

Foreign Exchange Summary

as at December 27, 2019

Member State	USD	CAD	GBP	Euro
Bahamas (BSD)	1.00	0.76	1.31	1.12
Barbados (BBD)	2.03	1.55	2.67	2.28
Belize (BZD)	2.02	1.55	2.66	2.26
Guyana (GYD)	218.00	160.78	275.21	234.70
Haiti (HTG)	93.15	70.07	124.33	102.72
Jamaica * (JMD)	132.61	102.47	170.44	146.16
OECS (XCD)	2.71	2.06	3.53	3.01
Suriname (SRD)	7.52	5.70	9.86	8.40
T&T (TTD)	6.76	5.17	8.84	7.55

*Rates applicable for Customs & GCT purposes

Business News In Brief

ECCU tipped to record growth of 3.5% in 2020

The Eastern Caribbean Currency Union (ECCU) is slated to record growth of 3.3% in 2019, with 3.5% growth projected for 2020. In making the announcement, Eastern Caribbean Central Bank Governor Timothy Antoine, stated that 3 of the Bank's key priorities for 2020 will be financial stability, digital transformation and climate resilience. This follows the launch of a Digital Currency Pilot and the launch of polymer notes in 2019. The ECCU comprises Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines. ([ECCB](#))

St Lucia to impose accommodation head tax as at April 1

The St Lucia Hotel and Tourism Association (SLHTA), upon receiving the approval of the Government is advising that an accommodation head tax will go into effect from April 1, 2020. The tax which is two-tiered is not applicable to guests under the age of 16 years. The SLHTA said that a US\$3.00 tax per night per guest will be applied to guest staying at a hotel with an average Average Daily Rate (ADR) below US\$120, while a US\$6.00 tax per night will be applicable to guests at a hotel with an average ADR above US\$120. The SLHTA said that the fee is to be applied to all non-sharing platform accommodation providers and that the rate of value-added tax (VAT) on hotel accommodation providers will be lowered from 10 to 7 per cent. ([NN](#))

27% increase in retrenchments in Trinidad in 9 months

The Central Bank of Trinidad and Tobago (CBTT) has left its benchmark repo rate steady at 5.0% while noting modest expansions in the distribution and finance sectors during the third quarter. CBTT said an uptick in local sales of cement suggests that construction activity is responding to the rise in public sector infrastructural investments. It further stated that inflation slowed to 0.3% in the twelve months to November 2019, with core inflation (which excludes food prices) also decelerating to 0.6%. Meanwhile, the labour force declined significantly with retrenchments during January to October 2019 increasing by 27% year-on-year. Credit extended to the private sector slowed to 4.3% in September 2019. The contraction in business credit deepened to 5.5% but consumer credit, driven by debt consolidation and refinancing, grew by 5.9% while real estate mortgage loan growth accelerated to 10.9%. Meanwhile, the CBTT reported international reserves of US\$6.93 billion at the end of November 2019 down US\$640 million. ([Loop](#))

Corporate Movements

- ⇒ Sagicor Financial Corporation Limited has appointed Ravi Rambarran, President and Chief Executive Officer of Sagicor Life Inc effective December 16, 2019;
- ⇒ Barita Investments Limited has selected Paula Barclay, to lead the company's operations effective December 24;
- ⇒ The Grenada Hotel and Tourism Association has appointed Arlene Friday, Chief Executive Officer, effective 16 December 2019.

BVI revenue from financial services sector plummets

The government of the British Virgin Islands is facing a significant shortfall in revenue collected from its financial services industry. In 2018, the BVI government collected \$372.3 million in total revenue, with about 62% of that, \$232 million, coming from the financial services sector. Revenues in 2019 declined by approximately US\$30 million. For 2020, the government projects only \$201.4 million to come from that sector. According to Premier and Finance Minister Andrew Fahie up to September 2019, there was a 27.9% decline in new incorporations of companies and an 8.7% fall in revenue from the Registry of Corporate Affairs. In the third quarter of 2019, only 6,365 new companies were incorporated in the BVI, the worst quarter since 2003. ([CC](#))

Stock Market Summary

as at December 27, 2019

Jamaica Stock Exchange

Overall Market activity resulted from trading in 39 stocks of which 13 advanced, 19 declined and 7 traded firm. Market volume amounted to 81,729,915 units valued at over J\$324,228,410.89. Pulse Investments Limited was the volume leader with 60,013,935 units (73.43 %) traded. JSE Index declined by 2,016.26 points (0.40 %) to close at 503,932.55.

Barbados Stock Exchange

1 security advanced as 189 shares traded on the Regular Market, with a total value of BDS\$500.85. FirstCaribbean International Bank was the sole security trading 189 shares at \$2.65. Index closed at 3,142.65.

Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 10 securities of which 5 advanced, 3 declined and 2 traded firm. Trading activity on the First Tier Market registered a volume of 80,428 shares crossing the floor of the Exchange valued at TT\$1,196,494.85. JMMB Group Limited was the volume leader with 45,527 shares changing hands for a value of TT\$125,199.25. The All T&T Index advanced by 3.48 points (0.19%) to close at 1,864.08. The Composite Index advanced by 1.15 points (0.08%) to close at 1,481.51 and the Cross Listed Index declined by 0.16 points (0.11%) to close at 148.92.

Guyana Stock Exchange

2 stocks declined and 2 traded firm as 13,926 units traded on the Regular Market. Republic Bank Limited (RBL) was volume leader with 8,299 shares traded. The LSI closed at 590.57.

Eastern Caribbean Securities Exchange (ECSE)

Overall market activity resulted from trading in 2 stocks with a volume of 90,250 shares. TDC Ltd was volume leader trading 90,000 shares. St Lucia Electricity Services Ltd also traded 250 shares. Index closed at 147.48.

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Business News In Brief

CDB approves U\$75 million policy based loan for Barbados

The Caribbean Development Bank (CDB) has approved a loan of US \$75 million to assist the Barbadian Government's reform programme. The policy-based loan will support the Barbadian Government in some key areas of the reform programme, such as broad-based growth, social development, enhanced revenue administration, and improved financial management. According to CDB, the public debt in Barbados will fall from 117.5% of Gross Domestic Product (GDP) in 2019 to 80% of GDP in the next eight years. Sustained effort to strengthen social protection and protect the interests of the poor and vulnerable are therefore important for the continued success and sustainability of the reforms. CDB provides policy-based loans to governments in response to urgent needs occasioned by external or internal economic imbalances, including debt crises and temporary foreign reserves shortages. ([JO](#))

St Kitts amends its Fiscal Incentive Act

The National Assembly of St Kitts and Nevis (SKN) has approved a Fiscal Incentives (Amendment) Bill, 2019, after existing legislation was deemed potentially harmful by the European Union Code of Conduct Group. In that regard, the EU CoGC subsequently requested the SKN Government to make a high-level political commitment to have the potentially harmful features of the Fiscal Incentives Act abolished or amended by Dec. 31, 2019. The three principal amendments approved are: (1) Amend the definition of an "Enclave Enterprise" such that Enclave Enterprises are permitted under law to sell goods within the CARICOM market and in the local market; (2) Repeal the Export Allowance with a grandfathering provision being inserted to indicate that there must be no new claimants for an Export Allowance from January 2020 and outlining that benefits to current claimants will continue up to 31st December, 2022; and (3) insert a provision to declare that the rules of profit attribution, under the Income Tax Act apply equally to the Act. ([SKNO](#))

International Oil Prices as at December 27, 2019

Futures	Price	US\$ Change	Change
WTI Crude	US\$61.72	-0.03	-0.37
Brent Crude	US\$68.20	+0.25	+0.69
OPEC Basket	US\$67.93	+0.16	+0.24
Natural Gas	US\$2.21	-0.06	-2.73