



IMPORTS UP 7.5%, DOMESTIC EXPORTS UP 14% IN JULY 2018

IMPORTS

JULY 2018: Belize's total imports for the month of July 2018 were valued at \$165.6 million. This was an increase of 7.5 percent or \$11.5 million from July 2017, when imports totaled \$154.1 million.

A substantial 40 percent growth in the 'Food and Live Animals' category was the leading cause of the overall rise in imports for the month. That commodity category increased by \$6.1 million, from \$15.1 million in July 2017 to \$21.2 million in July 2018, due to a spike in imports of wheat seeds and various grocery items. Goods destined for the 'Commercial Free Zones' also grew sizably by \$4.1 million, from \$26.6 million to \$30.7 million, due in large part to heightened purchases of cigarettes and clothing. The country imported more 'Machinery and Transport Equipment' in July of this year, with increased purchases of optical fibers, transformers and vehicles leading to \$3.3 million rise in this category for the month, from \$29 million to \$32.3 million. Imports of 'Manufactured Goods' were also up compared to last July, increasing by \$2.1 million from \$18 million to \$20.1 million, owing to greater imports of glass bottles, plywood and polyester fabrics.

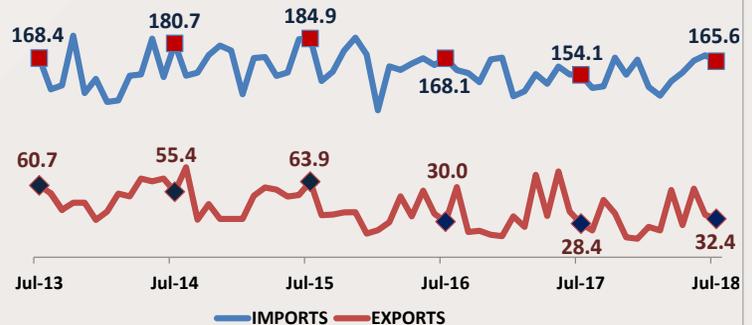
On the other hand, despite higher world market prices for fuel, purchases of 'Mineral Fuels and Lubricants' dropped from \$22.2 million in July of last year to \$19.7 million in July 2018, due to a significant drop in the quantity of diesel imported. Lowered imports of pine lumber resulted in purchases of 'Crude Materials' for the month falling by almost a half from \$3.9 million to \$2 million, while reduced purchases of fertilizers and antibiotics caused imports of 'Chemical Products' to fall from \$19.7 million to \$18.6 million.

FIRST SEVEN MONTHS OF THE YEAR: Merchandise imports for the first seven months, January to July 2018, amounted to \$1.1 billion, representing a 3.9 percent or \$40.4 million increase from the same period last year.

Greater spending across four categories, 'Mineral Fuels and Lubricants', 'Commercial Free Zones', 'Machinery and Transport Equipment' and 'Food and Live Animals' led to the growth in imports over this period. Imports of 'Mineral Fuels and Lubricants' went up from just under \$129 million in 2017 to \$158.3 million in 2018, as the country paid more for all imported fuels owing to higher world market prices. Imports into the 'Commercial Free Zones' rose by \$14.4 million, from \$161.4 million to \$175.8 million, as a result of increased spending on hand bags and clothing, while purchases of 'Machinery and Transport Equipment' grew from \$211.6 million to more than \$223 million, due to heightened imports of telecommunications equipment, vehicles and food processing machines. In the first seven months of this year, Belize spent considerably more on food imports than it did for that same period last year, as the 'Food and Live Animals' category went up by \$5.8 million, from \$124.6 million to \$130.4 million, with a variety of grocery items and wheat seeds being among the top imports in that category.

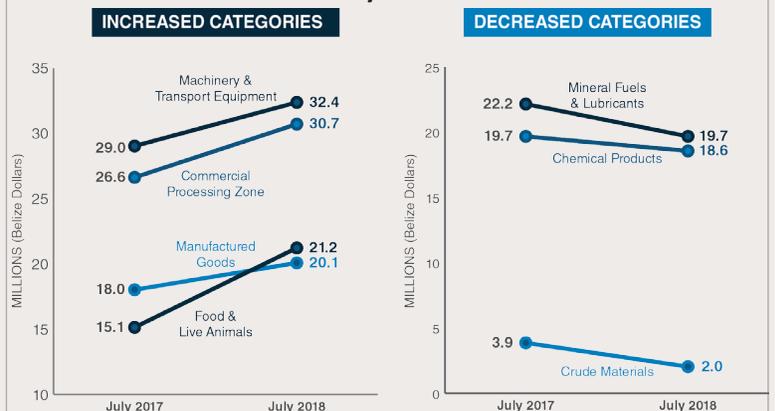
These increases, however, were partially offset by decreased imports of 'Other Manufactures', 'Crude Materials' and 'Chemical Products', which together declined by more than \$21 million. The 'Other Manufactures' category fell from \$94.8 million in 2017 to \$86.3 million in 2018, as a result of decreased imports of laboratory plastics, prefabricated steel buildings, and lamps and lighting fixtures. Fewer purchases of pine lumber and grass seeds drove imports of 'Crude Materials' down by \$7.2 million, from a little over \$23 million to \$15.8 million. For the period, the country bought noticeably less antibiotics, fertilizers and herbicides, resulting in a reduction in imports of 'Chemical Products' from approximately \$109 million in 2017 to \$103.7 million in 2018.

Figure 1: Monthly Gross Imports and Domestic Exports; July 2013 - July 2018



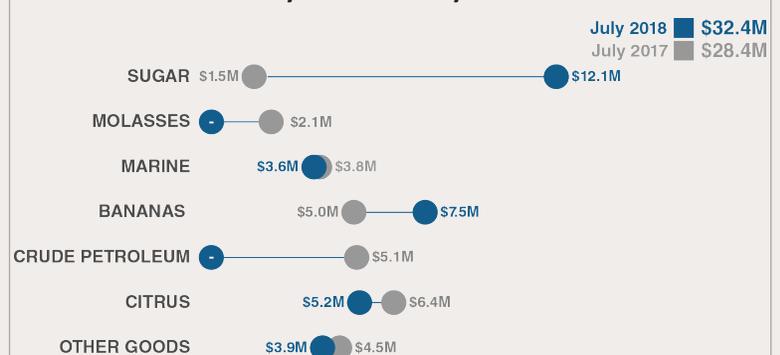
Source: Statistical Institute of Belize

Figure 2: Composition of Gross Imports by Type; July 2018



Source: Statistical Institute of Belize

Figure 3: Composition of Domestic Exports by Type; July 2017 and July 2018



Source: Statistical Institute of Belize

DOMESTIC EXPORTS

JULY 2018: Total domestic exports for July 2018 amounted to \$32.4 million, up 14 percent or nearly \$4 million when compared to exports for July 2017, which were valued at \$28.4 million.

This sizeable increase in export earnings for the month was driven by a boost in exports from two of the country's major commodities, sugar and bananas. Revenues from sugar surged from \$1.5 million to \$12.1 million due to variation in the timing of bulk shipments, as exports for the month of July 2018 included bulk sugar while shipments for the same month last year comprised of only bagged sugar. In addition, exports of bananas grew by almost 50 percent, from just under \$5 million to \$7.5 million, which is the largest recorded monthly increase for that commodity since the start of the year.

Belize's other major exports, however, saw decreased earnings for the month. While sales of crude petroleum for July of last year totaled \$5.1 million, there were no shipments of that commodity for July of this year. Earnings from citrus products fell by \$1.2 million, from \$6.4 million to \$5.2 million, driven mostly by an appreciable decline in sales of orange concentrate. Exports of marine products fell slightly, from \$3.8 million to \$3.6 million, largely due to reduced exports of lobster tails for the month. There were virtually no export earnings from molasses for the month, in contrast to July 2017 when a bulk shipment of that product resulted in earnings of \$2.1 million.

With the majority of the Belize's sugar being exported to the United States of America in July of this year, earnings from that country rose sharply by \$10.7 million, from \$4.4 million in July 2017 to \$15.1 million in July 2018. Revenues from the European Union, excluding the United Kingdom, went up by a lesser \$2.2 million, from \$3.4 million to \$5.6 million, due mainly to increased sales of bananas to that region. On the other hand, revenues from CARICOM fell by more than 50 percent during the month, from almost \$11 million to \$5.2 million, due to the lack of crude petroleum exports in July 2018.

FIRST SEVEN MONTHS OF THE YEAR: Merchandise exports for the period January to July 2018 totaled \$258.9 million, down 15 percent or \$45.9 million from the same period last year.

For the first seven months of the year, export earnings from all major commodities declined. Notwithstanding a six percent increase in exported volumes of sugar compared to the same seven months in 2017, Belize's leading export commodity suffered the greatest loss over the period, as earnings from that product fell by 21.2 percent or \$23.2 million from \$109.1 million to almost \$86 million, due to diminished prices for bulk sugar on the European market. Revenues from citrus exports dropped by \$8.2 million, from about \$64 million in 2017 to \$55.8 million in 2018, with earnings from orange concentrate and orange oil recording the most significant decreases of all citrus products. For the seven-month period, exports of bananas shrank by 7.8 percent or \$3.7 million, from \$46.7 million to a little over \$43 million, while dwindling shrimp exports led to a decline in sales of marine products from just above \$21 million in 2017 to \$18.4 million in 2018. However, crude petroleum earnings suffered only a small decrease from \$16.5 million to \$15.9 million, despite an almost one-third drop in quantities exported, as world market prices for that product remained favourable over the period.

Figure 4: Composition of Exports by Destination; July 2018 (Millions of BZ Dollars)



Source: Statistical Institute of Belize