



## **Monthly Economic and Financial Developments August 2024**

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:**

**2024: 4<sup>th</sup> November, 4<sup>th</sup> December, 27<sup>th</sup> December**



## AUGUST 2024 SUMMARY

### MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS

#### ***Overall Economic Activity***

Provisional data showed that during the month of August, the domestic economy's growth trajectory was moderated vis-à-vis the prior year, as economic indicators continued to trend closer to their expected medium-term potential. Tourism output recorded healthy gains, although more tempered when compared to the same period in 2023, as the demand for travel in key source markets persisted.

#### ***Inflation***

Average consumer price inflation—as measured by the All Bahamas Retail Price Index—slowed to 1.7% during the 12 months to June, from 5.2% in the corresponding period of 2023, underpinned by decreased price pressures for imported fuel and other goods and services.

#### ***Monetary Sector***

In monetary developments, banking sector liquidity declined, as the expansion in domestic credit contrasted with the reduction in the deposit base. Further, external reserves decreased during the review month, largely due to net foreign currency outflows through the private sector.

#### ***International Economies***

During the month of August, indications are that the global economy sustained its growth momentum, despite showing some moderation, as the economies continued to face headwinds, such as the ongoing geopolitical tensions in Eastern Europe and the Middle East. Although major central banks retained their tightened monetary policy stances, the prospects shifted more towards near-term interest rate cuts as the inflation outlook moderated.



# Monthly Economic and Financial Developments (MEFD) August 2024

## 1. Domestic Economic Developments

### Overview

Indications are that the domestic economy’s growth trajectory moderated during August, vis-à-vis the prior year, as economic indicators continued to trend closer to their expected medium-term potential. While tourism output recorded healthy gains, growth was more tempered when compared to the same period in 2023. In price developments, average consumer price inflation—as measured by changes in the average Retail Price Index (RPI) for The Bahamas—slowed during the 12 months to June 2024, vis-à-vis the corresponding 2023 period, due to decreased price pressures for imported fuel and other goods and services. In monetary developments, banking sector liquidity declined, as the expansion in domestic credit contrasted with the reduction in the deposit base. Further, external reserves decreased during the review month, largely due to net foreign currency outflows through the private sector.

### Real Sector

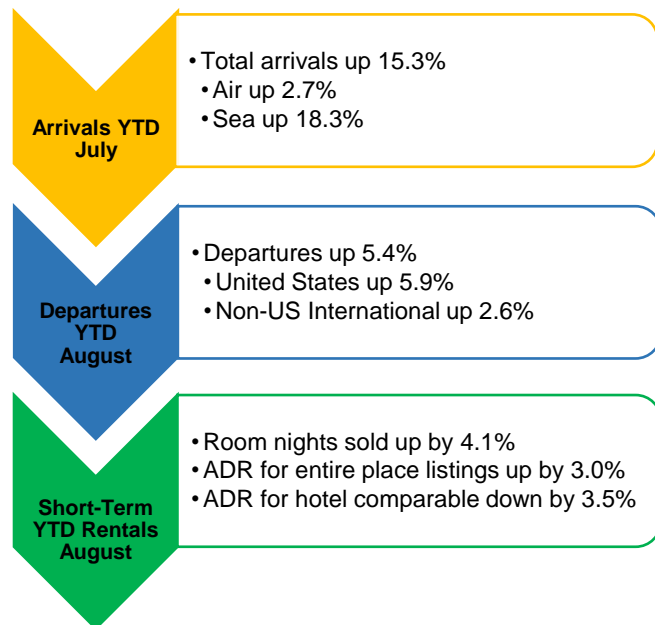
#### Tourism

Monthly data suggested that tourism sector output sustained healthy growth in July, but with some moderation, as trends normalised, following the completion of the COVID-19 recovery period. Growth in total arrivals was led by gains in sea traffic, with a tapering off in the high value-added air segment performance.

According to Ministry of Tourism data, total arrivals grew to 1.1 million visitors in July, compared to 0.9 million visitors in the same month of the previous year. Contributing to this outcome, sea arrivals rose by 29.1% to 0.9 million. However, air arrivals decreased by 1.7% to 0.2 million visitors, reflecting a slight moderation in bookings.

A breakdown by major port of entry revealed that total arrivals to New Providence expanded by 27.3% to 0.5 million visitors, as compared to the same period in 2023. Supporting this outturn, sea passengers advanced by 41.8% to 0.4 million, overshadowing the 0.9% decline in air traffic to 0.1 million. Further, foreign arrivals to the Family Islands grew by 20.4% to 0.5 million, led by a 22.9% expansion in sea traffic, to 0.5 million, eclipsing the 4.5% falloff in air traffic to 0.04 million. In addition, total arrivals to Grand Bahama increased by 8.0% to 56,630 vis-à-vis the prior year, as sea passengers rose by 9.2% to 51,734, while air passengers fell by 3.0% to 4,896.

Chart 1: Tourism Indicators at a Glance



Sources: Ministry of Tourism, Nassau Airport Development Co. & AirDNA

On a year-to-date basis, total arrivals expanded by 15.3% to 6.8 million, relative to the comparative 2023 period. Underlying this outturn, sea traffic increased by 18.3% to 5.6 million, while air passengers rose by 2.7% to 1.2 million (see Table 1).

**Table 1: Total Visitor Arrivals January – July 2024**

Arrivals	New Providence (% Change)		Grand Bahama (% Change)		Family Islands (% Change)	
	2023	2024	2023	2024	2023	2024
Air	23.0	2.8	54.2	5.7	24.7	2.0
Sea	71.7	25.6	81.6	6.7	68.5	14.2
<b>Total</b>	<b>52.7</b>	<b>18.5</b>	<b>78.3</b>	<b>6.6</b>	<b>63.6</b>	<b>13.2</b>

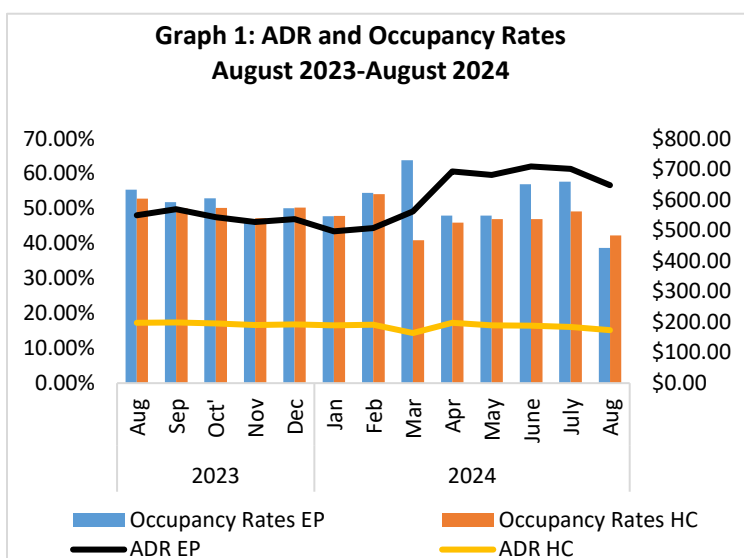
Source: Ministry of Tourism

The most recent data provided by the Nassau Airport Development Company Limited (NAD) indicated that total departures in August—net of domestic passengers—declined by 1.4% to 154,972 vis-à-vis the same period last year. In particular, U.S. departures fell by 1.2% to 137,983, while international departures reduced by 2.9% to 16,989, as compared to the corresponding period last year.

On a year-to-date basis, total outbound air traffic rose by 5.4% to 1.2 million, after stronger gains of 26.8% in 2023. In particular, U.S. departures rose by 5.9% to 1.1 million, while international departures increased by 2.6% to 0.2 million, compared to the same last year.

In the short-term vacation rental market, data provided by AirDNA showed that total room nights sold grew by 4.1% to 44,505 in August, vis-à-vis the same period last year.

Occupancy rates for hotel comparable listings firmed to 42.3% from 41.1%; however, occupancy rates for entire place listings decreased to 38.7% from 42.7% a year earlier. Further, as depicted in Graph 1, price indicators revealed that the average daily room rate for entire place listings moved higher by 3.0% to \$648.08, while the rate for hotel comparable listings fell by 3.5% to \$173.44.



Source: AirDNA

### Prices

Average consumer price inflation—as measured by the All Bahamas Retail Price Index—slowed to 1.7% during the 12 months to June, from 5.2% in the corresponding period of 2023. Contributing, the average costs for communication declined by 6.5%; for transport, by 5.6%; for clothing and footwear, by 1.6%, and for recreation & culture, by 1.3%, after posting increases in the year prior. Further, average cost increases moderated for alcoholic beverages, tobacco & narcotics (4.0%); housing, water, gas electricity & other fuels, (3.7%); and restaurant & hotels (2.3%). In a slight offset, average inflation quickened for health (6.6%); miscellaneous goods and services (4.1%); education (3.8%); and furnishing, household equipment, & routine household maintenance (3.5%).

## 2. Monetary Trends

### August 2024 vs. 2023

#### Liquidity

Monetary developments in August were marked by a contraction in banking sector liquidity, owing to an expansion in domestic credit, which contrasted with a reduction in the deposit base. Specifically, excess reserves—a narrow measure of liquidity—decreased by \$30.3 million to \$2,169.5 million, extending the \$22.9 million retrenchment in the previous year. Likewise, excess liquid assets—a broad measure of liquidity—declined by \$23.4 million to \$3,117.6 million, albeit lower than the \$24.6 million falloff in the corresponding 2023 period.

#### External Reserves

During the review month, external reserves reduced by \$96.5 million to \$2,912.2 million, exceeding the preceding year's decrease of \$6.9 million. Contributing to this outturn, the Central Bank's net foreign currency transactions with the public sector reversed to a net sale of \$23.9 million, from a net purchase of \$18.8 million in 2023. Further, the Bank's net foreign currency sales to commercial banks widened to \$75.4 million, from \$24.6 million a year earlier. Likewise, commercial banks' net foreign currency outflows to their customers grew by \$11.3 million (15.1%) to \$85.8 million, vis-à-vis the same period last year.

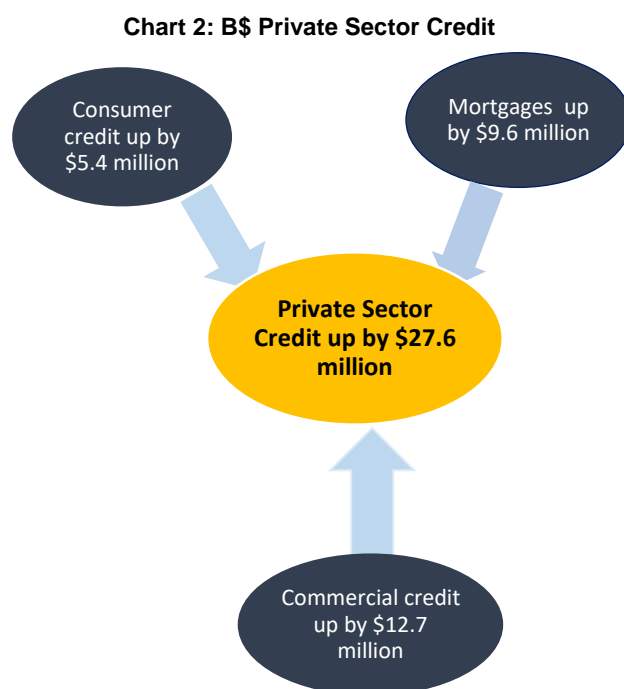
#### Exchange Control Sales

Preliminary data on foreign currency sales for current account transactions indicated that monthly outflows advanced by \$43.0 million (7.5%) to \$618.5 million in August, relative to the same period last year. Leading this development, payments for non-oil imports grew by \$77.7 million. Further increases were registered for travel related expenses (\$3.7 million); factor income remittances (\$2.8 million); and transfer payments (\$1.5 million). Providing some offset, other current items—primarily credit and debit transactions—reduced by \$30.0 million and oil imports, by \$12.6 million.

#### Domestic Credit

##### Bahamian Dollar Credit

In August, growth in total Bahamian dollar credit expanded to \$96.7 million, from \$35.7 million in the prior year. In particular, the rise in net claims on the Government accelerated to \$68.8 million, from \$32.6 million a year earlier. Further, private sector credit grew by \$27.6 million, extending the \$14.4 million buildup in the preceding year. Specifically, gains in commercial and other non-personal loans more than doubled to \$12.7 million. Likewise, mortgages rose by \$9.6 million, exceeding the \$2.5 million gain in 2023. Meanwhile,



Source: Central Bank of The Bahamas

the growth in consumer credit slowed slightly to \$5.4 million; and credit to public corporations rose by \$0.4 million, a contrast to the \$11.3 million decline the year prior.

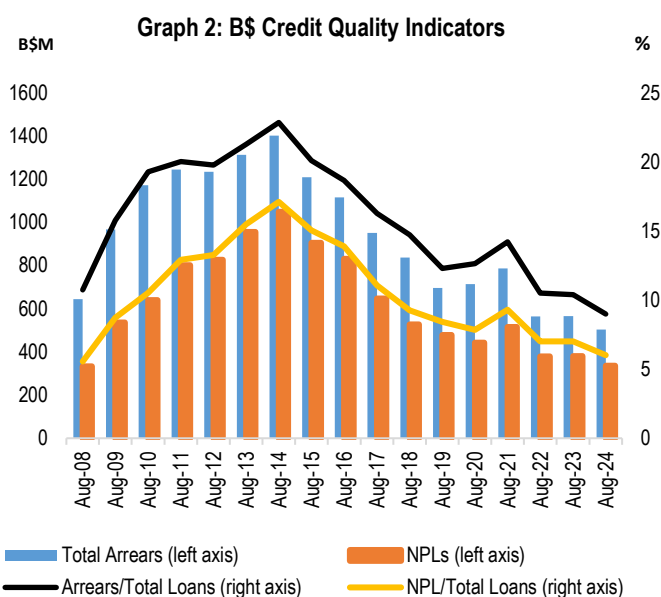
### Foreign Currency Credit

During the review month, the expansion in domestic foreign currency credit extended to \$14.2 million from \$8.6 million in the comparative period last year. In particular, private sector credit grew by \$20.5 million, higher than the \$5.6 million accumulation in the previous year. Underlying this outturn, commercial and other loans rose by \$13.3 million, after a \$1.4 million decline in the preceding year, while mortgages growth was almost steady at \$7.3 million. In an offset, net claims on the Government fell by \$6.3 million, contrasting with the \$3.0 million buildup in the prior year. Meanwhile, credit to the public sector registered a flat outturn, similar to the corresponding 2023 period.

### Credit Quality

During August, commercial banks' credit quality indicators showed a modest easing, owing to increases in both short-term arrears and non-performing loans (NPLs). Specifically, total private sector arrears grew by \$5.3 million (1.1%) to \$503.1 million, with the attendant ratio increasing by 6 basis points to 9.0%.

A breakdown by the average age of delinquency indicated that short-term arrears (31-90 days) rose by \$3.8 million (2.4%) to \$166.4 million, elevating the associated ratio by 6 basis points to 3.0%. Similarly, non-performing loans (over 90 days) grew by \$1.4 million (0.4%) to \$336.7 million; however, the corresponding ratio held steady at 6.0%. The NPL rates for commercial loans and mortgages increased by 8 and 3 basis points to 3.8% and 8.5%, respectively. However, the corresponding consumer loan rate declined by 5 basis points to 4.2%.



Source: Central Bank of The Bahamas

A disaggregation by loan type revealed that mortgage delinquencies moved higher by \$4.3 million (1.4%) to \$324.1 million, as short-term arrears rose by \$3.5 million (3.2%) and non-accrual loans by \$0.8 million (0.4%). Likewise, commercial loans increased by \$2.0 million (4.5%) to \$45.9 million, reflective of a \$1.5 million (3.7%) rise in non-performing loans and \$0.5 million (11.2%) in short-term arrears. Conversely, consumer loan arrears declined by \$1.1 million (0.8%) to \$133.1 million, attributed to a \$0.8 million (0.9%) falloff in the long-term portion and \$0.3 million (0.5%) in the short-term segment.

Against this backdrop, banks increased their total provisions for loan losses by \$1.0 million (0.3%) to \$312.7 million in August. However, the ratio of total provisions to total arrears decreased by 46 basis points to 62.2%,

while the ratio of total provisions to non-performing loans fell by 11 basis points to 92.9%. During the review month, banks wrote-off an estimated \$6.5 million in overdue loans, and recovered approximately \$3.9 million.

In comparison to August 2023, the total private sector arrears rate declined by 1.5 percentage points, as the NPL rate fell by 1.0 percentage point and the short-term segment eased by 0.5 percentage points. A disaggregation by loan type showed reductions for commercial loans, by 2.6 percentage points; consumer loans, by 1.4 percentage points; and mortgages, by 83 basis points.

## **Deposits**

During the review month, total Bahamian dollar deposits declined by \$27.4 million, the same magnitude as the year earlier. In particular, demand deposits reduced further by \$31.4 million, vis-à-vis \$23.7 million in the preceding year. Likewise, the decrease in fixed deposits extended to \$11.4 million, from \$8.6 million the year prior. Conversely, the growth in savings deposits advanced to \$15.3 million, from \$4.8 million in the previous year. Meanwhile, foreign currency deposits of residents reduced by \$22.1 million, exceeding the \$1.0 million decrease in the preceding year.

## **Interest Rates**

In interest rate developments, the weighted average loan rate rose in August by 32 basis points to 12.23%. However, the weighted average deposit rate declined by 26 basis points to 0.49%, with the highest rate of 3.75% offered on fixed balances over 12 months.

## **3. Domestic Outlook**

The domestic economy's expansion, although sustained, is expected to moderate in 2024, as the performance continues to converge towards its medium-term growth potential. The outcome remains significantly supported by forecasted tourism gains and healthy foreign investment activity, which benefit construction sector output. Nonetheless, risks to tourism prevail, due to exogenous factors, such as geopolitical tensions, inflation and heightened global oil prices, which could impede travel sector activity. Meanwhile, any reversal in major central banks' unwinding of their counter-inflation policies could hinder travel spending capacity of key source market consumers, also a downside risk to tourism.

In the labour markets, employment growth is expected to continue, with additional job gains concentrated predominantly in construction and tourism. In price developments, inflation is anticipated to continue to trend downward, as the moderation in global oil prices and other imports persist. Nonetheless, upside risks to inflation continue to hinge on uncertainty with global oil prices and supply chain shortages related to geopolitical tensions in Eastern Europe and the Middle East.

On the fiscal front, the Government's net financing gap is estimated to trend further downwards, correlated to tourism-led improving trends in taxable economic activities. Further, the estimated budgetary gap is anticipated to require a blend of domestic and external borrowings, but with an elevated percentage of the total funding from domestic sources.

Monetary sector developments are projected to feature high levels of banking sector liquidity, as commercial banks retain their conservative lending stance. Nevertheless, the environment should encourage additional strengthening in lending to the private sector. Meanwhile, external reserves are forecasted to remain robust, staying above international benchmarks, although a decline is likely, given some expected firming in domestic

credit expansion. Nevertheless, external balances should remain more than sufficient to maintain the Bahamian dollar currency peg. Specifically, foreign exchange market conditions are expected to stay at healthy levels, aided by inflows from tourism and other net private sector activities.

#### ***4. Monetary Policy and Financial Stability Implications***

Given the current outlook, the Central Bank will retain its accommodative policy stance for private sector credit and pursue policies that ensure a favourable outturn for external reserves and financial stability. Moreover, through its Monetary Policy Committee (MPC), the Bank will proactively monitor developments within the foreign exchange market, and adopt measures to support a positive outcome for the foreign reserves, as deemed appropriate.



## APPENDIX

### ***International Developments***

During the month of August, indications are that the global economy sustained its growth momentum, despite showing some moderation, as the economies continued to face headwinds, such as the ongoing geopolitical tensions in Eastern Europe and the Middle East. Against this backdrop, although the major central banks still retained tightened monetary policy stances, future interest rate cuts were signaled, given that inflation expectations continued to moderate, and priorities shifted more towards preserving growth prospects.

Economic indicators in the United States posted mostly a positive outturn during the review month. In particular, growth in industrial production rebounded to 0.8% in August, following a decline of 0.9% in July, undergirded by an increase in motor vehicle output and mining output. Further, retail sales edged up by 0.1%, although trailing the 1.1% uptick recorded in the previous month. In labour market developments, the unemployment rate decreased by 10 basis points to 4.2% in August, as total non-farm payroll employment increased by 142,000, with job gains in construction and health care. Meanwhile, the consumer price index rose by 0.2% in August, following a rise of the same magnitude in the prior month, owing mostly to an increase in shelter costs. On the external front, the trade deficit grew by \$5.8 billion (7.9%) to \$78.8 billion in July, from a revised \$73.0 billion in the previous month; owing to a 2.1% growth in imports, which overshadowed the 0.6% uptick in exports. In this environment, the Federal Reserve kept its target range for the federal fund's rate at 5.25%-5.50%, but a reduction remained more likely in the near-term, given moderating inflation.

Among the European economies, in the United Kingdom, real GDP recorded a flat outturn in July, for the second consecutive month, as the reduction in production and construction output overshadowed the growth in the services sector. Further, industrial production decreased by 0.8% during the month of July, a reversal from a 0.8% uptick a month earlier, underpinned by retrenchments in manufacturing, electricity and gas, and water and sewerage supply output. However, labour market conditions improved, as the jobless rate narrowed by 10 basis points to 4.1% in the three months to July. In external developments, the trade in goods and services deficit widened by £2.2 billion to £7.5 billion in July, driven by a 4.7% falloff in exports, combined with a 1.5% increase in imports. Given these developments, the Bank of England reduced its key policy rate to 5.00% from 5.25%, in an effort to achieve its 2.0% target rate for inflation. In the euro area, the indicators were mostly positive. Specifically, in the labour market, the unemployment rate fell by 10 basis points to 6.4% in July, vis-à-vis the previous month. Further, the annual inflation rate declined by 30 basis points to 2.2% in August, as compared to the prior month, owing to a reduction in energy costs. In addition, retail sales edged up by 0.1% in July, following a 0.4% falloff in the previous month, underpinned by a rise in the volume of trade for food, drinks, tobacco, and non-food products. However, industrial production fell by 0.3% in July, following a flat outturn a month earlier, due to declines in the production of intermediate goods, capital goods, and durable consumer goods. In this environment, the European Central Bank left its interest rates for main refinancing operations at 4.25%; the marginal lending facility at 4.50%; and the deposit facility at 3.75%, with prospects of near-term easing increasing.

In Asia, China's economic performance was lackluster during the review month. Specifically, industrial production rose by 0.3% in August, trailing the 0.4% uptick in July, while retail sales posted a flat outturn, following a 0.4% rise in the prior month. In terms of the labour market, the unemployment rate increased by 10 basis points to 5.3% in August. Further, consumer prices rose by 0.4% in August, albeit a slight moderation from a 0.5% rise in the previous month. Meanwhile, China's trade surplus expanded to \$91.0 billion in August, from \$84.6 billion in July, as the 8.7% growth in exports exceeded the 0.5% gain in imports. Against this backdrop, the People's Bank of China retained its reverse repo rate at 1.7%. In Japan, real GDP grew by 0.7% in the second quarter of 2024, a reversal from a 0.6% decline in the previous quarter, undergirded by a recovery in the automotive industry and an increase in average wages. Meanwhile, in the labour market, the jobless rate increased by 20 basis points to 2.7% in July, relative to the prior month, while the annual inflation rate firmed to 2.7% in July from 2.6% in the previous month. Given these developments, the Bank of Japan's policy rate remained at 0.25%.

During the month of August, the major equity markets reported mixed movements. In the United States, S&P 500 and the Dow Jones Industrial Average (DIJA) increased by 2.3% and 1.8%, respectively. Meanwhile, the German DAX rose by 2.2%, French CAC 40, by 1.3% and the United Kingdom's FTSE 100, by 0.1%. However, in Asia, China's SE Composite and Japan's Nikkei 225 decreased by 3.3% and 1.2%, respectively.

In foreign exchange market developments, the US dollar depreciated against all major currencies during the review period. In particular, the U.S dollar weakened relative to the Swiss Franc, by 3.2% to CHF0.8496; the Canadian dollar, by 2.3% to CAD \$1.3496; the British Pound, by 2.1% to £0.7618; and the euro, by 2.1% to €0.9051. In the Asian market, the U.S dollar decreased vis-à-vis the Japanese Yen, by 2.5% to ¥146.17 and the Chinese Renminbi by 1.9% to CNY7.0913.

In the commodity markets, prices varied during the month of August. Specifically, the cost of crude oil fell by 8.8% to \$78.80 per barrel, despite OPEC's crude oil production decreasing by 304,000 barrels per day, to average 40.6 million barrels per day. In the precious metal market, the price of gold grew by 2.3% to \$2,503.39 per troy ounce, while the cost of silver declined by 0.5% to \$28.86 per troy ounce.

# Recent Monetary and Credit Statistics

## (B\$ Millions)

August					
Value		Change		Change YTD	
2023	2024	2023	2024	2023	2024

### 1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	2,021.02	2,169.54	-22.86	-30.32	92.90	302.47
1.2 Excess Liquid Assets	2,995.76	3,117.60	-24.60	-23.41	222.94	233.37
1.3 External Reserves	2,730.47	2,912.23	-6.89	-96.46	135.80	561.02
1.4 Bank's Net Foreign Assets	-66.28	-73.81	-22.39	-45.44	31.50	16.53
1.5 Usable Reserves	1,251.44	1,341.87	-9.13	-70.04	100.43	473.94

### 2.0 DOMESTIC CREDIT

<b>2.1 Private Sector</b>	5,652.15	5,824.40	19.96	48.18	38.05	153.23
a. B\$ Credit	5,363.75	5,508.05	14.36	27.63	30.76	124.74
of which: Consumer Credit	1,899.87	1,992.84	6.46	5.35	-3.74	70.09
Mortgages	2,676.46	2,690.72	2.45	9.60	-30.93	28.58
Commercial and Other Loans B\$	787.42	824.50	5.45	12.68	65.43	26.07
b. F/C Credit	288.40	316.35	5.60	20.54	7.30	28.49
of which: Mortgages	156.67	171.35	7.04	7.26	5.40	17.16
Commercial and Other Loans F/C	131.73	145.01	-1.44	13.29	1.90	11.33
<b>2.2 Central Government (net)</b>	3,282.28	3,234.49	35.63	62.42	76.59	-113.04
a. B\$ Loans & Securities	3,320.76	3,329.80	53.11	55.78	136.84	-218.52
Less Deposits	340.89	369.10	20.48	-12.97	34.49	-126.17
b. F/C Loans & Securities	305.72	285.40	-0.34	0.00	-27.65	-13.32
Less Deposits	3.30	11.61	-3.33	6.33	-1.89	7.37
<b>2.3 Rest of Public Sector</b>	329.91	362.49	-11.31	0.36	-18.75	22.99
a. B\$ Credit	302.91	341.49	-11.31	0.36	-16.50	25.99
b. F/C Credit	27.00	21.00	0.00	0.00	-2.25	-3.00
<b>2.4 Total Domestic Credit</b>	9,264.34	9,421.38	44.28	110.95	95.89	63.18
a. B\$ Domestic Credit	8,646.52	8,810.23	35.69	96.74	116.61	58.38
b. F/C Domestic Credit	617.82	611.15	8.59	14.22	-20.71	4.80

### 3.0 DEPOSIT BASE

<b>3.1 Demand Deposits</b>	3,929.01	4,101.60	-23.65	-31.36	54.67	201.61
a. Central Bank	64.47	50.98	4.77	-1.73	-28.70	22.98
b. Banks	3,864.54	4,050.62	-28.42	-29.64	83.38	178.64
<b>3.2 Savings Deposits</b>	2,232.18	2,399.68	4.82	15.33	129.11	131.83
<b>3.3 Fixed Deposits</b>	2,050.45	1,942.68	-8.57	-11.38	-23.71	-80.12
<b>3.4 Total B\$ Deposits</b>	8,211.64	8,443.95	-27.40	-27.41	160.08	253.33
<b>3.5 F/C Deposits of Residents</b>	550.49	520.48	-1.00	-22.11	82.38	15.55
<b>3.6 M2</b>	8,636.31	8,888.85	-33.86	-37.03	145.12	225.28
<b>3.7 External Reserves/M2 (%)</b>	31.62	32.76	0.04	-0.94	1.06	5.62
<b>3.8 External Reserves/Base Money (%)</b>	98.33	98.30	0.82	-1.92	2.40	10.17
<b>3.9 External Reserves/Demand Liabilities (%)</b>	92.31	92.73	-0.37	-1.49	2.44	13.47
	<b>Value</b>		<b>Year To Date</b>		<b>Change</b>	
	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>Month</b>	<b>YTD</b>

### 4.0 FOREIGN EXCHANGE TRANSACTIONS

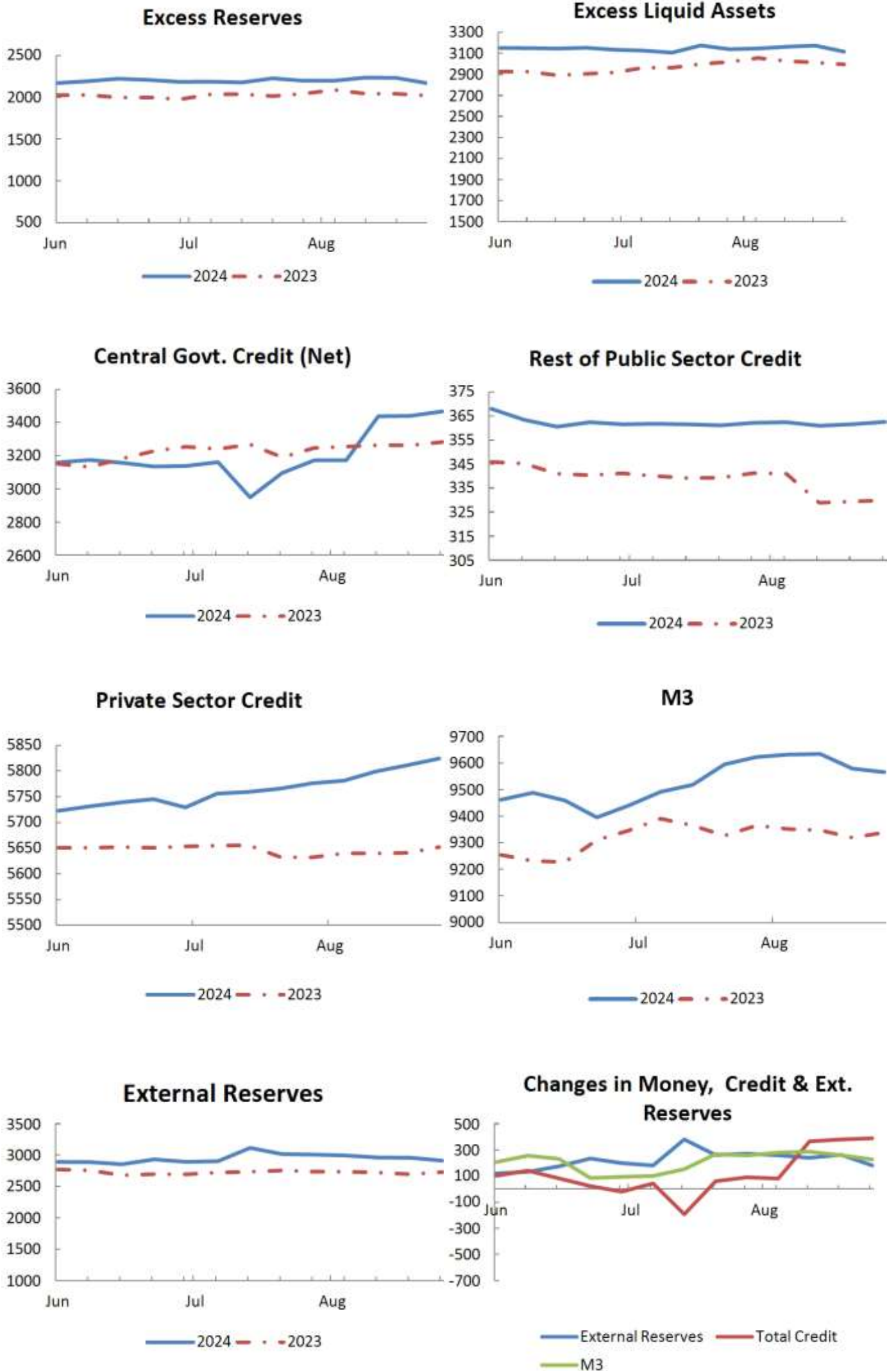
<b>4.1 Central Bank Net Purchase/(Sale)</b>	-5.82	-99.28	92.04	522.47	-93.47	430.43
a. Net Purchase/(Sale) from/to Banks	-24.64	-75.37	325.73	356.82	-50.73	31.09
i. Sales to Banks	56.16	113.93	345.58	362.47	57.77	16.90
ii. Purchase from Banks	31.52	38.56	671.31	719.29	7.04	47.98
b. Net Purchase/(Sale) from/to Others	18.82	-23.91	-233.69	165.65	-42.73	399.34
i. Sales to Others	66.60	65.54	1,047.05	1,577.96	-1.06	530.91
ii. Purchase from Others	85.42	41.63	813.37	1,743.62	-43.79	930.25
<b>4.2 Banks Net Purchase/(Sale)</b>	-74.55	-85.84	249.12	325.11	-11.29	75.99
a. Sales to Customers	589.73	596.27	4,805.91	4,766.42	6.54	-39.48
b. Purchase from Customers	515.18	510.42	5,055.02	5,091.54	-4.75	36.51

### 5.0 EXCHANGE CONTROL SALES

<b>5.1 Current Items</b>	575.42	618.46	5,035.01	5,524.53	43.03	489.52
of which Public Sector	44.91	44.81	688.54	1,040.94	-0.10	352.40
<b>a. Nonoil Imports</b>	126.67	204.34	1,226.08	1,453.56	77.66	227.47
<b>b. Oil Imports</b>	47.52	34.94	550.67	483.50	-12.57	-67.17
<b>c. Travel</b>	24.98	28.65	140.54	180.51	3.67	39.97
<b>d. Factor Income</b>	26.49	29.26	322.25	731.39	2.77	409.14
<b>e. Transfers</b>	15.57	17.08	144.90	147.87	1.52	2.97
<b>f. Other Current Items</b>	334.19	304.18	2,650.56	2,527.69	-30.01	-122.87
<b>5.2 Capital Items</b>	36.37	31.68	702.83	696.28	-4.69	-6.55
of which Public Sector	23.58	23.25	483.18	543.76	-0.32	60.58

## SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)



## Selected International Statistics

<b>A: Selected Macroeconomic Projections</b> (Annual % Change and % of labor force)						
	<b>Real GDP</b>		<b>Inflation Rate</b>		<b>Unemployment</b>	
	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>
Bahamas	4.3	2.3	1.9	2.4	12.3	8.8
United States	2.5	2.7	3.2	2.4	3.6	4.0
Euro-Area	0.4	0.8	1.9	2.9	6.5	6.6
Germany	-0.3	0.2	3.0	2.2	3.0	3.3
Japan	1.9	0.9	2.9	2.0	2.6	2.5
China	5.2	4.6	0.2	1.0	5.2	5.1
United Kingdom	0.1	0.5	4.0	2.2	4.0	4.2
Canada	1.1	1.2	3.2	2.1	5.4	6.3

*Source: IMF World Economic Outlook April 2024*

<b>B: Official Interest Rates – Selected Countries (%)</b>					
<i>With effect from</i>	<b>CBOB</b>	<b>ECB (EU)</b>	<b>Federal Reserve (US)</b>		<b>Bank of England</b>
	<b>Bank Rate</b>	<b>Refinancing Rate</b>	<b>Primary Credit</b>	<b>Target Funds</b>	<b>Repo Rate</b>
August 2022	4.00	1.25	2.50	2.25-2.50	1.75
September 2022	4.00	1.50	3.25	3.00-3.25	2.25
October 2022	4.00	2.00	4.00	3.75-4.00	2.25
November 2022	4.00	2.00	4.00	3.75-4.00	3.00
December 2022	4.00	2.50	4.50	4.25-4.50	3.50
January 2023	4.00	2.50	4.50	4.25-4.50	4.00
February 2023	4.00	3.00	4.75	4.50-4.75	4.00
March 2023	4.00	3.50	5.00	4.75-5.00	4.25
April 2023	4.00	3.50	5.00	4.75-5.00	4.25
May 2023	4.00	3.75	5.25	5.00-5.25	4.50
June 2023	4.00	4.00	5.25	5.00-5.25	5.00
July 2023	4.00	4.25	5.50	5.25-5.50	5.00
August 2023	4.00	4.50	5.50	5.25-5.50	5.25
September 2023	4.00	4.50	5.50	5.25-5.50	5.25
October 2023	4.00	4.50	5.50	5.25-5.50	5.25
November 2023	4.00	4.50	5.50	5.25-5.50	5.25
December 2023	4.00	4.50	5.50	5.25-5.50	5.25
January 2024	4.00	4.50	5.50	5.25-5.50	5.25
February 2024	4.00	4.50	5.50	5.25-5.50	5.25
March 2024	4.00	4.50	5.50	5.25-5.50	5.25
April 2024	4.00	4.50	5.50	5.25-5.50	5.25
May 2024	4.00	4.50	5.50	5.25-5.50	5.25
June 2024	4.00	4.25	5.50	5.25-5.50	5.25
July 2024	4.00	4.25	5.50	5.25-5.50	5.25
August 2024	4.00	4.25	5.50	5.25-5.50	5.00

## Selected International Statistics

<b>C. Selected Currencies (Per United States Dollars)</b>						
<b>Currency</b>	<b>August-23</b>	<b>July-24</b>	<b>August-24</b>	<b>Mthly % Change</b>	<b>YTD % Change</b>	<b>12-Mth% Change</b>
Euro	0.9223	0.9237	0.9051	-2.01	-0.08	-1.86
Yen	145.54	149.98	146.17	-2.54	3.64	0.43
Pound	0.7891	0.7779	0.7618	-2.06	-3.02	-3.46
Canadian \$	1.3508	1.3808	1.3492	-2.29	1.88	-0.12
Swiss Franc	0.8834	0.8780	0.8496	-3.23	0.97	-3.83
Renminbi	7.2588	7.2267	7.0913	-1.87	-0.12	-2.31

*Source: Bloomberg as of 30<sup>th</sup> August, 2024*

<b>D. Selected Commodity Prices (\$)</b>					
<b>Commodity</b>	<b>August-23</b>	<b>July-24</b>	<b>August-24</b>	<b>Mthly % Change</b>	<b>YTD % Change</b>
Gold / Ounce	1940.19	2447.60	2503.39	2.2794	21.3482
Silver / Ounce	24.4430	29.0100	28.8647	-0.5009	21.3042
Oil / Barrel	85.54	86.40	78.80	-8.7963	0.4846

*Source: Bloomberg as of 30<sup>th</sup> August, 2024*

<b>E: Short Term Deposit Rates in Selected Currencies (%)</b>			
	<b>USD</b>	<b>GBP</b>	<b>EUR</b>
<b>o/n</b>	5.3500	5.0000	3.7000
<b>1 Month</b>	5.2700	5.0050	3.6450
<b>3 Month</b>	5.1900	5.0161	3.5300
<b>6 Month</b>	4.9600	4.9950	3.4325
<b>9 Month</b>	4.7550	4.8750	3.2625
<b>1 year</b>	4.6075	4.8425	3.1576

*Source: Bloomberg as of 30<sup>th</sup> August 2024*

<b>F. Equity Market Valuations – August 30th, 2024 (% change)</b>								
	<b>BISX</b>	<b>DJIA</b>	<b>S&amp;P 500</b>	<b>FTSE 100</b>	<b>CAC 40</b>	<b>DAX</b>	<b>Nikkei 225</b>	<b>SE</b>
1 month	0.57	1.76	2.28	0.10	1.32	2.15	-1.16	-3.28
3 month	0.43	6.25	3.44	2.60	2.03	3.68	-2.36	-4.22
YTD	3.67	10.28	18.42	8.32	16.07	12.87	15.49	-4.46
12-month	10.56	19.70	25.31	12.60	4.29	18.56	18.48	-8.90

*Sources: Bloomberg and BISX*

**Summary Accounts of the Central Bank  
(B\$ Millions)**

	VALUE									CHANGE								
	Jul. 03	Jul. 10	Jul. 17	Jul. 24	Jul. 31	Aug. 07	Aug. 14	Aug. 21	Aug. 28	Jul. 03	Jul. 10	Jul. 17	Jul. 24	Jul. 31	Aug. 07	Aug. 14	Aug. 21	Aug. 28
<b>I. External Reserves</b>	<b>2,893.76</b>	<b>2,903.92</b>	<b>3,116.11</b>	<b>3,016.81</b>	<b>3,008.69</b>	<b>2,994.52</b>	<b>2,962.22</b>	<b>2,958.44</b>	<b>2,912.23</b>	<b>(38.23)</b>	<b>10.16</b>	<b>212.19</b>	<b>(99.30)</b>	<b>(8.12)</b>	<b>(14.17)</b>	<b>(32.31)</b>	<b>(3.78)</b>	<b>(46.21)</b>
<b>II. Net Domestic Assets (A + B + C + D)</b>	<b>82.90</b>	<b>71.45</b>	<b>(151.84)</b>	<b>(9.38)</b>	<b>(6.52)</b>	<b>(0.84)</b>	<b>54.65</b>	<b>55.65</b>	<b>50.47</b>	<b>9.79</b>	<b>(11.45)</b>	<b>(223.28)</b>	<b>142.45</b>	<b>2.87</b>	<b>5.68</b>	<b>55.49</b>	<b>1.00</b>	<b>(5.18)</b>
<b>A. Net Credit to Gov't (I + ii + iii -iv)</b>	<b>764.21</b>	<b>769.18</b>	<b>525.51</b>	<b>708.45</b>	<b>725.85</b>	<b>740.84</b>	<b>772.78</b>	<b>782.39</b>	<b>791.21</b>	<b>(3.20)</b>	<b>4.97</b>	<b>(243.66)</b>	<b>182.93</b>	<b>17.41</b>	<b>14.99</b>	<b>31.94</b>	<b>9.61</b>	<b>8.82</b>
i) Advances	396.81	396.81	396.81	396.81	446.81	446.81	476.81	476.81	500.81	-	-	-	-	50.00	-	30.00	-	24.00
ii) Registered Stock	465.07	465.15	426.56	426.88	422.23	422.38	422.60	421.84	421.95	(6.07)	0.07	(38.59)	0.32	(4.65)	0.15	0.22	(0.76)	0.10
iii) Treasury Bills	0.67	0.67	0.67	0.24	0.24	0.24	0.24	0.24	0.24	0.00	(0.00)	0.00	(0.42)	(0.00)	-	0.00	(0.00)	-
iv) Deposits	98.34	93.44	298.52	115.49	143.43	128.59	126.87	116.50	131.78	(2.87)	(4.89)	205.08	(183.04)	27.94	(14.84)	(1.72)	(10.37)	15.28
<b>B. Rest of Public sector (Net) (i+ii-iii)</b>	<b>(16.18)</b>	<b>(25.16)</b>	<b>(2.79)</b>	<b>(33.69)</b>	<b>(46.47)</b>	<b>(43.44)</b>	<b>(24.28)</b>	<b>(38.03)</b>	<b>(44.74)</b>	<b>(9.79)</b>	<b>(8.98)</b>	<b>22.36</b>	<b>(30.90)</b>	<b>(12.78)</b>	<b>3.03</b>	<b>19.15</b>	<b>(13.75)</b>	<b>(6.71)</b>
i) Loans	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	-	-	-	-	-	-	-	-	-
ii) Bonds/Securities	4.74	4.74	4.74	4.74	4.74	4.74	4.74	4.74	4.74	-	-	-	-	-	-	-	-	-
iii) Deposits	22.42	31.40	9.03	39.93	52.71	49.68	30.52	44.27	50.98	9.79	8.98	(22.36)	30.90	12.78	(3.03)	(19.15)	13.75	6.71
<b>C. Loans to/Deposits with Banks</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>D. Other Items (Net)*</b>	<b>(665.13)</b>	<b>(672.57)</b>	<b>(674.56)</b>	<b>(684.14)</b>	<b>(685.90)</b>	<b>(698.24)</b>	<b>(693.85)</b>	<b>(688.70)</b>	<b>(696.00)</b>	<b>22.78</b>	<b>(7.44)</b>	<b>(1.98)</b>	<b>(9.58)</b>	<b>(1.76)</b>	<b>(12.34)</b>	<b>4.40</b>	<b>5.14</b>	<b>(7.30)</b>
<b>III. Monetary Base</b>	<b>2,976.66</b>	<b>2,975.37</b>	<b>2,964.27</b>	<b>3,007.43</b>	<b>3,002.18</b>	<b>2,993.68</b>	<b>3,016.87</b>	<b>3,014.09</b>	<b>2,962.70</b>	<b>(28.44)</b>	<b>(1.29)</b>	<b>(11.09)</b>	<b>43.16</b>	<b>(5.25)</b>	<b>(8.49)</b>	<b>23.18</b>	<b>(2.78)</b>	<b>(51.39)</b>
A. Currency in Circulation	589.78	590.49	585.54	591.08	603.10	601.09	598.08	582.38	589.49	0.58	0.71	(4.95)	5.54	12.02	(2.00)	(3.02)	(15.70)	7.11
B. Bank Balances with CBOB	2,386.88	2,384.88	2,378.73	2,416.35	2,399.08	2,392.59	2,418.79	2,431.71	2,373.21	(29.02)	(2.00)	(6.15)	37.62	(17.27)	(6.49)	26.20	12.92	(58.50)

## FISCAL/REAL SECTOR INDICATORS

(B\$ MILLIONS)

(% change represents current period from previous period)

	JUL-SEP				OCT-DEC				JAN-MAR				APR-JUN				YEAR TO DATE																															
	2022/2023	2023/2024			2022/2023	2023/2024			2022/2023	2023/2024			2022/2023	2023/2024			2022/2023	2023/2024																														
<b>Fiscal Operations<sup>p</sup></b>																			(Over previous year)																													
1. Government Revenue & Grants					654.7	663.5			603.6	638.6			820.7	889.4			776.4	884.1	2,855.4	3,075.6																												
% change; over previous quarter					-13.9%	-14.5%			-7.8%	-3.8%			36.0%	39.3%			-5.4%	-0.6%	9.6%	7.7%																												
2. Value Added Tax					331.0	337.9			267.8	308.1			336.6	348.0			316.6	359.4	1,252.04	1,353.37																												
% change; over previous quarter					10.1%	6.7%			-19.1%	-8.8%			25.7%	12.9%			-5.9%	3.3%	10.2%	8.1%																												
3. Import/Excise/Export Duties					127.0	136.0			116.6	127.9			121.9	120.6			139.5	139.3	505.0	523.7																												
% change; over previous quarter					87.0%	113.1%			-8.2%	-6.0%			4.6%	-5.7%			14.4%	15.5%	-4.0%	3.7%																												
4. Recurrent Expenditure					621.3	660.4			797.0	766.3			716.5	744.1			927.0	789.9	3,061.8	2,960.7																												
% change; over previous quarter					-39.2%	-28.8%			28.3%	16.0%			-10.1%	-2.9%			29.4%	6.2%	0.6%	-3.3%																												
5. Capital Expenditure					55.3	64.7			62.5	69.4			76.1	101.0			133.5	66.4	327.4	301.5																												
% change; over previous quarter					-55.3%	-51.6%			13.0%	7.4%			21.7%	45.5%			75.4%	-34.2%	15.4%	-7.9%																												
6. Deficit/Surplus*					-21.93	-61.54			-255.88	-197.17			28.09	44.26			-284.03	27.79	-533.76	-186.65																												
% change; over previous quarter					-94.3%	-78.3%			1066.6%	220.4%			-111.0%	-122.4%			-1111.3%	-37.2%	-26.0%	-65.0%																												
	JAN				FEB				MAR				APR				MAY				JUN				JUL				AUG				SEP				OCT				NOV				DEC			
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024								
<b>Debt<sup>p**</sup></b>																																																
7. Total Direct Debt	11,039.4	11,601.4	11,124.7	11,596.1	11,103.8	11,514.5	11,053.2	11,457.4	11,339.7	11,483.6	11,259.6	11,313.8	11,297.7	11,596.1	11,281.6	11,666.4																																
% change; over previous month	0.0%	1.5%	0.8%	0.0%	-0.2%	-0.7%	-0.3%	-0.5%	2.6%	0.23%	-0.7%	-1.5%	0.3%	2.5%	-0.1%	0.6%																																
8. External Debt	4,839.8	5,205.3	4,912.2	5,234.2	4,846.4	5,153.1	4,840.1	5,134.7	5,083.8	5,144.5	5,004.8	5,065.2	4,998.0	5,274.6	4,970.1	5,269.3																																
% change; over previous month	-0.1%	3.5%	1.5%	0.6%	-1.4%	-1.6%	-0.1%	-0.4%	5.0%	0.2%	-1.6%	-1.5%	-0.1%	4.1%	-0.6%	-0.1%																																
9. Internal F/C Debt	329.5	303.8	326.1	303.4	328.9	302.8	321.6	294.1	318.1	295.0	318.6	293.6	317.3	292.4	315.0	295.6																																
% change; over previous month	-0.1%	-1.8%	-1.1%	-0.1%	0.9%	-0.2%	-2.3%	-3.0%	-1.1%	0.3%	0.1%	-0.5%	-0.4%	-0.4%	-0.7%	1.1%																																
10. Bahamian Dollar Debt	5,870.1	6,092.2	5,886.4	6,058.5	5,928.5	6,058.6	5,891.6	6,028.6	5,937.8	6,044.1	5,936.2	5,955.0	5,982.4	6,029.2	5,996.4	6,101.5																																
% change; over previous month	0.1%	0.1%	0.3%	-0.6%	0.7%	0.0%	-0.6%	-0.5%	0.8%	0.3%	0.0%	-1.5%	0.8%	1.2%	0.2%	1.2%																																
11. Total Amortization	268.8	785.4	142.5	87.6	262.5	185.5	278.2	266.1	161.8	90.0	233.5	360.6	320.3	242.7	129.6	51.7																																
% change; over previous month	-15.6%	33.1%	-88.7%	-796.6%	45.7%	52.8%	5.7%	30.3%	-41.8%	-66.2%	44.3%	300.5%	37.2%	-32.7%	-59.5%	-78.7%																																
12. Total Public Sector F/C Debt	5,648.4	5,943.1	5,717.3	5,971.5	5,644.9	5,879.1	5,631.2	5,852.0	5,871.5	5,862.8	5,820.6	5,725.3	5,772.6	5,933.4	5,782.3	5,931.3																																
% change; over previous month	-0.1%	2.9%	1.2%	0.5%	-1.3%	-1.6%	-0.2%	-0.5%	4.27%	0.18%	-0.87%	-2.35%	-0.8%	3.6%	0.2%	-0.03%																																
	JAN				FEB				MAR				APR				MAY				JUN				JUL				AUG				SEP				OCT				NOV				DEC			
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024								
<b>Real Sector Indicators</b>																																																
13. Retail Price Index	119.39	120.98	119.29	121.34	119.82	123.23	120.58	122.60	121.1	121.6																															120.03	121.94						
% change; over previous month	4.79%	1.33%	4.65%	1.72%	4.11%	2.85%	4.04%	1.68%	3.59%	-0.9%																											4.23%	1.59%										
14. Tourist arrivals (000's)	846.6	959.1	820.6	902.7	951.3	1146.3	865.4	906.7	756.3	896.7	794.9	927.3	860.6	1056.8																							5,895.69	6,795.6										
% change; over previous year	165.94%	13.29%	97.95%	10.01%	51.7%	20.5%	47.0%	4.8%	49.3%	18.6%	40.1%	16.7%	26%	22.8%																							59.08%	15.26%										
15. Air arrivals (000's)	132.5	141.1	150.7	156.7	186.8	206.3	170.6	158.7	149.8	158.5	167.8	170.7	175.6	172.6																							1133.83	1164.64										
% change; over previous year	78.92%	6.45%	44.26%	3.98%	23.57%	10.47%	16.0%	-7.0%	15.2%	5.8%	16.1%	1.7%	8%	-1.7%																							24.16%	2.72%										
16. Res. Mortgage Commitments-Value of New Const. & Rehab. (B\$Millions)					15.27	23.67					19.4	20.4																									34.70	44.09										
% change; over previous qtr.					-3.41%	29.90%					27.2%	-13.7%																									1.70%	27.05%										

\* Includes Net Lending to Public Corporations

\*\* Debt figures include Central Government only, unless otherwise indicated

<sup>p</sup> - provisional