

Foreign Exchange Summary

as at February 7, 2020

| Member State | USD | CAD | GBP | Euro |
|-----------------|--------|--------|--------|--------|
| Bahamas (BSD) | 1.00 | 0.75 | 1.29 | 1.09 |
| Barbados (BBD) | 2.03 | 1.53 | 2.64 | 2.24 |
| Belize (BZD) | 2.02 | 1.53 | 2.63 | 2.23 |
| Guyana (GYD) | 218.00 | 158.11 | 272.27 | 230.64 |
| Haiti (HTG) | 94.86 | 71.23 | 129.23 | 103.92 |
| Jamaica * (JMD) | 142.48 | 105.84 | 184.73 | 156.10 |
| OECS (XCD) | 2.71 | 2.03 | 3.49 | 2.96 |
| Suriname (SRD) | 7.52 | 5.60 | 9.75 | 8.26 |
| T&T (TTD) | 6.80 | 5.33 | 9.24 | 7.84 |

*Rates applicable for Customs & GCT purposes

Business News In Brief

Shakeup in IMF Leadership team

The International Monetary Fund's longest-serving first Deputy Managing Director David Lipton and Carla Grasso, who is Chief Administrative Officer and Deputy Managing Director, will depart at the end of February, the fund has announced. This is the first significant shakeup of the leadership team by Managing Director Kristalina Georgieva, who took office in October. The transitions come as global policy makers face an unprecedented threat from the virus outbreak in China that has paralyzed large swaths of the world's second-largest economy, plus a lackluster global expansion and continuing uncertainty surrounding trade policy. [\(B\)](#)

Dominica contemplating draconian laws to recover taxes

The Dominica government has warned that it was prepared to table "draconian" legislation, in a bid to recover some EC\$257.9 million in outstanding taxes. Prime Minister, Roosevelt Skerrit, has stated that as at December 31, 2019, in the case of corporation taxes, the outstanding amount owed, was EC\$77.1 million; personal income tax — EC\$66.2 million; pay-as-you-earn taxes amounted to EC\$15.1 million; professional licence fees — EC\$2.1 million; with value added tax (VAT) estimated at EC\$73.9 million. He has urged defaulters to begin speaking with the Inland Revenue, by Ash Wednesday, February 26, failing which a draconian legislative solution will be pursued. [\(PRIDE\)](#)

Mild economic contraction for the Bahamas - IMF

The IMF has predicted a mild economic contraction for the Bahamas in 2020, with growth is expected to pick up once the infrastructure and tourism capacity is rebuilt in the aftermath of Hurricane Dorian which devastated parts of the archipelago in 2019. The Fund opines that the pace of recovery will depend on the implementation of the reconstruction plan; critical elements include the rebuilding of infrastructure, the expeditious processing of construction permits, the availability of labor, and the availability of private and public financing. While acknowledging that higher spending to support disaster victims and to rebuild the infrastructure effectively puts fiscal consolidation on hold, the IMF posits that a timely return to the fiscal target remains key to debt sustainability. "Public debt is projected to be higher in the medium term, underscoring the need for a timely return to the fiscal targets, and for accelerating the implementation of structural reforms to realize the economy's growth potential," the Fund argues. [\(IMF\)](#)

Corporate Movements

- ⇒ Rajesh Rajkumarsingh, the Finance Director of Agostini's Limited has resigned effective March 31, 2020;
- ⇒ The Bank of Montserrat has appointed Baldwin Taylor as General Manager effective January 2, 2020;
- ⇒ World Bank Chief Economist, Pinelopi Koujianou Goldberg has tendered her resignation effective March 1, 2020.

Barbados making good progress – IMF

Barbados continues to make good progress in implementing its economic reform program with International reserves reaching US\$740 million at the end of 2019. That's the word from the IMF as it fielded a mission February 4 – 7, to discuss implementation of Barbados' Economic Recovery and Transformation (BERT) plan, supported by the IMF under the Extended Fund Facility (EFF). The primary surplus for the first three quarters of FY2019/20 amounted to almost 5% of (annual) GDP, and Barbados is on track to reach the 6% primary surplus target for FY2019/20. "All indicative targets for end-December under the EFF have been met." On December 11, 2019, Standard and Poor's upgraded Barbados' foreign currency sovereign credit rating from Selective Default to B-. [\(IMF\)](#)

Stock Market Summary

as at February 7, 2020

Jamaica Stock Exchange

Overall Market activity resulted from trading in 37 stocks of which 20 advanced, 14 declined and 3 traded firm. Market volume amounted to 33,972,337 units valued at over J\$135,349,406.88. Wigton Windfarm Ltd Ordinary Shares was the volume leader with 11,957,896 units (35.20%) traded. This was followed by Sagicor Select Funds—Financial with 10,710,953 units (31.53%). JSE Index advanced by 855.61 points (0.18 %) to close at 484,443.02.

Barbados Stock Exchange

Two securities advanced and two traded firm as 72,874 shares traded on the Regular Market, with a total value of \$75,834.30. Eppley Caribbean Property Fund SCC – Development Fund was the volume leader trading 52,898 shares at t \$0.15. Index closed at 3,156.45.

Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 15 securities of which 5 advanced, 4 declined and 6 traded firm. Trading activity on the First Tier Market registered a volume of 346,551 shares crossing the floor of the Exchange valued at TT\$5,304,385.63. NCB Financial Group Limited was volume leader with 126,242 shares changing hands for a value of TT\$1,420,222.50. The All T&T Index advanced by 16.48 points (0.87%) to close at 1,919.00. The Composite Index advanced by 7.29 points (0.49%) to close at 1,505.21 and the Cross Listed Index declined by 0.28 points (0.19%) to close at 147.84.

Guyana Stock Exchange

1 stock advanced, 1 declined and 3 traded firm as 66,212 units traded on the Regular Market. Demerara Tobacco Company (DTC) was volume leader with 41,305 shares traded. This was followed by Demerara Distiller Limited (DDL) with 21,026 shares traded. The LSI closed at 607.05.

Eastern Caribbean Securities Exchange (ECSE)

There were no trades this week. Index closed at 149.04.

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Business News In Brief

Investment Funds Amendment Bill passed in the Bahamas

The Investment Funds Amendment Bill, 2020 has been passed in the House of Assembly in the Bahamas, allowing for 24 new provisions of the principal act, which came into force in September 2019. The original act – the Investments Funds Act, 2019 – was introduced to modernize the investment funds industry in The Bahamas by overhauling its legal and regulatory framework, to make it compliant with international standards and best practices. “The proposed amendments strengthen the act by clarifying the scope of approval and activity of investment fund manager, investment funds administrator, the custodian and the auditors. The amendments also expand the provisions for sharing information with other regulators and adjusts the transitional period for the Investment Funds Act, 2019 to facilitate the adjustments being proposed in the amendment bill itself,” Minister of Financial Services, Trade and Industry and Immigration Elsworth Johnson said while leading debate on the amendments in the House of Assembly. [\(NG\)](#)

Venezuela’s inflation nears 10,000% mark

Inflation reached almost 10,000 per cent in crisis-hit Venezuela in 2019, according to official government statistics, a figure well below the International Monetary Fund prediction of 200,000 per cent but still a source of hardship. Venezuela's central bank said inflation was 9,585 per cent, even higher than the figure of 7,374 per cent published by the Opposition-controlled Parliament. It comes during a year in which the bolivar was devalued by 98.6 per cent, effectively making the US dollar the currency of choice inside Venezuela. The central bank had remained silent on the question of inflation for three years until May 2019 when it announced a figure of 130,000 per cent for 2018 and admitted that GDP had fallen by half since 2013. Oil generates 96 per cent of Venezuela's revenue but the country produces only 900,000 barrels a day compared with a high of 3.2 million just over a decade ago. [\(JO\)](#)

International Oil Prices as at February 7, 2020

| Futures | Price | US\$ Change | Change % |
|-------------|-----------|-------------|----------|
| WTI Crude | US\$50.34 | -0.75 | -1.47 |
| Brent Crude | US\$54.50 | -0.62 | -1.12 |
| OPEC Basket | US\$55.72 | +0.73 | +1.33 |
| Natural Gas | US\$1.85 | -0.02 | -0.80 |