15.79 weeks of “goods and services” imports, still above the 12 weeks international benchmark of reserves adequacy.

Foreign Currency Deposits

During Mar 2012, foreign currency deposits (FCD's) in the local financial system increased by US\$30.1 million or 1.25% to US\$2,409.4 billion compared to US\$2.379 billion at the end of February 2012. The increase in March 2012 is the third increase over the past three months compared with three consecutive monthly declines in Q3 2011.

During 2010 FCD's decreased 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 and continuing in the first quarter of 2012, 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 June 2012, depreciation of the J\$ continued at the heightened pace of J\$0.58 or 0.65% to J\$88.70, though slower than the J\$0.78 or 0.89% decline recorded in May 2012. Apart from three months in 2011 when there were small month over month gains, the J\$ had declined

Table 1b: Changes in the NIR

	US\$M NIR	Change US\$M			Imports (Weeks)
		Mthly	12 Mth	YTD	
Jun-12	1,540.42	-178.33	-726.71	-426.59	20.92
Jun-11	2267.13	-67.25	471.37	95.72	28.44

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

	US\$000 Mar '12	Change (US\$000)		% Change	
		mtly	12 mth	mtly	12 mth
Commercial Banks	1,813,197	28,554	121,723	1.57	7.20
Building Societies	552,705	1,827	19,395	0.33	3.64
Merchant Banks	43,450	-242	-19,976	-0.56	-31.49
Total Deposits	2,409,352	30,139	121,142	1.25	5.29

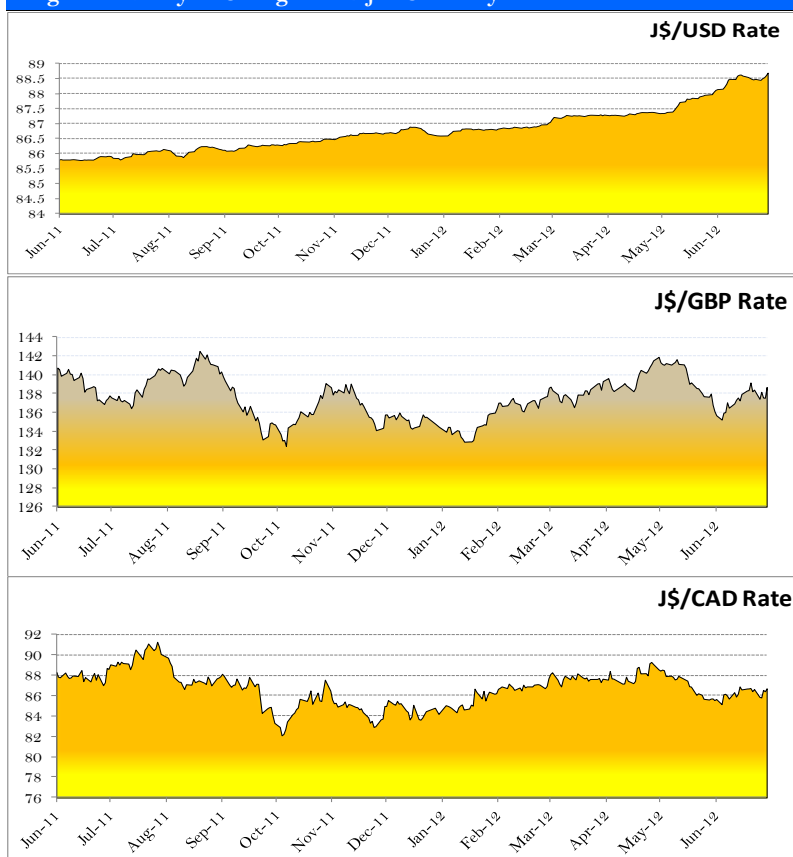
Source: Compiled from the BOJ (Preliminary)

Table 3: Foreign Exchange Trends

	YTD Currency Rate Change (Dec 31, 2011—06/30/12) *					
	J\$ / US\$	%	J\$ / UK£	%	J\$ / Can\$	%
2012	-2.10	-2.42	-4.22	-3.14	-2.51	-2.98
2011	-0.05	-0.06	-4.03	-3.01	-3.27	-3.83
2010	3.58	4.00	14.97	10.43	2.30	2.72
	MOM Jun - 2012					
Actual Rate	88.70	0.65	138.66	1.88	86.71	1.35
Mth Change	0.58	0.65	2.56	1.88	1.16	1.35

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

Figure 1: Daily % Change in Major Currency Rates



Source: Bank of Jamaica Database (BOJ)

steadily though modestly (by J\$0.46) against the USD during calendar year 2011. Since the beginning of 2012 however, the rate of decline of the J\$ has accelerated and now amounts to -J\$2.10 or -2.42% year to date. Still the USD remains below its three year high of J\$89.76 and below key resistance at J\$90.

POUND & CANADIAN DOLLAR:

During June 2012, the J\$ depreciated by J\$2.56 or 1.88% against the GBP to J\$138.66 from J\$136.09 in May 2012. Against the CAD, the J\$ also depreciated in June 2012 - by J\$1.16 or 1.35% to sell for J\$86.71 compared to J\$85.55 in May 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 six months of calendar year 2012, the J\$ is down J\$4.22 or 3.14% against GBP, and by J\$2.51 or 2.98% against the CAD.

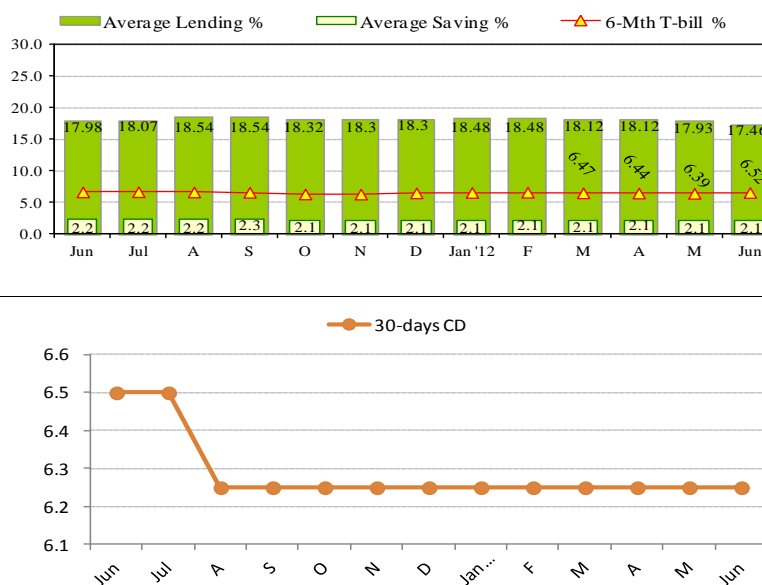
Interest Rates

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 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 observed since the beginning of 2012, during June 2012, there was only small movements on two rates. The 6-month Treasury Bill reversed the direction of the previous three months increasing by 13 bps 6.52%. Year to date, the 6-month

Figure 2A & 2B: Interest Rate Movements



Source: Bank of Jamaica Database (BOJ preliminary)

Table 4: Interest Rate Movements

	Jun-12	Change (%age pts)		
		Monthly	12-Mth	YTD
30-days CD	6.25%	0.00%	-0.50%	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	17.46%	-0.47%	-0.52%	-0.84%
6-Month T-Bill	6.52%	0.13%	-0.09%	0.06%

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

T-Bill is up 6 bps. The average lending rate (ALR), which has been the slowest declining rate over the past three years, but the fastest in 2012, fell by 47 bps to 17.46%. Year to date, the average lending rate is down 84 bps. The average saving rate was unchanged in June 2012.

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.

During June 2012 the monetary base expanded by J\$599.3 billion or 0.72%



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to J\$84.34 billion. This largely resulted from increases of J\$320.2 million in net currency issue and J\$301.0 million in Commercial Banks' Statutory Reserves counterbalanced by a \$21.9 million reduction in checking deposits.

Inflation

The rate of inflation increased by 0.6% during June 2012. The increase in June 2012 was roughly in line with the 0.51% average monthly increase for calendar 2012.

Within the Consumer Price Index (CPI), the division recording the highest increase - (1.8%) - was the most heavily weighted **"Food and Non-Alcoholic Beverages"** division. This reflected increases of 7.3% for the classes 'Milk, Cheese and Eggs'; a 3.3% increase for 'Fish and Seafood', and a 1.3% increase for 'Vegetables and Starchy Foods'. Within the group 'Non-Alcoholic Beverages', the classes 'Coffee, Tea and Cocoa' and 'Mineral Waters, Soft Drinks, Fruit and Vegetable Juices' both increased by 0.6%.

The second highest increase (1.6%) was recorded in the division **"Recreation and Culture"** reflecting celebrations of Jamaica's jubilee year.

The third highest increase (1.2%) was recorded in the **"Clothing and Footwear"** division. This was largely due to a 1.6% rise in 'Footwear'. There were also notable increases of 1.1% in the division **"Furnishings, Household Equipment and Routine Household Maintenance"**; and 0.9% for **"Alcoholic Beverages and Tobacco"**.

The significant increases in the five divisions above was moderated by declines of -2.3% in **"Housing, Water, Electricity, Gas and Other Fuels"** and -0.6% in **"Transport"**. The declines in these two divisions reflected decreases in international oil prices during June 2012. The other five divisions within the

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
	June -'12	Mthly	12 Mth
Base Money	84,337.37	0.72	4.69

Source: BOJ Economic Statistics

Table 6: Inflation Trends

	% Percent Changes			
	Jun	12-Mth	YTD	Fiscal
2012	0.55	6.67	3.14	1.43
2011	0.76	7.22	2.50	2.01

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

Table 7: Mining Production

	000 tonnes			YTD	
	Jun-12	Jun-11	%	Jun-12	10/11 %
Production					
Alumina	148.1	168.9	-12.3	774.9	-6.65
C. Bauxite	436.7	419.9	4.0	1,939.7	-11.6
Export					
Alumina	107.9	190.1	-43.2	762.1	-8.46
C. Bauxite	419.6	414.1	1.32	1,900.5	-12.6

Source: Jamaica Bauxite Institute (JBI)

CPI recorded increases of 0.6% to 0.3%.

The calendar year to date inflation rate was 3.2%, in contrast to 2.5% rise during the first half of 2011. The fiscal year to date rate was 1.5% while the point to point rate was 6.7%.

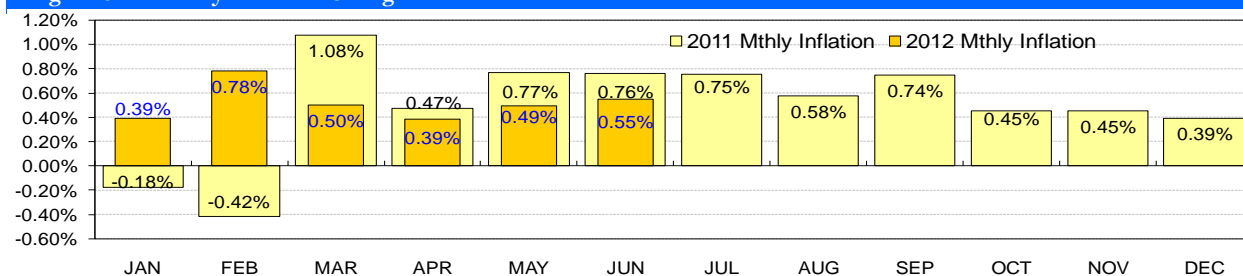
Bauxite & Alumina

Production of alumina in June 2012 amounted to 129,081 tons compared to 156,533 tons in June 2011 - a decrease of -17.5%. For its part, production of crude bauxite in June 2012 increased by 13.9% to 390,890 tons compared to 343,154 tons in June

2011.

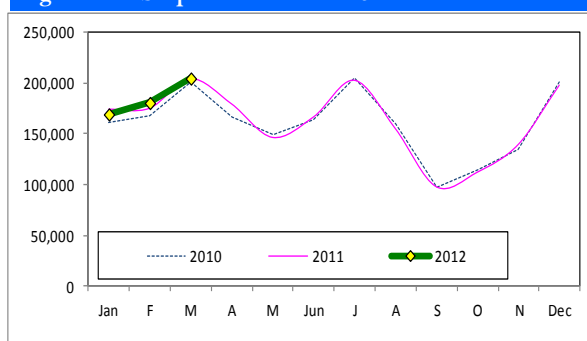
During calendar year 2010, alumina production fell by -10.3% to 1.59 million tons and alumina exports by -16.4% to 1.56 million tons compared to 2009. But reflecting the upturn in the global economy, during calendar year 2011, alumina production increased by 23.2% to 1.959 million tons; while production 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 over the past three quarters, production of alumina is down -8.4% to 904,067 tons in the first six months of 2012 compared to 986,706 tons during the corresponding period of 2011. Production of

Figure 3: Monthly Inflation Changes



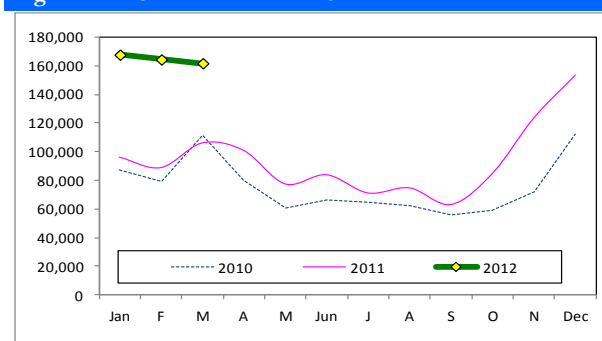
Source: STATIN and PSQJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

crude bauxite is also down -8.13% to 2,330.6 million tons relative to 2,536.7 million tons for the corresponding period of 2011.

Tourism

Stopover arrivals in March 2012 were 204,724 - an increase of 0.3% relative to the 204,724 stopovers recorded in March 2011. The number of cruise passengers also increased in March 2012 by 82.3% to 161,794 visitors, compared to 106,247 in March 2011.

During 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 -2.3% in March 2012 to 118,834 compared to 121,596 in March 2011. Year to date, stopovers from the US are down -2.7% extending 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 by 7.6% in March 2012 with 57,953 arrivals compared to 53,856 in March 2011. Year to date, the number of visitors from Canada are up 5.5% to 171,054 compared to 108,125 visitors in January to March 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 slightly by -4.7% in March 2012 to 20,780 visitors compared to 21,802 arrivals in March 2011. Year to date, visitors from Europe are down 1.9% to 61,373 compared to 62,549 in

Tourist Arrivals

	2011	2012	%Change	
	YTD (JAN-MAR)		YOY	MOM
Stopover	204,046	204,724	0.3%	13.4%
Foreign	192,313	192,330	0.0%	12.5%
Non-Resident	11,733	12,394	5.6%	29.5%
Cruise	106,247	161,794	52.3%	-1.6%
Total Arrivals	310,293	366,518	18.1%	6.2%

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

Jan-Mar 2011. This continues 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 2010. For the first three months of 2012 however, stopovers from the Caribbean are down slightly by -0.8% to 13,303. On the other hand, stopovers from Latin America are up by 53.4% in Jan-Mar 2012 to 5,433 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 Jan-Mar 2012, cruise arrivals are up by 52.3% to 161,794 visitors reflecting the opening of the Falmouth Port. Total Visitors to Jamaica for Jan-Mar 2012 were 366,518 marking a 18.1% increase relative to 310,293 visitors during Jan-March 2011.

External Trade

During the first three months of calendar year 2012, Jamaica's exports grew by US\$38.9 million or 9.6% to US\$446.2 million, compared to US\$407.3 million during January - March 2011. Imports for the period

grew slightly by US\$7.58 million or 0.5%, to US\$1,547.8 million compared to US\$1,540.3 million during the corresponding period of 2011. Given the stronger growth of exports over imports, the negative imbalance in Jamaica's merchandise trade narrowed in Jan-Mar 2012 by US\$31.3 million or 2.8% to -US\$1,101.7 million compared to -US\$1,133.0 million in January - Mar 2011.

Traditional Exports: During the first three months of 2012, traditional domestic exports earned US\$243.5 million, an increase of US\$33.3 million or 15.9% relative to the US\$210.14 million recorded in 2011. The share of traditional exports in total domestic exports also increased to 54.6% in Jan-Mar 2012 from 51.6% in during Q1 2012.

The increased earnings from traditional exports was greatly contributed to by 65.0% growth in Manufacturing from US\$41.7 million to US\$68.8 million and a 3.4% growth in Mining and Quarrying from US\$165.1 million to US\$170.7 million due largely to 8.4% rise in alumina exports to US\$138.4 million. These increases were supported by a 15.7% rise in agriculture exports to US\$3.89 million relative to US\$3.36 million in Q1 2011.

Non-traditional exports also contributed to the growth in exports in Q1 2012 growing by 6.0% to US\$190.7 million compared to US\$179.9 million in Q1 2011. But while two categories of non-traditional exports recorded growth in Q1 2012 the other two declined.

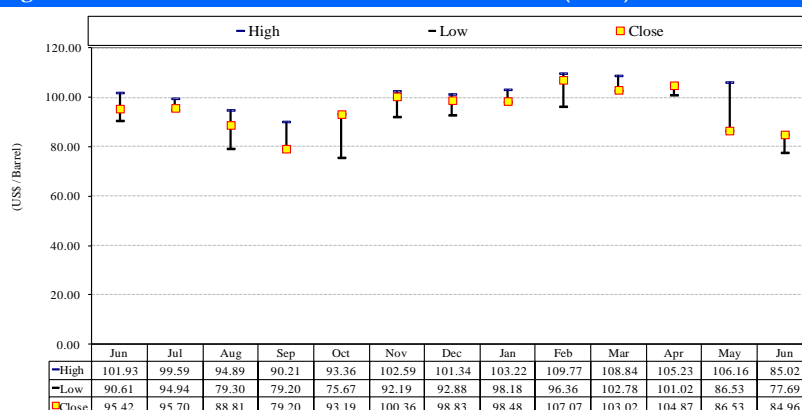
In the category **“Food”**, there was a modest -2.9% decrease in earnings to US\$35.77 million compared to US\$36.84 million in Jan-Mar 2011. Nine of seventeen groups recorded increases and eight declined. Among the groups recording increased earnings were: ‘Papaya’ - up 172.5% to US\$1.280 million from US\$470,000 in Q1 2011; ‘Animal Feed’ - up 57.6% to US\$2.37 million from US\$1.51 million; ‘Ackee’ - up 26.5% to US\$4.14 million from US\$3.27 million; and ‘Juices excl. Citrus’ - up 19.9% to US\$1.95 million from US\$1.63 million in Q1 2011.

There were however, notable decreases in earnings from some ‘Food’ groups in Jan-March 2012 relative to Q1 2011. Earnings from ‘Yams’ were down 25.0% to US\$3.74 million from US\$4.99 million in Jan-Mar 2011; ‘Baked Products’ were down -28.9% to US\$3.63 million from US\$5.1 million; and exports of ‘Fish, Crustaceans & Molluscs’ were down -32.9% to US\$1.034 million from US\$1.52 million in Q1 2011. Exports of ‘Malt Extracts and Preparations thereof’ were also down by -46.8% to US\$720,000 from US\$1.36 million in Jan-Mar 2011.

“Beverages & Tobacco (excl. Rum)” was one of two Non-Traditional export categories that recorded growth in Q1 2012. This category grew by 28.9% due largely to a 37.7% increase in ‘Alcoholic Beverages (excl. Rum)’ to US\$17.44 million from US\$12.67 million in Q1 2011.

In addition, **“Other”** non-traditional exports, generally, the largest category of non-traditional exports, increased by 9.9% to US\$126.6 million from US\$115.3 million in Jan-Mar 2011. This mainly reflected increases of 9.9% in ‘Mineral Fuels etc’ to US\$126.6 million from US\$115.27 million during the corresponding period of 2011; and a 6.0% rise in ‘Chemicals (incl. Ethanol)’. However, five of the groups in ‘Other’ non-traditional exports recorded declines ranging from -11.7% to -66% in the first three months of 2012.

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-Mar '11	Jan-Mar '12	Change	% Change
TOTAL EXPORTS (fob)	407.25	446.15	38.91	9.6%
Major Traditional Exports	210.14	243.45	33.31	15.9%
<i>by Sector:-</i>				
Agriculture	3.36	3.89	0.53	15.7%
Mining & Quarrying	165.05	170.71	5.66	3.4%
Manufacturing	41.73	68.85	27.12	65.0%
<i>by Industry:-</i>				
Bauxite	34.92	32.28	-2.65	-7.6%
Alumina	130.02	138.43	8.41	6.5%
Sugar	26.91	56.22	29.32	
Rum	13.93	10.78	-3.15	-22.6%
Bananas	-	0.04	0.04	0.0%
Coffee	1.86	1.96	0.10	5.6%
Other	2.51	3.75	1.24	49.4%
Non-Traditional Exports	179.99	190.72	10.73	6.0%
Re-exports	17.12	11.98	-5.13	-30.0%
TOTAL IMPORTS	1,540.25	1,547.83	7.58	0.5%
Food	229.71	238.21	8.50	3.7%
Beverages & Tobacco	19.94	18.52	-1.42	-7.1%
Crude Materials (excl. Fuels)	16.53	10.86	-5.67	-34.3%
Mineral Fuels, etcetera	634.08	619.36	-14.73	-2.3%
Animal & Vegetable Oils & Fats	14.05	14.89	0.83	5.9%
Chemicals	161.39	150.80	-10.60	-6.6%
Manufactured Goods	153.13	150.18	-2.95	-1.9%
Machinery and Transport Equip.	190.11	226.29	36.18	19.0%
Misc. Manufactured Articles	100.94	99.28	-1.66	-1.6%
Other	20.36	19.45	-0.92	-4.5%
TRADE BALANCE	(1,133.00)	(1,101.68)	31.33	-2.8%

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

“Crude Materials”, which have been the leading group of non-traditional exports in recent years, was down 31.7% during the first quarter of 2012. This decline was largely due to a 37.2% drop in exports of ‘Waste and Scrap Metals’ from US\$8.6 million to US\$12.6 million during Jan-Mar 2012. This was reinforced by smaller declines of -8.3% and -7.2% in exports of

‘Limestone’ and ‘Other’ crude materials respectively.

Imports. Reflecting more buoyant conditions in the local and global economy during 2011 imports surged by 24.2% during 2011 to US\$6.6 billion. This growth continued in the first three months of the year, at a much slower pace however, as imports edged up by 0.5% to US\$1.547

billion compared to US\$1.540 billion in Jan-March 2011.

Largely accounting for the moderating growth of imports in Jan-Mar 2012 was a -4.6% drop in **Raw Materials/Intermediate Goods** to US\$971.1 million relative to US\$1.017 billion in Jan-Mar 2011. While imports of 'Crude Oil' increased by 21.5% to US\$262.9 million from US\$216.1 million, imports of the other four groups within the category declined. Thus 'Food' imports declined by -4.6% to US\$75.9 million from US\$79.6 million; 'Industrial Supplies' declined by -11.2% to US\$208.45 million from US\$234.6 million; 'Other Fuels and Lubricants' declined by -14.6% to US\$356.6 million; and 'Parts and Accessories of Capital Goods' declined by -3.4% to US\$67.5 million from US\$69.9 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. For the first three months of 2012, Capital Goods imports have continued to grow increasing by 10.3% to US\$114.44 million from US\$104.03 million. Though there was a -7.6% decline in imports of 'Construction Materials' to US\$27.06 million, imports of 'Machinery and Equipment' increased by 13.5% to US\$66.4 million; and 'Other Industrial Transport Equipment' by 37.8% to US\$20.18 million.

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. For the first quarter of 2012 however, Consumer Goods imports are up 1.35% to US\$402.6 million compared to US\$396.13 million in 2011. The largest areas of increase are 'Food (incl. Beverages)' - up 6.2% to US\$182.7 million compared to US\$172.09 million during the corresponding period of 2011; 'Semi-Durable Goods' - were also up 2.2% to US\$30.24 million relative to US\$29.6 million in Jan-Mar 2011. However, 'Other Durable Goods (excl. Motor Cars)' declined -6.0% to US\$71.66 million from US\$76.27 million one year ago; and 'Non-Durable Goods' dipped slightly by -0.2% to US\$117.9 million. During Jan-Mar 2012, imports of '**Passenger Motor Cars**' increased notably by 136.4% to US\$65.69 million compared to US\$27.79 million in Jan-Mar 2011.

Oil: At the end of June 2012, the price

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)	(553.8)	(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/disposal	-	-	-	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:

of West Texas Intermediate (WTI) Crude Oil stood at US\$84.96 per 42 gallon barrel - a decrease in price of US\$1.57 relative to the closing price of US\$86.53 the previous month. During June 2012 the price ranged between a high of US\$85.02 and a low of US\$77.69. (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 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 the first two months of fiscal

Table 11: Fiscal Accounts (J\$ Million)

	Apr-May (Fiscal—2012/13)				Apr-May (YOY)	
	J\$ million		Deviation		11/12 - 12/13	
	Provisional	Budget	J\$M	(%)	J\$M	(%)
Revenue & Grants	49,995.4	49,995.4	0.0	0.00	4,277.5	9.4
Tax Revenue	47,322.4	47,322.4	0.0	0.00	6,105.3	14.8
Non-Tax Revenue	2,363.7	2,363.7	0.0	0.00	504.4	27.1
Bauxite Levy	228.7	228.7	0.0	0.00	-110.6	-32.6
Capital Revenue	61.4	61.4	0.0	0.00	-2,055.7	-97.1
Grants	19.1	19.1	0.0	0.00	-165.8	-89.7
Expenditure	58,463.6	58,463.6	0.0	0.00	6,154.3	11.8
Recurrent Expenditure	55,114.0	55,114.0	0.0	0.00	6,271.8	12.8
Programmes	12,756.1	12,756.1	0.0	0.00	-334.3	-2.6
Wages & Salaries	27,772.9	27,772.9	0.0	0.00	5,872.7	26.8
Interest	14,585.0	14,585.0	0.0	0.00	733.4	5.3
Domestic	10,387.6	10,387.6	0.0	0.00	1,567.5	17.8
External	4,197.4	4,197.4	0.0	0.00	-834.2	-16.6
Capital Expenditure	3,349.6	3,349.6	0.0	0.00	-117.5	-3.4
Capital Programmes	3,349.6	3,349.6	0.0	0.00	-117.5	-3.4
IMF #1 Account	0.0	0.0	0.0	0.00	0.0	0.0
Fiscal Balance (Surplus [+ve])	-8,468.2	-8,468.2	0.0	0.00	-1,876.9	-28.5
Loan Receipts	24,295.7	24,295.7	0.0	0.00	-3,866.1	-13.7
Domestic	23,387.2	23,387.2	0.0	0.00	-4,095.1	-14.9
External	908.4	908.4	0.0	0.00	229.1	33.7
Divestment Proceeds	0.0	0.0	0.0		0.0	0.0
Amortization	6,844.8	6,844.8	0.0	0.00	-33,532.4	-83.0
Domestic	2,528.2	2,528.2	0.0	0.00	-79.4	-3.0
External	4,316.6	4,316.6	0.0	0.00	-33,453.0	-88.6
Overall Balance (Surplus [+ve])	8,982.6	8,982.6	0.0	0.00	27,789.4	147.8
Primary Balance (Surplus [+ve])	6,116.8	6,116.8	0.0	0.00	-1,143.4	-15.7

Source: Ministry of Finance and Planning

year 2012/13, the Government of Jamaica ran a fiscal deficit of -J\$8.468 billion. This fiscal deficit was exactly in line with the amount budgeted and was -J\$1,876.9 billion or -28.5% worse than the deficit recorded during the corresponding two month period of FY2011/12. The fiscal deficit reflected the fact that targeted expenditures exceeded targeted revenues.

Though the GOJ has devised an annual budget, month by month revenues and expenditure targets are not yet available. But as shown by the Fiscal Table on Page 8 which records no deviations from revenues and expenditure projections, the Government is making a great effort, possibly to impress the IMF, that it can manage a tight ship.

REVENUE: Total Revenues & Grants to the GOJ during Apr-May 2012/13 was J\$49.99 billion. This was in line with budgetary projections, but J\$4.277 billion or 8.6% higher than Revenues and Grants collected during Apr-May 2011/12.

The leading sources of revenue during Apr-May 2012/13 were: 'PAYE', from which J\$10.07 billion was collected; 'GCT (Local)' which contributed J\$9.984 billion; and GCT (Imports) which contributed J\$7.33 billion. Significant contributions to revenues were also made by 'STC (Imports)' - J\$5.092 billion and 'Education Tax' amounting to J\$2.470 billion.

EXPENDITURE: The expenditure budget for 2012/13 is J\$612 billion. For the first two months of FY2012/13 total expenditure was J\$58.46 billion or an average J\$30 billion per month. Among the main areas of expenditure were: 'Wages and Salaries' on which J\$27.773 billion was spent; 'Recurrent Programmes' which absorbed J\$12.756 billion; and 'Interest Payments' which absorbed J\$14.585 billion. In relation to the latter, domestic interest payments accounted for J\$10.38

billion of interest payments and external interest payments J\$4.2 billion. Expenditure on 'Capital Programmes' have accounted for J\$3.35 billion for the first two months of 2012/13.

FISCAL OUTTURN

The fiscal deficit for FY2011/12 (Apr-Mar 2011) was -J\$80.74 billion. For FY2012/13, the GOJ is projecting a fiscal deficit of J\$48.0 million or 4.2% of GDP implying an average monthly deficit of about J\$4.00 billion. As noted the fiscal deficit for the first two months of 2012/13 is J\$8.46 billion which is slightly above target.

The Primary Surplus - a measure of the country's ability to service its debt from revenues, was J\$39.97 billion in 2011/12. For FY2012/13, the GOJ is targeting a primary surplus of J\$60 billion. For Apr-May 2012/13, the primary surplus was

J\$6.12 billion which was -J\$1.143 billion less than the J\$7.36 billion recorded for the corresponding period of FY2011/12.

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

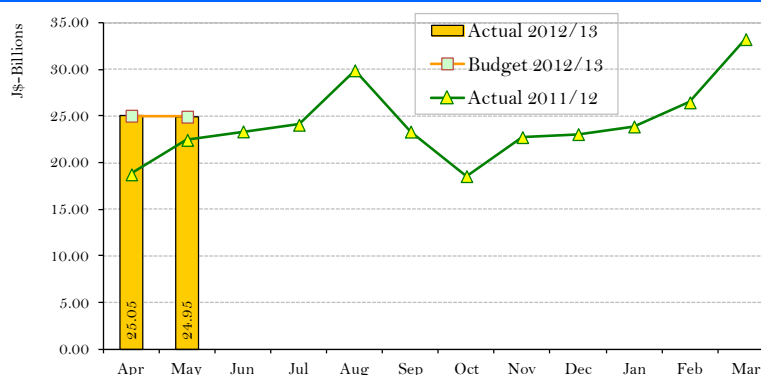
During June 2012, market capitalization decreased by -J\$29.5 billion or 4.8% to close at J\$582.9 billion. Four of five indices on the Jamaican Stock Exchange declined during the month and one was unchanged. The main **JSE Market Index** declined by 993.0 points or -1.12% to close at 87,389 points. The **JSE All Jamaican Composite** declined by 1,661.6 points or -1.82% to close at 89,652 points. The **JSE Select Index** declined by 45.5 points or -1.78% to close at 2,510 points while the **JSE Cross Listed Index** of mostly foreign companies operating in Jamaica, was unchanged at 785.3 points. The **JSE Junior Market Index** was the only index advancing during the month gaining 7.55 points or 1.18% to close at 648.2 points.

Market volume was quite heavy in June 2012 with 211 million units valued at J\$1.4 billion changing hands compared to 209 million units valued at J\$5.4 billion changing hands during May 2012.

Overall market activity resulted from trading in 47 stocks of which 17 advanced, 25 declined and 5 traded firm. Kingston Wharves Ltd. was the market leader with 58.38 million units or 27.7% of market volume; followed by Cable & Wireless Jamaica Ltd. with 20.76 million units; while the Gleaner Company Ltd. was third with 15.9% of market volume or 33.58 million units changing hands.

The leading advancers year to date are: Pulse Investments, Salada Foods Jamaica, GraceKennedy Ltd, Barita Investments Ltd and Kingston Wharves. Services Ltd. The leading decliners are: Ciboney Group, Caribbean Cement Company Ltd, The Gleaner Company, Pan Caribbean Fi-

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



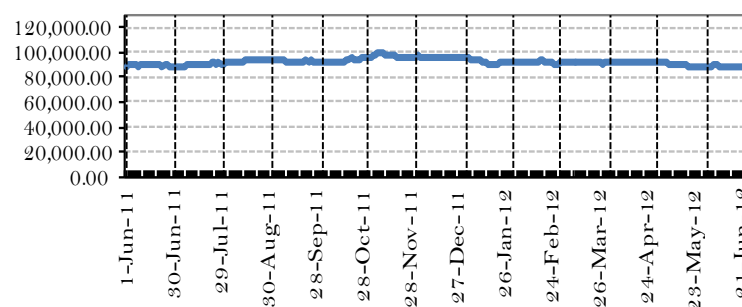
Source: Ministry Of Finance and Planning (Jamaica)

Table 12: Leading Sources of Revenues and Expenditure YTD

J\$-Millions	Apr-May 2012/13
Revenue	
PAYE	10,071.0
GCT (Local)	9,984.7
GCT (Imports)	7,338.7
SCT (Imports)	5,092.1
Education Tax	2,470.7
Revenue Deviations YOY	
Tax on Interest	1,852.5
SCT	1,102.6
PAYE	717.5
Custom Duty	404.6
Capital Revenue	-2,055.7
Main Items of Expenditure	
Wages & Salaries	27,772.9
Recurrent Programmes	12,756.1
Domestic Interest	10,387.6
External Interest	4,197.4
Capital Programmes	3,349.6

Source: Ministry Of Finance and Planning (Jamaica)

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



Source: Jamaica Stock Exchange (Online Database) and PSQJ

financial Services and Jamaica Money Market Brokers.

Economic Highlights

(contd. from page 1.)

The Global Economy

Swarming recessionary forces now seem to be engulfing the last few bright spots in the global economy. Over the previous four quarters, de-

spite the troubles engulfing Europe, and the up and down struggles of China with overheating and deflation, the United States economy had shown steady if unspectacular growth. During the first quarter of 2012, US economic performance appears to have peaked. Non-farm Payrolls (NFP) were 275,000 and 240,000 in January and in February 2012 respectively, though 2012 GDP growth was downwardly revised to 1.9%. In March 2012 however, non-farm payrolls dropped sharply to 120,000 and several other indicators since, most notably, retail sales and manufacturing have been showing such weakness that notable investment houses like PIMCO - the world's largest bond-traders - are now arguing that they are signaling impending recession in the US.

	April	May	Jun
Retail Sales	0.1%	-0.2%	-0.5%

NFP	68k	77k	80k
-----	-----	-----	-----

In addition to the retail and NFP data, four of five regional Purchasing Man-

of 711,000. The 1.5% preliminary reading of US Q2 GDP, though in line with expectations and generating relief that it was not worse, confirms the general weakness of the US economy.

In China, the data in June 2012 was also slightly weaker than the previous month, reinforcing perceptions that growth is moderating. China's Q2 2012 GDP of 7.8% was slightly weaker than the 7.9% expected and weaker than the 8.1% recorded during the previous quarter. China's 'Purchasing Manager's Index (PMI) Manufacturing' for June 2012, though beating forecasts for contraction, came in only slightly above expansion levels at 50.2%. China's Industrial Production (10.5%); Retail Sales (13.7%); and Fixed Assets Investment (20.4%) were however roughly in line with expectations.

But while China's trade balance rose strongly in June 2012 to US\$31.7 billion, handily beating forecasts for a rise of US\$24.0 billion, the sharp fall-off in imports growth (6.3% relative to expectations of a 11.0% rise), was quite worrying to market watchers. China's has been the engine driving the global recovery since 2009 through its importing of raw materials and other commodities from the rest of the world, and analysts view any slackening off of China's import growth as worrisome.

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

	31- Dec '11	31- June - 12	\$ change	% change
Top Five (unadjusted for dividends or transact. Costs)				
Access Financial Services	4.60	4.78	0.18	3.91%
Cargo Handlers Ltd.	13.05	13.50	0.45	3.45%
Lasco Distributors Ltd.	13.45	13.80	0.25	2.60%
Bottom Five (unadjusted for dividends or transact. Costs)				
Lasco Financial Services	6.24	4.25	(1.99)	-31.89%
General Accident Ins. Co	2.50	1.86	(0.64)	-25.60%
Honey Bun Ltd.	5.50	4.21	(1.29)	-23.45%
Jamaican Teas Ltd.	5.01	3.89	(1.12)	-22.36
Lasco Manufacturing Ltd.	13.93	11.05	(2.88)	-20.67%

Source: Compiled from the JSE

agers Indices (PMI) - which are forward looking indicators of future economic activity - have recorded weaker than expected performance during Q2 2012. Another possible sign of encroaching recessionary currents, of 104 companies in the Standard and Poor 500, that had released earnings reports as of July 20th 2012, while 74% re-

ported earnings that beat mean estimates, only 45% have reported sales above the mean estimates. Only the beaten down housing sector in the US is now appearing as a ray of hope showing increasing signs of stabilization. 'Housing Starts' were 760,000 in June 2012, beating expectations for a 745,000 rise and the previous out-turn

The situation in Europe continued to be most worrisome for investors. Despite the bailout and the victory of pro-bailout parties in the recent Greek elections some analysts are anticipating that Greece may still have to leave the Euro-zone. Their argument continues to be that the bailout terms are so constraining of growth that Greece will not generate the revenues to commence the virtuous cycle of reducing the fiscal deficit, reducing borrowing and promoting growth.

Added to the worries about Greece, the simmering concerns that Spain will soon join the list of countries (Portugal, Ireland, and Greece) needing a bailout has begun to roil markets. The impetus for that nervousness are reports that six more Spanish regions were poised to ask the Spanish Government for financial assistance following such a request by Valencia in recent days. Longstanding worries about the weakness of Spanish banks loaded up on Government debt have added fuel to those concerns.

As for the other indebted sovereigns in Europe, Spain's crises of confidence with the markets has been reflected as an acute funding problem with rising borrowing costs. Short-dated Spanish government bond yields have surged

with the yield on the two-year bond climbing around 89 basis points to 6.51% in recent days. The five-year bond rose to 7.28%, the first time it traded above 7% since the euro's inception; while the 10-year yield continued to climb, albeit at a more modest pace, trading up at a fresh euro-era high of 7.45%. To recall, rates above 7% are generally regarded as unsustainable requiring a bailout.

Given the serial evolution of the Euro-zone crisis, concerns have heightened in relation to Italy with the yields on 10 year Italian Government debt rising to 6.35%. At the same time, in their desperate flight to safety, investors are now willing to pay the German Government to park their money with yields on 12 month German bonds falling to -0.054%.

The unity project in Europe is now said to be at a crucial crossroads, with one road leading to disintegration, and the other a much tighter fiscal, as well as, monetary union. The lingering hope is that the former would be so disastrous for the global economy, it cannot be contemplated as a real possibility, leaving only a slow, dithering process towards fiscal union.

INFLATION (JUN - 2012) - CPI

APPENDIX

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	0.55%	0.547		
FOOD AND NON-ALCOHOLIC BEVERAGES	1.76%	0.659	1	
Food	1.84%			
Bread and Cereals	0.87%			
Meat	0.88%			
Fish and Seafood	3.28%			
Milk, Cheese and eggs	7.21%			
Oils and Fats	0.47%			
Fruit	1.22%			
Vegetables and Starchy Foods	1.33%			
Vegetables	0.61%			
Starchy Foods	3.45%			
Sugar, Jam, Honey, Chocolate and Confectionery	0.69%			
Food Products n.e.c.	0.97%			
Non-Alcoholic Beverages	0.55%			
Coffee, tea and Cocoa	0.58%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	0.62%			
ALCOHOLIC BEVERAGES AND TOBACCO	0.86%	0.012	8	
CLOTHING AND FOOTWEAR	1.29%	0.043	4	
Clothing	0.94%			
Footwear	1.65%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	-2.24%	-0.286	12	
Rentals for Housing	0.00%			
Maint and Repair of Dwelling	1.35%			
Water Supply and Misc. Serv Related to the Dwelling	1.28%			
Electricity, Gas and Other Fuels and Routine	-4.34%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	1.08%	0.053	3	
Furniture and Furnishings (including Floor Coverings)	2.03%			
Household Textiles	0.36%			
Household Appliances	3.79%			
Glassware, Tableware and Household Utensils	0.62%			
Tools and Equipment for House and Garden	0.31%			
Goods and Serv. for Routine Household Maint	0.46%			
HEALTH	0.48%	0.016	7	
Medical Products, Appliances and Equipment	0.23%			
Health Services	0.66%			
TRANSPORT	-0.60%	-0.078	11	
COMMUNICATION	0.00%	0.000	9	
RECREATION AND CULTURE	1.65%	0.055	2	
EDUCATION	0.00%	0.000	9	
RESTAURANTS AND ACCOMMODATION SERVICES	0.65%	0.040	5	
MISCELLANEOUS GOODS AND SERVICES	0.35%	0.029	6	

INFLATION YTD (JAN - JUN 2012) CPI

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	3.14%	3.143		
FOOD AND NON-ALCOHOLIC BEVERAGES	4.73%	1.770	1	
Food	4.79%			
Bread and Cereals	2.47%			
Meat	4.55%			
Fish and Seafood	6.33%			
Milk, Cheese and eggs	10.59%			
Oils and Fats	4.98%			
Fruit	4.76%			
Vegetables and Starchy Foods	3.83%			
Vegetables	4.94%			
Starchy Foods	1.52%			
Sugar, Jam, Honey, Chocolate and Confectionery	4.03%			
Food Products n.e.c.	4.35%			
Non-Alcoholic Beverages	3.69%			
Coffee, tea and Cocoa	5.69%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	2.92%			
ALCOHOLIC BEVERAGES AND TOBACCO	2.29%	0.032	10	
CLOTHING AND FOOTWEAR	4.68%	0.156	6	
Clothing	4.38%			
Footwear	5.06%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	1.26%	0.161	4	
Rentals for Housing	1.33%			
Maint and Repair of Dwelling	5.94%			
Water Supply and Misc. Serv Related to the Dwelling	3.15%			
Electricity, Gas and Other Fuels and Routine	0.35%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	3.21%	0.158	5	
Furniture and Furnishings (including Floor Coverings)	5.16%			
Household Textiles	2.73%			
Household Appliances	6.48%			
Glassware, Tableware and Household Utensils	3.91%			
Tools and Equipment for House and Garden	1.45%			
Goods and Serv. for Routine Household Maint	2.23%			
HEALTH	1.37%	0.045	9	
Medical Products, Appliances and Equipment	1.48%			
Health Services	1.32%			
TRANSPORT	1.61%	0.206	3	
COMMUNICATION	0.00%	0.000	12	
RECREATION AND CULTURE	3.14%	0.105	8	
EDUCATION	0.39%	0.008	11	
RESTAURANTS AND ACCOMMODATION SERVICES	2.04%	0.126	7	
MISCELLANEOUS GOODS AND SERVICES	3.23%	0.270	2	

FISCAL ACCOUNT (APR-MAY 2012/13)

REV. & EXPEN. (APR-MAY '12/13)	J\$m	PROVISIONAL RESULTS	BUDGET DEVIATION	J\$m	YOY - CHANGE
Revenue & Grants	49,995.4			4,277.50	
Tax Revenue	47,322.4			6,105.30	
Non-Tax Revenue	2,363.7			504.40	
Bauxite Levy	228.7			-110.60	
Capital Revenue	61.4			-2,055.70	
Grants	19.1			-165.80	
Expenditure	58,463.6			6,154.30	
Recurrent Expenditure	55,114.0			6,271.80	
Programmes	12,756.1			-334.30	
Wages & Salaries	27,772.9			5,872.70	
Interest	14,585.0			733.40	
Domestic	10,387.6			1,567.50	
External	4,197.4			-834.20	
Capital Expenditure	3,349.6			-117.50	
Capital Programmes	3,349.6			-117.50	
IMF #1 Account	0.0			0.00	
Fiscal Balance (Surplus [+])ve)	-8,468.2			-1,876.90	
Loan Receipts	24,295.7			-3,866.10	
Domestic	23,387.2			-4,095.10	
External	908.4			229.10	
Divestment Proceeds	0.0			0.00	
Amortization	6,844.8			-33,532.40	
Domestic	2,528.2			-79.40	
External	4,316.6			-33,453.00	
Overall Balance (Surplus [+])ve)	8,982.6			27,789.40	
Primary Balance (Surplus [+])ve)	6,116.8			-1,143.40	

REV. & EXPEN. (APR-MAY '12/13)	J\$m	PROVISIONAL RESULTS	BUDGET DEVIATION	J\$m	YOY - CHANGE
Revenue & Grants	49,995.4			4,277.5	
Tax Revenue	47,322.4			6105.3	
Income and profits	13,270.1			2880.1	
Bauxite/alumina	0.0			0	
Other companies	1,086.3			250.7	
PAYE	10,071.0			717.5	
Tax on dividend	219.9			23.8	
Other individuals	423.2			35.6	
Tax on interest	1,469.7			1852.5	
Environmental Levy	366.1			-33	
Production and consumption	16,673.4			2917.4	
SCT	1,986.7			1102.6	
Motor vehicle licenses	300.2			17.8	
Other Licenses	66.0			-16.5	
Betting, gaming and lottery	335.7			74.4	
Education Tax	2,470.7			212	
Contractors levy	200.9			61.5	
GCT (Local)	9,984.7			1142	
Stamp Duty (Local)	1,328.7			323.7	
International Trade	17,012.8			340.7	
Custom Duty	3,661.9			404.6	
Stamp Duty	284.9			21	
Travel Tax	635.1			-157.8	
GCT (Imports)	7,338.7			578	
SCT (Imports)	5,092.1			-505	
Non-Tax Revenue	2,363.7			504.4	
Bauxite Levy	228.7			-110.6	
Capital Revenue	61.4			-2055.7	
Grants	19.1			-165.8	

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	3.1	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	2,409,355	0.50	1.68	0.3	87.30	6.47	18.12	2.10	n/a	n/a
Apr	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
May	83,738.1	-1.45	n/a	n/a	1,718.8	n/a	0.5	2.6	n/a	88.12	6.39	17.93	2.10	n/a	n/a
Jun	84,337.4	0.72	n/a	n/a	1,540. 4	n/a	0.6	3.2	n/a	88.70	6.51	17.46	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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