IMPORTS DOWN 37.8%, DOMESTIC EXPORTS DOWN 37.3% IN JULY 2020

IMPORTS

JULY 2020: For the month of July 2020, Belize imported goods valuing $119 million. This represented a 37.8 percent or $72.4 million decrease from the same month in 2019, when imports totalled $191.4 million. For the third consecutive month, imports declined by more than one-third, signalling the far-reaching impact of the COVID-19 pandemic, as local demand for merchandise goods remained low (see Figure 1).

DECREASING CATEGORIES:

Imports dropped across almost all commodity categories during the month, with goods destined for the ‘Commercial Free Zones’, ‘Mineral Fuels and Lubricants’, and ‘Machinery and Transport Equipment’ seeing the most marked decreases (see Figure 2).

Commercial Free Zones
Imports into the ‘Commercial Free Zones’ plummeted by 64 percent or almost $25 million, from $38.9 million in July 2019 to $13.9 million in July 2020, on account of reduced purchases of several items, including cigarettes, sweaters and floor fans.

Mineral Fuels and Lubricants
Likewise, the ‘Mineral Fuels and Lubricants’ category decreased sharply by 62 percent or $20.9 million, from $33.8 million to $12.9 million, as the country spent less on diesel, regular and bunker C fuels for the month of July. This was the result of smaller quantities of these products being imported combined with lower prices for fuels on the world market. In addition, no kerosene was imported for July of this year.

Machinery and Transport Equipment
Imports of ‘Machinery and Transport Equipment’ fell by $11.8 million or more than 35 percent, from $33.4 million in July 2019 to $21.5 million in July 2020, due to fewer purchases of air conditioners, crushing machines and printer parts, among other items.

Manufactured Goods
With diminished imports across an assortment of goods, including construction materials such as corrugated steel rods, square steel tubes and iron beams, the ‘Manufactured Goods’ category dropped by more than one-fourth or $6.3 million, from $24.2 million in July 2019 to $17.9 million in July 2020.

Food and Live Animals
Food imports saw a 20 percent or $4.7 million reduction during the month, with the ‘Food and Live Animals’ category falling from $23.3 million to $18.7 million. This was due mostly to the fact that, while there were some imports of wheat during July of last year, there were no purchases of this commodity in July of this year. The country also imported smaller quantities of soybean meal, powdered milk and several other food items.

Other Manufactures
Similarly, goods classified as ‘Other Manufactures’ declined by 20 percent or $2.8 million, from $12.8 million in July 2019 to $10.2 million in July 2020, due to reduced purchases of meters, plastic bottles and gaming equipment.

FIRST SEVEN MONTHS OF THE YEAR: Merchandise imports for the first seven months of the year, January to July 2020, amounted to $912.8 million, representing a 19.3 percent or almost $219 million decrease from the same period last year, when imports totalled $1.1 billion.

DECREASING CATEGORIES:

Imports dropped considerably across most commodity categories over the seven-month period, with the ‘Mineral Fuels and Lubricants’ category standing out as recording a particularly steep decline.

Mineral Fuels and Lubricants
Imports of ‘Mineral Fuels and Lubricants’ saw a substantial $74.7 million or 41 percent decrease over the period, as expenditures in that category went down from almost $181 million in 2019 to $106.3 million in 2020. A notable fall-off in the quantities of diesel, regular, kerosene and bunker C fuels that were imported, coupled with lower world market prices for fuel, were the main reasons for this decline.

Commercial Free Zone
Goods meant for the ‘Commercial Free Zones’ also decreased considerably, by $50.9 million or almost 28 percent, from $183.5 million in 2019 to $132.6 million in 2020, as imports of items such as clothing and bags dwindled over the period.

Machinery and Transport Equipment
With lowered purchases of aviation equipment, telecommunications equipment and liquid dielectric transformers over the period, the ‘Machinery and Transport Equipment’ category went down by $38.2 million or 17 percent, from $219.5 million to $181.3 million.

Manufactured Goods
Imports of ‘Manufactured Goods’, including corrugated steel rods, cement and galvanum steel coils, shrank by $21.2 million or almost 14 percent during the seven-month period, falling from $152.7 million in 2019 to $131.5 million in 2020.
Other Manufactures
Reduced purchases of plastic bottles, books and metal office furniture drove the ‘Other Manufactures’ category down by $15.9 million or almost 20 percent, from $80.8 million in 2019 to $64.9 million in 2020.

Crude Materials
The country imported less treated pine lumber, used clothing and wooden poles over the first seven months of 2020. As a result, the ‘Crude Materials’ category dropped by $7.2 million or more than one-third, from $19.3 million in 2019 to $12.1 million in 2020.

Chemical Products
The ‘Chemical Products’ category declined by $6.5 million, from $104.5 million to almost $98 million, due to decreased imports of fertilizers, plastic pipes and medicines, most of which consisted of antibiotics.

Food and Live Animals
Reduced imports of wheat, malt and a variety of grocery items resulted in a $3.8 million decline in the ‘Food and Live Animals’ category during the period, from $134.6 million to $130.8 million.

Designated Processing Areas
Imports into the ‘Designated Processing Areas’ went down by $2.9 million, from $20.4 million in 2019 to $17.5 million in 2020, attributable to lower purchases of metal furniture, excavators and fish feed.

INCREASING CATEGORIES:
Oils and Fats
‘Oils and Fats’ was the only commodity category to have seen a noteworthy increase during the first seven months of the year. This category rose by $2.6 million from $115.5 million in 2019 to $142 million in 2020, as larger imports of various types of cooking oils were recorded.

DOMESTIC EXPORTS
JULY 2020: Total domestic exports for July 2020 amounted to just under $29 million, down by a substantial 37.3 percent or $17.2 million when compared to exports for July 2019, which were valued at $46.2 million (see Figure 1).

DECREASING CATEGORIES: A considerable drop in earnings from sugar was the primary reason for the overall decline in exports. Revenues from this commodity fell steeply by $12.7 million or 56 percent, from $22.4 million in July 2019 to $9.7 million in July 2020, as smaller quantities of this product were exported during the month. Earnings from bananas also declined, falling by $1.5 million or more than 21 percent, from $6.9 million in July 2019 to $5.4 million in July 2020. Revenues from citrus products went down by $1.2 million, from $4.8 million to $3.6 million, owing mostly to a drop in world market prices for orange concentrate and reduced sales of grapefruit concentrate. Additionally, there were no exports of red kidney beans in July of this year, in contrast to July of last year, when earnings from this commodity amounted to $1.8 million (see Figure 3).

INCREASING CATEGORIES: Marine products, on the other hand, was the only major export group to have seen an increase during the month, as improved sales of lobster products and shrimp drove earnings from this group of commodities up by $0.8 million, from $4.3 million in July 2019 to $5.1 million in July 2020 (see Figure 3).

MAJOR DESTINATIONS: Export revenues from the United Kingdom plunged by $15.2 million, from $26.7 million in July 2019 to $11.5 million in July 2020, owing mainly to the sizeable drop in sugar exports for the month. Earnings from CARICOM declined by $2.7 million, from $6.4 million to $3.7 million. This was due to decreased exports of orange concentrate to this region, the redirection of soybean oil to other markets, and the fact that there were no exports of red kidney beans during the month. On the other hand, as exports of orange concentrate, mahogany and pepper sauce to the United States of America increased in July 2020 compared to the same month last year, revenues from this country grew by $1.5 million, from $4.6 million to $6.1 million. Earnings from countries grouped together as Other declined by over $1 million, from $16.1 million in July 2019 to $0.6 million in July 2020. This was attributed to lowereded exports of lobsters and citrus essential oils to these countries, as well as the lack of red kidney bean exports during the month (see Figure 4).

FIRST SEVEN MONTHS OF THE YEAR: Merchandise exports for the period January to July 2020 totalled $220.4 million, down 13.1 percent or $33.3 million from the $253.7 million recorded for the same period last year.

DECREASING CATEGORIES: Crude petroleum, sugar and citrus products were the main contributors to the downturn in overall export earnings. There were no exports of crude petroleum for the first seven months of 2020, in contrast to the same period in 2019, when there were two shipments and earnings of $12.9 million were recorded. This was due to low world market prices for crude petroleum, which would have resulted in exports of this product not being profitable. Nevertheless, a shipment of this commodity is expected in August of this year.

Although the quantity of sugar exported during the period fell by a substantial 37 percent, revenues dropped by a lesser 13 percent or just under $11 million, from $86.6 million in 2019 to $75.6 million in 2020. This was an indication of better world market prices for sugar during January to July of this year compared to the same period in 2019. Earnings from citrus products declined by 23 percent or $8.9 million, from $38.6 million to $29.7 million, due to smaller quantities of orange concentrate exported, coupled with a notable reduction in prices for this product. Among the various commodities that comprise other exports, revenues from animal feed went down most notably by $2.2 million, from $9.8 million in 2019 to $7.6 million in 2020.

INCREASING CATEGORIES: Bananas, on the other hand, experienced a 4 percent increase in earnings during the seven-month period, with revenues from this commodity rising by $1.7 million, from $47.3 million in 2019 to just over $49 million in 2020. Revenues from marine products went up slightly from $19.9 million to $20.2 million, as improved sales of lobster products partially offset decreased exports of conch and shrimp. Red kidney beans recorded the largest increase in export earnings over the period, up by nearly $3 million, from $7.3 million in 2019 to $10.2 million in 2020.