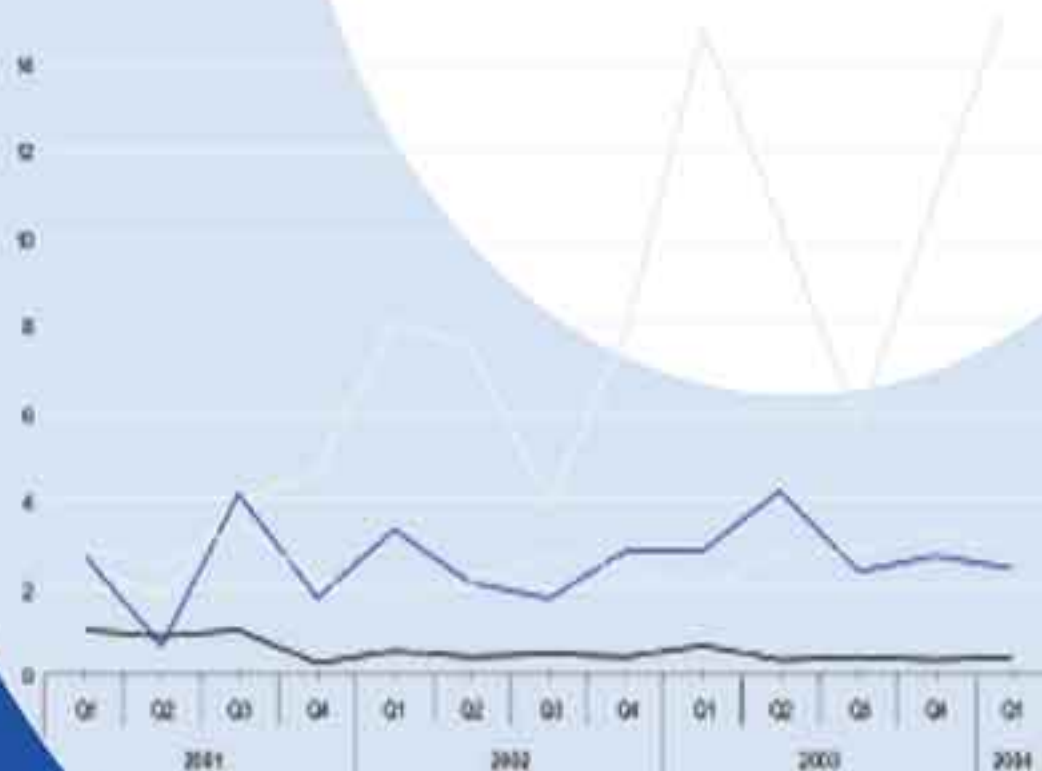



Quarterly Economic Bulletin

March 2004 Volume X, Number 1





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 first quarter of 2004. 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 May 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	6
2.1 Tourism	6
2.2 Fisheries	7
2.3 Distribution	7
2.4 Construction	8
2.5 Prices	8
2.6 Employment	9
3. Public Finance	9
4. Financial Sector	10
4.1 Money and Credit Developments in the Banking System	10
4.1.1 Operations of the Commercial Banks	11
4.1.2 Interest Rate Developments	12
4.2 Activities of Non-Bank Financial Institutions	13
4.3 Capital Market	13
5. External Sector	14
5.1 International Trade	14
5.2 Balance of Trade	16
5.3 External Assets	16
5.4 Exchange Rate	17

Text Tables

Table 1. Key Economic Indicators	4	Chart VII. Net Foreign Assets	10
Table 2. Tourism Indicators	6	Chart VIII. Money Supply	11
Table 3. Consumer Price Index	8	Chart IX. Sectoral Credit	11
Table 4. Commercial Bank Interest Rates	13	Chart X. Total Deposits	12

Charts

Chart I. Tourist Bednights	6	Chart XII. Domestic Exports	14
Chart II. Tourist Arrivals	6	Chart XIII. Fish Export Earnings	14
Chart III. Fish Catch	7	Chart XIV. Major Fish Exports	15
Chart IV. Government Revenue	9	Chart XV. Imports By Sectors	15
Chart V. Government Expenditure	9	Chart XVI. Merchandise Trade	16
Chart VI. Domestic Credit	10	Chart XVII. Bilateral Exchange Rate	17

Statistical Appendix

Table 1. Monetary Survey, 2001- March 2004	21
Table 2. Assets and Liabilities of Maldives Monetary Authority, 2001- March 2004	21
Table 3. Assets and Liabilities of Commercial Banks, 2001- March 2004	22
Table 4. Distribution of Commercial Bank Credit to Private Sector by Major Sectors, 2001- March 2004	22
Table 5. Commercial Banks Deposits Distributed by Type, 2001- March 2004	23
Table 6. Composition of Domestic Exports (f.o.b.), 2001- March 2004	23
Table 7. Merchandise Imports (c.i.f.) by Sector and Product, 2001- March 2004	24
Table 8. Exchange Rates, 2001- March 2004	25

Table 1. Key Economic Indicators, 2001 - March 2004

	2001			2002			2003			2004		
	Jan	Feb	Mar	Jan	Feb	Mar	QTR1	QTR4	Jan	Feb	Mar	QTR1
Gross Domestic Product												
GDP (1995 constant prices) Rf mn. ^{1/}				6,564.4	6,992.8	7,585.8	-	-	-	-	-	-
% change in GDP	3.5	6.5	8.5	-	-	-	-	-	-	-	-	-
Consumer Price Index												
% change in CPI	0.7	0.9	-2.9	-0.6	-1.9	-2.8	-2.8	-2.8	-2.2	-1.3	-0.8	-0.8
Tourism												
Tourist arrivals	460,984	484,680	563,593	54,503	56,706	56,441	167,650	157,709	61,861	59,692	63,855	185,408
Bed night capacity ('000)	6,015	5,887	6,092	529	478	529	1,536	1,526	519	490	524	1,533
Capacity utilization (%)	65.6	69.0	77.2	90.4	95.5	87.3	91.1	83.6	100.5	100.8	97.9	99.7
Fish Production												
Landings('000 MTs) ^{2/}	125.0	160.2	152.2	11.2	12.5	12.1	35.8	44.7	12.2	12.2	14.3	38.7
Total fish exports ('000 MTs) ^{3/}	29.7	44.6	69.8	11.9	3.9	7.5	23.2	15.2	11.4	3.4	7.9	22.6
Total fish exports (US\$ mn.) ^{3/}	35.8	49.2	69.1	10.5	3.7	6.5	20.7	18.0	9.3	4.5	8.6	22.4
Money and Banking (Rf mn)												
Net foreign assets	1,153.0	1,662.9	2,613.4	1,793.3	1,851.6	2,043.5	2,043.5	2,613.4	2,677.7	2,970.7	3,086.6	3,086.6
Domestic credit	3,089.9	3,445.7	3,246.6	3,390.2	3,456.7	3,308.4	3,308.4	3,246.6	3,353.1	3,355.6	3,473.9	3,473.9
Total liquidity	3,324.7	3,966.4	4,543.7	4,052.6	4,117.0	4,229.2	4,229.2	4,543.7	4,782.8	4,874.1	5,020.3	5,020.3
Change in net claims on Government ^{4/}	83.6	55.3	-222.0	-47.7	42.5	-162.2	-167.4	16.8	-54.2	35.8	-8.6	-27.0
Balance of Payments (US\$ mn) ^{4/}												
Exports (f.o.b) ^{5/}	110.2	132.3	149.2	18.2	10.9	15.6	44.6	39.4	16.9	13.0	17.7	47.6
Imports (f.o.b)	-346.3	-344.7	-407.2	-31.8	-25.9	-34.2	-91.9	-122.7	-41.6	-33.0	-43.4	-118.0
Trade balance	-236.0	-212.4	-257.9	-13.6	-15.0	-18.7	-47.3	-83.2	-24.6	-20.1	-25.7	-70.4
Current account balance	-58.7	-35.7	-48.1	-	-	-	-	-	-	-	-	-
Non-monetary capital (net)	37.3	75.5	103.6	-	-	-	-	-	-	-	-	-
Overall balance	-21.4	39.8	55.5	10.2	4.6	15.0	29.7	27.1	5.0	22.9	9.1	37.0
Gross International Reserves (US\$ mn) ^{6/}	94.3	134.5	161.0	139.6	141.3	146.8	146.8	161.0	164.2	173.6	177.0	177.0
External Reserves in Months of Imports (cif)	2.9	4.1	4.1	4.2	4.2	4.3	4.3	4.1	4.1	4.2	4.2	4.2
Exchange Rate												
Rufiyaa / US\$ (Period average mid rate)	12.2421	12.8000	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)	12.8000	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 2001 -2003 are revised estimates, 2003 revised on April 2004.

2/ Fish catch excluding EEZ and 2004 figures are estimates.

3/ Excluding live 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

The strong economic growth experienced in 2003 continued in the first quarter of the year (January-March, 2004), with the main impetus emanating from the tourism sector. The review quarter, coinciding with the peak season of the tourism industry, experienced significant improvements in the tourism sector and other tourism related key sectors of the economy. Major indicators of the tourism sector such as tourist arrivals and tourist bednights depicted substantial growth rates both on quarterly as well as on annual terms. The developments in the fisheries sector showed a good increase in the levels of fish landings during the review quarter compared to the first quarter of 2003, but a decline compared to the last quarter of 2003. As regards the export activities of the sector, a marked increase in earnings as well as in volume of fish exports were registered during the review quarter. Although compared to the first quarter of 2003, volume of fish exports were somewhat lower. Both the distribution and construction sector activities expanded during the review quarter on the strength of tourism sector performance.

The domestic price developments, as indicated by the inflation rate (measured by a 12 month moving average of Consumer Price Index, CPI), continued to be negative. However, a simple year-to-year change in CPI showed a positive rate at the end of the review quarter indicating the prices have risen compared to the same period of last year.

On the fiscal side, the Government's budgetary position continued to remain in surplus during the review quarter. However, the surplus was smaller compared to both the previous as well as the corresponding quarter of 2003, largely reflecting the decline in domestic revenue during the review quarter. With the positive budgetary outturn in the past quarters as well in the review quarter, net claims on government by the banking system continued to decline in the review quarter as well. As a result, the growth in domestic credit during the review quarter was on account of the strong growth in credit to the private sector. This increase in domestic credit coupled with the continuous improvement in net foreign assets, total liquidity in the banking system expanded significantly during the review quarter.

As regards the developments in the external sector, the merchandise trade account continues to be in deficit. However, the deficit during the review quarter was smaller compared to the previous quarter and was attributable to a decline in imports, as well as a substantial improvement in exports during the review quarter. Compared to the first quarter of 2003 the deficit widened significantly in the review quarter.

2. Production, Prices and Employment

2.1 Tourism

According to GDP estimates, the tourism sector grew by 15 percent annually in 2003 and is projected to grow by a further 5 percent in 2004. The sector accounted for around 33 percent of GDP during 2003 and

Table 2. Tourism Indicators, 2001 - March 2004

In thousands

	2001	2002	2003	2003				2004
				Q1	Q2	Q3	Q4	Q1
Total visitor arrivals	492.0	513.9	594.1	175.8	113.9	138.4	166.0	193.7
Tourist arrivals	461.0	484.7	563.6	167.7	106.8	131.5	157.7	185.4
Bed capacity ^{a/}	16.5	16.1	16.7	17.1	16.9	16.2	16.6	16.8
Bednights	3932.7	4066.5	4704.6	1397.0	937.6	1095.3	1274.7	1528.2
Bed capacity utilisation %	65.6	69.0	77.2	91.1	60.9	73.4	83.6	99.7

a/ Figures relate to the period average.

Source: Ministry of Tourism

earnings from the sector accounts for about 30 of total domestic revenue, while the sectoral contribution to the current account of the balance of payments is around 92 percent of total service receipts.

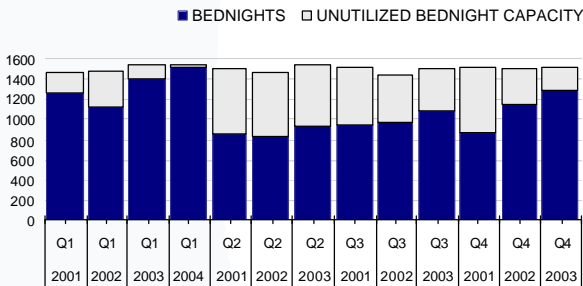
The robust performance of the tourism sector continued in the first quarter of 2004. The number of tourists who visited the country during the first quarter was

18 percent higher than the previous quarter and 11 percent higher than the first quarter of 2003. In absolute levels, the number of tourists totalled 185.4 thousand during the review quarter compared to 157.7 thousand in the preceding quarter and 167.7 thousand in the first quarter of 2003. The duration of

a tourist visit averaged 8.2 days in the review quarter compared to 8.1 days in the preceding quarter and 8.3 days in the corresponding quarter of 2003. Hence, total tourist bednights increased by 20 percent compared to the preceding quarter and 9 percent compared to the corresponding quarter of 2003. Reflecting these developments, the average bed capacity utilisation was almost 100 percent during the review quarter, up from 84 percent in the preceding quarter and 91 percent in the corresponding quarter of 2003.

Chart I. Tourist Bednights

In thousands

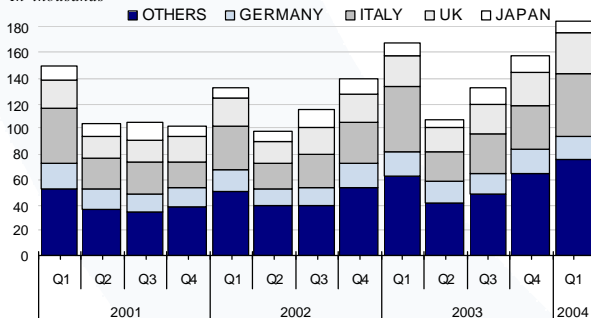


Source: Ministry of Tourism

Western Europe, accounting for about 82 percent of the arrivals. Tourist arrivals from this region grew strongly during the review quarter surging by 25 percent from the preceding quarter and by 9 percent

Chart II. Tourist Arrivals

In thousands



Source: Ministry of Tourism

from the corresponding quarter of 2003. Tourist arrivals from Italy, the largest tourism generating market and accounting for 27 percent of the total tourist arrivals, increased significantly on quarterly terms, by 48 percent. However, such tourists on annual terms stood 4 percent lower in the review quarter. The United Kingdom continues to be the second largest source market for tourists to the Maldives, with arrivals growing strongly and accounting for about 17 percent of total tourists during the review quarter. Tourist arrivals from Germany and France, each with a share of 10 percent of the market, also registered positive growth rates both quarterly and annually during the review quarter. As regards the Asian market, Japanese tourists constitute 37 percent of

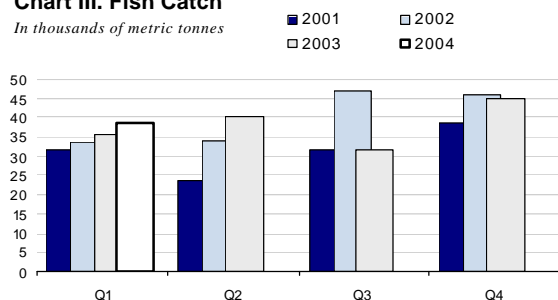
Asian tourists and 6 percent of total tourists, while the newly growing market of China accounts for about 22 percent of Asian tourists and 3 percent of total tourists. The number of Japanese tourists who visited the country during the review quarter was lower compared to both the previous as well as the corresponding quarter of 2003. Similarly, tourist arrivals from China also registered a modest decline on quarterly terms, although arrivals were significantly higher (45 percent) compared to the first quarter of 2003.

2.2 Fisheries

The fisheries sector continues to contribute about 7 percent to GDP and following a double-digit growth rate of about 23 percent in 2002, the sector grew by about 1 percent in 2003 and is projected to grow by 3 percent in 2004.

Chart III. Fish Catch

In thousands of metric tonnes



Source: Ministry of Fisheries, Agriculture & Marine Resources

The performance of the sector was favorable during the review quarter, with fish landings increasing by 8 percent or 2.9 thousand metric tonnes compared to the first quarter of 2003. However, landings were 13 percent or 5.9 thousand metric tonnes lower than the preceding quarter. An analysis of fisheries statistics indicate that about 36 percent of the national fish catch during the quarter has been bought by Maldives Industrial Fisheries Company Ltd, while the private sector parties operating in Zone 1 and Zone 3 bought about 9 percent of the national fish catch.

As regards the exports, the review quarter experienced a significant quarterly improvement in both the volume as well as the earnings from fish exports. The volume of exports (excluding live tropical fish) increased by almost 50 percent in the review quarter, but when compared against the same period of last year a decline of 3 percent was witnessed. Even with the relatively higher unit prices received in the previous quarter, earnings from exports of fish (excluding live fish) registered a 24 percent growth during the review quarter. Moreover the annual growth in earnings was at 8 percent. This was an increase from US\$20.7 million in the first quarter of 2003 and US\$18.0 million in the fourth quarter of 2003 to US\$22.4 million in the review quarter.

2.3 Distribution

The distribution sector, which mainly consists of wholesale and retail trade, are by and large carried out by the private sector, although some public enterprises such as the State Trading Organisation and Maldives Transport and Contracting Company also have considerable involvement in the sector. The role of the sector in the domestic economy has been highly significant in the past years, especially with the robust growth in the tourism sector. The sector contributes to about 4 percent of GDP and accounts for a substantial proportion of fiscal revenue in the form of import duties and other trading taxes. According to GDP estimates, the sector is projected to grow at about 5 percent in 2004 following a 4 percent growth in 2003. Among the indicators used to evaluate the performance of the sector, private sector imports (excluding tourism) stood at US\$75.4 million during the review quarter. This was 6 percent lower than the previous quarter, which, being the last quarter of the year, generally records very high levels of imports due to seasonality factors. However, on annual terms, such imports grew by 28 percent. As for the volume of credit by the domestic commercial banks to the sector, it registered a reduction of 6 percent on quarterly terms and a decline of 11 percent on annual terms.

2.4 Construction

The construction activities throughout the country have become increasingly important in recent years. The continued expansion of the construction sector has been broadly based in public sector projects, commercial and residential buildings, developments of new tourist resorts and more recently the large-scale infrastructure developments in Hulhumale'. According to GDP estimates the sector grew strongly by about 16 percent in 2003 and is projected to grow by a further 13 percent in 2004. Indicators of the sector that are easily observable include the amount of construction material imported into the country and the amount of loans extended by the banks to construction activities. The value of construction materials imported into the country during the review quarter showed a significant increase of over 90 percent compared to the first quarter of 2003, although on quarterly terms it registered a 5 percent decline. As regards the stock of outstanding loans and advances extended to the sector by the commercial banks, it stood at Rf175.3 million at the end of the review quarter, reflecting an annual growth of 28 percent and quarterly growth of 4 percent.

2.5 Prices

The general price level measured in terms of Consumer Price Index (CPI) is an important indicator of the prudence of the macroeconomic policies in the country. In Maldives, CPI is strongly influenced by changes in the international prices and fluctuation in the domestic fish prices, reflecting the large proportion of imports and fish in the consumption basket. Since 2003 the country continues to experience deflation and at the end of the review quarter showed a negative 0.8 percent (on a 12 month moving

average basis). This compares with a negative 3 percent at the end of March and December 2003. As regards the major indices of CPI, the food index (excluding fish) showed a decline of 2 percent at the end of the review quarter, while other indices such as

Table 3. Consumer Price Index, 2001 - March 2004 ^{b/}

Base (June 1995 = 100)

	2001	2002	2003	2003				2004
				Mar	Jun	Sep	Dec	
Food beverages and tobacco products excluding fish	118.5	125.4	118.3	121.4	119.4	118.9	118.3	119.0
Fish Index	151.9	143.6	132.3	134.6	134.6	136.7	132.3	138.4
Clothing and footwear	101.6	97.7	97.5	96.7	96.6	97.3	97.5	96.9
Housing, water, fuel and power	108.4	106.8	105.9	106.3	106.2	106.2	105.9	104.8
Furniture, furnishing, household equipment & operation	110.4	108.7	106.7	108.4	107.7	107.4	106.7	105.7
Medical care and health expenses	107.9	108.2	106.2	107.8	107.2	106.7	106.2	106.1
Transport and communication	123.1	124.4	121.6	123.9	123.3	122.4	121.6	121.6
Education	115.7	116.2	119.0	116.6	117.2	117.9	119.0	119.5
Recreation, entertainment, religious and cultural services	98.3	100.1	100.1	100.3	100.7	100.7	100.1	99.6
Personal care	104.6	103.4	102.9	102.4	102.0	102.3	102.9	104.0
Total CPI	115.4	116.4	113.1	114.4	113.6	113.6	113.1	113.5
Total Index excluding fish	113.0	114.7	111.9	113.1	112.3	112.2	111.9	111.9

b/ Figures are 12 months moving average.

Source: Ministry of Planning and National Development

medical care and health expenses, transport and communication, furniture furnishing and household equipment and operations and housing, water, fuel and power also declined by around the same rate. As regards the fish index, it rose by about 3 percent at the end of March 2004, after falling by 8 percent at the end of December 2003. During this period increases were also observed in clothing and footwear (0.2 percent) and education (2 percent).

As regards the point-to-point change in CPI, it increased by 1.1 percent at the end of the review quarter when compared to March 2003. However, CPI excluding fish registered a decline of 0.2 percent during this period. As regards the major indices of CPI, notable increases were observed in fish index (19.5 percent), personal care (5.4 percent) and food excluding fish (2.3 percent).

2.6 Employment

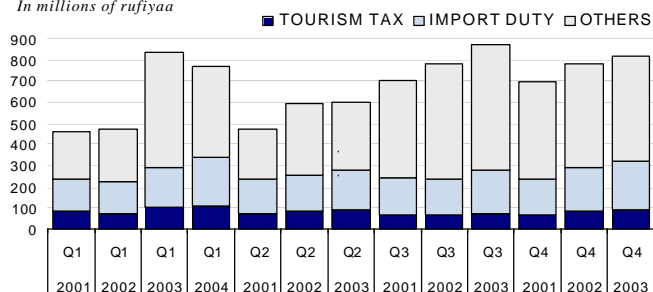
There is no quarterly data on the level of total employment or earnings. As per the 2000 census, total employment in the country stood at 97,987, of which about two third were men. Stimulated by the rapid growth in economic activities and limited availability of local labour for some occupations, a large proportion of the labour demand of the country is met by imported labour. According to data available from the Ministry of Employment and Labour, the expatriate labour force averaged at around 34,265 workers during the review quarter in comparison to an average of 31,160 workers during the first quarter of 2003, reflecting an annual growth of 10 percent. Of this increase over a third (1,056 labourers) was on account of increase in the number of expatriates in the construction sector, while resorts and other community, social work and personal services each accounted for around a fifth. The number of expatriate workers increased by 917 workers on average when compared to the preceding quarter with a quarterly growth of 3 percent. Of the quarterly increase, the majority was to the tourism industry (40 percent), with education, fisheries and community, social work and personal services sectors each accounting for about 16 percent of the increase.

3. Public Finance

According to the preliminary data for the year, the overall fiscal position continued to remain in surplus, although the surplus is significantly smaller compared to both the previous as well as the first quarter of 2003. The fiscal surplus during the review quarter recorded just about Rf60.0 million, compared to Rf105.0 million in the previous quarter and Rf184.9 million in the first quarter of 2003. Hence, the surplus recorded during the review quarter was 43 percent lower than the previous quarter and 68 percent lower than the corresponding quarter of 2003.

Chart IV. Government Revenue

In millions of rufiyaa



Source: Ministry of Finance & Treasury

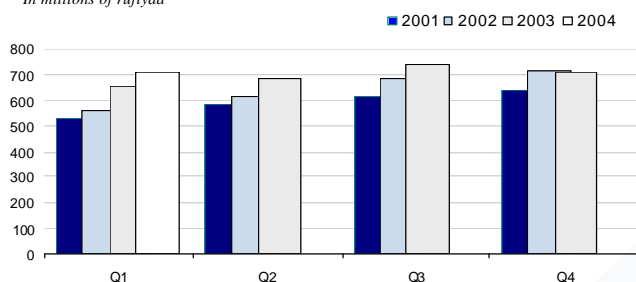
recorded during the review quarter was 43 percent lower than the previous quarter and 68 percent lower than the corresponding quarter of 2003.

The total domestic revenue received during the review quarter stood at Rf768.5 million, registering declines of 5 percent compared to the previous quarter and 8 percent compared to the corresponding quarter of 2003. The decline was mainly on account of lower non-tax revenue, which mainly comprises of resort lease rent and profit transfers from public enterprises, and usually varies from quarter to quarter depending on the dividend payment schedules of public enterprises. Non-tax revenue during the review quarter totalled Rf385.7 million, falling from Rf459.9 million in the previous quarter and Rf507.1 million in the first quarter of 2003. In terms of percentage changes these reflect a quarterly decline of 16 percent and an annual decline of 24 percent. As regards the resort lease rent, which accounts for about 33 percent of the non-tax revenue, inflows from such rent also declined significantly by 8 percent and 10 percent when compared to the previous quarter and the corresponding quarter of 2003, respectively. In contrast, tax revenue increased by 17 percent annually totalling Rf382.8 million in the review quarter compared

usually varies from quarter to quarter depending on the dividend payment schedules of public enterprises. Non-tax revenue during the review quarter totalled Rf385.7 million, falling from Rf459.9 million in the previous quarter and Rf507.1 million in the first quarter of 2003.

Chart V. Government Expenditure

In millions of rufiyaa



Source: Ministry of Finance & Treasury

with Rf327.3 million in the corresponding quarter of 2003. Similarly when compared to the last quarter of 2003 the review quarter registered a 9 percent increase in such revenue. Of the components of tax revenue, tourism tax revenue (forming about 30 percent of tax revenue and 15 percent of total domestic revenue) grew by 8 percent on annual terms and by 25 percent on quarterly terms, supported by the strong growth in the tourism industry. The revenue from import duty, which accounts for about 60 percent of the tax revenue and 30 percent of total domestic revenue, increased substantially by 22 percent on annual terms, while registering a moderate decline of 2 percent on quarterly terms.

On the expenditure side, total government budget expenditure stood at Rf708.5 million during the review quarter compared to Rf707.1 million in the previous quarter and Rf649.5 million in the corresponding quarter of 2003. In terms of growth rates, these reflect an annual increase of 9 percent and a quarterly growth of less than 1 percent. Moreover, budget expenditure during the review quarter was 8 percent lower than was forecasted for the quarter. Despite the relatively smaller fiscal surplus during the review quarter, the government's debt stock to the banking system was significantly reduced at the end of the review quarter compared to both the previous as well as the corresponding quarter of 2003.

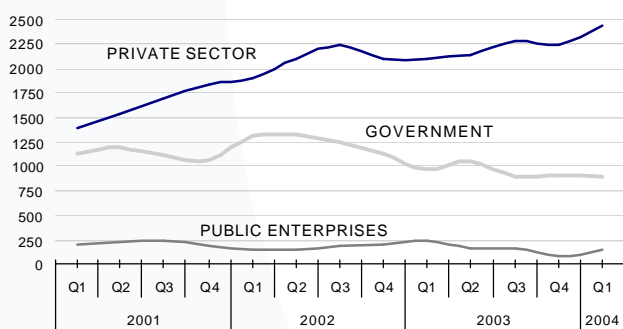
4. Financial Sector

4.1 Money and credit developments in the banking system

Overall money and credit developments during the first quarter of 2004 featured a continuous upward trend in the net foreign assets of the banking system and strong growth in domestic credit activities, leading to a substantial expansion in total liquidity.

Chart VI. Domestic Credit

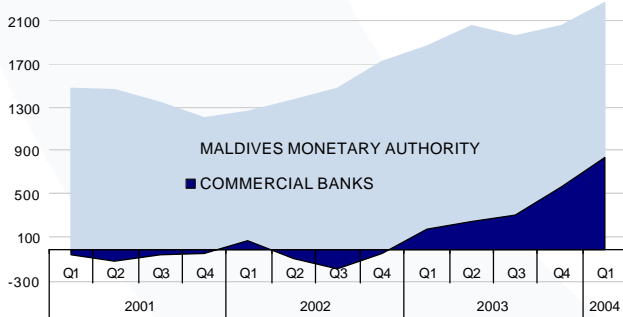
In millions of rufiyaa



Source: Maldives Monetary Authority

Chart VII. Net Foreign Assets

In millions of rufiyaa



Source: Maldives Monetary Authority

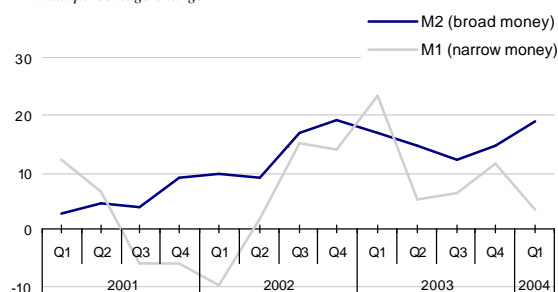
Total domestic credit of the banking system increased by about 7 percent or from Rf3,246.6 million at the end of December 2003 to Rf3,473.9 million at the end of March 2004. When compared annually, the growth rate has picked up from a negative 1 percent at the end of the first quarter of 2003 to 5 percent at the end of March this year. The increase in domestic credit is totally on account of the strong growth in credit to the private sector as lending to the government stood 3 percent lower than the previous quarter and 8 percent lower than the corresponding quarter of 2003. Credit to government, which used to account for over 30 percent of total domestic credit lowered to 25 percent at the end of March 2004. Meanwhile, credit to the private sector grew strongly by 9 percent when compared to the previous quarter and by 16 percent compared to the corresponding quarter of 2003.

The net foreign assets of the banking system grew by 18 percent in the three months to March 2004, following a 15 percent growth in the three months to December 2003, while increasing by 51 percent on annual terms.

Largely supported by the expansion in net foreign assets, total liquidity (M2 or broad money) of the banking system grew strongly from Rf4543.7 million at the end of December 2003 to Rf5,020.3 million at the end of March 2004, increasing by 10 percent during the period. On annual terms, M2 further accelerated from 17 percent at the end of March 2003 to almost 19 percent at the end of March 2004. Of the components of M2, narrow money (consisting of currency in circulation and demand deposits) increased by 1 percent during the first quarter after growing by 5 percent in the previous quarter. On annual terms,

Chart VIII. Money Supply

Annual percentage change



Source: Maldives Monetary Authority

narrow money increased by 4 percent compared to a growth of 23 percent in the year to March 2003. Quasi money, consisting of time and savings and foreign currency deposits, increased by 19 percent during the quarter under review compared to a growth of 7 percent in the three months to December 2003. On annual terms, quasi money increased by 33 percent compared to an 11 percent increase in March 2003. With the strong growth in foreign currency deposits, mainly due to the favourable developments in the tourism industry, dollarisation ratio (as measured by the ratio of foreign currency deposits to broad money) reached

55 percent at the end of March 2004. This ratio was 51 percent at the end of December 2003 and 49 percent at the end of March 2003.

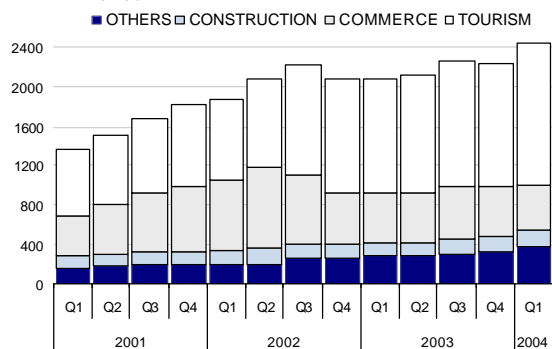
4.1.1 Operations of the commercial banks

Commercial banks activities expanded during the review quarter with their total assets and liabilities increasing by 13 percent in the three months to March 2004 to record Rf6,047.3 million. The annual growth decelerated slightly from 18 percent at the end of March 2003 to 16 percent at the end of March 2004. Reflecting the lowering of minimum reserve requirement from 35 percent to 30 percent in August 2003, reserves of commercial banks as a percent of total assets have declined from 42 percent at the end of March 2003 to about 35 percent at the end of March 2004. In terms of growth, reserves grew only by 2 percent at the end of the review quarter on quarterly terms compared to a growth of 4 percent in the three months to December 2003. On annual terms, reserves declined by 4 percent compared to a growth of 18 percent in the twelve months to March 2003.

Total loans and advances made by the commercial banks grew strongly from Rf2,340.4 million at the end of March 2003 to Rf2,358.9 million at the end of December 2003 to Rf2,613.2 million at the end of March 2004, representing a quarterly growth of 11 percent and an annual growth of 12 percent. Most of this

Chart IX. Sectoral Credit

In millions of rufiyaa



Source: Maldives Monetary Authority

growth reflects the strong growth in credit to the private sector as such credit accounts for more than 94 percent of the total credit portfolio. Credit to the private sector grew by 9 percent in the three months to March 2004, following a decline of 2 percent in the previous three months. On annual terms, private sector credit growth accelerated from 11 percent at the end of March 2003 to 16 percent at the end of March 2004, while credit extended to public enterprises increased by 60 percent on quarterly terms while declining by about 41 percent on annual terms.

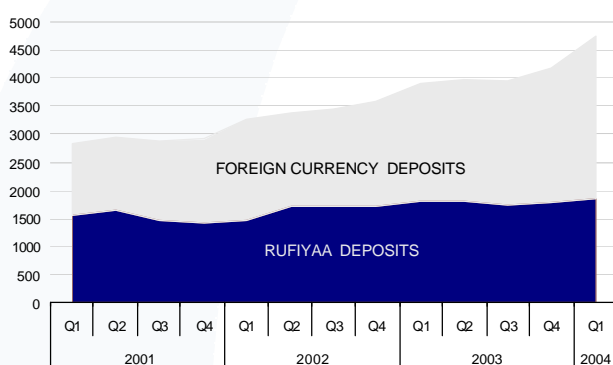
The distribution of commercial bank credit among economic sectors shows that credit to the tourism sector (representing almost 59 percent of total) has continued to grow, and at the end of the review quarter it

increased by around 14 percent on quarterly terms and by about 23 percent on annual terms. Lending to fisheries sector has been rapidly increasing in the past few quarters, with credit to the sector (forming about 8 percent of total) growing by 21 percent compared to the previous quarter and by 37 percent compared to the corresponding quarter of 2003. In contrast, lending to commerce sector dropped in importance with the sector share declining from almost 25 percent at the end of March 2003 to about 19 percent at the end of March 2004. Moreover, the stock of credit to the sector showed a 6 percent decline on quarterly terms and an 11 percent decline on annual terms at the end of March 2004.

On the liabilities side, total deposits of the commercial banks, which accounted for 78 percent of the total liabilities at the end of the quarter, increased from Rf4,197.9million to Rf4,734.2 million reflecting a quarterly growth of 13 percent. On annual terms, total deposits increased by 21 percent accelerating from 19 percent in the twelve months to March 2003. The increased growth in total deposits was mainly due to the rapid increase in foreign currency deposits, although rufiyaa deposits also grew during this period but

Chart X. Total Deposits

In millions of rufiyaa



Source: Maldives Monetary Authority

by a smaller magnitude. Hence, foreign currency deposits increased by 38 percent and 18 percent on annual and quarterly terms respectively. Meanwhile, rufiyaa deposits accounting for 39 percent of the total deposits increased by 3 percent on annual terms and 5 percent on quarterly terms.

In terms of maturity structure, there is still a greater preference in maintaining most deposits in demand accounts. Total demand liabilities account for more than 75 percent of total deposit liabilities, and such deposits grew strongly during the review quarter registering a quarterly growth of 16 percent and an

annual growth of 25 percent. While total time and saving deposits grew by only 5 percent from the previous quarter, on annual terms it grew strongly by 11 percent.

The net foreign assets of the commercial banks continue to show improvements with the NFA growing from Rf174.4 million at the end of March 2003 to Rf563.1 million at the end of December 2003 to Rf830.6 million at the end of March 2004. The annual developments largely reflect the substantial increase in foreign assets of the commercial banks (an annual growth of more than 100 percent) largely reflecting the positive developments in the tourism sector concurrent with a 10 percent decline in foreign liabilities. When compared to the previous quarter, however, foreign liabilities after a continuous decline in the previous periods, showed a 44 percent increase during the review quarter, although an increase of similar magnitude (47 percent) was also seen in foreign assets during this period.

4.1.2 Interest Rate Developments

With respect to the banks' deposit rates, the dollar denominated savings rates, which had ranged between 2.5-5.5 percent at the end of March 2003 and 2.0-4.5 percent at the end of December 2003 lowered to 1.5-3.0 percent at the end of the review quarter. Rufiyaa denominated savings deposits rates also declined from 3.25-5.0 at the end of March 2003 and 2.5-5.0 percent at the end of December 2003 to 2.25-3.0 percent at the end of March 2004. Similarly, the interest rates paid on dollar denominated time deposits, which ranged between 2.5-7.5 percent at the end of March 2003 widened to 2.0-7.5 percent at the end of December 2003 and narrowed to 1.5-6.5 percent at the end of March 2004.

Table 4. Commercial Bank Interest Rates

In percent

	LENDING RATES		DEPOSIT RATES			
	Rf	US\$	SAVING		TERM	
			Rf	US\$	Rf	US\$
March 2003	9-14	8.5 - 15	3.25 - 5.0	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
March 2004	8.5-14	7.5 - 14	2.25-3.0	1.50-3.0	2.25-6.50	1.50-6.50

Source: Maldives Monetary Authority

The rufiyaa lending rates, which had remained between 9-14 percent throughout last year, showed a widening of the band to 8.5-14 percent at the end of March 2004. Meanwhile, dollar lending rates continued to be between 7.5-14 percent since it changed from 8.5-15 percent at the end of March 2003.

4.2 Activities of Non-Bank Financial Institutions

Maldives Finance Leasing Company (MFLC), which started its operations in June 2002, financed Rf9.9 million worth of capital equipments during the review quarter. This is 37 percent lower than the previous quarter and 5 percent lower than the first quarter of 2003.

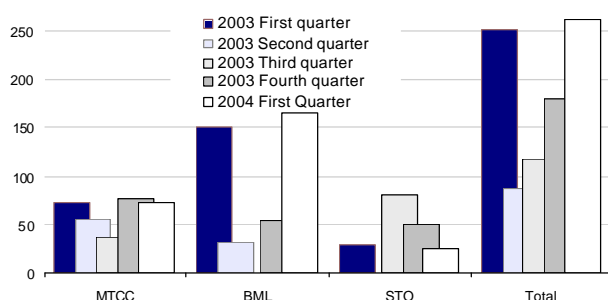
As for the sectoral distribution of financing during the review quarter, 19 percent was held by trade and commerce sector, 18 percent by transport sector, 9 percent by fisheries sector, 8 percent by manufacturing sector and the rest by other sectors.

4.3 Capital Market

The trading turnover of the securities market improved significantly by about 46 percent during the review quarter compared to the previous quarter, while registering a modest improvement of 4 percent compared to the first quarter of 2003. In absolute levels the trading turnover during the review quarter stood at Rf261,141.0, with Bank of Maldives (BML) accounting for around 63 percent of the total trading turnover, followed by Maldives Transport and Contracting Company (MTCC) with 27 percent and State Trading Organization (STO) with 10 percent.

Chart XI. Securities Trading Floor Turnover

In thousands of rufiyaa



Source: Maldives Monetary Authority

During the review quarter, a sum of 552 shares were transacted through the Securities Trading Floor (STF), comprising of 314 shares of MTCC, 190 shares of BML and 48 shares of STO. The number of shares traded during the review quarter showed an increase of around 25 percent compared to the preceding quarter, although it stood 12 percent lower than the first quarter of 2003. Similar to the previous quarter, the review quarter also witnessed a record high in terms of the number of trades with a total of 58 trades concluded during the period. This compares with 44 trades during the previous quarter and 29 trades during the corresponding quarter of 2003.

The market capitalization declined by 14 percent in the first three months of 2004 compared to the previous quarter and by 16 percent compared to the first quarter of 2003. In absolute terms, market capitalization fell from Rf876.0 million at the end of March 2003 and Rf860.4 million at the end of December 2003 to Rf739.2 million at the end of March 2004.

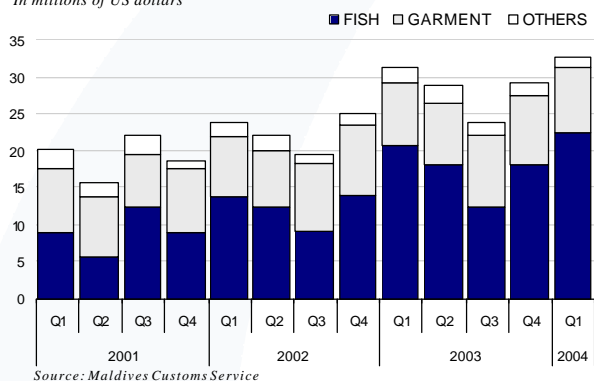
5. External Sector

5.1 International Trade

Foreign trade normally records a large deficit in the Maldives due to a high dependence on imported goods along with a narrow export base. On average domestic exports ranged between 11-16 percent of GDP during the last five years and consisted primarily of fish and fish products and garments.

Chart XII. Domestic Exports

In millions of US dollars



Imports, on the other hand, are equivalent to 64 percent of GDP, reflecting the narrow resource base and the limited opportunities for substitution by domestic production.

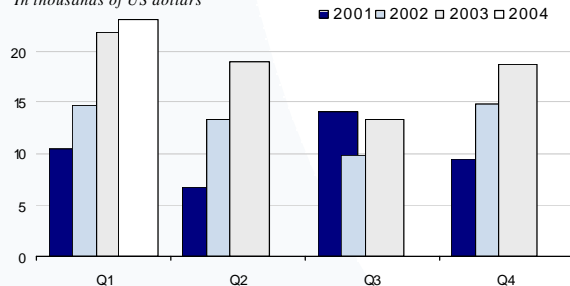
According to statistics from Maldives Customs Services, merchandise exports recorded a high of US\$47.6 million, increasing by around 21 percent in the review quarter. Moreover, when compared to the same period of last year the growth was at 7 percent. Of the components of merchandise exports, domestic exports totalled US\$32.7 million, increasing by 5 percent and 12 percent, when compared against the first and last quarters of 2003 respectively. Moreover, re-exports, constituting around a third of merchandise

exports, increased by 44 percent in the review quarter and by 11 percent annually mainly due to the strong growth in its major component, jet fuel (95 percent of re-exports). Re-export earnings recorded a nine-year high of US\$15.0 million during the review quarter.

Earnings from marine exports, accounting for around three quarters of domestic exports, increased by 4 percent and 22 percent compared to the first and last quarter of 2003. Earnings from the export of fish (excluding live fish) which on average accounted for over 90 percent of total marine exports during 2003,

Chart XIII. Fish Export Earnings

In thousands of US dollars



increased by 8 percent and 24 percent when compared to the first and last quarters of 2003, respectively. In absolute levels, this was an increase from US\$20.7 million in the first quarter of 2003 and US\$18.0 million in the fourth quarter of 2003 to around US\$22.4 million in the review quarter. As regards the volume of such exports, it increased by almost 50 percent over last quarter, to record 22,629.3 metric tonnes, while declining by 3 percent when set against the same period of 2003.

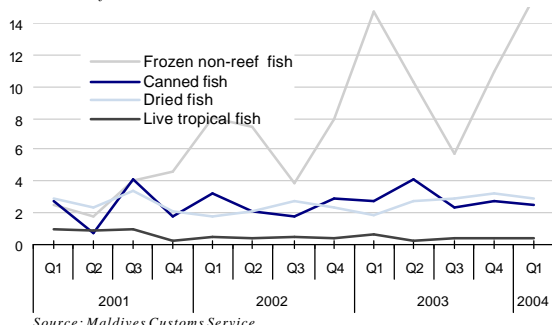
Of the major categories of fish exports, frozen non-reef fish (over 80 percent of the total fish exports, excluding live fish) increased in value terms by 6 percent and 43 percent when compared to the first and last quarter of 2003, to US\$15.7 million. In volume terms, the increase was around 74 percent in the review quarter, while compared to the first quarter of 2003, a decline of 6 percent to 18,379.4 metric tonnes was registered. As a result, the unit price received for such exports showed an 18 percent decline during the review quarter, but stood 13 percent higher than the corresponding quarter of 2003.

As regards the exports of canned fish during the review quarter, both the volume and value fell by 12 percent and 9 percent to record 1,391.7 metric tonnes and US\$2.5 million, respectively. Moreover, com-

pared to the first quarter of 2003 the decline was slightly higher at 14 percent and 13 percent in volume and value respectively, without much change in unit price. Meanwhile, both volume and value of dried fish exports witnessed 13 percent and 10 percent declines in the review quarter, while in comparison with the same period of last year, growths of 40 percent and 50 percent were registered, reaching 1,753.1 metric tonnes and US\$2.9 million. Exports of frozen reef fish registered declines of 50 percent and 28 percent when compared to the first and last quarter of 2003, while earnings declined by 32 percent when compared to the first quarter of 2003, but increased by 19 percent against the preceding quarter. Salted fish exports witnessed growths of 16 and 9 percent in volume and value respectively in the review quarter while doubling over the year. Exports of live fish and its earnings declined by around 40 percent when compared to the first quarter of 2003, while earnings from such exports grew by 6 percent over the preceding quarter while export volume remained the same.

Chart XIV. Major Fish Exports

In millions of US dollars



Source: Maldives Customs Service

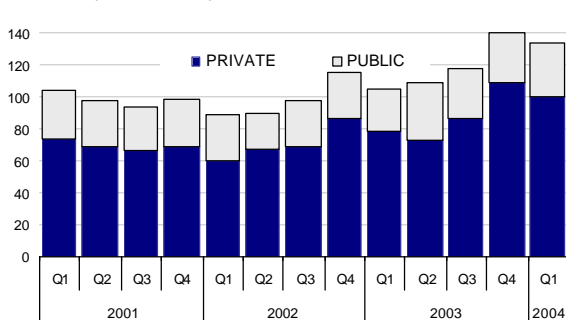
ter of 2003, while earnings from such exports grew by 6 percent over the preceding quarter while export volume remained the same.

The volume of garments exported remained at around 12.0 million pieces, in both the preceding quarter and the quarter under review, although earnings declined by 7 percent during the period. However such exports witnessed a 15 percent increase when set against the first quarter of preceding year, with earnings registering a 4 percent growth to reach US\$8.8 million.

Payments on merchandise imports c.i.f. declined by 4 percent to register US\$134.1 million in the review quarter. This is compared with US\$139.4 million and US\$104.5 million in the previous quarter and the first quarter of 2003, respectively. The lower imports compared to the previous quarter was mainly on account of the decline in the private sector imports (which accounts for 75 percent of total imports) by 7 percent or US\$ 7.7 million. However, compared with the first quarter of 2003 such imports showed 28

Chart XV. Imports By Sectors

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



Source: Maldives Customs Service

percent (US\$22.2 million) increase. Of the private sector imports, goods imported directly by the tourism sector, accounted for about 25 percent and followed a similar trend with a 10 percent quarterly decline and a 29 percent annual increase. Meanwhile, imports by the public sector registered growth rates of 8 percent and 28 percent in both quarterly and annual terms respectively, totalling US\$33.6 million during the review quarter. Of the public sector imports, the value of imports by the public enterprises stood at US\$26.8 million, compared to US\$21.4 million and US\$22.9 million in the first and last quarters of 2003, reflecting growth rates of 25 percent and 17 percent, respectively. In contrast, imports by the government followed trends similar to that of private sector imports, declining by 18 percent in the review quarter while recording an annual increase of 43 percent.

Regarding the composition of imports, consumer goods which constituted 40 percent of total merchandise imports in value terms declined by 5 percent (from US\$56.5 million to US\$53.6 million) in the review quarter, while registering an increase of around 20 percent annually. Food imports (over a half of consumer goods) increased by 20 percent and 3 percent against the first and last quarters of 2003, of which staples (14 percent of food imports) increased by more than 40 percent compared to both the quarters. The petroleum products category accounted for over 15 percent of merchandise imports and

Chart XVI. Merchandise Trade

In millions of US dollars



Source: Maldives Customs Service, Maldives Airports Company Ltd

increased by 64 percent in the quarter under review, totalling US\$22.1 million. This was a significant increase from the quarterly average of US\$12.3 million recorded in the past four years. Of petroleum products, imports of petrol (accounted for 12 percent) increased by 100 percent, while diesel (73 percent) and aviation gas (5 percent) both increased by more than 50 percent, which might be attributable to the rise in crude oil prices in the international market. Imports of intermediate and capital goods fell from US\$69.4 million in the previous quarter to US\$58.4 million in the review quarter. Within this category construction related imports accounted for a fourth, falling by 5 percent, while transport equipments

and parts (accounting for a third) declined by around 50 percent, while textiles (accounting for 17 percent) rose by over 25 percent. However, compared to the first quarter of 2003 expenditure on all major import categories increased with consumer goods rising by 19 percent, petroleum products by 57 percent and intermediate and capital goods by 29 percent.

5.2 Balance of Trade

The merchandise trade deficit in the review quarter stood at US\$70.4 million, a quarterly decline of 15 percent or US\$12.8 million. This was largely on account of the record high deficit of US\$83.2 million during the fourth quarter of 2003 due to higher imports witnessed during the quarter. When compared to the first quarter of 2003, however, the trade deficit deteriorated by US\$23.1 million or around 50 percent.

5.3 External Assets

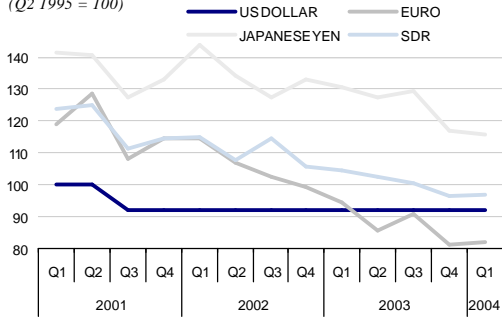
Supported mainly by tourism performance and the resultant increase in foreign assets of both the MMA and commercial banks, the NFA of the banking system continued to remain high, reaching US\$241.1 million (or Rf3,086.6 million) at the end of the review quarter. This was an increase of 18 percent on quarterly terms and 51 percent on annual terms. Foreign assets of the commercial banks had more than doubled during the twelve months to March 2004, while also increasing significantly by 47 percent on quarterly terms. Gross external assets of the MMA trended upwards from US\$146.8 million (or Rf1,879.3 million) at the end of March 2003 to US\$161.0 million (or Rf2,060.5 million) at the end of December 2003 to US\$177.0 million (or Rf2,266.1 million) at the end of March 2004. These reflect a quarterly increase of 10 percent and an annual increase of 21 percent. In terms of months of import coverage (based on past 12 months' imports), with the higher import payments during the review quarter compared to the first quarter of 2003, reserves in months of imports stood slightly lower at 4.2 months at the end of March 2004 compared to 4.3 months at the end of March 2003. At the end of December 2003, this ratio was 4.1.

5.4 Exchange Rate

The rufiyaa remained unchanged against the US dollar at Rf12.80 since the 9 percent devaluation in July 2001, while it depreciated against most other major trading

Chart XVII. Bilateral Exchange Rates

(Q2 1995 = 100)



Source: Maldives Monetary Authority

currencies, reflecting the changes in the US dollar in the international market. Relative to the preceding quarter, the rufiyaa depreciated by 6 percent against the Sterling pound, around 1 percent against the Indian rupee, the Singapore dollar and the Japanese yen, while appreciating by 1 percent against the Sri Lankan rupee and by half a percent against the euro. Moreover, when set against the first quarter of 2003, with the exception of the Sri Lankan rupee against which the rufiyaa appreciated by less than one percent, the rufiyaa weakened against other major traded currencies. Significant depreciation was witnessed against the Sterling pound, the euro and the Japanese yen by 17 percent 15 percent and 13 percent, respectively. The rufiyaa also weakened by 6 percent against the Indian rupee and by 5 percent against the Singapore dollar.



Statistical Appendix

Statistical Appendix

Statistical Appendix

Table 1. Monetary Survey, 2001 - March 2004

(In millions of rufiyaa; end of period)

	2001	2002	2003				2004 Mar
			Mar	Jun	Sep	Dec	
Net foreign assets	1153.03	1662.87	2043.47	2283.06	2266.80	2613.38	3086.59
Monetary authorities (net)	1196.90	1711.68	1869.05	2041.83	1957.00	2050.30	2255.98
Foreign assets	1207.05	1721.83	1879.30	2051.99	1967.16	2060.46	2266.15
Foreign liabilities	-10.15	-10.15	-10.25	-10.16	-10.16	-10.16	-10.16
Commercial banks (net)	-43.87	-48.81	174.43	241.24	309.80	563.08	830.60
Foreign assets	318.49	411.23	515.09	643.58	529.16	775.67	1136.47
Foreign liabilities	-362.36	-460.04	-340.66	-402.35	-219.36	-212.59	-305.87
Domestic assets (net)	2171.67	2303.55	2185.69	1994.85	1999.35	1930.36	1933.68
Domestic credit	3089.86	3445.69	3308.42	3337.98	3346.44	3246.63	3473.92
Public sector	1262.62	1344.91	1208.24	1205.70	1060.37	1002.21	1028.65
Central Govt (net)	1078.58	1133.88	966.50	1048.05	895.06	911.85	884.88
Gross claims on Govt.	1584.46	1704.26	1726.33	1678.37	1704.62	1542.83	1563.48
Govt. deposits	505.88	570.38	759.84	630.33	809.56	630.98	678.60
Public enterprises	184.04	211.03	241.74	157.65	165.31	90.37	143.76
Private sector	1827.24	2100.78	2100.18	2132.28	2286.07	2244.42	2445.28
Other items (net)	918.19	1142.14	1122.73	1343.13	1347.09	1316.27	1540.24
Broad money	3324.70	3966.42	4229.16	4277.92	4266.15	4543.75	5020.26
Narrow money	1655.92	1886.71	2055.09	2044.77	1996.00	2105.35	2130.42
Currency in circulation	566.52	569.88	577.74	587.97	590.95	624.90	642.17
Demand deposits and Govt. Rf deposits	1089.39	1316.83	1477.36	1456.80	1405.05	1480.45	1488.26
Quasi money	1668.79	2079.71	2174.07	2233.14	2270.15	2438.39	2889.84
o.w. FC. deposits	1484.71	1870.85	2058.04	2106.43	2134.06	2320.34	2755.53

Source: Maldives Monetary Authority

Table 2. Assets and Liabilities of Maldives Monetary Authority, 2001 - March 2004

(In millions of rufiyaa; end of period)

	2001	2002	2003				2004 Mar
			Mar	Jun	Sep	Dec	
Foreign assets	1207.05	1721.83	1879.30	2051.99	1967.16	2060.46	2266.15
Claims on government	1584.46	1704.26	1726.33	1652.78	1679.02	1517.24	1537.88
Claims on PNFE	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	70.00	0.00	0.00
Other assets	71.92	47.43	158.33	24.68	32.51	29.85	30.76
Total assets	2864.91	3475.00	3765.45	3730.93	3750.18	3609.04	3836.27
Total liabilities	2864.91	3475.00	3765.45	3730.93	3750.18	3609.04	3836.27
Reserve Money	2194.49	2778.37	2943.04	3058.25	2869.67	2865.78	3150.55
Currency in circulation	566.52	569.88	577.74	587.97	590.95	624.90	642.17
Cash with com. banks	43.32	54.45	45.59	59.79	61.09	52.17	36.11
Com. banks deposits	1184.23	1520.89	1651.79	1746.49	1347.46	1412.91	1535.41
PNFE and Loc. Govt. Deposits	77.40	78.75	75.97	102.68	119.76	91.70	98.85
MMA Certificate of deposits	323.01	554.40	591.95	561.32	750.41	684.11	838.02
Foreign liabilities	10.15	10.15	10.25	10.16	10.16	10.16	10.16
Government deposits	283.80	310.58	456.17	300.46	487.33	338.72	316.62
(including capital account)	376.47	375.90	355.99	362.05	383.02	394.36	358.94

Source: Maldives Monetary Authority

Table 3. Assets and Liabilities of Commercial Banks, 2001 - March 2004

(In millions of rufiyaa; end of period)

	2001	2002	2003				2004 Mar
			Mar	Jun	Sep	Dec	
Reserves	1563.42	2094.32	2195.91	2265.09	1990.15	2062.01	2112.57
Foreign assets	318.49	411.23	515.09	643.58	529.16	775.67	1136.47
Claims on public sector	182.55	209.55	240.26	181.77	189.42	114.48	167.88
Government	0.00	0.00	0.00	25.60	25.60	25.60	25.60
PNFE	182.55	209.55	240.26	156.17	163.83	88.88	142.28
Claims on private sector	1827.24	2100.78	2100.18	2132.28	2286.07	2244.42	2445.28
Unclassified assets	159.97	150.01	183.76	162.86	182.95	162.60	185.09
Total assets	4051.68	4965.89	5235.19	5385.59	5177.76	5359.17	6047.28
Total liabilities	4051.68	4965.89	5235.19	5385.59	5177.76	5359.17	6047.28
Demand deposits 1/	1022.15	1252.96	1417.91	1367.21	1295.87	1398.76	1404.98
Time and saving dep. f/c dep. 2/	1658.63	2064.84	2157.54	2220.05	2259.57	2428.39	2874.27
Government deposits	222.08	259.80	303.67	329.87	322.24	292.26	361.98
Foreign liabilities	362.36	460.04	340.66	402.35	219.36	212.59	305.87
Other liabilities	786.47	928.25	1015.41	1066.11	1080.72	1027.17	1100.19
Memorandum items:							
Foreign currency deposits	1519.77	1898.08	2085.14	2188.27	2215.46	2426.80	2873.15

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, 2001 - March 2004

(In millions of rufiyaa; end of period)

	2001	2002	2003				2004 Mar
			Mar	Jun	Sep	Dec	
Fisheries							
Value	75.71	115.25	133.07	128.65	125.63	150.85	182.80
Percent	4.18	5.53	6.38	6.08	5.54	6.77	7.52
Tourism							
Value	823.96	1160.00	1155.63	1179.28	1284.62	1248.37	1423.12
Percent	45.48	55.63	55.44	55.72	56.64	56.01	58.58
Commerce 1/							
Value	659.23	529.40	515.44	509.43	525.83	489.18	458.13
Percent	36.39	25.39	24.73	24.07	23.18	21.95	18.86
Construction							
Value	135.01	136.06	136.45	144.74	155.92	169.08	175.28
Percent	7.45	6.53	6.55	6.84	6.87	7.59	7.21
Manufacturing							
Value	30.00	14.62	14.58	26.92	41.00	39.95	56.18
Percent	1.66	0.70	0.70	1.27	1.81	1.79	2.31
Transport and communication							
Value	31.23	36.97	37.15	36.07	37.83	31.14	32.06
Percent	1.72	1.77	1.78	1.70	1.67	1.40	1.32
Other							
Value	56.36	92.74	92.13	91.45	97.19	100.11	101.96
Percent	3.11	4.45	4.42	4.32	4.29	4.49	4.20
TOTAL CREDIT							
Value	1811.50	2085.04	2084.43	2116.54	2268.02	2228.67	2429.53
Percent	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, 2001 - March 2004

(In millions of rufiyaa; end of period)

	2001		2002		Mar		Jun		2003		Sep		Dec		2004	
	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	17171	972.2	20204	1143.4	20905	1508.8	21303	1442.2	21823	1323.1	23718	1478.7	25197	1848.7		
2. Call deposits	2	0.4	4	30.4	4	21.9	4	17.5	4	25.5	4	0.4	2	0.3		
3. Other deposit accounts	24	1.8	39	11.1	37	11.5	36	11.4	42	8.8	41	4.9	38	5.0		
4. Savings deposits	89058	1032.5	101784	1278.0	105436	1305.0	107581	1375.9	110616	1441.0	115136	1572.2	121723	1684.7		
5. Fixed (or term) deposits	1010.0	918.4	1142	1132.4	1178	1050.5	1178	1139.7	1185	1145.1	1142	1141.7	1233	1195.5		
(a) Up to 3 months	204	341.1	250	392.8	349	384.0	321	418.5	278	444.5	168	347.9	161	339.3		
(b) Over 3 to 6 month	129	160.1	182	134.1	194	169.6	226	214.6	156	150.0	216	159.6	322	227.0		
(c) Over 6 months to 1 year	636	387.8	664	566.6	593	479.0	589	476.0	711	510.1	696	509.8	679	523.6		
(d) Over 1 to 2 years	23	22.6	25	32.7	19	11.1	19	23.8	19	33.8	40	92.2	55	98.9		
(e) Over 2 to 3 years	8	1.6	6	0.3	6	0.4	6	0.4	4	0.3	7	25.9	5	4.8		
(f) Over 3 to 5 years	8	5.2	13	5.8	15	6.3	15	6.3	15	6.3	15	6.3	11	1.9		
(g) Over 5 years	2	0.1	2	0.1	2	0.1	2	0.1	2	0.1	0	0.0	0	0.0		
TOTAL	107265	2925.3	123173	3595.4	127560	3897.7	130102	3986.7	133670	3943.5	140041	4197.9	148193	4734.2		

Source: Maldives Monetary Authority

Table 6. Composition of Domestic Exports (f.o.b.), 2001 - March 2004

(In millions of US dollars)

	2001	2002	2003				2004
			Q1	Q2	Q3	Q4	Q1
Domestic exports	76.18	90.38	31.19	28.69	23.59	29.05	32.68
Total marine exports	43.70	55.75	22.71	20.33	13.74	19.38	23.72
Fish and fish products(including live fish)	40.86	52.74	21.77	18.88	13.28	18.84	22.99
Fish exports (excluding tropical live fish)	35.76	49.16	20.71	18.07	12.30	18.03	22.36
Frozen non-reef fish	12.87	27.45	14.78	10.36	5.74	10.93	15.68
Frozen reef fish	1.78	1.69	0.80	0.33	0.66	0.45	0.54
Canned fish	9.32	10.03	2.83	4.18	2.38	2.72	2.47
Dried fish	11.03	8.99	1.95	2.80	2.85	3.25	2.94
Salted fish	0.08	0.35	0.17	0.21	0.48	0.47	0.46
Salted Reef fish	0.67	0.64	0.18	0.20	0.19	0.19	0.27
Live tropical fish	3.14	1.75	0.67	0.31	0.40	0.36	0.38
Fish products	1.96	1.82	0.40	0.49	0.58	0.45	0.26
Other marine products	2.85	3.02	0.94	1.45	0.46	0.55	0.72
Garments	32.28	34.53	8.47	8.28	9.78	9.46	8.83
Other	0.19	0.10	0.01	0.08	0.07	0.21	0.14

Source: Maldives Customs Service

Table 7. Merchandise Imports (c.i.f.) by Sector and Product , 2001 - March 2004

(In millions of US dollars)

	2001	2002	2003				2004 Q1
			Q1	Q2	Q3	Q4	
Total merchandise imports (by sector)	393.47	391.72	104.47	109.14	117.80	139.38	134.11
Private sector imports	278.22	283.64	78.28	72.83	85.84	108.13	100.46
Private imports (excluding tourism)	214.91	223.30	58.79	57.60	67.39	80.39	75.39
Tourism imports	63.30	60.34	19.48	15.23	18.45	27.74	25.07
Public sector imports	115.26	108.08	26.19	36.30	31.97	31.25	33.65
PNFEs imports	93.13	90.30	21.42	28.67	24.44	22.92	26.83
Government imports	22.12	17.78	4.77	7.64	7.53	8.32	6.82
Total merchandise imports (by product category)	393.47	391.72	104.47	109.14	117.80	139.38	134.11
Consumer Goods	168.59	172.40	45.00	43.52	45.50	56.52	53.60
Food Items	84.91	83.83	23.07	21.99	21.60	26.98	27.76
Rice	5.15	4.48	0.74	1.51	1.12	0.83	1.68
Wheat	3.99	3.10	1.27	0.91	0.88	1.14	1.50
Sugar	3.16	2.87	0.77	0.86	0.32	0.76	0.72
Beverages	11.43	10.93	3.00	2.58	2.70	3.58	3.42
Other food items	61.17	62.46	17.30	16.14	16.58	20.67	20.45
Tobacco	4.56	5.12	1.24	1.44	1.38	1.26	1.56
Pharmaceuticals	3.81	3.86	1.05	1.05	1.10	1.05	1.25
Other consumer goods	75.31	79.59	19.65	19.04	21.43	27.22	23.03
Petroleum Products	45.78	50.79	14.04	14.85	12.84	13.44	22.10
Petrol	2.90	3.69	1.00	0.69	0.84	1.27	2.54
Diesel (Marine gas oil)	34.02	39.71	11.10	11.71	10.39	10.49	16.06
Aviation gas	5.21	2.44	0.81	0.81	0.51	0.72	1.10
Other petroleum product (Lubricating oil, Kerosene)	3.66	4.95	1.12	1.64	1.10	0.97	2.39
Intermediate & Capital Goods	179.10	168.54	45.42	50.77	59.46	69.42	58.41
Construction	40.14	41.80	7.41	11.52	15.92	15.13	14.34
Cement & Cement products	4.71	4.92	0.90	1.34	1.28	1.70	1.72
Wood for construction purposes	12.40	9.91	1.72	3.04	5.02	4.97	3.60
Base metal & articles of base metal for construction purposes	10.74	9.92	2.45	3.08	4.54	3.49	3.27
Other construction related	12.29	17.05	2.34	4.07	5.08	4.96	5.75
Paper	1.86	1.63	0.50	0.50	0.42	0.43	0.44
Medical / Surgical supplies	1.37	1.46	0.62	0.50	0.51	0.51	0.32
Computer equipments and supplies	4.32	4.75	1.54	1.57	1.31	2.36	1.73
Machinery & mechanical appliances	5.81	5.84	1.73	1.42	1.72	2.74	1.98
Textiles	24.61	30.25	8.40	6.64	9.96	7.91	9.96
Chemicals & chemical products	2.83	2.79	0.78	0.84	0.86	0.85	1.01
Transport equipments and parts	41.33	26.52	12.75	9.45	10.98	17.23	9.02
Other Intermediate and Capital goods	56.82	53.50	11.70	18.33	17.78	22.26	19.60

Source: Maldives Customs Service

Table 8. Exchange Rates, 2001 - March 2004

(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
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
2004	March	12.8000	0.1175	7.4286	0.2792	0.1285	23.1237	15.3991	18.9505

Source: Maldives Monetary Authority



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