



PSOJ MONTHLY ECONOMIC BULLETIN



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Economic Highlights

Investor and Consumer Confidence Improving Locally, More Volatile Abroad.

Much of the economic discourse in June revolved around consumer and investor sentiment at home and abroad. In Jamaica, the Conference Board of the Jamaica Chamber of Commerce reported that the Index of Business Confidence increased by 15 points to 114.0 points during the second quarter of 2010, up from 99.0 points during the first quarter of 2010, but still below the 117 points recorded in Q1 of 2008. The Index of Consumer Confidence for its part, climbed by 12 points from the two year low of 90.8 points during the first quarter of 2010 to 102.1 points during the second quarter of 2010.

Only 13% of firms reported better than anticipated profits in 2009, compared to 40% who reported lesser profits than anti-

cipated. But in Q2 2010, many business persons felt cautiously optimistic about the prospects for the overall economy and their own firms finances citing the easing-global recession and ongoing changes in government economic policies under the IMF Standby Agreement. Still, though many business persons believed that the economy was headed in the 'right direction' they cautioned, that there was still a long way to go before they would consider economic conditions favourable.

Among all firms, 52% expected the economy to improve during the year ahead up from 34% in Q1 of 2010. Forty-one percent (41%) cited positive plans for new or additional investments—the highest level in 18 months; and 42% expected to make higher profits within the next 12 months. In addition, 49% expected their companies balance sheets to strengthen in the year ahead, up from 43% in Q1 2010 and 34% in the last quarter of 2009.

Consumer sentiment mirrored the same cautious optimism as companies, but with a lower level of optimism. The Conference Board reported that while consumer confidence rebounded by 12 points in Q2 2010 to equal the Q4 2009 reading of 102 points, consumer confidence remains well below the 126.7 averaged in 2008 and the 135.6 averaged in 2007. Further, while sentiment about current conditions outpaced future expectations among the business community, the situation was reversed in relation to consumer sentiment. Because the Q2 2010 gain in consumer confidence was almost entirely due to a 17.3% gain in the Index of Consumer Expectations while sentiment about current conditions actually declined by -2.6% from 87.4% in Q1 of 2010 to 85.1% in Q2.

The Conference Board reported that sentiment improved the most among residents of tourist areas and the least among Kingston residents. Consumers acknowledged continuing uncertainty about the full impact of GOJ policies and the con-

tinuing difficulties within the economies of our major trading partners.

The major improvement in (consumer) sentiment seems to be that consumers now believe that the economy has bottomed out, and have "switched from anticipating further declines to expecting some improvements during the year ahead", according to the Conference Board.

While 90% of consumers reported that jobs were scarce and hard to get, about 25% expected more jobs to be available during the year ahead—the highest level since Q2 of 2009. While income prospects have improved from the lowest levels ever recorded in Q1, income expectations are still the worst in seven years and one in four consumers expect income declines in the year ahead. Reflecting the continuing cautious mood, spending plans have recorded small increases in the past two quarters, but are generally below last years levels. Home buying plans were reported by 10%, compared to 12% one year ago. Consumers planning vacations rose to 32%, but were below the peak of 38% recorded in 2009; plans to purchase vehicles were reported by 18% of consumers, up from 17%, one year ago.

Roller-coaster Sentiment Aboard

While sentiment in Jamaica seems to have risen cautiously but steadily, during Q2 of 2010, consumer and business sentiment abroad has undergone much more volatile and wide up and down swings. During Q1 2010, while the bulls and the bears contended keenly as to whether the global economy would continue in recession or return to growth, the economic data surprised to the upside, especially in the United States.

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★ **No new updates since previous issue**



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Net International Reserves (NIR)

During the month of June 2010, Net International Reserves increased by US\$120.17 million to US\$1,795.76 million compared to US\$1,675.59 million at the end of May 2010. This was largely due to an increase in foreign assets of US\$187.67 million to US\$2,526.7 million due to a second tranche disbursement of US\$93 million from the IMF to the GOJ under the Stand-by Agreement and open market purchases of the US dollar by the BOJ to mitigate the appreciation of the Jamaican dollar. A US\$67 million rise in foreign liabilities during the month to US\$730.9 million from US\$663.5 million in May 2010 insufficiently offset the rise in foreign assets, thus resulting in the increase in the NIR.

At current levels, gross reserves are adequate to finance 25.35 weeks of “goods” imports or 18.6 weeks of “goods and services” imports well above the 12 weeks international benchmark of reserves adequacy.

Foreign Currency Deposits

During May 2010, foreign currency deposits (FCD's) in the local financial system increased marginally by US\$3.72 million to US\$2.325 billion compared to US\$2.321 billion at the end of April 2010. The increase in May largely resulted from an increase in FCD's of US\$3.72 million in merchants banks as an increase of \$6.7 million in commercial banks was cancelled out by an decrease of -US\$6.6 million in building societies.

The BOJ explains the steady levels of FCD's in recent months as due to an improvement in investor confidence following upon the success of the JDX, which may be motivating less risk-averse behavior such as the holding of idle foreign currency balances.

Foreign Exchange Rate

US DOLLAR: During the month of June 2010, there was an even sharper appreciation of the Jamaican dollar against its US counterpart of J\$2.48 to J\$86.02 per US\$1 following a J\$0.59 cents appreciation during May 2010. Since March 2009, the J\$/USD ex-

Table 1: Changes in the NIR

	US\$M NIR	Change US\$M			Imports (Weeks)
		Mthly	12 Mth	YTD	
June-10	1,795.76	120.17	176.35	66.41	25.35
June-09	1619.41	-52.34	-609.39	-153.53	18.53

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

	US\$000 Jun 10	Change (US\$000)		% Change	
		mthly	12 mth	mthly	12 mth
Commercial Banks	1,737,257	6,709	46,506	0.39	2.75
Building Societies.	491,742	-6,605	11,153	-1.34	2.32
Merchant Banks	96,016	3,616	-22,354	3.77	-18.88
Total Deposits	2,325,015	3,720	35,305	0.16	1.54

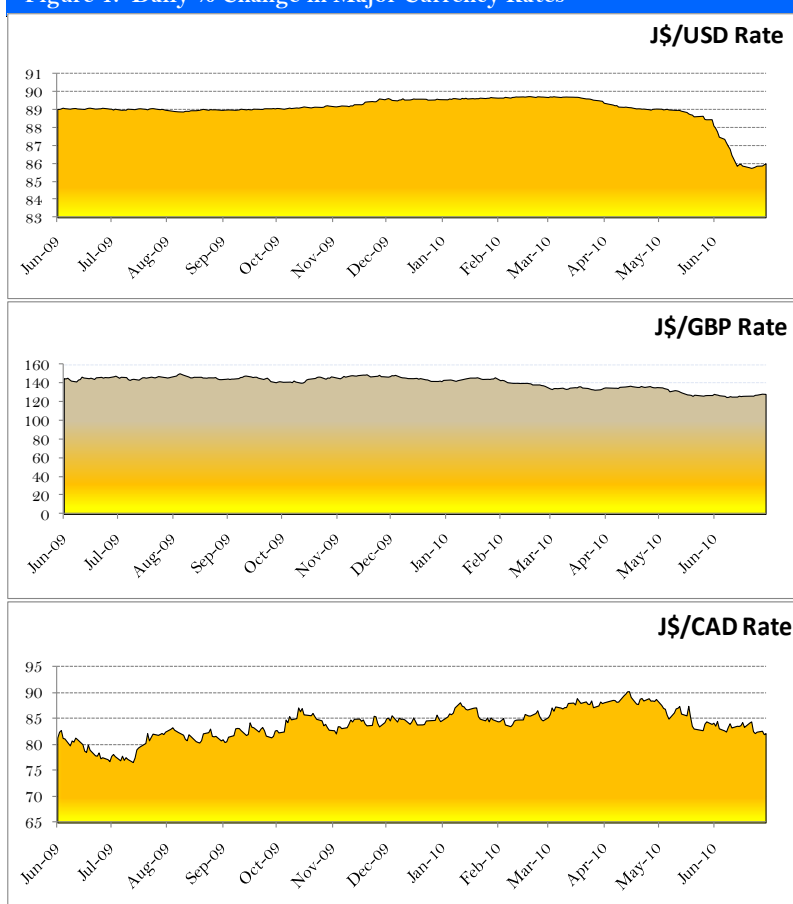
Source: Compiled from the BOJ (Preliminary)

Table 3: Foreign Exchange Trends

	YTD Currency Rate Change (Dec 31, 2009—06/30/10) *					
	J\$ / US\$	%	J\$ / UK£	%	J\$ / Can\$	%
2010	-3.58	-3.99	-14.97	-10.43	-2.30	-2.7
2009	8.60	10.69	31.24	26.74	11.30	17.2
2008	1.27	1.80	2.23	1.59	0.10	0.14
	June 2010					
Actual Rate	86.02	-2.78	128.58	0.94	82.26	-2.11
Mth Change	-2.46	-2.78	1.20	0.94	-1.78	-2.11

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

Figure 1: Daily % Change in Major Currency Rates



Source: Bank of Jamaica Database (BOJ)

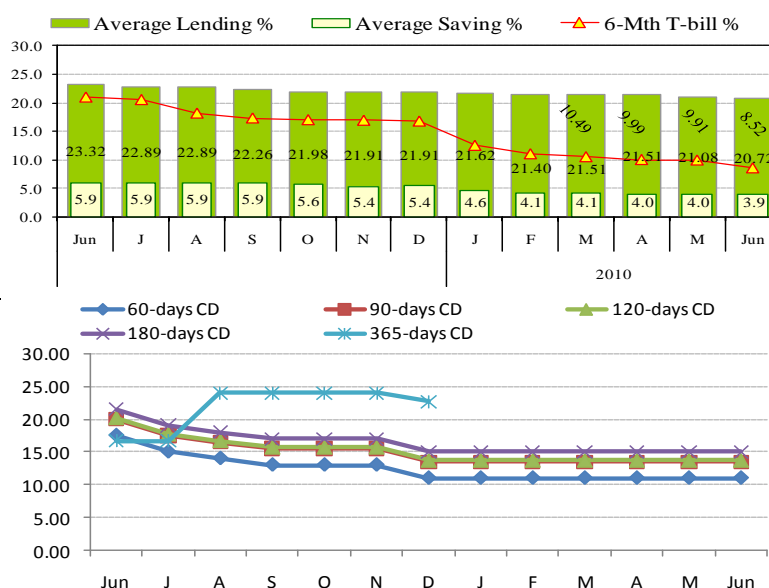
change rate has been very stable fluctuating by 5-8 cents per month, or less than 0.01%, during 2009. Since the beginning of March 2010 however, after the successful implementation of the JDX and the signing of the GOJ/IMF Agreement, the appreciation of the J\$ has accelerated against the USD. In March 2010, the J\$ appreciating 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 March 2010, the J\$ has appreciated by \$3.74 against the USD or 4.2%.

Many are now concerned, that the appreciation of the J\$ could increase Jamaica's internal cost structure, impair the external price competitiveness of the country's exports, and deleteriously affect our balance of payments by making our imports cheaper and exports more expensive. Possibly responding to those concerns, during June 2010, the BOJ intervened in the foreign exchange market purchasing US\$30 million. Considering that many of Jamaica's exports however, are already priced in USD there should be no automatic rise in our export prices due to the appreciation of the Jamaican dollar. But exporters converting foreign earnings to pay Jamaican dollar obligations and persons receiving remittances will likely be disadvantaged by the appreciation of the Jamaican dollar.

POUND & CANADIAN DOLLAR: As for the USD, during June 2010, the J\$ extended its sharp appreciation against GBP by J\$14.97 or 10.43% following a 6.2% rise in April 2010. Against the CAD, the J\$ appreciated by J\$2.30 or 2.72%, following a 5.4% rise in April 2010. Overall, since the beginning of January 2010 to end of June 2010, the J\$ has appreciated by J\$15.43 or 10.7% against GBP and by J\$4.65 or 5.4% against the CAD.

The significant appreciation of the J\$ against all three currencies—the USD, GBP and CAD is very likely due to changing perceptions of Ja-

Figure 2A & 2B: Interest Rate Movements



Source: Bank of Jamaica Database (BOJ preliminary)

Table 4: Interest Rate Movements

	Jun-10	Change (%age pts)		
		Monthly	12-Mth	YTD
30-days CD	9.50%	-0.50%	-7.50%	-1.00%
60-days CD	11.00%	0.00%	-6.50%	0.00%
90-days CD	13.50%	0.00%	-6.50%	0.00%
120-days CD	13.70%	0.00%	-6.50%	0.00%
180-days CD	15.00%	0.00%	-6.50%	0.00%
Avg Savings Deposit	3.90%	-0.13%	-1.97%	-1.50%
Avg Loan Rate	20.72%	-0.36%	-2.60%	-1.19%
6-Month T-Bill	8.52%	-1.39%	-12.53%	-8.28%

Source: Bank of Jamaica (BOJ Preliminary)

maica's economic prospects following the success of the JDX, and the implementation of the IMF Agreement and the strong support to the NIR provided by loans from the multilaterals lending agencies.

Interest Rates

During June 2010, the downward movement of Jamaica's interest rates became more wide ranging. 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 825 on the 6-month t-bi, and as of July 28, 2010 stood at 8.32% and 8.73% respectively. While rates have moved down on other instruments and tenors, the movement has been smaller and more jerky. But in June 2010 there was more decisive downward movement on a wider range of instruments.

Citing the downtrend in Jamaica's inflation and the adequacy of net international reserves, the BOJ slashed 50 bps from its 30 day CD to 9.5% with effect from June 3, 2010. Effective June 17 it slashed an additional



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50 bps from the same instrument reducing the interest rate to 9%. Now, commercial rates have also begun to move in a decidedly downward direction. In July, the three largest banks in the country announced substantial cuts in their base lending rates ranging from 225 to 300 bps. This would bring those rates within the 16.5% to 17% range from above 20%.

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

During April 2010, M3J, broad Jamaica Dollar money supply increased by 3.7% in contrast to declines over the previous three months. The increase in M3J in April resulted from increases in net domestic credit to the public and private sectors as well as build-up in savings and time deposits. M3 - the measure of money supply that includes foreign currency deposits increased by 2.7%, relative to a decline of -5.11% recorded in March 2010. The increase in M3 in April 2010 reflected increases in all components of M1 and Quasi money. Of the M1 components, 'Currency with the Public' increased by 7.01% and 'Demand Deposits' increased by 0.36%. The 1.73% increase in 'Quasi' was contributed to

Table 5: Base Money and Money Supply

	J\$M	Percentage Change (%)	
	April-10	Mthly	12 Mth
M1	103,004.05	2.81	2.86
Quasi Money	229,692.90	1.73	2.79
M2	332,696.95	2.07	2.81
	June '10	Mthly	12 Mth
Base Money	77,757.84	-4.02	6.96

Source: BOJ Economic Statistics

Table 6: Inflation Trends

	% Percent Changes			
	June	12-Mth	YTD	Fiscal
2010	0.63	13.17	6.85	2.62
2009	1.43	8.98	4.03	2.75

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

Table 7: Mining Production

	000 tonnes			YTD	
	June-10	June-09	%	June-10	10/09 %
Production					
Alumina	113.6	118.2	-3.92	683.7	-36.8
C. Bauxite	345.8	136.1	154.0	2,112.8	64.5
Export					
Alumina	140.6	146.8	-4.23	691.4	-35.62
C. Bauxite	316.2	157.5	100.8	2,076.5	60.4

Source: Jamaica Bauxite Institute (JBI)

by a 5.7% and 0.4% increases in 'Time Deposits' and 'Saving' deposits respectively.

In June 2010, the monetary base contracted by -4.02%, to J\$877,757 billion relative to the previous month. Year over year the increase is 6.96% which is faster than the 8.6% average for FY2009/10

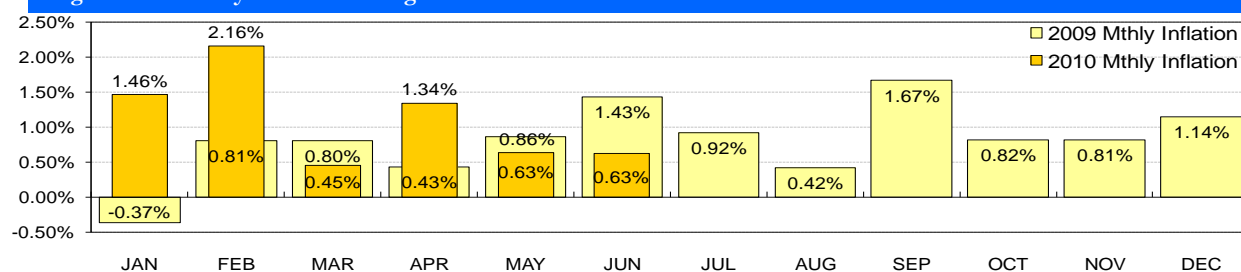
Inflation

The inflation rate in June 2010 was a moderate 0.63% - the same rate recorded for May 2010. Of the 10 divisions within the CPI, "Food and Alcoholic Beverages" was the only division to record an increase above 1 percent - 1.2% in that case.

"Transport" recorded a decline of 0.4%, while "Education" and "Communication" were flat for the month. Four (4) divisions - "Health", "Recreation and Culture", "Restaurants and Accommodation Services" and "Housing, Water, Electricity, Gas and Other Fuels" recorded very slight increases of 0.1%, while the other three divisions recorded moderate increases of 0.6% to 0.8%.

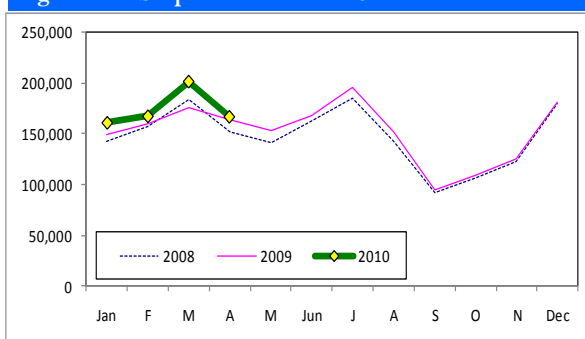
The 1.2% increase in the division 'Food and Non-Alcoholic Beverages', which carries the highest weight in the index, was contributed to by increases of 3.0% for 'vegetables and starchy foods'; 1.9% for 'fats and oils';

Figure 3: Monthly Inflation Changes



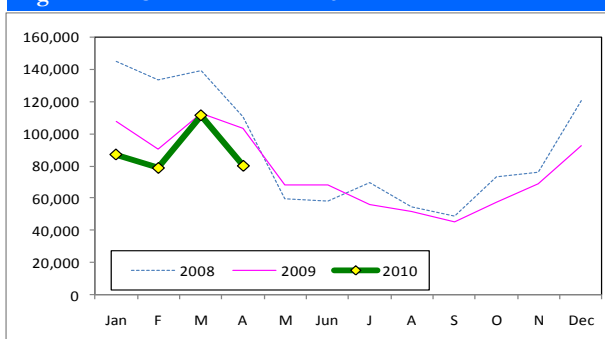
Source: STATIN and PSQJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

and 1.4% for 'fruits'; while 'non-alcoholic beverages' as a group increased by 1.0%. The 0.8% increase in the division "Clothing and Footwear" was due to increases of 0.8% and 0.9% in the groups 'clothing' and 'footwear' respectively. The 0.4% decline in the "Transport" division was mainly due to falling prices for petroleum products.

The inflation rate for the calendar year to date was 6.8%, in comparison to the 4.0% that was recorded in the corresponding period in 2009. The movement for the period June 2009 to June 2010 (point-to-point) was 13.2 per cent while, the fiscal year to date increase was 2.6 per cent.

Bauxite & Alumina

Production of alumina in June 2010 amounted to 113,611 tons compared to 118,249 tons in April 2009 - a 3.9% decline. For its part, production of crude bauxite in June 2010 increased by 154% to 345,764 tons compared to 136,125 tons produced in April 2009. For the first six months of 2010, alumina production is down by -36.8% to 683,669 tons and alumina exports by -35.6% to 691,421 tons compared to the same period of 2009. Reflecting the beginning of an upturn in the industry, production of crude bauxite is up by 64.5% to 2.113 million tons year to date, compared to 1.284 million tons for the corresponding 6-month period of 2009. Bauxite exports are likewise up 60.4% to 2.076 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 the GOJ is said to be moving to revitalize production arrangements with UC RUSAL and

Tourist Arrivals

	2009	2010	%Change	
	YTD (Jan-Apr)		YTD - YOY	Apr. 09/10
Stopover	649,187	696,889	7.35	0.02
Foreign	606,327	653,552	7.79	0.03
Non-Resident	42,860	43,337	1.11	-0.11
Cruise	414,204	357,409	-13.71	-0.23
Total Arrivals	1,063,391	1,054,298	-0.86	-0.08

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

to finalize a deal with the Chinese company Hong Fan for the sale of GOJ equity in Windalco, though there is controversy surrounding the contracting procedures in the latter deal.

Tourism

Stopover arrivals in April 2010 were 166,955—an increase of 1.7% over the 164,090 recorded in April 2009. However, the number of cruise passengers visiting the island in April 2010 declined markedly by -22.6% to 80,116 compared to 103,484 in April 2009. For the first four months of calendar year 2010, 47,702 more stopover arrivals or 696,889 visitors came to Jamaica marking a 7.4% increase over the corresponding period of 2009 when there were 649,187 stopover visitors to the island. For 2010, the GOJ is targeting 2 million stopovers.

For the first four months of 2010, stopovers from the United States increased by 9.3% to 427,320, compared to 390,845 for the corresponding period of 2009, and the US share of stopover arrivals increased from 60.2% a year earlier to 61.3%.

The Canadian market continued on a growth trend, recording an increase of 10.6% for the first four months of 2010 with 159,428 stopovers, compared to

144,171 in 2009. This amounted to a small 0.7% increase to 22.9% in the market share of visitors from Canada. Visitors from Europe, including the UK, increased by 0.4% to 85,303 compared to 84,966 for the same period last year, marking a slight 0.7% percentage point decrease in their market share to 12.24%. However, stopover visitors from the Caribbean decreased more markedly by 15.0% to 17,050 compared to 20,051 for the first four months of 2009; and there was also a substantial 10.6% decrease in visitors from Latin America to 4,296.

Cruise visitors to the Island for the first four months of 2010 was down 13.7% to 357,409 visitors compared to 414,204 for the same period in 2009. Total Visitors to the island for the January to April 2010 period was 1,054,298 marking a slight -0.8% decrease relative to the 1.063 million visitors for the same period of 2009.

External Trade

Indicating signs of a rebound in trade, Jamaica's exports increased by \$21.9 million or 6.6% to US\$354.7 million during the first quarter of 2010, compared to US\$332.8 million for the corresponding period of 2009. Possibly confirming a rebound in

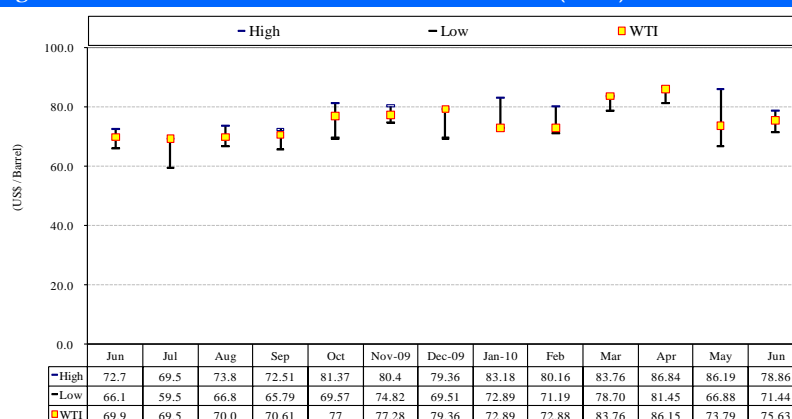
trade and the economy, the rate of decline of imports, which fell by a hefty 39.4% in 2009, also lessened considerably in Q1 2010. For the quarter, imports declined by -4.9%, that is by -US\$59.5 million to US\$1.166 billion compared to US\$1.225 billion in Q1 2009. Even, with the decline in imports, considering the traditional wide gap between the country's imports and exports, the resultant trade balance in January 2010 was -US\$810.9 million compared to -US\$892.3 million for the January 2009 –marking a US\$81.45 million reduction in the negative trade balance.

Traditional Exports: During Q1 2010, traditional domestic exports earned US\$158.93 million, a decline of -US\$38.8 million below the amounts recorded for January 2009. The share of traditional exports in total domestic exports also declined from 59.4% in Q1 2009 to 44.8% in 2010. Agricultural exports, which were the only group among our traditional exports to grow in 2009, did not start 2010 so well, declining by -37.4% to US\$6.97 million in Q1 2010, from US\$11.13 million in Q1 2009, largely due to a steep -47% drop in coffee exports. Still, exports of “Coffee” valued at US\$5.07 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 in Q1 of 2010, but at the significantly slower rate of -17.7%. Exports from this group amounted to US\$115.08 million, accounting for 72.4% of total Traditional Domestic Exports. Of this, “Alumina” earned US\$84.6 million about US\$34.9 million less than the amount earned in Q1 2009. “Bauxite” exports however, earned US\$30.5 million, increasing by US\$10.3 million or 51.1%.

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. In Q1 2010, the “Manufacture” group earned US\$36.9 million, about US\$10 million less than the US\$46.8 million earned in Q1 of 2009. This was primarily attributable to a US\$14.6 million decline in exports of “sugar” from US\$37.8 million in

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



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

Table 9: External Trade (US\$M)

	Jan-Mar '09	Jan-Mar '10	Change	% Change
TOTAL EXPORTS (fob)	332.75	354.68	21.93	6.6%
Major Traditional Exports	197.75	158.93	-38.82	-19.6%
<i>by Sector:-</i>				
Agriculture	11.13	6.97	-4.16	-37.4%
Mining & Quarrying	139.77	115.08	-24.70	-17.7%
Manufacturing	46.84	36.88	-9.96	-21.3%
<i>by Industry:-</i>				
Bauxite	20.17	30.48	10.31	51.1%
Alumina	119.51	84.60	-34.92	-29.2%
Sugar	37.83	23.25	-14.57	-38.5%
Rum	8.51	12.30	3.78	44.5%
Bananas	-	-	0.00	0.0%
Coffee	9.56	5.07	-4.49	-47.0%
Other	2.16	3.23	1.07	49.4%
Non-Traditional Exports	114.21	173.69	59.48	52.1%
Re-exports	20.80	22.07	1.27	6.1%
TOTAL IMPORTS	1,225.09	1,165.57	-59.52	-4.9%
Food	225.78	181.50	-44.28	-19.6%
Beverages & Tobacco	19.80	18.24	-1.57	-7.9%
Crude Materials (excl. Fuels)	11.60	14.62	3.02	26.0%
Mineral Fuels, etcetera	304.74	393.13	88.38	29.0%
Animal & Vegetable Oils & Fats	10.61	3.91	-6.70	-63.2%
Chemicals	174.93	132.42	-42.50	-24.3%
Manufactured Goods	133.84	130.48	-3.36	-2.5%
Machinery and Transport Equip.	216.36	158.64	-57.72	-26.7%
Misc. Manufactured Articles	101.43	113.36	11.93	11.8%
Other	26.01	19.29	-6.72	-25.8%
TRADE BALANCE	(892.34)	(810.89)	81.45	-9.1%

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

Q1 2009 to US\$23.2 million in Q1 2010. “Rum” exports however increased by 44.5% from US\$8.5 million to US\$12.3 million.

Non-traditional exports accounted for 50.4% of exports by value in calendar year 2009 surpassing earnings from traditional exports. For the First

Quarter of 2010, non-traditional exports continued to outperform traditional exports, growing by 52% from US\$114.2 million in Q1 2009 to US\$173.7 million in Q1 2010. The share of non-traditional exports in total exports, also increased from 34.3% in Q1 2009 to 49% in 2010.

Earnings from non-traditional “Food” items improved from US\$27.9 million in Q1 2009 to US\$30.5 million in Q1 2010. Of this amount, Yams (the leading non-traditional food item), earned US\$4.6 million, a 4.7% increase above the US\$4.4 million earned in 2009. ‘Ackee’ - another leading non-traditional food export - grew by 21.1% from US\$2.5 million to US\$3.09 million; ‘Baked Products’ by 27.5% to US\$3.8 million from US\$2.9 million; ‘Sauces’ by 10.7% to US\$2.7 million; and ‘Juices excluding Citrus’ to US\$1.7 million. But ‘Dairy Products & Bird’s Eggs’ fell -16.8% to US\$2.6 million and ‘Meat Preparations’ by -24% to US\$662,000.

Exports of ‘Beverages & Tobacco (excl. Rum)’ fell by -7.8% in Q1 2010 to US\$13.3 million from US\$14.4 million in 2009. Of the amount, ‘Alcoholic Beverages (excl. Rum)’ accounted for US\$11.3 million, down -8.7% from US\$12.3 million a year earlier.

‘Crude Materials’ grew by 62% from US\$3.7 million in January 2009 to US\$6.02 million in January 2010, as the exports of all items in this group increased. Earnings from ‘Waste and Scrap Metals’ rose 32% to US\$3.5 million; ‘Limestone’ by 81% to US\$924,000, while ‘Other’ Crude materials increased to US\$1.6 million.

‘Other’ non-traditional exports also increased significantly during the review period, from US\$68.2 million in Q1 2009 to US\$123.9 million in Q1 2010—an 82% rise. Exports of ‘Mineral Fuels, etcetera’ grew from US\$56.1 million in the previous period to US\$92.8 million in the current period. ‘Chemicals (incl. Ethanol)’ also increased significantly from US\$9.4 million one year ago, to US\$27.5 million in Q1 2010.

Imports. The 39.4% decline in Jamaica’s imports observed in 2009 due to depressed domestic demand brought on by the global recession, continued during the First Quarter of 2010 though at a much abated rate of -4.9%. From US\$1.225 billion in Q1 2009, imports declined to US\$1.165 billion in Q1 2010. Apart from a 29% increase in imports of ‘Mineral Fuels’ to US\$393 million from US\$304.7 million, (likely due to higher oil prices); a 26% increase in ‘Crude Materials (excl. fuels); and a 11.8% increase in ‘Miscellaneous Manufactured Articles’ to US\$113.4 million, most other categories of imports ex-

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:

perienced declines. ‘Food’ imports were down by 19.6% from US\$181.5 million a year earlier; Chemicals were down 24.3% to US\$132.4 million; ‘Machinery and Transport Equipment’ down 26.7% to US\$158 million; and ‘Manufactured Goods’ down 28.7% to US\$38.4 million from US\$54.0 million in January 2009.

Oil: Unlike May 2010, when crude oil fluctuated within a wide US\$20 range reflecting the turmoil in global equities, commodities and financial markets sparked by fears about European sovereign debt, in June, crude fluctuated within a much narrower US\$7 band. At the end of June 2010, West Texas Intermediate (WTI) Crude Oil price stood at US\$75.63 per 42 gallon barrel - an increase in price of US\$1.84 compared to the closing price of US\$73.97 the previous month. During June 2010 the price ranged between a low of US\$71.44 and a high of \$US78.86 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.

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

Table 11: Fiscal Accounts (J\$ Million)

	Apr-May (Fiscal—2010/11)				Apr-May (YOY)	
	J\$ million		Deviation		09/10 - 10/11	
	Provisional	Budget	J\$M	(%)	J\$M	(%)
Revenue & Grants	46,119.3	48,030.5	-1,911.2	-3.98	8,370.6	22.2
Tax Revenue	37,627.9	39,200.5	-1,572.6	-4.01	2,728.6	7.8
Non-Tax Revenue	6,246.5	6,550.8	-304.3	-4.65	4,115.2	193.1
Bauxite Levy	11.7	78.1	-66.4	-85.02	-25.8	-68.6
Capital Revenue	1,572.1	1,599.2	-27.1	-1.69	1,193.3	315.0
Grants	661.2	601.8	59.4	9.87	359.6	119.2
Expenditure	56,562.9	61,894.4	-5,331.5	-8.61	-4,447.3	-7.3
Recurrent Expenditure	46,023.9	49,760.6	-3,736.7	-7.51	-10,937.5	-19.2
Programmes	10,943.8	12,446.3	-1,502.5	-12.07	-115.2	-1.0
Wages & Salaries	21,368.4	21,427.3	-58.9	-0.27	-178.9	-0.8
Interest	13,711.7	15,887.0	-2,175.3	-13.69	-10,643.5	-43.7
Domestic	10,418.7	10,994.9	-576.2	-5.24	-7,814.7	-42.9
External	3,293.0	4,892.1	-1,599.1	-32.69	-2,828.7	-46.2
Capital Expenditure	10,539.0	12,133.8	-1,594.8	-13.14	6,490.1	160.3
Capital Programmes	10,539.0	12,133.8	-1,594.8	-13.14	6,490.1	160.3
IMF #1 Account	0.0	0.0	0.0		0.0	0.0
Fiscal Balance (Surplus [+ve])	-10,443.6	-13,863.9	3,420.3	24.67	12,818.0	55.1
Loan Receipts	38,247.4	43,871.7	-5,624.3	-12.82	9,804.6	34.5
Domestic	32,911.0	39,357.3	-6,446.3	-16.38	6,643.1	25.3
External	5,336.4	4,514.4	822.0	18.21	3,161.5	145.4
Divestment Proceeds	0.0	0.0	0.0		0.0	0.0
Amortization	35,125.1	36,295.7	-1,170.6	-3.23	19,706.0	127.8
Domestic	32,114.6	33,292.8	-1,178.2	-3.54	19,753.3	159.8
External	3,010.6	3,002.9	7.7	0.26	-47.2	-1.5
Overall Balance (Surplus [+ve])	-7,321.3	-6,287.9	-1,033.4	-16.43	2,916.5	28.5
Primary Balance (Surplus [+ve])	3,268.1	2,023.1	1,245.0	61.54	2,174.6	198.9

Source: Ministry of Finance and Planning

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 two months of fiscal year 2010/11, the Government of Jamaica (GOJ) accumulated a fiscal deficit of J\$10.4 billion. This was J\$3.42 billion or 24.8% less than the J\$13.86 billion budgeted and compares with a deficit of -J\$23.26 billion recorded for the same period in 2009/10. Annualized, this fiscal deficit is a substantial J\$17 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 Interna-

tional Monetary Fund. The deficit reduction was largely achieved by GOJ restraining expenditure by -J\$5.3 billion as revenue collection fell by -J\$1.9 billion.

REVENUE: Total Revenues & Grants to the GOJ for April to May 2010 was \$46.12 billion. This was, as noted, \$1.9 billion or 4% less than the \$48.0 billion targeted for the period. The main outperformers on the revenue accounts were 'Tax on Interest' which exceeded budgetary targets by J\$697.6 million; GCT (Imports) which was J\$640.9 above budget, and GCT (Local) which exceeded budget by J\$588.4 million. Other notable outperformers on the revenue accounts were taxes on 'Other Individuals' of J\$141.4 million and 'Travel Tax' which was J\$126.2 million above budget. Combined these five heads yielded a surplus of J\$2,194 billion, but these were insufficient to offset substan-

tial shortfalls on a number of major heads.

Possibly reflecting the still weak conditions in the economy brought on by the recession, taxes on 'Income and Profits' were -J\$597 million below projection, with PAYE recording a notable shortfall of J\$1.57 billion. Revenues from 'International Trade' for its part were down J\$857 million as revenues came in significantly below budget on several heads such as: customs duty—down J\$894 million; GCT (Imports) - down J\$727.5 million, and STC (Imports) down J\$500.2 million below projections.

EXPENDITURE: For the first two months of FY2010/11, actual expenditure amounted to \$56.56 billion, about J\$5.33 billion or 8.6% less than the J\$61.9 billion originally budgeted. This reduced expenditure was greatly contributed to

by a cutback in expenditure on 'Recurrent Programmes' of J\$1.5 billion; and savings of J\$1.6 billion in external interest payments and J\$576 million on domestic interest payments. There were also significant cutbacks of J\$1.6 billion for capital programmes and a J\$1.2 billion reduction in out-payments for amortization of domestic debt.

FISCAL OUTTURN

On an annualized basis, the fiscal deficit of \$10.4 billion for April to May 2010/11 was about J\$17.5 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 two months of 2010 was J\$3.3 billion. This was \$1.2 billion better than the -\$2.02 billion originally budgeted, and a near 200% improvement on the primary balance of J\$1,093.5 achieved in 2009/10.

The fiscal deficit was financed by loans amounting to \$38.24 billion, which was below the budgeted levels by \$5.6 billion or 12.3%. Eighty-six percent of loan receipts or \$32.9 billion were sourced from the domestic market, while external borrowing, provided the remaining 14% or \$5.4 billion of loans.

Total amortization was \$35.13 billion during the period J\$1.7 billion below the amounts originally budgeted. \$32.1 billion or 91.3% went to domestic creditors of the GOJ and the remaining \$3.0 billion to external creditors.

PUBLIC DEBT: Total public debt at the end of December 2009 stood at \$1.344 trillion. This represents an additional \$11.06 billion added to the debt stock over the previous month. During calendar year 2009, the stock of public debt increased by J\$179.88 billion or 15.4%. The domestic debt currently stands at \$754.02 billion or 56.0% of the total, while the external debt amounts to \$590.85 billion or 44.0% of the total debt stock.

Stock Market

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

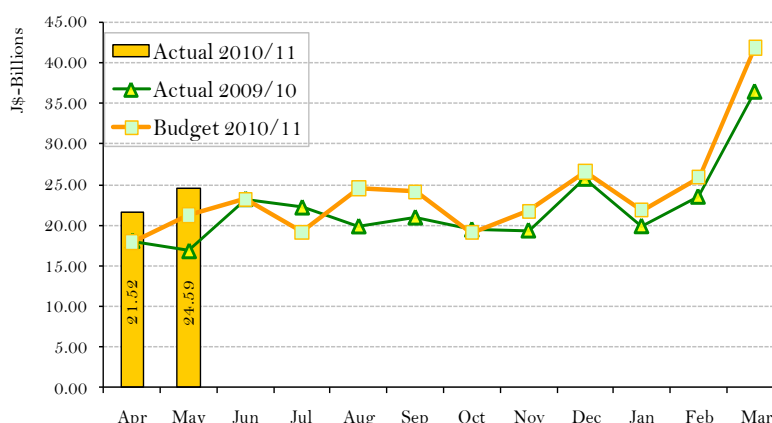
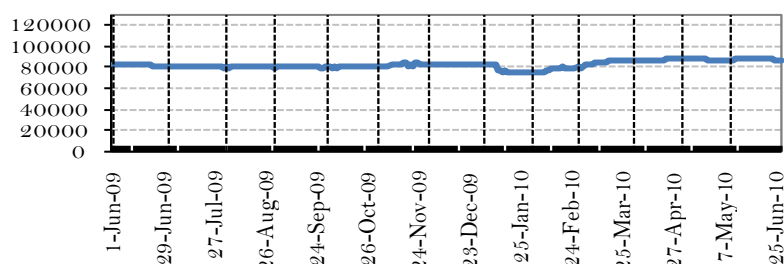


Table 12: Major Deviations in Fiscal Revenue and Expenditure

J\$-Millions		Apr-May 2010/ 11
Revenue (Revenue Surpluses)		
Tax on Interest		- 697.60
GCT (Imports)		640.90
GCT (local)		588.40
Other Individual		141.40
Travel Tax		126.2
Revenue (Revenue Shortfalls)		
PAYE		-1,316.90
Custom Duty		-894.50
GCT (Imports)		-727.50
STC		-500.20
STC (Imports)		-304.30
Expenditure (Changes)		
Capital Programmes	(under-spend)	-1,594.80
Programmes	(under-spend)	-1,502.50
External - Interest	(under-spend)	-1,297.40
Dom. Amortization	(under-spend)	-1,178.20
Domestic - Interest	(under-spend)	-576.20

Source: Ministry Of Finance and Planning (Jamaica)

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



Source: Jamaica Stock Exchange (Online Database) and PSQJ

During the month of June 2010, market capitalization increased by J\$1.55 billion (0.3%) to close at J\$565.86 billion. Three of five indices on the Jamaica Stock Exchange advanced. The main

JSE Market Index advanced by **322** points or 0.37% to close at 86,334 points. The **JSE Select** declined by 47 points or 2.10% to close at 2,196

points; and the **JSE All Jamaican Composite declined** by 1,365 points, or 1.65%, to close at 81,451 points. However, the **JSE Cross Listed Index** of mostly foreign companies operating in Jamaica, advanced by 28 points or 3.31% to close at 880 points; but the **Jamaica Stock Exchange Junior** declined significantly by 30 points or 10.9% to close at 245.6 points.

Market volume was light in May 2010 with some 60.6 million units valued at \$799 million changing hands, compared to 171 million units in May 2010.

Overall market activity resulted from trading in 43 stocks of which 17 advanced, 18 declined and 8 traded firm. Sagicor Life Jamaica Ltd was the volume leader with 10.7 million or 17.7% of traded shares; followed by Supreme Ventures with 12.9% of market volume and National Commercial Bank with 12.3% of market volume. The leading advancers year to date are: Berger Paints, Radio Jamaica-

goods and non-farm payrolls. Seemingly boosted by these results in the real economy, US Consumer Confidence index jumped 10 points to 62.7 in April with the same number recorded in May 2010.

The recovery in Europe in Q1 2010 was perceived as likely to lag behind the recovery in the US, and Eurozone consumer confidence data reflected that assessment coming in at -17 points (or worse) for three consecutive months from February to April 2010. In Britain, the GFK consumer Index also reflected the pessimistic mood coming in at -13 points in February and -15 points in March; while in Japan, the Tankan Large Manufacturing Index though improving from a very low -18 in Q4 2009 was still negative in Q1 at -8, showing that pessimists overwhelmingly outnumbered optimists.

Then in May 2010, after the panic in world markets driven by fears regarding European sovereign debt default(s), many data points, especially in the US, turned down sharply. After increasing for seven consecutive months, US retail sales plunged by -1.2 in May 2010; industrial production reversed from growth of 0.8% in April to -0.1% in May and Factory Orders slowed from 1.2% in April to 1% in May 2010.

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

	31-Dec-09	31-April 10	\$ change	% change
Top Five (unadjusted for dividends or transact. Costs)				
Berger Paints (Jamaica)	1.20	2.77	1.77	130.8%
Radio Jamaica	2.01	3.16	1.15	57.2%
GraceKennedy Ltd.	40.5	60.00	19.5	48.1%
Hardware & Lumber	3.50	5.00	1.50	42.9%
Jamaica Broilers Group	4.96	7.05	2.99	42.1%
Bottom Five (unadjusted for dividends or transact. Costs)				
Ciboney Group	0.10	0.05	(0.05)	-50.00
Salada Foods Jamaica	15.50	10.75	(4.25)	-30.65%
Guardian Holdings Ltd	299.50	220.0	(79.50)	26.54%
.Trinidad Cement	72.00	53.00	(19.00)	-26.39%
Capital & Credit Fin. Gp.	4.41	3.49	(0.92)	-20.86%

Source: Compiled from the JSE

GraceKennedy, Hardware & Lumber and Jamaica Broilers Group.

The leading decliners were Ciboney Group, Guardian Holdings, Salada-Foods, Trinidad Cement, and Capital & Credit Financial Gp. (See Table 13)

Economic Highlights (contd. from page 1.)

US Retail sales in February and March 2010 both came in better than expected, and so did the ISM Index, industrial output, orders for durable

Reflecting the deterioration in the real economy, consumer confidence plunged sharply from 62.7 in May to 52.9 in June 2010.

Even though the situation in Europe now show signs of stabilizing, with the stress Tests on European Banks revealing much less weakness than originally feared; and with the Eurozone PMI and the first reading of Britain's Second Quarter GDP coming in much better than expected, sentiments regarding prospects for the global economy has not congealed into a definitive optimism. Indeed, though some US data in June show signs of a recovery from May's pull-back (such as Retail Sales-down by -0.1% in June 2010 compared to -1.2% in May; and Industrial Production-up 0.1% in June recouping May's loss of -0.1%; and New Home Sales up by 23.6% in June compared to the precipitous drop of -36.7% in the previous month) there is now a sense in which the world's largest economy has become the main point of worry about prospects for the global recovery.

So far, the second quarter earnings season has been encouraging for equities with many companies beating on both the top-line in terms of revenues

and sales and on the bottom line in terms of net profits and earnings per share. But with its huge government deficits; and chronically high unemployment currently running at about 17% if discouraged non-jobseekers are added to those actively looking for work; and overbuilt and saturated housing sector now incapable of playing its historical role of leading out of recessions, concerns are rising that the US may be in for a lost decade similar to Japan in the 1990's.

Yet it is impossible to discount an economy with the dynamism and resilience that the US has shown historically. The hope is that some sector(s) will emerge to sustain the recovery, like the technology sector did in the 1980's. The Obama administration is pushing the energy sector to play that role and many analysts see similar prospects for a rejuvenated US manufacturing sector. Given Jamaica's 80% integration into the US economy as a major market for both our imports and exports, tourists and remittances, Jamaica definitely has a survival interest in a sustained and strong recovery in the United States, even as our continuing overwhelming dependence on that country, underscores our need for a more autonomous and diversified economy.

INFLATION (JUNE 2010) - CPI

APPENDIX

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	0.63%	0.626		
FOOD AND NON-ALCOHOLIC BEVERAGES	1.21%	0.452	1	
Food	1.20%			
Bread and Cereals	0.26%			
Meat	0.42%			
Fish and Seafood	0.85%			
Milk, Cheese and eggs	0.88%			
Oils and Fats	1.88%			
Fruit	1.45%			
Vegetables and Starchy Foods	2.96%			
Vegetables	2.22%			
Starchy Foods	4.71%			
Sugar, Jam, Honey, Chocolate and Confectionery	1.35%			
Food Products n.e.c.	1.48%			
Non-Alcoholic Beverages	1.04%			
Coffee, tea and Cocoa	0.68%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	1.22%			
ALCOHOLIC BEVERAGES AND TOBACCO	0.64%	0.009	5	
CLOTHING AND FOOTWEAR	0.79%	0.026	4	
Clothing	0.78%			
Footwear	0.82%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	0.06%	0.008	6	
Rentals for Housing	0.00%			
Maint and Repair of Dwelling	0.71%			
Water Supply and Misc. Serv Related to the Dwelling	2.49%			
Electricity, Gas and Other Fuels and Routine	-0.44%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	0.58%	0.029	3	
Furniture and Furnishings (including Floor Coverings)	0.79%			
Household Textiles	0.56%			
Household Appliances	1.15%			
Glassware, Tableware and Household Utensils	0.72%			
Tools and Equipment for House and Garden	0.20%			
Goods and Serv. for Routine Household Maint	0.39%			
HEALTH	0.00%	0.000	9	
Medical Products, Appliances and Equipment	0.08%			
Health Services	0.09%			
TRANSPORT	-0.39%	-0.050	12	
COMMUNICATION	0.00%	0.000	9	
RECREATION AND CULTURE	0.07%	0.002	8	
EDUCATION	0.00%	0.000	9	
RESTAURANTS AND ACCOMMODATION SERVICES	0.07%	0.004	7	
MISCELLANEOUS GOODS AND SERVICES	0.73%	0.061	2	

INFLATION YTD (JAN-JUN 2010) CPI

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	6.85%	6.848		
FOOD AND NON-ALCOHOLIC BEVERAGES	5.38%	2.016	2	
Food	5.40%			
Bread and Cereals	2.09%			
Meat	5.39%			
Fish and Seafood	6.40%			
Milk, Cheese and eggs	6.08%			
Oils and Fats	6.94%			
Fruit	2.73%			
Vegetables and Starchy Foods	6.09%			
Vegetables	7.78%			
Starchy Foods	2.21%			
Sugar, Jam, Honey, Chocolate and Confectionery	8.82%			
Food Products n.e.c.	8.18%			
Non-Alcoholic Beverages	5.28%			
Coffee, tea and Cocoa	6.37%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	4.91%			
ALCOHOLIC BEVERAGES AND TOBACCO	12.50%	0.173	7	
CLOTHING AND FOOTWEAR	5.14%	0.171	8	
Clothing	5.55%			
Footwear	4.61%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	3.87%	0.494	3	
Rentals for Housing	19.57%			
Maint and Repair of Dwelling	7.98%			
Water Supply and Misc. Serv Related to the Dwelling	5.85%			
Electricity, Gas and Other Fuels and Routine	-4.35%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	3.95%	0.195	5	
Furniture and Furnishings (including Floor Coverings)	5.89%			
Household Textiles	4.47%			
Household Appliances	8.11%			
Glassware, Tableware and Household Utensils	3.71%			
Tools and Equipment for House and Garden	3.67%			
Goods and Serv. for Routine Household Maint	2.66%			
HEALTH	1.36%	0.045	12	
Medical Products, Appliances and Equipment	0.82%			
Health Services	1.74%			
TRANSPORT	24.38%	3.125	1	
COMMUNICATION	3.02%	0.120	10	
RECREATION AND CULTURE	3.75%	0.126	9	
EDUCATION	3.26%	0.070	11	
RESTAURANTS AND ACCOMMODATION SERVICES	2.99%	0.185	6	
MISCELLANEOUS GOODS AND SERVICES	4.46%	0.373	4	

FISCAL ACCOUNT (APR-MAY 2010)

REV. & EXPEN. (APR'10- MAY'10)	J\$m	PROVISIONAL Results	J\$m	BUDGET DEVIATION	J\$m	YOY - CHANGE
Revenue & Grants	46,119.3		-1,911.2		8,370.60	
Tax Revenue	37,627.9		-1,572.6		2,728.60	
Non-Tax Revenue	6,246.5		-304.3		4,115.20	
Bauxite Levy	11.7		-66.4		-25.80	
Capital Revenue	1,572.1		-27.1		1,193.30	
Grants	661.2		59.4		359.60	
Expenditure	56,562.9		-5,331.5		-4,447.30	
Recurrent Expenditure	46,023.9		-3,736.7		-10,937.50	
Programmes	10,943.8		-1,502.5		-115.20	
Wages & Salaries	21,368.4		-58.9		-178.90	
Interest	13,711.7		-2,175.3		-10,643.50	
Domestic	10,418.7		-576.2		-7,814.70	
External	3,293.0		-1,599.1		-2,828.70	
Capital Expenditure	10,539.0		-1,594.8		6,490.10	
Capital Programmes	10,539.0		-1,594.8		6,490.10	
IMF #1 Account	0.0		0.0		0.00	
Fiscal Balance (Surplus [+ve])	-10,443.6		3,420.3		12,818.00	
Loan Receipts	38,247.4		-5,624.3		9,804.60	
Domestic	32,911.0		-6,446.3		6,643.10	
External	5,336.4		822.0		3,161.50	
Divestment Proceeds	0.0		0.0		0.00	
Amortization	35,125.1		-1,170.6		19,706.00	
Domestic	32,114.6		-1,178.2		19,753.30	
External	3,010.6		7.7		-47.20	
Overall Balance (Surplus [+ve])	-7,321.3		-1,033.4		2,916.50	
Primary Balance (Surplus [+ve])	3,268.1		1,245.0		-2,174.60	

REV. & EXPEN. (APR'10-MAY'10)	J\$m	PROVISIONAL Results	J\$m	BUDGET DEVIATION	J\$m	YOY - CHANGE
Revenue & Grants	46,119.3		-1,911.2		-13,154.0	
Tax Revenue	37,627.9		-1,572.6		-15,543.3	
Income and profits	12,044.9		-597.0		-2,760.6	
Bauxite/alumina	0.0		0.0		0	
Other companies	725.6		-87.2		148	
PAYE	8,311.3		-1,316.9		-1,145.8	
Tax on dividend	13.8		-31.8		11.6	
Other individuals	441.7		141.4		124.6	
Tax on interest	2,552.6		697.6		-1,899.1	
Environmental Levy	266.0		-100.4		54.1	
Production and consumption	12,615.2		-17.5		2,035.1	
SCT	1,051.9		-500.2		394	
Motor vehicle licenses	274.0		-34.5		0.7	
Other Licenses	48.0		-167.0		-167.3	
Betting, gaming and lottery	313.5		39.5		61.6	
Education Tax	2,071.6		44.9		170.2	
Contractors levy	170.8		20.1		35.4	
GCT (Local)	7,782.3		588.4		1,447.9	
Stamp Duty (Local)	903.0		-8.9		92.9	
International Trade	12,701.8		-857.7		3,400	
Custom Duty	2,712.0		-894.5		-130.7	
Stamp Duty	206.8		-2.8		7.9	
Travel Tax	620.2		126.2		312.9	
GCT (Imports)	5,355.0		640.9		1,266	
SCT (Imports)	3,807.8		-727.5		1,943.7	
Non-Tax Revenue	6,246.5		-304.3		4,115.2	
Bauxite Levy	11.7		-66.4		-25.8	
Capital Revenue	1,572.1		-27.1		1,193.3	
Grants	661.2		59.4		359.6	

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	n/a	n/a
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	n/a	n/a
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	n/a	n/a
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	n/a	n/a	1,675.6	2,325	0.63	6.2	n/a	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	n/a	86.02	8.52	20.72	3.90	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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