


At a Glance - November 2013

HIGHLIGHTS

- Annual inflation rate for November 2013 declined by 0.8 percentage points from the previous month and also declined by the same amount compared to the same period last year. This was mostly impacted by a decline in local food prices, in particular fruit and vegetable prices, and to a lesser extent meat, fish and poultry prices.
- Recorded cash remittances declined by \$4.5 million in November 2013 to \$6.7 million from the previous month, a decline of 40.2%, and 33% lower than its corresponding month last year. This was caused by both a decrease in household remittances by 42.7% (\$3.5 million) and an increase of non-profit remittances by 33.4% (\$1 million).
- Export earnings (OET basis) declined in November 2013 to \$2.5 million from the previous month of \$2.7 million, however it is higher than the same period last year of \$1.6 million. Import payments (OET basis) decreased to \$16.9 million in November 2013 from \$27.2 million in the previous month, and slightly higher than the same period last year of \$16.7 million. The lesser rate of decline in export earnings compared to import payments for the month of November 2013 saw a decreased merchandise trade deficit of \$14.4 million compared to \$24.2 million trade deficit in the previous month.
- Tourism receipts¹ in November 2013 declined to \$5.7 million, from \$7.2 million in the previous month, a decrease of 20.8%. The decline was impacted by a fall in the number of air visitor arrivals, declining from 3,013 arrivals in October to 1,801 in November. Compared to the same period last year, tourism receipts declined by 9.8%.
- The level of gross foreign reserves in November 2013 increased by 1.8% to \$265.4 million from the previous month. Compared to the same period last year, foreign reserves increased by 4.6%. The increase in foreign reserves in November saw import cover increase slightly to 8.7 months from 8.6 months in the previous month.

¹ Note there is difficulty in disaggregating tourism (travel) receipts from private remittances and export receipts

	(T\$m unless otherwise indicated)			% change from		YEAR TO DATE (YTD) Jul 2013/14 - Nov 2013/14		
	Nov 2012	Oct 2013	Nov 2013	Oct 2013	Nov 2012	Values (T\$m)	% of Budget (2013/14)	% of GDP ² (2013/14)
ECONOMIC ACTIVITY INDICATORS						YTD Values (Jul 2013 - Nov 2013)	% change from prev. YTD (Jul 2012 - Nov 2012)	YTD Values (Jul 13 - Nov 13) as % of GDP
Exports ³ (OET Basis)	1.6	2.7	2.5	-7.4%	+56.3%	7.5	+66.7%	0.85%
Imports ⁴ (OET Basis)	16.7	27.2	16.9	-37.9%	+1.2%	99.1	+18.4%	11.2%
Cash Remittances	10.0	11.2	6.7	-40.2%	-33.0%	47.4	+19.0%	5.4%
Tourism Receipts ⁵	6.3	7.2	5.7	-20.8%	-9.5%	37.2	+2.1%	4.2%
MONETARY & PRICE INDICATORS								
Official Foreign Reserves	253.7	260.6	265.4	+1.8%	+4.6%			
Import Cover (months)	8.8	8.6	8.7	+1.1%	-1.1%			
Inflation (annual % change)	1.4%	1.4%	0.6%	-0.8% point change	-0.8% point change			
Retail Fuel Prices:								
Petrol (T\$/litre)	2.85	2.83	2.77	-2.1%	-2.8%			
Diesel (T\$/litre)	2.94	2.94	2.91	-1.0%	-1.0%			

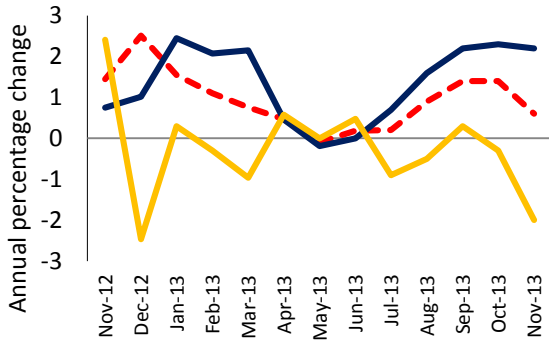
² Nominal GDP 2012/13: T\$881.2 million (estimate)

³ Exports of goods (f.o.b) only, *Overseas Exchange Transactions (OET)*

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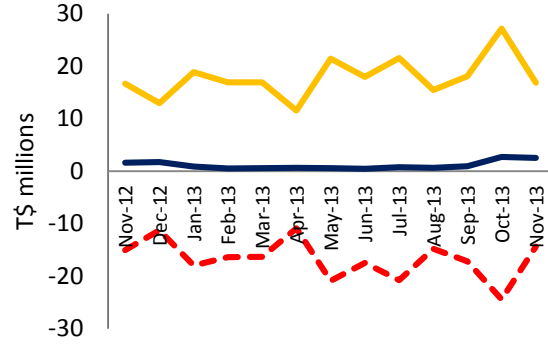
⁵ Note there is difficulty in disaggregating tourism receipts from private remittances

Figure 1: Consumer Price Index (Inflation)



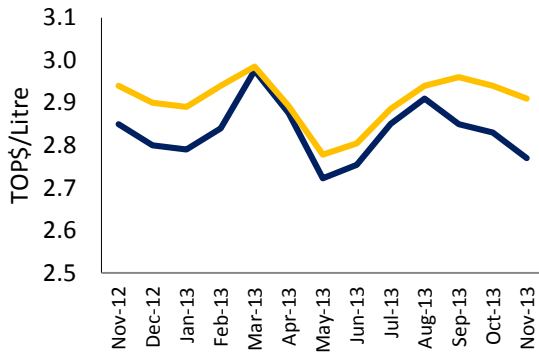
Source: Tonga Bureau of Statistics

Figure 5: Balance of Trade (OET Basis)



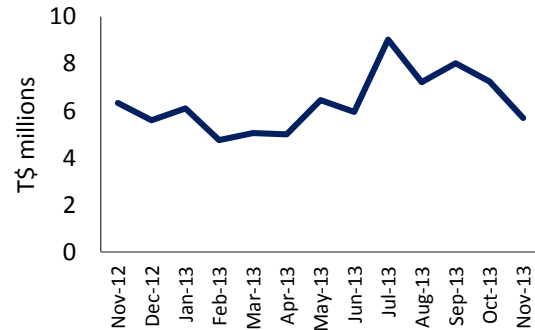
Source: National Reserve Bank of Tonga

Figure 2: Retail Fuel Prices



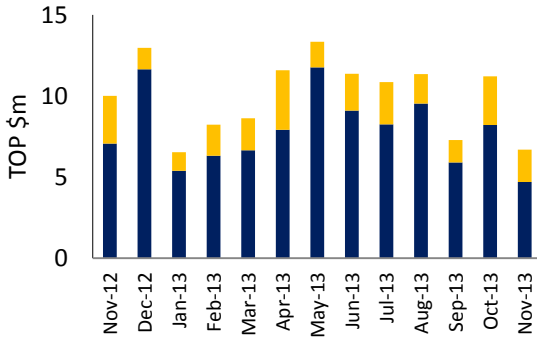
Source: Competent Authority, Ministry of Commerce, Tourism & Labour

Figure 6: Tourism Receipts (12 months total)



Source: National Reserve Bank of Tonga

Figure 3: Cash Remittances



Source: National Reserve Bank of Tonga

Figure 7: Foreign Reserves & Import Coverage

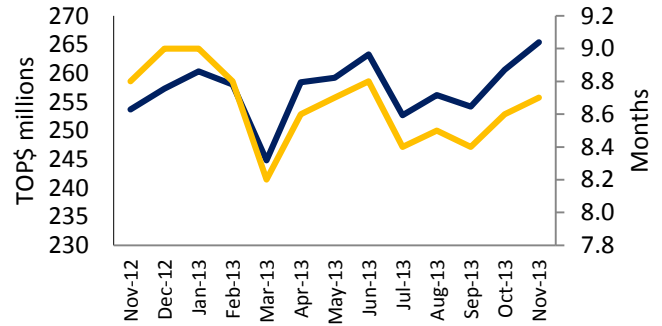
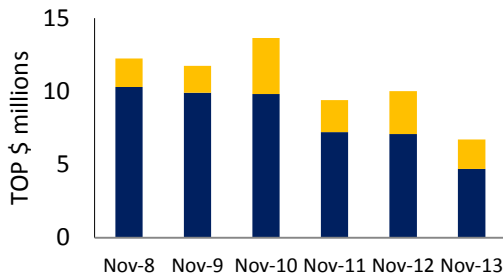
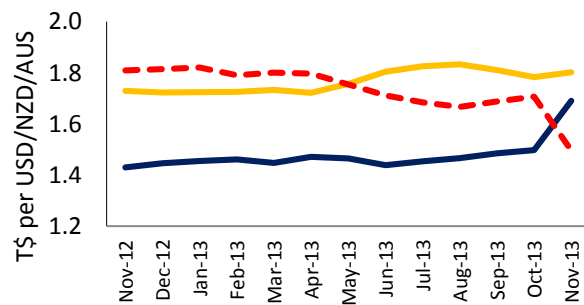


Figure 4: Cash Remittances for July month in previous years



Source: National Reserve Bank of Tonga

Figure 8: Tongan Pa'anga Exchange Rates (end of period)



Source: National Reserve Bank of Tonga