

## Foreign Exchange Summary

as at March 12, 2021

Member State	USD	CAD	GBP	Euro
Bahamas (BSD)	1.00	0.80	1.39	1.19
Barbados (BBD)	2.03	1.62	2.85	2.44
Belize (BZD)	2.02	1.62	2.82	2.42
Guyana (GYD)	218.00	167.75	293.06	250.93
Haiti (HTG)	79.30	62.82	108.26	94.36
Jamaica * (JMD)	147.43	118.98	204.06	177.96
OECS (XCD)	2.71	2.13	3.76	3.25
Suriname (SRD)	14.29	11.34	19.87	17.05
T&T (TTD)	6.76	5.75	9.98	8.65

\*Rates applicable for Customs & GCT purposes

## Business News In Brief

### Cayman economy shrank by 8.2% in first 9 months of 2020

The economy of the Cayman Islands is estimated to have contracted by 8.2% in the first 9 months of 2020. The economic downturn, amid COVID-19-related lockdown measures and border closures, was led by significant declines in the Hospitality Sector (-64.7%), Other Services (-25.8%), Wholesale and Retail Trade (-12.4%), and Transport (-12.1%), according to the Economic and Statistics Office's 3rd quarter economic report. The finance and insurance services sector decreased by an estimated 0.7% for the period. The contraction was stanchied somewhat by an expansion in business activity in the 3rd quarter. [\(CC\)](#)

### GraceKennedy acquires Scotia Insurance Eastern Caribbean

GraceKennedy has come to an agreement with Scotia Insurance Caribbean Limited to acquire 100% of the shares of Scotia Insurance Eastern Caribbean Limited (SIECL), with the associated transaction being subject to regulatory approvals and other customary closing conditions. SIECL is a licensed life insurance company operating in seven countries in the Eastern Caribbean: Anguilla, Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia and St. Vincent and the Grenadines. SIECL offers credit protection regionally to customers on personal loans, residential mortgages, personal lines of credit, personal and small business credit cards. [\(JSE\)](#)

### Raise GST rates, lower income tax threshold IMF tells Belize

According to the IMF, the economy of Belize has contracted by 14.1% in 2020. In the concluding statement emanating from its recent Article IV consultation, the Fund noted that the primary deficit increased to 8.3% in FY2020/21, while public debt increased to 126% in 2020. Public external debt also rose, while the net international investment position deteriorated. On revenues, the Fund suggests reducing the number of zero-rated items of the general sales tax (GST), taxing them at the standard GST rate instead, and raising the standard GST rate to a level in line with peer countries. The IMF suggests taxing the hotel sector at the standard GST rate instead of the current 9% levy. Other options to mobilize revenues include lowering the threshold for exemption in the personal income tax, increasing excise taxes, and enhancing revenue and customs administration opines the IMF. [\(IMF\)](#)

### Bahamas removed from blacklist; Dominica & Anguilla added

France by way of a decree has removed The Bahamas from its blacklist of non-cooperative states and territories on tax matters but added both Dominica and Anguilla. The Bahamas was added to the French blacklist in December 2019, facing sanctions, which included withholding taxes at a higher rate on financial transactions as a means of discouraging doing business with blacklisted countries. The French Ministry of Economics and Finance updates its list of non-cooperative states and territories in tax matters annually. [\(NG\)](#)

### Jamaica piloting new Central Bank Digital Currency in 2021

Minister of Finance and the Public Service Dr Nigel Clarke says that the Bank of Jamaica's new Central Bank Digital Currency (CBDC) will be rolled out by early 2022. According to Dr Clarke the project will be piloted this year, and the pilot is expected to end in December 2021 with the roll-out to commence early in 2022. However, he cautioned that operationalising the CBDC will require some amendments to the Bank of Jamaica (BOJ) Act to give the bank the sole right to issue digital currency as legal tender, which is the same position the BOJ has with respect to Jamaican notes and coins. CBDC is a digital form of central bank issued currency, which is legal tender not to be confused with cryptocurrency, which is privately issued and not backed by a regulatory authority. As legal tender, CBDC can be exchanged on a one-to-one basis with physical cash. Households and businesses will be able to use CBDC to make payments and store value at no cost. [\(JO\)](#)

## Stock Market Summary

as at March 12, 2021

### Jamaica Stock Exchange

Overall Market activity resulted from trading in 46 stocks of which 15 advanced, 23 declined and 8 traded firm. Market volume amounted to 10,947,226 units valued at over J\$107,461,042.34. Wigton Windfarm Ltd Ordinary Shares was volume leader with 3,409,430 units. Index declined by 687.08 points to close at 397,038.27.

### Jamaica Junior Stock Exchange

Overall market activity resulted from trading in 31 stocks of which 7 advanced, 17 declined and 7 traded firm. Market volume amounted to 4,502,910 units valued at over J\$11,355,650.32. Index closed at 2,932.84.

### Barbados Stock Exchange - as at March 11

One security advanced as 250 shares traded on the Regular Market, with a total value of \$537.50. Goddard Enterprises Limited was the sole security trading 250 shares. Index closed at 2,443.96.

### Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 14 securities of which 4 advanced, 4 declined and 6 traded firm. Trading activity on the First Tier Market registered a volume of 222,612 shares crossing the floor of the Exchange valued at TT\$2,612,500.31. NCB Financial Group Ltd was volume leader with 66,869 shares changing hands for a value of TT\$565,336.50. The All T&T Index declined by 4.67 points to close at 1,775.62 and the Composite Index declined by 1.09 points to close at 1,336.54.

### Guyana Stock Exchange

1 stock declined and 4 traded firm as 48,311 units crossed the floor. Banks DIH (DIH) was volume leader with 35,655 shares traded. The LSI closed at 703.04.

### Eastern Caribbean Securities Exchange (ECSE)

2 stocks traded with a volume of 145,350 shares. Grenada Cooperative Bank was volume leader with 140,000 shares.

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## Business News In Brief

### Jamaica opens fiscal year with cash reserves of \$90 billion

Jamaica's Finance and the Public Service Minister, Dr Nigel Clarke, says the island opened the 2020/21 fiscal year with cash reserves of approximately \$90 billion, or more than 4% of GDP. Clarke attributed this was to the policy of amassing the country's cash reserves to pay down debt. This resulted in Jamaica's ability to finance a 3.5% fiscal deficit without materially increasing nominal debt. In addition, Clarke said the country's stock of foreign-denominated debt decreased during the fiscal year. "This compares with previous economic crises where nominal USD debt increased during the crisis...this time...in the worst economic crisis in our history, nominal USD debt actually decreased," Clarke said. ([LOOP](#))

### News Highlights

- [How the Caribbean avoids being a COVID-19 Long-Hauler](#)
- [Guidance Note - Developing local currency bond markets](#)
- [IBRD - 2020 Caribbean downturn difficult to reverse](#)

### OECD projects global growth of 5.6% for 2021

The Organisation for Economic Cooperation & Development has raised its 2021 global growth forecast to 5.6%, which is 1.4 percentage points higher than estimated in December. Activity has picked up in many sectors of the economy and the rollout of vaccines, while still uneven, is gaining momentum, the organisation concluded in its latest interim economic outlook. The \$1.9B fiscal stimulus in the USA is projected to lead to domestic growth of 6.5% in 2021, while the OECD estimates that it will add one percentage point to global growth this year. The interim economic outlook therefore calls for ramping up vaccinations; for swifter, more targeted fiscal stimulus; and for maintaining income support for people and businesses hard hit by the pandemic, while preparing the ground for a sustainable recovery. The OECD estimates that world output is expected to reach pre-pandemic levels by mid-2021. ([CC](#))

### International Oil Prices as at March 12, 2021

Futures	Price	US\$ Change	Change %
WTI Crude	US\$65.56	-0.35	-0.53
Brent Crude	US\$69.23	-0.39	-0.56
OPEC Basket	US\$67.39	+1.79	+2.73
Natural Gas	US\$2.60	-0.07	-2.62