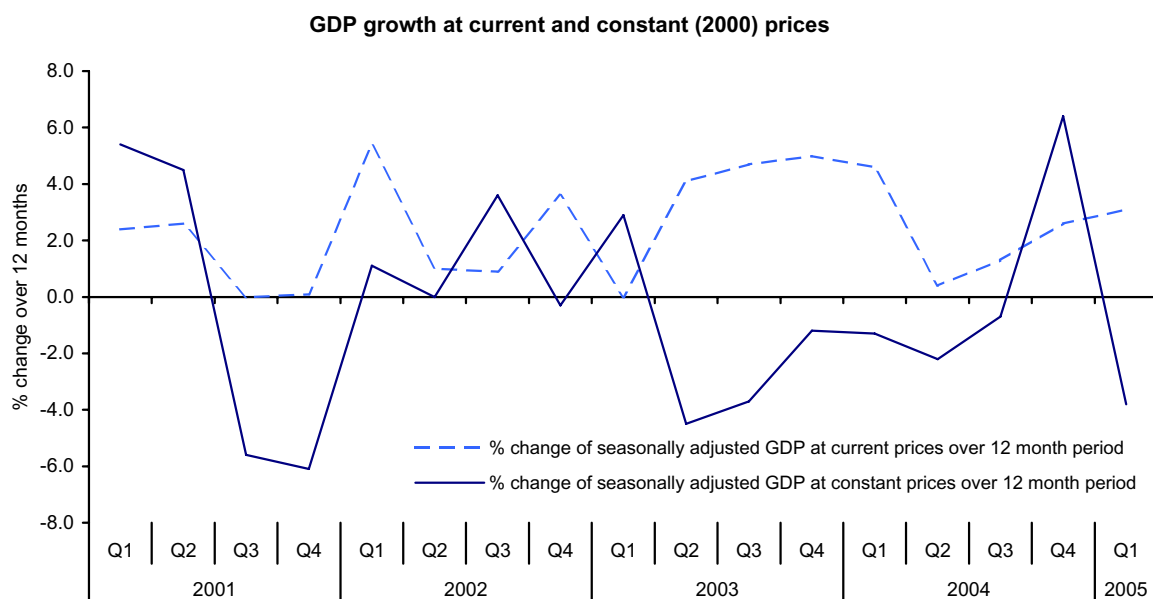


Structural Indicators

January-March 2005

GROSS DOMESTIC PRODUCT



Gross Domestic Product

Year	Quarter	Current prices		Constant (2000) prices	
		Lm ' 000	annual % change	Lm ' 000	annual % change
2000		1,669,689	-	1,668,908	-
2001		1,690,757	1.3	1,657,222	-0.7
2002		1,736,029	2.7	1,675,429	1.1
2003		1,795,531	3.4	1,647,181	-1.7
2004		1,844,319	2.7	1,655,345	0.5
2004	Q1	465,242	6.7	416,377	-1.3
	Q2	452,319	0.4	405,244	-2.2
	Q3	458,494	1.3	408,378	-0.7
	Q4	468,264	2.6	425,346	6.4
2005	Q1	470,599	1.2	400,411	-3.8

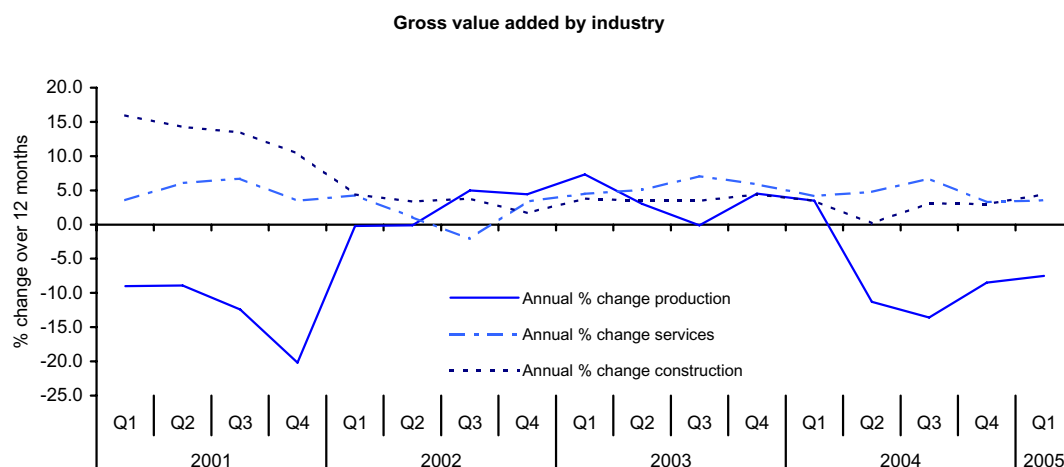
Source: NSO news release 142/2005

In real terms (2000 prices), using seasonally adjusted data, the Maltese economy in 2004 began to show signs of slow recovery (0.5%) when compared to the negative growth exhibited during the previous year (-1.7%).

Latest data show that the chained volume measure (at constant 2000 prices) of gross domestic product (GDP) in 2005 Q1 fell by 5.9% on the previous quarter. Using the same measure, real GDP was 3.8% lower in 2005 Q1 when compared with the same quarter of 2004.

GROSS DOMESTIC PRODUCT BY INDUSTRY

GDP by industry is measured by gross value added (GVA). This aggregate is a measure of the value of output of an industry less the value of intermediate inputs used by that industry.



Gross Value Added at market prices

Year	Quarter	Annual % change				
		Total economy	Production industries	Services	Agriculture, hunting and fishing	Construction
2000		-	-	-	-	-
2001		0.7	-12.8	5.0	12.4	13.5
2002		1.9	2.3	1.5	0.8	3.3
2003		4.2	3.5	5.7	-0.2	3.8
2004	Q1	3.7	3.5	4.2	8.6	3.5
	Q2	0.1	-11.3	4.8	5.0	0.2
	Q3	1.3	-13.6	6.7	3.6	3.1
	Q4	0.4	-8.5	3.3	6.1	3.0
2005	Q1	0.6	-7.5	3.6	2.8	4.4

Notes: FISIM has not yet been allocated over the individual industries

'Production' includes mining and quarrying, manufacturing, electricity, gas and water supply, but excludes construction

'Services' incorporates all the other industries not falling under the other headings listed above

Source: News Release 125/2005

It is clearly evident that output in the services sector has always exhibited positive growth throughout most of the period 2001-2004, and is currently growing at an annual rate of 3.6%. This contrasts with the mostly negative growth rates experienced by the manufacturing sector, particularly in the last five quarters. Between the fourth quarter of 2004 and the first quarter of 2005, annual output growth in the services sector increased by 0.3%.

Manufacturing output decreased by 7.5% in the first quarter of 2005 compared with the same quarter in 2004; however in the same quarter of 2005, a lower negative growth was experienced by this sector when compared to the preceding quarter.

In 2004, services accounted for 76.6% of gross value added, when compared to 74.1% in 2003. Production (including mining and quarrying, manufacturing, electricity, gas and water supply but excluding construction) accounted for 21.1% in 2004 (23.1% in 2003), whilst construction contributed approximately the same share of value added in both 2004 and 2003 (4.7%). A marginal increase of 0.1% was registered in the share of gross value added between 2003 and 2004 in the agriculture, hunting and fishing sector (2.6% in 2004 when compared to 2.5% in 2003).

DETERMINANTS OF GDP GROWTH

Determinants of real GDP growth at Constant 2000 prices

	Household Final Consumption Expenditure	NPISH Final Consumption Expenditure	General Government Final Consumption Expenditure	Gross Fixed Capital Formation	Changes in inventories	Acquisitions less disposals of valuables	Net Exports	GDP	
2000	1,047,544	25,816	323,830	374,253	58,886	2,746	-167,276	1,665,799	
2001	1,050,220	25,314	324,283	314,860	-27,929	11,989	-39,891	1,658,846	
2002	1,039,122	26,589	336,899	242,351	-16,254	4,976	42,213	1,675,896	
2003	1,059,604	27,434	346,547	330,791	8,582	1,335	-130,021	1,644,272	
2004	1,067,905	27,023	348,763	351,148	15,264	5,435	-154,538	1,661,000	
2004	Q1	247,577	6,765	88,554	79,548	-5,067	1,359	-21,807	396,629
	Q2	258,206	6,827	87,835	89,521	-1,285	1,359	-37,195	405,268
	Q3	285,041	6,599	83,937	89,401	-22,716	1,359	-14,094	429,527
	Q4	277,382	6,832	88,436	92,677	44,332	1,359	-81,442	429,576
2005	Q1	244,859	6,866	83,576	86,655	30,558	1,371	-57,495	396,390

Source: NSO News Release 125/2005

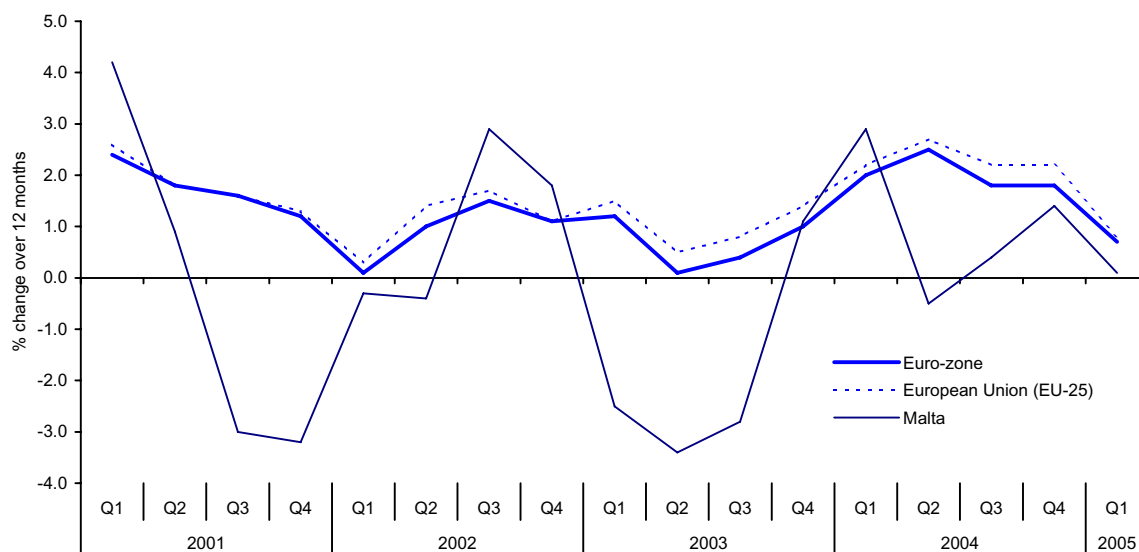
In 2004, household final consumption expenditure registered a nominal increase of Lm45.6 million, or 4.1 per cent, from the figure of Lm1,099.6 million in 2003. The 2004 household final consumption expenditure increased in real terms by Lm8.3 million, or 0.8 per cent, from the figure of Lm1,059.6 million in 2003. Increases in expenditure outlays were registered on food and non alcoholic beverages, alcoholic beverages and tobacco, clothing and footwear. Other increases were recorded for housing, water, electricity, gas and other fuels, furnishings, household equipment and routine maintenance of the house, health, transport, communication, recreation and culture, education, and miscellaneous goods and services. A decline in expenditure outlays was also noted in the restaurants and hotels category. During the first quarter of 2005, household final consumption registered a nominal increase of Lm7.0 million, or 2.5 per cent from the figure of Lm258.8 million in the first quarter of 2004. At constant 2000 prices, this is equivalent to a decline of 1.0 per cent.

In nominal terms, general government final consumption expenditure amounted to Lm408.1 million in 2004, an increase of Lm15.1 million or 3.8 per cent over the previous year's figure. The increase was mainly the result of higher outlays on health, education, and economic affairs. The other functions of government also reported increases. At constant prices, general government final consumption increased by 0.6 per cent from 2003, to reach Lm348.8 million in 2004. General government final expenditure (at constant 2000 prices) declined from Lm88.6 million in the first quarter of 2004 to Lm83.6 million in the first quarter of this year.

Exports of goods and services dropped by 0.8 per cent to Lm1,408.8 million during 2004 when compared to the previous year. In real terms, however, due to decreasing export prices, exports went up by 3.2 per cent, or Lm49.7 million to Lm1,581.7 million. On the other hand in the same year, import prices also fell, resulting in an increase in real imports of Lm74.2 million, or 4.5 per cent. During the first quarter of 2005, exports of goods and services dropped by 12.9 per cent to Lm285.3 million when compared to the corresponding quarter of 2004. During the same quarter, exports expressed in real terms went down by 14.1 per cent due to lower export prices. In 2005Q1 nominal imports of goods and services went up by 0.9 per cent when compared to the corresponding quarter of the previous year. This is equivalent to a decrease in real terms of 4.1 per cent.

GDP INTERNATIONAL COMPARISONS

GDP Growth at Constant Prices (Q/Q-4) International Comparisons



**GDP at constant (1995) prices
percentage change on previous year
(non-seasonally adjusted figures)**

**GDP at constant (1995) prices
percentage change on previous quarter
(seasonally adjusted figures)**

Country	annual % change (Q/Q-4)				% change quarter on quarter (Q/Q-1)					
	2001	2002	2003	2004	2003	2004				2005
					Q4	Q1	Q2	Q3	Q4	Q1
Euro-zone	1.7	0.9	0.7	2.0	0.5	0.6	0.5	0.3	0.2	0.5
European Union (EU-25)	1.8	1.1	1.0	2.3	0.6	0.7	0.5	0.3	0.3	0.5
United Kingdom	2.2	2.0	2.5	3.2	0.9	0.9	0.8	0.4	0.6	0.4
Germany	1.2	0.2	0.0	1.6	0.6	0.4	0.2	0.0	-0.1	1.0
Italy	1.8	0.4	0.3	1.2	0.0	0.5	0.4	0.4	-0.4	-0.5
France	2.1	1.2	0.8	2.3	0.4	0.6	0.7	0.1	0.7	0.3
Ireland	6.0	6.1	3.7	5.4	4.6	1.3	0.9	-1.4	2.0	-
Malta	-0.4	1.0	-1.9	1.0	1.0	1.1	1.1	0.8	1.0	0.7
Cyprus	4.1	2.1	2.0	3.8	2.0	0.1	0.8	1.0	1.2	0.8
Czech Republic	2.6	1.5	3.7	3.9	1.0	1.2	1.2	1.1	1.0	1.1
Hungary	3.8	3.5	2.9	4.2	1.0	1.1	1.1	0.8	1.0	0.7
Slovenia	2.7	3.3	2.5	4.6	0.7	1.6	1.1	1.1	-0.4	0.9
Slovakia	3.8	4.6	4.5	5.5	1.3	1.5	1.3	1.3	1.4	1.2
Lithuania	6.4	6.8	9.7	6.7	1.8	0.9	1.6	1.5	1.9	0.4

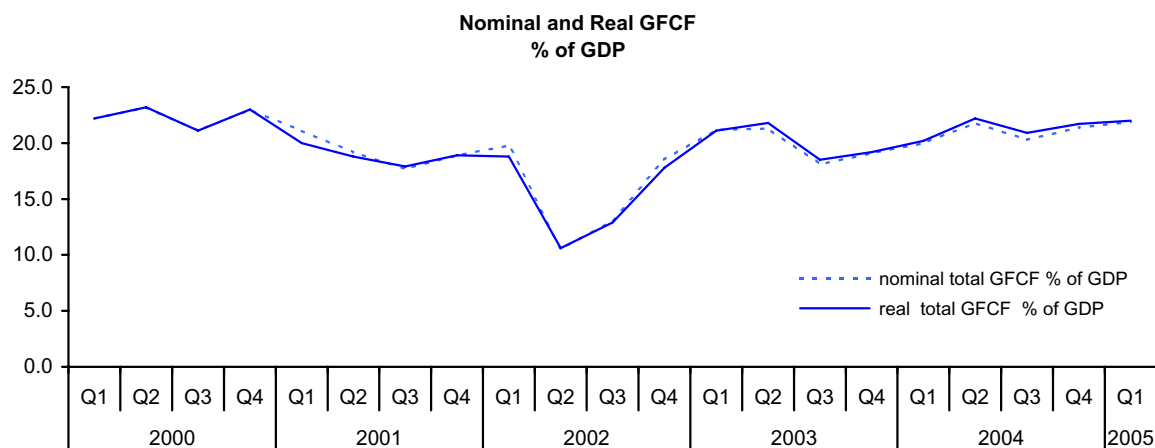
Source: Eurostat-National Accounts Statistics

The latest data shows that many large economies registered a positive growth in 2005 Q1. For the second quarter in succession, Italy, however, recorded negative growth in Q1 2005.

Growth in the euro-zone and EU-25 countries has remained positive in recent quarters; however, a slight decline was observed from the second quarter of 2004 onwards, before rebounding back almost to its former levels in the first quarter of 2005. This occurred despite negligible, and sometimes even negative growth, being observed in the major industrial economies of the European Union over the last four consecutive quarters.

Many of the new Member States have consistently recorded positive real GDP growth approximately equal to, and in many instances, greater than unity, from the latter half of 2003 onwards.

GROSS FIXED CAPITAL FORMATION ...



Gross Fixed Capital Formation (GFCF) and GDP

Period	At Current Market Prices				At Constant (2000) Prices				
	Total GFCF Lm '000	annual % changes Total GFCF	GDP Lm '000	Total GFCF % of GDP	Total GFCF Lm '000	annual % changes Total GFCF	GDP Lm '000	Total GFCF % of GDP	
2000	372,635	-	1,665,800	22.4	372,635		1,665,799	22.4	
2001	324,159	-13.0	1,688,961	19.2	312,963	-16.0	1,658,848	18.9	
2002	267,288	-17.5	1,740,054	15.4	250,075	-20.1	1,675,894	14.9	
2003	356,438	33.4	1,793,276	19.9	330,193	32.0	1,644,272	20.1	
2004	385,565	8.2	1,847,191	20.9	353,045	6.9	1,661,001	21.3	
2004	Q1	87,250	-0.6	437,336	20.0	80,026	-1.6	396,629	20.2
	Q2	98,330	2.5	451,527	21.8	89,986	1.4	405,268	22.2
	Q3	98,176	15.3	482,733	20.3	89,879	13.8	429,527	20.9
	Q4	101,809	16.3	475,595	21.4	93,153	14.8	429,577	21.7
2005	Q1	96,746	10.9	441,685	21.9	87,137	8.9	396,390	22.0

Note: Total GFCF excludes amounts representing products of agriculture, forestry and fisheries, as well as capitalized production.

Source: National Statistics Office

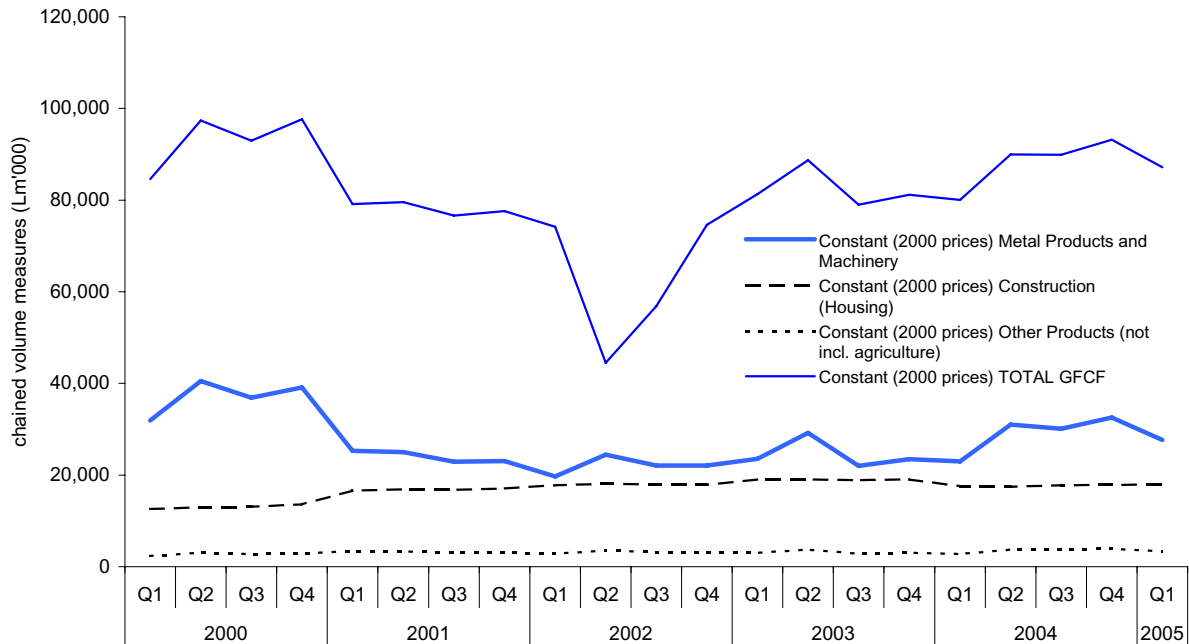
Expenditure on gross fixed capital formation (transport equipment, metal products and machinery, construction, and other products, but not including agriculture and capitalized production) increased nominally by Lm29.1 million or 8.2%, from Lm356.4 million in 2003 to Lm 385.6 million last year. The same nominal figure for GFCF expenditure grew by 10.9% in the first quarter of 2005 when compared to the corresponding quarter of 2004.

In real terms, GFCF increased by 6.9% from Lm 330.2 million in 2003 to Lm353.0 million in 2004. The same figure for constant price GFCF increased by 8.9% in 2005 Q1 when compared to the same quarter last year.

... GROSS FIXED CAPITAL FORMATION

Gross fixed capital formation consists of resident producers' acquisitions, less disposals, of fixed assets during a given period plus certain additions to the value of non-produced assets realised by the productive activity of producer or institutional units (definition: Eurostat ESA 1995). Non-produced assets consist of those tangible and intangible non-financial assets that come into existence other than through processes of production, and incorporate costs of ownership transfer on, and major improvements to, these assets.

Gross Fixed Capital Formation (Constant 2000 prices)



Source: National Statistics Office

The quarterly individual series depicted above incorporate both private and public expenditure on the relevant components of GFCF. The total figure for GFCF corresponds to the sum of the component figures described in the chart above, but excludes (a) the amounts representing products of agriculture, forestry and fisheries (such as livestock used for breeding, plantations etc.), as well as (b) capitalised production.

The other products component of GFCF consists of acquisitions, less disposals, of intangible fixed assets such as computer software, as well as entertainment, literary or artistic originals.

The graph above also shows an extraordinary decline in total GFCF during the second quarter of 2002. This occurred as a result of the disposal of aircraft by the air transport sub-sector during this particular quarter (refer also to the first column in the table below).

... GROSS FIXED CAPITAL FORMATION

Chained volume measures*, non-seasonally adjusted
reference year 2000

Year	Quarter	Transport equipment	Metal Products and Machinery	Construction (Other buildings and structures)	Construction (Housing)	Other Products (not incl. agriculture)	Total GFCF**	Annual % changes in GFCF
2000		40,441	148,500	120,202	52,319	11,174	372,635	-
2001		15,140	96,302	120,997	67,473	13,051	312,963	-16.0
2002		-48,378	88,342	125,410	71,851	12,850	250,075	-20.1
2003		17,949	98,274	125,022	76,161	12,787	330,193	32.0
2004		20,614	116,592	130,825	70,760	14,254	353,045	6.9
2004	Q1	4,062	22,972	32,569	17,616	2,808	80,026	-1.6
	Q2	5,480	30,995	32,269	17,454	3,789	89,986	1.5
	Q3	5,321	30,098	32,956	17,825	3,680	89,879	13.8
	Q4	5,751	32,528	33,032	17,866	3,977	93,153	14.8
2005	Q1	4,896	27,694	33,203	17,958	3,386	87,137	8.9

Source: Eurostat-National Accounts Statistics

*for the purpose of this table, the overall deflator for machinery and equipment was used to derive the constant price figure of the sub-components transport equipment, metal products and machinery; similarly, the overall deflator for construction was used to obtain the separate constant price figures for the other buildings and structures, housing sub-components of construction.

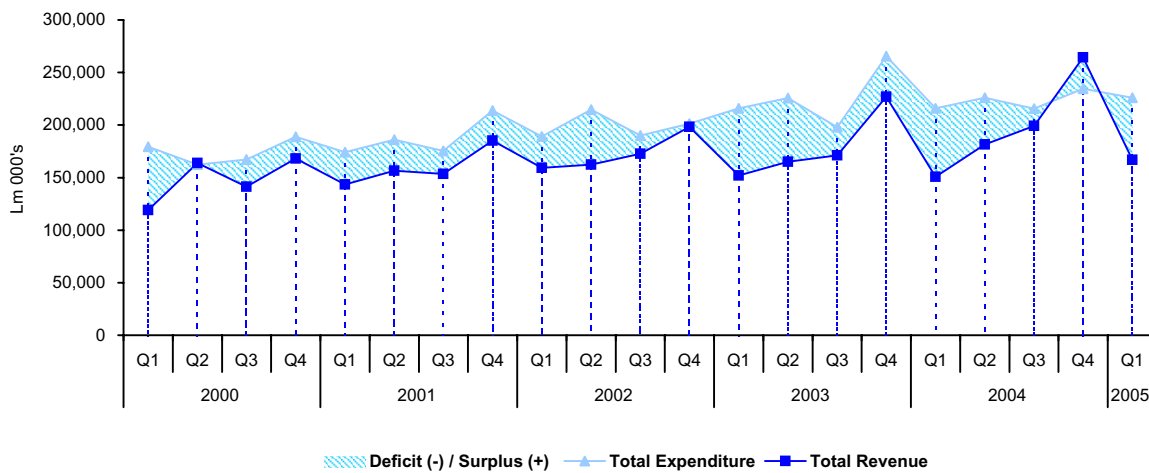
**Total GFCF excludes (i) the amounts representing products of agriculture, forestry and fisheries (such as livestock used for breeding, plantations etc.), as well as (ii) capitalised production.

Total GFCF (excluding products of agriculture and capitalized production) in real terms in 2005 Q1 decreased by 6.5% when compared to the last quarter of 2004; however, the amount of GFCF in the first quarter of 2005 showed an 8.9% increase when compared to the corresponding quarter of the previous year.

Investment in construction for housing purposes remained relatively stable over the last five quarters; investment in total equipment (incorporating the following categories: transport equipment, and metal products and machinery) experienced a decline of approximately 15% in the first quarter of 2005 when compared to the previous quarter. The same figure, however, represents nearly a 21% increase when compared to the same quarter of 2004.

GOVERNMENT FINANCE

General Government Sector Data 2000 - 2005Q1



General Government Sector Data: Annual and Quarter Changes

Year	Total Revenue	Change	Total Expenditure	Change	Deficit (-) / Surplus (+)	Change	Debt (*)	
	Lm000's	%	Lm000's	%	Lm000's	%	Lm000's	
2000	592,591		697,771		-105,179		954,476	
2001	638,790	7.8	749,614	7.4	-110,824	5.4	1,072,925	
2002	692,532	8.4	795,289	6.1	-102,758	-7.3	1,100,541	
2003	715,103	3.3	904,868	13.8	-189,765	84.7	1,304,115	
2004	795,504	11.2	892,204	-1.4	-96,700	-49.0	1,401,299	
2004	Q1	150,664	-0.8	215,849	0.0	-65,185	1.9	1,326,397
	Q2	181,456	9.9	226,096	0.1	-44,640	-26.4	1,377,857
	Q3	199,147	16.4	215,577	9.0	-16,429	-38.4	1,393,156
	Q4	264,236	16.4	234,663	-11.6	29,573	-176.9	1,401,299
2005	Q1	166,866	10.8	225,927	4.7	-59,061	-9.4	1,430,789

(*) Position at end of period.

Data is based on ESA95 methodology and is provisional.

Source:

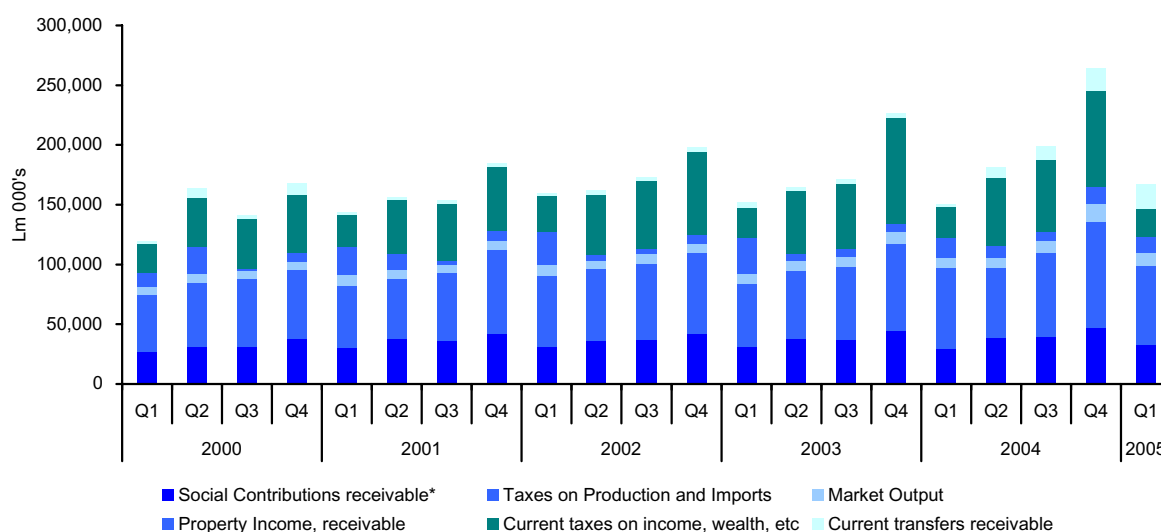
For the first time our Office is presenting a set of Government Finance aggregates (revenue, expenditure and debt positions and flows) which is based on ESA95 methodology. This essentially means that the data covers all the accounts of Budgetary Central Government, the Extra Budgetary Units (EBU's), as well as the Local Councils. Moreover, where necessary the figures include an accruals adjustment. Previous releases in this series were limited to the cash-based consolidated fund of central Government.

The deficit and debt data listed above are in line with the Maastricht criteria, and are therefore consistent with Malta's reporting of government's deficit and debt levels to the Commission.

Part of the data (covering the EBU's and the Local Councils) is derived from surveys: therefore when the respective audited accounts are available, data may be revised as necessary. The accruals adjustment may also give rise to future revisions. Future releases will highlight any updates to published data.

GOVERNMENT REVENUE CATEGORIES...

Components of General Government Sector's revenue 2000-2005Q1



Year	Market Output	Taxes on Production and Imports	Property Income, receivable	Current taxes on income, wealth, etc	Social Contributions receivable*	Current and capital transfers receivable	Total Revenue
	Lm000's						
2000	28,338	214,432	43,541	155,349	128,367	22,564	592,591
2001	31,385	229,800	46,764	174,481	146,067	10,295	638,790
2002	32,790	249,881	43,830	206,786	146,799	12,445	692,532
2003	36,305	242,885	49,389	221,506	150,094	14,923	715,103
2004	41,198	285,185	49,780	222,483	155,101	41,757	795,504
2004 Q1	8,313	67,427	16,611	25,921	29,839	2,554	150,664
2004 Q2	8,604	57,826	10,548	56,483	39,108	8,887	181,456
2004 Q3	9,572	71,073	8,112	59,657	39,097	11,637	199,147
2004 Q4	14,710	88,859	14,509	80,422	47,056	18,680	264,236
2005 Q1	10,139	66,815	14,279	22,849	32,295	20,489	166,866

Data is based on ESA95 methodology and is consolidated.

Data is provisional.

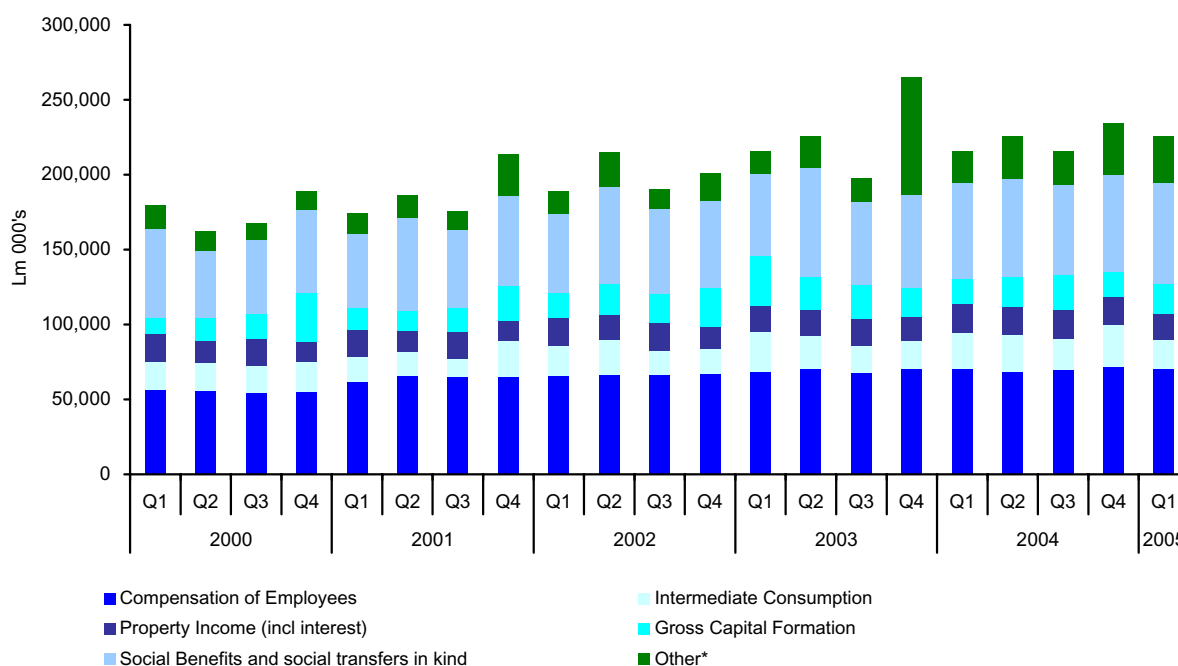
* Revenue Category 'Social contributions receivable' includes the Government's Treasury Pensions (as imputed social contributions).

Total revenue for the quarter amounted to Lm166.9 million, an increase of Lm16.2 million or 10.8 per cent to the Lm150.7 million received during the first quarter of 2004. The major increase was reported in the 'transfers receivable' category, which increased its contribution from Lm2.6 million to Lm20.5 million, mainly due to higher EU grants.

Taxes on income declined by Lm3.1 million, and taxes on production and imports (which include the VAT) declined by Lm0.6 million. Market output of government added Lm1.8 million. Property income, which is basically made up of rents and interest/dividends receivable also declined by Lm2.3 million due to lower receipts from the Central Bank of Malta. On the other hand the social contributions receivable increased by Lm2.5 million, of which Lm1.3 million were accounted for by the Social security contributions, and the balance by the increase in the imputed social contributions.

GOVERNMENT EXPENDITURE CATERGORIES

Components of the General Government Sector's expenditure 2000-2005Q1



Year	Compensation of Employees	Intermediate Consumption	Property Income, payable (incl interest)	Gross Capital Formation	Social Benefits and social transfers in kind	Other*	Total Expenditure
	Lm000's						
2000	221,219	76,425	64,015	75,890	208,047	52,176	697,771
2001	257,704	69,410	63,525	66,944	222,901	69,131	749,614
2002	265,227	76,888	69,314	81,797	232,497	69,566	795,289
2003	277,515	84,478	69,246	97,808	245,420	130,402	904,868
2004	280,788	97,161	75,969	77,132	254,923	106,232	892,204
2004 Q1	70,695	23,808	18,935	17,376	64,315	20,719	215,849
2004 Q2	68,771	24,215	18,992	19,575	65,971	28,573	226,096
2004 Q3	69,699	20,804	19,476	23,572	59,629	22,396	215,577
2004 Q4	71,623	28,334	18,566	16,609	65,007	34,544	234,682
2005 Q1	70,351	19,437	16,943	20,559	67,656	30,981	225,927

Data is based on ESA95 methodology and is consolidated.

Data is provisional.

* Expenditure Category 'Other' includes subsidies payable, recurrent and capital transfers.

Source: Treasury (Government Revenue and Expenditure Data); NSO Surveys, audited accounts (EBU's and Local Councils)

The total expenditure during the first quarter of 2005 amounted to Lm225.9 million, an increase of Lm10.1 million or 4.7 per cent over the first quarter of 2004.

While Compensation of Employees (essentially salaries and wages) retained the same level, payments for goods and services (intermediate consumption) declined by Lm4.4 million. Likewise property income payable also declined by Lm2.0 million, mostly due to less interest being paid during this quarter.

On the other hand comparative increases were reported under Capital Formation (+Lm3.2 million; Lm2.2 million of which were accounted for under the Ministry for Urban Development and Roads), Social Benefits (+Lm3.3 million, mainly bas a result of the timing of payments on certain benefits), and the Other category which increased by Lm10.3 million. This latter category includes the EU Own Resources (Lm8.1 million) in respect of which there was no payment during the comparative 2004 period.

GOVERNMENT DEPT

General Government Debt and Debt Guarantees

Lm000

		Debt Position of Central Government (Including EBU's)				Total Central Government debt outstanding
		Domestic		Foreign		
		short term	long term	short term	long term	
2002	Q4	214,286	816,148	0	69,563	1,099,997
2003	Q1	264,482	845,566	0	100,344	1,210,392
	Q2	288,006	854,448	0	90,440	1,232,894
	Q3	267,211	898,651	0	88,456	1,254,318
	Q4	251,381	966,017	0	86,022	1,303,420
2004	Q1	269,957	971,024	0	84,712	1,325,693
	Q2	276,287	1,017,938	0	82,918	1,377,143
	Q3	269,011	1,042,775	0	80,648	1,392,434
	Q4	259,484	1,061,983	0	79,101	1,400,568
2005	Q1	246,979	1,105,595	0	77,475	1,430,049

		Debt Position of Local Councils				Total Local Councils debt outstanding
		Domestic		Foreign		
		short term	long term	short term	long term	
2002	Q4	252	293	0	0	545
2003	Q1	229	354	0	0	583
	Q2	206	416	0	0	622
	Q3	182	477	0	0	659
	Q4	158	538	0	0	696
2004	Q1	160	545	0	0	705
	Q2	162	552	0	0	714
	Q3	164	559	0	0	723
	Q4	166	566	0	0	732
2005	Q1	168	572	0	0	740

Lm000

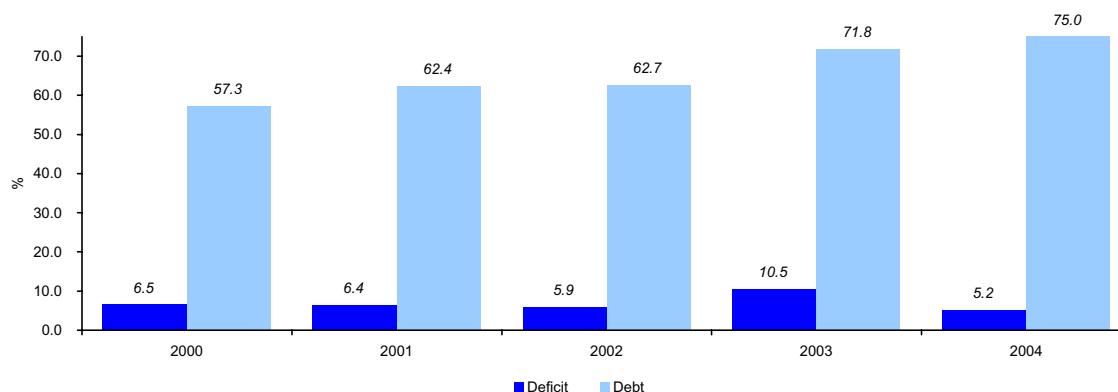
		Debt Position of General Government				Total General Government debt outstanding	Outstanding Balances on Government Guaranteed Debt
		Domestic		Foreign			
		short term	long term	short term	long term		
2002	Q4	214,538	816,441	0	69,563	1,100,542	356,155
2003	Q1	264,711	845,920	0	100,344	1,210,975	344,159
	Q2	288,212	854,864	0	90,440	1,233,516	325,480
	Q3	267,393	899,128	0	88,456	1,254,977	324,085
	Q4	251,539	966,555	0	86,022	1,304,116	273,312
2004	Q1	270,117	971,569	0	84,712	1,326,398	265,722
	Q2	276,449	1,018,490	0	82,918	1,377,857	304,261
	Q3	269,175	1,043,334	0	80,648	1,393,157	305,034
	Q4	259,650	1,062,549	0	79,101	1,401,300	303,534
2005	Q1	247,147	1,106,167	0	77,475	1,430,789	299,907

Notes:

1. Debt Position is taken at Nominal Value, in line with Maastricht debt provisions; at the end of the period indicated.
2. All debt positions are consolidated between the different sub-sectors of general government.
3. As from Q4 2003, the debt assumption of the ex shipyards' loans has been included with the debt balances of Central Government.
4. Data is subject to revision.

GOVERNMENT DEFICIT AND DEBT

General Government Deficit & Debt as a % of GDP 2000 - 2004



Transition between Consolidated fund deficit and General Government Deficit

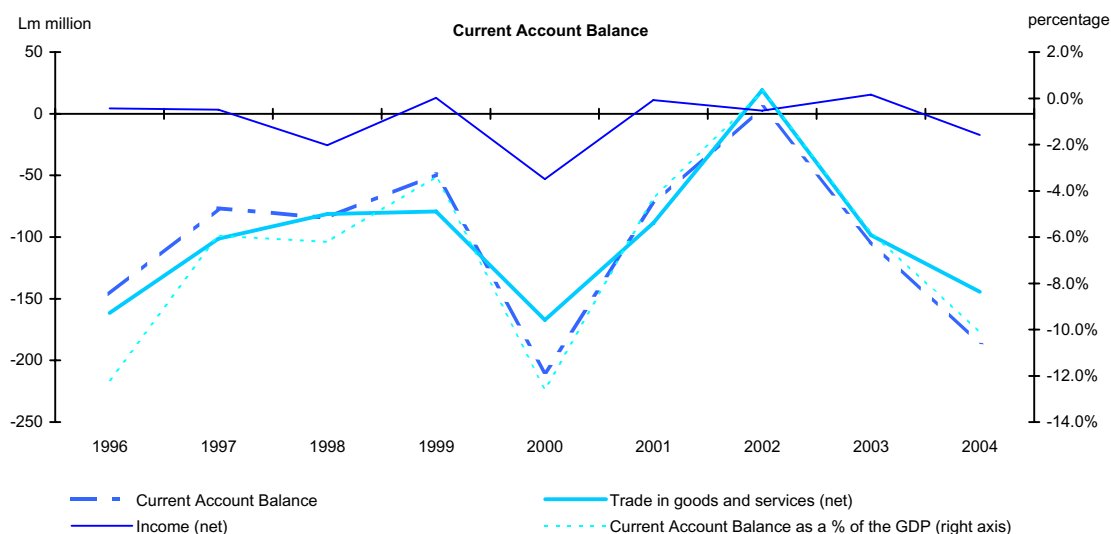
	2000	2001	2002	2003	2004
	Lm000's				
Structural Deficit of Consolidated Fund Transactions	-94,727	-85,292	-87,675	-105,445	-94,034
Adjustments to the Consolidated Fund:					
Loans granted (+)	11,807	10,984	9,539	4,095	0 ¹
Loans repayments (-)	-1,658	-2,873	0	-153	-100 ²
Equities, acquisitions (+)	250	286	35	12	12 ³
Equities, sales (-)	0	0	0	0	0
Other financial transactions	-1,689	-769	-397	0	-1,458 ⁴
Difference interest paid (+) and interest accrued (-)	-3,941	1,447	361	-2,279	-1,545 ⁵
Other accounts receivable (+) and payable (-)	1,526	1,727	3,760	-13,100	5,085 ⁶
Net Borrowing (-) / Net Lending (+) of public entities forming part of Central Government	-17,139	-14,517	-17,798	-22,699	-5,947 ⁷
Other adjustments (+/-)					
Treasury Clearance Fund flows in deposits accounts	-2,045	-4,766	-127	748	-809
Treasury Clearance Fund flows in advance accounts	-11,424	-11,255	364	651	726
Treasury Clearance Fund flows in unallocated stores	9,549	0	2	106	17
Sinking Fund interests' received	-21	0	0	1,756	1,905
Loan Cancellation in Kalaxlokk Co. Ltd	0	-6,686	0	0	0
Malta International Airport special dividend	0	0	-11,287	0	0
Malta Shipyards adjustment	0	0	0	-52,933	0
Net Borrowing (-) / Net Lending (+) of Central Government (S.1311)	-109,512	-111,714	-103,223	-189,240	-96,148
Net Borrowing (-) / Net Lending (+) of Local Government (S.1313)	993	890	465	-525	-553
Net Borrowing (-) / Net Lending (+) of General Government (S.13)	-108,519	-110,824	-102,758	-189,765	-96,700
<i>as a % of GDP</i>	6.5	6.4	5.9	10.5	5.2
General Government (S.13) Debt	954,476	1,072,925	1,100,541	1,304,115	1,401,299
<i>as a % of GDP</i>	57.3	62.4	62.7	71.8	75.0

1. Consolidated Fund loans to Malta Drydocks, Malta Shipbuilding and Gozo Ferries Co. Ltd. (all 100% Government owned).
 2. Repayments of loans made by Malta Government Investments Ltd / Malta Development Corporation, Malpro Ltd and Water Services Corporation
 3. Acquisition of shares in Multilateral Investment Guarantee Agency (subscription shares), European Bank for Reconstruction and Development (subscriptions shares), and Malta Government Privatisation plc. (increase in shareholding).
 4. Non-trading profits among Central Bank of Malta transfers to Government
 5. Difference between the interest paid and accrued of the Treasury Bills, Malta Government Stocks and Foreign Loans
 6. Accruals adjustment for the main revenue earning and spending departments.
 7. The net borrowing (-) / net lending (+) of the extra budgetary units forming part of the central government sector (based on a delimitation exercise).
- * Data for 2001 to 2004 is half finalised.
 ** GDP (at current market prices) as at 1st March 2005.

This table explains the transition from the structural deficit of the consolidated fund, to the deficit position for the General Government sector. At the end of 2004, the nominal General Government gross consolidated debt amounted to Lm1,401.3 million, or 75.0 per cent of the GDP, while the deficit for the year was of Lm96.7 million, or 5.2 per cent of GDP.

This data is extracted from Malta's notification on deficit and debt, as sent to the Commission on 1st March 2005.

BALANCE OF PAYMENTS



Current Account Balance

Lm thousand

	Trade in goods and services (net)			Income (net)	Transfers (net)			Current Account Balance	Gross Domestic Product *	Balance as a % of the GDP
	Goods	Services	Total		Government	Other	Total			
1996	-302,134	140,610	-161,524	4,283	-395	11,469	11,074	-146,167	1,284,212	-11.4%
1997	-277,898	176,579	-101,319	3,380	1,719	19,669	21,388	-76,551	1,377,147	-5.6%
1998	-260,638	179,286	-81,352	-25,421	980	21,319	22,299	-84,474	1,456,367	-5.8%
1999	-265,234	186,059	-79,175	12,910	-3,530	20,529	16,999	-49,266	1,556,616	-3.2%
2000	-330,994	163,717	-167,277	-53,094	347	10,814	11,161	-209,210	1,665,800	-12.6%
2001	-254,665	166,164	-88,501	11,107	3,595	170	3,765	-73,629	1,688,960	-4.4%
2002	-154,247	173,236	18,989	2,554	3,152	-19,288	-16,136	5,407	1,740,054	0.3%
2003 ^p	-263,205	164,886	-98,319	15,418	8,927	-29,308	-20,381	-103,282	1,793,277	-5.8%
2004 ^p	-299,083	154,655	-144,428	-17,099	319	-25,775	-25,456	-186,983	1,847,190	-10.1%
2003 ^p Q1	-64,275	11,365	-52,910	14,469	-492	-5,843	-6,335	-44,776	413,885	-10.8%
Q2	-77,032	51,198	-25,834	591	5,013	-4,682	331	-24,912	449,977	-5.5%
Q3	-65,833	64,379	-1,454	15,676	2,806	-8,376	-5,570	8,652	470,667	1.8%
Q4	-56,065	37,945	-18,120	-15,318	1,600	-10,407	-8,807	-42,245	458,747	-9.2%
2004 ^p Q1	-34,743	18,820	-15,923	-2,549	2,222	-9,161	-6,939	-25,411	437,336	-5.8%
Q2	-86,473	51,109	-35,364	20,481	795	-6,484	-5,689	-20,572	451,527	-4.6%
Q3	-67,817	62,435	-5,382	-34,575	237	-4,108	-3,871	-43,828	482,733	-9.1%
Q4	-110,050	22,291	-87,759	-454	-2,935	-6,022	-8,957	-97,170	475,595	-20.4%
2005 ^p Q1	-86,134	25,007	-61,127	6,940	-4,986	-1,585	-6,571	-60,758	441,685	-13.8%

^p provisional

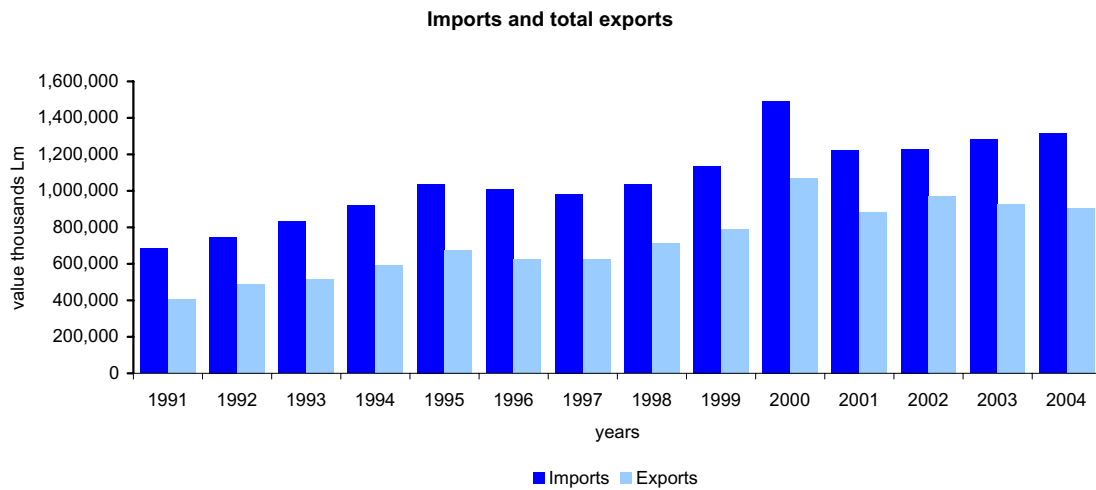
* GDP for 1996 to 1999 has been scaled backwards; thus retaining the growth rates from the old system of national accounts.

Provisional indicators on the international economic and financial transactions of Malta during the first quarter of 2005 show a current account deficit of Lm60.8 million; an increase of Lm35.3 million over the net deficit of Lm25.4 million registered during the relative period in 2004.

Contributing towards this deterioration was primarily an expansion in the visible trade gap of Lm51.4 million, from a net deficit of Lm34.7 million during the March 2004 quarter to a net deficit of Lm86.1 million during the same period in 2005.

As a result, the ratio of the current account balance to the Gross Domestic Product at current market prices for the first quarter of 2005 stood at a negative figure of 13.8 percent as against a negative figure of 5.8 percent during the same period in 2004.

MERCHANDISE TRADE



Balance of Trade

	Imports		Exports		Trade Gap	
	Imports	% Change	Exports	% Change	Excess of Imports over Exports	% Change
		Over prev. year		Over prev. year		Over prev. year
1997	984,238	-2.3	628,925	0.8	355,313	-7.4
1998	1,034,922	5.1	711,985	13.2	322,937	-9.1
1999	1,135,796	9.7	790,966	11.1	344,830	6.8
2000	1,492,377	31.4	1,072,446	35.6	419,931	21.8
2001	1,225,159	-17.9	880,648	-17.9	344,511	-18.0
2002	1,227,458	0.2	968,391	10.0	259,067	-24.8
2003	1,281,279	4.4	928,312	-3.4	352,967	36.2
2004	1,313,494	2.5	904,629	-2.6	408,865	15.8
2004 Q1	312,880	1.7	235,753	6.7	77,127	-10.9
2004 Q2	331,396	-0.6	223,704	-4.2	107,692	7.9
2004 Q3	310,504	-2.8	221,913	-3.5	88,591	-1.0
2004 Q4	358,714	11.8	223,259	-8.4	135,455	75.6
2005 Q1	290,051	-7.3	184,657	-21.7	105,394	36.6

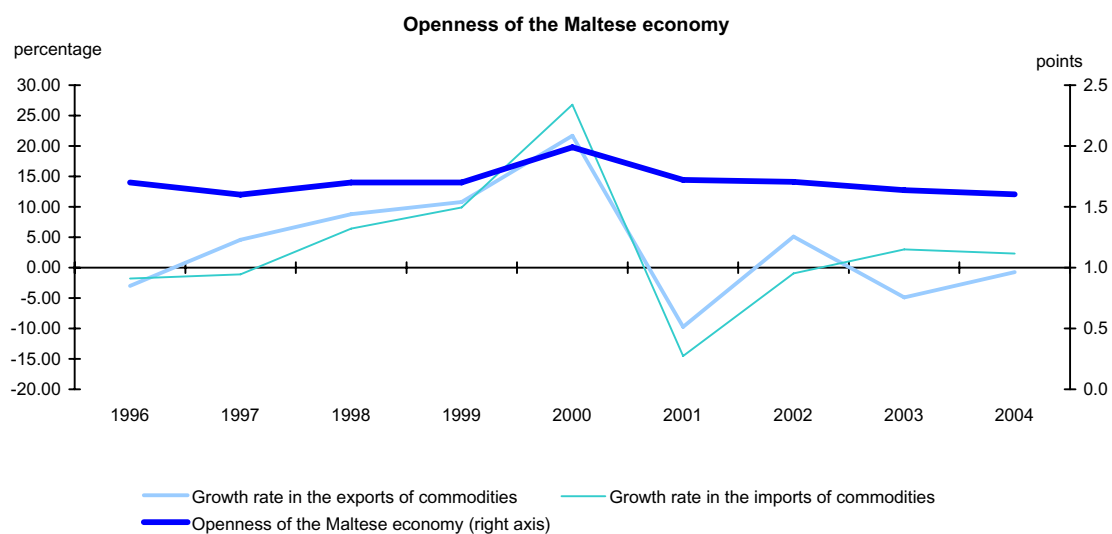
At the end of 2004, imports amounted to Lm1,313.5, thus showing a steady increase of 2.5 per cent or Lm32.2 million over 2003. Exports, on the other hand, did the opposite and narrowed down by Lm23.7 million or 2.6 per cent.

The visible trade gap widened by Lm55.9 or 15.8 per cent from Lm353.0 million in 2003 to Lm408.9 in 2004.

During the January-March quarter 2005, imports slowed down by 7.3 per cent or Lm22.8 million over the corresponding quarter in 2004. Exports followed suit and went down by Lm51.1 million or 21.7 per cent.

The visible trade gap stood at Lm105.4 million, which is 36.6 per cent higher than the corresponding quarter trade gap.

OPENNESS OF THE MALTESE ECONOMY



Openness of the Maltese Economy

Lm thousand

Year	Exports of goods and services	12 month change (%)	Imports of goods and services	12 month change (%)	Gross Domestic Product (GDP)*	Openness of the Maltese economy
1996	1,024,837	-3.0	1,186,361	-1.8	1,284,212	1.7
1997	1,072,158	4.6	1,173,477	-1.1	1,377,147	1.6
1998	1,166,776	8.8	1,248,128	6.4	1,456,367	1.7
1999	1,292,717	10.8	1,371,892	9.9	1,556,616	1.7
2000	1,572,823	21.7	1,740,099	26.8	1,665,800	2.0
2001	1,419,830	-9.7	1,487,633	-14.5	1,688,960	1.7
2002	1,492,598	5.1	1,473,608	-0.9	1,740,054	1.7
2003 ^p	1,419,565	-4.9	1,517,883	3.0	1,793,277	1.6
2004 ^p	1,408,798	-0.8	1,553,227	2.3	1,847,190	1.6
2003 ^p						
Q1	310,951	-1.7	363,861	9.8	413,885	1.6
Q2	362,128	-6.9	387,962	0.0	449,977	1.7
Q3	384,932	-6.6	386,386	4.4	470,667	1.6
Q4	361,554	-3.7	379,674	-1.2	458,747	1.6
2004 ^p						
Q1	327,351	5.3	343,274	-5.7	437,336	1.5
Q2	358,636	-1.0	394,000	1.6	451,527	1.7
Q3	378,268	-1.7	383,650	-0.7	482,733	1.6
Q4	344,543	-4.7	432,303	13.9	475,595	1.6
2005 ^p						
Q1	285,278	-12.9	346,405	0.9	441,685	1.4

^p provisional

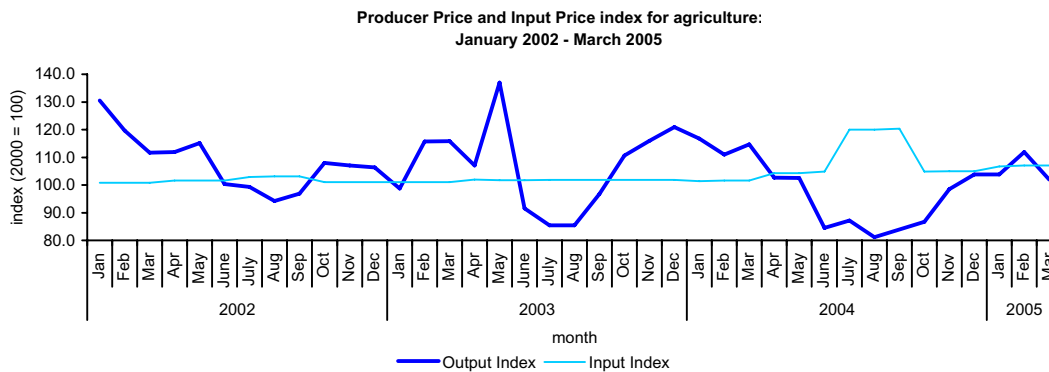
* GDP for 1996 to 1999 has been scaled backwards; thus retaining the growth rates from the old system of national accounts.

By the end of the first quarter of 2005, the total amount of exports of goods and services amounted to Lm285.3 million; a decline of Lm42.1 million or 12.9 percent over the total figure recorded during the same period in 2004 of Lm327.4 million.

On the other hand, the total amount of imports of goods and services registered during the March 2005 quarter reached the figure of Lm346.4 million; an increase of Lm3.1 million or 0.9 percent over the total imports bill recorded during the corresponding period in 2004 of Lm343.3 million.

Subsequently, the degree of openness of the Maltese economy to world trade decreased from a figure of 1.5 points during the March 2004 quarter to one of 1.4 points during the relative quarter in 2005.

AGRICULTURE



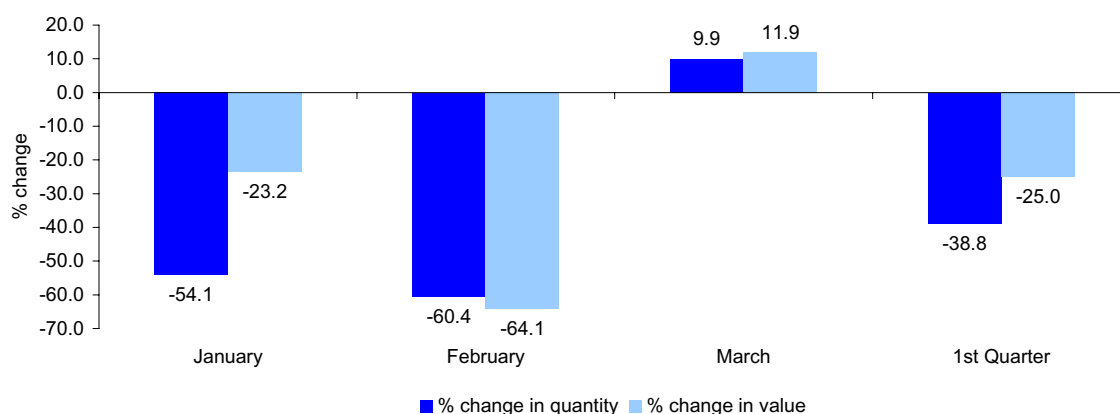
Producer price index (2000 = 100)							Agricultural Input Price Index (2000 = 100)		
Year	All Items	Potatoes	Fresh Vegetables	Fresh Fruit	Animals	Animal Products	All Items	Goods and services consumed in agriculture	Machinery and Investment
2000	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
2001	109.38	141.34	112.44	119.87	101.52	100.79	100.67	100.69	99.16
2002	110.29	138.67	120.99	112.07	99.55	102.13	101.73	101.76	99.50
2003	106.10	117.01	127.42	127.53	89.80	100.35	101.75	101.77	100.32
2004	98.84	98.07	108.97	97.51	91.28	100.46	107.86	107.96	101.44
2004									
January	116.81	119.91	165.41	124.42	90.59	101.62	101.44	101.54	94.33
February	111.01	124.84	137.20	158.43	90.60	100.43	101.59	101.70	94.33
March	114.71	173.30	135.72	131.93	90.99	103.34	101.61	101.72	94.33
2005									
January	103.78	82.44	139.97	60.42	91.74	98.57	106.73	106.96	90.68
February	111.87	90.46	158.61	118.15	91.81	98.56	107.00	107.25	90.68
March	101.92	93.61	119.44	131.67	91.97	96.07	107.03	107.28	90.68

Annual Percentage change in Producer prices							Annual Percentage change in Input Prices		
Year	All Items	Potatoes	Fresh Vegetables	Fresh Fruit	Animals	Animal Products	All Items	Goods and services consumed in agriculture	Machinery and Investment
2000	-	-	-	-	-	-	-	-	-
2001	9.38	41.34	12.44	19.87	1.52	0.79	0.67	0.69	-0.84
2002	0.83	-1.89	7.60	-6.51	-1.94	1.33	1.05	1.06	0.34
2003	-3.80	-15.62	5.32	13.80	-9.79	-1.75	0.03	0.01	0.82
2004	-6.84	-16.19	-14.48	-23.54	1.64	0.11	6.01	6.08	1.12
2004									
January	-10.47	-39.42	-7.97	58.88	-11.35	-1.25	0.58	0.56	2.20
February	-0.59	-34.76	4.51	11.53	-11.38	-1.43	0.74	0.71	2.20
March	-16.71	41.61	5.14	24.37	-11.05	-0.43	0.75	0.73	2.20
2005									
January	-11.16	-31.25	-15.38	-51.44	1.27	-3.01	5.21	5.34	-3.87
February	0.78	-27.54	15.60	-25.43	1.34	-1.86	5.33	5.45	-3.87
March	-11.15	-45.98	-12.00	-0.20	1.08	-7.03	5.34	5.46	-3.87

The producer price index for agriculture in March 2005 stood at 101.92, or 11.15 percentage points lower than in the same period last year. This drop was mainly due to a decrease in the average prices of fresh vegetables and fruit when compared to the same month in 2004. The increase in the average prices of the main animals slaughtered pushed up the animals index by 1.08 percentage. The 'all-items' input price index increased by 5.34 percentage points when compared to March in 2004. This was due to a result of higher average prices for 'goods and services' used in the production of agricultural products.

FISHERIES

Monthly and quarterly percentage changes in wholesale quantities and value of fresh fish: 2005/2004



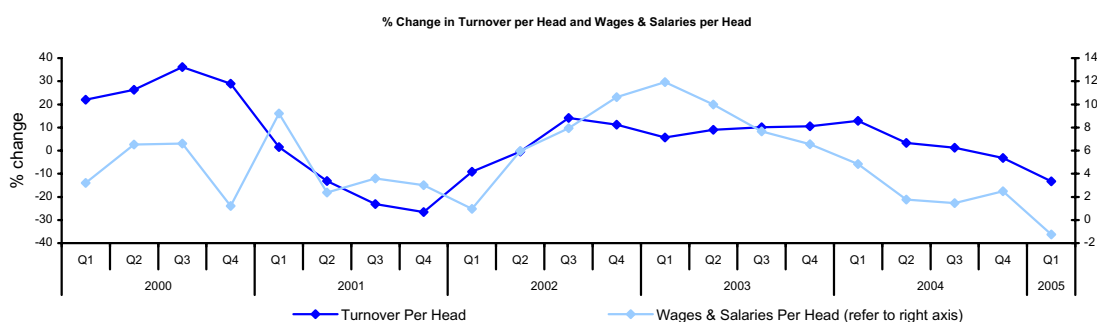
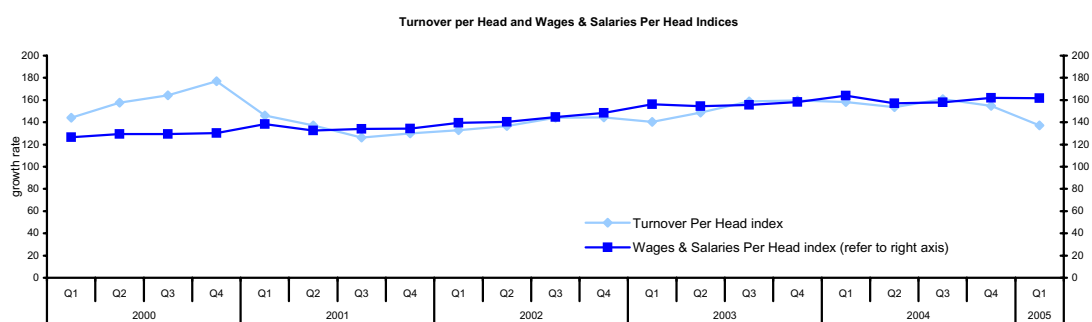
Fresh Fish passed through organised market

Fresh Fish Index (1995 = 100)

Year	Quantity / Kg	Value / Lm	Price Index	Percentage Annual Change	Volume Index	Percentage Annual Change
1995	925,740	1,231,652	100.00	-	100.00	-
1996	840,935	1,408,481	123.67	23.67	90.84	-9.16
1997	887,013	1,549,693	126.24	2.08	95.82	5.48
1998	979,432	1,626,107	115.04	-8.87	105.80	10.42
1999	1,034,070	1,623,026	104.49	-9.17	111.70	5.58
2000	987,294	1,858,433	133.29	27.56	106.65	-4.52
2001	841,289	1,587,036	142.28	6.74	90.88	-14.79
2002	940,864	1,798,869	137.89	-3.09	101.63	11.83
2003	1,070,219	1,831,623	129.52	-6.07	115.61	13.75
2004	1,067,822	1,826,101	118.98	-8.14	115.35	-0.22
1st qtr						
2004	106,202	194,473	-	-	-	-
2005	65,028	145,906	-	-	-	-
2004						
January	46,471	51,013	103.17	-26.26	32.63	6.95
February	31,250	70,700	145.60	46.86	21.94	-9.70
March	28,481	72,760	118.71	4.49	20.00	83.46
2005						
January	21,349	39,154	131.33	27.29	14.99	-54.06
February	12,373	25,367	104.31	-28.36	8.69	-60.41
March	31,306	81,385	114.65	-3.43	21.98	9.92

The 1st quarter fresh fish price index stood at 114.65 points, 3.43 percentage points lower than in March of 2004. This decrease was the result of lower unit prices for most of the species when compared to the same month in 2004. Declines in most of the species were registered but an increase of 104 per cent in swordfish landings was recorded during the same period which contributed to the increase of the fresh fish volume index by 9.92 percentage points, from 20.00 points in March 2004 to 21.98 points in March 2005.

MANUFACTURING INDUSTRY



Turnover and Wages & Salaries per head Indices

	Turnover per Head			Wages & Salaries per Head		
	Value	Index	Annual % Change	Value	Index	Annual % Change
1995	32,623	100.0		3,802	100.0	
1996	32,716	100.3	0.3	4,091	107.6	7.6
1997	34,275	105.1	4.8	4,219	111.0	3.1
1998	37,753	115.7	10.1	4,521	118.9	7.2
1999	40,830	125.2	8.2	4,697	123.5	3.9
2000	52,447	160.8	28.5	4,902	128.9	4.4
2001	43,996	134.9	-16.1	5,122	134.7	4.5
2002	45,496	139.5	3.4	5,447	143.2	6.3
2003	49,498	151.7	8.8	5,936	156.1	9.0
2004	51,145	156.8	3.4	6,091	160.2	2.6
2003 Q1	11,450	140.4	5.7	1,486	156.3	11.9
2003 Q2	12,127	148.7	8.9	1,467	154.4	10.0
2003 Q3	12,947	158.7	10.2	1,480	155.7	7.7
2003 Q4	13,030	159.7	10.5	1,504	158.2	6.5
2004 Q1	12,916	158.3	12.8	1,558	163.8	4.8
2004 Q2	12,529	153.6	3.3	1,493	157.1	1.8
2004 Q3	13,111	160.7	1.3	1,502	158.0	1.4
2004 Q4	12,613	154.6	-3.2	1,541	162.1	2.5
2005 Q1 ^P	11,193	137.2	-13.3	1,538	161.8	-1.3

^P provisional

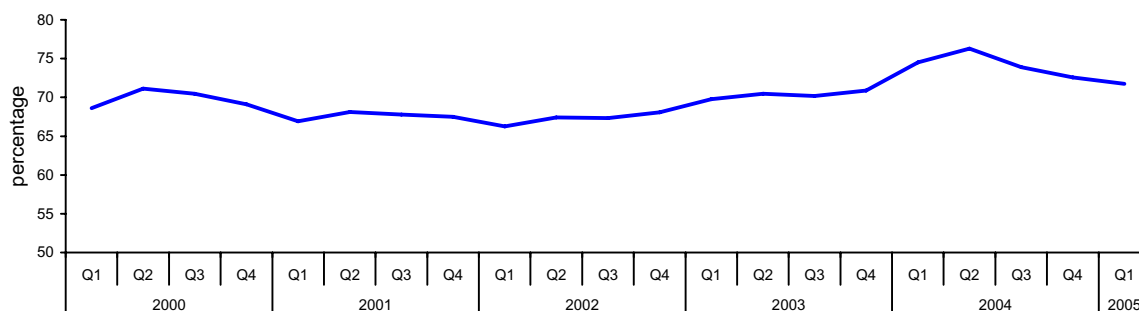
The base year used for the Turnover and Wages & Salaries per head Indices is the average for the whole year 1995 (1995=100). This series is not seasonally adjusted.

The Turnover per Head Index across the manufacturing industry has grown by 8.8% and 3.4% during 2003 and 2004, respectively. Yet it has registered a decrease of 13.3% during Q1 2005 when compared to the same period the year before.

The Wages and salaries per Head Index for the manufacturing industry shows a continuous increase on a year on year comparison. When comparing the percentage changes on an annual basis, the highest percentage change increase of 11.9% was registered between 2002 Q1 and 2003 Q1, whilst a decrease of 1.3% change for the comparison between 2004 Q1 and 2005 Q1 is to be considered as the lowest percentage change.

MANUFACTURING CAPACITY UTILISATION

Capacity Utilisation in Manufacturing Industry



Capacity Utilisation in Manufacturing Industry

	Total Capacity Utilisation		Constraints to Capacity Utilisation								
	Capacity Utilisation		Labour Shortage		The Market		Material Shortage		Other Reasons		
	%	12 month % change	Index	12 month % change	Index	12 month % change	Index	12 month % change	Index	12 month % change	
1995	66.9		100.0		100.0		100.0		100.0		
1996	67.4	0.7	72.5	-27.5	106.4	6.4	88.3	-11.7	89.6	-10.4	
1997	68.0	0.9	57.7	-20.4	113.6	6.8	56.6	-35.9	72.3	-19.3	
1998	67.8	-0.3	46.2	-19.9	114.7	1.0	47.0	-17.0	79.3	9.6	
1999	69.0	1.8	57.2	23.8	114.1	-0.5	44.3	-5.7	74.6	-5.8	
2000	70.1	1.6	59.7	4.4	101.2	-11.3	72.9	64.6	138.5	85.5	
2001	67.7	-3.4	41.3	-30.8	113.4	12.1	71.4	-2.1	81.4	-41.2	
2002	67.3	-0.3	32.7	16.4	114.7	-3.3	59.6	2.4	86.1	28.6	
2003	70.3	4.5	30.0	-8.3	114.4	-0.3	62.1	4.2	89.1	3.5	
2004	74.3	5.7	22.7	-24.3	113.6	-0.7	50.0	-19.5	86.0	-3.5	
2003	Q1	69.8	5.3	26.9	-11.4	116.4	0.7	55.7	-19.4	82.0	5.0
	Q2	70.5	4.5	26.2	-6.6	114.9	-1.7	54.2	-15.9	92.2	23.4
	Q3	70.2	4.2	34.6	-1.0	109.8	-2.3	83.5	41.2	103.8	5.9
	Q4	70.9	4.2	32.3	-14.2	116.4	2.4	54.7	20.4	78.0	-17.1
2004	Q1	74.5	6.8	24.3	-9.4	113.0	-2.9	56.7	1.9	104.4	27.4
	Q2	76.3	8.3	29.7	13.5	117.0	1.8	55.3	2.1	76.4	-17.2
	Q3	73.9	5.3	26.4	-23.6	116.8	6.4	36.4	-56.4	88.1	-15.2
	Q4	72.6	2.4	12.1	-62.4	118.3	1.6	56.5	3.4	83.3	6.8
2005	Q1 ^p	71.7	-3.8	14.7	-39.4	121.7	7.7	42.8	-24.6	65.8	-37.0

p= provisional

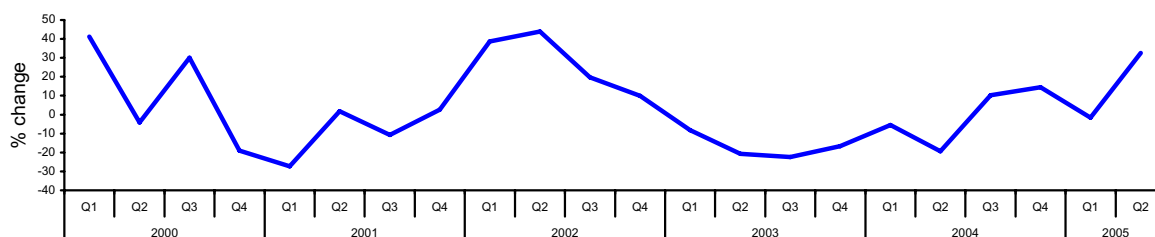
The base year used for the indices for Constraints to Capacity Utilisation is the average for the whole year 1995 (1995 = 100)

Capacity utilisation in the manufacturing industry maintained a stable level, standing on average of 72%, between the first quarter 2003 and the first quarter 2005.

Throughout the whole time series, respondents indicated the Market as the main constraint for their capacity under utilisation. Though the Labour shortage and material shortage constraints are still being pointed out, they have declined during the first quarter of 2005, with just 1.5% and 2% of the total constraints indicated .

DEVELOPMENT PERMITS

Annual change in Development permits



Year		New Dwellings*	Annual % Change	Commercial	Annual % Change	Other	Annual % Change	Total	Annual % Change
1994		1,969		587		2,545		5,101	
1995		2,417	22.8	805	37.1	3,054	20.0	6,276	23.0
1996		1,785	-26.1	641	-20.4	3,531	15.6	5,957	-5.1
1997		1,807	1.2	556	-13.3	3,651	3.4	6,014	1.0
1998		1,699	-6.0	616	10.8	3,920	7.4	6,235	3.7
1999		1,262	-25.7	614	-0.3	3,138	-19.9	5,014	-19.6
2000		1,410	11.7	670	9.1	3,445	9.8	5,525	10.2
2001		1,299	-7.9	644	-3.9	3,060	-11.2	5,003	-9.4
2002		1,422	9.5	878	36.3	4,116	34.5	6,416	28.2
2003		1,336	-6.0	658	-25.1	3,289	-20.1	5,283	-17.7
2004		1,423	6.5	657	-0.2	3,112	-5.4	5,192	-1.7
2003	Q1	330	10.7	149	-29.4	830	-9.6	1,309	-8.3
	Q2	380	-6.6	214	-14.7	980	-26.3	1,574	-20.8
	Q3	361	-19.8	159	-40.7	907	-19.0	1,427	-22.4
	Q4	264	-1.1	135	-8.8	572	-23.6	971	-16.6
2004	Q1	360	9.1	156	4.7	721	-13.1	1,237	-5.5
	Q2	331	-12.9	147	-31.3	791	-19.3	1,269	-19.4
	Q3	427	18.3	199	25.2	948	4.5	1,574	10.3
	Q4	305	15.5	155	14.8	652	14.0	1,112	14.5
2005	Q1	350	-2.8	150	-3.8	693	-3.9	1,217	-1.6
	Q2 ^P	487	47.1	194	32.0	1,002	26.7	1,683	32.6

The base year for these indices is the average of 1994 (1994 = 100)

During the second quarter 2005 the total number of development permits registered an increase of 32.6% when compared with the same period last year, from 1,269 permits to 1,683 permits.

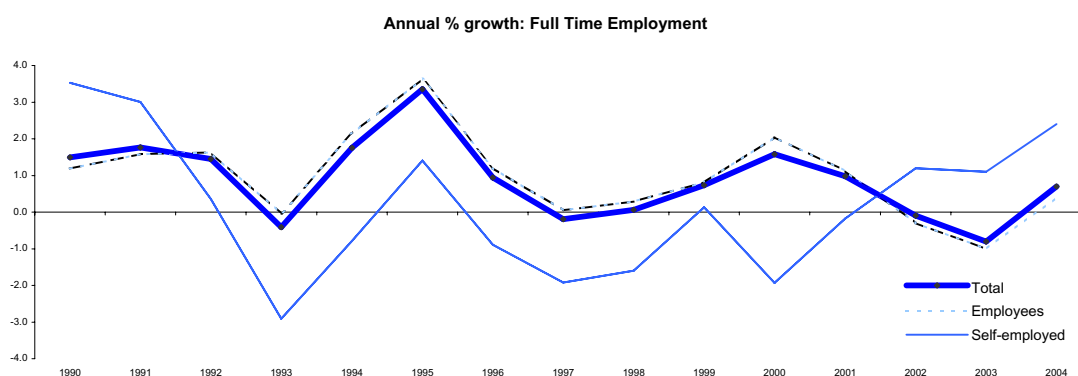
During the period under review, all sub-divisions of the development permits issued registered an increase. the New dwellings increased by 47.1%, Commercial permits by 32 % while Other permits by 26.7%, when compared to Q2 2004.

^P provisional

* (including by conversions)

** 'Other' includes; installation of satellite dishes and swimming pools; alterations and demolitions; permits relating to recreational and educational activities.

FULL-TIME EMPLOYMENT



Growth in total employment

Year	Total	Annual % change	Employees	Annual % change	Self-employed	Annual % change
1996	133,195	0.9	117,026	1.2	16,169	-0.9
1997	132,943	-0.2	117,084	0.0	15,859	-1.9
1998	133,024	0.1	117,419	0.3	15,605	-1.6
1999	134,001	0.7	118,376	0.8	15,625	0.1
2000	136,117	1.6	120,794	2.0	15,323	-1.9
2001	137,452	1.0	122,156	1.1	15,296	-0.2
2002	137,321	-0.1	121,841	-0.3	15,480	1.2
2003	136,234	-0.8	120,580	-1.0	15,654	1.1
2004	137,149	0.7	121,117	0.4	16,032	2.4
2004 January	136,059	-0.9	120,368	-1.3	15,691	2.0
February	136,201	-1.0	120,474	-1.4	15,727	2.2
March	136,346	-0.9	120,577	-1.3	15,769	2.3
April	136,650	-0.8	120,873	-1.1	15,777	2.1
May	137,008	-0.2	121,202	-0.5	15,806	2.1
June	137,548	-0.2	121,683	-0.4	15,865	2.1
July	138,079	-0.1	122,193	-0.3	15,886	2.0
August	137,989	0.3	122,062	0.1	15,927	2.1
September	137,708	0.5	121,761	0.4	15,947	1.9
October	137,267	0.2	121,257	-0.1	16,010	2.3
November	137,402	0.7	121,377	0.4	16,025	2.4
December	137,149	0.7	121,117	0.4	16,032	2.4
2005 January	137,216	0.9	121,184	0.7	16,032	2.2
February	137,176	0.7	121,154	0.6	16,022	1.9
March	137,094	0.5	121,044	0.4	16,050	1.8

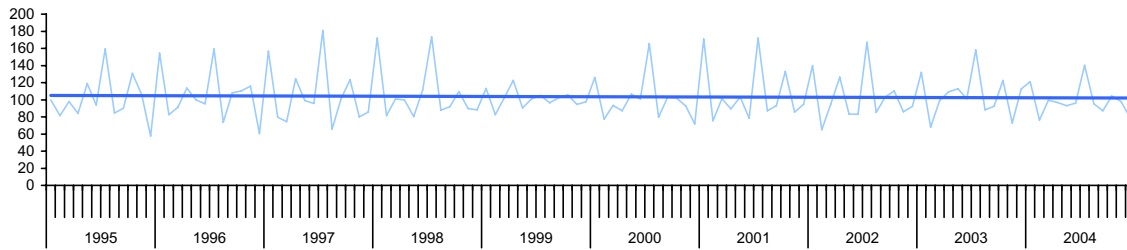
Shares in total employment

Year	Sectors	
	Private	Public
1995	62.0	38.0
1996	62.0	38.0
1997	62.2	37.8
1998	62.6	37.4
1999	64.6	35.4
2000	64.7	35.3
2001	64.7	35.3
2002	64.9	34.3
2003	65.1	34.2
2004	66.7	33.3

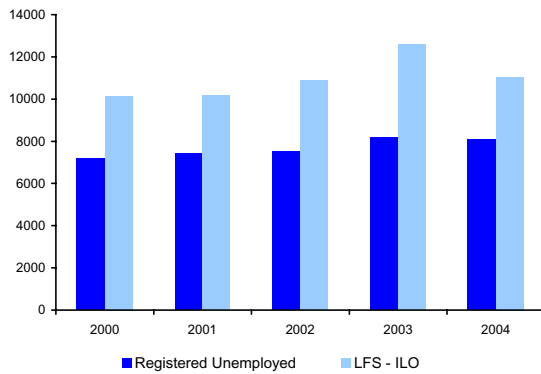
Over the past ten years the gainfully occupied population has increased by 7.4 per cent. Larger changes were recorded amongst employees over the same period between 1995 and 2004. Employment in the private sector increased whereas engagement in the public sector showed an opposite trend

REGISTERED UNEMPLOYMENT

Index of new unemployment registrants



Unemployment: registered and ILO



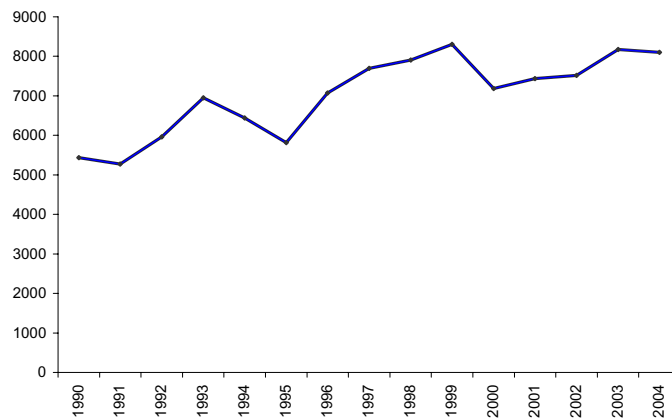
Index of new unemployment registrants
January 1995 = 100

Months	2000	2001	2002	2003	2004	2005	Annual % change
January	126.1	170.7	139.9	132.0	121.2	126.0	4.0
February	77.3	75.7	65.2	68.1	76.3	89.9	17.8
March	93.4	101.3	95.0	99.0	99.6	103.2	3.6
April	87.2	89.5	126.5	109.0	96.7		
May	106.6	103.2	83.2	112.9	93.3		
June	101.1	78.6	83.0	101.4	96.0		
July	165.7	171.9	167.0	158.1	140.3		
August	79.5	87.1	85.4	88.2	95.2		
September	102.9	93.0	103.1	92.2	87.3		
October	101.9	133.2	110.2	122.8	104.4		
November	92.6	85.5	85.8	72.8	98.0		
December	71.7	94.5	92.4	112.5	79.4		

Registered unemployment

Year	Unemployed	rate (%)
1995	5,820	4.2
1996	7,072	5.0
1997	7,693	5.5
1998	7,910	5.6
1999	8,306	5.8
2000	7,188	5.0
2001	7,433	5.1
2002	7,516	5.2
2003	8,175	5.7
2004	8,103	5.6
2004 January	8,794	6.1
February	8,830	6.1
March	8,420	5.8
April	8,339	5.8
May	8,104	5.6
June	7,942	5.5
July	8,131	5.6
August	7,953	5.4
September	8,140	5.6
October	8,172	5.6
November	8,125	5.6
December	8,103	5.6
2005 January	8,180	5.6
February	8,094	5.6
March	8,018	5.5

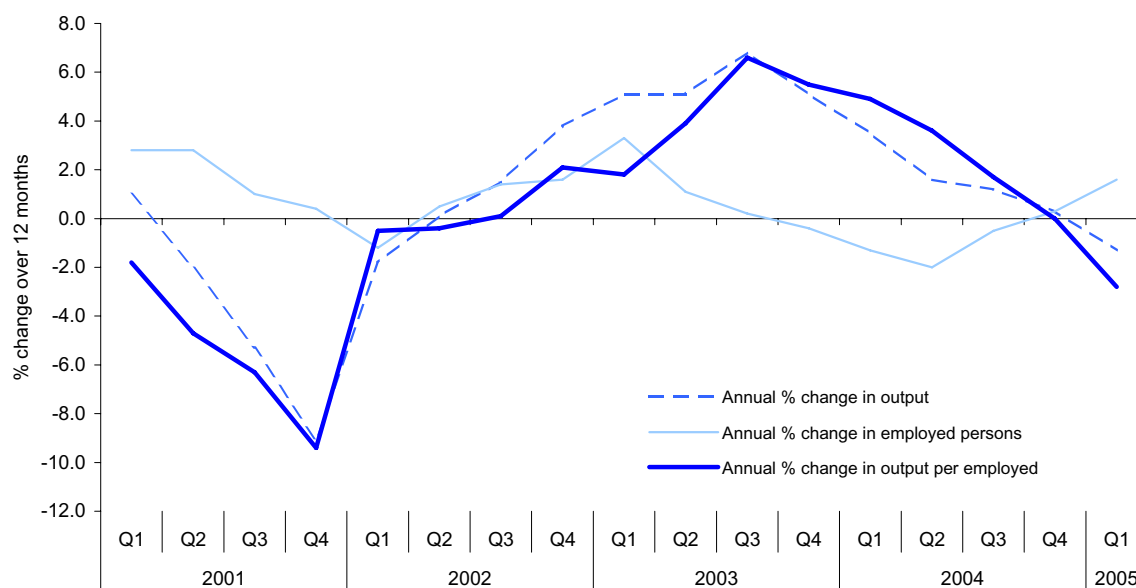
Registered unemployed



In the years from 1995 to 1999, the number of the persons registering for work with the Employment and Training Corporation (ETC) underwent a consistent upsurge. Accordingly, registered unemployment reached the peak of 8,306 in 1999. In 2000, the number of registered unemployed went down substantially, but started to rise again in the following years. The number of persons registering for work with the ETC has been on the increase between 1995 and 2005. The index of new unemployment registrants (January 1995 = 100) indicates that a substantial increase in new registrants usually occurs in the months of January and July of each year.

PRODUCTIVITY

Output, employment and productivity in the Maltese economy



Total Maltese Economy Annual Productivity Changes

Year	Quarter	Annual percentage change in output	Annual % change in employed persons*	Annual % change in output per employed person
2000		-	-	-
2001		-4.0	1.8	-5.7
2002		0.9	0.6	0.4
2003		5.5	1.0	4.5
2004		1.6	-0.9	2.5
2004	Q1	3.5	-1.3	4.9
2004	Q2	1.6	-2.0	3.6
2004	Q3	1.2	-0.5	1.7
2004	Q4	0.3	0.3	0.0
2005	Q1	-1.3	1.6	-2.8

Source: National Statistics Office

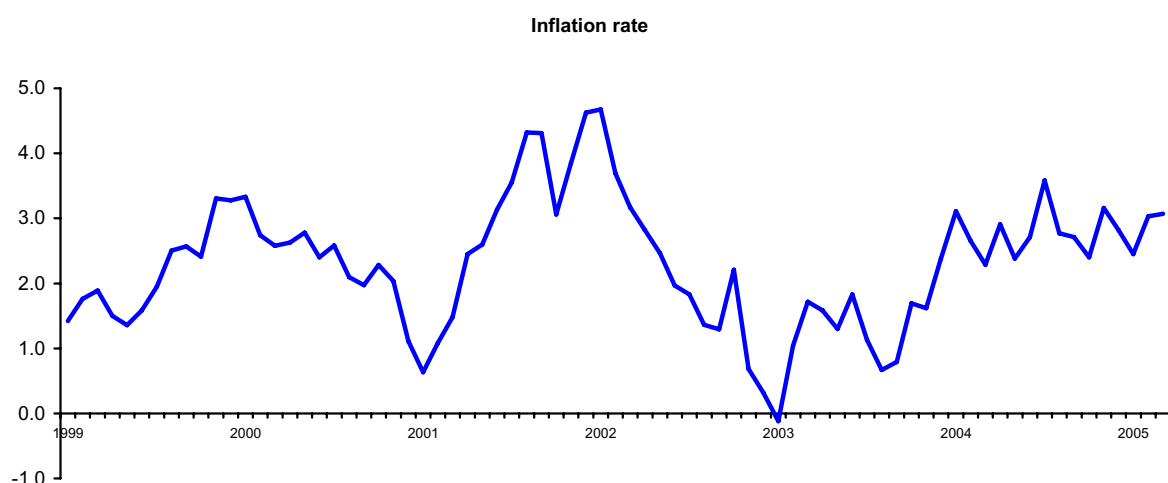
* employed persons represents the number of both full-time and part-time self-employed and employees

Productivity across the whole economy, measured by means of output per employed person (incorporating both full-time and part-time self-employed/employees) is estimated to have grown by 2.5% in 2004, down by 2.0% from the previous year's figure (the 2003 figure was 4.5%). The corresponding figures for 2003 and 2002 were 0.4% and -5.7% respectively.

Productivity growth swung from 3.6% to a negative 2.8% over the last four quarters. The first quarter of 2005 alone accounted for a decline in productivity growth of 2.8%, with no productivity growth being registered in the last quarter of 2004.

For the economy as a whole, productivity growth has averaged 2.9% over the last eight quarters.

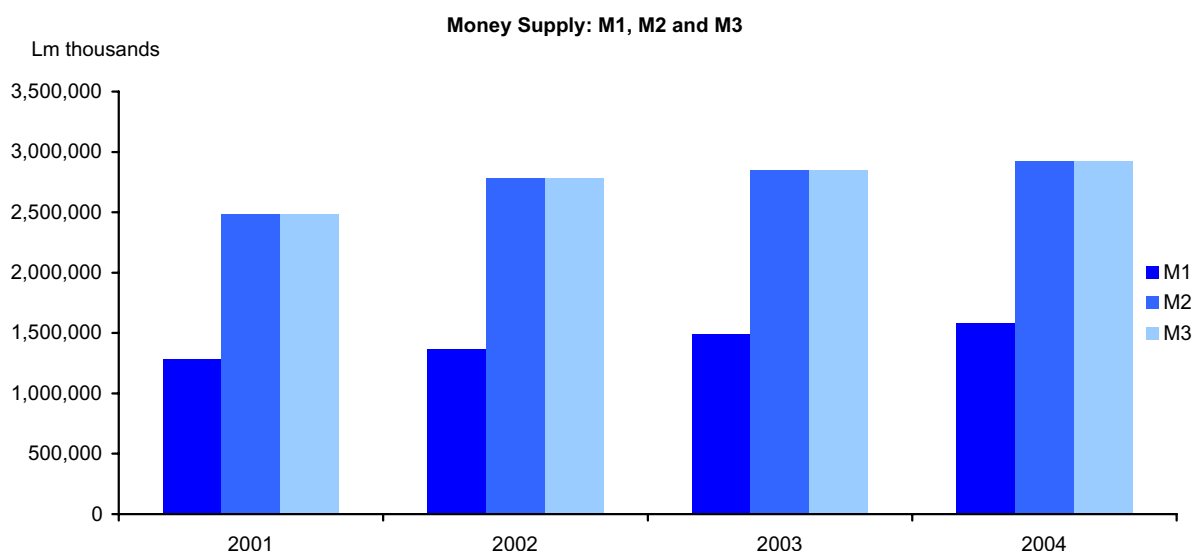
INFLATION



Year	Month	All items	Annual inflation	12-month moving average
1999		110.04	2.13	2.13
2000		112.65	2.37	2.37
2001		115.95	2.93	2.93
2002		118.49	2.19	2.19
2003		120.03	1.30	1.30
2004		123.38	2.79	2.79
2004	January	121.76	3.11	1.57
	February	121.80	2.65	1.71
	March	122.31	2.29	1.75
	April	123.10	2.91	1.86
	May	122.87	2.38	1.95
	June	123.45	2.71	2.03
	July	124.07	3.58	2.23
	August	123.01	2.77	2.41
	September	123.38	2.71	2.57
	October	124.33	2.40	2.63
	November	125.05	3.16	2.75
	December	125.42	2.82	2.79
2005	January	124.74	2.45	2.74
	February	125.49	3.03	2.77
	March	126.07	3.07	2.83

For the first ten months of 2003 there was a decline in the 12-month moving average inflation rate. An increase was registered in the last two months of the year. Indices for January to December 2003 are linked with base 1995=100.

MONEY SUPPLY



Money Supply

Lm thousands

	Narrow Money (M1)		Intermediate Money (M2)		Broad Money (M3)	
	Position at end of period	12 month change (%)	Position at end of period	12 month change (%)	Position at end of period	12 month change (%)
2001	1,282,933	6.8	2,481,141	10.0	2,481,141	9.9
2002	1,367,373	6.6	2,781,488	12.1	2,781,488	12.1
2003	1,490,948	9.0	2,849,218	2.4	2,849,244	2.4
2004	1,580,944	6.0	2,918,320	2.4	2,918,320	2.4
2004 January	1,498,444	9.1	2,865,072	2.7	2,865,097	2.7
February	1,531,128	11.9	2,894,167	4.3	2,894,167	4.3
March	1,543,341	11.1	2,904,751	4.2	2,904,751	4.2
2005 January	1,598,143	6.7	2,936,569	2.5	2,936,569	2.5
February	1,592,539	4.0	2,934,369	1.4	2,934,381	1.4
March	1,585,664	2.7	2,925,283	0.7	2,925,295	0.7

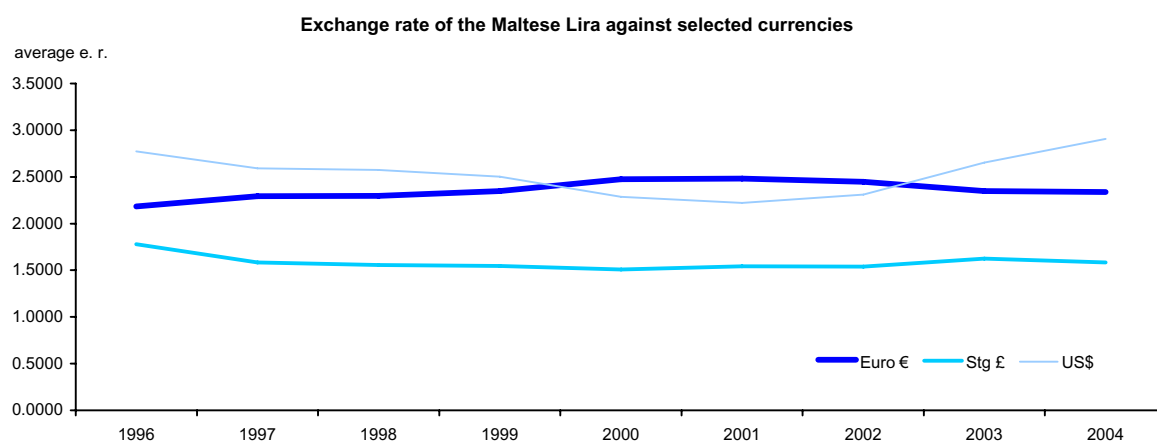
*provisional

By the end of March 2005, the total narrow money supply M1 (which includes currency in circulation, demand deposits and savings deposits withdrawable on demand) reached the total of Lm1,585.7 million. This was higher by 2.7 percent than the money supply M1 registered by the end of the relative period in 2004 of Lm1,543.3 million.

Additionally, the intermediate money supply M2 (which includes M1, savings deposits redeemable at notice up to 3 months and time deposits with agreed maturity up to 2 years) stood at a total of Lm2,925.3 million; a rise of 0.7 percent over the figure reached during the comparable month a year earlier of Lm2,904.8 million.

Also, by the end of the first quarter under review, the broad money supply M3 (which includes M2, repurchase agreements and debt securities issued up to 2 years) amounted to Lm2,925.3 million. Indeed, this was higher by 0.7 per cent than the money supply M3 registered during March 2004 of Lm2,904.8 million.

EXCHANGE RATE



Average exchange rates of the Maltese Lira against major currencies

Lm1 is equivalent to...

	Euro	12 month change (%)	Stg £	12 month change (%)	US\$	12 month change (%)	Yen	12 month change (%)	Sfr	12 month change (%)
1996	2.1852	0.8	1.7780	-1.0	2.7745	-2.2	301.75	13.2	3.428	2.3
1997	2.2921	4.9	1.5825	-11.0	2.5921	-6.6	313.53	3.9	3.758	9.6
1998	2.2957	0.2	1.5547	-1.8	2.5758	-0.6	336.67	7.4	3.730	-0.7
1999	2.3470	2.2	1.5468	-0.5	2.5032	-2.8	284.84	-15.4	3.756	0.7
2000	2.4741	5.4	1.5080	-2.5	2.2855	-8.7	246.27	-13.5	3.853	2.6
2001	2.4815	0.3	1.5430	2.3	2.2226	-2.8	269.97	9.6	3.749	-2.7
2002	2.4468	-1.4	1.5378	-0.3	2.3100	3.9	288.88	7.0	3.590	-4.2
2003	2.3470	-4.1	1.6237	5.6	2.6543	14.9	307.39	6.4	3.568	-0.6
2004	2.3368	-0.4	1.5853	-2.4	2.9061	9.5	314.19	2.2	3.609	1.1
2004 January	2.3250	-2.4	1.6084	2.7	2.9341	15.8	312.06	3.7	3.642	4.5
February	2.3346	-1.6	1.5800	-0.5	2.9518	15.5	314.60	3.2	3.674	5.6
March	2.3443	-0.7	1.5723	-2.5	2.8775	12.6	313.54	3.5	3.676	6.0
2005 January	2.3134	-0.5	1.6163	0.5	3.0375	3.5	313.64	0.5	3.579	-1.7
February	2.3204	-0.6	1.6008	1.3	3.0233	2.4	317.03	0.8	3.597	-2.1
March	2.3162	-1.2	1.6044	2.0	3.0590	6.3	321.60	2.6	3.589	-2.4

The average exchange rate of the Maltese lira against the Euro during March 2005 stood at a level of one lira equivalent to 2.3162 Euro. Indeed, this meant a depreciation of the lira against the Euro of 1.2 percentage points over the average exchange rate recorded during the same month a year earlier of one lira equivalent to 2.3443 Euro.

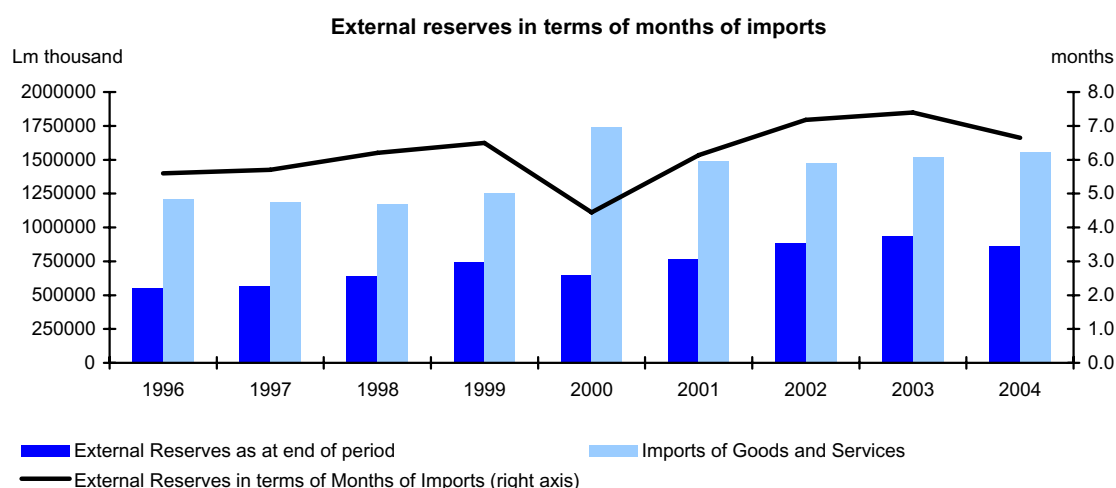
On the other hand, the average exchange rate of the lira against the sterling during March 2005 stood at a level of one lira equivalent to 1.6044 sterling; an appreciation of 2.0 percentage points over the average exchange rate recorded during March 2004 of one lira equivalent to 1.5723 sterling.

Likewise, the average exchange rate of the lira against the US dollar appreciated by 6.3 percentage points, from an average exchange rate of one lira equivalent to 2.8775 dollars during March 2004 to an average exchange rate of one lira equivalent to 3.0590 dollars during the relative month in 2005.

Also, the average exchange rate of the lira against the Yen during March 2005 reached a level of one lira equivalent to 321.60 Yen; an appreciation of 2.6 percentage points over the average exchange rate recorded during the same month in 2004 of one lira equivalent to 313.54 Yen.

On the contrary, the average exchange rate of the lira against the Swiss franc depreciated by 2.4 percentage points, from an average exchange rate of one lira equivalent to 3.676 Swiss francs during March 2004 to an average exchange rate of one lira equivalent to 3.589 Swiss francs during the corresponding month in 2005.

EXTERNAL RESERVES



External reserves expressed in terms of months of imports

Lm thousand

Year		External reserves as at end of period ¹	12 month change (%)	Imports of goods and services	12 month change (%)	External Reserves in terms of months of imports
1996		554,119	-4.6	1,208,077	-1.8	5.6
1997		561,668	1.4	1,186,361	-1.1	5.7
1998		639,972	13.9	1,173,477	6.4	6.2
1999		740,320	15.7	1,248,128	9.9	6.5
2000		644,144	-13.0	1,740,099	26.8	4.4
2001		760,428	18.1	1,487,633	-14.5	6.1
2002 ^P		880,847	15.8	1,473,608	-0.9	7.2
2003 ^P		935,547	6.2	1,517,883	3.0	7.4
2004 ^P		860,553	-8.0	1,553,227	2.3	6.6
2003 ^P	Q1	884,034	12.4	363,861	9.8	7.3
	Q2	926,283	18.7	387,962	0.0	7.2
	Q3	943,277	12.0	386,386	4.4	7.3
	Q4	935,547	6.2	379,674	-1.2	7.4
2004 ^P	Q1	932,858	5.5	343,274	-5.7	8.2
	Q2	900,931	-2.7	394,000	1.6	6.9
	Q3	928,482	-1.6	383,650	-0.7	7.3
	Q4	860,553	-8.0	432,303	13.9	6.0
2005 ^P	Q1	820,450	-12.0	346,405	0.9	7.1

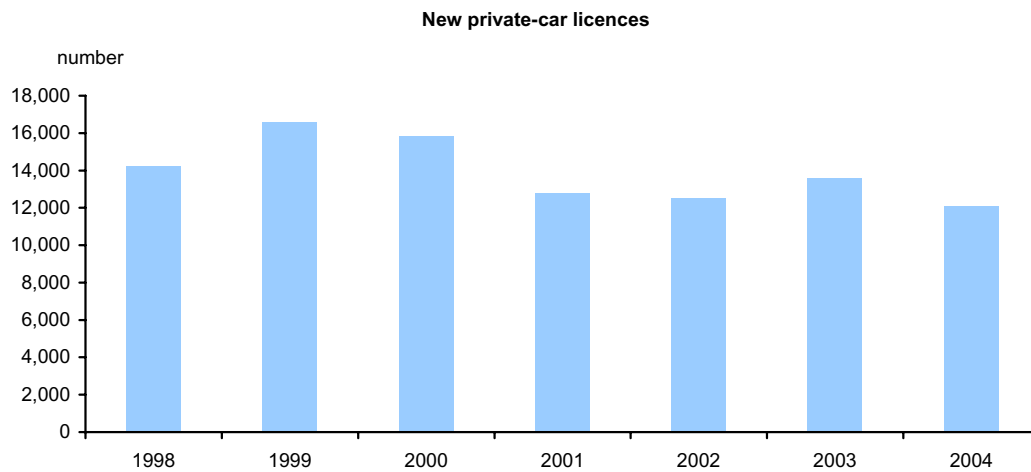
^P provisional

¹ Source: Central Bank Quarterly Review

By the end of the first quarter of 2005, the total external reserves of the country amounted to Lm820.5 million. Indeed, this was lower by 12.0 percent than the total foreign reserves held during the corresponding period a year earlier of Lm932.9 million.

When expressed in terms of months of imports of goods and services, it is shown that, while the reserve assets of the country stood at a level of 8.2 months of sustenance during the first quarter of 2004, Malta's reserve assets dropped to a level of 7.1 months of sustenance during the same quarter in 2005.

PRIVATE-CAR LICENCES



New licences for private cars

		Number	Annual % change
1998		14,233	-4.2
1999		16,566	16.4
2000		15,822	-4.5
2001		12,784	-19.2
2002		12,484	-2.3
2003		13,559	8.6
2004		12,090	-10.8
2004	Q1	2,936	6.2
	Q2	3,206	-7.8
	Q3	3,210	-12.5
	Q4	2,738	-24.9
2005	Q1	3,023	3.0

In the first quarter 2005 there was an increase of 87 or 3.0 per cent in new car licensing over the same quarter last year.