

Statistical Institute of BELIZE

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GDP

GROSS DOMESTIC PRODUCT

2ND QUARTER 2019

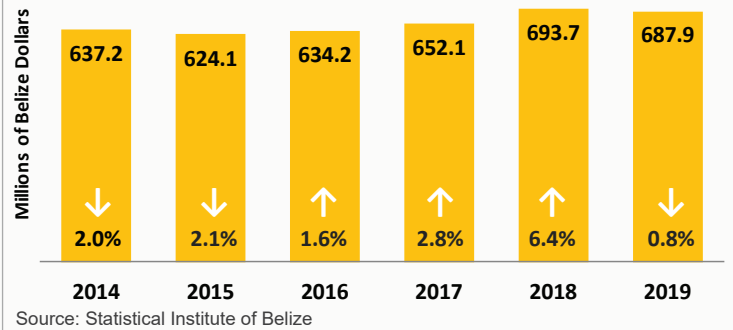
**ECONOMY
DECLINES
0.8%**

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ECONOMY DECLINES 0.8% IN SECOND QUARTER 2019: PRIMARY AND SECONDARY SECTORS DOWN, TERTIARY SECTOR UP

The Statistical Institute of Belize's preliminary second quarter Gross Domestic Product estimates showed that, for the three months of April to June 2019, the overall level of production for the country of Belize declined by 0.8 percent in comparison to the same three months in 2018. The total value of goods and services produced within the country for the period stood at \$687.9 million, down \$5.8 million from the \$693.7 million produced in the second quarter of 2018 (see Figure 1).

Figure 1: Second Quarter Gross Domestic Product at Market Prices; 2014 - 2019

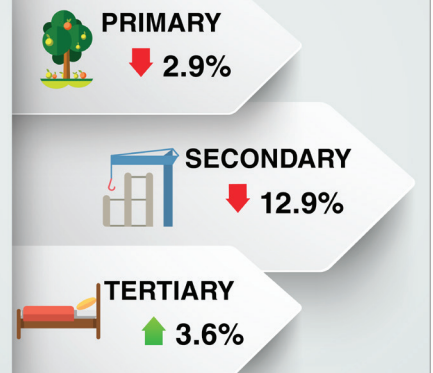


The decline experienced in the second quarter was due to decreases in production within both the primary and secondary sectors. Primary activities declined by 2.9 percent, due largely to lower sugarcane, citrus and banana production, while secondary activities fell by 12.9 percent, as electricity generation, manufacturing, and construction activities declined during the quarter. Tertiary activities, on the other hand, rose by 3.6 percent during the period, due to growth experienced in the wholesale and retail trade, transport and tourism industries (see Figure 2).

Figure 2:

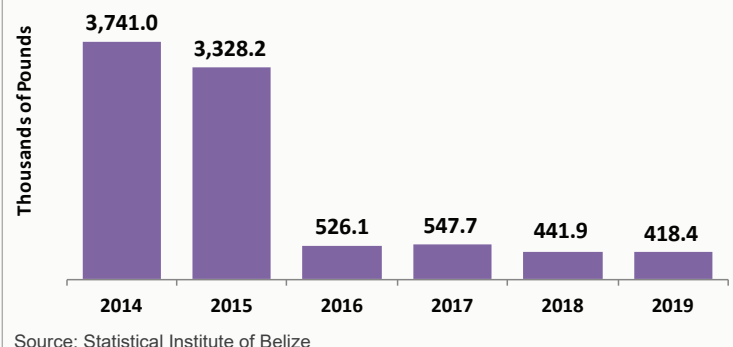
**GDP GROWTH
RATE BY SECTOR
SECOND QUARTER
2019**

Source: Statistical Institute of Belize



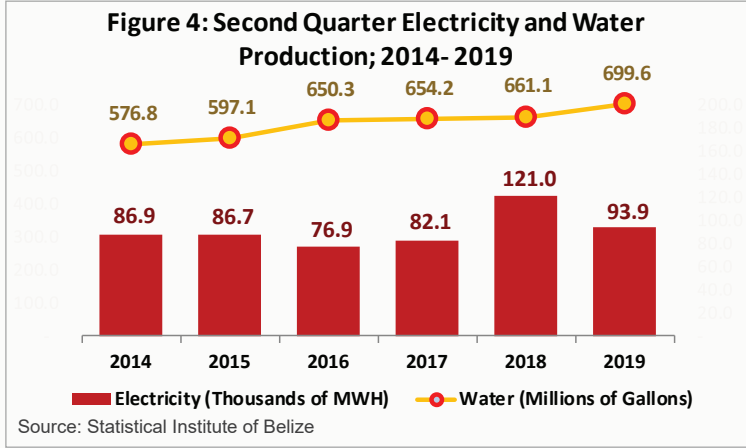
PRIMARY ACTIVITIES: Total production within the primary sector fell 2.9 percent during April to June 2019, as most of the major industries recorded decreases in production during the quarter. Sugarcane deliveries, which had risen during the first three months of the year, declined by 4.7 percent or approximately 42.7 thousand metric tons during the second quarter,

Figure 3: Second Quarter Marine Exports; 2014 - 2019



from 903.4 thousand metric tons in the second quarter of 2018 to 860.7 thousand metric tons in the second quarter of 2019, due to factory inefficiencies that resulted in a lower grinding rate. Citrus production dropped by a substantial 33.8 percent when compared to the second quarter of 2018, with deliveries of both oranges and grapefruits down during the period. Banana production remained almost unchanged from the second quarter of 2018, with total output of 24 thousand metric tons, while marine exports fell by 5.3 percent, largely due to decreases in the exports of conch, lobster meat and lobster tail (see Figure 3). The Livestock industry grew 3.7 percent, boosted by a rise in both cattle and pig production, which overshadowed a 0.4 percent reduction in poultry production during the quarter.

SECONDARY ACTIVITIES: Secondary activities declined by 12.9 percent during the second quarter of 2019 when compared to the second quarter of 2018, as most industries within this sector recorded decreased production during the period. One notable exception was the sugar industry which, notwithstanding the decline in sugarcane deliveries, saw sugar production rise by 6.4 percent, from 92.9 thousand metric tons to 98.8 thousand metric tons, due to improved sugarcane quality. The ‘Electricity and Water’ subsector declined by 19 percent, as electricity generation dropped by 22.4 percent during the quarter, as a result of the prolonged dry season. On the other hand, the dry weather also led to an increase in the demand for water, and water production rose by 5.9 percent during the period, although this increase was not enough to offset the fall in electricity (see Figure 4). Despite



the increase in sugar production, the ‘Manufacturing and Mining’ subsector experienced an overall decline of 3 percent, the result of reduced outputs of crude petroleum, soft drinks, flour and citrus concentrate. Additionally, a 21.9 percent reduction was recorded in the ‘Construction’ subsector, as reflected in a substantial drop in loans for construction.

TERTIARY ACTIVITIES: The tertiary sector, which accounts for about a half of Belize’s total economy, grew by 3.6 percent in comparison to the second quarter of 2018. Wholesale and Retail activities grew 4.7 percent during the second quarter of 2019, while ‘Government Services’ increased by 5.2 percent compared to the same three month period in 2018. The ‘Transport, Storage and Communication’ subsector rose marginally by 1 percent, due to a rise in passenger transport. This growth in passenger transport was boosted by a 5.5 percent increase in tourist arrivals, with the total number of overnight visitors to the country up from 119,456 in the second quarter of 2018 to 126,045 in the same period of 2019. Subsequently, hotel revenues grew by 3.2 percent during the quarter. Cruise ship arrivals, on the other hand, were down by 2.6 percent, as six less ship calls were made during the second quarter (see Figure 5). Overall, the ‘Hotels and Restaurants’ subsector grew 2.8 percent compared to the same period last year.

