



Government of The Republic of Trinidad & Tobago



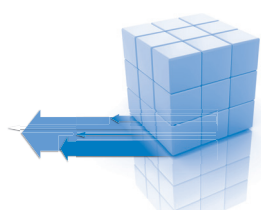
*'Strengthening Efficiency,  
Addressing the Challenges'*

*Vision 2020*

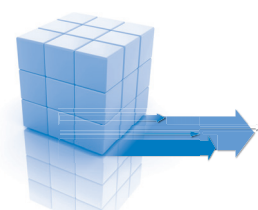
# REVIEW OF THE ECONOMY 2009

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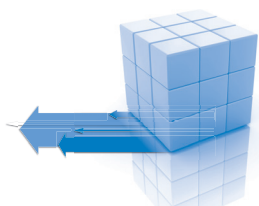


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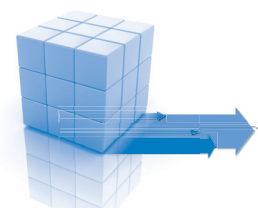


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# THE INTERNATIONAL ECONOMY<sup>1</sup>



United States  
Euro Zone, United Kingdom  
Japan  
Emerging Asia  
Latin America  
CIS Economies  
Middle Eastern Economies  
Africa

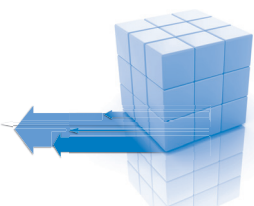
## GLOBAL OVERVIEW

In sharp contrast to the positive growth trend, which averaged 4.0 percent during the period 2000 to 2008, the international economy is in the midst of a severe recession. This downturn in the global economy was propelled by the financial crisis that started in the U.S. as early as 2007. The U.S. financial crisis peaked in August/September 2008 and has since spread, across borders and sectors becoming a financial and economic crisis globally.

While the U.S. faced intensified financial strains and a decline in the housing sector, Western Europe and advanced Asia have been adversely affected by the collapse in global trade, spillover into their financial sectors, and housing market corrections; East Asian countries were negatively impacted by reductions in manufacturing exports; and the emerging European and Commonwealth of Independent States (CIS) economies, had to grapple with a decline in capital inflows.

Notwithstanding the financial and economic crisis, world output grew by 3.2 percent in 2008, This however reflected a decline of the growth rate from previous years, which averaged 5.2 percent in 2007 and 5.1 percent in 2006. World output is expected to fall from US\$60,690 billion in 2008 to US\$ 54,826 billion in 2009 before recovering to US\$55,921 billion by 2010, an increase of 1.9 percent, still lower than output in 2008.

<sup>1</sup> Source: International Monetary Fund, World Economic Outlook, April 2009 World Trade Organisation Various Central Banks and Statistical Offices



Notwithstanding, real GDP is expected to contract across a wide swathe large number of countries in 2009. The biggest output declines are projected in CIS countries, which were impacted by both the reversal of capital flows and plummeting commodity prices. Countries in emerging Europe have to adjust to a sharp curtailment of external financing, as well as a drop in demand from Western Europe. East Asian exporters, like Japan, have been hit hard from the collapse in demand for manufacturing exports. Growth rates are expected to drop sharply in China and India but are still expected to remain robust, given the momentum of domestic demand. Middle Eastern oil exporters are using financial reserves to maintain government expenditure levels to cushion the impact of lower oil prices. In Latin America, recent prudent macroeconomic management in many countries has provided buffers, but their economies are heavily affected by declines in export volumes, weak commodity prices, and tight external financing conditions. African economies are also being squeezed by declines in commodity export prices and export markets, but most are less reliant on external financing.

In the major advanced economies, the fiscal deficit is projected to jump to 10 ½ percent of GDP in 2009 from less than 2 percent in 2007, with half of the deterioration reflecting the impact of fiscal stimulus and financial support. Fiscal imbalances are expected to deteriorate in the emerging and developing economies too, swinging from a small overall surplus in 2007 to a deficit of 4 percent of GDP in 2009, with a relatively large component resulting from declining commodity and asset prices.

Central Banks around the globe reduced their interest rates. Canada's central bank reduced its interest rate by 375 basis points to 0.25 percent in June 2009 from 4.0 percent in January 2008. In Asia, Hong Kong's interest rate as at June 2009 stood at 0.13 percent, down from 1.63 percent in January 2008 whilst interest rates in Japan and Singapore were 0.10 percent and 0.03 percent respectively, down from 0.75 percent and 1.5 percent correspondingly in January 2008.

Globally, consumer prices maintained its upward trend in 2008, increasing by 3.4 percent in advanced economies. However, in 2009, with contracting domestic and global

demand, prices are anticipated to decline in the advanced economies by 0.2 percent. In particular, the United States is expected to experience a decline of 0.9 percent. For developing economies, China and India recorded price increases of 5.9 percent and 8.3 percent respectively in 2008 and estimates for these countries in 2009 are 0.1 percent and 6.3 percent respectively. In Latin America, Brazil and Peru registered consumer price changes in 2008 of 5.7 percent and 5.8 percent respectively, these prices are projected to moderate to 4.8 percent and 4.1 percent respectively in 2009. See Table 1

## UNITED STATES

Real GDP in the U.S. contracted for its fourth consecutive quarter at the end of the second quarter of 2009. Real GDP is projected to contract by 2.8 percent in 2009 from growth of 1.1 percent in 2008.

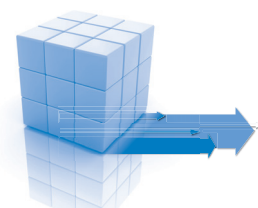
Faced with its financial and economic challenges the U.S. employed a number of measures in an effort to energize its economy. In addition to traditional monetary policy easing, the Federal Reserve resorted to purchases of long-term U.S. Treasury securities and increased its purchases of agency-backed mortgage-backed securities and agency debentures.

At the end of April 2009, the inflation rate contracted by 0.7 percent and is expected to fall by 0.9 percent at the end of 2009.

The U.S. labour market continues to be in turmoil as 6.0 million jobs have been lost since June 2008. This has pushed unemployment rates to 9.5 percent in June 2009 from 5.6 percent in the comparative 2008 period.

## EURO ZONE AND THE UNITED KINGDOM

Most advanced economies in Europe have experienced sharp contractions in economic growth from mid-2008. Real GDP in both the Euro Zone and the United Kingdom contracted at an annual rate of 6 percent during the fourth quarter of 2008 and in the Euro Zone, it is expected to fall by more than 4.0 percent in 2009.



Real GDP in the emerging European economies is projected to contract by approximately 3.7 percent in 2009, down from growth rates of 2.9 percent and 5.4 percent during the years 2008 and 2007 respectively.

Unemployment in the Euro region increased to 9.4 percent in May 2009 compared to 7.4 percent in April of last year.

In order to stimulate the economy the Bank of England had moved to drastically cut policy rates from 5.5 percent in 2008 to 0.5 percent in 2009 whilst the interest rates in the EU nations have been reduced to 1.0 percent.

In emerging Europe, inflation rates are projected to drop significantly from approximately 8.0 percent in 2008 to about 4.2 percent in 2010.

The European Economic Recovery Plan is expected to provide a stimulus of 1 percent of EU GDP in 2009. as a result of which , the aggregate government deficit of euro area countries is projected to rise from about  $\frac{3}{4}$  percent of GDP in 2007 to  $5\frac{1}{2}$  percent in 2009 and 6 percent in 2010.

## JAPAN

Japan's economy contracted by 0.8 percent in 2008 and continued its slide into recession with real GDP falling by 8.8 percent in the first quarter of 2009. The economy is expected to contract by a further 2.9 percent in 2009.

Japan's Central Bank cut its policy interest rate from 0.75 percent in January 2008 to 0.10 percent in June 2009 to address the slowdown in growth and the tightening financial conditions. The central bank also increased liquidity provision, broadened the range of eligible collateral, and started purchasing commercial paper and bonds to ease corporate funding pressures.

Consumer prices in Japan fell by 0.1 percent in April 2009, down from an increase of 1.4 percent during 2008. It is expected that consumer prices will fall by 1.0 percent in 2009 and mild deflation is anticipated to persist until at least 2010. Japan's unemployment rate is expected to increase to from 4.0 percent in 2008 to 4.6 percent in June 2009.

## EMERGING ASIA

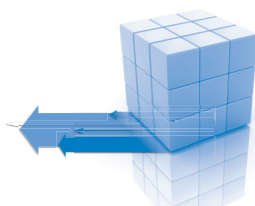
Growth in Emerging Asia, comprising developing asian countries, the newly industrialized asian and Mongolia, is expected to moderated from 6.8 percent in 2008 to 3.3 percent in 2009. Korea and Singapore, however, are expected to experience negative growth rates of 4.0 percent and 10.0 percent respectively in 2009 mainly because of the erosion in demand for consumer durable goods and capital goods in (non-Asian) advanced economies which fell by 4.8 percent in the final quarter of 2008. China and India, with growth rates of 6.5 percent and 4.5 percent respectively in 2009 are leading the growth prospects for the region. The south-eastern Asian (ASEAN) economies have also been severely affected as growth in these economies is expected to decline to zero percent from greater than 6 percent in 2008.

In China, the central bank reduced interest rates and reserve requirements as well as loosened credit ceilings. In India, both the policy rate and reserve requirements have been reduced, and large liquidity injections have eased pressures in money markets. Foreign exchange liquidity shortages have been alleviated by easing controls on capital inflows and introducing foreign exchange swaps for banks. Monetary easing was also pursued by many of the region's central banks including Cambodia, Korea, Malaysia, the Philippines, Singapore, and Thailand.

Notwithstanding the collapse in the export sector, the current account surplus for Emerging Asia is projected to increase to 6.3 percent of GDP in 2009 from 5.5 percent in 2008, owing to considerable improvements in the current account balances of Korea and Taiwan.

## LATIN AMERICA

Growth in Latin America is expected to contract by 1.5 percent in 2009 as compared to a growth of 4.2 percent the previous year. As a group, Caribbean economies are expected to perform marginally better contracting by 0.2 percent in 2009 from a growth rate of 3.0 percent in 2008.





Declining commodity prices have severely affected the larger economies in the region, mainly Argentina, Brazil, Chile, Mexico and Venezuela, which are among the world's major exporters of primary products. Moreover, the economic slump in the advanced economies, mainly the United States, the Region's largest trading partner is eroding external demand, weakening tourism, and reducing remittances. In the face of these developments, credit growth has slowed abruptly, industrial production and exports have declined drastically, and consumer confidence has suffered considerable reversals across the region. As a direct result of this, countries such as Argentina, Brazil and Mexico are expected to experience real GDP contractions of 1.5 percent, 1.3 percent and 3.7 percent respectively in 2009.

Faced with widening output gaps, inflation pressures are expected to abate across the region. Inflation is projected to decline from 8.0 percent in 2008 to about 6.5 percent in 2009. In Chile as inflation is expected to decelerate to 2.9 percent by the end of 2009, down from 8.7 percent in 2008.

Considering the very challenging external environment, most countries are weathering the storm well relative to earlier experiences with global turbulence. The region's current account deficit is projected to widen to slightly more than -2.0 percent of GDP in 2009 compared to 0.75 percent of GDP in 2008.

## CIS ECONOMIES

Among all the regions of the global economy, the CIS countries are forecast to experience the largest reversal of economic fortune over the near term as a result of the squeeze experienced in accessing external funding, the declining demand from advanced economies; and the related fall in commodity prices, notably for energy. Real GDP in the region, which expanded by 8.5 percent in 2007, is projected to contract by just over 5.0 percent in 2009, the lowest rate among all emerging regions.

With currencies under pressure, inflation is expected to remain close to double digits in the net energy exporters, despite slowing activity. Inflation pressures are expected to recede more quickly for the net energy importers.

The current account balance for the area as a whole is expected to be in the order of a zero balance in 2009, a major switch from posting a large current account surplus in 2007–08 largely as a result of falling commodity prices, and the tightening financing conditions.

## MIDDLE EASTERN ECONOMIES

The global crisis has not spared the Middle East. The precipitous fall in the price of oil is hitting the region hard as is the deterioration in external financing conditions. As a result local property and equity markets have come under intense pressure across the region, in the face of deteriorating domestic liquidity conditions. Furthermore, the substantial decline in external demand (including from countries in the Gulf region) is dampening export growth, workers' remittances, and tourism revenues. In the region as a whole, growth is projected to decline from 6.0 percent in 2008 to 2.5 percent in 2009.

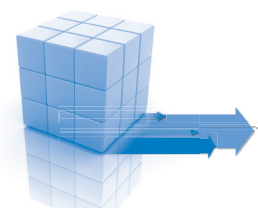
Inflation pressures are projected to subside quickly across the region, owing to lower commodity prices, rents, and economic activity.

Fiscal balances are set to deteriorate substantially as revenues decline and governments use the buffers accumulated during the recent boom to sustain domestic demand by maintaining ongoing investment projects.

The current account balance of the region is expected to swing into a small deficit. With dwindling surpluses in oil producing countries.

## AFRICA

The main shock affecting the continent is the severe deterioration in the demand for African exports and the declines in workers' remittances. The sharp fall in commodity prices is also adversely impacting the performance of the resource-rich countries in the region. Moreover, the tightening of global credit conditions is reducing FDI and reversing portfolio flows, especially to emerging and frontier markets (Ghana, Kenya, Nigeria, South Africa, and Tunisia). These external shocks are causing a severe slowdown in economic activity. For the region as a whole,



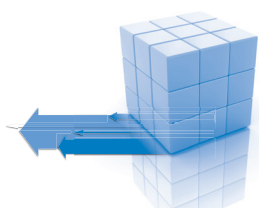
growth is projected to decline from 5.25 percent in 2008 to 2.0 percent in 2009.

Notwithstanding, for the region as a whole, inflation is projected to decrease only gradually from 10.0 percent in 2008 to 9.0 percent in 2009, since the pass-through of commodity price changes to consumer prices is more limited than in advanced economies.

At the same time, fiscal and external balances are expected to deteriorate substantially. As commodity-based revenues dwindle, the overall fiscal position of the region is projected to deteriorate by about 5.75 percentage points, to

a deficit of 4.5 percent of GDP in 2009. This is mainly as a result of a large swing in the fiscal balances of some oil-exporting countries (Angola, Republic of Congo, Equatorial Guinea, and Nigeria).


The current account balance of the region is also projected to worsen, from a surplus of 1.0 percent in 2008 to a deficit of 6.5 percent of GDP in 2009. Again, the deterioration is projected to be most pronounced (in double digits) for many commodity exporters (Algeria, Angola, Gabon, Equatorial Guinea, Nigeria), as both export volumes and prices suffer.

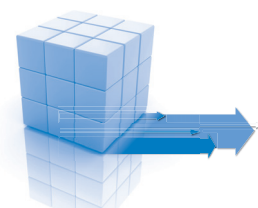


**Table 1: Macroeconomic Indicators for Selected Economies**

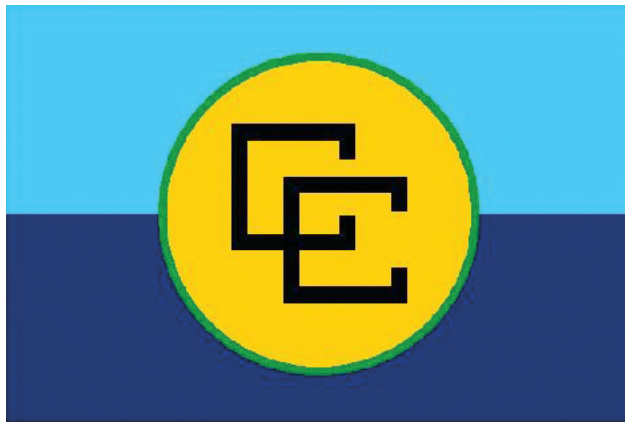
	Real GDP		Consumer Prices		Unemployment (%)		Current Account Balance <sup>1</sup>		Fiscal Balance <sup>1</sup>	
	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009
<b>Advanced Economies</b>										
United States	1.1	-2.8	3.8	-0.9	5.8	8.9	-4.7	-2.8	-6.1	-13.6
Canada	0.5	-2.5	2.4	0.0	6.2	8.4	0.6	-0.9	0.4	-3.4
Japan	-0.6	-6.2	1.4	-1.0	4.0	4.6	3.2	1.5	-5.6	-9.9
Euro Area	0.9	-4.2	3.3	0.4	7.6	10.1	-0.7	-1.1	-1.8	-5.4
<i>United Kingdom</i>	0.7	-4.1	3.6	1.5	5.5	7.4	-1.7	-2.0	-5.4	-9.8
<i>France</i>	0.7	-3.0	3.2	0.5	7.8	9.6	-1.6	-0.4	-3.4	-6.2
<b>Emerging Europe</b>	2.9	-3.7	8.0	4.7	n/a	n/a	-7.6	-3.9	n/a	n/a
<b>Commonwealth of Independent States</b>	5.5	-5.1	15.6	12.6	n/a	n/a	5.0	0.0	n/a	n/a
<b>Newly Industrialised Asia</b>										
Hong Kong	2.5	-4.5	4.3	1.0	3.5	6.3	14.2	7.2	-0.1	-2.3
Singapore	1.1	-10.0	6.5	0.0	3.1	7.5	14.8	13.1	5.0	0.6
<b>Emerging and Developing Asia</b>										
China	9.0	6.5	5.9	0.1	n/a	n/a	10.0	10.3	n/a	n/a
India	7.3	4.5	8.3	6.3	n/a	n/a	-2.8	-2.5	n/a	n/a
<b>Latin America and the Caribbean</b>										
Argentina	7.0	-1.5	8.6	6.7	7.3	8.4*	1.4	1.0	n/a	n/a
Barbados	0.6	-3.5	8.3	1.4	7.9	10.1*	-8.4	-7.2	n/a	n/a
Brazil	5.1	-1.3	5.7	4.8	6.8**	9.0*	-1.8	-1.8	n/a	n/a
Chile	3.2	0.1	8.7	2.9	7.5**	9.2*	-2.0	-4.8	n/a	n/a
Jamaica	-1.2	-2.6	22.0	9.1	7.4*	9.2*	-15.3	-12.5	n/a	n/a
Mexico	1.3	-3.7	5.1	4.8	n/a	n/a	-1.4	-2.5	n/a	n/a
Venezuela	4.8	-2.2	30.4	36.4	n/a	n/a	12.3	-0.4	n/a	n/a
<b>Africa</b>	5.2	2.0	10.1	9.0	6.3	n/a	1.0	-6.5	n/a	n/a
<b>Middle Eastern Countries</b>	5.9	2.5	15.6	11.0	6.1	n/a	18.8	-0.6	n/a	n/a

Source: World Economic Outlook, April 2009: Crisis and Recovery

- <sup>1</sup> Percent of GDP  
 IMF Forecast (unless otherwise stated)  
 \* January - March 2009  
 \*\* End of year  
 n/a not available



# ECONOMIC PERFORMANCE OF CARICOM STATES



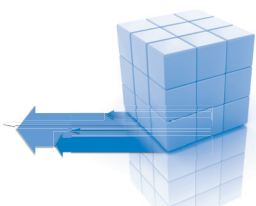
Introduction  
 Barbados  
 Jamaica  
 Guyana  
 OECS Countries

## INTRODUCTION

**The international economic and financial crisis that unfolded in late 2007, presented a formidable challenge for regional economies in 2008. The consequent deceleration in economic activity among the region's major trading partners combined with the passage of several weather systems and rising commodity prices in the first half of the year dramatically impacted the financial and real sectors of economies across the region.**

During calendar 2008, regional growth slowed to approximately 2.9 percent from the 3.9 percent registered a year earlier, with Jamaica and the Bahamas recording contractions of 1.2 and 1.3 percent respectively. Marked decelerations were recorded for Trinidad and Tobago (3.5 percent from 5.5 percent in 2007), the Eastern Caribbean Currency Union (2.5 percent from 5.2 percent in 2007) and Barbados (0.6 percent from 3.4 percent in 2007).

Among the main areas affected were tourism and agriculture. The tourism sector was severely impacted as the regions main source markets Europe and North America were adversely affected by the crisis. In the Bahamas, total visitor arrivals contracted by 3.2% during the first seven months of 2008, whilst over that calendar year, cruise ship arrivals fell by 8.8 percent in Jamaica. In the OECS, after three consecutive years of growth, overall tourist arrivals declined by 0.9 percent, from 3,628,382 visitors in 2007, to 3,595,277 visitors in 2008. In the case of Barbados value-added in the tourism industry declined by 8.2 per-



cent, during the first six months of 2009, with long-stay tourist arrivals being particularly affected, contracting by 8.5 percent in the January to May 2009 period, as double-digit declines were experienced in key source markets – US (-16.0 percent), UK (-10.9 percent) and CARICOM (-14.0 percent).

Tropical storm Gustav brought banana production to a halt in Jamaica and reduced production in Dominica, even as these islands were in the process of recovering from a direct hit by Hurricane Dean in 2007. Disease, adverse weather, increasing input cost and reductions in UK retail prices were responsible for the slowdown faced by St. Vincent and the Grenadines. However, Belize and St. Lucia were able to achieve modest increases in productivity in this industry, as they recovered from last year's hurricane induced slump.

Inflation rates increased during the first half of 2008, as the rising costs for imported food and fuel filtered through to domestic prices within the region. However, declining economic activity on account of the crisis, coupled with the reduction in international commodity prices in the latter half of 2008, contributed to the abating of inflationary pressures. After increasing from 4 percent in December 2007 to 8.6 percent in March 2009, Barbados' twelve-month moving average rate of inflation fell to 8.3 percent in April 2009. Trinidad and Tobago's headline inflation which peaked at 15.4 percent in October 2008, before retreating to 5.9 percent in July 2009. In 2008, the weighted average selling rate of the Jamaica Dollar depreciated by 12.2 percent, causing a rise in domestic prices and precipitating inflation rate of 16.8 percent for the end of the period. Inflationary pressures also spiked over the period for the Organisation of Eastern Caribbean State (OECS), with the Consumer Price Index (period average) growing to 7.5 percent in 2008, from 2.7 percent in 2007.

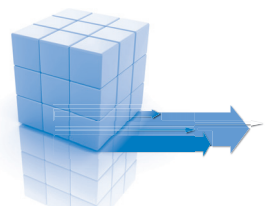
With the exception of the Bahamas where the external account deficit narrowed by 23.9 percent, various CARICOM economies experienced deterioration in their respective external accounts. The deficits when expressed as a ratio of GDP, were most severe in the ECCU (34.7 percent), Guyana (25.6 percent) and Jamaica (21.9 percent).

Capital inflows expanded in the ECCU (0.8 percent), Guyana (28.1 percent) and Jamaica (58.1 percent), but fell in the Bahamas (4.7 percent), Barbados (62.3 percent) and Belize (87.9 percent).

Regionally, the financial sector suffered on account of the international economic and financial crisis, and the consequent squeeze on private capital inflows. The financial difficulties of the CL Financial Group precipitated serious contagion effects on the region's insurance and investment banking sectors prompting government intervention in Trinidad and Tobago, as well as Barbados; liquidation and winding up in the Bahamas; placing of the CLICO subsidiaries under judicial management in Belize and Guyana and government rescue of the affiliated British-American Insurance Company operations in the OECS. This was exacerbated by the failure of the Stanford Group which triggered a run on the affiliated Antigua bank resulting in considerable financial strain in the OECS countries.

## BARBADOS

The growth of the Barbados economy slowed to 0.9 percent during the first nine months of 2008, a marked decrease from the average January-to-September growth rate of 3.4 percent in the preceding five years. The global economic and financial crisis continued to take a toll on the economy, with a 3.0 percent contraction in real economic activity being recorded for the first half of 2009. Slowing economic activity in tourism, as well as in the construction industry were major contributors to the overall diminished growth performance. Output in the traded sectors fell by approximately 6.4 percent over the January – June 2009 period, as weak global demand resulted in sharp reductions in both tourist arrivals and manufacturing outputs. Over the period, value-added in the tourism industry declined by an estimated 8.2 percent, following a 2 percent increase a year earlier. Long-stay tourist arrivals were particularly affected, contracting by 8.5 percent in the January to May period, as double-digit declines in key source markets – US (16 percent), UK (10.9 percent) and CARICOM (14.0 percent) – outweighed a 17.7 percent expansion in arrivals from Canada. The overall contrac-



tion in tourism, together with tight financing conditions resulted in growth in the non-traded sectors declining by 1.9 percent over the first half of 2009.

Declining economic activity, coupled with the reduction in international commodity prices in the latter half of 2008, contributed to abating inflationary pressures. The twelve-month moving average rate of inflation fell to 8.3 percent in April 2009 from 8.6 percent in March 2009. This easing is further evidenced in the reduction of the point-to-point inflation rate from a peak of 11.2 percent in September 2008 to 3.8 percent in April 2009. Also contributing to this contraction were falling costs for housing, fuel and light, as well as transportation, which together outweighed increases in food prices and the cost of medical and personal care.

In line with the contraction in economic activity, the average rate of unemployment expanded to 10.1 percent in the first quarter of 2009, up from the 7.9 percent recorded a year earlier. The rise in unemployment is due in large part to double-digit declines in employment in construction and wholesale and retail trade which overshadowed a marginal increase in the number of persons employed in tourism.

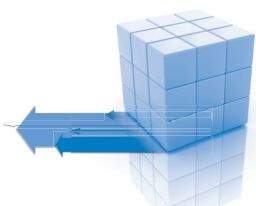
Over the first six months of 2009, the external current account deficit narrowed to approximately US\$83.6 million from US\$249.8 million a year earlier; lower international commodity prices together with the downturn in the Barbadian real economy were reflected in declines in all import categories, with consumer goods contracting by an estimated 24.0 percent, capital goods by 22.5 percent and intermediate goods by 35.3 percent. The estimated 29.2 percent decrease in the value of retained imports over the six month period, partially offset double-digit declines in exports of goods and services. During the first six months of 2009, the surplus on the capital and financial account shrank to US\$33.7 million, from the US\$339.9 million recorded a year earlier. This reduction resulted from an overall decline in capital inflows arising from the tight global financial conditions.

## JAMAICA

In 2008, the Jamaican economy contracted by 0.6 percent compared to growth of 1.4 percent in 2007. The slowdown faced by Jamaica resulted from adverse weather conditions and the effects of the global financial crisis. Real GDP declined across a broad range of sectors including Agriculture, Forestry and Fishing, Manufacturing, Construction and Transport, Storage and Communication. These declines were mitigated somewhat by growth in the Finance and Insurance Services, Wholesale and Retail Trade, Repairs and Installation Machinery and Hotels and Restaurants Industries. The slowdown in economic activity continued into the first quarter of 2009 with real GDP falling by 2.8 percent mainly on account of Jamaica's susceptibility to external shocks. A reduction in alumina production by 29.6 percent and in bauxite production by 27.4 percent accounted for the fall in mining and quarrying output. For the fiscal year 2009/2010 the forecast is for domestic output to contract by 3-4 percent.

In 2008, inflation remained at 16.8 percent as commodity prices surged on the international market and the currency depreciated against the US dollar. The Jamaican dollar continued to depreciate sliding by 12.2 percent for 2008 compared to 4.9 percent depreciation in 2007. This affected the price of imports and the demand for foreign currency. Unemployment increased to 11.1 percent as at January 2009 moving up from 10.3 percent in October 2008.

In 2008, the widening of the balance of payments deficit was driven by a deteriorating current account which grew to US\$3,218.1 million or 21.9 percent of GDP up from US\$2,038.2 million in 2007. Remittances also fell by 12.1 percent (US\$357.8 million) from the previous year. Inflows in the capital and financial accounts were insufficient to finance the current account deficit. For the first four months of 2009 the current account deficit improved by US\$577.4 million to US\$288.2 million, over the corresponding period of 2008. The improvement in the current account reflects mainly a reduction of imports.



## GUYANA

The Guyana economy grew by a modest 3.1 percent in 2008 compared with 5.4 percent in 2007. In terms of the sectoral composition of real GDP, the relative contribution of the agriculture, fishing and forestry sectors fell from 30.1 percent in 2007 to 23.5 percent. The relative contributions of the other sectors changed only marginally in 2008. During the first quarter of 2009, declining output of Sugar, Bauxite and Gold by 11.3 percent, 31.4 percent and 1.5 percent respectively was offset by output increases in rice and diamond by 21.2 percent and 10 percent respectively. In 2009, the Guyana economy is projected to grow by 4.7 percent. The growth is projected to be driven by the agriculture, engineering and construction as well as the services sector.

The monthly average inflation rate decreased from 12.2 percent in 2007 to 8.1 percent in 2008. Price reductions were recorded for Clothing (2.2 percent) and Transport and Communication (7.4 percent). During the first quarter of 2009 the inflation rate dropped sharply to 0.4 percent compared with an increase of 4.8 percent for the corresponding period of the previous year; largely due to lower international fuel and commodity prices as well as falling domestic prices for food items. Given receding inflationary pressures headline inflation is projected to moderate to 5.2 percent in 2009.

The overall balance of payments recorded a surplus of US\$7.0 million for 2008, compared to a deficit of US\$1.4 million in the previous year. This reversal is the result of increased inflows to the non-financial public sector and higher foreign direct investment. At the end of the first quarter of 2009, gross international reserves of the Bank of Guyana had risen to US\$ 405.1 million or the equivalent to 3.6 months of import cover, consistent with the generation of a balance of payments surplus of US\$44.6 million.

During 2008, Guyana's current account deficit widened by 58.2 percent to US\$299.1million due to significant growth in the merchandise import bill, but by the end of the first quarter of 2009, the current account deficit decreased to US\$62.3 million, due to a significant de-

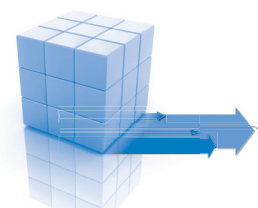
crease in the merchandise import bill as food and fuel prices retreated.

In 2008, the balance on the capital account increased from US\$168.7 million in 2007 to US\$ 305.7 million as a result of a 78.0 percent increase in disbursements to the non-financial public sector.

## OECS COUNTRIES

Overall, economic growth in the economies of the Organisation of Eastern Caribbean States (OECS), moderated to 1.8 percent in 2008 from 5.0 percent in 2007. This slowdown in economic activity, however, was unevenly spread across the countries comprising the OECS. For instance, real GDP contracted in a number of countries including St. Vincent and the Grenadines (-0.5 percent, from 7.0 percent in 2007), and Anguilla (-0.5 percent, from a high of 21.0 percent in 2007). Contrastingly, relatively robust growth was recorded by Montserrat (6.2 percent) due to increased output in the wholesale and retail trade, agriculture and construction sectors. St. Lucia and Dominica also achieved increased economic growth; 2.0 percent (from 1.7 percent in 2007) and 3.2 percent (from 1.8 percent in 2007) respectively. This result was due to strong performances in their agricultural, hotels and restaurants and construction sectors. St. Kitts and Nevis also recorded positive economic growth, registering 2.5 percent in 2008, on account of increased output in the transportation sector. Antigua and Barbuda's economic growth contracted to 2.8 percent in 2008 from 6.9 percent in the previous year. After three consecutive years of increase visitor arrivals, tourist arrivals declined in 2008 by 0.9 percent, from 3,628,382 in 2007 to 3,595,277. Overall, GDP is expected to contract by approximately 2.5 percent in 2009, reflecting further declines in tourist arrivals and a reduced level of construction activity. A slow recovery is expected by 2010 and the medium term prospects are predicated on the rebound of the global economy.

Inflationary pressures spiked over the period, with the Consumer Price Index for the Organisation of Eastern Caribbean States (period average) growing to 7.5 percent in 2008, from 2.7 percent in 2007. This increase in consum-



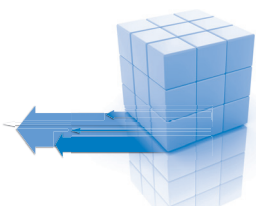
er prices was driven by the rise in international prices of food and oil, the shortage of local agricultural produce in some member states, and the depreciation of the nominal exchange rate contemporaneously with the United States dollar.

In an effort to mitigate the adverse effects of higher inflation, the Eastern Caribbean Currency Union (ECCU) authorities undertook temporary ameliorative measures, including: the suspension of import duties and other taxes on basic consumer items controls on retail mark-ups and profit margins, and limited commodity price subsidies to vulnerable groups. By 2009, inflation is expected to return to its long-run average of 2-3 percent per year, as the regional output gap widens and world food and energy prices retreat alongside the slowing global economy.

A decline in tourism-related foreign direct investment and capital grants, together with increased international commodity prices contributed to the reversal of the overall OECS balance of payment position, from a surplus of EC\$126.4 million in 2007, to a deficit of EC\$50.2 million in 2008. To help alleviate the balance of payment impact, St. Vincent and the Grenadines, Dominica and St. Lucia have requested financing under the International Mon-

etary Fund's (IMF's) Rapid-Access component of the Exogenous Shocks Facility. St. Kitts and Nevis has requested financing under the IMF's Emergency Assistance for Natural Disasters Facility, in the wake of Hurricane Omar's destruction of tourism infrastructure, whilst Grenada has sought an augmentation under its Poverty Reduction and Growth Facility (PRGF) program. Although the Eastern Caribbean Central Bank recorded a capital and financial account surplus of EC\$4,353.9 million in 2008, the recent shocks of CL Financial Holdings and the Stanford group, together with declining capital flows on account of the global crisis, threaten to exacerbate the OECS's adverse external imbalance in 2009.

External current account deficits are projected to narrow in 2009, as a result of dampened demand for imports and favourable movement in the region's terms of trade more than offsetting the impact of continued lacklustre tourism performance and declines in remittances and exports. However, the overall balance of payments is expected to worsen in 2009 as capital inflows continue to decline. The region's fiscal position is also expected to deteriorate markedly in 2009.





# SUMMARY OF MACROECONOMIC PERFORMANCE

## PERFORMANCE OF KEY MACROECONOMIC INDICATORS

**Trinidad and Tobago's economy is expected to contract in real terms by 0.9 percent in calendar 2009, on account of a 5.0 percent contraction in the Non-Petroleum sector which is expected to outweigh a 1.6 percent expansion in the Petroleum sector.**

**In the first quarter of fiscal 2009, unemployment fell to a new historical low of 3.9 percent. In the second quarter, unemployment increased to 5.0 percent.**

Headline inflation declined year-on-year to 5.9 percent at the end of July 2009, from 8.4 percent at the end of June 2009. Food inflation decelerated to 10.1 percent at the end of July, from 16.5 percent at the end of June, and core inflation slowed to 3.8 percent at the end of July, from 4.5 percent at the end of June.

Trinidad and Tobago's narrow money supply increased by 16.8 percent year-on-year in May 2009, compared with an increase of 21.1 percent in May 2008. Similarly, the broad money supply expanded by 16.2 percent year-on-year in May 2009, down from an expansion of 21.4 percent in May 2008.

The Central Bank's repurchase (repo) rate decreased from 8.75 percent in January 2009 to 6.75 percent in August 2009. The median prime rate fell to 12.75 percent from 13.00 percent, during the first seven months of fiscal 2009.

The weighted average buying rate for the United States dollar increased from \$6.1269 in June 2008 to \$6.2324 in November 2008 and has since fluctuated within a narrow band, to stand at \$6.2710 at the end of July 2009.

During fiscal 2009, the Central Government is expected to record an overall deficit of \$8,455.5 million. Revenue is projected to decrease by \$18,918.6 million to \$37,929.2 million, and expenditure is projected to decrease by \$7,482.9 million to \$46,384.7 million.

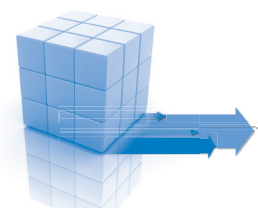
Central Government Debt is projected to increase by 7.2 percent to \$25,316.2 million and Gross Public Sector Debt by 1.3 percent to \$41,477.7 million. Gross Public Sector Debt as a percentage of GDP, is expected to increase from 25.1 percent in fiscal 2008 to 31.6 percent in fiscal 2009.

As at mid-August 2009, the total value in the Heritage and Stabilisation Fund stood at \$18,738.5 million, which represents 14.3 percent of GDP.

Trinidad and Tobago achieved a Balance of Payments Surplus of US\$2,705.5 million during 2008, due to an increase in the current account surplus as a result of the robust performance of the merchandise account. The capital account, however, continued to weaken during 2008, with the deficit expanding by 59.2 percent, to US\$6,086.4 million, largely as a result of the increased capital outflows by the private sector.

During the first half of the fiscal year 2009, this country's trade surplus with the rest of CARICOM countries grew by 39.2 percent to TT\$7,606.3 million, due to an increase in petroleum exports.

Trinidad and Tobago's gross official reserves expanded by 40.6 percent to US\$9,380.3 million in 2008, thus representing 11.5 months of imports of goods and non-factor services.



# THE REAL ECONOMY



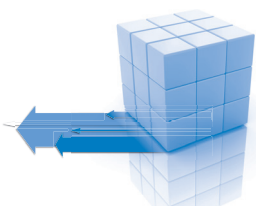
Gross Domestic Product  
 Petroleum  
 Agriculture  
 Manufacturing  
 Services  
 Prices  
 Productivity  
 Population  
 Labour Force and Employment

## GROSS DOMESTIC PRODUCT (GDP)

After recording fifteen years of consecutive economic growth, the Trinidad and Tobago economy is expected to contract in real terms by 0.9 percent in calendar 2009 as a consequence of the international economic and financial crisis which began to unfold in 2007. This contraction follows the deceleration in 2008, during which the economy grew by 2.3 percent, a marked slowdown from the average annual growth rate of 9.2 percent which was achieved over the previous five year period.

Notwithstanding the adverse global economic environment, the Petroleum sector is expected to expand at a modest rate of 1.6 percent in 2009, an improvement on its 0.5 percent contraction in 2008 (**Appendices 1 and 2**).

Petroleum Sector output is expected to improve marginally by 1.6 percent driven in part by the continued growth momentum in Refining (including Atlantic LNG), which is expected to grow by 5.7 percent in 2009, following its 4.9 percent expansion in 2008. The improved outlook for Refining is based upon projected expansions in oil refining (3.1 percent), processed gas (14.4 percent), and LNG (4.6 percent). Exploration and Production output is projected to increase by 1.3 percent in 2009, following a decline of 1.1 percent in 2008. A turnaround is also anticipated in Petrochemicals, which is forecasted to expand by 4.0 percent in 2009, following a decline of 3.3 percent in 2008. Overall, the Petroleum sector is expected to account for 40.7 percent of the real economy in 2009, a marginal increase from 39.7 percent in 2008.



The Non-Petroleum sector is expected to decline by 5.0 percent in 2009 and its contribution to total GDP is expected to fall from 59.0 percent in 2008, to 56.6 percent in 2009. The downturn in the Non-Petroleum sector during 2009 is being driven by a projected 6.3 percent contraction in its largest component, the Services sub-sector. This is in contrast to the 3.2 percent expansion in Services recorded in 2008. As the dominant Non-Petroleum sub-sector, the Services sub-sector is expected to account for 47.4 percent of real GDP in 2009. In 2009, the contraction in the Services sub-sector is expected to outweigh the expansion in the Manufacturing sector, which is expected to decrease from 5.2 percent in 2008 to 2.8 percent in 2009. Manufacturing sector output is expected to constitute 8.7 percent of the real economy in 2009. Economic activity in the Agricultural sector is forecasted to decline by 1.0 percent in 2009, in contrast to the strong expansion of 10.7 percent recorded in 2008.

## PETROLEUM

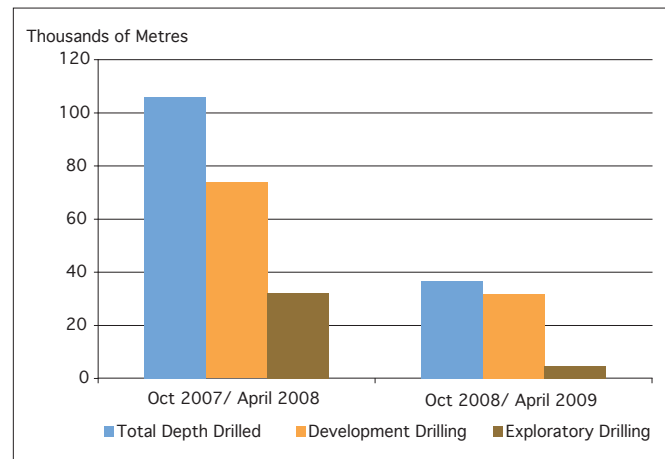
### Drilling

Petroleum companies drilled a total depth of 36.6 thousand metres during the October 2008 to April 2009 period, representing a decline of 65.4 percent when compared to the 105.8 thousand metres drilled in the previous comparative period. Onshore drilling fell by 46.7 percent to 18.8 thousand metres, and likewise marine drilling, by 74.8 percent to 17.8 thousand metres. The number of wells drilled fell by 70.7 percent, from 75 in the 2007/2008 period to 22 in 2008/2009. Development drilling declined by 56.8 percent to 31.9 thousand metres, with the number of devel-

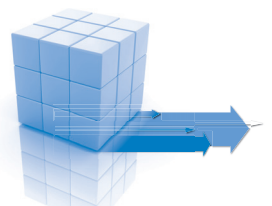
opment wells drilled dropping to 21 from 66. Exploratory drilling declined by 85.3 percent to 4.7 thousand metres, with 1 exploratory well being drilled, down from 9 in the previous comparative period (**Appendix 5**).

The decline in exploratory and development drilling was due primarily to the withdrawal of petroleum companies from their drilling commitments under production sharing contracts as these had become unattractive due to the lower petroleum prices in the wake of the global economic crisis. BHP Billiton concluded its active drilling campaign on the Angostura field. EOG Resources Inc. also ended its active drilling campaign in its Oilbird field. Trinmar's infill drilling programme was stalled in the second quarter of calendar 2008 due to capital limitations. Petrotrin also reduced its drilling activities due to existing market conditions.

**Figure 1: Development and Exploratory Drilling**



Source: Ministry of Energy and Energy Industries



**Table 2: Oil and Gas Prices**

	2008			2009					
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
<b>Crude Oil (Spot Price US\$/ Barrel)</b>									
European Brent	71.58	52.45	39.95	43.44	43.32	46.54	50.18	57.30	68.61
West Texas Intermediate	76.61	57.31	41.12	41.71	39.09	47.94	49.65	59.03	69.64
<b>Natural Gas (US\$/Thousand Cubic Feet)</b>									
Henry Hub	6.94	6.87	5.99	5.40	4.65	4.08	3.62	3.96	3.91

Source: Energy Information Administration (US)

### Crude Oil

Production of crude and condensate amounted to 23.4 million barrels during the period October 2008 to April 2009, a decline of 5.1 percent from the corresponding 2007/2008 period (**Appendix 5**). Crude production decreased by 8.7 percent to 17.2 million barrels. Condensate production increased by 8.0 percent to 6.2 million barrels. The share of marine production to total production declined for the third consecutive year, to 78.7 percent from 79.2 percent in the 2007/2008 period.

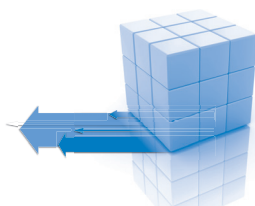
An immediate impact of the global economic crisis on Trinidad and Tobago has been the sharp decline in the prices of its major energy export products, including crude oil. Following its daily high of US\$145.31 per barrel in early July 2008, the price of a barrel of West Texas Intermediate oil (WTI) plummeted to a daily low of US\$30.28 per barrel on December 23<sup>rd</sup> 2008. Accordingly, the monthly average WTI price trended downwards during the first five months of fiscal 2008/2009, from US\$76.61 per barrel in October 2008, to US\$39.09 per barrel in February 2009. In the following months the monthly average price increased steadily to reach US\$69.64 per barrel in June 2009. Over the nine month period October 2008 to June 2009, WTI averaged US\$53.57 per barrel which represents a 48.6 percent decline from its average price of US\$104.21 per barrel during the October 2007 to June 2008 period.

The price of a barrel of European Brent crude oil averaged US\$52.60 per barrel during the October 2008 to June 2009 period, which was 48.6 percent below its average price of US\$102.30 per barrel in the comparative 2007/2008 period. As was the case with WTI, the average monthly price of Brent crude fell from US\$71.58 per barrel in October 2008 to US\$39.95 per barrel in December 2008, then increased to US\$68.61 per barrel in June 2009.

### Natural Gas

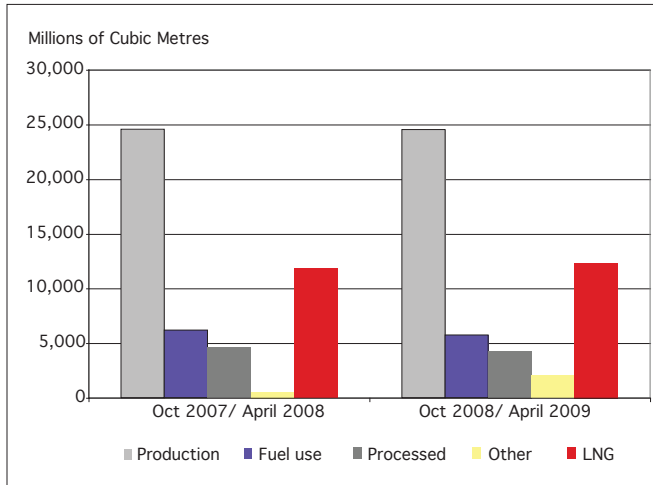
Production of natural gas declined marginally (by 0.1 percent) during the first seven months of fiscal 2008/2009 to 24,521 million cubic metres, from 24,537 million cubic metres in the similar 2007/2008 period (**Appendix 6**). This decrease reflects a decline in domestic demand for natural gas as a number of downstream industrial plants at Point Lisas have either cutback on production or gone offline amidst the drop in global commodity prices.

Approximately 50.5 percent of natural gas produced in the October 2008 to April 2009 period was utilised for the production of liquefied natural gas (LNG). LNG usage increased by 4.4 percent to 12,393 million cubic metres, from 11,875 million cubic metres in the October 2007 to April 2008 period. The other main uses of natural gas in the current period were as a fuel source for various indus-



trial plants (5,730 million cubic metres), and as processed gas or feedstock for petrochemical plants (4,306 million cubic metres). These however reflect declines of 7.1 per cent and 7.4 per cent respectively, when compared to the previous period.

**Figure 2: Natural Gas Production and Utilisation**



Source: Ministry of Energy and Energy Industries

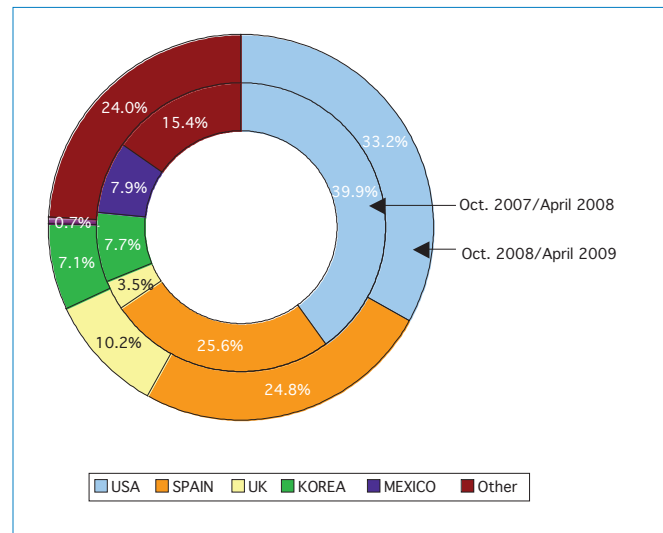
The monthly average Henry Hub price of natural gas declined steadily during the first seven months of the fiscal year, from US\$6.94 per thousand cubic feet in October 2008 to US\$3.62 per thousand cubic feet in April 2009, and remained slightly below the US\$4.00 per thousand cubic feet level in the following two months. During the October 2008 to June 2009 period, the Henry Hub price averaged US\$5.05 per thousand cubic feet, a 45.6 per cent decline from the average price of US\$9.28 per thousand cubic feet recorded in the corresponding 2007/2008 period.

The United States remained Trinidad and Tobago’s leading LNG export destination during the first seven months of fiscal 2008/2009, receiving 33.2 per cent of this country’s total LNG exports or 129.1 billion cubic feet of LNG. This, however, represents declines of 6.7 per cent in market share and 22.4 per cent of US imports when compared to the comparative 2007/2008 period, and reflects increased shipments of LNG to higher priced markets in Europe and Asia. This shift towards markets in Europe and Asia re-

duced Trinidad and Tobago’s contribution to total United States imports from 88.9 per cent in 2007/2008 to 57.8 per cent in the current year.

LNG exports to Spain, Trinidad and Tobago’s second leading LNG-export market, increased marginally by 1.8 per cent during the October 2008 to April 2009 period. Spain’s share of total LNG exports however fell from 25.6 per cent to 24.8 per cent. Trinidad and Tobago exported LNG to fifteen other countries during the first seven months of fiscal 2008/2009, including, in order of share size: the United Kingdom (10.2 per cent); Korea (7.1 per cent); Portugal (3.6 per cent); and India (3.1 per cent).

**Figure 3: Exports of LNG by Destination**



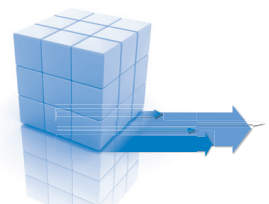
Source: Ministry of Energy and Energy Industries

**Petrochemicals**

During the first seven months of 2008/2009 declines were recorded in the production of all major petrochemicals compared to the corresponding period of 2007/2008.

Ammonia production declined by 0.9 per cent, to 2,889 thousand tonnes from 2,916 thousand tonnes in 2007/2008. Exports of Ammonia likewise fell by 1.8 per cent to 2,631 thousand tonnes, from 2,679 thousand tonnes. (Appendix 7).

Urea production declined by 4.5 per cent to 383 thousand tonnes from 401 thousand tonnes. Export sales of Urea



however increased, by 1.0 percent to 394 thousand tonnes during October 2008 to April 2009.

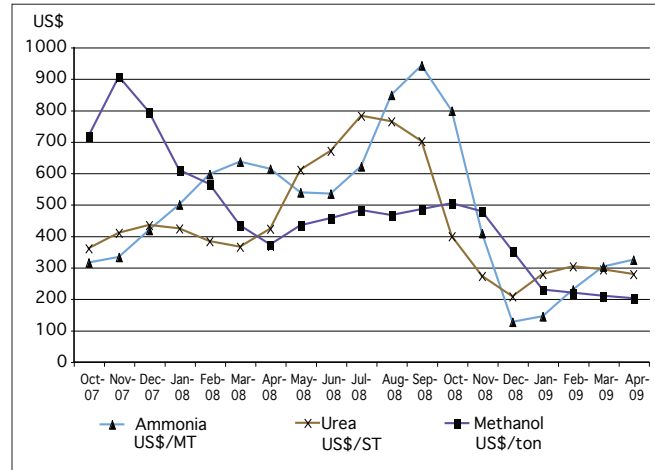
Methanol production declined by 9.9 percent to 3,088 thousand tonnes, from 3,428 thousand tonnes. Export sales of Methanol also declined by 7.8 percent to 3,124 thousand tonnes, from 3,387 thousand tonnes (Appendix 7).

During the review period, prices for Ammonia and Urea were volatile while the price of Methanol declined steadily. Following its peak in September 2008 at US\$940.63 per metric tonne, the Tampa US Gulf spot price for Ammonia plummeted to US\$125.00 per metric tonne in December before rebounding somewhat to US\$323.00 per metric tonne in April 2009. Ammonia averaged US\$332.25 per metric tonne on the Tampa US Gulf Spot market during the first seven months of the fiscal year, which represented a decline of 31.7 percent from the comparative period of the previous fiscal year.

Urea prices followed a similar trend. After hitting highs of over US\$780.00 per tonne in July/August 2008, the US granular spot price for Urea reached a low of US\$205.88 in December and rebounded slightly to US\$277.63 in April 2009. Urea averaged US\$289.23 per tonne on the US Gulf granular spot market during October 2008 to April 2009, which was 27.4 percent less than the US\$398.70 per tonne average recorded for the corresponding period of 2007/2008.

Over the 2008/2009 review period, international methanol prices continued the steady decline experienced in 2007/2008. The US Gulf Barge Spot price of Methanol which averaged US\$626 per tonne, during October 2007 to April 2008 fell by 50.2 per cent to an average of US\$312 per tonne in the 2008/2009 period. Methanol prices declined from a monthly average of US\$502 per tonne in October 2008 to a monthly average of US\$200 per tonne in April 2009.

Figure 4: Petrochemicals Prices

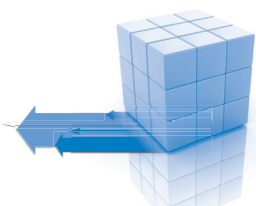


Source: Ministry of Energy and Energy Industries

## AGRICULTURE

Despite agricultural output increasing during the six-month period, October to March 2009, the Agriculture sector is expected to contract marginally by 1.0 percent in 2009, in contrast to its 10.7 percent expansion in 2008, as a result of the continued weakening of Domestic Agriculture, which is forecasted to contract by 4.1 percent, following on a 1.3 percent contraction in 2008. The reduction in Domestic Agriculture is expected to outweigh a 3.9 percent increase in Sugar Refining and a 63.9 percent increase in Export Agriculture during 2009. The Agricultural sector is projected to account for 0.5 percent of real GDP in 2009.

During October 2008 to March 2009, positive performances were recorded in the production of rice, poultry, pork, citrus, cassava, pumpkin and green leafy vegetables. Strong growth was also recorded in Cocoa production, which after many years of decline, is showing the benefits of the Cocoa and Coffee Board's ongoing rehabilitation programme. Declines were sustained in some traditional growth areas such as watermelons and tomatoes, due in part to unfavourable climatic conditions. Copra production also continued its downward trend due to pests and disease.



## Domestic Agriculture (October 2008-March 2009)

### Root Crops

Cassava production increased by 46.8 percent to 1,658,700 kilograms in 2008/2009 compared to production of 1,130,000 kilograms in the 2007/2008 period. Declines were recorded in dasheen and eddo production due to adverse climatic conditions and competition from neighbouring CARICOM suppliers.

### Vegetable Production

The vegetable sub-sector was negatively impacted by the country's weather patterns and flooding. Despite these setbacks, positive growth was achieved in the output of pumpkins, patchoi, dasheen bush, cauliflower, and ochro. Declines were recorded in the production of cabbage, tomato, sweet pepper and melongene.

### Paddy Production

Rice production increased by 9.3 percent to 3,266.8 metric tonnes during 2008/2009, from 2,988.6 metric tonnes in the corresponding previous period. The positive performance of this sub-sector is expected to continue in light of the increase in the guaranteed price of rice, which took effect from February 2009.

### Other Crops

Pawpaw production increased by 62.7 percent to 669,100 kilograms compared to 411,330 kilograms in the 2007/2008 period. This increase reflects the introduction of contractual arrangements involving pawpaw farmers and the Trinidad and Tobago Agri-Business Association.

Pineapple production increased by 19.6 percent to 699,800 kilograms from 584,920 kilograms in the 2007/2008 period.

### Citrus

Deliveries of citrus to the Co-operative Citrus Growers' Association (CCGA) increased by 12.0 percent to 648,800 kilograms, from 579,500 kilograms in the 2007/2008 period. Production of Grapefruit also increased, by 1.3 percent to 451,400 kilograms, from 445,500 kilograms in 2007/2008.

### Copra Production

During the 2008/2009 period, copra production continued to fall due to poor weather conditions and the impact of various pests and diseases, such as red ring, heart rot, and red palm mite. As a result, output declined by 16.4 percent to 199,100 kilograms, from 238,142 kilograms in the previous comparative period.

### Poultry

Production of broiler meat increased by 1.3 percent to 45,060.1 thousand kilograms, up from 44,495.1 thousand kilograms in the comparative 2007/2008 period. During the period, poultry farmers were confronted with the challenges of the high cost of feed and labour, and increased competition from imported chicken parts as a result of the lowering of duties.

### Pork

Notwithstanding the challenge of high feed prices, and the effects of the outbreak of swine flu which temporarily raised concerns over the safety of pork consumption, pork production increased by 5.2 percent to 1,970 tonnes, in the fiscal 2008/2009 period, up from 1,873.2 tonnes in the corresponding period of fiscal 2007/2008.

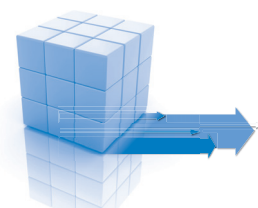
### Dairy and Beef

Milk production declined by 14.6 percent to 2,017.6 thousand litres in the fiscal 2009 period, compared to the production of 2,362.7 thousand litres for the corresponding period of fiscal 2008. Over the past four years milk production has been steadily declining as a result of reduced profitability linked to high production costs. This has acted as a disincentive to improving physical infrastructure, technology and farm management practices.

Beef production declined by 42.2 percent to 112,400 kilograms in the fiscal 2009 period, compared to 194,600 kilograms in the previous comparative period.

### Small Ruminants

In the first half of fiscal 2008/2009, a total of 63,600 kilograms of goat meat, and 58,000 kilograms of mutton were produced. These results are associated with increased



investments in stock and technology at the private and state level.

## Export Agriculture

### Cocoa

During the period October 2008 to March 2009, cocoa production increased by 36.0 percent to 224,829.5 kilograms from its level for the corresponding period of the previous fiscal year. Exports of cocoa increased by 98.7 percent to 201,222 kilograms, up from 101,250 kilograms in the previous comparative period.

These results reflect the Cocoa and Coffee Board's ongoing 'Cocoa Revitaliser Programme' which has brought about a positive turnaround in the cocoa industry. Over the past three years, capital to the value of \$8 million has been injected into the industry to facilitate the revitalisation of 246 farms. These farms cover approximately 2,390 acres, of which, 830 acres have been rehabilitated or improved, and 1,560 acres have been provided with new plantings.

## MANUFACTURING

Impacted by the effects of the international economic crisis and the consequent fall in local and foreign demand for its products, Trinidad and Tobago's manufacturing sector is projected to grow in real terms at a slower rate of 2.8 percent in 2009, from 5.2 percent in 2008. The sector is however expected to account for 8.7 percent of real GDP in 2009, up from 8.4 percent in 2008.

Growth is projected in four sub-sectors: Textile, Garments and Footwear (15.2 percent); Food, Beverages and Tobacco (8.2 percent); Printing, Publishing etc. (7.5 percent); and Miscellaneous Manufacturing (0.7 percent). Contractions are projected in three sub-sectors: Chemicals and Non-Metallic Minerals (8.6 percent); Assembly Type and Related Industries (4.7 percent); and Wood and Related Products (1.1 percent).

Food, Beverages and Tobacco, the largest Manufacturing sub-sector, is expected to grow by 8.2 percent in 2009, a marked slowdown from its 15.4 percent expansion in 2008. Contributing to the deceleration of this sub-sector are anticipated declines in production relating to pro-

cessed fruit and vegetables (10.3 percent); reinforced by lower growth in the output of dairy products (7.7 percent); tobacco (24.1 percent); and alcoholic beverages (7.4 percent). Improved production performances are however expected in grain and feed mills (20.5 percent), and bakeries (10.3 percent).

Improved performances are also projected in Printing, Publishing etc. (7.5 percent), buoyed by a 17.3 percent expansion in Printing; and in Miscellaneous Manufacturing (0.7 percent), which is a turnaround from the 5.2 percent contraction recorded in 2008.

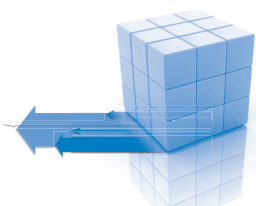
Growth in the Textiles, Garments and Footwear sub-sector, is expected to remain strong despite moderating somewhat from 22.9 percent in 2008 to 15.2 percent in 2009.

The performance of the Wood and Related Products sub-sector improved marginally, contracting by 1.1 percent in 2009 compared to a contraction of 2.1 percent in 2008.

A 4.7 percent contraction is forecasted for Assembly Type and Related Industries, the second largest Manufacturing sub-sector in 2009, following an expansion of 2.1 percent in 2008. Declines in output are expected in iron and steel (29.8 percent); boat building and ship repair (12.2 percent); electrical apparatus and supplies (10.4 percent); and assembly and repair of household appliances (10.4 percent). In contrast, increases are projected in the output of batteries, mufflers and radiators (23.6 percent); tyres and tubes (23.6 percent); and metal furniture (3.1 percent).

The third largest Manufacturing sub-sector, Chemicals and Non-Metallic Minerals, is also expected to contract in 2009, by 8.6 percent, following on the 5.4 percent contraction recorded in 2008. Declines in output are forecasted in the production of industrial gases and paints (15.3 percent); glass and glass products (29.1 percent); PVC plastic products (29.1 percent); cement (9.3 percent); and concrete blocks and ready-mix concrete (24.2 percent). In contrast, the output of clay bricks is expected to increase by 8.4 percent.

During the first quarter of fiscal 2008/2009, total exports of manufactured goods and articles increased by 39.7 percent to \$1,493.7 million, compared to \$1,069.3 million in the first quarter of fiscal 2007/2008. This occurred





despite a 6.3 percent decline in manufactured exports to CARICOM countries to \$351.5 million, from \$375.4 million in the previous comparative period. During the second quarter of fiscal 2008/2009, total manufacturing exports declined by 31.3 percent to \$1,031.7 million, from \$1,500.8 million in the second quarter of fiscal 2007/2008. However manufacturing exports to CARICOM countries increased by 16.0 percent to 478.1 million, from \$412.2 million in the previous comparative period. Over the entire six-month period October 2008 to March 2009, total manufacturing exports declined by 1.7 percent to \$2,525.4 million compared to one year earlier, whilst manufacturing exports to CARICOM countries increased by 5.3 percent to \$829.7 million.

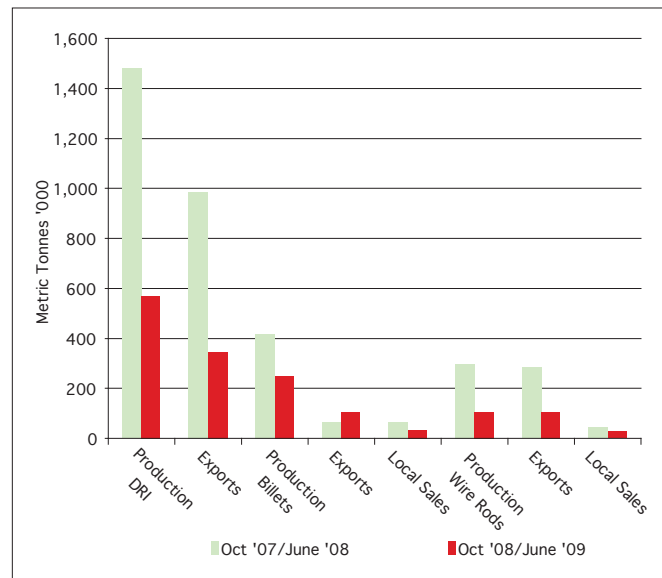
### Iron and Steel

Production of iron and steel products declined by 57.8 percent during the period October 2008 to June 2009, when compared to the October 2007 to June 2008 period. Direct Reduced Iron (DRI) production fell by 61.4 percent to 570.8 thousand metric tonnes (**Appendix 8**). This was as a result of adverse market conditions, and shutdowns of direct reduction plants for maintenance. Billet and Wire Rod production also declined by 40.3 percent and 64.3 percent respectively, as a result of temporary plant closures related to maintenance and industrial relations issues.

DRI and wire rod exports also declined during the October 2008 to June 2009 period by 64.9 percent to 346.7 thousand metric tonnes, and by 63.6 percent to 103.3 thousand metric tonnes respectively. Billet exports however increased by 64.4 percent to 103.3 thousand metric tonnes during the period under review.

Sales of billets and wire rods on the local market fell by 48.9 percent to 33.6 thousand metric tonnes and by 36.6 percent to 27.7 thousand metric tonnes respectively.

**Figure 5: Production, Exports and Sales of Iron and Steel**



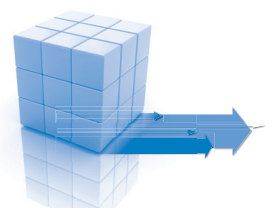
Source: ArcelorMittal Point Lisas Ltd.

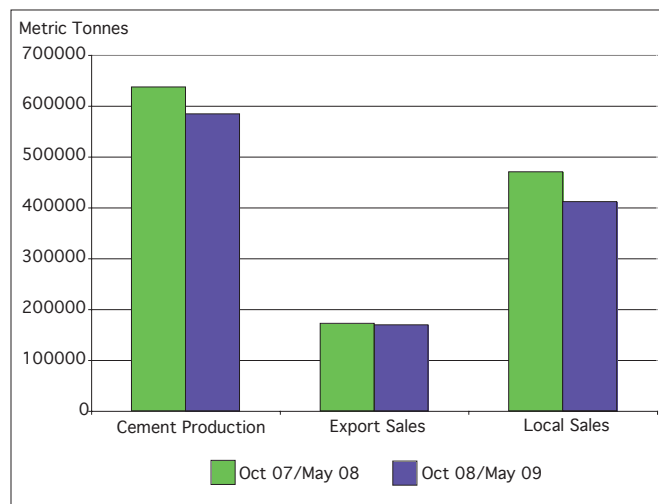
### Cement

Cement production declined during the period October 2008 to May 2009, by 8.3 percent from the 637.1 thousand metric tonnes produced in the October 2007 to May 2008 period to 584.0 thousand metric tonnes.

Total sales of cement fell by 9.6 percent to 581.2 thousand metric tonnes from the 642.7 thousand metric tonnes which were sold in the previous period. This reduction was largely due to a 12.5 percent fall in local sales, to 411.7 thousand metric tonnes from 470.4 thousand metric tonnes.

Export sales likewise decreased by 1.6 percent to 169.5 thousand metric tonnes from 172.3 thousand metric tonnes in the previous period. The share of exports to total sales rose to 29.2 percent in the October 2008 to May 2009 period, from 26.8 percent one year earlier.



**Figure 6: Cement Production**

Source: Trinidad Cement Limited

## SERVICES

The Services sub-sector is expected to contract by 6.3 percent in 2009, down from its 3.2 percent expansion in 2008. Within the Services sector, output growth in Finance, Insurance, and Real Estate, etc., the leading sub-sector, is projected to slow to 1.0 percent from 3.9 percent in 2008, reflecting slower growth in commercial banking (13.0 percent); and in non-bank financial institutions (1.8 percent); amidst declines in real estate (14.0 percent); professional services (11.8 percent); advertising services (21.1 percent); machinery and equipment rental (23.2 percent); and miscellaneous business services (8.9 percent).

In the second largest Services sub-sector, Distribution and Restaurants, real economic activity is expected to contract by 12.7 percent, following an expansion of 9.8 percent in 2008. Influencing this result is a 12.7 percent fall in wholesale and retail trade, which is a marked reversal from the 11.9 percent expansion in 2008. The third largest Services sub-sector, Construction and Quarrying, is projected to contract by 14.9 percent, following its 3.1 percent expansion in 2008.

Following a contraction in 2008 of 4.1 percent, a further contraction of 6.1 percent is projected in 2009 in the fourth largest Services sub-sector, Transport Storage and

Communication. This reflects contractions in economic activity relating to airlines; bus services; television; cable; airports; and telecommunications. Contractions are also expected in three of the remaining five Services sub-sectors, namely, Hotels and Guest Houses (29.2 percent); Government (1.7 percent); and Electricity and Water (1.1 percent). The only Services sub-sectors which are expected to record improved performances during 2009 are Personal Services (6.2 percent), and Education and Cultural Services (2.7 percent).

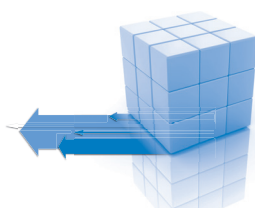
## Construction

Economic activity in the Construction and Quarrying industry is expected to decline for the first time in seven years, with the industry contracting by 14.9 percent in calendar 2009. This follows on the industry's deceleration to 3.1 percent during 2008 from 8.9 percent in 2007.

With the completion or near completion of a number of major construction projects, and as private and public construction expenditure slows in the wake of the global economic crisis, the demand for domestically produced materials for use in heavy construction activity has fallen sharply. Local sales of cement which grew by 8.6 percent in 2007, and by 2.9 percent in 2008, is projected to fall by 9.3 percent in 2009. Production of concrete blocks and ready mix concrete is expected to fall by 24.2 percent in 2009, following a similar decline of 24.4 percent in 2008. Likewise, a 29.1 percent decline in the production of plastic products for construction (PVC pipes and fittings) during 2009 is expected, continuing the trend experienced in 2008 when production fell by 11.7 percent.

The growth in the production of clay bricks is expected to moderate somewhat from 13.8 percent in 2008 to 8.4 percent in 2009 on the strength of continued resilience in residential construction.

The contribution of the Construction and Quarrying industry to the country's real Gross Domestic Product is expected to fall to 6.9 percent in 2009, from 8.0 percent in 2008.



## Tourism

During the period January to October 2008, visitor arrivals to Trinidad and Tobago declined by 7.2 percent to 392,457 persons from 423,097 persons in the corresponding period of 2007. Of total arrivals, 347,497 persons visited Trinidad, a decrease of 4.1 percent, while 44,960 persons visited Tobago, a decrease of 25.8 percent. The decline in total visitor arrivals during this period reflects fewer airline arrivals to Tobago and fewer cruise ship arrivals to Trinidad.

### Airline Arrivals

According to preliminary estimates, approximately 363,649 air passengers visited Trinidad and Tobago during the January to October 2008 period. This represents a marginal decrease of 0.2 percent from the 364,413 air passengers which arrived during the comparative 2007 period. Of this number, 333,175 passengers arrived in Trinidad, an increase of 6.5 percent, and 30,474 passengers arrived in Tobago, a decrease of 40.9 percent. Trinidad's share of airline arrivals increased as a result to 91.6 percent in the 2008 period, from 85.9 percent in the comparative 2007 period.

The majority of airline arrivals (55.4 percent) originated from North America, of which 42.8 percent came from the United States. CARICOM and Europe were the other primary sources of air arrivals, providing 20.1 percent and 14.9 percent of air passengers respectively. Among CARICOM countries, Guyana and Barbados continued to provide the greatest number of air visitors (5.8 percent and 4.5 percent respectively). The United Kingdom was the dominant source of air travellers (10.3 percent) emanating from Europe. Visitors for recreational pursuits outstripped business visitors by a two-to-one margin.

### Cruise Ship Arrivals

A total of 72 cruise ships visited Trinidad and Tobago in calendar 2008, which was 15 fewer than in calendar 2007. Trinidad and Tobago received 48,742 cruise passengers during 2008, 28,380 fewer than in 2007. Of these, passengers landing in Trinidad decreased by 64.9 percent, whilst passengers landing in Tobago increased by 94.0 percent.

There was a marked increase in cruise ship activity on both islands during the first four months of calendar 2009, with 28 vessels arriving in Trinidad, compared to 18 in the first four months of 2008. Similarly, the number of vessels arriving in Tobago increased to 38 compared to 22 vessels for the corresponding period of 2007. Cruise ship passengers to Trinidad increased by 167.2 percent to 38,270, whilst passengers to Tobago, increased by 375.5 percent. Overall, a total of 82,706 cruise passengers visited Trinidad and Tobago aboard 66 cruise ships during the January to April 2009 period, compared to 23,668 passengers aboard 40 vessels in the January to April 2008 period.

### Yachting Arrivals

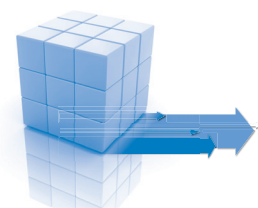
A total of 1,843 yachts harboured in Trinidad and Tobago during calendar 2008 representing an increase of 8.9 percent from 2007. Chaguaramas, a sheltered, natural harbour located below the hurricane belt, is the main attraction to Trinidad and Tobago for yachtsmen.

During the period January to June 2009, a total of 993 yachts anchored in Trinidad and Tobago. This represents a 13.1 percent decrease from the 1,143 yachts for the comparable 2008 period. As is customary, the greatest number of yachts arrived in the month of May (190) on account of the annual yacht racing competition, the Angostura Regatta, which is held in Tobago during that period.

## PRICES

Inflationary pressures accelerated during most of 2008 posing a significant challenge for macroeconomic management. These pressures eased during the first six months of 2009, with year-on-year headline inflation falling to 5.9 percent in July, its lowest level since January 2005.

The consumer price level increased by an annual average of 12.0 percent during 2008, from the annual average rate of 7.9 percent recorded during 2007 (Appendix 9). Headline inflation which stood at 10.0 percent in January 2008, peaked at 15.4 percent in October 2008. Food prices, which account for 18 percent of the consumer basket, exerted a strong influence on this inflationary outcome. Prices of Food and Non-Alcoholic



Beverages rose by an annual average of 25.9 percent in 2008, up from 17.4 percent in 2007. Also contributing to domestic inflation in 2008 were price increases related to Recreation and Culture (9.3 percent); and Housing, Water, Electricity, Gas and Other fuels for the home (5.6 percent). During 2008, the Central Bank intensified its liquidity absorption measures increasing its 'repo' rate from 8.00 percent in January 2008 to 8.75 percent in December 2008, intensifying its programme of open market operations and increasing its reserve ratio requirement for commercial banks.

Inflationary pressures abated significantly during the first seven months of 2009, with consumer prices rising by a marginal 0.6 percent, compared with the 8.7 percent increase recorded during the corresponding 2008 period. This deceleration was largely on account of falling food inflation, which declined to 10.1 percent year-on-year in July 2009 from a high of 34.6 percent in September 2008. Over the same period, absolute declines were recorded for bread and cereals; and milk, cheese and eggs. Slower year-on-year increases were recorded for; vegetables, oils, fats and fruits.

Core inflation also slowed to 3.9 percent in July on a year-on-year basis from 4.5 percent in June. This represents the lowest core inflation rate since September 2007.

The slowdown in global economic growth arising from the international economic and financial crisis has dampened consumer and business optimism locally and has precipitated a broad-based softening in domestic economic activity. These conditions are expected to continue to dampen inflationary pressure during the remainder of 2009.

## PRODUCTIVITY

According to the latest All Items Index of Productivity, the productivity of all workers in all industries increased by 7.2 percent during calendar 2008 compared to an increase of 10.9 percent in calendar 2007 (**Appendix 9**). Productivity growth was reported in Oil and Natural Gas Refining (42.4 percent); Sugar (36.7 percent); Wood and Related

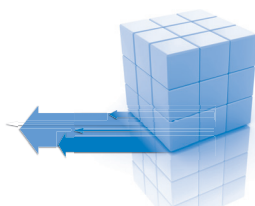
Products (30.1 percent); Textiles, Garments and Footwear (26.3 percent); Drink and Tobacco (20.9 percent); Food Processing (19.9 percent); Miscellaneous Manufacturing (4.6 percent); and Exploration and Production of Oil and Natural Gas (1.4 percent). These were mitigated somewhat by productivity declines in Assembly Type and Related Products (13.2 percent); Petrochemicals (8.3 percent); Electricity (6.3 percent); Printing, Publishing and Paper Converters (6.0 percent); Chemicals (4.0 percent) and Water (1.3 percent).

The productivity of all workers in all industries decreased by 2.2 percent during the first quarter of fiscal 2008/2009, following an increase of 0.7 percent in the fourth quarter of fiscal 2007/2008. This overall result reflects productivity declines across a range of sectors including Assembly Type and Related Products (21.8 percent); Textiles, Garments, and Footwear (20.2 percent); Electricity (5.7 percent); Oil and Natural Gas Refining (4.4 percent); Food Processing (2.5 percent); and Petrochemicals (2.0 percent).

## POPULATION

Trinidad and Tobago's population is expected to increase by 0.1 percent in 2009 to 1,310,106 persons, from 1,308,587 persons in 2008, according to the latest mid-year population estimates. The provisional birth rate is expected to rise to 15.25 births per thousand persons from 14.12 births per thousand persons in 2008. In contrast, the provisional death rate is expected to decline to 7.68 deaths per thousand persons in 2009 from 7.70 deaths per thousand persons in 2008 (**Appendix 10**).

The distribution of Trinidad and Tobago's population by age group is expected to remain the same with 45.2 percent of the population being 24 years and under; 44.8 percent of the population being between 25 to 59 years; and 10.0 percent of the population being 60 years and over (**Appendix 11**). The gender distribution of the population is also expected to remain stable with males comprising 50.1 percent of the population or approximately 657,018 persons, and females comprising 49.9 percent or approximately 653,088 persons (**Appendix 10**).



## LABOUR FORCE AND EMPLOYMENT

### Unemployment

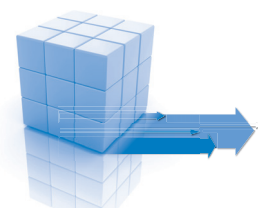
Trinidad and Tobago's unemployment rate attained a historical low of 3.9 percent in the first quarter of fiscal 2008/2009, following the 4.7 percent rate recorded in the fourth quarter of fiscal 2007/2008. There was however, an increase in the number of unemployed persons during the second quarter of fiscal 2008/2009, according to the latest Central Statistical Office data, which drove the rate of unemployment to 5.0 percent. (**Appendices 10 and 12**).

### Labour Force / Job Creation

The number of persons employed in the first quarter of fiscal 2008/2009 totalled 608,700, approximately 7,900 more than were employed in the fourth quarter of fiscal 2007/2008. The increase in employment was accompanied by an expansion of the labour force by 2,900 persons. Increases in the number of persons employed were most evident in: Community, Social and Personal Services (9,700); Finance, Insurance, Real Estate and Business Services (8,000); Wholesale and Retail Trade, Restaurants and Hotels (3,900); and Other Manufacturing (excluding Sugar and Oil) (2,700). Notwithstanding, a number of sectors

recorded decreases in the number of persons employed, including: Construction (-8,300); Other Agriculture, Forestry, Hunting and Fishing (-7,400); and Transport, Storage and Communication (-2,000). On account of the increase in the size of the labour force, the participation rate rose marginally from 63.8 percent during July to September 2008, to 64.1 percent during October to December 2008.

In the second quarter of fiscal 2008/2009, the number of persons employed declined by 10,500 when compared to the first quarter of fiscal 2008/2009. Likewise, the labour force also contracted by 3,600 persons in the second quarter. The sectors most impacted by lower employment levels were: Finance, Insurance, Real Estate and Business Services (-10,600); Wholesale and Retail Trade, Restaurants and Hotels (-4,300); Petroleum and Gas, (including Production, Refining and Service Contractors) (-2,900); and Community, Social and Personal Services (-2,500). In contrast, workforce expansions were achieved in: Transport, Storage and Communication (7,400); Other Agriculture, Forestry, Hunting and Fishing (4,600); and Sugar (Cultivation and Manufacture) (400). There was a marginal decrease in the participation rate from 64.1 percent in the first quarter, to 63.6 percent in the second quarter, as a result of the reduction in the size of the labour force.



# CENTRAL GOVERNMENT OPERATIONS



Overview  
 Revenue  
 Expenditure  
 Financing  
 Public Debt and Debt Service  
 Trinidad and Tobago Credit Ratings

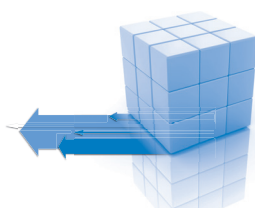
## OVERVIEW

Following on the global financial crisis, fiscal policy in 2008/2009 was pursued within the context of reduced international energy prices, declines in the local production of crude oil, natural gas, and petrochemicals with overall declines in receipts derived from export sales.

Central Government's fiscal performance in 2008/2009 was initially based on a weighted average oil price of US\$70.00 per barrel and a natural gas price of US\$4.00 per thousand cubic feet (mcf). On this basis, revenue was estimated at \$49,465.2 million and expenditure at \$49,445.7 million, resulting in an overall surplus of \$19.5 million. However, in the wake of reduced revenue intake associated with declining international energy prices, the government adjusted its fiscal operations.

In November 2008, revenue and expenditure projections were adjusted based on an oil price of US\$55.00 per barrel and a natural gas price of US\$3.25 per mcf for the first two quarters (October 2008 to March 2009), and an oil price of US\$55.00 per barrel and natural gas price of US\$3.50 per mcf for the subsequent two quarters. Expenditure was also adjusted downwards to \$44,153.7 million, resulting in an estimated overall deficit of \$741.9 million for fiscal 2008/2009.

By January 2009, following continued declines in oil and gas prices, further revisions were made to the revenue projections for fiscal 2008/2009. Based on a revised price

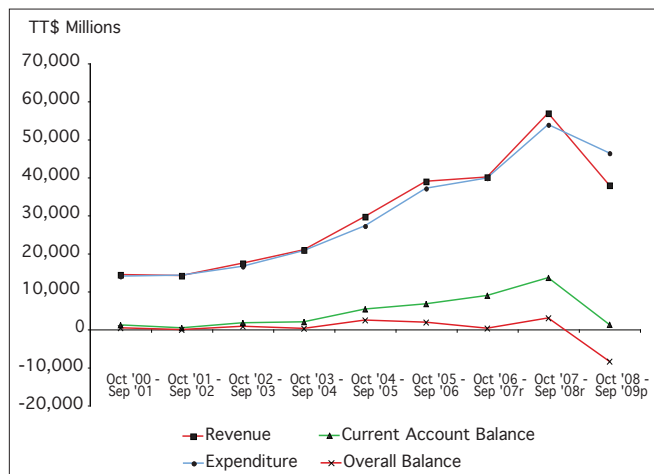


of US\$45.00 per barrel for oil and US\$3.25 per mcf for natural gas, total revenue was revised to \$42,200 million and expenditure rolled back to \$43,900 million resulting in an anticipated deficit of \$1,700 million or 1.3 percent of GDP.

In April 2009, based on oil price of US\$45.00 per barrel and a natural gas price of US\$3.25 estimated revenue for fiscal 2008/2009 was further revised downwards to \$37,929.2 million, and expenditure adjusted further to \$46,384.7 million. Central Government's fiscal operations are therefore projected to result in a surplus on the Current Account of \$1,259.8 million or 1 percent of Gross Domestic Product (GDP), while the Overall Balance is expected to record a deficit of \$8,455.5 million or 6.3 percent of GDP (**Appendix 19**). This compares with surpluses of \$13,587.8 million on the Current Account and \$2,980.2 million on the Overall Balance in the preceding fiscal year.

In the current circumstance, no transfers to the Heritage and Stabilisation Fund (HSF) are envisaged for fiscal 2008/2009. The balance in the HSF as at August 2009 amounted to TT\$18,738.5 million or 14 percent of GDP.

**Figure 7: Central Government Fiscal Operations**



Source: Ministry of Finance

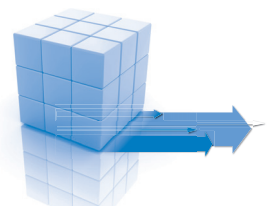
## REVENUE

Central Government's Total Revenue including Grants for fiscal 2008/2009 is projected to decline by \$18,918.6 million or 38.8 percent compared to the previous fiscal year to \$37,929.2 million. This reflects declines in Tax Revenue which comprises 83.3 percent of Total Revenue. In contrast, Non-Tax Revenue is expected to increase by \$1,151.1 million or 22.5 percent to \$6,272.5 million.

Taxes on Income and Profits, which is the largest component of tax revenue, is estimated to decrease substantially by \$18,066.9 million or 43.7 percent to \$23,258.2 million. This is due primarily to lower than projected tax collections from Oil companies as a result of declining energy prices. Tax collections from other companies operating in the refining, gas processing and petro-chemical industries also declined as a result of overall lower prices from \$7,644.1 million to \$5,111.8 million. Unemployment Fund receipts also decreased by \$1,246.7 million or 63.3 percent to \$723.3 million.

Collections from Individuals are also expected to decline by \$321.3 million or 7.5 percent to \$3,969.8 million despite an increase in the number of companies employing persons in the \$10,000 to \$99,999 per annum income bracket. Similarly, tax receipts from the Green Fund, Business Levy, and Health Surcharge, are also anticipated to fall by \$169.2 million, \$44.4 million, and \$17.3 million, respectively. In contrast, Withholding Taxes are projected to increase by \$227.7 million to \$1,114.8 million, largely due to the receipt of profits earned by a Company in fiscal 2007/2008, and deposited in fiscal 2008/2009.

Taxes on Goods and Services, the second largest component of Tax Revenue is expected to decline by \$1,484.1 million or 19.2 percent to \$6,232.2 million, reflecting decreases in receipts from Value Added Tax (VAT), Motor Vehicle Taxes, and Excise Duties to \$5,009 million, \$273.9 million, and \$635.3 million, respectively. Reductions in the VAT were recorded on domestic goods as well as on imports, reflecting the slowing in the rate of economic activity. Collections from Motor Vehicle Taxes



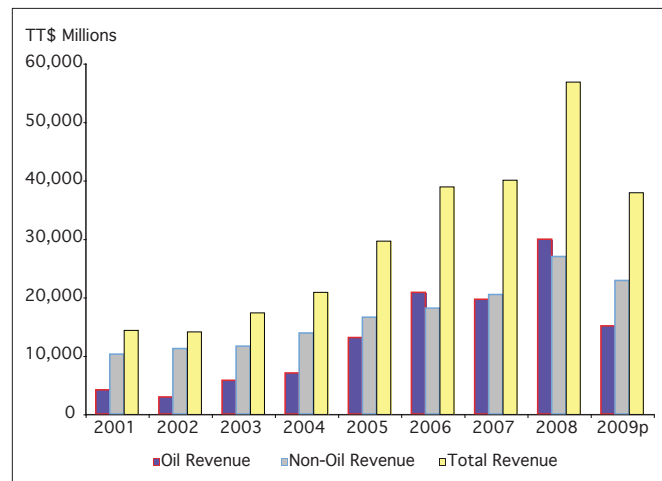
decreased by 25.9 percent as a result of a decline in sales of new and foreign used vehicles, while Excise duties fell by 2.3 percent because of production declines in products which attract Excise duties.

Receipts from Taxes on International Trade and Stamp Duties are expected to decrease by \$344.3 million and \$169.9 million, respectively. A major contributor to the decline in the collection of Taxes on International Trade is Import Duties which decreased by \$316.9 million or 14.6 percent to \$1,849.8 million, largely associated with falling imports. Receipts from Stamp Duties fell by 48.5 percent as a result of the amendment of the Stamp Duty Act in fiscal 2008/2009, which impact was exacerbated by the softening of the real estate market, and prevailing economic conditions. Receipts from taxes on Property, and Land and Buildings, also declined by \$10.6 million and \$11 million, respectively.

Non-Tax Revenue, however, is projected to increase by \$1,151.1 million to \$6,272.5 million, as Profits from Non-Financial Enterprises increased by \$1,022.6 million to \$1,604.1 million, largely as a result of higher dividends from State Enterprises. Administrative Fees and Charges are also expected to grow by \$108.5 million to \$433.6 million, consequent upon payment of outstanding arrears, and an increase in Passport and Permit Fees. Receipts from Signature Bonuses are also anticipated to increase by \$314.8 million to \$318 million. Royalties on oil, however, are anticipated to decline by \$55.1 million to \$1,768.3 reflecting the subdued oil prices.

Capital Receipts and Grants are projected to decrease by \$4.3 million or 20.9 percent to \$24.9 million.

**Figure 8: Oil, Non-Oil Revenue**



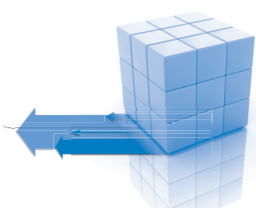
Source: Ministry of Finance

## EXPENDITURE

Total Expenditure and Net Lending for fiscal 2008/2009 are forecast to decrease by \$7,482.9 million or 13.9 percent to \$46,384.7 million. Of this amount, Recurrent Expenditure will account for 78.9 percent or \$36,625.8 million, while Capital Expenditure and Net Lending is estimated at \$9,758.9 million.

Recurrent Expenditure, is expected to decline by \$6,596.7 million or 15.3 percent, of which Wages and Salaries is anticipated to contract by \$86.6 million to \$6,856.1 million. Expenditure on Goods and Services is projected to increase by \$1,039.9 million or 20.8 percent to \$6,040.8 million, with the more substantial increases associated with the Consulting and Contracting Services, Contract Employment, Minor Equipment Purchases, Security Services, and Rental Accommodation.

Interest Payments are estimated to increase by \$949.6 million or 32 percent to \$3,916.9 million, reflecting increases in both the Domestic and External Interest Payments. Interest Payments on Domestic Debt increased by \$925.4 million to \$3,255 million or 39.7 percent on the heels of the issuance of Treasury Notes, and additional Treasury Bills for liquidity management purposes. Interest Payments on External Debt increased marginally consistent





with the absence of any significant approaches to tap international capital markets.

Subsidies and Transfers, the largest component of Recurrent Expenditure, is projected to decrease by \$8,499.6 million or 30 percent to \$19,812 million, primarily as a result of expenditure restraint in several of the larger areas under this category.

Deposits to the Petroleum Subsidy Fund which is based on the level of international oil prices, and which represents the shortfall experienced by the Petroleum Companies when the price charged at the pump is less than the actual price, is expected to fall by \$962.2 million to \$1,200 million in this fiscal year. Likewise, the amount deposited into the CARICOM Petroleum Fund is anticipated to decline by \$409 million to \$50 million.

GATE has been allocated \$633.5 million representing a 26.3 percent growth over the previous year's allocation.

Capital Expenditure and Net Lending is expected to decrease by \$886.2 million or 8.3 percent to \$9,758.9 million. Expenditure under the IDF and the PSIP are lower than projected by \$359.8 million and \$256.9 million, respectively, due to delays in the implementation of projects; delays caused by variations of some contracts; the non-submission of claims by contractors; and suppression of some programmes as a result of budgetary adjustments.

## FINANCING

The overall financing requirement is estimated to amount to \$8,455.5 million in fiscal 2008/2009. This is expected to be financed from external borrowings of \$1,836 million, domestic borrowings of \$670.5 million, and Government drawdowns on accumulated savings including the sum of \$4,969.8 million from the Infrastructure Development Fund (IDF).

## PUBLIC DEBT AND DEBT SERVICE

Gross Public Sector Debt stock is anticipated to increase to TT\$41,798.7 million or 31.3 percent of GDP by the end of fiscal 2008/2009. This represents an increase of \$848.5

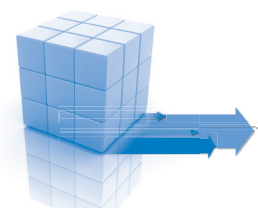
million or 2.1 percent compared with the previous fiscal year. Of the total debt stock, Central Government Debt is expected to increase to \$25,316.2 million or 19 percent of GDP. Contingent Liabilities are projected to decline in absolute terms to \$16,482.4 million, or an increase from 10.6 percent of GDP to 12.3 percent of GDP in fiscal 2008/2009.

A disaggregation of the Central Government's component of total debt reflects increases in both the Domestic and External Debt by \$868.4 million and \$880.6 million, respectively. Domestic debt is projected to increase to \$14,483 million as Government intensified its utilisation of the automated auction system operated by the Central Bank issuing bonds for a total value of \$2,148.5 million to facilitate its capital investment and expenses.

The projected increase in External Debt by \$880.6 million to \$10,170.2 million, was largely as a result of the strategic upgrade and expansion of the response platforms for the maritime forces of the country in an attempt to safeguard against regional threats to maritime safety and security, and for the protection of national resources. This included disbursements towards the acquisition of three (3) Offshore Patrol Vessels (OPVs), six (6) Fast Patrol Crafts (FPC) and other aviation assets. The cost of construction of the National Academies for Performing Arts is also included in the External Debt.

Contingent Liabilities, which comprises Government Guaranteed Debt, and Letters of Comfort, declined by \$841 million to \$16,482.4 million. This reflects an overall decline of \$881.5 million in issues of Letters of Comfort. However, Government Guaranteed Debt, rose by \$40.4 million to \$12,316.2 million, primarily as a result of an increase of \$449.2 million in domestic borrowings by the Statutory Authorities.

The increase recorded in the Statutory Authorities' Government Guaranteed debt included borrowings by the Water and Sewerage Authority (WASA), in the amount of \$300 million for its National Social Development Programme. Government Guarantees to the Regional Health Authorities (RHAs) were also issued in the amount of \$115 million to meet the operating and strategic objectives of the Ministry of Health. Also contributing to the increase in

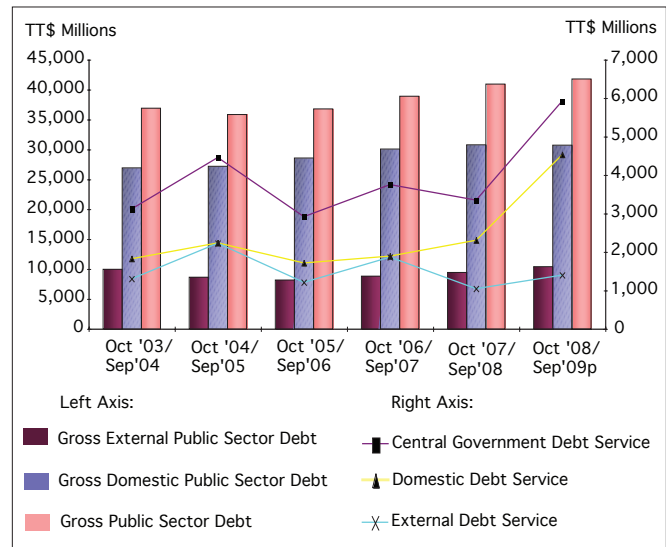


the Government Guaranteed debt was the Housing Development Corporation's (HDC) issuance of a bond in the amount of \$500 million to fund the implementation of certain aspects of the Government's Accelerated Housing Programme.

Central Government Debt Service is expected to increase by \$2,576.8 million to \$5,917.7 million in fiscal 2008/2009, reflecting increases in both Domestic and External Debt Service obligations. Domestic Debt Service is projected to rise by \$2,224.7 million to \$4,524.3 million, or 76.4 percent of Total Debt Service, reflecting a one-off bullet repayment of a TT\$951 million bond (equivalent to US\$150 million), which matured in November 2008. Total Debt Service as a proportion of Total Revenue is 15.6 percent compared to 10.4 percent in the preceding fiscal year.

External Debt Service is anticipated to expand by \$352.2 million to \$1,393.4 million, reflecting a final repayment of GBP£30,182,000 (equivalent to TT\$294,624,611.2 million), on a GBP£50 million loan which matured in May 2009.

**Figure 9: Public Sector Debt and Debt Servicing**

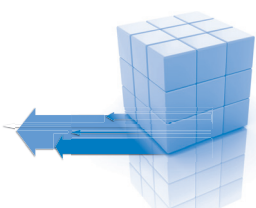


Source: Ministry of Finance

## TRINIDAD AND TOBAGO CREDIT RATINGS

### Moody's Investors Service

Moody's Investors Service (Moody's) maintained its **Baa1** Government Bond ratings in both foreign and local currency. The Government bond ratings reflect a stable economy due to its vibrant and diversified energy sector, low levels of public debt and strong consensus on macroeconomic polices. The investment grade rating reflects the country's ability to manage the economic and financial crisis without impairment to the credit risk profile.



**Table 3: Trinidad and Tobago Credit Rating History: 2005-2008**

By Moody's Investors Service

Year	Outlook	Foreign Currency Ceiling				Government Bond Ratings	
		Bonds and Notes		Bank Deposits		Foreign Currency	Local Currency
		Long term	Short term	Long term	Short term	Long term	Short term
Dec 2008	Stable	A1	...	Baa1	...	Baa1	Baa1
Oct 2007	Stable	A1	...	Baa1	P-2	Baa1	Baa1
Jul 2006	Stable	A1	...	Baa1	P-2	Baa1	...
May 2006	...	A2	P-1	...	...	...	...
Aug 2005	Stable	Baa2	P-3	Baa2	P-3	Baa2	...

Source: Moody's Investors Service

### Standard and Poor's Ratings Services

Standard and Poor's Ratings Services (Standard and Poor's) maintained an A rating for long term foreign currency instruments and an A-1 rating for short term foreign currency instruments. This position reflects the liquidity and strong external position of the economy. The ratings also

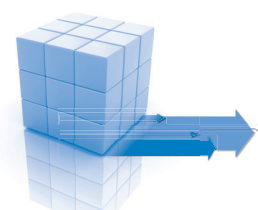
recognised the establishment of the Heritage and Stabilisation Fund (HSF) as an appropriate policy response for energy based economy. In April 2009, however, Standard and Poor's adjusted the credit outlook for the Trinidad and Tobago economy from Stable to Negative pending its assessment of the impact of the failure of CL Financial.

**Table 4: Trinidad and Tobago Credit Rating History: 2005 -2009**

By Standard and Poor's Ratings Services

Year	Outlook	Foreign currency		Local currency	
		Long term	Short term	Long term	Short term
April 2009	Negative	A	A-1	A+	A-1
August 2008	Stable	A	A-2	A+	A-1
Sept 2007	Positive	A-	A-2	A+	A-1
August 2006	Stable	A-	A-2	A+	A-1
July 2005	Stable	A-	A-2	A+	A-1

Source: Standard and Poor's Ratings Services



### Caribbean Information and Credit Rating Services Limited (CariCRIS)

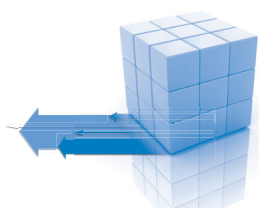
Caribbean Information and Credit Rating Services Limited (CariCRIS), has maintained its **CariAAA** rating on both local currency and foreign currency debt obligations for Trinidad and Tobago for the third consecutive year. This rating represents the highest level of creditworthiness that can be attained, relative to other Caribbean islands. Trinidad and Tobago has maintained these ratings due to its diversified economy and the economy's strong external position. CariCRIS also identified this country as having well a regulated financial system, low public debt and stable monetary and exchange rate policies.

**Table 5:** Trinidad and Tobago Credit Rating History: 2007 - 2009

By CariCRIS

Rating	2007	2008	2009
Regional scale foreign currency	CariAAA	CariAAA	CariAAA
Regional scale local currency	CariAAA	CariAAA	CariAAA
Trinidad and Tobago national scale	ttAAA	ttAAA	ttAAA

**Source:** Caribbean Information and Credit Rating Services Limited (CariCRIS)



# THE MONETARY SECTOR

## MONETARY CONDITIONS

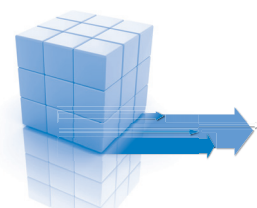
**In 2008/2009, monetary policy management primarily focused on tempering inflation while moderating the negative impact of the global recession. By November 2008, the contagion effect of the crisis that hit the United States of America one year earlier began to set in, leading to a slowdown in real GDP growth from 4.6 percent in 2007 to 2.3 percent in 2008. Real GDP is forecasted to contract by 0.9 percent in 2009. Net fiscal injection increased by 24.1 percent to \$9,752.4 million for the period October 2008 to March 2009, as compared to \$7,855.4 million the previous year.**

Elevated levels of liquidity in fiscal 2009 was further exacerbated following a sizeable net fiscal injection of \$5,132 million between January and May 2009; a lack of suitable alternative investment instruments; waning credit demand given the more stringent lending practices by the banks; and increased foreign currency payments related to the Summit of the Americas in April 2009.

In response, the Central Bank of Trinidad and Tobago instituted a number of measures, which included the use of open market operations that removed some \$5,234.8 million during the first nine months of fiscal 2008 and the issuance of a 91-day Central Bank treasury bill totalling \$500 million in November 2008. In addition, two bond auctions, a TT\$280 million 7-year bond and a TT\$600 million 11-year bond were conducted in late June 2009 with the latter being oversubscribed. Also, between Febru-



Monetary Conditions  
Central Bank Operations  
Financial Sector Performance



ary 2008 and November 2008, the reserve requirement for Commercial Banks was raised by 6 percentage points, thus absorbing \$2,154 million from the banking system.

Given the reduction in inflationary pressures and the contraction in domestic economic activity, the Central Bank reduced the Repurchase (repo) rate from 8.75 percent in January 2009 to 6.75 percent in August 2009.

The reduction in inflation, however, has not been in sync with the decline in global food and energy prices. After peaking at 15.4 percent in October 2008 (the highest recorded since 1983), headline inflation moderated to 14.5 percent in December 2008. By July 2009, the slowdown in international prices and economic activity further eased inflationary impulses and subdued headline inflation to 5.9 percent. Core inflation also slowed to 3.8 percent in July 2009.

During the first quarter of 2009, demand for foreign currency increased significantly following speculation of a depreciation of the TT dollar vis-à-vis the US dollar and a fall in domestic short-term interest rates.

A major regulatory development in fiscal 2008/2009 was the introduction of the *Financial Institutions Act, 2008* (FIA) which was passed unanimously in the House of Representatives on November 14, 2008. The Act grants the Central Bank greater supervisory control of banking groups by allowing the Bank to assess the risks of a group as a whole and to apply prudential limits on a consolidated basis.

In late January 2009, the Ministry of Finance and the Central Bank collaborated to resolve the failure of CL Financial, one of the country's largest conglomerates. In light of the systemic risk posed by the institution a liquidity support package was implemented.

## CENTRAL BANK OPERATIONS

### Exchange Rates/Foreign Exchange Market

Buoyant energy prices in the first half of 2008 enabled relatively comfortable conditions in the foreign exchange

market. Also, the acquisition of RBTT by the Royal Bank of Canada in June 2008 injected some US\$2.2 billion (TT\$13.8 billion), facilitating a surplus foreign exchange position.

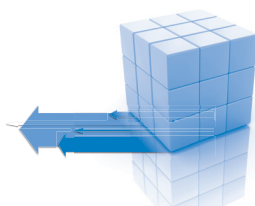
By the end of the first quarter in 2009 there was a discernible tightening in the foreign exchange market, attributed mainly to contraction in global demand for major commodities in the energy sector, which subsequently led to the curtailment of activities in exploration, production and refining; hence a reduction in foreign currency inflows. Furthermore, the demand for foreign exchange remained strong owing to speculation about a possible depreciation of the TT dollar vis-à-vis the US dollar and market pressures emanating from the trend towards increasing purchases of relatively higher yielding US dollar-denominated investments in the local market.

The weighted average buying rate for the United States (US) dollar increased from TT\$6.1269 in June 2008 to TT\$6.2324 in November 2008. This rate has since fluctuated within a narrow band and stood at TT\$6.2710 per US dollar at the end of July 2009, compared with TT\$6.1740 at the end of July 2008.

Total purchases from the public by the commercial banks and non-bank financial institutions stood at US\$3,130.6 million during the period October 2008 to June 2009, reflecting an estimated 18.6 percent decrease from the purchases made in October 2007 to June 2008.

Also during this period, sales to the public by authorised dealers in the market amounted to US\$4,411.2 million, 3.6 percent below sales of US\$4,575.5 million during the corresponding 2007/ 2008 period.

For the first nine months of fiscal year 2008/2009, net sales amounted to US\$1,280.6 million, significantly higher (75.7 percent) than net sales of US\$728.9 million recorded in the comparable period a year earlier. Consequently, total sales by the Central Bank for the period October 2008 to June 2009 was US\$1,191.7 million, an increase of 67.8 percent over sales of US\$710.1 million for the corresponding period of the previous year.



## Money Supply and Commercial Banks' Deposits and Credits

From October 2008 to May 2009, the money supply growth decelerated sharply when compared with the corresponding period of the previous year. Narrow money, M-1A, comprising currency in active circulation plus demand deposits, grew by 16.8 percent (year-on-year) in May 2009 compared with 21.1 percent in May 2008. This was attributable to the diminished growth observed in currency in active circulation and demand deposits. Currency in active circulation grew by 8.4 percent in May 2009, far below the growth of 20.8 percent registered in May 2008. Demand deposits grew by 19.3 percent in May 2009 compared with 21.3 percent in the corresponding period one year earlier.

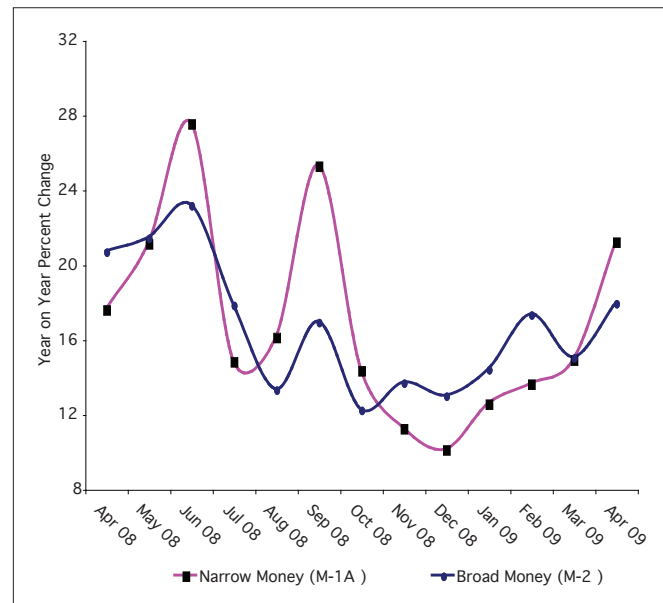
The growth of Broad money, M-2, comprising M-1A and quasi money (time and savings deposits) softened, expanding by 16.2 percent (year-on-year) in May 2009 from 21.4 percent in May 2008. Of this aggregate, time deposits posted an increase of 27 percent in May 2009, compared with 29.7 percent for the comparable 2008 period. Growth in savings deposits waned to 7.4 percent by May 2009, 8.6 percent lower than that registered in the corresponding period the year earlier.

However, M-2\*, comprising M-2 plus resident foreign currency deposits acquired by commercial banks, grew by 21.1 percent in May 2009, surpassing the rate of 19 percent in May 2008. This expansion was spurred by strong growth in commercial banks' foreign currency deposits.

Growth in private sector credit by the commercial banking system slowed to 4.3 percent from 18 percent in June 2009 whilst commercial bank credit to businesses and for real estate mortgages remained considerably below the levels for 2008.

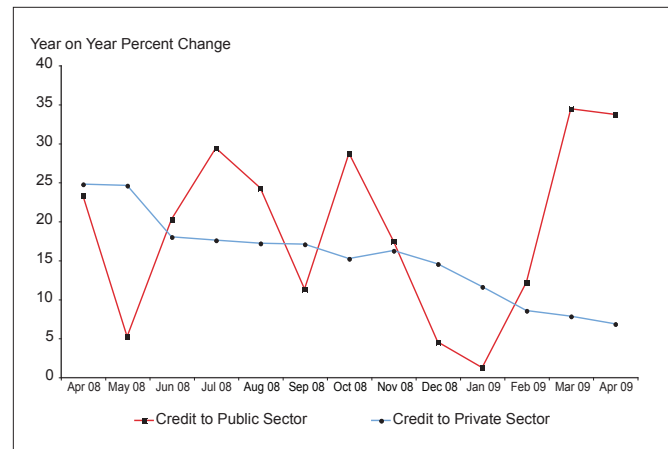
In contrast, public sector credit expansion remained relatively robust and peaked to 41.8 percent in April 2009, comparing favourably with 31.4 percent one year earlier.

**Figure 10:** Money Supply Growth, April 2008 – April 2009



Source: Central Bank of Trinidad and Tobago

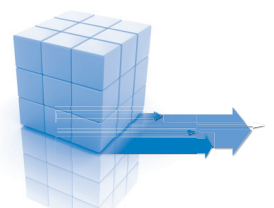
**Figure 11:** Credit to Private and Public Sectors



Source: Central Bank of Trinidad and Tobago

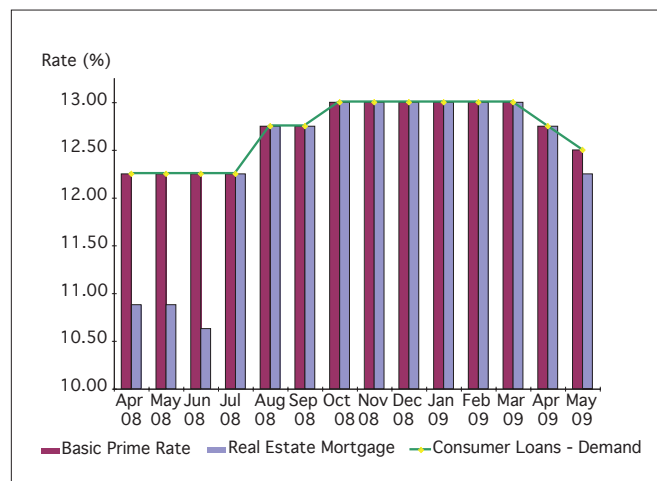
## Interest Rates

Beginning in March 2009, the Central Bank has embarked on a cycle of aggressive monetary easing, reducing the Repurchase (repo) rate by a cumulative 200 basis points between March and July 2009. Commercial banks have responded by reducing lending rates across the board.



During the period October 2008 to April 2009, the median prime rate fell to 12.75 percent from 13.00 percent. Other lending rates for demand, term, overdraft and real estate mortgage fell to 12.75 percent, 12.88 percent, 12.88 percent and 12.75 percent, respectively from 13.00 percent during this period. By the end of April 2009, the rate on ordinary savings decreased by 63 basis points from 1.88 percent in October 2008 to 1.25 percent. Rates on three (3) month and three to six (3 to 6) month deposits decreased from 3.11 percent and 3.98 percent to 2.68 percent and 2.00 percent respectively. Some banks announced decreases in their prime rates in early July 2009.

**Figure 12: Interest Rates**



Source: Central Bank of Trinidad and Tobago

## Liquidity

In fiscal 2008/2009, the Central Bank intensified efforts to ease excess liquidity. The final quarter of 2008 recorded the largest rise in liquidity levels, as commercial banks' excess reserves increased to a daily average of \$1,121 million, more than twice the daily average of \$542.2 million in the second and third quarters of 2008.

High levels of liquidity continued during the period January to March 2009, as commercial banks' excess reserves reached an unprecedented level of \$2,151 million daily over the three-month period. The build-up of excess liquidity was propelled by a number of factors, including

a net fiscal injection of \$5,132 million between January and May 2009, the absence of suitable alternative investment instruments and a slower credit demand as banks employed more stringent lending practices.

## Open Market Operations (OMOs)

In the last half of 2008, the Central Bank intensified its use of open market operations, in order to contain the high levels of excess liquidity. In September 2008, the outstanding balances of Treasury Bills and Notes reached their statutory limits. During the period October 2008 to June 2009 there was little change in the amount of Treasury Bills and Notes in issue. In the first nine months of the fiscal year, Treasury Bill maturities of \$14.25 billion were rolled over and there was only one Treasury Note maturity of \$50 million which was not re-issued. In this period, the outstanding balance decreased slightly to \$19.99 billion at the end of June 2009 from \$20 billion at the end of September 2008.

The high liquidity in the financial system significantly impacted domestic Treasury Bill rates which fell by close to 400 basis points from January to July 2009. The three month Treasury Bill rate was 2.3 percent as at August 2009 while the six month Treasury Bill rate fell to 2.9 percent from 7.3 percent in December 2008. As a result the differential between Treasury Bill rates in Trinidad and Tobago and that in the United States narrowed significantly.

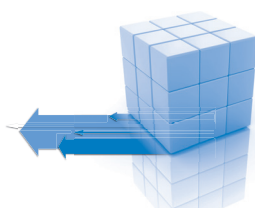
## FINANCIAL SECTOR PERFORMANCE

### Capital Market Activity

#### Trinidad and Tobago Stock Exchange (TTSE)

##### Equities

The current financial and economic crisis, which accelerated during mid to late 2008 in the United States (US) economy, has since pushed the US and other advanced and emerging economies into recession. This adverse economic and financial performance was reflected in the major stock markets around the world.





On the local financial front, Trinidad and Tobago's Stock Exchange was not spared the effects of the economic and financial crisis. During the period January to December 2008, the local stock market performed bearish as reflected in a weakening of the Composite Index and the worsening of both the All T&T Index and Cross Listed Index. Compared to most foreign markets, Trinidad and Tobago's stock market performance was satisfactory in the first three months of 2009.

**Table 6: Performance of selected Stock Markets**

Stock Market	January -December 2008 (% Change)	January- March 2009 (% Change)
New York	▼ 34.0	▼ 14.4
London	▼ 31.3	▼ 8.0
Frankfurt	▼ 40.4	▼ 11.1
Singapore	▼ 49.2	▼ 7.1
Shanghai	▼ 65.2	▼ 2.6
Tokyo	▼ 42.1	▲ 0.76
Jamaica	▼ 26.1	▼ 9.4
Barbados	▼ 11.6	▼ 2.6
Trinidad & Tobago	▼ 14.4	▼ 2.8

**Source:** Trinidad and Tobago Stock Exchange Annual Report, 2008; BBC Business website, Barbados Stock Exchange, Philippines Stock Exchange, Jamaica Stock Exchange, Bloomberg.com

The Composite Index recorded a 15.4 percent fall from 921.15 points in October 2008 to 779.62 points in June 2009, reflecting difficulties faced by the Jamaica and Barbados economies along with the slowing performance of the domestic market. The All T&T Index declined by 13.0 percent moving from 1242.75 points in October 2008 to 1080.89 points in June 2009 reflecting the bearish performance of the domestic public limited companies. Prevailing uncertainties negatively impacted investor confidence in the regional market as well as the Cross Listing Index also declined by 40.7 percent from its introductory index of 100.0 percent in June 2008 to 59.3 percent as at December 2008.

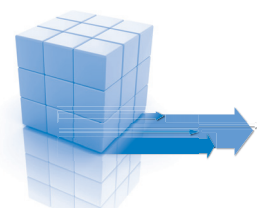
During the nine-month period ending June 2009, the volume of shares traded on the First Tier Equities Market

declined by 40.2 percent compared to the volume traded during the corresponding period of the previous year. This reflected the delisting of shares resulting from the amalgamation of RBTT shares with the Royal Bank of Canada and the restructuring of Capital Credit Merchant Bank. The Second Tier Market performance was encouraging as the volume of shares traded expanded from 12,400 to 40,304 over the same period. This may have been attributed to the increase in trading days from three to five days effective from April 1, 2008. Trading in the mutual fund market decreased by 68.9 percent reflecting an ongoing investor uncertainty.

The value of shares traded on the First-Tier market declined by 62.9 percent during the period October 2008 to June 2009 from its previous value of TT\$1,571.1 million in the previous corresponding period. A combination of the removal of shares from the market and the fallout from the international financial crisis were the underlying reasons for this significant loss in value. However, the Second-Tier market recorded a ninefold increase in the value of shares traded during the nine-month period ending June 2009, from TT\$57,495 in June 2008 to TT\$ 526,143. Mora Ven Holdings Limited dominated trading activity in the Second-Tier Market and Supreme Ventures shares were introduced into the market. The value of Mutual Fund shares traded over the period October 2008 to June 2009 declined by 96.3 percent compared to the value traded for the same period of fiscal 2008.

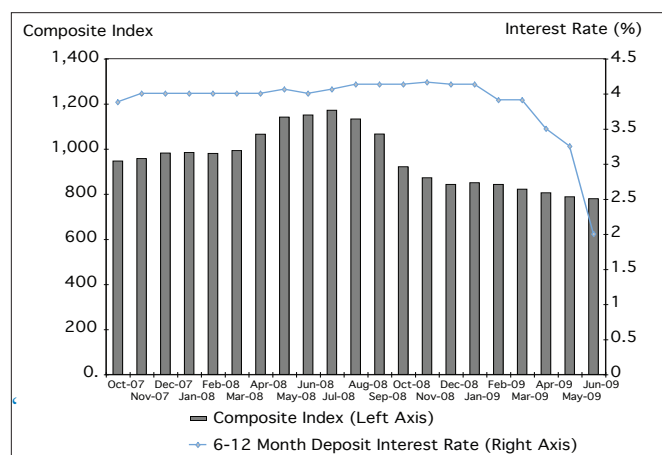
Market capitalisation declined by 15.3 percent in the First-Tier market and by 7.2 percent in the Mutual Fund market over the period October 2008 to June 2009. This was a direct consequence of the delisting of shares in the First-Tier market and a reduction in trading activity on the Mutual Fund market. The Second-Tier market however expanded its market capitalisation by 185.7 percent as its share volume and value increased.

The Central Bank continued its efforts to absorb the high levels of liquidity and reduce the level of inflation within the economy by use of inter alia open market operations, bond auctions and increasing the reserve requirement for commercial banks. These instruments resulted in TT\$2,154 million being absorbed from the money sup-



ply. As at August 2009, the repo rate stood at 6.75 percent from a high of 8.75 percent recorded in February 2009.

**Figure 13:** Performance of the Composite Index against the 6-12 Month Deposit Interest Rate



Source: Trinidad and Tobago Stock Exchange and Central Bank of Trinidad and Tobago

### Domestic Bond Market

During the period October 2008 to June 2009, the activity level in the Primary Bond market was relatively high involving one issue denominated in US currency in the sum of US\$45.3 million and a number of domestic currency issues with a total face value amounting TT\$3,673 million.

During the period October 2008 to June 2009, Public Sector entities dominated borrowing on the domestic bond market. Three Central Government of Trinidad and Tobago fixed rate bonds were issued with an aggregate face value of TT\$2,148.50 million. The largest was issued in April 2009 with a TT\$1,500 million face value a 7.75 percent coupon rate and a 15 year tenor. The smallest was issued in June 2009 for a total TT\$38.42 million in face value.

Over the review period, coupon rates on the TT dollar denominated placements ranged between 5.25 percent and 8.95 percent with tenors from 5 years to 15 years. This compares favourably to the coupon rates and tenors in the previous comparative period which ranged from 5.9 percent to 11.0 percent on coupons, and between 2.5 years

to 12 years on tenors respectively. The US dollar denominated placement was fixed at a coupon rate of 7 percent for 10 years.

### Trinidad and Tobago Securities and Exchange Commission (TTSEC)

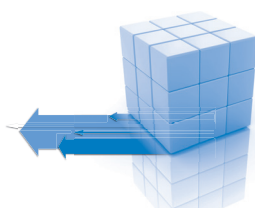
For the reporting period, October 2008 to June 2009, activity at the Trinidad and Tobago Securities and Exchange Commission (TTSEC) saw net new registrants increase by seven (7) comprising three new securities companies, two investment advisers, two brokers, two traders and one reporting issuer. There were three (3) relinquishments during the period under review, comprising two dealers and one underwriter. At the end of the review period, there were no registered dealers for the Trinidad and Tobago market.

**Table 7:** Total Market Registrants

Market Actors	As at June 30, 2008	As at June 30, 2009
Securities Companies	32	34
Brokers	28	31
Investment Advisors	23	26
Reporting Issuers	92	94
Traders	24	21
Underwriters	4	2
Dealers	2	0

Source: Trinidad and Tobago Securities Exchange Commission

For the nine month period ending June 2009, the TTSEC registered seventeen securities, valued at TT\$4.9 billion. This represented a fall in Market activity when compared to the previous reporting period where there were a total of forty six (46) issues at an aggregated value of TT\$12.6 billion. These equities issued were made pursuant to employee or management stock compensation plans. In the debt market, fixed rate bonds dominated issue activity. Seven securities valued TT\$3.3 billion were registered during the review period, while there was one (1) issue of commercial paper with a face value of TT\$61.9 million registered. Derivatives issued in this period consisted of two certificates of participation, two mortgage-backed securities and one asset-backed security.



**Table 8: Securities Registered with TTSEC**

Class of Securities	October 2007-June 2008	October 2009-June 2009
	No. Value (TT\$)	No. Value (TT\$)
Equity	8.1 billion	2.5 million
Debt	3.4 billion	3.3 billion
Derivatives (Debt)	953 million	1.5 billion
<b>Total</b>	<b>12.6 billion</b>	<b>4.9 billion</b>

Source: Trinidad and Tobago Securities Exchange Commission

### Regulatory Developments

The proposed Security Act 2009 was passed in the House of Representatives in July 2009. The Act would substantially strengthen the framework for the regulation of the securities market in Trinidad and Tobago. It would also enable cooperation with other regulatory authorities regionally and internationally through information sharing for regulatory purposes as well as strengthen insider trading regulation. A package of proposed by-laws consisting of the Take-Over By-Laws, the General By-Laws, the Prospectus By-Laws and the Collective Investment Schemes By-Laws will accompany the new Securities Act 2009. The Commission is currently preparing to issue guidelines for Employee Stock Compensation Plans, which would provide for inter alia, the regulation of stock compensation plans offered to local employees of foreign companies.

### Mutual Fund Industry

The mutual fund industry registered robust growth over the period October 2008 to June 2009, continuing its strong performance from the previous fiscal year. Funds under management totalled \$39.3 billion, an increase of 6.8 percent from June 2008. This growth has been driven by increased investments in money market funds over the period.

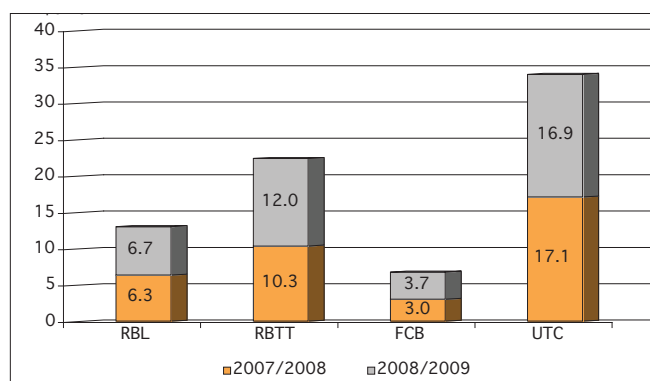
The Growth and Income segment of the mutual fund market which was severely affected by the bearish performance

of the local stock exchange declined by 26.8 percent to \$4.1 billion as at end June 2009. Over the review period the fund size of the Republic Bank Limited's (RBL's) Public Equity Fund and Global Equity Fund declined by 52.0 percent and 58.0 percent respectively. The RBTT Bank Roytrin TTD Income and Growth Fund declined by 33.5 percent, while the Unit Trust Corporation (UTC) Growth and Income Fund and Energy Fund, declined by 24.0 percent and 25.0 percent respectively.

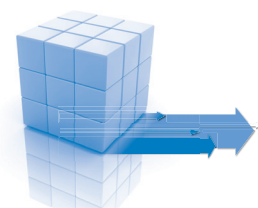
In the money market segment of the industry, funds under management grew by over 15.0 percent during the nine-month period ending June 2009. This growth was led by First Citizens Bank's (FCB's) Abercrombie Fund and UTC's TT Dollar Income Fund, which both grew by 16.0 percent over the period under review.

There were huge deviations in the performance of the four mutual fund service providers in relation to overall fund size. FCB, which has the smallest family of funds under management, increased its fund size by 22.7 percent or \$3.7 billion at the end of June 2009. The value of funds under management by the UTC the largest fund service provider declined by 1.4 percent, or \$16.9 billion as at June 2009 compared to a fund size of \$17.1 billion as at June 2008.

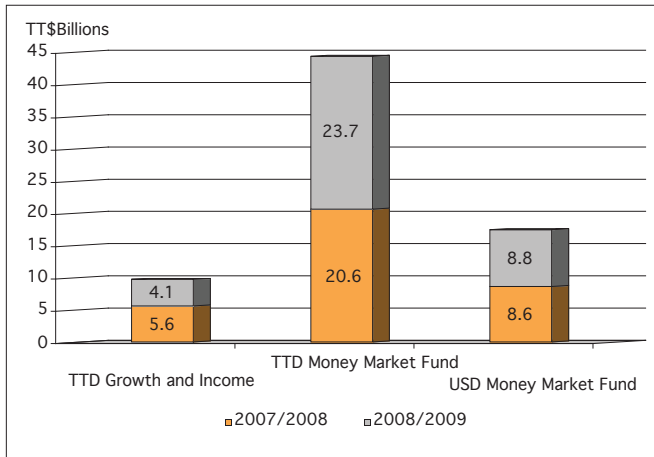
**Figure 14: Fund Size by Sponsor as at June 2008 and June 2009**



Source: RBL, RBTT, FCB and UTC



**Figure 15: Fund Size by Fund Type as at June 2008 and June 2009**

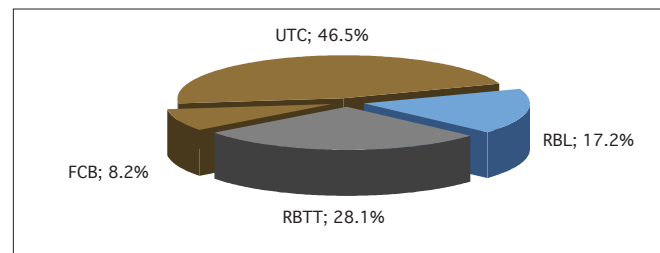


Source: RBL, RBTT, FCB and UTC

A review of the funds under management by fund type reveals that TTD Money Market Funds were not only the largest type of fund under management in the mutual fund industry, but also the fastest growing fund type over the period October 2008 to June 2009. Money Market Funds grew by 15.1 percent to \$23.7 billion from \$20.6 billion in the corresponding period of fiscal 2008. United States Dollar (USD) denominated Money Market Funds, increased by 2.3 percent from the TTD equivalent of \$8.6 billion for the nine-month period ending June 2008 to the TTD equivalent of 8.8 billion ending of June 2009.

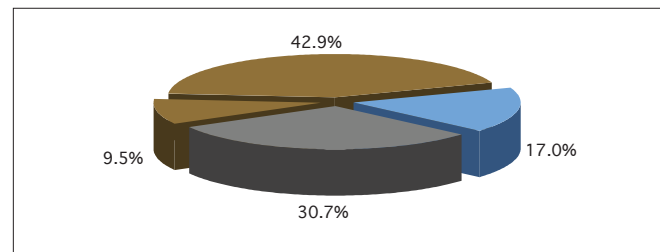
In terms of market share, as at the end of June 2009, the UTC continues to dominate the market with 42.9 percent of total market share. This however, represents a 3.5 percent decline from its share of 46.5 percent as at June 2008. RBTT market share grew by 2.6 percent to 30.7 percent at the end of June 2009, while RBL maintained its market share position at 17 per cent at the end of June 2009. FCB's market share, grew by 1.3 percent to 9.5 percent as at June 2009.

**Figure 16: Mutual Fund Market Share as at June 30th 2008**

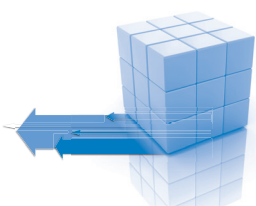


Source: RBL, RBTT, FCB and UTC

**Figure 17: Mutual Fund Market Share as at June 30th 2009**



Source: RBL, RBTT, FCB and UTC



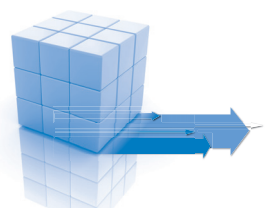
# TRADE AND PAYMENTS

## BALANCE OF PAYMENTS

Trinidad and Tobago maintained a favourable trade position during 2008, despite the global financial crisis that negatively affected global demand. The country recorded a balance of payments surplus of US\$2,705.5 million, representing a 75.6 percent increase over the surplus of US\$1,541.1 million recorded in the previous year. The current account balance continued to increase as a result of the strong performance of the merchandise account, which outweighed the sizable deficit on the capital account.



Balance of Payments  
Balance of Visible Trade  
Caricom Trade



### Current Account

The current account surplus increased by 63.9 percent, from US\$5,364.3 in 2007 to US\$8,791.9 in 2008. This growth was driven by a 58.4 percent increase in merchandise trade.

The growth in merchandise trade can be attributed to an increase in energy exports, which expanded by 41.5 percent during 2008.

### Capital Account

The capital account deficit widened by 59.2 percent, from US\$3,823.2 in 2007 to US\$6,086.4 in 2008. This was

largely due to the 43.4 percent increase in private sector outflows comprising mainly investments in regional bond issues, from commercial banks and other corporate entities. In addition, official outflows more than tripled in size, growing from US\$215 million in 2007 to US\$1,059.0 million in 2008.

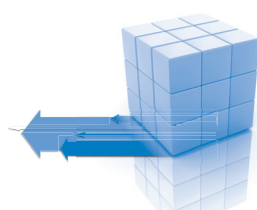
### Foreign Reserves

For the year 2008, Trinidad and Tobago's Gross Official Reserves expanded by 40.6 percent to US\$9,380.3 million in 2008 from US\$6,673.5 million in 2007. The increased reserves represent 11.5 months of imports of goods and non-factor services.

**Table 9: Summary Balance of Payments, 2004-2008 (US\$ million)**

	2004r	2005r	2006r	2007r	2008e
<b>Current Account</b>	1,647.1	3,594.0	7,270.5	5,364.3	8,791.9
Merchandise	1,508.7	3,947.7	7,700.2	5,721.4	9,064.4
Services	479.5	356.2	450.9	546.4	614.4
Income	(397.3)	(760.0)	(935.8)	(963.7)	(897.1)
Transfers	56.2	50.1	55.2	60.2	10.2
<b>Capital Account</b>	(1,115.5)	(2,118.1)	(6,151.7)	(3,823.2)	(6,086.4)
Official	(389.0)	(438.0)	(591.0)	(215.0)	(1,059.0)
State Enterprises	(10.7)	(10.7)	(10.7)	(10.5)	(10.7)
Private Sector (including net errors & omissions)	(715.8)	(2,029.4)	(5,550.0)	(3,597.7)	(5,016.7)
<b>Overall Surplus/Deficit</b>	531.6	1,475.9	1,118.8	1,541.1	2,705.5
<b>Change in Reserves</b>	(531.6)	(1,475.9)	(1,118.8)	(1,541.1)	(2,705.5)
<b>Memo items:</b>					
Gross Official Reserves	2,993.0	4,885.7	6,530.8	6,673.5	9,380.3
Import Cover (months)	6.9	8.9	9.9	9.4	11.5

Source: Central Bank of Trinidad and Tobago  
r: Revised p: Provisional



## BALANCE OF VISIBLE TRADE

Trinidad and Tobago's visible trade balance for the period October 2008 to March 2009 stood at TT\$26,437.5 million. This represents a 39.1 percent improvement in the visible trade balance of TT\$19,008.2 for the corresponding period of the previous year. The improvement in the trade balance was mainly due to an 18.0 percent decrease in visible trade imports, with the main driver being a 43.4 percent decrease in imports of mineral fuels<sup>1</sup>. (**Appendix 27**).

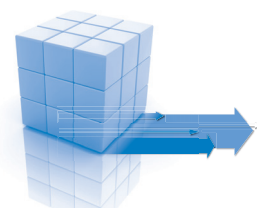
## CARICOM TRADE

Trinidad and Tobago's balance of trade with CARICOM countries grew by 39.2 percent during the first half of the fiscal period 2008/2009, when compared to the first half of fiscal 2007/2008, increasing from TT\$5,465 million to TT\$7,606.3 million (**Appendix 26**). This overall result was driven by a strong trade performance over the period

October to December 2008, during which the trade balance stood at TT\$5,626.0 million, representing an 80.6 percent increase over the period October to December 2007. The expanding trade balance during the first half of the fiscal 2008/2009 was buoyed by a 58.0 percent increase in petroleum exports, which offset a 4.1 percent decrease in non-petroleum exports.

Notwithstanding the overall positive performance in the first half of the fiscal year, the international economic and financial crisis had a negative impact on Trinidad and Tobago's trade performance with its CARICOM neighbours during the first quarter of 2009. This country's balance of trade with CARICOM for the period January to March 2009 stood at TT\$1,980.3 million, compared to TT\$2,349.5 million in the same period of the previous year, representing a 15.7 percent decrease over the period. The decline was due to a 4.7 percent reduction in non-petroleum exports, a 40.7 percent increase in petroleum imports and a 19.5 percent decline in petroleum exports.

<sup>1</sup>Crude petroleum, refined petroleum products and natural gas.



## APPENDIX 1: GROSS DOMESTIC PRODUCT OF TRINIDAD AND TOBAGO AT CONSTANT (2000) PRICES /TT\$ MILLIONS/

SECTOR	2005r	2006r	2007r	2008r	2009p
<b>GROSS DOMESTIC PRODUCT</b>	<b>75,785.6</b>	<b>86,028.0</b>	<b>90,005.4</b>	<b>92,071.5</b>	<b>91,273.3</b>
<b>PETROLEUM INDUSTRY</b>	<b>29,651.2</b>	<b>36,102.7</b>	<b>36,709.5</b>	<b>36,538.7</b>	<b>37,125.8</b>
Exploration and Production	17,208.3	20,028.9	20,305.4	20,080.6	20,340.4
Refining (Incl Atlantic LNG)	6,531.2	9,208.7	9,524.1	9,989.3	10,561.2
Petrochemicals	3,637.2	4,192.9	4,094.7	3,959.7	4,118.9
Service Contractors	646.1	894.4	901.4	601.9	246.5
Distribution	1,612.6	1,756.1	1,854.5	1,878.3	1,824.4
Asphalt Production	15.8	21.7	29.4	28.9	34.4
<b>NON-PETROLEUM INDUSTRY</b>	<b>45,900.0</b>	<b>48,900.8</b>	<b>52,492.5</b>	<b>54,334.2</b>	<b>51,624.8</b>
<b>Agriculture</b>	<b>434.1</b>	<b>390.1</b>	<b>423.5</b>	<b>468.8</b>	<b>464.2</b>
Export Agriculture	27.5	5.6	8.0	7.2	11.8
Domestic Agriculture	378.6	317.0	333.6	329.3	315.7
Sugar:	28.0	67.5	81.9	132.3	136.7
Sugar refineries	(115.6)	(114.6)	(113.5)	(113.0)	(108.6)
Cane farming and cultivation	51.6	47.3	18.7	0.0	0.0
Distilleries	92.0	134.8	176.7	245.3	245.3
<b>Manufacturing</b> <sup>1</sup>	<b>5,684.6</b>	<b>6,432.1</b>	<b>7,331.6</b>	<b>7,715.6</b>	<b>7,932.3</b>
Food, Beverages and Tobacco	2,496.3	2,706.9	3,301.1	3,809.7	4,124.0
Textile, Garments & Footwear	123.4	131.5	135.1	166.0	191.2
Printing, Publishing etc.	579.1	695.5	778.2	681.3	732.6
Wood & Related Products	167.5	138.1	130.4	127.7	126.3
Chemical & Non-Metallic Minerals	1,064.4	1,244.7	1,314.8	1,244.3	1,136.9
Assembly Type and Related Industries	1,048.8	1,246.9	1,397.7	1,426.6	1,359.5
Miscellaneous Manufacturing	205.1	268.5	274.3	260.0	261.8
<b>Services</b>	<b>39,781.3</b>	<b>42,078.6</b>	<b>44,737.4</b>	<b>46,149.8</b>	<b>43,228.3</b>
Electricity and Water	1,159.6	1,155.0	1,230.6	1,267.2	1,252.8
Construction and Quarrying	6,210.4	6,597.6	7,184.8	7,405.0	6,304.2
Distribution and Restaurants <sup>2</sup>	9,103.0	10,480.3	10,828.6	11,889.9	10,375.4
Hotels and Guest Houses	320.9	257.3	278.0	227.4	160.9
Transport, Storage & Communication	5,864.7	6,207.0	6,563.7	6,293.4	5,909.5
Finance, Insurance & Real Estate etc.	10,464.6	10,567.6	11,669.5	12,126.1	12,243.1
Government	4,032.1	3,970.9	4,099.3	4,168.0	4,097.3
Education & Cultural Services	1,653.2	1,773.8	1,733.9	1,688.4	1,733.5
Personal Services	972.8	1,069.1	1,149.0	1,084.4	1,151.6
FISIM <sup>3</sup>	(2,338.6)	(2,669.5)	(3,163.3)	(3,072.2)	(3,059.6)
Add: VALUE ADDED TAX (VAT)	2,573.0	3,694.0	3,966.7	4,270.8	5,582.3

Source: Central Statistical Office

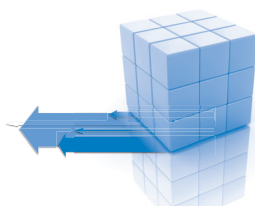
1/ Excludes oil refining and petrochemical industries.

2/ Excludes distribution of petroleum products.

3/ Financial Intermediation Services Indirectly Measured.

Note: VAT which was previously excluded from constant prices, is now included in constant prices series.

r: revised    p: provisional





## APPENDIX 2: GROSS DOMESTIC PRODUCT OF TRINIDAD AND TOBAGO AT CONSTANT (2000) PRICES/PERCENTAGE CHANGE/

SECTOR	2005r	2006r	2007r	2008r	2009p
<b>GROSS DOMESTIC PRODUCT</b>	<b>5.8</b>	<b>13.5</b>	<b>4.6</b>	<b>2.3</b>	<b>(0.9)</b>
<b>PETROLEUM INDUSTRY</b>	<b>8.3</b>	<b>21.8</b>	<b>1.7</b>	<b>(0.5)</b>	<b>1.6</b>
Exploration and Production	10.7	16.4	1.4	(1.1)	1.3
Refining (Incl Atlantic LNG)	1.7	41.0	3.4	4.9	5.7
Petrochemicals	19.5	15.3	(2.3)	(3.3)	4.0
Service Contractors	(20.2)	38.4	0.8	(33.2)	(59.0)
Distribution	4.2	8.9	5.6	1.3	(2.9)
Asphalt Production	20.6	37.3	35.5	(1.7)	19.0
<b>NON-PETROLEUM INDUSTRY</b>	<b>4.4</b>	<b>6.5</b>	<b>7.3</b>	<b>3.5</b>	<b>(5.0)</b>
<b>Agriculture</b>	<b>(5.4)</b>	<b>(10.1)</b>	<b>8.6</b>	<b>10.7</b>	<b>(1.0)</b>
Export Agriculture	113.2	(79.6)	42.9	(10.0)	63.9
Domestic Agriculture	5.9	(16.3)	5.2	(1.3)	(4.1)
Sugar:	(68.5)	141.1	21.3	61.5	3.3
Sugar refineries	(5.2)	0.9	1.0	0.4	3.9
Cane farming and cultivation	(2.6)	(8.3)	(60.5)	(100.0)	0.0
Distilleries	(36.9)	46.5	31.1	38.8	0.0
<b>Manufacturing 1</b>	<b>13.5</b>	<b>13.1</b>	<b>14.0</b>	<b>5.2</b>	<b>2.8</b>
Food, Beverages and Tobacco	17.2	8.4	22.0	15.4	8.2
Textile, Garments & Footwear	15.0	6.6	2.7	22.9	15.2
Printing, Publishing etc.	(1.9)	20.1	11.9	(12.5)	7.5
Wood & Related Products	22.9	(17.6)	(5.6)	(2.1)	(1.1)
Chemical & Non-Metallic Minerals	13.1	16.9	5.6	(5.4)	(8.6)
Assembly Type and Related Industries	10.4	18.9	12.1	2.1	(4.7)
Miscellaneous Manufacturing	33.0	30.9	2.2	(5.2)	0.7
<b>Services</b>	<b>3.4</b>	<b>5.8</b>	<b>6.3</b>	<b>3.2</b>	<b>(6.3)</b>
Electricity and Water	6.2	(0.4)	6.5	3.0	(1.1)
Construction and Quarrying	16.1	6.2	8.9	3.1	(14.9)
Distribution and Restaurants <sup>2</sup>	4.5	15.1	3.3	9.8	(12.7)
Hotels and Guest Houses	24.8	(19.8)	8.0	(18.2)	(29.2)
Transport, Storage & Communication	2.9	5.8	5.7	(4.1)	(6.1)
Finance, Insurance & Real Estate etc.	(2.4)	1.0	10.4	3.9	1.0
Government	1.9	(1.5)	3.2	1.7	(1.7)
Education & Cultural Services	0.3	7.3	(2.2)	(2.6)	2.7
Personal Services	(6.3)	9.9	7.5	(5.6)	6.2
FISIM <sup>3</sup>	(8.3)	14.1	18.5	(2.9)	(0.4)
Add: VALUE ADDED TAX (VAT)	(9.8)	43.6	7.4	7.7	30.7

**Source:** Central Statistical Office

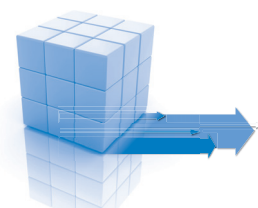
1/ Excludes oil refining and petrochemical industries.

2/ Excludes distribution of petroleum products.

3/ Financial Intermediation Services Indirectly Measured.

Note: VAT which was previously excluded from constant prices, is now included in constant prices series.

r: revised    p: provisional



## APPENDIX 3: GROSS DOMESTIC PRODUCT OF TRINIDAD AND TOBAGO AT MARKET PRICES (CURRENT PRICES)/TT\$ MILLIONS/

SECTOR	2005r	2006r	2007r	2008r	2009p
<b>GROSS DOMESTIC PRODUCT</b>	<b>100,682.0</b>	<b>115,951.2</b>	<b>132,280.8</b>	<b>163,324.9</b>	<b>133,533.6</b>
<b>PETROLEUM INDUSTRY</b>	<b>46,188.4</b>	<b>54,517.9</b>	<b>56,833.8</b>	<b>78,412.9</b>	<b>47,959.4</b>
Exploration and Production	24,223.3	32,248.5	30,452.5	45,706.9	24,359.5
Refining (Incl Atlantic LNG)	8,932.9	8,136.0	9,549.1	11,642.6	9,064.3
Petrochemicals	7,009.7	8,306.1	10,233.0	13,210.9	8,248.2
Service Contractors	2,978.6	3,561.4	3,692.6	3,595.0	2,607.9
Distribution	3,009.8	2,206.7	2,832.6	4,148.4	3,552.5
Asphalt Production	34.1	59.2	74.1	109.2	127.0
<b>NON-PETROLEUM INDUSTRY</b>	<b>54,372.7</b>	<b>60,767.8</b>	<b>74,789.5</b>	<b>83,374.6</b>	<b>83,537.5</b>
<b>Agriculture</b>	<b>487.3</b>	<b>657.3</b>	<b>490.5</b>	<b>576.9</b>	<b>559.0</b>
Export Agriculture	30.0	6.8	9.5	7.2	14.1
Domestic Agriculture	459.7	447.9	473.2	492.3	480.0
Sugar:	(2.4)	202.6	7.8	77.4	64.9
Sugar refineries	(50.2)	58.7	(29.4)	5.2	(7.3)
Cane farming and cultivation	37.6	34.8	22.5	0.0	0.0
Distilleries	10.2	109.1	14.7	72.2	72.2
<b>Manufacturing</b> <sup>1</sup>	<b>5,523.0</b>	<b>6,444.6</b>	<b>7,494.1</b>	<b>7,642.6</b>	<b>8,398.4</b>
Food, Beverages and Tobacco	2,055.0	2,377.2	2,985.0	3,689.9	4,419.1
Textile, Garments & Footwear	116.7	136.3	142.0	124.7	122.3
Printing, Publishing etc.	635.3	666.1	725.5	748.8	704.6
Wood & Related Products	171.4	152.5	159.8	159.1	158.3
Chemical & Non-Metallic Minerals	1,330.3	1,502.2	1,711.1	1,785.4	1,603.8
Assembly Type and Related Industries	997.5	1,327.3	1,481.4	850.0	1,104.6
Miscellaneous Manufacturing	216.8	283.0	289.3	284.7	285.7
<b>Services</b>	<b>48,362.4</b>	<b>53,665.9</b>	<b>66,804.9</b>	<b>75,155.1</b>	<b>74,580.1</b>
Electricity and Water	889.9	981.5	1,534.4	1,526.3	1,339.6
Construction and Quarrying	7,452.5	8,576.9	11,711.2	14,069.5	12,797.5
Distribution and Restaurants <sup>2</sup>	11,970.5	15,081.2	16,925.1	21,140.0	20,636.7
Hotels and Guest Houses	406.3	443.1	496.2	416.8	333.5
Transport, Storage & Communication	5,634.5	4,186.4	7,142.5	7,533.5	7,204.1
Finance, Insurance & Real Estate etc.	11,642.6	13,351.5	15,561.8	15,494.7	15,967.1
Government	6,675.3	6,987.5	9,038.3	10,132.6	11,239.4
Education and Cultural Services	2,598.6	2,774.5	2,942.0	3,387.8	3,456.8
Personal Services	1,092.2	1,283.3	1,453.4	1,453.9	1,605.4
FISIM <sup>3</sup>	(2,958.2)	(3,658.6)	(4,677.8)	(5,090.7)	(5,663.3)
Add: VALUE ADDED TAX (VAT)	3,079.1	4,324.1	5,335.3	6,628.1	7,700.0

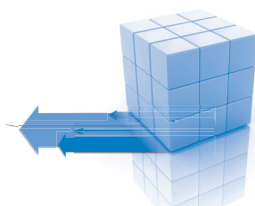
Source: Central Statistical Office

1/ Excludes oil refining and petrochemical industries.

2/ Excludes distribution of petroleum products.

3/ Financial Intermediation Services Indirectly Measured.

r: revised p: provisional



## APPENDIX 4: GROSS DOMESTIC PRODUCT OF TRINIDAD AND TOBAGO AT MARKET PRICES (CURRENT PRICES)/PERCENTAGE CHANGE/

SECTOR	2005r	2006r	2007r	2008r	2009p
<b>GROSS DOMESTIC PRODUCT</b>	<b>20.4</b>	<b>15.2</b>	<b>14.1</b>	<b>23.5</b>	<b>(18.2)</b>
<b>PETROLEUM INDUSTRY</b>	<b>42.8</b>	<b>18.0</b>	<b>4.2</b>	<b>38.0</b>	<b>(38.8)</b>
Exploration and Production	33.5	33.1	(5.6)	50.1	(46.7)
Refining (Incl Atlantic LNG)	55.3	(8.9)	17.4	21.9	(22.1)
Petrochemicals	35.7	18.5	23.2	29.1	(37.6)
Service Contractors	73.9	19.6	3.7	(2.6)	(27.5)
Distribution	93.7	(26.7)	28.4	46.5	(14.4)
Asphalt Production	147.1	73.6	25.2	47.4	16.3
<b>NON-PETROLEUM INDUSTRY</b>	<b>6.3</b>	<b>11.8</b>	<b>23.1</b>	<b>11.5</b>	<b>0.2</b>
<b>Agriculture</b>	<b>(23.5)</b>	<b>34.9</b>	<b>(25.4)</b>	<b>17.6</b>	<b>(3.1)</b>
Export Agriculture	89.9	(77.3)	39.7	(24.2)	95.8
Domestic Agriculture	3.9	(2.6)	5.6	4.0	(2.5)
Sugar:	(101.3)	8,541.7	(96.2)	892.3	(16.1)
Sugar refineries	(174.3)	216.9	(150.1)	117.7	(240.4)
Cane farming and cultivation	(22.3)	(7.4)	(35.3)	(100.0)	0.0
Distilleries	(83.7)	969.6	(86.5)	391.2	0.0
<b>Manufacturing</b> <sup>1</sup>	<b>(11.6)</b>	<b>16.7</b>	<b>16.3</b>	<b>2.0</b>	<b>9.9</b>
Food, Beverages and Tobacco	8.2	15.7	25.6	23.6	19.8
Textile, Garments & Footwear	10.2	16.8	4.2	(12.2)	(1.9)
Printing, Publishing etc.	12.4	4.8	8.9	3.2	(5.9)
Wood & Related Products	22.7	(11.0)	4.8	(0.4)	(0.5)
Chemical & Non-Metallic Minerals	(3.3)	12.9	13.9	4.3	(10.2)
Assembly Type and Related Industries	(50.1)	33.1	11.6	(42.6)	30.0
Miscellaneous Manufacturing	32.0	30.5	2.2	(1.6)	0.4
<b>Services</b>	<b>9.2</b>	<b>11.0</b>	<b>24.5</b>	<b>12.5</b>	<b>(0.8)</b>
Electricity and Water	(6.0)	10.3	56.3	(0.5)	(12.2)
Construction and Quarrying	25.5	15.1	36.5	20.1	(9.0)
Distribution and Restaurants <sup>2</sup>	12.7	26.0	12.2	24.9	(2.4)
Hotels and Guest Houses	39.8	9.1	12.0	(16.0)	(20.0)
Transport, Storage & Communication	3.7	(25.7)	70.6	5.5	(4.4)
Finance, Insurance & Real Estate etc.	(0.4)	14.7	16.6	(0.4)	3.0
Government	11.9	4.7	29.3	12.1	10.9
Education and Cultural Services	15.3	6.8	6.0	15.2	2.0
Personal Services	(2.7)	17.5	13.3	0.0	10.4
FISIM <sup>3</sup>	(2.0)	23.7	27.9	8.8	11.2
Add: VALUE ADDED TAX (VAT)	(2.9)	40.4	23.4	24.2	16.2

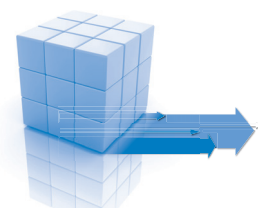
Source: Central Statistical Office

1/Excludes oil refining and petrochemical industries

2/Excludes distribution of petroleum products

3/Financial Intermediation Services Indirectly Measured.

r: revised p: provisional



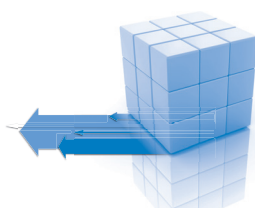
## APPENDIX 5: DEVELOPMENT AND EXPLORATORY DRILLING AND DOMESTIC CRUDE PRODUCTION

Development And Exploratory Drilling							
	Oct '03/ Sep '04	Oct '04/ Sep '05	Oct '05/ Sep '06	Oct '06/ Sep '07	Oct '07/ Sep '08	Oct '07/ Apr '08	Oct '08/ Apr '09p
Total Depth Drilled*	151.7	114.3	160.1	186.4	164.7	<b>105.8</b>	<b>36.6</b>
Land	43.1	29.8	67.4	86.0	58.3	<b>35.3</b>	<b>18.8</b>
Marine	108.6	84.5	92.8	100.3	106.4	<b>70.5</b>	<b>17.8</b>
Development Drilling*	126.6	81.9	126.8	146.5	119.7	<b>73.8</b>	<b>31.9</b>
Exploratory Drilling*	25.1	32.4	33.3	39.8	45.0	<b>32.0</b>	<b>4.7</b>
Number of Wells Drilled							
	Oct '03/ Sep '04	Oct '04/ Sep '05	Oct '05/ Sep '06	Oct '06/ Sep '07	Oct '07/ Sep '08	Oct '07/ Apr '08	Oct '08/ Apr '09p
No. of Wells Drilled	173	73	110	119	112	<b>75</b>	<b>22</b>
Development	161	65	99	105	102	<b>66</b>	<b>21</b>
Exploratory	12	8	11	14	10	<b>9</b>	<b>1</b>
Domestic Crude and Condensate Production							
	Oct '03/ Sep '04	Oct '04/ Sep '05	Oct '05/ Sep '06	Oct '06/ Sep '07	Oct '07/ Sep '08	Oct '07/ Apr '08	Oct '08/ Apr '09p
Total Crude and Condensate							
Millions of Barrels	46.70	49.77	54.10	45.38	42.41	<b>24.67</b>	<b>23.40</b>
Millions of Cubic Metres	7.42	7.91	8.60	7.20	6.74	<b>2.90</b>	<b>2.70</b>
Land (%)	19.6	17.9	15.9	18.5	20.6	<b>20.8</b>	<b>21.3</b>
Marine (%)	80.4	82.1	84.1	81.5	79.4	<b>79.2</b>	<b>78.7</b>
Crude Production							
Millions of Barrels	22.94	32.93	41.24	34.59	31.74	<b>18.83</b>	<b>17.19</b>
Millions of Cubic Metres	3.64	5.23	6.56	5.48	5.04	<b>2.18</b>	<b>1.99</b>
Condensate Production							
Millions of Barrels	23.76	16.84	12.86	10.79	10.67	<b>5.75</b>	<b>6.21</b>
Millions of Cubic Metres	3.78	2.68	2.04	1.72	1.70	<b>0.68</b>	<b>0.72</b>

**Source:** Ministry of Energy and Energy Industries

p: Provisional

\*ALL FIGURES IN THOUSANDS OF METRES



## APPENDIX 6: NATURAL GAS PRODUCTION AND UTILISATION /MILLIONS OF CUBIC METRES/

	Oct '03/ Sep '04	Oct '04/ Sep '05	Oct '05/ Sep '06	Oct '06/ Sep '07	Oct '07/ Sep '08	Oct '07/ Apr '08	Oct '08/ Apr '09p
<b>Production</b>	29,672	33,053	39,296	41,250	42,240	24,537	24,521
<b>Utilisation</b>							
Fuel Use*	8,763	8,946	9,747	10,699	10,928	6,169	5,730
Processed	5,441	7,097	8,148	8,124	7,994	4,648	4,306
Vented	761	1,458	1,057	874	922	569	773
Gas Re-Injected	-	505	1,886	1,570	1,974	1,096	1,158
Natural Gas Liquids (NGL)	225	234	238	342	263	180	161
Liquefied Natural Gas (LNG)	14,482	14,813	18,220	19,641	20,159	11,875	12,393

**Source:** Ministry of Energy and Energy Industries

\*Includes oil companies and refinery use, non-oil companies and Atlantic fuel

p: Provisional

## APPENDIX 7: PETROCHEMICALS PRODUCTION AND EXPORTS /TONNES '000/

	Oct '03/ Sep '04	Oct '04/ Sep '05	Oct '05/ Sep '06	Oct '06/ Sep '07	Oct '07/ Sep '08	Oct '07/ Apr '08	Oct '08/ Apr '09p
<b>Nitrogenous Fertilisers (Ammonia and Urea)</b>							
Production	5,251.7	5,260.0	5,930.0	6,106.3	5,679.4	3,317.6*	3,272.0**
Exports	4,616.8	5,193.1	5,427.1	5,556.2	5,375.1	3,069.5*	3,025.0**
<b>Methanol</b>							
Production	3,064.4	4,242.6	5,919.1	6,050.3	6,037.7	3,428.3	3,088.0
Exports	2,762.2	4,188.2	5,931.6	5,907.3	5,857.8	3,387.0	3,124.0

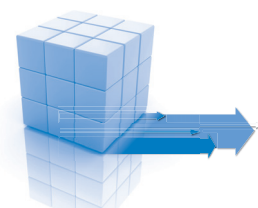
**Source:** Ministry of Energy and Energy Industries

p: Provisional

\* Ammonia production for Oct'07/Apr'08 totalled 2,916 thousand tonnes, and exports 2,679 thousand tonnes.

\*\* Ammonia production for Oct'08/Apr'09 totalled 2,889 thousand tonnes, and exports 2,631 thousand tonnes.

r: Revised



## APPENDIX 8: STEEL PRODUCTION/TONNES '000/

	Oct '03/ Jun '04	Oct '04/ Jun '05	Oct '05/ Jun '06	Oct '06/ Jun '07	Oct '07/ Jun '08	Oct '08/ Jun '09p
<b>Direct Reduced Iron</b>						
Production	1,647.7	1,548.0	1,657.5	1,372.5	1,480.6	570.8
Exports	959.5	918.4	985.4	798.1	987.3	346.7
Local Sales	-	-	-	-	-	-
<b>Billets</b>						
Production	616.7	571.2	572.0	446.6	418.7	250.1
Exports	70.5	162.3	92.4	51.5	63.2	103.6
Local Sales	60.8	47.3	58.0	44.1	65.8	33.6
<b>Wire Rods</b>						
Production	492.4	338.7	386.9	362.9	299.3	106.8
Exports	446.7	301.1	377.4	311.7	283.8	103.3
Local Sales	33.0	26.4	28.5	36.7	43.7	27.7

Source: ArcelorMittal Point Lisas Ltd.

p: Provisional

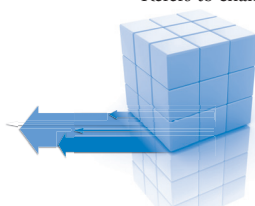
## APPENDIX 9: CHANGE IN PRICES, PRODUCTIVITY AND AVERAGE WEEKLY EARNINGS/PERCENTAGE CHANGE/

		2004	2005	2006	2007	2008	Jan - July* 2008	Jan - July* 2009
	Weights							
<b>Index of Retail Prices</b>								
<b>All workers/all industries (Base Year = 2003)</b>	1,000	3.7	6.8	8.3	7.9	12.0	8.7	0.6
Core	820	1.6	2.6	3.6	4.4	6.2	5.5	2.3
Food	180	12.8	23.0	23.2	17.4	25.9	15.6	-2.5
Transport	167	4.4	2.9	1.7	3.9	3.0	1.7	4.7
Housing	262	2.7	2.5	2.9	4.2	5.6	6.5	0.7
		2004	2005	2006	2007	2008	Oct '07/ Dec '07**	Oct '08/ Dec '08**
<b>Index of Productivity</b>								
<b>All workers/all industries (Base Year = 1995)</b>		2.6	9.3	7.6	10.9	7.2	1.8	-2.2
Food Processing		19.8	26.3	-13.2	20.4	19.9	-1.8	-2.5
Chemicals		-4.0	8.8	-6.1	-7.4	-4.0	-8.2	3.4
Assembly Type & Related Products		12.3	4.6	26.5	-7.1	-13.2	-12.5	-21.8
Petrochemicals		-9.1	19.2	2.6	44.6	-8.3	-6.4	-2.0
Exploration and Production of Oil and								
Natural Gas		-18.0	29.5	13.1	60.1	1.4	-6.8	12.0
Oil & Natural Gas Refining		4.7	16.3	1.3	12.1	42.4	42.2	-4.4
<b>Index of Average Weekly Earnings</b>								
<b>All workers/all industries (Base Year = 1995)</b>		14.5	1.5	8.2	2.8	11.7	-2.6**	-1.2**

Source: Central Statistical Office

\* Jan - July calculations based on end of period data

\*\* Refers to change in October - December period, versus the July - September period



## APPENDIX 10: POPULATION, LABOUR FORCE AND EMPLOYMENT (MID-YEAR)

	2003**	2004**	2005**	2006**	2007**	2008**	2009**p
TOTAL POPULATION	1,282,447	1,290,646	1,294,494	1,297,944	1,303,188	1,308,587	1,310,106
% change	0.5	0.6	0.3	0.3	0.4	0.4	0.1
TOTAL MALE	642,037	647,259	649,189	650,919	653,549	656,257	657,018
% change	0.4	0.8	0.3	0.3	0.4	0.4	0.1
TOTAL FEMALE	640,410	643,387	645,305	647,025	649,639	652,330	653,088
% change	0.7	0.5	0.3	0.3	0.4	0.4	0.1
Dependency Ratio (%)	46.5	48.0	48.0	48.0	48.0	48.0	48.0
Non Institutional Pop.15 yrs and over	968,300	973,600	979,000	978,300	980,900	987,000	990,100*
Labour Force***	596,500	613,400	623,700	625,200	622,400	626,600	630,000*
Persons Employed	534,100	562,200	574,000	586,200	587,800	597,700	598,200*
Persons Unemployed	62,400	51,100	49,700	39,100	34,600	29,000	31,800*
Participation Rate (%)	61.6	63.0	63.7	63.9	63.5	63.5	63.6*
Unemployment Rate (%)	10.5	8.3	8.0	6.2	5.6	4.6	5.0*
Births per 1,000 persons	14.00	14.23	13.80	13.70	13.95	14.12	15.25
Deaths per 1,000 persons	7.65	7.88	7.74	7.69	7.60	7.70	7.68
Crude Natural Growth Rate per 1,000	6.35	6.35	6.06	6.01	6.35	6.42	7.57

Source: Central Statistical Office

\* Data refers to January–March 2009 period

\*\* Figures based on 2000 census

\*\*\* Figures based on CSSP estimates

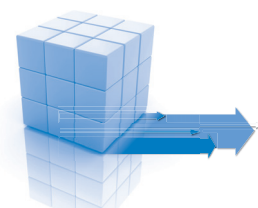
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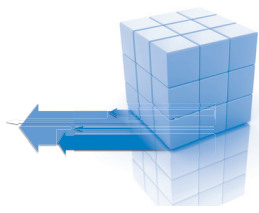
## APPENDIX 11: MID-YEAR ESTIMATES OF POPULATION BY AGE

	2002p	2003p	2004p	2005p	2006p	2007p	2008p	2009p
Total Population	1,275,705	1,282,447	1,290,646	1,294,494	1,297,944	1,303,188	1,308,587	1,310,106
Non-Institutional Population								
All Ages								
Under 15	320,748	320,612	327,104	328,080	328,954	330,283	331,651	332,036
15-19	125,050	125,951	141,579	142,001	142,380	142,955	143,547	143,714
20-24	116,170	117,007	114,489	114,830	115,136	115,601	116,080	116,215
25-29	107,284	108,057	98,769	99,064	99,328	99,729	100,142	100,258
30-34	101,449	102,179	94,258	94,539	94,791	95,174	95,569	95,680
35-39	102,215	102,952	104,871	105,184	105,464	105,890	106,329	106,452
40-44	93,454	94,127	92,396	92,671	92,918	93,293	93,680	93,789
45-49	79,488	80,060	76,498	76,726	76,931	77,242	77,562	77,652
50-54	61,594	62,038	63,832	64,022	64,193	64,452	64,719	64,794
55-59	48,106	48,453	47,540	47,681	47,808	48,002	48,201	48,256
60-64	34,478	34,726	37,940	38,053	38,155	38,309	38,468	38,512
Over 65	85,667	86,285	91,370	91,642	91,887	92,258	92,640	92,748

Source: Central Statistical Office

Figures based on 2000 census





## APPENDIX 12: LABOUR FORCE BY INDUSTRY AND EMPLOYMENT STATUS (CASP ESTIMATES)/HUNDREDS ('00)/

	2007												2008												2009		
	Oct - Dec				Jan - Mar				Apr - Jun				Jul - Sep				Oct - Dec				Jan - Mar						
	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %						
Total Labour Force	6,314	6,031	4.5	6,208	5,884	5.3	6,214	5,928	4.6	6,307	6,008	4.7	6,336	6,087	3.9	6,300	5,982	3.9	6,300	5,982	5.0						
Other Agriculture, Forestry, Hunting & Fishing	190	185	2.6	223	221	0.9	294	290	1.4	241	233	3.3	163	159	3.1	207	205		207	205	1.0						
Sugar	9	3	66.7	14	8	42.9	9	7	11.1	3	-	100.0	4	4	-	9	8		9	8	11.1						
Petroleum	206	199	3.9	197	184	7.6	217	209	3.2	206	201	1.9	221	214	3.6	200	185		200	185	7.5						
Construction	1,154	1,048	9.2	1,172	1,064	9.3	1,209	1,086	10.2	1,249	1,136	9.0	1,137	1,053	7.4	1,179	1,048		1,179	1,048	11.0						
Wholesale/Retail Trade, Restaurants & Hotels	1,154	1,094	5.2	1,167	1,089	6.6	1,035	992	4.3	1,159	1,104	4.7	1,194	1,143	4.3	1,161	1,100		1,161	1,100	5.3						
Transport, Storage & Comm.	440	428	2.7	461	450	2.6	425	419	1.6	411	398	2.7	378	378	-	461	452		461	452	2.0						
Finance, Insurance Real-Estate & Bus Services	530	523	1.5	490	477	2.7	531	509	4.0	527	518	1.7	620	598	3.7	508	492		508	492	3.0						
Community Social & Personal Services	1,996	1,930	3.4	1,787	1,722	3.6	1,810	1,755	3.0	1,870	1,802	3.7	1,959	1,899	3.1	1,927	1,874		1,927	1,874	2.7						
Electricity & Water	87	87	-	91	89	1.1	78	78	-	80	77	3.8	75	72	5.3	69	67		69	67	2.9						
Other Manufacturing	535	524	2.1	591	565	4.4	596	574	3.7	536	519	3.4	560	546	2.9	558	528		558	528	5.4						
Other Mining & Quarrying	8	8	-	5	5	-	3	3	-	14	13	7.1	15	15	-	9	9		9	9	-						
Not stated	4	3	25.0	7	7	-	5	4	20.0	11	7	36.4	9	9	-	12	12		12	12	-						

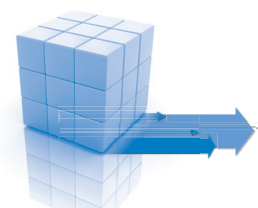
Source: Central Statistical Office  
p : provisional



## APPENDIX 13: EXCHANGE RATE FOR SELECTED CURRENCIES

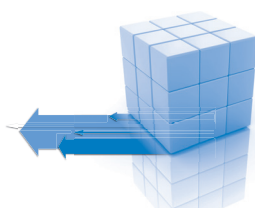
Period Ending	US Dollar		Canadian Dollar		U.K. Pound Sterling		EURO	
	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling
<b>2001</b>	6.1679	6.2314	3.9397	4.0916	8.7703	9.1134	5.4866	5.6490
<b>2002</b>	6.1746	6.2473	3.8622	4.0202	9.1236	9.4925	5.7352	5.9767
<b>2003</b>	6.2314	6.2952	4.3681	4.5563	9.9840	10.4060	6.8913	7.2095
<b>2004</b>	6.2440	6.2990	4.7107	4.9058	11.1953	11.6742	7.5880	7.9173
<b>2005</b>	6.2319	6.2996	5.0866	5.2849	11.1559	11.6325	7.6116	7.8664
<b>2006</b>	6.2495	6.3122	5.4430	5.6765	11.3205	11.8324	7.7099	8.0479
<b>2007</b>	6.2735	6.3282	5.7744	6.0402	12.2988	12.8852	8.4340	8.7985
<b>2008</b>	6.2234	6.2891	5.7929	6.0553	11.2925	11.8596	8.9702	9.3865
<b>2007</b>								
April	6.2752	6.3221	5.4535	5.6829	12.2214	12.7901	8.3293	8.6703
May	6.2601	6.3152	5.6308	5.8751	12.1918	12.7494	8.3296	8.6557
June	6.2789	6.3230	5.8134	6.0528	12.2123	12.7531	8.2635	8.5759
July	6.2813	6.3350	5.8764	6.1571	12.5387	13.0988	8.4468	8.8334
August	6.2760	6.3311	5.7968	6.1041	12.3269	12.9260	8.3729	8.7673
September	6.2812	6.3315	5.9687	6.2693	12.3714	12.9857	8.5445	8.9264
October	6.2804	6.3337	6.3079	6.6170	12.5003	13.1579	8.7365	9.1245
November	6.2691	6.3367	6.3958	6.7156	12.7082	13.3400	8.9476	9.4075
December	6.2728	6.3347	6.1502	6.4382	12.3952	13.0303	9.0069	9.3456
<b>2008</b>								
January	6.2794	6.3354	6.1314	6.4085	12.0593	12.6984	9.0534	9.4770
February	6.2680	6.3335	6.1727	6.4654	12.0476	12.6170	9.0098	9.4809
March	6.2831	6.3359	6.2103	6.4777	12.2641	12.9057	9.4413	9.8962
April	6.2800	6.3302	6.1063	6.3681	12.1332	12.7365	9.6793	10.1177
May	6.2053	6.2896	6.1327	6.4169	11.9457	12.5671	9.4754	9.9476
June	6.1269	6.2209	5.9962	6.2724	11.8917	12.4644	9.4491	9.8483
July	6.1740	6.2556	6.0165	6.3046	12.0792	12.6691	9.5950	9.9858
August	6.1953	6.2549	5.7861	6.0507	11.4461	12.0240	9.1085	9.5088
September	6.2018	6.2621	5.7645	6.0312	10.9033	11.4476	8.7251	9.1578
October	6.2048	6.2723	5.2241	5.4577	10.3162	10.8361	8.1352	8.5350
November	6.2324	6.2953	5.0433	5.2592	9.3634	9.8403	7.7786	8.1550
December	6.2348	6.2875	4.9626	5.1837	9.0766	9.5263	8.2456	8.5980
<b>2009</b>								
January	6.2403	6.2941	5.0017	5.2367	8.8090	9.2484	8.1050	8.5146
February	6.2176	6.2736	4.9103	5.1458	8.7608	9.2164	7.7740	8.1932
March	6.2398	6.2923	4.8587	5.0822	8.6457	9.1187	7.9897	8.3883
April	6.2430	6.2994	5.0212	5.2431	8.9885	9.4413	8.0891	8.4717
May	6.2510	6.3089	5.3391	5.5824	9.4077	9.8856	8.3742	8.7681

Source: Central Bank of Trinidad and Tobago



## APPENDIX 14: MONEY SUPPLY /TT\$ MILLIONS

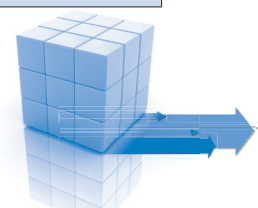
Period Ending	Currency in Circulation	Demand Deposits (adj)	Savings Deposits (adj)	Time Deposits (adj)	Foreign Currency Deposits* (adj)	Narrow Money (M1)	Broad Money (M2)
2001	1,373.50	5,322.10	6,634.30	3,869.70	4,995.40	6,695.60	17,199.60
2002	1,501.80	5,829.80	6,778.70	3,399.90	5,513.10	7,331.60	17,510.10
2003	1,708.60	5,600.80	8,264.20	3,019.60	4,296.10	7,309.40	18,593.30
2004	1,957.40	6,420.20	8,952.40	3,511.10	6,987.80	8,377.60	20,841.20
2005	2,425.40	9,890.70	9,967.30	5,729.00	7,362.30	12,316.10	28,012.40
2006	2,654.40	10,853.50	11,523.70	7,828.40	10,505.50	13,507.90	32,859.90
2007	3,182.80	11,939.30	13,001.70	9,186.10	11,923.50	15,122.10	37,309.90
2008	3,433.70	13,219.80	13,830.60	11,680.20	16,101.80	16,653.50	42,164.30
2007							
April	2,709.70	8,838.10	11,702.00	7,915.80	12,372.60	11,547.80	31,165.60
May	2,710.00	8,765.30	11,803.40	8,118.70	11,991.00	11,475.30	31,397.40
June	2,788.60	9,840.90	12,083.60	8,387.80	10,936.90	12,629.50	33,100.80
July	2,794.70	9,408.20	12,202.20	8,732.10	11,587.90	12,202.90	33,137.10
August	2,874.20	9,261.50	12,424.10	9,539.00	11,536.90	12,135.70	34,098.80
September	2,929.50	9,583.30	12,591.80	9,245.50	11,428.30	12,512.80	34,350.10
October	2,906.00	10,039.50	12,736.40	9,350.10	12,048.70	12,945.50	35,032.10
November	3,101.70	10,481.20	13,018.60	9,355.60	11,840.00	13,582.90	35,957.20
December	3,182.80	11,939.30	13,001.70	9,186.10	11,923.50	15,122.10	37,309.90
2008							
January	3,099.20	10,333.60	13,033.70	9,172.40	11,880.20	13,432.80	35,638.90
February	3,162.00	10,389.00	13,330.80	9,783.30	12,451.40	13,551.00	36,665.10
March	3,225.90	11,007.40	13,829.30	10,573.20	12,781.00	14,233.30	38,635.80
April	3,168.50	10,411.90	13,645.20	10,392.10	13,899.30	13,580.40	37,617.70
May	3,272.70	10,629.10	13,695.70	10,533.90	13,487.80	13,901.70	38,131.30
June	3,264.70	12,845.40	13,671.90	10,990.70	16,363.00	16,110.10	40,772.70
July	3,307.10	10,705.10	13,872.70	11,168.90	14,287.10	14,012.20	39,053.80
August	3,322.50	10,770.70	13,868.00	10,680.70	14,137.80	14,093.20	38,641.90
September	3,259.80	12,416.80	13,890.20	10,600.60	14,186.00	15,676.70	40,167.50
October	3,347.00	11,455.90	13,971.80	10,546.60	14,779.10	14,803.00	39,321.40
November	3,399.90	11,712.00	14,128.30	11,641.80	16,034.90	15,111.90	40,881.90
December	3,433.70	13,219.80	13,830.60	11,680.20	16,101.80	16,653.50	42,164.30
2009							
January	3,366.70	11,755.30	13,918.70	11,735.50	14,953.20	15,122.00	40,776.10
February	3,554.40	11,845.30	14,352.60	13,273.40	16,733.80	15,399.70	43,025.70
March	3,554.00	12,804.40	14,458.20	13,633.90	17,714.80	16,358.40	44,450.60
April p	3,531.60	12,931.70	14,617.60	13,290.00	17,225.20	16,463.30	44,370.90
Source: Central Bank of Trinidad and Tobago							
p: Provisional							



## APPENDIX 15: COMMERCIAL BANKS LIQUID ASSETS /TT\$ MILLIONS/

Period Ending	Reserve Position		Deposit Liabilities (adj.)	Deposits at the Central Bank			Local Cash in Hand	Treasury Bills
	Required Reserves	Cash Reserves		Cash Reserves	Special Deposits	Total Deposits		
2001	2,694.0	2,682.7	14,966.7	2,682.7	783.1	3,465.8	469.8	532.8
2002	2,763.8	2,790.4	15,354.4	2,790.4	281.3	3,071.6	502.8	208.8
2003	2,327.5	2,333.8	16,625.0	2,233.8	621.5	2,955.3	586.1	124.6
2004	2,055.1	2,121.6	18,682.7	2,121.6	660.9	2,782.5	596.8	60.2
2005	2,601.9	3,672.5	23,653.6	3,672.5	1,000.0	4,672.5	566.0	415.1
2006	3,087.8	3,626.6	28,070.9	3,626.6	2,061.4	5,688.0	906.0	561.5
2007	3,625.4	3,928.0	32,958.2	3,928.0	2,158.6	6,086.6	1,022.5	567.4
2008	6,416.7	8,352.7	37,745.3	8,352.7	2,252.4	10,605.1	1,051.9	819.7
2007								
April	3,125.3	3,095.0	28,411.8	3,095.0	2,068.2	5,163.3	462.9	86.4
May	3,159.5	3,251.7	28,722.7	3,251.7	2,074.5	5,326.2	581.4	86.4
June	3,222.4	4,083.8	29,294.5	4,083.8	2,083.9	6,167.7	503.8	86.4
July	3,272.2	3,715.8	29,747.3	3,715.8	2,096.7	5,812.4	557.1	621.9
August	3,404.7	3,797.0	30,951.8	3,797.0	2,119.0	5,916.0	542.7	587.4
September	3,478.1	4,248.9	31,619.1	4,248.9	2,132.4	6,381.3	505.3	588.1
October	3,478.8	4,050.1	31,625.5	4,050.1	2,132.5	6,182.6	608.4	587.2
November	3,577.4	3,724.8	32,521.8	3,724.8	2,150.4	5,875.2	524.7	599.0
December	3,625.4	3,928.0	32,958.2	3,928.0	2,158.6	6,086.6	1,022.5	567.4
2008								
January	3,701.9	3,720.9	33,653.6	3,720.9	2,172.0	5,892.8	775.3	513.7
February	4,308.4	4,688.9	33,141.5	4,688.9	2,161.7	6,850.6	518.9	518.7
March	4,398.3	5,619.1	33,833.1	5,619.1	2,175.4	7,794.6	627.2	630.9
April	4,558.5	4,729.9	35,065.4	4,729.9	2,193.2	6,923.1	657.4	770.9
May	4,544.9	4,641.5	34,960.8	4,641.5	2,197.3	6,838.8	599.3	682.8
June	4,531.8	6,796.5	34,860.0	6,796.5	2,195.1	8,991.6	538.8	753.9
July	5,406.7	5,568.5	36,044.7	5,568.5	2,218.5	7,787.0	624.2	729.8
August	5,447.2	6,271.6	36,314.7	6,271.6	2,223.9	8,495.4	580.2	721.6
September	5,333.1	6,090.3	35,554.0	6,090.3	2,210.5	8,300.8	721.1	762.4
October	5,455.8	6,861.9	36,372.0	6,861.9	2,225.3	9,087.1	617.6	849.4
November	6,137.7	7,685.5	36,104.1	7,685.5	2,219.3	9,904.8	767.3	821.7
December	6,416.7	8,352.7	37,745.3	8,352.7	2,252.4	10,605.1	1,051.9	819.7
2009								
January	6,513.7	8,376.7	38,315.9	8,376.7	2,264.4	10,641.1	561.8	809.4
February	6,523.3	9,101.2	38,372.2	9,101.2	2,265.6	11,366.7	662.3	1,344.3
March	6,770.1	9,529.5	39,824.1	9,529.5	2,294.9	11,824.4	656.8	1,538.9
April	6,961.5	8,125.1	40,950.0	8,125.1	2,317.5	10,442.6	703.0	751.6
May p	7,014.7	8,981.0	41,262.9	8,981.0	2,324.0	11,305.0	599.3	705.4

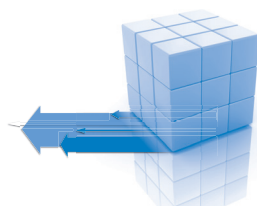
Source: Central Bank of Trinidad and Tobago



## APPENDIX 16: COMMERCIAL BANKS' DOMESTIC CREDIT /TT\$ MILLIONS/

Period Ending	Central Government Credit	Public Sector	Private Sector	Total Credit
<b>2001</b>	-3,427.10	2,970.50	15,552.40	15,095.80
<b>2002</b>	-3,796.70	2,841.90	16,890.00	15,935.30
<b>2003</b>	-5,040.80	2,041.30	18,405.80	15,406.30
<b>2004</b>	-10,114.60	2,143.70	22,242.90	14,272.00
<b>2005</b>	-16,939.00	3,884.70	26,956.60	13,902.30
<b>2006</b>	-24,602.90	3,283.30	31,333.70	10,014.10
<b>2007</b>	-20,970.90	4,822.90	37,635.20	21,487.20
<b>2008</b>	-31,636.20	5,040.50	43,103.80	16,508.00
<b>2007</b>				
April	-19,123.60	3,549.40	32,629.20	17,055.00
May	-19,003.70	4,095.60	32,934.00	18,025.90
June	-19,547.00	3,546.50	34,205.00	18,204.50
July	-20,613.30	4,034.80	34,665.60	18,087.10
August	-19,546.50	4,026.90	35,223.60	19,704.00
September	-21,369.80	4,495.20	35,667.70	18,793.00
October	-21,069.00	4,449.70	36,414.30	19,794.90
November	-20,609.20	4,509.30	36,993.30	20,893.40
December	-20,970.90	4,822.90	37,635.20	21,487.20
<b>2008</b>				
January	-21,063.40	4,802.60	38,656.90	22,396.10
February	-22,057.30	4,205.80	39,527.30	21,675.80
March	-23,724.20	4,102.60	39,930.10	20,308.50
April	-26,821.60	4,376.10	40,703.30	18,257.80
May	-25,722.20	4,307.90	41,027.70	19,613.30
June	-31,418.00	4,265.30	40,356.20	13,203.50
July	-29,717.40	5,220.10	40,753.50	16,256.20
August	-29,217.30	5,003.30	41,274.70	17,060.80
September	-32,276.60	5,003.30	41,748.50	14,475.20
October	-33,228.80	5,726.90	41,951.30	14,449.40
November	-30,753.10	5,296.30	42,995.50	17,538.80
December	-31,636.20	5,040.50	43,103.80	16,508.00
<b>2009</b>				
January	-31,643.50	4,861.40	43,141.10	16,359.00
February	-30,578.60	4,717.60	42,900.80	17,039.80
March	-29,056.90	5,514.50	43,053.60	19,511.20
April p	-31,355.20	5,850.00	43,481.60	17,976.40

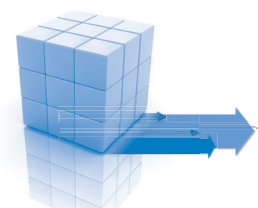
Source: Central Bank of Trinidad and Tobago  
p:Provisional



## APPENDIX 17: COMMERCIAL BANKS' INTEREST RATES

Period Ending	Basic Prime Rate	Prime Loan Rates			Real Estate Mortgage	Savings Ordinary	Special	Deposits		
		Term	De-mand	Over-draft				3 Month	3 to 6 Month	6 to 12 Month
<b>2001</b>	15.00	16.00	15.00	15.50	16.00	3.00	5.25	6.60	6.75	7.80
<b>2002</b>	11.50	13.38	11.50	13.50	11.25	1.90	3.00	2.88	3.63	4.19
<b>2003</b>	11.50	11.25	11.50	11.50	12.50	2.03	3.00	3.06	3.54	4.19
<b>2004</b>	9.50	9.50	9.50	9.50	9.50	1.78	2.53	2.65	3.30	3.55
<b>2005</b>	9.00	9.06	9.00	9.06	9.31	1.46	2.38	2.65	3.06	3.51
<b>2006</b>	11.06	10.25	10.56	11.06	11.06	1.46	2.39	2.68	3.11	3.69
<b>2007</b>	11.75	10.63	11.75	11.75	11.75	1.46	2.39	2.90	3.36	3.88
<b>2008</b>	12.25	12.31	12.25	12.31	12.00	1.88	2.39	3.11	3.92	4.06
<b>2007</b>										
April	11.75	10.63	11.75	11.75	11.75	1.46	2.39	3.05	3.36	3.85
May	11.75	10.63	11.75	11.75	11.75	1.46	2.39	3.05	3.36	3.85
June	11.75	10.63	11.75	11.75	11.75	1.46	2.39	2.84	3.36	3.85
July	11.75	10.63	11.75	11.75	11.75	1.46	2.39	2.90	3.36	3.85
August	11.75	10.63	11.75	11.75	11.75	1.78	2.39	2.90	4.73	3.91
September	11.75	10.63	11.75	11.75	11.75	1.78	2.39	2.90	4.33	3.88
October	11.75	10.63	11.75	11.75	11.75	1.78	2.39	2.84	4.33	3.88
November	11.75	9.50	11.75	11.75	11.75	1.78	2.39	3.35	3.75	4.00
December	11.75	10.63	11.75	11.75	11.75	1.78	2.40	3.50	3.65	4.00
<b>2008</b>										
January	11.75	10.63	11.75	11.75	11.75	1.78	2.40	3.35	3.83	4.00
February	11.75	11.75	11.75	11.75	11.75	1.78	2.39	3.11	3.73	4.00
March	12.25	12.25	12.25	12.25	10.88	1.78	2.39	2.90	4.16	4.00
April	12.25	12.25	12.25	12.25	10.88	1.88	2.39	2.94	3.75	4.00
May	12.25	12.25	12.25	12.25	10.88	1.88	2.39	2.94	4.16	4.06
June	12.25	12.25	12.25	12.25	10.63	2.50	2.39	3.94	3.44	4.00
July	12.25	12.38	12.25	12.38	12.25	2.50	1.81	4.38	4.16	4.06
August	12.75	12.75	12.75	12.75	12.75	2.50	2.39	3.94	4.16	4.13
September	12.75	12.75	12.75	12.75	12.75	2.50	2.38	3.38	3.98	4.13
October	13.00	13.00	13.00	13.00	13.00	1.88	2.38	3.11	3.98	4.13
November	13.00	13.00	13.00	13.00	13.00	1.88	2.39	3.00	3.86	4.16
December	13.00	12.88	13.00	13.00	13.00	2.13	2.39	3.00	3.86	4.13
<b>2009</b>										
January	13.00	13.00	13.00	13.00	13.00	2.13	2.39	2.50	3.29	4.13
February	13.00	13.00	13.00	13.00	13.00	1.25	2.39	2.81	3.38	3.91
March	13.00	13.00	13.00	13.00	13.00	1.25	2.39	2.81	3.38	3.91
April	12.75	12.88	12.75	12.88	12.75	1.25	1.75	2.68	2.00	3.50
May p	12.50	12.38	12.50	12.50	12.25	1.25	2.01	2.50	2.41	3.25

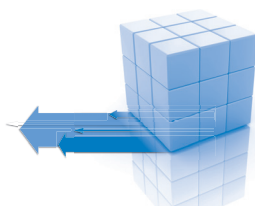
Source: Central Bank of Trinidad and Tobago  
p:Provisional



## APPENDIX 18: SECONDARY MARKET ACTIVITIES

Period Ending	Number of Transactions	Volume of Shares Traded (Mn)	Market Value (\$Mn)	Composite Index (Period End)
<b>2001</b>	6,609	124.0	1,058.0	434.0
<b>2002</b>	8,092	96.5	775.1	545.6
<b>2003</b>	16,690	409.6	2,303.2	694.1
<b>2004</b>	36,078	311.2	3,015.8	1,074.6
<b>2005</b>	32,316	193.5	3,918.1	1,067.4
<b>2006</b>	20,772	218.9	2,463.2	969.2
<b>2007</b>	17,733	119.4	2,138.1	982.0
<b>2008</b>	22,053	134.9	2,191.1	842.9
<b>2007</b>				
April	1,367	4.5	59.9	941.7
May	1,413	6.0	155.3	907.9
June	1,265	4.8	59.8	918.8
July	1,390	5.2	87.9	904.9
August	1,374	12.1	115.9	917.0
September	1,620	19.8	419.0	936.6
October	1,760	14.0	158.0	946.0
November	1,219	10.9	96.8	957.2
December	907	6.6	206.1	982.0
<b>2008</b>				
January	1,214	6.1	64.3	984.4
February	1,416	13.5	151.4	983.7
March	1,467	7.6	137.7	992.9
April	3,196	17.4	279.8	1,065.5
May	3,146	18.0	250.8	1,141.1
June	2,251	13.0	226.1	1,150.2
July	2,343	17.6	277.5	1,171.3
August	1,496	6.1	117.0	1,132.4
September	1,378	7.5	140.4	1,065.6
October	1,773	10.9	201.1	921.1
November	1,394	8.9	171.4	872.0
December	979	8.3	173.6	842.9
<b>2009</b>				
January	1,244	4.8	125.0	849.8
February	967	9.2	168.2	842.4
March	705	3.4	88.4	821.8
April	645	2.8	98.5	805.6
May	774	7.4	178.5	788.1

Source: Central Bank of Trinidad and Tobago and Trinidad and Tobago Stock Exchange



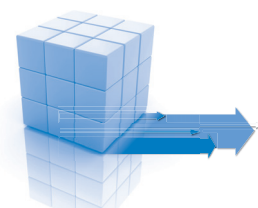
## APPENDIX 19: CENTRAL GOVERNMENT FISCAL OPERATIONS /TT\$ MILLIONS/

	Oct '03/Sep '04	Oct '04/Sep '05	Oct '05/Sep '06	Oct '06/Sep '07	Oct '07/Sep '08r	Oct '08/Sep '09p
<b>Total Revenue and Grants</b>	20,885.4	29,647.8	38,910.9	40,064.4	56,847.8	37,929.2
Recurrent Revenue	20,878.2	29,638.7	38,906.9	40,034.8	56,810.3	37,885.6
Tax Revenue	18,429.3	26,568.4	35,084.0	35,601.1	51,688.9	31,613.1
Non-Tax Revenue	2,448.9	3,070.3	3,822.9	4,433.7	5,121.4	6,272.5
Capital Receipts	6.0	4.6	2.6	6.6	5.5	3.9
Grants	1.2	2.7	1.2	4.8	15.1	21.0
<b>Total Expenditure and Net Lending</b>	20,673.9	27,234.0	37,084.8	39,796.1	53,867.6	46,384.7
Recurrent Expenditure	18,933.6	24,328.4	32,219.5	31,134.7	43,222.5	36,625.8
Capital Expenditure and Net Lending	1,740.3	2,905.6	4,865.3	8,661.4	10,645.1	9,758.9
<b>Current Account Balance</b>	1,944.6	5,310.3	6,687.4	8,900.1	13,587.8	1,259.8
<b>Overall Surplus/(Deficit)</b>	211.5	2,413.8	1,826.1	268.3	2,980.2	-8,455.5
<b>Financing Requirements</b>	-211.5	-2,413.8	-1,826.1	-268.3	-2,980.2	8,455.5
External Financing (net)	-327.4	-1,273.3	-410.8	753.8	-54.5	-670.7
Domestic Financing (net)	115.9	-1,140.5	-1,415.3	-1,022.1	-2,925.7	9,126.2

Source: Ministry of Finance

r : revised

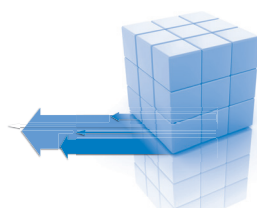
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## APPENDIX 20: CENTRAL GOVERNMENT REVENUE /TT\$ MILLIONS/

	Oct '03/Sep '04	Oct '04/Sep '05	Oct '05/Sep '06	Oct '06/Sep '07	Oct '07/Sep '08r	Oct '08/Sep '09p
<b>Total Revenue and Grants</b>	20,885.4	29,647.8	38,910.9	40,064.4	56,847.8	37,929.2
<b>Recurrent Revenue</b>	20,878.2	29,638.7	38,906.9	40,034.8	56,810.3	37,885.6
<b>Tax Revenue</b>	18,429.3	26,568.4	35,084.0	35,601.1	51,688.9	31,613.1
<b>Non-Tax Revenue</b>	2,448.9	3,070.3	3,822.9	4,433.7	5,121.4	6,272.5
<b>Taxes on Income &amp; Profits</b>	12,332.3	20,181.9	27,444.7	27,113.0	41,325.1	23,258.2
of which:-						
Companies	7,940.5	13,971.8	21,580.4	21,003.1	33,301.4	16,805.7
Oil					25,657.3	11,693.9
Other					7,644.1	5111.8
Individuals	3,174.1	4,250.1	3,153.3	3,239.2	4,291.1	3,969.8
Withholding Taxes	371.6	535.6	813.2	1,175.0	887.1	1,114.8
Health Surcharge	176.3	187.1	168.4	170.2	195.7	178.4
Business Levy	112.7	146.0	150.4	138.2	232.7	188.3
Unemployment Fund	418.6	905.0	1,311.3	1,111.1	1,970.0	723.3
Green Fund	138.5	186.3	267.7	276.2	447.1	277.9
<b>Taxes on Property</b>	100.7	77.3	82.5	99.9	102.5	91.9
Land & Buildings	85.5	62.7	64.4	83.7	83.8	72.8
<b>Taxes on Goods and Services</b>	4,540.3	4,537.4	5,272.2	6,042.1	7,716.3	6,232.2
of which:-						
Excise Duties	990.0	1,071.2	575.4	613.6	650.4	635.3
VAT	3,092.4	2,962.6	4,184.1	4,829.0	6,389.1	5,009.0
Motor Vehicle Taxes & Duties	203.0	216.9	248.8	338.5	369.5	273.9
<b>Taxes on International Trade</b>	1,285.7	1,527.0	1,888.9	2,044.7	2,194.6	1,850.3
Of which:-						
Import Duties	1,239.9	1,463.4	1,831.4	2,004.2	2,166.7	1,849.8
Departure Tax	45.7	53.4	52.6	38.2	22.7	0.0
<b>Other</b>						
<b>Stamp Duties</b>	170.3	244.8	395.7	301.4	350.4	180.5
<b>Non-Tax Revenue</b>	2,448.9	3,070.3	3,822.9	4,433.7	5,121.4	6,272.5
Of which: -						
Royalty on Oil	1,096.3	1,231.2	1,680.3	1,682.7	1,823.4	1,768.3
Profits: Non-Financial Enterprises	476.4	935.9	857.3	738.8	581.5	1,604.1
Profits: Financial Enterprises	223.6	167.0	180.0	752.0	1,662.6	1,089.7
Interest Income	86.3	127.2	276.7	82.2	172.1	54.4
Administrative Fees and Charges	241.2	338.6	397.4	353.4	325.1	433.6
<b>Capital Receipts and Grants</b>	7.2	7.3	3.8	11.4	20.6	24.9

Source: Ministry of Finance  
r : revised  
p : provisional





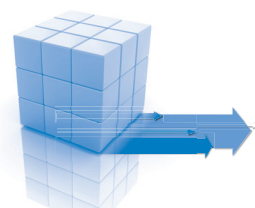
## APPENDIX 21: CENTRAL GOVERNMENT EXPENDITURE AND NET LENDING /TT\$ MILLIONS/

	Oct '03/ Sep '04	Oct '04/ Sep '05	Oct '05/ Sep '06	Oct '06/ Sep '07	Oct '07/ Sep '08r	Oct '08/ Sep '09p
<b>Total Expenditure and Net Lending</b>	<b>20,673.9</b>	<b>27,234.0</b>	<b>37,084.8</b>	<b>39,796.1</b>	<b>53,867.6</b>	<b>46,384.7</b>
<b>Recurrent Expenditure</b>	<b>18,933.6</b>	<b>24,328.4</b>	<b>32,219.5</b>	<b>31,134.7</b>	<b>43,222.5</b>	<b>36,625.8</b>
Wages and Salaries	4,814.8	5,309.2	5,455.6	6,221.3	6,942.7	6,856.1
Goods & Services	2,519.8	3,170.1	3,843.1	4,283.8	5,000.9	6,040.8
Interest Payments	2,396.3	2,541.5	2,453.3	2,698.1	2,967.3	3,916.9
of which:-						
Domestic	1,657.0	1,875.5	1,852.5	2,094.0	2,329.6	3,255.0
Foreign	739.3	666.0	600.8	604.1	637.7	661.9
Subsidies & Transfers	9,202.7	13,307.6	20,467.5	17,931.5	28,311.6	19,812.0
<b>Capital Expenditure and Net Lending</b>	<b>1,740.3</b>	<b>2,905.6</b>	<b>4,865.3</b>	<b>8,661.4</b>	<b>10,645.1</b>	<b>9,758.9</b>
of which:-						
Development Programme (PSIP)	1,892.6	3,031.9	1,844.4	4,117.9	4,302.8	4,045.9
Infrastructure Development Fund	0.0	0.0	3,023.0	3,683.4	5,329.6	4,969.8
Road Improvement Programme	46.8	44.1	0.0	0.0	0.0	0.0
GATE	0.0	102.2	250.0	458.0	501.6	633.5
Net Lending	-269.8	-277.5	-271.1	-39.2	-23.5	-18.3

Source: Ministry of Finance

r: revised

p: provisional



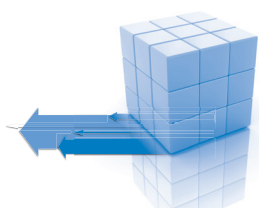
## APPENDIX 22: CENTRAL GOVERNMENT FINANCING TRANSACTION /TT\$ MILLIONS/

	Oct '03/ Sep '04	Oct '04/ Sep '05	Oct '05/ Sep '06	Oct '06/ Sep '07	Oct '07/ Sep '08r	Oct '08/ Sep '09p
<b>TOTAL FINANCING</b>	<b>-211.5</b>	<b>-2,413.8</b>	<b>-1,826.1</b>	<b>-268.3</b>	<b>-2,980.2</b>	<b>8,455.5</b>
<b>NET EXTERNAL</b>	<b>-327.4</b>	<b>-1,273.3</b>	<b>-410.8</b>	<b>753.8</b>	<b>-54.5</b>	<b>-670.7</b>
External Borrowings	233.0	285.4	195.2	2,010.2	1,201.9	1,836.0
Capital Repayments	-560.4	-1,558.7	-606.0	-1,256.4	-1,256.4	-2,506.7
<b>NET DOMESTIC</b>	<b>115.9</b>	<b>-1,140.5</b>	<b>-1,415.3</b>	<b>-1,022.1</b>	<b>-2,925.7</b>	<b>9,126.2</b>
Domestic Borrowings	611.2	808.0	10.3	0.0	0.0	670.5
Capital Repayments	-1,243.4	-1,763.9	-1,075.9	-996.3	-1,055.0	-2,002.3
Sinking Fund Transfers	-664.0	-624.9	-635.0	-654.9	-662.3	-645.7

Source: Ministry of Finance

r: revised

p: provisional



## APPENDIX 23: TOTAL PUBLIC DEBT AND DEBT SERVICE /TT\$ MILLIONS/

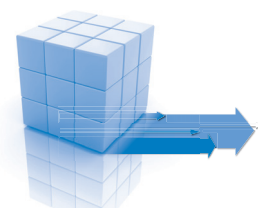
	Oct '03/ Sep'04	Oct '04/ Sep'05	Oct '05/ Sep'06	Oct '06/ Sep'07	Oct '07/ Sep'08r	Oct '08/ Sep'09p
<b>Gross Public Sector Debt</b>	<b>36,910.8</b>	<b>35,857.8</b>	<b>36,781.5</b>	<b>38,903.7</b>	<b>40,950.2</b>	<b>41,798.7</b>
<b>Gross Domestic Public Sector Debt</b>	<b>26,925.5</b>	<b>27,207.8</b>	<b>28,590.2</b>	<b>30,064.4</b>	<b>30,775.9</b>	<b>30,720.6</b>
<b>Gross External Public Sector Debt</b>	<b>9,985.3</b>	<b>8,650.1</b>	<b>8,191.3</b>	<b>8,839.3</b>	<b>9,451.8</b>	<b>10,415.1</b>
<b>CENTRAL GOVERNMENT</b>	<b>22,043.1</b>	<b>20,286.5</b>	<b>19,510.4</b>	<b>22,237.8</b>	<b>23,626.7</b>	<b>25,316.2</b>
Domestic /1	11,383.0	11,045.6	10,717.7	12,820.0	13,614.6	14,483.0
External	9,660.2	8,373.1	7,953.7	8,639.3	9,289.6	10,170.2
BOLTs and Leases	999.9	867.8	839.0	778.5	722.5	663.0
<b>CONTINGENT LIABILITIES</b>	<b>14,867.7</b>	<b>15,571.3</b>	<b>17,271.0</b>	<b>16,666.0</b>	<b>17,323.5</b>	<b>16,482.4</b>
Guaranteed	11,421.5	11,171.6	11,387.6	11,163.8	12,275.8	12,316.2
Statutory Authorities	6,112.0	6,238.4	6,835.8	6,973.1	8,084.5	8,549.6
State Enterprises	5,309.5	4,933.2	4,551.9	4,190.7	4,191.3	3,766.7
<b>Letters of Comfort</b>	<b>3,446.2</b>	<b>4,399.7</b>	<b>5,883.4</b>	<b>5,502.1</b>	<b>5,047.7</b>	<b>4,166.2</b>
Statutory Authorities	505.5	1,431.1	1,587.3	2,117.9	1,963.4	2,049.9
State Enterprises	2,940.7	2,968.6	4,296.1	3,384.2	3,084.3	2,116.3
<b>CENTRAL GOVERNMENT DEBT SERVICE</b>	<b>3,115.4</b>	<b>4,449.4</b>	<b>2,913.6</b>	<b>3,744.4</b>	<b>3,340.8</b>	<b>5,917.7</b>
Domestic	1,819.4	2,227.6	1,709.2	1,886.1	2,299.6	4,524.3
External	1,296.0	2,221.8	1,204.4	1,858.2	1,041.2	1,393.4
(% of GDP)						
<b>Gross Public Sector Debt</b>	<b>44.1</b>	<b>35.6</b>	<b>31.7</b>	<b>29.4</b>	<b>25.1</b>	<b>31.3</b>
<b>Gross External Public Sector Debt</b>	<b>11.9</b>	<b>8.6</b>	<b>7.1</b>	<b>6.7</b>	<b>5.8</b>	<b>7.8</b>
<b>Central Government Debt</b>	<b>26.4</b>	<b>20.1</b>	<b>16.8</b>	<b>16.8</b>	<b>14.5</b>	<b>19.0</b>
<b>Contingent Liabilities</b>	<b>17.8</b>	<b>15.5</b>	<b>14.9</b>	<b>12.6</b>	<b>10.6</b>	<b>12.3</b>

Source: Ministry of Finance

1. Treasury Bills and Notes issued for Open Market Operations (OMOs) are not included.

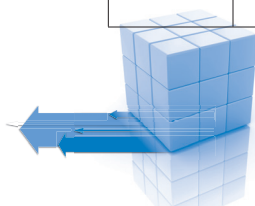
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## APPENDIX 24 : TRINIDAD AND TOBAGO - NET FOREIGN RESERVES /US\$ MILLIONS/

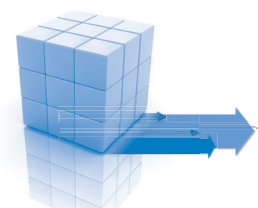
	Central Bank			Gov't Balances	Commercial Banks			Gross Foreign Assets	Total Foreign Liabilities	Net Foreign Position
	Foreign Assets	Foreign Liabilities	Net Internat. Reserves		Foreign Assets	Foreign Liabilities	Net Foreign Position			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
								(1)+(4)+(5)	(2)+(6)	(8)-(9)
<b>2001</b>	1,875.9	17.5	1,858.4	0.1	579.2	604.6	(25.4)	2,455.2	622.1	1,833.1
<b>2002</b>	1,923.5	16.2	1,907.3	0.1	670.4	616.5	53.9	2,594.0	632.6	1,961.4
<b>2003</b>	2,257.9	16.2	2,241.8	0.1	1,002.2	1,042.2	(39.9)	3,260.3	1,058.3	2,202.0
<b>2004</b>	2,992.9	16.2	2,976.7	0.1	1,262.0	740.5	521.6	4,255.0	756.6	3,498.4
<b>2005</b>	4,787.4	16.1	4,771.3	0.1	1,407.2	956.6	450.6	6,194.7	972.7	5,222.0
<b>2006</b>	6,776.6	16.1	6,760.5	0.1	1,945.8	753.1	1,192.7	8,722.6	769.2	7,953.3
<b>2007</b>	7,053.3	14.8	7,038.5	0.1	1,959.7	855.2	1,104.4	9,013.1	870.1	8,143.0
<b>2008</b>	9,829.9	16.2	9,813.7	0.1	2,203.5	746.4	1,457.1	12,033.5	762.6	11,271.0
<b>2007</b>										
January	6,657.8	16.1	6,641.7	0.1	1,982.4	778.7	1,203.7	8,640.3	794.8	7,845.5
February	6,936.1	16.1	6,920.0	0.1	2,026.1	796.3	1,229.8	8,962.3	812.4	8,149.9
March	5,818.8	16.0	5,802.8	0.1	2,206.3	719.1	1,487.2	8,025.2	735.1	7,290.1
April	5,846.7	16.1	5,830.6	0.1	2,205.8	708.5	1,497.3	8,052.6	724.6	7,328.0
May	5,906.4	16.2	5,890.3	0.1	2,046.7	697.8	1,348.9	7,953.3	714.0	7,239.2
June	6,295.7	16.1	6,279.7	0.1	1,955.3	796.2	1,159.1	8,251.2	812.2	7,438.9
July	6,376.2	16.1	6,360.2	0.1	1,889.6	774.8	1,114.8	8,265.9	790.8	7,475.1
August	6,422.2	16.2	6,406.1	0.1	1,840.6	782.9	1,057.7	8,263.0	799.1	7,463.9
September	6,565.7	16.2	6,549.5	0.1	1,884.5	784.6	1,099.9	8,450.3	800.8	7,649.5
October	6,625.6	16.2	6,609.4	0.1	1,936.1	871.4	1,064.7	8,561.8	887.6	7,674.3
November	6,721.7	16.2	6,705.5	0.1	1,873.8	854.9	1,018.9	8,595.7	871.2	7,724.5
December	7,053.3	14.8	7,038.5	0.1	1,959.7	855.2	1,104.4	9,013.1	870.1	8,143.0
<b>2008</b>										
January	7,265.1	14.8	7,250.3	0.1	1,972.4	987.6	984.8	9,237.7	1,002.5	8,235.2
February	7,432.3	14.8	7,417.4	0.1	1,888.9	963.3	925.6	9,321.3	978.1	8,343.2
March	7,439.1	14.8	7,424.3	0.1	1,976.2	941.3	1,034.9	9,415.4	956.1	8,459.3
Apr	7,532.8	14.8	7,518.0	0.1	2,030.9	845.3	1,185.6	9,563.8	860.1	8,703.7
May	7,550.3	14.8	7,535.5	0.1	1,972.7	912.2	1,060.4	9,523.1	927.1	8,596.0
June	9,115.4	14.8	9,100.6	0.1	2,586.1	901.6	1,684.5	11,701.6	916.4	10,785.2
July	8,810.7	14.8	8,795.9	0.1	2,145.4	857.5	1,287.9	10,956.2	872.3	10,083.9
August	8,731.8	14.8	8,716.9	0.1	1,904.8	698.1	1,206.7	10,636.7	712.9	9,923.8
September	9,265.4	16.2	9,249.3	0.1	2,079.0	649.6	1,429.4	11,344.5	665.8	10,678.8
October	9,386.4	16.2	9,370.3	0.1	1,984.3	759.2	1,225.1	11,370.9	775.4	10,595.5
November	9,261.5	16.2	9,245.4	0.1	2,206.5	762.1	1,444.5	11,468.2	778.3	10,690.0
December	9,829.9	16.2	9,813.7	0.1	2,203.5	746.4	1,457.1	12,033.5	762.6	11,271.0



**APPENDIX 24 : TRINIDAD AND TOBAGO - NET FOREIGN RESERVES  
/US\$ MILLIONS/ (CONTINUED)**

	Central Bank			Gov't Balances	Commercial Banks			Gross Foreign Assets	Total Foreign Liabilities	Net Foreign Position
	Foreign Assets	Foreign Liabilities	Net Internat. Reserves		Foreign Assets	Foreign Liabilities	Net Foreign Position			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
								(1)+(4)+(5)	(2)+(6)	(8)-(9)
<b>2009</b>										
January	9,762.1	16.2	9,745.9	0.1	1,879.3	713.9	1,165.4	11,641.5	730.1	10,911.4
February	9,758.8	16.2	9,742.6	0.1	1,997.3	702.5	1,294.8	11,756.2	718.6	11,037.6
March	9,097.1	16.2	9,081.0	0.1	2,003.0	713.0	1,290.0	11,100.3	729.2	10,371.1
April	8,810.5	16.2	8,794.3	0.1	1,907.4	691.9	1,215.4	10,718.0	708.1	10,009.9
May p	8,958.0	16.2	8,941.8	0.1	1,971.1	685.9	1,285.2	10,929.3	702.1	10,227.2

Source: Central Bank of Trinidad and Tobago



## APPENDIX 25: TRADE WITH CARICOM COUNTRIES /TT\$ MILLIONS/

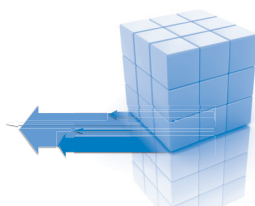
	Imports	Exports	Balance of Trade	Exports of Petroleum	Imports of Petroleum	Imports Excluding Petroleum	Exports Excluding Petroleum	Balance of Trade Excluding Petroleum
1997	602.2	4,065.5	3,463.3	1,832.2	226.2	376.0	2,233.3	1,857.3
1998	668.8	4,309.9	3,641.1	1,827.6	248.7	420.1	2,482.3	2,062.2
1999	827.9	4,708.1	3,880.2	2,323.3	454.6	373.3	2,384.8	2,011.5
2000	791.2	6,284.4	5,493.2	3,880.3	399.9	391.3	2,404.1	2,012.8
2001	750.8	6,415.2	5,664.4	3,808.7	218.2	532.6	2,606.5	2,073.9
2002	574.4	5,152.0	4,577.6	2,531.9	167.6	406.8	2,620.1	2,213.3
2003	588.9	6,585.5	5,996.6	4,146.8	69.0	519.9	2,438.7	1,918.8
2004	634.6	5,620.7	4,986.1	2,954.4	87.5	547.1	2,666.3	2,119.2
2005	700.2	13,153.1	12,452.9	9,931.0	126.6	573.6	3,222.1	2,648.5
2006	611.1	15,528.3	14,917.2	12,027.2	158.7	452.4	3,501.1	3,048.7
2007r	762.3	11,462.3	10,700.0	7,571.5	177.9	584.4	3,890.8	3,306.4
2008p	772.0	21,294.4	20,522.4	17,049.2	146.4	625.6	4,245.2	3,619.6
Oct '07/Mar '08	357.3	5,822.3	5,465.0	3,847.6	67.4	289.9	1,974.7	1,684.8
Oct '08/Mar '09	366.6	7,972.9	7,606.3	6,078.9	44.5	322.1	1,894.0	1,571.9

**Note:** Petroleum includes Refined Petroleum Products and Gas

**Source:** Central Statistical Office

p: provisional

r: revised



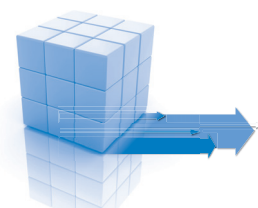
## APPENDIX 26: BALANCE OF VISIBLE TRADE /TT\$ MILLIONS/

	2002	2003	2004	2005	2006	2007r	2008p	Oct '07/ Mar '08	Oct '08/ Mar '09
<b>Total Visible Trade</b>									
Exports	24,062.3	32,600.3	41,049.2	62,629.9	88,469.8	83,267.4	116,907.6	47,139.9	49,494.5
Imports	21,885.4	24,501.4	30,673.2	35,887.9	40,892.2	48,431.7	60,197.8	28,131.7	23,057.0
Balance	2,176.9	8,098.9	10,376.0	26,742.0	47,577.6	34,835.7	56,709.8	19,008.2	26,437.5
<b>Trade Excluding Mineral Fuels</b>									
Exports	9,605.0	10,864.9	16,335.0	19,133.8	20,830.0	27,494.8	35,106.8	15,899.3	10,909.5
Imports	16,548.0	17,835.9	23,263.5	23,404.5	26,562.5	32,205.1	39,079.0	17,861.0	17,242.7
Balance	(6,943.0)	(6,971.0)	(6,928.5)	(4,270.7)	(5,732.5)	(4,710.3)	(3,972.2)	(1,961.7)	(6,333.2)
<b>Trade Excluding Mineral Fuels U.P.A.</b>									
Exports	24,048.0	32,505.6	41,049.2	62,079.4	88,469.8	83,267.4	116,907.6	47,139.9	49,494.5
Imports	21,835.2	24,432.4	30,609.1	35,781.1	40,768.7	48,253.8	60,051.5	28,064.3	23,022.4
Balance	2,212.8	8,073.2	10,440.1	26,298.3	47,701.1	35,013.6	56,856.1	19,075.6	26,472.1
<b>Trade in Mineral Fuels non - U.P.A.</b>									
Exports	14,443.0	21,640.7	24,714.2	42,945.6	67,639.8	55,772.6	81,800.8	31,240.6	38,585.0
Imports	5,287.2	6,596.5	7,345.6	12,376.6	14,206.2	16,048.7	20,972.5	10,203.3	5,779.7
Balance	9,155.8	15,044.2	17,368.6	30,569.0	53,433.6	39,723.9	60,828.3	21,037.3	32,805.3
<b>Trade in Mineral Fuels U.P.A.</b>									
Exports	14.3	94.7	0.0	550.5	0.0	0.0	0.0	0.0	0.0
Imports	50.2	69.0	64.1	106.8	123.5	177.9	146.3	67.4	34.6
Balance	(35.9)	25.7	(64.1)	443.7	(123.5)	(177.9)	(146.3)	(67.4)	(34.6)
<b>Trade in Mineral Fuels</b>									
Exports	14,457.3	21,735.4	24,714.2	43,496.1	67,639.8	55,772.6	81,800.8	31,240.6	38,585.0
Imports	5,337.4	6,665.5	7,409.7	12,483.4	14,329.7	16,226.6	21,118.8	10,270.7	5,814.3
Balance	9,119.9	15,069.9	17,304.5	31,012.7	53,310.1	39,546.0	60,682.0	20,969.9	32,770.7

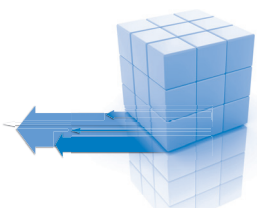
Source: Central Statistical Office

p: provisional

r: revised



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