

Statistical Institute of BELIZE

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GDP

GROSS DOMESTIC PRODUCT

4TH QUARTER 2018

ECONOMY GROWS

1.3%

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ECONOMY GROWS 1.3% IN FOURTH QUARTER 2018: PRIMARY AND TERTIARY ACTIVITIES UP

The Statistical Institute of Belize's preliminary Gross Domestic Product estimates for the fourth quarter of 2018 showed that, during the three months from October to December, the country's overall level of economic activity increased by 1.3 percent when compared to the fourth quarter of 2017. The total value of goods and services produced in Belize was \$706.4 million, up \$9.2 million from \$697.2 million in the fourth quarter of 2017 (see Figure 1).

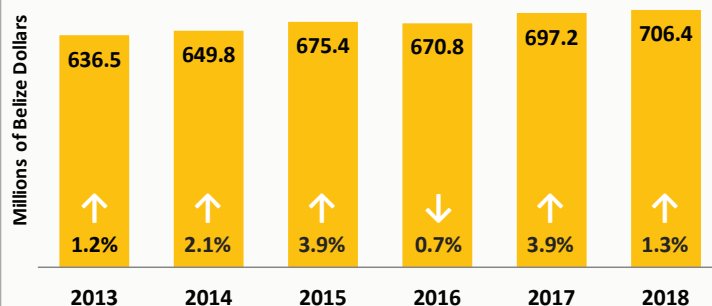
The growth experienced in the fourth quarter was due to a 12.6 percent increase within the Primary sector and a 2 percent increase within the Tertiary sector, which together outweighed a 9.6 percent decline in the Secondary sector for the quarter (see Figure 2).

PRIMARY ACTIVITIES:

Among the three sectors of the economy, the Primary sector experienced the largest rate of growth at 12.6 percent compared to the fourth

quarter of 2017, with several of the major industries within this sector increasing notably during the quarter. This included citrus, which saw orange production rise by 3 percent and grapefruit production grow by 111 percent, as both crops experienced an early maturing period. Banana production expanded by a significant 26.3 percent, as the industry continued its recovery from the losses sustained due to Hurricane Earl in 2016. Increased production of local hams, in anticipation of heightened demand for the Christmas season, led to a 10.6 percent rise in pig production during the fourth quarter of 2018, while increased market demand for beef resulted in cattle production growing by 20.2 percent (see Figure 3). Poultry production, on the other hand, decreased by 5.4 percent during the quarter, dampening the overall growth in livestock production to a marginal increase of 0.3 percent. Marine exports rose 30.4 percent during the period, largely due to a 96.2 percent growth in conch exports and 43.7 percent growth in shrimp exports. The effect of these increases was sufficiently significant to overshadow a 39.5 percent decline in sugarcane deliveries, as this industry was impacted by a longer dry period during the quarter.

**Figure 1: Fourth Quarter Gross Domestic Product
at Market Prices; 2013 - 2018**

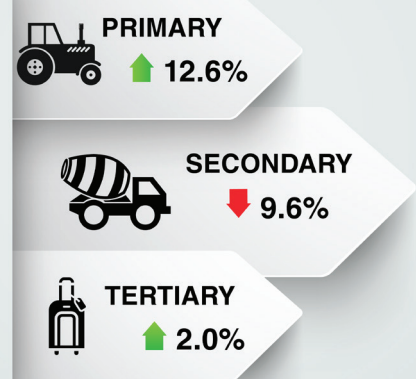


Source: Statistical Institute of Belize

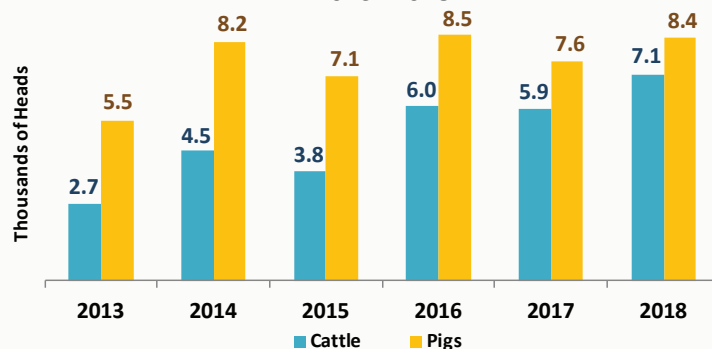
Figure 2:

**GDP GROWTH
RATE BY SECTOR
FOURTH QUARTER
2018**

Source: Statistical Institute of Belize



**Figure 3: Fourth Quarter Cattle and Pig Production;
2013 - 2018**



Source: Statistical Institute of Belize

SECONDARY ACTIVITIES:

The secondary sector, which accounts for almost one fifth of the total economy, declined by 9.6 percent during the fourth quarter of 2018. 'Electricity & Water' production fell by 24 percent, despite a 4.5 percent increase in water production, as the lack of rainfall during this period caused a 28.3 percent decline in electricity generation (see Figure 4). Petroleum production continued its downward trajectory, falling by 11 percent, due to the natural depletion of reservoirs. Flour production was affected by a significant rise in the volume of imported flour in the market, leading to a 12.5 percent decline in production of this item. With the decrease in sugarcane deliveries, sugar production also fell by 43.4 percent. Nonetheless, there were some positive performances within the secondary sector. Beer production, spurred by heightened market demand, rose by 9.8 percent during the quarter, as did production of orange concentrate, which was up by 6.1 percent and grapefruit concentrate, which grew by 125 percent compared to the fourth quarter of 2017. The "Construction" Industry grew 4.2 percent, as reflected in a 4.1 percent increase in loans for construction.

TERTIARY ACTIVITIES:

The services sector, which comprises more than a half of the national economy, grew by 2 percent during the fourth quarter of 2018, when compared to the same period of 2017. The 'Hotels and Restaurants' subsector expanded by 7.4 percent, boosted by the addition of more direct flights to Belize and the resulting 9.6 percent rise in overall tourist arrivals. The number of visitors from the United States of America rose by 10.8 percent, while the number of European tourists was up 6.2 percent and Canadian visitors increased by 13.1 percent. Cruise visitors also grew by a substantial 17.2 percent, with the addition of 11 cruise ship calls during the quarter (see Figure 5). 'Government Services' rose by 2.6 percent, while 'Wholesale and Retail Trade' recorded a 2.3 percent increase during the period.

Figure 4: Fourth Quarter Electricity and Water Production; 2013- 2018

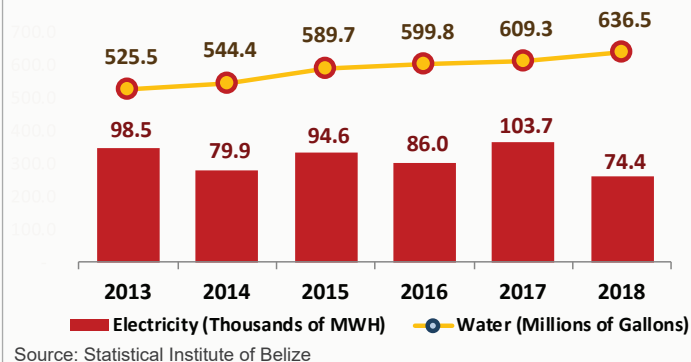


Figure 5: Fourth Quarter Tourist Arrivals (Thousands of Tourists); 2013 - 2018

