

Foreign Exchange Summary

as at July 2, 2021

Member State	USD	CAD	GBP	Euro
Bahamas (BSD)	1.00	0.81	1.39	1.20
Barbados (BBD)	2.03	1.63	2.81	2.42
Belize (BZD)	2.02	1.64	2.80	2.41
Guyana (GYD)	218.00	169.81	289.48	248.99
Haiti (HTG)	95.54	76.43	128.79	112.64
Jamaica * (JMD)	150.48	122.65	209.24	180.99
OECS (XCD)	2.71	2.17	3.71	3.19
Suriname (SRD)	21.28	17.00	29.24	23.52
T&T (TTD)	6.79	5.77	9.97	8.59

*Rates applicable for Customs & GCT purposes

Business News In Brief

BOJ holds policy rate amid inflation uptick

The Bank of Jamaica has decided to hold firm the policy interest rate offered to deposit-taking institutions, DTIs, on overnight placements at the Bank of Jamaica, BOJ. The rate remains unchanged at 0.50 % per annum in the latest bid by the central bank to ward off inflation and keep the annual increase in consumer goods and services within the target of 4.0 to 6.0% as agreed with the government. The policy rate, the strongest signal of the cost of credit in the economy as well as earnings on deposits at Deposit Taking Institutions, has remained unchanged since the pandemic. The central bank last adjusted the rate in August 2019. [\(JG\)](#)

Bahamas: Restrictions removed on forex outflows

The Central Bank of The Bahamas (CBOB) effective July 1 reverted to a maximum of \$5 million on both net long and short exposures, ending the long Bahamian dollar (B\$) open position limit on foreign exchange transactions, which was implemented in April 2020. The limit for other transactions at Tier 1 Capital commercial banks is fixed at 5%. The B\$ open position limit regulates commercial banks' purchases and sales of foreign currency from the public. Transactions (sales to the public) which increase the net of B\$ assets minus B\$ liabilities by more than the open limit must be corrected by corresponding purchases of foreign exchange, either in the interbank market or from the Central Bank. [\(NG\)](#)

SVG set to receive US\$11.6 m in disaster funding

St Vincent and the Grenadines is slated to receive a disbursement of US\$11.6 million after the IMF under the Large Natural Disaster Window (LNDW) of its Rapid Credit Facility (RCF) approved its application for emergency financing assistance. The fallout from both the ongoing volcanic eruption and the COVID-19 pandemic is estimated to cause economic losses amounting to around 30% of GDP as infrastructure, housing and crops are damaged. The economy is estimated to have contracted in 2020 by 3.8% as tourism activity fell 70%. While considerable uncertainty about the evolution of the eruption remains, IMF staff estimate the infrastructure damage to exceed 20% of GDP and for the economy to contract by 6.1% in 2021, with agriculture and related sectors severely affected. A drop in fiscal revenues, combined with additional social, clean-up and reconstruction expenditures, will increase the fiscal deficit and financing needs. [\(IMF\)](#)

Corporate Movements

- ⇒ The World Bank Group has appointed Lilia Burunciuc as Country Director for Caribbean countries, effective July 1, 2021. She will be based in Kingston, Jamaica
- ⇒ NCB Financial Group Ltd (NCBFG) has announced that Adrian Lee-Chin resigned as a director of NCBFG and National Commercial Bank Jamaica Ltd on July 1, 2021

Jamaican economy declined by 6.7% - STATIN

The Jamaican economy declined by 6.7% decline for January to March 2021 relative to the same period in 2020. According to the Statistical Institute of Jamaica (STATIN), Services which includes the tourism, fell by 9.9%. The goods producing industries, however, grew by 2.6 %. STATIN reports that, "all industries within the services industries declined, with the exception of the Producers of Government Services which remained relatively unchanged. Declines were recorded for: hotels & restaurants (55.9%), other services (21.9%), transport, storage & communication (7.8%), electricity & water supply (6.9%)...". The goods producing industry, on the other hand, recorded higher outputs with growth of 10.5% in construction and 7.1% in mining and quarrying. Declines were reported for critical sectors such as agriculture, forestry & fishing which contracted by 2% and manufacturing by 1.1%. The economy declined by 11.0% for the FY 2020/2021. [\(JO\)](#)

Stock Market Summary

as at July 2, 2021

Jamaica Stock Exchange

Overall Market activity resulted from trading in 50 stocks of which 20 advanced, 23 declined and 7 traded firm. Market volume amounted to 5,760,799 units valued at over J\$127,050,790.63. Pulse Investments Limited was volume leader with 977,680 units. The JSE Index declined by 2,388.16 points to close at 424,163.22.

Jamaica Junior Stock Exchange

Overall market activity resulted from trading in 37 stocks of which 14 advanced, 17 declined and 6 traded firm. Market volume amounted to 8,962,101 units valued at over J\$16,689,986.81. Index closed at 3,402.30.

Barbados Stock Exchange (as at June 30)

1 security traded firm as 465 shares traded on the Regular Market, with a total value of \$976.50. Goddard Enterprises Limited was the sole security trading. Index closed at 2,450.76.

Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 15 securities of which 6 advanced, 4 declined and 5 traded firm. Trading activity on the First Tier Market registered a volume of 181,865 shares crossing the floor of the Exchange valued at TT\$923,805.48. National Enterprises Limited was volume leader with 88,687 shares changing hands for a value of TT \$266,061.00. The All T&T Index advanced by 1.34 points to close at 1,914.68 and the Composite Index advanced by 5.51 points to close at 1412.32.

Guyana Stock Exchange

4 stocks traded firm as 228,487 units crossed the floor. Republic Bank Limited (RBL) was volume leader with 90,000 shares traded. The LSI closed at 766.06.

Eastern Caribbean Securities Exchange (ECSE)

2 stocks traded as 9,824 units crossed the floor led by Bank of St Vincent & the Grenadines with 8,408 units

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Business News In Brief

130 countries back 15% minimum global corporate tax rate

A total of 130 countries and jurisdictions, have joined a new two-pillar plan to reform international taxation rules and establish a global minimum corporate tax rate of at least 15%. All but 9 of the 139 members of the OECD Inclusive Framework on BEPS have joined the Statement establishing a new framework for international tax reform. The Inclusive Framework members who are yet to join include Barbados and St. Vincent and the Grenadines. Pillar One covers multinational corporations with global turnover of more than EUR20 billion and pre-tax profit margins above 10%. Between 20% and 30% of profit in excess of a 10% margin will be allocated to market jurisdictions using a revenue-based allocation key. However, extractive industries and regulated financial services are excluded. Pillar Two introduces a global minimum corporate tax rate of at least 15%. [\(CC\)](#)



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Belize declines 8.4% in the 1st quarter of 2021

The Statistical Institute of Belize is reporting that the economy declined by 8.4% in the first quarter of 2021. Services fell by 12.3%, mainly due to the sharp reduction in visitor arrivals relative to the 1st quarter of 2020. The primary sector also decreased by 2%, as some major agricultural industries saw decreased outputs during the quarter. Nonetheless, the secondary sector grew by 4.3%, attributable mainly to a rise in electricity production. The tertiary sector, which accounted for almost two-thirds of total GDP, recorded the largest decrease of 12.3 percent. 'Hotels and Restaurants' declined by 81.7%, Transport and Communication down by 14.3%, 'Wholesale and Retail Trade' by 7.3% and producers of Government services fell by 4.6% [\(SIB\)](#)

International Oil Prices as at July 2, 2021

Futures	Price	US\$ Change	Change %
WTI Crude	US\$75.19	+0.23	+0.31
Brent Crude	US\$75.97	+0.36	+0.48
OPEC Basket	US\$74.84	+1.24	+1.68
Natural Gas	US\$3.70	+0.04	+1.09