



ET EXTERNAL TRADE

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IMPORTS DOWN 15.2%, DOMESTIC EXPORTS DOWN 29.7% IN AUGUST 2020

IMPORTS

AUGUST 2020: Belize's total imports for the month of August 2020 were valued at \$143.7 million. This was a decrease of 15.2 percent or \$25.8 million from imports for August 2019, which totaled \$169.5 million (see Figure 1).

DECREASING CATEGORIES:

Of the commodity categories that saw reductions in imports, 'Commercial Free Zones' and 'Mineral Fuels and Lubricants' declined most significantly during the month (see Figure 2).

Commercial Free Zones

Imports into the 'Commercial Free Zones' dropped substantially by 42 percent or \$12.8 million, from \$30.3 million in August 2019 to \$17.5 million in August 2020, owing largely to notably reduced purchases of clothing and bags.

Mineral Fuels and Lubricants

The 'Mineral Fuels and Lubricants' category went down by 55 percent or \$11.1 million, from \$20.1 million in August 2019 to almost \$9 million in August 2020. This decline was attributed mainly to the smaller quantities of butane, regular and bunker C fuels that were imported for the month. Furthermore, the country purchased no premium and kerosene fuels during August of this year.

Manufactured Goods

With decreased imports of galvalume steel coils, metal structures and gas stoves, the 'Manufactured Goods' category fell by \$4.4 million for the month, from \$23.6 million to \$19.2 million.

Machinery and Transport Equipment

Imports of 'Machinery and Transport Equipment' diminished from \$36.6 million in August 2019 to \$34.1 million in August 2020, due to lessened purchases of beverage machinery, laptops and telecommunications equipment.

INCREASING CATEGORIES:

Despite the drop in overall imports, a few commodity categories saw marked growth during the month, most notably 'Food and Live Animals', 'Chemical Products' and goods destined to 'Designated Processing Areas' (see Figure 2).

Food and Live Animals

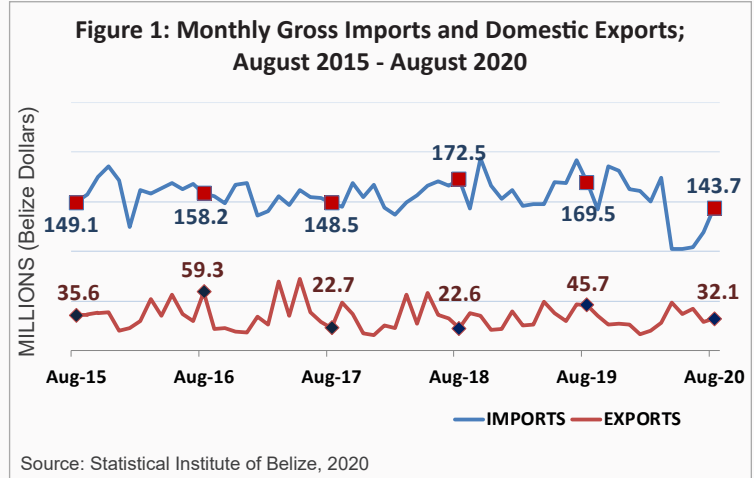
As a result of bigger food imports, including breakfast cereals, malt and margarine, the 'Food and Live Animals' category went up by more than \$3 million, from \$17.7 million in August 2019 to \$21.1 million in August 2020.

Chemical Products

Larger imports of herbicides, insecticides and disinfectants led to a \$2 million uptick in the 'Chemical Products' category, from \$16.1 million in August of last year to \$18.1 million in August of this year.

Designated Processing Areas

Imports into the 'Designated Processing Areas' rose by \$1.7 million, from just over \$2 million to \$3.7 million, with increased imports seen across a variety of items, such as machinery and paper towels.



FIRST EIGHT MONTHS OF THE YEAR: Merchandise imports for the first eight months of the year, January to August 2020, amounted to \$1.1 billion, representing an 18.8 percent or \$244.8 million decrease from the same period last year, when imports totaled \$1.3 billion.

DECREASING CATEGORIES:

Major decreases were noted within several commodity categories over the period, the greatest of which were in the categories of 'Mineral Fuels and Lubricants' and the 'Commercial Free Zones'.

Mineral Fuels and Lubricants

Expenditures on 'Mineral Fuels and Lubricants' declined considerably during the period, owing mainly to the lower cost of fuel on the world market coupled with reduced quantities of diesel, regular, kerosene and bunker C fuels being imported. This category fell by almost 43 percent or \$85.7 million, from more than \$201 million in 2019 to \$115.3 million in 2020.

Commercial Free Zone

Imports meant for the 'Commercial Free Zones' slumped by nearly 30 percent or \$63.7 million, falling from \$213.8 million to \$150.1 million, due to smaller imports of goods such as bags and clothing.

Machinery and Transport Equipment

Purchases of 'Machinery and Transport Equipment' went down by about 16 percent or \$40.8 million, from \$256.2 million in 2019 to \$215.4 million in 2020. Imports of telecommunications equipment, aviation equipment and vehicles saw the greatest decreases within this category.

Manufactured Goods

'Manufactured Goods' dropped by 14.5 percent or \$25.6 million over the eight-month period, from \$176.3 million in 2019 to \$150.7 million in 2020. The greatest declines within this category were seen in construction materials, particularly corrugated steel bars, cement and galvalume steel coils.

Figure 2: Composition of Gross Imports by Type; August 2019 and August 2020



Source: Statistical Institute of Belize, 2020

Other Manufactures

With fewer imports of items such as books and articles made of plastic, goods classified as 'Other Manufactures' shrank by roughly 18 percent or \$16.6 million, from \$94.1 million to \$77.5 million.

Crude Materials

The country also imported less treated pine lumber, used clothing and wooden poles over the period, which resulted in a fall in the 'Crude Materials' category, from \$22.4 million in 2019 to \$14.5 million in 2020.

Chemical Products

Reduced imports of fertilizers, plastic pipes and medicines drove the 'Chemical Products' category down by \$4.5 million during the period, from \$120.6 million in 2019 to \$116.1 million in 2020.

Designated Processing Areas

Goods destined for 'Designated Processing Areas' saw the smallest decrease, with imports dwindling by a little over \$1 million, from \$22.5 million to \$21.2 million, due largely to decreased purchases of office furniture, excavators and glass bottles.

INCREASING CATEGORIES:

'Oils and Fats' was the only category to have shown a notable increase over period, as boosted imports of cooking oils such as olive oil led to a \$2.6 million growth in that category, from \$13.2 million in 2019 to \$15.8 million in 2020.

DOMESTIC EXPORTS

AUGUST 2020: Total domestic exports for August 2020 amounted to \$32.1 million, down by a sizeable 29.7 percent or \$13.6 million when compared to exports for August 2019, which were valued at \$45.7 million (see Figure 1).

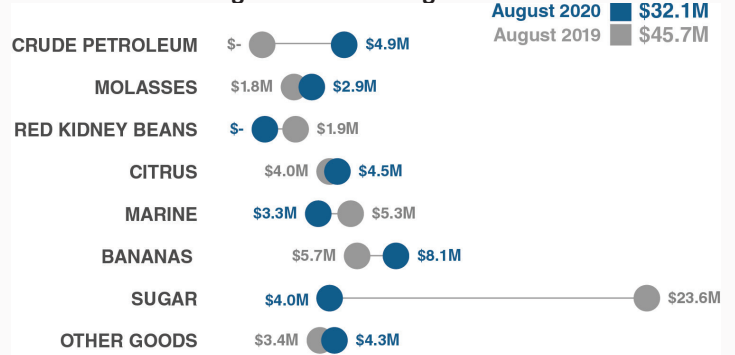
DECREASING CATEGORIES:

A steep drop in sugar earnings was the main reason for the notable decline in the total exports for the month. Revenues from this commodity were down by \$19.6 million, from \$23.6 million in August 2019 to a little over \$4 million in August 2020, due primarily to variations in the schedule of bulk sugar shipments between last year and this year. While August of last year saw exports of the high-profit bulk sugar, only bagged sugar was shipped during August of this year. Marine exports also experienced reduced earnings during the month, as diminished sales of lobster products resulted in an almost \$2 million decline in this category, from \$5.3 million to \$3.3 million. There were no exports of red kidney beans in August of this year, in contrast to August of last year, when revenues from this commodity amounted to \$1.9 million (see Figure 3).

INCREASING CATEGORIES:

Notwithstanding the downturn in total export earnings, improved revenues were noted for the remaining major exports. August 2020 marked the first shipment of crude petroleum since the start of the year. This shipment was valued at \$4.9 million, in contrast to August 2019 when there were no crude petroleum shipments made. Revenues from bananas grew by \$2.4 million, from \$5.7 million in August 2019 to \$8.1 million in August 2020. Earnings from citrus products rose marginally by \$0.5 million, from \$4 million to \$4.5 million, due mostly to increased exports of orange concentrate and grapefruit oil. Additionally, from among products classified as other exports, molasses saw improved sales compared to the same month last year, with revenues from that commodity going up from \$1.8 million to \$2.9 million (see Figure 3).

Figure 3: Composition of Domestic Exports by Type; August 2019 and August 2020



Source: Statistical Institute of Belize, 2020

MAJOR DESTINATIONS:

The sharp decline in sugar earnings for the month resulted in significant decreases in revenues from both the United States of America (US) and United Kingdom (UK). Total export earnings from the US dropped by \$11.3 million, from almost \$18 million in August 2019 to \$6.7 million in August 2020, while revenues from the UK fell by \$7.4 million, from \$13.5 million to \$6.1 million. Earnings from CARICOM, on the other hand, went up from \$6.5 million to \$10.3 million, owing mainly to the shipment of crude petroleum made during the month as well as greater quantities of sugar exported to this region. Revenues from other European countries rose from \$4.1 million in August of last year to \$6.4 million in August of this year, on account of increased sales of orange concentrate, bananas and grapefruit oil to these countries (see Figure 4).

FIRST EIGHT MONTHS OF THE YEAR: Merchandise exports for the period January to August 2020 totaled \$252.5 million, down 15.7 percent or \$46.9 million from \$299.4 million during the same period last year.

DECREASING CATEGORIES:

Four of the five major exports saw decreased earnings during the first eight months of the year. Revenues from sugar recorded the most significant decline, dropping by almost 28 percent or more than \$30 million over the period, from \$110.2 million in 2019 to \$79.6 million in 2020. Earnings from citrus products decreased by approximately 20 percent or more than \$8 million, from \$42.6 million to \$34.3 million, due in large part to lower world market prices for orange concentrate. Reduced shipments of crude petroleum, coupled with low world market prices, resulted in earnings from this commodity declining by 62 percent or over than \$8 million, from \$12.9 million in 2019 to \$4.9 million in 2020. Revenues from marine products went down by a lesser 6 percent or \$1.6 million, from \$25.2 million to \$23.6 million, due to reduced earnings from conch, whole lobsters, lobster meat and shrimp. Among other exports, earnings from animal feed fell from \$10.5 million in 2019 to \$8.7 million in 2020.

INCREASING CATEGORIES:

Earnings from bananas grew by nearly 8 percent or \$4.2 million, from just below \$53 million in 2019 to \$57.2 million in 2020, making this the only major export to have increased over the eight-month period. Nonetheless, the first eight months also saw boosted sales of items classified as other exports. Revenues from red kidney beans rose from \$9.1 million to \$10.2 million, while earnings from black-eyed peas grew from \$4.1 million in 2019 to \$5.1 million in 2020.

Figure 4: Composition of Exports by Destination; August 2020 (Millions of BZ Dollars)



\$10.3M
Caricom



\$6.7M
United States



\$6.4M
European Union



\$6.1M
United Kingdom



\$1.6M
Central America



\$0.2M
Mexico



\$0.9M
Rest of World

Total= \$32.1M

Source: Statistical Institute of Belize, 2020