



TRENDS IN CARIBBEAN TOURISM: RECENT DEVELOPMENTS AND FUTURE PROSPECTS	Pg. 1
HIGHLIGHTS OF THE 48TH ANNUAL MONETARY STUDIES CONFERENCE	Pg. 3
HIGHLIGHTING THE CENTRAL BANKS RESPONSE TO THE DE-RISKING ISSUE IN THE CARIBBEAN	Pg. 4
PUBLICATION OF INTEREST	Pg. 4
REGIONAL ECONOMIC NEWS	Pg. 4

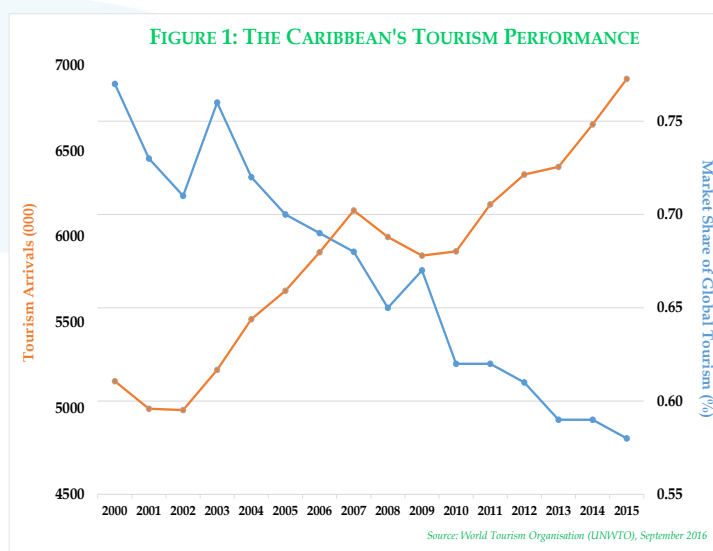
TRENDS IN CARIBBEAN TOURISM: RECENT DEVELOPMENTS AND FUTURE PROSPECTS

The Caribbean had displayed solid growth during the 2000s until the Global Financial Crisis of 2007-2008. The pace of growth in the Caribbean has recovered in the post-crisis era but is still weaker than other regions. According to Tao Zhang, the IMF Deputy Managing Director, the correspondingly restrained recovery of both Europe and the United States of America (U.S.) implies that the recent increase in international tourist arrivals in the Caribbean which has helped the recovery may be at risk of a reversal.

Tourism has proven to be one of the most resilient sectors in the Caribbean demonstrating its ability to drive growth, development and employment even in a difficult economic environment. It is a vital component of many islands' economies. For example, Jamaica earned US\$1.3 billion from tourism over the period January to June 2016. According to a UNWTO World Tourism Barometer Report (September 2016), international arrivals to the region grew by four per cent in the first half of 2016. The Caribbean Tourism Organisation (CTO) latest Monthly Statistics Report (October 2016) also indicated that three out of four islands recorded growth in tourist arrivals with Belize having the highest at 16.4 per cent. On the other hand, Trinidad and Tobago was the sole destination to record a decrease of 5.9 per cent over the period January to September 2016. The cruise industry presented mixed results. From January to June 2016, Dominica recorded a decrease of 4.6 per cent in cruise passenger arrivals while Trinidad and Tobago and Grenada experienced high growth rates of 47.8 per cent and 32.7 per cent respectively. The important stay-over arrivals segment of the regional market increased by 7.0 per cent in 2015 and the CTO expects this to increase by 4.5-5.5 per cent in 2016.

The Caribbean is one of the most attractive tourist destinations in the world with the overall number of visitors to the region increasing over time but the

Caribbean's market share of global tourism has been in decline over the last decade.



There are many global and regional factors that can explain this development. In particular, international tourism has evolved significantly and is now much more competitive with increasing destination options for tourists. Also, according to a World Economic Forum 2015 Tourism Competitiveness Report, the most attractive tourism destinations in the world such as the United Kingdom (U.K.) and Germany have produced dynamic tourism industries through the facilitation of travel to their countries as well as improving the safety and comfort of their visitors' stay.

In contrast, the Caribbean's tourism industry in some cases suffers from relative inefficiency and bureaucratic hurdles that make conducting business and planning vacations difficult. For example, there has been some level of procrastination in modifying visa regulations that can impede wedding tourism. On the other hand, some countries such as Suriname have taken the initiative and

TRENDS IN CARIBBEAN TOURISM: RECENT DEVELOPMENTS AND FUTURE PROSPECTS cont'd

are attempting to enhance the ease of travelling by ending the requirement for a visa to enter the country from an additional 13 states which includes large markets such as China, India and Turkey. Instead, travellers must purchase a tourist card, which costs US\$35 at the airport.

Exorbitant airline travel costs and inadequate air transport connections are also important problems. While there has been an upsurge in Caribbean-bound flights from North American airports, the Minister of Tourism in The Bahamas, Obie Wilchcombe highlighted the fact that intra-regional air travel is problematic. Moreover, the U.K. has continued to impose high taxes on air travel such as the Air Passenger Duty (APD) which make travel between Britain and the Caribbean more expensive.

The recent onset of the travel-related Zika virus, has also negatively affected the reputation of Caribbean destinations. The CTO and Caribbean Hotel and Tourism Association (CHTA) have cited travel cancellations and the World Bank has estimated that the impacted countries stand to suffer a combined loss of \$63.9 billion in revenues from tourism due to this threat. Moreover, natural disasters have also dissuaded foreign visitors, with storms and hurricanes destroying social and physical infrastructure recently in Dominica, The Bahamas, Jamaica and Haiti amongst others.

Another crucial issue in the English-speaking Caribbean is crime. The tourism industry is notably susceptible to rising crime. In countries like Trinidad and Tobago and Jamaica, tourists have been attacked leading to negative international perceptions and travel advisories about travel and stay in the Caribbean. Furthermore, violence has played a factor in the increased expansion of all-inclusive hotels in both countries as they provide greater safety and a comprehensive holiday experience. However, these resorts may not necessarily facilitate the backward linkages to local economies, and as such, may decrease the actual overall economic advantage of tourism for the country.

De-risking is another grave issue. While it has been widespread across the globe, the Caribbean is among one of the most affected regions due to the perception that the region's financial institutions are more susceptible to money laundering and other suspicious financial activities

due to the prevalence of off-shore financial centres in the region. This has negatively affected the ability of countries to conduct external transactions. According to a World Bank study in 2015, 89 per cent of Caribbean jurisdictions assessed had experienced significant-to-average decreases in their international correspondent banking relationships. This has serious potential negative implications for payments related to tourism activity and therefore constitutes a major risk to the industry in the Caribbean.

The CHTA has also cited the normalisation of Cuba's relations with the U.S. as another factor that will increase the level of competition facing the English-speaking Caribbean by diverting American tourists away from these destinations. On the other hand, some have argued that the rapprochement between Cuba and the U.S. can be indirectly beneficial to the Caribbean by triggering the private and public sectors of other islands to work towards improving their international competitiveness to avoid negative socio-economic outcomes. In this regard, preliminary estimates from the IMF have implied that tourism-based countries may experience a loss in U.S. visitors; however, if the subsequent cost of tourism in Cuba increases then this loss may not be as noticeable or influential. It should also be noted that the Caribbean has faced a similar situation before with the Dominican Republic and the region was able by and large to withstand this challenge. Moreover, this development may actually present an unintended opportunity if the potential for multi-destination tourism is exploited.

Another pivotal issue for the Caribbean community is Brexit. According to the CTO, around 1.1 million tourists from the U.K. visited the Caribbean in 2015. Hence it is evident that the strength of the U.K. currency, the pound sterling, has a direct influence on the economies of tourism-based countries. It is possible that U.K. visitors may now have to reassess the cost of buying dollars for Caribbean vacations and alter plans considering that Sterling's depreciation would make travelling to these destinations more costly. The weak pound also impacts on the capability to invest in vacation properties in the region. For example, in Barbados, the British are a crucial source of real estate foreign direct investment. In light of current circumstances, investments in tourism plant and vacations to this and other Caribbean countries may therefore be less likely.

TRENDS IN CARIBBEAN TOURISM: RECENT DEVELOPMENTS AND FUTURE PROSPECTS cont'd

These challenges imply that mature destinations like the Caribbean have to continue to re-invent themselves by improving their competitiveness if they want to maintain and increase market share. Long-term development of their physical plant, infrastructure and airlift are essential to future growth in this industry. Factors such as complicated visa procedures and direct taxation of tourism activity have also been identified as some of the major impediments to growth in tourism. Very importantly, as the events of 2015 highlight, safety and security are a very important

determinants of inbound tourism. Tourism development therefore depends on our collective ability to promote safe, secure and seamless travel. In this respect, the UN-WTO has gone on record as advising governments to include tourism administrators in their national security plans.

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HIGHLIGHTS OF THE 48TH ANNUAL MONETARY STUDIES CONFERENCE

The Central Bank of The Bahamas hosted the 48th Annual Monetary Studies Conference (AMSC) at the British Colonial Hilton Nassau Hotel over the period November 9-11, 2016. The theme of the Conference was entitled "Issues and Challenges Facing the Caribbean in the New Global Economy".

Thirty-four papers on the various sub-themes were presented by economists from regional central banks, universities and CARTAC. The conference was officially opened the Hon. Michael Halkitis, Minister of State in The Ministry of Finance. The papers presented at this year's conference, analysed the myriad of challenges and headwinds facing Caribbean economies. In this context, papers were presented under the following sub-themes:

- ◆ Financial Sector Strength and Stability;
- ◆ De-risking and its Impact on Economic Growth;
- ◆ Macro Prudential Policies for Small States in a Changing Global Environment;
- ◆ Dynamics of Regional Growth and Development;
- ◆ The New Face of Globalization and Regional Integration;
- ◆ Fiscal and Monetary Policy Co-ordination amid Growth and Debt Challenges;
- ◆ Decoding and Correcting the Structural Challenges Facing Caribbean Economies.

The 31st Adlith Brown Memorial Lecture was delivered by Bahamian national, Mrs. Therese Turner-Jones, under the

theme, "Imagine Vibrant Economies". Mrs. Turner-Jones, currently serves as the General Manager of the Caribbean Country Department (CCD), Inter-American Development Bank (IDB) in Jamaica. Her lecture was a thought-provoking one as she challenged many in the audience to think beyond the normal confines of economic development orthodoxy to help solve the problems confronting Caribbean economies.

The conference papers can be viewed at <http://www.ccmf-uwi.org/>



HIGHLIGHTING THE CENTRAL BANKS RESPONSE TO THE DE-RISKING ISSUE IN THE CARIBBEAN

The De-risking issue is a constant and real threat to Caribbean economies. All central banks in the Caribbean region have been proactive in tackling the de-risking issue working with the domestic banks, regulators, governments and foreign banks to find a solution. A number of Central Banks in the region have been tracking this issue from its inception to date.

The Central Bank of Barbados has on its website a dedicated space to Tracking the Issue of de-risking;

<http://www.centralbank.org.bb/de-risking>

The Central Bank of The Bahamas in November 2016 issued an official statement on the de-risking issues facing The Bahamas. The releases can be viewed at <http://www.centralbankbahamas.com/news.php>. They also have a page highlighting the frequently asked questions about De-risking, <http://www.centralbankbahamas.com/news.php?cmd=view&id=16213>.

PUBLICATION OF INTEREST

De-risking



The IDB's publication on De-risking examines the current effects of terminations, restrictions, and sanctions on regional financial payments and settlements systems. It is essential to have secure, stable monetary and worldwide payment frameworks that reduce exposure to Money Laundering and Terrorism Financing (ML/FT), while permitting access to markets and customers from

vulnerable economies that are seen as high risk. To accomplish this, all partners, including governments, national regulators, multilaterals, and worldwide banks, must help national respondent banks in building up their risk and compliance structures, enhancing training for front-line officers, and upgrading current back office frameworks. This will assist them to maintain existing connections between global banks and their local respondents.

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REGIONAL ECONOMIC NEWS

Aruba

- The Central bank of Aruba reported a significant slowdown in the country's economic activities in its report titled the State of the Economy (Jan-June 2016). The first six months of 2016 showed a contraction in real GDP of 1.6 per cent due to lower tourism exports, subdued investments and sluggish domestic consumption. (Central Bank of Aruba , 11 November,2016)

The Bahamas

- The Inter-American Development Bank and the Government of The Bahamas are partnering in a new jobs initiative to increase workplace skills and improve employability among young people and adults who have had difficulty finding

- work. The \$50 million initiative aims to establish a nationwide demand-driven apprenticeship program that will combine on and off-the-job training to provide unemployed youth and adults between the ages of 16 and 40 with the skills they need to succeed in the workplace. (CNNow, 3 November, 2016)
- The Minister of Financial Services recently met with officials of the International Trade Centre to discuss the development of a trade information service desk and electronic portal for The Bahamas which are a part of the government's ongoing efforts to diversify the economy by expanding trade with regional, hemispheric and international trading partners. The intention of the portal is to create a "one-stop-shop" to access important national, regional and international trade information

REGIONAL ECONOMIC NEWS cont'd

since at the moment, doing business with The Bahamas is difficult and expensive. (TheBahamasInvestor, 14 November, 2016)

- Financial services industry leaders recently met to discuss how to improve business in The Bahamas, boost the country's competitiveness and encourage entrepreneurs. The CEO of the Bahamas Financial Services Board, Tanya McCartney, said that business needs to be more streamlined in the country and linked ease of doing business with The Bahamas' ability to compete within the region and globally. (TheBahamasInvestor, 16 November, 2016)

Barbados

- By all indicators, tourism in Barbados is keeping pace with industry projections and contributing to necessary economic growth on the island. In the Caribbean Tourism Organization's quarterly exit survey for the period January – June 2016, spending by stay-over visitors to Barbados increased year-on-year by 10.3 per cent or \$104 million to reach \$1,116 million. (CNNow, 1 November, 2016)
- The International Monetary Fund (IMF) appears to have a slightly more optimistic view about Barbados' economic growth prospects than the Central Bank. But the IMF cautioned that the island was "vulnerable to Brexit-related risks" and that its recovery was still dependent on tourism and continuing low commodity prices, especially oil. Central Bank Governor Dr. DeLisle Worrell, in the bank's review for the first nine months, said that the economy was projected to grow by 1.4 per cent this year. This was a downward revision of previous growth projections of 1.6 per cent and 1.5 per cent. In its new economic outlook for the Western Hemisphere, however, the IMF predicted the economy would grow by 1.7 per cent this year and next year. (Nation News, 4 November, 2016)
- Challenges still exist but there are also opportunities for Barbados and other countries in the region to enhance relations with the European Union (EU) according to a new publication released by the Economic Commission for Latin America and the Caribbean and the EU Latin America and the Caribbean Foundation. It gave an overview of the economic, social and environmental realities of both blocs, placing emphasis on the need to move towards a more sustainable and egalitarian development pattern, as well as towards an investment model that favours innovation and structural change and allows for economic growth and carbon emissions to be decoupled. (Nation News, 6 November, 2016)
- Finance Minister, Christopher Sinckler, recently expressed concern at what he termed the "uneasiness and

dissatisfaction with the tenor and process" which have emerged internationally for handling matters pertaining to tax administration and regulation. He said that over the past 15 years, Barbados had upgraded its legislative and administrative functions to not only comply with new and evolving norms for tax regulation and transparency, but to build a far more efficient and proficient tax administration system. (CNNow, 7 November, 2016)

Belize

- Belize's credit rating has been downgraded by S&P Global Ratings from B- to CCC+ with a negative outlook. S&P Global Ratings Agency cited when cutting Belize's rating: "impaired fiscal and external imbalances, limited external funding, reduced foreign exchange reserves and the loss of correspondent banking relationships." According to the agency, the negative outlook stems from the "potential further deterioration in the government's ability or willingness to service its debt, given the risk of continued worsening in liquidity for the sovereign and for the economy as a whole." (Breaking Belize News, 16 November, 2016)

Curacao and Sint Maarten

- The Curacao consumer price index fell in the month of September 2016 by 0.4 per cent. Measured over the 12 months to September 2016, compared to the same period a year earlier, an average price decrease of 0.5 per cent can be observed. Inflation in Curacao was -0.5 per cent in September 2016. During the month of September, the most notable price changes occurred in the spending categories "Living" and "Transport and Communication," according to the Central Bureau of Statistics. (Curacao Chronicle, 1 November, 2016)

Eastern Caribbean Currency Union

- An International Monetary Fund mission recently visited Antigua and Barbuda to conduct the 2016 Article IV consultation. At the conclusion of the visit, the following statement was made: "The economy is expected to expand by 3.7 per cent in 2016, underpinned by the continued recovery in the tourism sector and investment in new and existing tourist facilities, including the new cruise ship pier. In 2017, growth is projected to moderate to three per cent, mainly reflecting tight financing conditions for the public and private sector. Inflation declined to around zero in the first half of 2016, mostly due to fuel price adjustment and continued softness in global commodity prices, and is projected to remain at low levels for the rest of this year and

REGIONAL ECONOMIC NEWS cont'd

into 2017.” (CNNow, 10 November, 2016)

- Many territories in the Organisation of Eastern Caribbean States (OECS) have intensified efforts to develop their maritime sector, given the enormous economic potential of the expanding luxury yachting sector. At the regional level, the OECS Commission has also spared no effort in making the yachting sector a priority on the Tourism Work Programme with the establishment of a Yachting Committee, about five years ago, and the coordination of joint promotion of the yachting sector at International Boat Shows. (CNNow, 11 November, 2016)
- The Organisation of Eastern Caribbean States (OECS) Commission met with representatives from the Government of Mexico to explore collaborating to develop Sustainable Strategic Tourism Master Plans (SSTMP) in OECS member states. OECS Director General, Dr. Didacus Jules, said the OECS has enjoyed strong relations with Mexico across a number of functional areas of cooperation and the potential now exists to deepen that commitment through the elevation of SSTMPs as a key driver of economic growth in the OECS. (CNNow, 30 November, 2016)

Guyana

- The Inter-American Development Bank (IDB) and the Government of Guyana are partnering in a new agricultural development initiative to increase the sustainable use of natural resources and agricultural productivity of small farmers. The US\$15 million initiative, to be financed with a loan from the IDB, aims to produce high-quality data for Guyana’s agricultural sector. (CNNow, 7 November, 2016)
- ExxonMobil, the US-owned company that has struck oil in commercial quantities offshore Guyana, has officially signalled to Guyana its intentions to move to the next phase of operations. (Kaieteur News, 17 November, 2016)
- Investors from Brazil have engaged the CEO of the Guyana Office for Investment (GO-INVEST), Owen Verwey, to explore the options of having greater investment opportunities into Guyana’s economy. (Nation News, 16 November, 2016)
- The government of Guyana and the China Exim Bank have signed a US\$46M line of credit to finance ECD highway expansion. (Kaieteur News, 24 November, 2016)
- Finance Minister Winston Jordan presented the 2017 Budget speech for his Government. They intend to spend some \$250B for the year 2017, so as to achieve “the good life” for all Guyanese. Jordan said that Budget 2017 is designed to consolidate the gains the Government made since its accession to office, improve economic performance, and define a sustainable pathway to the happiness and prosperity

of Guyana. (Kaieteur News, 29 November, 2016)

Haiti

- Recently the CEO of CCRIF SPC, Isaac Anthony, met with Haiti’s Minister of Finance, Yves Bastien, and his advisors to discuss the recent payouts of US\$23.4 million to Haiti made under the country’s tropical cyclone and excess rainfall policies, as a result of Hurricane Matthew’s passage through that country. This is the largest payment ever made by CCRIF for a single event – with total payouts to Haiti representing approximately 46% of all payments made by CCRIF since its inception in 2007. Haiti has received three payouts to date. (CNNow, 9 November, 2016)
- The Executive Board of the International Monetary Fund recently approved SDR\$30.7125 million (about US\$41.6 million) in financial assistance for Haiti under the rapid credit facility to help the authorities meet urgent balance of payments needs arising from the effects of Hurricane Matthew. The funds will be made available immediately. (CNNow, 21 November, 2016)
- Post-disaster assessments by the United Nations food security and emergency food relief agencies in hurricane-hit Haiti have revealed “extensive” damage to crops, livestock and fisheries as well as to infrastructure such as irrigation – with the most affected areas having up to 100 per cent crop damage or destruction, estimated at \$580 million. (CNNow, 25 November, 2016)

Jamaica

- The Jamaican Cabinet has given approval for the implementation of a rescue plan for the Canadian tourism market. The objective is to increase arrivals to the island from Canada for the 2016/2017 winter season, which starts in December. Minister of Education, Youth and Information, Senator Ruel Reid, said as part of the plan, Jamaica Vacations Limited is to be provided with US\$275,000 for seat support, while the Jamaica Tourist Board will receive US\$425,000 for cooperative marketing and promotion targeted at that market. (CNNow, 11 November, 2016)
- Waste, inefficiency and gross non-compliance by government ministries and departments are costing Jamaicans billions of dollars in public funds, according to a recently completed research report done by the Jamaica Civil Society Coalition and the Caribbean Vulnerable Communities Coalition. The report stated that “over the three year period 2009/10 – 2011/12, several ministries and departments racked up losses amounting to over J\$6 billion (US\$46 million).” (CNNow, 12 November, 2016)

REGIONAL ECONOMIC NEWS cont'd

- The Executive Board of the International Monetary Fund (IMF) approved a three-year stand-by arrangement (SBA) for Jamaica to support the authorities' continued economic reform agenda. Access under the SBA arrangement amounts to about US\$1.64 billion (SDR 1,195.3 million), the equivalent of 312 per cent of Jamaica's quota in the IMF. The Jamaican authorities have indicated that they will treat the arrangement as precautionary, and do not intend to draw on the new SBA unless exogenous shocks generate an actual balance of payments need. (CNNow, 14 November, 2016)
- Central bank chief Brian Wynter says the Jamaican currency is fairly valued at its current rate even as the pace of depreciation accelerates. For the fiscal year to date, April 1 to November 11, the Jamaican dollar lost 5.9 per cent of its value relative to the US dollar, faster than the 4.2 per cent recorded during the same period last year. (Jamaica Gleaner, 16 November, 2016)
- According to the latest labour force survey undertaken by the Statistical Institute of Jamaica, unemployment continues to decline, with the figure at 12.9 per cent as at July 2016, the lowest quarterly rate in five years. The rate for the July quarter was 0.2 per cent lower than the figure recorded for January 2015 and 0.8 per cent less than April 2016. (CNNow, 18 November, 2016)
- The Jamaican Government says a new Economic Programme Oversight Committee (EPOC) has been formed to oversee the implementation of the new standby arrangement with the International Monetary Fund (IMF). The renewed EPOC will be chaired by Group Chief Executive Officer of Jamaica Money Market Brokers, Keith Duncan, and co-chaired by Governor of the Bank of Jamaica, Brian Wynter. Prime Minister Andrew Holness said EPOC will monitor fiscal, monetary and quantitative targets as set out in the Memorandum of Economic and Financial policies, agreed with the IMF. (TTEExpress, 22 November, 2016)
- Moody's, the international ratings agency, upgraded Jamaica's government issuer, senior unsecured and provisional shelf ratings to B3 from Caa2 and changed its outlook to stable from positive. (Jamaica Gleaner, 23 November, 2016)
- A reduction in the stock of borrowed net international reserves, which currently stands at about US\$1 billion, and inflation band limits are now the key monetary targets under Jamaica's Standby Agreement with the International Monetary Fund. (Jamaica Gleaner, 23 November, 2016)

Suriname

- Suriname is beginning to emerge from its economic problems of the past two years and is seeing some light at the end of the tunnel as the Dutch-speaking Caribbean Community

country continues with a two-year multi-million dollar stand-by agreement with the International Monetary Fund. The Washington-based financial institution provided Suriname with a US\$478 million loan to facilitate the country's adjustment to the fall in the prices of major commodity exports, restore confidence, and pave the way to economic recovery. (TTEExpress, 2 November, 2016)

- The economic outlook for Suriname remains challenging, according to the International Monetary Fund in the conclusion of its regular 2016 Article IV consultation. For 2016, a GDP contraction of nine per cent is projected, following a 2.7 per cent contraction in 2015. The deep recession reflects a number of factors, including spillovers from the closure of the Suralco alumina plant and the contractionary impact of the fiscal adjustment. (CNNow, 21 November, 2016)

Trinidad and Tobago

- A lack of efficiency in the transportation system between Trinidad and Tobago, as well as increased competition are being blamed for the drastic decrease in Tobago's hotel occupancy rates recently. As a result, workers are also being sent home. Hoteliers have two main suggestions to solve the problem: provide proper transport and invest in the marketing of Tobago. (TTEExpress, 8 November, 2016)
- A new study by the Inter-American Development Bank (IDB) claims that Trinidad and Tobago stands to lose the most in the Caribbean from a Caribbean Community (CARICOM) Canada Free Trade Agreement. The October 2016 paper entitled "Trade, Economic and Welfare Impacts of the CARICOM-Canada Free Trade Agreement" stated that, "The CARICOM countries expected to experience the most losses in actual dollars from liberalising tariffs on Canadian imports are Trinidad and Tobago (US\$429 million), Jamaica (US\$411.4 million) and The Bahamas (US\$199. million)." (TTEExpress, 8 November, 2016)
- The American Chamber of Commerce of Trinidad and Tobago (Amcham T&T) says it does not expect Trinidad and Tobago's trade with the US to be affected in any way by the change in US government. Reacting to Donald Trump's win in the US presidential polls, Amcham T&T Chief Executive Officer Nirad Tewarie said: "We congratulate the American people on conducting another successful election, from all reports free and fair. We would hope that the rules-based trade will continue and that when the policies are rolled out they are somewhat different from the campaign rhetoric." (TTEExpress, 9 November, 2016)
- According to Claudia Conjaerts, Director of the International Labour Organisation Decent Work Team and Office for the

REGIONAL ECONOMIC NEWS cont'd

- Caribbean, there is a need for better data collection with regard to employment in Trinidad and Tobago. She said that as it stands, there is insufficient data regarding types of employment in the country and figures relating to how many workers are contracted or permanent. As turbulent economic times have resulted in companies laying off workers, she remarked that this data was even more important to determine a way forward. (TTEExpress, 11 November, 2016)
- The Central Bank of Trinidad and Tobago (CBTT) is warning that the oil-rich twin island republic must achieve global compliance standards if it is to avoid being “de-risked” within the international banking system. CBTT Governor, Dr. Alvin Hilaire, said that the consequences of such loss could be severe for the smaller territory, negatively affecting the flow of remittances and all payments for cross-border goods and services and pushing transactions outside of the formal financial system. (TTEExpress, 14 November, 2016)
 - The fall in Trinidad and Tobago exports last year was among the worst in the Americas, according to the Inter-American Development Bank (IDB) in its Trade and Integration Monitor 2016. “While the dominant trend for countries specialised in the export of commodities was a deterioration in the balance of goods, in Central America and in the Caribbean, importers of these products, and especially of oil - except for Trinidad and Tobago - there were improvements that contributed to attenuating their current account deficits,” said Washington-based IDB principal economist, Paolo Giordano, in the report titled “Downshifting” that he co-ordinated. (TTEExpress, 22 November, 2016)
 - A slight slowdown in headline inflation was among the indicators highlighted by the Central Bank of Trinidad and Tobago in its latest Monetary Policy Announcement released on 25th November, 2016. “Core inflation, which excludes food prices, edged upwards to 2.3 per cent in September 2016 from 2.2 per cent in August. Faster price increases within the health and clothing and footwear sub-indices led the pickup in core inflation,” the report stated. (TTGuardian, 26 November, 2016)
 - Liquidity in the Trinidad and Tobago financial system rose slightly this month after falling in October, with commercial rates averaging \$TT3.4 billion daily during the first 21 days of November, the Central Bank of Trinidad and Tobago (CBTT) has reported. The CBTT is reported to have removed TT\$725 million from the system through open market operations while the bank’s sales of foreign exchange to authorized dealers indirectly extracted roughly TT\$500 million. The CBTT said that private sector credit growth remained sluggish in September 2016, as lending to businesses declined for the fourth consecutive month when compared with similar months in 2015. (TTEExpress, 28 November, 2016)

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