

Quarterly Economic Bulletin

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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 second 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 August 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

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Table 1. Key Economic Indicators, 2000 - June 2003

	2000			2001			2002			2003			
	Apr	May	Jun	Apr	May	Jun	QTR1	QTR2	QTR1	Apr	May	Jun	QTR2
Gross Domestic Product													
GDP (1995 constant prices) Rf mn. ^{1/}	-	-	-	-	-	-	-	-	-	-	-	-	-
% change in GDP	4.8	3.5	5.9	-	-	-	-	-	-	-	-	-	-
Consumer Price Index													
% change in CPI	-1.2	0.7	0.9	3.2	3.5	3.4	3.4	3.4	-2.8	-3.2	-3.5	-3.6	-3.6
Tourism													
Tourist arrivals	467,154	460,984	484,680	42,647	31,529	23,641	97,817	167,650	48,742	31,119	26,915	106,776	
Bed night capacity ('000)	5,788	6,015	5,887	502	493	472	1,468	1,536	512	529	496	1,537	
Capacity utilization (%)	68.2	65.6	69.0	70.0	56.4	42.0	56.1	91.1	80.3	55.8	46.6	60.9	
Fish Production													
Landings('000 MTs) ^{2/}	115.4	125.0	160.2	16.2	10.6	7.1	33.9	32.6	14.4	10.4	10.8	35.6	
Total fish exports ('000 MTs) ^{3/}	28.3	29.7	44.6	3.2	4.2	6.0	13.5	23.2	7.6	4.0	9.6	21.3	
Total fish exports (US\$ mn.) ^{3/}	34.0	35.8	49.2	3.2	4.0	5.1	12.4	20.6	7.3	3.2	7.6	18.1	
Money and Banking (Rf mn)													
Net foreign assets	1,312.2	1,153.0	1,662.9	1,365.7	1,293.2	1,270.0	1,270.0	2,043.5	2,208.4	2,303.5	2,283.1	2,283.1	
Domestic credit	2,586.8	3,089.9	3,445.7	3,384.1	3,475.4	3,567.1	3,567.1	3,308.4	3,337.2	3,296.7	3,338.0	3,338.0	
Total liquidity	3,049.8	3,324.7	3,966.4	3,673.8	3,700.5	3,735.3	3,735.3	4,229.2	4,322.3	4,321.9	4,277.9	4,277.9	
Change in net claims on Government	234.8	83.6	55.3	6.7	25.3	-16.8	15.3	-167.4	5.5	4.2	61.8	81.5	
Balance of Payments (US\$ mn) ^{4/}													
Exports (f.o.b) ^{5/}	108.7	110.2	133.6	10.1	10.2	10.7	31.0	44.6	14.9	9.7	12.9	37.5	
Imports (f.o.b)	-342.0	-346.3	-344.7	-26.6	-23.9	-28.3	-78.8	-91.9	-34.9	-26.2	-34.9	-96.0	
Trade balance	-233.3	-236.0	-211.1	-16.5	-13.7	-17.6	-47.8	-47.3	-20.0	-16.5	-22.0	-58.6	
Current account balance	-51.5	-57.3	-44.0	-	-	-	-	-	-	-	-	-	
Non-monetary capital (net)	43.5	35.9	83.8	-	-	-	-	-	-	-	-	-	
Overall balance	-7.9	-21.4	39.8	3.4	-5.7	-1.8	-4.1	29.7	12.9	7.4	-1.6	18.7	
Gross International Reserves (US\$ mn) ^{6/}													
External Reserves in Months of Imports (cif)	124.1	94.3	134.5	106.4	108.4	107.2	107.2	146.8	156.7	157.6	160.3	160.3	
Exchange Rate	3.8	2.9	4.1	3.4	3.5	3.5	3.5	4.3	4.5	4.5	4.5	4.5	
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	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	12.8000	

^{1/} GDP figures for 2000 -2001 are revised estimates of 16th December 2002 and 2002 revised on March 2003.

^{2/} 2003 data are estimates and not included EEZ.

^{3/} Excluding live tropical fish.

^{4/} Figures for 2001 and 2002 are revised estimates of 25th May 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

With the domestic economy remaining highly vulnerable to the events in the external environment, the war in Iraq and the outbreak of Severe Acute Respiratory Syndrome (SARS) were feared to adversely affect the leading sector of the economy, the tourism sector. However, as the second quarter of the year was the low season in the tourism industry and with the precautionary measures that were put in place against the SARS epidemic, the country did not experience any major setbacks to the domestic economic activities.

Tourism sector, which accounts for a major share of the country's GDP, experienced the seasonal slowdown in tourist activities during the second quarter of the year. Key indicators of the industry, such as arrivals, bednights, and bed capacity utilisation were lower than the previous quarter. However, when compared on an annual basis, all major indicators showed higher levels. As for the fisheries industry, fish landings during the review quarter were higher compared to both the previous quarter as well as the same period of last year. However, earnings from fish exports stood less than the previous quarter, largely due to the lower volume of fish exports during the period. As regards the domestic price movements, it continued to experience a decline, with the biggest decline recorded in the food index.

The overall fiscal position deteriorated during the review quarter due to a reduction in revenue concurrent with an increase in government expenditure. The reduction in revenue was mainly due to lower bednight tax received from the tourism industry. On the monetary side, developments during the second quarter of the year were marked by further improvements in the net foreign assets of both the commercial banks and the Maldives Monetary Authority (MMA). Total domestic credit of the banking sector increased marginally owing mainly to the rise in credit to the government with the increase in government borrowing in order to finance the fiscal deficit. Consequently, total liquidity of the banking system increased for the quarter under review both on quarterly and annual terms.

In the international arena, the trade account of the balance of payments continued to be in deficit in the review quarter. Moreover, the deficit widened compared to both the preceding as well as the corresponding quarter of 2002. While exports earnings during the review quarter were lower than the previous quarter, this stood higher compared to the second quarter of 2002. However, the value of merchandise exports during the period was higher than both the previous as well as the corresponding quarter of last year.

2. Production, Prices and Employment

2.1 Tourism

Tourism sector was estimated to account for around 32 percent of GDP during 2003 and has been projected to increase by 8 percent in 2003. Earnings from the sector is estimated to be about 32 percent of total domestic revenue in 2003 and the sectoral

contribution to the current account of the balance of payments is around 92 percent of total service receipts.

Table 2. Tourism Indicators, 2000 - June 2003

In thousands

	2000	2001	2002	2002				2003	
				Q1	Q2	Q3	Q4	Q1	Q2
Total visitor arrivals	496.1	492.0	513.9	140.7	105.0	122.1	146.0	175.8	113.9
Tourist arrivals	467.2	461.0	484.7	132.5	97.8	115.3	139.0	167.7	106.8
Bed capacity <i>a/</i>	15.8	16.5	16.1	16.5	16.1	15.6	16.3	17.1	16.9
Bednights	3936.7	3932.7	4066.1	1125.4	827.9	968.5	1144.6	1397.0	937.6
Bed capacity utilisation %	68.0	65.4	69.1	76.1	56.1	67.5	76.2	91.1	61.0

a/ Figures relate to the period average.

Source: Ministry of Tourism

The SARS epidemic and the war in Iraq did not have much impact on the tourism industry and the slow down in tourist activities during the review quarter was a seasonality effect. The number of tourist arrivals during the second quarter of the year totalled 106.8 thousand in comparison with 167.7 thousand in the preceding quarter and 97.8 thousand in the corresponding quarter of 2002. These reflect a quarterly decline of 36 percent and an annual growth of 9 percent. As regards tourist bed-nights, 937.6 thousand bed-nights were recorded in the review quarter, reflecting a quarterly decline of 33 percent and an annual growth of 13 percent.

The average duration of stay during the review quarter stood at 8.8 days compared with 8.3 days in the preceding quarter and 8.5 days in the corresponding quarter of 2002.

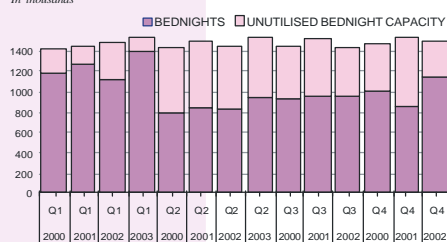
Tourist resorts normally carries out their renovation activities in the low season, as the demand for rooms during this period would be low. Hence, with some rooms under

renovation, the average bed capacity in the industry during the review quarter stood at 16,885 beds compared with 17,070 in the previous quarter. In comparison with the second quarter of 2002, however, bed capacity increased by 755 beds. The capacity utilization rate stood at 61 percent in the review quarter, compared to 56 percent in the corresponding quarter of 2002.

In terms of the source of tourist arrivals, the largest number of tourists continued to flow from European countries (accounting for about 79 percent of the total tourists in

Chart I. Tourist Bednights

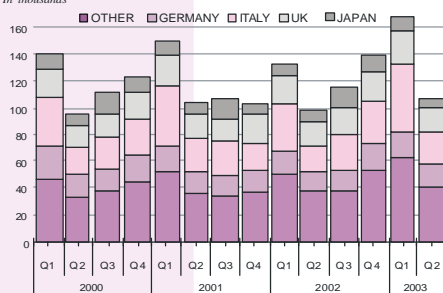
In thousands



Source: Ministry of Tourism

Chart II. Tourist Arrivals

In thousands



Source: Ministry of Tourism

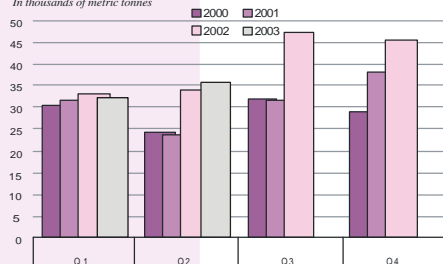
the review quarter). While the tourists from this region declined by 39 percent compared to the previous quarter, they increased by 17 percent annually. Tourists from Italy constituted 22 percent of total arrivals, with a decline of 53 percent on quarterly terms and an annual increase of 16 percent. Meanwhile tourist arrivals from Germany (accounting for around 16 percent of total tourist arrivals) were 8 percent lower than the preceding quarter and 35 percent higher than the corresponding quarter of 2002. Tourists from the United Kingdom which has the second largest share in the European market (17 percent of total tourist arrivals) registered an annual increase of 13 percent and a quarterly decline of 24 percent. The number of tourists from France (6 percent of total tourist arrivals), registered a 59 percent decline compared to the previous quarter and a growth of 14 percent compared to the second quarter of 2002.

Arrivals from the Asian region (17 percent of total in the review quarter) registered a quarterly decline of 25 percent and an annual decline of 18 percent. As such the number of Japanese tourists registered a significant decline of 28 percent on annual terms and 39 percent on quarterly terms. Meanwhile, arrivals from India, who accounted for about 20 percent of total Asian tourists in the review quarter, registered a quarterly growth of 36 percent and an annual growth of 15 percent. Tourists from Sri Lanka (9 percent of total Asian tourists) registered an increase of 4 percent on quarterly terms and declined by 9 percent on annual terms. From the SARS outbreak countries, arrivals from China that contributed an average of 14 percent of total Asian tourists in recent quarters declined to 2 percent in the second quarter, with the number of arrivals declining by 85 percent annually and 90 percent quarterly. However, arrivals from Singapore increased both on quarterly as well as on annual terms.

2.2 Fisheries

Chart III. Fish Catch

In thousands of metric tonnes



Source: Ministry Fisheries Agriculture and Marine Resources

Fisheries sector was estimated to account for 7 percent of GDP in 2003 and projected to grow at 2 percent. During the review quarter, total fish landings (excluding EEZ) were higher by 3.0 thousand metric tonnes, reflecting a 9 percent increase. When compared with the same period of last year, such landings increased by 5 percent or 1.7 thousand metric tonnes.

Fish export earnings (excluding live fish) totalled US\$18.1 million during the review quarter, which was a US\$2.6

million decline compared to the preceding quarter and an increase of US\$5.7 million compared to the corresponding quarter of 2002. In terms of growth rates, these reflect a negative growth of 12 percent on quarterly terms and a 46 percent growth on annual terms. Volume of fish exports witnessed a decline of 9 percent compared to the preceding quarter and an increase of 58 percent compared to the corresponding quarter of 2002.

2.3 Distribution

The distribution sector (including wholesale and retail trade) plays a significant role in the economy. The sector was estimated to account for around 4 percent of GDP during 2003 with the sectoral growth also projected to increase by around 4 percent. Due to the lack of aggregate financial data on distribution activities, variables such as imports and bank credit are used to assess the sector development. Imports (excluding tourism) stood at US\$57.6 million at the end of the review quarter, which was a 2 percent or US\$1.2 million decline from the previous quarter and a 13 percent or US\$6.6 million increase on annual terms. The volume of bank credit to the sector declined by 1 percent or Rf6.0 million quarterly and by 38 percent or Rf310.4 million annually at the end of June 2003.

2.4 Construction

The construction sector was estimated to account for 3 percent of GDP in 2003. Growth of the sector that was followed by a negative growth of 0.6 percent in 2002 was estimated to grow by around 3 percent in 2003. Performance in this sector is observed by the amount of bank loans to the sector and the amount of imports of construction materials in value terms. As regards the import of construction materials, the import of cement and cement products, which accounts for about 12 percent of total construction materials imported into the country, stood 5 percent lower than the corresponding quarter of 2002 and 49 percent higher than the preceding quarter of 2003. Imports of wood for construction purposes, which on average accounts for about 26 percent of construction related imports, increased by 9 percent on annual terms and 76 percent on quarterly terms. Credit extended to the sector stood at Rf144.7 million at the end of the review quarter reflecting a quarterly growth of 6 percent and an annual decline of 9 percent.

2.5 Prices

The inflation rate, as measured by changes in the Consumer Price Index (CPI) on a twelve month moving average basis, stood at 3.4 percent at the end of June 2002, and declined continuously to record a negative 3.6 percent at the end of the review quarter.

About half the groups in the CPI showed declines in the review quarter, with the biggest decline in the food index. The food index (excluding fish) showed a 7 percent decline in the twelve months to June 2003. During this period there were also declines

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

Base (June 1995 = 100)

	2000	2001	2002	2003			2003	
				Jun	Sep	Dec	Mar	Jun
Food beverages and tobacco products excluding fish	107.5	118.5	125.4	128.4	127.7	125.4	121.4	111.84
Fish Index	192.6	151.9	143.6	138.3	138.9	143.6	134.6	134.44
Clothing and footwear	102.6	101.6	97.7	100.0	98.5	97.7	96.7	97.11
Housing, water, fuel and power	106.6	108.4	106.8	108.2	107.7	106.8	106.3	106.62
Furniture, furnishing, household equipment & operation	114.7	110.4	108.7	110.2	109.3	108.7	108.4	105.14
Medical care and health expenses	107.4	107.9	108.2	108.4	108.3	108.2	107.8	105.94
Transport and communication	122.9	123.1	124.4	124.0	124.2	124.4	123.9	121.25
Education	115.2	115.7	116.2	116.0	116.2	116.2	116.6	119.11
Recreation, entertainment, religious and cultural services	100.7	98.3	100.1	98.7	99.3	100.1	100.3	100.9
Personal care	104.1	104.6	103.4	104.6	104.0	103.4	102.4	102.41
Total CPI	114.6	115.4	116.4	117.5	117.1	116.4	114.4	111.14
Total Index excluding fish	109.6	113.0	114.7	116.2	115.7	114.7	113.1	109.64

b/ Figures are 12 months moving average.

Source: Ministry of Planning and National Development

in furniture, furnishing, household equipment and operation (2 percent), medical care and health expenses (1 percent) and personal care (2 percent).

As regards the point to point inflation, total CPI declined by 5 percent at the end of the review quarter when compared to the corresponding quarter of 2002, with the CPI excluding fish registering a decline of 3 percent during this period. As regards the components of CPI, declines were noted in the fish index (21 percent), medical care and health expenses (2 percent) and transport and communication (3 percent).

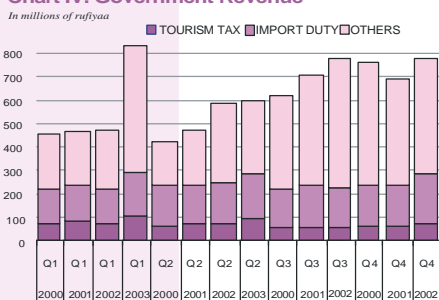
2.6 Employment

There is no quarterly data available on the total employment of the country. However according to the 2000 Census, total employment in the country stood at 85,356 of which about 34 percent were women. According to data available from the Ministry of Human Resources, Employment and Labour, the expatriate labour force averaged at round 32,196 during the review quarter in comparison to an average of 29,371 workers during thesecond quarter of 2002, reflecting an annual growth of 10 percent. The number of expatriate workers increased by 1,036 workers on average when compared to the preceding quarter with a quarterly growth of 3 percent. Thi s increase was mainly due to the large number of expatriate workers in the tourism and construction sectors.

3. Public Finance

The overall fiscal position deteriorated both on quarterly as well as on annual terms, with the deficit amounting to Rf76.0 million. This compares with a surplus of Rf184.9 million in the first quarter of 2003 and Rf26.9 million in the second quarter of 2002. The quarterly deficit was on account of the reduction in domestic revenue¹, which was concurrent with an increase in government expenditure during the review

Chart IV. Government Revenue



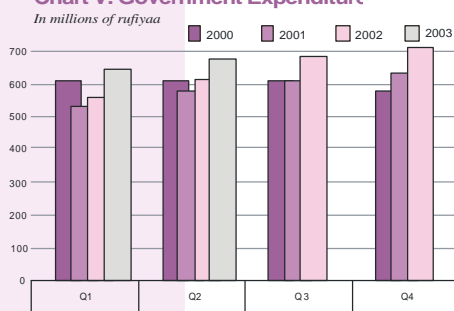
Source: Ministry of Finance & Treasury

quarter. While the domestic revenue received during the review quarter stood 15 percent lower than the forecasted budgetary figures, expenditure was also lower, by 5 percent, than the forecasts for the quarter.

Domestic revenue declined by 28 percent to Rf603.74 million compared to the first quarter of 2003, but it increased by around 3 percent when set against the corresponding period of 2002. Of such revenue, tax revenue accounted for 51 percent and non-tax revenue

accounted for 49 percent. Reflecting the developments in the tourism sector, tax revenue showed a quarterly decline of 5 percent, while increasing by 14 percent compared to the corresponding quarter of 2002. The main components of tax revenue are import duty and tourism tax, which accounted for about 62 percent and 29 percent of tax revenue respectively, in the review quarter. Of the total domestic revenue, import duty comprised of 32 percent and tourism tax 15 percent during the review

Chart V. Government Expenditure



Source: Ministry of Finance & Treasury

period. Receipts from import duty increased by 3 percent on a quarterly basis and by 13 percent on an annual basis. Meanwhile, tourism tax receipts during the quarter declined by 14 percent compared to the first quarter of 2003, but increased by 12 percent when set against the corresponding quarter of 2002. As regards the non-tax revenue, it declined by 42 percent compared to the first quarter of 2003, while decreasing by 7 percent when set against the corresponding quarter of 2002. Resort lease

rent, which accounts for 46 percent of total non-tax revenue, declined by 4 percent on quarterly terms and by 29 percent on annual terms.

Government expenditure stood at Rf679.7 million in the review quarter, reflecting a 5 percent growth when compared to the previous quarter and an 11 percent growth when set against the corresponding quarter of 2002. The deterioration in the overall fiscal position during the review quarter led to an 8 percent increase in net credit to government during the quarter by the banking system.

¹The total domestic revenue used in this analysis excludes cash grants and fund accounts.

4. Financial Sector

4.1 Money and Credit Developments in the Banking sector

The monetary and credit developments during the second quarter of the year were marked by further improvements in the net foreign assets of both the commercial banks and the Maldives Monetary Authority (MMA) and only a slight increase in total

domestic credit extended to the domestic economy.

The subdued growth in total domestic credit helped to mitigate the growth in total liquidity of the banking system in the review quarter.

Total domestic credit (TDC) of the banking system grew by around 1 percent in the three months to June 2003, to a total stock of Rf3,338.0 million at the end of the period. This was following a 4 percent decline in

the first three months of the year. The increase was mainly due to the rise in credit to the government, which increased by Rf81.5 million during the review quarter. In terms of growth, this signifies a substantial quarterly growth of 8 percent following a decline of 15 percent in the previous quarter. However, net credit to the government registered a 21 percent decline during the year to June 2003 as opposed to a 12 percent increase during the year to June 2002. Due to the uncertainty surrounding the Land law, credit to private sector by the commercial banks was very much on hold during the first half of the year. Hence, private sector credit stock at the end of June 2003 stood at Rf2,132.3 million, with only modest growths of 2 percent on quarterly terms and 1 percent on annual terms. Meanwhile, credit to the public enterprises, which increased by 15 percent in the first three months of the year declined by 35

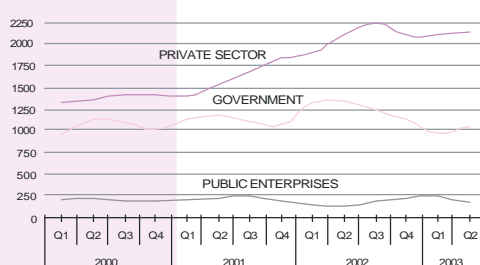
percent in the three months to June 2003. Similarly, on annual terms, credit to the sector increased by 15 percent at the end of June 2003 following a decline of 37 percent at the end of June 2002.

Net foreign assets (NFA) of the banking system increased from Rf2,043.5 million at the end of the first quarter of 2003 to Rf2,283.1 million by the end of the quarter under review. In terms of flows, this

was an increase of Rf239.6 million during the period, registering a 12 percent growth rate. On annual terms, there was an increase of Rf1,013.0 million from June 2002 to June 2003, reflecting an extremely high growth rate of 80 percent during the period. This growth was mainly due to the favourable trend of the foreign assets of MMA, which grew by 9 percent on quarterly terms and by 50 percent on annual terms.

Chart VI. Domestic Credit

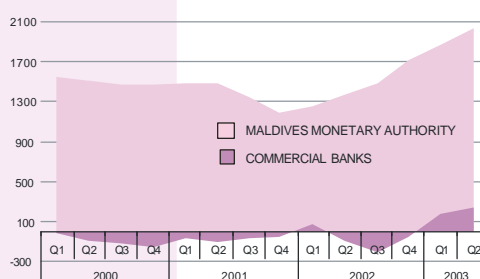
In millions of rufiyaa



Source: Maldives Monetary Authority

Chart VII. Net Foreign Assets

In millions of Rufiyaa



Source: Maldives Monetary Authority

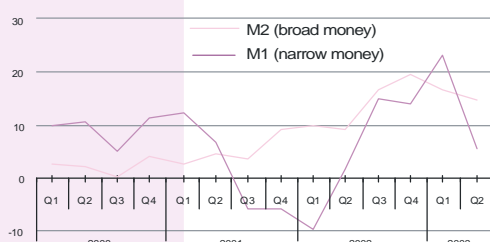
Total liquidity (M2) increased from Rf4,229.2 million at the end of the first quarter of 2003 to Rf4,277.9 million at the end of June 2003, reflecting a growth of 1 percent during the quarter under review compared to a growth of around 7 percent during the previous quarter. On a year on year basis, M2 increased by around 15 percent, from Rf3,735.3 million at the end of June 2002.

Of the components of M2, *narrow money* accounting for about 48 percent of the total liquidity stock at the end of June 2003 and consisting of rufiyaa demand deposits and currency in circulation, declined by 1 percent in the three months to June 2003. This

was following an increase of 9 percent in the three months to March 2003. On an annual basis, narrow money showed an increase of 5 percent in the year to June 2003 as opposed to a decline of 23 percent in the year to March 2003. *Quasi money* (consisting of time and savings deposits held in rufiyaa and foreign currency deposits), increased by 3 percent in the three months to June 2003, after a 5 percent growth in the previous three months. The growth rate was much higher on annual terms, at 24 percent.

Chart VIII. Money Supply

Annual percentage change



Source: Maldives Monetary Authority

4.1.1 Operations of the Commercial Banks

Total assets and liabilities of the five commercial banks operating in the country, expanded from Rf5,235.2 million at the end of March 2003 to Rf5,385.6 million at the end of June 2003. In terms of quarterly percentage changes, these reflect a growth of 3 percent during the review quarter, which followed from a 5 percent growth during the first quarter of 2003. The increase on an annual basis was around 16 percent at the end of June 2003 as opposed to an 11 percent growth during the year to June 2002.

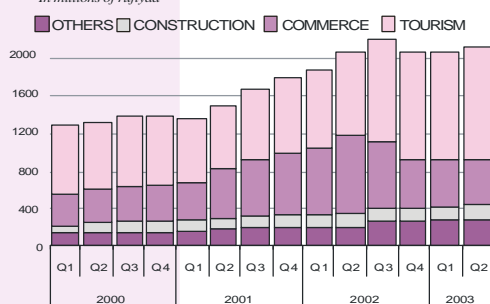
On the assets side, total reserves constituted 42 percent of total assets and grew by about 3 percent in the three months to June 2003, after registering a 5 percent growth in the previous three months. In the year to June 2003, total reserves showed a rapid increase of 15 percent after an only 1 percent growth in the year to June 2002.

The stock of credit of the commercial banks (accounting for about 43 percent of total assets) after a 1 percent increase in the first quarter of 2003, registered a 1 percent decline during the review quarter. As regards the annual movements in commercial banks' credit, the growth rate slowed down to 3 percent in the year to June 2003, following a significant increase of 29 percent in the year to June 2002. As most of the commercial banks' credit is extended to the private sector, these movements are reflected in the credit to private sector, which increased by only 2 percent on quar-

terly terms and by 1 percent on annual terms. Meanwhile, credit to the public enterprises by the commercial banks declined by 35 percent in the three months to June 2003 after a 15 percent increase in the previous three months. On an annual basis claims on public enterprises increased by 15 percent at the end of June 2003 after declining by 35 percent at the end of June 2002.

In terms of the sectoral allocation of credit during the quarter, credit to the tourism sector accounting for the largest share of total credit to the private sector (56 percent).

Chart IX. Sectoral Credit
In millions of rufiyaa

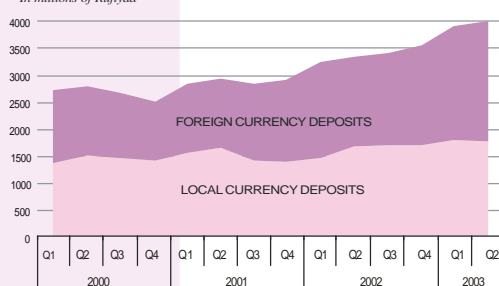


Source: Maldives Monetary Authority

Such credit increased by Rf23.7 million, or by 2 percent during the three months to June 2003. This was compared with an increase of less than a 1 percent during the previous quarter. Credit to the commerce sector holding the second largest share of the private sector credit portfolio, after a decline of 3 percent in the first quarter of 2003, declined further by 1 percent or by Rf6.0 million during the review quarter. As regards the annual movements in credit to both these sectors, the tourism sector showed a strong

growth of over 30 percent, whilst the commerce sector recorded a decline of 38 percent in the year to June 2003. Credit to the fisheries sector accounting for 6 percent of the private sector credit portfolio, recorded a quarterly decline of 3 percent during the three months to June 2003 compared to a 15 percent growth during the previous quarter. On an annual basis, credit to the sector increased strongly by 73 percent during the year to June 2003 as opposed to a 2 percent decline during the year to June 2002. Credit to the construction sector accounting for 7 percent of total credit to the private sector after declining by 0.3 percent during the previous quarter, grew by 6 percent at the end of the review quarter. On annual terms, however, credit to the sector decreased by 9 percent.

Chart X. Total Deposits
In millions of Rufiyaa



Source: Maldives Monetary Authority

On the liabilities side, quarterly growth of total deposits with commercial banks decelerated, on account of the fall in rufiyaa deposits, from 8 percent at the end of the first quarter of 2003 to 2 percent during the review quarter. In absolute terms, total deposits, accounting for 74 percent of total liabilities, increased by Rf89.0 million to Rf3986.7 million at the end of the second quarter of 2003. The foreign currency deposits of the commercial banks increased by 5 percent, after experiencing an increase of 10 percent in the past two consecutive quarters. Rufiyaa deposits, on the other hand, declined during the review

quarter by 1 percent as opposed to a 7 percent growth during the previous quarter. Annually, though, foreign currency deposits increased by 15 percent in the year to March 2003 and by 31 percent in the year to June 2003, reflecting the favourable performance of the tourism sector during 2003 compared to 2002.

In terms of structural composition of deposits, *demand deposits* accounting for the bulk of total deposits (over 70 percent at the end of the review quarter) grew by only 0.2 percent in the three months to June 2003, following a growth rate of 16 percent in the previous three months. However, demand deposits registered a 21 percent increase during the year to June 2003 following a 9 percent increase in the year to June 2002. *Time and saving deposits*, on the other hand, after decreasing by 8 percent during the first quarter of 2003, increased by 8 percent at the end of the review quarter. On an annual basis, such deposits increased by around 14 percent during the year to June 2003.

4.1.2 Interest Rate Developments

During the second quarter of 2003 commercial banks brought slight changes to the dollar denominated deposits and lending rates.

Commercial banks' dollar denominated savings deposit rates ranged between 2.5-5.0 percent at the end of June 2003. Although this was only a slight reduction from the rates

that prevailed at the end of March 2003 (2.5-5.5 percent), this was a significant reduction compared to the rates at the end of June 2002 (5.0-5.5). Rufiyaa denominated savings deposits rates remained unchanged at 3.25-5.00 percent, as well as rufiyaa and dollar denominated time deposit rates also remained unchanged at 3.25-7.5 percent and 2.5-7.5 percent respectively during the second quarter of 2003.

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

In percent

	LENDING RATES		DEPOSIT RATES			
	Rf	US\$	SAVING		TERM	
			Rf	US\$	Rf	US\$
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
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	2.5 - 5.0	3.25 - 7.5	2.5- 7.5

Source: Maldives Monetary Authority

The dollar lending rates showed a reduction in the minimum rate from 8.5-15 percent at the end of the previous quarter to 7.5-14 percent at the end of the review quarter. Meanwhile, rufiyaa rates continued to be between 9-14 percent since December 2002.

4.2 Activities of Non-Bank Financial Institutions

As regards the activities of non-bank financial institutions, Maldives Finance Leasing Company (MFLC), which started its operations in June 2002, had shown a good performance in the year to June 2003.

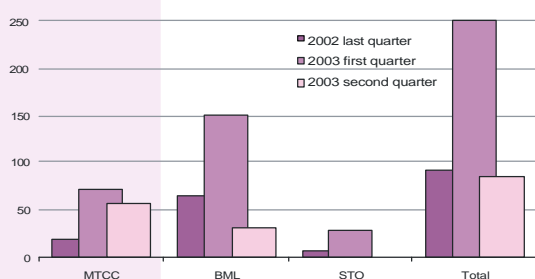
In the second quarter of 2003, the size of the lease facility was recorded at Rf7.18 million while in the previous quarter of 2003 the total amount disbursed stood at Rf10.4 million, reflecting a 31 percent decline on quarterly basis. As for the allocation of the financing, the tourism sector has significantly increased its share enjoying more than 70 percent of the lease finance extended during the second quarter of 2003.

4.3 Capital Market

The securities market activity recorded a decline during the quarter under review. However, the overall share prices grew and followed a bull market trend. The share trading activity during the review quarter was much less than the previous quarter as trading during the first quarter was exceptionally good.

Chart XI. Securities Trading Floor Turnover

In thousands of rufiyaa



Source: Maldives Monetary Authority

Total number of shares traded in the Securities Trading Floor declined by around 40 percent in the quarter compared to the average of the previous three quarters. Similarly, the total number of trades declined by around 21 percent and the total turnover also declined by around 54 percent compared to the average of the last three quarters.

In the quarter under review MTCC shares were the most frequently traded security. The value of MTCC shares traded was 65 percent of the total value of shares traded.

The value of BML shares traded was Rf30,125 which is 35 percent of the total value of shares traded.

There were no trades of STO during the quarter under review. STO held their annual general meeting (AGM) on 29th June 2003. One reason for the decline in STO trades may have been the expectation of a dividend declaration at the AGM. At the AGM it was announced that 2002 was the most profitable year for STO. STO declared a dividend of Rf118.0 in year 2002. This was about 12 percent more than the dividend they declared in 2001 which was Rf105.0

In the first quarter of 2003 trading turnover witnessed an increase of 172 percent, but

declined by around 65 percent during the second quarter of 2003 to reach Rf86,731.0 This was due to the decrease in the number of trades.

During the quarter under review there was a 4 percent increase in the market capitalization and recorded RF912.8 million as at 30th June 2003.

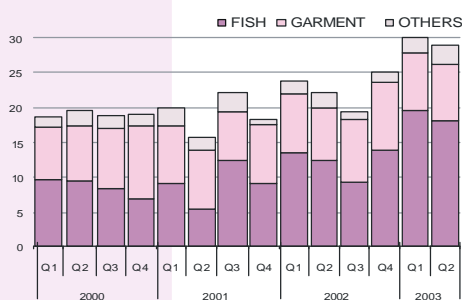
5. External Sector

5.1 International Trade

Reflecting the high dependence of the Maldives on imported goods together with the narrow export base, international trade normally records a large deficit. During the

period under review, merchandise imports (f.o.b.) registered US\$96.0 million while merchandise exports (f.o.b.) recorded US\$37.5 million.

Chart XII. Domestic Exports
In millions of US dollars



Source: Maldives Customs Service

Following the exceptionally strong exports during the first quarter of the year, which registered a quarterly record high of US\$44.6 million, merchandise exports fell by 16 percent during the quarter under review.

Nevertheless, the level registered was still relatively high, and an annual gain of 21 percent was noted. In

terms of composition, 77 percent of merchandise exports comprised of domestic exports and 23 percent re-exports. The quarterly decrease in total merchandise exports was largely contributed by a 35 percent decline in re-exports, coupled with an 8 percent fall in domestic exports. During the review quarter, domestic exports stood at US\$28.7 million, which was a decline of US\$2.4 million from the previous quarter and an increase of US\$6.6 million from the corresponding quarter of 2002.

Earnings from fish exports constituted 63 percent of domestic exports. Of the various types of fish exports (excluding live fish) frozen non-reef fish, canned fish and dried fish together account for 97 percent of the total fish export volume and about 96 percent of earnings. During the review quarter fish export earnings (excluding live fish) declined by 12 percent to reach US\$18.1 million. On year-on-year terms however, such earnings had increased by about 46 percent.

Frozen non-reef fish export earnings, after experiencing significant increases (99 percent and 87 percent respectively) in the past two quarters, declined by 30 percent, i.e. from US\$14.8 million to US\$10.4 million in the second quarter of 2003. Likewise, the volume of such exports, which had more than doubled in the first quarter of 2003,

declined by 16 percent or 3,135.9 metric tonnes in the review quarter. In contrast on annual terms, frozen non-reef fish exports increased by 57 percent or 5,972.7 metric tonnes, to record 16,470.4 metric tonnes in the quarter under review, while earnings from such exports grew by 39 percent. The large differences between the growth rates of volume and value of frozen non-reef fish was on account of the decline in the unit

price of this variety, which stood 17 percent lower than the previous quarter and 12 percent lower than the corresponding quarter of 2002.

Exports of canned fish increased on quarterly as well as on annual terms both in volume and value. Earnings from this category increased by 51 percent on quarterly terms and by 95 percent annually. This was from US\$2.1

million in the second quarter of 2002 to US\$2.8 million in the first quarter of 2003 to US\$4.2 million in the review quarter. Moreover the volume of canned fish exported in the review quarter increased by 49 percent or by 794.5 metric tonnes when compared to the preceding quarter, and by 96 percent or 1180.8 metric tonnes relative to the corresponding quarter of 2002.

Meanwhile, exports of dried fish reflected a similar trend, with export earnings increasing by 43 percent when compared to the first quarter of 2003 and by 32 percent when compared to the corresponding quarter of 2002. In value terms this is a rise of around US\$0.8 million against the preceding quarter and US\$0.7million against the second quarter of 2002. The volume exported also grew by a quarterly growth rate of 38 percent and an annual growth rate of 34 percent to record 1,729.5 metric tonnes.

The export of salted fish showed an increasing trend in both volume and value, compared to both the previous quarter as well as the corresponding quarter of 2002, with a 10 percent increase witnessed in the unit value on a quarterly basis. The export of live tropical fish declined over both these periods, both in volume as well as in value terms.

As for garment exports, both volume and value declined by 2 percent when compared to the first quarter of 2003. This was a decline of 252.0 thousand pieces and US\$0.2 million in earnings. However, when set against the second quarter of 2002 these exports registered a growth of 45 percent or 3,181.6 thousand pieces with its value increasing by 9 percent or US\$0.7 million.

Chart XIII. Fish Export Earnings

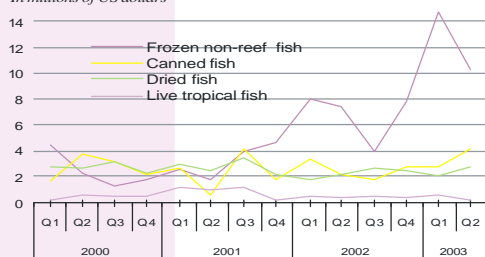
In thousands of US dollars



Source: Maldives Customs Service

Chart XIV. Major Fish Exports

In millions of US dollars

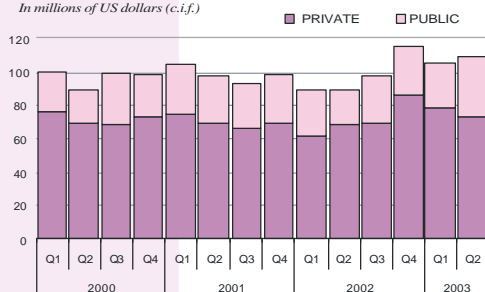


Source: Maldives Customs Service

Merchandise imports (c.i.f.) stood at US\$109.1 million during the quarter under review, increasing by US\$4.7 million or 4 percent from the preceding quarter. On a year on year basis, the growth was larger by US\$19.6 million or 22 percent. Of the total, two thirds of the goods were imported by private sector (including tourism-related imports)². Such imports declined by 7 percent when compared to the preceding quarter to reflect US\$72.8 million. However, compared to the second quarter of 2002 a growth of 8 percent was witnessed. Imports declared to be tourism-related constituted over 20 percent of private sector imports and 14 percent of total imports, which were 22 percent lower against the preceding quarter and registered US\$15.2 million during the review quarter. Moreover, when compared to the corresponding quarter of 2002 such imports declined by 9 percent. Total public sector imports

Chart XV. Imports By Sectors

In millions of US dollars (c.i.f.)



Source: Maldives Customs Service

increased both quarterly and annually by 39 percent and 66 percent respectively to reach US\$36.3 million. Likewise, imports made by PNFEs grew by a quarterly growth rate of 34 percent and an annual growth rate of 56 percent. Government exports, which had witnessed an increasing trend in recent quarters, registered growth rates of over 60 and 120 percent when compared against the first quarter of 2003 and the second quarter of 2002 respectively.

The direction of trade to and from Maldives during the review quarter followed more or less the same pattern as in the recent past. In the second quarter of 2003, Asian countries received 54 percent of exports from Maldives, with Thailand accounting for 17 percent, Sri Lanka 13 percent and Japan 10 percent of total exports. Of the balance, the United States of America received 29 percent of total exports and the United Kingdom 11 percent. Merchandise imports were largely (75 percent) sourced from Asia, with Singapore accounting for 27 percent of total imports, Sri Lanka accounting for 13 percent, India 10 percent, Malaysia 7 percent and Seychelles 4 percent. Seychelles, whose share had been less than 0.01 percent in all past quarters, had registered a jump in its import share due to a recent shift in petroleum imports from them. European countries accounted for 11 percent of imports, with France being the largest importing partner from this region, accounting for 4 percent of total imports. The Middle East, specifically the United Arab Emirates accounted for over 7 percent of imports into the country, while Australia and New Zealand together constituted 4 percent.

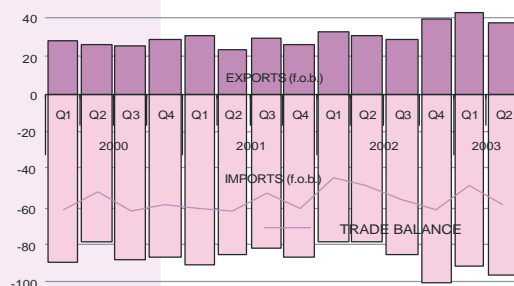
² Sectoral breakdowns are made on the basis of Customs records, which are in turn based on declarations by the importer. Therefore, for example, if tourist resorts obtain supplies domestically from other private sector sources or from public enterprises, the imports of these items would have been classified 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.

5.2 Balance of Trade

The merchandise trade balance continues to be in deficit during the period under review, registering an excess of imports over exports to the value of US\$58.6 million.

Chart XVI. Merchandise Trade

In millions of US dollars



Source: Maldives Customs Service

In terms of growth rates the trade deficit was 24 percent higher than the preceding quarter and 23 percent higher than the corresponding quarter of 2002. The widening of the deficit from the preceding quarter was largely on account of the substantial decline in merchandise exports coupled with a modest increase in imports. However, the deficit widened against the corresponding quarter of 2002 due to the significant increase in merchandise imports as merchandise

exports registered a substantial increase in value on annual terms. Receipts from merchandise exports recorded US\$37.5 million during the review period, having risen by 21 percent against the second quarter of 2002, while falling by 16 percent against the first quarter of this year. Payments on merchandise imports meanwhile registered an annual growth of 22 percent and a quarterly growth of 4 percent during the review quarter.

5.3 External Assets

The Net Foreign Assets (NFA) of the banking system rose by 12 percent or by US\$18.7 million (Rf239.6 million) in the year to June 2003 compared to a growth of 80 percent or US\$79.1 million (Rf1,013.0 million) in the year to June 2002. The quarterly improvement in NFA was attributed to both the improvement of commercial banks' position and the increase in MMA's NFA. The commercial banks after a persistent net liability position until December 2002, had enjoyed a net foreign assets position throughout this year, with NFA increasing by a further 38 percent or by US\$5.2 (Rf66.8) million at the end of June 2003 compared to March 2003. Meanwhile, MMA's NFA position increased by US\$13.5 million (Rf172.8 million) with gross external assets increasing to US\$160.3 million (Rf2052.0 million) at the end of the review quarter. On annual terms, gross external assets increased further by US\$53.1 million (Rf679.2 million), reflecting a growth of 49 percent. In terms of months of imports, these developments reflect 4.5 months at the end of this quarter as against 3.5 months at the end of the same period last year.

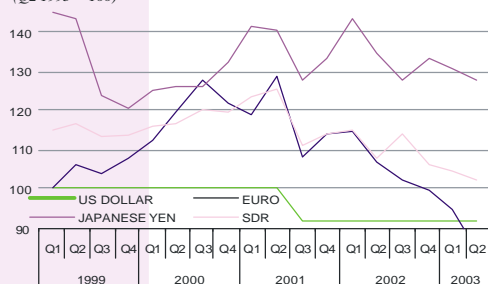
5.4 Exchange Rate

The rufiyaa has remained unchanged against the US dollar at a mid-rate of Rf12.80, since the 8.8 percent devaluation in July 2001. However, with the rufiyaa being pegged to the US dollar and the US dollar weakening in recent months in international

markets, the rufiyaa depreciated against the currencies of most major trading partners, and major internationally traded currencies during the second quarter of 2003. Hence, in the three months to June 2003, the rufiyaa lost value against the euro by 10 percent and Sterling pound by 5 percent. It also depreciated by 2 percent against the Japanese yen, Singapore dollar and Indian rupee. However, against the Sri Lankan rupee, the rufiyaa strengthened marginally by 0.3 percent.

Chart XVII. Bilateral Exchange Rates

(Q2 1995 = 100)



Source: Maldives Monetary Authority

On an annual basis, i.e., in comparison with the exchange rates at the end of the second quarter of 2002, the rufiyaa depreciated quite significantly against almost all the above-mentioned currencies, except Sri Lankan rupee against which rufiyaa appreciated by 1 percent. The largest changes took place against the euro by 25 percent, by 13 percent against the Sterling pound, by 5 percent against the Japanese yen and Indian rupee and 3 percent against the Singapore dollar.



Statistical Appendix

Statistical Appendix

Statistical Appendix

Table 1. Monetary Survey, 2000 - June 2003*(In millions of rufiyaa; end of period)*

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

Source: Maldives Monetary Authority

Table 2. Assets and Liabilities of Maldives Monetary Authority, 2000 - June 2003*(In millions of rufiyaa; end of period)*

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

Source: Maldives Monetary Authority.

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

(In millions of rufiyaa; end of period)

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

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 - June 2003

(In millions of rufiyaa; end of period)

	2000	2001	2002				2003	
			Mar	Jun	Sep	Dec	Mar	Jun
Fisheries								
Value	68.67	75.71	76.96	74.45	89.52	115.25	133.07	128.65
Percent	4.94	4.18	4.09	3.57	4.02	5.53	6.38	6.08
Tourism								
Value	742.50	823.96	831.32	905.02	1124.39	1160.00	1155.63	1179.28
Percent	53.37	45.48	44.22	43.39	50.52	55.63	55.44	55.72
Commerce 1/								
Value	391.99	659.23	713.73	819.85	696.71	529.40	515.44	509.43
Percent	28.17	36.39	37.96	39.30	31.31	25.39	24.73	24.07
Construction								
Value	115.35	135.01	131.43	158.33	143.26	136.06	136.45	144.74
Percent	8.29	7.45	6.99	7.59	6.44	6.53	6.55	6.84
Manufacturing								
Value	17.62	30.00	32.86	36.36	35.91	14.62	14.58	26.92
Percent	1.27	1.66	1.75	1.74	1.61	0.70	0.70	1.27
Transport and communication								
Value	23.98	31.23	32.73	35.56	58.24	36.97	37.15	36.07
Percent	1.72	1.72	1.74	1.70	2.62	1.77	1.78	1.70
Other								
Value	31.22	56.36	61.08	56.43	77.49	92.74	92.13	91.45
Percent	2.24	3.11	3.25	2.71	3.48	4.45	4.42	4.32
TOTAL CREDIT								
Value	1391.33	1811.50	1880.11	2085.99	2225.52	2085.04	2084.43	2116.54
Percent	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 - June 2003*(In millions of rufiyaa; end of period)*

	2000		2001		Mar		Jun		Sep		Dec		2003		Jun	
	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	1514.8	21303	1442.2
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
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
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
5. Fixed (or term) deposits	837	754.3	1010.0	918.4	983	1060.1	1064	982.0	1072	1138.8	1142	1132.4	1041	800.40	1178	1139.7
(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
(b) Over 3 to 6 months	83	105.3	129	160.1	82	75.8	136	148.7	125	129.5	182	134.1	155	87.9	226	214.6
(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	507	319.8	589	476.0
(d) Over 1 to 2 years	20	23.8	23	22.6	21	23.0	19	11.3	23	17.9	25	32.7	12	6.4	19	23.8
(e) Over 2 to 3 years	5	1.0	8	1.6	6	1.5	10	1.6	6	0.3	6	0.3	5	0.4	6	0.4
(f) Over 3 to 5 years	11	1.8	8	5.2	9	5.2	12	5.5	12	5.5	13	5.8	11	1.8	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
TOTAL	93187	2526.4	107265	2925.3	110941	3277.7	115034	3352.8	119525	3424.9	123173	3595.4	127423	3653.5	130102	3986.7

*Source: Maldives Monetary Authority***Table 6. Composition of Domestic Exports (f.o.b), 2000 - June 2003***(In millions of US dollars)*

	2000	2001	2002				2003	
			Q1	Q2	Q3	Q4	Q1	Q2
Domestic exports	75.87	76.18	23.74	22.13	19.37	25.14	31.13	28.69
Total marine exports	40.75	43.70	15.55	14.47	10.19	15.55	22.65	20.33
Fish and fish products(including live fish)	38.29	40.86	14.75	13.37	9.79	14.83	21.71	18.88
Fish exports (excluding tropical live fish)	33.99	35.76	13.71	12.39	9.13	13.93	20.65	18.07
Frozen non-reef fish	9.91	12.87	8.10	7.48	3.97	7.91	14.78	10.36
Frozen reef fish	1.74	1.78	0.33	0.39	0.49	0.48	0.80	0.33
Canned fish	10.75	9.32	3.31	2.14	1.73	2.85	2.77	4.18
Dried fish	10.89	11.03	1.71	2.12	2.71	2.46	1.95	2.80
Salted fish	0.04	0.08	0.07	0.08	0.09	0.11	0.17	0.21
Salted Reef fish	0.66	0.67	0.19	0.19	0.14	0.12	0.18	0.20
Live tropical fish	1.99	3.14	0.52	0.38	0.47	0.39	0.67	0.31
Fish products	2.32	1.96	0.52	0.60	0.19	0.51	0.40	0.49
Other marine products	2.46	2.85	0.80	1.10	0.40	0.72	0.94	1.45
Garments	35.01	32.28	8.17	7.62	9.15	9.58	8.47	8.28
Other	0.11	0.19	0.02	0.05	0.04	0.00	0.01	0.08

Source: Maldives Customs Service

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

	2000	2001	2002				2003	
			Q1	Q2	Q3	Q4	Q1	Q2
Total merchandise imports (by sector)	388.59	393.47	89.19	89.51	97.79	115.23	104.47	109.14
Private sector imports	286.00	278.22	60.55	67.64	68.66	86.79	78.26	72.80
Private imports (excluding tourism)	219.37	214.91	47.00	50.98	55.64	69.68	58.78	57.61
Tourism imports	66.63	63.30	13.55	16.66	13.02	17.11	19.48	15.18
Public sector imports	102.58	115.26	28.64	21.87	29.13	28.44	26.21	36.34
PNFEs imports	89.93	93.13	21.87	18.38	25.94	24.11	21.43	28.67
Government imports	12.65	22.12	6.77	3.48	3.20	4.33	4.77	7.68
Total merchandise imports (by product category)	388.59	393.47	89.19	89.51	97.79	115.23	104.47	109.14
Consumer Goods	173.09	168.59	38.99	39.98	40.88	52.55	n.a	n.a
Food Items	87.16	84.91	21.09	19.41	18.85	24.48	n.a	n.a
Rice	5.85	5.15	0.90	1.28	0.97	1.34	n.a	n.a
Wheat	3.35	3.99	1.43	0.37	0.59	0.72	n.a	n.a
Sugar	2.70	3.16	0.90	0.60	0.53	0.84	n.a	n.a
Beverages	11.77	11.43	2.81	2.80	2.08	3.24	n.a	n.a
Other food items	63.49	61.17	15.05	14.36	14.70	18.35	n.a	n.a
Tobacco	4.88	4.56	1.34	1.29	1.14	1.34	n.a	n.a
Pharmaceuticals	3.84	3.81	0.93	0.96	1.13	0.84	n.a	n.a
Other consumer goods	77.21	75.31	15.63	18.32	19.75	25.88	n.a	n.a
Petroleum Products	45.24	45.78	12.93	10.69	12.56	14.60	n.a	n.a
Petrol	2.65	2.90	0.92	0.81	1.01	0.95	n.a	n.a
Diesel (Marine gas oil)	35.57	34.02	9.99	7.78	10.10	11.83	n.a	n.a
Aviation gas	2.19	5.21	0.76	0.64	0.44	0.60	n.a	n.a
Other petroleum product (Lubricating oil, Kerosene)	4.83	3.66	1.26	1.45	1.00	1.23	n.a	n.a
Intermediate & Capital Goods	170.25	179.10	37.27	38.84	44.35	48.08	n.a	n.a
Construction	37.08	40.14	8.55	12.64	9.92	10.70	n.a	n.a
Cement & Cement products	4.58	4.71	0.97	1.40	0.89	1.65	n.a	n.a
Wood for construction purposes	9.93	12.40	1.78	2.79	2.66	2.67	n.a	n.a
Base metal & articles of base metal for construction purposes	8.68	10.74	1.80	1.99	2.80	3.33	n.a	n.a
Other construction related	13.89	12.29	3.99	6.45	3.56	3.04	n.a	n.a
Paper	1.44	1.86	0.31	0.40	0.48	0.43	n.a	n.a
Medical / Surgical supplies	1.26	1.37	0.28	0.32	0.50	0.36	n.a	n.a
Computer equipments and supplies	3.80	4.32	1.29	1.29	0.93	1.25	n.a	n.a
Machinery & mechanical appliances	5.45	5.81	1.32	1.23	1.33	1.97	n.a	n.a
Textiles	29.23	24.61	5.81	5.29	8.62	10.53	n.a	n.a
Chemicals & chemical products	2.86	2.83	0.68	0.73	0.65	0.74	n.a	n.a
Transport equipments and parts	37.82	41.33	5.64	5.11	6.53	9.25	n.a	n.a
Other Intermediate and Capital goods	51.30	56.82	13.39	11.83	15.41	12.87	n.a	n.a

Source: Maldives Customs Service

Table 8. Exchange Rates, 2000 - June 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

Source: Maldives Monetary Authority



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