

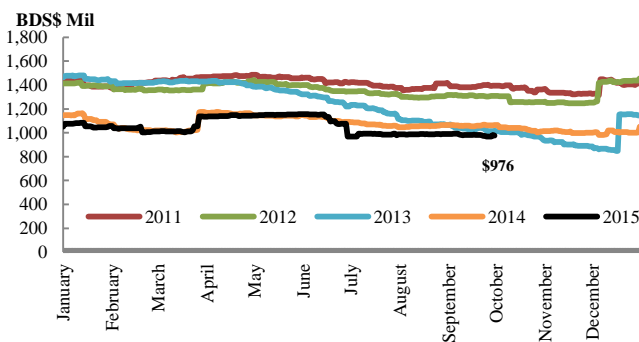


**Press Release
September 2015**

Barbados' tourism has been encouraging so far in 2015, with arrivals increasing by 14.5 percent to end-September. However, construction activity fell short of expectations, and the spillover effects to the retail and domestic services sectors were muted, resulting in growth of 0.3 percent for the year so far. Average unemployment over the first half of the year was 12 percent, and inflation, which is mainly imported, fell to 0.8 percent in the twelve months ending July.

The usage of foreign reserves has reverted to normal, since the end of 2013. High demand for foreign exchange, which led to the decline in reserves in the last seven months of 2013, was curtailed by the fiscal measures announced in August and December of that year. All through 2014, and so far in 2015, foreign reserves have remained around the one billion dollar mark. At the end of September, the international reserves stood at \$976 million, providing cover equivalent to about 14 weeks of imports of goods and services.

Figure 1 - International Reserves



Source: Central Bank of Barbados

Table 1 - Tourist Arrivals by Source Market

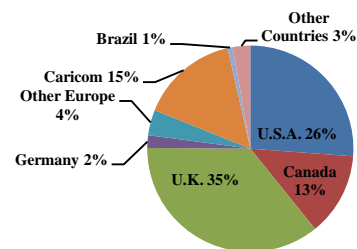
MAJOR MARKETS	(January 1 -September 30)			
	2014	2015 ^(p)	Change	% Change
U.S.A	86,994	111,263	24,269	27.9
Canada	45,931	54,454	8,523	18.6
U.K	131,669	149,077	17,408	13.2
Germany	7,613	8,406	793	10.4
Other Europe	20,434	16,854	(3,580)	(17.5)
Trinidad & Tobago	21,958	21,996	38	0.2
Other Caricom	37,668	42,830	5,162	13.7
Brazil	3,541	3,331	(210)	(5.9)
Other Countries	17,321	19,036	1,715	9.9
TOTAL LONG-STAY	373,129	427,247	54,118	14.5

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.

A strength of Barbados' tourism is the diversity of countries from which we attract visitors. This year we have seen double-digit growth in every major market: the US, Canada, the UK and the Caribbean (Table 1).

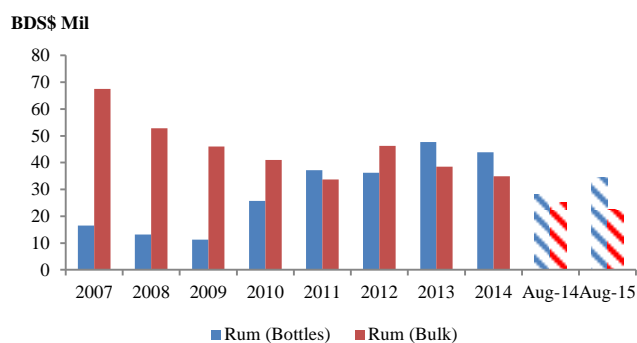
Figure 2- Tourist Arrivals by Source Market, Jan-Sept 2015



Source: Central Bank of Barbados

With affordable photovoltaic systems now widely available, interest in distributed generation by homes and businesses has blossomed, and there is an estimated 8 megawatts of new capacity at different stages of installation. However, due to administrative issues, new installed capacity has only been 2.8 megawatts so far for the year, which brought the total distributed generation capacity to 9.2 megawatts at the end of September.

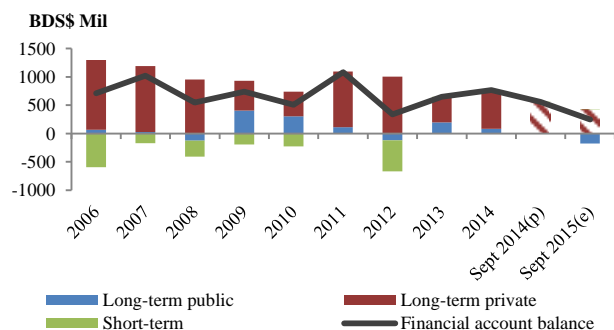
Figure 4 - Domestic Exports of Rum



Source: Central Bank of Barbados

Rum producers have had some success in expanding their production of high value-added branded rum, which is aged, blended, bottled and packaged in Barbados for export. Sales of such products continued to increase to August 2015, even as sales declined for bulk rum, which has struggled to remain competitive with over-subsidised products from the US Virgin Islands and Puerto Rico.

Figure 3 – Net Financial Flows



Source: Central Bank of Barbados

Net private capital inflows were estimated at \$417 million to September, versus \$542 million one year ago. Inflows for the purchase of second homes in Barbados picked up a little in 2014. The public sector recorded a net outflow of \$178 million, primarily because of significantly higher amortisation payments, and the payment of Government’s equity subscription in the Andean Development Bank (CAF, for its initials in Spanish).

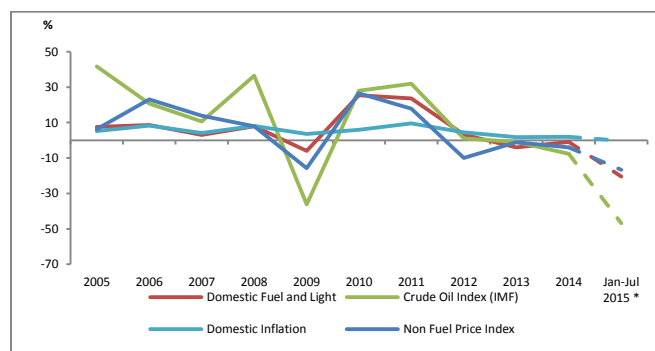
Table 2 – Significant Foreign Exchange Flows (BDS\$ Mil)

	January-September	
	2014	2015 ^(P)
FX Outflows	4,380.3	4,268.5
<i>Financed by</i>		
Merchandise exports	693.8	664.8
Travel receipts	1,357.1	1,426.7
Other Services	791.3	800.3
Income	387.7	388.4
Transfers	96.3	141.5
Public Financial Inflows	122.5	82.2
Private Financial Inflows	757.9	624.1
Unidentified inflows	95.0	64.6
Change in IR	(78.7)	(75.8)

Source: Central Bank of Barbados

A \$144 million reduction in the fuel bill, which amounts to about 20 percent of annual imports, was the main reason for the small decline in foreign payments, compared with 2014. The volume of fuels imported was 8 percent higher, but the average price was 41 percent lower. Foreign income from services, including international business and financial services, has held steady since last year.

Figure 6 – Import Prices and Inflation



Source: IMF Commodity Prices and Barbados Statistical Service
Note: 2015 Jan-Jul price changes

The dramatic fall in payments for imported fuel and lower commodity prices, have had a major impact on Barbados’ inflation rate. On average, the costs of domestic electricity and fuel have declined 1 percent per year in the past three years, and by 20 percent during the first seven months of this year. Domestic food price

inflation fell by 2 percent on average in the 12 months ending July 2015 from an average of 4 percent between 2011 and 2014, at the height of the world commodity boom.

The deficit over the first half of the Fiscal Year (April – September) was \$19 million less than for the same period last year. Revenue rose by \$50 million thanks mainly to property taxes, which were \$99 million higher. Receipts were especially high because of the rate increase in lieu of the now repealed municipal solid waste tax, and the fact that tax bills were distributed earlier than in 2014. Excise taxes rose by \$15 million, but receipts from the VAT fell \$22 million in part due to industrial action at the Bridgetown Port that delayed the clearing and processing merchandise imports.

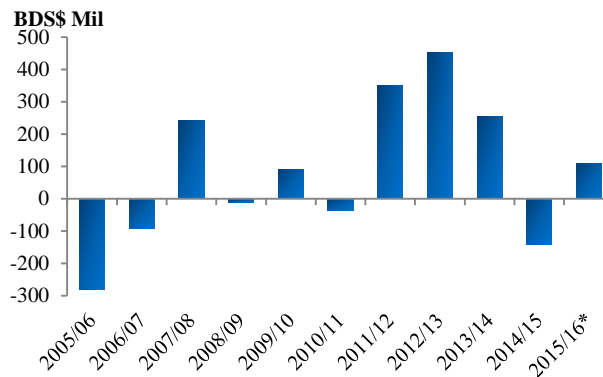
Total expenditure increased primarily because of an additional \$17 million in domestic interest payments and a \$20 million increase in transfers to public institutions. The tax changes being implemented are forecast to yield \$81 million in additional revenue in the second half of the fiscal year. Tight controls on Government's expenditure will be maintained, to stay on course for the fiscal year target deficit of 4 percent of GDP.

Table 3 – Fiscal Adjustment

	\$ Millions	% of GDP
Fiscal Adjustment Measures FY2015/16:		
<i>Increase in land tax rates (incl. Municipal Tax)</i>	44.0	
<i>Cess on all milk and milk substitutes</i>	2.5	
<i>Special VAT rate on Mobile airtime (Cellular Phone Tax)</i>	10.2	
<i>Excise tax on sweetened beverages</i>	6.7	
<i>Expanding the VAT Base</i>	11.7	
<i>Increase Government User Fees (agriculture, day care fees, immigration fees, etc.)</i>	3.5	
<i>SSA Tipping Fee</i>	2.3	
Projection for Remainder of Fiscal Year	80.9	0.9%
Estimated Deficit 2015/16 (with adj. measures)	414.1	4.7%

Source: Central Bank of Barbados

Figure 7 – Commercial Bank Financing

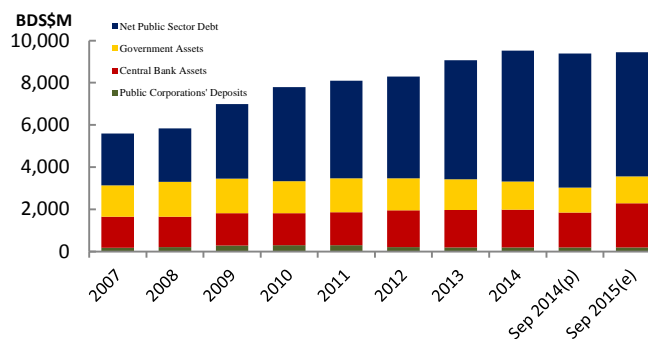


Source: Central Bank of Barbados
Note: * Data to September

Commercial bank financing expanded by \$108 million for the fiscal year, up to September 2015. Banks' holdings of Government paper increased by almost \$1 billion between 2011 and 2013, and after a small cutback in 2014, their appetite for Government paper appears to be returning. Private individuals and companies subscribed \$82 million in Government securities, mainly Savings Bonds.

The Barbados Government's net indebtedness to the private sector at home and abroad continues on an upward trend, a reflection of the fact that the fiscal deficit continues to exceed the growth of GDP. The net public sector debt to GDP, which was no more than 28 percent in 2008, has now risen to 68 percent (Figure 8).

Figure 8 – Public Sector Debt



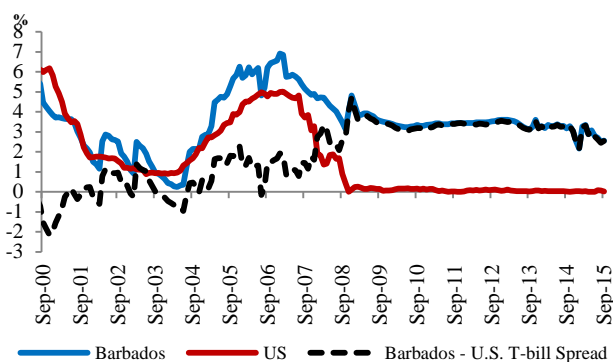
Source: Accountant General, Ministry of Finance, Central Bank of Barbados

The major burden of this debt is the interest cost, which absorbs 29 percent of all Government revenues. The premium on domestic Treasury

bill rates is still very high, compared to US Treasury bill rates. Prior to 2008, the premium on Barbados T-bill rates was never more than two percentage points; since then, the spread has been in the region of three percentage points. As Government's deficit is reduced and arrears of payment are paid off, monetary intervention to reduce the excess interest burden will become more effective.

The Central Bank, the Treasury and the Ministry of Finance have upgraded Government's cash management procedures, with a view to eliminate arrears of payment, and progress has been made in this direction.

Figure 9 – Treasury bill Rates & Spread



Outlook

The principal factors affecting the near-term growth outlook are the prospects for tourism and the implementation of major private and Government-funded investment projects. After the significant restoration of airlift capacity from North Atlantic markets last winter season, the growth in long-stay arrivals are expected to moderate. However, the cruise tourism business is expected to get a major boost from an expansion in the home-porting services at the Bridgetown Port.

Total investment in hotels currently scheduled to be under construction in 2016 amounts to over US\$500 million, to be spread over two to three years. In addition, the private sector is awaiting approval of other commercial investment projects estimated at about US\$50 million, and there are potentially more economically

significant investments in alternative energy. Because these projects may save on fuel imports, they have the potential to multiply their impact on growth, in much the same way that tourism does.

The Barbados economy remains competitive, by international standards, and the quality of life remains high, making the country an attractive place to visit, retire and do business. In recent publications by international organisations, Barbados was ranked most competitive in the Caribbean in tourism¹ and most competitive in all of Latin America and the Caribbean in innovation.² The UNDP's *Human Development Report*, which is the best global indicator of quality of life, ranks Barbados second only to Bahamas in the Caribbean.³

The growth prospects depend heavily on the success of Government's medium-term programme for growth and fiscal adjustment. This strategy could reverse the slide in the country's international credit rating, once it features fiscal deficits that fall below the growth rate of GDP, to reduce debt levels and the burden of interest costs.

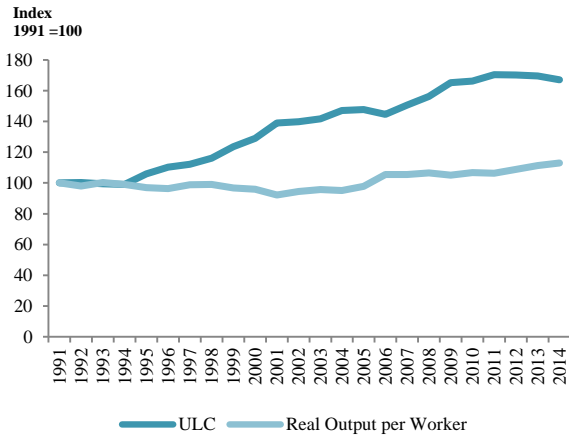
Over the years, a widening gap has opened up between labour costs and productivity in Barbados. A medium term strategy for closing this gap has to be placed high on the agenda for action by the Social Partnership.

¹ World Economic Forum, *Travel and Tourism Competitiveness Index 2015*.

² Cornell University, INSEAD and the World Intellectual Property Organisation, *Global Innovation Index 2015*.

³ UNDP, *Human Development Report 2014*.

Figure 10 – Unit Labour Cost and Real Output Per Worker



Source: Central Bank of Barbados

The Central Bank's current projection for growth in 2015 is now 0.5 percent, mainly because of the delayed implementation of the previously highlighted investment projects. Assuming that these projects will now be underway next year, growth rises to about one percent in 2016 and two percent thereafter. It is possible to improve significantly on these forecasts. Factors that can make for much better performance include the improvement of administrative efficiency in the public service, initiatives to increase labour productivity and worker engagement, an aggressive policy of fiscal consolidation, more effective incentives and support for green energy and new and more appropriate financing of the development of the cultural and heritage sectors.

Table 1-Economic Indicators

	2007	2008	2009	2010	2011	2012	2013	2014 ^(p)	Sep 2014 ^(p)	Sep 2015 ^(e)
Real growth (%)	1.8	0.4	(4.0)	0.3	0.8	0.3	(0.1)	0.2	(0.1)	0.3
Tradables (%)	(7.3)	(0.3)	(4.3)	(0.4)	(2.5)	(3.1)	0.1	(0.3)	(1.5)	1.0
Nontradables (%)	4.5	0.6	(4.0)	0.4	1.6	1.2	(0.1)	0.4	0.2	0.1
Inflation (%) ¹	4.0	8.1	3.6	5.8	9.4	4.5	1.8	1.9	1.7	0.8
Avg. Unemployment (%) ²	7.4	8.1	10.0	10.3	11.2	11.5	11.6	12.3	12.4	12.0
Foreign Exchange Reserves (\$ Million)	1,549.9	1,343.3	1,477.4	1,423.7	1,414.8	1,457.7	1,144.1	1,052.4	1,065.4	976.7
Foreign Exchange Reserves Cover, Weeks	20.9	16.2	20.9	18.3	17.7	19.9	15.6	14.7	14.6	14.4
BoP Current Account (as % GDP)	(5.3)	(10.6)	(6.6)	(5.7)	(12.8)	(9.3)	(9.1)	(8.9)	(10.6)	(5.9)
Net Capital Inflows	1,020.2	546.1	731.7	512.1	1,094.7	312.7	513.5	734.0	505.0	217.6
Net Public Sector Debt/GDP	27.0	27.6	38.4	50.2	53.1	55.8	65.9	71.3	73.3	67.6
External Debt Service to Curr Acct Cred	4.2	5.8	5.8	13.3	6.0	6.4	6.4	6.8	7.0	9.0
Treasury-Bill Rate	6.6	4.9	4.8	3.4	3.4	3.4	3.6	3.2	3.2	2.0
US Treasury-Bill Rate	4.9	3.0	0.0	0.1	0.1	0.0	0.1	0.1	0.0	0.0
Average Deposit Rate ³	5.1	4.8	4.1	2.7	2.7	2.7	2.5	2.5	2.5	2.5
Average Loan Rate ³	10.9	10.7	10.3	9.7	9.4	8.8	8.4	8.5	8.5	8.4
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 (%)	2007	2008	2009	2010	2011	2012	2013	2014 ^(p)	Sep 2014 ^(p)	Sep 2015 ^(e)
Tradeables	19.7	242.0	241.3	230.9	230.0	224.1	217.2	217.4	216.7	163.4	164.9
Tourism	11.1	130.7	131.4	126.9	131.4	131.2	126.3	124.3	126.2	92.2	98.0
Manufacturing	4.0	62.1	60.7	53.3	51.0	48.3	45.0	46.0	45.2	33.1	32.6
Of which:											
<i>Rum & Other beverages</i>	0.6	8.6	8.4	7.4	7.1	6.7	6.3	6.4	6.3	4.6	4.5
<i>Food</i>	1.0	15.8	15.4	13.5	13.0	12.3	11.4	11.7	11.5	8.4	8.3
<i>Furniture</i>	0.1	1.7	1.7	1.5	1.4	1.3	1.2	1.3	1.2	0.9	0.9
<i>Chemicals</i>	0.2	3.7	3.7	3.2	3.1	2.9	2.7	2.8	2.7	2.0	2.0
<i>Electronics</i>	0.3	4.7	4.6	4.0	3.9	3.7	3.4	3.5	3.4	2.5	2.5
<i>All Other</i>											
<i>Manufacturing</i>	1.8	27.5	26.9	23.6	22.6	21.4	20.0	20.4	20.0	14.7	14.4
Sugar	0.7	14.6	13.6	13.7	11.0	10.1	10.5	7.5	6.7	6.0	4.0
Other agriculture	3.9	34.7	35.7	37.0	36.6	34.5	35.3	39.6	38.6	32.0	30.3
Nontradables	80.3	894.3	899.4	863.8	867.6	881.8	892.0	891.1	894.3	664.0	664.6
Mining & Quarrying	0.4	9.1	8.4	5.3	5.8	5.0	4.6	3.9	4.7	3.5	4.5
Electricity, Gas & Water	3.9	43.1	43.0	43.3	44.2	43.5	43.7	43.4	43.4	32.3	32.2
Construction	5.7	98.9	93.8	76.7	69.4	76.7	70.9	62.5	61.7	47.2	46.4
Distribution	20.5	249.0	247.0	235.3	240.8	240.9	242.0	246.0	246.7	169.5	167.5
Transport, etc	10.8	113.3	116.5	113.9	114.0	114.6	116.9	118.0	118.5	89.6	91.0
Finance and Other Services	21.6	223.7	228.9	222.7	225.0	227.7	234.4	235.5	236.5	178.5	179.6
Government	17.3	157.1	161.8	166.7	168.4	173.4	179.4	181.9	182.8	143.3	143.3
Total		1,136.3	1,140.7	1,094.7	1,097.6	1,105.9	1,109.2	1,108.6	1,111.0	827.4	829.5
Nominal GDP		9,092.2	9,190.5	9,202.5	8,893.6	8,717.8	8,664.3	8,742.4	8,705.4	6,482.2	6,550.8
Real growth rates											
Tradables		1.8	0.4	-4.0	0.3	0.8	0.3	-0.1	0.2	-0.1	0.3
Nontradables		(7.3)	(0.3)	(4.3)	(0.4)	(2.5)	(3.1)	0.1	(0.3)	(1.5)	1.0
		4.5	0.6	(4.0)	0.4	1.6	1.2	(0.1)	0.4	0.2	0.1

^(p) - Provisional

^(e) - Estimate

Source: Central Bank of Barbados

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

	2007	2008	2009	2010	2011	2012	2013	2014 ^(p)	Sept 2014 ^(p)	Sept 2015 ^(e)
Current Account	(486.3)	(969.9)	(610.7)	(508.9)	(1116.8)	(803.9)	(793.4)	(776.5)	(689.1)	(383.3)
Inflows	5241.9	5203.7	4521.1	4812.0	4728.4	4436.0	4553.2	4541.8	3326.2	3436.2
Travel	2381.6	2391.8	2145.6	2076.6	1925.3	1835.7	1927.8	1862.9	1357.1	1441.2
Other services	1070.1	1234.6	911.9	1179.4	1250.8	941.1	1052.3	1065.0	2148.4	2241.5
Rum	67.5	66.0	57.2	66.8	70.9	82.4	86.1	78.7	60.8	63.0
Other beverages	11.8	15.3	14.2	13.1	12.3	10.3	13.9	13.6	9.4	8.6
Food	55.5	62.8	50.7	50.0	55.9	63.6	64.0	70.0	53.0	45.9
Sugar	46.2	45.1	40.7	22.6	21.2	22.3	15.9	18.1	0.9	7.5
Chemicals	74.6	66.8	58.2	124.0	140.7	128.3	82.9	88.9	66.0	68.3
Electronics	21.6	23.8	16.3	19.4	21.5	17.1	13.3	16.6	12.6	13.1
Other merchandise exports	784.8	699.3	524.6	565.6	627.8	805.6	659.7	662.9	(866.0)	(982.7)
Income	396.5	357.1	514.5	472.4	342.9	383.5	497.5	525.1	387.7	388.4
Transfers	331.6	241.1	187.1	222.3	259.1	146.3	139.7	140.0	96.3	141.5
Outflows	5728.2	6130.6	5131.3	5319.4	5845.1	5239.9	5346.6	5318.3	4015.3	3819.5
Merchandise Imports	3403.5	3622.0	2732.1	3013.2	3457.6	3375.8	3361.4	3304.4	2458.6	2240.6
Services	1333.1	1472.1	1358.1	1465.4	1107.1	971.7	932.4	925.0	719.8	725.6
Income	772.1	849.0	894.6	696.2	943.2	728.3	886.7	920.0	700.2	711.2
Transfers	219.5	187.5	146.5	144.5	337.2	164.1	166.1	169.0	136.6	142.1
Capital And Financial Accounts	1020.2	546.1	739.9	507.5	1067.0	325.2	637.7	743.8	532.5	231.0
Capital Account	0.0	0.0	0.0	0.0	(17.8)	(13.5)	(9.0)	(9.4)	(8.2)	(11.6)
Long term	1190.3	830.4	933.3	737.0	1093.4	886.0	638.4	736.0	537.9	239.3
Public	28.9	(122.5)	408.6	306.6	112.1	(120.4)	194.4	84.9	(4.1)	(177.8)
Private	1161.4	952.9	524.7	430.4	981.2	1006.4	444.0	651.1	542.0	417.1
Short-term	(170.0)	(284.2)	(193.4)	(229.5)	(8.5)	(547.2)	8.3	17.2	2.7	3.3
Net Errors & Omissions	(178.1)	217.2	13.2	(56.8)	31.0	547.7	(24.6)	(39.8)	113.6	101.5
Overall Balance	355.8	(206.6)	134.1	(53.7)	(8.9)	43.0	(313.6)	(91.7)	(345.2)	(75.8)
Change in FXR: - increase/+ decrease	(355.8)	206.6	(134.1)	53.7	8.9	(43.0)	313.6	91.7	78.7	75.8

^(p) - Provisional : Excludes IBCs

^(e) - Estimate

Source: Central Bank of Barbados

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)	Sep 2014 ^(p)	Sep 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	1,122.8	1,173.2
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	1,063.5	1,122.5
<i>i) Direct Taxes</i>	1,050.0	1,038.4	951.1	883.8	925.1	897.9	813.4	996.3	396.1	451.2
Personal	334.9	375.5	386.3	395.4	420.1	397.3	364.8	458.5	231.9	212.6
Corporate	521.0	447.2	372.8	294.2	286.1	268.6	174.7	206.3	79.5	70.5
Consolidation	0.0	0.0	0.0	0.0	0.0	0.0	14.4	33.1	16.1	16.9
Property	103.1	120.9	113.3	118.2	133.9	132.8	156.0	122.6	13.9	112.9
Municipal Solid Waste	0.0	0.0	0.0	0.0	0.0	0.0	0.0	32.0	14.9	0.4
Bank Asset	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24.7	8.1	9.8
Other	91.0	94.8	78.7	76.0	85.0	99.2	103.6	84.6	31.8	28.1
<i>ii) Indirect Taxes</i>	1,286.9	1,357.7	1,205.2	1,284.5	1,420.6	1,342.9	1,343.0	1,363.6	667.4	671.3
Stamp	22.0	18.7	11.3	11.8	11.7	11.2	11.6	11.2	6.2	5.7
VAT	789.6	800.1	703.8	764.8	939.9	879.0	905.6	886.3	451.5	429.5
Excises	164.3	165.1	147.0	146.0	161.0	141.3	115.4	132.4	59.3	74.0
Import Duties	197.3	219.4	178.4	191.3	195.6	201.2	193.6	223.0	95.5	96.7
Other	113.7	154.4	164.7	170.6	112.3	110.2	116.8	110.7	54.9	65.4
Non Tax Revenue & Grants	134.7	201.3	167.4	110.5	204.8	216.5	177.9	180.3	59.3	50.7
Non Tax Revenue	111.4	180.8	111.1	84.1	165.0	138.9	152.1	105.3	47.9	23.2
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	10.0	10.2
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	1,379.2	1,402.5
Wages & Salaries	809.0	832.7	861.1	860.2	867.4	882.2	871.9	810.3	400.9	395.2
Goods & Services	361.9	420.6	417.3	378.4	399.5	391.7	382.2	340.3	153.0	152.2
Interest	343.6	396.4	435.8	507.2	527.4	568.9	608.7	662.2	321.8	336.1
External	140.5	148.9	153.7	147.4	148.4	146.6	135.3	173.8	76.4	73.9
Domestic	202.2	247.5	282.1	359.8	379.0	422.3	473.4	488.4	245.4	262.2
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	503.5	519.0
<i>Grants to Individuals</i>				304.0	299.0	333.5	345.6	304.8	142.9	139.9
<i>Grants to Public</i>										
<i>Institutions</i>				808.4	659.3	837.9	857.1	731.6	335.6	355.5
<i>Subsidies</i>				100.7	57.2	98.0	80.9	43.5	16.0	12.2
<i>Subscriptions &</i>										
<i>Contributions</i>				25.9	24.1	22.6	23.1	18.6	9.0	8.1
<i>Non-Profit Agencies</i>				35.7	39.9	39.6	35.4	29.2	16.0	15.6
Capital Expenditure & Net Lending	286.3	253.7	178.3	134.7	118.2	121.1	169.3	191.7	52.4	60.4
Fiscal Balance	(306.9)	(443.0)	(664.5)	(775.6)	(384.4)	(740.2)	(959.0)	(599.6)	(308.7)	(289.7)
Primary Balance	36.7	(46.6)	(228.7)	(268.4)	143.0	(171.3)	(350.3)	62.6	13.1	46.4
Fiscal Balance to GDP (%)	(3.3)	(4.8)	(7.3)	(8.8)	(4.4)	(8.5)	(11.0)	(6.9)		

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

^(p) Provisional

^(e) Estimate

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

	2007	2008	2009	2010	2011	2012	2013	2014	Sep 2014 ^(p)	Sep 2015 ^(e)
Government										
External Debt (of which)	1,993.4	1,978.2	2,395.3	2,718.7	2,764.5	2,649.9	2,872.1	2,984.5	2,886.6	2,783.6
SDRs (+)	0.2	0.1	170.2	171.6	184.0	176.2	171.5	176.1	176.1	159.8
PPP-Prison	288.0	285.2	282.2	278.8	275.1	271.0	266.5	261.5	261.5	256.0
Domestic Debt (of which)	2,644.5	2,861.8	3,405.3	3,661.4	4,032.1	4,591.8	5,381.9	5,710.6	5,570.4	6,290.4
PPP-Justice Improvement	73.3	103.0	127.1	132.3	132.9	0.0	0.0	0.0	0.0	0.0
PPP-Coast Guard	59.5	52.6	47.9	43.3	38.7	34.1	29.5	24.8	29.5	24.8
PPP-ABC Highway	135.0	135.0	161.7	158.3	151.7	144.7	137.0	128.9	128.9	119.8
Debentures	1,418.2	1,585.4	1,820.1	1,962.7	2,279.7	2,566.3	2,563.1	2,560.3	2,529.7	2,713.6
T-bills	569.6	529.4	735.2	890.8	953.4	1,238.0	2,042.0	2,285.6	2,186.4	2,778.5
Gross Government Debt	4,637.9	4,840.0	5,800.6	6,380.1	6,796.7	7,241.7	8,254.1	8,695.1	8,457.0	9,074.0
Government Assets (-)	1,486.1	1,644.4	1,633.0	1,514.0	1,613.5	1,516.3	1,451.0	1,330.4	1,194.8	1,265.0
Government Assets	765.2	825.9	872.3	964.6	1,074.2	1,005.8	1,051.8	971.2	835.6	905.8
Deposits	213.7	219.4	239.8	351.3	363.2	198.1	222.7	152.1	105.4	183.3
Central Bank	97.0	61.2	90.2	233.1	263.6	79.3	103.4	52.8	1.9	45.3
Commercial Banks	116.7	158.3	149.6	118.3	99.6	118.9	119.3	99.3	103.4	138.0
Sinking Fund	551.6	606.5	632.5	613.3	711.0	807.7	829.1	819.1	730.2	722.5
Sinking funds for dom. debt	355.3	371.3	409.2	425.6	470.9	524.3	559.2	469.8	456.2	455.9
Sinking funds for fgn. debt	196.3	235.2	223.3	187.7	240.1	283.4	269.9	349.3	274.0	266.6
Other Government Assets	720.8	818.5	760.8	549.4	539.3	510.5	399.2	359.3	359.3	359.3
Liquid NIS Assets	505.8	525.7	468.0	382.4	380.5	330.1	186.2	153.2	153.2	153.2
Cash	16.1	13.1	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8
Due From Banks and Fin. Inst	489.7	512.6	457.2	371.6	369.7	319.3	175.4	142.4	142.4	142.4
External Assets of NIS	215.0	266.9	292.7	166.9	158.8	180.4	213.0	206.1	206.1	206.1
Net Government Debt	3,151.8	3,195.5	4,167.6	4,866.1	5,183.2	5,725.3	6,803.0	7,364.7	7,262.1	7,808.9
Public Sector										
Gross Government Debt	4,637.9	4,840.0	5,800.6	6,380.1	6,796.7	7,241.7	8,254.1	8,695.1	8,457.0	9,074.0
Debt Held By Central Bank (-)	20.5	-	101.8	95.0	223.7	236.9	490.0	555.4	502.5	1,005.5
T-Bills	19.9	-	26.8	20.0	148.7	161.9	415.0	418.5	389.5	667.5
Debentures	0.6	-	75.0	75.0	75.0	75.0	75.0	137.0	113.1	338.1
Public Corporations' Debt (+)	975.6	1,000.7	1,295.0	1,511.5	1,530.1	1,295.0	1,305.9	1,383.5	1,436.7	1,371.5
Domestic	762.0	796.6	1,067.2	1,196.7	1,225.3	1,000.1	1,021.3	1,108.7	1,158.9	1,087.6
External	213.5	204.0	227.8	314.8	304.8	294.9	284.6	274.8	277.8	283.9
Gross Public Sector Debt	5,592.9	5,840.6	6,993.8	7,796.7	8,103.1	8,299.7	9,070.0	9,523.1	9,391.1	9,439.9
Net Government Debt	3,151.8	3,195.5	4,167.6	4,866.1	5,183.2	5,725.3	6,803.0	7,364.7	7,262.1	7,808.9
Other Central Bank Assets (-)	1,464.2	1,442.4	1,535.9	1,513.3	1,551.2	1,755.2	1,775.4	1,794.8	1,651.4	2,094.8
Foreign Assets	1,244.9	1,045.2	1,126.1	1,150.2	1,174.1	1,260.6	1,031.8	933.8	920.2	933.8
Other Foreign Assets	1,244.7	1,045.0	955.9	978.5	990.1	1,084.4	860.3	757.8	744.1	774.0
SDRs	0.2	0.1	170.2	171.6	184.0	176.2	171.5	176.1	176.1	159.8
Domestic Assets	219.3	397.2	409.8	363.1	377.1	494.6	743.6	861.0	731.2	1,161.0
Public Corporations' Deposits	185.4	213.8	289.4	306.6	311.7	209.6	197.8	198.5	195.7	203.7
Net Public Sector Debt	2,457.2	2,540.0	3,535.5	4,462.8	4,626.7	4,818.6	5,645.7	6,199.4	6,349.2	5,876.4
Gross Government Debt/GDP	51.0	52.7	63.0	71.8	78.0	83.9	96.4	100.0	97.6	104.4
Gross Public Sector Debt/GDP	61.5	63.6	76.0	87.7	93.0	96.2	105.9	109.5	108.4	108.6
Net Government Debt/GDP	34.7	34.8	45.3	54.7	59.5	66.4	79.5	84.7	83.8	89.8
Net Public Sector Debt/GDP	27.0	27.6	38.4	50.2	53.1	55.8	65.9	71.3	73.3	67.6
<i>Memo Debt Held by NIS (-)</i>	1,404.0	1,673.0	1,867.3	2,213.8	2,380.9	2,602.0	2,877.7	2,983.6	2,973.2	3,033.4
T-Bills	120.8	128.5	122.8	185.3	270.9	303.6	241.8	187.6	187.7	195.7
Debentures	1,283.3	1,544.6	1,744.5	2,028.5	2,110.0	2,298.4	2,635.9	2,795.9	2,785.5	2,837.8

^(p) - Provisional

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

Table 6 – Government Financing
(BDS\$ Millions)

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	April-Sep 2014 ^(p)	April-Sep 2015 ^(p)
Total Financing	306.9	443.0	664.5	775.6	384.4	740.2	959.0	599.6	308.7	289.7
Domestic Financing	398.8	519.1	424.1	519.9	362.2	762.7	637.1	590.0	355.6	439.5
Central Bank	(135.3)	241.3	(48.6)	(40.2)	(168.4)	942.7	216.9	341.1	190.1	237.4
Commercial Banks	243.6	(12.2)	91.6	(35.2)	349.4	452.7	253.7	(141.7)	(74.4)	108.2
National Insurance Board	183.3	257.2	233.4	331.5	112.9	334.3	137.7	56.7	(9.9)	10.1
Private Non-Bank	149.6	152.3	329.6	189.0	179.3	285.4	121.6	54.7	(3.5)	82.3
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	253.4	1.5
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	(46.9)	(149.8)
Capital Markets	0.0	0.0	232.1	600.0	0.0	0.0	377.0	49.3	0.0	0.0
Project Funds	27.5	75.4	115.9	15.8	25.9	35.1	96.0	79.0	22.1	12.4
Policy Loans	0.0	0.0	0.0	140.0	140.0	0.0	0.0	0.0	0.0	0.0
Amortisation	(119.4)	(151.5)	(107.7)	(500.1)	(143.6)	(146.3)	(151.2)	(118.7)	(69.0)	(162.2)
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

Table 7 – Key Financial Stability Indicators for the Domestic Commercial Banking Systems

	2008	2009	2010	2011	2012	2013	2014Q2	2014Q3	2014Q4	2015Q1	2015Q2
Solvency Indicators											
Capital Adequacy Ratio (CAR)	16.4	16.1	17.1	19.3	21.0	19.7	20.0	19.2	20.5	20.4	21.1
Liquidity Indicators[#]											
Loan to deposit ratio (%)	63.7	65.5	67.2	70.9	73.6	70.0	70.2	70.3	70.3	68.7	66.6
Demand deposits to total deposits (%)	34.8	36.6	35.2	32.1	29.3	32.3	32.7	33.7	33.9	35.5	36.9
Domestic demand deposits to total domestic deposits	32.9	32.1	27.1	27.6	26.8	29.3	29.5	30.4	30.9	32.4	33.7
Liquid assets, % of total assets	9.0	10.8	11.5	12.0	14.6	18.0	18.7	20.1	20.3	21.3	23.2
Credit Risk Indicators											
Total assets (growth rate, %)	4.2	-5.6	-1.5	-4.7	11.5*	2.8	0.3	-0.6	-1.3	0.3	3.3
Domestic assets (growth rate, %)	11.4	9.2	0.6	-6.1	6.1*	6.5	0.1	-1.0	-0.6	1.8	4.7
Loans and advances (growth rate, %)	12.4	0.9	0.6	-0.5	-1.1*	-2.6	-1.1	-1.1	-0.4	1.4	-0.7
Non-performing loans ratio (%)	3.4	7.9	10.8	11.1	12.9	11.7	12.0	12.2	11.5	11.4	11.0
Substandard loans/ Total loans (%)	2.5	6.7	9.1	8.7	9.9	8.6	8.9	9.7	9.0	8.4	8.2
Doubtful loans/ Total loans (%)	0.4	0.4	1.0	1.8	2.3	2.5	2.5	2.0	2.0	2.4	2.1
Loss Loans / Total loans	0.6	0.9	0.7	0.6	0.8	0.6	0.6	0.5	0.5	0.6	0.7
Provisions to non-performing loans (%)	63.4	41.5	37.4	32.9	33.9	44.9	48.7	48.1	47.7	50.7	53.7
Foreign Exchange Risk Indicators											
Deposits in Foreign Exchange (% of total deposits)	18.9	14.8	12.9	6.6	4.9	4.4	5.3	5.2	4.8	5.1	5.4
Profitability Indicators											
Return on Assets (ROA)	1.4	1.6	1.1	1.0	1.1	0.8	0.8	0.7	0.7	0.7	0.7

* Reflects removal of financial consolidation.

Includes foreign components unless otherwise stated.

Source: Central Bank of Barbados