

Foreign Exchange Summary

as at July 5, 2019

Member State	USD	CAD	GBP	Euro
Bahamas (BSD)	1.00	0.76	1.25	1.12
Barbados (BBD)	2.03	1.56	2.57	2.30
Belize (BZD)	2.02	1.55	2.54	2.28
Guyana (GYD)	210.45	161.00	264.23	237.06
Haiti (HTG)	93.91	71.92	117.57	105.93
Jamaica * (JMD)	133.52	102.56	165.89	150.37
OECS (XCD)	2.71	2.07	3.39	3.04
Suriname (SRD)	7.52	5.70	9.45	8.43
T&T (TTD)	6.80	5.46	9.05	8.09

*Rates applicable for Customs & GCT purposes

Business News In Brief

Barbados receives 2nd ratings upgrade in 7 months

Barbados has received its second credit rating upgrade in 7 months. International rating agency Moody's announced on July 1, that based on improvements in the country's debt position, it raised Barbados' foreign & local currency issuer ratings to Caa1 from Caa3, affirmed the foreign currency senior unsecured bond rating at Caa3, and maintained the stable outlook. Moody's said the island's "capacity to service its restructured and potential future debt obligations has materially improved". It added that the decision to upgrade the currency issuer ratings to Caa1 signals "improved debt service capacity now & in relation to future issuances". ([NN](#))

St Kitts debt to GDP ratio now stands at 56.4%

Prime Minister Dr. Timothy Harris says St. Kitts & Nevis has advised that the country's debt-to-GDP ratio has declined to 56.4 % for the period ending March of this year. At the end of March 2018, the debt stood at 62.3 % and at 58 % as at December 2018. "The reduction in the debt-to-GDP ratio since December 2018 was attributed to the reduction in the debt stock by \$67.6 million by March 2019 with projected growth in economic activities for the year 2019." According to PM Harris, the country's debt previously peaked at an about 200 % of GDP. The Monetary Council of the ECCB has set a goal for ECCU to all achieve 60.0 % debt to GDP ratio by 2030. ([AN](#))

Guyana rated fastest growing economy in the world

With a projected growth rate of 16.3% during the four-year period 2018-2021, Guyana is the fastest growing economy in the world. With a GDP size of \$3.63 billion, a growth rate of 4.1% in 2018 and 4.6% in 2019, Guyana's economy is expected to grow by 33.5% and 22.9% in 2020 and 2021 respectively. It is home to fertile agricultural lands and abundant natural resources. The U.S. Geological Survey has identified the Guyana-Suriname Basin as the second highest resource potential among unexplored oil basins in the world. ExxonMobil Guyana has made 13 discoveries since 2015 and plans to begin producing up to 120,000 barrels of oil per day from the Liza Phase 1 development in early 2020. Guyana is projected to be among the world's largest per-capita oil producers by 2025. ([NASDAQ](#))

Corporate Movements

- ⇒ Jonathan Khoury was appointed as General Manager for Stocks and Securities Limited (SSL) effective June 3, 2019
- ⇒ Massy Holdings Ltd has advised that Roger Ramdwar was appointed as Group Internal Auditor, effective July 01;
- ⇒ Scotia Group Jamaica Limited (SGJ) has advised of the appointment of Debra Lopez Spence as Vice President, Sales and Service Insurance & Wealth effective July 1;
- ⇒ Cranston Ewan was appointed CEO, 138 Student Living Jamaica Limited (138SL) effective June 24, 2019

Jamaica launches \$100 billion lending initiative for SMEs

Jamaica is now seeking to further transform its economy with a \$100 billion movable asset-based lending initiative. This initiative comes within a context of high liquidity levels and narrowing net interest margins of the financial sector. Currently, interest rates for corporate, car and home loans run as low as 6 %, while private-sector credit averages 15 %. Aside from lending based on company's assets, commonly known as a line of credit, the \$100b initiative, which has the back of both the public and private sector, is also aimed at increasing credit to SMEs through factoring, reverse factoring and leasing arrangements. Factoring is a financial transaction and a type of debtor finance in which a business sells its accounts receivable invoices to a third party at a discount to meet its present cash needs. SMEs have been able to use moveable assets as collateral since 2013. ([Gleaner](#))

Stock Market Summary

as at July 5, 2019

Jamaica Stock Exchange

Overall Market activity resulted from trading in 38 stocks of which 17 advanced, 12 declined and 9 traded firm. Market volume amounted to 91,225,711 units valued at over J \$1,203,688,592.87. Wigton Windfarm Ltd Ordinary Shares was volume leader with 38,836,925 units traded (42.57 %). JSE Index declined by 9,612.29 points (2.04 %) to close at 462,583.32.

Barbados Stock Exchange

2 securities declined and 1 traded firm as 6.068 shares traded on the Regular Market, with a total value of BDS\$19,729.08. Goddard Enterprises Limited was the volume leader trading 4,918 shares . Index closed at 3,282.08.

Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 16 securities of which 6 advanced, 3 declined and 7 traded firm. Trading activity on the First Tier Market registered a volume of 390,801 shares crossing the floor of the Exchange valued at TT \$2,197,999.76 . JMMB Group Limited was the volume leader with 220,593 shares changing hands for a value of TT\$462,645.30. The All T&T Index advanced by 0.12 points (0.01%) to close at 1,800.67. The Composite Index advanced by 6.28 points (0.45%) to close at 1,400.65 and the Cross Listed Index advanced by 1.72 points (1.29%) to close at 135.34.

Guyana Stock Exchange

Market activity resulted from trading in 5 stocks of which 3 advanced, 1 declined and 1 traded firm. Market volume amounted to 468,979 units with Banks DIH being volume leader with 374,077 shares traded. The LSI closed at 559.29.

Eastern Caribbean Securities Exchange (ECSE)

Market activity resulted from trading in 2 stocks with a volume of 294 shares. Bank of St Vincent and the Grenadines was volume leader with 271 shares traded. Index closed at 149.03.

This newsletter is compiled & edited by the Directorate of Trade & Economic Integration at the CARICOM Secretariat only as a convenience for the Member States.

Business News In Brief

Grenada experiences strong growth

According to the IMF, the Grenadian economy expanded by 4% % in 2018, driven by strong activity in construction and tourism. Unemployment while declining, remains high at 21.7% as of mid-2018. Inflation has remained low and bank credit growth is positive. The external current account deficit has narrowed in 2018 due to strong tourism receipts, but it remains elevated at around 11% of GDP. Robust FDI flows, including from the citizenship-by-investment (CBI) program, are financing the external deficit while supporting economic growth. The fiscal surplus increased further in 2018, reflecting a combination of strong revenues and the fiscal responsibility law mandated expenditure restraint. Central government debt fell from 70 to 63½ % of GDP in 2018 and growth is set to remain above potential in 2019, but is projected to ease somewhat over the medium-term, consistent with a waning of FDI-driven construction. ([IMF](#))

Digital companies face new global tax regime by 2020

Leaders from the 20 largest economies have agreed to strengthen the international tax system at the G-20 summit in Osaka. In a joint declaration at the close of the summit, the leaders welcomed recent progress by the Organisation for Economic Co-operation and Development on addressing tax challenges arising from the digitalisation of the economy. The OECD is driving a reform of the international corporate tax system to tackle the problem that digital companies, in particular, may have significant market share but no physical presence in certain countries. Under current rules they would escape taxation in these jurisdictions. The proposed solutions could cause a major change to taxing rights by allocating some of a company's profits to jurisdictions where its consumers or users are based. Another proposal aims to establish a minimum effective corporate tax rate for multinationals globally. The timeline to reach a new global agreement for taxing multinational enterprises is posited for the end of 2020. ([CC](#))

International Oil Prices as at July 5, 2019

Futures	Price	US\$ Change	Change
WTI Crude	US\$57.51	+0.17	+0.30%
Brent Crude	US\$64.23	+0.93	+1.47%
OPEC Basket	US\$63.43	+0.74	+1.18%
Natural Gas	US\$2.418	+0.128	+5.59%