



PSOJ MONTHLY ECONOMIC BULLETIN



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Economic Highlights

Small Businesses Struggling

Several reports in the media and in official Government of Jamaica (GOJ) publications over the past months highlight the struggles of Jamaica's small and micro enterprises during the global recession. In the Jamaican typology 'micro' enterprises are those employing up to 10 persons; and 'small' businesses from 10 to 50 persons.

According to the Planning Institute of Jamaica's (PIOJ) "Economic and Social Survey—Jamaica 2009" (ESSJ 2009), micro and small businesses account for 90.6% of companies paying General Consumption Tax (GCT). Using GCT records as an indicator of what is happening in the sector, the ESSJ reports that the number of micro businesses filing GCT

Numbers of Micro and Small Businesses according to GCT Filings

	2008		2009	
	Micro	Small	Micro	Small
Industries				
Agric	127	56	119	48
Mining	43	16	42	10
Manufacturing	738	397	709	351
Energy & Water	10	2	9	5
Construction	547	139	507	108
Wholesale & Retail	4130	2040	3911	1828
Trans. & Comm.	838	198	743	167
Financial Services	218	68	201	79
Rent, State & Prof	2470	547	2352	481
Govern. Services	1266	292	1162	247
Miscellaneous	657	169	570	132
Total	11,044	3,924	10,325	3,456

Source ESSJ 2009

returns declined from 11,044 in 2008 to 10,325 in 2009, that is by 6.5%. The numbers of 'small' businesses filing returns also declined from 3,924 to 3,456 enterprises or 11.9%.

The declining numbers of micro and small businesses reporting GCT does not necessarily mean that these businesses have ceased operations. Some micro businesses may have fallen off the GCT roll by virtue of GOJ exempting businesses earning less than J\$3 million from filing GCT as of March 2008. Others, might simply have been tardy with their GCT payment. But there are other data which suggests that small and micro-enterprises are struggling.

The ESSJ 2009, projecting from GCT returns, estimate that sales by SME's amounted to J\$99.1 billion in 2009, a drastic 50% fall-off in gross revenues compared to the J\$195.5 billion in estimated sales by the sector in 2008. Other reports of increases in the ratio of non-performing loans on the balance sheets of financial institutions from 5% to over 9% and of several banks increasing their loan loss reserves all possibly point to the difficult-

ties facing SME's in the continuing recessionary environment in Jamaica.

Still, a number of private and public lending institutions are stepping up and offering special loan facilities and other assistance to small businesses. Small businesses should also benefit from the general lowering of interest rates in the economy and might even benefit from the appreciation of the Jamaican dollar, especially if they are not exporters converting foreign earnings to pay Jamaican obligations.

Because, to the extent that appreciation of the J\$ will cheapen imports and boost the purchasing power of Jamaican consumers, SME's could benefit in the form of cheaper import prices for their inputs; while the fillip to consumption could raise aggregate demand locally, which has been very depressed throughout the recession, and which the GOJ has not been able to affect through counter-cyclical fiscal policies because of budgetary constraints. (Contd. On Page 10)

Inside this issue:

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

★ No new updates since previous issue



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Net International Reserves (NIR)

During the month of May 2010, Net International Reserves decreased by US\$60.7 million to US\$1,675.6 million compared to US\$1,736.2 million in April 2010. This was largely due to a decrease of -US\$59.7 million in foreign assets to US\$2,339.04, which was incompletely offset by a slight increase of US\$0.91 million in foreign liabilities to US\$662.5 million.

At current levels, gross reserves are adequate to finance 23.65 weeks of “goods” imports or 17.28 weeks of “goods and services” imports well above the 12 weeks international benchmark of reserves adequacy.

Foreign Currency Deposits

During April 2010, foreign currency deposits in the local financial system decreased by US\$11.0 million to US\$2.321 billion compared to US\$2.331 billion at the end of March 2010. The decrease in April largely resulted from a decrease in foreign currency deposits of US\$11.2 million in commercial banks plus a smaller decline of US\$4.74 million in building societies which were incompletely offset by a build-up of US\$4.96 million in merchant banks.

The decline in foreign currency deposits in April reflects a broader deceleration in the growth of foreign currency deposits during Q1 of 1.2% compared with the 12.3% growth in these deposits during Q4 of 2009. The BOJ explains the deceleration as due to an improvement in investor confidence given the success of the Jamaica Debt Exchange, and the approval of the IMF Stand-By Arrangement 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 May 2010, there was further appreciation of the Jamaican dollar against its US counterpart by 0.59 cents to J\$88.48 per US\$1 following a US\$0.44 appreciation during April 2010. Since March 2009, the exchange rate of the

Table 1: Changes in the NIR

	US\$M NIR	Change US\$M			Imports (Weeks)
		Mthly	12 Mth	YTD	
May-10	1,675.6	-60.7	3.8	-53.8	23.7
May-09	1,671.8	8.2	-587.5	-101.2	19.1

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

	US\$000 Apr 10	Change (US\$000)		% Change	
		mtly	12 mth	mtly	12 mth
Commercial Banks	1,730,548	(11,204)	34,780	-0.65%	2.05%
Building Societies	498,347	4,955	33,259	0.99%	7.15%
Merchant Banks	92,400	(4,736)	(31,933)	-5.13%	-25.68%
Total Deposits	2,321,295	(10,985)	36,106	-0.47%	1.58%

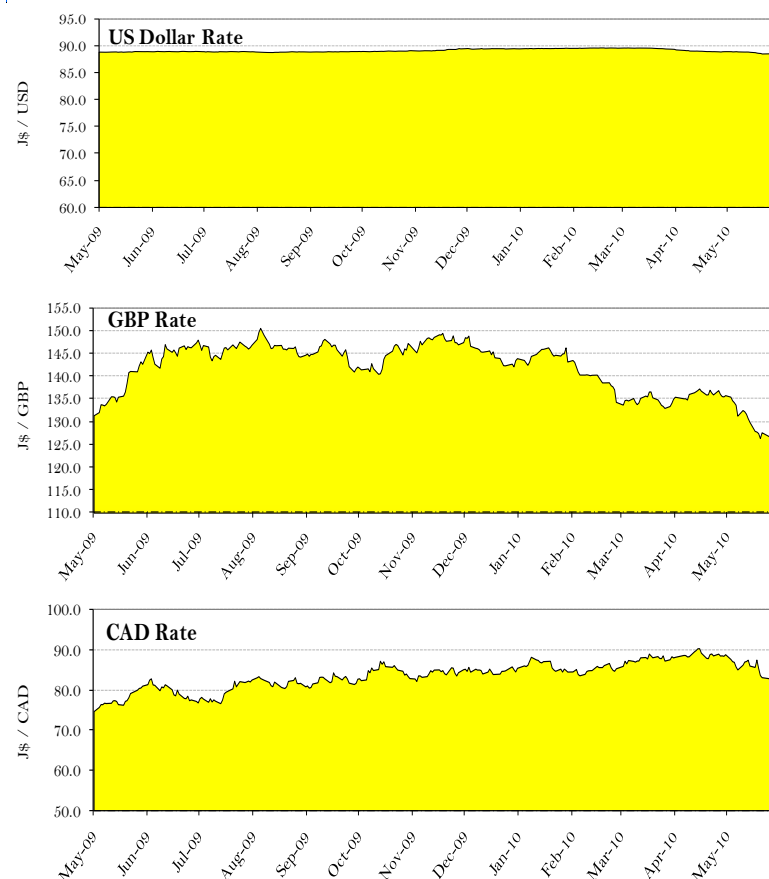
Source: Compiled from the BOJ (Preliminary)

Table 3: Foreign Exchange Trends

	YTD Currency Rate Change (Dec 31, 2009—05/31/10) *					
	J\$ / US\$	%	J\$ / UK£	%	J\$ / Can\$	%
2010	-1.11	-1.2	-16.62	-11.5	-1.43	-1.7
2009	8.61	10.7	25.91	22.2	15.49	23.6
2008	0.91	1.3	0.41	0.3	0.53	0.7
May 2010						
Actual Rate	88.48	-0.67	127.38	-6.24	84.04	-5.43
Mth Change	-0.59	-0.67	-8.48	-6.24	-4.83	-5.43

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

Figure 1: Daily % Change in Major Currency Rates



Source: Bank of Jamaica Database (BOJ)

J\$/USD 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 by J\$1.30 from the end of May to June 17th, 2010 as this Bulletin is being written. In sum, since the beginning of March 2010, the J\$ has appreciated by \$2.53 against the USD or 2.8%.

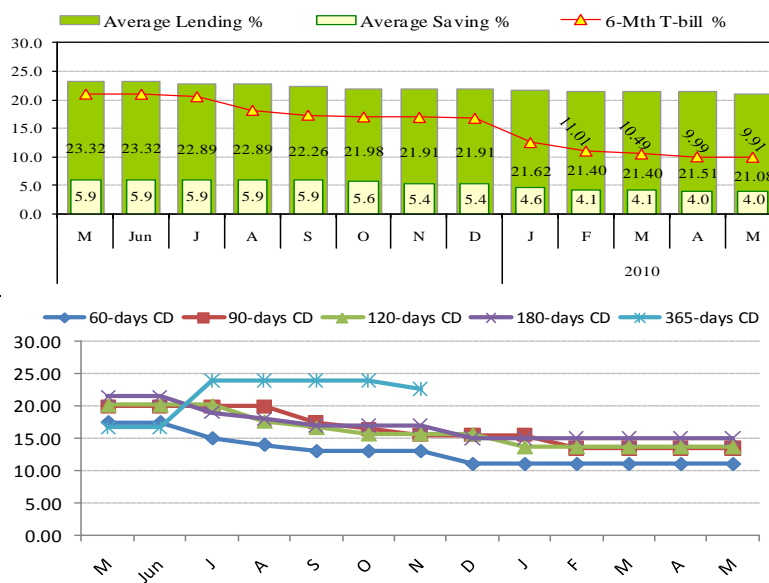
Many are now concerned, that the appreciation of the J\$ could increase Jamaica's internal cost structure, impair the external price competitiveness of the country's exports, and deleteriously affect our balance of payments by making our imports cheaper and exports more expensive. There is some truth to these observations. Foreign operators of businesses in Jamaica, like the bauxite companies who bring in and convert foreign exchange to pay their J\$ obligations will now have to convert more USD to obtain the J\$ equivalent. Considering that many of Jamaica's exports are already priced in USD however, there should be no automatic rise in our export prices due to the appreciation of the Jamaican dollar.

POUND & CANADIAN DOLLAR:

As for the USD, during May 2010, the J\$ extended its sharp appreciation against GBP by an additional \$8.48 or 6.2% following a 5.9% rise in April 2010. Against the CAD, the J\$ appreciated by an additional J\$4.83 or 5.4% rise, following a 2.6% rise in April 2010. Since the beginning of January 2010 to end of May 2010, the J\$ has appreciated by J\$16.62 or 11.5% against GBP and by J\$1.43 or 1.7% 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 Jamaica's economic prospects following

Figure 2A & 2B: Interest Rate Movements



Source: Bank of Jamaica Database (BOJ preliminary)

Table 4: Interest Rate Movements

	May-10	Change (%age pts)		
		Monthly	12-Mth	YTD
30-days CD	10.00%	0.00%	-7.00%	-0.50%
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	4.03%	0.00%	-1.86%	-1.32%
Avg Loan Rate	21.08%	-0.43%	-2.24%	-0.83%
6-Month T-Bill	9.91%	-0.08%	-11.17%	-6.89%

Source: Bank of Jamaica (BOJ Preliminary)

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

Though most rates were stable, the downward inclination of Jamaica's interest rates continued to be manifested on a few key instruments in May 2010. As was noted in earlier Bulletin, there were concerns that the extension of maturities and lowering of interests rates that domestic

holders of GOJ bonds had been asked to accept, under the Jamaica Debt Exchange, would inhibit the Government's ability to raise future loans on the domestic market. But in three succeeding months—February, March and April there has been high take-up of GOJ mid-range instruments and a lowering of interest rates each month.

In the March 2010 T-bill auction, the 3-month came in over-bid 2.4:1 with coupon lowered by 45bps from February to 10.18%. The 6-months T-bill was for its part, was over-bid 3.9:1 with coupon lowered by 52bps to 10.49%. At the April 2010 Auction,



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these mid-range instruments again witnessed high take-up with the 3-month over-bid 3.6:1 with coupons lowered by 25bps to 9.97%, while the 6-months was over-bid 5.2:1 with coupons lowered by 50bps to 9.99%.

In May 2010, both the bid to cover and the lowering of coupons were not as large as in previous months. The 3-month was over-bid 2.4:1 with coupon lowered by 20bps to 9.77%, while the 6-month was overbid 4.1:1 with coupons lowered by 8bps to 9.91%. Since the launching of the JDX, interest rates have fallen by over 600 bps on the 3-months T-bills and by close to 700bps on the 6-month tenor.

Rates on savings deposits were unchanged in May 2010 at 4.03%; but the average lending rate returned in May to its approximate March 2010 level of 21.08% after spiking to 21.51% in April 2010.

Base Money & Money Supply

During the March 2010 quarter, broad Jamaica Dollar money supply (M3J) decreased by 1.9%, relative to a decline of 1.4 per cent recorded in Q1 2009. The reduction in the review quarter restrained growth of M3J for fiscal year 2009/10 to 7.3%, compared to 9.2% in FY 2008/09 and the average of 11.4% for the last five fiscal years. The continued deceleration in M3J reflects the general weakness in the economy and GOJ/IMF policy of containing money supply growth.

M3 – the measure of money supply that includes foreign currency deposits—decreased by 1.1 per cent relative to an expansion of 2.3% in Q1 of 2009. Within M3, foreign currency deposits grew by 1.2 per cent, which was significantly lower than the increase of 12.3 per cent recorded in the March 2009 quarter.

Table 5: Base Money and Money Supply

	J\$M	Percentage Change (%)	
	March-10	Mthly	12 Mth
M1	100,186.87	-6.35	3.52
Quasi Money	225,776.74	-1.80	2.21
M2	319,657.25	-5.11	0.62
	May '10	Mthly	12 Mth
Base Money	81,011.52	4.33	10.86

Source: BOJ Economic Statistics

Table 6: Inflation Trends

	% Percent Changes			
	May	12-Mth	YTD	Fiscal
2010	0.63	14.07	6.18	1.98
2009	0.86	9.55	2.56	1.30

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

Table 7: Mining Production

	000 tonnes			YTD	
	May-10	May-09	%	May-10	10/09 %
Production					
Alumina	109.9	127.4	-13.7	570.1	-40.8
C. Bauxite	369.6	221.1	67.1	1,767.0	53.9
Export					
Alumina	94.7	137.1	-30.9	550.8	-40.6
C. Bauxite	349.5	194.9	110.5	1,760.3	54.8

Source: Jamaica Bauxite Institute (JBI)

In May 2010, the monetary base expanded by 4.33%, to J\$81,011.5 billion relative to the previous month. Year over year the increase is 10.86% which is faster than the 8.6% average for FY2009/10. The expansion in base money (YOY) largely reflects an increase in the BOJ's holdings of Government securities as well as a net increase in the NIR.

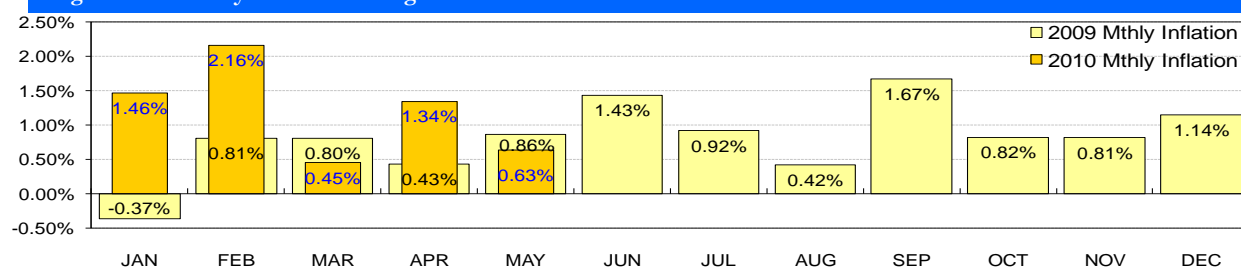
Inflation

The inflation out-turn in May 2010 was a moderate 0.63% which was lower than the 1.34% recorded for April 2010, but slightly higher than 0.45% recorded in March 2010. Still May's reading is the second lowest reading for 2010.

Of the 10 divisions within the CPI, "Communication" and "Education" were flat for the month, but all other eight (8) divisions recorded moderate increases. The largest increase was recorded in the division "Housing Water, Electricity, Gas and Other Fuels" which increased by 1.3%. This was due to increases of 1.9% and 1.6% in the groups 'Rentals for Housing' and 'Electricity, Gas and Other Fuels'.

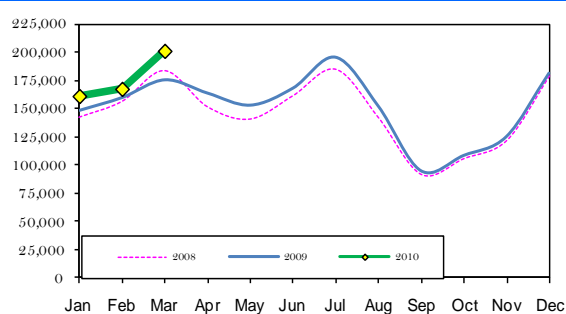
All other divisions recorded increases of under 1%. The division 'Food and Non-Alcoholic Beverages', which carries the highest weight in the index, was up by 0.8% following a 0.7% rise in April. This was mainly due to

Figure 3: Monthly Inflation Changes



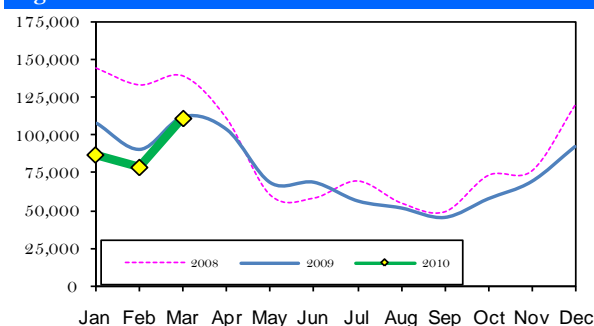
Source: STATIN and PSQJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

increased prices for vegetables and starchy foods and fruits. The division “Alcoholic Beverages and Tobacco” increased by 0.6% followed by “Clothing and Footwear” which fell 0.2% percentage points to 0.5% in May. The increases on all other divisions were under 0.5%.

The inflation rate for the calendar year to date was 6.2%, in comparison to the 2.6% that was recorded in the corresponding period in 2009. The movement for the period May 2009 to May 2010 (point-to-point) was 14.1 per cent while, the fiscal year to date increase was 2.0 per cent.

Bauxite & Alumina

Production of alumina in May 2010 amounted to 109,964 tons compared to 127,374 tons in April 2009 - a 13.7% decline. For its part, production of crude bauxite in April 2010 increased by 67% to 369,589 tons compared to 221,143 tons produced in April 2009. For the first five months of 2010, alumina production is down by -41% to 570,058 tons and alumina exports by -40.6% to 550,786 tons compared to the same period of 2009. Possibly reflecting the beginning of an upturn in the industry, production of crude bauxite is up by 53.9% to 1.78 million tons YTD compared to 1.15 million tons for the corresponding 5-month period of 2009, and bauxite exports are likewise up by 54.8% to 1.76 million tons. Indeed, since February 2010, production and export of crude bauxite has increased month over month compared with the same month in 2009.

These tentative signs of turn-around in the in the bauxite/alumina industry, though clearly not yet confirmed, are heartening after many months of contraction. It is also heartening to see the Jamaican Authorities moving to revital-

Tourist Arrivals

	2009	2010	%Change	
	YTD (Jan –Mar)		YTD - YOY	Mar. 09/10
Stopover	485,097	529,934	9.2%	14.5%
Foreign	455,086	498,037	9.4%	14.0%
Non-Resident	30,011	31,897	6.3%	21.3%
Cruise	310,720	277,297	-10.8%	-0.9%
Total Arrivals	795,817	807,231	1.4%	8.5%

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

ize production arrangements with UC RUSAL and to explore deals with China Aluminium (Chalco) though there is controversy surrounding the contracting procedures in the latter deal.

Tourism

Stopover arrivals in March 2010 were 201,378—an increase of 14.5% over the 1175,929 recorded in February 2009. However, the number of cruise passengers visiting the island in March 2010 declined slightly by -0.9% to 111,356 compared to 112,416 in March 2009.

For the first three months of calendar year 2010, 34,856 more stopover arrivals or 529,934 visitors came to our shores marking a 9.2% increase over the first quarter of 2009 when there were 495,097 stopover visitors to the island. For 2010, the GOJ is targeting 2 million stopovers.

For the first quarter of 2010, stopovers from the United States increased by 10.9 to 312,004 compared to 281,432 in Q1 2009 and the US share of stopover arrivals increased from 57% a year earlier to 59%.

The Canadian market continued on a growth trend, recording an increase of 11.0% for the first three months of

2010 with 131,349 stopovers, compared to 118,374 in 2009. This amounted to a 1% increase to 25% in the market share of visitors from Canada.

Visitors from Europe, including the UK, increased by 6.3% to 68,266 compared to 64,244 for the same period last year, reflecting a slight 0.4% percentage point increase in their market share to 13.0%. Stopover visitors from the Caribbean however, decreased by 13.0% to 12,302 compared to 14,138 for the first three months of 2009; and there was a 3.4% decrease in visitors from Latin America to 3,495.

Cruise visitors to the Island for the first quarter of 2010 was down 10.8% to 277,297 visitors compared to 310,720 for the same period in 2009. Total Visitors to the island for the first quarter of 2010 was 807,231—a 1.4% increase over the 795,817 visitors in Q1 of 2009.

External Trade

During 2009, Jamaica's exports declined by 52.6% - the biggest single year decline in the past 40 years - due to the severe global recession. In the first month of 2010, exports showed tentative signs of a rebound, but it is

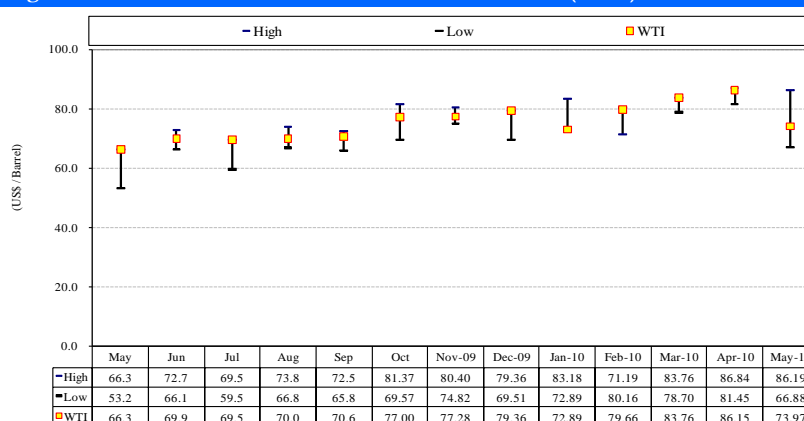
probably too early to be sure. In January 2010, the total value of exports was US\$116.90 million representing a 6.9% increase over the US\$109.40 million recorded in January 2009. Imports also declined substantially in 2009 by 39.4%. In January 2010, they declined further by 19.1% to US\$399 million compared to \$493 million recorded for January 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\$282.30 million compared to -US\$384.35 million for the January 2009—a US\$102 million reduction in the negative trade balance.

Traditional Exports: During January 2010, traditional domestic exports earned US\$50.5 million, declining by US\$10.7 million below the amounts recorded for January 2009. The share of traditional exports in total domestic exports also declined from 61.3% in January 2009 to 47.3% 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 -51.7% to US\$1.53 million in January 2010. “Coffee” valued at US\$1.2 million, was the leading commodity exported from this group.

Exports from the Mining and Quarrying group, which declined by a massive 66.4% in 2009 continued to decline in the first month of 2010, at a rate of -19.2%. Still, exports from this group amounted to US\$45.2 million, and accounted for 89.5% of total Traditional Domestic Exports. Of this, “Alumina” earned US\$28.8 million, US\$16.1 million less than the amount earned in January 2009. “Bauxite” exports earned US\$16.4 million, increasing by US\$5.3 million or 47.7%.

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 January 2010, the “Manufacture” group earned US\$3.8 million, increasing by US\$1.8 million when compared to January 2009 This was primarily attributable to increased exports of “Rum” which was valued at US\$3.6 million up from US\$1.9 million. The remaining commodities

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 '09	Jan '10	Change	% Change
TOTAL EXPORTS (fob)	109.40	116.90	7.50	6.9%
Major Traditional Exports	61.19	50.54	-10.65	-17.4%
<i>by Sector:-</i>				
Agriculture	3.16	1.53	-1.63	-51.7%
Mining & Quarrying	56.01	45.23	-10.78	-19.2%
Manufacturing	2.02	3.78	1.77	87.6%
<i>by Industry:-</i>				
Bauxite	11.11	16.42	5.31	47.7%
Alumina	44.90	28.81	-16.09	-35.8%
Sugar	-	-	0.00	
Rum	1.93	3.56	1.63	84.2%
Bananas	-	-	0.0	0.0
Coffee	2.71	1.23	-1.48	-54.7%
Other	0.54	0.53	-0.01	-1.9%
Non-Traditional Exports	37.79	56.32	18.53	49.0%
Re-exports	10.42	10.04	-0.38	-3.7%
TOTAL IMPORTS	493.75	399.20	-94.55	-19.1%
Food	83.47	45.71	-37.76	-45.2%
Beverages & Tobacco	7.96	5.04	-2.93	-36.8%
Crude Materials (excl. Fuels)	3.66	4.41	0.75	20.3%
Mineral Fuels, etcetera	128.16	155.84	27.68	21.6%
Animal & Vegetable Oils & Fats	0.35	0.64	0.30	85.3%
Chemicals	79.44	44.89	-34.55	-43.5%
Manufactured Goods	53.81	38.37	-15.44	-28.7%
Machinery and Transport Equip.	94.08	48.80	-45.28	-48.1%
Misc. Manufactured Articles	34.15	48.65	14.50	42.4%
Other	8.68	6.87	-1.81	-20.9%
TRADE BALANCE	(384.35)	(282.30)	102.05	-26.6%

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

in this group also increased during January 2010, except “Sugar” which was not traded due to its seasonality.

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

continued to outperform traditional exports, growing by 49% from US\$37.8 million in January 2009 to US\$56.3 million in January 2010. The share of non-traditional exports in total exports, also increased from 34.6% in January 2009 to 48.1% in 2010.

Earnings from non-traditional “Food”

items improved from US\$8.2 million in January 2009 to US\$10.1 million in 2010. Of this amount, Yams (the leading non-traditional food item), earned US\$1.5 million, a 17% increase above the US\$1.3 million earned in 2009; 'Ackee' grew to US\$1.3 million from US\$0.56 million; 'Baked Products' to US\$1.3 million from US\$0.8 million; 'Sauces' and 'Juices excluding Citrus' to US\$0.7 million each; but 'Dairy Products & Bird's Eggs' fell -17.7% to US\$1.2 million from US\$1.42 million in January 2009.

Exports of 'Beverages & Tobacco (excl. Rum)' fell in January 2010 from US\$5.3 million in 2009 and were valued at US\$4.0 million. Of this amount, 'Alcoholic Beverages (excl. Rum)' accounted for US\$3.6 million, down from US\$4.8 million.

'Crude Materials' grew from US\$0.9 million in January 2009 to US\$1.6 million in January 2010, as the exports of all items in this group increased. Earnings from 'Waste and Scrap Metals' rose to US\$0.9 million, while 'Other' Crude materials increased to US\$0.5 million.

'Other' non-traditional exports also increased in the review period, from US\$22.7 million in January 2009 to US\$40.6 million in January 2010. The value of 'Mineral Fuels, etcetera' grew from US\$19.7 million in the previous period to US\$24.4 million in the current review period. This represented an increase of US\$4.7 million or 24.1 per cent. 'Chemicals (incl. Ethanol)' also increased to US\$15.3 million in January 2010 from US\$2.3 million one year ago.

Imports. The decline in Jamaica's imports observed in 2009 due to depressed domestic demand brought on by the global recession, continued during the first month of 2010 with a further 19.1% decline in imports to US\$399.2 million compared to US\$493.8 million in January 2009. Apart from a 22% increase in imports of 'Mineral Fuels' to US\$155 million from US\$128.2 million, (likely due to higher oil prices); and a 42.4% increase in 'Miscellaneous Manufactured Articles' to US\$94.1 million from US\$48.8 million in January 2009, most other categories of imports experienced declines. 'Food' imports were down by 45% from US\$83 million a year earlier; Chemicals were down 43.5% to US\$45 million; 'Beverages and Tobacco' down a 36.7%

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

	Jan 2009	Jan 2010	\$ Change	% Change
Current Account	(153.8)	(32.1)	121.7	79.1%
Goods Balance	(319.1)	(260.1)	59.0	18.5%
Exports	115.5	107.3	(8.2)	-7.1%
Imports	434.6	367.4	(67.2)	-15.5%
Services Balance	72.2	(109.1)	37.0	51.2%
Transportation	(38.0)	(22.1)	15.9	41.8%
Travel	163.9	178.4	14.5	8.8%
Other Services	(53.7)	(47.2)	6.6	12.3%
Income	(56.7)	(39.3)	17.4	30.7%
Compensation of empl	2.4	0.7	(1.7)	-70.8%
Investment Income	(59.1)	(40.0)	19.0	32.1%
Current Transfers	149.8	158.2	8.4	5.6%
Official	8.0	8.7	0.7	8.8%
Private	141.8	149.5	7.7	5.4%
Capital & Financial Account	153.8	32.1	(121.7)	-79.1%
Capital Account	10.0	0.7	(9.3)	-93.0%
Capital Transfers	10.0	0.7	(9.3)	-93.0%
Official	13.4	4.0	(9.4)	-70.1%
Private	(3.4)	(3.3)	0.1	2.9%
Acq/dis.	-	-	-	0.0%
Financial Account	143.8	31.4	(112.4)	-78.2%
Other Official Invst	84.3	11.2	(95.5)	-113.3%
Other Private Invst	51.5	(120.8)	(172.3)	-334.6%
Reserves	8.0	163.4		

Source: BOJ & Statistical Update:

to US\$5.04 million; and 'Manufactured Goods' down 28.7% to US\$38.4 million from US\$54.0 million in January 2009.

Oil: During May 2010, crude oil fluctuated within a wide US\$20 range—its widest range in 15 months—reflecting the turmoil in global equities, commodities and financial markets. At the end of May 2010, the West Texas Intermediate (WTI) Crude Oil price stood at US\$73.97 per 42 gallon barrel marking a decrease in price of US\$12.18 compared to the closing price of US\$86.15 the previous month. During May 2010 the price ranged between a low of US\$66.88 and a high of \$US86.19 per barrel. (See Figure 5)

Balance of Payments

Jamaica's current account deficit for January 2010 was US\$32.1 million. This represented an improvement of US\$121.1 million compared to the deficit of US\$153.8 million for January 2009.

The improved performance in the current account was led by improve-

ments in the **Goods sub-account** resulting from contractions in several categories of imports. Imports of 'Machinery and Transport Equipment' were down US\$45.3 million or 48.1%; 'Food' imports down US\$37.8 million or 45.2%; and imports of 'Chemicals' were down US\$34.5 million or 43.5%. These were partially offset by increase expenditures of US\$27.7 million or 21.6% on 'Fuels'; and US\$14.5 million or 42.4% on imports of 'Miscellaneous Manufactured Goods'.

In addition to the **Goods Sub-account**, there were also improvements in the **Services, Income** and **Net Current Transfers** sub-accounts.

The surplus on the **Services Sub-account** increased by US\$37 million resulting from a decline in freight costs associated with reduced imports. The balance on the **Income Sub-account** declined by US\$17.4 million due mainly to lower payments on official external debt. The improvement in the **Current Transfers Sub-account** reflected a US\$5.6 million decline in remittance outflows and an increase of US\$2.1 million in inflows. Flows from official and private sources were insufficient to finance the current

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

account deficit. Accordingly the NIR decreased by US\$163.4 million during the year.

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 International 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 substantial 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

During the month of May 2010, market capitalization decreased by J\$15,125 billion to close at J\$564.30 billion. Three of four indices on the Jamaica Stock Exchange advanced. The main **JSE Market Index** declined by 2,320 points or 2.63% to close at 88,012 points. The

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

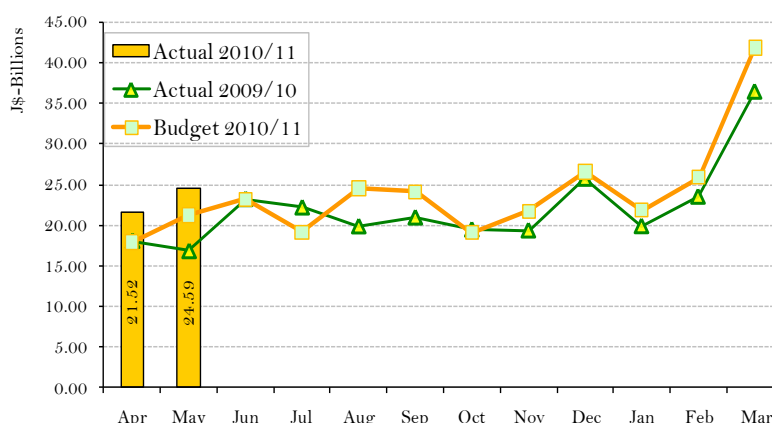
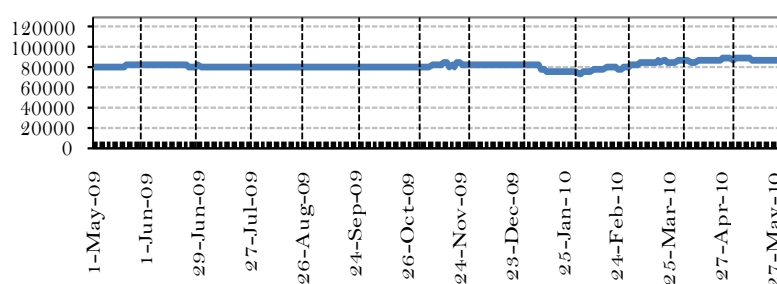


Table 12: Major Deviations in Fiscal Revenue and Expenditure

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, Jan - May 2010



Source: Jamaica Stock Exchange (Online Database) and PSQJ

JSE Select declined by 112.5 points or 4.78% to close at 2,243 points; and the **JSE All Jamaican Composite** declined by 3,967.4 points, or 4.57%, to close at

82,816 points. However, the **JSE Cross Listed Index** of mostly foreign companies operating in Jamaica, advanced marginally by 2.9 points or 0.34% to close at 851.8 points; but the

Jamaica Stock Exchange Junior advanced strongly by 55.95 points or 25.5% to close at 275.7 points.

Market volume was modest in May 2010 with some 171.5 million units valued at \$2.75 billion changing hands, compared to 127 million units in April 2010.

Overall market activity resulted from trading in 40 stocks of which 14 advanced, 18 declined and 8 traded firm. National Commercial Bank was the volume leader accounting for 49.93% of traded shares; followed by Jamaica Broilers with 13.34% of market volume and Supreme Ventures with 12.6% of market volume.

The leading advancers year to date are: Berger Paints, Grace Kennedy, Radio Jamaica, Mayberry Investments and Hardware & Lumber. The leading decliners were Ciboney Group, Guardian Holdings, Salada Foods, Trinidad Cement, and Kingston Properties Limited. (See Table 13)

debts. Even if default did not occur, the other side of these fears is that the affected European Governments will be forced to make such drastic budget cuts to get their fiscal houses in order, it will be contractionary and snuff out the nascent global recovery. Driven by these fears, global equities markets experienced sharp cutbacks of 10-12% during May 2010. The **Reuters/Jefferies CRB Index** of 19 commodity futures fell 8.2% - the worst drop in 18 months; and the Euro/USD plunged by 11% from US\$1.33 to a four year low of US\$1.1850.

After much dithering, European Union leaders and the International Monetary Fund finally agreed on a Stabilization Fund of about US\$1 trillion to be used to provide soft loans to EU Governments experiencing difficulties in raising financing at reasonable rates on private capital markets.

Now, though the extreme volatility has subsided somewhat, and in June there was a 50-60% retraction of the sharp losses that occurred in May, financial markets are by no means completely pacified. Indeed, the rating agencies have seemingly taken turns in continuing to downgrade Greece, Portugal and Spain and the yield spread on these country's bonds versus safe haven Ger-

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	2.90	1.70	141.7%
GraceKennedy Ltd.	40.50	65.47	24.97	61.65%
Radio Jamaica	2.01	3.10	1.09	54.23%
Mayberry Investments	1.99	2.89	0.90	45.3%
Hardware & Lumber	3.50	5.00	1.50	42.86%
Bottom Five (unadjusted for dividends or transact. Costs)				
Ciboney Group	0.10	0.05	(0.05)	-50.00
Guardian Holdings Ltd	299.50	175.0	(125.50)	-41.57%
Salada Foods	15.50	10.01	(4.49)	-35.42%
Trinidad Cement	72.00	53.00	(19.00)	-26.39%
Jamaica Producers Gp.	25.89	20.02	(5.87)	-22.67%

Source: Compiled from the JSE

Economic Highlights (contd. from page 1.)

Global Recovery Floundering

The condition of global financial markets appears to have stabilized over the past month after being roiled during

May by concerns that difficulties being experienced by several European nations in obtaining market financing at reasonable rates to service their huge public debt could result in one or several of them defaulting leading to further rounds of massive write-offs by the private banks who are holders of these public

man bunds continue to be very wide. Moody's downgraded Greece by four (4) notches from A3 to sub-investment grade Ba1 on June 10th, 2010, though Greece had committed to and was carrying out draconian budget cuts demanded by the EU as conditions for the loans they received. Spain was downgraded by Fitch from 'AAA' to AA+ on May 28th, 2010; and prior to May 2010, Portugal was downgraded two notches by Fitch on April 27th, 2010. As of June 17th, 2010, the yield spread on Spain, Portugal and Greece 10-year bonds were 211bps, 312bps and 618bps above corresponding German bunds.

Even the long desired revaluation of the Chinese Yuan, which was finally initiated by China on June 17th, 2010 has failed to give the market a sustainable lift. After a day and a half, the rally sparked by the expectations of Yuan appreciation and the anticipated boost that would give to consumption in China, and by extension the global recovery, has sputtered under the weight of the continuing worries over European sovereign debt.

Thus, there are now many doubts about the strength and sustainability of the global recovery. The OECD is still forecasting 2.7% growth for the

30 member countries in that group. And many analysts have argued that market players are discounting the strength of the fundamentals in the real economy, pointing to robust growth of industrial production in the Chinese, US and Japanese economies of 18.1%, 6.1% and 4.9% respectively prior to the May sell-off. But seemingly affected by the nervousness of investors, even those fundamentals have started to waver in recent times with the US non-farm payrolls (NFP) recording only 41,000 private sector jobs created in May 2010 against expectations of 140,000; and retail sales plunging by -1.2% in May 2011, the worst drop in 8 months. For June 2010 NFP private sector employment was higher at 81,000, but still below expectations for 120,000.

Still, to the extent that there no earth-shattering defaults in Europe and Yuan appreciation does serve to rebalance the global economy by encouraging more domestic Chinese consumption and importation of high-end consumerables, machinery and commodities, then the global recovery should remain on tract, though it is likely to be a more bumpy ride than was thought at the beginning of 2010.

INFLATION (MAY 2010) - CPI

APPENDIX

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	0.63%	0.630		
FOOD AND NON-ALCOHOLIC BEVERAGES	0.81%	0.304	1	
Food	0.86%			
Bread and Cereals	0.32%			
Meat	0.49%			
Fish and Seafood	0.86%			
Milk, Cheese and eggs	0.59%			
Oils and Fats	0.82%			
Fruit	1.20%			
Vegetables and Starchy Foods	1.95%			
Vegetables	1.31%			
Starchy Foods	3.58%			
Sugar, Jam, Honey, Chocolate and Confectionery	0.40%			
Food Products n.e.c.	0.92%			
Non-Alcoholic Beverages	0.59%			
Coffee, tea and Cocoa	0.41%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	0.71%			
ALCOHOLIC BEVERAGES AND TOBACCO	0.59%	0.008	8	
CLOTHING AND FOOTWEAR	0.53%	0.018	6	
Clothing	0.57%			
Footwear	0.47%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	1.26%	0.161	2	
Rentals for Housing	1.98%			
Maint and Repair of Dwelling	0.39%			
Water Supply and Misc. Serv Related to the Dwelling	-1.65%			
Electricity, Gas and Other Fuels and Routine	1.53%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	0.46%	0.022	5	
Furniture and Furnishings (including Floor Coverings)	0.67%			
Household Textiles	0.71%			
Household Appliances	0.97%			
Glassware, Tableware and Household Utensils	0.66%			
Tools and Equipment for House and Garden	0.62%			
Goods and Serv. for Routine Household Maint	0.26%			
HEALTH	0.17%	0.006	9	
Medical Products, Appliances and Equipment	0.08%			
Health Services	0.17%			
TRANSPORT	0.32%	0.041	3	
COMMUNICATION	0.00%	0.000	11	
RECREATION AND CULTURE	0.14%	0.005	10	
EDUCATION	0.00%	0.000	11	
RESTAURANTS AND ACCOMMODATION SERVICES	0.14%	0.009	7	
MISCELLANEOUS GOODS AND SERVICES	0.33%	0.028	4	

INFLATION YTD (JAN-APRIL 2010) CPI

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	6.18%	6.184		
FOOD AND NON-ALCOHOLIC BEVERAGES	4.13%	1.546	2	
Food	4.15%			
Bread and Cereals	1.82%			
Meat	4.95%			
Fish and Seafood	5.51%			
Milk, Cheese and eggs	5.15%			
Oils and Fats	4.96%			
Fruit	1.26%			
Vegetables and Starchy Foods	3.05%			
Vegetables	5.44%			
Starchy Foods	-2.39%			
Sugar, Jam, Honey, Chocolate and Confectionery	7.37%			
Food Products n.e.c.	6.60%			
Non-Alcoholic Beverages	4.20%			
Coffee, tea and Cocoa	5.65%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	3.65%			
ALCOHOLIC BEVERAGES AND TOBACCO	11.78%	0.163	7	
CLOTHING AND FOOTWEAR	4.32%	0.144	8	
Clothing	4.74%			
Footwear	3.76%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	3.81%	0.486	3	
Rentals for Housing	19.57%			
Maint and Repair of Dwelling	7.21%			
Water Supply and Misc. Serv Related to the Dwelling	3.29%			
Electricity, Gas and Other Fuels and Routine	-3.93%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	3.35%	0.165	6	
Furniture and Furnishings (including Floor Coverings)	5.05%			
Household Textiles	3.88%			
Household Appliances	6.88%			
Glassware, Tableware and Household Utensils	2.97%			
Tools and Equipment for House and Garden	3.46%			
Goods and Serv. for Routine Household Maint	2.27%			
HEALTH	1.36%	0.045	12	
Medical Products, Appliances and Equipment	0.74%			
Health Services	1.65%			
TRANSPORT	24.86%	3.187	1	
COMMUNICATION	3.02%	0.120	10	
RECREATION AND CULTURE	3.68%	0.124	9	
EDUCATION	3.26%	0.070	11	
RESTAURANTS AND ACCOMMODATION SERVICES	2.91%	0.180	5	
MISCELLANEOUS GOODS AND SERVICES	3.70%	0.310	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 '08	-11.73	12.95	n/a	14.01	1,819.08	2,454.38	2.23	18.21	5.1	71.74	13.33	21.64	4.88	560,278.86	6,123.21
Feb	0.34	11.22	1.61	16.77	1,956.20	2,436.13	1.76	19.90	13.3	71.37	14.22	22.39	4.88	562,555.18	6,159.34
Mar	1.81	13.54	-3.46	12.21	2,083.40	2,450.52	1.15	19.90	4.6	71.09	14.23	22.47	4.88	562,108.09	6,169.29
Apr	-2.17	11.27	2.81	13.79	2,162.86	2,451.16	1.55	21.18	-0.4	71.35	14.20	22.39	4.50	564,723.82	6,138.83
May	-6.63	9.33	0.62	12.21	2,259.21	2,462.11	2.40	22.51	-10.70	71.53	14.28	21.46	4.59	565,053.60	6,125.23
Jun	0.77	8.79	-1.22	9.24	2,228.80	2,321.04	1.96	23.98	-3.5	71.89	14.43	21.46	5.05	569,140.39	6,456.52
Jul	2.82	9.04	3.78	11.01	2,244.85	2,598.44	2.84	26.22	-6.2	72.04	14.90	21.83	5.48	571,400.77	6,431.84
Aug	4.06	12.09	-1.91	6.83	2,287.84	2,417.72	1.19	26.49	-5.39	72.07	15.08	22.00	5.48	577,570.80	6,363.02
Sep	-6.66	5.69	-1.14	4.35	2,251.08	2,327.84	0.66	25.34	-6.3	72.68	15.35	23.18	5.54	578,372.40	6,304.28
Oct	0.67	5.14	0.89	2.30	1,802.59	2,309.94	0.29	24.00	4.4	76.29	16.96	22.58	5.54	591,982.54	6,163.79
Nov	2.79	6.27	1.51	3.60	1,794.03	2,332.70	-0.37	19.65	-11.3	77.76	19.26	23.17	5.54	595,251.21	6,164.05
Dec	20.01	9.56	4.38	4.41	1,772.94	2,191.04	0.07	16.87	0.6	80.47	24.45	23.17	5.33	608,915.52	6,343.72
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	n/a	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	-5.11		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	n/a	n/a	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	n/a	0.63	6.2	n/a	88.48	9.91	21.08	4.03	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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