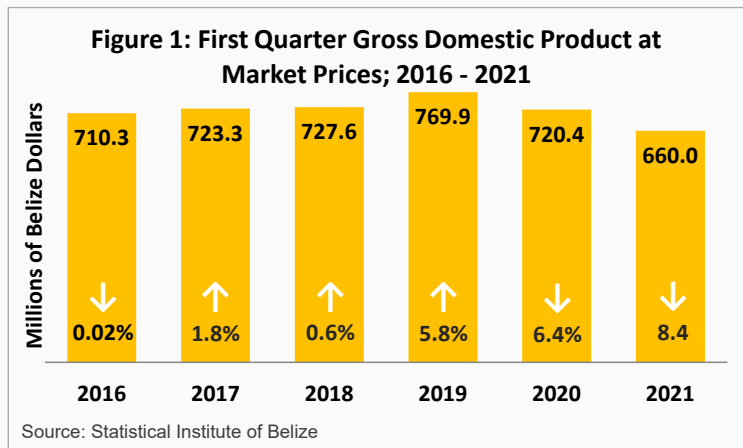
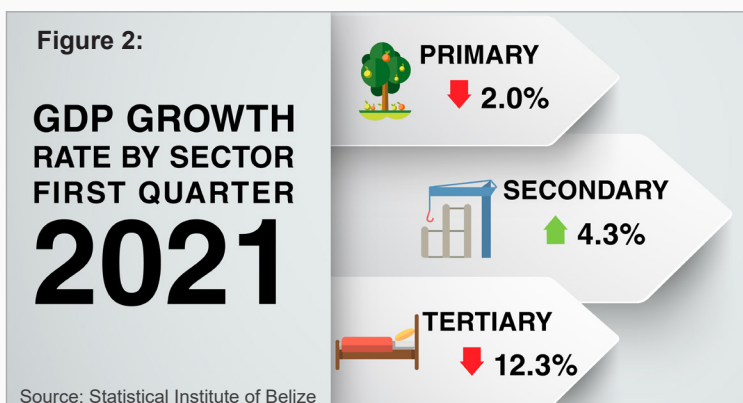


## ECONOMY DOWN 8.4% IN FIRST QUARTER 2021

The Statistical Institute of Belize's most recent Gross Domestic Product estimates showed that, during the first quarter months of January to March 2021, the value of goods and services produced within the country of Belize totaled \$660 million. This represented a decrease of 8.4 percent or \$60.4 million from the \$720.4 million worth of goods and services produced during the same period of 2020 (see Figure 1).

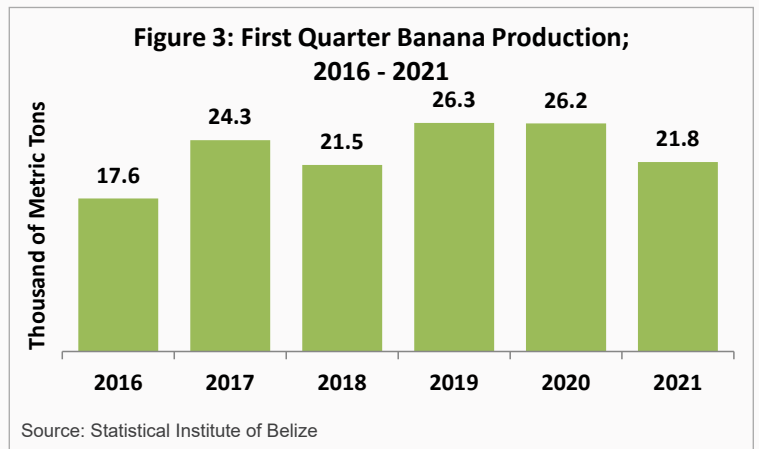


This is the fourth consecutive quarter in which the nation has experienced significant economic contraction as a result of the COVID-19 pandemic. Service activities continued to be the hardest hit, with production in this sector falling by 12.3 percent, mainly due to the sharp reduction in tourist visitors to the country compared to the first quarter of last year, despite the re-opening of the international airport in late 2020. The primary sector also decreased by 2 percent, as some major agricultural industries saw decreased outputs during the quarter. Nonetheless, the secondary sector grew by 4.3 percent, attributable mainly to a rise in electricity production (see Figure 2).

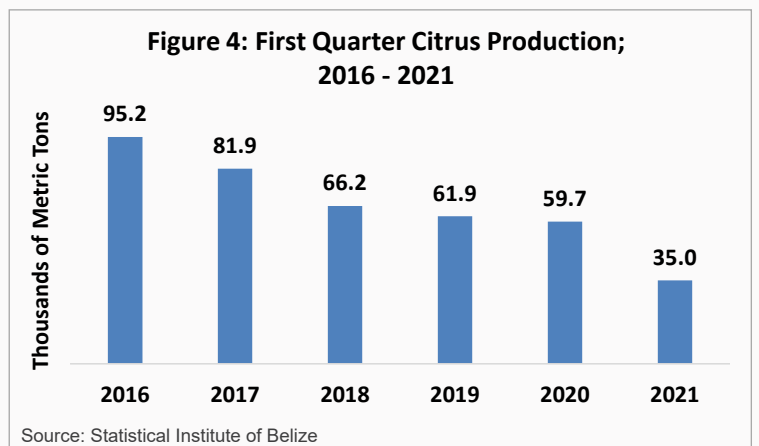


### PRIMARY ACTIVITIES:

Production within the primary sector totaled \$76.8 million during the first quarter of 2021, down 2 percent or \$1.6 million from \$78.4 million during the same period in 2020. Within the 'Agriculture, Hunting and Forestry' sector, extended rainy conditions contributed to a 16.9 percent decrease in banana output, from 26.2 thousand metric tons during the first quarter of 2020 to 21.8 thousand metric tons in the first quarter of 2021 (see Figure 3). Citrus fruit production declined by 41.3 percent, from 59.7 thousand metric tons harvested in the first quarter of 2020 to 35 thousand metric tons in the first quarter of 2021 (see Figure 4). This reflected the combined effects of citrus greening, which continued to affect the more mature trees, and the late crop that was harvested last year. Notwithstanding an overall

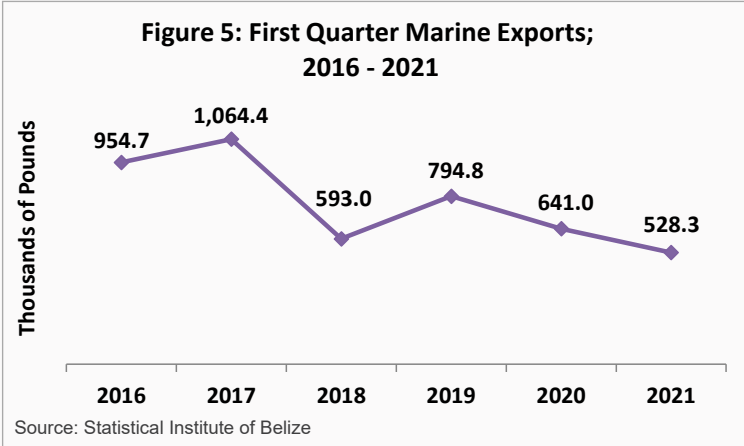


decline within the agricultural sector, the sugarcane industry showed signs of rebounding from the effects of the extended dry conditions that devastated production in 2020. More favorable weather conditions for crop health and growth along with on-time crop maintenance resulted in deliveries totaling 760.6 thousand metric tons of sugarcane during the first quarter of 2021, an increase of 26.2 percent over the 602.9 thousand metric tons produced in the first quarter of last year.



The Livestock industry also saw substantial growth during the quarter. The build-up in stock after borders were closed, combined with a larger mothering herd during the period, contributed to a considerable increase in exported cattle and a 61 percent rise in cattle production from 10,200 heads in the first quarter of 2020 to 16,500 heads in the first quarter of 2021. Pig production rose by a moderate 1.6 percent, from 8,700 heads to 8,800 heads, due to an increase in demand from local market. Poultry producers, on the other hand, experienced a 13 percent decrease in production, the result of reduced demand due to continued restrictions on restaurants and the lack of tourist visitors to the country. In total, 9.7 million pounds of birds were slaughtered in the first quarter of 2021 compared to 11.1 million pounds slaughtered during the same period in 2020.

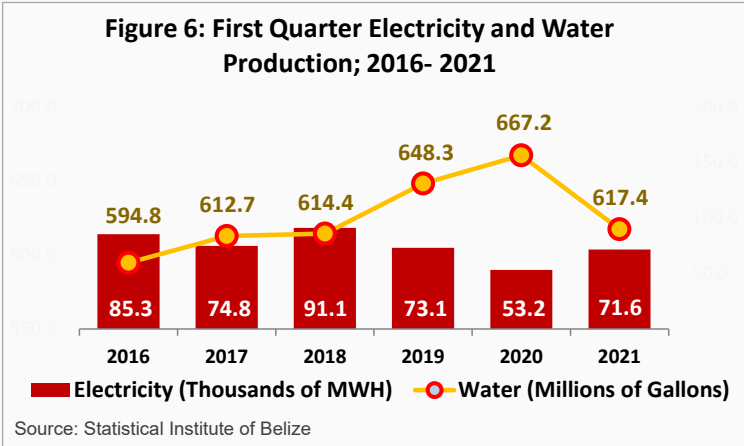
Also contributing to the overall decline in the primary sector was a 17.6 percent reduction in the 'Fishing' industry, which was due to substantial declines in both shrimp and lobster meat exports, which overshadowed improved lobster tail and conch exports during the period (see Figure 5).



**SECONDARY ACTIVITIES:**

The secondary sector was the only one to experience growth during the first quarter. Production within secondary industries increased by 4.3 percent overall, from \$99.4 million in the first quarter of last year to \$103.7 million in the first quarter of this year.

The ‘Electricity and Water’ industry grew by 24.5 percent, due entirely to increased electricity generation, as higher water levels at the Chalillo dam resulted in a rise in hydroelectricity production from 53.2 thousand megawatt hours in the first quarter of 2020 to 71.6 thousand megawatt hours in the first quarter of 2021. Water consumption, on the other hand, decreased by 7.5 percent, due to the higher rainfall levels and an increase in the number of disconnections made during the period (see Figure 6). Construction activities also grew by 15.7 percent, as reflected by an increase in loans for building and construction coupled with a rise in cement imports.



The ‘Manufacturing and Mining’ industry decreased by 9.8 percent during the period. Beverage production continued to suffer from the lack of tourist visitors to the country and the restrictions placed on restaurants and bars, although not as severely as in previous quarters. Soft drink production recorded a slight decrease of 0.8 percent from 1,721 thousand gallons to 1,706.5 thousand gallons, while beer production rose by a marginal 0.2 percent, boosted by the introduction of an additional local brand of beer into the Belizean market in January of this year. A total of 711.1 thousand gallons of beer were produced in the first quarter of 2021, compared to 709.6 thousand gallons in the first quarter of 2020.

The sugar industry experienced a 28.3 percent rise in output, with a total of 71 thousand metric tons of sugar being produced in the first quarter of 2021, compared to 55.3 thousand metric tons of sugar during the first quarter of 2020. Citrus concentrate production, in contrast, dropped by almost a half from 1,194.4 thousand gallons to 663.6 thousand gallons, as fruit deliveries declined during the period. Among the country’s other manufactured goods, flour production fell by 10 percent while crude petroleum extraction was down 35.5 percent compared to the first quarter of last year.

**TERTIARY ACTIVITIES:**

The tertiary sector, which accounted for almost two-thirds of total GDP, recorded the largest decrease of 12.3 percent or \$54.7 million, from \$445 million in the first quarter of last year to \$390.3 million in the first quarter of this year. Activities within the ‘Hotels and Restaurants’ subsector remained substantially lower than in pre-pandemic periods, falling by 81.7 percent during the quarter. Overnight tourist arrivals declined from approximately 123,000 visitors in the first quarter of 2020 to roughly 30,000 visitors in 2021, and there were no cruise ship arrivals during the period (see Figure 7a and Figure 7b). Production in the ‘Transport and Communication’ industry totaled \$54 million, a decrease of 14.3 percent compared to the first quarter of last year, while ‘Wholesale and Retail Trade’ contracted by 7.3 percent and ‘Producers of Government Services’ decreased by 4.6 percent or \$4 million dollars.

