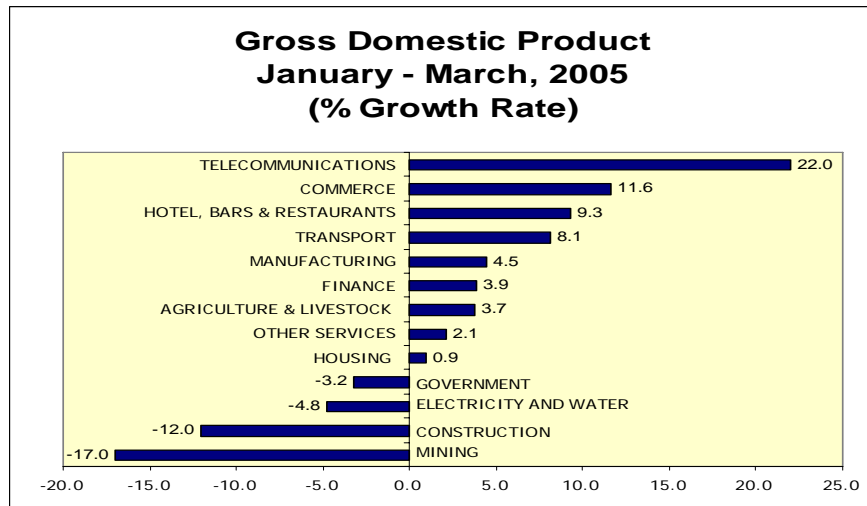


**EXECUTIVE SUMMARY  
DOMINICAN ECONOMY  
JANUARY – MARCH, 2005**

**I. REAL SECTOR**

**GROSS DOMESTIC PRODUCT**

According to preliminary data obtained from companies and institutions that make up the sample of activity contemplated in the calculation of the real Gross Domestic Product, during the first quarter of 2005 the Dominican economy grew by 4.3% compared to the same prior year period. Essentially, this performance resulted from growth in the following sectors: Communications (22.0%) Commerce (11.6%); Hotels, Bars, and Restaurants (9.3%); Transportation (8.1%); Manufacturing (4.5%); and, Agriculture and Livestock (3.7%). These sectors represent 69.0% of GDP. The above indicates that economic growth was largely sustained by an expansion in goods and services sectors.



Other sectors, such as construction, mining, electricity, and government, registered negative growth rates. In the case of the public sector, this was due to a contraction in jobs, which is in accordance with the present government's policy of public payroll reduction.

GDP performance reflects the economy's rapid recovery after the crisis that erupted in early 2003, as a response to the policies put into action at the beginning of the present administration. The first quarter's growth was characterized by low inflation, interest rate reductions, and relative stability in the exchange rate. This contrasts with an economy that, in the same prior year period, underwent a strong devaluation, high interest rates, and inflation, in addition to the usual election year uncertainties.

The increase of internal demand induced a greater supply of locally produced goods and services, together with greater availability of imported consumer goods. Adding up exchange rate stability and positive expectations on the part of economic agents, there was an increase of 17.0% in private consumption. Thus, we see a reversal of the negative trends registered in first quarter 2004, when that indicator fell by 9.5%.

**Agriculture and livestock** grew 3.7%, partly due to the recovery in the agriculture sub-sector, from a negative 0.7% last year to a positive 0.8% during the period in question, despite flooding in January and a severe drought in February. This growth reflects an increase in production volumes for staple foods such as beans (33.8%), potatoes (45.9%), bananas (15.9%), plantains (13.6%), and tomatoes (16.1%). Additionally, the livestock sub-sector grew by 8.0% due to the increase in production volumes of all its components, especially poultry, which grew by 10.5%.

The **manufacturing** sector grew 4.5%, impacted by a increase of 5.9% in local non-sugar related industry. This was favored by a greater availability of imported raw materials, as a result of a drop in the exchange rate and increase in internal demand. Flour and derivatives (29.9%), pasteurized milk (26%), beer (21.7%), pasta (20.5%), and soy oil (12.8%). The industrial free zone sub-sector, registered a 3.5% growth in employment compared to the same prior year period. This occurred despite the removal of export quotas for WTO member countries, effective January 1, 2005. According to statistics published in the Major Shipper Report, the Office of Textiles and Apparel of the U.S. Department of Commerce (Otexa), as of March the export volume of textiles to the U.S. grew by 5.4% and export value by 2.8%.

The **Commerce** and **Transportation** sectors were favored by greater availability of goods originating in agriculture, livestock, and manufacturing due to a larger supply of imported consumer goods. These products registered a growth of 53.1% in their value due to higher internal consumer demand and the restoration of suppliers' assets, encouraged by the relative stability of the exchange rate.

As for the **tourism** sector, for the period in question the average daily expenditure for foreign tourists visiting the country rose by 1.8% compared to the same prior year period, growing from US \$109.16 to US \$111.10. Accordingly, the length of average stay increased 15.3%, to 10 nights per visit. Finally, there was a 9.98% rise in the number of arrivals, including foreigners and non-resident Dominicans. All of these factors contributed to the 9.3% growth in the Hotels, Bars, and Restaurants sector.

**Communications** activity increased 22.0% due to a greater number of net installed devices. Cell phones continue to gain market share with respect to land lines. This is a result of consumer preference for the conveniences that a mobile phone represents, as well as competition between the various companies in this sector operating in the country, which offer billed as well as prepaid services at competitive prices.

Another activity that demonstrated a recovery, measured through employed personnel, was **financial activity**, growing by 3.9% compared to the same prior year period. During

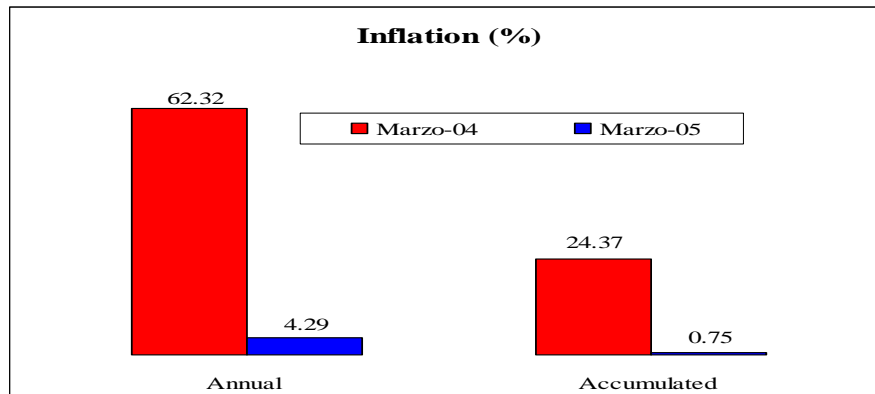
that period, there was a falloff of 13.8%, resulting from the financial crisis of 2003; this demonstrates that the sector has begun to stabilize.

In contrast, the **construction** sector dropped by 12.2% due to a reduction in investment on the part of the private as well as the public sector, despite lower interest rates. In the public sector, as a result of the austerity policies applied to government spending, public investment in construction contracted by 20.2% in real terms.

Similarly, the **Government** sector shrank by 3.2% due to the reduction in the Central Government's payroll, as well as that of the decentralized institutions, in accordance with the policies put in place by the present authorities.

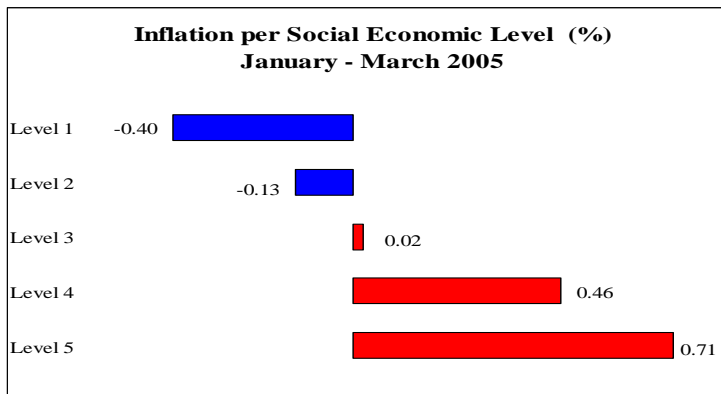
## INTERNAL PRICES

During the first quarter of the year, the cumulative inflation rate, as measured through the variance in the Consumer Price Index (CPI), equaled 0.75%, notably lower than that for the same prior year period, which was 24.37%. Annualized inflation as of March 2005 was 4.29%, compared to 62.32% for March 2004.



Transportation as a group had the greatest impact, with a positive variance of 6.04%. This was partially offset by reductions in the indices for Food, Beverages, and Tobacco (-1.85%), and Furniture and Domestic Equipment (-1.47%).

The price increases in the Transportation group obeys the rising trends in international oil prices for that period, which were reflected by increases of 12.56% for premium gasoline and 13.60 % for regular. Similarly, rising motor vehicle and airfare prices contributed to this performance. With regard to the 1.85% drop in the Food, Beverages, and Tobacco group, the greatest impact came from fresh and processed meats, fruits, vegetables, and oils and legumes.

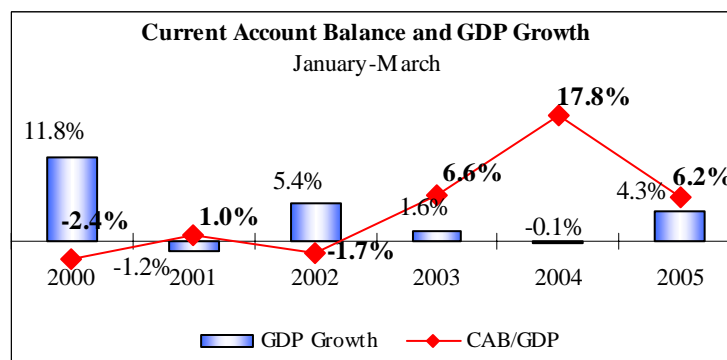


During the first quarter 2005, the price index for the first quintile, or lowest income sector, had a cumulative variance of -0.40%. This result was affected by the drop in highly weighted food products, which occupy a greater proportion of this group's expenses. The index corresponding to the fifth quintile, or highest income (and expenditure) group, rose by 0.71%, and responds, in essence, to rising oil prices on the overseas markets, thus having a perceptible impact on the consumer expenses of that segment of the population.

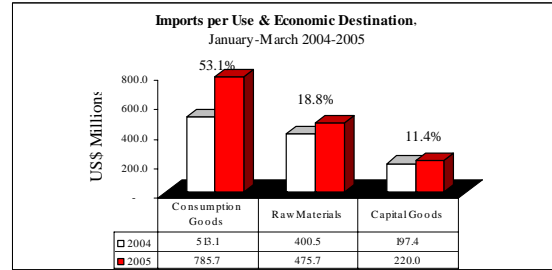
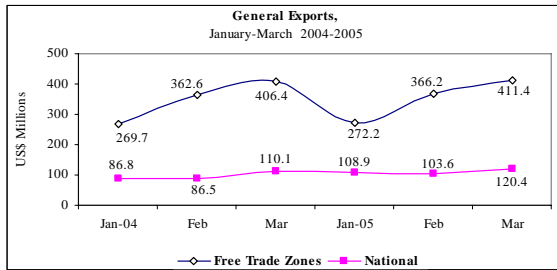
## II. EXTERNAL SECTOR

### BALANCE OF PAYMENTS

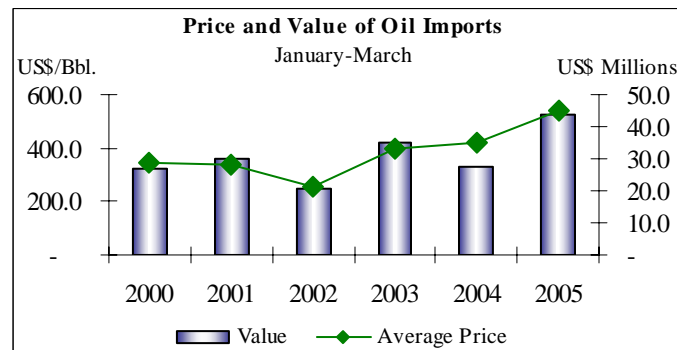
During the period in question, the balance of payments current account showed a surplus of US \$420.1 million, equivalent to 6.2% of GDP. This result is lower by US \$224.1 million (34.8%) with respect to the figure for the same prior year period.



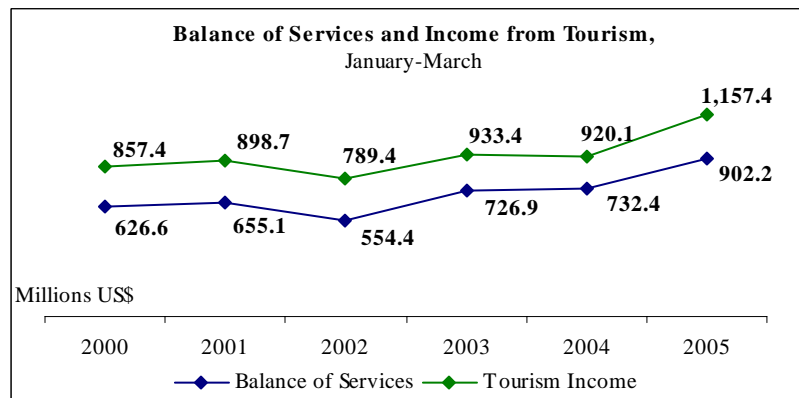
Total exports of goods grew by 3.6%. Internal (non-free zone) exports rose 8.0%, driven fundamentally by goods acquired in ports (63.7%) and ferro-nickel exports (11.6%). Free zones registered a slight 1.1% growth. The current account result was affected by an increase of 21.7% in total imports of goods, in response to greater economic activity and a drop in the exchange rate.



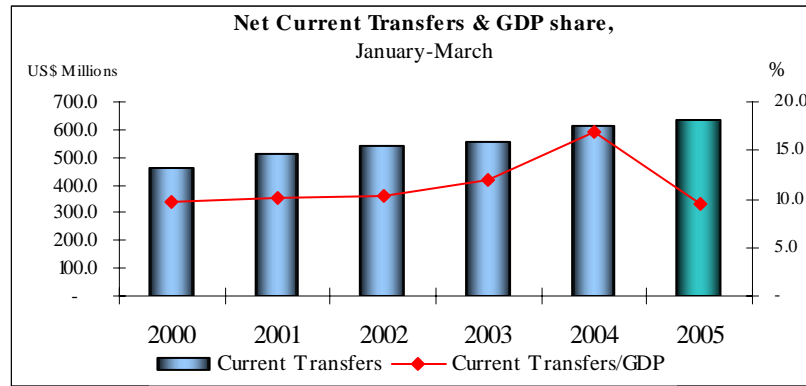
The oil import bill was a determining factor in the current account result, rising by US \$194.1 million, due to the combined effect of price increases (30%) and volume (22.6%). It should be noted that a one dollar increase per barrel represents US \$50 million in additional expenditure.



The balance of services surplus rose by US \$169.8 million (23.2%). Tourist services, representing 93.4% of total income for this caption, went up 25.8% due to a 9.98% increase in the influx of foreigners and non-resident Dominicans, a rise of 1.8% in their spending, and 15.3% in average length of visit.



The value of family remittances, which is the principal component of current transfers, went up by only 0.2%. However, current transfers rose 3.9%, as a result of increased flows related to non-reimbursable cooperation and insurance indemnities.



The capital and financial account balance, despite a negative balance of US \$54.5 million, fell significantly compared to the same prior year period. This was mainly due to a US \$62.0 million increase in foreign direct investment, and the fact that public sector debt fell sharply by US \$263.8 million. Private sector debt rose US \$46.1 million. During the period in question, there was a significant reduction in capital outflows, as can be seen by the US \$293.2 million decrease in the Errors and Omissions account.

**Balance of Payments**  
January-March  
(US\$ millions)

	2004*	2005**	Change	
			Absolut	(%)
I Current Account	644.2	420.1	-224.1	-34.8
II Financial Account	-209.3	-54.5	154.8	-74.0
III Errors and Omissions	-310.3	-17.1	293.2	-94.5
IV Global Balance (I+II+III)	124.6	348.5	224.0	179.8
V Financing	-124.6	-348.5	-224.0	179.8
Reserve Assets <sup>1/</sup>	-172.6	-447.6	-275.0	159.3

1/ (increase = -)

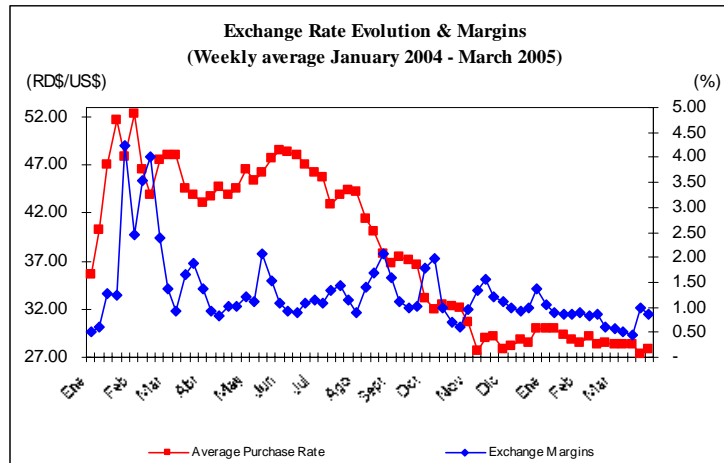
\*Revised figures \*\* Preliminary figures

The global balance of payments result was positive in the amount of US \$348.5 million, due basically to increases in reserve assets and in disbursements received from the IMF.

**EXCHANGE RATE**

Exchange rate performance during the first quarter of the present year was characterized by a level of stability established in fourth quarter 2004. The average U.S. dollar purchase rate at intermediaries for March, 2004 was RD \$28.31::US \$1.00.

This rate represented a 39% reduction compared to the rate for the same prior year period, and contributed to the normalization of exchange rate spreads at the end of the period.



### III. MONETARY POLICY

In the first quarter of 2005, the monetary authorities continued applying a follow-up strategy to monetary targets, as part of the Central Bank’s legal mandate to maintain price stability. The principal instrument of this strategy is the placing of Central Bank investment certificates, either directly or through auctions, with the objective of exerting control over base money. At the same time, building up reserves helps to meet the Net Domestic Asset target established in the IMF agreement.

#### Determinants of the Money Multiplier

(Millions of DOP\$)

	Mar.03	Dec.03	Mar.04	Dec.04	Mar.05
Monetary Base	38,650.3	77,558.2	64,813.6	78,555.1	75,975.5
Money hold by the public	16,804.9	29,654.1	29,725.3	32,548.4	27,975.9
Bank Reserves	21,845.4	47,904.1	35,088.3	46,006.7	47,999.6
Cash in Banks	4,335.1	7,925.4	6,675.7	8,130.2	7,378.9
Central Bank Deposits	17,510.3	39,978.7	28,412.6	37,876.5	40,620.7
Reserve Requirements*	105,384.7	180,264.1	205,686.9	235,621.9	191,345.2
Money Supply (M2)	168,197.7	244,046.8	244,731.0	266,845.5	270,500.6
Currency (M1)	40,875.2	74,556.2	71,990.6	78,899.3	77,792.3
Currency-Deposit Ratio	0.111	0.139	0.139	0.139	0.116
Reserve-Deposit Ratio	0.207	0.266	0.171	0.195	0.251
M1/M2 Ratio	0.24	0.31	0.29	0.30	0.29
Money Multiplier	4.352	3.147	3.776	3.397	3.560

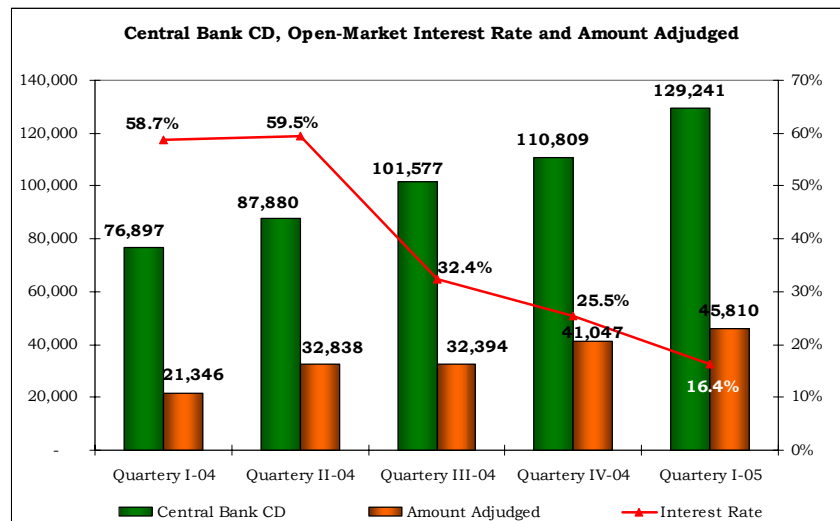
\* Corresponds to Liabilities Subject to Reserve Requirements from the Financial Department

Monetary issuance equaled RD \$75.98 billion as of March, 2005. This is 17.2% greater than the figure for the same prior year period. This expansion occurred despite a 2.9% decrease in currency issued in the period under consideration, due to a seasonal drop in the demand for money. Additionally, there was a 43.0% increase in commercial bank sight deposits in local currency.

The growth in monetary issuance is explained, in great measure, by an expansion in net foreign reserves, from a negative balance of US \$67.8 million in March 2004 to US

\$444.1 million in March 2005. It should be noted that the net foreign reserves balance excludes dollar legal reserve deposits, government deposits for debt payments, and bank contingency and consolidation funds.

As a means of adjusting the monetary aggregates to the levels established in the IMF agreement, and of sterilizing monetary expansion derived from maturing certificates and increasing net foreign reserves, placings of Central bank securities in circulation rose by 16.6%, from RD \$110.81 billion in December 2004 to RD \$129.24 billion in March 2005. This growth, however, took place in an environment of declining interest rates.



The weighted average for auction interest rates fell from 25.45% at the end of December 2004 to 16.38% at the end of March 2005. The overnight deposit rate dropped from 7% in December 2004 to 4% on an annual basis in March 2005. The Central Bank reduced the investment ratio rate, another instrument of monetary policy, from 15% to 10% in the same period. All these factors have contributed to the reduction of the Central Bank quasi-fiscal deficit.

Another important consequence of monetary policy is the reduction in the financial intermediaries' interest rates, in response to adjustments made by the Central Bank to direct or auctioned certificate interest rates, and overnight rates. The weighted average liability interest rate for multiple service banks fell from 21.28% in December 2004 to 17% in March 2005.

Being that the design and execution of monetary policy have been coordinated with a comprehensive plan to reduce the quasi-fiscal deficit, a change is evident in the Central bank's strategy with regard to the composition of its liabilities. Certificate rollovers for the period in question are taking place at lower interest rates and longer maturities. With the introduction, during the first quarter, of maturities greater than one year, the duration of the issuing entity's debt has been extended and the volume of maturities smoothed out.

In addition to this and as stipulated in the Stand-By Agreement, the Central Bank has made progress in the structuring of the plan to maximize the value and streamline the realization of assets. This is part of the quasi-fiscal deficit reduction strategy in order to gradually redeem the stock of certificates. Among the factors contributing to this progress in the first quarter are the activation of the Policy Committee for Asset realization (COPRA), the completion of the electronic asset inventory, approval of criteria for asset classification and valuation, and the creation of the Pre-qualified Companies Register for participation in the public tenders for asset packages, to be undertaken during the coming weeks.

#### IV. FINANCIAL SECTOR

As of March 31, 2005, assets and liabilities in the aggregate financial sector increased by 10.7% and 9.4%, respectively; net worth increased by 19.5% compared to March 2004. Growth in the financial sector is essentially based on local currency operations, which represent the greatest share of intermediary operations. Additionally, the growth in net worth on an annualized basis reflects the strengthening of the financial system, in accordance with the new standards and in compliance with the IMF agreement regarding capitalization of financial intermediaries.

#### FINANCIALS SYSTEM Assets, Liabilities, Equity March 2004 - March 2005

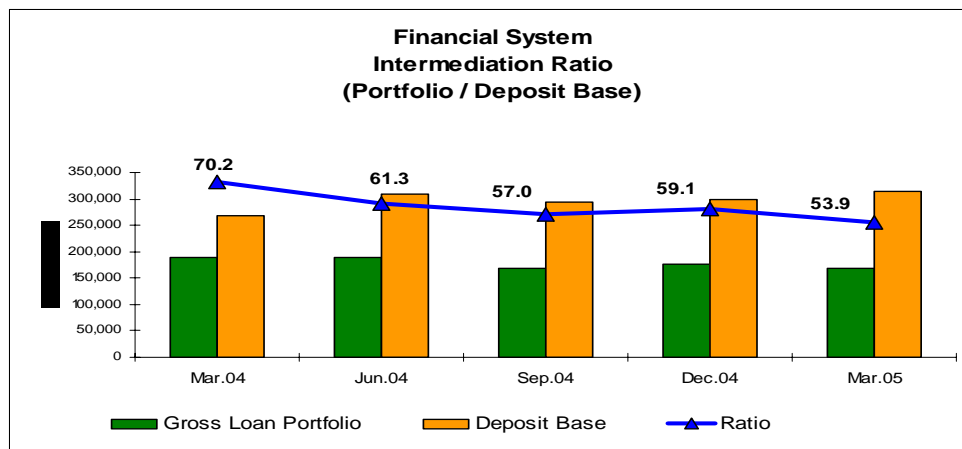
CONCEPT	Millions RD\$			% GR	
	MAR-2004*	DEC-2004*	MAR-2005*	Mar 05/ Mar 04	Mar 05/ Dec 04
Assets	365,925.4	389,151.2	405,015.7	10.7	4.1
Liabilities	312,303.1	326,677.2	341,583.1	9.4	4.6
Equity	39,929.3	47,842.4	47,722.2	19.5	(0.3)

(\*) Preliminary Figures.

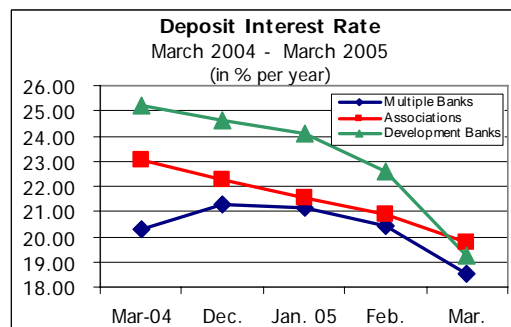
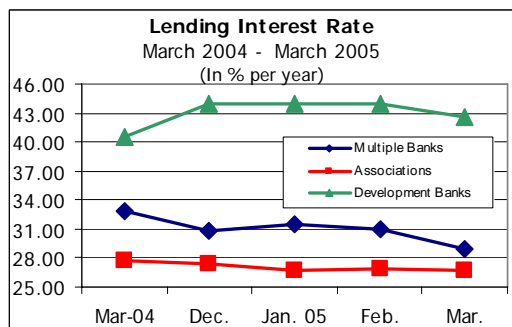
Multiple service banks continue to make up the largest share of the financial system, with 76.1% of total sector assets. During the period in question, development banks and savings and loan associations registered the fastest relative growth in their asset operations, respectively 40.9% and 28.6%, followed by finance companies, whose assets grew by 14.7%. This is evidence of a notable improvement in the sector.

During the first quarter of 2005, standards related to Liquidity and Market Risk, as well as the Regulation for the Preparation and Publication of Consolidated Financial Statements, were approved and incorporated. Also, amendments were introduced to the Regulations on Asset Valuation and Foreign Exchange, and the publication of a draft Regulation on Consolidated Supervision was authorized, for the purpose of receiving comments from interested sectors.

Requirements similar to those for multiple service banks were established for the other financial intermediation agencies, specifically with regard to solvency ratios and loan loss provisions at the close of the fiscal year on December 31, 2004. This was done on a gradual basis as established in the Asset Valuation Standards in place on the above date, as well as the accounting procedures for the required provisions and minimum levels of solvency, to be in effect on April 30, 2005, in conformity with the new Asset Valuation Standards that took effect on January 1, 2005. This has been done to adapt the standards for the purpose of strengthening the sector, in accordance with international standards and as a requirement of the IMF agreement.



The intermediation ratio, which compares total loan portfolio to total deposits, has maintained its downward trend, reaching 53.9% in March 2005, compared to 59.1% in December 2004. This reduction obeys the decrease in loan portfolio and increase in investments in securities during the period. However, a turnaround in financial intermediary loan volume began in April of this year.



With respect to interest rates in real terms, they have gone from negative to positive, given the sharp drop in inflation. In March 2004, annualized inflation stood at 62.32%, which can be seen as a disincentive for savings. At present, savings are characterized by a positive yield, while financial intermediaries derive benefits from their loan operations.

**CENTRAL BANK OF THE DOMINICAN REPUBLIC**  
National Accounts and Economic Statistics Department

**GROSS DOMESTIC PRODUCT**  
January-March 2001-2005

(Millions of RD\$, at 1970 prices)

SECTORS	2001	2002	2003*	2004*	2005*	GROWTH RATE %			
						02/01	03/02	04/03	05/04
<b>TOTAL</b>	<b><u>1.611.6</u></b>	<b><u>1.698.5</u></b>	<b><u>1.725.5</u></b>	<b><u>1.723.4</u></b>	<b><u>1.798.1</u></b>	<b><u>5.4</u></b>	<b><u>1.6</u></b>	<b><u>(0.1)</u></b>	<b><u>4.3</u></b>
<b>AGRICULTURE AND LIVESTOCK</b>	<b>230.7</b>	<b>219.2</b>	<b>226.9</b>	<b>237.2</b>	<b>246.1</b>	<b>(5.0)</b>	<b>3.5</b>	<b>4.5</b>	<b>3.7</b>
Agriculture	131.9	118.5	131.5	130.6	131.7	(10.1)	10.9	(0.7)	0.8
Livestock	85.3	82.6	80.5	91.0	98.3	(3.2)	(2.6)	13.1	8.0
Wild life and Fishery	13.5	18.0	15.0	15.7	16.2	33.7	(16.7)	4.2	3.3
<b>MINING</b>	<b>31.9</b>	<b>16.5</b>	<b>28.3</b>	<b>31.2</b>	<b>25.9</b>	<b>(48.3)</b>	<b>71.7</b>	<b>10.2</b>	<b>(17.0)</b>
<b>MANUFACTURING</b>	<b>232.4</b>	<b>251.2</b>	<b>253.5</b>	<b>248.7</b>	<b>259.7</b>	<b>8.1</b>	<b>0.9</b>	<b>(1.9)</b>	<b>4.5</b>
Sugar	15.9	18.3	19.2	20.4	19.0	14.9	5.1	6.1	(6.8)
Other	168.7	191.5	190.7	183.3	194.2	13.5	(0.4)	(3.9)	5.9
Free Zones 1/	47.7	41.4	43.5	45.0	46.6	(13.2)	5.0	3.4	3.5
<b>CONSTRUCTION</b>	<b>191.4</b>	<b>214.9</b>	<b>199.8</b>	<b>194.4</b>	<b>171.1</b>	<b>12.3</b>	<b>(7.0)</b>	<b>(2.7)</b>	<b>(12.0)</b>
<b>TRADE</b>	<b>207.6</b>	<b>223.6</b>	<b>197.2</b>	<b>184.8</b>	<b>206.2</b>	<b>7.7</b>	<b>(11.8)</b>	<b>(6.3)</b>	<b>11.6</b>
<b>HOTELS, BARES &amp; REST.</b>	<b>129.0</b>	<b>116.5</b>	<b>141.2</b>	<b>141.1</b>	<b>154.2</b>	<b>(9.7)</b>	<b>21.3</b>	<b>(0.1)</b>	<b>9.3</b>
<b>TRANSPORTATION</b>	<b>97.6</b>	<b>102.7</b>	<b>99.6</b>	<b>95.2</b>	<b>102.9</b>	<b>5.3</b>	<b>(3.0)</b>	<b>(4.5)</b>	<b>8.1</b>
<b>COMMUNICATIONS</b>	<b>107.8</b>	<b>150.4</b>	<b>167.1</b>	<b>190.3</b>	<b>232.2</b>	<b>39.5</b>	<b>11.2</b>	<b>13.9</b>	<b>22.0</b>
<b>ELECTRICITY &amp; WATER</b>	<b>38.5</b>	<b>43.7</b>	<b>42.6</b>	<b>33.3</b>	<b>31.7</b>	<b>13.7</b>	<b>(2.6)</b>	<b>(21.9)</b>	<b>(4.8)</b>
<b>FINANCE</b>	<b>61.6</b>	<b>63.4</b>	<b>65.2</b>	<b>56.2</b>	<b>58.4</b>	<b>2.9</b>	<b>2.8</b>	<b>(13.8)</b>	<b>3.9</b>
<b>HOUSING</b>	<b>64.7</b>	<b>66.1</b>	<b>67.2</b>	<b>67.6</b>	<b>68.2</b>	<b>2.1</b>	<b>1.7</b>	<b>0.6</b>	<b>0.9</b>
<b>GOVERNMENT</b>	<b>115.2</b>	<b>124.2</b>	<b>128.3</b>	<b>134.0</b>	<b>129.7</b>	<b>7.8</b>	<b>3.3</b>	<b>4.5</b>	<b>(3.2)</b>
<b>OTHER SERVICIOS</b>	<b>103.3</b>	<b>106.2</b>	<b>108.6</b>	<b>109.5</b>	<b>111.8</b>	<b>2.7</b>	<b>2.2</b>	<b>0.9</b>	<b>2.1</b>
	<b>PERCENTAGE SHARE</b>								
<b>TOTAL</b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>				
<b>AGRICULTURE AND LIVESTOCK</b>	<b>14.3</b>	<b>12.9</b>	<b>13.2</b>	<b>13.8</b>	<b>13.7</b>				
Agriculture	8.2	7.0	7.6	7.6	7.3				
Livestock	5.3	4.9	4.7	5.3	5.5				
Wildlife and Fishery	0.8	1.1	0.9	0.9	0.9				
<b>MINING</b>	<b>2.0</b>	<b>1.0</b>	<b>1.6</b>	<b>1.8</b>	<b>1.4</b>				
<b>MANUFACTURING</b>	<b>14.4</b>	<b>14.8</b>	<b>14.7</b>	<b>14.4</b>	<b>14.4</b>				
Sugar	1.0	1.1	1.1	1.2	1.1				
Other	10.5	11.3	11.1	10.6	10.8				
Free Zones 1/	3.0	2.4	2.5	2.6	2.6				
<b>CONSTRUCTION</b>	<b>11.9</b>	<b>12.7</b>	<b>11.6</b>	<b>11.3</b>	<b>9.5</b>				
<b>TRADE</b>	<b>12.9</b>	<b>13.2</b>	<b>11.4</b>	<b>10.7</b>	<b>11.5</b>				
<b>HOTELS, BARS &amp; REST.</b>	<b>8.0</b>	<b>6.9</b>	<b>8.2</b>	<b>8.2</b>	<b>8.6</b>				
<b>TRADE</b>	<b>6.1</b>	<b>6.0</b>	<b>5.8</b>	<b>5.5</b>	<b>5.7</b>				
<b>COMMUNICATIONS</b>	<b>6.7</b>	<b>8.9</b>	<b>9.7</b>	<b>11.0</b>	<b>12.9</b>				
<b>ELECTRICITY &amp; WATER</b>	<b>2.4</b>	<b>2.6</b>	<b>2.5</b>	<b>1.9</b>	<b>1.8</b>				
<b>FINANCE</b>	<b>3.8</b>	<b>3.7</b>	<b>3.8</b>	<b>3.3</b>	<b>3.2</b>				
<b>HOUSING</b>	<b>4.0</b>	<b>3.9</b>	<b>3.9</b>	<b>3.9</b>	<b>3.8</b>				
<b>GOVERNMENT</b>	<b>7.1</b>	<b>7.3</b>	<b>7.4</b>	<b>7.8</b>	<b>7.2</b>				
<b>OTHER SERVICES</b>	<b>6.4</b>	<b>6.3</b>	<b>6.3</b>	<b>6.4</b>	<b>6.2</b>				

\* Preliminary Figures

1/ Only includes wages at 1970 prices.

**CENTRAL BANK OF THE DOMINICAN REPUBLIC**  
 NATIONAL ACCOUNTS AND ECONOMIC STATISTICS DEPARTMENT

**GROSS DOMESTIC PRODUCT**

**January-March 1997-2005**

Year	Current GDP (Millions of RD\$)	G.R. %	Real GDP (Millions RD\$, 1970)	G.R. %	Current GDP (Millions of US\$)	G.R. %	EXCHANGE RATE Average (RD\$/US\$1.00)	Implicit Deflator	
								Value	G.R. %
1997	51,047.6		1,290.9		3,583.3		14.25	3,954.5	
1998	57,694.6	13.0	1,383.6	7.2	3,963.9	10.6	14.56	4,169.8	5.4
1999	65,232.1	13.1	1,458.7	5.4	4,061.4	2.5	16.06	4,471.8	7.2
2000	77,306.1	18.5	1,630.7	11.8	4,768.1	17.4	16.21	4,740.7	6.0
2001	85,054.3	10.0	1,611.6	(1.2)	5,036.3	5.6	16.89	5,277.5	11.3
2002	92,223.5	8.4	1,698.5	5.4	5,280.8	4.9	17.46	5,429.7	2.9
2003*	109,372.6	18.6	1,725.5	1.6	4,673.2	(11.5)	23.40	6,338.5	16.7
2004*	172,947.1	58.1	1,723.4	(0.1)	3,611.3	(22.7)	47.89	10,035.1	58.3
2005*	197,789.7	14.4	1,798.1	4.3	6,776.1	87.6	29.19	10,999.9	9.6

(\*) Preliminary figures.

**CENTRAL BANK OF THE DOMINICAN REPUBLIC**  
**NATIONAL ACCOUNTS & ECONOMIC STATISTICS DEPARTMENT**  
**CONSUMER PRICE INDEX, 1984-2005**  
**RELATED SERIES. ENERO 1999=100\***

YEARS		Index Base 1999	Percentage Variation			Average 12 months
			Monthly	Dec.	12 months	
1984	Dec.	8.99	-	38.64	-	20.15
1985	Dec.	11.76	-	30.85	-	45.34
1986	Dec.	12.28	-	4.40	-	7.64
1987	Dec.	15.07	-	22.67	-	13.55
1988	Dec.	23.47	-	55.80	-	43.86
1989	Dec.	31.59	-	34.59	-	40.66
1990	Dec.	56.84	-	79.92	-	50.46
1991	Dec.	61.33	-	7.90	-	47.08
1992	Dec.	64.50	-	5.17	-	4.26
1993	Dec.	66.30	-	2.79	-	5.25
1994	Dec.	75.79	-	14.31	-	8.26
1995	Dec.	82.77	-	9.22	-	12.54
1996	Dec.	86.04	-	3.95	-	5.40
1997	Dec.	93.24	-	8.37	-	8.30
1998	Dec.	100.53	-	7.82	-	4.83
1999	Dec.	105.66	-	5.10	-	6.47
2000	Dec.	115.19	-	9.02	-	7.72
2001	Dec.	120.24	-	4.38	-	8.88
2002	Dec.	132.88	-	10.51	-	5.22
2003	Dec.	189.56	-	42.66	-	27.45
<b>2004</b>	<b>Dec.</b>	<b>244.04</b>	-	<b>28.74</b>	-	<b>51.46</b>
2001	January	118.07	2.50	2.50	11.40	8.18
	February	118.23	0.14	2.64	11.50	8.62
	March	117.73	-0.42	2.21	11.08	9.07
	April	118.46	0.62	2.84	11.69	9.58
	May	118.77	0.26	3.11	11.90	10.09
	June	118.10	-0.56	2.53	10.19	10.33
	July	117.82	-0.24	2.28	9.43	10.43
	August	118.69	0.74	3.04	8.99	10.42
	September	119.77	0.91	3.98	5.91	9.85
	October	120.07	0.25	4.24	5.89	9.55
	November	119.95	-0.10	4.13	5.28	9.29
	December	120.24	0.24	4.38	4.38	8.88
2002	January	120.92	0.57	0.57	2.41	8.10
	February	120.97	0.04	0.61	2.32	7.32
	March	122.35	1.14	1.75	3.92	6.73
	April	123.18	0.68	2.45	3.98	6.10
	May	122.74	-0.36	2.08	3.34	5.41
	June	122.88	0.11	2.20	4.05	4.93
	July	123.37	0.40	2.60	4.71	4.56
	August	124.47	0.89	3.52	4.87	4.24
	September	126.22	1.41	4.97	5.39	4.20
	October	129.89	2.91	8.03	8.18	4.41
	November	130.51	0.48	8.54	8.80	4.71
	December	132.88	1.82	10.51	10.51	5.22
2003	January	137.25	3.29	3.29	13.50	6.16
	February	142.71	3.98	7.40	17.97	7.47
	March	145.24	1.77	9.30	18.71	8.72
	April	145.66	0.29	9.62	18.25	9.92
	May	147.40	1.19	10.93	20.09	11.33
	June	154.97	5.14	16.62	26.11	13.18
	July	160.64	3.66	20.89	30.21	15.31
	August	165.56	3.06	24.59	33.01	17.66
	September	168.05	1.50	26.47	33.14	20.00
	October	172.41	2.59	29.75	32.74	22.08
	November	182.78	6.01	37.55	40.05	24.72
	December	189.56	3.71	42.66	42.66	27.45
2004	January	207.06	9.23	9.23	50.86	30.68
	February	230.36	11.25	21.52	61.42	34.53
	March	235.76	2.34	24.37	62.32	38.36
	April	237.40	0.70	25.24	62.98	42.18
	May	243.64	2.63	28.53	65.29	45.99
	June	248.49	1.99	31.09	60.35	48.83
	July	250.02	0.62	31.89	55.64	50.85
	August	251.38	0.54	32.61	51.84	52.24
	September	248.53	-1.13	31.11	47.89	53.19
	October	251.88	1.35	32.88	46.09	53.99
	November	247.72	-1.65	30.68	35.53	53.15
	December	244.04	-1.49	28.74	28.74	51.46
2005	January	245.96	0.79	0.79	18.79	48.09
	February	246.06	0.04	0.83	6.82	42.58
	March	245.88	-0.07	0.75	4.29	37.07

\*0.08280 liason index was used as a multiplying factor to convert november 1984=100 base to January 1999=100 base.

## BALANCE OF PAYMENTS OF THE DOMINICAN REPUBLIC

2004-2005  
(In millions of US\$)

ITEM:	jan-mar 2004 prel	jan-mar 2005 prel	variation 2005/2004	
			Absolute	Relative
<b>I.- CURRENT ACCOUNT</b>	<b>644.2</b>	<b>420.1</b>	<b>-224.1</b>	<b>-34.8</b>
<b>I.1 TRADE BALANCE</b>	<b>-374.3</b>	<b>-681.0</b>	<b>-306.7</b>	<b>81.9</b>
<b>EXPORTS</b>	<b>1,322.1</b>	<b>1,382.7</b>	<b>60.6</b>	<b>4.6</b>
NATIONAL	283.4	332.9	49.5	17.5
FREE ZONES	1,038.7	1,049.8	11.1	1.1
<b>IMPORTS</b>	<b>-1,696.4</b>	<b>-2,063.7</b>	<b>-367.3</b>	<b>21.7</b>
NATIONAL	(1,111.0)	(1,481.4)	-370.4	33.3
FREE ZONES	(585.4)	(582.3)	3.1	-0.5
<b>I.2 BALANCE OF SERVICES</b>	<b>732.4</b>	<b>902.2</b>	<b>169.8</b>	<b>23.2</b>
<b>EARNINGS</b>	<b>999.6</b>	<b>1,238.9</b>	<b>239.3</b>	<b>23.9</b>
Travel	920.1	1,157.4	237.3	25.8
Other	79.5	81.5	2.0	2.5
<b>EXPENDITURES</b>	<b>-267.2</b>	<b>-336.7</b>	<b>-69.5</b>	<b>26.0</b>
Freight	(112.5)	(137.1)	-24.6	21.9
Other	(154.7)	(199.6)	-44.9	29.0
<b>I.3 INVESTMENT EARNINGS</b>	<b>-325.5</b>	<b>-436.8</b>	<b>-111.3</b>	<b>34.2</b>
<b>EARNINGS</b>	<b>76.0</b>	<b>84.0</b>	<b>8.0</b>	<b>10.6</b>
Central Bank	4.2	11.5	7.3	173.8
Other	71.8	72.5	0.7	1.0
<b>EXPENDITURES</b>	<b>-401.5</b>	<b>-520.8</b>	<b>-119.3</b>	<b>29.7</b>
Interests	(47.7)	(89.6)	-42.0	88.0
Benefits & Others	(353.8)	(431.1)	-77.3	21.9
<b>I.4 NET CURRENT TRANSFERS</b>	<b>611.6</b>	<b>635.7</b>	<b>24.1</b>	<b>3.9</b>
Family remittances	547.8	548.8	1.0	0.2
Social remittances	42.9	43.5	0.6	1.4
Indemnities	20.0	37.4	17.4	87.0
Other Transferences	0.9	6.0	5.1	566.7
<b>II.- CAPITAL &amp; FINANCIAL ACCOUNT</b>	<b>(209.3)</b>	<b>(54.5)</b>	<b>154.8</b>	<b>-74.0</b>
<b>II.2 FINANCIAL ACCOUNT</b>	<b>(209.3)</b>	<b>(54.5)</b>	<b>154.8</b>	<b>-74.0</b>
Indirect investment	135.6	197.6	62.0	45.7
Portfolio investment	(11.9)	(23.1)	-11.2	94.3
Med. & Long Term Pub. & Priv. Debt (Net)	293.4	64.9	-228.5	-77.9
Short term Pub. y Priv. Debt (Net)	(18.2)	(3.1)	15.1	-82.9
Money & Deposits	6.1	(0.3)	-6.4	-104.9
Others 2/	(614.4)	(290.5)	323.8	-52.7
<b>III.- ERRORS &amp; OMISSIONS</b>	<b>-310.3</b>	<b>-17.1</b>	<b>293.2</b>	<b>-94.5</b>
<b>IV.- GLOBAL BALANCE ( I + II + III)</b>	<b>124.6</b>	<b>348.5</b>	<b>224.0</b>	<b>179.8</b>
<b>V.- FINANCING</b>	<b>(124.6)</b>	<b>(348.5)</b>	<b>-224.0</b>	<b>179.8</b>
External Assets (increase)	(172.6)	(447.6)	-275.0	159.3
Reserve Assets	(172.6)	(447.6)	-275.0	159.3
Use of IMF Credit & Loan	65.7	79.9	14.3	21.7
Transfers (Debt forgiveness)	1.2	1.2	0.0	0.8
Portfolio liability investment	0.0	0.0	0.0	
Other liability investment	0.0	0.0	0.0	
Arrears	66.1	65.5	-0.6	-1.0
Arrears reimbursement	(84.9)	(47.5)	37.4	-44.1
Arrears reprogramming	0.0	0.0	0.0	
Arrears forgiveness	0.0	0.0	0.0	

Preliminary figures

Note: Data corresponding to January-March 2004 were compared to those shown in other publications by this institution.

1/ Excludes parts classified as financing by Group V.

2/ Includes trade credits and others.

Source: International Department, Reserve Assistant Director, Balance of Payments Division

**DOMINICAN REPUBLIC EXPORTS f.o.b.**

Period: January-March 2004-2005 \*

(Thousands of US\$)

ITEM	UNIT	January-March 2004			January-March 2005			Absolute Variance			Relative Variance		
		Volume	Price	Value	Volume	Price	Value	Volume	Price	Value	Volume	Price	Value
<b>I. FREE ZONE</b>				1,038,700.0			1,049,800.0			11,100.0			1.1
<b>II.- SUGAR &amp; SUGAR CANE DERIVATIVES</b>	M. T.	99,142	255.8	25,358.9	83,427	243.6	20,326.4	(15,715.0)	(12.1)	(5,032.5)	(15.9)	(4.7)	(19.8)
A.- Raw sugar	M. T.	39,049	417.7	16,311.3	21,388	383.2	8,196.6	(17,661.0)	(34.5)	(8,114.7)	(45.2)	(8.3)	(49.7)
B.- Furfural	M. T.	11,687	441.3	5,156.9	16,590	507.4	8,418.2	4,903.0	66.2	3,261.3	42.0	15.0	63.2
C.- Molasses	M. T.	48,406	80.4	3,890.7	45,449	81.7	3,711.6	(2,957.0)	1.3	(179.1)	(6.1)	1.6	(4.6)
D.- Honey	M. T.	-	-	-	-	-	-	-	-	-	-	-	-
<b>III.- COFFEE &amp; DERIVATIVES</b>	M. T.	1,207	1,518.1	1,832.3	734	2,959.3	2,172.1	(473.0)	1,441.2	339.8	(39.2)	94.9	18.5
A.- Coffee Beans	M. T.	1,152	1,476.8	1,701.3	684	2,719.4	1,860.1	(468.0)	1,242.6	158.8	(40.6)	84.1	9.3
B.- Manufactures	M. T.	55	2,381.8	131.0	50	6,240.0	312.0	(5.0)	3,858.2	181.0	(9.1)	162.0	138.2
<b>IV.- COCOA &amp; MANUFACTURES</b>	M. T.	7,254	1,340.5	9,724.1	4,441	1,635.2	7,261.8	(2,813.0)	294.7	(2,462.3)	(38.8)	22.0	(25.3)
A.- Cocoa Beans	M. T.	6,270	1,259.8	7,899.0	3,740	1,415.8	5,295.1	(2,530.0)	156.0	(2,603.9)	(40.4)	12.4	(33.0)
B.- Manufacture	M. T.	984	1,854.8	1,825.1	701	2,805.6	1,966.7	(283.0)	950.8	141.6	(28.8)	51.3	7.8
<b>V.- TOBACCO &amp; MANUFACTURES</b>	M. T.	1,706	4,778.0	8,151.3	1,500	1,965.0	2,947.5	(206.0)	(2,813.0)	(5,203.8)	(12.1)	(58.9)	(63.8)
A.- Leaf Tobacco	M. T.	1,042	1,395.3	1,453.9	1,466	1,549.9	2,272.2	424.0	154.6	818.3	40.7	11.1	56.3
B.- Manufactures	M. T.	664	10,086.4	6,697.4	34	19,861.8	675.3	(630.0)	9,775.3	(6,022.1)	(94.9)	96.9	(89.9)
<b>VI.- MINERALS</b>	M. T.	16,767	5,626.5	94,338.9	19,306	5,447.2	105,163.3	2,539.0	(179.3)	10,824.4	15.1	(3.2)	11.5
A.- Ferronickel	M. T.	16,767	5,626.5	94,338.9	19,306	5,447.2	105,163.3	2,539.0	(179.3)	10,824.4	15.1	(3.2)	11.5
B.- Doré	T. O.												
B-1.- Silver	T. O.												
B-2.- Non Monetary Gold	T. O.												
<b>VII.- GOODS ACQUIRED AT PORTS</b>				52,103.0			85,323.0			33,220.0			63.8
A.- Fuel				48,324.3			80,721.0			32,396.7			67.0
B.- Food				3,778.7			4,602.0			823.3			21.8
<b>VIII.- OTHER PRODUCTS</b>				91,899.3			109,661.1			17,761.8			19.3
<b>IX.- GENERAL TOTAL</b>				1,322,107.8			1,382,655.2			60,547.4			4.6

\* Preliminary figures.

M.T. = Metric Tons; T. O.= Troy Ounces.

Price = US\$/M. T.

Source: International Department, Balance of Payments Division.

**GENERAL IMPORTS f.o.b.**  
**January-March: 2004-2005**  
**FOB Values in millions of US\$**

Item	January-March		Variation	
	2004	2005	Absolute	Relative %
<b>FOB Imports (goods)</b>	<b>1,696.4</b>	<b>2,063.7</b>	<b>367.3</b>	<b>21.7</b>
<b>General Merchandise (National)</b>	<b>1,111.0</b>	<b>1,481.4</b>	<b>370.4</b>	<b>33.3</b>
Oil & derivatives	327.6	521.7	194.1	59.2
Mineral Coal	6.5	5.8	(0.7)	(10.8)
Wheat	8.8	17.6	8.8	100.0
Sugar	-	-	-	-
Free Zones Capital goods	25.8	12.4	(13.4)	(51.9)
Merchandising enterprises - FZs	8.7	8.1	(0.6)	(6.9)
Tax exempted goods	156.0	165.6	9.6	6.2
Exempted vehicles (Law 168)	1.8	3.0	1.2	66.7
Other products	575.8	747.2	171.4	29.8
<b>Transformation goods (Free Zones)</b>	<b>585.4</b>	<b>582.3</b>	<b>(3.1)</b>	<b>(0.5)</b>

Note: Published on January-March 2004; **Preliminary January-March 2005**

\* Preliminary figures to April 20, 2005

**FOB NATIONAL IMPORTS, BY ECONOMIC USE OR DESTINY\***  
(Millions of US\$)

ITEM	January-March		Variation 2005/04	
	2004	2005	Absolute	Relative %
<b>I. CONSUMER GOODS</b>	<b>513.1</b>	<b>785.7</b>	<b>272.6</b>	<b>53.1</b>
- Consumer durable goods (machinery and others)	53.9	172.7	118.8	220.4
- Consumer goods parts	1.8	2.6	0.8	44.4
- Tools	2.0	3.2	1.2	60.0
- Vehicle parts	22.2	30.6	8.4	37.8
- Gas & electric stoves	1.2	2.4	1.2	100.0
- Processed & semi-processed food products (includes refined veg. oil)	40.8	43.7	2.9	7.1
- Milk -all kinds-	21.3	11.7	(9.6)	(45.1)
- Rice	8.0	10.3	2.3	100.0
- Refined sugar	-	-	0.0	0.0
- Medical & pharmaceutical products	35.7	42.6	6.9	19.3
- Oil derived products (fuel)	223.3	341.0	117.7	52.7
- Other fuel products	-	-	0.0	0.0
- Other consumer goods	102.9	124.9	22.0	21.4
<b>II. RAW MATERIALS</b>	<b>400.5</b>	<b>475.7</b>	<b>75.2</b>	<b>18.8</b>
- Agriculture	21.1	6.8	(14.3)	(67.8)
- Food industry (non processed)	19.2	23.2	4.0	20.8
- Vegetable oil (raw & virgin)	13.3	13.5	0.2	1.5
- Corn (unprocessed corn (animal & human food)	13.5	13.2	(0.3)	(2.2)
- Raw sugar	-	-	0.0	0.0
- Wood	16.0	10.6	(5.4)	(33.8)
- Textile industry	6.3	7.7	1.4	22.2
- Plastic container industry	6.4	6.6	0.2	3.1
- Alcoholic Beverages	8.6	7.6	(1.0)	(11.6)
- Raw tobacco	1.3	1.3	0.0	0.0
- Unprocessed wheat	8.8	17.6	8.8	100.0
- Raw & processed oil (fuel)	104.3	180.8	76.5	73.3
- Other non processed fuel	-	-	0.0	0.0
- Mineral coal	6.5	5.8	(0.7)	(10.8)
- Animal & vegetable oil (other)	4.9	3.1	(1.8)	(36.7)
- Non organic chemical products	6.0	8.8	2.8	46.7
- Organic chemical products	9.2	9.8	0.6	6.5
- Polymer materials	29.0	32.4	3.4	11.7
- Paper & cardboard	22.2	18.7	(3.5)	(15.8)
- Smelted Iron & steel	46.0	47.2	1.2	2.6
- Other raw materials and intermediate input	57.9	61.0	3.1	5.4
<b>III. CAPITAL GOODS</b>	<b>197.4</b>	<b>220.0</b>	<b>22.6</b>	<b>11.4</b>
- Agriculture	9.3	5.0	(4.3)	(46.2)
- Construction	17.9	11.8	(6.1)	(34.1)
- Transportation	12.0	38.1	26.1	217.5
- Industry	54.1	46.6	(7.5)	(13.9)
- Machinery parts	48.5	62.3	13.8	28.5
- Other capital goods	55.6	56.2	0.6	1.1
<b>TOTAL (I+II+III)</b>	<b>1,111.0</b>	<b>1,481.4</b>	<b>370.4</b>	<b>33.3</b>

\* Preliminary Figures.

Source: Export & Import Analysis Area of International Department.