



MAY 2018

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IMPORTS UP 3.1%, EXPORTS DOWN 20.2% IN MAY 2018

IMPORTS

MAY 2018: During the month of May 2018, Belize's imported goods were valued at \$166.3 million, up 3.1 percent or \$4.9 million from the \$161.3 million imported in May of 2017.

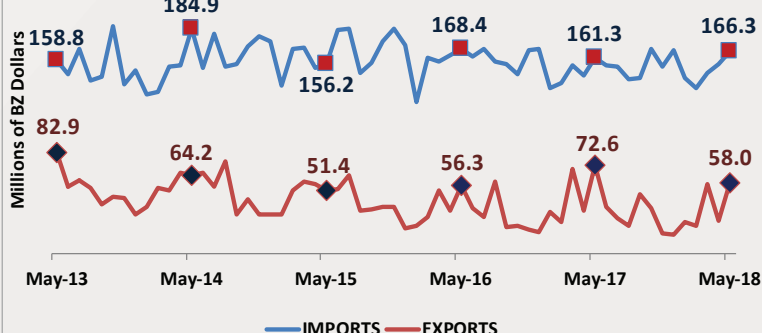
This overall increase was to a large extent the result of higher world market prices for fuel, as the 'Mineral Fuels and Lubricants' category spiked by 58 percent, from a little over \$15 million in May of last year to \$23.8 million during May 2018. Additionally, increased purchases of carton boxes, plywood, turbines and galvanised steel coils, led to an uptick in imports of 'Manufactured Goods' from \$21.2 million to \$24.6 million, while imports within the category of 'Food and Live Animals' grew by \$3.1 million from \$19.5 million to \$22.6 million, due to heightened purchases of wheat seeds and grocery items.

On the other hand, decreases were observed across various commodity categories, most notably in the importation of 'Other Manufactures', which declined by \$4.4 million from \$16.5 million in May 2017 to \$12.1 million in May 2018, with reduced items within this category including lamps and lighting fixtures, laboratory plastics and medical equipment. The month also saw decreased imports of 'Machinery and Transport Equipment', which fell from just above \$35 million to \$32.4 million, owing to decreased purchases of radar equipment, while 'Chemical Products' declined from \$17.4 million to \$15.8 million on account of reduced imports of fertilizers. Imports into the 'Export Processing Zones' diminished from \$4.6 million to \$2.9 million, as the country imported less shrimp feed and machinery parts in the month of May.

FIRST FIVE MONTHS OF THE YEAR: Merchandise imports for the first five months, January to May 2018, amounted to \$752.3 million, representing a 1.7 percent or \$12.7 million increase from the same period last year.

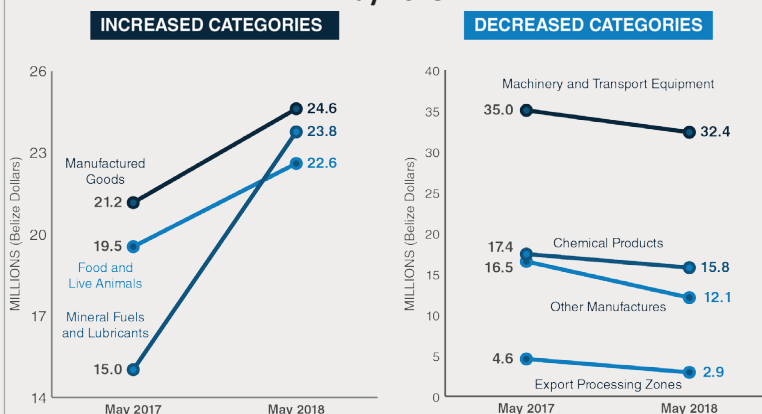
The overall increase in imports for the first five months of the year was due to greater spending across mainly four categories, 'Mineral Fuels and Lubricants', 'Machinery and Transport Equipment', 'Commercial Free Zones' and 'Export Processing Zones'. Of all the commodity categories, importation of 'Mineral Fuels and Lubricants' increased most significantly, growing by almost \$15 million from \$92.2 million in 2017 to \$107.2 million in 2018, owing for the most part to the higher cost of fuel on the world market. Imports of 'Machinery and Transport Equipment', Belize's largest import category, rose by \$7.3 million from \$154.5 million to \$161.8 million over the period, due to increased purchases of telecommunication parts, tractors and four-cylinder vehicles. Imports into the 'Commercial Free Zones' grew from \$107.8 million in 2017 to \$113.8 million in 2018, mostly due to increased purchases of bags and clothing, while imports destined for the 'Export Processing Zones' rose from \$16.6 million to \$18.9 million, as the country bought more food processing machines and their parts in January to May 2018, as compared to that same period last year. Nonetheless, notable decreases in imports were observed in 'Other Manufactures', 'Manufactured Goods', 'Crude Materials' and 'Chemical Products', which together fell by almost \$18 million for the first five months of the year.

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



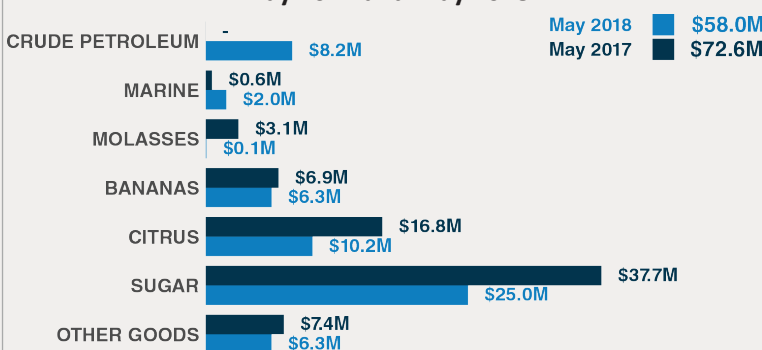
Source: Statistical Institute of Belize

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



Source: Statistical Institute of Belize

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



Source: Statistical Institute of Belize

DOMESTIC EXPORTS

MAY 2018: The total value of Belize’s domestic exports for the month of May 2018 was just under \$58 million, down 20.2 percent or \$14.6 million from that recorded for May 2017, which amounted to \$72.6 million.

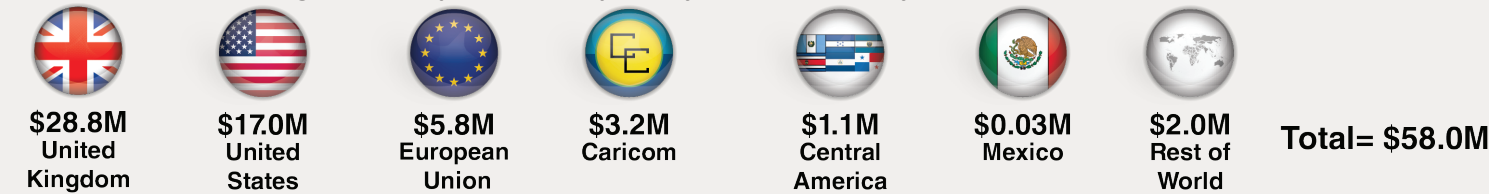
The principal cause of this substantial drop in export earnings for the month was diminished prices for bulk sugar on the European Market. Despite a 14 percent increase in the volumes of sugar that were exported, returns for that commodity plunged by one-third or \$12.7 million, from \$37.7 million in May 2017 to \$25 million in May 2018. Exports of citrus products also fell steeply, declining by \$6.6 million from \$16.8 million to \$10.2 million, owing for the most part to a drop in sales of orange concentrate. Earnings from export sales of bananas saw a slight decrease for the month, from \$6.9 million in May 2017 to \$6.3 million in May 2018. Belize’s other exports, molasses in particular, also had a noticeable impact on the overall decline in export revenues for the month, as sales from that commodity shrank from \$3.1 million to only \$53.5 thousand, which was the direct result of scheduling differences of bulk shipments for that commodity between this year and last. In contrast, while no crude petroleum was exported during last May, returns from that commodity amounted to \$8.2 million in May of this year, partially offsetting the drop in revenues recorded for the other major commodities during the month. Sales of conch were also favourable when compared to May of last year, driving exports of marine products up from just under \$0.6 million to almost \$2 million.

Exports to the United Kingdom declined significantly during the month, down from \$32.9 million in May 2017 to \$28.8 million in May of 2018, while sales to the rest of the European Union plummeted by \$11.7 million, from \$17.5 million to \$5.8 million. Both decreases were primarily attributable to reduced revenues from sugar. In addition, exports to CARICOM went down by \$1.7 million, from \$4.9 million to \$3.2 million, owing in large part to dwindling orange concentrate sales. Earnings from the United States of America, however, rose from \$11.2 million to over \$17 million, as that country was the recipient of Belize’s crude petroleum exports in May of 2018.

FIRST FIVE MONTHS OF THE YEAR: Merchandise exports for the period January to May 2018 totalled \$190.6 million, down 19.8 percent or almost \$47 million from the \$237.6 million recorded for the same period last year.

Significant losses in export earnings from sugar was the primary cause of this downturn for the first five months of the year. Notwithstanding a less than 5 percent drop in the volumes of sugar exported, earnings from that major export plunged by one-third or \$31.8 million, from \$94.9 million in 2017 to \$63.1 million in 2018, as bulk sugar no longer benefits from preferential rates on the European market. Decreased revenues were also noted for Belize’s other major exports over the period. Owing mostly to unfavourable weather conditions, banana sales fell by \$6.6 million from \$36.6 million to just above \$30 million, while citrus exports, due largely to decreased sales of orange concentrate and orange oil, diminished by \$6.4 million from \$47.6 million to \$41.2 million. Also, despite improved sales of lobster tails in the five-month period, exports of marine products declined by \$1.6 million, from \$13 million in 2017 to \$11.4 million in 2018, as these gains were not sufficient to offset waning shrimp exports. Crude petroleum, on the other hand, was the only major export to have seen increased earnings during the period. Owing to favourable world market prices for fuel, revenues for that commodity rose by nearly 40 percent or \$4.5 million to \$15.9 million, despite having practically no change in exported volumes.

Figure 4: Composition of Exports by Destination; May 2018 (Millions of BZ Dollars)



Source: Statistical Institute of Belize