



ECONOMIC STATISTICS

VOLUME 13 - NO. 11

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SELECTED ECONOMIC INDICATORS

Figure 1

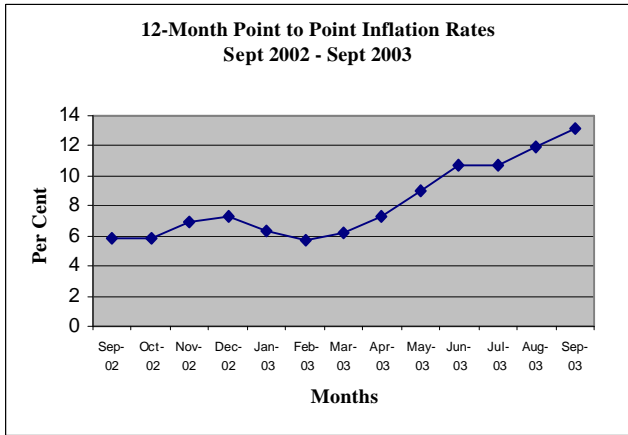


Figure 2

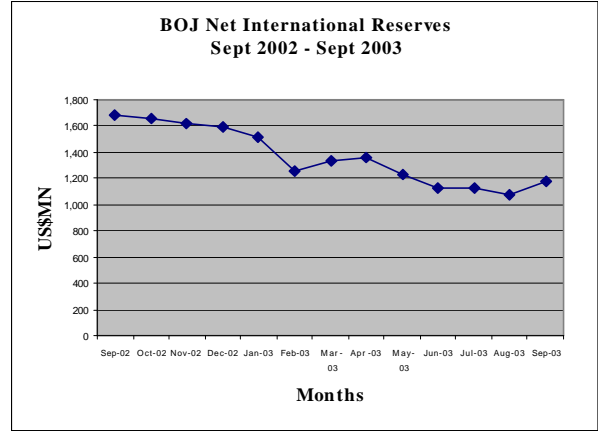


Figure 3

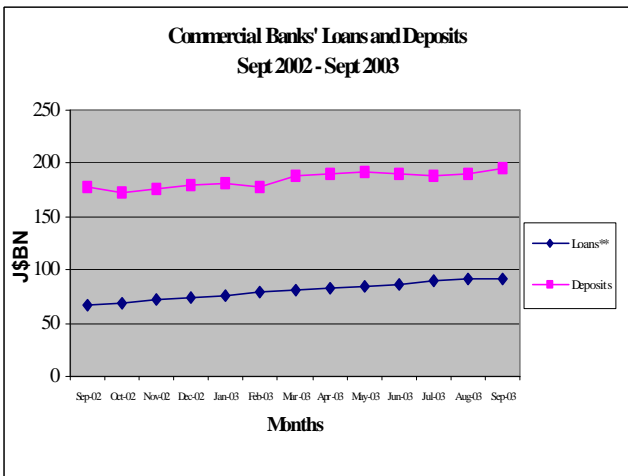


Figure 4

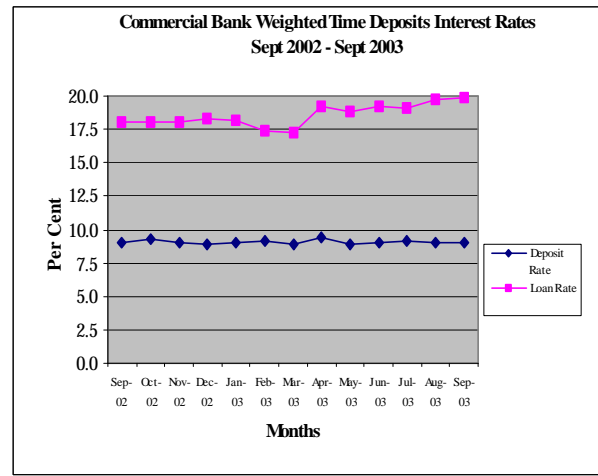


Figure 5

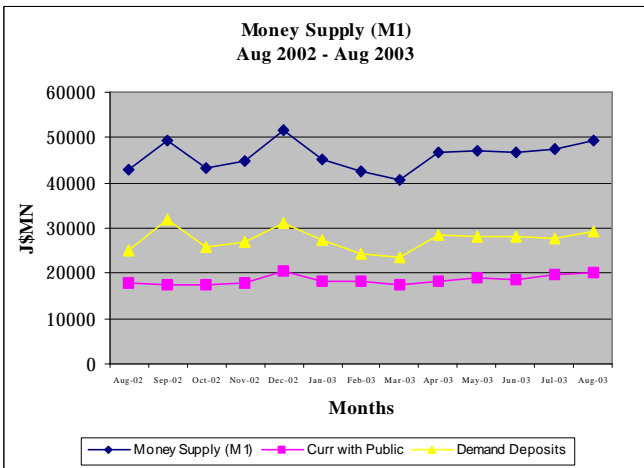


Figure 6



1. MONETARY AGGREGATES (J\$mn.)				%
Local and Foreign Currency	Aug 2002	July 2003	Aug 2003	Change p.a.
Money Supply (M1).....	<u>43,021.12</u>	<u>47,394.04</u>	<u>49,361.04</u>	<u>14.74</u>
(a) Currency with the Public.....	17,910.40	19,638.04	19,981.07	11.56
(b) Demand Deposits (adj.)***.....	25,110.72	27,756.00	29,379.97	17.00
Quasi-Money.....	<u>108,638.07</u>	<u>119,442.31</u>	<u>121,814.81</u>	<u>12.13</u>
(a) Time.....	31,309.07	30,355.39	31,436.67	0.41
(b) Savings.....	77,329.00	89,086.92	90,378.14	16.87
Money Supply (M2).....	<u>151,659.19</u>	<u>166,836.35</u>	<u>171,175.85</u>	<u>13.05</u>
Domestic Credit (net).....	<u>155,816.81</u>	<u>197,490.33</u>	<u>204,802.61</u>	<u>31.44</u>
Local Currency	Aug 2002	July 2003	Aug 2003	Change p.a.
Money Supply (M1).....	<u>36,537.67</u>	<u>38,953.31</u>	<u>40,517.14</u>	<u>10.89</u>
(a) Currency with the Public.....	17,910.40	19,638.05	19,981.07	11.56
(b) Demand Deposits (adj.)***.....	18,627.27	19,315.26	20,536.07	10.25
Quasi-Money.....	<u>74,501.02</u>	<u>74,059.86</u>	<u>75,120.31</u>	<u>0.83</u>
(a) Time.....	21,348.47	17,687.88	18,023.13	-15.58
(b) Savings.....	53,152.55	56,371.98	57,097.18	7.42
Money Supply (M2).....	<u>111,038.69</u>	<u>113,013.17</u>	<u>115,637.45</u>	<u>4.14</u>
Domestic Credit (net).....	<u>141,128.10</u>	<u>173,026.62</u>	<u>179,160.59</u>	<u>26.95</u>
Base Money.....	Sept 2002 <u>30,715.50</u>	Aug 2003 <u>33,059.43</u>	Sept 2003 <u>32,622.60</u>	<u>6.21</u>
II. COMMERCIAL BANKS (J\$mn.)	Aug 2002	July 2003	Aug 2003	Change p.a.
Assets & Liabilities (J\$mn.)**.....	<u>258,624.83</u>	<u>299,171.74</u>	<u>303,379.55</u>	<u>17.31</u>
Loans**.....	<u>62,193.81</u>	<u>89,141.22</u>	<u>92,012.40</u>	<u>47.94</u>
Agriculture.....	1,432.23	1,595.76	1,588.73	10.93
Manufacturing.....	3,552.00	3,764.09	3,833.81	7.93
Construction & Land Development.....	2,486.81	5,215.63	5,989.55	140.85
Mining.....	108.00	135.19	324.35	200.32
Tourism.....	6,275.45	10,152.49	10,471.60	66.87
Transport, Storage & Communication.....	4,072.88	7,356.96	8,192.55	101.15
Consumer-Oriented.....	22,403.87	31,716.96	33,209.37	48.23
Government Services.....	17,799.38	27,658.71	27,426.70	54.09
Other.....	4,063.19	1,545.43	975.74	-75.99
DEPOSITS.....	Aug 2002 <u>171,180.46</u>	July 2003 <u>188,403.21</u>	Aug 2003 <u>190,422.62</u>	<u>11.24</u>
Private Sector (including overseas residents).....	<u>145,916.78</u>	<u>160,732.21</u>	<u>164,054.00</u>	<u>12.43</u>
Time.....	34,265.25	36,266.42	36,843.13	7.52
Savings.....	83,210.09	95,976.19	97,184.75	16.79
Demand.....	28,441.44	28,489.60	30,026.12	5.57
Government.....	<u>11,674.94</u>	<u>13,476.29</u>	<u>11,923.91</u>	<u>2.13</u>
Time.....	294.98	568.99	553.13	87.51
Savings.....	438.40	1,524.03	1,520.26	246.78
Demand.....	10,941.56	11,383.27	9,850.52	-9.97
Public Entities.....	<u>7,851.67</u>	<u>8,276.23</u>	<u>7,979.79</u>	<u>1.63</u>
Time.....	4,377.80	5,514.40	4,874.30	11.34
Savings.....	1,519.43	1,659.73	1,917.23	26.18
Demand.....	1,954.44	1,102.10	1,188.26	-39.20

** 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)				%
	Aug 2002	July 2003	Aug 2003	Change p.a.
Spec. & O. F. Insts.....	<u>5,737.07</u>	<u>5,918.48</u>	<u>6,464.92</u>	<u>12.69</u>
Time.....	995.46	1,832.53	1,933.22	94.20
Savings.....	930.36	1,163.88	928.05	-0.25
Demand.....	3,811.25	2,922.07	3,603.65	-5.45
	Sept 2002	Aug 2003	Sept 2003	
Current Account Balances with BOJ (J\$mn).....	<u>159.22</u>	<u>94.09</u>	<u>256.67</u>	
LIQUIDITY (Average) %				
	Aug 2002	July 2003	Aug 2003	
Actual Liquid Assets Ratio.....	<u>42.28</u>	<u>33.26</u>	<u>33.46</u>	
Cash.....	1.76	2.18	2.15	
Deposits with B.O.J.....	9.67	9.25	9.15	
Treasury Bills.....	0.78	0.31	0.42	
Local Registered Stocks.....	7.60	11.35	10.43	
Other.....	22.47	10.17	11.31	
Statutory Requirement.....	<u>23.00</u>	<u>23.00</u>	<u>23.00</u>	
III. SELECTED INTEREST RATES (%)				
COMMERCIAL BANKS (Domestic Currency)				
Fixed Deposits (J\$100,000 & over)				
3-6 months.....	7.75-13.25	8.50-13.15	8.50-13.25	
9-12 months.....	7.75-12.10	8.50-13.15	8.50-13.50	
Call Deposits.....	2.00-8.00	1.00-64.00	1.00-64.00	
Average Savings Deposits	8.86	8.22	8.43	
Average Loan Rate.....	26.25	25.60	25.60	
Inter-bank Rate	13.88	28.04	17.01	
	Aug 2002	July 2003	Aug 2003	
Weighted Fixed Deposits Rate.....	9.15	9.12	9.03	
Weighted Loan Rate.....	17.85	19.02	19.70	
G.O.J. Treasury Bills (Weighted Average) Yield				
3 Months:.....	18.94	-	22.44	
6 Months:.....	19.54	23.42	-	
9 Months:.....	-	23.87	-	
12 Months:.....	-	-	-	
	Sept 2002	Aug 2003	Sept 2003	
BOJ Reverse Repurchase Rates (%)				
30-Day	12.95	15.00	15.00	
60-Day	13.05	15.30	15.30	
90-Day	17.25	18.00	18.00	
120-Day	17.05	22.00	21.00	
180-Day	13.45	25.50	23.50	
270-Day	13.85	25.75	23.75	
360-Day	14.50	26.00	24.00	
COMMERCIAL BANKS (Foreign Currency)				
Fixed Deposits (Under US\$100,000)				
1-3 months.....	Sept 2002	Aug 2003	Sept 2003	
3-6 months.....	2.00-4.50	2.00-4.50	2.00-4.50	
6-12 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.....	2.00-4.75	3.25-4.75	3.25-4.75	
3-6 months.....	2.00-4.75	3.25-4.75	3.25-4.85	
6-12 months.....	2.00-6.25	3.50-6.25	3.50-6.25	
Average Loan Rates	12.64	12.15	12.15	
Average Savings	2.86	2.72	2.68	

				% Change p.a.
IV. SECURITIES (J\$mn.) (outstanding balances)	Aug 2002	July 2003	Aug 2003	
GOJ Local Registered Stock.....	230,665.98	235,154.26	234,546.69	1.68
	Oct 2002	Sept 2003	Oct 2003	
BOJ Open Market Operations 1/.....	96,072.31	83,700.27	83,079.63	-13.52
GOJ Treasury Bills.....	4,350.00	2,400.00	2,900.00	-33.33
V. INSTALMENT CREDIT (J\$mn.) (Banks & Near-Banks)	Aug 2002	July 2003	Aug 2003	
Total Credit Outstanding.....	6,394.55	8,365.96	8,716.28	36.31
New Business.....	481.42	663.28	678.21	40.88
VI. NEAR-BANKS (J\$mn.) (Merchant Banks, Trust Com. & Finance Houses)	Aug 2002	July 2003	Aug 2003	
Assets/Liabilities.....	27,648.38	43,466.22	43,325.87	56.70
Loans Outstanding.....	4,292.62	5,242.45	5,395.86	25.70
Total Deposits.....	8,673.79	6,695.84	7,757.25	-10.57
Loans.....	<u>4,292.62</u>	<u>5,242.45</u>	<u>5,395.86</u>	<u>25.70</u>
Agriculture.....	36.02	83.79	85.09	136.23
Manufacturing.....	677.78	279.47	270.90	-60.03
Construction & Land Development.....	486.69	766.98	740.07	52.06
Mining, Quarrying & Processing.....	57.34	75.38	75.38	31.46
Tourism.....	317.89	467.47	417.29	31.27
Transport, Storage & Communication.....	68.02	13.57	13.13	-80.70
Consumer Oriented.....	2,346.74	2,313.18	2,611.11	11.27
Government Services.....	161.93	984.15	984.76	508.14
Other.....	140.21	258.46	198.13	41.31
	Aug 2002	July 2003	Aug 2003	
Liquid Assets Ratio (average) %.....	94.41	55.90	55.90	
Statutory Requirement.....	23.00	23.00	23.00	
VII. BUILDING SOCIETIES (J\$mn.) (members & associate members)	Aug 2002	July 2003	Aug 2003	
Assets/Liabilities.....	54,838.35	59,398.58	60,486.42	10.30
Loan Balances.....	19,141.58	22,403.22	22,605.34	18.10
Savings Funds.....	42,223.14	45,520.40	45,905.54	8.72
VIII. INFLATION	Sept 2002	Aug 2003	Sept 2003	
Consumer Price Index (Jan. 1988 = 100).....	1,528.0	1,702.0	1,728.4	13.12
Monthly Rate (%).....	0.4	1.4	1.6	
Calendar Year to Date (%) (point to point).....	4.6	8.7	10.4	
Fiscal Year to Date (%) (point to point).....	4.1	9.1	10.8	
IX. ACTUAL PRODUCTION ('000)	Sept 2002	Aug 2003	Sept 2003	
Bauxite (metric tonnes).....	242.43	374.68	272.43	12.37
Alumina (metric tonnes).....	291.12	306.09	310.76	6.75
Sugar (metric tonnes).....	-	-	-	-
Banana (tonnes).....	3.06	3.69	3.44	12.42
X. STOCK MARKET ACTIVITIES	Sept 2002	Aug 2003	Sept 2003	
Index.....	39,219.55	55,077.33	57,769.13	47.30
Volume Traded (mn.).....	107.90	1,027.23	166.37	54.19
Ordinary Shares.....	107.61	723.56	149.17	38.62
Block Transactions.....	0.28	303.67	17.20	6,042.86

4 1/ BOJ Open Market Operations include Reverse Repurchases

- No Production

* Provisional

+ Revised

X. STOCK MARKET ACTIVITIES (cont'd)	Sept 2002	Aug 2003	Sept 2003	% Change p.a.
Value of Stocks Traded (J\$mn.).....	1,047.43	3,837.50	1,017.91	-2.89
Ordinary Shares.....	1,046.91	2,604.55	968.14	-7.52
Block Transactions.....	0.52	1,232.95	49.77	9471.15
Advance/Decline Ratio.....	9/19	19/12	19/11	
XI. EXTERNAL TRADE (US\$mn.)	Jan-Apr 2002	Jan-Apr 2003	Change	
1. EXPORTS				
a) Major Traditional Exports.....	<u>280.86</u>	<u>291.83</u>	<u>10.97</u>	
Bauxite.....	36.17	29.44	-6.73	
Alumina.....	201.97	215.83	13.86	
Sugar.....	36.84	40.06	3.22	
Bananas.....	5.88	6.50	0.62	
b) Other Traditional Exports.....	25.50	24.17	-1.33	
c) Non-Traditional Exports.....	75.03	69.87	-5.16	
d) Re-exports.....	5.90	7.59	1.69	
General Merchandise Exports.....	<u>387.29</u>	<u>393.46</u>	<u>6.17</u>	
(e) Freezone Exports.....	36.66	29.27	-7.39	
(f) Goods Procured in Port.....	9.60	10.00	0.40	
Total Goods Exports.....	<u>433.55</u>	<u>432.73</u>	<u>-0.82</u>	
2. IMPORTS				
(a) Consumer Goods.....	326.40	347.66	21.26	
(b) Raw Materials.....	554.43	699.68	145.25	
(c) Capital Goods.....	204.59	198.48	-6.11	
General Merchandise Imports.....	<u>1,085.42</u>	<u>1,245.82</u>	<u>160.40</u>	
(d) Freezone Imports.....	24.87	21.61	-3.26	
(e) Goods Procured in Port.....	12.60	13.00	0.40	
Total Goods Imports.....	<u>1,122.89</u>	<u>1,280.43</u>	<u>157.54</u>	
Trade Balance.....	<u>-689.34</u>	<u>-847.70</u>	<u>-158.36</u>	
Memo:				
Caricom Exports.....	14.33	15.76	1.43	
Caricom Imports.....	123.97	169.66	45.69	
Caricom Trade Balance.....	<u>-109.64</u>	<u>-153.90</u>	<u>-44.26</u>	
XII. TOURISM	Jan-Sept 2002	Jan-Sept 2003	% Change	
Tourist Arrivals ('000).....	<u>1,573.15</u>	<u>1,843.65</u>	<u>17.19</u>	
Stopovers.....	966.32	1,027.10	6.29	
Cruise.....	606.39	816.55	34.66	
Armed Forces.....	0.44	-	-	
Cumulative Expenditure (US\$mn.).....	<u>908.00</u>	<u>991.4</u>	<u>9.19</u>	
XIII. BALANCE OF PAYMENTS (US\$mn.)				
<i>Balance of Payments (Calendar)</i>	Jan-Apr 2002	Jan-Apr 2003	Change	
1. Current Account.....	<u>-245.4</u>	<u>-297.7</u>	<u>-52.3</u>	
A. Goods balance.....	<u>-528.1</u>	<u>-671.0</u>	<u>-142.9</u>	
Exports (f.o.b.).....	433.5	432.7	-0.8	
Imports (f.o.b.).....	961.6	1,103.7	142.1	
B. Service Balance.....	<u>116.5</u>	<u>219.1</u>	<u>102.6</u>	
Transportation.....	-68.4	-60.3	8.1	
Travel.....	323.4	423.1	99.7	
Other Services.....	-138.5	-143.7	-5.2	

Balance of Payments (Calendar) (Cont'd)

	Jan-Apr 2002	Jan-Apr 2003	Change
C. Income.....	<u>-180.5</u>	<u>-199.1</u>	<u>-18.6</u>
Compensation of Employees.....	4.4	5.5	1.1
Investment Income.....	-184.9	-204.6	-19.7
D. Current Transfers.....	<u>346.7</u>	<u>353.3</u>	<u>6.6</u>
Official.....	33.6	28.8	-4.8
Private.....	313.1	324.5	11.4
2. Capital and Financial Account.....	<u>245.4</u>	<u>297.7</u>	<u>52.3</u>
A. Capital Account.....	<u>-6.9</u>	<u>-6.5</u>	<u>0.4</u>
Capital Transfers.....	<u>-6.9</u>	<u>-6.5</u>	<u>0.4</u>
Official.....	0.2	0.1	-0.1
Private.....	-7.1	-6.6	0.5
Acq./Disp. of non-produced non-fin. assets....	0.0	0.0	0.0
B. Financial Account.....	<u>252.3</u>	<u>304.2</u>	<u>51.9</u>
Other Official Investment.....	31.1	-264.3	-295.4
Other Private Investment.....	280.2	333.6	53.4
<i>(incl. errors & omissions)</i>			
Reserves.....	<u>-59.0</u>	<u>234.9</u>	
	Apr	Apr	
Balance of Payments (Fiscal)	2002	2003	
1. Current Account.....	<u>-77.0</u>	<u>-42.8</u>	<u>34.2</u>
A. Goods balance.....	<u>-150.8</u>	<u>-145.4</u>	<u>5.4</u>
Exports (f.o.b.).....	103.8	109.3	5.5
Imports (f.o.b.).....	254.6	254.7	0.1
B. Service Balance.....	<u>22.6</u>	<u>53.4</u>	<u>30.8</u>
Transportation.....	-19.6	-14.7	4.9
Travel.....	75.4	102.3	26.9
Other Services.....	-33.2	-34.2	-1.0
C. Income.....	<u>-34.2</u>	<u>-33.7</u>	<u>0.5</u>
Compensation of Employees.....	1.4	0.6	-0.8
Investment Income.....	-35.6	-34.3	1.3
D. Current Transfers.....	<u>85.4</u>	<u>82.9</u>	<u>-2.5</u>
Official.....	8.4	7.1	-1.3
Private.....	77.0	75.8	-1.2
2. Capital and Financial Account.....	<u>77.0</u>	<u>42.8</u>	<u>-34.2</u>
A. Capital Account.....	<u>-1.3</u>	<u>-1.5</u>	<u>-0.2</u>
Capital Transfers.....	-1.3	-1.5	-0.2
Official.....	0.1	0.0	-0.1
Private.....	-1.4	-1.5	-0.1
Acq./Disp. of non-produced non-fin. assets	0.0	0.0	0.0
B. Financial Account.....	<u>78.3</u>	<u>44.3</u>	<u>-34.0</u>
Other Official Investment.....	-21.0	-12.8	8.2
Other Private Investment.....	57.4	79.5	22.1
<i>(incl. errors & omissions)</i>			
Reserves.....	41.9	-22.4	
Government Reserves.....	0.0	0.0	

	Sept 2002	Aug 2003	Sept 2003	% Change p.a.
XIV. BOJ NET INTERNATIONAL RESERVES				
(US\$m.)				
BOJ Net International Reserves (US\$m.).....	<u>1,687.28</u>	<u>1,080.10</u>	<u>1,182.63</u>	<u>-29.91</u>
Gross Foreign Assets.....	1,738.58	1,117.65	1,216.66	-30.02
Gross Foreign Liabilities.....	51.30	37.55	34.03	-33.66
Estimated Gross Reserves in Weeks of Imports.....	<u>28.75</u>	<u>17.52</u>	<u>19.03</u>	
Estimated Gross Reserves in Weeks of Goods and Services Imports.....	<u>19.24</u>	<u>11.73</u>	<u>12.77</u>	
XV. FOREIGN EXCHANGE				
DEVELOPMENTS (US\$m.)				
Combined Foreign Exchange Trading				
Foreign Exchange Purchases (spot).....	889.82	612.29	652.83	-26.63
Foreign Exchange Sales (spot).....	859.82	613.78	648.10	-24.62
Foreign Currency Deposit Balances of Authorised Dealers (US\$m.) ()				
Commercial Banks Balances.....	<u>1,066.59</u>	<u>1,223.68</u>	<u>1,240.91</u>	<u>16.34</u>
"A" Accounts 1/.....	64.54	104.56	108.20	67.65
Other.....	1,002.05	1,119.12	1,132.71	13.04
F.I.As Balance.....	<u>106.32</u>	<u>115.94</u>	<u>131.74</u>	<u>23.91</u>
"A" Accounts 1/.....	22.83	24.36	30.49	33.55
Other.....	83.49	91.58	101.25	21.27
Building Societies Balances.....	<u>162.32</u>	<u>191.83</u>	<u>200.72</u>	<u>23.66</u>
"A" Accounts 1/.....	111.53	132.63	138.85	24.50
Other	50.79	59.20	61.87	21.82
Total Foreign Currency Deposits (US\$m.).....	<u>1,335.23</u>	<u>1,531.45</u>	<u>1,573.37</u>	<u>17.84</u>
Total Foreign Currency Loans (US\$m.).....	<u>520.79</u>	<u>660.48</u>	<u>665.43</u>	<u>27.77</u>
Commercial Banks.....	470.02	590.08	587.75	25.05
F.I. As	36.39	58.85	65.89	81.07
Building Societies.....	14.38	11.55	11.79	-18.01
London Interbank Offer Rate (LIBOR) Eurodollars (%)				
3 months.....	1.70	1.14	1.16	
6 months.....	1.62	1.19	1.19	
U.S. Prime Rate (end of period) (%).....	4.75	4.00	4.00	
Selling Exchange Rates (end period)				
US\$1.00 = J\$.....	Oct 2002 49.44	Sept 2003 59.71	Oct 2003 60.44	
Can. \$1.00 = J\$.....	31.40	43.92	45.90	
U.K. Pound = J\$.....	76.71	98.54	102.01	
Euro = J\$**.....	43.27	66.84	70.17	
Caricom Selling Exchange Rates**				
T.T. \$1 = J\$.....	7.91	9.15	9.66	
Bdos. \$1 = J\$.....	24.06	28.69	30.22	
Guy. \$1 = J\$.....	0.26	0.30	0.31	
E.C. \$1 = J\$.....	17.82	21.25	22.39	

() Exclude deposits in "B" accounts

** Indicative Rates

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

INFLATION SEPTEMBER 2003

The All Jamaica Consumer Price Index (CPI) increased by 1.6 per cent in September 2003. This outturn brought inflation for the first six months of FY 2003/04 to 10.8 per cent, compared to 4.1 per cent obtained over the same interval in FY 2002/03. For the first nine months of the calendar year, the inflation rate was 10.4 per cent, relative to 4.6 per cent in the comparable period of 2002. The point-to-point inflation rate as at September 2003 was 13.1 per cent, 7.2 percentage points above the rate recorded in the previous year. Similarly, the annual average inflation rate at September 2003 was 8.5 per cent, or 1.1 percentage points above the rate recorded for September 2002 (Table 1).

The major influences on September's inflation were the recent bus fare increases, higher tuition and other educational costs. Additional impulses emanated from higher telephone line rental, masons' and carpenters' wages (see Table 4). All the sub-indices of the CPI with the exception of *Household Furnishings & Furniture* recorded increases relative to August. The inflation outturn primarily reflected price increases for items in the *Transportation*, *Miscellaneous Expenses*, *Food & Drink* and *Housing & Other Housing Expenses* sub-indices. Inflation in these sub-indices were 13.1 per cent, 3.0 per cent, 0.2 per cent and 1.7 per cent, contributing 57.1 per cent, 16.1 per cent, 9.9 per cent, and 8.5 per cent, respectively, to the overall outturn (see Table 2).

The out-turn in the *Transportation* sub-index was influenced primarily by an upward adjustment of 40 per cent in bus fares in the KMA. This increase was partially countered by a reduction in airfares of approximately 20.0 per cent (see Table 4). The decline in the price of air travel resulted from special discount offers, due to low demand. The change in the *Transportation* index also reflected increases in the price of petroleum and automotive lubricants.

The *Miscellaneous* sub-index was chiefly influenced by increases in tuition fees, which grew on average by 12.9 per cent across the regions. There were other increases in the prices of schoolbooks and writing implements.

The upward movement in the *Food & Drink* sub-category of 0.2 per cent resulted primarily from higher prices in the *Meat, Poultry & Fish* and *Other Food & Beverages* sub-groups. Countervailing impulses resulted from price reductions in *Starchy Foods, Vegetables & Fruits*.

The *Housing & Other Housing Expenses* sub-index increased by 1.7 per cent, influenced by the *Other Housing Expenses* sub-group, as there was no movement in the *Rental* sub-group. The primary impetus for the increase resulted from higher telephone rates, which increased by 5.3 per cent. Additionally, there were increases in carpenters' and masons' wages of 16.2 per cent.

At the regional level, all areas reported price increases for the month. However, the change across the region reflected significant disparity. The CPI in the KMA increased by 2.7 per cent, while the indices for the Other Towns and Rural Areas increased by 0.7 per cent and 0.6 per cent, respectively.

The pattern of change across the region was reflected mainly in the *Transportation* sub-index, which increased by 25.8 per cent in the KMA, while reflecting no change in the Other Towns and a decline of 0.4 per cent in the Rural Areas. The reduction in vegetable prices in the KMA was the primary factor driving the reduction in the *Vegetables & Fruits* sub-index in the All Jamaica index.

The measure of inflation that excludes agricultural prices (CPI-A) was 1.58 per cent for September. This estimate was 0.53 percentage point higher than the measure in the previous month and 1.16 percentage points above that which obtained in September 2002. This index has trended sharply upward since the beginning of the calendar year in tandem with the accelerated depreciation in the exchange rate, particularly in the June quarter. A similar pattern was observed in the durable products index.

The trimmed mean index was estimated to have increased by 0.52 per cent in September, 0.27 percentage points below the estimate for the previous month. The declining trend since July contrasts with the previous three months and reflects the Bank's efforts at restricting monetary expansion. The 12-month point-to-point core inflation rate was 7.2 per cent, 4.4 percentage points above the comparable measure at September 2002. Similarly, the annual average core inflation rate of 4.7 per cent was 1.23 percentage points above the rate in the corresponding month of 2002.

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	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
2000	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
	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
2001	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
	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
2002	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
	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
2003	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
	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

1/ January 1998 = 100

Moving average

* Point to point

Source: STATIN

Table 2
COMPONENT CONTRIBUTION TO INFLATION
September 2003

	Weight in the CPI	Monthly Inflation (%)	Weighted Inflation	% Contribution to Inflation
FOOD & DRINK	0.5563	0.2	0.1461	9.9
Meals away from home	0.0741	0.6	0.0477	3.2
Meat, Poultry & Fish	0.1613	0.6	0.1027	6.9
Dairy Products Oils & Fats	0.0668	0.6	0.0372	2.5
Baked Products, Cereals & Breakfast Drink	0.0864	0.3	0.0301	2.0
Starchy Foods	0.0525	-2.0	-0.1064	-7.2
Vegetables & Fruits	0.0650	-0.1	-0.0089	-0.6
Other Food & Beverages	0.0502	0.9	0.0438	3.0
FUELS & OTHER HOUSEHOLD SUPPLIES	0.0735	0.3	0.0313	2.1
Household Supplies	0.0482	0.5	0.0262	1.8
Fuels	0.0253	0.2	0.0051	0.3
HOUSING & OTHER HOUSING EXPENSES	0.0786	1.7	0.1261	8.5
Rental	0.0209	0.0	0.0005	0.0
Other Housing Expenses	0.0577	2.2	0.1256	8.5
HOUSEHOLD FURNISHINGS & FURNITURE	0.0283	-0.5	-0.0111	-0.8
Furniture	0.0068	-2.0	-0.0137	-0.9
Furnishings	0.0215	0.1	0.0026	0.2
HEALTHCARE & PERSONAL EXPENSES	0.0697	1.2	0.0839	5.7
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.0507	0.4	0.0209	1.4
Clothing Materials	0.0055	0.2	0.0011	0.1
Readymade Clothing & Accessories	0.0242	0.3	0.0078	0.5
Footwear	0.0159	0.1	0.0023	0.2
Making & Repairs	0.0051	1.9	0.0098	0.7
TRANSPORTATION	0.0644	13.1	0.8436	57.1
MISCELLANEOUS EXPENSES	0.0785	3.0	0.2370	16.0
ALL GROUPS	1.0000	1.55	1.48	100.0

**Table 3
REGIONAL INFLATION
September 2003**

	KMA (%)	Other Towns (%)	Rural (%)
FOOD & DRINK	0.0	0.5	0.2
Meals away from home	0.7	0.6	0.6
Meat Poultry & Fish	0.7	0.5	0.6
Dairy Products Oils & Fats	0.6	0.7	0.4
Baked Products Cereals & Breakfast Drink	0.2	0.4	0.5
Starchy Foods	-1.8	-1.4	-2.3
Vegetables & Fruits	-3.6	3.8	1.7
Other Food & Beverages	1.0	-0.3	1.3
FUELS & OTHER HOUSEHOLD SUPPLIES	0.3	0.2	0.5
Household Supplies	0.4	0.4	0.8
Fuels	0.3	0.1	0.2
HOUSING & OTHER HOUSING EXPENSES	1.5	1.9	2.0
Rental	0.0	0.0	0.0
Other Housing Expenses	2.1	2.1	2.3
HOUSEHOLD FURNISHINGS & FURNITURE	-0.5	-0.2	-0.8
Furniture	-0.8	-2.3	-2.7
Furnishings	-0.4	0.8	0.2
HEALTHCARE & PERSONAL EXPENSES	1.2	1.2	1.2
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.5	0.3	0.5
Clothing Materials	0.0	0.0	0.7
Readymade Clothing & Accessories	0.6	0.4	0.0
Footwear	0.2	0.2	0.0
Making & Repairs	1.1	0.6	3.9
TRANSPORTATION	25.8	0.0	-0.4
MISCELLANEOUS EXPENSES	4.2	1.3	2.4
ALL GROUPS	2.7	0.7	0.6

Table 4
INFLATION: ACTUAL & CORE

	Monthly		Fiscal Year to Date		12-Mth Core	
	Actual	Core	Actual	Core	Pt to Pt	Average
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
Feb	-0.58	0.38	5.70	3.59	3.65	3.19
Mar	0.47	0.54	6.20	4.15	4.15	3.26
2003/04						
Apr	1.57	0.65	1.57	0.65	4.54	3.35
May	1.86	0.73	3.46	1.38	5.09	3.51
June	2.46	0.91	6.00	2.30	5.64	3.72
July	1.53	0.94	7.62	3.27	6.31	3.99
Aug	1.41	0.79	9.14	4.08	6.90	4.33
Sept	1.55	0.52	10.83	4.62	7.22	4.70

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

April 2003

The current account of the balance of payments recorded a deficit of US\$42.8MN in **April 2003**, relative to the deficit of US\$77.0MN recorded in April 2002. The improvement in the current account deficit largely reflected an increase of US\$30.8MN in net receipts from services, primarily tourism. Additionally there were reductions of US\$5.4MN and US\$0.5MN in the deficits on the trade and income sub-accounts. These improvements were partly offset by a decline of US\$2.5MN in net receipts from current transfers. Within the financial account, net private investment inflows were more than sufficient to finance net official investment outflows, as well as the deficits on the current and capital accounts. Consequently, there was a build-up of US\$22.4 million in the net international reserves of the Bank of Jamaica during the month.

Merchandise Trade

The narrowing of the deficit on the merchandise trade account stemmed from an expansion of US\$5.5MN in the value of exports and a marginal increase of US\$0.1MN in payments for imports (f.o.b.).

The growth in export earnings reflected respective increases of US\$9.0MN and US\$1.6MN in the values of major traditional and free zone exports, which were partially offset by reductions of US\$3.8MN and US\$1.2MN in receipts from non-traditional and other traditional exports, respectively. All the components of the major traditional export category recorded growth in the review month. In particular, the value of sugar and alumina exports grew by US\$4.9MN and US\$3.3MN, respectively, due to increases in both volume and price, relative to April 2002. Non-traditional exports were mainly affected by declines in garments and chemicals, while other-traditional exports reflected lower earnings from rum, pimento and cocoa exports.

The increase in imports reflected growth of US\$8.2MN and US\$1.8MN in the values (c.i.f.) of raw material and consumer goods, respectively, which was almost fully countered by a decline of US\$9.3MN in the c.i.f. value of capital goods imports. The growth in raw material imports was influenced by an increase of US\$9.0MN in the value of other raw material imports, in particular, parts and accessories and industrial supplies. Higher imports of motorcars were primarily responsible for the increase in consumer goods imports. The lower expenditure on capital goods imports primarily reflected the non-repetition of spending on machinery and communication equipment, which were purchased in April 2002.

Services

An expansion of US\$26.9MN in net receipts from the travel sub-sector was the main influence on the increase in the surplus on the services account during April 2003. This was complemented by a reduction of US\$4.9MN in net payments for transportation. An increase of 11.2 per cent in stopover passenger arrivals was the major contributor to the improvements on the travel sub-account for the month, relative to April 2002. In addition, there was a reduction of approximately US\$14.0MN in expenditure by Jamaicans while travelling abroad.

Income

The narrowing in the deficit on the income account in April 2003 was attributable to a reduction in interest payments on Government of Jamaica external debt, which was partly offset by reduced earnings on Bank of Jamaica's foreign assets.

Current Transfers

The decline in net current transfers for the review month stemmed from reductions of US\$1.3 MN and US\$1.2MN in net official and private inflows, respectively.

Capital & Financial Accounts

A deficit of US\$1.5MN was recorded on the capital account, in contrast to a surplus of US\$44.3MN on the financial account. Within the financial account, net private investment inflows of US\$79.5MN were more than sufficient to finance net official investment outflows of US\$12.8MN, as well as the deficits on the current and capital accounts. In this context, the net international reserves of the Bank of Jamaica increased by US\$22.4MN during the month.

BALANCE OF PAYMENTS SUMMARY (US\$M)

	Apr ^{1/}	Apr ^{2/}	
	2003	2003	Change
1. CURRENT ACCOUNT	-77.0	-42.8	34.2
A. GOODS and SERVICES	-128.2	-92.0	36.2
a. GOODS BALANCE	-150.8	-145.4	5.4
Exports (f.o.b.)	103.8	109.3	5.5
Imports (f.o.b.)	254.6	254.7	0.1
b. SERVICES BALANCE	22.6	53.4	30.8
Transportation	-19.6	-14.7	4.9
Travel	75.4	102.3	26.9
Other Services	-33.2	-34.2	-1.0
B. INCOME	-34.2	-33.7	0.5
Compensation of employees	1.4	0.6	-0.8
Investment Income	-35.6	-34.3	1.3
C. CURRENT TRANSFERS	85.4	82.9	-2.5
Official	8.4	7.1	-1.3
Private	77.0	75.8	-1.2
2. CAPITAL & FINANCIAL ACCOUNT	77.0	42.8	-34.2
A. CAPITAL ACCOUNT	-1.3	-1.5	-0.2
a. Capital Transfers	-1.3	-1.5	-0.2
Official	0.1	0.0	-0.1
Private	-1.4	-1.5	-0.1
b. Acq/disposal of non-prod. Non-fin'l assets	0.0	0.0	0.0
B. FINANCIAL ACCOUNT	78.3	44.3	-34.0
Other official investment	-21.0	-12.8	8.2
Other private investment ^{3/}	57.4	79.5	22.1
Change in Reserves (minus = increase)	41.9	-22.4	

1/ Revised

2/ Provisional

3/ Includes errors & omissions

BANK OF JAMAICA

05 November 2003