



ECONOMIC STATISTICS

VOLUME 16 - NO. 6

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SELECTED ECONOMIC INDICATORS

Figure 1

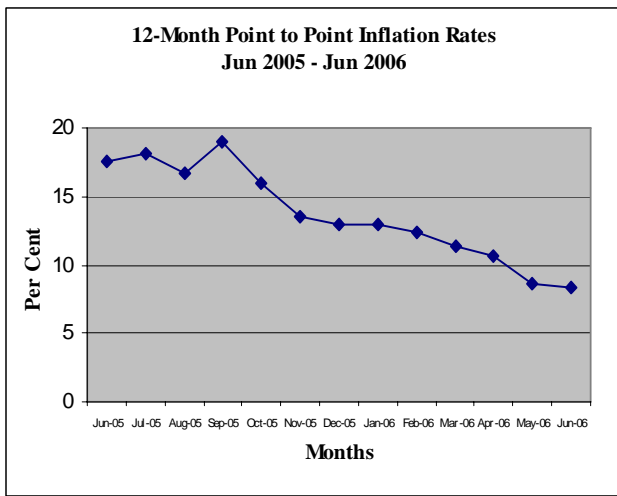


Figure 2

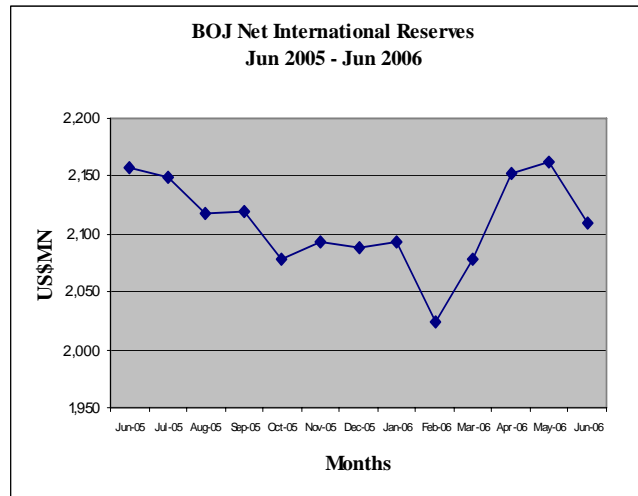


Figure 3

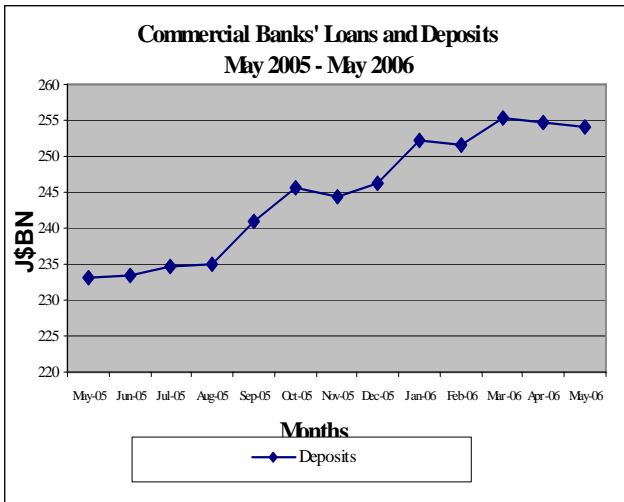


Figure 4

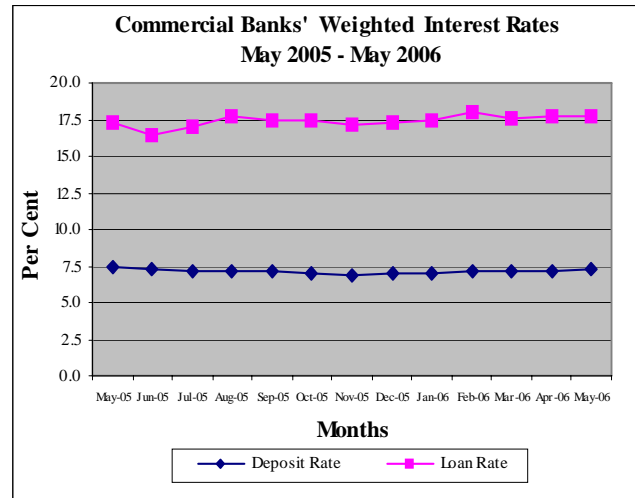


Figure 5

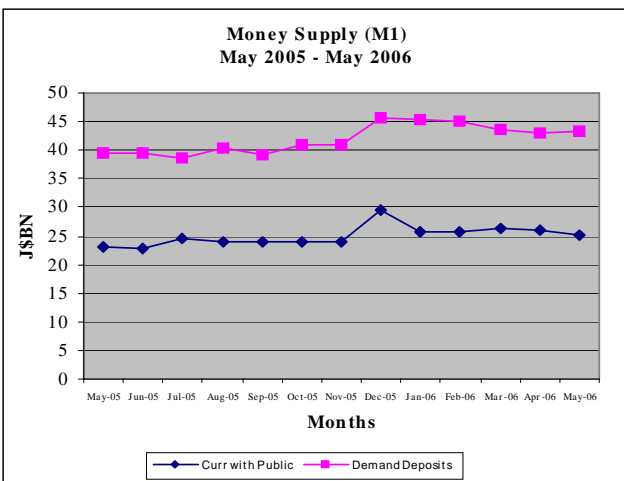
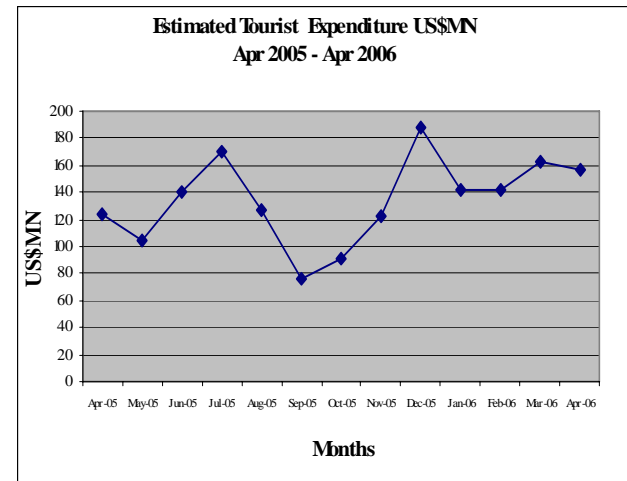


Figure 6



1. MONETARY AGGREGATES (J\$mn.)				%
Local and Foreign Currency	May 2005	Apr 2006	May 2006	Change p.a.
Money Supply (M1).....	<u>62,703.70</u>	<u>69,146.93</u>	<u>68,644.47</u>	<u>9.47</u>
(a) Currency with the Public.....	23,237.33	26,124.43	25,256.33	8.69
(b) Demand Deposits (adj.)***.....	39,466.37	43,022.50	43,388.14	9.94
Quasi-Money.....	<u>150,608.37</u>	<u>160,106.22</u>	<u>161,380.62</u>	<u>7.15</u>
(a) Time.....	40,485.92	40,536.49	40,673.16	0.46
(b) Savings.....	110,122.45	119,569.73	120,707.46	9.61
Money Supply (M2).....	<u>213,312.07</u>	<u>229,253.15</u>	<u>230,025.09</u>	<u>7.84</u>
Domestic Credit (net).....	<u>226,422.20</u>	<u>227,792.57</u>	<u>237,173.77</u>	<u>4.75</u>
Local Currency	May 2005	Apr 2006	May 2006	Change p.a.
Money Supply (M1).....	<u>53,493.71</u>	<u>59,556.40</u>	<u>58,877.11</u>	<u>10.06</u>
(a) Currency with the Public.....	23,237.33	26,124.43	25,256.33	8.69
(b) Demand Deposits (adj.)***.....	30,256.38	33,431.97	33,620.78	11.12
Quasi-Money.....	<u>89,022.54</u>	<u>97,078.76</u>	<u>97,346.98</u>	<u>9.35</u>
(a) Time.....	20,933.84	23,022.41	23,401.97	11.79
(b) Savings.....	68,088.70	74,056.35	73,945.01	<u>8.60</u>
Money Supply (M2).....	<u>142,516.25</u>	<u>156,635.16</u>	<u>156,224.09</u>	<u>9.62</u>
Domestic Credit (net).....	<u>185,302.98</u>	<u>183,878.46</u>	<u>192,243.55</u>	<u>3.75</u>
Base Money.....	Jun 2005 <u>40,079.99</u>	May 2006 <u>44,770.93</u>	Jun 2006 <u>44,950.64</u>	<u>12.15</u>
II. COMMERCIAL BANKS (J\$mn.)	May 2005	Apr 2006	May 2006	Change p.a.
Assets & Liabilities (J\$mn.)**.....	<u>341,771.72</u>	<u>385,160.49</u>	<u>387,550.88</u>	<u>13.39</u>
Loans**.....	<u>120,329.73</u>	<u>133,130.49</u>	<u>135,108.02</u>	<u>12.28</u>
Agriculture.....	1,546.94	2,166.64	2,274.62	47.04
Manufacturing.....	4,318.07	4,919.54	4,824.14	11.72
Construction & Land Development.....	6,382.87	6,013.56	6,388.77	0.09
Mining.....	221.65	347.62	327.10	47.58
Tourism.....	15,799.24	21,601.85	21,705.59	37.38
Transport, Storage & Communication.....	11,887.84	5,195.66	5,323.74	-55.22
Consumer-Oriented.....	49,005.90	61,257.51	61,792.09	26.09
Government Services.....	29,559.49	29,338.98	30,095.31	1.81
Other.....	1,607.73	2,289.13	2,376.66	47.83
DEPOSITS.....	May 2005 <u>233,084.36</u>	Apr 2006 <u>254,831.36</u>	May 2006 <u>254,217.05</u>	<u>9.07</u>
Private Sector (including overseas residents).....	<u>207,061.86</u>	<u>223,965.15</u>	<u>225,675.50</u>	<u>8.99</u>
Time.....	48,844.95	53,139.27	53,489.39	9.51
Savings.....	117,603.39	127,444.92	128,673.55	9.41
Demand.....	40,613.52	43,380.96	43,512.56	7.14
Government.....	<u>13,389.09</u>	<u>12,877.74</u>	<u>11,755.14</u>	<u>-12.20</u>
Time.....	584.53	207.59	281.26	-51.88
Savings.....	1,230.36	1,534.42	1,527.86	24.18
Demand.....	11,574.20	11,135.73	9,946.02	-14.07
Public Entities.....	<u>6,921.87</u>	<u>10,800.01</u>	<u>9,316.20</u>	<u>34.59</u>
Time.....	3,394.08	5,969.04	5,049.67	48.78
Savings.....	1,667.09	2,686.59	2,156.64	29.37
Demand.....	1,860.70	2,144.38	2,109.89	13.39

** 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)	May 2005	Apr 2006	May 2006	Change p.a.
Spec. & O. F. Insts.....	<u>5,711.54</u>	<u>7,188.46</u>	<u>7,470.21</u>	30.79
Time.....	1,276.41	1,340.38	1,379.70	8.09
Savings.....	643.41	939.29	1,574.73	114.75
Demand.....	3,791.72	4,908.79	4,515.78	19.10
	Jun 2005	May 2006	Jun 2006	
Current Account Balances with BOJ (J\$mn).....	<u>127.77</u>	<u>79.05</u>	<u>123.02</u>	
LIQUIDITY (Average) %	Apr 2005	Mar 2006	Apr 2006	
Actual Liquid Assets Ratio.....	<u>41.11</u>	<u>41.01</u>	<u>43.68</u>	
Cash.....	2.96	2.68	2.81	
Deposits with B.O.J.....	9.31	9.30	9.37	
Treasury Bills.....	0.50	0.70	0.73	
Local Registered Stocks.....	3.16	2.71	2.49	
Other.....	25.18	25.62	28.28	
Statutory Requirement.....	<u>23.00</u>	<u>23.00</u>	<u>23.00</u>	
III. SELECTED INTEREST RATES (%)				
COMMERCIAL BANKS (Domestic Currency)	Jun 2005	May 2006	Jun 2006	
Fixed Deposits (J\$100,000 & over)				
3-6 months.....	3.00-14.10	2.50-14.10	2.50-14.10	
9-12 months.....	3.50-14.30	3.00-14.30	3.00-14.30	
Call Deposits.....	4.00-15.00	1.00-15.00	3.00-20.00	
Average Savings Deposits	5.52	5.30	5.39	
Average Loan Rate.....	24.91	21.84	22.50	
Average Inter-bank Rate	10.00	8.27	9.00	
	May 2005	Apr 2006	May 2006	
Weighted Fixed Deposits Rate.....	7.39	7.17	7.23	
Weighted Loan Rate.....	17.22	17.67	17.73	
G.O.J. Treasury Bills (Weighted Average) Yield	Jun 2005	May 2006	Jun 2006	
2 Months:.....	-	-	-	
3 Months:.....	12.85	12.67	12.64	
6 Months:.....	12.88	12.84	12.82	
9 Months:.....	-	-	-	
12 Months:.....	-	-	-	
	Jun 2005	May 2006+	Jun 2006	
BOJ Open Market Rates (%) *				
30-Day	12.60	12.45	12.45	
60-Day	12.70	12.50	12.50	
90-Day	12.75	12.60	12.60	
120-Day	12.85	12.65	12.65	
180-Day	13.00	12.80	12.80	
270-Day	13.25	-	-	
365-Day	13.60	-	-	
COMMERCIAL BANKS (Foreign Currency)	Jun 2005	May 2006	Jun 2006	
Fixed Deposits (Under US\$100,000)				
1-3 months.....	0.25-5.00	0.25-5.00	0.25-5.00	
3-6 months.....	0.25-5.50	0.25-5.50	0.25-5.50	
6-12 months.....	0.25-6.00	0.25-6.00	0.25-6.00	
Fixed Deposits (US\$100,000 & Over)				
1-3 months.....	0.50-5.75	0.50-5.75	0.50-5.75	
3-6 months.....	0.50-6.25	0.50-6.25	0.50-6.25	
6-12 months.....	0.50-6.75	0.50-6.75	0.50-6.75	
Average Loan Rates	12.41	11.95	11.95	
Average Savings	2.60	2.60	2.45	

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

+ Revised

				%
IV. SECURITIES (J\$mnn.) (outstanding balances)	May 2005	Apr 2006	May 2006	Change p.a.
GOJ Local Registered Stock.....	224,685.05	234,632.66	236,046.82	5.06
	Jun 2005	May 2006	Jun 2006	
BOJ Open Market Operations 1/.....	167,485.05	167,539.19	159,438.05	-4.80
GOJ Treasury Bills.....	4,050.00	4,100.00	4,200.00	3.70
V. INSTALMENT CREDIT (J\$mnn.) (Banks & Near-Banks)	May 2005	Apr 2006	May 2006	
Total Credit Outstanding.....	12,379.65	15,829.20	16,185.85	30.75
New Business.....	669.30	1,087.12	1,293.93	93.33
VI. NEAR-BANKS (J\$mnn.) (Merchant Banks, Trust Com. & Finance Houses)	May 2005	Apr 2006	May 2006	
Assets/Liabilities.....	49,168.76	48,433.86	48,802.36	-0.75
Loans Outstanding.....	7,446.94	9,077.25	9,375.52	25.90
Total Deposits.....	10,192.79	13,568.35	13,982.31	37.18
Loans.....	<u>7,446.94</u>	<u>9,077.25</u>	<u>9,375.52</u>	<u>25.90</u>
Agriculture.....	358.90	972.16	969.25	170.06
Manufacturing.....	447.43	521.60	527.46	17.89
Construction & Land Development.....	1,138.28	977.54	1,297.28	13.97
Mining, Quarrying & Processing.....	25.97	22.57	22.10	-14.90
Tourism.....	622.88	942.76	893.45	43.44
Transport, Storage & Communication.....	555.39	389.26	405.40	-27.01
Consumer Oriented.....	3,209.07	4,469.37	4,725.14	47.24
Government Services.....	859.56	471.26	432.14	-49.73
Other.....	229.46	310.73	103.30	-54.98
	May 2005	Apr 2006	May 2006	
Liquid Assets Ratio (average) %.....	47.68	29.99	23.76	
Statutory Requirement.....	23.00	23.00	23.00	
VII. BUILDING SOCIETIES (J\$mnn.) (members & associate members)	May 2005	Apr 2006	May 2006	
Assets/Liabilities.....	85,049.21	94,355.89	96,241.42	13.16
Loan Balances.....	32,562.16	38,593.41	39,249.37	20.54
Savings Funds.....	60,645.30	66,661.64	67,870.26	11.91
VIII. INFLATION	Jun 2005	May 2006	Jun 2006	
Consumer Price Index (Jan. 1988 = 100).....	2,178.9	2,332.6	2,362.3	8.42
Monthly Rate (%).....	1.5	0.4	1.3	
Calendar Year to Date (%).....	7.2	1.7	3.0	
Fiscal Year to Date (%).....	5.7	1.5	2.8	
IX. ACTUAL PRODUCTION ('000)	Jun 2005	May 2006	Jun 2006	
Bauxite (metric tonnes).....	381.77	372.39	360.62	-5.54
Alumina (metric tonnes).....	351.37	355.40	364.29	3.68
Sugar (metric tonnes).....	3.89	17.92	4.61	18.51
Banana Exports (tonnes).....	2.79	2.06	1.96	-29.75
X. STOCK MARKET ACTIVITIES	Jun 2005	May 2006	Jun 2006	
Index.....	110,621.88	87,094.49	85,108.22	-23.06
Volume Traded (mn.).....	135.55	125.34	1,495.38	1,003.19
Ordinary Shares.....	129.39	123.65	1,299.42	904.27
Block Transactions.....	6.16	1.69	195.96	3,081.17

1/ As at May 2005 the Bank of Jamaica no longer issue Reverse Repurchases
+ Revised
- No Production
.. Not Available

	Jun 2005	May 2006	Jun 2006	% Change p.a.
X. STOCK MARKET ACTIVITIES (cont'd)				
Value of Stocks Traded (J\$mn.).....	1,827.46	1,130.17	7,616.97	316.81
Ordinary Shares.....	1,762.34	1,128.50	4,463.57	153.28
Block Transactions.....	65.12	1.67	3,153.40	4,742.44
Advance/Decline Ratio.....	9/21	6/30	11/26	
XI. EXTERNAL TRADE (US\$mn.)	Jan-Feb 2005	Jan-Feb 2006		Change
1. EXPORTS				
(a) Major Traditional Exports.....	<u>173.39</u>	<u>196.71</u>		<u>23.32</u>
Bauxite.....	17.19	16.97		-0.22
Alumina.....	139.06	150.43		11.37
Sugar.....	17.14	27.38		10.24
Bananas.....	0.00	1.93		1.93
(b) Other Traditional Exports.....	9.91	12.83		2.92
(c) Non-Traditional Exports.....	42.17	76.99		34.82
(d) Re-exports.....	3.73	6.77		3.04
General Merchandise Exports.....	<u>229.20</u>	<u>293.30</u>		<u>64.10</u>
(e) Freezone Exports.....	7.11	6.75		-0.36
(f) Goods Procured in Ports.....	11.72	11.72		-
Total Goods Exports.....	<u>248.03</u>	<u>311.77</u>		<u>63.74</u>
2. IMPORTS (by S.I.T.C.)				
(a) Food.....	93.02	111.47		18.45
(b) Beverage & Tobacco.....	9.00	9.68		0.68
(c) Crude Material.....	13.23	10.85		-2.38
(d) Mineral Fuel	168.69	246.22		77.53
(e) Animal & Vegetable Oil.....	4.77	2.83		-1.94
(f) Chemicals.....	78.48	88.68		10.20
(g) Manufactured Goods.....	101.98	87.24		-14.74
(h) Machinery & Transportation.....	137.62	178.10		40.48
(i) Miscellaneous Manufactured Goods.....	63.64	71.48		7.84
(j) Miscellaneous Commodities.....	9.26	11.21		1.95
General Merchandise Imports	<u>679.69</u>	<u>817.76</u>		<u>138.07</u>
Freezone Imports.....	3.54	2.24		-1.30
Goods Procured in Ports.....	18.72	18.72		-
Total Goods Imports.....	<u>701.95</u>	<u>838.72</u>		<u>136.77</u>
Trade Balance.....	<u>-453.92</u>	<u>-526.95</u>		<u>-73.03</u>
XII. TOURISM	Jan-Apr 2005	Jan-Apr 2006		% Change
Tourist Arrivals ('000).....	<u>992.18</u>	<u>1,115.21</u>		<u>12.40</u>
Stop Overs.....	518.55	599.83		15.67
Foreign Nationals.....	494.14	571.91		15.74
Non-Resident Jamaicans.....	24.41	27.92		14.38
Cruise.....	473.63	515.38		8.81
Armed Forces.....	-	-		-
Estimated Expenditure (US\$mn.).....	<u>527.1</u>	<u>603.0</u>		<u>14.40</u>
XIII. BALANCE OF PAYMENTS (US\$mn.)				
Balance of Payments (Calendar)	Jan-Feb 2005	Jan-Feb 2006		Change
1. Current Account.....	<u>-100.6</u>	<u>-126.7</u>		<u>-26.1</u>
A. Goods balance.....	<u>-361.4</u>	<u>-421.1</u>		<u>-59.7</u>
Exports (f.o.b.).....	248.0	311.8		63.8
Imports (f.o.b.).....	609.4	732.9		123.5
B. Service Balance.....	<u>134.5</u>	<u>154.3</u>		<u>19.8</u>
Transportation.....	-22.4	-26.4		-4.0
Travel.....	218.4	250.6		32.2
Other Services.....	-61.5	-69.9		-8.4

* Provisional

<i>Balance of Payments (Calendar) (Cont'd)</i>		Jan-Feb 2005	Jan-Feb 2006	Change
C. Income		<u>-128.1</u>	<u>-121.0</u>	<u>7.1</u>
Compensation of Employees.....		3.1	3.7	0.6
Investment Income.....		-131.2	-124.7	6.5
D. Current Transfers		<u>254.4</u>	<u>261.1</u>	<u>6.7</u>
Official.....		23.4	18.5	-4.9
Private.....		231.0	242.6	11.6
2. Capital and Financial Account		100.6	126.7	<u>26.1</u>
A. Capital Account		-1.8	<u>-2.8</u>	<u>-1.0</u>
Capital Transfers.....		<u>-1.8</u>	<u>-2.8</u>	<u>-1.0</u>
Official.....		0.1	0.0	-0.1
Private.....		-1.9	-2.8	-0.9
Acq./Disp. of non-produced non-fin. assets....		0.0	0.0	0.0
B. Financial Account		<u>102.4</u>	<u>129.5</u>	<u>27.1</u>
Other Official Investment.....		3.8	-19.6	-23.4
Other Private Investment.....		71.2	86.0	14.8
<i>(incl. errors & omissions)</i>				
Reserves.....		<u>27.4</u>	<u>63.1</u>	
		Apr-Feb	Apr-Feb	
<i>Balance of Payments (Fiscal)</i>		2004/2005	2005/2006	
1. Current Account		<u>-575.6</u>	<u>-972.4</u>	<u>-396.8</u>
A. Goods balance		<u>-1,884.0</u>	<u>-2,405.6</u>	<u>-521.6</u>
Exports (f.o.b.).....		1,433.6	1,590.6	157.0
Imports (f.o.b.).....		3,317.6	3,996.2	678.6
B. Service Balance		<u>504.0</u>	<u>599.1</u>	<u>95.1</u>
Transportation.....		-158.6	-213.6	-55.0
Travel.....		1,044.7	1,194.1	149.4
Other Services.....		-382.1	-381.4	0.7
C. Income		<u>-562.5</u>	<u>-608.3</u>	<u>-45.8</u>
Compensation of Employees.....		82.8	78.2	-4.6
Investment Income.....		-645.3	-686.5	-41.2
D. Current Transfers		<u>1,366.9</u>	<u>1,442.4</u>	<u>75.5</u>
Official.....		155.8	101.7	-54.1
Private.....		1,211.1	1,340.7	129.6
2. Capital and Financial Account		<u>575.6</u>	<u>972.4</u>	<u>396.8</u>
A. Capital Account		<u>0.8</u>	<u>-10.9</u>	<u>-11.7</u>
Capital Transfers.....		0.8	-10.9	-11.7
Official.....		10.5	0.2	-10.3
Private.....		-9.7	-11.1	-1.4
Acq./Disp. of non-produced non-fin. assets		0.0	0.0	-
B. Financial Account		<u>574.8</u>	<u>983.3</u>	<u>408.5</u>
Other Official Investment.....		215.4	363.6	148.2
Other Private Investment.....		621.9	742.4	120.5
<i>(incl. errors & omissions)</i>				
Reserves.....		-262.5	-122.7	

* Provisional

	Jun 2005	May 2006	Jun 2006	% Change p.a.
XIV. BOJ NET INTERNATIONAL RESERVES				
(US\$mn.)				
BOJ Net International Reserves (US\$mn.).....	<u>2,156.80</u>	<u>2,162.76</u>	<u>2,110.05</u>	<u>-2.17</u>
Gross Foreign Assets.....	2,179.30	2,375.78	2,293.20	5.23
Gross Foreign Liabilities.....	22.50	213.02	183.15	714.00
Estimated Gross Reserves in Weeks of Imports.....	<u>27.42</u>	<u>23.72</u>	<u>22.90</u>	
Estimated Gross Reserves in Weeks of Goods and Services Imports.....	<u>19.26</u>	<u>17.30</u>	<u>16.70</u>	
XV. FOREIGN EXCHANGE				
DEVELOPMENTS (US\$mn.) *				
Combined Foreign Exchange Trading				
Foreign Exchange Purchases (spot).....	818.79	1,093.38	1,086.68	32.72
Foreign Exchange Sales (spot).....	874.90	1,094.76	1,066.62	21.91
Foreign Currency Deposit Balances of Authorised Dealers (US\$mn.)	May 2005	Apr 2006+	May 2006	
Commercial Banks Balances.....	<u>1,437.93</u>	<u>1,490.66</u>	<u>1,492.90</u>	<u>3.82</u>
"A" Accounts 1/.....	143.64	158.26	157.56	9.69
"B" Accounts	0.00	0.00	0.00	-
Other.....	1,294.29	1,332.40	1,335.34	3.17
F.I.As Balance.....	<u>136.07</u>	<u>175.65</u>	<u>176.32</u>	<u>29.58</u>
"A" Accounts 1/.....	95.54	118.57	113.15	18.43
"B" Accounts	0.41	0.06	0.06	-85.37
Other.....	40.12	57.02	63.11	57.30
Building Societies Balances.....	<u>342.93</u>	<u>367.06</u>	<u>375.76</u>	<u>9.57</u>
"A" Accounts 1/.....	197.50	218.01	225.13	13.99
"B" Accounts	65.26	64.78	65.21	-0.08
Other	80.17	84.27	85.42	6.55
Total Foreign Currency Deposits (US\$mn.).....	<u>1,916.93</u>	<u>2,033.37</u>	<u>2,044.98</u>	<u>6.68</u>
Total Foreign Currency Loans (US\$mn.).....	<u>876.96</u>	<u>923.39</u>	<u>923.31</u>	<u>5.29</u>
Commercial Banks.....	788.58	825.40	824.30	4.53
F.I.As	79.21	87.78	88.51	11.74
Building Societies.....	9.17	10.21	10.50	14.50

* 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

+ Revised

	Jun 2005	May 2006+	Jun 2006
London Interbank Offer Rate (LIBOR) Eurodollars (%)			
3 months.....	3.43	2.93	3.06
6 months.....	3.61	3.10	3.25
U.S. Prime Rate (end of period) (%).....	6.25	8.00	8.25
Selling Exchange Rates (end period)	Jun 2005	May 2006	Jun 2006
US\$1.00 = J\$.....	61.84	65.73	66.03
Can. \$1.00 = J\$.....	50.52	59.34	59.50
U.K. Pound = J\$.....	110.52	122.21	120.19
Euro = J\$**.....	74.82	84.35	84.38
Caricom Selling Exchange Rates**			
T.T. \$1 = J\$.....	9.86	10.51	10.45
Bdos. \$1 = J\$.....	30.92	32.86	33.02
Guy. \$1 = J\$.....	0.31	0.33	0.33
E.C. \$1 = J\$.....	22.91	24.34	24.46

*** Indicative Rates*

INFLATION

JUNE 2006

The All Jamaica Consumer Price Index (CPI) increased by 1.3 per cent in June 2006, relative to 0.4 per cent in the previous month (Table 1A). The outturn for the review month resulted in an inflation rate of 2.8 per cent for the first quarter of the fiscal year relative to 5.7 per cent recorded over the corresponding period in FY 2005/06. The annual point-to-point inflation rate was 8.4 per cent, 9.1 percentage points below the rate recorded in 2005. Similarly, the mean annual inflation rate of 13.2 per cent was 0.3 of a percentage point below the rate recorded one year ago.

The major factor influencing inflation in June was sharp increases in the prices of tubers, stemming from tightness in domestic supplies. The cost of energy was also of significance, affecting household and automotive fuels. The rising cost of energy has also influenced increases in some food items such as meats, baked products and dairy products. Inflation in June also reflected an adjustment in rental rates as well as increases in the prices of furniture and other household items.

All sub-categories of the CPI reflected increases in June, with the exception of *Miscellaneous Expenses* which remained constant. The main inflationary impulses were registered in *Food & Drink*, *Housing & Other Housing Expenses* and *Fuels & Other Household Supplies*. Food & Drinks increased by 2.0 per cent, while the other two sub-categories both increased by 0.9 per cent. These three sub-categories together accounted for 93.2 per cent of the month's inflation.

The increase in the *Food & Drink* sub-index was due mainly to an increase of 11.2 per cent in *Starchy Foods*. This significant increase was influenced by relatively lower domestic supply of tubers, in particular yams, in a context of strong export demand. ***Vegetables & Fruits*** increased by 0.7 per cent due to declining supplies of some vegetables. Other price increases of note were reflected in *Meat Poultry & Fish* and *Baked Products Cereals & Breakfast Drinks*. Both sub-groups were affected by rising oil and grains prices.

The 0.9 per cent increase in *Fuels & Other Household Supplies* was principally attributable to a 1.3 per cent increase in the *Fuels* sub-group. This increase emanated from higher prices for kerosene and charcoal. The increase in the prices of the former, a derivative of crude oil and the latter a substitute, is directly related to rising price of oil on the international market. The Household Supplies sub-group increased by 0.3 per cent due to higher prices for detergents and other household cleansing products.

Another development of note within the CPI was a 0.9 per cent expansion in *Household Furnishings & Furniture*. The expansion in the index of this subcategory mainly represented a 1.4 per cent rise in the prices of assorted household furniture items such as living room suites and double beds. There were also increases in some other household items. The upward adjustment in the prices of these items is likely to be related to past depreciation in the exchange rate.

The CPI in the Rural Areas increased significantly by 2.2 per cent while the indexes for the KMA and Other Towns increased by 0.7 per cent, 0.9 per cent, respectively. This pattern of higher inflation in the Rural Areas was mainly reflected in *Food & Drink*. Within the *Food & Drink* group, there was an expansion of 3.6 per cent, compared with the 0.8 per cent and 1.5 per cent in the KMA and Other Towns, respectively. This pattern resulted from a 15 per cent expansion in the index of *Starchy Foods* in the Rural Areas compared to corresponding increases of 4.9 per cent and 8.5 per cent in KMA and Other Towns, respectively. The disparity was further enhanced by respective declines of 0.3 per cent and 0.9 per cent in *Vegetables & Fruits* in KMA and Other Towns compared to an increase of 2.5 per cent in the Rural Areas. The disparity in inflation across the regions was due to reportedly continued strong external demand for tubers which was sourced in the rural areas coupled with a marginal downturn in supply.

The trimmed mean index was estimated to have increased by 0.28 per cent in June, 0.01 of a percentage point below the previous month's measure (Table 5). This brought the 12-month point-to-point core inflation rate to 4.14 per cent, relative to the 5.78 per cent recorded for the comparable period in the previous year. Similarly, the annual average core inflation rate of 5.25 per cent was 0.14 of a percentage point below what obtained in the similar period of 2005.

The measure of underlying inflation that excludes agricultural prices (CPI-A) was 0.50 per cent in June, compared to 0.65 per cent in the previous month. For the calendar year-to-date (CYTD), non-agricultural inflation was 4.17 per cent, relative to 4.84 per cent for CYTD 2005. The CPI-A measure of inflation for this period was influenced primarily by rising crude oil prices which is reflected in utilities, fuel and transportation cost. There are also noticeable adjustments in rental rates and healthcare expenses.

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	2,061.6	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	15.43
	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	15.32
	Feb	2,295.3	2,295.0	-0.02	0.13	0.50	12.42	15.27
	Mar	2,297.1	2,296.1	0.08	0.14	0.24	11.43	15.09
	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

1/ January 1998 = 100

Moving average

* Point to point

Source: STATIN

Table 2
COMPONENT CONTRIBUTION TO INFLATION
June 2006

	Weight in the CPI	Monthly Inflation (%)	Weighted Inflation	% Contribution to Inflation
FOOD & DRINK	0.5563	2.0	0.9128	80.7
Meals away from home	0.0741	0.5	0.0388	3.4
Meat, Poultry & Fish	0.1613	0.7	0.1087	9.6
Dairy Products Oils & Fats	0.0668	0.7	0.0475	4.2
Baked Products, Cereals & Breakfast Drink	0.0864	0.7	0.0588	5.2
Starchy Foods	0.0525	11.2	0.5886	52.1
Vegetables & Fruits	0.0650	0.7	0.0466	4.1
Other Food & Beverages	0.0502	0.5	0.0238	2.1
FUELS & OTHER HOUSEHOLD SUPPLIES	0.0735	0.9	0.0459	4.1
Household Supplies	0.0482	0.3	0.0126	1.1
Fuels	0.0253	1.3	0.0333	2.9
HOUSING & OTHER HOUSING EXPENSES	0.0786	0.9	0.0951	8.4
Rental	0.0209	4.7	0.0975	8.6
Other Housing Expenses	0.0577	0.0	-0.0024	-0.2
HOUSEHOLD FURNISHINGS & FURNITURE	0.0283	0.9	0.0230	2.0
Furniture	0.0068	1.4	0.0093	0.8
Furnishings	0.0215	0.6	0.0138	1.2
HEALTHCARE & PERSONAL EXPENSES	0.0697	0.3	0.0243	2.1
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.0507	0.4	0.0178	1.6
Clothing Materials	0.0055	0.0	0.0001	0.0
Readymade Clothing & Accessories	0.0242	0.4	0.0100	0.9
Footwear	0.0159	0.4	0.0063	0.6
Making & Repairs	0.0051	0.3	0.0014	0.1
TRANSPORTATION	0.0644	0.2	0.0112	1.0
MISCELLANEOUS EXPENSES	0.0785	0.0	0.0004	0.0
ALL GROUPS	1.0000	1.27	1.13	100.0

Table 3
REGIONAL INFLATION
June 2006

	KMA (%)	Other Towns (%)	Rural (%)
FOOD & DRINK	0.8	1.5	3.6
Meals away from home	0.0	1.0	1.1
Meat Poultry & Fish	0.7	0.8	0.6
Dairy Products Oils & Fats	0.6	0.4	1.0
Baked Products Cereals & Breakfast Drink	0.8	0.5	0.6
Starchy Foods	4.9	8.5	15.0
Vegetables & Fruits	-0.3	-0.9	2.5
Other Food & Beverages	0.2	0.8	0.6
FUELS & OTHER HOUSEHOLD SUPPLIES	1.2	1.4	0.2
Household Supplies	0.0	0.3	0.6
Fuels	2.0	2.1	0.0
HOUSING & OTHER HOUSING EXPENSES	1.6	0.0	-0.2
Rental	5.7	0.1	0.1
Other Housing Expenses	0.0	0.0	-0.2
HOUSEHOLD FURNISHINGS & FURNITURE	2.1	-0.5	0.7
Furniture	5.3	-1.0	-0.8
Furnishings	0.3	-0.2	1.5
HEALTHCARE & PERSONAL EXPENSES	0.3	0.5	0.3
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.2	0.4	0.6
Clothing Materials	0.0	0.1	0.0
Readymade Clothing & Accessories	0.2	0.2	0.7
Footwear	0.0	0.6	0.7
Making & Repairs	0.5	0.1	0.0
TRANSPORTATION	0.2	0.2	0.2
MISCELLANEOUS EXPENSES	0.0	0.0	0.0
ALL GROUPS	0.7	0.9	2.2

Table 4
INFLATION: ACTUAL & CORE

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

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

FEBRUARY 2006

The current account deficit widened by US\$45.2 million in February 2006 vis-à-vis the deficit in February 2005 (see Table). **This deterioration stemmed primarily from an expansion in imports, particularly increases of US\$39.9MN (62.4 per cent) and US\$39.7 million (59.7 per cent) in payments for machinery & transport equipment and fuel, respectively.** The increase in fuel imports largely reflected a 28.3 per cent rise in the price of oil on the international market. **Partly offsetting the impact of the increased spending on imports were respective expansions of US\$22.6 million and US\$13.1 million in earnings from alumina and non-traditional exports.** Alumina exports reflected growth of 22.4 per cent and 12.3 per cent in volume and price, respectively.

There were also partial offsetting increases in net inflows from the travel sector and current transfers. **For the month, the travel sub-account reflected noteworthy growth of 12.0 per cent and 12.6 per cent in stopover and cruise arrival visitors, respectively.**

Within the capital and financial account, **net private investment inflows were insufficient to finance the public sector's net amortization of external debt, as well as the deficits on the current and capital accounts.** As a result, the NIR of the Bank of Jamaica declined by US\$69.2 million for the month.

January – February 2006

For the period January – February 2006, the current account deficit was estimated at US\$126.7 million, which was US\$26.1 million higher than the deficit in 2005. **This deterioration was influenced primarily by an increase in the deficit on the goods account,** reflecting growth in imports of fuel and machinery and transport equipment. Partly offsetting the impact of the deterioration on the goods balance was a relatively strong improvement in the surplus on the services account. This was attributed to the expansion in earnings from the tourism industry.

Within the capital and financial account, net private investment inflows were insufficient to finance net official amortization as well as the deficits on the current and capital accounts. In this context, there was a decline of US\$63.1 million in the NIR over the period. At end February 2006, the gross reserves stood at US\$2 327.6 million, representing 17.7 weeks of projected imports of goods and services.

BALANCE OF PAYMENTS SUMMARY (US\$M)

	Feb	Feb^{2/}		Jan-Feb	Jan-Feb^{2/}	
	2005	2006	Change	2005	2006	Change
1. CURRENT ACCOUNT	-18.2	-63.4	-45.2	-100.6	-126.7	-26.1
A. GOODS and SERVICES	-73.8	-117.9	-44.1	-226.9	-266.8	-39.9
a. GOODS BALANCE	-145.6	-194.2	-48.6	-361.4	-421.1	-59.7
Exports (f.o.b.)	129.4	168.0	38.6	248.0	311.8	63.8
Imports (f.o.b.)	275.0	362.2	87.2	609.4	732.9	123.5
b. SERVICES BALANCE	71.8	76.3	4.5	134.5	154.3	19.8
Transportation	-7.8	-15.2	-7.4	-22.4	-26.4	-4.0
Travel	109.4	127.7	18.3	218.4	250.6	32.2
Other Services	-29.8	-36.2	-6.4	-61.5	-69.9	-8.4
B. INCOME	-71.1	-77.6	-6.5	-128.1	-121.0	7.1
Compensation of employees	0.2	0.1	-0.1	3.1	3.7	0.6
Investment Income	-71.3	-77.7	-6.4	-131.2	-124.7	6.5
C. CURRENT TRANSFERS	126.7	132.1	5.4	254.4	261.1	6.7
Official	11.6	9.4	-2.2	23.4	18.5	-4.9
Private	115.1	122.7	7.6	231.0	242.6	11.6
2. CAPITAL & FINANCIAL ACCOUNT	18.2	63.4	45.2	100.6	126.7	26.1
A. CAPITAL ACCOUNT	-0.6	-1.5	-0.9	-1.8	-2.8	-1.0
a. Capital Transfers	-0.6	-1.5	-0.9	-1.8	-2.8	-1.0
Official	0.1	0.0	-0.1	0.1	0.0	-0.1
Private	-0.7	-1.5	-0.8	-1.9	-2.8	-0.9
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	18.8	64.9	46.1	102.4	129.5	27.1
Other official investment	20.8	-21.6	-42.4	3.8	-19.6	-23.4
Other private investment ^{3/}	-18.5	17.3	1.0	71.2	86.0	14.8
Change in Reserves (minus = increase)	16.5	69.2		27.4	63.1	

1/ Revised

2/ Provisional

3/ Includes errors & omissions