



# ECONOMIC STATISTICS

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VOLUME 13 - NO. 6

JUNE 2003

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Figure 1

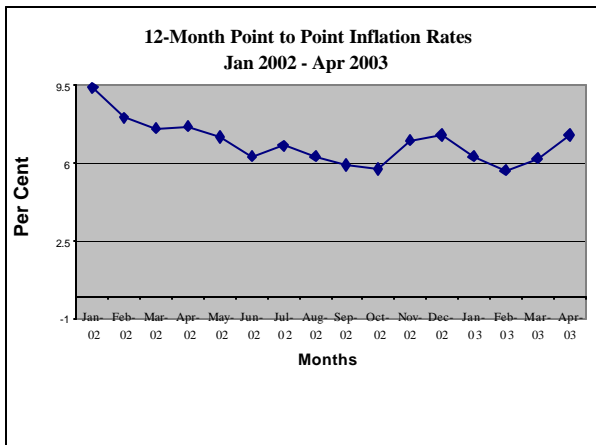


Figure 2

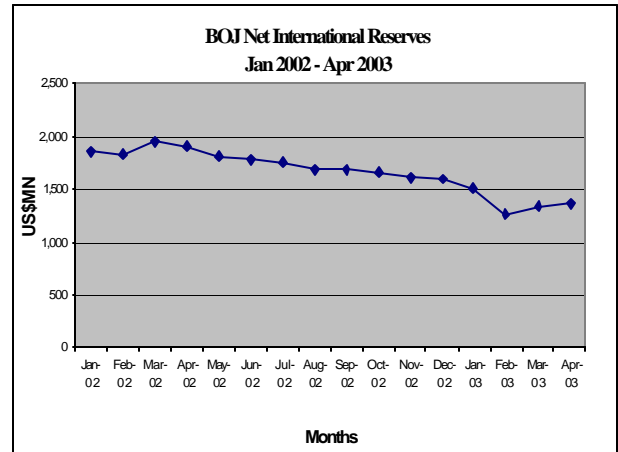


Figure 3

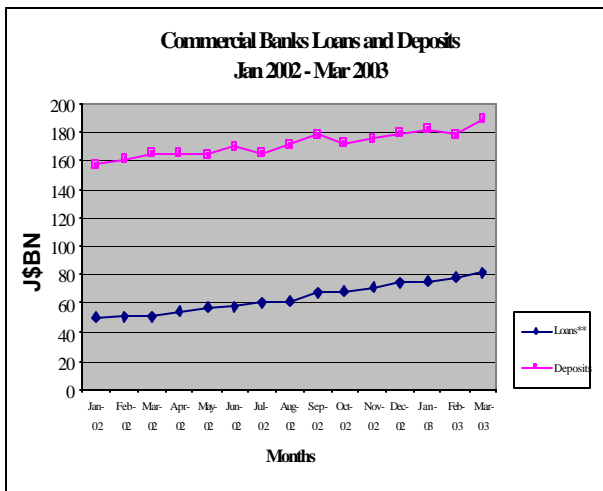


Figure 4

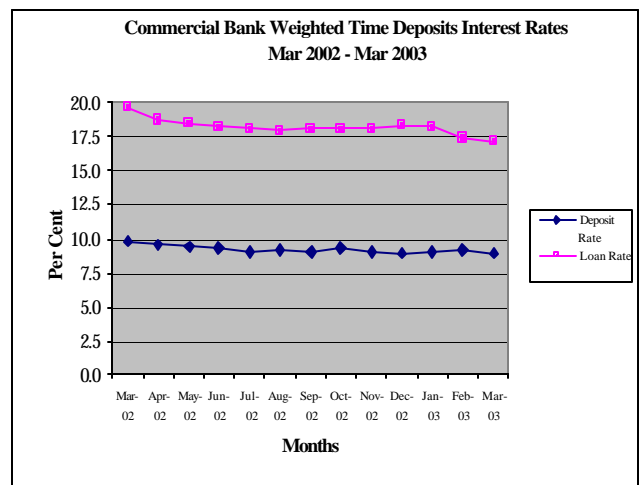


Figure 5

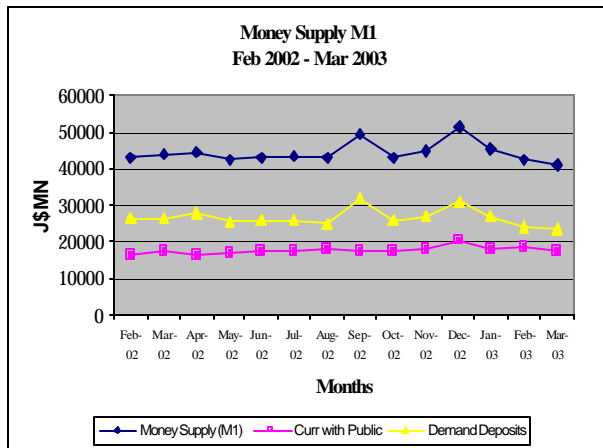
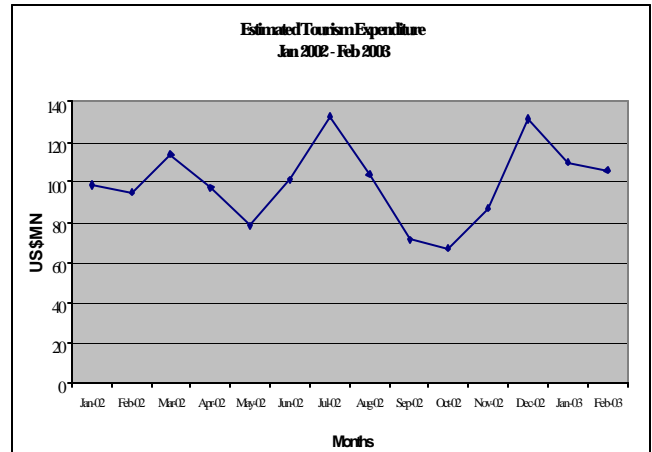


Figure 6



1. MONETARY AGGREGATES (J\$mn.)				%
<b>Local and Foreign Currency</b>	<b>Mar 2002</b>	<b>Feb 2003</b>	<b>Mar 2003</b>	<b>Change p.a.</b>
Money Supply (M1).....	<u>43,946.79</u>	<u>42,576.46</u>	<u>40,791.27</u>	<u>-7.18</u>
(a) Currency with the Public.....	17,449.21	18,356.56	17,291.08	-0.91
(b) Demand Deposits (adj.)***.....	26,497.58	24,219.89	23,500.19	-11.31
Quasi-Money.....	<u>103,736.84</u>	<u>112,495.25</u>	<u>117,928.19</u>	<u>13.68</u>
(a) Time.....	30,355.59	29,345.31	30,296.72	-0.19
(b) Savings.....	73,381.15	83,149.94	87,631.47	19.41
Money Supply (M2).....	<u>147,683.63</u>	<u>155,071.71</u>	<u>158,719.46</u>	<u>7.47</u>
Domestic Credit (net).....	<u>143,087.67</u>	<u>168,640.58</u>	<u>161,127.54</u>	<u>12.61</u>
<b>Local Currency</b>	<b>Mar 2002</b>	<b>Feb 2003</b>	<b>Mar 2003</b>	
Money Supply (M1).....	<u>37,083.79</u>	<u>36,358.05</u>	<u>33,733.50</u>	<u>-9.03</u>
(a) Currency with the Public.....	17,449.21	18,356.56	17,291.08	-0.91
(b) Demand Deposits (adj.)***.....	19,634.58	18,001.49	16,442.42	-16.26
Quasi-Money.....	<u>70,750.39</u>	<u>72,145.20</u>	<u>73,738.67</u>	<u>4.22</u>
(a) Time.....	19,863.66	17,436.10	19,173.65	-3.47
(b) Savings.....	50,886.73	54,709.10	54,565.02	7.23
Money Supply (M2).....	<u>107,834.18</u>	<u>108,503.25</u>	<u>107,472.17</u>	<u>-0.34</u>
Domestic Credit (net).....	<u>131,832.71</u>	<u>150,068.27</u>	<u>141,314.24</u>	<u>7.19</u>
	<b>Apr 2002</b>	<b>Mar 2003</b>	<b>Apr 2003</b>	
Base Money.....	<u>29,509.50</u>	<u>32,499.96</u>	<u>32,342.76</u>	<u>9.60</u>
<b>II. COMMERCIAL BANKS (J\$mn.)</b>	<b>Mar 2002+</b>	<b>Feb 2003</b>	<b>Mar 2003</b>	
Assets & Liabilities (J\$mn.)**.....	<u>252,908.17</u>	<u>271,166.20</u>	<u>285,881.75</u>	<u>13.04</u>
Loans**.....	<u>51,354.67</u>	<u>78,393.32</u>	<u>80,840.97</u>	<u>57.42</u>
Agriculture.....	1,471.09	1,586.78	1,589.29	8.03
Manufacturing.....	3,320.90	3,712.52	3,439.37	3.57
Construction & Land Development.....	1,905.36	4,113.46	4,188.37	119.82
Mining.....	107.10	149.79	151.12	41.10
Tourism.....	5,374.86	7,270.31	7,736.10	43.93
Transport, Storage & Communication.....	3,122.29	5,703.41	6,146.39	96.86
Consumer-Oriented.....	20,933.00	26,776.09	27,763.15	32.63
Government Services.....	13,425.14	25,397.37	26,787.79	99.53
Other.....	1,694.93	3,683.59	3,039.39	79.32
DEPOSITS.....	<u>165,541.31</u>	<u>178,114.53</u>	<u>188,441.46</u>	<u>13.83</u>
Private Sector (including overseas residents).....	<u>139,898.15</u>	<u>149,135.30</u>	<u>154,632.94</u>	<u>10.53</u>
Time.....	32,943.40	34,165.55	35,339.76	7.27
Savings.....	78,929.85	89,579.29	94,134.87	19.26
Demand.....	28,024.90	25,390.46	25,158.31	-10.23
Government.....	<u>15,193.23</u>	<u>14,769.22</u>	<u>18,038.15</u>	<u>18.72</u>
Time.....	421.00	717.81	490.25	16.45
Savings.....	400.51	1,436.42	1,404.67	250.72
Demand.....	14,371.72	12,614.99	16,143.23	12.33
Public Entities.....	<u>5,708.56</u>	<u>6,410.72</u>	<u>8,356.64</u>	<u>46.39</u>
Time.....	3,544.77	2,783.50	3,698.77	4.34
Savings.....	697.70	2,292.10	2,832.18	305.93
Demand.....	1,466.09	1,335.12	1,825.69	24.53

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

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

+ Revised

<b>II. COMMERCIAL BANKS (J\$mn.) (Cont'd)</b>				%
	<b>Mar 2002</b>	<b>Feb 2003</b>	<b>Mar 2003</b>	<b>Change p.a.</b>
Spec. & O. F. Insts.....	4,741.37	7,799.29	7,413.73	56.36
Time.....	990.84	1,789.61	1,913.16	93.08
Savings.....	717.67	1,094.97	1,119.26	55.96
Demand.....	3,032.86	4,914.71	4,381.31	44.46
	<b>Apr 2002</b>	<b>Mar 2003</b>	<b>Apr 2003</b>	
Current Account Balances (J\$mn.).....	495.07	519.55	70.02	
	<b>Mar 2002</b>	<b>Feb 2003+</b>	<b>Mar 2003</b>	
LIQUIDITY (Average) %				
Actual Liquid Assets Ratio.....	43.73	30.62	33.67	
Cash.....	1.66	1.98	2.11	
Deposits with B.O.J.....	9.33	9.32	9.35	
Treasury Bills.....	0.39	0.50	0.39	
Equity Investment Bonds.....	0.00	0.00	0.00	
Local Registered Stocks.....	11.15	7.86	8.99	
Other.....	21.20	10.96	12.83	
Statutory Requirement.....	28.00	23.00	23.00	
	<b>Apr 2002</b>	<b>Mar 2003</b>	<b>Apr 2003</b>	
<b>III. SELECTED INTEREST RATES (%)</b>				
COMMERCIAL BANKS (Domestic Currency)				
Fixed Deposits (J\$100,000 & over)				
3-6 months.....	7.75-13.25	8.50-13.15	8.50-13.15	
9-12 months.....	7.75-12.50	8.50-13.15	8.50-13.15	
Call Deposits.....	2.00-8.75	5.00-45.00	1.00-60.00	
Average Savings Deposits .....	9.34	8.22	8.22	
Average Loan Rate.....	26.29	24.73	24.73	
	<b>Mar 2002</b>	<b>Feb 2003</b>	<b>Mar 2003</b>	
Weighted Fixed Deposits Rate.....	9.86	9.10	8.87	
Weighted Loan Rate.....	19.60	17.44	17.17	
	<b>Apr 2002</b>	<b>Mar 2003</b>	<b>Apr 2003</b>	
G.O.J. Treasury Bills (Weighted Average) Yield				
3 Months:.....	13.43	-	-	
6 Months:.....	13.84	33.47	30.34	
9 Months:.....	-	-	-	
12 Months:.....	-	-	-	
	<b>May 2002</b>	<b>Apr 2003</b>	<b>May 2003</b>	
BOJ Reverse Repurchase Rates (%)				
30-Day .....	13.25	15.00	15.00	
60-Day .....	13.35	15.30	15.30	
90-Day .....	13.45	20.00	20.00	
120-Day .....	13.55	24.00	24.00	
180-Day .....	13.80	28.00	28.00	
270-Day .....	14.20	32.50	32.50	
360-Day .....	15.00	33.00	33.00	
	<b>Apr 2002</b>	<b>Mar 2003</b>	<b>Apr 2003</b>	
COMMERCIAL BANKS (Foreign Currency)				
Fixed Deposits (Under US\$100,000)				
1-3 months.....	2.00-4.50	2.00-4.50	2.00-4.50	
3-6 months.....	2.00-4.50	2.00-4.50	2.00-4.50	
6-12 months.....	2.00-6.00	2.00-6.00	2.00-6.00	
Fixed Deposits (US\$100,000 & Over)				
1-3 months.....	2.00-4.75	3.25-4.75	3.25-4.75	
3-6 months.....	2.00-4.75	3.50-4.75	3.25-4.75	
6-12 months.....	2.00-6.25	3.50-6.25	3.49-6.25	
Average Loan Rates .....	13.68	11.50	12.10	
Average Savings .....	2.89	2.72	2.72	

+ Revised

				% Change p.a.
<b>IV. SECURITIES (J\$mn.)</b> (outstanding balances)	<b>Mar 2002</b>	<b>Feb 2003</b>	<b>Mar 2003</b>	
GOJ Local Registered Stock.....	212,110.03	249,140.24	240,923.00	13.58
	<b>May 2002</b>	<b>Apr 2003</b>	<b>May 2003</b>	
BOJ Open Market Operations 1/.....	99,105.09	86,331.25	83,408.12	-15.84
GOJ Treasury Bills.....	4,350.00	2,950.00	2,950.00	-32.18
<b>V. INSTALMENT CREDIT (J\$mn.)</b> (Banks & Near-Banks)	<b>Mar 2002</b>	<b>Feb 2003</b>	<b>Mar 2003</b>	
Total Credit Outstanding.....	5,784.62	7,357.74	7,396.12	27.86
New Business.....	413.39	484.32	414.33	0.23
<b>VI. NEAR-BANKS (J\$mn.)</b> (Merchant Banks, Trust Com. & Finance Houses)	<b>Mar 2002</b>	<b>Feb 2003</b>	<b>Mar 2003</b>	
Assets/Liabilities.....	19,810.79	30,095.83	41,397.21	108.96
Loans Outstanding.....	3,327.99	4,961.49	4,818.61	44.79
Total Deposits.....	7,542.78	8,751.52	8,741.07	15.89
Loans.....	<u>3,327.99</u>	<u>4,961.49</u>	<u>4,818.61</u>	<u>44.79</u>
Agriculture.....	33.51	103.87	111.28	232.08
Manufacturing.....	674.90	612.65	301.29	-55.36
Construction & Land Development.....	142.30	554.01	594.82	318.00
Mining, Quarrying & Processing.....	61.09	55.09	43.99	-27.99
Tourism.....	262.72	437.16	427.22	62.61
Transport, Storage & Communication.....	54.08	18.45	17.56	-67.53
Consumer Oriented.....	1,898.76	2,051.75	2,096.92	10.44
Government Services.....	118.82	900.62	972.85	718.76
Other.....	81.81	227.89	252.68	208.86
	<b>Mar 2002</b>	<b>Feb 2003</b>	<b>Mar 2003+</b>	
Liquid Assets Ratio (average) %.....	110.50	101.30	88.70	
Statutory Requirement.....	28.00	23.00	23.00	
<b>VII. BUILDING SOCIETIES (J\$mn.)</b> (members & associate members)	<b>Mar 2002</b>	<b>Feb 2003</b>	<b>Mar 2003</b>	
Assets/Liabilities.....	52,324.60	55,691.48	56,456.79	7.90
Loan Balances.....	17,856.67	20,641.01	21,042.18	17.84
Savings Funds.....	40,556.47	43,431.36	43,937.76	8.34
<b>VIII. INFLATION</b>	<b>Apr 2002</b>	<b>Mar 2003</b>	<b>Apr 2003</b>	
Consumer Price Index (Jan. 1988 = 100).....	1,475.9	1,559.5	1,584.0	7.32
Monthly Rate (%).....	0.5	0.5	1.6	
Calendar Year to Date (%) (point to point).....	1.1	-0.4	1.1	
Fiscal Year to Date (%) (point to point).....	0.5	6.2	1.6	
<b>IX. ACTUAL PRODUCTION ('000)</b>	<b>Apr 2002</b>	<b>Mar 2003</b>	<b>April 2003</b>	
Bauxite (metric tonnes).....	298.75	318.13	308.62	3.30
Alumina (metric tonnes).....	288.95	320.71	338.34	17.09
Sugar (metric tonnes).....	43.58	40.19	27.47	-36.97
Banana (tonnes).....	3.37	2.78	2.50	-25.82
<b>X. STOCK MARKET ACTIVITIES</b>	<b>Apr 2002</b>	<b>Mar 2003</b>	<b>Apr 2003</b>	
Index.....	38,236.07	46,981.96	47,961.43	25.44
Volume Traded (mn.).....	144.09	265.22	129.93	-9.83
Ordinary Shares.....	143.36	132.22	129.28	-9.82
Block Transactions.....	0.73	133.00	0.65	-10.96

<b>X. STOCK MARKET ACTIVITIES (cont'd)</b>	<b>Apr 2002</b>	<b>Mar 2003</b>	<b>Apr 2003</b>	<b>% Change p.a.</b>
Value of Stocks Traded (J\$mn.).....	544.85	2,956.23	819.12	50.34
Ordinary Shares.....	543.43	1,474.83	818.26	50.57
Block Transactions.....	1.42	1,481.40	0.86	-39.44
Advance/Decline Ratio.....	18/12	10/22	7/24	
<b>XI. EXTERNAL TRADE (US\$mn.)</b>	<b>Jan-Dec 2001</b>	<b>Jan-Dec 2002</b>	<b>Change</b>	
<b>1. EXPORTS</b>				
a) Major Traditional Exports.....	<u>825.12</u>	<u>793.82</u>	<u>-31.30</u>	
Bauxite.....	93.77	106.34	12.57	
Alumina.....	642.58	603.77	-38.81	
Sugar.....	70.50	66.15	-4.35	
Bananas.....	18.27	17.56	-0.71	
b) Other Traditional Exports.....	72.18	74.62	2.44	
c) Non-Traditional Exports.....	299.89	229.11	-70.78	
d) Re-exports.....	25.94	19.78	-6.16	
General Merchandise Exports.....	<u>1,223.13</u>	<u>1,117.33</u>	<u>-105.80</u>	
(e) Freezone Exports.....	195.86	176.65	-19.21	
(f) Goods Procured in Port.....	35.40	31.20	-4.20	
Total Goods Exports.....	<u>1,454.39</u>	<u>1,325.18</u>	<u>-129.21</u>	
<b>2. IMPORTS</b>				
(a) Consumer Goods.....	984.90	1,094.43	109.53	
(b) Raw Materials.....	1,837.68	1,805.03	-32.65	
(c) Capital Goods.....	580.01	670.99	90.98	
General Merchandise Imports.....	<u>3,402.59</u>	<u>3,570.45</u>	<u>167.86</u>	
(d) Freezone Imports.....	135.24	97.08	-38.16	
(e) Goods Procured in Port.....	38.70	36.00	-2.70	
Total Goods Imports.....	<u>3,576.53</u>	<u>3,703.53</u>	<u>127.00</u>	
Trade Balance.....	<u>-2,122.14</u>	<u>-2,378.35</u>	<u>-256.21</u>	
Memo:				
Caricom Exports.....	50.60	48.71	-1.89	
Caricom Imports.....	433.02	398.64	-34.38	
Caricom Trade Balance.....	<u>-382.42</u>	<u>-349.93</u>	<u>-32.49</u>	
<b>XII. TOURISM</b>	<b>Jan-Mar 2002</b>	<b>Jan-Mar 2003</b>	<b>% Change</b>	
Tourist Arrivals ('000).....	<u>568.05</u>	<u>706.29</u>	<u>24.34</u>	
Stopovers.....	320.31	342.25	6.85	
Cruise.....	247.74	363.04	46.54	
Armed Forces.....	-	-	-	
Cumulative Expenditure (US\$mn.).....	<u>298.80</u>	<u>326.40</u>	<u>9.24</u>	
<b>XIII. BALANCE OF PAYMENTS (US\$mn.)</b>				
<b>Balance of Payments (Calendar)</b>	<b>Jan-Dec 2001</b>	<b>Jan-Dec 2002</b>	<b>Change</b>	
<b>1. Current Account.....</b>	<u>-788.4</u>	<u>-1,047.5</u>	<u>-259.1</u>	
<b>A. Goods balance.....</b>	<u>-1,618.2</u>	<u>-1,855.0</u>	<u>-236.8</u>	
Exports (f.o.b.).....	1,454.4	1,325.1	-129.3	
Imports (f.o.b.).....	3,072.6	3,180.1	107.5	
<b>B. Service Balance.....</b>	<u>381.5</u>	<u>321.8</u>	<u>-59.7</u>	
Transportation.....	-256.2	-271.8	-15.6	
Travel.....	1,026.2	951.0	-75.2	
Other Services.....	-388.5	-357.4	31.1	

<i>Balance of Payments (Calendar) (Cont'd)</i>	<b>Jan-Dec 2001</b>	<b>Jan-Dec 2002</b>	<b>Change</b>
<b>C. Income.....</b>	<u>-437.8</u>	<u>-483.9</u>	<u>-46.1</u>
Compensation of Employees.....	74.6	80.0	5.4
Investment Income.....	-512.4	-563.9	-51.5
<b>D. Current Transfers.....</b>	<u>886.1</u>	<u>969.6</u>	<u>83.5</u>
Official.....	90.4	49.3	-41.1
Private.....	795.7	920.3	124.6
<b>2. Capital and Financial Account.....</b>	<u>788.4</u>	<u>1,047.5</u>	<u>259.1</u>
<b>A. Capital Account.....</b>	<u>-22.3</u>	<u>-23.2</u>	<u>-0.9</u>
Capital Transfers.....	<u>-22.3</u>	<u>-23.2</u>	<u>-0.9</u>
Official.....	3.5	0.2	-3.3
Private.....	-25.8	-23.4	2.4
Acq./Disp. of non-produced non-fin. assets....	0.0	0.0	0.0
<b>B. Financial Account.....</b>	<u>810.7</u>	<u>1,070.7</u>	<u>260.0</u>
Other Official Investment.....	653.4	81.2	-572.2
Other Private Investment.....	1,028.6	745.8	-282.8
<i>(incl. errors &amp; omissions)</i>			
Reserves.....	<u>-871.3</u>	<u>243.7</u>	
<i>Balance of Payments (Fiscal)</i>	<b>Apr-Dec 2001/2002</b>	<b>Apr-Dec 2002/2003</b>	
<b>1. Current Account.....</b>	<u>-608.5</u>	<u>-885.8</u>	<u>-277.3</u>
<b>A. Goods balance.....</b>	<u>-1,200.0</u>	<u>-1,484.2</u>	<u>-284.2</u>
Exports (f.o.b.).....	1,094.0	989.6	-104.4
Imports (f.o.b.).....	2,294.0	2,473.8	179.8
<b>B. Service Balance.....</b>	<u>228.1</u>	<u>223.4</u>	<u>-4.7</u>
Transportation.....	-204.9	-216.2	-11.3
Travel.....	707.6	703.0	-4.6
Other Services.....	-274.6	-263.4	11.2
<b>C. Income.....</b>	<u>-311.3</u>	<u>-362.4</u>	<u>-51.1</u>
Compensation of Employees.....	70.4	77.4	7.0
Investment Income.....	-381.7	-439.8	-58.1
<b>D. Current Transfers.....</b>	<u>674.7</u>	<u>737.4</u>	<u>62.7</u>
Official.....	68.8	38.6	-30.2
Private.....	605.9	698.8	92.9
<b>2. Capital and Financial Account.....</b>	<u>608.5</u>	<u>885.8</u>	<u>277.3</u>
<b>A. Capital Account.....</b>	<u>-17.2</u>	<u>-16.2</u>	<u>1.0</u>
Capital Transfers.....	-17.2	-16.2	1.0
Official.....	1.7	0.1	-1.6
Private.....	-18.9	-16.3	2.6
Acq./Disp. of non-produced non-fin. assets	0.0	0.0	0.0
<b>B. Financial Account.....</b>	<u>625.7</u>	<u>902.0</u>	<u>276.3</u>
Other Official Investment.....	538.4	29.1	-509.3
Other Private Investment.....	641.8	528.3	-113.5
<i>(incl. errors &amp; omissions)</i>			
Reserves.....	-554.5	344.6	
Government Reserves.....	0.0	0.0	

	Apr. 2002	Mar 2003	Apr 2003	% Change p.a
<b>XIV. BOJ NET INTERNATIONAL RESERVES</b>				
(US\$mn.)				
BOJ Net International Reserves (US\$mn.).....	<u>1,899.75</u>	<u>1,339.67</u>	<u>1,362.10</u>	<u>-28.30</u>
Gross Foreign Assets.....	1,959.01	1,382.15	1,404.10	-28.29
Gross Foreign Liabilities.....	59.26	42.48	42.62	-28.08
Estimated Gross Reserves in Weeks of Imports.....	<u>33.27</u>	<u>22.44</u>	<u>22.72</u>	
Estimated Gross Reserves in Weeks of Goods and Services Imports.....	<u>22.66</u>	<u>15.02</u>	<u>15.22</u>	
<b>XV. FOREIGN EXCHANGE</b>	<b>Apr 2002</b>	<b>Mar 2003</b>	<b>Apr 2003</b>	
<b>DEVELOPMENTS (US\$mn.)</b>				
Combined Foreign Exchange Trading				
Foreign Exchange Purchases (spot).....	729.88	755.74	862.69	18.20
Foreign Exchange Sales (spot).....	724.67	770.78	855.56	18.06
Foreign Currency Deposit Balances of Authorised Dealers (US\$mn.) ( )	<b>Apr 2002</b>	<b>Mar. 2003</b>	<b>Apr. 2003</b>	
Commercial Banks Balances.....	<u>1,032.82</u>	<u>1,204.87</u>	<u>1,209.39</u>	<u>17.10</u>
"A" Accounts.....	53.28	82.04	81.93	53.77
Other.....	979.54	1,122.83	1,127.46	15.10
F.I.As Balance.....	<u>96.76</u>	<u>118.04</u>	<u>109.63</u>	<u>13.30</u>
"A" Accounts.....	15.47	32.88	37.18	140.34
Other.....	81.29	85.16	72.45	-10.87
Building Societies Balances.....	<u>151.33</u>	<u>177.05</u>	<u>182.74</u>	<u>20.76</u>
"A" Accounts.....	102.28	121.29	125.71	22.91
Other .....	49.05	55.76	57.03	16.27
Total Foreign Currency Deposits (US\$mn.).....	<u>1,280.91</u>	<u>1,499.96</u>	<u>1,501.76</u>	<u>17.24</u>
Total Foreign Currency Loans (US\$mn.).....	<u>439.54</u>	<u>596.99</u>	<u>623.62</u>	<u>41.88</u>
Commercial Banks.....	395.73	530.04	554.08	40.01
F.I. As .....	31.34	53.25	56.15	79.16
Building Societies.....	12.47	13.70	13.39	7.38
London Interbank Offer Rate (LIBOR) Eurodollars (%)	<b>May 2002</b>	<b>Apr 2003</b>	<b>May 2003</b>	
3 months.....	1.90	1.30	1.29	
6 months.....	2.09	1.28	1.24	
U.S. Prime Rate (end of period) (%).....	4.75	4.25	4.25	
Selling Exchange Rates (end period)	<b>May 2002</b>	<b>April 2003</b>	<b>May 2003</b>	
US\$1.00 = J\$.....	48.34	57.31	59.42	
Can. \$1.00 = J\$.....	31.36	39.60	43.05	
U.K. Pound = J\$.....	70.43	91.10	98.26	
Euro = J\$**.....	45.62	64.62	70.55	
Caricom Selling Exchange Rates**				
T.T. \$1 = J\$.....	7.96	9.30	9.58	
Bdos. \$1 = J\$.....	24.42	28.90	29.98	
Guy. \$1 = J\$.....	0.26	0.30	0.31	
E.C. \$1 = J\$.....	18.09	21.41	22.21	

( ) Exclude deposits in "B" accounts  
\*\* Indicative Rates



## INFLATION

APRIL 2003

**The All Jamaica Consumer Price Index (CPI) increased by 1.6 per cent in April 2003. This brought the rate of inflation for the calendar year to date to 1.1 per cent, similar to that obtained over the same interval in 2002.** The annual average inflation rate at April 2003 was 6.5 per cent, 1.1 percentage points below the rate recorded for April 2002. However, the 12-month point-to-point inflation rate at April 2003 was 7.3 per cent, which is higher than the 6.2 per cent for the previous month, but 0.4 percentage points lower than the 7.7 per cent recorded in the previous year (Table 1).

**The inflation outturn in April was primarily due to the *Food & Drink, Miscellaneous Expenses* and *Fuels & Other Household Supplies* sub-indices, which increased by 0.8 per cent, 4.6 per cent and 5.7 per cent, contributing 38.1 per cent, 29.6 per cent and 21.9 per cent, respectively, to the overall outturn.** Other inflationary impulses of note were registered in the *Housing & Other Housing Expenses* (0.5%) and *Healthcare & Personal Expenses* (0.6%) groups. The other sub-indices reflected moderate price changes. The increases in the other sub-indices generally reflected the impact of the movement in the exchange rate since December 2002.

**The outturn in the *Food & Drink* sub-index was influenced primarily by a 2.8 per cent increase in the *Baked Products, Cereals & Breakfast Drinks* sub-group. This was complemented by smaller expansions of 0.7 per cent, 1.4 per cent and 1.1 per cent in the *Meat, Poultry & Fish, Meals Away from Home* and *Dairy Products, Oils & Fats* sub-groups, respectively (see Table 2 ).** The *Baked Products, Cereals & Breakfast Drinks* sub-group accounted for approximately 19.9 per cent of the sub-index's inflation outturn. An average increase of 4.9 per cent in the price of hard dough bread, coupled with an average increase of 2.2 per cent in the price of flour across the regions, was primarily responsible for the expansion in the sub-group. *Meat, Poultry & Fish* accounted for 9.5 per cent of the increase in the month and was primarily attributable to increases in the price of fish in the KMA, as well as an average price increase of 2.0 per cent for corned beef across regions.

**The *Miscellaneous Expenses* sub-index was chiefly affected by increases in *cigarettes, magazines* and to a lesser extent by *entrance fees to plays*.** The increase in cigarette prices reflected the effects of a 23.0 per cent excise tax introduced by the Government to raise \$1.0 billion for the National Health Fund.

**The sharp increase of 10.3 per cent in the *Fuels & Other Household Supplies* sub-category resulted primarily from increases in *cooking gas* and *kerosene* prices.** The moderate movements in the other energy and fuel related commodities were primarily attributed to the movements in world oil prices which, **measured by the benchmark West Texas Intermediate (WTI) price of crude, declined by 4.5 per cent in April.** This movement was mirrored in a decline of 3.1 per cent in the energy index, which is composed of commodities, which are directly impacted by the movements in the price of oil.

**At the regional level, each area reported an increase in its overall index for the month. The CPI in the KMA increased by 1.6 per cent, while the index for the Other Towns and Rural Areas rose by 1.8 per cent and 1.4 per cent, respectively.** The inflation in the three regions was influenced mainly by the *Food & Drink* sub-index, which increased by 1.1 per cent in the KMA, 1.0 per cent in the Other Towns and 0.5 per cent in the Rural Areas, respectively. Major differences across regions were identified in the *Fuels & Other Household Supplies* and *Miscellaneous Expenses* sub-indices. The deviation in the *Fuels & Other Household Supplies* primarily reflects the significant increase in the price of *kerosene* in the KMA. For the *Miscellaneous Expenses* sub-index, increases in the price of *magazines* and fees for *plays*, contributed to the deviations experienced across regions.

**The measure of inflation that excludes agricultural prices (CPI-A) was 1.28 per cent for April.** This estimate was 0.49 percentage point above the measure in the previous month and 0.84 of a percentage point above that which obtained in April 2002. This index has been exhibiting a general upward trend since the beginning of the calendar year.

**The trend increase in core inflation observed since December 2002 continued in April. For the review month, the trimmed mean index was estimated to have increased by 0.65 per cent, 0.11 of a percentage point above the estimate for the previous month (table 4).** This estimate brought core inflation for the calendar year to date to 1.9 per cent, 1.06 percentage points above that which obtained for the similar interval of 2002. However, the annual average core inflation rate of 3.35 per cent, although being 0.7 of a percentage point below the same measure in the corresponding month of 2002, represented a continuation of the trend increase in underlying inflation. This trend is not consistent with the behaviour of the Bank's operating target, the monetary base.

**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	
<b>1998</b>	<b>Mar</b>	1,115.9	1,110.1	0.76	1.52	1.12	8.82	9.06	
	<b>Jun</b>	1,149.2	1,132.7	1.79	2.98	2.04	10.14	9.21	
	<b>Sept</b>	1,175.8	1,170.9	0.11	2.31	3.38	8.42	9.28	
	<b>Dec</b>	1,185.5	1,176.9	1.05	0.82	0.52	7.85	8.63	
<b>1999</b>	<b>Jan</b>	1,189.9	1,182.9	0.37	1.52	0.74	7.51	8.48	
	<b>Feb</b>	1,176.8	1,184.1	-1.10	0.31	0.88	6.26	8.30	
	<b>Mar</b>	1,182.5	1,183.1	0.48	-0.25	0.52	5.97	8.06	
	<b>Apr</b>	1,179.9	1,179.7	-0.22	-0.84	-0.26	5.37	7.79	
	<b>May</b>	1,190.6	1,184.3	0.91	1.17	0.02	5.46	7.53	
	<b>Jun</b>	1,205.9	1,192.1	1.29	1.98	0.77	4.93	7.10	
	<b>Jul</b>	1,220.4	1,205.6	1.20	3.43	2.20	4.99	6.67	
	<b>Aug</b>	1,234.3	1,220.2	1.14	3.67	3.03	5.09	6.28	
	<b>Sept</b>	1,237.6	1,230.7	0.27	2.63	3.24	5.26	6.02	
	<b>Oct</b>	1,247.5	1,239.8	0.80	2.22	2.83	6.43	5.96	
	<b>Nov</b>	1,259.9	1,248.3	0.99	2.07	2.31	7.39	6.03	
	<b>Dec</b>	1,265.9	1,257.7	0.48	2.29	2.19	6.78	5.95	
	<b>2000</b>	<b>Jan</b>	1,268.1	1,264.6	0.17	1.65	2.00	6.57	5.88
		<b>Feb</b>	1,273.1	1,269.0	0.39	1.05	1.66	8.18	6.04
		<b>Mar</b>	1,281.7	1,274.3	0.68	1.25	1.31	8.39	6.25
		<b>Apr</b>	1,294.4	1,283.0	0.99	2.07	1.46	9.70	6.61
	<b>May</b>	1,300.0	1,292.0	0.43	2.11	1.81	9.19	6.92	
	<b>Jun</b>	1,311.4	1,301.9	0.88	2.32	2.17	8.75	7.24	
	<b>Jul</b>	1,324.0	1,311.8	0.96	2.29	2.24	8.49	7.53	
	<b>Aug</b>	1,335.9	1,323.7	0.90	2.76	2.46	8.23	7.79	
	<b>Sept</b>	1,349.3	1,336.4	1.00	2.89	2.65	9.03	8.10	
	<b>Oct</b>	1,351.1	1,345.4	0.13	2.05	2.56	8.30	8.25	
	<b>Nov</b>	1,352.4	1,350.9	0.10	1.24	2.05	7.34	8.25	
	<b>Dec</b>	1,342.6	1,348.7	-0.72	-0.50	0.92	6.06	8.17	
	<b>2001</b>	<b>Jan</b>	1,342.9	1,345.9	0.02	-0.61	0.04	5.90	8.11
		<b>Feb</b>	1,358.6	1,348.0	1.17	0.46	-0.21	6.72	7.98
		<b>Mar</b>	1,365.0	1,355.5	0.47	1.67	0.50	6.50	7.82
		<b>Apr</b>	1,370.8	1,364.8	0.42	2.08	1.40	5.90	7.51
	<b>May</b>	1,381.1	1,372.3	0.75	1.65	1.80	6.24	7.27	
	<b>Jun</b>	1,404.9	1,385.6	1.73	2.93	2.22	7.13	7.14	
	<b>Jul</b>	1,418.7	1,401.6	0.98	3.50	2.70	7.15	7.03	
	<b>Aug</b>	1,431.1	1,418.3	0.87	3.63	3.35	7.13	6.94	
	<b>Sept</b>	1,442.9	1,430.9	0.82	2.70	3.27	6.94	6.78	
	<b>Oct</b>	1,454.9	1,443.0	0.83	2.55	2.95	7.68	6.73	
	<b>Nov</b>	1,456.2	1,451.3	0.09	1.75	2.33	7.68	6.76	
	<b>Dec</b>	1,460.2	1,457.1	0.27	1.20	1.83	8.76	6.99	
	<b>2002</b>	<b>Jan</b>	1,468.8	1,461.7	0.59	0.96	1.30	9.38	7.28
		<b>Feb</b>	1,468.0	1,465.6	-0.05	0.81	0.99	8.05	7.39
		<b>Mar</b>	1,468.5	1,468.4	0.03	0.57	0.78	7.58	7.48
		<b>Apr</b>	1,475.9	1,470.8	0.50	0.48	0.62	7.67	7.62
	<b>May</b>	1,480.0	1,474.8	0.28	0.82	0.62	7.16	7.69	
	<b>Jun</b>	1,492.8	1,482.9	0.86	1.65	0.99	6.25	7.61	
	<b>Jul</b>	1,515.6	1,496.1	1.53	2.69	1.72	6.83	7.58	
	<b>Aug</b>	1,521.2	1,509.9	0.37	2.79	2.38	6.29	7.51	
	<b>Sept</b>	1,528.0	1,521.6	0.45	2.36	2.61	5.90	7.41	
	<b>Oct</b>	1,539.2	1,529.5	0.73	1.56	2.23	5.80	7.25	
	<b>Nov</b>	1,558.3	1,541.8	1.24	2.44	2.12	7.01	7.20	
	<b>Dec</b>	1,566.1	1,554.5	0.50	2.49	2.16	7.25	7.08	
	<b>2003</b>	<b>Jan</b>	1561.3	1561.9	-0.31	1.44	2.12	6.30	6.83
		<b>Feb</b>	1552.2	1559.9	-0.58	-0.39	1.17	5.74	6.64
		<b>Mar</b>	1559.5	1557.7	0.47	-0.42	0.20	6.20	6.52
		<b>Apr</b>	1584.0	1565.2	1.57	1.45	0.21	7.33	6.50

1/ January 1998 = 100  
# Moving average  
\* Point to point  
Source: STATIN

**Table 2**  
**COMPONENT CONTRIBUTION TO INFLATION**  
**April 2003**

	Weight in the CPI	Monthly Inflation (%)	Weighted Inflation	% Contribution to Inflation
<b>FOOD &amp; DRINK</b>	<b>0.5563</b>	<b>0.8</b>	<b>0.4614</b>	<b>38.1</b>
Meals away from home	0.0741	1.4	0.1017	8.4
Meat Poultry & Fish	0.1613	0.7	0.1152	9.5
Dairy Products Oils & Fats	0.0668	1.1	0.0747	6.2
Baked Products Cereals & Breakfast Drink	0.0864	2.8	0.2413	19.9
Starchy Foods	0.0525	-0.8	-0.0412	-3.4
Vegetables & Fruits	0.0650	-0.2	-0.0160	-1.3
Other Food & Beverages	0.0502	-0.3	-0.0142	-1.2
<b>FUELS &amp; OTHER HOUSEHOLD SUPPLIES</b>	<b>0.0735</b>	<b>5.7</b>	<b>0.2653</b>	<b>21.9</b>
Household Supplies	0.0482	0.1	0.0051	0.4
Fuels	0.0253	10.3	0.2602	21.5
<b>HOUSING &amp; OTHER HOUSING EXPENSES</b>	<b>0.0786</b>	<b>0.5</b>	<b>0.0338</b>	<b>2.8</b>
Rental	0.0209	0.0	0.0002	0.0
Other Housing Expenses	0.0577	0.6	0.0336	2.8
<b>HOUSEHOLD FURNISHINGS &amp; FURNITURE</b>	<b>0.0283</b>	<b>0.6</b>	<b>0.0140</b>	<b>1.2</b>
Furniture	0.0068	1.5	0.0102	0.8
Furnishings	0.0215	0.2	0.0038	0.3
<b>HEALTHCARE &amp; PERSONAL EXPENSES</b>	<b>0.0697</b>	<b>0.6</b>	<b>0.0399</b>	<b>3.3</b>
<b>PERSONAL CLOTHING FOOTWEAR &amp; ACCESSORIES</b>	<b>0.0507</b>	<b>0.4</b>	<b>0.0219</b>	<b>1.8</b>
Clothing Materials	0.0055	0.0	0.0000	0.0
Readymade Clothing & Accessories	0.0242	0.8	0.0189	1.6
Footwear	0.0159	0.1	0.0015	0.1
Making & Repairs	0.0051	0.3	0.0014	0.1
<b>TRANSPORTATION</b>	<b>0.0644</b>	<b>0.3</b>	<b>0.0163</b>	<b>1.3</b>
<b>MISCELLANEOUS EXPENSES</b>	<b>0.0785</b>	<b>4.6</b>	<b>0.3580</b>	<b>29.6</b>
<b>ALL GROUPS</b>	<b>1.0000</b>	<b>1.57</b>	<b>1.21</b>	<b>100.0</b>

**Table 3**  
**REGIONAL INFLATION**  
**April 2003**

	<b>KMA (%)</b>	<b>Other Towns (%)</b>	<b>Rural (%)</b>
<b>FOOD &amp; DRINK</b>	<b>1.1</b>	<b>1.0</b>	<b>0.5</b>
Meals away from home	1.9	1.4	0.4
Meat Poultry & Fish	0.9	0.1	0.9
Dairy Products Oils & Fats	1.0	1.4	
Baked Products Cereals & Breakfast Drink	2.5	2.8	1.2 3.1
Starchy Foods	2.7	0.6	-2.9
Vegetables & Fruits	-1.5	0.3	0.9
Other Food & Beverages	-1.8	0.1	1.3
<b>FUELS &amp; OTHER HOUSEHOLD SUPPLIES</b>	<b>11.4</b>	<b>1.3</b>	<b>0.9</b>
Household Supplies	-0.3	0.6	0.4
Fuels	22.2	1.8	1.3
<b>HOUSING &amp; OTHER HOUSING EXPENSES</b>	<b>0.5</b>	<b>0.5</b>	<b>0.4</b>
Rental	0.0	0.0	0.0
Other Housing Expenses	0.6	0.6	0.5
<b>HOUSEHOLD FURNISHINGS &amp; FURNITURE</b>	<b>0.0</b>	<b>0.9</b>	<b>0.9</b>
Furniture	-0.6	2.3	2.7
Furnishings	0.3	0.2	0.0
<b>HEALTHCARE &amp; PERSONAL EXPENSES</b>	<b>0.3</b>	<b>1.4</b>	<b>0.5</b>
<b>PERSONAL CLOTHING FOOTWEAR &amp; ACCESSORIES</b>	<b>0.3</b>	<b>0.2</b>	<b>0.7</b>
Clothing Materials	0.0	0.0	0.0
Readymade Clothing & Accessories	0.6	0.1	1.3
Footwear	0.1	0.0	0.1
Making & Repairs	0.2	0.9	0.0
<b>TRANSPORTATION</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>
<b>MISCELLANEOUS EXPENSES</b>	<b>1.3</b>	<b>7.1</b>	<b>8.5</b>
<b>ALL GROUPS</b>	<b>1.6</b>	<b>1.8</b>	<b>1.4</b>

**Table 4**  
**INFLATION: ACTUAL & CORE**

1999/2000	Monthly		Fiscal Year to Date		12-Mth Core	
	Actual	Core	Actual	Core	Pt to Pt	Average
Apr	-0.22	0.01	-0.22	0.01	2.56	4.58
May	0.91	0.41	0.68	0.42	2.60	4.40
Jun	1.29	0.44	1.98	0.86	2.63	4.22
Jul	1.20	0.64	3.21	1.50	2.81	4.06
Aug	1.14	0.56	4.38	2.07	2.97	3.89
Sept	0.27	0.17	4.66	2.24	2.97	3.71
Oct	0.80	0.23	5.50	2.47	3.10	3.56
Nov	0.99	0.32	6.55	2.80	3.28	3.47
Dec	0.48	0.35	7.05	3.16	3.21	3.43
Jan	0.17	0.11	7.24	3.27	3.03	3.36
Feb	0.39	0.37	7.66	3.65	3.74	3.30
Mar	0.68	0.35	8.39	4.01	4.01	3.33
<b>2000/01</b>						
Apr	0.99	0.50	0.99	0.50	4.52	3.24
May	0.43	0.27	1.43	0.77	4.38	3.39
Jun	0.88	0.34	2.32	1.11	4.27	3.53
Jul	0.96	0.29	3.30	1.40	3.91	3.62
Aug	0.90	0.52	4.23	1.92	3.87	3.69
Sept	1.00	0.42	5.27	2.35	4.13	3.79
Oct	0.13	0.37	5.41	2.72	4.27	3.89
Nov	0.10	0.28	5.52	3.01	4.23	3.97
Dec	-0.72	0.16	4.75	3.18	4.03	4.03
Jan	0.02	0.13	4.77	3.31	4.05	4.12
Feb	1.17	0.85	6.00	4.19	4.55	4.18
Mar	0.47	0.22	6.50	4.41	4.41	4.22
<b>2001/02</b>						
Apr	0.42	0.14	0.42	0.14	4.04	4.18
May	0.75	0.50	1.18	0.65	4.29	4.17
June	1.73	0.35	2.93	1.00	4.30	4.17
July	0.98	0.44	3.94	1.44	4.46	4.22
Aug	0.87	0.39	4.85	1.84	4.33	4.26
Sept	0.82	0.28	5.71	2.12	4.18	4.26
Oct	0.83	0.34	6.59	2.46	4.15	4.25
Nov	0.09	0.15	6.68	2.61	4.01	4.23
Dec	0.27	0.13	6.97	2.75	3.98	4.23
Jan	0.59	0.35	7.60	3.11	4.22	4.24
Feb	-0.05	0.15	7.55	3.26	3.49	4.15
Mar	0.03	0.06	7.58	3.32	3.32	4.06
<b>2002/03</b>						
Apr	0.50	0.28	0.50	0.28	3.46	4.01
May	0.28	0.19	0.78	0.47	3.14	3.91
June	0.86	0.39	1.65	0.86	3.18	3.82
July	1.53	0.30	3.21	1.16	3.04	3.70
Aug	0.37	0.24	3.59	1.41	2.89	3.58
Sept	0.45	0.21	4.05	1.62	2.82	3.47
Oct	0.73	0.28	4.82	1.90	2.76	3.35
Nov	1.24	0.55	6.12	2.47	3.18	3.29
Dec	0.50	0.34	6.65	2.82	3.39	3.24
Jan	-0.31	0.37	6.32	3.20	3.41	3.17
Feb	-0.58	0.38	5.70	3.59	3.65	3.19
Mar	0.47	0.54	6.20	4.15	4.15	3.26
<b>2003/04</b>						
Apr	1.57	0.65	1.57	0.65	4.54	3.35

**JAMAICA:**  
**BALANCE OF PAYMENTS DEVELOPMENTS**  
**December 2002 & April to December 2002**

**December 2002**

The current account of the balance of payments recorded a deficit of US\$89.4MN in **December 2002**, relative to the deficit of US\$47.8MN recorded in December 2001. The out-turn for the review month reflected increases of US\$29.6MN and US\$8.2MN in the deficits on the trade and income accounts, as well as a reduction of US\$30.8MN in net earnings from current transfers. Partly offsetting these changes was an increase of US\$27.0MN in net earnings from the services sub-account. Within the financial account, net official and private investment inflows were insufficient to finance the deficit on the current account and capital accounts. Consequently, there was a drawdown of US\$17.4 million in the net international reserves of the Bank of Jamaica during the month.

**Merchandise Trade**

The widening in the deficit on the merchandise trade account by US\$29.6MN reflected a decline of US\$5.2MN in export earnings and an expansion of US\$24.4MN in the value of imports (f.o.b.).

With the exception of major traditional exports, the fall-off in exports reflected contractions in all the categories. Major traditional exports increased by US\$12.9MN due to growth of US\$9.9MN and US\$3.4MN in the values of alumina and bauxite exports, respectively. There were declines of US\$12.6MN and US\$3.8MN in non-traditional and free zone exports, respectively, related to reductions in food and garment exports.

The growth in imports was influenced by respective increases of US\$28.1MN, and US\$18.6MN in the c.i.f. values of capital goods and consumer goods imports, which were partly countered by a contraction of US\$14.9MN raw material imports. Increased expenditure on equipment for the telecommunication industry, as well as on coaches and buses for the transport sector was responsible for the expansion in the value of capital goods imports, while the growth in consumer goods imports reflected higher spending on mobile telephones, food and jewellery. The contraction in the value of raw material imports was primarily attributed to the decline in other raw material imports, associated with the non-repetition of the purchase of aircraft parts in December 2001.

**Services**

The increase in the surplus on the services account stemmed primarily from an expansion of US\$27.7MN in net receipts from the travel sub-sector, as well as a decline of US\$1.2MN in net payments for transportation services. Accounting for the increase in net travel inflows was an expansion of 34.7 percent in total visitor arrivals, which was driven by a 61.1 percent expansion in cruise passenger arrivals for the month, relative to December 2001.

**Income**

The increase in the deficit on the income account largely reflected higher interest payments by the Central Government, as well as lower inflows from Jamaican migrant workers.

## **Current Transfers**

The decline in net current transfers for the review month was attributable to a reduction in inflows of US\$28.5MN to the official sector, as well as a fall of US\$2.3MN in net private sector inflows. The decline in official transfers resulted from lower grant inflows, relative to December 2001.

## **Capital and Financial Accounts**

A deficit of US\$2.0MN was recorded on the capital account for December 2002. In contrast, the financial account registered a surplus of US\$91.4MN, an increase of US\$42.9MN, relative to the surplus in December 2001. Within the financial account, net official and private investment inflows of US\$2.3MN and US\$71.7MN, respectively, were insufficient to finance the deficits on the current and capital accounts. In this context, the net international reserves of the Bank of Jamaica fell by US\$17.4MN during the month.

## **April to November 2002**

For the fiscal period April to December 2002, the current account deficit widened by US\$277.3MN to US\$885.8MN, relative to the deficit recorded for the corresponding period of 2001. With the exception of the current transfers sub-account, all the sub-accounts contributed to the deterioration in the review period. Within the financial account, net private and official capital inflows were insufficient to finance the deficits on the current and capital accounts. Consequently, there was a draw down of US\$344.6 million in the net international reserves over the period.

## **Merchandise Trade**

A deterioration of US\$284.2MN in the merchandise trade deficit in the review period, relative to the comparable period in FY 2001/02 stemmed from a contraction of US\$104.4MN in export receipts, as well as, an increase of US\$179.8MN in payments for imports (f.o.b.). With the exception of other traditional exports, all the export categories declined during the review period. Major traditional exports contracted by approximately US\$20.0MN, largely reflecting a reduction of US\$25.8MN in earnings from alumina exports. There were also respective declines of US\$62.0MN, US\$19.7MN, US\$2.3MN and US\$0.3MN in the values of non-traditional exports, free zone exports, re-exports and goods procured in the domestic ports by foreign carriers for the review period. The fall in non-traditional and free zone exports reflected reductions in garment exports.

With regard to the expansion in imports, increased spending of US\$105.7MN, US\$94.2MN and US\$42.5MN on capital goods, consumer goods and raw materials, respectively, were partly offset by respective contractions of US\$35.0MN and US\$1.8MN in the values of free zone imports and goods procured in ports in the review period, relative to the period April to December 2001. The growth in capital goods imports was primarily attributable to increased expenditure on communication equipment, while the expansion in consumer goods imports stemmed from higher spending on food and mobile telephones.



## **Services**

The contraction of US\$4.7MN in the surplus on the services account was influenced by an increase of US\$11.3MN in net transportation payments, as well as, a decline of US\$4.6MN in net travel receipts, relative to the period April to December 2001. Partly countering these changes was a reduction of US\$11.2MN in net payments for other services. The lower receipts from the travel sector was mainly attributed to growth of US\$48.0MN in expenditure by Jamaicans travelling abroad, as gross travel inflows grew by US\$43.4MN in the review period. The increased travel inflows reflected an expansion of 6.9 per cent in total visitor arrivals for the period, which was driven by a 13.1 percent increase in cruise arrivals, relative to the same period in 2001.

## **Income**

The expansion of US\$51.1MN in the deficit on the income account for the review period was mainly attributable to higher interest payments on Government of Jamaica external debt, as well as an increase in the imputed profit remittances of the direct investment companies.

## **Current Transfers**

An increase of US\$62.7MN in net receipts from current transfers for the review period, relative to the comparable period of FY2001/02, resulted from growth of US\$92.9MN in net inflows to the private sector, which more than offset the decline of US\$30.2MN in net official transfers.

## **Capital & Financial Accounts**

A deficit of US\$16.2MN was recorded on the capital account for the review period, while a surplus of US\$902.0MN was recorded on the financial account. Within the financial account, net official and private investment inflows of US\$29.1MN and US\$528.3MN, respectively, were insufficient to finance the deficits on the current and capital accounts. Consequently, there was a draw down of US\$344.6MN in the net international reserves of the Bank of Jamaica. At the end of December 2002, the level of gross reserves was US\$1,643.1MN, representing approximately 28.5 weeks of imports of goods and 19.0 weeks of imports of goods and services.

The following table shows the balance of payments for December 2001, December 2002 and for the fiscal periods April to December 2001 and April to December 2002.

**BALANCE OF PAYMENTS SUMMARY (US\$M)**

	December <sup>1/</sup>	December <sup>2/</sup>		Apr- Dec <sup>1/</sup>	Apr-Dec <sup>2/</sup>	
	2001	2002	Change	2001	2002	Change
<b>1. CURRENT ACCOUNT</b>	<b>-47.8</b>	<b>-89.4</b>	<b>-41.6</b>	<b>-608.5</b>	<b>-885.8</b>	<b>-277.3</b>
<b>A. GOODS and SERVICES</b>	<b>-107.1</b>	<b>-109.6</b>	<b>-2.6</b>	<b>-971.9</b>	<b>-1260.8</b>	<b>-288.9</b>
<b>a. GOODS BALANCE</b>	<b>-143.7</b>	<b>-173.3</b>	<b>-29.6</b>	<b>-1200.0</b>	<b>-1484.2</b>	<b>-284.2</b>
Exports (f.o.b.)	103.6	98.4	-5.2	1094.0	989.6	-104.4
Imports (f.o.b.)	247.3	271.7	24.4	2294.0	2473.8	179.8
<b>b. SERVICES BALANCE</b>	<b>36.6</b>	<b>63.6</b>	<b>27.0</b>	<b>228.1</b>	<b>223.4</b>	<b>-4.7</b>
Transportation	-19.8	-18.6	1.2	-204.9	-216.2	-11.3
Travel	95.6	123.3	27.7	707.6	703.0	-4.6
Other Services	-39.2	-41.1	-1.9	-274.6	-263.4	11.2
<b>B. INCOME</b>	<b>-52.1</b>	<b>-60.3</b>	<b>-8.2</b>	<b>-311.3</b>	<b>-362.4</b>	<b>-51.1</b>
Compensation of employees	9.5	5.8	-3.7	70.4	77.4	7.0
Investment Income	-61.6	-66.1	-4.5	-381.7	-439.8	-58.1
<b>C. CURRENT TRANSFERS</b>	<b>111.4</b>	<b>80.6</b>	<b>-30.8</b>	<b>674.7</b>	<b>737.4</b>	<b>62.7</b>
Official	32.3	3.8	-28.5	68.8	38.6	-30.2
Private	79.1	76.8	-2.3	605.9	698.8	92.9
<b>2. CAPITAL &amp; FINANCIAL ACCOUNT</b>	<b>47.8</b>	<b>89.4</b>	<b>41.6</b>	<b>608.5</b>	<b>885.8</b>	<b>277.3</b>
<b>A. CAPITAL ACCOUNT</b>	<b>-0.7</b>	<b>-2.0</b>	<b>-1.3</b>	<b>-17.2</b>	<b>-16.2</b>	<b>1.0</b>
<b>a. Capital Transfers</b>	<b>-0.7</b>	<b>-2.0</b>	<b>-1.3</b>	<b>-17.2</b>	<b>-16.2</b>	<b>1.0</b>
Official	1.4	0.0	-1.4	1.7	0.1	-1.6
Private	-2.1	-2.0	0.1	-18.9	-16.3	2.6
<b>b. Acq/disposal of non-prod. non-fin'l assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>B. FINANCIAL ACCOUNT</b>	<b>48.5</b>	<b>91.4</b>	<b>42.9</b>	<b>625.7</b>	<b>902.0</b>	<b>276.3</b>
Other official investment	301.9	2.3	-299.6	538.4	29.1	-509.3
Other private investment <sup>3/</sup>	110.3	71.7	-38.6	641.8	528.3	-113.5
Change in Reserves (minus = increase)	-363.7	17.4		-554.5	344.6	

*1/ Revised*

*2/ Provisional*

*3/ Includes errors & omissions*

*BANK OF JAMAICA*

*9 June-2003*