



NEWS RELEASE

International Merchandise Trade Bulletin¹

January to March 2010

July 15, 2010

The first quarter of 2010 saw Jamaica importing goods amounting to US\$1,177.5 million. Excluding the Kingston and Montego Bay Free Zone, the value of imports amounted to US\$1,165.6 million. Relative to the US\$1,225.1 million imported during the January to March 2009 period, the value of imports contracted by US\$59.5 million or 4.9 per cent. Total Exports for the period amounted to US\$354.9 million, with total exports (incl. Single Entity Free Zone) amounting to US\$352.4 million. Of this amount, Domestic Exports (incl. Single Entity Free Zone) amounted to US\$332.6 million with the remaining US\$19.8 million being re-exports. At the end of the 2010 quarter, the total merchandise trade deficit amounted to US\$822.7 million, while the trade balance (incl. Single Entity Free Zones) was a negative US\$813.2 million.

During the month of March 2010, the United States of America remained Jamaica's main trading partner with US\$171.4 million or 38.7 per cent of imports originating from that country. Similarly, US\$68.2 million or 56.4 per cent of total exports was sent to the United States. For the Month of March 2010, Jamaica incurred a trade balance with the United States of America of US\$103.2 million, down from US\$111.7 million in March 2009.

"Mineral Fuels, Etcetera" was the primary commodity imported, representing 33.7 per cent of imports (incl. Single Entity Free Zone). Amounting to US\$393.1 million, the value of this commodity increased by US\$88.4 million or 29.0 per cent due largely to comparatively higher fuel prices. "Food" was the second largest commodity group imported, and was valued at US\$181.5 million. Accounting for 15.6 per cent of imports (incl. Single Entity Free Zone), the value of food imports fell notably by US\$44.3 million or 19.6 per cent in relation to the value recorded for the January to March 2009 period. "Machinery and Transport Equipment" valued at US\$158.6 million, declined by US\$57.7 million, or 26.7 per cent while "Chemicals" fell to US\$132.4 million.

Imports by End-Use: Imports of "Consumer Goods (excl. Motor Cars)" amounted to US\$380.5 million, relative to the US\$409.9 million recorded for the January to March 2009 period. Imports of "Raw Materials/Intermediate Goods" increased, moving from US\$653.9 million in the 2009 review period to US\$673.9 million in the 2010 review period as the value of fuel imports increased. "Capital Goods (excl. Motor Cars)" fell notably from US\$131.5 million in the first quarter of 2009 to US\$86.5 million in the first quarter of 2010. Imports of "Passenger Motor Cars" also fell during the 2010 review period and was valued at US\$24.7 million, down from US\$29.7 million.

Traditional Domestic Exports amounted to US\$158.9 million in the 2010 review period, down from US\$197.7 million in the previous 2009 period. This represented a decline of US\$38.8 million or 19.6 per cent. The "Mining and Quarrying" group declined by US\$24.7 million or 17.7 per cent and was valued at US\$115.1 million as activity within the industry remained low. Exports of "Agriculture" commodities contracted by US\$4.2 million or 37.4 per cent and was valued at US\$7.0 million. The "Manufacture" group also declined in the 2010 period under review, moving from US\$46.8 million in the 2009 review period to US\$36.9 million in the current period.

Non-Traditional Domestic Export commodities were valued at US\$173.7 million and accounted for a larger share (52.2 per cent) of domestic exports (incl. Single Entity Free Zone) during the 2010 review period. Exports of non-traditional "Food" increased to US\$30.5 million, up from US\$27.9 million in the comparable 2009 period. Exports of "Beverages & Tobacco (excl. Rum)" declined during the 2010 review period and was valued at US\$13.3 million. "Other Non-Traditional Exports" made a notable increase in the first quarter of 2010, and was at US\$123.9 million. Relative to the US\$68.2 million recorded for the first

quarter of 2009, exports from this group increased by US\$55.7 million or 81.7 per cent. “Mineral Fuels etcetera” grew to US\$92.8 million, from US\$56.1 million in the similar 2009 period, while “Chemicals” (incl. Ethanol) increased to US\$27.5 million from US\$9.4 million in the previous period.

Imports from **CARICOM** for the first quarter of 2010 accounted for 13.8 per cent of total imports (incl. Single Entity Zone) and was valued at US\$161.4 million. This represented a decline of US\$5.5 million or 3.3 per cent, when compared to the US\$166.9 million recorded for 2009. The value of non-fuel imports from CARICOM amounted to US\$53.3 million, down from US\$54.9 million in the comparable 2009 period. Total exports to the Region for the January to March 2010 period was US\$13.8 million, representing a decline of US\$1.5 million or 9.6 per cent. Domestic Exports to CARICOM increased to US\$12.3 million and accounted for 3.7 per cent of domestic exports (incl. Single Entity Free Zone). Re-exports to the Region declined and was valued at US\$1.5 million. The first quarter of 2010 saw Jamaica incurring a trade deficit of US\$147.6 million with her CARICOM Partners. Compared to the US\$151.7 million recorded for the first quarter of 2009 period, the trade deficit narrowed by US\$4.1 million or 2.7 per cent.

The **January to March 2010 International Merchandise Trade Bulletin** outlines additional information and may be obtained at our Distribution Office, 7 Cecelio Avenue, Kingston 10. Data is also available on the STATIN website at www.statinja.gov.jm

EXPLANATORY NOTES ON THE REVISION OF THE BULLETIN

The name of the bulletin has been changed from “External Trade Statistical Bulletin” to “International Merchandise Trade Statistical Bulletin”. The change of name better reflects the statistics presented herein which relates to trade in merchandise only. The previous name “External Trade” connotes a wider range of trade statistics which would include trade in merchandise and services.

The data on International Merchandise Trade Statistics are compiled based on the guidelines set out in the United Nations manual International Merchandise Trade Statistics: Concepts and Definitions, Revision 2 (IMTS, Rev 2). At the 41st Session of the United Nations Statistical Commission held during February 23 – 26, 2010 the draft manual International Merchandise Trade Statistics: Concepts and Definitions, 2010 (IMTS 2010) was adopted. The External Trade Unit is now in the process of upgrading its system of compilation to comply with concepts and definitions outlined in the IMTS 2010.

As of the January 2010 Bulletin, the International Merchandise Trade Statistics presented by STATIN includes Free Zone Statistics in line with international standards. The term “Free Zone” refers to a part of the territory of a country where any goods introduced are generally regarded, insofar as import duty and taxes are concerned, as being outside the customs territory and are not subject to the usual customs control. Free Zones include investment promotion zones, export processing zones, foreign trade zones, commercial free zones or industrial free zones. These zones can be delineated geographically or can be single entity companies.

Prior to this publication, only data on single entity Free Zones were included in the trade data as their imports and exports were being captured in the customs territory unlike the companies operating in the Kingston and Montego Bay Free Zones. Companies operating in the Kingston and Montego Bay Free Zones, which were outside of the customs territory of Jamaica, were previously treated as operating outside of Jamaica, with the ‘Jamaica Free Zone’ (less Single Entity Free Zone) being treated as a foreign country. As such its trade with countries other than Jamaica (“the Rest of the World”) was not included in the trade data. All Free Zones are now treated as part of the domestic territory of Jamaica as recommended by IMTS and in keeping with the concepts and definitions of other statistical systems – the United Nations System of National Accounts (SNA 2008) and the Balance of Payments (BPM6).

Also included in the International Merchandise Trade Statistics presented by STATIN is the utilities used by territorial enclaves situated in Jamaica. This too is in accordance with the recommendations of IMTS 2010.

In addition, the Statistical Institute of Jamaica (STATIN) as part of its efforts to better meet the needs of our data users’ have now included the following tables in the bulletin:

- Imports Classified by End Use (Consumer Goods, Raw Materials/Intermediate Goods and Capital Goods)
- Trade with Jamaica’s Top Five Trading Partners
- Fiscal Year-to-Date Statistics
- Five year series of Traditional and Non-Traditional Domestic Exports

Wherever possible, data have been presented to allow for comparison with previous periods.