



Government of the Republic of Trinidad and Tobago

MINISTRY OF FINANCE

CORPORATE COMMUNICATIONS UNIT

For immediate release

August 12th, 2016

PRESS RELEASE

The Minister of Finance has taken note of an article in the **Daily Express of Friday, August 12th, 2016 (pg. 4)**, entitled ***“T&T could end up under IMF in three years”***.

This article is based on unjustifiable and unfounded speculation about an alleged policy gridlock in the Parliament of Trinidad that will somehow cause Trinidad and Tobago to seek assistance from the IMF in the coming years. The speculation in the article is ridiculous, especially coming on the heels of the recent very successful and heavily oversubscribed US dollar bond issue.


Further, the figures and analysis in the article are entirely wrong. In particular, the Express article makes the erroneous claim *that “in less than one fiscal year, T&T’s debt-to-GDP ratio spiked 2,160 basis points (bps) from 45.4 per cent as at September 2015, according to the Central Bank’s Economic Bulletin of March 2016, to 67 per cent of GDP as at August this year according to RBC Caribbean’s August Economic Report released yesterday”*.


This analysis is completely wrong and it is disappointing that the Business Express could misrepresent the facts in this way.


The reality is that in September 2015, our gross public debt to GDP ratio was **68.4%** and in August 2016, it is currently **62.8%**.

Further, using the net public debt as the basis, our net public debt to GDP ratio in September 2015 was 45.4% and it is currently 45.8%, a negligible change. This is AFTER taking into account the recent US\$1 billion bond issue.

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Accordingly, using the gross public debt as the basis, which is the approach used in the RBC report quoted in the article, **our debt to GDP ratio has actually decreased over the last year**, and further, using the net public debt as the basis, our debt to GDP ratio has not increased to any significant extent.

By no stretch of the imagination, therefore, could our country's debt to GDP ratio possibly have increased by 2,160 basis points over the last year, as incorrectly alleged in the article.

The Minister of Finance thus wishes to assure the public that we are managing our public debt prudently and carefully and the Express article is misdirected, inaccurate and misleading.

- END -

Hon. Colm Imbert, MP
Minister of Finance