



PSOJ MONTHLY ECONOMIC BULLETIN



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Economic Highlights

Jamaica's Economy Grows at Slower Pace of 0.6% in Q1 2012

The Planning Institute of Jamaica (PIOJ) reported recently that Jamaica's economy grew by 0.6% in the January - March quarter of 2012 (Q1 2012). This was the fifth consecutive quarter of growth and the first full fiscal year of growth since 2007. Growth in Q1 2012 was slower than in the previous quarter; and the PIOJ noted that though there were increases in business and consumer confidence, and loans and advances by the commercial banks increased by 11.4% relative to the previous quarter, there was a net loss of 23,000 jobs as of the end of January 2012.

In Q1 2012, the **Goods Producing** industries grew by 1.4% while the combined **Services** industries grew by 0.2%. Growth in the Goods Producing Sectors were driven by a 7.0% rise in Agriculture, Forestry & Fishing. This was largely due

Table 1a. Year over Year Change in Quarterly GDP

Industrial Sectors	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012
Total GDP	1.6	2.1	0.5	1.7	0.6
Goods Producing Industries	5.9	5.6	2.6	6.0	1.4
Agric, Forestry & Fishing	13.7	10.7	2.9	15.0	7.0
Mining & Quarrying	37.5	33.8	7.7	8.0	-5.5
Manufacture	-0.5	-0.4	2.1	4.7	0.4
Construction & Installation	-0.2	1.4	1.4	0.1	-0.5
Services Industries	-0.2	0.9	-0.2	0.0	0.2
Electricity & Water Supply	1.6	0.3	1.1	3.5	0.1
Trans, Storage & Communication	-1.1	3.3	-2.0	-1.6	-1.0
Wholesale & Retail Trade etc.	0.0	0.0	0.1	0.7	0.5
Finance & Insurance Services	-3.0	-0.1	-1.1	-0.7	0.0
Real Estate, Renting & Business Services	0.0	0.7	0.8	0.5	0.5
Producers of Government Services	-0.4	0.3	0.5	-0.5	0.0
Hotels & Restaurants	4.3	2.4	0.0	0.8	1.0
Other Services	0.6	0.7	-0.8	-0.3	0.4

Source: PIOJ

to a 15.8% rise in Traditional Export Crops (mainly sugar); a 5.6% rise in Other Agricultural Crops; and a 16.2% increase in Post Harvest Activities.

The growth in Agriculture was supported by a 0.4% rise in **Manufacturing** reflecting a 0.2% rise in the production of Food, Beverages and Tobacco and a 0.7% rise in Other Manufacturing. **Mining and Quarrying** however, contracted by 5.5% reflecting declines of -5.8% in alumina production and -10.9% for bauxite. **Construction** also declined -0.5% due to significant fall-off in its three components. Housing Starts were down 70.0%; and Completions - down 68.4%; 'Other Construction' declined due to large 70-80% cutbacks in GOJ road-works and civil engineering projects.

Services

As for the Goods industries, growth in Services industries also moderated in Q1 2012, but only one Sub-sector—'Transport, Storage and Communication' recorded a decline of -1.0%. This reflected declining activity at the nations air and seaports. Cargo volume was down -9.3% and air passenger arrivals

down -0.3%. Two services sub-sector were flat on the quarter - **Producers of Government Services** and **Finance and Insurance Services**. The latter was flat as the rise in fees and commissions was not enough to counterbalance lower interest income.

Electricity & Water Supply increased by 0.1% as increased water production of 0.9% outweighed a 0.6% decline in electrical generation and a 2.0% decline in electrical sales. Real value-added in **Wholesale and Retail Trade; Repair and Installation of Machinery** grew 0.3% reflecting increased sales in five of nine goods categories. Real Value Added for **Hotels & Restaurants** industry grew by 1.0%, reflecting increased arrivals in stopover and cruise passenger categories. Stopover were up 0.3% and cruise passenger arrivals up by 69%.

For the April to June 2012 quarter, the PIOJ is projecting growth of 0.5% to 1.5% range, but cautions that developments in the Eurozone could dampen prospects. (Contd on Page 10)

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Net International Reserves (NIR)

During May 2012, Net International Reserves decreased by an additional US\$53.0 million to US\$1,718.75 million compared to US\$1,771.8 million at the end of April 2012. This is the twelfth monthly decline of NIR in as many months for a total of US\$615 million over the period. This largely reflects continued net selling of the USD since May 2011 by the BOJ to support the J\$ which has been under moderate pressure, possibly, because of the hiatus and uncertainty in the GOJ/IMF Arrangement.

At the end of May 2012, gross reserves were adequate to finance 22.22 weeks of "goods" imports or 17.75 weeks of "goods and services" imports, well above the 12 weeks international benchmark of reserves adequacy.

Foreign Currency Deposits

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

During 2010 FCD's increased compared to 2009 because investors preferred holding Jamaican dollar denominated assets due to the improving stability of the Jamaican macro-economy and the sufficiency of foreign exchange. In 2011 and continuing in the first quarter of 2012, safe haven holding of FCD's appears to have increased as sentiment regarding prospects for the Jamaican economy became more cautious.

Foreign Exchange Rate

US DOLLAR: During May 2012, depreciation of the J\$ accelerated by J\$0.78 or 0.89% against the USD to J\$88.12 from J\$87.35 in April 2012. Apart from three months in 2011 when there were small month over month gains, the J\$ had declined steadily though modestly (by J\$0.46)

Table 1b: Changes in the NIR

	US\$M NIR	Change US\$M			Imports (Weeks)
		Mthly	12 Mth	YTD	
May-12	1,718.75	-53.03	-615.63	-248.26	22.22
May-11	2334.38	-268.02	658.79	162.97	28.46

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

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

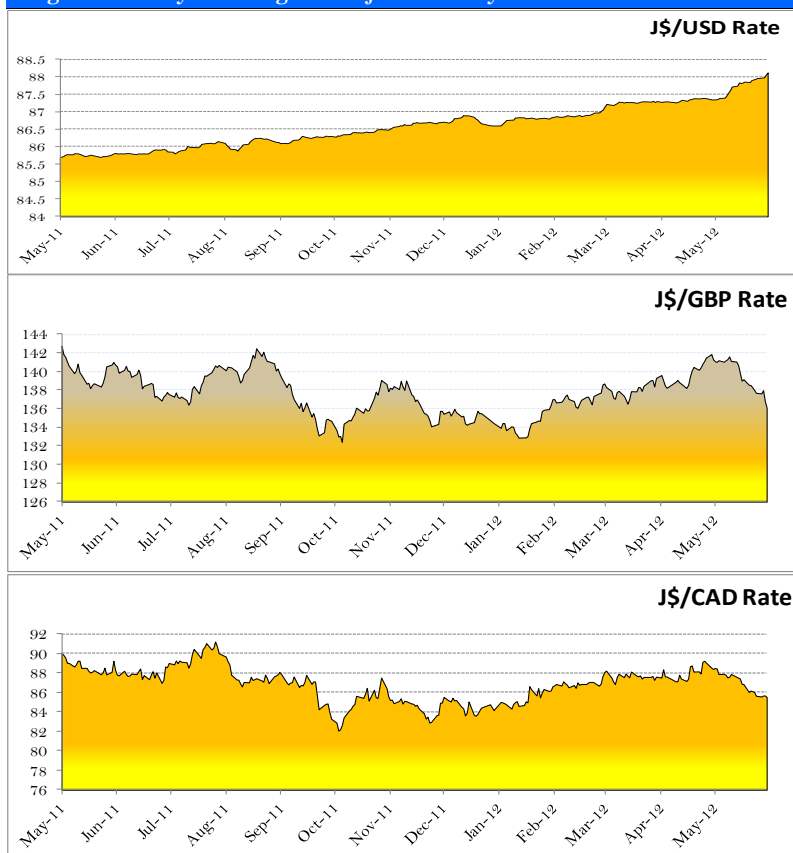
Source: Compiled from the BOJ (Preliminary)

Table 3: Foreign Exchange Trends

	YTD Currency Rate Change (Dec 31, 2011—05/31/12) *					
	J\$ / US\$	%	J\$ / UK£	%	J\$ / Can\$	%
2012	-1.52	-1.76	-1.65	-1.23	-1.35	-1.61
2011	0.08	0.10	-7.26	-5.43	-3.94	-4.62
2010	1.12	1.25	16.17	11.27	0.53	0.62
	MOM May - 2012					
Actual Rate	88.12	0.89	136.09	-4.05	85.55	-3.40
Mth Change	0.78	0.89	-5.75	-4.05	-3.01	-3.40

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

Figure 1: Daily % Change in Major Currency Rates



Source: Bank of Jamaica Database (BOJ)

against the USD during calendar year 2011. Since the beginning of 2012 however, the rate of decline of the J\$ has accelerated and now amounts to J\$1.52 or 1.76% year to date. Still the USD remains well below its three year high of J\$89.79 and below key resistance at J\$90.

POUND & CANADIAN DOLLAR:

During May 2012, the J\$ appreciated by J\$5.75 or 4.05% against the GBP to J\$136.09 from J\$141.84 in April 2012. Against the CAD, the J\$ also appreciated in May 2012 - by J\$3.01 or 3.40% to sell for J\$85.55 compared to J\$88.56 in April 2012. During 2011 there were sharp up and down movements of the J\$ against GBP and CAD (See Chart 1) mirroring the rise and fall of these currencies against the USD on international exchanges in response to risk sentiment. For the first five months of calendar year 2012, the J\$ is down J\$1.65 or 1.23% against GBP, and by J\$1.35 or 1.61% against the CAD.

Interest Rates

During calendar year 2011, Jamaican monetary authorities maintained their dovish (low interest rate) policy stance and continued the policy of withholding medium and longer term instruments from the market in their efforts to allow interest rates to recalibrate at much lower levels than was the norm for the previous two decades. In furtherance of that policy, the Bank of Jamaica only issued 30 days certificate of deposits during 2011 and the longest tenure issued by the Ministry of Finance was the 6-month treasury bill.

The Minister of Finance in the recently elected People's National Party Government has also affirmed the dovish policy bias of his predecessor.

Continuing the steadiness observed since the beginning of 2012, during May 2012, there was only slight movements on two rates. The 6-month Treasury Bill fell by 5 bps 6.39%. Year to date, the 6-month T-Bill is down 7 bps. The average lending rate (ALR), which has been the slowest declining rate over the past

Figure 2A & 2B: Interest Rate Movements

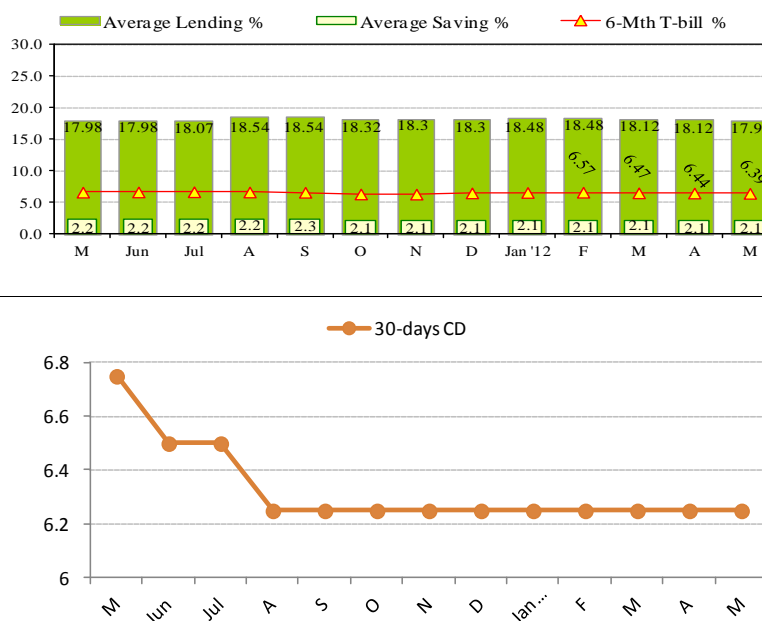


Table 4: Interest Rate Movements

	May-12	Change (%age pts)		
		Monthly	12-Mth	YTD
30-days CD	6.25%	0.00%	-0.50%	0.00%
60-days CD*	11.00%	0.00%	0.00%	0.00%
90-days CD*	13.50%	0.00%	0.00%	0.00%
120-days CD*	13.70%	0.00%	0.00%	0.00%
180-days CD*	15.00%	0.00%	0.00%	0.00%
Avg Savings Deposit	2.10%	0.00%	-0.14%	-0.03%
Avg Loan Rate	17.93%	-0.19%	-0.05%	-0.37%
6-Month T-Bill	6.39%	-0.05%	-0.19%	-0.07%

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

three years, and which dropped by 36 bps in March 2012 to 18.12%, and was unchanged in April 2012, fell by 19 bps in May 2012. Year to date, the average lending rate is down 0.37%. The average saving rate was unchanged in May 2012.

Base Money & Money Supply

During Q1 2012, M1 declined by J\$11.2 billion or -8.6% to J\$119.17 billion due largely to a J\$11.1 billion reduction in 'currency with the public' as the BOJ engaged in its

usual post-Christmas mopping-up of currency issues. Quasi money for its part increased by J\$6.0 billion or 2.6% to J\$236.17 billion as savings balances were rebuilt following the usual Christmas splurge.

Given the significant drop in M1 and the smaller increase in Quasi money, M2, not unexpectedly declined by 1.4% during Q1 2012, though it inched up slightly by 0.19% (MoM) to J\$356,099.1 billion in March 2012.

During May 2012 the monetary base decreased by J\$1.228 billion or 1.45% to J\$83.74 billion. This largely re-



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sulted from decrease of J\$366.1 million in net currency issue; a reduction of J\$651.4 million in Commercial Banks' Statutory Reserves; and a decline of J\$211.0 million in checking deposits.

Inflation

The rate of inflation increased by 0.5% during May 2012. The increase in May 2012 was roughly in line with the 0.51% average monthly increase for calendar 2012.

Within the Consumer Price Index (CPI), the division recording the highest increase (1.4%) was **"Housing, Water, Electricity, Gas and Other Fuels"**. This rise was largely due to the increase cost of electricity in May 2012.

The second highest increase (0.7%) was recorded within the **"Clothing and Footwear"** division. This was due to rises of 0.7% and 0.8% in the two groups 'Clothing' and 'Footwear' respectively which make up the division.

The third highest increase (0.5%) was recorded in the most heavily weighted **"Food and Non-Alcoholic Beverages"** division. This reflected increases of 3.0% for the classes 'Fruit' due to increases in the cost of ripe bananas and pineapples; a 1.1% rise for 'Milk, Cheese and Eggs' and a 0.9% rise for 'Oil and Fats'. Within the group 'Non-Alcoholic Beverages', 'Coffee, Tea and Cocoa' increased by 0.9% and 'Mineral Waters, Soft Drinks, Fruit and Vegetable Juices' increased by 0.3%.

All nine other divisions within the CPI recorded increases of 0.3% or less. Two divisions - **"Alcoholic Beverages and Tobacco"** and **"Miscellaneous Goods and Services"** recorded increases of 0.3%; three divisions - **"Communication"**, **"Recreation and Culture"** and **"Education"** were flat on the month; while **"Transport"** recorded the only decrease (-0.2%) in May 2012.

Table 5: Base Money and Money Supply

	J\$M	Percentage Change (%)	
	Mar -12	Mthly	12 Mth
M1	119,170.21	-3.79	11.49
Quasi Money	236,928.87	2.31	4.86
M2	356,099.08	0.19	6.99
	May g-'12	Mthly	12 Mth
Base Money	83,738.06	-1.45	5.52

Source: BOJ Economic Statistics

Table 6: Inflation Trends

	% Percent Changes			
	May	12-Mth	YTD	Fiscal
2012	0.49	6.90	2.58	0.88
2011	0.77	7.08	1.73	1.24

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

Table 7: Mining Production

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

Source: Jamaica Bauxite Institute (JBI)

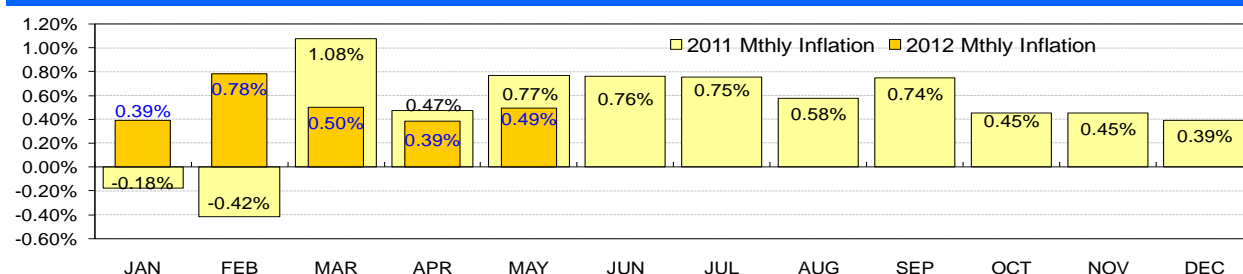
The calendar year to date inflation rate was 2.6%, in contrast to 1.0 % rise during the first four months of 2011. The fiscal year to date rate was 0.9% while the point to point rate was 6.9%.

Bauxite & Alumina

Production of alumina in May 2012 amounted to 148,129 tons compared to 168,984 tons in May 2011 - a decrease of -12.5%. For its part, production of crude bauxite in May 2012 increased by 4.0% to 436.7 tons compared to 419,874 tons in May 2011. During calendar year 2010, alumina production fell by -10.3% to 1.59

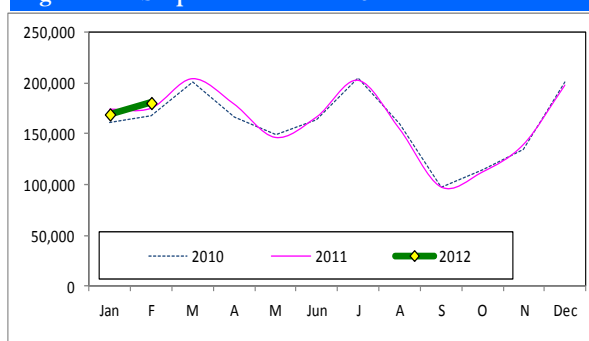
million tons and alumina exports by -16.4% to 1.56 million tons compared to 2009. But reflecting the upturn in the global economy, during calendar year 2011, alumina production increased by 23.2% to 1.959 million tons; while production of crude bauxite was up by 19.5% to 5.143 million tons relative to 2010. However, reflecting the softening conditions in the global economy over the past three quarters, production of alumina is down -6.65% to 774,986 tons in the first five months of 2012 compared to 830,173 tons during the corresponding period of 2011. Production of crude bauxite is also down -11.6% to 1,939.7 million tons relative to 2,193.6 million tons for the corre-

Figure 3: Monthly Inflation Changes



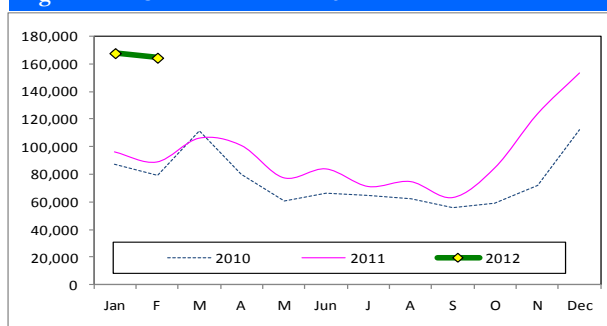
Source: STATIN and PSQJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

sponding period of 2011.

Tourism

Stopover arrivals in February 2012 were 180,592 – an increase of 3.1% relative to the 175,114 stopovers recorded in February 2011. The number of cruise passengers also increased in February 2012 by 84.8% to 164,415 visitors, compared to 88,983 in February 2011.

During calendar year 2011, stopovers increased by 1.6% to 1,951,752 compared to 1,921,678 arrivals in 2010. This fell short however of the 6% to 8% growth the GOJ was targeting for 2011 of 2,060,000. Thus for the second year in a row, GOJ targets for stopovers fell short of projections.

Regionally, stopovers from the US decreased marginally by -0.2% in February 2012 to 96,450 compared to 96,605 in February 2011. Year to date, stopovers from the US are down -2.9% extending the decline from calendar year 2011, during which stopovers from the United States declined by -1.4% to 1,225,565 visitors. From the Canadian market, stopovers increased by 8.5% in February 2012 with 57,262 arrivals compared to 52,799 in February 2011. Year to date, the number of visitors from Canada are up 4.4% to 113,101 compared to 108,125 visitors in January to February 2011. This continues the increase in stopovers from Canada during 2011, in which, stopovers increased by 16.5% with 378,983 visitors compared to 325,191 visitors in 2010.

Visitors from Europe, including the UK, declined slightly by -0.2% in February 2012 to 19,759 visitors compared to 19,840 arrivals in February 2011. Year to date, visitors from Europe are down 0.4% to 40,593 compared to 40,747 in Jan-Feb 2011. This continues the decline recorded in calendar year 2011 in

Tourist Arrivals

	2011	2012	%Change	
	YTD (JAN-FEB)		YOY	MOM
Stopover	175,114	180,592	3.1%	6.6%
Foreign	165,528	171,025	3.3%	7.4%
Non-Resident	9,586	9,567	-0.2%	-4.9%
Cruise	88,983	164,415	84.8%	-2.0%
Total Arrivals	264,097	345,007	30.6%	2.3%

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

which stopovers from Europe declined by -6.7% to 253,049 compared to 271,315 in 2010.

Stopover arrivals from the Caribbean recorded a 13.6% increase in 2011 to 66,216 reversing a -10.8% decline in 2010. For the first two months of 2012 however, stopovers from the Caribbean are down by -1.2% to 8,515. On the other hand, stopovers from Latin America are up by 56.9% in Jan-Feb 2012 to 3,836 visitors extending their 23.4% rise during 2011.

During calendar year 2011, cruise visitors to the Island increased by 23.7% to 1,125,481 visitors. During Jan-Feb 2012, cruise arrivals are up by 79.2% to 332,160 visitors reflecting the opening of the Falmouth Port. Total Visitors to Jamaica for Jan-Feb 2012 were 345,007 marking a 30.6% increase relative to 264,097 visitors during Jan-Feb 2011.

External Trade

During the first two months of calendar year 2012, Jamaica's exports declined slightly by -US\$1.97 million or 0.8% to US\$252.5 million, compared to US\$254.5 million during January - February 2011. Imports for the period grew slightly by US\$11.7 million or 1.2%, to US\$1,005.3 million compared

to US\$993.6 million during the corresponding period of 2011. As is generally the case when economic conditions are picking up globally and in Jamaica, the negative imbalance in Jamaica's merchandise trade continued to widen in Jan-Feb 2012 by US\$13.7 million or 1.9% to -US\$752.7 million compared to US\$739.1 million in January - Feb 2011.

Traditional Exports: During the first two months of 2012, traditional domestic exports earned US\$131.26 million, a decrease of -US\$8.7 million or -6.2% relative to the US\$139.97 million recorded in 2011. The share of traditional exports in total domestic exports also declined from 54.9% in Jan-Feb 2011 to 52.0% in 2012 reflecting contracting demand for Jamaican exports given the current global slowdown.

The decreased earnings from traditional exports largely resulted from a 11.7% decline in alumina production from US\$90.9 million to US\$80.25 million and a 4.2% decline in bauxite production from US\$21.7 million to US\$20.81 million. This was reinforced by a small US\$500,000 decline in rum exports. These declines however were partially mitigated by a 11.6% rise in sugar exports to

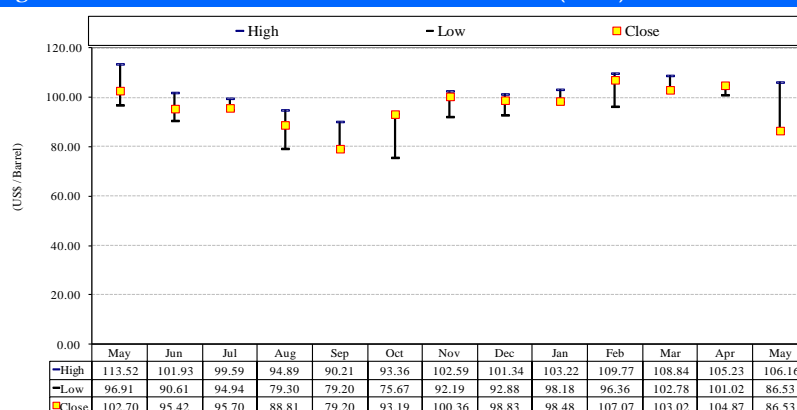
US\$18.74 million from US\$16.8 million in Jan-Feb 2011; and a 17.4% increase in Traditional Agriculture exports from US\$1.64 million to US\$1.93 million.

Non-traditional exports accounted for 50.4% of exports by value in calendar year 2009 surpassing earnings from traditional exports. But due to the recovery in the Bauxite/Alumina industry in 2010 and during the first half of 2011, and significant declines in several non-traditional exports groups, traditional exports again moved to the top in 2011. During 2011, earnings from non-traditional exports rebounded by 12.8% to US\$675.5 million relative to US\$599.1 million during 2010 but accounted for only 41.6% of exports. Due to the current global slowdown however, reflected in contraction in Jamaica's alumina/bauxite output over the past two quarters, the share of non-traditional exports in total exports has risen to 44.7% (US\$112.9 million) for the first two months of 2012 from US\$104.2 million in 2011.

Several groups of non-traditional exports contributed to the expansion in Jan-Feb 2012. In the category **"Food"**, there was a 4.6% increase in earnings to US\$24.5 million relative to US\$23.4 million in Jan-Feb 2011. Eleven of seventeen categories recorded increases. Among the main contributors to the increase in 'Food' earnings were: a 55.6% increase in Dairy Products & Birds Eggs' to US\$3.34 million compared to US\$2.15 million during the corresponding period of 2011; a 78.8% rise in Animal Feed' to US\$1.4 million relative to US\$923k a year earlier; plus a 34.0% rise in 'Juices excluding Citrus' to US\$1.4 million relative to US\$1.04 million in Jan-Feb 2011. There was also a 22.4% increase in 'Ackee' exports to US\$2.78 million; a 3.2% increase in 'Sauces' to US\$1.84 million; and a 16.4% increase in exports of 'Other Food Products' to US\$4.34 million compared to US\$3.7 million in Jan-Feb 2011.

There were however, notable decreases in earnings from some 'Food' categories in Jan-Feb 2012 relative to 2011. Earnings from 'Yams' were down 27.2% to US\$2.37 million from US\$3.3 million in Jan-Feb 2011; 'Baked Products' exports were down -29.2% to US\$2.58 million from US\$3.64 million; exports of 'Fish, Crustaceans & Molluscs' were down -20.9% to US\$811,000 from US\$1.03 million; and

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-Feb '11	Jan-Feb '12	Change	% Change
TOTAL EXPORTS (fob)	254.51	252.54	-1.97	-0.8%
Major Traditional Exports	139.97	131.26	-8.71	-6.2%
<i>by Sector:-</i>				
Agriculture	1.64	1.93	0.29	17.4%
Mining & Quarrying	112.77	101.06	-11.71	-10.4%
Manufacturing	25.56	28.27	2.71	10.6%
<i>by Industry:-</i>				
Bauxite	21.73	20.81	-0.92	-4.2%
Alumina	90.94	80.25	-10.68	-11.7%
Sugar	16.79	18.74	1.95	11.6%
Rum	8.39	7.89	-0.50	-5.9%
Bananas	-	0.03	0.03	0.0%
Coffee	0.56	0.42	-0.15	-26.0%
Other	1.57	3.13	1.55	99.0%
Non-Traditional Exports	104.16	112.93	8.77	8.4%
Re-exports	10.38	8.35	-2.03	-19.5%
TOTAL IMPORTS	993.58	1,005.29	11.71	1.2%
Food	141.55	149.04	7.49	5.3%
Beverages & Tobacco	12.66	11.48	-1.18	-9.3%
Crude Materials (excl. Fuels)	9.73	4.08	-5.65	-58.0%
Mineral Fuels, etcetera	426.77	407.99	-18.78	-4.4%
Animal & Vegetable Oils & Fats	13.23	14.17	0.94	7.1%
Chemicals	97.15	93.26	-3.88	-4.0%
Manufactured Goods	92.73	99.69	6.96	7.5%
Machinery and Transport Equip.	124.98	149.65	24.67	19.7%
Misc. Manufactured Articles	68.04	66.12	-1.92	-2.8%
Other	6.75	9.80	3.05	45.2%
TRADE BALANCE	(739.08)	(752.75)	-13.68	1.9%

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

'Malt Extracts and Preparations thereof were down by -45.4% to US\$515,000 from US\$942,000

Two of three of the other categories of non-traditional exports also recorded increases during Jan-Feb 2012.

In the category **"Beverages & Tobacco (excl. Rum)"** there was a 48.3%

increase from US\$7.9 million in Jan-Feb 2011 to US\$11.78 million during 2011. This was mainly due to a 58.1% increase in earnings from 'Alcoholic Beverages (excl. Rum)' to US\$10.3 million compared to US\$6.5 million during the corresponding period of 2011.

In addition, **"Other"** non-traditional

exports, generally, the largest category of non-traditional exports, increased by 7.7% to US\$70.8 million from US\$65.7 million during Jan-Feb 2011. This mainly reflected a 7.7% increase in 'Mineral Fuels etc' to US\$62.1 million up from US\$57.0 during Jan-Feb 2011; and a 6.0% rise in 'Chemicals (incl. Ethanol)'. However, five of the groups in 'Other' non-traditional exports recorded declines ranging from 23% to 82% in the first two months of 2012.

"Crude Materials", which have been the leading group of non-traditional exports in recent years, was down 17.5% during the first two months of 2012. This decline was largely due to a 22.0% drop in exports of 'Waste and Scrap Metals from US\$5.6 to US\$4.4 during Jan-Feb 2012. This was reinforced by a smaller decline of 2.6% in exports of 'Limestone'.

Imports. Reflecting more buoyant conditions in the local and global economy, imports surged by 24.2% during 2011 to US\$6.6 billion. This growth continued in the first two months of the year, at a much slower pace however, as imports rose by 1.1% to US\$1.0 billion compared to US\$994.0 million in Jan-Feb 2012.

Largely responsible for the moderating growth of imports was a -4.5% drop in **Raw Materials/Intermediate Goods** to US\$636.3 million relative to US\$666.1 million in Jan-Feb 2011. This mainly resulted from a decline of 22.0% in imports of 'Other Fuels and Lubricants' from US\$277.9 million to US\$216.7 million. Imports of 'Crude Oil' increased however, by 28.6% to US\$191 million from US\$148.6 million in Jan-Feb 2011. Two other groups of intermediate goods also declined. Imports of 'Industrial Supplies' fell -6.0% to US\$141.8 million; while imports of 'Food' fell -6.1% to US\$49.9 million compared to US\$53.09 million in Jan-Feb 2011.

Possibly reflecting expansion or retooling by Jamaican firms, imports of **'Capital Goods (excl. Motor Cars)'** grew significantly by 13.5% to US\$487.14 million in 2011. For the first two months of 2012, Capital Goods imports have continued their strong growth increasing by 12.1% to US\$75.6 million from US\$64.7 million. Though there was a 22.8% decline in imports of 'Construction Materials' to US\$13.16 million, imports of 'Machinery and Equipment' increased by 24.9% to

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

	Jan-Dec 2010	Jan-Dec 2011	\$ Change	% Change
Current Account	(934.0)	(2,068.9)	(1,134.9)	-121.5%
Goods Balance	(3,259.4)	(4,261.0)	(1,001.6)	-30.7%
Exports	1,368.0	1,662.5	294.5	21.5%
Imports	4,627.4	5,923.5	1,296.1	28.0%
Services Balance	810.0	697.8	(112.2)	-13.9%
Transportation	(429.7)	(553.8)	(124.1)	-28.9%
Travel	1,808.8	1,833.2	24.4	1.3%
Other Services	(569.1)	(581.6)	(12.5)	-2.2%
Income	(494.6)	(548.2)	(53.6)	-10.8%
Compensation of empl	89.1	48.7	(40.4)	-45.3%
Investment Income	(583.7)	(596.9)	(13.2)	-2.3%
Current Transfers	2,010.0	2,042.6	32.6	1.6%
Official	194.3	121.3	(73.0)	-37.6%
Private	1,815.7	1,921.3	105.6	5.8%
Capital & Financial Account	934.0	2,068.9	1,134.9	121.5%
Capital Account	(22.1)	2.7	24.8	112.2%
Capital Transfers	(22.1)	2.7	24.8	112.2%
Official	4.2	29.0	24.8	590.5%
Private	(26.3)	(26.3)	-	0.0%
Acq/dis.	-	-	-	0.0%
Financial Account	956.1	2,066.2	1,110.1	116.1%
Other Official Invst	967.7	452.7	(515.0)	-53.2%
Other Private Invst	430.4	1,408.3	977.9	227.2%
Reserves	(442.0)	205.2	647.2	146.4%

Source: BOJ & Statistical Update:

US\$45.3 million; and 'Other Industrial Transport Equipment' by 33.3% to 13.5 million.

Imports of **Consumer Goods (excl. Motor Cars)** dipped slightly in 2011, by -0.2% to US\$1.698 billion relative to US\$1.70 billion in 2010. For the first two months of 2012, Consumer Goods imports are up 3.4% to US\$254.8 million compared to US\$246.4 million in 2011. The largest areas of increase are 'Food (incl. Beverages)' - up 3.4% to US\$117.2 million compared to US\$104.8 million during the corresponding period of 2011. 'Semi-Durable Goods' - were also up 8.6% to US\$19.23 million relative to US\$17.7 million in Jan-Feb 2011. However, 'Other Durable Goods (excl. Motor Cars)' declined - 10.5% to US\$47.1 million from US\$52.6 million one year ago; and 'Non-Durable Goods' dipped slightly by -0.1% to US\$71.32 million. Imports of **'Passenger Motor Cars'** increased notably by 148% to US\$41.6 million compared to US\$16.8 million in Jan-Feb 2012.

Oil: At the end of May 2012, the price of West Texas Intermediate (WTI) Crude Oil stood at US\$86.53

per 42 gallon barrel - a decrease in price of US\$18.34 relative to the closing price of US\$104.87 the previous month. During May 2012 the price ranged between a high of US\$106.16 and a low of US\$86.53 where it closed. (See Fig. 5)

Balance of Payments

For 2011, there was a **Current Account deficit** of US\$2,068.9 million, which represented a deterioration of US\$1,134.9 million relative to the corresponding period in 2010. The deterioration in the current account resulted from all sub-accounts except the Current Transfers sub-account

During the period, the **Goods Balance** recorded a deficit of US\$4,261.0 million, a deterioration of US\$1,001.6 million when compared to the corresponding period in 2010. This resulted primarily from an increase in imports of US\$1,296.1 million, which was significantly influenced by an increase in mineral fuel of US\$856.3 million. The deterioration in the Goods sub-account was partially offset by a US\$294.6 million increase in exports, stemming mainly from an increase in

Table 11: Fiscal Accounts (J\$ Million)

	Apr-Mar (Fiscal—2011/12)				Apr-Mar (YOY)	
	J\$ million		Deviation		10/11 - 11/12	
	Provisional	Budget	J\$M	(%)	J\$M	(%)
Revenue & Grants	322,457.3	324,540.2	-2,082.9	-0.64	6,703.2	2.1
Tax Revenue	289,882.2	290,908.3	-1,026.1	-0.35	10,037.3	3.6
Non-Tax Revenue	17,016.7	17,934.2	-917.5	-5.12	-2,541.0	-12.4
Bauxite Levy	1,524.5	1,530.8	-6.3	-0.41	1,103.5	262.0
Capital Revenue	10,585.1	9,053.7	1,531.4	16.91	4,547.6	123.9
Grants	3,448.8	5,113.2	-1,664.4	-32.55	-6,445.1	-67.6
Expenditure	403,191.6	397,186.7	6,004.9	1.51	19,126.1	4.9
Recurrent Expenditure	349,960.7	349,044.0	916.7	0.26	19,612.9	5.9
Programmes	89,699.4	88,428.8	1,270.6	1.44	14,445.8	19.0
Wages & Salaries	139,556.9	139,900.2	-343.3	-0.25	11,371.8	8.8
Interest	120,704.4	120,715.0	-10.6	-0.01	-6,204.2	-4.9
Domestic	81,617.3	81,636.9	-19.6	-0.02	-6,664.1	-7.5
External	39,087.1	39,078.1	9.0	0.02	459.7	1.2
Capital Expenditure	53,230.9	48,142.7	5,088.2	10.57	-486.8	-0.9
Capital Programmes	53,230.9	48,142.7	5,088.2	10.57	-486.8	-0.9
IMF #1 Account	0.0	0.0	0.0	0.00	0.0	0.0
Fiscal Balance (Surplus [+ve])	-80,734.2	-72,646.5	-8,087.7	-11.13	-12,422.9	-16.9
Loan Receipts	163,519.2	164,061.7	-542.5	-0.33	-5,329.7	-3.0
Domestic	142,751.1	133,883.2	8,867.9	6.62	27,085.2	22.1
External	20,768.2	30,178.5	-9,410.3	-31.18	-32,415.0	-60.9
Divestment Proceeds	0.0	0.0	0.0		-1,482.5	-100.0
Amortization	128,373.2	128,059.1	314.1	0.25	25,403.0	24.9
Domestic	67,820.3	67,186.7	633.6	0.94	-12,207.0	-15.4
External	60,553.0	60,872.4	-319.4	-0.52	37,609.6	165.2
Overall Balance (Surplus [+ve])	-45,588.3	-36,643.9	-8,944.4	-24.41	-115,881.8	-145.2
Primary Balance (Surplus [+ve])	39,970.1	48,068.5	-8,098.4	-16.85	-18,627.5	-34.8

Source: Ministry of Finance and Planning

alumina exports of US\$178.0 million.

In relation to the **Services Balance**, there was a decline of US\$112.2 million in its surplus position. This resulted from an increase in estimated freight cost associated with imports. The **Income Sub-account** deteriorated by US\$53.6 million during the review period. This reduction emanated primarily from a decrease of US\$39.7 million in compensation of employee inflows from Jamaican residents working abroad.

During the review period, **Current Transfers** increased by US\$32.6 million to US\$2,042.6 million. This improvement resulted primarily from an increase in net private transfers of **US\$105.6 million**.

Flows from official and private sources were insufficient to finance the current account deficit. Consequently, the NIR declined by US\$205.2 million during the period.

Fiscal Accounts

During fiscal year 2011/12 there was notable slippage on several fiscal targets set by the GOJ. During the year, the GOJ ran a fiscal deficit of -J\$80.7 billion which was J\$8.09 billion or 11.1% worse than the -J\$72.65 billion budgeted and worse than the -J\$73.7 billion recorded for FY 2010/11. The worse than expected fiscal deficit reflected the fact that expenditures exceeding budget by J\$6.0 billion while revenues fell short of projections by J\$2.08 billion.

REVENUE: Total Revenues & Grants to the GOJ during Apr-Mar 2011/12 was J\$322.5 billion. This was -J\$2.08 billion or 0.64% below the J\$324.5 billion budgeted, but J\$6.7 billion higher than the J\$315.8 billion collected in FY 2010/11.

The main outperformers on the reve-

nue accounts were 'Capital Revenues' - up J\$1.53 billion; 'PAYE' - up J\$1.03 billion; and 'GCT (Imports)' which was J\$706.4 million above budget. 'Stamp Duty' also came in J\$534.0 million above budget and so did 'Tax on Interest' - which exceeded budget by J\$497.1 million. Overall, returns on seventeen revenue heads and sub-heads were positive and twelve were negative.

Among the main underperformers on the revenue accounts were: 'Other Companies' taxes which registered a shortfall of -J\$3.64 billion; 'SCT (Imports)' was down -J\$917.5 million; and 'Customs Duty' came in -J\$805.1 million below budget. Notable shortfalls were also recorded by 'Other Individual' taxes- down -J\$687.2 million and 'Tax on Dividend' which came in -J\$134.3 million below budget.

EXPENDITURE: Total expenditure for fiscal year 2011/12 was J\$403.2 billion. This was J\$6.0 billion more than J\$397.2 budgeted, and also J\$19.13 billion more than the J\$360.6 billion expended during Y2010/11. Among the heads showing notable deviations from budget were: 'Capital Programmes' - overspent by J\$5.09 billion and 'Recurrent Programmes' - overspent by J\$1.27 billion. In contrast, there were modest under-spending on 'Wages and Salaries' of -J\$343.3 million and -J\$19.6 million on 'Domestic Interest', but spending on 'External Interest' exceeded budget by an even more modest J\$9.0 million.

FISCAL OUTTURN

As noted, during FY2011/12 (Apr-Mar 2011), the Budget recorded a fiscal deficit of -J\$80.74 billion which was J\$8.09 billion worse than the revised targets. During FY2010/11, there was a fiscal deficit of -J\$74.2 billion amounting to 6.1% of GDP which represented a 40.2% improvement on the deficit of -J\$123 billion recorded in 2009/10. For FY2011/12, the GOJ originally projected a deficit of -J\$61.8 billion or 4.7% of GDP. The out-turn for FY 2011/12 is therefore about 6.2% of GDP.

The Primary Surplus - the difference between total revenues and non-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. For FY2011/12, the primary surplus originally targeted was J\$69.3 billion which was downwardly revised to J\$48.07 billion in mid-year. Even then, the GOJ fell short of that target by J\$8.09 billion as the actual out-turn was J\$39.97 billion.

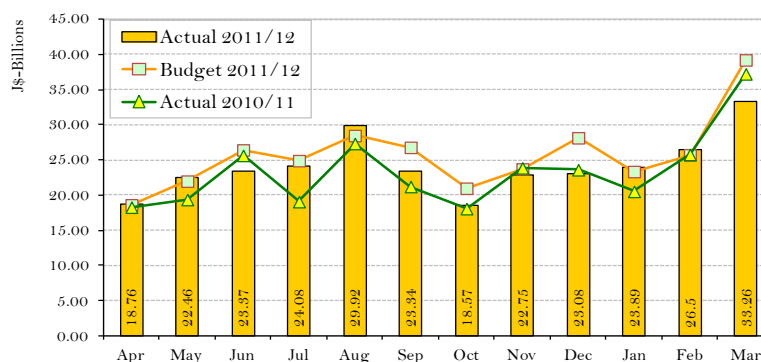
PUBLIC DEBT

At the end of calendar year 2011 the total public debt stood at J\$1.630 trillion - an increase of J\$93.7 billion over the J\$1.536 trillion recorded at the start of January 2011. During 2011, the domestic debt increased by J\$69.58 billion to J\$883.39 billion or 54.2% of the total, while the external debt grew by J\$24.13 billion (US\$280 million) to J\$747.03 billion (US\$8.626 billion) or 46.0% of the total debt stock.

Stock Market

During May 2012, market capitalization decreased by -J\$8.096 billion or 1.3% to close at J\$612.4 billion. Four of

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



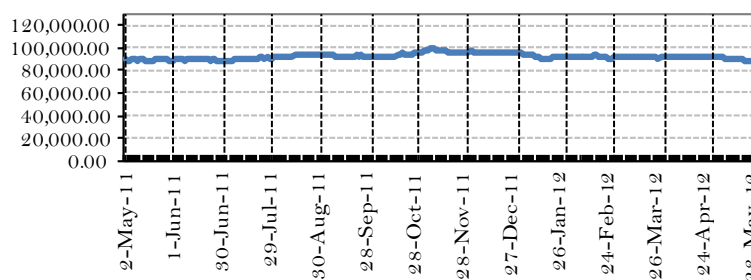
Source: Ministry Of Finance and Planning (Jamaica)

Table 12: Major Deviations in Fiscal Revenue and Expenditure

J\$-Millions	Apr-Mar 2011/12
Revenue (Revenue Surpluses)	
Capital Revenue	1,531.4
PAYE	1,026.1
GCT (Imports)	706.4
Stamp Duty (Local)	533.9
Tax on Interest	497.1
Revenue (Revenue Shortfalls)	
Other Companies	-3,637.8
SCT (Imports)	-917.5
Customs Duty	-805.1
Other Individuals	-687.2
Tax on Dividend	-134.3
Expenditure (Changes)	
Capital Programmes (over-spend)	5,088.2
Recurrent Programmes (over-spend)	1,270.6
Wages & Salaries (under-spend)	-343.3
Domestic Interest (under-spend)	-19.6
External Interest (over-spend)	9.0

Source: Ministry Of Finance and Planning (Jamaica)

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



Source: Jamaica Stock Exchange (Online Database) and PSQJ

five indices on the Jamaican Stock Exchange declined during the month and one was unchanged. The main **JSE Market Index** dropped by 3,079 points or -3.37% to close at 88,381 points. The

JSE All Jamaican Composite declined by 5,127 points or -5.32% to close at 91,314 points. The **JSE Select Index** declined by 173.8 points or -6.37% to close at 2,556 points and

the **JSE Junior Market Index** declined by 20.96 points or -3.17% to close at 640.7 points. The **JSE Cross Listed Index** of mostly foreign companies operating in Jamaica, was unchanged at 785.3 points.

Market volume was quite heavy in May 2012 with 209.1 million units valued at J\$5.4 million changing hands compared to 43.17 million units valued at J\$401.6 million changing hands during April 2012.

Overall market activity resulted from trading in 47 stocks of which 13 advanced, 27 declined and 7 traded firm. Carreras Ltd. was the market leader with 75.5 million units or 36.1% of market volume; followed by National Commercial Bank Life Jamaica Ltd. with 41.65 million units; while Cable & Wireless (Jamaica) was third with 18.6% of market volume or 18.0 million units changing hands.

The only advancer year to date is Sagicor Life Jamaica. The leading decliners are: Caribbean Cement Com-

Stability Facility (EFSF) to strengthen their balance sheets and to help them purchase the debt of troubled sovereigns has boosted confidence and returned some stability to markets. Investors had been very concerned that requiring troubled European Governments to backstop their troubled banks would only lead to a worsening of the deficit condition of the sovereigns. In addition, the decision of Euro-zone leaders to provide €120 billion to the most troubled countries to promote growth and tackle unemployment, especially among youths, has generated some confidence that the Europeans are getting their act together and tackling the main challenges of the European crises.

Still, many believe that the measures do not go far enough. That beyond the conditional loans available through the EFSF upon a request for a bailout by a troubled nation, the European Central Bank (ECB) needs to start purchasing the bonds of troubled sovereigns when they are issued to keep down their borrowing costs. Other analysts, note that considerable damage has already been done to the global economy from the European crises and that the out-turn for the second quarter in many countries will be worst than in Q1 2012.

In the United States there are signs that the housing market has joined the labour

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

	31- Dec '11	31- May - 12	\$ change	% change
Top Five (unadjusted for dividends or transact. Costs)				
Sagicor Life Jamaica	10.00	10.69	0.69	6.90%
Bottom Five (unadjusted for dividends or transact. Costs)				
Caribbean Cement Co	3.00	1.55	(1.45)	-48.33%
Pulse Investments	2.45	1.40	(1.15)	-42.86%
Mayberry Investments	3.26	2.22	(0.78)	-31.90%
Gleaner Company	2.20	1.57	(0.63)	-28.64
Barita Investments Ltd.	4.71	3.50	(1.21)	25.69%

Source: Compiled from the JSE

pany Ltd, Pulse Investments, Mayberry Investments Ltd, The Gleaner Company and Barita Investments Ltd.

Economic Highlights

(contd. from page 1.)

The Global Economy

The three year long economic crisis in the Eurozone appears to be abating (at least for now) with the recent vote in Greece in favour of the pro-bailout parties. Even more significantly, the decision of European leaders to allow European banks to directly access funds from the European Financial

market in tenuous stability. In May 2012, 'New Home Sales' (still at historic lows) came in at 369,000 beating expectations for 347,000. 'Pending Home Sales' also beat expectations rising by 15.3% relative to expectations of a 9.9% rise. But while 'Weekly Initial Jobless Claims' continue to hover below 400,000 (thought to be the pivot point at which job losses exceed job gains), in May 2012 the three week average for Weekly Jobless Claims increased to 385k compared to 375k in April 2012.

Further signs of impending weakness, in the US economy, four of six regional manufacturing indices came in below expectations and 'Durable Goods Order (Excl. Transportation) expanded by 0.4% relative to expectations of a 0.7% gain.

For China, the data in May 2012 was generally better than the previous month, but still indicate that growth is moderating. China's Purchasing Manager's Index (PMI) for Services - a forward looking measure of future production plans - though positive, came in at 55.2 below expectations for a 56.1 rise. While China's Industrial Production (10.7%); Retail Sales (14.5%); and Fixed Assets Investment (20.1%) were roughly in line with expectations, China's trade rebounded strongly in

May suggesting that it is resuming its role as the engine of the global recovery. In May China's exports grew by 15.3% beating expectations for a 7.1% rise while imports grew by 12.7% well ahead of expectations for a rise of only 5.5%. By comparison in April 2011, the out-turn on many of these indices were decidedly lower. For example the out-turn on Industrial Production in April was 9.3% well below expectations for 12.2% rise; and imports—a measure of China's demand for commodities and other goods from the rest of the world was only 0.4%.




































Like China, the other leading emerging economies, while demonstrating resilience, have witnessed growth on a declining trajectory since third quarter of 2011.

	Q1 2012	Q3 2011	Q4 2011
Brazil	0.7%	1.4%	2.1%
Russia	4.0%	4.8%	5.0%
India	5.3%	6.1%	6.9%
China	8.1%	8.9%	9.1%

It is often said that European crises take at least 10 years to be sorted out. Nonetheless, the hope is that the European situation will not get much worse and that the loose fiscal and monetary policies being pursued by nations will begin feeding through and lift the global economy in the second half of 2012.

INFLATION (MAY - 2012) - CPI

APPENDIX

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	0.49%	0.495		
FOOD AND NON-ALCOHOLIC BEVERAGES	0.49%	0.184	1	
Food	0.49%			
Bread and Cereals	0.41%			
Meat	0.52%			
Fish and Seafood	0.47%			
Milk, Cheese and eggs	1.11%			
Oils and Fats	0.87%			
Fruit	3.03%			
Vegetables and Starchy Foods	-0.14%			
Vegetables	0.04%			
Starchy Foods	-0.29%			
Sugar, Jam, Honey, Chocolate and Confectionery	0.48%			
Food Products n.e.c.	0.10%			
Non-Alcoholic Beverages	0.50%			
Coffee, tea and Cocoa	0.90%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	0.28%			
ALCOHOLIC BEVERAGES AND TOBACCO	0.23%	0.003	8	
CLOTHING AND FOOTWEAR	0.73%	0.024	4	
Clothing	0.71%			
Footwear	0.83%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	1.38%	0.177	2	
Rentals for Housing	0.00%			
Maint and Repair of Dwelling	0.23%			
Water Supply and Misc. Serv Related to the Dwelling	-0.05%			
Electricity, Gas and Other Fuels and Routine	2.42%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	0.52%	0.025	3	
Furniture and Furnishings (including Floor Coverings)	0.79%			
Household Textiles	0.49%			
Household Appliances	0.23%			
Glassware, Tableware and Household Utensils	0.80%			
Tools and Equipment for House and Garden	0.19%			
Goods and Serv. for Routine Household Maint	0.52%			
HEALTH	0.32%	0.011	7	
Medical Products, Appliances and Equipment	0.47%			
Health Services	0.16%			
TRANSPORT	-0.12%	-0.015	12	
COMMUNICATION	0.00%	0.000	9	
RECREATION AND CULTURE	0.00%	0.000	9	
EDUCATION	0.00%	0.000	9	
RESTAURANTS AND ACCOMMODATION SERVICES	0.26%	0.016	6	
MISCELLANEOUS GOODS AND SERVICES	0.29%	0.024	5	

INFLATION YTD (JAN - MAY 2012) CPI

	%Change	Weighted Δ	Rnk	Infl. Contribution
All Groups	2.58%	2.581		
FOOD AND NON-ALCOHOLIC BEVERAGES	2.92%	1.092	1	
Food	2.89%			
Bread and Cereals	1.58%			
Meat	3.64%			
Fish and Seafood	2.95%			
Milk, Cheese and eggs	3.15%			
Oils and Fats	4.48%			
Fruit	3.50%			
Vegetables and Starchy Foods	2.48%			
Vegetables	4.30%			
Starchy Foods	-1.86%			
Sugar, Jam, Honey, Chocolate and Confectionery	3.31%			
Food Products n.e.c.	3.35%			
Non-Alcoholic Beverages	3.12%			
Coffee, tea and Cocoa	5.08%			
Mineral waters, Soft Drinks, Fruit and Veg Juices	2.29%			
ALCOHOLIC BEVERAGES AND TOBACCO	1.42%	0.020	10	
CLOTHING AND FOOTWEAR	3.35%	0.112	5	
Clothing	3.41%			
Footwear	3.35%			
HOUSING, WATER, ELECT., GAS AND OTHER FUELS	3.59%	0.458	2	
Rentals for Housing	1.33%			
Maint and Repair of Dwelling	4.53%			
Water Supply and Misc. Serv Related to the Dwelling	1.85%			
Electricity, Gas and Other Fuels and Routine	4.90%			
FURNISH, HSHOLD EQUIP & HSHOLD MAINT.	2.10%	0.103	6	
Furniture and Furnishings (including Floor Coverings)	3.06%			
Household Textiles	2.36%			
Household Appliances	2.59%			
Glassware, Tableware and Household Utensils	3.27%			
Tools and Equipment for House and Garden	1.14%			
Goods and Serv. for Routine Household Maint	1.76%			
HEALTH	0.89%	0.029	9	
Medical Products, Appliances and Equipment	1.25%			
Health Services	0.66%			
TRANSPORT	2.23%	0.285	3	
COMMUNICATION	0.00%	0.000	12	
RECREATION AND CULTURE	1.47%	0.049	8	
EDUCATION	0.39%	0.008	11	
RESTAURANTS AND ACCOMMODATION SERVICES	1.38%	0.086	7	
MISCELLANEOUS GOODS AND SERVICES	2.87%	0.240	4	

FISCAL ACCOUNT (APR-MAR 2011/12)

REV. & EXPEN. (APR-MAR '11/12)	J\$M	PROVISIONAL RESULTS	J\$M	BUDGET DEVIATION	J\$M	YOY - CHANGE
Revenue & Grants	322,457.3		-2,082.9		6,703.20	
Tax Revenue	289,882.2		-1,026.1		10,037.30	
Non-Tax Revenue	17,016.7		-917.5		-2,541.00	
Bauxite Levy	1,524.5		-6.3		1,103.50	
Capital Revenue	10,585.1		1,531.4		4,547.60	
Grants	3,448.8		-1,664.4		-6,445.10	
Expenditure	403,191.6		6,004.9		19,126.10	
Recurrent Expenditure	349,960.7		916.7		19,612.90	
Programmes	89,699.4		1,270.6		14,445.80	
Wages & Salaries	139,556.9		-343.3		11,371.80	
Interest	120,704.4		-10.6		-6,204.20	
Domestic	81,617.3		-19.6		-6,664.10	
External	39,087.1		9.0		459.70	
Capital Expenditure	53,230.9		5,088.2		-486.80	
Capital Programmes	53,230.9		5,088.2		-486.80	
IMF #1 Account	0.0		0.0		0.00	
Fiscal Balance (Surplus [+ve])	-80,734.2		-8,087.7		-12,422.90	
Loan Receipts	163,519.2		-542.5		-5,329.70	
Domestic	142,751.1		8,867.9		27,085.20	
External	20,768.2		-9,410.3		-32,415.00	
Divestment Proceeds	0.0		0.0		-1,482.50	
Amortization	128,373.2		314.1		25,403.00	
Domestic	67,820.3		633.6		-12,207.00	
External	60,553.0		-319.4		37,609.60	
Overall Balance (Surplus [+ve])	-45,588.3		-8,944.4		-115,881.80	
Primary Balance (Surplus [+ve])	39,970.1		-8,098.4		-18,627.50	

REV. & EXPEN. (APR-MAR '11/12)	J\$M	PROVISIONAL RESULTS	J\$M	BUDGET DEVIATION	J\$M	YOY - CHANGE
Revenue & Grants	322,457.3		-2,082.9		6,742.0	
Tax Revenue	289,882.2		-1,026.1		10,046.89	
Income and profits	106,422.9		-2,937.8		1327.3	
Bauxite/alumina	1.3		-33.1		-865	
Other companies	29,035.2		-3,637.8		-3,417.6	
PAYE	60,164.8		1,057.5		8,606.2	
Tax on dividend	805.8		-134.3		-226.1	
Other individuals	3,786.6		-687.2		-214.2	
Tax on interest	12,629.2		497.1		-2,555.5	
Environmental Levy	2,318.8		71.2		280.6	
Production and consumption	84,629.0		1,306.7		6136.8	
SCT	9,238.2		351.2		584.3	
Motor vehicle licenses	1,737.7		2.7		-40.4	
Other Licenses	377.9		33.0		112.4	
Betting, gaming and lottery	1,640.8		120.1		110.6	
Education Tax	14,995.7		309.8		1,896.9	
Contractors levy	1,171.1		60.8		378.6	
GCT (Local)	47,973.2		284.3		1,600.2	
Stamp Duty (Local)	7,494.4		144.8		1,493.6	
International Trade	96,511.6		533.9		2,302.7	
Custom Duty	20,769.0		-805.1		271.5	
Stamp Duty	1,470.3		73.5		74.4	
Travel Tax	5,086.9		159.4		1,127.7	
GCT (Imports)	41,684.8		706.4		3,142.9	
SCT (Imports)	27,500.5		399.6		-2,313.7	
Non-Tax Revenue	17,016.7		-917.5		-2,511.8	
Bauxite Levy	1,524.5		-6.3		1,103.5	
Capital Revenue	10,585.1		1,531.4		4,547.6	
Grants	3,448.8		-1,664.4		-6,445.1	

Statistical Index

Major Macro-Economic Indicators

	BM		M2		NIR	Fgn Cur- Dep	Inflation		Tourism	J\$/US\$	T-bill	Loan	Sav	Dom Debt	Fgn Debt
	M	P	M	P	US\$M	US\$M	M	P	P		%	%	%	J\$M	US\$M
Jan '11	78,380	-7.89	n/a	n/a	2,088.97	n/a	-0.18	-0.2	8.5	85.69	7.46	18.52	2.4	813,805.6	8,436.2
Feb	77,963	-0.53	340,301	1.23	2,471.40	2,245..9	-0.42	-0.6	6.3	85.84	6.75	18.52	2.4	760,227.2	8,566.7
Mar	78,919	1.23	332,828	2.20	2,553.16	n/a	1.04	0.5	n/a	85.75	6.70	18.52	2.34	760,997.9	8,874.8
Apr	81,399	3.14	342,336	n/a	2,602.40	2,336.53	0.47	1.0	7.5	85.73	6.74	18.43	2.24	763,624.7	8,907.5
May	79,357	-2.51	342,497	n/a	2,334.38	n/a	0.77	1.7	n/a	85.78	6.58	17.98	2.24	836,417.3	8,521.1
Jun	80,560	1.52	341,652	-0.25	2267.13	2,275.4	0.76	2.5	1.4	85.91	6.61	17.98	2.24	839,103.7	8,587.5
Jul	81,443.4	1.10	338,018.	1.06	2,156.37	n/a	0.75	2.8	-1.0	86.15	6.44	18.07	2.24	842,200.0	8,590.0
Aug	82,207.2	0.94	n/a	n/a	2,126.32	2,255.48	0.58	3.3	2.7	86.12	6.51	n/a	n/a	868,318.9	8,575.0
Sep	80,479.2	-2.10	338,501.	-0.73	2,080.6	2,308,044	0.74	4.1	5.9	86.30	6.56	18.54	2.27	868,990	8,550.0
Oct	80,597.7	0.15	342,310.	1.15	2,032.17	2,240,633	0.45	5.1	1.8	86.49	6.29	18.32	2.13	868,936	8,674.6
Nov.	81,296.7	0.87	346,348.	1.18	1,961.74	2,285,800	0.45	5.1	4.0	86.70	6.27	18.3	2.1	880,569	8,625.5
Dec	91,710.2	12.81	361,211	n/a	1,967.01	2,306,539	0.40	6.0	-1.6	86.60	6.46	18.3	2.1	883,388.6	8,626.1
Jan '12	83,564.3	-8.8	353,939.	-2.01	1,882.63	2,357,286	0.40	6.6	-2.8	86.83	6.53	18.48	2.10	n/a	n/a
Feb	84,950.7	1.66	n/a	n/a	1,874.65	2,379,213	0.8	6.7	3.1	87.06	6.57	18.48	2.10	n/a	n/a
Mar	83,696.6	-1.48	356,099	0.19	1,777.13	2,409,355	0.50	1.68	n/a	87.30	6.47	18.12	2.10	n/a	n/a
April	84,966.6	1.52	n/a.	n/a	1,771.8	n/a	0.4	2.1	n/a	87.35	6.44	18.12	2.10	n/a	n/a
May	83,738.1	-1.45	n/a	n/a	1,718.8	n/a	0.5	2.6	n/a	88.12	6.39	17.93	2.10	n/a	n/a

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

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