



ECONOMIC STATISTICS

VOLUME 16 - NO. 5

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SELECTED ECONOMIC INDICATORS

Figure 1

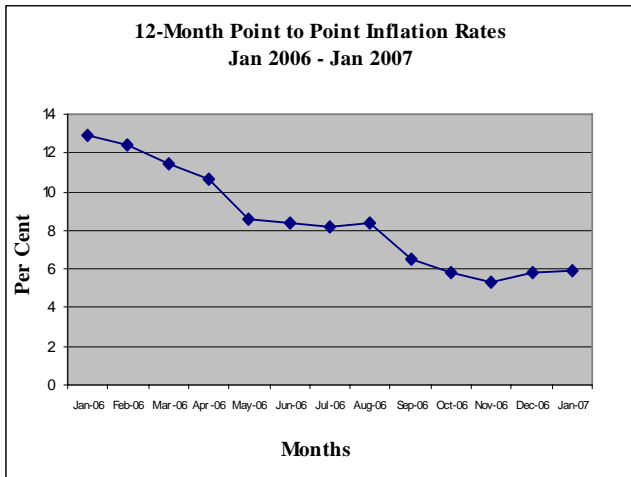


Figure 2

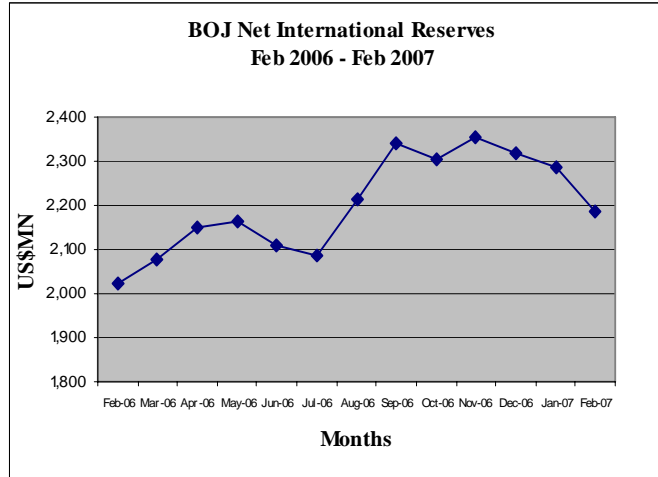


Figure 3

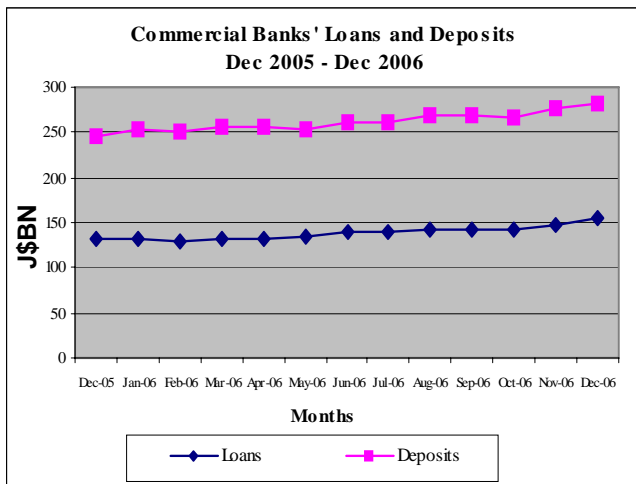


Figure 4

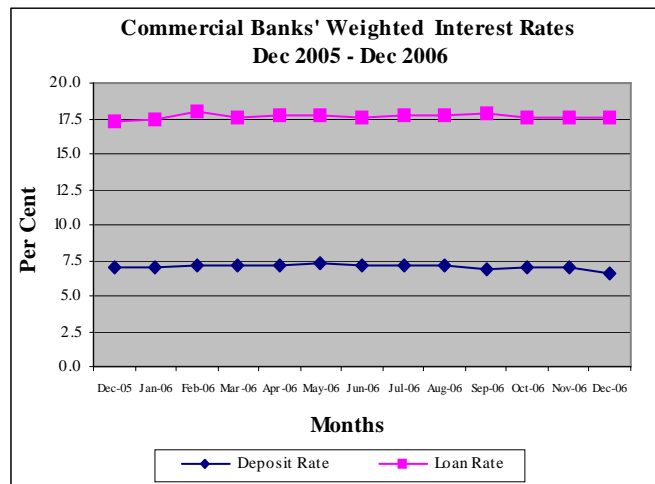


Figure 5

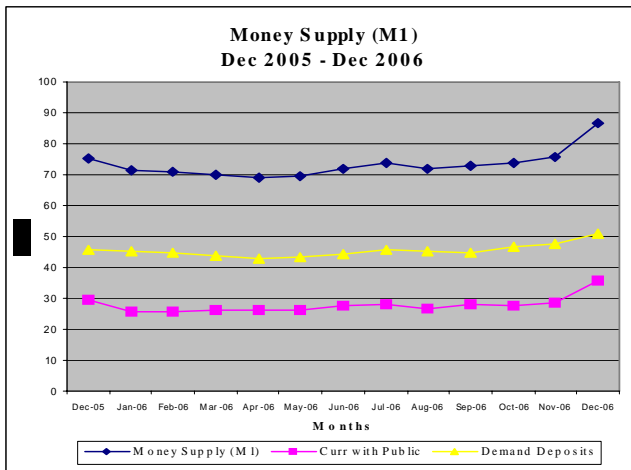
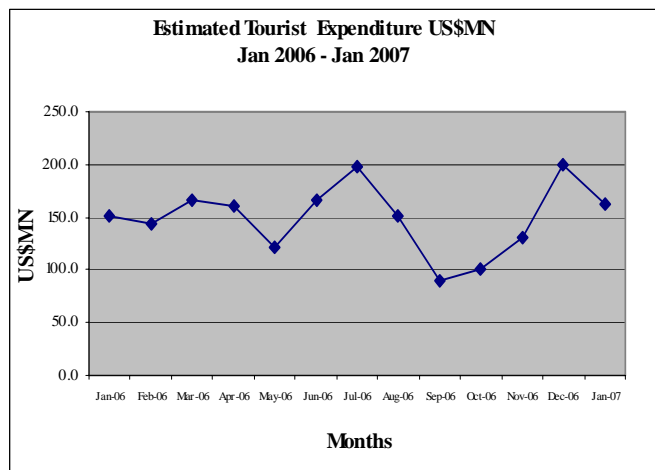


Figure 6



1. MONETARY AGGREGATES (J\$mn.)				%
Local and Foreign Currency	Dec 2005	Nov 2006	Dec 2006	Change p.a.
Money Supply (M1).....	<u>72,736.23</u>	<u>75,903.31</u>	<u>86,885.53</u>	<u>19.45</u>
(a) Currency with the Public.....	29,630.16	28,445.80	35,780.82	20.76
(b) Demand Deposits (adj.)***.....	43,106.07	47,457.51	51,104.71	18.56
Quasi-Money.....	<u>155,584.38</u>	<u>166,712.03</u>	<u>169,527.33</u>	<u>8.96</u>
(a) Time.....	39,789.81	38,971.16	40,827.70	2.61
(b) Savings.....	115,794.57	127,740.87	128,699.63	11.14
Money Supply (M2).....	<u>228,320.61</u>	<u>242,615.34</u>	<u>256,412.86</u>	<u>12.30</u>
Domestic Credit (net).....	<u>238,553.84</u>	<u>218,724.59</u>	<u>238,143.01</u>	<u>-0.17</u>
Local Currency	Dec 2005	Nov 2006	Dec 2006	
Money Supply (M1).....	<u>62,572.80</u>	<u>66,996.09</u>	<u>77,621.55</u>	<u>23.47</u>
(a) Currency with the Public.....	29,630.16	28,445.80	35,780.82	20.76
(b) Demand Deposits (adj.)***.....	32,942.64	38,550.29	41,840.73	27.01
Quasi-Money.....	<u>92,825.42</u>	<u>100,812.57</u>	<u>103,612.75</u>	<u>11.62</u>
(a) Time.....	21,141.62	23,293.34	22,982.20	8.71
(b) Savings.....	71,683.80	77,519.23	80,630.55	12.48
Money Supply (M2).....	<u>155,398.22</u>	<u>167,808.66</u>	<u>181,234.30</u>	<u>16.63</u>
Domestic Credit (net).....	<u>194,172.53</u>	<u>180,916.69</u>	<u>194,479.70</u>	<u>-0.16</u>
	Feb 2006	Jan 2007	Feb 2007	
Base Money.....	<u>43,684.83</u>	<u>50,992.80</u>	<u>51,967.28</u>	<u>18.96</u>
II. COMMERCIAL BANKS (J\$mn.)	Dec 2005	Nov 2006	Dec 2006	
Assets & Liabilities (J\$mn.)**.....	<u>367,076.48</u>	<u>424,666.49</u>	<u>429,969.20</u>	<u>17.13</u>
Loans**.....	<u>132,109.13</u>	<u>147,948.92</u>	<u>153,449.18*</u>	<u>16.15</u>
Agriculture.....	1,831.63	2,297.32	2,298.39	25.48
Manufacturing.....	4,678.01	7,425.30	5,865.31	25.38
Construction & Land Development.....	5,512.31	7,666.75	8,045.54	45.96
Mining.....	252.99	634.90	643.47	154.35
Tourism.....	22,917.68	24,018.21	24,282.30	5.95
Transport, Storage & Communication.....	5,209.24	3,597.73	3,705.75	-28.86
Consumer-Oriented.....	57,507.90	72,066.89	78,759.48	36.95
Government Services.....	32,564.97	28,327.41	27,937.18	-14.21
Other.....	1,634.40	1,914.41	1,911.76	16.97
	Dec 2005	Nov 2006	Dec 2006	
DEPOSITS.....	<u>246,264.89</u>	<u>275,577.74</u>	<u>282,925.53</u>	<u>14.89</u>
Private Sector (including overseas residents).....	<u>218,095.46</u>	<u>233,008.91</u>	<u>239,734.73</u>	<u>9.92</u>
Time.....	51,438.84	50,737.96	52,636.08	2.33
Savings.....	123,510.46	135,782.05	136,858.85	10.81
Demand.....	43,146.16	46,488.90	50,239.80	16.44
Government.....	<u>12,691.31</u>	<u>14,667.64</u>	<u>19,295.29</u>	<u>52.04</u>
Time.....	844.05	765.98	756.65	-10.35
Savings.....	1,402.55	2,019.58	2,024.22	44.32
Demand.....	10,444.71	11,882.08	16,514.42	58.11
Public Entities.....	<u>8,961.59</u>	<u>18,155.32</u>	<u>16,875.76</u>	<u>88.31</u>
Time.....	3,475.62	6,681.19	12,025.84	246.01
Savings.....	2,657.05	8,923.86	2,889.24	8.74
Demand.....	2,828.92	2,550.27	1,960.68	-30.69

+ 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)	Dec 2005	Nov 2006	Dec 2006	Change p.a.
Spec. & O. F. Insts.....	<u>6,516.53</u>	<u>9,745.87</u>	<u>7,019.77</u>	<u>7.72</u>
Time.....	1,161.34	1,740.93	1,485.09	27.88
Savings.....	882.73	1,259.71	916.90	3.87
Demand.....	4,472.46	6,745.23	4,617.78	3.25
	Feb 2006	Jan 2007	Feb 2007	
Current Account Balances with BOJ (J\$mnn).....	<u>120.63</u>	<u>296.84</u>	<u>201.32</u>	
LIQUIDITY (Average) %	Dec 2005	Nov 2006	Dec 2006	
Actual Liquid Assets Ratio.....	<u>38.38</u>	<u>40.13</u>	<u>42.27</u>	
Cash.....	3.65	2.69	3.68	
Deposits with B.O.J.....	9.39	9.27	9.54	
Treasury Bills.....	0.62	0.89	0.83	
Local Registered Stocks.....	2.25	0.71	0.47	
Other.....	22.47	26.57	27.75	
Statutory Requirement.....	<u>23.00</u>	<u>23.00</u>	<u>23.00</u>	
III. SELECTED INTEREST RATES (%)				
COMMERCIAL BANKS (Domestic Currency)	Feb 2006	Jan 2007	Feb 2007	
Fixed Deposits (J\$100,000 & over)				
3-6 months.....	2.50-14.10	2.50-14.10	2.50-14.10	
9-12 months.....	3.00-14.30	3.00-14.30	3.00-14.30	
Call Deposits.....	4.00-15.00	4.00-15.00	4.00-15.00	
Average Savings Deposits	5.30	5.07	5.07	
Average Loan Rate.....	21.84	21.90	21.90	
Average Inter-bank Rate	11.23	8.36	8.82	
	Dec 2005	Nov 2006	Dec 2006	
Weighted Fixed Deposits Rate.....	7.00	6.93	6.60	
Weighted Loan Rate.....	17.32	17.64	17.59	
G.O.J. Treasury Bills (Weighted Average) Yield	Feb 2006	Jan 2007	Feb 2007	
2 Months:.....	-	-	-	
3 Months:.....	12.83	11.79	11.78	
6 Months:.....	13.24	11.99	11.94	
9 Months:.....	-	-	-	
12 Months:.....	-	-	-	
	Feb 2006	Jan 2007	Feb 2007	
BOJ Open Market Rates (%) *				
30-Day	12.60	11.65	11.65	
60-Day	12.70	11.70	11.70	
90-Day	12.75	11.80	11.80	
120-Day	12.85	11.85	11.85	
180-Day	13.00	12.00	12.00	
270-Day	13.25	-	-	
365-Day	13.60	-	-	
COMMERCIAL BANKS (Foreign Currency)	Feb 2006	Jan 2007	Feb 2007	
Fixed Deposits (Under US\$100,000)				
1-3 months.....	0.25-5.00	0.25-4.85	0.25-4.85	
3-6 months.....	0.25-5.50	0.25-5.35	0.25-5.35	
6-12 months.....	0.25-6.00	0.25-5.85	0.25-5.85	
Fixed Deposits (US\$100,000 & Over)				
1-3 months.....	0.50-5.75	0.50-5.60	0.50-5.60	
3-6 months.....	0.50-6.25	0.50-6.10	0.50-6.10	
6-12 months.....	0.50-6.75	0.50-6.60	0.50-6.60	
Average Loan Rates	11.95	11.95	11.95	
Average Savings	2.60	2.63	2.63	

+ Revised

* As at Tuesday 18 April 2006, no placements will be accepted for the 270- and 365- day tenors until further advised.

				%
IV. SECURITIES (J\$mnn.) (outstanding balances)	Dec 2005	Nov 2006	Dec 2006	Change p.a.
GOJ Local Registered Stock.....	225,762.76	230,101.96	229,978.28	1.87
	Jan 2006	Dec 2006	Jan 2007	
BOJ Open Market Operations 1/.....	152,090.10	154,757.01	143,462.38	-5.67
GOJ Treasury Bills.....	3,500.00	4,700.00	4,200.00	20.00
V. INSTALMENT CREDIT (J\$mnn.) (Banks & Near-Banks)	Dec 2005	Nov 2006	Dec 2006	
Total Credit Outstanding.....	13,928.79	19,937.87	20,318.84	45.88
New Business.....	881.24	1,215.25	241.18	-72.63
VI. NEAR-BANKS (J\$mnn.) (Merchant Banks, Trust Com. & Finance Houses)	Dec 2005	Nov 2006	Dec 2006	
Assets/Liabilities.....	44,535.15	45,219.63	45,957.04	3.19
Loans Outstanding.....	8,670.26	10,746.46	11,146.74	28.56
Total Deposits.....	12,139.91	13,807.14	14,016.97	15.46
Loans.....	<u>8,670.26</u>	<u>10,746.46</u>	<u>11,146.74</u>	<u>28.56</u>
Agriculture.....	531.04	1,003.14	1,037.01	95.28
Manufacturing.....	474.75	380.66	423.54	-10.79
Construction & Land Development.....	1,489.22	1,498.47	1,663.88	11.73
Mining, Quarrying & Processing.....	27.50	20.56	19.90	-27.64
Tourism.....	847.17	998.68	995.79	17.54
Transport, Storage & Communication.....	361.29	596.82	609.19	68.62
Consumer Oriented.....	4,205.17	5,780.36	5,910.50	40.55
Government Services.....	475.72	345.17	359.97	-24.33
Other.....	258.40	122.60	126.96	-50.87
	Dec 2005	Nov 2006	Dec 2006	
Liquid Assets Ratio (average) %.....	39.70	38.00	33.60	
Statutory Requirement.....	23.00	23.00	23.00	
VII. BUILDING SOCIETIES (J\$mnn.) (members & associate members)	Dec 2005	Nov 2006	Dec 2006	
Assets/Liabilities.....	89,909.44	104,788.27	106,219.22	18.14
Loan Balances.....	36,551.19	43,331.23	44,035.69	20.48
Savings Funds.....	64,076.17	71,964.50	73,585.05	14.84
VIII. INFLATION	Jan 2006	Dec 2006	Jan 2007	
Consumer Price Index (Jan. 1988 = 100).....	2,295.7	2,425.9	2,432.9	5.98
Monthly Rate (%).....	0.1	0.5	0.3	
Calendar Year to Date (%).....	0.1	5.8	0.3	
Fiscal Year to Date (%).....	11.4	5.6	5.9	
IX. ACTUAL PRODUCTION ('000)	Dec 2005	Nov 2006	Dec 2006	
Bauxite (tonnes).....	404.02	370.82	380.54	-5.81
Alumina (tonnes).....	359.99	329.96	338.60	-5.94
Sugar (tonnes).....	5.42	-	2.35	-56.64
Banana Exports (tonnes).....	2.07	2.67	2.38	14.98
X. STOCK MARKET ACTIVITIES	Feb 2006	Jan 2007	Feb 2007	
Index.....	96,845.29	101,718.82	92,949.46	-4.02
Volume Traded (mn.).....	121.36	249.81	162.02	33.50
Ordinary Shares.....	121.18	134.95	161.70	33.44
Block Transactions.....	0.18	114.86	0.32	77.78

+ Revised

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

- No Production

.. Not Available

	Feb 2006	Jan 2007	Feb 2007	% Change p.a.
X. STOCK MARKET ACTIVITIES (cont'd)				
Value of Stocks Traded (J\$mn.).....	1,672.70	2,448.43	2,055.42	22.88
Ordinary Shares.....	1,672.44	1,490.24	2,055.08	22.88
Block Transactions.....	0.26	958.19	.34	30.78
Advance/Decline Ratio.....	11/21	14/23	8/27	
XI. EXTERNAL TRADE (US\$mn.)	Jan-Nov 2005	Jan-Nov 2006*		Change
1. EXPORTS				
(a) Major Traditional Exports.....	<u>1,004.49</u>	<u>1,148.55</u>		<u>144.06</u>
Bauxite.....	88.16	103.73		15.57
Alumina.....	835.77	942.73		106.96
Sugar.....	76.81	89.69		12.89
Bananas.....	3.75	12.40		8.65
(b) Other Traditional Exports.....	56.88	77.32		20.44
(c) Non-Traditional Exports.....	305.59	550.60		245.02
(d) Re-exports.....	27.59	32.06		4.46
General Merchandise Exports.....	<u>1,394.55</u>	<u>1,808.53</u>		<u>413.98</u>
(e) Freezone Exports.....	53.31	50.02		-3.29
(f) Goods Procured in Ports.....	69.65	73.04		3.39
Total Goods Exports.....	<u>1,517.51</u>	<u>1,931.59</u>		<u>414.08</u>
2. IMPORTS (by S.I.T.C.)				
(a) Food.....	545.61	570.95		25.33
(b) Beverage & Tobacco.....	50.20	63.46		13.26
(c) Crude Material.....	71.09	76.33		5.25
(d) Mineral Fuel	1,265.93	1,629.57		363.64
(e) Animal & Vegetable Oil.....	25.39	22.71		-2.67
(f) Chemicals.....	499.69	639.60		139.92
(g) Manufactured Goods.....	593.82	642.19		48.37
(h) Machinery & Transportation.....	790.44	1,041.85		251.41
(i) Miscellaneous Manufactured Goods.....	429.92	460.76		30.83
(j) Miscellaneous Commodities.....	62.33	69.40		7.07
General Merchandise Imports	<u>4,334.42</u>	<u>5,216.82</u>		<u>882.40</u>
Freezone Imports.....	14.79	17.42		2.63
Goods Procured in Ports.....	101.97	107.09		5.12
Total Goods Imports.....	<u>4,451.18</u>	<u>5,341.33</u>		<u>890.15</u>
Trade Balance.....	<u>-2,933.67</u>	<u>-3,409.74</u>		<u>-351.55</u>
XII. TOURISM	Jan 2006	Jan 2007		% Change
Tourist Arrivals ('000).....	<u>264.98</u>	<u>273.49</u>		<u>3.21</u>
Stop Overs.....	130.70	129.76		-0.72
Foreign Nationals.....	124.80	124.20		-0.48
Non-Resident Jamaicans.....	5.90	5.56		-5.76
Cruise.....	134.28	143.73		7.04
Armed Forces.....	-	-		-
Estimated Expenditure (US\$mn.).....	<u>151.5</u>	<u>161.5</u>		<u>6.60</u>
XIII. BALANCE OF PAYMENTS (US\$mn.)				
Balance of Payments (Calendar)	Jan-Nov 2005	Jan-Nov 2006*		Change
1. Current Account.....	<u>-1,055.8</u>	<u>-1,115.1</u>		<u>-59.3</u>
A. Goods balance.....	<u>-2,368.4</u>	<u>-2,741.8</u>		<u>-373.3</u>
Exports (f.o.b.).....	1,517.5	1,931.7		414.2
Imports (f.o.b.).....	3,885.9	4,673.5		787.6
B. Service Balance.....	<u>499.3</u>	<u>679.2</u>		<u>179.9</u>
Transportation.....	-256.4	-307.4		-51.0
Travel.....	1,132.8	1,426.5		293.7
Other Services.....	-377.1	-439.9		-62.8

* Provisional

<i>Balance of Payments (Calendar) (Cont'd)</i>			
	Jan-Nov 2005	Jan-Nov 2006*	Change
C. Income	<u>-601.8</u>	<u>-603.0</u>	<u>-1.2</u>
Compensation of Employees.....	82.5	91.8	9.3
Investment Income.....	-684.3	-694.8	-10.5
D. Current Transfers	<u>1,415.1</u>	<u>1,550.5</u>	<u>135.4</u>
Official.....	125.4	117.4	-8.0
Private.....	1,289.7	1,433.1	143.4
2. Capital and Financial Account	<u>1,055.8</u>	<u>1,115.1</u>	<u>59.3</u>
A. Capital Account	<u>-2.6</u>	<u>1.0</u>	<u>3.6</u>
Capital Transfers.....	<u>-2.6</u>	<u>1.0</u>	<u>3.6</u>
Official.....	0.3	3.8	3.5
Private.....	-2.9	-2.8	0.1
Acq./Disp. of non-produced non-fin. assets....	0.0	0.0	0.0
B. Financial Account	<u>1,058.4</u>	<u>1,114.1</u>	<u>55.7</u>
Other Official Investment.....	409.8	544.5	134.7
Other Private Investment.....	833.9	835.4	-48.5
<i>(incl. errors & omissions)</i>			
Reserves.....	<u>-235.3</u>	<u>-265.8</u>	
	Apr-Nov	Apr-Nov*	
<i>Balance of Payments (Fiscal)</i>	2005/2006	2006/2007	
1. Current Account	<u>-887.1</u>	<u>-859.6</u>	<u>27.5</u>
A. Goods balance	<u>-1,767.2</u>	<u>-2,005.9</u>	<u>-238.7</u>
Exports (f.o.b.).....	1,136.3	1,406.2	269.9
Imports (f.o.b.).....	2,903.5	3,412.1	508.6
B. Service Balance	<u>298.5</u>	<u>435.9</u>	<u>137.4</u>
Transportation.....	-210.3	-245.2	-34.9
Travel.....	780.6	998.3	217.7
Other Services.....	-271.8	-317.2	-45.4
C. Income	<u>-437.7</u>	<u>-433.2</u>	<u>4.5</u>
Compensation of Employees.....	74.0	82.7	8.7
Investment Income.....	-511.7	-515.9	-4.2
D. Current Transfers	<u>1,019.3</u>	<u>1,143.6</u>	<u>124.3</u>
Official.....	83.0	81.6	-1.4
Private.....	936.3	1,062.0	125.7
2. Capital and Financial Account	<u>887.1</u>	<u>859.6</u>	<u>-27.5</u>
A. Capital Account	<u>-1.7</u>	<u>2.8</u>	<u>4.5</u>
Capital Transfers.....	<u>-1.7</u>	<u>2.8</u>	<u>4.5</u>
Official.....	0.2	3.8	3.6
Private.....	-1.9	-1.0	0.9
Acq./Disp. of non-produced non-fin. assets	0.0	0.0	0.0
B. Financial Account	<u>888.8</u>	<u>856.8</u>	<u>-32.0</u>
Other Official Investment.....	396.4	561.5	165.1
Other Private Investment.....	684.6	570.3	-114.3
<i>(incl. errors & omissions)</i>			
Reserves.....	<u>-192.2</u>	<u>-275.0</u>	

* Provisional

XIV. BOJ NET INTERNATIONAL RESERVES	Feb 2006	Jan 2007	Feb 2007	% Change p.a.
(US\$mn.)				
BOJ Net International Reserves (US\$mn.).....	<u>2,024.24</u>	<u>2,288.39</u>	<u>2,185.56</u>	<u>13.05</u>
Gross Foreign Assets.....	<u>2,327.51</u>	<u>2,357.23</u>	<u>2,217.86</u>	<u>-4.71</u>
Gross Foreign Liabilities.....	<u>303.27</u>	<u>68.84</u>	<u>32.30</u>	<u>-89.35</u>
Estimated Gross Reserves in Weeks of Imports.....	<u>27.72</u>	<u>24.22</u>	<u>22.79</u>	
Estimated Gross Reserves in Weeks of Goods and Services Imports.....	<u>19.71</u>	<u>17.47</u>	<u>16.44</u>	
XV. FOREIGN EXCHANGE	Jan 2006	Dec 2006	Jan 2007	
DEVELOPMENTS (US\$mn.) *				
Combined Foreign Exchange Trading				
Foreign Exchange Purchases (spot).....	982.33	1,668.36	1,142.80	16.34
Foreign Exchange Sales (spot).....	943.66	1,000.77	1,102.84	16.87
Foreign Currency Deposit Balances of Authorised Dealers (US\$mn.)	Dec 2005	Nov 2006	Dec 2006	
Commercial Banks Balances.....	<u>1,512.28</u>	<u>1,672.51</u>	<u>1,598.03</u>	<u>5.67</u>
"A" Accounts 1/.....	169.42	139.89	142.94	-15.63
"B" Accounts	0.00	0.00	0.00	-
Other.....	1,342.86	1,532.62	1,455.09	8.36
F.I.As Balance.....	<u>161.55</u>	<u>172.99</u>	<u>173.54</u>	<u>7.42</u>
"A" Accounts 1/.....	107.46	105.65	105.49	-1.83
"B" Accounts	0.05	0.19	0.26	420.00
Other.....	54.04	67.15	67.79	25.44
Building Societies Balances.....	<u>351.45</u>	<u>396.35</u>	<u>413.80</u>	<u>17.74</u>
"A" Accounts 1/.....	204.61	251.62	257.12	25.66
"B" Accounts	65.94	57.29	66.97	1.56
Other	80.90	87.44	89.71	10.89
Total Foreign Currency Deposits (US\$mn.).....	<u>2,025.28</u>	<u>2,241.85</u>	<u>2,185.37</u>	<u>7.90</u>
Total Foreign Currency Loans (US\$mn.).....	<u>952.67</u>	<u>1,023.63</u>	<u>1,033.61</u>	<u>8.50</u>
Commercial Banks.....	853.75	909.15	916.12	7.31
F.I.As	89.05	99.94	101.56	14.05
Building Societies.....	9.87	14.54	15.93	61.40

* 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

	Feb 2006	Jan 2007	Feb 2007
London Interbank Offer Rate (LIBOR) Eurodollars (%)			
3 months.....	4.76	3.78	3.85
6 months.....	4.92	3.92	3.97
U.S. Prime Rate (end of period) (%).....	7.50	8.25	8.25
Selling Exchange Rates (end period)	Feb 2006	Jan 2007	Feb 2007
US\$1.00 = J\$.....	65.36	67.55	67.55
Can. \$1.00 = J\$.....	57.33	57.53	58.18
U.K. Pound = J\$.....	114.06	131.73	132.26
Euro = J\$**.....	77.94	87.53	89.47
Caricom Selling Exchange Rates**			
T.T. \$1 = J\$.....	10.37	10.72	10.84
Bdos. \$1 = J\$.....	32.68	33.78	33.77
Guy. \$1 = J\$.....	0.33	0.34	0.34
E.C. \$1 = J\$.....	24.21	25.03	25.02

*** Indicative Rates*

INFLATION NOVEMBER 2006

The All Jamaica Consumer Price Index (CPI) decreased by 0.2 per cent in November 2006. This decline marked the second consecutive month of deflation as the index had declined by 0.1 per cent in October. Consecutive months of deflation last occurred in January to February 1993 when there was cumulative deflation of 0.9 per cent.

The out-turn for November brought inflation for the fiscal year to date to 5.1 per cent, compared to inflation of 11.2 per cent for the similar period of F/Y 2005/06. The point-to-point inflation rate at November 2006 was 5.3 per cent, relative to 13.5 per cent recorded for the comparable period in the previous year. Similarly, the mean annual inflation rate of 9.2 per cent was 6.2 percentage points lower than the rate that obtained in November 2005 (see **Table 1**).

For the second consecutive month, the major influences were supply induced declines in the prices of starchy foods and the lower cost of utilities and petrol. The impact of these declines was reflected in *Food & Drink*, *Housing & Other Housing Expenses* and *Transportation*, respectively. All other groups experienced increases with *Fuels & Other Household Supplies* and *Healthcare & Personal Expenses* increasing by 0.6 per cent and 0.5 per cent, respectively (**Table 2**).

The decline in the *Housing & Other Housing Expenses* subcategory was influenced by a decrease in *Other Housing Expenses* as the *Rental* subgroup remained unchanged. This reduction emanated from a 3.8 per cent fall in electricity rates. In conjunction with the decline of 3.9 per cent in the previous month this represented the sharpest decline in electricity rates since an 11.5 per cent reduction in January 2005. The decline in November resulted from a 7.1 per cent reduction in fuel charges by the Jamaica Public Service Company and followed a 6.4 per cent reduction the previous month. These declines were related to the sharp fall in prices in the international crude oil market. The West Texas Intermediate (WTI) benchmark has declined by over 20 per cent between August and November 2006. The decline of 0.8 per cent in *Transportation* was also a consequence of the developments in international oil prices as local fuel prices fell by an average 6.6 per cent across the regions.

With regard to *Food & Drink*, the 0.2 per cent decline masked contrasting adjustments in the constituent sub-groups. *Starchy Foods* and *Vegetables & Fruits* declined by 5.1 per cent and 0.5 per cent respectively, but these impacts were partly offset mainly by increases in *Meat, Poultry & Fish* and *Dairy Products, Oils & Fats*. The price reductions in *Starchy Foods* were related to increased supplies of yams due to the onset of the peak reaping season as well as the favourable weather that prevailed for most of the year. *Meat, Poultry & Fish* and *Dairy Products, Oils & Fats* increased by 0.8 per cent and 0.9 per cent, respectively due to continued strong upward movements in the prices of grains on the international market.

The increase of 0.6 per cent in the *Fuels & Other Household Supplies* sub-index reflected similar increases in both its sub-groups. The increase in the index of *Household Supplies* was associated with greater demand for these products as the holiday season approached, while the expansion in *Fuels* was a result of lagged adjustments in the prices of international crude oil. This was most evident in the price of kerosene oil.

The CPI in the KMA and Rural Areas declined by 0.2 per cent and 0.3 per cent, while that of the Other Towns remained constant. The decline in inflation in the Rural Areas was mainly driven by a 0.6 per cent decline in the *Food & Drink* index compared to no change in the indexes of the other regions. The deflation in the KMA reflected the larger decline of 1.3 per cent in the *Transportation* index compared to declines of 0.3 per cent and 0.2 per cent in Other Towns and Rural Areas, respectively. This difference stemmed from the significant decline of 15.6 per cent in the price of petrol in the KMA, relative to declines of less than 3.0 per cent in the other areas. The other disparity of note was in *Fuels & Other Household Supplies* where the increase of 1.0 per cent in the Other Towns was at least twice the 0.5 per cent and 0.4 per cent registered in KMA and Rural Areas. This disparity was due to higher increases for the price of kerosene in the Other Towns, relative to other regions.

The trimmed mean index increased by 0.15 per cent in November, 0.03 percentage point above the change in the previous month (Table 4). The outturn for November 2006 brought the annual point to point core inflation to 3.3 per cent, the lowest level in nearly four years. The annual average core inflation rate of 4.3 per cent for the month was 1.2 percentage points below what obtained in the similar period of 2005 and 0.2 percentage point lower than the previous month's rate. Core inflation continued to reflect a declining trend consistent with the management of monetary policy. Annual average core inflation has trended down steadily since the peak of 7.5 per cent in June 2004.

The measure of underlying inflation that excludes agricultural prices (CPI-A) was 0.29 per cent in November, compared to 0.12 per cent in the previous month. Annual point to point movement in the index was 7.2 per cent compared to 11.9 per cent at the similar position last year. For the fiscal year to date, CPI-A was 4.4 per cent, relative to 9.2 per cent for the corresponding period last FY. This primarily reflected lower fuel price charges as international crude oil prices weakened. Additionally, there were lower impulses due to exchange rate changes as the foreign exchange market had exhibited greater stability in this fiscal period.

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
2002							
Jan	1,468.8	1,461.7	0.59	0.96	1.30	9.38	7.28
Feb	1,468.0	1,465.6	-0.05	0.81	0.99	8.05	7.39
Mar	1,468.5	1,468.4	0.03	0.57	0.78	7.58	7.48
Apr	1,475.9	1,470.8	0.50	0.48	0.62	7.67	7.62
May	1,480.0	1,474.8	0.28	0.82	0.62	7.16	7.69
Jun	1,492.8	1,482.9	0.86	1.65	0.99	6.25	7.61
Jul	1,515.6	1,496.1	1.53	2.69	1.72	6.83	7.58
Aug	1,521.2	1,509.9	0.37	2.79	2.38	6.29	7.51
Sept	1,528.0	1,521.6	0.45	2.36	2.61	5.90	7.41
Oct	1,539.2	1,529.5	0.73	1.56	2.23	5.80	7.25
Nov	1,558.3	1,541.8	1.24	2.44	2.12	7.01	7.20
Dec	1,566.1	1,554.5	0.50	2.49	2.16	7.25	7.08
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

1/ January 1998 = 100

Moving average

* Point to point

Source: STATIN

Table 2
COMPONENT CONTRIBUTION TO INFLATION
November 2006

	Weight in the CPI	Monthly Inflation (%)	Weighted Inflation	% Contribution to Inflation
FOOD & DRINK	0.5563	-0.2	0.0110	-101.8
Meals away from home	0.0741	0.7	0.0483	-446.5
Meat, Poultry & Fish	0.1613	0.8	0.1300	-1202.6
Dairy Products Oils & Fats	0.0668	0.9	0.0592	-547.4
Baked Products, Cereals & Breakfast Drink	0.0864	0.4	0.0354	-327.5
Starchy Foods	0.0525	-5.1	-0.2686	2485.1
Vegetables & Fruits	0.0650	-0.5	-0.0305	282.0
Other Food & Beverages	0.0502	0.7	0.0373	-344.8
FUELS & OTHER HOUSEHOLD SUPPLIES	0.0735	0.6	0.0415	-384.1
Household Supplies	0.0482	0.6	0.0276	-254.9
Fuels	0.0253	0.6	0.0140	-129.2
HOUSING & OTHER HOUSING EXPENSES	0.0786	-1.1	-0.0799	739.3
Rental	0.0209	0.0	0.0000	0.0
Other Housing Expenses	0.0577	-1.4	-0.0799	739.3
HOUSEHOLD FURNISHINGS & FURNITURE	0.0283	0.2	0.0055	-50.7
Furniture	0.0068	0.4	0.0024	-22.6
Furnishings	0.0215	0.1	0.0030	-28.0
HEALTHCARE & PERSONAL EXPENSES	0.0697	0.5	0.0354	-327.4
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.0507	0.3	0.0144	-133.5
Clothing Materials	0.0055	0.0	0.0001	-0.5
Readymade Clothing & Accessories	0.0242	0.3	0.0065	-59.7
Footwear	0.0159	0.5	0.0079	-73.1
Making & Repairs	0.0051	0.0	0.0000	-0.2
TRANSPORTATION	0.0644	-0.8	-0.0538	497.5
MISCELLANEOUS EXPENSES	0.0785	0.2	0.0151	-139.5
ALL GROUPS	1.0000	-0.18	-0.01	100.0

Table 3
REGIONAL INFLATION
November 2006

	KMA (%)	Other Towns (%)	Rural (%)
FOOD & DRINK	0.0	0.0	-0.6
Meals away from home	0.0	1.3	1.3
Meat Poultry & Fish	0.6	1.0	0.9
Dairy Products Oils & Fats	1.5	0.6	0.4
Baked Products Cereals & Breakfast Drink	0.3	0.4	0.5
Starchy Foods	-6.6	-6.1	-4.2
Vegetables & Fruits	0.4	1.8	-2.5
Other Food & Beverages	1.3	0.6	0.3
FUELS & OTHER HOUSEHOLD SUPPLIES	0.5	1.0	0.4
Household Supplies	0.3	0.6	0.9
Fuels	0.6	1.2	0.0
HOUSING & OTHER HOUSING EXPENSES	-1.0	-1.2	-1.3
Rental	0.0	0.0	0.0
Other Housing Expenses	-1.4	-1.4	-1.4
HOUSEHOLD FURNISHINGS & FURNITURE	1.3	-0.2	-0.5
Furniture	3.3	-1.7	-1.4
Furnishings	0.1	0.6	0.0
HEALTHCARE & PERSONAL EXPENSES	0.3	0.6	0.9
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.1	1.0	0.1
Clothing Materials	0.0	0.1	0.0
Readymade Clothing & Accessories	0.1	0.5	0.3
Footwear	0.0	2.1	0.0
Making & Repairs	0.0	0.0	0.0
TRANSPORTATION	-1.3	-0.3	-0.2
MISCELLANEOUS EXPENSES	0.0	0.2	0.5
ALL GROUPS	-0.2	0.0	-0.3

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

**JAMAICA:
BALANCE OF PAYMENTS DEVELOPMENTS
NOVEMBER 2006**

November 2006

Provisional data indicate that the current account deficit expanded by US\$23.3 million to US\$125.5 million in November 2006 (see **Table**). **This deterioration resulted from robust growth in imports driven mainly by respective increases of US\$38.4 million (50.1 per cent) and US\$18.1 million (20.1 per cent) in payments for fuel and machinery & transport equipment.** Partly offsetting the growth in imports was an expansion of US\$18.3 million in earnings from non-traditional exports, in particular waste & scrap metals and ethanol.

There were increases in net inflows from travel and current transfers in the review month. The travel sector benefited from an increase of 19.2 per cent in cruise visitor arrivals, while the higher surplus on the current transfers account stemmed from an increase of US\$15.1 million in net inflows to the private sector.

Within the capital and financial accounts, net official and private investment inflows were more than sufficient to finance the deficit on the current account. As a result, the NIR of the Bank of Jamaica increased by US\$46.6 million for the month.

January – November 2006

For the period January – November 2006, the current account deficit was estimated at US\$1 115.1 million, which was US\$59.3 million higher than the deficit for the comparable period in 2005. This performance was largely attributed to a significant increase in the deficit on the goods account, the impact of which was partially offset by higher surpluses on the services and current transfers accounts.

The deterioration on the goods account stemmed primarily from respective expansions of US\$363.6 million and US\$251.4 million in payments for fuel and machinery & transport equipment. The effect of these expansions was partly offset by increased earnings from exports, particularly higher receipts from exports of refined fuel, waste & scrap metal and ethanol. The higher surplus on the services account was influenced by respective increases of 17.5 per cent and 15.1 per cent in stopover and cruise passenger arrivals. This was supported by an average increase of 6.2 per cent in the estimated daily expenditure per stopover and cruise visitor. An increase of 11.1 per cent in net private remittance inflows was responsible for the growth in current transfers.

Within the capital and financial accounts, net official and private investment inflows were more than sufficient to finance the deficit on the current account. In this context, there was a build-up of US\$265.8 million in the NIR over the period. At end-November 2006, the gross reserves stood at US\$2 421.1 million, representing 18.2 weeks of projected imports of goods and services.

BALANCE OF PAYMENTS SUMMARY (US\$M)

	Nov 2005	Nov ^{2/} 2006	Change	Jan-Nov 2005	Jan-Nov ^{2/} 2006	Change
1. CURRENT ACCOUNT	-102.2	-125.5	-23.3	-1,055.8	-1,115.1	-59.3
A. GOODS and SERVICES	-169.6	-207.0	-37.4	-1,869.1	-2,062.6	-193.5
a. GOODS BALANCE	-208.9	-250.8	-41.9	-2,368.5	-2,741.8	-373.4
Exports (f.o.b.)	149.1	175.6	26.5	1,517.5	1,931.7	414.2
Imports (f.o.b.)	358.0	426.4	68.4	3,885.9	4,673.5	787.6
b. SERVICES BALANCE	39.3	43.8	4.5	499.3	679.2	179.9
Transportation	-26.8	-31.5	-4.7	-256.4	-307.4	-51.0
Travel	99.9	113.4	13.5	1,132.8	1,426.5	293.7
Other Services	-33.8	-38.1	-4.3	-377.1	-439.9	-62.8
B. INCOME	-53.3	-54.2	-0.9	-601.8	-603.0	-1.2
Compensation of employees	11.4	15.9	4.5	82.5	91.8	9.3
Investment Income	-64.7	-70.1	-5.4	-684.3	-694.8	-10.5
C. CURRENT TRANSFERS	120.7	135.7	15.0	1,415.1	1,550.5	135.4
Official	10.3	10.2	-0.1	125.4	117.4	-8.0
Private	110.4	125.5	15.1	1,289.7	1,433.1	143.4
2. CAPITAL & FINANCIAL ACCOUNT	102.2	125.5	23.3	1,055.8	1,115.1	59.3
A. CAPITAL ACCOUNT	0.3	0.0	-0.3	-2.6	1.0	3.6
a. Capital Transfers	0.3	0.0	-0.3	-2.6	1.0	3.6
Official	0.0	0.0	0.0	0.3	3.8	3.5
Private	0.3	0.0	-0.3	-2.9	-2.8	0.1
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	101.9	125.5	23.6	1,058.4	1,114.1	55.7
Other official investment	119.6	248.5	128.9	409.8	544.5	134.7
Other private investment ^{3/}	-2.9	-76.4	-73.5	883.9	835.4	-48.5
Change in Reserves (minus = increase)	14.8	-46.6		-235.3	-265.8	

2/ Provisional

3/ Includes errors & omissions

