

Quarterly Economic Bulletin

December 2002 ■ Volume - VIII, Number - 4



This Bulletin is compiled by the Economic Research and Statistics Division (ERSD) of the Maldives Monetary Authority (MMA). It covers developments in the domestic economy during the fourth quarter of 2002. The analyses are based on information provided by relevant government authorities, commercial banks operating in the country, public enterprises and other private sector sources, as at March 2003. Where actual data is not readily available, estimates have been made by ERSD based on available information. The timely receipt of data is therefore crucial to the compilation of this publication and the analysis contained herein.

We thank all those who have contributed to the information contained in this Bulletin and welcome constructive feedback from our readers.

Contents

1. Overview	5
2. Production, Prices and Labour Force	6
3. Public Finance	11
4. Money and Credit Developments	12
A. Operations of the Commercial Banks	14
B. Interest Rate Developments	16
5. External Sector Developments	16
A. International Trade	16
B. Balance of Trade	19
C. External Assets	20
D. Exchange Rate	20

Text Tables

Table 1. Key Economic Indicators	4
Table 2. Tourism Indicators	6
Table 3. Consumer Price Index	10
Table 4. Commercial Bank Interest Rates	16

Charts

Chart I. Tourist Bednights	7
Chart II. Tourist Arrivals	7
Chart III. Fish Catch	8
Chart IV. Government Revenue	11
Chart V. Government Expenditure	12
Chart VI. Domestic Credit	12
Chart VII. Net Foreign Assets	13
Chart VIII. Money Supply	13
Chart IX. Sectoral Credit	14
Chart X. Total Deposits	15
Chart XI. Domestic Exports	17
Chart XII. Fish Export Earnings	17
Chart XIII. Major Fish Exports	17
Chart XIV. Imports by Sectors	18
Chart XV. Merchandise Trade	19
Chart XVI. Bilateral Exchange Rates	20

Statistical Appendix

Table 1. Monetary Survey, 1999-2002	23
Table 2. Assets and Liabilities of Maldives Monetary Authority, 1999- 2002	23
Table 3. Assets and Liabilities of Commercial Banks, 1999-2002	24
Table 4. Distribution of Commercial Bank Credit to Private Sector by Major Sectors, 1999-2002	24
Table 5. Commercial Bank Deposits Distributed by Type, 1999-2002	25
Table 6. Composition of Domestic Exports (f.o.b.), 1999-2002	25
Table 7. Merchandise Imports (c.i.f) by Sector and Product Category, 1999-2002	26
Table 8. Exchange Rates, 1999-2002	27

Table 1. Key Economic Indicators, 1999 - 2002

	2000			2001			2002			
	1999	2000	2001	2000	2001	2002	Oct	Nov	Dec	QTR4
Gross Domestic Product										
GDP (1995 constant prices) Rf mn. ^{1/}	6,056.6	6,345.5	6,564.4	-	-	-	-	-	-	-
% change in GDP	7.2	4.8	3.5	-	-	-	-	-	-	-
Consumer Price Index										
% change in CPI	3.0	-1.2	0.7	-1.1	-0.1	0.7	0.7	2.9	2.5	0.9
Tourism										
Tourist arrivals	429,666	467,154	460,984	31,209	30,341	40,426	101,976	115,344	42,579	42,310
Bed night capacity ('000)	5,348	5,788	6,015	515	499	515	1,529	1,435	485	487
Capacity utilization (%)	69.7	68.2	65.6	53.8	55.5	60.2	56.5	67.5	73.6	76.8
Fish Production										
Landings('000 MTs) ^{2/}	123.3	115.4	125.0	10.2	12.0	16.2	38.4	46.7	14.7	13.4
Total fish exports ('000 MTs) ^{3/}	37.6	28.3	29.7	1.6	1.8	4.7	8.1	5.3	3.9	2.9
Total fish exports (US\$ mn.) ^{3/}	34.4	34.0	35.8	2.2	2.4	4.4	8.9	9.1	4.9	3.9
Money and Banking (Rf mn)										
Net foreign assets	1,405.4	1,312.2	1,153.0	1,216.9	1,164.3	1,153.0	1,153.0	1,274.3	1,339.0	1,516.2
Domestic credit	2,259.3	2,586.8	3,089.9	3,070.6	3,077.6	3,089.9	3,089.9	3,666.6	3,688.1	3,605.9
Total liquidity	2,929.8	3,049.8	3,324.7	3,240.9	3,280.3	3,324.7	3,324.7	3,805.2	3,883.4	4,034.3
Change in net claims on Government	87.1	234.8	83.6	-15.4	-14.1	1.3	-28.2	-76.3	-30.0	15.9
Balance of Payments (US\$ mn) ^{4/}										
Exports (f.o.b) ^{5/}	91.5	108.7	110.2	7.3	8.2	11.0	26.5	29.2	13.4	12.2
Imports (f.o.b)	-353.9	-342.0	-346.3	-34.0	-27.2	-25.4	-86.7	-86.1	-35.4	-29.5
Trade balance	-262.4	-233.3	-236.0	-26.7	-19.1	-14.4	-60.2	-56.9	-22.0	-17.3
Current account balance	-78.9	-51.5	-57.3	-	-	-	-	-	-	-
Non-monetary capital (net)	71.7	43.5	35.9	-	-	-	-	-	-	-
Overall balance	-7.2	-7.9	-21.4	-5.0	-4.1	-0.9	-9.9	0.3	5.1	13.8
Gross International Reserves (US\$ mn) ^{6/}	128.5	124.1	94.3	100.4	99.9	94.3	94.3	115.9	121.6	126.7
External Reserves in Months of Imports (cif)	3.8	3.8	2.9	3.1	3.1	2.9	2.9	3.8	3.9	4.0
Exchange Rate										
Rufiyaa / US\$ (Period average mid rate)	11.7700	11.7700	12.2421	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000
Rufiyaa / US\$ (End of period mid rate)	11.7700	11.7700	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000

1/ GDP figures for 1999 -2001 are revised estimates of 16th December 2002

2/ 2002 data are estimates and not included EEZ.

3/ Excluding live tropical fish.

4/ Figures for 2001 are revised estimates.

5/ Exports have been adjusted to include re-exports (jet fuel plus other)

6/ Foreign Assets of MMA.

Overview

Positive developments in the international economy continued to bolster domestic activities during the fourth quarter of 2002. Tourism sector indicators reflected significant improvements, with arrivals, bednights and capacity utilization rate showing significant growth both against the preceding quarter as well as against the fourth quarter of 2001. In the fisheries sector, landings were observed to have declined against the third quarter of 2002, but increased against the fourth quarter of 2001, while the income from fish exports also registered growth along with the strengthening of international tuna prices. Indicators of distribution and construction sector activity were also buoyant during the review quarter, and prices, as indicated by the CPI, remained relatively stable.

With regard to the fiscal accounts, the Government's budgetary position continued to remain in surplus. While the quarterly budget surplus declined relative to the preceding quarter, a positive trend was seen relative to the corresponding quarter of last year. Given the budget surplus during the quarter, net claims on government by the banking system continued to decline in the review quarter as well. Other developments on the monetary front indicated a decline in total domestic credit from the preceding quarter, although an increase was witnessed on a year-on-year basis. Meanwhile, net foreign assets grew sharply from the levels registered both at the end of the previous quarter and at the end of December 2001; as a result, the quarterly growth in total liquidity of the banking system remained moderate, while in comparison with the corresponding period of the previous year liquidity grew sharply. On the external front, the merchandise trade account continued to be in deficit; however, the deficit narrowed in the review quarter as a result of exports performing exceptionally well, even while imports also grew. In addition, reserves in months of imports improved significantly during the quarter as a result of the strong growth in the foreign assets of MMA.

Production, Prices and Labour Force

Tourism

Tourism activities continued to be significant to the economic growth of the country in recent years, with the sector's contribution to GDP hovering around 32 percent during 1998-2002. While the earnings from the sector accounts for about 40 percent of total domestic revenue¹, the sectoral contribution to the current account of the balance of payments is also highly significant at around 90 percent of total service receipts.

After the decline in tourism sector in the fourth quarter of 2001 and the first half of 2002 following the September 11th incident, activities in the sector had begun to be more vibrant in the second half of this year. Hence, partly reflecting this recovery and

Table 2. Tourism Indicators, 1999 - 2002

In thousands

	1999	2000	2001				2002			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total visitor arrivals	456.0	496.1	159.9	111.3	113.4	107.3	140.7	105.0	122.1	146.0
Tourist arrivals	429.7	467.2	149.9	103.1	105.9	102.0	132.5	97.8	115.3	139.0
Bed capacity 1/	14.7	15.8	16.2	16.5	16.5	16.6	16.5	16.1	15.6	16.3
Bednights	3718.2	3936.7	1264.5	854.7	949.0	864.5	1125.4	828.2	967.8	1144.6
Bed capacity utilisation %	69.7	68.2	86.6	56.9	62.4	56.5	76.1	56.1	67.5	76.2

1/ Figures relate to the period average.

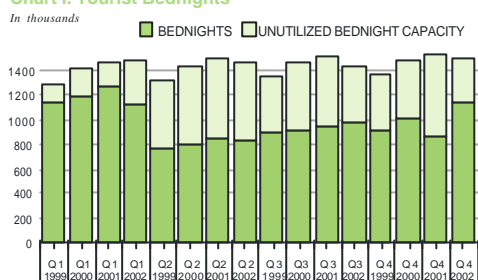
Source: Ministry of Tourism

the beginning of high season, the performance of the sector in the review quarter improved significantly relative to both the preceding quarter as well as the corresponding quarter of 2001. According to tourism statistics, the number of tourists who visited the country during the review quarter totalled 139.0 thousand, in comparison with 115.3 thousand in the preceding quarter and 102.0 thousand in the corresponding quarter of 2001. These reflect a quarterly growth of 21 percent and an annual growth of 36 percent. As regards tourist bednights, 1,144.6 thousand bednights were recorded in the review quarter, reflecting a quarterly growth of 18 percent and annual growth of 32 percent. The average duration of stay during the review quarter stood slightly lower at 8.3 days in the review quarter compared with 8.4 in the preceding quarter and 8.6 in the corresponding quarter of 2001.

Average bed capacity in the industry during the review period stood at 16,319 beds, lower by about 299 beds compared to the fourth quarter of 2001. Hence, reflecting

¹ Including bed tax, lease resort rent, and estimated departure tax and tourism related import duty receipts.

Chart I. Tourist Bednights

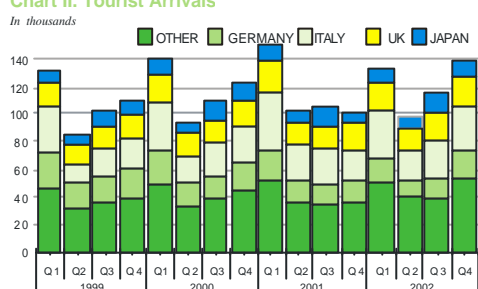


Source: Ministry of Tourism

lower bed capacity coupled with higher tourist bednights in the review quarter, capacity utilisation stood significantly high at 76 percent compared to 57 percent in the fourth quarter of 2001. Relative to the preceding quarter, average bed capacity grew by about 5 percent with the capacity utilisation 13 percentage points higher than the preceding quarter.

As in the previous quarters, the largest numbers of tourists continued to flow from European countries, accounting for about 78 percent of the total tourists into the country. All of the major European markets showed significant improvements in the review quarter, with the total arrivals from the region increasing by 28 percent compared to the preceding quarter and 34 percent compared to the fourth quarter of 2001. Tourists from Italy constituted 29 percent of European tourists, and increased by 17 percent from the previous quarter and by about 47 percent from the last quarter of

Chart II. Tourist Arrivals



Source: Ministry of Tourism

2001. Tourists from Germany, accounting for about 18 percent of the European tourists, were 27 percent higher compared to the preceding quarter and 23 percent higher compared to the corresponding quarter of last year.

Compared to the preceding quarter and the last quarter of 2001, tourists from the United Kingdom registered significant improvements in the review quarter, reflecting a quarterly growth of 23 percent and annual growth of 18 percent. United Kingdom held a 21 percent share of the

European market during the review quarter. The number of tourists from France, which grew by 57 percent compared to the last quarter of 2001, registered a growth of 82 percent in the review quarter

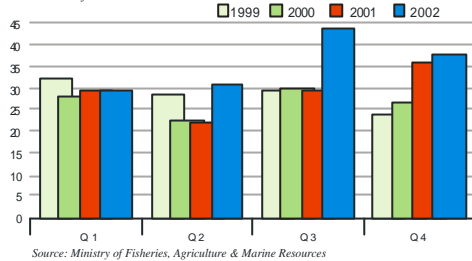
Tourists from Asia accounted for about 18 percent of the total tourist arrivals into the country. More than half the tourist arrivals from Asia comprised of Japanese tourists during the review quarter. The number of such tourists fell by a significant 19 percent on a quarterly basis, while registering growth of 55 percent on annual terms. Tourist arrivals from China, which stood 9 percent higher than the previous quarter, registered an increase of 93 percent when compared to the corresponding quarter of 2001. As regards the tourists from India and Sri Lanka, they accounted for 12 percent and 6 percent, respectively, of the Asian tourists during the review quarter. In terms of growth rates, tourists from India registered a quarterly growth of 18 percent while on annual terms an increase of 39 percent was registered. Meanwhile, tourists from Sri Lanka declined by 20 percent compared to the preceding quarter and by 1 percent compared to the last quarter of 2001.

Fisheries

The fisheries sector accounted for 7 percent of total GDP in 2002 and witnessed an annual growth of 14 percent according to GDP estimates of December 2002. This followed a growth of 6 percent in 2001 and a decline of 2 percent in 2000. According to estimates provided by the Ministry of Fisheries, Agriculture and Marine Resources, during the quarter under review total fish landings (excluding EEZ) were higher by 2.4 thousand metric tonnes (6 percent) compared to the corresponding quarter of

Chart III. Fish Catch

In thousands of metric tonnes



2001. However, such landings are estimated to have declined by around 12 percent or by 5.8 thousand metric tonnes compared to the preceding quarter of 2002.

Under the governments' fisheries sector liberalization program, two private sector parties were awarded licenses in 2001 for Zone 1, with rights to process and export tuna bought from local fishermen. These two parties

commenced their operations during the review quarter and bought about 4 percent of the country's total fish catch during the review quarter. Subsequently, each party shipped two consignments of frozen tuna in December 2002, which amounted to a total of 974 metric tonnes (20 percent of total fish export volume in December). Meanwhile, MIFCO bought about 40 percent of the total catch in the review quarter, with the volume of fish bought by MIFCO standing higher by 6,209 metric tonnes on quarterly terms and 3,982 metric tonnes higher on annual terms. The monthly average unit value of frozen tuna received by the company during the review quarter ranged between US\$587.2 and US\$656.9 per metric tonne, while the unit value for canned tuna ranged between US\$20.4 and US\$21.3 per case of 48 cans.

Fish export earnings (excluding live fish) registered around US\$5 million increase both in the review quarter as well as compared to the fourth quarter of 2001, with growth rates of 53 percent and 56 percent respectively. The volume of fish exports also witnessed positive growth, with rates of 120 percent in the review quarter and 43 percent when set against the corresponding quarter of 2001. Of the major export categories, earnings from export of frozen non-reef fish accounted for over 56 percent of total fish exports, canned fish accounted for 20 percent and dried fish accounted for 18 percent during the review quarter, with positive growths observed in all categories except for dried fish on a quarterly basis. The volumes of these categories also followed the same trend. When compared to the corresponding period of 2001, all fish categories have increased both in value as well as in volume. Please see section on International Trade (page 16) for further details on exports.

Distribution

The distribution sector (mainly wholesale-retail trade) plays a key role in the domestic economy, and is closely linked to the developments in the tourism, fisheries and the construction sectors. The sector is estimated to have contributed about 4 percent to GDP in 2002, witnessing an annual average growth of around 2 percent in recent years. Following the improvement in tourism activities from mid 2002 onwards and the resultant increase in aggregate demand, imports by the private sector (excluding tourism related imports²) registered positive growth rates in the review quarter when compared to both the preceding quarter as well as the corresponding quarter of 2001. Such imports increased from US\$ 54.4 million in the final quarter of 2001 to US\$ 55.6 million in the third quarter of 2002 to US\$ 69.7 million in the review quarter. In terms of percentage changes these reflect a quarterly increase of 25 percent and an annual increase of 28 percent.

Construction

The construction sector accounted for 2.9 percent of GDP in 2002 after contributing 3.5 percent in 2001. An indicator of sector activity, the import of construction materials into the country, witnessed 8 percent growth during the review quarter and 16 percent growth compared to the corresponding quarter of 2001. In terms of financial flows to the sector, credit from the domestic banking system has increased slightly by Rf1.0 million since the final quarter of 2001, reflecting a growth of about 1 percent. The quarterly growth in such credit showed a decline of about 5 percent from the previous quarter.

Inflation

The inflation rate as measured by changes in Consumer Price Index (CPI) on a twelve-month moving average basis, is strongly influenced by the fluctuations in international prices and domestic fish prices, reflecting the large portion of imports and fish in the consumption basket. The CPI, which stood at less than one percent at the end of December 2001, rose by 3 percent at the end of the third quarter of 2002 before registering a slight growth of 0.9 percent at the end of the review quarter. CPI excluding fish also rose by 1 percent compared to a 4 percent increase in the

² Sectoral breakdowns are made on the basis of Customs records, which are in turn based on declarations by the importer. Therefore, for example, if tourist resorts obtain supplies domestically from other private sector sources or from public enterprises, the imports of these items would have been classified in Customs records as goods imported by the original sources. As such, the sectoral analysis will not strictly reflect the total imports consumed by each of these sectors.

preceding quarter and a 3 percent increase against the corresponding period of the of 2001. The main reason for the slowdown in growth in the review period

Table 3. Consumer Price Index, 1999 - 2002 ^{1/}

Base (June 1995 = 100)

	1999	2000	2001				2002			
			Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Food beverages and tobacco products excluding fish	120.1	107.5	106.9	107.7	111.7	118.5	125.0	128.4	127.7	125.4
Fish Index	165.8	192.6	198.7	180.7	161.1	151.9	155.5	138.3	138.9	143.6
Clothing and footwear	105.6	102.6	101.9	102.0	102.2	101.6	101.0	100.0	98.5	97.7
Housing, water, fuel and power	103.6	106.6	107.3	107.6	108.0	108.4	108.5	108.2	107.7	106.8
Furniture, furnishing, household equipment & operation	114.9	114.7	113.8	112.7	111.5	110.4	110.3	110.2	109.3	108.7
Medical care and health expenses	100.4	107.4	107.2	107.3	107.5	107.9	108.3	108.4	108.3	108.2
Transport and communication	118.9	122.9	121.9	121.1	122.2	123.1	124.0	124.0	124.2	124.4
Education	113.4	115.2	115.4	115.5	115.6	115.7	115.7	116.0	116.2	116.2
Recreation, entertainment, religious and cultural services	100.7	100.7	100.4	99.7	99.0	98.3	98.4	98.7	99.3	100.1
Personal care	104.1	104.1	104.2	104.3	104.3	104.6	104.8	104.6	104.0	103.4
Total CPI	116.0	114.6	114.6	113.7	113.8	115.4	117.7	117.5	117.1	116.4
Total Index excluding fish	112.8	109.6	109.2	109.4	110.8	113.0	115.2	116.2	115.7	114.7

1/ Figures are 12 months moving average.

Source: Ministry of Planning and National Development

was the deceleration of the growth in food prices, excluding fish, which recorded a 6 percent increase in the review quarter compared to 14 percent in the previous quarter and 10 percent in the corresponding quarter 2001. Meanwhile, reflecting higher fish landings, fish prices have been falling since the third quarter of last year; such prices plummeted by 23 percent in second quarter of 2002 and further declined by about 5 percent in the review quarter. As regards the other categories of the CPI, declines were observed in clothing and footwear (4 percent); furniture, furnishing and household equipment and operations (2 percent); housing, water, fuel and power (1 percent); and personal care (1 percent) during the review quarter. A 2 percent increase was noted in the recreation, entertainment, religious and cultural services category, while a 1 percent increase was seen in the transport and communication category.

Employment

Due to the unavailability of quarterly information on the level of total employment, it is difficult to assess the quarterly developments in this vital economic variable. However, according to data received from the Ministry of Human Resources, Employment and Labour, the total expatriate labour force as at December 2002, stood at 30,664 in comparison to 29,201 workers at the end of December 2001, reflecting an annual growth of 5 percent. With the recovery of the tourism sector in the latter half of the year and the positive effects on the rest of the economy, expatriate employment started to increase steadily during the review quarter. The number of expatriate workers increased by 208 workers in October, 243 workers in November and by 533 expatriates at the end of

December 2002. This reflects a quarterly increase of 3 percent in the review quarter compared to a growth about 2 percent in the third quarter and a decline of 1 percent in the second quarter of 2002.

Public Finance

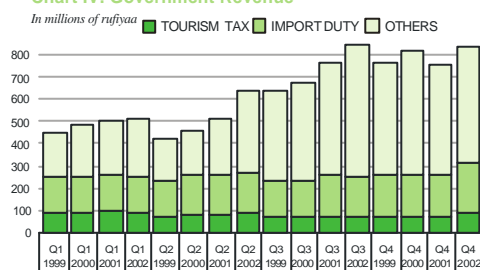
According to preliminary fiscal data, the quarterly budget surplus continued for the second consecutive quarter during the fourth quarter of 2002. The surplus was lower by 33 percent compared to the previous quarter, but it was 9 percent higher than the corresponding quarter of 2001. This was the result of a quarterly reduction of around 1 percent in total domestic revenue³, coupled with an increase total expenditure by around 4 percent. On annual terms, both total revenue and expenditure stood about 12 percent higher. Against forecasts for the review quarter, total revenue stood around 33 percent higher than was forecasted, while budget expenditure was lower by 3 percent.

Total domestic revenue stood at Rf 775.1 million in the review quarter. Of such revenue, tax revenue accounted for 42 percent, while non-tax revenue accounted for 58 percent. The pace of growth in tax revenue slowed from 13 percent in the previous quarter to 7 percent in the review quarter, increasing from Rf 306.6 million to Rf 327.1 million during the period. On an annual basis, such revenues grew by around 24 percent. The growth was primarily on account of the increase in import duty receipts,

which accounted for about 64 percent of the total tax revenue and 27 percent of the total domestic revenue, and increased by around 25 percent to Rf 208.2 million in the review quarter. This was following a negative growth of around 3 percent in the previous quarter. When compared to the corresponding period of last year, it registered a growth of around 25 percent. Tourism tax receipts (which is characterised by seasonal fluctuations associated with tourist

arrivals and their bed nights) accounted for 25 percent of the total tax revenue and 10 percent of the total domestic revenue in the review quarter. It increased by 25 percent during the quarter, after registering a negative growth of 20 percent in the previous quarter. Such tax receipts showed an annual increase of around 24 percent. The non-tax revenue received by the government stood at Rf448.0 million in the review quarter, which was 6 percent lower than the previous quarter, but about 5 percent higher when set against the corresponding quarter of 2001. Resort lease rent, the major

Chart IV. Government Revenue



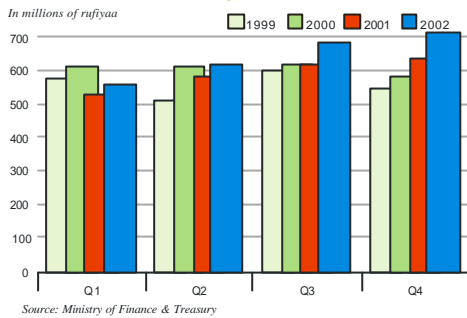
Source: Ministry of Finance & Treasury

³ The total domestic revenue used in this analysis excludes cash grants and fund accounts.

component of non-tax revenue, which accounted for 30 percent of total non-tax revenue and 17 percent of total domestic revenue, decreased by 19 percent in the review quarter. On an annual basis, such revenues showed a significant improvement of 73 percent. This, however, reflected the moratorium on resort lease rent given during the fourth quarter of 2001, following the adverse impact on the tourism industry from the September 11th incident.

On the expenditure side, total expenditure, which had been accelerating in the past

Chart V. Government Expenditure



Source: Ministry of Finance & Treasury

two quarters, showed a deceleration in the rate of growth in the review quarter to about 4 percent. When set against the corresponding quarter of 2001, total expenditure registered an increase of 12 percent. In absolute levels total government expenditure stood at Rf 711.9 million in the review quarter, compared to Rf 686.0 million in the previous quarter and Rf 634.0 million in the last quarter of 2001. Even though the review quarter witnessed a higher quarterly growth of expenditure than the growth in revenue, the overall balance stood at a surplus position of

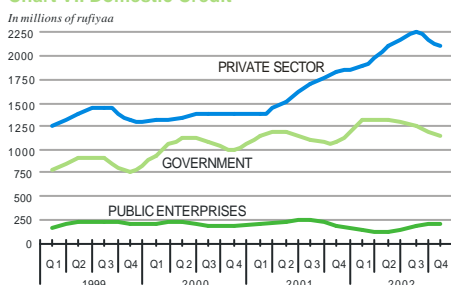
Rf 63.2 million. Reflecting these developments the net credit to government registered a quarterly decline of 9 percent in the review quarter.

Money and Credit Developments

Monetary developments at the end of the review quarter showed a sharp increase in net foreign assets (NFA), both on quarterly as well as on annual terms, while registering a quarterly decline and annual increase in total domestic credit. The quarterly decline in domestic credit moderated the growth in total liquidity of the banking system, although on annual terms a significant increase was registered.

Total domestic credit of the banking system (TDC) recorded a decline of 6 percent or

Chart VI. Domestic Credit

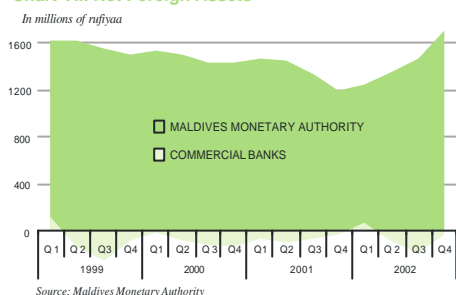


Source: Maldives Monetary Authority

Rf220.9 million in the three months to December 2002, after increasing by 3 percent during the previous quarter. However, in the twelve months to December 2002, TDC recorded an increase of 12 percent. These developments largely reflect the trends in net credit to government and private sector credit. Net credit to the government, which fell sharply in the second quarter of 2002 continued to

decline in the third quarter and registered a further decline of 9 percent in the three months to December 2002. On annual terms however, there was an increase of 5 percent at the end of this year, lower than the 8 percent growth registered at the end of last year. Credit to public enterprises, showed a significant slow down in growth to 19 percent in the review quarter after registering a growth of 29 percent during the third quarter of 2002. On annual terms, credit to the public enterprises recorded an increase of 15 percent in the year to December 2002. As regards credit to the private sector, such lending constituted more than half of the total credit stock at the end of December 2002, and witnessed a 6 percent decline during the quarter under review after increasing by 6 percent in the three months to September 2002. On a year-on-year basis credit to private sector slowed to around 15 percent growth at the end of this year, after increasing by 30 percent at the end of last year.

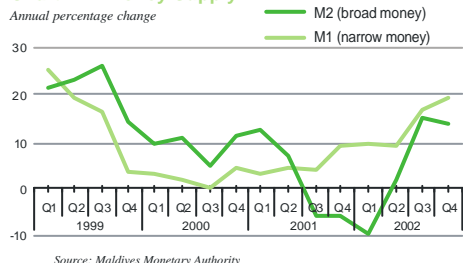
Chart VII. Net Foreign Assets



Net foreign assets of the banking system (NFA) rose significantly by 30 percent or by Rf388.5 million in the review quarter compared to a 0.3 percent or Rf4.3 million increase in the previous quarter. The improvement in the NFA position was due to the large increase in the net foreign assets of MMA coupled with the reduction in the net liability position of the commercial banks. (For a more detailed analysis of the NFA please see page 20.

The total liquidity of the banking system (M2 or broad money) increased by 4 percent or by Rf161.2 million in the three months to December 2002 compared to a 2 percent or Rf70.0 million increase in the three months to September 2002. However, in the twelve months to December 2001, total liquidity increased notably by 19 percent. In absolute terms, the stock of liquidity stood at Rf3966.4 million at the end of this year, compared with Rf 3,805.2 million at the end of last quarter and Rf3324.7 million at

Chart VIII. Money Supply



the end of last year. Narrow money (M1) accounting for almost half of the total liquidity stock, showed an increase of 0.6 percent during the quarter under review, following a decline of 3 percent during the previous quarter. On a year-on-year basis, narrow money, recorded an annual increase of 14 percent at the end of this year, compared with a decline of 6 percent during the previous year. Amongst the components of this variable, currency in circulation showed

only marginal growth rates during last three quarters of the year, while demand deposits slightly increased by 2 percent after a decline of 4 percent during the previous quarter. Meanwhile, quasi money constituting the other half of the liquidity stock, and consisting of time and savings deposits and all foreign currency deposits,

increased by 8 percent in the review quarter compared to a 7 percent increase in the previous quarter. On annual terms, the variable recorded an annual increase of 25 percent at the end of December 2002 compared to a 29 percent growth at the end of December 2001. Consequently, the dollarisation ratio (foreign currency deposits as a percentage of broad money) rose markedly from 45 percent at the end of 2001 to 47 percent in 2002.

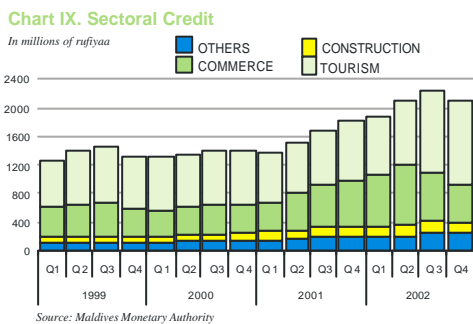
Operations of the Commercial Banks

Total assets and liabilities of the commercial banks operating in the country, after increasing by 6 percent in the three months to September 2002, declined by 1 percent in the three months to December 2002. However, on annual terms, growth in total assets and liabilities accelerated to 23 percent at the end of this year from 10 percent at the end of last year.

Commercial banks continued to hold a substantial part of their assets in the form of reserves, which rose to 42 percent as a proportion of total assets at the end of this year

compared to 39 percent at the end of last year. Total reserves at the end of the year showed a quarterly increase of 6 percent after an increase of only 0.4 percent during the previous quarter. On an annual basis, total reserves of commercial banks accelerated by 34 percent during the year to December 2002, compared with an 8 percent decline during the year to December 2001. Commercial banks investments in MMA CD's at the end of December 2001 stood at Rf323.0 million while at the end of

December 2002 these investments had risen substantially to Rf554.4 million.

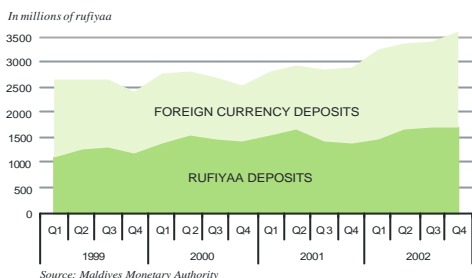


The stock of credit outstanding stood at Rf2310.3 million at the end of Dec 2002, registering a fall of 4 percent during the quarter under review, compared to 8 percent growth during the third quarter of 2002. Annually, the increase was over 15 percent at the end of December 2002, compared with an increase of 26 percent at the end of December 2001. Of the total credit stock, over 91 percent of the credit was extended to the private sector while the rest was extended to the public enterprises. Credit to the private sector recorded increases of 30 and 15 percent respectively during 2001 and 2002, while registering a quarterly decline of 6 percent at the end of the fourth quarter of 2002. Meanwhile, credit to the public enterprises grew significantly both on annual as well as quarterly terms, recording growth rates of 15 percent and 19 percent, respectively.

As regards the sectoral allocation of private sector credit at the end of December 2002,

about 56 percent consisted of credit to the tourism sector, compared to 45 percent in the previous year. Credit to the commerce sector fell from 36 percent of total private sector credit at the end of 2001 to 25 percent at the end of 2002. Of the other economic sectors, construction sector received about 7 percent and fisheries sector received about 6 percent of the total loans extended to the private sector in the review quarter. According to the quarterly indicators, credit extended to fisheries increased by 29 percent, tourism by 3 percent and agricultural sector by 11 percent in the three

Chart X. Total Deposits



months to December 2002. During this period, credit extended to the other sectors of the economy declined, with the credit to construction sector further falling by 5 percent following a 10 percent decline in the previous quarter. The credit to manufacturing sector after declining by 1 percent in the previous quarter fell sharply by 59 percent in the review quarter, and credit to the commerce sector after declining by 15 percent in the previous quarter fell by 24 percent in the quarter

under review. On an annual basis, credit to the tourism sector grew by 41 percent in 2002 after a 11 percent growth in 2001 while credit to the construction sector grew by less than 1 percent following a 17 percent increase in the previous year. Meanwhile, loans to the commerce sector declined by 20 percent in 2002 compared to 51 percent growth in 2001, and credit to the manufacturing sector dropped by 50 percent compared to a growth of 70 percent in the year to December 2001. During 2002 loans to the fisheries sector registered a 52 percent increase following a 10 percent increase in the previous year.

On the liabilities side, total deposits of the commercial banks stood at Rf3595.4 million at the end of the quarter under review. Total deposits grew by 5 percent during the fourth quarter of 2002 compared to 2 percent during the previous quarter, and accelerated by 23 percent in the year to December 2002 following a growth of 16 percent in the year to December 2001. This acceleration in growth was explained by the rapid expansion in both foreign currency and local currency deposits during the year, with the latter growing by 21 percent in the year to December 2002 after a 2 percent decline in the year to December 2001. Similarly foreign currency deposits increased by 25 percent in the year to December 2002, following a 40 percent growth during the previous year. The proportion of foreign currency deposits in total deposits, or the dollarisation ratio edged up from 45 percent at the end 2001 to 47 percent at the end of 2002. The composition of deposits in terms of demand, time and savings indicated that both demand as well as time and savings deposits grew strongly during 2002. Demand deposits grew by 21 percent in 2002 compared to a 13 percent growth in 2001, while time and savings deposits accelerated from 22 percent growth in 2001

to 27 percent growth in 2002. On a quarterly basis, demand deposits increased by 8 percent in the review quarter compared to a decline of 4 percent in the previous quarter, while time and savings deposits registered a 1 percent decline after a growth of 15 percent during the third quarter of 2002.

Reflecting the increase in foreign assets of the commercial banks and the reduction in their foreign liabilities, the net liability position improved significantly by 75 percent in the three months to December 2002. However, on an annual basis the net liability position increased by 11 percent at the end of the year.

Interest Rate Developments

During the fourth quarter of 2002, the dollar denominated savings deposit rates range widened to 2.5-5.5 from 3.25-5.5 at the end of the third quarter of this year.

Meanwhile, there were no changes in the interest rates on rufiyaa savings deposits and

Table 4. Commercial Bank Interest Rates

In percent

	LENDING RATES		DEPOSIT RATES			
	Rf	US\$	SAVING		TERM	
			Rf	US\$	Rf	US\$
December 2001	12 - 13	12 - 15	5 - 6	5.5 - 6	5.0 - 7.5	5.5-7.5
March 2002	12 - 13	12 - 15	5 - 6	5.5 - 6	5.0 - 7.5	5.0- 7.5
June 2002	11.75-13	11.75-15	5.0	5 - 5.5	5.0 - 7.5	5.0- 7.5
September 2002	9-14	9 - 15	3.25 - 5	3.25 - 5.5	3.25 - 7.5	3.5 - 7.5
December 2002	9-14	8.5 - 15	3.25 - 5	2.5 - 5.5	3.25 - 7.5	2.5- 7.5

Source: Maldives Monetary Authority

dollar and rufiyaa denominated term deposits during the review quarter. As such, rates on rufiyaa savings deposits stood at 3.25-5, while rates on time deposits denominated in rufiyaa ranged from 3.25-7.5 percent and rates on US dollar denominated time deposits ranged from 3.5-7.5 percent. As for banks' lending rates, the rates on rufiyaa-denominated loans also

ranged lower than that for the US dollar denominated rates. Rates charged for rufiyaa lending ranged between 9-14 percent during the fourth quarter of 2002, remaining the same as the previous quarter but wider than the 11.75-13 percent observed at the end of the second quarter of this year. Meanwhile US dollar denominated lending rates widened from a range of 11.75-15 in the second quarter to 9-15 percent in the third quarter, further to 8.5-15 percent in the fourth quarter of this year.

External Sector Developments

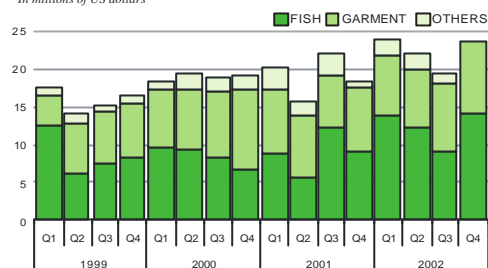
International Trade

The fourth quarter of 2002 registered favorable developments in the international trade account, with total merchandise exports reaching the highest quarterly export earnings ever recorded so far. Both domestic exports and re-exports performed well in

the review quarter. However, the value of merchandise imports during the review quarter was also higher compared to the preceding quarter as well as the fourth quarter of 2001.

Chart XI. Domestic Exports

In millions of US dollars

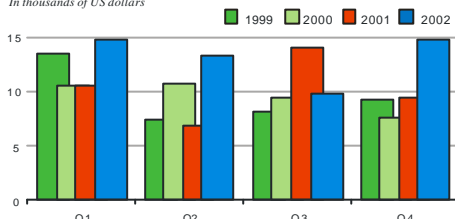


Source: Maldives Customs Service

Domestic exports (63 percent of total export receipts) witnessed sharp increases both on quarterly and annual terms from US\$18.5 million in the final quarter of 2001 and US\$19.4 million in the third quarter of 2002 to reach US\$ 25.1 million in the review quarter. The quarterly growth in domestic export earnings was on account of the rise in earnings from fish exports. Earnings from fish exports (excluding live tropical fish) after a quarterly decline of 26 percent during the preceding quarter, increased by more than 52 percent during the final quarter of 2002 to reach US\$ 13.9 million. On annual terms the increase was slightly higher, at 56 percent.

Chart XII. Fish Export Earnings

In thousands of US dollars



Source: Maldives Customs Service

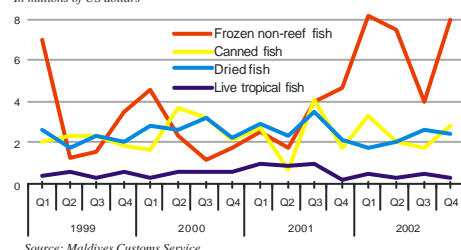
According to Customs statistics the value of merchandise exports (fob) rose to a record high of US\$39.7 million in the review quarter, rising from US\$29.2 million in the previous quarter and from US\$26.5 million in the last quarter of 2001. This reflects increases of 36 percent and 50 percent relative to the preceding quarter and the corresponding quarter of 2001. The increase in merchandise exports during the quarter was on account of growth in earnings

from both of its components; re-exports and total domestic exports. Re-export earnings, accounting for 37 percent of merchandise exports, increased by 48 percent from US\$9.8 million in the previous quarter to US\$14.6 million in the review quarter.

Moreover, when compared to the fourth quarter of 2001 such earnings were 81 percent higher, mainly due to the increase in the jet fuel exports, as jet fuel accounts for 65 percent of total re-exports.

Chart XIII. Major Fish Exports

In millions of US dollars



Source: Maldives Customs Service

Of the major categories of fish exported from the country, earnings from the export of canned fish (accounting for around 20 percent of fish export earnings) registered

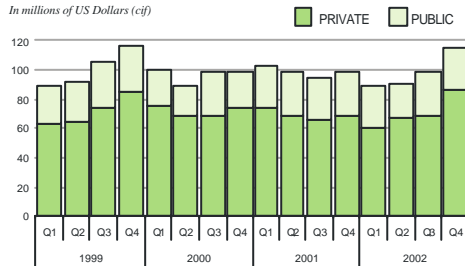
quarterly growth rates of 65 percent both in volume and value, from 985 metric tonnes to 1,625 metric tonnes and from US\$1.7 million to US\$2.9 million respectively. Similarly, there was an annual increase in earnings of 62 percent while, reflecting the increase in international prices for canned tuna in 2002, the volume exported was less by 43 percent compared to the corresponding quarter of 2001.

Earnings from frozen non-reef fish, contributed around 57 percent of total fish exports, and picked up by 99 percent during the review quarter after a decline of 47 percent in the third quarter of 2002. The volume exported also surged by almost three folds (285 percent) during the review quarter to record 7,799 metric tonnes from 2,026 metric tonnes in the preceding quarter. Likewise on an annual basis such earnings increased by 71 percent from US\$4.6 million in the corresponding quarter of 2001 to US\$7.9 million, while the volume of frozen non-reef fish too picked up from 5,386 metric tonnes to record a 45 percent growth during the fourth quarter of 2002. Dried fish export earnings, on the other hand, deteriorated by 9 percent or US\$0.3 million when compared to the preceding quarter of 2002, while the quantity of dried fish exported also fell by 7 percent. On a year-on-year basis however, earnings from dried fish exports rose by 11 percent, while the volume increased by 27 percent. Exports of live tropical fish declined during the review quarter both in terms of quantity exported and earnings, by 18 percent and 10 percent respectively. However, on an annual basis such exports reflected an increase of 55 percent in earnings and 31 percent in the volume exported. Meanwhile earnings from exports of fish products increased by US\$0.3 million (172 percent) both quarterly and annually while the volume increased by 277 metric tonnes quarterly and 421 metric tonnes annually.

Export earnings from garments accounted for 38 percent of total domestic exports. After negative growth rates in the first two quarters of 2002 garment exports witnessed a steep growth of 20 percent in the third quarter. However, during the review quarter the pace of growth was less at 5 percent, increasing from US\$9.2 million to US\$9.6 million. Likewise the increase in the quantity of garments exported during the quarter was around 0.3 million pieces (3 percent) after increasing by 3.2 million pieces (46 percent) in the preceding quarter. Nevertheless, on annual basis both earnings and volume of garment exports were higher by 11 percent and 59 percent respectively.

Chart XIV. Imports By Sectors

In millions of US Dollars (cif)



Source: Maldives Customs Service

Total merchandise imports (c.i.f) recorded a three-year high figure of US\$115.2 million during the fourth quarter of 2002 and witnessed growth rates of around 18 percent both on quarterly and annual basis. In terms of sector⁴, approximately 75 percent were imported by private sector, with imports by the tourism sector constituting 20 percent of private sector imports and 15 percent of total imports. Total private sector imports increased by 26 percent both on quarterly and annually terms to reach

US\$86.8 million in the review quarter. This is from US\$68.9 million in the last

⁴ Please see foot note 2.

quarter of 2001 and from US\$68.7 million in the third quarter of 2002. Imports by the tourism sector recorded US\$17.1 million in the review quarter, registering an increase of 18 percent set against the preceding quarter, and 31 percent when compared to the corresponding quarter of 2001. Private sector non-tourism imports showed an increase of 25 percent quarterly and 28 percent annually to record US\$ 69.7 million in the review quarter. Meanwhile, public sector imports after a surge of 33 percent in the preceding quarter, declined by 2 percent in the review quarter to record US\$ 28.4 million during the final quarter of 2002. In comparison with a year ago, such imports recorded a decline of 4 percent. Imports by public enterprises constituted 85 percent of total public sector imports during the review quarter, to register US\$24.1 million, and declined by 7 percent over the quarter. However, when compared to the corresponding quarter of 2001 an increase of 21 percent was recorded. Imports by the government totaled US\$ 4.3 million, and accounted for 15 percent of total public sector imports. Imports by this sector reflected a quarterly growth of 36 percent, but on annual terms showed a decline of 55 percent.

As regards the composition of imports, consumer goods accounted for 46 percent of total merchandise imports (c.i.f), while petroleum products accounted for 13 percent and intermediate and capital goods for 42 percent. Food products accounted for 47 percent of consumer goods imports and 21 percent of total imports, with staple foods (wheat flour, rice and sugar) comprising 12 percent of total food imports. The petroleum products category grew by 16 percent in the review quarter and by 55 percent in corresponding quarter of 2001. This category largely constituted of diesel (marine gas oil), which accounted for 81 percent of petroleum product imports, while petrol constituted 6 percent and aviation gas, 4 percent. Imports under the intermediate and capital goods category grew by around 8 percent both quarterly as well as on annual terms. Within this category both construction related imports and textiles accounted for 22 percent and transport equipment and parts accounted for 19 percent.

Balance of Trade

The merchandise trade deficit in the review quarter stood at US\$61.7 million having

deteriorated by 7 percent from the preceding quarter.

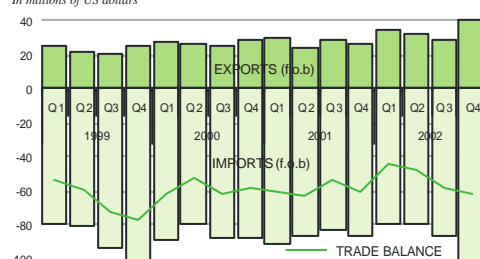
Similarly, compared to the fourth quarter of 2001, the deficit widened by US\$1.5 million or by 3 percent.

Merchandise exports meanwhile, showed improvements compared to both the quarters and remained relatively higher than the increase in

imports; by 36 percent in the review quarter and by 50

Chart XV. Merchandise Trade

In millions of US dollars



Source: Maldives Customs Service

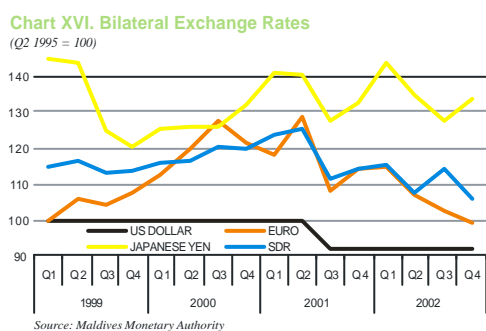
percent compared to the corresponding period of 2001. However, the trade balance continues to be in deficit due to the quarterly increase of 18 percent and an annual increase of 17 percent in the value of merchandise imports, as imports constitute almost three-quarter of total trade in goods. This was as a result of the much higher increase in merchandise imports of US\$17.4million than that in merchandise exports, of US\$ 10.5 million.

External Assets

During the final quarter of 2002, Net Foreign Assets (NFA) of the banking system rose by more than 30 percent or by US\$30.4 million (Rf388.5 million) in the review quarter compared to a growth 0.3 percent or Rf0.3 million (Rf4.3 million) in the previous quarter. Similarly NFA grew by 44 percent or by US\$39.8 million (Rf509.8 million) when compared to the corresponding period of 2001. The growth in NFA in the review quarter is partly attributable to the surge in the net foreign assets of MMA that increased by 16 percent during the quarter and partly due to the substantial reduction in the net foreign liability position of the commercial banks (by 75 percent). As a result, the gross international reserves stood at US\$134.5 million at the end of December 2002, equivalent to reflect 4.1 months of merchandise imports, the highest level recorded since the third quarter of 1999. At the end of the fourth quarter of 2001 reserves stood at 2.9 months of merchandise imports and at the end of the third quarter of 2002, at 3.8 months of imports.

Exchange Rate

As in the previous quarters the rufiyaa remained unchanged against the US dollar at Rf12.80 after the 9 percent devaluation in July 2001, while being volatile against other major trading currencies. Compared to the third quarter of 2002, the Rufiyaa



depreciated by 4 percent against the Japanese yen and by around 1 percent against the Singapore dollar and the Sri Lankan rupee. The rufiyaa showed appreciations of around 1 percent against the euro, Sterling pound and the Indian rupee. Relative to the corresponding period of 2001, the rufiyaa depreciated by 5 percent against the Sri Lankan rupee and by less than 1 percent against the Indian rupee and the Japanese yen whilst appreciating considerably against

other major trading currencies. The most significant changes were the appreciation of 12 percent against the euro, 10 percent against the Sterling pound and 4 percent against the Singapore dollar.

Statistical Appendix IX

21
3

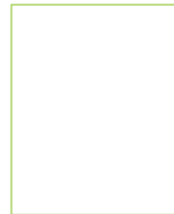
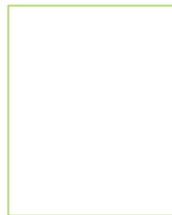


Table 1. Monetary Survey, 1999 - 2002

(In millions of rufiyaa; end of period)

	1999	2000	2001				2002			
			Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Net foreign assets	1405.45	1312.17	1413.06	1351.71	1280.38	1153.03	1322.05	1270.02	1274.34	1662.87
Monetary authorities (net)	1502.23	1450.39	1479.42	1465.79	1347.33	1196.90	1252.80	1362.59	1472.73	1711.68
Foreign assets	1512.37	1460.54	1489.57	1475.94	1357.48	1207.05	1262.95	1372.74	1483.84	1721.83
Foreign liabilities	-10.14	-10.15	-10.15	-10.15	-10.15	-10.15	-10.15	-10.15	-11.10	-10.15
Commercial banks (net)	-96.78	-138.22	-66.36	-114.08	-66.94	-43.87	69.25	-92.57	-198.39	-48.81
Foreign assets	224.67	257.47	313.08	329.31	333.01	318.49	370.70	268.90	317.65	411.23
Foreign liabilities	-321.45	-395.68	-379.44	-443.39	-399.95	-362.36	-301.45	-361.47	-516.04	-460.04
Domestic assets (net)	1524.35	1737.66	1889.63	2067.42	1982.28	2171.67	2300.86	2465.26	2530.91	2303.55
Domestic credit	2259.25	2586.80	2730.95	2927.15	3033.38	3089.86	3345.75	3567.13	3666.57	3445.69
Public sector	956.45	1179.73	1346.63	1401.92	1348.58	1262.62	1449.90	1461.56	1425.31	1344.91
Central Govt (net)	760.17	995.01	1138.50	1183.40	1106.77	1078.58	1309.52	1324.80	1248.46	1133.88
Gross claims on Govt.	1156.14	1409.00	1606.22	1692.37	1684.29	1584.46	1775.63	1899.90	1793.41	1704.26
Govt. deposits	395.97	413.99	467.72	508.97	577.53	505.88	466.10	575.10	544.95	570.38
Public enterprises	196.28	184.72	208.13	218.52	241.81	184.04	140.37	136.76	176.85	211.03
Private sector	1302.80	1407.08	1384.32	1525.23	1684.80	1827.24	1895.85	2105.57	2241.27	2100.78
Other items (net)	734.90	849.14	841.32	859.73	1051.10	918.19	1044.88	1101.87	1135.67	1142.14
Broad money	2929.80	3049.83	3302.69	3419.13	3262.66	3324.70	3622.91	3735.28	3805.25	3966.42
Narrow money	1585.19	1760.43	1845.19	1908.19	1631.04	1655.92	1666.93	1939.90	1876.10	1886.71
Currency in circulation	593.35	618.13	600.93	597.99	570.96	566.52	541.41	555.48	561.72	569.88
Demand deposits and Govt. Rf deposits	991.84	1142.30	1244.26	1310.20	1060.08	1089.39	1125.51	1384.43	1314.38	1316.83
Quasi money	1344.61	1289.40	1457.49	1510.94	1631.62	1668.79	1955.98	1795.37	1929.15	2079.71
o.w. FC. deposits	1211.58	1087.01	1245.51	1274.25	1395.81	1484.71	1780.03	1643.33	1704.08	1870.85

Source: Maldives Monetary Authority

Table 2. Assets and Liabilities of Maldives Monetary Authority, 1999 - 2002

(In millions of Rufiyaa; end of period)

	1999	2000	2001				2002			
			Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Foreign assets	1512.37	1460.54	1489.57	1475.94	1357.48	1207.05	1262.95	1372.74	1483.84	1721.83
Claims on government	1156.14	1409.00	1606.22	1692.37	1684.29	1584.46	1775.63	1899.90	1793.41	1704.26
Claims on PNFE	2.48	1.57	1.48	9.15	1.48	1.48	1.48	1.48	1.48	1.48
Claims on commercial banks	1.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other assets	91.31	93.14	100.76	97.00	96.52	71.92	47.38	54.12	49.12	47.43
Total assets	2763.73	2964.25	3198.03	3274.46	3139.78	2864.91	3087.44	3328.24	3327.85	3475.00
Total liabilities	2763.73	2964.25	3198.03	3274.46	3139.78	2864.91	3087.44	3328.24	3327.85	3475.00
Reserve Money	2220.29	2400.39	2592.01	2625.68	2322.80	2194.49	2494.55	2628.63	2661.28	2778.37
Currency in circulation	593.35	618.13	600.93	597.99	570.96	566.52	541.41	555.48	561.72	569.88
Cash with com. banks	42.79	38.92	34.41	31.21	35.05	43.32	45.33	50.77	55.06	54.45
Com. banks deposits	932.77	971.20	1187.54	1171.84	1248.82	1184.23	1497.77	1419.84	1445.35	1520.89
PNFE and Loc. Govt. Depos	82.41	105.23	92.48	122.31	71.79	77.40	79.05	124.91	111.84	78.75
MMA Certificate of deposits	568.99	666.91	676.64	702.33	396.20	323.01	330.98	477.63	487.31	554.40
Foreign liabilities	10.14	10.15	10.15	10.15	10.15	10.15	10.15	10.15	11.10	10.15
Government deposits	235.02	231.84	256.84	282.60	355.02	283.80	211.99	296.64	271.23	310.58
Other liabilities (including capital account)	298.27	321.87	339.03	356.03	451.80	376.47	370.75	392.82	384.23	375.90

Source: Maldives Monetary Authority.

Table 3. Assets and Liabilities of Commercial Banks, 1999 - 2002

(In millions of Rufiyaa; end of period)

	1999	2000	2001				2002			
			Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Reserves	1553.47	1695.23	1912.84	1958.27	1666.12	1563.42	1868.57	1970.54	1977.58	2094.32
Foreign assets	224.67	257.47	313.08	329.31	333.01	318.49	370.70	268.90	317.65	411.23
Claims on public sector	193.80	183.15	206.65	209.37	240.33	182.55	138.89	135.28	175.36	209.55
Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PNFE	193.80	183.15	206.65	209.37	240.33	182.55	138.89	135.28	175.36	209.55
Claims on private sector	1302.80	1407.08	1384.32	1525.23	1684.80	1827.24	1895.85	2105.57	2241.27	2100.78
Unclassified assets	131.00	144.54	149.76	157.55	153.05	159.97	165.92	151.40	185.10	150.01
Total assets	3405.74	3687.47	3966.66	4179.72	4077.30	4051.68	4439.93	4631.69	4896.95	4965.89
Total liabilities	3405.74	3687.47	3966.66	4179.72	4077.30	4051.68	4439.93	4631.69	4896.95	4965.89
Demand deposits 1/	935.95	1074.43	1164.82	1202.07	1009.11	1022.15	1064.78	1278.94	1224.39	1252.96
Time and saving dep. f/c dep. 2/	1318.10	1252.04	1444.45	1496.76	1610.81	1658.63	1937.66	1775.95	1907.29	2064.84
Government deposits	160.95	182.15	210.88	226.37	222.51	222.08	254.11	278.46	273.72	259.80
Foreign liabilities	321.45	395.68	379.44	443.39	399.95	362.36	301.45	361.47	516.04	460.04
Other liabilities	669.29	783.16	767.06	811.14	834.93	786.47	881.92	936.87	975.51	928.25
Memorandum items:										
Foreign currency deposits	1211.50	1085.95	1270.41	1301.18	1419.59	1519.77	1806.36	1666.38	1722.90	1898.08

1/ Rufiyaa demand deposits only

2/ Time and saving deposits and all foreign currency deposits

Source: Maldives Monetary Authority

Table 4. Distribution of Commercial Bank Credit to Private Sector by Major Sectors, 1999 - 2002

(In millions of Rufiyaa; end of period)

	1999	2000	2001				2002			
			Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Fisheries										
Value	69.16	68.67	72.63	75.78	77.15	75.71	76.96	74.45	89.52	115.3
Percent	5.34	4.94	5.31	5.02	4.62	4.18	4.09	3.57	4.02	5.5
Tourism										
Value	714.38	742.50	692.09	701.70	746.72	823.96	831.32	905.02	1124.39	1160.0
Percent	55.18	53.37	50.57	46.49	44.74	45.48	44.22	43.39	50.52	55.6
Commerce 1/										
Value	371.15	391.99	394.98	513.60	600.85	659.23	713.73	819.85	696.71	529.4
Percent	28.67	28.17	28.86	34.02	36.00	36.39	37.96	39.30	31.31	25.4
Construction										
Value	71.25	115.35	127.83	115.41	125.36	135.01	131.43	158.33	143.26	136.1
Percent	5.50	8.29	9.34	7.65	7.51	7.45	6.99	7.59	6.44	6.5
Manufacturing										
Value	24.65	17.62	17.03	28.16	30.83	30.00	32.86	36.36	35.91	14.6
Percent	1.90	1.27	1.24	1.87	1.85	1.66	1.75	1.74	1.61	0.7
Transport and communication										
Value	24.12	23.98	26.00	34.28	33.98	31.23	32.73	35.56	58.24	37.0
Percent	1.86	1.72	1.90	2.27	2.04	1.72	1.74	1.70	2.62	1.8
Other										
Value	20.02	31.22	38.02	40.57	54.16	56.36	61.08	56.43	77.49	92.7
Percent	1.55	2.24	2.78	2.69	3.24	3.11	3.25	2.71	3.48	4.4
TOTAL CREDIT										
Value	1294.72	1391.33	1368.58	1509.49	1669.05	1811.50	1880.11	2085.99	2225.52	2085.0
Percent	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.0

1/ Wholesale and retail trade, import and export trade.

Source: Maldives Monetary Authority.

Table 5. Commercial Bank Deposits Distributed By Type, 1999 - 2002*(In millions of Rufiyaa; end of period)*

	1999		2000		2001				2002											
					Mar		Jun		Sep		Dec		Mar		Jun		Sep		Dec	
	No. of A/cs	Amt.	No. of A/cs	Amt.	No. of A/cs	Amt.	No. of A/cs	Amt.	No. of A/cs	Amt.	No. of A/cs	Amt.	No. of A/cs	Amt.	No. of A/cs	Amt.	No. of A/cs	Amt.	No. of A/cs	Amt.
1. Current deposits	14130	825.2	15988	874.6	16546	1162.3	18601	1198.3	16933	1014.3	17171	972.2	17836	1135.2	18330	1188.0	19537	1097.8	20204	1143.4
2. Call deposits	2	0.6	2	0.5	2	0.5	2	0.5	2	0.4	2	0.4	2	0.4	4	35.2	4	33.9	4	30.4
3. Other deposit accounts	14	3.4	25	4.0	24	5.1	21	2.7	25	2.0	24	1.8	20	5.3	37	10.2	31	10.8	39	11.1
4. Savings deposits	63461	803.0	76335	893.1	78484	908.9	78940	940.4	85396	970.3	89058	1032.5	92100	1076.6	95599	1137.4	98881	1143.8	101784	1278.0
5. Fixed (or term) deposits	867	900.4	837	754.3	918	761.7	959	805.2	1069	878.5	1010.0	918.4	983	1060.1	1064	982.0	1072	1138.8	1142	1132.4
(a) Up to 3 months	110	139.6	153	280.9	231	266.5	200	249.5	213.0	266.9	204	341.1	258	382.5	254	250.3	271	397.4	250	392.8
(b) Over 3 to 6 months	94	241.7	83	105.3	74	89.1	90	108.6	98.0	147.7	129	160.1	82	75.8	136	148.7	125	129.5	182	134.1
(c) Over 6 months to 1 year	559	492.0	562	341.4	579	390.0	626	415.4	722.0	438.7	636	387.8	605	572.0	631	564.5	633	588.0	664	566.6
(d) Over 1 to 2 years	76	12.0	20	23.8	20	13.4	27	28.6	23.0	23.1	23	22.6	21	23.0	19	11.3	23	17.9	25	32.7
(e) Over 2 to 3 years	10	11.2	5	1.0	2	1.0	4	1.0	2.0	0.0	8	1.6	6	1.5	10	1.6	6	0.3	6	0.3
(f) Over 3 to 5 years	12	1.5	11	1.8	8	1.7	8	1.9	9.0	2.1	8	5.2	9	5.2	12	5.5	12	5.5	13	5.8
(g) Over 5 years	6	2.5	3	0.1	4	0.2	4	0.2	2.0	0.1	2	0.1	2	0.1	2	0.1	2	0.1	2	0.1
TOTAL	78474	2532.6	93187	2526.4	95974	2838.6	98523	2947.0	103425	2865.6	107265	2925.3	110941	3277.7	115034	3352.8	119525	3424.9	123173	3595.4

*Source: Maldives Monetary Authority***Table 6. Composition of Domestic Exports (f.o.b), 1999 - 2002***(In millions of US dollars)*

	1999	2000	2001				2002			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Domestic exports	63.68	75.87	20.20	15.51	21.95	18.47	23.74	22.13	19.37	25.14
Total marine exports	38.78	40.75	11.58	7.25	15.08	9.79	15.55	14.47	10.19	15.55
Fish and fish products(including live fish)	38.34	38.29	10.50	6.79	14.14	9.43	14.75	13.37	9.79	14.83
Fish exports (excluding tropical live fish)	34.43	33.99	8.84	5.53	12.44	8.95	13.71	12.39	9.13	13.93
Frozen non-reef fish	13.44	9.91	2.53	1.74	3.98	4.63	8.10	7.48	3.97	7.91
Frozen reef fish	1.97	1.74	0.41	0.49	0.68	0.21	0.33	0.39	0.49	0.48
Canned fish	8.59	10.75	2.74	0.69	4.13	1.76	3.31	2.14	1.73	2.85
Dried fish	9.02	10.89	2.95	2.43	3.45	2.21	1.71	2.12	2.71	2.46
Salted fish	0.74	0.04	0.00	0.01	0.03	0.05	0.07	0.08	0.09	0.11
Salted Reef fish	0.67	0.66	0.21	0.17	0.18	0.10	0.19	0.19	0.14	0.12
Live tropical fish	1.94	1.99	1.00	0.87	1.01	0.25	0.52	0.38	0.47	0.39
Fish products	1.97	2.32	0.65	0.39	0.68	0.23	0.52	0.60	0.19	0.51
Other marine products	0.45	2.46	1.09	0.46	0.94	0.36	0.80	1.10	0.40	0.72
Garments	24.78	35.01	8.56	8.24	6.83	8.65	8.17	7.62	9.15	9.58
Other	0.12	0.11	0.06	0.02	0.04	0.03	0.02	0.05	0.04	0.00

Source: Maldives Customs Services

Table 7. Merchandise Imports (c.i.f) by Sector and Product Category, 1999 - 2002*(In millions of US dollars)*

	1999	2000	2001				2002			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total merchandise imports (by sector)	402.16	388.59	103.42	97.76	93.78	98.51	89.19	89.51	97.79	115.2
Private sector imports	286.34	286.00	74.20	69.02	66.07	68.93	60.55	67.64	68.66	86.8
Private imports (excluding tourism)	198.76	219.37	56.28	53.37	50.85	54.42	47.00	50.98	55.64	69.7
Tourism imports	87.58	66.63	17.92	15.65	15.23	14.51	13.55	16.66	13.02	17.1
Public sector imports	115.82	102.58	29.22	28.74	27.71	29.58	28.64	21.87	29.13	28.4
Government imports	94.38	89.93	23.09	25.12	25.01	19.91	21.87	18.38	25.94	24.1
PNFEs imports	21.44	12.65	6.13	3.62	2.69	9.68	6.77	3.48	3.20	4.3
Total merchandise imports (by product category)	<i>na</i>	388.59	103.42	97.76	93.78	98.55	89.19	89.51	97.79	115.2
Consumer Goods		173.09	44.63	41.31	37.64	45.02	38.99	39.98	40.88	52.5
Food Items		87.16	23.88	20.01	18.55	22.47	21.09	19.41	18.85	24.5
Rice		5.85	1.03	1.24	1.13	1.76	0.90	1.28	0.97	1.3
Wheat		3.35	1.49	0.54	0.57	1.39	1.43	0.37	0.59	0.7
Sugar		2.70	1.10	0.96	0.34	0.77	0.90	0.60	0.53	0.8
Beverages		11.77	3.36	3.04	2.32	2.71	2.81	2.80	2.08	3.2
Other food items		63.49	16.91	14.23	14.20	15.83	15.05	14.36	14.70	18.3
Tobacco		4.88	1.27	1.07	1.41	0.80	1.34	1.29	1.14	1.3
Pharmaceuticals		3.84	0.91	0.98	1.07	0.85	0.93	0.96	1.13	0.8
Other consumer goods		77.21	18.56	19.25	16.60	20.90	15.63	18.32	19.75	25.9
						0.00	0.00	0.00		
Petroleum Products		45.24	14.33	10.87	11.19	9.40	12.93	10.69	12.56	14.6
Petrol		2.65	0.77	0.95	0.97	0.21	0.92	0.81	1.01	0.9
Diesel (Marine gas oil)		35.57	9.84	8.03	8.56	7.60	9.99	7.78	10.10	11.8
Aviation gas		2.19	2.88	0.93	0.76	0.64	0.76	0.64	0.44	0.6
Other petroleum product (Lubricating oil, Kerosene)		4.83	0.84	0.97	0.90	0.95	1.26	1.45	1.00	1.2
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Intermediate & Capital Goods		170.25	44.46	45.59	44.96	44.14	37.27	38.84	44.35	48.1
Construction		37.08	8.82	11.76	10.34	9.22	8.55	12.64	9.92	10.7
Cement & Cement products		4.58	1.36	1.03	1.13	1.18	0.97	1.40	0.89	1.7
Wood for construction purposes		9.93	2.49	4.15	3.39	2.38	1.78	2.79	2.66	2.7
Base metal & articles of base metal for construction purposes		8.68	2.68	2.76	2.81	2.49	1.80	1.99	2.80	3.3
Other construction related		13.89	2.29	3.81	3.01	3.18	3.99	6.45	3.56	3.0
Paper		1.44	0.50	0.39	0.48	0.48	0.31	0.40	0.48	0.4
Medical / Surgical supplies		1.26	0.35	0.31	0.28	0.44	0.28	0.32	0.50	0.4
Computer equipments and supplies		3.80	1.34	1.04	0.92	1.03	1.29	1.29	0.93	1.2
Machinery & mechanical appliances		5.45	1.46	1.27	1.54	1.54	1.32	1.23	1.33	2.0
Textiles		29.23	7.05	6.17	5.08	6.31	5.81	5.29	8.62	10.5
Chemicals & chemical products		2.86	0.85	0.67	0.72	0.59	0.68	0.73	0.65	0.7
Transport equipments and parts		37.82	10.91	11.78	6.53	12.15	5.64	5.11	6.53	9.2
Other Intermediate and Capital goods		51.30	13.18	12.20	19.07	12.38	13.39	11.83	15.41	12.9

Note: Composition of imports data for years prior to 2000 are not available on a comparable basis.

Source: Maldives Customs Services

Table 8. Exchange Rates, 1999 - 2002*(Rufiyaa per foreign currency; end of period mid rate)*

		U.S. dollar	Japanese yen	Singapore dollar	Deutsche mark ^{1/}	Indian rupee	Sri Lanka rupee	Great Britain Pound	Euro	SDR
1999	March	11.7700	0.0937	6.6716	6.4352	0.2715	0.1669	18.5725	12.5863	15.9818
	June	11.7700	0.0946	6.7643	6.0843	0.2672	0.1630	18.3463	11.8997	15.7407
	September	11.7700	0.1092	6.7556	6.1845	0.2648	0.1619	18.9879	12.0958	16.2421
	December	11.7700	0.1127	6.8805	5.9751	0.2654	0.1601	18.7329	11.6863	16.1544
2000	March	11.7700	0.1084	6.7104	5.7232	0.2648	0.1579	18.1202	11.1936	15.8527
	June	11.7700	0.1076	6.6543	5.3751	0.2624	0.1561	17.0771	10.5128	15.7398
	September	11.7700	0.1077	6.6010	5.0300	0.2517	0.1488	16.1459	9.8378	15.2762
	December	11.7700	0.1025	6.6436	5.2896	0.2468	0.1443	16.9721	10.3454	15.3353
2001	March	11.7700	0.0960	6.5486	5.4288	0.2478	0.1349	16.7690	10.6178	14.8379
	June	11.7700	0.0967	6.3644	4.9940	0.2445	0.1254	16.2486	9.7674	14.6613
	September	12.8000	0.1064	7.2167	5.9365	0.2612	0.1392	18.4109	11.6108	16.4993
	December	12.8000	0.1020	6.8312	5.6395	0.2615	0.1357	17.8251	11.0299	16.0719
2002	March	12.8000	0.0945	6.8434	-	0.2567	0.1317	17.8940	10.9873	15.9604
	June	12.8000	0.1008	7.0255	-	0.2558	0.1304	18.3984	11.7751	17.0299
	September	12.8000	0.1064	7.1894	-	0.2583	0.1303	19.2928	12.2920	16.0707
	December	12.8000	0.1018	7.1140	-	0.2601	0.1297	19.7971	12.6607	17.3386

1/ Deutsche mark taken over out of circulation on 14th March 2002 following the introduction of euro currency.

Source: Maldives Monetary Authority



Economic Research and Statistics Division
Maldives Monetary Authority
Umar Shopping Arcade - 3rd Floor, Chandhanee Magu,
Malé 20-02, Republic of Maldives
Tel: (960) 32 2268, (960) 32 3648. Fax: (960) 31 7604
Email: ersd@mma.gov.mv