



ECONOMIC STATISTICS

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SELECTED ECONOMIC INDICATORS

Figure 1

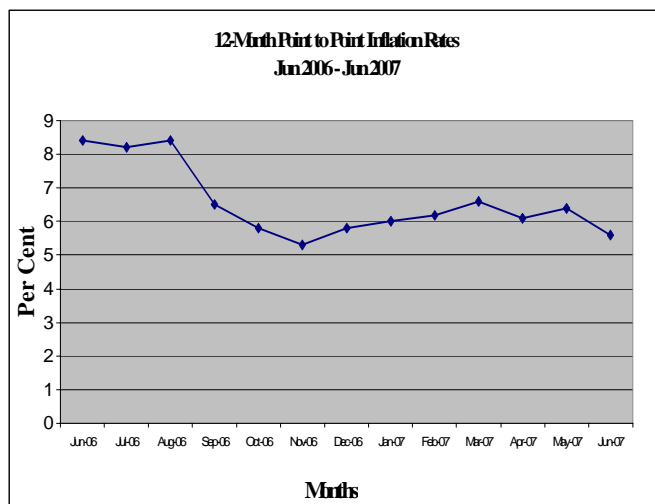


Figure 2

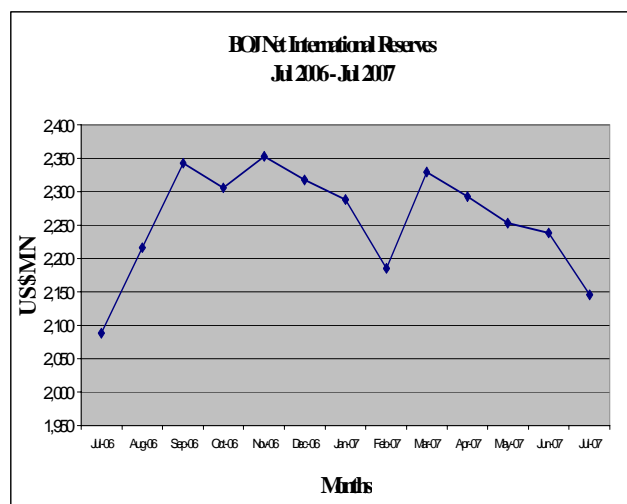


Figure 3

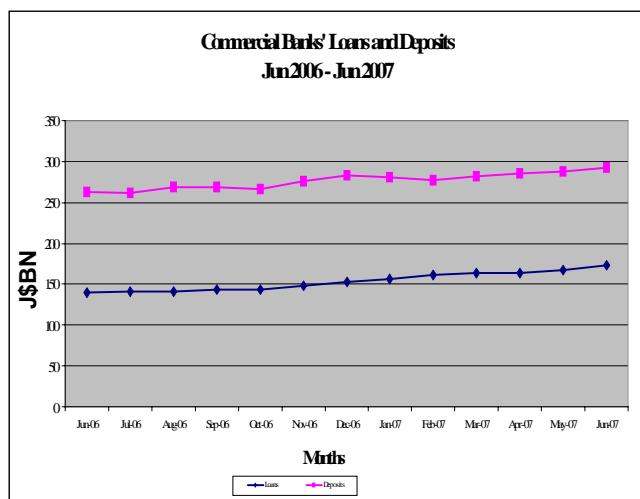


Figure 4

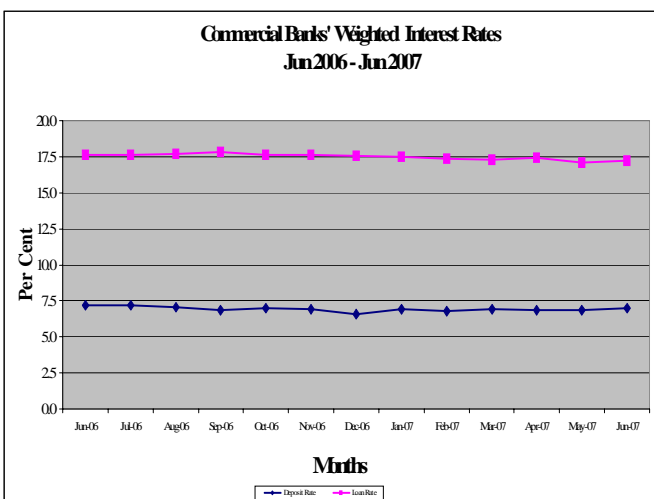


Figure 5

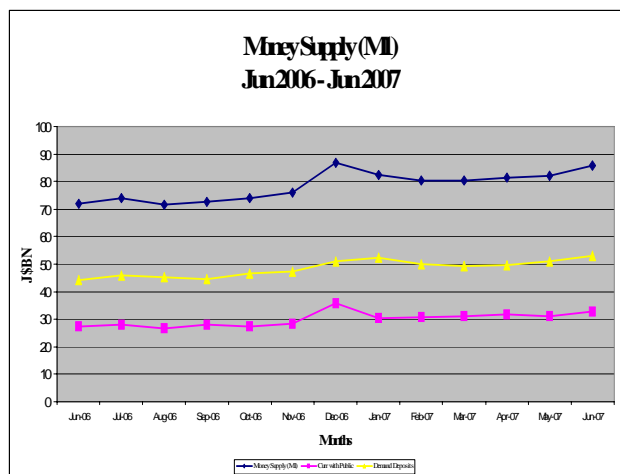
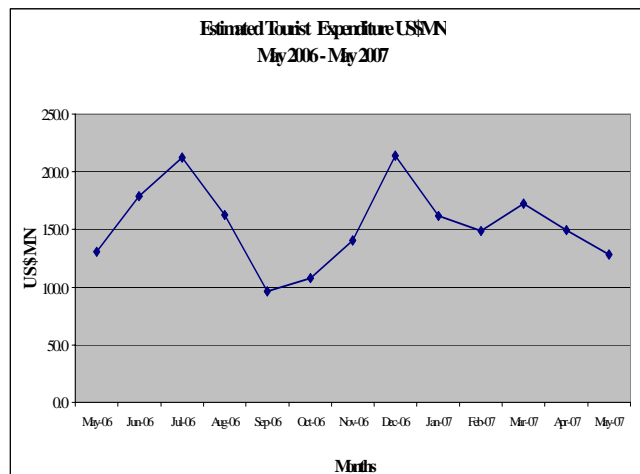


Figure 6



1. MONETARY AGGREGATES (J\$mn.)

Local and Foreign Currency	Jun 2006	May 2007	Jun 2007	% Change p.a.
Money Supply (M1).....	<u>71,897.40</u>	<u>82,223.03</u>	<u>85,666.83</u>	<u>19.14</u>
(a) Currency with the Public.....	27,480.16	31,219.49	32,655.62	18.83
(b) Demand Deposits (adj.)***.....	44,417.24	51,003.54	53,011.21	19.35
Quasi-Money.....	<u>160,329.99</u>	<u>180,374.09</u>	<u>180,762.11</u>	<u>12.74</u>
(a) Time.....	39,297.71	44,048.50	45,813.22	16.58
(b) Savings.....	121,032.28	136,325.59	134,948.89	11.50
Money Supply (M2).....	<u>232,227.40</u>	<u>262,597.12</u>	<u>266,428.94</u>	<u>14.72</u>
Domestic Credit (net).....	<u>232,173.07</u>	<u>249,393.52</u>	<u>250,881.18</u>	<u>8.06</u>

Local Currency	Jun 2006	May 2007	Jun 2007	% Change p.a.
Money Supply (M1).....	<u>61,908.47</u>	<u>72,107.88</u>	<u>74,603.22</u>	<u>20.51</u>
(a) Currency with the Public.....	27,480.16	31,219.49	32,655.62	18.83
(b) Demand Deposits (adj.)***.....	34,428.31	40,888.39	41,947.60	21.84
Quasi-Money.....	<u>97,245.25</u>	<u>107,544.12</u>	<u>107,495.98</u>	<u>10.54</u>
(a) Time.....	22,316.84	24,152.01	24,122.17	8.09
(b) Savings.....	74,928.41	83,392.11	83,373.81	11.27
Money Supply (M2).....	<u>159,153.72</u>	<u>179,652.00</u>	<u>182,099.20</u>	<u>14.42</u>
Domestic Credit (net).....	<u>186,097.63</u>	<u>195,318.96</u>	<u>195,398.39</u>	<u>5.00</u>

	Jul 2006	Jun 2007	Jul 2007	% Change p.a.
Base Money.....	<u>46,407.10</u>	<u>52,987.44</u>	<u>54,353.24</u>	<u>17.12</u>

II. COMMERCIAL BANKS (J\$mn.)

	Jun 2006	May 2007	Jun 2007	% Change p.a.
Assets & Liabilities (J\$mn.)**.....	<u>399,879.39</u>	<u>445,470.66</u>	<u>452,280.99</u>	<u>13.10</u>

Loans**.....	<u>140,265.27</u>	<u>167,649.10</u>	<u>172,769.73</u>	<u>23.17</u>
Agriculture.....	2,336.86	2,394.95	2,227.37	-4.69
Manufacturing.....	5,256.73	5,285.67	5,484.03	4.32
Construction & Land Development.....	6,761.83	9,497.07	10,077.51	49.04
Mining.....	361.16	564.99	566.87	56.96
Tourism.....	21,887.21	24,194.26	24,668.03	12.71
Transport, Storage & Communication.....	5,673.45	6,011.77	6,312.12	11.26
Consumer-Oriented.....	64,628.26	88,649.49	91,210.74	41.13
Government Services.....	30,991.79	29,916.97	30,999.12	0.02
Other.....	2,367.98	1,133.93	1,223.94	-48.31

	Jun 2006	May 2007	Jun 2007	% Change p.a.
DEPOSITS.....	<u>262,241.91</u>	<u>287,733.40</u>	<u>292,735.26</u>	<u>11.63</u>
Private Sector (including overseas residents).....	<u>225,554.22</u>	<u>250,648.39</u>	<u>251,487.35</u>	<u>11.50</u>
Time.....	52,255.25	55,409.69	55,450.08	6.11
Savings.....	128,968.54	145,177.09	143,694.81	11.42
Demand.....	44,330.43	50,061.61	52,342.46	18.07
Government.....	<u>15,604.71</u>	<u>16,029.54</u>	<u>18,466.25</u>	<u>18.34</u>
Time.....	297.50	783.52	760.51	155.63
Savings.....	1,961.24	2,007.68	1,671.56	-14.77
Demand.....	13,345.97	13,238.34	16,034.18	20.14
Public Entities.....	<u>11,895.88</u>	<u>10,914.84</u>	<u>13,068.94</u>	<u>9.86</u>
Time.....	6,477.57	5,336.97	6,886.52	6.31
Savings.....	3,429.72	2,487.04	4,225.34	23.20
Demand.....	1,988.59	3,090.83	1,957.08	-1.58

+ Revised

* Provisional

** Includes provision for loan losses; and excludes loans acquired by FINSAC.

*** Excludes Deposits of Government, Public Entities, Financial Institutions and Overseas Residents

				%
II. COMMERCIAL BANKS (J\$mn.) (Cont'd)	Jun 2006	May 2007	Jun 2007	Change p.a.
Spec. & O. F. Insts.....	9,187.10	10,140.63	9,712.72	5.72
Time.....	1,513.16	2,250.84	2,521.07	66.61
Savings.....	1,141.47	1,012.27	1,245.85	9.14
Demand.....	6,532.47	6,877.52	5,945.80	-8.98
	Jul 2006	Jun 2007	Jul 2007	
Current Account Balances with BOJ (J\$mn).....	240.06	461.54	167.32	
LIQUIDITY (Average) %	Jun 2006	May 2007	Jun 2007	
Actual Liquid Assets Ratio.....	45.29	32.95	32.06	
Cash.....	2.59	2.69	2.69	
Deposits with B.O.J.....	9.29	9.39	9.29	
Treasury Bills.....	0.68	0.60	0.80	
Local Registered Stocks.....	1.86	0.55	0.76	
Other.....	30.87	19.72	18.52	
Statutory Requirement.....	23.00	23.00	23.00	
III. SELECTED INTEREST RATES (%)				
COMMERCIAL BANKS (Domestic Currency)	Jul 2006	Jun 2007	Jul 2007	
Fixed Deposits (J\$100,000 & over)				
3-6 months.....	2.50-14.10	6.80-11.15	6.80-11.85	
9-12 months.....	3.00-14.30	6.50-11.60	6.50-12.35	
Call Deposits.....	1.00-15.00	5.00-15.00	6.00-15.00	
Average Savings Deposits	5.39	5.17	5.17	
Average Loan Rate.....	22.50	22.49	22.49	
Average Inter-bank Rate	8.92	9.67	9.33	
	Jun 2006	May 2007	Jun 2007	
Weighted Fixed Deposits Rate.....	7.17	6.85	6.96	
Weighted Loan Rate.....	17.60	17.06	17.23	
G.O.J. Treasury Bills (Weighted Average) Yield	Jul 2006	Jun 2007	Jul 2007	
2 Months:.....	-	-	-	
3 Months:.....	12.62	11.98	12.12	
6 Months:.....	12.81	12.13	12.16	
9 Months:.....	-	-	-	
12 Months:.....	-	-	-	
	Jun 2006	May 2007	Jun 2007	
BOJ Open Market Rates (%) *				
30-Day	12.45	11.65	11.65	
60-Day	12.50	11.70	11.70	
90-Day	12.60	11.80	11.80	
120-Day	12.65	11.85	11.85	
180-Day	12.80	12.00	12.00	
270-Day	-	-	-	
365-Day	-	-	-	
COMMERCIAL BANKS (Foreign Currency)	Jul 2006	Jun 2007	Jul 2007	
Fixed Deposits (Under US\$100,000)				
1-3 months.....	0.25-5.00	3.00-4.85	3.00-4.85	
3-6 months.....	0.25-5.50	3.20-5.35	3.20-5.35	
6-12 months.....	0.25-6.00	3.28-5.85	3.28-5.85	
Fixed Deposits (US\$100,000 & Over)				
1-3 months.....	0.50-5.75	3.00-5.60	3.00-5.60	
3-6 months.....	0.50-6.25	3.20-6.10	3.20-6.10	
6-12 months.....	0.50-6.75	3.40-6.60	3.40-6.60	
Average Loan Rates	11.95	10.77	11.27	
Average Savings	2.45	2.48	2.40	

				% Change p.a.
IV. SECURITIES (J\$mnn.) (outstanding balances)	Jun 2006	May 2007	Jun 2007	
GOJ Local Registered Stock.....	236,668.57	230,682.33	230,363.79	-2.66
	Jul 2006	Jun 2007	Jul 2007	
BOJ Open Market Operations 1/.....	154,634.01	150,758.26	143,751.68	-7.04
GOJ Treasury Bills.....	4,200.00	4,200.00	4,200.00	-
V. INSTALMENT CREDIT (J\$mnn.)	Jun 2006	May 2007	Jun 2007	
(Banks & Near-Banks)				
Total Credit Outstanding.....	16,323.32	22,918.58	23,871.18	46.24
New Business.....	1,407.93	1,249.37	1,552.86	10.29
VI. NEAR-BANKS (J\$mnn.)	Jun 2006	May 2007	Jun 2007	
(Merchant Banks, Trust Com. & Finance Houses)				
Assets/Liabilities.....	48,119.56	46,401.64	46,546.01	-3.27
Loans Outstanding.....	9,749.05	14,648.08	14,866.22	52.49
Total Deposits.....	12,803.06	15,095.93	15,249.61	19.11
Loans.....	9,749.05	14,648.08	14,866.22	52.49
Agriculture.....	963.13	1,032.11	1,028.96	6.84
Manufacturing.....	392.11	578.55	549.82	40.22
Construction & Land Development.....	1,069.36	2,785.83	2,873.92	168.75
Mining, Quarrying & Processing.....	21.64	15.16	14.94	-30.96
Tourism.....	953.62	882.22	884.85	-7.21
Transport, Storage & Communication.....	425.80	790.88	814.54	91.30
Consumer Oriented.....	5,247.72	6,976.64	7,096.79	35.24
Government Services.....	397.05	787.42	802.35	102.08
Other.....	278.62	799.27	800.05	187.15
	May 2006	Apr 2007	May 2007	
Liquid Assets Ratio (average) %.....	25.30	37.50	43.80	
Statutory Requirement.....	23.00	23.00	23.00	
VII. BUILDING SOCIETIES (J\$mnn.)	Jun 2006	May 2007	Jun 2007	
(members & associate members)				
Assets/Liabilities.....	96,715.73	111,431.07	113,089.17	16.93
Loan Balances.....	40,140.26	47,177.97	49,533.88	23.40
Savings Funds.....	68,347.36	77,250.65	78,260.98	14.50
VIII. INFLATION	Jul 2006	Jun 2007	Jul 2007	
Consumer Price Index (Jan. 1988 = 100).....	2,394.5	2,495.3	2,523.3	5.63
Monthly Rate (%).....	1.4	0.5	1.1	
Calendar Year to Date (%).....	4.4	2.9	4.0	
Fiscal Year to Date (%).....	4.2	1.9	3.0	
IX. ACTUAL PRODUCTION ('000)	Jun 2006	May 2007	Jun 2007	
Bauxite (tonnes).....	360.62	424.15	264.23	-26.73
Alumina (tonnes).....	364.29	341.74	345.00	-5.30
Sugar (tonnes).....	4.61	20.51	9.93	115.40
Banana Exports (tonnes).....	1.96	2.60	2.95	50.51
X. STOCK MARKET ACTIVITIES	Jul 2006	Jun 2007	Jul 2007	
Index**.....	85,753.11	90,069.92	92,021.84	7.31
Volume Traded (mn.)***.....	304.92	184.46	579.08	89.91
Ordinary Shares.....	304.92	184.15	579.08	89.91
Block Transactions.....	0.00	0.31	0.00	-

1/ As at May 2005 the Bank of Jamaica no longer issues Reverse Repurchases

- No Production

** As at end of month

*** Monthly values

+ Revised

				%
X. STOCK MARKET ACTIVITIES (cont'd)	Jul 2006	Jun 2007	Jul 2007	Change p.a.
Value of Stocks Traded (J\$mn.)***	1,462.10	1,109.83	2,019.01	38.09
Ordinary Shares	1,462.10	1,109.53	2,019.01	38.09
Block Transactions	0.00	0.30	0.00	-
Advance/Decline Ratio**	20/16	16/15	25/9	
XI. EXTERNAL TRADE (US\$mn.)	Jan-Apr 2006	Jan-Apr 2007	Change	
1. EXPORTS				
(a) Major Traditional Exports	<u>418.67</u>	<u>437.50</u>	<u>18.83</u>	
Bauxite	37.39	39.21	1.82	
Alumina	318.22	335.90	17.68	
Sugar	58.75	58.20	0.55	
Bananas	4.30	4.20	-0.11	
(b) Other Traditional Exports	28.83	23.45	-5.38	
(c) Non-Traditional Exports	181.45	223.15	41.70	
(d) Re-exports	13.65	16.61	2.96	
General Merchandise Exports	<u>642.59</u>	<u>700.71</u>	<u>58.12</u>	
(e) Freezone Exports	17.64	18.06	0.42	
(f) Goods Procured in Ports	26.56	26.56	-	
Total Goods Exports	<u>686.79</u>	<u>745.32</u>	<u>58.53</u>	
2. IMPORTS (by S.I.T.C.)				
(a) Food	205.04	232.32	27.28	
(b) Beverage & Tobacco	21.06	27.80	6.74	
(c) Crude Material	34.18	21.23	-12.95	
(d) Mineral Fuel	629.95	546.94	-83.01	
(e) Animal & Vegetable Oil	9.17	12.00	2.83	
(f) Chemicals	219.61	250.03	30.42	
(g) Manufactured Goods	191.26	240.83	49.57	
(h) Machinery & Transportation	337.04	414.48	77.44	
(i) Miscellaneous Manufactured Goods	144.85	193.16	48.31	
(j) Miscellaneous Commodities	22.55	26.83	4.28	
General Merchandise Imports	<u>1,814.70</u>	<u>1,965.62</u>	<u>150.92</u>	
Freezone Imports	7.86	6.25	-1.61	
Goods Procured in Ports	38.94	38.94	-	
Total Goods Imports	<u>1,861.50</u>	<u>2,010.81</u>	<u>149.31</u>	
Trade Balance	<u>-908.48</u>	<u>-961.52</u>	<u>-53.04</u>	
XII. TOURISM	May 2006	May 2007	% Change	
Tourist Arrivals ('000)	<u>217.21</u>	<u>225.19</u>	<u>3.67</u>	
Stop Overs	133.90	132.04	-1.39	
Foreign Nationals	127.00	124.30	-2.13	
Non-Resident Jamaicans	6.90	7.74	12.22	
Cruise	83.31	93.15	11.81	
Armed Forces	-	-	-	
Estimated Expenditure (US\$mn.)	<u>129.3</u>	<u>128.0</u>	<u>-1.01</u>	
XIII. BALANCE OF PAYMENTS (US\$mn.)	Jan-Apr 2006	Jan-Apr 2007 *	Change	
Balance of Payments (Calendar)				
1. Current Account	<u>-283.3</u>	<u>-391.3</u>	<u>-108.0</u>	
A. Goods balance	<u>-948.9</u>	<u>-1,006.7</u>	<u>-57.8</u>	
Exports (f.o.b.)	686.8	745.3	58.5	
Imports (f.o.b.)	1,635.7	1,752.0	116.3	
B. Service Balance	<u>332.5</u>	<u>269.6</u>	<u>-62.8</u>	
Transportation	-80.0	-113.0	-33.0	
Travel	575.6	543.8	-31.8	
Other Services	-163.1	-161.2	1.9	

* Provisional

** As at last trading day of month

*** Monthly values

<i>Balance of Payments (Calendar) (Cont'd)</i>			
	Jan-Apr 2006	Jan-Apr 2007 *	Change
C. Income.....	<u>-208.6</u>	<u>-249.5</u>	<u>-40.9</u>
Compensation of Employees.....	10.4	4.1	-6.3
Investment Income.....	-219.0	-253.6	-34.6
D. Current Transfers.....	<u>541.8</u>	<u>595.3</u>	<u>53.5</u>
Official.....	46.8	45.1	-1.7
Private.....	495.0	550.2	55.2
2. Capital and Financial Account.....	<u>283.3</u>	<u>391.3</u>	<u>108.0</u>
A. Capital Account.....	<u>-2.1</u>	<u>-1.7</u>	<u>0.3</u>
Capital Transfers.....	<u>-2.1</u>	<u>-1.7</u>	<u>0.3</u>
Official.....	0.5	0.2	-0.3
Private.....	-2.6	-1.9	0.7
Acq./Disp. of non-produced non-fin. assets....	0.0	0.0	0.0
B. Financial Account.....	<u>285.3</u>	<u>393.0</u>	<u>107.7</u>
Other Official Investment.....	14.5	205.1	190.6
Other Private Investment.....	335.2	162.7	-172.5
<i>(incl. errors & omissions)</i>			
Reserves.....	<u>-64.4</u>	<u>25.2</u>	
	Apr	Apr *	
<i>Balance of Payments (Fiscal)</i>	2006	2007	
1. Current Account.....	<u>-27.9</u>	<u>-83.3</u>	<u>-55.4</u>
A. Goods balance.....	<u>-213.0</u>	<u>-241.1</u>	<u>-28.1</u>
Exports (f.o.b.).....	161.3	181.5	20.2
Imports (f.o.b.).....	374.3	422.6	48.2
B. Service Balance.....	<u>89.0</u>	<u>60.8</u>	<u>-28.2</u>
Transportation.....	-17.9	-26.0	-8.2
Travel.....	147.3	124.9	-22.5
Other Services.....	-40.5	-38.1	2.4
C. Income.....	<u>-38.8</u>	<u>-57.2</u>	<u>-18.4</u>
Compensation of Employees.....	1.2	0.8	-0.4
Investment Income.....	-40.0	-58.0	-18.0
D. Current Transfers.....	<u>134.9</u>	<u>154.3</u>	<u>19.3</u>
Official.....	11.1	10.8	-0.3
Private.....	123.9	143.5	19.6
2. Capital and Financial Account.....	<u>27.9</u>	<u>83.3</u>	<u>55.4</u>
A. Capital Account.....	<u>-0.3</u>	<u>-0.4</u>	<u>-0.1</u>
Capital Transfers.....	<u>-0.3</u>	<u>-0.4</u>	<u>-0.1</u>
Official.....	0.5	0.0	-0.5
Private.....	-0.8	-0.4	0.4
Acq./Disp. of non-produced non-fin. assets	0.0	0.0	0.0
B. Financial Account.....	<u>28.2</u>	<u>83.7</u>	<u>55.5</u>
Other Official Investment.....	31.5	17.9	-13.6
Other Private Investment.....	70.4	28.7	-41.7
<i>(incl. errors & omissions)</i>			
Reserves.....	<u>-73.7</u>	<u>37.0</u>	

XIV. BOJ NET INTERNATIONAL RESERVES (US\$mn.)	Jul 2006	Jun 2007+	Jul 2007	% Change p.a.
BOJ Net International Reserves (US\$mn.).....	<u>2,087.87</u>	<u>2,238.87</u>	<u>2,146.18</u>	<u>2.79</u>
Gross Foreign Assets.....	<u>2,251.55</u>	<u>2,472.27</u>	<u>2,363.20</u>	<u>4.96</u>
Gross Foreign Liabilities.....	<u>163.68</u>	<u>233.40</u>	<u>217.02</u>	<u>32.59</u>
Estimated Gross Reserves in Weeks of Imports.....	<u>23.09</u>	<u>23.74</u>	<u>22.69</u>	
Estimated Gross Reserves in Weeks of Goods and Services Imports.....	<u>16.91</u>	<u>17.31</u>	<u>16.54</u>	
XV. FOREIGN EXCHANGE DEVELOPMENTS (US\$mn.) *	Jun 2006	May 2007	Jun 2007	
Combined Foreign Exchange Trading				
Foreign Exchange Purchases (spot).....	1,086.68	1,036.16	1,019.86	-6.15
Foreign Exchange Sales (spot).....	1,066.62	1,063.23	993.56	-6.85
Foreign Currency Deposit Balances of Authorised Dealers (US\$mn.)	Jun 2006	May 2007	Jun 2007	
Commercial Banks Balances.....	<u>1,523.93</u>	<u>1,603.38</u>	<u>1,613.75</u>	<u>5.89</u>
"A" Accounts 1/.....	149.08	144.37	134.58	-9.73
"B" Accounts	0.00	0.00	0.00	-
Other.....	1,374.85	1,459.01	1,479.17	7.59
F.I.As Balance.....	<u>157.47</u>	<u>179.78</u>	<u>193.07</u>	<u>22.61</u>
"A" Accounts 1/.....	95.42	111.37	117.81	23.46
"B" Accounts	0.06	0.26	0.26	333.33
Other.....	61.99	68.15	75.00	20.99
Building Societies Balances.....	<u>375.32</u>	<u>432.24</u>	<u>438.09</u>	<u>16.72</u>
"A" Accounts 1/.....	225.22	274.29	278.21	23.53
"B" Accounts	66.29	66.28	67.85	2.35
Other	83.81	91.67	92.03	9.81
Total Foreign Currency Deposits (US\$mn.).....	<u>2,056.72</u>	<u>2,215.40</u>	<u>2,244.91</u>	<u>9.15</u>
Total Foreign Currency Loans (US\$mn.).....	<u>980.68</u>	<u>1,132.81</u>	<u>1,165.20</u>	<u>18.82</u>
Commercial Banks.....	879.66	977.26	1,011.17	14.95
F.I.As	89.29	137.35	138.10	54.66
Building Societies.....	11.73	18.20	15.93	35.81

+ Revised

* Foreign Currency balances represent the US dollar equivalent of the value of total transactions in major international currencies.
1/ "A" Accounts are tax free Foreign Currency Accounts Held by non-residents

	Jul 2006	Jun 2007	Jul 2007
London Interbank Offer Rate (LIBOR) Eurodollars (%)			
3 months.....	3.16	4.17	4.26
6 months.....	3.33	4.32	4.39
U.S. Prime Rate (end of period) (%).....	8.25	8.25	8.25
 Selling Exchange Rates (end period)	 Jul 2006	 Jun 2007	 Jul 2007
US\$1.00 = J\$.....	65.99	68.58	68.88
Can. \$1.00 = J\$.....	58.49	64.81	65.63
U.K. Pound = J\$.....	122.53	136.60	139.20
Euro = J\$**.....	84.32	92.37	94.14
 Caricom Selling Exchange Rates**			
T.T. \$1 = J\$.....	10.50	10.89	10.89
Bdos. \$1 = J\$.....	33.00	34.30	34.41
Guy. \$1 = J\$.....	0.33	0.34	0.34
E.C. \$1 = J\$.....	24.44	25.41	25.49

*** Indicative Rates*

INFLATION

JUNE 2007

The All Jamaica Consumer Price Index (CPI) rose by 0.5 per cent in June 2007, below the 0.7 per cent increase in the previous month and the 1.3 per cent recorded in June 2006. The outturn for the review month resulted in a 12-month point-to-point inflation rate of 5.6 per cent, 2.8 percentage points below the outturn for the corresponding period to June 2006. The mean annual inflation rate was 6.4 per cent, representing a sharp reduction relative to the rate of 13.2 per cent one year ago. However, for the calendar year to June, the inflation rate was 2.9 per cent, similar to the 3.0 per cent rate for the corresponding period of 2006.

The primary influence on June's outturn was similar to that of May: the pass-through of higher international commodity prices, such as those of crude oil and grains. Basic food items were the main commodities affected by the movements in the prices of grains while household utility costs were chiefly impacted by crude oil prices. Favourable supplies of tubers resulted in a decline in the prices of starchy foods for a sixth consecutive month.

All groups in the CPI increased during the month. The most influential increases were recorded in Food & Drink, Housing & Other Housing Expenses, Healthcare & Personal Expenses and Miscellaneous Expenses. Food & Drink, Housing & Other Housing Expenses and Healthcare & Personal Expenses increased by 0.4 per cent, 1.7 per cent and 0.7 per cent, respectively, while Miscellaneous Expenses rose by 0.5 per cent. These subcategories together accounted for approximately 95.8 per cent of the overall inflation outturn.

The expansion in Food & Drink was chiefly influenced by the increases in Baked Products, Cereals & Breakfast Drinks; Meat, Poultry & Fish and Meals Away from Home. Higher international grain prices affected flour prices and in turn whole wheat and hard dough bread prices. The observed increases were less than the 6.0 per cent to 8.0 per cent increase announced by bakers. In the other two sub-groups, mutton played an important role. There was a sharp increase in the price of goat's flesh in the Rural Areas while simultaneously there was an increase in the cost of a mutton meal. Offering major offset to the impact of these increases was a decline of 3.5 per cent in Starchy Foods. This unseasonable movement emanated chiefly from the exceptionally favourable weather that has prevailed since late 2006. However, recent drought conditions in certain parishes resulted in an increase in vegetable prices, the first such increase in six months.

The increase of 1.7 per cent in Housing & Other Housing Expenses resulted solely from an increase of 2.1 per cent in Other Housing Expenses. This arose chiefly from a 10.9 per cent increase in the fuel charge at the electricity company which led to electricity bills increasing by 5.8 per cent. This was supported by increases in the cost of building materials such as lumber and steel.

The increase of 0.7 per cent in the Healthcare & Personal Expenses sub-index emanated mainly from the Personal Expenses component. Adjustments were observed in the prices of toothpaste and deodorant and the cost of a professional hairdo. For the half year, Healthcare & Personal Expenses has risen more than any other group, except for Miscellaneous Expenses, and has been largely buoyed by increases in medical practitioners' fees and medicaments.

Also of importance in the month was the movement in Miscellaneous Expenses which increased by 0.5 per cent. This mainly reflected the impact of changes in admission fees to cinemas and theatres.

The CPI in the KMA and Other Towns increased by 0.7 per cent and 0.6 per cent respectively, while the change in the Rural Areas was 0.2 per cent. This disparity was mainly reflected in the most heavily weighted Food & Drink. The index of Food & Drink rose by 0.8 per cent and 0.2 per cent in KMA and Other Towns, respectively, but reflected no change in the Rural Areas. This pattern was mostly evident in the Baked Products, Cereals & Breakfast Drinks sub-group. The index increased by 2.6 per cent, 2.1 per cent and 1.6 per cent in the KMA, Other Towns and Rural Areas, respectively. This largely reflected sharper increases in whole wheat and hard dough bread prices in the KMA and Other Towns.

The trimmed mean index increased by 0.42 per cent in June 2007, 0.04 percentage point above the change in the previous month (Table 4). The outturn brought the calendar year-to-date core inflation to 1.4 per cent which was similar to the estimate for the comparable period of 2007. The 12-month point-to-point and annual average core inflation rates of 3.5 per cent and 3.4 per cent at June 2007, were respectively 0.6 percentage point and 1.9 percentage points below what obtained at June 2006.

The measure of underlying inflation that excludes agricultural prices (CPI-A) was 0.71 per cent in June, 0.02 percentage point above the estimate in the previous month. The calendar year-to-date movement in the index was 3.82 per cent compared to 4.17 per cent at the similar position last year. On an annual point-to-point basis, the CPI-A was 6.7 per cent relative to 11.1 per cent for the corresponding period last year. The lower outturn relative to last year was primarily due to lower impulses arising from the cost of energy and fuel as increases in international crude oil prices had moderated in early 2007. At present, oil prices remain below the levels attained at the comparable point in the previous year.

Table 1
JAMAICA: INFLATION RATES

	1/ C.P.I.	3 Month AVG. C.P.I.	Monthly % change	3 Month* % change	3 Month # % change	12 Month* % change	12 Month # % change
2003 Jan	1,561.3	1,561.9	-0.31	1.44	2.12	6.30	6.83
Feb	1,552.2	1,559.9	-0.58	-0.39	1.17	5.74	6.64
Mar	1,559.5	1,557.7	0.47	-0.42	0.20	6.20	6.52
Apr	1,584.0	1,565.2	1.57	1.45	0.21	7.33	6.50
May	1,613.4	1,585.6	1.86	3.94	1.65	9.01	6.66
Jun	1,653.1	1,616.8	2.46	6.00	3.80	10.74	7.04
Jul	1,678.4	1,648.3	1.53	5.96	5.31	10.74	7.38
Aug	1,702.0	1,677.8	1.41	5.49	5.81	11.88	7.85
Sept	1,728.4	1,702.9	1.55	4.56	5.33	13.11	8.47
Oct	1,756.7	1,729.0	1.64	4.67	4.90	14.13	9.17
Nov	1,773.0	1,752.7	0.93	4.17	4.46	13.78	9.74
Dec	1,786.8	1,772.2	0.78	3.38	4.07	14.09	10.32
2004 Jan	1,801.8	1,787.2	0.84	2.57	3.36	15.40	11.08
Feb	1,811.9	1,800.2	0.56	2.19	2.71	16.73	11.99
Mar	1,820.8	1,811.5	0.49	1.90	2.22	16.76	12.86
Apr	1,828.2	1,820.3	0.41	1.47	1.85	15.42	13.52
May	1,839.9	1,829.6	0.64	1.55	1.64	14.04	13.93
Jun	1,854.8	1,841.0	0.81	1.87	1.63	12.20	14.03
Jul	1,854.8	1,855.8	0.97	2.44	1.95	11.58	14.08
Aug	1,897.3	1,875.0	1.31	3.12	2.48	11.47	14.02
Sept	1,909.2	1,893.1	0.63	2.93	2.83	10.46	13.77
Oct	1,972.2	1,926.2	3.30	5.31	3.79	12.27	13.61
Nov	2,020.0	1,967.1	2.42	6.47	4.92	13.93	13.62
Dec	2,032.1	2,008.1	0.60	6.44	6.07	13.73	13.60
2005 Jan	2,032.8	2,028.3	0.03	3.07	5.30	12.82	13.39
Feb	2,041.7	2,035.5	0.44	1.07	3.48	12.68	13.07
Mar	2,061.5	2,045.4	0.97	1.45	1.86	13.22	12.81
Apr	2,100.4	2,067.9	1.88	3.32	1.95	14.89	12.79
May	2,147.1	2,103.0	2.23	5.17	3.32	16.70	13.04
Jun	2,178.9	2,142.2	1.48	5.69	4.73	17.48	13.49
Jul	2,213.3	2,179.8	1.58	5.38	5.41	18.18	14.04
Aug	2,214.7	2,202.4	0.06	3.15	4.72	16.73	14.48
Sept	2,272.4	2,233.5	2.61	4.29	4.26	19.03	15.19
Oct	2,285.7	2,257.7	0.59	3.27	3.57	15.90	15.48
Nov	2,292.3	2,283.5	0.29	3.50	3.69	13.48	15.42
Dec	2,293.8	2,290.7	0.07	0.94	2.56	12.88	15.33
2006 Jan	2,295.7	2,294.0	0.08	0.44	1.61	12.94	15.31
Feb	2,295.3	2,295.0	-0.02	0.13	0.50	12.42	15.26
Mar	2,297.1	2,296.1	0.08	0.14	0.24	11.43	15.08
Apr	2,323.3	2,305.2	1.14	1.20	0.49	10.62	14.70
May	2,332.6	2,317.6	0.40	1.63	0.99	8.64	14.00
Jun	2,362.3	2,339.4	1.27	2.84	1.89	8.42	13.24
Jul	2,394.5	2,363.1	1.36	3.06	2.51	8.19	12.41
Aug	2,401.9	2,386.2	0.31	2.97	2.96	8.45	11.73
Sept	2,419.8	2,405.4	0.75	2.43	2.82	6.49	10.71
Oct	2,417.9	2,413.2	-0.08	0.98	2.12	5.78	9.87
Nov	2,413.5	2,417.0	-0.18	0.48	1.29	5.29	9.18
Dec	2,425.9	2,419.1	0.51	0.25	0.57	5.76	8.59
2007 Jan	2,432.9	2,424.1	0.29	0.62	0.45	5.98	8.03
Feb	2,437.2	2,432.0	0.18	0.98	0.62	6.18	7.53
Mar	2,449.4	2,439.8	0.50	0.97	0.86	6.63	7.16
Apr	2,466.0	2,450.8	0.68	1.36	1.10	6.14	6.80
May	2,482.6	2,466.0	0.67	1.86	1.40	6.43	6.63
Jun	2,495.3	2,481.3	0.51	1.87	1.70	5.63	6.40

1/ January 1998 = 100

Moving average

* Point to point

Source: STATIN

Table 2
COMPONENT CONTRIBUTION TO INFLATION
June 2007

	Weight in the CPI	Monthly Inflation (%)	Weighted Inflation	% Contribution to Inflation
FOOD & DRINK	0.5563	0.4	0.2617	47.7
Meals Away From Home	0.0741	0.6	0.0455	8.3
Meat, Poultry & Fish	0.1613	0.9	0.1385	25.2
Dairy Products Oils & Fats	0.0668	0.6	0.0394	7.2
Baked Products, Cereals & Breakfast Drink	0.0864	2.1	0.1811	33.0
Starchy Foods	0.0525	-3.5	-0.1839	-33.5
Vegetables & Fruits	0.0650	0.3	0.0219	4.0
Other Food & Beverages	0.0502	0.4	0.0193	3.5
FUELS & OTHER HOUSEHOLD SUPPLIES	0.0735	0.3	0.0306	5.6
Household Supplies	0.0482	0.5	0.0243	4.4
Fuels	0.0253	0.2	0.0063	1.1
HOUSING & OTHER HOUSING EXPENSES	0.0786	1.7	0.1221	22.2
Rental	0.0209	0.0	0.0002	0.0
Other Housing Expenses	0.0577	2.1	0.1219	22.2
HOUSEHOLD FURNISHINGS & FURNITURE	0.0283	0.6	0.0273	5.0
Furniture	0.0068	-1.5	-0.0103	-1.9
Furnishings	0.0215	1.7	0.0376	6.8
HEALTHCARE & PERSONAL EXPENSES	0.0697	0.7	0.0463	8.4
PERSONAL CLOTHING, FOOTWEAR & ACCESSORIES	0.0507	0.2	0.0080	1.5
Clothing Materials	0.0055	0.1	0.0005	0.1
Readymade Clothing & Accessories	0.0242	0.1	0.0021	0.4
Footwear	0.0159	0.1	0.0011	0.2
Making & Repairs	0.0051	0.9	0.0043	0.8
TRANSPORTATION	0.0644	0.2	0.0122	2.2
MISCELLANEOUS EXPENSES	0.0785	0.5	0.0410	7.5
ALL GROUPS	1.0000	0.51	0.55	100.0

Table 3
REGIONAL INFLATION
June 2007

	KMA (%)	Other Towns (%)	Rural (%)
FOOD & DRINK	0.8	0.2	0.0
Meals away from home	0.6	0.9	0.4
Meat Poultry & Fish	1.2	0.6	0.7
Dairy Products Oils & Fats	0.7	0.7	0.4
Baked Products Cereals & Breakfast Drink	2.6	2.1	1.6
Starchy Foods	-4.2	-2.5	-3.5
Vegetables & Fruits	2.0	-3.3	0.5
Other Food & Beverages	0.4	0.4	0.3
FUELS & OTHER HOUSEHOLD SUPPLIES	0.3	0.6	0.2
Household Supplies	0.5	0.5	0.5
Fuels	0.2	0.6	0.1
HOUSING & OTHER HOUSING EXPENSES	1.5	1.9	2.0
Rental	0.0	0.1	0.1
Other Housing Expenses	2.1	2.1	2.2
HOUSEHOLD FURNISHINGS & FURNITURE	2.1	-0.5	-0.2
Furniture	0.0	-2.4	-2.5
Furnishings	3.4	0.4	0.9
HEALTHCARE & PERSONAL EXPENSES	1.0	0.1	0.5
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.2	0.2	0.1
Clothing Materials	0.0	0.6	0.0
Readymade Clothing & Accessories	0.0	0.1	0.1
Footwear	0.0	0.3	0.0
Making & Repairs	1.6	0.7	0.0
TRANSPORTATION	0.2	0.2	0.1
MISCELLANEOUS EXPENSES	0.0	1.6	0.5
ALL GROUPS	0.7	0.6	0.2

Table 4
INFLATION: ACTUAL & CORE

	Monthly		Fiscal Year to Date		12-Mth Core	
	Actual	Core	Actual	Core	Pt to Pt	Average
2003/04						
Apr	1.57	0.65	1.57	0.65	4.54	3.35
May	1.86	0.73	3.46	1.38	5.09	3.51
June	2.46	0.91	6.00	2.30	5.64	3.72
July	1.53	0.94	7.62	3.27	6.31	3.99
Aug	1.41	0.79	9.14	4.08	6.90	4.33
Sept	1.55	0.52	10.83	4.62	7.22	4.70
Oct	1.64	0.79	12.65	5.45	7.77	5.12
Nov	0.93	0.66	13.69	6.14	7.89	5.51
Dec	0.78	0.53	14.58	6.70	8.09	5.90
Jan	0.84	0.50	15.54	7.23	8.22	6.30
Feb	0.56	0.32	16.18	7.57	8.15	6.68
Mar	0.49	0.32	16.76	7.91	7.91	6.99
2004/05						
Apr	0.41	0.32	0.41	0.32	7.55	7.24
May	0.64	0.39	1.05	0.71	7.20	7.41
June	0.81	0.36	1.87	1.08	6.62	7.48
July	0.97	0.36	2.86	1.44	6.00	7.45
Aug	1.31	0.46	4.20	1.91	5.66	7.34
Sept	0.63	0.34	4.86	2.25	5.46	7.19
Oct	3.30	0.66	8.32	2.93	5.33	6.98
Nov	2.42	0.60	10.94	3.54	5.26	6.76
Dec	0.60	0.47	11.60	4.03	5.20	6.52
Jan	0.03	0.36	11.64	4.41	5.07	6.26
Feb	0.44	0.28	12.13	4.70	5.03	6.00
Mar	0.97	0.45	13.22	5.17	5.17	5.78
2005/06						
Apr	1.88	0.50	1.88	0.50	5.37	5.60
May	2.23	0.56	4.16	1.07	5.55	5.47
June	1.48	0.58	5.69	1.66	5.78	5.40
July	1.58	0.58	7.36	2.25	6.01	5.41
Aug	0.06	0.44	7.43	2.71	6.00	5.44
Sept	2.61	0.40	10.23	3.12	6.06	5.49
Oct	0.59	0.37	10.87	3.49	5.75	5.52
Nov	0.29	0.34	11.19	3.85	5.48	5.54
Dec	0.07	0.24	11.27	4.10	5.24	5.54
Jan	0.08	0.27	11.36	4.37	5.14	5.55
Feb	-0.02	0.29	11.34	4.68	5.15	5.56
Mar	0.08	0.26	11.43	4.95	4.95	5.54
2006/07						
Apr	1.14	0.31	1.14	0.31	4.75	5.48
May	0.40	0.29	1.55	0.60	4.46	5.39
June	1.27	0.28	2.84	0.87	4.14	5.25
July	1.36	0.33	4.24	1.21	3.88	5.07
Aug	0.31	0.22	4.56	1.43	3.65	4.88
Sept	0.75	0.52	5.34	1.96	3.78	4.69
Oct	-0.08	0.12	5.26	2.08	3.52	4.50
Nov	-0.18	0.15	5.07	2.23	3.32	4.32
Dec	0.51	0.28	5.61	2.52	3.36	4.16
Jan	0.29	0.15	5.91	2.67	3.24	4.01
Feb	0.18	0.23	6.10	2.90	3.17	3.84
Mar	0.50	0.38	6.63	3.29	3.29	3.71
2007/08						
Apr	0.68	0.25	0.68	0.25	3.23	3.58
May	0.67	0.38	1.36	0.64	3.33	3.49
June	0.51	0.42	1.87	1.06	3.48	3.44

**JAMAICA:
BALANCE OF PAYMENTS DEVELOPMENTS
MAY 2007**

May 2007

Provisional data indicate that the current account deficit in May 2007 widened by US\$139.9 million, compared with the deficit in May 2006 (see Table). This out-turn principally reflected a deterioration in the merchandise trade deficit associated with respective increases of US\$57.4 million and US\$30.3 million in machinery & transport and food imports. In addition, there was a fall in the overall earnings from exports which was largely related to a reduction of US\$28.0 million in the value of alumina exports.

There was also a lower balance on the services accounts. Within services, an increase in transportation outflows was associated with the higher levels of imports. Additionally, a decline of 1.4 per cent in stopover visitor arrivals contributed to a contraction of US\$5.7 million in gross travel inflows.

Within the capital and financial accounts, net private and official investment inflows were insufficient to finance the deficits on the current and capital accounts. As a result, the NIR of the Bank of Jamaica declined by US\$40.1 million for May 2007.

January – May 2007

The current account deficit was estimated at US\$609.1 million for the period January - May 2007, US\$247.9 million higher than the deficit for the comparable period in 2006. With the exception of current transfers, the balances on all the sub-accounts deteriorated over the review period.

With respect to the merchandise trade account, there was an increase in the value of imports, associated mainly with higher spending on machinery & transport equipment and manufactured goods. There was, however, a US\$92.0 million (11.8 per cent) reduction in expenditure on fuel imports, partly reflecting a decline of 8.8 per cent in the average price of oil (WTI) on the international market. The impact of the expansion in imports was partly offset by increased earnings from non-traditional exports, particularly mineral fuels and scrap metals.

An expansion of US\$52.0 million in the deficit on the transportation sub-account, in conjunction with a decline of US\$35.5 million in the surplus on the travel sub-account, accounted for the lower surplus on the services account. The higher deficit on the transportation sub-account was influenced by increases in freight charges, related to the growth in imports, while the travel sub-account reflected declines in foreign national stopover arrivals as well as the estimated average daily expenditure of visitors. There was also an increase in expenditure by Jamaicans travelling abroad.

The deterioration in the income account was principally related to higher imputed profit remittances of direct investment companies while the increase in net current transfers reflected growth of 9.2 per cent in gross private inflows.

Within the capital and financial account, net private and official investment inflows were insufficient to finance the deficits on the current and capital accounts. As a result, there was a decline of US\$65.3 million in the NIR during the review period. At end-May 2007, the gross reserves stood at US\$2510.6 million, representing 17.2 weeks of projected imports of goods and services.

BALANCE OF PAYMENTS SUMMARY (US\$M)

	May 2006	May ^{2/} 2007	Change	Jan-May 2006	Jan-May ^{2/} 2007	Change
1. CURRENT ACCOUNT	-49.0	-188.9	-139.9	-361.2	-609.1	-247.9
A. GOODS and SERVICES	-141.6	-286.3	-144.7	-817.2	-1,087.8	-270.6
a. GOODS BALANCE	-179.7	-299.3	-119.6	-1,128.1	-1,312.4	-184.3
Exports (f.o.b.)	212.9	193.5	-19.4	905.2	944.3	39.1
Imports (f.o.b.)	392.6	492.8	100.2	2,033.3	2,256.6	223.3
b. SERVICES BALANCE	38.2	13.0	-25.2	310.9	224.6	-86.3
Transportation	-32.6	-52.0	-19.4	-151.2	-203.2	-52.0
Travel	110.5	104.8	-5.7	683.1	647.6	-35.5
Other Services	-39.7	-39.9	-0.2	-221.0	-219.8	1.2
B. INCOME	-59.4	-60.4	-1.0	-242.2	-272.9	-30.7
Compensation of employees	3.4	2.4	-1.0	12.1	5.3	-6.8
Investment Income	-62.8	-62.7	0.1	-254.3	-278.2	-23.9
C. CURRENT TRANSFERS	151.9	157.8	5.9	698.2	751.6	53.4
Official	11.8	2.6	-9.2	61.0	31.3	-29.7
Private	140.0	155.1	15.1	637.3	720.3	83.0
2. CAPITAL & FINANCIAL ACCOUNT	49.0	188.9	139.9	361.2	609.1	247.9
A. CAPITAL ACCOUNT	0.0	-0.3	-0.3	-2.6	-2.5	0.1
a. Capital Transfers	0.0	-0.3	-0.3	-2.6	-2.5	0.1
Official	0.0	0.1	0.1	0.6	0.3	-0.3
Private	0.0	-0.4	-0.4	-3.1	-2.8	0.3
b. Acq./disposal of non-prod. non-fin'l assets	0.0	0.0	0.0	0.0	0.0	0.0
B. FINANCIAL ACCOUNT	49.0	189.2	140.2	363.7	611.6	247.9
Other official investment	122.4	29.1	-93.3	137.0	248.4	111.4
Other private investment 2/	-62.5	119.9	182.4	302.1	298.0	-4.1
Reserves	-11.0	40.1		-75.4	65.3	

2/ Provisional

3/ Includes errors & omissions