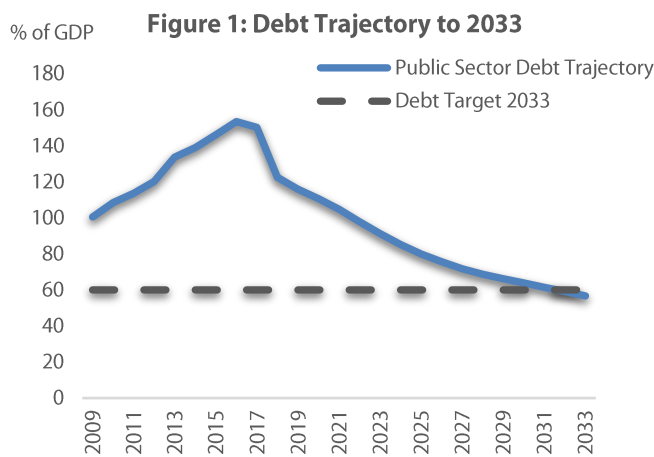




Press Release September 2019

Overview

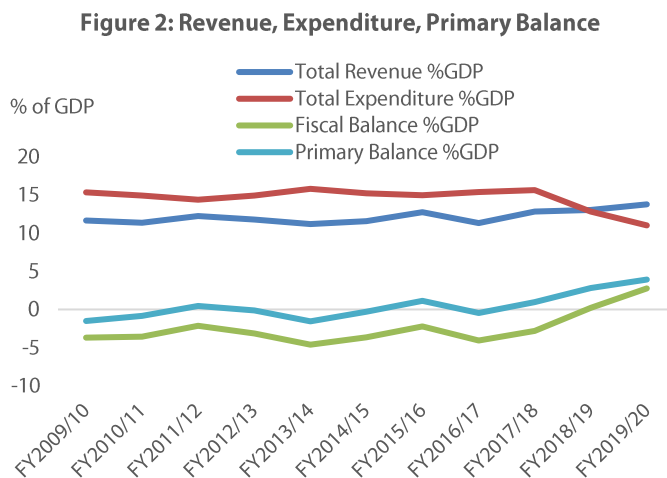
Barbados' economic performance continues to reflect further strengthening of the public finances, reduced public sector indebtedness and a steady improvement in holdings of international reserves. The recent agreement between the Government of Barbados and its creditors on the external commercial debt restructuring, which provides for a further reduction in the stock of debt, will complement these gains, by placing the debt ratio on a downward trajectory, towards a 60% debt to GDP ratio by 2033. The restructuring should enhance investor confidence and help unlock investment flows that are needed for sustainable economic growth. Preliminary data suggests that real economic activity has remained sluggish during the first nine months of 2019, but this was expected in the early stage of the adjustment effort, given the scale of the problem and the need to implement urgent structural reforms to strengthen efficiency and enhance overall competitiveness.



Source: Central Bank of Barbados and Debt Management Unit

Fiscal Operations

The impact of spending reforms and an improved revenue outturn contributed to a substantial fiscal surplus, inclusive of a primary fiscal balance estimated at almost 4% of annual GDP for the first half of the fiscal year. This performance was tempered by implementation issues surrounding a number of revenue measures including the tax on online transactions, the shared accommodation levy as well as the gambling tax. Additionally, the protracted upgrade of the Asycuda World system hampered revenue collection at Customs towards the end of the September quarter.



Source: Treasury Department and Barbados Revenue Authority

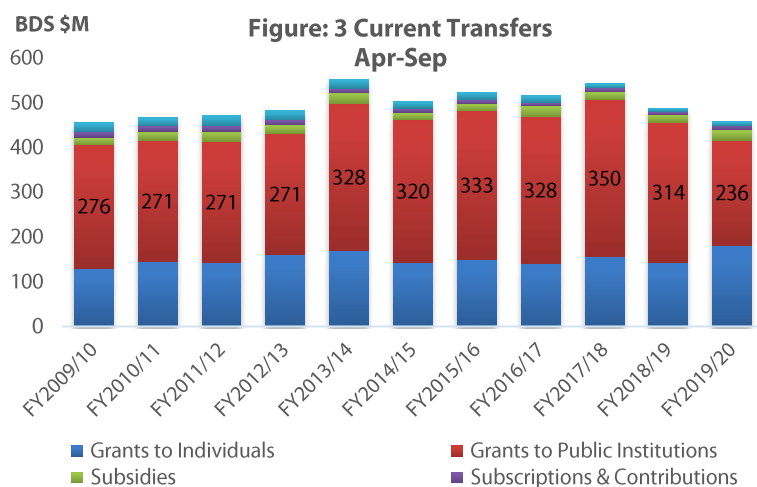
Revenue

Total revenue expanded by 9% during the first six months of the fiscal year, over the corresponding period in 2018. Property tax collections drove the improved outturn as the adjustment of land tax rates and the early issuance of tax bills resulted in a six-fold increase over the previous year. This strong performance is partly a timing issue as, on a full year basis, property taxes are expected to be 27% higher than the previous year.

There was a modest increase in personal income tax revenues which were initially buoyed by the 40% tax band introduced in July 2018. However, this band was eliminated in July 2019, with the restructuring of the personal income tax, leading to a dampening in revenue from this source, in line with expectations. Increases were also noted for consumption related taxes over the period, particularly the Value Added Tax which improved by \$28 million. Receipts related to the fuel tax, room rate levy, direct tourism product levy and the foreign exchange fee also aided in bolstering revenues.

These gains more than compensated for the losses associated with the repeal of the NSRL in July 2018 and a contraction in corporate tax revenues. The latter was partly spurred by reported losses arising from the domestic debt restructuring by several domestic financial institutions.

Expenditure

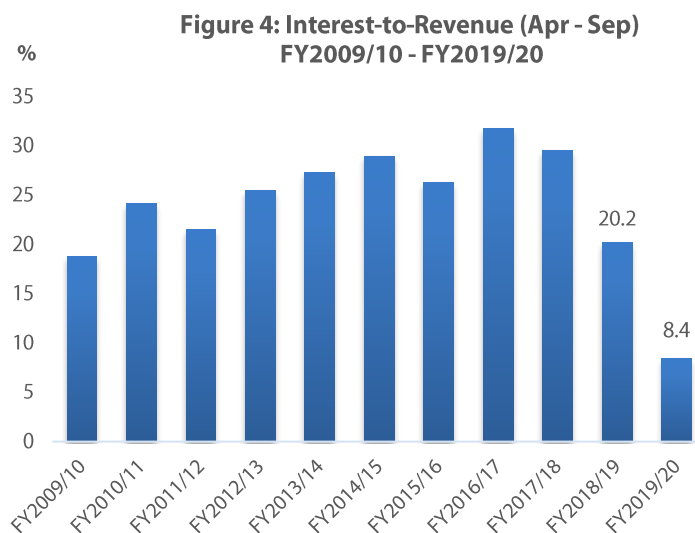


Non-interest expenditure fell by 0.8% during the first half of the fiscal year. Transfers to state owned enterprises (SOEs), the main source of expenditure growth in recent years, fell by 25% over the comparable period in FY 2018/19. Savings were made in outlays to SOEs through a combination of the favourable impact of the elimination of debt service, renegotiated contracts, increased tariffs, layoffs and efficiency gains. In addition, earmarked revenues generated through the Garbage and Sewage

contribution, Airline Travel and Tourism Development levy and the Health Service levy shifted expenditure off the budget, contributing to a combined reduction in transfers of \$64 million to the Barbados Tourism Management Inc, the Sanitation Authority and the Queen Elizabeth Hospital.

Timely payments to the National Insurance and the 5% salary increase instituted in 2018 raised wages and salaries, while grants to individuals also rose due to the recommencement of scheduled payment of non-contributory pension payments and the incremental increase also announced in the 2018 budget. Capital expenditure increased by \$10 million as Government commenced installation of LED equipment for street lights, supported through the Public Sector Smart Energy Program.

Government cut its interest expenditure by more than half to 8.4% of revenue. As a result, interest payments, as a percentage of revenue, fell from 20% in 2018 and a high of almost 32% in 2016. Lower interest rates arising from the domestic debt restructuring and the on-going suspension of the commercial debt service payments led to this reduction.



Source: Treasury Department, Barbados Revenue Authority

Debt and Financing

The strong fiscal performance created sufficient fiscal space to allow for the continued reduction of debt through amortization of multilateral and bilateral debt, domestic bonds and the repayment of domestic arrears. Foreign public project inflows remained modest and Government continued to draw down on its deposits at the Central Bank to finance the reduction in arrears. At the end of September, the debt-to-GDP ratio was approximately 121% of GDP inclusive of arrears on external debt.

Real Economic Activity

Real economic activity declined by an estimated 0.2% for the nine-month period, as on-going delays in the start of private sector investment projects, together with low levels of public sector capital spending, eroded the gains from the sustained increase in tourism activity. The third quarter performance was subdued, as the improvement in tourism and business and other services were insufficient to offset declines in the rest of the economy.

Tourism

Long-stay arrivals for the period grew by 4%. The United Kingdom market, up 9 %, and the United States, 10%, together contributed 65% of total long stay arrivals. However, the impact of these gains on economic activity was tempered by declines in smaller source markets, lower average length of stay and by reduced cruise calls. Despite the sustained growth in long stay arrivals over the past five years, Barbados' share of visitors to the region remains below 2000 levels while market share for cruise continues on a downward path.

Table 1: Long Stay Arrivals by Source Market ('000)

	January - September				
	2015	2016	2017	2018 ^(p)	2019 ^(e)
U.S.A.	111.8	123.8	141.6	153.7	168.3
Canada	55.6	56.2	62.2	64.1	61.8
U.K.	150.7	154.9	154.8	157.7	171.1
Germany	8.4	8.0	7.3	6.9	7.3
Other Europe	19.6	19.5	20.3	19.8	17.2
Trinidad & Tobago	22.5	26.6	28.4	25.5	24.9
CARICOM	44.3	49.0	50.9	53.1	51.1
Other Countries	19.8	19.7	20.5	19.4	19.3
TOTAL LONG-STAY	432.8	457.7	486.0	500.4	520.9

Source: Barbados Statistical Service and Central Bank of Barbados

Agriculture

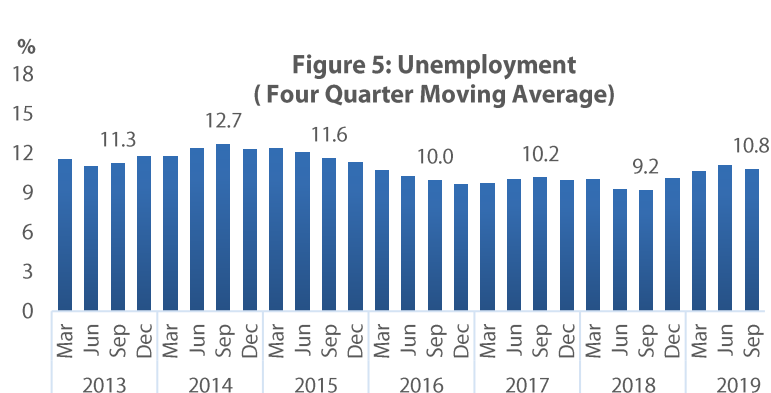
Below average rainfall suppressed agricultural production. Crop yields and meat production fell, and the invasive sargassum seaweed contributed to a substantial reduction in fish landings over the first nine months of the year.

Construction

Activity in the construction sector was subdued given the deferred start-up to a number of large-scale private sector investments. Employment in the sector is estimated to have fallen, but there were modest increases in both sales of locally produced and imports of building materials.

Unemployment and Prices

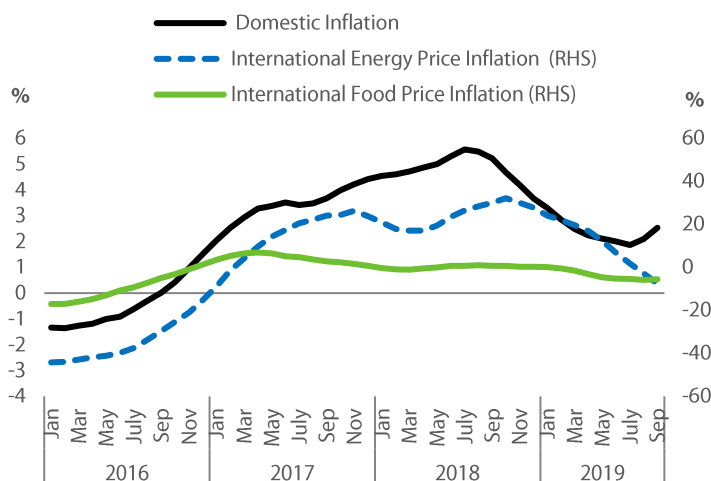
Public sector reform and the slow private sector pickup in activity curtailed new employment opportunities. The moving four quarter average unemployment rate at the end of September stood at 10.8%, up from 9.2% at the end of the comparable period of 2018.



Source: Barbados Statistical Service

The twelve-month moving average rate of inflation was 2.5% at the end of September compared to 5.2% registered a year earlier. The removal of the NSRL and stable international food and energy prices tempered the inflation rate. However, the impact of the fall-off in rainfall on vegetable production and the scarcity in fish and other sea food placed upward pressure on food prices in the third quarter. Increased transportation and utility costs also impacted overall prices over the period.

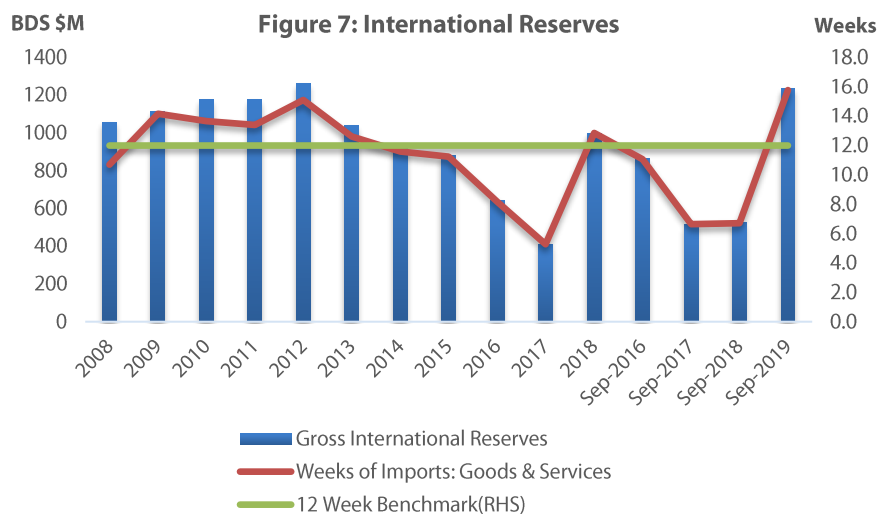
Figure 6: Twelve-month Moving Average Inflation



Source: Barbados Statistical Service and World Bank Commodity Prices

External Sector Developments

Gross international reserves grew by \$226.4 million for the first nine months of 2019. This performance reflected the drawdown of the second tranche from the IMF, increased availability of foreign exchange in the banking system to finance goods and services and lower external debt service payments. The external debt service ratio was 2.4% of exports of goods and services, compared to 8% and 12% in each of the two preceding years. At September, the import reserve cover reached 15.6 weeks.



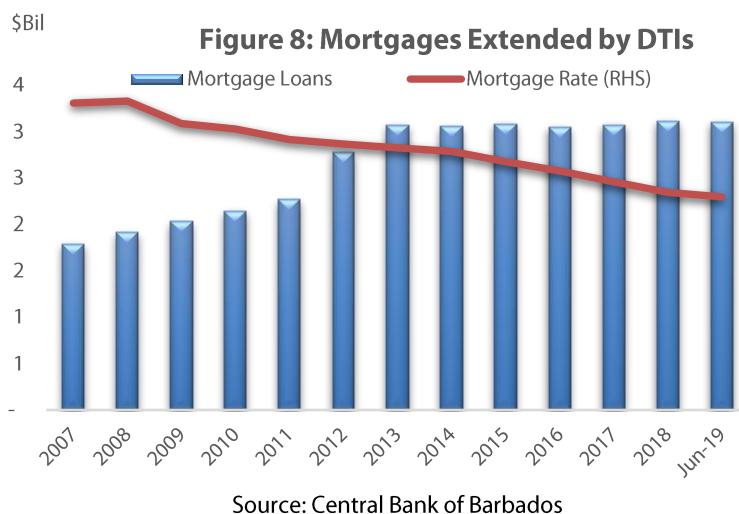
Source: Central Bank of Barbados

The external current account balance strengthened, in large measure due to the boost provided by higher tourist arrivals, average per capita expenditure on travel receipts and the impact of the expansion of the medical education tourism sector. Total exports expanded moderately, primarily due to growth in re-exports of goods. However, there was a small decline in domestic exports. Concurrently, commodity imports were flat as an increase in food and beverages, construction materials and capital goods imports were offset by declines in fuel and other import categories. There was a sustained increase in jet fuel imports to serve the requirements of the Barbados Light and Power, but a decline in international fuel prices and import volumes reduced overall spending on fuel imports.

Financial Stability

Activity in the financial system lagged the general improvement in the macroeconomic environment. Lending to the private sector from deposit-taking institutions fell by 0.9% over the first nine months of 2019 as declines in construction, manufacturing and agriculture outpaced modest improvements in credit to the real estate sector. At the same time, domestic currency deposits increased by 1.1%, culminating in a further build-up of excess liquidity in the system. At end September, the commercial banks' excess local cash at the Central Bank was above 18% of domestic-currency deposits.

Foreign currency deposits also increased by 4.2% for the first nine months of 2019, compared to a decline of 16.5% during the same period last year. However, there was no significant change following the liberalisation of foreign currency accounts on August 1.



As for interest rates, the weighted-average lending rate recorded a small but steady decline over the first eight months of 2019, moving from 6.7% at end-December 2018 to 6.4% at the end of August 2019. The weighted-average deposit rate remained unchanged at 0.2%.

Average mortgage interest rates of commercial banks declined steadily to 5.3% at June 2019 from 7.6% at December 2007. However, mortgages

extended by commercial banks and deposit-taking trust & finance companies remained sluggish, recording a marginal decline for the first six months of 2019.

Commercial banks continue to grapple with rebuilding their capital buffers after declines following the domestic debt restructuring and the adoption of IRFS9. However, aggregate capital buffers stood at 13% of risk weighted assets at the end of September, significantly above the prudential threshold of 8%.

Outlook

Fiscal consolidation will continue to underpin the overall adjustment effort. The targeted primary balance of 6% of GDP on a full fiscal year basis remains essential to the continued effort to maintain macroeconomic stability and ensure that overall debt continues on the downward trajectory.

The adjustment gains through the first nine months of the year portend a favourable outlook for the economy through the remainder of 2019 and into 2020. Moderate growth is anticipated in the context of the improved confidence that the enhanced macroeconomic environment is generating. Based on current data, the Bank has a flat growth forecast for 2019, with some improvement in domestic spending expected during the fourth quarter as the impact of lower personal income tax rates and the gradual payment of tax refunds begin to take effect. The Bank has raised its forecast for 2020 by a half of a percentage point to the range of 1.25% to 1.75%.

The strength of the recovery in 2020 hinges in large measure on the demand for tourism services and the pace of investment activity. Economic developments in the global economy continue to be impacted by uncertainty but increased airlift and special events are expected to provide an impetus to the tourism sector during the year. New investment projects, mainly in tourism and alternative energy, are in the pipeline to come on stream in 2020, including the airport and seaport expansion and the pierhead expansion. Early implementation of these projects could raise the growth outcome.

With the conclusion of the external debt restructuring, interest payments on external commercial debt will resume during the second quarter of 2020. However, the improved tourism earnings, increased investment flows and continued support from multilateral financial institutions are expected to ensure further strengthening of the gross international reserves.

We have made an encouraging confident start to what is a difficult challenge. However, we must not become complacent, as unfavourable global economic developments can easily undermine our efforts. Structural reforms across the public sector remain necessary to enable government to continue to tackle hindrances to investment and growth and to create a more business friendly environment. Working together, we can achieve our goal of a restoration of economic stability.

Table 1 - Economic Indicators

	2014	2015	2016	2017 ^(p)	2018 ^(e)	Sept 2016	Sept 2017	Sept 2018 ^(p)	Sept 2019 ^(e)
Nominal GDP (\$ Million) ¹	9,392.7	9,430.0	9,660.0	9,956.3	10,173.4	7,224.2	7,479.0	7,504.1	7,814.3
Real Growth (%)	0.0	2.4	2.6	0.6	(0.4)	2.3	1.0	0.3	(0.2)
Inflation (%) ²	1.8	(1.1)	1.5	4.5	3.7	0.0	3.6	5.2	2.5
Avg. Unemployment (%) ³	12.3	11.3	9.7	10.0	10.1	10.0	10.2	9.2	10.8
Gross International Reserves (\$ Million)	942.6	878.0	639.8	411.3	999.3	864.5	516.1	525.6	1,225.6
Gross International Reserves Cover, Weeks	11.6	11.2	8.2	5.3	12.9	11.1	6.6	6.7	15.6
BoP Current Account (% of GDP)	(9.2)	(6.0)	(4.2)	(3.9)	(3.4)	(3.8)	(3.2)	(3.1)	(1.4)
Total Imports of Goods (% of GDP)	35.4	32.1	31.1	30.8	29.3	31.1	30.2	28.9	28.1
Travel Credits (% of GDP)	19.0	19.8	21.0	21.9	22.3	21.7	22.6	22.4	24.6
Financial Account (\$ Millions)	745.6	442.3	84.2	86.4	887.6	238.4	129.6	287.1	361.4
Gross Public Sector Debt ⁴ (% of GDP)	137.0	144.2	151.2	148.4	126.3	150.6	150.0	145.9	120.9
External Debt Service to Curr. Acct. Cred.	6.7	9.5	8.0	7.2	4.2	11.0	11.9	8.5	2.4
Treasury-Bill Rate	2.6	1.8	3.1	3.2	0.5	3.1	3.1	2.9	0.5
Average Deposit Rate	2.5	0.4	0.3	0.2	0.2	0.3	0.2	0.2	0.2
Average Loan Rate	7.1	6.8	6.6	6.1	6.1	6.7	6.6	6.7	6.4
Excess Cash Ratio	6.7	10.6	14.5	14.0	15.2	15.5	14.9	16.3	18.5
Private Sector Credit Growth (%) ⁵	(1.0)	1.6	1.5	3.2	0.3	0.4	2.4	0.4	(0.9)
Private Sector Credit (% of GDP) ⁵	81.5	82.5	81.7	81.9	80.4	80.9	81.2	80.4	74.1
Domestic Currency Deposits (% of GDP) ⁵	110.2	113.8	114.9	112.7	111.7	113.3	111.9	110.6	104.9
Fiscal Year	2014/15	2015/16	2016/17	2017/18^(p)	2018/19^(e)	Apr-Sep 2016	Apr-Sep 2017	Apr-Sep 2018	Apr-Sep 2019
Fiscal Deficit (% of GDP)	(7.6)	(9.0)	(5.3)	(4.6)	(0.3)	(4.1)	(2.8)	0.2	2.8
Primary Balance (% of GDP)	(0.5)	(2.0)	2.2	3.2	3.5	(0.5)	1.0	2.8	4.0
Interest (% of GDP)	7.0	7.0	7.5	7.8	3.8	3.6	3.8	2.6	1.2
Fiscal Current Account (% of GDP)	(5.5)	(6.6)	(3.0)	(2.8)	1.6	(3.0)	(2.0)	0.5	3.2
Revenue (% of GDP)	25.8	25.7	27.8	28.8	29.3	11.3	12.8	13.0	13.8
Expenditure (% of GDP)	33.4	34.7	33.1	33.4	29.6	15.4	15.7	12.8	11.0
<i>Non-interest Expenditure (% of GDP)</i>	26.4	27.7	25.6	25.7	25.8	11.8	11.9	10.2	9.8
<i>Capital Expenditure (% of GDP)</i>	2.1	2.5	2.3	1.7	1.9	1.1	0.8	0.3	0.4
Gov't Interest Payments (% of Revenue)	27.2	27.4	26.9	26.9	12.9	31.7	29.5	20.2	8.4

^(p) - Provisional

^(e) - Estimate

¹ - Central Bank of Barbados and Barbados Statistical Service

² - Twelve Month Moving Average

³ - Four Quarter Moving Average

⁴ - Gross Public Sector Debt = Gross Central Government Debt + Other Public Sector Debt,

⁵ - Based on consolidated data for deposit-taking institutions (Commercial Banks, Finance & Trust Companies and Credit Unions)

n.a.- Not Available

Source: Barbados Statistical Service and Central Bank of Barbados

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

	2014	2015	2016	2017	2018	Sep-16	Sep-17	Sep-18 ^(p)	Sep-19 ^(e)
Tradeables	1,640.4	1,746.3	1,850.9	1,913.2	1,986.9	1,337.9	1,405.8	1,481.8	1,490.6
Tourism	1,061.8	1,144.8	1,256.7	1,314.9	1,370.4	902.1	964.8	1,022.4	1,046.8
Agriculture	109.7	110.2	109.0	105.5	121.1	76.2	77.2	92.0	83.3
Manufacturing	468.9	491.3	485.2	492.8	495.4	359.6	363.9	367.4	360.5
of which:									
<i>Rum & Other Beverages</i>	91.0	95.4	94.2	95.7	96.2	69.8	70.6	71.3	70.0
<i>Food</i>	119.2	124.9	123.3	125.3	125.9	91.4	92.5	93.4	91.6
<i>Furniture</i>	12.9	13.5	13.4	13.6	13.6	9.9	10.0	10.1	9.9
<i>Chemicals</i>	28.2	29.6	29.2	29.7	29.8	21.6	21.9	22.1	21.7
<i>Electronics</i>	35.5	37.2	36.7	37.3	37.5	27.2	27.5	27.8	27.3
<i>Other Manufacturing</i>	136.9	143.5	141.7	143.9	144.7	105.0	106.3	107.3	105.3
Non-tradeables	6,018.8	6,100.1	6,201.2	6,190.2	6,083.7	4,613.1	4,603.4	4,544.4	4,522.8
Mining & Quarrying	28.8	37.4	32.4	40.7	41.7	24.6	27.9	31.1	31.3
Electricity, Gas & Water	221.3	217.4	219.0	214.8	214.1	162.8	161.6	160.4	160.2
Construction	501.7	495.7	482.8	492.9	461.6	362.5	374.7	346.4	335.5
Distribution	767.5	793.8	785.9	756.9	728.2	579.4	552.6	536.1	534.3
Transport, etc	967.0	972.6	1,065.3	1,045.6	1,018.0	782.3	769.2	756.5	759.1
Finance and Other Services	2,638.6	2,718.5	2,761.1	2,783.6	2,778.3	2,061.0	2,075.9	2,094.7	2,086.7
Government	893.9	864.7	854.7	855.6	841.8	640.4	641.6	619.3	615.7
Total	7,659.2	7,846.3	8,052.1	8,103.4	8,070.6	5,951.0	6,009.2	6,026.2	6,013.4
Nominal GDP	9,392.7	9,430.0	9,660.0	9,956.3	10,173.4	7,224.2	7,479.0	7,504.1	7,814.3
Real Growth Rates	0.0	2.4	2.6	0.6	(0.4)	2.3	1.0	0.3	(0.2)
Tradeables	(0.3)	6.5	6.0	3.4	3.9	4.8	5.1	5.4	0.6
Non-tradeables	0.1	1.3	1.7	(0.2)	(1.7)	1.5	(0.2)	(1.3)	(0.5)

^(p) - Provisional

^(e) - Estimate

¹ - BSS' 2010 Base Year Series

Source: Central Bank of Barbados and Barbados Statistical Service

Table 3 - Balance of Payments
(BDS \$Millions)

	2014	2015	2016	2017 ^(p)	2018 ^(e)	Sept 2016	Sept 2017	Sept 2018 ^(p)	Sept 2019 ^(e)
Current Account	(860.7)	(578.4)	(414.8)	(380.6)	(344.5)	(273.8)	(228.2)	(230.2)	(106.9)
Inflows	4,457.6	4,599.1	4,795.5	4,832.0	4,905.2	3,601.5	3,629.5	3,673.1	3,973.7
Travel	1,773.6	1,894.9	2,079.1	2,161.4	2,280.9	1,549.9	1,626.2	1,679.9	1,911.5
Other Services	429.8	412.2	418.4	429.9	444.7	329.5	338.3	349.4	360.1
Domestic Exports	539.4	486.3	504.6	509.7	510.2	375.9	372.6	384.9	378.3
Rum	78.7	76.3	77.6	83.9	79.8	56.8	63.9	62.5	58.9
Food	70.0	65.1	62.7	64.6	65.3	60.6	46.1	47.3	49.7
Sugar	18.1	7.2	7.1	13.5	0.4	6.8	4.8	0.3	0.2
Chemicals	73.6	73.9	72.2	72.5	80.3	52.8	49.6	56.4	59.5
Printed Paper Labels	24.2	22.0	23.1	22.7	26.6	17.4	17.5	20.9	17.8
Construction Materials	44.5	42.1	45.3	42.1	51.7	34.0	30.4	37.5	47.2
Other	230.3	199.7	216.6	210.3	206.1	147.5	160.3	160.0	145.0
Re-exported Goods	409.4	479.5	529.1	461.1	385.7	387.8	323.9	280.0	322.5
Net Export of Goods under Merchanting	640.3	633.9	632.2	635.4	633.8	474.1	476.6	475.4	478.2
Income	525.1	512.0	515.4	529.8	543.0	393.9	405.0	415.1	432.4
Transfers	140.0	180.3	116.7	104.7	107.0	90.4	87.0	88.4	90.7
Outflows	5,318.3	5,177.5	5,210.3	5,212.6	5,249.7	3,875.3	3,857.6	3,903.3	4,080.6
Total Imports of Goods	3,304.4	3,074.4	3,080.9	3,040.3	2,997.7	1,495.1	2,174.8	2,170.7	2,178.1
Fuel Imports	877.5	603.6	502.9	626.2	712.2	336.9	445.7	516.7	506.4
Other Merchandise Imports	2,426.8	2,470.8	2,578.0	2,414.1	2,285.5	1,158.2	1,729.1	1,654.0	1,671.7
Services	925.0	988.8	989.3	1,014.0	1,041.5	1,506.5	795.7	819.5	857.7
Income	920.0	937.9	958.3	977.6	1,022.6	724.7	739.3	759.3	884.9
General Government	166.3	164.8	166.8	167.4	183.2	116.5	118.2	117.0	131.9
Other Sectors	753.7	773.1	791.4	810.2	839.5	608.1	621.1	642.3	752.9
Transfers	169.0	176.4	181.8	180.6	187.9	149.0	147.8	153.7	159.9
Capital Account	(16.7)	(16.4)	(5.7)	(2.4)	50.9	(5.2)	(2.6)	52.4	(4.5)
Financial Account	745.6	442.3	84.2	86.4	887.6	238.4	129.6	287.1	361.4
Net Foreign Direct Investment	1,634.6	160.1	376.7	468.2	464.8	298.5	351.2	315.2	301.5
All Other Investment Flows	(889.0)	282.2	(292.5)	(381.8)	422.8	(60.1)	(221.6)	(28.1)	59.9
Net Long-term Public	96.5	(71.1)	(171.1)	(134.9)	451.0	(98.2)	(79.5)	(51.9)	135.7
Net Long-term Private	(1,002.6)	361.9	(44.6)	(156.8)	(3.8)	32.3	(71.4)	32.1	(23.4)
Net Short-term	17.2	(8.6)	(76.8)	(90.1)	(24.4)	5.8	(70.7)	(8.4)	(52.3)
Net Errors & Omissions	33.1	88.0	98.1	68.0	(6.4)	26.9	(23.1)	4.6	(24.2)
Overall Balance	(98.7)	(64.5)	(238.0)	(228.5)	587.6	(13.5)	(123.8)	113.9	225.9
Change in GIR: - increase/+ decrease	98.7	64.5	238.0	228.5	(587.6)	13.5	123.8	(113.9)	(225.9)

^(p) - Provisional

^(e) - Estimate

Source: Central Bank of Barbados

Table 4 - Summary of Government Operations
(BDS \$Millions)

	2014/15	2015/16	2016/17	2017/18(p)	2018/19(e)	Apr-Sep 2016	Apr-Sep 2017	Apr-Sep 2018	Apr-Sep 2019
Total Revenue	2,407.3	2,458.4	2,754.0	2,845.4	2,993.6	1,123.2	1,267.0	1,333.4	1,454.4
Tax Revenue	2,182.8	2,266.3	2,494.5	2,656.3	2,812.4	1,062.3	1,211.4	1,247.4	1,370.4
i) Direct Taxes	901.0	875.6	970.5	968.9	1,126.9	370.6	405.4	472.6	583.0
Personal	412.5	396.8	488.3	462.6	482.1	227.4	236.9	227.7	241.7
Corporate	156.1	215.2	248.2	275.1	355.5	74.3	110.7	161.7	124.1
Property	164.4	132.8	135.4	137.6	161.3	15.0	13.1	28.4	171.5
Municipal Solid Waste	32.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial Institutions Asset Tax	26.9	29.0	32.6	48.7	44.6	18.7	22.4	26.6	17.2
Other	81.0	65.5	62.7	44.9	83.4	32.1	22.3	28.3	28.4
ii) Indirect Taxes	1,281.8	1,390.7	1,524.0	1,687.4	1,685.6	691.7	806.0	774.7	787.4
a) Consumption	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Stamp	11.0	10.1	9.4	10.5	10.9	4.5	4.6	5.0	6.3
VAT	806.2	861.4	890.3	887.3	940.9	417.4	451.1	442.9	471.3
Excises	135.9	169.0	225.6	303.1	271.2	82.8	125.0	114.5	114.8
Import Duties	223.6	231.6	245.2	218.6	213.8	120.6	106.8	99.1	102.8
Hotel & Restaurant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Social Responsibility Levy	0.0	0.0	29.3	152.0	49.4	1.9	55.7	49.3	0.1
Other	105.1	118.6	124.3	115.9	199.4	64.4	62.8	64.0	92.2
Non Tax Revenue & Grants	224.5	192.1	259.5	189.1	181.2	60.9	55.6	86.0	83.9
Non Tax Revenue	147.7	147.5	228.4	149.0	161.5	49.6	48.9	80.1	73.9
Grants	57.5	18.1	9.8	22.0	0.1	0.0	0.0	0.0	10.0
Post Office - Revenue	19.3	26.4	21.3	18.1	19.6	11.3	6.7	5.9	0.0
Current Expenditure	2,918.7	3,085.5	3,053.0	3,123.8	2,826.4	1,419.3	1,461.5	1,280.0	1,119.1
Wages & Salaries	803.7	787.2	784.4	782.3	811.9	387.4	386.4	382.3	399.0
Goods & Services	341.5	441.3	385.4	364.3	356.3	158.7	159.0	140.1	145.0
Interest	653.7	672.5	741.7	764.7	384.9	356.3	373.5	269.5	122.6
External	165.3	163.7	168.0	168.0	48.0	73.2	73.7	19.6	31.9
Domestic	488.4	508.8	573.7	596.7	336.9	283.1	299.8	249.9	90.7
Transfers & Subsidies	1,119.8	1,184.5	1,141.5	1,212.5	1,273.3	516.9	542.6	488.1	452.5
Grants to Individuals	338.5	342.1	327.3	358.3	362.8	141.0	156.6	142.3	180.8
Grants to Public Institutions	682.9	729.6	714.4	761.2	814.8	327.7	350.2	314.3	235.5
Non-Profit Agencies	29.6	32.3	32.7	19.0	18.3	15.9	8.7	7.3	7.5
Capital Expenditure & Net Lending	193.5	236.3	225.1	171.8	197.8	108.1	83.7	34.2	39.5
Capital Expenditure	173.1	216.6	205.4	149.1	184.9	100.6	76.2	25.8	36.5
Net Lending	20.4	19.7	19.7	22.7	12.9	7.5	7.5	8.4	3.0
Fiscal Balance	(704.9)	(863.4)	(524.1)	(450.2)	(30.5)	(404.2)	(278.2)	19.2	295.7
Primary Balance	(51.2)	(190.8)	217.6	314.5	354.3	(47.9)	95.3	288.7	418.3
Fiscal Balance to GDP (%)	(7.6)	(9.0)	(5.3)	(4.6)	(0.3)				

^(p) Provisional

^(e) Estimate

Sources: Accountant General, Ministry of Finance and Central Bank of Barbados

**Table 5 - Government Financing
(BDS \$Millions)**

	2014/15	2015/16	2016/17	2017/18 ^(p)	2018/19 ^(e)	Apr-Sep 2016	Apr-Sep 2017	Apr-Sep 2018	Apr-Sep 2019
Total Financing	704.9	863.4	524.1	450.2	30.6	404.2	278.2	(19.2)	(295.7)
Domestic Financing	695.2	837.7	685.7	629.3	(315.5)	488.3	337.5	(23.0)	(257.5)
Central Bank	349.1	426.2	783.2	92.8	(166.4)	564.0	46.1	101.8	175.6
Commercial Banks	(141.7)	182.4	(433.5)	257.9	82.8	(285.6)	210.7	58.4	(62.2)
National Insurance Board	48.6	71.2	180.2	3.1	8.9	91.2	(3.4)	8.9	(42.6)
Private Non-Bank	62.6	108.5	94.6	(57.2)	(119.6)	4.3	(24.5)	(28.7)	(104.1)
Other	376.7	49.4	61.3	332.8	(111.2)	114.5	108.6	(163.4)	(91.0)
Arrears Payments	n.a	n.a	n.a	n.a	(10.0)	0.0	0.0	0.0	(133.3)
Foreign Financing (Net)	9.7	25.7	(161.7)	(179.1)	346.2	(84.1)	(59.3)	3.8	(38.2)
Capital Markets	49.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Project Funds	79.0	204.1	57.2	113.8	87.9	13.6	56.2	46.5	16.9
Policy Loans	0.0	99.3	0.0	0.0	350.0	0.0	0.0	0.0	0.0
Amortisation	(118.7)	(277.8)	(218.8)	(292.8)	(91.7)	(97.7)	(115.4)	(42.7)	(55.1)
Divestment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

^(p) Provisional

^(e) Estimate

Source: Central Bank of Barbados

Table 6 - Public Debt Outstanding
(BDS \$Millions)

	2014	2015	2016	2017 ^(p)	2018 ^(p)	Sep-16	Sep-17	Sep-18	Sep-19
Gross Central Government Debt¹	11,445.1	12,243.0	13,397.3	13,665.9	12,755.8	13,312.5	13,793.7	13,832.8	12,550.8
Domestic Debt	8,520.4	9,319.8	10,511.2	10,840.1	9,247.4	10,186.1	10,761.4	10,914.4	9,109.8
Central Bank ²	807.9	1,303.6	2,012.4	2,227.7	703.8	1,961.1	2,174.7	2,007.6	740.9
Commercial Banks	1,946.9	2,070.0	2,030.9	2,144.9	2,340.2	1,905.4	2,060.8	2,099.6	2,359.4
National Insurance	2,993.6	3,152.7	3,481.0	3,518.9	2,938.4	3,343.4	3,510.7	3,533.7	2,901.3
Insurance Companies	498.7	514.6	522.3	527.2	1,021.4	812.2	564.6	824.3	1,118.4
PPP	294.3	272.9	256.8	241.8	-	264.6	247.0	236.9	-
Other	1,978.9	2,006.1	2,207.8	2,179.7	2,243.6	1,899.4	2,203.6	2,212.2	1,989.9
Arrears	n.a	n.a	n.a	n.a	309.5	n.a	n.a	1,182.7	165.5
External Debt	2,924.8	2,923.2	2,886.2	2,825.8	2,970.8	3,126.4	3,032.3	2,918.5	2,858.9
International Financial Institutions	882.6	1,012.4	1,062.5	1,043.7	1,379.5	1,058.6	1,012.1	951.0	1,302.8
Bonds	1,735.1	1,619.3	1,548.3	1,452.8	1,142.8	1,605.2	1,509.8	1,460.4	1,130.0
PPP	261.5	256.0	249.9	243.1	237.0	249.9	243.1	237.0	228.8
Bilateral	45.6	35.5	25.5	86.1	211.5	29.2	89.8	83.8	197.3
Arrears					228.1				416.6
Other Public Sector Debt	1,425.7	1,385.8	1,238.2	1,144.0	94.3	1,157.7	1,061.6	940.9	89.8
Domestic Debt	1,135.7	1,116.9	965.8	884.6	-	882.1	837.9	833.2	-
Foreign Debt	290.0	268.9	272.4	259.4	94.3	275.6	223.7	107.8	89.8
Arrears						-	-	-	8.1
Gross Public Sector Debt³	12,870.8	13,628.8	14,635.5	14,809.9	12,850.1	14,470.2	14,855.3	14,773.8	12,640.7
Central Government Financial Assets	971.2	744.8	752.0	715.2	795.0	767.4	739.1	701.7	588.4
Central Bank	52.8	16.7	20.1	20.3	389.4	22.7	24.4	21.9	184.7
Commercial Banks	99.3	95.1	99.4	96.0	174.6	86.6	95.8	95.6	214.4
Sinking Funds	819.1	633.0	632.6	598.8	231.0	658.1	618.9	584.2	189.3
Other Public Sector Financial Assets	198.5	207.9	239.8	189.0	465.8	639.7	679.1	703.1	339.7
Public Corporations' Deposits	198.5	207.9	239.8	189.0	465.8	212.8	203.3	237.3	339.7
Gross Public Sector Debt/GDP (%)	137.0	144.2	151.2	148.4	126.3	150.6	150.0	145.9	120.9
Gross Central Government Debt/GDP (%)	121.9	129.5	138.4	136.9	125.4	138.5	139.3	136.6	120.0
External Debt/GDP (%)	31.1	30.9	29.8	28.3	31.4	32.5	30.6	28.8	31.3
Net Central Government ⁴ /GDP (%)	111.5	121.7	130.6	129.8	117.6	130.6	131.8	129.7	114.4

^(p) - Provisional

¹ Gross Central Government Debt = Domestic Debt+ External Debt + Domestic Arrears, for 2014-2017, data does not include estimates for domestic arrears

² Comprises Treasury Bills, Debentures and Ways & Means Account Balance

Source: Accountant General, Ministry of Finance and Central Bank of Barbados

**Table 7 – Select Monetary Aggregates and Financial Stability Indicators for the Banking System
(BDS \$Millions)**

	2014	2015	2016	2017	2018	Sept 2016	Sept 2017	Sept 2018	Sept 2019 ^(p)
Central Bank of Barbados									
Net International Reserves	861.7	821.4	574.9	334.7	832.3	797.8	448.1	453.3	972.9
Monetary Base	1585.0	1989.8	2481.5	2375.9	2658.9	2434.8	2434.1	2598.1	2895.9
Net Domestic Assets	723.3	1168.3	1906.5	2041.2	1789.0	1601.8	1948.0	2105.2	1877.6
Deposit-taking Institutions¹									
Credit to Public Sector ²									
Central Government (net)	1957.9	2186.7	2063.6	2164.5	1896.4	2012.3	2089.3	2166.0	1897.3
Rest of the Public Sector	514.9	422.6	368.2	344.8	107.9	372.9	348.7	300.7	58.5
Credit to Rest of Financial System	415.5	293.3	276.7	248.7	274.5	275.0	240.9	269.4	278.0
Credit to the Non-Financial Private Sector ³	7658.1	7781.1	7895.2	8151.3	8179.1	7813.6	8086.1	8181.1	8113.3
Total Deposits									
Transferable Deposits ⁴	8349.4	8946.4	9589.1	9667.6	9844.5	9207.7	9682.3	9704.1	10119.8
Non-Transferable Deposits	2466.7	2426.0	2248.5	2311.1	2122.6	2362.9	2253.7	2177.1	1998.1
Memo Items									
Domestic-Currency Deposits	10354.1	10727.3	11097.5	11223.9	11365.1	10945.5	11140.3	11250.9	11490.8
Foreign-Currency Deposits	462.0	645.1	740.2	754.8	602.0	625.0	795.8	630.3	627.0
Banking System Financial Stability Indicators ⁵									
Capital Adequacy Ratio (CAR)	16.4	15.8	17.0	17.0	13.8	15.9	17.0	15.8	13.0
Loan to Deposit Ratio	72.3	66.7	63.7	64.4	63.0	64.8	64.0	66.7	61.9
Liquid Assets to Total Assets	24.7	29.9	32.5	32.6	17.4	32.1	32.5	33.1	18.0
Non-Performing Loans Ratio	11.1	10.2	8.6	7.7	7.4	7.8	6.8	11.2	7.1
Provisions to Non-Performing Loans	47.7	55.5	62.7	80.4	67.3	66.0	68.5	51.5	55.5
Return on Average Assets (12-month)	0.6	1.4	1.5	1.3	(0.2)	1.5	1.3	1.1	(0.9)

^(p) - Provisional

¹ Comprises of Commercial Banks, deposit taking Finance & Trust Companies and Credit Unions

² Reflects both securities holdings and loans.

³ Does not include credit to the non-resident sector

⁴ These comprise of call deposits, demand deposits and savings deposits with unrestricted withdrawal privileges

⁵ Includes data revisions

Source: Central Bank of Barbados