



ECONOMIC STATISTICS

VOLUME 13 - NO. 3

MARCH 2003



1. MONETARY AGGREGATES (J\$mn.)				%
Local and Foreign Currency	Dec 2001	Nov 2002+	Dec 2002+	Change p.a.
Money Supply (M1).....	<u>45,310.06</u>	<u>44,929.81</u>	<u>51,486.74</u>	<u>13.63</u>
(a) Currency with the Public.....	18,744.85	17,944.77	20,366.17	8.65
(b) Demand Deposits (adj.)***.....	26,565.21	26,985.04	31,120.57	17.15
Quasi-Money.....	<u>100,751.55</u>	<u>112,591.96</u>	<u>113,539.34</u>	<u>12.69</u>
(a) Time.....	28,658.27	31,754.54	32,248.80	12.53
(b) Savings.....	72,093.28	80,837.42	81,290.54	12.76
Money Supply (M2).....	<u>146,061.61</u>	<u>157,521.77</u>	<u>165,026.08</u>	<u>12.98</u>
Domestic Credit (net).....	<u>149,077.30</u>	<u>161,877.79</u>	<u>165,967.82</u>	<u>11.33</u>
Local Currency	Dec 2001	Nov 2002+	Dec 2002+	
Money Supply (M1).....	<u>38,964.50</u>	<u>37,981.55</u>	<u>44,704.01</u>	<u>14.73</u>
(a) Currency with the Public.....	18,744.85	17,944.77	20,366.17	8.65
(b) Demand Deposits (adj.)***.....	20,219.65	20,036.78	24,337.84	20.37
Quasi-Money.....	<u>70,454.83</u>	<u>74,523.41</u>	<u>74,626.57</u>	<u>5.92</u>
(a) Time.....	19,807.97	20,669.46	20,020.76	1.07
(b) Savings.....	50,646.86	53,853.95	54,605.81	7.82
Money Supply (M2).....	<u>109,419.33</u>	<u>112,504.96</u>	<u>119,330.58</u>	<u>9.06</u>
Domestic Credit (net).....	<u>138,481.10</u>	<u>144,910.24</u>	<u>146,957.77</u>	<u>6.12</u>
	Jan 2002+	Dec 2002+	Jan 2003+	
Base Money.....	<u>30,713.21</u>	<u>35,757.86</u>	<u>31,855.63</u>	<u>3.72</u>
II. COMMERCIAL BANKS (J\$mn.)	Dec 2001	Nov 2002+	Dec 2002	
Assets & Liabilities (J\$mn.)**.....	<u>239,087.76</u>	<u>258,289.05</u>	<u>262,577.95</u>	<u>9.82</u>
Loans**.....	<u>49,035.10</u>	<u>71,378.73</u>	<u>73,943.32</u>	<u>50.80</u>
Agriculture.....	1,479.62	1,750.30	1,737.84	17.45
Manufacturing.....	3,119.26	3,277.17	3,178.11	1.89
Construction & Land Development.....	2,339.36	3,214.82	3,326.38	42.19
Mining.....	98.18	107.55	102.40	4.30
Tourism.....	5,166.30	6,894.08	7,040.97	36.29
Transport, Storage & Communication.....	4,121.79	5,091.06	5,443.13	32.06
Consumer-Oriented.....	20,609.70	24,767.24	25,876.49	25.55
Government Services.....	10,576.38	21,667.15	23,061.30	118.05
Other.....	1,524.51	4,609.36	4,176.70	173.97
DEPOSITS.....	Dec 2001	Nov 2002	Dec 2002	
Private Sector (including overseas residents).....	<u>158,918.10</u>	<u>176,015.90</u>	<u>178,979.47</u>	<u>12.62</u>
Time.....	<u>136,341.44</u>	<u>149,393.79</u>	<u>154,427.31</u>	<u>13.27</u>
Savings.....	31,188.67	34,542.27	35,272.94	13.10
Demand.....	77,632.16	86,741.71	86,859.97	11.89
Government.....	<u>27,520.61</u>	<u>28,109.81</u>	<u>32,294.40</u>	<u>17.35</u>
Time.....	<u>11,961.09</u>	<u>13,758.67</u>	<u>13,042.96</u>	<u>9.04</u>
Savings.....	259.83	274.19	288.67	11.10
Demand.....	442.76	346.04	1,263.52	185.37
Public Entities.....	<u>11,258.50</u>	<u>13,138.44</u>	<u>11,490.77</u>	<u>2.06</u>
Time.....	<u>5,715.38</u>	<u>6,990.75</u>	<u>6,211.06</u>	<u>8.67</u>
Savings.....	3,294.70	4,023.89	3,971.09	20.53
Demand.....	929.64	1,623.76	1,044.67	12.37
	<u>1,491.04</u>	<u>1,343.10</u>	<u>1,195.30</u>	<u>-19.83</u>

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

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

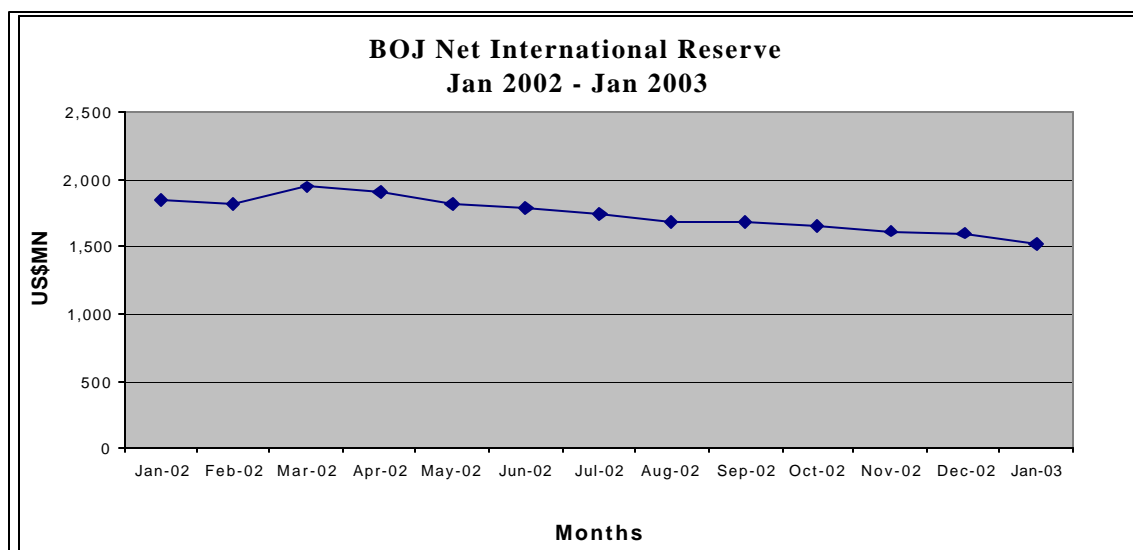
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II. COMMERCIAL BANKS (J\$mn.) (Cont'd)				%
	Dec 2001	Nov 2002	Dec 2002	Change p.a.
Spec. & O. F. Insts.....	4,900.18	5,872.69	5,298.14	8.12
Time.....	1,162.93	670.97	1,119.25	-3.76
Savings.....	519.30	888.44	849.87	63.66
Demand.....	3,217.95	4,313.28	3,329.02	3.45
	Jan 2002	Dec 2002	Jan 2003	
Current Account Balances (J\$mn.).....	459.92	564.16	17.49	
LIQUIDITY (Average) %	Dec 2001	Nov 2002	Dec 2002	
Actual Liquid Assets Ratio.....	43.69	36.03	37.92	
Cash.....	2.41	1.68	2.25	
Deposits with B.O.J.....	10.54	9.50	9.67	
Treasury Bills.....	0.42	0.66	0.75	
Equity Investment Bonds.....	0.00	0.00	0.00	
Local Registered Stocks.....	12.33	6.77	7.29	
Other.....	17.99	17.42	17.96	
Statutory Requirement.....	28.00	23.00	23.00	
III. SELECTED INTEREST RATES (%)	Jan 2002	Dec 2002	Jan 2003	
COMMERCIAL BANKS (Domestic Currency)				
Fixed Deposits (J\$100,000 & over)				
3-6 months.....	7.75-15.00	7.75-13.25	7.75-13.15	
9-12 months.....	7.75-15.00	7.75-12.10	7.75-13.15	
Call Deposits.....	5.00-9.25	8.00-15.00	6.10-35.00	
Savings Deposits (average rate).....	9.08	8.96	8.88	
Average Loan Rate.....	26.63	25.04	23.90	
	Jan 2002	Dec 2002	Jan 2003	
Weighted Fixed Deposits Rate.....	10.17	8.92	9.00	
Weighted Loan Rate.....	19.49	18.26	18.12	
G.O.J. Treasury Bills (Weighted Average) Yield	Jan 2002	Dec 2002	Jan 2003	
3 Months:.....	-	-	-	
6 Months:.....	17.08	17.01	18.45	
9 Months:.....	-	-	-	
12 Months:.....	-	-	-	
	Jan 2002	Dec 2002	Jan 2003	
BOJ Reverse Repurchase Rates (%)#.....	14.25	12.95	12.95	
COMMERCIAL BANKS (Foreign Currency)				
Fixed Deposits (Under US\$100,000)	Jan 2002	Dec 2002	Jan 2003	
1-3 months.....	2.00-5.75	2.00-4.50	2.00-4.50	
3-6 months.....	2.00-6.62	2.00-4.50	2.00-4.50	
6-12 months.....	2.00-8.75	2.00-6.00	2.00-6.00	
Fixed Deposits (US\$100,000 & Over)				
1-3 months.....	2.75-7.00	3.25-5.00	3.25-5.00	
3-6 months.....	2.50-7.00	3.25-5.00	3.25-5.00	
6-12 months.....	2.50-9.00	3.25-6.25	3.25-6.25	
Foreign Currency Loan Rates (%).....	8.00-19.00	10.00-18.00	10.75-16.00	
Foreign Currency Deposit Rates				
Savings (average)%.....	3.21	2.86	3.47	
IV. SECURITIES (J\$mn.) (outstanding balances)	Dec 2001	Nov 2002	Dec 2002	
GOJ Local Registered Stock.....	217,361.79	231,916.66	240,843.33	10.80

				%
	Jan 2002	Dec 2002	Jan 2003	Change p.a.
BOJ Open Market Operations 1/.....	89,347.75	89,981.32	80,506.33	-9.90
GOJ Treasury Bills.....	4,150.00	4,150.00	3,800.00	-8.43
V. INSTALMENT CREDIT (J\$mn.)	Dec 2001	Nov 2002	Dec 2002	
(Banks & Near-Banks)				
Total Credit Outstanding.....	5,368.83	6,928.76	7,010.30	30.57
New Business.....	351.47	519.90	502.22	42.89
VI. NEAR-BANKS (J\$mn.)	Dec 2001	Nov 2002	Dec 2002	
(Merchant Banks, Trust Com. & Finance Houses)				
Assets/Liabilities.....	17,001.55	31,834.41	27,828.84	63.68
Loans Outstanding.....	3,026.26	3,577.98	3,563.59	17.76
Total Deposits.....	7,289.73	7,471.86	8,367.93	14.79
Loans.....	<u>3,026.26</u>	<u>3,577.98</u>	<u>3,563.59</u>	<u>17.76</u>
Agriculture.....	35.79	57.50	71.26	99.11
Manufacturing.....	663.46	560.01	644.61	-2.84
Construction & Land Development.....	204.11	294.44	280.06	37.21
Mining, Quarrying & Processing.....	23.58	53.94	54.29	130.24
Tourism.....	212.33	294.54	293.11	38.04
Transport, Storage & Communication.....	52.33	23.05	22.30	-57.39
Consumer Oriented.....	1,645.24	2,116.03	1,948.11	18.41
Government Services.....	88.15	112.22	167.79	90.35
Other.....	101.27	66.25	82.06	-18.97
	Dec. 2001	Nov. 2002	Dec. 2002	
Liquid Assets Ratio (average) %.....	128.10	79.70	89.00	
Statutory Requirement.....	30.00	23.00	23.00	
VII. BUILDING SOCIETIES (J\$mn.)	Dec 2001	Nov 2002	Dec 2002	
(members & associate members)				
Assets/Liabilities.....	50,447.91	54,821.37	55,261.65	9.54
Loan Balances.....	17,525.87	19,727.52	20,042.01	14.36
Savings Funds.....	38,700.42	42,414.88	43,233.60	11.71
VIII. INFLATION	Jan 2002	Dec 2002	Jan 2003	
Consumer Price Index (Jan. 1988 = 100).....	1,468.6	1,566.1	1,561.3	6.31
Monthly Rate (%).....	0.6	0.5	-0.3	
Calendar Year to Date (%) (point to point).....	0.6	7.3	-0.3	
Fiscal Year to Date (%) (point to point).....	7.6	6.6	6.3	
IX. ACTUAL PRODUCTION ('000)	Jan 2002	Dec 2002	Jan 2003	
Bauxite (metric tonnes).....	363.46	397.17	308.78	-15.04
Alumina (metric tonnes).....	282.10	319.78	322.46	14.31
Sugar (metric tonnes).....	17.22	4.75	19.40	12.66
Banana (tonnes).....	3.75	2.07	2.84	-24.27
X. STOCK MARKET ACTIVITIES	Feb 2002	Jan 2003	Feb 2003	
Index.....	35,059.89	44,678.88	46,447.36	32.48
Volume Traded (mn.).....	55.26	600.30	356.56	545.24
Ordinary Shares.....	52.88	343.29	236.66	347.54
Block Transactions.....	2.38	257.01	119.90	4,937.82
Value of Stocks Traded (J\$mn.).....	243.10	2,831.10	2,956.23	1,116.06
Ordinary Shares.....	238.78	1,622.98	1,474.83	517.65
Block Transactions.....	4.32	1,208.12	1,481.40	34,191.67
Advance/Decline Ratio.....	25/5	17/13	10/22	

XI. EXTERNAL TRADE (US\$mn.)	Jan-Sept 2001	Jan-Sept 2002	Change
1. EXPORTS			
a) Major Traditional Exports.....	<u>677.57</u>	<u>591.13</u>	<u>-86.44</u>
Bauxite.....	73.07	76.00	2.93
Alumina.....	520.17	435.56	-84.61
Sugar.....	70.50	66.15	-4.35
Bananas.....	13.83	13.42	-0.41
b) Other Traditional Exports.....	56.45	60.31	3.86
c) Non-Traditional Exports.....	206.48	169.91	-36.57
d) Re-exports.....	18.84	15.52	-3.32
General Merchandise Exports.....	<u>959.34</u>	<u>836.87</u>	<u>-122.47</u>
(e) Freezone Exports.....	147.81	130.93	-16.88
(f) Goods Procured in Port.....	26.70	23.40	-3.30
Total Goods Exports.....	<u>1,133.85</u>	<u>991.20</u>	<u>-142.65</u>
2. IMPORTS			
(a) Consumer Goods.....	704.99	777.89	72.90
(b) Raw Materials.....	1,362.51	1,329.48	-33.03
(c) Capital Goods.....	446.11	490.47	44.36
General Merchandise Imports.....	<u>2,513.61</u>	<u>2,597.84</u>	<u>84.23</u>
(d) Freezone Imports.....	109.37	80.48	-28.29
(e) Goods Procured in Port.....	29.10	27.00	-2.10
Total Goods Imports.....	<u>2,652.08</u>	<u>2,705.32</u>	<u>53.24</u>
Trade Balance.....	<u>-1,518.23</u>	<u>-1,714.12</u>	<u>-195.89</u>
Memo:			
Caricom Exports.....	37.58	35.96	-1.62
Caricom Imports.....	332.43	283.06	-49.37
Caricom Trade Balance.....	<u>-294.85</u>	<u>-247.10</u>	<u>-47.75</u>
XII. TOURISM	Jan-Dec	Jan-Dec	%
	2001	2002	Change
Tourist Arrivals ('000).....	<u>2,117.93</u>	<u>2,131.79</u>	<u>0.65</u>
Stopovers.....	1,276.52	1,266.37	-0.80
Cruise.....	840.34	865.42	2.98
Armed Forces.....	1.07	-	-
Cumulative Expenditure (US\$mn.).....	<u>1,232.20</u>	<u>1,176.40</u>	<u>-4.53</u>
XIII. BALANCE OF PAYMENTS (US\$mn.)			
<i>Balance of Payments (Calendar)</i>	Jan-Sept 2001	Jan-Sept 2002	Change
1. Current Account.....	<u>-499.8</u>	<u>-716.6</u>	<u>-216.8</u>
A. Goods balance.....	<u>-1,148.4</u>	<u>-1,329.5</u>	<u>-181.1</u>
Exports (f.o.b.).....	1,133.9	991.2	-142.7
Imports (f.o.b.).....	2,282.3	2,320.7	38.4
B. Service Balance.....	<u>350.1</u>	<u>230.1</u>	<u>-120.0</u>
Transportation.....	-177.5	-200.1	-22.6
Travel.....	828.8	695.5	-133.3
Other Services.....	-301.2	-265.3	35.9
C. Income.....	<u>-336.5</u>	<u>-343.7</u>	<u>-7.2</u>
Compensation of Employees.....	41.9	47.8	5.9
Investment Income.....	-378.4	-391.5	-13.1
D. Current Transfers.....	<u>635.0</u>	<u>726.5</u>	<u>91.5</u>
Official.....	52.6	39.9	-12.7
Private.....	582.4	686.6	104.2

<i>Balance of Payments (Calendar) (Cont'd)</i>	Jan-Sept 2001	Jan-Sept 2002	Change	
2. Capital and Financial Account.....	499.8	716.6	<u>216.8</u>	
A. Capital Account.....	-18.0	-18.2	<u>-0.2</u>	
Capital Transfers.....	<u>-18.0</u>	<u>-18.2</u>	<u>-0.2</u>	
Official.....	2.1	0.2	-1.9	
Private.....	-20.1	-18.4	1.7	
Acq./Disp. of non-produced non-fin. assets....	0.0	0.0	0.0	
B. Financial Account.....	517.8	734.8	<u>217.0</u>	
Other Official Investment.....	384.7	20.2	-364.5	
Other Private Investment.....	700.3	561.2	-139.1	
<i>(incl. errors & omissions)</i>				
Reserves.....	<u>-567.2</u>	<u>153.4</u>		
 <i>Balance of Payments (Fiscal)</i>	 Apr-Sept 2001/2002	 Apr-Sept 2002/2003		
1. Current Account.....	-319.9	-563.8	<u>-243.9</u>	
A. Goods balance.....	-730.2	-960.8	<u>-230.6</u>	
Exports (f.o.b.).....	773.5	653.8	-119.7	
Imports (f.o.b.).....	1,503.7	1,614.6	110.9	
B. Service Balance.....	196.7	124.9	<u>-71.8</u>	
Transportation.....	-126.2	-144.5	-18.3	
Travel.....	510.2	439.3	-70.9	
Other Services.....	-187.3	-169.9	17.4	
C. Income.....	-210.0	-222.2	<u>-12.2</u>	
Compensation of Employees.....	37.7	45.2	7.5	
Investment Income.....	-247.7	-267.4	-19.7	
D. Current Transfers.....	423.6	494.3	<u>70.7</u>	
Official.....	31.0	29.2	-1.8	
Private.....	392.6	465.1	72.5	
2. Capital and Financial Account.....	319.9	563.8	<u>243.9</u>	
A. Capital Account.....	-12.9	-11.2	<u>1.7</u>	
Capital Transfers.....	-12.9	-11.2	1.7	
Official.....	0.3	0.1	-0.2	
Private.....	-13.2	-11.3	1.9	
Acq./Disp. of non-produced non-fin. assets	0.0	0.0	0.0	
B. Financial Account.....	332.8	575.0	242.2	
Other Official Investment.....	269.7	-31.9	-301.6	
Other Private Investment.....	313.5	352.6	-39.1	
<i>(incl. errors & omissions)</i>				
Reserves.....	-250.4	254.3		
Government Reserves.....	0.0	0.0		
 XIV. BOJ NET INTERNATIONAL RESERVES	 Jan. 2002	 Dec 2002	 Jan 2003	
(US\$mn.)			%	
BOJ Net International Reserves (US\$mn.).....	<u>1,848.68</u>	<u>1,596.98</u>	<u>1,510.25</u>	<u>-18.31</u>
Gross Foreign Assets.....	1,910.76	1,643.06	1,556.71	-18.53
Gross Foreign Liabilities.....	62.08	46.08	46.46	-25.16
Estimated Gross Reserves in Weeks of Imports.....	<u>33.82</u>	<u>27.91</u>	<u>26.45</u>	
Estimated Gross Reserves in Weeks of Goods and Services Imports.....	<u>22.82</u>	<u>18.43</u>	<u>17.46</u>	



XV. FOREIGN EXCHANGE DEVELOPMENTS (US\$mn.)	Feb 2002	Jan 2003	Feb 2003	% Change p.a.
Combined Foreign Exchange Trading				
Foreign Exchange Purchases (spot).....	696.86	1,010.78	879.77	26.24
Foreign Exchange Sales (spot).....	707.12	1,003.65	857.47	21.26
Foreign Currency Deposit Balances of Authorised Dealers (US\$mn.) ()	Jan. 2002	Dec. 2002	Jan. 2003	
Commercial Banks Balances.....	<u>938.05</u>	<u>1,072.36</u>	<u>1,126.27</u>	<u>20.07</u>
"A" Accounts.....	52.80	64.97	72.38	37.08
Other.....	885.25	1,007.39	1,053.89	19.05
F.I.As Balance.....	<u>91.83</u>	<u>114.48</u>	<u>122.84</u>	<u>33.77</u>
"A" Accounts.....	12.96	33.21	29.34	126.39
Other.....	78.87	81.27	93.50	18.55
Building Societies Balances.....	<u>144.99</u>	<u>175.24</u>	<u>179.16</u>	<u>23.57</u>
"A" Accounts.....	95.99	119.98	122.83	27.96
Other	49.00	55.26	56.33	14.96
Total Foreign Currency Deposits (US\$mn.).....	<u>1,174.87</u>	<u>1,362.06</u>	<u>1,428.27</u>	<u>21.57</u>
Total Foreign Currency Loans (US\$mn.).....	<u>375.39</u>	<u>533.35</u>	<u>574.99</u>	<u>53.17</u>
Commercial Banks.....	329.63	483.62	506.60	53.69
F.I. As	32.83	35.08	53.79	63.84
Building Societies.....	12.93	14.65	14.60	12.92

() Exclude deposits in "B" accounts

	Feb 2002	Jan 2003	Feb 2003
London Interbank Offer Rate (LIBOR) Eurodollars (%)			
3 months.....	1.92	1.35	1.34
6 months.....	2.07	1.35	1.34
U.S. Prime Rate (end of period) (%).....	4.75	4.25	4.25
 Selling Exchange Rates (end period)	Feb 2002	Jan 2003	Feb 2003
US\$1.00 = J\$.....	47.53	52.98	53.74
Can. \$1.00 = J\$.....	29.69	34.28	36.15
U.K. Pound = J\$.....	67.43	87.45	84.80
Euro = J\$**.....	41.62	57.48	58.53
 Caricom Selling Exchange Rates**			
T.T. \$1 = J\$.....	7.74	8.61	8.71
Bdos. \$1 = J\$.....	24.04	26.76	27.15
Guy. \$1 = J\$.....	0.26	0.28	0.29
E.C. \$1 = J\$.....	17.81	19.82	20.11

** *Indicative Rates*

INFLATION

JANUARY 2003

The All Jamaica Consumer Price Index (CPI) declined by 0.3 per cent in January 2003. This outturn brought inflation for the first ten months of FY 2002/03 to 6.3 per cent, 1.3 percentage points less than that which obtained in the similar period of 2001/02. The point-to-point rate at January was 6.3 per cent, 3.1 percentage points below the rate at January 2002. Similarly, the mean annual inflation rate was 6.8, relative to the 7.3 per cent recorded at January 2002. (Table 1).

The disinflation in January was largely due to a decrease of 1.4 per cent in the *Food & Drink* sub-index. All other groups recorded positive changes in their indices, but in aggregate were not large enough to outweigh the countervailing impact of the *Food & Drink* sub-index on the headline inflation outturn. Inflationary impulses of note were registered in the *Housing & Other Housing Expenses* (2.0%), *Miscellaneous Expenses* (1.0%), and *Transportation* (0.9%) sub-indices.

The primary influence on the *Food & Drink* sub-category emanated mainly from the expected declines in the *Vegetables & Fruits* and *Starchy Foods* sub-groups. The indices of these sub-groups declined by 8.2 per cent, and 5.9 per cent, respectively (see Table 2). These reductions were influenced by the increased supply of agricultural commodities (see Figure 9). The downturn in the *Vegetables & Fruits* sub-index largely reflected reduction in the prices of *tomato, escallion, cabbage, pumpkin, and ripe bananas*. The decline in the *Starchy Foods* sub-index resulted primarily from reduction in the prices of *yellow yam, lucea yam, potato and plantains* (see Table 4).

The expansion in the *Housing & Other Housing Expense* sub-index of 2.0 per cent was attributable to a 2.5 per cent increase in the *Other Housing Expenses* sub-group. The movement in this sub-group was largely the result of higher rates for *electricity, water* and to a lesser extent the price for *steel*. The increase in the *Miscellaneous Expenses* sub-index of 1.0 per cent resulted primarily from the increased cost of cigarettes and admissions to plays and cinema.

The upturn in the *Transportation* sub-category, resulted primarily from increases in the prices of *petroleum, oil (quart) and air travel*. This primarily reflects the upward movement in world oil prices. The benchmark West Texas Intermediate price of crude increased by 11.7 per cent in December 2002, relative to November 2002. Consequently the ex-refinery price for unleaded (90) petroleum rose by 13.0 per cent over the similar period.

At the regional level, all areas reported a decline in its overall index for the month. The CPI in the KMA decreased by 0.1 per cent, while the index for the Other Towns and Rural Areas fell by 0.3 per cent and 0.5 per cent, respectively. The deflation in the regions was mostly influenced by the *Food & Drink* sub-index, which declined by 1.1 per cent, 1.4 per cent and 1.8 per cent, in the KMA, Other Towns and Rural Areas, respectively. Reductions in the *Starchy Foods* and *Vegetables & Fruits* sub-groups were the driving influences in all regions.

The measure of inflation that excludes agricultural prices was 0.63 per cent for January. This estimate was 0.35 percentage points above the measure in the previous month and 0.52 percentage points below that which obtained in January 2002. For the fiscal year-to-date, the measure of inflation without agriculture was 3.92 per cent relative to 5.71 per cent in the previous year.

For January, the trimmed mean index was estimated to have increased by 0.37 per cent, 0.03 percentage points above the estimate for the previous month (table 5). This estimate brings core inflation for the FYTD to 3.20 per cent, marginally above that obtained in the corresponding period of FY 2001/02. However the 12-month point-to-point core inflation of 3.41 per cent, was lower than the 4.22 per cent as at January 2002. Additionally, the annual average core inflation rate of 3.17 per cent also revealed an improvement of 1.07 percentage points relative to the same measure in the corresponding month of 2002

Figure 2

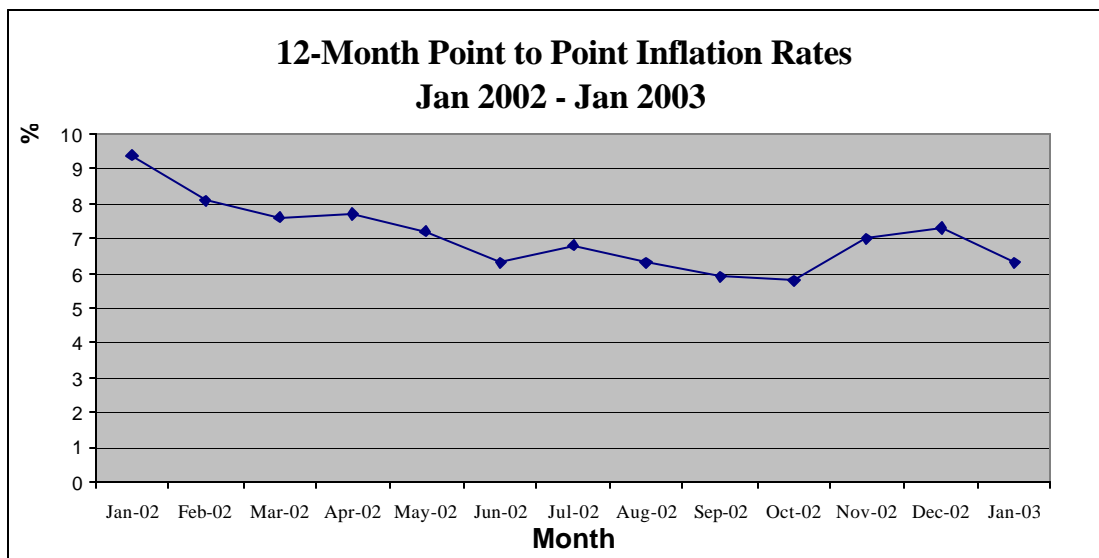


Table 1
JAMAICA: INFLATION RATES

		1/ C.P.I.	3 Month AVG. C.P.I.	Monthly % change	3 Month* % change	3 Month # % change	12 Month* % change	12 Month # % change
1998	Jan	1,106.8	1,102.1	0.69	1.17	1.80	9.28	9.33
	Feb	1,107.5	1,104.5	0.06	0.66	1.06	8.37	9.12
	Mar	1,115.9	1,110.1	0.76	1.52	1.12	8.82	9.06
	Apr	1,119.8	1,114.4	0.35	1.17	1.12	8.50	9.04
	May	1,129.0	1,121.6	0.82	1.94	1.55	8.61	9.06
	Jun	1,149.2	1,132.7	1.79	2.98	2.04	10.14	9.21
	Jul	1,162.4	1,146.9	1.15	3.80	2.91	10.18	9.34
	Aug	1,174.5	1,162.0	1.04	4.03	3.61	9.84	9.38
	Sept	1,175.8	1,170.9	0.11	2.31	3.38	8.42	9.28
	Oct	1,172.1	1,174.1	-0.31	0.83	2.38	7.14	9.04
	Nov	1,173.2	1,173.7	0.09	-0.11	1.00	6.64	8.74
	Dec	1,185.5	1,176.9	1.05	0.82	0.52	7.85	8.63
1999	Jan	1,189.9	1,182.9	0.37	1.52	0.74	7.51	8.48
	Feb	1,176.8	1,184.1	-1.10	0.31	0.88	6.26	8.30
	Mar	1,182.5	1,183.1	0.48	-0.25	0.52	5.97	8.06
	Apr	1,179.9	1,179.7	-0.22	-0.84	-0.26	5.37	7.79
	May	1,190.6	1,184.3	0.91	1.17	0.02	5.46	7.53
	Jun	1,205.9	1,192.1	1.29	1.98	0.77	4.93	7.10
	Jul	1,220.4	1,205.6	1.20	3.43	2.20	4.99	6.67
	Aug	1,234.3	1,220.2	1.14	3.67	3.03	5.09	6.28
	Sept	1,237.6	1,230.7	0.27	2.63	3.24	5.26	6.02
	Oct	1,247.5	1,239.8	0.80	2.22	2.83	6.43	5.96
	Nov	1,259.9	1,248.3	0.99	2.07	2.31	7.39	6.03
	Dec	1,265.9	1,257.7	0.48	2.29	2.19	6.78	5.95
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

1/ January 1998 = 100
Moving average
Source: STATIN

* Point to point

Table 2
COMPONENT CONTRIBUTION TO INFLATION
January 2003

	Weight in the CPI	Monthly Inflation (%)	Weighted Inflation
FOOD & DRINK	0.5563	-1.4	-0.5861
Meals away from home	0.0741	0.2	0.0135
Meat Poultry & Fish	0.1613	0.5	0.0800
Dairy Products Oils & Fats	0.0668	0.7	0.0475
Baked Products Cereals & Breakfast Drink	0.0864	1.3	0.1094
Starchy Foods	0.0525	-5.9	0.3117
Vegetables & Fruits	0.0650	-8.2	-0.5301
Other Food & Beverages	0.0502	0.1	0.0054
FUELS & OTHER HOUSEHOLD SUPPLIES	0.0735	0.6	0.0347
Household Supplies	0.0482	0.3	0.0132
Fuels	0.0253	0.8	0.0215
HOUSING & OTHER HOUSING EXPENSES	0.0786	2.0	0.1467
Rental	0.0209	0.0	0.0000
Other Housing Expenses	0.0577	2.5	0.1467
HOUSEHOLD FURNISHINGS & FURNITURE	0.0283	0.2	0.0047
Furniture	0.0068	0.1	0.0004
Furnishings	0.0215	0.2	0.0043
HEALTHCARE & PERSONAL EXPENSES	0.0697	0.6	0.0421
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.0507	0.2	0.0089
Clothing Materials	0.0055	0.0	0.0000
Readymade Clothing & Accessories	0.0242	0.2	0.0048
Footwear	0.0159	0.3	0.0040
Making & Repairs	0.0051	0.0	0.0000
TRANSPORTATION	0.0644	0.9	0.0572
MISCELLANEOUS EXPENSES	0.0785	1.0	0.0775
ALL GROUPS	1.0000	-0.31	-0.21

Table 3
REGIONAL INFLATION
JANUARY 2003

	KMA (%)	Other Towns (%)	Rural (%)
FOOD & DRINK	-1.1	-1.4	-1.8
Meals away from home	0.0	0.1	0.6
Meat Poultry & Fish	0.3	0.9	0.5
Dairy Products Oils & Fats	0.6	0.9	0.8
Baked Products Cereals & Breakfast Drink	0.9	1.5	1.5
Starchy Foods	-2.8	-5.3	-7.5
Vegetables & Fruits	-8.9	-10.7	-6.1
Other Food & Beverages	0.0	-0.7	0.7
FUELS & OTHER HOUSEHOLD SUPPLIES	0.4	0.4	1.0
Household Supplies	0.1	0.8	0.2
Fuels	0.6	0.0	1.6
HOUSING & OTHER HOUSING EXPENSES	1.9	2.2	2.2
Rental	0.0	0.0	0.0
Other Housing Expenses	2.6	2.4	2.5
HOUSEHOLD FURNISHINGS & FURNITURE	0.6	-0.1	-0.1
Furniture	0.7	-0.3	-0.2
Furnishings	0.5	0.0	0.0
HEALTHCARE & PERSONAL EXPENSES	0.7	0.8	0.3
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.3	0.1	0.1
Clothing Materials	0.0	0.0	0.0
Readymade Clothing & Accessories	0.4	0.1	0.1
Footwear	0.4	0.2	0.1
Making & Repairs	0.0	0.0	0.0
TRANSPORTATION	1.0	1.0	0.6
MISCELLANEOUS EXPENSES	0.2	0.2	3.3
ALL GROUPS	-0.1	-0.3	-0.5

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
2000/01						
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
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

JAMAICA:
BALANCE OF PAYMENTS DEVELOPMENTS
September 2002 & April to September 2002

September 2002

The current account of the balance of payments recorded a deficit of US\$140.6MN in September 2002, relative to the deficit of US\$71.8MN recorded in September 2001. The out-turn for the review month reflected widening deficits on the trade and services accounts, as well as a reduction in net earnings from current transfers. Partly offsetting these changes was an improvement in the deficit on the income sub-account. Within the financial account, net private investment inflows were more than sufficient to finance the deficit on the current account and net official investment outflows. Consequently, there was a build-up of US\$1.7 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\$78.9MN reflected a decline of US\$31.9MN in export earnings and an expansion of US\$47.0MN in the value of imports (f.o.b.).

While there were marginal increases in the values of non-traditional and other traditional exports, the major traditional export, free zone export, goods procured in Jamaican ports by foreign carriers and re-export categories all recorded lower earnings in September 2002, relative to September 2001. The other traditional export category benefited from an increase of approximately US\$2.0MN in the value of coffee exports. The expansion in the value of non-traditional exports was related to increases in chemicals and mineral fuels. All the components of major traditional exports, in particular alumina, declined. The contraction of US\$32.8MN in the value of alumina exports was influenced by reductions in both volume and price.

The growth in the overall import bill was influenced by respective increases of US\$42.1MN, US\$9.3MN and US\$5.7MN in the c.i.f. values of raw materials, consumer goods, and capital goods imports, which were partly countered by a contraction of US\$2.7MN in imports for the free zones. The expansion in the value of raw material imports was attributed to growth in the values of fuel and other raw material imports, the former expansion being associated with an increase in international oil prices.

Services

The increase of US\$5.1MN in the deficit on the services account stemmed primarily from an expansion of US\$4.1MN in net payments for transportation services, associated with freight charges on the higher level of imports. In addition, lower net receipts to the travel sub-sector were influenced by an increase in expenditure by Jamaicans travelling overseas, which offset an upturn of US\$6.9MN in gross visitor inflows. Accounting for the increase in tourism inflows was an expansion of 21.5 percent in total visitor arrivals for the month relative to September 2001.

Income

The improvement of US\$17.9MN in the deficit on the income account reflected lower imputed profit remittances of the direct investment companies, as well as lower interest payments by the Central Government.

Current Transfers

Relative to September 2001, the decline of US\$2.7MN in net current transfers for the review month was attributable to an expansion of US\$27.2MN in gross payments by the private sector, which outweighed an increase of US\$23.4MN in gross inflows. The increase in private transfer outflows was related to higher migrant transfers.

Capital and Financial Accounts

A deficit of US\$1.8MN was recorded on the capital account for September 2002. In contrast, the financial account registered a surplus of US\$142.4MN, an increase of US\$68.4MN, relative to the surplus in September 2001. Within the financial account, net private investment inflows of US\$159.5MN were sufficient to finance net official investment outflows of US\$15.4MN, as well as the deficits on the current and capital accounts. In this context, the net international reserves of the Bank of Jamaica grew by US\$1.7MN during the month.

April to Sept 2002

For the fiscal period April to September 2002, the current account deficit widened by US\$243.9MN to US\$563.8MN, 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 capital inflows were insufficient to finance the net official investment outflows, as well as the deficits on the current and capital accounts. Consequently, there was a draw down of US\$254.3 million in the net international reserves for the period.

Merchandise Trade

The deterioration of US\$230.6MN in the merchandise trade deficit stemmed from a contraction of US\$119.7MN in export receipts, as well as an increase of US\$110.9MN in payments for imports (f.o.b.), relative to the corresponding period of FY2001/02. With the exception of other traditional exports and re-exports, all the export categories declined during the review period. Major traditional exports contracted by US\$77.0MN, largely reflecting a reduction of US\$73.6MN in earnings from alumina exports. There were also respective declines of US\$27.8MN, US\$17.4MN and US\$2.1MN in the values of non-traditional exports, free zone exports and good 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\$59.1MN, US\$57.6MN and US\$42.3MN on capital goods, consumer goods and raw materials, respectively, were partly offset by a contraction of US\$25.8MN in the value of free zone imports in the review period, relative to April to September 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 cellular telephones.

Services

A contraction of US\$71.8MN in the surplus on the services account was influenced by a decline of US\$70.9MN in net travel receipts, as well as an increase of US\$18.3MN in net transportation payments, relative to April to September 2001. Partly countering these changes was a reduction of US\$17.4MN in net payments for other services. The lower receipts from the travel sector was mainly attributed to growth of US\$48.5MN in expenditure by Jamaicans travelling abroad, as well as a reduction of US\$22.4MN in gross travel inflows. The fall in travel inflows reflected a contraction of 1.9 per cent in total visitor arrivals for the period, relative to the same period in 2001. It also reflected, a reduction of approximately 2.6 per cent in average daily expenditure per stopover visitor, which was price discounting in the industry.

Income

The widening in the deficit on the income account by US\$12.2MN for the review period was mainly attributable to higher interest payments on Government of Jamaica external debt.

Current Transfers

An increase of US\$70.7MN in net receipts from current transfers for the review period, relative to the comparable period of FY2001/02, resulted from growth of US\$72.5MN in net inflows to the private sector, which more than offset the decline of US\$1.8MN in net official transfers.

Capital & Financial Accounts

A deficit of US\$11.2MN was recorded on the capital account for the review period, while a surplus of US\$575.0MN was recorded on the financial account. Within the financial account, net private investment inflows of US\$352.6MN were insufficient to finance net official outflows, as well as the deficits on the current and capital accounts. Consequently, there was a draw down of US\$254.3MN in the net international reserves of the Bank of Jamaica. At the end of September 2002, the level of gross reserves was US\$1,738.6MN, representing approximately 28.2 weeks of imports of goods and 18.9 weeks of imports of goods and services.

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

BALANCE OF PAYMENTS SUMMARY
(US\$M)

	Sept ^{1/} 2001	Sept ^{2/} 2002	Change	Apr-Sept ^{1/} 2001	Apr-Sept ^{2/} 2002	Change
1. CURRENT ACCOUNT	-71.8	-140.6	-68.8	-319.9	-563.8	-243.9
A. GOODS and SERVICES	-109.1	-193.1	-84.0	-533.5	-835.9	-302.4
a. GOODS BALANCE	-107.1	-186.0	-78.9	-730.2	-960.8	-230.6
Exports (f.o.b.)	124.9	93.0	-31.9	773.5	653.8	-119.7
Imports (f.o.b.)	232.0	279.0	47.0	1,503.7	1,614.6	110.9
b. SERVICES BALANCE	-2.0	-7.1	-5.1	196.7	124.9	-71.8
Transportation	-23.4	-27.5	-4.1	-126.2	-144.5	-18.3
Travel	46.1	44.6	-1.5	510.2	439.3	-70.9
Other Services	-24.7	-24.2	0.5	-187.3	-169.9	17.4
B. INCOME	-34.2	-16.3	17.9	-210.0	-222.2	-12.2
Compensation of employees	8.4	7.5	0.9	37.7	45.2	7.5
Investment Income	-42.6	-23.8	18.8	-247.7	-267.4	-19.7
C. CURRENT TRANSFERS	71.5	68.8	-2.7	423.6	494.3	70.7
Official	2.9	4.0	1.1	31.0	29.2	-1.8
Private	68.6	64.8	-3.8	392.6	465.1	72.5
2. CAPITAL & FINANCIAL ACCOUNT	71.8	140.6	68.8	319.9	563.8	243.9
A. CAPITAL ACCOUNT	-2.2	-1.8	0.4	-12.9	-11.2	1.7
a. Capital Transfers	-1.8	-1.8	0.0	-12.9	-11.2	1.7
Official	0.0	0.0	0.4	0.3	0.1	-0.2
Private	-1.9	-1.8	0.1	-13.2	-11.3	1.9
b. Acq/disposal of non-produced non-fin. assets	0.0	0.0	0.0	0.0	0.0	0.0
B. FINANCIAL ACCOUNT	74.0	142.4	68.4	332.8	575.0	242.0
Other official investment	-19.8	-15.4	4.4	269.5	-31.9	-301.6
Other private investment ^{3/}	31.6	159.5	127.9	313.5	352.6	-39.1
Change in Reserves (minus =build-up)	-62.2	-1.7		-250.4	254.3	
Government Reserves						

1/ Revised

2/ Provisional

3/ Includes errors & omissions