



BALANCE OF PAYMENTS

Quarterly Bulletin June 2011

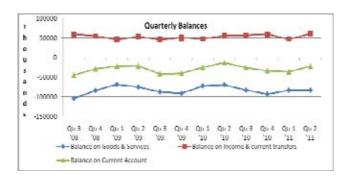
Statistics Department, P.O Box 149 Nuku'alofa Tonga.

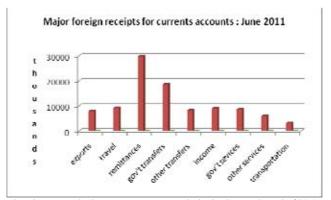
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July 2012

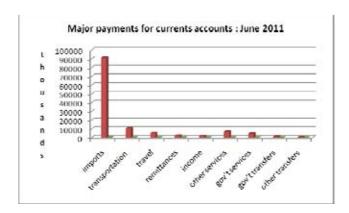
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<u>Balance of Payments Statistics</u> June Quarter 2011





The above graph shows remittances with the highest value of T\$29.9 million,, government transfers with T\$18.7 million, travel with T\$9.3 million, income with T\$9.2 million, government services with T\$8.8 million, other transfers with T\$8.3 million, goods exports with T\$8.1 million and the rest shared the remaining T\$9.4 million.



The above graph shows goods imports with the highest value of T\$91.3 million, transportation services with T\$10.7 million, other services with T\$6.3 million, travel with T\$5.1 million, government service with T\$4.6 million, and the rest shared the remaining T\$5.3 million.

These estimates by the Statistics Department showed the Balance of Payments in June Quarter 2011 recorded a current account deficit of T\$21.9 million, compared to deficit of T\$12.7 million in the June 2010 quarter, and a deficit of T\$35.6 million in the March 2011 quarter. The capital account recorded a surplus of T\$93.3 million, net inflow, more than triple the value in the June 2010 quarter and double the value in the March 2011 quarter. The official reserves increased by T\$46.7 million from March 2011 quarter to T\$203.8 million at the end of the June 2011.

The goods balance was a deficit of T\$83.2 million in the June 2011 quarter, an increase from T\$72.0 million or 15.6% in the June 2010 quarter and also an increase of 5.1% from T\$79.2 million in the March 2011 quarter. Tonga earned T\$8.1 million from exports in the June 2011 quarter, triple the value of June 2010 quarter, and double the value from T\$3.2 million in the March 2011 quarter. Major exports were sandal wood, fish products, spices: vanilla, sugar beet, coconuts (fresh brown nuts), manioc (cassava), ground kava, and paints varnishes. Imports of goods increased, to T\$91.3 million, from \$T74.9 million in the June 2010 Quarter.

The balance on services was a surplus of T\$0.5 million compared to the March 2011 quarter deficit of T\$3.8 million. The exports of services were T\$27.2 million in the June 2011 quarter, an increase of 13.0% from T\$24.0 million in the March 2011 quarter, and an increase of 23.9% from T\$21.9 million in the June Quarter of 2010. This was principally due to increase in government goods and services and other business services, which was offset by a fall in travel services.

Imports of services were T\$26.7 million in the June 2011 quarter, a decrease of 4.1% from T\$27.8 million in the March 2011 quarter; and an increase of 39.5% from T\$19.1 million in the June 2010 quarter. Travel services and Government goods and services both fell from T\$6.1 million or 16.6% and T\$5.4 million or 15.3% respectively in the March 2011 quarter to T\$5.1 million and T\$4.6 million respectively in the June 2011 quarter.

The net earnings from income (primary and secondary); were made up of T\$7.6 million from primary income and T\$53.2 million from secondary income transfers in the June 2011 quarter. This was an increase from T\$3.4 million and T\$44.0 million respectively in the March 2011 quarter. Remittances from friends and relatives (workers) increased in the June 2011 quarter from T\$29.9 million compared to T\$26.2 million in the March 2011 quarter.

Provided are detailed tables of quarterly Balance of Payments statistics for June Quarter 2011.

Mr 'Ata' ata M. Finau GOVERNMENT STATISTICIAN.

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Table 1 : Balance of Payments Summary	15(thousands)

	T\$(thousands Otr 3 2008	Otr 4 2008	Otr 1 2009	Otr 2 2009	Otr 3 2009	Qtr 4 2009	Otr 1 2010	Otr 2 2010	Otr 3 2010	Otr 4 2010	Otr 1 2011	Otr 2 2011
<u> </u>												
Current Account												
Balance on Goods and Services	(103,998)	(83,673)	(68,455)	(74,792)	(86,903)	(90,707)	(71,916)	(69,209)	(82,800)	(92,704)	(82,959)	(82,739)
Balance on Trade in Goods	(92,484)	(75,612)	(62,723)	(68,444)	(80,140)	(84,236)	(66,047)	(71,995)	(88,673)	(96,644)	(79,160)	(83,218)
Exports f.o.b.	5,982	7,581	4,179	2,433	5,187	7,068	3,315	2,944	5,595	8,051	3,183	8,051
Imports f.o.b.	98,465	83,193	66,902	70,877	85,327	91,303	69,362	74,939	94,268	104,695	82,344	91,269
Balance on Trade in Services	(11,514)	(8,061)	(5,732)	(6,348)	(6,763)	(6,471)	(5,869)	2,786	5,873	3,939	(3,799)	479
Services credit	21,049	16,799	18,346	16,807	17,106	17,762	18,567	21,924	28,751	30,943	24,040	27,171
Services debit	32,564	24,860	24,078	23,155	23,869	24,233	24,436	19,138	22,879	27,004	27,839	26,692
Balance on Primary Income	3,159	3,671	2,951	3,577	222	1,368	3,436	2,608	865	4,609	3,391	7,558
Primary income credit	4,571	6,111	5,079	5,522	4,433	5,428	7,546	4,997	6,420	6,200	7,506	9,227
Primary income debit	1,412	2,440	2,128	1,945	4,211	4,060	4,110	2,389	5,555	1,590	4,115	1,669
Balance on Goods, Services and Income	(100,839)	(80,002)	(65,504)	(71,214)	(86,681)	(89,338)	(68,480)	(66,602)	(81,935)	(88,095)	(79,569)	(75,181)
Balance on Secondary Income	56,795	51,534	43,396	50,017	45,761	49,585	44,077	53,924	56,508	55,026	43,976	53,245
Secondary income credit	63,469	57,919	49,123	54,593	51,209	56,530	47,509	58,641	59,930	60,135	49,226	56,959
Secondary income debit	6,674	6,385	5,727	4,576	5,448	6,946	3,433	4,718	3,422	5,110	5,250	3,714
Balance on Current Account	(44,044)	(28,468)	(22,108)	(21,197)	(40,920)	(39,754)	(24,403)	(12,678)	(25,428)	(33,069)	(35,592)	(21,935)
Balance on Current Account (excluding rei	(44,044)	(28,468)	(22,108)	(21,197)	(40,920)	(39,754)	(24,403)	(12,678)	(25,428)	(33,069)	(35,592)	(21,935)
Capital Account												
Capital account credit	71,952	17,485	38,317	35,859	28,524	84,739	22,239	20,255	37,647	46,456	35,938	93,301
Capital account debit	159	45	385	41	303	1,791	525	136	115	165	42	8
Balance on Capital Account	71,793	17,441	37,932	35,818	28,220	82,948	21,714	20,119	37,532	46,291	35,896	93,293
Net Lending (+)/Borrowing (-) from Curi	27,749	(11,028)	15,824	14,621	(12,700)	43,194	(2,689)	7,441	12,104	13,222	304	71,357
Financial Account												
Financial Assets	12,404	(9,255)	7,142	5,696	27,000	(2,900)	(4,900)	15,000	8,707	12,524	(13,014)	50,322
Direct investment	-	-	-	-	-	-	-	-	-	-	-	-
Portfolio investment	-	-	-	-	-	-	-	-	-	-	-	-
Financial derivatives (other than reserves) a	(26,956)	(4,655)	442	(4)	-	-	-	-	6,505	7,720	7,386	3,622
Other investment	-	-	-	-	-	-	-	-	2	4	-	-
Reserve assets	39,360	(4,600)	6,700	5,700	27,000	(2,900)	(4,900)	15,000	2,200	4,800	(20,400)	46,700
Financial Liabilities	(26,742)	(967)	(2,539)	(2,391)	21,965	(3,156)	(12,264)	5,482	(8,163)	(6,607)	(17,604)	(3,450)
Direct investment	59	512	448	(424)	0	(69)	(152)	8,451	345	5,097	2,609	14,973
Portfolio investment	-	-	-	-	-	-	-	-	-	-	-	-
Financial derivatives and employee stock o	-	-	-	-	-	-	-	-	-	-	-	-
Other investment	(26,801)	(1,479)	(2,987)	(1,967)	21,964	(3,088)	(12,112)	(2,969)	(8,508)	(11,705)	(20,213)	(18,423)
Net Lending (+)/Borrowing (-) from Fina	39,146	(8,288)	9,681	8,087	5,035	256	7,364	9,518	16,870	19,131	4,590	53,772
Net errors and omissions	(11,398)	(2,739)	6,143	6,534	(17,735)	42,938	(10,052)	(2,077)	(4,766)	(5,909)	(4,286)	17,586
NE&O as percent of goods trade	-10.9%	-3.0%	8.6%	8.9%	-19.6%	43.6%	-13.8%	-2.7%	-4.8%	-5.2%	-5.0%	17.7%
Level of Official Reserves at end year	128,500	123,900	130,600	136,300	163,300	160,400	155,500	170,500	172,700	177,500	157,100	203,800

	Qtr 3 2008	Qtr 4 2008	Qtr 1 2009	Qtr 2 2009	Qtr 3 2009	Qtr 4 2009	Qtr 1 2010	Qtr 2 2010	Qtr 3 2010	Qtr 4 2010	Qtr 1 2011	Qtr2 2011
Balance on Trade in Goods	(92,484)	(75,612)	(62,723)	(68,444)	(80,140)	(84,236)	(66,047)	(71,995)	(88,673)	(96,644)	(79,160)	(83,218)
Exports FOB	5,982	7,581	4,179	2,433	5,187	7,068	3,315	2,944	5,595	8,051	3,183	8,051
General merchandise	4,298	6,382	4,201	3,180	5,591	8,062	3,424	3,065	5,626	8,054	3,183	8,051
Net exports under merchanting	1,683	1,199	(21)	(748)	(403)	(994)	(109)	(122)	(32)	(3)	0	0
Goods acquired under merchanting	(112)	(123)	(137)	(867)	(1,266)	(1,148)	(144)	(147)	(39)	(35)	-	-
Goods sold under merchanting	1,795	1,323	115	120	863	154	35	26	8	33	0	0
Nonmonetary gold	-	-	-	-	-	-	-	-	-	-	-	-
Imports FOB	98,465	83,193	66,902	70,877	85,327	91,303	69,362	74,939	94,268	104,695	82,344	91,269
General merchandise	98,465	83,193	66,902	70,877	85,327	91,303	69,362	74,939	94,268	104,695	82,344	91,269
Nonmonetary gold	-	-	-	-	-	-	-	-	-	-	-	-
Of which:												
Classification adjustment (c.i.f./f.o.b.)	(6,078)	(5,103)	(4,063)	(4,315)	(4,652)	(5,031)	(3,621)	(3,988)	(4,836)	(5,501)	(4,076)	(4,645)
Coverage adjustments	3,236	3,236	3,236	3,236	12,418	12,418	12,418	12,418	18,493	18,493	18,493	18,493
Valuation adjustments	5	5	15	47	34	62	213	38	6	26	-	-
Timing adjustments		-										

ble 3: Services Account, T\$(thousands)	Qtr 3 2008	Qtr 4 2008	Qtr 1 2009	Qtr 2 2009	Qtr3 2009	Qtr4 2009	Qtr1 2010	Qtr 2 2010	Qtr 3 2010	Qtr 4 2010	Qtr 1 2011	Qtr 2 20
Balance on Trade in Services	(11,514)	(8,061)	(5,732)	(6,348)	(6,763)	(6,471)	(5,869)	2,786	5,873	3,939	(3,799)	4
Services Credit	21,049	16,799	18,346	16,807	17,106	17,762	18,567	21,924	28,751	30,943	24,040	27,1
Manufacturing services on physical in	_	_	_	_	_	_	-	-	_	_	_	_
Maintenance and repair services n.i.e.	_	_	_	_	_	_		_	-			_
Transport	1,857	3,118	2,511	1,952	3,130	3,035	3,289	3,794	3,636	3,903	3,528	3,1
Sea transport	714	802	561	620	715	673	648	680	630	972	613	8
Air transport	1,136	2,314	1,944	1,329	2,410	2,358	2,638	3,107	3,006	2,927	2,912	2,2
Other modes of transport	-,		-	-	-,	_,	-,	-	-	-,	-,	-,-
Of which:												
Passenger	125	580	353	-	746	496	874	1,123	905	842	1,299	4
Freight					-		-				-,	
Other	1,725	2,536	2,152	1,949	2,379	2,535	2,412	2,664	2,730	3,057	2,225	2,6
Postal and courier services	7	2,550	6	3	5	4	3	7	2,750	4	4	2,0
Travel	14,204	7,470	7,555	7,434	9,075	8,340	11,296	11,469	17,659	19,353	11,664	9,3
Business	10,912	4,619	4,624	4,849	7,269	7,065	9,530	9,970	16,519	18,060	11,572	8,5
Personal	3,292	2,851	2,932	2,585	1,806	1,275	1,767	1,499	1,140	1,292	92	
Health related	-	2,031	-	-	4	8	-	1,477	-	- 1,272		
Education related				11	13	11	23	2	-	-		
Other	3,292	2,851	2,932	2,574	1,789	1,255	1,744	1,497	1,140	1,292	92	
Telecommunications, computer, and ir	5,292	2,831	2,932 572	327	537	393	288	678	72	409	439	1,
		217		321		378	287			385	385	
Telecommunications	666	-	572		526			676	68			1,
Computer and information services	1			6	10	15	1	3	4	25	54	
Construction	35	86	871	178	-	182	68	449	953	679	311	
Insurance and pension services	-	-	-	-	-	-	-	-	-	-	-	
Financial services	16	720	9	31	-	15	3	36	26	41	179	
Charges for the use of intellectual pro	-	-	-	-		-	-	-	-	-	-	
Other business services	1,105	2,072	3,208	1,739	1,575	2,111	1,149	1,578	1,688	2,189	2,180	3,9
Personal, cultural, and recreational ser	765	266	551	616	226	313	175	681	343	459	285	
Government goods and services n.i.e	2,401	2,850	3,070	4,530	2,563	3,373	2,298	3,238	4,373	3,910	5,454	8,7
ervices Debit	32,564	24,860	24,078	23,155	23,869	24,233	24,436	19,138	22,879	27,004	27,839	26,0
Manufacturing services on physical in	-	-	-	-	-	-	-	-	-	-	-	
Maintenance and repair services n.i.e.	-	-	-	-	-	-	-	-	-	-	-	
Transport	17,027	12,795	9,263	11,001	10,865	14,543	10,272	9,739	10,129	10,880	10,953	10,
Sea transport	5,816	6,446	4,805	5,091	5,254	5,270	3,051	3,850	4,590	5,127	3,536	4,
Air transport	11,203	6,341	4,448	5,890	5,573	9,255	7,212	5,883	5,535	5,748	7,411	6,
Other modes of transport	-	-	-	-	-	-	-	-	-	-	-	
Of which:												
Passenger	10,460	5,849	4,089	5,586	5,155	8,880	6,855	5,413	5,205	5,390	7,076	5,
Freight	5,572	4,678	3,724	3,955	4,264	4,612	3,319	3,656	4,433	5,042	3,736	4,
Other	987	2,259	1,440	1,440	1,408	1,032	89	664	486	442	135	
Postal and courier services	7	8	11	20	38	18	9	6	5	6	6	
Travel	3,561	3,310	4,559	3,453	3,342	3,379	5,880	3,855	3,966	5,017	6,067	5,
Business	1,719	2,219	2,396	2,070	2,041	1,997	2,899	2,394	2,482	3,490	4,134	3,
Personal	1,842	1,091	2,163	1,382	1,301	1,382	2,981	1,461	1,485	1,527	1,933	1,
Health related	175	152	81	227	106	219	775	291	351	217	367	
Education related	601	363	522	659	503	457	1,224	567	723	862	1,135	
Other	1,066	576	1,560	496	692	706	982	603	411	449	430	
Telecommunications, computer, and ir	908	1,431	1,052	2,016	3,722	1,824	885	679	533	708	741	
Telecommunications	729	831	1,049	2,016	3,722	1,806	876	634	448	562	627	
Computer and information services	179	601	3	-	-	19	9	45	85	146	114	
Construction	215	437	498	514	172	172	48	12	4	106	100	
Insurance and pension services	848	789	636	565	803	708	571	583	734	734	761	
Financial services	987	342	741	124	322	77	116	281	619	729	975	
Charges for the use of intellectual pro	-	-	-	-	- 322	-	-	201	-	-	-	
				-	-	-		-	-		-	
Other business services	1 //05	990	1 586	1 212	1.611	1.87/	2 810	1.082	807	3.017	1 051	2
Other business services Personal, cultural, and recreational ser	1,495 520	990 505	1,586 282	1,212 156	1,611 381	1,874 338	2,819 420	1,083 557	897 468	3,017 1,732	1,951 868	2, 1,

Table 4.	Primary	Income	Account	T\$(thousands)

	Qtr 3 2008	Qtr 4 2008	Qtr 1 2009	Qtr 2 2009	Qtr 3 2009	Qtr 4 2009	Qtr 1 2010	Qtr 2 2010	Qtr 3 2010	Qtr 4 2010	Qtr 1 2011	Qtr 2 2011
Balance on Primary Income	3,159	3,671	2,951	3,577	222	1,368	3,436	2,608	865	4,609	3,391	7,558
Primary Income Credits	4,571	6,111	5,079	5,522	4,433	5,428	7,546	4,997	6,420	6,200	7,506	9,22
Compensation of Employees	2,813	2,350	1,894	1,905	2,098	2,584	1,733	2,126	2,523	3,331	2,714	5,88
Investment income	1,758	3,761	3,186	3,617	2,335	2,845	5,813	2,871	3,897	2,869	4,792	3,33
Direct investment	-	-	0	-	-	-	-	-	-	-	-	-
Portfolio investment	-	-	-	-	-	-	-	-	-	-	-	-
Other investment	1,758	3,761	3,185	3,617	2,335	2,845	5,813	2,871	3,897	2,869	4,792	3,339
Reserve assets	-	-	-	-	-	-	-	-	-	-	-	-
Other primary income	-	-	-	-	-	-	-	-	-	-	-	-
Primary Income Debits	1,412	2,440	2,128	1,945	4,211	4,060	4,110	2,389	5,555	1,590	4,115	1,66
Compensation of Employees	25	98	32	38	532	784	636	8	52	15	32	3.
Investment income	1,387	2,341	2,096	1,907	3,679	3,276	3,474	2,381	5,503	1,575	4,083	1,633
Direct investment	-	-	-	-	2	35	-	-	-	-	-	-
Portfolio investment	-	-	-	-	-	-	-	-	-	-	-	-
Other investment	1,387	2,341	2,096	1,907	3,678	3,241	3,474	2,381	5,503	1,575	4,083	1,63
Other primary income	-	-										

Table 5: Secondary Income Account, T\$(,	0/ 42000	0. 1 2000	04 2 2000	01.220	0: 12000	01 1 2010	01 2 2010	01 2 2010	01 42010	0. 1 2011	0/ 2 2011
	Qtr 3 2008	Qtr 4 2008	Qtr 1 2009	Qtr 2 2009	Qtr 3 20	Qtr 4 2009	Qtr 1 2010	Qtr 2 2010	Qtr 3 2010	Qtr 4 2010	Qtr 1 2011	Qtr 2 2011
Balance on Secondary Income	56,795	51,534	43,396	50,017	45,761	49,585	44,077	53,924	56,508	55,026	43,976	53,245
Secondary Income Credits	63,469	57,919	49,123	54,593	51,209	56,530	47,509	58,641	59,930	60,135	49,226	56,959
General government	11,098	5,970	11,098	11,098	12,141	12,141	12,141	12,141	18,741	18,741	18,741	18,741
Deposit-taking corporations and other	52,371	51,948	38,025	43,495	39,068	44,389	35,368	46,500	41,189	41,395	30,486	38,219
Personal transfers	45,770	45,477	32,087	37,312	31,671	36,467	28,850	37,162	35,303	33,702	26,243	29,870
Of which: Workers' remittances	45,770	45,477	32,087	37,312	31,671	36,467	28,850	37,162	35,303	33,702	26,243	29,870
Other current transfers	6,600	6,471	5,938	6,183	7,397	7,922	6,518	9,339	5,886	7,693	4,243	8,348
Secondary Income Debits	6,674	6,385	5,727	4,576	5,448	6,946	3,433	4,718	3,422	5,110	5,250	3,714
General government	571	1,578	734	278	588	2,432	963	1,367	553	1,900	793	953
Deposit-taking corporations and other	6,103	4,807	4,993	4,297	4,860	4,513	2,470	3,350	2,869	3,210	4,457	2,761
Personal transfers	5,583	3,949	4,552	3,999	4,193	3,991	2,068	2,993	2,381	2,776	3,733	2,275
Of which: Workers' remittances	5,583	3,949	4,552	3,999	4,193	3,991	2,068	2,993	2,381	2,776	3,733	2,275
Other current transfers	520	858	442	298	667	523	402	357	488	434	724	486

	Qtr 3 2008	Qtr 4 2008	Qtr 1 2009	Qtr 2 2009	Qtr 3 2009	Qtr 4 2009	Qtr 1 2010	Qtr 2 2010	Qtr 3 2010	Qtr 4 2010	Qtr 1 2011	Qtr 2 2011
Balance on Capital Account	71,793	17,441	37,932	35,818	28,220	82,948	21,714	20,119	37,532	46,291	35,896	93,293
Capital Account Credits	71,952	17,485	38,317	35,859	28,524	84,739	22,239	20,255	37,647	46,456	35,938	93,301
Gross disposals of nonproduced nonfii	48,000	-	-	-	-	-	-	-	-	-	-	-
Capital transfers	23,952	17,485	38,317	35,859	28,524	84,739	22,239	20,255	37,647	46,456	35,938	93,30
General government	15,378	8,612	29,948	28,679	20,704	75,739	21,170	19,836	35,154	44,946	34,742	92,539
Debt forgiveness	-	-	1,186	-	-	-	-	-	-	-	-	-
Other capital transfers	15,378	8,612	28,762	28,679	20,704	75,739	21,170	19,836	35,154	44,946	34,742	92,539
Deposit-taking corporations and oth	8,574	8,873	8,369	7,180	7,820	9,000	1,069	419	2,493	1,510	1,196	76
Debt forgiveness	-	-	-	-	-	-	-	-	-	-	-	-
Other capital transfers	8,574	8,873	8,369	7,180	7,820	9,000	1,069	419	2,493	1,510	1,196	76
Capital Account Debits	159	45	385	41	303	1,791	525	136	115	165	42	
Gross acquisitions of nonproduced nor	-	-	-	-	-	-	-	-	-	-	-	-
Capital transfers	159	45	385	41	303	1,791	525	136	115	165	42	
General government	159	-	-	-	281	500	1	-	-	-	-	-
Debt forgiveness	-	-	-	-	-	-	-	-	-	-	-	-
Other capital transfers	159	-	-	-	281	500	1	-	-	-	-	-
Deposit-taking corporations and oth	-	45	385	41	23	1,291	524	136	115	165	42	
Debt forgiveness	-	-	-	-	-	-	-	-	-	-	-	-
Other capital transfers	-	45	385	41	23	1,291	524	136	115	165	42	

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