



ECONOMIC STATISTICS

VOLUME 14 - NO. 6

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SELECTED ECONOMIC INDICATORS

Figure 1

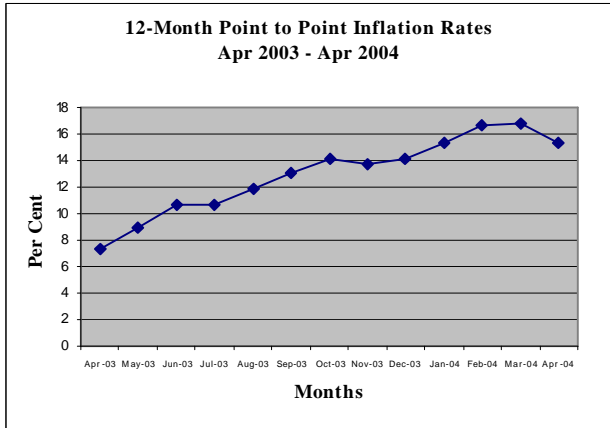


Figure 2

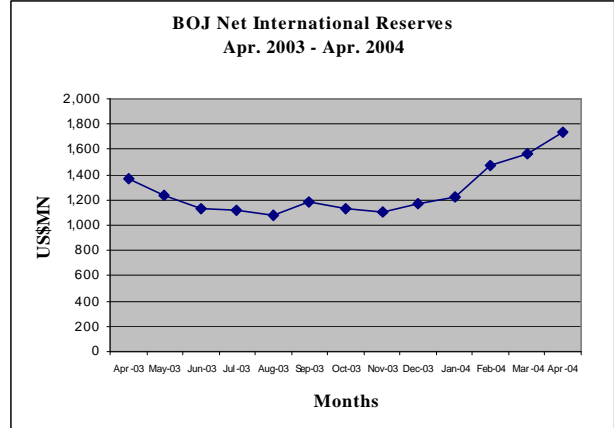


Figure 3

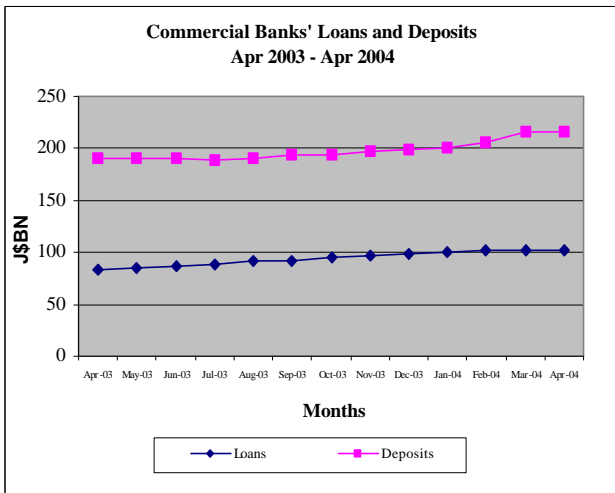


Figure 4

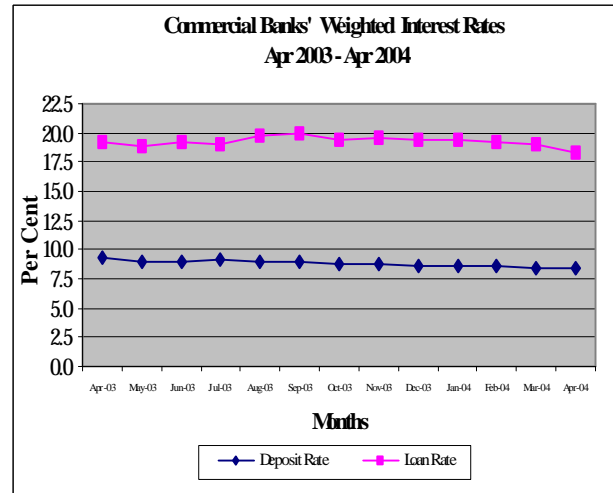


Figure 5

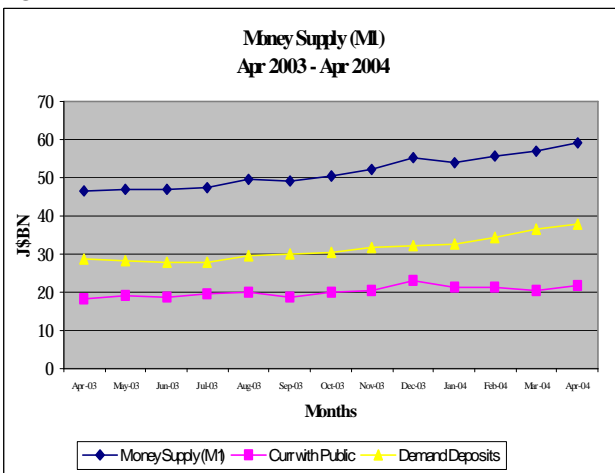
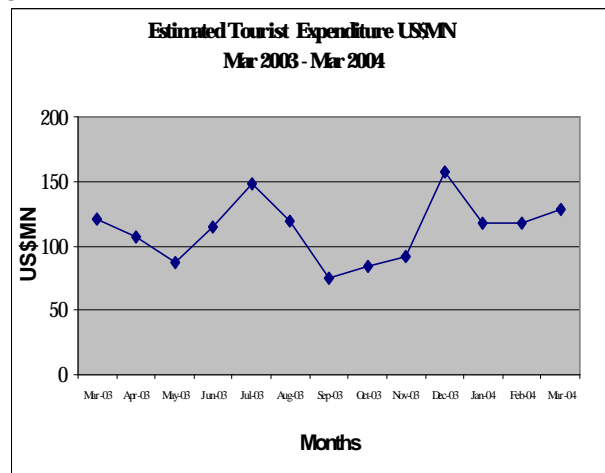


Figure 6



1. MONETARY AGGREGATES (J\$mn.)				%
	Apr 2003	Mar 2004	Apr 2004	Change p.a.
Local and Foreign Currency				
Money Supply (M1).....	<u>46,404.14</u>	<u>57,124.23</u>	<u>59,245.53</u>	<u>27.67</u>
(a) Currency with the Public.....	17,920.14	20,594.78	21,547.22	20.24
(b) Demand Deposits (adj.)***.....	28,484.00	36,529.45	37,698.31	32.35
Quasi-Money.....	<u>121,542.92</u>	<u>133,659.82</u>	<u>135,546.51</u>	<u>11.52</u>
(a) Time.....	34,947.51	34,966.98	35,324.22	1.08
(b) Savings.....	86,595.41	98,692.84	100,222.29	15.74
Money Supply (M2).....	<u>167,947.06</u>	<u>190,784.05</u>	<u>194,792.04</u>	<u>15.98</u>
Domestic Credit (net).....	<u>187,198.25</u>	<u>206,416.32</u>	<u>209,837.32</u>	<u>12.09</u>
Local Currency				
Money Supply (M1).....	<u>37,211.20</u>	<u>44,942.92</u>	<u>47,319.24</u>	<u>27.16</u>
(a) Currency with the Public.....	17,920.14	20,594.78	21,547.22	20.24
(b) Demand Deposits (adj.)***.....	19,291.06	24,348.14	25,772.02	33.60
Quasi-Money.....	<u>75,358.87</u>	<u>79,949.68</u>	<u>79,823.17</u>	<u>5.92</u>
(a) Time.....	19,627.34	19,311.54	19,185.03	-2.25
(b) Savings.....	55,731.53	60,638.14	60,638.14	8.80
Money Supply (M2).....	<u>112,570.07</u>	<u>124,892.60</u>	<u>127,142.41</u>	<u>12.95</u>
Domestic Credit (net).....	<u>164,462.49</u>	<u>175,703.44</u>	<u>179,954.53</u>	<u>9.42</u>
Base Money.....	<u>32,342.76</u>	<u>36,186.42</u>	<u>36,055.57</u>	<u>11.48</u>
II. COMMERCIAL BANKS (J\$mn.)				
Assets & Liabilities (J\$mn.)**.....	<u>287,119.56</u>	<u>331,710.51</u>	<u>327,675.85</u>	<u>14.13</u>
Loans**.....	<u>83,023.40</u>	<u>102,504.19</u>	<u>102,865.91</u>	<u>23.90</u>
Agriculture.....	1,598.65	1,790.31	1,782.27	11.49
Manufacturing.....	3,728.18	3,388.45	3,452.21	-7.40
Construction & Land Development.....	4,429.33	6,920.75	7,266.78	64.06
Mining.....	116.63	150.97	161.20	38.21
Tourism.....	9,031.01	13,470.24	13,591.85	50.50
Transport, Storage & Communication.....	7,114.13	8,629.32	8,497.29	19.44
Consumer-Oriented.....	28,606.44	39,870.79	40,865.08	42.85
Government Services.....	26,793.13	26,805.03	25,660.99	-4.23
Other.....	1,605.90	1,478.33	1,588.24	-1.10
DEPOSITS.....	<u>189,981.88</u>	<u>216,777.27</u>	<u>215,156.46</u>	<u>13.25</u>
Private Sector (including overseas residents).....	<u>162,415.94</u>	<u>184,723.95</u>	<u>186,812.16</u>	<u>15.02</u>
Time.....	39,745.07	42,262.64	42,793.88	7.67
Savings.....	93,268.24	105,925.49	107,587.53	15.35
Demand.....	29,402.63	36,535.82	36,430.75	23.90
Government.....	<u>15,288.16</u>	<u>17,891.37</u>	<u>13,147.05</u>	<u>-14.01</u>
Time.....	578.02	409.24	411.34	-28.84
Savings.....	1,399.90	1,295.31	1,482.05	5.87
Demand.....	13,310.24	16,186.82	11,253.66	-15.45
Public Entities.....	<u>5,808.96</u>	<u>8,489.76</u>	<u>8,945.91</u>	<u>54.00</u>
Time.....	3,046.01	4,729.60	4,865.78	59.74
Savings.....	1,694.80	2,471.47	2,331.02	37.54
Demand.....	1,068.15	1,288.69	1,749.11	63.75

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

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

+ Revised

				%
II. COMMERCIAL BANKS (J\$mn.) (Cont'd)	Apr 2003	Mar 2004	Apr 2004	Change p.a.
Spec. & O. F. Insts.....	<u>6,468.82</u>	<u>5,672.19</u>	<u>6,251.34</u>	<u>-3.36</u>
Time.....	1,706.75	892.03	1,162.80	-31.87
Savings.....	1,130.93	807.16	578.00	-48.89
Demand.....	3,631.14	3,973.00	4,510.54	24.22
	Apr 2003	Mar 2004	Apr 2004	
Current Account Balances with BOJ (J\$mn).....	<u>70.02</u>	<u>159.19</u>	<u>228.27</u>	
LIQUIDITY (Average) %	Apr 2003	Mar 2004	Apr 2004	
Actual Liquid Assets Ratio.....	<u>32.84</u>	<u>38.21</u>	<u>41.82</u>	
Cash.....	2.13	2.64	2.46	
Deposits with B.O.J.....	9.29	9.17	9.19	
Treasury Bills.....	0.26	0.79	0.77	
Local Registered Stocks.....	8.58	7.26	6.69	
Other.....	12.58	18.35	22.71	
Statutory Requirement.....	<u>23.00</u>	<u>23.00</u>	<u>23.00</u>	
III. SELECTED INTEREST RATES (%)				
COMMERCIAL BANKS (Domestic Currency)	May 2003	Apr 2004	May 2004	
Fixed Deposits (J\$100,000 & over)				
3-6 months.....	8.50-13.15	8.50-13.25	8.50-13.25	
9-12 months.....	8.50-13.15	8.50-13.50	8.50-13.50	
Call Deposits.....	1.00-60.00	1.00-23.00	1.00-20.00	
Average Savings Deposits	8.22	8.12	8.06	
Average Loan Rate.....	25.18	25.23	25.02	
Average Inter-bank Rate	31.75	9.14	10.38	
	Apr 2003	Mar 2004	Apr 2004	
Weighted Fixed Deposits Rate.....	9.41	8.47	8.44	
Weighted Loan Rate.....	19.26	19.10	18.26	
G.O.J. Treasury Bills (Weighted Average) Yield	May 2003	Apr 2004	May 2004	
2 Months:.....	-	-	-	
3 Months:.....	-	-	-	
6 Months:.....	-	15.09	14.96	
9 Months:.....	-	-	-	
12 Months:.....	-	-	-	
	May 2003	Apr 2004	May 2004	
BOJ Reverse Repurchase Rates (%)				
30-Day	15.00	14.40	14.20	
60-Day	15.30	14.50	14.30	
90-Day	20.00	14.60	14.40	
120-Day	24.00	14.85	14.55	
180-Day	28.00	15.30	15.05	
270-Day	32.50	16.00	15.65	
365-Day	33.00	16.90	16.40	
COMMERCIAL BANKS (Foreign Currency)	May 2003	Apr 2004	May 2004	
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	2.00-4.55	2.00-4.55	
6-12 months.....	2.00-6.00	2.00-6.00	2.00-6.00	
Fixed Deposits (US\$100,000 & Over)				
1-3 months.....	3.25-4.75	2.50-4.75	2.50-4.75	
3-6 months.....	3.25-4.75	2.50-4.85	2.50-4.85	
6-12 months.....	3.50-6.25	2.50-6.25	2.50-6.25	
Average Loan Rates	12.20	12.50	12.50	
Average Savings	2.72	2.81	2.72	

				%
				Change p.a.
IV. SECURITIES (J\$mn.) (outstanding balances)	Apr 2003	Mar 2004	Apr 2004	
GOJ Local Registered Stock.....	241,002.19	220,819.21	219,434.33	-8.95
	May 2003	Apr 2004	May 2004	
BOJ Open Market Operations 1/.....	83,408.12	120,516.52	126,700.17	51.90
GOJ Treasury Bills.....	2,950.00	3,850.00	3,850.00	30.51
V. INSTALMENT CREDIT (J\$mn.) (Banks & Near-Banks)	Apr 2003	Mar 2004	Apr 2004	
Total Credit Outstanding.....	7,581.26	10,472.29	10,593.95	39.74
New Business.....	511.57	670.10	614.59	20.14
VI. NEAR-BANKS (J\$mn.) (Merchant Banks, Trust Com. & Finance Houses)	Apr 2003	Mar 2004	Apr 2004	
Assets/Liabilities.....	39,848.35	48,977.87	43,020.17	7.96
Loans Outstanding.....	5,049.45	6,064.94	5,814.25	15.15
Total Deposits.....	8,243.00	9,185.02	7,911.17	-4.03
Loans.....	<u>5,049.45</u>	<u>6,064.94</u>	<u>5,814.25</u>	<u>15.15</u>
Agriculture.....	101.13	60.89	50.44	-50.12
Manufacturing.....	307.75	236.19	241.82	-21.42
Construction & Land Development.....	727.07	951.78	952.57	31.01
Mining, Quarrying & Processing.....	42.94	20.69	22.02	-48.72
Tourism.....	436.58	394.41	398.60	-8.70
Transport, Storage & Communication.....	20.12	40.01	37.28	85.29
Consumer Oriented.....	2,161.71	3,284.92	3,065.19	41.79
Government Services.....	976.49	904.45	876.12	-10.28
Other.....	275.66	171.60	170.21	-38.25
	Apr 2003	Mar 2004	Apr 2004	
Liquid Assets Ratio (average) %.....	95.69	80.19	74.31	
Statutory Requirement.....	23.00	23.00	23.00	
VII. BUILDING SOCIETIES (J\$mn.) (members & associate members)	Apr 2003	Mar 2004	Apr 2004	
Assets/Liabilities.....	57,451.51	70,478.61	72,681.46	26.51
Loan Balances.....	21,264.93	25,064.04	25,302.62	18.99
Savings Funds.....	44,338.72	51,568.02	52,457.07	18.31
VIII. INFLATION	Apr 2003	Mar 2004	Apr 2004	
Consumer Price Index (Jan. 1988 = 100).....	1,584.0	1,820.8	1,828.2	15.42
Monthly Rate (%).....	1.6	0.5	0.4	
Calendar Year to Date (%) (point to point).....	1.1	1.9	2.3	
Fiscal Year to Date (%) (point to point).....	1.6	16.8	0.4	
IX. ACTUAL PRODUCTION ('000)	Apr 2003	Mar 2004	Apr 2004	
Bauxite (metric tonnes).....	338.34	348.95	411.20	21.53
Alumina (metric tonnes).....	308.62	368.30	341.78	10.74
Sugar (metric tonnes).....	27.47	41.92	37.05	34.87
Banana (tonnes).....	2.50	2.78	3.28	31.20
X. STOCK MARKET ACTIVITIES	May 2003	Apr 2004	May 2004	
Index.....	51,131.05	108,274.96	93,967.64	83.78
Volume Traded (mn.).....	143.98	366.78	272.55	89.30
Ordinary Shares.....	100.52	365.34	262.72	161.36
Block Transactions.....	43.46	1.44	9.83	-77.38

				%
X. STOCK MARKET ACTIVITIES (cont'd)	May 2003	Apr 2004	May 2004	Change p.a.
Value of Stocks Traded (J\$mn.).....	696.95	4,298.90	3,429.53	392.08
Ordinary Shares.....	480.57	4,281.16	3,421.66	612.00
Block Transactions.....	216.38	17.74	7.87	-96.36
Advance/Decline Ratio.....	20/9	29/7	5/1	
XI. EXTERNAL TRADE (US\$mn.)	Jan-Oct 2002	Jan-Oct 2003		Change
1. EXPORTS				
a) Major Traditional Exports.....	<u>670.37</u>	<u>713.55</u>		<u>43.18</u>
Bauxite.....	85.28	73.94		-11.34
Alumina.....	503.66	558.64		54.98
Sugar.....	66.15	65.20		-0.95
Bananas.....	15.28	15.77		0.49
b) Other Traditional Exports.....	66.30	59.15		-7.15
c) Non-Traditional Exports.....	194.06	197.17		3.11
d) Re-exports.....	16.56	21.43		4.87
General Merchandise Exports.....	<u>947.29</u>	<u>991.30</u>		<u>44.01</u>
(e) Freezone Exports.....	139.19	115.78		-23.41
(f) Goods Procured in Ports.....	24.10	25.00		0.90
Total Goods Exports.....	<u>1,110.58</u>	<u>1,132.08</u>		<u>21.50</u>
2. IMPORTS				
(a) Consumer Goods.....	874.91	850.82		-24.09
(b) Raw Materials.....	1,520.10	1,753.19		233.09
(c) Capital Goods.....	555.81	475.75		-80.06
General Merchandise Imports.....	<u>2,950.82</u>	<u>3,079.76</u>		<u>128.94</u>
(d) Freezone Imports.....	83.09	82.26		-0.83
(e) Goods Procured in Ports.....	31.80	32.80		1.00
Total Goods Imports.....	<u>3,065.71</u>	<u>3,194.82</u>		<u>129.11</u>
Trade Balance.....	<u>-1,955.13</u>	<u>-2,062.74</u>		<u>-107.61</u>
Memo:				
Caricom Exports.....	40.40	39.53		-0.87
Caricom Imports.....	332.58	407.87		75.29
Caricom Trade Balance.....	<u>-292.18</u>	<u>-368.34</u>		<u>-76.16</u>
XII. TOURISM	Jan-Apr	Jan-Apr		%
	2003	2004		Change
Tourist Arrivals ('000).....	<u>926.35</u>	<u>976.20</u>		<u>5.38</u>
Stopovers.....	431.06	474.09		9.98
Non-Resident Jamaicans.....	23.17	23.10		-0.30
Cruise.....	472.05	479.01		1.47
Armed Forces.....	0.07	-		-
Estimated Expenditure (US\$mn.).....	<u>448.30</u>	<u>480.60</u>		<u>7.20</u>
XIII. BALANCE OF PAYMENTS (US\$mn.)				
<i>Balance of Payments (Calendar)</i>	Jan-Oct 2002	Jan-Oct 2003		Change
1. Current Account.....	<u>-897.7</u>	<u>-850.3</u>		<u>47.4</u>
A. Goods balance.....	<u>-1,524.4</u>	<u>-1,629.1</u>		<u>-104.7</u>
Exports (f.o.b.).....	1,110.5	1,132.1		21.6
Imports (f.o.b.).....	2,634.9	2,761.2		126.3
B. Service Balance.....	<u>195.4</u>	<u>350.3</u>		<u>154.9</u>
Transportation.....	-207.6	-172.0		35.6
Travel.....	756.4	871.8		115.4
Other Services.....	-353.4	-349.5		3.9

Balance of Payments (Calendar) (Cont'd)

	Jan-Oct 2002	Jan-Oct 2003	Change
C. Income.....	<u>-476.3</u>	<u>-489.3</u>	<u>-13.0</u>
Compensation of Employees.....	63.3	55.7	-7.6
Investment Income.....	-539.6	-545.0	-5.4
D. Current Transfers.....	<u>907.6</u>	<u>917.8</u>	<u>10.2</u>
Official.....	91.2	70.5	-20.7
Private.....	816.4	847.3	30.9
2. Capital and Financial Account.....	<u>897.7</u>	<u>850.3</u>	<u>-47.4</u>
A. Capital Account.....	<u>-14.4</u>	<u>-15.6</u>	<u>-1.2</u>
Capital Transfers.....	<u>-14.4</u>	<u>-15.6</u>	<u>-1.2</u>
Official.....	0.2	0.1	-0.1
Private.....	-14.6	-15.7	-1.1
Acq./Disp. of non-produced non-fin. assets....	0.0	0.0	0.0
B. Financial Account.....	<u>912.1</u>	<u>865.9</u>	<u>-46.2</u>
Other Official Investment.....	10.9	-314.6	-325.5
Other Private Investment.....	715.7	714.6	-1.1
<i>(incl. errors & omissions)</i>			
Reserves.....	<u>185.5</u>	<u>465.9</u>	
	Apr-Oct	Apr-Oct	
<i>Balance of Payments (Fiscal)</i>	2002/2003	2003/2004	
1. Current Account.....	<u>-729.1</u>	<u>-551.1</u>	<u>178.0</u>
A. Goods balance.....	<u>-1,147.1</u>	<u>-1,099.0</u>	<u>48.1</u>
Exports (f.o.b.).....	780.8	804.4	23.6
Imports (f.o.b.).....	1,927.9	1,903.4	-24.5
B. Service Balance.....	<u>101.5</u>	<u>219.6</u>	<u>118.1</u>
Transportation.....	-158.8	-125.9	32.9
Travel.....	508.4	585.5	77.1
Other Services.....	-248.1	-240.0	8.1
C. Income.....	<u>-330.0</u>	<u>-319.1</u>	<u>10.9</u>
Compensation of Employees.....	60.3	50.8	-9.5
Investment Income.....	-390.3	-369.9	20.4
D. Current Transfers.....	<u>646.5</u>	<u>647.4</u>	<u>0.9</u>
Official.....	66.0	48.8	-17.2
Private.....	580.5	598.6	18.1
2. Capital and Financial Account.....	<u>729.1</u>	<u>551.1</u>	<u>-178.0</u>
A. Capital Account.....	<u>-8.8</u>	<u>-10.6</u>	<u>-1.8</u>
Capital Transfers.....	-8.8	-10.6	-1.8
Official.....	0.1	0.0	-0.1
Private.....	-8.9	-10.6	-1.7
Acq./Disp. of non-produced non-fin. assets	0.0	0.0	0.0
B. Financial Account.....	<u>737.9</u>	<u>561.7</u>	<u>-176.2</u>
Other Official Investment.....	-41.2	-63.1	-21.9
Other Private Investment.....	492.7	416.2	-76.5
<i>(incl. errors & omissions)</i>			
Reserves.....	286.4	208.6	
Government Reserves.....	0.0	0.0	

XIV. BOJ NET INTERNATIONAL RESERVES	Apr 2003	Mar 2004	Apr 2004	% Change p.a.
(US\$mn.)				
BOJ Net International Reserves (US\$mn.).....	<u>1,362.10</u>	<u>1,568.66</u>	<u>1,741.62</u>	<u>27.86</u>
Gross Foreign Assets.....	1,404.72	1,596.88	1,769.73	25.98
Gross Foreign Liabilities.....	42.62	28.22	28.11	-34.05
Estimated Gross Reserves in Weeks of Imports.....	<u>22.72</u>	<u>24.99</u>	<u>26.71</u>	
Estimated Gross Reserves in Weeks of Goods and Services Imports.....	<u>15.22</u>	<u>16.60</u>	<u>17.66</u>	
 XV. FOREIGN EXCHANGE	 May 2003	 Apr 2004+	 May 2004	
DEVELOPMENTS (US\$mn.)				
Combined Foreign Exchange Trading				
Foreign Exchange Purchases (spot).....	707.62	670.11	701.06	-0.93
Foreign Exchange Sales (spot).....	711.98	710.08	697.40	-2.05
 Foreign Currency Deposit Balances of Authorised Dealers (US\$mn.) ()	 Apr 2003	 Mar 2004	 Apr 2004	
Commercial Banks Balances.....	<u>1,209.39</u>	<u>1,348.65</u>	<u>1,364.42</u>	<u>12.82</u>
"A" Accounts 1/.....	81.93	128.43	140.28	71.22
Other.....	1,127.46	1,220.22	1,224.14	8.58
F.I.As Balance.....	<u>109.64</u>	<u>131.69</u>	<u>110.96</u>	<u>1.20</u>
"A" Accounts 1/.....	37.19	80.52	71.91	93.36
Other.....	72.45	51.17	39.05	-46.10
Building Societies Balances.....	<u>182.74</u>	<u>233.20</u>	<u>235.96</u>	<u>29.12</u>
"A" Accounts 1/.....	125.71	161.20	162.74	29.46
Other	57.03	72.00	73.22	28.39
 Total Foreign Currency Deposits (US\$mn.).....	 <u>1,501.77</u>	 <u>1,713.54</u>	 <u>1,711.34</u>	 <u>13.95</u>
Total Foreign Currency Loans (US\$mn.).....	<u>597.61</u>	<u>696.27</u>	<u>689.69</u>	<u>15.41</u>
Commercial Banks.....	528.07	618.14	612.85	16.05
F.I.As	56.15	67.80	67.00	19.32
Building Societies.....	13.39	10.33	9.84	-26.51
 London Interbank Offer Rate (LIBOR) Eurodollars (%)	 May 2003	 Apr 2004	 May 2004	
3 months.....	1.29	1.15	1.24	
6 months.....	1.24	1.27	1.51	
U.S. Prime Rate (end of period) (%).....	4.25	4.00	4.00	
 Selling Exchange Rates (end period)	 May 2003	 Apr 2004	 May 2004	
US\$1.00 = J\$.....	59.42	60.76	60.93	
Can. \$1.00 = J\$.....	43.05	44.18	43.79	
U.K. Pound = J\$.....	98.25	107.77	110.19	
Euro = J\$**.....	70.55	72.76	74.44	
 Caricom Selling Exchange Rates**				
T.T. \$1 = J\$.....	9.58	9.72	9.75	
Bdos. \$1 = J\$.....	28.98	30.38	30.47	
Guy. \$1 = J\$.....	0.31	0.31	0.31	
E.C. \$1 = J\$.....	22.21	22.50	22.57	

() Exclude deposits in "B" accounts

** Indicative Rates

1/ 'A' Accounts are tax free Foreign Currency Accounts Held by non-residents

+ Revised

INFLATION

APRIL 2004

The All Jamaica Consumer Price Index (CPI) increased by 0.4 per cent in April 2004. This brings the rate of inflation for the calendar year to date to 2.3 per cent, compared to 1.1 per cent obtained over the same interval in 2003. The annual average rate at April 2004 was 13.5 per cent, significantly higher than the 6.5 per cent as at April 2003 (Table 1). Similarly, the point-to-point inflation rate was 15.4 per cent, 8.1 percentage points above that recorded in the similar period of 2003. More importantly, however, the outturn for April reflects a continuation of the downward trend in monthly inflation since the peak in June 2003.

The inflation outturn in April was primarily due to increases in global commodity prices as well as increases in domestic agricultural products due to reduction in supplies relative to March. These increases were largely reflected in the *Food & Drink* sub-index, which increased by 0.8 per cent, contributing 87.4 per cent to the overall inflation. Other significant contributors to the outturn were the *Healthcare & Personal Expenses* and *Fuels & Other Household Supplies* sub-indices, which increased by 0.6 per cent and 0.3 per cent, respectively. These sub-indices respectively contributed 8.6 per cent and 6.8 per cent to the overall inflation (Table 2). Other inflationary impulses of note were registered in the *Transportation* sub-index (0.4%), which contributed 4.9 per cent to the overall inflation. Of note, there were countervailing impulses in the *Housing & Other Housing Expenses* sub-index, which declined by 1.1 per cent (Table 2).

The primary impetus to prices in the *Food & Drink* sub-index emanated from the *Meat, Poultry & Fish* sub-group. This sub-group increased by 1.0 per cent and primarily reflected price increases for fish, beef and chicken. These increases were due, in part, to the recent movements in international grain prices. Additionally, the price of fish reflected the seasonally higher demand associated with the Lenten period. There were also strong impulses from the *Vegetables & Fruits* sub-group, reflective of reduced production volumes, relative to the previous month.

The increases in the *Healthcare & Personal Expenses* sub-index was primarily influenced by upward adjustments in dentists' fees. This item increased by 21.7 per cent, 4.1 per cent and 2.6 per cent in the KMA, Other Towns and Rural Areas, respectively.

The *Fuels & Other Household Supplies* sub-index increased by 0.3 per cent. This was mainly influenced by upward adjustments in the prices of household supplies. Other impulses of note that arose in the *Transportation* sub-index were primarily the result of increased petroleum prices and other fuel related commodities. These increases were principally attributed to the movements in world oil prices, which despite declining by 0.1 per cent in April 2004, rose by approximately 7.0 per cent since the start of the calendar year. Additionally, relative to April 2003, world oil prices have increased by 29.9 per cent.

At the regional level, all areas reported increases in their overall index for the month. The CPI in the KMA, Other Towns and Rural Areas had respective increases of 0.6 per cent, 0.4 per cent, and 0.2 per cent. The inflation in the three regions was mainly influenced by the *Food & Drink* sub-index, which increased by 1.0 per cent in the KMA and 0.9 per cent in the Other Towns, and 0.4 per cent in the Rural Areas.

Agricultural prices were the moderating factor in the Rural Areas inflation as the *Starchy Foods* sub-group declined by 0.2 per cent (see Table 3).

The trimmed mean index was estimated to have increased by 0.32 per cent in April, similar to what obtained in the previous month (Table 4). Core inflation has been exhibiting a stable pattern since February 2004. This is consistent with the monetary base, which outside of seasonal impulses, has contributed little in terms of inflationary impulses. The 12-month point-to-point core inflation rate at April 2004 was 7.6 per cent, 3.1 percentage points above the comparable measure at April 2003. Similarly, the annual average core inflation rate of 7.2 per cent was 3.8 percentage points above the rate recorded in the corresponding month of 2003.

The measure of underlying inflation that excludes agricultural prices (CPI-A) was 0.67 per cent in April. This estimate shows a marginal increase of 0.01 percentage point relative to the previous month's out-turn. Non-agricultural inflation had peaked in June 2003, consequent on impulses arising from budgetary measures and the instability in the exchange rate. Subsequent measures at limiting inflationary effects from this development and restoring stability have led to the general downward trend, despite the slight uptick in April.

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
2000	Jan	1,268.1	1,264.6	0.17	1.65	2.00	6.57	5.88
	Feb	1,273.1	1,269.0	0.39	1.05	1.66	8.18	6.04
	Mar	1,281.7	1,274.3	0.68	1.25	1.31	8.39	6.25
	Apr	1,294.4	1,283.0	0.99	2.07	1.46	9.70	6.61
	May	1,300.0	1,292.0	0.43	2.11	1.81	9.19	6.92
	Jun	1,311.4	1,301.9	0.88	2.32	2.17	8.75	7.24
	Jul	1,324.0	1,311.8	0.96	2.29	2.24	8.49	7.53
	Aug	1,335.9	1,323.7	0.90	2.76	2.46	8.23	7.79
	Sept	1,349.3	1,336.4	1.00	2.89	2.65	9.03	8.10
	Oct	1,351.1	1,345.4	0.13	2.05	2.56	8.30	8.25
	Nov	1,352.4	1,350.9	0.10	1.24	2.05	7.34	8.25
	Dec	1,342.6	1,348.7	-0.72	-0.50	0.92	6.06	8.17
2001	Jan	1,342.9	1,345.9	0.02	-0.61	0.04	5.90	8.11
	Feb	1,358.6	1,348.0	1.17	0.46	-0.21	6.72	7.98
	Mar	1,365.0	1,355.5	0.47	1.67	0.50	6.50	7.82
	Apr	1,370.8	1,364.8	0.42	2.08	1.40	5.90	7.51
	May	1,381.1	1,372.3	0.75	1.65	1.80	6.24	7.27
	Jun	1,404.9	1,385.6	1.73	2.93	2.22	7.13	7.14
	Jul	1,418.7	1,401.6	0.98	3.50	2.70	7.15	7.03
	Aug	1,431.1	1,418.3	0.87	3.63	3.35	7.13	6.94
	Sept	1,442.9	1,430.9	0.82	2.70	3.27	6.94	6.78
	Oct	1,454.9	1,443.0	0.83	2.55	2.95	7.68	6.73
	Nov	1,456.2	1,451.3	0.09	1.75	2.33	7.68	6.76
	Dec	1,460.2	1,457.1	0.27	1.20	1.83	8.76	6.99
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

1/ January 1998 = 100

Moving average

* Point to point

Source: STATIN

Table 2
COMPONENT CONTRIBUTION TO INFLATION
April 2004

	Weight in the CPI	Monthly Inflation (%)	Weighted Inflation	% Contribution to Inflation
FOOD & DRINK	0.5563	0.8	0.4451	87.4
Meals away from home	0.0741	0.2	0.0129	2.5
Meat, Poultry & Fish	0.1613	1.0	0.1676	32.9
Dairy Products Oils & Fats	0.0668	0.8	0.0505	9.9
Baked Products, Cereals & Breakfast Drink	0.0864	0.3	0.0233	4.6
Starchy Foods	0.0525	0.9	0.0452	8.9
Vegetables & Fruits	0.0650	1.9	0.1227	24.1
Other Food & Beverages	0.0502	0.5	0.0228	4.5
FUELS & OTHER HOUSEHOLD SUPPLIES	0.0735	0.3	0.0345	6.8
Household Supplies	0.0482	0.7	0.0322	6.3
Fuels	0.0253	0.1	0.0024	0.5
HOUSING & OTHER HOUSING EXPENSES	0.0786	-1.1	-0.0682	-13.4
Rental	0.0209	1.4	0.0297	5.8
Other Housing Expenses	0.0577	-1.7	-0.0978	-19.2
HOUSEHOLD FURNISHINGS & FURNITURE	0.0283	0.6	0.0130	2.6
Furniture	0.0068	1.8	0.0120	2.4
Furnishings	0.0215	0.0	0.0010	0.2
HEALTHCARE & PERSONAL EXPENSES	0.0697	0.6	0.0436	8.6
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.0507	0.3	0.0134	2.6
Clothing Materials	0.0055	0.0	0.0001	0.0
Readymade Clothing & Accessories	0.0242	0.1	0.0032	0.6
Footwear	0.0159	0.4	0.0071	1.4
Making & Repairs	0.0051	0.6	0.0030	0.6
TRANSPORTATION	0.0644	0.4	0.0248	4.9
MISCELLANEOUS EXPENSES	0.0785	0.0	0.0031	0.6
ALL GROUPS	1.0000	0.41	0.51	100.0

Table 3
REGIONAL INFLATION
April 2004

	KMA (%)	Other Towns (%)	Rural (%)
FOOD & DRINK	1.0	0.9	0.4
Meals away from home	0.1	0.4	0.1
Meat Poultry & Fish	1.3	1.0	0.7
Dairy Products Oils & Fats	1.0	1.0	0.4
Baked Products Cereals & Breakfast Drink	0.3	0.4	0.2
Starchy Foods	2.7	1.7	-0.2
Vegetables & Fruits	1.8	1.7	2.0
Other Food & Beverages	0.8	0.5	0.1
FUELS & OTHER HOUSEHOLD SUPPLIES	0.5	0.5	0.0
Household Supplies	1.1	0.6	0.1
Fuels	0.0	0.4	0.0
HOUSING & OTHER HOUSING EXPENSES	-0.7	-1.5	-1.6
Rental	1.8	0.0	0.0
Other Housing Expenses	-1.7	-1.7	-1.7
HOUSEHOLD FURNISHINGS & FURNITURE	1.4	0.1	0.1
Furniture	4.3	0.6	0.6
Furnishings	0.3	-0.2	-0.1
HEALTHCARE & PERSONAL EXPENSES	1.0	0.5	0.1
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.4	0.5	0.1
Clothing Materials	0.0	0.1	0.0
Readymade Clothing & Accessories	0.1	0.2	0.1
Footwear	0.6	0.9	0.0
Making & Repairs	1.0	0.1	0.3
TRANSPORTATION	0.4	0.4	0.4
MISCELLANEOUS EXPENSES	0.0	0.1	0.0
ALL GROUPS	0.6	0.4	0.2

Table 4
INFLATION: ACTUAL & CORE

	Monthly		Fiscal Year to Date		12-Mth Core	
	Actual	Core	Actual	Core	Pt to Pt	Average
2001/02						
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
2002/03						
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
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

JAMAICA:
BALANCE OF PAYMENTS DEVELOPMENTS
October 2003

October 2003

The current account of the balance of payments improved by US\$4.8MN to a deficit of US\$118.2MN in **October 2003**, relative to October 2002. This improvement reflected respective increases of US\$24.5MN and US\$16.4MN in net receipts from services and current transfers, which was partly offset by expansions of US\$35.7MN and US\$0.4MN in the deficits on the merchandise trade and income sub-accounts, respectively. Within the financial account, net private and official investment inflows were insufficient to finance the deficits on the current and capital accounts. In this context, there was a draw down of US\$51.5MN in the net international reserves of the Bank of Jamaica during the review month.

Merchandise Trade

The expansion of the deficit on the merchandise trade account reflected an increase of US\$20.2MN in the value of imports (f.o.b.), exacerbated by a decline of US\$15.5MN in earnings from exports. Growth in imports largely resulted from an expansion in raw material imports, which reflected increases of US\$37.1MN and US\$10.8MN in the value of fuel and other raw material imports, respectively. This outturn was partly offset by respective declines of US\$22.7MN and US\$4.1MN in the c.i.f. values of capital and consumer goods imports. The higher level of fuel imports was attributed to expansions of 51.4 per cent and 33.0 per cent in price and volume respectively, while increased purchases of wheat, animal feeds and printed books contributed to the growth in other raw material imports. Reduced spending on transport equipment for the public transportation system, telephone apparatus for the telecommunication sector, and road construction equipment were primarily responsible for the decline in expenditure on capital goods during the review month. Consumer goods imports were affected by decreases in the purchase of motorcars, semi-durable items and food.

With the exception of free zone and re-exports, all the major categories of exports recorded declines in the review month. In particular, there was a decline of US\$17.4MN in the major traditional export category, which was due primarily to a reduction in the volume of alumina exports.

Services

An expansion of US\$15.4MN in net receipts from the travel sub-sector supplemented by respective declines of US\$6.4MN and US\$2.7MN in net transportation and other service payments, were responsible for the increased surplus on the services account for the review month. The improvement in the travel sub-sector stemmed largely from increases of 63.3 per cent and 7.7 per cent in cruise passenger and foreign national arrivals, respectively. The higher gross inflows on the transportation sub-account also reflected the increase in total visitor arrivals.

Income

The marginal growth in the deficit on the income account in October 2003 was attributable to an increase of US\$1.3MN in net investment income outflows, which was due to higher interest payments of US\$4.7MN on Government of Jamaica's external debt. This outturn was partially offset by an increase of US\$0.9MN in net compensation to employees for the month.

Current Transfers

The marginal growth in the deficit on the income account in October 2003 was attributable to an increase of US\$1.3MN in net investment income outflows, which was due to higher interest payments of US\$4.7MN on Government of Jamaica's external debt. This outturn was partially offset by an increase of US\$0.9MN in net compensation to employees for the month.

Capital and Financial Accounts

The capital account recorded a deficit of US\$1.5MN, while the financial account reflected a surplus of US\$119.7MN for October 2003. Within the financial account, net private investment inflows of US\$42.0MN as well as net official inflows of US\$26.2MN were insufficient to finance the deficits on the current and capital accounts. Consequently, there was a draw down of US\$51.5MN in the net international reserves of the Bank of Jamaica during the review month.

April to October 2003

The current account deficit improved by US\$178.0 MN to US\$551.1MN during the period April to October 2003, relative to the deficit recorded for the corresponding period in 2002. This improvement reflected increases of US\$118.1MN and US\$0.9MN in net earnings from services and current transfers, as well as respective reductions of US\$48.1MN and US\$10.9MN in the deficits on the trade and income accounts. Within the financial account, net private investment inflows, which were below the level of inflows recorded for the similar period in 2002, were insufficient to finance net official investment outflows, as well as the deficits on the current and capital accounts. In this context, there was a draw down of US\$208.6MN in the net international reserves for the review period.

Merchandise Trade

A contraction of US\$24.5MN in payment for imports (f.o.b.), supplemented by an increase of US\$23.6MN in export receipts, contributed to the improvement in the merchandise trade deficit. The fall in imports reflected declines of US\$83.3MN and US\$43.6MN in capital and consumer goods imports, respectively, which was partly offset by an expansion of US\$86.2MN in raw material imports, relative to the corresponding period in 2002. Increased spending of US\$68.4MN and US\$17.8MN on fuels and other raw material imports, respectively, were responsible for the growth in raw material imports. The higher value of fuel imports was attributed to increased price, as there was a fall in the volume of fuel imports, particularly for the mining sector. Increases in imports of parts and accessories, industrial supplies and food influenced the growth in other raw material imports. The contraction in capital goods imports was mainly due to lower spending on cellular telephones and buses for the public transportation system, while the reduction in consumer goods imports stemmed from lower expenditure on all its subcategories, in particular durable goods imports.

Major traditional and non-traditional exports increased by US\$41.2MN and US\$4.5MN, respectively, during the review period, while respective declines of US\$18.7MN, and US\$7.1MN were recorded in receipts from free zone and other traditional exports. With the exception of bauxite, all the major traditional exports recorded growth during the review period. In particular, the value of alumina exports grew by US\$44.4MN, reflecting increases of 6.7 per cent and 5.5 per cent in volume and price, respectively, relative to the similar period in 2002. Contractions of US\$5.5MN and US\$3.1MN in receipts from rum and coffee exports primarily accounted for the decline in other-traditional exports.

Services

The expansion in the surplus on the services account, relative to 2002, primarily reflected an increase of US\$77.1MN in net travel receipts. Total visitor arrivals for the review period rose by 15.4 per cent, relative to the corresponding period in 2002, influenced by increases of 6.7 per cent and 31.4 per cent in foreign national stopover and cruise visitor arrivals, respectively. In addition to the increase in travel receipts, there were respective reductions of US\$32.9MN and US\$8.1MN in net payments for “transportation” and “other services”.

Income

An estimated decline of US\$33.2MN in outflows related to the activities of the direct investment companies largely influenced the reduction in the deficit on the income account for the review period.

Current Transfers

The marginal increase in net current transfers was attributed to growth of US\$18.1MN in net private inflows, due mainly to higher inflows of US\$39.1MN through remittance companies. This improvement was almost offset, however, by a decline of US\$17.2MN in net official inflows, which occurred in the context of the non-repetition of significant grant inflows in the comparable period of 2002.

Capital & Financial Accounts

A deficit of US\$10.6MN was recorded on the capital account for the review period in contrast to a surplus of US\$561.7MN, which was registered on the financial account. Within the financial account, net private investment inflows of US\$416.2MN and net official outflows of US\$63.1MN were recorded. The net official payment, in conjunction with the deficits on the current and capital accounts, led to a draw down of US\$208.6MN in the net international reserves of the Bank of Jamaica. At the end of October 2003, the level of gross reserves stood at US\$1165.2MN representing 18.3 weeks of imports of goods and 12.1 weeks of imports of goods and services.

The following table shows the balance of payments for October 2002, October 2003 and for the periods April to October 2002 and April to October 2003.

BALANCE OF PAYMENTS SUMMARY (US\$M)

	Oct^{1/}	Oct^{2/}		Apr - Oct^{1/}	Apr -Oct^{2/}	
	2002	2003	Change	2002	2003	Change
1. CURRENT ACCOUNT	-123.0	-118.2	4.8	-729.1	-551.1	178.0
A. GOODS and SERVICES	-174.8	-186.0	-11.2	-1045.6	-879.4	166.2
a. GOODS BALANCE	-161.4	-197.1	-35.7	-1147.1	-1099.0	48.1
Exports (f.o.b.)	121.9	106.4	-15.5	780.8	804.4	23.6
Imports (f.o.b.)	283.3	303.5	20.2	1927.9	1903.4	-24.5
b. SERVICES BALANCE	-13.4	11.1	24.5	101.5	219.6	118.1
Transportation	-25.8	-19.4	6.4	-158.8	-125.9	32.9
Travel	44.0	59.4	15.4	508.4	585.5	77.1
Other Services	-31.6	-28.9	2.7	-248.1	-240.0	8.1
B. INCOME	-34.3	-34.7	-0.4	-330.0	-319.1	10.9
Compensation of employees	14.0	14.9	0.9	60.3	50.8	-9.5
Investment Income	-48.3	-49.6	-1.3	-390.3	-369.9	20.4
C. CURRENT TRANSFERS	86.1	102.5	16.4	646.5	647.4	0.9
Official	7.5	6.3	-1.2	66.0	48.8	-17.2
Private	78.6	96.2	17.6	580.5	598.6	18.1
2. CAPITAL & FINANCIAL ACCOUNT	123.0	118.2	-4.8	729.1	551.1	-178.0
A. CAPITAL ACCOUNT	-0.5	-1.5	-1.0	-8.8	-10.6	-1.8
a. Capital Transfers	-0.5	-1.5	-1.0	-8.8	-10.6	-1.8
Official	0.0	0.0	0.0	0.1	0.0	-0.1
Private	-0.5	-1.5	-1.0	-8.9	-10.6	-1.7
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	123.5	119.7	-3.8	737.9	561.7	-176.2
Other official investment	-9.3	26.2	35.5	-41.2	-63.1	-21.9
Other private investment ^{3/}	100.7	42.0	-58.7	492.7	416.2	-76.5
Change in Reserves (minus = increase)	32.1	51.5		286.4	208.6	

1/ Revised

2/ Provisional

3/ Includes errors & omissions

BANK OF JAMAICA

15 Jan 2004