

1. MONETARY AGGREGATES (J\$mn.)				%
Local and Foreign Currency	June 2001	May 2002	June 2002	Change p.a.
Money Supply (M1).....	<u>38,015.32</u>	<u>42,745.14</u>	<u>43,248.66</u>	<u>13.77</u>
(a) Currency with the Public.....	15,974.78	17,063.91	17,419.74	9.04
(b) Demand Deposits (adj.)***.....	22,040.54	25,681.23	25,828.92	17.19
Quasi-Money.....	<u>97,693.65</u>	<u>106,564.54</u>	<u>107,283.36</u>	<u>9.82</u>
(a) Time.....	29,501.32	31,269.79	31,084.75	5.37
(b) Savings.....	68,192.33	75,294.75	76,198.61	11.74
Money Supply (M2).....	<u>135,708.97</u>	<u>149,309.68</u>	<u>150,532.02</u>	<u>10.92</u>
Domestic Credit (net).....	<u>151,865.78</u>	<u>152,036.03</u>	<u>147,599.58</u>	<u>-2.81</u>
Local Currency	June 2001	May 2002	June 2002	
Money Supply (M1).....	<u>32,951.36</u>	<u>35,785.12</u>	<u>36,864.80</u>	<u>11.88</u>
(a) Currency with the Public.....	15,974.78	17,063.91	17,419.74	9.04
(b) Demand Deposits (adj.)***.....	16,976.58	18,721.21	19,445.06	14.54
Quasi-Money.....	<u>69,051.40</u>	<u>73,094.41</u>	<u>73,370.63</u>	<u>6.26</u>
(a) Time.....	20,204.97	20,933.95	20,512.48	1.52
(b) Savings.....	48,846.43	52,160.46	52,858.15	8.21
Money Supply (M2).....	<u>103,347.34</u>	<u>108,879.53</u>	<u>110,235.43</u>	<u>6.66</u>
Domestic Credit (net).....	<u>145,050.45</u>	<u>138,541.07</u>	<u>132,779.93</u>	<u>-8.46</u>
	Jul 2001	Jun 2002	Jul 2002	
Base Money.....	<u>32,235.30</u>	<u>30,893.17</u>	<u>31,831.67</u>	<u>-1.25</u>
II. COMMERCIAL BANKS (J\$mn.)	June 2001	May 2002	June 2002	
Assets & Liabilities (J\$mn.)**.....	<u>220,655.55</u>	<u>247,219.22</u>	<u>251,817.02</u>	<u>14.12</u>
Loans**.....	<u>41,883.24</u>	<u>56,460.92</u>	<u>58,100.77</u>	<u>38.72</u>
Agriculture.....	1,443.27	1,446.64	1,450.67	0.51
Manufacturing.....	2,824.28	3,117.64	3,460.88	22.54
Construction & Land Development.....	1,714.92	2,375.06	2,322.56	35.43
Mining.....	60.16	122.08	101.97	69.50
Tourism.....	4,561.06	5,456.11	5,705.23	25.08
Transport, Storage & Communication.....	1,216.92	3,921.16	3,996.26	228.39
Consumer-Oriented.....	19,797.86	21,830.03	22,230.22	12.28
Government Services.....	8,751.80	15,125.34	15,793.83	80.46
Other.....	1,512.97	3,066.86	3,039.15	100.87
DEPOSITS.....	<u>150,950.08</u>	<u>164,441.37</u>	<u>169,908.26</u>	<u>12.56</u>
Private Sector (including overseas residents).....	<u>128,714.92</u>	<u>142,003.46</u>	<u>143,170.81</u>	<u>11.23</u>
Time.....	32,045.42	33,888.19	33,997.03	6.09
Savings.....	73,578.76	81,019.17	81,916.32	11.33
Demand.....	23,090.74	27,096.10	27,257.46	18.04
Government.....	<u>10,900.34</u>	<u>11,426.77</u>	<u>15,788.06</u>	<u>44.84</u>
Time.....	1,723.95	471.95	464.99	-73.03
Savings.....	394.48	572.82	499.44	26.61
Demand.....	8,781.91	10,382.00	14,823.63	68.80
Public Entities.....	<u>7,272.63</u>	<u>6,340.70</u>	<u>6,137.35</u>	<u>-15.61</u>
Time.....	5,004.77	3,502.21	3,462.93	-30.81
Savings.....	1,035.94	1,326.43	1,343.38	29.68
Demand.....	1,231.92	1,512.06	1,331.04	8.05

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

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

+ Revised

II. COMMERCIAL BANKS (J\$mn.) (Cont'd)				%
	June 2001	May 2002+	June 2002	Change p.a.
Spec. & O. F. Insts.....	4,062.19	4,670.44	4,812.04	18.46
Time.....	1,033.67	983.17	946.10	-8.47
Savings.....	666.13	684.04	644.19	-3.29
Demand.....	2,362.39	3,003.23	3,221.75	36.38
	Jul 2001	June 2002	Jul 2002	
Current Account Balances (J\$mn.).....	<u>795.93</u>	<u>28.01</u>	<u>403.80</u>	
	June 2001	May 2002	June 2002	
LIQUIDITY (Average) %				
Actual Liquid Assets Ratio.....	<u>44.94</u>	<u>42.45</u>	<u>41.61</u>	
Cash.....	1.56	1.70	1.70	
Deposits with B.O.J.....	11.25	9.28	9.32	
Treasury Bills.....	0.81	0.81	0.85	
Equity Investment Bonds.....	0.00	0.00	0.00	
Local Registered Stocks.....	7.92	8.47	7.66	
Other.....	23.40	22.19	22.08	
Statutory Requirement.....	<u>29.00</u>	<u>27.00</u>	<u>27.00</u>	
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	
	Jun 2001	May 2002	Jun 2002	
Weighted Fixed Deposits Rate.....	11.11	9.43	9.28	
Weighted Loan Rate.....	20.86	18.49	18.15	
	Aug 2001	Jul 2002	Aug 2002	
G.O.J. Treasury Bills (Weighted Average) Yield				
3 Months:.....	-	13.95	-	
6 Months:.....	16.04	13.79	13.78	
9 Months:.....	-	-	-	
12 Months:.....	16.28	-	-	
	Aug 2001	Jul 2002	Aug 2002	
BOJ Reverse Repurchase Rates (%) [#]	<u>14.25</u>	<u>12.95</u>	<u>12.95</u>	
IV. SECURITIES (J\$mn.) (outstanding balances)				
GOJ Local Registered Stock.....	226,655.56	214,959.46	219,738.46	-3.05
	Aug 2001	Jul 2002	Aug 2002	
BOJ Open Market Operations ^{1/}	75,484.17	95,786.76	94,111.11	24.68
GOJ Treasury Bills.....	7,250.00	4,550.00	4,250.00	-41.38
V. INSTALMENT CREDIT (J\$mn.)				
(Banks & Near-Banks)				
Total Credit Outstanding.....	4,883.36	5,985.68	6,103.90	24.99
New Business.....	356.70	432.22	368.99	3.45
VI. NEAR-BANKS (J\$mn.)				
(Merchant Banks, Trust Com. & Finance Houses)				
Assets/Liabilities.....	8,325.65	16,343.84	16,834.65	102.20
Loans Outstanding.....	2,649.65	3,126.83	3,026.26	14.21
Total Deposits.....	3,965.99	7,270.23	7,289.74	83.81

+ Revised

* Provisional

Apply to 30-day

1/ BOJ Open Market Operations include Reverse Repos

				%
VI. NEAR-BANKS (J\$mn.) (Cont'd)	Dec 2000	Nov 2001*	Dec 2001	Change p.a.
Loans.....	<u>2,649.65</u>	<u>3,126.83</u>	<u>3,026.26</u>	<u>14.21</u>
Agriculture.....	65.68	42.89	35.80	-45.49
Manufacturing.....	604.49	651.15	663.46	9.76
Construction & Land Development.....	96.41	208.41	204.11	111.71
Mining, Quarrying & Processing.....	13.41	23.55	23.58	75.84
Tourism.....	216.44	244.19	212.33	-1.90
Transport, Storage & Communication.....	34.83	21.77	52.33	50.24
Consumer Oriented.....	1,373.67	1,688.32	1,645.23	19.77
Government Services.....	155.86	169.31	88.15	-43.44
Other.....	88.86	77.24	101.27	13.97
	Jun 2001	May 2002	Jun 2002	
Liquid Assets Ratio (average) %.....	126.23	123.44	116.90	
Statutory Requirement.....	30.00	27.00	27.00	
VII. BUILDING SOCIETIES (J\$mn.)	Jun 2001	May 2001	Jun 2002	
(members & associate members)				
Assets/Liabilities.....	45,936.23	53,322.98	54,249.30	18.10
Loan Balances.....	16,183.82	18,148.98	18,416.23	13.79
Savings Funds.....	36,157.82	41,010.96	41,847.38	15.73
VIII. INFLATION	Jul 2001	Jun 2002	Jul 2002	
Consumer Price Index (Jan. 1988 = 100).....	1,418.5	1,492.8	1,515.6	6.85
Monthly Rate (%).....	1.0	0.9	1.5	
Calendar Year to Date (%) (point to point).....	5.7	2.2	3.8	
Fiscal Year to Date (%) (point to point).....	4.0	1.7	3.2	
IX. ACTUAL PRODUCTION ('000)	Jul 2001	Jun 2002	Jul 2002	
Bauxite (metric tonnes).....	336.84	327.80	312.88	-7.11
Alumina (metric tonnes).....	329.81	300.54	314.19	-4.74
Sugar (metric tonnes).....	5.15	7.18	11.61	125.44
Banana (tonnes).....	2.90	3.10	2.99	3.10
X. STOCK MARKET ACTIVITIES	Jul 2001	Jun 2002	Jul 2002	
Index.....	34,730.04	38,606.66	35,510.98	2.25
Volume Traded (mn.).....	74.05	64.80	192.81	160.38
Ordinary Shares.....	73.06	64.29	191.51	162.13
Block Transactions.....	0.99	0.51	1.30	31.31
Value of Stocks Traded (J\$mn.).....	357.10	427.96	650.15	82.06
Ordinary Shares.....	355.19	426.96	647.69	82.35
Block Transactions.....	1.91	1.00	2.46	28.80
Advance/Decline Ratio.....	33/1	14/18	20/9	
XI. EXTERNAL TRADE (US\$mn.)	Jan-Mar 2001	Jan-Mar 2002	Change	
1. EXPORTS				
a) Major Traditional Exports.....	<u>222.23</u>	<u>201.27</u>	<u>-20.96</u>	
Bauxite.....	23.98	27.66	3.68	
Alumina.....	163.85	150.79	-13.06	
Sugar.....	29.57	18.31	-11.26	
Bananas.....	4.83	4.51	-0.32	
b) Other Traditional Exports.....	19.00	18.93	-0.07	
c) Non-Traditional Exports.....	67.28	58.14	-9.14	
d) Re-exports.....	7.52	3.75	-3.77	
General Merchandise Exports.....	<u>316.03</u>	<u>282.09</u>	<u>-33.94</u>	

* Provisional

XI. EXTERNAL TRADE (US\$mn.) (Cont'd)	Jan-Mar 2001	Jan-Mar 2002	Change
1. EXPORTS			
(e) Freezone Exports.....	35.48	35.98	0.50
(f) Goods Procured in Port.....	7.80	7.80	0.00
Total Goods Exports.....	<u>359.31</u>	<u>325.87</u>	<u>-33.44</u>
2. IMPORTS			
General Merchandise Imports.....	<u>874.77</u>	<u>793.88</u>	<u>-80.89</u>
(a) Consumer Goods.....	225.15	240.90	15.75
(b) Raw Materials.....	491.69	405.88	-85.81
(c) Capital Goods.....	157.93	147.10	-10.83
(d) Freezone Imports.....	19.69	16.57	-3.12
(e) Goods Procured in Port.....	8.10	9.00	0.90
Total Goods Imports.....	<u>902.56</u>	<u>819.45</u>	<u>-83.11</u>
Trade Balance.....	<u>-543.25</u>	<u>-493.58</u>	<u>49.67</u>
Memo:			
Caricom Exports.....	12.08	10.44	-1.64
Caricom Imports.....	106.12	88.74	-17.38
Caricom Trade Balance.....	<u>-94.04</u>	<u>-78.30</u>	<u>15.74</u>
XII. TOURISM	Jan-Jun 2001	Jan-Jun 2002	% Change
Tourist Arrivals ('000).....	<u>1196.29</u>	<u>1065.78</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-Mar 2001	Jan-Mar 2002	Change
1. Current Account.....	<u>-179.2</u>	-147.5	<u>31.7</u>
A. Goods balance.....	<u>-417.4</u>	<u>-374.6</u>	<u>42.8</u>
Exports (f.o.b.).....	359.3	325.8	-33.5
Imports (f.o.b.).....	776.7	700.4	-76.3
B. Service Balance.....	<u>153.3</u>	<u>114.6</u>	<u>-38.7</u>
Transportation.....	-51.3	-55.2	-3.9
Travel.....	318.6	266.9	-51.7
Other Services.....	-114.0	-97.1	16.9
C. Income.....	<u>-126.5</u>	<u>-119.7</u>	<u>6.8</u>
Compensation of Employees.....	4.2	2.6	-1.6
Investment Income.....	-130.7	-122.3	8.4
D. Current Transfers.....	<u>211.4</u>	<u>232.2</u>	<u>20.8</u>
Official.....	21.6	10.7	-10.9
Private.....	189.8	221.5	31.7
2. Capital and Financial Account.....	<u>179.2</u>	<u>147.5</u>	<u>-31.7</u>
A. Capital Account.....	<u>-5.1</u>	<u>-5.2</u>	<u>-0.1</u>
Capital Transfers.....	<u>-5.1</u>	<u>-5.2</u>	<u>-0.1</u>
Official.....	1.8	1.9	0.1
Private.....	-6.9	-7.1	-0.2
Acq./Disp. of non-produced non-fin. assets....	0.0	0.0	0.0

<i>Balance of Payments (Calendar) (Cont'd)</i>	Jan-Mar 2001	Jan-Mar 2002	Change	
B. Financial Account.....	<u>184.3</u>	<u>152.7</u>	<u>-31.6</u>	
Other Official Investment.....	115.0	52.1	-62.9	
Other Private Investment.....	386.1	201.5	-184.6	
<i>(incl. errors & omissions)</i>				
Reserves.....	<u>-316.8</u>	<u>-100.9</u>		
	Apr-Mar 2000/2001	Apr-Mar 2001/2002		
Balance of Payments (Fiscal)				
1. Current Account.....	<u>-529.1</u>	<u>-723.0</u>	<u>-193.9</u>	
A. Goods balance.....	<u>-1,540.9</u>	<u>-1,543.8</u>	<u>-2.9</u>	
Exports (f.o.b.).....	1,516.6	1,416.8	-99.8	
Imports (f.o.b.).....	3,057.5	2,960.6	-96.9	
B. Service Balance.....	<u>566.8</u>	<u>344.9</u>	<u>-221.9</u>	
Transportation.....	-253.6	-258.3	-4.7	
Travel.....	1,149.6	974.5	-175.1	
Other Services.....	-329.2	-371.3	-42.1	
C. Income.....	<u>-382.4</u>	<u>-431.0</u>	<u>-48.6</u>	
Compensation of Employees.....	67.4	73.0	5.6	
Investment Income.....	-449.8	-504.0	-54.2	
D. Current Transfers.....	<u>827.4</u>	<u>906.9</u>	<u>79.5</u>	
Official.....	134.7	79.5	-55.2	
Private.....	692.7	827.4	134.7	
2. Capital and Financial Account.....	<u>529.1</u>	<u>723.0</u>	<u>193.9</u>	
A. Capital Account.....	<u>-6.8</u>	<u>-22.4</u>	<u>-15.6</u>	
Capital Transfers.....	-6.8	-22.4	-15.6	
Official.....	10.1	3.6	-6.5	
Private.....	-16.9	-26.0	-9.1	
Acq./Disp. of non-produced non-fin. assets	0.0	0.0	0.0	
B. Financial Account.....	535.9	745.4	209.5	
Other Official Investment.....	342.0	590.0	248.5	
Other Private Investment.....	776.7	810.3	33.6	
<i>(incl. errors & omissions)</i>				
Reserves.....	-582.2	-655.4		
Government Reserves.....	0.0	0.0		
XIV. BOJ NET INTERNATIONAL RESERVES (US\$mn.)	Jul 2001	Jun2002+	Jul 2002	% change p.a.
BOJ Net International Reserves (US\$mn.).....	<u>1,526.15</u>	<u>1,782.25</u>	<u>1,743.93</u>	<u>217.78</u>
Gross Foreign Assets.....	1,598.12	1,837.53	1,799.01	200.89
Gross Foreign Liabilities.....	71.97	55.28	55.08	-16.89
Estimated Gross Reserves in Weeks of Imports.....	<u>26.96</u>	<u>31.22</u>	<u>30.56</u>	
Estimated Gross Reserves in Weeks of Goods and Services Imports.....	<u>18.47</u>	<u>21.11</u>	<u>20.67</u>	
XV. FOREIGN EXCHANGE DEVELOPMENTS (US\$mn.)	Jul 2001	Jun 2002	Jul 2002	% change p.a.
Combined Foreign Exchange Trading				
Foreign Exchange Purchases (spot).....	663.99	849.01	1,036.12	56.04
Foreign Exchange Sales (spot).....	656.15	836.89	1,048.25	59.76

XV. FOREIGN EXCHANGE

DEVELOPMENTS (US\$mn.) (Cont'd)				%
Foreign Currency Deposit Balances of Authorised Dealers (US\$mn.) ()	Jun 2001	May 2002+	Jun 2002+	Change p.a.
Commercial Banks Balances.....	<u>929.49</u>	<u>1,020.84</u>	<u>1,012.41</u>	<u>8.92</u>
"A" Accounts.....	27.50	53.58	55.30	101.09
Other.....	901.99	967.26	957.11	6.11
F.I.As Balance.....	<u>76.58</u>	<u>99.57</u>	<u>103.44</u>	<u>35.07</u>
"A" Accounts.....	10.06	15.53	12.44	23.66
Other.....	66.52	84.04	91.00	36.80
Building Societies Balances.....	<u>134.48</u>	<u>152.86</u>	<u>156.61</u>	<u>16.46</u>
"A" Accounts.....	91.85	103.11	106.56	16.01
Other	42.63	49.75	50.05	17.41
Total Foreign Currency Deposits (US\$mn.).....	<u>1,140.55</u>	<u>1,273.27</u>	<u>1,272.46</u>	<u>11.57</u>
Total Foreign Currency Loans (US\$mn.).....	326.55	446.37	469.04	43.63
Commercial Banks.....	282.81	401.59	418.18	47.87
F.I. As	30.72	31.97	37.24	21.22
Building Societies.....	13.02	12.81	13.62	4.61
Foreign Currency Deposit Rates	June 2001	May 2002	June 2002	
Savings (average)%.....	3.36	2.89	2.75	
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	10.75-18.00	
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)	Aug 2001	Jul 2002	Aug 2002	
US\$1.00 = J\$.....	45.79	48.65	49.01	
Can. \$1.00 = J\$.....	29.71	31.05	31.38	
U.K. Pound = J\$.....	66.05	75.26	75.60	
Euro = J\$**.....	42.12	48.25	48.67	
Caricom Selling Exchange Rates**				
T.T. \$1 = J\$.....	7.53	8.12	8.09	
Bdos. \$1 = J\$.....	23.17	24.63	24.82	
Guy. \$1 = J\$.....	0.25	0.26	0.26	
E.C. \$1 = J\$.....	17.16	18.24	18.38	

* Minimum rate

() Exclude deposits in "B" accounts

** Indicative Rates

+ Revised

INFLATION JULY 2002

The All Jamaica Consumer Price Index (CPI) increased by 1.5 per cent in July 2002. This outturn brought inflation for the first four months of FY 2002/03 to 3.2 per cent, 0.7 percentage points less than that which obtained in the similar period of 2001/02. For the first seven months of the calendar year the inflation rate was 3.8 per cent relative to 5.7 per cent in the comparable period of 2001. The point-to-point inflation rate as at July 2002 was 6.8 per cent, 0.4 percentage points below the rate recorded in the previous year, however, the annual average inflation rate at July 2002 was 7.6 per cent, 0.6 percentage points above the rate recorded at July 2001 (Table 1).

All sub-indices in the CPI reflected increases over the previous month, however, the inflation was largely due to an increase of 2.6 per cent in the Food & Drink sub-category, which contributed 89 per cent to the overall inflation. Other inflationary impulses of note were registered in the Fuels & Other Household Supplies (0.6%), Healthcare & Personal Expenses (0.5%) and the Housing & Other Housing Expenses (0.3%) sub-indices, respectively. These groups contributed 3.4 per cent, 2.2 per cent and 1.3 per cent, respectively, to the overall inflation.

The primary impetus to prices in the Food & Drink group emanated from the Vegetables & Fruit and Starchy Foods sub-groups, which increased by 13.9 per cent and 7.8 per cent, respectively. The increase in the Vegetables & Fruits sub-index largely reflected significant increases in the prices of *tomato, carrot, cabbage* and *pumpkin* (see Table 4). The expansion in the Starchy Foods sub-group resulted from higher prices for *lucea* and *yellow yams, irish potatoes and green bananas*. These price increases reflect seasonal patterns as well as the impact of the recent adverse weather on the supply of agricultural produce.

Inflation in the Fuels & Other Household Supplies sub-group was due mainly to increases in the prices of kerosene and ice. The increase in the sub-index of the Housing & Other Housing Expenses group of 0.3 per cent was attributable to a 0.4 per cent expansion in the Other Housing Expenses sub-group. The Rental sub-index has remained unchanged since March 2002. Inflation in the Other Housing Expenses sub-group was primarily due to a 1.2 per cent increase in electricity rates due to fuel and exchange rate adjustments. The 0.5 per cent increase in the Healthcare & Personal Expenses sub-index resulted primarily from increases in medical fees.

At the regional level, the overall CPI increased by 2.0 per cent in the Rural Areas and 1.3 per cent in both the KMA and Other Towns. This pattern was mostly influenced by the Food & Drink sub-index, in particular, the Starchy Foods sub-groups. The expansion in this sub-group was largest in the Rural Areas due to sharper increases in the prices of *yellow yam, irish potatoes and green bananas*. Additionally, there were larger expansions in the Miscellaneous Expenses, Household Furniture & Furnishings and the Fuel indices of the Rural Areas relative to the other regions.

For July, the trimmed mean index was estimated to have increased by 0.30 per cent, 0.09 percentage points below the estimate for the previous month (table 5). The point to point core inflation rate at July was 3.04, or 0.14 per cent and 1.41 per cent below the previous and the corresponding month of last year, respectively. Similarly, the annual average core inflation rate at July 2002 was 3.70 percent, marginally lower than the rate estimated for the previous month, and 0.52 percentage points below the rate for the corresponding month of 2001. Similarly, for the calendar year-to-date, core inflation was 1.42 percent, 0.79 percentage points below the rate for the similar period of 2001.

Table I
JAMAICA: INFLATION RATES

		1/ C.P.I.	3Month 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

1/ January 1998 = 100

* Point to point

Moving average

Source: STATIN

Table 1
JAMAICA: INFLATION RATES

		1/ C.P.I	Month AVG. C.P.I	Monthly % change	3 Month % change	3 Month % change	12 Month* % change	12 Month# % change
2002	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
	July	1,515.6	1,496.1	1.53	2.69	1.72	6.83	7.58

Table 2
COMPONENT CONTRIBUTION TO INFLATION
JULY 2002

	Weight in the CPI	Monthly Inflation (%)	Weighted Inflation	% Contribution to Inflation
FOOD & DRINK	0.5563	2.6	1.4422	89.2
Meals away from home	0.0741	0.1	0.0071	0.4
Meat Poultry & Fish	0.1613	0.2	0.0342	2.1
Dairy Products Oils & Fats	0.0668	0.3	0.0173	1.1
Baked Products Cereals & Breakfast Drink	0.0864	0.4	0.0326	2.0
Starchy Foods	0.0525	7.8	0.4078	25.2
Vegetables & Fruits	0.0650	13.9	0.9023	55.8
Other Food & Beverages	0.0502	0.8	0.0408	2.5
FUELS & OTHER HOUSEHOLD SUPPLIES	0.0735	0.6	0.0553	3.4
Household Supplies	0.0482	0.9	0.0452	2.8
Fuels	0.0253	0.4	0.0101	0.6
HOUSING & OTHER HOUSING EXPENSES	0.0786	0.3	0.0212	1.3
Rental	0.0209	0.0	0.0007	0.0
Other Housing Expenses	0.0577	0.4	0.0205	1.3
HOUSEHOLD FURNISHINGS & FURNITURE	0.0283	0.6	0.0162	1.0
Furniture	0.0068	1.1	0.0077	0.5
Furnishings	0.0215	0.3	0.0073	0.5
HEALTHCARE & PERSONAL EXPENSES	0.0697	0.5	0.0356	2.2
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.0507	0.3	0.0130	0.8
Clothing Materials	0.0055	0.2	0.0009	0.1
Readymade Clothing & Accessories	0.0242	0.0	0.0011	0.1
Footwear	0.0159	0.6	0.0090	0.6
Making & Repairs	0.0051	0.3	0.0017	0.1
TRANSPORTATION	0.0644	0.2	0.0157	1.0
MISCELLANEOUS EXPENSES	0.0785	0.2	0.0173	1.1
ALL GROUPS	1.0000	1.53	1.62	100.0

**Table 3
REGIONAL INFLATION
JULY 2002**

	KMA (%)	Other Towns (%)	Rural (%)
FOOD & DRINK	2.2	2.3	3.2
Meals away from home	0.0	0.2	0.1
Meat Poultry & Fish	0.2	0.6	0.0
Dairy Products Oils & Fats	0.3	0.3	0.2
Baked Products Cereals & Breakfast Drink	0.3	0.2	0.5
Starchy Foods	3.9	5.3	10.5
Vegetables & Fruits	17.2	14.2	10.1
Other Food & Beverages	0.7	1.1	0.8
FUELS & OTHER HOUSEHOLD SUPPLIES	0.8	0.2	0.7
Household Supplies	1.8	0.4	0.1
Fuels	0.0	0.0	1.1
HOUSING & OTHER HOUSING EXPENSES	0.3	0.3	0.4
Rental	0.0	0.0	0.0
Other Housing Expenses	0.3	0.3	0.4
HOUSEHOLD FURNISHINGS & FURNITURE	0.4	0.6	0.8
Furniture	0.1	1.5	1.7
Furnishings	0.5	0.1	0.3
HEALTHCARE & PERSONAL EXPENSES	0.7	0.3	0.3
PERSONAL CLOTHING FOOTWEAR & ACCESSORIES	0.1	1.0	0.0
Clothing Materials	0.0	0.0	0.5
Readymade Clothing & Accessories	0.0	0.1	0.0
Footwear	0.0	2.4	0.0
Making & Repairs	0.3	1.0	0.0
TRANSPORTATION	0.4	0.2	0.1
MISCELLANEOUS EXPENSES	0.1	0.2	0.6
ALL GROUPS	1.3	1.3	2.0

**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

**Table 4
Inflation: Actual & Core**

	Monthly		Fiscal Year to Date		12-MthCore	
	Actual	Core	Actual	Core	Pt to Pt	Average
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

JAMAICA:
BALANCE OF PAYMENTS DEVELOPMENTS
March 2002 & FY2001/02

March 2002

The current account of the balance of payments recorded a deficit of US\$31.7MN in March 2002, an improvement of US\$19.2MN, relative to the deficit recorded in March 2001. The outturn for the month reflected improvements of US\$34.5MN and US\$9.5MN in the merchandise trade and current transfers balances, which were partly offset by deteriorations of US\$15.2MN and US\$9.4MN in the services and income accounts, respectively.

Merchandise Trade

The improvement in the merchandise trade deficit reflected a reduction of US\$36.9MN in payments for imports (f.o.b), which was partially countered by a decline of US\$2.4MN in export earnings relative to March 2001. The decline in imports was driven by respective reductions of US\$32.6MN, US\$6.9MN and US\$4.9MN in the values (c.i.f.) of raw materials, free zone and capital goods imports, which was partly countered by a growth of US\$1.9MN in consumer goods imports. The decline in raw material imports stemmed from reduced expenditure on other raw material purchases, in particular industrial supplies, as well as a decline in the value of fuel imports. The marginal contraction in exports reflected respective declines of US\$1.7MN, US\$1.6MN and US\$1.1MN in free zone exports, re-exports and non-traditional exports, partly offset by an increase of US\$2.4MN in major traditional exports.

Services

The deterioration in the surplus on the services account stemmed primarily from a fall of US\$21.8MN in net travel receipts. This contraction was influenced principally by a decline of 15.1 per cent in total visitor arrivals, reflecting respective reductions of 9.1 per cent and 23.3 per cent in stopover and cruise arrivals for the month, relative to March 2001.

Income

The deterioration in the income balance was driven by increased net investment income payments of US\$9.3MN, which was largely associated with higher imputed profit remittances of the direct investment companies.

Current Transfers

The improvement in current transfers reflected an increase of US\$10.4MN in net inflows to the private sector for the month.

Capital and Financial Accounts

Within the financial account, net official inflows of US\$40.5MN and net private investment inflows amounting to US\$112.7MN were more than sufficient to finance the deficits on the current and capital accounts. Consequently there was a build-up of US\$120.8MN in the net international reserves of the Bank of Jamaica.

April to March 2002

The current account deficit expanded by US\$226.1MN to US\$755.9MN in FY2001/02, relative to the deficit for the previous fiscal year. With the exception of current transfers, all the sub-accounts contributed to the deterioration in the current account.

Merchandise Trade

The merchandise trade deficit widened by US\$33.0MN for the review period, relative to FY2000/01. The deterioration stemmed from a contraction of US\$98.0MN in receipts from exports, which was partly countered by a US\$65.0MN decline in payments for imports (f.o.b.). All the export categories declined over the review period. Major traditional exports contracted by US\$21.3MN, reflecting a fall in the value of alumina exports, which was partially offset by growth in the value of bauxite exports. In addition, the values of sugar and banana exports declined by US\$10.2MN and US\$4.8MN, respectively. The contraction in the value of alumina exports was due to a 7.0 per cent fall in price, while the growth in bauxite exports was influenced by a 55.4 percent increase in export volumes. Sugar and banana exports were affected by reductions in both volume and price. Continued downturn in the garment industry during the review period was responsible for declines of US\$36.4MN and US\$15.6MN in non-traditional and free zone exports, respectively. Reduced spending on raw material imports, which outweighed the growth in capital and consumer goods imports, influenced the decline in the value of imports. Within the raw material category, lower fuel imports in the context of reduced oil prices, coupled with reduced purchases of other raw materials, accounted for the contraction. The growth in capital goods imports was attributable to increased expenditure on communication equipment, while the expansion in consumer goods imports stemmed from higher spending on jewellery and cellular telephones.

Services

The contraction of US\$224.1MN in the surplus on the services account, relative to FY2000/01, primarily reflected a contraction of US\$175.1MN in net travel receipts, which was associated with the social disturbances in July and the events of 11 September 2001. In addition, net payments for other services increased by US\$42.4 million, reflecting lower earnings from communication services and higher payments for financial and other business services.

Income

The deficit on the income account widened by US\$48.5MN for the review period, attributable to higher interest payments on Government of Jamaica external debt, as well as increased imputed profit remittances of the foreign direct investment companies.

Current Transfers

For the review period, net receipts from current transfers increased by US\$79.5MN, relative to FY 2000/01. Growth of US\$134.7MN in net inflows to the private sector more than offset the decline of US\$55.2MN in net official transfers. The decline in net official transfers was due to the non-repetition of flows associated with the sale of cellular licenses in FY2000/01.

Capital & Financial Accounts

Within the financial account, net official inflows of US\$590.5MN and net private investment inflows of US\$843.2MN were more than sufficient to finance the deficits on the current and capital accounts. Consequently, there was a build-up of US\$655.4MN in the net international reserves of the Bank of Jamaica. At the end of March 2002, the Bank's gross reserves were US\$2000.3 million, representing approximately 34.7 weeks of goods imports or 23.1 weeks of imports of goods and services.

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

BALANCE OF PAYMENTS SUMMARY

(US\$MN)

	Mar ^{1/}	Mar ^{2/}	Apr-Mar ^{1/}	Apr-Mar ^{2/}
	2001	2002	2000/01	2001/02
1. CURRENT ACCOUNT	-51.1	-31.7	-529.8	-755.9
A. GOODS and SERVICES	-94.4	-75.1	-974.1	-1198.9
a. GOODS BALANCE	-157.9	-123.4	-1540.9	-1574.6
Exports (f.o.b.)	122.5	120.1	1517.7	1419.7
Imports (f.o.b.)	280.4	243.5	3059.3	2994.3
b. SERVICES BALANCE	63.5	48.3	566.8	344.9
Transportation	-18.2	-17.3	-253.6	-260.2
Travel	122.2	100.4	1149.6	974.5
Other Services	-40.5	-34.8	-329.2	-371.6
B. INCOME	-25.1	-34.5	-382.4	-430.9
Compensation of employees	0.1	0.0	67.4	73.0
Investment Income	-25.2	-34.5	-449.8	-503.9
C. CURRENT TRANSFERS	68.4	77.9	827.4	906.9
Official	4.6	3.7	134.7	79.5
Private	63.8	74.2	692.7	827.4
2. CAPITAL & FINANCIAL ACCOUNT	51.1	31.7	529.8	755.9
A. CAPITAL ACCOUNT	-0.4	-0.7	-6.8	-22.4
a. Capital Transfers	-0.4	-0.7	-6.8	-22.4
Official	1.8	1.8	10.1	3.6
Private	-2.2	-2.5	-16.9	-26.0
b. Acq./disposal of non-prod. non-fin'l assets	0.0	0.0	0.0	0.0
B. FINANCIAL ACCOUNT	51.5	32.4	536.6	778.3
Other official investment	-13.9	40.5	342.0	590.5
Other private investment 3/	245.1	112.7	777.4	843.2
Reserves	-179.7	-120.8	-582.8	-655.4

1/ Revised

2/ Provisional

3/ Includes errors & omissions

BANK OF JAMAICA

22-Aug-02