



# CONFIDENTIAL ECONOMIC BULLETIN

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## OVERVIEW

Inflation for the month of September 2006 was 0.75% and compares favourably to the 2.61% in September of 2005 which captured the largest price change in oil due to shortages following the passage of hurricane Katrina (see Inflation Chart in Appendix). Inflation for the first nine months of 2006 was 5.49% compared to 11.83% for the corresponding period last year. The FX rate worsened by 0.1% during September representing a depreciation of the Jamaican dollar by 9 cents against its US counterpart.

The higher Consumer Price Index (CPI) in September largely reflected higher food prices resulting from 'Vegetable and Fruit' items such as

oranges and tomatoes; 'Baked Products Cereal & Breakfast Drink' which captured higher prices for flour and breads among other food groups. 'Starchy food' was the only item under Food and Drink that reflected falling prices. Food & Drink accounted for approximately 66% of the month's inflation.

Miscellaneous Expenses was the 2nd largest contributor to inflation during the month. It reflected higher prices for items such as tuitions, stationary and plays.

'Housing and Other Housing Expenses' was 3rd reflecting higher prices for items such as cement and other construction materials, electricity and water.

The Net International Reserve increased by US\$126.4M in September to close at US\$2,342.0M. Total NIR was sufficient to accommodate 26.1 weeks of goods importation.

Stopovers for the month of September 2006 grew by 10.2% when compared to the corresponding month of 2005. Stopover arrivals exceeded that of September 2004 by 23.8%.

Cruise arrivals for September 2006 increased by 15.0% when compared to arrivals in September 2005. Cruise arrivals for the month exceeded that of September 2004 by 62.9%.

Alumina exports for September increased by 1.7%, but was accompanied by a decline in its Production of 0.2%. Crude Bauxite exports grew by 18.5 along with a 8.9% increase in its production.

The Jan-May 2006 trade deficit expanded by US\$64.6M or 4.9%

relative to the corresponding period last year.

For the period April to August of the fiscal year 2006/07 the government fiscal deficit was J\$5.85B below budget. This resulted from Expenditure being \$6.31B below budget. This was partially offset by the \$459.5 million lower than planned revenue collections. Expenditure savings resulted largely from cut backs in Programmes Expenditure and Wages & Salaries. Tax revenue grew by 16.6% over the corresponding period of 2005. The estimate for the FY 06/07 is 20%.

On September 22nd, the BOJ reduced rates on all Open Market Operation (OMO) instruments by 20-BP. Six month Treasury Bills fell by 30-BP over September to end the month at 12.49%. In September, the average lending rate declined by 70-BP to close at 21.80%. Also, the average savings rate declined by 3-BP to close at 5.36%.

## Net International Reserves (NIR)

There was a US\$126.4M increase in the Net International Reserves during September 2006. At the end of the month the reserve balance stood at US \$2,342.0M in contrast to the previous month's value of US \$2,215.6M. The gross reserves amounted to 26.1 weeks of Goods imports compared to the 27.0 weeks recorded for the corresponding period of last year. Since Jan-06 the NIR increased by US\$254.6M (see Table 1).

### Inside this issue:

Overview	1
Net International Reserve	1
** Foreign Currency Deposits	2
Foreign Exchange Rates	2
Interest Rates	2
Base Money & ** Money Supply	3
Inflation	3
Bauxite & Alumina Production	3
Tourism	3
External Trade	4
Balance of Payments	6
** Fiscal Accounts	7
Stock Market	9
Developments & Outlook	10
Appendix	12
Statistical Index	14
Key of Acronyms	15

\*\* No changes since last report

## Foreign Currency

For the month of July total foreign currency deposits amounted to US \$2,049.93 million, approximately US\$6.80 million lower than the previous month's figure (see Table 2). This resulted from lower balances at Commercial Banks (US \$15.5M) which was partially offset by increased Foreign Currency holdings at both Building Societies (US\$5.2M) and Merchant Banks (US\$3.5M).

For the 12 months to July 2006 foreign currency deposits grew by US\$66M representing a 3.3% increase since July of last year (see Table 2)

## Foreign Exchange Rate

The local currency depreciated by 9 cents Jamaican against its US counterpart during September to end the period at \$66.06 (see table 3). The rate has depreciated by approximately 20 cents Jamaican over the first three weeks of October to J\$66.25 on the 23rd day.

The Jamaican dollar gained J\$1.72 against the Pound for the month and also 34 cents (JA) against the Canadian Dollar (see Table 3).

## Interest Rates

On the 22nd of September 2006, the BOJ once more reduced rates on Open Market Instruments (OMO). There was a 20 BP reduction on all instruments. The 30-day (1-Month) instrument fell to a rate of 11.95% while the rate on 6-month instrument fell to 12.30%. The reduction reflects a better than expected performance of the Jamaican Economy since January. Inflation has remained low with positive prospects of achieving the single digit target which promotes a stable outlook for the remainder of the year.

The six-month T-bill cleared the market at an average yield of 12.49% on September 29, 2006.

**Table 1: Changes in the NIR**

	US\$M NIR	Change US\$M			Imports (Weeks)
		Mthly	12 Mth	YTD	
Sep-06	2,342.0	126.4	223.0	254.6	26.1
Sep-05	2,119.0	1.5	502.5	260.5	27.0

Source: Compiled from the BOJ (Preliminary)

**Table 2: Foreign Currency Deposits**

	US\$000 July '06	Change (US\$000)		% 12 mth
		mthly	12 mth	
Commercial Banks	1,508,462	(15,472)	11,258	0.75%
Building Societies.	380,500	5,180	40,042	11.76%
Merchant Banks	160,963	3,496	14,956	10.24%
Total Deposits	2,049,925	(6,796)	66,256	3.34%

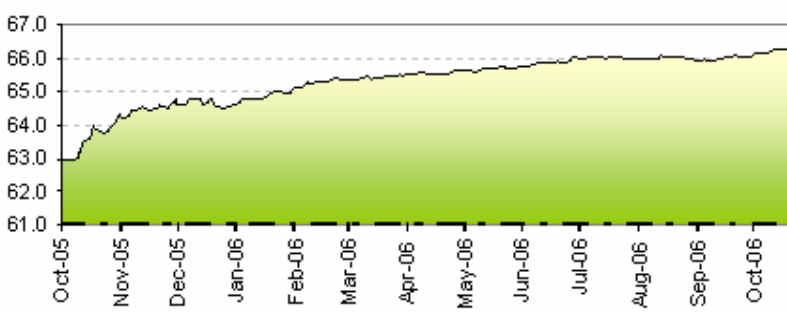
Source: Compiled from the BOJ (Preliminary)

**Table 3: Foreign Exchange Trends (September-2006)**

	Year to Date Currency Rate Change*					
	J\$/ US\$	%	J\$/ UKE	%	J\$/ Can\$	%
2006	1.47	2.3	13.08	11.8	4.15	7.5
2005	1.26	2.1	-7.90	-6.7	2.94	5.8
2004	1.27	2.1	4.16	3.9	2.46	5.3
	Monthly					
Sep-06	0.09	0.1	-1.72	-1.4	-0.34	-0.6

\*minus = appreciation; Source: BOJ database & PSOJ Economic Research

**Figure 1: Daily Exchange Rate Movements (J\$/ US\$)**



Source: Bank of Jamaica Database (BOJ)

**Table 5: Interest Rate Movements**

	September-06	Change (%age pts)		
		Monthly	12-Mth	YTD
30 Day Repo	11.95%	-0.20%	-0.65%	-0.65%
180-Day Repo	12.30%	-0.20%	-0.70%	-0.70%
Avg Savings Deposit (Aug-06)	5.36%	-0.03%	-0.12%	-0.12%
Avg Loan Rate (Aug-06)	21.80%	-0.70%	-0.20%	-0.20%
6 Month T-Bill	12.49%	-0.30%	-0.47%	-0.20%
12 Month T-Bill	n/a	n/a	n/a	n/a

Source: Bank of Jamaica (BOJ Preliminary) \*n/a = not applicable

This was 30-BP below the 12.79% in August. For the first nine (9) months, the 6-Month T-Bill rates declined by 20-BP.

In September 2006, the average lending rate declined by 70 Basis Points (bp) while the average borrowing rate declined by 30-bp. (see Table 5 & Figure 2).

## Base Money & Money Supply

The monetary base declined by 0.23% in September 2006 relative to the previous month. For the month of May 2006, M1 Money supply fell by 0.73% from the previous months' value. Quasi and M2 Money, however, increased by 0.80% and 0.34% respectively (see table 6).

## Inflation

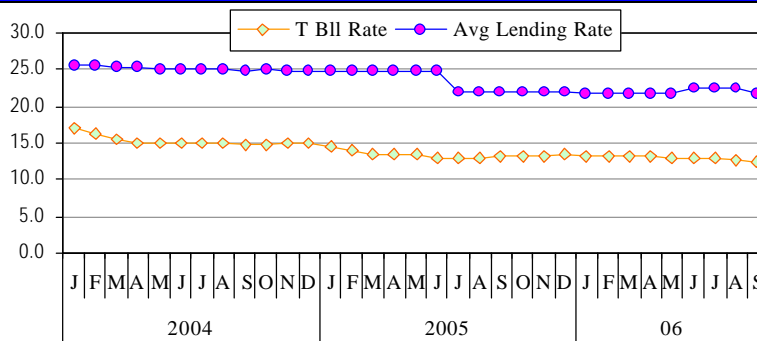
The inflation rate rose by 0.75% in September 2006 (see Table 7). This is the sixth (6th) time since January 2006 that the monthly inflation rate was below this 1.0% mark (see Appendix).

The KMA (1.0%) experienced the most significant price change for the month. Other Towns and Rural Areas had price increases of 0.7% and 0.5% respectively.

The Food & Drink segment represented the largest contributor to inflation during September. There were higher prices for 'Vegetable and Fruit' items such as Oranges, Tomatoes and bananas. The 'Baked Products Cereal & Breakfast Drink' segment reflected price increases for flour, hard dough and whole wheat breads. Within the category, 'Other Foods and Drink' also reflected higher prices for brown sugar. 'Starchy Foods' was the only item to deflate during the month. The Food and Drink segment accounted for approximately 66% of the months inflation.

Miscellaneous Expense was the 2nd largest contributor to inflation during September. This resulted a more than 6% increase in tuitions,

Figure 2: Interest Rate Movements



Source: Bank of Jamaica Database (BOJ preliminary)

Table 6: Base Money and Money Supply

	J\$M	Percentage Change (%)	
		Mthly	12 Mth
M1	68,644.47	-0.73	9.47
Quasi Money	161,380.62	0.80	7.15
M2	230,025.09	0.34	7.84
	Sep-06	Mthly	12 Mth
Base Money	47,320.21	-0.23	17.20

Source: BOJ Economic Statistics Nov05, BOJ NIR update Nov05

Table 7: Inflation Trends

	Percent Changes			
	Sep	12Mth	YTD	Fiscal
2006	0.75	6.5	5.49	5.34
2005	2.61	19.0	11.83	10.23

Source: STATIN & BOJ Statistical Digest

back to school stationary for all regions and entry fees for plays.

Cement, water, electricity and other construction materials reflected prices increases in September. This led to 'Housing and Other Housing Expenses' being the (3rd) largest contributor to upward trends in prices.

(see Table 7 and INFLATION (September CPI) in Appendix)

## Bauxite & Alumina Production

Production of Alumina in September 2006 fell by 0.2% but experience an increase in exports by 1.7% when compared to September 2005 (see table 8). Both Crude Bauxite production and Exports increased in September 2006 over

2005. Production increased by 8.9% while associated exports increased by 18.5% (see Table 8).

In the first (9) nine months of 2006 Alumina exports fell by 3.1% while Crude bauxite increased by 15.1%.

## Tourism

**Stopovers:** Stopovers for the first nine months of 2006 increased by 17.2% over the same period last year (see Table 9 & Figure 4B). This was due to a 17.3% increase in visits by Foreign nationals and a 16.1% increase for Non-resident nationals. Stopover arrivals for September 2006 were greater than arrivals in September 2005 and 2004 by 10.2% and 23.8% respectively.

**Cruise Passengers:** Cruise arrivals

for the period Jan-Sep 2006 grew by 15.0% when compared to the same period of 2005 (see Table 9 & Figure 4C). Cruise arrivals in September 2006 exceeded that in 2005 by 13.3% and also the level in September 2004 by 62.9%.

**Total Visitors:** Total arrivals for the first nine (9) months of 2006 increased by 16.3% over the comparable period last year. This resulted from an additional 190,013 stopovers and 124,052 more cruise arrivals to the country. Total arrivals in September 2006 exceeded the total amount for 2005 and 2004 by 11.7% and 40.5% respectively.

## External Trade

The nation's trade deficit widened by approximately 4.9% in the first five months of 2006 when compared to the corresponding period before. This change represents a US \$64.64M deterioration to bring the deficit on the Trade AC to a balance of US\$1,380.88M. The import bill grew by US\$250.42M while export revenues increased by US\$185.78M above the corresponding period of 2005.

Exports amounted to US \$827.14M, up from US\$641.36M. There was a US\$54.02M improvement in Traditional exports resulting largely from Mining and Quarrying. Over the five months the Mining and Quarrying sector grew by US\$37.23M or 8.8% when compared to the same period last year. The increase in Agriculture and Manufacturing together was less than half the increase in Mining and Quarrying.

The increase in Mining and Quarrying reflects the sector's increased growth in export of Alumina and second to it was that of Bauxite. Changes in Mining and Quarrying is directly correlated to changes in Alumina, a component that represents approximately 86% of all the category's export since the start of the year.

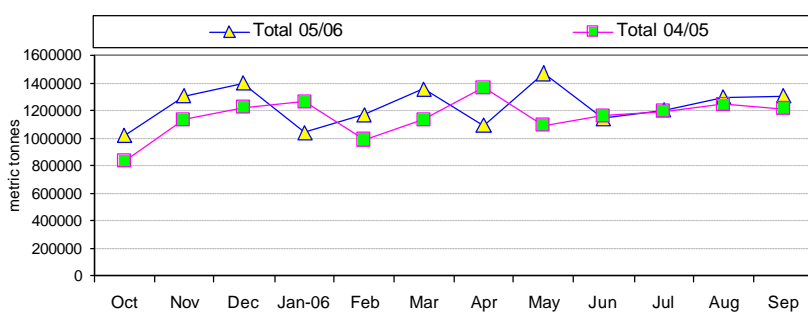
Trends in Agriculture was dominated by Coffee exports represent-

**Table 8: Mining Production**

	000 tonnes			YTD	
	Sept-05	Aug-06	%	Sep-06	06/05 %
<b>Production</b>					
Alumina	323.3	322.7	-0.2	3,073	-1.76
C. Bauxite	364.6	397.2	8.9	3,448	14.45
<b>Export</b>					
Alumina	346.6	352.5	1.7	3,016	-3.12
C. Bauxite	352.6	418.0	18.5	3,458	15.10

Source: Jamaica Bauxite Institute (JBI)

**Figure 3: Bauxite Exports for (12 mths 2005 - 2006)**



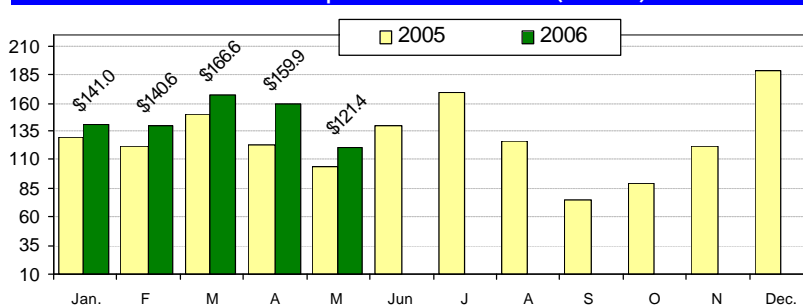
Source: Jamaica Bauxite Institute (JBI) [\* The graph reflects information for Jan-05 - Jan-06: Lines cross year also]

**Table 9: Tourist Arrivals**

	2005	2006	% Change	
	YTD (Sep)	YTD - YOY	YTD - YOY	Sep 05/06
<b>Stopover</b>	1,104,191	1,294,204	17.2%	10.2%
Foreign Nats	1,041,532	1,221,452	17.3%	11.9%
Non-Resident Nats	62,659	72,752	16.1%	-9.3%
<b>Cruise</b>	826,277	950,329	15.0%	13.3%
<b>Total Arrivals</b>	1,930,468	2,244,533	16.3%	11.7%

Source: Jamaica Tourist Board (preliminary) & BOJ BOP Statistical Update

**Table 4A: Estimated Tourism Expenditure US\$ - Million (Jan-Dec)**

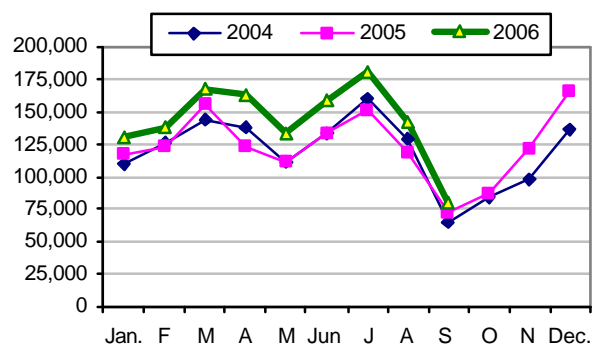


Source: Jamaica Tourist Board (preliminary data) & BOJ Statistical Update (Revised values)

ing approximately 71% of the segments' value. Bananas captured significant changes but repre-

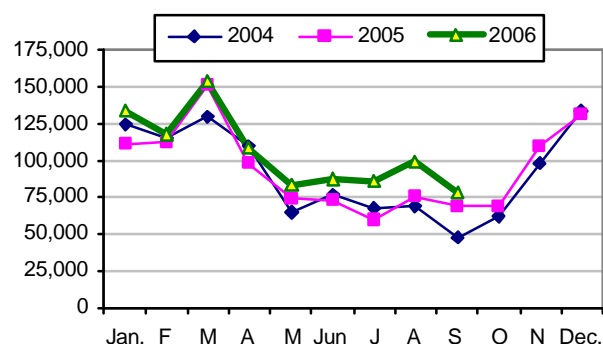
sented only approximately 23% of the sectors' export value. In the five months since January 2006,

Table 4B: Stopover Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Table 4C: Cruise Arrivals to Jamaica



Source: Jamaica Tourist Board (preliminary data)

Table 10: External Trade (US\$M)

	Jan-May '2005	Jan-May '2006	Change	% Change
<b>TOTAL EXPORTS (fob)</b>	<b>641.36</b>	<b>827.14</b>	<b>185.78</b>	<b>29.0%</b>
Major Traditional Exports	524.23	578.25	54.02	10.3%
by Sector:-				
Agriculture	11.76	22.40	10.64	90.5%
Mining & Quarrying	424.67	461.90	37.23	8.8%
Manufacturing	87.81	93.95	6.15	7.0%
by Industry:-				
Bauxite	39.11	47.17	8.06	20.6%
Alumina	384.63	413.95	29.33	7.6%
Sugar	72.98	73.45	0.47	0.6%
Rum	13.87	16.99	3.13	22.5%
Bananas	0.81	5.30	4.49	
Coffee	9.11	16.86	7.75	85.0%
Other	3.74	4.53	0.80	21.3%
Non-Traditional Exports	105.69	233.39	127.70	120.8%
Re-exports	11.44	15.49	4.05	35.4%
<b>TOTAL IMPORTS</b>	<b>1,957.60</b>	<b>2,208.02</b>	<b>250.42</b>	<b>12.8%</b>
Food	242.90	254.09	11.19	4.6%
Beverages & Tobacco	22.65	26.59	3.94	17.4%
Crude Materials (excl. Fuels)	39.54	37.60	-1.94	-4.9%
Mineral Fuels, etcetera	535.53	703.61	168.08	31.4%
Animal & Vegetable Oils & Fats	12.40	10.82	-1.57	-12.7%
Chemicals	225.33	253.99	28.66	12.7%
Manufactured Goods	270.33	246.85	-23.48	-8.7%
Machinery and Transport Equip.	343.67	410.75	67.08	19.5%
Misc. Manufactured Articles	186.24	177.19	-9.05	-4.9%
Other	79.02	86.52	7.50	9.5%
<b>TRADE BALANCE</b>	<b>(1,316.24)</b>	<b>(1,380.88)</b>	<b>-64.64</b>	<b>4.9%</b>

Source: STATIN Jamaica and Bank of Jamaica (BOJ Monthly Statistical Update)

Coffee exports grew by approximately 77% over the same period last year and represented 71% of all agriculture exports.

Exports from the Manufacturing sector grew by US\$6.15M but largely due to the less than desirable level of Sugar export in Janu-

ary 2005 due to post hurricane Ivan conditions (see exports by industry in Table 10).

In the Non-traditional sector, exports increased by a significant 120.8% or US\$127.7M. Other Non-Traditional exports represent approximately 76.4% of the total

(non-traditional) change over the corresponding five months last year while Crude Materials accounted for 15.7%. Food and Beverages & Tobacco represented a growth of approximately 3.4% and 4.6% respectively when compared to the corresponding period last year.

Imports grew by US\$250.42M or 12.8% for the review period (Jan-May). This reflected increases in all categories except Manufactured Goods, Miscellaneous articles, Crude Materials (excl fuels) and, Animal & Vegetable Oils & Fat. Together, the value of these declines offset only 21% of the largest increase reported for Mineral

fuels. (see Table 10).

Mineral Fuel imports was the largest growth component by magnitude and percentage increasing by US\$168.1M or approximately 31.4% for the first five (5) months of 2006. This is reflective of higher oil prices over the earlier part of 2005. Next in line was Machinery

and Transport Equipment which recorded a US\$67.1M or 19.5% increase for the period. Chemicals grew by approximately US\$28.7M or 12.7% for the period while Food imports grew by an estimated US \$11.2M or 4.6%.

(See Table 10 & External Trade (Jan-May) in Appendix)

**Table 11: Balance Of Payments (US\$M)**

	Jan-May 2005	Jan-May 2006	Change	% Change
<b>Current Account</b>	<b>-353.4</b>	<b>-242.9</b>	<b>110.5</b>	<b>31%</b>
<b>Goods Balance</b>	<b>-1010.8</b>	<b>-1054.7</b>	<b>-43.9</b>	<b>-4%</b>
Exports	696	880.8	184.8	27%
Imports	1706.8	1935.5	228.7	13%
<b>Services Balance</b>	<b>282.3</b>	<b>383.9</b>	<b>101.6</b>	<b>36%</b>
Transportation	-96.9	-98.4	-1.5	-2%
Travel	548	678.3	130.3	24%
Other Services	-168.8	-196	-27.2	-16%
<b>Income</b>	<b>-280.4</b>	<b>-259.2</b>	<b>21.2</b>	<b>8%</b>
Compensation of employees	14.6	14.2	-0.4	3%
Investment Income	-295	-273.4	21.6	7%
<b>Current Transfers</b>	<b>655.5</b>	<b>687.1</b>	<b>31.6</b>	<b>5%</b>
Official	64.7	57.5	-7.2	11%
Private	590.8	629.6	38.8	7%
<b>Capital &amp; Financial Account</b>	<b>353.4</b>	<b>242.9</b>	<b>-110.5</b>	<b>31%</b>
<b>Capital Account</b>	<b>-1.3</b>	<b>-2.4</b>	<b>-1.1</b>	<b>-85%</b>
Capital Transfers	-1.3	-2.4	-1.1	-85%
Official	0.2	0.1	-0.1	50%
Private	-1.5	-2.5	-1	-67%
Acq/disp. of non-produced non-fin. assets	0	0	0	0%
<b>Financial Account</b>	<b>354.7</b>	<b>245.3</b>	<b>-109.4</b>	<b>31%</b>
Other Official Invnt. (incl. Gov. Rsrv)	-3.6	171.3	174.9	4858%
Other Private Investment (includes. err & omis)	574.3	149.5	-424.8	74%
Reserves	-216	-75.5		

Source: BOJ Statistical Update:

Note to the Balance of Payments: The external trade data in the Balance of Payments may not necessarily correspond with that of STATIN. This is due to the fact that STATIN reports the f.o.b. cost of imports while the Bank Of Jamaica reports imports at c.i.f.

## Balance of Payments

For the first 5 months of 2006, the country posted a current account deficit of US\$242.9M. This shortfall was a US\$110.5M (31%) improvement over the deficit for the corresponding period of last year (see Table 11). The Services, Income and, Current Transfers Account all registered surpluses for the five month period. Under Services, Travel represented the largest foreign exchange earner re-

ording a US\$130.3M improvement over the corresponding period of last year. Investment Income under the Investment Account paid out US\$21.6M less than that for the same period last year.

On the Goods account, the deficit worsened by US\$43.9M as a US\$184.8M increase in export revenue was wholly offset by a US \$228.7M growth in the import bill. Traditional exports increased by US\$54.02M reflecting higher in-

come largely from Mining & Quarrying (US\$37.23M). Agriculture and Manufacturing both grew but together accounted for a growth that was less than half the increase in Mining & Quarrying. Non-traditional exports increased by an approximate US\$127.7M or 121% in contrast to the corresponding five (5) months of last year. Imports grew by US\$250.4M or 12.8% for the review period. This largely reflected increases in Mineral Fuels, Machinery & Transport Equipment, and Chemicals

(see Table 10).

The Services account netted US \$101.6M more than in the comparable period last year as increased outflows to Transportation and Other Services of US\$1.5M and US\$27.2M respectively was outweighed by a US\$130.3M increase in the Travel account revenue.

On the Income Account, there was an US\$21.2M reduction of the deficit when compared to the comparable period last year. This largely reflected the US\$21.6M reduction in outflows from Investment Income. This was partially offset by a US\$0.4M reduction of the Compensation of employees item.

Current Transfers posted a US\$31.6M growth in net inflows. This was due to a US\$38.8M increase in Net Private Transfers or

remittances. This was partially offset by a US\$7.2M reduction in Official inflows. Remittances continue to contribute a significant portion of foreign exchange earnings representing approximately 25.9% for the five (5) months under review.

The Capital and Financial account reflected changes mainly in the Financial account, where, net inflows from Other Official Investments grew from a deficit of US\$3.6M for the period Jan-May 2005 to a surplus of US \$171.3M in the corresponding period of 2006. This represents an increase of US\$174.9M.

There was a US\$424.8M or 74% reduction in the surplus on the Other Private Investments sub-account. Overall, inflows to the Financial account was more

than sufficient to finance the Capital and Current account deficits. This represented a US\$75.5M build up of foreign currency reserves (NIR) for the period Jan-May 2006.

(see Table 11 and Balance Of Payments (Jan-Apr) in Appendix)

## Fiscal Accounts

For the first five (5) months of FY 2006/07 the Government budget deficit was \$5.85 billion less than planned. This was due to a reduction in Expenditure by \$6.31 billion below budget. This was partially offset by a \$459.5 million fall in Revenues below budget.

Revenues: Revenues and Grants totalled approximately \$80.09 billion, some \$459.5 million below

Table 12A: Fiscal Accounts (J\$ Million)

	April - August (Fiscal -2006/07)				Fiscal y-o-y 05/06-06/07	
	J\$ million		Deviation		J\$m	%
	Provisional	Budget	J\$m	(%)		
<b>Revenue &amp; Grants</b>	<b>80,088.5</b>	<b>80,548.0</b>	<b>-459.5</b>	<b>-0.57</b>	<b>11,756.2</b>	<b>17.2</b>
Tax Revenue	72,054.8	72,912.0	-857.2	-1.18	10,257.1	16.6
Non-Tax Revenue	5,315.7	4,082.2	1,233.5	30.22	1,342.5	33.8
Bauxite Levy	1,717.1	1,556.3	160.8	10.33	497.8	40.8
Capital Revenue	471.8	718.2	-246.4	-34.31	-635.8	-57.4
Grants	529.1	1,279.3	-750.2	-58.64	294.4	125.4
<b>Expenditure</b>	<b>96,872.0</b>	<b>103,180.9</b>	<b>-6,308.9</b>	<b>-6.11</b>	<b>10,045.5</b>	<b>11.6</b>
Recurrent Expenditure	89,216.1	90,985.1	-1,769.0	-1.94	8,742.8	10.9
Programmes	18,329.6	19,427.1	-1,097.5	-5.65	1,975.8	12.1
Wages & Salaries	30,151.5	31,043.2	-891.7	-2.87	4,253.8	16.4
Interest	40,735.0	40,514.8	220.2	0.54	2,513.3	6.6
Domestic	29,737.7	28,834.3	903.4	3.13	984.1	3.4
External	10,997.2	11,680.5	-683.3	-5.85	1,529.3	16.2
Capital Expenditure	7,655.9	12,195.8	-4,539.9	-37.23	1,302.8	20.5
Capital Programmes	7,655.9	12,195.8	-4,539.9	-37.23	1,302.8	20.5
IMF #1 Account	0.0	0.0	0.0	0.00	0.0	
<b>Fiscal Balance (Surplus [+]/ve)</b>	<b>-16,783.5</b>	<b>-22,632.9</b>	<b>5,849.4</b>	<b>-25.84</b>	<b>1,710.5</b>	<b>-9.2</b>
Loan Receipts	85,679.7	60,013.9	25,665.8	42.77	14,965.4	21.2
Domestic	82,241.2	55,655.7	26,585.5	47.77	31,123.2	60.9
External	3,438.5	4,358.2	-919.7	-21.10	-16,157.9	-82.5
Divestment Proceeds	0.0	0.0	0.0	0.00	0.0	
Amortization	63,873.7	56,639.5	7,234.2	12.77	6,667.2	11.7
Domestic	57,933.9	50,860.5	7,073.4	13.91	22,545.6	63.7
External	5,939.8	5,779.0	160.8	2.78	-15,878.3	-72.8
<b>Overall Balance (Surplus [+]/ve)</b>	<b>5,022.5</b>	<b>-19,258.5</b>	<b>24,281.0</b>	<b>-126.08</b>	<b>10,008.4</b>	<b>-200.7</b>
<b>Primary Balance (Surplus [+]/ve)</b>	<b>23,951.5</b>	<b>17,881.9</b>	<b>6,069.6</b>	<b>33.94</b>	<b>4,223.7</b>	<b>21.4</b>

Source: Ministry of Finance and Planning

that projected. This reflected reduction in Tax revenue (\$857.2M), Capital revenue (\$246.4M) and Grants (\$750.2M) below the budgeted amounts for Apr-Aug 2006. Non-Tax Revenue and Bauxite Levy were the only two revenue items to register an increase over budget for the review period. Non-Tax revenue increased by \$1.26B or 30.2% over budget while Bauxite Levy increased by \$160.8M or 10.3% (see Table 12A).

Tax Revenue collections for the first five (5) months exceeded that of the corresponding period last year by 16.6% (Apr-Aug). This was 3.4 percentage points below the aggressive 20% average Tax Revenue growth projected for the fiscal year 2006/07 over 2005/06 (see Table 12B and Figure 6).

Within the Tax revenue category the largest tax income generating components were PAYE (\$15,110M), Local GCT (\$14,032M), GCT on Imports (\$8,961M) and Tax on Interest (\$7,422M). The largest positive variances from budget were Tax on Interest (\$2,163.6M), Special Consumption Tax (SCT) on Imports of (\$295.8M) and Stamp Duty (\$78.9M) (see Table 12C). The largest revenue shortfalls resulted from PAYE (\$1,085.3M), Local SCT (\$823.4M) and Other Companies of the amount (\$370.1M).

**Expenditures:** Total Expenditures amounted to approximately \$96.9 billion, some \$6.3 billion below budget. Domestic interest payments was the only segment under Recurrent Expenditure that exceeded the budget for the first five (5) months of the FY 2006/07 (see Table 12A).

Programmes Expenditure was less than budget by \$1,097.5M (5.7%), Wages and Salaries by \$891.7M (2.9%) while External Interest payments was approximately \$683.3M or (5.9%) less than budgeted for the period. Domestic interest payments exceeded budget by approximately \$903.4M or 3.1%.

Capital expenditure (programmes)

**Table 12B: Budgeted Changes for Fiscal 2006/07 \*\***

J\$-Billions	Actual	Budgeted	Expected Change	
	2005/06	2006/07	\$	%
<b>Revenue &amp; Grants</b>	<b>186.68</b>	<b>219.23</b>	<b>32.55</b>	<b>17%</b>
Tax Revenue	162.58	195.03	32.46	20%
Income and profits	66.49	80.68	14.19	21%
Bauxite/alumina	0.89	1.11	0.22	24%
Other companies	15.02	20.09	5.07	34%
PAYE	34.55	43.41	8.86	26%
Tax on dividend	0.28	0.31	0.04	14%
Other individuals	2.01	2.79	0.78	39%
Tax on interest	13.75	12.97	-0.78	-6%
Production and consumption	50.10	62.08	11.98	24%
SCT	3.24	4.34	1.10	34%
Motor vehicle licenses	0.95	1.09	0.13	14%
Other licenses	0.18	0.20	0.02	14%
Betting, gaming and lottery	1.05	1.19	0.14	14%
Education Tax	7.36	9.74	2.38	32%
Contractors levy	0.51	0.58	0.07	14%
GCT (Local)	29.44	36.54	7.10	24%
Stamp Duty (Local)	7.38	8.40	1.02	14%
International Trade	45.98	52.28	6.30	14%
Custom Duty	15.39	16.90	1.51	10%
Stamp Duty	1.09	1.20	0.11	10%
Travel Tax	2.02	2.29	0.27	13%
GCT (Imports)	19.12	23.71	4.59	24%
SCT (Imports)	8.36	8.18	-0.18	-2%
Non-Tax Revenue	11.80	12.81	1.01	9%
Bauxite Levy	3.12	3.90	0.78	25%
Capital Revenue	8.46	3.80	-4.67	-55%
Grants	0.72	3.69	2.98	415%
<b>Expenditure</b>	<b>207.72</b>	<b>240.61</b>	<b>32.89</b>	<b>16%</b>
Recurrent Expenditure	192.25	211.73	19.48	10%
Programmes	40.85	46.54	5.70	14%
Wages & Salaries	63.11	72.76	9.66	15%
Interest	88.30	92.42	4.12	5%
Domestic	65.39	66.34	0.94	1%
External	22.90	26.08	3.18	14%
Capital Expenditure	15.47	28.89	13.41	87%
Capital Programmes	15.47	28.89	13.41	87%
<b>Fiscal Balance (Surplus [+]/ve)</b>	<b>-21.04</b>	<b>-21.38</b>	<b>-0.34</b>	<b>-2%</b>

Source: Ministry Of Finance and Planning (Jamaica)

**Table 12C: Major Changes in Fiscal Revenue and Expenditure**

J\$-Millions	Apr-Jul 06/07 (YOY)
<b>Revenue (Revenue Surpluses)</b>	
Tax on Interest	2,163.60
SCT (Imports)	295.80
Stamp Duty	78.90
<b>Revenue (Revenue Shortfalls)</b>	
PAYE	-1,085.30
SCT	-823.40
Other Companies	-370.10
<b>Expenditure (Changes)</b>	
Programmes (Savings)	-1,097.50
Wages & Salaries (Savings)	-891.70
Interest (Overrun - Domestic)	220.2

Source: Ministry Of Finance and Planning (Jamaica)

was approximately \$4.54 billion or 37.2% below projection. Loan receipts were \$25.67 billion or 42.8% above budget. The GOJ borrowed \$26.59B (47.8%) more than planned from the domestic market while restraining external borrowings by \$0.92B (21.1%) below budget (see Table 12A).

Total public debt at the end of August 2006 stood at \$884.42 billion, some \$3.24 billion more than the previous month's level of \$881.18 billion. Domestic Debt stock grew by \$3.32 billion to end the month at \$513.81 billion. External Debt fell by approximately US\$0.93 billion to close August at US\$5,618.4 million.

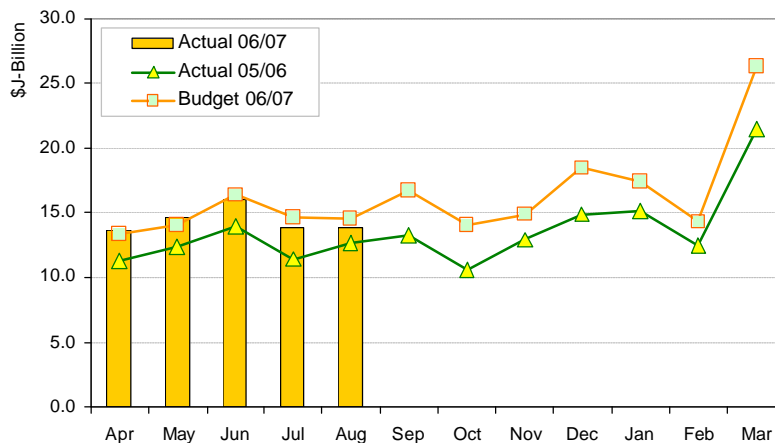
Table 12-B shows the expected changes in Revenue and expenditure for the fiscal year 2006/07. The GOJ expects to collect approximately \$33 billion more than the \$187 billion collected last FY in Revenue and Grants. This change is expected to come largely from Tax Revenue that is expected to grow by approximately 20% over the previous FY. For the first five (5) months so far, Tax revenue collections are 16.6% above that of the corresponding period last year. The FY 2006/07 budget projects a 16% growth in overall expenditure and has for the first five (5) months reported an 11.6% increase. (see Table 12 A&B and Fiscal Account (Apr-Aug 2006) in Appendix)

## Stock Market

The main JSE Index increased by 2.61% or 2,191.03 pts to close September at 86,195.99 pts. Market capitalization increased by \$17.33 billion or 2.53% to end the month at approximately \$703.48 billion. As at October 23rd, the Main JSE Index, however, lost 1,450.69 pts, a 1.68% decline since the end of September to stand at 84745.3 points on that day.

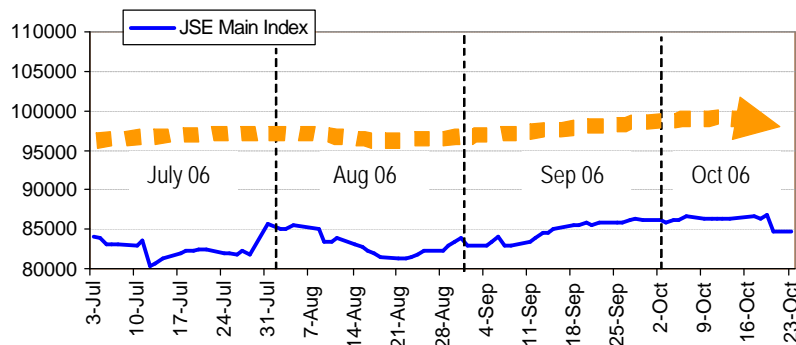
As at September 30, the top performing stock for the year (2006) to date was Salada Foods that advanced by \$15.99 or approximately

**Figure 6: Tax Revenue Collections (Billions - \$J)**



Source: Ministry Of Finance and Planning (Jamaica)

**Figure 7: Main JSE Index, Jul - Sep & part Oct '06**



Source: Jamaica Stock Exchange (Online Database) and PSQJ

**Table 13: Returns for Listed Companies on the JSE**

*Year-to-Date Performers on the Jamaica Stock Exchange*

**Top Four & Five (unadjusted for dividends or transaction costs)**

	31-Dec-05	31-Sep-06	\$ change	% change
Salada Foods	10.01	26.00	15.99	159.7%
Pegasus Hotel	9.00	15.00	6.00	66.7%
Carreras Group	36.00	46.50	10.50	29.2%
First Carib. Intl Bank Ja.	18.01	20.50	2.49	13.8%
Jamaica Producers Group	34.51	37.96	3.45	10.0%

**Bottom Five (unadjusted for dividends or transact. Costs)**

Dyoll Group	1.85	0.55	(1.30)	-70.3%
Ciboney Group	0.09	0.04	(0.05)	-55.6%
Cable & Wireless (Ja)	1.48	0.75	(0.73)	-49.3%
Capital & Credit	22.50	11.50	(11.00)	-48.9%
Guardian Holdings Ltd.	360.00	195.00	(165.00)	-45.8%

Source: Compiled from the JSE

159.7% to end the month at \$26.00 per share (see Table 13). The worst performer in terms of capital gain was Dyoll

Group which lost approximately \$1.30 or (70.3%) of its value to end the month at 0.55 cents.

## Developments & Outlook

### The Global Economy

In the first Quarter of 2006, growth in the US economy has been strong. There has also been an increase in the rate of expansion in the Euro area and Japan.

Substantial growth in China reflects well on the overall performance of emerging markets. Contributing to this also is the resulting high rates of growth in low income countries that is largely attributed to favourable commodity prices.

Indicators reveal that the higher rates of growth that is being experienced in the Global Economy may be eliminating excess capacities, and creating inflation. Expectations continue to add upward pressure on prices to complement the above average inflation rates being experienced in advanced countries. These trends have been largely triggered by the higher level of oil prices.

The IMF indicated that oil and metal prices have hit new highs. It was highlighted that trends in fu-

tures markets are suggesting that oil prices will remain at above average levels for a prolonged period of time.

Adjustments taken by the major central banks have been directed towards tightening money supply. The US Federal Reserve and the European Central Bank have both increased interest rates while the Bank of Japan has terminated its zero interest rate policy since 2006.

Emerging markets during the period May to June have experienced greater fluctuations in asset prices due to the impact of growing inflation and less availability of funds resulting from tighter monetary policies. It was indicated that growth in some countries may be restrained because of higher interest rate policies implemented by their Central Banks to curtail inflationary pressures and provide a sense of stability within their respective financial markets.

Global imbalances remain an issue of concern. The US current account deficit is projected to be approximately 7% of GDP

in 2007. This is still significant for the US despite an increase in export growth since the beginning of 2006. In contrast, surpluses remain high for oil exporters and a number of Asian countries such as China which has a trade surplus in excess of 7% of GDP.

### Emerging Market and Developing Economies

The IMF urges policy makers responsible for decisions within Emerging markets and developing economies to consider the challenges being faced in the global environment. The objective should be to reduce vulnerabilities and initiate reforms that will foster continued and sustainable levels of growth.

It cautions that experience has shown that emerging markets are prone to instabilities within global financial markets. It warns that countries that are at risk are likely those with significant current account deficits, weak public sector balance sheets, and inflation expectations that are not well grounded.

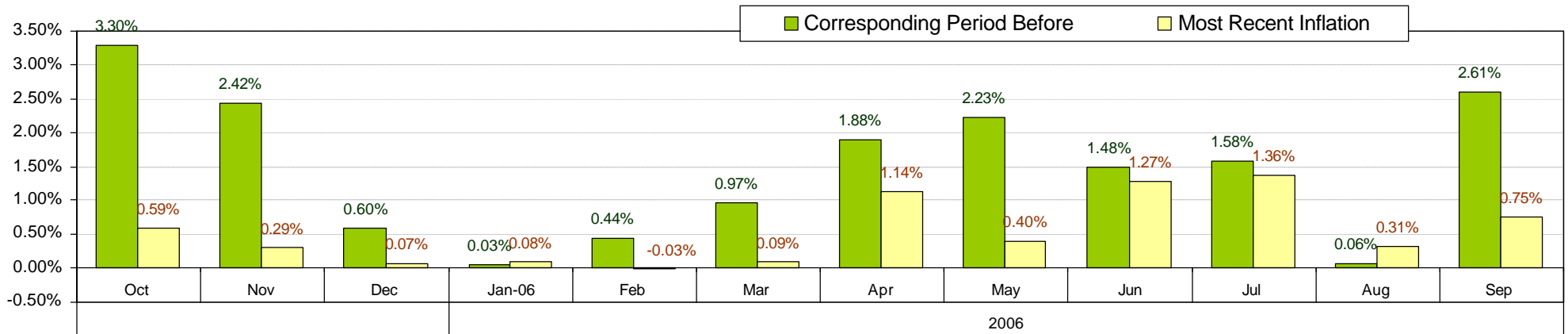
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World Economic Outlook (September 2006) - Financial Systems and Economic Cycles:  
See IMF Full report for details: <http://www.imf.org/external/pubs/ft/weo/2006/02/index.htm>

# APPENDIX

## INFLATION (September CPI)

CONSUMER PRICE INDEX	Percent %	Proportion of Index	MONTHLY INFLATION - SEPTEMBER	Rnk	Percentage Change for Month (%)	INFLATION (End Dec-05 to End Aug-06)	YTD Percentage Change (%)
<b>ALL GROUPS</b>	<b>100.0</b>		<b>ALL GROUPS</b>		0.749 [0.7486 = (100 x 0.74)]		5.5
<b>FOOD AND DRINK</b>	<b>54.7</b>		<b>FOOD AND DRINK</b>	<b>1</b>	0.902 [0.4931 = (54.6 x 0.90)]		4.9
Meals Away from Home	14.5		Meals Away from Home		0.791		4.2
Meat Poultry and Fish	29.3		Meat Poultry and Fish		0.881		9.6
Dairy Products Oils & Fats	12.0		Dairy Products Oils & Fats		0.318		5.8
Baked Products Cereal & Breakfast Drink	15.3		Baked Products Cereal & Breakfast Drink		2.246		8.4
Starchy Foods	8.5		Starchy Foods		-1.072		8.4
Vegetables & Fruit	11.5		Vegetables & Fruit		2.934		-15.4
Other Food & Beverages	9.0		Other Food & Beverages		1.012		9.0
<b>FUELS &amp; OTHER HOUSEHOLD SUPPLIES</b>	<b>7.4</b>		<b>FUELS &amp; OTHER HOUSEHOLD SUPPLIES</b>	<b>6</b>	0.148 [0.0109 = (7.39 x 0.14)]		6.3
Household Supplies	64.7		Household Supplies		0.358		5.6
Fuels	35.3		Fuels		0.025		6.8
<b>HOUSING &amp; OTHER HOUSING EXPENSES</b>	<b>8.4</b>		<b>HOUSING &amp; OTHER HOUSING EXPENSES</b>	<b>3</b>	0.733 [0.0618 = (8.44 x 0.73)]		11.2
Rental	24.3		Rental		0.161		14.2
Other Housing Expenses	75.7		Other Housing Expenses		0.882		10.4
<b>HOUSEHOLD FURNISHINGS &amp; FURNITURE</b>	<b>2.9</b>		<b>HOUSEHOLD FURNISHINGS &amp; FURNITURE</b>	<b>7</b>	0.232 [0.0067 = (2.93 x 0.23)]		7.8
Furniture	27.9		Furniture		-0.352		10.3
Furnishings	72.1		Furnishings		0.507		6.2
<b>HEALTHCARE &amp; PERSONAL EXPENSES</b>	<b>7.1</b>		<b>HEALTHCARE &amp; PERSONAL EXPENSES</b>	<b>4</b>	0.364 [0.0257 = (7.08 x 0.36)]		6.2
					0.000		
<b>PERSONAL CLOTHING FOOTWEAR AND ACCESSORIES</b>	<b>5.0</b>		<b>PERSONAL CLOTHING FOOTWEAR AND ACCESSORIES</b>	<b>5</b>	0.273 [0.0137 = (5.01 x 0.27)]		5.0
Clothing Materials	11.0		Clothing Materials		0.051		3.7
Ready-made Clothing & Accessories	50.0		Ready-made Clothing & Accessories		0.157		4.6
Footwear	31.3		Footwear		0.436		4.3
Making & Repairs	7.6		Making & Repairs		0.369		9.5
<b>TRANSPORTATION</b>	<b>6.5</b>		<b>TRANSPORTATION</b>	<b>8</b>	-0.456 [-0.029 = (6.50 x -0.4)]		1.8
<b>MISCELLANEOUS EXPENSES</b>	<b>8.0</b>		<b>MISCELLANEOUS EXPENSES</b>	<b>2</b>	1.607 [0.1281 = (7.97 x 1.60)]		0.0
							5.2



## EXTERNAL TRADE (Jan - May 2006)

EXTERNAL TRADE - (JAN - MAY 06)	US\$M	
<b>TOTAL EXPORTS (fob)</b>	<b>827.14</b>	
Major Traditional Exports	578.25	
by Sector-		
Agriculture	22.40	
Mining & Quarrying	461.90	
Manufacturing	93.95	
by Industry-		
Bauxite	47.17	
Alumina	413.95	
Sugar	73.45	
Rum	16.99	
Bananas	5.30	
Coffee	16.86	
Other	4.53	
Non-Traditional Exports	233.39	
Re-exports	15.40	
<b>TOTAL IMPORTS</b>	<b>2,208.02</b>	
Food	254.09	
Beverages & Tobacco	26.59	
Crude Materials (excl. Fuels)	37.60	
Mineral Fuels, etcetera	703.61	
Animal & Vegetable Oils & Fats	10.82	
Chemicals	253.99	
Manufactured Goods	246.85	
Machinery and Transport Equip.	410.75	
Misc. Manufactured Articles	177.19	
Other	86.52	
<b>TRADE BALANCE</b>	<b>-1,380.88</b>	

EXTERNAL TRADE CHANGES (US\$M)	US\$M	CHANGE 2005 - 2006
<b>TOTAL EXPORTS (fob)</b>	<b>185.78</b>	
Major Traditional Exports	54.02	
by Sector-		
Agriculture	10.644	
Mining & Quarrying	37.231	
Manufacturing	6.1468	
by Industry-		
Bauxite	8.063	
Alumina	29.328	
Sugar	0.474	
Rum	3.126	
Bananas	4.49	
Coffee	7.745	
Other	0.7958	
Non-Traditional Exports	127.703	
Re-exports	4.051	
<b>TOTAL IMPORTS</b>	<b>250.416</b>	
Food	11.192	
Beverages & Tobacco	3.941	
Crude Materials (excl. Fuels)	-1.936	
Mineral Fuels, etcetera	168.077	
Animal & Vegetable Oils & Fats	-1.573	
Chemicals	28.659	
Manufactured Goods	-23.477	
Machinery and Transport Equip.	67.083	
Misc. Manufactured Articles	-9.051	
Other	7.501	
<b>TRADE BALANCE</b>	<b>-64.6402</b>	

EXTERNAL TRADE CHANGES (%)	%	PERCENTAGE CHANGE
<b>TOTAL EXPORTS (fob)</b>	<b>29.0%</b>	
Major Traditional Exports	10.3%	
by Sector-		
Agriculture	90.5%	
Mining & Quarrying	8.8%	
Manufacturing	7.0%	
by Industry-		
Bauxite	20.6%	
Alumina	7.6%	
Sugar	0.6%	
Rum	22.5%	
Bananas	0.0%	
Coffee	85.0%	
Other	21.3%	
Non-Traditional Exports	120.8%	
Re-exports	35.4%	
<b>TOTAL IMPORTS</b>	<b>12.8%</b>	
Food	4.6%	
Beverages & Tobacco	17.4%	
Crude Materials (excl. Fuels)	-4.9%	
Mineral Fuels, etcetera	31.4%	
Animal & Vegetable Oils & Fats	-12.7%	
Chemicals	12.7%	
Manufactured Goods	-8.7%	
Machinery and Transport Equip.	19.5%	
Misc. Manufactured Articles	-4.9%	
Other	9.5%	
<b>TRADE BALANCE</b>	<b>4.9%</b>	

## BALANCE OF PAYMENTS (Jan - May 2006)

BALANCE OF PAYMENTS ANALYSIS SHEET	US\$M	Jan - May 2006
<b>Current Account</b>	<b>-242.9</b>	
Goods Balance	-1054.7	
Exports	880.8	
Imports	1935.5	
Services Balance	383.9	
Transportation	-98.4	
Travel	678.3	
Other Services	-196	
Income	-259.2	
Compensation of employees	14.2	
Investment Income	-273.4	
Current Transfers	687.1	
Official	57.5	
Private	629.6	
<b>Capital &amp; Financial Account</b>	<b>242.9</b>	
Capital Account	-2.4	
Capital Transfers	-2.4	
Official	0.1	
Private	-2.5	
Acq/disp. of non-produced non-fin. assets	0	
Financial Account	245.3	
Other Official Invnt. (incl. Gov. Rsvy)	171.3	
Other Private Invnt. (incl. err & omis)	149.5	
Reserves	-75.5	

Change Jan - May (2006)	US\$M	
<b>Current Account</b>	<b>110.5</b>	
Goods Balance	-43.9	
Exports	184.8	
Imports	228.7	
Services Balance	101.6	
Transportation	-1.5	
Travel	130.3	
Other Services	-27.2	
Income	21.2	
Compensation of employees	-0.4	
Investment Income	21.6	
Current Transfers	31.6	
Official	-7.2	
Private	38.8	
<b>Capital &amp; Financial Account</b>	<b>-110.5</b>	
Capital Account	-1.1	
Capital Transfers	-1.1	
Official	-0.1	
Private	-1	
Acq/disp. of non-prod non-fin. Asts	0	
Financial Account	-109.4	
Other Official Invnt. (incl. Gov. Rsvy)	174.9	
Other Private Invnt. (incl. err & omis)	-424.8	
Reserves	0	

Percentage change Jan - May (2006)	%
<b>Current Account</b>	<b>-31%</b>
Goods Balance	4%
Exports	27%
Imports	13%
Services Balance	36%
Transportation	2%
Travel	24%
Other Services	16%
Income	-8%
Compensation of employees	-3%
Investment Income	-7%
Current Transfers	5%
Official	-11%
Private	7%
<b>Capital &amp; Financial Account</b>	<b>-31%</b>
Capital Account	85%
Capital Transfers	85%
Official	-50%
Private	67%
Acq/disp. of non-prod non-fin. Asts	0%
Financial Account	-31%
Other Official Invnt. (incl. Gov. Rsvy)	-4858%
Other Private Invnt. (incl. err & omis)	-74%
Reserves	

## FISCAL ACCOUNT (Apr-Aug' 2006)

PROVISIONAL DISTRIBUTION (FISCAL A/C)	J\$m	Provisional figures Apr-Aug'2006	BUDGET / PROVISIONAL DEVIATION	J\$m	(Provisional - Budgeted) - Apr-Aug 2006	YTD Y-O-Y FISCAL DEVIATION	J\$m	Apr-Aug. (06/07 minus 05/06)
<b>Revenue &amp; Grants</b>	80,088.5		<b>Revenue &amp; Grants</b>	-459.5		<b>Revenue &amp; Grants</b>	11,756.20	
Tax Revenue	72,054.8		Tax Revenue	-857.2		Tax Revenue	10,257.10	
Non-Tax Revenue	5,315.7		Non-Tax Revenue	1,233.5		Non-Tax Revenue	1,342.50	
Bauxite Levy	1,717.1		Bauxite Levy	160.8		Bauxite Levy	497.80	
Capital Revenue	471.8		Capital Revenue	-246.4		Capital Revenue	-635.80	
Grants	529.1		Grants	-750.2		Grants	294.40	
<b>Expenditure</b>	96,872.0		<b>Expenditure</b>	-6,308.9		<b>Expenditure</b>	10,045.50	
Recurrent Expenditure	89,216.1		Recurrent Expenditure	-1,769.0		Recurrent Expenditure	8,742.80	
Programmes	18,329.6		Programmes	-1,097.5		Programmes	1,975.80	
Wages & Salaries	30,151.5		Wages & Salaries	-891.7		Wages & Salaries	4,253.80	
Interest	40,735.0		Interest	220.2		Interest	2,513.30	
Domestic	29,737.7		Domestic	903.4		Domestic	984.10	
External	10,997.2		External	-683.3		External	1,529.30	
Capital Expenditure	7,655.9		Capital Expenditure	-4,539.9		Capital Expenditure	1,302.80	
Capital Programmes	7,655.9		Capital Programmes	-4,539.9		Capital Programmes	1,302.80	
IMF #1 Account	0.0		IMF #1 Account	0.0		IMF #1 Account	0.00	
<b>Fiscal Balance (Surplus +/ve)</b>	-16,783.5		<b>Fiscal Balance (Surplus +/ve)</b>	5,849.4		<b>Fiscal Balance (Surplus +/ve)</b>	1,710.50	
Loan Receipts	85,679.7		Loan Receipts	25,665.8		Loan Receipts	14,965.40	
Domestic	82,241.2		Domestic	26,585.5		Domestic	31,123.20	
External	3,438.5		External	-919.7		External	-16,157.90	
Divestment Proceeds	0.0		Divestment Proceeds	0.0		Divestment Proceeds	0.00	
Amortization	63,873.7		Amortization	7,234.2		Amortization	6,667.20	
Domestic	57,933.9		Domestic	7,073.4		Domestic	22,545.60	
External	5,939.8		External	160.8		External	-15,878.30	
<b>Overall Balance (Surplus +/ve)</b>	5,022.5		<b>Overall Balance (Surplus +/ve)</b>	24,281.0		<b>Overall Balance (Surplus +/ve)</b>	10,008.40	
<b>Primary Balance (Surplus +/ve)</b>	23,951.5		<b>Primary Balance (Surplus +/ve)</b>	6,069.6		<b>Primary Balance (Surplus +/ve)</b>	4,223.70	

PROVISIONAL DISTRIBUTION (REVENUE ONLY)	J\$m	Provisional figures Apr-Aug'2006	BUDGET / PROVISIONAL DEVIATION	J\$m	(Provisional - Budgeted) - Apr-Aug 2006	YTD Y-O-Y FISCAL DEVIATION	J\$m	Apr-Aug. (06/07 minus 05/06)
<b>Revenue &amp; Grants</b>	80,088.5		<b>Revenue &amp; Grants</b>	-459.4		<b>Revenue &amp; Grants</b>	11,756.2	
Tax Revenue	72,054.8		Tax Revenue	-857.1		Tax Revenue	10,257.1	
Income and profits	28,285.3		Income and profits	340.8		Income and profits	4,401.4	
Bauxite/alumina	328.4		Bauxite/alumina	-101.7		Bauxite/alumina	1,147.0	
Other companies	4,679.1		Other companies	-370.1		Other companies	713.0	
PAYE	15,110.0		PAYE	-1,083.3		PAYE	1,472.2	
Tax on dividend	92.6		Tax on dividend	1.1		Tax on dividend	35.6	
Other individuals	653.0		Other individuals	-266.8		Other individuals	56.2	
Tax on interest	7,422.3		Tax on interest	2,163.6		Tax on interest	2,010.0	
Environmental Levy	0.0		Environmental Levy	0.0		Environmental Levy	0.0	
Production and consumption	23,398.2		Production and consumption	-1,178.0		Production and consumption	3,942.1	
SCT	1,033.6		SCT	-823.4		SCT	-463.0	
Motor vehicle licenses	406.2		Motor vehicle licenses	-45.5		Motor vehicle licenses	21.6	
Other licenses	155.9		Other licenses	59.3		Other licenses	59.9	
Betting, gaming and lottery	442.7		Betting, gaming and lottery	-20.7		Betting, gaming and lottery	12.7	
Education Tax	3,501.2		Education Tax	-170.8		Education Tax	677.5	
Contractors levy	287.6		Contractors levy	67.1		Contractors levy	91.2	
GCT (Local)	14,032.1		GCT (Local)	-322.8		GCT (Local)	2,866.9	
Stamp Duty (Local)	3,539.0		Stamp Duty (Local)	78.9		Stamp Duty (Local)	675.8	
International Trade	20,371.3		International Trade	-19.9		International Trade	1,913.4	
Custom Duty	6,548.4		Custom Duty	-234.2		Custom Duty	359.2	
Stamp Duty	409.7		Stamp Duty	10.2		Stamp Duty	27.1	
Travel Tax	993.3		Travel Tax	-16.2		Travel Tax	134.1	
GCT (Imports)	8,961.2		GCT (Imports)	-75.5		GCT (Imports)	1,335.1	
SCT (Imports)	3,458.7		SCT (Imports)	295.8		SCT (Imports)	57.7	
Non-Tax Revenue	5,315.7		Non-Tax Revenue	1,233.5		Non-Tax Revenue	1,342.5	
Bauxite Levy	1,717.1		Bauxite Levy	160.8		Bauxite Levy	497.8	
Capital Revenue	471.8		Capital Revenue	-246.4		Capital Revenue	-635.8	
Grants	529.1		Grants	-750.2		Grants	294.4	

### Statistical Index Major Macro-Economic Indicators

	BM		M2		NIR	Fx Dep	CPI		Tourism	J\$/US\$	T-bill	Loan	Sav	Dom Debt	Fx Debt
	M	P	M	P	US\$M	US\$M	M	P	P		%	%	%	J\$M	US\$M
Jan '03	-10.9	3.72	-3.04	11.03	1,510.25	1,428.27	-0.3	7	21.29	52.98	18.5	23.9	8.9	357,519.32	4,389.10
Feb	2.01	0.04	-3.08	6.32	1,252.94	1,421.05	-0.6	5.7	28.90	53.74	18.5	24.7	8.6	363,846.41	4,152.56
Mar	-0.14	7.54	2.35	7.47	1,339.67	1,499.96	0.5	6.2	23.12	56.24	33.5	24.7	8.2	366,158.13	4,180.00
April	-0.48	9.61	5.90	11.68	1,362.10	1,501.76	1.6	7.3	24.90	57.31	30.3	24.7	8.2	376,664.71	4,178.82
May	1.22	9.2	-0.02	12.55	1,233.33	1,530.56	1.9	9	8.20	59.42	29.3	25.2	8.2	384,739.26	4,198.03
June	-1.02	7.36	-0.78	10.77	1,127.39	1,514.18	2.5	11	11.36	59.01	28.5	25.2	8.2	388,125.86	4165.3
July	1.2	5.31	0.05	10.46	1,124.92	1,468.85	1.5	11	12.86	59.16	26.3	25.2	8.2	393,970.29	4,133.00
August	0.84	7.63	2.60	12.87	1,080.10	1,586.08	1.4	12	8.32	59.39	25.7	25.6	8.2	396,498.28	4,096.65
Sept	-1.32	4.09	0.93	7.58	1,182.63	1,627.60	1.6	13	12.95	59.71	23.4	25.6	8.4	402,317.57	4,129.12
Oct	2.89	7.46	1.21	14.73	1,131.13	1,655.11	1.6	14	31.44	60.44	none	25.6	8.4	404,949.94	4,164.23
Nov	3.17	8.21	2.62	13.91	1,103.25	1,637.24	0.9	14	11.40	60.65	23.5	25.6	8.4	410,984.43	4,185.10
Dec	17.03	13.3	2.26	11.19	1,164.98	1,670.59	0.8	14	6.87	60.62	22.1	25.6	7.2	417,834.25	4,192.06
Jan '04	-11.3	12.9	0.09	14.79	1,251.01	1,691.67	0.6	15	6.30	60.73	17.2	25.6	7.2	427,363.66	4,169.33
Feb	-0.45	10.2	1.37	20.07	1,473.96	1,727.51	0.6	17	3.32	60.95	16.3	25.6	6.8	419,763.43	4,459.14
Mar	1.1	11.3	2.47	20.20	1,568.66	1,770.19	0.5	17	2.95	61.01	15.6	25.4	6.8	417,571.30	4,529.00
Apr	-0.36	11.5	2.10	15.89	1,741.62	1,769.12	0.4	15	9.48	60.65	15.1	25.2	6.7	417,358.68	4,665.57
May	1.66	12	0.15	16.08	1,715.66	1,799.65	0.6	14	5.90	60.93	15	25	6.6	420,503.45	4,745.42
June	-0.11	13	-0.91	15.92	1,604.10	1,757.84	0.8	12	12.27	61.22	15	25	6.6	429,251.39	4,773.46
July	2.83	14.8	1.18	17.23	1,594.69	1,721.50	1	12	0.11	61.8	15	25	6.6	440,539.38	5,029.49
Aug	1	15	0.84	15.21	1,643.46	1,922.93	1.3	12	3.88	61.9	15	25.1	6.6	440,433.32	4,838.02
Sep	0.97	17.7	1.25	15.58	1,616.52	1,867.23	0.6	11	-21.73	61.89	14.8	25	6.6	438,123.75	4,856.86
Oct	0.84	15.3	0.03	14.23	1,826.66	1,833.56	3.3	12	-19.73	61.88	14.8	25	6.5	439,614.97	5,075.17
Nov	1.79	13.8	1.76	13.28	1,816.06	1,855.79	2.4	14	-1.44	61.98	14.9	24.9	6.5	444,214.54	5,118.92
Dec	14.33	11.2	3.93	15.12	1,858.52	1,925.98	0.6	14	4.31	61.63	14.9	24.9	6.5	446,961.92	5,120.44
Jan '05	-11.8	10.5	-0.50	14.44	1,847.58	1,904.47	0	12	-2.27	61.87	14.4	24.9	6.5	449,259.38	5,068.79
Feb	-1.6	9.25	-0.29	12.56	1,831.07	1,918.71	0.4	13	-0.08	61.91	14	24.9	6.5	451,895.38	5,062.87
Mar	6.5	15.1	0.01	9.86	1,901.60	1,935.11	1	13	15.08	61.54	13.5	24.9	6.4	449,247.55	5,044.36
Apr	-3.52	11.4	1.40	9.10	2,010.42	1,944.10	1.9	15	-7.73	61.65	13.4	24.9	6.4	456,393.56	5,055.21
May	0.92	10.6	0.37	9.35	2,074.49	1,916.93	2.2	17	5.19	61.71	13.4	24.9	6.4	466,840.52	4,968.13
June	-1.16	9.47	-0.55	9.75	2,152.80	1,940.56	1.5	18	-1.84	61.84	12.9	24.9	5.5	467,233.58	4,952.24
July	2.5	9.12	0.89	9.44	2,149.25	1,983.67	1.6	18	-7.56	62.23	13	22	5.5	471,668.82	5,282.35
Aug	0.98	9.11	0.89	9.50	2,117.51	1,974.33	0.1	17	-2.67	62.24	13	22	5.5	472,452.67	5,327.40
Sep	-2.68	5.17	0.25	8.42	2,118.97	2,023.12	2.6	19	25.74	62.89	13.2	22	5.5	478,216.66	5,293.49
Oct	1.06	5.39	3.04	11.68	2,078.99	2,061.63	0.6	16	6.42	64.04	13.2	22	5.5	478,118.96	5,452.00
Nov	1.84	5.44	-0.71	8.96	2,093.80	2,067.88	0.3	14	18.37	64.67	13.2	22	5.5	478,436.18	5,407.83
Dec	18.93	9.68	4.27	9.32	2,087.40	2,025.45	0.1	13	9.92	64.58	13.6	22	5.48	480,099.16	5,375.40
Jan '06	-10.28	11.57	-1.70	8.01	2,093.50	2,028.59	0.1	13	15.87	64.99	13.3	21.84	5.30	489,671.66	5,398.74
Feb	-12.84	11.71	0.71	9.10	2,024.24	2,045.44	-0.03	12.4	9.01	65.36	13.2	21.84	5.30	486,690.28	5,621.88
Mar	-0.18	4.71	-0.27	8.80	2,078.10	2,027.75	0.09	11.7	5.05	65.50	13.18	21.84	5.30	482,712.53	5,567.42
Apr	3.12	11.91	0.54	7.87	2,151.80	2,033,370	1.14	12.3	22.55	65.63	13.07	21.84	5.30	489,664.97	5,622.32
May	-0.44	10.41	0.34	7.84	2,162.80	2,044,983	0.40	8.6	17.2	65.73	12.84	21.84	5.30	490,098.32	5,639.65
Jun	0.40	12.15	n/a	n/a	2,110.10	2,056,721	1.27	8.4	19.7	66.03	12.82	22.50	5.39	502,404.45	5,611.53
Jul	3.24	12.96	n/a	n/a	2,087.90	2,049,925	1.36	8.2	25.9	65.99	12.81	22.50	5.39	510,481.97	5,617.45
Aug	2.20	12.33	n/a	n/a	2,215.60	n/a	0.31	8.5	24.3	65.93	12.79	22.5	5.39	513,805.41	5,618.38
Sep	-0.23	17.20	n/a	n/a	2,342.00	n/a	0.75	6.5	11.7	66.06	12.49	21.80	5.36	n/a	n/a

Sources: Bank of Jamaica, Statistical Institute of Jamaica, Ministry of Finance and Planning, Jamaica Tourist Board and the PIOJ.

Revised periodically when necessary.

<u>Key:</u>	
BM – Base Money	M2 – Money Supply
NIR – Net International Reserves	FX Dep – Foreign Exchange Deposit
CPI – Consumer Price Index	Tourism – Total Tourist Arrivals
Tbill – 6-month Treasury Bill Yield	Loan – Average Loan Rate
Save – Average Savings Deposit Rate	M – Monthly Percentage Change
P – Point-to-Point Percentage Change	R – Revised
N/a – Not Available	S – Stopover
WATBY- weighted average Treasury bill yield	OMO – Open Market Operation
JCB – Jamaica Conference Board	JCC – Jamaica Chamber of Commerce
MT – Million tonnes	BP — Basis Points
KMA — Kingston and Metropolitan Area	

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