GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO

# Review of the Economy 2017

**“Changing the Paradigm: Putting the Economy on a Sustainable Path”**

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# Abbreviations

| | |
|---|---|
| AATT | Airports Authority of Trinidad and Tobago |
| AML | Anti-Money Laundering |
| APO | Additional Public Offering |
| ATM | Average Time to Maturity |
| BIR | Board of Inland Revenue |
| BMP5 | Fifth Edition of the Balance of Payments and International Investment Position Manual |
| BMP6 | Sixth Edition of the Balance of Payments and International Investment Position Manual |
| BOLT | Build, Own, Lease and Transfer |
| BOP | Balance of Payments |
| BTU | British Thermal Units |
| CAF | Corporación Andina de Fomento |
| CAL | Caribbean Airlines Limited |
| CARICOM | Caribbean Community |
| CariCRIS | Caribbean Information and Credit Rating Services Limited |
| CARTAC | Caribbean Regional Technical Assistance Centre |
| CBI | Citizenship by Investment |
| CBTT | Central Bank of Trinidad and Tobago |
| CFATF | Caribbean Financial Action Task Force |
| CFT | Combating the Financing of Terrorism |
| CPI | Consumer Price Index |
| CSO | Central Statistical Office |
| ECAMC | Eastern Caribbean Asset Management Corporation |
| ECCB | Eastern Caribbean Central Bank |
| ECCU | Eastern Caribbean Currency Union |
| ECF | Extended Credit Facility |
| EFF | Extended Fund Facility |
| FATCA | Foreign Account Tax Compliance Act |
| FATF | Financial Action Task Force |
| FCB | First Citizens Bank |
| FOR | Financial Obligations Regulations |
| GDP | Gross Domestic Product |
| GOR | Gross Official Reserves |
| HSF | Heritage and Stabilisation Fund |

| | |
|---|---|
| ICRG | International Co-Operation Review Group |
| IDB | Inter-American Development Bank |
| IDF | Infrastructure Development Fund |
| IGA | Inter-Governmental Agreement |
| IICA | Inter-American Institute for Co-operation on Agriculture |
| IIP | International Investment Position |
| IMF | International Monetary Fund |
| ISIC Rev. 4 | International Standard Industrial Classification of All Economic Activities, Revision 4 |
| LNG | Liquefied Natural Gas |
| MALF | Ministry of Agriculture, Land and Fisheries |
| MER | Mutual Evaluation Report |
| MEV | Mutual Evaluation |
| ML | Money Laundering |
| Moody's | Moody's Investors Service |
| MTI | Ministry of Trade and Industry |
| MTS | National Maintenance, Training and Security Company Limited |
| NAMLC | National Anti-Money Laundering and Counter Financing of Terrorism Committee |
| NGC | National Gas Company of Trinidad and Tobago Limited |
| NHSL | National Helicopter Services Limited |
| NIDCO | National Infrastructure Development Company Limited |
| NIPDEC | National Insurance Property Development Company Limited |
| NLCB | National Lotteries Control Board |
| NP | Non-Prime |
| NPMC | National Petroleum Marketing Company Limited |
| NQCL | National Quarries Company Limited |
| NRA | National Risk Assessment |
| NTFC | National Trade Facilitation Committee |
| OMOs | Open Market Operations |
| OPEC | Organisation of the Petroleum Exporting Countries |
| PATT | Port Authority of Trinidad and Tobago |
| PETROTRIN | Petroleum Company of Trinidad and Tobago Limited |
| PLIPDECO | Point Lisas Industrial Port Development Corporation Limited |
| PPGPL | Phoenix Park Gas Processors Limited |
| PSTA | Partial Scope Trade Agreement |
| PTSC | Public Transport Service Corporation |
| QIS | Quantitative Impact Study |
| RBC | RBC Royal Bank |
| RBL | Republic Bank Limited |
| S&P | Standard and Poor's Ratings Services |

| | |
|---|---|
| SNA | System of National Accounts |
| SWMCOL | Solid Waste Management Company Limited |
| T&TEC | Trinidad and Tobago Electricity Commission |
| TCL | Trinidad Cement Limited |
| TF | Terrorist Financing |
| TFA | Trade Facilitation Agreement |
| TGU | Trinidad Generation Unlimited |
| THA | Tobago House of Assembly |
| TIEAA | Tax Information Exchange Agreements (United States of America) |
| TRINGEN | Trinidad Nitrogen Company Limited |
| TSTT | Telecommunications Services of Trinidad and Tobago |
| TTMF | Trinidad and Tobago Mortgage Finance Company Limited |
| TTSE | Trinidad and Tobago Stock Exchange |
| TTSEC | Trinidad and Tobago Securities and Exchange Commission |
| TTSNA | Trinidad and Tobago System of National Accounts |
| UDeCOTT | Urban Development Corporation of Trinidad and Tobago Limited |
| UTC | Unit Trust Corporation |
| VMCOTT | Vehicle Management Corporation of Trinidad and Tobago Limited |
| WASA | Water and Sewerage Authority |
| WTI | West Texas Intermediate |
| WTO | World Trade Organisation |

# Executive Summary

**World output** is projected to reach 3.5 percent by the end of 2017, marginally higher than the four-year average of 3.4 percent. Growth is also expected in all regional groupings, including Latin America and the Caribbean (1.1 percent growth in 2017).

Growth in **Caribbean territories** is anticipated in 2017 but at different rates; tourism-dependent economies will grow by 2.2 percent in 2017 up from 1.8 percent in 2016, while commodity exporters are projected to record 1.4 percent in 2017 from -3.3 percent in 2016.

The CSO, the official source of national statistics in Trinidad and Tobago, has revised its estimates of both **nominal and real GDP** for the period 2012 to 2016. This revision was the result of a simple rebase conducted by the CSO, of its GDP estimates for Trinidad and Tobago, which updates the reference base year from 2000 to 2012. The CSO has also transitioned its GDP estimates from the TTSNA[3] to the ISIC. Rev. 4[4].

Given the above, the Trinidad and Tobago economy is projected to contract by 2.3 percent in 2017, compared to a 6.0 percent contraction in 2016. The estimates of GDP suggest that Trinidad and Tobago's overall Petroleum sector would decline by 3.1 percent in real terms in 2017, following a much larger decline of 11.1 percent in 2016. The Non-Petroleum sector is expected to contract by 1.5 percent during 2017, a slight improvement on its 1.9 percent contraction in 2016. The Petroleum sector's contribution to real GDP is forecasted to fall as a consequence to 33.7 percent in 2017, compared to 33.9 percent in 2016. Correspondingly, the Non-Petroleum sector's share is expected to rise from 64.8 percent to 65.3 percent over the same period.

Lower economic activity is forecasted in ten of the twenty ISIC. Rev. 4 industrial groupings, which together represent approximately 68.6 percent of Trinidad and Tobago's real GDP. The remaining ten industrial groupings, which embody approximately 30.5 percent of the national economy, should achieve positive growth outcomes this calendar year.

Under the ISIC. Rev. 4, the four (4) largest industrial groupings in Trinidad and Tobago in terms of contribution to real GDP are Mining and Quarrying (19.1 percent); Manufacturing (18.3 percent); Trade and Repairs (15.6 percent); and Financial and Insurance Activities (10.1 percent). Of this group, only Financial and Insurance Activities (4.0 percent) is projected to register growth in fiscal 2016/2017, with contractions expected in Mining and Quarrying (-2.2 percent); Manufacturing (-3.2 percent); and Trade and Repairs (-9.4 percent). Negative growth of -4.8 percent is anticipated for the Construction industry, with the Transport and Storage industry expected to record positive growth of 7.0 percent in 2017.

Of the remaining 13 small industrial groupings, five industries would contribute between 2.0 percent and 3.0 percent each to the nation's GDP. Positive growth in 2017 is anticipated in two of these industries: Education (3.1 percent, down from 4.9 percent in 2016); and Real Estate Activities (0.4 percent, down marginally from 0.5 percent in 2016). Notwithstanding a projected slower expansion in 2017, the Education industry is still expected to outperform the growth achieved in three of the past four years, despite the rationalisation of fiscal expenditure on the Government Assistance for Tuition Expenses (GATE) programme.

**Headline inflation**, as measured by the year-on-year rate of change in the All Items Retail Price Index (RPI), eased significantly during the January to June 2017 period; trending steadily downwards to 1.5 percent, from 3.6 percent at the beginning of the year.

3 Trinidad and Tobago System of National Accounts

4 International Standard Industrial Classification of All Economic Activities, Revision 4

**Overall productivity** in Trinidad and Tobago's industrial sectors, as measured by the CSO's **All Items Productivity Index**, declined by 8.0 percent over fiscal period 2015/2016. During the second quarter of fiscal 2016/2017, the productivity of all workers in all industries fell by 7.6 percent on a year-on-year basis.

**Budget estimates for fiscal 2017** were premised on a weighted average price for crude oil of US$48 per barrel and a natural gas price of US$2.25 per million BTU. Total Revenue and Grants was therefore estimated at $47,441.3 million, Total Expenditure at $53,475.1 million, with a resultant budget deficit of $6,033.8 million.

Given the less volatile and higher-than-projected oil prices during the first half of fiscal 2016/2017, the Mid-Year Revised projections were adjusted to reflect a weighted average crude oil price of US$51 per barrel. Total Revenues and Grants were therefore projected to increase to $48,012.0 million. Partially offsetting these gains, however, was a projected increase in Total Expenditure to $53,885.8 million. As a result a lower Overall Deficit of $5,873.8 million was anticipated for fiscal 2016/2017.

However, based on the latest Revised Estimates for fiscal 2016/2017, Central Government's operations are now expected to realise an Overall Deficit of $12,643.5 million, with a Current Account Deficit of $10,772.2 million. Total Revenues and Grants have been revised to $37,835.7 million, while Total Expenditure is projected at $50,479.2 million.

**Net Public Sector Debt** is anticipated to increase by 7.1 percent from $87,508.2 million in fiscal 2015/2016 to a projected $93,742.4 million by the end of fiscal 2016/2017. Based on revised GDP[5], Net Public Sector Debt as a percentage of GDP is estimated to rise from 58.3 percent at the end of fiscal 2015/2016 to 62.4 percent at the end of fiscal 2016/2017.

Domestic Debt, which includes Central Government Domestic borrowing and Contingent Liabilities, is projected to increase by $4,269.4 million or 6.6 percent while External Debt is anticipated to grow by $1,964.8 million or 8.4 percent by the end of the fiscal 2016/2017.

During the first half of fiscal 2016/17, operations of the **Rest of the Non-Financial Public Sector** recorded a deficit of $920.4 million; modestly deteriorating from the $915.8 million deficit recorded for the first half of fiscal 2015/2016. State Enterprises accounted for a deficit of $208.0 million while the deficit for Public Utilities amounted to $712.4 million.

Current Transfers from the Central Government for the first half of fiscal 2016/2017 decreased by $361.1 million to $1,295.1 million, from the $1,656.2 million recorded for the same period of the previous fiscal year. Current Transfers were $2,994.4 million for the 2015/2016 fiscal year. Conversely, Capital Transfers from the Central Government increased by $751.1 million over the first half of fiscal year 2016/2017 to $1,179.0 million, from the $427.9 million recorded in the first six months of the same period last year. Capital Transfers were $1,244.1 million for the 2016 fiscal year.

**Trinidad and Tobago's credit ratings** have historically been determined by two international rating agencies, Moody's and S&P and one regional rating agency, CariCRIS. During the 2016/2017 fiscal period, the economy received downgrades from both S&P and Moody's in 2017; with CariCRIS maintaining its 2016 rating in 2017. Moody's downgraded Trinidad and Tobago's government bond rating and issuer rating from Baa3 to Ba1, with a Stable outlook. S&P lowered its A-/A-2 foreign sovereign credit ratings for Trinidad and Tobago to BBB+/A-2, whilst the outlook for the economy was changed to Stable from Negative. CariCRIS, on the other hand, maintained its regional rating of CariAA+ and its rating of ttAAA on the national scale, with a negative outlook.

The **Central Bank of Trinidad and Tobago** (CBTT) maintained its accommodative Monetary Policy stance over the 11-month period October 2016 to August 2017. Consequently, the CBTT maintained its main policy rate; the Repo rate, at 4.75 percent. The Repo rate was last adjusted in December 2015 from 4.50 to 4.75 percent.

The local foreign exchange market continued to exhibit tight conditions in the supply of foreign currencies during the 11-month period ending August 2017. Sales of foreign exchange by authorised dealers to the public amounted to US$4,572.4 million; 12.0 percent lower than the US$5,171.9 sold in the same period one year earlier.

5 CSO estimates: 2016 GDP of $148,745.0 and 2017 GDP of $149,684.7

The domestic **stock market** registered improved performance in the nine-month period ending June 2017. This was reflected in the Composite Price Index which increased by 6.5 percent (year-on-year) from 1,135.6 in June 2016 to 1,209.2 in June 2017.

There was increased activity in the **primary bond market** over the period under review with 17 issues in the period October 2016 to June 2017 and a combined face value of approximately $8.5 billion. Over the nine-month period ending June 2017, aggregate sales in the **mutual fund sector** increased by 2.8 percent from $11.0 billion in the corresponding period in 2016 to $11.3 billion. However, repurchases increased from $3.7 billion in 2016 to $12.5 billion in 2017.

Stability in the financial sector is required to mitigate potential losses by depositors, policyholders and pension plan members. In this regard, the report of the Joint Select Committee of the Parliament on the Insurance Bill was laid in Parliament on September 8, 2017. The National Policy on Cooperatives was completed by the Ministry of Labour and Small Enterprise Development in 2017. The CBTT continued work on the implementation of the Basel II/III risk based capital standards with assistance from CARTAC. Trinidad and Tobago enacted the Tax Information Exchange Agreements (United States of America) Act, 2017 on March 20, 2017 which gave legal effect to the IGA signed in 2016.

The **Balance of Payments** recorded a reduced deficit of US$467.2 million in 2016 as compared to a deficit of US$1,564.2 million in 2015. Contributing to the improved overall balance in 2016 was the substantial decline in the **Financial Account**, moving from a net lending position of US$393.8 million, to a net borrowing position of US$1,794.1 million. A deterioration of the **Current Account** was recorded, moving from a net inflow of US$923.1 million in 2015, to a net outflow of -US$2,394.6 million in 2016.

**Gross Official Reserves** (GOR) fell by 4.7 percent from US$9,933 million in 2015 or 11.2 months of import cover to US$9,465.8 million or 10.5 months of import cover in 2016. This movement of reserves is reflective of the shrinkage in the Current Account. As at August 2017, GOR amounted to US$8,711 million, representing 10.1 months of prospective imports of goods and non-factor services.

# THE INTERNATIONAL ECONOMY[2]

| | | |
|---|---|---|
| United States<br>Japan<br>Canada<br>The United Kingdom | The Euro Zone<br>Emerging and Developing Asia<br>Latin America and the Caribbean<br>CIS Economies | MENAP Economies<br>Sub Saharan Africa |

## Global Overview

**World output** is expected to reach 3.5 percent in 2017; marginally higher than the four-year average of 3.4 percent due to expected recovery in investment, manufacturing and trade. Emerging and Developing Asia is anticipated to be the fastest growing region at 6.5 percent in 2017. The Euro Zone and Latin America and the Caribbean regions are also anticipated to exhibit moderate growth; with the latter moving from negative growth of -1.0 percent to positive 1.0 percent in 2017 (**Figure 1**). Eight years following the financial crisis, significant progress has been made by Advanced Economies in repairing the ensuing macroeconomic damage.

Over the past four years, inflation in the global economy averaged around 2.9 percent. However, in 2017 the global economy will experience increasing inflationary pressures estimated at 3.5 percent. Advanced Economies and the Euro Zone will mirror the trajectory of the global economy, with inflation increasing to 2.0 percent and 1.7 percent respectively in 2017, above the 0.9 percent and 0.5 percent averages of the past four years. However, Latin America and the Caribbean will begin to see lower inflation in 2017 of 4.2 percent, as compared to the four-year average of 5.2 percent (**Figure 2**).

**Figure 1: Real GDP for Major Economic Regions 2013-2017**

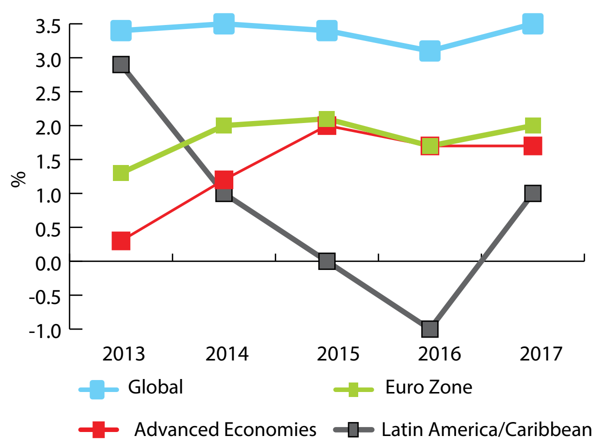
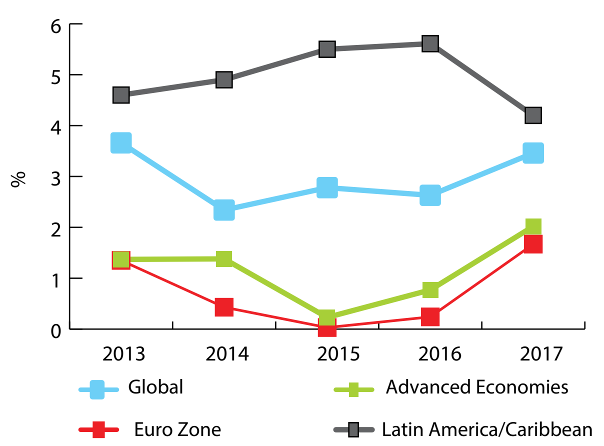



**Figure 2: Consumer Price Index (CPI) for major Economic Regions 2013-2017**




2 IMF World Economic Outlook April and July 2017; Fiscal Monitor April 2017 and Focus Economics (www.focus-economics.com).

## United States

**Real GDP** in the United States is anticipated to increase to 2.1 percent in 2017, up from 1.6 percent in 2016 and boosted by growth in household spending and business fixed investments, supported by job gains and rising household wealth. Furthermore, as the global economy continues along the path to recovery, U.S. manufacturing production and exports is expected to receive an additional boost.

In tandem, **inflation** for the US is expected to exceed the target of 2.0 percent; climbing marginally from 2.2 percent in 2016 to 2.3 percent in 2017. A depreciation of the U.S. dollar vis-à-vis a dip in treasury yields is anticipated as investors react to inflation relative to the set target.

As labour market conditions continue to strengthen, **unemployment** in the United States is expected to fall marginally from 4.9 percent in 2016 to 4.7 percent in 2017.

The 2016 **current account** deficit of 2.6 percent of GDP is expected to worsen further in 2017, with a deficit of 2.7 percent of GDP. The **fiscal balance** is estimated to improve from -4.4 percent of GDP in 2016 to -4.0 percent of GDP in 2017.

## Japan

**Real GDP** for Japan is expected to climb to 1.3 percent in 2017, from 1.0 percent in 2016, attributable to improved industrial production, business fixed investment and private consumption.

**Inflation** in Japan is expected to move from -0.1 percent in 2016 to a positive 1.0 percent in 2017, attributable to a pickup in international commodity prices.

**Unemployment** is anticipated to remain at the 2016 level of 3.1 percent in 2017.

The **current account balance** is expected to improve to 4.2 percent of GDP in 2017, up from 3.9 percent one year prior. The **fiscal balance** deficit, on the back of highly accommodative financial conditions and fiscal spending through the government's large-scale stimulus programme, is projected to contract by a further 4.0 percent from -4.2 percent of GDP in 2016.

During the period January to August 2017, the Japanese Yen appreciated by 8.5 percent versus the USD. This can be attributed mainly to uncertainty over the United States Federal Reserve's decision to increase interest rates this year, as well as, declining expectations of President Trump's ability to implement tax reforms and infrastructure projects.

## Canada

Over the last three quarters consumption growth strengthened in Canada, housing activity rose sharply, and investment in the oil and gas sector rebounded from a prolonged decline. **Output** is now expected to grow by 2.5 percent in 2017, from the 1.5 percent posted in 2016.

**Inflation** in Canada, as measured by the CPI, is expected to increase from 1.4 percent in 2016 to 2.1 percent in 2017, reflecting the strong rise in consumer energy prices and a rebound of food price inflation, as agricultural prices also rise. The dampening impact on inflation of electricity rebates in Ontario is also anticipated to gradually dissipate. Conversely, while labour market slack is also being absorbed, the **unemployment rate** is expected to marginally fall from 7.0 percent in 2016 to 6.9 in 2017.

The **current account balance** for the country is projected to marginally improve from -3.3 percent of GDP in 2016 to -2.9 percent of GDP in 2017 as exports expand with foreign demand. The **fiscal balance** is also estimated to deteriorate, falling from -1.9 percent in 2016 to -2.4 percent of GDP in 2017.

## United Kingdom

Since the EU referendum on June 23, 2016 the Pound Sterling has sharply depreciated, 15–20 percent from its peak in November 2015. **Real GDP** is projected to expand by 1.7 percent in 2017; down from 1.8 percent in 2016. This positive outlook is anticipated despite weaker household spending, as the depreciation of the Pound Sterling weighs on real income growth.

**Inflation** is forecasted to increase from 1.2 percent in 2016 to 2.8 percent in 2017. The increase in inflation can be attributed to increases in electricity and natural gas prices, as well as the overall impact of the depreciation of the Pound Sterling.

**Unemployment** is expected to remain stable at 4.9 percent.

The **current account** and **fiscal balances** are both projected to register contractions, from -4.4 percent of GDP and -3.1 percent of GDP in 2016 to -3.3 percent of GDP and -2.8 percent of GDP, respectively, in 2017. The reduction in the current account deficit can be attributed to growth in export volumes, as well as the recent boost in global demand.

## The Euro Zone[3]

**Growth** in the Euro Zone in 2017 is estimated to increase by 1.9 percent in 2017 as compared to 1.8 percent in 2016. This can be attributed to a stronger momentum in domestic demand and mild weather facilitating greater construction activity.

**Inflationary** pressures in the region is projected to worsen during 2017 to 1.5 percent from 1.1 in 2016, with major contributors being Spain (2.4 percent) and Ireland (0.88 percent).

Notwithstanding, **unemployment** continues to be a challenge to growth in the Euro Zone; the overall Euro Zone unemployment rate in 2017, is expected to improve marginally to 9.4 percent; down from 10.0 percent in 2016. This decline reflects decreases in unemployment in countries such as Spain (from 19.6 percent in 2016 to 17.7 percent in 2017), Greece (from 23.8 percent in 2016 to 21.9 percent in 2017), Ireland (from 7.9 percent in 2016 to 6.5 percent in 2017) and Portugal (from 11.1 percent in 2016 to 10.6 percent in 2017).

Contributing to the decrease in the **current account balance** for the region from 3.4 percent of GDP in 2016 to 3.0 percent of GDP in 2017, are Germany (from 8.5 percent in 2016, to 8.2 percent in 2017 of GDP), Spain (from 2.0 percent in 2016, to 1.5 percent in 2017 of GDP), and Portugal (from 0.8 percent in 2016, to -0.3 percent of GDP in 2017).

**Fiscal balances** in the Euro Zone have improved by 0.2 percent of GDP overall; reflecting improvements in Spain and Portugal with balances estimated at -3.3 percent and -1.9 percent of GDP in 2017, from -4.6 percent and -2.3 percent in 2016 of GDP, respectively. In contrast, fiscal accounts in Greece and Germany are expected to worsen by 1.5 percent and 0.2 percent, of GDP respectively.

## Emerging and Developing Asia[4]

Economic **growth** in Emerging and Developing Asia is expected to increase by 6.5 percent in 2017 in comparison to 6.4 percent in 2016. Among this grouping, real GDP in China is projected to moderate slightly to 6.6 percent in 2017, from 6.7 percent in 2016, whereas India is expected to register a 7.2 percent economic expansion in 2017, from 6.8 percent in 2016. While activity in India slowed following the currency exchange initiative, growth remained relatively high due to robust Government expenditure and strengthened domestic demand.

**Inflation** in the region will continue to be relatively high, with consumer prices expected to hover around 3.3 percent in 2017, up from 2.9 percent in 2016.

Despite volatile capital flows, Asian financial markets have been resilient, reflecting strong fundamentals.

The **current account balances** for both China and India are expected to decrease slightly, with China's current account balance falling from 1.8 percent of GDP in 2016 to 1.3 percent of GDP in 2017. The commensurate decline for India, will place its balance at -1.5 percent of GDP in 2017, down from the previous deficit of -0.9 percent of GDP in 2016. For the area, the current account balance is projected to record an overall decrease from 1.3 percent of GDP in 2016 to 0.8 percent of GDP in 2017.

India's **fiscal balance** will continue its upward trajectory in 2017 to -6.4 percent of GDP, from -6.6 percent the previous year. China's deficit is expected to remain stable at the 2016 level of -3.7 percent of GDP, equivalent to the

3 Comprises 19 countries: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovak Republic, Slovenia, and Spain.

4 Comprises 29 countries: Bangladesh, Bhutan, Brunei Darussalam, Cambodia, China, Fiji, India, Indonesia, Kiribati, Lao P.D.R., Malaysia, Maldives, Marshall Islands, Micronesia, Mongolia, Myanmar, Nepal, Palau, Papua New Guinea, Philippines, Samoa, Solomon Islands, Sri Lanka, Thailand, Timor-Leste, Tonga, Tuvalu, Vanuatu, and Vietnam.

average of -3.7 percent of GDP projected for the entire region in 2017.

## Latin America and the Caribbean[5]

Following economic contraction of -1.0 percent in 2016, there is now a positive outlook for this region; with **real GDP** estimated to reach 1.0 percent in 2017. In the larger countries of Argentina, Brazil, Mexico and Panama, growth is projected at 2.2 percent, 0.3 percent, 1.9 percent, and 5.8 percent, respectively. The gradual recovery of the Brazilian economy is reflective of an improved grain harvest, moderate recovery of industrial activity and stability in the services sector. Argentina is expected to emerge from recession (2.2 percent in 2017 from -2.3 percent in 2016); a period of contraction and social distress, as a rebound of private investment is forecasted and fiscal imbalances and inflation decline.

**Inflation** in the region is expected to fall marginally by 1.4 percent from 5.6 percent in 2016 to 4.2 percent in 2017. Inflation in Argentina is expected to surpass the 10 percent mark, registering 25.6 percent. However, deflationary pressures persist in Brazil, with favorable trajectory of food, industrial goods and regulated prices, allowing the country's CPI to fall by 4.3 percent, to 4.4 percent in 2017. In Mexico, inflation will continue to increase from 2.8 percent in 2016 to 4.8 percent in 2017. The Consumer Price Index for Panama is expected to increase by 1.3 percent from 0.7 percent in 2016 to 2.0 percent in 2017.

The **unemployment rate** in Panama remains unchanged at 5.5 percent in 2017. Unemployment is expected to increase in Brazil (12.1 percent in 2017, from 11.3 percent in 2016) and Mexico (4.4 percent in 2017, from 4.3 percent in 2016). Comparably, unemployment in Argentina is expected to fall from 8.5 percent in 2016 to 7.4 percent in 2017.

The region's **current account** deficit of -2.1 percent of GDP in 2016 is expected to be maintained in 2017. Estimates include an increase of the current account balance for Argentina (-2.6 percent in 2016 to -2.9 percent of GDP in 2017), with declining deficits reported for Mexico (-2.7 percent in 2016 to -2.5 percent of GDP in 2017) and Panama (-5.3 percent in 2016 to -4.7 percent of GDP in 2017). A 1.3 percent deficit is projected for Brazil in 2017; unchanged from the previous year, as the significant increases in the trade surplus, driven mainly by the favourable evolution of commodity export prices, is offset by moderate growth of the service account deficit and expansion of net primary income expenses.

The deterioration in the **fiscal balance** for Latin America and the Caribbean will continue, with the deficit of 6.4 percent of GDP in 2016 widening marginally to 6.5 percent in 2017. This deterioration will also be reflected in Argentina and Brazil, with fiscal deficits moving from -5.8 percent and -9.0 percent of GDP in 2016 to -6.1 percent and -9.1 percent of GDP in 2017, respectively. The 2017 deficit for Argentina reflects anticipated expenditure on pensions and public works as highlighted in the country's 2017 budget, despite the reduction in transfers to the private sector.

## Commonwealth of Independent States[6]

Paralleling the increase of **real GDP** in the Commonwealth of Independent States (CIS) in 2017 to 1.7 percent from 0.3 percent in 2016; it is anticipated that Russia will also register positive growth of 1.4 percent in 2017, rebounding from the -0.2 percent reported in 2016. The former reflects the strengthening of the regional and global environment which support overseas sales throughout the CIS. In July 2017, the United States Congress voted to increase sanctions on Russia, including limiting financial transactions with some entities and freezing of assets. While these penalties have the potential to weigh on confidence and investment in the economy, it is not expected to change the country's outlook for 2017.

5 Comprises 32 countries: Antigua and Barbuda, Argentina, The Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay, and Venezuela.

6 Comprises Russia, Ukraine, Kazakhstan, Belarus, Azerbaijan, Turkmenistan, Mongolia, Uzbekistan, Georgia, Armenia, Tajikistan, Kyrgyz Republic and Moldova

**Inflation** for the region is expected to decline to 5.7 percent in 2017, down from 8.3 percent in 2016, with Russia registering a CPI decrease from 7.0 percent in 2016 to 4.5 percent in 2017, as global food prices reduce overall, consequent to bountiful harvests which helped to keep food inflation relatively low in Russia.

The **unemployment rate** for Russia is expected to remain stable at 5.5 percent in 2017.

A complete turnaround of the overall **current account balance** for the region is anticipated; from -0.2 percent of GDP in 2016 to 1.6 percent of GDP in 2017. Russia is also expected to register an expansion in its current account balance, from 1.7 percent of GDP in 2016 to 3.3 percent of GDP in 2017.

Russia's **fiscal deficit** is estimated to diminish from -3.1 percent in 2016 to -2.1 percent of GDP in 2017, reflective of the Ministry of Finance's ongoing fiscal consolidation strategy.

## Middle East, North Africa, Afghanistan, and Pakistan (MENAP)

**Growth** of 2.6 percent in 2017 is anticipated for the Middle East, North Africa, Afghanistan and Pakistan (MENAP) region, in comparison to 3.9 percent in 2016.

Inflationary pressures continue to prevail with the region's **CPI** increasing to 7.6 percent in 2017 from 5.1 percent in 2016. This rising inflation reflects reductions in energy subsidies (Egypt, Sudan), the implementation of a Value-Added Tax (Egypt), the removal of tax exemptions (Jordan), rising food prices (Djibouti, Egypt, Somalia), and the pass-through of recent exchange rate depreciations (Egypt, Sudan).

An improvement will, however, be recorded in the overall **fiscal balance** (-9.5 percent and -5.2 percent of GDP in 2016 and 2017, respectively).

Additionally, improvement is expected in the total **current account** of MENAP oil exporters to -1.1 percent of GDP in 2017, from -3.4 percent reported one year prior. This is as a result of higher oil prices and fiscal consolidation.

## Sub-Saharan Africa[7]

**Economic growth** in Sub-Saharan Africa is expected to accelerate to 2.6 percent in 2017 from 1.4 percent in 2016, as oil production recovers in Nigeria and Angola records higher public spending. Contributing further to the region's growth is the fading of drought effects and modest improvement in terms of trade in South Africa.

**Consumer prices** are expected to decline from 11.4 percent in 2016 to 10.7 percent in 2017.

The **current account balance** is expected to register a minor improvement from -4.0 percent of GDP in 2016 to -3.8 percent of GDP in 2017, while the **fiscal balance** will in 2017 remain at the 2016 level of -4.6 percent of GDP despite continued pressures on revenues that continue to be offset by expenditure cuts in oil exporting countries.

7 Comprises Nigeria, Angola, Ghana, Gabon, Chad, Republic of Congo, South Africa, Côte d'Ivoire, Cameroon, Zambia, Senegal, Ethiopia, Kenya, Tanzania, Uganda, Madagascar and the Democratic Republic of the Congo.

### Table 1: Macroeconomic Indicators for Selected Economies

| | Real GDP | | Consumer Prices | | Unemployment (%) | | Current Account Balance[1] | | Fiscal Balance[2] | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 |
| **Advanced Economies** | **1.7** | **2.0** | **0.8** | **2.0** | **6.2** | **6.0** | **0.8** | **0.7** | **-2.9** | **-2.7** |
| United States | 1.6 | 2.1 | 1.3 | 2.7 | 4.9 | 4.7 | -2.6 | -2.7 | -4.4 | -4.0 |
| Japan | 1.0 | 1.3 | -0.1 | 1.0 | 3.1 | 3.1 | 3.9 | 4.2 | -4.2 | -4.0 |
| Canada | 1.5 | 2.5 | 1.4 | 2.0 | 7.0 | 6.9 | -3.3 | -2.9 | -1.9 | -2.4 |
| Hong Kong | 1.9 | 2.4 | 2.6 | 2.6 | 3.3 | 3.2 | 5.1 | 3.0 | 4.8 | 1.6 |
| Korea | 2.8 | 2.7 | 1.0 | 1.8 | 3.7 | 3.8 | 7.0 | 6.2 | 0.3 | 0.7 |
| Singapore | 2.0 | 2.2 | -0.5 | 1.1 | 2.1 | 2.1 | 19.0 | 20.1 | 3.3 | 1.7 |
| **Euro Zone** | **1.8** | **1.9** | **1.1** | **1.5** | **10.0** | **9.4** | **3.4** | **3.0** | **-1.7** | **-1.5** |
| United Kingdom | 1.8 | 1.7 | 1.2 | 2.8 | 4.9 | 4.9 | -4.4 | -3.3 | -3.1 | -2.8 |
| Germany | 1.8 | 1.6 | 0.4 | 2.0 | 4.2 | 4.2 | 8.5 | 8.2 | 0.8 | 0.6 |
| Spain | 3.2 | 2.6 | -0.2 | 2.4 | 19.6 | 17.7 | 2.0 | 1.5 | -4.6 | -3.3 |
| Greece | 0.0 | 2.2 | 0.0 | 1.3 | 23.8 | 21.9 | -0.6 | -0.3 | 0.0 | -1.5 |
| Portugal | 1.4 | 1.7 | 0.6 | 1.2 | 11.1 | 10.6 | 0.8 | -0.3 | -2.3 | -1.9 |
| Ireland | 5.2 | 3.5 | -0.2 | 0.9 | 7.9 | 6.5 | 4.7 | 4.7 | -0.9 | -0.5 |
| **Emerging and Developing Asia** | **6.4** | **6.5** | **2.9** | **3.3** | **n/a** | **n/a** | **1.3** | **0.8** | **-3.9** | **-3.7** |
| China | 6.7 | 6.6 | 2.0 | 2.4 | 4.0 | 4.0 | 1.8 | 1.3 | -3.7 | -3.7 |
| India | 6.8 | 7.2 | 4.9 | 4.8 | n/a | n/a | -0.9 | -1.5 | -6.6 | -6.4 |
| **Latin America and the Caribbean** | **-1.0** | **1.0** | **5.6** | **4.2** | **8.1** | **8.4** | **-2.1** | **-2.1** | **-6.4** | **-6.5** |
| Argentina | -2.3 | 2.2 | 41.2 | 25.6 | 8.5 | 7.4 | -2.6 | -2.9 | -5.8 | -6.1 |
| Brazil | -3.6 | 0.3 | 8.7 | 4.4 | 11.3 | 12.1 | -1.3 | -1.3 | -9.0 | -9.1 |
| Mexico | 2.3 | 1.9 | 2.8 | 4.8 | 4.3 | 4.4 | -2.7 | -2.5 | -2.9 | -2.9 |
| Panama | 5.0 | 5.8 | 0.7 | 2.0 | 5.5 | 5.5 | -5.3 | -4.7 | n/a | n/a |
| **Commonwealth of Independent States** | **0.3** | **1.7** | **8.3** | **5.7** | **n/a** | **n/a** | **-0.2** | **1.6** | **n/a** | **n/a** |
| Russia | -0.2 | 1.4 | 7.0 | 4.5 | 5.5 | 5.5 | 1.7 | 3.3 | -3.1 | -2.1 |
| **Middle East, North Africa, Afghanistan, and Pakistan** | **3.9** | **2.6** | **5.1** | **7.6** | **n/a** | **n/a** | **-3.4** | **-1.1** | **-9.5** | **-5.2** |
| **Sub-Saharan Africa** | **1.4** | **2.6** | **11.4** | **10.7** | **n/a** | **n/a** | **-4.0** | **-3.8** | **-4.6** | **-4.6** |
| South Africa | 0.3 | 0.1 | 4.6 | 6.5 | 25.4 | 26.1 | -4.4 | -4.4 | -0.7 | -0.2 |
| Nigeria | -1.5 | 0.8 | 15.7 | 17.4 | 12.7 | n/a | 0.6 | 1.0 | -4.4 | -5.0 |
| Ghana | 4.0 | 5.8 | 17.5 | 12.0 | n/a | n/a | -6.4 | -6.0 | -8.3 | -5.0 |

Source: International Monetary Fund: World Economic Outlook April 2017 and July 2017; Fiscal Monitor April 2017 and Focus Economics (www.focus-economics.com).
1 & 2: % of GDP
n/a: not available

# ECONOMIC PERFORMANCE OF CARICOM STATES[8]



## Overview

Growth in Caribbean territories[9] is anticipated in 2017 but at different rates; tourism-dependent economies[10] are estimated to grow by 2.2 percent in 2017 up from 1.8 percent in 2016 while commodity exporters[11] are projected to record 1.4 percent in 2017 from -3.3 percent in 2016. Owing to higher arrivals in both the stopover and cruise segments, strong growth in tourism was recorded in Belize, Grenada, Jamaica and St. Vincent and the Grenadines. This trend is expected to persist in 2017, aided by growth in the United States; the main market for most destinations in the region.

Commodity exporters, including Belize and Suriname, however, may return to modest growth in 2017 and 2018 as higher prices, albeit still low, are forecasted. In Trinidad and Tobago, projected recovery in gas output is expected to reverse the prolonged economic stagnation by 2018. Suriname plunged into a deep recession in 2015 triggered by a significant commodity terms of trade shock and exacerbated by insufficient buffers and timely policy responses, while Belize suffered severe setbacks in agriculture, including destruction of crops by Hurricane Earl. Other factors which may dampen the Caribbean prospects are the appreciation of the US dollar and further loss of correspondent banking relationships.

**Box 1: Recent Natural Disaster Impacting the Caribbean**

In early September 2017, Category 5 Hurricane Irma, one of the strongest ever recorded in the Atlantic, wreaked havoc on the CARICOM Member State of Antigua and Barbuda, and the Associate Members Anguilla and the British Virgin Islands, with its outer bands affecting St. Kitts and Nevis and Dominica.

Initially projected to impact the Antilles already affected by Hurricane Irma, Hurricane Jose followed days after, bringing tropical storm force winds to a catastrophically damaged and evacuated Barbuda before changing path. This was the first and so far only time in Atlantic history that two active hurricanes simultaneously recorded wind speeds of at least 150 miles per hour (240 km/h).

Subsequently, on September 18th, Dominica suffered widespread devastation to homes and infrastructure after Hurricane Maria, the second major storm to hit the Caribbean in one month, made landfall on the island with Category 5 wind speeds.

8 Source:- IMF Regional Economic Report-April 2017/Western Hemisphere IMF Country Report

9 Aruba, The Bahamas, Barbados, Belize, ECCU, Guyana, Haiti, Jamaica, Suriname, Trinidad and Tobago, Curaçao and Sint Maarten.

10 Tourism-dependent economies include The Bahamas, Barbados, Jamaica and the Eastern Caribbean Currency Union (ECCU).

11 Commodity exporting economies include Belize, Guyana, Suriname and Trinidad and Tobago.

CARICOM Chairman, Prime Minister Dr. Keith Mitchell of Grenada and Secretary-General Ambassador Irwin LaRocque have stressed the Community's commitment to the recovery effort in islands damaged by these hurricanes. Hurricane Irma triggered payments from CCRIF SPC (formerly the Caribbean Catastrophe Risk Insurance facility) totalling approximately US$29.6 million to the Governments of Antigua and Barbuda, Anguilla, St. Kitts and Nevis, Turks and Caicos islands, Haiti and the Bahamas on their tropical cyclone (TC) insurance policies with CCRIF.

Islands affected by these hurricanes will require substantial, coordinated assistance in rebuilding their economies as well as social and physical infrastructure that have been essentially obliterated following these unprecedented developments.

## Barbados

Given the challenges continuing to be faced by the Barbadian economy such as rising government debt, depletion of foreign currency reserves and weakness in manufacturing and sugar production, the **current account deficit** will continue to widen from -4.5 percent in 2016 to -7.7 percent in 2017. Notwithstanding these fiscal challenges, a buoyant tourism sector, the primary source of foreign exchange earnings, would lead to modest economic growth of 1.7 percent in 2017, up marginally from 1.6 percent in 2016.

**Central government debt**, measuring 101 percent of GDP in 2016, is forecast to expand to 110 percent by 2020. Foreign reserves diminished to B$682 million by end-2016, representing 2 months of import cover, well below the benchmark of 12 weeks. Delayed official loan disbursements and privatisation, as well as lower private sector inflows, were key contributors to this decline. Additionally, in March 2017, Barbados' **sovereign credit ratings** were downgraded by Standard and Poor's and Moody's Investors Service to 'CCC+' from 'B-' with a negative outlook and 'Caa3' from 'Caa1' with a stable outlook, respectively. Citing gross external financing needs, the fledgling international reserves, the lack of political will to redress the deficit and financing pressures; the agencies warned of a further downgrade.

In May 2017, the Central Bank of Barbados announced a tightening of its monetary policy stance through an increase in its Barbados Dollar securities reserve requirement ratio for commercial banks licensed under Part II of the Financial Institutions Act. This increase will require banks to hold 15 percent of their domestic deposits in stipulated securities with effect from June 15, 2017. This represents the first increase since 2007 when the ratio was lowered to 10 percent.

The **cash reserve requirement** for commercial banks remains unchanged at 5 percent.

Inflation in Barbados is anticipated to fall from 6.7 percent in 2016 to 2.4 percent in 2017. Additionally, Barbados's **current account balance** is anticipated to widen from -4.5 percent of GDP in 2016 to -7.7 percent in 2017, with the **fiscal balance** moving from -1.2 percent of GDP in 2016 to -0.2 percent in 2017.

## Jamaica

Under the Extended Fund Facility (EFF)[12], macroeconomic stability in Jamaica has been entrenched and is evidenced by low inflation, a build-up of reserves and decline in the current account deficit. **Public debt**, although on a downward trajectory, remains high at 120 percent of GDP, following defaults in 2010 and 2013. To imbed reforms, the Government in November 2016, requested a 36-month Stand-By Arrangement with the IMF in order to provide insurance against adverse external economic shocks.

Following growth of 1.6 percent in 2016, **real GDP** is forecast to reach 2 percent in 2017.

12 The EFF is intended for countries which are: (i) experiencing serious payments imbalances because of structural impediments; or (ii) characterised by slow growth and an inherently weak balance of payments position. It provides assistance in support of comprehensive programs that include policies aimed at correcting structural imbalances over an extended period. Financing under the EFF currently carries the IMF's basic rate of charge, with a grace period of 4.5 years and a maturity of 10 years.

**Inflation** in Jamaica will continue its upward trajectory moving from 4.0 percent in 2016 to an estimated 5.0 percent in 2017, well within the inflation target of 4.0 percent to 6.0 percent set by the Central Bank of Jamaica. Annual **unemployment** in Jamaica was estimated at 12.8 percent in 2016, however, according to the Statistical Institute of Jamaica the unemployment rate for April 2017 was estimated at 12.2 percent.

The **current account** deficit widened from -2.7 percent of GDP in 2016 to -3.1 percent of GDP in 2017.

Sustained fiscal consolidation remains critical for continued debt reduction. The Bank of Jamaica's market-based exchange rate pricing mechanism to anchor **inflation targeting** as well as the rebalancing from direct to indirect taxes are anticipated to broaden the revenue base, insulate the poor and create job opportunities.

## Guyana

Guyana's economy produced mixed results in 2016. Subdued agricultural commodity prices combined with adverse weather conditions dampened prospects in agriculture, casting negative spillovers to manufacturing and services. However, **real GDP** increased to 3.3 percent, buoyed by significant increases in gold output at large-scale mining operations, as well as, improvements in tax administration. Expenditure increased less than projected primarily due to lower-than-budgeted public investment. In 2017, real **economic growth** is expected to rise to 3.5 percent, underpinned by an increase in public investment, expansion in the extractive sector and a recovery in rice production.

By end-2016, **inflation** remained restrained at 1.5 percent despite less-than-favourable weather conditions and excess demand spurred by Guyana's Golden Jubilee. Inflation is expected to approximate 2.5 percent in 2017. Also in 2016, the overall **balance of payments** deficit diminished as the **current account balance** improved to -3.5 percent of GDP from -5.7 percent in 2015. Further, improvement is projected in 2017 with the current account balance estimated at -2.7 percent of GDP. Reserve coverage remained at about 3.5 months of imports, though by 2020, the anticipated start of oil production will bring significant increases in exports and reserves. A fiscal regime for oil revenues and a sovereign wealth fund are currently being drafted. Capital investment from ExxonMobil and Nexen and Hess are expected to allow for surges in FDI inflows in 2017 as investment and drilling activity accelerate.

The **non-financial public sector** deficit, estimated at 2.9 percent of GDP, was lower than the budgeted 5.5 percent. In 2017 the deficit is projected to reach 7 percent of GDP due to delayed capital spending in 2016 as well as the reclassification of subsidies to state-owned enterprises. The **Debt-to-GDP** ratio is projected to increase to 55.1 percent in 2017 from 49.6 in 2016 and is expected to reach 61 percent by 2019.

## ECCU[13]

Although faced with high public debt and flat tourism receipts, growth in the ECCU group is expected to increase from 1.9 percent in 2016 to 2.4 percent in 2017. With the exception of St. Vincent and the Grenadines and Dominica, the ECCU will record growth in 2017 lower than that experienced in 2016. In 2017, **inflation** in the ECCU is forecasted at 1.7 percent, from 0.5 percent in 2016.

The overall **external current account** deficit widened to -11.7 percent of GDP in 2016 from -10.0 percent in 2015. A further widening of the external current account deficit to -13.8 percent of GDP is envisaged for 2017.

Following the passage of tropical storm Erika in 2015, the Dominican economy continued to focus on infrastructure rehabilitation and social relief. As such, economic activity remained anaemic as capacity constraints and adverse weather marred public investment. Notwithstanding high Citizenship-by-Investment (CBI) revenues, the fiscal outlook worsened due chiefly to lower grant revenues coupled with an increase in social transfers and a reduction in the corporate income tax rate in January 2017. Despite ample liquidity, **credit to the private sector** did not expand as a result of insufficient bankable projects, persistent low profitability and high non-performing loans (NPLs).

13 Comprises Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines as well as Anguilla and Montserrat which are dependent territories of the United Kingdom.

**Table 2: Macroeconomic Indicators for Selected CARICOM Economies**

| | Real GDP Growth | | | Consumer Prices (End of period, percent) | | | Unemployment (%) | | | Current Account Balance | | | Fiscal Balance[1] | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2015e | 2016e | 2017p | 2015e | 2016e | 2017p | 2015e | 2016e | 2017p | 2015e | 2016e | 2017p | 2015e | 2016e | 2017p |
| **Barbados** | 0.9 | 1.6 | 1.7 | -2.5 | 6.7 | 2.4 | 11.3 | 9.7 | 9.9 | -5.2 | -4.5 | -7.7 | -1.8 | -1.2 | -0.2 |
| **Guyana** | 3.1 | 3.3 | 3.5 | -1.8 | 1.5 | 2.5 | n/a | n/a | n/a | -5.7 | -3.5 | -2.7 | -0.2 | -3.4 | -4.4 |
| **Jamaica** | 1.0 | 1.6 | 2.0 | 3.0 | 4.0 | 5.0 | 13.5 | 12.8 | n/a | -3.0 | -2.7 | -3.1 | 7.1 | 7.0 | 7.0 |
| **ECCU (All Countries):** | 2.6 | 1.9 | 2.4 | -0.9 | 0.5 | 1.7 | n/a | n/a | n/a | -10.0 | -11.7 | -13.8 | 1.1 | 2.4 | 3.4 |
| Antigua and Barbuda | 3.8 | 3.7 | 2.2 | 0.9 | -0.6 | 2.3 | n/a | n/a | n/a | -5.2 | -5.9 | -9.8 | -0.1 | 3.6 | 3.0 |
| Dominica | -1.8 | 0.6 | 3.0 | -0.5 | -0.2 | 1.4 | n/a | n/a | n/a | -8.0 | -7.8 | -9.5 | 1.1 | 4.6 | 1.6 |
| Grenada | 6.2 | 3.9 | 2.5 | 1.0 | 1.4 | 3.2 | n/a | n/a | n/a | -17.7 | -17.6 | -18.7 | 2.2 | 5.4 | 4.1 |
| St. Kitts and Nevis | 4.9 | 3.2 | 2.7 | -2.4 | 0.9 | 1.5 | n/a | n/a | n/a | -8.5 | -14.5 | -18.3 | 8.7 | 3.5 | 0.9 |
| St. Lucia | 1.8 | 0.8 | 0.5 | -2.6 | 0.6 | 0.7 | n/a | n/a | n/a | -2.6 | -6.7 | -8.8 | 1.5 | 0.9 | 0.1 |
| St. Vincent and the Grenadines | 0.6 | 1.8 | 2.5 | -2.1 | 1.3 | 1.3 | n/a | n/a | n/a | -21.2 | -18.9 | -18.4 | -0.2 | 1.9 | 2.2 |

Source: Regional Economic Outlook (REO), Western Hemisphere – Main Economic indicators, April 2017
n/a: not available
e- Estimated
p- Projected
1 Public Sector Primary Balance of the REO, Western Hemisphere, April 2017

Bolstered by strong construction activity and a steady tourism demand, the Grenadian economy grew at approximately 3.9 percent in 2016. The debt-to-GDP ratio fell to 83.4 percent in 2016, from a high of 108 percent in 2013 owing to the implementation of a public debt restructuring programme. In May 2017, the IMF Executive Board completed its final review under the Extended Credit Facility (ECF) Arrangement[14], which was introduced in June 2014. While Grenada has successfully met all programme targets and structural benchmarks under the ECF; the economy remains susceptible to external shocks and fluctuation in tourism demand and commodity prices.

St. Kitts and Nevis has been experiencing declining economic performance with GDP growth declining from 4.9 percent in 2015, to 3.2 percent in 2016 and 2.7 percent estimated in 2017. This can be attributed to a deceleration in revenues from the Citizenship by Investment (CBI) programme, resulting in a weakening of construction activity. Future downside risks include further erosion in CBI receipts, loss of correspondent banking relationships and delays in the land-for-debt swap.

CBI programmes offer individuals the opportunity to legally acquire a new nationality and an alternative or second passport quickly and simply in exchange for an investment or donation. Grenada, Antigua and Barbuda, as well as, St. Kitts and Nevis offer CIB programmes.

14 The Extended Credit Facility (ECF) provides financial assistance to countries with protracted balance of payments problems. The ECF was created under the Poverty Reduction and Growth Trust (PRGT) as part of a broader reform to make the Fund's financial support more flexible and better tailored to the diverse needs of low-income countries (LICs), including in times of crisis. The ECF is the Fund's main tool for providing medium-term support to LICs.

The Land-for-Debt swap is a strategy developed in 2012 to be utilised by St. Kitts and Nevis where 1,200 acres of land owned by the Government is to be vested in the St. Kitts-Nevis-Anguilla National Bank to settle approximately $900 million in government debt.

The ECCU banking system in all member countries continues to be plagued by NPL ratios well above the prudential guideline of 5 percent. In collaboration with the ECCU member countries, the ECCB is establishing the Eastern Caribbean Asset Management Corporation (ECAMC) to help improve banks' asset quality and clean-up their balance sheets through the purchases of banks' NPLs.

# THE REAL ECONOMY

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

## GROSS DOMESTIC PRODUCT[15]

The Central Statistical Office (CSO) conducted a simple rebase (Non-benchmark Rebase) of its Gross Domestic Product (GDP) estimates for Trinidad and Tobago, which updates the reference base year from 2000 to 2012. The CSO has also transitioned its GDP estimates from the Trinidad and Tobago System of National Accounts (TTSNA) to the International Standard Industrial Classification of All Economic Activities, Revision 4 [16] (ISIC. Rev 4).

In accordance with the ISIC. Rev 4, Trinidad and Tobago's GDP is no longer classified and presented at the major sectoral levels of Petroleum and Non-Petroleum, but at a more focused industrial grouping level, which distinguishes industries by types of economic activity engaged in, rather than type of product produced. Details of the rebasing exercise and the methodological changes are provided at **Box 1**. The information presented in this document utilises the new base year and methodology.

The Trinidad and Tobago economy is projected to register a milder contraction in 2017, with negative growth shrinking to -2.3 percent this year, from -6.0 percent in 2016. Lower economic activity is forecasted in ten of the twenty ISIC. Rev 4 industrial groupings, which together represent approximately 68.6 percent of Trinidad and Tobago's real GDP. The remaining ten industrial groupings, which embody approximately 30.5 percent of the national economy, should achieve positive growth outcomes this calendar year (**Appendices 1 to 3**).

Under the ISIC. Rev 4, the 4 largest industrial groupings in Trinidad and Tobago in terms of contribution to real GDP, are Mining and Quarrying (19.1 percent); Manufacturing (18.3 percent); Trade and Repairs (15.6 percent); and Financial and Insurance Activities (10.1 percent). Contractions are forecasted in three of these four industries.

The Mining and Quarrying industry is expected to decline by 2.2 percent in 2017, a considerably smaller contraction when compared to the industry's 13.2 percent decline in 2016. Activities relating to the exploration and production of crude oil and natural gas are included in this industry. The improved, though negative outturn, for the industry primarily reflects the assumption that, the commencement of production of natural gas from new projects (such as the Juniper Platform), would revive output levels in late 2017. These gains would, however, only just surmount the output losses experienced earlier in the year. The overall Mining and Quarrying industry is nonetheless expected to contract in 2017, primarily due to a larger decline in crude output.

15 Gross Domestic Product is quoted in constant (2012) prices unless otherwise stated.

16 ICIS rev4 can be downloaded at https://unstats.un.org/unsd/publication/seriesM/seriesm_4rev4e.pdf

## Box 2: Rebasing of Trinidad and Tobago's Gross Domestic Product (GDP) to the Year 2012 and other Major Methodological Changes to the Estimates

### General Overview

The Central Statistical Office (CSO) has rebased the annual GDP estimates to the year 2012. The rebasing exercise was a simple or non-benchmark rebase whereby no large scale or specialised benchmark surveys were carried out upon which the rebasing exercise was predicated. Thus only already available data were used to re-reference the price base period.

However, the opportunity was taken (as is usually the case when a rebasing exercise is conducted) to modify some of the methodological approaches to GDP estimation in order to ensure: output indicators were more relevant and provided better overall coverage of output movements; more appropriate price indicators were applied at a more detailed level in the deflation process; and compliance with an important recommendation of the System of National Accounts, 2008 (SNA 2008) in the measurement of financial services provided by financial institutions.

In addition to the changes in the methodological techniques applied, the reporting structure for the GDP estimates was modified to be consistent with the latest international standard industrial classification.

### Classification

The GDP estimates were previously published or presented using the Trinidad and Tobago System of National Accounts (TTSNA) industry groupings which comprised establishments classified according to the Trinidad and Tobago Standard Industrial Classification (TTSIC). Industries and establishments have been reclassified to be consistent with the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4).

The ISIC Rev. 4 classifies establishments according to kind of economic activity. The previous TTSNA classification system attempted to mostly comply with this philosophy but made a few compromises by grouping certain establishments that were dissimilar by kind of economic activity but which had a significant relationship in terms of economic linkages. Thus, for example, certain establishments previously presented under the 'Petrochemicals' industry and displayed under the broader heading of the 'Petroleum' Industry, but whose primary economic activity involved the transformation of goods by some process, are now classified under Manufacturing or ISIC C. Similarly, quarrying establishments whose primary economic activity is the extraction of naturally occurring minerals but whose economic output were grouped with construction is now properly assigned to ISIC B: Mining and Quarrying. The output resulting from the extraction of Oil and Natural Gas are by similar reasoning also assigned to ISIC B.

However, owing to the importance of the energy based industries to Trinidad and Tobago's economy, the output of the major energy based industries, previously grouped under the Petroleum Industry are also presented separately at the end of the current reporting structure to facilitate economic analysis.

### Significant Methodological Changes

#### Base Period

The base period for the GDP estimates has been changed to the year 2012 from the previous annual base period of 2000. Thus GDP estimates at constant prices are based on 2012 market prices and input/output ratios.

#### Volume and Price Indicators

Volume indicators were reviewed during the rebasing exercise and, where relevant, new volume indicators were used and/or developed which were more closely related to production output. Price deflators at the producer and consumer level were more precisely selected to match the relevant output items.

**Significant Industry-Specific Changes**

**ISIC B - Mining and Quarrying**

The Gross Value Added (GVA) of the economic activities of oil and natural gas extraction are now separately estimated and disclosed within the new reporting structure. It should be noted that because companies extracting both oil and gas cannot separately indentify the input costs associated with the extraction of oil and of gas, the GVA of enterprises are assigned to oil or gas based on their primary activity: oil or gas.

**ISIC F – Construction**

The measurement of the output of economic activity via direct surveys of construction establishments is restricted to formal economic activity. This issue combined with the traditionally low response rates from construction enterprises necessitated an indirect approach to the measurement of output via a commodity flow approach. Under this approach, an estimate was made of the supply of construction materials into the construction industry. The supply estimate was based on: (i) the imports of construction materials with some adjustments for imports costs, duties and non-refundable taxes among other adjustments; and (ii) domestic production of construction materials less exports. Input/output ratios and various prices indices were applied to obtain the GVA estimates at current and constant prices.

**ISIC G – Wholesale and Retail trade sub- industry**

The previous methodology used a survey approach to estimation. However, low response rates from the survey of establishments combined with the very large number of establishments in this industry make precise estimation difficult. Thus, the commodity flow approach to estimation was undertaken. Under this approach, an estimation of traded imports adjusted as before for non-refundable taxes, import duties and costs. To this estimation an estimate of traded goods values from the mining and quarrying, domestic agriculture, and manufacturing industries was added. The sum of the domestic and imported traded values, together with the appropriate price indicators and input/output ratios from the survey response data, were applied in the estimation of the GVA of the Wholesale and Retail Trade at current and constant prices.

**ISIC K - Financial and Insurance Activities**

National Accountants are required to measure the value of financial intermediation services provided by financial institutions. An attempt is made to indirectly estimate the value of these services imbedded within the interest received on loans and the interest paid on deposits as the value of these services cannot be directly measured and are therefore not explicitly stated in the financial statements of financial institutions. This estimate is referred to in national accounting terminology as 'Financial Intermediation Services Indirectly Measured (FISIM). Previously, total FISIM was allocated as a production or input cost and deducted from the total value added of all industries to obtain GDP. However in recognition of the fact that not all of FISIM is connected with the production of goods and services, only that part of FISIM directly related to production is now deducted. The current treatment of FISIM (both the method of estimation and its allocation) is now consistent with the recommendations of SNA 2008.

Source: Central Statistical Office

A contraction of 3.2 percent is anticipated in the Manufacturing industry during 2017, a small improvement on its 5.5 percent contraction one year earlier. This industrial grouping now also contains activities related to the liquefaction of natural gas and the refining of petroleum products (such as gasoline, kerosene, fuel oil and natural gas liquids), as well as the manufacture of petrochemicals (methanol, ammonia, urea etc.). These sub-industries have become the primary drivers of the industry's overall performance.

For a second consecutive year, diminished economic activity is expected in the Trade and Repairs industry, with real output falling by 9.4 percent in 2017, following a slightly smaller 7.4 percent fall in 2016. Wholesale and retail trading activity has been particularly curtailed by the decrease in discretionary spending among citizens during the current recessionary conditions.

Positive growth is, however, projected for the Financial and Insurance Activities industry, which is one of only seven industrial groupings to have sustained uninterrupted annual expansions over the past five years. Growth in this industry is nonetheless expected to be less vigorous in 2017 (4.0 percent) than in the previous years, which averaged 9.8 percent over the 2013 to 2016 period. The industry's slowing reflects the increasingly challenging domestic economic environment of the past few years, with the associated reduction in consumer and business confidence; weaker private sector credit; rise in unemployment and concerns over job security; and higher living costs.

Marginal growth of 0.8 percent is forecasted in the Public Administration industry in 2017, which is just below its 1.1 percent expansion in 2016. This industry's share of GDP is accordingly predicted to rise slightly from 7.3 percent in 2016 to 7.5 percent in 2017.

Construction, the sixth major industrial grouping (with a 5.5 percent share of GDP), is expected to show a negative economic performance of -4.8 percent in 2017 (following a similar curtailment in 2016 of -5.2 percent), notwithstanding the anticipated pickup in activity on public sector projects in late 2017.

Following in terms of economic importance is the Transport and Storage industry, which represents approximately 4.5 percent of GDP in 2017, up from 4.1 percent previously. A strong turnaround is forecasted in this industrial grouping, with robust growth of 7.0 percent in 2017, which contrasts with the 3.9 percent contraction sustained in 2016.

Of the remaining thirteen small industrial groupings, five industries are estimated to contribute between 2.0 percent and 3.0 percent each to the nation's GDP. Positive growth is anticipated in two of these industries: Education (3.1 percent, down from 4.9 percent), and Real Estate Activities (0.4 percent, down marginally from 0.5 percent). Notwithstanding a projected slower expansion in 2017, the Education industry is still expected to outperform the growth achieved in three of the past four years, despite the rationalisation of fiscal expenditure on the Government Assistance for Tuition Expenses (GATE) programme.

Negative growth is projected in the other three industrial groupings: Administrative and Support Services (-2.3 percent, up from -2.6 percent); Information and Communication (-2.9 percent, down from -0.2 percent); and Electricity and Gas (-4.2 percent, up from -12.1 percent). During 2017, Government announced its intention to rationalise its involvement in the Information and Communication industry with its decisions in May and August respectively, to close two state-owned companies, the Government Information Services Limited (GISL) and the Caribbean New Media Group (CNMG), and to establish a new public service broadcasting company. The negative performance of the Electricity and Gas industry is consistent with a weaker level of demand for electrical power amidst a further underutilisation of industrial plant capacity as well as with efforts by individuals to conserve on household utility costs. This also follows on the severe reduction in electricity use during the previous year after the closure of the ArcelorMittal iron and steel plant.

A further three smaller industrial groupings contributed at least 1.0 percent of GDP each during 2017. Of these, growth in the Professional, Scientific and Technical Services industry is expected to improve significantly to 22.2 percent in 2017, from -2.6 percent in 2016. Weaker outturns are, however, projected in Accommodation and Food Services (-3.2 percent, down from -2.2 percent); and Water Supply and Sewerage (1.5 percent, marginally below the previous year's 1.6 percent rate). Within the Accommodation and Food Services industry, there was

**Table 3: Economic Performance of Trinidad and Tobago's Petroleum and Non-Petroleum Sectors***

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|---|
| Petroleum Sector (% change) | n/a | 1.7 | (1.7) | (2.5) | (11.1) | (3.1) |
| Non-Petroleum Sector (% change) | n/a | 1.5 | 1.1 | 2.6 | (1.9) | (1.5) |
| Petroleum Sector (% contribution to GDP) | 37.7 | 37.9 | 37.4 | 35.9 | 33.9 | 33.7 |
| Non-Petroleum Sector (% contribution to GDP) | 60.3 | 60.6 | 61.4 | 62.1 | 64.8 | 65.3 |

Source: Calculated by Ministry of Finance based on Central Statistical Office's GDP estimates.
* Constant 2012 prices
n/a – not available

a decline in international visitor arrivals to both islands during the period as well as a reduction in in-country vacation stays by nationals. Lower public and private expenditure on food services, such as catering and expensive recreational dining, may also have diminished the industry's performance this year.

It is also estimated that the smallest five industries will each generate less than 1.0 percent of GDP. Three of these industries should maintain their positive growth rates in 2017 (albeit only marginal growth rates in the case of two). These are: Human Health and Social Work (0.3 percent); Arts, Entertainment and Recreation (0.3 percent); and Domestic Services (1.2 percent). Declines are, however, forecasted for Other Service Activities (-1.3 percent, down from 0.7 percent); and Agriculture, Forestry and Fishing (-2.8 percent), which is an improvement on this industry's 15.1 percent contraction one year earlier.

When viewed at a broader macro level, the CSO's estimates of GDP suggest that Trinidad and Tobago's overall Petroleum sector will decline by 3.1 percent in real terms in 2017, following a much larger decline of 11.1 percent in 2016. The Non-Petroleum sector is expected to contract by 1.5 percent during 2017, which would narrowly improve on its 1.9 percent contraction in 2016 (**Table 3**). The Petroleum sector's contribution to real GDP is forecast to fall as a consequence to 33.7 percent in 2017, compared to 33.9 percent in 2016. Correspondingly, the Non-Petroleum sector's share is expected to rise from 64.8 percent to 65.3 percent over the same period.

# PETROLEUM

## Overview

Trinidad and Tobago's Petroleum sector is expected to record its fourth consecutive annual contraction, with a decline of 3.1 percent in 2017. This is milder than the 11.1 percent contraction recorded in 2016, though slightly larger than the previous contractions of 1.7 percent and 2.5 percent that were experienced in 2014 and 2015, respectively. The Petroleum sector's share of real GDP is expected to fall, from 37.4 percent to 33.7 percent between 2014 and 2017 (**Table 3**). The negative outturn in 2017 reflects negative year-on-year performances in five of the six Petroleum sub-industries (**Appendix 2**).

The steepest contraction (-18.1 percent) is expected in Petroleum Support Services, which, albeit, represents an improvement from the sub-industry's 30.2 percent downturn in 2016. The sub-industry's contribution to GDP is estimated to fall slightly, from 1.3 percent to 1.1 percent in the current year (**Appendix 3**). A contraction of 5.6 percent is projected in the Manufacture of Petrochemicals. This follows on its 8.2 percent pull-back in the previous year and slightly reduces this sub-industry's share of GDP to 6.7 percent in 2017, from 6.9 percent.

Negative growth is also expected in Petroleum Distribution (-5.3 percent); Crude Oil Exploration and Extraction (-3.0 percent) as well as Refining (including LNG) (-2.8 percent)—though the contractions in these three sub-industries have narrowed by more than half when compared to their 2016 levels of -11.7 percent, -7.6 percent and -7.1 percent, respectively. A negligible reduction (from 2.3 percent in 2016 to 2.2 percent in 2017) is projected in the contribution of the Petroleum Distribution sub-industry to GDP, whilst the other two sub-industries' share of GDP are expected to remain unchanged at 7.1 percent and 5.8 percent, respectively.

Marginal growth of 0.8 percent is, however, anticipated in the Natural Gas Exploration and Extraction sub-industry, which is a marked reversal from its sharp 14.0 percent decline one year earlier. As a result, the sub-industry's contribution to GDP is likely to increase to 10.8 percent in the current year, from 10.5 percent.

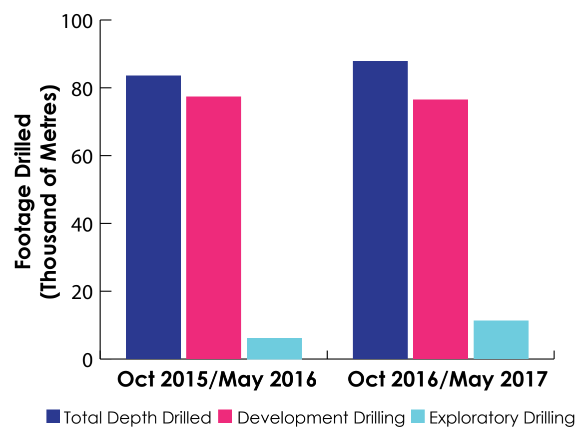
## Drilling

During the October 2016 to May 2017 period, the total number of wells drilled by petroleum companies[17] increased by 13.5 percent to 59, from the 52 wells drilled in the corresponding period of the previous year. A 14.0 percent rise in drilling of development wells[18], from 50 to 57, accounted for the expansion in the number of wells drilled during the current period, as the number of exploration wells[19] spudded remained at 2, the same as in the corresponding 2015/2016 period (**Appendix 7**).

An estimated 87.8 thousand metres were drilled during the period under review. This represents an increase of 5.2 percent from the 83.5 thousand metres drilled in the previous reporting period. Of the total depth drilled, 76.5 thousand metres were drilled for development, compared to the 77.3 thousand metres drilled one year earlier. 11.3 thousand metres were drilled for exploration purposes, an 81.5 percent upsurge from the 6.2 thousand metres drilled in the previous comparative period (**Figure 3**).

The overall rise in drilling activity reflected a 5.6 percent rise in marine drilling, from 44.2 thousand metres to 46.7 thousand metres, as well as a 4.7 percent uptick in onshore drilling, from 39.3 thousand metres to 41.1 thousand metres, during the first eight months of fiscal 2017.

**Figure 3: Development and Exploratory Drilling**




Source: Ministry of Energy and Energy Industries

## Crude Oil and Condensate

During the first three quarters of fiscal 2017, crude oil production contracted, whilst condensate production increased, when compared to the similar fiscal 2016 period. Crude oil output fell by 6.0 percent from 62,677 barrels per day to 58,908 barrels per day. Conversely, production of condensate rose by 25.0 percent from 11,094 barrels per day to 13,866 barrels per day. These led to a 1.4 percent reduction in total crude and condensate output from petroleum companies during the current period, from 73,772 barrels per day to 72,775 barrels per day (**Appendix 7**).

Offshore production contracted by 4.4 percent, from 52,522 barrels per day during the October 2015 to June 2016 period, whereas onshore production increased by 6.1 percent from 21,250 barrels per day to 22,538 barrels per day. Over the period October 2016 to June 2017, marine operations generated 50,238 barrels per day or 69.0 percent of total crude and condensate production, whilst land operations accounted for 31.0 percent of total output.

Oil prices rebounded during fiscal 2017, following the decade long lows exhibited in fiscal 2016. An important contributor to the recovery in prices has been the effort to reduce excess global oil inventories, which has

17 New wells were spudded during the October 2016 to May 2017 period by BPTT, EOG Resources, PETROTRIN, and the following companies under PETROTRIN's Incremental Production Service Contract, Lease Operator, and Farmout Programmes: A&V Oil & Gas Ltd, Range Resources Trinidad Limited, Lease Operators Ltd, Fram Exploration Trinidad Limited, Goudron E&P Limited, Rocky Point T&T Ltd. and Touchstone Exploration (Trinidad) Ltd.

18 Boreholes drilled to commercially produce oil and gas after hydrocarbons have been discovered by successful exploration.

19 Boreholes that are drilled to find out if there are commercial deposits of hydrocarbons.

**Table 4: Oil and Gas Prices**

| | 2016 | | | 2017 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul |
| **Crude Oil (Spot Price US$/Barrel)** | | | | | | | | | | |
| West Texas Intermediate | 49.78 | 45.66 | 51.97 | 52.50 | 53.47 | 49.33 | 51.06 | 48.48 | 45.18 | 46.63 |
| European Brent | 49.52 | 44.73 | 53.29 | 54.58 | 54.87 | 51.59 | 52.31 | 50.33 | 46.37 | 48.48 |
| **Natural Gas (US$/Thousand Cubic feet)** | | | | | | | | | | |
| Henry Hub | 2.98 | 2.55 | 3.59 | 3.30 | 2.85 | 2.88 | 3.10 | 3.15 | 2.98 | 2.98 |

Source: Energy Information Administration (US)

albeit, progressed at an unexpectedly slow rate. Early in the fiscal year (in November 2016) an agreement was reached among OPEC members as well as several non-OPEC producers—particularly Russia—to cut oil production by almost 1.8 million barrels per day for a period of six months. This was followed by a second agreement in May 2017, whereby OPEC and participating non-OPEC countries agreed to extend the production cuts by a further nine months, in response to the failure of the first agreement to clear the record high global oil surplus. The effectiveness of both agreements have so far been limited, as oil production by OPEC members Libya and Nigeria has been steadily rising, with both nations successfully reducing unplanned disruptions to their production arising from militant activity, having themselves been exempted from the production cuts. In effect, their rising output has been largely offsetting the reductions achieved by other countries and delaying the much needed market rebalancing. As a consequence, as prices have failed to rise to the higher levels anticipated, OPEC has been experiencing increasing difficulty in keeping its other members from exceeding their production quotas.

Also constraining oil prices has been the swift recovery in shale oil production in the United States, which has been growing rapidly in response to the recovery in oil prices and which continues to surpass expectations. It is anticipated though, that growing headwinds arising from increasing service contractor costs, fracking crew shortages, high debt levels, and tighter credit conditions as well as growing concerns over increasing well failure rates in some heavily produced regions and reports of unexpectedly high natural gas to oil ratios in the important Permian Basin[20], will moderate the growth in US shale output over the medium-term.

During the fiscal 2016/2017 period, the monthly average West Texas Intermediate (WTI) price of a barrel of crude oil fell from US$49.78 in October 2016 to US$45.66 in November. The average monthly price then rose sharply to US$51.97 in December and continued to trend upwards to US$53.47 in February 2017, its highest level since June 2015. The price per barrel fluctuated over the next five months, reaching a fiscal period low of US$45.18 in June, before ending at US$46.63 per barrel in July 2017. As a consequence, the WTI price per barrel averaged US$49.41 during the October 2016 to July 2017 period, compared to an average price of US$40.63 over the corresponding period one year earlier; representing an increase of 21.6 percent (**Table 4**).

During the first five months of fiscal 2016/2017, the average monthly European Brent spot price fluctuated between its fiscal period low of US$44.73 per barrel (in November 2016) and US$54.87 per barrel (in February 2017), its highest level since July 2015. The price per barrel subsequently eased to US$46.37 in June, before rising once again to US$48.48 in July. Consequently, the average European Brent spot price for the full ten-month period rose by 22.4 percent to US$50.61 per barrel from its average of US$41.33 per barrel over the similar 2015/2016 period.

On a monthly basis, the differential between WTI and European Brent crude oil prices remained relatively narrow during October 2016 to July 2017, fluctuating between a period low of US$0.26 per barrel in October

20 The Permian Basin is one of the largest shale oil and shale gas producing regions in the United States, and extends from western Texas to southeastern New Mexico.

2016 and a period high of US$2.26 per barrel in March 2017. The monthly average European Brent crude price exceeded the monthly average WTI price for most of the fiscal period, with the exception of October and November 2016, when WTI exceeded Brent by US$0.26 per barrel and US$0.93 per barrel respectively.

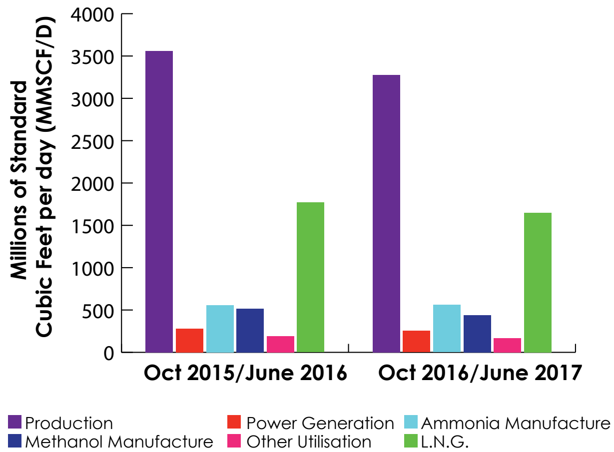
## Natural Gas

During fiscal 2016/2017 there were concerted efforts by the Government of Trinidad and Tobago and the major energy sector companies operating within Trinidad and Tobago to address the country's prolonged natural gas shortage. This culminated in a visit to Houston, Texas in March 2017 by the Prime Minister, who met with leaders of some of the leading companies in the energy industry and resolved a number of issues impacting the domestic energy sector. Subsequent to this, several firms have expressed their commitment to investing in robust exploration and development programmes in Trinidad and Tobago in the years ahead. Significant progress has also been made in negotiations with Venezuela on the supply of natural gas from Venezuela's Dragon field. Subject to the finalisation of a Gas Sales Agreement in 2017, gas could potentially be supplied to Trinidad from this field as early as 2019.

Of more immediate impact, however, was the commencement of new domestic gas production from the Angostura Phase 3 field (in September 2016); the Sercan Phase 2 field (in December 2016); the Trinidad Onshore Compression Project (in April 2017); and particularly the Juniper platform (in August 2017), which is expected to contribute to reducing the country's gas supply shortage in the months ahead. Also, notwithstanding the industry's current challenges, there has been renewed confidence in Trinidad and Tobago's future as a hydrocarbon province and in the long-term sustainability of its natural gas sector following the announcement in May 2017 of the discovery of approximately 2 trillion cubic feet of gas by BPTT's Savannah and Macadamia exploration wells. This follows on the discovery of natural gas by BHP Billiton at its first deep-water exploration well, LeClerc-1 in 2016.

During the October 2016 to June 2017 period, natural gas output contracted by 7.9 percent to 3,277.7 million standard cubic feet per day, from the 3,558.1 million standard cubic feet per day produced during the first nine months of fiscal 2016 (**Appendix 8 and Figure 4**).

**Figure 4: Natural Gas Production and Utilisation**




Source: Ministry of Energy and Energy Industries

A disaggregation of total natural gas produced by use indicates that all natural gas end-user groups, with the exception of the ammonia industry and small consumers, reported reduced utilisation levels during the fiscal 2016/2017 period, when compared to the same period one year earlier. Atlantic, however, continued to be the largest user of domestically produced natural gas, with its share of total output rising slightly to 50.3 percent, from 49.7 percent one year ago. Atlantic obtained 1,648.1 million standard cubic feet of gas per day for its four Liquefied Natural Gas (LNG) Trains, which was 6.9 percent less than the 1,769.4 million standard cubic feet per day it received during the October 2015 to June 2016 period.

Approximately 17.1 percent of the natural gas produced during the October 2016 to June 2017 period was directed to the generation of ammonia, which was slightly higher than the product's 15.6 percent draw on total output in the previous year. Total usage by the country's eleven ammonia plants rose by 1.0 percent from 554.6 million standard cubic feet of gas per day, to 560.1 million standard cubic feet per day. Conversely, during the fiscal 2017 period, approximately 13.4 percent of total gas output, or 440.3 million standard cubic feet per day, was utilised in the manufacture of Methanol, which was a reduction from its 14.5 percent share in the corresponding fiscal 2016 period, or 14.8 percent lower than the 516.8 million standard cubic feet per day of gas previously used.

Consumption of natural gas for the next major end-user classifications of power generation and refining also fell, with their respective shares declining to 7.7 percent and 2.0 percent, from 7.9 percent and 2.2 percent one year earlier. Approximately 253.4 million standard cubic feet per day of natural gas was used in the generation of electricity, representing a 10.3 percent decline from 282.7 million standard cubic feet per day during the similar fiscal 2016 period. Likewise, the amount used for refining decreased by 17.6 percent, from 78.3 million standard cubic feet per day to 64.6 million standard cubic feet per day. The sixth-largest consumer of natural gas was the iron and steel industry, which continued to record lower usage, with total inflows falling by 4.2 percent during the fiscal 2017 period, from 44.8 million standard cubic feet per day to 42.9 million standard cubic feet per day. The industry's share of total gas consumption, however, remained at 1.3 percent.

During the first ten months of fiscal 2016/2017, the Henry Hub natural gas price averaged US$3.04 per thousand cubic feet, which was a 40.5 percent improvement from the US$2.16 per thousand cubic feet average price that was obtained during the comparative fiscal 2015/2016 period. Notwithstanding the increase in US shale gas production during the fiscal period, Henry Hub prices recovered strongly and have been supported by increased natural gas exports from the United States through its Cheniere LNG liquefaction terminal at Sabine Pass, which exported its first LNG cargo in February 2016 and has since commissioned two additional LNG Trains, with a fourth expected to produce its first commissioning cargo in August 2017. This year has marked a milestone for the United States' natural gas industry, as in early 2017, the country became a net exporter of natural gas for the first time in sixty years, having previously only exported gas via pipeline to Mexico. Growing demand for natural gas in the United States for use in power generation and to provide additional pipeline supplies to Mexico has also contributed to a tightening natural gas market in that country.

In monthly terms, the average Henry Hub natural gas price per thousand cubic feet fell from US$2.98 in October 2016 to US$2.55 in November—the lowest for the current review period—before subsequently rising to a high of US$3.59 in December. The monthly price declined during the next two months to an average of US$2.85 in February 2017, following which it trended upwards to US$3.15 in May, before easing to US$2.98 during June and July 2017 (**Table 4**).

## Liquefied Natural Gas (LNG)

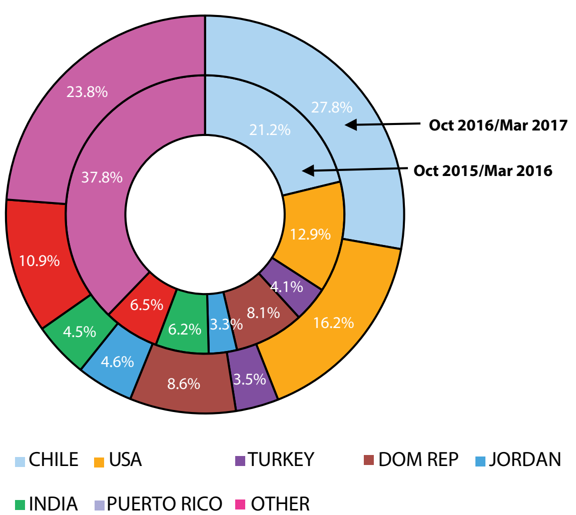
Trinidad and Tobago's LNG production contracted, on a year-on-year basis, for seven of the first nine months of fiscal 2017. The steepest declines of 26.5 percent and 19.5 percent took place in May 2017 and November 2016, respectively. In contrast, of the two months with positive production outturns (October 2016 and April 2017), the larger increase was recorded in October (5.8 percent). During the full October 2016 to June 2017 period, LNG production totalled 404.2 trillion British Thermal Units (BTU), which was 8.9 percent below the 443.5 trillion BTU produced over the comparative 2015/2016 period. The persistent shortfall in the supply of natural gas induced the contraction in LNG output during the current fiscal period. A sustainable but gradual recovery in LNG production is, however, expected to be realised beginning in the first quarter of fiscal 2018, as natural gas output ramps up at the Juniper platform, which commenced production in mid-August 2017. Incremental gas from this project is to be supplemented by additional gas injections from a series of new upstream projects over the next five years.

Exports of LNG from Atlantic's Point Lisas facility fell by 6.5 percent over the nine-month period in fiscal 2016/2017 to approximately 407.6 trillion BTU, compared to sales of 436.2 trillion BTU during the matching fiscal 2015/2016 period (**Appendix 8**).

Trinidad and Tobago sold LNG to twenty-one (21) countries during October 2016 to March 2017. Chile, the leading export destination, received 27.8 percent of total LNG exports, up from the 21.2 percent in the equivalent period one year earlier. The United States received 16.2 percent; the second largest share (an increase from 12.9 percent previously); followed by Puerto Rico with 10.9 percent (up from 6.5 percent); and the Dominican Republic, which received 8.6 percent (up slightly from 8.1 percent). The Middle Eastern nation of Jordan was the fifth largest export recipient; 4.6 percent from 3.3 percent in the previous year. India followed closely at 4.5 percent, which was down from its 6.2 percent portion in the corresponding period one year earlier. There was a notable shift in trading patterns during the current period, as Trinidad and Tobago's third leading LNG country market, Argentina, received the smallest share of exports in the fiscal 2016/2017 period, falling precipitously from 11.6 percent last year to only 0.7 percent. There was a steep decline in another traditional LNG export market as well, as exports to Spain shrank from 7.6 percent to 2.2 percent (**Figure 5**).

On a wider geographical basis, notwithstanding Argentina's rapid decline, South America remained the largest regional export market for Trinidad and Tobago's LNG, receiving 29.6 percent of all exports during October 2016 to March 2017. The Caribbean, whose share rose to 20.6 percent, became the second leading export market region, up from fifth one year ago. North America received the third largest share of LNG exports (19.5 percent), closely followed by Asia (19.4 percent). Notably, Europe's place slipped from third to fifth, having lost almost half of its share, to just 8.7 percent.

**Figure 5: Exports of LNG by Destination**




Source: Ministry of Energy and Energy Industries

## Petrochemicals (Ammonia, Urea and Methanol)

Methanol production and exports fell sharply during the October 2016 to June 2017 period. Notwithstanding gains in the production of both ammonia and urea, export sales for these products also declined during the fiscal period.

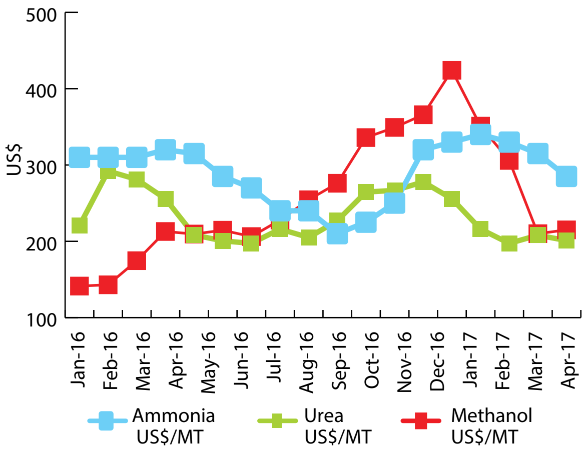
During the first nine months of fiscal 2016/2017, a total of 3,411.1 thousand metric tonnes of methanol was produced, representing a contraction of 13.6 percent from the 3,950.1 thousand metric tonnes produced in the preceding fiscal period. Exports of methanol likewise fell from 4,036.5 thousand metric tonnes to 3,345.1 thousand metric tonnes, or by 17.1 percent (**Appendix 9**).

In contrast, production of ammonia increased by 1.1 percent, from 3,700.0 thousand metric tonnes to 3,739.3 thousand metric tonnes during the October 2016 to June 2017 period. Ammonia exports, however, amounted to 3,330.7 thousand metric tonnes, which was 3.6 percent below the 3,456.3 thousand metric tonnes exported during the same period of the previous fiscal year.

Similarly, urea production rose by 5.3 percent to 432.4 thousand metric tonnes during the first three quarters of fiscal 2016/2017, up from 410.5 thousand metric tonnes. Nonetheless, exports of urea declined to 418.1 thousand metric tonnes, or 6.8 percent below the 448.7 thousand metric tonnes exported in the comparative 2015/2016 period.

The monthly average US Gulf Granular Barge Spot Price for methanol rose steadily from US$276.06 per metric tonne in October 2016, to a fiscal period high of US$424.07 per metric tonne in February 2017. The average price then receded sharply to US$350.89 per metric tonne in March 2017 and further declined to US$305.99 per metric tonne in April (**Figure 6**). Over the entire seven-month 2016/2017 period, the average methanol export price rose by 68.5 percent to US$344.00 per metric tonne, from US$204.19 per metric tonne in the corresponding 2015/2016 period. Increases in the prices of crude oil, natural gas, feedstock and coal, were the primary drivers of the improved average price. Also contributing to the upsurge in the methanol price was an increase in demand for use in the production of olefins.

**Figure 6: Petrochemical Prices (Ammonia, Urea and Methanol)**




Source: Ministry of Energy and Energy Industries

In monthly terms, the average Tampa US Gulf Spot Price of ammonia advanced considerably from a fiscal period low of US$210.00 per metric tonne in October 2016 to US$340.00 per metric tonne in March 2017. The monthly average price subsequently eased a little to US$330.00 per metric tonne in April. Notwithstanding, during the full seven-month 2016/2017 period, the export price of ammonia averaged US$286.43 per metric tonne, which was 19.3 percent lower than its average price of US$355.00 per metric tonne over the comparative fiscal 2015/2016 period.

The average US Gulf Granular Barge Spot Price for urea also maintained an upward trajectory during the first four months of fiscal 2017, moving from US$227.08 per metric tonne in October 2016 to US$277.78 per metric tonne in January 2017. The monthly average price, however, slid to US$255.74 per metric tonne in February, following which it continued to trend downwards, ending the review period at US$197.31 per metric tonne in April. Consequently, the seven-month average export price for urea fell by 7.0 percent, from US$262.04 per metric tonne in the 2015/2016 period, to US$243.61 per metric tonne in the current period.

# AGRICULTURE

## Overview

The Agriculture, Forestry and Fishing industry is expected to contract in real terms by 2.8 percent in calendar 2017, which is nonetheless a marked improvement on the sector's 15.1 percent contraction in calendar 2016. The primary component of this grouping is the agricultural sub-industry, and this year's negative outturn is primarily due to the adverse effects on this sub-industry of tropical storm Bret and the related flooding of agricultural lands throughout the country in June 2017. The share of Trinidad and Tobago's real GDP that is generated by the Agriculture, Forestry and Fishing sector is nonetheless forecasted to remain unchanged at 0.4 percent in 2017. (**Appendices 2 and 3**).

An update on the operational status of farm sites under the Commercial Large Farms Programme (CLFP) is provided at **Table 5**. The CLFP comprises 17 farms and currently targets the production of vegetables, rice, fruit and livestock under public-private partnership arrangements. Of the 17 farms under the Programme, 13 farms have been allocated, with 8 presently being in operation. The CLFP is currently facing a number of challenges, including the unavailability of labour, praedial larceny, inadequate infrastructure (roads, water management structures), delays in the grant of statutory approvals (water, leases, electricity), and access to finance.

According to the latest available data from the Central Statistical Office (CSO), there were diverse performances within Trinidad and Tobago's agriculture sector during the October 2016 to March 2017 period. Higher output levels were achieved in the production of eddoes, rice, cucumber, melongene, bodi, patchoi, cauliflower, hot pepper, dasheen bush, green corn, paw paw, pineapple, broilers/broiler meat and goat meat. Lower levels of output were, however, recorded in the production of cassava, dasheen, sweet potatoes, tomatoes, cabbage, ochro, lettuce, pumpkin, sweet peppers, christophene, watercress, milk, mutton and live pigs/pork. Further details on the performance of the agricultural sub-industry during the review period are presented below.

## Domestic Agriculture

### Root Crops

Overall root crop production decreased during the October 2016 to March 2017 period when compared to October 2015 to March 2016. Cassava production declined by 51.7 percent from 2,144 kilogrammes (kg) to 1,035 kg. Dasheen production also fell by 35.3 percent from 1,303 kg to 843 kg; whilst sweet potato output dropped by 26.5 percent from 1,246 kg to 916 kg. There was, however, an increase in the production of eddoes, which jumped by 15.9 percent from 2,013 kg to 2,333 kg.

Root crop production was restricted by adverse weather conditions, pests and diseases, particularly the outbreak of the Sweet Potato Weevil. The Ministry of Agriculture, Land and Fisheries (MALF) has continued to provide infrastructural, institutional and technical support to root crop farmers to aid in addressing these challenges.

### Copra

Data on copra production is not currently available for the period under review. There were, however, continued efforts by the MALF and the Ministry of Trade and Industry (MTI) during the fiscal year to assist the revitalisation of the coconut industry through their work on the eradication of the Red Ring disease and the Red Palm Mite as well as through the provision of support via the Coconut Subsidy.

### Rice

Rice production rose by 29.4 percent to 1,638,740 kg in the fiscal 2016/2017 period, from 1,266,010 kg in fiscal 2015/2016. The increase in output reflected higher

**Table 5: Operational Status of Farm Sites under the Commercial Large Farms Programme**

| No. | Farm Location | Firm | Farm Acreage | Commencement Date | Major Commodities Being Produced |
|---|---|---|---|---|---|
| 1 | Bejucal | Two2 Brothers Corp | 171 | April 2015 | Rice |
| 2 | Caroni | Two2 Brothers Corp | 100 | August 2011 | Rice |
| 3 | Couva | PCS Nitrogen | 75 | January 2010 | Paw Paw, Sweet Corn, Lettuce, Hot Pepper, Cucumber, Dasheen Bush, Ochro, Tomato, Breadfruit |
| 4 | Edinburgh | Edinburgh Farms | 100 | July 2011 | Sweet Corn, Hot Pepper, Plantain, Paw Paw, Citrus, Passion Fruit |
| 5 | Felicity | Fazal Akaloo | 215 | June 2014 | Rice |
| 6 | La Gloria 1 | AGA Agriculture | 148 | Awaiting approvals | Crops - Not Yet In Production |
| 7 | La Gloria 2 | Garden Choice | 147 | July 2012 | Orange, Passion Fruit |
| 8 | Mora Valley | Unallocated | 151 | Unallocated | Cocoa |
| 9 | Orange Grove 1 | Technology Farms | 100 | October 2011 | Not Operational |
| 10 | Orange Grove 2 | Kent Farms Limited | 44 | July 2014 | Aquaculture – Not Yet in Production |
| 11 | Orange Grove 3 | O G Rice Producers | 156 | August 2013 | Not Operational |
| 12 | Picton I | Unallocated | 241 | Unallocated | Commodities to be Produced: Livestock/Tree Crops |
| 13 | Picton II | Unallocated | 220 | Unallocated | Commodities to be Produced: Livestock/Tree Crops |
| 14 | Picton III | Unallocated | 267 | Unallocated | Commodities to be Produced: Livestock/Tree Crops |
| 15 | Picton IV | Evergreen Ranch | 262 | November 2011 | Beef Cattle, Sweet Peppers, Pimentos |
| 16 | Picton V | Trinidad and Tobago Small Ruminant Dev. Co. | 104 | July 2015 | Small Ruminants – Not Yet In Production |
| 17 | Tucker Valley | Caribbean Chemicals and Agency Ltd | 100 | July 2013 | Sweet Corn, Plantain, Paw Paw, Bodi, String Beans, Tomatoes, Melongene |

Source: Ministry of Agriculture, Land and Fisheries rice yields, due primarily to the use of higher quality rice seeds for sowing as well as the implementation of improved management systems for the dissemination of rice seeds to farmers.

#### Vegetables

Vegetable output varied widely during the period October 2015 to March 2016 when compared to the corresponding period in fiscal 2016/2017 period. Production increases were recorded for cucumber (36.3 percent); melongene (27.6 percent); bodi (11.7 percent); patchoi (9.5 percent); cauliflower (27.5 percent); hot pepper (24.2 percent); dasheen bush (11.4 percent); and green corn (50.4 percent). Concomitantly, there were decreases in the production of tomatoes (15.1 percent); cabbage (73.0 percent); ochro (1.4 percent); lettuce (59.8 percent); pumpkin (41.3 percent); sweet peppers (30.4 percent); christophene (36.3 percent); and watercress (45.9 percent). The declines in cabbage and lettuce were as a result of the incidence of pest and disease, specifically the Diamond Back Moth and Bacterial Leaf Spot respectively. Reduced output for sweet pepper, tomato, christophene and watercress were mainly due to unfavourable weather conditions. Farmers also reduced the acreages cultivated in pumpkin in response to low market prices.

#### Other Crops

#### Pineapple

Pineapple production rose by 57.7 percent from 504,300 kg to 795,300 kg during the period under review, on account of increased demand and increased acreages under cultivation.

#### Paw Paw

Paw Paw output rose from 496,300 kg to 711,000 kg, or by 43.3 percent, as a result of favourable weather conditions and an increase in acreage cultivated.

### Livestock and Dairy Products

#### Poultry

Broiler meat production increased by 24.3 percent, from 27,899,831 kg during October 2015 to March 2016, to 34,670,000 kg during October 2016 to March 2017. The number of broilers sold also increased by 9.9 percent. These positive outturns were as a result of significant increases in imported hatching eggs for the broiler industry combined with improvements in housing and upgrading of equipment by poultry farmers during the current period.

#### Small Ruminants

According to the latest available data from the CSO for the period October to December 2016, mutton output fell by 22.9 percent to 24,780 kgs, from 32,155 kgs during October to December 2015. The decrease in mutton output was as a result of increased costs of inputs such as feed, drugs and breeding stock, which contributed to reduced production efficiencies at the farm level.

Production of goat meat increased by 57.7 percent from 14,025 kgs in the first quarter of fiscal 2015/2016 to 22,122 kgs in the first quarter of fiscal 2016/2017. The increase in goat meat output was due to the upgrade in the genetic potential of the local goat herd.

#### Dairy

Milk production declined by 42.3 percent during the first quarter of fiscal 2016/2017 to 465,845 litres, from 807,100 litres one year earlier. This decline reflected the increasing costs of production especially in feed concentrates, as well as poor pasture development.

#### Pigs

The number of live pigs sold decreased by 20.3 percent from 26,116 animals to 20,816 animals during the period under review. Pork production decreased at a smaller rate, 5.2 percent, to 921,430 kgs during the six-month period October 2016 to March 2017, from 971,569 kgs during the previous comparative period. This industry continues to be challenged by labour shortages, competition from imports, high feed costs, and waste disposal issues. Trends in the industry suggest that the future of pig farming in Trinidad and Tobago may be in small to medium size operations.

#### Apiculture (Bees)

Although honey production data is not yet available for the fiscal 2017 period, the MALF has reported on a number of developments impacting the industry. These include the growing participation of women in beekeeping, with 9 of the 25 new entrants into the apiculture sector in 2017 being female. Also, the apiculture industry has benefited from efficient management systems being implemented by beekeepers as a result of their exposure to advanced training sessions in apiculture management. Additionally, a scientific survey of the sub-sector conducted by the Inter-American Institute for Co-operation on Agriculture (IICA) in collaboration with the MALF in the first quarter of fiscal 2017, has confirmed that Trinidad and Tobago is free from the American Foulbrood disease, a widespread and destructive bee brood disease.

## MANUFACTURING

### Overview

During 2017 Trinidad and Tobago's manufacturers continued to be set back by diminished consumer demand in the local market, and were further constrained by challenges in obtaining adequate foreign exchange to satisfy their obligations to foreign suppliers. In response to the shortage in the availability of foreign exchange, the CBTT asked commercial banks, as it had done in the past, to prioritise the manufacturing sector in the allocation of the foreign exchange it injects to the local financial system.

Based on the CSO's rebased GDP estimates which now utilise the ISIC Rev. 4 (**see Box 2 for details**) , Trinidad and Tobago's Manufacturing sector is expected to contract for a fourth consecutive year, declining by 3.2 percent in calendar 2017, following a sharper 5.5 percent decline in 2016. Notwithstanding, the sector's share of real GDP is projected to fall only marginally to 18.3 percent, from 18.4 percent in 2016 (**Appendices 2 and 3**).

Reduced economic activity is projected for most Manufacturing sub-industries, including Petroleum and Chemical Products, the largest sub-industry, which is expected to contract by 4.2 percent, a slight improvement on its 7.5 percent decline in 2016. Petroleum and Chemical Products accounts for more than two-thirds of all real economic activity in the Manufacturing sector, or 12.9 percent of overall GDP in 2017.

Food, Beverages and Tobacco Products, the second largest Manufacturing sub-industry, albeit with a much smaller share of total GDP (3.5 percent), is projected to give a flat performance in 2017 with a marginal decline of 0.1 percent, following its strong performance in 2016 when the sub-industry grew by 11.5 percent. The above two sub-industries therefore currently comprise approximately 90 percent of the Manufacturing industry.

Negative growth is also anticipated in the third largest sub-industry, Other Manufactured Products, which should decline by a similar magnitude of 4.0 percent in 2017. Notwithstanding, this represents the sub-industry's strongest performance in three years, following previous steeper declines of 8.8 percent and 20.6 percent in 2015 and 2016 respectively. It is estimated that the Other Manufactured Products sub-industry would represent 1.4 percent of GDP in 2017.

The smallest manufacturing sub-industry, Textiles, Clothing, Leather, Wood, Paper and Printing, should account for just 0.4 percent of national economic output in 2017, and is the only sub-industry that is expected to expand this year, with moderate growth of 3.1 percent. The performance of this sub-industry has improved steadily over the past three years, following its sharp decline of 6.4 percent in 2015, and its flat 0.0 percent outturn in 2016.

Constricted by a limited and anaemic market environment, Trinidad and Tobago is looking beyond its traditional export markets in the Caribbean in order to develop new export opportunities for its manufacturers in support of this country's diversification thrust. Areas of focus include Latin America (Costa Rica, Nicaragua, Panama), continental Europe as well as North America, the United Kingdom, and larger Caribbean countries such as the Dominican Republic. Over the past year the country has also been actively engaged in advancing the implementation of new Trade Agreements with Cuba and Chile. Towards this end, a large Trinidad and Tobago delegation, representing both state and private stakeholders, visited Cuba in November 2016. Arising out of this visit, Cuba expressed interest in receiving exports of refined petroleum products and various manufactured goods from this country. In May 2017 the Prime Minister of Trinidad and Tobago also led a delegation to Chile to explore increased trading opportunities for both energy and non-energy products. Chile, which is already a major export market for this country's LNG industry, has been working with Trinidad and Tobago during 2017 to identify the sectors that present the best opportunities for expanding trade between both countries, as a precursor to the commencement of negotiations on a bilateral Trade Agreement.

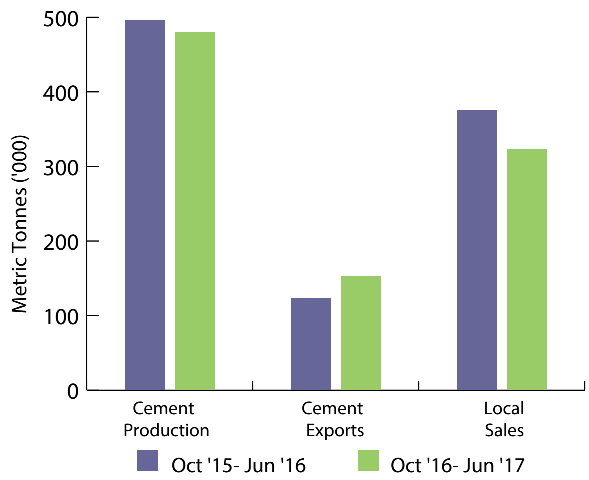
To further support local manufacturers, Government, through the Ministry of Trade and Industry (MTI); has also been conducting research on ways to expand the product range and improve technical capacity in the industry. The MTI is also developing strategies to increase productivity; address the constraints to doing business in Trinidad and Tobago; improve domestic value added; and facilitate more robust research, development and innovation.

## Cement

In January 2017 Mexico's cement giant, Cemex, successfully made a takeover bid for Trinidad Cement Limited (TCL). Cemex through its subsidiary Sierra Trading acquired approximately 113,529,723 additional shares in TCL, increasing Sierra Trading's shareholding to 261,523,911 shares and ownership to 69.83 percent. Consequently, in May 2017 TCL increased its shareholding in Readymix (West Indies) Limited from 8,531,977 to 12 million shares, representing 100 percent of the total cumulative shareholding in Readymix (West Indies) Limited.

Production of cement declined during six of the first eight months of fiscal 2017, with the steepest year-on-year contractions taking place in January 2017 (-19.7 percent) and December 2016 (-17.9 percent). The amount produced in January 2017 (41.2 thousand metric tonnes) was the lowest quantity produced since April 2012. Conversely, of the two months with positive production outturns (November 2016 and May 2017), the larger increase took place in May (28.1 percent), when output peaked at 76.9 thousand metric tonnes. As a result, total cement production amounted to 480.1 thousand metric tonnes over the entire eight-month period, which was a 3.1 percent decline from the 495.5 thousand metric tonnes produced in the similar period one year earlier (**Figure 7**). The major contributing factor to the fall-off in cement production during the fiscal 2017 period continued to be the contraction in economic activity in the local construction sector due to the wider domestic economic downturn.

**Figure 7: Cement Production, Export and Local Sales**




Source: Trinidad Cement Ltd.

Sales of cement by TCL totalled 475.9 thousand metric tonnes during the October 2016 to May 2017 period, which was a 4.6 percent reduction from the 499.0 thousand metric tonnes sold in the corresponding 2015/2016 period. The decline in total cement sales during the current fiscal period was on account of lower domestic sales, which offset a smaller rise in exports. The value of cement exports rose to 153.0 thousand metric tonnes in the fiscal 2017 period, or by 24.1 percent from the 123.3 thousand metric tonnes shipped in the previous comparative period. The primary contributor to this result were significant year-on-year increases in export sales in November 2016 (121.3 percent); May 2017 (94.6 percent); October 2016 (46.2 percent); and February 2017 (38.5 percent), which outweighed declines of lesser magnitude during three of the remaining four months under review. Accordingly, export sales as a share of total cement sales rose from 24.7 percent to 32.2 percent. The expansion in cement exports during October 2016 to May 2017 reflected considerable growth in the company's traditional export markets such as Guyana, Grenada and St. Kitts and Nevis, coupled with the gains made in new markets in the Dutch Caribbean.

Sales of TCL cement within the Trinidad and Tobago market fell from 375.6 thousand metric tonnes during the 2015/2016 fiscal period, to 322.9 thousand metric tonnes in the current fiscal period, or by 14.0 percent. This represented 67.8 percent of total sales, down from 75.3

percent. A depressed construction sector, constrained by weak implementation of Government projects; and increased competition from imported cement contributed to the fall-off in sales of cement from TCL to the local market in fiscal 2017.

On a quarterly basis, the average price per bag of cement for all brands sold within Trinidad and Tobago declined by a marginal 0.9 percent to $60.37 during October to December 2016, from $60.90 during July to September 2016. The price fell by a further 6.8 percent to $56.28 per bag in the second quarter of fiscal 2017, and contracted once again by 5.3 percent to $53.31 per bag during the third quarter. Consequently, cement prices averaged $56.65 per bag over the full nine-month fiscal 2016/2017 period, which was 8.0 percent lower than the average price of $61.60 per bag over the similar period in fiscal 2015/2016.

# SERVICES

## Construction

The Construction industry is projected to contract by 4.8 percent in 2017, its third consecutive contraction. Despite the sharp decline in economic activity, the contribution of the Construction industry to real GDP is expected to decline only marginally to 5.5 percent in 2017, from 5.7 percent in 2016 (**Appendices 2 and 3**).

The industry's poor performance in 2017 primarily reflects the weak implementation of Government's public sector investment programme due to administrative and financing constraints. Government has, however, announced an ambitious list of major construction projects that are out for tender and anticipated to commence during the second half of 2017, or are advancing through the design stage. These projects include the completion of the highway extension to Point Fortin; construction of a new interchange at Curepe; the completion of the upgrade of the Maracas Beach Facility; and various projects under the Drainage, Bridges, Highway and PURE programmes. The lull in construction activity is therefore expected to ease in late 2017 and during 2018.

Construction activity in the private sector was also dampened in 2017 by the recessionary conditions. The anticipated economic recovery arising from the expected turnaround in petroleum output beginning in late 2017 is, however, expected to bolster investor optimism moving forward.

## Tourism[21]

Trinidad and Tobago received 481,776 visitors by air and cruise ship in calendar 2016, a decrease of 7.2 percent from 519,330 persons in calendar 2015. This reflected a decline in airline arrivals, which outweighed a smaller increase in cruise arrivals.

During the first six months of calendar 2017, total air and cruise ship visitor arrivals to Trinidad and Tobago fell by 10.3 percent to 248,308 persons from 276,701 persons during the comparative 2016 period.

The expansion of the nation's tourism sector has been identified as a key component of Trinidad and Tobago's economic diversification strategy. To stimulate the sector's growth in Tobago and raise the international profile of Tobago as a tourist destination, Government has advanced plans to finance, in partnership with the local private sector, the construction of two (2) new resorts on the Buccoo Estate in Tobago, comprising a total of 750 rooms and operated under the Sandals and Beaches Resort brand names.

Government has also commenced the restructuring and upgrade of the institutional, regulatory and marketing systems in Trinidad and Tobago's tourism sector, with its decision in March 2017 to replace the Tourism Development Company with two separate agencies: The Tourism Trinidad Destination Management Company Limited (Tourism Trinidad), which would operate under the purview of the Ministry of Tourism; and The Tobago Tourism Agency, which would report to the Tobago House of Assembly (THA). Each agency will focus on strategic action, product development and destination marketing specifically related to the distinct brand of its island, but would also collaborate with the other agency on the promotion and marketing of the Destination

21 Source: Ministry of Tourism, Port Authority of Trinidad and Tobago (PATT) and Ministry of National Security - Immigration Division.

Trinidad and Tobago brand. These new arrangements are expected to enhance the effectiveness of the international tourism marketing effort of each island and enable the THA to have more effective oversight of Tobago's tourism promotion and development.

Government also approved in March 2017 the establishment of a new regulatory authority for the tourism sector; The Trinidad and Tobago Tourism Regulatory and Licensing Authority. This Authority is charged with enforcing the compulsory licensing of tourism plant and operators, setting basic standards for all economic participants in the local tourism industry. It is expected that this reform will improve the quality, standards and international competitiveness of Trinidad and Tobago's tourism product.

### Airline Arrivals

A 9.3 percent decline in air passenger visits to Trinidad and Tobago was recorded in calendar 2016 (398,727 persons in 2016 and 439,749 persons one year earlier). Air passenger arrivals to Trinidad totalled 378,097 persons, a 9.4 percent fall compared to the 417,314 persons who visited in 2015. Arrivals to Tobago fell by 8.0 percent to 20,630 persons, from 22,435 persons in 2015. As a consequence, Trinidad's share of air arrivals fell slightly to 94.8 percent in 2016, from 94.9 percent in 2015, whilst Tobago's share increased to 5.2 percent in 2016, from 5.1 percent.

During 2016, more than half (54.8 percent) of the visitors to Trinidad and Tobago came from North America, with the majority coming from the United States (42.6 percent), and the remaining 12.2 percent from Canada. The Caribbean was the next largest source market (19.3 percent); followed by Europe (9.9 percent), comprising mostly persons from the United Kingdom (8.0 percent). During this period, visits to friends and family (38.4 percent); leisure/beach vacation (19.2 percent); and business/conventions (15.2 percent) were the primary reasons for travel to Trinidad and Tobago.

During the first six months of calendar 2017, total air passenger arrivals to Trinidad and Tobago increased by 2.8 percent to 213,932 persons, from 208,035 persons during the same period one year earlier. Whereas arrivals to Trinidad increased by 3.2 percent (to 203,053 persons, from 196,675 passengers), air arrivals to Tobago declined by 4.2 percent (to 10,879 passengers, from 11,360 passengers). Over this six-month period, there was a marginal rise in Trinidad's share of visitors to 96.7 percent from 96.6 percent in the comparative 2016 period and a corresponding marginal decline in Tobago's share of visitors, to 3.3 percent, from 3.4 percent one year earlier.

### Cruise Ship Arrivals

In calendar 2016, a total of 62 cruise vessels docked in Trinidad and Tobago; down 11.4 percent from the 70 ships which landed in calendar 2015. Despite this decline, total cruise passenger arrivals to Trinidad and Tobago increased by 4.4 percent to 83,049 persons in 2016 from 79,581 persons in 2015. The number of visitors disembarking in Tobago declined by 17.1 percent (from 64,557 persons in 2015 to 53,486 persons in 2016). This was, however, eclipsed by a sharper 96.8 percent increase in cruise passenger arrivals to Trinidad (from 15,024 persons in 2015 to 29,563 persons in 2016). Tobago received 41 cruise ships in 2016 (down from 52 in 2015) and Trinidad received 21 ships (up from 18 vessels).

Thirty-five (35) cruise ships moored in Trinidad and Tobago during the January to June 2017 period[22]. This represented a 25.5 percent fall from the 47 ships which arrived one year earlier. Total cruise visitor arrivals over the six-month period fell by approximately half (49.9 percent) to 34,376 passengers in 2017, from 68,666 passengers over the same period in 2016. One less vessel anchored in Trinidad in 2017 (13, down from 14 vessels). Passenger arrivals to Trinidad declined by 21.4 percent to 16,519 persons from 21,023 persons during January to June 2016. There were even more pronounced declines in cruise ship and passenger arrivals to Tobago during the 2017 period however, as the number of ships visiting Tobago fell by 33.3 percent, from 33 to 22. Consequently, tourists coming to Tobago by cruise fell considerably from 47,643 persons to 17,857 persons (or by 62.5 percent).

### Yachting Arrivals

Yacht arrivals to Trinidad and Tobago during calendar 2016 declined notably by 17.0 percent, to 989 vessels, from 1,191 vessels one year prior. The fewest landings occurred in November 2016 (31 vessels, which was down 41.5 percent from the 53 vessels which berthed in November 2015). Conversely, the highest number of

22 The annual cruise season typically extends from October to May each year.

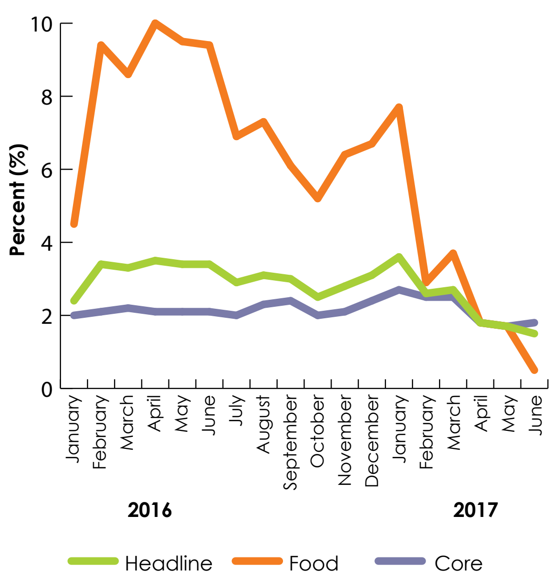
yacht landings took place in August, which registered a 40.9 percent increase to 131 boats, from 93 boats in August 2015.

The number of yachts visiting Trinidad and Tobago during the January to June 2017 period increased by 1.7 percent to 541 vessels, from 532 vessels during the same period in 2016. Of these, 392 vessels berthed in Trinidad (a 13.3 percent decline from 452 vessels in 2016) and 149 vessels in Tobago (an 86.3 percent rise from 80 vessels in 2016).

## PRICES

**Headline inflation**[23], as measured by the year-on-year rate of change in the All Items Retail Price Index (RPI), eased significantly during the January to June 2017 period, trending steadily downwards to 1.5 percent, from 3.6 percent at the beginning of the year (**Figure 8**).

**Figure 8: Prices – Percentage Change (Year-on-Year)**




Source: Central Statistical Office

**Food price inflation**, the main driver of headline inflation, fell sharply during the 2017 period, with the most pronounced reduction taking place in February, when the rate stood at 2.9 percent, down from 7.7 percent in January. After rising to 3.7 percent in March, the general increase in food prices moderated in April to 1.8 percent and in May to 1.7 percent. Food inflation, however, reached its lowest level in June at 0.5 percent. The abatement in food price inflation primarily reflected a fall in prices for Non-Alcoholic Beverages (-0.5 percent); Meat (-2.1 percent); and Food Products not elsewhere classified (-1.3 percent); as well as from reduced price increases for Bread, Cereal and Cereal Preparations (0.6 percent); Vegetables (0.3 percent); and Fish (2.3 percent). **Core inflation**[24] also tracked lower over most of the 2017 period. After increasing to 2.7 percent in January, it dropped in February and April and fell once more to 1.7 percent in May, before rising marginally in June to 1.8 percent.

In terms of the calendar year-to-date, the All Items RPI (**headline**) rose by a marginal 0.3 percent during the first six months of 2017, down from 1.9 percent over the same period one year earlier. This primarily reflected lower inflationary pressures as well as the presence of deflationary pressures for Food (from 5.1 percent to -0.9 percent); Communication (from 10.1 percent to 0.2 percent); Transport (from 3.0 percent to 0.5 percent); and Clothing and Footwear (from 0.7 percent to -2.6 percent) (**Appendix 10**). The fall in **food price inflation** primarily reflected smaller price rises or reduced prices for Bread, Cereal and Cereal Preparations (-0.6 percent); Food Products not elsewhere classified (0.1 percent); Vegetables (-1.5 percent); and Meat (-4.0 percent). **Core inflation** more than halved to 0.5 percent from 1.1 percent, as rises in the price level for Housing (from -0.7 percent to 0.2 percent); Miscellaneous Goods and Services (from -0.3 percent to 1.2 percent); and Health (from 3.5 percent to 5.5 percent) were insufficient to offset the above-mentioned price level declines in Communication, Transport, and Clothing and Footwear.

On an annual average basis, **headline inflation** declined from 4.7 percent in 2015 to 3.1 percent in 2016, largely on account of lower or negative inflation rates for Housing (-0.3 percent from 0.9 percent); Food (7.4 percent from 8.6 percent); Miscellaneous Goods and Services (2.4

23 Headline inflation measures the rate of change in All Items in the Index of Retail Prices.

24 Core inflation measures the rate of change in All Items in the Index of retail Prices excluding Food and Non-alcoholic Beverages.

percent from 4.7 percent); and Education (0.6 percent from 8.0 percent) (**Appendix 10**).

In monthly terms, year-on-year headline inflation remained relatively stable during 2016, peaking at 3.5 percent in April, from a calendar year low of 2.4 percent in January. Inflationary pressures were generally lower during the second half of the year, however, ending the period at 3.1 percent in December. (**Figure 8**).

The movement in headline inflation during 2016 closely mirrored changes in food price inflation, which rose from a low of 4.5 percent in January to a high of 10.0 percent in April 2016. Food inflation remained over 9.0 percent in May and June, before easing during the rest of the calendar year to between 5.2 percent and 7.3 percent. The greatest increases in food prices during the first six months of 2016 were recorded for Food Products Not Elsewhere Classified (21.8 percent); Vegetables (15.5 percent); Non-Alcoholic Beverages (15.5 percent); and Meat (10.8 percent). In reverse, during the second half of the year, food price inflation eased the most notably for Meat (3.2 percent); Vegetables (7.3 percent); and Food Products Not Elsewhere Classified (11.5 percent).

There was a modest rise in **core inflation** during 2016, with the annual average rate creeping up to 2.1 percent from 1.8 percent in 2015. In monthly terms, core inflation remained relatively stable during the first seven months of 2016, varying between 2.0 percent (January) and 2.2 percent (March). The monthly rates trended slightly higher during most of the remaining five-month period, however, with peaks of 2.4 percent being recorded in September and December. Prices trended upwards in only a few Core section indices during calendar 2016, however, with the most pronounced increases taking place in Health (from 0.9 percent in January to 15.5 percent in December); Communications (from -1.6 percent to 10.0 percent); and Transport (from 1.0 percent to 4.5 percent during July to September).

## PRODUCTIVITY

Overall productivity in Trinidad and Tobago's industrial sectors declined by 8.0 percent during fiscal 2015/2016, according to the Central Statistical Office's All Items Productivity Index[25]. This represented a notable weakening from the 1.4 percent decline recorded in fiscal 2014/2015 (**Appendix 10**).

During the first quarter of fiscal 2016/2017, the productivity of all workers in all industries fell by 4.8 percent on a year-on-year basis. This represented a small improvement from the 7.1 percent decline recorded for the same quarter of fiscal 2015/2016. Diminished productivity levels were recorded in Drink and Tobacco (-18.2 percent); Electricity (-15.6 percent); Water (-13.4 percent); Assembly Type and Related Products (-12.5 percent); Wood and Related Products (-6.2 percent); and Exploration and Production of Oil and Natural Gas (-4.4 percent). Within the Drink and Tobacco industry, there was a 21.9 percent decline in productivity in Alcoholic Drinks. Whereas the negative outturn in Assembly Type and Related Products reflected declines in most sub-industries led by Metal Furniture (-42.3 percent) and Office Machinery and Electrical Apparatus (-12.3 percent).

The effect of these declines was mitigated by gains in productivity in other industries in the first quarter, led by: Printing, Publishing and Paper Converters (8.5 percent), which was driven by a 28.4 percent rise in Printers; Oil and Natural Gas Refining (8.5 percent), on account of an 11.7 percent rise in Oil Refining; and Food Processing (7.3 percent), which reported positive performances in most sub-industries, including Meat, Poultry and Fish (13.2 percent) and Dairy Products (4.6 percent). Other industries recording productivity gains were: Petrochemicals (6.2 percent); Miscellaneous Manufacturing (4.8 percent); Textiles, Garments and Footwear (4.3 percent); and Chemicals (3.6 percent). Within the Chemicals industry, there were sharp productivity rises in half of the sub-industries, the largest in Industrial Gasses and Paints (43.8 percent) and Glass and Plastic Products for Construction (11.5 percent). These just outweighed the losses experienced in other sub-industries including Concrete Products (-17.4 percent) and Cement (-8.5 percent). Productivity in the non-energy sector as a whole dropped by 8.1 percent, which was, however, a marked improvement on its 22.6 percent decline in the prior year.

25 The All Items Productivity Index is calculated as the ratio of the Index of Domestic Production (DPI) to the Index of Hours Worked.

The fall in productivity continued over the second quarter of fiscal 2016/2017, with the productivity of all workers in all industries declining by 7.6 percent, which almost doubled the 4.0 percent loss experienced in the corresponding quarter in fiscal 2015/2016. Reduced productivity levels were recorded in most industries, with the largest contractions taking place in Food Processing (-17.4 percent), which experienced a sharp decline of 31.5 percent in Fruit and Vegetable Processing, as well as a contraction of 7.6 percent in Dairy Products and in Electricity (-17.0 percent).

There were also greatly diminished productivity levels in Oil and Natural Gas Refining (-13.9 percent), which was driven by a 14.6 percent fall in productivity in Oil Refining, Water (-13.4 percent); Assembly Type and Related Products (-13.2 percent); and Drink and Tobacco (-11.6 percent). Within Assembly Type and Related Products the sharpest contractions took place in Metal Furniture (-41.4 percent); Office Machinery and Electrical Apparatus (-12.7 percent); and Iron, Steel and Related Products (-10.0 percent). Smaller falls in productivity were also noted in Wood and Related Products (-5.9 percent); Exploration and Production of Oil and Natural Gas (-2.5 percent); and Chemicals (-0.4 percent). In the case of the Chemicals industry, there were notable falls in Cement (-17.4 percent) and Clay Bricks Blocks and Tiles (-6.4 percent). These were almost fully offset by rises in other sub-industries including Industrial Gasses and Paints (44.0 percent) and Glass and Plastic Products for Construction (30.0 percent).

A few industries were successful in raising their productivity levels during the period. These were Petrochemicals (9.3 percent); Printing, Publishing and Paper Converters (6.6 percent); Textiles, Garments and Footwear (3.0 percent); and Miscellaneous Manufacturing (1.5 percent). The Printing, Publishing and Paper Converters industry reported a significant productivity gain in Printers (27.1 percent) as well as a sharp decline in Newspaper Publishers (-17.5 percent). During this three-month period in fiscal 2016/2017, overall productivity in the non-energy sector deteriorated by 9.1 percent, a less negative outturn than the 14.8 percent reversal registered in the comparative fiscal 2015/2016 period.

# POPULATION

The population of Trinidad and Tobago is expected to expand by 0.2 percent to 1,356,633 persons in 2017, from 1,353,895 persons in 2016, according to mid-year estimates from the Central Statistical Office. The country's provisional birth rate per thousand persons is expected to decrease marginally to 12.82 in 2017, from 12.83 in the previous year. However, the provisional death rate (or the number of deaths per thousand persons) is estimated to rise from 8.23 in 2016 to 8.59 in 2017 (**Appendix 11**).

Disaggregated by both gender and age, the composition of the national population in 2017 is expected to be similar to recent years, with males comprising 50.2 percent of the population (680,661 persons) and females 49.8 percent (675,972 persons) (**Appendix 11**). Regarding age distribution, 36.6 percent of the population (496,506 persons) are young people aged 24 years and under, whilst persons 60 years and over account for 13.4 percent (181,500 persons). The largest share of Trinidad and Tobago's population (50.0 percent) is within the age group of 25 years to 59 years (678,627 persons) (**Appendix 12**).

# LABOUR FORCE AND EMPLOYMENT

## Unemployment

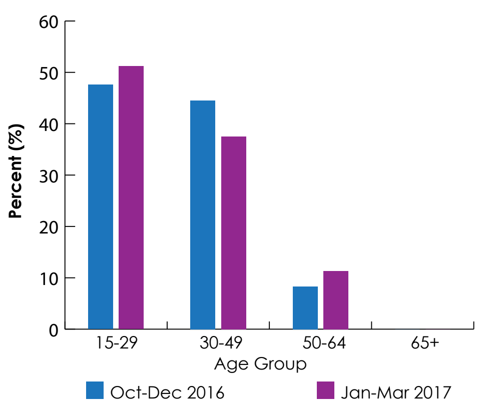
Based on the latest Labour Force data provided by the Central Statistical Office, the unemployment rate in Trinidad and Tobago for the first quarter of the fiscal year (**Appendix 13**). During this period, the number of unemployed workers rose from 22,900 to 29,100, or by 6,200 persons. At an industry level, the largest increases in unemployed workers were recorded in Community, Social and Personal Services (3,200 persons); Construction (1,000 persons); Transport, Storage and Communication (800 persons); and Wholesale and Retail Trade, Restaurants and Hotels (800 persons). There was also an increased number of unemployed persons in Finance, Insurance, Real Estate and Business Services (600); Petroleum and Gas (400) and Other Manufacturing (200). These increases were partially offset by reductions in the number of unemployed workers in two sectors:

Electricity and Water (300 persons) and Other Agriculture, Forestry, Hunting and Fishing (100 persons).

The industries with the highest unemployment rates in the second quarter were: Petroleum and Gas (9.1 percent); Construction (8.0 percent); Electricity and Water (5.1 percent); Finance, Insurance, Real Estate and Business Services (4.7 percent); and Other Manufacturing (4.5 percent). Alternatively, the lowest unemployment rates (below the national average) were registered in: Other Agriculture, Forestry, Hunting and Fishing (2.0 percent); Transport, Storage and Communication (2.5 percent); Wholesale and Retail Trade, Restaurants and Hotels (3.5 percent); and Community, Social and Personal Services (4.1 percent).

During the three-month January to March 2017 period, persons aged 15 to 29 years comprised 51.2 percent of the unemployed (14,900 persons). This represented a marked rise in youth unemployment from the preceding three-month period, when a total of 10,900 young workers were without jobs (47.6 percent of all unemployed persons). Middle aged individuals (30 to 49 years) represented 37.5 percent of the unemployed during the period (sharply down from 44.5 percent), whilst individuals 50 to 64 years of age accounted for 11.3 percent (which surpassed their 8.3 percent share in the previous quarter) (**Figure 9**).

**Figure 9: Distribution of Unemployed Persons by Age Group**




Source: Central Statistical Office

The rise in unemployment during the January to March 2017 period was more evident amongst women; with an additional 4,900 female workers being without jobs (from 8,900 persons to 13,800 persons). This drove the female unemployment rate sharply upwards from 3.3 percent to 5.1 percent. There was a smaller rise in male unemployment during the period, with 1,300 more men becoming jobless. The unemployment rate for males therefore climbed to 4.2 percent in the second quarter from 3.8 percent in the first quarter.

## Labour Force / Job Creation

The labour force of Trinidad and Tobago expanded from 631,300 persons during October to December 2016 to 640,200 persons during January to March 2017, or by 8,900 persons. This rise in the labour force drove the participation rate[26] up from 59.0 percent to 59.8 percent during the period. Similarly, the total number of persons employed within Trinidad and Tobago increased to 611,100 from 608,400 (or by 2,700 persons) (**Appendix 11**).

During the three-month period, lower levels of employment were reported in only a few industries. These reductions were in Construction (9,700 persons); Petroleum and Gas (5,100 persons); Finance, Insurance, Real Estate and Business Services (2,100 persons); and Community, Social and Personal Services (1,900 persons). Alternatively, higher levels of employment were recorded in most industries, namely: Wholesale and Retail Trade, Restaurants and Hotels (8,700 persons); Other Manufacturing (5,700 persons); Other Agriculture, Forestry, Hunting and Fishing (4,500 persons); Transport, Storage and Communication (2,800 persons); Electricity and Water (700 persons); and Other Mining and Quarrying (300 persons).

Disaggregated by gender, the majority of employed persons in the second quarter were male (57.6 percent or 351,800 persons). This was marginally below the male share of 57.8 percent (or 351,500 persons) one quarter earlier. The female share of total employment rose as a consequence to 42.4 percent (259,300 persons), from

26 The participation rate is the portion of the non-institutional population, aged 15 years and over, that is part of (participates in) the labour force.

42.2 percent (256,900 persons), and continued to be concentrated in the following three sectors: Community, Social and Personal Services (109,300 persons); Wholesale and Retail Trade, Restaurants and Hotels (70,400 persons); and Finance, Insurance, Real Estate and Business Services (31,000 persons).

# CENTRAL GOVERNMENT OPERATIONS

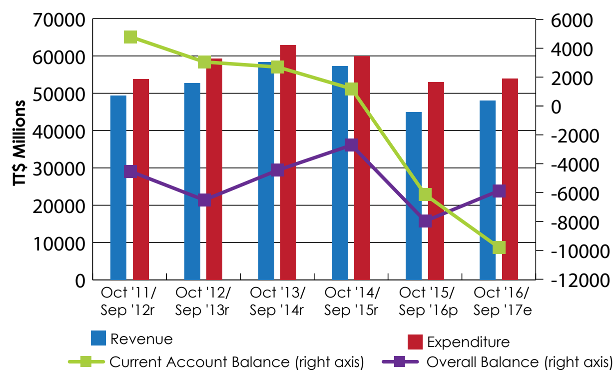


## Overview

Budget Estimates for fiscal 2016/2017 were premised on a weighted average price for crude oil of US$48 per barrel and a natural gas price of US$2.25 per million of BTU (mmBtu). Total Revenue and Grants was therefore estimated at $47,441.3 million comprising Current Revenue, which was expected to account for 81.6 percent ($38,701.2 million) of Total Revenue and Grants and Capital Revenue, which was expected to account for the remaining 18.4 percent ($8,740.1 million). Total Expenditure was projected at $53,475.1 million, with a resultant budget deficit of $6,033.8 million or 4.0 percent of GDP.

The price outturn for a barrel of crude oil in fiscal 2016/2017 was US$48.03 and the outturn for natural gas was US$1.98 per million BTU (mmBtu). Consequently, Total Revenue and Grants was revised to $37,835.7 million, while Total Expenditure was projected at $50,479.2 million. Central Government operations are now expected to realise an Overall Deficit of $12,643.5 million or 8.4 percent of GDP, with a Current Account Deficit of $10,772.2 million. The increase in the deficit can be attributed to delays in recovering money lent to CL Financial and CLICO as a consequence of the 2009 CLICO Bailout (**Appendix 20 and Figure 10**).

**Figure 10: Central Government Fiscal Operations**




Source: Ministry of Finance

The Net Asset Value of the Heritage and Stabilisation Fund (HSF) stood at US$5,584.2 million at the end of the previous fiscal year on September 30, 2016. By March 17, 2017, the value of the Fund had increased to US$5,720.8 million, following which a second drawdown[27] of US$252.5 million was made. As at August 28, 2017, the Net Asset Value of the Fund stood at US$5,705.1 million; up from the US$5,459.7 million recorded following the withdrawal.

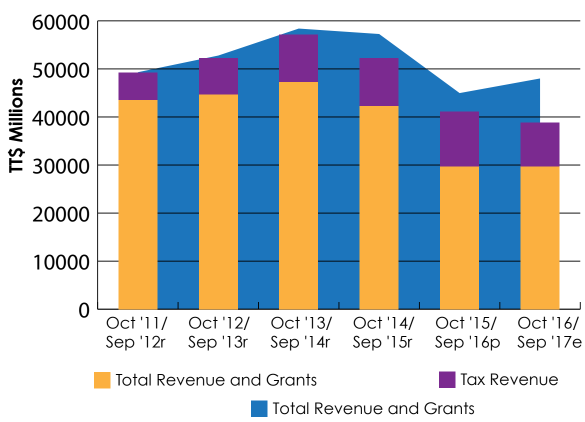
## Revenue

Total Revenue and Grants is expected to fall short of the original budgetary estimates by $9,605.6 million, amounting to $37,835.7 million in fiscal 2016/2017. This is also $7,136.9 million lower than revenue receipts for fiscal 2015/2016 (**Figure 10**), with the major contributor to the significant fall being Capital Revenue. Tax Revenue

27 The first drawdown, of US$375 million, was made during the week of May 13, 2016, which left the value of the Fund at US$5.42 billion at that time.

continues to be the largest component of Central Government revenue, accounting for 73.5 percent of Total Revenue and Grants in fiscal 2016/2017 (**Figure 11**).

**Figure 11: Central Government Revenue**




Source: Ministry of Finance

## Tax Revenue

### Taxes on Income and Profits

Although reduced by more than 50 percent since fiscal 2013/2014, Taxes on Income and Profits, which includes Taxes from Companies and Individuals, remain the largest contributor to Total Revenue in the current fiscal year, accounting for 42.6 percent of Total Revenue and Grants. Despite a fall in total receipts from Taxes on Income and Profits (to $16,985.8 million in fiscal 2016/2017 from $17,668.4 million in fiscal 2015/2016), collections from Oil Companies and Other Companies are both expected to surpass fiscal 2015/2016 receipts, amounting to $1,078.1 million and $6,403.3 million, respectively. Receipts from Individuals, the third largest tax item, is however, expected to be lower than fiscal 2015/2016 collections, totalling $6,403.3 million in fiscal 2016/2017 compared to $7,186.5 million. Lower receipts are also expected for Withholding Taxes ($854.8 million); Health Surcharge ($201.5 million); and Unemployment Levy ($58.8 million). Conversely, increases are anticipated in contributions to the Business Levy ($643.5 million) and to the Green Fund ($791.2 million) (**Appendix 21**).

### Taxes on Goods and Services

Receipts from Taxes on Goods and Services, the second largest tax item comprising Value Added Tax (VAT), Excise Duties and Motor Vehicle Taxes and Duties, are expected to amount to $7,937.7 million, which is $778.5 million less than the receipts for fiscal 2015/2016 and $2,233.6 million lower than budgeted. This is reflective of lower collections of Motor Vehicle Taxes and Duties ($189.6 million lower than budgeted) and VAT ($1,425.0 million lower than budgeted) during fiscal 2016/2017. The lower collection of Motor Vehicle Taxes and Duties apparently reflect a switch by citizens to vehicles with engine sizes lower than 1900 cc, as well as CNG, hybrid and electric vehicles which attract lower or no taxes. Lower receipts are also anticipated from Other Taxes on Goods and Services and Excise Duties.

The shortfall is, however, expected to be partially offset by receipts from "*Online Taxes*" which is projected to yield $23.8 million in revenues albeit lower than the budgeted figure of $70 million.

### Taxes on International Trade

Collections from Taxes on International Trade, consisting largely of Import Duties, are estimated at $2,582.9 million in fiscal 2016/2017, representing a 14.4 percent reduction over collections received in fiscal 2015/2016.

### Taxes on Property

Taxes on Property during fiscal 2016/2017 are estimated at $3.1 million, $503 million less than budgeted and consequent to significant delays in the implementation of the new Property Tax regime.

### Non-Tax Revenue

Non-Tax Revenue, comprising mainly Profits from State Enterprises, Royalties on Oil and Gas and the Share of Profits from Oil Companies (through Production Sharing Contracts), is estimated at $8,311.0 million in fiscal 2016/2017, representing a 27.3 percent decline over last fiscal year's receipts of $11,426.1 million and $190.6 million higher-than-budgeted. The weaker projected performance reflects the distortional effects of the repayment in fiscal 2015/2016 of a loan of

US$600 million advanced by the Central Government to Trinidad Generation Unlimited (TGU). This is expected to result in a 98.8 percent reduction in Repayment of Past Lending to $32.0 million during fiscal 2016/2017. Profits from State Enterprises are also expected to fall by 39.2 percent ($2,019.6 million) when compared to the fiscal 2015/2016 figure of $5,153.4 million. Other declines are expected to be realised in Equity Profits of the Central Bank and Interest Income. The Share of Profits from Oil Companies (through Production Sharing Contracts) is, however, expected to increase by 30.0 percent ($300.0 million) from $1,000 million in fiscal 2015/2016 to $1,300 million in fiscal 2016/2017.

Royalties on Oil are expected to more than double to $1,049.6 million due to higher than expected crude oil prices and increased domestic production levels during fiscal 2016/2017. Likewise, profits from the National Lotteries Control Board (NLCB) are expected to increase by $128.2 million from $117.8 million in fiscal 2015/2016 to $306 million in fiscal 2016/2017 due to the higher-than-anticipated performance of online games as well as the late payment of outstanding surpluses for fiscal 2015/2016, which was made during the current fiscal period. Administrative Fees and Charges, of which Oil Impost is a major component, are projected to increase by $138.8 million (to $641.9 million). Administrative Fees and Charges also comprise fees collected for permits, licences and other government services.

### Capital Revenue

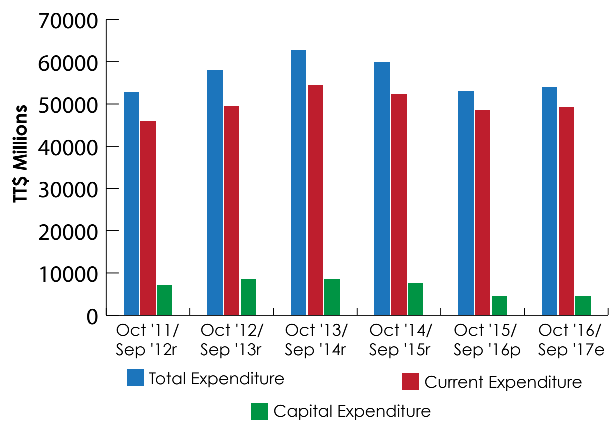
The latest Revised Estimates for fiscal 2016/2017 project Capital Revenue at $1,700.2 million, compared to the fiscal 2015/2016 outturn of $3,813.7 million and the budgeted figure of $8,740.1 million in fiscal 2016/2017. Government's Sale of Asset Programme, which generated $2.4 million in fiscal 2015/2016, was expected to generate $503.3 million in fiscal 2016/2017. This programme, however, fell short by $117.0 million.

Revenue flows from Extraordinary Items during fiscal 2016/2017 amounted to $1,102.4 million, lower than the fiscal 2015/2016 outturn of $3,600.1 million and $7,087.6 million less than budgeted for fiscal 2016/2017. This item included extraordinary receipts from CLICO. Grants are also projected to fall to $29.9 million, from $207.3 million in the previous fiscal year.

## Expenditure

Total Expenditure is projected to decrease to $50,479.2 million at the end of fiscal 2016/2017 from $52,944.7 million at the end of fiscal 2015/2016 and $3,037.9 million less than budgeted. Recurrent Expenditure is expected to amount to $46,907.7 million or 92.9 percent, with Capital Expenditure estimated at $3,571.5 million or 7.1 percent (**Appendix 22 and Figure 12**).

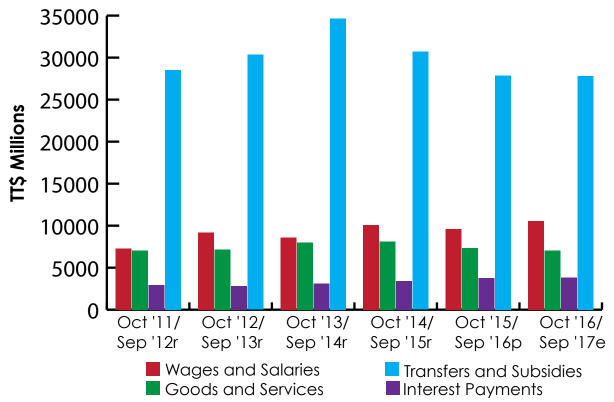
**Figure 12: Central Government Expenditure**




Source: Ministry of Finance

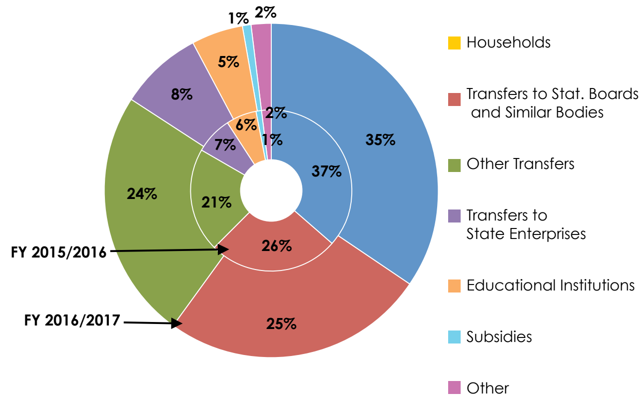
During fiscal 2016/2017, Wages and Salaries and Interest Payments are expected to increase, while Other Goods and Services and Transfers and Subsidies are projected to decline over the 2015/2016 figure of $27,856.0 million. The most substantial increase is estimated to be a 20.6 percent rise in expenditure on Interest Payments, followed by Wages and Salaries which is estimated to increase by 4.7 percent. Other Goods and Services is projected to decline by 19.3 percent, while Transfers and Subsidies is expected to fall by 5.1 percent (**Figure 13**).

**Figure 13: Major Components of Current Expenditure**




Source: Ministry of Finance

**Figure 14: Transfers and Subsidies**




Source: Ministry of Finance

Interest Payments is projected to increase to $4,537.5 million during fiscal 2016/2017, from $3,762.4 million in fiscal 2015/2016. When disaggregated, $3,620.6 million is estimated for Domestic Interest Payments, compared to the $3,199.8 million in fiscal 2015/2016 and $916.9 million is expected to be paid toward External Interest, compared to $562.6 million in the previous fiscal year.

Expenditure on Other Goods and Services is expected to decline by 19.3 percent ($1,411.9 million) to $5,914.2 million over the current fiscal period and from the budgeted figure of $6,787.1 million by $872.9 million. The curtailment in spending can be attributed to an expected 39.7 percent reduction in Management Expense/Expenses of Issue/Discounts and Other Financial Instruments and an expected 66.7 percent decrease in Minor Equipment Purchases.

Transfers and Subsidies remain the single largest expenditure item, accounting for more than 56.4 percent of Current Expenditure and 52.4 percent of Total Expenditure in fiscal 2016/2017. Subsidies, which account for less than 2.0 percent of Transfers and Subsidies, are projected at $278.9 million or 0.4 percent lower than the fiscal 2015/2016 balance of $280.1 million (**Figure 14**).

Conversely, Current Transfers, which constitute the bulk (73.2 percent) of total Transfers and Subsidies, are estimated to decrease to $19,351.8 million from the $20,283.4 million recorded in fiscal 2015/2016. Transfers to Households, the main component of Transfers and Subsidies, is projected at $9,273.5 million for the current fiscal period, 8.8 percent lower than fiscal 2015/2016. This decline from the preceding fiscal year can be attributed to the shortfall in subsidies relating to the sale of petroleum products, as claims have been reduced due to lower oil prices and the ensuing impact on petroleum products. Also in this category, it is anticipated that expenditure under the Government Assistance for Tuition Expenses (GATE) Fund would marginally increase by $3.2 million in the current fiscal period.

Other Transfers are also expected to fall by 3.4 percent to $7,749.1 million in fiscal 2016/2017.

An estimated $2,123.8 million is expected to be transferred to State Enterprises, up from the $2,064.0 million transferred in fiscal 2015/2016 and $10.2 million up from the budgeted figure. UDeCOTT accounted for the majority of these transfers. Payments to the Green Fund are also expected to increase by $6.1 million to $10.2 million.

The Central Government is expected to reduce its contributions to Educational and Non-Profit Institutions by $504.1 million and $57.6 million respectively as well as lower its Transfers Abroad by $113.7 million. Transfers to Statutory Boards and Similar Bodies are also expected to decline by $488.7 million in fiscal 2016/2017 to $6,803.8 million, on account of lower remittances to Public Utilities (by $314.0 million). Transfers to the Tobago House of Assembly (THA) and Local Government Bodies are also expected to decrease by $21.7 million and $42.5 million respectively during the fiscal year.

Overall spending on Capital Projects is expected to increase by 18.8 percent ($826.8 million) to $4,611.7 million at the end of fiscal 2016/2017. Remittances from the Consolidated Fund to fund capital projects are expected to fall by $1,052.5 million, while remittances from the Infrastructure Development Fund is projected to increase by $225.7 million to $1,696.8 million.

## Financing

### Fiscal Year 2015/2016

At the end of fiscal 2015/2016, the deficit of $7,972.1 million was financed via $8,954.0 million in net external funding and net domestic financing of -$981.9 million (**Appendix 23**). Net External Financing comprised External Borrowings of $6,982.7 million, transfers from the HSF of $2,498.4 million and Capital Repayments of $527.1 million.

### Fiscal Year 2016/2017

The Central Government 2016/2017 deficit of $12,643.5 million is expected to be met by $3,247.5 million from external sources and $9,396.0 million from domestic sources.

Net External Financing comprises borrowings in the amount of $2,113.0 million and drawdowns from the Heritage and Stabilisation Fund (HSF) in the amount of $1,712.2 million. Of total external borrowings, $122.2 million originates from Project Related loans while the remainder represents proceeds from a US$300 million Policy-based loan from CAF, amounting to $2,010.0 million. External Capital Repayments for the fiscal year are estimated at $577.7 million. Domestically, Central Government borrowings of $8,191.8 million are projected. Domestic financing also comprised withdrawals of $1,696.8 million from the Infrastructure Development Fund and $733 million in Sinking Fund contributions.

## Public Debt and Debt Service

**Net Public Sector Debt Stock**[28] is anticipated to increase by 7.1 percent from $87,508.2 million in fiscal 2015/2016 to $93,742.4 million by the end of fiscal 2016/2017. Based on revised GDP[29], Net Public Sector Debt as a percentage of GDP is estimated to rise from 58.8 percent at the end of fiscal year 2015/2016 to 62.6 percent at the end of fiscal year 2016/2017.

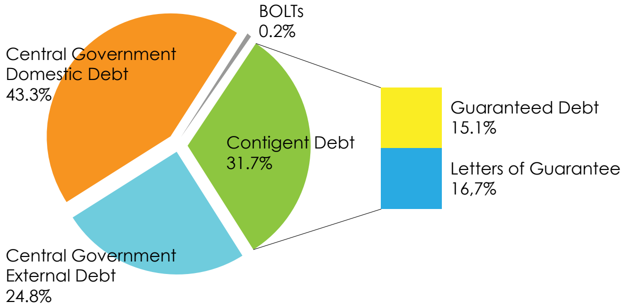
**Domestic Debt**, which includes Central Government and Contingent Liabilities and accounts for 73.1 percent of Net Public Sector Debt, is projected to increase by $4,269.4 million or 6.6 percent by the end of the fiscal year. **External Debt,** which comprises 26.9 percent of Net Public Sector Debt, is anticipated to grow by $1,964.8 million or 8.4 percent by the end of the fiscal year 2016/2017.

By the end of fiscal year 2016/2017, **Central Government Debt** comprising 68.3 percent of Net Public Sector Debt, is expected to be $64,021.7 million, while Contingent Liabilities or **Government Guaranteed Debt**, which account for the remaining 31.7 percent of Net Public Sector Debt, is projected to be $29,720.5 million.

28 Net Public Sector debt is defined as the sum of all domestic and external obligations of public debtors which include the Central Government and autonomous public bodies such as State Enterprises and Statutory Authorities. It excludes instruments of Open Market Operations (OMOs) such as Treasury Bills, Treasury Notes, Treasury Bonds and Sterilised Bonds; proceeds of which are held or sterilised at the Central Bank and not utilised by the GORTT for its operations.

29 2017 Nominal Gross Domestic Product (GDP) as provided by Central Statistical Office (CSO) is estimated to be $149,684.7 million. In August 2017, the CSO revised its 2012, 2013, 2014, 2015, 2016 and 2017 projections to $164,745.1 million, $171,234.8 million, $174,326.6 million, $155,624.5 million, $148,745.0 million and $149,684.7 million respectively.

**Figure 15: Composition of Net Public Sector Debt**




Source: Ministry of Finance

## Central Government Debt

**Central Government External Debt**[30], which currently accounts for 24.8 percent of Net Public Sector Debt, is projected to grow by 8.9 percent from $21,362.6 million in fiscal 2015/2016 to $23,273.8 million by the end of 2017. This is primarily due to the drawdown of a US$300 million, 15-year, floating rate Policy Based Loan from the Corporación Andina de Fomento (CAF).

During the year, disbursements were made from existing facilities in the amount of $330.3 million, namely: $50.6 million on the 990 million Renminbi Concessional Facility with the China Exim Bank, for the construction of the Couva Children's Hospital; $274.7 million on the IDB Multi-Phase Wastewater Rehabilitation Programme; $4.8 million on the IADB Citizen Security Programme; and $0.2 million on the IDB Strengthening of the Single Electronic Window for Trade and Business Facilitation.

## Central Government Domestic Debt

**Central Government Domestic Debt**, presently accounting for 43.3 percent of Net Public Sector Debt, is projected to rise by 17.0 percent from $34,699.3 million in fiscal 2016 to $40,588.6 million in fiscal 2016/2017. During the fiscal year, the Government issued twelve (12) new Central Government domestic borrowings; seven (7) fixed rate bonds totalling $8.2 billion and five (5) additional Debt Management Bills[31] totalling $1.1 billion, whose proceeds were utilised for budget financing and debt repayment.

Of the Central Government Domestic Debt portfolio, CLICO and HCU Zero Coupon Bonds presently account for 3.2 percent and 0.3 percent of Net Public Sector Debt, respectively. It is anticipated that by the end of fiscal year 2016/2017, under these two series of zero coupon bonds, $0.5 billion (14.3 percent) and $17.2 million (5.6 percent) will mature respectively. Following the 2017 maturities, the balances under the CLICO Zero Coupon Bonds will be $2,991.2 million, while the balances under the HCU Zero Coupon Bonds will stand at $281.9 million.

Build, Own, Lease and Transfer (BOLT) arrangements, which account for the remaining 0.2 percent of Net Public Sector Debt, are expected to decline by 14.5 percent or $27.1 million to $159.3 million.

## Contingent Liabilities

Contingent Liabilities represent borrowings by State Enterprises and Statutory Bodies which carry explicit Government Guarantees. Government Guarantees are initially issued to a State Enterprise or Statutory Authority in the form of a Letter of Guarantee and are eventually replaced by formal Guarantee documents. In fiscal year 2017, Contingent Liabilities, comprising both Letters of Guarantee and full Guarantees, are estimated to be $29,720.5 million. Letters of Guarantee comprise 52.5 percent of this amount, while full Government Guarantees account for the remaining 47.5 percent. As a percentage of GDP, Contingent Liabilities are estimated to decrease marginally by 1.1 percentage points from 21.0 percent in fiscal 2015/2016 to 19.9 percent in fiscal 2016/2017.

During fiscal year 2017, Letters of Guarantee are expected to decrease by $102.1 million or 0.6 percent from $15,713.5 million in fiscal 2015/2016 to $15,611.4 million in fiscal 2016/2017. Government Guaranteed Debt is also expected to decline by $1,437.4 million or 9.2 percent from $15,546.5 million in fiscal 2015/2016 to $14,109.1 million in fiscal 2016/2017.

**Letters of Guarantee issued to Statutory Authorities** at the end of fiscal 2017 are expected to decrease to $4,616.0 million, representing a 6.6 percent or $326.1 million decline from fiscal 2016. This is mainly attributable

30 Figures quoted in Trinidad and Tobago Dollars unless otherwise specified.

31 Debt Management Bills are short-term debt instruments used for budget financing.

to principal repayments amounting to $336.2 million on the following debt instruments: $241.2 million on a $1,200 million, 3.75 percent fixed rate bond facility of the Housing Development Corporation; $32.0 million on a $320.0 million, 5.85 percent fixed rate bond facility of the Airports Authority of Trinidad and Tobago; $9.1 million on a US$13.4 million loan facility for the Acquisition of Cargo and Handling Equipment by the Port Authority of Trinidad and Tobago (PATT); and $4.7 million on a $44.4 million loan facility of the Airports Authority of Trinidad and Tobago (AATT) for development works at the Piarco and ANR Robinson Airports. By the end of 2017, a further sum totalling $49.2 million is expected to be repaid as follows: $44.5 million on a $450.0 million, 5.75 percent fixed rate loan facility of the Housing Development Corporation (HDC); and $4.7 million on a $44.4 million loan facility of the AATT for Development Works at the Piarco and ANR Robinson Airports.

There were no new issuances of Letters of Guarantee to Statutory Authorities in fiscal 2016/2017.

**Letters of Guarantee issued to State Enterprises** at the end of fiscal 2016/2017 are expected to increase by $224.0 million or 2.1 percent from $10,771.4 million in fiscal 2015/2016 to $10,995.4 million at the end of the current fiscal year. The increase is mainly due to the issuance of 6 new Letters of Guarantee to State Enterprises in fiscal 2016/2017, namely; a $90.0 million loan facility for the completion of works on the Brian Lara Cricket Stadium by the UDeCOTT; a $56.0 million loan facility to meet the financial obligations of construction projects of the National Insurance Property Development Company (NIPDEC), on behalf of the Office of the Prime Minister (Gender and Child Affairs); three (3) short term financing facilities totalling US$100.0 million issued for working capital purposes by the PETROTRIN; a US$75.0 million loan facility for refinancing an existing US$75.0 million loan facility for the purpose of liquidity management by Caribbean Airlines Limited (CAL); and a US$42.0 million loan facility to assist with payments for works undertaken on the Point Fortin Hospital by the UDeCOTT.

## Debt Service

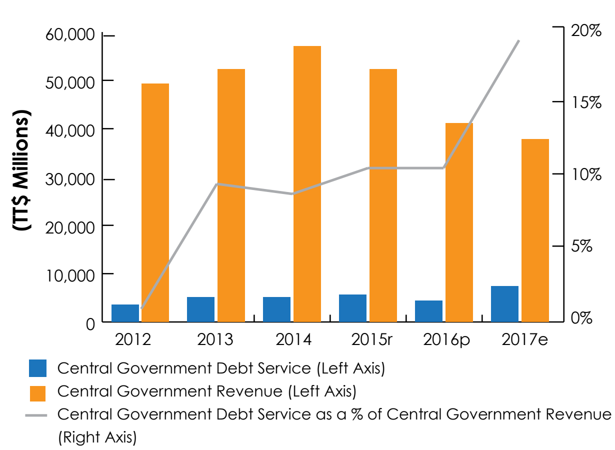
**Total Central Government Debt Service** is expected to rise by 68.2 percent or $3,019.3 million, from $4,429.0 million in fiscal 2015/2016 to $7,448.3 million in fiscal 2016/2017.

**Domestic Debt Service**, which currently accounts for 80.1 percent of total debt service, is estimated to be $5,963.5 million for the year, of which $4,311.9 million is attributed to principal and $1,651.6 million to interest. Principal repayments on GORTT debt facilities maturing during the year include: a $1,500.0 million, 6-month fixed rate bond; a $1,200.0 million, 9-year fixed rate bond; a $42.9 million, 15-year fixed rate bond; a $29.5 million, 25-year floating rate bond; and a $300.0 million, 20-year Series A – 10.875 percent fixed rate bond, Series B – 5 percent floating rate bond, and a $300.0 million, 15 year Series C - 7.75 percent fixed rate bond.

**External Debt Service** is expected to increase by 34.9 percent or $384.1 million, moving from $1,100.7 million in 2016 to $1,484.8 million in fiscal 2016/2017. External principal repayments are expected to total $574.7 million, while interest payments are expected to be $910.1 million.

**Total Central Government Debt Service** as a percentage of Central Government Revenue is expected to rise by 8.9 percent from 10.8 percent in fiscal 2015/2016 to 19.7 percent in fiscal 2016/2017. The increase in this ratio is a combined result of an increase in Central Government debt service of $3,019.3 million and a decrease in Central Government Revenues in fiscal 2016/2017.

**Figure 16: Central Government Debt Service and Revenue**




Source: Ministry of Finance

## Sinking Fund Contributions

**The closing balance on Sinking Funds**[32] is expected to increase by 10.2 percent or $650.4 million, from $6,394.7 million at the end of fiscal year 2015/2016 to $7,045.1 million at the end of fiscal year 2016/2017. During the fiscal year 2016/2017, payments from Sinking Funds totalled $72.4 million, whereas contributions to Sinking Funds totalled $722.8 million, with the latter outweighing the former, resulting in the increase in the balance on Sinking Funds at the end of fiscal year 2016/2017.

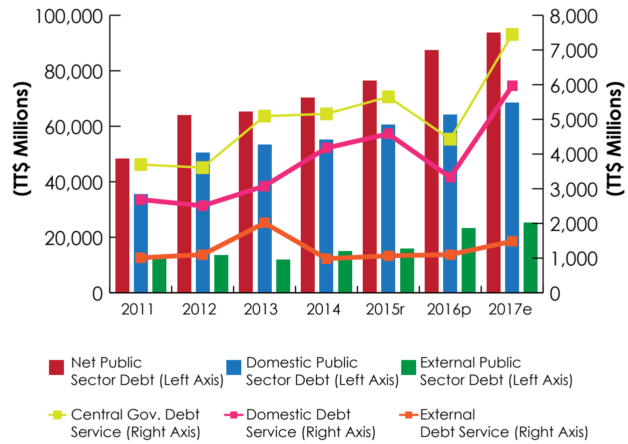
## Total Public Sector Debt[33]

**Total Public Sector Debt or Gross Public Sector Debt** moved from $119,660.2 million in fiscal 2015/2016 to $114,129.8 million in fiscal 2016/2017. This figure comprises Net Public Sector Debt ($93,742.4 million) plus borrowings for Open Market Operations (OMOs) consisting of Treasury Bills ($11,687.6 million), Treasury Notes ($6,140.5 million) and Treasury Bonds ($2,559.3 million). Proceeds of OMOs are not utilised by the Central Government for its operations, but are held or sterilised at the CBTT. Given that Net Public Sector Debt is expected to increase by $6,234.2 million in 2017, the decline in Gross Public Sector Debt is due to a reduction of $11,764.6 million in borrowings for the purpose of OMOs.

32 A Sinking Fund is a separate Government account that is made up of segregated contributions provided by Government that makes use of the fund for the gradual redemption of the Government's debt.

33 Total Public Sector Debt comprises Net Public Sector Debt plus outstanding balances issued for the purpose of Open Market Operations (OMOs) including Treasury Bills, Treasury Notes and Treasury Bonds.

**Figure 17: Public Sector Debt and Debt Servicing**

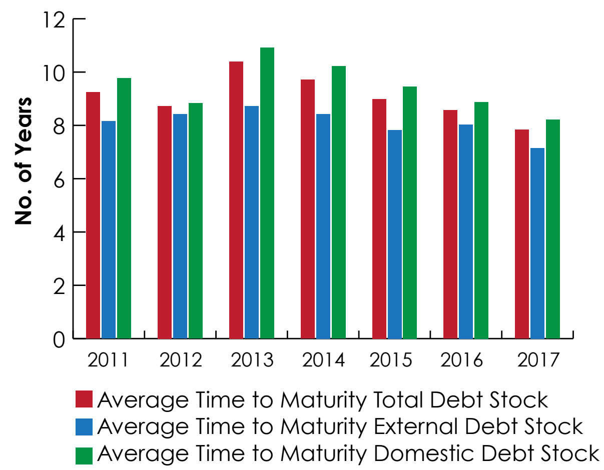



Source: Ministry of Finance

## Portfolio Risk

The **Average Time to Maturity (ATM)** of the debt Portfolio of the Central Government, represents the average length of time before the principal balances of the Central Government's Debt portfolio are to be repaid. Over the period fiscal 2010/2011 to fiscal 2016/2017, the ATM of the Central Government Debt Portfolio was 9.07 years with the domestic component of the Portfolio averaging 9.47 years and the external component averaging 8.11 years. **Figure 18** indicates that the ATM has been declining over the period fiscal 2012/2013 to fiscal 2016/2017.

**Figure 18: Average Time to Maturity of Central Government Debt Stock 2011-2017**




Source: Ministry of Finance

## Trinidad and Tobago Credit Ratings

Trinidad and Tobago has historically been rated by two international rating agencies, Moody's Investors Service (Moody's) and Standard & Poor's Ratings Services and one regional rating agency, Caribbean Information and Credit Rating Services Limited (CariCRIS). The economy faced downgrades from S&P and Moody's in 2017, with CariCRIS maintaining its 2016 rating in 2017. The key factors for the downgrades were cited as the deterioration in oil and gas prices and the perceived linkages between the economy's high dependence on oil and gas revenue for public finances. Notwithstanding the downgrades, the agencies highlighted Trinidad and Tobago's strong external position, high governance levels and stable outlooks for sustained growth prospects in the medium-term.

### Moody's Investors Service

Following its annual ratings exercise in April 2017, Moody's Investors Service (Moody's) once again downgraded Trinidad and Tobago's issuer and senior unsecured debt rating from Baa3 to Ba1, however, with a Stable outlook. Further, Trinidad and Tobago's foreign-currency bond and deposits ceiling were lowered to Baa3/P-3 and Ba2/NP from Baa2/P-3 and Baa3/P-3 respectively.

Moody's attributed this ratings change to the slow policy response to the impact of low energy prices on revenues, as fiscal consolidation efforts adopted to counter the changed energy atmosphere have primarily relied on one-off revenue measures. Fiscal strength was deemed moderate by the agency due to a steady rise in debt ratios driven by large government deficits, eroding fiscal balances and declining production from maturing oil and gas fields. These factors, according to Moody's, coupled with limited Energy sector investment prospects in the context of low energy prices, have materially undermined growth prospects and as such influenced the ratings downgrade for the economy. Overall, the credit challenges of the economy identified by Moody's include large fiscal deficits, rising debt ratios, poor quality of macroeconomic data, weak policy execution capacity and rigid public expenditure.

Additionally, the agency highlighted the lack of timely macroeconomic data to inform policy, with no follow through in fiscal policy execution capacity as a factor of low institutional strength.

However, according to Moody's, the country's debt burden, though rising, remains low with foreign currency debt and moderate debt affordability ratios. Notwithstanding the downgrade, as expected, the country's susceptibility to event risk continues to be small, as political risk is deemed low, and there is limited government liquidity risk. Moody's further cited strong external finances for the economy, as external pressure is low given robust international reserves.

The stable outlook assigned by Moody's to Trinidad and Tobago was attributable to the economy's continued access to a deep domestic financial market and moderate external risks.

An upgrade, as advised by Moody's is dependent on fiscal consolidation measures leading to lower fiscal deficits in the future and effective fiscal and economic policies that aim to stabilise government debt ratios faster than anticipated. The agency cited downgrade risks as higher than expected fiscal deficits and government debt ratios. Depletion of fiscal buffers coupled with limited fiscal consolidation beyond 2018 would also add negative pressures to a future rating.

**Table 6: Trinidad and Tobago Credit Rating History by Moody's Investors Service: 2007 - 2017**

| 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 |
| Apr 2017 | Stable | Baa3 | P-3 | Ba2 | NP | Baa2 | Baa2 |
| Apr 2016 | Negative | Baa2 | P-3 | Baa3 | P-3 | Baa1 | Baa1 |
| Apr 2015 | Negative | A3 | P-2 | Baa2 | P-3 | Baa2 | Baa2 |
| Jan 2014 | Stable | A1 | P-1 | Baa1 | P-2 | Baa1 | Baa1 |
| Jan 2013 | Stable | A1 | … | Baa1 | … | Baa1 | Baa1 |
| Aug 2012 | Stable | A1 | … | Baa1 | … | Baa1 | Baa1 |
| July 2011 | Stable | A1 | … | Baa1 | … | Baa1 | Baa1 |
| Jun 2009 | Stable | A1 | … | Baa1 | … | Baa1 | Baa1 |
| Dec 2008 | Stable | A1 | … | Baa1 | … | Baa1 | Baa1 |
| Oct 2007 | Stable | A1 | … | Baa1 | P-2 | Baa1 | Baa1 |

Source: Moody's Investors Service (2017)

### Standard and Poor's Ratings Services

Standard and Poor's Ratings Services (S&P), following its ratings exercise in April 2017, lowered its A-/A-2 foreign and local currency sovereign credit ratings for Trinidad and Tobago to BBB+/A-2, whilst the outlook for the economy was changed to Stable from Negative. This downgrade was predominantly influenced by the rising debt burden combined with slower-than-anticipated fiscal consolidation. This BBB+ rating, however, is still within the agency's band for Investment Grade securities.

S&P in their ratings report indicated that Trinidad and Tobago's economic downturn reflects low global oil and gas prices, disruptions to domestic production in the Energy sector and ongoing shortages in the supply of foreign exchange. The report further highlighted that the country's trend growth in real per capita GDP remains below other countries with similar GDP per capita. The agency expects tepid growth in the short-term but with expectations for acceleration over the period 2018-2020; with this sustained long-term growth heavily dependent on structural reforms in the labour market to increase productivity and reduced bureaucracy in the Public Service. Moreover, the sharp reduction in energy sector contribution to fiscal revenues, resulted in a higher general government deficit which subsequently affected the economy's ratings. S&P furthermore stated that they expect the Government to continue to rely predominantly on one-off revenue measures to lower this deficit and that a rising debt burden and the resultant elevated interest costs, further constrains the Government's flexibility to adjust to adverse shocks. Standard and Poor's, moreover indicated that, although the economy has less fiscal space, Trinidad and Tobago's debt burden remains moderate and is narrowly exposed to exchange-rate and rollover risks.

Trinidad and Tobago was assigned a Stable outlook by the agency, reflective of their expectation that the economy will recover over the medium-term consequent to higher natural gas prices, increased gas production and continued fiscal consolidation and lower fiscal deficits. Standard and Poor's is of the view that the economy's credit quality continues to be buoyed by a stable political environment, whilst its net external asset position underpins its low external vulnerability which is also key to the sovereign's credit strength.

The agency advised that further credit ratings downgrade may be the result of persistently lower than expected economic growth and weaker or slower than expected fiscal consolidation. However, an upgrade

**Table 7: Trinidad and Tobago Credit Rating History by Standard and Poor's Ratings Services: 2008 - 2017**

| Year | Outlook | Foreign currency | | Local currency | |
|---|---|---|---|---|---|
| | | Long term | Short term | Long term | Short term |
| Apr 2017 | Stable | BBB+ | A-2 | … | … |
| Apr 2016 | Negative | A- | A-2 | A- | A-2 |
| Dec 2015 | Negative | A | A-1 | A | A-1 |
| Dec 2014 | Stable | A | A-1 | A | A-1 |
| Jan 2013 | Stable | A | A-1 | A | A-1 |
| Jan 2012 | Stable | A | A-1 | A | A-1 |
| Aug 2011 | Stable | A | A-1 | A | A-1 |
| Jan 2011 | Stable | A | A-1 | A+ | A-1 |
| Dec 2009 | Stable | A | A-1 | A+ | A-1 |
| April 2009 | Negative | A | A-1 | A+ | A-1 |
| Aug 2008 | Stable | A | A-2 | A+ | A-1 |

Source: Standard & Poor's Ratings Services (2017)

S&P did not report on the Local currency in their 2017 rating report.

to Trinidad and Tobago's credit rating is dependent on the Government's successful implementation of structural reforms to enhance economic diversification and investor confidence, strengthening Trinidad and Tobago's growth and fiscal profile while constraining external vulnerabilities.

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

CariCRIS, after its annual rating exercise in 2017, maintained its regional rating of CariAA+ and its rating of ttAAA on the national scale. This reaffirmation of the country's CariAA+ rating, indicates a still high level of creditworthiness as compared to Caribbean peers and investment grade quality for the rated debt. The agency cited expectations of growth for the economy's Energy sector, a continued strong external position, low external debt and a comfortable capability to service debt as factors contributing to the reaffirmation of ratings. CariCRIS further identified Trinidad and Tobago as one of the largest, most diversified and resilient economies within the region, with expectations of improved performance in 2018.

CariCRIS identified the impact of low energy prices on fiscal performance and its contagion effects on the Non-energy sector and resultant decline in macroeconomic variables as key drivers for not increasing ratings at this time. The report further highlighted a lack of reliable data sources which can assist in informing policymakers to proficiently map timely outcomes for economic turnaround.

Key factors identified by CariCRIS as downgrade risks include further increases in public sector debt and deterioration in debt service capability, sustained large fiscal deficits and decreases in the economy's external position.

Notwithstanding these risks, CariCRIS pointed to turnarounds in the Energy sector leading to ripple effects within the wider economy, meaningful strategies to reduce Government Expenditure, restriction of losses of State Enterprises and successful revenue generation strategies as factors which can move the ratings outlook from negative to stable in the near future.

**Table 8: Trinidad and Tobago Credit Rating History by CariCRIS: 2011 – 2017**

| Rating | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|---|---|
| Regional scale foreign currency | CariAAA | CariAAA | CariAAA | CariAAA | CariAAA | CariAA+ | CariAA+ |
| Regional scale local currency | CariAAA | CariAAA | CariAAA | CariAAA | CariAAA | CariAA+ | CariAA+ |
| Trinidad and Tobago national scale | ttAAA | ttAAA | ttAAA | ttAAA | ttAAA | ttAAA | ttAAA |

Source: Caribbean Information and Credit Rating Services Limited (CariCRIS) (2017)

# REST OF THE NON- FINANCIAL PUBLIC SECTOR OPERATIONS



## Overview

During the first half of fiscal 2016/2017, operations of the Rest of the Non-Financial Public Sector[34] recorded a total deficit of $920.4 million; as compared to the $915.8 million deficit recorded for the first half of fiscal 2015/2016. State Enterprises[35] accounted for a deficit of $208.0 million while the Public Utilities[36] deficit amounted to $712.4 million.

Current Transfers from the Central Government[37] for the first half of the 2016/2017 period decreased by $361.1 million to $1,295.1 million, from the $1,656.2 million recorded for the same period of the previous fiscal year. Current Transfers were $2,994.4 million for the 2015/2016 fiscal year. Conversely, Capital Transfers from Central Government[38] increased by a sizeable $751.1 million over the first half of the 2016/2017 period to $1,179.0 million, from the $427.9 million recorded in the first six months of the same period last year. Capital Transfers were $1,244.1 million for the 2015/2016 fiscal year.

## Cash Operations

Over the review period, Total Operating Revenues and Total Operating Expenditures were recorded at $22,254.9 million and $23,175.3 million, respectively. Compared to the corresponding period a year ago, both Total Operating Revenues and Total Operating Expenditures increased by approximately 1.2 percent. Consequently, the cash operations of the consolidated Rest of Non-Financial Public Sector generated an overall operating deficit of $920.4 million.

State Enterprises recorded an operating overall net deficit of $208.0 million for the period under review; a significant decrease of 157.3 percent when compared to the surplus of $362.8 million in the corresponding period for fiscal 2015/2016. The consolidated net operating deficit of the energy sector companies was recorded

34 Rest of Non-Financial Public Sector refers to the consolidation of the operations of 14 State Enterprises (which represent approximately 80 percent of all 109 State Enterprises) and 6 Public Utilities of all 8 Public Utilities.

35 State Enterprises refer to the consolidated operations of 14 companies namely: Caribbean Airlines Limited (CAL); National Maintenance, Training and Security Company Limited (MTS); National Gas Company of Trinidad and Tobago Limited (NGC); National Helicopter Services Limited (NHSL); National Infrastructure Development Company Limited (NIDCO); National Petroleum Marketing Company Limited (NPMC); National Quarries Company Limited (NQCL); Petroleum Company of Trinidad and Tobago Limited (PETROTRIN); Point Lisas Industrial Port Development Corporation Limited (PLIPDECO); Solid Waste Management Company Limited (SWMCOL); Trinidad and Tobago Mortgage Finance Company Limited (TTMF); Trinidad Nitrogen Company Limited (TRINGEN); Urban Development Corporation of Trinidad and Tobago Limited (UDeCOTT); and Vehicle Management Corporation of Trinidad and Tobago Limited (VMCOTT).

36 Public Utilities refer to the consolidated operations of 6 companies namely: Airports Authority of Trinidad and Tobago (AATT); Port Authority of Trinidad and Tobago (PATT); Public Transport Service Corporation (PTSC); Telecommunications Services of Trinidad and Tobago (TSTT); Trinidad and Tobago Electricity Commission (T&TEC); and Water and Sewerage Authority (WASA).

37 Current Transfers from Central Government are used to fund operational expenditures and subsidies.

38 Capital Transfers from Central Government comprise expenditure for projects, principal repayments and purchase of equity/equity injections.

at $155.5 million, and was primarily due to significant deficits from the National Gas Company (NGC) with $562.8 million and the National Petroleum Marketing Company (NPMC) with $311.7 million. Conversely, the Trinidad Nitrogen Company Limited (TRINGEN) generated the largest surplus of all State Enterprises for the period with $457.5 million, while PETROTRIN realised a notably reduced surplus of $261.5 million, compared to the $1,231.5 million surplus recorded in the previous corresponding period.

State Enterprises in the non-energy sector recorded an overall operating deficit of $52.5 million. CAL was responsible for the largest operating deficit of $51.7 million. Five (5) other State Enterprises recorded a combined deficit of $65.3 million during the review period, and included: National Helicopter Services Limited (NHSL), Solid Waste Management Company Limited (SWMCOL), Urban Development Corporation of Trinidad and Tobago Limited (UDeCOTT), National Infrastructure Development Company Limited (NIDCO), and Vehicle Management Corporation of Trinidad and Tobago Limited (VMCOTT). However, the Trinidad and Tobago Mortgage Finance Company Limited (TTMF), the Point Lisas Industrial Port Development Corporation Limited (PLIPDECO), the National Quarries Company Limited (NQCL), and the National Maintenance, Training and Security Company Limited (MTS) offset a portion of this deficit with a combined operating surplus of $64.5 million.

Over the first half of fiscal 2016/2017, Public Utilities recorded operating revenues of $4,033.9 million and operating expenditures of $4,746.3 million, resulting in a deficit of $712.4 million. This operating position, however, reflected a 44.3 percent improvement from the $1,278.6 million deficit recorded in the first half of fiscal 2015/2016.

Among the Public Utilities, the Telecommunications Services of Trinidad and Tobago (TSTT) was the only entity to generate a surplus, which amounted to $662.1 million. The other 5 Public Utilities operated in deficits totalling $1,374.5 million, with the Water and Sewerage Authority (WASA) responsible for 60.0 percent ($825.0 million) of this aggregate deficit.

## Current Transfers from Central Government

Total Current Transfers from Central Government for the 6-month period October 2016 to March 2017 amounted to $1,295.1 million and represented a 21.8 percent decrease over the previous corresponding period. Of this amount, $339.9 million (26.2 percent) was transferred to State Enterprises while $955.2 million (73.8 percent) was transferred to Public Utilities.

For this review period, the largest overall Current Transfers to State Enterprises included UDeCOTT and SWMCOL of $273.7 million and $39.7 million, respectively. For Public Utilities, WASA received the largest transfer of resources with $768.3 million, which represents 80.4 percent of the total current transfers to this sector.

## Capital Expenditure

For the first half of fiscal 2016/2017, Capital Expenditure incurred by both State Enterprises and Public Utilities totalled $1,640.8 million, of which State Enterprises accounted for $1,294.8 million (78.9 percent) and the Public Utilities accounted for $346.0 million (21.1 percent).

The bulk of the energy sector State Enterprises Capital Expenditure was utilised by PETROTRIN and TRINGEN in the amounts of $490.3 million and $70.7 million, respectively. However, the major Capital Expenditures of the non-energy sector State Enterprises comprised UDeCOTT with $329.2 million; NIDCO with $191.0 million; PLIPDECO with $79.3 million; and CAL with $52.4 million.

The major projects of UDeCOTT included: the Brian Lara Cricket Academy and the Diego Martin Sporting Complex, while NIDCO's major project was the San Fernando to Point Fortin Highway. PLIPDECO's projects include: infrastructure development, installation of fibre optic infrastructure, upgrade of terminal operations software, acquisition of equipment on a phased replacement programme, and rehabilitation of berths and the RTG bays.

Among the Public Utilities, TSTT was the major contributor to the Capital Expenditure outlay for the

**Table 9: Cash Statement of Operations of the Rest of the Non-Financial Public Sector**

| | State Enterprises | | Public Utilities | | Total State Enterprises and Public Utilities | |
|---|---|---|---|---|---|---|
| (TT $ millions) | Oct 2015–Mar 2016 | Oct 2016–Mar 2017 | Oct 2015–Mar 2016 | Oct 2016–Mar 2017 | Oct 2015–Mar 2016 | Oct 2016–Mar 2017 |
| **Operating Revenues** | 17,926.8 | 18,221.0 | 4,067.0 | 4,033.9 | 21,993.8 | 22,254.9 |
| **Operating Expenditures** | 17,564.0 | 18,429.0 | 5,345.6 | 4,746.3 | 22,909.6 | 23,175.3 |
| **Operating Surplus/ (Deficit)** | **362.8** | **-208.0** | **-1,278.6** | **-712.4** | **-915.8** | **-920.4** |
| **Current Transfers from Central Gov't** | 229.4 | 339.9 | 1,426.8 | 955.2 | 1,656.2 | 1,295.1 |
| **Current Balance** | **444.1** | **699.8** | **256.6** | **621.6** | **700.7** | **1,321.4** |
| **Capital Expenditure** | 2,007.0 | 1,294.8 | 351.6 | 346.0 | 2,358.6 | 1,640.8 |
| **Capital Transfers from Central Gov't** | 101.9 | 942.5 | 326.0 | 236.5 | 427.9 | 1,179.0 |
| **Overall Balance** | **-1,254.0** | **526.1** | **231.9** | **516.5** | **-1,022.1** | **1,042.6** |
| **Financing** | **1,254.0** | **-526.1** | **-231.9** | **-516.5** | **1,022.1** | **-1,042.6** |
| **Net Foreign Financing** | -324.9 | -1,030.2 | -10.8 | 48.6 | -335.7 | -981.6 |
| **Net Domestic Financing** | 1,578.9 | 504.1 | -221.1 | -565.1 | 1,357.8 | -61.0 |

1. Table refers to fiscal years.
2. State Enterprises refer to the consolidated operations of fourteen (14) companies namely: Caribbean Airlines Limited (CAL); National Maintenance, Training and Security Company Limited (MTS); National Gas Company of Trinidad and Tobago Limited (NGC); National Helicopter Services Limited (NHSL); National Infrastructure Development Company Limited (NIDCO); National Petroleum Marketing Company Limited (NPMC); National Quarries Company Limited (NQCL); Petroleum Company of Trinidad and Tobago Limited (PETROTRIN); Point Lisas Industrial Port Development Corporation Limited (PLIPDECO); Solid Waste Management Company Limited (SWMCOL); Trinidad and Tobago Mortgage Finance Company Limited (TTMF); Trinidad Nitrogen Company Limited (TRINGEN); Urban Development Corporation of Trinidad and Tobago Limited (UDeCOTT); and Vehicle Management Corporation of Trinidad and Tobago Limited (VMCOTT).
3. Public Utilities refer to the consolidated operations of six (6) companies namely: Airports Authority of Trinidad and Tobago (AATT); Port Authority of Trinidad and Tobago (PATT); Public Transport Service Corporation (PTSC); Telecommunications Services of Trinidad and Tobago (TSTT); Trinidad and Tobago Electricity Commission (T&TEC); and Water and Sewerage Authority (WASA).
4. Totals may vary due to rounding.

first half of fiscal 2016/2017. TSTT accounted for $216.4 million of Capital Expenditure, followed by WASA ($79.2 million) and T&TEC ($48.3 million).

TSTT's major projects included: upgrading plant infrastructure; improving service delivery; deploying fibre facilities; and upgrading international offshore capacity. WASA's major projects included: the National Social Development Programme (Water Component); the Water and Wastewater Construction/Refurbishment Programme; the WASA Modernisation and Wastewater Infrastructure Rehabilitation Programme; and the Multiphase Wastewater Rehabilitation Programme. T&TEC's major projects included: construction and rehabilitation of substations; constructing and re-conducting overhead lines; and the replacement of existing underground cables.

## Capital Transfers from Central Government

For the period under review, Capital Transfers from Central Government to the Rest of the Non-Financial Public Sector totalled $1,179.0 million, an increase of 175.5 percent from the $427.9 million received in the previous corresponding period.

Of the $942.5 million in Capital Transfers disbursed to State Enterprises during the review period, NIDCO received the entire amount. This considerable transfer was utilised mainly for loan payments and projects, such as the Solomon Hochoy Highway extension from San Fernando to Point Fortin.

Capital Transfers to Public Utilities totalled $236.5 million; of which WASA accounted for $127.6 million, the AATT $66.6 million, and the PATT $42.3 million.

Projects of the AATT included: the ANR Robinson International Airport expansion and modification, construction of a sewer treatment plant, setting up a Point of Sale system, roof repairs at the North Terminal, upgrade of the washroom facilities, upgrade of the Building Management System, replacement of security screening equipment, replacement of the domestic conveyor at the ANR Robinson International Airport, and repairs to the perimeter fencing at Piarco. PATT's projects included: handling of international and regional containerised cargo, break and dry/liquid bulk cargo, the provision of roll-on/roll-off services, management of the Trinidad and Tobago Inter-Island Ferry Service, and the provision of Cruise Shipping facilities.

# THE MONETARY SECTOR

Monetary Conditions
Central Bank Operations
Financial Sector Performance
Regulatory Developments

## Monetary Conditions

The Central Bank of Trinidad and Tobago (CBTT) maintained its accommodative monetary policy stance over the 11-month period October 2016 to August 2017. The CBTT maintained its main policy rate, the Repo rate[39], at 4.75 percent. The Repo rate was last adjusted in December 2015 from 4.50 to 4.75 percent.

The CBTT's liquidity management strategy took into consideration the changing liquidity requirements in the domestic banking system. Commercial bank's excess reserves (the CBTT's measure of liquidity) averaged $3.2 billion daily during the first four months of fiscal 2016/2017. The CBTT allowed liquidity levels to rise between February 2017 and March 2017 to a daily average of $4.1 billion in order to accommodate the Central Government's borrowing on the domestic capital market. Subsequent to this buildup in liquidity, daily average excess liquidity reverted to its pre-buildup level of $3.2 billion during April to June 2017.

## Central Bank Operations

### Exchange Rates/Foreign Exchange Market

The local foreign exchange market continued to experience tight conditions in the supply of foreign currencies during the eleven-month period ending August 2017. Sales of foreign exchange by authorised dealers to the public amounted to US$4,572.4 million, 12.0 percent lower than the US$5,171.9 sold in the same period one year earlier (**Table 10**). Reports by dealers on sales in excess of US$20,000 indicate that the demand for foreign exchange primarily came from the Retail and Distribution and Manufacturing sectors, the settlement of credit cards transactions and for the purchase of automobiles.

Purchases of foreign exchange from the public (except from the Central Bank) by authorised dealers, amounted to US$2,999.7 million, 22.0 percent lower than the US$3,825.4 million purchased in the 2015/2016 period. The Central Bank intervention of US$1,725.0 million over the period was 1.0 percent lower than the US$1,708.6 million sold in the corresponding period in the previous fiscal year.

The weighted average selling rate for August 2017 stood at US$1 = TT$6.7820, a depreciation of 0.5 percent from US$1 = TT$6.7507 for October 2016 (**Figure 19**). The negative impact of the tight economic conditions domestically resulted in the Trinidad and Tobago dollar depreciating relative to other major global currencies. The TT dollar depreciated by 5.7 percent against the Pound Sterling, 7.0 percent against the Euro and by 5.2 percent against the Canadian dollar over the 11-month period ending August 2017.

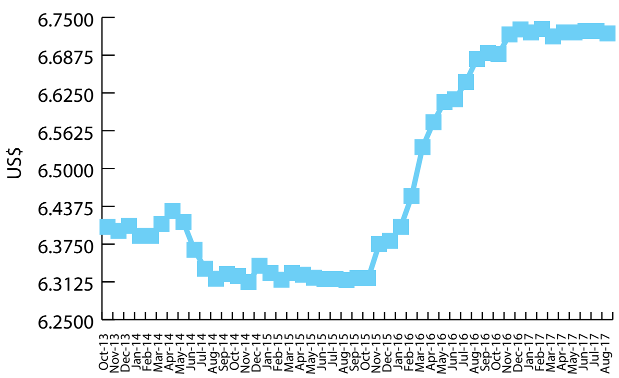
39 This is the rate at which the Central Bank is willing to provide overnight credit to commercial banks that are temporarily unable to meet their liquidity requirements.

**Table 10: Commercial Banks and Non-Bank Financial Institutions Foreign Currency Sales and Purchases (US$ Mn.)**

| Period | Purchases from the Public | Sales to the Public | Net Sales to the Public | Purchases from the Central Bank |
|---|---|---|---|---|
| **2015** | 4,941.3 | 7,382.5 | 2,411.2 | 2,640.9r |
| **2016** | 4,289.0 | 5,776.8 | 1,487.8 | 1,811.6 |
| **Oct 2015 – July 2016** | 3,825.4 | 5,171.9 | 1,346.5 | 1,708.6 |
| **Oct 2016 – July 2017** | 2,999.7 | 4,572.4 | 1,572.7 | 1,725.0 |
| **Percentage Change (year-on-year)** | -22.0 | -12.0 | 17.0 | 1.0 |

Source: Central Bank of Trinidad and Tobago

**Figure 19: Exchange Rates- Buying Rate (TT$ per US$)**




Source: Central Bank of Trinidad and Tobago

## Money Supply and Commercial Banks' Deposits and Credits

Over the 9-month period to June 2017, growth of the monetary aggregates trended slightly downwards during the first quarter, however, growth picked up at the end of the quarter and continued to June 2017. On a year-on-year basis, growth in narrow money[40] (M1-A) grew to 0.3 percent (period average), up from its 1.7 percent contraction in the comparative period one year earlier. This growth was driven by a deceleration in the decline of demand deposits, which declined by 0.2 percent over the nine-month period ending June 2017, compared to its decline of 3.8 percent for the comparative period one year earlier.

Broad money (M-2), which includes M1-A plus savings and time deposits, also increased over the review period, albeit slower than its performance in the previous comparative period. On a year-on-year basis, M-2 grew by 0.8 percent on average per month, compared with a growth of 2.0 percent in the comparative period. This growth in M-2 was driven by a 4.4 percent increase in commercial bank's foreign currency deposits and a 0.4 percent growth in savings deposits. There was, however, an 11.4 decrease in time deposits, whose impact on M-2 was counteracted because of its smaller magnitude in comparison to the other sub-components of that aggregate.

On a year-on-year basis to June 2017, credit to the private sector by commercial banks rose by 3.3 percent, compared with 4.8 percent in June 2016. This subdued performance reflects the slowed growth in the consumer and real estate market as credit to businesses contracted. Commercial banks' loans to consumers increased by 5.0 percent in June 2017; a decline from its growth of 8.6 percent in June 2016. A breakdown of consumer loans indicates a slowing in lending for motor vehicles purchases and home improvements/renovations, while lending for credit cards remained robust. There was also a decline in loans for real estate purposes.

40 Narrow Money Supply (M1-A) is composed of Currency in Active Circulation and Demand Deposits of commercial banks.

## Interest Rates

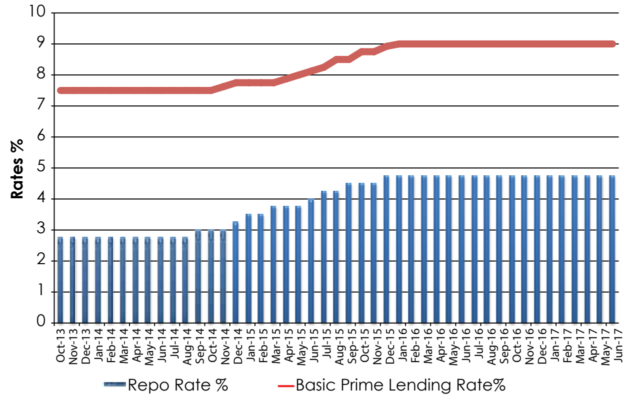
The Central Bank maintained its main monetary policy rate, the Repo rate, at 4.75 percent over the eleven-month period ending August 2017 (**Figure 20**).

The relative loosening of liquidity conditions in the domestic banking system have resulted in interest rates trending slightly downwards thus far for fiscal 2016/2017. Short-term Treasury rates were not significantly impacted by the relatively more liquid domestic monetary environment. The discount rate on the 91-day Treasury Bill remained at 1.20 percent over the nine-month period ending June 2017. Concomitantly, the 365-day Treasury Bill discount rate declined to 2.72 percent from 2.80 percent over the same period. The yield on the two-year Treasury note lost 4 basis points to settle at 2.93 percent as at June 2017. The 10-year benchmark yield declined by 1 basis point to 4.38 percent between October 2016 and June 2017, while the benchmark 15-year yield declined by 8 basis points over the same period to 5.03 percent.

The median commercial bank prime lending-rate remained at 9.00 percent for the duration of the nine-month period ending June 2017. Other lending rates have also adjusted upwards with the weighted average commercial bank lending rate standing at 8.25 percent in March 2017, 13 basis points higher than in September 2016. The weighted average deposit rate remained at 0.60 percent between September 2016 and March 2017 (**Figure 21**).

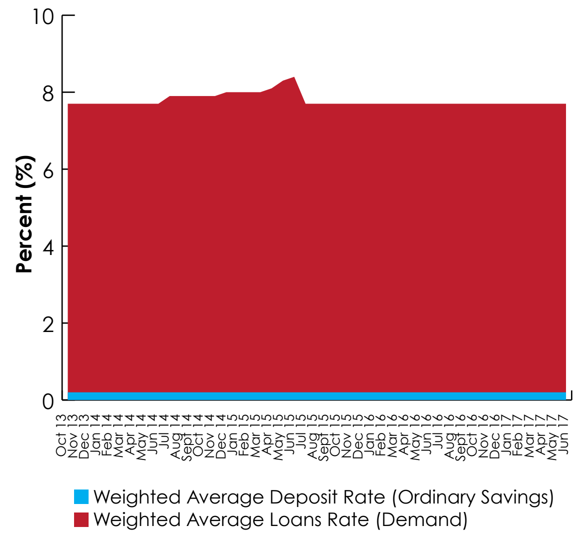
The weighted average rate on outstanding residential mortgages stood at 6.40 percent in March 2017 compared to 6.41 percent in September 2016. The weighted average rate on new residential mortgages also trended lower, falling to 5.81 percent in March 2017 from 6.15 percent in September 2016.

**Figure 20: Repo Rate and Prime Lending Rate**




Source: Central Bank of Trinidad and Tobago

**Figure 21: Commercial Banks' weighted average deposit and loan spread**

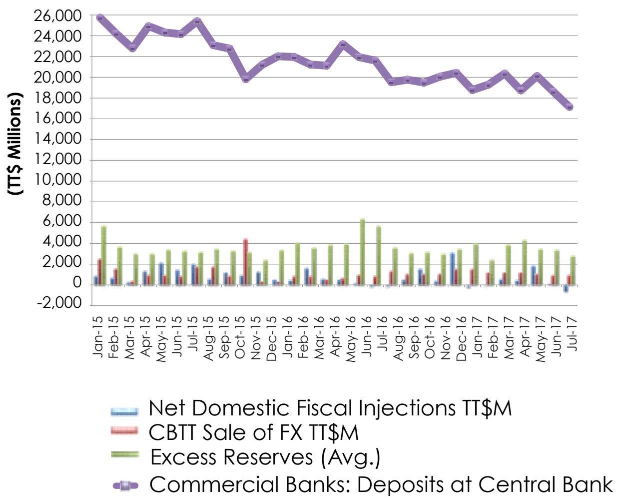



Source: Central Bank of Trinidad and Tobago

## Liquidity

The CBTT intensified its liquidity management in tandem with the increased Repo rate during the first quarter of fiscal 2016/2017. During the October 2016 to June 2017 period the CBTT allowed $2,659.5 million of Treasury securities issued for Open Market Operations (OMO) to mature. This was a significant drop from the $6,216.2 million in maturities of net OMOs over the comparative period one year earlier. Of the near $2.6 billion in net open market maturities, $1,284.5 million represented Treasury Bills and the remaining $1,375.0 million were in the form of Treasury Notes (**Figure 22**).

**Figure 22: Liquidity Indicators**




Source: Central Bank of Trinidad and Tobago

# FINANCIAL SECTOR PERFORMANCE

## Capital Market Activity

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

As at July 2017, the Trinidad and Tobago Securities and Exchange Commission (TTSEC) recorded a total of 411 registrants, a significant increase from the 283 registrants recorded as at July 2016.

The change in registrant composition is due mainly to the final implementation of the registrant requirement under the **Securities (General) By-Laws of 2015**; resulting in a new category of registrant: Registered Representative[41] which moved from 143 registrants in July 2016 to 272 as at July 2017.

Amidst the substantial increase in registrants, de-registrations were recorded in the categories of Broker Dealers, Sponsored Broker Dealers and Reporting Issuers. The number of persons and entities registering as Underwriters, Self-Regulatory Organisations (SRO), Sponsored Broker Dealers, Sponsored Investment Advisors and Reporting Issuers remained constant (**Table 11**).

**Table 11: Total TTSEC Registrants**

| Type of Registrant | As at July 31, 2016 | As at July 31, 2017 |
|---|---|---|
| Registered Representatives | 143 | 272 |
| Investment Advisers | 13 | 14 |
| Reporting Issuers | 83 | 83 |
| Broker Dealers (Securities Companies) | 36 | 34 |
| Self-Regulatory Organisations (SRO) | 2 | 2 |
| Underwriters | 0 | 0 |
| Sponsored Broker Dealers | 6 | 6 |
| Sponsored Investment Advisors | 0 | 0 |
| **Total** | 283 | 411 |

Source: Trinidad and Tobago Securities and Exchange Commission

41 A Registered Representative is a person who works for a brokerage company that is licensed by the Trinidad and Tobago Securities and Exchange Commission (TTSEC) and acts as an account executive for clients trading investment products such as stocks, bonds and mutual funds.

## Equities

The domestic stock market registered improved performance in the nine-month period ending June 2017. This was reflected in the Composite Price Index[42] which increased by 6.5 percent (year-on-year) from 1,135.6 in June 2016 to 1,209.2 in June 2017. However, the volume of shares traded on the first tier market declined by a significant 27.6 percent (year-on-year) from $85.5 million as at June 2016 to $61.9 million as at June 2017. This resulted in a reduction in the value of shares traded in the same period, moving from $1.0 billion as at June 2016 to $685.5 million as at June 2017. Market capitalisation on the first tier market registered a 6.6 percent growth to $118.4 billion as at June 2017, up from $111.0 billion in June 2016.

In the period under review, there were two **Additional Public Offerings** (APO), one from First Citizens Bank Limited and the other from the Trinidad and Tobago NGL Limited.

The First Citizens Bank Limited APO was undersubscribed by 33.9 percent, with 48.5 million shares being issued and approximately 32.0 million shares subscribed at an offer price of $32.00. This under-subscription created a shortfall of approximately $526.7 million in potential earnings for the Government of Trinidad and Tobago.

The Trinidad and Tobago NGL Limited APO commenced on June 5, 2017 and ended on June 28, 2017. Approximately 40.2 million class B shares were offered to the public at a price of TT$21.00 per share. This offer price resulted in a trailing dividend yield of 7.14 percent, the highest on the Trinidad and Tobago Stock Exchange (TTSE). The APO was oversubscribed and resulted in approximately $845.2 million in revenue to the Central Government. Public investors now hold approximately 100 percent of TTNGL's Class B Shares, which represent a 75 percent effective ownership interest in TTNGL. This also amounts to an effective ownership of 29.25 percent in Phoenix Park Gas Processors Limited (PPGPL).

42 The Composite Price Index is a collective measure of the movement in the price shares of all of companies listed on the Trinidad & Tobago Stock Exchange (TTSEC). It is calculated using the current aggregate market value as a percent of a base aggregate market value.

## Primary Bond Market

There was increased activity in the primary bond market over the period under review. This was reflected in 17 issues in the period October 2016 to June 2017, with a combined face value of approximately $8.5 billion, compared to 16 issues in the comparative 2016 period, which raised $7.2 billion. For the 2017 period, the Central Government was the largest issuer, with 7 bonds being issued totalling $8.2 billion, with the tenors ranging from 6 months to 15 years, all carrying fixed rates of interest ranging from 1.7 percent to 4.3 percent.

State enterprises also issued 5 fixed rate bonds totalling $1.7 billion, with the tenors ranging from 1 year to twelve 12 years. The State Enterprise issuers were, the Telecommunication Services of Trinidad and Tobago Limited (TSTT); the Urban Development Corporation of Trinidad and Tobago Limited (UDeCOTT); the Trinidad and Tobago Mortgage Finance Company Limited (TTMF); and the Home Mortgage Bank (HMB). The largest bond floated was from TSTT with a face value of $1.5 billion, issued in 2 tranches of $1.0 billion and $0.5 billion at fixed interest rates of 6.0 percent and 5.5 percent for 12 and 5 year tenors respectively.

The private sector raised $806.1 million via 5 private placements on the primary bond market. The private sector bonds were issued by Sagicor Financial Corporation, ANSA Coatings International and HADCO Ltd. The Sagicor Financial Corporation registered the largest issue within this group, valued at $506.4 million with a tenor of 2.7 years at a fixed rate of 4.9 percent.

Statutory Authorities registered 1 issue on the market by the HDC. This was valued $301.7 million for a tenor of 7 years at fixed rate of 4.6 percent.

## Secondary Bond Market

Trading activity on the secondary bond market was subdued in the period under review, as 71 trades of Central Government bonds with a combined face value of $614.0 million were executed. This compared with 94 trades one year earlier with a combined value of approximately $973.0 million.

## Mutual Funds

Over the nine-month period ending June 2017, aggregate sales in the **mutual fund sector** increased from $11.0 billion in the corresponding period in 2016 to $11.3 billion. However, repurchases increased by 238.9 percent from $3.7 billion in 2016 to 12.5 billion in 2017. Funds under management increased marginally by 0.1 percent. This was due to increases registered by RBC Royal Bank (RBC) (4.2 percent) and Republic Bank Limited (RBL) (3.3 percent), which were somewhat offset by declines realised by First Citizens Bank (FCB) (5.0 percent) and the Unit Trust Corporation (UTC) (0.3 percent) (**Figure 23c**).

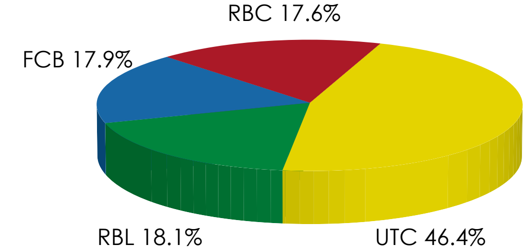
The **Money Market Funds** segment of the industry marginally expanded by 0.2 percent on a year-on-year basis; moving from $32.35 billion to $32.41 billion in the period under review. However, the slowdown in the domestic economy was reflected in the performance of equity funds segment of the market which remained fairly constant at $7.6 billion as at June 2017.

The UTC continued to dominate the money market funds segment of the industry notwithstanding a slight decline in market share from 46.4 percent in 2016 to 46.2 percent in 2017. RBL and RBC both recorded marginal increases in market share, which moved from 18.1 percent and 17.6 percent to 18.9 percent and 18.7 percent, respectively, whereas FCB, however, registered a decline in market share from 17.9 percent to 16.2 percent (**Figure 23a**).

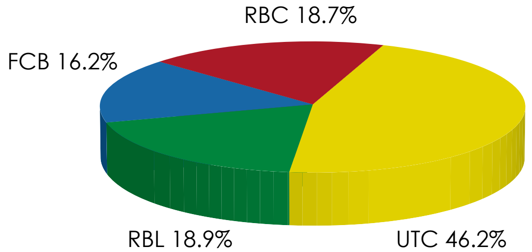
In the equity segment of the industry, the UTC continued its dominance as it maintained a 61.1 percent market share. Despite waning economic conditions, FCB registered an expansion in market share, moving from 22.4 percent in 2016 to 24.2 percent in 2017. However, RBC and RBL both recorded losses in market share which moved from 13.3 percent and 3.2 percent in 2016 to 12.5 percent and 2.2 percent in 2017, respectively (**Figure 23b**).

**Figure 23: Mutual Funds - Comparative Analysis**

**(a) Market Share - Money Market Funds**

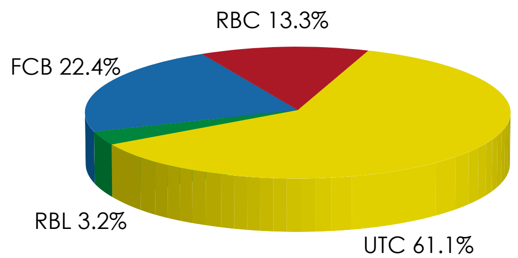



**June 2016**

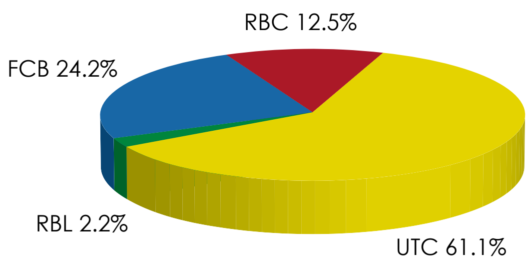



**June 2017**

**(b) Market Share - Growth and Income Funds**

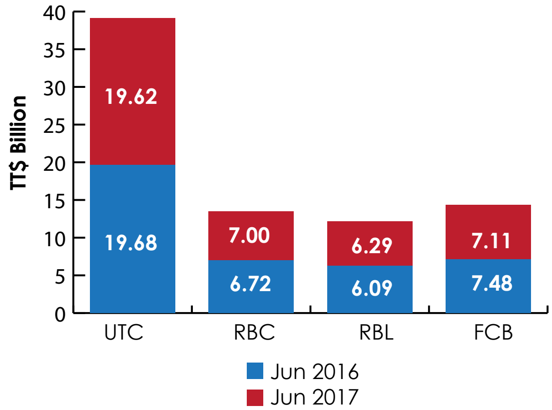



**June 2016**




**June 2017**

**(c) Funds under Management**




Sources: UTC, RBL, RBC and FCB

# REGULATORY DEVELOPMENTS

## The Insurance Bill, 2016

The Insurance Bill aims to provide a new regulatory framework for the insurance industry and to continue to provide for the regulation of privately administered pension fund plans. The Insurance Bill 2016 was introduced in the House of Representatives on July 1, 2016. Subsequently, a Joint Select Committee of Parliament (JSC) was established in February 2017 to consider and report on the Bill. The JSC received written submissions from the public and met with selected stakeholders and submitted interim reports to Parliament on its work to date. The JSC laid its report in Parliament on September 8, 2017 and recommended that the Parliament agree with its proposals for amendments to the Bill. The Bill as introduced requires a special (three-fifths) majority in order to be passed.

## Credit Union Bill, 2014

The Credit Union Bill, 2014 was laid in the Senate on November 18, 2014 and provides for the regulation of the financial business activities of all credit unions and secondary bodies carrying on the business of a credit union. This Bill lapsed on June 17, 2015 due to the dissolution of Parliament, however, consultation on the Bill re-commenced following the general elections in 2015 and a new policy was developed for consideration by Parliament.

This new National Policy on Co-operatives was finalised and presented to Cabinet in April 2017 for consideration. This Policy is intended to guide the development of both financial (credit unions) and non-financial co-operatives in Trinidad and Tobago and is aimed at informing the development of legislation and an institutional framework to govern the Co-operative sector. The Policy advocates for one regulator for all co-operatives, both credit unions and non-financial co-operatives, which is a departure from the former policy direction which led to the development of the Credit Union Bill, 2014.

The CBTT, in carrying out its financial stability mandate, engaged CARTAC to review the Credit Union sector, with a view to assessing the sector's impact on financial stability and systemic risk and to advise on the best practices and minimum requirements for an appropriate regulatory framework for credit unions in Trinidad and Tobago.

This Technical Assistance Mission took place during August 2017, at which time consultations were held with representatives from the following agencies:

- The Ministry of Finance;
- The Ministry of Labour and Small Enterprises inclusive of the Co-operative Development Division and Acting Commissioner for Co-operative Development; and
- Individual credit unions and key representative credit union associations such as the Co-operative Credit Union League, the Association of Co-operative Credit Union Presidents, the Central Finance Facility and the Trinidad and Tobago Credit Union Deposit Insurance Fund.

The Technical Assistance Mission team will report their findings and recommendations to the CBTT before the end of calendar 2017.

## New Supervisory Standards: Basel II/III[43] Implementation

The implementation of Basel II/III risk based capital standards for institutions licensed under the Financial Institutions Act, 2008, launched in December 2014, is one of the key strategic priorities of the CBTT. The goals of the project are to enhance the resilience of the banking sector and allow for more comprehensive assessment of risks and resilience at the institutional and group level.

In November 2016, the CBTT presented the findings of the first Quantitative Impact Study (QIS) on the Basel II/III proposals to the banking sector. In light of the data and system issues arising from the first QIS, institutions were required to participate in a second QIS exercise, which commenced in May 2017 and concluded on July 31, 2017. Submissions from the exercise are currently being reviewed.

In March 2017, at the request of the CBTT, an IMF/CARTAC mission began a review of the experience to date and of the Phase II project plan. The mission was concluded in April 2017 and CARTAC determined that the CBTT has a well-structured approach to implementation of the revised capital standards providing adequate time and support for financial institutions to transition to the new capital adequacy regime. The CBTT was encouraged to conduct the second Quantitative Impact Study (QIS 2) to test the impact of the new Basel II/III capital adequacy rules on licensed financial institutions and this has since been concluded. The CBTT also plans to introduce the new capital adequacy rules via Regulations following engagement with the Ministry of Legal Affairs and the Ministry of Finance. The CBTT also received advice on how to progress Phase II of the Basel II/III Implementation plan.

43 Basel II/III is a comprehensive set of reform measures, developed by the Basel Committee on Banking Supervision, to strengthen the regulation, supervision and risk management of the banking sector.

## Consolidated Supervision

The CBTT has adopted the consolidated supervisory framework that was ratified by the Caribbean Group of Banking Supervisors in November 2016. The CBTT's 2016 Strategic Plan articulates goals to fully roll out the Framework and to strengthen supervisory capacity to deal with diverse financial group structures.

In March 2017 a two-week technical assistance mission from the IMF/CARTAC provided advice on:

- Supervisory strategies concerning mergers and intraregional financial conglomerates; and
- Strategic options and tools to strengthen the supervisory approach and enhance efficiency of Group supervision.

The main tenets of the consolidated supervisory framework are financial groups which have inherent risks that pose certain challenges for regulators. It is for this reason that the Basel Committee on Banking Supervision has since 1999 published guidance to regulators on consolidated supervision of financial groups. Consolidated supervision seeks to evaluate the strength of the entire financial group taking into account all the risks which may affect the regulated entities in the group, whether that risk occurs in the regulated entity or within another entity in the group.

Consequently, the main objective of consolidated supervision is to facilitate the early detection of emerging and contagion risks within domestic or cross-border entities in the group. Other related objectives are:

1. To understand corporate governance and risk management at the parent companies and the subsidiaries;
2. To understand intra-group risks arising from relationships among members of the financial group; and
3. To facilitate an assessment of group capital adequacy, profitability, and liquidity.

## Status of External Assessments

### 4th Round Mutual Evaluation & National Risk Assessment

Following publication of the **Caribbean Financial Action Task Force (CFATF) Mutual Evaluation Report (MER) of Trinidad and Tobago** in June 2016, the country was placed on CFATF's enhanced follow-up process. The country's first report on actions taken to address the deficiencies were reviewed at CFATF's May 2017 Plenary.

Trinidad and Tobago's 1st Follow-Up report was presented for '*information purposes*' at the May 2017 CFATF plenary. The country was commended for the demonstrable progress made since the mutual evaluation (MEV), evidenced by a significant increase in money laundering charges, cash seizures and asset forfeitures and a number of persons have been designated as terrorist entities under the Anti-Terrorism Act Chapter 12:07. Countries have about three years to bring the level of compliance up to a satisfactory level. It is expected that the 2nd Follow-Up report to be presented at the May 2018 Plenary will present a detailed plan to remedy all the deficiencies identified in the MER and advise the CFATF whether the country will be seeking an upgrade of certain ratings.

Trinidad and Tobago is also being monitored by the Financial Action Task Force (FATF) **International Co-operation Review Group** (ICRG). The FATF's primary role is to set global AML/CFT standards and ensure the effective implementation of these standards in all jurisdictions. The FATF uses the ICRG process to identify and respond to jurisdictions with strategic deficiencies in their AML/CFT regimes that pose a risk to the international financial system and impede efforts to combat money laundering and terrorist financing.

Currently, the ICRG reviewers are assessing the country's progress in addressing key MEV deficiencies. Pursuant to its findings, the ICRG team will make representation at the October 2017 Plenary, either for the country to be removed from the ICRG process or for the country to agree an action plan with the ICRG and be publicly identified as being in the FATF's ICRG review process. The public naming of the jurisdiction is intended to exert pressure to secure political commitment towards achieving higher levels of compliance with the FATF Standards. Being named publicly by the FATF can have negative financial and economic impact on jurisdictions. The country's progress will be considered at FATF's ICRG/ Plenary in October 2017.

The **National Anti-Money Laundering and Counter Financing of Terrorism Committee** (NAMLC) has since finalised the **National Risk Assessment** (NRA) report for Cabinet's approval prior to publication. NAMLC has also finalised for Cabinet's approval, an action plan to address the findings of the MEV and the NRA.

Remedial actions to address MER and NRA findings to date have focused on strengthening the money laundering (ML) and terrorist financing (TF) investigative and prosecutorial processes and implementing targeted financial sanctions for TF, particularly with respect to foreign terrorist fighters. Legislative amendments are also being made to strengthen the Companies Act particularly with respect to beneficial ownership and non-profit organisations. The CBTT, as the Chair of the Supervisory Working Group of the NAMLC, is coordinating work to address deficiencies identified in the Financial Obligations Regulations (FOR).

The CBTT's AML/CFT Guideline is also being revised focusing on the application of a risk based approach and sector specific guidance. As part of the CBTT's Strategic Action Plan, work is also underway to develop a regulatory framework for the remittance sector.

At a national level through the work of the NAMLC, priority has been focused on strategically implementing existing law, effecting legislative reform to strengthen investigative and prosecutorial processes as well as strengthening mechanisms for the enforcement of financial sanctions. In this regard, there has been a significant increase in money laundering charges, cash seizures and asset forfeitures and, a number of persons have been designated as terrorist entities and their assets frozen.

The CBTT has been focused on improving the AML/CFT framework governing its regulated financial institutions. In this regard, the CBTT has issued a revised AML/CFT Guideline for industry review. The Guideline seeks to give more detailed and sector-specific guidance to assist financial institutions with implementing a more risk-based approach to conducting customer due diligence. In addition, the CBTT has collaborated with the Financial Intelligence Unit to review the regulatory regime governing money remitters.

### De-Risking

The CBTT continues to participate in a number of regional initiatives to address the de-risking phenomenon whereby financial institutions terminate or restrict business relationships with clients or categories of clients to avoid, rather than manage, risk in line with the FATF's risk-based approach. In January 2017, IDB hosted a 'De-Risking Regional Knowledge Exchange' in Jamaica. The meeting was convened to promote intra-regional knowledge exchange and to facilitate a consensus for the preparation of a Regional Action Plan to strengthen banking regulation and compliance. The CBTT is currently reviewing the proposals coming out of the IDB.

### Foreign Account Tax Compliance Act (FATCA)

The Government of Trinidad and Tobago signed a Model 1A Inter-Governmental Agreement (IGA) with the United States (US) on Friday August 19, 2016. The IGA was given legal effect via the enactment of the Tax Information Exchange Agreements (United States of America) Act, 2017 (TIEAA) on March 20, 2017.

Under the terms of the TIEAA, reporting financial institutions must provide the Board of Inland Revenue (BIR) with required information on an annual basis beginning in September 2017. The BIR will, in turn, electronically transmit the information to the US Internal Revenue Service (IRS), the Competent Authority in the US.

The TIEAA amends the Central Bank Act, the Financial Institutions Act and the Insurance Act to allow the CBTT to issue guidelines to regulated financial institutions to give effect to a declared agreement. The CBTT can also issue compliance directions to regulated entities to rectify breaches of the guidelines.

Specific responsibilities assigned to the CBTT under the TIEAA are as follows:

i) Supervising institutions licensed under the Financial Institutions Act and insurance companies registered under the Insurance Act on the implementation of the IGA;

ii) Issuing Guidelines for those financial institutions to give effect to the IGA; and

iii) Enforcing compliance with the Guidelines.

Since enactment of the TIEAA, the CBTT has developed an action plan and completed a draft Guideline. In developing the Guideline, the CBTT collaborated extensively with representatives of the TTSEC, who are also required to develop similar guidelines for its regulated entities, as well as the BIR. Additionally, the CBTT has also consulted with the banking and insurance sectors and their feedback have been incorporated into the guideline. The TTSEC has also drafted Guidelines as required by the TIEAA, which has been submitted to the Minister of Finance for approval and laying in Parliament as required by the TIEAA.

Key elements of the draft Guidelines include requirements for financial institutions to institute the requisite systems and procedures to identify a reportable account and transmit information to the BIR in the specified format and timing.

The CBTT is in the process of finalising the Guidelines for submission to the Minister of Finance for approval and laying in Parliament as required by the TIEAA.

# TRADE AND PAYMENTS

**Balance of Payments**
**Heritage and Stabilisation Fund**
**Balance of Visible Trade**

## Balance of Payments[44]

The Balance of Payments recorded a reduced deficit of US$467.2 million in 2016 as compared to a deficit of US$1,564.2 million in 2015.

Contributing to the relatively improved overall balance in 2016 was the substantial decline in the **Financial Account**, moving from a net lending position of US$393.8 million to a net borrowing position of US$1,794.1 million. A deterioration of the **Current Account** was recorded, moving from a net inflow of US$923.1 million in 2015 to a net outflow of -US$2,394.6 million in 2016 (**Table 12**).

### Current Account[45] and Capital Account[46]

The **Current Account** declined severely (359 percent) to a deficit of -US$2,394.6 million in 2016. This is attributable to the absolute value of imports (US$9,421.7 million) exceeding the absolute value of exports (US$8,214.3 million) for the period.

The curtailment of production within the energy sector triggered an approximately 27 percent reduction in energy exports (from US$8,750.7 million in 2015 to US$6,407.2 million in 2016). Continued decreases in Non-energy Exports also contributed to the decline in Exports by 26 percent.

44 Balance of Payment statistics are currently produced with a lag. Consequently, at the time of printing there were no BOP data for 2017.

45 The Current Account records flows of goods, services, primary and secondary income between residents and non-residents (BMP6).

46 The Capital Account records credit and debit entries for non-produced non-financial assets and capital transfers between residents and non-residents. (BMP6).

Imports, which includes Energy and Non-energy Imports, increased by US$820 million from US$8,601.5 million in 2015 to US$9,421.7 million in 2016, can be attributed mainly to a US$1,079.2 million increase in Energy Imports which offset a US$259 million decrease in Non-energy Imports. This growth is a result of an increase in Energy imports by 44 percent, driven mainly by increased crude oil imports by PETROTRIN to support higher refining activity.

The **Capital Account** also dwindled, measuring US$0.5 million and -US$0.3 million in 2015 and 2016 respectively, mainly on account of capital transfers abroad by private corporations (**Table 12**).

### Financial Account[47]

The **Financial Account** registered a reversal from a net outflow position of US$393.8 million in 2015 to a net inflow position of US$1,794.1 million in 2016.

Notwithstanding the decline in foreign holdings of bank debt securities, the withdrawal from the Heritage and Stabilisation Fund, compounded with one public sector bond issued on the external market, are majorly accountable for the turnaround of the portfolio investment account to a net inflow position in 2016 of $1,594.4 million. In 2015, the account measured a net outflow position of $804.4 million.

Concomitantly, there was a turnaround in direct investments from a net inflow position of US$202.4 million to a net outflow position of US$30 million, driven by changes in foreign equities held by the financial sector (**Table 12**).

47 The Financial Account records transactions that involve financial assets and liabilities and that take place between residents and non-residents (BPM6).

**Table 12: Trinidad and Tobago: Summary Balance of Payments (US$ million)**

| | 2012r | 2013r | 2014r | 2015p | 2016p |
|---|---|---|---|---|---|
| **Current Account** | **3,373.0** | **5,418.8** | **3,947.1** | **923.1** | **-2,394.6** |
| **Goods and Services** | **5,586.6** | **6,952.4** | **5,702.1** | **1,393.2** | **-2,370.9** |
| Goods, net* | 6,440.1 | 7,596.8 | 6,406.3 | 2,512.4 | -1,207.4 |
| Exports | 16,324.7 | 17,593.1 | 14,964.5 | 11,113.9 | 8,214.3 |
| Energy | 13,189.9 | 14,036.3 | 12,491.5 | 8,750.7 | 6,407.2 |
| Non-energy | 3,134.8 | 3,556.7 | 2,473.0 | 2,363.2 | 1,807.2 |
| Imports | 9,884.5 | 9,996.2 | 8,558.2 | 8,601.5 | 9,421.7 |
| Energy | 3,829.8 | 4,508.6 | 2,867.7 | 2,428.4 | 3,507.6 |
| Non-energy | 6,054.8 | 5,487.7 | 5,690.5 | 6,173.1 | 5,914.1 |
| Services, net | -853.5 | -644.4 | -704.3 | -1,119.2 | -1,163.5 |
| Primary income, net | -2,250.4 | -1,559.1 | -1,733.7 | -428.5 | -53.0 |
| Secondary income, net | 36.8 | 25.6 | -21.2 | -41.6 | 29.2 |
| **Capital Account** | **-0.6** | **1.0** | **0.3** | **0.5** | **-0.3** |
| | | | | | |
| **Financial Account** | **3,985.1** | **-37.8** | **103.8** | **393.8** | **-1,794.1** |
| **Direct investment** | **2,080.5** | **1,196.9** | **-689.3** | **-202.4** | **30.6** |
| Net acquisition of financial assets | 189.4 | 62.5 | -17.7 | 152.7 | -220.8 |
| Net incurrence of liabilities | -1,891.0 | -1,134.4 | 671.6 | 355.1 | -251.4 |
| **Portfolio investment** | **1,587.9** | **142.6** | **846.0** | **804.4** | **-1,594.4** |
| Net acquisition of financial assets | 1,130.8 | 574.1 | 739.1 | 677.6 | -111.8 |
| Net incurrence of liabilities | -457.1 | 431.5 | -107.0 | -126.8 | 1,482.6 |
| **Financial derivatives** | **-2.6** | **4.2** | **-3.2** | **-1.0** | **0.0** |
| Net acquisition of financial assets | -2.3 | 3.9 | -1.8 | -1.9 | 0.0 |
| Net incurrence of liabilities | 0.2 | -0.2 | 1.3 | -0.9 | 0.0 |
| **Other investment** | **319.3** | **-1,381.5** | **-49.8** | **-207.2** | **-230.1** |
| Net acquisition of financial assets | -271.9 | -1,426.9 | 254.6 | -672.0 | -164.3 |
| Net incurrence of liabilities | -591.2 | -45.4 | 304.4 | -464.8 | 65.8 |
| **Net errors and omissions** | **0.6** | **-4,652.4** | **-2,522.3** | **-2,093.9** | **133.7** |
| **Overall Balance** | **-612.2** | **805.2** | **1,321.3** | **-1,564.2** | **-467.2** |
| **Memorandum Items:** | | | | | |
| Gross Official Reserves** | 9,370.0 | 10,175.9 | 11,497.1 | 9,933.0 | 9,465.8 |
| Import Cover (months)** | 10.6 | 12.2 | 12.9 | 11.2 | 10.5 |

Source: Central Bank of Trinidad and Tobago and the Central Statistical Office

Figures may not sum due to rounding
r: Revised.
p: Provisional.
* Energy goods data for 2011-2016 comprise estimates by the Central Bank of Trinidad and Tobago.
** End of Period.

## Foreign Reserves

**Gross Official Reserves[48] (GOR)** fell by 4.7 percent from US$9,933 million in 2015 or 11.2 months of import cover to US$9,465.8 million or 10.5 months of import cover in 2016 (**Table 12)**. As at August 2017, GOR amounted to US$8,711 million, representing 10.1 months of prospective imports of goods and non-factor services. This movement of reserves is reflective of the shrinkage in the Current Account.

## Heritage and Stabilisation Fund (HSF)

The Government made one withdrawal of US$252.55 million from the Trinidad and Tobago Heritage and Stabilisation Fund in March 2017, thereby reducing the **Net Asset Value** of the Fund by US$252.55 million.

Following the withdrawal, the Fund stood at US$5,473.0 million at the end of March 2017; a 1.47 percent decrease from the US$5,555.0 million recorded in December 2016. The former balance comprised an investment portfolio of US$5,471.9 million and a cash balance of US$1.1 million, held to meet day-to-day expenses that arise from the management of the Fund. As at August 28, 2017, the Fund registered a balance of US$5,705.1 million.

While there were no deposits during the fiscal year 2016/2017, a 3.17 percent return on the Fund was realised.

48 The IMF defines international reserves as external assets that are readily available to and controlled by monetary authorities for direct financing of payments imbalances, for indirectly regulating the magnitudes of such imbalances through intervention in exchange markets and for other purposes. Typically, they include a country's holding of foreign currency and deposits, securities, gold, IMF special drawing rights (SDRs), reserve position in the IMF, and other claims. This definition measures gross claims of the monetary authorities on non-residents.

## Balance of Visible Trade[49]

For the period October 2016 to June 2017, Trinidad and Tobago's **Balance of Visible Trade** declined by 206.3 percent to -TT$5,245.9 million, from TT$4,934.9 million over the corresponding period one year earlier. **Exports** declined from TT$40,087.4 million to TT$33,143.9 million, while **imports** climbed from TT$35,152.5 million to TT$38,389.8 million.

This waning performance of the Balance of Visible Trade is primarily attributable to declines in the **balance of trade excluding mineral fuels** from -TT$355.7 million to -TT$3,219.9 million and in the **balance of trade in mineral fuels non-UPA** from TT$5,290.6 million to -TT$2,026.0 million for the aforementioned period, respectively (**Appendix 27**).

## CARICOM Trade

Trinidad and Tobago's **Balance of Trade** with CARICOM countries fell from TT$2,971.5 million for the period October 2015 to June 2016 to TT$2,811.8 million for the period October 2016 to June 2017. This 5.4 percent decline mainly reflects the drastic decline in **Exports of Mineral Fuels** by TT$3,182.6 million or 83.4 percent amidst a marginal increase in **Imports of Mineral Fuels** of 35.5 percent over the corresponding period (from TT$183.4million to TT$118.3 million).

In addition, both **Imports and Exports Excluding Mineral Fuels** declined by 38.0 percent and 4.1 percent respectively, between October 2015 and June 2016 to October 2016 to June 2017 (**Appendix 27**).

49 The Balance of Visible Trade shows the exchange of physically tangible goods between countries; a country's imports and exports of merchandise.

**BOX 3: The Balance of Payments of Trinidad And Tobago Transition from Bpm5 to Bpm6**

In 2009, the International Monetary Fund (IMF) published its sixth edition of the Balance of Payments and International Investment Position Manual (BPM6, the Manual) which provides guidelines for transactions and positions between an economy and the rest of the world.

The Central Bank of Trinidad and Tobago with the assistance of the IMF's Caribbean Regional Technical Assistance Centre (CARTAC) has done extensive work to migrate the previously existing Balance of Payments (BOP) and International Investment Position (IIP) to the new international statistical guidelines, BPM6, and to improve coverage of external assets and liabilities.

The main improvements are summarised as follows:

- **Grouping**: The Capital Account is no longer grouped with the Financial Account but with the Current Account.
- **Changes in Signs and Terminology**: The terms "primary income" and "secondary income" now replace "income" and "current transfers" respectively as previously used under BPM5. Also, Increases in assets/liabilities are now represented by a positive sign while decreases in assets/liabilities are represented with a negative sign. Previously, increases in assets were represented by negative signs and decreases represented by positive signs.
- **Improvement of the conceptual framework and the classification structure of the financial account**: In the standard presentation, the overall balance on the financial account is called net lending (+) / net borrowing (-). "Credits" and "debits" of BPM5 have also been replaced by "net acquisition of financial assets" and "net incurrence of liabilities," respectively and there is a greater level of detail for Direct Investment (DI) relationships. The presentation of DI has been changed to an asset-liability basis from the directional principle employed in BPM5.
- **Other methodological changes**: There have been improvements in classification, revision of Trade Data, an introduction of new survey and expansion of the survey frame for the Survey of Private Investment (SPI), as well as a more extensive use of available data and cross checking of accuracy.

These efforts have led to broad-based revisions for BOP and IIP data from 2011 to date; accordingly, the section on the BOP in this year's Review of the Economy utilises the updated information from the CBTT.

# Trade Agreements

## Trinidad and Tobago/El Salvador Partial Scope Trade Agreement

Trinidad and Tobago and El Salvador completed negotiations for a Partial Scope Trade Agreement (PSTA) in September 2015. Under this agreement El Salvador provides access for 150 products from Trinidad and Tobago, including fish, cassava, watermelons, curry, cocoa powder, condiments (ketchup, mustard, pepper sauce) lubricating oils, greases and plastic products among others.

Trinidad and Tobago is also committed to provide preferential access for 177 products from El Salvador including clothing, cereals and cosmetics into Trinidad and Tobago.

The Government, intent on capitalising on the opportunities presented with increased levels of market access, is currently seeking the required approvals to implement the agreement. Consequently, the text of the agreement must be initialled (by both parties) and submitted to the Secretary General, CARICOM Secretariat before the end of Fiscal 2016/2017.

## Trinidad and Tobago/ Guatemala Partial Scope Trade Agreement

The Trinidad and Tobago/Guatemala Partial Scope Trade Agreement was signed on February 6, 2015. The Agreement provides access for 135 products into Guatemala from Trinidad and Tobago and 144 products into Trinidad and Tobago from Guatemala. Local manufacturers and exporters are expected to benefit as this will allow the sale of products such as agro-processed goods, at duty free rates to the Guatemalan market.

## Trinidad and Tobago/Chile Partial Scope Trade Agreement

In Fiscal 2017, Trinidad and Tobago re-engaged Chile for the exploration of a Partial Scope Trade Agreement. The Government is currently engaged in stakeholder consultations and preparations for the current bi-partisan Working Group to review the possibility of a Trade Agreement.

The Working Group was established and mandated to determine the scope of these negotiations and to continue discussions throughout 2017 with the aim of successively commencing negotiations. The First Meeting was held on May 18, 2017.

A high-powered delegation from Trinidad and Tobago, led by Prime Minister Dr. Keith Rowley, visited Chile at the end of May 2017 to further discussions on the proposed TT-Chile PSTA.

## CARICOM/Dominican Republic Free Trade Agreement

The Fifth Meeting of the Joint Council, established under the CARICOM/Dominican Republic Free Trade Agreement (FTA), took place in March 2017 in Guyana featuring discussions on the expansion of preferential access under the Agreement, the rules of procedure of the Joint Council and market access difficulties experienced by exporters.

It is anticipated that an extraordinary meeting will be scheduled in 2017 to finalise these discussions.

## CARICOM\Cuba Trade and Economic Cooperation Agreement

In January 2017, the Tenth Meeting of the Joint Commission, under the Trade and Economic Cooperation Agreement between the CARICOM Community (CARICOM) and the Republic of Cuba, was held in Georgetown, Guyana. During this Meeting, the negotiation regarding the expansion of preferential access concluded. The results of these negotiations will be reflected in the Second Protocol Implementing the CARICOM–Cuba Trade and Economic Cooperation Agreement.

This Protocol was accepted by Trinidad and Tobago and is expected to be signed upon the acceptance by all CARICOM Member States.

## World Trade Organisation (WTO) - Agreement on Trade Facilitation

On February 22, 2017, after two-thirds of the World Trade Organisation (WTO) membership ratified the WTO's Trade Facilitation Agreement (TFA), the agreement entered into force. This TFA seeks to improve the conditions under which goods are traded through the establishment of rules for further expediting the movement, release and clearance of goods, as well as eliminate the "*red tape*" or bureaucracy that exists at the borders where goods are traded.

As a result of entry into force, Trinidad and Tobago has been implementing its Category A commitments (immediate obligations).

During the first year of operation, the National Trade Facilitation Committee (NTFC), established to oversee domestic implementation of the TFA, has concluded work on an Implementation Plan to ensure national compliance with the TFA. The Implementation Plan is currently before the Cabinet. The NTFC also has identified the Category B (obligations to be implemented in the future) and Category C commitments (obligations to be implemented after the receipt of technical assistance and support for capacity building), which Trinidad and Tobago expects to notify the WTO of in 2017.

## Appendix 1

# Gross Domestic Product of Trinidad and Tobago at Constant (2012) Market Prices /TT$ Millions/

| INDUSTRY | ISIC[1] | 2012[r] | 2013[r] | 2014[r] | 2015[r] | 2016[r] | 2017[p] |
|---|---|---|---|---|---|---|---|
| Agriculture, forestry and fishing | A | 599.9 | 587.2 | 568.3 | 686.2 | 582.8 | 566.6 |
| Mining and quarrying | B | 35,566.6 | 36,280.9 | 35,941.2 | 34,792.3 | 30,190.5 | 29,511.8 |
| Manufacturing | C | 31,913.2 | 32,377.4 | 31,519.7 | 30,930.3 | 29,216.0 | 28,270.2 |
| Food, beverages and tobacco products | CA | 5,182.7 | 5,052.7 | 4,878.5 | 4,908.1 | 5,471.3 | 5,463.3 |
| Textiles, clothing, leather, wood, paper and printing | CB-C | 626.3 | 659.3 | 648.6 | 606.9 | 607.0 | 626.1 |
| Petroleum and chemical products | CD-E | 23,190.9 | 23,584.3 | 22,806.2 | 22,508.0 | 20,828.5 | 19,963.8 |
| Other manufactured products | CF-M | 2,913.1 | 3,081.1 | 3,186.4 | 2,907.2 | 2,309.2 | 2,217.0 |
| Electricity and gas | D | 4,519.8 | 4,566.2 | 4,472.4 | 4,275.0 | 3,757.3 | 3,601.1 |
| Water supply and sewerage | E | 1,774.7 | 1,718.0 | 1,627.7 | 1,651.3 | 1,677.8 | 1,703.3 |
| Construction | F | 8,778.5 | 9,437.5 | 9,627.3 | 9,472.8 | 8,976.6 | 8,549.5 |
| Trade and repairs | G | 30,833.2 | 28,366.0 | 28,213.6 | 28,763.1 | 26,629.7 | 24,117.7 |
| Transport and storage | H | 6,168.2 | 6,574.4 | 6,818.7 | 6,700.4 | 6,439.0 | 6,887.7 |
| Accommodation and food services | I | 2,189.4 | 2,227.8 | 2,243.1 | 2,267.7 | 2,218.0 | 2,146.9 |
| Information and communication | J | 3,917.7 | 3,999.1 | 4,038.2 | 4,142.2 | 4,135.1 | 4,014.1 |
| Financial and insurance activities | K | 10,338.2 | 11,540.7 | 12,616.1 | 13,976.9 | 15,035.7 | 15,635.8 |
| Real estate activities | L | 3,037.1 | 3,051.2 | 3,060.4 | 3,075.7 | 3,089.6 | 3,102.4 |
| Professional, scientific and technical services | M | 2,425.0 | 2,766.2 | 2,839.9 | 2,432.8 | 2,368.5 | 2,894.3 |
| Administrative and support services | N | 3,229.7 | 4,087.2 | 3,579.5 | 4,883.0 | 4,754.1 | 4,646.8 |
| Public administration | O | 10,758.4 | 10,888.5 | 11,289.2 | 11,434.7 | 11,556.5 | 11,646.0 |
| Education | P | 3,662.5 | 3,736.5 | 3,812.2 | 3,885.1 | 4,076.1 | 4,202.2 |
| Human health and social work | Q | 492.0 | 494.2 | 496.0 | 497.6 | 499.2 | 500.8 |
| Arts, entertainment and recreation | R | 385.4 | 387.1 | 388.4 | 389.7 | 390.9 | 392.2 |
| Other service activities | S | 606.5 | 610.4 | 617.1 | 617.0 | 621.2 | 612.8 |
| Domestic services | T | 160.2 | 162.4 | 164.5 | 166.5 | 168.6 | 170.6 |
| | | | | | | | |
| Less FISIM[2] | | (3,143.9) | (3,302.5) | (3,283.8) | (3,357.1) | (3,368.7) | (3,318.2) |
| GDP at basic prices[3] | | 158,212.4 | 160,556.4 | 160,649.6 | 161,683.3 | 153,014.5 | 149,854.6 |
| Taxes less subsidies on products | | 6,532.5 | 5,804.4 | 5,291.6 | 6,775.7 | 5,409.2 | 4,868.3 |
| | | | | | | | |
| **GDP AT PURCHASER PRICES[4]** | | **164,744.9** | **166,360.8** | **165,941.3** | **168,458.9** | **158,423.7** | **154,722.9** |
| | | | | | | | |
| *Of which[5]* | | | | | | | |
| *Crude oil exploration and extraction* | | *13,078.6* | *12,766.0* | *12,495.8* | *12,220.2* | *11,286.3* | *10,948.5* |
| *Natural gas exploration and extraction* | | *19,829.0* | *20,470.9* | *20,776.9* | *19,346.3* | *16,633.9* | *16,761.1* |
| *Manufacture of Petrochemicals* | | *11,867.2* | *11,772.9* | *11,700.9* | *11,949.1* | *10,967.2* | *10,351.7* |
| *Petroleum support services* | | *2,425.5* | *2,653.6* | *2,361.0* | *2,987.6* | *2,083.9* | *1,707.1* |
| *Refining (incl. LNG)* | | *10,500.3* | *11,025.7* | *10,385.9* | *9,893.5* | *9,187.5* | *8,930.2* |
| *Petroleum distribution* | | *4,339.6* | *4,375.4* | *4,297.8* | *4,095.1* | *3,614.7* | *3,421.7* |

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).

5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry.

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## Appendix 2

# Gross Domestic Product of Trinidad and Tobago at Constant (2012) Market Prices /Percentage Change/

| INDUSTRY | ISIC[1] | 2012 | 2013r | 2014r | 2015r | 2016r | 2017p |
|---|---|---|---|---|---|---|---|
| Agriculture, forestry and fishing | A | n/a | (2.1) | (3.2) | 20.8 | (15.1) | (2.8) |
| Mining and quarrying | B | n/a | 2.0 | (0.9) | (3.2) | (13.2) | (2.2) |
| Manufacturing | C | n/a | 1.5 | (2.6) | (1.9) | (5.5) | (3.2) |
| Food, beverages and tobacco products | CA | n/a | (2.5) | (3.4) | 0.6 | 11.5 | (0.1) |
| Textiles, clothing, leather, wood, paper and printing | CB-C | n/a | 5.3 | (1.6) | (6.4) | 0.0 | 3.1 |
| Petroleum and chemical products | CD-E | n/a | 1.7 | (3.3) | (1.3) | (7.5) | (4.2) |
| Other manufactured products | CF-M | n/a | 5.8 | 3.4 | (8.8) | (20.6) | (4.0) |
| Electricity and gas | D | n/a | 1.0 | (2.1) | (4.4) | (12.1) | (4.2) |
| Water supply and sewerage | E | n/a | (3.2) | (5.3) | 1.4 | 1.6 | 1.5 |
| Construction | F | n/a | 7.5 | 2.0 | (1.6) | (5.2) | (4.8) |
| Trade and repairs | G | n/a | (8.0) | (0.5) | 1.9 | (7.4) | (9.4) |
| Transport and storage | H | n/a | 6.6 | 3.7 | (1.7) | (3.9) | 7.0 |
| Accommodation and food services | I | n/a | 1.8 | 0.7 | 1.1 | (2.2) | (3.2) |
| Information and communication | J | n/a | 2.1 | 1.0 | 2.6 | (0.2) | (2.9) |
| Financial and insurance activities | K | n/a | 11.6 | 9.3 | 10.8 | 7.6 | 4.0 |
| Real estate activities | L | n/a | 0.5 | 0.3 | 0.5 | 0.5 | 0.4 |
| Professional, scientific and technical services | M | n/a | 14.1 | 2.7 | (14.3) | (2.6) | 22.2 |
| Administrative and support services | N | n/a | 26.5 | (12.4) | 36.4 | (2.6) | (2.3) |
| Public administration | O | n/a | 1.2 | 3.7 | 1.3 | 1.1 | 0.8 |
| Education | P | n/a | 2.0 | 2.0 | 1.9 | 4.9 | 3.1 |
| Human health and social work | Q | n/a | 0.4 | 0.4 | 0.3 | 0.3 | 0.3 |
| Arts, entertainment and recreation | R | n/a | 0.4 | 0.4 | 0.3 | 0.3 | 0.3 |
| Other service activities | S | n/a | 0.6 | 1.1 | (0.01) | 0.7 | (1.3) |
| Domestic services | T | n/a | 1.3 | 1.3 | 1.2 | 1.2 | 1.2 |
| | | | | | | | |
| Less FISIM[2] | | n/a | 5.0 | (0.6) | 2.2 | 0.3 | (1.5) |
| GDP at basic prices[3] | | n/a | 1.5 | 0.1 | 0.6 | (5.4) | (2.1) |
| Taxes less subsidies on products | | n/a | (11.1) | (8.8) | 28.0 | (20.2) | (10.0) |
| | | | | | | | |
| **GDP AT PURCHASER PRICES[4]** | | **n/a** | **1.0** | **(0.3)** | **1.5** | **(6.0)** | **(2.3)** |
| | | | | | | | |
| *Of which[5]* | | | | | | | |
| *Crude oil exploration and extraction* | | *n/a* | *(2.4)* | *(2.1)* | *(2.2)* | *(7.6)* | *(3.0)* |
| *Natural gas exploration and extraction* | | *n/a* | *3.2* | *1.5* | *(6.9)* | *(14.0)* | *0.8* |
| *Manufacture of Petrochemicals* | | *n/a* | *(0.8)* | *(0.6)* | *2.1* | *(8.2)* | *(5.6)* |
| *Petroleum support services* | | *n/a* | *9.4* | *(11.0)* | *26.5* | *(30.2)* | *(18.1)* |
| *Refining (incl. LNG)* | | *n/a* | *5.0* | *(5.8)* | *(4.7)* | *(7.1)* | *(2.8)* |
| *Petroleum distribution* | | *n/a* | *0.8* | *(1.8)* | *(4.7)* | *(11.7)* | *(5.3)* |

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).

5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry.

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## Appendix 3

# Gross Domestic Product of Trinidad and Tobago at Constant (2012) Market Prices /Percentage Contribution/

| INDUSTRY | ISIC[1] | 2012[r] | 2013[r] | 2014[r] | 2015[r] | 2016[r] | 2017[p] |
|---|---|---|---|---|---|---|---|
| Agriculture, forestry and fishing | A | 0.4 | 0.4 | 0.3 | 0.4 | 0.4 | 0.4 |
| Mining and quarrying | B | 21.6 | 21.8 | 21.7 | 20.7 | 19.1 | 19.1 |
| Manufacturing | C | 19.4 | 19.5 | 19.0 | 18.4 | 18.4 | 18.3 |
| Food, beverages and tobacco products | CA | 3.1 | 3.0 | 2.9 | 2.9 | 3.5 | 3.5 |
| Textiles, clothing, leather, wood, paper and printing | CB-C | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| Petroleum and chemical products | CD-E | 14.1 | 14.2 | 13.7 | 13.4 | 13.1 | 12.9 |
| Other manufactured products | CF-M | 1.8 | 1.9 | 1.9 | 1.7 | 1.5 | 1.4 |
| Electricity and gas | D | 2.7 | 2.7 | 2.7 | 2.5 | 2.4 | 2.3 |
| Water supply and sewerage | E | 1.1 | 1.0 | 1.0 | 1.0 | 1.1 | 1.1 |
| Construction | F | 5.3 | 5.7 | 5.8 | 5.6 | 5.7 | 5.5 |
| Trade and repairs | G | 18.7 | 17.1 | 17.0 | 17.1 | 16.8 | 15.6 |
| Transport and storage | H | 3.7 | 4.0 | 4.1 | 4.0 | 4.1 | 4.5 |
| Accommodation and food services | I | 1.3 | 1.3 | 1.4 | 1.3 | 1.4 | 1.4 |
| Information and communication | J | 2.4 | 2.4 | 2.4 | 2.5 | 2.6 | 2.6 |
| Financial and insurance activities | K | 6.3 | 6.9 | 7.6 | 8.3 | 9.5 | 10.1 |
| Real estate activities | L | 1.8 | 1.8 | 1.8 | 1.8 | 2.0 | 2.0 |
| Professional, scientific and technical services | M | 1.5 | 1.7 | 1.7 | 1.4 | 1.5 | 1.9 |
| Administrative and support services | N | 2.0 | 2.5 | 2.2 | 2.9 | 3.0 | 3.0 |
| Public administration | O | 6.5 | 6.5 | 6.8 | 6.8 | 7.3 | 7.5 |
| Education | P | 2.2 | 2.2 | 2.3 | 2.3 | 2.6 | 2.7 |
| Human health and social work | Q | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| Arts, entertainment and recreation | R | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 |
| Other service activities | S | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| Domestic services | T | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| | | | | | | | |
| Less FISIM[2] | | (1.9) | (2.0) | (2.0) | (2.0) | (2.1) | (2.1) |
| GDP at basic prices[3] | | 96.0 | 96.5 | 96.8 | 96.0 | 96.6 | 96.9 |
| Taxes less subsidies on products | | 4.0 | 3.5 | 3.2 | 4.0 | 3.4 | 3.1 |
| | | | | | | | |
| **GDP AT PURCHASER PRICES[4]** | | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** |
| | | | | | | | |
| *Of which[5]* | | | | | | | |
| *Crude oil exploration and extraction* | | *7.9* | *7.7* | *7.5* | *7.3* | *7.1* | *7.1* |
| *Natural gas exploration and extraction* | | *12.0* | *12.3* | *12.5* | *11.5* | *10.5* | *10.8* |
| *Manufacture of Petrochemicals* | | *7.2* | *7.1* | *7.1* | *7.1* | *6.9* | *6.7* |
| *Petroleum support services* | | *1.5* | *1.6* | *1.4* | *1.8* | *1.3* | *1.1* |
| *Refining (incl. LNG)* | | *6.4* | *6.6* | *6.3* | *5.9* | *5.8* | *5.8* |
| *Petroleum distribution* | | *2.6* | *2.6* | *2.6* | *2.4* | *2.3* | *2.2* |

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).

5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry.

r: revised p: provisional

## Appendix 4

## Gross Domestic Product of Trinidad and Tobago at Market Prices (Current Prices) /TT$ Millions/

| INDUSTRY | ISIC[1] | 2012r | 2013r | 2014r | 2015r | 2016r | 2017p |
|---|---|---|---|---|---|---|---|
| Agriculture, forestry and fishing | A | 599.9 | 636.7 | 608.3 | 695.2 | 739.5 | 715.3 |
| Mining and quarrying | B | 35,566.6 | 39,208.2 | 37,872.6 | 20,985.3 | 13,388.9 | 16,053.1 |
| Manufacturing | C | 31,913.2 | 26,798.6 | 28,506.9 | 22,620.4 | 25,359.2 | 26,899.5 |
| Food, beverages and tobacco products | CA | 5,182.7 | 5,642.6 | 5,910.3 | 7,524.4 | 9,026.2 | 9,199.9 |
| Textiles, clothing, leather, wood, paper and printing | CB-C | 626.3 | 676.3 | 663.5 | 668.1 | 672.4 | 695.1 |
| Petroleum and chemical products | CD-E | 23,190.9 | 17,087.9 | 18,602.7 | 11,599.3 | 13,044.4 | 14,354.7 |
| Other manufactured products | CF-M | 2,913.1 | 3,391.9 | 3,330.4 | 2,828.6 | 2,616.2 | 2,649.8 |
| Electricity and gas | D | 4,519.8 | 5,160.9 | 4,808.5 | 2,407.9 | 2,094.1 | 2,664.4 |
| Water supply and sewerage | E | 1,774.7 | 1,639.3 | 1,877.4 | 1,706.7 | 2,500.9 | 2,691.4 |
| Construction | F | 8,778.5 | 9,343.9 | 9,778.1 | 9,918.8 | 9,354.3 | 8,942.3 |
| Trade and repairs | G | 30,833.2 | 35,197.8 | 37,286.8 | 36,712.2 | 34,433.4 | 29,043.1 |
| Transport and storage | H | 6,168.2 | 6,156.8 | 5,733.9 | 6,043.7 | 6,857.7 | 7,219.2 |
| Accommodation and food services | I | 2,189.4 | 2,101.7 | 2,079.5 | 2,044.6 | 2,079.5 | 2,077.5 |
| Information and communication | J | 3,917.7 | 4,040.7 | 4,429.0 | 4,371.1 | 4,712.9 | 4,801.4 |
| Financial and insurance activities | K | 10,338.2 | 10,522.5 | 10,489.6 | 10,387.0 | 10,984.1 | 11,700.7 |
| Real estate activities | L | 3,037.1 | 3,039.1 | 3,047.9 | 3,084.4 | 3,129.5 | 3,175.6 |
| Professional, scientific and technical services | M | 2,425.0 | 2,896.6 | 3,040.0 | 3,072.2 | 3,023.7 | 3,739.7 |
| Administrative and support services | N | 3,229.7 | 4,338.0 | 3,898.3 | 6,071.5 | 5,977.6 | 5,909.5 |
| Public administration | O | 10,758.4 | 11,690.6 | 12,608.8 | 14,162.3 | 14,420.9 | 15,048.7 |
| Education | P | 3,662.5 | 3,686.6 | 3,629.0 | 4,493.5 | 4,139.7 | 4,182.9 |
| Human health and social work | Q | 492.0 | 540.8 | 538.7 | 546.7 | 548.9 | 552.8 |
| Arts, entertainment and recreation | R | 385.4 | 467.5 | 494.4 | 559.1 | 522.8 | 431.1 |
| Other service activities | S | 606.5 | 716.9 | 748.2 | 828.1 | 942.0 | 1,065.5 |
| Domestic services | T | 160.2 | 311.6 | 331.2 | 377.4 | 430.0 | 333.1 |
| | | | | | | | |
| Less FISIM[2] | | (3,143.6) | (3,360.8) | (3,359.4) | (3,343.6) | (3,380.5) | (3,535.6) |
| GDP at basic prices[3] | | 158,212.6 | 165,134.4 | 168,447.6 | 147,744.4 | 142,259.4 | 143,711.3 |
| Taxes less subsidies on products | | 6,532.5 | 6,100.4 | 5,879.0 | 7,880.1 | 6,485.6 | 5,973.4 |
| | | | | | | | |
| **GDP AT PURCHASER PRICES[4]** | | **164,745.1** | **171,234.8** | **174,326.6** | **155,624.5** | **148,745.0** | **149,684.7** |
| | | | | | | | |
| *Of which[5]* | | | | | | | |
| *Crude oil exploration and extraction* | | *13,078.6* | *13,100.1* | *11,136.2* | *6,480.8* | *4,238.2* | *5,414.8* |
| *Natural gas exploration and extraction* | | *19,829.0* | *22,682.2* | *23,722.4* | *11,510.9* | *7,112.2* | *8,930.0* |
| *Manufacture of Petrochemicals* | | *11,867.2* | *8,554.0* | *9,026.2* | *6,260.7* | *5,569.7* | *6,335.0* |
| *Petroleum support services* | | *2,425.5* | *3,218.7* | *2,801.2* | *2,859.9* | *1,920.1* | *1,607.2* |
| *Refining (incl. LNG)* | | *10,500.3* | *7,662.2* | *8,746.0* | *4,601.6* | *6,712.6* | *7,136.8* |
| *Petroleum distribution* | | *4,339.6* | *5,009.0* | *4,737.7* | *2,272.3* | *1,943.7* | *2,488.9* |

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).

5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry.

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## Appendix 5

# Gross Domestic Product of Trinidad and Tobago at Market Prices (Current Prices) /Percentage Change/

| INDUSTRY | ISIC[1] | 2012 | 2013[r] | 2014[r] | 2015[r] | 2016[r] | 2017[p] |
|---|---|---|---|---|---|---|---|
| Agriculture, forestry and fishing | A | n/a | 6.1 | (4.5) | 14.3 | 6.4 | (3.3) |
| Mining and quarrying | B | n/a | 10.2 | (3.4) | (44.6) | (36.2) | 19.9 |
| Manufacturing | C | n/a | (16.0) | 6.4 | (20.6) | 12.1 | 6.1 |
| Food, beverages and tobacco products | CA | n/a | 8.9 | 4.7 | 27.3 | 20.0 | 1.9 |
| Textiles, clothing, leather, wood, paper and printing | CB-C | n/a | 8.0 | (1.9) | 0.7 | 0.6 | 3.4 |
| Petroleum and chemical products | CD-E | n/a | (26.3) | 8.9 | (37.6) | 12.5 | 10.0 |
| Other manufactured products | CF-M | n/a | 16.4 | (1.8) | (15.1) | (7.5) | 1.3 |
| Electricity and gas | D | n/a | 14.2 | (6.8) | (49.9) | (13.0) | 27.2 |
| Water supply and sewerage | E | n/a | (7.6) | 14.5 | (9.1) | 46.5 | 7.6 |
| Construction | F | n/a | 6.4 | 4.6 | 1.4 | (5.7) | (4.4) |
| Trade and repairs | G | n/a | 14.2 | 5.9 | (1.5) | (6.2) | (15.7) |
| Transport and storage | H | n/a | (0.2) | (6.9) | 5.4 | 13.5 | 5.3 |
| Accommodation and food services | I | n/a | (4.0) | (1.1) | (1.7) | 1.7 | (0.1) |
| Information and communication | J | n/a | 3.1 | 9.6 | (1.3) | 7.8 | 1.9 |
| Financial and insurance activities | K | n/a | 1.8 | (0.3) | (1.0) | 5.7 | 6.5 |
| Real estate activities | L | n/a | 0.1 | 0.3 | 1.2 | 1.5 | 1.5 |
| Professional, scientific and technical services | M | n/a | 19.4 | 4.9 | 1.1 | (1.6) | 23.7 |
| Administrative and support services | N | n/a | 34.3 | (10.1) | 55.7 | (1.5) | (1.1) |
| Public administration | O | n/a | 8.7 | 7.9 | 12.3 | 1.8 | 4.4 |
| Education | P | n/a | 0.7 | (1.6) | 23.8 | (7.9) | 1.0 |
| Human health and social work | Q | n/a | 9.9 | (0.4) | 1.5 | 0.4 | 0.7 |
| Arts, entertainment and recreation | R | n/a | 21.3 | 5.7 | 13.1 | (6.5) | (17.5) |
| Other service activities | S | n/a | 18.2 | 4.4 | 10.7 | 13.8 | 13.1 |
| Domestic services | T | n/a | 94.5 | 6.3 | 13.9 | 13.9 | (22.5) |
| | | | | | | | |
| Less FISIM[2] | | n/a | 6.9 | (0.04) | (0.5) | 1.1 | 4.6 |
| GDP at basic prices[3] | | n/a | 4.4 | 2.0 | (12.3) | (3.7) | 1.0 |
| Taxes less subsidies on products | | n/a | (6.6) | (3.6) | 34.0 | (17.7) | (7.9) |
| | | | | | | | |
| **GDP AT PURCHASER PRICES[4]** | | **n/a** | **3.9** | **1.8** | **(10.7)** | **(4.4)** | **0.6** |
| | | | | | | | |
| *Of which[5]* | | | | | | | |
| *Crude oil exploration and extraction* | | *n/a* | *0.2* | *(15.0)* | *(41.8)* | *(34.6)* | *27.8* |
| *Natural gas exploration and extraction* | | *n/a* | *14.4* | *4.6* | *(51.5)* | *(38.2)* | *25.6* |
| *Manufacture of Petrochemicals* | | *n/a* | *(27.9)* | *5.5* | *(30.6)* | *(11.0)* | *13.7* |
| *Petroleum support services* | | *n/a* | *32.7* | *(13.0)* | *2.1* | *(32.9)* | *(16.3)* |
| *Refining (incl. LNG)* | | *n/a* | *(27.0)* | *14.1* | *(47.4)* | *45.9* | *6.3* |
| *Petroleum distribution* | | *n/a* | *15.4* | *(5.4)* | *(52.0)* | *(14.5)* | *28.0* |

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).

5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry.

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## Appendix 6

# Gross Domestic Product of Trinidad and Tobago at Market Prices (Current Prices) /Percentage Contribution/

| INDUSTRY | ISIC[1] | 2012[r] | 2013[r] | 2014[r] | 2015[r] | 2016[r] | 2017[p] |
|---|---|---|---|---|---|---|---|
| Agriculture, forestry and fishing | A | 0.4 | 0.4 | 0.3 | 0.4 | 0.5 | 0.5 |
| Mining and quarrying | B | 21.6 | 22.9 | 21.7 | 13.5 | 9.0 | 10.7 |
| Manufacturing | C | 19.4 | 15.7 | 16.4 | 14.5 | 17.0 | 18.0 |
| Food, beverages and tobacco products | CA | 3.1 | 3.3 | 3.4 | 4.8 | 6.1 | 6.1 |
| Textiles, clothing, leather, wood, paper and printing | CB-C | 0.4 | 0.4 | 0.4 | 0.4 | 0.5 | 0.5 |
| Petroleum and chemical products | CD-E | 14.1 | 10.0 | 10.7 | 7.5 | 8.8 | 9.6 |
| Other manufactured products | CF-M | 1.8 | 2.0 | 1.9 | 1.8 | 1.8 | 1.8 |
| Electricity and gas | D | 2.7 | 3.0 | 2.8 | 1.5 | 1.4 | 1.8 |
| Water supply and sewerage | E | 1.1 | 1.0 | 1.1 | 1.1 | 1.7 | 1.8 |
| Construction | F | 5.3 | 5.5 | 5.6 | 6.4 | 6.3 | 6.0 |
| Trade and repairs | G | 18.7 | 20.6 | 21.4 | 23.6 | 23.1 | 19.4 |
| Transport and storage | H | 3.7 | 3.6 | 3.3 | 3.9 | 4.6 | 4.8 |
| Accommodation and food services | I | 1.3 | 1.2 | 1.2 | 1.3 | 1.4 | 1.4 |
| Information and communication | J | 2.4 | 2.4 | 2.5 | 2.8 | 3.2 | 3.2 |
| Financial and insurance activities | K | 6.3 | 6.1 | 6.0 | 6.7 | 7.4 | 7.8 |
| Real estate activities | L | 1.8 | 1.8 | 1.7 | 2.0 | 2.1 | 2.1 |
| Professional, scientific and technical services | M | 1.5 | 1.7 | 1.7 | 2.0 | 2.0 | 2.5 |
| Administrative and support services | N | 2.0 | 2.5 | 2.2 | 3.9 | 4.0 | 3.9 |
| Public administration | O | 6.5 | 6.8 | 7.2 | 9.1 | 9.7 | 10.1 |
| Education | P | 2.2 | 2.2 | 2.1 | 2.9 | 2.8 | 2.8 |
| Human health and social work | Q | 0.3 | 0.3 | 0.3 | 0.4 | 0.4 | 0.4 |
| Arts, entertainment and recreation | R | 0.2 | 0.3 | 0.3 | 0.4 | 0.4 | 0.3 |
| Other service activities | S | 0.4 | 0.4 | 0.4 | 0.5 | 0.6 | 0.7 |
| Domestic services | T | 0.1 | 0.2 | 0.2 | 0.2 | 0.3 | 0.2 |
| | | | | | | | |
| Less FISIM[2] | | (1.9) | (2.0) | (1.9) | (2.1) | (2.3) | (2.4) |
| GDP at basic prices[3] | | 96.0 | 96.4 | 96.6 | 94.9 | 95.6 | 96.0 |
| Taxes less subsidies on products | | 4.0 | 3.6 | 3.4 | 5.1 | 4.4 | 4.0 |
| | | | | | | | |
| **GDP AT PURCHASER PRICES[4]** | | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** |
| | | | | | | | |
| *Of which[5]* | | | | | | | |
| *Crude oil exploration and extraction* | | *7.9* | *7.7* | *6.4* | *4.2* | *2.8* | *3.6* |
| *Natural gas exploration and extraction* | | *12.0* | *13.2* | *13.6* | *7.4* | *4.8* | *6.0* |
| *Manufacture of Petrochemicals* | | *7.2* | *5.0* | *5.2* | *4.0* | *3.7* | *4.2* |
| *Petroleum support services* | | *1.5* | *1.9* | *1.6* | *1.8* | *1.3* | *1.1* |
| *Refining (incl. LNG)* | | *6.4* | *4.5* | *5.0* | *3.0* | *4.5* | *4.8* |
| *Petroleum distribution* | | *2.6* | *2.9* | *2.7* | *1.5* | *1.3* | *1.7* |

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).

5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry.

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## Appendix 7
# Development and Exploratory Drilling and Domestic Crude Production

### Development and Exploratory Drilling

| | Oct '11/ Sep '12 | Oct '12/ Sep '13 | Oct '13/ Sep '14 | Oct '14/ Sep '15 | Oct '15/ Sep '16 | Oct '15/ May '16p | Oct '16/ May '17p |
|---|---|---|---|---|---|---|---|
| **Total Depth Drilled*** | 66.6 | 123.4 | 103.7 | 134.0 | 120.4 | 83.5 | 87.8 |
| Land | 40.4 | 65.2 | 55.3 | 88.3 | 55.4 | 39.3 | 41.1 |
| Marine | 26.2 | 58.2 | 48.4 | 45.7 | 65.0 | 44.2 | 46.7 |
| **Development Drilling*** | 66.1 | 110.8 | 88.9 | 117.9 | 101.5 | 77.3 | 76.5 |
| **Exploratory Drilling*** | 0.5 | 12.6 | 14.8 | 16.2 | 18.9 | 6.2 | 11.3 |

### Number of Wells Drilled

| | Oct '11/ Sep '12 | Oct '12/ Sep '13 | Oct '13/ Sep '14 | Oct '14/ Sep '15 | Oct '15/ Sep '16 | Oct '15/ May '16p | Oct '16/ May '17p |
|---|---|---|---|---|---|---|---|
| **No. of Wells Drilled**** | 55 | 86 | 80 | 94 | 70 | 52 | 59 |
| Development | 55 | 81 | 73 | 88 | 66 | 50 | 57 |
| Exploratory | 0 | 5 | 7 | 6 | 4 | 2 | 2 |

### Domestic Crude and Condensate Production

| | Oct '11/ Sep '12 | Oct '12/ Sep '13 | Oct '13/ Sep '14 | Oct '14/ Sep '15 | Oct '15/ Sep '16 | Oct '15/ Jun '16p | Oct '16/ Jun '17p |
|---|---|---|---|---|---|---|---|
| **Total Crude and Condensate** | | | | | | | |
| **Barrels of Oil per day (BOPD)** | 83,335 | 80,925 | 80,791 | 80,601 | 72,300 | 73,772 | 72,775 |
| Land (%) | 26.6 | 28.3 | 28.6 | 28.7 | 29.2 | 28.8 | 31.0 |
| Marine (%) | 73.4 | 71.7 | 71.4 | 71.3 | 70.8 | 71.2 | 69.0 |
| **Crude Production** | | | | | | | |
| Barrels of Oil per day (BOPD) | 68,947 | 68,138 | 66,890 | 65,712 | 61,618 | 62,677 | 58,908 |
| **Condensate Production** | | | | | | | |
| Barrels of Oil per day (BOPD) | 14,388 | 12,787 | 13,901 | 14,889 | 10,682 | 11,094 | 13,866 |

Source: Ministry of Energy and Energy Industries

p: provisional
* All figures in thousands of metres
** Refers to wells started during the period

## Appendix 8
# Natural Gas and Liquefied Natural Gas Production and Utilisation

| | Oct '11/ Sep '12 | Oct '12/ Sep '13 | Oct '13/ Sep '14 | Oct '14/ Sep '15 | Oct '15/ Sep '16 | Oct '15/ Jun '16p | Oct '16/ Jun '17p |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| **Natural Gas Production** (MMSCF/D)1 | 4,101.9 | 4,121.6 | 4,105.9 | 3,892.8 | 3,429.8 | 3,558.1 | 3,277.7 |
| | | | | | | | |
| **Natural Gas Utilisation** (MMSCF/D)1 | | | | | | | |
| Power Generation | 303.2 | 302.0 | 306.0 | 295.4 | 279.4 | 282.7 | 253.4 |
| Ammonia Manufacture | 577.4 | 538.7 | 557.4 | 540.5 | 550.1 | 554.6 | 560.1 |
| Methanol Manufacture | 529.1 | 522.6 | 547.7 | 527.0 | 489.8 | 516.8 | 440.3 |
| Refinery | 74.3 | 62.9 | 58.8 | 70.8 | 76.5 | 78.3 | 64.6 |
| Iron & Steel Manufacture | 103.0 | 104.3 | 107.6 | 91.8 | 44.7 | 44.8 | 42.9 |
| Cement Manufacture | 10.0 | 11.5 | 12.6 | 12.3 | 11.9 | 13.2 | 12.1 |
| Ammonia Derivatives | 23.4 | 22.2 | 20.1 | 17.9 | 18.4 | 19.1 | 18.4 |
| Gas Processing | 32.1 | 27.0 | 26.8 | 26.3 | 25.7 | 26.6 | 23.9 |
| Small Consumers | 10.8 | 11.0 | 9.9 | 8.7 | 7.7 | 7.8 | 8.0 |
| Liquefied Natural Gas (LNG) | 2,135.9 | 2,226.9 | 2,169.2 | 2,053.4 | 1,693.7 | 1,769.4 | 1,648.1 |
| | | | | | | | |
| **Liquefied Natural Gas (LNG)** | | | | | | | |
| Production2 (Trillion Btu)4 | 709.6 | 740.6 | 719.0 | 677.6 | 564.6 | 443.5 | 404.2 |
| Exports3 (Trillion Btu)4 | 707.4 | 744.5 | 715.7 | 681.3 | 560.4 | 436.2 | 407.6 |

Source: Ministry of Energy and Energy Industries

1 Millions of Standard Cubic Feet per day
2 Refers to output of LNG from LNG Trains
3 Not all LNG produced within a period is sold during the same period, as some LNG may be stored for export later.
4 Trillions of British Thermal Units
p: provisional

# Appendix 9
## Petrochemical Production and Export
## /Tonnes '000/

| | Oct '11/ Sep '12 | Oct '12/ Sep '13 | Oct '13/ Sep '14 | Oct '14/ Sep '15 | Oct '15/ Sep '16 | Oct '15/ Jun '16[p] | Oct '16/ Jun '17[p] |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| **Nitrogeneous Fertilisers** | | | | | | | |
| **Ammonia** | | | | | | | |
| Production | 5,013.4 | 4,521.4 | 4,825.4 | 4,681.0 | 4,963.0 | 3,700.0 | 3,739.3 |
| Export | 4,446.2 | 4,201.7 | 4,355.0 | 4,299.7 | 4,670.9 | 3,456.3 | 3,330.7 |
| | | | | | | | |
| **Urea** | | | | | | | |
| Production | 532.5 | 480.2 | 533.4 | 447.5 | 580.0 | 410.5 | 432.4 |
| Export | 530.1 | 461.7 | 526.9 | 425.0 | 590.0 | 448.7 | 418.1 |
| | | | | | | | |
| **Methanol** | | | | | | | |
| Production | 5,597.1 | 5,380.4 | 5,697.1 | 5,380.8 | 5,005.6 | 3,950.1 | 3,411.1 |
| Export | 5,575.9 | 5,482.0 | 5,674.0 | 5,313.8 | 5,162.0 | 4,036.5 | 3,345.1 |

Source: Ministry of Energy and Energy Industries

p: provisional

## Appendix 10
## Change in Prices, Productivity and Average Weekly Earnings
## /Percentage Change/

| | | 2012 | 2013 | 2014 | 2015 | 2016 | Jan -Jun* 2016 | Jan -Jun* 2017 |
|---|---|---|---|---|---|---|---|---|
| | **Weights** | | | | | | | |
| **Index of Retail Prices (Calendar Year)** | | | | | | | | |
| | | | | | | | | |
| **All Items (Base Year = Jan 2015)** | **1,000** | **9.2** | **5.1** | **5.8** | **4.7** | **3.1** | **1.9** | **0.3** |
| Core | 827 | 2.5 | 2.3 | 2.1 | 1.8 | 2.1 | 1.1 | 0.5 |
| Food | 173 | 19.1 | 8.7 | 10.0 | 8.6 | 7.4 | 5.1 | -0.9 |
| Transport | 147 | 1.9 | 3.4 | 2.8 | 1.0 | 3.2 | 3.0 | 0.5 |
| Housing | 275 | 2.4 | 0.2 | 0.7 | 0.9 | -0.3 | -0.7 | 0.2 |
| | | **2011/ 2012** | **2012/ 2013** | **2013/ 2014** | **2014/ 2015** | **2015/ 2016** | **Jan '16/ Mar '16**** | **Jan '17/ Mar '17**** |
| **Index of Productivity (Fiscal Year)** | | | | | | | | |
| **All workers/all industries (Base Year = 1995)** | | **-6.3** | **3.2** | **1.1** | **-1.4** | **-8.0** | **-4.0** | **-7.6** |
| **Non-Energy** | | **-2.6** | **6.2** | **0.4** | **-4.5** | **-17.1** | **-14.8** | **-9.1** |
| Food Processing | | -8.7 | -13.5 | -13.7 | 25.8 | 25.8 | 39.5 | -17.4 |
| Drink and Tobacco | | 4.2 | 0.1 | -4.0 | 4.1 | 12.1 | 10.2 | -11.6 |
| Textiles, Garments and Footwear | | -4.1 | -10.9 | -13.1 | -14.7 | -15.7 | -15.1 | 3.0 |
| Printing, Publishing and Paper Converters | | -0.8 | 16.0 | 8.2 | -9.0 | -3.3 | -0.6 | 6.6 |
| Wood and Related Products | | -5.1 | -7.7 | -23.7 | 0.3 | 6.8 | 5.1 | -5.9 |
| Chemicals | | 25.8 | -8.4 | 11.0 | 2.9 | 1.9 | 0.5 | -0.4 |
| Assembly Type & Related Products | | -1.9 | 33.7 | 18.8 | -14.3 | -67.7 | -63.2 | -13.2 |
| Miscellaneous Manufacturing | | 15.3 | 16.0 | 8.0 | 7.1 | 7.1 | 8.3 | 1.5 |
| Electricity | | -22.0 | 1.0 | -5.6 | -3.3 | -2.0 | 5.1 | -17.0 |
| Water | | -11.7 | 24.5 | 14.7 | 6.6 | -6.2 | -3.6 | -13.4 |
| | | | | | | | | |
| Petrochemicals | | -3.9 | -7.5 | 3.4 | -11.6 | 12.1 | 2.1 | 9.3 |
| Exploration and Production of Oil and Natural Gas | | -17.4 | -12.6 | -5.7 | 0.4 | 5.0 | 9.5 | -2.5 |
| Oil & Natural Gas Refining | | -23.1 | 3.1 | 3.2 | 22.9 | 19.3 | 40.0 | -13.9 |
| | | | | | | | | |
| **Index of Average Weekly Earnings (Fiscal Year)** | | | | | | | | |
| **All workers/all industries (Base Year = 1995)** | **1,000** | **1.9** | **11.0** | **-1.4** | **5.1** | **-0.9** | **2.5** | **-1.2** |

Source: Central Statistical Office

* Calendar Year-to-date

** Refers to change in January to March period, versus January to March in the previous year

## Appendix 11
# Population, Labour Force and Employment (Mid-year)

| | 2011* | 2012* | 2013* | 2014* | 2015*p | 2016*p | 2017*p |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| **TOTAL POPULATION** | 1,328,019 | 1,335,194 | 1,340,557 | 1,345,343 | 1,349,667 | 1,353,895 | 1,356,633 |
| **% change** | 0.8 | 0.5 | 0.4 | 0.4 | 0.3 | 0.3 | 0.2 |
| | | | | | | | |
| **TOTAL MALE** | 666,305 | 669,905 | 672,596 | 674,997 | 677,166 | 679,288 | 680,661 |
| **% change** | 0.8 | 0.5 | 0.4 | 0.4 | 0.3 | 0.3 | 0.2 |
| | | | | | | | |
| **TOTAL FEMALE** | 661,714 | 665,289 | 667,961 | 670,346 | 672,501 | 674,607 | 675,972 |
| **% change** | 0.7 | 0.5 | 0.4 | 0.4 | 0.3 | 0.3 | 0.2 |
| | | | | | | | |
| **Dependency Ratio[1] (%)** | 42.0 | 42.0 | 42.0 | 42.0 | 42.0 | 42.0 | 42.0 |
| **Non Institutional Population 15 yrs and over** | 1,005,700 | 1,044,100 | 1,059,600 | 1,063,400 | 1,065,100 | 1,068,500 | 1,070,500†† |
| | | | | | | | |
| **Labour Force*** ** | 616,500† | 646,000 | 650,200 | 658,600 | 645,300 | 638,300 | 640,200†† |
| **Persons Employed** | 585,300† | 614,000 | 626,300 | 636,900 | 623,300 | 613,100 | 611,100†† |
| **Persons Unemployed** | 31,100† | 32,000 | 23,900 | 21,800 | 22,000 | 25,300 | 29,100†† |
| **Participation Rate[2] (%)** | 61.3† | 61.9 | 61.4 | 61.9 | 60.6 | 59.7 | 59.8†† |
| **Unemployment Rate (%)** | 5.0† | 4.9 | 3.7 | 3.3 | 3.4 | 4.0 | 4.5†† |
| | | | | | | | |
| **Births per 1,000 persons** | 15.09 | 14.83 | 13.98 | 13.70 | 14.00 | 12.83 | 12.82 |
| **Deaths per 1,000 persons** | 7.05 | 7.21 | 7.74 | 7.91 | 8.58 | 8.23 | 8.59 |
| **Crude Natural Growth Rate per 1,000** | 8.05 | 7.62 | 6.24 | 5.79 | 5.42 | 4.60 | 4.23 |

Source: Central Statistical Office

1. The dependency ratio is the ratio of dependents (i.e. persons under 15 years of age or 65 years and over) to the total working age population (15 to 64 years).
2. The participation rate is the portion of the non-institutional population, aged 15 years and over, that is part of (participates in) the labour force.

* Figures based on 2011 census
** Figures based on CSSP estimates
† For the period April to December 2011
†† For the period January to March 2017
p: Provisional

## Appendix 12
# Mid-year Estimates of Population by Age

| | 2010 | 2011 | 2012p | 2013p | 2014p | 2015p | 2016p | 2017p |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| **Total Population** | 1,317,714 | 1,328,019 | 1,335,194 | 1,340,557 | 1,345,343 | 1,349,667 | 1,353,895 | 1,356,633 |
| | | | | | | | | |
| **Non-Institutional Population** | | | | | | | | |
| **All Ages** | | | | | | | | |
| **Under 15** | 333,965 | 273,415 | 274,892 | 275,996 | 276,982 | 277,872 | 278,742 | 279,306 |
| **15-19** | 144,548 | 98,379 | 98,911 | 99,308 | 99,662 | 99,983 | 100,296 | 100,499 |
| **20-24** | 116,890 | 114,240 | 114,857 | 115,319 | 115,730 | 116,102 | 116,466 | 116,701 |
| **25-29** | 100,841 | 123,518 | 124,185 | 124,684 | 125,129 | 125,531 | 125,925 | 126,179 |
| **30-34** | 96,235 | 105,580 | 106,150 | 106,577 | 106,957 | 107,301 | 107,637 | 107,855 |
| **35-39** | 107,070 | 92,539 | 93,039 | 93,413 | 93,746 | 94,047 | 94,342 | 94,533 |
| **40-44** | 94,333 | 86,163 | 86,629 | 86,976 | 87,287 | 87,568 | 87,842 | 88,020 |
| **45-49** | 78,103 | 96,114 | 96,633 | 97,021 | 97,368 | 97,681 | 97,987 | 98,185 |
| **50-54** | 65,170 | 87,184 | 87,655 | 88,007 | 88,321 | 88,605 | 88,883 | 89,062 |
| **55-59** | 48,537 | 73,215 | 73,611 | 73,906 | 74,170 | 74,408 | 74,642 | 74,793 |
| **60-64** | 38,736 | 58,647 | 58,964 | 59,201 | 59,412 | 59,603 | 59,790 | 59,911 |
| **65 and over** | 93,286 | 119,025 | 119,668 | 120,149 | 120,578 | 120,965 | 121,344 | 121,590 |

Source: Central Statistical Office

Figures for 2010 are based on 2000 census
Figures for 2011 to 2017 are based on 2011 census
p: provisional

## Appendix 13
# Labour Force by Industry and Employment Status (CSSP Estimates) /Hundreds ('00)

| | 2015 | | | 2016 | | | | | | | | | | | | 2017 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 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 % |
| Total Labour Force | 6,439 | 6,216 | 3.5 | 6,419 | 6,178 | 3.8 | 6,409 | 6,124 | 4.4 | 6,392 | 6,136 | 4.0 | 6,313 | 6,084 | 3.6 | 6,402 | 6,111 | 4.5 |
| Other Agriculture, Forestry, Hunting & Fishing | 197 | 197 | 0.0 | 221 | 219 | 1.4 | 194 | 192 | 1.0 | 188 | 185 | 1.6 | 202 | 195 | 3.0 | 245 | 240 | 2.0 |
| Sugar | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Petroleum and gas | 216 | 198 | 8.3 | 207 | 197 | 5.8 | 194 | 188 | 3.1 | 156 | 152 | 3.2 | 211 | 200 | 5.2 | 164 | 149 | 9.1 |
| Construction | 953 | 888 | 6.9 | 928 | 867 | 6.6 | 969 | 884 | 8.6 | 1,048 | 972 | 7.3 | 987 | 925 | 6.3 | 899 | 828 | 8.0 |
| Wholesale/Retail Trade, Restaurants & Hotels | 1,192 | 1,149 | 3.5 | 1,238 | 1,178 | 4.9 | 1,094 | 1,034 | 5.5 | 1,217 | 1,165 | 4.2 | 1,147 | 1,111 | 3.1 | 1,242 | 1,198 | 3.5 |
| Transport, Storage & Communication | 501 | 490 | 2.0 | 431 | 425 | 1.6 | 481 | 469 | 2.7 | 492 | 479 | 2.8 | 410 | 407 | 0.7 | 446 | 435 | 2.5 |
| Finance, Insurance, Real-Estate & Business Services | 633 | 619 | 2.1 | 607 | 588 | 3.1 | 618 | 594 | 3.9 | 587 | 561 | 4.4 | 604 | 583 | 3.6 | 590 | 562 | 4.7 |
| Community, Social & Personal Services | 2,127 | 2,066 | 2.9 | 2,178 | 2,124 | 2.5 | 2,196 | 2,131 | 2.9 | 2,064 | 2,008 | 2.7 | 2,175 | 2,118 | 2.6 | 2,188 | 2,099 | 4.1 |
| Electricity & Water | 83 | 81 | 2.4 | 103 | 99 | 2.9 | 112 | 109 | 2.7 | 89 | 84 | 5.6 | 94 | 86 | 8.5 | 98 | 93 | 5.1 |
| Other Manufacturing (excluding sugar and oil) | 519 | 510 | 1.7 | 477 | 460 | 3.6 | 536 | 507 | 5.2 | 516 | 496 | 3.9 | 452 | 432 | 4.6 | 511 | 489 | 4.5 |
| Other Mining & Quarrying | 3 | 3 | 0.0 | 10 | 6 | 30.0 | 10 | 10 | 0.0 | 16 | 16 | 0.0 | 5 | 5 | 0.0 | 8 | 8 | 0.0 |
| Not stated | 15 | 13 | 13.3 | 19 | 17 | 10.5 | 7 | 7 | 0.0 | 18 | 18 | 0.0 | 25 | 23 | 16.0 | 11 | 10 | 9.1 |

Source: Central Statistical Office

## Appendix 14
## Exchange Rate for Selected Currencies

| Period | US Dollar | | Canadian Dollar | | U.K. Pound Sterling | | EURO | |
|---|---|---|---|---|---|---|---|---|
| | Buying | Selling | Buying | Selling | Buying | Selling | Buying | Selling |
| **2005** | 6.2318 | 6.2996 | 5.0866 | 5.2849 | 11.1559 | 11.6325 | 7.6171 | 7.8818 |
| **2006** | 6.2494 | 6.3123 | 5.4430 | 5.6765 | 11.3205 | 11.8324 | 7.7153 | 8.0420 |
| **2007** | 6.2736 | 6.3282 | 5.7744 | 6.0402 | 12.2988 | 12.8852 | 8.4361 | 8.7990 |
| **2008** | 6.2236 | 6.2891 | 5.7929 | 6.0553 | 11.2925 | 11.8596 | 8.9735 | 9.3961 |
| **2009** | 6.2736 | 6.3259 | 5.4486 | 5.6911 | 9.6108 | 10.0982 | 8.5703 | 8.9866 |
| **2010** | 6.3203 | 6.3757 | 6.0640 | 6.3055 | 9.6020 | 10.0445 | 8.2477 | 8.5850 |
| **2011** | 6.3731 | 6.4261 | 6.3605 | 6.6262 | 9.9974 | 10.4562 | 8.6736 | 9.0375 |
| **2012** | 6.3716 | 6.4349 | 6.2971 | 6.5787 | 9.8818 | 10.3595 | 8.0181 | 8.3414 |
| **2013** | 6.3885 | 6.4426 | 6.1134 | 6.4166 | 9.7838 | 10.2313 | 8.2916 | 8.6617 |
| **2014** | 6.3613 | 6.4086 | 5.6779 | 5.9750 | 10.2525 | 10.7882 | 8.2714 | 8.6831 |
| **2015** | 6.3298 | 6.3776 | 4.8932 | 5.1793 | 9.5120 | 10.0569 | 6.9171 | 7.3032 |
| **2016** | 6.6152 | 6.6715 | 4.9425 | 5.2478 | 8.8462 | 9.4051 | 7.2682 | 7.6602 |
| | | | | | | | | |
| **2015** | | | | | | | | |
| October | 6.3183 | 6.3627 | 4.7819 | 5.0666 | 9.5167 | 10.0999 | 7.0234 | 7.4293 |
| November | 6.3746 | 6.4329 | 4.7903 | 5.0596 | 9.5873 | 10.1703 | 6.7583 | 7.1753 |
| December | 6.3806 | 6.4342 | 4.6117 | 4.9074 | 9.4361 | 9.9866 | 6.8793 | 7.2490 |
| | | | | | | | | |
| **2016** | | | | | | | | |
| January | 6.4039 | 6.4593 | 4.4519 | 4.7187 | 9.0711 | 9.6471 | 6.8974 | 7.2130 |
| February | 6.4542 | 6.5190 | 4.6229 | 4.8963 | 9.1004 | 9.6861 | 7.0729 | 7.4635 |
| March | 6.5352 | 6.5944 | 4.8821 | 5.1779 | 9.1358 | 9.7290 | 7.2287 | 7.5527 |
| April | 6.5764 | 6.6315 | 5.0725 | 5.3781 | 9.2646 | 9.8195 | 7.3982 | 7.7832 |
| May | 6.6103 | 6.6656 | 5.0491 | 5.3686 | 9.4330 | 10.0487 | 7.4007 | 7.8277 |
| June | 6.6148 | 6.6654 | 5.0659 | 5.3923 | 9.2868 | 9.8514 | 7.3381 | 7.7839 |
| July | 6.6434 | 6.7025 | 5.0657 | 5.3484 | 8.6813 | 9.2295 | 7.3243 | 7.7100 |
| August | 6.6816 | 6.7392 | 5.0818 | 5.4092 | 8.6953 | 9.2502 | 7.4607 | 7.8569 |
| September | 6.6910 | 6.7421 | 5.0541 | 5.3656 | 8.7201 | 9.2789 | 7.4559 | 7.8389 |
| October | 6.6897 | 6.7507 | 5.0065 | 5.3224 | 8.2197 | 8.7486 | 7.3279 | 7.7586 |
| November | 6.7215 | 6.7777 | 4.9412 | 5.2521 | 8.3019 | 8.8011 | 7.2408 | 7.6370 |
| December | 6.7298 | 6.7802 | 4.9667 | 5.2890 | 8.3203 | 8.8555 | 7.0250 | 7.4440 |
| | | | | | | | | |
| **2017** | | | | | | | | |
| January | 6.7248 | 6.7776 | 5.0373 | 5.3238 | 8.2301 | 8.6977 | 7.0618 | 7.4657 |
| February | 6.7311 | 6.7782 | 5.0715 | 5.3740 | 8.3308 | 8.8475 | 7.0778 | 7.4979 |
| March | 6.7183 | 6.7754 | 4.9492 | 5.2856 | 8.2207 | 8.7425 | 7.1072 | 7.5530 |
| April | 6.7253 | 6.7801 | 4.9384 | 5.2622 | 8.4424 | 8.9326 | 7.1554 | 7.5712 |
| May | 6.7249 | 6.7802 | 4.8675 | 5.1878 | 8.6584 | 9.1377 | 7.3796 | 7.8197 |
| June | 6.7275 | 6.7772 | 4.9909 | 5.3184 | 8.6069 | 9.0876 | 7.5077 | 7.9718 |
| July | 6.7279 | 6.7792 | 5.2085 | 5.5373 | 8.6996 | 9.2078 | 7.6730 | 8.1770 |
| August | 6.7236 | 6.7820 | 5.2604 | 5.5972 | 8.6405 | 9.2451 | 7.8817 | 8.3032 |

Source: Central Bank of Trinidad and Tobago

## Appendix 15
# 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) |
|---|---|---|---|---|---|---|---|
| **2005** | 2,425.4 | 9,890.7 | 9,967.3 | 5,729.0 | 7,362.3 | 12,316.1 | 28,012.4 |
| **2006** | 2,654.4 | 10,853.5 | 11,523.7 | 7,828.4 | 10,505.5 | 13,507.9 | 32,859.9 |
| **2007** | 3,182.8 | 11,939.3 | 13,001.7 | 9,186.1 | 11,923.5 | 15,122.1 | 37,309.9 |
| **2008** | 3,433.7 | 13,226.0 | 13,830.6 | 11,680.2 | 16,112.7 | 16,659.7 | 42,170.5 |
| **2009** | 3,850.0 | 19,310.3 | 17,702.6 | 12,681.5 | 22,930.1 | 23,160.3 | 53,544.4 |
| **2010** | 4,242.4 | 21,040.7 | 19,953.3 | 10,981.4 | 18,926.3 | 25,283.0 | 56,217.7 |
| **2011** | 4,689.9 | 26,494.9 | 22,468.4 | 10,356.0 | 19,510.1 | 31,184.8 | 64,009.2 |
| **2012** | 5,395.5 | 30,285.4 | 24,748.5 | 10,391.9 | 23,458.0 | 35,680.9 | 70,821.2 |
| **2013** | 6,050.0 | 34,073.6 | 27,437.8 | 9,473.2 | 21,618.9 | 40,123.6 | 77,034.6 |
| **2014** | 6,895.1 | 40,824.1 | 29,899.5 | 9,509.7 | 20,961.8 | 47,719.2 | 87,128.3 |
| **2015** | 7,649.8 | 36,604.2 | 31,886.9 | 9,729.6 | 22,249.7 | 44,254.0 | 85,870.5 |
| **2016** | 7,846.6 | 37,537.2 | 32,630.2 | 10,622.2 | 23,866.3 | 45,383.8 | 88,636.2 |
| | | | | | | | |
| **2015** | | | | | | | |
| October | 7,526.2 | 34,109.5 | 32,167.7 | 9,897.4 | 22,640.2 | 41,635.7 | 83,700.8 |
| November | 7,532.2 | 35,601.4 | 32,154.1 | 9,821.0 | 22,245.6 | 43,133.6 | 85,108.7 |
| December | 7,649.8 | 36,604.2 | 31,886.9 | 9,729.6 | 22,249.7 | 44,254.0 | 85,870.5 |
| | | | | | | | |
| **2016** | | | | | | | |
| January | 7,507.2 | 36,578.3 | 32,181.3 | 9,810.7 | 21,686.6 | 44,085.5 | 86,077.6 |
| February | 7,563.5 | 36,961.8 | 32,268.3 | 9,876.3 | 22,871.6 | 44,525.3 | 86,669.8 |
| March | 7,606.8 | 37,544.5 | 32,300.9 | 9,870.2 | 23,695.1 | 45,151.3 | 87,322.3 |
| April | 7,640.6 | 37,919.4 | 32,420.5 | 10,198.2 | 23,824.3 | 45,560.0 | 88,178.8 |
| May | 7,635.6 | 37,759.1 | 32,220.3 | 11,084.3 | 24,103.0 | 45,394.7 | 88,699.2 |
| June | 7,548.1 | 36,955.3 | 32,435.3 | 11,373.7 | 24,367.4 | 44,503.4 | 88,312.3 |
| July | 7,631.7 | 35,556.2 | 32,611.5 | 10,879.1 | 24,814.7 | 43,187.9 | 86,678.4 |
| August | 7,562.4 | 35,427.5 | 32,463.9 | 10,575.1 | 23,990.6 | 42,989.9 | 86,028.9 |
| September | 7,614.1 | 35,963.4 | 32,362.3 | 10,763.2 | 23,370.7 | 43,577.5 | 86,703.0 |
| October | 7,625.7 | 36,186.2 | 32,346.5 | 10,862.0 | 22,784.1 | 43,811.9 | 87,020.4 |
| November | 7,657.8 | 37,264.9 | 32,638.1 | 10,700.6 | 23,336.2 | 44,922.7 | 88,261.5 |
| December | 7,846.6 | 37,537.2 | 32,630.2 | 10,622.2 | 23,866.3 | 45,383.8 | 88,636.2 |
| | | | | | | | |
| **2017** | | | | | | | |
| January | 7,639.8 | 35,831.3 | 32,437.0 | 10,544.5 | 23,791.1 | 43,471.1 | 86,452.6 |
| February | 7,791.6 | 36,108.9 | 33,007.6 | 10,351.1 | 23,677.4 | 43,900.5 | 87,259.1 |
| March | 7,854.2 | 36,147.4 | 32,914.9 | 10,174.2 | 24,040.2 | 44,001.6 | 87,090.8 |
| April | 7,888.9 | 37,005.6 | 32,944.1 | 10,122.8 | 23,177.8 | 44,894.5 | 87,961.4 |
| May | 7,860.2 | 36,949.5 | 32,461.3 | 9,748.9 | 23,431.5 | 44,809.7 | 87,019.9 |
| June | 7,894.6 | 36,290.7 | 32,490.2 | 9,619.8 | 23,784.0 | 44,185.3 | 86,295.3 |

Source: Central Bank of Trinidad and Tobago

* Foreign Currency Deposits at the Commercial Banks

## Appendix 16
# 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 | | |
| **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 |
| **2009** | 8,055.7 | 10,110.7 | 47,386.5 | 10,110.7 | 4,447.7 | 14,558.5 | 1,004.0 | 1,001.2 |
| **2010** | 8,896.9 | 10,634.3 | 52,334.7 | 10,634.3 | 5,546.7 | 16,181.0 | 800.0 | 1,055.6 |
| **2011** | 9,747.2 | 15,431.2 | 57,336.5 | 15,431.2 | 5,646.7 | 21,077.9 | 1,245.4 | 451.8 |
| **2012** | 10,906.2 | 14,871.9 | 64,154.1 | 14,871.9 | 7,273.1 | 22,145.0 | 1,246.2 | 287.9 |
| **2013** | 12,123.8 | 18,678.4 | 71,316.3 | 18,678.4 | 7,416.3 | 26,094.8 | 1,365.9 | 828.2 |
| **2014** | 13,339.0 | 19,262.7 | 78,464.5 | 19,262.7 | 7,569.3 | 26,832.0 | 1,447.5 | 843.6 |
| **2015** | 13,330.2 | 17,954.9 | 78,413.1 | 17,954.9 | 4,068.3 | 22,023.1 | 1,437.3 | 275.5 |
| **2016** | 13,828.9 | 15,645.8 | 81,346.7 | 15,645.8 | 3,126.9 | 18,772.7 | 1,512.4 | 70.0 |
| | | | | | | | | |
| **2015** | | | | | | | | |
| October | 13,086.1 | 14,289.0 | 76,977.0 | 14,289.0 | 5,539.5 | 19,828.5 | 866.4 | 280.1 |
| November | 13,210.4 | 15,632.9 | 77,708.2 | 15,632.9 | 5,554.2 | 21,187.1 | 901.0 | 263.3 |
| December | 13,330.2 | 17,954.9 | 78,413.1 | 17,954.9 | 4,068.3 | 22,023.1 | 1,437.3 | 275.5 |
| | | | | | | | | |
| **2016** | | | | | | | | |
| January | 13,384.1 | 17,880.4 | 78,730.0 | 17,880.4 | 4,074.6 | 21,955.0 | 966.2 | 353.4 |
| February | 13,404.7 | 17,146.5 | 78,851.2 | 17,146.5 | 4,077.0 | 21,223.5 | 892.5 | 291.9 |
| March | 13,585.1 | 17,024.1 | 79,912.4 | 17,024.1 | 4,098.2 | 21,122.4 | 1,171.3 | 330.1 |
| April | 13,567.1 | 19,091.0 | 79,806.5 | 19,091.0 | 4,096.1 | 23,187.1 | 950.0 | 253.1 |
| May | 13,784.2 | 18,814.0 | 81,083.5 | 18,814.0 | 3,121.7 | 21,935.7 | 1,162.0 | 142.2 |
| June | 13,899.6 | 18,471.1 | 81,762.3 | 18,471.1 | 3,135.2 | 21,606.3 | 1,072.6 | 212.0 |
| July | 13,799.0 | 16,393.1 | 81,170.8 | 16,393.1 | 3,123.4 | 19,516.5 | 1,074.4 | 88.3 |
| August | 13,727.4 | 16,650.3 | 80,749.2 | 16,650.3 | 3,115.0 | 19,765.3 | 1,146.3 | 65.4 |
| September | 13,534.1 | 16,392.0 | 79,612.4 | 16,392.0 | 3,092.2 | 19,484.3 | 1,004.8 | 43.0 |
| October | 13,540.1 | 16,962.8 | 79,647.9 | 16,962.8 | 3,093.0 | 20,055.8 | 970.2 | 50.0 |
| November | 13,620.6 | 17,320.5 | 80,121.0 | 17,320.5 | 3,102.4 | 20,422.9 | 1,105.1 | 50.0 |
| December | 13,828.9 | 15,645.8 | 81,346.7 | 15,645.8 | 3,126.9 | 18,772.7 | 1,512.4 | 70.0 |
| | | | | | | | | |
| **2017** | | | | | | | | |
| January | 13,776.3 | 16,176.1 | 81,037.1 | 16,176.1 | 3,120.7 | 19,296.8 | 1,091.2 | 93.9 |
| February | 13,560.2 | 17,262.4 | 79,765.7 | 17,262.4 | 3,095.3 | 20,357.7 | 1,049.1 | 87.0 |
| March | 13,461.0 | 17,149.4 | 79,182.4 | 17,149.4 | 1,583.7 | 18,733.1 | 981.7 | 139.0 |
| April | 13,509.0 | 18,530.3 | 79,464.7 | 18,530.3 | 1,589.3 | 20,119.6 | 988.1 | 186.9 |
| May | 13,550.8 | 17,020.3 | 79,710.6 | 17,020.3 | 1,594.2 | 18,614.5 | 1,080.6 | 1,299.1 |
| June | 13,521.6 | 15,549.3 | 79,538.8 | 15,549.3 | 1,590.8 | 17,140.1 | 1,108.4 | 799.1 |
| July | 13,486.7 | 15,806.5 | 79,333.4 | 15,806.5 | 1,586.7 | 17,393.2 | 1,054.8 | 1,169.1 |

Source: Central Bank of Trinidad and Tobago

## Appendix 17
# Commercial Banks' Domestic Credit
## /TT$ Millions/

| Period Ending | Central Government Credit | Public Sector | Private Sector | Total Credit | Year on Year Percentage Change in Private Sector |
|---|---|---|---|---|---|
| | | | | | |
| **2005** | 3,646.9 | 3,292.8 | 24,662.2 | 31,601.9 | 24.5 |
| **2006** | 2,627.4 | 2,702.3 | 29,225.1 | 34,554.7[r] | 18.5 |
| **2007** | 2,834.7 | 4,119.8 | 35,574.0 | 42,528.5 | 21.7 |
| **2008** | 3,350.4 | 4,501.4 | 40,452.4 | 48,304.1[r] | 13.7 |
| **2009** | 7,943.9 | 7,327.7 | 38,689.1 | 53,960.7[r] | -4.4 |
| **2010** | 9,696.9 | 7,723.2 | 38,886.7 | 56,306.9[r] | 0.5 |
| **2011** | 9,480.3 | 6,877.1 | 41,402.3 | 57,759.7 | 6.5 |
| **2012** | 14,808.9 | 7,075.3 | 43,010.0 | 64,894.2 | 3.9 |
| **2013** | 14,070.6 | 7,579.0 | 45,042.9 | 66,692.4 | 4.7 |
| **2014** | 17,156.8 | 9,668.8 | 48,311.2 | 75,136.7 | 7.3 |
| **2015** | 14,924.7 | 11,388.4 | 51,246.4 | 77,559.5[r] | 6.1 |
| **2016** | 19,566.7 | 11,452.8 | 53,330.8 | 84,350.3 | 4.1 |
| | | | | | |
| **2015** | | | | | |
| October | 15,118.2 | 11,685.1 | 50,706.6 | 77,509.9 | 6.5 |
| November | 15,725.4 | 11,548.6 | 50,784.0 | 78,058.0 | 5.9 |
| December | 14,924.7 | 11,388.4 | 51,246.4 | 77,559.5 | 6.1 |
| | | | | | |
| **2016** | | | | | |
| January | 14,565.8 | 11,524.8 | 51,723.0 | 77,813.7[r] | 6.6 |
| February | 16,483.1 | 11,362.0 | 51,550.2 | 79,395.3 | 5.9 |
| March | 16,130.3 | 11,280.8 | 51,739.3 | 79,150.4 | 6.2 |
| April | 15,952.5 | 11,342.1 | 52,300.1 | 79,594.6[r] | 6.8 |
| May | 17,380.1 | 12,069.4 | 52,014.4 | 81,463.8 | 6.3 |
| June | 19,009.1 | 10,986.2 | 51,975.7 | 81,971.0 | 5.0 |
| July | 18,725.7 | 11,575.8 | 52,329.5 | 82,631.0 | 5.4 |
| August | 18,589.7 | 11,647.9 | 51,881.0 | 82,118.6 | 3.7 |
| September | 19,527.5 | 11,230.3 | 52,169.7 | 82,927.5 | 4.1 |
| October | 19,681.1 | 11,230.4 | 52,413.0 | 83,324.5 | 3.4 |
| November | 20,053.8 | 11,084.2 | 52,948.7 | 84,086.7 | 4.3 |
| December | 19,566.7 | 11,452.8 | 53,330.8 | 84,350.3 | 4.1 |
| | | | | | |
| **2017** | | | | | |
| January | 18,293.6 | 11,280.4 | 53,014.7 | 82,588.7 | 2.5 |
| February | 17,530.6 | 11,038.0 | 53,583.6 | 82,152.1 | 3.9 |
| March | 18,891.1 | 11,232.8 | 53,497.7 | 83,621.6 | 3.4 |
| April | 17,994.3 | 10,921.9 | 53,716.4 | 82,632.6 | 2.7 |
| May | 18,613.0 | 10,931.1 | 53,504.8 | 83,048.9 | 2.9 |
| June | 18,983.7 | 10,759.2 | 53,781.6 | 83,524.5 | 3.5 |

Source: Central Bank of Trinidad and Tobago

r: revised

## Appendix 18
## Commercial Banks' Interest Rates

| Period Ending | Basic Prime Rate | Prime Loan Rates: Term | Prime Loan Rates: Demand | Prime Loan Rates: Overdraft | Real Estate Mortgage | Savings Ordinary | Special Savings | Time Deposits: 3 Month | Time Deposits: 3 to 6 Month | Time Deposits: 6 to 12 Month |
|---|---|---|---|---|---|---|---|---|---|---|
| **2005** | 9.75 | 9.50 | 9.50 | 9.63 | 9.63 | 1.46 | 2.39 | 2.65 | 3.06 | 3.63 |
| **2006** | 11.75 | 10.63 | 11.75 | 11.75 | 11.75 | 1.40 | 2.39 | 2.35 | 2.92 | 3.38 |
| **2007** | 11.75 | 10.63 | 11.75 | 11.75 | 11.75 | 1.77 | 2.45 | 3.35 | 3.65 | 4.00 |
| **2008** | 13.00 | 12.88 | 13.00 | 13.00 | 13.00 | 2.13 | 2.39 | 3.00 | 3.86 | 4.13 |
| **2009** | 10.25 | 10.25 | 10.25 | 10.25 | 9.90 | 0.57 | 0.88 | 1.08 | 1.48 | 2.22 |
| **2010** | 8.38 | 8.25 | 8.25 | 8.25 | 8.25 | 0.30[r] | 0.33 | 0.52 | 0.79 | 1.33 |
| **2011** | 7.75 | 7.75 | 7.75 | 7.75 | 7.75 | 0.20 | 0.21 | 0.22 | 0.79 | 1.51 |
| **2012** | 7.50 | 7.63 | 7.50 | 7.50 | 7.50 | 0.20 | 0.23 | 0.23 | 0.61 | 0.71 |
| **2013** | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.77 |
| **2014** | 7.75 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| **2015** | 8.93 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| **2016** | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| | | | | | | | | | | |
| **2015** | | | | | | | | | | |
| October | 8.75 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| November | 8.75 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| December | 8.93 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| | | | | | | | | | | |
| **2016** | | | | | | | | | | |
| January | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| February | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| March | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| April | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| May | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| June | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| July | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| August | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| September | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| October | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| November | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| December | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| | | | | | | | | | | |
| **2017** | | | | | | | | | | |
| January | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| February | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| March | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| April | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| May | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |
| June | 9.00 | 7.50 | 7.50 | 7.50 | 7.50 | 0.20 | 0.20 | 0.38 | 0.45 | 0.78 |

Source: Central Bank of Trinidad and Tobago

r: revised

## Appendix 19
# Secondary Market Activities

| Period Ending | Number of Transactions | Volume of Shares Traded (Mn) | Market Value ($Mn) | Composite Index (Period End) |
|---|---|---|---|---|
| | | | | |
| **2005r** | 32,316 | 209.1 | 4,326.3 | 1,067.4 |
| **2006r** | 20,791 | 220.8 | 2,498.0 | 969.2 |
| **2007r** | 17,744 | 120.7 | 2,250.0 | 982.0 |
| **2008** | 22,053 | 134.9r | 2,191.1r | 842.9 |
| **2009** | 9,884 | 76.9 | 1,474.2 | 765.3 |
| **2010** | 8,496 | 76.7r | 864.5 | 835.6 |
| **2011** | 9,200 | 563.9r | 1,032.0r | 1,012.9 |
| **2012** | 8,778 | 50.7 | 746.6 | 1,065.0 |
| **2013** | 11,595 | 97.9r | 1,105.2 | 1,185.1 |
| **2014** | 11,643 | 91.4r | 1,115.7 | 1,150.9 |
| **2015r** | 11,009 | 78.2 | 1,152.9 | 1,162.3 |
| **2016** | 10,519 | 92.0 | 951.8 | 1,209.5 |
| | | | | |
| **2015** | | | | |
| October | 1,209 | 14.6 | 297.7 | 1,148.9 |
| November | 1,184 | 5.7 | 88.5 | 1,157.3 |
| December | 1,170 | 6.9 | 108.3 | 1,162.3 |
| | | | | |
| **2016** | | | | |
| January | 971 | 6.4 | 89.9 | 1,163.3 |
| February | 812 | 8.1 | 40.9 | 1,160.0 |
| March | 1,090 | 14.0 | 103.6 | 1,133.2 |
| April | 807 | 16.3 | 131.4 | 1,125.2 |
| May | 837 | 7.1 | 61.0 | 1,109.6 |
| June | 1,194 | 6.5 | 99.7 | 1,135.6 |
| July | 894 | 5.2 | 69.1 | 1,152.8 |
| August | 775 | 3.8 | 54.0 | 1,159.7 |
| September | 862 | 4.9 | 74.4 | 1,156.8 |
| October | 714 | 7.4 | 53.0 | 1,172.8 |
| November | 924 | 8.4 | 136.0 | 1,205.8 |
| December | 639 | 3.9 | 38.7 | 1,209.5 |
| | | | | |
| **2017** | | | | |
| January | 953 | 7.5 | 66.4 | 1,229.5 |
| February | 967 | 7.6 | 74.0 | 1,237.6 |
| March | 935 | 4.4 | 43.9 | 1,233.8 |
| April | 890 | 4.9 | 82.5 | 1,222.9 |
| May | 1,095 | 11.0 | 110.5 | 1,216.3 |
| June | 699 | 6.8 | 80.4 | 1,209.2 |

Source: Central Bank of Trinidad and Tobago

r: Revised

## Appendix 20
## Central Government Fiscal Operations
## /TT$ Millions/

| | Oct '11/ Sep '12r | Oct '12/ Sep '13r | Oct '13/ Sep '14r | Oct '14/ Sep '15r | Oct '15/ Sep '16r | Oct '16/ Sep '17p |
|---|---|---|---|---|---|---|
| | | | | | | |
| **Total Revenue and Grants** | **49,309.9** | **52,782.2** | **58,397.0** | **57,261.5** | **44,972.6** | **37,835.7** |
| | | | | | | |
| **Current Revenue** | 49,266.5 | 52,280.8 | 57,080.5 | 52,272.3 | 41,158.9 | 36,135.5 |
| of which: Energy Sector Revenue | 26,923.0 | 26,420.5 | 28,056.9 | 19,767.2 | 8,278.2 | 9,039.3 |
| | | | | | | |
| Tax Revenue | 43,568.8 | 44,641.6 | 47,286.6 | 42,298.2 | 29,732.8 | 27,824.5 |
| Non-Tax Revenue | 5,697.7 | 7,639.2 | 9,793.9 | 9,974.1 | 11,426.1 | 8,311.0 |
| | | | | | | |
| **Capital Revenue** | 43.4 | 501.4 | 1,316.5 | 4,989.2 | 3,813.7 | 1,700.2 |
| of which: Grants | 1.2 | 82.0 | 150.7 | 92.3 | 207.3 | 29.9 |
| | | | | | | |
| **Total Expenditure** | **52,838.9** | **57,962.3** | **62,839.2** | **59,971.4** | **52,944.6** | **50,479.2** |
| | | | | | | |
| Current Expenditure | 45,819.2 | 49,500.4 | 54,403.8 | 52,322.9 | 48,546.4 | 46,907.7 |
| Capital Expenditure | 7,019.7 | 8,461.9 | 8,435.4 | 7,648.5 | 4,398.3 | 3,571.5 |
| | | | | | | |
| **Current Account Balance** | **3,447.3** | **2,780.4** | **2,676.7** | **-50.6** | **-7,387.5** | **-10,772.2** |
| | | | | | | |
| **Overall Balance** | **-3,529.0** | **-5,180.1** | **-4,442.2** | **-2,709.9** | **-7,972.1** | **-12,643.5** |
| | | | | | | |
| **Financing Requirements** | **4,530.4** | **5,180.1** | **4,442.2** | **2,709.9** | **7,972.1** | **12,643.5** |
| | | | | | | |
| External Financing (net) | 1,054.1 | -155.1 | 3,312.4 | -199.2 | 8,954.0 | 3,247.5 |
| Domestic Financing (net) | 2,474.9 | 5,335.2 | 1,129.8 | 2,909.1 | -981.9 | 9,396.0 |

Source: Budget Division, Ministry of Finance

r: revised
p: provisional

# Appendix 21
## Central Government Revenue
## /TT$ Millions/

| | Oct '11/ Sep '12r | Oct '12/ Sep '13r | Oct '13/ Sep '14r | Oct '14/ Sep '15r | Oct '15/ Sep '16r | Oct '16/ Sep '17p |
|---|---|---|---|---|---|---|
| | | | | | | |
| **Total Revenue and Grants** | **49,309.9** | **52,782.2** | **58,397.0** | **57,261.5** | **44,972.6** | **37,835.7** |
| | | | | | | |
| **Current Revenue** | **49,266.5** | **52,280.8** | **57,080.5** | **52,272.3** | **41,158.9** | **36,135.5** |
| | | | | | | |
| **Tax Revenue** | **43,568.8** | **44,641.6** | **47,286.6** | **42,298.2** | **29,732.8** | **27,824.5** |
| | | | | | | |
| **Non-Tax Revenue** | **5,697.7** | **7,639.2** | **9,793.9** | **9,974.1** | **11,426.1** | **8,311.0** |
| | | | | | | |
| **Taxes on Income & Profits** | **33,105.0** | **33,508.8** | **36,752.3** | **29,974.3** | **17,668.4** | **16,985.8** |
| *of which:-* | | | | | | |
| Companies | 24,473.3 | 24,446.9 | 27,120.0 | 19,993.9 | 8,039.5 | 7,985.2 |
| Oil | 15,826.8 | 14,771.8 | 16,969.5 | 10,512.7 | 1,036.4 | 1,078.1 |
| Other | 8,646.4 | 9,675.1 | 10,150.5 | 9,481.2 | 7,003.1 | 6,907.1 |
| Individuals | 5,434.7 | 6,207.4 | 6,619.9 | 7,445.3 | 7,186.5 | 6,403.3 |
| Withholding Taxes | 1,083.6 | 884.6 | 941.5 | 1,066.8 | 990.0 | 854.8 |
| Health Surcharge | 187.4 | 218.0 | 209.6 | 264.0 | 225.8 | 201.5 |
| Business Levy | 293.6 | 186.6 | 210.2 | 215.0 | 438.2 | 643.5 |
| Unemployment Fund | 1,259.2 | 1,162.6 | 1,240.2 | 600.9 | 130.5 | 58.8 |
| Green Fund | 346.5 | 369.7 | 381.4 | 345.8 | 611.7 | 791.2 |
| | | | | | | |
| **Taxes on Property** | **4.6** | **4.2** | **3.5** | **3.4** | **3.2** | **3.1** |
| | | | | | | |
| **Taxes on Goods and Services** | **7,925.6** | **8,295.2** | **7,384.3** | **8,903.7** | **8,716.2** | **7,937.7** |
| *of which:-* | | | | | | |
| Excise Duties | 725.2 | 703.8 | 675.7 | 694.7 | 711.3 | 691.9 |
| VAT | 6,337.4 | 6,657.4 | 5,744.7 | 7,223.3 | 7,004.7 | 6,400.0 |
| Motor Vehicle Taxes & Duties | 524.3 | 551.5 | 569.4 | 575.5 | 569.0 | 415.0 |
| | | | | | | |
| **Taxes on International Trade** | **2,319.4** | **2,587.7** | **2,861.5** | **3,014.2** | **3,016.4** | **2,582.9** |
| *of which:-* | | | | | | |
| Import Duties | 2,318.6 | 2,577.5 | 2,861.0 | 2,987.9 | 3,016.0 | 2,582.4 |
| | | | | | | |
| **Other** | | | | | | |
| **Stamp Duties** | **214.2** | **245.7** | **285.0** | **402.6** | **328.6** | **315.0** |
| | | | | | | |
| **Non-Tax Revenue** | **5,697.7** | **7,639.2** | **9,793.9** | **9,974.1** | **11,426.1** | **8,311.0** |
| *of which: -* | | | | | | |
| Royalty on Oil | 2,448.5 | 2,379.6 | 2,399.2 | 1,100.7 | 520.2 | 1,049.6 |
| Profits - State Enterprises | 1,347.3 | 1,978.2 | 5,357.4 | 6,232.0 | 5,153.4 | 3,133.8 |
| Profits - National Lottery | 245.8 | 179.7 | 262.9 | 169.7 | 177.8 | 306.0 |
| Production Sharing | 0.0 | 800.0 | 0.0 | 450.0 | 1,000.0 | 1,300.0 |
| Equity Profits - Central Bank | 478.8 | 555.3 | 392.5 | 177.4 | 809.0 | 714.0 |
| Interest Income | 59.7 | 37.6 | 32.0 | 40.0 | 41.3 | 26.5 |
| Repayment of Past Lending | 32.0 | 22.1 | 18.3 | 27.7 | 2,681.2 | 32.0 |
| Administrative Fees and Charges | 419.4 | 522.5 | 803.8 | 636.1 | 503.1 | 641.9 |
| | | | | | | |
| **Capital Revenue** | **43.4** | **501.4** | **1,316.5** | **1,989.2** | **3,813.7** | **1,700.2** |
| *of which:-* | | | | | | |
| Grants | 1.2 | 82.0 | 150.7 | 92.3 | 207.3 | 29.9 |

Source: Budget Division, Ministry of Finance

r: revised
p: provisional

## Appendix 22
## Central Government Expenditure and Net Lending
## /TT$ Millions/

| | Oct '11/ Sep '12[r] | Oct '12/ Sep '13[r] | Oct '13/ Sep '14[r] | Oct '14/ Sep '15[r] | Oct '15/ Sep '16[r] | Oct '16/ Sep '17[p] |
|---|---|---|---|---|---|---|
| | | | | | | |
| **Total Expenditure** | **52,838.9** | **57,962.3** | **62,839.2** | **59,971.4** | **52,944.6** | **50,479.2** |
| | | | | | | |
| **Current Expenditure** | **45,819.2** | **49,500.4** | **54,403.8** | **52,322.9** | **48,546.4** | **46,907.7** |
| | | | | | | |
| **Wages and Salaries** | **7,282.3** | **9,171.5** | **8,590.8** | **10,077.1** | **9,601.9** | **10,021.5** |
| | | | | | | |
| **Goods & Services** | **7,061.6** | **7,180.1** | **8,008.8** | **8,105.4** | **7,326.0** | **5,914.2** |
| | | | | | | |
| **Interest Payments** | **2,937.1** | **2,808.7** | **3,122.6** | **3,438.4** | **3,762.4** | **4,537.5** |
| Domestic | 2,547.9 | 2,437.3 | 2,661.9 | 2,915.5 | 3,199.8 | 3,620.6 |
| External | 389.2 | 371.4 | 460.7 | 522.9 | 562.6 | 916.9 |
| | | | | | | |
| **Transfers & Subsidies** | **28,538.2** | **30,340.1** | **34,664.1** | **30,702.0** | **27,856.0** | **26,434.5** |
| | | | | | | |
| **Capital Expenditure** | **7,019.7** | **8,461.9** | **8,452.9** | **7,648.5** | **4,398.3** | **3,571.5** |
| Development Programme (PSIP) | 3,335.8 | 3,315.4 | 3,630.6 | 4,064.3 | 2,927.2 | 1,874.7 |
| Infrastructure Development Fund | 3,683.9 | 5,146.5 | 4,804.8 | 3,584.2 | 1,471.1 | 1,696.8 |
| Acquisition of Foreign Fixed Assets | 0.0 | 0.0 | 17.5 | 0.0 | 0.0 | 0.0 |

Source: Budget Division, Ministry of Finance

r: revised
p: provisional

## Appendix 23
# Central Government Budget Financing
## /TT$ Millions/

| | Oct '11/ Sep '12r | Oct '12/ Sep '13r | Oct '13/ Sep '14r | Oct '14/ Sep '15r | Oct '15/ Sep '16r | Oct '16/ Sep '17p |
|---|---|---|---|---|---|---|
| | | | | | | |
| **TOTAL FINANCING** | **3,529.0** | **5,180.1** | **4,442.2** | **2,709.9** | **7,972.1** | **12,643.5** |
| | | | | | | |
| **NET EXTERNAL** | **1,054.1** | **-155.1** | **3,312.4** | **-199.2** | **8,954.0** | **3,247.5** |
| | | | | | | |
| External Borrowings | 1,765.6 | 440.7 | 3,835.0 | 344.4 | 6,982.7 | 2,113.0 |
| | | | | | | |
| Transfer from the Heritage and Stabilisation Fund (HSF) | - | - | - | - | 2,498.4 | 1,712.2 |
| | | | | | | |
| Capital Repayments | -711.5 | -595.8 | -522.6 | -543.6 | -527.1 | -577.7 |
| | | | | | | |
| **NET DOMESTIC** | **2,474.9** | **5,335.2** | **1,129.8** | **2,909.1** | **-981.9** | **9,396.0** |
| of which: | | | | | | |
| Domestic Borrowings | 2,880.9 | 1,579.0 | 1,783.4 | 3,831.8 | 6,623.2 | 8,191.8 |
| | | | | | | |
| Capital Repayments | -1,126.7 | -1,885.8 | -1,607.5 | -2,686.7 | -2,607.2 | -5,132.5 |
| | | | | | | |
| Sinking Fund Transfers | -1,021.7 | -923.2 | -866.8 | -860.5 | -731.0 | -733.4 |

Source: Budget Division, Ministry of Finance

r: revised
p: provisional

## Appendix 24
## Total Public Debt and Debt Service
## /TT$ Millions/

| | Oct '11/ Sep'12 | Oct '12/ Sep'13 | Oct '13/ Sep'14 | Oct '14/ Sep'15[r] | Oct '15/ Sep'16[r] | Oct '16/ Sep'17[p] |
|---|---|---|---|---|---|---|
| **NET PUBLIC SECTOR DEBT [1]** | **64,134.5** | **65,296.4** | **70,280.9** | **76,541.2** | **87,508.2** | **93,742.4** |
| | | | | | | |
| **Domestic Public Sector Debt*** | **50,571.5** | **53,374.9** | **55,260.9** | **60,678.7** | **64,217.4** | **68,486.8** |
| | | | | | | |
| **External Public Sector Debt*** | **13,563.0** | **11,921.5** | **15,020.0** | **15,862.5** | **23,290.8** | **25,255.6** |
| | | | | | | |
| **CENTRAL GOVERNMENT** | **36,546.2** | **37,188.4** | **41,498.8** | **44,708.8** | **56,248.3** | **64,021.7** |
| Domestic | 25,491.7 | 27,595.0 | 28,525.1 | 30,705.4 | 34,699.3 | 40,588.6 |
| BOLTs and Leases | 471.2 | 395.0 | 319.1 | 243.8 | 186.4 | 159.3 |
| External | 10,583.3 | 9,198.4 | 12,654.6 | 13,759.6 | 21,362.6 | 23,273.8 |
| | | | | | | |
| **CONTINGENT LIABILITIES** | **27,588.2** | **28,107.8** | **28,782.2** | **31,832.4** | **31,260.0** | **29,720.5** |
| Guaranteed | 21,302.2 | 20,094.8 | 18,597.3 | 17,299.2 | 15,546.5 | 14,109.1 |
| Statutory Authorities | 9,158.2 | 8,506.7 | 7,752.7 | 6,910.6 | 6,446.0 | 6,070.7 |
| State Enterprises | 12,144.0 | 11,588.1 | 10,844.6 | 10,388.6 | 9,100.5 | 8,038.4 |
| | | | | | | |
| Letters of Guarantee | 6,286.0 | 8,013.0 | 10,184.9 | 14,533.2 | 15,713.5 | 15,611.4 |
| Statutory Authorities | 1,337.6 | 1,978.4 | 2,597.8 | 4,729.5 | 4,942.1 | 4,616.0 |
| State Enterprises | 4,948.4 | 6,034.6 | 7,587.1 | 9,803.7 | 10,771.4 | 10,995.4 |
| | | | | | | |
| **CENTRAL GOVERNMENT DEBT SERVICE** | **3,608.1** | **5,092.4** | **5,157.9** | **5,648.5** | **4,429.0** | **7,448.3** |
| Domestic | 2,507.4 | 3,078.6 | 4,174.7 | 4,582.0 | 3,328.3 | 5,963.5 |
| External | 1,100.7 | 2,013.8 | 983.2 | 1,066.5 | 1,100.7 | 1,484.8 |
| | | | | | | |
| | **(% of GDP)** | | | | | |
| | | | | | | |
| **Net Public Sector Debt** | **38.9[r]** | **38.1[r]** | **40.3[r]** | **49.2** | **58.8** | **62.6** |
| | | | | | | |
| **External Public Sector Debt** | **8.2** | **7.0** | **8.6[r]** | **10.2** | **15.7** | **16.9** |
| | | | | | | |
| **Central Government Debt** | **22.2[r]** | **21.7[r]** | **23.8[r]** | **28.7** | **37.8** | **42.8** |
| | | | | | | |
| **Contingent Liabilities** | **16.7** | **16.4[r]** | **16.5[r]** | **20.5** | **21.0** | **19.9** |

Source: Ministry of Finance

1. Treasury Bills, Treasury Notes, Treasury Bonds and Sterilized Bonds issued for Open Market Operations (OMOs) are not included.
* Includes Central Government and Contingent Liabilities Debt
r: revised
p: provisional

# Appendix 25
## Trinidad and Tobago - Net Foreign Reserves
## /US$ Millions/

| | Central Bank | | | | Commercial Banks | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Period Ending | Foreign Assets[r] | Foreign Liabilities | Net Internat. Reserves[r] | Gov't Balances | Foreign Assets | Foreign Liabilities | Net Foreign Position | Gross Foreign Assets[r] | Total Foreign Liabilities | Net Foreign Position[r] |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| | | | | | | | | (1)+(4)+(5) | (2)+(6) | (8)-(9) |
| | | | | | | | | | | |
| **2007** | 6,708.9 | 14.8 | 6,694.1 | 0.1 | 1,959.7 | 1,069.5 | 890.1 | 8,668.6 | 1,084.3 | 7,584.3 |
| **2008** | 9,441.4 | 16.1 | 9,425.3 | 0.1 | 2,203.5 | 953.3 | 1,250.2 | 11,645.0 | 969.4 | 10,675.6 |
| **2009** | 8,745.9 | 0.0 | 8,745.9 | 0.1 | 2,739.3 | 787.3 | 1,952.0 | 11,485.3 | 787.3 | 10,698.0 |
| **2010** | 9,181.1 | 0.0 | 9,181.1 | 0.2 | 2,188.6 | 730.6 | 1,458.1 | 11,369.9 | 730.6 | 10,639.4 |
| **2011** | 9,982.5 | 0.0 | 9,982.5 | 0.3 | 2,490.9 | 723.0 | 1,767.8 | 12,473.7 | 723.0 | 11,750.7 |
| **2012** | 9,370.3 | 0.0 | 9,370.3 | 0.4 | 3,050.8 | 614.2 | 2,436.6 | 12,421.5 | 614.2 | 11,807.3 |
| **2013** | 10,175.9 | 0.0 | 10,175.9 | 0.0 | 3,087.3 | 745.2 | 2,342.1 | 13,263.2 | 745.2 | 12,518.0 |
| **2014** | 11,496.9 | 0.0 | 11,496.9 | 0.2 | 3,066.7 | 790.6 | 2,276.1 | 14,563.8 | 790.6 | 13,773.2 |
| **2015** | 9,932.4 | 0.0 | 9,932.4 | 0.6 | 3,508.9 | 811.5 | 2,697.4 | 13,441.8 | 811.5 | 12,630.4 |
| **2016** | 9,462.9 | 0.0 | 9,462.9 | 2.9 | 3,343.8 | 605.5 | 2,738.2 | 12,809.6 | 605.5 | 12,204.0 |
| | | | | | | | | | | |
| **2015** | | | | | | | | | | |
| October | 9,790.3 | 0.0 | 9,790.3 | 0.6 | 3,675.6 | 778.2 | 2,897.4 | 13,466.5 | 778.2 | 12,688.3 |
| November | 9,778.0 | 0.0 | 9,778.0 | 0.6 | 3,513.7 | 823.4 | 2,690.3 | 13,292.3 | 823.4 | 12,468.9 |
| December | 9,932.4 | 0.0 | 9,932.4 | 0.6 | 3,508.9 | 811.5 | 2,697.4 | 13,441.8 | 811.5 | 12,630.4 |
| | | | | | | | | | | |
| **2016** | | | | | | | | | | |
| January | 9,805.3 | 0.0 | 9,805.3 | 0.6 | 3,079.5 | 821.7 | 2,257.8 | 12,885.4 | 821.7 | 12,063.7 |
| February | 9,722.1 | 0.0 | 9,722.1 | 0.6 | 3,094.8 | 653.6 | 2,441.2 | 12,817.5 | 653.6 | 12,163.9 |
| March | 9,570.4 | 0.0 | 9,570.4 | 0.6 | 3,260.6 | 704.7 | 2,555.9 | 12,831.6 | 704.7 | 12,126.9 |
| April | 9,428.4 | 0.0 | 9,428.4 | 0.6 | 3,217.0 | 648.2 | 2,568.8 | 12,645.9 | 648.2 | 11,997.7 |
| May | 9,670.7 | 0.0 | 9,670.7 | 0.6 | 3,236.6 | 710.8 | 2,525.9 | 12,907.9 | 710.8 | 12,197.2 |
| June | 9,565.1 | 0.0 | 9,565.1 | 0.6 | 3,083.0 | 519.0 | 2,564.1 | 12,648.7 | 519.0 | 12,129.8 |
| July | 9,445.9 | 0.0 | 9,445.9 | 0.6 | 3,359.0 | 546.6 | 2,812.4 | 12,805.5 | 546.6 | 12,258.9 |
| August | 10,265.4 | 0.0 | 10,265.4 | 0.6 | 3,074.6 | 551.0 | 2,523.6 | 13,340.6 | 551.0 | 12,789.6 |
| September | 10,008.2 | 0.0 | 10,008.2 | 0.6 | 3,118.8 | 581.7 | 2,537.1 | 13,127.6 | 581.7 | 12,545.9 |
| October | 9,891.1 | 0.0 | 9,891.1 | 0.6 | 3,102.0 | 626.2 | 2,475.8 | 12,993.7 | 626.2 | 12,367.5 |
| November | 9,673.7 | 0.0 | 9,673.7 | 2.9 | 3,078.9 | 599.9 | 2,479.0 | 12,755.6 | 599.9 | 12,155.7 |
| December | 9,462.9 | 0.0 | 9,462.9 | 2.9 | 3,343.8 | 605.5 | 2,738.2 | 12,809.6 | 605.5 | 12,204.0 |
| | | | | | | | | | | |
| **2017** | | | | | | | | | | |
| January | 9,300.7 | 0.0 | 9,300.7 | 2.8 | 3,239.5 | 608.3 | 2,631.1 | 12,543.0 | 608.3 | 11,934.7 |
| February | 9,087.0 | 0.0 | 9,087.0 | 2.9 | 3,231.6 | 603.2 | 2,628.5 | 12,321.5 | 603.2 | 11,718.4 |
| March | 9,102.6 | 0.0 | 9,102.6 | 2.8 | 3,401.4 | 567.6 | 2,833.8 | 12,506.8 | 567.6 | 11,939.2 |
| April | 9,050.7 | 0.0 | 9,050.7 | 2.8 | 3,378.7 | 623.1 | 2,755.5 | 12,432.1 | 623.1 | 11,808.9 |
| May | 8,952.8 | 0.0 | 8,952.8 | 2.8 | 3,386.7 | 639.6 | 2,747.1 | 12,342.3 | 639.6 | 11,702.7 |
| June | 8,733.1 | 0.0 | 8,733.1 | 2.8 | 3,345.7 | 539.2 | 2,806.6 | 12,081.7 | 539.2 | 11,542.5 |
| July | 8,739.3 | 0.0 | 8,739.3 | 3.5 | 3,323.1 | 560.1 | 2,763.0 | 12,065.9 | 560.1 | 11,505.9 |

Source: Central Bank of Trinidad and Tobago

r: revised

## Appendix 26
# Trade with CARICOM Countries
## /TT$ Millions/

| | Imports | Exports | Balance of Trade | Exports of Mineral Fuels | Imports of Mineral Fuels | Imports Excluding Mineral Fuels | Exports Excluding Mineral Fuels | Balance of Trade Excluding Mineral Fuels |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| **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 |
| **2007** | 762.3 | 11,462.3 | 10,700.0 | 7,571.5 | 177.9 | 584.4 | 3,890.8 | 3,306.4 |
| **2008** | 772.0 | 21,231.8 | 20,459.8 | 16,994.9 | 146.5 | 625.5 | 4,236.9 | 3,611.4 |
| **2009** | 700.0 | 9,141.4 | 8,441.4 | 5,945.8 | 101.7 | 598.3 | 3,195.6 | 2,597.3 |
| **2010** | 793.2 | 13,238.6 | 12,445.4 | 10,506.2 | 141.0 | 652.2 | 2,732.4 | 2,080.2 |
| **2011** | 1,545.8 | 13,442.5 | 11,896.7 | 9,630.5 | 218.8 | 1,327.0 | 3,812.0 | 2,485.0 |
| **2012** | 1,402.2 | 11,129.3 | 9,727.1 | 7,394.0 | 450.8 | 951.4 | 3,735.3 | 2,783.9 |
| **2013** | 1,230.9 | 19,933.4 | 18,702.5 | 15,671.0 | 421.8 | 809.1 | 4,262.4 | 3,453.3 |
| **2014r** | 1,207.7 | 12,766.9 | 11,559.2 | 8,552.7 | 399.9 | 807.9 | 4,214.2 | 3,406.4 |
| **2015r** | 1,014.5 | 7,580.2 | 6,565.7 | 3,817.4 | 183.4 | 831.1 | 3,762.8 | 2,931.8 |
| **2016p** | 633.3 | 4,242.0 | 3,608.7 | 634.8 | 118.3 | 515.0 | 3,607.2 | 3,092.2 |
| **Oct '15 / Jun '16p** | 481.3 | 3,452.9 | 2,971.5 | 729.2 | 52.6 | 428.8 | 2,723.6 | 2,294.9 |
| **Oct '16 / Jun '17p** | 474.7 | 3,286.6 | 2,811.8 | 798.0 | 103.0 | 371.8 | 2,488.6 | 2,116.9 |

Source: Central Statistical Office

r: revised
p: provisional

# Appendix 27
## Balance of Visible Trade
## /TT$ Millions/

| | 2011 | 2012p | 2013 | 2014r | 2015r | 2016p | Oct '15 / Jun '16p | Oct '16 / Jun '17p |
|---|---|---|---|---|---|---|---|---|
| **Total Visible Trade** | | | | | | | | |
| Exports | 95,634.0 | 82,786.5 | 120,294.3 | 93,057.8 | 68,542.2 | 48,078.2 | 40,087.4 | 33,143.9 |
| Imports | 60,748.6 | 74,635.9 | 80,784.3 | 72,024.6 | 58,883.3 | 54,097.6 | 35,152.5 | 38,389.8 |
| Balance | 34,885.4 | 8,150.6 | 39,510.0 | 21,033.2 | 9,658.9 | (6,019.4) | 4,934.9 | (5,245.9) |
| **Trade Excluding Mineral Fuels** | | | | | | | | |
| Exports | 42,246.6 | 40,567.9 | 48,698.1 | 41,252.1 | 38,586.1 | 33,572.9 | 27,562.2 | 20,794.3 |
| Imports | 37,107.6 | 43,433.7 | 39,876.9 | 40,768.8 | 42,107.7 | 38,514.9 | 27,917.8 | 24,014.2 |
| Balance | 5,139.0 | (2,865.8) | 8,821.2 | 483.3 | (3,521.6) | (4,942.0) | (355.7) | (3,219.9) |
| **Trade Excluding Mineral Fuels U.P.A.** | | | | | | | | |
| Exports | 95,470.9 | 82,657.3 | 120,123.9 | 92,730.0 | 68,403.1 | 48,078.2 | 40,087.4 | 33,143.9 |
| Imports | 60,599.6 | 74,422.4 | 80,634.9 | 69,521.4 | 58,058.3 | 54,097.5 | 35,152.4 | 38,389.8 |
| Balance | 34,871.3 | 8,234.9 | 39,489.0 | 23,208.7 | 10,344.8 | (6,019.3) | 4,935.1 | (5,245.9) |
| **Trade in Mineral Fuels non - U.P.A** | | | | | | | | |
| Exports | 53,224.3 | 42,089.4 | 71,425.8 | 51,805.7 | 29,816.9 | 14,505.3 | 12,525.3 | 12,349.5 |
| Imports | 23,492.0 | 30,988.7 | 40,758.0 | 31,255.7 | 15,950.6 | 15,582.6 | 7,234.5 | 14,375.5 |
| Balance | 29,732.3 | 11,100.7 | 30,667.8 | 20,550.0 | 13,866.3 | (1,077.3) | 5,290.7 | (2,026.0) |
| **Trade in Mineral Fuels UPA** | | | | | | | | |
| Exports | 163.1 | 129.2 | 170.4 | 327.8 | 139.1 | 0.0 | 0.0 | 0.0 |
| Imports | 149.0 | 213.5 | 149.4 | 2,503.2 | 825.0 | 0.1 | 0.1 | 0.0 |
| Balance | 14.1 | (84.3) | 21.0 | (2,175.4) | (685.8) | (0.1) | (0.1) | 0.0 |
| **Trade in Mineral Fuels** | | | | | | | | |
| Exports | 53,387.4 | 42,218.6 | 71,596.2 | 52,133.5 | 29,956.1 | 14,505.3 | 12,525.3 | 12,349.6 |
| Imports | 23,641.0 | 31,202.2 | 40,907.4 | 33,759.0 | 16,775.6 | 15,582.7 | 7,234.7 | 14,375.5 |
| Balance | 29,746.4 | 11,016.4 | 30,688.8 | 18,374.5 | 13,180.5 | (1,077.4) | 5,290.6 | (2,026.0) |

Source: Central Statistical Office

r: revised
p: provisional

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