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# CNMI Quarterly Economic Indicators

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October - December 2000

Department of Commerce  
Commonwealth of the Northern Mariana Islands

## **MESSAGE FROM THE SECRETARY**

I am pleased to release this eighth issue of a series depicting the social and economic conditions of the Commonwealth of the Northern Mariana Islands (CNMI) on a quarterly basis.

This publication is made possible by data researched and tabulated under the Central Statistics Division of the Department of Commerce and many other CNMI Government Departments and Agencies as well as other private organizations. We owe them a word of gratitude.

Please forward any comments and suggestions on this publication to my office. We are committed to providing you, the public, businesses, and leaders of the CNMI this quarterly issue of our Economic Indicators. We have worked hard to put together this eighth issue and we hope to add more information in the next issues.

FRANKIE B. VILLANUEVA, C.P.A.  
Secretary of Commerce

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**Table 1 - Banking Activity**

<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
Banking Activity (U.S. \$ Millions)								
<b>Total Deposits</b>	<b>463.0</b>	<b>481.1</b>	<b>522.8</b>	<b>570.4</b>	<b>573.4</b>	<b>607.9</b>	<b>603.7</b>	<b>595.7</b>
Demand	136.7	140.8	133.6	153.0	132.1	132.6	142.4	144.0
Savings	163.2	163.2	192.5	184.5	188.4	208.4	198.3	176.2
TCDs	163.1	177.0	196.7	232.9	253.0	266.9	263.1	275.5
<b>Total Loans</b>	<b>278.8</b>	<b>279.2</b>	<b>303.6</b>	<b>288.3</b>	<b>285.6</b>	<b>252.1</b>	<b>245.0</b>	<b>322.3</b>
Government	1.4	0.8	1.1	0.4	7.4	8.8	10.7	2.8
Consumer	71.3	80.0	83.6	74.7	72.7	70.3	70.1	70.8
Commercial	173.5	166.2	165.3	159.9	163.4	131.5	136.7	209.6
Real Estate	34.0	32.9	54.7	53.4	49.5	50.3	38.3	41.9

Source: Department of Commerce

**Table 2 - Remittances**

<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
Remittances (U.S. \$ Millions)	49.5	52.4	58.9	65.1	73.3	17.3	17.2	18.9	19.9

Source: Dept. of Commerce

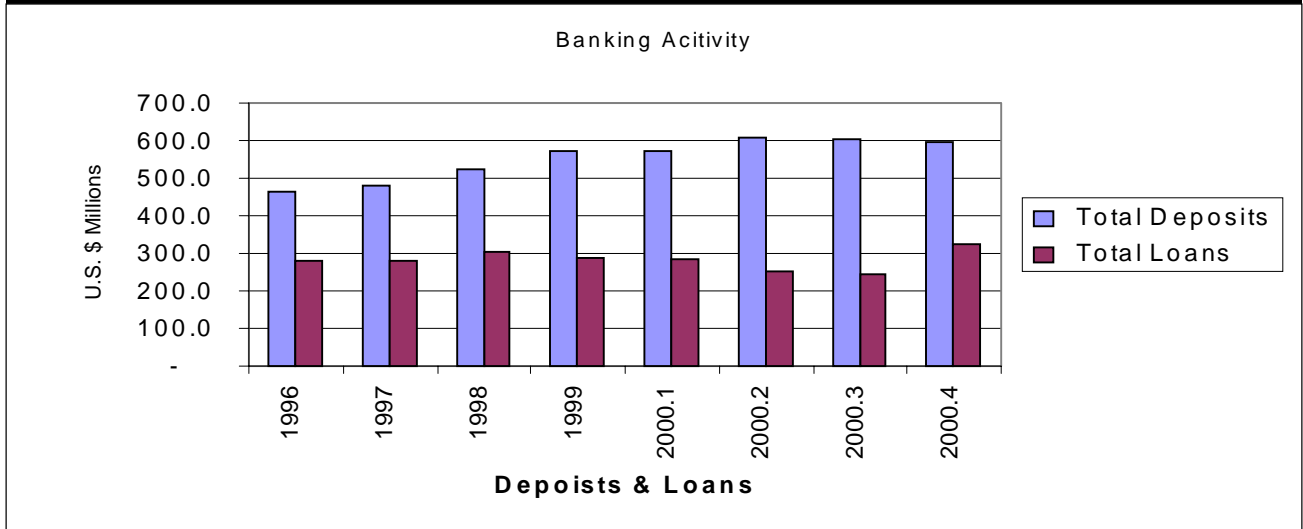
**Table 3 - Loans from Commonwealth Development Authority**

<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
<b>Total Loans</b>	<b>\$ 4,300,000</b>	<b>\$ 7,000,000</b>	<b>\$ 8,200,000</b>	<b>\$ 6,500,000</b>	<b>\$ 398,000</b>			<b>\$ 60,000</b>	<b>\$ 338,000</b>
Direct loans	1,000,000	500,000	2,200,000	900,000	-	-	-	-	-
Guarantee loans	3,300,000	6,500,000	6,000,000	5,600,000	250,000	-	-	-	250,000
Microloan	-	-	-	-	148,000.0	-	-	60,000	88,000

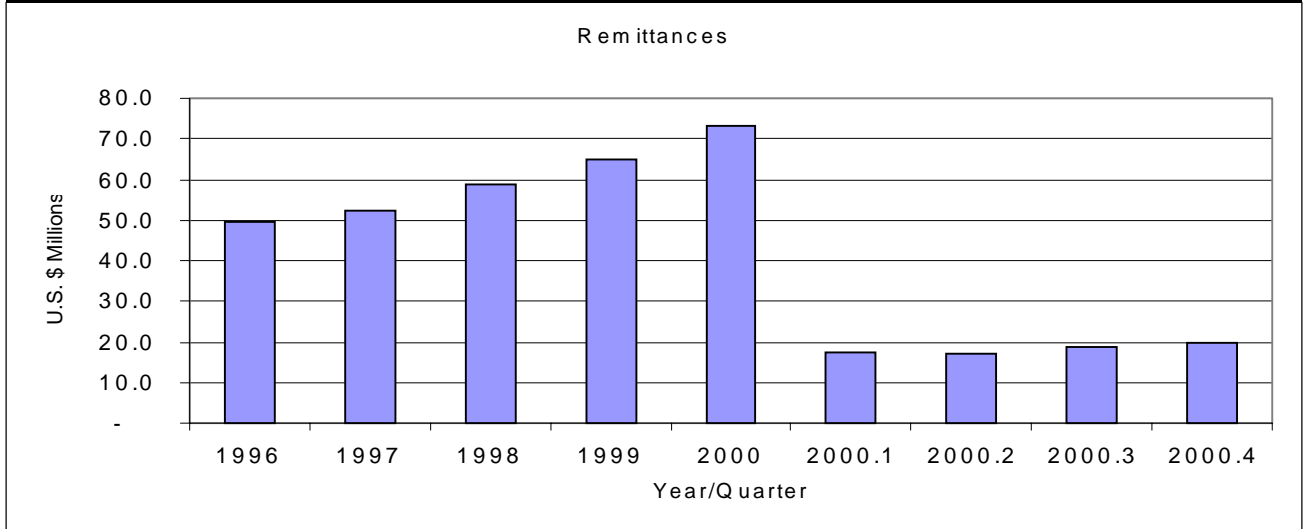
Note: The drop in total CDA loans reflects the moratorium on Direct and Guaranteed Loans effective August of 2000  
CDA continues to accept applications for Microloan programs with a maximum of \$35,000 per loan.

Source: CDA

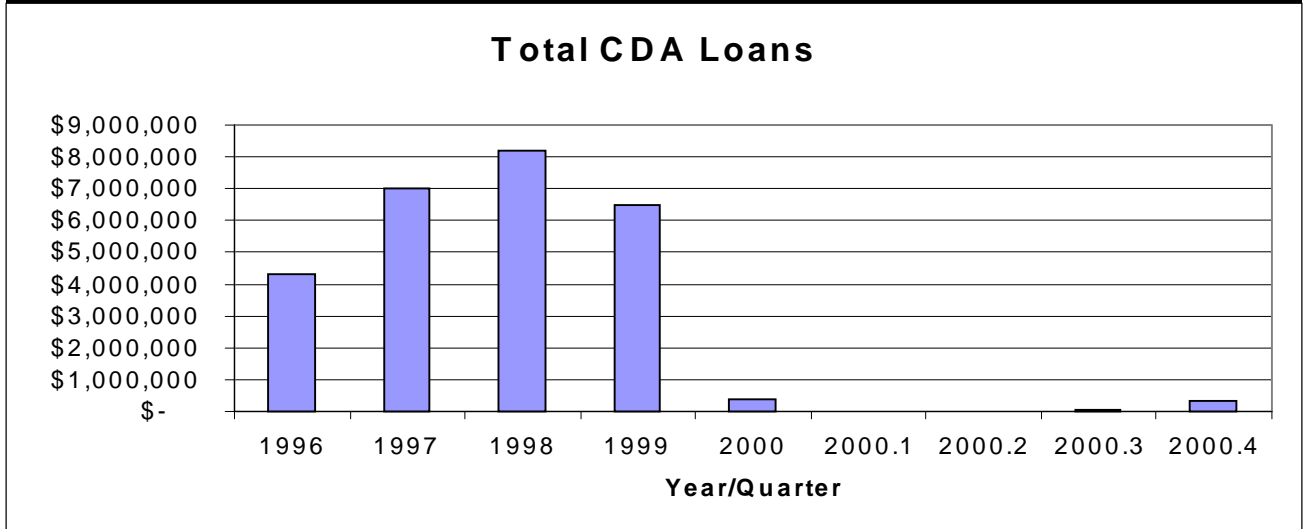
**Figure 1 - Banking Activity**



**Figure 2 - Remittances**



**Figure 3 - Loans from Commonwealth Development Authority**



**Table 4 - Visitors Arrival**

<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
<b>Total Visitors (Thousands)</b>	<b>736</b>	<b>695</b>	<b>490</b>	<b>502</b>	<b>529</b>	<b>134</b>	<b>127</b>	<b>138</b>	<b>129</b>
Japan	438	448	377	383	379	102	89	96	92
Korea	188	142	28	51	72	15	18	19	20
U.S. & Guam	84	75	61	49	47	14	9	13	11
Other	26	30	25	18	31	4	11	9	6

Note: Others include: Taiwan, China, Philippines, Hong Kong, and Other Areas

Source: MVA

**Table 5 - Average CNMI Hotel Daily Rate**

<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
<b>Average CNMI Hotel Daily Rate</b>									
Average DailyRate (\$)	\$ 128	\$ 136	\$ 117	\$ 99	\$ 88	\$ 91	\$ 84	\$ 95	\$ 83

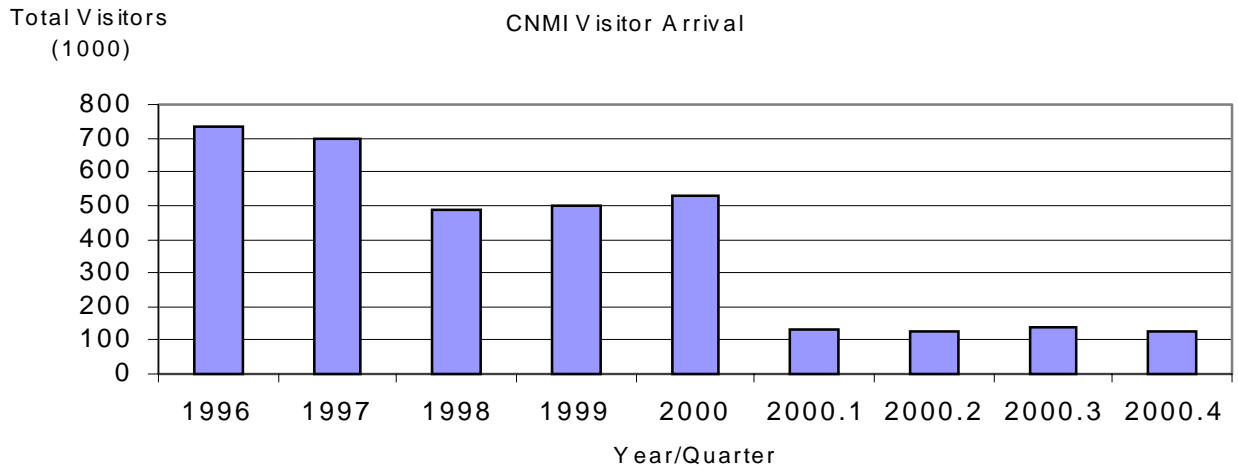
Source: Data from HANMI members only

**Table 6 - Average CNMI Hotel Occupancy Rate**

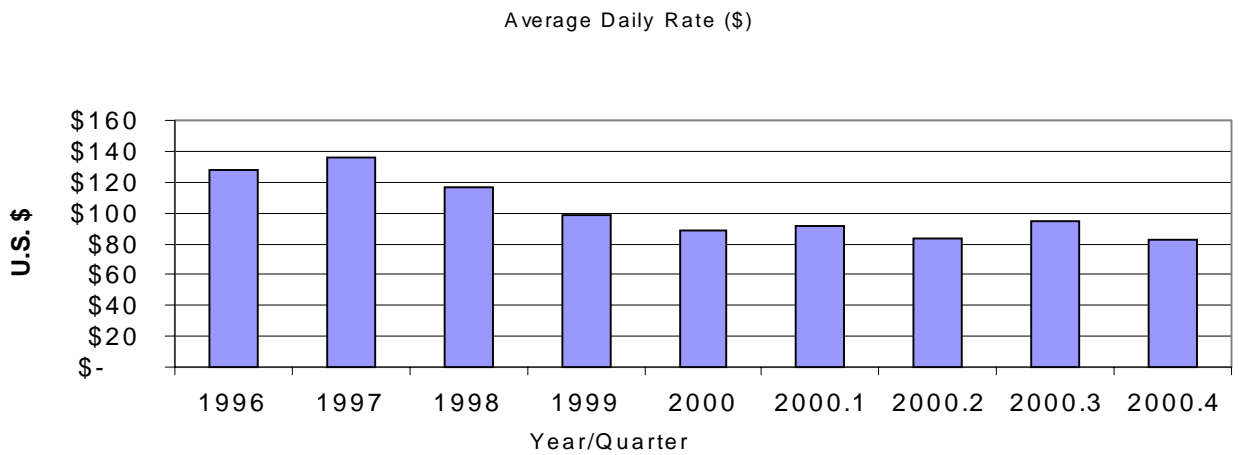
<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
<b>Average CNMI Hotel Occupancy Rate</b>									
Hotel Occupancy Rate (%)	86%	81%	58%	60%	61%	63%	59%	63%	60%

Source: Data from HANMI members only

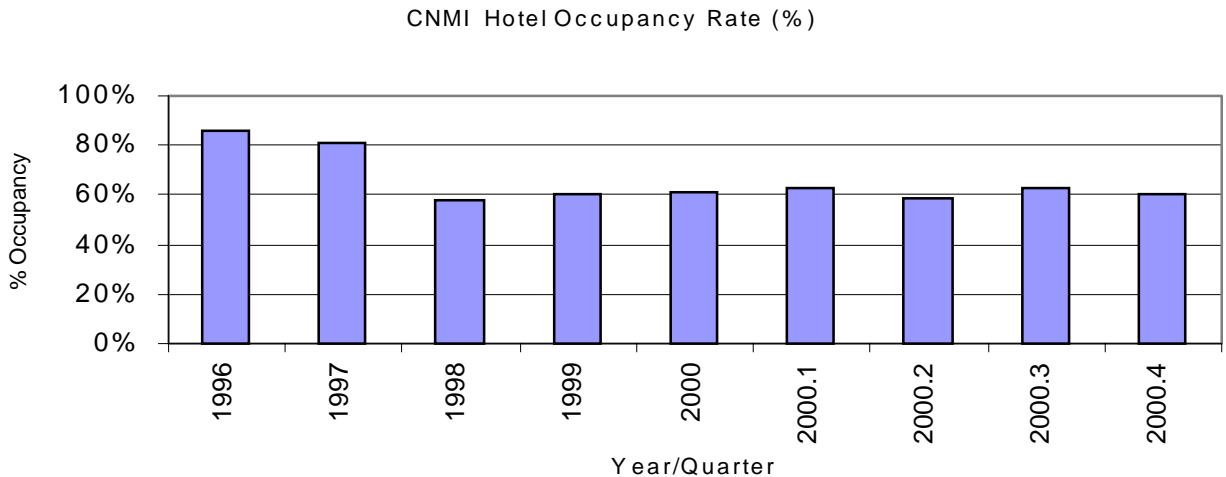
**Figure 4 - Visitors Arrival**



**Figure 5 - Average CNMI Hotel Daily Rate**



**Figure 6 - Average CNMI Hotel Occupancy Rate**



**Table 7 - Business Gross Revenue**

<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3*</i>	<i>2000.4**</i>
Business Gross Revenue Rep. (U.S. \$ Millions)	2,224	2,610	2,238	2,106	542	528	420	N/A

Source: Department of Finance

\* Figures are subject to change as additional returns are entered after the date of the report.

\*\* Figures for 2000.4 Not Available Yet.

**Table 8 - Revenue (Taxes & Fees Collected)**

<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
<b>Total (U.S. \$ Millions)</b>	<b>226.7</b>	<b>248.0</b>	<b>242.3</b>	<b>222.9</b>	<b>214.1</b>	<b>50.3</b>	<b>51.0</b>	<b>55.53</b>	<b>57.20</b>
Gross Receipts (BGR Tax Collected)	67.2	74.6	61.4	54.3	57.2	15.3	14.4	13.3	14.1
Excise (Import Tax)	25.0	29.2	24.3	19.9	21.7	5.4	5.2	5.3	5.8
Wage & Salary (Chp. 2 Tax)	21.0	27.7	30.3	30.5	32.2	8.0	8.7	7.5	7.9
User Fee ( Garment Certification Fee)	18.0	27.7	36.8	39.3	37.6	8.8	9.5	10.4	8.9
Hotel ( 10% Occupancy Tax)	9.9	10.8	7.7	6.0	6.0	1.3	1.5	1.9	1.3
Other Taxes (Chp. 7 & Corp.)	14.5	12.1	5.9	7.5	28.3	4.2	7.5	7.1	9.5
Fees, Charges & Other Revenues	35.8	47.0	43.6	37.5	31.2	7.2	4.3	10.0	9.7

Source: Department of Finance

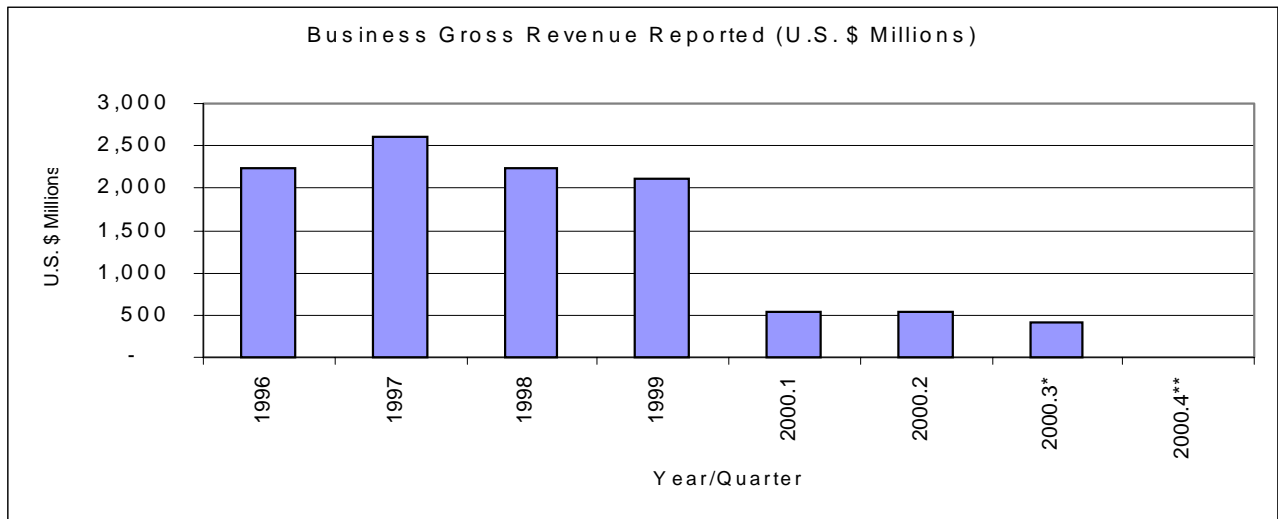
**Table 9 - Government Expenditures**

<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
Government Expenditures (U.S. \$ Millions)	221.7	268.1	255.6	220.3	221.6	55.5	52.3	57.0	56.8

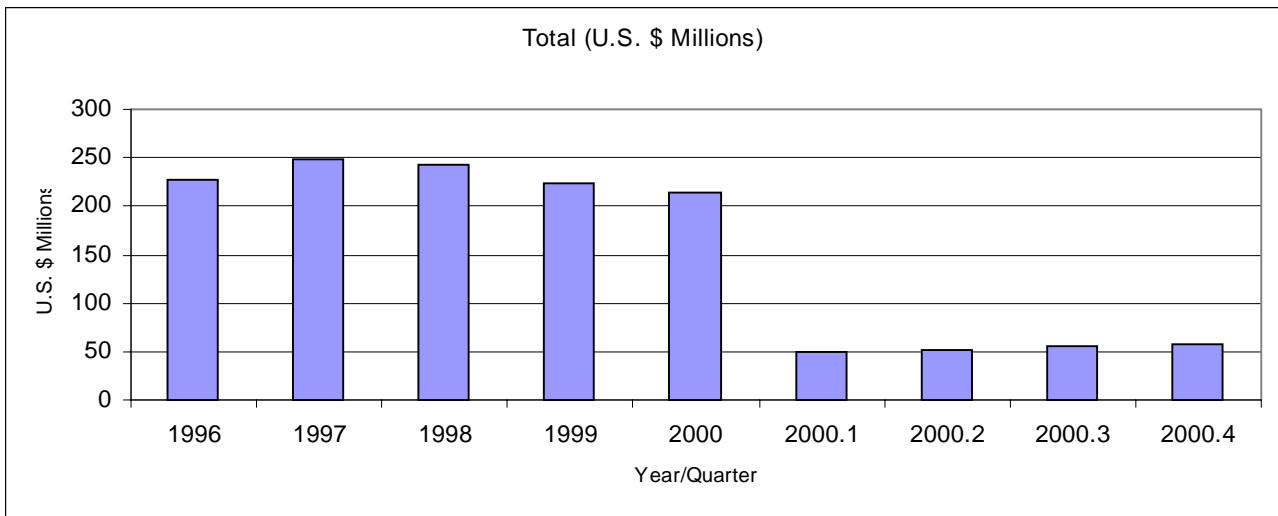
Source: Department of Finance



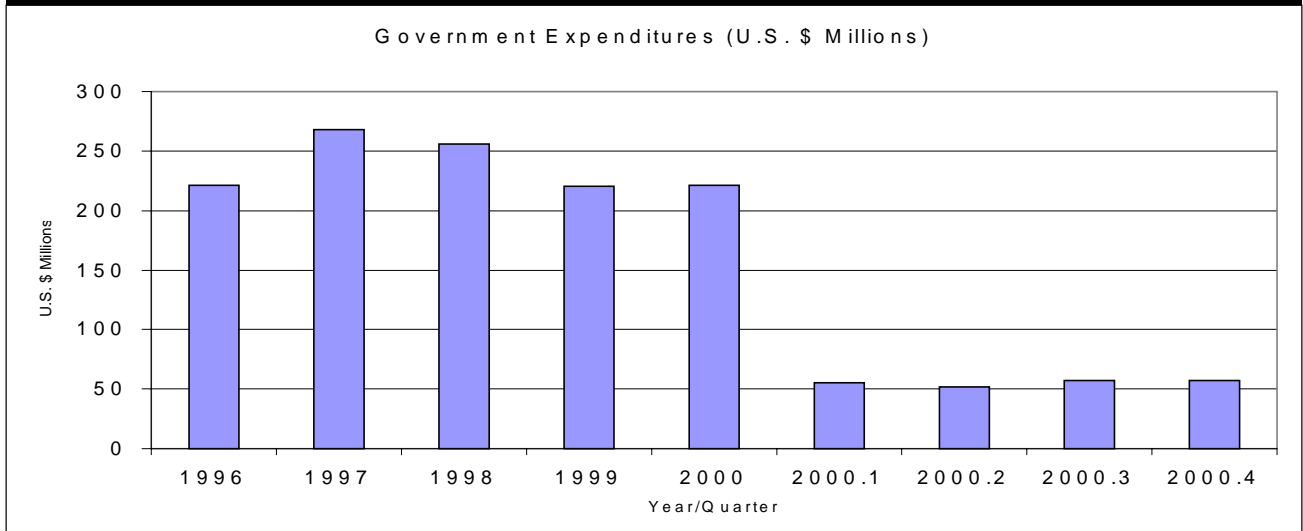
**Figure 7 - Business Gross Revenue**



**Figure 8 - Taxes & Fees Collected**



**Figure 9 - Government Expenditures**



**Table 10 - Imports**

<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
<b>Total Tonnage (In Thousands)</b>	851.9	1,002.6	1,027.5	789.1	712.9	171.2	176.0	182.0	183.7
<b>Fuel</b>	266.2	265.2	247.5	215.8	216.0	54.8	44.5	57.5	59.2
<b>Cement</b>	42.7	39.8	30.8	19.9	23.4	7.9	4.4	5.7	5.4
<b>Garment</b>	93.4	156.8	210.2	203.4	203.5	46.8	60.1	51.6	45.0
<b>Other</b>	449.6	540.8	539.0	350.0	270.0	61.7	67.0	67.2	74.1

Source: Commonwealth Ports Authority - Seaport Statistics

**Table 11 - Exports**

<b>Trades (U.S. \$ Millions) - F.O.B. Est. Value</b>										
<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>	
<b>Total Exports</b>	514	749	995	1,062	1,017	239	257	280	241	

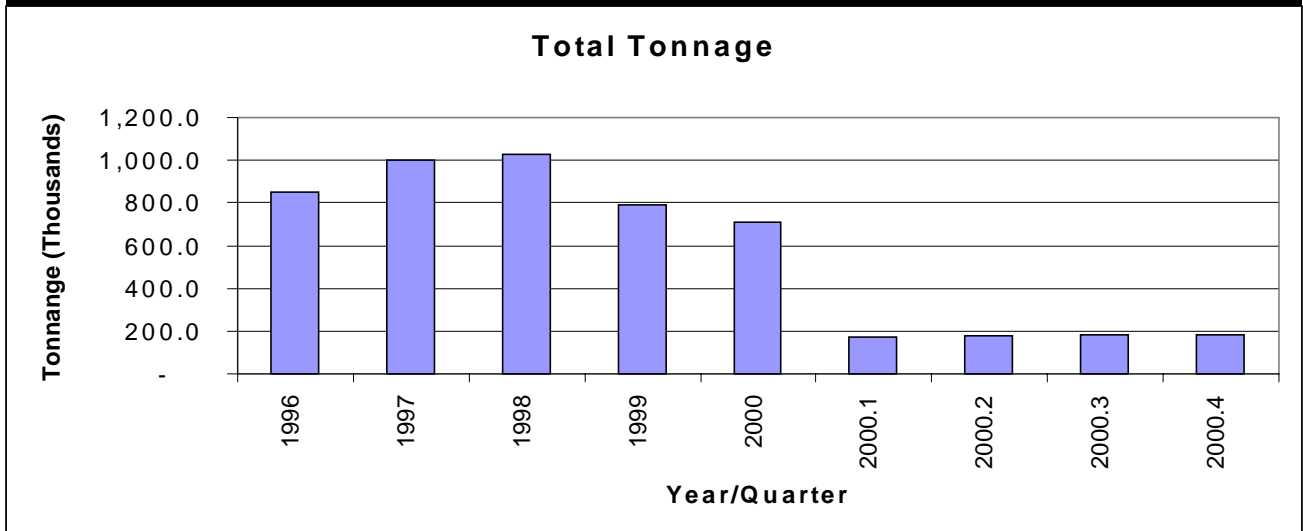
Source: Department of Finance

**Table 12 - Building Permits**

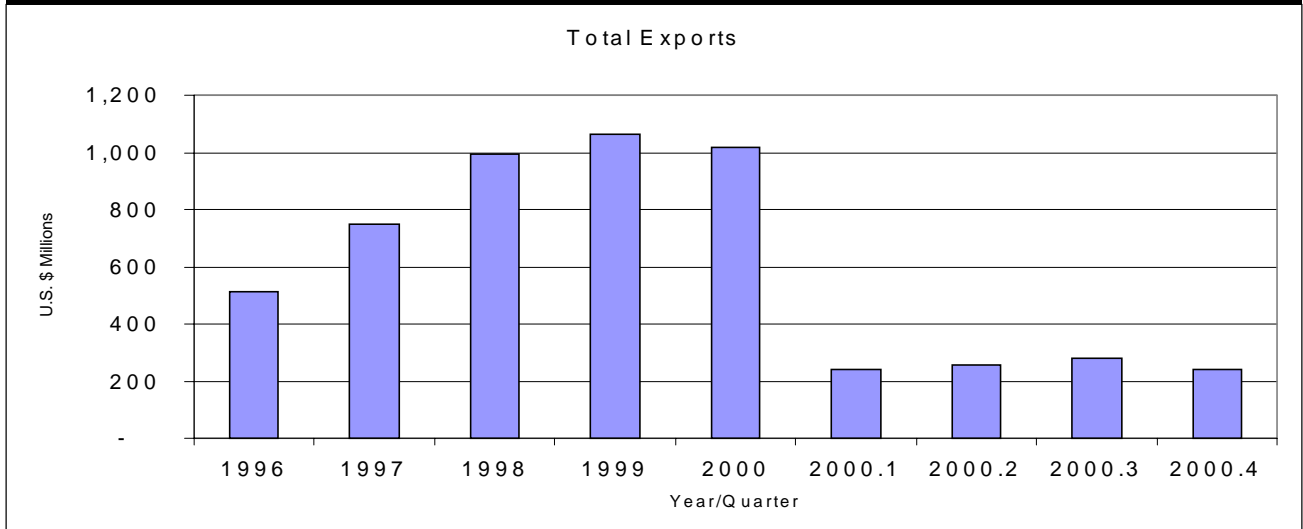
<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
<b>Total No. of Permits</b>	394	523	597	358	320	72	82	88	78
No. of Commercial	239	328	250	101	134	26	32	39	37
No. of Residential	155	195	347	257	186	46	50	49	41
<b>Total Value (U.S. \$ Millions)</b>	90.4	65.1	48.2	20.0	21.5	3.2	8.5	5.9	3.9
Commercial	78.0	53.8	28.1	6.7	14.2	1.7	6.5	3.7	2.3
Residential	12.4	11.4	20.2	13.3	7.3	1.5	2.0	2.2	1.5

Source: Building Safety Code

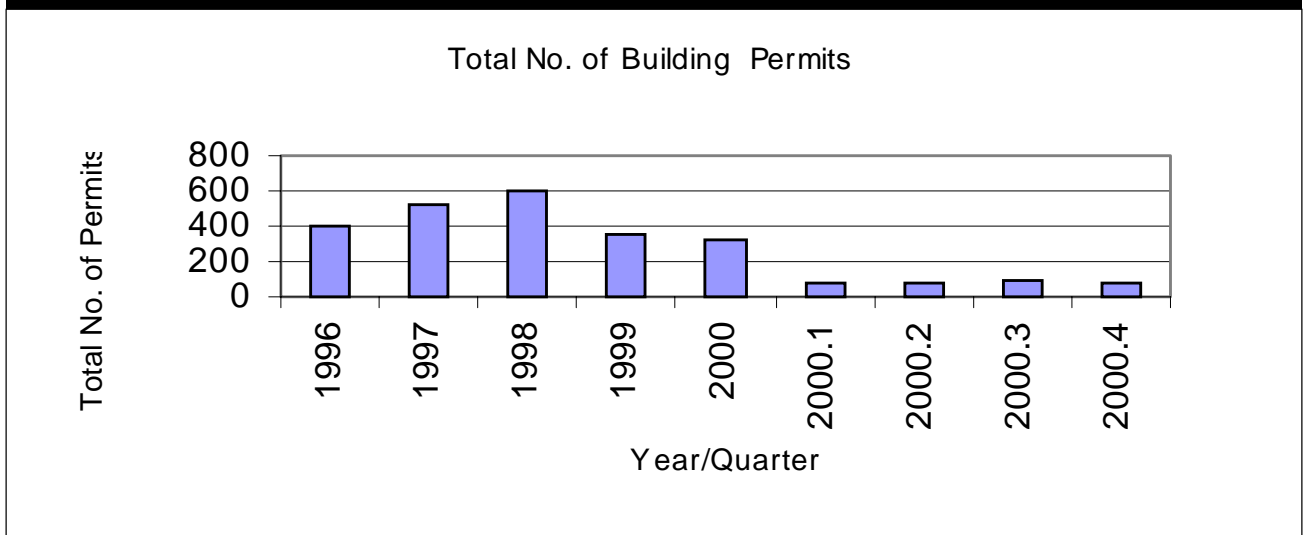
**Figure 10 - Imports**



**Figure 11 - Exports**



**Figure 12 - Building Permits**

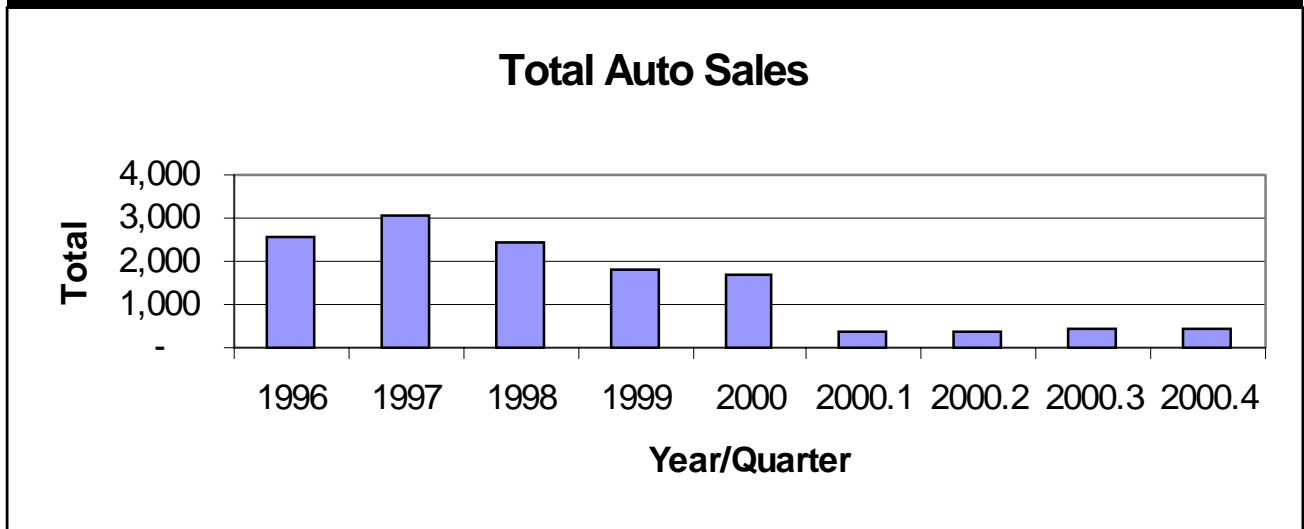


**Table 13 - Auto Sales**

<i>Year/Quarter</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2000.1</i>	<i>2000.2</i>	<i>2000.3</i>	<i>2000.4</i>
<b>Total</b>	<b>2,563</b>	<b>3,091</b>	<b>2,447</b>	<b>1,832</b>	<b>1,681</b>	<b>405</b>	<b>376</b>	<b>442</b>	<b>458</b>
New Cars	1,686	1,949	1,457	849	990	222	219	245	304
Used Cars	877	1,142	990	983	691	183	157	197	154

Source: CNMI Autodealer's Association

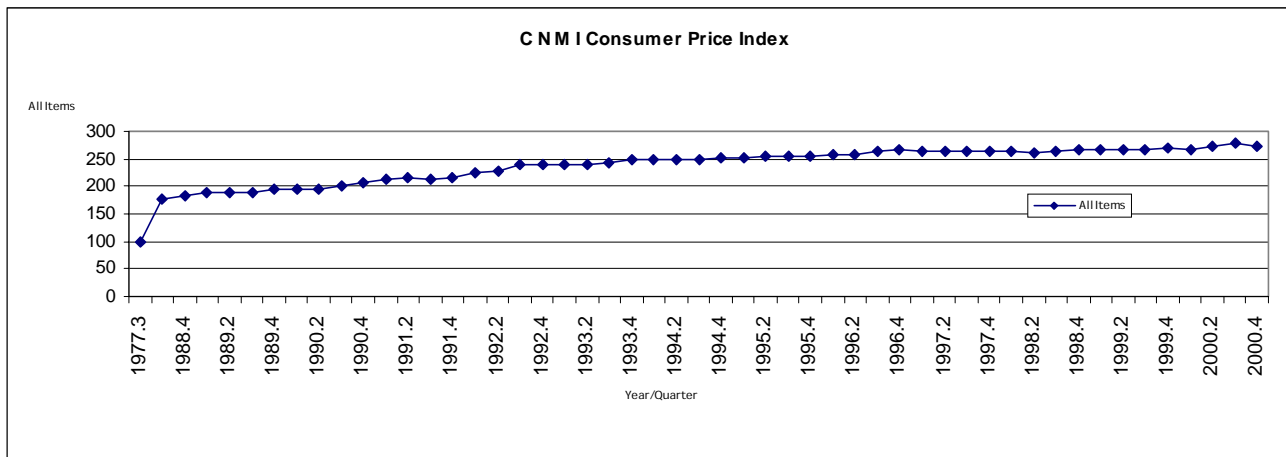
**Figure 13 - Auto Sales**



**Table A. CNMI Consumer Price Index (Weighted) (1977.3=100) Base Year**  
**FOR FIVE SELECTED GROUPS 1977.3 - 2000.4 1988.2 Weight -**  
**Revision**

Source: Central Statistics Division, Department of Commerce

Year & Q tr.	Group Items					All Items
	Food	Housing	Apparel & Upkeep	Trans- portation	Health & Recreation	
1977.3	100.0	100.0	100.0	100.0	100.0	100.0
1988.2	162.4	161.3	146.6	184.8	271.8	177.8
1988.4	165.3	164.6	146.6	182.5	290.9	182.3
1989.1	166.4	183.8	159.5	183.4	295.0	188.4
1989.2	165.8	181.3	160.5	192.2	295.5	188.5
1989.3	164.8	186.2	166.2	188.7	302.9	190.2
1989.4	167.9	190.8	181.8	187.3	301.0	193.7
1990.1	172.4	191.1	181.8	191.4	297.4	195.8
1990.2	170.8	190.0	181.8	189.5	297.4	194.6
1990.3	173.4	187.4	187.4	205.4	319.1	200.2
1990.4	177.0	184.6	194.3	240.6	331.4	206.7
1991.1	187.5	195.0	173.6	242.4	347.8	214.4
1991.2	184.9	190.2	199.5	239.7	355.9	215.5
1991.3	189.1	184.3	203.8	236.6	340.5	214.4
1991.4	190.6	186.6	203.8	236.3	339.3	215.4
1992.1	187.4	186.5	204.4	244.5	417.5	225.4
1992.2	187.0	191.7	209.2	248.0	421.0	227.4
1992.3	201.6	201.2	185.2	252.1	456.5	239.5
1992.4	198.4	200.7	189.5	251.3	464.4	239.3
1993.1	199.1	200.5	191.5	258.6	462.7	240.1
1993.2	199.3	200.2	192.2	261.7	463.9	240.6
1993.3	203.9	204.3	192.2	262.0	467.4	244.3
1993.4	203.8	209.2	194.3	263.8	483.2	247.7
1994.1	207.1	208.4	195.2	263.8	482.8	249.2
1994.2	205.7	206.6	195.3	262.3	495.7	249.8
1994.3	202.5	206.3	196.1	274.0	498.7	249.6
1994.4	201.8	210.6	198.2	284.1	500.3	251.4
1995.1	203.2	212.5	199.3	286.7	498.2	252.5
1995.2	205.3	214.2	199.4	287.2	499.7	254.1
1995.3	204.9	213.7	203.5	299.2	497.3	254.8
1995.4	208.5	213.5	203.5	298.0	497.3	256.5
1996.1	210.8	213.5	208.5	309.6	500.4	259.4
1996.2	206.8	214.7	211.0	311.3	500.3	258.1
1996.3	209.1	214.0	211.7	313.7	524.5	262.7
1996.4	214.7	219.4	211.7	316.4	532.1	267.7
1997.1	210.2	225.4	211.4	318.1	517.1	264.7
1997.2	211.4	225.1	212.6	318.1	517.3	265.4
1997.3	209.1	227.3	212.2	318.5	522.3	265.4
1997.4	207.8	223.5	212.8	320.4	522.6	264.3
1998.1	210.0	219.9	214.2	317.4	520.2	264.2
1998.2	208.7	213.3	214.2	318.6	520.2	262.4
1998.3	209.9	213.0	212.8	332.8	519.7	263.9
1998.4	205.7	215.2	212.8	325.3	552.5	266.2
1999.1	206.3	213.3	216.9	324.1	552.6	266.4
1999.2	206.5	224.6	216.9	320.8	551.8	268.3
1999.3	205.8	223.8	216.9	331.9	550.2	268.5
1999.4	205.7	225.8	222.7	333.2	551.0	269.6
2000.1	206.1	218.2	221.1	326.7	550.4	267.5
2000.2	203.7	219.0	218.8	334.0	603.9	274.3
2000.3	207.6	221.6	219.8	341.6	607.8	278.0
2000.4	201.7	213.1	220.1	341.7	604.9	273.1



### How the CPI can help us measure Price Changes.

The main purpose of a consumer price index (CPI) is to measure changes in prices of goods and services that a reference population (consumers) acquire, use, or pay for consumption.

The CPI calculations are based on a “BASE” year. In the case of the CNMI, the “BASE” year of our CPI is the third quarter of 1977 (1977.3), and our CPI shows the price increases compared to that year. Therefore a CPI of 273.1 for the fourth quarter of 2000, means that there was an average of 173.1% price increase for all items since the third quarter of 1977 till the fourth quarter of 2000 (2000.4); A span of about 24 years. While this number is intriguing, it is of course not realistic to compare prices to almost 25 years ago. A more realistic approach would be to compare the 2000.4 prices to its previous quarter prices, 2000.3 or its previous year, 1999.4. Table B shows that the overall prices in 2000.4 dropped by 1.76% compared to the last quarter, 2000.3. The most significant drop was in Housing followed by Food, and Health Care and Recreation. However, compared to a year ago, 1999.4, we experienced an overall 1.30% increase in prices with a hefty increase of 9.78% in Health and Recreation.

Table B. Consumer Price Index Percentage Comparison For Five Selected Groups

(1977.3 = 100.0)

COMMODITY GROUP	% Weight	Comparison of the 2000.4 CPI to the Previous Quarter, and Year			% Change in CPI in 2000.4 from	
		1999.4	2000.3	2000.4	1999.4	2000.3
ALL ITEMS	100%	269.6	278.0	273.1	1.30%	-1.76%
Food	49.25%	205.7	207.6	201.7	-1.94%	-2.84%
Housing	19.50%	225.8	221.6	213.1	-5.62%	-3.84%
Apparel & Upkeep	9.10%	222.7	219.8	220.1	-1.17%	0.14%
Transportation	8.30%	333.2	341.6	341.7	2.55%	0.03%
Health & Recreation	13.85%	551.0	607.8	604.9	9.78%	-0.48%