

## Foreign Exchange Summary

as at September 24, 2021

Member State	USD	CAD	GBP	Euro
Bahamas (BSD)	1.00	0.79	1.39	1.19
Barbados (BBD)	2.03	1.61	2.80	2.40
Belize (BZD)	2.02	1.60	2.78	2.38
Guyana (GYD)	218.00	165.31	287.99	246.72
Haiti (HTG)	99.26	79.03	136.83	117.18
Jamaica * (JMD)	147.78	118.09	205.49	176.28
OECS (XCD)	2.71	2.15	3.74	3.21
Suriname (SRD)	21.46	16.93	29.82	23.85
T&T (TTD)	6.80	5.72	9.85	8.48

\*Rates applicable for Customs & GCT purposes

### Business News In Brief

#### G20 GDP growth slows to 0.4% in 2nd quarter 2021

Gross Domestic Product (GDP) of the G20 area grew by 0.4% in the second quarter of 2021, down from 0.9% in the first quarter of 2021. In the second quarter of 2021, GDP for the G20 area as a whole exceeded its pre-pandemic level (Q4-2019) by 0.7%, driven by China, which, together with Turkey, recorded the highest recovery rates (8.2% and 8.8%, respectively). However, the majority of countries are still lagging behind pre-pandemic levels, with India experiencing the largest gap (minus 8.1%), followed by the United Kingdom (minus 4.4%) and Italy (minus 3.8%). [\(OECD\)](#)

#### Bahamas to increase the minimum wage by 19%

The Bahamas will be reducing their value-added tax (VAT) and increasing minimum wage, with a formal announcement expected in a few weeks. That is the word from Prime Minister Philip Brave Davis. The new regime is planning to lower VAT from 12% to 10 % for 12 months with the expectation that decreasing the VAT rate would spur activity in the domestic economy. The minimum wage has also been tapped for an increase from the current B\$210 per week to B\$250. The Bahamas in July 2018, had increased the value-added tax (VAT) from 7.5% to 12%. However, the proposed 19% increase in minimum wage will likely be inflationary in the already fiscally constrained economy. The Bahamas has the highest minimum wage across CARICOM. [\(NG\)](#) (CCS)

#### Amidst rating downgrade, Bahamas set to grow by 8% in 2021

The US-based rating agency Moody's downgraded the sovereign creditworthiness of The Bahamas slashed the country's long-term issuer and senior unsecured ratings to 'Ba3' from 'Ba2, a day after the general election. Moody's, in maintaining a "negative outlook" on The Bahamas, justified the downgrade by saying "the downgrade to Ba3 reflects the significant erosion of The Bahamas' economic and fiscal strength" occasioned by COVID-19. Moody's said its baseline expectation assumes tourist arrivals to remain close to 75% of 2019 levels for the remainder of 2021, leaving tourist arrivals at around 50% of 2019 levels. "Assuming continued recovery in 2022, driven mainly by increased vaccinations and greater comfort with international travel, we expect The Bahamas to have another year of very high economic growth rates," it said. "We expect GDP growth of 8.0% in 2021 & 7.0% in 2022, after the 14.5% contraction in 2020. We expect stopover arrivals to return to 2019 levels by 2024, while cruise visitors will take longer to recover." [\(NG\)](#) [\(JG\)](#)

#### Corporate Movements

⇒ ANSA Merchant Bank Limited has advised that Yudister Ramsarran has resigned as Head of Audit Financial Services effective September 17, 2021.

#### Cayman records \$147m budget surplus

The Cayman Islands core government has maintained a \$147 million budget surplus during the first 8 months of 2021. That figure is \$16 million higher than budgeted. The surplus resulted from \$731 million in revenues and \$584 million in expenditures. Revenues are \$92 million higher than during the same period in 2019, the last financial year before the pandemic impacted both the economy and government finances. However, Finance Minister Chris Saunders said only 2 revenue lines were responsible for most of the increase. Private fund fees alone, which were introduced in 2020, contributed about \$50 million and proceeds from liquidations added an extra \$26 million. On the expenditure side, government is looking at spending more than \$900 million this year, compared with \$875 million announced in government's Strategic Policy Statement in July. This compares with only \$702 million spent by government in 2019. About \$100 million of this projected \$200 million increase over 2 years is COVID-related. Government maintained \$510 million in cash balances at the end of August, of which \$172 m was reserved. [\(CC\)](#)

## Stock Market Summary

as at September 24, 2021

### Jamaica Stock Exchange

Overall Market activity resulted from trading in 52 stocks of which 20 advanced, 21 declined and 11 traded firm. Market volume amounted to 11,341,314 units valued at over J\$94,854,280.17. Sterling Investments Limited was volume leader with 5,214,980 units. The JSE Index advanced by 780.78 points ( 0.19 %) to close at 403,871.30.

### Jamaica Junior Stock Exchange

Overall market activity resulted from trading in 33 stocks of which 12 advanced, 14 declined and 7 traded firm. Market volume amounted to 5,609,932 units valued at over J \$16,789,889.37. Lumber Depot Limited was the volume leader with 1,666,179 units. Index closed at 3,189.83.

### Barbados Stock Exchange

1 security advanced as 3,500 shares traded on the Regular Market, with a total value of \$14,700. Cave Shepherd & Co. Ltd. was the sole security trading. Index closed at 2,442.04.

### Trinidad & Tobago Stock Exchange

Overall Market activity resulted from trading in 12 securities of which 4 advanced, 6 declined and 2 traded firm. Trading activity on the First Tier Market registered a volume of 21,949 shares crossing the floor of the Exchange valued at TT\$ 524,073.56. Trinidad and Tobago NGL Ltd was volume leader with 6,506 shares changing hands for a value of TT\$109,828.03. The All T&T Index advanced by 1.41 points to close at 1928.88 and the Composite Index advanced by 0.31 points to close at 1425.45.

### Guyana Stock Exchange

3 stocks traded firm as 403,740 units crossed the floor. Banks DIH (DIH) was volume leader with 341,150 shares traded. The LSI closed at 945.38.

### Eastern Caribbean Securities Exchange (ECSE)

2 stocks traded with 600 East Caribbean Financial Holding Company Ltd & 52 Grenada Co-op. Bank Ltd shares traded.

CARICOM Business is a weekly newsletter produced by the Directorate of Trade & Economic Integration.

Editorial Manager: Joseph Cox ; Email: [tei.info@caricom.org](mailto:tei.info@caricom.org)

## Business News In Brief

### Jamaica receives US\$2B in remittance flows in 7 months

Overall remittance inflows for the January to July 2021 period into Jamaica totalled US\$2.028 billion. In the month of July, net remittance inflows was US\$302.4 million up 10.1% or US\$ 27.7 million over the inflow for July 2020. The largest source market of remittance flows to Jamaica for July 2021 was the USA, which accounted for 70.4 per cent of total flows up from 69.3% recorded for July 2020. Other source countries, which contributed a notable share of remittances for the month, were Canada at 11.4%, followed by the UK and the Cayman Islands at 10.2% and 4.8%, respectively. For the January to July 2021 period, remittance inflows to Jamaica grew by 35.0%, which is lower than that of El Salvador, which registered a growth rate of 45.0%. Similarly, Guatemala and Mexico registered growth of roughly 42.7% and 23.9%, respectively, for the period. ([JO](#))



**CLICK TO DOWNLOAD**  
[The New Normal - A Post-COVID Primer for Business](https://www.caricom.org/the-new-normal/)  
<https://www.caricom.org/the-new-normal/>

### 84% of Belize's Superbond holders approve deal

Some 84.38% of the holders of Belize's Dollars Bonds due 2034 (aka The Superbond) have reportedly agreed to a buyout, which would see an exchange of the Superbond for Blue Bonds through the facilitation of The Nature Conservancy Group. Belize offered 55 cents on every dollar for bonds redeemed early, including an interest payment and has agreed to establish a Marine Conservation Endowment Fund. Venezuela accounts for some 10% of the Superbond but due to the sanctions placed by the United States on Venezuela, it remains unclear how the payoff would occur. Public debt will be reduced by some US\$200 million & savings from switching from the Superbond to the Blue Bonds for Conservation would amount to some US\$265 million. ([BBN](#)) ([LOVE](#))

### International Oil Prices as at September 24, 2021

Futures	Price	US\$ Change	Change %
WTI Crude	US\$73.96	+0.74	+1.01
Brent Crude	US\$78.07	+0.81	+1.05
OPEC Basket	US\$75.44	+0.98	+1.32
Natural Gas	US\$5.18	+0.15	+2.98