



## ET EXTERNAL TRADE

For the month of: **December 2020** • Published on: **January 27<sup>th</sup>, 2020**

### IMPORTS DOWN 10.2%, DOMESTIC EXPORTS DOWN 18.2% IN DECEMBER 2020

#### IMPORTS

**DECEMBER 2020:** Belize's total imports for the month of December 2020 were valued at \$145.9 million. This was a decrease of 10.2 percent or \$16.6 million from imports for December 2019, which totaled \$162.5 million.

#### DECREASING CATEGORIES:

Of all commodity categories that decreased during the month, the 'Commercial Free Zones' category recorded the most significant decline.

##### Commercial Free Zones

Goods destined for the 'Commercial Free Zones' dropped by a considerable 35 percent, a downturn amounting to \$10.5 million, as imports fell from \$29.7 million in December 2019 to \$19.2 million in December 2020. Clothing and alcoholic beverages were among the imported items for which a reduction was noted during the month.

##### Machinery and Transport Equipment

Imports of 'Machinery and Transport Equipment' went down by 19 percent or \$6.1 million, from \$32.1 million to \$26 million, owing to decreased purchases of various commodities, including pumps, electric cables and vehicle parts.

##### Mineral Fuels and Lubricants

With reduced imports of mainly diesel and bunker C fuel, the 'Mineral Fuels and Lubricants' category fell by \$4.3 million, from \$21.3 million in December 2019 to almost \$17 million in December 2020.

##### Manufactured Goods

Purchases of 'Manufactured Goods' such as metal structures, galvanized pipes and galvanized steel coils declined by 13 percent or \$3 million during the month, from \$24.2 million to \$21.2 million.

##### Other Manufactures

The 'Other Manufactures' category was reduced by \$1.8 million, from \$11.8 million to \$10 million, on account of smaller imports of gold jewelry, prefabricated steel buildings and wrist watches.

#### INCREASING CATEGORIES:

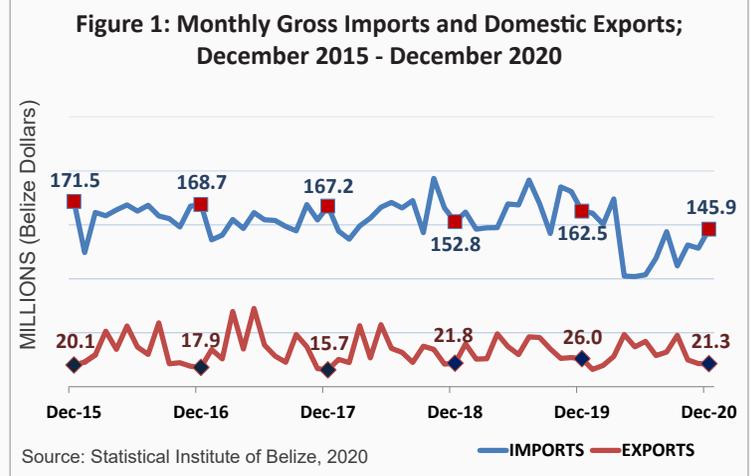
'Chemical Products' and 'Food and Live Animals' were the only commodity categories to have increased notably during the month.

##### Chemical Products

The 'Chemical Products' category rose by 37 percent or almost \$5 million, from \$13.4 million in December 2019 to \$18.4 million in December 2020. This was due largely to increased imports of diagnostic testing kits, fertilizers and water paints.

##### Food and Live Animals

With greater imports of grocery items, such as instant noodles and margarine, the 'Food and Live Animals' category grew by \$2.5 million, from \$19.9 million to \$22.4 million.



**ANNUAL 2020:** Merchandise imports for the year 2020 amounted to \$1.6 billion, representing a considerable 20.2 percent or \$397.6 million decrease from the total imports of almost \$2 billion recorded for 2019. The year was marked by notable decreases across most commodity categories, where 'Mineral Fuels and Lubricants' and goods destined for the 'Commercial Free Zones' stood out as the categories recording the greatest declines.

#### DECREASING CATEGORIES:

##### Mineral Fuels and Lubricants

Imports of 'Mineral Fuels and Lubricants' plummeted by 46 percent, from \$295.1 million in 2019 to \$160.3 million in 2020. This substantial decrease of more than \$134 million was partly driven by a weakened demand for fuel, as evidenced by a 60 percent drop in imported quantities of kerosene, also known as aviation fuel. In addition, and equally impactful, the country also bought less diesel, regular and premium fuels at reduced prices during the year.

##### Commercial Free Zones

Goods meant for the 'Commercial Free Zones' fell significantly by 34 percent or more than \$112 million, from \$329.9 million in 2019 to \$217.7 million in 2020, due to decreased imports of items such as clothing and handbags.

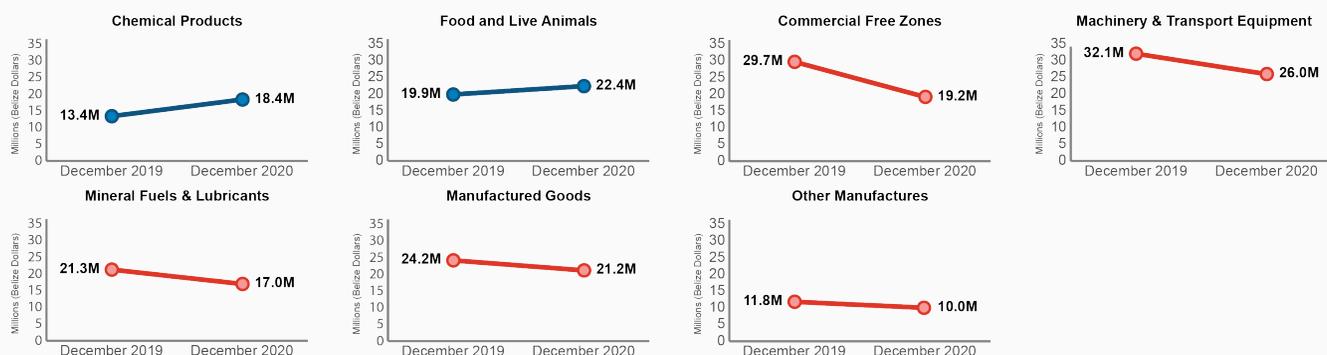
##### Machinery and Transport Equipment

The year 2020 also saw a notable reduction in imports of telecommunication parts and vehicles, resulting in a 20 percent or \$80.1 million decline in the 'Machinery and Transport Equipment' category from \$397.7 million to \$317.6 million.

##### Manufactured Goods

Imports of metal structures, corrugated steel rods and galvalume steel coils, likewise, decreased markedly during the year, prompting a 15 percent or \$40.5 million fall in the 'Manufactured Goods' category, from \$267.5 million in 2019 to \$227 million in 2020.

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



Source: Statistical Institute of Belize, 2020

## Other Manufactures

The 'Other Manufactures' category went down by 20 percent or \$28.3 million, from \$114.6 million in 2019 to \$116.3 million in 2020, attributed to smaller purchases of gold jewelry, wrist watches and plastic bottles, among other items.

## Crude Materials

The country imported substantially less treated pine lumber and used clothing in 2020 than it did in 2019. This led to a considerable 43 percent or almost \$16 million decline in the 'Crude Materials' category, down from \$36.7 million to \$20.7 million over the year.

## Designated Processing Areas

Imports into the 'Designated Processing Areas' went down slightly from \$31.9 million in 2019 to \$30.3 million in 2020, due mainly to decreased imports of shrimp feed and office furniture.

### INCREASING CATEGORIES:

Notwithstanding the sharp decline in overall imports, heightened purchases across a few commodity categories were noted for the year 2020.

### Beverages and Tobacco

The 'Beverages and Tobacco' category recorded the biggest increase, rising by more than \$8 million from \$39.9 million to \$48.4 million. This was a 21 percent growth over the year 2019, which was due mainly to a spike in imports of beer.

### Chemical Products

Owing to boosted imports of disinfectants, insecticides and diagnostic testing kits, imports of 'Chemical Products' went up by \$3.9 million, from \$175.6 million in 2019 to \$179.5 million in 2020.

### Oils and Fats

The 'Oils and Fats' category rose by \$2.8 million, from \$19.6 million in 2019 to \$22.4 million in 2020, as a result of increased imports of cooking oil throughout the year.

### Food and Live Animals

Increased food imports such as breakfast cereals, margarine and canned meats led to an uptick in the 'Food and Live Animals' category, from \$230.2 million to \$231.7 million.

## DOMESTIC EXPORTS

**DECEMBER 2020:** Total domestic exports for December 2020 amounted to \$21.3 million, down 18.2 percent or \$4.7 million when compared to exports for the month of December 2019, which were valued at just over \$26 million.

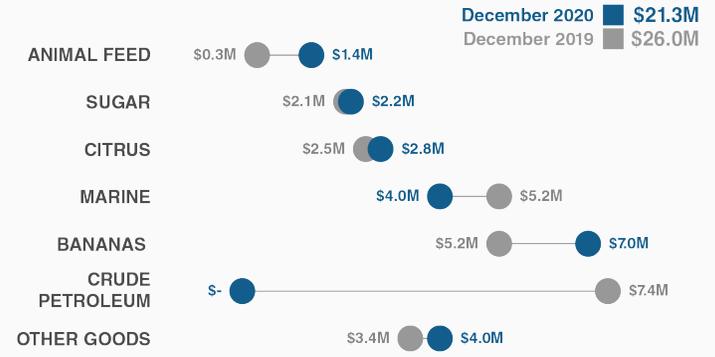
### DECREASING CATEGORIES:

This overall drop in export earnings was largely due to the fact there were no exports of crude petroleum in December of 2020. In contrast, there was a single bulk shipment in December of 2019 and revenues from this commodity amounted to \$7.4 million for that month. Marine products recorded the only other decrease among the commodities categorized as major exports, with revenues falling from \$5.2 million in December 2019 to almost \$4 million in December 2020, due to decreased exports of shrimp and conch.

### INCREASING CATEGORIES:

Export earnings from bananas grew by one-third during the month, from \$5.2 million in December 2019 to almost \$7 million in December 2020. Revenues from citrus exports went up slightly, from \$2.5 million to \$2.8 million, as strong sales of orange concentrate for the month were dampened by decreased exports of grapefruit concentrate, oranges and grapefruit oil. Despite a drop in exported quantities of sugar, earnings from this commodity increased marginally from \$2.1 million to \$2.2 million, due to improved world market prices. Among other exports, earnings from animal feed rose sharply during the month, from \$0.3 million in December 2019 to \$1.4 million in December 2020.

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



million to \$2.2 million, due to improved world market prices. Among other exports, earnings from animal feed rose sharply during the month, from \$0.3 million in December 2019 to \$1.4 million in December 2020.

### MAJOR DESTINATIONS:

Revenues from the CARICOM region, which was the destination for Belize's crude petroleum in December of last year, dropped by more than two-thirds, from \$11.6 million to \$3.8 million, as there were no exports of this commodity in December 2020. Export earnings from the United States of America dropped by a little over \$1 million, from \$4.8 million in December 2019 to \$3.8 million in December 2020, due to decreased exports of conch and shrimp. On the other hand, with increased exports of animal feed, sugar and scrap metal to neighbouring 'Central America', revenues from this region went up by \$1.2 million, from \$0.5 million to \$1.7 million.

**ANNUAL 2020:** Merchandise exports for the year 2020 totaled \$367.8 million, down 11.1 percent or \$46.1 million from the total exports of 2019, which amounted to almost \$414 million.

### DECREASING CATEGORIES:

Four of the five major commodities suffered significant losses in export earnings during the year 2020. Revenues from sugar declined by \$24.9 million or 18 percent, from \$136.4 million in 2019 to \$111.5 million in 2020, owing to a significant drop in exported quantities of sugar. Earnings from crude petroleum plummeted by three-fourths or \$15.4 million during the year, from \$20.3 million to a mere \$4.9 million. The country exported only one bulk shipment of crude petroleum for the whole year of 2020, while 2019 saw three shipments of this commodity being made. Exports declined across all marine products except for lobster tails, resulting in a 20 percent or \$9.6 million drop in earnings from \$48.8 million in 2019 to \$39.2 million in 2020. Revenues from citrus products shrank by 10 percent, as lower world market prices of orange concentrate, coupled with decreased exports of grapefruit concentrate, drove earnings down by \$5.8 million from \$55.5 million in 2019 to \$49.7 million in 2020. Decreased earnings were also noted among other exports, where sales of red kidney beans fell from \$12.6 million to \$10.2 million, and exports of sawn wood declined from \$3.7 million in 2019 to \$2.6 million in 2020.

### INCREASING CATEGORIES:

Of Belize's five major exports, only bananas saw increased earnings in the year 2020. Export revenues from this product grew by a respectable 10 percent or almost \$8 million, from \$79.5 million in 2019 million to \$87.5 million in 2020. Animal feed exports also saw a boost during the year, with earnings from this commodity going up by one-third or \$3.8 million, from \$11.4 million to \$15.2 million.

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

