



Monthly Economic and Financial Developments February 2011

In an effort to provide the public with more frequent information on its economic surveillance activities, the Central Bank has decided to release monthly reports on economic and financial sector developments in The Bahamas. The Bank monitors these conditions as part of its monetary policy mandate, to assess whether money and credit trends are sustainable relative to levels of external reserves required to protect the value of the Bahamian dollar and, if not, the degree to which credit policies ought to be adjusted. The main data source for this surveillance is financial institutions' daily reports on foreign exchange transactions and weekly balance sheet statements. Therefore, monthly approximations may not coincide with calendar estimates reported in the Central Bank's quarterly reports. The Central Bank will release its "Monthly Economic and Financial Developments" report on the Monday following its monthly Monetary Policy Committee Meeting.

Future Release Dates:

2011: May 2, May 30, July 4, August 8, August 29, October 3, October 31, November 28, December 19.

Monthly Economic and Financial Developments February 2011

1. Domestic Economic Developments

Domestic economic conditions remained relatively stable over February, although there were some signs of softness in the key tourism sector, with construction sector activity supported by Government's infrastructure works and several tourism-related investment projects. As the recovery has yet to translate into any notable improvement in labour market conditions, domestic demand continued to be weak, and opportunities for a reduction in banks' credit quality indicators, limited. The fiscal situation through January benefitted from extraordinary revenue receipts arising from the sale of a business entity, with the converted proceeds bolstering both liquidity and external reserves.

Key tourism performance indicators from a sample of hotels in New Providence and Paradise Island for the first two months of the year suggest a contraction in hotel revenues by 6.1%, due to lower occupancy and average daily room rates—although with some variability in the outturn for the various properties.

Data on Government's budgetary operations for the seven months through January of FY2010/11 showed a narrowing of the overall deficit, by \$32.0 million (15.9%) to \$169.1 million, over the corresponding period of FY2009/10. Total receipts rose by 3.2% (\$23.6 million) to \$763.3 million, buoyed by a 14.5% gain in tax collections, associated mainly with a nearly 90% surge in stamp tax proceeds from the sale of a business entity. In contrast, non-tax collections were reduced by 45.9% (\$63.4 million), in line with the \$66.2 million (75.9%) reversion in income from other sources to trend levels, following a one-time boost from the sale of an energy business in the previous period. Aggregate expenditure declined by \$8.4 million (0.9%) to \$932.4 million, primarily on account of a \$34.8 million (54.6%) contraction in net lending to public corporations. However, capital expenditure rose by \$3.9 million (4.3%), as the \$14.2 million expansion in the acquisition of assets, related to land purchases from a local oil company, outpaced the \$9.2 million decrease in infrastructure investments. Current spending grew by 2.9% (\$22.4 million), paced by a 14.2% (\$19.2 million) rise in purchases of goods and services.

2. International Developments

The global economic recovery continued at an unbalanced pace during February 2011, indicative of the challenges faced by the United States in stimulating domestic demand and concerns over the fiscal sustainability of several European economies. Meanwhile, Asian economies maintained a strong expansionary thrust, propelled by vibrant export growth.

Indications are that US economic conditions improved during February. The unemployment situation has been progressively improving, with the jobless rate, which lags real GDP, falling 0.1% to 8.9% in February, following two consecutive 0.4% monthly declines. However, problems in the housing market lingered, as sales dropped 9.6% year-on-year, and new home purchases were down by 16.9%. As evidenced of the gaining economic momentum, retail sales were up 1.0%, the largest gain in four months, and consumer spending by a solid 0.7%, the eighth consecutive month of increase. In this context, the trade deficit for January widened to \$46.3 billion from \$40.3 billion in December, as higher domestic demand led to a net import position. Price pressures remained relatively benign, with modest firming in food and fuel costs leading to a 0.5% rise in consumer prices, following a 0.4% advance in the prior month. To support the

ongoing recovery, the Federal Reserve kept its key interest rate within the 0-0.25% range and maintained its bond purchase programme, which is expected to expire by the end of the second quarter of 2011.

Available data suggest that the economic recovery in Europe is gaining momentum, although with mixed outcomes among countries. The United Kingdom economy continues to be beset by modestly elevated inflation and weakening consumer demand. Industrial production fell 1.2% in February from the prior month, based on flat manufacturing and a dip in oil and gas extraction activity. The trade deficit contracted on a monthly basis, by £2.5 billion to £3.0 billion, in January. The unemployment rate edged up to 8.0% in the three months to January 2011. Reflecting the lagged effects of higher commodity prices and the increase in the value added tax in January, inflation firmed by 3 basis points to 4.0%, which is double the Bank of England's target rate. Notwithstanding, the authorities decided to leave the benchmark rate at 0.5% and sustain the stock of asset purchases financed by the Bank at £200 billion.

Variation in output growth in the eurozone, to a large extent, continued to reflect differences in domestic demand with the core countries generating strong economic growth. Industrial production increased slightly by 0.3% in January, after a similar expansion in the prior month, contributing to the marginal 10 basis point decrease in the unemployment rate to 9.9%. As a gauge of the strength of consumer demand, retail sales dropped 0.1% month-on-month in February, as consumers curtailed spending in the context of rising prices. Higher transportation costs pushed the rise in annual consumer prices higher to 2.4% in February, in line with the previous month's advance—and staying above the European Central Bank's (ECB) implicit target rate of 2.0% for the third consecutive month. In continued support for the economic recovery, the ECB held its key bank rate unchanged at a historic low.

In Asia, Chinese retail sales rose by 15.8% over the January-February period, although lower than expected, as consumer confidence was dampened by the rapid rise in inflation, which stayed at 4.9% in February, under the impact of rising food, energy and housing prices and prompting the Bank of China to tighten monetary policy. For the third time since October 2010, the one-year benchmark deposit and lending rates were raised by 25 basis points to 3.0% and 4.0% respectively, effective February 9th. On the trade side, China posted a trade deficit of \$7.3 billion in February—the first since March 2010—a turnaround from a surplus of \$6.5 billion in the prior month, as exports moderated and imports swelled. Prior to the devastating earthquake in March, economic activity in Japan remained uneven, with retail sales rising by a modest 0.1%, while consumer spending fell by 1.0% year-on-year. However, the unemployment rate improved to 4.6% in February from 4.9% in January, while consumer prices fell further by 0.3% from a year earlier, due to rising food and oil prices. In an effort to combat inflation, the Bank of Japan kept the uncollateralized overnight call rate at between 0 to 0.1%.

Concerns about the political unrest in the Middle East and an increase in world demand due to severe cold winter weather in the Northern Hemisphere, pushed up crude oil prices by 14.2% to \$112.17 per barrel in February. However, the volume of crude oil produced by OPEC rose marginally by 110,000 barrels per day, to average 30 million barrels per day in February. Similarly, precious metal prices moved higher in the review month, with the price for gold rising 5.9% to \$1,411.48 per troy ounce, and silver costs increasing by 20.8% to \$33.89 per troy ounce.

Equity markets delivered positive returns for the month of February, driven by broadly positive corporate and macroeconomic data releases. US equities continued their strong performance, with the Dow Jones Industrial Average (DJIA) and the S&P 500 index firming by 2.7% and 2.4%, respectively. In European markets, France's CAC 40 grew by 5.3% and Germany's DAX, by 2.4%; however, the United Kingdom's

FTSE 100 declined by 0.6%. Asian bourses were mixed, with Japan's Nikkei 225 index rising marginally by 0.1%, while China's SE Composite fell by 0.6%.

In the foreign currency markets, the United States dollar depreciated against all of the major currencies during the month of February. The dollar weakened versus the British pound, by 1.5% to £0.6151, against the euro, by 0.8% to €0.7243 and the Canadian dollar, by 2.9% to CND\$0.9716. In addition, the dollar declined by 1.6% relative to the Swiss Franc to CHF0.9289, by 0.3% versus the Japanese Yen to ¥81.78 and by 0.4% vis-à-vis the Chinese Yuan to CNY6.5716.

3. Domestic Monetary Trends

Monetary and credit conditions during the month of February featured a build-up in both liquidity and external reserves, occasioned mainly by net foreign currency inflows related to the Government's receipt of significant proceeds related to business transactions. Banks' credit quality indicators improved during the month, reflecting in part increased loan write-offs.

February 2011 vs. 2010

In February, excess reserves firmed by \$13.8 million, albeit below the previous year's \$21.1 million accumulation. Similarly, the growth in excess liquid assets slackened to \$10.1 million from \$25.1 million in 2010.

Accretions to external reserves more than doubled to \$25.5 million, as the Bank's net purchase increased by \$19.5 million to \$21.7 million. Specifically, the net intake from commercial banks strengthened by \$9.8 million to \$35.8 million, supported by a 17.0% expansion in their net purchase from customers. Transactions with the public sector resulted in a reduction in the net sale, by \$9.8 million (41.0%) to \$14.1 million, as higher purchases offset the almost two-fold rise in sales, earmarked mainly for oil payments.

Bahamian dollar credit increased by \$6.9 million during February, compared to a \$4.7 million contraction a year earlier. With some recovery in loan extension, the decline in private sector credit slackened to \$5.5 million from \$28.6 million in 2010. Commercial loans firmed marginally by \$0.3 million, compared to a \$15.0 million net decline a year earlier, while the contraction in consumer credit abated by \$9.7 million to \$4.1 million. In contrast, mortgages fell by \$1.7 million, following a \$0.3 million gain in 2010. The position with the public corporations was reversed to a gain in credit of \$1.4 million, from 2010's \$2.2 million net repayment; and net credit to the Government rose by a reduced \$11.2 million relative to \$26.0 million a year ago.

Banks' credit quality indicators improved modestly in February, amid sustained loan write-offs. Private sector loan arrears decreased by \$67.2 million (5.6%) to \$1,131.7 million, which represented a reduced 18.2% of total loans compared with 19.1% in January. An analysis of the average age of arrears showed that the improvement was concentrated in the short-term spectrum; loans 31–90 days past due contracted by \$57.3 million (11.0%) to \$463.5 million, with a matching 90 basis points decline in the corresponding arrears ratio, to 7.5%. Nonperforming loans—arrears over 90 days and on which banks ceased accruing interest—fell by \$9.8 million (1.5%) to \$668.2 million, and the corresponding ratio to loans narrowed by 8 basis points to 10.8%.

In terms of the main components, the reduction in arrears was occasioned by a \$37.9 million (6.0%) decline in mortgage delinquencies to \$599.1 million, reflecting a \$34.5 million (10.7%) retrenchment in the short-

term segment and a \$3.4 million (1.1%) falloff in the non-performing component. Commercial arrears also receded by \$37.7 million (13.1%) to \$249.2 million, with decreases recorded in both the 31-90 days and non-performing categories, of \$32.2 million (37.5%) and \$5.6 million (2.8%), respectively. In contrast, consumer arrears increased by \$8.5 million (3.1%) to \$283.3 million, as the \$9.3 million (8.2%) rise in short-term arrears outpaced the \$0.9 million (0.5%) contraction in delinquencies exceeding 90 days.

For the month, banks lowered their loan loss provisions marginally by \$1.4 million (0.5%) to \$265.4 million; however, the ratio of provisions to arrears and non-performing loans firmed by 1.2 and 0.4 percentage points, to 23.5% and 39.7%, respectively. Loan write-offs totalled \$11.3 million, while recoveries amounted to \$1.6 million. In January—the latest month for which data is available—banks restructured an estimated \$25.7 million in private sector loans.

In February, domestic foreign currency credit contracted by \$80.0 million, following a \$1.5 million falloff in 2010. This outturn reflected a \$77.3 million decline in claims on the private sector, vis-à-vis a \$0.7 million accumulation in 2010, as a major tourism investment entity reduced its outstanding liabilities. The contraction in credit to the rest of the public sector was also extended to \$2.8 million from \$2.3 million, while the net claim on the Government rose by a further \$0.1 million.

Accruals to Bahamian dollar deposits strengthened by \$15.7 million to \$34.6 million, owing to a build-up in both demand and savings balances. In particular, demand deposits firmed by \$21.2 million, in contrast to the previous year's \$49.2 million contraction; and the growth in savings balances advanced to \$12.3 million from \$8.5 million in 2010. In a sizeable offset, gains to fixed deposits slackened to \$1.1 million from \$58.6 million.

In interest rate developments, the weighted average deposit rate widened by 9 basis points to 3.28%, with the highest rate of 6.00% offered on fixed deposit balances of over 12 months. Similarly, the weighted average loan rate firmed by 41 basis points to 11.28%.

4. Outlook and Policy Implications

The domestic economy is expected to gather momentum in 2011, supported by steady gains in tourism output and foreign investment-related activity. The bulk of the anticipated short term employment gains are expected to be concentrated in construction related activities, with a broadening in benefits not likely until in the medium-term. However, downside risks remain, including the pace of the global economic recovery, particularly in the key United States market, and the adverse implications of the recent increases in commodity prices on domestic inflation.

On the fiscal side, Government's near term revenue performance is expected to benefit from a number of one-time transactions, resulting in a narrowing in the overall deficit over the previous period. Nevertheless, sustained improvements in the deficit and corresponding debt-to-GDP indicators will hinge on the pace of the domestic recovery, as well as the success of measures implemented to curb the growth in spending and improve revenue collections.

In monetary developments, liquidity is expected to remain elevated, reflecting the continuation of anaemic demand conditions which, along with several significant one-time foreign currency inflows, will maintain external reserves above international benchmarks. No significant improvement is likely in the credit quality indicators, although without any risks to financial stability given the continued healthy level of bank sector capital.

Recent Monetary and Credit Statistics

(B\$ Millions)

FEBRUARY						
Value		Change		Change YTD		
2010	2011	2010	2011	2010	2011	

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	273.00	500.22	21.06	13.81	10.90	110.72
1.2 Excess Liquid Assets	516.57	919.91	25.08	10.05	12.72	106.59
1.3 External Reserves	806.40	974.82	12.73	25.55	-18.97	113.77
1.4 Bank's Net Foreign Assets	-631.87	-642.46	-50.18	76.23	34.34	47.90
1.5 Usable Reserves	449.39	497.50	6.32	14.45	-9.47	63.09

2.0 DOMESTIC CREDIT

2.1 Private Sector	6,544.87	6,461.03	-27.85	-82.83	-0.57	-74.97
a. B\$ Credit	6,091.61	6,136.36	-28.55	-5.49	-28.12	-4.80
of which: Consumer Credit	2,146.15	2,102.81	-13.80	-4.09	-26.56	-30.03
Mortgages	3,011.59	3,090.56	0.28	-1.67	15.53	5.38
Commercial and Other Loans B\$	933.87	942.99	-15.04	0.27	-17.09	19.85
b. F/C Credit	453.26	324.67	0.70	-77.34	27.56	-70.17
of which: Mortgages	99.40	129.51	4.24	1.65	3.46	0.90
Commercial and Other Loans F/C	353.87	195.15	-3.54	-79.00	24.10	-71.07
2.2 Central Government (net)	1,040.00	1,323.89	26.10	11.30	49.69	-62.61
a. B\$ Loans & Securities	1,198.31	1,383.09	13.99	6.48	31.47	-76.22
Less Deposits	159.46	127.56	-11.98	-4.73	-15.37	-11.84
b. F/C Loans & Securities	3.71	70.03	-0.00	0.03	0.00	0.03
Less Deposits	2.57	1.67	-0.13	-0.05	-2.85	-1.74
2.3 Rest of Public Sector	367.82	389.95	-4.46	-1.38	1.71	-11.17
a. B\$ Credit	87.34	109.10	-2.16	1.37	5.97	-4.84
b. F/C Credit	280.49	280.85	-2.30	-2.75	-4.27	-6.34
2.4 Total Domestic Credit	7,952.75	8,174.90	-6.20	-73.07	50.84	-148.91
a. B\$ Domestic Credit	7,217.86	7,501.02	-4.73	6.93	24.70	-74.17
b. F/C Domestic Credit	734.89	673.87	-1.47	-80.00	26.14	-74.74

3.0 DEPOSIT BASE

3.1 Demand Deposits	1,079.06	1,149.49	-49.24	21.20	-11.32	8.71
a. Central Bank	10.97	10.13	-2.25	1.58	-1.63	2.14
b. Banks	1,068.09	1,139.35	-46.99	19.62	-9.69	6.58
3.2 Savings Deposits	1,012.63	1,025.32	8.45	12.31	17.82	9.24
3.3 Fixed Deposits	3,590.70	3,638.05	59.70	1.07	36.61	29.96
3.4 Total B\$ Deposits	5,682.39	5,812.85	18.91	34.57	43.11	47.91
3.5 F/C Deposits of Residents	195.81	218.79	-80.30	-15.40	-21.02	-33.28
3.6 M2	5,856.73	5,997.38	18.19	37.97	19.11	38.41
3.7 External Reserves/M2 (%)	13.77	16.25	0.18	0.33	-0.37	1.80
3.8 Reserves/Base Money (%)	117.72	104.69	-1.61	0.66	-0.41	1.07
3.9 External Reserves/Demand Liabilities (%)	112.93	102.04	0.03	0.71	0.71	1.81
	Value		Year to Date		Change	
	2010	2011	2010	2011	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

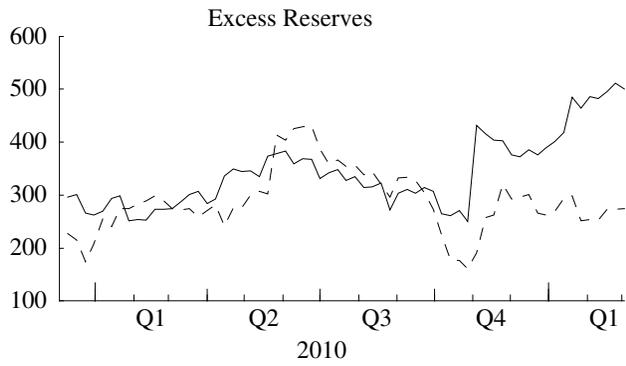
4.1 Central Bank Net Purchase/(Sale)	2.17	21.70	-25.06	107.48	19.54	132.54
a. Net Purchase/(Sale) from/to Banks	26.00	35.77	13.41	80.66	9.76	67.25
i. Sales to Banks	3.86	4.81	60.63	36.11	0.95	-24.52
ii. Purchases from Banks	29.86	40.58	74.04	116.77	10.71	42.73
b. Net Purchase/(Sale) from/to Others	-23.84	-14.06	-38.47	26.82	9.77	65.29
i. Sales to Others	35.55	43.87	73.17	98.92	8.32	25.75
ii. Purchases from Others	11.72	29.80	34.70	125.74	18.09	91.04
4.2 Banks Net Purchase/(Sale)	27.90	32.63	34.57	90.62	4.73	56.06
a. Sales to Customers	233.75	252.81	527.58	604.43	19.06	76.85
b. Purchases from Customers	261.66	285.44	562.15	695.05	23.79	132.90
4.3 B\$ Position (change)	-18.31	-18.80				

5.0 EXCHANGE CONTROL SALES

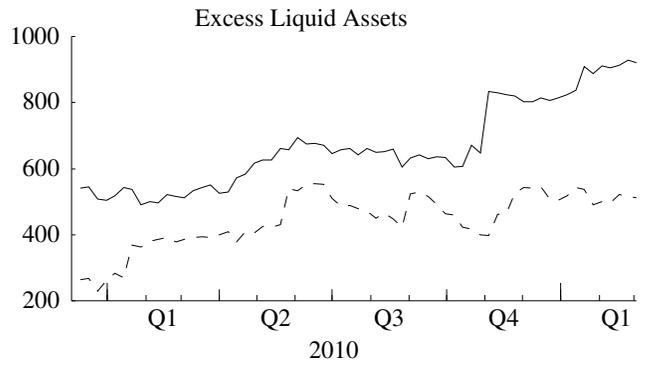
5.1 Current Items	0.00	0.00	0.00	0.00	0.00	0.00
of which Public Sector	0.00	0.00	0.00	0.00	0.00	0.00
a. Nonoil Imports	0.00	0.00	0.00	0.00	0.00	0.00
b. Oil Imports	0.00	0.00	0.00	0.00	0.00	0.00
c. Travel	0.00	0.00	0.00	0.00	0.00	0.00
d. Factor Income	0.00	0.00	0.00	0.00	0.00	0.00
e. Transfers	0.00	0.00	0.00	0.00	0.00	0.00
f. Other Current Items	0.00	0.00	0.00	0.00	0.00	0.00
5.2 Capital Items	0.00	0.00	0.00	0.00	0.00	0.00
of which Public Sector	0.00	0.00	0.00	0.00	0.00	0.00
5.3 Bank Remittances	0.00	0.00	0.00	0.00	0.00	0.00

SELECTED MONEY AND CREDIT INDICATORS

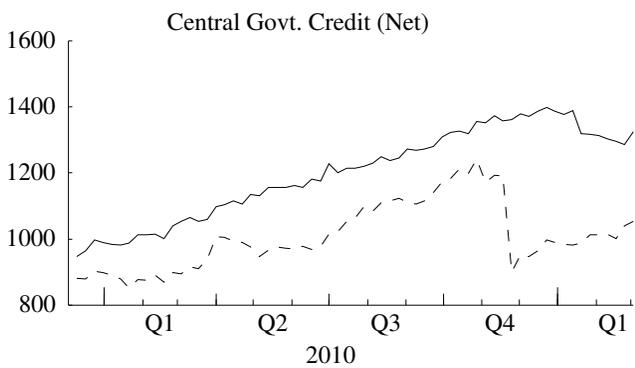
(B\$ Millions)



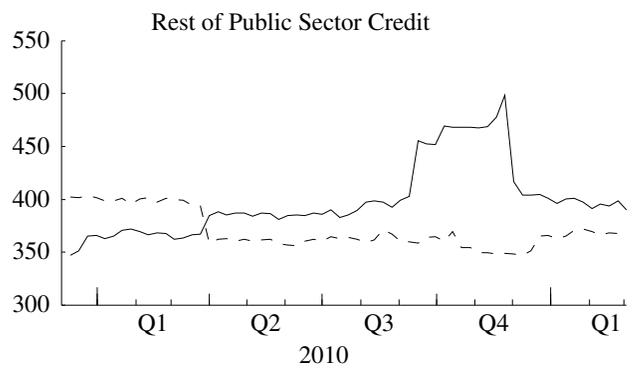
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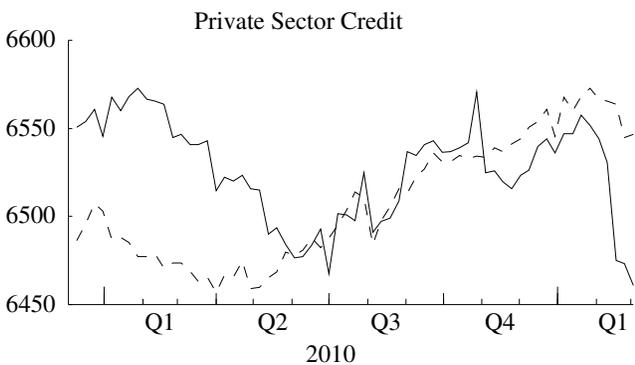
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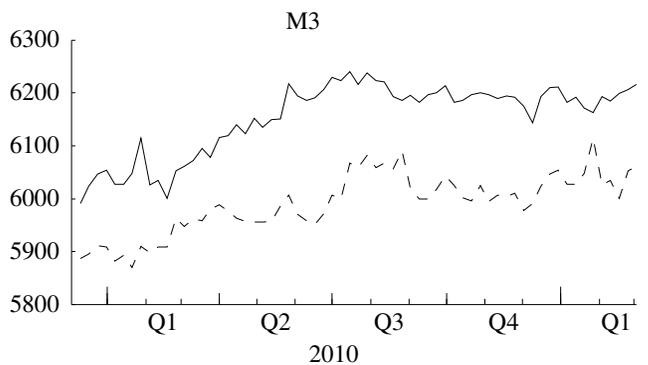
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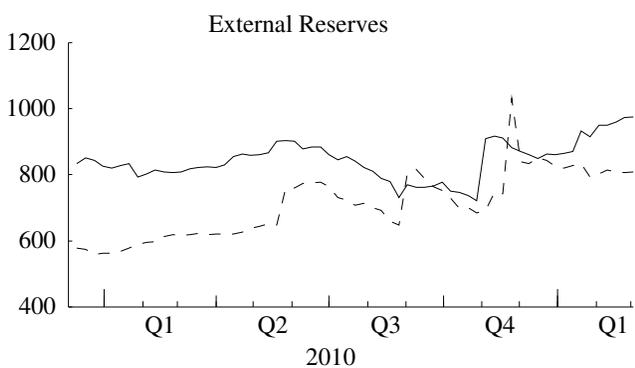
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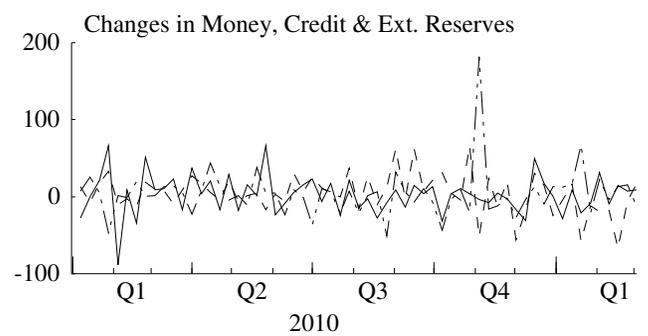
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— M3
- - - Domestic Credit
- · - External Reserves

Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2010	2011	2010	2011	2010	2011
Bahamas	0.5	1.5	1.7	1.4	n/a	n/a
United States	2.6	2.3	1.4	1.0	9.7	9.6
Euro-Area	1.7	1.5	1.6	1.5	10.1	10.0
<i>Germany</i>	<i>3.3</i>	<i>2.0</i>	<i>1.3</i>	<i>1.4</i>	<i>7.1</i>	<i>7.1</i>
Japan	2.8	1.5	-1.0	-0.3	5.1	5.0
China	10.5	9.6	3.5	2.7	4.1	4.0
United Kingdom	1.7	2.0	3.1	2.5	7.9	7.4
Canada	3.1	2.7	1.8	2.0	8.0	7.5
<i>Source: IMF World Economic Outlook, October 2010</i>						

B: Official Interest Rates – Selected Countries (%)					
<i>With effect</i> <i>from</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
	Bank Rate	Refinancing Rate	Primary Credit Rate	Target Funds Rate	Repo Rate
December 2008	5.25	2.50	0.50	0.00-0.25	2.00
January 2009	5.25	2.00	0.50	0.00-0.25	1.50
February 2009	5.25	2.00	0.50	0.00-0.25	1.00
March 2009	5.25	1.50	0.50	0.00-0.25	0.50
April 2009	5.25	1.25	0.50	0.00-0.25	0.50
May 2009	5.25	1.00	0.50	0.00-0.25	0.50
June 2009	5.25	1.00	0.50	0.00-0.25	0.50
July 2009	5.25	1.00	0.50	0.00-0.25	0.50
August 2009	5.25	1.00	0.50	0.00-0.25	0.50
September 2009	5.25	1.00	0.50	0.00-0.25	0.50
October 2009	5.25	1.00	0.50	0.00-0.25	0.50
November 2009	5.25	1.00	0.50	0.00-0.25	0.50
December 2009	5.25	1.00	0.50	0.00-0.25	0.50
January 2010	5.25	1.00	0.50	0.00-0.25	0.50
February 2010	5.25	1.00	0.75	0.00-0.25	0.50
March 2010	5.25	1.00	0.75	0.00-0.25	0.50
April 2010	5.25	1.00	0.75	0.00-0.25	0.50
May 2010	5.25	1.00	0.75	0.00-0.25	0.50
June 2010	5.25	1.00	0.75	0.00-0.25	0.50
July 2010	5.25	1.00	0.75	0.00-0.25	0.50
August 2010	5.25	1.00	0.75	0.00-0.25	0.50
September 2010	5.25	1.00	0.75	0.00-0.25	0.50
October 2010	5.25	1.00	0.75	0-0.25	0.50
November 2010	5.25	1.00	0.75	0-0.25	0.50
December 2010	5.25	1.00	0.75	0-0.25	0.50
January 2011	5.25	1.00	0.75	0-0.25	0.50
February 2011	5.25	1.00	0.75	0-0.25	0.50

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Feb-10	Jan-11	Feb-11	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.7337	0.7302	0.7243	-0.81	-3.03	-1.27
Yen	88.93	82.04	81.78	-0.32	0.76	-8.04
Pound	0.6562	0.6245	0.6151	-1.50	-3.97	-6.26
Canadian \$	1.0517	1.0009	0.9716	-2.93	-2.67	-7.62
Swiss Franc	1.0734	0.9440	0.9289	-1.60	-0.61	-13.46
Renminbi	6.8260	6.5950	6.5716	-0.35	-0.27	-3.73

Source: Bloomberg as of February 28, 2011

D. Selected Commodity Prices (\$)					
Commodity	February 2010	January 2011	February 2011	Mthly % Change	YTD % Change
Gold / Ounce	1117.60	1332.80	1411.48	5.90	-0.65
Silver / Ounce	16.48	28.06	33.89	20.80	9.62
Oil / Barrel	76.77	98.25	112.17	14.17	19.98

Source: Bloomberg as of February 28, 2011

E. Equity Market Valuations – February 28, 2011 (%chg)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	-1.61	2.72	2.35	-0.63	5.28	2.36	0.09	-0.62
3 month	-0.50	8.05	8.63	6.05	10.94	5.82	3.03	-1.05
YTD	-1.61	2.72	2.35	-0.63	5.28	2.36	0.09	-0.62
12-month	-7.83	18.12	19.42	13.00	7.11	26.19	0.39	-6.64

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	0.18	0.45	0.70
1 Month	0.19	0.60	0.78
3 Month	0.27	0.75	
6 Month	0.37	1.05	1.43
9 Month	0.60		1.66
1 year			1.88

Source: Bloomberg as of February 28, 2011

SUMMARY ACCOUNTS OF THE CENTRAL BANK

(B\$ Millions)

	VALUE										CHANGE									
	Jan. 05	Jan. 12	Jan. 19	Jan. 26	Feb. 02	Feb. 09	Feb. 16	Feb. 23	Jan. 05	Jan. 12	Jan. 19	Jan. 26	Feb. 02	Feb. 09	Feb. 16	Feb. 23				
I. External Reserves	863.71	871.05	931.62	914.35	949.26	950.43	959.36	973.40	2.66	7.34	60.57	-17.27	34.91	1.17	8.93	14.04				
II. Net Domestic Assets (A + B + C + D)	-35.62	-32.87	-26.87	-29.62	-36.74	-48.78	-41.74	-42.42	-5.55	2.75	6.00	-2.75	-7.12	-12.04	7.04	-0.68				
A. Net Credit to Gov't (i + ii + iii - iv)	261.56	260.05	260.42	260.48	260.84	254.54	246.20	245.86	1.31	-1.52	0.37	0.06	0.36	-6.30	-8.34	-0.33				
i) Advances	111.99	111.99	111.99	111.99	111.99	111.99	111.99	111.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
ii) Registered Stock	162.02	160.62	160.35	159.91	159.87	159.47	151.55	150.77	-0.27	-1.40	-0.27	-0.43	-0.05	-0.39	-7.92	-0.78				
iii) Treasury Bills	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
iv) Deposits	12.44	12.56	11.92	11.42	11.02	16.92	17.34	16.90	-1.58	0.12	-0.64	-0.49	-0.41	5.90	0.42	-0.44				
B. Rest of Public Sector (Net) (i + ii - iii)	-7.30	-3.74	1.92	-1.28	-3.00	-9.13	2.23	0.30	-4.85	3.56	5.66	-3.20	-1.73	-6.13	11.36	-1.93				
i) BDB Loans	5.55	5.55	5.55	5.55	5.55	5.55	5.55	5.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
ii) BMC Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
iii) Deposits	12.85	9.29	3.63	6.83	8.55	14.68	3.32	5.25	4.85	-3.56	-5.66	3.20	1.73	6.13	-11.36	1.93				
C. Loans to Deposits with Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
D. Other Items (Net)*	-289.88	-289.18	-289.21	-288.82	-294.57	-294.19	-290.17	-288.58	-2.01	0.70	-0.03	0.39	-5.75	0.38	4.02	1.59				
III. Monetary Base	828.09	838.18	904.75	884.73	912.52	901.65	917.62	930.98	-2.89	10.09	66.57	-20.02	27.79	-10.88	15.97	13.36				
A. Currency in Circulation	293.33	273.23	263.07	267.11	269.77	271.31	267.57	269.13	-14.53	-20.10	-10.15	4.04	2.65	1.54	-3.74	1.56				
B. Bank Balances with CBOB	534.76	564.95	641.68	617.62	642.76	630.34	650.05	661.85	11.64	30.19	76.73	-24.06	25.14	-12.42	19.71	11.80				

* Includes capital, provisions and surplus account, fixed and other assets, and other demand liabilities of Bank

FISCAL/REAL SECTOR INDICATORS

(B\$ MILLIONS)

(% change represents current month from previous month)

	JUL		AUG		SEP		OCT		NOV		DEC		JAN		FEB		MAR		APR		MAY		JUN	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
Fiscal Operations:																								
1. Government Revenue & Grants	100.2	90.2	87.6	83.0	88.0	81.9	140.2	113.3	93.5	107.1	110.8	189.8	110.8	189.8	110.8	189.8	110.8	189.8	110.8	189.8	110.8	189.8	110.8	189.8
%change	-17.1%	-38.9%	-12.5%	3.2%	-5.4%	-6.8%	10.4%	38.2%	-33.3%	-5.5%	18.3%	77.2%	18.3%	77.2%	18.3%	77.2%	18.3%	77.2%	18.3%	77.2%	18.3%	77.2%	18.3%	77.2%
2. Import/Excise Duties	53.6	41.3	42.1	49.3	45.7	45.4	40.6	49.2	38.8	50.5	43.0	37.5	43.0	37.5	43.0	37.5	43.0	37.5	43.0	37.5	43.0	37.5	43.0	
%change	0.6%	-28.8%	-2.1%	19.3%	-7.3%	-0.7%	-5.6%	8.4%	-4.4%	2.6%	10.8%	-25.7%	10.8%	-25.7%	10.8%	-25.7%	10.8%	-25.7%	10.8%	-25.7%	10.8%	-25.7%	10.8%	
3. Recurrent Expenditure	115.1	110.2	95.8	103.1	117.5	117.5	119.8	123.4	108.6	115.4	121.0	122.2	121.0	122.2	121.0	122.2	121.0	122.2	121.0	122.2	121.0	122.2	121.0	
%change	-30.8%	-14.0%	-16.7%	-6.4%	14.0%	-0.2%	1.8%	5.0%	-9.3%	-6.5%	11.3%	5.9%	11.3%	5.9%	11.3%	5.9%	11.3%	5.9%	11.3%	5.9%	11.3%	5.9%	11.3%	
4. Capital Expenditure	5.2	9.7	11.7	18.5	20.6	18.3	10.3	12.6	13.8	12.1	9.9	14.3	9.9	14.3	9.9	14.3	9.9	14.3	9.9	14.3	9.9	14.3	9.9	
%change	-82.1%	-65.7%	127.8%	90.3%	-53.6%	-12.8%	-45.0%	-31.7%	34.2%	-3.5%	-28.0%	18.0%	-28.0%	18.0%	-28.0%	18.0%	-28.0%	18.0%	-28.0%	18.0%	-28.0%	18.0%	-28.0%	
5. Deficit/Surplus*	-21.2	-32.2	-25.2	-31.3	-54.4	-41.1	-54.4	-41.1	-43.0	-62.6	-23.1	-46.8	-23.1	-46.8	-23.1	-46.8	-23.1	-46.8	-23.1	-46.8	-23.1	-46.8	-23.1	
%change	-85.2%	159.5%	18.6%	-2.6%	116.0%	31.4%	-110.0%	-110.0%	-20.9%	52.2%	-9.6%	-302.5%	-9.6%	-302.5%	-9.6%	-302.5%	-9.6%	-302.5%	-9.6%	-302.5%	-9.6%	-302.5%	-9.6%	

	YEAR TO DATE	
	2009	2010
(Over previous year)	739.7	763.3
%change	0.1%	3.1%
	305.5	318.9
%change	-8.9%	4.3%
	786.9	809.3
%change	-0.3%	2.8%
	90.3	94.2
%change	37.7%	4.3%
	-201.2	-169.1
%change	26.2%	-15.9%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Debt, **																								
6. Total Debt	3,320.4	3,703.4	3,304.4	3,703.4																				
%change	-0.002%	0.006%	-0.48%	0.00%																				
7. External Debt	703.1	710.9	703.1	710.9																				
%change	-0.001%	0.033%	0.00%	0.00%																				
8. Internal F/C Debt	1.8	70.0	1.8	70.0																				
%change	0.00%	0.00%	0.00%	0.00%																				
9. Bahamian Dollar Debt	2,615.5	2,922.5	2,599.5	2,922.5																				
%change	0.00%	0.00%	-0.61%	0.00%																				
10. Total Amortization	0.1	0.2	16.0	0.0																				
%change	847.2%	232.7%	1491.2%	-100.00%																				

11. Total Public Sector F/C Debt	
2009	1,186.5
2010	1,184.7
%change	-0.30%
2010	1,389.2
2011	1,389.2
%change	17.20%

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
Real Sector Indicators																								
12. Retail Price Index	130.1	131.2	130.0	131.2	130.0	131.2	130.3	131.5	130.6	131.5	130.8	131.5	130.8	131.5	130.8	131.5	130.8	131.5	130.8	131.5	130.8	131.5	130.8	131.5
%change; over previous month	4.7%	3.6%	-0.06%	0.02%	0.00%	-0.01%	0.23%	0.10%	0.1%	0.1%	0.2%	0.0%	0.2%	0.0%	0.2%	0.0%	0.2%	0.0%	0.2%	0.0%	0.2%	0.0%	0.2%	
13. Tourist arrivals (000's)	410.8	424.0	389.2	419.2	466.0	539.7	414.7	469.2	379.2	428.9	386.5	461.4	386.5	461.4	386.8	461.4	254.8	304.1	320.3	410.5	466.5	461.7	467.0	
%change; over previous year	10.2%	3.2%	-8.2%	7.7%	-6.9%	15.8%	4.5%	13.4%	-10.5%	13.1%	-9.9%	19.4%	-9.9%	19.4%	-20.5%	17.4%	-40.8%	19.3%	5.3%	28.2%	13.6%	-1.0%	1.1%	
14. Air arrivals (000's)	90.0	91.7	103.1	103.0	133.4	148.4	131.2	125.0	119.9	129.5	130.2	139.4	130.2	139.4	103.1	108.9	50.7	55.7	73.6	76.4	93.9	113.4	107.2	
%change; over previous year	-18.4%	1.8%	12.4%	-0.05%	-20.05%	12.02%	-4.9%	-4.7%	6.0%	8.0%	0.5%	7.1%	0.5%	7.1%	-26.0%	5.6%	-53.4%	9.9%	32.1%	3.8%	18.1%	20.8%	-5.5%	
15. Occupied Room Nights																								
%change; over previous year																								

16. Res. Mortgage Commitments-New Const.	
2009	160.31
2010	119.22
%change; over previous qtr.	-13.53%
2010	49.2
2011	31.4
%change; over previous qtr.	-22.99%
2010	46.4
2011	36.7
%change; over previous qtr.	-5.8%
2010	31.2
2011	27.7
%change; over previous qtr.	-11.2%
2010	33.5
2011	23.4
%change; over previous qtr.	-29.8%

* Includes Net Lending to Public Corporations
 ** Debt figures pertain to central government only unless otherwise indicated
 P - provisional
 Annual % T-D Retail Price Index are averages.

	YEAR TO DATE	
	2009	2010
(Over previous year)	130.3	131.3
%change	2.96%	0.79%
	4645.0	5246.7
%change	5.72%	12.95%
	1252.3	1293.3
%change	-10.08%	3.27%