Business News In Brief

New company registrations soar in Jamaica

Jamaica has recorded 3,586 new company registrations for the period January 1 to November 11, 2020. That’s according to data produced by the Companies Office of Jamaica and released on social media by Finance Minister Dr Nigel Clarke who noted that “in the middle of the pandemic and record economic contraction, Jamaicans are forming new companies at a rate not seen before.” Though below the record 3,822 new start-ups in 2019, the performance to date in 2020 has outstripped new registrations for 2013 to 2018, with 1,948 new registrations recorded for 2013; 1,775 in 2014; 2,227 in 2015; 2,544 in 2016; and 3,160 in 2018. (CB)

Bahamas suffers credit rating downgrade

Standard and Poor’s (S&P) has shifted The Bahamas’ sovereign credit rating down one tier in its non-investment grade category – to BB- from BB with a negative outlook. The Bahamas’ transfer and convertibility assessment was also downgraded to BB from BB+. The ratings agency also said a review of the latest tourism data up to July revealed a decline of 62% in the sector and predicts that GDP will contract up to 21% in 2020 – relative to the 16% contraction the agency forecast in March. Nonetheless, S&P largely expects the government’s deficit and debt-to-GDP ratio to fall in line with budgetary projections this fiscal year with a return to economic growth expected in the next 3 years. (NG)

Corporate Movements

⇒ ANSA Merchant Bank Limited has appointed Renee Lewis Head of Wealth Management effective November 2;
⇒ Massy Holdings Ltd. advised that Paula Rajkumarsingh retired as Senior Vice President, Shared Services effective October 31, 2020.

G20 declares framework on debt relief for poor nations

G20 nations at the weekend declared a “common framework” to reschedule or reduce debts of vulnerable nations on a “case-by-case approach”. "In principle, debt treatments will not be conducted in the form of debt write-off or cancellation," they said in a statement following a virtual meeting hosted by the current G20 president Saudi Arabia. "If, in the most difficult cases, debt write-off or cancellation is necessary... specific consideration will be given to the fact that each participating creditor shall fulfil its domestic approval procedures in a timely manner while keeping other creditors informed of progress." 73 countries are eligible to have their debt restructured under the G20’s debt service suspension initiative (DSSI). Last month, the World Bank said the debt of the world's 73 poorest countries grew 9.5% last year to a record US$744 billion. The countries’ debt burden owed to government creditors, most of whom are G20 states, reached US$178 billion last year, and China is owed more than 63% of that. (JO)

Compiled and Edited by the Directorate of Trade & Economic Integration at the CARICOM Secretariat
Stock Market Summary
as at November 13, 2020

Jamaica Stock Exchange
Overall Market activity resulted from trading in 41 stocks of which 12 advanced, 23 declined and 6 traded firm. Market volume amounted to 12,184,860 units valued at over J$359,160,713.44. JMMB Group Limited was the volume leader with 3,056,495 units (25.1%). Index declined by 1,510.85 points (0.40 %) to close at 377,828.83.

Jamaica Junior Stock Exchange
Overall market activity resulted from trading in 32 stocks of which 13 advanced, 14 declined and 5 traded firm. Market volume amounted to 12,631,994 units valued at over J$33,900,772.24. Index closed at 2,532.35.

Barbados Stock Exchange
2 securities traded firm as 648 shares traded with a total value of $1,484.20. Goddard Enterprises Limited was the volume leader trading 646 shares. Index closed at 2,626.88.

Trinidad & Tobago Stock Exchange
Overall Market activity resulted from trading in 15 securities of which 4 advanced, 5 declined and 6 traded firm. Trading activity on the First Tier Market registered a volume of 43,272 shares crossing the floor of the Exchange valued at TT$428,066.64. JMMB Group Limited was volume leader with 16,667 shares changing hands for a value of TT$29,167.25. The All T&T Index advanced by 0.81 points to close at 1741.12. The Composite Index advanced by 0.41 points to close at 1298.25 and the Cross Listed Index closed at 115.62.

Guyana Stock Exchange
3 stocks advanced and 2 traded firm as 8,555 units crossed the floor. Banks DIH was volume leader with 1,230 shares traded. The LSI closed at 656.93.

Eastern Caribbean Securities Exchange (ECSE)
There were no reported trades on the ECSE for the week ending November 13, 2020. Index closed at 161.2.

Business News In Brief

BPO Sector loses $5.8 billion in 2nd quarter
The Business Process Outsourcing sector in Jamaica lost approximately $5.88 billion in revenue between April to June 2020, due to imposed restrictions caused by the COVID-19 pandemic. That’s the word from the local Financial Services Commission (FSC) which has warned that “continued downtime in this sector will significantly stymie the growth of the employed labour force; which in turn could dampen the possibilities of increased participation in pension arrangements necessary to improve overall national pension coverage.” The private pensions market in Jamaica comprises 811 plans, with 135,000 members. According to the FSC Private Pension Industry Quarterly Statistics, the industry has been valued at $640 billion in assets as at June 2020 up 11% from the previous March quarter, but still down from $700 billion in December 2019.

News Highlights
- Reform of the Policy on Public Debt Limits
- The Unequal Burden of the Pandemic

OECD unemployment falls marginally as recovery slows
Unemployment in the OECD continued to fall in September, to 7.3%, down from 7.4% in August. However this is 2.1 percentage points higher than the pre-COVID levels of February 2020. In addition, the OECD noted that falls in unemployment largely reflect the return of temporary lay-off workers in the USA and Canada, where they are recorded as unemployed, whereas they are recorded as employed in most other countries. In Canada, the unemployment rate dropped in September by 1.2 percentage points to 9% and in the US by 0.5 percentage points to 7.9%. In October, unemployment fell to 8.9% in Canada and 6.9% in the US. In the euro area, where temporary lay-offs are not included in unemployment, the unemployment rate was stable at 8.3% in September, 1 percentage point higher than in February.

International Oil Prices as at November 13, 2020

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<th>Futures</th>
<th>Price</th>
<th>US$ Change</th>
<th>Change %</th>
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<td>WTI Crude</td>
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<tr>
<td>Brent Crude</td>
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<tr>
<td>OPEC Basket</td>
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<td>Natural Gas</td>
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