



PRESS RELEASE

June 2014

The Adjustment Programme

The fiscal adjustment measures taken by the Barbados Government between August 2013 and March this year appear to have begun to restore the balance of inflows and outflows of foreign exchange, and the foreign exchange reserve trends for the first six months of the year reverted to the pattern of the years from 2009 and 2012. Reserves declined by \$51 million, compared to a fall of \$119 million on average for those years. At the end of June, the stock of reserves stood at \$1,093 million, representing 15.1 weeks of import reserve cover.

Figure 1 – International Reserves (2004 – 2014)



Source: Central Bank of Barbados

Output in tourism is estimated to have increased marginally for the first half of the year. Arrivals from the UK were up 8.2 percent, but there was a fall-off from the US, Canada and the Caribbean. Average length of stay increased by 1.5 percent, and average expenditure per visitor is estimated to have risen by 1 percent, making this the third consecutive year that average expenditure has increased. Average spending has now recovered to the levels of 2008.

Figure 2 – Tourist Arrivals by Major Market (000's)

Major Markets	Jan-Jun 2013	Jan-Jun 2014	% Change
United States	63.3	58.7	-7.2%
Canada	40.3	36.8	-8.6%
United Kingdom	87.8	95.0	8.2%
Germany	5.4	6.2	13.8%
Other Europe	16.5	18.6	12.7%
Trinidad & Tobago	14.8	13.4	-9.7%
Other Caricom	24.8	23.7	-4.7%
Other	11.3	11.3	-0.4%
Total Arrivals	264.3	263.7	-0.2%
Total Cruise Passengers	335.3	323.4	-3.6%

Source: Barbados Statistical Service and the Barbados Tourism Authority

Output for the economy as a whole remained flat despite the improved tourism performance. There was no increase in value added in international business and financial services, and other exports of goods and services rose only marginally. Fiscal consolidation to restore the external balance exerted an unavoidable drag on the output of the non-tradable sector.

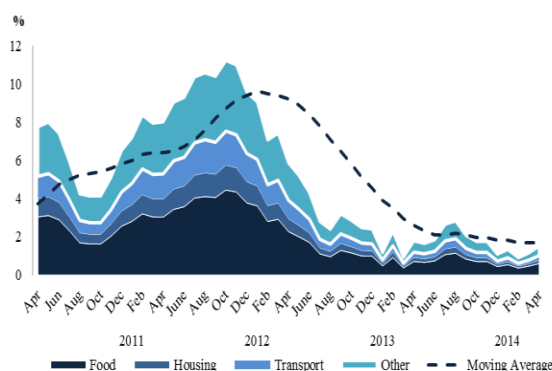
Figure 3 – Real GDP Growth (2007-2014)



Source: Central Bank of Barbados

Unemployment has been on the rise because of the Government's on-going retrenchment programme. The average rate of unemployment over the four quarters ending March was 11.7 percent, slightly higher than for the same period a year earlier. The twelve-month moving average rate of inflation fell from 2.6 percent a year ago to 1.7 percent, as at end-April 2014.

**Figure 4 – Inflation
(2011-2014)**

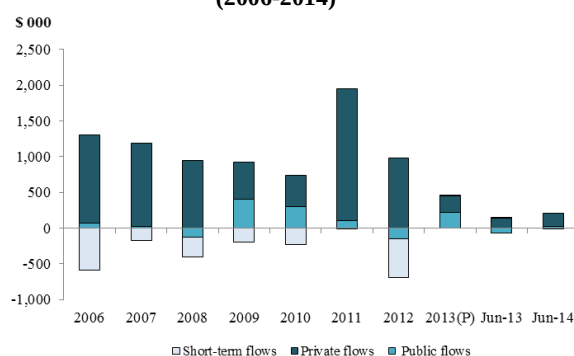


Source: Barbados Statistical Service

Business and household production of electricity by use of solar energy has gathered momentum, increasing by 66 percent. Although this gives promise of the future importance of this energy source, currently solar accounts for only one percent of total electricity consumption.

Net private capital inflows rose to \$184 million compared to \$138 million in first half of 2013. Net public inflows also improved, to \$22 million, compared to a net outflow of \$65 million last year.

**Figure 5 – Financial Account Flows
(2006-2014)**



Source: Central Bank of Barbados

The fiscal adjustment measures have dampened the demand for imports, and total imports fell by 1.4 percent for the first six months of 2014.

The fiscal consolidation programme yielded an estimated \$51 million in the first quarter of the fiscal year. The consolidation tax brought in \$9 million, and the tax on commercial bank assets, \$4 million. Grants to public institutions were reduced by \$9 million and outlays on goods & services declined by \$9 million. Job cuts are estimated to have reduced the Government wage bill by \$20 million.

The overall deficit for the first quarter was \$214 million, \$5 million lower than for the same period last year. The primary deficit for the quarter improved by \$30 million, to \$21 million.

Preliminary estimates for the first quarter of the fiscal year show a \$5 million decline in Government revenue, with VAT receipts down \$8 million, corporate tax receipts down \$3 million, and other indirect taxes down \$4 million, compared to last year. However, property taxes were up by \$4 million.

There was a \$6 million increase in transfers to individuals. First quarter interest payments were \$24 million higher than for last year; the debt stock increased by 9 percent, and the average interest rate rose by 0.3 percentage points.

Financing for the first quarter was provided by a drawdown of \$153 million in proceeds from foreign borrowings that were held on deposit at the Central Bank, along with \$40 million from NIS and \$51 million from non-bank sources. However, the commercial banking sector reduced their holdings of Government securities by \$7 million. At the end of May, the net indebtedness of the public sector (including state enterprises and the NIS) was equivalent to 73 percent of GDP. The ratio of external debt service to foreign exchange earnings remained below 7 percent at the end of the first quarter.

Total Government financing needs for the remaining three quarters of the current fiscal year are projected to be about \$300 million. This

is to be financed by commercial banks' surplus of funding over the credit needs of the private sector, the surplus of the NIS and funds from the non-bank financial institutions. Government currently holds \$97 million in payments outstanding to major state-owned enterprises, including the QEH, UWI, the waste separation plant, the Barbados Agricultural Marketing Corporation and the Barbados National Oil Company, with respect to expenses incurred in fiscal year 2013/14. Specific funding arrangements will be made to eliminate these arrears, in collaboration with the companies and institutions to which payments are outstanding.

The Growth Outlook

The tourism product is being enhanced by projects recently completed or currently underway, including the first phase of the Port Ferdinand Marina, the Bushy Park Motor Racing Circuit, the Apes Hill Clubhouse, an upgrade of the Sandals south coast hotel, the Central Bank museum, and other upgrades and refurbishment of hotels and tourism amenities, totaling an estimated \$355 million. Preparatory technical and financial work is on-going on the major private sector investment projects, including the Four Seasons and Sandals Beaches, and the joint venture cruise ship terminal.

Prospects are for an increase in airlift capacity out of the major markets for Barbados' tourism for the coming winter season, with increases of 3 percent, 10 percent and 20 percent out of the UK, US and Canada, respectively.

A three-pronged strategy for the international business and financial services sector includes continual upgrades of Barbados' regulatory framework; the extension of the country's double taxation network; and the development of new markets and products. Barbados has recently signed an Inter-governmental

Agreement with the US under the FATCA arrangements, and tax treaties with Italy, Vietnam, Belgium, United Arab Emirates, the Slovak Republic and Malaysia are being negotiated. New markets are being explored in Latin America and the Middle East, with products tailored to the needs of those markets.

In the area of green energy, financial and technical work continues in preparation for the construction of a waste-to-energy plant by private enterprise, and the adoption of solar generation by businesses and households continues to accelerate.

Based on a forecast of performance in the foreign exchange sectors, the Central Bank continues to project slight growth in 2014, of about 0.3 percent. We expect the economy to pick up in subsequent years, to 1.2 percent in 2015 and 2.5 percent growth in 2016.

Table 1 - Economic Indicators

	2006	2007	2008	2009	2010	2011	2012	2013 ^(p)	Jan-Jun 2013 ^(p)	Jan-Jun 2014 ^(e)
Real growth (%)	5.7	1.7	0.3	-4.1	0.3	0.8	0.0	0.2	0.0	0.0
Tradables (%)	8.1	-7.3	-0.3	-4.3	-0.4	-2.5	-4.3	-0.2	-0.3	-0.3
Tourism (%)	18.1	-12.9	0.5	-3.4	3.6	-0.2	-3.7	-1.6	-1.6	0.1
Nontradables (%)	5.0	4.5	0.5	-4.1	0.4	1.7	1.1	0.3	0.1	0.0
Inflation (%) ¹	7.3	4.0	8.1	3.6	5.8	9.4	4.5	1.8	2.6	1.7
Avg. Unemployment (%) ²	8.7	7.4	8.1	10.0	10.8	11.2	11.6	11.7	11.6	11.7
Foreign Exchange Reserves (\$ Million)	1,194.1	1,549.9	1,343.3	1,477.4	1,423.7	1,414.8	1,457.7	1,144.2	1,219.9	1,093.3
Foreign Exchange Reserves cover, weeks	16.0	20.9	16.2	20.9	18.3	17.7	19.9	15.6	16.5	15.1
BoP current account (as % GDP)	-8.2	-5.4	-10.7	-6.8	-5.8	-12.8	-9.5	-10.4	-7.2	-6.0
Net capital inflows	709.9	1,020.2	546.1	731.7	512.1	1,925.5	278.3	449.2	71.1	195.5
Debt (as % of GDP), Net Public Sector	29.6	27.2	28.0	38.5	50.3	53.0	57.0	66.8	65.9	72.9
External debt service to BoP current account credits	5.6	4.2	5.8	5.8	13.3	6.0	6.4	6.6	5.0	5.3
Treasury-bill rate	6.6	4.9	4.8	3.4	3.4	3.4	3.6	3.2	3.6	3.2
US treasury-bill rate	4.9	3.0	0.0	0.1	0.1	0.0	0.1	0.1	0.1	0.1
Average deposit rate ¹	5.1	4.8	4.1	2.7	2.7	2.7	2.5	2.5	2.5	2.5
Average loan rate ¹	10.9	10.7	10.3	9.7	9.4	8.8	8.4	8.5	8.5	8.1
Fiscal Year	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14^(p)	Apr-Jun 2013	Apr-Jun 2014
Fiscal deficit (% of GDP)	-2.7	-3.4	-4.9	-7.2	-8.7	-4.4	-8.8	-12.4	-	-
Fiscal Current Account (as % of GDP)	1.7	-0.3	-2.4	-6.2	-8.3	-3.4	-8.4	-11.8	-	-
Revenue (as % of GDP)	29.8	31.5	28.6	25.3	25.7	29.2	29.1	25.0	-	-
Expenditure (as % of GDP)	32.9	35.4	38.7	38.1	39.5	38.0	43.6	42.4	-	-
Govt interest payments (as % of revenue)	14.7	13.9	15.3	18.8	22.3	20.7	23.2	28.8	-	-

^(p) - Provisional

^(e) - Estimate

n.a.- Not Available

¹Current data as at end-Apr

²Current data as at end-Mar

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

	Avg contribution to GDP (%)	2005	2006	2007	2008	2009	2010	2011	2012	2013 ^(p)	Jan-Jun 2013 ^(p)	Jan-Jun 2014 ^(e)
Tradeables	21.2	241.4	261.0	242.0	241.3	230.9	230.0	224.1	214.5	214.1	112.4	112.1
Tourism	12.3	127.0	150.0	130.7	131.4	126.9	131.4	131.2	126.3	124.3	65.2	65.3
Manufacturing	4.2	63.2	62.8	62.1	60.7	53.3	51.0	48.3	45.0	46.0	22.4	22.1
Of which:												
<i>Rum & Other beverages</i>	0.6	8.8	8.7	8.6	8.4	7.4	7.1	6.7	6.3	6.4	3.1	3.1
<i>Food</i>	1.1	16.1	16.0	15.8	15.4	13.5	13.0	12.3	11.4	11.7	5.7	5.6
<i>Furniture</i>	0.1	1.7	1.7	1.7	1.7	1.5	1.4	1.3	1.2	1.3	0.6	0.6
<i>Chemicals</i>	0.3	3.8	3.8	3.7	3.7	3.2	3.1	2.9	2.7	2.8	1.3	1.3
<i>Electronics</i>	0.3	4.8	4.7	4.7	4.6	4.0	3.9	3.7	3.4	3.5	1.7	1.7
<i>All Other Manufacturing</i>	1.9	28.0	27.8	27.5	26.9	23.6	22.6	21.4	20.0	20.4	9.9	9.8
Sugar	1.1	16.4	14.5	14.6	13.6	13.7	11.0	10.1	10.5	7.5	6.0	6.0
Other agriculture	3.5	34.7	33.7	34.7	35.7	37.0	36.6	34.5	32.6	36.3	18.8	18.7
Nontradables	78.8	789.0	828.1	865.4	869.8	834.2	837.9	851.9	861.6	864.5	417.8	418.0
Mining & Quarrying	0.4	10.0	9.7	9.1	8.4	5.3	5.8	5.0	4.6	3.9	1.9	2.0
Electricity, Gas & Water	4.0	38.9	42.6	43.1	43.0	43.3	44.2	43.5	43.7	43.4	21.3	21.2
Construction	6.6	99.3	98.9	98.9	93.8	76.7	69.4	76.7	70.9	62.5	35.0	34.5
Distribution	19.4	215.9	230.9	246.0	244.0	232.5	237.9	238.0	239.1	243.0	102.6	102.2
Transport, etc	10.1	91.0	96.4	102.2	105.3	102.4	102.6	103.3	105.5	107.1	53.5	54.3
Finance and Other Services	21.0	185.9	197.1	208.9	213.5	207.4	209.6	212.0	218.4	222.6	111.3	111.7
Government	17.4	148.1	152.6	157.1	161.8	166.7	168.4	173.4	179.4	182.1	92.2	92.2
Total		1,030.4	1,089.1	1,107.5	1,111.2	1,065.1	1,067.8	1,076.0	1,076.1	1,078.6	530.2	530.1
Nominal GDP		7,783.0	8,628.1	9,026.5	9,083.1	9,185.3	8,867.4	8,737.8	8,449.7	8,456.3	4,156.7	4,201.5
Real growth rates		4.0	5.7	1.7	0.3	-4.1	0.3	0.8	0.0	0.2	0.0	0.0
Tradables		-0.8	8.1	-7.3	-0.3	-4.3	-0.4	-2.5	-4.3	-0.2	-0.3	-0.3
Nontradables		5.6	5.0	4.5	0.5	-4.1	0.4	1.7	1.1	0.3	0.1	0.0

^(p) - Provisional

^(e) - Estimate

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

	2006	2007	2008	2009	2010	2011	2012	2013 ^(p)	Jan-Jun 2013 ^(p)	Jan-Jun 2014 ^(e)
<u>Current Account</u>	-703.5	-490.6	-973.1	-620.4	-517.2	-1,116.8	-801.3	-881.2	-366.6	-330.2
Inflows	4,738.4	5,237.6	5,200.5	4,511.5	4,803.7	4,728.4	4,438.6	4,445.9	2,288.1	2,338.2
Travel	2,113.3	2,377.3	2,388.7	2,136.0	2,068.3	1,925.3	1,838.3	1,840.8	1,077.8	1,081.9
Other services	1,093.5	1,070.1	1,234.6	911.9	1,179.4	502.2	418.6	417.1	151.2	153.1
Rum	44.3	67.5	66.0	57.2	66.8	70.9	82.4	86.1	43.0	39.6
Other beverages	9.8	11.8	15.3	14.2	13.1	12.3	10.3	13.9	5.7	6.2
Food	46.0	55.5	62.8	50.7	50.0	55.9	63.6	64.0	31.8	36.1
Sugar	44.6	46.2	45.1	40.7	22.6	21.2	22.3	15.9	0.8	0.6
Chemicals	60.2	74.6	66.8	58.2	124.0	140.7	128.3	82.9	20.6	21.8
Electronics	37.6	21.6	23.8	16.3	19.4	21.5	17.1	13.3	4.0	5.8
Other merchandise exports	783.1	784.8	699.3	524.6	565.6	1,376.4	1,328.1	1,274.6	675.1	706.8
Income	222.1	396.5	357.1	514.5	472.4	342.9	383.5	497.5	225.7	237.6
Transfers	283.8	331.6	241.1	187.1	222.3	259.1	146.3	139.7	89.5	92.3
Outflows	5,441.8	5,728.2	6,173.6	5,131.8	5,320.9	5,845.1	5,239.9	5,327.1	2,654.7	2,645.7
Merchandise Imports	3,204.8	3,399.2	3,622.0	2,732.1	3,013.2	3,457.6	3,375.8	3,342.0	1,614.1	1,592.1
Services	1,384.0	1,337.4	1,515.1	1,358.6	1,466.9	1,107.1	971.7	932.4	523.4	511.5
Income	734.9	772.1	849.0	894.6	696.2	943.2	728.3	886.7	427.6	449.8
Transfers	118.1	219.5	187.5	146.5	144.5	337.2	164.1	166.1	89.5	92.3
Capital Account	0.0	0.0	0.0	0.0	0.0	-17.8	-13.5	-9.0	-3.8	-4.7
Financial Account	709.9	1,020.2	546.1	731.7	512.1	1,943.3	291.8	458.2	74.9	200.2
Long term	1,301.1	1,190.3	830.4	925.1	741.5	1,951.8	839.0	449.9	73.0	205.9
Public	66.9	28.9	-122.5	408.6	306.6	106.2	-147.3	219.2	-65.4	22.4
Private	1,234.2	1,161.4	952.9	516.5	435.0	1,845.7	986.4	230.7	138.4	183.6
Short-term	-591.2	-170.0	-284.2	-193.4	-229.5	-8.5	-547.2	8.3	1.9	-5.8
Net Errors & Omissions	-48.8	-173.8	220.3	22.8	-48.5	-817.6	565.9	118.5	57.7	83.7
<u>Change in FXR: - increase/+ decrease</u>	42.3	-355.8	206.6	-134.1	53.7	8.9	-43.0	313.5	237.8	50.9

^(p) - Provisional

^(e) - Estimate

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

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14 ^(p)	Apr-Jun 2013 ^(p)	Apr-Jun 2014 ^(e)
Total Revenue	2,236.5	2,471.6	2,597.4	2,323.7	2,278.9	2,550.5	2,457.3	2,115.5	502.4	497.5
Tax Revenue	2,130.8	2,337.0	2,396.1	2,156.3	2,168.4	2,345.7	2,240.8	1,999.0	471.3	470.8
<i>i) Direct Taxes</i>	<i>976.5</i>	<i>1,050.0</i>	<i>1,038.4</i>	<i>951.1</i>	<i>883.8</i>	<i>925.1</i>	<i>897.9</i>	<i>742.0</i>	<i>168.6</i>	<i>182.6</i>
Personal	306.7	334.9	375.5	386.3	395.4	420.1	397.3	331.6	98.2	99.5
Corporate	445.5	521.0	447.2	372.8	294.2	286.1	268.6	181.2	30.7	27.5
Consolidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.4	0.0	8.5
Property	151.4	103.1	120.9	113.3	118.2	133.9	132.8	111.5	5.2	9.5
Bank Asset								4.9	0.0	4.4
Other	73.0	91.0	94.8	78.7	76.0	85.0	99.2	99.4	34.6	33.1
<i>ii) Indirect Taxes</i>	<i>1,154.2</i>	<i>1,286.9</i>	<i>1,357.7</i>	<i>1,205.2</i>	<i>1,284.5</i>	<i>1,420.6</i>	<i>1,342.9</i>	<i>1,257.0</i>	<i>302.6</i>	<i>288.2</i>
Stamp	26.9	22.0	18.7	11.3	11.8	11.7	11.2	11.6	2.3	3.3
VAT	674.8	789.6	800.1	703.8	764.8	939.9	879.0	814.1	200.9	192.9
Excises	145.3	164.3	165.1	147.0	146.0	161.0	141.3	121.8	26.8	24.9
Import Duties	186.5	197.3	219.4	178.4	191.3	195.6	201.2	194.6	44.6	43.1
Other	120.8	113.7	154.4	164.7	170.6	112.3	110.2	115.0	28.0	24.0
Non Tax Revenue & Grants	105.7	134.7	201.3	167.4	110.5	204.8	216.5	116.4	31.1	26.7
Non Tax Revenue	87.7	111.4	180.8	111.1	84.1	165.0	138.9	79.4	18.9	15.0
Grants	0.0	4.0	7.5	35.6	3.8	14.3	57.6	5.5	0.9	0.0
Post Office - Revenue	18.0	19.3	13.0	20.7	22.6	25.5	20.0	31.5	11.4	11.7
Current Expenditure	2,112.4	2,492.2	2,786.7	2,809.9	2,919.8	2,816.7	3,076.5	2,988.6	698.4	689.5
Wages & Salaries	698.6	809.0	832.7	861.1	860.2	867.4	882.2	874.5	219.2	199.2
Goods & Services	263.3	361.9	420.6	417.3	378.4	399.5	391.7	376.8	74.0	65.0
Interest	329.9	343.6	396.4	435.8	507.2	527.4	568.9	608.7	168.2	192.1
External	119.2	140.5	148.9	153.7	147.4	148.4	146.6	135.3	34.5	44.8
Domestic	210.7	202.2	247.5	282.1	359.8	379.0	422.3	473.4	133.7	147.3
Transfers & Subsidies	820.6	977.7	1,137.0	1,095.7	1,174.0	1,022.4	1,233.6	1,128.6	237.0	233.2
<i>Grants to Individuals</i>					356.7	152.4	510.3	466.8	63.9	70.2
<i>Grants to Public Institutions</i>					757.1	808.4	659.3	603.2	159.0	150.0
<i>Subscriptions and Contributions</i>					23.3	25.9	24.1	22.1	5.0	4.2
<i>Non-Profit Agencies</i>					37.0	35.7	39.9	36.5	9.1	8.8
Capital Expenditure & Net Lending	357.6	286.3	253.7	178.3	134.7	118.2	121.1	170.3	22.9	21.5
Fiscal Balance	-233.5	-306.9	-443.0	-664.5	-775.6	-384.4	-740.2	-1,043.4	-218.9	-213.5
Primary Balance	96.4	36.7	-46.6	-228.7	-268.4	143.0	-171.3	-434.7	-50.7	-21.4
Fiscal Balance to GDP (%)	-2.7	-3.4	-4.9	-7.2	-8.7	-4.4	-8.8	-12.3		

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

^(p) Provisional

^(e) Estimate

Table 5 - Public Debt Outstanding (BDS\$ Millions)

	2006	2007	2008	2009	2010	2011	2012	2013 ^(p)	Jun 2013 ^(p)	Jun 2014 ^(p)
Government										
External Debt (of which)	1,915.8	1,993.4	1,978.2	2,395.3	2,718.7	2,764.5	2,649.9	2,871.3	2,570.7	2,902.1
SDRs (+)	0.1	0.2	0.1	170.2	171.6	184.0	176.2	171.5	171.5	171.4
PPP-Prison	288.0	288.0	285.2	282.2	278.8	275.1	271.0	266.5	266.5	261.5
Domestic Debt (of which)	2,343.2	2,644.5	2,861.8	3,405.3	3,661.4	4,032.1	4,591.8	5,381.9	5,082.9	5,412.5
PPP-Justice Improvement	43.4	73.3	103.0	127.1	132.3	132.9	-	-	-	-
PPP-Coast Guard	61.9	59.5	52.6	47.9	43.3	38.7	34.1	29.5	34.1	29.5
PPP-ABC Highway	-	135.0	135.0	161.7	158.3	151.7	144.7	137.0	140.9	133.0
Debentures	1,261.4	1,418.2	1,585.4	1,820.1	1,962.7	2,279.7	2,566.3	2,563.1	2,621.4	2,513.2
T-bills	488.7	569.6	529.4	735.2	890.8	953.4	1,238.0	2,042.0	1,681.3	2,079.2
Gross General Government Debt*	4,259.0	4,637.9	4,840.0	5,800.6	6,380.1	6,796.7	7,241.7	8,253.2	7,653.6	8,314.6
General Government Assets (-)	1,269.0	1,486.1	1,644.4	1,633.0	1,514.0	1,613.5	1,516.3	1,451.0	1,394.9	1,175.5
Government Assets	701.3	765.2	825.9	872.3	964.6	1,074.2	1,005.8	1,051.8	996.4	816.2
Deposits	212.2	213.7	219.4	239.8	351.3	363.2	198.1	222.7	173.3	111.5
Central bank	112.8	97.0	61.2	90.2	233.1	263.6	79.3	103.4	64.9	5.5
Commercial Banks	99.4	116.7	158.3	149.6	118.3	99.6	118.9	119.3	108.4	106.0
Sinking Fund	489.1	551.6	606.5	632.5	613.3	711.0	807.7	829.1	823.1	704.7
Sinking funds for dom. debt	329.6	355.3	371.3	409.2	425.6	470.9	524.3	559.2	549.8	452.6
Sinking funds for fgn. debt	159.5	196.3	235.2	223.3	187.7	240.1	283.4	269.9	273.3	252.1
Other General Government Assets**	567.8	720.8	818.5	760.8	549.4	539.3	510.5	399.2	398.5	359.3
Liquid NIS Assets	400.9	505.8	525.7	468.0	382.4	380.5	330.1	186.2	185.5	153.2
Cash	16.3	16.1	13.1	10.8	10.8	10.8	10.8	10.8	10.8	10.8
Due From Banks and Fin. Inst**	384.6	489.7	512.6	457.2	371.6	369.7	319.3	175.4	174.7	142.4
External Assets of NIS	166.9	215.0	266.9	292.7	166.9	158.8	180.4	213.0	213.0	206.1
Net Government Debt	2,990.0	3,151.8	3,195.5	4,167.6	4,866.1	5,183.2	5,725.3	6,802.2	6,258.7	7,139.1
Public Sector										
Gross General Government Debt	4,259.0	4,637.9	4,840.0	5,800.6	6,380.1	6,796.7	7,241.7	8,253.2	7,653.6	8,314.6
Debt Held By Central Bank (-)	0.6	20.5	-	101.8	95.0	223.7	236.9	490.0	220.0	410.0
T-Bills	-	19.9	-	26.8	20.0	148.7	161.9	415.0	145.0	335.0
Debentures	0.6	0.6	-	75.0	75.0	75.0	75.0	75.0	75.0	75.0
Public Corporations' Debt (+)	871.3	975.6	1,000.7	1,295.0	1,511.5	1,530.1	1,295.0	1,305.9	1,252.1	1,362.5
Domestic	734.5	762.0	796.6	1,067.2	1,196.7	1,225.3	1,000.1	1,021.3	962.6	1,081.3
External	136.7	213.5	204.0	227.8	314.8	304.8	294.9	284.6	289.5	281.2
Gross Public Sector Debt	5,129.7	5,592.9	5,840.6	6,993.8	7,796.7	8,103.1	8,299.7	9,069.1	8,685.7	9,267.1
Net General Government Debt	2,990.0	3,151.8	3,195.5	4,167.6	4,866.1	5,183.2	5,725.3	6,802.2	6,258.7	7,139.1
Other Central Bank Assets (-)	1,141.2	1,464.2	1,442.4	1,535.9	1,513.3	1,551.2	1,755.2	1,775.4	1,528.5	1,685.4
Foreign Assets	888.5	1,244.9	1,045.2	1,126.1	1,150.2	1,174.1	1,260.6	1,031.8	1,052.2	993.8
Other Foreign Assets	888.5	1,244.7	1,045.0	955.9	978.5	990.1	1,084.4	860.3	880.7	822.3
SDRs	0.1	0.2	0.1	170.2	171.6	184.0	176.2	171.5	171.5	171.5
Domestic Assets	252.7	219.3	397.2	409.8	363.1	377.1	494.6	743.6	476.3	691.6
Public Corporations' Deposits	162.5	185.4	213.8	289.4	306.6	311.7	209.6	197.8	194.8	196.2
Net Public Sector Debt	2,556.9	2,457.2	2,540.0	3,535.5	4,462.8	4,626.7	4,818.6	5,644.9	5,567.5	6,210.0
Gross Government Debt/GDP	49.4	51.4	53.3	63.2	72.0	77.8	85.7	97.6	90.5	97.7
Gross Public Sector Debt/GDP	59.5	62.0	64.3	76.1	87.9	92.7	98.2	107.2	102.8	108.8
Net Government Debt/GDP	34.7	34.9	35.2	45.4	54.9	59.3	67.8	80.4	74.0	83.9
Net Public Sector Debt/GDP	29.6	27.2	28.0	38.5	50.3	53.0	57.0	66.8	65.9	72.9
Memo Debt Held by NIS (-)	1,253.9	1,404.0	1,673.0	1,867.3	2,213.8	2,380.9	2,602.0	2,877.7	2,763.9	2,912.6
T-Bills	125.4	120.8	128.5	122.8	185.3	270.9	303.6	241.8	242.0	178.0
Debentures	1,128.5	1,283.3	1,544.6	1,744.5	2,028.5	2,110.0	2,298.4	2,635.9	2,521.9	2,734.5

* 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)

	Jun 2013	Sep 2013	Dec 2013	Mar 2014	Jun 2014^(p)
Total Financing	218.9	204.6	257.2	395.9	213.5
Domestic Financing	253.2	196.6	-30.0	344.1	236.9
Central Bank	103.6	150.7	152.9	-59.1	152.8
Commercial Banks	146.8	123.9	-186.6	174.4	-6.8
National Insurance Board	12.7	122.3	-8.5	11.1	39.7
Private Non-Bank	74.2	11.0	39.5	-3.2	-12.3
Other Public Sector	0.0	0.0	0.0	0.0	0.0
Other	-84.1	-211.3	-27.3	220.8	63.5
Divestment	0.0	0.0	0.0	0.0	0.0
Foreign Financing (net)	-34.3	8.0	287.1	51.9	-23.4
Capital Markets	0.0	0.0	293.4	83.6	0.0
Project Funds	2.9	45.0	28.6	14.3	9.4
Policy Loans	0.0	0.0	0.0	0.0	0.0
Amortisation	-37.2	-37.0	-34.9	-46.0	-32.9
Divestment	0.0	0.0	0.0	0.0	0.0

Source: Central Bank of Barbados

Table 7 - Key Financial Stability Indicators for the Domestic Commercial Banking System

	2007	2008	2009	2010	2011	2012	2013	Mar 2014 ^(p)
Solvency Indicators								
Capital Adequacy Ratio (CAR)	16.4	16.1	17.5	17.1	19.3	21.0	19.7	19.8
Liquidity Indicators[#]								
Loan to deposit ratio (%)	56.1	63.7	65.5	67.2	70.9	73.6	69.3	68.4
Demand deposits to total deposits (%)	36.4	34.8	36.6	35.2	32.1	29.3	32.0	32.0
Domestic demand deposits to total domestic deposits	32.9	32.1	27.9	27.1	27.6	26.8	29.3	28.9
Liquid assets, % of total assets	9.5	9.0	10.8	11.5	12.0	14.6	18.0	18.6
Credit Risk Indicators								
Total assets (growth rate, %)	23.5	4.2	-5.6	-1.5	-4.7	11.5*	2.8	0.3
Domestic assets (growth rate, %)	11.4	9.2	2.3	0.6	-6.1	6.1*	6.5	0.3
Loans and advances (growth rate, %)	4.9	12.4	0.9	1.0	-0.5	6.3	-2.6	-2.5
Non-performing loans ratio (%)	2.9	3.4	7.9	10.8	11.1	12.9	11.7	10.5
Substandard loans/ Total loans (%)	2.1	2.5	6.7	9.1	8.7	9.9	8.6	7.3
Doubtful loans/ Total loans (%)	0.3	0.4	0.4	1.0	1.8	2.3	2.5	2.6
Loss Loans / Total loans	0.5	0.6	0.9	0.7	0.6	0.8	0.6	0.6
Provisions to non-performing loans (%)	52.0	63.4	41.5	37.4	32.9	33.9	44.9	52.8
Foreign Exchange Risk Indicators								
Deposits in Foreign Exchange (% of total deposits)	18.9	14.8	13.3	12.9	6.6	4.9	4.4	5.2
Profitability Indicators								
Return on Assets (ROA)	1.8	1.4	1.6	1.1	1.0	1.1	0.8	0.8
* Reflects removal of financial consolidation.								
[#] Includes foreign components unless otherwise stated.								