



Quarterly Economic Review

Vol. 24, No. 3

September, 2015

The Quarterly Economic Review (QER) is a publication of the Central Bank of The Bahamas, prepared by the Research Department, for issue in March, June, September and December. All correspondence pertaining to the QER should be addressed to:

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Contents

REVIEW OF ECONOMIC AND FINANCIAL DEVELOPMENTS	1
DOMESTIC ECONOMIC DEVELOPMENTS	1
<i>Overview</i>	1
<i>Fiscal Operations</i>	1
Overview	1
Revenue	1
Expenditure.....	2
Financing and the National Debt.....	3
Public Sector Foreign Currency Debt	3
<i>Real Sector</i>	4
Tourism	4
Construction.....	4
Prices.....	5
<i>Money, Credit and Interest Rates</i>	6
Overview	6
Liquidity	6
Deposits and Money	6
Domestic Credit	7
Mortgages.....	8
The Central Bank.....	8
Domestic Banks.....	9
Credit Quality	9
Bank Profitability.....	10
Interest Rates.....	10
<i>Capital Markets Developments</i>	11
<i>International Trade and Payments</i>	11
INTERNATIONAL ECONOMIC DEVELOPMENTS	12
STATISTICAL APPENDIX (TABLES 1-16)	15

REVIEW OF ECONOMIC AND FINANCIAL DEVELOPMENTS

DOMESTIC ECONOMIC DEVELOPMENTS

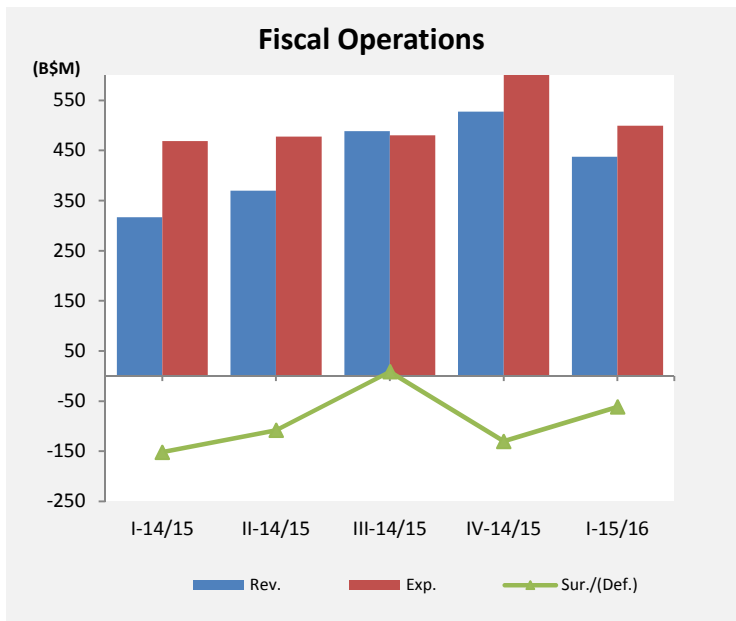
OVERVIEW

Preliminary indications are that the domestic economy maintained a positive—although mild—growth trajectory during the third quarter of 2015, behind modest gains in tourism output, which offset the slowdown in foreign investment-led construction activity. In other real sector developments, the pass-through effects of the sharp reduction in global oil prices, kept domestic inflation relatively benign.

Based on provisional data for the first quarter of FY2015/16, the fiscal situation posted steady improvement. The overall deficit narrowed, as the Value Added Tax (VAT) led increase in total revenue eclipsed the modest growth in aggregate expenditure. Deficit financing was secured primarily from local sources—in both Bahamian and US dollars.

In the monetary sector, both bank liquidity and external reserves contracted over the review quarter, mainly reflecting the seasonal rise in foreign currency demand to facilitate current payments and profit repatriation activities. Banks’ key performance indicators showed signs of improvement, as total loan arrears contracted, partly influenced by ongoing debt restructuring activities. Banks recorded an overall profit for the second quarter, a reversal from a year-earlier significant net loss, linked to incidences of one-off charges for goodwill impairment and debt write-offs.

On the external side, the estimated current account deficit narrowed significantly during the third quarter, as lower construction-based outlays—due to the termination of a large-scale project—resulted in robust growth in the services account surplus. Further, the capital and financial account surplus plunged, reflecting sharp reductions in direct and loan-based foreign investments.



FISCAL OPERATIONS

OVERVIEW

Buoyed by the receipt of VAT revenues during the review period, preliminary information on Government’s operations showed that the overall deficit contracted sharply by 59.3% (\$90.2 million) to \$61.8 million. In terms of the components, aggregate revenue firmed by 38.3% (\$121.1 million) to \$437.6 million, outstripping the 6.6% (\$31.0 million) gain in total expenditure to \$499.3 million.

REVENUE

Tax receipts—which comprised the majority (89.6%) of the total—grew by 40.8% (\$113.7 million) to \$392.2 million, supported by a

\$165.5 million net intake from VAT during the first quarter of FY2015/16. Further, property taxes and departure taxes increased slightly by \$1.1 million (9.7%) to \$12.9 million and by \$0.1 million (0.3%) to \$29.1

million, respectively. In a modest offset, the reduction in several tariff rates on goods following the introduction of the VAT, led to taxes on international trade—at 29.1% of overall tax receipts—declining by 11.0% (\$15.8 million) to \$127.4 million. This outturn reflected reductions in both import and excise receipts, of \$10.1 million (13.3%) and \$8.0 million (11.9%), respectively, which overshadowed the increase in export taxes to \$2.4 million from negligible levels in the prior period. In addition, selective taxes on services declined to a mere \$0.1 million from the \$12.5 million recorded a year earlier, attributed to the elimination of the hotel occupancy tax in January after VAT’s implementation. Similarly, non-trade stamp taxes fell by \$10.5 million (30.3%) to \$24.2 million, due to a falloff in revenues from property sales, which negated an improvement in receipts from financial transactions. Business and professional fees also decreased by \$10.1 million (63.4%) to \$5.8 million, reflecting timing-related factors. Further, other “miscellaneous” taxes were reduced by \$2.6 million (9.7%) to \$24.4 million, and motor vehicle taxes fell marginally by \$0.1 million (1.9%) to \$5.1 million.

Government Revenue By Source				
(Jul. - Sep)				
	FY14/15		FY15/16	
	B\$M	%	B\$M	%
Property Tax	11.8	3.7	12.9	3.0
Selective Services Tax	12.5	4.0	0.1	--
Busines. & Prof Lic. Fees	15.9	5.0	5.8	1.3
Motor Vehicle Tax	5.2	1.6	5.1	1.2
Departure Tax	29.0	9.2	29.1	6.7
Import Duties	75.8	24.0	65.7	15.0
Stamp Tax from Imports	--	--	--	--
Excise Tax	67.2	21.2	59.2	13.5
Export Tax	0.1	0.0	2.4	0.6
Stamp Tax from Exports	--	--	--	--
Other Stamp Tax	34.7	11.0	24.2	5.5
Value Added Tax	--	--	165.5	37.8
Other Tax Revenue	27.0	8.5	24.4	5.6
Fines, Forfeits, etc.	31.3	9.9	31.0	7.1
Sales of Govt. Property	0.3	0.1	0.4	0.1
Income	3.3	1.0	13.9	3.2
Other Non-Tax Rev.	--	--	--	--
Capital Revenue	3.0	0.9	--	--
Grants	--	--	--	--
Less:Refunds	0.7	0.2	2.3	0.5
Total	316.5	100.0	437.6	100.0

Non-tax collections—at 10.4% of total receipts—increased by 29.8% (\$10.4 million) to \$45.3 million, as the early payment of dividends by a major telecommunications provider boosted receipts from other “miscellaneous” sources more than six-fold (\$10.9 million) to \$13.0 million. The intake from public enterprises fell slightly by \$0.2 million to \$1.0 million, whereas revenue from the sale of Government property rose by \$0.2 million to \$0.4 million. Proceeds from fines, forfeits & administrative fees decreased marginally by \$0.4 million (1.3%) to \$31.0 million.

EXPENDITURE

Growth in expenditure was due solely to an 18.5% (\$71.6 million) expansion in current outlays, to \$459.7 million, which overshadowed the decline in capital spending, while the reclassification of several expenditure items led to net lending to public corporations falling by \$20.1 million to a mere \$0.3 million.

By economic classification, the expansion in current spending was dominated by transfer payments, which rose by 33.3% (\$58.8 million) to \$235.6 million. Specifically, subsidies & other transfers firmed by 47.7% (\$54.9 million) to \$169.9 million, attributed to a timing-related increase in subsidies for tourism activities (\$22.2 million), as well as transfers to non-

profit institutions (\$11.6 million), public corporations (\$11.6 million), households (\$4.2 million) and non-financial public enterprises (\$0.9 million). However, transfers to overseas agencies declined by \$0.8 million. Amid the rising level of Government debt, interest payments advanced by 6.4% (\$3.9 million) to \$65.7 million, while consumption spending, at a commanding 48.7% of total current expenditures, grew by 6.1% (\$12.8 million) to \$224.1 million, buoyed by a rise in purchases of goods & services and personal emoluments, of 12.0% (\$6.0 million) and 4.2% (\$6.8 million), respectively.

On a functional basis, the increase in current spending was led by growth in disbursements for economic services, which almost doubled to \$83.4 million from \$42.0 million, mainly explained by gains in outlays for tourism (\$22.7 million) and public works & water supply (\$9.5 million). Spending for other community & social services rose more than two-fold to \$13.0 million from \$4.7 million in the prior year and higher payments were recorded for education, of 15.0% (\$8.8 million) to \$67.4 million, social benefits & services, of 13.3% (\$4.1 million) to \$35.3 million and health, of 6.1% (\$3.8 million) to \$65.6 million. More muted increases were registered for general public service charges, of 1.5% (\$1.7 million) to \$116.2 million, with payments earmarked for general administration advancing by 6.2% (\$4.3 million).

The decline in capital expenditure was associated with a sharp contraction in defense outlays, by 94.9% (\$15.8 million) to a mere \$0.9 million, compared to a surge in 2014 linked to the acquisition of a number of Defense Force ships. In addition, disbursements for other community & social services fell to negligible levels, from \$7.0 million a year earlier, while economic service payments were reduced by 22.1% (\$5.7 million) to \$20.0 million, primarily due to a \$5.5 million decline in outlays for public works & water supply. Providing some offset, spending on education more than doubled to \$10.4 million from \$5.0 million a year earlier, and general public service outlays rose by 45.2% (\$2.6 million).

FINANCING AND THE NATIONAL DEBT

Budgetary financing for the first quarter of FY2015/16 was principally obtained from domestic sources, in the form of Treasury Notes (\$192.8 million), Treasury bills (\$20.0 million), Bahamas Government Registered Stock (\$10.0 million), and \$13.3 million in short-term US dollar bridging financing, while external loan drawings amounted to a mere \$0.04 million. Debt repayments totaled \$99.3 million—the bulk of which (98.6%) were utilized to reduce Bahamian dollar obligations.

As a consequence of these developments, the Direct Charge on the Government grew by \$136.8 million (2.4%) over the quarter and by \$445.0 million (8.3%), year-on-year, to \$5,791.2 million at end-September 2015. Bahamian dollar denominated debt, at 72.0% of the total, was held by commercial banks (42.5%), “other” private and institutional investors (30.8%), public corporations (15.6%), the Central Bank (10.8%) and other local financial institutions (0.3%).

By type of instrument, Government bonds constituted the majority of domestic currency debt, at 73.5%, bearing an average age to maturity of 10.7 years—an increase over the average 9.8 years in the previous quarter. Treasury bills, loans & advances and Treasury Notes accounted for smaller shares, of 13.9%, 8.0% and 4.6%, respectively.

Government’s contingent liabilities were lower by \$3.1 million (0.4%) over the previous quarter, but rose by \$68.6 million (10.5%) on an annual basis, to \$719.9 million. As a result of these developments, the National Debt—which includes contingent liabilities—expanded by \$133.7 million (2.1%) over the three-month period and by \$513.6 million (8.6%), year-on-year, to \$6,511.2 million.

PUBLIC SECTOR FOREIGN CURRENCY DEBT

During the third quarter, public sector foreign currency debt rose by 0.4% (\$10.9 million) and by 5.6% (\$133.4 million) vis-à-vis the same period in 2014, to \$2,519.4 million, as drawings of \$16.0 million exceeded amortization payments of \$5.2 million. The Government’s component—at 64.4% of the total—grew by 0.7% (\$11.9 million) to \$1,621.6 million, while the public corporations’ liabilities were lower by 0.1% (\$1.0 million) at \$897.8 million.

Relative to the same period of 2014, total foreign debt service payments declined by 15.9% (\$5.5 million) to \$29.0 million, as the Government’s share contracted by 8.1% (\$1.4 million) to \$15.5 million, reflecting

reductions in both interest charges and amortization payments, by \$1.2 million to \$14.1 million and \$0.1 million to \$1.4 million, respectively. Similarly, the public corporations' segment fell by 23.4% (\$4.1 million) to \$13.5 million, as a \$5.1 million reduction in principal payments outweighed a \$0.9 million rise in interest expense.

By creditor profile, the largest portion of foreign currency debt was held by non-resident investors (38.2%) and private capital markets (35.7%), while commercial banks, multilateral agencies and bilateral institutions held smaller shares, of 11.9%, 11.4% and 2.8%, respectively. At end-September, the outstanding debt stock carried an average maturity of 12.3 years, vis-à-vis 12.8 years in 2014, and was mainly denominated in US dollars (88.0%), with the euro and Chinese Yuan accounting for the remaining 9.2% and 2.8%, respectively.

REAL SECTOR

TOURISM

Preliminary indicators suggest modest gains in tourism sector output during the third quarter—although more subdued than in the prior year—reflecting developments in the high value-added stopover segment of the market. Total visitor arrivals declined by 4.5% to 1.0 million, a turnaround from a 3.6% increase in the comparative period last year. Specifically, growth in the key air visitor component slackened to 1.3%

from 6.6%, for a visitor count of 0.3 million, and sea arrivals contracted by 6.4% to 0.7 million, a reversal from the year-earlier 2.6% expansion.

Disaggregated by first port of entry, visitors to New Providence decreased by 8.8% to 0.5 million, vis-à-vis a 3.2% gain in 2014, due to respective reductions, of 11.7% and 3.4%, in sea and air tourists. Similarly, Family Island traffic fell by 6.1% to 0.3 million, versus a 4.3% rise in the prior period, as the 7.9% contraction in sea passengers outstripped the 6.1% growth in the air component. Benefitting from an expansion in airlift and hotel capacity, arrivals to the Grand Bahama market improved by 14.2% to 0.2 million, surpassing the 3.7% rise in 2014—associated with a one-third uplift in air passengers and a 10.8% gain in the sea segment.

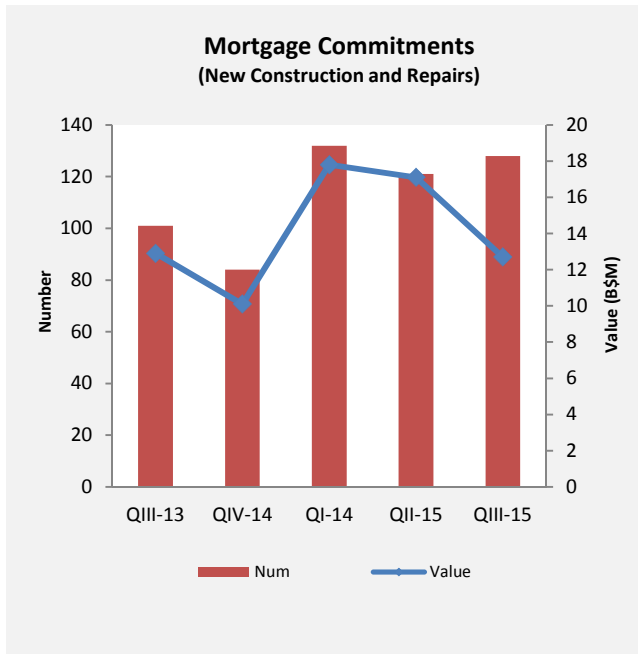
Provisional hotel sector data for a sample of large properties in New Providence and Paradise Island showed total room revenue advancing by 1.0% during the third quarter of 2015, compared to a gain of 3.7% a year earlier. This outturn reflected a rise in the average daily room rate (ADR), of 3.6% to approximately \$212.66, and a 1.0 percentage point uptick in the average occupancy rate to 68.2%.

CONSTRUCTION

Tourism-related foreign investment projects continued to provide the main impetus to the construction sector over the review period, although the initiation of bankruptcy proceedings halted work on the large-scale Baha Mar hotel development that was nearing completion. On the domestic side, private sector construction activity showed modest improvement during the third quarter, following several years of prolonged weakness.



Based on data from commercial banks, insurance companies and the Bahamas Mortgage Corporation, total mortgage disbursements for new construction and repairs grew by 49.2% (\$12.1 million) to \$36.8 million, extending the 6.7% (\$1.6 million) gain in the preceding year. This development was largely attributed to an 86.8% (\$16.0 million) improvement in the residential component, to \$34.5 million, while the commercial segment contracted by 62.7% (\$3.9 million) to \$2.3 million.



Modest firming in private sector activity is also anticipated over the near-term, as mortgage commitments—a forward looking indicator—advanced by 26.7% (27) in number to 128; however, the corresponding value declined by 1.3% (\$0.2 million) to \$12.7 million. In terms of the components, residential loan approvals rose by 25.7% to number 127, but the associated value contracted marginally by 1.6% (\$0.2 million) to \$12.7 million. Following a flat position in 2014, one (1) commercial application was approved over the review period, valued at \$0.03 million.

In terms of interest rates, the average cost of commercial mortgages was higher by 40 basis points at 9.2% over the review quarter, while the average rate on residential loans stabilized at 8.0%.

PRICES

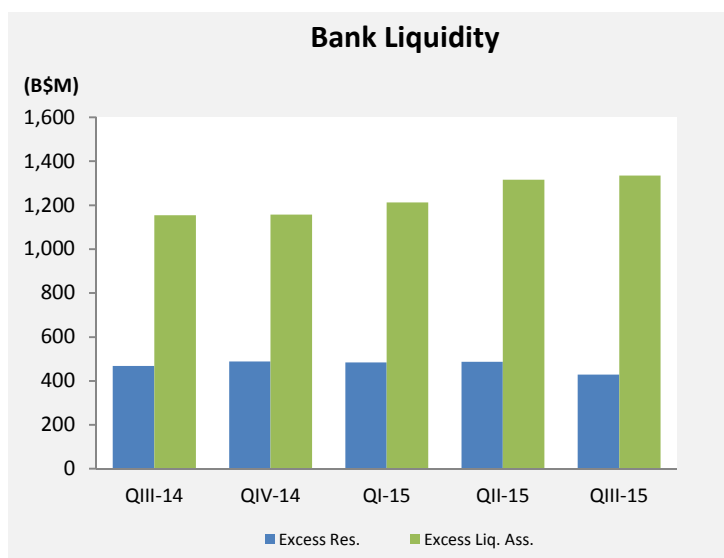
The persistent softness in international fuel costs served to contain domestic price pressures, as consumer price inflation—measured by the Retail Price Index of The Bahamas—firmed by 54 basis points to a mere 1.57% over the twelve months to August. Accelerated average price gains were recorded for health and recreation and culture, of 7.8 and 6.2 percentage points, to 9.7% and 8.1%, respectively. Average inflation rates rose for furnishing, household equipment & maintenance (by 5.0 percentage points to 5.3%), communication (by 2.6 percentage points to 3.3%) and education (by 2.4 percentage points to 4.8%). More muted accretions to average price gains, of under 2.0 percentage points, were recorded for food & non-alcoholic beverages, restaurant & hotels, clothing & footwear and alcoholic beverages, tobacco & narcotics, while costs for housing, water, gas electricity & other fuels—the most heavily weighted category—stabilised, after a 0.9% decrease a year earlier. In a slight offset, inflation slowed for miscellaneous goods & services by 2.9 percentage points to 0.5%, and average transportation costs declined by 3.3%, a turnaround from a 4.1% advance in the prior year.

In line with the downward trend in global oil prices, domestic energy costs receded during the review period. Specifically, the Bahamas Electricity Corporation’s fuel charge contracted by 15.0% over the quarter, to 15.19¢ per kilowatt hour (kWh), and by a much sharper 40.6% year-on-year. Similarly, diesel prices decreased marginally by 0.6% to \$3.97 per gallon, on a quarterly basis, and by 21.8% relative to last year. In contrast, average gasoline costs rose by 3.8% to \$4.70 per gallon over the quarter—although remaining 14.1% below 2014’s price level.

MONEY, CREDIT AND INTEREST RATES

OVERVIEW

Monetary developments during the third quarter featured declines in both liquidity and external reserves, attributed to the seasonal increase in foreign currency demand to facilitate import payments, as well as capital repatriations. Amid the modest growth in the economy and sustained debt restructuring activities, banks' credit quality indicators improved slightly. Banks also recorded a profit on their operations for the second quarter, a reversal from a significant loss noted in the year earlier period, attributed to sharp declines in bad debt provisions and "miscellaneous" operating costs. Lending conditions featured an expansion in the weighted average interest rate spread, as the firming in the average lending rate outpaced the rise in the corresponding deposit rate.



LIQUIDITY

Net free cash reserves of the banking system decreased by \$59.2 million (12.1%) to \$428.4 million during the review quarter, albeit lower than the previous year's \$89.0 million (16.0%) contraction, and represented a reduced 6.9% of deposit liabilities, compared to 7.7% in the prior period. Buoyed by increased holdings of Government securities, the broader surplus liquid assets firmed by \$19.1 million (1.5%) to \$1,334.9 million, a turnaround from the \$206.3 million (15.2%) reduction in 2014. At end-September, the surplus liquid assets stood approximately 126.6% above the statutory minimum, vis-à-vis 114.3% in the same period of 2014.

DEPOSITS AND MONEY

The overall money supply (M3) contracted by \$16.7 million (0.3%) to \$6,453.3 million, a reversal from the previous year's \$22.2 million (0.3%) expansion. In terms of the components, narrow money (M1) decreased by \$22.4 million (1.1%), relative to a \$62.2 million (3.6%) boost a year ago, as a fall in private sector balances reduced demand deposits by \$16.1 million (0.9%), and currency in circulation decreased by \$6.3 million (2.7%). Broad money (M2) fell by a more modest \$5.3 million (0.1%), vis-à-vis a \$29.2 million (0.5%) gain in 2014, reflecting a slight recovery in fixed deposits by \$0.7 million (0.02%), from last year's \$48.6 million (1.5%) decline, while the gain in savings balances was slightly higher at \$16.4 million (1.5%). The contraction in resident foreign current deposits was extended to \$11.4 million (5.1%), from \$7.0 million (2.6%) in 2014.

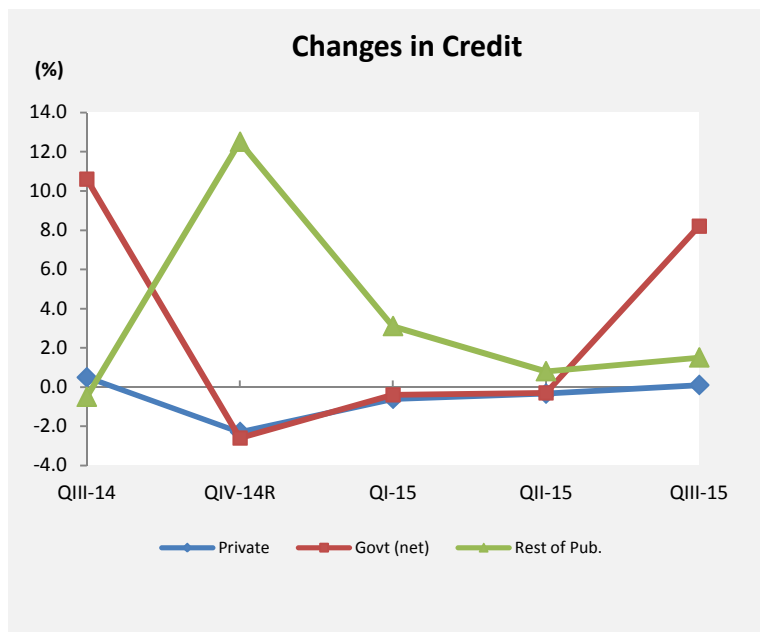
As a proportion of the overall money stock, Bahamian dollar fixed deposits accounted for the largest share of the total (46.6%), followed by demand (28.9%) and savings (17.7%) balances. Currency in active circulation and foreign currency deposits represented much smaller shares, of 3.5% and 3.3%, respectively.

DOMESTIC CREDIT

Third quarter accretions to total domestic credit tapered to \$178.7 million (2.0%), from \$228.1 million (2.6%) in 2014, reflecting slower growth in net claims on the Government and private sector credit. The dominant Bahamian dollar component—at 93.4% of the total—grew by \$181.0 million (2.2%), although below last year's \$230.9 million (2.9%) expansion. Meanwhile, foreign currency credit declined by a further \$2.3 million (0.4%), following a \$3.0 million (0.4%) falloff in 2014.

A disaggregation of Bahamian dollar credit showed an expansion in banks' net claims on the Government of \$165.0 million (8.2%), below last year's \$199.5 million (10.6%) hike, which included a \$100 million syndicated loan. Amid a continuation of still mild domestic demand conditions, growth in private sector credit weakened to a mere \$6.1 million (0.1%) from \$30.9 million (0.5%) in 2014, while claims on the rest of the public sector firmed by \$7.6 million (1.5%), a turnaround from a \$2.3 million (0.5%) decline in 2014.

Personal loans, which constituted the majority (81.7%) of Bahamian dollar private sector credit, increased by a slightly higher \$28.3 million (0.5%). Underlying this outturn, both consumer and residential mortgages advanced, by \$29.1 million (1.3%) and \$2.6 million (0.1%), respectively, outstripping the \$1.7 million (2.9%) reduction in overdrafts.



Distribution of Bank Credit By Sector

(End-September)

	2015		2014	
	B\$M	%	B\$M	%
Agriculture	9.9	0.1	11.2	0.2
Fisheries	9.4	0.1	13.0	0.2
Mining & Quarry	2.2	0.0	2.4	0.0
Manufacturing	29.1	0.4	49.5	0.7
Distribution	180.2	2.6	212.3	2.9
Tourism	21.8	0.3	36.5	0.5
Enter. & Catering	77.4	1.1	78.5	1.1
Transport	37.8	0.5	43.6	0.6
Construction	347.7	5.0	432.9	6.0
Government	371.4	5.4	408.2	5.7
Public Corps.	272.8	3.9	298.4	4.1
Private Financial	22.3	0.3	20.8	0.3
Prof. & Other Ser.	70.8	1.0	80.1	1.1
Personal	5,258.6	75.8	5,261.7	73.0
Miscellaneous	228.8	3.3	258.9	3.6
TOTAL	6,940.2	100.0	7,208.0	100.0

A further breakdown of consumer loans, revealed growth in lending for miscellaneous purposes (\$34.9 million), travel (\$7.7 million), education (\$5.9 million) and credit cards (\$4.9 million), which contrasted with more muted gains of under \$1.0 million for furnishings & domestic appliances and medical expenses. In a partial offset, net repayments were noted for debt consolidation (\$8.6 million), land purchases (\$7.1 million), home improvements (\$6.2 million), and private cars (\$3.0 million), while declines of less than \$1.0 million were recorded for taxis & rented cars, as well as commercial vehicles.

Among the other private sector credit components, net repayments were recorded for miscellaneous purposes (\$10.8 million), distribution (\$5.0 million), manufacturing (\$4.8 million), tourism (\$1.2 million), agriculture (\$0.7 million) and professional & other services (\$0.2 million). In contrast, credit for construction, entertainment & catering,

fisheries and private financial institutions expanded, by \$11.0 million, \$5.0 million, \$4.4 million and \$3.4 million, respectively.

MORTGAGES

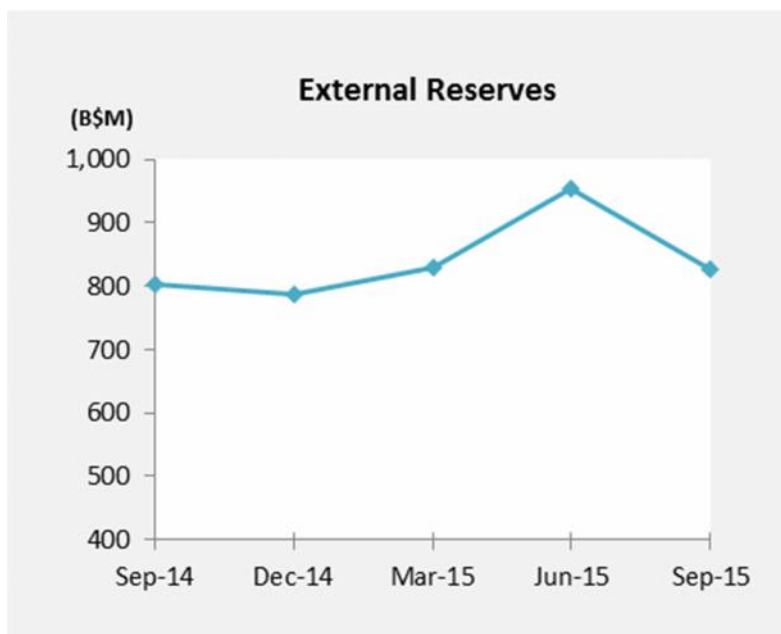
Conditions in the domestic real estate market remained relatively subdued over the review period, as data reported by banks, insurance companies and the Bahamas Mortgage Corporation showed the total value of mortgages outstanding firming by \$11.1 million (0.3%) to \$3,256.1 million, following a \$7.1 million (0.2%) gain a year earlier. In terms of the components, residential mortgages—at 93.6% of the total—increased by \$2.3 million (0.8%) to \$3,046.7 million, to reverse the prior year’s \$2.6 million (0.1%) contraction. Similarly, the commercial component firmed by \$8.8 million (4.4%), extending last year’s \$9.7 million (4.8%) expansion. At end-September, domestic banks held the largest proportion of outstanding mortgages, at 88.8%, while insurance companies and the Bahamas Mortgage Corporation accounted for much smaller shares, of 6.1% and 5.1%, respectively.

THE CENTRAL BANK

Following a surge of \$112.0 million (30.3%) in the third quarter of 2014, when holdings of Treasury bills increased significantly, accretions to the Central Bank’s net claims on the Government slowed to a mere \$33.3 million (8.3%), for an ending balance of \$436.0 million. Similarly, the Bank’s net liabilities to the rest of the public sector grew by \$3.4 million (40.5%) to \$11.7 million, a slowdown from the deposit-led \$14.1 million increase a year earlier. In addition, a drawdown in deposit balances led to a further contraction in the Bank’s net liabilities to commercial banks, by \$87.4 million (11.1%) to \$700.5 million, after a \$122.0 million (14.3%) decrease in the prior year.

Reflecting the traditional rise in demand for foreign currency to facilitate current payments, combined with banks’ profit repatriation activities, external reserves contracted by \$126.3 million (13.2%) to \$826.8 million over the review quarter—although below last year’s decline of \$214.2 million (21.1%), when profit repatriations were significantly higher. In the underlying foreign currency transactions, the Bank’s total net sale fell by \$83.7 million to \$130.7 million, as net outflows to commercial banks were more than halved to \$42.3 million from \$86.1 million in 2014. In addition, the Bank’s net sale to both public corporations—mainly for fuel purchases—and the Government, decreased by \$29.6 million and \$10.3 million to \$71.7 million and \$16.8 million, respectively.

At end-September, the stock of external reserves stood at \$802.5 million, equivalent to an estimated 13.6 weeks of total merchandise imports, relative to 13.4 weeks recorded a year earlier. After adjusting for the 50% statutory requirement on the Bank’s Bahamian dollar liabilities, “Useable” reserves expanded by \$37.6 million (12.4%) to \$340.6 million.



DOMESTIC BANKS

Buoyed by higher net claims on the Government and a rebound in credit to the rest of the public sector, the growth in domestic banks' credit advanced to \$145.6 million (1.7%) from \$116.0 million (1.4%) in 2014. Specifically, gains in short-term foreign currency borrowings and Treasury bill holdings elevated the rise in the net claim on the Government to \$131.7 million (8.2%) from \$87.4 million (5.8%) last year. Similarly, growth in both local and foreign currency loans explained the rise in credit to public corporations by \$7.8 million (1.6%)—although a reversal from the prior year's decrease of \$2.3 million (0.5%). Given the weak demand conditions and banks' conservative lending stance, accretions to private sector credit slowed sharply, to \$6.1 million (0.1%) from \$30.9 million (0.5%) last year. Growth in net foreign liabilities strengthened to \$54.8 million (11.6%) from \$17.2 million (2.7%).

Total deposit liabilities declined by \$10.4 million (0.2%) to \$6,463.3 million, a reversal from an \$11.6 million (0.2%) gain in 2014. In the underlying developments, accretions to public corporations' balances slowed to a mere \$0.7 million (0.2%) from \$16.6 million a year earlier, and private sector deposits contracted further by \$14.3 million (0.2%), relative to \$9.9 million (0.2%) last year.

At end-September, the majority (96.7%) of total deposits were denominated in Bahamian currency, while the US dollar and other currencies accounted for smaller shares, of 3.2% and 0.1%, respectively. By holder composition, private individuals held the majority (50.2%) of total local currency accounts, followed by business firms (29.8%) and private financial institutions (6.0%), while other "miscellaneous" entities, public corporations, Government and public financial institutions represented smaller shares, of 4.6%, 4.3%, 4.1% and 1.0%, respectively.

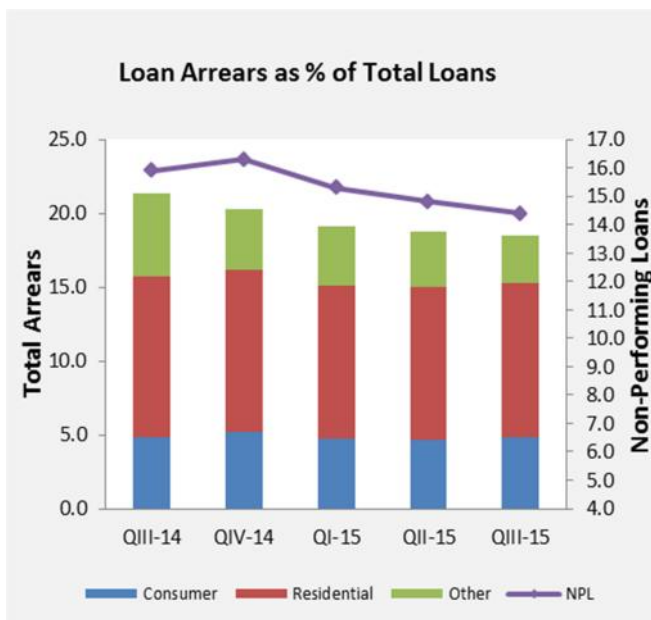
In terms of classification, fixed deposits comprised the largest share (50.5%) of banks' deposits, followed by demand (31.2%) and savings (18.3%) balances. The bulk of accounts (88.2%) held balances of less than \$10,000, representing a mere 5.9% of the total value, while accounts which held between \$10,000 and \$50,000 constituted 7.9% of the aggregate number and approximately 10.6% of the overall value. Deposits exceeding \$50,000 represented a mere 3.9% of accounts, but a commanding 83.5% of the value.

CREDIT QUALITY

Reflecting the modest economic momentum and sustained debt restructuring activities, banks' credit quality indicators improved slightly during the third quarter. Total private sector loan arrears declined by \$9.3 million (0.8%) over the quarter, and by \$197.9 million (14.3%) on an annual basis, to \$1,182.1 million by end-September. As a result, the corresponding ratio of arrears to private sector loans decreased by 28 basis points over the three-month period and by 2.9 percentage points year-on-year, to 19.6%.

The reduction in total private sector loan arrears was due solely to a decline in the commercial component, by \$34.4 million (14.3%) to \$206.6 million, resulting in both the quarterly and yearly arrears ratios narrowing, by 4.4 and 13.1 percentage points, respectively, to 23.6%. In a modest offset, the

consumer segment increased by \$18.0 million (6.2%) to \$310.6 million, elevating the attendant ratio by 64 basis points to 13.4% at end-September; however, the ratio fell by 60 basis points over the prior year.



Similarly, mortgage arrears—which accounted for the majority of the total (56.3%)—grew by \$7.1 million (1.1%) to \$665.0 million, for 23.6% of total loans.

A breakdown by the average age of delinquencies showed that non-performing loans contracted by \$22.5 million (2.5%) to \$893.7 million, and the relevant loan ratio fell by 47 basis points to 14.8%. In contrast, the short-term (31-90 day) segment expanded by \$13.1 million (4.8%) to \$288.5 million and by 19 basis points to 4.8% of total loans.

Despite the slight improvement in credit quality, commercial banks maintained their conservative posture in managing their portfolios. Consequently, provisions for bad debts advanced by \$19.0 million (3.8%) to \$523.8 million, and by 26 basis points to 8.2% of total loans. As a proportion of both arrears and non-performing loans, total provisions firmed by 1.9 and 3.5 percentage points, to 44.3% and 58.6%, respectively.

BANK PROFITABILITY

Reflecting significant reductions in both bad debt provisioning and operating costs during the second quarter of 2015—the latest period for which data is available—the outcome of commercial banks’ operations reversed to an overall profit of \$37.2 million from a net loss of \$196.9 million in the corresponding period of 2014.

The net interest margin rose by \$4.4 million (3.4%) to \$134.6 million, underpinned by a \$1.5 million (1.0%) uptick in interest income, and a \$2.9 million (11.6%) decline in interest expenses. Further, commission and foreign exchange fee income almost doubled to \$11.4 million from \$6.3 million, contributing to the \$9.5 million (7.0%) improvement in the gross earnings margin to \$146.0 million.

Banks’ total operating outlays receded to trend levels over the quarter, after one institution’s one-time write-off of goodwill led to a sharp increase in this category during the corresponding 2014 period. Specifically, total operating costs were more than halved to \$92.6 million, from \$205.4 million, reflecting an almost 75.0% (\$115.5 million) decline in goodwill-related “miscellaneous” operating expenses, which outstripped gains in occupancy and staffing costs of 5.8% (\$0.4 million) and 5.2% (\$2.3 million), respectively. Similarly, provisions for bad debts plunged by more than three-quarters (\$112.7 million) to \$36.7 million, compared to prior year’s increases by a few institutions. Depreciation costs rose by 13.1% (\$0.5 million), while non-core income fell slightly by 2.3% (\$0.6 million). As a result of these developments, losses on non-core activities slowed to a mere \$16.3 million from \$128.0 million in 2014.

Banks’ overall profitability ratios improved over the review period, with the gross earnings margin ratio firming by 23 basis points to 5.81%, supported by gains in the interest margin and commission & foreign exchange income ratios, of 3 and 20 basis points to 5.35% and 0.45%, respectively. In addition, the operating cost ratio narrowed by 4.7 percentage points to 3.68%, contributing to the net earnings margin ratio shifting to a positive 2.12% from a negative 2.81% a year earlier. After accounting for the significant reduction in bad debt provisioning, the net income ratio reversed from negative 8.04 in the comparative 2014 period, to a positive 1.48%.

INTEREST RATES

In interest rate developments, domestic banks’ weighted average interest rate spread widened by 11 basis points to 11.06 percentage points, reflecting a 20 basis point increase in the average lending rate, to 12.55%, which outpaced a 9 basis point rise in the corresponding deposit rate to 1.49%

In terms of deposits, the average rates on demand and savings balances edged up by 2 and 1 basis points, to 0.29% and 0.83%, respectively, while the average returns on fixed maturities widened to a range of 1.09%-1.72% from 1.03%-1.71%, respectively, in the previous quarter.

On the lending side, gains in the weighted average interest rate were due solely to an increase in the dominant consumer loan segment, by 35 basis points to 14.43%. In contrast, the other categories recorded reductions, with the average rates on commercial and residential mortgages falling, by 28 and 9 basis points, to 7.40% and 6.36%, respectively, while the rate on overdrafts narrowed by 3 basis points to 10.17%.

CAPITAL MARKETS DEVELOPMENTS

Developments in the domestic capital market were relatively positive over the review period, with the volume of shares traded on the Bahamas International Securities Exchange (BISX) advancing by 18.3% to 0.8 million, and the corresponding value higher by one-third at \$4.8 million over 2014's levels. Buoyed by the share price appreciation of several securities, the BISX All Share Index rose by 4.2% to 1,803.5 points at end-September, outpacing the 1.1% increase in the previous year, with a more favourable advance in market capitalization of 8.2% to \$3.6 billion, compared with the prior period's 1.1% gain. At end-September, the number of securities listed on BISX increased by 9 to 43, and comprised 20 common shares, 12 debt tranches and 11 preference shares.

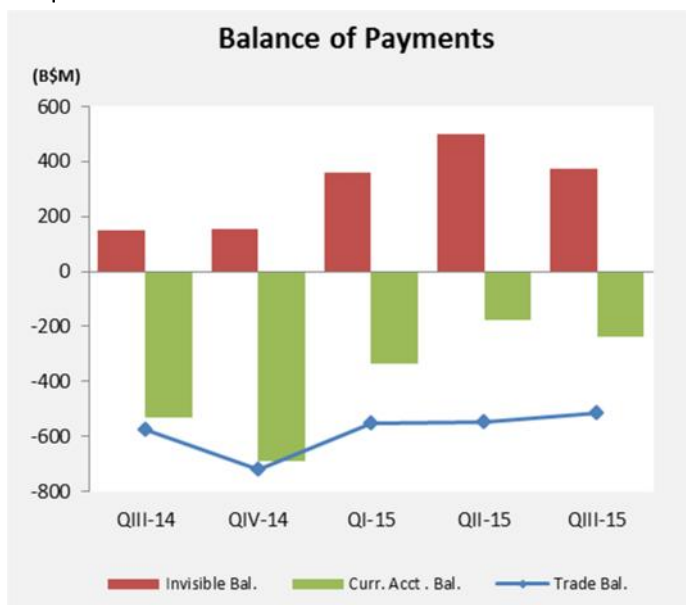
INTERNATIONAL TRADE AND PAYMENTS

Reflecting a significant reduction in construction-related service payments, provisional data for the third quarter of 2015 showed that the estimated current account deficit contracted sharply by \$294.7 million

Banking Sector Interest Rates			
Period Average (%)			
	Qtr. III 2014	Qtr. II 2015	Qtr. III 2015
Deposit Rates			
Demand Deposits	0.28	0.27	0.29
Savings Deposits	0.76	0.82	0.83
Fixed Deposits			
Up to 3 months	1.19	1.20	1.17
Up to 6 months	1.26	1.03	1.09
Up to 12 months	1.70	1.71	1.69
Over 12 months	1.44	1.42	1.72
Weighted Avg Deposit	1.37	1.40	1.49
Lending Rates			
Residential mortgages	7.07	6.45	6.36
Commercial mortgages	7.67	7.68	7.40
Consumer loans	14.22	14.08	14.43
Other Local Loans	6.96	7.97	7.53
Overdrafts	9.86	10.20	10.17
Weighted Avg Loan Rate	12.07	12.35	12.55

(55.5%), to \$236.3 million, when compared to the same period of 2014. In addition, the capital and financial account surplus declined significantly, by \$181.0 million (73.4%) to \$65.5 million, due mainly to a falloff in foreign investment inflows.

The estimated merchandise trade deficit narrowed by \$61.4 million (10.6%) to \$515.4 million, as the \$164.2 million (20.7%) contraction in imports to \$628.3 million, outstripped the \$102.8 million (47.7%) reduction in exports to \$112.9 million. In terms of the components, net non-oil imports fell by \$55.6 million (12.2%) to \$399.5 million, due to decreases in both construction-related and consumer imports. Amid the downturn in global oil prices, net payments for fuel purchases declined by \$34.0 million (18.2%) to \$152.5 million, and corresponded to lower average prices for almost



all of the oil product categories. Specifically, the average cost per barrel for jet fuel was reduced, by \$60.51 (46.9%) to \$65.52; gas oil, by \$50.32 (41.8%) to \$69.99; propane, by \$30.39 (51.0%) to \$29.15 and motor gas, by \$26.86 (23.5%) to \$87.54. However, the average per barrel cost for aviation gas surged by \$102.43 (60.2%) to \$272.47.

The services account surplus more than doubled to \$374.0 million from \$151.5 million during the third quarter. In the underlying transactions, construction service payments—largely related to foreign investment activity—decreased sharply by \$183.9 million (97.1%) to a mere \$5.4 million, relative to the previous year when significant numbers of foreign workers were utilized on a major hotel construction project. Net disbursements for other “miscellaneous” services fell by \$21.7 million (32.4%) to \$45.2 million, and net outflows for transportation services were lower by \$18.0 million (24.0%) at \$56.9 million. In addition, net insurance service payments declined by \$3.3 million (7.7%) to \$39.4 million, whereas net travel receipts grew marginally, by \$3.0 million (0.7%) to \$455.3 million. The net inflow on Government services firmed slightly, by \$0.9 million (9.5%) to \$10.0 million, and payments for royalties and license fees steadied at \$4.6 million. In a slight offset, net inflows for offshore companies’ local expenses declined by \$8.2 million (12.0%) to \$60.4 million.

The deficit on the income account narrowed by \$1.6 million (1.6%) to \$93.8 million, primarily owing to a reduction in net labour income remittances, by \$1.8 million (10.3%), to \$15.2 million. In contrast, net investment income outflows rose marginally by \$0.2 million (0.3%) to \$78.6 million, due solely to an increase in net outflows from official transactions, while other private companies’ interest and dividend payments stabilized at \$68.2 million.

Net current transfer payments fell significantly by \$9.2 million (89.1%) to a mere \$1.1 million, as net worker remittance outflows contracted by \$9.3 million to \$21.6 million, to outweigh the slight \$0.1 million (0.6%) uptick in other “miscellaneous” net transfers to \$10.0 million. Government receipts were also unchanged at \$30.5 million during the review quarter.

The deterioration in the capital and financial account surplus was largely explained by a marked reduction in other “miscellaneous” investment inflows, by \$157.8 million to \$61.8 million, as “other” private sector loan related net inflows decreased to a mere \$8.8 million from \$233.2 million in 2014, when a major foreign investment project secured loan financing. In addition, public sector transactions were reversed, from a net receipt of \$3.7 million in the prior period to a net outflow of \$1.7 million. In contrast, domestic banks recorded a net \$54.8 million inflow from their short-term transactions, vis-à-vis a net outflow of \$17.2 million in 2014. Direct investment inflows contracted by \$28.2 million to \$10.2 million, amid a decline in equity investments, by \$19.1 million to \$21.1 million, as well as a \$9.1 million increase in net real estate outflows to \$10.9 million. In a modest offset, net outward portfolio investments were reduced by \$5.0 million (61.5%) to \$3.1 million, due solely to lower equity investments. The deficit on the capital account was unchanged at \$3.5 million during the review period.

As a result of these developments, and after adjusting for net errors and omissions, the deficit on the overall balance—which corresponds to the change in the Central Bank’s external reserves—contracted sharply by \$87.8 million (41.0%) to \$126.4 million.

INTERNATIONAL ECONOMIC DEVELOPMENTS

Global economic developments for the third quarter featured a modest expansion in overall output, amid a slowdown in China’s growth trajectory, which offset positive developments in the United States and Europe. Despite these challenges, employment conditions continued to improve, while the ongoing slide in international oil prices contributed to persistent softening in inflation rates. In this environment, most of

the major central banks either sustained or enhanced their highly accommodative monetary policy measures.

Real GDP in the United States slowed to an annualized 2.1% in the third quarter, from 3.9% in the preceding three-month period, due in large part, to a decline in private inventory investment and a slowdown in the growth of exports and consumer spending. Output growth in the United Kingdom also slackened, to 0.5% between July and September, from 0.7% in the prior quarter, as decreases in the construction and manufacturing industries offset gains in other sectors. Given the sustained softness in the economies of several southern states, real GDP growth in the euro area tapered by 10 basis points to 0.3% in the three months to September from 0.4% in the second quarter. Despite the implementation of a series of policy measures to stimulate the economy, the pace of expansion in China's economic output narrowed, on a quarterly basis, by 10 basis points to 6.9% in the three months to September, explained by a slowdown in manufacturing and fixed investment output. Buoyed by an improvement in consumer spending, real GDP in Japan rebounded by an annualized 1.0% during the review period, from a 0.5% reduction in the June quarter.

Labour market conditions continued to improve, supported by the modest gains in economic activity. Bolstered by hiring in the health care, information, professional & technical services and financial sectors, non-farm payrolls in the United States increased by 513,000 over the three-month period, resulting in a 20 basis point narrowing in the unemployment rate to 5.2% in the third quarter—the lowest rate in seven (7) years. Similarly, the quarterly jobless rate in the United Kingdom decreased by 30 basis points to 5.3%, as the number of employed persons rose by 177,000. The euro zone's high unemployment levels registered some improvement, as the jobless rate fell by 20 basis points to 10.8%, led by job gains in the southern states. In contrast, the slowdown in China's high growth rate contributed to a 10 basis point rise in the country's unemployment rate to 4.1%, while Japan's jobless rate steadied at 3.4%.

The sharp decline in international oil prices over the past year continued to keep global inflation rates relatively subdued. Average consumer prices in the United States fell by 0.2% over the twelve months to September, following a marginal 0.1% increase in the previous quarter, as the prices of energy and related services contracted. Similarly, decreases in clothing and motor fuel costs contributed to a slight 0.1% reduction in the United Kingdom's average consumer prices in September, after stabilizing in June. Annualized inflation in the euro area slowed by 10 basis points to a mere 0.1% in September, following a 0.2% rise in the prior quarter, and Japan's average costs were flat in September, in contrast to a 0.7% gain in June. In contrast, China's year-on-year inflation rate quickened by 20 basis points to 1.6% in September over the previous quarter, reflecting higher food and services costs.

Supported by sustained growth in the United States economy and signs that the country's central bank may raise interest rates in the near-term, the dollar appreciated against most of the major currencies during the review quarter. In particular, the dollar strengthened versus the Canadian dollar, by 6.6% to CAD\$1.33 and firmed relative to both the Swiss Franc and British pound, by 4.0% and 3.9%, to CHF0.97 and £0.66, respectively, but depreciated by 0.3% vis-à-vis the euro to €0.90. In the Asian markets, the dollar rose relative to the Chinese Yuan, by 2.4% to CNY6.36, as the local authorities decided in July, to widen the Yuan's trading band; however, the dollar fell against the Japanese Yen, by 2.1% to ¥119.88.

The slowdown in China's economic growth, combined with concerns that the country's stock market had surged to unsustainable levels, caused most of the major stock exchanges to record broad-based decreases over the review quarter. The most significant declines were registered in Asia, where China's SE Composite Index plunged by 28.6% and Japan's Nikkei 225 moved lower by 14.1%. More modest contractions were noted in the United States, as the Dow Jones Industrial Average (DIJA) and the S&P 500 indices receded by 7.6% and 6.9%, respectively. In Europe, losses were recorded for Germany's DAX (11.7%), France's CAC 40 (7.0%) and the United Kingdom's FTSE 100 (7.0%).

Based on the combination of a softening in global demand and a rise in OPEC's output during the third quarter, crude oil prices contracted by 22.2% to \$47.60 per barrel at end-September. In terms of other commodities, both the cost of silver and gold declined, by 7.7% and 4.9%, to \$14.52 and \$1,115.07 per troy ounce, respectively.

Given the mildness in global growth, all of the major central banks either maintained or enhanced their highly accommodative monetary policy stance over the review period, in an effort to stimulate economic activity. Responding to the slowdown in growth estimates and the sharp downturn in stock prices, the People's Bank of China cut both its key interest rates, by 25 basis points each, and lowered financial institutions' reserve requirements by 50 basis points during the review quarter, while also injecting a total of 650 billion Yuan in liquidity into the banking system. In the United States, the Federal Reserve held its key policy rate within the range of 0.00%-0.25% and indicated that it would consider tightening measures, if economic conditions continued to improve. Similarly, the Bank of Japan increased its monetary base, at an annual pace of ¥80 trillion, while both the Bank of England and the European Central Bank maintained their key policy rates at historic lows.

Amid the softness in global consumer demand, most of the major economies recorded relatively modest changes in their terms of trade over the review quarter. In the United States, the trade deficit grew marginally, by \$0.6 billion (0.5%), to \$133.7 billion, as exports—of mainly industrial supplies and materials—decreased by \$3.3 billion (0.6%), outstripping the \$2.7 billion (0.4%) decline in imports. The United Kingdom reported a more than two-fold deterioration in the trade deficit, to £8.8 billion, occasioned by a £4.4 billion (3.4%) fall in exports of mainly oil, chemicals and finished manufactures, which countered a £0.6 billion (0.5%) rise in imports. In contrast, the euro area's trade surplus widened by €20.2 billion (48.7%) to €61.7 billion, as the €7.0 billion (1.4%) increase in exports, was overshadowed by a €7.1 billion (1.6%) contraction in imports. In China, the trade surplus improved by \$33.2 billion (22.2%) to \$182.2 billion, primarily attributed to a falloff in imports; however, Japan's trade deficit worsened by ¥603.6 billion to ¥957.9 billion, as the 4.0% growth in imports—of mainly fuel—outpaced the 0.9% rise in exports.

STATISTICAL APPENDIX (TABLES I-16)

TABLE 1
FINANCIAL SURVEY

End of Period	2010	2011	2012	2013				2014				2015		
				Mar.	Jun.	Sept.	Dec	Mar.	Jun.	Sept.	Dec	Mar.	Jun.	Sept.
(B\$ Millions)														
Net foreign assets	152.1	280.8	208.4	266.2	273.0	148.7	46.4	363.9	373.2	176.2	285.6	360.4	482.1	300.9
Central Bank	860.4	884.8	810.2	783.2	797.1	669.2	741.6	957.4	1,016.8	802.6	787.7	829.1	953.1	826.7
Domestic Banks	(708.3)	(604.0)	(601.8)	(517.0)	(524.1)	(520.5)	(695.2)	(593.5)	(643.6)	(626.4)	(502.1)	(468.7)	(471.0)	(525.8)
Net domestic assets	6,038.9	6,029.6	6,095.3	6,162.5	6,182.7	6,281.2	6,270.8	5,972.6	6,044.6	6,263.8	6,104.9	6,091.9	5,987.9	6,152.2
Domestic credit	8,448.2	8,536.9	8,685.0	8,753.8	8,824.6	8,953.1	8,949.9	8,651.2	8,789.6	9,017.6	8,864.1	8,833.0	8,808.9	8,987.6
Public sector	1,875.5	1,889.4	2,055.7	2,216.8	2,295.2	2,425.8	2,398.0	2,134.8	2,301.4	2,498.5	2,496.3	2,503.0	2,500.9	2,673.5
Government (net)	1,413.7	1,439.2	1,592.2	1,751.4	1,829.6	1,943.3	1,943.3	1,706.7	1,877.1	2,076.4	2,021.4	2,013.4	2,007.6	2,172.6
Rest of public sector	461.8	450.2	463.5	465.4	465.7	482.5	454.7	428.1	424.3	422.1	474.9	489.6	493.3	500.9
Private sector	6,572.7	6,647.5	6,629.3	6,537.0	6,529.4	6,527.3	6,551.9	6,516.4	6,488.2	6,519.1	6,367.8	6,330.0	6,308.0	6,314.1
Other items (net)	(2,409.3)	(2,507.3)	(2,589.7)	(2,591.3)	(2,641.9)	(2,671.9)	(2,679.1)	(2,678.6)	(2,745.0)	(2,753.8)	(2,759.2)	(2,741.1)	(2,821.0)	(2,835.4)
Monetary liabilities	6,191.1	6,310.4	6,303.7	6,428.7	6,455.7	6,429.9	6,317.2	6,336.5	6,417.8	6,440.0	6,390.5	6,452.3	6,470.0	6,453.1
Money	1,335.2	1,434.8	1,574.9	1,590.9	1,653.5	1,639.2	1,641.2	1,654.7	1,706.6	1,768.8	1,996.3	2,055.3	2,109.9	2,087.3
Currency	194.5	196.9	216.5	216.7	215.6	208.0	214.4	214.4	220.2	221.6	232.8	232.9	232.3	225.8
Demand deposits	1,140.6	1,237.9	1,358.4	1,374.2	1,437.9	1,431.2	1,426.8	1,440.3	1,486.4	1,547.2	1,763.4	1,822.4	1,877.6	1,861.5
Quasi-money	4,855.9	4,875.6	4,728.8	4,837.8	4,802.2	4,790.7	4,676.0	4,681.8	4,711.2	4,671.2	4,394.2	4,397.0	4,360.1	4,365.8
Fixed deposits	3,615.4	3,605.9	3,444.1	3,496.8	3,434.9	3,385.9	3,288.0	3,280.8	3,296.6	3,248.1	3,101.9	3,026.5	3,006.0	3,006.7
Savings deposits	1,015.8	1,063.7	1,069.0	1,091.7	1,109.7	1,089.5	1,114.0	1,128.6	1,143.3	1,158.7	1,067.5	1,099.3	1,128.4	1,144.8
Foreign currency	224.7	206.0	215.7	249.4	257.6	315.3	274.0	272.3	271.3	264.4	224.8	271.2	225.7	214.3
(percentage changes)														
Total domestic credit	5.1	1.0	1.7	0.8	0.8	1.5	(0.0)	(3.3)	1.6	2.6	(1.7)	(0.4)	(0.3)	2.0
Public sector	29.9	0.7	8.8	7.8	3.5	5.7	(1.1)	(11.0)	7.8	8.6	(0.1)	0.3	(0.1)	6.9
Government (net)	38.1	1.8	10.6	10.0	4.5	6.2	(0.0)	(12.2)	10.0	10.6	(2.6)	(0.4)	(0.3)	8.2
Rest of public sector	10.0	(2.5)	3.0	0.4	0.0	3.6	(5.8)	(5.9)	(0.9)	(0.5)	12.5	3.1	0.8	1.5
Private sector	(0.4)	1.1	(0.3)	(1.4)	(0.1)	(0.0)	0.4	(0.5)	(0.4)	0.5	(2.3)	(0.6)	(0.3)	0.1
Monetary liabilities	2.6	1.9	(0.1)	2.0	0.4	(0.4)	(1.8)	0.3	1.3	0.3	(0.8)	1.0	0.3	(0.3)
Money	4.0	7.5	9.8	1.0	3.9	(0.9)	0.1	0.8	3.1	3.6	12.9	3.0	2.7	(1.1)
Currency	(6.4)	1.2	10.0	0.1	(0.5)	(3.5)	3.1	(0.0)	2.7	0.6	5.1	0.0	(0.3)	(2.8)
Demand deposits	6.0	8.5	9.7	1.2	4.6	(0.5)	(0.3)	0.9	3.2	4.1	14.0	3.3	3.0	(0.9)
Quasi-money	2.3	0.4	(3.0)	2.3	(0.7)	(0.2)	(2.4)	0.1	0.6	(0.8)	(5.9)	0.1	(0.8)	0.1

Source: The Central Bank of The Bahamas

TABLE 2
MONETARY SURVEY

End of Period	2010	2011	2012	2013				2014				2015		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
(B\$ Millions)														
Net foreign assets	113.9	287.5	214.2	272.6	262.9	167.5	75.6	407.7	416.5	223.5	333.4	413.7	538.2	376.7
Central Bank	860.4	884.8	810.2	783.2	797.1	669.2	741.6	957.4	1,016.8	802.6	787.7	829.1	953.1	826.7
Commercial banks	(746.6)	(597.3)	(596.0)	(510.6)	(534.2)	(501.7)	(666.0)	(549.7)	(600.3)	(579.1)	(454.3)	(415.4)	(414.9)	(450.0)
Net domestic assets	6,040.6	5,978.9	6,034.8	6,105.6	6,107.7	6,204.7	6,190.1	5,868.8	5,951.3	6,167.6	6,003.3	5,973.3	5,863.6	6,014.1
Domestic credit	8,417.1	8,509.0	8,655.5	8,726.4	8,797.1	8,928.7	8,922.7	8,625.6	8,756.9	8,985.0	8,830.5	8,787.4	8,766.4	8,954.7
Public sector	1,861.0	1,879.5	2,042.8	2,203.9	2,282.5	2,416.4	2,388.6	2,125.6	2,292.1	2,489.3	2,485.1	2,491.8	2,480.5	2,662.9
Government (net)	1,404.6	1,429.8	1,579.9	1,739.0	1,817.3	1,934.4	1,934.5	1,698.0	1,868.2	2,067.6	2,010.6	2,002.5	1,987.6	2,162.3
Rest of public sector	456.4	449.7	462.9	464.9	465.2	482.0	454.1	427.6	423.9	421.7	474.5	489.3	492.9	500.6
Private sector	6,556.1	6,629.5	6,612.7	6,522.5	6,514.6	6,512.3	6,534.1	6,500.0	6,464.8	6,495.7	6,345.4	6,295.6	6,285.9	6,291.8
Other items (net)	(2,376.5)	(2,530.1)	(2,620.7)	(2,620.8)	(2,689.4)	(2,724.0)	(2,732.6)	(2,756.8)	(2,805.6)	(2,817.4)	(2,827.2)	(2,814.1)	(2,902.8)	(2,940.6)
Monetary liabilities	6,154.6	6,266.4	6,249.0	6,378.2	6,370.6	6,372.2	6,265.6	6,276.4	6,367.8	6,391.1	6,336.6	6,387.1	6,401.8	6,390.8
Money	1,314.7	1,408.2	1,541.9	1,562.0	1,598.3	1,601.5	1,610.9	1,616.2	1,677.1	1,736.0	1,955.5	2,014.2	2,053.7	2,037.3
Currency	194.5	196.9	216.5	216.7	215.6	208.0	214.4	214.4	220.2	221.6	232.8	232.9	232.3	225.8
Demand deposits	1,120.2	1,211.3	1,325.4	1,345.3	1,382.7	1,393.5	1,396.5	1,401.8	1,456.9	1,514.4	1,722.7	1,781.2	1,821.4	1,811.5
Quasi-money	4,839.8	4,858.2	4,707.1	4,816.3	4,772.3	4,770.7	4,654.7	4,660.2	4,690.7	4,655.1	4,381.1	4,372.9	4,348.1	4,353.5
Savings deposits	1,015.8	1,063.7	1,069.0	1,091.6	1,109.7	1,089.5	1,114.0	1,128.6	1,143.2	1,158.7	1,067.5	1,099.3	1,128.4	1,144.8
Fixed deposits	3,601.8	3,592.3	3,428.4	3,481.0	3,418.7	3,365.9	3,266.7	3,259.3	3,276.1	3,232.0	3,088.8	3,013.7	2,994.0	2,994.4
Foreign currency deposits	222.2	202.2	209.7	243.7	243.9	315.3	274.0	272.3	271.4	264.4	224.8	259.9	225.7	214.3
(percentage change)														
Total domestic credit	5.2	1.1	1.7	0.8	0.8	1.5	(0.1)	(3.3)	1.5	2.6	(1.7)	(0.5)	(0.2)	2.1
Public sector	30.3	1.0	8.7	7.9	3.6	5.9	(1.2)	(11.0)	7.8	8.6	(0.2)	0.3	(0.5)	7.4
Government (net)	39.3	1.8	10.5	10.1	4.5	6.4	0.0	(12.2)	10.0	10.7	(2.8)	(0.4)	(0.7)	8.8
Rest of public sector	8.7	(1.5)	2.9	0.4	0.1	3.6	(5.8)	(5.8)	(0.9)	(0.5)	12.5	3.1	0.7	1.6
Private sector	(0.2)	1.1	(0.3)	(1.4)	(0.1)	0.0	0.3	(0.5)	(0.5)	0.5	(2.3)	(0.8)	(0.2)	0.1
Monetary liabilities	2.6	1.8	(0.3)	2.1	(0.1)	0.0	(1.7)	0.2	1.5	0.4	(0.9)	0.8	0.2	(0.2)
Money	4.2	7.1	9.5	1.3	2.3	0.2	0.6	0.3	3.8	3.5	12.6	3.0	2.0	(0.8)
Currency	(6.4)	1.2	10.0	0.1	(0.5)	(3.5)	3.1	(0.0)	2.7	0.6	5.1	0.1	(0.3)	(2.8)
Demand deposits	6.3	8.1	9.4	1.5	2.8	0.8	0.2	0.4	3.9	3.9	13.8	3.4	2.3	(0.5)
Quasi-money	2.1	0.4	(3.1)	2.3	(0.9)	0.0	(2.4)	0.1	0.7	(0.8)	(5.9)	(0.2)	(0.6)	0.1

Source: The Central Bank of The Bahamas

TABLE 3
CENTRAL BANK BALANCE SHEET

(B\$ Millions)

End of Period	2010	2011	2012	2013				2014				2015		
				Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.
				Net foreign assets	860.4	884.8	810.2	783.2	797.1	669.2	741.6	957.4	1,016.8	802.6
Balances with banks abroad	175.2	115.0	216.5	200.7	209.1	80.7	122.4	328.1	363.8	153.4	155.2	186.1	308.1	212.3
Foreign securities	499.7	585.0	555.7	545.4	550.8	550.6	551.0	560.9	559.5	559.5	544.9	559.7	560.1	529.6
Reserve position in the Fund	9.6	9.6	9.6	9.4	9.4	9.6	9.6	9.7	9.7	9.3	9.1	8.6	8.8	8.8
SDR holdings	175.9	175.2	28.4	27.7	27.8	28.3	58.6	58.7	83.8	80.3	78.5	74.7	76.1	76.0
Net domestic assets	156.7	187.4	280.1	323.7	357.4	396.4	314.7	246.4	252.5	344.1	373.5	304.8	246.3	277.9
Net claims on Government	259.8	289.2	394.7	438.6	460.6	524.4	489.9	370.2	369.5	481.5	520.9	454.4	402.7	436.0
Claims	274.3	300.8	404.8	460.7	484.9	548.7	542.0	400.3	412.7	501.3	567.2	481.0	429.0	457.2
Treasury bills	--	26.2	129.6	187.0	209.5	200.0	186.4	88.1	34.9	126.5	119.5	76.6	22.9	54.7
Bahamas registered stock	162.3	164.0	169.5	168.0	169.7	223.0	220.9	247.5	248.1	240.1	313.0	269.7	270.5	266.7
Loans and advances	112.0	110.6	105.7	105.7	105.7	125.7	134.7	64.7	129.7	134.7	134.7	134.7	135.6	135.8
Deposits	(14.5)	(11.6)	(10.1)	(22.1)	(24.3)	(24.3)	(52.1)	(30.1)	(43.2)	(19.8)	(46.3)	(26.6)	(26.3)	(21.2)
In local currency	(14.5)	(11.6)	(10.1)	(22.1)	(24.3)	(24.3)	(52.1)	(30.1)	(43.2)	(19.8)	(46.3)	(26.6)	(26.3)	(21.2)
In foreign currency	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Deposits of rest of public sector	(15.4)	(7.1)	(14.7)	(10.3)	(16.4)	(23.5)	(11.6)	(17.9)	(8.0)	(22.1)	(26.5)	(14.0)	(17.6)	(20.8)
Credit to commercial banks	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Official capital and surplus	(132.0)	(139.2)	(139.3)	(143.0)	(143.0)	(141.3)	(140.7)	(146.0)	(147.5)	(153.0)	(163.7)	(165.0)	(155.0)	(155.4)
Net unclassified assets	38.0	38.4	33.7	32.8	50.7	31.3	(28.5)	35.2	33.8	32.9	38.1	24.7	6.9	8.9
Loans to rest of public sector	5.6	5.2	4.8	4.8	4.6	4.6	4.6	4.4	4.2	4.2	4.2	4.2	4.1	4.0
Public Corp Bonds/Securities	0.8	0.9	0.9	0.9	0.9	0.9	1.0	0.5	0.5	0.5	0.5	0.5	5.2	5.2
Liabilities To Domestic Banks	(631.0)	(684.3)	(682.6)	(703.7)	(751.8)	(666.7)	(650.3)	(797.0)	(856.8)	(740.5)	(748.1)	(729.4)	(792.1)	(704.1)
Notes and coins	(113.2)	(126.9)	(127.4)	(95.6)	(93.7)	(91.9)	(138.1)	(101.0)	(100.2)	(105.6)	(142.5)	(112.5)	(109.8)	(108.5)
Deposits	(517.8)	(557.4)	(555.2)	(608.1)	(658.1)	(574.8)	(512.2)	(696.0)	(756.6)	(634.9)	(605.6)	(616.9)	(682.3)	(595.6)
SDR allocation	(191.6)	(191.0)	(191.2)	(186.5)	(187.1)	(190.9)	(191.6)	(192.3)	(192.3)	(184.5)	(180.3)	(171.6)	(175.0)	(174.7)
Currency held by the private sector	(194.5)	(196.9)	(216.5)	(216.7)	(215.6)	(208.0)	(214.4)	(214.4)	(220.2)	(221.6)	(232.8)	(232.9)	(232.3)	(225.8)

Source: The Central Bank of The Bahamas

TABLE 4
DOMESTIC BANKS BALANCE SHEET

(B\$ Million)

End of Period	2010	2011	2012	2013				2014				2015		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
Net foreign assets	(705.8)	(604.0)	(601.8)	(517.0)	(524.1)	(520.5)	(695.2)	(593.5)	(643.6)	(626.4)	(502.1)	(468.7)	(471.0)	(525.8)
Net claims on Central Bank	631.9	687.0	690.7	705.3	752.7	667.6	651.7	797.9	857.7	735.5	749.2	729.9	792.1	704.7
Notes and Coins	113.2	126.9	127.4	95.6	93.7	91.9	138.1	101.0	100.2	105.6	142.5	112.5	109.8	108.5
Balances	518.7	560.1	563.3	609.8	659.0	575.7	513.6	696.9	757.5	629.9	606.7	617.4	682.3	596.2
Less Central Bank credit	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Net domestic assets	5,567.7	5,579.5	5,586.9	5,610.8	5,590.0	5,648.4	5,804.0	5,569.7	5,636.2	5,730.9	5,538.5	5,569.4	5,543.1	5,670.9
Net claims on Government	1,152.3	1,150.0	1,197.5	1,312.8	1,368.9	1,418.9	1,453.5	1,336.5	1,507.6	1,594.9	1,500.5	1,559.0	1,604.9	1,736.6
Treasury bills	293.7	275.4	219.3	342.1	378.6	388.1	392.4	430.9	514.3	452.5	454.5	502.5	556.3	699.5
Other securities	799.6	847.6	961.1	957.2	954.3	959.1	962.2	930.7	922.3	899.0	907.0	923.4	940.0	922.4
Loans and advances	180.3	145.7	152.4	147.6	164.0	201.8	253.6	153.8	230.9	408.2	352.1	356.5	362.2	371.4
Less: deposits	121.3	118.7	135.3	134.1	128.0	130.1	154.7	178.9	159.9	164.8	213.1	223.5	253.6	256.7
Net claims on rest of public sector	(31.9)	0.4	61.2	57.1	55.1	74.1	118.6	93.3	80.3	61.3	124.6	110.3	127.9	135.1
Securities	115.6	117.4	119.4	119.4	119.4	119.4	119.4	119.2	119.1	119.0	219.0	219.0	219.0	219.0
Loans and advances	339.8	326.8	338.4	340.4	340.8	357.6	329.8	304.1	300.6	298.4	251.3	266.0	264.9	272.8
Less: deposits	487.3	443.8	396.6	402.7	405.2	402.9	330.6	330.0	339.4	356.1	345.7	374.7	356.0	356.7
Other net claims	(3.4)	5.5	(15.7)	(13.5)	(6.9)	(28.8)	(48.8)	(29.7)	(14.8)	(17.3)	(25.0)	(43.6)	(11.0)	(15.8)
Credit to the private sector	6,572.7	6,647.6	6,629.3	6,537.0	6,529.4	6,527.3	6,551.9	6,516.4	6,488.2	6,519.1	6,367.8	6,330.0	6,308.0	6,314.1
Securities	17.4	16.4	14.1	14.2	12.9	13.0	16.5	16.4	16.7	17.7	16.8	17.0	16.8	18.1
Mortgages	3,192.4	3,227.6	3,275.4	3,273.7	3,300.1	3,302.6	3,310.3	3,304.0	3,283.0	3,289.9	3,211.4	3,187.9	3,179.9	3,171.2
Loans and advances	3,363.0	3,403.6	3,339.8	3,249.1	3,216.3	3,211.7	3,225.1	3,196.0	3,188.5	3,211.5	3,139.6	3,125.0	3,111.3	3,124.8
Private capital and surplus	(2,281.9)	(2,357.8)	(2,535.2)	(2,515.7)	(2,577.5)	(2,566.0)	(2,586.4)	(2,528.5)	(2,442.8)	(2,434.5)	(2,499.2)	(2,504.6)	(2,552.9)	(2,555.3)
Net unclassified assets	159.9	133.8	249.8	233.1	221.0	222.9	315.2	181.7	17.7	7.4	69.8	118.4	66.2	56.2
Liabilities to private sector	5,493.7	5,662.5	5,675.8	5,799.1	5,818.6	5,795.5	5,760.6	5,774.0	5,850.2	5,840.3	5,785.5	5,830.7	5,864.2	5,849.8
Demand deposits	1,249.6	1,325.6	1,442.7	1,493.9	1,552.3	1,593.4	1,593.5	1,593.0	1,643.2	1,660.2	1,830.6	1,933.9	1,957.7	1,922.4
Savings deposits	1,017.8	1,067.1	1,074.1	1,096.8	1,116.4	1,097.6	1,119.9	1,135.3	1,150.6	1,164.7	1,074.1	1,106.2	1,136.5	1,158.5
Fixed deposits	3,226.3	3,269.8	3,159.0	3,208.4	3,149.9	3,104.5	3,047.1	3,045.7	3,056.4	3,015.3	2,880.8	2,790.6	2,770.0	2,768.9

Source: The Central Bank of The Bahamas

TABLE 5
PROFIT AND LOSS ACCOUNTS OF BANKS IN THE BAHAMAS*

(B\$'000s)

Period	2010	2011	2012	2013				2014				2015	
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II
1. Interest Income	742,174	702,491	667,055	158,479	163,483	160,402	163,719	153,222	154,951	154,028	155,607	148,508	156,468
2. Interest Expense	225,990	185,949	144,897	30,765	30,449	29,015	27,582	25,101	24,729	24,845	23,646	21,307	21,850
3. Interest Margin (1-2)	516,184	516,542	522,158	127,714	133,034	131,387	136,137	128,121	130,222	129,183	131,961	127,201	134,618
4. Commission & Forex Income	22,820	23,126	23,005	5,593	5,916	5,850	5,919	3,445	6,267	6,291	6,481	5,657	11,373
5. Gross Earnings Margin (3+4)	539,004	539,668	545,163	133,307	138,950	137,237	142,056	131,566	136,489	135,474	138,442	132,858	145,991
6. Staff Costs	158,233	164,959	162,348	39,139	45,831	44,602	52,338	43,140	43,367	42,484	42,588	42,852	45,619
7. Occupancy Costs	23,964	25,786	29,744	7,175	7,797	7,157	7,991	6,341	6,836	6,714	7,906	7,043	7,235
8. Other Operating Costs	107,051	107,138	111,914	30,695	33,230	35,607	32,943	41,325	155,190	40,715	42,048	38,156	39,715
9. Operating Costs (6+7+8)	289,248	297,883	304,006	77,009	86,858	87,366	93,272	90,806	205,393	89,913	92,542	88,051	92,569
10. Net Earnings Margin (5-9)	249,756	241,785	241,157	56,298	52,092	49,871	48,784	40,760	(68,904)	45,561	45,900	44,807	53,422
11. Depreciation Costs	15,238	12,693	13,364	3,378	3,659	4,438	5,494	3,677	3,556	3,633	3,771	4,005	4,021
12. Provisions for Bad Debt	124,686	101,503	168,098	42,894	27,716	24,998	53,506	27,392	149,450	32,720	57,062	42,791	36,705
13. Other Income	111,284	97,520	88,284	22,633	24,737	22,878	27,775	23,592	25,032	27,297	27,972	27,284	24,456
14. Other Income (Net) (13-11-12)	(28,640)	(16,676)	-93,178	(23,639)	(6,638)	(6,558)	(31,225)	(7,477)	(127,974)	(9,056)	(32,861)	(19,512)	(16,270)
15. Net Income (10+14)	221,116	225,109	147,979	32,659	45,454	43,313	17,559	33,283	(196,878)	36,505	13,039	25,295	37,152
16. Effective Interest Rate Spread (%)	6.17	6.14	6.41	6.64	7.12	6.76	6.88	6.80	6.96	6.68	6.88	6.92	7.28
(Ratios To Average Assets)													
Interest Margin	5.60	5.46	5.41	5.29	5.47	5.41	5.57	5.24	5.32	5.27	5.40	5.21	5.35
Commission & Forex Income	0.25	0.24	0.24	0.23	0.24	0.24	0.24	0.14	0.26	0.26	0.27	0.23	0.45
Gross Earnings Margin	5.84	5.71	5.65	5.52	5.71	5.65	5.82	5.39	5.58	5.53	5.67	5.44	5.81
Operating Costs	3.14	3.15	3.15	3.19	3.57	3.59	3.82	3.72	8.39	3.67	3.79	3.61	3.68
Net Earnings Margin	2.71	2.56	2.50	2.33	2.14	2.05	2.00	1.67	(2.81)	1.86	1.88	1.84	2.12
Net Income/Loss	2.40	2.38	1.53	1.35	1.87	1.78	0.72	1.36	(8.04)	1.49	0.53	1.04	1.48

*Commercial Banks and OLFIs with domestic operations

Source: The Central Bank of The Bahamas

TABLE 6
MONEY SUPPLY

(B\$ Millions)

End of Period	2010	2011	2012	2013				2014				2015		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
Money supply (M1)	1,335.2	1,434.8	1,574.9	1,590.9	1,653.5	1,639.2	1,641.2	1,654.7	1,706.6	1,768.8	1,996.3	2,055.2	2,109.9	2,087.3
1) Currency in active circulation	194.5	196.9	216.5	216.7	215.6	208.0	214.4	214.4	220.2	221.6	232.8	232.9	232.3	225.8
2) Demand deposits	1,140.6	1,237.9	1,358.4	1,374.2	1,437.9	1,431.2	1,426.8	1,440.3	1,486.4	1,547.2	1,763.4	1,822.3	1,877.6	1,861.5
Central Bank	15.4	7.1	14.8	10.3	16.4	23.5	11.6	18.0	8.0	22.1	26.5	13.9	17.6	20.8
Domestic Banks	1,125.2	1,230.8	1,343.6	1,363.9	1,421.5	1,407.7	1,415.2	1,422.3	1,478.4	1,525.1	1,736.9	1,808.4	1,860.0	1,840.7
Factors affecting money (M1)														
1) Net credit to Government	1,413.7	1,439.2	1,592.2	1,751.4	1,829.6	1,943.3	1,943.3	1,706.7	1,877.1	2,076.5	2,021.4	2,017.7	2,007.6	2,172.6
Central Bank	261.4	289.2	394.7	438.6	460.7	524.4	489.9	370.2	369.5	481.5	520.9	458.7	402.7	436.0
Domestic Banks	1,152.3	1,150.0	1,197.5	1,312.8	1,368.9	1,418.9	1,453.4	1,336.5	1,507.6	1,595.0	1,500.5	1,559.0	1,604.9	1,736.6
2) Other credit	7,034.5	7,097.7	7,092.8	7,002.4	6,995.0	7,009.8	7,006.5	6,944.5	6,912.5	6,941.1	6,842.7	6,823.2	6,801.3	6,815.0
Rest of public sector	461.8	450.2	463.5	465.4	465.6	482.5	454.6	428.1	424.3	422.0	474.9	494.4	493.3	500.9
Private sector	6,572.7	6,647.5	6,629.3	6,537.0	6,529.4	6,527.3	6,551.9	6,516.4	6,488.2	6,519.1	6,367.8	6,328.8	6,308.0	6,314.1
3) External reserves	860.4	884.8	810.2	783.2	797.1	669.2	741.6	957.4	1,016.8	802.6	787.7	829.1	953.1	826.7
4) Other external liabilities (net)	(708.3)	(604.0)	(601.8)	(517.0)	(524.1)	(520.5)	(695.2)	(593.5)	(643.6)	(626.4)	(502.1)	(468.7)	(471.0)	(525.8)
5) Quasi money	4,855.9	4,875.6	4,728.8	4,837.8	4,802.2	4,790.7	4,676.0	4,681.8	4,711.2	4,671.2	4,394.2	4,397.0	4,360.1	4,365.8
6) Other items (net)	(2,409.3)	(2,507.3)	(2,589.7)	(2,591.3)	(2,641.9)	(2,671.9)	(2,679.1)	(2,678.6)	(2,745.0)	(2,753.8)	(2,759.2)	(2,741.1)	(2,821.0)	(2,835.4)

Source: The Central Bank of The Bahamas

TABLE 7
CONSUMER INSTALMENT CREDIT*

(B\$' 000)

End of Period	2011	2012	2013				2014				2015		
			Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
CREDIT OUTSTANDING													
Private cars	171,751	177,527	176,465	184,523	182,440	175,407	175,618	184,005	183,693	186,731	187,847	189,599	186,637
Taxis & rented cars	910	1,081	970	1,026	1,019	1,077	1,029	948	871	853	987	1,057	1,028
Commercial vehicles	2,510	2,241	2,176	1,997	1,942	2,334	2,263	2,232	2,108	1,958	1,971	1,802	1,510
Furnishings & domestic appliances	11,126	12,010	11,621	10,840	13,440	7,919	7,621	7,282	7,585	7,911	7,370	7,371	8,013
Travel	25,221	29,492	27,784	29,616	36,264	33,011	30,508	29,495	32,239	30,033	27,644	28,771	36,466
Education	35,750	34,544	33,448	32,566	38,838	33,858	34,254	33,559	37,728	36,571	36,896	36,153	42,085
Medical	14,409	11,363	11,123	11,274	11,763	12,010	11,762	11,713	11,805	11,744	12,244	12,549	12,824
Home Improvements	126,543	127,537	128,389	124,738	129,073	123,943	126,057	133,933	131,254	131,723	132,323	131,388	125,149
Land Purchases	239,790	232,752	228,644	227,867	229,575	225,065	225,769	223,398	223,304	216,760	211,941	206,235	199,086
Consolidation of debt	820,135	781,693	779,541	772,843	765,465	802,727	802,659	797,630	782,466	777,804	861,318	842,827	834,249
Miscellaneous	464,052	501,225	500,285	501,268	490,275	563,322	557,983	573,570	602,618	625,074	539,640	575,906	610,830
Credit Cards	251,924	243,745	236,066	234,110	239,262	241,241	235,484	237,222	241,343	245,254	237,493	237,607	242,465
TOTAL	2,164,121	2,155,210	2,136,512	2,132,668	2,139,356	2,221,914	2,211,007	2,234,987	2,257,014	2,272,416	2,257,674	2,271,265	2,300,342
NET CREDIT EXTENDED													
Private cars	(13,293)	5,776	(1,062)	8,058	(2,083)	(7,033)	211	8,387	(312)	3,038	1,116	1,752	(2,962)
Taxis & rented cars	(75)	171	(111)	56	(7)	58	(48)	(81)	(77)	(18)	134	70	(29)
Commercial vehicles	(843)	(269)	(65)	(179)	(55)	392	(71)	(31)	(124)	(150)	13	(169)	(292)
Furnishings & domestic appliances	(4,000)	884	(389)	(781)	2,600	(5,521)	(298)	(339)	303	326	(541)	1	642
Travel	(1,243)	4,271	(1,708)	1,832	6,648	(3,253)	(2,503)	(1,013)	2,744	(2,206)	(2,389)	1,127	7,695
Education	(15,125)	(1,206)	(1,096)	(882)	6,272	(4,980)	396	(695)	4,169	(1,157)	325	(743)	5,932
Medical	(1,990)	(3,046)	(240)	151	489	247	(248)	(49)	92	(61)	500	305	275
Home Improvements	(3,317)	994	852	(3,651)	4,335	(5,130)	2,114	7,876	(2,679)	469	600	(935)	(6,239)
Land Purchases	(601)	(7,038)	(4,108)	(777)	1,708	(4,510)	704	(2,371)	(94)	(6,544)	(4,819)	(5,706)	(7,149)
Consolidation of debt	105,519	(38,442)	(1,977)	(6,698)	(7,378)	37,262	(68)	(5,029)	(15,164)	(4,662)	83,514	(18,491)	(8,578)
Miscellaneous	(30,909)	37,173	(940)	983	(10,993)	73,047	(5,339)	15,587	29,048	22,456	(85,434)	36,266	34,924
Credit Cards	(10,947)	(8,179)	(7,679)	(1,956)	5,152	1,979	(5,757)	1,738	4,121	3,911	(7,761)	114	4,858
TOTAL	23,176	(8,911)	(18,523)	(3,844)	6,688	82,558	(10,907)	23,980	22,027	15,402	(14,742)	13,591	29,077

Source: The Central Bank of The Bahamas

TABLE 8
SELECTED AVERAGE INTEREST RATES

Period	(%)													
	2012	2013	2014	2013				2014				2015		
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III
DOMESTIC BANKS														
Deposit rates														
Savings deposits	1.53	0.97	0.89	1.11	0.96	0.87	0.94	1.06	0.88	0.76	0.86	0.96	0.82	0.83
Fixed deposits														
Up to 3 months	1.60	1.37	1.16	1.48	1.41	1.44	1.12	1.19	1.27	1.19	0.99	1.07	1.20	1.17
Up to 6 months	1.95	1.35	1.22	1.63	1.59	1.21	0.97	1.46	1.22	1.26	0.96	1.02	1.03	1.09
Up to 12 months	2.54	2.15	1.76	2.59	2.06	2.07	1.87	1.98	1.84	1.70	1.50	1.90	1.71	1.69
Over 12 months	2.65	2.20	1.64	2.49	2.29	2.12	1.92	1.84	2.00	1.44	1.29	1.55	1.42	1.72
Weighted average rate	2.02	1.68	1.42	1.92	1.69	1.68	1.43	1.55	1.56	1.37	1.21	1.46	1.40	1.49
Lending rates														
Residential mortgages	7.51	7.27	7.16	7.51	7.13	7.16	7.26	7.24	7.38	7.07	6.94	6.89	6.45	6.36
Commercial mortgages	8.29	8.21	8.02	8.06	7.57	8.40	8.81	7.93	8.26	7.67	8.20	7.61	7.68	7.40
Consumer loans	13.43	13.65	13.90	13.55	13.51	13.90	13.63	13.76	13.60	14.22	14.03	14.05	14.08	14.43
Overdrafts	9.81	9.32	9.76	9.07	9.48	9.71	9.02	9.45	9.93	9.86	9.78	10.48	10.20	10.17
Weighted average rate	10.88	11.10	11.81	10.91	10.85	11.28	11.36	11.11	11.96	12.07	12.11	11.94	12.35	12.55
Other rates														
Prime rate	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75
Treasury bill (90 days)	0.20	0.30	0.53	0.17	0.29	0.27	0.46	0.45	0.60	0.49	0.59	0.58	0.69	0.68
Treasury bill re-discount rate	0.70	0.80	1.03	0.67	0.79	0.77	0.96	0.95	1.10	0.99	1.09	1.08	1.19	1.18
Bank rate (discount rate)	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50

Source: The Central Bank of The Bahamas

TABLE 9
SELECTED CREDIT QUALITY INDICATORS OF DOMESTIC BANKS

Period	2010	2011	2012	2013				2014				2015		
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II ^R	Qtr. III
Loan Portfolio														
Current Loans (as a % of total loans)	81.8	81.1	80.3	80.7	79.9	79.1	78.4	78.9	78.3	78.5	79.7	80.9	81.2	81.5
Arrears (% by loan type)														
Consumer	4.3	4.2	4.4	4.0	4.0	4.0	5.0	4.8	4.9	4.8	5.2	4.8	4.6	4.9
Mortgage	9.8	10.1	11.0	10.6	10.5	10.9	11.0	10.7	10.9	10.9	11.0	10.3	10.4	10.4
Commercial	4.0	4.5	4.2	4.6	5.5	5.9	5.5	5.5	5.8	5.7	4.1	4.0	3.8	3.2
Public	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Total Arrears	<u>18.2</u>	<u>18.9</u>	<u>19.7</u>	<u>19.3</u>	<u>20.1</u>	<u>20.9</u>	<u>21.6</u>	<u>21.1</u>	<u>21.7</u>	<u>21.5</u>	<u>20.3</u>	<u>19.1</u>	<u>18.8</u>	<u>18.5</u>
Total B\$ Loan Portfolio	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Loan Portfolio														
Current Loans (as a % of total loans)	81.8	81.1	80.3	80.7	79.9	79.1	78.4	78.9	78.3	78.5	79.7	80.9	81.2	81.5
Arrears (% by days outstanding)														
30 - 60 days	4.0	4.1	3.7	3.7	3.2	3.6	3.7	3.2	3.1	2.7	2.9	2.7	2.6	2.8
61 - 90 days	2.3	2.05	2.3	1.7	3.0	2.3	2.5	2.2	2.6	2.4	2.0	1.6	1.8	1.7
90 - 179 days	2.6	2.3	2.5	2.2	2.0	2.7	2.1	2.0	2.3	2.3	2.0	1.6	1.7	1.6
over 180 days	9.3	10.5	11.3	11.7	11.9	12.3	13.3	13.7	13.7	14.1	13.4	13.2	12.7	12.4
Total Arrears	<u>18.2</u>	<u>18.9</u>	<u>19.7</u>	<u>19.3</u>	<u>20.1</u>	<u>20.9</u>	<u>21.6</u>	<u>21.1</u>	<u>21.7</u>	<u>21.5</u>	<u>20.3</u>	<u>19.1</u>	<u>18.8</u>	<u>18.5</u>
Total B\$ Loan Portfolio	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Non Accrual Loans (% by loan type)														
Consumer	21.4	20.3	20.5	19.4	19.5	17.6	21.5	21.4	20.6	21.0	23.6	23.6	22.8	23.3
Mortgage	52.1	54.8	57.0	56.8	57.7	52.6	50.7	50.0	49.6	48.8	53.8	54.0	55.6	56.0
Other Private	25.7	24.2	21.9	23.2	22.2	29.2	27.2	28.0	29.2	29.6	22.6	22.4	21.6	20.7
Public	0.8	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.0	0.0	0.0	0.0
Total Non Accrual Loans	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Provisions to Loan Portfolio														
Consumer	5.1	4.9	5.4	5.5	7.2	7.5	6.1	6.6	8.2	7.1	6.5	7.1	7.2	7.2
Mortgage	2.4	2.7	4.3	5.6	4.8	5.1	5.6	5.4	6.2	7.4	8.9	8.9	9.2	9.8
Other Private	9.1	10.6	8.7	11.2	11.0	11.1	7.9	8.4	13.1	14.3	11.4	9.8	9.2	9.1
Public	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Provisions to Total Loans	4.3	4.7	5.9	6.3	6.5	6.6	6.0	6.2	7.8	8.0	7.9	7.9	8.0	8.2
Total Provisions to Non-performing Loans	36.6	36.8	43.0	45.6	46.7	44.4	39.2	39.6	49.2	49.2	51.2	53.2	55.1	58.6
Total Non-performing Loans to Total Loans	11.9	12.7	13.6	13.9	13.8	15.0	15.3	15.6	15.9	16.3	15.3	14.8	14.4	14.0

Source: The Central Bank of The Bahamas

Figures may not sum to total due to rounding.

TABLE 10
SUMMARY OF BANK LIQUIDITY

(B\$ Millions)

End of Period	2010	2011	2012	2013				2014				2015		
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.
I. Statutory Reserves														
Required reserves	298.1	305.0	301.9	302.2	305.7	307.4	303.3	304.2	309.4	311.4	311.2	313.6	318.5	319.7
Average Till Cash	98.2	118.3	108.9	93.9	96.5	99.9	117.4	98.8	99.3	104.2	122.7	109.9	110.0	108.7
Average balance with central bank	530.5	557.3	515.8	539.4	640.9	552.8	593.3	683.5	767.7	675.9	676.6	688.6	696.2	639.4
Free cash reserves (period ended)	330.6	370.6	322.8	331.1	431.8	345.3	407.4	478.1	557.7	468.6	488.0	484.8	487.6	428.4
II. Liquid Assets (period)														
A. Minimum Required Liquid Assets	946.7	968.7	971.1	988.1	994.2	978.3	988.3	994.8	1,004.9	1009.2	1,025.5	1,038.1	1,052.1	1,054.8
B. Net Eligible Liquid Assets	1,755.1	1,865.1	1,938.2	2,068.3	2,147.5	2,091.6	2,126.1	2,236.9	2,365.0	2,163.0	2,182.3	2,250.3	2,367.9	2,389.7
i) Balance with Central Bank	518.7	560.1	563.3	609.8	659.0	575.7	513.6	696.9	757.5	629.9	606.7	617.4	682.3	596.2
ii) Notes and Coins	113.7	127.4	127.9	96.1	94.2	92.4	138.6	101.5	100.7	106.1	143.0	113.0	110.3	109.0
iii) Treasury Bills	293.7	275.4	219.3	342.1	378.6	388.1	392.4	430.9	514.2	452.5	454.5	502.5	556.3	699.5
iv) Government registered stocks	774.8	843.7	957.6	953.7	950.9	959.1	962.2	930.7	922.3	899.0	907.0	923.4	940.0	922.4
v) Specified assets	53.0	55.2	56.9	56.7	56.7	56.6	56.6	56.3	56.1	56.1	56.0	55.9	55.9	55.7
vi) Net Inter-bank dem/call deposits	1.2	3.3	13.2	9.9	8.1	19.7	62.7	20.6	14.2	19.3	15.1	38.1	23.1	6.9
vii) Less: borrowings from central bank	--	--	--	--	--	--	--	--	--	--	--	--	--	--
C. Surplus/(Deficit)	808.4	896.4	967.1	1,080.2	1,153.3	1,113.3	1,137.8	1,242.1	1,360.1	1,153.8	1,156.8	1,212.2	1,315.8	1,334.9

Source: The Central Bank of The Bahamas

TABLE 11
GOVERNMENT OPERATIONS AND FINANCING

(B\$ Millions)

Period	Budget					2013/14p	2014/15p				2015/16p
	2012/13p	2013/14p	2014/15p	2014/15	2015/16	QTR. IV	QTR. I	QTR. II	QTR. III	QTR. IV	QTR. I
Total Revenue & Grants	1,354.6	1,450.8	1,701.5	1,763.3	2,039.8	398.0	316.5	369.5	488.5	527.1	437.6
Current expenditure	1,546.0	1,596.8	1,711.3	1,714.4	1,872.8	444.7	388.0	424.0	413.0	486.3	459.7
Capital expenditure	258.3	252.4	280.3	273.3	243.2	137.3	60.3	33.5	46.6	139.8	39.7
Net lending	96.4	81.7	92.0	59.1	62.8	37.5	20.1	20.3	20.3	31.4	(0.0)
Overall balance	(546.1)	(480.0)	(382.0)	(283.5)	(139.1)	(221.5)	(151.9)	(108.3)	8.6	(130.4)	(61.8)
FINANCING (I+II-III+IV+V)	546.1	480.0	382.0	283.5	139.1	221.5	151.9	108.3	(8.5)	130.4	61.8
I. Foreign currency borrowing	239.8	633.2	140.5	103.5	103.6	66.4	0.4	113.3	12.4	14.5	13.3
External	239.8	442.2	140.5	103.5	103.6	0.4	0.4	113.3	12.4	14.5	0.0
Domestic	--	191.0	--	--	--	66.0	--	--	--	--	13.3
II. Bahamian dollar borrowing	792.0	340.0	580.0	343.2	182.4	95.0	239.0	216.0	70.0	55.0	222.8
i) Treasury bills/Treasury Notes	294.1	81.0	30.0	--	--	30.0	30.0	--	--	--	212.8
ii) Long-term securities	375.0	115.0	275.0	--	--	--	--	150.0	70.0	55.0	10.0
iii) Loans and Advances	123.0	144.0	275.0	--	--	65.0	209.0	66.0	--	--	0.0
III Debt repayment	250.5	505.7	221.4	157.8	145.7	26.5	51.5	71.5	82.2	16.2	99.3
Domestic	237.0	491.8	206.0	141.0	125.0	21.0	50.0	66.0	80.0	10.0	97.9
Bahamian dollars	237.0	366.8	140.0	75.0	125.0	21.0	50.0	--	80.0	10.0	97.9
Internal foreign currency	--	125.0	66.0	66.0	--	--	--	66.0	--	--	--
External	13.5	13.9	15.4	16.8	20.7	5.5	1.5	5.5	2.2	6.2	1.4
IV Net Sale of Shares & Other Equity	--	--	0.0	--	--	--	--	--	--	--	--
V. Cash balance change	(27.6)	(50.8)	(76.9)	--	--	5.9	18.5	(74.8)	9.3	(29.9)	2.0
VI Other Financing	(207.6)	63.2	(40.2)	(5.4)	(1.3)	80.7	(54.4)	(74.7)	(18.1)	107.0	(77.1)

Source: Treasury Monthly Printouts. Data compiled according to the International Monetary Fund's Government Finance Statistics format.

TABLE 12
NATIONAL DEBT

(B\$' 000s)

End of Period	2012p	2013p	2014p	2014p		2015p		
				Sept.	Dec.	Mar.	Jun.	Sept.
TOTAL EXTERNAL DEBT	1,042,602	1,188,357	1,592,625	1,486,590	1,592,535	1,602,122	1,609,742	1,608,395
By Instrument								
Government Securities	600,000	600,000	900,000	900,000	900,000	900,000	900,000	900,000
Loans	442,602	588,357	692,625	586,590	692,535	702,122	709,742	708,395
By Holder								
Commercial Banks	--	--	--	--	--	--	--	--
Offshore Financial Institutions	--	--	--	--	--	--	--	--
Multilateral Institutions	216,541	239,712	236,990	234,725	236,900	234,881	228,720	227,671
Bilateral Institutions	46,061	67,103	70,732	70,322	70,732	70,561	70,561	70,263
Private Capital Markets	600,000	600,000	900,000	900,000	900,000	900,000	900,000	900,000
Other Financial Institutions	180,000	281,542	384,903	281,543	384,903	396,680	410,461	410,461
TOTAL INTERNAL DEBT	3,357,317	3,795,658	4,009,658	3,859,658	4,009,658	3,999,658	4,044,658	4,182,828
By Instrument								
Foreign Currency	--	125,000	--	66,000	--	--	--	13,250
Government Securities	--	--	--	--	--	--	--	--
Loans	--	125,000	--	66,000	--	--	--	13,250
Bahamian Dollars	3,357,317	3,670,658	4,009,658	3,793,658	4,009,658	3,999,658	4,044,658	4,169,578
Advances	105,657	134,657	134,657	134,657	134,657	134,657	134,657	134,657
Treasury Bills	349,142	579,282	579,282	579,282	579,282	579,282	579,282	769,203
Government Securities	2,872,273	2,956,473	3,025,473	2,875,473	3,025,473	3,040,473	3,085,473	3,065,473
Loans	30,246	246	270,246	204,246	270,246	245,246	245,246	200,245
By Holder								
Foreign Currency	--	125,000	--	66,000	--	--	--	13,250
Commercial Banks	--	125,000	--	66,000	--	--	--	13,250
Other Local Financial Institutions	--	--	--	--	--	--	--	--
Bahamian Dollars	3,357,317	3,670,658	4,009,658	3,793,658	4,009,658	3,999,658	4,044,658	4,169,578
The Central Bank	404,992	542,419	567,399	501,574	567,399	481,154	424,900	452,711
Commercial Banks	1,187,797	1,345,740	1,585,768	1,505,759	1,585,768	1,619,069	1,680,410	1,770,705
Other Local Financial Institutions	9,357	9,357	10,217	6,885	10,217	12,174	21,084	11,402
Public Corporations	730,169	684,911	665,267	665,276	665,267	661,167	655,034	650,269
Other	1,025,002	1,088,231	1,181,007	1,114,164	1,181,007	1,226,094	1,263,230	1,284,491
TOTAL FOREIGN CURRENCY DEBT	1,042,602	1,313,357	1,592,625	1,552,590	1,592,535	1,602,122	1,609,742	1,621,645
TOTAL DIRECT CHARGE	4,399,919	4,984,015	5,602,283	5,346,248	5,602,193	5,601,780	5,654,400	5,791,223
TOTAL CONTINGENT LIABILITIES	603,316	601,183	699,387	651,321	699,387	717,036	723,080	719,942
TOTAL NATIONAL DEBT	5,003,236	5,585,198	6,301,670	5,997,569	6,301,580	6,318,816	6,377,480	6,511,165

Source: Treasury Accounts & Treasury Statistical Summary Printouts
Public Corporation Reports
Creditor Statements, Central Bank of The Bahamas

TABLE 13
PUBLIC SECTOR FOREIGN CURRENCY DEBT OPERATIONS

(B\$' 000s)

	2012p	2013p	2014p*	2014p		2015p		
				Sept.	Dec.**	Mar.	Jun.	Sept.
Outstanding Debt at Beginning of Period	1,461,731	1,893,895	2,137,761	2,377,939	2,386,063	2,472,998	2,499,197	2,508,562
Government	800,235	1,042,602	1,313,357	1,553,762	1,552,590	1,592,535	1,602,122	1,609,742
Public Corporations	661,496	851,293	824,404	824,177	833,473	880,463	897,075	898,820
Plus: New Drawings	537,014	309,225	781,702	18,515	377,407	32,848	24,229	16,030
Government	253,130	282,868	485,929	356	113,173	11,758	13,801	13,290
Public Corporations	283,884	26,357	295,773	18,159	264,234	21,090	10,428	2,740
Less: Amortization	105,438	66,970	444,774	10,391	288,781	6,649	14,864	5,165
Government	11,351	13,724	205,060	1,528	71,537	2,171	6,181	1,387
Public Corporations	94,087	53,246	239,714	8,863	217,244	4,478	8,683	3,778
Other Changes in Debt Stock	588	1,611	(1,691)	--	(1,691)	--	--	--
Government	588	1,611	(1,691)	--	(1,691)	--	--	--
Public Corporations	--	--	--	--	--	--	--	--
Outstanding Debt at End of Period	1,893,895	2,137,761	2,472,998	2,386,063	2,472,998	2,499,197	2,508,562	2,519,427
Government	1,042,602	1,313,357	1,592,535	1,552,590	1,592,535	1,602,122	1,609,742	1,621,645
Public Corporations	851,293	824,404	880,463	833,473	880,463	897,075	898,820	897,782
Interest Charges	98,493	109,931	115,886	24,088	37,324	27,420	33,467	23,822
Government	51,052	57,758	75,373	15,281	25,517	17,836	21,495	14,067
Public Corporations	47,441	52,173	40,513	8,807	11,807	9,584	11,972	9,755
Debt Service	203,931	176,901	560,660	34,479	326,105	34,069	48,331	28,987
Government	62,403	71,482	280,433	16,809	97,054	20,007	27,676	15,454
Public Corporations	141,528	105,419	280,227	17,670	229,051	14,062	20,655	13,533
Debt Service Ratio (%)	5.5	4.9	15.7	4.0	43.1	3.9	5.1	3.8
Government Debt Service/ Government Revenue (%)	4.5	5.3	19.0	5.3	26.3	4.1	5.3	3.5
MEMORANDUM								
Holder Distribution (B\$ Mil):								
Commercial Banks	346.7	451.9	276.8	388.1	276.8	298.7	295.3	306.5
Offshore Financial Institutions	--	--	--	--	--	--	--	--
Multilateral Institutions	239.1	272.9	288.6	278.6	288.6	286.3	287.2	285.9
Bilateral Institutions	46.1	67.1	70.7	70.3	70.7	70.6	70.6	70.3
Other	662.1	745.8	936.9	749.0	936.9	994.3	1006.2	1007.5
Private Capital Markets	600.0	600.0	900.0	900.0	900.0	900.0	900.0	900.0

Source: Treasury Accounts, Treasury Statistical Printouts and Quarterly Reports from Public Corporations, Central Bank of The Bahamas.

* Debt servicing for 2014 includes the refinancing of \$191 million & \$210.2 million in Government's & Public Corporations' debt. Net of these transactions, the Debt Service Ratio was 4.5% and the Government Debt Service/Revenue Ratio was 6.1%.

** Debt servicing for the 4th quarter of 2014 includes the refinancing of \$66 million in Government's debt & \$210.1 million in Public Corporations' Debt. Net of these transactions, the Debt Service Ratio was 6.6% and the Government Debt Service/Revenue Ratio was 8.4%.

TABLE 14
BALANCE OF PAYMENTS SUMMARY*

(B\$ Millions)

	2012p	2013p	2014p	2015							
				Qtr.IVp	Qtr.Ip	Qtr.IIip	Qtr.IIIp	Qtr.IVp	Qtr.Ip	Qtr.IIip	Qtr.IIIp
A. Current Account Balance (I+II+III+IV)	(1,504.6)	(1,493.9)	(1,897.5)	(530.8)	(324.3)	(353.8)	(531.1)	(688.3)	(334.6)	(176.0)	(236.3)
I. Merchandise (Net)	(2,401.4)	(2,211.0)	(2,450.1)	(588.6)	(570.6)	(583.5)	(576.8)	(719.2)	(550.7)	(548.5)	(515.4)
Exports	984.0	954.9	859.0	220.1	211.4	240.9	215.6	191.1	132.4	155.8	112.9
Imports	3,385.5	3,165.9	3,309.1	808.6	782.0	824.4	792.5	910.3	683.1	704.3	628.3
II. Services (Net)	1,153.9	1,043.0	991.5	165.2	345.9	341.2	151.5	152.8	359.0	499.0	374.0
Transportation	(264.6)	(244.8)	(285.4)	(55.3)	(73.7)	(61.3)	(75.0)	(75.3)	(71.2)	(68.3)	(56.9)
Travel	2,025.9	2,022.2	2,096.7	411.5	560.7	636.6	452.3	447.1	613.4	649.1	455.3
Insurance Services	(193.7)	(158.0)	(143.5)	(46.1)	(30.0)	(43.6)	(42.7)	(27.2)	(30.5)	(37.4)	(39.4)
Offshore Companies Local Expenses	176.4	180.3	200.6	58.4	43.0	43.7	68.6	45.3	22.1	57.0	60.4
Other Government	27.7	27.6	33.1	6.0	6.9	10.0	9.1	7.1	8.3	7.8	10.0
Other Services	(617.8)	(784.3)	(910.0)	(209.3)	(161.0)	(244.2)	(260.8)	(244.1)	(183.1)	(109.1)	(55.2)
III. Income (Net)	(267.6)	(329.1)	(438.1)	(94.6)	(84.9)	(123.1)	(95.4)	(134.8)	(137.5)	(116.4)	(93.8)
1. Compensation of Employees	(45.1)	(35.8)	(64.4)	(3.5)	(14.0)	(18.5)	(16.9)	(15.0)	(20.5)	(11.9)	(15.2)
2. Investment Income	(222.5)	(293.3)	(373.8)	(91.1)	(70.9)	(104.6)	(78.4)	(119.8)	(117.0)	(104.5)	(78.6)
IV. Current Transfers (Net)	10.5	3.2	(0.7)	(12.8)	(14.8)	11.6	(10.3)	12.8	(5.4)	(10.1)	(1.1)
1. General Government	120.7	122.5	117.6	23.4	25.2	31.9	30.5	29.9	41.1	33.0	30.5
2. Private Sector	(110.2)	(119.3)	(118.3)	(36.2)	(40.0)	(20.3)	(40.8)	(17.1)	(46.5)	(43.1)	(31.6)
B. Capital and Financial Account (I+II) (excl. Reserves)	1,306.3	996.0	1,500.5	410.2	390.6	419.6	246.4	443.9	110.8	46.2	65.5
I. Capital Account (Net Transfers)	(7.3)	(9.6)	(8.9)	(2.2)	(1.9)	(2.7)	(3.5)	(0.8)	(7.4)	(1.6)	(3.5)
II. Financial Account (Net)	1,313.6	1,005.6	1,509.4	412.4	392.5	422.3	249.9	444.7	118.1	47.8	68.9
1. Direct Investment	526.2	382.3	251.3	147.3	14.4	199.2	38.4	(0.7)	9.6	43.6	10.2
2. Portfolio Investment	(37.0)	(34.0)	(26.9)	(14.4)	(10.5)	(3.1)	(8.1)	(5.2)	(4.2)	(3.4)	(3.1)
3. Other Investments	824.4	657.4	1,285.0	279.5	388.6	226.2	219.6	450.6	112.7	7.6	61.8
Central Gov't Long Term Capital	238.7	139.7	406.0	20.2	304.6	(5.2)	(1.2)	107.7	10.3	7.6	(1.3)
Other Public Sector Capital	172.4	4.1	93.8	(11.4)	5.2	0.6	4.9	83.1	(0.1)	5.7	(0.4)
Banks	(2.3)	62.2	(161.9)	164.2	(54.9)	34.4	(17.2)	(124.3)	(33.4)	2.4	54.8
Other	415.6	451.4	947.2	106.5	133.7	196.3	233.2	384.0	135.9	(8.1)	8.8
C. Net Errors and Omissions	123.6	429.4	443.0	192.9	149.6	(6.5)	70.4	229.5	265.2	253.8	44.5
D. Overall Balance (A+B+C)	(74.7)	(68.5)	46.0	72.4	215.8	59.4	(214.2)	(14.9)	41.4	124.0	(126.4)
E. Financing (Net)	74.7	68.5	(46.0)	(72.4)	(215.8)	(59.4)	214.2	14.9	(41.4)	(124.0)	126.4
Change in SDR holdings	146.8	(30.1)	(19.9)	(30.3)	(0.2)	(25.0)	3.5	1.8	3.8	(1.4)	0.2
Change in Reserve Position with the IMF	(0.0)	(0.0)	0.6	(0.0)	(0.0)	(0.0)	0.4	0.2	0.4	(0.2)	0.0
Change in Ext. Foreign Assets () = Increase	(72.1)	98.7	(26.7)	(42.1)	(215.6)	(34.3)	210.4	12.8	(45.6)	(122.4)	126.2

Source: The Central Bank of the Bahamas

* Figures may not sum to total due to rounding

TABLE 15
EXTERNAL TRADE

(B\$ '000)

	2012	2013	2014	2013				2014			
				Qtr. I	Qtr. II	Qtr. III	Qtr. IV	Qtr. I	Qtr. II	Qtr. III	Qtr. IV
I. OIL TRADE											
i) Exports	319,713	237,809	165,336	80,629	60,271	48,176	48,733	50,517	48,123	32,626	34,070
ii) Imports	874,839	726,902	868,460	211,386	139,758	209,467	166,291	198,337	205,244	263,155	201,724
II. OTHER MERCHANDISE											
Domestic Exports											
Crawfish	70,936	78,948	-	10,943	8,959	13,446	45,600	--	--	--	--
Fish Conch & other Crustacea	3,141	4,385	-	835	2,243	392	915	--	--	--	--
Other Cordials & Similar Materials/Sponge	488	1,034	-	--	157	435	442	--	--	--	--
Fruits & Veggies.	--	--	-	--	--	--	--	--	--	--	--
Aragonite	7,298	2,037	-	188	617	984	248	--	--	--	--
Other Natural Sands	3,175	204	-	35	34	45	90	--	--	--	--
Rum/Beverages/Spirits & Vinegar	--	--	-	--	--	--	--	--	--	--	--
Crude Salt	11,687	20,325	-	4,212	4,872	7,869	3,372	--	--	--	--
Polystrene Products	7,676	182,339	-	41,286	44,002	55,823	41,228	--	--	--	--
Other	86,633	74,615	-	7,605	25,831	24,215	16,964	--	--	--	--
i) Total Domestic Exports	336,522	364,423	353,216	66,840	85,514	103,210	108,859	90,159	74,368	90,826	97,863
ii) Re-Exports	171,449	209,478	170,627	46,555	68,906	59,515	34,502	32,363	53,070	48,970	36,224
iii) Total Exports (i+ii)	507,972	573,902	517,192	113,396	154,420	162,725	143,361	122,522	127,437	139,796	127,437
iv) Imports	2,772,177	2,639,002	2,921,525	621,868	670,844	620,024	726,266	653,982	692,436	756,416	818,691
v) Retained Imports (iv-ii)	2,600,727	2,429,524	2,750,899	575,313	601,938	560,509	691,764	621,619	639,367	707,446	782,467
vi) Trade Balance (i-v)	(2,264,205)	(2,065,101)	(2,397,683)	(508,473)	(516,424)	(457,299)	(582,905)	(531,460)	(564,999)	(616,620)	(684,604)

Source: Department of Statistics Quarterly Statistical Summaries

TABLE 16
SELECTED TOURISM STATISTICS

Period	2012	2013	2014	2014				2015	
				Qtr. I	Qtr. II ^R	Qtr. III	Qtr. IV	Qtr. I	Qtr. II
Visitor Arrivals	4,447,565	4,549,803	4,405,364	1,758,670	1,556,373	1,385,359	1,619,786	1,772,202	1,506,445
Air	1,072,963	1,003,462	936,242	345,338	379,667	318,083	300,005	375,962	385,016
Sea	3,374,602	3,546,341	3,469,122	1,413,332	1,176,706	1,067,276	1,319,781	1,396,240	1,121,429
Visitor Type									
Stopover	1,136,787	1,077,379	1,004,125	359,511	412,877	343,485	301,826	n.a	n.a
Cruise	3,248,694	3,414,829	3,340,953	1,377,043	1,119,334	1,014,353	1,293,971	1,358,623	1,051,437
Day/Transit	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Tourist Expenditure(BS 000's)	2,311	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Stopover	1,897	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Cruise	413	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Day	2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Number of Hotel Nights	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Average Length of Stay	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Average Hotel Occupancy Rates (%)*									
New Providence	66.0	57.8	56.1	63.0	65.4	61.1	49.0	n.a	n.a
Grand Bahama	47.1	42.7	41.4	56.3	52.0	45.6	36.0	n.a	n.a
Other Family Islands	38.3	37.0	35.9	43.4	48.7	39.5	32.0	n.a	n.a
Average Nightly Room Rates (\$)*									
New Providence	227.2	225.2	212.4	253.5	232.5	206.0	200.5	n.a	n.a
Grand Bahama	79.7	83.8	82.6	77.2	73.7	105.8	79.5	n.a	n.a
Other Family Islands	184.9	167.3	157.6	204.6	217.8	184.2	142.4	n.a	n.a

Source: The Ministry of Tourism Average Hotel Occupancy and Nightly Room Rates were amended for Quarter II, 2014.