

Quarterly Economic Bulletin

December 2003 Volume- IX 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 2003. 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 end March 2004. 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 Employment	5
2.1 Tourism	5
2.2 Fisheries	7
2.3 Distribution	8
2.4 Construction	8
2.5 Prices	9
2.6 Employment	9
3. Public Finance	10
4. Financial Sector	11
4.1 Money and Credit Developments in the Banking sector	11
4.1.1 Operations of the Commercial Banks	13
4.1.2 Interest Rate Developments	14
4.2 Activities of Non-Bank Financial Institutions	15
4.3 Capital Market	15
5. External Sector	16
5.1 Balance of Trade	16
5.2 International Trade	17
5.3 External Assets	19
5.4 Exchange Rate	20

Text Tables

Table 1. Key Economic Indicators	4
Table 2. Tourism Indicators	6
Table 3. Consumer Price Index	9
Table 4. Commercial Bank Interest Rates	15

Charts

Chart I Tourist Bednights	6
Chart II Tourist Arrivals	7
Chart III Fish Catch	7
Chart IV Government Revenue	10
Chart V Government Expenditure	11
Chart VI Domestic Credit	11
Chart VII Net Foreign Assets	12
Chart VIII Money Supply	12
Chart IX Sectoral Credit	13
Chart X Total Deposits	14
Chart XI Securities Trading Floor Turnover	16
Chart XII Merchandise Trade	16
Chart XIII Domestic Exports	17
Chart XIV Major Fish Exports	17
Chart XV Fish Export Earnings	18
Chart XVI Imports by Sectors	19
Chart XVII Bilateral Exchange Rates	20

Statistical Appendix

Table 1. Monetary Survey, 2000-2003	23
Table 2. Assets and Liabilities of Maldives Monetary Authority, 2000-2003	23
Table 3. Assets and Liabilities of Commercial Banks, 2000-2003	24
Table 4. Distribution of Commercial Bank Credit to Private Sector by Major Sectors, 2000-2003	24
Table 5. Commercial Bank Deposits Distributed by Type, 2000-2003	25
Table 6. Composition of Domestic Exports (f.o.b.), 2000- 2003	25
Table 7. Merchandise Imports (c.i.f.) by Sector and Product Category, 2000-2003	26
Table 8. Exchange Rates, 2000-2003	27

Table 1. Key Economic Indicators, 2000 - December 2003

	2000		2001		2002		2003				
	Oct	Nov	Oct	Nov	Dec	QTR4	QTR3	Oct	Nov	Dec	QTR4
Gross Domestic Product											
GDP (1995 constant prices) Rf mn. ^{1/}	6,345.5	6,564.4	6,992.8	-	-	-	-	-	-	-	-
% change in GDP	4.8	3.5	6.5	-	-	-	-	-	-	-	-
Consumer Price Index											
% change in CPI	-1.2	0.7	0.9	1.9	0.9	0.9	-3.8	-3.7	-4.2	-4.0	-4.0
Tourism											
Tourist arrivals	467,154	460,984	484,680	42,310	54,115	139,004	131,458	48,357	51,087	58,265	157,709
Bed night capacity ('000)	5,788	6,015	5,887	485	529	1,501	1,493	513	494	519	1,526
Capacity utilization (%)	68.2	65.6	69.0	73.6	78.1	76.2	73.4	76.4	87.3	87.0	83.6
Fish Production											
Landings('000 MTs) ^{2/}	115.4	125.0	160.2	15.8	14.9	15.0	45.7	31.7	12.8	15.0	44.7
Total fish exports ('000 MTs) ^{3/}	28.3	29.7	44.6	3.9	2.9	4.8	11.6	10.1	2.4	6.2	15.2
Total fish exports (US\$ mn.) ^{3/}	34.0	35.8	49.2	4.9	3.9	5.1	13.9	12.3	2.9	6.8	18.0
Money and Banking (Rf mn)											
Net foreign assets	1,312.2	1,153.0	1,662.9	1,339.0	1,516.2	1,662.9	2,266.8	2,267.1	2,508.5	2,613.4	2,613.4
Domestic credit	2,586.8	3,089.9	3,445.7	3,688.1	3,605.9	3,445.7	3,346.4	3,316.6	3,316.0	3,246.6	3,246.6
Total liquidity	3,049.8	3,324.7	3,966.4	3,883.4	4,034.3	3,966.4	4,266.1	4,273.4	4,516.4	4,543.7	4,543.7
Change in net claims on Government	234.8	83.6	55.3	-30.0	15.9	-100.5	-114.6	-153.0	-24.9	31.8	16.8
Balance of Payments (US\$ mn) ^{4/}											
Exports (f.o.b) ^{5/}	108.7	110.2	132.3	13.4	12.2	13.1	38.7	30.4	8.4	12.8	39.4
Imports (f.o.b)	-342.0	-346.3	-344.7	-35.4	-29.5	-36.6	-101.4	-103.7	-34.3	-44.7	-122.7
Trade balance	-233.3	-236.0	-212.4	-22.0	-17.3	-23.4	-62.7	-73.2	-25.9	-32.0	-83.2
Current account balance	-51.5	-58.7	-35.7	-	-	-	-	-	-	-	-
Non-monetary capital (net)	43.5	37.3	75.5	-	-	-	-	-	-	-	-
Overall balance	-7.9	-21.4	39.8	5.1	13.8	11.5	30.4	-1.3	0.0	18.9	27.1
Gross International Reserves (US\$ mn) ^{6/}											
External Reserves in Months of Imports (cif)	124.1	94.3	134.5	121.6	126.7	134.5	153.7	156.7	160.5	161.0	161.0
Exchange Rate											
Rufiyaa / US\$ (Period average mid rate)	11.7700	12.2421	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000
Rufiyaa / US\$ (End of period mid rate)	11.7700	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000	12.8000

1/ 2002 figures are revised on 24/12/03

2/ 2003 revised on 3rd March 2004. Landings exclude EEZ.

3/ Excluding live tropical fish.

4/ Figures for 2003 are estimates of 23rd Dec 2003.

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

6/ Foreign Assets of MMA

Source: MMA, MOFA, MOT, MPND, MOFT, Customs

1. Overview

In the final quarter of the year (October-December, 2003) significant improvements were seen in the key economic sectors of the country. With the beginning of the peak season in the tourism industry, the sector performance improved markedly compared to both the preceding as well as the corresponding quarter of 2002. The developments in the fisheries sector were also positive with considerable support provided by significantly higher growth in fish export earnings. The improvements in the above two key sectors of the economy contributed to the favourable developments in construction and distribution sectors, during the quarter.

On the fiscal front, Government's budgetary outturn was positive during the review quarter, enabling the government to make net repayments on its borrowings from the Maldives Monetary Authority at the end of the year. This, coupled with a decelerated growth in private sector credit from the banking system, led to a decline in the total domestic credit at the end of the year. However, total liquidity in the banking system grew strongly, explained by the substantial increase in the net foreign assets during the year. On the external front, while the total domestic exports grew significantly during the review quarter, the growth in imports was much larger during the period. As a result, the international trade deficit widened further during the quarter under review.

2. Production, Prices and Employment

2.1 Tourism

Following a modest growth of 3 percent in the tourism sector value added to GDP in 2002, the sector is estimated to have grown by 15 percent in 2003. Contributions from the tourism sector account for over 30 percent of GDP and 31 percent of total domestic revenue. In terms of its contribution to the balance of payments, income from travel receipts constitute more than 90 percent of total services receipts.

With the continued strong growth in the tourist arrivals, the activities in the tourism sector were buoyant during the review quarter. According to data received from the Ministry of Tourism, tourist arrivals during the last quarter of 2003 totalled 157.7 thousand compared with 131.5 thousand recorded during the preceding quarter, and 139.0 thousand during the corresponding quarter of 2002. These reflect a quarterly

growth of 20 percent and an annual growth of 13 percent. With the average duration of a visit slightly shorter at 8.1 days during the review quarter compared to 8.3 days in the previous as well as the last quarter of 2002, tourist bednights grew at a slightly lower rate than the rate of growth in arrivals, at 16 percent quarterly and 11 percent annually.

Total bed capacity in the tourism industry averaged 16,587 during the review quarter, representing an increase of 362 beds from the previous quarter and an increase of 268 beds from the last quarter of 2002. These developments reflect reopening of resorts/beds after closing down for renovations. The average capacity utilisation rate stood significantly higher in the review quarter at 84 percent, compared to 73 percent in the previous quarter and 76 percent in the last quarter of 2002.

Table 2. Tourism Indicators, 2000 - December 2003

In thousands

	2000	2001	2002	2002				2003			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total visitor arrivals	496.1	492.0	513.9	140.7	105.0	122.1	146.0	175.8	113.9	138.4	166.0
Tourist arrivals	467.2	461.0	484.7	132.5	97.8	115.3	139.0	167.7	106.8	131.5	157.7
Bed capacity ^{a/}	15.8	16.5	16.1	16.5	16.1	15.6	16.3	17.1	16.9	16.2	16.6
Bednights	3936.7	3932.7	4066.5	1125.4	827.9	968.5	1144.6	1397.0	937.6	1095.3	1274.7
Bed capacity utilisation %	68.2	65.6	69.0	76.1	56.1	67.5	76.2	91.1	60.9	73.4	83.6

a/ Figures relate to the period average.

Source: Ministry of Tourism

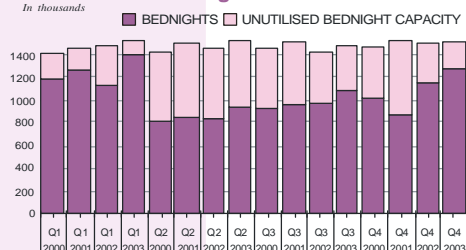
As in the past, the largest number of tourists continues to flow from European countries, accounting for about 77 percent of the total tourist arrivals. Tourist arrivals from Europe during the review quarter were 24 percent higher than the previous quarter and 11 percent higher than the last quarter of 2002. Of the European tourists, the majority are Italians constituting 27 percent of European arrivals and 21 percent

of total arrivals. During the review quarter Italian tourists who visited the country increased by 5 percent both on annual as well as on quarterly terms. Tourist arrivals from United Kingdom, which has the second largest share in the European market (23 percent of European arrivals and 18 percent of total arrivals), did exceptionally well during the review quarter, registering an annual increase of 22 percent and a quarterly increase of 19 percent. Tourists from Germany, accounting for about 12 percent of total

tourist arrivals, increased by 21 percent from the previous quarter, while registering a small decline (0.1 percent) when compared to the last quarter of 2002. Tourists from France (7 percent of total tourist arrivals) more than doubled from the previous quarter and increased by 26 percent from the last quarter of 2002. As regards the tourist arrivals from the Asian region (19 percent of total tourist arrivals), Japanese tourists form the majority with a 41 percent share of the Asian market (8 percent of the total tourist arrivals). The number of Japanese tourists who visited the country

Chart I. Tourist Bednights

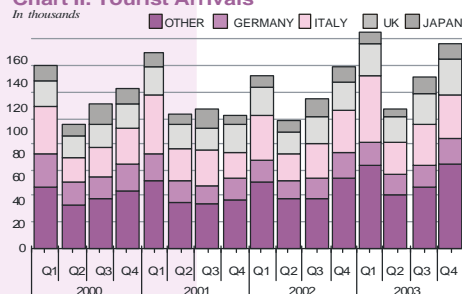
In thousands



Source: Ministry of Tourism

during the review quarter stood only 1 percent higher than the previous quarter,

Chart II. Tourist Arrivals



Source: Ministry of Tourism

although on annual terms there was a 9 percent increase.

As regards other Asian markets, the Chinese market has been growing robustly in recent periods. As such tourist arrivals from China (4 percent of total tourists and 21 percent of Asian tourists) were 55 percent higher than the previous quarter, while more than doubling from the last quarter of 2002. Tourist arrivals from India increased by 7 percent quarterly and declined by 11 percent annually,

while those from Korea increased by 70 percent quarterly and 20 percent annually. In terms of market share, Indian

and Korean tourists account for 9 percent and 10 percent of Asian tourists, respectively, while each constitutes around 2 percent of total tourist arrivals.

2.2 Fisheries

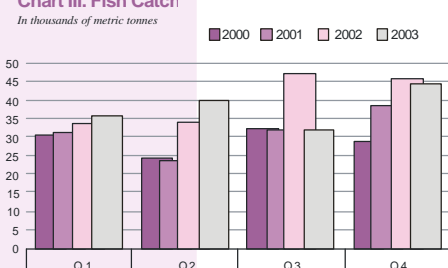
Fisheries sector performed well during the year, although the value added in the sector is estimated to have declined from a high of 23 percent in 2002 to just 1.6 percent in 2003. The low annual growth rate is essentially due to the exceptionally large increase in fish landings in 2002, which led to a record performance of the sector. According to the latest available data, total fish landings totalled 44.7 thousand metric tonnes in the review quarter, increasing by 13.0 thousand metric tonnes or by 41 percent from the previous quarter. Compared with the same period a year ago, however, estimated total landings were 1.1 thousand metric tonnes or around 2 percent lower. As for major

commercial buyers of fish, 31 percent of the total coastal fish catch was bought by Maldives Industrial Fisheries Company (MIFCO), who bought 13,846 metric tonnes of fish during the review quarter, which was more than double the volume of fish they bought in the previous quarter.

On the export side, total receipts (excluding receipts from the export of live fish) stood at US\$18.0 million, a level which is 47 percent higher compared to the previous

quarter and about 29 percent higher than a year ago. The volume of fish exports also grew at about the same magnitude, increasing by 50 percent on quarterly terms and by 31 percent on annual terms. The improvement in fish exports is explained by the large increases in frozen tuna, canned fish and dried fish, both in terms of volume and earnings. Exports by the parties operating in the two privatised zones¹ (Zones 1 and 3) accounted for 44 percent of the total frozen fish export volume and 28 percent of the value from

Chart III. Fish Catch



Source: Ministry of Fisheries, Agriculture & Marine Resources

¹ For fisheries sector purposes the country has been divided into four zones. Zone 1 encompasses the northern most atolls Haa Alifu, Haa Dhaalu, Shaviyani and Noonu, whilst Zone 2 comprises of Raa, Baa, Lhaviyani and Kaafu Atoll. Zone 3 comprises of Alifu Alifu, Alifu Dhaalu, Vaavu, Meemu, Faafu, Dhaalu, Thaa, and Laamu Atoll and Zone 4 comprises of Gaafu Alifu, Gaafu Dhaalu, Gnaviyani and Seenu Atoll.

such exports during the quarter. Such exports consisted of frozen skipjack and yellowfin tuna and amounted to 4.8 metric tonnes with a gross income of US\$ 3.0 million. As regards the export unit values for different categories of fish, most of the varieties of fish received a better unit price during the review quarter, although the unit price of canned fish declined slightly and that of dried fish showed an increase. (Please see section 4 for more details).

2.3 Distribution

The distribution sector, accounting for about 4 percent of GDP and growing at an annual rate of 5 percent in 2003, has strong and positive links with the developments in other major economic sectors, especially tourism, fisheries and construction sectors. Fourth quarter indicators signalled positive developments in the distribution sector. Total private sector imports (excluding tourism related imports²) grew by about 15 percent during the review quarter on annual terms. Such imports grew at a more rapid rate, i.e. by about 19 percent, reaching US\$ 80.4 million (the highest level in four quarters) compared with the previous quarter, mainly reflecting the significant quarterly expansion in the tourism sector.

2.4 Construction

The construction sector accounted for about 4 percent of GDP in 2003, and following a negative growth of about 0.6 percent in 2002, the sector is estimated to have grown by close to 16 percent in 2003. This high growth reflects the increased construction activities in Hulhumale', and several government infrastructure projects, private sector housing development and resort renovations. The import of construction materials, hence, increased by 42 percent on annual terms, while declining by 5 percent on quarterly terms. As regards the financial flows to the construction sector, credit from the domestic banking system at the end of December 2003 stood at Rf169.1 million, which was 8 percent more than the previous quarter and 24 percent higher than the corresponding quarter of 2002.

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.

2.5 Prices

The inflation rate as measured by the changes in the Consumer Price Index (CPI) on a 12 month moving average basis is to a great extent influenced by changes in import prices and domestic fish prices, since these comprise a large portion of the consumption basket. The CPI, which stood at 0.9 percent at the end of December 2002, continued to decline in 2003 to register a negative 4.0 percent at the end of the year. The decline in CPI, excluding fish index, was however smaller at 2 percent. As regards the major groups in the CPI, the fish index showed a substantial decline of 24 percent at the end of December, compared to a 13 percent decline at the end of September 2003. Declines were also noted in other major

Table 3. Consumer Price Index, 2000 - December 2003 ^{b/}

Base (June 1995 = 100)

	2000	2001	2002	2002				2003			
				Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Food beverages and tobacco products excluding fish	107.5	118.5	125.4	125.0	128.4	127.7	125.4	121.4	119.4	118.8	118.2
Fish Index	192.6	151.9	143.6	155.5	138.3	138.9	143.6	134.6	128.4	121.2	109.1
Clothing and footwear	102.6	101.6	97.7	101.0	100.0	98.5	97.7	96.7	96.6	97.3	97.5
Housing, water, fuel and power	106.6	108.4	106.8	108.5	108.2	107.7	106.8	106.3	106.2	106.2	105.9
Furniture, furnishing, household equipment & operation	114.7	110.4	108.7	110.3	110.2	109.3	108.7	108.4	107.6	107.5	107.6
Medical care and health expenses	107.4	107.9	108.2	108.3	108.4	108.3	108.2	107.8	107.2	106.7	106.2
Transport and communication	122.9	123.1	124.4	124.0	124.0	124.2	124.4	123.9	123.3	122.4	121.6
Education	115.2	115.7	116.2	115.7	116.0	116.2	116.2	116.6	117.2	117.9	119.0
Recreation, entertainment, religious and cultural services	100.7	98.3	100.1	98.4	98.7	99.3	100.1	100.3	100.7	100.8	100.2
Personal care	104.1	104.6	103.4	104.8	104.6	104.0	103.4	102.4	102.0	102.3	102.9
Total CPI	114.6	115.4	116.4	117.7	117.5	117.1	116.4	114.4	113.3	112.7	111.7
Total Index excluding fish	109.6	113.0	114.7	115.2	116.2	115.7	114.7	113.1	112.3	112.1	111.9

b/ Figures are 12 months moving average.

Source: Ministry of Planning and National Development

groups of CPI such as transport and communication (2 percent); food beverages and tobacco products, excluding fish (6 percent); medical care and health expenses (2 percent); housing, water, fuel and power (1 percent); and furniture, furnishing and household equipment and operation (1 percent). A 2 percent increase was noted in the education index, following from a similar increase in the preceding quarter and a 0.4 percent increase in the corresponding quarter of 2002.

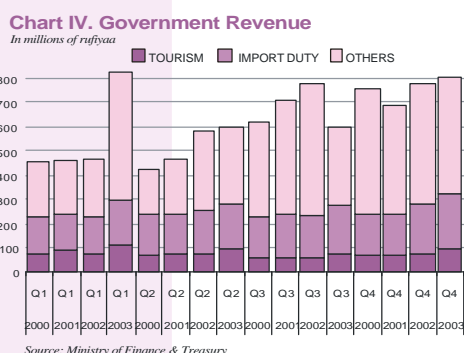
2.6 Employment

There is no quarterly data on the level of total employment or earnings in the country. Reflecting the lower labour force participation rate and the relatively rapid growth in economic activity, the demand for labour is growing rapidly. With the availability of a large pool of cheap labour in neighbouring countries, the country has a growing expatriate labour force. According to data available from the Ministry of Employment and Labour, the expatriate labour force averaged at

around 33,348 during the review quarter in comparison to an average of 30,228 workers at the end of December 2002, reflecting an annual growth of 10 percent. Of this increase almost half (1,495 workers) was absorbed in the construction sector. Increases were also seen in the tourism sector, garment industry and community, social work and personal services. The number of expatriate workers increased by 216 workers on average when compared to the preceding quarter with a quarterly growth of less than 1 percent. This was primarily due to the increase in the number of expatriates employed in the construction sector and other community, social work and personal services.

3. Public Finance

Preliminary data shows a significant improvement in the overall fiscal position when compared to the fourth quarter of 2002. However, the surplus has narrowed from Rf135.98 million in previous quarter to Rf105.02 million in review quarter, owing to a decline in quarterly revenue. Nevertheless, the actual outturn in revenue and expenditure was better than the budgeted numbers for the year 2003.



Total domestic revenue³ declined by 7 percent to Rf812.09 million in the review quarter after registering a significant increase of 45 percent in the previous quarter. However, when compared to the corresponding quarter of 2002, an increase of 5 percent was registered. Moreover, revenue received for 2003 was 5 percent more than the forecasted level for the year. Of the total domestic revenue, tax revenue accounted for 43 percent and non-tax revenue for 57 percent.

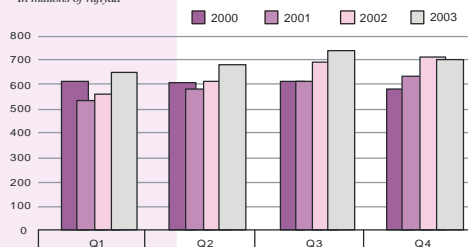
Quarterly growth of tax revenue shows a decline of less than 1 percent, totalling Rf352.2 million in the review quarter. On an annual basis, such revenues grew by around 8 percent. The growth was primarily on account of the increase in import duty receipts and tourism tax receipts. Import duty receipts, which accounted for 66 percent of tax revenue and 29 percent of total domestic revenue, increased by 12 percent and 11 percent, respectively, compared with the previous quarter and the corresponding quarter of 2002. Tourism tax revenue, which accounted for 26 percent of tax revenue and 11 percent of total domestic revenue, increased by 21 percent on quarterly terms and 12 percent on annual terms. Meanwhile, non-tax revenue declined by 12 percent in the review quarter when compared to the previous quarter, to Rf459.9 million, although when set against the corresponding period

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

of 2002, such revenues increased by 3 percent. Resort lease rent, which accounts for 30 percent of non-tax revenue and 17 percent of total domestic revenue, increased by 5 percent quarterly and 2 percent annually.

Chart V. Government Expenditure

In millions of rufiyaa



Source: Ministry of Finance & Treasury

On the expenditure side, total government budget expenditure during the review quarter declined by about 4 percent from the previous quarter. In terms of annual change, total expenditure declined marginally by little less than 1 percent. Total expenditure during 2003 was 7 percent lower than that of the budgeted figures for the year. As a result of this improvement in the overall fiscal position, the government was able to make net repayments on its borrowings from MMA and reduce its domestic debt stock to the banking system.

4. Financial Sector

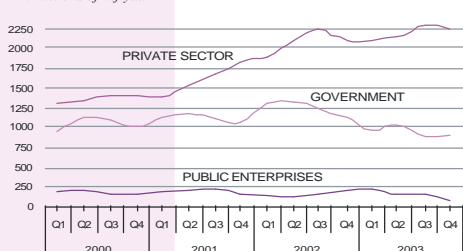
4.1 Money and Credit Developments in the Banking sector

Monetary and credit developments during the year 2003 featured a downward trend in the domestic credit leading to a significant decline at the end of the year, and a marked increase in the net foreign assets of the banking system. As a result, the total liquidity in the banking system showed a substantial expansion at the end of December 2003, although annually the growth rate has decelerated.

Total domestic credit (TDC) of the banking system declined by 3 percent or by Rf99.8 million in the three months to December 2003, after increasing by less than 1 percent or by Rf8.5 million during the previous quarter. On annual terms, TDC declined by 6

Chart VI. Domestic Credit

In millions of rufiyaa



Source: Maldives Monetary Authority

percent at the end of December 2003, compared to an increase of 12 percent at the end of 2002. This decline was largely on account of the favourable budgetary outturn which helped the Government to reduce its outstanding borrowings from MMA. As such, net credit to Government declined by 20 percent at the end of 2003 compared to an increase of 5 percent at the end of 2002. However, on quarterly terms net credit to

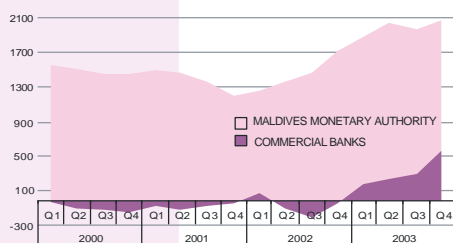
government showed a small increase of about 2 percent from the previous quarter. With the uncertainties surrounding the Land Law (in terms of creditor rights in the event of foreclosure) which was enacted in the early part of 2003, credit to the private

sector slowed down significantly during the year, registering an annual growth of 7 percent at the end of the year compared to a growth of 15 percent at the end of the previous year. On quarterly terms, credit to the private sector declined by 2 percent at the end of December 2003. As regards the credit to public enterprises, it declined by 57 percent on annual terms and by 45 percent on quarterly terms.

The banking system had a strong net foreign assets (NFA) position during the year 2003, helped by the favourable economic conditions in the country. Hence, NFA increased by 15 percent from Rf2,266.8 million at the end of September 2003 to Rf2,613.4 million at the end of December 2003. On annual terms, NFA increased

Chart VII. Net Foreign Assets

In millions of rufiyaa



Source: Maldives Monetary Authority

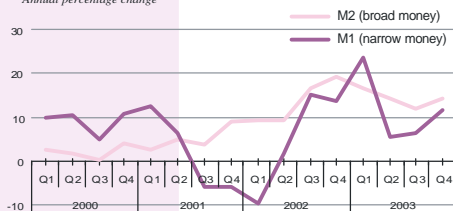
substantially by 57 percent compared to 44 percent in the year to 2002. The movement of the NFA position of the banking system is to a large extent influenced by the foreign assets position of MMA. Such assets recorded an increase of 5 percent during the review quarter when compared with a decline of 4 percent during the previous quarter. However, the growth of NFA of MMA decelerated to 20 percent in the year to 2003 from 43 percent in the year to 2002.

NFA of commercial banks have been in a net asset position since the beginning of the year and has been increasing over the months. This improvement has been on account of both the increase in their foreign assets, which increased by 89 percent at the end of 2003 and the substantial decline (54 percent) in their foreign liabilities.

The total liquidity (broad money or M2) of the banking system grew at an annual rate of 15 percent at the end of December 2003, on account of the rapid growth in net foreign assets. However, the growth in M2 has decelerated from 19 percent at

Chart VIII. Money Supply

Annual percentage change



Source: Maldives Monetary Authority

the end of December 2002. On a quarterly basis, M2 after declining a little less than 1 percent at the end of September 2003, increased by 7 percent at the end of December 2003. In absolute levels, M2 increased by Rf277.6 million to reach Rf4543.7 million at the end of December 2003. Of the components of M2, narrow money, accounting for 46 percent of M2, showed a modest quarterly increase of 5 percent

during the quarter under review, compared with a decline of 2 percent during the previous quarter. Amongst the components of narrow money, currency in circulation increased during the last quarter of the year, while demand deposits, increased by 8 percent compared to a decline of 5 percent during the previous quarter. Annually, narrow money increased by 12 percent compared to a growth of 14 percent in the year 2002. Meanwhile, quasi money which constitutes about

54 percent of M2, and includes mainly time and savings deposits and all foreign currency deposits, registered a quarterly growth rate of 7 percent. On an annual basis, quasi money featured a deceleration in growth from 29 percent in 2001 to 25 percent in 2002 and 17 percent in 2003. With the strong growth in foreign currency deposits, the dollarisation ratio or foreign currency deposits as a percentage of broad money rose from 47 percent at the end of 2002 to 51 percent in 2003.

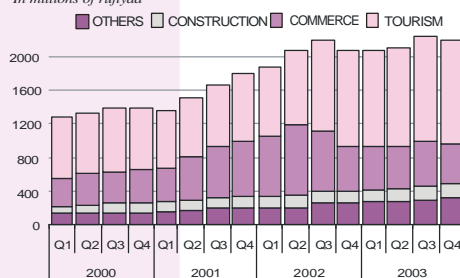
4.1.1 Operations of the Commercial Banks

Total assets and liabilities increased by 4 percent in the quarter under review, following a decline by the same percent in the previous quarter. On annual terms, however, growth in total assets and liabilities decelerated to 8 percent in the year to 2003 from 23 percent in the year to 2002. Commercial banks continued to hold a substantial part of their assets in the form of reserves and as such, reserves as a proportion of total assets stood at around 38 percent at the end of the year. Such reserves increased by 4 percent in the three months to December 2003, compared with a 12 percent decline in the previous three months. On annual terms reserves declined by 2 percent compared to an increase of 34 percent in the year to 2002. Commercial banks investments in MMA CD's at the end of the year stood at Rf484.8 million while at the end of December 2002 it was Rf479.3 million.

The stock of credit of the commercial banks (accounting for about 44 percent of total assets) grew by only 2 percent in the year to December 2003, compared to a growth of

Chart IX. Sectoral Credit

In millions of rufiyaa



Source: Maldives Monetary Authority

15 percent in the year to December 2002. On quarterly terms, there was a 5 percent decline at the end of December 2003, compared to a 7 percent increase at the end of September 2003. As regards commercial bank lending to various sectors of the economy during the review quarter, about 95 percent of the credit was extended to the private sector while the remaining was extended to public enterprises (4 percent) and Government (1 percent). Credit to the private sector grew by 7 percent in the year to December 2003 after recording a

growth rate of 15 percent in the year to December 2002, whereas credit to public enterprises during these periods declined by 58 percent and increased by 15 percent. Of the commercial banks credit to the private sector, more than 50 percent of the total exposure is to the tourism sector, and during the review quarter growth in credit to the sector decelerated to 3 percent from a growth of 9 percent in the previous quarter. However, on annual terms, credit extended to the tourism sector accelerated substantially from 8 percent at the end of 2002 to 41 percent at the end of 2003. Meanwhile,

credit to commerce stood 7 percent lower than the previous quarter and 8 percent lower than the last quarter of 2002. As regards credit to other economic sectors, credit to fisheries sector has been on an upward trend and registered an annual growth of 31 percent at the end of 2003, reflecting the financing of some new investments in the fisheries sector during the year. However, in terms of flows it amounts to only Rf35.6 million. Credit to the construction sector, accounting for about 8 percent of the total loan portfolio, after a depressed growth in the first 8 months of the year, picked up in the latter months to record a quarterly growth of 8 percent and an annual growth of 24 percent.

On the liabilities side, reflecting mainly the strong growth in foreign currency deposits, total deposits of the commercial banks totaled Rf4,197.9 million at the end of the review quarter. In terms of growth rates, a quarterly growth of 6 percent

and an annual growth of 17 percent was observed at the end of 2003. Rufiyaa deposits, accounting for about 42 percent of total deposits, showed a quarterly increase of 2 percent and an annual increase of 4 percent at the end of the review quarter. Meanwhile, foreign currency deposits grew by 10 percent from September 2003 and 28 percent from December 2002. As a result, foreign currency deposits as a proportion of total deposits increased from 53

percent at the end of December 2002 to 56 percent at the end of September 2003 to 58 percent at the end of December 2003. With respect to the types of deposits, demand deposits constitute 73 percent of total deposits, and the growth in such deposits continues to be strong at the end of December 2003, registering a quarterly growth of 10 percent and an annual growth of 26 percent. On the other hand, time and savings deposits declined further by 2 percent annually and by 3 percent quarterly.

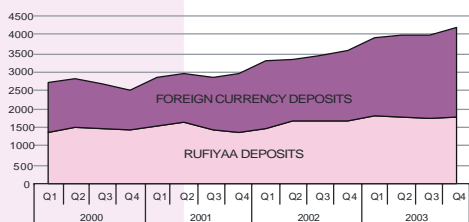
4.1.2 Interest Rate Developments

During the review quarter, some changes have taken place in the commercial banks' interest rate structure both to lending and deposit rates.

Commercial banks' rufiyaa denominated savings deposit rates ranged between 2.5-5.0 percent at the end of December 2003. Although this was only a slight reduction from the rates that prevailed at the end of September 2003 (2.75-5.0 percent), this was a significant reduction compared to the rates at the end of December 2002 (3.25-5.0). Dollar denominated savings deposits rates remained unchanged from

Chart X. Total Deposits

In millions of rufiyaa



Source: Maldives Monetary Authority

the previous quarter at 2.0-4.5 percent, while declining from 2.5-5.5 at the end of December 2002. Rufiyaa and dollar denominated time deposit rates also remained unchanged from the previous quarter at 2.75-7.5 percent and 2.0-7.5 percent, respectively. However, these rates are lower than a year ago, when the rufiyaa denominated

**Table 4. Commercial Bank Interest Rates
December 2002- December 2003**

In percent

	LENDING RATES		DEPOSIT RATES			
	Rf	US\$	SAVING		TERM	
			Rf	US\$	Rf	US\$
December 2002	9-14	8.5 - 15	3.25 - 5	2.5 - 5.5	3.25 - 7.5	2.5 - 7.5
March 2003	9-14	8.5 - 15	3.25 - 5	2.5 - 5.5	3.25 - 7.5	2.5 - 7.5
June 2003	9-14	7.5 - 14	3.25 - 5.0	2.5 - 5.0	3.25-7.5	2.5-7.5
September 2003	9-14	7.5 - 14	2.75 - 5.0	2.0 - 4.5	2.75-7.5	2.0-7.5
December 2003	9-14	7.5 - 14	2.5 - 5.0	2.0 - 4.5	2.75-7.5	2.0-7.5

Source: Maldives Monetary Authority

deposit rates ranged between 3.25-7.5 percent and dollar denominated deposits ranged between 2.5-7.5 percent.

The lending rates remained unchanged from the previous quarter for dollar loans.

Compared to the end of December 2002, dollar lending rates showed a reduction in the minimum rate from 8.5-15 percent 7.5-

14 percent at the end of the review quarter. However, it should be noted that the 7.5 percent interest was effective only on a government loan. Meanwhile, rufiyaa rates continued to be between 9-14 percent since December 2002.

4.2 Activities of Non-Bank Financial Institutions

The non-bank financial activities in the country have grown considerably in recent periods, with insurance companies, finance leasing company and several development finance activities channelled through the Ministry of Finance and Treasury actively engaged in various financial activities in the country.

The Maldives Finance Leasing Company, which commenced its operation in June 2002, provides short to medium-term capital equipment finance to various economic sectors. During the third quarter of 2003, MFLC financed Rf15.8 million worth of capital equipments, which was about 24 percent less than the disbursements during the previous quarter, but over 157 percent more than the last quarter of 2002. During the year 2003, MFLC disbursed leasing finance amounting to Rf54.2 million, of which 46 percent was extended to the tourism sector, 32 percent to trade and commerce sector, 15 percent to transport sector and just a little less than 6 percent to fisheries and agriculture sector. The lease period of the equipments financed by the company ranged from 12 months to 60 months with the majority being 60 months.

4.3 Capital Market

The activities in the Securities Trading Floor (STF) gained impetus in terms of size and value in the quarter under review, with the market capitalization reaching Rf860 million at the end of December 2003. A worthy achievement of the STF was recorded in the review quarter, with the trading in STF reaching one million rufiyaa target in

November 2003, more quickly than expected.

In terms of trading turnover, the quarter under review witnessed a tremendous increase of around 93 percent from the corresponding quarter of 2002. Furthermore, a total turnover of Rf178,485 was recorded during the review quarter which accounted for around 28 percent of the total trading turnover of the year 2003. Trading of Maldives Transport and Contracting Company (MTCC) stock contributed to around 42 percent of the quarter's trading turnover while Bank of Maldives (BML) and State Trading Organization (STO) shares represented around 30 percent and 28 percent,

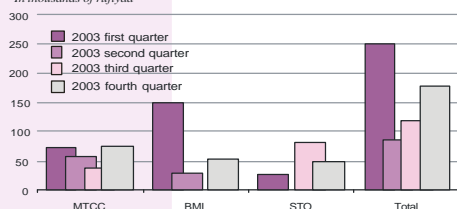
respectively. Moreover, average daily trading turnover during the review quarter was 68 percent higher than the preceding quarter.

During the review quarter, a sum of 441 shares was transacted through the STF. This consisted of 290 shares of MTCC, 100 shares of STO and 51 shares of BML. During the review quarter, the highest number of

shares was traded in the month of October, with 201 shares. Furthermore, the number of shares transacted in the quarter grew by around 131 percent from the last quarter of 2002. The quarter under review also witnessed the highest number of trades executed through the STF since the trading facility commenced on 14th April 2002. During the quarter, 44 trades were concluded which comprised of 25 trades of MTCC, 12 trades of STO and 7 trades of BML.

Chart XI. Securities Trading Floor Turnover

In thousands of rufiyaa



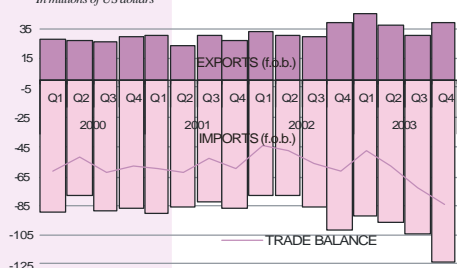
Source: Maldives Monetary Authority

5. External Sector

5.1 Balance of Trade

Chart XII. Merchandise Trade

In millions of US dollars



The merchandise trade deficit in the review quarter stood at US\$83.2 million. This is an increase of US\$10.0 million or 14 percent from that of the preceding quarter. Similarly, compared to the fourth quarter of 2002, the deficit had widened by US\$20.5 million or by 33 percent. Merchandise exports, meanwhile, showed improvements compared to both the quarters by 30 and 2 percent, respectively. However, merchandise imports, which constitute over three quarter of total trade in goods, reached record high figures, accounting for the higher trade deficit.

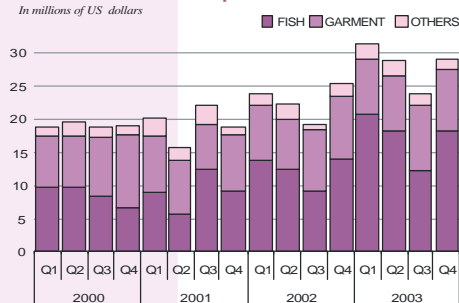
5.2 International Trade

The fourth quarter of 2003 registered a quarterly trade deficit of US\$83.2 million. Though exports were significantly high, the record high imports witnessed during the quarter was the main reason for the deterioration in the trade balance. Both domestic exports and re-exports increased over the preceding quarter while re-export declined annually.

According to Customs statistics the value of merchandise exports (f.o.b.) rose to US\$39.4 million in the review quarter, from US\$30.4 million in the previous

Chart XIII. Domestic Exports

In millions of US dollars



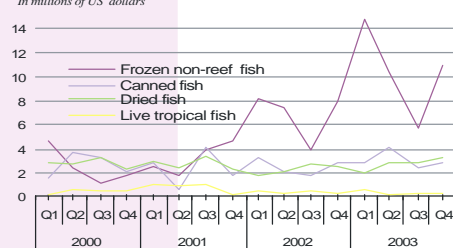
Source: Maldives Customs Service

quarter and from US\$38.7 million in the last quarter of 2002. This reflects increases of 30 percent and 2 percent respectively. The high quarterly growth in merchandise exports was on account of a surge in both of its components; re-exports and domestic export earnings. Re-export earnings, whose share accounted for around 26 percent of merchandise exports in the review quarter, increased by 52 percent, mainly due to the increase in the earnings from jet fuel exports (82 percent of total re-exports). However, on an annual basis re-exports declined by 23 percent due to the extra-ordinarily high re-export registered in the corresponding quarter of 2002.

Domestic exports (74 percent of total exports) witnessed increases both on quarterly and annual terms from US\$25.1 million in the final quarter of 2002 and US\$23.6 million in the preceding quarter to reach US\$ 29.1 million in the review quarter. The quarterly growth in domestic export earnings was on account of the rise in earnings from fish exports. Fish and fish products increased by 42 percent during the quarter to total US\$18.8 million and accounted for 65 percent of total domestic exports. Earnings from fish exports (excluding live fish) after a quarterly

Chart XIV. Major Fish Exports

In millions of US dollars



Source: Maldives Customs Service

decline of 32 percent during the preceding quarter, increased by 47 percent during the review quarter to reach US\$18.0 million; while on annual terms too an increase of 29 percent was witnessed.

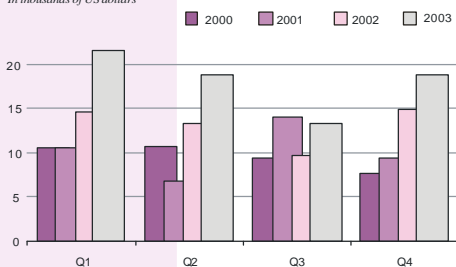
Of the major categories of fish exported from the country, earnings from frozen non-reef fish dominated the category by accounting for over 60 percent of fish export earnings. These exports registered an annual growth of 38 percent and a quarterly growth rate of over 90 percent to reach US\$10.9 million. The quantity of frozen non-reef fish exported also followed a similar trend, with an annual growth rate of 36 percent (2,769.3 metric

tonnes) and a quarterly rate of 84 percent (4,829.9 metric tonnes). Moreover, earnings from canned fish and dried fish export, both together accounting for 33 percent of fish export earnings witnessed quarterly growth rates of 14 percent. Similarly, the export volume of these fish categories also rose with canned fish exports increasing by 7 percent (100.1 metric tones) and dried fish by 10 percent (178.2 metric tonnes). On annual terms, the quantity and earnings of dried fish registered a growth of 23 percent and 32 percent respectively, while that of canned fish declined with the quantity falling by 3 percent and earnings by 5 percent. The unit price of canned tuna registered a quarterly growth of 7 percent but declined slightly by 1 percent when compared to the corresponding quarter of 2002, while dried fish prices increased by 4 percent quarterly and 8 percent annually.

Meanwhile, the value and volume of salted fish exported increased when compared to the fourth quarter of 2002 by US\$0.4 million and 544.0 metric tonnes respectively, but stayed more or less the same when compared to the third quarter of 2003. In contrast, earnings and quantity of live fish exported during the year declined both quarterly and annually.

Chart XV. Fish Export Earnings

In thousands of US dollars



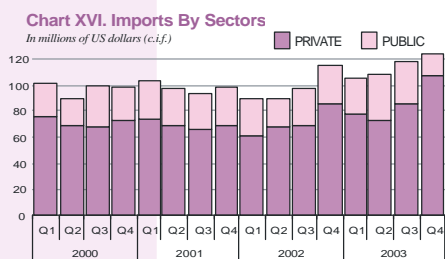
Source: Maldives Customs Service

Export earnings from garments accounted for a third of total domestic exports and declined by 3 percent (from US\$ 9.8 million to US\$ 9.5 million) from the previous quarter and by 1 percent (from US\$9.6 million) when compared to the fourth quarter of 2002. Likewise, after a 29 percent increase in the preceding quarter, the quantity exported declined by 9 percent in the quarter under review, but registered a growth of 13 percent (from 10,577 thousand pieces to 11,994 thousand pieces) on an annual basis.

Total merchandise imports (c.i.f.) witnessed a record high figure of US\$139.4 million during the fourth quarter of 2003, and registered a quarterly growth rate of 18 percent and an annual growth of 21 percent. In terms of sectoral imports, around 78 percent were imported by the private sector, with imports by the tourism sector constituting over a quarter of private sector imports. Total private sector imports increased by around 25 percent both on quarterly and annual terms to reach US\$108.1 million in the review quarter. Imports by the tourism sector constituted a fifth of total imports, totalling US\$27.7 million in the review quarter, with an increase of over 50 percent when set against the preceding quarter. When compared to the corresponding quarter of 2002 the increase was 62 percent or US\$10.6 million.

Public sector imports totalled US\$31.2 million during the review quarter and declined by 2 percent against the previous quarter and by 10 percent when com-

pared to the fourth quarter of 2002. Of the total public sector imports, imports by public enterprises constituted 73 percent. Imports by such enterprises during the review quarter declined by US\$1.5 million (6 percent) from the previous quarter and by US\$1.2 million (5 percent) from the corresponding review quarter of 2002.



Source: Maldives Customs Service

However, government imports increased by 11 percent from US\$7.5 in the preceding quarter to US\$8.3 million during the review quarter while almost doubling annually by US\$4.0 million.

As regards the composition of imports, consumer goods accounted for over 40 percent of total merchandise imports (c.i.f.), while petroleum products

accounted for 10 percent and the intermediate and capital goods accounted for the remaining half. Food products accounted for 48 percent of consumer goods imports and 19 percent of total imports, with staple foods (wheat flour, rice and sugar) comprising 10 percent of total food imports. Expenditure on food imports increased by 25 percent on quarterly terms and by 10 percent annually. Import payments on petroleum products increased by 5 percent in the review quarter but declined by 8 percent from the corresponding quarter of 2002. This category largely constituted of diesel (marine gas oil) accounting for 78 percent of petroleum product imports, while petrol constituted around 10 percent and aviation gas, 5 percent. The annual decline is mainly attributed to a fall in diesel and other petroleum products imported during the quarter. Imports under the intermediate and capital goods category grew by 17 percent quarterly and 44 percent annually to reach US\$69.4 million. Within this category construction related imports and textiles together accounted for a third of the intermediate and capital goods, while transport equipment and parts accounted for a fourth.

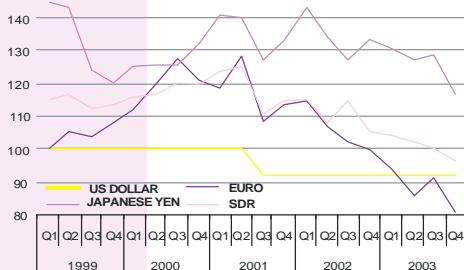
5.3 External Assets

Net foreign assets (NFA) of the banking system rose significantly by more than 57 percent or by US\$74.3 million (Rf950.5 million) over the year on account of commercial banks net foreign liability position of US\$3.8 million (Rf48.8 million) changing to a net foreign asset position of US\$44.0 million (Rf563.1) at the end of the review quarter and also due to the US\$26.4 million or 20 percent growth in MMA's foreign assets. Likewise, the quarterly NFA of the banking system grew at 15 percent or US\$27.1 million (Rf346.6) attributable to the surge in the net foreign assets of commercial banks (82 percent) and also due to the growth in foreign assets of MMA (by 5 percent). As a result, the gross international reserves in terms of months of imports remained at 4.1 months of merchandise imports at the end of December 2003 in spite of the higher import bill during 2003.

5.4 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. As a result it depreciated against

Chart XVI. Bilateral Exchange Rates
(Q2 1995 = 100)



other major trading currencies of the international market, in line with the weakening US dollar. The fall of US dollar against the euro has increased the competitiveness of the Maldivian tourism industry as the majority of tourists visiting the country are from Europe. Compared to the third quarter of 2003, the rufiyaa depreciated by 12 percent against euro, 11 percent against Japanese yen, 10 percent against Sterling pound, 3 percent against the Singapore dollar

and by less than one percent against the Indian and Sri Lankan rupee. Even on annual terms, rufiyaa depreciated by over 22 percent against the Euro, 14 percent against the Japanese yen, 11 percent against the Sterling pound, 6 percent against the Indian rupee, 3 percent against the Singapore dollar and by 0.1 percent against the Sri Lankan rupee.



Statistical Appendix
Statistical Appendix
Statistical Appendix

Table 1. Monetary Survey, 2000 - 2003

(In millions of rufiyaa; end of period)

	2000	2001	2002				2003			
			Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Net foreign assets	1312.17	1153.03	1322.05	1270.02	1274.34	1662.87	2043.47	2283.06	2266.80	2613.38
Monetary authorities (net)	1450.39	1196.90	1252.80	1362.59	1472.73	1711.68	1869.05	2041.83	1957.00	2050.30
Foreign assets	1460.54	1207.05	1262.95	1372.74	1483.84	1721.83	1879.30	2051.99	1967.16	2060.46
Foreign liabilities	-10.15	-10.15	-10.15	-10.15	-11.10	-10.15	-10.25	-10.16	-10.16	-10.16
Commercial banks (net)	-138.22	-43.87	69.25	-92.57	-198.39	-48.81	174.43	241.24	309.80	563.08
Foreign assets	257.47	318.49	370.70	268.90	317.65	411.23	515.09	643.58	529.16	775.67
Foreign liabilities	-395.68	-362.36	-301.45	-361.47	-516.04	-460.04	-340.66	-402.35	-219.36	-212.59
Domestic assets (net)	1737.66	2171.67	2300.86	2465.26	2530.91	2303.55	2185.69	1994.85	1999.35	1930.36
Domestic credit	2586.80	3089.86	3345.75	3567.13	3666.57	3445.69	3308.42	3337.98	3346.44	3246.63
Public sector	1179.73	1262.62	1449.90	1461.56	1425.31	1344.91	1208.24	1205.70	1060.37	1002.21
Central Govt (net)	995.01	1078.58	1309.52	1324.80	1248.46	1133.88	966.50	1048.05	895.06	911.85
Gross claims on Govt.	1409.00	1584.46	1775.63	1899.90	1793.41	1704.26	1726.33	1678.37	1704.62	1542.83
Govt. deposits	413.99	505.88	466.10	575.10	544.95	570.38	759.84	630.33	809.56	630.98
Public enterprises	184.72	184.04	140.37	136.76	176.85	211.03	241.74	157.65	165.31	90.37
Private sector	1407.08	1827.24	1895.85	2105.57	2241.27	2100.78	2100.18	2132.28	2286.07	2244.42
Other items (net)	849.14	918.19	1044.88	1101.87	1135.67	1142.14	1122.73	1343.13	1347.09	1316.27
Broad money	3049.83	3324.70	3622.91	3735.28	3805.25	3966.42	4229.16	4277.92	4266.15	4543.75
Narrow money	1760.43	1655.92	1666.93	1939.90	1876.10	1886.71	2055.09	2044.77	1996.00	2105.35
Currency in circulation	618.13	566.52	541.41	555.48	561.72	569.88	577.74	587.97	590.95	624.90
Demand deposits and Govt. Rf deposits	1142.30	1089.39	1125.51	1384.43	1314.38	1316.83	1477.36	1456.80	1405.05	1480.45
Quasi money	1289.40	1668.79	1955.98	1795.37	1929.15	2079.71	2174.07	2233.14	2270.15	2438.39
o.w. FC. deposits	1087.01	1484.71	1780.03	1643.33	1704.08	1870.85	2058.04	2106.43	2134.06	2320.34

Source: Maldives Monetary Authority

Table 2. Assets and Liabilities of Maldives Monetary Authority, 2000 - 2003

(In millions of rufiyaa; end of period)

	2000	2001	2002				2003			
			Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Foreign assets	1460.54	1207.05	1262.95	1372.74	1483.84	1721.83	1879.30	2051.99	1967.16	2060.46
Claims on government	1409.00	1584.46	1775.63	1899.90	1793.41	1704.26	1726.33	1652.78	1679.02	1517.24
Claims on PNFE	1.57	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48
Claims on commercial banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	70.00	0.00
Other assets	93.14	71.92	47.38	54.12	49.12	47.43	158.33	24.68	32.51	29.85
Total assets	2964.25	2864.91	3087.44	3328.24	3327.85	3475.00	3765.45	3730.93	3750.18	3609.04
Total liabilities	2964.25	2864.91	3087.44	3328.24	3327.85	3475.00	3765.45	3730.93	3750.18	3609.04
Reserve Money	2400.39	2194.49	2494.55	2628.63	2661.28	2778.37	2943.04	3058.25	2869.67	2865.78
Currency in circulation	618.13	566.52	541.41	555.48	561.72	569.88	577.74	587.97	590.95	624.90
Cash with com. banks	38.92	43.32	45.33	50.77	55.06	54.45	45.59	59.79	61.09	52.17
Com. banks deposits	971.20	1184.23	1497.77	1419.84	1445.35	1520.89	1651.79	1746.49	1347.46	1412.91
PNFE and Loc. Govt. Depos	105.23	77.40	79.05	124.91	111.84	78.75	75.97	102.68	119.76	91.70
MMA Certificate of deposits	666.91	323.01	330.98	477.63	487.31	554.40	591.95	561.32	750.41	684.11
Foreign liabilities	10.15	10.15	10.15	10.15	11.10	10.15	10.25	10.16	10.16	10.16
Government deposits	231.84	283.80	211.99	296.64	271.23	310.58	456.17	300.46	487.33	338.72
Other liabilities (including capital account)	321.87	376.47	370.75	392.82	384.23	375.90	355.99	362.05	383.02	394.36

Source: Maldives Monetary Authority

Table 3. Assets and Liabilities of Commercial Banks, 2000 - 2003

(In millions of rufiyaa; end of period)

	2000	2001	2002				2003			
			Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Reserves	1695.23	1563.42	1868.57	1970.54	1977.58	2094.32	2195.91	2265.09	1990.15	2062.01
Foreign assets	257.47	318.49	370.70	268.90	317.65	411.23	515.09	643.58	529.16	775.67
Claims on public sector	183.15	182.55	138.89	135.28	175.36	209.55	240.26	181.77	189.42	114.48
Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.60	25.60	25.60
PNFE	183.15	182.55	138.89	135.28	175.36	209.55	240.26	156.17	163.83	88.88
Claims on private sector	1407.08	1827.24	1895.85	2105.57	2241.27	2100.78	2100.18	2132.28	2286.07	2244.42
Unclassified assets	144.54	159.97	165.92	151.40	185.10	150.01	183.76	162.86	182.95	162.60
Total assets	3687.47	4051.68	4439.93	4631.69	4896.95	4965.89	5235.19	5385.59	5177.76	5359.17
Total liabilities	3687.47	4051.68	4439.93	4631.69	4896.95	4965.89	5235.19	5385.59	5177.76	5359.17
Demand deposits 1/	1074.43	1022.15	1064.78	1278.94	1224.39	1252.96	1417.91	1367.21	1295.87	1398.76
Time and saving dep. f/c dep. 2/	1252.04	1658.63	1937.66	1775.95	1907.29	2064.84	2157.54	2220.05	2259.57	2428.39
Government deposits	182.15	222.08	254.11	278.46	273.72	259.80	303.67	329.87	322.24	292.26
Foreign liabilities	395.68	362.36	301.45	361.47	516.04	460.04	340.66	402.35	219.36	212.59
Other liabilities	783.16	786.47	881.92	936.87	975.51	928.25	1015.41	1066.11	1080.72	1027.17
Memorandum items:										
Foreign currency deposits	1085.95	1519.77	1806.36	1666.38	1722.90	1898.08	2085.14	2188.27	2215.46	2426.80

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, 2000 - 2003

(In millions of rufiyaa; end of period)

	2000	2001	2002				2003			
			Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Fisheries										
Value	68.67	75.71	76.96	74.45	89.52	115.25	133.07	128.65	125.63	150.85
Percent	4.94	4.18	4.09	3.57	4.02	5.53	6.38	6.08	5.54	6.77
Tourism										
Value	742.50	823.96	831.32	905.02	1124.39	1160.00	1155.63	1179.28	1284.62	1248.37
Percent	53.37	45.48	44.22	43.39	50.52	55.63	55.44	55.72	56.64	56.01
Commerce 1/										
Value	391.99	659.23	713.73	819.85	696.71	529.40	515.44	509.43	525.83	489.18
Percent	28.17	36.39	37.96	39.30	31.31	25.39	24.73	24.07	23.18	21.95
Construction										
Value	115.35	135.01	131.43	158.33	143.26	136.06	136.45	144.74	155.92	169.08
Percent	8.29	7.45	6.99	7.59	6.44	6.53	6.55	6.84	6.87	7.59
Manufacturing										
Value	17.62	30.00	32.86	36.36	35.91	14.62	14.58	26.92	41.00	39.95
Percent	1.27	1.66	1.75	1.74	1.61	0.70	0.70	1.27	1.81	1.79
Transport and communication										
Value	23.98	31.23	32.73	35.56	58.24	36.97	37.15	36.07	37.83	31.14
Percent	1.72	1.72	1.74	1.70	2.62	1.77	1.78	1.70	1.67	1.40
Other										
Value	31.22	56.36	61.08	56.43	77.49	92.74	92.13	91.45	97.19	100.11
Percent	2.24	3.11	3.25	2.71	3.48	4.45	4.42	4.32	4.29	4.49
TOTAL CREDIT										
Value	1391.33	1811.50	1880.11	2085.99	2225.52	2085.04	2084.43	2116.54	2268.02	2228.67
Percent	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

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

Source: Maldives Monetary Authority.

Table 5. Commercial Bank Deposits Distributed By Type, 2000 - 2003*(In millions of rufiyaa; end of period)*

	2000		2001		2002								2003							
					Mar		Jun		Sep		Dec		Mar ^{1/}		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	15988	874.6	17171	972.2	17836	1135.2	18330	1188.0	19537	1097.8	20204	1143.4	20905	1508.8	21303	1442.2	21823	1323.1	23718	1478.7
2. Call deposits	2	0.5	2	0.4	2	0.4	4	35.2	4	33.9	4	30.4	4	21.9	4	17.5	4	25.5	4	0.4
3. Other deposit accounts	25	4.0	24	1.8	20	5.3	37	10.2	31	10.8	39	11.1	37	11.5	36	11.4	42	8.8	41	4.9
4. Savings deposits	76335	893.1	89058	1032.5	92100	1076.6	95599	1137.4	98881	1143.8	101784	1278.0	105436	1305.0	107581	1375.9	110616	1441.0	115136	1572.2
5. Fixed (or term) deposits	837	754.3	1010.0	918.4	983	1060.1	1064	982.0	1072	1138.8	1142	1132.4	1178	1050.5	1178	1139.7	1185	1145.1	1142	1141.7
(a) Up to 3 months	153	280.9	204	341.1	258	382.5	254	250.3	271	397.4	250	392.8	349	384.0	321	418.5	278	444.5	168	347.9
(b) Over 3 to 6 months	83	105.3	129	160.1	82	75.8	136	148.7	125	129.5	182	134.1	194	169.6	226	214.6	156	150.0	216	159.6
(c) Over 6 months to 1 year	562	341.4	636	387.8	605	572.0	631	564.5	633	588.0	664	566.6	593	479.0	589	476.0	711	510.1	696	509.8
(d) Over 1 to 2 years	20	23.8	23	22.6	21	23.0	19	11.3	23	17.9	25	32.7	19	11.1	19	23.8	19	33.8	40	92.2
(e) Over 2 to 3 years	5	1.0	8	1.6	6	1.5	10	1.6	6	0.3	6	0.3	6	0.4	6	0.4	4	0.3	7	25.9
(f) Over 3 to 5 years	11	1.8	8	5.2	9	5.2	12	5.5	12	5.5	13	5.8	15	6.3	15	6.3	15	6.3	15	6.3
(g) Over 5 years	3	0.1	2	0.1	2	0.1	2	0.1	2	0.1	2	0.1	2	0.1	2	0.1	2	0.1	0	0.0
TOTAL	93187	2526.4	107265	2925.3	110941	3277.7	115034	3352.8	119525	3424.9	123173	3595.4	127560	3897.7	130102	3986.7	133670	3943.5	140041	4197.9

1/ March 2003 revised on January 2004

Source: Maldives Monetary Authority

Table 6. Composition of Domestic Exports (f.o.b.), 2000 - 2003*(In millions of US dollars)*

	2000	2001	2002				2003			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Domestic exports	75.87	76.18	23.74	22.13	19.37	25.14	31.19	28.69	23.59	29.05
Total marine exports	40.75	43.70	15.55	14.47	10.19	15.55	22.71	20.33	13.74	19.38
Fish and fish products(including live fish)	38.29	40.86	14.75	13.37	9.79	14.83	21.77	18.88	13.28	18.84
Fish exports (excluding tropical live fish)	33.99	35.76	13.71	12.39	9.13	13.93	20.71	18.07	12.30	18.03
Frozen non-reef fish	9.91	12.87	8.10	7.48	3.97	7.91	14.78	10.36	5.74	10.93
Frozen reef fish	1.74	1.78	0.33	0.39	0.49	0.48	0.80	0.33	0.66	0.45
Canned fish	10.75	9.32	3.31	2.14	1.73	2.85	2.83	4.18	2.38	2.72
Dried fish	10.89	11.03	1.71	2.12	2.71	2.46	1.95	2.80	2.85	3.25
Salted fish	0.04	0.08	0.07	0.08	0.09	0.11	0.17	0.21	0.48	0.47
Salted Reef fish	0.66	0.67	0.19	0.19	0.14	0.12	0.18	0.20	0.19	0.19
Live tropical fish	1.99	3.14	0.52	0.38	0.47	0.39	0.67	0.31	0.40	0.36
Fish products	2.32	1.96	0.52	0.60	0.19	0.51	0.40	0.49	0.58	0.45
Other marine products	2.46	2.85	0.80	1.10	0.40	0.72	0.94	1.45	0.46	0.55
Garments	35.01	32.28	8.17	7.62	9.15	9.58	8.47	8.28	9.78	9.46
Other	0.11	0.19	0.02	0.05	0.04	0.00	0.01	0.08	0.07	0.21

Source: Maldives Customs Service

Table 7. Merchandise Imports (c.i.f.), by Sector and Product Category, 2000 - 2003*(In millions of US dollars)*

	2000	2001	2002				2003			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total merchandise imports (by sector)	388.59	393.47	89.19	89.51	97.79	115.23	104.47	109.14	117.80	139.38
Private sector imports	286.00	278.22	60.55	67.64	68.66	86.79	78.28	72.83	85.84	108.13
Private imports (excluding tourism)	219.37	214.91	47.00	50.98	55.64	69.68	58.79	57.60	67.39	80.39
Tourism imports	66.63	63.30	13.55	16.66	13.02	17.11	19.48	15.23	18.45	27.74
Public sector imports	102.58	115.26	28.64	21.87	29.13	28.44	26.19	36.30	31.97	31.25
PNFEs imports	89.93	93.13	21.87	18.38	25.94	24.11	21.42	28.67	24.44	22.92
Government imports	12.65	22.12	6.77	3.48	3.20	4.33	4.77	7.64	7.53	8.32
Total merchandise imports (by product category)	388.59	393.47	89.19	89.51	97.79	115.23	104.47	109.14	117.80	139.38
Consumer Goods	173.09	168.59	38.99	39.98	40.88	52.55	45.00	43.52	45.50	56.52
Food Items	87.16	84.91	21.09	19.41	18.85	24.48	23.07	21.99	21.60	26.98
Rice	5.85	5.15	0.90	1.28	0.97	1.34	0.74	1.51	1.12	0.83
Wheat	3.35	3.99	1.43	0.37	0.59	0.72	1.27	0.91	0.88	1.14
Sugar	2.70	3.16	0.90	0.60	0.53	0.84	0.77	0.86	0.32	0.76
Beverages	11.77	11.43	2.81	2.80	2.08	3.24	3.00	2.58	2.70	3.58
Other food items	63.49	61.17	15.05	14.36	14.70	18.35	17.30	16.14	16.58	20.67
Tobacco	4.88	4.56	1.34	1.29	1.14	1.34	1.24	1.44	1.38	1.26
Pharmaceuticals	3.84	3.81	0.93	0.96	1.13	0.84	1.05	1.05	1.10	1.05
Other consumer goods	77.21	75.31	15.63	18.32	19.75	25.88	19.65	19.04	21.43	27.22
Petroleum Products	45.24	45.78	12.93	10.69	12.56	14.60	14.04	14.85	12.84	13.44
Petrol	2.65	2.90	0.92	0.81	1.01	0.95	1.00	0.69	0.84	1.27
Diesel (Marine gas oil)	35.57	34.02	9.99	7.78	10.10	11.83	11.10	11.71	10.39	10.49
Aviation gas	2.19	5.21	0.76	0.64	0.44	0.60	0.81	0.81	0.51	0.72
Other petroleum product (Lubricating oil, Kerosene)	4.83	3.66	1.26	1.45	1.00	1.23	1.12	1.64	1.10	0.97
Intermediate & Capital Goods	170.25	179.10	37.27	38.84	44.35	48.08	45.42	50.77	59.46	69.42
Construction	37.08	40.14	8.55	12.64	9.92	10.70	7.41	11.52	15.92	15.13
Cement & Cement products	4.58	4.71	0.97	1.40	0.89	1.65	0.90	1.34	1.28	1.70
Wood for construction purposes	9.93	12.40	1.78	2.79	2.66	2.67	1.72	3.04	5.02	4.97
Base metal & articles of base metal for construction purposes	8.68	10.74	1.80	1.99	2.80	3.33	2.45	3.08	4.54	3.49
Other construction related	13.89	12.29	3.99	6.45	3.56	3.04	2.34	4.07	5.08	4.96
Paper	1.44	1.86	0.31	0.40	0.48	0.43	0.50	0.50	0.42	0.43
Medical / Surgical supplies	1.26	1.37	0.28	0.32	0.50	0.36	0.62	0.50	0.51	0.51
Computer equipments and supplies	3.80	4.32	1.29	1.29	0.93	1.25	1.54	1.57	1.31	2.36
Machinery & mechanical appliances	5.45	5.81	1.32	1.23	1.33	1.97	1.73	1.42	1.72	2.74
Textiles	29.23	24.61	5.81	5.29	8.62	10.53	8.40	6.64	9.96	7.91
Chemicals & chemical products	2.86	2.83	0.68	0.73	0.65	0.74	0.78	0.84	0.86	0.85
Transport equipments and parts	37.82	41.33	5.64	5.11	6.53	9.25	12.75	9.45	10.98	17.23
Other Intermediate and Capital goods	51.30	56.82	13.39	11.83	15.41	12.87	11.70	18.33	17.78	22.26

Source: Maldives Customs Services

Table 8. Exchange Rates, 2000 - 2003*(Rufiyaa per foreign currency; end of period mid rate)*

		U.S. dollar	Japanese yen	Singapore dollar	Indian rupee	Sri Lanka rupee	Great Britain Pound	Euro	SDR
2000	March	11.7700	0.1084	6.7104	0.2648	0.1579	18.1202	11.1936	15.8527
	June	11.7700	0.1076	6.6543	0.2624	0.1561	17.0771	10.5128	15.7398
	September	11.7700	0.1077	6.6010	0.2517	0.1488	16.1459	9.8378	15.2762
	December	11.7700	0.1025	6.6436	0.2468	0.1443	16.9721	10.3454	15.3353
2001	March	11.7700	0.0960	6.5486	0.2478	0.1349	16.7690	10.6178	14.8379
	June	11.7700	0.0967	6.3644	0.2445	0.1254	16.2486	9.7674	14.6613
	September	12.8000	0.1064	7.2167	0.2612	0.1392	18.4109	11.6108	16.4993
	December	12.8000	0.1020	6.8312	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
2003	March	12.8000	0.1038	7.0946	0.2632	0.1294	19.7318	13.3393	17.5793
	June	12.8000	0.1062	7.2542	0.2679	0.1290	20.7165	14.6753	17.9310
	September	12.8000	0.1051	7.1656	0.2736	0.1293	19.8999	13.8800	18.3013
	December	12.8000	0.1164	7.3452	0.2753	0.1298	21.9020	15.4782	19.0204

Source: Maldives Monetary Authority



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