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Panama: Selected Issues and Statistical Appendix

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PANAMA

Selected Issues and Statistical Appendix

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Approved by the Western Hemisphere Department

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	Page
Basic Data	3
I. Social Security System—Current Trends and Directions for Reform.....	5
A. Basic Characteristics of the System	5
B. The CSS's Financial Situation	6
C. The Complementary Public Pension Scheme FCPS and its Conversion to SIACAP	8
D. Strategies for Further Reform	10
Text Tables	
1. CSS Pension Benefits	6
2. Demographic Development	7
Statistical Appendix Tables	
3. National Accounts by Productive Activity	12
4. National Accounts by Use	14
5. Savings and Investment	15
6. Agricultural Production	16
7. Value-Added in Manufacturing	17
8. Electricity Generation and Consumption.....	18
9. Private Sector Construction Permits, District of Panama	19
10. Domestic Sales of Petroleum	20
11. Labor Force Statistics	21
12. Average Prices Received by Farmers	22
13. Selected Price Indices	23
14. Consumer Price Index	24
15. Wholesale Price Index	25
16. Selected Energy Prices.....	26
17. Operations of the Nonfinancial Public Sector.....	27

18.	Central Government Operations	29
19.	Central Government Revenue	31
20.	Central Government Expenditure	32
21.	Operations of the Social Security Agency	33
22.	Operations of the Decentralized Agencies	34
23.	Operations of the Public Enterprises.....	35
24.	Nonfinancial Public Sector Gross Domestic Debt	36
25.	Accounts of the Banking System.....	37
26.	Summary Operations of the Banking System	40
27.	Private Sector Deposits	41
28.	Offshore Operations of Private Banks	42
29.	Interest Rate Structure.....	43
30.	Banking System Credit to the Domestic Private Sector by Economic Activity	44
31.	Public Sector Banks—Operating Revenue and Expenditure	45
32.	Public Sector Banks—Portfolio in Arrears.....	47
33.	Balance of Payments.....	48
34.	Summary Balance of Payments	50
35.	Composition of Merchandise Exports	51
36.	Petroleum Trade.....	52
37.	Nontraditional Exports and Issue of Tax Credit Certificates	53
38.	Composition of Merchandise Imports, (c.i.f.).....	54
39.	Direction of Trade.....	55
40.	Net Services Receipts	56
41.	Operations of the Colon Free Zone.....	57
42.	Canal Statistics.....	58
43.	Principal Commodities Shipped Through the Canal	59
44.	Travel Receipts and Expenditure, and Number of Visitors	60
45.	Public Sector, External Debt and Debt Service	61
46.	External Public Debt Indicators	62
47.	Operations on Medium- and Long-term External Debt of the Nonfinancial Public Sector Classified by Creditor.....	63
48.	Arrears on Public Sector External Debt Service.....	66

Panama: Basic Data

I. Social and Demographic Indicators

Area (thousand sq. km)	77,082	Health (1994)	
Population (1999)		Per capital calorie intake	2,534
Total (million)	2.8	Population	
Rate of increase (percent a year)	1.7	Per physician	808
Density (per sq. km.)	36	Per hospital bed	
GDP per capita (US\$) (1999)	3,416	(1992)	335
Unemployment (Aug. 1999)	11.6	Access to safe water (percent	
Population characteristics (1996)		of population, 1996)	
Life expectancy at birth (years)	73.8	Total	82
Crude birth rate (per thousand)	22.1	Urban	84
Crude death rate (per thousand)	4.9	Rural	68
Infant mortality (per thousand live births)	21.8	Education (in percent, 1996)	
Income distribution (1995)		Secondary education	
By highest 20 percent of households	60	enrollment rates	68
By lowest 20 percent of households	2	GDP (1999)	US\$9,604 million

II. Economic Indicators

	1995	1996	1997	1998	Est. 1999
(In percent changes)					
National accounts and prices					
GDP at constant 1982 market prices	1.8	2.8	4.5	4.1	3.5
Agriculture and mining	3.1	0.8	1.2	3.3	7.2
Manufacturing and construction	1.3	-2.1	6.1	4.1	0.1
Services	1.6	4.2	4.8	4.0	3.5
Consumer price index (end-of-period)	0.8	2.3	-0.5	1.4	1.5
Monetary 1/					
Net domestic assets	6.9	7.3	9.4	17.0	15.1
Credit to the public sector	-3.9	2.5	-2.0	-1.3	-0.2
Credit to the private sector	11.9	7.0	12.5	21.9	16.2
Liabilities to the domestic private sector	8.2	8.1	15.3	12.2	11.2
Real effective exchange rate 2/	-4.1	0.5	1.0	0.5	1.5
(In percent of GDP) 3/					
Investment and saving					
Gross investment	30.2	30.5	31.1	34.3	35.6
Private investment	26.8	26.7	26.8	27.9	29.4
Gross national saving	25.6	26.8	24.1	21.0	21.8
Private saving	22.3	22.8	21.1	18.5	17.6
Nonfinancial public sector					
Revenue and grants	29.2	27.9	28.7	28.3	30.2
Expenditure	29.0	27.5	28.9	31.3	31.9
Current	25.6	23.7	24.5	24.9	25.7
Capital	3.4	3.8	4.3	6.4	6.2
Primary balance	5.6	3.8	3.7	0.8	3.3
Overall balance	0.2	0.4	-0.2	-3.0	-1.7
External current account	-4.7	-3.7	-6.9	-13.3	-13.8
Gross public debt					
External	86.5	77.2	71.9	69.5	73.2
Domestic	74.5	62.0	57.8	58.1	58.4
	12	15.2	14.1	11.4	14.8

Panama: Basic Data

	1995	1996	1997	1998	Est. 1999
(In millions of U.S. dollars)					
Balance of payments					
Trade balance	-588.9	-644.1	-700.3	-1,371.1	-1,464.1
Exports, f.o.b.	744.4	740.6	844.3	864.2	825.8
Imports, f.o.b.	-1,997.4	-2,248.9	-2,462.2	-2,736.9	-2,840.0
Colon free zone (net)	664.1	864.2	917.6	501.6	550.1
Services, income, and transfers (net)	219.8	342.2	96.8	159.4	134.7
<i>Of which:</i>					
Interest on public debt	-393.2	-243.3	-282.3	-303.2	-396.9
Current account	-369.1	-301.9	-603.5	-1,211.7	-1,329.4
Capital and financial account balance (including errors and omissions)	115.9	601.0	746.0	988.1	1,214.9
Public (including grants)	-68.7	-108.4	-433.8	-89.5	37.2
Private	209.6	879.8	1,435.9	1,045.9	848.8
Errors and omissions	-25.0	-154.3	-378.7	-195.0	0.0
Overall balance	-253.2	299.1	142.6	-223.5	-114.4
Stock of net foreign assets of BNP	708.7	952.1	1,082.3	906.3	799.5
Stock of external payments arrears	3,938.1	92.8	41.2	0.0	0.0
Memorandum item:					
Debt-service ratio 4/	22.4	15.2	44.3	19.8	25.4
IMF data (as of December 31, 1999)					
Article VIII status					
Intervention currency and rate					B 1.00 per U.S. dollar
Quota					SDR 206.6 million
Fund holdings of local currency					SDR 303.1 million
From Fund resources (including SBA and EFF)					SDR 178.9 million
Fund holdings as percent of quota					146.7
Arrears with the Fund					None
Special Drawing Rights Department					
Net Cumulative SDR allocation					SDR 26.3 million
Holdings of SDRs					SDR 1.2 million

Sources: Panamanian authorities; and Fund staff estimates.

1/ In percent of initial stock of liabilities to the private sector.

2/ Based on period average.

3/ Reflects the authorities' revisions to nominal GDP for 1996 and 1997.

4/ External debt service as percent of exports of goods and services. In 1997 the increase reflects debt restructuring involving the retirement of Brady bonds.

I. SOCIAL SECURITY SYSTEM—CURRENT TRENDS AND DIRECTIONS FOR REFORM

A. Basic Characteristics of the System

1. Panama's social security system consists of the Social Security Agency (*Caja de Seguro Social* or CSS) and several complementary schemes. The CSS covers all private and public workers, while the complementary schemes provide additional benefits to selected groups. The civil servants' pension fund *Fondo Complementario de Prestaciones Sociales* (FCPS) has in the past been the largest of the complementary schemes; it has recently undergone a fundamental reform (Section C).
2. The CSS consists of several programs that cover the risks of old age, sickness, disability and occupational hazard. These are the old-age and disability pension program, *Programa de Invalidez, Vejez y Muerte* (IVM), the health program, *Programa de Enfermedad y Maternidad* (EM), and a program covering the risk of work accidents, *Programa de Riesgos Profesionales* (RP).
3. The CSS's coverage extends to about 60 percent of Panama's population, and includes 550,000 active contributors, 107,000 pensioners, and 980,000 dependents. About half of the economically active population contributes to the CSS. The number of private sector contributors has been growing less rapidly recently than private sector employment, so that the private sector coverage rate has fallen. The same is true of the public sector.¹
4. The CSS is financed through payroll taxes (contributions) whose combined rate exceeds 20 percent. Contributions are paid by employees and employers at the rate of 9.5 percent (2.8 percent employer and 6.8 percent employee) for the IVM program; and 8.5 percent (8.0 percent employee and 0.5 percent employer) for the EM program. The average contribution rate for the RP program varies between 0.9 and 5 percent according to the risk category, and there are a few other minor levies.
5. Eligibility for a retirement pension requires that the male contributors have attained the age of 62 years. The minimum pensionable age for women is 57 years. In addition, a plan participant must have made at least 180 monthly contributions (over a minimum period of 15 years).
6. Pension levels are generous. The pensionable base, the reference wage, is defined as the average of the best seven years of a worker's wage history. For the minimum contribution period of 15 years a worker receives a pension of 60 percent of the reference wage; for every additional year of contribution payments 1¼ percentage points are added. Thus, as shown in the table below, a person who has paid contributions over a working life of 40 years reaches a

¹ Between 1991–97, the rates of growth were as follows: private sector employment 7.0 percent; private sector contributors 5.6 percent; public sector employment 2.5 percent; public sector contributors 1.4 percent.

replacement level of above 90 percent of the reference wage. Although a ceiling of US\$1,500 per month applies to pensions, the ceiling is not binding in practice on most pensioners, given that the average monthly wage is less than US\$540. When measured in terms of the average Panamanian wage the CSS's average replacement rates are 89 percent for old-age pensions, 68 percent for disability pensions, and 36 percent for survivor benefits.

Table 1. Panama: CSS Pension Benefits

Years of contribution	15	20	25	30	35	40
Replacement rate (In percent of reference wage)	60.00	66.25	72.50	78.75	85.00	91.25

B. The CSS's Financial Situation²

7. The CSS's expenditure accounts for almost 9 percent of GDP, and is roughly half of Panama's total social expenditure (including expenditure on education). Transfer payments represent about 56 percent of current expenditure; the remaining 44 percent are operational expenditure for benefits in kind (e.g., services provided under the health program) and administrative costs. In 1998, the CSS's revenue was structured as follows: (1) 79 percent from contribution revenue; (2) 5 percent from public transfers to cover administrative costs; and (3) 16 percent from "other sources," mainly the earnings on its accumulated surplus.³

8. For 1999, the CSS is projected to run a surplus of about US\$160 million. The financial balance is in surplus even excluding the government transfer. Under the IVM program a capital reserve of about US\$1.4 billion has been accumulated, and is deposited with the Banco Nacional de Panama (BNP).

² This section draws on a recent study conducted by the International Labor Organization (ILO) which evaluates the CSS's actuarial situation. It is henceforth referred to as "the ILO report".

³ Employers' lack of compliance with their contribution obligations is a problem in Panama, as it is in most other Latin American countries. In many cases, companies not only neglect to pay the employer's share of the contribution, but also fail to remit the employee's share that they withhold from his or her pay-check. The stock of contribution arrears has reached US\$50 million (0.5 percent of GDP). This figure does not take into account the accumulated revenue loss from outright evasion or nonreporting. A law that will increase the penalties for employers' noncompliance is under preparation.

9. Nevertheless, financial sustainability is not guaranteed over the medium term. The aging of Panama's population together with generous benefits will put pressure on the CSS's finances, in particular on its main program, the IVM pension scheme. The number of pensioners is projected to rise from 101,000 in 1998 to 292,000 in 2020. For every Panamanian who was 60 and older in 1995, there were almost eight working-age Panamanians. By 2020, there will be less than five.

Table 2. Panama: Demographic Development

	1995	2000	2005	2010	2015	2020
Support ratio (Population aged 15-59/ Population aged 60 and above)	7.7	7.5	6.9	6.3	5.5	4.8
Total number of pensioners in IVM Program (in thousands)	101	120	154	191	238	292

10. The reserves of the CSS are well below its legal reserve requirement. The IVM scheme is intended to operate as a partially funded pay-as-you-go scheme. The Organic Law, Article 34 and 34a, requires the CSS to maintain a level of capital reserves equal to the present value of all the pensions that have been granted under the IVM program as of the date the reserves are valued. The ILO report's analysis shows that this rule implies that reserves should be about 9 to 10 times the scheme's annual pension outlays. Given the IVM's annual outlays of almost US\$360 million, its legal reserve should therefore be around US\$3.5 billion. Comparing this figure to the actual capital reserve of US\$1.4 billion, results in a shortfall of about US\$2.1 billion. Even if it fulfilled its legal reserve obligation, the CSS would not be fully capitalized, and so would be actuarially unbalanced. The Organic Law's reserve definition only requires funding for the pensions currently being paid, however, it does not take into account the present value of the accumulated claims of those who currently contribute to the system. To account for them, the CSS would need a capital reserve of US\$8.5 billion. By this definition the shortfall would reach US\$7.1 billion.

11. Whether the reserve shortfall is calculated relative to the legally required reserve or this second and broader definition, it is clear that the system's finances have deteriorated. The legal reserve shortfall of US\$2.1 billion now represents over 150 percent of the IVM program's book value reserve (US\$1.4 billion). In 1984, the shortfall, calculated in the same way, amounted to 50 percent of the program's reserve. This means that over the past 15 years the CSS has never been able to fund its pension commitments to the level required by its Organic Law, and that the gap between its actual funding level and the level stipulated by the law has widened.

12. Actuarial calculations aside, the fact that the revenue from contributions is not covering the CSS's current expenditure together with the projected decline in the support ratio are clear indicators of future financial pressures. A financial surplus is only achieved today because of the financial income from the system's capital reserves. By the year 2013, the ILO report predicts, the CSS's current revenue from both contributions and financial investments will no longer suffice to cover its expenditure. The CSS will then have to encroach on its reserves to pay its pension obligations. In the meantime, the widening gap between pensions and contributions will, other things unchanged, contribute to a growing public sector borrowing requirement.

C. The Complementary Public Pension Scheme FCPS and its Conversion to SIACAP

13. Until 1999, the FCPS functioned as a complementary scheme to the CSS with participation in it being obligatory for civil servants. Its benefit was designed to "top up" the benefit provided under the CSS plan to provide a 100 percent replacement of a civil servant's salary upon retirement. Already before the FCPS was found in 1975, there had been Special Laws (*Leyes Especiales*) in place since the 1930s, which provided very favorable treatment for certain groups of civil servants.

14. The FCPS was underfunded almost from its inception. It was supposed to operate as a pay-as-you-go system, but received a contribution of only 2 percent of a civil servant's salary. At the same time, given an average CSS salary replacement between 70 percent and 80 percent, the additional benefit payment required to lift a civil servant's pension to the promised 100 percent of the pensionable base could often be substantial. The burden on the FCPS was further increased by a backloaded pension formula, which created a strong incentive for strategic behavior: salary increases close to retirement would significantly raise a worker's pension at no direct cost for his manager's programmed budget.⁴ As a result, the scheme was clearly in the red in 1978 and never managed to balance its finances thereafter.

15. By 1994 the annual deficit of the FCPS had reached US\$34 million (0.5 percent of GDP)—a sizeable amount given the relatively small number of persons benefiting from the scheme. The scheme's contributions covered less than 40 percent of its expenditure. Its actuarial deficit was estimated to be near US\$870 million, implying that its cash-flow imbalance would increase further in the future. This situation did not only imply growing pressure on the budget, stemming from the transfers that were necessary to cover for unfunded benefit outlays. It was also inequitable, since the general taxpayer was helping to finance generous pensions to FCPS participants—comprising active contributors and retirees—who only constituted 6 percent of the total population.

16. The problems with the FCPS led to the decision to convert it into a voluntary, self-financed, defined contribution, private pension capital scheme, the *Sistema de Ahorros y*

⁴ The reference wage was based on the average of the five best salaries of the last 15 years of work.

Capitalización de Pensiones de los Servidores Públicos (SIACAP). A reform agenda was worked out with assistance from the Inter-American Development Bank (IDB) and the World Bank, and the government officially embarked on the conversion process with a law passed in February 1997. The basic rationale for reform was the need to halt the continuous drain on the budget and solve the connected equity problem. However, the introduction of SIACAP was also expected to help increase Panama's private sector saving ratio and foster the development of the domestic capital market.

17. Recognition bonds of US\$397 million were issued to the new system to cover the value of the contributors' past contributions.⁵ These liabilities result from the contribution payments participants had made between 1975 and 1997. A simple summation of the contributions recorded in the system's books over this period yields a figure of US\$225 million. The net present value of these contributions, hence the implicit liability to be covered by recognition bonds, was calculated by using an interest rate of 5 percent. The current impact of this operation on the public finances is attenuated by the fact that recognition bonds are nonnegotiable and redeemable only at retirement. However, recurring debt service costs will commence immediately.

18. SIACAP's investments are subject to several legal restrictions. Only 10 percent of the capital can be invested abroad. Moreover, 30 percent to 50 percent must be invested in government guaranteed financial instruments. An administrative counsel for the SIACAP was appointed in 1998 and fund managers were contracted through public bidding and should commence their work soon.

19. The law allows several options for holders of redeemable recognition bonds. These include the purchase of a life annuity, full withdrawal of accumulated contributions upon retirement, a programmed withdrawal, or a combination of these.⁶ It is estimated that about 800 to 900 participants are already eligible to redeem their recognition bonds. It is not clear, however, whether these persons are aware of this right.

20. So far, about 60,000 active civil servants have joined SIACAP. Since the conversion to SIACAP affected every person who had contributed to the FCPS in the past, the SIACAP's books record a total of 234,000 persons. However, about 84,000 are former civil servants, including persons affected by the privatization of public enterprises who no longer work for the public sector. Of the remaining 150,000 active civil servants, about 90,000

⁵ This value would be less than the future pension benefits promised to plan participants under the scheme, since the value of contributions plus interest would fall well short of the present expected value of contributors' pensions.

⁶ Under a programmed withdrawal, the retiree and the insurance company agree on a stream of withdrawals over a given period of time. A similar option exists under the privatized Chilean system, and is quite popular.

decided not to participate in the SIACAP, as it has now become a voluntary scheme.⁷ Those who joined SIACAP continue to contribute at the rate of 2 percent of their salary, as before under the FCPS.

21. Pension levels for civil servants will drop owing to SIACAP. The level of benefits it provides will depend on the value of contributions made and the rate of return they earn. World Bank estimates, assuming a real rate of return of 3 percent to 4 percent, show that the current contribution rate of 2 percent would provide a life annuity of only about 8 percent to 10 percent of a civil servant's last salary. Thus, a civil servant whose CSS pension is below 90 percent—as is the case for everyone with less than 40 years of contribution payments—will receive pensions whose combined replacement rate is below the 100 percent previously guaranteed by the FCPS.

D. Strategies for Further Reform

22. The conversion of the FCPS is a first step toward a comprehensive reform of the whole system. Although the CSS is not as yet in a state of crisis, its financial trend shows the need to reconsider existing minimum ages, pension formulas, benefit structures and the system's administrative efficiency. The system has not undergone any significant changes since its (partial) reform in 1992, when the pensionable age and contribution rates were increased to their current levels.

23. The statutory retirement age is low in Panama—particularly for women, even when compared with that of other countries with similar demographic characteristics and life expectancies. The five-year difference with respect to the retirement age of men is large, notwithstanding the common practice in public pension schemes of allowing women to retire at an earlier age than men.⁸ One possible reform could be to raise the retirement age to 60 for women and 63 for men in a first step, and possibly further to 62 and 65 respectively, provided some difference between men's and women's retirement age is to be maintained. Such retirement ages are common in public pension schemes around the world, and they still only partly compensate for the general increase in longevity over the past decades.

24. Further, the link between contributions and benefits should be strengthened. The increase in the pension that results from an additional year of contribution is low: 1¼ percent. This can be seen as the consequence of the relatively high minimum pension of 60 percent of the reference salary for plan participants who have only 15 years of contributions, since a

⁷ There have been problems in convincing some groups of public servants to enroll into the SIACAP scheme. For example, some teachers' unions recommend to their members that they not join the scheme.

⁸ As women on the average also live longer than men, this practice is definitely not justifiable on an actuarial basis. The European Union has obliged its member states to set unified statutory retirement ages for men and women as to avoid discrimination.

higher accrual rate would entail even higher replacement ratios. The present benefit formula creates an incentive for plan participants to keep their contribution period to a minimum, since they can still receive a sizeable pension without many years of contributions. Lowering the minimum replacement rate below 60 percent and increasing the accrual rate would strengthen the contribution link, and thereby reduce the adverse incentive effect the present benefit formula creates. Additional years of contributions would increase the value of the pension by more than they do now.

25. The IVM's high replacement levels should gradually be reduced. As noted above, old-age pensions reach a level of almost 90 percent of the average Panamanian wage. Consequently, a reduction of these benefits would be possible without jeopardizing the CSS's objective of providing basic income security for the elderly. Lower pension levels could make an important contribution to fiscal consolidation, and would also be related more appropriately to the IVM's relatively low contribution rate: to reach replacement levels of up to 90 percent of the seven highest annual salaries by only contributing 9.5 percent of all salaries is not possible in the mature public pension schemes of other countries.⁹

26. As an alternative to tackling expenditure, the ILO report outlines a strategy to achieve actuarial balance from the revenue side. It recommends augmenting the system's capital reserves and setting out a time schedule for the contribution rate increases necessary in order to meet these capitalization requirements. However, given the relative generosity of benefits, and the need to keep labor costs low, payroll tax increases are probably not advisable. Reforms should instead emphasize changes to the benefit formula and the minimum age.

⁹ Many European schemes offer replacement levels close to those of the Panamanian CSS, but they also require much higher contributions. In the German public pension scheme, for example, replacement rates may reach 70–80 percent, but they are funded by a contribution rate of 20 percent; i.e., more than double the IVM's 9.5 percent rate.

Table 3. Panama: National Accounts by Productive Activity

	1994	1995	1996	1997	1998
(In millions of balboas at 1982 prices)					
Gross domestic product at market prices	6,091.3	6,198.0	6,372.2	6,657.4	6,931.8
Primary activity	502.4	517.8	522.2	528.5	546.1
Agriculture	493.3	509.2	515.0	514.9	535.6
Mining	9.1	8.6	7.2	13.6	10.5
Secondary activity	863.2	874.6	856.2	908.6	945.9
Manufacturing	614.6	615.8	608.1	646.8	671.0
Construction	248.6	258.8	248.1	261.8	274.9
Services	4,710.1	4,784.2	4,984.2	5,225.9	5,434.3
Public utilities	255.0	259.9	305.9	308.2	292.8
Commerce, restaurants, and hotels	1,289.8	1,280.4	1,267.8	1,381.2	1,424.9
Colon Free Zone wholesale	533.6	516.6	490.2	570.5	571.5
Restaurants and hotels	90.3	95.0	100.9	107.7	113.4
Other	665.9	668.8	676.7	703.0	740.0
Transport and communications	695.8	761.3	780.1	824.9	876.1
Panama Canal Commission	362.4	419.4	429.9	421.9	426.1
Other transport and comm.	333.4	341.9	350.2	403.0	450.0
Financial intermediation	675.0	641.8	725.4	729.2	787.8
Housing	821.1	841.4	879.2	908.8	948.4
Public administration	632.0	653.5	665.3	690.6	711.3
Other services	341.4	345.9	360.5	383.0	393.0
Plus: import taxes 2/	245.2	249.8	256.5	270.4	293.5
Less: imputed banking services	229.6	228.4	246.9	276.0	288.0
(Percent change)					
Gross domestic product at 1982 market prices	2.9	1.8	2.8	4.5	4.1
Primary activity	2.8	3.1	0.8	1.2	3.3
Agriculture	2.7	3.2	1.1	0.0	4.0
Mining	9.6	-5.5	-16.3	88.9	-22.8
Secondary activity	3.7	1.3	-2.1	6.1	4.1
Manufacturing	4.3	0.2	-1.3	6.4	3.7
Construction	2.2	4.1	-4.1	5.5	5.0
Services	4.5	1.6	4.2	4.8	4.0
Public utilities	6.3	1.9	17.7	0.8	-5.0
Commerce, restaurants, and hotels	4.9	-0.7	-1.0	8.9	3.2
Colon Free Zone wholesale	9.3	-3.2	-5.1	16.4	0.2
Restaurants and hotels	5.7	5.2	6.2	6.7	5.3
Other	1.5	0.4	1.2	3.9	5.3
Transport and communications	4.4	9.4	2.5	5.7	6.2
Panama Canal Commission	3.0	15.7	2.5	-1.9	1.0
Other transport and comm.	6.1	2.5	2.4	15.1	11.7

Table 3. Panama: National Accounts by Productive Activity (Concluded)

	1994	1995	1996	1997	1998
Financial intermediation	4.3	-4.9	13.0	0.5	8.0
Housing	4.4	2.5	4.5	3.4	4.4
Public administration	3.3	3.4	1.8	3.8	3.0
Other services	4.9	1.3	4.2	6.2	2.6
Plus: import taxes 2/	3.9	1.9	2.7	5.4	8.5
Less: imputed banking services	62.3	-0.5	8.1	11.8	4.3
(Percent distribution)					
Gross domestic product at 1982 market prices	100.0	100.0	100.0	100.0	100.0
Primary activity	8.2	8.4	8.2	7.9	7.9
Agriculture	8.1	8.2	8.1	7.7	7.7
Mining	0.1	0.1	0.1	0.2	0.2
Secondary activity	14.2	14.1	13.4	13.6	13.6
Manufacturing	10.1	9.9	9.5	9.7	9.7
Construction	4.1	4.2	3.9	3.9	4.0
Services	77.3	77.2	78.2	78.5	78.4
Public utilities	4.2	4.2	4.8	4.6	4.2
Commerce, restaurants, and hotels	21.2	20.7	19.9	20.7	20.6
Colon Free Zone wholesale	8.8	8.3	7.7	8.6	8.2
Restaurants and hotels	1.5	1.5	1.6	1.6	1.6
Other	10.9	10.8	10.6	10.6	10.7
Transport and communications	11.4	12.3	12.2	12.4	12.6
Panama Canal Commission	5.9	6.8	6.7	6.3	6.1
Other transport and comm.	5.5	5.5	5.5	6.1	6.5
Financial intermediation	11.1	10.4	11.4	11.0	11.4
Housing	13.5	13.6	13.8	13.7	13.7
Public administration	10.4	10.5	10.4	10.4	10.3
Other services	5.6	5.6	5.7	5.8	5.7
Plus: import taxes 2/	4.0	4.0	4.0	4.1	4.2
Less: imputed banking services	3.8	3.7	3.9	4.1	4.2

Sources: Office of the Comptroller General; and Fund staff estimates.

1/ The national accounts for 1980-94 were revised and published in December 1995. The base year for the constant price data was updated to 1982 from 1970 and methodological improvements were implemented.

2/ Includes the sales tax: "*impuesto a la transferencia de bienes muebles.*"

Table 4. Panama: National Accounts by Use

	1994	1995	1996	1997	1998
(In millions of balboas at current prices)					
Total domestic demand	7,644.6	8,063.4	8,270.6	9,000.0	9,990.0
Consumption	5,571.0	5,669.2	5,783.2	6,308.9	6,858.7
Public	1,007.3	1,029.7	1,055.4	1,176.2	1,241.9
Private	4,563.7	4,639.5	4,727.8	5,132.7	5,616.8
Gross domestic investment	2,073.6	2,394.2	2,487.4	2,691.1	3,131.3
Public	266.7	272.0	313.4	374.6	583.3
Private 1/	1,806.9	2,122.2	2,174.0	2,316.5	2,548.0
Balance of trade (goods and nonfactor services)	89.3	-157.3	-119.5	-342.5	-846.2
Balance excluding the Colon Free Zone	-824.7	-764.8	-920.4	-1,156.2	-1,280.8
Exports of goods and nonfactor services	7,448.5	7,610.3	7,381.5	8,303.8	8,022.6
Exports excluding the Colon Free Zone	2,069.0	2,264.0	2,299.0	2,493.0	2,562.0
Imports of goods and nonfactor services	7,359.2	7,767.6	7,501.0	8,646.3	8,868.8
Imports excluding the Colon Free Zone	2,893.7	3,028.8	3,219.4	3,649.2	3,842.8
Gross domestic product at current market prices	7,733.9	7,906.1	8,151.1	8,657.5	9,143.8
(In percent of GDP)					
Total domestic demand	98.8	101.9	101.4	104.0	109.3
Consumption	72.0	71.7	70.9	72.9	75.0
Public	13.0	13.0	12.9	13.6	13.6
Private	59.0	58.7	58.0	59.3	61.4
Gross domestic investment	26.8	30.2	30.5	31.1	34.3
Public	3.4	3.4	3.8	4.3	6.4
Private 1/	23.4	26.8	26.7	26.8	27.9
(In percent of GDP)					
Balance of trade (goods and nonfactor services)	1.2	-2.0	-1.5	-4.0	-9.3
Balance excluding the Colon Free Zone	-10.7	-9.7	-11.3	-13.4	-14.0
Exports of goods and nonfactor services	96.3	96.3	90.6	95.9	87.7
Exports excluding the Colon Free Zone	26.8	28.6	28.2	28.8	28.0
Imports of goods and nonfactor services	95.2	98.2	92.0	99.9	97.0
Imports excluding the Colon Free Zone	37.4	38.3	39.5	42.2	42.0
Gross domestic product at current market prices	100.0	100.0	100.0	100.0	100.0
(Percentage change)					
Total domestic demand	5.2	5.5	2.6	8.8	11.0
Consumption	2.6	1.8	2.0	9.1	8.7
Public	6.6	2.2	2.5	11.4	5.6
Private	1.7	1.7	1.9	8.6	9.4
Gross domestic investment	13.0	15.5	3.9	8.2	16.4
Public	-7.7	2.0	15.2	19.5	55.7
Private 1/	16.8	17.4	2.4	6.6	10.0
Exports of goods and nonfactor services	10.9	2.2	-3.0	12.5	-3.4
Exports excluding the Colon Free Zone	3.5	9.4	1.5	8.4	2.8
Imports of goods and nonfactor services	9.4	5.5	-3.4	15.3	2.6
Imports excluding the Colon Free Zone	6.4	4.7	6.3	13.4	5.3
Gross domestic product at current market prices	6.6	2.2	3.1	6.2	5.6

Sources: Office of the Comptroller General; and Fund staff estimates.

1/ Includes changes in inventories.

Table 5. Panama: Savings and Investment

	1994	1995	1996	1997	1998
(In millions of balboas)					
Gross domestic investment	2,073.6	2,394.2	2,487.4	2,691.1	3,131.3
Fixed capital formation (gross)	1,828.8	2,057.9	2,059.2	2,295.0	2,708.3
Public sector	266.7	272.0	313.4	374.6	583.3
Private sector	1,562.1	1,785.9	1,745.8	1,920.4	2,125.0
Changes in inventories	244.8	336.3	428.2	396.1	423.0
Gross national savings	2,057.8	2,025.1	2,185.5	2,087.6	1,919.6
Public sector savings	265.9	262.8	323.9	260.0	224.0
Private sector savings	1,791.9	1,762.3	1,861.6	1,827.6	1,695.6
Foreign savings	-15.8	369.1	301.9	603.5	1211.7
(In percent of GDP)					
Gross domestic investment	26.8	30.2	30.5	31.1	34.3
Fixed capital formation (gross)	23.6	26.0	25.3	26.5	29.6
Public sector	3.4	3.4	3.8	4.3	6.4
Private sector	20.2	22.6	21.4	22.2	23.2
Changes in inventories	3.2	4.3	5.3	4.6	4.6
Gross national savings	26.6	25.6	26.8	24.1	21.0
Public sector savings	3.4	3.3	4.0	3.0	2.4
Private sector savings	23.2	22.3	22.8	21.1	18.5
Foreign savings	-0.2	4.7	3.7	6.9	13.3

Sources: Office of the Comptroller General; and Fund staff estimates.

Table 6. Panama: Agricultural Production

	1994	1995	1996	1997	1998
(In millions of balboas at 1982 prices)					
Total	493.3	509.2	515.0	514.9	545.1
Crops	269.0	262.9	261.6	242.3	244.4
Rice	32.3	33.2	36.0	25.0	40.0
Corn	17.3	17.6	18.2	13.7	16.5
Bananas	136.1	126.6	117.6	112.4	86.0
Sugarcane	19.3	18.2	19.6	21.7	23.9
Coffee	13.2	15.0	15.5	14.6	15.9
Other	50.8	52.3	54.7	54.9	62.1
Livestock	157.3	159.3	167.5	174.2	188.0
Forestry	14.6	12.8	12.0	12.7	12.7
Fish	52.4	74.2	73.9	85.7	100.0
(Annual percent change)					
Total	2.7	3.2	1.1	0.0	5.9
Crops	3.7	-2.3	-0.5	-7.4	0.9
Livestock	1.5	1.3	5.1	4.0	7.9
Forestry	-0.7	-12.3	-6.3	5.8	0.0
Fish	2.1	41.6	-0.4	16.0	16.7

Sources: Office of the Comptroller General; and Fund staff estimates.

Table 7. Panama: Value-Added in Manufacturing

	1994	1995	1996	1997	1998
(In millions of balboas at 1982 prices)					
Total	614.6	615.8	608.1	646.8	673.4
Food	237.1	245.5	246.4	265.5	295.2
Beverages	53.7	52.7	53.3	58.4	63.2
Tobacco	27.8	27.2	29.2	28.6	8.2
Petroleum products	15.1	10.5	17.3	17.5	19.3
Textiles and garments	38.1	34.4	30.3	27.8	25.8
Leather products and footwear	11.6	13.0	10.9	9.8	8.7
Wood and furniture	31.4	27.6	28.4	31.1	35.8
Paper products	29.9	30.6	27.8	25.9	23.3
Printing and publishing	15.2	16.2	12.0	11.9	16.8
Chemicals, rubber and plastic products	57.6	59.3	55.2	57.3	56.8
Glass and other mineral products	49.9	45.2	41.3	46.3	52.9
Basic metal industries	9.8	10.9	13.7	18.0	20.4
Metal products, machinery, and equipment	21.5	22.7	22.2	26.0	28.0
Other	15.9	20.0	20.1	22.7	19.0
(Annual percent change)					
Total	4.3	0.2	-1.3	6.4	4.1
Petroleum products	-28.4	-30.5	64.8	1.2	10.3
Total (excluding petroleum products)	5.5	1.0	-2.4	6.5	3.9
Food, beverages, and tobacco	5.7	2.1	1.1	7.2	4.0
Other products	5.2	-0.4	-6.4	5.7	3.9

Sources: Office of the Comptroller General; and Fund staff estimates.

Table 8. Panama: Electricity Generation and Consumption

(In thousands of gigawatt hours) 1/

	1994	1995	1996	1997	1998
Net generation	3.36	3.52	3.82	4.05	4.18
Hydro	2.39	2.42	3.00	2.90	2.14
Thermal	0.97	1.10	0.82	1.15	2.04
Total consumption	2.67	2.87	2.98	3.30	3.41
Residential	0.79	0.85	0.86	0.94	1.00
Commercial	0.91	1.00	1.04	1.18	1.34
Industrial	0.43	0.46	0.47	0.47	0.49
Government	0.47	0.53	0.55	0.57	0.54
Petroterminal	0.01	0.01	0.00	0.00	0.00
Other	0.06	0.02	0.06	0.14	0.04

Sources: Hydraulic Resources and Electricity Institute (IRHE); and Fund staff estimates.

1/ A gigawatt hour is equal to one billion watts being generated or consumed for one hour.

Table 9. Panama: Private Sector Construction Permits, District of Panama

(In thousands of square meters)

	1994	1995	1996	1997	1998
Total	912.4	827.9	925.3	795.6	535.5
Residential	550.4	505.8	430.0	407.7	283.4
Commercial	299.7	227.0	438.9	360.3	222.5
Industrial	14.8	14.4	26.8	3.8	3.5
Other	47.6	30.7	29.6	23.8	26.1

Sources: Office of the Comptroller General; and Fund staff estimates.

Table 10. Panama: Domestic Sales of Petroleum

	1994	1995	1996	1997	1998
(In millions of balboas)					
Domestic sales	200.0	222.5	255.8	309.1	275.2
Gasoline	59.9	69.0	80.5	87.7	75.3
Diesel	88.5	93.7	103.8	126.9	120.5
Fuel oil	27.3	34.3	39.8	35.6	34.9
Kerosene	2.2	2.1	2.0	3.1	2.9
LP gas	17.3	19.4	22.1	33.1	21.9
Other products 1/	4.8	4.0	7.6	22.7	19.7
(In millions of barrels)					
Domestic sales	9.0	9.7	9.8	10.8	12.8
Gasoline	2.4	2.6	2.7	2.9	3.2
Diesel	3.7	4.1	3.6	4.3	5.3
Fuel oil	1.7	1.8	1.9	1.7	2.2
Kerosene	0.1	0.1	0.1	0.1	0.1
LP gas	0.9	0.9	1.0	1.0	1.1
Other products 1/	0.2	0.2	0.5	0.8	0.9

Sources: Ministry of Commerce and Industry; and Fund staff estimates.

1/ Includes marine diesel.

Table 11. Panama: Labor Force Statistics

	1994	1995	1996	1997	1998	1999 1/
(In thousands of persons)						
Total population	2,582.6	2,631.0	2,674.5	2,718.7	2,764.9	2,855.7
Working age population	1,594.7	1,632.4	1,670.2	1,706.8	1,742.9	1,779.1
Total labor force 2/	967.3	1,007.9	1,012.1	1,049.4	1,083.6	1,089.0
Employment by activity	831.8	866.7	867.2	909.1	936.5	962.3
Agriculture and mining	167.9	181.9	176.0	171.6	167.3	169.9
Manufacturing	89.5	92.6	94.0	96.2	90.6	92.6
Public utilities	9.3	8.8	9.1	9.1	9.4	7.3
Construction	52.5	53.6	54.9	59.6	67.9	73.8
Commerce	146.1	152.1	153.0	168.1	177.5	182.4
Banking	19.4	19.7	22.1	22.8	24.4	24.3
Transportation and communic	60.7	63.4	59.0	62.1	63.7	73.0
Other services	286.4	294.6	299.1	319.6	335.7	339.0
Unemployment	135.5	141.3	144.9	140.3	147.1	126.7
Unemployment rate	16.0	14.0	14.3	13.4	13.6	11.6
Memorandum items:						
Number of employed by:						
Employment by sector	831.9	866.7	867.2	909.1	936.5	962.3
Public sector	163.3	161.4	160.2	161.8	167.2	156.1
Private business	340.4	354.3	359.4	372.7	394.3	424.1
Self-employed	232.8	247.0	250.3	275.9	282.6	296.1
Other	95.4	103.9	97.3	98.7	92.4	85.9
(Annual percent change)						
Total population	1.9	1.9	1.7	1.7	1.7	1.7
Working age population	2.4	2.4	2.3	2.2	2.1	2.1
Total labor force	2.9	4.2	0.4	3.7	3.3	0.5
Employed	2.0	4.2	0.1	4.8	3.0	2.8
Unemployed	8.7	4.3	2.5	-3.2	4.9	-13.9
(In percent)						
Labor force participation rate 3/	60.7	61.7	60.6	61.5	62.2	61.2
Employment rate 4/	52.2	53.1	51.9	53.3	53.7	54.1
Unemployment rate	14.0	14.0	14.3	13.4	13.6	11.6
Of which:						
Metropolitan areas 5/		16.6	16.9	15.4	16.0	13.8

Sources: Ministry of Labor; Office of the Comptroller General; and Fund staff estimates.

1/ As of August 1999 household survey.

2/ Excludes indigenous population, canal area and collective housing, but includes employees in the formal and informal sectors, employers, and the self employed.

3/ Total labor force as a percent of the working-age population.

4/ Employed labor force as a percent of the working-age population.

5/ Comprises the cities of Panama and Colon.

Table 12. Panama: Average Prices Received by Farmers

	1994	1995	1996	1997	1998
(In balboas per unit)					
Rice (100 lb.) 1/	12.56	12.87	11.91	12.32	12.68
Corn (100 lb.)	11.67	11.86	12.34	12.26	12.61
Beans (100 lb.) 2/	33.12	35.13	32.77	38.53	35.43
Potatoes (100 lb.)	26.29	23.40	24.72	19.30	21.81
Bananas stalk	2.68	2.17	2.61	2.76	2.82
Chicken (live, lb.)	1.23	1.24	1.21	1.23	1.25
Milk, fresh (bottle)	0.30	0.29	0.27	0.28	0.28
(In 1987 prices) 3/					
Rice (100 lb.) 1/	11.07	11.37	10.73	11.03	11.18
Corn (100 lb.)	10.29	10.48	11.11	10.97	11.12
Beans (100 lb.) 2/	29.19	31.04	29.52	34.49	31.24
Potatoes (100 lb.)	23.17	20.68	22.27	17.27	19.23
Bananas stalk	2.36	1.92	2.35	2.47	2.49
Chicken (live, lb.)	1.08	1.10	1.09	1.10	1.10
Milk, fresh (bottle)	0.26	0.26	0.24	0.25	0.25

Sources: Office of the Comptroller General; and Fund staff estimates.

1/ First grade.

2/ Colorado or Chiricano.

3/ Deflated by the agricultural wholesale price index.

Table 13. Panama: Selected Price Indices 1/

(Annual percent change)

	1994	1995	1996	1997	1998	1999
(Period average)						
Consumer price index	1.3	0.9	1.3	1.2	0.6	1.4
Wholesale price index	2.0	3.0	2.1	-2.2	-3.9	...
Imports	1.9	3.9	3.8	-4.1	-5.7	...
Industrial products	2.2	2.7	1.3	-0.9	-3.3	...
Agricultural products	2.5	-0.2	-1.9	0.6	1.5	...
GDP deflator	3.7	0.5	0.3	1.7	1.4	...
(End of period)						
Consumer price index	1.3	0.8	2.3	-0.5	1.4	1.5
Wholesale price index	4.4	1.8	3.5	-3.9	-3.9	...
Imports	5.1	2.8	6.0	-6.3	-5.5	...
Industrial products	4.4	1.5	2.2	-2.5	-3.4	...
Agricultural products	2.1	-1.0	-0.9	0.8	1.5	...

Sources: Office of the Comptroller General; and Fund staff estimates.

1/ The consumer and wholesale price indices use 1987 as the reference period.

Table 14. Panama: Consumer Price Index

(1987 = 100)

	Total	Food	Clothing	Housing	Miscellaneous
	(In percent)				
Weights:	100.0	34.9	5.1	21.0	39.0
	(Period average)				
1994	106.5	110.0	111.5	103.6	104.1
1995	107.5	110.6	110.0	105.4	105.5
1996	108.9	111.4	109.0	108.2	106.9
1997	110.2	112.2	106.8	110.5	108.7
1998	110.9	112.6	108.2	111.7	109.4
1999	112.4	112.8	108.6	114.6	111.3
	(End of period)				
1994	107.2	111.7	108.9	104.2	104.5
1995	108.1	111.7	109.4	106.5	105.6
1996	110.6	113.6	108.8	110.2	108.4
1997	110.1	112.6	106.4	110.6	108.1
1998	111.6	112.3	108.4	114.7	109.9
1999	113.3	114.1	107.8	114.5	112.7
1994					
March	105.8	108.3	112.8	103.5	103.9
June	106.4	110.1	112.5	103.3	104.0
September	106.7	110.7	110.4	103.7	104.3
December	107.2	111.7	108.9	104.2	104.5
1995					
March	107.0	109.5	110.5	104.9	105.4
June	107.7	110.3	110.6	105.5	106.2
September	108.0	111.3	109.1	105.4	106.2
December	108.1	111.7	109.4	106.5	105.6
1996					
March	108.4	111.3	110.2	107.0	106.4
June	108.3	110.2	107.6	107.9	106.9
September	109.1	111.9	109.3	108.7	106.9
December	110.6	113.6	108.8	110.2	108.4
1997					
March	109.9	111.9	108.2	109.7	108.7
June	110.3	112.0	106.5	110.5	109.1
September	110.6	112.7	104.4	110.8	109.4
December	110.1	112.6	106.4	110.6	108.1
1998					
March	110.4	112.2	108.3	110.5	108.9
June	110.8	112.7	108.2	110.5	109.7
September	111.5	112.7	108.1	113.2	110.0
December	111.6	112.3	108.4	114.7	109.9
1999					
March	112.0	112.6	108.9	114.5	110.4
June	112.3	112.4	109.2	114.8	111.3
September	112.6	112.4	108.9	114.8	112.2
December	113.3	114.1	107.8	114.5	112.7

Sources: Office of the Comptroller General; and Fund staff estimates.

Table 15. Panama: Wholesale Price Index

	(1987 = 100)			
	Total	Imports	Industrial	Agricultural
	(In percent)			
Weights	100.0	43.7	45.1	11.2
	(Period average)			
1994	112.4	116.9	107.9	113.5
1995	115.7	121.5	110.8	113.2
1996	118.2	126.2	112.3	111.0
1997	115.5	121.0	111.2	111.7
1998	111.0	114.1	107.6	113.4
	(End of period)			
1994	114.1	118.6	109.8	114.4
1995	116.2	121.9	111.4	113.2
1996	120.3	129.2	113.8	112.2
1997	115.6	121.1	111.0	113.1
1998	111.1	114.5	107.2	114.8
1995				
March	114.7	120.0	110.2	112.2
June	116.0	121.8	111.1	113.7
September	116.0	122.4	110.6	113.6
December	116.2	121.9	111.4	113.2
1996				
March	117.8	126.3	111.6	109.9
June	117.0	124.3	111.4	111.0
September	117.6	125.0	112.2	111.0
December	120.3	129.2	113.8	112.2
1997				
March	115.8	121.3	111.7	111.0
June	115.4	120.8	111.2	111.1
September	115.3	120.7	111.0	111.7
December	115.6	121.1	111.0	113.1
1998				
March	111.6	115.1	108.1	112.8
June	111.1	113.9	108.0	113.2
September	110.2	112.9	107.1	112.8
December	111.1	114.5	107.2	114.8
1999				
March	109.3	112.1	105.6	113.6
June	111.5	112.1	105.6	113.6
September	116.4	118.6	104.3	114.1

Sources: Office of the Comptroller General; and Fund staff estimates.

Table 16. Panama: Selected Energy Prices

	1994	1995	1996	1997	1998
(Balboas per megawatt hour)					
Electricity rates 1/					
Weighted average	115.5	115.5	112.8	111.6	...
Residential	120.5	120.5	120.5	118.0	...
Commercial	119.2	119.2	119.5	118.1	...
Industrial	100.7	99.4	99.4	99.4	...
Government	103.4	112.7	111.6	111.0	...
(Balboas per gallon)					
Petroleum prices					
Gasoline premium	1.6	1.7	1.8	1.8	1.6
Gasoline regular	1.5	1.6	1.7	1.7	1.5
Diesel	1.1	1.2	1.3	1.3	1.1
Kerosene	1.1	1.2	1.2	1.1	1.1

Sources: Hydraulic Resources and Electricity Institute (IRHE); Ministry of Commerce and Industry; and Fund staff estimates.

1/ Panama's electricity system has recently been privatized. The price survey in operation under the old regime no longer applies, and a new one has not yet been instituted.

Table 17. Panama: Operations of the Nonfinancial Public Sector

	1994	1995	1996	1997	1998	Preliminary	
						1998	Jan. - Sep. 1999
(In millions of balboas)							
Revenue	2,202.0	2,301.0	2,271.2	2,413.7	2,534.1	1,848.2	2,035.1
General government revenue	1,782.3	1,933.4	1,997.8	2,118.3	2,319.7	1,685.5	1,903.2
Central government	1,204.3	1,287.2	1,325.9	1,447.4	1,582.5	1,138.1	1318.8
Social security agency	522.3	586.5	613.5	613.0	666.8	496.9	527.6
Decentralized agencies	55.7	59.7	58.4	57.9	70.4	50.5	56.8
Public enterprises operating							
balance (deficit -)	369.3	370.6	293.5	240.4	134.3	114.7	78.2
Overall balance of nonconsolidated							
public sector (deficit -)	12.2	-18.0	-16.0	20.8	70.0	27.0	6.4
Educational insurance balance (deficit -)	13.9	-0.8	-22.7	4.1	-17.0	0.0	2.1
Capital revenue	24.3	15.8	18.6	30.1	27.0	21.0	45.2
Grants	1.0	7.8	4.6	70.6	57.3	56.7	0.0
Expenditure	2,178.5	2,294.4	2,242.1	2,498.2	2,866.4	2,218.2	2,296.7
General government current expenditure	1,911.8	2,022.4	1,928.7	2,123.7	2,283.0	1,725.9	1,850.9
Central government	1,146.7	1,185.6	1,079.6	1,207.3	1,324.1	1,026.7	1120.9
Social security agency	651.8	720.2	725.5	780.7	815.2	598.8	624.6
Decentralized agencies	113.3	116.7	123.5	135.7	143.7	100.4	105.4
Capital	266.7	272.0	313.4	374.6	583.3	492.3	445.8
Fixed investment	237.4	243.1	279.5	327.3	528.1	...	...
Transfers to private sector	29.3	28.9	34.0	47.3	55.2	...	...
Saving 1/	265.9	262.8	323.9	259.9	224.1	101.3	139.0
Overall balance (deficit -) 2/	24.5	14.4	33.6	-13.9	-275.0	-313.3	-261.6
Financing	-24.5	-14.4	-33.6	13.9	275.0	313.3	261.6
External	119.0	206.4	-146.1	190.3	454.4	318.2	287.3
Disbursements	52.0	112.7	262.3	1,486.4	687.2	489.5	605.9
Repayments	271.0	262.6	328.7	1,249.0	280.7	219.2	349.6
Debt rescheduling	481.0	77.7	3,342.8	35.7	19.2	19.2	31.0
Arrears	-143.0	278.6	-3,422.5	-67.8	0.0	0.0	0.0
Change in deposits abroad	0.0	0.0	0.0	-15.0	28.7	28.7	0
Domestic (net)	-193.5	-220.8	117.9	-172.2	-155.2	13.1	5.7
<i>Of which:</i>							
Banking System	-277.8	-229.5	179.8	-153.1	-116.4	16.9	7.1
Arrears	35.0	0.0	0.0	0.0	0.0	0.0	0.0
Privatization	50.0	0.0	72.6	671.7	260.6	14.5	241.4
Trust fund for development	0.0	0.0	-78.0	-675.9	-284.8	-32.5	-272.8

Table 17. Panama: Operations of the Nonfinancial Public Sector (Concluded)

	1994	1995	1996	1997	1998	Preliminary	
						1998	Jan. - Sep. 1999
(Annual percent change)							
Revenue	7.1	4.5	-1.3	6.3	5.0	5.5	11.7
Expenditure	1.0	5.3	-2.3	11.4	14.7	18.3	4.9
Current	2.3	5.8	-4.6	10.1	7.5	22.1	7.3
Capital	-7.7	2.0	15.2	19.5	55.7	12.2	-3.6
(In percent of GDP 3/)							
Revenue	28.5	29.1	27.9	27.9	27.7	26.9	28.7
Grants	0.0	0.1	0.1	0.8	0.6	0.8	0.0
Expenditure	28.2	29.0	27.5	28.9	31.3	32.3	32.3
Current	24.7	25.6	23.7	24.5	25.0	25.2	25.7
Capital	3.4	3.4	3.8	4.3	6.4	7.2	6.6
Saving 1/	3.4	3.3	4.0	3.0	2.4	1.5	1.9
Overall balance (deficit-) 2/	0.3	0.2	0.4	-0.2	-3.0	-4.6	-3.6
Financing (net)	-0.3	-0.2	-0.4	0.2	3.0	4.6	3.6
External	1.5	2.6	-1.8	2.2	5.0	4.6	4.0
Domestic (net)	-2.5	-2.8	1.4	-2.0	-1.7	0.2	0.1
Privatization	0.6	0.0	0.9	7.8	2.9	0.2	3.4
Trust fund for development	0.0	0.0	-1.0	-7.8	-3.1	-0.5	-3.8
External interest obligations	4.6	5.0	2.9	3.2	3.2	1.9	2.0
(In millions of balboas)							
Memorandum items:							
External interest obligations	402.3	393.0	241.6	281.6	288.4	132.0	146.5
GDP (market prices)	7,733.9	7,906.1	8,151.1	8,657.5	9,143.8	6,858.0	7,203.0
Balance in Trust Fund for Development	0.0	0.0	78.0	754.1	1,038.9	769.6	1,303.0

Sources: Office of the Comptroller General; Ministry of Economy and Finance; and Fund staff estimates

1/ Current revenue less current expenditure.

2/ Revenue and grants, less expenditure.

3/ Part-year percentages are annualized.

4/ The Trust Fund for Development invests divestment proceeds abroad and transfers its investment income to the central government to finance development projects, including social projects.

Table 18. Panama: Central Government Operations

	1994	1995	1996	1997	1998	Preliminary	
						1998	1999
	Jan.-Sept.						
(In millions of balboas)							
Revenue	1,361.9	1,473.7	1,544.6	1,600.4	1,709.8	1,208.5	1,371.5
Tax revenue	916.3	990.2	984.9	1,043.5	1,103.9	816.9	873.5
Income tax	352.4	405.4	392.4	416.9	399.5	291.4	354.8
Wealth taxes	41.4	43.6	45.4	47.1	51.7	41.3	41.8
Taxes on foreign trade	177.7	188.3	193.6	219.0	251.4	178.1	167.9
Taxes on domestic transactions	344.8	352.9	353.5	360.5	401.3	306.1	309.0
Nontax revenue	442.7	481.6	558.2	554.3	603.9	390.6	494.9
Panama Canal	81.2	92.0	94.1	95.4	96.3	72.0	86.3
Oil pipeline royalties	3.0	3.1	0.0	0.0	0.0	0.0	0.0
Transfers from the rest of public sector	220.9	264.4	345.9	257.6	223.1	134.3	113.2
Other	140.6	122.1	118.2	201.3	284.5	184.3	295.4
Capital revenue	2.9	1.9	1.5	2.5	2.0	1.0	3.1
Grants	1.0	7.8	4.6	70.6	57.3	56.7	0.0
Expenditure	1,599.3	1,627.4	1,487.2	1,667.5	2,228.5	1,787.9	1,744.3
Current	1,427.7	1,474.0	1,327.1	1,480.5	1,797.9	1,394.6	1,353.9
Wages and salaries	533.0	542.9	568.5	592.4	636.8	476.4	465.1
Goods and Services	134.1	111.8	112.5	147.5	144.3	114.4	128.5
Pensions and transfers	405.6	417.2	385.7	394.1	648.1	505.8	372.9
<i>Of which:</i>							
Social security agency	212.2	216.7	170.7	194.0	400.0	335.5	308.7
Decentralized agencies	68.8	68.9	74.5	76.6	78.4	59.0	63.2
Public enterprises	0.0	2.8	2.2	2.6	2.0	0.9	1.0
Interest	350.3	394.4	251.4	299.7	321.9	261.2	351.0
Internal	24.2	25.3	28.6	32.9	42.4	29.3	57.3
External	326.1	369.1	222.8	266.8	279.5	231.9	293.7
Other current expenditure	4.8	7.7	8.9	46.9	46.8	36.8	36.4
Capital	171.6	153.4	160.1	187.0	430.6	393.3	390.4
Fixed capital formation	115.6	113.6	117.8	131.9	381.7	334.0	358.3
Transfers of capital	56.0	39.8	42.3	55.1	29.2	40.1	32.1
To decentralized agencies	7.9	10.8	6.4	2.4	3.5	0.0	0.1
To public enterprises	18.8	0.1	1.9	5.5	0.2	0.0	0.0
Other	29.3	28.9	34.0	47.2	25.5	40.1	32.0
On lending	0.0	0.0	48.0	-30.0	0.0	0.0	0.0
Saving 1/	-68.7	-2.2	216.0	117.4	-90.1	-187.1	14.5
Overall balance (deficit-) 2/	-236.4	-145.9	14.0	3.5	-461.4	-522.7	-372.8

Table 18. Panama: Central Government Operations (Concluded)

	1994	1995	1996	1997	1998	Preliminary Jan.-Sept.	
						1998	1999
(In millions of balboas)							
Financing	236.4	145.9	-14.0	-3.5	461.4	522.7	372.8
External	147.0	269.8	-96.9	240.1	471.8	318.4	295.7
Disbursements	58.0	99.5	250.6	1,483.1	655.0	457.3	603.2
Repayments	198.0	196.0	274.6	1,195.9	231.1	186.8	336.6
Debt rescheduling	481.0	29.9	3,342.8	35.7	19.2	19.2	29.1
Arrears	-144.0	336.4	-3,415.7	-67.8	0.0	0.0	0.0
Change in deposits abroad		0.0	0.0	-15.0	28.7	28.7	0.0
Domestic (net)	39.4	-123.9	88.3	-243.6	-10.5	189.8	-164.3
<i>Of which:</i>							
Banking system	-12.6	-55.9	222.0	-132.3	-159.2	118.5	23.6
Arrears	35.0	0.0	0.0	0.0	0.0	0.0	0.0
Privatization	50.0	0.0	72.6	671.7	260.5	14.5	241.4
Trust Fund for Development	0.0	0.0	-78.0	-671.7	-260.5	-14.5	-241.4
(Annual percent change)							
Current revenue	0.4	8.2	4.8	3.6	6.8	4.2	18.9
Tax revenue	6.2	8.1	-0.5	5.9	5.8	1.7	6.9
Nontax revenue	-9.9	8.8	15.9	-0.7	8.9	6.8	26.7
Total expenditure	-0.5	1.8	-8.6	12.1	33.6	28.3	-2.4
Current expenditure	1.9	3.2	-10.0	11.6	21.4	18.9	-2.9
Capital expenditure	-16.5	-10.6	4.4	16.8	130.3	74.2	-0.7
(In percent of GDP) ^{3/}							
Current revenue	17.6	18.6	18.9	18.5	18.7	17.6	19.0
Tax revenue	11.8	12.5	12.1	12.1	12.1	11.9	12.1
Nontax revenue	5.7	6.1	6.8	6.4	6.6	5.7	6.9
Total expenditure	20.7	20.6	18.2	19.3	24.4	26.1	24.2
Current expenditure	18.5	18.6	16.3	17.1	19.7	20.3	18.8
Capital expenditure	2.2	1.9	2.0	2.2	4.7	5.7	5.4
Saving 1/	-0.9	0.0	2.6	1.4	-1.0	-2.7	0.2
Overall balance (deficit -) 2/	-3.1	-1.8	0.2	0.0	-5.0	-7.6	-5.2
Financing (net)	3.1	1.8	-0.2	0.0	5.0	7.6	5.2
External	1.9	3.4	-1.2	2.8	5.2	4.6	4.1
Domestic	0.5	-1.6	1.1	-2.8	-0.1	2.8	-2.3
Privatization	0.6	0.0	0.9	7.8	2.8	0.2	3.4
Trust Fund for Development	0.0	0.0	-1.0	-7.8	-2.8	-0.2	-3.4
(In millions of balboas)							
Memorandum items:							
GDP (market prices)	7,733.9	7,906.1	8,151.1	8,657.5	9,143.8	6,857.9	7,203.0
Balance in Trust Fund for Development 4	0.0	0.0	78.0	754.1	1,038.9	769.6	1,303.0

Sources: Office of the Comptroller General; Ministry of Economy and Finance; and Fund staff estimates

1/ Current revenue less current expenditure.

2/ Revenue and grants, less expenditure.

3/ Part-year percentages are annualized.

4/ The Trust Fund for Development invests divestment proceeds abroad and transfers its investment income to the central government to finance development projects, including social projects.

Table 19. Panama: Central Government Revenue

	1994	1995	1996	1997	1998	Preliminary	
						1998	1999
	(In millions of balboas)						
Total revenue (including grants)	1,362.9	1,481.5	1,549.2	1,670.9	1,766.4	1,265.2	1,371.5
Tax revenue	916.3	990.2	984.9	1,043.5	1,103.9	816.9	873.5
Direct taxes	393.8	449.0	437.8	464.0	451.2	332.7	396.6
Income tax	352.4	405.4	392.4	416.9	399.5	291.4	354.8
Wealth tax	41.4	43.6	45.4	47.1	51.7	41.3	41.8
Taxes on foreign trade	177.7	188.3	193.6	219.0	251.4	178.1	167.6
Export taxes	13.6	10.7	9.4	6.2	2.9	2.3	0.5
Import taxes	164.1	177.6	184.2	212.8	248.5	175.8	167.1
Taxes on domestic transactions	344.8	352.9	353.5	360.5	401.3	306.1	309.0
Tobacco and beverages	40.8	41.4	37.1	40.2	38.0	29.6	25.0
Value added tax	143.2	147.3	154.6	163.5	182.5	136.9	140.7
Petroleum products	93.9	95.3	97.6	93.9	115.2	86.3	93.4
Stamp taxes	36.3	37.6	33.6	37.3	38.4	27.3	28.1
Other	30.6	31.2	30.7	25.6	27.2	26.0	21.8
Nontax revenue	442.7	481.6	558.2	554.3	603.8	390.6	494.9
Panama Canal	81.2	92.0	94.1	95.4	96.3	72.0	86.3
Oil pipeline royalties	3.0	3.1	0.0	0.0	0.0	0.0	0.0
Other Services	137.6	122.1	118.2	181.0	212.3	132.3	154.5
Transfers from rest of public sector	220.9	264.4	345.9	257.6	223.1	134.3	113.2
<i>Of which:</i>							
Consolidated public sector	154.7	184.7	217.2	150.4	125.9	69.4	50.3
Nonconsolidated public sector	11.6	13.6	64.3	107.2	97.2	64.9	62.9
Interest earnings and dividends	0.0	0.0	0.0	20.3	72.1	51.9	141.0
Capital revenue	2.9	1.9	1.5	2.5	1.4	1.0	3.1
Grants	1.0	7.8	4.6	70.6	57.3	56.7	0.0
	(In percent of GDP 1/)						
Total revenue	17.6	18.7	19.0	19.3	19.3	18.4	19.0
Tax revenue	11.8	12.5	12.1	12.1	12.1	11.9	12.1
Direct taxes	5.1	5.7	5.4	5.4	4.9	4.9	5.5
Income tax	4.6	5.1	4.8	4.8	4.4	4.2	4.9
Wealth tax	0.5	0.6	0.6	0.5	0.6	0.6	0.6
Taxes on foreign trade	2.3	2.4	2.4	2.5	2.7	2.6	2.3
Export taxes	0.2	0.1	0.1	0.1	0.0	0.0	0.0
Import taxes	2.1	2.2	2.3	2.5	2.7	2.6	2.3
Taxes on domestic transactions	4.5	4.5	4.3	4.2	4.4	4.5	4.3
Tobacco and beverages	0.5	0.5	0.5	0.5	0.4	0.4	0.3
Value added tax	1.9	1.9	1.9	1.9	2.0	2.0	2.0
Petroleum products	1.2	1.2	1.2	1.1	1.3	1.3	1.3
Stamp taxes	0.5	0.5	0.4	0.4	0.4	0.4	0.4
Other	0.4	0.4	0.4	0.3	0.3	0.4	0.3
Nontax revenue	5.7	6.1	6.8	6.4	6.6	5.7	6.9
Panama Canal	1.0	1.2	1.2	1.1	1.1	1.0	1.2
Oil pipeline royalties	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Services	1.8	1.5	1.5	2.1	2.3	1.9	2.1
Transfers from rest of public sector	2.9	3.3	4.2	3.0	2.4	2.0	1.6
<i>Of which:</i>							
Consolidated public sector	2.0	2.3	2.7	1.7	1.4	1.0	0.7
Nonconsolidated public sector	0.1	0.2	0.8	1.2	1.1	0.9	0.9
Interest earnings and dividends	0.0	0.0	0.0	0.2	0.8	0.8	2.0
Capital revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants	0.0	0.1	0.1	0.8	0.6	0.8	0.0

Sources: Office of the Comptroller General; Ministry of Economy and Finance; and Fund staff estimates.

1/ Part-year percentages are annualized.

Table 20. Panama: Central Government Expenditure

	1994	1995	1996	1997	1998	Preliminary	
						1998	1999
(In percent of GDP 1/)							
Total expenditure 2/	20.7	20.2	19.6	18.5	17.5	26.1	24.2
Current expenditure	18.5	18.6	16.3	17.1	19.7	20.3	18.8
Wages and salaries	6.9	6.9	7.0	6.8	7.0	6.9	6.5
Goods and services	1.7	1.4	1.4	1.7	1.6	1.7	1.8
Interest	4.5	5.0	3.1	3.5	3.5	3.8	4.9
Pensions and transfers	5.2	5.3	4.7	4.6	7.1	7.4	5.2
Other	0.1	0.1	0.1	0.5	0.5	0.5	0.5
Capital expenditure	2.2	1.9	2.0	2.2	4.5	5.7	5.4
Investment	1.5	1.4	1.4	1.5	4.2	4.9	5.0
Transfers	0.7	0.5	0.5	0.6	0.3	0.9	0.4
Memorandum item:							
Noninterest expenditure	16.1	15.6	15.2	15.8	20.6	22.3	19.3
(Annual percent change)							
Total expenditure	-0.5	1.8	-8.6	12.1	33.6	22.0	29.4
Current expenditure	1.9	3.2	-10.0	11.6	21.4	14.5	27.8
Wages and salaries	-6.1	1.9	4.7	4.2	7.5	5.5	9.5
Goods and services	-10.2	-16.6	0.6	31.1	-2.2	27.3	27.8
Interest	20.5	12.6	-36.3	19.2	7.4	-12.6	10.0
Pensions and transfers	4.3	2.9	-7.5	2.2	64.5	40.8	63.5
Other	-4.0	60.3	15.7	427.0	-0.2	489.3	10.3
Capital expenditure	-16.5	-10.6	4.4	16.8	130.3	103.0	38.4
Investment	-28.8	-1.7	3.7	12.0	189.4	114.2	44.3
Transfers	30.2	-28.9	6.3	30.3	-47.0	72.6	18.2
Memorandum item:							
Noninterest expenditure	-5.1	-5.1	-5.1	-5.1	-5.1	32.5	33.1

Sources: Office of the Comptroller General; Ministry of Economy and Finance; and Fund staff estimates.

1/ Part-year percentages are annualized.

Table 21. Panama: Operations of the Social Security Agency

	1994	1995	1996	1997	1998	Preliminary	
						1998	1999
	Jan.-Sep.						
(In millions of balboas)							
Current revenue	522.3	586.5	613.5	613.0	666.8	496.9	527.6
Contributions	396.3	452.6	475.0	488.8	522.9	392.2	427.9
Professional risk premium	35.0	40.5	38.5	36.8	40.6	29.5	33.4
Administered funds	18.0	29.1	24.3	11.9	6.9	4.8	4.8
Income from investment	39.0	53.8	59.5	58.5	64.3	47.1	46.5
Other	34.0	10.5	16.2	17.0	32.1	23.3	15.0
Current expenditure	651.8	720.2	725.5	780.6	815.2	598.8	624.6
Wages	134.3	143.3	151.4	156.2	166.0	121.3	127.6
Goods and services	82.2	107.3	90.6	97.5	104.2	76.5	79.3
Transfers	435.3	468.6	482.6	526.2	544.4	400.4	417.3
Domestic interest	0.0	0.9	1.0	0.7	0.6	0.6	0.4
Operating balance (deficit -)	-129.5	-133.7	-112.0	-167.6	-148.4	-101.9	-97.0
Current transfers (net)	211.7	216.7	170.7	193.5	399.5	335.2	203.3
Transfers from central government	212.2	216.7	170.7	194.0	400.0	335.5	203.6
Transfers to central government	0.5	0.0	0.0	0.5	0.5	0.3	0.3
Capital revenue	10.8	11.4	12.2	9.7	10.5	6.9	8.8
Saving 1/	93.0	94.4	70.9	35.6	261.6	240.2	115.1
Capital expenditure	7.8	20.2	37.1	24.2	27.0	19.8	22.0
Fixed investment	7.8	11.6	20.2	24.2	27.0	19.8	22.0
Financial investment	0.0	8.6	16.9	0.0	0.0	0.0	0.0
Overall balance (deficit -)	85.2	74.2	33.8	11.4	234.6	220.4	93.1
(In percent of GDP 2/)							
Current revenue	6.8	7.4	7.5	7.1	7.3	7.2	7.3
<i>Of which:</i>							
Contributions	5.1	5.7	5.8	5.6	5.7	5.7	5.9
Total expenditure	8.5	9.4	9.4	9.3	9.2	9.0	9.0
<i>Of which:</i>							
Current	8.4	9.1	8.9	9.0	8.9	8.7	8.7
Operating balance (deficit -)	-1.7	-1.7	-1.4	-1.9	-1.6	-1.5	-1.3
Current transfers (net)	2.7	2.7	2.1	2.2	4.4	4.9	2.8
Overall balance (deficit -)	1.1	0.9	0.4	0.1	2.6	3.2	1.3

Sources: Social Security Agency; Ministry of Economy and Finance; and Fund staff estimates.

1/ Including capital revenue.

2/ Part-year percentages are annualized.

Table 22. Panama: Operations of the Decentralized Agencies 1/

	1994	1995	1996	1997	1998	Preliminary	
						1998	1999
	(In millions of balboas)						
Operating revenue	55.7	59.7	58.4	57.9	70.4	50.5	56.8
Operating expenditure	113.3	116.7	123.5	135.7	143.7	100.4	105.4
Interest	7.3	6.7	6.2	6.7	9.0	3.7	4.6
Other	106.0	110.0	117.4	129.0	134.7	96.7	100.8
Operating balance (deficit -)	-57.6	-56.9	-65.1	-77.8	-73.3	-49.9	-48.6
Current transfers (net)	68.7	68.9	70.0	76.6	74.4	59.0	63.1
Transfers from central government	68.8	68.9	74.5	76.6	78.4	59.0	63.2
Transfers to central government	0.1	0.0	4.6	0.0	4.0	0.0	0.1
Transfers from public enterprises 2/	-0.1	0.0	-9.1	0.0	0.0	0.0	0.0
Capital transfers from central government	7.9	10.8	6.4	2.4	3.3	3.3	2.0
Capital revenue	3.4	2.5	1.7	10.8	15.1	13.2	13.8
Saving 3/	14.5	14.5	6.5	9.6	16.2	22.3	28.3
Capital expenditure	9.6	11.5	20.3	23.0	24.5	19.8	13.4
Fixed investment	19.6	13.6	15.6	23.0	24.5	19.8	13.4
Net lending	-10.0	-2.1	4.7	0.0	0.0	0.0	0.0
Overall balance (deficit -)	12.8	13.8	-7.3	-11.0	-5.0	5.8	16.9
	(In percent of GDP) 4/						
Operating revenue	0.7	0.8	0.7	0.7	0.8	0.7	0.8
Operating expenditure	1.5	1.5	1.5	1.6	1.6	1.5	1.5
Operating balance (deficit -)	-0.7	-0.7	-0.8	-0.9	-0.8	-0.7	-0.7
Current transfers (net)	0.9	0.9	0.9	0.9	0.8	0.9	0.9
Overall balance (deficit -)	0.2	0.2	-0.1	-0.1	-0.1	0.1	0.2

Sources: Office of the Comptroller General; Ministry of Economy and Finance; and Fund staff estimates.

1/ Includes the operations of the University of Panama, Human Development Institute (IFARHU), Agricultural Development Bank (BDA), Agricultural Marketing Institute (IMA), and National Mortgage Bank (BHN).

2/ Transfers received to finance vocational training.

3/ Including capital revenue.

4/ Part-year percentages are annualized.

Table 23. Panama: Operations of the Public Enterprises 1/

	1994	1995	1996	1997	1998	Preliminary	
						Jan.-Sep. 1998	1999
(In millions of balboas)							
Current revenue	754.3	779.0	740.6	637.6	498.8	395.0	180.3
Operating expenditure	385.0	408.4	447.2	397.2	364.5	280.3	102.2
Wages and salaries	149.1	169.4	174.3	122.5	95.9	75.7	33.4
Goods and services	158.7	164.2	152.3	127.7	174.5	120.0	41.8
Transfers	33.5	34.3	73.1	60.6	25.4	18.5	13.2
Other	14.7	15.6	27.8	59.1	50.2	49.2	6.5
Interest	29.0	24.9	19.6	27.3	18.5	16.9	7.3
Domestic	1.1	1.0	0.8	12.5	7.7	7.2	3.4
External	27.9	23.9	18.8	14.8	10.8	9.7	3.9
Operating balance (deficit -)	369.3	370.6	293.4	240.4	134.3	114.7	78.1
Current transfers net of taxes	-154.1	-181.9	-210.4	-147.3	-119.4	-68.3	-48.9
Transfers from central government	0.0	2.8	2.2	2.6	2.0	0.9	1.0
Transfers to central government	-154.1	-184.7	-212.6	-149.9	-121.4	-69.2	-49.9
Transfers to rest of public sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital revenue	7.2	0.0	3.3	7.0	0.0	0.0	0.0
Capital transfers from central government	18.8	0.1	1.9	5.5	0.2	0.0	0.0
Saving 2/	222.4	188.7	86.3	100.1	14.9	46.4	29.2
Capital expenditure	104.6	97.8	104.3	96.2	104.7	87.6	12.8
Net borrowing	0.0	0.0	48.0	-30.0	0.0	0.0	0.0
Overall balance (deficit -)	136.7	91.0	31.9	-20.6	-89.6	-41.2	16.4
(In percent of GDP 3/)							
Current revenue	9.8	9.9	9.1	7.4	5.5	5.8	2.5
Operating expenditure	5.0	5.2	5.5	4.6	4.0	4.1	1.4
Operating balance (deficit -)	4.8	4.7	3.6	2.8	1.5	1.7	1.1
Current transfers (net)	-2.0	-2.3	-2.6	-1.7	-1.3	-1.0	-0.7
Capital expenditure	1.4	1.2	1.3	1.1	1.1	1.3	0.2
Overall balance (deficit -)	1.8	1.2	0.4	-0.2	-1.0	-0.6	0.2

Sources: Office of the Comptroller General; Ministry of Economy and Finance; and Fund staff estimates.

1/ Includes the operations of the Hydraulic Resources and Electricity Institute (IHRE), National Telecommunications Institute (INTEL) (until May 1997), Colon Free Zone (operating agency), Civil Aviation Authority, National Water and Sewerage Institute (IDAAN), La Victoria Sugar Corporation, Tourism Institute, Bayano Cement Plant (until September 1994), and the Port Authority which on March 1, 1997 privatized about three quarters of its operations.

2/ Including capital revenue.

3/ Part-year percentages are annualized.

Table 24. Panama: Nonfinancial Public Sector Gross Domestic Debt

(In millions of balboas; end of period)

	1994	1995	1996	1997	1998	September	
						1998	1999
Consolidated nonfinancial public sector	1,003.5	946.1	1,136.6	1,168.3	1,092.4	1,082.0	1,460.5
Loans	41.8	37.0	207.0	230.2	245.8	215.0	227.7
Securities	961.7	909.2	929.5	938.1	846.7	867.0	1,232.7
General government	1,019.5	964.3	1,159.4	1,179.8	1,093.7	1,078.4	1,456.8
Loans	6.3	3.6	177.4	207.2	230.6	190.0	203.6
Securities	1,013.2	960.6	982.0	972.6	863.1	888.4	1,253.2
Central government	1,794.7	1,670.7	1,792.2	1,735.6	1,736.0	1,736.7	2,149.8
Loans	31.1	25.8	196.7	223.2	243.1	203.5	213.3
Securities	1,763.6	1,644.9	1,595.5	1,512.4	1,492.9	1,533.2	1,936.5
<i>Of which:</i>							
Short term	15.6	18.5	82.1	125.0	38.0	53.1	90.0

Sources: Office of the Comptroller General; and Fund staff estimates.

Table 25. Panama: Accounts of the Banking System 1/

(In millions of balboas; end of period)

	1994	1995	1996	1997	1998	September	
						1998	1999
I. National Bank of Panama							
Net foreign assets 2/	432.1	457.3	878.3	1,016.2	848.2	933.0	818.8
Net foreign reserves 3/	611.6	708.7	952.1	1,082.3	906.3	994.6	874.0
Assets	703.9	780.5	1,016.5	1,147.2	954.3	1,061.3	921.0
Reserve position with IMF	17.3	17.6	17.1	16.0	16.7	16.3	16.5
SDR holdings 2/	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Foreign currencies	91.9	76.5	253.1	77.1	57.2	41.4	36.1
Bonds	0.0	0.0	150.0	0.0	0.0	0.0	0.0
Deposits abroad	594.7	686.5	596.3	1,054.2	880.4	1,003.6	868.4
Short-term liabilities	87.7	67.1	59.6	60.9	42.3	61.1	42.3
Deposits from non-residents	4.7	4.7	4.7	4.1	5.8	5.6	4.7
Long-term foreign liabilities	179.5	251.5	73.8	66.1	58.0	61.5	55.2
Net domestic reserves	597.0	787.6	352.9	515.5	680.2	521.5	647.8
Domestic currency	2.6	2.2	2.2	2.2	2.6	1.1	3.0
Interbank deposits (net)	568.6	742.0	321.1	487.0	635.6	498.4	615.0
Checks in clearing	25.8	43.4	29.6	26.4	42.0	22.0	29.8
Net domestic assets	-772.2	-972.4	-932.3	-1,187.6	-1,155.2	-1,116.7	-1,089.9
Public sector (net)	-843.5	-1,025.3	-853.1	-1,076.1	-1,073.1	-975.7	-1,122.9
Central government (net)	479.8	433.3	609.7	399.2	460.0	582.5	426.5
Rest of public sector (net)	-1,323.3	-1,458.6	-1,462.7	-1,475.2	-1,533.1	-1,558.2	-1,549.4
<i>Of which:</i>							
Social security	-659.8	-812.6	-865.4	-974.8	-1,120.2	-1,077.8	-1,173.3
Private sector	300.9	318.8	301.0	322.4	403.3	328.5	522.4
Official capital and surplus	-189.8	-258.6	-387.1	-436.0	-506.8	-481.8	-508.8
Unclassified assets net	-39.7	-7.3	6.8	2.1	21.5	12.4	19.3
Liabilities to domestic private sector	256.9	272.4	298.9	344.1	373.2	337.8	376.7
Demand deposits	60.1	63.0	67.6	95.9	81.7	67.9	71.1
Time deposits	113.4	114.6	117.7	118.4	124.8	122.3	119.7
Savings deposits	79.1	90.3	109.5	126.0	158.6	142.3	178.3
Cashier's checks in circulation	4.3	4.5	4.1	3.7	8.2	5.3	7.6
II. Private Banks							
Net foreign reserves	1,770.8	1,734.1	1,529.5	1,770.1	1,464.0	1,073.6	876.4
Assets	5,697.1	4,635.6	5,230.1	5,266.5	4,033.4	3,707.8	3,705.0
Foreign currencies	104.1	105.3	119.7	149.5	137.4	115.0	119.0
Deposits abroad	4,466.1	3,505.8	3,881.8	4,490.3	3,384.0	3,079.9	3,174.2
Other unclassified	1,126.9	1,024.4	1,228.6	626.6	512.0	512.9	411.7
Liabilities	899.4	1,138.3	956.0	539.2	423.4	442.9	511.5
Overseas operations (net)	-3,026.9	-1,763.2	-2,744.7	-2,957.2	-2,146.1	-2,191.3	-2,317.1
Credit to nonresidents	10,919.6	11,028.3	10,253.6	11,328.7	9,175.3	9,588.3	8,603.2
Deposits from nonresidents	11,566.1	9,992.7	9,531.1	10,612.4	7,513.1	7,960.9	7,545.0
Foreign banks	8,550.7	6,641.4	6,267.1	7,472.7	5,495.3	5,712.9	5,397.7
Private nonresidents	3,015.4	3,351.3	3,263.9	3,139.7	2,017.8	2,248.0	2,147.3
Other foreign liabilities	2,380.5	2,798.8	3,467.2	3,673.5	3,808.3	3,818.7	3,375.4

Table 25. Panama: Accounts of the Banking System 1/ (Continued)

(In millions of balboas, end of period)

	1994	1995	1996	1997	1998	September	
						1998	1999
Net domestic reserves	-684.4	-858.8	-614.3	-722.1	-845.3	-817.1	-867.6
Domestic currency	14.4	16.4	10.1	14.7	12.0	10.2	11.8
Interbank deposits (net)	-698.8	-875.1	-624.4	-736.9	-857.3	-827.3	-879.4
Net domestic assets	4,809.1	5,498.4	5,980.3	6,925.3	8,375.6	8,257.7	9,570.1
Public sector (net)	74.3	62.3	72.5	151.9	54.5	87.2	111.6
Private sector	5,118.6	5,852.4	6,354.4	7,237.5	9,041.8	8,820.4	10,179.8
Unclassified assets (net)	-383.8	-416.3	-446.7	-464.1	-720.8	-649.8	-721.3
Liabilities to the private sector	5,895.4	6,373.7	6,895.5	7,973.3	8,994.3	8,514.3	9,578.8
Monetary liabilities	4,574.1	4,941.9	5,234.7	6,028.2	6,822.7	6,429.8	7,314.1
Demand deposits	728.6	737.7	758.3	889.7	1,027.5	857.1	949.6
Time and savings deposits	3,845.5	4,204.2	4,476.5	5,138.6	5,795.3	5,572.7	6,364.5
Time deposits	3,136.2	3,483.2	3,672.5	4,203.1	4,700.8	4,519.4	5,150.5
Savings deposits	709.2	721.0	804.0	935.5	1,094.5	1,053.3	1,214.0
Private capital and surplus	1,321.3	1,431.8	1,660.8	1,945.1	2,171.5	2,084.4	2,264.8
III. Savings Bank							
Net foreign assets	-5.0	-1.1	-2.0	-1.5	1.4	-0.9	2.4
Net domestic reserves	60.1	118.4	146.3	161.4	184.0	182.9	188.9
Domestic currency	0.9	0.2	0.2	0.2	0.1	0.1	0.1
Deposits in local banks (net)	55.1	114.2	142.1	157.9	180.3	179.0	184.5
Demand deposits	10.6	0.6	2.2	3.8	3.0	2.8	4.5
Time deposits	78.2	127.3	165.0	188.7	183.4	182.4	188.9
Deposits of banks	-33.7	-13.7	-25.1	-34.7	-6.1	-6.2	-8.9
Checks in clearing	4.1	4.1	4.0	3.3	3.7	3.8	4.3
Net domestic assets	215.8	189.0	175.6	188.1	177.0	185.6	194.3
Public sector (net)	-31.9	-67.6	-77.1	-86.6	-108.6	-105.3	-108.7
Central government	1.1	2.2	5.9	4.7	0.7	4.7	0.7
Loans and advances	1.1	2.2	5.9	4.7	0.7	4.7	0.7
Deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of public sector	-32.9	-69.8	-83.0	-91.3	-109.3	-110.0	-109.3
Loans and advances	0.0	0.0	0.0	-18.0	-96.0	-18.0	-96.0
Deposits	-32.9	-69.8	-83.0	-73.3	-13.3	-92.0	-13.3
Private sector	336.1	349.6	353.3	388.3	398.6	400.1	415.9
Loans and discounts	336.0	349.5	353.2	356.8	362.9	364.6	375.2
Investment	0.1	0.1	0.1	31.4	35.7	35.5	40.7
Unclassified assets (net)	-5.5	-4.0	-20.2	-22.9	-16.9	-203.8	-14.3
Official capital and surplus	82.9	89.0	80.4	90.7	96.0	-94.6	98.7
Liabilities to domestic private sector	270.9	306.4	319.9	348.0	362.4	367.6	385.6
Demand deposits	11.2	15.4	7.3	6.3	7.4	6.7	11.7
Time and savings deposits	259.7	291.0	312.5	341.7	355.1	360.9	373.8
Time deposits	99.0	111.8	113.5	132.6	127.5	129.2	131.7
Savings deposits	160.7	179.2	199.1	209.2	227.5	231.7	242.2

Table 25. Panama: Accounts of the Banking System 1/ (Concluded)

(In millions of balboas; end of period)

	1994	1995	1996	1997	1998	September	
						1998	1999
IV. Consolidated Banking System							
Net foreign assets	2,197.8	2,190.3	2,405.8	2,784.8	2,313.6	2,005.7	1,697.5
Assets	6,406.4	5,425.1	6,253.6	6,420.3	4,996.2	4,775.5	4,634.7
Liabilities	1,177.0	1,466.9	1,098.5	674.2	530.7	572.8	615.3
Overseas operations (net)	-3,031.6	-1,767.9	-2,749.3	-2,961.3	-2,151.9	-2,196.9	-2,321.8
Credit to nonresidents	10,919.6	11,028.3	10,253.6	11,328.7	9,175.3	9,588.3	8,603.2
Deposits from nonresidents	11,570.7	9,997.4	9,535.8	10,616.5	7,518.9	7,966.6	7,549.7
Other foreign liabilities	2,380.5	2,798.8	3,467.2	3,673.5	3,808.3	3,818.7	3,375.4
Net domestic assets	4,252.7	4,715.0	5,223.5	5,925.8	7,397.3	7,326.6	8,674.4
Public sector (net)	-801.1	-1,030.6	-857.7	-1,010.8	-1,127.2	-993.9	-1,119.9
Credit	963.4	911.0	1,112.3	1,094.0	942.0	1,041.9	927.9
Deposits	-1,764.5	-1,941.7	-1,970.0	-2,104.7	-2,069.2	-2,035.8	-2,047.9
Private sector	5,755.6	6,520.9	7,008.8	7,948.1	9,843.6	9,549.0	11,118.1
Official capital and surplus	272.8	347.6	467.5	526.7	602.9	387.2	607.5
Unclassified assets (net)	-429.0	-427.6	-460.1	-484.9	-716.3	-841.2	-721.4
Other assets net	428.9	432.2	472.8	528.4	668.9	470.9	705.5
Other items net	857.9	859.8	932.9	1,013.3	1,385.2	1,312.1	1,426.9
U.S.A.I.D. facility	-29.0	-9.3	-1.2	-0.9	-0.8	-0.8	-0.8
Net domestic reserves	-31.7	42.8	-119.2	-48.9	10.8	-117.9	-38.5
Domestic currency	17.9	18.8	12.5	17.1	14.7	11.5	14.8
Net interbank deposits	-75.2	-18.9	-161.2	-92.0	-41.4	-149.9	-79.9
Checks in clearing	29.9	47.5	33.5	29.7	45.7	25.8	34.2
Cashier's checks in circulation	-4.3	-4.5	-4.1	-3.7	-8.2	-5.3	-7.6
Liabilities to domestic private sector	6,418.9	6,948.1	7,510.2	8,661.7	9,721.8	9,214.5	10,333.5
Monetary liabilities	5,097.5	5,516.2	5,849.4	6,716.6	7,550.2	7,130.0	8,068.7
Demand deposits	799.9	816.1	833.2	991.9	1,116.5	931.8	1,032.4
Time and savings deposits	4,297.7	4,700.1	5,016.2	5,724.8	6,433.7	6,198.3	7,036.3
Time deposits	3,348.7	3,709.7	3,903.6	4,454.1	4,953.2	4,770.9	5,401.9
Savings deposits	949.0	990.5	1,112.6	1,270.7	1,480.5	1,427.4	1,634.4
Private capital and surplus	1,321.3	1,431.8	1,660.8	1,945.1	2,171.5	2,084.4	2,264.8

Sources: National Bank of Panama; Superintendency of Banks; Savings Bank; and Fund staff estimates.

1/ Excludes operations of international banks which are licensed to perform only offshore operations, but includes the offshore operations of banks licensed to perform both domestic and offshore operations.

2/ Net Foreign reserves less long term liabilities.

3/ Foreign assets minus short term liabilities.

4/ Not included in BNP accounts since 1987, but is included in the central government accounts.

5/ Excluding the use of Fund credit.

Table 26. Panama: Summary Operations of the Banking System

	1994	1995	1996	1997	1998	September	
						1998	1999
(In percent of GDP)							
Net domestic assets	55.0	59.6	64.1	68.4	80.9	80.1	90.3
Public sector (net)	-10.4	-13.0	-10.5	-11.7	-12.3	-10.9	-11.7
Private sector	74.4	82.5	86.0	91.8	107.7	104.4	115.8
Other	-9.1	-9.8	-11.4	-11.7	-14.4	-13.4	-13.8
Liabilities to domestic private sector	83.0	87.9	92.1	100.0	106.3	100.8	107.6
Monetary liabilities	65.9	69.8	71.8	77.6	82.6	78.0	84.0
Demand deposits	10.3	10.3	10.2	11.5	12.2	10.2	10.7
Time and saving deposits	55.6	59.4	61.5	66.1	70.4	67.8	73.3
Time deposits	43.3	46.9	47.9	51.4	54.2	52.2	56.2
Savings deposits	12.3	12.5	13.6	14.7	16.2	15.6	17.0
Private capital and surplus	17.1	18.1	20.4	22.5	23.7	22.8	23.6
(12-month change 1/)							
Net domestic assets	7.6	6.9	7.3	9.4	17.0	18.5	14.6
Public sector (net)	-5.5	-3.9	2.5	-2.0	-1.3	-0.1	-1.4
Private sector	14.2	11.9	7.0	12.5	21.9	21.7	17.0
(12-month percent change 1/)							
Liabilities to the private sector	17.9	8.2	8.1	15.3	12.2	14.0	12.1
Monetary liabilities	12.1	6.5	4.8	11.5	9.6	9.9	10.2
Money	1.8	0.3	0.2	2.1	1.4	1.3	1.1
Quasi-money	10.4	6.3	4.5	9.4	8.2	8.6	9.1
Time deposits	9.0	5.6	2.8	7.3	5.8	6.0	6.8
Savings deposits	1.3	0.6	1.8	2.1	2.4	2.6	2.2

Sources: National Bank of Panama; Superintendency of Banks; Savings Bank; and Fund staff estimates.

1/ In relation to liabilities to the private sector at the beginning of the period.

Table 27. Panama: Private Sector Deposits

	1994	1995	1996	1997	1998	September	
						1998	1999
(In millions of balboas; end of period)							
Total private sector deposits	5,097.5	5,516.2	5,849.4	6,716.6	7,550.2	7,130.0	8,068.7
Demand	799.9	816.1	833.2	991.9	1,116.5	931.8	1,032.4
National Bank	60.1	63.0	67.6	95.9	81.7	67.9	71.1
Savings Bank	11.2	15.4	7.3	6.3	7.4	6.7	11.7
Private banks	728.6	737.7	758.3	889.7	1,027.5	857.1	949.6
Time and savings	4,297.7	4,700.1	5,016.2	5,724.8	6,433.7	6,198.3	7,036.3
National Bank	192.5	204.9	227.2	244.4	283.4	264.6	298.0
Savings Bank	259.7	291.0	312.5	341.7	355.1	360.9	373.8
Private banks	3,845.5	4,204.2	4,476.5	5,138.6	5,795.3	5,572.7	6,364.5
Time deposits	3,348.7	3,709.7	3,903.6	4,454.1	4,953.2	4,770.9	5,401.9
National Bank	113.4	114.6	117.7	118.4	124.8	122.3	119.7
Savings Bank	99.0	111.8	113.5	132.6	127.5	129.2	131.7
Private banks	3,136.2	3,483.2	3,672.5	4,203.1	4,700.8	4,519.4	5,150.5
Savings deposits	949.0	990.5	1,112.6	1,270.7	1,480.5	1,427.4	1,634.4
National Bank	79.1	90.3	109.5	126.0	158.6	142.3	178.3
Savings Bank	160.7	179.2	199.1	209.2	227.5	231.7	242.2
Private banks	709.2	721.0	804.0	935.5	1,094.5	1,053.3	1,214.0
(Percentage change over previous 12-month period)							
Total private sector deposits	14.9	8.2	6.0	14.8	12.4	12.6	13.2
Demand	13.6	2.0	2.1	19.0	12.6	12.6	10.8
Time and savings	15.1	9.4	6.7	14.1	12.4	12.6	13.5
Time	17.2	10.8	5.2	14.1	11.2	11.3	13.2
Savings	8.3	4.4	12.3	14.2	16.5	17.1	14.5

Sources: National Bank of Panama; Superintendency of Banks; Savings Bank; and Fund staff estimates.

Table 28. Panama: Offshore Operations of Private Banks 1/

(In billions of U.S. dollars; end of the period)

	December					September	
	1994	1995	1996	1997	1998	1998	1999
Foreign assets	22.8	22.7	21.6	22.9	20.9	21.7	19.2
Foreign reserves	8.4	7.0	7.3	7.7	6.1	6.1	5.8
General license banks	5.7	4.6	5.2	5.3	4.0	3.7	3.7
Offshore banks 2/	2.7	2.4	2.0	2.4	2.1	2.4	2.1
Credit to nonresidents	14.4	15.6	14.3	15.2	14.8	15.6	13.4
General license banks	10.9	11.0	10.3	11.3	9.2	9.6	8.6
Offshore banks	3.5	4.6	4.0	3.9	5.6	6.0	4.8
Foreign liabilities	20.8	20.7	19.9	20.9	19.5	20.7	18.1
Short-term liabilities	1.1	1.3	1.1	0.7	0.7	0.7	0.5
General license banks	0.9	1.1	1.0	0.5	0.4	0.4	0.5
Offshore banks	0.3	0.2	0.1	0.2	0.3	0.2	0.0
Deposits from nonresidents	17.2	16.5	15.3	16.5	14.7	15.9	13.7
General license banks	11.6	10.0	9.5	10.6	7.5	8.0	7.5
Banks	8.6	6.6	6.3	7.5	5.5	5.7	5.4
Nonbanks	3.0	3.4	3.3	3.1	2.0	2.2	2.1
Offshore banks	5.7	6.6	5.8	5.9	7.1	7.9	6.2
Other liabilities	2.4	2.8	3.5	3.7	4.2	4.1	3.9
General license banks	2.4	2.8	3.5	3.7	3.8	3.8	3.4
Offshore banks	0.0	0.0	0.0	0.1	0.4	0.3	0.5

Sources: Superintendency of Banks; and Fund staff estimates.

1/ Includes offshore operations of international license banks.

2/ Refers to international license banks.

Table 29. Panama: Interest Rate Structure

(Simple period average)

	1994	1995	1996	1997	1998	September	
						1998	1999
Lending rates (less than one year)							
Commercial	10.2	10.6	10.5	10.2	9.9	10.0	9.9
Industrial	9.8	10.1	10.1	9.3	9.0	9.0	8.0
Personal	12.5	12.6	12.2	12.6	12.9	13.5	13.3
Deposit rate (six-month) 1/	5.5	6.5	6.4	6.2	6.1	6.2	6.5
U.S. prime rate (six-month)	7.1	8.8	8.5	8.5	8.3	8.5	8.1
LIBOR (six-month)	5.1	6.1	5.6	5.9	5.5	5.8	5.9
Difference between the deposit rate and LIBOR	0.4	0.4	0.8	0.3	0.6	0.4	0.6

Sources: National Banking Commission; *International Financial Statistics*; and Fund staff estimates.

1/ Domestic deposit rate.

Table 30. Panama: Banking System Credit to the Domestic
Private Sector by Economic Activity

	1994	1995	1996	1997	1998	September	
						1998	1999
(In millions of balboas; end of period)							
Total	5,420.0	6,121.0	6,474.0	7,212.0	8,784.0	8,572.0	9,879.0
Commerce	2,394.0	2,671.0	2,568.0	2,896.0	3,426.0	3,538.0	3,769.0
Housing	1,334.0	1,493.0	1,649.0	1,844.0	2,124.0	2,045.0	2,313.0
Other construction	150.0	187.0	297.0	278.0	230.0	248.0	247.0
Industry	286.0	367.0	371.0	415.0	463.0	457.0	468.0
Personal consumption	748.0	849.0	948.0	1,097.0	1,541.0	1,380.0	1,935.0
Financial and insurance enterprises	215.0	237.0	300.0	362.0	687.0	589.0	829.0
Agriculture	124.0	130.0	137.0	129.0	129.0	130.0	120.0
Livestock	144.0	161.0	155.0	150.0	139.0	141.0	153.0
Fishing	25.0	26.0	28.0	27.0	32.0	32.0	32.0
Other	0.0	0.0	21.0	14.0	13.0	12.0	13.0
(12-month percentage change)							
Total	14.8	12.9	5.8	11.4	21.8	21.6	15.2
Commerce	14.8	11.6	-3.9	12.8	18.3	22.9	6.5
Housing	12.8	11.9	10.4	11.8	15.2	13.8	13.1
Other construction	20.0	24.7	58.8	-6.4	-17.3	-15.9	-0.4
Industry	8.7	28.3	1.1	11.9	11.6	12.3	2.4
Personal consumption	16.9	13.5	11.7	15.7	40.5	33.6	40.2
Financial and insurance enterprises	16.8	10.2	26.6	20.7	89.8	89.4	40.7
Agriculture	14.8	4.8	5.4	-5.8	0.0	-3.7	-7.7
Livestock	23.1	11.8	-3.7	-3.2	-7.3	-6.0	8.5
Fishing	47.1	4.0	7.7	-3.6	18.5	10.3	0.0
(In percent of total credit)							
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Commerce	44.2	43.6	39.7	40.2	39.0	41.3	38.2
Housing	24.6	24.4	25.5	25.6	24.2	23.9	23.4
Other construction	2.8	3.1	4.6	3.9	2.6	2.9	2.5
Industry	5.3	6.0	5.7	5.8	5.3	5.3	4.7
Personal consumption	13.8	13.9	14.6	15.2	17.5	16.1	19.6
Financial and insurance enterprises	4.0	3.9	4.6	5.0	7.8	6.9	8.4
Agriculture	2.3	2.1	2.1	1.8	1.5	1.5	1.2
Livestock	2.7	2.6	2.4	2.1	1.6	1.6	1.5
Fishing	0.5	0.4	0.4	0.4	0.4	0.4	0.3

Sources: Superintendency of Banks; and Fund staff estimates.

Table 31. Panama: Public Sector Banks--Operating
Revenue and Expenditure (Concluded)

(In millions of balboas)

	1994	1995	1996	1997	1998	Jan.-Sept.	
						1998	1999
III. Agricultural Development Bank							
Operating profits or losses (-)	-2.5	-3.3	-3.0	-3.8	-5.2	-3.6	-4.1
Operating revenue	3.2	2.8	2.1	1.4	0.0	0.7	-0.2
Net interest	2.9	2.5	1.8	0.7	-0.6	0.3	-0.6
Interest receipts (cash)—loans	7.9	6.7	5.9	4.8	5.3	4.9	5.7
Interest payments accrued 2/	4.9	4.2	4.1	4.1	5.9	4.6	6.3
Interest payments cash	4.6	3.9	3.8	3.6	3.3	2.4	2.3
Noninterest income	0.3	0.3	0.3	0.7	0.6	0.4	0.4
Operating expenditure (Cash)	5.7	6.1	5.1	5.2	5.2	4.4	3.9
Wages and salaries	4.1	4.5	3.6	3.7	3.7	3.1	2.8
Goods and services	0.9	0.9	0.9	0.9	0.9	0.7	0.6
Other	0.7	0.7	0.6	0.6	0.6	0.5	0.5

Sources: National Bank of Panama; National Mortgage Bank and Agricultural Development Bank.

1/ Not including the Savings Bank as final accounts for end 1998 and interim accounts for September 1999 were not available.

2/ Difference of interest receivable at the beginning and at the end of the period.

3/ Includes exchange profit of US\$0.5 million in 1996.

Table 32. Panama: Public Sector Banks--Portfolio in Arrears 1/

(In millions of balboas; except where otherwise indicated)

	1994	1995	1996	1997	1998	September	
						1998	1999
I. National Bank of Panama							
Total private sector portfolio 1/	262.2	276.9	268.6	260.6	327.6	276.8	472.7
Commerce	39.7	39.1	36.8	43.4	45.5	45.3	51.2
Agriculture and forestry	76.6	78.0	79.6	81.7	83.9	85.0	96.4
Personal loans	91.5	99.5	92.6	75.9	184.7	135.8	299.0
Others	54.4	60.2	59.6	59.6	13.4	10.6	26.1
Total arrears	12.7	10.7	11.5	11.1	10.7	10.0	12.1
Commerce	6.2	4.3	4.1	3.3	2.6	2.8	2.6
Agriculture and forestry	3.5	3.7	4.4	4.7	5.0	4.0	5.5
Personal loans	0.8	1.0	0.9	1.1	1.7	1.8	2.5
Others	2.1	1.7	2.1	2.0	1.4	1.4	1.5
Share of portfolio in arrears (in percent)	4.8	3.9	4.3	4.3	3.3	3.6	2.6
Commerce	15.6	10.9	11.1	7.6	5.6	6.1	5.2
Agriculture and forestry	4.6	4.8	5.5	5.8	6.0	4.7	5.7
Personal loans	0.9	1.0	1.0	1.5	0.9	1.3	0.8
Others	3.9	2.8	3.6	3.4	10.8	12.9	5.8
Loans with payments overdue	12.7	10.7	11.5	11.1	10.7	10.0	12.1
Between 30 and 90 days	4.6	3.8	5.1	4.8	4.2	3.7	6.7
Over 90 days	8.1	6.9	6.4	6.4	6.4	6.3	5.5
Share of payments overdue (in percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Between 30 and 90 days	36.2	35.2	44.6	42.8	39.7	36.9	55.1
Over 90 days	63.8	64.8	55.4	57.2	60.3	63.1	44.9
II. National Housing Bank 3/							
Total portfolio	166.6	174.4	188.5	195.4	204.7	206.0	200.2
Total arrears	13.6	42.2	45.6	8.1	16.0	18.5	23.2
Share in arrears (in percent)	8.2	24.2	24.2	4.1	7.8	9.0	11.6
III. Agricultural Development Bank 4/							
Total portfolio	81.4	76.6	74.2	76.1	83.9	82.1	86.3
Loans overdue	21.6	20.4	20.7	21.2	20.6	19.2	25.9
Loans overdue as a share of total portfolio (in percent)	26.5	26.7	27.9	27.9	24.5	23.3	30.0
Loans with payments overdue	21.6	20.4	20.7	21.2	20.6	19.2	25.9
Between 30 to 90 days	3.3	0.7	1.0	1.1	1.2	1.4	3.3
More than 90 days	18.3	19.7	19.7	20.2	19.4	17.8	22.6
Total with payments overdue (in percent)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Between 30 to 90 days	15.5	3.4	4.9	5.0	5.8	7.1	12.8
More than 90 days	84.5	96.6	95.1	95.0	94.2	92.9	87.2

Sources: National Bank of Panama; National Mortgage Bank and the Agricultural Development Bank.

1/ Does not include the Savings Bank as data for end 1998 and September 1999 were not available.

2/ From 1996 refers to loans overdue by more than 91 days.

3/ This portfolio includes bad loans related to projects financed through the Ministry of Housing aimed at alleviating the problem of housing for lower income families.

4/ From 1993 the portfolio excludes bad loans.

Table 33. Panama: Balance of Payments

(In millions of balboas)

	1994			1995			1996			1997			1998		
	Credit	Debit	Balance	Credit	Debit	Balance	Credit	Debit	Balance	Credit	Debit	Balance	Credit	Debit	Balance
Current account	8,840.2	8,824.4	15.8	9,437.0	9,806.1	-369.1	8,968.2	9,270.1	-301.9	9,920.6	10,524.1	-603.5	9,942.8	11,154.5	-1,211.7
Goods and services	7,448.5	7,359.2	89.3	7,610.4	7,767.7	-157.3	7,381.2	7,500.7	-119.5	8,303.8	8,646.3	-342.5	8,022.6	8,868.8	-846.2
Goods	6,044.8	6,294.9	-250.1	6,091.0	6,679.9	-588.9	5,822.9	6,467.0	-644.1	6,655.4	7,355.7	-700.3	6,325.2	7,696.3	-1,371.1
Nonpetroleum exports (f.o.b.)	5,937.4	0.0	5,937.4	5,945.2	0.0	5,945.2	5,655.5	0.0	5,655.5	6,494.2	0.0	6,494.2	6,196.3	0.0	6,196.3
Petroleum trade (f.o.b.)	107.4	282.2	-174.8	145.8	328.6	-182.8	167.4	412.4	-245.0	161.2	395.6	-234.4	128.9	291.4	-162.5
Nonpetroleum imports (f.o.b.)	0.0	6,012.7	-6,012.7	0.0	6,351.3	-6,351.3	0.0	6,054.6	-6,054.6	0.0	6,960.1	-6,960.1	0.0	7,404.9	-7,404.9
Services	1,403.7	1,064.3	339.4	1,519.4	1,087.8	431.6	1,558.3	1,033.7	524.6	1,648.4	1,290.6	357.8	1,697.4	1,172.5	524.9
Transportation	704.5	750.2	-45.7	783.7	744.8	38.9	777.6	677.2	100.4	834.1	786.3	47.8	880.3	654.2	226.1
<i>Of which:</i>															
ZLC	0.0	459.3	-459.3	0.0	451.6	-451.6	0.0	371.2	-371.2	0.0	443.8	-443.8	0.0	277.9	-277.9
Travel	261.6	122.6	139.0	309.4	120.7	188.7	359.9	140.3	219.6	374.2	163.8	210.4	378.8	176.2	202.6
Government	231.3	33.9	197.4	221.7	38.6	183.1	202.3	33.5	168.8	206.1	46.2	159.9	134.3	43.1	91.2
Other services	206.3	157.6	48.7	204.6	183.7	20.9	218.5	182.7	35.8	234.0	294.3	-60.3	304.0	299.0	5.0
Income	1,202.9	1,425.3	-222.4	1,644.1	2,008.5	-364.4	1,422.1	1,739.2	-317.1	1,436.0	1,847.6	-411.6	1,725.2	2,249.7	-524.5
Labor income	94.9	0.0	94.9	95.7	0.0	95.7	70.4	0.0	70.4	48.1	0.0	48.1	42.3	0.0	42.3
Investment income	1,108.0	1,425.3	-317.3	1,548.4	2,008.5	-460.1	1,351.7	1,739.2	-387.5	1,387.9	1,847.6	-459.7	1,682.9	2,249.7	-566.8
Interest on public debt	0.0	354.0	-354.0	0.0	393.2	-393.2	0.0	243.3	-243.3	0.0	282.3	-282.3	0.0	303.2	-303.2
Private sector	1,108.0	1,071.3	36.7	1,548.4	1,615.3	-66.9	1,351.7	1,495.9	-144.2	1,387.9	1,565.3	-177.4	1,682.9	1,946.5	-263.6
ZLC	6.3	39.9	-33.6	19.3	120.4	-101.1	13.9	112.1	-98.2	16.4	180.7	-164.3	48.7	193.0	-144.3
Other	1,101.7	1,031.4	70.3	1,529.1	1,494.9	34.2	1,337.8	1,383.8	-46.0	1,371.5	1,384.6	-13.1	1,634.2	1,753.5	-119.3
Current transfers	188.8	39.9	148.9	182.5	29.9	152.6	164.9	30.2	134.7	180.8	30.2	150.6	195.0	36.0	159.0
Official transfers	82.4	15.1	67.3	77.1	9.5	67.6	59.0	10.2	48.8	71.7	10.2	61.5	79.9	11.0	68.9
Other	106.4	24.8	81.6	105.4	20.4	85.0	105.9	20.0	85.9	109.1	20.0	89.1	115.1	25.0	90.1
Paid by the U.S. Dept. of Defense	92.6	0.0	92.6	92.6	0.0	92.6	93.9	0.0	93.9	97.4	0.0	97.4	99.2	0.0	99.2
Private transfers	13.8	24.8	-11.0	12.8	20.4	-7.6	12.0	20.0	-8.0	11.7	20.0	-8.3	15.9	25.0	-9.1
Capital and financial account 1/	5,590.3	5,680.1	-89.8	3,797.1	3,656.2	140.9	3,510.3	2,755.0	755.3	6,530.3	5,407.5	1,122.8	7,838.4	6,655.3	1,183.1
Capital account	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	70.6	0.0	70.6	56.7	0.0	56.7
Official capital transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	70.6	0.0	70.6	56.7	0.0	56.7
Private capital transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial account	5,590.3	5,680.1	-89.8	3,797.1	3,656.2	140.9	3,510.3	2,755.0	755.3	6,459.7	5,407.5	1,052.2	7,781.7	6,655.3	1,126.4
Official capital	38.3	269.1	-230.8	155.0	223.7	-68.7	186.4	294.8	-108.4	1,454.3	1,958.7	-504.4	674.3	820.5	-146.2
Nonfinancial public sector	38.3	269.1	-230.8	99.7	223.7	-124.0	186.4	294.8	-108.4	1,454.3	1,958.7	-504.4	674.3	816.1	-141.8
Medium and long term	38.3	269.1	-230.8	99.7	223.7	-124.0	186.4	276.8	-90.4	1,440.6	1,222.9	217.7	645.6	267.4	378.2
Released collateral	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.7	0.0	13.7	0.0	0.0	0.0
Change in deposits abroad	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.0	-18.0	0.0	550.6	-550.6	28.7	56.8	-28.1
Released collateral	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.7	0.0	13.7	0.0	0.0	0.0
Venezuela oil loan	0.0	11.7	-11.7	0.0	12.6	-12.6	0.0	12.4	-12.4	0.0	0.0	0.0	0.0	0.0	0.0
Mexico oil loan	0.0	0.4	-0.4	0.0	0.0	0.0	0.0	0.4	-0.4	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	185.2	-185.2	0.0	491.9	-491.9

Table 33. Panama: Balance of Payments (Concluded)

(In millions of balboas)

	1994			1995			1996			1997			1998		
	Credit	Debit	Balance	Credit	Debit	Balance	Credit	Debit	Balance	Credit	Debit	Balance	Credit	Debit	Balance
Official bank	0.0	0.0	0.0	55.3	0.0	55.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.4	-4.4
Panama Canal Commission/Authority	11.3	24.2	-12.9	31.4	48.0	-16.6	19.0	35.6	-16.6	52.9	2.9	50.0	89.1	47.8	41.3
Direct investment	11.3	0.1	11.2	31.4	0.3	31.1	17.7	0.0	17.7	52.9	0.6	52.3	89.1	0.1	89.0
Other investment	0.0	24.1	-24.1	0.0	47.7	-47.7	1.3	35.6	-34.3	0.0	2.3	-2.3	0.0	47.7	-47.7
Private capital	5,540.7	5,386.8	153.9	3,610.7	3,384.5	226.2	3,304.9	2,424.6	880.3	4,952.5	3,445.9	1,506.6	7,018.3	5,787.0	1,231.3
Direct investment	424.4	43.2	381.2	260.3	42.7	217.6	306.0	17.6	288.4	1,163.1	0.0	1,163.1	1,218.9	101.7	1,117.2
Colon Free Zone	64.6	11.5	53.1	76.7	9.7	67.0	77.9	0.0	77.9	103.8	0.0	103.8	149.0	50.5	98.5
Other private sector	127.0	24.4	102.6	92.5	15.9	76.6	58.2	17.6	40.6	874.0	0.0	874.0	1029.9	0.0	1,029.9
Banks	232.8	7.3	225.5	91.1	17.1	74.0	169.9	0.0	169.9	185.3	0.0	185.3	40.0	51.2	-11.2
Portfolio investment	0.0	48.4	-48.4	318.3	0.0	318.3	570.9	25.8	545.1	0.0	1,045.4	-1,045.4	533.1	99.0	434.1
Colon Free Zone	0.0	0.0	0.0	0.4	0.0	0.4	0.0	25.8	-25.8	0.0	0.8	-0.8	0.0	11.1	-11.1
Banks	0.0	48.4	-48.4	317.9	0.0	317.9	570.9	0.0	570.9	0.0	1,044.6	-1,044.6	533.1	87.9	445.2
Other private investment	5,116.3	5,295.2	-178.9	3,032.1	3,341.8	-309.7	2,428.0	2,381.2	46.8	3,789.4	2,400.5	1,388.9	5,266.3	5,586.3	-320.0
Banks	4,915.5	5,254.4	-338.9	2,874.4	3,173.5	-299.1	1,926.6	2,210.4	-283.8	2,944.1	2,171.4	772.7	5,108.0	5,268.5	-160.5
Colon Free Zone	35.8	27.9	7.9	82.3	141.7	-59.4	230.8	149.7	81.1	103.3	229.1	-125.8	143.2	172.9	-29.7
Other private sector	165.0	12.9	152.1	75.4	26.6	48.8	270.6	21.1	249.5	742.0	0.0	742.0	15.1	144.9	-129.8
Foreign position	3,512.1	3,881.9	-369.8	952.8	919.8	33.0	180.2	22.8	157.4	211.2	2,192.8	-1,981.6			
Errors and omissions	...	...	-130.8	...	...	-25.0	...	...	-154.3	...	...	-376.7	...	...	-194.9
Overall balance	...	...	-204.8	...	...	-253.2	...	...	299.1	...	...	142.6	...	...	-223.5
Financing	494.5	289.7	204.8	369.3	116.1	253.2	3,418.7	3,717.8	-299.1	81.5	224.1	-142.6	236.8	13.3	223.5
Reserves	14.0	147.3	-133.3	12.9	116.1	-103.2	75.9	295.3	-219.4	45.8	156.3	111.0	217.6	13.3	204.3
Net foreign assets of the															
National Bank of Panama	0.0	146.1	-146.1	0.0	77.2	-77.2	0.0	243.4	-243.4	0.0	130.2	-130.2	176.1	0.0	176.1
Net use of Fund credit	14.0	1.2	12.8	12.9	38.9	-26.0	75.9	51.9	24.0	45.8	26.1	19.7	41.5	13.3	28.2
Rescheduling	480.5	0.0	480.5	77.7	0.0	77.7	3,342.8	0.0	3,342.8	35.7	0.0	35.7	19.1	0.0	19.1
Arrears	0.0	142.4	-142.4	278.7	0.0	278.7	0.0	3,422.5	-3,422.5	0.0	67.8	-67.8	0.1	0.0	0.1
Memorandum items:															
Colon Free Zone															
Commodity trade	5,367.6	4,436.0	931.7	5,357.2	4,689.5	667.7	4,962.5	4,158.3	804.2	5,811.1	4,893.5	917.6	5,461.0	4,959.4	501.6
Services and income	37.5	635.4	-597.9	51.9	595.1	-543.1	45.9	540.3	-494.4	49.4	633.8	-584.3	53.0	547.2	-584.3

Sources: Office of the Comptroller General; Ministry of Planning and Economic Policy; and Fund staff estimates.

1/ Excluding errors and omissions.

Table 34. Panama: Summary Balance of Payments

(In millions of balboas, unless otherwise specified)

	1994	1995	1996	1997	1998	Jan.- June 1999
Current account balance	15.8	-369.1	-301.9	-603.5	-1,211.7	-697.5
Trade balance	-250.1	-588.9	-644.1	-700.3	-1,371.1	-722.7
Exports	665.0	744.4	740.6	844.3	864.2	386.8
Non-oil exports	557.6	598.7	573.2	683.1	735.3	340.8
Petroleum exports	107.4	145.7	167.4	161.2	128.9	45.7
Imports	-1,858.8	-1,997.4	-2,248.9	-2,462.2	-2,736.9	-1,367.0
Petroleum imports	-282.2	-328.6	-412.4	-395.6	-291.4	...
Non-oil imports	-1,576.6	-1,668.8	-1,836.5	-2,066.6	-2,445.5	...
Colon Free Zone, net	943.7	664.1	864.2	917.6	501.6	257.5
Service balance	339.4	431.6	524.6	357.8	524.9	299.8
Transportation	-45.7	38.9	100.4	47.8	226.1	151.3
<i>Of which:</i>						
Colon Free Zone	-459.6	-451.6	-371.2	-443.8	-277.9	-108.0
Panama Canal Commission/Authority	515.5	585.5	598.2	633.0	689.6	352.3
Travel	139.0	188.7	219.6	210.4	202.6	87.1
Other services, net	246.1	204.0	204.6	99.6	96.2	61.4
Income, net	-222.4	-364.4	-317.1	-411.6	-524.5	-360.1
<i>Of which:</i>						
Public sector interest	-354.0	-393.2	-243.3	-282.3	-303.2	-164.5
Current transfers (net)	148.9	152.6	134.7	150.6	159.0	85.5
<i>Of which:</i>						
Official transfers (net)	67.3	67.6	48.8	61.5	68.9	41.1
Capital and financial account balance 1/	-89.8	140.9	755.3	1,122.8	1,183.2	706.7
Capital account	0.0	0.0	0.0	70.6	56.7	0.3
Grants to nonfinancial public sector	0.0	0.0	0.0	70.6	56.7	0.3
Financial account balance 1/	-89.8	140.9	755.3	1,052.2	1,126.5	706.4
Public sector (net)	-230.8	-68.7	-108.4	-504.4	-146.2	298.4
Nonfinancial public sector	-230.8	-124.0	-108.4	-504.4	-141.8	301.1
Drawings	38.3	99.7	186.4	1,440.6	645.7	573.6
Amortization	-257.0	-223.7	-276.8	-1,222.9	-267.4	-272.5
Other	-12.1	0.0	-18.0	-722.1	-520.1	0.0
National Bank of Panama	0.0	55.3	0.0	0.0	-4.4	-2.7
Panama Canal Commission/Authority	-12.9	-16.6	-16.6	50.0	41.3	-3.1
Private capital	153.9	226.2	880.3	1,506.6	1,231.4	411.1
Errors and omissions	-130.8	-25.0	-154.3	-376.7	-195.0	8.6
Overall balance	-204.8	-253.2	299.1	142.6	-223.5	17.8
Financing	204.8	253.2	-299.1	-142.6	223.5	-17.8
Net foreign assets of the National Bank of Panama (increase -)	-146.1	-77.1	-243.4	-130.2	176.1	-22.3
Net use of Fund credit	12.9	-26.0	24.0	19.7	28.2	-11.4
Rescheduling	480.5	77.7	3,342.9	35.7	19.1	15.9
Arrears (net)	-142.4	278.6	-3,422.6	-67.8	0.1	0.0
Memorandum item:						
Current account (in percent of GDP)	-0.2	-4.7	-3.7	-6.9	-13.3	...

Sources: Panamanian authorities; and Fund staff estimates.

Table 35. Panama: Composition of Merchandise Exports

(In millions of balboas, unless otherwise specified)

	1994	1995	1996	1997	1998
Merchandise exports, f.o.b. 1/	665.0	744.4	740.6	844.3	864.2
Petroleum	107.4	145.8	167.4	173.8	128.9
Nonpetroleum exports, f.o.b. 2/	539.8	577.2	566.4	647.9	705.5
Bananas					
Value	206.6	190.4	184.0	179.8	138.7
Volume (millions of boxes)	41.4	38.0	34.8	33.5	25.5
Unit value per box	5.0	5.0	5.3	5.4	5.4
Sugar					
Value	17.1	18.0	22.6	28.7	25.5
Volume (thousands of metric tons)	54.8	44.2	46.6	62.4	66.2
Unit value per pound	0.1	0.2	0.2	0.2	0.2
Shrimp					
Value	69.5	82.8	74.6	95.7	136.7
Volume (thousands of metric tons)	7.9	10.4	11.0	12.7	14.1
Unit value per pound	4.0	3.6	3.1	3.4	4.4
Coffee					
Value	14.0	33.4	18.8	22.4	23.9
Volume (thousands of metric tons)	5.3	10.5	8.4	7.5	8.5
Unit value per pound	1.2	1.4	1.0	1.4	1.3
Fishmeal					
Value	5.1	5.0	2.2	4.5	6.6
Volume (thousands of metric tons)	19.1	20.5	7.1	11.1	14.3
Unit value per pound	0.1	0.1	0.1	0.2	0.2
Other seafood					
Value	18.4	19.5	22.1	36.4	56.0
Volume (thousands of metric tons)	6.2	5.4	7.2	13.4	19.8
Unit value per pound	1.4	1.7	1.4	1.2	1.3
Clothing					
Value	20.5	22.2	20.1	24.8	25.6
Volume (metric tons)	0.6	0.6	0.6	0.7	0.8
Unit value per pound	34.2	37.0	33.5	35.4	32.0
Other exports					
Value	188.6	205.9	222.0	255.6	292.5
Balance of payments adjustments for coverage	-19.8	-21.2	-26.4	-13.9	-26.3
Re-exports	37.6	42.6	33.2	36.5	56.1

Sources: Office of the Comptroller General; and Fund staff estimates.

1/ Including re-exports and balance of payments adjustments.

2/ Excluding re-exports and balance of payments adjustments.

Table 36. Panama: Petroleum Trade

(In millions of balboas; volumes in millions of barrels;
and unit values in balboas per barrel)

	1994	1995	1996	1997	1998
Net imports	191.7	157.7	227.5	210.7	162.5
Total imports, f.o.b.	299.1	303.5	394.9	371.9	291.4
Crude oil					
Value	118.8	135.0	289.0	262.2	188.0
<i>From:</i>					
Ecuador	95.3	116.6	95.8	162.0	94.5
Venezuela	14.9	18.4	147.0	49.2	63.3
Mexico	0.0	0.0	0.0	17.6	12.0
Other	8.6	0.0	46.2	33.4	18.2
Refined products	180.3	168.5	105.9	109.7	103.4
Refinery	180.3	168.5	105.9	109.7	103.4
Other	0.0	0.0	0.0	0.0	0.0
Total exports, f.o.b.	107.4	145.8	167.4	161.2	128.9
To other countries	10.5	8.7	20.5	22.3	33.8
Bunker oil for ships	63.0	81.7	122.0	108.3	67.1
Fuel for aircraft	33.9	55.4	24.9	30.6	28.0
Memorandum items					
Crude oil indexes					
Volume	8.5	8.8	14.7	15.0	16.6
Unit value	14.0	15.4	20.5	17.5	11.3

Sources: Office of the Comptroller General; Ministry of Commerce and Industry; and Fund staff estimates.

Table 37. Panama: Nontraditional Exports and Issue of Tax Credit Certificates

(In millions of balboas)

	1994	1995	1996	1997	1998 1/
Nontraditional exports, f.o.b. 2/	82.2	100.8	129.5	125.6	152.7
Food	1.0	3.1	2.8	11.9	...
Other agricultural products	23.8	35.4	46.2	51.3	...
Beverages and tobacco	9.8	8.2	10.3	9.7	...
Metals	0.0	0.0	0.0	0.0	...
Manufactures	47.6	54.2	70.2	52.7	...
Issues of tax credit certificates 2/	12.6	13.8	19.1	18.8	24.9
Food	0.1	0.3	0.3	2.2	...
Agribusiness					2.9
Other agricultural products	5.4	5.2	8.5	7.9	
Agricultural products					8.6
Beverages and tobacco	2.3	1.0	1.5	1.5	...
Sea products					5.9
Manufactures	4.8	7.3	8.8	7.2	7.5
Ratio of tax credit certificates to nontraditional exports (in percent)	15.3	13.7	14.8	14.9	16.3

Sources: Panama Trade Development Institute (IPCE) until 1997; Ministry of Commerce and Industry in 1998; and Fund staff estimates.

1/ The classification of tax credit certificates for nontraditional exports changed in 1998.

2/ Excludes nontraditional exports not benefiting from tax credit certificates.

Table 38. Panama: Composition of Merchandise Imports, c.i.f.

(Value in millions of balboas; indices: 1988 = 100)

	1993	1994	1995	1996	1997	1998
Food						
Value	195.3	211.9	230.9	267.0	269.9	326.3
Volume index	291.4	315.4	346.9	385.1	381.2	...
Unit value index	72.1	72.1	71.4	74.8	76.3	...
Capital goods						
Value	514.5	541.9	596.3	679.6	762.9	891.3
Volume index	352.4	379.8	373.0	427.1	488.8	...
Unit value index	108.9	106.6	116.7	119.2	116.5	...
Petroleum						
Value	182.1	118.8	135.0	289.6	262.2	188.0
Volume index	182.5	125.1	129.5	216.4	220.8	244.3
Unit value index	122.2	116.4	128.0	170.4	145.5	93.9
Other consumer goods						
Value	1,293.4	1,522.8	1,563.4	1,532.8	1,711.4	1,996.1
Volume index	233.6	405.9	386.9	386.5	423.3	...
Unit value index	112.1	75.8	81.1	82.2	83.2	...
Total value	2,195.2	2,402.1	2,535.3	2,781.1	3,006.4	3,398.3

Sources: Office of the Comptroller General; and Fund staff estimates.

Table 39. Panama: Direction of Trade 1/

(In percent)

	1994	1995	1996	1997	Prel. 1998
Exports, f.o.b.	100.0	100.0	100.0	100.0	100.0
Western Hemisphere	61.0	66.6	73.3	73.6	68.2
United States	37.8	41.9	47.5	45.2	40.0
Central America and the Caribbean	19.2	19.6	19.3	21.2	20.7
South America	2.7	3.7	4.1	3.9	3.7
Other	1.3	1.4	2.4	3.3	3.8
Europe	33.9	30.7	23.0	22.6	27.0
Belgium and Luxembourg	7.0	4.8	4.2	5.4	4.3
Germany	12.8	12.4	4.5	3.1	3.4
Italy	1.8	1.1	1.0	0.7	2.7
Sweden	9.0	4.8	10.2	8.4	7.2
Other	3.3	7.6	3.1	5.0	9.4
Other countries	5.1	2.7	3.7	3.8	4.8
<i>Of which:</i>					
Exports through the Colon Free Zone	1.3	1.1	2.0	2.0	1.9
Imports, c.i.f. 2/	100.0	100.0	100.0	100.0	100.0
Western Hemisphere	60.9	63.7	65.7	64.0	63.9
United States	38.0	39.4	37.4	36.7	39.7
Mexico	2.0	3.3	3.8	4.9	4.8
Central America and the Caribbean	9.1	7.6	7.1	7.4	8.0
Costa Rica	2.8	2.9	2.7	2.9	3.0
Trinidad and Tobago	0.7	0.4	0.3	0.5	0.3
Other	5.6	4.3	4.1	4.0	4.7
South America	11.8	13.4	17.4	15.0	11.4
Venezuela	2.2	3.2	7.2	3.9	3.1
Ecuador	4.4	5.3	3.7	5.6	3.2
Brazil	1.7	1.4	1.1	1.0	0.8
Other	3.5	3.5	5.4	4.5	4.3
Europe	9.6	8.8	8.3	8.8	8.4
Germany	1.8	1.9	1.7	1.3	1.3
France	0.6	0.6	0.5	1.5	0.9
Spain	1.0	1.2	1.0	1.3	1.3
Italy	1.4	0.9	0.8	0.7	0.6
Netherlands	1.8	1.3	0.9	0.6	0.7
United Kingdom	0.6	0.6	0.6	0.8	1.2
Other	2.4	2.3	2.8	2.6	2.4
Other countries	29.5	27.5	26.0	27.2	27.7
<i>Of which:</i>					
Imports from the Colon Free Zone	15.3	14.3	13.6	13.9	12.8

Sources: Office of the Comptroller General; and Fund staff estimates.

1/ Based on Customs data.

2/ Excludes sales of bunker oil.

Table 40. Panama: Net Services Receipts

(In millions of balboas)

	1994	1995	1996	1997	1998	Jan-June 1999
Total service receipts (net)	339.4	431.6	524.6	357.8	524.9	299.8
Transportation	-45.7	38.9	100.4	47.8	226.1	151.3
Freight and insurance	-710.2	-703.0	-622.5	-731.9	-595.0	-377.2
Colon Free Zone	-475.0	-468.3	-385.2	-460.0	-293.9	-109.2
Other	-235.2	-234.7	-237.3	-271.9	-301.1	-268.0
Canal receipts, net	515.0	585.5	598.2	633.0	689.6	354.8
Other	149.5	156.4	124.7	146.7	131.5	173.7
Travel	139.4	188.7	219.6	210.4	202.6	87.1
Government	-17.8	-20.7	-18.4	-41.7	-26.9	-11.2
Purchases by the U.S.						
Dept. of Defense	207.2	197.3	177.7	180.9	109.1	48.2
Other services (net)	56.3	27.4	45.3	-39.6	14.0	24.4
Total income receipts (net)	-222.4	-364.4	-317.1	-411.6	-524.5	-360.1
Investment income, net	-317.3	-460.1	-387.5	-459.7	-566.8	-377.1
<i>Of which:</i>						
Interest on the public debt	-354.0	-393.2	-243.3	-282.3	-303.2	-164.5
Colon Free Zone	-114.0	-101.1	-98.2	-164.3	-140.7	-78.0
Wages paid by the U.S.						
Dept. of Defense	94.9	95.7	70.4	48.1	42.3	17.0

Sources: Office of the Accountant General; and Fund staff estimates.

Table 41. Panama: Operations of the Colon Free Zone

(In millions of balboas)

	1994	1995	1996	1997	Prel. 1998
Imports 1/	4,927.4	5,160.5	4,623.7	5,389.6	5,318.7
Textiles and clothing	1,310.7	1,255.2	973.0	1,200.0	1,185.7
Beverages and tobacco	120.7	119.7	176.1	207.8	176.9
Chemical products	413.1	448.7	496.1	577.7	624.2
Instruments	616.9	416.2	317.6	340.9	309.2
Machinery and transport goods	1,457.2	1,783.7	1,502.4	1,654.8	1,675.6
Other	1,008.8	1,137.0	1,158.5	1,408.4	1,347.1
Exports, f.o.b. 1/	5,756.7	5,731.4	5,491.7	6,276.0	5,969.3
Textiles and clothing	1,478.7	1,339.4	1,177.2	1,384.2	1,271.6
Beverages and tobacco	143.1	142.2	183.1	218.0	200.1
Chemical products	595.4	644.7	675.6	770.5	829.6
Instruments	735.3	457.7	388.2	373.8	347.3
Machinery and transport goods	1,666.5	1,896.3	1,803.4	1,960.2	1,846.6
Other	1,137.7	1,251.1	1,264.2	1,569.3	1,474.1
Memorandum item:					
Number of Panamanians employed in Colon Free Zone 2/	12,674	13,421	12,152	13,639	14,200

Sources: Office of the Comptroller General; Administration of the Colon Free Zone; and Fund staff estimates.

1/ Excludes balance of payments adjustments.

2/ Average for the year.

Table 42. Panama: Canal Statistics

Fiscal year Ended Sep. 30	Total Traffic				Traffic Assessed Toll on Net Tonnage Basis 1/		
	Number of Transits (In thousands)	Tolls (In millions of balboas)	Cargo Tonnage (In millions of long tons)	Average Toll (balboa per long ton)	Number of Transits (In thousands)	Net Tonnage 2/ (In millions of p.c. net tons)	Average Tonnage per transit (In thousands of p.c. net tons)
Total traffic							
1994	14.0	419.2	170.8	2.5	13.7	195.2	14.2
1995	15.1	462.8	190.4	2.4	14.8	216.3	14.6
1996	15.2	486.7	198.5	2.5	14.9	228.3	15.3
1997	14.7	493.7	189.9	2.6	14.3	217.5	15.2
1998	14.2	545.7	192.2	2.8	14.1	222.6	15.8
<i>Of which:</i>							
Commercial							
Ocean traffic 3/							
1994	12.2	416.8	170.5	2.4	12.3	194.3	15.8
1995	13.4	460.0	190.3	2.4	13.4	215.4	16.1
1996	13.5	483.1	198.1	2.4	13.5	226.9	16.8
1997	13.0	491.6	189.8	2.6	13.0	216.9	16.7
1998	12.9	543.0	192.1	2.8	12.9	221.6	17.2

Sources: Panama Canal Commission; and Fund staff estimates.

1/ Traffic tolls not assessed on net tonnage basis are assessed on displacement-tonnage basis.

2/ One Panama Canal (p.c) net ton equals 100 cubic feet space. Noncommercial ocean traffic is mainly U.S. Government traffic.

3/ Ocean traffic includes ships of 300 p.c. net tons and over.

Table 43. Panama: Principal Commodities Shipped Through the Canal

(In thousands of long tons)

Fiscal Year Ended September 30	Atlantic to Pacific					Pacific to Atlantic				
	1994	1995	1996	1997	1998	1994	1995	1996	1997	1998
Total	102,595	120,845	124,205	115,547	107,257	67,943	69,458	73,861	74,233	81,040
Agricultural	31,531	43,684	41,420	34,592	34,801	13,075	12,172	13,124	12,580	12,087
Canned and refrigerated foods	1,113	1,218	1,230	1,213	1,118	4,883	5,645	5,717	5,761	5,251
Grains	29,547	41,118	39,279	32,399	32,901	4,520	2,956	3,155	2,912	2,892
Other	871	1,348	911	980	782	3,672	3,571	4,252	3,907	3,944
Mining products	21,427	21,960	22,022	20,596	18,424	19,233	21,458	23,796	25,152	24,478
Minerals	186	159	130	101	70	5,602	5,268	6,842	7,126	6,224
Phosphates and fertilizers	13,603	14,451	14,805	13,888	13,391	1,834	1,457	1,135	1,193	1,144
Ores and metals	3,766	4,128	3,641	3,776	2,920	6,330	6,633	7,882	8,412	9,573
Coke and coal	3,872	3,222	3,446	2,831	2,043	5,467	8,100	7,937	8,421	7,537
Crude oil and petroleum products 1/	14,312	15,944	19,245	19,151	18,527	12,650	11,516	13,541	11,591	12,195
Chemicals	8,258	8,557	9,555	8,860	7,299	1,451	1,557	1,820	1,502	1,190
Manufactures of iron and steel	3,746	4,898	4,705	3,911	4,462	4,101	4,276	3,640	4,249	8,846
Machinery and equipment	692	734	809	787	723	1,357	1,408	1,125	1,272	1,443
Lumber and wood products	5,297	5,928	7,238	7,146	5,689	4,165	4,784	3,792	4,060	3,747
Miscellaneous	17,332	19,140	19,211	20,504	17,332	11,911	12,287	13,023	13,827	17,054

Sources: Panama Canal Commission; and Fund staff estimates.

1/ Includes crude oil, diesel oil, fuel oil, gasoline, jet fuel, liquified natural gas, kerosene, and asphalt.

Table 44. Panama: Travel Receipts and Expenditure,
and Number of Visitors

	1994	1995	1996	1997	1998
	(In millions of balboas)				
Net travel receipts	139.4	188.7	219.6	210.4	202.6
Travel receipts	261.6	309.4	359.9	374.2	378.8
Tourists	138.1	157.6	198.8	155.0	149.8
Business, official, and education related travel	59.7	61.3	53.1	85.8	93.5
Travelers in transit and others	63.8	90.5	108.0	133.4	135.5
Expenditure of Panamanians traveling abroad	-122.2	-120.7	-140.3	-163.8	-176.2
	(In thousands)				
Visitors 1/	351.2	380.8	431.8	413.6	414.5
Tourists	241.3	268.5	340.3	263.5	252.3
Business, official, and education related travel	109.9	112.3	91.5	150.1	162.2
Travelers in transit 2/	283.6	394.0	467.7	573.5	565.0

Sources: Office of the Comptroller General; and Fund staff estimates.

1/ Entries into Panama excluding residents, immigrants, and persons in transit or whose destination is the Canal area.

2/ Nonresidents who spent less than 48 hours in Panama.

Table 45. Panama: Public Sector, External Debt and Debt Service

(In millions of balboas; stocks at end of period) 1/

	1994	1995	1996	1997	1998	Jan-Sept 1999
Stock of external debt						
Total	5,505.5	5,890.8	5,052.0	5,007.5	5,313.0	5,631.8
Multilateral	733.0	764.5	806.0	933.4	1128.8	1131.8
IMF	132.8	110.6	130.9	142.2	181.6	160.9
IBRD	206.3	182.5	198.7	229.6	277.8	272.3
IDB	384.8	462.4	469.7	554.7	656.6	678.2
IFAD	9.1	9.0	6.7	6.9	12.8	20.4
Bilateral	770.6	782.7	486.7	451.0	445.0	424.9
Paris Club 2/	408.4	400.2	385.4	333.1	324.1	311.0
Venezuela, Mexico	277.2	299.2	0.0	0.0	0.0	0.0
Support group	85.0	83.3	101.3	117.9	120.9	113.9
Commercial	3,944.1	4,299.6	3,724.3	3,594.2	3,738.6	4,074.9
Medium- and long-term debt	3,830.0	4,193.6	3,724.3	3,594.2	3,738.6	4,074.9
<i>Of which:</i>						
Brady bonds	0.0	0.0	3,227.6	2,027.9	1,972.2	1,840.6
Other bonds	433.1	432.5	365.5	1,499.6	1,766.4	2,229.0
Short-term 3/	114.1	106.0	0.0	0.0	0.0	0.0
Suppliers 4/	57.8	44.0	35.0	28.9	0.6	0.2
Debt-service 4/						
Total	613.9	652.9	479.5	1,509.8	605.5	632.7
Principal	270.3	262.6	236.0	1,227.5	302.3	314.2
Interest	343.6	390.3	243.5	282.3	303.2	318.5
Multilateral	146.7	171.5	170.2	139.2	120.2	150.8
Principal	95.4	125.3	124.0	97.1	72.3	56.0
Interest	51.3	46.2	46.2	42.1	47.9	94.8
Bilateral	90.6	69.8	66.5	82.5	78.7	79.8
Principal 5/	49.7	31.2	30.4	57.2	58.0	60.3
Interest	41.0	38.7	36.1	25.3	20.7	19.5
Commercial	374.6	397.7	230.9	1,280.2	400.3	401.7
Principal 6/	116.3	94.1	72.5	1,068.1	167.6	197.5
Interest	247.9	300.7	158.4	212.1	232.7	204.2
<i>Of which:</i>						
Short-term 7/	10.4	2.9	0.0	0.0	0.0	0.0
Suppliers	12.3	16.7	11.8	7.9	6.3	0.4
Principal	8.9	12.1	9.1	5.2	4.4	0.4
Interest	3.4	4.6	2.7	2.7	1.9	0.0

Sources: Ministry of Planning and Economic Policy; IBRD; IDB; and Fund staff estimates.

1/ Includes accrued interest arrears.

2/ Includes insured suppliers' credit.

3/ Noninsured suppliers' credits only.

4/ Includes imputed charges on overdue obligations.

5/ Increase in 1998 is due to payment of arrears to Libyan Arab Foreign Bank.

6/ Increases in 1997 and 1998 are due to repurchases of Brady bonds.

7/ Consists of interest on credit lines and on money facilities of the National Bank; the latter is excluded from interest of the nonfinancial public sector.

Table 46. Panama: External Public Debt Indicators

(In percent)

	1994	1995	1996	1997	1998	Sept. 1999
Debt-service ratios 1/						
In terms of central government receipts 2/	34.3	44.3	30.9	90.3	34.3	47.6
Principal due	17.1	17.7	15.2	73.5	17.1	23.7
Interest due	17.2	26.5	15.7	16.9	17.2	23.9
In terms of GDP	8.1	8.3	5.8	17.2	5.7	...
Principal due	3.5	3.3	2.9	14.0	2.4	...
Interest due	4.6	5.0	3.0	3.2	3.3	...
In terms of exports of goods and services	20.3	21.9	15.4	44.4	16.9	...
Principal due	8.8	8.8	7.6	36.1	7.0	...
Interest due	11.5	13.1	7.8	8.3	9.9	...
External debt ratios						
External debt in terms of GDP 3/	71.2	74.1	62.0	58.7	58.3	...
Multilateral and bilateral 4/	19.4	20.3	16.4	16.4	12.5	...
<i>Of which:</i>						
IMF	1.7	1.4	1.6	1.6	2.0	...
Other 5/	51.7	54.9	45.6	41.3	45.8	...
Effective interest rates on total debt 6/	6.5	6.9	4.3	5.6	5.9	5.8
Memorandum item:						
Six-month LIBOR (year average)	5.1	6.1	5.6	5.8	5.5	5.3

Sources: Office of the Comptroller General; National Bank of Panama; Ministry of Planning and Economic Policy; and Fund staff estimates.

1/ Debt-service ratios exclude payments due on short-term debt, but include payments due to the IMF.

2/ Central government receipts include transfers from the rest of the public sector and exclude grants.

3/ Including interest arrears and short-term debt.

4/ Includes insured suppliers' credits.

5/ Includes nonguaranteed suppliers' credits.

6/ Interest rate on average debt outstanding during the period. Rates are affected by variations in exchange rates.

Table 47. Panama: Operations on Medium- and Long-Term External Debt of the Nonfinancial Public Sector Classified by Creditor 1/

(In millions of balboas)

	Out- standing 12/31/93	Operations in 1994					Out- standing 12/31/94
		Drawings	Amort- ization Due	Interest Due	Payments	Adjust- ments 2/	
Total	5,213.9	52.3	270.3	343.6	286.8	68.4	5,391.4
Multilateral	767.3	30.5	95.4	51.3	146.7	30.6	733.0
IMF	115.7	14.0	1.2	7.6	8.8	4.2	132.8
IBRD	244.3	1.4	53.5	18.1	71.6	14.1	206.3
IDB	397.3	14.6	39.4	24.7	64.1	12.3	384.8
IFAD	10.0	0.5	1.4	0.8	2.2	-0.1	9.1
Bilateral	757.7	21.8	49.7	41.0	61.6	11.8	770.6
Paris Club 3/	417.7	1.8	17.6	20.8	38.4	6.5	408.4
Venezuela and Mexico	262.1	0.0	12.1	16.9	0.0	-1.8	277.2
Support group	77.9	20.0	20.0	3.2	23.2	7.1	85.0
Commercial banks	3,613.4	0.0	116.3	247.9	65.7	34.4	3,830.0
Medium- and long-term debt	3,144.0	0.0	104.4	224.6	6.0	34.4	3,397.0
Bonded debt	469.4	0.0	11.9	23.3	59.6	0.0	433.1
Suppliers 4/	75.5	0.0	8.9	3.4	12.8	-8.3	57.8
	Out- standing 12/31/94	Operations in 1995					Out- standing 12/31/95
		Drawings	Amort- ization Due	Interest Due	Payments	Adjust- ments 2/	
Total	5,391.4	112.6	262.6	390.3	288.9	179.4	5,784.8
Multilateral	733.0	107.9	125.3	46.2	171.5	49.0	764.5
IMF	132.8	12.9	38.9	8.7	47.7	3.9	110.6
IBRD	206.3	2.8	43.1	15.5	58.6	16.5	182.5
IDB	384.8	90.9	41.8	21.3	63.0	28.4	462.4
IFAD	9.1	1.3	1.5	0.7	2.3	0.2	9.0
Bilateral	770.6	4.7	31.2	38.7	44.8	13.6	782.7
Paris Club 3/	408.4	4.7	18.5	22.3	40.9	5.7	400.2
Venezuela and Mexico	277.2	0.0	12.6	12.4	0.0	9.6	299.2
Support group	85.0	0.0	0.0	3.2	3.2	-1.7	83.3
Commercial banks	3,830.1	0.0	94.1	300.7	55.9	118.5	4,193.6
Medium- and long-term debt	3,397.0	0.0	93.6	269.8	24.4	118.7	3,761.1
Bonded debt	433.1	0.0	0.5	31.0	31.4	-0.2	432.5
Suppliers 4/	57.8	0.0	12.1	4.6	16.7	-1.7	44.0

Table 47. Panama: Operations on Medium- and Long-Term External Debt of the Nonfinancial Classified by Creditor (Continued) 1/

(In millions of balboas)

	Out- standing 12/31/95	Operations in 1996					Out- standing 12/31/96
		Drawings	Amort- ization Due	Interest Due	Payments	Adjust- ments 2/	
Total	5,784.8	368.3	236.0	243.3	659.7	-684.7	5,052.0
Multilateral	764.5	234.5	124.0	46.2	170.2	-69.0	806.0
IMF	110.6	75.9	51.9	6.5	58.5	-3.7	130.9
IBRD	182.5	68.6	31.4	12.5	43.9	-21.0	198.7
IDB	462.4	90.0	39.0	26.4	65.3	-43.7	469.7
IFAD	9.0	0.0	1.7	0.8	2.5	-0.6	6.7
Bilateral	782.7	27.8	30.4	36.1	247.7	-112.1	486.7
Paris Club 3/	400.2	3.4	17.6	21.6	39.2	-0.5	385.4
Venezuela and Mexico	299.2	0.0	12.8	9.6	203.7	-105.2	0.0
Support Group	83.3	24.4	0.0	4.8	4.8	-6.4	101.3
Commercial banks	4,193.6	106.0	72.5	158.4	230.0	-503.7	3,724.3
Medium- and long-term debt 5/	3,761.1	106.0	5.5	129.7	133.6	-504.3	3,358.9
Bonded debt	432.5	0.0	67.0	28.7	96.4	0.6	365.4
Suppliers 4/	44.0	0.0	9.1	2.7	11.8	0.1	35.0
		Operations in 1997					
	Out- standing 12/31/96	Drawings	Amort- ization Due	Interest Due	Payments	Adjust- ments 2/	Out- standing 12/31/97
Total	5,052.0	1,486.4	1,227.5	282.3	1,541.9	-271.3	5,007.5
Multilateral	806.0	247.1	97.1	42.1	139.2	-22.6	933.4
IMF	130.9	45.8	26.1	7.5	33.6	-8.4	142.2
IBRD	198.7	54.5	29.2	13.8	43.1	5.7	229.6
IDB	469.7	144.6	39.8	20.3	60.0	-19.9	554.7
IFAD	6.7	2.2	1.9	0.5	2.5	0.0	6.9
Bilateral	486.7	39.3	57.2	25.3	82.5	-17.8	451.0
Paris Club 3/	385.4	7.7	55.6	19.9	75.5	-4.4	333.1
Venezuela and Mexico	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support group	101.3	31.6	1.6	5.4	7.0	-13.4	117.9
Commercial	3,724.3	1,200.0	1,068.1	212.1	1,292.6	-230.0	3,594.2
Medium- and long-term debt 5/	3,358.9	0.0	1,002.0	168.9	1,203.0	-230.2	2,094.6
Bonded debt 6/	365.4	1,200.0	66.0	43.3	109.3	0.2	1,499.6
Suppliers 4/	35.0	0.0	5.2	2.7	7.9	-0.9	28.9

Table 47. Panama: Operations on Medium- and Long-Term External Debt of the Nonfinancial Public Sector (Concluded)

(In millions of balboas)

	Out- standing 12/31/97	Operations in 1998					Out- standing 12/31/98
		Drawings	Amort- ization Due	Interest Due	Payments	Adjust- ments 2/	
Total	5,007.4	703.2	302.3	303.2	616.2	-85.2	5,312.3
Multilateral	933.4	273.1	72.3	47.9	120.2	-6.2	1,128.0
IMF	142.2	41.5	13.3	8.1	21.4	11.2	181.6
IBRD	229.6	91.3	25.9	14.5	40.4	-18.0	277.0
IDB	554.7	133.1	31.2	24.7	55.9	0.0	656.6
IFAD	6.9	7.2	1.9	0.6	2.4	0.6	12.8
Bilateral	451.0	97.0	58.0	20.7	105.4	-18.3	445.0
Paris Club 3/	333.1	82.5	56.4	16.9	100.0	-8.4	324.1
Venezuela and Mexico	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support Group	117.9	14.5	1.6	3.8	5.4	-9.9	120.9
Commercial	3,594.2	333.0	167.6	232.7	384.3	-36.9	3,738.7
Medium- and long-term debt	2,094.6	0.0	102.1	98.1	184.7	-35.7	1,972.3
Bonded debt 6/	1,499.6	333.0	65.5	134.6	199.6	-1.2	1,766.4
Suppliers 4/	28.9	0.0	4.4	1.9	6.3	-23.9	0.6
	Out- standing 12/31/98	Operations in January-September 1999					Out- standing 9/30/99
		Drawings	Amort- ization Due	Interest Due	Payments	Adjust- ments 2/	
Total	5,312.3	619.2	314.2	318.5	609.5	-8.7	5,631.8
Multilateral	1,128.0	75.5	56.0	94.8	138.6	-27.9	1,131.8
IMF	181.6	0.0	11.5	4.6	16.1	-9.2	160.9
IBRD	277.0	24.7	18.9	35.2	54.1	-10.5	272.3
IDB	656.6	41.1	23.6	54.4	65.6	-8.3	678.2
IFAD	12.8	9.7	2.0	0.6	2.8	0.1	20.4
Bilateral	445.0	43.6	60.3	19.5	83.9	0.7	424.9
Paris Club 3/	324.1	43.6	53.2	15.7	68.9	-3.5	311.0
Venezuela and Mexico	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support Group	120.9	0.0	7.1	3.8	15.0	4.2	113.9
Commercial	3,738.7	500.1	197.5	204.2	386.8	18.7	4,074.9
Medium- and long-term debt	1,972.3	0.5	163.9	95.3	244.7	22.5	1,845.9
Bonded debt 6/	1,766.4	499.6	33.6	108.9	142.1	-3.8	2,229.0
Suppliers 4/	0.6	0.0	0.4	0.0	0.2	-0.2	0.2

Sources: Ministry of Planning and Economic Policy, National Bank of Panama; IMF; IDB; IBRD; and Fund staff estimates.

1/ Excluding short-term debt. Figures include interest arrears.

2/ Adjustments due to valuation changes, data revisions, and/or debt reduction.

3/ Includes insured suppliers' credit.

4/ Noninsured suppliers' credits only.

5/ Drawing refers to short-term debt refinanced in January 1996 into medium-term debt. It also includes commercial bank debt converted into Brady bonds in 1996 and arrears to Libya.

6/ Euro bonds (US\$500 million) and Global bonds (US\$700 million) were issued in 1997; 10-year bonds (US\$300 million) were issued in 1998; and an additional global bonds (US\$500 million) were issued in 1999.

Table 48. Panama: Arrears on Public Sector External Debt Service

(In millions of balboas; end of period)

	1994		1995		1996		1997		1998		September 1999	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Total	1,927.2	1,598.9	1,954.8	1,983.3	51.5	45.8	21.3	19.9	0.0	0.0	0.0	0.0
Commercial banks	1,800.2	1,478.6	1,817.9	1,841.1	48.8	44.0	20.0	19.2	0.0	0.0	0.0	0.0
<i>Of which:</i>												
Short-term debt 1/	72.0	42.1	28.1	34.0	20.0	15.2	20.0	19.2	0.0	0.0	0.0	0.0
Bonded debt	2.3	0.7	2.5	0.7	1.4	1.1	0.0	0.0	0.0	0.0	0.0	0.0
Mexico and Venezuela	121.2	117.2	133.1	140.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Suppliers	3.5	2.4	1.3	1.0	1.3	0.7	1.3	0.7	0.0	0.0	0.0	0.0

Sources: Ministry of Planning and Economic Policy; IMF; IDB; IBRD; and Fund staff estimates.

1/ Consists of credit lines to public enterprises and money facilities of the National Bank.