



Monthly Economic and Financial Developments March 2022

In an effort to provide the public with more frequent information on its economic surveillance activities, the Central Bank has decided to release monthly reports on economic and financial sector developments in The Bahamas. The Bank monitors these conditions as part of its monetary policy mandate, to assess whether money and credit trends are sustainable relative to levels of external reserves required to protect the value of the Bahamian dollar and, if not, the degree to which credit policies ought to be adjusted. The main data source for this surveillance is financial institutions' daily reports on foreign exchange transactions and weekly balance sheet statements. Therefore, monthly approximations may not coincide with calendar estimates reported in the Central Bank's quarterly reports. The Central Bank will release its "Monthly Economic and Financial Developments" report on the Monday following its monthly Monetary Policy Committee Meeting.

Future Release Dates:

2022: May 30; July 4; August 1; August 29; October 3; October 31; November 28; December 28



MARCH 2022 SUMMARY
MONTHLY ECONOMIC AND FINANCIAL DEVELOPMENTS

Overall Economic Activity

The domestic economy maintained its growth momentum during the month of March, amid the subsided, but ongoing, presence of the Novel Coronavirus (COVID-19) and the emergence of new and more contagious strains of the virus. Tourism output continued to register strong growth, undergirded by seasonal gains in the high value-added air segment and the rebound in sea traffic, as vaccination efforts progressed both locally and internationally.

Monetary Sector

Monetary developments were marked by a further buildup in bank liquidity, with growth in the deposit base contrasted with the reduction in domestic credit. Similarly, external reserves increased during the review month, supported by net foreign currency inflows through the private sector and further proceeds from Government's external borrowings.

International Economies

During the month of March, global economic performance varied, mainly impacted by the geopolitical tensions in Eastern Europe, and ongoing challenges with new strains of COVID-19. Accordingly, most of the major central banks sustained their accommodative monetary policy stances, so as to maintain financial stability and encourage economic growth.



Monthly Economic and Financial Developments (MEFD)

March 2022

1. Domestic Economic Developments

Overview

Preliminary indications are that the domestic economy’s growth momentum was maintained during the month of March, amid ongoing adjustments to the Novel Coronavirus (COVID-19), and emergence of new and more contagious strains—though infections further subsided. Tourism output continued to register strong growth, undergirded by seasonal gains in the high value-added air segment and the rebound in sea traffic, as vaccination efforts progressed both locally and internationally. Monetary developments were marked by a rise in bank liquidity and further gains in external reserves, as the expansion in the deposit base, contrasted with the reduction in domestic credit. The underlying net foreign currency inflows in the aggregates reflected strengthening private sector activity and further proceeds from Government’s external borrowings.

Real Sector

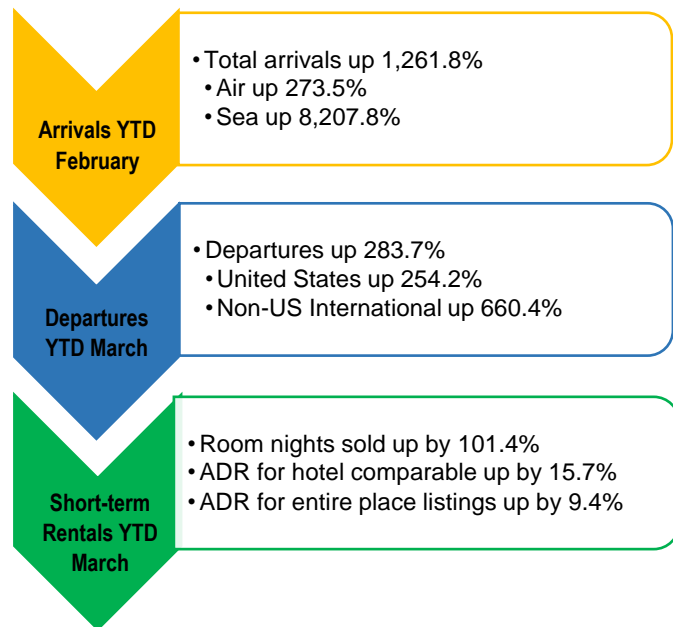
Tourism

Preliminary evidence suggests that monthly tourism output sustained its positive trajectory, amid the subsided COVID-19 conditions.

Official data provided by the Ministry of Tourism (MOT) revealed that total visitor arrivals by first port of entry expanded to 411,321 in February, from 29,510 during the same period in 2021. Underpinning this outcome, air traffic rose to 101,804 compared to 25,719 in the prior year—representing 67.4% of air arrivals recorded in 2019. In addition, sea traffic increased to 309,517, from only 3,791 passengers in the comparative 2021 period.

Disaggregated by major market, total arrivals to New Providence advanced to 200,564 in February from just 15,908 a year earlier. Leading this development, the air and sea segments rose to 77,299 and 123,265 passengers, respectively. Likewise, foreign arrivals to Grand Bahama recovered to 13,043, from 1,413 in the previous year, as air and sea arrivals amounted to 2,043 and 11,000, respectively. Further, the Family Islands attracted 197,714 visitors in February, vis-à-vis 12,189 in the prior year, owing to improvements in the air and sea segments to 22,462 and 175,252, respectively.

Chart 1: Tourism Indicators at a Glance



Sources: Ministry of Tourism, Nassau Airport Development Co. & AirDNA

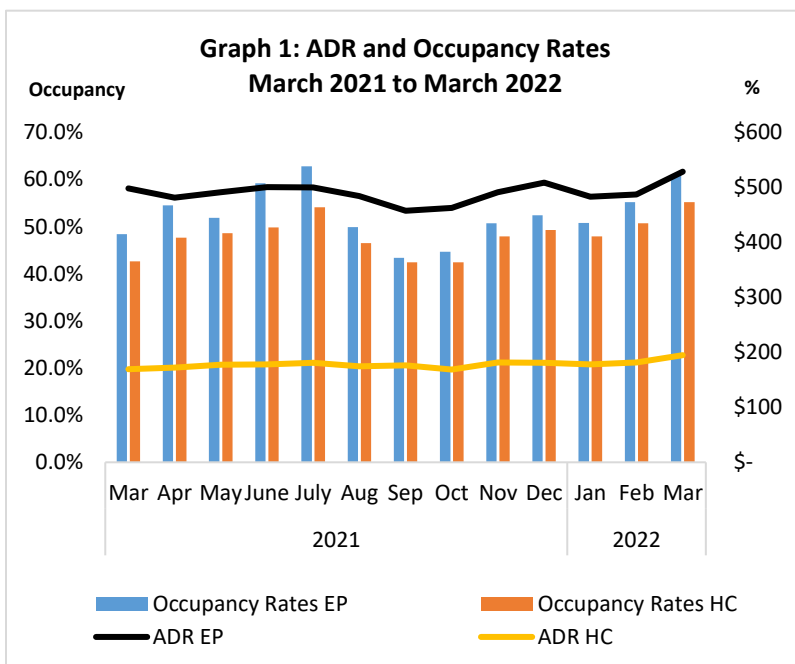
On a year-to-date basis, total arrivals over the available two months of data, rebounded to 723,522 visitors, a turnaround from a 96.2% contraction registered in 2021. Underlying this outturn, air arrivals accelerated to 173,712 passengers, a reversal from the 82.9% reduction in the previous year, as all major markets expanded during the review period. Similarly, sea traffic recovered to 549,810 from a 99.4% decrease in 2021 (see Table 1).

Table 1: Total Visitor Arrivals January-February 2022

	New Providence (% Change)		Grand Bahama (% Change)		Family Islands (% Change)	
	2021	2022	2021	2022	2021	2022
Arrivals						
Air	-87.7	373.2	-79.7	174.7	-54.2	123.3
Sea	-99.7	15,659.2	-98.6	1,666.8	-99.3	7,236.6
Total	-95.9	1,146.3	-97.1	825.4	-96.5	1,468.3

Sources: Ministry of Tourism

As at March, data provided by the Nassau Airport Development Company Limited (NAD) revealed that total departures—net of domestic passengers—rose to 117,639, from 32,489 in the same month last year. In particular, U.S. departures advanced to 100,579 from 31,223 in the prior year, while non-U.S. departures grew to 17,060 from 1,266 in the previous year. For the first quarter of 2022, total outbound traffic increased more than three-fold to 275,086 from 71,686 passengers a year earlier; a rebound from the 80.7% contraction in the same period last year, which was due to border closures to combat the spread of the virus. Underpinning this outturn, U.S. departures recovered to 235,432 visitors, a recovery from the 78.6% decline a year earlier. Likewise, non-U.S. departures were restored to 39,654, following the 91.4% falloff in 2021.



Sources: AirDNA

As it relates to the vacation rental market, data provided by AirDNA showed steady gains in the demand for short-term rentals. In particular, during March 2022, total room nights sold advanced to 142,289 from 83,875 in the corresponding period of 2021. Reflective of this outcome, occupancy rates for both entire place and hotel comparable listings increased to 61.0% and 55.2%, respectively, relative to 48.4% and 42.6% in the prior year. As depicted in Graph 1, price indicators trended upward year-over-year, as the average daily rate (ADR) for entire place listings, rose by 6.1% to \$528.55 and hotel comparable listings, by 15.0% to \$194.81.

2. Monetary Trends

March 2022 vs. 2021

Liquidity

Monetary developments for the month of March registered a growth in bank liquidity, with the buildup in the deposit base, contrasting with the reduction in domestic credit. Specifically, excess reserves—the narrow measure of liquidity—grew by \$179.1 million to \$1,806.2 million, surpassing the \$20.1 million accumulation a year earlier. Likewise, excess liquid assets—a broad measure of liquidity—increased by \$174.3 million, extending the \$18.7 million gain in 2021.

Similarly, during the first quarter, excess liquid assets expanded by \$247.2 million, vis-à-vis a \$52.7 million contraction in the previous year. Further, excess reserves rose by \$265.9 million, a reversal from the \$62.6 million reduction in the prior year.

External Reserves

Bolstered by net foreign currency inflows through the private sector and further proceeds from Government's external borrowings, external reserves increased by \$512.9 million to \$2,982.1 million during the review month, in contrast to a \$5.6 million falloff in the previous year. In particular, the Central Bank's net foreign currency purchase from the public sector expanded to \$419.0 million, from just \$4.4 million in 2021. Further, the Bank's transactions with commercial banks shifted to a net purchase of \$93.2 million, from a net sale of \$5.3 million in the preceding year. The latter followed through from commercial banks net intake from their customers, which strengthened to \$108.1 million from \$15.9 million in the prior year.

For the first quarter of 2022, external reserves expanded by \$523.0 million, contrasting with the \$129.9 million contraction in 2021. Contributing, the Central Bank's net foreign currency transactions with the public sector reversed to a net purchase of \$310.4 million, from a net sale of \$74.3 million in the preceding year. Further, the Bank's transactions with commercial banks switched to a net purchase of \$212.5 million, after a net sale of \$53.2 million in 2021. In particular, banks' net purchase from customers rose sharply to \$266.0 million, from only \$5.7 million in the previous year.

Exchange Control Sales

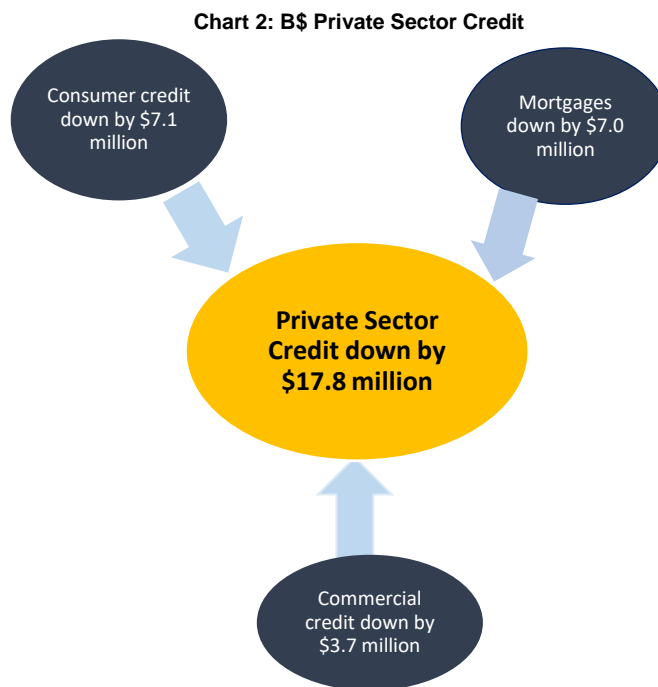
Provisional data on foreign currency sales for current account transactions showed a \$22.6 million decline in outflows to \$471.3 million in March, relative to the same period in 2021. In particular, factor income payments reduced by \$19.4 million, while "other" current items decreased by \$5.9 million—primarily credit and debit card transactions. Further, transfer payments declined by \$4.8 million and travel related transactions by \$3.0 million during the review month. In contrast, both oil imports and non-oil imports grew by \$8.0 million and by \$2.5 million, respectively.

During the first three months of the year, foreign currency sales for current transactions grew by \$244.7 million to \$1,449.7 million in comparison to 2021. Notably, accretions were posted for credit card supported payment under "other" current items (\$129.0 million), oil imports (\$66.7 million), non-oil imports (\$49.5 million), factor income remittances (\$6.9 million) and travel related transactions (\$2.6 million). In a modest offset, net transfer payments declined by \$10.0 million, compared to the same period last year.

Domestic Credit

Bahamian Dollar Credit

Total Bahamian dollar credit contracted by \$213.5 million during the review month, contrasting with the \$12.9 million growth in the preceding year. Leading this development, net claims on the Government reduced by \$195.5 million, a reversal from the \$40.5 million expansion in 2021, as net foreign currency proceeds reduced significant bridge financing that was obtained in domestic currency. Likewise, private sector credit declined by \$17.8 million, albeit lower than the \$18.5 million falloff a year earlier, as mortgages decreased by \$7.0 million, a turnaround from a \$1.9 million growth a year earlier. Similarly, commercial credit fell by \$3.7 million, following a flat outturn in the previous year; however, the reduction in consumer credit moderated to \$7.1 million from \$20.5 million in the prior year. Meanwhile, the contraction in credit to public corporations tapered to \$0.2 million, from \$9.1 million last year.



Source: Central Bank of The Bahamas

The trend continued during the first quarter, as total Bahamian dollar credit reduced by \$135.8 million, a switch from the \$108.3 million expansion in 2021. Net claims on the Government decreased by \$102.6 million, vis-à-vis a \$130.3 million expansion a year earlier. Further, credit to public corporations declined by \$0.9 million, following an increase of \$2.4 million in the preceding year. Meanwhile, the reduction in private sector credit deepened to \$32.4 million, from \$24.4 million in the year prior, as the falloff in mortgages widened to \$18.0 million from \$6.8 million in the prior year. However, the retrenchment in consumer credit slowed to \$27.0 million from \$30.1 million; while gains in commercial credit and other loans strengthened to \$12.7 million from \$12.5 million in 2021.

Foreign Currency Credit

Domestic foreign currency credit fell further by \$2.1 million after a reduction of \$5.4 million a year earlier. Specifically, the decrease in private sector credit slowed to \$1.1 million from \$3.3 million in the preceding year, as the \$0.3 million uptick in mortgages, contrasted with the \$1.4 million falloff in commercial credit. In addition, the reduction in net claims on the Government moderated to \$0.9 million from \$0.5 million in the previous year. Meanwhile, credit to public corporations registered a flat outturn, after an incremental fall of \$1.6 million in 2021.

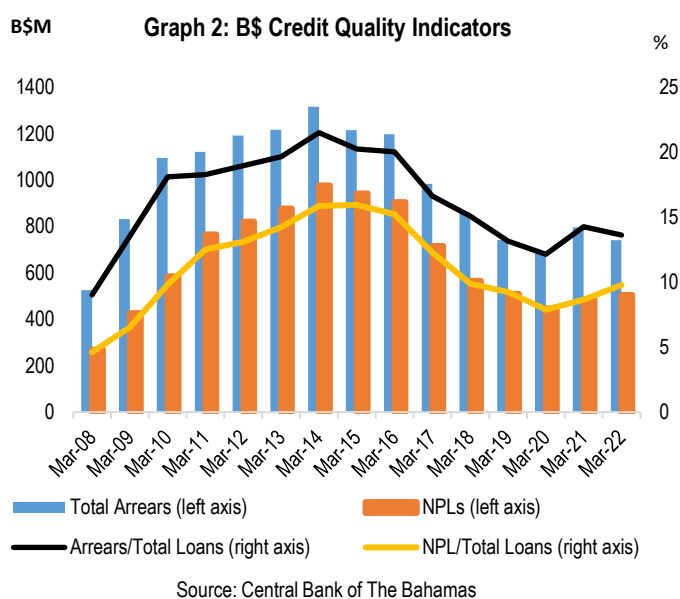
During the first quarter, domestic foreign currency credit contracted by \$77.3 million, extending the \$6.5 million downturn in 2021. Underlying this outturn, net claims on the Government reduced by \$64.4 million, exceeding the muted \$0.5 million decline in the prior year. Likewise, the decrease in private sector credit extended to \$12.9 million from \$4.4 million last year, as both mortgages and commercial credit recorded

falloffs of \$7.6 million and \$5.4 million, respectively. However, credit to the rest of the public sector remained flat.

Credit Quality

Concentrated on shorter-term delinquencies, banks' credit quality indicators softened during March, as total private sector arrears rose by \$15.6 million (2.1%) to \$740.9 million, with the accompanying ratio higher by 34 basis points at 13.6%. By age, short-term arrears (31-90 days) grew by \$44.5 million (23.3%) to \$235.3 million, with the associated ratio increasing by 83 basis points to 4.3%. In contrast, non-performing loans (NPLs) reduced by \$29.0 million (5.4%) to \$505.5 million, resulting in the attendant ratio narrowing by 50 basis points to 9.3%—with decreases in NPL rates for consumer loans, by 95 basis points to 9.1%; mortgages, by 21 basis points to 10.9%; and commercial loans, by 30 basis points, to 5.2%.

An analysis by loan category revealed that the expansion in total arrears was led by a rise in mortgage delinquencies by \$23.1 million (5.8%) to \$421.3 million, as the short-term component grew by \$28.7 million (24.6%), outstripping the \$5.6 million (2.0%) decline in the non-accrual segment. Likewise, commercial loan arrears increased by \$11.9 million (18.4%) to \$76.6 million, owing to a \$15.0 million (96.9%) growth in the short-term category, which overshadowed the \$3.1 million (6.4%) falloff in the long-term component. In a partial offset, consumer arrears reduced by \$19.4 million (7.4%) to \$243.0 million, due to a \$20.3 million (10.0%) decline in NPLs, which outpaced the \$0.8 million (1.4%) rise in the 31-90 days segment.



Meanwhile, banks reduced their total provisions for loan losses by \$14.2 million (2.8%) to \$495.0 million in March. As a result, the ratio of total provisions to arrears fell by 3.4 percentage points to 66.8%; however, the ratio of total provisions to non-performing loans rose by 2.7 percentage points to 97.9%. Further, the coverage ratio of specific provisions to NPLs firmed by 1.4 percentage points to 75.6%. During the review month, banks also wrote-off an estimated \$10.6 million in bad loans and recovered approximately \$5.5 million.

On a year-to-date basis, total private sector arrears declined by \$38.9 million (5.0%), lowering the corresponding ratio by 61 basis points. Contributing to this outturn was a \$22.4 million (4.3%) reduction in NPLs, resulting in the corresponding ratio decreasing by 34 basis points. Similarly, the short-term component moved lower by \$16.5 million (6.6%), with the associated ratio narrowing by 27 basis points. Relative to March 2021, the total private sector arrears rate fell by 63 basis points, as the short-term segment narrowed by 1.2 percentage points, while the non-accrual category increased by 0.6 percentage points.

Disaggregated by loan category, consumer arrears reduced by \$27.0 million (10.0%), corresponding with a falloff in both long and short-term delinquencies, by \$17.9 million (8.9%) and by \$9.1 million (13.3%), respectively. Similarly, residential mortgage arrears decreased by \$17.1 million (3.9%), as the short-term segment declined by \$14.1 million (8.8%) and the non-performing balance by \$3.1 million (1.1%). Conversely, commercial arrears grew by \$5.2 million (7.3%), as the short-term component rose by \$6.7 million (28.2%), overshadowing the \$1.5 million (3.1%) reduction in non-accrual loans.

Over the three-month period, commercial banks total provisions for loan losses contracted by \$17.7 million (3.5%). However, the ratio of total provisions to arrears rose by 1.1 percentage points, and the ratio of total provisions to NPLs, by 0.8 percentage points. For the review quarter, banks wrote-off approximately \$21.5 million in overdue loans and recovered an estimated \$12.8 million.

Deposits

During the review month, the growth in total Bahamian dollar deposits strengthened to \$175.6 million, from \$24.2 million in the corresponding period of 2021. In terms of the components, demand deposits rose by \$118.8 million, extending last year's accumulation of \$35.6 million. Further, savings deposits grew by \$43.7 million, a reversal from a \$3.9 million contraction a year earlier. Fixed deposits also advanced by \$13.1 million, overturning the \$7.5 million falloff in the previous year. Meanwhile, the growth in foreign currency deposits slowed to \$29.8 million, from \$41.8 million last year.

Similarly, on a year-to-date basis, the expansion in total Bahamian dollar deposits widened considerably to \$304.3 million from \$64.8 million in the prior year. Leading this outturn, the rise in demand balances accelerated to \$260.7 million from \$67.2 million in the previous year. In addition, gains in saving deposits strengthened to \$62.7 million from a mere \$0.5 million in 2021. In contrast, fixed deposit balances reduced by \$19.0 million, extending the \$2.9 million decline in the preceding year. Further, the buildup in foreign currency deposits accelerated to \$41.8 million, from \$33.0 million a year earlier.

Interest Rates

During the month of March, banks' weighted average loan rate firmed by 8 basis points to 10.86%. Meanwhile, the weighted average deposit rate narrowed by 32 basis points to 0.40%, with the highest rate of 2.50% offered on fixed balances over 12 months.

3. Domestic Outlook

The domestic economy is projected to maintain its growth momentum in 2022, supported by robust, ongoing recovery in both stopover and cruise activities. Nonetheless, risks to the sector remain heightened as the emergence of new strains of COVID-19 could potentially derail the progress made on the international health front and disrupt the travel sector. Likewise, the rise in fuel cost could erode the travel industry competitiveness, while counter-inflation policies could constrain the travel spending capacity of key source market consumers. However, new and ongoing foreign investment-led projects, combined with post-hurricane rebuilding works, are expected to provide impetus to the construction sector.

In terms of the labor market, the unemployment rate is expected to remain above pre-pandemic levels, but with further workforce engagement concentrated primarily in the construction sector and full re-employment of tourism sector employees. With regard to prices, inflation is projected to experience upward pressures as

a result of the rise in international oil prices, higher costs for other imported goods and supply chain shortages, associated with geopolitical tensions in Eastern Europe.

In the fiscal sector, the Government's net financing gap is expected to remain elevated, although trending downward, as the revenue gap closes. The Government's fiscal position will be largely impacted by increased disbursements for health and social welfare associated with COVID-19, as well as outlays still related to the restoration of key infrastructure following the major hurricane in 2019. Projected revenue shortfalls should persist, with expectations that taxable economic activity will improve in line with tourism recovery. The resulting budgetary gap is anticipated to be financed via a blend of domestic and external borrowings, but with a likely increased ratio of the total funding coming from domestic sources.

Monetary sector developments will include high levels of liquidity in the banking sector, as commercial banks maintain their conservative lending posture. Further, external reserves are forecasted to remain buoyant over the year, remaining well above international benchmarks, supported by anticipated foreign currency inflows from tourism, and other net private sector receipts. Moreover, external balances should remain more than adequate to sustain the Bahamian dollar currency peg.

4. Monetary Policy Implications

In this environment, the Central Bank will retain its accommodative policy stance for private sector credit and pursue policies that ensure a favorable outcome for external reserves, and mitigate financial sector disruptions. Further, the Bank will continue to monitor developments within the foreign exchange market, and if necessary, adopt appropriate measures to support a favourable outcome for the foreign reserves.

APPENDIX

International Developments

During the month of March, global economic developments were mixed across the major economies, mainly impacted by the geopolitical tensions in Eastern Europe, and ongoing challenges with new strains of COVID-19. Accordingly, most of the major central banks sustained their accommodative monetary policy stances, so as to maintain financial stability and encourage economic growth. However, the United States Federal Reserve increased the benchmark interest rate in an effort to curtail rising inflation.

Economic indicators in the United States were modestly positive during the review month. Specifically, industrial production grew by 0.9% in March, owing to gains in the manufacturing sector and motor vehicles output. Likewise, retail sales rose by 0.5%, although lower than the 0.8% uptick in the previous month, supported by spending on food and fuel. In the labor market, total non-farm payroll employment increased by 431,000 in March, with major gains in leisure & hospitality and professional & business services. As a result, the unemployment rate declined by 20 basis point to 3.6% in the review month. Meanwhile, the inflation rate firmed to 1.2% from 0.8% in February, attributed to higher costs for gasoline, shelter and food. In external sector developments, the trade deficit edged down by 0.1% to \$89.2 billion in February vis-à-vis the prior month, supported by a 1.8% increase in exports, which outpaced the 1.3% rise in imports. In this environment, the Federal Reserve increased its benchmark interest rate to 0.25%–0.50%, from 0.00%–0.25%, while further suggesting that another rate hike was imminent to curb elevated inflation.

Developments in the European economies varied during the month of March. In particular, growth in the United Kingdom's monthly real GDP slowed to 0.1% in February, from 0.8% a month earlier. In labor market developments, the unemployment rate fell by 20 basis points in the three months to February to 3.8%, as 35,000 workers were added to the labour force. In terms of the external sector, the trade deficit moderated by £3.6 billion (27.9%) to £9.3 billion in February, as imports increased by £2.4 billion (4.4%), while exports fell by £1.2 billion (1.8%). In addition, industrial production declined by 60 basis points in February, underpinned by a reduction in manufacturing, mining & quarrying, electricity & gas, and water supply & sewerage. Similarly, retail sales contracted by 30 basis points, owing primarily to a falloff in the volume of non-store retailing and food store sales. In line with the global trend, consumer prices moved higher by 1.1% in March from 0.8% in the prior month, reflective of higher prices for housing & household services and transport. In the euro area, retail sales rose by 30 basis points in February, compared to the previous month's 20 basis points increase. Likewise, industrial production grew by 70 basis points, a reversal from a falloff of a similar magnitude in January. In the labour market, the unemployment rate fell slightly by 10 basis points to 6.8% in February from a month earlier. Meanwhile, consumer prices accelerated to 7.5% in March, from 5.9% in the previous month, owing primarily to a sharp rise in energy prices. On the external front, the euro area recorded a €7.6 billion trade deficit in February, a switch from a €23.6 billion surplus a year earlier, as imports grew by 38.8%, outstripping the 17.0% gain in exports. Given these developments, the Bank of England raised its key policy rate to 0.75% from 0.25%, in an effort to sustain growth and employment, while the European Central Bank maintained its interest rates on the main refinancing operations, marginal lending facility and deposit facility at 0.00%, 0.25%, and 0.50%.

Within the Asian economies, economic indicators recorded mixed performances over the review period. In China, real GDP advanced by 4.8% during the first quarter of 2022. Similarly, industrial production grew by 5.0% year-on-year in March. Further, in the external sector, China's trade surplus widened to \$47.4 billion in March from \$11.8 billion in the previous month, as exports rose by 14.7%, while imports edged down by 0.1%. In contrast, retail sales fell by 3.5% during the review month, compared with the prior month, as Chinese authorities implemented stringent new anti-virus controls. Meanwhile, annual inflation firmed by 1.5% in March from 0.9% in the preceding month, owing to higher non-food prices. In Japan, industrial production rose by 0.1% in February, bolstered by growth in the production of cars and transport equipment, while, retail sales fell by 0.8%, due to the reduction in sales of general merchandise and machinery & equipment. Further, the jobless rate declined by 10 basis points to 2.7% in March, relative to the prior month. In this environment, the Bank of Japan sustained its policy rate at -0.1%, while the People's Bank of China lowered its reverse repo rate by 10 basis points to 2.10%.

The major equity markets reported mixed movements during the month of March. In the United States, the S&P 500 and the Dow Jones Industrial Average (DJIA) grew by 3.6% and 2.3%, respectively. Similarly, in Europe, the United Kingdom's FTSE 100 rose by 0.8%. However, the German DAX decreased by 0.3%, while the French CAC 40 remained unchanged. In Asia, Japan's Nikkei 225 firmed by 4.9%; however, China's SE Composite declined by 6.1%.

In currency market developments, the US dollar appreciated relative to most of the major currencies during the review month. In particular, the US dollar strengthened against the Japanese Yen, by 5.8% to ¥121.70, the British Pound, by 2.2% to £0.7612 and the euro, by 1.4% to €0.9036. Similarly, the US dollar increased vis-à-vis the Swiss Franc, by 0.6% to CHF0.9225 and the Chinese Renminbi, by 0.5% to CNY 6.34. By contrast, the US dollar weakened against the Canadian Dollar, by 1.3% to CAD\$1.2505.

During the review month, commodity prices continued to rise, reflective of the ongoing geopolitical tensions in Eastern Europe. Specifically, in March, the cost of crude oil rose by 10.5% to \$100.85 per barrel, despite OPEC's increase in crude oil production by 57 thousand barrels per day (0.4%) to average 28.6 million barrels per day. In addition, the prices of both gold and silver moved higher, by 1.5% to \$1,937.44 and, by 1.4% to \$24.79 per troy ounce, respectively.

Recent Monetary and Credit Statistics

(B\$ Millions)

March					
Value		Change		Change YTD	
2021	2022	2021	2022	2021	2022

1.0 LIQUIDITY & FOREIGN ASSETS

1.1 Excess Reserves	1,373.67	1,806.20	20.06	179.06	-62.60	265.90
1.2 Excess Liquid Assets	2,176.98	2,680.92	18.65	174.32	-52.74	247.18
1.3 External Reserves	2,250.71	2,982.14	-5.61	512.94	-129.89	522.98
1.4 Bank's Net Foreign Assets	-20.84	210.40	62.67	35.43	77.07	125.44
1.5 Usable Reserves	1,148.75	1,592.60	-24.16	343.87	-106.44	327.25

2.0 DOMESTIC CREDIT

2.1 Private Sector	5,705.25	5,543.05	-21.83	-18.91	-28.79	-45.28
a. B\$ Credit	5,564.44	5,428.56	-18.52	-17.81	-24.44	-32.35
of which: Consumer Credit	2,006.71	1,863.76	-20.48	-7.07	-30.14	-27.01
Mortgages	2,788.02	2,728.10	1.93	-7.02	-6.83	-18.00
Commercial and Other Loans B\$	769.71	836.70	0.04	-3.71	12.53	12.66
b. F/C Credit	140.81	114.48	-3.31	-1.10	-4.35	-12.92
of which: Mortgages	62.90	61.46	-0.74	0.26	-0.37	-7.56
Commercial and Other Loans F/C	77.91	53.02	-2.57	-1.36	-3.98	-5.36
2.2 Central Government (net)	2,658.42	2,778.40	40.09	-196.44	129.78	-166.98
a. B\$ Loans & Securities	2,843.35	3,069.27	47.34	-88.28	112.77	-83.05
Less Deposits	354.75	392.71	6.80	107.22	-17.55	19.58
b. F/C Loans & Securities	174.13	108.36	0.00	2.03	0.03	-61.60
Less Deposits	4.31	6.53	0.45	2.97	0.56	2.75
2.3 Rest of Public Sector	324.03	315.75	-10.71	-0.18	0.78	-0.86
a. B\$ Credit	278.57	285.75	-9.09	-0.18	2.40	-0.86
b. F/C Credit	45.46	30.00	-1.62	0.00	-1.62	0.00
2.4 Total Domestic Credit	8,687.70	8,637.20	7.55	-215.52	101.77	-213.12
a. B\$ Domestic Credit	8,331.62	8,390.89	12.93	-213.48	108.28	-135.84
b. F/C Domestic Credit	356.08	246.32	-5.38	-2.05	-6.51	-77.28

3.0 DEPOSIT BASE

3.1 Demand Deposits	3,175.39	3,666.79	35.60	118.81	67.15	260.69
a. Central Bank	44.31	99.29	1.26	56.85	-7.92	37.92
b. Banks	3,131.08	3,567.51	34.34	61.96	75.07	222.77
3.2 Savings Deposits	1,785.15	1,943.49	-3.94	43.71	0.54	62.68
3.3 Fixed Deposits	2,247.50	2,161.76	-7.46	13.07	-2.86	-19.04
3.4 Total B\$ Deposits	7,208.04	7,772.05	24.19	175.60	64.82	304.32
3.5 F/C Deposits of Residents	460.32	574.77	41.75	29.75	32.98	41.78
3.6 M2	7,576.31	8,151.19	25.65	179.02	55.92	294.24
3.7 External Reserves/M2 (%)	29.71	36.59	-0.18	5.61	-1.95	5.29
3.8 External Reserves/Base Money (%)	109.85	119.12	-1.42	12.73	-2.52	5.18
3.9 External Reserves/Demand Liabilities (%)	102.12	107.31	-2.01	6.15	-3.64	4.31
	Value	Year To Date		Change		
	2021	2022	2021	2022	Month	YTD

4.0 FOREIGN EXCHANGE TRANSACTIONS

4.1 Central Bank Net Purchase/(Sale)	-0.90	512.17	-127.41	522.92	513.07	650.34
a. Net Purchase/(Sale) from/to Banks	-5.29	93.18	-53.16	212.49	98.47	265.65
i. Sales to Banks	22.28	23.70	75.88	101.90	1.42	26.02
ii. Purchase from Banks	16.99	116.88	22.72	314.39	99.89	291.67
b. Net Purchase/(Sale) from/to Others	4.40	418.99	-74.26	310.43	414.60	384.69
i. Sales to Others	54.87	76.73	190.36	288.76	21.86	98.40
ii. Purchase from Others	59.27	495.72	116.11	599.19	436.45	483.09
4.2 Banks Net Purchase/(Sale)	15.91	108.12	5.73	266.01	92.21	260.28
a. Sales to Customers	446.95	512.83	1082.85	1486.49	65.89	403.64
b. Purchase from Customers	462.85	620.95	1088.58	1752.50	158.09	663.92

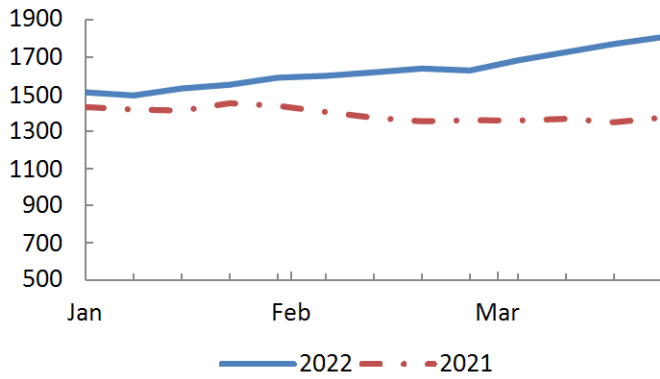
5.0 EXCHANGE CONTROL SALES

5.1 Current Items	493.86	471.29	1,204.94	1,449.65	-22.57	244.71
of which Public Sector	51.44	3.58	138.99	85.65	-47.86	-53.34
a. Nonoil Imports	154.91	157.42	394.97	444.47	2.51	49.50
b. Oil Imports	35.13	43.15	77.09	143.83	8.02	66.73
c. Travel	12.74	9.73	30.75	33.33	-3.00	2.58
d. Factor Income	33.73	14.34	73.47	80.41	-19.39	6.93
e. Transfers	18.16	13.39	53.13	43.10	-4.77	-10.03
f. Other Current Items	239.19	233.25	575.52	704.51	-5.94	128.99
5.2 Capital Items	11.80	20.55	51.74	166.73	8.76	115.00
of which Public Sector	10.40	0.00	43.18	109.51	-10.40	66.32

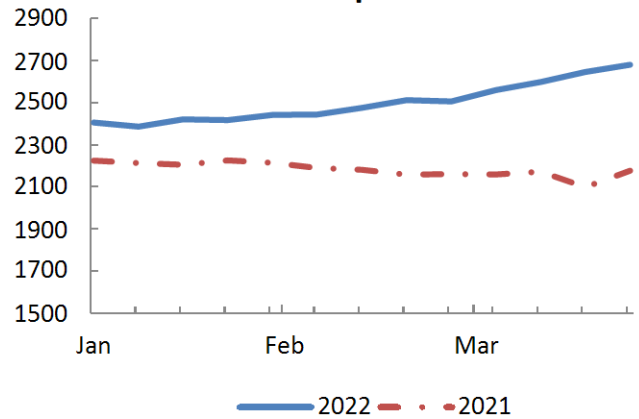
SELECTED MONEY AND CREDIT INDICATORS

(B\$ Millions)

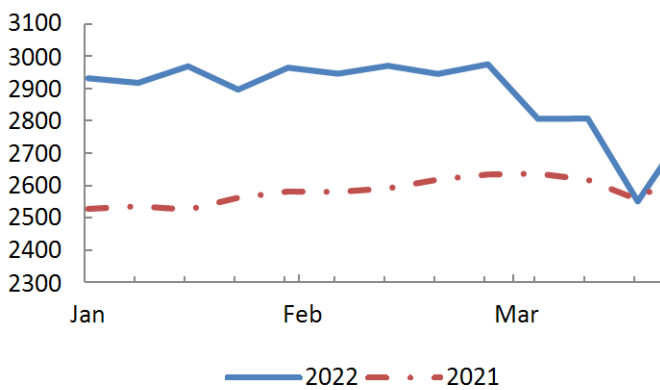
Excess Reserves



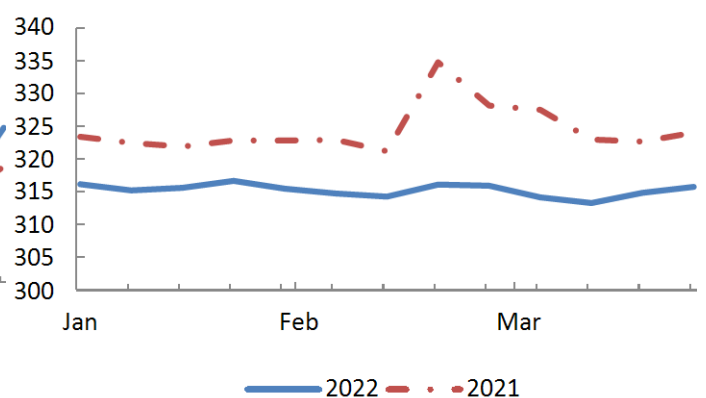
Excess Liquid Assets



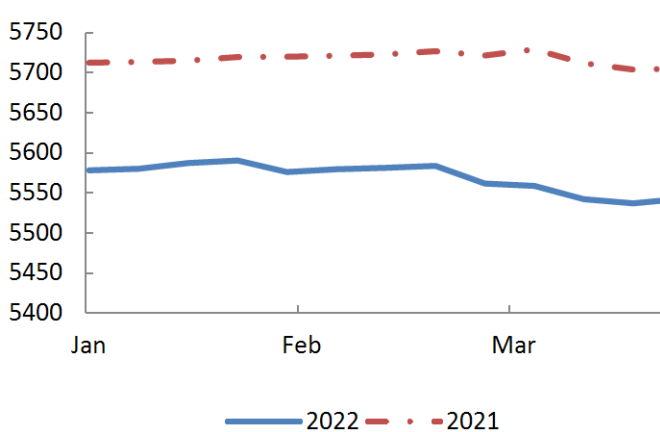
Central Govt. Credit (Net)



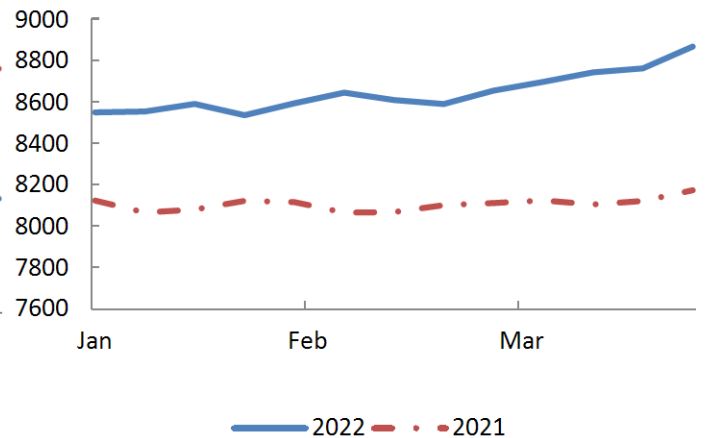
Rest of Public Sector Credit



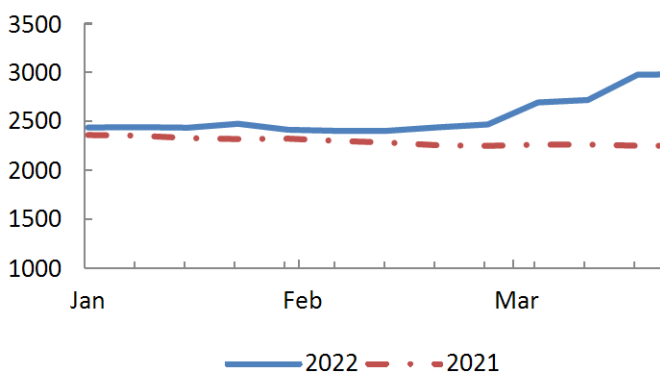
Private Sector Credit



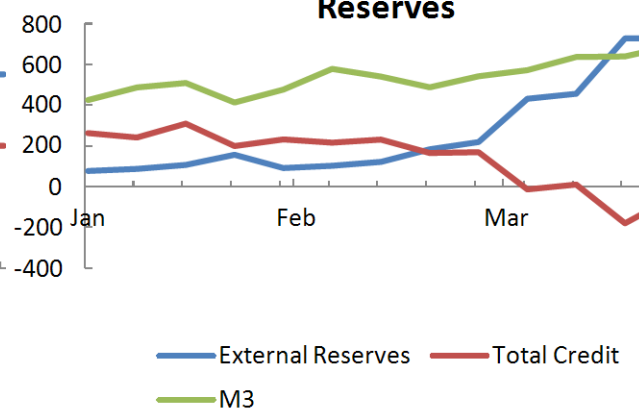
M3



External Reserves



Changes in Money, Credit & Ext. Reserves



Selected International Statistics

A: Selected Macroeconomic Projections (Annual % Change and % of labor force)						
	Real GDP		Inflation Rate		Unemployment	
	2021	2022	2021	2022	2021	2022
Bahamas	5.6	6.0	5.5	6.7	n/a	n/a
United States	5.7	3.7	4.7	7.7	5.4	3.5
Euro-Area	5.3	2.8	2.6	5.3	7.7	7.3
Germany	2.8	2.1	3.2	5.5	3.5	3.2
Japan	1.6	2.4	-0.3	1.0	2.8	2.6
China	8.1	4.4	0.9	2.1	4.0	3.7
United Kingdom	7.4	3.7	2.6	7.4	4.5	4.2
Canada	4.6	3.9	3.4	5.6	7.4	5.9

Source: IMF World Economic Outlook April 2022.

B: Official Interest Rates – Selected Countries (%)					
<i>With effect</i> <i>from</i>	CBOB	ECB (EU)	Federal Reserve (US)		Bank of England
	Bank Rate	Refinancing Rate	Primary Credit Rate	Target Funds Rate	Repo Rate
November 2019	4.00	0.00	2.25	1.50-1.75	0.75
December 2019	4.00	0.00	2.25	1.50-1.75	0.75
January 2020	4.00	0.00	2.25	1.50-1.75	0.75
February 2020	4.00	0.00	2.25	0.00-0.25	0.25
March 2020	4.00	0.00	1.02	0.00-0.25	0.10
April 2020	4.00	0.00	0.25	0.00-0.25	0.10
May 2020	4.00	0.00	0.25	0.00-0.25	0.10
June 2020	4.00	0.00	0.25	0.00-0.25	0.10
July 2020	4.00	0.00	0.25	0.00-0.25	0.10
August 2020	4.00	0.00	0.25	0.00-0.25	0.10
September 2020	4.00	0.00	0.25	0.00-0.25	0.10
October 2020	4.00	0.00	0.25	0.00-0.25	0.10
November 2020	4.00	0.00	0.25	0.00-0.25	0.10
December 2020	4.00	0.00	0.25	0.00-0.25	0.10
January 2021	4.00	0.00	0.25	0.00-0.25	0.10
February 2021	4.00	0.00	0.25	0.00-0.25	0.10
March 2021	4.00	0.00	0.25	0.00-0.25	0.10
April 2021	4.00	0.00	0.25	0.00-0.25	0.10
May 2021	4.00	0.00	0.25	0.00-0.25	0.10
June 2021	4.00	0.00	0.25	0.00-0.25	0.10
July 2021	4.00	0.00	0.25	0.00-0.25	0.10
August 2021	4.00	0.00	0.25	0.00-0.25	0.10
September 2021	4.00	0.00	0.25	0.00-0.25	0.10
October 2021	4.00	0.00	0.25	0.00-0.25	0.10
November 2021	4.00	0.00	0.25	0.00-0.25	0.10
December 2021	4.00	0.00	0.25	0.00-0.25	0.25
January 2022	4.00	0.00	0.25	0.00-0.25	0.25
February 2022	4.00	0.00	0.25	0.00-0.25	0.50
March 2022	4.00	0.00	0.50	0.25-0.50	0.75

Selected International Statistics

C. Selected Currencies (Per United States Dollars)						
Currency	Mar-21	Feb-22	Mar-22	Mthly % Change	YTD % Change	12-Mth% Change
Euro	0.8525	0.8913	0.90359	1.37	2.74	5.99
Yen	110.72	115.00	121.70	5.83	-5.75	9.92
Pound	0.7255	0.7451	0.7612	2.15	3.00	4.91
Canadian \$	1.2562	1.2675	1.2505	-1.34	-1.04	-0.45
Swiss Franc	0.9436	0.9168	0.9225	0.62	1.05	-2.24
Renminbi	6.5529	6.3092	6.3400	0.49	-0.25	-3.25

Source: Bloomberg as of March 31st, 2022

D. Selected Commodity Prices (\$)					
Commodity	Mar-21	Feb-22	Mar-22	Mthly % Change	YTD % Change
Gold / Ounce	1707.71	1908.99	1937.44	-98.9851	5.9173409
Silver / Ounce	24.42	24.45	24.793	-98.986	6.369834
Oil / Barrel	65.95	91.29	100.85	-98.8953	27.33586

Source: Bloomberg as of March 31st, 2022

E. Equity Market Valuations –March 31st, 2022 (% change)								
	BISX	DJIA	S&P 500	FTSE 100	CAC 40	DAX	Nikkei 225	SE
1 month	-0.75	2.32	3.58	0.77	0.02	-0.32	4.88	-6.07
3 month	0.08	-4.57	-4.95	1.78	-6.89	-9.25	-3.37	-10.65
YTD	0.08	-4.57	-4.95	1.78	-6.89	-9.25	-3.37	-10.65
12-month	13.56	5.14	14.03	11.95	9.77	-3.96	-4.65	-5.51

Sources: Bloomberg and BISX

F: Short Term Deposit Rates in Selected Currencies (%)			
	USD	GBP	EUR
o/n	0.3850	0.7200	-0.5500
1 Month	0.6000	0.7600	-0.5250
3 Month	0.7077	1.1120	-0.4950
6 Month	1.4100	1.3900	-0.3000
9 Month	1.8100	1.6900	-0.2025
1 year	2.0750	1.7850	-0.1000

Source: Bloomberg as of March 31st, 2022

**Summary Accounts of the Central Bank
(B\$ Millions)**

	VALUE									CHANGE								
	Feb. 02	Feb. 09	Feb. 16	Feb. 23	Mar. 02	Mar. 09	Mar. 16	Mar. 23	Mar. 30	Feb. 02	Feb. 09	Feb. 16	Feb. 23	Mar. 02	Mar. 09	Mar. 16	Mar. 23	Mar. 30
I. External Reserves	2,415.11	2,403.29	2,404.88	2,439.61	2,469.21	2,694.10	2,719.45	2,979.03	2,982.14	(61.06)	(11.82)	1.58	34.73	29.59	224.90	25.34	259.59	3.11
II. Net Domestic Assets (A + B + C + D)	(139.32)	(123.95)	(107.39)	(119.77)	(148.25)	(328.77)	(309.23)	(522.96)	(478.65)	117.23	15.37	16.57	(12.38)	(28.48)	(180.52)	19.54	(213.72)	44.30
A. Net Credit to Gov't (I + ii + iii -iv)	540.98	556.26	551.73	540.06	525.41	388.31	407.83	188.15	357.07	87.00	15.28	(4.53)	(11.66)	(14.66)	(137.09)	19.52	(219.69)	168.92
i) Advances	265.00	265.00	265.00	265.00	265.00	265.00	265.00	265.00	205.00	-	-	-	-	-	-	-	-	(60.00)
ii) Registered Stock	333.55	333.72	328.41	329.16	321.84	321.96	322.07	322.11	322.19	(0.19)	0.17	(5.31)	0.75	(7.32)	0.12	0.11	0.04	0.08
iii) Treasury Bills	30.61	30.61	32.28	18.16	15.85	15.85	15.85	5.92	5.92	-	-	1.67	(14.12)	(2.32)	(0.00)	0.00	(9.93)	-
iv) Deposits	88.19	73.07	73.96	72.26	77.29	214.50	195.08	404.88	176.05	(87.19)	(15.11)	0.89	(1.70)	5.03	137.21	(19.41)	209.80	(228.84)
B. Rest of Public sector (Net) (i+ii-iii)	(55.95)	(56.90)	(34.35)	(36.40)	(35.47)	(66.94)	(75.34)	(48.64)	(92.32)	(2.21)	(0.96)	22.55	(2.05)	0.92	(31.47)	(8.40)	26.70	(43.68)
i) Loans	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	-	-	-	-	-	-	-	-	-
ii) Bonds/Securities	5.09	5.09	5.09	5.09	5.09	5.09	5.09	5.09	5.09	0.00	-	-	-	-	-	-	-	-
iii) Deposits	62.91	63.87	41.31	43.37	42.44	73.91	82.31	55.61	99.29	2.21	0.96	(22.55)	2.05	(0.92)	31.47	8.40	(26.70)	43.68
C. Loans to/Deposits with Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D. Other Items (Net)*	(624.36)	(623.31)	(624.77)	(623.43)	(638.18)	(650.14)	(641.73)	(662.47)	(743.40)	32.43	1.05	(1.45)	1.33	(14.75)	(11.96)	8.42	(20.74)	(80.93)
III. Monetary Base	2,275.79	2,279.34	2,297.49	2,319.84	2,320.96	2,365.33	2,410.21	2,456.07	2,503.49	56.16	3.55	18.15	22.35	1.11	44.37	44.88	45.86	47.42
A. Currency in Circulation	516.48	517.15	506.03	508.74	508.46	514.30	511.14	510.47	512.44	2.07	0.67	(11.12)	2.71	(0.28)	5.84	(3.16)	(0.68)	1.97
B. Bank Balances with CBOB	1,759.31	1,762.19	1,791.46	1,811.10	1,812.49	1,851.03	1,899.07	1,945.61	1,991.05	54.09	2.88	29.27	19.64	1.39	38.53	48.04	46.54	45.44

