

Foreign Exchange Summary

as at August 9, 2019

Member State	USD	CAD	GBP	Euro
Bahamas (BSD)	1.00	0.75	1.20	1.13
Barbados (BBD)	2.03	1.54	2.48	2.28
Belize (BZD)	2.02	1.54	2.45	2.27
Guyana (GYD)	210.45	159.18	253.98	235.86
Haiti (HTG)	94.02	71.08	114.06	105.12
Jamaica * (JMD)	135.74	100.98	161.24	148.63
OECS (XCD)	2.71	2.04	3.27	3.02
Suriname (SRD)	7.52	5.62	9.15	8.43
T&T (TTD)	6.80	5.37	9.14	8.07

*Rates applicable for Customs & GCT purposes

Business News In Brief

Barbados fiscal accounts on track

Barbados' Central Bank Governor Cleviston Haynes has advised that the fiscal surplus (1.7% of GDP) and primary balance (2.4% of GDP) achieved between April and June 2019 was "the best performance realized in any comparable quarter over the past 30 years." According to Haynes, "the interest savings from the domestic debt exchange and the suspension of commercial external debt payments accounted for 80% of the \$164 million fall in current expenditure." While acknowledging the 0.2% economic contraction in the reporting period, he pointed to a need for promised major investments to be actualized to boost growth. [\(BT\)](#)

90% of transactions in the Region are done in person

Only 4% of Jamaicans utilize online portals to transact government business with the highest in the LAC Region being Barbados with 17%. According to General Manager of the IDB's Country Department Caribbean Group & Country Representative for Jamaica, Therese Turner Jones, in the LAC, 90% of all transactions are still done in person. She says, on average, it takes over 4 hours to transact business with the State in the Region. However according to a World Bank study in 2014, only 40% of people have a debit card and 22 % have a credit card, which means that the vast majority have no way of making the online payments that many government transactions require. [\(NNN\)](#)

De-risking alert—US\$50 m in cash being shipped monthly

The shipment of large volumes of hard currency from Jamaica - US\$40 - 50 million monthly – has become a significant area of concern for the local financial sector, as these shipments are legitimizing the de-risking concerns being exhibited towards the island by foreign banks, which are refusing to hold US cash on behalf of their local counterpart. Most of this money is not coming directly from the banking sector but cambios buying hard currency in the market place says Assistant General Manager of National Commercial Bank, Peter Higgins. He pointed out that whenever the question about the large volumes of cash from Jamaica is posed by correspondence banks in the United States and the explanation about tourism payments is advanced, the correspondent banks remained unconvinced, advancing the argument that so much cash cannot be coming from tourism, which mainly utilises electronic payment. Currently, for the first 6 months of 2019 some US\$222 million in hard currency was purchased with Bank of America, being the only overseas bank willing to accept the excess US dollars in cash. [\(JO\)](#)

TCL blasts CCJ cement ruling

The Caribbean Court of Justice (CCJ) on August 5, upheld a decision made earlier this year by CARICOM's powerful Council of Trade and Economic Development (COTED) that Rock Hard cement would be classified as "Other Hydraulic Cement" and attract a tariff between 0 – 5 %. This determination was in line with the advice received from the World Customs Organisation's ('WCO') Harmonised System ('HS') Committee. However, this has attracted the ire of Trinidad Cement Limited (TCL) which had contended that the imported cement ought to be classified as 'Building cement (grey)' and that a tariff of 15% should be applied. In a newspaper advertisement, the group blasted the CCJ ruling and warned that the judgment against their companies could result in job losses and a leakage of precious foreign exchange out of the region. "To say that the issue of tariff setting in not for classification and is a matter of policy for COTED to decide the level of safeguarding, goes against the tenets of the Common External Tariff (CET) system of the Caribbean Community," TCL contended. The CCJ had however opined that the issue could be studied by COTED to determine whether an adjustment to the tariff for 'Other hydraulic cement' was warranted to further protect regional producers. [\(NN\)](#)

Stock Market Summary

as at August 9, 2019

Jamaica Stock Exchange

Overall Market activity resulted from trading in 36 stocks of which 10 advanced, 21 declined and 5 traded firm. Market volume amounted to 27,179,057 units valued at over J\$283,797,971.96. Wigton Windfarm Ltd Ordinary Shares was volume leader with 16,632,912 units traded. JSE Index declined by 3,324.79 points (0.62 %) to close at 529,000.62.

Barbados Stock Exchange

1 security advanced and 1 traded firm as 114,021 shares traded on the Regular Market, with a total value of BDS\$339,378.90. Sagicor Financial Corporation Limited was the volume leader trading 113,451 shares at \$0.60. Index closed at 3,325.35.

Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 13 securities of which 6 advanced, 4 declined and 3 traded firm. Trading activity on the First Tier Market registered a volume of 359,591 shares crossing the floor of the Exchange valued at TT\$4,254,838.62. JMMB Group Limited was the volume leader with 243,487 shares changing hands for a value of TT\$536,034.60. This was followed by Scotiabank Trinidad & Tobago Limited with a volume of 36,315 shares being traded for \$2,173,727.67. The All T&T Index advanced by 2.09 points (0.12%) to close at 1,779.21. The Composite Index advanced by 1.06 points (0.08%) to close at 1,396.91 and the Cross Listed Index remained at 137.34.

Guyana Stock Exchange

Market activity resulted from trading in 5 stocks of which 1 advanced, 1 declined and 3 traded firm. Market volume amounted to 101,691 units with Banks DIH being volume leader with 69,079 shares traded. The LSI closed at 585.25.

Eastern Caribbean Securities Exchange (ECSE)

There were no share trades on the Eastern Caribbean Securities Exchange for the week ending August 9, 2019. Index remains at 149.70.

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Business News In Brief

Cayman reports strong Q2 fiscal performance

The Cayman Government continues to maintain strong fiscal momentum through the second quarter of 2019 with the Entire Public Sector (EPS) achieving a 65% higher surplus than budgeted. The Unaudited Quarterly Financial Report for the six-month period ended 30 June 2019 reveals that a surplus of \$201 million, against the budgeted figure of \$122 million. EPS comprises Core Government as well as Statutory Authorities and State owned Companies. The surplus is attributed to higher revenue from levies, duties, fees and government charges that were recorded at \$499 million, \$51 million more than budgeted expectations. Furthermore, "adherence to fiscal policy continues to produce high cash and deposit balances held by core government," the report emphasizes. Operating cash and deposits were \$522 million at the end of the second quarter, while reserves & restricted deposits were \$168 million totaling \$690 million. [\(LOOP\)](#)

Corporate Movements

- ⇒ JMMB Group has appointed Ronald Carter, CEO, JMMB Bank (T&T) Limited and Country Chief Officer for its Trinidadian subsidiaries effective August 1, 2019; .
- ⇒ Mastercard has appointed Dalton Fowles, Country Manager, Jamaica & Trinidad & Tobago, effective July 22.

St Lucia poised for another record breaking year

St. Lucia in 2019, seems on track to surpass the record 1.2 million visitors it welcomed in 2018. This as stay-over arrivals for June 2019 peaked at 34,040, up 9% from June of last year. This means year to date growth has increased 6.5%; up from 6.1% last month. Contributing to the growth for the month of June were increases in the island's main source market: the United States 17%, Germany 31%, the rest of Europe 9%, the Caribbean 7%, and Canada with an increase of 20%. Decreases in visitor arrivals were however recorded from the UK – 15% and 21% from the rest of world. [\(LOOP\)](#)

International Oil Prices as at August 9, 2019

Futures	Price	US\$ Change	Change
WTI Crude	US\$54.50	+1.96	+3.73%
Brent Crude	US\$58.53	+1.15	+2.00%
OPEC Basket	US\$57.82	-1.89	-3.17%
Natural Gas	US\$2.119	-0.009	-0.42%