

Foreign Exchange Summary

as at August 21, 2020

Member State	USD	CAD	GBP	Euro
Bahamas (BSD)	1.00	0.76	1.31	1.18
Barbados (BBD)	2.03	1.54	2.70	2.42
Belize (BZD)	2.02	1.53	2.66	2.39
Guyana (GYD)	218.00	159.23	276.33	248.02
Haiti (HTG)	120.53	92.19	146.79	144.23
Jamaica * (JMD)	151.33	114.94	198.76	180.16
OECS (XCD)	2.71	2.05	3.56	3.19
Suriname (SRD)	7.52	5.66	9.89	8.92
T&T (TTD)	6.80	5.51	9.53	8.60

*Rates applicable for Customs & GCT purposes

Business News In Brief

No tax increase for the Bahamas

Despite economic fallout from COVID-19, Finance Minister Peter Turnquest in The Bahamas has maintained that the government will not raise taxes over the long term to recoup lost revenue. According to him, the 2020/21 budget was developed assuming an economic shut down until September 30. Hence, revenues are projected to decline by 60 to 70%. Rather than seeking revenue recovery, the Ministry's focus will be targeted more toward realigning expenditure with revenue flows, re-evaluating capital works requirements and increasing public-private partnerships. [\(NG\)](#)

BOJ maintains policy rate at 0.50%

The Bank of Jamaica (BOJ) has decided to maintain its policy interest rate at 0.50% per annum. The policy interest rate is offered to deposit-taking institutions on overnight placements with the central bank. The BOJ explained that its decision to hold the policy rate reflects its assessment that inflation is projected to average 4.6% over the next 8 quarters, slightly higher than its previously forecasted average of 4.4% at the last assessment in May 2020 and well within the 4 to 6% inflation target set by the Government. "The revised inflation outlook for the next 8 quarters is primarily influenced by acceleration in agriculture and processed food price inflation, higher energy costs, as well as increases in some regulated prices," the BOJ added. [\(JO\)](#)

Guyana waives all banking charges for the rest of 2020

The Government of Guyana has announced measures geared towards easing the financial burden on citizens in the wake of the COVID-19 pandemic. According to newly appointed President, Dr Irfaan Ali an agreement has been reached with the local banking sector to extend the moratorium on loan payments until the end of the year and to cut interest rates. "Commercial banks agreed to offer general concessional reductions of interest rates of 1% and up to 2% on customer loans below GUY\$10 million until December 30, 2020. The existing lending rate ranges between 6.5% and 16%. Some commercial banks have agreed to apply special treatment to the interest accrued during the moratorium period," he said. "Commercial banks have agreed to waive all bank charges, including ATM and merchant bank charges to encourage more out-of-bank transactions, as well as charges for transactions by senior citizens." The President added that these measures will not impact the soundness of the banking sector. Ali also announced that the Bank of Guyana will relax certain requirements that would allow banks to cushion their losses and increase liquidity by GUY\$9.4 billion. [\(JO\)](#)

Corporate Movements

⇒ Mayberry Investments Limited (MIL) has advised that Rachel Kirlew has been appointed to AVP – Investment Banking and Lauren Innis has been appointed as the Senior Manager – Investment Banking effective August 1, 2020 ;

Cayman to develop new corporate-restructuring regime

Cayman Islands Financial Services Minister Tara Rivers has announced the government's intention to create a new corporate restructuring regime by year end. According to Rivers, "The Ministry is making great strides in finalising commercial enhancements to the Companies Law. These enhancements, which will introduce a new restructuring officer regime, have been met with strong support and agreement from industry, the judiciary and [the Cayman Islands Monetary Authority], acting in their respective roles." Once passed and enacted, these amendments will allow companies to petition and pursue restructuring without the intent of winding up the company. However, companies will retain the benefit of having a statutory moratorium obtained during the restructuring, and they will maintain the ability to petition for provisional liquidators, Rivers said. [\(CC\)](#)

Stock Market Summary

as at August 21, 2020

Jamaica Stock Exchange

Overall Market activity resulted from trading in 45 stocks of which 24 advanced, 11 declined and 10 traded firm. Market volume amounted to 10,324,462 units valued at over J\$54,359,400.82. Wigton Windfarm Ltd Ordinary Shares was the volume leader with 3,868,386 units (37.5%). Index advanced by 1,787.12 points (0.49 %) to close at 368,099.13.

Jamaica Junior Stock Exchange

Overall market activity resulted from trading in 32 stocks of which 13 advanced, 15 declined and 4 traded firm. Market volume amounted to 1,217,915 units valued at over J\$3,340,277.36. Index closed at 2,507.17.

Barbados Stock Exchange

One security advanced as 10,064 shares traded with a total value of \$21,134.40. FirstCaribbean International Bank was the sole security trading. Index closed at 2,748.90.

Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 17 securities of which 3 advanced, 8 declined and 6 traded firm. Trading activity on the First Tier Market registered a volume of 304,028 shares crossing the floor of the Exchange valued at TT\$4,596,534.38. JMMB Group Limited was volume leader with 169,173 shares changing hands for a value of TT\$322,379.01. The All T&T Index declined by 10.02 points to close at 1,774.16. The Composite declined by 9.02 points to close at 1,313.03 and the Cross Listed Index closed at 115.10.

Guyana Stock Exchange

3 stocks increased, 2 declined and 1 traded firm as 108,163 units traded. Demerara Distillers Limited (DDL) was volume leader with 42,520 shares traded. The LSI closed at 638.51.

Eastern Caribbean Securities Exchange (ECSE)

There were no trades on the Eastern Caribbean Securities Exchange this week. Index closed at 160.71.

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Business News In Brief

Salada directed to increase local coffee content

Salada Foods Jamaica Ltd (SALF) has been directed by the Jamaica Agricultural Commodities Regulatory Authority (JACRA), pursuant to the JACRA Regulations 2018 Section 19, to now include 30% local coffee content in the formulation of its instant coffee powder effective September 1, 2020. Presently, Salada uses 10% local coffee said the Company. "Unfortunately, JACRA's edict to change the instant coffee formula will be detrimental to the Company's cost of sales. It will also materially change the taste profile of its Mountain Peak Coffee brand which currently enjoys over 50% market share of the instant coffee sector, and we are unsure of how receptive consumers will be to this, stated Salada Foods. ([JSE](#))

News Highlights

- [Trade Pact Could Boost Africa's Income by \\$450 Billion](#)
- [Grenada's revenue takes big hit from COVID-19](#)
- [Consumer Protection Bill \(2020\) passed in SVG](#)

Cayman: Economy set to decline by more than 7.2%

Cayman's economy is expected to contract by 7.2% this year before recovering partially with a 6.4% expansion in 2021. According to Finance Minister Roy McTaggart, the estimates include the effect of government containment measures, increase disposable income and boost economic activity. However, the reduced demand for tourism and other services consequent on the border closures and the global economic downturn has negatively impacted the initiatives. So far hotels and restaurants are projected to decline by 74.6% in 2020. The transport, storage and communication sector is expected to contract by 14.7% while the finance and the business services sectors are forecast to decline by 3.8% and 1.7%, respectively, for 2020. The projections have not factored in the recent decision by the Government to extend its ban on cruise ships until December 31, 2020. ([CC](#))

International Oil Prices as at August 21, 2020

Futures	Price	US\$ Change	Change %
WTI Crude	US\$42.26	-0.35	-0.84
Brent Crude	US\$44.30	-0.55	-1.23
OPEC Basket	US\$45.19	-0.30	-0.66
Natural Gas	US\$2.44	+0.08	+3.39