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1. MONETARY AGGREGATES (J\$mn.)				%
Local and Foreign Currency	Jul 2001	Jun 2002	Jul 2002	Change p.a.
Money Supply (M1).....	<u>40,699.81</u>	<u>43,248.66</u>	<u>43,489.10</u>	<u>6.85</u>
(a) Currency with the Public.....	16,110.52	17,419.74	17,552.45	8.95
(b) Demand Deposits (adj.)***.....	24,589.29	25,828.92	25,936.65	5.48
Quasi-Money.....	<u>97,679.82</u>	<u>107,283.36</u>	<u>107,555.25</u>	<u>10.11</u>
(a) Time.....	29,317.57	31,084.75	31,336.38	6.89
(b) Savings.....	68,362.25	76,198.61	76,218.87	11.49
Money Supply (M2).....	<u>138,379.63</u>	<u>150,532.02</u>	<u>151,044.35</u>	<u>9.15</u>
Domestic Credit (net).....	<u>152,317.51</u>	<u>147,499.58</u>	<u>157,454.40</u>	<u>3.37</u>
Local Currency	Jul 2001	Jun 2002	Jul 2002	
Money Supply (M1).....	<u>35,243.37</u>	<u>36,864.80</u>	<u>37,128.95</u>	<u>5.35</u>
(a) Currency with the Public.....	16,110.52	17,419.74	17,552.45	8.95
(b) Demand Deposits (adj.)***.....	19,132.85	19,445.06	19,576.50	2.32
Quasi-Money.....	<u>69,110.94</u>	<u>73,370.63</u>	<u>73,373.33</u>	<u>6.17</u>
(a) Time.....	20,233.44	20,512.48	20,559.26	1.61
(b) Savings.....	48,877.50	52,858.15	52,814.07	8.05
Money Supply (M2).....	<u>104,354.31</u>	<u>110,235.43</u>	<u>110,502.28</u>	<u>5.89</u>
Domestic Credit (net).....	<u>144,055.50</u>	<u>132,779.93</u>	<u>142,096.21</u>	<u>-1.36</u>
	Aug 2001	Jul 2002	Aug 2002	
Base Money.....	<u>31,891.44</u>	<u>31,831.67</u>	<u>31,428.30</u>	<u>-1.45</u>
II. COMMERCIAL BANKS (J\$mn.)	Jul 2001	Jun 2002⁺	Jul 2002	
Assets & Liabilities (J\$mn.)**.....	<u>224,458.01</u>	<u>251,817.02</u>	<u>245,855.19</u>	<u>9.53</u>
Loans**.....	<u>43,055.14</u>	<u>58,100.77</u>	<u>60,166.24</u>	<u>39.74</u>
Agriculture.....	1,603.23	1,450.67	1,445.89	-9.81
Manufacturing.....	2,974.45	3,460.88	3,538.21	18.95
Construction & Land Development.....	1,796.45	2,322.56	2,323.92	29.36
Mining.....	73.18	101.97	106.39	45.38
Tourism.....	4,724.89	5,705.23	6,019.87	27.41
Transport, Storage & Communication.....	1,726.69	3,996.26	3,976.22	130.28
Consumer-Oriented.....	19,621.12	22,230.22	21,930.69	11.77
Government Services.....	8,928.15	15,793.83	17,000.67	90.42
Other.....	1,606.98	3,039.15	3,824.38	137.98
DEPOSITS.....	<u>151,493.13</u>	<u>169,908.25</u>	<u>165,516.99</u>	<u>9.26</u>
Private Sector (including overseas residents).....	<u>130,006.26</u>	<u>143,170.81</u>	<u>144,247.22</u>	<u>10.95</u>
Time.....	31,797.29	33,997.03	34,309.53	7.90
Savings.....	73,785.53	81,916.32	81,918.57	11.02
Demand.....	24,423.44	27,257.46	28,019.12	14.72
Government.....	<u>10,104.53</u>	<u>15,788.06</u>	<u>9,491.86</u>	<u>-6.06</u>
Time.....	1,750.38	464.99	360.47	-79.41
Savings.....	506.58	499.44	330.77	-34.71
Demand.....	7,847.57	14,823.63	8,800.62	12.14
Public Entities.....	<u>7,093.74</u>	<u>6,137.34</u>	<u>6,206.83</u>	<u>-12.50</u>
Time.....	4,897.18	3,462.93	3,271.94	-33.19
Savings.....	624.35	1,343.38	1,556.17	149.25
Demand.....	1,572.21	1,331.03	1,378.72	-12.31

II. COMMERCIAL BANKS (J\$mn.) (Cont'd)				%
	Jul 2001	Jun 2002⁺	Jul 2002	Change p.a.
Spec. & O. F. Insts.....	<u>4,288.60</u>	<u>4,812.04</u>	<u>5,571.08</u>	<u>29.90</u>
Time.....	921.99	946.10	1,493.05	61.94
Savings.....	706.58	644.19	967.30	36.90
Demand.....	2,660.03	3,221.75	3,110.73	16.94
	Aug 2001	Jul 2002	Aug 2002*	
Current Account Balances (J\$mn.).....	<u>535.79</u>	<u>403.80</u>	<u>45.14</u>	
	Jul 2001	Jun 2002	Jul 2002	
LIQUIDITY (Average) %				
Actual Liquid Assets Ratio.....	<u>43.86</u>	<u>41.58</u>	<u>42.87</u>	
Cash.....	1.65	1.70	1.65	
Deposits with B.O.J.....	11.35	9.32	9.50	
Treasury Bills.....	0.78	0.85	0.82	
Equity Investment Bonds.....	0.00	0.00	0.00	
Local Registered Stocks.....	7.49	7.66	7.56	
Other.....	22.59	22.05	23.34	
Statutory Requirement.....	<u>29.00</u>	<u>27.00</u>	<u>27.00</u>	
	Aug 2001	Jul 2002	Aug 2002	
III. SELECTED INTEREST RATES (%)				
COMMERCIAL BANKS				
Fixed Deposits (J\$100,000 & over)				
3-6 months.....	8.75-17.00	7.75-13.25	7.75-13.25	
9-12 months.....	8.75-15.00	7.75-12.10	7.75-12.10	
Call Deposits.....	5.00-9.25	2.00-8.00	2.00-8.00	
Savings Deposits (average rate).....	9.08	8.97	8.97	
Average Loan Rate.....	28.21	25.92	26.25	
	Jul 2001	Jun 2002	Jul 2002	
Weighted Fixed Deposits Rate.....	11.07	9.28	9.08	
Weighted Loan Rate.....	20.00	18.15	17.98	
	Sept 2001	Aug 2002	Sept 2002	
G.O.J. Treasury Bills (Weighted Average) Yield				
3 Months:.....	13.95	-	-	
6 Months:.....	13.79	13.78	16.69	
9 Months:.....	-	-	16.98	
12 Months:.....	-	-	-	
	Sept 2001	Aug 2002	Sept 2002	
BOJ Reverse Repurchase Rates (%) [#]	<u>14.25</u>	<u>12.95</u>	<u>12.95</u>	
	Jul 2001	Jun 2001	Jul 2002	
IV. SECURITIES (J\$mn.) (outstanding balances)				
GOJ Local Registered Stock.....	227,173.96	219,738.46	218,092.54	-4.00
	Sept 2001	Aug 2002	Sept 2002	
BOJ Open Market Operations ^{1/}	75,484.17	95,786.16	94,111.11	24.68
GOJ Treasury Bills.....	7,250.00	4,550.00	4,550.00	-37.24
	Jul 2001	Jun 2001	Jul 2002	
V. INSTALMENT CREDIT (J\$mn.)				
(Banks & Near-Banks)				
Total Credit Outstanding.....	4,933.01	6,103.90	6,261.76	26.94
New Business.....	292.58	368.99	465.96	59.26
	Jun 2001	May 2002	Jun 2002	
VI. NEAR-BANKS (J\$mn.)				
(Merchant Banks, Trust Com. & Finance Houses)				
Assets/Liabilities.....	11,557.46	23,275.47	25,511.92	120.74
Loans Outstanding.....	2,749.33	3,466.06	3,874.75	40.93
Total Deposits.....	5,990.78	7,922.68	8,308.80	38.69

* Provisional

+ Revised

				%
VI. NEAR-BANKS (J\$mn.) (Cont'd)	Jun 2001	May 2002	Jun 2002	Change p.a.
Loans.....	<u>2,749.33</u>	<u>3,466.06</u>	<u>3,874.75</u>	<u>40.93</u>
Agriculture.....	64.60	28.27	28.53	-55.84
Manufacturing.....	624.14	634.59	649.68	4.09
Construction & Land Development.....	151.06	135.33	155.43	2.89
Mining, Quarrying & Processing.....	25.31	73.81	73.86	191.82
Tourism.....	267.68	313.24	301.75	12.73
Transport, Storage & Communication.....	33.09	19.49	20.66	-37.56
Consumer Oriented.....	1,308.61	2,077.84	2,147.41	64.10
Government Services.....	153.85	120.24	192.00	24.80
Other.....	120.99	63.25	305.43	152.44
	Aug 2001	Jul 2002	Aug 2002	
Liquid Assets Ratio (average) %.....	124.77	101.17	91.62	
Statutory Requirement.....	30.00	27.00	23.00	
VII. BUILDING SOCIETIES (J\$mn.)	Jul 2001	Jun 2002	Jul 2002	
(members & associate members)				
Assets/Liabilities.....	46,685.00	53,249.30	54,615.70	16.99
Loan Balances.....	16,347.36	18,644.05	18,943.75	15.88
Savings Funds.....	36,274.73	41,847.38	42,284.04	16.57
VIII. INFLATION	Aug 2001	Jul 2002	Aug 2002	
Consumer Price Index (Jan. 1988 = 100).....	1,430.9	1,515.6	1,521.2	6.31
Monthly Rate (%).....	0.9	1.5	0.4	
Calendar Year to Date (%) (point to point).....	6.6	3.8	4.2	
Fiscal Year to Date (%) (point to point).....	4.9	3.2	3.6	
IX. ACTUAL PRODUCTION ('000)	Aug 2001	Jul 2002	Aug 2002	
Bauxite (metric tonnes).....	340.71	312.88	405.87	19.21
Alumina (metric tonnes).....	316.08	314.19	326.73	3.37
Sugar (metric tonnes).....	2.18	11.61	1.76	-19.27
Banana (tonnes).....	3.37	2.99	3.65	8.31
X. STOCK MARKET ACTIVITIES	Aug 2001	Jul 2002	Aug 2002	
Index.....	34,415.26	35,510.98	39,557.18	14.94
Volume Traded (mn.).....	59.93	192.81	100.40	67.53
Ordinary Shares.....	55.60	191.51	97.80	75.90
Block Transactions.....	4.33	1.30	2.60	-39.95
Value of Stocks Traded (J\$mn.).....	282.55	650.15	634.51	124.57
Ordinary Shares.....	272.21	647.69	598.64	119.92
Block Transactions.....	10.34	2.46	35.87	246.91
Advance/Decline Ratio.....	16/15	20/9	22/10	
XI. EXTERNAL TRADE (US\$mn.)	Jan-Apr 2001	Jan-Apr 2002		Change
1. EXPORTS				
a) Major Traditional Exports.....	<u>310.58</u>	<u>273.44</u>		<u>-37.14</u>
Bauxite.....	31.77	35.71		3.94
Alumina.....	223.43	204.24		-19.19
Sugar.....	48.89	27.61		-21.28
Bananas.....	6.49	5.88		-0.61
b) Other Traditional Exports.....	25.58	25.50		-0.08
c) Non-Traditional Exports.....	90.32	74.96		-15.36
d) Re-exports.....	9.90	5.90		-4.00
General Merchandise Exports.....	<u>436.38</u>	<u>379.80</u>		<u>-56.58</u>

XI. EXTERNAL TRADE (US\$mn.) (Cont'd)	Jan-Apr 2001	Jan-Apr 2002	Change
1. EXPORTS			
(e) Freezone Exports.....	48.19	44.61	-3.58
(f) Goods Procured in Port.....	12.00	10.40	-1.60
Total Goods Exports.....	<u>496.57</u>	<u>434.81</u>	<u>-61.76</u>
2. IMPORTS			
General Merchandise Imports.....	<u>1,137.56</u>	<u>1,074.77</u>	<u>-62.79</u>
(a) Consumer Goods.....	301.64	326.40	24.76
(b) Raw Materials.....	634.36	543.78	-90.58
(c) Capital Goods.....	201.56	204.59	3.03
(d) Freezone Imports.....	30.17	24.51	-5.66
(e) Goods Procured in Port.....	13.10	12.00	-1.10
Total Goods Imports.....	<u>1,180.83</u>	<u>1,111.28</u>	<u>-69.55</u>
Trade Balance.....	<u>-684.26</u>	<u>-676.47</u>	<u>7.79</u>
Memo:			
Caricom Exports.....	16.87	14.33	-2.54
Caricom Imports.....	147.20	121.57	-25.63
Caricom Trade Balance.....	<u>130.33</u>	<u>107.24</u>	<u>-23.09</u>
XII. TOURISM	Jan-Jun 2001	Jan-Jun 2002	% Change
Tourist Arrivals ('000).....	<u>1,196.29</u>	<u>1,065.78</u>	<u>-10.91</u>
Stopovers.....	709.04	634.01	-10.58
Cruise.....	486.44	431.77	-11.24
Armed Forces.....	0.81	-	-
Cumulative Expenditure (US\$mn.).....	<u>678.40</u>	<u>599.80</u>	<u>-11.59</u>
XIII. BALANCE OF PAYMENTS (US\$mn.)			
<i>Balance of Payments (Calendar)</i>	Jan-Apr 2001	Jan-Apr 2002	Change
1. Current Account.....	<u>-176.0</u>	<u>-206.9</u>	<u>-30.9</u>
A. Goods balance.....	<u>-520.8</u>	<u>-516.0</u>	<u>4.8</u>
Exports (f.o.b.).....	496.5	434.7	-61.8
Imports (f.o.b.).....	1,017.3	950.7	-66.6
B. Service Balance.....	<u>217.5</u>	<u>147.7</u>	<u>-69.8</u>
Transportation.....	-66.3	-76.5	-10.2
Travel.....	430.9	347.9	-83.0
Other Services.....	-147.1	-123.7	23.4
C. Income.....	<u>-149.2</u>	<u>-146.4</u>	<u>2.8</u>
Compensation of Employees.....	5.4	4.9	-0.5
Investment Income.....	-154.6	-151.3	3.3
D. Current Transfers.....	<u>276.5</u>	<u>307.8</u>	<u>31.3</u>
Official.....	25.4	14.3	-11.1
Private.....	251.1	293.5	42.4
2. Capital and Financial Account.....	<u>176.0</u>	<u>206.9</u>	<u>30.9</u>
A. Capital Account.....	<u>-7.5</u>	<u>-8.8</u>	<u>-1.3</u>
Capital Transfers.....	<u>-7.5</u>	<u>-8.8</u>	<u>-1.3</u>
Official.....	2.0	0.2	-1.8
Private.....	-9.5	-9.0	0.5
Acq./Disp. of non-produced non-fin. assets....	0.0	0.0	0.0

Balance of Payments (Calendar) (Cont'd)	Jan-Apr 2001	Jan-Apr 2002	Change	
B. Financial Account.....	<u>183.5</u>	<u>215.7</u>	<u>-32.2</u>	
Other Official Investment.....	105.2	31.1	-74.1	
Other Private Investment.....	390.6	243.6	-147.0	
<i>(incl. errors & omissions)</i>				
Reserves.....	<u>-312.3</u>	<u>-59.0</u>		
Balance of Payments (Fiscal)	Apr 2001	Apr 2002		
1. Current Account.....	<u>3.9</u>	<u>-56.8</u>	<u>-60.7</u>	
A. Goods balance.....	<u>-102.6</u>	<u>-138.9</u>	<u>-36.3</u>	
Exports (f.o.b.).....	136.1	108.9	-27.2	
Imports (f.o.b.).....	238.7	247.8	9.1	
B. Service Balance.....	<u>64.1</u>	<u>33.3</u>	<u>-30.8</u>	
Transportation.....	-15.0	-21.2	-6.2	
Travel.....	112.3	81.0	-31.3	
Other Services.....	-33.2	-26.5	6.7	
C. Income.....	<u>-22.7</u>	<u>-26.8</u>	<u>-4.1</u>	
Compensation of Employees.....	1.2	2.3	1.1	
Investment Income.....	-23.9	-29.1	-5.2	
D. Current Transfers.....	<u>65.1</u>	<u>75.6</u>	<u>10.5</u>	
Official.....	3.8	3.6	-0.2	
Private.....	61.3	72.0	10.7	
2. Capital and Financial Account.....	<u>-3.9</u>	<u>56.8</u>	<u>60.7</u>	
A. Capital Account.....	<u>-2.4</u>	<u>-1.8</u>	<u>0.6</u>	
Capital Transfers.....	-2.4	-1.8	0.6	
Official.....	0.2	0.1	-0.1	
Private.....	-2.6	-1.9	0.7	
Acq./Disp. of non-produced non-fin. assets	0.0	0.0	0.0	
B. Financial Account.....	-1.5	58.6	60.1	
Other Official Investment.....	-9.8	21.0	30.8	
Other Private Investment.....	3.8	37.7	33.9	
<i>(incl. errors & omissions)</i>				
Reserves.....	4.5	41.9		
Government Reserves.....	0.0	0.0		
XIV. BOJ NET INTERNATIONAL RESERVES	Aug 2001	Jul 2002⁺	Aug 2002	Change p.a.
(US\$mn.)				
BOJ Net International Reserves (US\$mn.).....	<u>1,598.97</u>	<u>1,743.93</u>	<u>1,685.61</u>	<u>86.64</u>
Gross Foreign Assets.....	1,670.94	1,799.01	1,740.81	69.87
Gross Foreign Liabilities.....	71.97	55.08	55.20	-16.77
Estimated Gross Reserves in Weeks of Imports.....	<u>28.19</u>	<u>29.76</u>	<u>28.80</u>	
Estimated Gross Reserves in Weeks of Goods and				
Services Imports.....	<u>19.32</u>	<u>19.92</u>	<u>19.28</u>	
XV. FOREIGN EXCHANGE	Aug 2001	Jul 2002	Aug 2002	%
DEVELOPMENTS (US\$mn.)				Change p.a.
Combined Foreign Exchange Trading				
Foreign Exchange Purchases (spot).....	577.02	1,036.12	844.74	46.40
Foreign Exchange Sales (spot).....	581.62	1,048.25	810.63	39.37

XV. FOREIGN EXCHANGE

DEVELOPMENTS (US\$mn.) (Cont'd)				%
Foreign Currency Deposit Balances of Authorised Dealers (US\$mn.) (i)	Aug 2001	Jul 2002 ⁺	Aug 2002	Change p.a.
Commercial Banks Balances.....	<u>943.66</u>	<u>1,024.89</u>	<u>1,046.77</u>	<u>10.93</u>
"A" Accounts.....	27.74	56.33	57.10	105.84
Other.....	915.92	968.56	989.67	8.05
F.I.As Balance.....	<u>76.92</u>	<u>102.96</u>	<u>108.35</u>	<u>40.86</u>
"A" Accounts.....	10.09	13.34	19.45	92.77
Other.....	66.83	89.62	88.90	33.02
Building Societies Balances.....	<u>138.14</u>	<u>160.32</u>	<u>160.89</u>	<u>16.47</u>
"A" Accounts.....	94.16	109.59	110.11	16.94
Other	43.98	50.73	50.78	15.46
Total Foreign Currency Deposits (US\$mn.).....	<u>1,158.72</u>	<u>1,288.17</u>	<u>1,316.01</u>	<u>13.57</u>
Total Foreign Currency Loans (US\$mn.).....	<u>357.87</u>	<u>488.32</u>	<u>501.98</u>	<u>40.27</u>
Commercial Banks.....	306.54	439.57	448.83	46.42
F.I. As	38.45	34.37	38.77	0.83
Building Societies.....	12.88	14.38	14.38	11.65
Foreign Currency Deposit Rates	Aug 2001	Jul 2002	Aug 2002	
Savings (average)%.....	3.36	2.86	2.86	
Fixed Deposits (com. banks) (Under US\$100,000)	Aug 2001	Jul 2002	Aug 2002	
1-3 months.....	3.00-5.75	2.00-4.50	2.00-4.50	
3-6 months.....	3.25-6.62	2.00-4.50	2.00-4.50	
6-12 months.....	3.25-8.75	2.00-6.00	2.00-6.00	
(US\$100,000 & Over)*				
1-3 months.....	3.00-neg	2.00-neg	2.00-neg	
3-6 months.....	3.00-neg	2.00-neg	2.00-neg	
6-12 months.....	3.00-neg	2.00-neg	2.00-neg	
Foreign Currency Loan Rates (%)......	8.00-19.00	10.75-18.00	10.00-18.00	
London Interbank Offer Rate (LIBOR) Eurodollars (%)	Aug 2001	Jul 2002	Aug 2002	
3 months.....	3.49	1.82	1.82	
6 months.....	3.48	1.86	1.82	
U.S. Prime Rate (end of period) (%)......	6.50	4.75	4.75	
Selling Exchange Rates (end period)	Sept 2001	Aug 2002	Sept 2002	
US\$1.00 = J\$.....	45.94	49.01	49.27	
Can. \$1.00 = J\$.....	29.00	31.38	31.11	
U.K. Pound = J\$.....	66.74	75.60	76.60	
Euro = J\$**.....	42.35	48.67	49.19	
Caricom Selling Exchange Rates**				
T.T. \$1 = J\$.....	7.62	8.09	8.01	
Bdos. \$1 = J\$.....	23.27	24.82	24.90	
Guy. \$1 = J\$.....	0.25	0.26	0.27	
E.C. \$1 = J\$.....	17.24	18.38	18.44	



INFLATION

AUGUST 2002

The All Jamaica Consumer Price Index (CPI) increased by 0.4 per cent in August 2002. This outturn brought inflation for the first five months of FY 2002/03 to 3.6 per cent, 1.2 percentage points less than that which obtained in the similar period of 2001/02. The inflation rate for the first eight months of the calendar year was 4.2 per cent relative to 6.6 per cent in the comparable period of 2001. The point-to-point inflation rate as at August 2002 was 6.3 per cent, 0.8 percentage points below the rate recorded in the previous year. The annual average inflation rate however was 7.6 per cent, 0.6 percentage points above the rate recorded at August 2001 (Table 1).

All the sub-indices, with the exception of *Transportation*, reflected increases over the previous month. However, the inflation rate was largely due to an increase of 0.4 per cent in the *Food & Drink* sub-category, which contributed 57.4 per cent to the overall inflation. Other inflationary impulses of note were registered in the *Housing & Other Housing Expenses* (0.6%), *Miscellaneous Expenses* (0.6%), and the *Healthcare & Personal Expenses* (0.3%) sub-indices, respectively. These groups contributed 15.5 per cent, 14.5 per cent and 6.4 per cent, respectively, to the overall inflation.

The primary impetus to prices in the *Food & Drink* group emanated from the *Vegetables & Fruit* and *Baked Products, Cereals & Breakfast Drinks* sub-groups, which increased by 1.4 per cent and 0.5 per cent, respectively. The increase in the *Vegetables & Fruits* sub-group largely reflected significant increases in the prices of *tomato, escallion, and onions* (see Table 5). The expansion in the *Baked Products, Cereals & Breakfast Drinks* sub-group resulted from higher prices for *cornmeal* and *rice*.

Inflation in the *Housing & Other Housing Expenses* of 0.6 per cent was attributable to a 1.2 per cent increase in the *Rental* sub-index and a 0.5 per cent increase in the *Other Housing Expenses* sub-group. The movement in the *Other Housing Expenses* sub-group was largely the result of a 2.1 per cent increase in water rates. The increase in the *Miscellaneous Expenses* sub-index of 0.6 per cent resulted from price increases in *cigarettes* and *legal services*. The 0.3 per cent increase in the *Healthcare & Personal Expenses* sub-index resulted primarily from increases in the price of certain pharmaceutical and personal care items.

The unanticipated decline in the *Transportation* sub-index was primarily due to the strong declines in *airfares*. These reductions reflect discounts, which were introduced earlier than usual given the downturn in world travel.

At the regional level, the overall CPI increased by 0.5 per cent in the *KMA*, 0.3 per cent in the *Other Towns* and 0.2 per cent in the *Rural Areas*. This pattern was mostly influenced by the *Food & Drink* sub-index, in particular, the *Starchy Foods* sub-groups. The expansion in this sub-group, which was similar in both the **KMA** and **Other Towns**, was the result of sharper increases in the prices of *yellow yam, irish potatoes* and *dasheen*. Additionally, there were larger expansions in the *Household Furniture & Furnishings, Healthcare & Personal Expenses* and the *Personal Clothing, Footwear & Accessories* sub-indices of the **KMA** relative to the other regions.

For August, the trimmed mean index was estimated to have increased by 0.24 per cent, 0.06 percentage points below the estimate for the previous month (table 4). The twelve month point to point core inflation rate at August was 2.89 per cent, or 0.15 and 1.44 percentage points below the rate for July and the corresponding month of 2001, respectively. Similarly, the annual average core inflation rate at August 2002 was 3.58 per cent, marginally lower than the rate estimated for the previous month and 0.68 percentage points below the rate for the corresponding month of 2001. Core inflation for the calendar year-to-date, was 1.96 per cent, 1.06 percentage points below the rate for the similar period of 2001.

Table I
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

1/ January 1998 = 100

* Point to point

Moving average

Source: STATIN

Table 2
COMPONENT CONTRIBUTION TO INFLATION
August 2002

	Weight in the CPI	Monthly Inflation (%)	Weighted Inflation	% Contribution to Inflation
FOOD & DRINK	0.5563	0.4	0.1974	57.4
Meals away from home	0.0741	0.4	0.0317	9.2
Meat Poultry & Fish	0.1613	-0.1	-0.0164	-4.8
Dairy Products Oils & Fats	0.0668	0.2	0.0133	3.9
Baked Products Cereals & Breakfast Drink	0.0864	0.5	0.0431	12.5
Starchy Foods	0.0525	0.6	0.0311	9.0
Vegetables & Fruits	0.0650	1.4	0.0902	26.2
Other Food & Beverages	0.0502	0.1	0.0045	1.3
FUELS & OTHER HOUSEHOLD SUPPLIES	0.0735	0.1	0.0062	1.8
Household Supplies	0.0482	0.1	0.0062	1.8
Fuels	0.0253	0.0	0.0000	0.0
HOUSING & OTHER HOUSING EXPENSES	0.0786	0.6	0.0535	15.5
Rental	0.0209	1.2	0.0257	7.5
Other Housing Expenses	0.0577	0.5	0.0278	8.1
HOUSEHOLD FURNISHINGS & FURNITURE	0.0283	0.5	0.0143	4.2
Furniture	0.0068	0.1	0.0004	0.1
Furnishings	0.0215	0.7	0.0155	4.5
HEALTHCARE & PERSONAL EXPENSES	0.0697	0.3	0.0219	6.4
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.0507	0.4	0.0185	5.4
Clothing Materials	0.0055	0.6	0.0032	0.9
Readymade Clothing & Accessories	0.0242	0.2	0.0041	1.2
Footwear	0.0159	0.7	0.0115	3.3
Making & Repairs	0.0051	0.1	0.0005	0.1
TRANSPORTATION	0.0644	-0.3	-0.0173	-5.0
MISCELLANEOUS EXPENSES	0.0785	0.6	0.0497	14.5
ALL GROUPS	1.0000	0.37	0.34	100.0

Table 3
REGIONAL INFLATION
AUGUST 2002

	KMA (%)	Other Towns (%)	Rural (%)
FOOD & DRINK	0.6	0.4	0.2
Meals away from home	0.0	0.4	1.3
Meat Poultry & Fish	0.1	0.2	-0.5
Dairy Products Oils & Fats	0.0	0.3	0.3
Baked Products Cereals & Breakfast Drink	0.8	0.2	0.3
Starchy Foods	1.3	1.4	0.0
Vegetables & Fruits	2.6	0.0	0.7
Other Food & Beverages	0.5	0.4	-0.6
FUELS & OTHER HOUSEHOLD			
SUPPLIES	0.0	0.1	0.2
Household Supplies	-0.1	0.2	0.4
Fuels	0.0	0.0	0.0
HOUSING & OTHER HOUSING			
EXPENSES	0.6	0.8	0.6
Rental	1.1	1.8	1.8
Other Housing Expenses	0.4	0.7	0.4
HOUSEHOLD FURNISHINGS &			
FURNITURE	1.5	-0.1	-0.1
Furniture	0.5	-0.1	-0.2
Furnishings	1.9	0.0	0.0
HEALTHCARE & PERSONAL			
EXPENSES	0.5	0.1	0.1
PERSONAL CLOTHING FOOTWEAR			
& ACCESSORIES	0.6	0.1	0.3
Clothing Materials	1.0	0.0	0.2
Readymade Clothing & Accessories	0.4	0.0	0.1
Footwear	1.0	0.3	0.7
Making & Repairs	0.2	0.0	0.0
TRANSPORTATION	-0.4	0.0	-0.2
MISCELLANEOUS EXPENSES	0.7	0.2	1.0
ALL GROUPS	0.5	0.3	0.2

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
Jun	0.86	0.39	1.65	0.86	3.18	3.82
Jul	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

JAMAICA:
BALANCE OF PAYMENTS DEVELOPMENTS
April 2002

APRIL 2002

The current account of the balance of payments recorded a deficit of US\$56.8M in April 2002, compared with the surplus of US\$3.9M recorded in April 2001. The deterioration in the current account reflected increases of US\$36.3M and US\$4.1M in the trade and income deficits, respectively, as well as a reduction of US\$30.8M in net earnings from services. Partly offsetting these changes was an improvement of US\$10.5M in the surplus on the current transfers sub-account. Within the financial account, net private capital inflows were insufficient to finance the current account deficit and the net amortisation of Government's external debt. Consequently, there was a draw down of US\$41.9 million in the net international reserves for the month.

Merchandise Trade

The widening of the merchandise trade deficit reflected the combined effect of a US\$9.1M expansion in payments for imports (f.o.b) and a contraction of US\$27.2M in exports earnings.

The growth in imports largely reflected increases of US\$17.8M and US\$9.5M in the values (c.i.f.) of capital and consumer goods imports, respectively, partly countered by a contraction of US\$11.8M in raw material imports. The expansion in capital goods imports was primarily attributed to the purchase of equipment for the brewery and telecommunication industries, while higher spending on food and durable items (mainly motorcars) was responsible for the increase in consumer goods imports. The decline in the value of raw material imports was due to lower oil imports, relative to April 2001.

The contraction in export earnings in April 2002 stemmed largely from reductions of US\$16.2M, US\$6.5M and US\$4.1M in the values of major traditional, non-traditional and free zone exports, respectively. The decline in the major traditional category was largely due to contractions in the value of sugar and alumina exports, the former reflecting lower volumes in the context of a late start to the reaping season, while the latter reflected the combined impact of a reduction in international prices and lower volumes. Reductions in garment exports continued to account for the decline in non-traditional and freezone exports.

Services

The fall in the surplus on the services account for the month stemmed primarily from a decline of US\$31.3M in net travel receipts. Total visitor arrivals in April fell by 14.6 per cent, relative to April 2001, influenced by reductions of 19.7 per cent and 6.3 per cent in stopover and cruise visitor arrivals, respectively.

Income

The deterioration in the income account reflected a widening in net investment income payments, attributable to higher interest payments on Government of Jamaica external debt, as well as increased profit remittances of the direct investment companies.

Current Transfers

The improvement in current transfers reflected an expansion of US\$12.1M in net inflows to the private sector for the month.

Capital and Financial Accounts

A deficit of US\$1.8M was recorded on the capital account for April 2002, US\$0.6M below the deficit recorded in April 2001. In contrast, the financial account registered a surplus of US\$58.6M, relative to a deficit of US\$1.5M recorded in April 2001. Within the financial account, net private investment inflows of US\$37.7M was insufficient to finance net official outflows of US\$21.0M, as well as the deficits on the current and capital accounts, leading to a draw down in the net international reserves. The level of gross reserves stood at US\$1,959.0M at the end of April 2002, representing approximately 32.4 weeks of projected goods imports and 21.7 weeks of projected imports of goods and services.

The following table shows the balance of payments accounts for April 2001 and April 2002.

BALANCE OF PAYMENTS SUMMARY			
(US\$M)			
	April ^{1/} 2001	April ^{2/} 2002	Change
1. CURRENT ACCOUNT	3.9	-56.8	-60.7
A. GOODS and SERVICES	-38.5	-105.6	-67.1
a. GOODS BALANCE	-102.6	-138.9	-36.3
Exports (f.o.b.)	136.1	108.9	-27.2
Imports (f.o.b.)	238.7	247.8	9.1
b. SERVICES BALANCE	64.1	33.3	-30.8
Transportation	-15.0	-21.2	-6.2
Travel	112.3	81.0	-31.3
Other Services	-33.2	-26.5	6.7
			-4.1
B. INCOME	-22.7	-26.8	
Compensation of employees	1.2	2.3	1.1
Investment Income	-23.9	-29.1	-5.2
			10.5
C. CURRENT TRANSFERS	65.1	75.6	
Official	3.8	3.6	-0.2
Private	61.3	72.0	10.7
			60.7
2. CAPITAL & FINANCIAL ACCOUNT	-3.9	56.8	
A. CAPITAL ACCOUNT	-2.4	-1.8	0.6
a. Capital Transfers	-2.4	-1.8	0.6
Official	0.2	0.1	-0.1
Private	-2.6	-1.9	0.7
b. Acq./disposal of non-prod. non-fin'l assets	0.0	0.0	0.0
B. FINANCIAL ACCOUNT	-1.5	58.6	60.1
Other official investment	-9.8	-21.0	-11.2
Other private investment 3/	3.8	37.7	33.9
Reserves	4.5	41.9	N/A

1/ Revised

2/ Provisional

3/ Includes errors & omissions