

## Foreign Exchange Summary

as at January 31, 2020

Member State	USD	CAD	GBP	Euro
Bahamas (BSD)	1.00	0.76	1.32	1.11
Barbados (BBD)	2.03	1.54	2.67	2.25
Belize (BZD)	2.02	1.54	2.67	2.24
Guyana (GYD)	218.00	159.00	276.10	232.19
Haiti (HTG)	94.03	71.20	131.21	103.74
Jamaica * (JMD)	141.28	106.64	184.64	154.98
OECS (XCD)	2.71	2.04	3.51	2.98
Suriname (SRD)	7.52	5.63	9.88	8.32
T&T (TTD)	6.80	5.36	9.25	7.97

\*Rates applicable for Customs & GCT purposes

### Business News In Brief

#### Barbados Central Bank projects economic growth in 2020

The Central Bank of Barbados (CBB) has predicted economic growth of between 1.25 & 1.75% for 2020. According to CBB Governor, Cleviston Haynes, while there was modest economic recovery during the 2nd half of 2019, the economy declined by 0.1% for 2019. He said achieving the forecasted growth was linked to the start-up of planned construction projects. Growth in the construction sector during 2019 declined by 4.7% but Haynes points to the need for improvements to the regulatory framework for the results to be realized. The IMF differs in its growth forecast for Barbados for 2020, putting their predictions at 0.6%. ([LOOP](#))

#### NCB to enter Guyana

NCB Financial Group Limited, NCBFG, is taking steps to enter Guyana, likely through its investment banking unit. The Jamaican banking conglomerate has been eyeing a deal to finance oil development in Guyana with President and CEO Patrick Hylton expressing “keen interest” in the market. However, there remains some uncertainty whether NCB Financial will enter the market in Guyana through acquisition, or as a greenfield operation via a subsidiary, or take a more “novel approach”. The latter may be a reference to some sort of partnership or coalition, but the banking group’s executives were sparse on details at NCB Financial’s annual general meeting on January 31. ([JG](#))

#### Tax incentives costing the Region upwards of 10% of GDP

The varying tax incentive regimes that obtain across CARICOM is estimated to cost upwards of 10% of GDP. That’s the word from CARICOM Assistant Secretary-General, Joseph Cox while addressing the opening of the Council for Trade & Economic Development – Services at the weekend. He noted that “definitional inconsistencies, flawed data sets, a large informal sector and failure to inculcate social metrics into tax design lead to overly ambitious revenue projections and policy misalignments and incongruities which are manifested in unrealized revenue yields. This is compounded by the need to realign tax administration in an effort to effectively limit incentives and opportunities for (economic) rent seeking and inappropriate behaviour. Such policy imperatives must be guided by improvements in risk management and taxpayer segmentation which also facilitate base broadening”. The informal sector in the Region ranges between 35 – 60% of the formal economy which results in a thin revenue base which is further compromised by the widespread use of tax incentive programmes. (CCS)

#### Corporate Movements

- ⇒ MPC Caribbean Clean Energy Limited (MPCCEL) has advised that Jose Fernando Zuniga Galindo has been appointed as the Chairman of the Board of Directors of the Company, effective February 1, 2020.
- ⇒ Caribbean Producers (Jamaica) Limited (CPJ) has appointed Alejandro Sanchez as Chief Information Officer

#### Fitch Ratings Upgrades Jamaica to ‘B+’

Fitch Ratings Agency, on January 31, 2019, upgraded the Government of Jamaica's Long-Term Foreign-Currency Issuer and Local Currency Issuer Default Rating (IDR) to 'B+' from 'B', and revised the outlook to "Stable" from "Positive". The Agency also upgraded the country ceiling to 'BB-' from 'B'. This is Jamaica's highest rating in over ten (10) years. The upgrade reflects Jamaica's macroeconomic performance, in particular, the "track record" of strong fiscal discipline reflected in sustained high primary surpluses over the last six years which have contributed to the significant reduction in the Debt/GDP ratio. The ratings were also supported by Jamaica's structural strengths, such as relatively high income per capita and social indicators, policy consensus and relatively strong institutional capacity. ([MOFJ](#))

## Stock Market Summary

as at January 31, 2020

### Jamaica Stock Exchange

Overall Market activity resulted from trading in 41 stocks of which 19 advanced, 18 declined and 4 traded firm. Market volume amounted to 25,178,696 units valued at over J\$85,865,743.36. Wigton Windfarm Ltd Ordinary Shares was the volume leader with 11,750,861 units (46.67%) traded. This was followed by Sagicor Select Funds Limited—Financial with 7,148,383 units (28.39%) & QWI Investments Limited with 1,755,655 units (6.97%). JSE Index advanced by 1,697.56 points ( 0.34 %) to close at 500,463.33.

### Barbados Stock Exchange

One security traded firm as 201 shares traded on the Regular Market, with a total value of \$665.26. Goddard Enterprises Limited was the sole security trading 201 shares at \$3.26. Index closed at 3,156.80.

### Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 18 securities of which 5 advanced, 3 declined and 10 traded firm. Trading activity on the First Tier Market registered a volume of 140,797 shares crossing the floor of the Exchange valued at TT\$4,026,641.24. L.J. Williams B Limited was volume leader with 36,310 shares changing hands for a value of TT\$56,280.50. The All T&T Index advanced by 4.63 points (0.24%) to close at 1,897.07. The Composite Index advanced by 1.53 points (0.10%) to close at 1,495.18 and the Cross Listed Index declined by 0.22 points (0.15%) to close at 148.12.

### Guyana Stock Exchange

1 stock advanced and 6 traded firm as 160,768 units traded on the Regular Market. Banks DIH (DIH) was volume leader with 136,790 shares traded. The LSI closed at 606.16 .

### Eastern Caribbean Securities Exchange (ECSE)

On the Eastern Caribbean Securities Market this week, 1,000 Bank of St Vincent and the Grenadines Ltd shares traded at \$6.60 per share. Index closed at 149.04.

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## Business News In Brief

### Haiti's economic outlook bleak

The International Monetary Fund (IMF) is pointing to the protracted political crisis in Haiti for the sharp downturn in the economy. At the conclusion of its Article IV Consultation, the IMF reports that inflation exceeded 20% year-on-year in September, output is estimated to have contracted by an estimated 1.2% in fiscal year 2019 (ending September 30), and the exchange rate depreciated by 25% over the same period. As fiscal revenues have plummeted and the cost of energy subsidies increased, the fiscal deficit widened to 3.8% of GDP in FY2019 and domestic arrears rose sharply. The public debt-to-GDP ratio jumped from 40% to 47% over the fiscal year. The Fund is encouraging the authorities to allow the exchange rate to adjust in an orderly fashion, set a quantitative monetary target, and further encouraged the monetary authorities to advance other institutional reforms. The IMF has also expressed support for the Haitian central bank's efforts to continue deepening financial intermediation and inclusion, including via fintech. ([IMF](#))

### Montserrat visitor arrivals achieve a 24-year high

Montserrat last year recorded its highest visitor arrivals since the Soufriere Hills Volcano erupted on the British Overseas Territory in 1995. Figures released by the Montserrat Tourism Division, (MTD), show that visitor arrivals to the island in 2019 stood at 20,956 an increase of 14 per cent over the previous year and "signalling the first time since the eruption of the Soufriere Hills Volcano in 1995 that the number has crossed 20 000". The MTD said a 59 per cent increase in cruise visits was largely responsible for the overall growth and this was complemented by a two per cent increase in stayover arrivals. It said that visitors from the Caribbean region led the way, accounting for 19 per cent of total stayover visits, followed by the United Kingdom (13.4 per cent) and the United States (12.6 per cent). The figures released by the MTD show that there had also been a one per cent growth in visitor spend, amounting to EC\$27 million ([NN](#))

### International Oil Prices as at January 31, 2020

Futures	Price	US\$ Change	Change %
WTI Crude	US\$51.63	-1.32	-2.49
Brent Crude	US\$58.19	-0.99	-1.67
OPEC Basket	US\$47.50	-11.30	-19.22
Natural Gas	US\$1.84	+0.01	+0.60