



Monthly Economic and Financial Developments February 2012

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:

2012: April 30, June 4, July 2, July 30, September 3, October 1, October 29, December 3, December 24.

Monthly Economic and Financial Developments

February 2012

1. Domestic Economic Developments

In the context of improving global economic fundamentals, indications are that the domestic economic recovery was sustained over the review month. Initial data showed gains in key tourism indicators, while foreign investment, combined with public sector infrastructural projects, underpinned the expansion in construction sector output. Consumer price inflation continued to show an upward bias, amid the firming price trends on the international crude oil market. Revised data for the fiscal sector indicated a contraction in the overall deficit for the first six months of FY2011/12, as revenue gains outstripped an increase in spending. In monetary developments, although growth in bank liquidity maintained pace with the year-earlier expansion, the build-up in external reserves was comparatively slowed, amid a public sector-led expansion in Bahamian dollar domestic credit.

Aided by the recovery in key source markets and ongoing incentive programmes, tourism activity maintained a positive momentum during February. Preliminary data on room revenue for a sample of hotels in Nassau and Paradise Island posted a 10.9% hike, extending the 8.8% gain for January. Average occupancy rates firmed by 4.8 percentage point to 69.2%, to outpace a 0.9% contraction in average daily room rates (ADRs) to \$237.68.

Inflation for the twelve months to February—as measured by the Retail Price Index for The Bahamas—firmed to 3.3% from 1.5% a year earlier. This outturn mainly reflected accelerated average price increases for transportation (8.9%), furnishing, household equipment & maintenance (4.1%), housing, water, gas, electricity & other fuels (3.3%)—the most heavily weighted item on the index—restaurant & hotels (3.1%) and education (3.0%). Food & non-alcoholic beverage costs firmed by 2.2%, a reversal from a 0.9% decline in the prior period, while gains of less than 2.0% were registered for all remaining categories.

Reflective of the uptrend in international oil prices, energy costs increased in February, as both gasoline and diesel prices rose by 4.5% to \$5.31 and by 0.2% to \$5.15, over the prior month and firmed year-on-year, by 12.0% and 17.0%, respectively. In terms of electricity costs, the Bahamas Electricity Corporation's fuel charge was higher, on both a monthly and annual basis, by 0.5% and 40.7%, to 26.05 cents per kilowatt hour (kWh).

Revised data on the Government's budgetary operations for the first half of FY2011/12 reported a narrowing of the overall deficit, by \$50.6 million (23.6%) to \$163.6 million, relative to the comparable period a year earlier. Total revenue improved by \$138.1 million (23.9%) to \$716.7 million, as tax receipts expanded by \$108.2 million (21.1%) to \$620.2 million and non-tax revenues by a lesser \$12.3 million (18.4%) to \$78.8 million. For the dominant tax revenue category, there was an increase in collections from taxes on international trade, by 32.6% to \$390.1 million, owing mainly to a public sector-led two-fold expansion in excise taxes to \$207.3 million. More muted accretions were noted for the "miscellaneous" stamp tax, selective services and departure tax categories, of \$10.5 million, \$2.7 million and \$2.2 million, respectively. The rise in non-tax revenue was primarily associated with Government's receipt of deferred interest payments on bond investments, and some \$17.7 million in capital receipts related to a realty sale. On the spending side, aggregate expenditure increased by \$87.6 million (11.0%) to \$880.3 million, led by a three-fold hike in net lending to public corporations to \$68.2 million. In addition, current spending was

higher by \$25.2 million (3.7%) at \$712.2 million, as a 9.1% gain in consumption outlays outstripped a 4.2% reduction in transfer payments. Similarly, capital expenditure expanded by \$16.7 million (20.0%) to \$99.9 million, explained by an \$11.2 million rise in infrastructural spending and a \$5.5 million increase in outlays for asset acquisitions.

Budgetary financing over the six-month period, was sourced mainly from the domestic market and comprised a total of \$160.0 million in long-term debt securities, \$48.0 million in Treasury bill issues and \$66.6 million in short-term advances. External borrowing, linked to project financing, amounted to \$24.6 million. As at end-February 2012, the total Direct Charge on the Government grew by 0.3% to \$3.8 billion from end-2011.

2. International Developments

Developments in the domestic economy were set against the sustained, although uneven recovery in the global economy during the review month. Better than expected economic indicators in the United States and the continued buoyancy in Asian economies, contrasted with the weakness in the euro zone, which moved closer to a resolution of the Greek debt crisis.

In the United States, retail sales for February rose by 1.1% over the month, while industrial production was unchanged following a 0.4% gain in January. In the external sector, January's trade deficit widened by \$2.2 billion to \$52.6 billion, as the \$4.7 billion expansion in imports outpaced the \$2.6 billion increase in exports. Housing sector data showed some improvement, with building permits—a forward looking indicator of residential construction activity—advancing in February by 5.1% over the prior month and by 34.3% year-on-year; while housing starts rose on both a monthly and yearly basis, by 1.1% and 34.3%, respectively. Labour market conditions remained positive; a 227,000 gain in nonfarm payroll employment helped to stabilize the unemployment rate at 8.3% in February. Underpinned by a sharp double digit increase in fuel costs, consumer prices firmed by 0.4%, to extend January's 0.2% gain. To support the recovery, the Federal Reserve decided to maintain its benchmark interest rate within the 0.0-0.25% range and continue its "quantitative easing" programme.

European economic developments continued to be dominated by the unfolding sovereign debt crisis, as policymakers moved towards an agreement on a short-term resolution to Greece's fiscal challenges. In the United Kingdom, retail sales fell by 0.3% in February over the same period a year earlier, while an increase in the number of unemployed persons, by 28,000 over the quarter, resulted in a 10 basis points hike in the jobless rate to 8.4% for the three-months to January. However, lower electricity, gas, recreation & culture and transport costs constrained the rise in annual consumer price inflation by 20 basis points to 3.4% in February. On the external side, the trade deficit widened to £1.8 billion in January from £1.2 billion in the previous month, given the small gain in net imports. Faced with an anaemic recovery, the Bank of England decided to increase its asset purchase programme by £50 billion to £325 billion, via the issuance of central bank reserves, and to leave its official bank rate at 0.5%.

Economic activity remained lacklustre in the euro area, weighted down by the austerity-led recessions in several southern member states. As a consequence, both industrial production and retail sales grew marginally, by 0.2% and 0.3% in January, following on respective declines of 1.1% and 0.5% in December. After registering a surplus of €9.1 billion in December 2011, the external trade balance reversed to a deficit of €7.6 billion in January, as the 4.0% rise in imports overshadowed the 11.0% growth in exports. The unemployment rate rose to 10.7% in January, slightly above the revised December estimate of 10.6%,

while annual inflation stabilized at 2.7% at end-February. In an effort to fend off a broad-based euro-zone financial crisis and lower members' elevated borrowing costs, the European Central Bank lent an additional €530.0 billion to banks under its long-term refinancing operation, while maintaining its accommodative monetary policy stance.

Indications are that the Asian economies maintained robust growth rates, as China's industrial output rose by 11.4% during the first two months of the year, a slight slowdown from the 12.8% advance a year ago. Similarly, growth in retail sales for the two-month period slackened to an annualized 14.7% from 18.1% in 2011. Reflecting the traditional reduction in the prices of certain foods, after demand driven holiday season spikes, annual inflation softened to 3.2% in February from 4.5% in the prior month. In light of a slowdown in economic growth, the People's Bank of China left its key rates and bank reserve requirement ratio unchanged during February.

Real GDP in Japan contracted by an annualized 0.7% in the fourth quarter, as the sustained appreciation in the Yen adversely affected imports, and disruptions from severe floods in Thailand slowed overall production. However, conditions appeared to improve modestly during 2012, as industrial output rose by 2.0% in January, supported by increased production of automobiles and electronics, and retail sales grew by 4.1% month-on-month and by 1.9% on an annual basis. Despite the signs of economic recovery, the unemployment rate firmed by 0.2 of a percentage point to 4.5% in January, and consumer prices rose 0.2% over the previous period. Monetary conditions remained accommodative in February, with the Bank of Japan's uncollateralized overnight call rate stable within the 0.0%-0.1% range.

Despite an acceleration in OPEC's crude oil production, by approximately 140,000 barrels to average 30.97 million barrels per day, crude oil prices advanced by 10.9% to \$123.16 per barrel in February, underpinned by heightened geopolitical tensions in the Middle East. In terms of precious metals, the price of gold fell by 2.4% to \$1,696.76 per troy ounce, whereas the cost for silver rose by 4.7% to \$34.68 per troy ounce.

Supported by positive global economic indicators, all of the major stock indices registered gains during the review month. In the United States, the Dow Jones Industrial Average (DJIA) and the S&P 500 index rose by 2.5% and 4.1%, respectively. In European markets, France's CAC 40, the United Kingdom's FTSE 100 and Germany's DAX increased by 4.7%, 3.4% and 6.2%, respectively. Asian bourses also posted robust gains, with Japan's Nikkei 225 index advancing by 10.5% and China's SE Composite, by 5.9%.

In foreign currency markets, the United States Dollar depreciated against almost all of the major currencies during the month of February. Relative to the British pound and the euro, the Dollar declined by 1.0% to £0.6284 and by 1.8% to €0.7505, respectively. In addition, the Dollar fell against the Canadian dollar by 1.3% to CND\$0.9900 and moved lower relative to the Swiss Franc by 1.7% to CHF0.9044. The performance of the Asian currencies was mixed, as the Dollar depreciated by 0.2% against the Chinese Yuan to CNY6.2959; however, it gained against the Japanese Yen by 6.4% to ¥81.15.

3. Domestic Monetary Trends

February 2012 vs. 2011

Monetary developments during the month of February featured comparatively steady gains in overall bank liquidity, of \$10.3 million to \$911.9 million. However, a modest shift of excess cash balances to Treasury bills resulted in Bank's excess cash balances contracting by \$17.7 million, a turnaround from a \$13.8 million expansion in 2011.

Accretions to external reserves slowed to \$16.1 million from \$25.6 million in 2011, which included the impact of extraordinary receipts. In the underlying transactions, the Central Bank's net foreign currency purchase narrowed by 41.1% to \$12.8 million. The net purchase from commercial banks decreased by \$8.9 million to \$26.9 million, reflecting a more than 50% contraction in their net purchase from clients to \$15.4 million, while the net sale to the public sector stabilized at \$14.1 million.

Domestic credit trends continued to be dominated by public sector borrowing activities, as private demand remained constrained by the high unemployment rate and general weakness in economic activity. Accelerated net claims on the Government elevated Bahamian dollar credit by \$14.2 million, which outpaced last year's \$6.9 million expansion. Buoyed by a build up in Treasury bill holdings, banks' net claim on the Government advanced by \$20.8 million, after an \$11.2 million increase in 2011; and the gain in credit to the rest of the public sector was extended to \$4.6 million from \$1.4 million a year ago. Conversely, claims on the private sector, which decreased by \$5.5 million in the prior year, fell further by \$11.2 million. Commercial loans declined by \$7.1 million, reversing 2011's \$0.3 million expansion; and consumer credit and mortgages contracted by \$3.8 million and \$0.3 million, following respective declines of \$4.1 million and \$1.7 million last year.

Banks' credit quality indicators improved during February, although the outcome was not broadly based among the institutions. Total private sector loan arrears fell by \$49.5 million (4.1%) to \$1,159.2 million, with the corresponding ratio to total loans declining by 76 basis points to 18.5%. A breakdown of the average age of delinquencies revealed that the reduction was mainly concentrated in the short-term segment, loans 31 to 90 days overdue, which fell by \$41.4 million (10.9%) to \$337.2 million and as a percentage of total loans, decreased by 65 basis points to 5.4%. More modest contractions were noted for the non-performing segment—arrears exceeding 90 days and on which banks have ceased accruing interest—which moved downward by \$8.1 million (1.0%) to \$821.9 million, resulting in the corresponding ratio narrowing by 11 basis points to 13.1%.

An analysis by loan category showed that the decline in total arrears was broad-based, with the mortgage component contracting by \$28.1 million (4.3%) to \$619.6 million, owing to a \$28.6 million (14.8%) decrease in the short-term segment, which overshadowed a marginal \$0.5 million (0.1%) uptick in non-performing loans. Similarly, the commercial component fell by \$19.1 million (6.4%) to \$278.2 million, as both short-term and non-performing loans were reduced by \$14.1 million (15.2%) and \$5.0 million (2.5%), respectively. Consumer loan delinquencies narrowed by \$2.3 million (0.9%), with the \$3.6 million (2.1%) falloff in non-performing loans offsetting a modest \$1.3 million (1.4%) rise in short-term arrears.

Banks sustained their conservative stance with respect to arrears over the review month, increasing provisions for loan losses by \$4.4 million (1.4%) to \$329.3 million. This outturn resulted in gains in both the ratios of provisions to total arrears and non-performing loans, of 1.5 and 0.9 percentage points to 28.4% and 40.1%, respectively. Banks also wrote-off approximately \$6.0 million in delinquencies and recovered an estimated \$2.1 million in outstanding balances.

Domestic foreign currency credit rebounded by \$29.1 million in February, a turnaround from the prior year's \$80.0 million contraction. Reflecting an increase in lending to a local utility, credit to the private sector firmed by \$29.8 million, in contrast to last year's \$77.3 million falloff, when a major tourism entity reduced its outstanding liabilities. Further, net claims on the Government rose marginally by \$0.1 million, and the decline in credit to the rest of the public sector was lower at \$0.8 million from \$2.8 million a year ago.

Accretions to Bahamian dollar deposits slowed by \$13.4 million to \$17.2 million. In particular, fixed deposits contracted by \$4.5 million, to reverse last year's modest \$1.1 million gain. Growth in both demand and savings deposits moderated, by \$6.9 million and \$1.0 million, to \$14.3 million and \$7.3 million, respectively.

With regard to interest rates, banks' weighted average deposit rate softened by 9 basis points to 2.13% in February, with the highest rate of 5.25% offered on fixed balances over 12 months. Similarly, the weighted average loan rate decreased by 59 basis points to 9.83%.

4. Outlook and Policy Implications

The pace of the domestic recovery is expected to be sustained in 2012. Supported by more favourable US economic indicators, tourism output is anticipated to benefit from the steady improvement in the group segment of the market, while ongoing foreign investment projects—which are less sensitive to global events—alongside public sector infrastructural programs should support growth in construction expenditures and related job opportunities. The ongoing volatility in fuel prices is likely to have some upside effects on domestic inflation, and the existing slack in employment conditions is anticipated to persist until the recovery broadens.

In the fiscal sector, the potential for sustained improvement in the deficit and debt indicators remains dependent on the extent of the domestic recovery, as well as Government's measures to improve revenue collections and slow the growth in expenditure. Compared to last year, extraordinary inflows are expected to account for a significantly smaller portion of deficit financing in the current period.

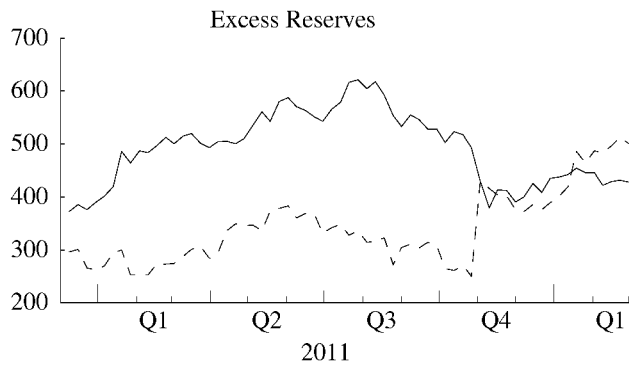
Monetary sector trends are expected to feature a continuation of robust liquidity levels in the near term, amid the weakness in private sector demand. These outcomes should support the external reserves position which, however, is expected to show some run-off in the absence of the level of extra-ordinary inflows experienced last year. Although no notable change is anticipated in the loan arrears situation in the near term, banks' traditional high capital levels should continue to mute any financial stability concerns.

Recent Monetary and Credit Statistics

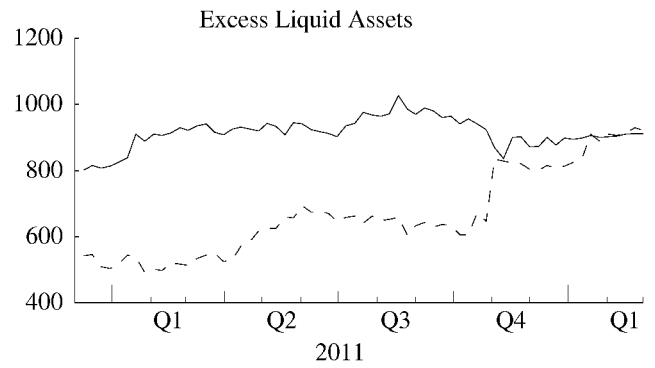
(B\$ Millions)

	FEBRUARY					
	Value		Change		Change YTD	
	2011	2012	2011	2012	2011	2012
1.0 LIQUIDITY & FOREIGN ASSETS						
1.1 Excess Reserves	500.22	427.46	13.81	-17.72	110.72	-7.40
1.2 Excess Liquid Assets	920.50	911.90	10.65	10.25	106.98	14.75
1.3 External Reserves	974.82	903.61	25.55	16.05	113.77	11.62
1.4 Bank's Net Foreign Assets	-646.43	-595.96	72.26	-22.30	43.34	13.08
1.5 Usable Reserves	497.50	462.32	14.45	22.47	63.09	22.35
2.0 DOMESTIC CREDIT						
2.1 Private Sector	6,461.03	6,634.07	-82.83	18.57	-79.62	19.70
a. B\$ Credit	6,136.36	6,250.44	-5.49	-11.19	-9.45	-9.70
of which: Consumer Credit	2,102.81	2,133.92	-4.09	-3.78	-34.24	-12.73
Mortgages	3,090.56	3,091.46	-1.67	-0.34	29.76	4.86
Commercial and Other Loans B\$	942.99	1,025.05	0.27	-7.07	-4.97	-1.83
b. F/C Credit	324.67	383.63	-77.34	29.77	-70.17	29.41
of which: Mortgages	129.51	129.84	1.65	1.01	0.90	0.69
Commercial and Other Loans F/C	195.15	253.79	-79.00	28.76	-71.07	28.71
2.2 Central Government (net)	1,323.89	1,485.11	11.30	20.88	-62.61	48.12
a. B\$ Loans & Securities	1,383.09	1,617.95	6.48	30.45	-76.22	53.61
Less Deposits	127.56	131.83	-4.73	9.68	-11.84	6.20
b. F/C Loans & Securities	70.03	0.00	0.03	0.00	0.03	0.00
Less Deposits	1.67	1.01	-0.05	-0.11	-1.74	-0.71
2.3 Rest of Public Sector	389.95	416.41	-1.38	3.83	-11.17	8.86
a. B\$ Credit	109.10	116.47	1.37	4.63	-4.84	13.05
b. F/C Credit	280.85	299.94	-2.75	-0.80	-6.34	-4.19
2.4 Total Domestic Credit	8,174.90	8,535.63	-73.07	43.30	-153.56	76.71
a. B\$ Domestic Credit	7,501.02	7,853.08	6.93	14.23	-78.82	50.79
b. F/C Domestic Credit	673.87	682.56	-80.00	29.08	-74.74	25.93
3.0 DEPOSIT BASE						
3.1 Demand Deposits	1,149.49	1,288.47	21.20	14.34	9.81	53.15
a. Central Bank	10.13	10.24	1.58	4.16	2.14	2.02
b. Banks	1,139.35	1,278.23	19.62	10.18	7.68	51.14
3.2 Savings Deposits	1,021.35	1,062.71	8.34	7.33	5.28	-3.30
3.3 Fixed Deposits	3,638.05	3,589.89	1.07	-4.51	29.96	-16.91
3.4 Total B\$ Deposits	5,808.88	5,941.06	30.60	17.16	45.05	32.94
3.5 F/C Deposits of Residents	218.79	231.28	-15.40	12.33	-33.87	38.41
3.6 M2	5,993.41	6,120.14	34.00	11.12	35.54	13.72
3.7 External Reserves/M2 (%)	16.26	14.76	0.34	0.24	1.81	0.16
3.8 Reserves/Base Money (%)	104.69	105.38	0.66	4.66	1.07	4.49
3.9 External Reserves/Demand Liabilities (%)	102.04	101.25	0.71	3.29	1.81	2.86
	Value		Year to Date		Change	
	2011	2012	2011	2012	Month	YTD
4.0 FOREIGN EXCHANGE TRANSACTIONS						
4.1 Central Bank Net Purchase/(Sale)	21.70	12.78	107.48	7.49	-8.92	-100.00
a. Net Purchase/(Sale) from/to Banks	35.77	26.91	80.66	56.46	-8.86	-24.20
i. Sales to Banks	4.81	5.05	36.11	14.33	0.24	-21.79
ii. Purchases from Banks	40.58	31.96	116.77	70.78	-8.62	-45.99
b. Net Purchase/(Sale) from/to Others	-14.06	-14.13	26.82	-48.97	-0.06	-75.79
i. Sales to Others	43.87	46.10	98.92	107.14	2.24	8.22
ii. Purchases from Others	29.80	31.98	125.74	58.17	2.18	-67.57
4.2 Banks Net Purchase/(Sale)	32.63	15.43	90.62	57.94	-17.20	-32.69
a. Sales to Customers	252.81	277.45	604.43	602.38	24.63	-2.05
b. Purchases from Customers	285.44	292.87	695.05	660.32	7.43	-34.73
4.3 B\$ Position (change)	-18.80	-4.13				
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

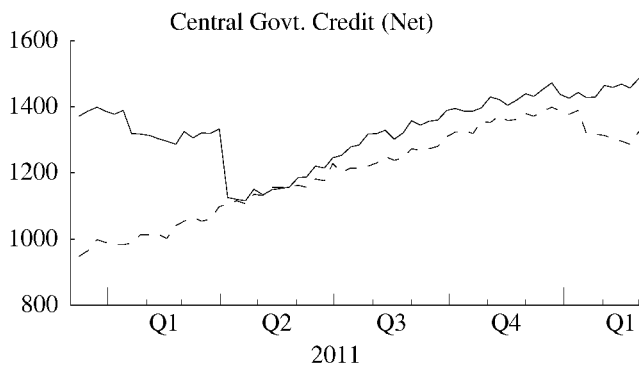
SELECTED MONEY AND CREDIT INDICATORS (B\$ Millions)



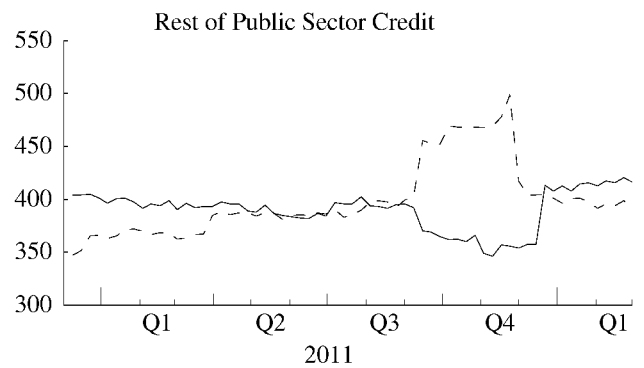
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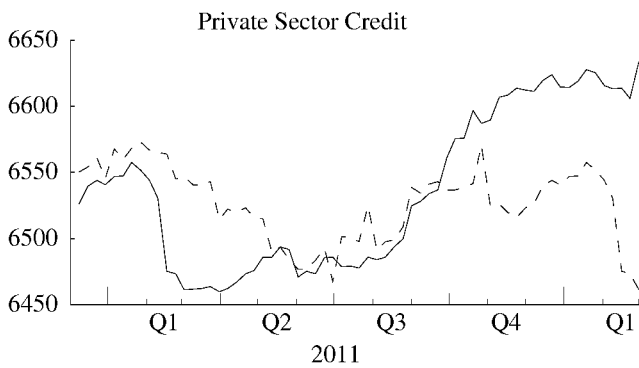
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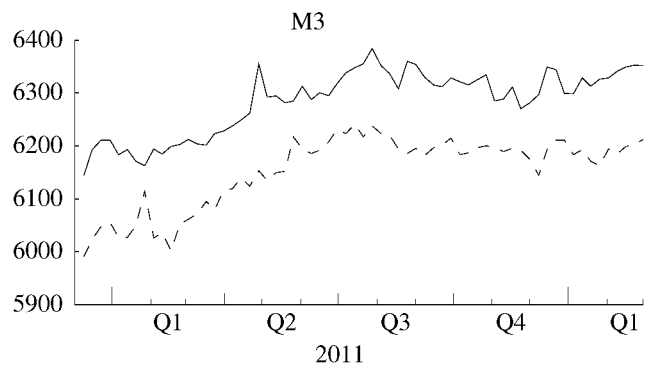
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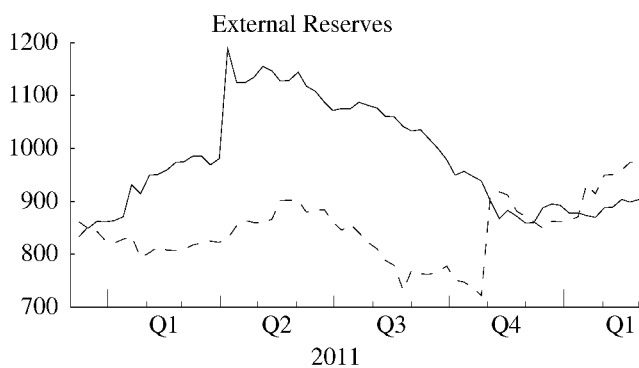
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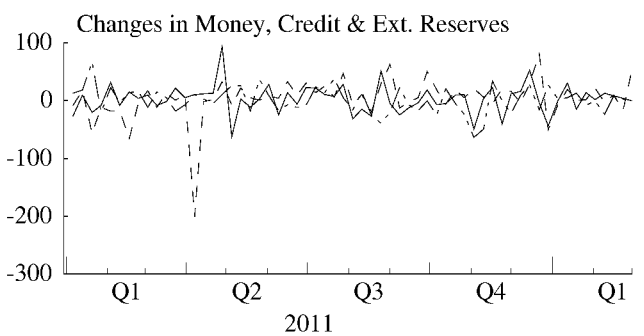
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— M3
- - - Domestic Credit
- · - · External Reserves

Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2011	2012	2011	2012	2011	2012
Bahamas	2.0	2.5	2.5	2.0	15.9	N/A
United States	1.5	1.8	3.0	1.2	8.5	9.0
Euro-Area	1.6	1.1	2.5	1.5	9.9	9.9
<i>Germany</i>	<i>2.7</i>	<i>1.3</i>	<i>2.2</i>	<i>1.3</i>	<i>6.0</i>	<i>6.2</i>
Japan	-0.5	2.3	-0.4	-0.5	4.9	4.8
China	9.5	9.0	5.5	3.3	4.0	4.0
United Kingdom	1.1	1.6	4.5	2.4	7.8	7.8
Canada	2.1	1.9	2.9	2.1	7.6	7.7
<i>Source: IMF World Economic Outlook, September 2011</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
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
March 2011	5.25	1.00	0.75	0-0.25	0.50
April 2011	5.25	1.25	0.75	0-0.25	0.50
May 2011	5.25	1.25	0.75	0-0.25	0.50
June 2011	4.50	1.25	0.75	0-0.25	0.50
July 2011	4.50	1.50	0.75	0-0.25	0.50
August 2011	4.50	1.50	0.75	0-0.25	0.50
September 2011	4.50	1.50	0.75	0-0.25	0.50
October 2011	4.50	1.50	0.75	0-0.25	0.50
November 2011	4.50	1.25	0.75	0-0.25	0.50
December 2011	4.50	1.00	0.75	0-0.25	0.50
January 2012	4.50	1.00	0.75	0-0.25	0.50
February 2012	4.50	1.00	0.75	0-0.25	0.50

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Feb-11	Jan-12	Feb-12	Mthly % Change	YTD % Change	12-Mth % Change
Euro	0.7243	0.7643	0.7505	-1.81	-2.75	3.61
Yen	81.78	76.27	81.15	6.40	5.53	-0.77
Pound	0.6151	0.6345	0.6284	-0.96	-2.29	2.16
Canadian \$	0.9716	1.0026	0.9900	-1.26	-3.06	1.89
Swiss Franc	0.9289	0.9202	0.9044	-1.72	-3.54	-2.64
Renminbi	6.5716	6.3087	6.2959	-0.20	-0.11	-4.20

Source: Bloomberg as of February 29, 2012

D. Selected Commodity Prices (\$)					
Commodity	February 2011	January 2012	February 2012	Mthly % Change	YTD % Change
Gold / Ounce	1411.48	1737.76	1696.76	-2.35	8.51
Silver / Ounce	33.89	33.17	34.68	4.70	24.53
Oil / Barrel	112.17	111.03	123.16	10.92	14.44

Source: Bloomberg as of February 29, 2012

E. Equity Market Valuations – February 29, 2012 (%chg)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	-3.41	2.53	4.06	3.34	4.67	6.15	10.46	5.93
3 month	-3.81	7.52	9.52	6.65	9.44	12.60	15.28	4.07
YTD	-5.39	6.01	8.59	5.37	9.26	16.24	15.00	10.42
12-month	-11.85	5.94	2.90	-2.04	-16.01	-5.72	-8.48	-16.40

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	0.08	0.50	0.10
1 Month	0.17	0.64	0.37
3 Month	0.44	1.02	0.77
6 Month	0.72	1.35	1.12
9 Month	0.87	1.62	1.31
1 year	1.04	1.85	1.47

Source: Bloomberg as of February 29, 2012

SUMMARY ACCOUNTS OF THE CENTRAL BANK

(B\$ Millions)

	VALUE												CHANGE											
	Jan. 04	Jan. 11	Jan. 18	Jan. 25	Feb. 01	Feb. 08	Feb. 15	Feb. 22	Feb. 29	Jan. 04	Jan. 11	Jan. 18	Jan. 25	Feb. 01	Feb. 08	Feb. 15	Feb. 22	Feb. 29						
I. External Reserves	877.90	877.76	872.83	869.87	887.55	889.33	903.32	899.03	903.61	-14.09	-0.15	-4.93	-2.95	17.68	1.78	13.98	-4.29	4.58						
II. Net Domestic Assets (A + B + C + D)	-4.73	-10.60	1.88	1.29	-6.31	-39.37	-42.95	-41.28	-46.12	3.15	-5.88	12.48	-0.59	-7.60	-33.07	-3.57	1.66	-4.84						
A. Net Credit to Gov¹(i + ii + iii - iv)	289.26	289.65	291.24	295.68	294.87	267.60	262.31	261.82	261.67	-0.21	0.39	1.59	4.44	-0.81	-27.27	-5.29	-0.49	-0.15						
i) Advances	110.59	110.59	110.59	110.59	110.59	110.59	110.59	110.59	110.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
ii) Registered Stock	163.98	165.91	165.89	165.94	165.84	165.70	165.72	165.65	165.61	-0.12	1.93	-0.02	0.05	-0.10	-0.14	0.02	-0.06	-0.05						
iii) Treasury Bills	26.18	26.18	26.18	26.18	26.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-26.18	0.00	0.00	0.00						
iv) Deposits	11.50	13.03	11.43	7.03	7.74	8.69	14.00	14.42	14.52	0.08	1.54	-1.61	-4.39	0.71	0.95	5.31	0.42	0.10						
B. Rest of Public Sector (Net) (i + ii - iii)	-1.03	-7.89	3.29	-2.60	-0.93	-6.61	-2.43	-0.07	-5.09	2.04	-6.86	11.18	-5.89	1.68	-5.68	4.17	2.37	-5.02						
i) BDB Loans	5.15	5.15	5.15	5.15	5.15	5.15	5.15	5.15	5.15	0.00	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	0.00	0.00						
iii) Deposits	6.18	13.04	1.86	7.75	6.08	11.76	7.58	5.22	10.24	-2.04	6.86	-11.18	5.89	-1.68	5.68	-4.17	-2.37	5.02						
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	0.00	0.00						
D. Other Items (Net)*	-292.96	-292.37	-292.65	-291.78	-300.25	-300.36	-302.82	-303.04	-302.71	1.31	0.59	-0.29	0.87	-8.47	-0.11	-2.46	-0.22	0.33						
III. Monetary Base	873.18	867.16	874.71	871.17	881.25	849.96	860.37	857.74	857.48	-10.94	-6.02	7.55	-3.54	10.08	-31.29	10.41	-2.63	-0.26						
A. Currency in Circulation	308.66	282.51	276.82	274.36	281.66	278.68	274.36	274.85	280.09	-13.21	-26.15	-5.69	-2.46	7.30	-2.98	-4.33	0.50	5.23						
B. Bank Balances with CBOB	564.52	584.65	597.89	596.81	599.59	571.28	586.01	582.89	577.40	2.27	20.12	13.24	-1.08	2.78	-28.31	14.73	-3.12	-5.49						

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

