

Statistical Institute of BELIZE

1902 Constitution Drive
Belmopan, Belize C.A.



GDP

GROSS DOMESTIC PRODUCT

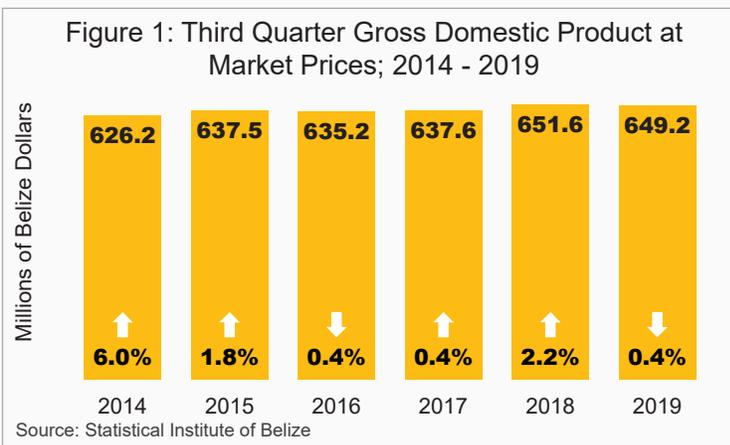
3RD QUARTER 2019

ECONOMY
DECLINES
0.4%

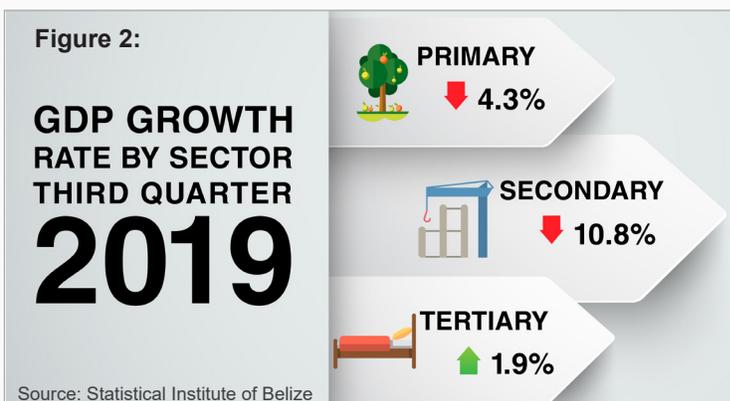
Date published:
NOVEMBER 27th 2019

ECONOMY DECLINED 0.4% IN THIRD QUARTER 2019

The Statistical Institute of Belize's latest economic estimates indicate that, for the period July to September 2019, the country's total level of economic activity declined by 0.4 percent when compared to the same three months of 2018. The total value of goods and services produced within Belize during this period was estimated at \$649.2 million dollars, a decrease of \$2.4 million from the \$651.6 million produced in the third quarter of 2018 (see Figure 1).

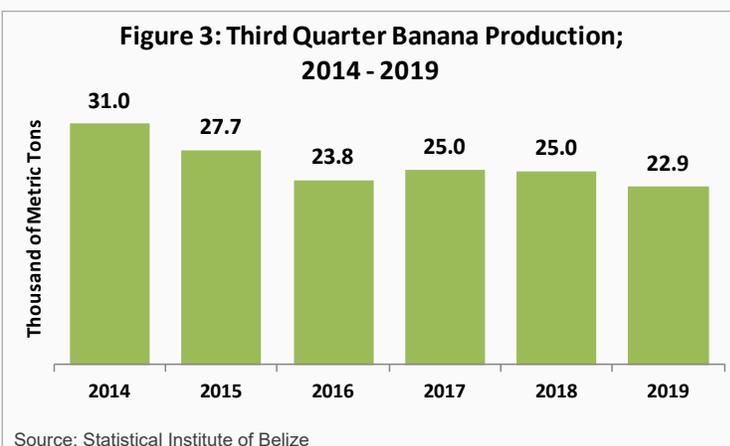


This decline experienced for the third quarter was due to decreased production within the primary and secondary sectors, while tertiary activities grew during the period. The primary sector declined by 4.3 percent, mainly due to a drop in both banana production and marine exports. Activities within the secondary sector fell by 10.8 as electricity generation decreased during the quarter. Tertiary activities rose by 1.9 percent, due to growth experienced in the wholesale and retail trade, and transport industries (see Figure 2).



PRIMARY ACTIVITIES:

The primary sector, which accounts for about one tenth of the country's economic activity, declined by 4.3 percent when compared to the same period of last year. Dry weather conditions affected banana production, resulting in a decrease in output



from 25 thousand metric tons in the third quarter of 2018 to 22.9 thousand metric tons in the third quarter of 2019 (see Figure 3). Despite a strong performance in lobster tail and lobster meat exports, the fishing industry also experienced a 37 percent decrease, as no conch was exported during the quarter and shrimp exports dropped considerably by 76 percent. These reductions in banana and marine production overshadowed growth recorded in the livestock, sugarcane and citrus industries. The livestock industry recorded a marginal 0.5 percent increase for the quarter, with increased market demand driving an 8.3 percent rise in poultry production and a 1.6 percent increase in pig production, while a combination of dry weather conditions and a decrease in market prices led to a 27.1 percent drop in cattle production. On the other hand, an extended milling season lasting into the month of July of 2019 resulted in an additional 81.5 thousand metric tons of sugarcane being delivered, compared to the third quarter of last year. Furthermore, a late start to the harvesting period for the first crop of oranges resulted in a slight 0.8 percent increase in citrus fruit deliveries in the third quarter.

SECONDARY ACTIVITIES: The secondary sector, which accounts for almost one fifth of the country’s economic activity, decreased by 10.8 percent during the third quarter of 2019. Prolonged dry weather conditions drove an overall decrease in the ‘Electricity and Water’ subsector by 24.1 percent (see Figure 4). Electricity generation declined by 28.8 percent, due to a steep drop in hydroelectricity production, while heightened demand for water resulted in a 9.1 percent rise in water production. Despite the continued natural depletion of crude petroleum and a 1.6 percent

drop in flour production, the ‘Manufacturing and Mining’ subsector experienced growth of 11 percent. Due to additional sugarcane deliveries during the period, the sugar industry saw production totaling 9,080 metric tons compared to the third quarter of 2018 where no production was recorded. Also, a rise in citrus fruit deliveries resulted in an additional 14.8 thousand gallons of orange concentrate being produced during the quarter. Soft drink and beer production also recorded increases due to a rise in market demand during the period. The ‘Construction’ subsector saw an 18.3 percent decline in production, as reflected in a substantial drop in loans for construction for the third quarter of the year.

TERTIARY ACTIVITIES: The tertiary sector, which accounts for about a half of Belize’s total economy, grew by 1.9 percent in comparison to the third quarter of 2018. ‘Wholesale and Retail’ activities rose by 1.2 percent during the quarter, while ‘Government Services’ increased by 4.6 percent. The ‘Transport, Storage and Communication’ subsector also expanded by 4.2 percent, mainly due to a 2.7 percent rise in freight shipping. On the other hand, the ‘Hotels and Restaurants’ subsector decreased by 11.1 percent in the third quarter. Tourist arrivals were down as the total number of overnight visitors to the country fell from 102,599 persons in the third quarter of 2018 to 98,605 persons in the same period of 2019, while cruise ship arrivals were down by 20.7 percent from 240,484 to 190,610. These reductions in the number of visitors corresponded to a 6.2 percent fall in hotel revenues as well as 13 fewer cruise ship calls during this period (see Figure 5).

