

Foreign Exchange Summary

as at August 14, 2020

Member State	USD	CAD	GBP	Euro
Bahamas (BSD)	1.00	0.76	1.31	1.18
Barbados (BBD)	2.03	1.54	2.67	2.41
Belize (BZD)	2.02	1.53	2.66	2.40
Guyana (GYD)	218.00	158.91	275.80	248.61
Haiti (HTG)	121.77	92.14	146.95	143.94
Jamaica * (JMD)	150.35	114.41	198.05	181.09
OECS (XCD)	2.71	2.04	3.53	3.19
Suriname (SRD)	7.52	5.63	9.86	8.89
T&T (TTD)	6.76	5.46	9.34	8.55

*Rates applicable for Customs & GCT purposes

Business News In Brief

Cruise ships banned until 2021

Cruise tourism will not be returning to the Cayman Islands until next year. Acting Port Authority Director Joseph Woods confirmed that the government was extending its ban on cruise ships until December 31. Woods issued a notice of the government's decision to the islands' cruise industry partners, informing them of the new date "so that they could plan according". The decision to shut out cruise ships until year's end follows a Cabinet decision to extend Cayman's border closures until 1 October. The government stopped allowing cruise ships to dock from March 16. [\(CC\)](#)

Banks Spared Premium Hike On Higher Protected Deposits

Banking institutions with deposits protected under the Jamaica Deposit Insurance Corporation (JDIC) will not face a premium hike despite increasing the limit on protected deposits from \$600,000 to \$1.2 million. The JDIC currently has 11 policyholders, which pay a premium equivalent to 0.15% of their insurable deposits into a deposit insurance scheme. The scheme will pay out to depositors in the event of a bank failure to the new limit of \$1.2m per bank account. At the end of 2019, insurable deposits were estimated at \$1.1 trillion, which generated a flow of \$2.2 billion to the JDIC. Insurable deposits encompass all the savings in the banking system minus government deposits and the deposits held by banks themselves. [\(JG\)](#)

59% of business contemplate closure – JMEA Survey

Some 59% of Jamaican businesses have been considering temporary or permanent closure of business. That is one of the findings of a Jamaica Manufacturers and Exporters Association (JMEA) Productive Sector COVID-19 Impact Survey conducted April 28 to May 22, 2020. The responses were garnered from the JMEA's membership base. In making the disclosure at a Private Sector Organisation of Jamaica online seminar, JMEA President Richard Pandohie, also noted that 57% of the membership received new business opportunities from the crisis during the survey period (export and essential sanitation items) and 22% started producing new items. Nevertheless, 51% temporarily reduced staff, with some 14% laying off 20 – 50% of staff during the survey period. In the meantime, JAMPRO President Diane Edwards spoke to a 40% decline in FDI in Jamaica for 2020, whereas Central Bank Governor Richard Byles projected a reduction in net foreign currency inflows ranging between US\$800m to US\$1.4 billion for 2020. MSME enterprises contribute some 50 – 60 % of GDP in Jamaica. (CB)

Corporate Movements

- ⇒ Mayberry Investments Limited has advised that Tania Waldron-Gooden has resigned as Director – Investment Banking, effective September 30, 2020 ;
- ⇒ Elizabeth Ann (Betty Ann) Jones was appointed Chairman of The Jamaica National Group in July 2020. JN Group CEO, Earl Jarrett, was appointed Deputy Chair.

Bermuda's A+ rating affirmed by S&P

Bermuda's A+ rating for long-term sovereign credit and senior unsecured debt ratings has been affirmed by Standard & Poor's. The rating agency also characterized Bermuda's outlook to be stable. Finance Minister Curtis Dickinson said rating agency S&P performed a review on Bermuda's sovereign credit worthiness in light of the Bermuda Government's intention to issue government bonds. He said: "While there is an expectation that the overall debt level will have a modest increase, S&P considered our healthy current account surpluses and large liquid assets were sufficient to support us through an economic recovery next year." He said of note to S&P's favourable outlook was the resumption of commercial flights and reopening of most non-essential sectors last month, which is expected to help to largely confine the negative impact of the pandemic to 2020. [\(RG\)](#)

Stock Market Summary

as at August 14, 2020

Jamaica Stock Exchange

Overall Market activity resulted from trading in 44 stocks of which 27 advanced, 12 declined and 5 traded firm. Market volume amounted to 20,605,919 units valued at over \$226,351,750.23. Wigton Windfarm Ltd Ordinary Shares was the volume leader with 10,330,113 units (50.1%). Index advanced by 772.67 points (0.21 %) to close at 368,870.63.

Jamaica Junior Stock Exchange

Overall market activity resulted from trading in 27 stocks of which 12 advanced, 13 declined and 2 traded firm. Market volume amounted to 3,470,609 units valued at over J\$14,092,681.62. Index closed at 2,599.86.

Barbados Stock Exchange

One security advanced as 52 shares traded with a total value of \$1,300.00. EMERA Deposit Receipt was the sole security trading. Index closed at 2,791.36.

Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 10 securities of which 5 advanced, 3 declined and 2 traded firm. Trading activity on the First Tier Market registered a volume of 237,902 shares crossing the floor of the Exchange valued at TT\$12,141,404.04. Republic Financial Holdings Limited was volume leader with 76,659 shares changing hands for a value of TT\$10,829,616.93. The All T&T Index declined by 1.41 points to close at 1,784.36. The Composite declined by 0.81 points to close at 1,318.68 and the Cross Listed Index closed at 115.25.

Guyana Stock Exchange

2 stocks increased and 2 declined as 91,295 units traded on the Regular Market. Banks DIH (DIH) was volume leader with 83,578 shares traded. The LSI closed at 633.03.

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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Editorial Manager: Joseph Cox ; Email: tei.info@caricom.org

Business News In Brief

IMF: Govt. should contain wage bill, increase revenues

The International Monetary Fund (IMF) in its policy recommendations to The Bahamas following the approval of its \$252 million Rapid Finance Instrument has recommended increased revenue collection, especially through property taxation; streamlining of tax expenditures, the containment of the wage bill and reduced transfers to state-owned enterprises. The IMF is recommending an average primary surplus of 4% starting in FY2024/2025, with significantly faster consolidation beginning in FY2022/23. The suggested measures are to be taken as part of a fiscal effort needed to place the debt trajectory on a downward path once the present economic crisis subsides. The adjustment, the IMF suggests, should be calibrated to the economic outlook, subject to scrutiny by the fiscal council & parliamentary approval. [\(NG\)](#)

News Highlights

- [Defer retirement for now - Pension experts](#)
- [Lack of Human Capital is Holding Back Latin America...](#)
- [Harnessing the Digital Revolution to...drive Food Systems](#)

Cayman: No plans to introduce direct taxation

In the first six months of 2020, government's operating revenues in the Cayman Islands were down 12.1%. According to Finance Minister Roy McTaggart, expenditure was 1.4% less than budgeted. With income fees and import duties deteriorating, the operating surplus of \$75.76 million was 43% lower than budgeted. For the full year 2020, revenues are projected to be 17.3% lower than budgeted and expenditure is forecast to be 12.6% higher. This would result in a budget deficit of \$173.23 million. The government's cash balances would drop to \$188.17 million from \$559.56 million as of 30 June. So far, COVID-19-related costs and stimulus measures have been financed from cash reserves & there are no plans to introduce direct taxation. Government predicts it will have 47 days of cash reserves by the end of 2020. [\(CC\)](#)

International Oil Prices as at August 14, 2020

Futures	Price	US\$ Change	Change %
WTI Crude	US\$42.23	-0.11	-0.26
Brent Crude	US\$44.95	-0.17	-0.38
OPEC Basket	US\$45.34	+0.26	+0.58
Natural Gas	US\$2.35	+0.16	+7.31