Jamaica’s imports and exports decline precipitously

Jamaica’s imports for January to April 2020 were valued at US$1,680.6 million, a 23.1% decline when compared to the US$2,186.7 million spent for the same period in 2019. Revenue from exports amounted to US$425.1 million for the current review period, 24.1% lower than the US$560.3 million earned in the similar period in 2019. Expenditure on imports from Jamaica’s main trading partner was valued at US$637.7 million. This is 40.2% below the US$1,067.1 million recorded for the period January to April 2019. Earnings from total exports to the USA amounted to US$215.8 million, an increase of 6.7% when compared to the US$202.3 million earned in 2019. Earnings from traditional domestic exports for January to April 2020 were valued at US$187.2 million, a decrease of 44.7% when compared to US$338.6 million exported in 2019. Total exports to CARICOM were valued at US$25.9 million, 2.6% below the US$26.6 million earned in the similar January to April 2019 period. In the meantime, an inflation rate of 1.4% was recorded for June 2020. This was led by a 3.6% increase in food and beverages. (JO) (JO)

Corporate Movements

⇒ Berger Paints Jamaica Limited has appointed Robert Polack as Regional Sales Manager, effective August 3;
⇒ Access Financial Services Limited has appointed Brian Salmon as Financial Controller, effective July 20;
⇒ Limners and Bards Limited has appointed Tashara Lee Johnson as Chief Operating Officer effective August 4.

Bahamas: COVID impact still less than 2008 financial crisis

According to The Central Bank of The Bahamas, total international departures stood at 1,006 during the month of June, relative to a seasonal expansion of 16.9% to 148,597 in June 2019. The Bank’s Monthly Economic and Financial Developments report for June noted that, “During the first half of the year, outward bound traffic contracted by 57.6%.” Underpinning this outcome, the US component reduced by 58.7% and the non-US component decreased by 51%.” But the CBOB contends that the impact of COVID-19 on tourist arrivals since March, the impact is still not as severe as the impact on the sector during the 2008 financial crisis. Total visitor departures declined by 49.1% for the first half of 2020, a reversal from a 19.9% rise in 2019. Nevertheless, levels were cumulatively 64.4% higher than during the global recession of 2008,” the report states. (NG)

Business News In Brief

USA cautions against CARICOM travel, not so says UK

All CARICOM Member States except Dominica have been accorded a Category 3 status by the USA, thereby warning its citizens, a major source of visitor arrivals to the Region, to avoid non-essential travel to the destinations, as the risk of COVID infection is high. For Dominica no health and travel guidance was issued. In the meantime, England has designated 10 CARICOM Member States as safe. However, in the case of St Vincent and Grenadines which was previously deemed safe, if travellers arrive from that island after July 28 they will be required to self-isolate. (CDC) (UK)

No interest waiver in Paris Club Debt Service Suspension

Under the Paris Club Debt Service Suspension Initiative (DSSI), provided to Grenada in May 2020 and effective from 1 May to 31 December 2020, the country will still have to pay interest and penalty. The debt payment was suspended by the informal group of official creditors whose role is to find coordinated and sustainable solutions to the payment difficulties experienced by borrower countries. “What we received from the Paris Club was not a moratorium, it was a suspension of payment,” said Trade Minister, Oliver Joseph. The members of the Paris Club which participate in the reorganisation of Grenada’s debt are the Governments of France, the United Kingdom and the United States of America. (NOW)

 Compiled and Edited by the Directorate of Trade & Economic Integration at the CARICOM Secretariat
Stock Market Summary
as at August 7, 2020

Jamaica Stock Exchange
Overall Market activity resulted from trading in 44 stocks of which 19 advanced, 20 declined and 5 traded firm. Market volume amounted to 12,279,679 units valued at over $35,735,006.26. TransJamaican Highway Ltd was the volume leader with 6,282,729 units (51.2%). Index declined by 703.29 points (0.19%) to close at 368,853.34.

Jamaica Junior Stock Exchange
Overall market activity resulted from trading in 31 stocks of which 18 advanced, 11 declined and 2 traded firm. Market volume amounted to 2,637,466 units valued at over J$9,741,863.88. Index closed at 2,606.15.

Barbados Stock Exchange - as at August 4
One security traded firm as 75 shares traded on the Regular Market, with a total value of $198.75. Goddard Enterprises Ltd was the sole security trading. Index closed at 2,869.56.

Trinidad & Tobago Stock Exchange
Overall Market activity resulted from trading in 12 securities of which 6 advanced, 1 declined and 5 traded firm. Trading activity on the First Tier Market registered a volume of 85,164 shares crossing the floor of the Exchange valued at TT$1,124,009.96. Trinidad Cement Limited was volume leader with 50,000 shares changing hands for a value of TT$105,000.00. The All T&T Index advanced by 1.25 points to close at 1786.58. The Composite Index advanced by 0.63 points to close at 1322.73 and the Cross Listed Index closed at 116.06.

Guyana Stock Exchange
3 traded firm as 14,130 units traded on the Regular Market. Banks DIH (DIH) was volume leader with 13,217 shares traded. The LSI closed at 616.80.

Eastern Caribbean Securities Exchange (ECSE)
39 Bank of St Vincent and the Grenadines Ltd shares traded at $6.75 per share. Index closed at 160.71.

Business News In Brief

ELAC: Foreign Trade set to fall by 23% in 2020
According to ECLAC, Latin America and the Caribbean’s (LACs) foreign trade will decline by 23% in 2020 given the economic fallout from COVID-19. ECLAC forecasts that the value of regional imports will shrink 25%. This decline is taking place in a global context in which international trade declined by 17% in volume between January and May 2020. In the first five months of this year, LAC shipments to the USA declined 22.2%, the EU down 14.3% and within the region, -23.9%. This accounted for 69% of total LAC goods exports in 2019. For 2020 as a whole, it is forecast that the biggest contraction in regional exports will be seen among those bound for the USA (-32%) and within the Region (-28%). Meanwhile, regional air traffic collapsed January-May: -95% in terms of passengers and -46% for cargo. (CEPAL)

News Highlights
• IMF: 2020 External Sector Report: Global Imbalances...
• Five Year Manufacturing Growth Strategy for Jamaica
• Green Paper: National Investment Policy Jamaica

Barbados: Gov’t still on track to meet IMF targets
The Barbados economy experienced a major decline in economic activity over the past three months, and experts are maintaining that a double-digit decline is imminent this year. However, Governor of the Central Bank of Barbados, Cleviston Haynes, is confident that the IMF targets under the EFF, will be met. “Preliminary data now suggests that economic output fell by 27% in the second quarter, resulting in an overall decline of almost 15% over the first six months of 2020,” he reported. The Governor said output from tourism declined by more than 50%, with long-stay visitor arrivals declining by 54% and cruise passenger by 34%. For the six months under review, Government’s revenue declined by 10%, to reach $657.7 million but current expenditure rose almost 8%, to $570.7 million. (BT)

International Oil Prices as at August 7, 2020

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<th>Price</th>
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