

GDP

Gross Domestic Product



Statistical
Institute of
BELIZE

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Belmopan, Belize C.A.

4TH QUARTER 2017

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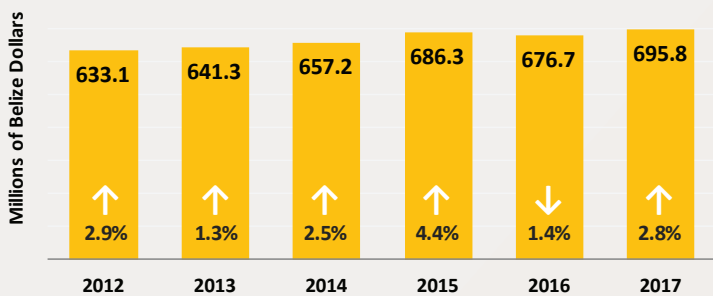
ECONOMY GROWS 2.8% IN THE FOURTH QUARTER 2017: INCREASES RECORDED ACROSS ALL THREE SECTORS.

For the three months October to December 2017, the total level of economic activity in the country of Belize increased by 2.8 percent. The Statistical Institute of Belize estimates that the total value of goods and services produced during this period was \$695.8 million, an increase of \$19.1 million from \$676.7 million produced in the fourth quarter of 2016 (see Figure 1). All three sectors of the economy recorded increases,

the primary sector was hampered by a significant decline of 35.3 percent in the fishing industry, as the shrimp industry continued to struggle.

SECONDARY ACTIVITIES: The secondary sector, which accounts for almost one fifth of the country's economic activity, grew by 5.1 percent during the final quarter of 2017. This was largely due to a strong performance in the "Electricity and Water" subsector. High water levels in the country's dams coupled with an increase in demand resulted in a 20.6 percent jump in electricity generation from 86 thousand megawatt hours in the fourth quarter of 2016 to 103.7 megawatt hours in the fourth quarter of 2017. Water generation also continued its steady growth, rising by 1.6 percent from 599.8 million gallons to 609.3 million gallons, due to an increase in demand (see Figure 4). With the spike in citrus fruit deliveries during the quarter, citrus concentrate production also surged, rising more than 400 percent in comparison to the same period of the previous year. Sugar production also saw some growth, increasing by 12.2 percent for the fourth quarter of 2017.

Figure 1: Fourth Quarter Gross Domestic Product at Market Prices; 2012- 2017



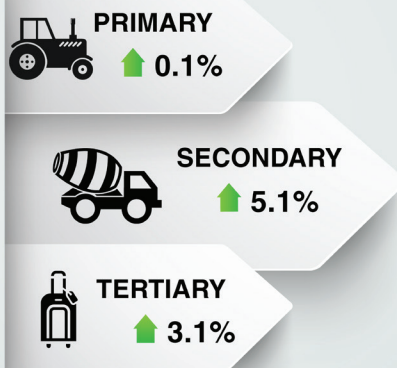
Source: Statistical Institute of Belize

with the secondary sector experiencing the highest rate of growth at 5.1 percent, followed by the tertiary sector at 3.1 percent. The primary sector was almost unchanged during the period, growing by a marginal 0.1 percent (see Figure 2).

Figure 2:

GDP GROWTH RATE BY SECTOR FOURTH QUARTER 2017

2017



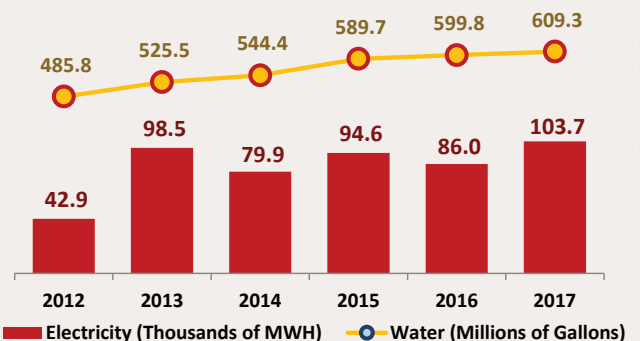
Source: Statistical Institute of Belize

PRIMARY ACTIVITIES: The minimal 0.1 percent overall rate of growth experienced by the primary sector during the fourth quarter was the result of positive performances in the major agricultural industries. The banana industry recorded an increase of 12.7 percent for the last three months of 2017, with shipments increasing from 17.6 thousand metric tons to 19.8 thousand metric tons as the industry recovered from the effects of Hurricane Earl in August 2016 (see Figure 3). Sugarcane deliveries saw an increase of 1.9 percent due to a good crop season in the northern part of the country. Citrus, which was also impacted by Hurricane Earl, saw the crop season being pushed back during 2017. As a result production during the fourth quarter of the year rose sharply by 186 percent compared to the fourth quarter of 2016. Similarly, livestock production expanded by almost 9 percent, largely due to a 14.4 percent growth in poultry production in response to increased demand. However, notwithstanding these increases in the agricultural industries, growth in

"Manufacturing and Mining" activities, on the other hand, recorded a decline of 3.5 percent when compared to the fourth quarter of 2016. Reduced beverage production was a major contributor to this decline. Beer production was down by 6.4 percent from 670 thousand gallons in the final quarter of 2016 to 627 thousand gallons for the same period of 2017, in response to lowered demand following last year's increase in excise duty. Meanwhile, soft drink production decreased by 5.8 percent from 1,748 thousand gallons to 1,647 thousand gallons due to heightened competition from imported soft drink products. Crude petroleum extraction declined by 23.7 percent, as reserves continue to be steadily depleted.

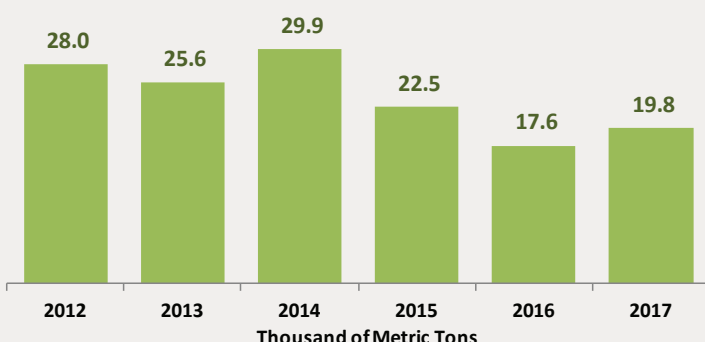
TERTIARY ACTIVITIES: The services sector, which accounts for more than half of the country's total economy, grew by 3.1 percent during the fourth quarter 2017 when compared to the same period of 2016. The "Hotel and Restaurant" subsector grew by 6.8 percent, despite a 5.6 percent reduction in cruise passengers due to fewer cruise ship calls in the month of December. With the increase in the number of direct routes to Belize, overnight visitors rose by 17.6 percent for the fourth quarter of 2017 (see Figure 5), the most notable growth being seen among visitors from the United States, Europe and Canada. "Wholesale and Retail Trade" recorded an increase of 1.6 percent, as evidenced by expanded exports during the period, while "Government Services" rose by 3.8 percent.

Figure 4: Fourth Quarter Electricity and Water Production; 2012- 2017



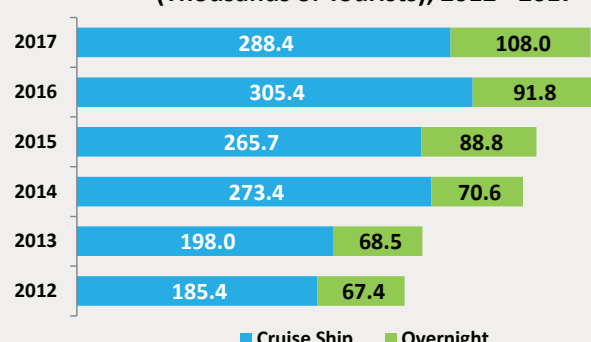
Source: Statistical Institute of Belize

Figure 3: Fourth Quarter Banana Production; 2012 - 2017



Source: Statistical Institute of Belize

Figure 5: Fourth Quarter Tourist Arrivals (Thousands of Tourists); 2012 - 2017



Source: Statistical Institute of Belize