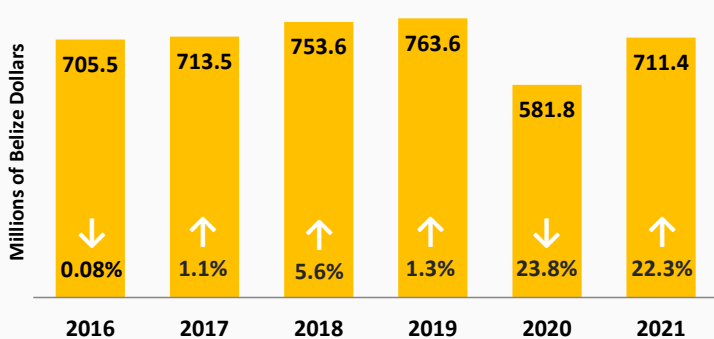




BELIZE'S ECONOMY GREW BY 22.3% IN SECOND QUARTER 2021

The Statistical Institute of Belize's preliminary second quarter Gross Domestic Product estimates showed that, during the months of April to June 2021, the total value of goods and services produced within Belize was \$711.4 million. This represented an increase of 22.3 percent or \$129.6 million from the \$581.8 million produced in the same period of 2020 (see Figure 1), as production rebounded to near pre-pandemic levels following six consecutive quarters of economic contraction. All three sectors of the economy saw considerable growth during the second quarter of the year, with the most notable increases seen in the 'Wholesale and Retail Trade', 'Transport and Communication', and 'Agriculture, Hunting and Forestry' industries. Additionally, 'Taxes on Products' were up by 46.7 percent, from \$68.9 million in the second quarter of 2020 to \$101.1 million in the second quarter of 2021.

Figure 1: Second Quarter Gross Domestic Product at Market Prices; 2016 - 2021



Source: Statistical Institute of Belize

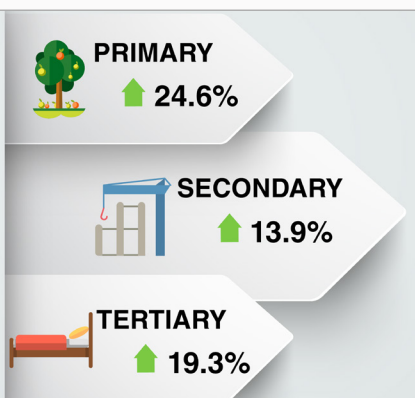
PRIMARY ACTIVITIES:

Production within the primary sector totaled \$85.2 million, up by 24.6 percent or \$16.8 million from \$68.3 million during the second quarter of 2020 (see Figure 2). Within the 'Agriculture, Hunting and Forestry' sector, a late crop from the first quarter of this year contributed to a 9.8 percent increase in banana output, from 24.4 thousand metric tons during the second quarter of 2020 to 26.8 thousand metric tons in the second quarter of 2021 (see Figure 3). Sugarcane deliveries increased by 26.6 percent, from 740 thousand metric tons to 937.2 thousand metric tons, the result of increased acreage, improved weather conditions, and enhanced agricultural practices (see Figure 4). In contrast, citrus fruit deliveries declined by 28.3 percent, from 23.8 thousand metric tons in the second quarter of 2020 to 17.1 thousand metric tons in the second quarter of 2021.

Figure 2:

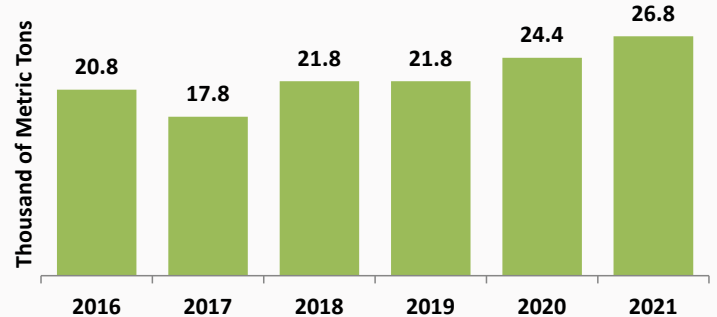
GDP GROWTH RATE BY SECTOR SECOND QUARTER 2021

2021



Source: Statistical Institute of Belize

Figure 3: Second Quarter Banana Production; 2016 - 2021

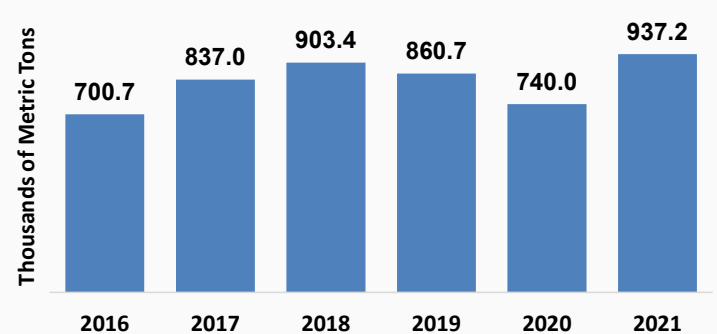


Source: Statistical Institute of Belize

The Livestock industry also experienced notable growth during the quarter, with output rising by 64.8 percent. Cattle production grew from 2,436 heads in the second quarter of 2020 to 11,273 heads for the same period in 2021, due in large part to an 82 percent increase in exports of this commodity. With the easing of some COVID-19 restrictions on restaurants, poultry production increased by 30 percent during the quarter, from 7.9 million pounds to 10.3 million pounds, while pig production rose by 15.6 percent, boosted by increased local consumer demand.

The Fishing industry increased by 68.1 percent, as both shrimp and conch exports grew significantly during the period (see Figure 5).

Figure 4: Second Quarter Sugarcane Production; 2016 - 2021

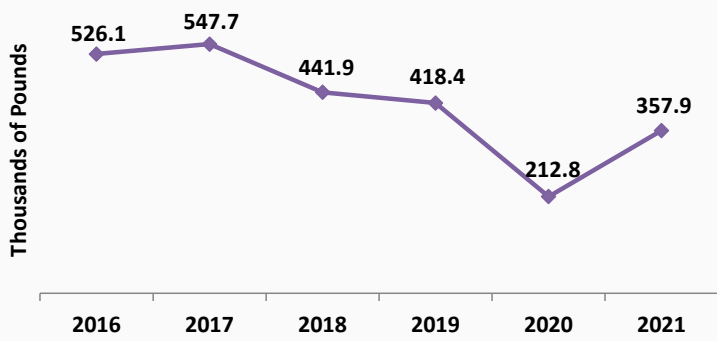


Source: Statistical Institute of Belize

SECONDARY ACTIVITIES:

Total production within secondary industries increased by 13.9 percent, from \$95 million in the second quarter of 2020 to \$108.2 million in the second quarter of 2021. The 'Manufacturing and Mining' industry grew by 18.1 percent, as a result of increased beverage, sugar and flour production. Beverage production rebounded by 41.9 percent, due to increased demand following the easing of COVID-19 restrictions on restaurants and bars and the reopening of the country's borders to tourist visitors. Soft drink production recorded a 14.6 percent increase, while Beer production rose markedly by 73.8 percent from 401.2 thousand gallons in the second quarter of 2020 to 697.3 thousand gallons in the second quarter of 2021. Flour production increased by 9.9 percent, attributable to a rise in demand for this product. As a result of increased sugarcane deliveries and improved factory

Figure 5: Second Quarter Marine Exports; 2016 - 2021

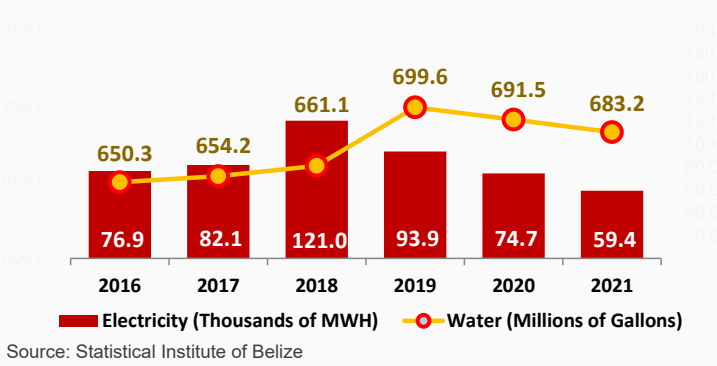


Source: Statistical Institute of Belize

efficiency, sugar production grew by 21.1 percent, from 74.2 thousand metric tons to 89.9 metric tons. Citrus concentrate production, on the other hand, fell by 37 percent from 497 thousand gallons in the second quarter of 2020 to 313 thousand gallons in the same quarter of 2021.

The 'Electricity and Water' industry contracted by 16.8 percent, due primarily to a 20.4 percent drop in electricity production, from 74.7 thousand megawatt hours to 59.4 thousand megawatt hours, as consumption of hydroelectric power was reduced during the quarter. Water production also decreased, although by a lesser 1.2 percent, due to a drop in residential consumption coupled with continued disconnections made during the period (see Figure 6). Construction activities, on the other hand, grew by 46.2 percent or \$10.5 million, as reflected by increases in loans for building and construction and cement imports.

Figure 6: Second Quarter Electricity and Water Production; 2016 - 2021



Source: Statistical Institute of Belize

TERTIARY ACTIVITIES:

The tertiary sector, which has been hardest hit by the effects of the COVID-19 pandemic, recorded substantial growth of 19.3 percent in the second quarter of the year. Production within this sector totaled \$416.9 million, up \$67.4 million dollars from \$349.5 million in the second quarter of 2020. Activities within the 'Hotels and Restaurants' subsector grew by \$10.9 million, as overnight tourist arrivals increased from a mere 1,444 visitors in the second quarter of 2020 to 61,637 visitors in the second quarter of 2021 (see Figure 7a and Figure 7b). 'Transport and Communication' activities expanded by 30 percent, as a result of increases in merchandise and passenger movements, while the 'Wholesale and Retail Trade' industry increased by almost 50 percent during the quarter. 'Producers of Government' services, on the other hand, saw a 7 percent or \$6.3 million reduction, when compared to the same period last year.

Figure 7a: Cruise Ship Tourist Arrivals Second Quarter; 2016-2021 (thousands of tourists)

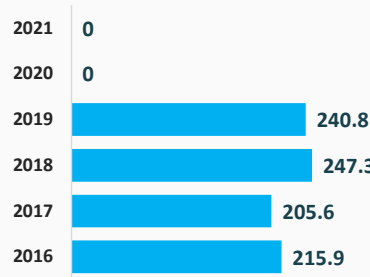
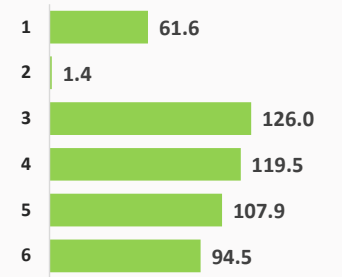


Figure 7b: Overnight Tourist Arrivals Second Quarter; 2016-2021 (thousands of tourists)



Source: Statistical Institute of Belize