



PSOJ MONTHLY ECONOMIC BULLETIN



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Economic Highlights

Jamaica's 2011/12 Budget: "From Stabilization to Growth".

On April 14th, 2011, Jamaica's Finance Minister Audley Shaw tabled the Estimates of Expenditure for fiscal year 2011/12. On April 28th, 2011 he outlined the Revenue Estimates - how the projects, programs and operational expenses of the Government would be financed during the year ahead and the medium-term. The Estimates projected total expenditures of J\$544.7 billion not including appropriations in aid, that is income earned by Government departments. Sixty-four percent (64%) of total expenditures - approximately J\$352.0 billion was allocated for recurrent expenditures and J\$192.7 billion for capital expenditures. The 2011/12 Budget represents a 9.5% increase over the J\$497.6 billion expended in 2010/11, but with inflation projected in the 5-7% range for FY 2011/12, the real increase is probably less than 2%.

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

	2009/10	2010/11	2011/12
Recurrent	\$385.97	\$338.8	\$352.0
Capital (A+B)	\$205.3	\$158.8	\$192.7
Total	\$591.3	\$497.6	\$544.7
Main Areas of Expenditure			
Interest & Amortization	\$332.0	\$231.2	\$263.3
<i>%age of Budget</i>	<i>56%</i>	<i>47%</i>	<i>48%</i>
Wages & Salaries	\$125.0	\$130.0	\$135
<i>%age of Budget</i>	<i>21%</i>	<i>26%</i>	<i>25%</i>
Programs & Overheads	\$136.0	\$136	\$146
<i>%age of Budget</i>	<i>23%</i>	<i>27%</i>	<i>27%</i>
Financing the Budget			
Revenues and Grants	\$298	\$314.6	\$350.8
Loans	\$298	\$213.0	\$140.8
Fiscal Deficit (% GDP)	-12.75	-6.1	-4.6

As in former years the largest portion of expenditures - J\$352 billion or 48% - went towards 'Interest Payments and Amortization; but for the second year in a row, those payments were less than 50% of the budget. 'Wages and Salaries' decreased marginally by one percent in 2011/12 to 25% of the budget, while the allocations to 'Programs and Overheads' though unchanged year over year at 27% will increase by J\$10 billion in money terms.

To finance the budget, the Government hopes to raise J\$350 billion (about 64%) from 'Revenue and Taxes' and 'Loans' of J\$140 billion.

Table 1(a) shows that the GOJ has achieved notable fiscal consolidation and stabilization over the past year. The 2011/12 Budget is about 12-15% below expenditures two years ago after inflation. Revenues and grants are projected to grow by 18.6% in 2011/12 over 2009/10 levels. Debt service is down 20%; Jamaica's borrowing requirements is to be slashed by 62% to \$140 billion from J\$295 billion; and the fiscal deficit after an impressive drop of 6.6 percentage points in 2010/11 is projected to fall to 4.6% in 2011/12.

Despite these and other notable signs of stabilization such as lower interest rates, historically high gross reserves and relatively stable J\$/US\$ exchange rate, the question is whether the 2011/12 Budget promotes growth? It is important to recall, that growth can be impacted from both the expenditure and revenue side of the budget.

On the expenditure side, the Planning Institute of Jamaica recently commissioned growth-inducement strategy (GIS) recommended that the GOJ frontload and implement approximately J\$14.0 billion of planned infrastructural investment in 2011/12 to boost aggregate demand and increase employment. Combined, Jamaica's Central Government and Public Sector bodies are targeting capital expenditure (Capex) of J\$149 billion—the largest Capex in the country's history. Though Central government capital investment of J\$60 billion is about the same as last year, the GOJ plans to redirect some J\$17.4 billion arising from reduced expenditure on certain public bodies like Air Jamaica and the JUTC to other areas which could positively impact aggregate demand and employment. (Contd on P. 10)



Net International Reserves (NIR)

During the month of March 2011, Net International Reserves increased by -US\$81.8 million to US\$2,553.2 million compared to US\$2,471.4 million at the end of February 2011. This mainly reflected the proceeds of a US\$50 million IADB loan to the GOJ for social support and BOJ open market purchases of US dollar as Jamaican businesses bought the J\$ to meet their end of quarter (Q1) positions.

At current levels, gross reserves are adequate to finance 36.51 weeks of “goods” imports or 26.33 weeks of “goods and services” imports, well above the 12 weeks international benchmark of reserves adequacy and the highest levels they have been in 40 years.

Foreign Currency Deposits

During February 2011, foreign currency deposits (FCD's) in the local financial system decreased modestly by -US\$42.42 million or 1.89% to US\$2.245 billion compared to US\$2.288 billion at the end of January 2011. The decrease in February 2011 largely resulted from Jamaican businesses selling the USD to cover their Jamaican dollar denominated obligations.

The BOJ reports a modest decline in FCD's during 2010 compared to 2009. This the BOJ explains as been due to investors preferring to hold Jamaican dollar denominated assets arising from the improving stability of the Jamaican macro-economy and the sufficiency of foreign exchange.

Foreign Exchange Rate

US DOLLAR: During March 2011, there was modest appreciation of the J\$ dollar against its US counterpart of J\$0.09 cents or 0.10% to J\$85.75 from J\$85.84 at the end of February 2011. The appreciation in March 2011 reverses an equally modest depreciation of 0.17% in February 2011, as the J\$/USD exchange rate continued its consolidation in a narrow J\$0.75 range observed since June 2010. After being very stable from the second quarter of 2009, the J\$ began to appreciate

Table 1b: Changes in the NIR

	US\$M NIR	Change US\$M			Imports (Weeks)
		Mthly	12 Mth	YTD	
Mar-11	2,553.16	81.76	801.28	381.75	36.51
Mar-10	1751.88	192.17	123.3	22.53	26.51

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

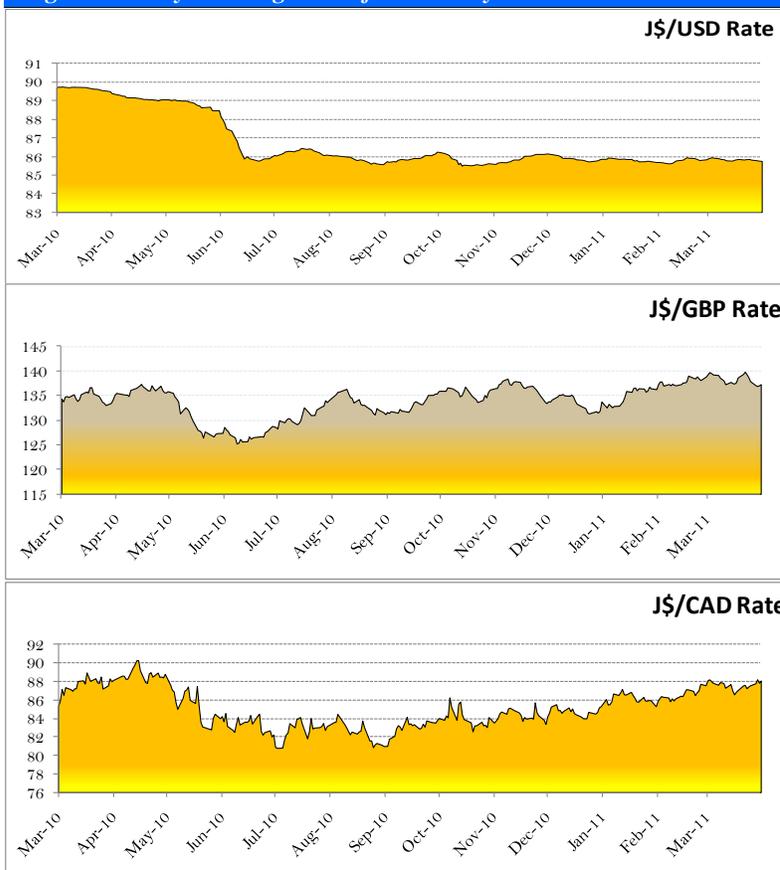
	US\$000 Feb '11	Change (US\$000)		% Change	
		mthly	12 mth	mthly	12 mth
Commercial Banks	1,652,276	-48,826	-119,487	-2.96	-6.74
Building Societies.	530,202	5,020	36,135	0.95	7.31
Merchant Banks	63,428	1,383	-32,926	2.18	-34.17
Total Deposits	2,245,906	-42,423	-116,278	-1.89	-4.92

Source: Compiled from the BOJ (Preliminary)

Table 3: Foreign Exchange Trends

	YTD Currency Rate Change (Dec 31, 2010—03/31/11) *					
	J\$ / US\$	%	J\$ / UK£	%	J\$ / Can\$	%
2011	-0.11	-0.13	3.54	2.65	2.80	3.29
2010	-0.09	-0.10	-8.48	-5.91	3.50	4.14
2009	8.34	10.37	12.18	10.43	6.43	9.80
	Mar - 2011					
Actual Rate	85.75	-0.10	137.28	-1.12	88.14	0.59
Mth Change	-0.09	-0.10	-1.56	-1.12	0.52	0.59

Figure 1: Daily % Change in Major Currency Rates



Source: Bank of Jamaica Database (BOJ)

sharply against the USD from the beginning of March 2010, following on the successful implementation of the JDX and the signing of the GOJ/IMF Agreement. In March 2010, the J\$ appreciated by 20 cents; then by 44 cents in April; 59 cents in May and then by J\$2.46 during June 2010. Since July 2010, the J\$/USD exchange rate has see-sawed up and down within the J\$0.75 cents range and the J\$ is now down by J\$0.11 for 2011.

The appreciation of J\$ in 2010 was more a reflection of improving sentiments than improving fundamentals in the real economy. The pumping-up of the NIR through multilateral inflows has boosted sentiments regarding the adequacy of foreign exchange and relieved the selling bias against the J\$. These are however transient factors, and unless growth returns decidedly to the Jamaican economy in 2011, the possibility of the J\$ returning to depreciation is likely.

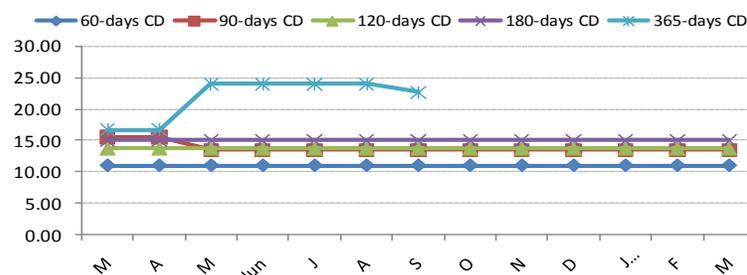
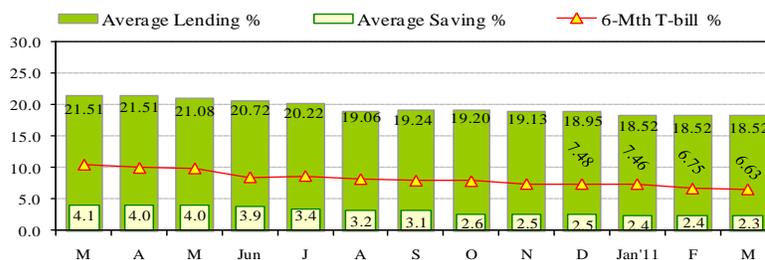
POUND & CANADIAN DOLLAR: During March 2011, the J\$ appreciated against GBP by J\$1.56 or 1.12% to sell at J\$137.28 from J\$138.83 in February 2011. Against the CAD however, the J\$ depreciated by J\$0.52 or 0.59% in March 2011 to sell at J\$88.14. Like the J\$/USD rate, the movement of the J\$ against GBP and CAD has see-sawed since July 2010, but has been more down than up. Year to date, GBP has appreciated against the Jamaican dollar by J\$3.54 or 2.65% and the CAD is up by J\$2.80 or 3.29%.

The movement of the J\$ against the USD, CAD, and GBP over the past two months appears to be connected to the strength or weakness of the USD on international currency exchanges. When USD weakens against CAD and GBP, J\$ also weakens against CAD and GBP and vice versa.

Interest Rates

The downward movement of Jamaica's interest rates which began with the JDX in March 2010, continued in March 2011, but at a much slower pace than in

Figure 2A & 2B: Interest Rate Movements



Source: Bank of Jamaica Database (BOJ preliminary)

Table 4: Interest Rate Movements

	Mar-11	Change (%age pts)		
		Monthly	12-Mth	YTD
30-days CD	6.75%	0.00%	-3.25%	-0.75%
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	2.34%	-0.06%	-1.75%	-0.16%
Avg Loan Rate	18.52%	0.00%	-2.99%	-0.43%
6-Month T-Bill	6.63%	-0.12%	-3.86%	-0.85%

Source: Bank of Jamaica (BOJ Preliminary)

Q2 and Q3 of 2010 when rates in the public sector declined by as much as 600 bps. Indeed, during Q4 2010, interest rates seemed to have bumped upon resistance to further significant downward movement in both the public and commercial sectors. Nonetheless, during the first quarter (Q1) of 2011, there were notable declines in a number of rates. As regards rates in the public sector, rates on the 6-month T-bill, which has been the stalking horse for rate reductions in 2010 with dramatic declines of 9.32%, and which appeared to have hit bottom during

November and December 2010 at 7.48%, resumed significant decline in February 2011 with a substantial 71 bps drop followed by a 12 bps drop in March 2011 to 6.63%. In addition, the Bank of Jamaica trimmed 25 bps from its 30 day CD to 7.25% at the end of January 2011 and a further 50 bps in February 2011 to 6.75% citing moderate inflation and the likelihood of continued subdued domestic demand. The average lending rate, which was the second slowest declining rate in 2010, (decreasing by 2.96% from very high levels around 23% to 18.95%), fell by a further 43 bps in January 2011 to 18.52% but was unchanged in



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February and March 2011. Average saving rates which were also unchanged in February 2011 inched down by 6 bps to 2.34% in March 2011.

Many business persons continue to be disappointed that Jamaica's average lending rate at 18.52% remains very high in relation to our main trading partners. One commercial bank reduced its base lending rates by 1% to 15.75% in March 2011, but this is more than twice the 7% economists regard as a reasonable borrowing rate.

Base Money & Money Supply

The BOJ reported that in Q4 2010, broad Jamaica Dollar money supply (M3J), increased by 3.8 %, compared to growth of 4.7% for the December 2009 quarter. The expansion in the review quarter was also at a slower pace than the average growth of 6.6% for the last five December quarters. This slower growth of money supply largely reflects continuing depressed domestic demand.

The measure of money supply that includes foreign currency deposits (M3*) increased by 2.9%, relative to an expansion of 4.8% in the corresponding quarter of 2009. Within M3*, foreign currency deposits increased by a marginal 0.2%, relative to the expansion of 4.9% for the December 2009 quarter. Consequently, the ratio of foreign currency deposits to total deposits was 28.1% as of the end of December 2010, compared to 31% at end-December 2009.

In March 2011, the monetary base expanded by 1.23% to J\$78,919.2 billion reversing two months of contraction caused by BOJ redemptions exceeding new currency issue.

Inflation

The rate of inflation in March 2011 increased by 1.08% following a -0.42%

Table 5: Base Money and Money Supply

	J\$M	Percentage Change (%)		
		Nov -10	Mthly	12 Mth
M1	104,320.89		1.60	4.83
Quasi Money	226,028.54		0.56	0.60
M2	330,349.43		0.88	1.90
		Mar -'11	Mthly	12 Mth
Base Money	78,919.19		1.23	2.07

Source: BOJ Economic Statistics

Table 6: Inflation Trends

	% Percent Changes			
	Mar	12-Mth	YTD	Fiscal
2011	1.08	7.85	0.48	7.85
2010	0.45	13.31	4.12	13.31

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

Table 7: Mining Production

	000 tonnes			YTD	
	Mar-11	Mar-10	%	Mar-11	10/11 %
Production					
Alumina	172.6	487.8	48.3	506.0	44.3
C. Bauxite	487.8	394.0	23.8	1,276.6	25.6
Export					
Alumina	134.5	121.4	10.8	441.1	24.3
C. Bauxite	482.5	394.0	22.5	1,276.7	25.6

Source: Jamaica Bauxite Institute (JBI)

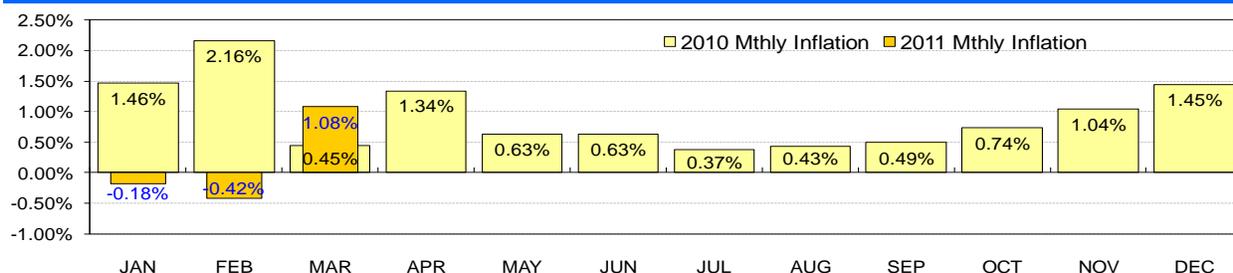
fall in February 2011 and a -0.18% fall in January 2011. Within the Consumer Price Index, the out-turn on two divisions - 'Education' and 'Communications' were unchanged, during March 2011, but the remaining ten (10) divisions within the CPI all recorded moderate to large increases.

Leading the increase was a 4.1% rise in the division 'Housing, Water, Electricity, Gas and Other Fuels'. This was largely due to the continued rise in the cost of oil impacting the fuel components of Electricity and Water bills. The second largest increase of 2.8% was recorded in the division 'Furnishings, Household Equipment

and Routine Household Maintenance' driven by the increase in the minimum wage. 'Transport' recorded the third highest increase of 1.2%, again, due to the rising cost of fuel on the world market.

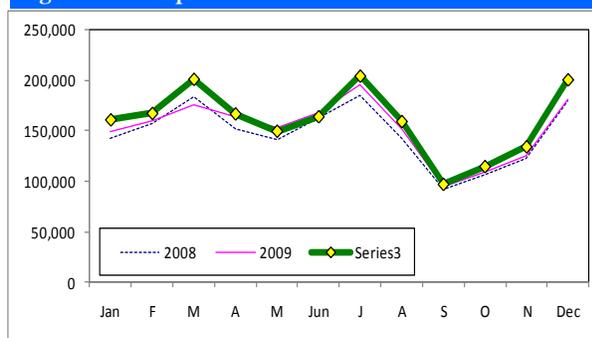
All other divisions within the CPI recorded moderate increases under 1%. The division 'Clothing and Footwear' recorded an increase of 0.8% due to a 1% rise in the price of 'Clothing' and 0.5% rise for 'Footwear'. After significant declines in the last three months, prices rose by 0.4% in the most heavily-weighted 'Food and Non-Alcoholic Beverages' division as the over-supply of starchy foods and vegetables eased on the

Figure 3: Monthly Inflation Changes



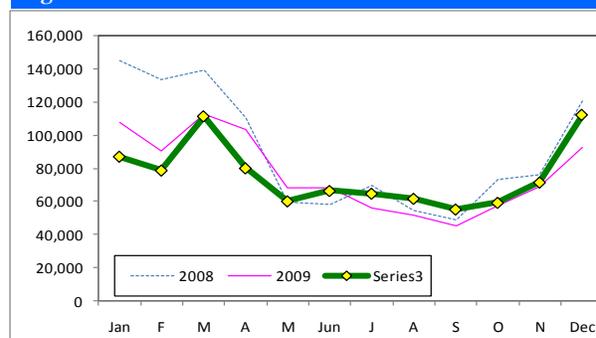
Source: STATIN and PSOJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

domestic market. 'Health' and 'Recreation and Culture' recorded modest increases of 0.2%, and as noted, 'Communication' and 'Education' were unchanged for the month of March 2011. Both the point to point and fiscal year to date inflation in March 2011 was 7.8%, while the calendar year to date (January 2011 to March 2011) stood at 0.5%.

Bauxite & Alumina

Production of alumina in March 2011 amounted to 172.6 tons compared to 116.5 tons in March 2010 - a 48.2% increase. For its part, production of crude bauxite in March 2011 increased by 23.8% to 487.8 tons compared to 394.0 tons in March 2010.

During calendar year 2010, alumina production fell by -10.3% to 1,590.6 tons and alumina exports by -16.4% to 1,575.3 tons compared to the same period of 2009. But this was a much lower rate of contraction than the -60% contraction in 2009 relative to 2008.

Reflecting the upturn in the industry, production of crude bauxite was up 35% to 4.32 million tons during 2010, compared to 3.2 million tons for 2009. Bauxite exports were also up by 34.6% to 4.3 million tons.

The year over year increases in bauxite and alumina production in March 2011 therefore reflects a continuation of the upturn in the industry which gathered pace in July 2010 with the reopening of Windalco Ewarton plant.

Tourism

Stopover arrivals in December 2010 were 200,846—an increase of 10.5% over the 181,816 recorded in December 2009. The number of cruise passengers also increased by 21.6% in December

Tourist Arrivals

	2009	2010	%Change	
	YTD (Jan -Dec)	YTD - YOY	YTD - YOY	Dec 09/10
Stopover	1,831,097	1,921,678	4.9%	60.0%
Foreign	1,683,846	1,768,810	5.0%	50.2%
Non-Resident	147,251	152,868	3.8%	198.6%
Cruise	922,349	909,615	-1.4%	62.7%
Total Arrivals	2,753,446	2,831,293	2.8%	61.0%

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

2011 to 112,236 visitors compared to 92,314 in December 2009. For calendar year 2010, stopovers totalled 1,921,678 compared to 1,831,097 in 2009, an increase of 4.9%. However, stopovers in 2010, were 79,000 or 4% short of GOJ targets of 2 million stopovers for 2010.

Regionally, stopovers from the US in December 2010 were up 7.9% to 118,504 compared to 109,783 in December 2009. For calendar year 2010, stopovers from the United States increased by 6.0% to 1,242,943 compared to 1,172,844 during 2009. From the Canadian market, stopovers increased by 33.5% in December 2010 with 48,895 arrivals, compared to 36,616 in December 2009. For calendar year 2010, stopovers from Canada are up by 34,884 or 13.4% with a total of 325,191 compared to 290,307 visitors in 2009.

Visitors from Europe, including the UK, decreased by 8.5% in December 2010 to 24,437 compared to 26,697 arrivals in December 2009. For calendar year 2010, stopovers from Europe declined by 2.0% to 271,315 compared to 276,799 in 2009. Stopover arrivals from the Caribbean also decreased during 2010 by a significant 10.8% to 58,299 compared to 65,333 in 2009 and so did stopovers from Latin America -

down 7.2% to 13,442 compared to 14,492 in 2009.

During calendar year 2010, cruise visitors to the Island decreased slightly - by 1.4% to 909,619 visitors. Total Visitors to the island for 2010 were 2,831,295 marking a small 2.8% increase relative to the 2,753,446 million during 2009.

External Trade

During January to December 2010, Jamaica's exports increased modestly by US\$13.7 million or 1.0% to US\$1.333 billion, compared to US\$1.319 billion during calendar year 2009. For their part, imports also increased modestly by 2.7%, to US\$5.195 billion compared to US\$5.057 billion during 2009, reversing a 38.9% year over year plunge relative to 2008. As is usually the case when economic conditions are picking up globally and in Jamaica, after many periods of positive out-turn, the 'change' in Jamaica's year-over-year trade balance turned negative in the last quarter of 2010. Compared to a US\$1.92 billion year over year reduction in the negative trade balance in 2009, the negative trade balance actually increased in 2010 by US\$123 million or 3.3%.

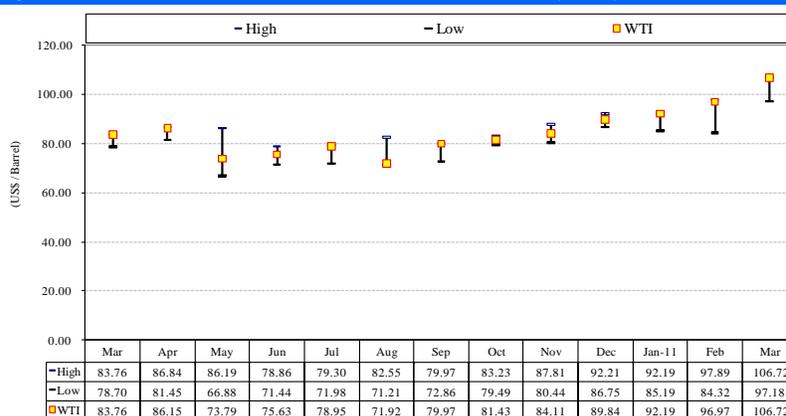
Traditional Exports: For calendar year 2010, traditional domestic exports earned US\$654.3 million, an increase of US\$38.3 million or 6.2% over 2009. The share of traditional exports in total domestic exports also increased from 46.7% in 2009 to 49.1% for calendar year 2010. The main contributor to the increase in the value of traditional exports, was a 50.7% increase in the value of bauxite exports. From US\$85.4 million in 2009, earnings from bauxite increased to US\$128.3 million during 2010. Reflecting the upturn in the Bauxite/Alumina industry worldwide, alumina exports also by 9.4% to US\$402.8 million.

Agricultural exports, which were the only group among our traditional exports to grow in 2009, have not done so well in 2010. These exports declined by 36.2% to US\$24.9 million during 2010, from US\$39.06 million during 2009. This was largely due to a steep -43.2% drop in the value of coffee exports, from US\$33.8 million to US\$19.2 million, as the premium prices normally paid for Jamaican coffee has been halved since the recession.

Exports of traditional Manufactured items, which also did not fare well during calendar year 2009, continued their decline in 2010 declining by an additional -21.0% to US\$97.5 million. An important contributor to exports of traditional manufactures, was exports of "Rum", which decreased slightly in 2010 by 1.2% to US\$47.2 million, compared to US\$48.4 million during the corresponding period of 2009. Sugar exports were down even more significantly by 38.8% to US\$44.2 million compared to US\$72.3 million in Jan-December 2009.

Non-traditional exports accounted for 50.4% of exports by value in calendar year 2009 surpassing earnings from traditional exports. But due to the recent recovery in the Bauxite/Alumina industry and significant declines in several non-traditional exports groups, traditional exports have again moved to the top. In 2010, the share of non-traditional exports in total exports decreased to 44.8% compared to 49.0% for traditional exports. Earnings from non-traditional exports also decreased by -4.6% to US\$597.4 million from US\$626.3

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



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

Table 9: External Trade (US\$M)

	Jan-Dec '09	Jan-Dec '10	Change	% Change
TOTAL EXPORTS (fob)	1,319.37	1,333.07	13.70	1.0%
Major Traditional Exports	616.07	654.34	38.27	6.2%
<i>by Sector:-</i>				
Agriculture	39.06	24.91	-14.15	-36.2%
Mining & Quarrying	453.59	531.98	78.40	17.3%
Manufacturing	123.43	97.45	-25.98	-21.0%
<i>by Industry:-</i>				
Bauxite	85.41	128.73	43.33	50.7%
Alumina	368.00	402.76	34.76	9.4%
Sugar	72.33	44.24	-28.09	-38.8%
Rum	48.40	47.21	-1.18	-2.4%
Bananas	0.01	0.00	-0.01	-83.3%
Coffee	33.82	19.19	-14.62	-43.2%
Other	8.12	12.20	4.08	50.2%
Non-Traditional Exports	626.30	597.38	-28.92	-4.6%
Re-exports	77.00	81.36	4.36	5.7%
TOTAL IMPORTS	5,057.63	5,194.63	137.00	2.7%
Food	801.87	806.00	4.12	0.5%
Beverages & Tobacco	79.86	75.15	-4.71	-5.9%
Crude Materials (excl. Fuels)	54.87	60.81	5.94	10.8%
Mineral Fuels, etcetera	1,419.42	1,585.56	166.13	11.7%
Animal & Vegetable Oils & Fats	33.86	32.64	-1.22	-3.6%
Chemicals	738.70	692.46	-46.24	-6.3%
Manufactured Goods	555.49	583.00	27.50	5.0%
Machinery and Transport Equip.	819.71	786.04	-33.68	-4.1%
Misc. Manufactured Articles	461.05	477.28	16.23	3.5%
Other	92.79	95.71	2.92	3.1%
TRADE BALANCE	(3,738.26)	(3,861.56)	-123.30	3.3%

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

million during 2009.

In the category "Food", there was an overall 4.3% increase in earnings to US\$124.2 million relative to US\$119.14 million in Jan-December 2009. But there were notable decreases in a number of items. Earnings from Ackee- the second leading non-traditional food export, fell significantly

by -5.9% to US\$12.8 million. 'Meat and Meat Preparations' were down -6.0% from US\$2.8 million in 2009 to US\$2.67 million. 'Animal Feeds' was down -10.0% to US\$4.7 million and 'Papaya' exports were down -3.0% to US\$2.7 million. On the other hand, there were increased earnings of 68% for 'Fish, Crustaceans & Molluscs'

from US\$4.7 million to US\$7.9 million, and of 39.9% for 'Sweet Potatoes' from US\$2.5 million to US\$3.5 million. 'Other Fruits and Fruit Preparations' also recorded a notable increase of 7.2% from US\$6.3 million to US\$6.7 million, and earnings from 'Juices excluding Citrus' increased by 7.4% to US\$7.3 million from US\$6.8 million. Earnings from 'Yams' (the leading non-traditional food item), increased modestly by 2.0% to US\$19.1 million from US\$18.7 million a year earlier.

Exports of 'Beverages & Tobacco (excl. Rum)' increased by 6.3% during 2010 to US\$56.3 million from US\$52.9 million in 2009. Of the amount, 'Alcoholic Beverages (excl. Rum)' accounted for US\$47.2 million, a 6.4% increase, from US\$44.4 million a year earlier.

The 37.3% increase recorded by 'Crude Materials' from US\$16.7 million in 2009 to US\$22.9 million was the largest increase recorded by any group of non-traditional exports in 2010. Exports of 'Limestone' decreased by 12.6% to US\$940,000; but earnings from 'Waste and Scrap Metals' rose by 39.7% to US\$17.6 million; while exports of 'Other' crude materials increased by 44% to US\$4.3 million from US\$3.0 million one year earlier.

Earnings from 'Other' non-traditional exports declined significantly by -9.9% during calendar year 2010 to US\$393.9 million from US\$437.5 million one year earlier. This was largely due to massive declines of -60.5% in exports of 'Chemicals (incl. Ethanol)' - from US\$199.2 million in 2009 to US\$78.7 million in Jan-December 2010; and a 28% decline in exports of 'Manufactured Goods' from US\$15.8 million in 2009 to US\$11.3 million in 2010. However, exports of 'Mineral Fuels, etcetera' grew from US\$437.5 million in the previous period to US\$393.9 million in the current period—a 36% increase.

Imports. The 39.4% decline in Jamaica's imports observed in 2009 due to depressed domestic demand brought on by the global recession, appears to now have abated with the onset of the global recovery. Compared to US\$5.06 billion in 2009, imports increased modestly by 2.7% in 2010 to US\$5.19 billion. Leading the increase was a 4.8% rise in the value of '**Raw Materials/Intermediate Goods**' from US\$2.5 billion in 2009 to US\$2.8 billion 2010. This was greatly contributed to by

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

	Jan-Dec 2009	Jan-Dec 2010	\$ Change	% Change
Current Account	(1,127.5)	(991.5)	136.0	12.1%
Goods Balance	(3,087.9)	(3,259.0)	(171.1)	-5.5%
Exports	1,387.7	1,370.4	(17.4)	-1.3%
Imports	4,475.6	4,629.4	153.7	3.4%
Services Balance	769.9	844.1	74.2	9.6%
Transportation	(441.2)	(439.7)	1.5	0.3%
Travel	1,709.0	1,793.2	84.2	4.9%
Other Services	(497.9)	(509.3)	(11.4)	-2.3%
Income	(667.9)	(580.4)	87.5	13.1%
Compensation of empl	67.6	87.5	19.9	29.4%
Investment Income	(735.5)	(668.0)	67.5	9.2%
Current Transfers	1,858.4	2,003.8	145.4	7.8%
Official	143.9	184.1	40.2	27.9%
Private	1,714.5	1,819.7	105.2	6.1%
Capital & Financial Account	1,127.5	991.5	(136.0)	-12.1%
Capital Account	20.7	(22.1)	(42.8)	-206.8%
Capital Transfers	20.7	(22.1)	(42.8)	-206.8%
Official	45.3	4.2	(41.0)	-90.5%
Private	(24.5)	(26.3)	(1.8)	-7.3%
Acq/disp.	-	-	-	0.0%
Financial Account	1,106.7	1,013.6	(93.1)	-8.4%
Other Official Invst	254.7	967.7	712.9	279.9%
Other Private Invst	808.4	487.9	(320.5)	-39.6%
Reserves	43.6	(442.0)		

Source: BOJ & Statistical Update:

rising prices for crude oil which pushed up the value of crude imports by 20.4% from US\$515.9 million in 2009 to US\$632.5 million in the current review period. Imports of 'Parts & Accessories of Capital Goods' also increased by 8.1%, suggesting that there might be some retrofitting occurring in the Jamaican economy.

Contributing to the overall increase in imports, there was a 3.2% rise in imports of **Consumer Goods (excl. Motor Cars)** to US\$1.68 billion. The increase in this category was led by a 9.8% increase in 'Food' imports, possibly reflecting rising global commodity prices. There were also notable increases of 6.2% in imports of Durable Goods (excl. Motor Cars); and 1.8% for Semi-Durable Goods. Illustrating the fitful quality of the recovery in Jamaica, imports of **Capital Goods (excl. Cars)** declined further by -12.3% to US\$486.4 million from US\$426.4 million in 2009.

Oil: At the end of March 2011, West Texas Intermediate (WTI) Crude Oil price stood at US\$106.72 per 42 gallon barrel - an increase in price of US\$9.54 compared to the closing price of US\$96.97 the previous month. During March 2011 the price

ranged between a low of US\$97.18 and the high of US\$106.72 per barrel where it closed. (See Fig. 5)

Balance of Payments

During 2010, there was a current account deficit of US\$991.5 million, which represented an improvement of US\$136.0 million relative to 2009. The improvement in the current account resulted from improvements in all sub-accounts except the **Goods Sub-account**.

During the period, the **Goods Balance** recorded a deficit of US\$3,259.0 million, a deterioration of US\$171.1 million when compared to 2009. This resulted primarily from an increase in imports of US\$153.7 million, which was mainly due to increase in mineral fuel imports of US\$189.0 million. The deterioration in the Goods sub-account also resulted from a US\$17.4 million decline in exports, stemming mainly from a contraction in chemical exports of US\$119.7 million. This was partially offset by an increase in crude materials exports of US\$85.3 million.

The large imbalance on merchandise trade was mitigated by increases of

Table 11: Fiscal Accounts (J\$ Million)

	Apr-Mar (Fiscal—2010/11)				Apr-Mar (YOY)	
	J\$ million		Deviation		09/10 - 10/11	
	Provisional	Budget	J\$M	(%)	J\$M	(%)
Revenue & Grants	314,558.5	326,282.1	-11,723.6	-3.59	15,598.2	5.2
Tax Revenue	279,874.2	287,211.3	-7,337.1	-2.55	14,050.8	5.3
Non-Tax Revenue	20,473.9	20,018.0	455.9	2.28	1,371.1	7.2
Bauxite Levy	421.1	728.9	-307.8	-42.23	-1,162.3	-73.4
Capital Revenue	3,664.5	2,708.2	956.3	35.31	-1,241.3	-25.3
Grants	10,124.8	15,615.7	-5,490.9	-35.16	2,580.9	37.1
Expenditure	388,768.0	407,136.4	-18,368.4	-4.51	-33,292.7	-7.9
Recurrent Expenditure	333,173.9	343,929.9	-10,756.0	-3.13	-53,582.3	-13.9
Programmes	76,862.5	74,121.0	2,741.5	3.70	4,896.4	6.9
Wages & Salaries	127,956.7	127,659.6	297.1	0.23	3,028.0	2.4
Interest	128,354.7	142,149.4	-13,794.7	-9.70	-61,507.0	-32.6
Domestic	88,049.5	95,092.6	-7,043.1	-7.41	-56,455.3	-39.0
External	40,305.2	47,056.8	-6,751.6	-14.35	-5,051.4	-11.5
Capital Expenditure	55,594.1	63,206.4	-7,612.3	-12.04	20,289.4	57.5
Capital Programmes	55,594.1	63,206.4	-7,612.3	-12.04	20,289.4	57.5
IMF #1 Account	0.0	0.0	0.0	0.00	0.0	0.0
Fiscal Balance (Surplus [+ve])	-74,209.5	-80,854.3	6,644.8	8.22	49,533.5	40.2
Loan Receipts	212,968.9	176,288.5	36,680.4	20.81	-123,139.5	-41.2
Domestic	122,478.7	117,971.6	4,507.1	3.82	-126,898.5	-50.9
External	90,490.2	58,317.0	32,173.2	55.17	3,759.3	7.6
Divestment Proceeds	1,482.5	0.0	1,482.5		1,482.5	0.0
Amortization	102,157.5	96,834.3	5,323.2	5.50	-72,169.3	-41.4
Domestic	79,393.5	69,701.4	9,692.1	13.91	-68,333.5	-46.3
External	22,764.0	27,132.9	-4,368.9	-16.10	-3,835.4	-14.4
Overall Balance (Surplus [+ve])	38,084.5	-1,400.0	39,484.5	2820.32	77,859.3	3971.8
Primary Balance (Surplus [+ve])	54,145.2	61,295.1	-7,149.9	-11.66	-12,615.4	-19.1

Source: Ministry of Finance and Planning

US\$74.2 million in the surplus on the **Services Sub-account** to US\$844.1 million; and an increase of US\$145.4 million in the **Current Transfers Sub-account** to US\$2,003.8 million. The increase in the **Services Sub-account** resulted from an improvement in estimated tourist expenditure, as well as, a reduction in the expenditure of Jamaicans travelling abroad. The increase in **Current Transfers** resulted primarily from an increase in remittances of US\$105.2 million. Improvement in the **Income Sub-account** by US\$87.5 million during 2010 also helped to finance the deficit on merchandise trade. This improvement emanated primarily from reductions in official interest payments and reductions in profits remitted by foreign corporations.

Flows from official and private sources were more than sufficient to finance the current account deficit; accordingly, the NIR increased by US\$442.0 million during the period.

Fiscal Accounts

During the twelve months (Apr-March) of fiscal year 2010/11, the Government of Jamaica (GOJ) accumulated a fiscal deficit of -J\$74.2 billion. This was J\$6.6 billion or 8.2% better than the -J\$80.9 billion budgeted and represents a 40.2% improvement on the deficit of -J\$123 billion recorded for the same period in 2009/10.

The deficit reduction in FY2010/11 was wholly achieved by a -J\$18.4 billion cutback in expenditures to J\$388.8 billion relative to the J\$407.1 billion that was budgeted as Revenues and Grants actually declined by -J\$11.7 billion or -3.6%.

REVENUE: Total Revenues & Grants to the GOJ for FY2010/11 was J\$314.6 billion. This was, as noted, -\$11.7 billion or -3.6% below

the J\$326.3 billion targeted for the period. However FY2010/11 revenues exceeded 2009/10 levels by J\$15.6 billion or 5.2%. The main outperformers on the revenue accounts were 'GCT (Imports)' which was J\$7.3 billion above budget; 'Travel Tax' - up J\$1.38 billion; and Capital Revenue - up J\$956 million. Other notable outperformers on the revenue accounts were 'Education Tax' - up J\$697.5 million and 'Tax on Dividend' which was J\$411.9 million above budget.

Reflecting the still weak conditions in the Jamaican economy despite the onset of the global recovery over the past 14 months, 'PAYE' recorded a notable shortfall of -J\$5.6 billion below budget, and was running -J\$4.42 billion below the levels for FY2009/10. 'Customs Duty' came in -J\$3.3 billion below budget, but was J\$1.49 billion above FY2009/10 levels; and 'Tax on

Interest' was -J\$3.24 billion below budget and a whopping -J\$12.8 billion below 2009/10 levels, quite likely reflecting the impact of the JDJ. Other items recording notable shortfalls, were 'SCT (Imports)' - down J\$1.48 billion and 'Other Companies Taxes' down -J\$1.18 billion.

EXPENDITURE: For the twelve months of FY2010/11, actual expenditure net amortization amounted to \$388.8 billion, which was J\$18.4 billion or 4.5% less than the J\$407.1 billion originally budgeted. This reduced expenditure was due to a J\$13.8 billion reduction in interest payments and J\$7.6 billion reduction in expenditures on capital programs. Contributing to the reduction in interest payments, savings on domestic interest payments accounted for J\$7.04 billion of the decrease while external interest savings amounted to J\$6.75 billion.

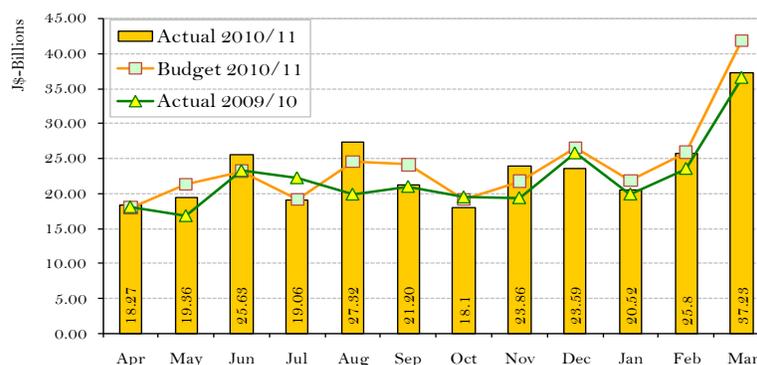
FISCAL OUTTURN

Though there are continuing concerns regarding the levels of arrears owed by the GOJ, and in his recent 2011/12 Budget presentation Finance Minister Audley Shaw notably extending the time frame by one year for eliminating the fiscal deficit - from the end of FY2014/15 to FY2015/16 - the fiscal consolidation efforts of the GOJ during 2010/11 appear to be progressing in the right direction. The fiscal deficit of -J\$74.2 billion for FY2010/11 amounts to 6.1% of GDP and represents a 40.2% improvement on the -J\$123 billion or 12.75% of GDP recorded for 2009/10.

While Wages and Salaries of J\$112.8 billion were roughly in line with the amounts budgeted, Net Interest payments were down by a whopping -J\$61.5 billion or 32.6% with savings on domestic interest payments accounting for -J\$56.5 billion of the reduction. Very significantly, net new borrowings were also down by a hefty -J\$123 billion or 41.2% relative to FY2009/10. This was entirely due to a -J\$126.9 billion reduction in (the usually more expensive) domestic loans, as there was a modest J\$3.8 billion year over year increase in external borrowing to J\$90.5 billion.

The Primary Surplus - the difference between total revenues and non

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



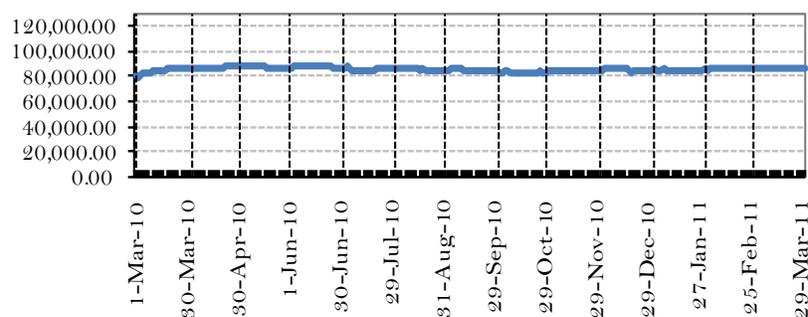
Source: Ministry Of Finance and Planning (Jamaica)

Table 12: Major Deviations in Fiscal Revenue and Expenditure

J\$-Millions	Apr-Mar 2010/11
Revenue (Revenue Surpluses)	
GCT (Imports)	7,276.6
Travel Tax	1,380.0
Capital Revenue	956.3
Education Tax	697.5
Tax on Dividend	411.9
Revenue (Revenue Shortfalls)	
PAYE	-5,576.1
Custom Duty	-3,260.2
Tax on Interest	-3,245.9
STC (Imports)	-1,475.6
Other Companies	-1,176.4
Expenditure (Changes)	
Capital Programmes (under-spend)	-7,612.3
Domestic Interest (under-spend)	-7,043.1
External Interest (under-spend)	-6,751.6
Recurrent Programmes (over-spend)	2,741.5
Wages & Salaries (over-spend)	297.1

Source: Ministry Of Finance and Planning (Jamaica)

Figure 7: Main JSE Index Mar '10 - Mar '11



Source: Jamaica Stock Exchange (Online Database) and PSOJ

-interest expenditures for FY2010/11 was J\$54.1 billion or 5.6% of GDP. This fell short of budget by J\$7.15 billion or 11.7% relative to the J\$61.3 billion originally budgeted.

PUBLIC DEBT: Total public debt at the end of FY2010/11 stood at \$1.527 trillion compared to J\$1,434.8 trillion at the end of FY2010/11. This represents an additional \$135.6

billion added to the debt stock during 2010/11. As of March 2011, the domestic debt is estimated at J\$800 billion or 52.6% of the total, while the external debt amounts to US\$720.3 billion or 47.4% of the total debt stock. Eighty-four percent (84%) of the increase in the debt stock (or J\$131 billion) in 2010/11, arose from external borrowing, reflecting GOJ policy to seek out lower interest external loans.

Stock Market

During March 2011, market capitalization increased marginally by J\$4.8 billion or 4.2% to close at J\$572.9 billion. Four of five indices on the Jamaica Stock Exchange advanced and one declined. The main **JSE Market Index** advanced by 726 points or 0.85% to close at 86,532 points. The **JSE All Jamaican Composite** advanced by 54 points, or 0.07%, to close at 81,813 points and the **JSE Select** advanced by 21 points or 0.94% to close at 2,238 points. The **JSE**

firm. National Commercial Bank with 50.7 million units was the volume leader with 34.5% of market volume; Gracekennedy Ltd. was second with 12.7 million units or 8.6% of traded shares; followed by Salada Foods Ltd. with 9.1 million units or 6.2% of market volume.

The leading advancers year to date are: Berger Paints, Kingston Wharves, Gleaner Company, Jamaica Money Market Brokers (JMMB) and Carreras Limited. The leading decliners are Pulse Investments, Desnoes & Geddes, Salada Foods, Mayberry Investments Limited, and Cable & Wireless Ltd.

Economic Highlights

(contd. from page 1.)

These include:

1. J\$2.7 billion on the e-learning project and building out broadband internet access - up from J\$793 million in 2010/11.
2. A near doubling of capital expenditure on the educational system to J\$1.3 billion,
3. An additional J\$1 billion to complete 1,600 houses in St. Ann and St. Elizabeth
4. A 48% increase in capital expenditure on agricultural development

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

	31- Dec '10	31- Mar '11	\$ change	% change
Top Five (unadjusted for dividends or transact. Costs)				
Berger Paints (Jamaica)	2.01	3.00	0.99	49.3%
Kingston Wharves	4.00	5.25	1.25	31.3%
Gleaner Company	1.70	2.00	0.30	17.7%
JMMB	4.00	4.61	0.61	15.0%
Carreras Limited	53.07	60.51	7.46	14.0%
Bottom Five (unadjusted for dividends or transact. Costs)				
Pulse Investments	2.30	1.10	(1.20)	-52.2%
Desnoes & Geddes	3.59	2.52	(1.37)	-29.81%
Salada Foods	13.00	9.50	(3.50)	-26.92%
Mayberry Invest. Ltd	2.47	2.20	(1.27)	-10.93%
Cable & Wireless (Ja)	0.33	0.27	(0.06)	-18.18%

Source: Compiled from the JSE

Cross Listed Index of mostly foreign companies operating in Jamaica, also advanced during March 2011 by 17 points or 1.92% to close at 879 points, but the **Jamaica Stock Exchange Junior** declined (for the second month in a row) by 8.9 points or 2.4% to close at 365 points.

Market volume was moderate in March 2011 with 146,958 million units valued at J\$2.3 billion changing hands, compared to 62 million units valued at \$539.6 million in February 2011.

Overall market activity resulted from trading in 41 stocks of which 19 advanced, 16 declined and 6 traded

to J\$1.3 billion to promote a "sustainable private sector-led sugar cane industry".

These and other projects while being 'investments in the future', could also have an immediate impact in boosting aggregate demand. Aggregate demand could also be boosted by the J\$5 billion increase in pension payments and the payment of another J\$5 billion in salary and benefits owed to certain categories of public sector workers which are likely to be spent on consumption.

In addition, capital expenditure by the public bodies are slated to increase by J\$17.0 billion from J\$72 billion in 2010/11 to J\$89 billion in 2011/12. These capital expenditures include: J\$10.3 billion to be spent by the National Water Commission to expand and improve its infrastructure; J\$1.9 billion by NROCC; and, J\$2.3 billion by Petrojam. The Jamaica Development Infrastructure Program is expected to continue its 5-year J\$33 billion program of road repair and maintenance; and the EXIM Bank has benefited from increased funding of US\$57 million and plans to increase its loan disbursements to J\$7 billion in 2011/12. All of these infrastructural, business development and expenditure programs could boost aggregate demand and growth beyond the 1.5% of GDP currently targeted.

On the revenue side of the Budget, the key growth enhancing decision by the GOJ was not to increase direct taxes in 2011/12. The J\$22 billion in tax increases imposed in January 2011 as a pre-condition of the current Stand-by Agreement with the International Monetary Fund has very likely contributed to the depressed demand conditions in the Jamaican economy. Foregoing any further tax increase in 2011/12 might therefore aid consumption. Economic expansion should also be encouraged by the GOJ decision to strive for greater efficiencies in the tax system by merging three tax departments; and reducing stamp duties and transfer taxes associated with refinancing loans; the trading of corporate securities; and on the probate of wills and estates.

As fiscal year 2011/12 commences, it is fair to say that the GOJ has brought relative stability to the Jamaican economy and in many ways set the stage for growth. But for sustainable growth to occur, the Jamaican private sector will need to increase product innovation, output and exports. Avoidance of natural and external shocks and continued recovery in the global economy would also help.

INFLATION (MAR 2011) - CPI

APPENDIX

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	1.08%	1.077		
FOOD AND NON-ALCOHOLIC BEVERAGES	0.44%	0.163	2	
Food	0.38%			
Bread and Cereals	0.35%			
Meat	0.92%			
Fish and Seafood	0.63%			
Milk, Cheese and eggs	1.27%			
Oils and Fats	0.47%			
Fruit	0.46%			
Vegetables and Starchy Foods	-0.96%			
Vegetables	-2.28%			
Starchy Foods	2.42%			
Sugar, Jam, Honey, Chocolate and Confectionery	0.90%			
Food Products n.e.c.	0.69%			
Non-Alcoholic Beverages	0.86%			
Coffee, tea and Cocoa	1.52%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	0.61%			
ALCOHOLIC BEVERAGES AND TOBACCO	0.52%	0.007	8	
CLOTHING AND FOOTWEAR	0.81%	0.027	5	
Clothing	0.93%			
Footwear	0.56%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	4.12%	0.526	1	
Rentals for Housing	0.00%			
Maint and Repair of Dwelling	0.36%			
Water Supply and Misc. Serv Related to the Dwelling	0.44%			
Electricity, Gas and Other Fuels and Routine	7.51%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	2.74%	0.135	4	
Furniture and Furnishings (including Floor Coverings)	1.28%			
Household Textiles	1.27%			
Household Appliances	1.42%			
Glassware, Tableware and Household Utensils	0.68%			
Tools and Equipment for House and Garden	0.06%			
Goods and Serv. for Routine Household Maint	3.70%			
HEALTH	0.17%	0.005	10	
Medical Products, Appliances and Equipment	0.24%			
Health Services	0.08%			
TRANSPORT	1.27%	0.163	3	
COMMUNICATION	0.00%	0.000	11	
RECREATION AND CULTURE	0.21%	0.007	9	
EDUCATION	0.00%	0.000	11	
RESTAURANTS AND ACCOMMODATION SERVICES	0.13%	0.008	7	
MISCELLANEOUS GOODS AND SERVICES	0.31%	0.026	6	

INFLATION YTD (JAN—MAR 2011) CPI

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	0.48%	0.476		
FOOD AND NON-ALCOHOLIC BEVERAGES	-2.39%	-0.894	12	
Food	-2.68%			
Bread and Cereals	0.70%			
Meat	2.34%			
Fish and Seafood	1.28%			
Milk, Cheese and eggs	3.50%			
Oils and Fats	1.58%			
Fruit	2.49%			
Vegetables and Starchy Foods	-17.52%			
Vegetables	-22.39%			
Starchy Foods	-3.66%			
Sugar, Jam, Honey, Chocolate and Confectionery	2.10%			
Food Products n.e.c.	1.71%			
Non-Alcoholic Beverages	1.99%			
Coffee, tea and Cocoa	3.48%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	1.41%			
ALCOHOLIC BEVERAGES AND TOBACCO	2.50%	0.035	6	
CLOTHING AND FOOTWEAR	2.01%	0.067	5	
Clothing	2.48%			
Footwear	1.36%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	6.07%	0.774	1	
Rentals for Housing	0.05%			
Maint and Repair of Dwelling	4.29%			
Water Supply and Misc. Serv Related to the Dwelling	2.37%			
Electricity, Gas and Other Fuels and Routine	10.42%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	3.31%	0.163	3	
Furniture and Furnishings (including Floor Coverings)	1.99%			
Household Textiles	2.79%			
Household Appliances	1.67%			
Glassware, Tableware and Household Utensils	1.75%			
Tools and Equipment for House and Garden	1.38%			
Goods and Serv. for Routine Household Maint	4.16%			
HEALTH	0.25%	0.008	10	
Medical Products, Appliances and Equipment	0.40%			
Health Services	0.08%			
TRANSPORT	2.24%	0.287	2	
COMMUNICATION	0.00%	0.000	11	
RECREATION AND CULTURE	0.76%	0.025	8	
EDUCATION	0.42%	0.009	9	
RESTAURANTS AND ACCOMMODATION SERVICES	0.47%	0.029	7	
MISCELLANEOUS GOODS AND SERVICES	1.45%	0.121	4	

FISCAL ACCOUNT (APR– MAR '2011)

REV. & EXPEN. (APR'10 - MAR'11)	J\$m	PROVISIONAL Results	J\$m	BUDGET DEVIATION	J\$m	YOY - CHANGE
Revenue & Grants	314,558.5		-11,723.6		15,598.20	
Tax Revenue	279,874.2		-7,337.1		14,050.80	
Non-Tax Revenue	20,473.9		455.9		1,371.10	
Bauxite Levy	421.1		-307.8		-1,162.30	
Capital Revenue	3,664.5		956.3		-1,241.30	
Grants	10,124.8		-5,490.9		2,580.90	
Expenditure	388,768.0		-18,368.4		-33,292.70	
Recurrent Expenditure	333,173.9		-10,756.0		-53,582.30	
Programmes	76,862.5		2,741.5		4,896.40	
Wages & Salaries	127,956.7		297.1		3,028.00	
Interest	128,354.7		-13,794.7		-61,507.00	
Domestic	88,049.5		-7,043.1		-56,455.30	
External	40,305.2		-6,751.6		-5,051.40	
Capital Expenditure	55,594.1		-7,612.3		20,289.40	
Capital Programmes	55,594.1		-7,612.3		20,289.40	
IMF #1 Account	0.0		0.0		0.00	
Fiscal Balance (Surplus [+]/ve)	-74,209.5		6,644.8		49,533.50	
Loan Receipts	212,968.9		36,680.4		-123,139.50	
Domestic	122,478.7		4,507.1		-126,898.50	
External	90,490.2		32,173.2		3,759.30	
Divestment Proceeds	1,482.5		1,482.5		1,482.50	
Amortization	102,157.5		5,323.2		-72,169.30	
Domestic	79,393.5		9,692.1		-68,333.50	
External	22,764.0		-4,368.9		-3,835.40	
Overall Balance (Surplus [+]/ve)	38,084.5		39,484.5		77,859.30	
Primary Balance (Surplus [+]/ve)	54,145.2		-7,149.9		-12,615.40	

REV. & EXPEN. (APR'10 - MAR'11)	J\$m	PROVISIONAL Results	J\$m	BUDGET DEVIATION	J\$m	YOY - CHANGE
Revenue & Grants	314,558.5		-11,723.6		-5,965.2	
Tax Revenue	279,874.2		-7,337.1		-4230.7	
Income and profits	105,118.7		-9,758.6		-13122.6	
Bauxite alumina	866.3		-115.3		847.1	
Other companies	32,480.9		-1,176.4		2682.8	
PAYE	51,552.6		-5,576.1		-4421.1	
Tax on dividend	1,032.3		411.9		482.2	
Other individuals	4,001.8		-56.7		107.8	
Tax on interest	15,184.9		-3,245.9		-12821.8	
Environmental Levy	2,040.1		-266.4		-61.9	
Production and consumption	78,571.4		-1,252.4		7577.5	
SCT	8,647.9		-965.3		1975.8	
Motor vehicle licenses	1,782.7		-192.1		106.9	
Other Licenses	265.5		-245.0		-208.4	
Betting, gaming and lottery	1,532.8		-143.0		33.8	
Education Tax	13,096.5		697.5		808.6	
Contractors levy	793.6		-57.6		59.2	
GCT (Local)	46,389.9		-397.1		4930.7	
Stamp Duty (Local)	6,062.4		50.1		-128.8	
International Trade	94,144.0		3,940.3		19648.1	
Custom Duty	20,487.7		-3,260.2		1490.7	
Stamp Duty	1,393.2		19.5		110.6	
Travel Tax	3,930.6		1,380.0		2000.3	
GCT (Imports)	38,520.6		7,276.6		9710.8	
SCT (Imports)	29,811.8		-1,475.6		6335.2	
Non-Tax Revenue	20,473.9		455.9		1341.9	
Bauxite Levy	421.1		-307.8		-1162.3	
Capital Revenue	3,664.5		956.3		-1241.3	
Grants	10,124.8		-5,490.9		2580.9	

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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