



PSOJ MONTHLY ECONOMIC BULLETIN



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Economic Highlights

Jamaica's Economy Slips into Double-Dip Recession

After four quarters of economic growth in 2011, Jamaica's economy has again slipped into recession. Recent estimates by the Statistical Institute of Jamaica (STATIN) are that Jamaica's economy contracted by -0.1% in Jan-March 2012; then by -0.2% in Apr-Jun 2012; and by -0.6% in Jul-Sep 2012. As the Government of Jamaica's agency officially charged with recording national output data, STATIN estimates would over-ride earlier projections by the Planning Institute of Jamaica that economic growth had occurred in the first two quarters of 2012.

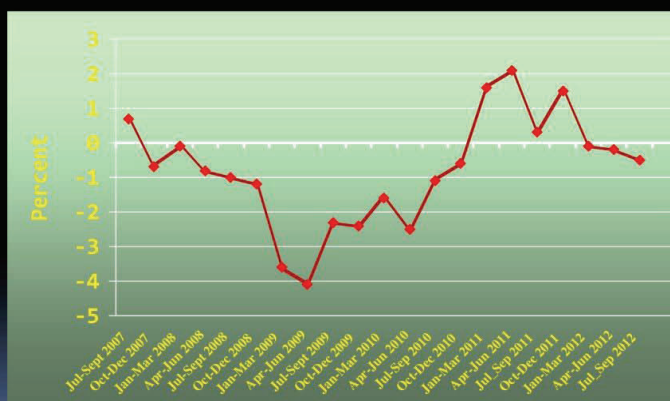
A recession is defined as two consecutive quarters of negative economic growth. The data for the last three quarters clearly meet these criteria and in fact suggest that the contraction of the Jamaican economy is worsening.

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GDP Table

Quarterly Real Value Added Growth (%) 2007-2012



Year over Year Quarterly GDP Jul-Sep 2011 to Jul-Sep 2012

| Industrial Sectors | Q3 2011 | Q4 2011 | Q1 2012 | Q2 2012 | Q3 2012 |
|--|-------------|-------------|-------------|-------------|-------------|
| Total GDP | 2.1 | 0.5 | -0.1 | -0.2 | -0.6 |
| Goods Producing Industries | 2.3 | 6.6 | -0.2 | -0.1 | -2.4 |
| Agric, Forestry & Fishing | 2.2 | 14.7 | 6.5 | 9.5 | -0.5 |
| Mining & Quarrying | 6.6 | 7.3 | -5.0 | -10.2 | -10.4 |
| Manufacture | 2.0 | 6.5 | 0.5 | -1.9 | -0.6 |
| Construction & Installation | 1.4 | 0.2 | -5.6 | -3.4 | -3.5 |
| Services Industries | -0.5 | -0.2 | -0.2 | -0.3 | 0.0 |
| Electricity & Water Supply | 1.1 | 3.5 | 0.2 | 0.3 | 0.2 |
| Trans, Storage & Communication | 3.5 | -2.8 | -3.1 | -4.1 | -2.3 |
| Wholesale & Retail Trade etc. | 0.8 | 1.1 | 0.9 | 0.3 | 0.4 |
| Finance & Insurance Services | -1.0 | -1.1 | -0.6 | 0.0 | 0.8 |
| Real Estate, Renting & Business Services | -0.5 | -0.3 | -0.2 | -0.2 | -0.2 |
| Producers of Government Services | 0.4 | -0.6 | -0.5 | -0.2 | -0.2 |
| Hotels & Restaurants | -0.1 | 1.0 | 0.8 | 3.7 | 2.3 |
| Other Services | -1.5 | 0.0 | 0.0 | 0.3 | 0.4 |

Source: PIOJ

The Outturn for Jul - Sep 2012 shows the **Goods Producing Sectors** contracting by -2.4% with all industry groups contracting, while the **Services** were flat (0.0%) which is an improvement on the contraction during the previous four quarters. Within the Goods Producing Sectors, the -0.5% decline in **Agriculture, Forestry**

and Fishing resulted from the -6.1% decline in traditional export crops following the ending of the sugar crop year in June and a -0.5% decline in Other Agricultural crops due to drought conditions in major agricultural producing parishes.

(Contd. On Page 10)



Net International Reserves (NIR)

During October 2012, Net International Reserves declined by an additional -US\$125.0 million to US\$1,132.8 million compared to US\$1,257.8 million at the end of September 2012. This is the sixteenth monthly decline of NIR in seventeen months. Since January 2012, the NIR has declined by -US\$822.8 million. This is largely due to continued net selling of the USD since May 2011 by the BOJ to support the J\$ and also the fact that earners of foreign exchange have been holding rather than selling into and replenishing the private market for foreign currency.

At the end of September 2012, gross reserves were adequate to finance 17.72 weeks of "goods" imports or 13.25 weeks of "goods and services" imports, just slightly above the 12 weeks international benchmark of reserves adequacy.

Foreign Currency Deposits

During August 2012, foreign currency deposits (FCD's) in the local financial system increased by US\$76.0 million or 3.12% to US\$2.44 billion compared to US\$2.36 billion at the end of July 2012. The increase in August 2012 is the sixth increase over the past seven months and likely reflects the current bias to hold foreign currency due to uncertainty over the stalled GOJ/IMF Arrangement and the weakening of the Jamaican dollar. YOY, FCD's are up US\$183.30 million.

Foreign Exchange Rate

US DOLLAR: During October 2012, the Jamaican dollar depreciated by an additional J\$1.16 to J\$91.09. After several months of testing, the J\$ finally breached key psychological resistance of US\$1 = J\$90, and declined rapidly during October by 1.29%. By comparison, for all of 2011, the J\$ declined by J\$0.74 or 0.86%. Year to date the J\$ is down -J\$4.49 or -5.19%. This retreat into the safe haven USD is largely driven by uncertainty about when the GOJ will conclude a new agreement with the International Monetary Fund.

POUND & CANADIAN DOLLAR: During October 2012, the J\$ depreciated

Table 1b: Changes in the NIR

| | US\$M | Change US\$M | | | Imports |
|--------|----------|--------------|---------|---------|---------|
| | NIR | Mthly | 12 Mth | YTD | (Weeks) |
| Oct-12 | 1,132.79 | -125.02 | -899.38 | -834.22 | 17.72 |
| Oct-11 | 2032.17 | -48.4 | 48.5 | -139.24 | 27.02 |

Source: Compiled from the BOJ (Preliminary)

Table 2: Foreign Currency Deposits

| | US\$000 | Change (US\$000) | | % Change | |
|--------------------|-----------|------------------|---------|----------|--------|
| | Aug '12 | mtly | 12 mth | mtly | 12 mth |
| Commercial Banks | 1,836,211 | 70,424 | 171,593 | 3.84 | 10.31 |
| Building Societies | 559,910 | 5,091 | 14,398 | 0.91 | 2.64 |
| Merchant Banks | 42,624 | 512 | -2,684 | 1.20 | -5.92 |
| Total Deposits | 2,438,745 | 76,027 | 183,307 | 3.12 | 8.13 |

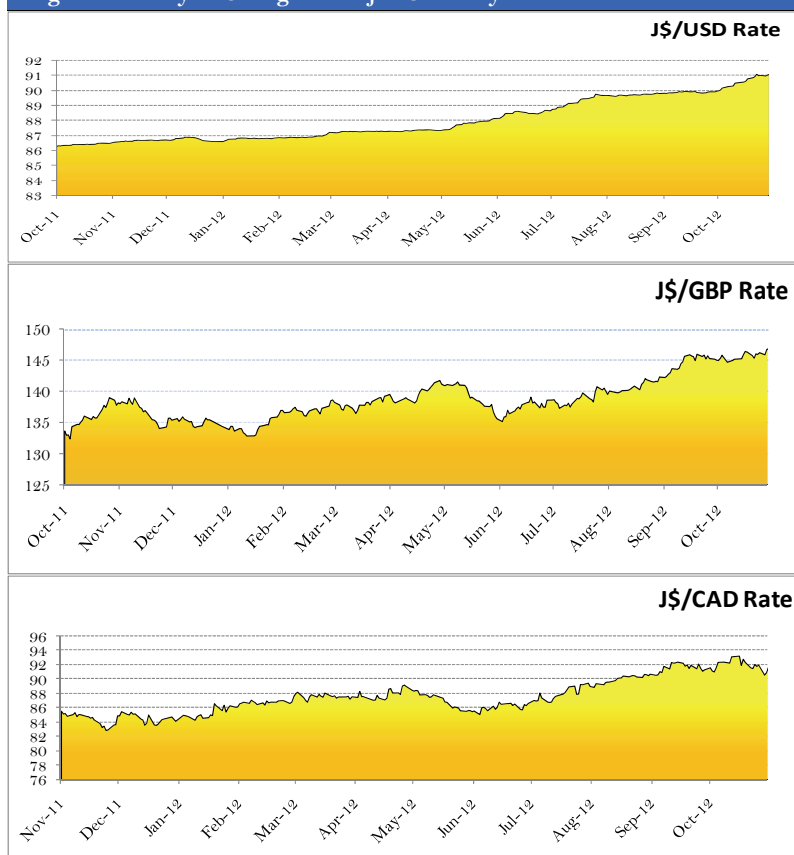
Source: Compiled from the BOJ (Preliminary)

Table 3: Foreign Exchange Trends

| | YTD Currency Rate Change (Dec 31, 2011—10/31/12) * | | | | | |
|-------------|--|-------|-----------|-------|-------------|-------|
| | J\$ / US\$ | % | J\$ / UK£ | % | J\$ / Can\$ | % |
| 2012 | -4.49 | -5.19 | -12.56 | -9.34 | -7.58 | -9.00 |
| 2011 | -0.63 | -0.73 | -4.90 | -3.66 | -1.14 | -1.34 |
| 2010 | 3.98 | 4.44 | 7.37 | 5.13 | 0.40 | 0.48 |
| | MOM Oct - 2012 | | | | | |
| Actual Rate | 91.09 | 1.29 | 147.00 | 1.11 | 91.77 | 0.39 |
| Mth Change | 1.16 | 1.29 | 1.61 | 1.11 | 0.36 | 0.39 |

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

Figure 1: Daily % Change in Major Currency Rates



Source: Bank of Jamaica Database (BOJ)

ated by an additional -J\$1.61 or -1.11% against the GBP to J\$147.0 from J\$145.39 in September 2012. Against the CAD, the J\$ also depreciated in October 2012 - by -J\$0.36 or -0.39% to sell for J\$91.77 compared to J\$91.42 in September 2012. As in 2011, there have been sharp up and down movements of the J\$ against GBP and CAD during 2012, mirroring the rise and fall of these currencies against the USD on international currency exchanges in response to risk sentiment. But now the appreciation of CAD and GBP appears part of the broader retreat from the J\$ because of uncertainty regarding when a new agreement with the IMF will be signed. Year to date, the J\$ is down -J\$12.56 or -9.34% against GBP, and by -J\$7.58 or -9.0% against the CAD.

Interest Rates

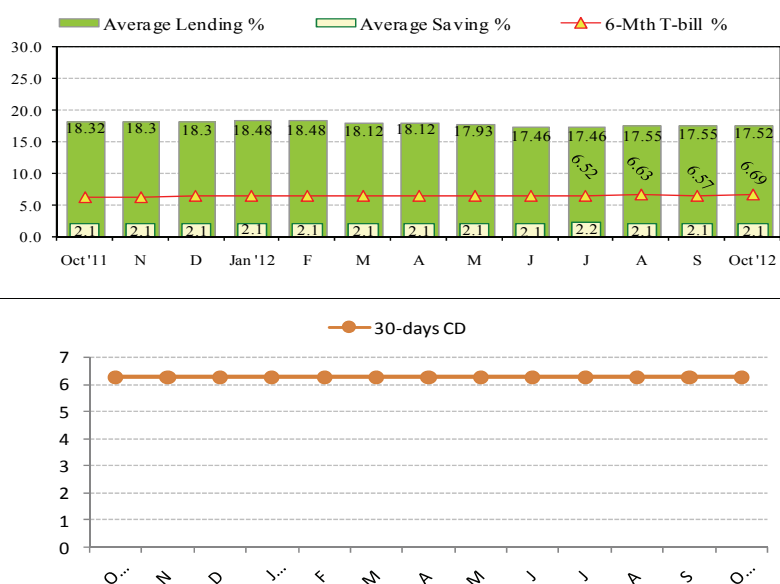
Continuing the steadiness observed since the beginning of the year, during October 2012, there were only modest movement on two benchmark rates.

The bell-weather 6-month Treasury Bill increased by 12 bps to 6.57%. After dipping to a multi-decade low of 6.27% in November 2011 from levels as high as 24% in 2009, the 6 month T-Bill has been struggling higher since the beginning of 2012. Year to date, the 6-month T-Bill is up 23 bps - the only one of the benchmarks that has risen since the start of 2012.

The average lending rate (ALR), which has been the slowest declining rate over the past three years, but the fastest in 2012, dipped by 3 bps in October 2012 after holding steady the previous two months at 17.55%. The ALR sank to multi-decade lows of 17.46% in June and July 2012 but may now be turning up. Year to date, the average lending rate is down 75 bps.

The average saving rate (ASR) which held steady at historic lows of 2.10% since January 2012, and then ticked up to 2.24% in July 2012, has been unchanged since August 2012 at 2.07%. The steadiness of the ASR over the past three months probably reflects a modest

Figure 2A & 2B: Interest Rate Movements



Source: Bank of Jamaica Database (BOJ preliminary)

Table 4: Interest Rate Movements

| | Oct -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 Rate | 2.07% | 0.00% | -0.06% | -0.06% |
| Avg Loan Rate | 17.52% | -0.03% | -0.80% | -0.78% |
| 6-Month T-Bill | 6.69% | 0.12% | 0.40% | 0.23% |

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

build-up of deposits in the commercial banks since the beginning of 2012. Given the uncertainty in the economy, individuals and businesses might simply be saving more and spending and investing less.

Base Money & Money Supply

During July 2012, M1 increased modestly by 1.77% to J\$116,583.02 million reflecting equally modest month over month increases of 1.06% in 'currency with the public' and 2.28% in 'demand deposits'.

Quasi money also increased modestly in July 2012 (over June 2012) by 0.17% to J\$237,360.97 million. This was largely due to a 3.9% rise in 'Time' deposits as 'Savings' deposits actually decreased by -1.02%. Given the modest increases in M1 and Quasi money, M2—the broadest measure of money supply - also increased modestly by 0.69% to J\$353,943.99 million.

In September 2012, the monetary base contracted by -1.25% to J\$85,193.87 million compared to J\$86,275.07 million in August 2012. The contraction in base money in



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September was due to BOJ mopping up of excess liquidity issued during the August Independence celebration.

Inflation

The rate of inflation increased by 0.96% during October 2012 - the second highest rate for 2012, but well below the 1.9% recorded the previous month.

The main contributors to this increase was a 2.8% rise in the division **“Housing, Water, Electricity, Gas and Other Fuels”**. This was due to a 5.6% rise in the group ‘Water Supply and Miscellaneous Services Related to Dwelling’ while prices for ‘Electricity, Gas and Other Fuels’ rose by 4.0%.

The second highest increase (0.8%) was recorded in the most heavily weighted **“Food and Non-Alcoholic Beverages”** division. The two groups that make up this division - ‘Food’ and ‘Non-Alcoholic Beverages’ rose by 1.1% and 0.6% respectively. The classes that contributed to the increase within the ‘Food’ group were: ‘Vegetable and Starchy Foods’ - up 2.3%; ‘Fruit’ - up 1.6%; and ‘Bread and Cereal’ - up 1.4%. ‘Oils and Fats’ also increase by 1.0%. The largest increases within the group ‘Non-Alcoholic Beverages’ were: ‘Coffee, Tea and Cocoa’ up 0.7%; and ‘Mineral Waters, Soft Drinks, Fruit and Vegetable Juices’ going up by 0.5%.

The division - **“Miscellaneous Goods and Services”** recorded the third highest increase of 0.6% due to increased prices for personal care items.

Three divisions - **“Clothing and Footwear”**, **“Furnishings, Household Equipment and Routine Household Maintenance”** and **“Recreation and Culture”** recorded increases of 0.4%. Two divisions - **“Education”** and **“Communication”** were flat on the month, while **“Transport”** was the only division recording a decline (-0.3%) during the month reflecting falling

Table 5: Base Money and Money Supply

| | J\$M | Percentage Change (%) | |
|-------------|------------|-----------------------|--------|
| | Jul-12 | Mthly | 12 Mth |
| M1 | 116,583.02 | 1.77 | 4.93 |
| Quasi Money | 237,360.97 | 0.17 | 4.60 |
| M2 | 353,943.99 | 0.69 | 4.71 |
| | Sep -'12 | Mthly | 12 Mth |
| Base Money | 85,193.87 | -1.25 | 5.86 |

Source: BOJ Economic Statistics

Table 6: Inflation Trends

| | % Percent Changes | | | |
|------|-------------------|--------|------|--------|
| | Oct | 12-Mth | YTD | Fiscal |
| 2012 | 0.96 | 7.19 | 6.29 | 4.53 |
| 2011 | 0.45 | 7.74 | 5.12 | 4.98 |

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

Table 7: Mining Production

| | 000 tonnes | | | YTD | |
|-------------------|------------|--------|-------|---------|---------|
| | Oct-12 | Oct-11 | % | Oct-12 | 10/11 % |
| Production | | | | | |
| Alumina | 129.1 | 168.6 | -23.5 | 1,453.1 | -11.3 |
| C. Bauxite | 367.3 | 406.0 | -9.52 | 4,289.5 | -7.75 |
| Export | | | | | |
| Alumina | 122.4 | 131.7 | -7.1 | 1,464.8 | -8.93 |
| C. Bauxite | 371.7 | 367.5 | 1.2 | 3,946.2 | -6.92 |

Source: Jamaica Bauxite Institute (JBI)

prices for crude oil.

For the calendar year to date, the inflation rate was 6.3%, compared to 5.1% during Jan-Oct 2011. The fiscal

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 19.5% to 5.143 million tons relative to 2010.

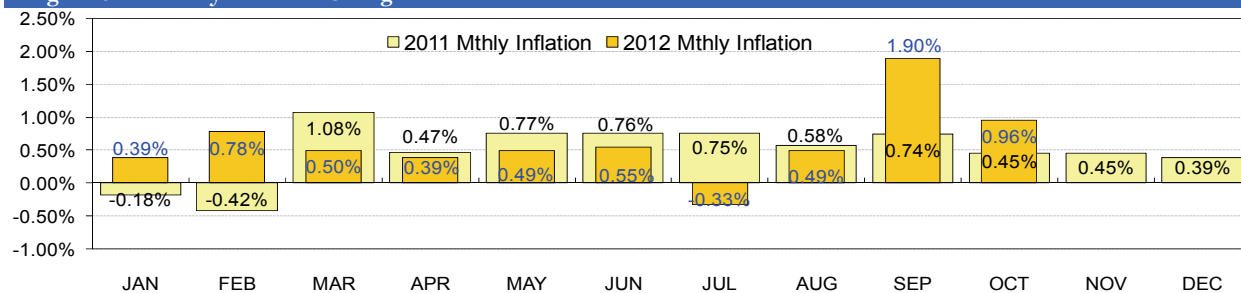
Bauxite & Alumina

year to date rate was 4.5%; while the point to point rate was 7.2%.

Production of alumina in October 2012 declined by -23.5% to 129,057 tons compared to 168,605 tons in October 2011. For its part, production of crude bauxite in October 2012 declined by -9.5% to 367,341 tons relative to 406,000 tons in October 2011.

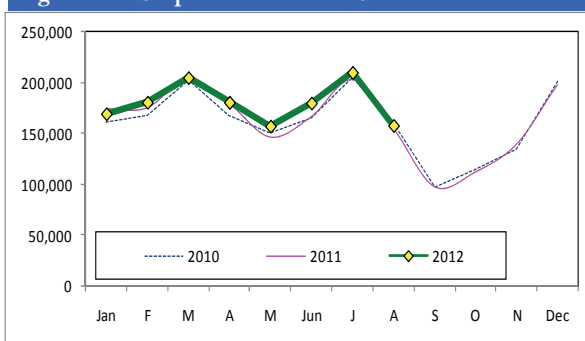
However, reflecting the softening conditions in the global economy, during the period Jan—Oct 2012, production of alumina is down -8.93% to 1,464,843 tons compared to 1,608,556 tons during the corresponding period of 2011. Production of crude bauxite is also down -6.92% to 3,946,240 million tons relative to 3,239,660 million tons for the corresponding period of 2011.

Figure 3: Monthly Inflation Changes



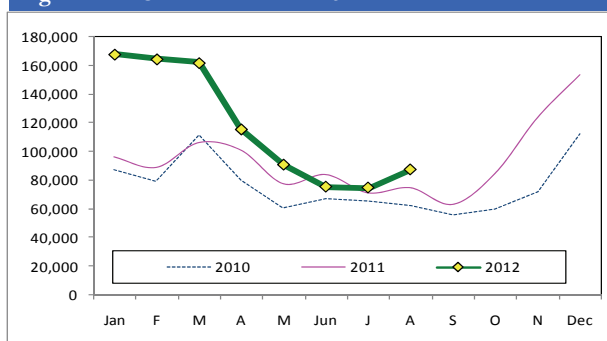
Source: STATIN and PSJOJ compilation

Figure 4A: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Figure 4B: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Tourism

Stopover arrivals in August 2012 were 157,863 - an increase of 1.8% over the 155,133 stopovers recorded in August 2011. The number of cruise passengers also increased in August 2012 by 16.8% to 87,341 visitors, compared to 74,803 in August 2011.

Regionally, stopovers from the US increased by 6.3% in August 2012 to 108,570 compared to 102,119 in August 2011. This is the fourth consecutive monthly year over year increase from the US after eight consecutive monthly declines. Year to date, stopovers from the US are up by 3.5% with 923,915 arrivals compared to 892,578 in Jan-Aug 2011. From the Canadian market, stopovers increased by 7.1% in August 2012 with 19,874 arrivals compared to 18,550 in August 2011. Year to date, the number of visitors from Canada are up 7.7% to 294,792 visitors compared to 273,727 visitors during the corresponding period of 2011.

Visitors from Europe, including the UK, declined by -2.0% in August 2012 to 19,223 visitors compared to 23,987 arrivals in August 2011. Year to date, visitors from Europe are down -12.1% to 151,627 compared to 172,556 in Jan-Aug 2011. This continues the decline recorded in calendar year 2011 in which stopovers from Europe declined by -6.7% to 253,049 compared to 271,315 in 2010.

Stopover arrivals from the Caribbean recorded a 13.6% increase in 2011 to 66,216 reversing a -10.8% decline in 2010. For the first eight months of 2012 however, stopovers from the Caribbean are down -2.9% to 45,607 compared to 44,282 in Jan-Aug 2011. On the other hand, stopovers from Latin America were up by 49.7% to 16,995 in Jan-Aug 2012 compared to 11,352 visitors in Jan-Aug 2011 extending their 23.4% rise

Tourist Arrivals

| | 2011 | 2012 | %Change | |
|-----------------------|------------------|------------------|--------------|---------------|
| | YTD (JAN-AUG) | | YOY | MOM |
| Stopover | 1,403,502 | 1,439,916 | 2.6% | -24.8% |
| Foreign | 1,302,293 | 1,335,512 | 2.6% | -24.8% |
| Non-Resident | 101,209 | 104,404 | 3.2% | -24.7% |
| Cruise | 700,137 | 937,343 | 33.9% | 16.9% |
| Total Arrivals | 2,103,639 | 2,377,259 | 13.0% | -13.8% |

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

during 2011.

During calendar year 2011, cruise visitors to the Island increased by 23.7% to 1,125,481 visitors. During Jan-Aug 2012, cruise arrivals are up by 33.9% to 937,343 visitors reflecting the impact of the opening of the Falmouth Port. Total Visitors to Jamaica for Jan-Aug 2012 were 2,377,259 marking a 13.0% increase relative to 2,103,639 visitors during Jan-Aug 2011.

External Trade

During January to July 2012, Jamaica's exports decreased by -US\$26.06 million or -2.7% to US\$945.3 million, compared to US\$971.3 million during January - July 2011. Imports for the period were basically flat inching up slightly by US\$1.67 million to US\$3,704.4 million compared to US\$3,702.8 million during the corresponding period of 2011. Given the modestly larger contraction of exports compared to imports, the traditional negative imbalance in Jamaica's merchandise trade worsened in Jan-July 2012 by -US\$27.7 million or 1.0% to (US\$2,759.2 million) compared to (US\$2,731.4 million) in January - July 2011.

Traditional Exports: During the first seven months of 2012, traditional do-

mestic exports earned US\$482.45 million, a decrease of -US\$27.3 million or -5.4% relative to the US\$509.7 million earned during the corresponding period of 2011. The share of traditional exports in total domestic exports also dipped slightly to 51.0% in Jan-Jul 2012 from 52.3% during the Jan-Jul 2011.

The decreased earnings from traditional exports was mainly due to a US\$53.3 million or -13.1% contraction in Mining and Quarrying to US\$353.2 million relative to US\$406.5 million in Jan-Jul 2011. This largely resulted from a decline of -US\$49.4 million (or -15.2%) in alumina earnings to US\$274.6 million and a smaller drop of -US\$3.77 million in bauxite earnings to US\$78.6 million. Also contributing to the decline in traditional exports was a substantial -US\$11.25 million or -37.4% decline in 'Rum' exports to US\$18.8 million from US\$30.1 million during the corresponding period in 2011. Adding to those declines, there was also a US\$1.63 million or -13% decline in 'Agriculture' exports to US\$13.6 million compared to US\$15.23 million in Jan-Jul 2012; which was greatly due to a decline of -16.7% in Coffee exports to US\$10.4 million compared to US\$12.5 million during the corresponding period of

2011. Partly off-setting these declines, was a substantial US\$27.6 million increase in 'Manufacturing' exports to US\$115.3 million from US\$88.0 million one year earlier. This was largely due to a US\$37.9 million or 68% increase in 'Sugar' exports to US\$93.69 million from US\$55.8 million during the Jan-Jul 2011.

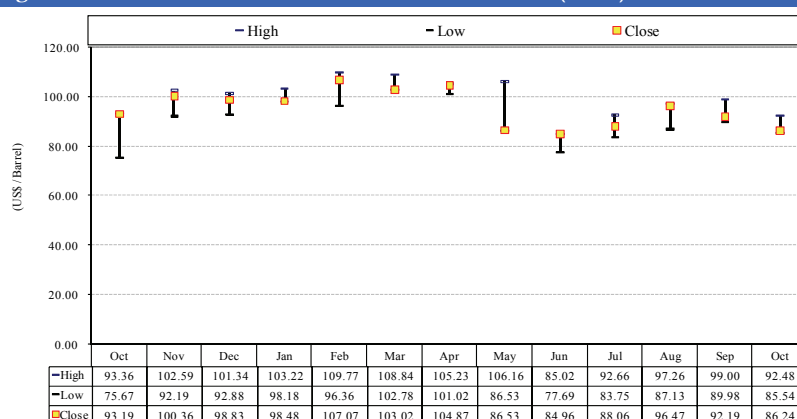
Non-traditional exports continued to grow during Jan-July 2012, eking out a small 1.1% rise to US\$423.07 million, compared to US\$418.4 million in Jan-July 2011. Three of four categories of non-traditional exports recorded growth over the period and one declined.

In the category "**Food**", there was a 4.7% increase in earnings to US\$71.24 million relative to US\$68.02 million in Jan-Jul 2011. Eight of seventeen groups recorded increases and nine declined. Among the groups recording increased earnings were: 'Papaya' - up 133.2% to US\$3.11 million from US\$1.33 million; 'Other Fruits and Fruit Preparations' - up 41.3% to US\$4.65 million from US\$3.3 million; and 'Animal Feed' - up 27.6% to US\$4.99 million from US\$3.91 million. Notable increases were also recorded for 'Ackee' - up 29.0% to US\$7.17 million from US\$5.56 million; 'Juices excl. Citrus' - up 18.9% to US\$4.92 million from US\$4.14 million; and 'Meat and Meat Preparations' - up 6.2% to US\$2.56 million.

There were however, notable decreases in earnings from some 'Food' groups in Jan-Jul 2012 relative to the corresponding period of 2011. Earnings from 'Yams' were down -19.6% to US\$10.14 million from US\$12.6 million; 'Baked Products' were down -12.9% to US\$7.67 million from US\$8.80 million; and exports of 'Other Vegetables & Preparations thereof' were down -37.1% to US\$1.39 million from US\$2.03 million in Jan-Jul 2011. Exports of 'Fish, Crustaceans & Molluscs' were down -10.9% to US\$3.77 million, while 'Dairy Products and Bird Eggs' also declined by -7.6% to US\$5.1 million compared to US\$5.52 million in Jan-Jul 2011.

"Beverages & Tobacco (excl. Rum)" was another one of the three Non-Traditional export categories that recorded growth in Jan-Jul 2012. This category grew by 15.6% to US\$48.98 million, due largely to a 21.4% increase in 'Alcoholic Beverages (excl. Rum)' to US\$43.31 million from US\$35.67 mil-

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-Jul '11 | Jan-Jul '12 | Change | % Change |
|--------------------------------|-------------------|-------------------|---------------|--------------|
| TOTAL EXPORTS (fob) | 971.34 | 945.27 | -26.06 | -2.7% |
| Major Traditional Exports | 509.74 | 482.45 | -27.29 | -5.4% |
| <i>by Sector:-</i> | | | | |
| Agriculture | 15.23 | 13.61 | -1.63 | -10.7% |
| Mining & Quarrying | 406.51 | 353.22 | -53.29 | -13.1% |
| Manufacturing | 88.00 | 115.62 | 27.62 | 31.4% |
| <i>by Industry:-</i> | | | | |
| Bauxite | 82.33 | 78.56 | -3.77 | -4.6% |
| Alumina | 324.07 | 274.66 | -49.41 | -15.2% |
| Sugar | 55.76 | 93.69 | 37.93 | 68.0% |
| Rum | 30.07 | 18.82 | -11.25 | -37.4% |
| Bananas | 0.02 | 0.09 | 0.07 | 0.0% |
| Coffee | 12.48 | 10.40 | -2.08 | -16.7% |
| Other | 5.01 | 6.23 | 1.22 | 24.4% |
| Non-Traditional Exports | 418.44 | 423.07 | 4.64 | 1.1% |
| Re-exports | 43.16 | 39.75 | -3.41 | -7.9% |
| TOTAL IMPORTS | 3,702.77 | 3,704.44 | 1.67 | 0.0% |
| Food | 507.46 | 551.31 | 43.86 | 8.6% |
| Beverages & Tobacco | 44.69 | 47.64 | 2.95 | 6.6% |
| Crude Materials (excl. Fuels) | 39.82 | 28.30 | -11.53 | -28.9% |
| Mineral Fuels, etcetera | 1,485.87 | 1,402.96 | -82.92 | -5.6% |
| Animal & Vegetable Oils & Fats | 40.62 | 32.82 | -7.80 | -19.2% |
| Chemicals | 452.88 | 412.03 | -40.85 | -9.0% |
| Manufactured Goods | 367.65 | 373.82 | 6.16 | 1.7% |
| Machinery and Transport Equip. | 493.07 | 525.55 | 32.48 | 6.6% |
| Misc. Manufactured Articles | 249.62 | 266.15 | 16.52 | 6.6% |
| Other | 21.08 | 63.87 | 42.79 | 203.0% |
| TRADE BALANCE | (2,731.43) | (2,759.16) | -27.73 | 1.0% |

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

lion in Jan-Jul 2011.

In addition, "**Other**" non-traditional exports, generally, the largest category of non-traditional exports, increased by 3.5% to US\$273.58 million relative to US\$264.24 million in Jan-Jul 2011. This mainly resulted from a 47.7% increase in 'Chemicals (incl. Ethanol)' to US\$31.62 million compared to US\$21.4 million in Jan-Jul 2011; and a

smaller 18.5% rise in 'Other Domestic Exports' to US\$4.9 million from US\$4.17 million during the corresponding period of 2011. However, five of the groups in 'Other' non-traditional exports recorded declines ranging from -2.4% to -60%.

"Crude Materials", which has been the fastest growing group of non-

traditional exports in recent years, was down -42.9% during Jan-Jul 2012. This decline was largely due to a 46.0% drop in exports of 'Waste and Scrap Metals' from US\$26.74 million to US\$14.4 million during Jan-Jul 2012. This was compounded by declines of -30.0% and -10.1% in exports of 'Limestone' and 'Other' crude materials respectively.

Imports. Reflecting more buoyant conditions in the local and global economy, during 2011, imports surged by 24.2% to US\$6.6 billion. This growth slowed during the first seven months of 2012 reflecting the tightening grip of the global slowdown on the local economy. For the period Jan-Jul 2012, imports were flat growing marginally by US\$1.67 million (0.0%) to US\$3.704 billion compared to US\$3.702 billion in Jan-Jul 2011.

Largely responsible for the slower growth of imports in Jan-Jul 2012 was a -6.1% drop in imports of **Raw Materials/Intermediate Goods** to US\$2.28 billion compared to US\$2.42 billion in Jan-Jul 2011. This was due to declines in all categories of intermediate goods. 'Industrial Supplies' were down -7.8% to US\$533.66 million from US\$600.34 million; 'Other Fuels and Lubricants' - down -6.1% to US\$910.23 million from US\$969.25 million; while 'Crude Oil' imports were down -4.7% to US\$492.07 million from US\$516.09 million. 'Parts and Accessories of Capital Goods' declined by -8.9% to US\$156.16 million, while imports of 'Food (incl. Beverages)' - dipped by 1.5% to US\$162.98 million from US\$165.4.

Imports of '**Capital Goods (excl. Motor Cars)**' also declined (by -5.4%) to US\$273.07 million during Jan-Jul 2012 from US\$288.6 million in Jan-Jul 2011. 'Other Industrial Transport Equipment' fell by -35.0% to US\$69.23 million compared to US\$44.99 million in Jan-Jul 2011; while 'Construction Materials' declined by -11.4% to US\$65.18 million relative to US\$73.56 million one year earlier. These declines were partially offset by increases of 11.9% in imports of 'Machinery and Equipment' to US\$159.06 million relative to US\$142.09 million for the corresponding period of 2011 and a 2.7% increase in imports of 'Other Capital Goods' to US\$3.8 million compared to US\$3.73 million in Jan-Jul 2011.

Defying the fall in the other categories of imports, for the first seven months of 2012, imports of **Consumer Goods**

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

| | Jan-Jun | Jan-Jun | |
|---|----------------|----------------|---------------|
| | 2011 | 2012 | Change |
| 1. Current Account | -790.7 | -639.3 | 151.5 |
| A. Goods | -1952.1 | -1933.9 | 18.1 |
| Exports | 879.8 | 866.1 | -13.8 |
| Imports | 2831.9 | 2800 | -31.9 |
| B. Services | 450.4 | 447.5 | -2.9 |
| C. Income | -269.1 | -156.4 | 112.7 |
| D. Current Transfers | 979.9 | 1003.6 | 23.6 |
| 2. Capital & Financial Account | 790.7 | 639.3 | -151.5 |
| A. Capital Account | -10 | -17.1 | -7 |
| B. Financial Account | 800.8 | 656.3 | -144.4 |
| Official Investment | 177.5 | 353.4 | 175.9 |
| Private Investment | 719 | -122.7 | -841.8 |
| Reserves | -95.8 | 425.7 | |

Source: BOJ & Statistical Update:

(**excl. Motor Cars**) were up 10.2% to US\$1.02 billion compared to US\$926.9 million in 2011. The largest areas of increase were 'Non-Durable Goods' - up 17.8% to US\$317.71 million relative to US\$269.7 million in Jan-Jul 2011 and 'Food (incl. Beverages)' - up 8.8% to US\$433.97 million relative to US\$398.77 million one year ago. 'Other Durable Goods (excl. Motor Cars)' also increased by 4.3% to US\$180.79 million, while imports of 'Semi-Durable Goods' increased by 4.8% to US\$89.1 million. During Jan-Jul 2012, imports of '**Passenger Motor Cars**' doubled by 107.7% to US\$134.68 million compared to US\$64.8 million in Jan-Jul 2011.

Oil: At the end of October 2012, the price of West Texas Intermediate (WTI) Crude Oil stood at US\$86.24 per 42 gallon barrel - a decrease in price of US\$5.95 relative to the closing price of US\$92.19 the previous month. During October 2012 the price ranged between a high of US\$92.48 and a low of US\$85.54.

Balance of Payments

For the first half of 2012, Jamaica ran a **Current Account** deficit of US\$639.3 million on the external accounts, which represented an im-

provement of US\$151.5 million relative to the first half of 2011. The improvement in the Current Account emanated from all sub-accounts except the Services sub-account

During the period, the **Goods balance** recorded a deficit of US\$1 933.9 million, an improvement of US\$18.1 million when compared to the corresponding period in 2011. This resulted primarily from a US\$31.9 million decrease in imports, which was significantly influenced by a decrease in chemicals of US\$48.2 million and a US\$43.3 million decrease in mineral fuels. The decrease in exports of US\$13.8 million stemmed mainly from a decrease in alumina exports of US\$41.5 million.

In relation to the **Services balance**, there was a decline of US\$2.9 million in its surplus position. This was primarily attributed to an increase in estimated freight cost associated with imports. The **Income sub-account** improved by US\$112.7 million during the review period. This increase emanated primarily from a decrease of US\$74.4 million in profits remitted by foreign direct investment companies.

During the review period, Current Transfers increased by US\$23.6 million to US\$1 003.6 million. This improvement resulted primarily from an

Table 11: Fiscal Accounts (J\$ Million)

| | Apr-Sep (Fiscal—2012/13) | | | | Apr-Sep (YOY) | |
|--|--------------------------|------------------|------------------|--------------|------------------|-------------|
| | J\$ million | | Deviation | | 11/12 - 12/13 | |
| | Provisional | Budget | J\$M | (%) | J\$M | (%) |
| Revenue & Grants | 157,487.2 | 164,158.4 | -6,671.2 | -4.06 | -706.7 | -0.4 |
| Tax Revenue | 147,762.3 | 153,082.4 | -5,320.1 | -3.48 | 5,840.6 | 4.1 |
| Non-Tax Revenue | 7,995.7 | 8,108.9 | -113.2 | -1.40 | -1,277.7 | -13.8 |
| Bauxite Levy | 608.7 | 794.1 | -185.4 | -23.35 | -185.3 | -23.3 |
| Capital Revenue | 209.0 | 425.2 | -216.2 | -50.85 | -3,987.6 | -95.0 |
| Grants | 911.4 | 1,747.8 | -836.4 | -47.85 | -950.1 | -47.4 |
| Expenditure | 187,998.9 | 199,589.1 | -11,590.2 | -5.81 | -13,584.3 | -6.7 |
| Recurrent Expenditure | 178,323.5 | 184,095.3 | -5,771.8 | -3.14 | 7,444.3 | 4.4 |
| Programmes | 42,037.6 | 44,285.7 | -2,248.1 | -5.08 | 911.3 | 2.2 |
| Wages & Salaries | 74,927.0 | 75,086.8 | -159.8 | -0.21 | 5,601.0 | 8.1 |
| Interest | 61,358.8 | 64,722.9 | -3,364.1 | -5.20 | 931.9 | 1.5 |
| Domestic | 41,722.9 | 43,039.5 | -1,316.6 | -3.06 | 2,011.0 | 5.1 |
| External | 19,635.9 | 21,683.4 | -2,047.5 | -9.44 | -1,079.3 | -5.2 |
| Capital Expenditure | 9,675.4 | 15,493.7 | -5,818.3 | -37.55 | -21,028.5 | -68.5 |
| Capital Programmes | 9,675.4 | 15,493.7 | -5,818.3 | -37.55 | -21,028.5 | -68.5 |
| IMF #1 Account | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| Fiscal Balance (Surplus [+ve]) | -30,511.7 | -35,430.7 | 4,919.0 | 13.88 | 12,877.3 | 29.7 |
| Loan Receipts | 82,748.9 | 81,808.3 | 940.6 | 1.15 | -6,374.6 | -7.2 |
| Domestic | 78,796.8 | 76,155.6 | 2,641.2 | 3.47 | -3,544.5 | -4.3 |
| External | 3,952.1 | 5,652.7 | -1,700.6 | -30.08 | -2,830.1 | -41.7 |
| Divestment Proceeds | 0.0 | 0.0 | 0.0 | | 0.0 | 0.0 |
| Amortization | 58,590.3 | 59,451.9 | -861.6 | -1.45 | -8,665.6 | -12.9 |
| Domestic | 21,380.9 | 21,470.7 | -89.8 | -0.42 | -174.9 | -0.8 |
| External | 37,209.4 | 37,981.2 | -771.8 | -2.03 | -8,490.5 | -18.6 |
| Overall Balance (Surplus [+ve]) | -6,353.1 | -13,074.3 | 6,721.2 | 51.41 | 15,168.2 | 70.5 |
| Primary Balance (Surplus [+ve]) | 30,847.1 | 29,292.2 | 1,554.9 | 5.31 | 13,809.3 | 81.1 |

Source: Ministry of Finance and Planning

increase in net private transfers of US\$30.0 million.

Flows from official and private sources were insufficient to finance the Current Account deficit. Consequently, the NIR declined by **US\$425.7 million** during the period.

Fiscal Accounts

During the first six months (Apr-Sep) of fiscal year 2012/13, the Government of Jamaica ran a fiscal deficit of -J\$30.5 billion. This fiscal deficit was J\$4.92 billion better than -J\$35.4 billion budgeted and was J\$12.88 billion or 29.7% better than the -J\$43.39 billion deficit recorded during the first half of FY2011/12. The better than expected out-turn on the fiscal deficit resulted entirely from expenditure curtailments since revenues fell below projections.

REVENUE: Total Revenues & Grants to

the GOJ during Apr-Sep 2012/13 was J\$157.5 billion. This fell -J\$6.67 billion or -4.06% short of the budgetary target of J\$164.16 billion and was even slightly less (-J\$706.7 million) or -0.4% short of Revenues and Grants collected during Apr-Sep 2011/12.

Of 25 revenue heads, only 3 came in (modestly) above target during the first half of FY2012/13. This largely reflects the notable slowdown in the Jamaican economy. The three outperformers were: 'Stamp Duty (Local)' - up J\$409 million above budget; 'Motor Vehicle Licenses' - up J\$72.1 million; and 'Tax on Dividend' - up J\$58.9 million.

Among the main underperformers on the revenue account were: 'PAYE' - down -J\$1,232.3 million below budget; 'Custom Duty' - down -J\$872.6 million; and 'SCT' which came in -J\$709.9 million below

budget. 'GCT (Imports)' also underperformed budget to the tune of J\$655.8 million, as well as, 'SCT (Imports)' which came in at US\$454.4 million below budget.

EXPENDITURE: The expenditure budget for 2012/13 is J\$612 billion. For the first half of FY2012/13 total expenditure was J\$187.99 billion. This was -J\$11.59 billion or -5.8% less than the J\$199.59 billion budgeted, and -J\$13.58 billion or 6.7% less than expenditures for the first half of FY2011/12. The main areas of under expenditure were: 'Capital Programmes' which was under-spent by J\$5.82 billion or 37.6% below the J\$15.5 billion budgeted and by J\$21.03 billion below 2011/12 levels; and 'Recurrent Programmes' under-spent by J\$2.25 billion or -5.08% below the J\$44.29 billion budgeted. The GOJ also achieved significant savings of 9.44% on 'External Inter-

est', paying out J\$19.64 billion relative to the J\$21.68 billion budgeted. Savings of J\$1.32 billion or 3.06% on 'Domestic Interest' (J\$41.7 billion) were also realized. Expenditures on 'Wages and Salaries' (J\$74.93 billion) also came in modestly below budget with savings of J\$159.8 million. The GOJ is clearly making an effort to hew to its budgetary targets, to possibly impress the IMF that it can run a tight ship, but it seems also that expenditure curtailment is being driven by falling revenues.

FISCAL OUTTURN

The fiscal deficit for FY2011/12 (Apr-Mar 2011) was -J\$80.74 billion. For FY2012/13, the GOJ is projecting a fiscal deficit of J\$48.0 million or 4.2% of GDP implying an average monthly deficit of about J\$4.00 billion. As noted, the fiscal deficit for the first six months of 2012/13 was -J\$30.5 billion or J\$5.08 billion per month which is well above the projected monthly average.

The Primary Surplus - a measure of the country's ability to service its debt from revenues, was J\$39.97 billion in 2011/12. For FY2012/13, the GOJ is targeting a primary surplus of J\$60 billion. For Apr-Sep 2012/13, the primary surplus was J\$30.85 billion which was J\$1.55 billion more than the J\$29.29 billion budgeted. But many analysts believe that the primary surplus target is being achieved by an untenable cutback in capital expenditure which diminishes the achievement.

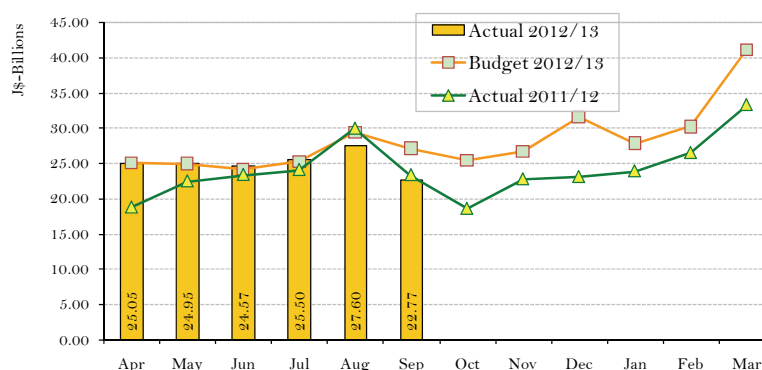
PUBLIC DEBT

At the end of July 2012 the total public debt stood at J\$1,711.67 trillion - an increase of J\$81.67 billion over the J\$1,630.0 trillion recorded at the start of January 2012. For the first four months of FY2012/13, the domestic debt has increased by J\$51.2 billion to J\$973.86 billion or 56.9% of the total, while the external debt has declined by J\$11.15 billion (US\$352 million) to J\$737.81 billion (US\$8,226.2 billion).

Stock Market

During October 2012, market capitalization decreased by -J\$7.74 billion or 1.28% to close at J\$596.75 billion. Four of six indices on the Jamaican Stock Exchange advanced during the month and two declined. The **JSE Combined Index** advanced by 2,697.0 points or 3.04% to close at 91,373.9 points. The main **JSE Market Index** advanced by 2,633.4 points or 3.02% to close at 89,821.8 points. The **JSE Cross Listed Index** of mostly foreign companies

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



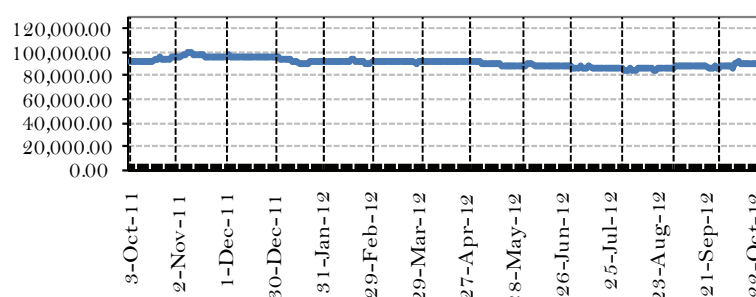
Source: Ministry Of Finance and Planning (Jamaica)

Table 12: Leading Sources of Revenues and Expenditure YTD

| J\$-Millions | Apr-Sep 2012/13 |
|----------------------------|-----------------|
| Revenue Surpluses | |
| Stamp Duty (Local) | 409.0 |
| Motor Vehicle Licenses | 72.1 |
| Tax on Dividend | 58.9 |
| Revenue Shortfalls | |
| PAYE | -1,232.3 |
| Customs Duty | -872.6 |
| SCT | -709.9 |
| GCT (Imports) | -655.8 |
| SCT (Imports) | -454.4 |
| Expenditure Changes | |
| Capital Programmes | -5,818.3 |
| Recurrent Programmes | -2,248.1 |
| External Interest | -2,047.5 |
| Domestic Interest | -1,316.6 |
| Wages and Salaries | -159.8 |

Source: Ministry Of Finance and Planning (Jamaica)

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



Source: Jamaica Stock Exchange (Online Database) and PSOJ

operating in Jamaica advanced by 75.6 points or 9.70% to close at 855.45 points; and the **JSE Junior Market Index** advanced by 23.1 points or 3.58% to close at 668.5 points. However, the **JSE Select**

Index declined by 34.4 points or 1.41% to close at 2,411 points; and the **JSE All Jamaican Composite** declined by 1,053.1 points or 1.17% to close at 88,678.6 points.

Market volume was very modest in October 2012 with 47.06 million units valued at J\$467.1 million changing hands compared to 63.6 million units valued at J\$603.4 million changing hands during September 2012.

Overall market activity resulted from trading in 48 stocks of which 18 advanced, 22 declined and 8 traded firm. Desnoes & Geddes Ltd. was the market leader with 15.16 million units or 32.2% of market volume; followed by LIME with 3.69 million units or 7.85% of market volume; while Scotia Group Jamaica Ltd was third with 7.2% of market volume or 3.38 million units changing hands.

The leading advancers year to date are: Ciboney Group; Guardian Holdings Ltd; Lascelles deMercado Ltd; LIME and Sagicor. The leading decliners are: Caribbean Cement Company; Pulse Investments; Barita Investments Ltd; Mayberry Investments Ltd and Hardware & Lumber.

refineries. **Construction** also declined for the third quarter in a row due to a 57.0% drop in Housing Starts and a substantial net decrease in GOJ capital expenditure. Real value added for the **Manufacture** industry declined by an estimated -0.6% reflecting a -0.5% contraction in 'Food, Beverages and Tobacco'. 'Other Manufacture' also contracted by -0.7% influenced by a 13.8% drop in cement production and declines of 9.9% and 12.8% in gasoline and LPG production respectively.

Services

The flat outturn in the Services Sector, was an improvement on the four previous quarterly declines, but three of eight services industries recorded declines. **Transport, Storage and Communication** recorded the deepest decline of 2.3% - the fifth decline in as many quarters. This was largely due to a 7.2% decline in cargo volumes at the seaports though passenger movements at the airports increased 3.5%.

Real value added in **Real Estate, Renting and Business Activities** also declined (by -0.2%) for the fifth consecutive quarter, quite likely reflecting the downturn in residential construction and mortgage issuance. **Producers of Gov-**

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

| | 31-Dec '11 | 31-Oct '12 | \$ change | % change |
|--|------------|------------|-----------|----------|
| Top Five (unadjusted for dividends or transact. Costs) | | | | |
| Ciboney Group | 0.05 | 0.09 | 0.04 | 80.00% |
| Guardian Holdings Ltd. | 165.00 | 255.00 | 90.00 | 54.55% |
| Lascelles deMercado & Co | 292.50 | 387.00 | 94.50 | 32.31% |
| LIME | 0.20 | 0.21 | 0.01 | 5.00% |
| Sagicor Life Jamaica | 10.00 | 10.34 | 0.34 | 3.40% |
| Bottom Five (unadjusted for dividends or transact. Costs) | | | | |
| Caribbean Cement Co | 3.00 | 1.00 | (2.00) | -66.67% |
| Pulse Investments | 2.45 | 1.00 | (1.45) | -59.2% |
| Barita Investments Ltd. | 4.71 | 2.70 | (2.01) | -42.68% |
| Mayberry Investments | 3.26 | 1.88 | (1.48) | -42.33% |
| Hardware & Lumber | 5.90 | 3.50 | 2.40 | -40.68% |

Source: Compiled from the JSE

Economic Highlights

(contd. from page 1.)

The -10.4% decline in **Mining and Quarrying** - the third quarterly decline in 2012 - reflected the continuing impact of the global slowdown on the

local bauxite/alumina industry and increased supply from newly commissioned more efficient plants worldwide which depressed prices. The result were 13% and 6.5% declines in alumina and bauxite production respectively, and average capacity utilization of only 37.5% at Jamaica's alumina

ernment Services was the other declining sector.

Real value added for **Hotels & Restaurants** grew by 2.3%. This reflected: total arrivals, up 5.0%, stopover arrivals, up by 3.0%; and cruise passenger arrivals, up 9.4%. Real value added in the **Finance & Insurance industry** increased by 0.8 per cent during the quarter, due largely to increased net interest income on loan stock at deposit taking institutions and higher fees and commissions.

Real Value added in the **Wholesale and Retail Trade** grew by 0.4% supported by: increased sales of Textiles, Clothes and Shoes - up 16.5%; Automobiles, Commercial and Transport Equipment -up 16.8%; Other Manufactured Goods -up 10.8%; and Chemicals, Pharmaceuticals and Cosmetics -up 6.7%. The **Electricity & Water** industry recorded growth in real value added of 0.2%, reflecting increased electricity generation which outweighed a decline in water production.

The PIOJ is projecting further contraction of -0.5% to -1.5% in the Oct-Dec 2012 quarter based on the impact of

Hurricane Sandy and the continuing challenges in the global economy.

The Global Picture

With the completion of the US presidential and congressional elections, markets are now focused on legislators efforts to avert the "fiscal cliff" - an estimated US\$650 billion in spending cuts and tax increases that will take effect in the US on January 1st, 2013 absent prior agreement to extend laws pertaining to these matters. It is estimated that going over the fiscal cliff would cut up to 1.5 percentage points from the US GDP and plunge the US and the global economy into another recession.

Apart from concerns about the fiscal cliff, October's data showed US GDP increased by 2.7% in Q3 2012, and there were additional signs that US housing and labour markets are stabilizing. In China, manufacturing and other data, indicated that the Chinese economy was also consolidating. But the Euro-zone is now officially in recession contracting by -0.6% in Q3 on top of -0.4% in Q2 2012; while Japan's economy contracted by -3.5%.

INFLATION (OCT - 2012) - CPI

APPENDIX

| | %Change | Weighted Δ | Rnk | Infl. Contribution |
|---|---------------|---------------|-----------|--------------------|
| All Groups | 0.96% | 0.959 | | |
| FOOD AND NON-ALCOHOLIC BEVERAGES | 1.10% | 0.412 | 1 | |
| Food | 1.14% | | | |
| Bread and Cereals | 1.38% | | | |
| Meat | 0.58% | | | |
| Fish and Seafood | 0.63% | | | |
| Milk, Cheese and eggs | 0.50% | | | |
| Oils and Fats | 1.05% | | | |
| Fruit | 1.56% | | | |
| Vegetables and Starchy Foods | 2.31% | | | |
| Vegetables | 2.20% | | | |
| Starchy Foods | 2.47% | | | |
| Sugar, Jam, Honey, Chocolate and Confectionery | 0.38% | | | |
| Food Products n.e.c. | 0.56% | | | |
| Non-Alcoholic Beverages | 0.53% | | | |
| Coffee, tea and Cocoa | 0.70% | | | |
| Mineral waters, Soft Drinks, Fruit and Veg Juices | 0.49% | | | |
| ALCOHOLIC BEVERAGES AND TOBACCO | 0.79% | 0.011 | 7 | |
| CLOTHING AND FOOTWEAR | 0.42% | 0.014 | 6 | |
| Clothing | 0.55% | | | |
| Footwear | 0.19% | | | |
| HOUSING, WATER, ELECT., GAS AND OTHER FUELS | 2.83% | 0.361 | 2 | |
| Rentals for Housing | 0.00% | | | |
| Maint and Repair of Dwelling | 0.05% | | | |
| Water Supply and Misc. Serv Related to the Dwelling | 5.56% | | | |
| Electricity, Gas and Other Fuels and Routine | 4.02% | | | |
| FURNISH, HSHOLD EQUIP & HSHOLD MAINT. | 0.38% | 0.019 | 4 | |
| Furniture and Furnishings (including Floor Coverings) | 0.10% | | | |
| Household Textiles | 0.11% | | | |
| Household Appliances | 0.22% | | | |
| Glassware, Tableware and Household Utensils | 0.32% | | | |
| Tools and Equipment for House and Garden | 0.24% | | | |
| Goods and Serv. for Routine Household Maint | 0.49% | | | |
| HEALTH | 0.24% | 0.008 | 9 | |
| Medical Products, Appliances and Equipment | 0.45% | | | |
| Health Services | 0.08% | | | |
| TRANSPORT | -0.30% | -0.038 | 12 | |
| COMMUNICATION | 0.00% | 0.000 | 10 | |
| RECREATION AND CULTURE | 0.32% | 0.011 | 8 | |
| EDUCATION | 0.00% | 0.000 | 10 | |
| RESTAURANTS AND ACCOMMODATION SERVICES | 0.25% | 0.016 | 5 | |
| MISCELLANEOUS GOODS AND SERVICES | 0.63% | 0.053 | 3 | |

INFLATION YTD (JAN - OCT 2012) CPI

| | %Change | Weighted Δ | Rnk | Infl. Contribution |
|---|----------------|---------------|-----------|--------------------|
| All Groups | 6.29% | 6.285 | | |
| FOOD AND NON-ALCOHOLIC BEVERAGES | 10.86% | 4.068 | 1 | |
| Food | 11.08% | | | |
| Bread and Cereals | 5.82% | | | |
| Meat | 10.71% | | | |
| Fish and Seafood | 12.17% | | | |
| Milk, Cheese and eggs | 14.15% | | | |
| Oils and Fats | 7.89% | | | |
| Fruit | 15.10% | | | |
| Vegetables and Starchy Foods | 16.17% | | | |
| Vegetables | 17.71% | | | |
| Starchy Foods | 12.48% | | | |
| Sugar, Jam, Honey, Chocolate and Confectionery | 6.71% | | | |
| Food Products n.e.c. | 8.75% | | | |
| Non-Alcoholic Beverages | 7.03% | | | |
| Coffee, tea and Cocoa | 10.88% | | | |
| Mineral waters, Soft Drinks, Fruit and Veg Juices | 5.50% | | | |
| ALCOHOLIC BEVERAGES AND TOBACCO | 5.40% | 0.075 | 10 | |
| CLOTHING AND FOOTWEAR | 10.24% | 0.341 | 6 | |
| Clothing | 10.59% | | | |
| Footwear | 9.63% | | | |
| HOUSING, WATER, ELECT., GAS AND OTHER FUELS | 4.65% | 0.593 | 2 | |
| Rentals for Housing | 1.57% | | | |
| Maint and Repair of Dwelling | 8.59% | | | |
| Water Supply and Misc. Serv Related to the Dwelling | 3.66% | | | |
| Electricity, Gas and Other Fuels and Routine | 5.96% | | | |
| FURNISH, HSHOLD EQUIP & HSHOLD MAINT. | 7.69% | 0.379 | 5 | |
| Furniture and Furnishings (including Floor Coverings) | 8.43% | | | |
| Household Textiles | 8.19% | | | |
| Household Appliances | 8.96% | | | |
| Glassware, Tableware and Household Utensils | 9.40% | | | |
| Tools and Equipment for House and Garden | 3.54% | | | |
| Goods and Serv. for Routine Household Maint | 7.33% | | | |
| HEALTH | 2.67% | 0.088 | 9 | |
| Medical Products, Appliances and Equipment | 3.52% | | | |
| Health Services | 2.14% | | | |
| TRANSPORT | 3.03% | 0.388 | 4 | |
| COMMUNICATION | -39.41% | -1.572 | 12 | |
| RECREATION AND CULTURE | 5.95% | 0.200 | 8 | |
| EDUCATION | 3.43% | 0.073 | 11 | |
| RESTAURANTS AND ACCOMMODATION SERVICES | 4.68% | 0.290 | 7 | |
| MISCELLANEOUS GOODS AND SERVICES | 5.38% | 0.450 | 3 | |

FISCAL ACCOUNTS (APR-SEP 2012/13)

| REV. & EXPEN. (APR-SEP '12/13) | J\$M | PROVISIONAL RESULTS | J\$M | BUDGET DEVIATION | J\$M | YOY - CHANGE |
|--------------------------------------|-----------|---------------------|-----------|------------------|------------|--------------|
| Revenue & Grants | 157,487.2 | | -6,671.2 | | -706.70 | |
| Tax Revenue | 147,762.3 | | -5,320.1 | | 5,840.60 | |
| Non-Tax Revenue | 7,995.7 | | -113.2 | | -1,277.70 | |
| Bauxite Levy | 608.7 | | -185.4 | | -185.30 | |
| Capital Revenue | 209.0 | | -216.2 | | -3,987.60 | |
| Grants | 911.4 | | -836.4 | | -950.10 | |
| Expenditure | 187,998.9 | | -11,590.2 | | -13,584.30 | |
| Recurrent Expenditure | 178,323.5 | | -5,771.8 | | 7,444.30 | |
| Programmes | 42,037.6 | | -2,248.1 | | 911.30 | |
| Wages & Salaries | 74,927.0 | | -159.8 | | 5,601.00 | |
| Interest | 61,358.8 | | -3,364.1 | | 931.90 | |
| Domestic | 41,722.9 | | -1,316.6 | | 2,011.00 | |
| External | 19,635.9 | | -2,047.5 | | -1,079.30 | |
| Capital Expenditure | 9,675.4 | | -5,818.3 | | -21,028.50 | |
| Capital Programmes | 9,675.4 | | -5,818.3 | | -21,028.50 | |
| IMF #1 Account | 0.0 | | 0.0 | | 0.00 | |
| Fiscal Balance (Surplus +ve) | -30,511.7 | | 4,919.0 | | 12,877.30 | |
| Loan Receipts | 82,748.9 | | 940.6 | | -6,374.60 | |
| Domestic | 78,796.8 | | 2,641.2 | | -3,544.50 | |
| External | 3,952.1 | | -1,700.6 | | -2,830.10 | |
| Divestment Proceeds | 0.0 | | 0.0 | | 0.00 | |
| Amortization | 58,590.3 | | -861.6 | | -8,665.60 | |
| Domestic | 21,380.9 | | -89.8 | | -174.90 | |
| External | 37,209.4 | | -771.8 | | -8,490.50 | |
| Overall Balance (Surplus +ve) | -6,353.1 | | 6,721.2 | | 15,168.20 | |
| Primary Balance (Surplus +ve) | 30,847.1 | | 1,534.9 | | 13,809.30 | |

| REV. & EXPEN. (APR-SEP '12/13) | J\$M | PROVISIONAL RESULTS | J\$M | BUDGET DEVIATION | J\$M | YOY - CHANGE |
|--------------------------------|-----------|---------------------|----------|------------------|---------|--------------|
| Revenue & Grants | 157,487.1 | | -6,671.3 | | -706.8 | |
| Tax Revenue | 147,762.3 | | -5,320.1 | | 5840.6 | |
| Income and profits | 50,307.3 | | -2,251.9 | | 2412 | |
| Bauxite/alumina | 0.0 | | -37.3 | | 0 | |
| Other companies | 13,474.7 | | -134.7 | | 2326.2 | |
| PAYE | 29,678.2 | | -1,232.3 | | -197.9 | |
| Tax on dividend | 632.1 | | 58.9 | | 138.4 | |
| Other individuals | 1,112.7 | | -466.9 | | -61 | |
| Tax on interest | 5,409.6 | | -439.6 | | 206.2 | |
| Environmental Levy | 1,037.5 | | -98.3 | | -107.3 | |
| Production and consumption | 45,044.5 | | -752.7 | | 2018.7 | |
| SCT | 4,460.4 | | -709.9 | | 526.4 | |
| Motor vehicle licenses | 1,194.0 | | 72.1 | | 329.1 | |
| Other Licenses | 1,003.8 | | -266.6 | | 807.5 | |
| Betting, gaming and lottery | 963.5 | | -84.8 | | 211.5 | |
| Education Tax | 7,248.7 | | -167.0 | | -268 | |
| Contractors levy | 630.6 | | -3.1 | | 33.9 | |
| GCT (Local) | 25,603.2 | | -2.4 | | 872.5 | |
| Stamp Duty (Local) | 3,940.3 | | 409.0 | | -493.8 | |
| International Trade | 51,373.1 | | -2,217.0 | | 1517.2 | |
| Custom Duty | 11,361.8 | | -872.6 | | 1052.5 | |
| Stamp Duty | 769.0 | | -61.6 | | 64.9 | |
| Travel Tax | 2,046.7 | | -172.7 | | -1343 | |
| GCT (Imports) | 22,111.4 | | -653.8 | | 1241.1 | |
| SCT (Imports) | 15,084.2 | | -454.4 | | 502.2 | |
| Non-Tax Revenue | 7,995.7 | | -113.2 | | -1277.7 | |
| Bauxite Levy | 608.7 | | -185.4 | | -185.3 | |
| Capital Revenue | 209.0 | | -216.2 | | -3987.6 | |
| Grants | 911.4 | | -836.4 | | -1096.9 | |

Statistical Index

Major Macro-Economic Indicators

| | BM | | M2 | | NIR | Fgn Cur- Dep | Inflation | | Tourism | J\$/US\$ | T-bill | Loan | Sav | Dom Debt | Fgn Debt |
|---------|----------|-------|----------|-------|----------|-----------------|-----------|------|---------|----------|--------|-------|------|------------|----------|
| | M | P | M | P | US\$M | US\$M | M | P | P | | % | % | % | J\$M | US\$M |
| Jan '11 | 78,380 | -7.89 | n/a | n/a | 2,088.97 | n/a | -0.18 | -0.2 | 8.5 | 85.69 | 7.46 | 18.52 | 2.4 | 813,805.6 | 8,436.2 |
| Feb | 77,963 | -0.53 | 340,301 | 1.23 | 2,471.40 | 2,245.9 | -0.42 | -0.6 | 6.3 | 85.84 | 6.75 | 18.52 | 2.4 | 760,227.2 | 8,856.7 |
| Mar | 78,919 | 1.23 | 332,828 | 2.20 | 2,553.16 | n/a | 1.04 | 0.5 | n/a | 85.75 | 6.70 | 18.52 | 2.34 | 760,997.9 | 8,874.8 |
| Apr | 81,399 | 3.14 | 342,336 | n/a | 2,602.40 | 2,336.53 | 0.47 | 1.0 | 7.5 | 85.73 | 6.74 | 18.43 | 2.24 | 763,624.7 | 8,907.5 |
| May | 79,357 | -2.51 | 342,497 | n/a | 2,334.38 | n/a | 0.77 | 1.7 | n/a | 85.78 | 6.58 | 17.98 | 2.24 | 836,417.3 | 8,521.1 |
| Jun | 80,560 | 1.52 | 341,652 | -0.25 | 2,267.13 | 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 | 888,486.9 | 8,626.4 |
| 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 | 875,211.40 | 8,605.4 |
| Mar | 83,696.6 | -1.48 | 356,099 | 0.19 | 1,777.13 | 2,409,355 | 0.50 | 1.68 | 0.3 | 87.30 | 6.47 | 18.12 | 2.10 | 912,642.4 | 8,586.8 |
| Apr | 84,966.6 | 1.52 | 348,580 | n/a | 1,771.8 | 2,414,159 | 0.4 | 2.1 | 0.6 | 87.35 | 6.44 | 18.12 | 2.10 | 930,025.4 | 8,578.8 |
| May | 83,738.1 | -1.45 | 352,407 | 1.10 | 1,718.8 | 2,441,863 | 0.5 | 2.6 | 1.5 | 88.12 | 6.39 | 17.93 | 2.10 | 935,140.9 | 8,506.5 |
| Jun | 84,337.4 | 0.72 | 351,410. | n/a | 1,540.4 | 2,553,943 | 0.6 | 3.2 | 8.0 | 88.70 | 6.51 | 17.46 | 2.10 | 940,368.6 | 8,526.2 |
| Jul | 87,157.8 | 3.34 | 359,205. | 0.69 | 1,483.82 | n/a | -3.3 | 2.8 | n/a | 89.69 | 6.52 | 17.46 | 2.24 | 973,858.5 | 8,226.2 |
| Aug | 86,275.1 | -1.01 | n/a | n/a | 1,428.60 | 2,438,745 | 0.5 | 3.3 | 1.8 | 89.82 | 6.63 | 17.55 | 2.07 | n/a | n/a |
| Sep | 85,193.8 | -1.25 | n/a | n/a | 1,257.8 | | 1.85 | 5.3 | n/a | 89.93 | 6.57 | 17.55 | 2.07 | n/a | n/a |
| Oct | n/a | n/a | n/a | n/a | 1,132.8 | n/a | 0.9 | 6.3 | n/a | 91.09 | 6.69 | 17.52 | 2.07 | 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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