Press Release
December 2015

The Barbados economy is estimated to have grown by 0.5 percent in 2015, thanks mainly to a stellar tourism performance. There was a 13 percent increase in airlift from major source markets, an expansion in room stock, and refurbishment of aging hotel plant. The tourism outturn was the best on record since 2007, with activity in the sector rebounding to pre-crisis levels. Tourism receipts grew by an estimated 5 percent, with arrivals up by 14 percent, and all major markets recorded double digit increases.

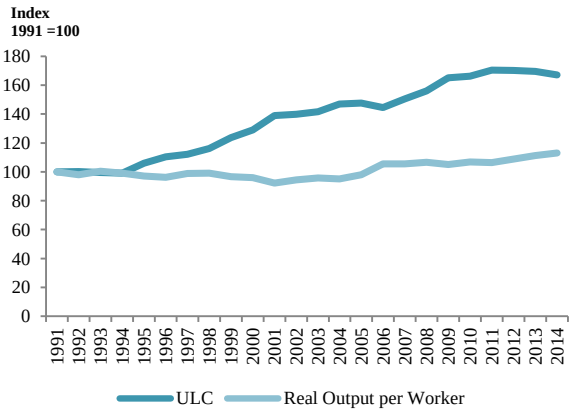
Table 1-Tourist Arrivals by Source Market ('000)

	(January 01 - December 28)			
	2014	2015^{P}	Change	% Change
U.S.A	**107.4**	**134.7**	**27.2**	**25.3**
Canada	**58.3**	**66.5**	**8.2**	**14.0**
U.K	**165.4**	**187.5**	**22.1**	**13.4**
Germany	**9.9**	**10.5**	0.5	5.5
Other Europe	**25.4**	**21.5**	(3.9)	(15.2)
Trinidad & Tobago	**25.8**	**26.5**	**0.8**	**2.9**
Other Caricom	**45.4**	**51.7**	6.4	14.0
Brazil	**4.8**	**3.9**	(0.9)	(18.6)
Other Countries	**21.4**	**23.5**	2.1	9.9
TOTAL LONG-STAY	**463.8**	**526.4**	**62.5**	**13.5**

P - Provisional
Notes - Arrivals estimates generated by the Central Bank of Barbados using preliminary arrival data. Subject to change after official release from the Barbados Statistical Service.

Tourism was the only sector to record measurable growth. Construction activity is estimated to have decreased by 3 percent, due largely to unexpected delays in the start of major infrastructural projects. The retail, business and other services sectors saw limited spillovers, because there was no impetus from the foreign exchange sectors, other than tourism. The average unemployment rate for 2015 was 11.8 percent, compared with 12.3 percent in 2014. Labour costs are estimated to have risen by 1 percent per year since 2008, while there has been no perceptible increase in productivity. As a result, the large gap between unit labour cost and output per worker persists.

Figure 1 – Unit Labour Cost and Real Output Per Worker



Source: Central Bank of Barbados

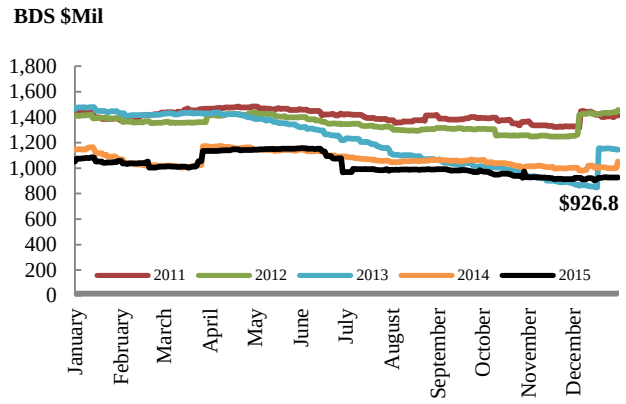
On average, there has been no increase in retail prices in 2015, a reflection of the persistent slide in international oil prices since the beginning of last year.

During 2015, further progress was made in the use of solar panels for power generation by homes and businesses. Total generating capacity now stands at 9.4 megawatts, a growth of 48 percent during the past year.

Data up to August indicate a 6 percent increase in the number of new licenses issued to entities operating in the international business and financial services sector. The business environment for international banks continued to be a challenging one. During 2015, no new banks were licensed and two wound up their operations. At the end of December, total assets

under management were $75 billion, representing a decline of around 10 percent compared to the assets at the end of December 2014.

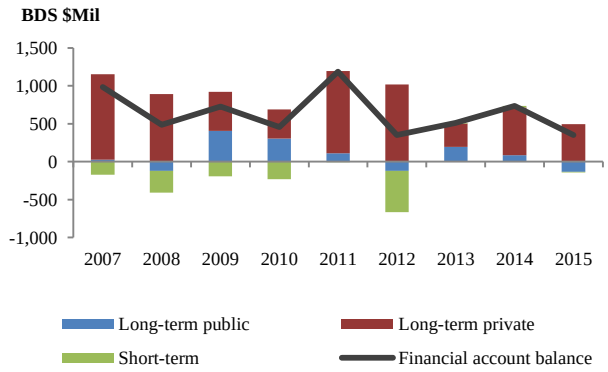
Figure 2 - International Reserves



Source: Central Bank of Barbados

The international reserves of the Central Bank ended the year at $927 million, which is equivalent to approximately 14 weeks of imports and in excess of the commonly accepted benchmark of 12 weeks of goods and services imports.

Figure 3 – Net Financial Flows



Source: Central Bank of Barbados

Net long-term inflows were lower than in 2014. Government had significantly higher debt service costs, and together with Government's equity subscription in the Andean Development Bank (Corporación Andina de Fomento, CAF), this resulted in net repayments totalling $126 million. On the private sector side, financial inflows for tourism-related projects were lower by about $85 million.

Retained imports declined 11 percent principally due to a 31 percent ($380 million) reduction in payments for fuel imports. The prices of imported fuels have fallen by 42 percent. Consumer goods imports were also down, by 11 percent.

Total exports of goods were down by roughly 7 percent, owing to declines in food exports. Exports of chemicals, which account for 17 percent of goods, increased by only 1 percent. Rum exports rose by 3 percent, on the strength of rum which is aged, bottled and packaged in Barbados for export.

The 2015/16 fiscal deficit target of 4 percent of GDP is within reach, provided that Government completes the planned divestment of the Barbados National Terminal Company Ltd. Accrued revenue for the fiscal year is projected at $2,584 million, and expenditure at $2,950 million, for a deficit of $366 million.

The fiscal measures announced in June 2015 have now been implemented, except for the taxes on betting and gaming. In the first nine months of the fiscal year, excise taxes increased $19 million, personal taxes rose $15 million and corporate taxes were $7 million higher. However, VAT receipts declined $47 million partly because of the reduction in fuel imports, and property[1] taxes fell by $13 million.

In the same period expenditure on wages and purchases by Government fell, each by $16 million. However, transfers to public institutions

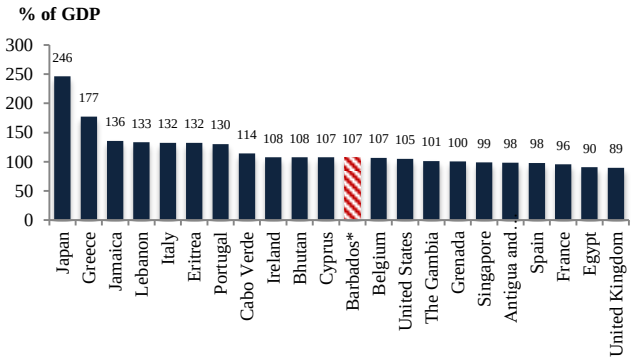
[1] The elimination of the municipal solid waste tax and its subsequent incorporation into the new property tax rate means that property tax collections for FY 2015/16 are to be compared to the sum of the property tax and municipal tax receipts for FY 2014/15.

rose by $12 million, with increased payments for operational expenses and debt service.

During the first three quarters of the fiscal year, commercial banks provided $140 million in financing directly, while the Central Bank recycled to Government $238 million of additional commercial bank reserves on deposit at the Bank. In addition the Bank contributed $166 million of its own resources to the funding of Government. Private individuals and other non-bank investors provided $86 million, of which $62 million represented investments in Government of Barbados Savings Bonds. The NIS increased its financing to Government by $43 million.

Net public sector debt was 70 percent[2] of GDP compared to 71 percent at the end of December 2014. External debt service to current account earnings was 3 percent higher in 2015 than the previous year, mainly on account of payments made on Government's maturing and amortising international bonds.

Figure 4 – Gross Government Debt



Source: World Economic Outlook 2015 data as at December 2014

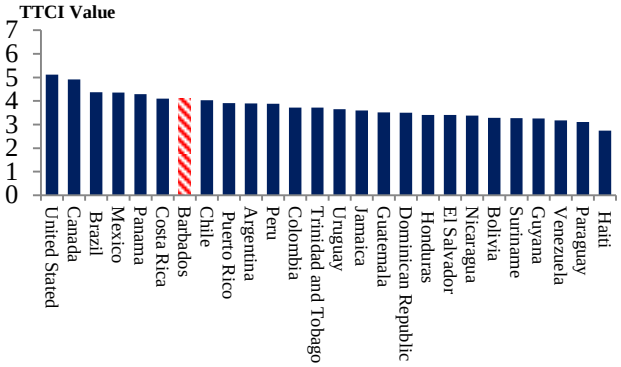
**Note: As at end December 2015 Barbados' net public sector debt was 70 percent of GDP, while the net Government debt was 93 percent of GDP.*

[2] Net public sector debt is calculated as gross public sector debt less assets of the public sector. Therefore, the one percent increase ($74 million) in gross public sector debt was more than offset by the 6 percent ($199 million) rise in public sector assets, thereby reducing, *albeit* marginally, the net public sector debt position at the end of December 2015.

Outlook

Barbados' travel and tourism product continues to be highly competitive. Based on the 2015 *Travel and Tourism Competitiveness Report*[3], Barbados outperformed the majority of its counterparts in the Americas in the areas of health and hygiene, safety and security, the business environment, human resources and tourism-related infrastructure.

Figure 5 –Tourism Competitiveness in the Americas



Source: Travel and Tourism Competitiveness Report 2015

These competitive strengths, together with a projected 7 percent increase in airlift during the current winter tourist season and the completion of a new berth at the Bridgetown Port, augur well for further growth in tourism during 2016. In addition, the planned investment of $1.3 billion in new hotel plant over the next five years is projected to increase hotel room capacity by 40 percent.

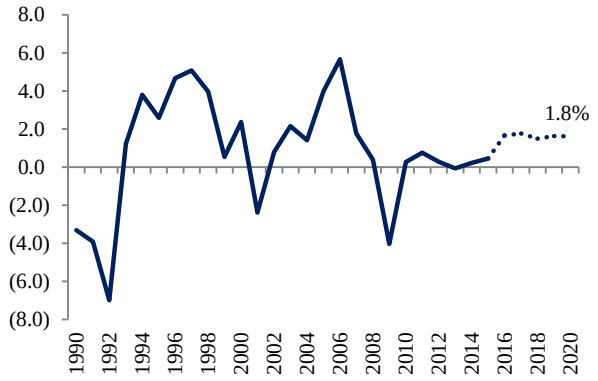
Tourism and construction should provide enough stimulus to the wholesale, retail and business services to produce economic growth of about 1.8 percent in 2016.

Over the next 5 years, real GDP is forecast to expand by 1.7 percent on average, peaking at about 2 percent in 2017 when major tourism infrastructural projects, such as Sandals,

[3] Insight Report, "Tourism Competiveness Report 2015-Growth Through Shocks", published by World Economic Forum, page 12 http://www3.weforum.org/docs/TT15/WEF_Global_Travel&Tourism_Report_2015.pdf

Wyndham (the former Sam Lord's Castle), and other tourism development projects are expected to be in process or nearing completion.

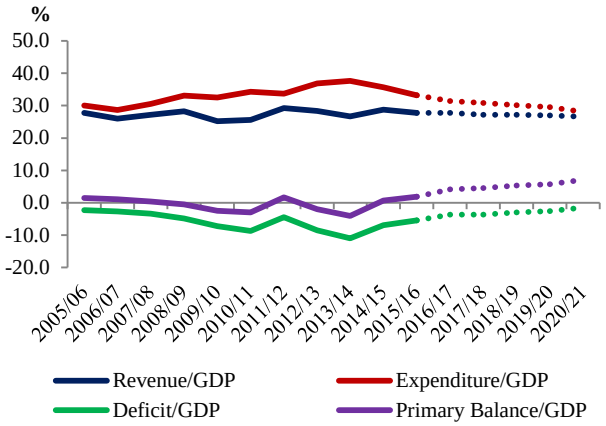
Figure 6 – Real GDP Growth



Source: Central Bank of Barbados

An improved revenue performance is expected in fiscal year 2016/17. Together with changes in the structure of Government departments and official bodies designed to reduce expenditure, this should reduce the size of the fiscal deficit. Over the next five years, Government's deficit is forecast to fall gradually to around 1.5 percent of GDP, in the absence of further measures. On this trajectory, the net public sector debt to GDP ratio falls to 60 percent by the end of the 2020/21 fiscal year.[4]

Figure 7 - Select Fiscal Indicators



Source: Central Bank of Barbados

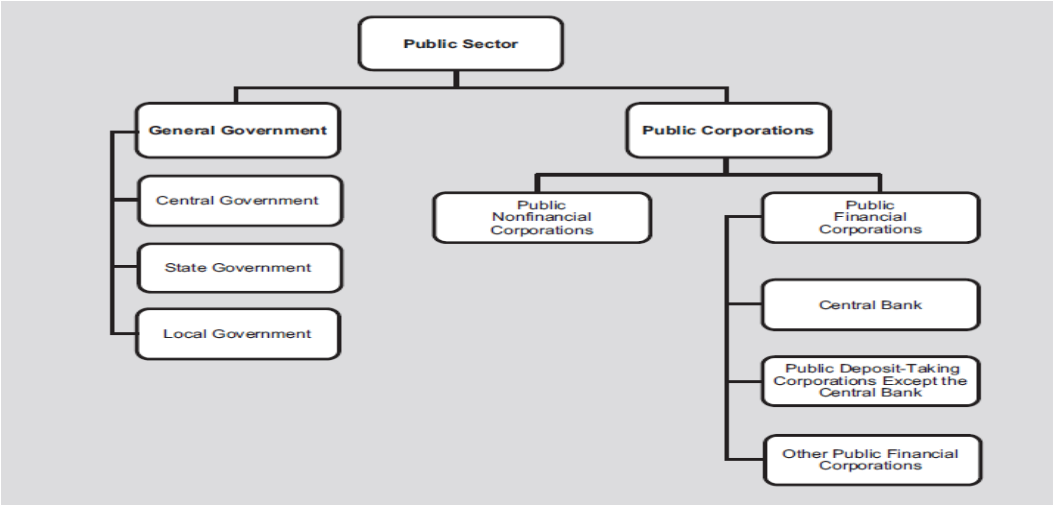
The production and use of renewable energy products offers an opportunity for major saving of foreign currency, which would allow for faster growth of our foreign-exchange-dependent economy. In addition, it could reduce the costs of production, create new job opportunities, and foster a cleaner environment. In 2016, we anticipate the construction of a 10-megawatt solar farm by the Barbados Light and Power. Barbados has made a good start in the implementation of a renewable-energy program. Further Government incentives and other forms of support are needed to accelerate progress towards the production of electricity entirely from renewable sources.

[4] Gross debt/GDP peaks at 109 in 2018/19, and falls to 105 percent at the end of FY 2020/21.

Box: Debt Statistics

The definitions of Debt as specified in Table 5 of the Central Bank Quarterly Press Release (PR) is consistent with the IMF's Public Sector Debt Statistics Standards, as set out in the Guide for Compilers and Users, published in 2011. The guide subdivides the *Public Sector* into two main categories, *General Government* and *Public Corporations*. Notably, for Barbados, the term *General Government* includes Central Government as well as non-market, non-profit institutions that are controlled by Central Government, such as the National Insurance Scheme (NIS). To derive debt statistics for the entire *Public Sector*, public corporations such as the Central Bank of Barbados as well as state owned enterprises (SOEs), are included (see figure 1). As a result, 'Gross Government Debt' and 'Public Sector Debt' in Table 5 of the PR are synonymous with the IMF's definitions of debt obligations of *General Government* and the *Public Sector*, respectively.

Figure 1. The Public Sector and its Main Components



Source: The IMF Public Sector Debt Statistics Guide for Compliers and Users

There are four main definitions of debt: Gross Government debt; Net Government debt; Gross Public Sector debt; and Net Public Sector debt. As represented in Figure 2, there are important intermediary steps taken to move from one definition of debt to another.

Gross Government Debt (D) includes debt that Government contracts from the private sector i.e. securities and loan obligations held by domestic and foreign financial institutions, non-bank institutions and individuals (A), as well as debt owed to public corporations (B). Note that NIS debt (C) is excluded as this is already a component of General Government.

Net Government Debt (F) is calculated by subtracting government assets (E) from Gross Government Debt (D). These assets include deposits held at the Central Bank and commercial banks as well as assets of NIS and other government departments.

Gross Public Sector Debt (I) is equal to Gross Government debt (D) and the debt of SOEs (G), less the debt of Central Bank (H) since this is already captured in Gross Government debt.

Net Public Sector Debt (K) is gross public sector debt (I), less the assets of government (E) and the assets public corporations (J).

Figure 2 Debt Statistics Derivation

$7,978		$4,538		$3,228		$9,289		$1,197		$8,092
What Gov't owes to banks & other fin. Institutions, private & foreign companies, individuals		What Gov't owes CBB & SOEs		Gov't Debt held by NIS		Gross Gov't Debt		Gov't liquid assets		Net Gov't Debt
(92% of GDP)		(52% of GDP)		(37% of GDP)		(107% of GDP)		(14% of GDP)		(93% of GDP)
(A)	+	(B)	-	(C)	=	(D)	-	(E)	=	(F)

$8,092		$1,372		$1,072		$9,589		$2,332		$6,060
Net Gov't Debt		What SOEs owe to domestic and foreign banks		Gov't Debt held by Central Bank		Gross Public Debt		SOE & Central Bank assets		Net Public Sector Debt
(93% of GDP)		(16% of GDP)		(12% of GDP)		(110% of GDP)		(27% of GDP)		(70% of GDP)
(F)		(G)		(H)		(I) ={ (D)+(G)} - (H)		(J)		(K) = (I) - {(E)+(J)}

Source: Central Bank of Barbados

Table 1 – Economic Indicators

	2008	2009	2010	2011	2012	2013	2014[(p)]	2015[(e)]
Real growth (%)	0.4	(4.0)	0.3	0.8	0.3	(0.1)	0.2	0.5
Tradables (%)	(0.3)	(4.3)	(0.4)	(2.5)	(3.1)	0.1	(0.3)	1.6
Nontradables (%)	0.6	(4.0)	0.4	1.6	1.2	(0.1)	0.4	0.2
Inflation (%)[1]	8.1	3.6	5.8	9.4	4.5	1.8	1.9	(0.7)
Avg. Unemployment(%)	8.1	10.0	10.3	11.2	11.5	11.6	12.3	11.8
Foreign Exchange Reserves ($ Million)	1,343.3	1,477.4	1,423.7	1,414.8	1,457.7	1,144.1	1,052.4	926.8
Foreign Exchange Reserves Cover, Weeks	16.2	20.9	18.3	17.7	19.9	15.6	14.7	13.8
BoP Current Account (as % GDP)	(10.6)	(6.6)	(5.7)	(12.8)	(9.3)	(9.1)	(8.9)	(5.2)
Net Capital Inflows	546.1	731.7	512.1	1,059.1	285.7	495.4	715.2	467.5
Net Public Sector Debt/GDP	27.6	38.7	50.2	53.0	55.7	65.8	71.1	69.7
External Debt Service to Curr Acct Cred	5.8	5.8	13.3	6.0	6.4	6.4	6.8	9.7
Treasury-bill rate	4.9	4.8	3.4	3.4	3.4	3.6	3.2	2.7
US treasury-bill rate	3.0	0.0	0.1	0.1	0.0	0.1	0.1	0.1
Average deposit rate[1]	4.8	4.1	2.7	2.7	2.7	2.5	2.5	2.5
Average loan rate[1]	10.7	10.3	9.7	9.4	8.8	8.4	8.5	8.5
Fiscal Year	***2007/08***	***2008/09***	***2009/10***	***2010/11***	***2011/12***	***2012/13***	***2013/14***	***2014/15[(p)]***
Fiscal deficit (% of GDP)	(3.3)	(4.8)	(7.3)	(8.8)	(4.4)	(8.5)	(11.0)	(6.9)
Fiscal Current Account (as % of GDP)	(0.2)	(2.1)	(5.3)	(7.3)	(3.0)	(7.1)	(9.1)	(4.7)
Revenue (as % of GDP)	27.0	28.3	25.6	25.9	29.2	28.3	26.8	28.8
Expenditure (as % of GDP)	30.3	33.1	32.9	34.7	33.5	36.9	37.8	35.6
Govt Interest Payments (as % of Revenue)	13.9	15.3	18.8	22.3	20.7	23.2	26.1	26.4

[(p)] - Provisional
[(e)] - Estimate
[1] - Data to July 2015
[2] - Data to June
[3] - Data to August 2015
[4] Data to August 2015
n.a.- Not Available
Source: Central Bank of Barbados

Table 2 – GDP by Sector and Activity
(BDS $Millions, Constant Prices)

	Avg contribution to GDP (%)	2008	2009	2010	2011	2012	2013	2014[p]	2015[e]
Tradeables	**19.7**	**241.3**	**230.9**	**230.0**	**224.1**	**217.2**	**217.4**	**216.7**	**220.3**
Tourism	**12.0**	**131.4**	**126.9**	**131.4**	**131.2**	**126.3**	**124.3**	**126.2**	**133.7**
Manufacturing	**4.0**	**60.7**	**53.3**	**51.0**	**48.3**	**45.0**	**46.0**	**45.2**	**44.5**
Of which:									
Rum & Other beverages	*0.6*	*8.4*	*7.4*	*7.1*	*6.7*	*6.3*	*6.4*	*6.3*	*6.2*
Food	*1.0*	*15.4*	*13.5*	*13.0*	*12.3*	*11.4*	*11.7*	*11.5*	*11.3*
Furniture	*0.1*	*1.7*	*1.5*	*1.4*	*1.3*	*1.2*	*1.3*	*1.2*	*1.2*
Chemicals	*0.2*	*3.7*	*3.2*	*3.1*	*2.9*	*2.7*	*2.8*	*2.7*	*2.7*
Electronics	*0.3*	*4.6*	*4.0*	*3.9*	*3.7*	*3.4*	*3.5*	*3.4*	*3.4*
All Other Manufacturing	*1.8*	*26.9*	*23.6*	*22.6*	*21.4*	*20.0*	*20.4*	*20.0*	*19.7*
Sugar	0.4	13.6	13.7	11.0	10.1	10.5	7.5	6.7	4.5
Other agriculture	3.4	35.7	37.0	36.6	34.5	35.3	39.6	38.6	37.6
Nontradables	**80.3**	**899.4**	**863.8**	**867.6**	**881.8**	**892.0**	**891.1**	**894.4**	**895.9**
Mining & Quarrying	0.5	8.4	5.3	5.8	5.0	4.6	3.9	4.7	5.9
Electricity, Gas & Water	3.9	43.0	43.3	44.2	43.5	43.7	43.4	43.4	43.4
Construction	**5.4**	93.8	76.7	69.4	76.7	70.9	62.5	61.8	59.9
Distribution	22.0	247.0	235.3	240.8	240.9	242.0	246.0	246.7	245.8
Transport, etc	10.8	116.5	113.9	114.0	114.6	116.9	118.0	118.5	120.2
Finance and Other Services	**21.3**	228.9	222.7	225.0	227.7	234.4	235.5	236.5	238.0
Government	16.4	161.8	166.7	168.4	173.4	179.4	181.9	182.8	182.8
Total		**1,140.7**	**1,094.7**	**1,097.6**	**1,105.9**	**1,109.2**	**1,108.6**	**1,111.1**	**1,116.2**
Nominal GDP		**9,190.5**	**9,202.5**	**8,893.6**	**8,717.8**	**8,664.3**	**8,742.4**	**8,705.4**	**8,816.7**
Real growth rates		**0.4**	**(4.0)**	**0.3**	**0.8**	**0.3**	**(0.1)**	**0.2**	**0.5**
Tradables		(0.3)	(4.3)	(0.4)	(2.5)	(3.1)	0.1	(0.3)	1.6
Nontradables		0.6	(4.0)	0.4	1.6	1.2	(0.1)	0.4	0.2

[p] - Provisional
[e] - Estimate

Table 3 – Balance of Payments
(BDS$ Millions)

	2007	2008	2009	2010	2011	2012	2013	2014(p)	2015(p)
Current Account	**(486.3)**	**(969.9)**	**(610.7)**	**(508.9)**	**(1116.8)**	**(803.9)**	**(793.4)**	**(776.5)**	**(461.7)**
Inflows	**5241.9**	**5203.7**	**4521.1**	**4812.0**	**4728.4**	**4436.0**	**4553.2**	**4541.8**	**4571.2**
Travel	2381.6	2391.8	2145.6	2076.6	1925.3	1835.7	1927.8	1862.9	1953.8
Other services	1070.1	1234.6	911.9	1179.4	1250.8	941.1	1052.3	1065.0	1047.4
Rum	67.5	66.0	57.2	66.8	70.9	82.4	86.1	78.7	81.6
Other beverages	11.8	15.3	14.2	13.1	12.3	11.1	14.7	13.6	12.0
Food	55.5	62.8	50.7	50.0	55.9	63.6	64.0	69.9	61.5
Sugar	46.2	45.1	40.7	22.6	21.2	22.3	15.9	18.1	12.7
Chemicals	74.6	66.8	58.2	124.0	140.7	128.3	82.9	88.9	89.5
Electronics	21.6	23.8	16.3	19.4	21.5	17.1	13.3	16.6	17.7
Other merchandise exports	811.4	727.9	546.1	566.7	697.8	792.4	758.9	762.9	653.8
Income	369.9	328.5	493.0	471.2	272.9	395.8	397.5	425.1	478.0
Transfers	331.6	241.1	187.1	222.3	259.1	146.3	139.7	140.0	163.1
Outflows	**5728.2**	**6173.6**	**5131.8**	**5320.9**	**5845.1**	**5239.9**	**5346.6**	**5318.3**	**5032.9**
Merchandise Imports	3403.5	3665.0	2732.6	3014.7	3457.7	3375.8	3361.5	3304.4	2979.8
Services	1333.1	1472.1	1358.1	1465.4	1107.1	971.7	932.4	925.0	938.8
Income	879.7	638.8	860.6	865.9	962.3	1001.2	870.5	909.3	999.7
Transfers	219.5	187.5	146.5	144.5	337.2	164.1	166.1	169.0	176.4
Capital And Financial Accounts	**983.4**	**546.1**	**727.1**	**459.0**	**1171.3**	**336.9**	**504.4**	**724.6**	**480.8**
Capital Account	0.0	0.0	0.0	0.0	(17.8)	(13.5)	(9.0)	(9.4)	(13.3)
Long term	1153.4	769.5	920.5	688.5	1197.6	897.6	505.1	716.8	369.2
Public	28.9	(122.5)	408.6	306.6	112.1	(120.4)	194.4	84.9	(126.1)
Private	1124.6	892.0	511.9	381.9	1085.5	1018.1	310.7	632.0	495.3
Short-term	(170.0)	(284.2)	(193.4)	(229.5)	(8.5)	(547.2)	8.3	17.2	(8.6)
Net Errors & Omissions	(178.1)	217.2	13.2	(56.8)	31.0	547.7	(24.6)	(39.8)	(27.2)
Overall Balance	355.8	(206.6)	134.1	(53.7)	(8.9)	43.0	(313.6)	(91.7)	(125.7)
Change in FXR: - increase/+ decrease	**(355.8)**	**206.6**	**(134.1)**	**53.7**	**8.9**	**(43.0)**	**313.6**	**91.7**	**125.7**

Source: Central Bank of Barbados

(p) - Provisional : Excludes IBCs

(e) – Estimate

Table 4 – Summary of Government Operations
(BDS$ Millions)

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15[p]	Apr-Dec 2014[p]	Apr-Dec 2015[e]
Total Revenue	**2,471.6**	**2,597.4**	**2,323.7**	**2,278.9**	**2,550.5**	**2,457.3**	**2,334.3**	**2,505.6**	**1,722.9**	**1,700.0**
Tax Revenue	**2,337.0**	**2,396.1**	**2,156.3**	**2,168.4**	**2,345.7**	**2,240.8**	2,156.4	**2,325.3**	**1,642.0**	**1,624.1**
i) Direct Taxes	1,050.0	1,038.4	951.1	883.8	925.1	897.9	813.4	961.7	672.2	676.0
Personal	334.9	375.5	386.3	395.4	420.1	397.3	364.8	458.5	326.6	341.4
Corporate	521.0	447.2	372.8	294.2	286.1	268.6	174.7	206.3	125.0	131.9
Consolidation	0.0	0.0	0.0	0.0	0.0	0.0	14.4	33.1	23.1	25.5
Property	103.1	120.9	113.3	118.2	133.9	132.8	156.0	122.6	100.3	112.7
Municipal Solid Waste	0.0	0.0	0.0	0.0	0.0	0.0	0.0	32.0	24.9	0.0
Bank Asset	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24.7	12.1	16.1
Other	91.0	94.8	78.7	76.0	85.0	99.2	103.6	84.6	60.3	48.4
ii) Indirect Taxes	**1,286.9**	**1,357.7**	**1,205.2**	**1,284.5**	**1,420.6**	**1,342.9**	**1,343.0**	**1,363.6**	**969.8**	**948.1**
Stamp	22.0	18.7	11.3	11.8	11.7	11.2	11.6	11.2	8.4	7.0
VAT	789.6	800.1	703.8	764.8	939.9	879.0	905.6	886.3	640.7	593.4
Excises	164.3	165.1	147.0	146.0	161.0	141.3	115.4	132.4	84.5	103.1
Import Duties	197.3	219.4	178.4	191.3	195.6	201.2	193.6	223.0	157.5	154.5
Other	113.7	154.4	164.7	170.6	112.3	110.2	116.8	110.7	78.7	90.1
Non Tax Revenue & Grants	**134.7**	**201.3**	**167.4**	**110.5**	**204.8**	**216.5**	**177.9**	**180.3**	**80.9**	**75.9**
Non Tax Revenue	111.4	180.8	111.1	84.1	165.0	138.9	152.1	105.3	62.4	41.2
Grants	4.0	7.5	35.6	3.8	14.3	57.6	4.7	55.7	1.4	17.3
Post Office - Revenue	19.3	13.0	20.7	22.6	25.5	20.0	21.1	19.3	17.1	17.4
Current Expenditure	**2,492.2**	**2,786.7**	**2,809.9**	**2,919.8**	**2,816.7**	**3,076.5**	**3,124.0**	**2,913.6**	**2,109.8**	**2,074.2**
Wages & Salaries	809.0	832.7	861.1	860.2	867.4	882.2	871.9	810.3	606.7	591.0
Goods & Services	361.9	420.6	417.3	378.4	399.5	391.7	382.2	340.3	225.3	209.2
Interest	343.6	396.4	435.8	507.2	527.4	568.9	608.7	662.2	536.3	510.6
External	140.5	148.9	153.7	147.4	148.4	146.6	135.3	173.8	129.8	123.5
Domestic	202.2	247.5	282.1	359.8	379.0	422.3	473.4	488.4	406.5	387.1
Transfers & Subsidies	977.7	1,137.0	1,095.7	1,174.0	1,022.4	1,233.6	1,261.2	1,100.8	741.5	763.4
Grants to Individuals					*205.0*	*363.7*	*537.9*	*469.5*	**316.2**	**325.6**
Grants to Public Institutions					*757.1*	*808.4*	*659.3*	*575.5*	387.6	399.1
Subscriptions and Contributions					*23.3*	*25.9*	*24.1*	*21.1*	14.2	14.6
Non-Profit Agencies					*37.0*	*35.7*	*39.9*	*34.8*	23.4	24.1
Capital Expenditure & Net Lending	**286.3**	**253.7**	**178.3**	**134.7**	***118.2***	***121.1***	**169.3**	***191.7***	**100.5**	**116.0**
Fiscal Balance	**(306.9)**	**(443.0)**	**(664.5)**	**(775.6)**	**(384.4)**	**(740.2)**	**(959.0)**	**(599.6)**	**(487.3)**	**(490.2)**
Primary Balance	**36.7**	**(46.6)**	**(228.7)**	**(268.4)**	**143.0**	**(171.3)**	**(350.3)**	**62.6**	**49.0**	**20.4**
Fiscal Balance to GDP (%)	**(3.3)**	**(4.8)**	**(7.5)**	**(8.9)**	**(4.4)**	**(8.5)**	**(11.0)**	**(6.8)**		

Source Accountant General, Ministry of Finance and Central Bank of Barbados
[P] *Provisional*
[e] *Estimate*

Table 5 – Public Debt Outstanding

(BDS$ Millions)

	2008	2009	2010	2011	2012	2013	2014	2015
Government								
External Debt (of which)	1,978.2	2,419.6	2,740.2	2,781.9	2,659.5	2,882.6	2,975.6	2,834.6
SDRs (+)	0.1	194.4	196.1	210.4	200.8	195.4	182.1	182.1
PPP-Prison	285.2	282.2	278.8	275.1	271.0	266.5	261.5	256.0
Domestic Debt (of which)	2,861.8	3,405.3	3,661.4	4,032.1	4,591.8	5,381.9	5,711.8	6,454.2
PPP-Justice Improvement	103.0	127.1	132.3	132.9	-	-	-	-
PPP-Coast Guard	52.6	47.9	43.3	38.7	34.1	29.5	26.0	24.8
PPP-ABC Highway	135.0	161.7	158.3	151.7	144.7	137.0	128.9	119.8
Debentures	1,585.4	1,820.1	1,962.7	2,279.7	2,566.3	2,563.1	2,560.3	2,724.7
T-bills	529.4	735.2	890.8	953.4	1,238.0	2,042.0	2,285.6	2,852.7
Gross Government Debt*	**4,840.0**	**5,824.9**	**6,401.6**	**6,814.0**	**7,251.3**	**8,264.5**	**8,687.3**	**9,288.8**
Government Assets (-)	1,644.4	1,633.0	1,514.0	1,613.5	1,516.3	1,451.0	1,330.4	1,196.7
Government Assets	825.9	872.3	964.6	1,074.2	1,005.8	1,051.8	971.2	837.4
Deposits	219.4	239.8	351.3	363.2	198.1	222.7	152.1	169.8
Central bank	61.2	90.2	233.1	263.6	79.3	103.4	52.8	44.3
Commercial Banks	158.3	149.6	118.3	99.6	118.9	119.3	99.3	125.6
Sinking Fund	606.5	632.5	613.3	711.0	807.7	829.1	819.1	667.6
Sinking funds for dom. debt	371.3	409.2	425.6	470.9	524.3	559.2	469.8	397.2
Sinking funds for fgn. debt	235.2	223.3	187.7	240.1	283.4	269.9	349.3	270.4
Other Government Assets	818.5	760.8	549.4	539.3	510.5	399.2	359.3	359.3
Liquid NIS Assets	525.7	468.0	382.4	380.5	330.1	186.2	153.2	153.2
Cash	13.1	10.8	10.8	10.8	10.8	10.8	10.8	10.8
Due From Banks and Fin. Inst**	512.6	457.2	371.6	369.7	319.3	175.4	142.4	142.4
External Assets of NIS	266.9	292.7	166.9	158.8	180.4	213.0	206.1	206.1
Net Government Debt	**3,195.5**	**4,191.9**	**4,887.6**	**5,200.6**	**5,734.9**	**6,813.5**	**7,356.9**	**8,092.1**
Public Sector								
GrossGovernment Debt	4,840.0	5,824.9	6,401.6	6,814.0	7,251.3	8,264.5	8,687.3	9,288.8
Debt Held By Central Bank (-)	-	101.8	95.0	223.7	236.9	490.0	555.4	1,071.5
T-Bills	19.9	-	26.8	20.0	148.7	161.9	415.0	418.5
Debentures	0.6	-	75.0	75.0	75.0	75.0	75.0	137.0
Public Corporations' Debt (+)	1,000.7	1,295.0	1,511.5	1,530.1	1,295.0	1,305.9	1,383.5	1,371.7
Domestic	796.6	1,067.2	1,196.7	1,225.3	1,000.1	1,021.3	1,108.7	1,092.3
External	204.0	227.8	314.8	304.8	294.9	284.6	274.8	279.4
Gross Public Sector Debt	**5,840.6**	**7,018.1**	**7,818.2**	**8,120.4**	**8,309.3**	**9,080.4**	**9,515.3**	**9,588.9**
Net Government Debt	3,195.5	4,191.9	4,887.6	5,200.6	5,734.9	6,813.5	7,356.9	8,092.1
Other Central Bank Assets (-)	1,442.4	1,535.9	1,537.8	1,577.6	1,779.8	1,799.3	1,800.9	2,131.8
Foreign Assets	1,045.2	1,126.1	1,174.7	1,200.4	1,285.2	1,055.7	939.9	874.2
Other Foreign Assets	1,045.0	931.7	978.5	990.1	1,084.4	860.3	757.8	692.1
SDRs	0.1	194.4	196.1	210.4	200.8	195.4	182.1	182.1
Domestic Assets	397.2	409.8	363.1	377.1	494.6	743.6	861.0	1,257.6
Public Corporations' Deposits	213.8	289.4	306.6	311.7	209.6	197.8	198.5	200.3
Net Public Sector Debt	**2,540.0**	**3,559.7**	**4,459.8**	**4,617.7**	**4,803.6**	**5,632.3**	**6,185.6**	**6,060.1**
Gross Government Debt/GDP	52.7	63.3	72.0	78.2	84.0	96.5	99.9	106.8
Gross Public Sector Debt/GDP	63.6	76.2	87.9	93.2	96.3	106.1	109.4	110.3
Net Government Debt/GDP	34.8	45.5	55.0	59.7	66.5	79.6	84.6	93.1
Net Public Sector Debt/GDP	27.6	38.7	50.2	53.0	55.7	65.8	71.1	69.7
Memo Debt Held by NIS (-)	1,673.0	1,867.3	2,213.8	2,380.9	2,602.0	2,877.7	2,983.6	3,227.7
T-Bills	128.5	122.8	185.3	270.9	303.6	241.8	187.6	211.0
Debentures	1,544.6	1,744.5	2,028.5	2,110.0	2,298.4	2,635.9	2,795.9	3,016.7

** Equivalent to Central Government debt based on the IMF's Public Sector Statistics: Guide for Compilers and Users*

*** Due to data unavailability, balances have been kept at 2009 levels*

Table 6–Government Financing

(BDS$ Millions)

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	April-Dec 2014[p]	April-Dec 2015[p]
Total Financing	**306.9**	**443.0**	**664.5**	**775.6**	**384.4**	**740.2**	**959.0**	**599.6**	**487.3**	**490.2**
Domestic Financing	**398.8**	**519.1**	**424.1**	**519.9**	**362.2**	**762.7**	**637.1**	**590.0**	**448.9**	**586.4**
Central Bank	(135.3)	241.3	(48.6)	(40.2)	(168.4)	942.7	216.9	341.1	269.8	403.6
Commercial Banks	243.6	(12.2)	91.6	(35.2)	349.4	452.7	253.7	(141.7)	(101.6)	140.1
National Insurance Board	183.3	257.2	233.4	331.5	112.9	334.3	137.7	56.7	0.4	42.6
Private Non-Bank	149.6	152.3	329.6	189.0	179.3	285.4	121.6	54.7	9.0	86.3
Other Public Sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	(42.3)	(119.5)	(182.0)	74.8	(110.9)	(1252.4)	(92.8)	279.1	271.3	(86.2)
Divestment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Foreign Financing (net)	**(91.9)**	**(76.1)**	**240.3**	**255.7**	**22.2**	**(22.5)**	**321.8**	**9.7**	**38.4**	**(96.1)**
Capital Markets	0.0	0.0	232.1	600.0	0.0	0.0	377.0	49.3	49.3	0.0
Project Funds	27.5	75.4	115.9	15.8	25.9	35.1	96.0	79.0	78.5	99.2
Policy Loans	0.0	0.0	0.0	140.0	140.0	0.0	0.0	0.0	0.0	49.3
Amortisation	(119.4)	(151.5)	(107.7)	(500.1)	(143.6)	(146.3)	(151.2)	(118.7)	(89.4)	(244.7)
Divestment	0.0	0.0	0.0	0.0	0.0	88.8	0.0	0.0	0.0	0.0

Source: Central Bank of Barbados

Table7–KeyFinancialStabilityIndicatorsfortheDomesticCommercialBankingSystems

	2010	2011	2012	2013	2014Q3	2014Q4	2015Q1	2015Q2	2015Q3
Solvency Indicators									
Capital Adequacy Ratio(CAR)	17.1	19.3	21.0	19.7	19.2	20.5	20.4	21.1	20.6
Liquidity Indicators[#]									
Loan to deposit ratio(%)	67.2	70.9	73.6	70	70.3	70.3	68.7	66.6	66.4
Demand deposits to total deposits(%)	35.2	32.1	29.3	32.3	33.7	33.9	35.5	36.9	38.2
Domestic demand deposits to total domestic deposits	27.1	27.6	26.8	29.3	30.4	30.9	32.4	33.7	33.9
Liquid assets,% of total assets	11.5	12.0	14.6	18	20.1	20.3	21.3	23.2	24.4
Credit Risk Indicators (%)									
Total assets (growth rate)	(1.5)	(4.7)	11.5[*]	2.8	(0.6)	(1.3)	0.3	3.3	3.7
Domestic assets (growth rate)	0.6	(6.1)	6.1[*]	6.5	(1.0)	(0.6)	1.8	4.7	5.0
Loans and advances (growth rate)	0.6	(0.5)	(1.1)[*]	(2.6)	(1.1)	(0.4)	1.4	(0.7)	(0.6)
Non-performing loans ratio	10.8	11.1	12.9	11.7	12.2	11.5	11.4	11.0	10.8
Substandard loans/Total loans	9.1	8.7	9.9	8.6	9.7	9.0	8.4	8.2	8.5
Doubtful loans/Total loans	1.0	1.8	2.3	2.5	2.0	2.0	2.4	2.1	1.4
Loss Loans/Total loans	0.7	0.6	0.8	0.6	0.5	0.5	0.6	0.7	0.9
Provisions to non-performing loans	37.4	32.9	33.9	44.9	48.1	47.7	50.7	53.7	55.0
Foreign Exchange Risk Indicators									
Deposits in Foreign Exchange (%of total deposits)	12.9	6.6	4.9	4.4	5.2	4.8	5.1	5.5	7.1
Profitability Indicators									
Return on Assets (ROA)	1.1	1.0	1.1	0.8	0.7	0.7	0.7	0.7	0.8

Reflects removal of financial consolidation.
[#]*Includes foreign components unless otherwise stated.*
Source: Central Bank of Barbados