



# ECONOMIC STATISTICS

---

VOLUME 14 - NO. 3

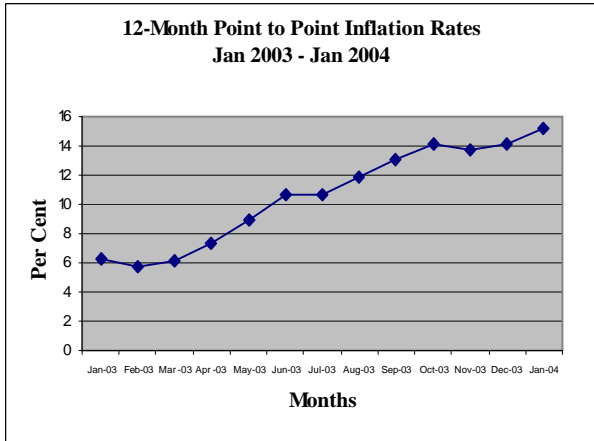
MARCH 2004

---

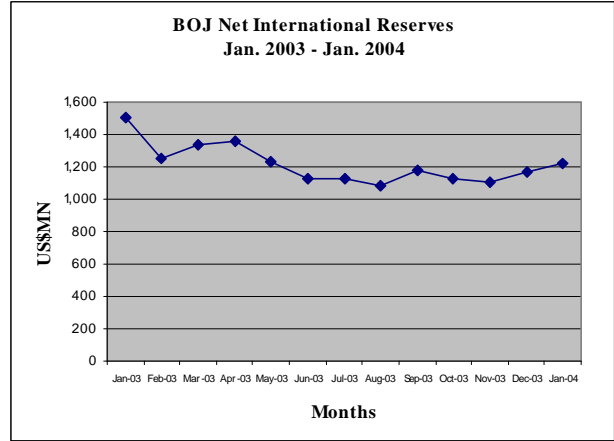


# SELECTED ECONOMIC INDICATORS

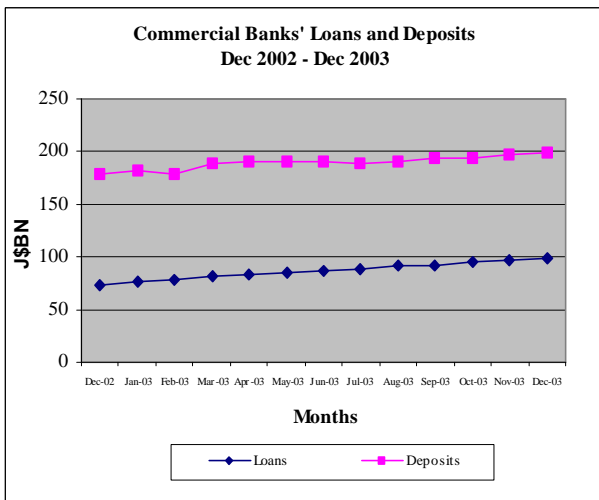
**Figure 1**



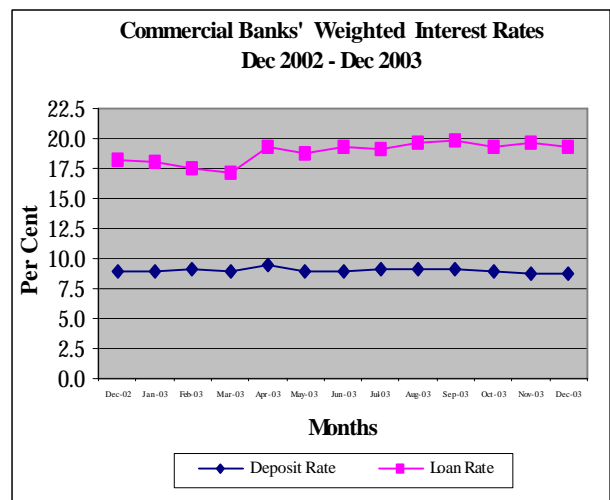
**Figure 2**



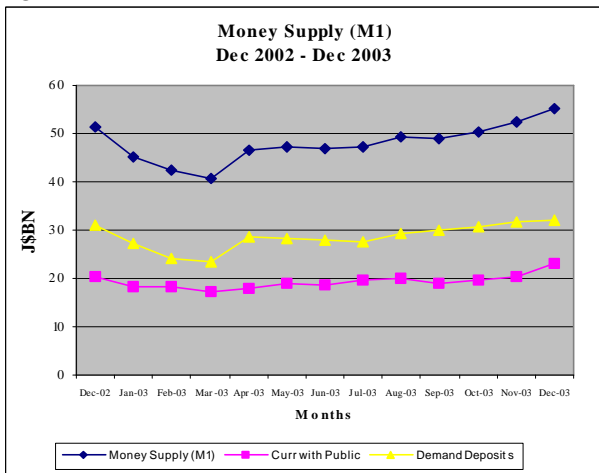
**Figure 3**



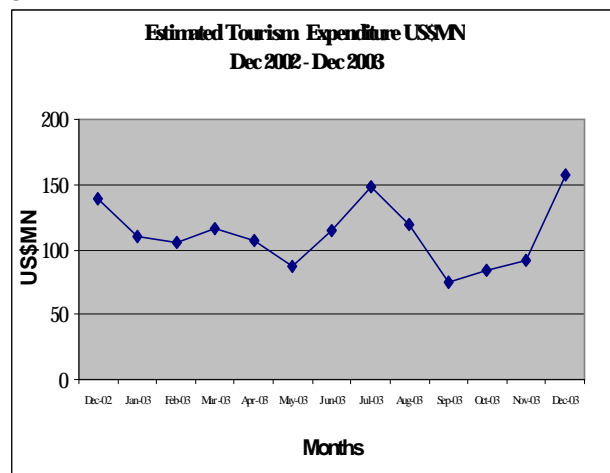
**Figure 4**



**Figure 5**



**Figure 6**



<b>1. MONETARY AGGREGATES (J\$mn.)</b>				<b>%</b>
<b>Local and Foreign Currency</b>	<b>Dec 2002</b>	<b>Nov 2003</b>	<b>Dec 2003</b>	<b>Change p.a.</b>
Money Supply (M1).....	<u>51,486.74</u>	<u>52,388.88</u>	<u>55,254.64</u>	<u>7.32</u>
(a) Currency with the Public.....	20,366.17	20,500.33	23,145.48	13.65
(b) Demand Deposits (adj.)***.....	31,120.57	31,888.55	32,109.16	3.18
Quasi-Money.....	<u>113,539.34</u>	<u>127,040.59</u>	<u>128,237.94</u>	<u>12.95</u>
(a) Time.....	32,248.80	32,428.33	32,338.77	0.28
(b) Savings.....	81,290.54	94,612.26	95,899.17	17.97
Money Supply (M2).....	<u>165,026.08</u>	<u>179,429.47</u>	<u>183,492.58</u>	<u>11.19</u>
Domestic Credit (net).....	<u>165,967.82</u>	<u>215,399.33</u>	<u>219,670.16</u>	<u>32.36</u>
<b>Local Currency</b>	<b>Dec 2002</b>	<b>Nov 2003</b>	<b>Dec 2003</b>	
Money Supply (M1).....	<u>44,704.00</u>	<u>43,035.54</u>	<u>45,238.05</u>	<u>1.19</u>
(a) Currency with the Public.....	20,366.17	20,500.33	23,145.48	13.65
(b) Demand Deposits (adj.)***.....	24,337.83	22,535.21	22,092.57	-9.23
Quasi-Money.....	<u>74,626.57</u>	<u>76,523.53</u>	<u>77,926.57</u>	<u>4.42</u>
(a) Time.....	20,020.76	17,786.34	18,082.45	-9.68
(b) Savings.....	54,605.81	58,737.19	59,844.12	9.59
Money Supply (M2).....	<u>119,330.57</u>	<u>119,559.07</u>	<u>123,164.62</u>	<u>3.21</u>
Domestic Credit (net).....	<u>146,957.77</u>	<u>186,336.22</u>	<u>189,590.29</u>	<u>29.01</u>
	<b>Jan 2003</b>	<b>Dec 2003</b>	<b>Jan 2004</b>	
Base Money.....	<u>31,855.60</u>	<u>40,526.34</u>	<u>35,954.32</u>	<u>12.87</u>
<b>II. COMMERCIAL BANKS (J\$mn.)</b>				
Assets & Liabilities (J\$mn.)**.....	<u>262,577.95</u>	<u>313,546.42</u>	<u>313,516.56</u>	<u>19.40</u>
Loans**.....	<u>73,943.32</u>	<u>97,517.15</u>	<u>99,149.99</u>	<u>34.09</u>
Agriculture.....	1,737.84	1,633.14	1,421.56	-18.20
Manufacturing.....	3,178.11	3,584.93	3,462.81	8.96
Construction & Land Development.....	3,326.38	6,542.67	6,694.70	101.26
Mining.....	102.40	225.87	408.38	298.81
Tourism.....	7,040.97	11,606.70	11,908.55	69.13
Transport, Storage & Communication.....	5,443.13	8,062.91	8,022.90	47.39
Consumer-Oriented.....	25,876.49	37,259.35	38,399.35	48.39
Government Services.....	23,061.30	27,134.55	27,511.56	19.30
Other.....	4,176.70	1,467.03	1,320.18	-68.39
	<b>Dec 2002</b>	<b>Nov 2003</b>	<b>Dec 2003</b>	
DEPOSITS.....	<u>178,979.47</u>	<u>197,595.70</u>	<u>198,774.80</u>	<u>11.06</u>
Private Sector (including overseas residents).....	<u>154,427.31</u>	<u>172,305.50</u>	<u>174,151.01</u>	<u>12.77</u>
Time.....	35,272.94	38,487.38	38,934.57	10.38
Savings.....	86,859.97	101,711.51	102,962.37	18.54
Demand.....	32,294.40	32,106.61	32,254.07	-0.12
Government.....	<u>13,042.96</u>	<u>12,226.61</u>	<u>11,404.93</u>	<u>-12.56</u>
Time.....	288.67	453.44	460.51	59.53
Savings.....	1,263.52	1,591.09	1,522.92	20.53
Demand.....	11,490.77	10,182.08	9,421.50	-18.01
Public Entities.....	<u>6,211.06</u>	<u>7,495.87</u>	<u>7,042.14</u>	<u>13.38</u>
Time.....	3,971.09	4,432.16	3,932.23	-0.98
Savings.....	1,044.67	2,025.07	1,752.89	67.79
Demand.....	1,195.30	1,038.64	1,357.02	13.53

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

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

+ Revised

				%
<b>II. COMMERCIAL BANKS (J\$mn.) (Cont'd)</b>	<b>Dec 2002</b>	<b>Nov 2003</b>	<b>Dec 2003</b>	<b>Change p.a.</b>
Spec. & O. F. Insts.....	<u>5,298.14</u>	<u>5,567.72</u>	<u>6,176.72</u>	<u>16.58</u>
Time.....	1,119.25	1,271.37	981.21	-12.33
Savings.....	849.87	987.61	927.53	9.14
Demand.....	3,329.02	3,308.74	4,267.98	28.21
	<b>Jan 2003</b>	<b>Dec 2003</b>	<b>Jan 2004</b>	
Current Account Balances with BOJ (J\$mn).....	<u>17.49</u>	<u>171.71</u>	<u>193.44</u>	
<b>LIQUIDITY (Average) %</b>	<b>Dec 2002</b>	<b>Nov 2003+</b>	<b>Dec 2003</b>	
Actual Liquid Assets Ratio.....	<u>37.93</u>	<u>33.46</u>	<u>33.21</u>	
Cash.....	2.25	2.44	3.50	
Deposits with B.O.J.....	9.67	9.23	9.17	
Treasury Bills.....	0.75	0.55	0.58	
Local Registered Stocks.....	7.29	9.15	8.27	
Other.....	17.97	12.09	11.69	
Statutory Requirement.....	<u>23.00</u>	<u>23.00</u>	<u>23.00</u>	
<b>III. SELECTED INTEREST RATES (%)</b>				
<b>COMMERCIAL BANKS (Domestic Currency)</b>	<b>Jan 2003</b>	<b>Dec 2003</b>	<b>Jan 2004</b>	
Fixed Deposits (J\$100,000 & over)				
3-6 months.....	7.75-13.15	8.50-13.25	8.50-13.25	
9-12 months.....	7.75-13.15	8.50-13.50	8.50-13.50	
Call Deposits.....	6.10-35.00	3.00-35.00	1.00-30.00	
Average Savings Deposits .....	8.88	8.43	8.43	
Average Loan Rate.....	23.90	25.60	25.60	
Average Inter-bank Rate .....	16.00	24.08	16.21	
	<b>Dec 2002</b>	<b>Nov 2003</b>	<b>Dec 2003</b>	
Weighted Fixed Deposits Rate.....	8.92	8.74	8.68	
Weighted Loan Rate.....	18.26	19.66	19.32	
<b>G.O.J. Treasury Bills (Weighted Average) Yield</b>	<b>Feb 2003</b>	<b>Jan 2004</b>	<b>Feb 2004</b>	
2 Months:.....	-	-	-	
3 Months:.....	-	-	-	
6 Months:.....	-	17.15	16.31	
9 Months:.....	-	-	-	
12 Months:.....	-	-	-	
	<b>Feb 2003</b>	<b>Jan 2004</b>	<b>Feb 2004</b>	
<b>BOJ Reverse Repurchase Rates (%)</b>				
30-Day .....	12.95	14.85	14.85	
60-Day .....	13.05	15.00	15.00	
90-Day .....	18.25	15.10	15.10	
120-Day .....	18.40	16.00	15.50	
180-Day .....	13.45	17.25	16.00	
270-Day .....	13.85	18.75	17.25	
365-Day .....	14.50	20.00	18.50	
<b>COMMERCIAL BANKS (Foreign Currency)</b>	<b>Jan 2003</b>	<b>Dec 2003</b>	<b>Jan 2004</b>	
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.....	3.25-5.00	2.50-4.75	2.50-4.75	
3-6 months.....	3.25-5.00	2.50-4.85	2.50-4.85	
6-12 months.....	3.25-6.25	2.50-6.25	2.50-6.25	
Average Loan Rates .....	12.38	12.15	12.15	
Average Savings .....	3.47	2.66	2.66	

+ Revised

				%
				Change p.a.
<b>IV. SECURITIES (J\$mn.)</b> (outstanding balances)	<b>Dec 2002</b>	<b>Nov 2003</b>	<b>Dec 2003</b>	
GOJ Local Registered Stock.....	240,843.33	235,547.75	228,509.28	-5.12
	<b>Feb 2003</b>	<b>Jan 2004</b>	<b>Feb 2004</b>	
BOJ Open Market Operations 1/.....	81,368.76	85,673.44	97,271.92	19.54
GOJ Treasury Bills.....	-	4,400.00	3,400.00	-
<b>V. INSTALMENT CREDIT (J\$mn.)</b> (Banks & Near-Banks)	<b>Dec 2002</b>	<b>Nov 2003+</b>	<b>Dec 2003</b>	
Total Credit Outstanding.....	7,010.30	9,589.29	9,898.19	41.19
New Business.....	502.22	574.25	745.21	48.38
<b>VI. NEAR-BANKS (J\$mn.)</b> (Merchant Banks, Trust Com. & Finance Houses)	<b>Dec 2002</b>	<b>Nov 2003+</b>	<b>Dec 2003</b>	
Assets/Liabilities.....	27,854.96	46,607.92	44,096.43	58.31
Loans Outstanding.....	3,563.60	5,684.66	5,931.12	66.44
Total Deposits.....	8,371.70	9,230.08	9,330.38	11.45
Loans.....	<u>3,563.60</u>	<u>5,684.66</u>	<u>5,931.12</u>	<u>66.44</u>
Agriculture.....	71.26	101.43	93.94	31.83
Manufacturing.....	644.61	269.87	254.66	-60.49
Construction & Land Development.....	280.06	731.82	766.88	173.83
Mining, Quarrying & Processing.....	54.29	40.11	26.94	-50.38
Tourism.....	293.12	468.51	434.40	48.20
Transport, Storage & Communication.....	22.30	17.66	17.15	-23.09
Consumer Oriented.....	1,948.11	2,960.99	3,251.09	66.88
Government Services.....	167.79	921.97	914.29	444.90
Other.....	82.06	172.30	171.77	109.32
	<b>Dec 2002</b>	<b>Nov 2003</b>	<b>Dec 2003</b>	
Liquid Assets Ratio (average) %.....	89.00	80.61	67.27	
Statutory Requirement.....	23.00	23.00	23.00	
<b>VII. BUILDING SOCIETIES (J\$mn.)</b> (members & associate members)	<b>Dec 2002</b>	<b>Nov 2003</b>	<b>Dec 2003</b>	
Assets/Liabilities.....	55,261.65	63,780.93	66,679.24	20.66
Loan Balances.....	20,042.01	23,726.62	24,086.62	20.18
Savings Funds.....	43,233.60	47,929.53	49,437.28	14.35
<b>VIII. INFLATION</b>	<b>Jan 2003</b>	<b>Dec 2003</b>	<b>Jan 2004</b>	
Consumer Price Index (Jan. 1988 = 100).....	1,561.3	1,786.8	1,798.2	15.17
Monthly Rate (%).....	-0.3	0.8	0.6	
Calendar Year to Date (%) (point to point).....	-0.3	14.1	0.6	
Fiscal Year to Date (%) (point to point).....	6.3	14.6	15.3	
<b>IX. ACTUAL PRODUCTION ('000)</b>	<b>Jan 2003</b>	<b>Dec 2003</b>	<b>Jan 2004</b>	
Bauxite (metric tonnes).....	308.78	298.02	362.68	17.46
Alumina (metric tonnes).....	322.46	339.30	357.18	10.77
Sugar (metric tonnes).....	19.40	5.88	29.44	51.75
Banana (tonnes).....	2.84	2.73	3.48	22.54
<b>X. STOCK MARKET ACTIVITIES</b>	<b>Jan 2003</b>	<b>Dec 2003</b>	<b>Jan 2004</b>	
Index.....	44,678.87	67,586.72	72,829.41	63.01
Volume Traded (mn.).....	600.30	259.78	836.12	39.28
Ordinary Shares.....	343.29	243.07	835.60	143.41
Block Transactions.....	257.01	16.71	0.52	-99.80

4 1/ BOJ Open Market Operations include Reverse Repurchases  
- No Production/ Issue  
+ Revised

	Jan 2003	Dec 2003	Jan 2004	% Change p.a.
<b>X. STOCK MARKET ACTIVITIES (cont'd)</b>				
Value of Stocks Traded (J\$mn.).....	2,831.10	1,523.30	2,412.64	-14.78
Ordinary Shares.....	1,622.98	1,386.09	2,412.03	48.62
Block Transactions.....	1,208.12	137.21	0.61	-99.95
Advance/Decline Ratio.....	17/13	24/10	31/4	
<b>XI. EXTERNAL TRADE (US\$mn.)</b>	<b>Jan-July 2002</b>	<b>Jan-July 2003</b>		<b>Change</b>
<b>1. EXPORTS</b>				
a) Major Traditional Exports.....	<u>480.17</u>	<u>508.19</u>		<u>28.02</u>
Bauxite.....	59.79	51.66		-8.13
Alumina.....	351.77	379.70		27.93
Sugar.....	58.18	65.20		7.02
Bananas.....	10.43	11.63		1.20
b) Other Traditional Exports.....	48.01	43.01		-5.00
c) Non-Traditional Exports.....	127.07	127.47		0.40
d) Re-exports.....	12.55	14.04		1.49
General Merchandise Exports.....	<u>667.80</u>	<u>692.71</u>		<u>24.91</u>
(e) Freezone Exports.....	98.79	73.37		-25.42
(f) Goods Procured in Ports.....	16.80	17.50		0.70
Total Goods Exports.....	<u>783.39</u>	<u>783.58</u>		<u>0.19</u>
<b>2. IMPORTS</b>				
(a) Consumer Goods.....	608.60	596.12		-12.48
(b) Raw Materials.....	1,001.64	1,219.32		217.68
(c) Capital Goods.....	379.62	340.13		-39.49
General Merchandise Imports.....	<u>1,989.86</u>	<u>2,155.57</u>		<u>165.71</u>
(d) Freezone Imports.....	64.09	59.94		-4.15
(e) Goods Procured in Ports.....	22.20	22.90		0.70
Total Goods Imports.....	<u>2,076.15</u>	<u>2,238.41</u>		<u>162.26</u>
Trade Balance.....	<u>-1,292.76</u>	<u>-1,454.83</u>		<u>-162.07</u>
Memo:				
Caricom Exports.....	26.11	27.71		1.60
Caricom Imports.....	224.81	309.49		84.68
Caricom Trade Balance.....	<u>-198.70</u>	<u>-281.78</u>		<u>-83.08</u>
<b>XII. TOURISM</b>	<b>Jan 2003</b>	<b>Jan 2004</b>		<b>% Change</b>
Tourist Arrivals ('000).....	<u>220.14</u>	<u>234.00</u>		<u>6.30</u>
Stopovers.....	95.88	104.43		8.92
Non-Resident Jamaicans.....	5.43	4.92		-9.39
Cruise.....	118.83	124.65		4.90
Armed Forces.....	-	-		-
Monthly Estimated Expenditure (US\$mn.).....	<u>111.50</u>	<u>117.50</u>		<u>5.38</u>
<b>XIII. BALANCE OF PAYMENTS (US\$mn.)</b>				
<i>Balance of Payments (Calendar)</i>				
<b>1. Current Account.....</b>	<b>Jan-July 2002</b>	<b>Jan-July 2003</b>		<b>Change</b>
<b>A. Goods balance.....</b>	<u>-514.8</u>	<u>-576.5</u>		<u>-61.7</u>
Exports (f.o.b.).....	<u>-997.2</u>	<u>-1,149.5</u>		<u>-152.3</u>
Imports (f.o.b.).....	783.3	783.6		0.3
	1,780.5	1,933.1		152.6
<b>B. Service Balance.....</b>				
Transportation.....	<u>192.9</u>	<u>299.7</u>		<u>106.8</u>
Travel.....	-134.0	-115.2		18.8
Other Services.....	580.0	669.5		89.5
	-253.1	-254.6		-1.5

**Balance of Payments (Calendar) (Cont'd)**

	<b>Jan-July 2002</b>	<b>Jan-July 2003</b>	<b>Change</b>
<b>C. Income.....</b>	<u>-347.3</u>	<u>-350.6</u>	<u>-3.3</u>
Compensation of Employees.....	30.7	21.0	-9.7
Investment Income.....	-378.0	-371.6	6.4
<b>D. Current Transfers.....</b>	<u>636.8</u>	<u>623.9</u>	<u>-12.9</u>
Official.....	59.9	50.2	-9.7
Private.....	576.9	573.7	-3.2
<b>2. Capital and Financial Account.....</b>	<u>514.8</u>	<u>576.5</u>	<u>61.7</u>
<b>A. Capital Account.....</b>	<u>-11.2</u>	<u>-11.1</u>	<u>0.1</u>
Capital Transfers.....	<u>-11.2</u>	<u>-11.1</u>	<u>0.1</u>
Official.....	0.2	0.1	-0.1
Private.....	-11.4	-11.2	0.2
Acq./Disp. of non-produced non-fin. assets....	0.0	0.0	0.0
<b>B. Financial Account.....</b>	<u>526.0</u>	<u>587.6</u>	<u>61.6</u>
Other Official Investment.....	43.1	-322.3	-365.4
Other Private Investment.....	386.1	437.8	51.7
<i>(incl. errors &amp; omissions)</i>			
Reserves.....	<u>96.8</u>	<u>472.1</u>	
	<b>Apr-July</b>	<b>Apr-July</b>	
<b>Balance of Payments (Fiscal)</b>	<b>2002</b>	<b>2003</b>	
<b>1. Current Account.....</b>	<u>-346.2</u>	<u>-278.5</u>	<u>67.7</u>
<b>A. Goods balance.....</b>	<u>-619.9</u>	<u>-615.8</u>	<u>4.1</u>
Exports (f.o.b.).....	453.6	460.0	6.4
Imports (f.o.b.).....	1,073.5	1,075.8	2.3
<b>B. Service Balance.....</b>	<u>99.0</u>	<u>169.1</u>	<u>70.1</u>
Transportation.....	-85.2	-69.0	16.2
Travel.....	332.0	383.2	51.2
Other Services.....	-147.8	-145.1	2.7
<b>C. Income.....</b>	<u>-201.0</u>	<u>-185.3</u>	<u>15.7</u>
Compensation of Employees.....	27.7	16.1	-11.6
Investment Income.....	-228.7	-201.4	27.3
<b>D. Current Transfers.....</b>	<u>375.7</u>	<u>353.5</u>	<u>-22.2</u>
Official.....	34.7	28.5	-6.2
Private.....	341.0	325.0	-16.0
<b>2. Capital and Financial Account.....</b>	<u>346.2</u>	<u>278.5</u>	<u>-67.7</u>
<b>A. Capital Account.....</b>	<u>-5.6</u>	<u>-6.1</u>	<u>-0.5</u>
Capital Transfers.....	-5.6	-6.1	-0.5
Official.....	0.1	0.0	-0.1
Private.....	-5.7	-6.1	-0.4
Acq./Disp. of non-produced non-fin. assets	0.0	0.0	0.0
<b>B. Financial Account.....</b>	<u>351.8</u>	<u>284.6</u>	<u>-67.2</u>
Other Official Investment.....	-9.0	-70.8	-61.8
Other Private Investment.....	163.1	140.6	-22.5
<i>(incl. errors &amp; omissions)</i>			
Reserves.....	197.7	214.8	
Government Reserves.....	0.0	0.0	

<b>XIV. BOJ NET INTERNATIONAL RESERVES</b>	<b>Jan 2003</b>	<b>Dec 2003+</b>	<b>Jan 2004</b>	<b>%</b>
<b>(US\$mn.)</b>				<b>Change p.a.</b>
BOJ Net International Reserves (US\$mn.).....	<u>1,510.25</u>	<u>1,164.98</u>	<u>1,219.65</u>	-19.24
Gross Foreign Assets.....	1,556.71	1,196.33	1,251.01	-19.64
Gross Foreign Liabilities.....	46.46	31.35	31.36	-32.50
Estimated Gross Reserves in Weeks of Imports.....	<u>26.45</u>	<u>18.31</u>	<u>19.15</u>	
Estimated Gross Reserves in Weeks of Goods and Services Imports.....	<u>17.46</u>	<u>12.50</u>	<u>13.07</u>	
 <b>XV. FOREIGN EXCHANGE DEVELOPMENTS (US\$mn.)</b>	 <b>Feb 2003</b>	 <b>Jan 2004</b>	 <b>Feb 2004</b>	
Combined Foreign Exchange Trading				
Foreign Exchange Purchases (spot).....	879.77	665.04	594.67	-32.41
Foreign Exchange Sales (spot).....	857.47	693.11	597.67	-30.30
 Foreign Currency Deposit Balances of Authorised Dealers (US\$mn.) ( )	 <b>Jan 2003</b>	 <b>Dec 2003</b>	 <b>Jan 2004</b>	
Commercial Banks Balances.....	<u>1,126.27</u>	<u>1,256.17</u>	<u>1,285.07</u>	<u>14.10</u>
"A" Accounts 1/.....	72.38	111.79	116.88	61.48
Other.....	1,053.89	1,144.38	1,168.19	10.85
F.I.As Balance.....	<u>122.84</u>	<u>137.57</u>	<u>93.46</u>	-23.92
"A" Accounts 1/.....	29.34	66.85	54.96	87.32
Other.....	93.50	70.72	38.50	-58.82
Building Societies Balances.....	<u>179.16</u>	<u>220.92</u>	<u>224.70</u>	<u>25.42</u>
"A" Accounts 1/.....	122.83	152.14	154.47	25.76
Other .....	56.33	68.78	70.23	24.68
Total Foreign Currency Deposits (US\$mn.).....	<u>1,428.27</u>	<u>1,614.66</u>	<u>1,603.23</u>	<u>12.25</u>
Total Foreign Currency Loans (US\$mn.).....	<u>574.99</u>	<u>694.40</u>	<u>684.31</u>	<u>19.01</u>
Commercial Banks.....	506.60	616.44	628.67	24.10
F.I.As .....	53.79	67.40	45.10	-16.16
Building Societies.....	14.60	10.56	10.54	-27.81
 London Interbank Offer Rate (LIBOR) Eurodollars (%)	 <b>Feb 2003</b>	 <b>Jan 2004</b>	 <b>Feb 2004</b>	
3 months.....	1.34	1.13	1.13	
6 months.....	1.34	1.19	1.19	
U.S. Prime Rate (end of period) (%).....	4.25	4.00	4.00	
 Selling Exchange Rates (end period)	 <b>Feb 2003</b>	 <b>Jan 2004</b>	 <b>Feb 2004</b>	
US\$1.00 = J\$.....	53.74	60.73	60.96	
Can. \$1.00 = J\$.....	36.14	45.08	45.35	
U.K. Pound = J\$.....	84.80	110.07	112.39	
Euro = J\$**.....	58.53	75.62	75.83	
 Caricom Selling Exchange Rates**				
T.T. \$1 = J\$.....	8.71	9.74	9.79	
Bdos. \$1 = J\$.....	27.15	30.37	30.48	
Guy. \$1 = J\$.....	0.29	0.31	0.31	
E.C. \$1 = J\$.....	20.11	22.49	22.58	

( ) Exclude deposits in "B" accounts

\*\* Indicative Rates

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

+ Revised



## INFLATION

### JANUARY 2004

**The All Jamaica Consumer Price Index (CPI) increased by 0.6 per cent in January 2004. This outturn brought inflation for the first ten months of fiscal year (FY) 2003/04 to 15.3 per cent, 9.0 percentage points above that which obtained in the similar period of 2002/03.** The annual point-to-point rate at January was also 15.3 per cent, 8.9 percentage points above that rate at January 2003 (Table 1). The annual average rate was lower at 11.1 per cent but still higher than the 6.8 per cent as at January 2003.

**The primary influences on the inflation outturn in January were increases in global commodity prices.** These increases were largely reflected in the *Food & Drink* sub-index, which increased by 0.4 per cent and contributed 33.9 per cent to the overall inflation (Table 2). Other inflationary impulses of note were registered in the *Housing & Other Housing Expenses* (1.2%), *Fuels & Other Household Supplies* (1.9%), and the *Miscellaneous Expenses* (0.6%) sub-indices. These groups contributed 19.2 per cent, 18.5 per cent and 8.5 per cent, respectively, to the overall inflation (Table 2).

**The primary impetus to prices in the *Food & Drink* group emanated from the *Meat Poultry & Fish, Meal Away From Home, and Dairy Products Oils & Fats* sub-indices. These subgroups increased by 0.7 per cent, 1.4 per cent and 0.7 per cent, respectively (see Table 2).** In the *Meat Poultry & Fish* sub-category, the commodities, which experienced the most significant increases, were beef, fish, corned beef, mutton, and liver. The overall increases in the sub-category reflected a combination of exchange rate and international commodity price movements. Meat prices were also influenced by recent health concerns regarding beef coming out of the USA, which has led to lower supply of the commodity locally. In the *Meals Away from Home* sub-group, inflationary impulses were associated with higher meat and domestic food prices. This was reflected in higher prices for patties and meals prepared in restaurants.

**The *Housing & Other Housing Expenses* sub-index increased by 1.2 per cent, largely influenced by the *Rental* sub-group.** Rental of premises increased significantly in areas outside of the KMA. This was likely related to renegotiations of contracts for the new lease year, which are customarily anticipated within the first quarter of the year. Of note, there was no increase in the electricity bill over the month as a slight increase in the billed fuel rate was offset by mild appreciation in the exchange rate.

**The *Fuels & Other Household Supplies* sub-index increased by 1.9 per cent. This was primarily influenced by a significant adjustment in the price of kerosene.** There were also significant movements in some items in the Household Supplies subgroup. These increases may be associated with the increased demand over the holidays and lagged adjustments due to exchange rate movements. Other impulses of note arose in the *Furnishings* sub-group and the *Miscellaneous Expenses* sub-index. The Furnishings subgroup rose mainly on the account of significant increases in the prices of records and electric irons while the increase in the *Miscellaneous Expenses* subgroup was due primarily to upward adjustments in cigarette prices.

**At the regional level, the highest increase of 0.8 per cent in inflation was recorded in the Rural Areas, while the indices of KMA and Other Town increased by 0.6 per cent and 0.5 per cent, respectively.**

The larger expansion in the CPI for the Rural Areas region was largely reflected in the *Fuels* sub-index, which increased by 8.5 per cent, while there was no change in the other regions. This movement resulted from an adjustment of 10.0 per cent in kerosene prices, which due to its weight had a significant impact on the outturn for the region. The changes in agricultural prices also reflected a greater effect on the overall inflation for the region than in the other two areas. Other disparity of note across the region was observed in the *Rental* and *Furnishings* sub-indices.

**The trimmed mean index was estimated to have increased by 0.50 per cent in January, 0.03 of a percentage point below the estimate for the previous month (Table 4).** The declining trend in monthly core inflation subsequent to the 0.94 per cent in July, is consistent with the Bank's continuing effort at restricting monetary expansion. However, the pace of reduction has been below expectation due to higher than expected demand for money over the third quarter of the fiscal year. The 12-month point-to-point core inflation rate at January 2004 was 8.2 per cent, 4.8 percentage points above the comparable measure at January 2003. Similarly, the annual average core inflation rate of 6.3 per cent was 3.1 percentage points above the rate recorded in the corresponding month of 2003.

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
1999	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
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	1561.3	1561.9	-0.31	1.44	2.12	6.30	6.83
	Feb	1552.2	1559.9	-0.58	-0.39	1.17	5.74	6.64
	Mar	1559.5	1557.7	0.47	-0.42	0.20	6.20	6.52
	Apr	1584.0	1565.2	1.57	1.45	0.21	7.33	6.50
	May	1613.4	1585.6	1.86	3.94	1.65	9.01	6.66
	Jun	1653.1	1616.8	2.46	6.00	3.80	10.74	7.04
	Jul	1678.4	1648.3	1.53	5.96	5.31	10.74	7.38
	Aug	1702.0	1677.8	1.41	5.49	5.81	11.88	7.85
	Sept	1728.4	1702.9	1.55	4.56	5.33	13.11	8.47
	Oct	1756.7	1729.0	1.64	4.67	4.90	14.13	9.17
	Nov	1773.0	1752.7	0.93	4.17	4.46	13.78	9.74
	Dec	1786.8	1772.2	0.78	3.38	4.07	14.09	10.32
2004	Jan	1798.2	1786.0	0.64	2.36	3.29	15.17	11.06

1/ January 1998 = 100

# Moving average

\* Point to point

Source: STATIN

**Table 2**  
**COMPONENT CONTRIBUTION TO INFLATION**  
**January 2004**

	Weight in the CPI	Monthly Inflation (%)	Weighted Inflation	% Contribution to Inflation
<b>FOOD &amp; DRINK</b>	<b>0.5563</b>	<b>0.4</b>	<b>0.2001</b>	<b>33.9</b>
Meals away from home	0.0741	1.4	0.1053	17.9
Meat, Poultry & Fish	0.1613	0.7	0.1156	19.6
Dairy Products Oils & Fats	0.0668	0.7	0.0493	8.4
Baked Products, Cereals & Breakfast Drink	0.0864	0.5	0.0397	6.7
Starchy Foods	0.0525	0.1	0.0073	1.2
Vegetables & Fruits	0.0650	-2.0	-0.1277	-21.7
Other Food & Beverages	0.0502	0.2	0.0107	1.8
<b>FUELS &amp; OTHER HOUSEHOLD SUPPLIES</b>	<b>0.0735</b>	<b>1.9</b>	<b>0.1090</b>	<b>18.5</b>
Household Supplies	0.0482	0.8	0.0390	6.6
Fuels	0.0253	2.8	0.0700	11.9
<b>HOUSING &amp; OTHER HOUSING EXPENSES</b>	<b>0.0786</b>	<b>1.2</b>	<b>0.1134</b>	<b>19.2</b>
Rental	0.0209	4.5	0.0943	16.0
Other Housing Expenses	0.0577	0.3	0.0191	3.2
<b>HOUSEHOLD FURNISHINGS &amp; FURNITURE</b>	<b>0.0283</b>	<b>0.9</b>	<b>0.0265</b>	<b>4.5</b>
Furniture	0.0068	0.5	0.0035	0.6
Furnishings	0.0215	1.1	0.0230	3.9
<b>HEALTHCARE &amp; PERSONAL EXPENSES</b>	<b>0.0697</b>	<b>0.5</b>	<b>0.0337</b>	<b>5.7</b>
<b>PERSONAL CLOTHING FOOTWEAR &amp; ACCESSORIES</b>	<b>0.0507</b>	<b>0.4</b>	<b>0.0207</b>	<b>3.5</b>
Clothing Materials	0.0055	0.3	0.0016	0.3
Readymade Clothing & Accessories	0.0242	0.2	0.0056	1.0
Footwear	0.0159	0.6	0.0096	1.6
Making & Repairs	0.0051	0.8	0.0039	0.7
<b>TRANSPORTATION</b>	<b>0.0644</b>	<b>0.6</b>	<b>0.0364</b>	<b>6.2</b>
<b>MISCELLANEOUS EXPENSES</b>	<b>0.0785</b>	<b>0.6</b>	<b>0.0500</b>	<b>8.5</b>
<b>ALL GROUPS</b>	<b>1.0000</b>	<b>0.64</b>	<b>0.59</b>	<b>100.0</b>

**Table 3**  
**REGIONAL INFLATION**  
**January 2004**

	KMA (%)	Other Towns (%)	Rural (%)
<b>FOOD &amp; DRINK</b>	<b>0.4</b>	<b>0.3</b>	<b>0.5</b>
Meals away from home	1.5	1.1	1.6
Meat Poultry & Fish	1.0	0.9	0.3
Dairy Products Oils & Fats	1.0	0.7	0.5
Baked Products Cereals & Breakfast Drink	0.5	0.3	0.5
Starchy Foods	1.1	-1.4	0.2
Vegetables & Fruits	-4.3	-1.0	0.2
Other Food & Beverages	0.3	0.3	0.0
<b>FUELS &amp; OTHER HOUSEHOLD SUPPLIES</b>	<b>0.3</b>	<b>0.7</b>	<b>5.1</b>
Household Supplies	0.6	1.0	1.0
Fuels	0.2	0.6	8.5
<b>HOUSING &amp; OTHER HOUSING EXPENSES</b>	<b>0.8</b>	<b>1.9</b>	<b>1.5</b>
Rental	2.9	11.1	11.1
Other Housing Expenses	0.0	0.8	0.5
<b>HOUSEHOLD FURNISHINGS &amp; FURNITURE</b>	<b>1.9</b>	<b>0.1</b>	<b>0.4</b>
Furniture	0.7	0.6	0.4
Furnishings	2.3	-0.1	0.5
<b>HEALTHCARE &amp; PERSONAL EXPENSES</b>	<b>0.5</b>	<b>0.7</b>	<b>0.2</b>
<b>PERSONAL CLOTHING FOOTWEAR &amp; ACCESSORIES</b>	<b>0.5</b>	<b>0.8</b>	<b>0.1</b>
Clothing Materials	0.1	0.0	0.9
Readymade Clothing & Accessories	0.6	0.1	0.0
Footwear	0.5	1.8	0.0
Making & Repairs	1.0	0.6	0.5
<b>TRANSPORTATION</b>	<b>0.8</b>	<b>0.5</b>	<b>0.2</b>
<b>MISCELLANEOUS EXPENSES</b>	<b>0.9</b>	<b>0.3</b>	<b>0.4</b>
<b>ALL GROUPS</b>	<b>0.6</b>	<b>0.5</b>	<b>0.8</b>

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

	Monthly		Fiscal Year to Date		12-Mth Core	
	Actual	Core	Actual	Core	Pt to Pt	Average
<b>2000/01</b>						
Apr	0.99	0.50	0.99	0.50	4.52	3.24
May	0.43	0.27	1.43	0.77	4.38	3.39
Jun	0.88	0.34	2.32	1.11	4.27	3.53
Jul	0.96	0.29	3.30	1.40	3.91	3.62
Aug	0.90	0.52	4.23	1.92	3.87	3.69
Sept	1.00	0.42	5.27	2.35	4.13	3.79
Oct	0.13	0.37	5.41	2.72	4.27	3.89
Nov	0.10	0.28	5.52	3.01	4.23	3.97
Dec	-0.72	0.16	4.75	3.18	4.03	4.03
Jan	0.02	0.13	4.77	3.31	4.05	4.12
Feb	1.17	0.85	6.00	4.19	4.55	4.18
Mar	0.47	0.22	6.50	4.41	4.41	4.22
<b>2001/02</b>						
Apr	0.42	0.14	0.42	0.14	4.04	4.18
May	0.75	0.50	1.18	0.65	4.29	4.17
June	1.73	0.35	2.93	1.00	4.30	4.17
July	0.98	0.44	3.94	1.44	4.46	4.22
Aug	0.87	0.39	4.85	1.84	4.33	4.26
Sept	0.82	0.28	5.71	2.12	4.18	4.26
Oct	0.83	0.34	6.59	2.46	4.15	4.25
Nov	0.09	0.15	6.68	2.61	4.01	4.23
Dec	0.27	0.13	6.97	2.75	3.98	4.23
Jan	0.59	0.35	7.60	3.11	4.22	4.24
Feb	-0.05	0.15	7.55	3.26	3.49	4.15
Mar	0.03	0.06	7.58	3.32	3.32	4.06
<b>2002/03</b>						
Apr	0.50	0.28	0.50	0.28	3.46	4.01
May	0.28	0.19	0.78	0.47	3.14	3.91
June	0.86	0.39	1.65	0.86	3.18	3.82
July	1.53	0.30	3.21	1.16	3.04	3.70
Aug	0.37	0.24	3.59	1.41	2.89	3.58
Sept	0.45	0.21	4.05	1.62	2.82	3.47
Oct	0.73	0.28	4.82	1.90	2.76	3.35
Nov	1.24	0.55	6.12	2.47	3.18	3.29
Dec	0.50	0.34	6.65	2.82	3.39	3.24
Jan	-0.31	0.37	6.32	3.20	3.41	3.17
Feb	-0.58	0.38	5.70	3.59	3.65	3.19
Mar	0.47	0.54	6.20	4.15	4.15	3.26
<b>2003/04</b>						
Apr	1.57	0.65	1.57	0.65	4.54	3.35
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	0.64	0.50	15.31	7.23	8.22	6.30

**JAMAICA:**  
**BALANCE OF PAYMENTS DEVELOPMENTS**  
**July 2003**

**July 2003**

The current account of the balance of payments recorded a deficit of US\$60.7MN in **July 2003**, relative to the deficit of US\$83.2MN in July 2002. The improvement in the current account deficit reflected contractions of US\$15.9MN and US\$0.3MN in the deficits on the trade and income sub-accounts, as well as an increase of US\$17.6MN in net receipts from services. Partly offsetting these changes was a reduction of US\$11.3MN in the surplus on the current transfers sub-account. Within the financial account, net private investment inflows 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\$2.5MN in the net international reserves of the Bank of Jamaica during the review month.

**Merchandise Trade**

The narrowing of the deficit on the merchandise trade account reflected a contraction of US\$23.0MN in the value of imports (f.o.b.) partially countered by a reduction of US\$7.1MN in earnings from exports. All the major categories of imports recorded declines in July 2003. A lower level of spending on motorcars was largely responsible for the contraction of US\$8.5MN in payments for consumer goods imports, while a reduction of US\$8.1MN in the value of free zone imports was attributed to the continued scaling down of operations at the free zones. There was a decline of US\$5.2MN in raw material imports primarily reflecting reduced spending of US\$7.4MN on fuels, which was partly offset by increased purchases of US\$2.1MN for other raw materials. Capital goods imports were lower by US\$5.0MN, mainly associated with reduced spending on transport equipment and the importation of telephone apparatus for the telecommunication sector during the review month. The decline in export earnings largely resulted from a reduction of US\$6.2MN in exports from the free zone.

**Services**

An expansion of US\$12.5MN in net receipts from the travel sub-sector was the main influence on the increase in the surplus on the services account. This was supplemented by a decline of US\$5.8MN in net transportation payments and an estimated reduction of approximately US\$4.5MN in the expenditure of Jamaicans while traveling abroad. The travel sub-sector benefited from an increase of 12.9 per cent in overall passenger arrivals, driven by growth of 30.4 per cent in cruise passenger arrivals.

**Income**

The marginal reduction in the deficit on the income account in July 2003 was attributable to a decline in net outflows of US\$7.3MN, which was associated with a US\$5.0MN reduction in the income of direct investment companies, as well as lower interest payments of US\$2.6MN on Government of Jamaica external debt. This outturn was partially offset by decreased inflows of US\$5.9MN in net compensation to employees.

## **Current Transfers**

The decline in net current transfers for the review month stemmed mainly from a contraction of US\$9.1MN in net private outflows arising from reduced inflows of US\$5.4MN and increased outflows of US\$3.7MN. This decline occurred in the context of a US\$11.4MN expansion in remittances in July 2002. In addition, net official inflows fell by US\$2.2MN during the review month.

## **Capital & Financial Accounts**

A deficit of US\$1.4MN was recorded on the capital account while a surplus of US\$62.1MN was recorded on the financial account. Within the financial account, net private investment inflows of US\$79.3MN was insufficient to finance net official investment outflows of US\$19.7MN, as well as the deficits on the current and capital accounts. Consequently, there was a draw down of US\$2.5MN in the net international reserves of the Bank of Jamaica during the review month.

## **April to June 2002**

The current account deficit improved by US\$67.7MN to US\$278.5MN, in the period April to July 2003, relative to the deficit recorded for the corresponding period in 2002. The improvement reflected an increase of US\$70.1MN in net earnings from services, as well as respective reductions of US\$15.7MN and US\$4.1MN in the deficit on the income and trade accounts. Partly offsetting these changes was a decline of US\$22.2MN in the surplus on the current transfers sub-account. Within the financial account, net private investment inflows of US\$140.6MN, which were US\$22.5MN below the levels recorded for the similar period of 2002, were insufficient to finance net amortisation of US\$70.8MN of Government's external debt, as well as the deficit on the current and capital accounts. In this context, there was a draw down of US\$214.8MN in the net international reserves for the review period.

## **Merchandise Trade**

The improvement in the merchandise trade deficit stemmed from an increase of US\$6.4MN in export receipts, partly offset by growth of US\$2.3MN in payments for imports (f.o.b.). Major traditional exports and non-traditional exports increased by US\$26.0MN and US\$1.8MN respectively during the review period, while declines of US\$16.5MN, and US\$4.9MN were recorded in receipts for free zone and other traditional exports, respectively. With the exception of bauxite, all the major traditional exports recorded growth during the review quarter. In particular, the value of alumina exports grew by US\$17.3MN, reflecting increases of 4.5 per cent and 3.9 per cent in volume and price, respectively, relative to the similar period in 2002. Contractions of US\$3.8MN and US\$1.2MN in receipts from rum and coffee exports primarily accounted for the decline in other-traditional exports.

The marginal growth in imports reflected an expansion of US\$71.8MN in raw material imports, offset by declines of US\$42.7MN, US\$32.0MN and US\$0.9MN in capital, consumer and free zone imports, respectively, relative to the corresponding period in 2002. Increased spending of US\$41.3MN and US\$30.5MN on both fuels and other raw material imports, respectively, was responsible for the growth in raw material imports. Higher fuel imports were attributed to increased volume and price, while parts and accessories, industrial supplies and food influenced the growth in other raw material imports. The contraction in capital goods imports was mainly attributable to declines in "other machinery" resulting from lower spending on cellular telephones and "transport and equipment" due to the non-repetition of the purchase of buses for the public transportation system in April to July 2002. The reduction in consumer goods imports stemmed from lower expenditure on all its subcategories, in particular, durable goods imports.



## **Services**

The expansion in the surplus on the services account, relative to 2002, primarily reflected an increase of US\$51.2MN in net travel receipts. Total visitor arrivals for the review period rose by 14.5 per cent, relative to the corresponding period in 2002, influenced by respective increases of 6.8 per cent and 29.3 per cent in foreign national stopover and cruise visitor arrivals. In addition, there were reductions of US\$16.2MN and US\$2.7MN in payments for the “transportation” and “other services” subcategories respectively.

## **Income**

The reduction in the deficit on the income account for the review period was attributable to an estimated decline of US\$32.8MN in outflows related to the activities of the direct investment companies.

## **Current Transfers**

The contraction in net current transfers reflected respective declines of US\$16.0MN and US\$6.2MN in net inflows to the private sector and net official transfers. The reduction in net private transfers occurred in the context of significant growth of US\$62.0MN in the comparable period of 2002.

## **Capital & Financial Accounts**

A deficit of US\$6.1MN was recorded on the capital account for the review period, while a surplus of US\$284.6MN was registered on the financial account. Within the financial account, net private investment inflows of US\$140.6MN and net official outflows of US\$70.8MN were recorded. The net official payment, in conjunction with the deficits on the current and capital accounts, led to a draw down of US\$214.8MN in the net international reserves of the Bank of Jamaica. At the end of July 2003, the level of gross reserves stood at US\$1165.2MN representing 18.4 weeks of imports of goods and 12.5 weeks of imports of goods and services.

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

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

	<b>July<sup>1/</sup></b>	<b>July<sup>2/</sup></b>		<b>Apr - July<sup>1/</sup></b>	<b>Apr -July<sup>2/</sup></b>	
	<b>2002</b>	<b>2003</b>	<b>Change</b>	<b>2002</b>	<b>2003</b>	<b>Change</b>
<b>1. CURRENT ACCOUNT</b>	<b>-83.2</b>	<b>-60.7</b>	<b>22.5</b>	<b>-346.2</b>	<b>-278.5</b>	<b>67.7</b>
<b>A. GOODS and SERVICES</b>	<b>-131.1</b>	<b>-97.6</b>	<b>33.5</b>	<b>-520.9</b>	<b>-446.7</b>	<b>74.2</b>
<b>a. GOODS BALANCE</b>	<b>-179.2</b>	<b>-163.0</b>	<b>15.9</b>	<b>-619.9</b>	<b>-615.8</b>	<b>4.1</b>
Exports (f.o.b.)	128.3	121.2	-7.1	453.6	460.0	6.4
Imports (f.o.b.)	307.5	284.5	-23.0	1073.5	1075.8	2.3
<b>b. SERVICES BALANCE</b>	<b>48.1</b>	<b>65.7</b>	<b>17.6</b>	<b>99.0</b>	<b>169.1</b>	<b>70.1</b>
Transportation	-22.5	-16.7	5.8	-85.2	-69.0	16.2
Travel	111.9	124.4	12.5	332.0	383.2	51.2
Other Services	-41.3	-42.0	-0.7	-147.8	-145.1	2.7
<b>B. INCOME</b>	<b>-50.3</b>	<b>-50.0</b>	<b>0.3</b>	<b>-201.0</b>	<b>-185.3</b>	<b>15.7</b>
Compensation of employees	13.8	7.9	-5.9	27.7	16.1	-11.6
Investment Income	-64.1	-57.9	6.2	-228.7	-201.4	27.3
<b>C. CURRENT TRANSFERS</b>	<b>98.2</b>	<b>86.9</b>	<b>-11.3</b>	<b>375.7</b>	<b>353.5</b>	<b>-22.2</b>
Official	9.8	7.6	-2.2	34.7	28.5	-6.2
Private	88.4	79.3	-9.1	341.0	325.0	-16.0
<b>2. CAPITAL &amp; FINANCIAL ACCOUNT</b>	<b>83.2</b>	<b>60.7</b>	<b>-22.5</b>	<b>346.2</b>	<b>278.5</b>	<b>-67.7</b>
<b>A. CAPITAL ACCOUNT</b>	<b>-0.9</b>	<b>-1.4</b>	<b>-0.5</b>	<b>-5.6</b>	<b>-6.1</b>	<b>-0.5</b>
<b>a. Capital Transfers</b>	<b>-0.9</b>	<b>-1.4</b>	<b>-0.5</b>	<b>-5.6</b>	<b>-6.1</b>	<b>-0.5</b>
Official	0.0	0.0	0.0	0.1	0.0	-0.1
Private	-0.9	-1.4	-0.5	-5.7	-6.1	-0.4
<b>b. Acq/disposal of non-prod. Non-fin'l assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>B. FINANCIAL ACCOUNT</b>	<b>84.1</b>	<b>62.1</b>	<b>-22.0</b>	<b>351.8</b>	<b>284.6</b>	<b>-67.2</b>
Other official investment	-30.0	-19.7	10.3	-9.0	-70.8	-61.8
Other private investment <sup>3/</sup>	75.8	79.3	3.5	163.1	140.6	-22.5
Change in Reserves (minus = increase)	38.3	2.5		197.7	214.8	

*1/ Revised*

*2/ Provisional*

*3/ Includes errors & omissions*

**BANK OF JAMAICA**

*15 Jan 2004*