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IMPORTS DOWN 2.6%, DOMESTIC EXPORTS DOWN 11.6% IN FEBRUARY 2018

IMPORTS

FEBRUARY 2018: For the month of February 2018, Belize imported goods valuing \$136.8 million. This represented a 2.6 percent or \$3.7 million decrease from the same month in 2017, when imports totalled over \$140.4 million.

This overall decline was largely caused by a drop in the imported quantities across all types of fuels. As a result, the 'Mineral Fuels and Lubricants' category saw the most significant decrease for the month, with that category falling by a substantial \$5.1 million, from \$22.6 million in February 2017 to \$17.5 million in February 2018. Also contributing to the drop in total imports for the month was reduced importation of 'Manufactured Goods', which fell by \$2.2 million, from \$19.6 million to \$17.4 million, owing to decreased imports of items such as aluminium-zinc coils, bottles, and nuts and bolts. Purchases of 'Chemical Products' were down by \$1.6 million, from \$12.2 million during last February to \$10.6 million in February of this year, with notable drops recorded in the importation of fertilizers, antibiotics and plastic pipes.

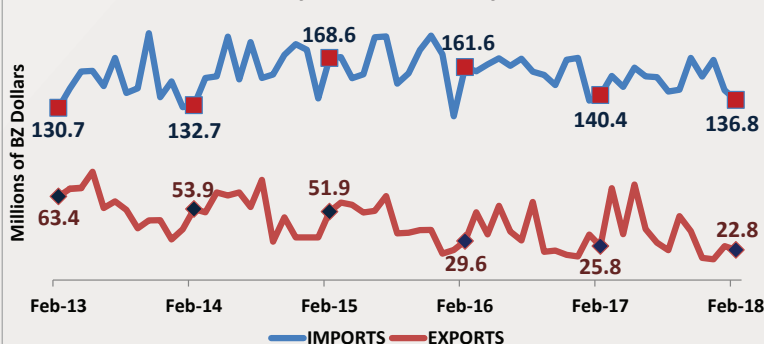
On the other hand, goods destined for the 'Commercial Free Zones' and the 'Export Processing Zones', as well as imports of 'Food and Live Animals', all rose in February of this year when compared to same month last year. Imports destined for the 'Commercial Free Zones' grew by \$2.1 million, from \$21.1 million to \$23.2 million, due to increased purchases of clothing and footwear, while goods meant for the 'Export Processing Zones' went up by \$1.7 million, from \$2.1 million to \$3.8 million, due to greater purchases of rubber hoses, air conditioning units and grinder machines.

FIRST TWO MONTHS OF THE YEAR: Merchandise imports for the two months January to February 2018 amounted \$280.9 million, representing a 1.6 percent or \$4.3 million increase over the \$276.6 million recorded for the same period last year.

The first two months of the year saw notable increases across four categories, including 'Machinery and Transport Equipment', 'Export Processing Zones', 'Mineral Fuels and Lubricants' and 'Food and Live Animals'. The 'Machinery and Transport Equipment' category recorded the largest growth of the four, rising from \$57.6 million in 2017 to \$63.3 million in 2018, as a result of heightened purchases of tractors, telecommunications equipment, aircraft engines and ploughs. Imports into the 'Export Processing Zones' went up from nearly \$4 million to \$7.9 million, due to increased purchases of rubber hoses, extension cords, computer components and air conditioning units. Greater imported quantities of Premium fuel, were largely responsible for a \$3 million increase in the 'Mineral Fuels and Lubricants' category, from \$35.1 million during the first two months of 2017 to \$38.1 million during the same period of 2018, while increased purchases of lard (shortening), wheat and powdered milk drove the 'Food and Live Animals' category up from \$34.2 million to \$36.4 million.

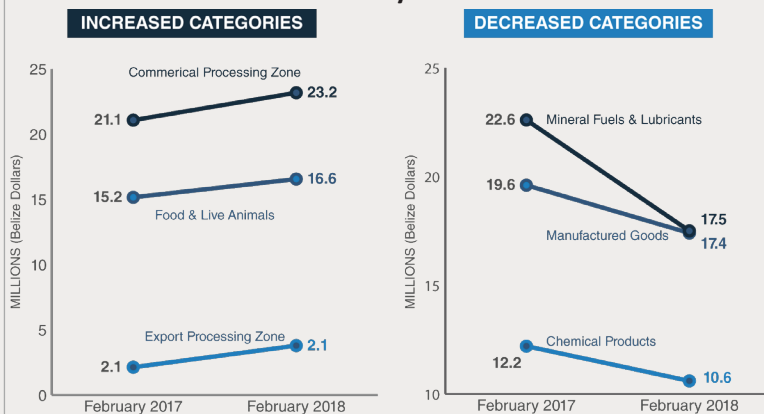
Notwithstanding these increases, there were marked decreases across some commodity categories over the period, the largest of which was observed in 'Manufactured Goods'. This category fell by \$4.1 million, from \$39.2 million in 2017 to \$35.1 million in 2018, as the country bought less aluminium-zinc coils, glass bottles, structures of iron or steel, as well as nuts and bolts. Additionally, importation of 'Chemical Products' fell from \$23.9 million for the first two months of 2017 to just above \$22 million in 2018, the result of fewer purchases of fertilizers, antibiotics and plastic pipes, while imports in the 'Other Manufactures' category declined from \$23.4 million to almost \$22 million, due to reduced purchases of laboratory plastics and prefabricated buildings. Goods meant for the 'Commercial Free Zones' decreased minimally from \$44.1 million in 2017 to \$42.8 million in 2018, owing mostly to smaller imports of cigarettes and packaged foods.

Figure 1: Monthly Gross Imports and Domestic Exports;
February 2013 - February 2018



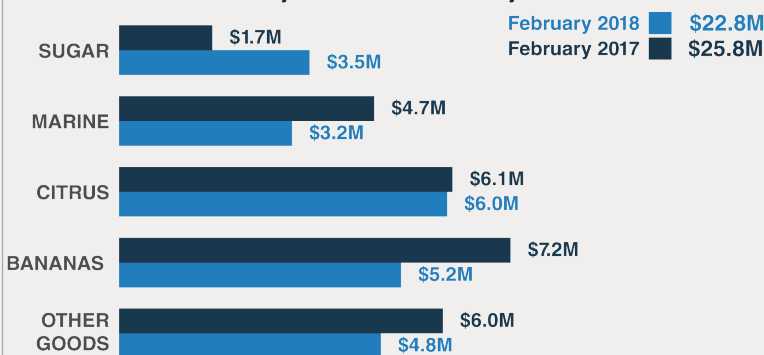
Source: Statistical Institute of Belize

Figure 2: Composition of Gross Imports by Type;
February 2018



Source: Statistical Institute of Belize

Figure 3: Composition of Domestic Exports by Type;
February 2017 and February 2018



Source: Statistical Institute of Belize

DOMESTIC EXPORTS

FEBRUARY 2018: The total value of Belize's domestic exports for the month of February 2018 was \$22.8 million, down 11.6 percent or nearly \$3 million from the \$25.8 million recorded for February 2017.

The considerable decline in total export earnings was primarily due to reduced exports of both bananas and marine products during the month. Sales of bananas fell by \$2 million, from \$7.2 million in February of 2017 to \$5.2 million in February 2018, while marine exports dropped by \$1.5 million, from \$4.7 million to \$3.2 million, largely owing to dwindling shrimp sales. Citrus exports, diminished slightly, from \$6.1 million in February 2017 to \$6 million in February 2018, notwithstanding a small gain of \$0.8 million in orange concentrate sales, as reductions were recorded in grapefruit concentrate and orange oil exports for the month. Sugar was the only major export to have recorded substantial growth during the month, as earnings from that commodity more than doubled from \$1.7 million in February 2017 to \$3.5 million in the same month this year.

Exports to the United Kingdom fell by one-fourth or \$2.2 million, from \$8.9 million to \$6.7 million, owing in part to a drop in banana sales, but due mostly to the fact that no shrimp was exported to that country in February of this year. Earnings from domestic exports to the United States declined by over a third or \$2.1 million, from \$6.2 million in February 2017 to \$4.1 million in February 2018, as there were no exports of lime and orange oils to that country for the month. Conch and orange concentrate exports to the US also declined, with orange concentrate expanding to other markets in February of 2018. Mexico, on the other hand, saw an increase in the amount of Belize's exports which it received for the month of February, growing from \$0.01 million in 2017 to \$1.1 million in 2018, due almost entirely to sales of lobster tail, a product which was not exported to Mexico during last February.

FIRST TWO MONTHS OF THE YEAR: Merchandise exports for the period January to February 2018 totalled \$48.5 million, down 19.6 percent or \$11.8 million from the \$60.3 million recorded during same period last year.

Sizeable reductions in three of Belize's major exports, namely sugar, bananas and marine products, led to the overall downturn in export revenues over the two month period. Earnings from sugar fell by \$7.5 million, from \$13.6 million in 2017 to \$6.1 million in 2018, owing solely to the timing of shipments of bulk sugar. While sugar sales for the period January to February 2017 included a bulk shipment of significant value, the first shipment of bulk sugar for 2018, is not scheduled to be exported until March. Likewise, banana exports fell considerably by 31 percent or \$4.7 million, from over \$15 million in the first two months of last year to \$10.3 million in the same period of 2018, as heavy rains at the start of this year greatly affected that commodity. Exports of marine products declined from \$8.4 million to \$5.2 million, due mostly to lessened shrimp sales in the first two months of the year compared with the first two months of 2017.

On the other hand, exports from citrus products for the period January to February 2018 exceeded that of the same period last year, as earnings rose by \$1.8 million, from \$8.1 million in 2017 to \$9.9 million in 2018, due to largely to increased orange concentrate exports, coupled with strong sales of grapefruit concentrate and grapefruit oil. Additionally, due to favourable world market prices for crude petroleum, revenues for that commodity grew by a third, from \$5.8 million to \$7.7 million, despite having almost no change in the exported volumes over the two month period.

