

## Foreign Exchange Summary

as at April 9, 2020

Member State	USD	CAD	GBP	Euro
Bahamas (BSD)	1.00	0.71	1.24	1.09
Barbados (BBD)	2.03	1.45	2.52	2.22
Belize (BZD)	2.02	1.45	2.53	2.22
Guyana (GYD)	218.00	149.70	261.49	228.53
Haiti (HTG)	100.38	71.61	117.33	108.95
Jamaica * (JMD)	138.06	100.91	175.33	153.76
OECS (XCD)	2.71	1.92	3.33	2.93c
Suriname (SRD)	7.52	5.34	9.34	8.18
T&T (TTD)	6.78	5.17	8.75	7.76

\*Rates applicable for Customs & GCT purposes

### Business News In Brief

#### Trinidad predicts \$12 billion budget deficit

Trinidad Finance Minister Colm Imbert, estimates the 2020 budget deficit will be about TT\$11-\$12 billion. He made this disclosure even as he announced that revenue collection for January to March was \$3.6 billion, which was TT\$600-\$700 million less than he expected. He estimated that 80% of the revenue shortfall for the 2nd quarter of the fiscal year was attributable to the energy sector. He said the fall off in oil prices affected collection in royalties by TT\$300 million and TT\$300 million in corporation tax. Imbert said the Government had been able to access close to US\$450 million (about \$3 billion) from international financial agencies. [\(TE\)](#)

#### Oil prices slated to rise upon OPEC pact

The OPEC oil cartel and nations including Russia have agreed to boost oil prices by cutting one-tenth of the global supply. More countries, including the United States, are discussing their own cuts in what would be an unprecedented global pact to stabilise the market. The agreement between OPEC and partner countries aims to cut 10 million barrels per day until July, then 8 million barrels per day till the end of the year, and 6 million a day for 16 months beginning in 2021. The USA is already on track for a production decline of 2 to 3 million barrels per day. The price of crude is down by over 50% since the start of the year well below the cost of production for many countries and companies. [\(TE\)](#)

#### Moody's: Bahamas rating under review for downgrade

Credit ratings agency Moody's is predicting an 8% contraction in The Bahamas this year due to the COVID-19 fall-out, and has placed the country's Baa3 rating on review for downgrade. Moody's noted that the decision to place the country's ratings on review for downgrade "reflects significant risks to its economic and fiscal metrics as a result of the coronavirus outbreak". It continued: "The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. "For The Bahamas, the shock mainly transmits through the sharp decline & potentially prolonged slump in the tourism industry (contributes 20% of GDP directly and indirectly contributes another 20% of GDP). A likely deep economic contraction, combined with higher fiscal deficits could lead to a permanently higher debt and interest burden that is already elevated relative to Baa3 peers." Moody's further noted that the decline in tourism flows will likely lead to a deterioration of the current account balance, although the decrease in oil prices and a likely fall in import demand related to tourism activities will mitigate the widening of the external deficit. [\(EW\)](#)

#### Fitch revises Jamaica's outlook to stable

Fitch Ratings has revised Jamaica's outlook to "Stable" from "Positive", while affirming its Long-Term Foreign-Currency Issuer Default Rating (IDR) at B+. The rating agency indicated that the revised outlook reflected the shock to Jamaica from the on-going global coronavirus (COVID-19) health crisis. Due to the pandemic, the country will experience a sharp contraction in its main sources of foreign currency revenues: tourism, remittances and alumina exports, Fitch indicated. The rating agency forecasts that the gains made in keeping the Government's debt/GDP on a downward trend will be disrupted. To this end, Fitch expects the economy to contract by four per cent in 2020, but, will recover in 2021 with an estimated growth of two per cent. Fitch highlighted that Jamaica had other mitigating factors to help cushion the impact on the economy. These include "a balanced budget in FY19/20, liquid local sources of financing, a reasonable foreign reserve position, strong relations with International Financial Institutions and a benign debt amortization profile for the next couple of years". [\(LOOP\)](#)

## Stock Market Summary

as at April 9, 2020

### Jamaica Stock Exchange

Overall Market activity resulted from trading in 41 stocks of which 22 advanced, 11 declined and 8 traded firm. Market volume amounted to 37,271,624 units valued at over \$443,203,846.61. Transjamaican Highway Limited was the volume leader with 11,186,519 units (30.01%) followed by Sagicor Group Jamaica Limited with 5,271,009 units (14.14%). JSE Index advanced by 4,729.33 points ( 1.20 %) to close at 398,359.12.

### Jamaica Junior Stock Exchange

Overall Market activity resulted from trading in 41 stocks of which 14 advanced, 10 declined and 6 traded firm. Market volume amounted to 10,755,502 units valued at over J\$28,037,452.37. Index closed at 2,642.81.

### Barbados Stock Exchange

No trading reported. Index remained at 3,119.86.

### Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 14 securities of which 4 advanced, 5 declined and 5 traded firm. Trading activity on the First Tier Market registered a volume of 323,899 shares crossing the floor of the Exchange valued at TT\$1,421,485.01. JMMB Group Limited was volume leader with 310,000 shares changing hands for a value of TT\$620,390.00, followed by Republic Financial Holdings Limited with a volume of 3,791 shares being traded for \$511,785.00. The All T&T Index advanced by 1.55 points (0.09%) to close at 1,689.41. The Composite Index declined by 3.97 points (0.32%) to close at 1,255.80 and the Cross Listed Index declined by 1.30 points (1.16%) to close at 111.16.

### Guyana Stock Exchange

No trading reported. The LSI remained at 614.06.

### Eastern Caribbean Securities Exchange (ECSE)

No trading reported. Index remained at 149.87

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Editorial Manager: Joseph Cox ; Email: [tei.info@caricom.org](mailto:tei.info@caricom.org)

## Business News In Brief

### SKN considering temporary unemployment benefit

The National Insurance Services (NIS) in St Kitts and Nevis says it is considering the implementation of a COVID-19 temporary unemployment benefit for workers who have been laid-off as a consequence of the COVID-19 pandemic. "Currently, we are awaiting the legislative authority to initiate this programme," the state-owned social security company said in a press release on Monday. The NIS said the temporary unemployment benefit aims to assist people and provide some cushion to vulnerable workers from the economic displacement brought about by the COVID-19 pandemic. The principal objectives of this temporary programme include providing temporary replacement income which will protect some working families from falling into poverty trap as a result of job losses due to the challenges which have arisen as a result of the COVID-19 pandemic. ([IWNSVG](#))

### Corporate Movements

⇒ ANSA McAL Limited has advised that Nicholas Jackman has been appointed Group Chief Financial Officer effective April 1, 2020.

### Moody's downgrades Digicel

With tightening liquidity, dwindling cash flow and debt estimated to be several times more than earnings, Digicel Group Limited stands to experience a default in the near term, credit rating firm Moody's has announced. As a result, Moody's has downgraded the Group's "probability of default rating" to Caa3-PD from Caa2-PD and issued a negative outlook. In its rationale, the ratings agency said the downgrade "recognises the higher likelihood of another default by Digicel in the near term, either in the form of a distressed exchange or through the non-payment of interests after the grace-period end." At the same time, Moody's downgraded the senior secured rating of Digicel International Finance Limited (DIFL) to Caa1 from B3. All other ratings within the group remain unchanged. ([BT](#))

### International Oil Prices as at April 9, 2020

Futures	Price	US\$ Change	Change %
WTI Crude	US\$23.19	-2.95	-11.29
Brent Crude	US\$32.03	-1.61	-4.79
OPEC Basket	US\$21.19	+0.00	+0.00
Natural Gas	US\$1.75	-0.04	-2.62