Government of the Republic of Trinidad and Tobago

REVIEW OF THE ECONOMY 2023

Building Capacity for Diversification and Growth

REVIEW OF THE ECONOMY

2023

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Abbreviations

AATT	Airports Authority of Trinidad and Tobago
AGL	Agostini Limited
AHL	Angostura Holdings Limited
AML/CFT/CPF	Anti-Money Laundering, Combatting the Financing of Terrorism & Countering Proliferation Financing
ATI	All Trinidad and Tobago Index
Atlantic	Atlantic LNG Company of Trinidad and Tobago
ATM	Average Time to Maturity
AUM	Assets Under Management
BAT	British American Insurance Company (Trinidad) Limited
BOLT	Build, Own, Lease and Transfer
BOP	Balance of Payments
BPTT	BP Trinidad and Tobago
BTU	British Thermal Units
CAD	Canadian Dollar
CAF	Corporación Andina De Fomento - Development Bank of Latin America
CAL	Caribbean Airlines Limited
CARICOM	Caribbean Community
CariCRIS	Caribbean Information and Credit Rating Services Limited
CARTAC	Caribbean Technical Assistance Centre
CBI	Citizenship by Investment
CBTT	Central Bank of Trinidad and Tobago
CCB	Capital Conservation Buffer
CCULTT	Co-operative Credit Union League of Trinidad and Tobago Limited
CET	Common Equity Tier
CGCL	Caribbean Gas Chemical Limited
CIF	CLICO Investment Fund
CIS	Collective Investment Schemes
CLI	Cross Listed Index
CLICO	Colonial Life Insurance Company (Trinidad) Limited
CNC	Caribbean Nitrogen Company Limited
CNY	Chinese Yuan Renminbi
CPI (Stock Exchange)	Composite Price Index
CPI	Consumer Price Index
CSO	Central Statistical Office
DeNovo	DeNovo Energy
DPI	Index of Domestic Production
DPL	Development Policy Loan
DR	Dominican Republic
DSIB	Domestic Systemically Important Bank
EBI	Export Booster Initiative

ECB	European Central Bank
ECCU	Eastern Caribbean Currency Union
ECMA	East Coast Marine Area
EFF	Extended Fund Facility
EOG	EOG Resources Trinidad Limited
EOIs	Expressions of Interest
EPA	Economic Partnership Agreement
EPSC	Enhanced Production Service Contract
e TecK	Evolving TecKnologies and Enterprise Development Company Limited
EU	European Union
EUR	Euro
EXIMBANK	Export Import Bank of Trinidad and Tobago
FAO	Food and Agriculture Organisation
FATF	Financial Action Task Force
FCB	First Citizens Bank Limited
FCL	Flexible Credit Line
FCR	Financial Conditions Report
FDI	Foreign Direct Investment
FHC	Financial Holding Company
Fitch	Fitch Ratings
FIUTT	Financial Intelligence Unit of Trinidad and Tobago
FTZ	Free Trade Zones
GATE	Government Assistance for Tertiary Education
GBP	United Kingdom Pound Sterling
GDP	Gross Domestic Product
GFA	General Framework Agreement
GML	Guardian Media Limited
GoRTT	Government of the Republic of Trinidad and Tobago
GTL	Gas-To-Liquids
HDC	Housing Development Corporation
Heritage/HPCL	Heritage Petroleum Company Limited
HS	Harmonized System
HSF	Heritage and Stabilisation Fund
IA 2018	Insurance Act 2018
IBRD	International Bank for Reconstruction and Development
ICF	International Certification Fund
IDB	Inter-American Development Bank
IDF	Infrastructure Development Fund
IDR	Issuer Default Rating
IFRS	International Financial Reporting Standards
ILO	International Labour Organization
IMF	International Monetary Fund
IOSCO	International Organization of Securities Commissions
IPP	Independent Power Producers

JKM	Japan/Korea Marker
Lake Asphalt	Lake Asphalt of Trinidad and Tobago (1978) Limited
LCR	Liquidity Coverage Ratio
LDFI	Licensed Depositary Financial Institutions
LEA	Law Enforcement Agency
LJWB	LJ Williams Limited
LNG	Liquefied Natural Gas
LO/FO	Lease Out/Farmout
MALF	Ministry of Agriculture, Land and Fisheries
MEEI	Ministry of Energy and Energy Industries
MHTL	Methanol Holdings (Trinidad) Limited
MMBTU	million British Thermal Units
M1-A	Narrow Money
M2	Broad Money
MoL	Ministry of Labour
Moody's	Moody's Investors Service
MOU	Memorandum of Understanding
MPC	Monetary Policy Committee
MTI	Ministry of Trade and Industry
MTS	National Maintenance Training and Security Company Limited
MYDNS	Ministry of Youth Development and National Service
N2000	Nitrogen (2000) Unlimited
NAV	Net Asset Value
NBP	National Balancing Point
NCC	National Carnival Commission
NCMA	North Coast Marine Area
NFM	National Flour Mills Limited
NGC	National Gas Company of Trinidad and Tobago Limited
NGLs	Natural Gas Liquids
NHSL	National Helicopter Services Limited
NIDCO	National Infrastructure Development Company Limited
NIIP	Net International Investment Position
NIPDEC	National Insurance and Property Development Company
NiQuan	NiQuan Energy Trinidad Limited
NPMC	Trinidad and Tobago National Petroleum Marketing Company Limited
NRA	National Risk Assessment
NRWRP	National Reforestation and Watershed Rehabilitation Programme
NSAI	Netherland, Sewell and Associates Inc.
Nutrien	Nutrien Trinidad
OCM	One Caribbean Media Limited
OMO	Open Market Operation
OPEC+	Organization of Petroleum Exporting Countries and its allied countries
Paria	Paria Fuel Trading Company Limited
PATT	Port Authority of Trinidad and Tobago

Perenco	Perenco Trinidad and Tobago
Petrotrin	Petroleum Company of Trinidad and Tobago Limited
PFRA	Proliferation Financing Risk Assessment
PHL	Prestige Holdings Limited
PLIPDECO	Point Lisas Industrial Port Development Corporation Limited
PLL	Precautionary and Liquidity Line
PLNL	Point Lisas Nitrogen Limited
PPGPL	Phoenix Park Gas Processors Limited
Proman	Proman Trinidad and Tobago [Caribbean Nitrogen Company Limited (CNC), Methanol Holdings (Trinidad) Limited (MHTL), Nitrogen (2000) Unlimited (N2000)]
PSC	Production Sharing Contract
PSIP	Public Sector Investment Programme
PSTA	Partial Scope Trade Agreement
PTSC	Public Transport Service Corporation
QIS	Quantitative Impact Study
RBL	Republic Bank Limited
RBTT	Royal Bank of Trinidad and Tobago
RPI	Retail Price Index
RSF	Resilience and Sustainability Facility
S&P	Standard & Poor's Global Ratings
SDR	Special Drawing Rights
SECC	South East Coast Consortium
SEZ	Special Economic Zones
Shell	Shell Trinidad and Tobago Limited
SME	Small and Medium-sized Enterprises
SPS	Sanitary and Phytosanitary Measures
SVB	Silicon Valley Bank
SWAP	Sector Wide Approach Programme
SWMCOL	Trinidad and Tobago Solid Waste Management Company Limited
T&TEC	Trinidad and Tobago Electricity Commission
TBT	Technical Barriers to Trade
TCL	Trinidad Cement Limited
TGU	Trinidad Generation Unlimited
TNA	Trinidad Northern Areas
TPHL	Trinidad Petroleum Holding Limited
Touchstone	Touchstone Exploration Trinidad Limited
TRINGEN	Trinidad Nitrogen Company Limited
Trinity	Trinity Exploration and Production Limited
TROC	Trinidad Onshore Compression
TRR	Technically Recoverable Resources
TSTT	Telecommunications Service of Trinidad and Tobago
TTD	Trinidad and Tobago Dollar
TTMF	Trinidad and Tobago Mortgage Finance Company Limited
TTNGL	Trinidad and Tobago NGL Limited

TTSE	Trinidad and Tobago Stock Exchange
TTSEC	Trinidad and Tobago Securities and Exchange Commission
UAN	Urea Ammonium Nitrate
UCL	Unilever Caribbean Limited
UDeCOTT	Urban Development Corporation of Trinidad and Tobago Limited
UK	United Kingdom
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
US/USA	United States/ United States of America
USD	United States Dollar
UTC	Trinidad and Tobago Unit Trust Corporation
VAT	Value Added Tax
VMCOTT	Vehicle Management Corporation of Trinidad and Tobago Limited
WADR	Weighted Average Commercial Bank Deposit Rate
WALR	Weighted Average Commercial Bank Lending Rate
WASA	Water and Sewerage Authority
WB	World Bank
WEO	World Economic Outlook
WITCO	West Indian Tobacco Company Limited
Woodside	Woodside Energy Group Ltd
WTI	West Texas Intermediate
WTTX	Wireless to the "X"

EXECUTIVE SUMMARY

World growth is forecast to slow down in 2023 as the global economy navigates a slew of economic challenges comprising high inflation, unprecedented policy tightening by central banks, especially the Federal Reserve, which have led to highly elevated debt costs and deepening geopolitical fragmentation and conflict. The International Monetary Fund (IMF) postulates that a new *Cold War* could develop should the world's economies disintegrate into rival economic blocs, as a result of an ongoing turbulent geopolitical atmosphere and its attendant uncertainties. Accordingly, the IMF estimates that the global recovery from the COVID-19 pandemic and Russia's war of aggression against Ukraine will decelerate to 3.0 percent in 2023, from 3.5 percent in 2022.

Advanced Economies are expected to drive this deceleration in global growth and record a smaller economic expansion of 1.5 percent in 2023, down from 2.7 percent in 2022. This slowdown in economic activity by Advanced Economies is mainly attributable to higher energy prices as a result of Russia's invasion of Ukraine; terms of trade shocks to major trading sectors; inflationary and interest rate pricing pressures; and banking system challenges arising from the collapse of Credit Suisse, Silicon Valley Bank (SVB) and New York's Signature Bank. Growth in Latin America and the Caribbean is likewise forecast to decelerate, moving to 1.9 percent in 2023 from 3.0 percent in 2022, mainly due to the waning of the rapid post pandemic recovery observed in the region in 2022. Contrastingly, growth in Emerging and Developing Asia is expected to improve to 5.3 percent from 4.5 percent, primarily on account of a resurgence of growth in China and better than forecasted growth in India.

According to the Ministry of Finance's estimates, the Trinidad and Tobago economy is expected to register Real GDP growth of 2.7 percent in 2023, following more moderate growth of 1.5 percent in 2022. The expected outturn for 2023 is premised on an expansion in the Non-Energy Sector, partially counteracted by a marginal decline in the Energy Sector. Based on actual data from the Central Statistical Office (CSO) for the first quarter of 2023, real economic activity expanded by 3.0 percent, buttressed by marginal growth of 0.3 percent in the Energy Sector and a sharper 4.2 percent expansion in the Non-Energy Sector.

Building upon the economic expansions recorded in the Non-Energy sector during calendar 2022, year-on-year improvements were registered by twelve (12) Non-Energy industries, during the first three months of calendar 2023. Most notable was Trade and Repairs, which retained its position as the largest contributor to GDP, and grew robustly by 10.9 percent during this period. The Non-Energy Manufacturing sector also registered a strong performance driven by expansions in real economic activity within the Food, Beverages and Tobacco Products (7.6 percent); and Textiles, Clothing, Leather, Wood, Paper and Printing (31.5 percent) sub-industries. Significant growth was also reported by the Accommodation and Food Services (17.5 percent), and Transport and Storage (16.7 percent) sectors.

For the full calendar 2023 period, the anticipated positive economic activity in the Non-Energy Sector is expected to be driven by Non-Energy Manufacturing; Trade and Repairs; and Transport and Storage. Supporting the expected growth in the latter will be the continued rise in tourism activity, as evidenced by visitor arrival data for the period January to May 2023. The total number of visitors welcomed to Trinidad and Tobago expanded robustly by 521.2 percent to 252,338 persons during calendar 2022. Air arrivals to Trinidad and Tobago further increased by 85.2 percent to 129,546 persons over the period January to May 2023. As it relates to Cruise ship activity in Trinidad and Tobago during the first five months of 2023, 50 vessels docked with 69,232 passengers aboard, representing a substantial increase from the comparative period of calendar 2022. Yacht arrivals to Trinidad and Tobago likewise expanded by 75.0 percent to 329 vessels during the period January to May 2023.

In 2022, Nominal GDP climbed to $202,984.9 million. This was significantly higher than the Ministry's expectations at the time of the 2023 Budget and was primarily due to the elevated crude oil and natural gas prices as a result of the Russian-Ukraine war; a surge in post-pandemic Non-Energy output; and spike in inflation. Crude oil and natural gas prices have since declined on average as a result of weakened global economic conditions which have dampened demand, amidst higher supply for energy products, although there has been a spike in oil prices in September 2023. For the first eight months of calendar 2023, the monthly average West Texas Intermediate (WTI) price for crude oil was 24.6 percent lower, averaging US$75.87 per barrel, while the monthly average European Brent (Brent) Spot price for crude oil was 24.5 percent lower, at US$81.83 per barrel. The monthly average Henry Hub price for natural gas also fell by 62.7 percent to US$2.46 per MMBtu over the same period. As a result, **the Ministry estimates calendar year Nominal GDP to decline to $190,214.3 million in 2023**, although it should be noted that in September 2023, both WTI and Brent oil prices crossed $90.00 per barrel, with Brent reaching as high as $97.60 per barrel last week Wednesday, which rally, if sustained, will have a positive effect on GDP. In fiscal year terms, Nominal GDP is expected to be around $193,407.0 million, marginally lower than the fiscal year estimate for 2022. **It should also be noted that the daily prices for both crude oil benchmarks started trending upward in the second half of the year. Accordingly, over the period September 1 to 27, the daily WTI price for crude oil averaged US$89.23 per barrel and the daily Brent spot price averaged US$93.46 per barrel. The daily Henry Hub price also trended higher averaging US$2.62 per British thermal units (**MMBtu**) over the first twenty-six (26) days of September, 2023**.

Global inflationary pressures have also eased, on account of the normalisation of supply chains, lower shipping costs and improved delivery timelines. **Domestically, following a peak of 8.7 percent year-on-year in December 2022, Headline inflation more than halved to 4.0 percent in August 2023.** This was due to softer pricing pressures within both the food and core components of the All Items Retail Price Index (RPI). Reduced shipping costs and transportation bottlenecks, along with lower international food commodity prices, have relieved input price pressures.

During the second quarter of fiscal 2023, the productivity of all workers in all industries in Trinidad and Tobago expanded by 27.4 percent, substantially lower than the 104.7 percent productivity gain recorded during the first quarter of 2022, but still a significant increase in productivity. Overall worker productivity was supported by improvements in productivity in Food Processing, followed by gains in Assembly Type and Related Products; Drink and Tobacco and Exploration; and Production of Oil and Natural Gas.

The nation's mid-year estimates of population increased slightly to 1,367,510 persons in 2023 from 1,365,805 persons in 2022. The marginal rise in the number of citizens and residents of Trinidad and Tobago in 2023 was consequent to a decline in the provisional death rate to 10.2 deaths per thousand persons, from 13.4 deaths per thousand persons in 2022, together with a smaller decline in the provisional birth rate to 9.6 births per thousand persons from 10.3 births per thousand persons in 2022. This reflected the easing of the impact of the COVID-19 pandemic and general improvements in healthcare management.

According to the latest available quarterly labour force and employment data received from the CSO just prior to publication, the rate of unemployment declined to 3.7 percent in the April to June 2023 period, from 4.9 percent in the January to March 2023 period. Labour force participants expanded to 609,800 persons during the second quarter of calendar 2023 from 595,200 persons during the previous quarter, resulting in the labour force participation rate increasing to 56.2 percent from 55.2 percent.

Total Revenue and Grants was estimated at $56,175.4 million (30.5 percent of GDP) at the beginning of fiscal 2023, largely on the basis of an estimated oil price of US$92.50 per barrel and natural gas price of US$6.00 per MMBtu. Expenditure for fiscal 2023 was also estimated at $57,684.6 million (31.3 percent of GDP) and Central Government Operations was accordingly expected to result in an estimated deficit of $1,509.2 million (-0.8 percent of GDP) at the end of fiscal 2023.

Due to the economic head winds which dampened global oil and gas prices in the first quarter of 2023, the estimate for Total Revenue and Grants for 2023 was adjusted downwards to $55,598.6 million (29.6 percent of GDP) at the time of the Mid-Year Budget Review. The new revenue estimate was based on an estimated oil price of US$80.00 per barrel and natural gas price of US$5.00 per MMBtu. At the same time, Total Expenditure was increased to $62,066.5 million. Central Government Operations was therefore expected to register an overall deficit of $6,467.9 million, or 3.4 percent of GDP for fiscal 2023.

With more recent data coming to hand following the Mid-Year Budget Review, Total Revenue and Grants is now expected to amount to $53,819.3 million, or 27.8 percent of GDP, while Total Expenditure is anticipated to be $57,230.8 million, or 29.6 percent of GDP. Accordingly, Central Government operations are anticipated to realize an Overall Deficit of $3,411.5 million, or 1.8 percent of fiscal GDP, well below the international benchmark of 3.0 percent of GDP.

Total General Government Debt moved from $137,814.4 million in fiscal 2022 to $142,246.1 million in fiscal 2023. This figure comprises Adjusted General Government Debt of $137,209.6 million plus borrowings for Open Market Operations (OMOs) at $5,036.5 million. The overall increase in Total General Government Debt is due to an increase of $8,223.0 million in Adjusted General Government Debt.

It is anticipated that the Adjusted General Government Debt will increase by 6.4 percent to $137,209.6 million by the end of fiscal 2023, from $128,986.7 million in fiscal 2022 and comprise Central Government Domestic Debt (51.3 percent), Central Government External Debt (25.4 percent) and Non-Self Serviced Government Guaranteed Debt (23.3 percent). As a percentage of GDP, Adjusted General Government Debt is estimated to increase by 4.3 percentage points to 70.9 percent, from 66.6 percent at the end of fiscal 2022.

Central Government Domestic Debt, which accounts for 51.3 percent of Adjusted General Government Debt, is projected to rise by 6.4 percent from $66,201.8 million in fiscal 2022 to $70,433.5 million in fiscal 2023. Central Government Domestic Debt is further estimated to be 36.4 percent of GDP by the end of fiscal 2023.

Central Government External Debt is likewise projected to increase by 8.8 percent from $31,975.2 million in fiscal 2022 to $34,783.0 million in fiscal 2023.

Total Central Government Debt Service is expected to increase from $9,574.7 million in fiscal 2022 to $15,565.1 million in fiscal 2023; $11,247.8 million being principal repayments and $4,317.3 million as interest payments. However, the actual level of debt service in 2024 is likely to be significantly lower with selective refinancing of debt as it matures.

Current Transfers to the Rest of the Non-Financial Public Sector from Central Government increased by 5.9 percent to $3,409.7 million as at June 2023 compared to $3,220.5 million reported as at June 2022. As in the previous year, the higher Current Transfers to State Enterprises and Public Utilities were mainly for interest payments on loans, deficit/operational financing and subsidy payments for the sale of petrol and operations of the inter-island ferries and Water Taxi.

Capital Transfers from Central Government similarly increased by 16.3 percent, to $3,017.8 million over the first nine months of fiscal 2023, from $2,594.7 during the same period of 2022. Capital Transfers were primarily utilized for principal repayments of loans and for financing of infrastructural projects.

In July 2023, **Moody's** affirmed Trinidad and Tobago's ratings at Ba2 and changed the outlook to positive from stable. Meanwhile **S&P** reaffirmed Trinidad and Tobago's ratings of 'BBB-/A-3', as well as reaffirmed its transfer and convertibility assessment of 'BBB' while maintaining Trinidad and Tobago's outlook at stable. In November 2022, **CariCRIS** reaffirmed the rating of CariAA (Foreign and Local Currency Ratings) assigned to the Government of Trinidad and Tobago (GORTT) on its regional rating scale, and maintained its stable outlook for the sovereign. CariCRIS has not yet issued its 2023 rating for Trinidad and Tobago.

Between October 2022 and August 2023, sales of foreign exchange to the public by authorised dealers totaled US$5,924.4 million, 4.7 percent above the sales of US$5,661.1 million during the corresponding 2021/22 period. Purchases of foreign exchange from the public (except the Central Bank) by authorized dealers amounted to US$4,546.5 million, representing a 3.6 percent decline from the US$4,716.2 million purchased in the same period one year earlier. The Central Bank's intervention of US$1,158.1 million over the same eleven-month period of fiscal 2023, was marginally higher that the US$1,150.0 million sold to authorised dealers in the same period of the previous fiscal year.

The **weighted average TT/US dollar selling rate** depreciated marginally from US$1 = TT$6.7740 in October 2022 to US$1 = TT$6.7815 in August 2023. The TT dollar also depreciated against the UK pound sterling (by 12.7 percent), the Euro (by 11.6 percent), and the Canadian dollar (by 2.0 percent).

On a year-on-year basis, **Broad Money (M2)** expanded by 1.4 percent in June 2023, marginally lower than the 2.0 percent expansion in October 2022. This was due to a 1.2 percent increase in savings deposits in June 2023 compared to a 0.4 percent expansion in October 2022. Also contributing was a strong rebound in time deposits as opposed to the contraction recorded eight months earlier. Growth in **Narrow Money (M-1A)** however, decelerated from 4.9 percent in October 2022 to 0.8 percent in June 2023, reflecting drawdowns in demand deposits and a contraction in currency in active circulation.

The first nine months of fiscal year 2022/2023 saw steady growth in private sector credit. This growth was primarily fueled by an acceleration in non-bank financial institution lending, as evidenced by an increase in lending to businesses and consumers, along with a slower decline in real estate mortgage loans. The expansion in private sector credit was further reinforced by an increase in credit granted by commercial banks.

Trinidad and Tobago's stock market recorded a downturn in its performance during the eleven-month period ending August 2023. The Composite Price Index (CPI) declined by 9.1 percent to 1,220.4 in August 2023, from 1,343.2 in September 2022. This decline was mainly attributable to a 13.2 percent fall in the Cross Listed Index (CLI), reflective of challenging regional market conditions and an 8.0 percent decrease in the All Trinidad and Tobago Index (ATI), on account of challenging market conditions arising from inflationary pressures, ongoing supply-chain issues, higher energy costs, and monetary policy tightening measures implemented in most advanced and emerging economies.

According to provisional data for the period October 2022 to September 2023, 13 private placements valued at $13,846.0 million were issued on the **primary debt market**, suggesting a substantial increase in activity over the comparative period of fiscal 2022.

An extensive increase in trading activity on the **secondary government bond market** was also recorded over the eleven-month period ending August 2023, primarily reflecting the trading of the Government 2037 series II bond listed on the stock exchange in January 2023. The **corporate bond market** however recorded a decline in activity over the referenced period with 103 bonds at a face value of $12.8 million being recorded, down from the 280 bonds valued at $109.4 million in the previous financial year.

Activity in the mutual funds industry improved slightly over the first nine months of fiscal 2023. Aggregate funds under management increased by 1.3 percent to $52,033.6 million, in comparison to a 1.6 percent decrease over the same period one year earlier. The improved performance was largely on account of gains in Money Market funds, while Fixed Income funds and 'Other Funds' remained relatively stable over the period. Equity Funds however marginally fell by 0.4 percent to $8,407.6 million during the same period.

Trinidad and Tobago's Balance of Payments account recorded an overall deficit of US$47.8 million, for the first quarter of 2023, an improvement on the US$227.6 million deficit recorded in the same period one year earlier. This reduced deficit was realised on account of reduced outflows from the Financial Account, coupled with moderate growth in the Current Account balance.

As at September 22, 2023, gross official reserves amounted to US$6,358.6 million, equivalent to 8.0 months of prospective import cover.

The estimated Net Asset Value (NAV) of the Heritage and Stabilisation Fund (HSF) was US$5,502.5 million as at September 15 2023, compared to the Fund's NAV of US$4,720.6 million as at the end of fiscal 2022. This represented an increase of US$781.9 million, due to the overall positive returns on the HSF's portfolio of investments, as well as, a deposit to the Fund totaling US$182.2 million in December 2022.

THE INTERNATIONAL ECONOMY[1]

- Global Overview
- Advanced Economies and the Euro Zone
- Emerging and Developing Asia
- Latin America and the Caribbean

Global Overview

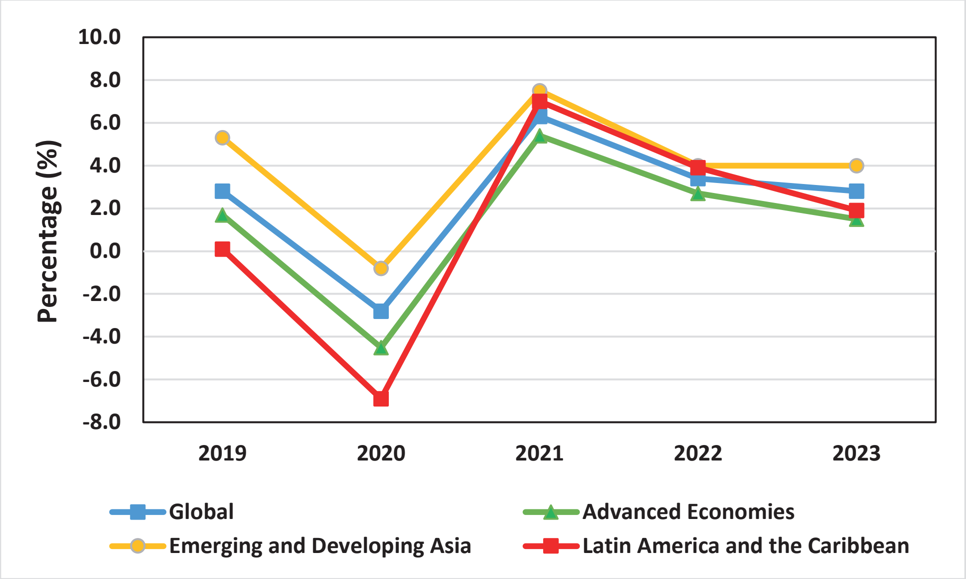
According to the International Monetary Fund (IMF), global policy makers and business leaders have been confronted with a *Gordian knot*[2] of challenges in 2023. Comprising persistent inflation, unprecedented policy tightening by central banks which have led to elevated debt costs, and deepening geopolitical fragmentation and conflict, these challenges have led to output losses which remain large compared with pre-pandemic forecasts, particularly for the world's neediest nations. Compounding this current conundrum, says the IMF, is the spectre of a new *Cold War* that could see the world fragment into rival economic blocs, a result of a turbulent geopolitical atmosphere and its attendant uncertainties.

Consequently, the global recovery from the COVID-19 pandemic and Russia's war of aggression against Ukraine is decelerating with increasing disparities between various economic sectors and regions. The IMF, accordingly, projects global growth to fall to 3.0 percent this year (weak by historical standards), down from 3.5 percent in 2022. Global growth is further estimated to remain at 3.0 percent in 2024 **(Figure 1).** This is partly reflective of the growth slowdown of previously rapidly growing economies such as China and Korea. Similarly, the World Bank (WB) has estimated decelerated growth from 3.1 percent in 2022 to 2.1 percent in 2023, followed by a tepid improvement in 2024, to 2.4 percent.

[1] IMF World Economic Outlook April and July 2023; Fiscal Monitor April 2023; IMF Country Reports and Blogs; the Economist Intelligence Unit country reports; WB Global Economic Prospects June 2023.

[2] Confronting Fragmentation Where It Matters Most: Trade, Debt, and Climate Action – January 16, 2023.

Figure 1: Real GDP for Major Economic Regions 2019-2023



Source: The IMF's World Economic Outlook, July 2023

Growth in major Advanced Economies is expected to experience a slowdown this year and remain restrained in 2024. In the Euro Zone, while growth is projected to improve modestly in 2023 and 2024, in the medium-term, it is likely to register rates below pre-war trends, due to increasing energy prices. The estimated growth outturn for 2023 is due to significant weakening of economic activity in the second half of 2022, followed by a mild technical recession in early 2023, due to constricted financial circumstances, coupled with a decline in real wages and fall in consumer sentiment. Economic activity is thereafter expected to pick-up during the remainder of 2023 and in 2024.

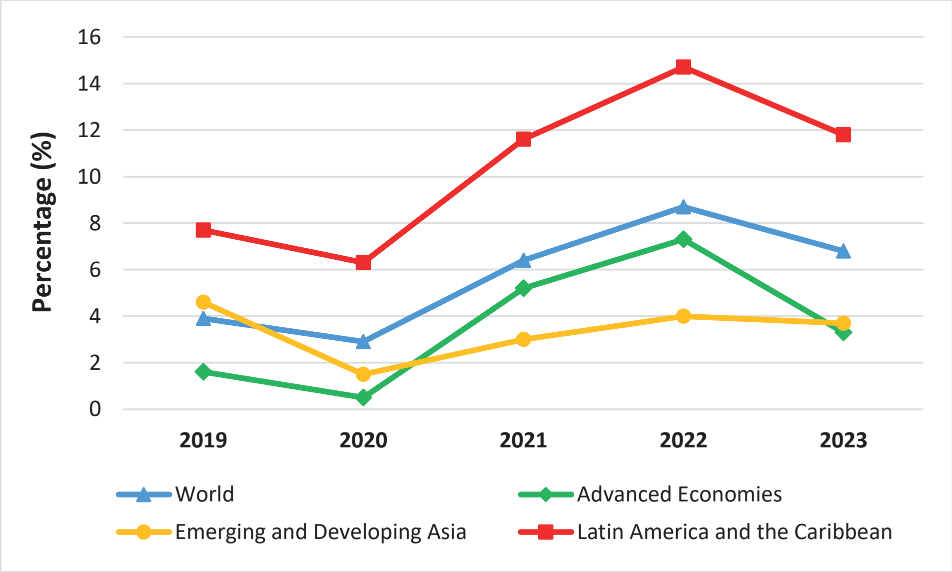
In a bid to keep a tight rein on interest rates, the European Central Bank (ECB) Governing Council in July 2023, increased its deposit-facility rate eight times, totalling 400 basis points since it commenced policy tightening in mid-2022. Such deft policy actions have helped to anchor longer-term expectations thus far.

Conversely, growth in Emerging and Developing Asia is projected to rise in 2023 to 5.3 percent, from 4.5 percent in 2022, before modestly shrinking in 2024. In a context of external uncertainties and domestic restrictions, growth in Latin America and the Caribbean will decelerate in 2023, reflective of lower commodity prices and the waning of post-pandemic reopening growth.

The IMF, in April 2023, reported that "*Supply-chain disruptions are unwinding, while the dislocations to energy and food markets caused by the war are receding*". However, in July 2023, Russia reneged on renewing a year-old deal allowing ships carrying Ukrainian food exports to cross the Black Sea. This deal was deemed *"a lifeline for global food security* *and a beacon of hope in a troubled world,'"*[3] according to U.N. Secretary General, António Guterres. According to the United Nations Conference on Trade and Development's (UNCTAD) Global Trade Update of June 2023, "*the outlook for global trade in the second half of 2023 is pessimistic, as negative factors dominate the positive.*" The Report also notes an ongoing '*friend-shoring*' trend, where supply chain networks are narrowing, to become more centralised on countries viewed as political and economic allies. This is partly prompted by the war in Ukraine, Brexit and US-China tensions.

However, despite the substantial recovery in supply chains and return to pre-pandemic shipping costs and delivery times, the factors which impeded growth in 2022 still linger. In particular, household purchasing power continues to be eroded by inflation rates that remain obdurately high. Central banks have accordingly embarked on unprecedented and synchronized policy tightening to ease inflationary pressures, but this has in turn elevated borrowing costs and constrained overall economic activity. End of year inflation measured 3.3 percent in Advanced Economies, down from 7.3 percent in 2022; 8.1 percent in Emerging and Developing Asia, down from 10.1 percent in 2022; and 11.8 percent in Latin America and the Caribbean, down from 14.7 percent in 2022 **(Figure 2)**.

Figure 2: Consumer Price Index (CPI) for Major Economic Regions 2019-2023



Source: The IMF's World Economic Outlook, July 2023

[3] Secretary-General's statement to the press on the Black Sea Initiative, July 17, 2023.

On June 29, 2023, the World Bank approved a $1.5 billion Ukraine Relief and Recovery Development Policy Loan (DPL) as part of ongoing concerted efforts towards alleviating the economic and humanitarian impact of Russia's aggression on Ukraine. Guaranteed by the Government of Japan, this loan forms a crucial component of the international support package to aid Ukraine in meeting its financing requirements for 2023. This brought the total financial support mobilised by the World Bank Group to over $37.5 billion as at June 29, 2023. Also on June 29, 2023, the IMF completed its first review of the extended arrangement under the Extended Fund Facility (EFF) for Ukraine, enabling the authorities to immediately access about US$890 million (Special Drawing Rights (SDR) 663.9 million), primarily directed toward budgetary support. The 48-month EFF constitutes a US$115 billion total support package for Ukraine.

Advanced Economies and the Euro Zone

The IMF estimates that Advanced Economies will continue to drive the deceleration in global growth from 2022 to 2023. Economic growth in the region is expected to slow to 1.5 percent in 2023 from 2.7 percent in 2022, mainly attributable to weaker manufacturing activities and peculiar factors that offset the stronger services sector activity **(Table 1).**

Also contributing to the global slowdown, in March 2023, Credit Suisse, a banking behemoth of 167 years, and two regional US banks, California-based SVB and New York's Signature Bank which cratered under a surge in deposit withdrawals, laid bare the fragility of financial markets. Confronted with a crisis of loss of confidence in the banking system, the US authorities acted swiftly and invoked an infrequently used "systemic risk exception," enabling the Federal Deposit Insurance Corporation to safeguard all depositors of affected banks, albeit at a higher expense to the deposit insurance fund. Simultaneously, the Federal Reserve introduced a novel lending mechanism that allowed banks to borrow against high-quality securities at their face value. This measure sought to alleviate liquidity challenges within the banking system. In like manner, Swiss authorities responded resolutely by orchestrating a state-supported merger of Credit Suisse with UBS (the largest Swiss bank) which entailed providing liquidity assistance and a financial safety net.

Meanwhile, Russia's invasion of Ukraine proved a watershed moment for Europe, with the **Euro Zone** displaying surprising strength following the largest terms of trade shock in decades. Nevertheless, economic activity diminished significantly in the latter part of 2022 and veered into a mild technical recession in early 2023 due to a confluence of financial sector tremors, waning consumer confidence and a decline in real wages.

The **United States (US)** economy faltered in 2023, stoking renewed fears of a recession. However, the concern of a mild downturn was supplanted by more moderately-paced growth of around at 1.8 percent in 2023, down from 2.1 percent in 2022. Meanwhile, escalating trade tensions have culminated in a trade war with United States sanctions being imposed on exports of semiconductor technologies to China. The significantly tightened monetary policy actions of the United States in 2022 have also resulted in interest rates climbing by 500 bps since March 2022, which are likely to remain elevated well into 2024, while the reduction of the Federal Reserve's balance sheet remain ongoing.

Growth in **Japan** is anticipated to rise modestly from 1.0 percent in 2022 to 1.4 percent in 2023, buttressed by the release of pent-up demand, border reopening, supply chain improvements and accommodative policies. Notably, Japan's headline inflation reached a four-decade high in February 2023 as economic convalescence continued amid supportive monetary and fiscal policies and a surge in tourism. The country's Current Account surplus tapered to 2.1 percent of GDP in 2022, buttressed by an acute rise in the value of commodity imports and is expected to expand to an average of 3.0 percent in 2023 on account of lower commodity prices and inbound tourism.

The **German economy** exhibited surprising resilience following the shut-off of its supply of Russian gas in mid-2022. The economy was however, tipped into a recession in the last quarter of 2022 and first quarter of 2023, by high energy prices, falling real wages together with high inflation which have tempered consumption and rising interest rates. In spite of a mild winter and deft policy action to conserve energy while simultaneously safeguarding future energy supplies, growth is expected to marginally contract by 0.3 percent in 2023, from growth of 1.8 percent in 2022 and regain some impetus to reach 1.3 percent in 2024. Meanwhile, the financial system remains well capitalized although banking turmoil in other advanced economies could add uncertainty due to risks associated with rising interest rates.

Germany's restrictive fiscal impulses in efforts to achieve its constitutional "debt brake" fiscal rule, have solidly anchored its public finances and allowed for an accumulation of fiscal buffers. Following a spike over 2020-21, Germany's public debt declined to 66.2 percent of GDP in 2022, primarily as a result of the phasing out of COVID-relief measures. The country's public debt is however expected to broadly stabilize in 2023 before falling from 2024.

Meanwhile, the **United Kingdom (UK)** faces a challenging economic outlook. The energy price shock triggered by Russia's war in Ukraine has dislodged the country's economic recovery following the pandemic, with growth projected by the IMF at a modest 0.4 percent in 2023 and 1.0 percent in 2024, down from 4.1 percent in 2022. The IMF also asserts that the terms of trade shock, amid historically tight labour markets, have pushed inflation to record levels to average 10.5 percent in 2022. However, declining energy prices coupled with fiscal space are projected to dampen inflation to reach 4.2 percent (end of period) in 2023.

Post-Brexit uncertainty has declined somewhat due to the Windsor Framework agreement to resolve disputes around the Northern Ireland Protocol[4]. This agreement between the UK and the European Union (EU) was adopted in March 2023, providing a fundamentally new set of arrangements to restore the smooth flow of trade within the UK's internal market while safeguarding Northern Ireland's place in the Union.

Singapore's post-pandemic recovery, while one of the more robust among advanced economies, has slowed significantly in 2023, impeded by the weaker-than-expected economic performance of its trade-related sectors due to reduced external demand, coupled with waning domestic demand. Real GDP is therefore anticipated by the IMF to grow by 1.5 percent in 2023, a sharp drop from the 3.6 percent recorded in 2022. Singapore's labour supply has also been challenged across sectors, notwithstanding, some easing has occurred with foreign workers' return, thus contributing to inflationary pressures in service prices. Negative risk factors to Singapore's economic performance are chiefly external, stemming from a global deceleration and the sudden relaxation of monetary policies by major central banks.

Emerging and Developing Asia[5]

Growth in Emerging and Developing Asia is projected to rise to 5.3 percent in 2023 **(Table 1),** followed by a modest slow down to 5.0 percent in 2024. China's growth decelerated markedly to 3.0 percent in 2022 from 8.4 percent in 2021, on the heels of its zero COVID policy measures, a rate not seen in decades. In spite of this, China and India together are forecast to generate about half of global growth this year, with an additional fifth coming from the rest of Asia and Pacific.

The resurgence of economic activity in **China** in the first quarter of 2023 was enabled by the paring of COVID-19 related constraints, release of pent-up consumer spending chiefly on domestic services and policy support. China's upbeat economic performance has however proved to be transient as growth has since slowed in April 2023, implying that China's recovery is still fragile.

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[4] Online article, "The Windsor Framework – further detail and publications"

[5] 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.

Real economic activity in China is nevertheless anticipated to expand by 5.2 percent for the full 2023 period. The IMF's *Finance and Development* magazine reported in June 2023, that the US imposed a ban on exports to China of advanced logic and memory chips, as well as the machinery to produce them.

India's growth forecast for 2023 was revised upward in July by the IMF by 0.2 percentage points to 6.1 percent, based on the impetus generated by a stronger-than-expected growth in the final quarter of 2022, attributable to increased domestic investment spurred by an escalation in capital spending and higher corporate profits. The manufacturing sector also rebounded in 2023 after contracting in the latter half of 2022, while unemployment measured 6.8 percent in the first quarter of 2023, the lowest since the pandemic. India's labour force participation also increased during the quarter.

In June 2023, the World Bank approved $1.5 billion in financing to expedite India's advancement of its low-carbon energy initiatives. India's First Low-Carbon Energy Programmatic Development Policy Operation **–** the first of two envisaged operations – will support the successful implementation of the National Green Hydrogen Mission that aims to foster $100 billion in private sector investment by 2030.

A sustained expansion characterized the **Malaysian** economy in 2023, buttressed chiefly by a robust post-pandemic recovery, a sound track record of fiscal prudence and a credible monetary policy framework. Nonetheless, Malaysia's economic growth momentum is projected to diminish to 4.5 percent in 2023, from 8.7 percent in 2022 as the country's economic recovery remains uneven, across sectors with activity in agriculture, mining, and in particular, construction remaining low. Elevated end-of-year inflation at 2.9 percent in 2023, prompted by demand pressures, will also weigh on the near-term outlook.

To ensure orderly financial market adjustments, Malaysia's Central Bank increased the overnight policy rate four times since May 2022 by a total of 100 bps to 2.75 percent but has paused the tightening thus far in 2023.

Latin America and the Caribbean[6]

The economies of Latin America and the Caribbean are expected to record slower growth, moving from 3.9 percent in 2022 to 1.9 percent in 2023 **(Table 1)**, before accelerating to 2.2 percent in 2024. The weaker expansion in 2023 can be attributed to the recent waning of the rapid growth observed during 2022, following the post-pandemic reopening of economies. The estimate for 2023, however, reflects an upward revision of the IMF's

[6] 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.

April expectations for the region, due to stronger-than-anticipated growth in Brazil, given the surge in agricultural production in the first quarter of 2023, with concomitant spill-overs to the services sector. Similarly, growth expectations were moved upward for Mexico, as a result of a delayed post-pandemic recovery (to 2023) in the services sector and spill-over effects from buoyant US demand.

Embattled by drought which resulted in declines in the harvests of soybeans and maize, **Argentina**'s major export commodities, the Argentine economy is projected to contract by 2.5 percent in 2023 before improving modestly by 2.3 percent in 2024. In addition, international pressures have resulted in inflation surging above 100 percent on a 12-month base. In July 2023, the Argentine authorities and IMF reached an agreement on the combined fifth and sixth reviews under Argentina's 30-month EFF arrangement. The agreement comprises a package of agreed policy actions to help rebuild reserves and enhance fiscal sustainability, while safeguarding critical infrastructure and social spending as Argentina's economic situation has become very challenging since the fourth review on March 31, 2023. Upon completion of the fifth and sixth reviews, Argentina will have access to about US$7.5 billion.

Real growth in **Brazil** will remain subdued at 2.1 percent in 2023, supported by a strong agricultural sector, though manufacturing and services remained restrained. This followed on the heels of a decelerated growth of 2.9 percent in 2022, down from 5.0 percent in 2021. Consumer prices climbed considerably in 2022, reaching a high of 12.0 percent in April, then subsided to close the year at 5.8 percent. Brazil's inflation is expected to taper to 5.4 percent by the end of 2023. The authorities are embarking on an ambitious slew of reforms, which are geared to addressing inequality, transforming Brazil into an environmental leader, and ensuring fiscal credibility and strong public policies.

Bolstered by favourable terms of trade and effective policy responses to the pandemic, **Colombia**'s economy grew at one of the fastest rates among emerging economies in 2022. The economy has however, begun to exhibit initial indications of deceleration with growth expected to wane to 1.0 percent in 2023, following growth of 7.5 percent in 2022. This nevertheless places Colombia's economic activity at a level beyond its peers. In April 2023, the IMF concluded its assessment of Colombia's continued eligibility for its current Flexible Credit Line (FCL) arrangement, for an amount equivalent to SDR 7.1557 billion, or approximately US$9.8 billion, which the authorities intend to continue to treat as a precautionary measure to reinforce market confidence and mitigate against external risks. The authorities, in their commitment to reducing the fiscal deficit to 3.8 percent in 2023, have embarked on a stronger fiscal consolidation plan, buttressed by yields of the 2021 and 2022 progressive tax reforms and further cutbacks in untargeted energy subsidies, which will enable an expansion in social support. Accordingly, public sector debt measured 63.5 percent of GDP at end of 2022 and is anticipated to taper to around 58.0 percent by the end of 2023.

According to the IMF, **Chile's** Real GDP growth is expected to be flat in 2023, representing a more gradual transition of domestic demand towards a sustainable trajectory in alignment with the country's pre-pandemic trend. Growth is projected to accelerate to 1 to 2 percent in 2024, bolstered by net exports and the recovery of consumption. While headline inflation is trending down rapidly, core inflation remains more tenacious. Disinflation intensified since April with headline inflation declining to 7.6 percent (year-on-year) in June 2023, from a high of 14.1 percent in August 2022, driven by food, energy, and goods items. Core inflation (excluding volatile items) has come down more slowly to 9.1 percent as at June 2023, attributable primarily to robust service price increases due to indexation to past inflation rates. Given the global transition to clean energy, Chile's abundant natural resources in copper, lithium, wind, and solar provide medium and long-term advantages.

In August 2023, the IMF completed its mid-term review of Chile's qualification under the FCL[7] arrangement, a two-year precautionary tool in the amount of SDR 13.954 billion (800 percent of quota, around US$18.5 billion) which was approved in August 2022. This arrangement substantially augmented precautionary buffers for the country and will allow Chile's gradual exit conditional on external risk developments.

Given its strategic geographic location, **Panama**'s post-pandemic recovery has been notably robust, propelled by exports from a new copper mine and increased investments. Growth is however projected by the IMF to slow to 5.0 percent in 2023, down from 10.0 percent in 2022. According to the IMF, "*The opening of the Cobre Panamá[8] copper mine has increased aggregate real mining output by a factor of three, with its share of gross value added increasing from about 2.5 percent to 7 percent*" and helped to compensate for the dramatic decline in construction since 2019. However, the mine was operating at about 75 percent of full capacity as of 2021 and is therefore unlikely to be a major source of growth in the medium term. Meanwhile, the World Bank, in alluding to Panama's responsible fiscal management, stated that the deficit targets established by the Fiscal and Social Responsibility Law, is expected to result in the eventual realisation of a 1.5 percent of GDP deficit in 2025 through a combination of greater tax revenues and reduced expenditures.

In the Caribbean region, the **Dominican Republic's (DR)** sustained dynamism over the last two decades and impressive economic recovery from the effects of the pandemic can be attributed to the pragmatic policies of

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[7] The FCL was established on March 24, 2009 as part of a major reform of the Fund's lending framework. The FCL is designed for crisis prevention purposes as it provides the flexibility to draw on the credit line at any time during the period of the arrangement (one or two years), and subject to a mid-term review in two-year FCL arrangements. Disbursements are not phased nor conditioned on compliance with policy targets as in traditional IMF-supported programs. This large, upfront access with no ongoing conditions is justified by the very strong track records of countries that qualify for the FCL, which gives confidence that their economic policies will remain strong.

[8] Cob**re** Panama is one of the largest new copper mines in the world and in 2021, operating at close to full capacity, generated about 7 percent of gross value added.

the Republic's authorities and positive global spill-overs. Recovery however, began diminishing toward the end of 2022 in response to a confluence of tighter global financial conditions, waning global demand, and the gradual easing of policy stimulus. Real GDP growth is therefore projected to slow to 4.0 percent in 2023, albeit subject to high uncertainty, stemming chiefly from global risks. This denotes a modest decrease from the 4.9 percent growth level reached in 2022 which was driven by the services and manufacturing sectors, notably Free Trade Zones (FTZ).

The country's Current Account deficit is also anticipated to narrow to 3.9 percent of GDP in 2023, from 5.6 percent of GDP in 2022, stoked by dwindling commodity prices and steady increases in exports and tourists receipts. Disruptions in international supply chains triggered Inflation at 7.8 percent in 2022 and is expected to taper to 4.0 percent in 2023. In August 2023, the IMF reported that the DR attained an income convergence of 32.0 percent in 2022, which is typically measured by comparing the per capita income of a country to that of a more prosperous nation, often the United States. More noteworthy, however, is that the DR has displayed the most rapid average convergence velocity, known as the "blue shift" across Latin America for the past half century.

Table 1: Macroeconomic Indicators for Selected Economies

	Real GDP		Consumer Prices (end of period)		Unemployment (percent)		Current Account Balances[1]		Fiscal Balances[2]	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Advanced Economies	**2.7**	**1.5**	**7.3**	**3.3**	**4.5**	**4.7**	**-0.4**	**0.0**	**-5.2**	**-4.6**
Canada	3.4	1.7	6.6	3.0	5.3	5.8	-0.4	-1.1	-1.2	-1.0
Germany	1.8	-0.3	9.8	3.6	3.1	3.3	4.2	4.7	-2.4	-1.0
Greece	5.9	2.6	7.6	3.0	12.2	11.2	-9.7	-8.0	-4.0	-2.4
Hong Kong SAR	-3.5	3.5	2.0	2.5	4.2	3.4	10.7	8.0	-7.1	-3.9
Ireland	12.0	5.6	8.1	3.0	4.5	4.5	8.8	8.2	0.7	0.8
Japan	1.0	1.4	3.9	2.3	2.6	2.3	2.1	3.0	-9.4	-8.0
Korea	2.6	1.4	5.0	2.7	2.9	3.7	1.8	2.2	-0.9	0.0
Singapore	3.6	1.5	6.5	5.4	2.1	2.1	19.3	15.5	0.4	3.1
Spain	5.5	2.5	5.5	4.1	12.9	12.6	1.1	0.9	-1.9	-1.9
United Kingdom	4.1	0.4	10.5	4.2	3.7	4.2	-5.6	-5.2	-16.3	-15.7
United States	2.1	1.8	6.6	3.0	3.6	3.8	-3.6	-2.7	-6.4	-6.1
Emerging and Developing Asia	**4.5**	**5.3**	**4.0**	**3.7**	**n/a**	**n/a**	**1.4**	**0.3**	**-1.4**	**-1.2**
China	3.0	5.2	1.8	3.2	4.2	4.1	2.3	1.4	0.1	0.2
India	7.2	6.1	6.3	4.5	4.8	6.8	-2.6	-2.2	-6.6	-6.0
Latin America and the Caribbean	**3.9**	**1.9**	**14.7**	**11.8**	**7.0**	**6.7**	**-2.5**	**-1.8**	**-3.9**	**-4.9**
Argentina	5.0	-2.5	94.8	88.0	7.0	7.6	-0.7	1.0	-4.2	-4.1
Brazil	2.9	2.1	5.8	5.4	7.9	8.2	-2.9	-2.7	-4.5	-7.6
Chile	2.4	-0.2	12.8	4.5	7.9	8.9	-9.0	-3.8	1.1	-1.9
Columbia	7.5	1.0	13.1	8.4	11.2	11.3	-6.2	-5.1	-5.5	-3.8
Dominican Republic	4.9	4.0	7.8	4.0	5.3	6.2	-5.6	-3.9	-3.6	-3.9
Malaysia	8.7	4.5	3.8	2.9	3.8	3.6	2.6	2.6	-4.4	-6.9
Mexico	3.0	2.6	7.8	5.0	3.3	3.3	-0.9	-1.0	-4.4	-4.1
Panama	10.0	5.0	2.1	3.1	8.8	8.0	-4.1	-4.3	-4.1	-3.5
Venezuela	8.0	5.0	310.1	250.0	n/a	n/a	3.5	5.0	-6.0	-5.4

Source: International Monetary Fund: World Economic Outlook (WEO) April 2023; WEO Update July 2023; Countries' Article IV Reports; Fiscal Monitor April 2023 and International Labour Organisation (ILO).
1 & 2: Percentage (percent) of GDP
n/a: not available

ECONOMIC PERFORMANCE OF CARICOM STATES

- **Overview**
- **Barbados**
- **Jamaica**
- **Guyana**
- **ECCU/OECS**

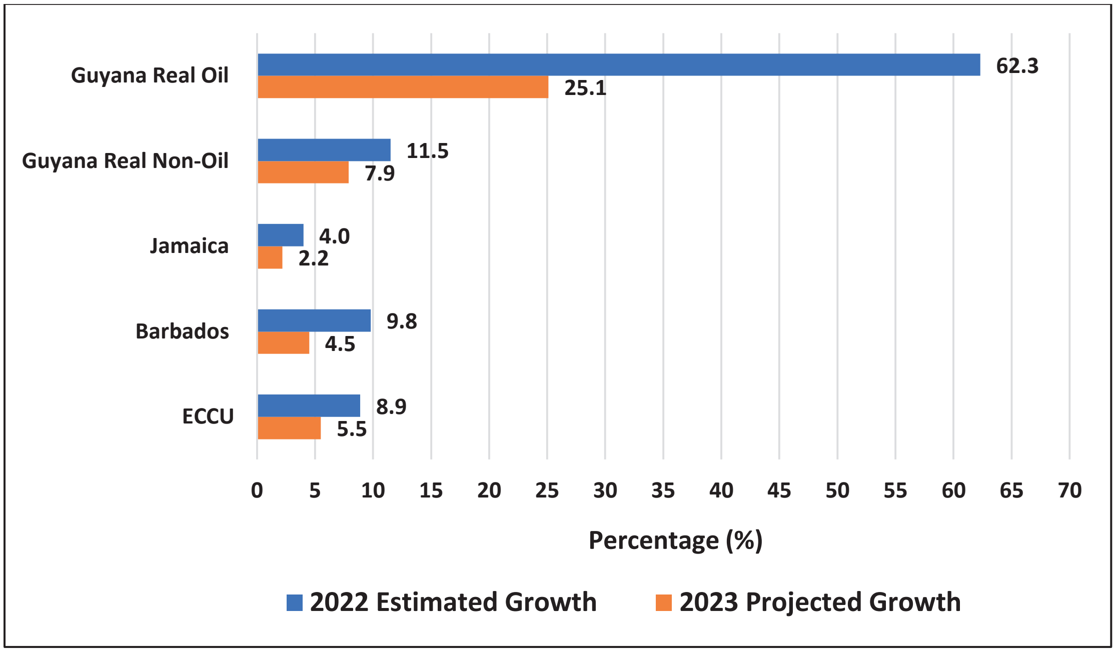
Overview

CARICOM States demonstrated resilience as they navigated through the challenging global environment. From the COVID-19 pandemic, to the escalating Russian-Ukraine war, coupled with the tightening of international financial conditions and persistent inflation, Member States are expected to record growth at the end of 2023, albeit at varying rates, as tourism and other economic sectors rebounded in the period under review **(Table 2)**.

As the Region continues to recoup from the constricted economic activity over the last three years, the first half of 2023 saw Member States experiencing improved Current Account balances, driven by growing tourist activity; and lowered, albeit high, debt levels, due to expenditure curtailment and prudent fiscal management strategies implemented by some countries such as Barbados and Jamaica. Outside of tourism activity, Guyana continued to benefit from its vast oil reserves, which boost not only its Gross Domestic Product (GDP) but the foreign reserves held by the nation.

The outlook for CARICOM States is optimistic despite the anticipated challenges from the prevailing global economic conditions. CARICOM Members are projected to record varied growth trajectories however, with Guyana expected to continue to experience accelerated GDP, while those in the Eastern Caribbean Currency Union (ECCU) region are forecasted to achieve more moderate GDP increases.

Figure 3: Growth Rates of Selected CARICOM Countries



Source: International Monetary Fund and Countries' Central Banks.

Barbados

Following the completion of the 2018 to 2022 Extended Fund Facility (EFF) arrangement with the International Monetary Fund (IMF), Barbados entered into 2 new IMF programs via a successor 36-month EFF arrangement and a Resilience and Sustainability Facility (RSF), which were approved on December 7, 2022. These new programmes are equivalent to 85.05 million Special Drawing Rights (SDR) (about US$114.0 million), and SDR 141.75 million (about US$190.0 million), respectively[9]. In June 2023, the IMF completed its first reviews of the EFF and RSF arrangements, which allowed the authorities to draw the equivalent of SDR 14.18 million (about US$19.0 million) under each Facility. According to the IMF, these arrangements highlight the commitment of the Barbadian government to advance structural reforms, strengthen budgetary sustainability, and fortify its resilience to natural catastrophes and climate change.

In fiscal 2022/2023[10], the country's fiscal accounts recorded a primary surplus of 2.5 percent of GDP, following a deficit of 1.0 percent of GDP in fiscal 2021/2022. This was mainly attributed to a reduction in COVID-19-related expenditure, government's prudent management of its expenses, and higher than projected revenue

[9] IMF Press Release No. 23/232

[10] Barbados' fiscal year is from April 1st to March 31st

collection as the economy recovered. Increased economic activity also resulted in a lower debt-to-GDP ratio, as Barbados' public debt continued on its downward trajectory and registered 122.5 percent of GDP at the end of the fiscal period, compared to 135.0 percent of GDP one year earlier in fiscal 2021/2022.

Moreover, with respect to its climate change agenda, the Barbadian government's vision is to transition to a fully renewable economy. During fiscal 2022/2023, Barbados increased its renewable energy sources, specifically solar energy to 12.0 percent of its energy needs, up from 9.0 percent in 2021. To further its renewable goals, the government introduced a two year excise and VAT holiday for electric vehicles, which has since been extended to March 2026. Furthermore, there are plans to develop a Blue Green Investment Corporation (BGIC), which will act as a vehicle for financing climate-related projects. The Barbadian government also mobilized financing through the World Bank, which approved a US$100.0 million Green and Resilient Recovery Development Policy Loan in January 2023, to assist in funding its green initiatives.

Over the January to June 2023 period, Barbados recorded Real GDP growth of 3.9 percent, underpinning the country's economic resilience and representing the ninth consecutive quarter of economic expansion. This growth resulted from a strong winter tourist season, as well as increased activity in the non-traded economic sectors. In the period under review, tourist arrivals grew by 12.0 percent, reaching 86.9 percent of the 2017 to 2019 pre-pandemic average. As a result, the tourism sector expanded by 6.6 percent with spill-over effects contributing to growth of 3.2 percent in the non-traded sectors, which accounted for two-thirds of overall Real GDP growth over the January to June 2023 period. The key drivers of tourism growth were attributed to the release of pent-up demand for post-pandemic travel, improvements in airlift from the United Kingdom (UK) and increased air-to-sea arrangements with cruise lines. Despite exhibiting strong visitor growth however, arrivals from the North American and Caribbean markets remained below pre-pandemic levels, due to insufficient airline seats.

This improved economic performance led to fiscal surpluses, lower unemployment rates (which fell to 8.9 percent at the end of March 2023, marginally below the 9.0 percent recorded one year prior), a reduced debt-to-GDP ratio, a smaller export-import gap and growth in foreign reserves, when compared to the same period one year earlier. Coupled with this, improvements were also seen in the financial services sector, as credit quality improved and assets and profits increased.

The year-on-year inflation rate declined to 4.6 percent in May 2023, compared to the 6.6 percent recorded one year ago, on account of lower gasoline and electricity prices due to softer global energy prices. Notwithstanding the retreat in energy prices, the Barbadian economy saw inflationary pressures impacting the domestic prices for vegetables (as adverse weather conditions affected agricultural production), staple food items such as seeds and other grains (as a result of international shortages), as well as meats and fish. However, in an attempt to contain imported inflation, the Barbadian authorities renewed temporary VAT reductions on oil products and a quota of household electricity, as well as provided VAT exemptions on essential consumption goods for 6 and 8 months, respectively. The government's collaboration with the private sector also assisted in restraining price hikes in key consumption goods.

Debt-to-GDP also returned to pre-pandemic levels, at 117.5 percent as at June 2023; although the stock of debt was higher compared to that recorded at the end of December 2022, due to policy loans from international financial institutions, with IMF support being the main source of foreign financing.

Correspondingly, Barbados' external position improved during the first six months of 2023, as the Current Account deficit contracted by approximately BDS$137.2 million, to BDS$478.9 million, in comparison to the same period one year earlier. This was predominantly driven by an upsurge in receipts from the tourism industry, a significant reduction in the total value of imports, and increased inflows arising out of policy-based loans geared towards sustainability and resilience. During the period, reserve accumulation also remained robust despite increased demand for foreign currency, with BDS$338.5 million being added to foreign reserves, as a result of improved tourism inflows, substantial disbursements from multilateral institutions to the public sector, and a decrease in the value of imports. The reserve stock consequently rose to BDS$3,108.8 million at the end of June 2023, equivalent to 33 weeks of import cover.

On August 3, 2023, Moody's Investors Service upgraded its issuer ratings for Barbados, from Caa1 to B3, maintaining a stable outlook. The Agency based its revised outlook on the success of fiscal consolidation and a strong economic recovery which led to a decline in the country's debt burden and predicts that the country's debt burden will decline to approximately 80.0 percent over the next five years.

Barbados is projected by the IMF to continue its economic recovery, to record pre-pandemic level growth of approximately 4.5 percent at the end of 2023. The IMF's expectation is premised on the continued recovery in tourist arrivals and the revival of large-scale tourism projects. The other sectors of the economy are also expected to continue to benefit from increased tourism and construction activity levels. Specifically, the construction sector is forecasted to expand in the second half of calendar year 2023, boosting output in the non-traded sectors, and encouraging employment growth. Moreover, inflation is forecasted to decline to 5.0 percent by the end of 2023, reflective of the easing of imported inflationary pressures. Coupled with this, the Current Account deficit is also forecasted to reduce to 7.7 percent of GDP in 2023, as tourism and commodity prices move toward their normal levels. However, gross reserves, whilst at historically high levels for Barbados, are anticipated to decline modestly during the second half of 2023; with reserve cover remaining well above the internationally accepted threshold at the end of calendar year 2023.

Jamaica

In March 2023, the IMF approved a 24-month arrangement under the Precautionary and Liquidity Line (PLL) in the amount of US$968.0 million, to aid in safeguarding the Jamaican economy against the risks associated with higher commodity prices, the global slowdown, new COVID-19 variants and unforeseen constricted global financial conditions. The IMF also approved a newly developed RSF amounting to US$764.0 million, representing 150.0 percent of the country's quota. This facility is tailored to strengthen Jamaica's physical and fiscal resilience to climate change, as the country seeks to transition into a low-carbon economy while managing transition risks.

For the quarter ending June 2023, Jamaica is estimated by the Bank of Jamaica to have experienced slower growth in the vicinity of 1.0 percent to 3.0 percent, compared to the 4.2 percent expansion recorded for the quarter ending March 2023. This was reflective of growth in all industries, except Agriculture, Forestry and Fishing (due to the negative impact of increased weather temperatures on the sector) and Construction (due to the decline in retail hardware sales and the construction activities of the National Housing Trust (NHT)); and Producers of Government Services.

Jamaica's Current Account recorded a surplus of 0.9 percent of GDP in the second quarter of calendar 2023, up from the 0.2 percent of GDP registered for the June 2022 quarter. The improvement is mainly reflected in the trade and services sub-accounts, which was however, partially offset by a deterioration on the current transfers sub-account.

As at June 2023, annual inflation rose to 6.3 percent, from 6.1 percent in May 2023 (following a peak rate of 11.8 percent in April 2022). This slight increase was primarily reflective of an adjustment in the national minimum wage, coupled with higher agricultural food prices. However, annual inflation is projected to decline within the range of 5.0 to 6.0 percent over the next eight quarters, due to the reduction in imported prices, specifically grains and freight, and the tightening of monetary policy.

Jamaica has managed to navigate its way through a challenging global environment, by implementing sound policy frameworks tailored towards prioritizing macroeconomic stability. This is echoed by Standard and Poor's Global Ratings (S&P) which in October 2022, affirmed Jamaica's Long-Term Foreign and Local Currency Issuer Default Rating (IDR) at 'B+', with the outlook remaining Stable. The decision reflects the Agency's views that

Jamaica's economy will continue to recover. S&P's assessment also anticipates that the Jamaican government will continue to commit to sustainable public finances, macroeconomic and fiscal discipline, as well as reduced debt levels. Moreover, Fitch Ratings (Fitch), in March 2023, revised its Rating Outlook on Jamaica's Long-Term Foreign and Local Currency IDR to Positive from Stable and affirmed the IDRs at 'B+'. The rating agency premised the positive outlook on the fact that Jamaica has made substantial progress with debt reduction, maintained a stability-oriented institutional framework and the availability of new financing options supported by the IMF; as well as other factors such as its primary budget surpluses, resilient external sector, reduced inflation levels, significant monetary tightening and well-capitalized banks.

Over fiscal 2023/2024[11] and 2024/2025, GDP growth is expected to average between 1.0 percent to 3.0 percent, supported by growth in areas such as Mining and Quarrying (due to the resolution of operational challenges at all plants), Manufacturing, Electricity and Water Supply (as a result of climate-related projects set to be implemented) and continued growth in tourism and tourism-related industries. Inflation is also expected to decelerate within the Bank's target range of 4.0 percent to 6.0 percent by December 2023. For fiscal year 2023/2024, the Current Account is anticipated to deteriorate to a surplus of 0.7 percent of GDP, compared to the surplus of 1.7 percent of GDP forecasted for fiscal 2022/2023. This deterioration largely reflects a lower surplus in the current transfers sub-account, a higher deficit in the income sub-account partially offset by an improved merchandise trade balance and a higher surplus in the services sub-account. The Current Account is further expected to deteriorate to a deficit of 0.4 percent of GDP for fiscal year 2024/2025.

Guyana

The IMF in its September 2022 Article IV Consultation with Guyana praised the government's initiatives to uphold financial stability and encourage financial inclusiveness. The Fund also commended the country for the progress made in putting the 2016 Financial Sector Assessment Program (FSAP) recommendations into practice, and its dedication to fully implementing the recently enforced Anti-Money Laundering/Combatting the Financing of Terrorism (AML/CFT) framework.

According to the Bank of Guyana, the Guyanese economy recorded growth in real oil GDP and non-oil GDP of 62.3 percent and 11.5 percent, respectively, in calendar 2022. The increase in real oil GDP was due to the production of approximately 278,000 barrels of oil per day in the country's expanding Oil and Gas (O&G) industry, up from the average daily production of 117,000 barrels per day in 2021. At the same time, growth in non-oil GDP was derived from increased output from key sectors namely, construction (26.3 percent), agriculture (11.9 percent), services (9.0 percent) and manufacturing (3.9 percent). This economic expansion reflected growing investor confidence, higher government investments and targeted fiscal and monetary policies.

For the year 2022, the country's overall Balance of Payments (BOP) recorded a surplus of US$121.5 million, with a Current Account surplus of US$3,824.9 million, which overshadowed the Capital Account outflow of US$3,658.4 million. The surplus in the Current Account was mainly on account of higher exports of crude oil, other exports, bauxite, sugar and timber, as well as reduced capital import costs. Conversely, the Capital Account deficit was driven by outflows from the O&G sector to the Natural Resource Fund (NRF). This overall BOP surplus led to the accumulation of gross international reserves, which amounted to US$932.4 million at the end of 2022, equivalent to approximately 1.1 months of import cover at the end of 2022. Furthermore, Guyana's Net International Investment Position (NIIP) was valued at US$14,052.6 million, reflective of assets and liabilities amounting to US$3,571.9 million and US$17,624.5 million, respectively.

While the country's economic activity expanded significantly during the year, Guyana was impacted by increased inflation rates. At the end of December 2022, Guyana recorded inflation of 7.2 percent, up from 4.8 percent in 2021, due to increased prices of food and fuel, along with supply disruptions as a result of the COVID-19 pandemic and the Russia-Ukraine war. The total stock of Guyana's public and publicly guaranteed debt also increased by 16.9 percent to US$3,655.0 million, equivalent to 24.6 percent of GDP. This increase was reflective of a 20.0 percent rise in the outstanding stock of domestic bonded debt to US$2,083.0 million, primarily due to the issuance of treasury bills for budgetary support. Similarly, external debt increased by 12.9 percent to US$1,572.0 million; consequent to higher outstanding debt to multilateral creditors, as a result of increased disbursements from multilateral agencies.

For the quarter ending March 2023, mixed performances were recorded in the major sectors of the economy. The oil sector continued to be the largest contributor to overall economic growth, producing a total of 34.0 million barrels of oil for the quarter under review; a significant increase compared to the 10.9 million barrels recorded for the corresponding period one year earlier. The non-oil sector similarly recorded moderate growth in the manufacturing, construction, services and agriculture and forestry sectors, the latter comprising increased output of rice (36.5 percent) and sugar (14.7 percent), partly mitigated by a contraction in forestry activities (16.3 percent). There was also a contraction in the mining and quarrying sectors (with the exception of oil, sand and stone), primarily due to lower production of bauxite (-17.8 percent), and gold (-5.3 percent). Moreover, to the end of March 2023, the country experienced deflation of 0.6 percent, due to reductions in the prices of food (-1.3 percent), medical care and health services (-0.1 percent), clothing (-0.1 percent), and transport and communication (-0.1 percent). The overall reduction in food prices was largely driven by declining global food prices, as the Food and Agriculture Organization (FAO) documented twelve consecutive months of declines at the end of March 2023.

Conversely, by the end of March 2023, the BOP registered an increase in the overall deficit to US$175.5 million, from a deficit of US$132.0 million for the corresponding period one year prior, due to a deficit in the Capital Account, despite a Current Account surplus. The Capital Account deficit was on account of outflows of oil revenues to the NRF and oil cost recovery (withdrawal of equity) by the O&G sector; while the Current Account surplus was as a result of higher exports of crude oil, gold and rice. The country's NIIP likewise reduced to US$12,815.4 million, a deterioration of US$76.6 million compared to the December 2022 quarter, due to a reduction in both assets and liabilities.

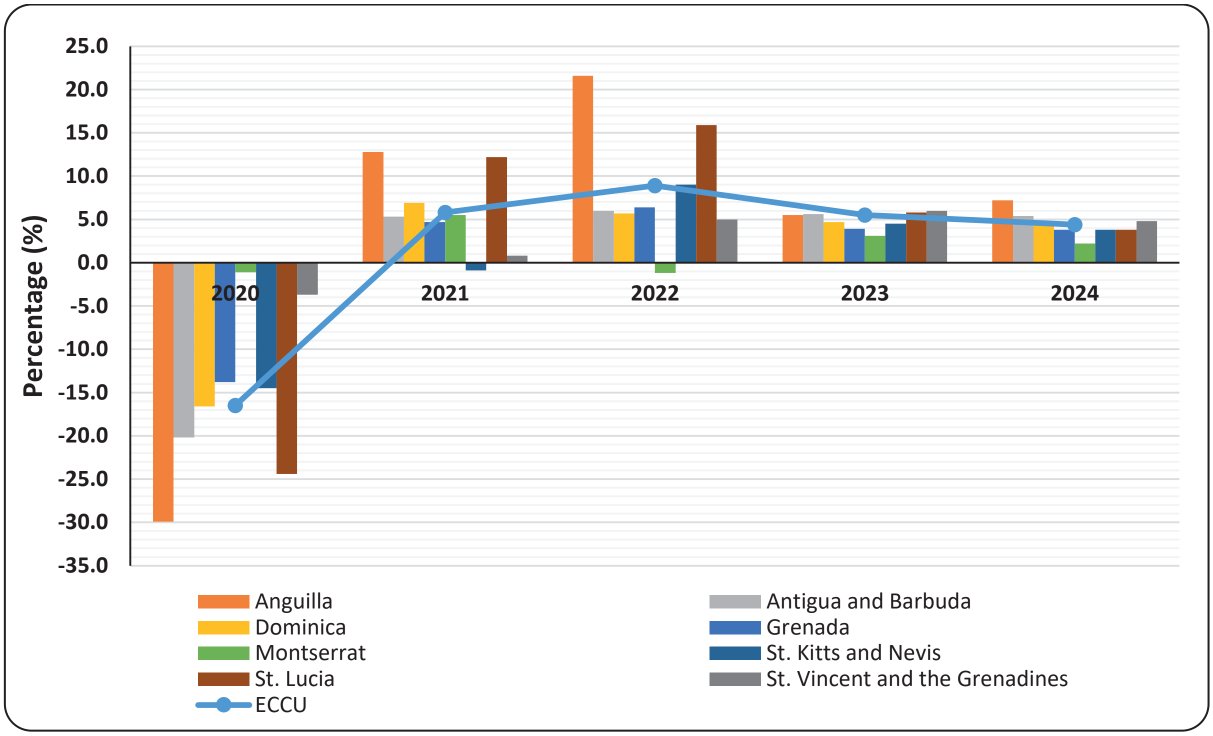
Notably, Guyana's financial system remained relatively stable as at end-March 2023, with the Licensed Depositary Financial Institutions (LDFIs) staying adequately capitalized, highly liquid and profitable. To this end, monetary policy continued to be targeted towards price stability, ensuring adequate liquidity levels to enable private sector credit and boost economic development.

Guyana's outlook for 2023 is one of optimism, with the expectation that the increase in oil production originating from the Stabroek Block, will propel the Guyanese economy, resulting in real oil GDP growth of 25.1 percent in 2023. Remarkably, Guyana's proven gross oil reserves are conservatively estimated at more than 11.0 billion barrels, despite a major portion of its territorial waters still being unexplored. As such, the expansion of this industry makes it more urgent for Guyana to move the Low Carbon Development Strategy 2030 forward, in order to combat the predicted increases in Greenhouse Gases (GHGs) emissions. Non-oil GDP growth is also anticipated at 7.9 percent, as significant growth is expected in major industries such as construction, agriculture and services. The overall BOP is also forecasted to recover and record a Current Account surplus, mainly on account of higher oil exports. Moreover, the inflation rate is predicted at 3.8 percent at the end of calendar 2023, due to a further decline in commodity prices. Total external debt is forecasted to increase due to higher payouts from both bilateral and private creditors by year-end 2023; and the NIIP is projected to continue to decline as a result of higher inflows of Foreign Direct Investments (FDI) during the 2023 period.

ECCU/OECS

In 2022, the Eastern Caribbean Currency Union (ECCU) continued on its upward growth trajectory to register an expansion of 8.9 percent, surpassing the 5.8 percent growth recorded in 2021. This improvement in economic activity was reflected in all Member Countries except Montserrat, which experienced a 1.2 percent decline in Real GDP **(Figure 4)**.

Figure 4: ECCU Real GDP Growth

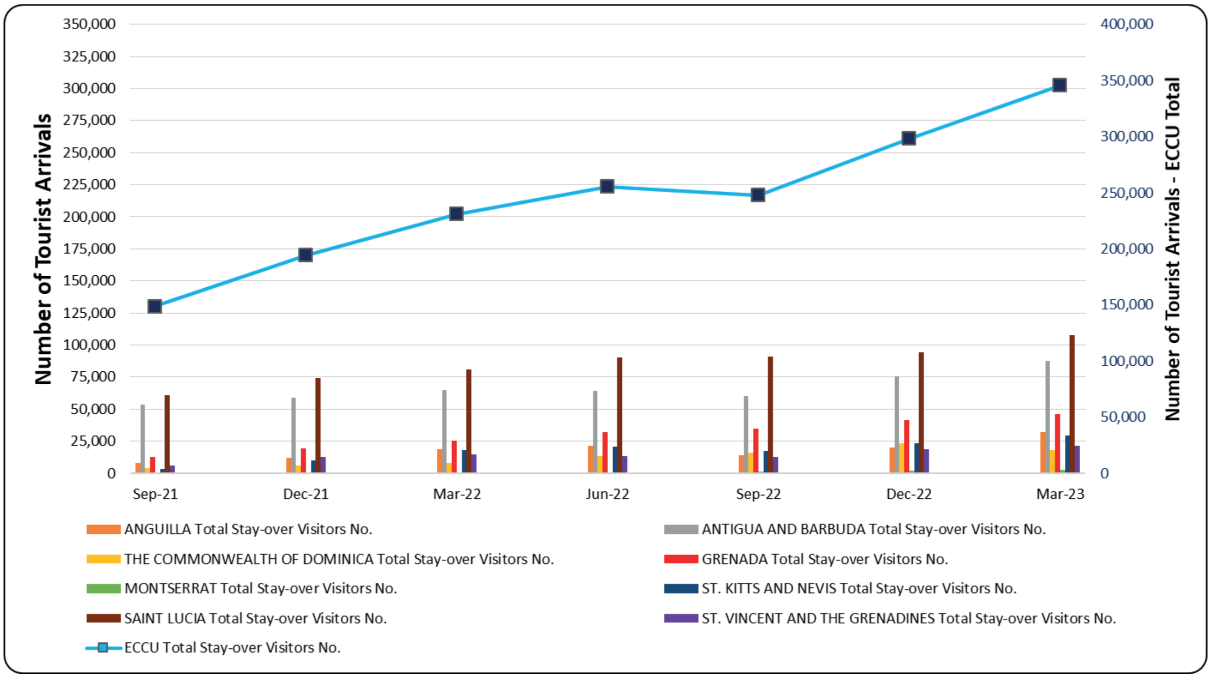


Source: International Monetary Fund, Staff Report for the 2023 Article IV Consultation with Member Countries, Eastern Caribbean Central Bank.

A boost in tourism and its supporting sectors were the main drivers of the accelerated growth throughout the ECCU; with the hotels and restaurants sector driving economic activity, recording growth of 68.0 percent, followed by transport, storage and communication (13.6 percent); wholesale and retail trade (10.8 percent) and construction (8.5 percent). As a result, gross travel receipts reverted to its pre-pandemic levels, evident by a 66.5 percent increase in the total expenditure by tourists in the region.

Developments in the tourism sector in the region were propelled by significant increases in tourist arrivals, with Dominica, St. Kitts and Nevis and Grenada recording the highest growth rates. For the ECCU, total tourist arrivals rose to 2.854 million in 2022, which more than tripled when compared to the 0.902 million tourist arrivals recorded in 2021. This was mirrored in all categories of tourist arrivals, though stayover arrivals lead the expansion, registering a 106.9 percent increase to 1.035 million arrivals, from the 0.5 million stayover arrivals recorded in the previous year; but which was nonetheless, 20.0 percent lower than the pre-pandemic level.

Figure 5: Tourist Arrivals



Source: Eastern Caribbean Central Bank, Selected Tourism Statistics (July 2023).

The ECCU's debt-to-GDP fell to 78.5 percent in 2022, from its 86.8 percent of GDP level recorded in 2021, due to improved economic conditions.

However, the region's growth was dampened by intensifying inflationary pressures, which climbed to 7.8 percent in 2022, following the 2.6 percent inflation rate recorded at the end of 2021. This was, for the most part, due to heightened energy (11.8 percent) and food prices (11.3 percent), exacerbated by the Russia-Ukraine war. Passing through to other components in the consumer basket, significant price increases were also reflected in transportation and communication (11.3 percent) and housing and utilities (8.0 percent). Inflation amongst Member States varied widely in 2022, ranging from 2.9 percent in Grenada to 10.8 percent in Anguilla.

Increased food and commodity price inflation in 2022 consequently contributed to a further widening in the ECCU's merchandise trade deficit by 31.7 percent ($8,977.3 million), approximately 42.2 percent of GDP, one of the highest deficits recorded for the union in the last decade. This was mainly on account of the increased value of imports to the region, the decreased competitiveness of the union's exports, and the global inflationary environment.

In 2023, growth in the region is expected to moderate, in alignment with projections for the global economic environment. According to the IMF's Regional Economic Outlook, growth in tourism-dependent Caribbean countries, such as those of the ECCU, is expected to slow to 3.2 percent in 2023, with inflationary pressures contracting to 4.3 percent. However, the three (3) main risks to the growth trajectory of the region remain persistent inflation, tighter global financial conditions and global geopolitical tensions.

Echoing the region's growth trajectory, Anguilla recorded an accelerated expansion of 21.6 percent in 2022, up from the 12.8 percent growth realized one year earlier. This notable performance was attributed to a sharp recovery in the tourism industry, led by the hotels and restaurants sector, which grew by 102.6 percent, compared to 11.8 percent in 2021. Double-digit expansions in transport, storage and communications (22.3 percent); manufacturing (18.0 percent); construction (16.0 percent); wholesale and retail trade (13.4 percent); and real estate, renting and business activities (11.7 percent), also contributed to this extended economic recovery. Notably, the country recorded its fifth consecutive year of a downward nominal debt trajectory and registered a debt-to-GDP ratio of 34.8 percent in 2022, following a ratio of 43.1 percent in the previous year.

Real GDP growth is expected to slow to 5.5 percent in Anguilla in 2023, in tandem with global economic activity; supported by public investment in developmental projects.

Similarly, economic activity in St. Kitts and Nevis rebounded strongly in 2022 with GDP growth estimated at 9.0 percent, following a contraction of -0.9 percent in 2021. The country's economic performance in 2022 was sparked by a rebound in the tourism sector, following the removal of COVID-19-related travel restrictions. With one of the strongest policy responses to the COVID-19 pandemic in the region, valued at approximately 5.0 percent of GDP, public finances were weighed down. However, a strong Citizenship by Investment (CBI) programme created fiscal space for the country to maintain the lowest debt-to-GDP ratios in the region. The IMF has however cautioned, in its 2023 Article IV Consultation, that the country's dependence on the CBI programme is increasing and called for a reduction on the dependence of revenues from this programme.

Moreover, though the country has the highest GDP per capita, recorded at an estimated US$18,000.0 in 2021, it is confronted with stagnant labour productivity, high energy and labour costs, a large growing public sector, and increasing public sector wages, thus dampening the country's fiscal space. On the upside, the IMF also indicated that fiscal prudence has remained a cornerstone of St. Kitts and Nevis' public policies, but recommends the introduction of a progressive personal income tax to ease the burden on the country's fiscal resources.

Growth in St. Kitts and Nevis is projected at 4.5 percent in 2023 and 3.8 percent in 2024, with GDP anticipated to return to its pre-pandemic levels by the end of 2024. Inflation is also expected to slow to 2.3 percent in 2023 and 2.0 percent in 2024.

Contrasting the trend of moderate growth of ECCU Member States, Montserrat recorded a contraction in Real GDP of 1.2 percent in 2022, compared with growth of 5.5 percent in 2021. This was on account of a drastic 75.0

percent contraction in the construction sector primarily due to reduced government capital expenditure to EC$13.0 million from EC$19.3 million. In addition, though the tourism sector displayed strong growth, with visitor arrivals tripling to 5,000 passengers from 1,597 in 2021, inadequate ferry services led to a significant slowdown in Caribbean stay-over tourists (the country's biggest source market), which was 74.9 percent below 2019 levels.

The country's end-of-period Consumer Price Index (CPI) decreased to 0.3 percent at the end of 2022, as opposed to the 5.2 percent recorded at the end of 2021, ascribed to lower prices for alcoholic beverages (8.2 percent), housing, water, electricity, gas and other fuels (4.8 percent), education (3.9 percent) and food and non-alcoholic beverages (1.9 percent). The country's public sector debt followed this pattern, declining by an average of 8.2 percent over the past five years.

In 2023, Montserrat's economic activity is anticipated to recover, as the tourism sector continues to expand amidst increased traveling demand, along with the resurgence of key public sector projects, such as the Little Bay Port development.

Table 2: Macroeconomic Indicators for Selected CARICOM Economies

CARICOM State	Real GDP Growth (%)			Consumer Prices (Period Average, %)			Unemployment (%)			External Current Account Balance (% of GDP)			Fiscal Balance (% of GDP)			Public Sector Debt (% of GDP)		
	2021	2022e	2023p	2021	2022e	2023p	2021	2022e	2023p	2021	2022e	2023p	2021	2022e	2023p	2021	2022e	2023p
Barbados	**-0.2**	**9.8**	**4.5**	**1.5**	**5.0**	**5.0**	**14.4**	**n/a**	**n/a**	**-11.2**	**-11.1**	**-7.7**	**-4.8**	**-2.1**	**-1.7**	**135.0**	**122.5**	**115.0**
Jamaica	**4.6**	**4.0**	**2.2**	**5.9**	**10.4**	**7.0**	**8.4**	**6.6***	**n/a**	**0.7**	**-3.2**	**-2.9**	**0.9**	**0.3**	**0.3**	**94.2**	**84.1**	**77.9**
Guyana	**20.0**	**57.8**	**25.1**	**4.8**	**7.2**	**3.8**	**n/a**	**n/a**	**n/a**	**-20.5**	**42.4**	**29.7**	**-10.1**	**-10.2**	**-10.9**	**38.6**	**24.6**	**20.9**
ECCU/OECS: All Countries	**5.8**	**8.9**	**5.5**	**1.6**	**6.7**	**3.3**	**n/a**	**n/a**	**n/a**	**-16.7**	**-17.0**	**-13.4**	**-3.3**	**-4.1**	**-1.8**	**88.7**	**76.8**	**77.7**
Anguilla	12.8	21.6	5.5	2.1	10.8	2.7	n/a	n/a	n/a	-39.6	-47.4	-40.3	-0.1	-0.9	2.0	53.1	34.6	49.6
Antigua and Barbuda	5.3	6.0	5.6	1.6	8.5	4.5	n/a	n/a	n/a	-15.0	-20.3	-14.1	-4.8	-2.7	-3.4	102.4	91.5	85.7
Dominica	6.9	5.7	4.7	1.6	7.5	6.2	n/a	n/a	n/a	-27.6	-26.2	-25.2	-8.7	-4.0	-4.2	106.3	97.0	92.7
Grenada	4.7	6.4	3.9	1.9	2.9	3.2	n/a	n/a	n/a	-13.2	-17.3	-14.8	0.3	1.0	2.1	71.0	64.6	61.1
Montserrat	5.5	-1.2	3.1	2.6	3.1	4.2	n/a	n/a	n/a	-17.4	-18.9	-11.6	1.4	-2.7	-0.6	5.2	4.7	5.4
St. Kitts and Nevis	-0.9	9.0	4.5	1.2	2.7	2.3	n/a	n/a	n/a	-5.8	-5.0	-3.6	5.6	-3.3	0.6	68.9	58.4	55.3
St. Lucia	12.2	15.9	5.8	2.4	6.4	2.7	21.9	n/a	n/a	-11.0	-6.4	-0.9	-6.5	-5.8	-2.3	95.5	85.6	88.3
St. Vincent and the Grenadines	0.8	5.0	6.0	1.6	5.7	4.6	n/a	n/a	n/a	-22.8	-26.5	-27.6	-7.3	-8.2	-6.1	89.9	87.8	88.0

Sources:

For Barbados - IMF First Reviews under the Extended Fund Facility (EFF) Arrangement and under the Resilience and Sustainability Facility (RSF) (July 2023).

For Jamaica - IMF Report (March 2023) - Request for an arrangement under the Precautionary Liquidity Line (PLL) and Resilience and Sustainability Facility (RSF)

For Guyana - Annual Report (2022) Bank of Guyana and World Bank, Macro-Poverty Outlook (April 2023).

For ECCU/OECS - ECCB 2022 Economic and Financial Review for Members States and IMF 2022/2023 Article IV Country Reports for Member States.

* Unemployment rate as at July 2022

n/a: not available

e: estimated p: provisional

THE REAL ECONOMY

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

GROSS DOMESTIC PRODUCT[12]

Overview

The Trinidad and Tobago economy rebounded in 2022, registering the strongest growth in real economic activity[13] since 2014. The full reopening of the economy following the discontinuation of measures implemented to curb the spread of the COVID-19 virus led to a rise in consumer and business activity. This spurred expansions in various Non-Energy industries, including Trade and Repairs; Manufacturing (excluding refining and the manufacture of petrochemicals); Construction; Transport and Storage; and Accommodation and Food Services. Conversely, despite an increase in natural gas production, real energy output marginally contracted as the production of liquid petroleum (crude oil and condensate) and petrochemicals declined in 2022 when compared to the previous year. Furthermore, Nominal Gross Domestic Product (GDP) recorded robust growth in 2022 on account of elevated crude oil and natural gas prices, primarily attributable to Russia's invasion of Ukraine in February 2022.

According to the latest available annual Real GDP estimates from the Central Statistical Office (CSO), the Trinidad and Tobago economy grew by 1.5 percent in 2022, reversing the 1.0 percent decline in 2021. The country's improved performance in 2022 was largely due to a 5.8 percent increase in Non-Energy Sector activity, which was slightly moderated by a marginal 0.03 percent contraction in the Energy Sector. Likewise, the most recent quarterly data from the CSO also indicated a 3.0 percent expansion in Real GDP at basic prices during

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[12] Gross Domestic Product is quoted in constant (2012) prices unless otherwise stated.

[13] Real economic activity refers to real gross domestic product (Real GDP). Real GDP measures the value of output of an economy, or changes in an economy's physical output using prices of a fixed base year.

the first three months of 2023. Economic activity within the Energy Sector increased by 0.3 percent whereas the Non-Energy Sector recorded a sharper 4.2 percent expansion during the first quarter of 2023 **(Appendix 2)**.

The CSO, the official source of national statistics in Trinidad and Tobago, has continued to review and improve its methodology for calculating GDP and has accordingly revised its annual Nominal and Real GDP for the period 2012 to 2021 **(Text Box 1)**.

Text Box 1: Revision of Annual and Quarterly GDP by the CSO

The CSO has implemented revisions to GDP based on advice received in the 2023 Technical Assistance Mission with the Real Sector Advisor attached to the Caribbean Regional Technical Assistance Centre (CARTAC), an IMF agency. This Mission sought to review the data sources and methods of estimation in the compilation of Annual and Quarterly estimates of GDP.

Some of the key areas implemented in the 2022 GDP estimates are improved data sources, the implementation of indicators for the Quarterly series that are more closely aligned to the Annual series and simplification of compilation procedures to reduce redundancies.

Another major revision involved the presentation of the data. In previous years, financial intermediation service charge indirectly measured (FISIM) was presented as a line item in the GDP compilation where FISIM was deducted from the Industry Gross Value Added to derive GDP at Basic Prices. The recommendation of the System of National Accounts 2008 is that FISIM be allocated to each industry. This amendment was implemented in the 2022 GDP estimates.

The following highlights the impacts of the revisions made by the CSO to its Annual GDP data series:

	2016	2017	2018	2019	2020	2021
Original GDP, Current Prices (TT$ Mn)	156,695.5	161,337.0	164,680.6	161,087.7	142,173.3	165,315.0
Revised GDP, Current Prices (TT$ Mn)	**158,205.8**	**162,981.2**	**166,352.3**	**160,588.6**	**140,474.0**	**165,559.6**
Original GDP, Constant Prices (TT$ Mn)	173,127.8	164,978.6	163,541.7	163,722.3	151,151.1	149,599.5
Revised GDP, Constant Prices (TT$ Mn)	**173,387.2**	**165,063.2**	**164,068.7**	**164,661.5**	**149,713.7**	**148,160.5**
Original GDP Growth Rate (%)	(6.8)	(4.7)	(0.9)	0.1	(7.7)	(1.0)
Revised GDP Growth Rate (%)	**(7.5)**	**(4.8)**	**(0.6)**	**0.4**	**(9.1)**	**(1.0)**

Source: Central Statistical Office

Trinidad and Tobago's growth momentum is expected to accelerate in 2023. Annual real output is projected to expand by 2.7 percent consequent to increased economic activity within the Non-Energy Sector. The Energy Sector is however anticipated to register a marginal decrease.

Nominal GDP[14] and Government's earnings are expected to soften because of lower than estimated oil and gas prices in 2023. During the first eight months of 2023, the average Brent spot price for crude oil fell by 24.5 percent to US$80.59 per barrel, from US$106.74 per barrel in the comparative period of 2022, while the average Henry Hub price for natural gas declined by 62.7 percent to US$2.45 per MMBtu, from US$6.56 per MMBtu in the similar period of 2022.

Quarterly GDP[15] (2023)

Year-on-year improvements were registered by twelve (12) industries, during the first three months of calendar 2023, inclusive of the top three GDP contributors. Tempering this were contractions within the remaining eight (8) industries.

Trade and Repairs, while retaining its position as the largest contributor to GDP, grew robustly by 10.9 percent during the January to March 2023 period. Contributing to this were improved performances in the sale of motor vehicles; natural gas distribution; retail trade; and wholesale trade.

Similarly, the second largest GDP contributor, the **Manufacturing** sector expanded by 1.6 percent during the first quarter of calendar 2023. Primarily accounting for this improvement was significant growth in the Textiles, clothing, leather, wood, paper and printing sub-industry consequent to growth of the manufacture of textiles, wearing apparel, leather and related products slightly offset by a contraction in the manufacture of wood and paper products; printing and reproduction of recorded media. *Manufacturing* growth was supported by a moderate 7.6 percent rise in the Food, Beverages and Tobacco Products sub-industry which saw an uptick in the processing and preserving of fruits, vegetables and meats; distilling, rectifying and blending of spirits; manufacture of wines coupled with a slower contraction in the manufacture of malt liquors and malt; and manufacture of soft drinks; production of mineral waters and other bottled waters. Partially mitigating the increase in the *Manufacturing* sector were contractions in the Petroleum and Chemical Products and Other Manufactured Products sub-industries.

[14] The Ministry of Finance estimates Nominal GDP to fall to $190,214.3 million in calendar 2023.

[15] In 2019 the CSO stopped producing current year annual GDP estimates and has shifted its focus to producing quarterly historical GDP estimates.

The largest contributor to the Manufacturing sector, Petroleum and Chemical Products, registered a fall in GDP of 1.8 percent during the three-month period ending March 2023 on account of lower output for manufacture of coke and refined petroleum products; and the manufacture of chemicals and chemical products, particularly the production of petrochemicals and natural gas liquids (NGLs).

Mining and Quarrying, the third largest contributor to Real GDP, likewise registered an economic expansion of 2.6 percent during the quarter ended March 2023. An increase in real output within Natural Gas Exploration and Extraction, together with significant growth in the smaller contributing petroleum industries, Asphalt and Petroleum Support Services, drove the sector's positive performance. Additional output from natural gas projects, which commenced production in 2022, was the primary contributing factor to the improved outturn of the Natural Gas Exploration and Extraction industry during the first three months of 2023.

In the first quarter of calendar 2023, significant growth was reported by the **Accommodation and Food Services** (17.5 percent), and **Transport and Storage** (16.7 percent) sectors resultant of an uptick in air and cruise passenger arrivals, inter-island transport, freight, and land transport. Furthermore, a spike in total tourist arrivals; a major indicator for the Accommodation and Food Services sector, led to the Tourism sector's improved growth outturn. Concurrently, more moderate growth was registered by the **Professional, Scientific and Technical services** (4.6 percent); and **Administrative and Support Services** (2.0 percent) sectors; while small growth was reported by **Arts, Entertainment and Recreation** (1.7 percent); **Information and Communication** (1.4 percent); **Human Health and Social Work** (1.4 percent); **Domestic Services** (0.8 percent); and **Education** (0.1 percent) **(Appendix 2)**.

Partially offsetting this positive economic activity were contractions in **Other Service Activities** (19.3 percent); **Agriculture, Forestry and Fishing** (-17.8 percent) and **Construction** (-8.6 percent) sectors. Simultaneously, a contraction of 2.1 percent was reported in the **Financial and Insurance Activities** sector. During the same period, contractions lower than 1.0 percent were reported by the remaining four (4) industries **(Appendix 2)**. According to the latest available domestic production data from the CSO, construction activities were reduced by lower output of concrete products; clay bricks, blocks and tiles; metal building materials[16]; and sawmills and wooden building materials coupled with weaker cement production.

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[16] The following are examples of metal building materials: sheeting, window/frames, doors, nails, store fronts, bath enclosure and awning hoods.

Calendar 2023 Forecast

According to the Ministry of Finance's estimates[17], the Trinidad and Tobago economy is expected to register Real GDP growth of 2.7 percent in 2023. The projected increase in real output in the current year is premised on an expansion in the Non-Energy Sector, partially counteracted by a marginal decline in the Energy Sector.

The positive economic activity in the Non-Energy Sector is driven by improvements, albeit lower than the previous calendar year, within the following sub-industries: Non-Energy Manufacturing; Trade and Repairs; and Transport and Storage. Primarily contributing to the strong Non-Energy Manufacturing GDP is significant growth projected for the Food, Beverages and Tobacco Products sub-industry. More moderate growth is expected for the Trade and Repairs and Transport and Storage sub-industries as pre-pandemic economic levels are restored. Cumulatively, these three (3) sub-industries typically contribute between 30 and 35 percent of GDP. Furthermore, flat growth is projected for the Construction and Financial activities. Accounting for this expectation within the construction sector were reductions in the production and exports of cement during the first eight months of 2023, along with a lower domestic production index for construction items in the first quarter of calendar 2023. Projected activity in the Finance and Insurance sub-industry is based on information from the Central Bank of Trinidad and Tobago which suggests a fall-off in insurance premiums, bank investments and shares traded on the stock exchange, partially counteracted by improvements in loans, deposits and investments of Trust Companies and Finance Houses.

The Energy Sector is anticipated to contract in 2023, primarily attributable to overall declines in the production of natural gas, crude oil and condensate of 0.3 percent, 1.0 percent and 0.2 percent respectively.

Nominal GDP is projected to decrease to $190,214.3 million in calendar 2023 from the CSO's provisional estimate of $202,984.9 million in 2022. This projection is primarily based on lower oil and gas prices and an expected deceleration in the inflation rate.

[17] In 2019, the CSO stopped producing current year estimates of GDP in keeping with guidelines of international good governance practices in national statistical reporting. This ensures a separation of activities related to GDP compilation which is the responsibility of a National Statistical Office, from activities related to forecasting or preparing GDP projections which should lie with another agency. CARTAC has accordingly advised that this responsibility be undertaken by the Ministry of Finance. Given that the CSO is committed to only preparing historical estimates of quarterly and calendar year GDP, the Ministry of Finance has taken responsibility for the current year forecasts. However, due to the limited availability of data, the Ministry is constrained in its ability to prepare forecasts for the full gamut of sectors that constitute the new ISIC Rev 4. methodology of the CSO. As a result, the Ministry has relied to a great extent on qualitative data to give its best judgment of real economic activity.

PETROLEUM

Overview

The CSO reported a marginal expansion in real economic output in the Petroleum Sector between January and March 2023. This was an extension of the slightly higher growth registered in the final quarter of 2022. The sector's performance during the first three months of 2023 was driven by increased real economic activity in *Natural Gas Exploration and Extraction, Petroleum and Natural Gas Distribution, Petroleum Support Services* and *Asphalt,* ultimately slightly outweighing the reported contractions in the other industries. Additional output during the quarter from energy projects that commenced production in 2022, was integral in counteracting both the adverse effects of the natural rate of decline in output as well as production disruptions experienced by local petroleum companies, thus leading to economic growth in the sector.

January to March 2023

Based on the CSO's latest available quarterly estimates of constant price GDP, the Petroleum Sector recorded an expansion of 0.3 percent during the first quarter of 2023, subsequent to a marginally higher 0.4 percent increase in the preceding fourth quarter of 2022. Positive outturns in four (4) petroleum industries offset the declines registered in the remaining four (4) industries during the three-month period ended March 2023 **(Appendix 2)**.

Real output in the **Manufacture of Petrochemicals** industry, the leading Petroleum Sector contributor to Real GDP, decreased by 3.5 percent during the January to March 2023 period, representing a deeper contraction than the 2.1 percent economic decline recorded in the final quarter of 2022. Increased downtime at several petrochemical plants was a major contributing factor to the industry's negative outturn during the quarter ended March 2023. Notably, the *Nutrien Trinidad* (*Nutrien)* urea plant was offline during February and March 2023 as a result of planned outages, whereas the melamine production facility was offline during the same period due to unplanned outages. The *Manufacture of Petrochemicals* industry was also impacted by a reduction in the supply of natural gas to the plants and the continued absence of output from the *Nutrien 03* ammonia plant, which was idled indefinitely in August 2022 and remained offline during the first three months of 2023.

Conversely, the second largest Petroleum Sector contributor to Real GDP; the **Natural Gas Exploration and Extraction** industry, registered economic growth of 1.7 percent during the three-month period ended March 2023, following a 4.0 percent expansion in the October to December 2022 period. Additional production from natural gas projects which came online in 2022 was the primary driver of the industry's improved economic activity during the first quarter of 2023. These projects included Shell Trinidad and Tobago Limited's (Shell)

Colibri project, which achieved first gas in early 2022 and Touchstone Exploration Trinidad Limited's (Touchstone) *Coho* project, which came onstream in October 2022.

Consequent to the natural rate of decline in production and subdued oil prices, on account of weakened global economic conditions, real output in the **Crude Oil Exploration and Extraction** industry; the third leading Petroleum Sector contributor to Real GDP, fell by 4.5 percent during the first three months of 2023. This was however an improvement from the downturn of 5.3 percent recorded during the final three months of 2022.

On the other hand, the **Petroleum and Natural Gas Distribution** industry registered marginal growth of 0.4 percent during the first quarter of 2023, subsequent to a 1.7 percent increase in the previous quarter ended December 2022. The industry's positive outturn is likely due to a small improvement in petroleum and natural gas sales and volumes during the 2023 period.

Notwithstanding the increase in output of liquefied natural gas (LNG) from the Atlantic LNG Company of Trinidad and Tobago (Atlantic), real economic activity within the **Refining (incl. LNG)** industry decreased by 1.0 percent during the January to March 2023 period. The industry's reduction in output was preceded by growth of 1.9 percent in the final quarter of 2022. During the three-month period ended March 2023, Atlantic's higher outturn of LNG was outweighed by a contraction in the production of NGLs at Phoenix Park Gas Processors Limited (PPGPL). The reduced output of NGLs in the 2023 period was influenced by a fall in the supply of liquids from Atlantic and inlet gas to the PPGPL facility from upstream natural gas producers, as well as increased downtime at the facility.

Additionally, **Condensate Extraction**, which previously fell by 9.0 percent during the October to December 2022 period, recorded a slightly milder contraction of 8.2 percent during the first quarter of 2023. The industry's constrained performance was due to lower production levels from several condensate producers, primarily as a result of the natural rate of output decline.

Petroleum Support Services however grew by a significant **139.5 percent** during the first three months of 2023, as compared to the 49.0 percent expansion in the preceding fourth quarter of 2022.

Likewise, real output in the **Asphalt** industry, the smallest contributing petroleum industry, rose by a colossal **2,487.8 percent** during the quarter ended March 2023, which was multiple times the massive **224.6 percent** increase achieved in the final three months of 2022. An upsurge in the initiation and acceleration of infrastructural development projects and road repair and improvement works resulted in increased demand for asphalt and related products. This spurred a significant expansion in economic activity during the first quarter of 2023.

The CSO has reviewed its methodology for assessing the Asphalt industry and has accordingly revised its annual Nominal and Real GDP estimates for the Asphalt industry for the period 2012 to 2021 **(Text Box 2)**.

Text Box 2: Revision of Annual and Quarterly Asphalt Estimates by the CSO

The methodology adopted for estimating the Asphalt industry prior to publishing the 2022 estimates utilised annual Trade data (imports and exports) as an indicator for the Annual series with the Quarterly series benchmarked to the Annual. The revisions to the Asphalt industry recorded in the 2022 estimates are due to methodological changes based on advice received from the Real Sector Advisor of the CARTAC during the CARTAC Mission undertaken in May 2023.

These methodological changes have resulted in a greater congruence between the Quarterly and Annual series. The revised methodology entails the construction of price and volume indices using data received from Lake Asphalt of Trinidad and Tobago (1978) Limited (Lake Asphalt).

The following highlights the impacts of the revisions made by the CSO to its Annual Asphalt data series:

	2016	**2017**	**2018**	**2019**	**2020**	**2021**
Original Asphalt, Current Prices (TT$ Mn)	111.5	115.3	164.2	121.5	166.2	136.7
Revised Asphalt, Current Prices (TT$ Mn)	**106.8**	**119.1**	**3.7**	**(3.3)**	**(7.2)**	**(5.0)**
Original Asphalt, Constant Prices (TT$ Mn)	177.1	173.9	247.7	183.3	250.7	206.3
Revised Asphalt, Constant Prices (TT$ Mn)	**173.6**	**236.9**	**171.9**	**226.0**	**279.9**	**78.8**
Original Asphalt Growth Rate (%)	(22.1)	(1.8)	42.5	(26.0)	36.8	(17.7)
Revised Asphalt Growth Rate (%)	**(22.2)**	**36.5**	**(27.4)**	**31.5**	**23.8**	**(71.8)**

Source: Central Statistical Office

EXPLORATION AND EXTRACTION[18]

Exploration and Development Activity

Trinidad and Tobago's Energy Sector remains attractive to investors, as an estimated US$1.2 billion was invested in the upstream sector by oil and gas companies in 2022. Foreign direct investments by these companies could potentially reach **US$3.4 billion** in calendar 2023. Moreover, an additional estimated US$1.3 billion is expected to be invested in calendar 2024.

The Government has signaled its intention to maintain the momentum of exploration through improved fiscal incentives and the availability of acreage both on land and offshore. Consequently, major oil and gas companies such as Heritage Petroleum Company Limited (Heritage), BP Trinidad and Tobago (BPTT), EOG Resources Trinidad Limited (EOG), Woodside Energy Group Ltd (Woodside) and Shell are committed to upstream activity in Trinidad and Tobago and are working towards undertaking projects geared towards replacing, as well as increasing production.

The last Crude Oil Audit was prepared by Netherland, Sewell and Associates Inc. (NSAI) for the year ended December 31, 2018. That Audit estimated Trinidad and Tobago's proven and probable crude oil reserves at 220.1 million barrels and 99.7 million barrels, respectively. A new Crude Oil Audit for year-end 2023 is expected to commence in calendar 2024.

With respect to natural gas reserves; the year-end 2020 Ryder Scott Gas Audit reports that Trinidad and Tobago's P1 + C1 Technically Recoverable Resources (TRR)[19]; formerly known as proved reserves; stood at 10.2 trillion cubic feet, while the P2 + C2 TRR (formerly known as probable reserves) was estimated at 7.2 trillion cubic feet. Further to the year-end 2020 Gas Audit, year-end 2021 and year-end 2022 Gas Audits were conducted. The results of these Audits are expected to be released in calendar 2023.

Touchstone achieved first gas from its *Coho-1* well in its Coho field in October 2022, representing the company's first onshore natural gas project to come onstream in Trinidad and Tobago in over twenty years. With respect to Touchstone's other facilities; following the completion and commissioning of the company's Cascadura facility, first output was achieved from two (2) wells in the Cascadura field; (*Cascadura-1ST1*, with an estimated

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[18] Exploration and Extraction activities include the production of crude petroleum, the mining and extraction of oil, the production of natural gas and the recovery of hydrocarbon liquids. It refers to the overall activity of operating and developing oil and gas fields.

[19] Technically Recoverable Resources (TRR) are those quantities of petroleum producible using currently available technology and industry practices, regardless of commercial considerations.

production of 40 million standard cubic feet of gas per day, and *Cascadura Deep-1*, which is projected to produce 20 million standard cubic feet of gas per day) in September 2023. Furthermore, a combined 1,500 barrels per day of natural gas liquids is expected to be produced from these wells. In terms of development drilling, Touchstone spudded one (1) development well (*Royston-1X*) in the Ortoire Block in February 2023, in order to further evaluate the Herrera sands which were encountered in the original previously drilled *Royston-1* well. The company is anticipated to start production from its Royston field in calendar 2023. Additionally, Touchstone also plans to drill two (2) development wells (*Cascudura-2* and *Cascadura-3*) later in 2023. Output from these two (2) wells as well as the *Coho-2* development well (with an initial rate of 10 million standard cubic feet per day) is projected to come online over the medium-term period.

BPTT commenced production from its *Cassia C* compression facility; the company's first offshore compression platform and largest offshore facility, in November 2022. Peak output from *Cassia C* was estimated at approximately 200 to 300 million standard cubic feet per day. Between October 2022 and June 2023, BPTT also drilled four (4) development wells for its infill drilling programmes[20] in the *Mango* field (three (3) development wells) and *Savonette* field (one (1) development well). First gas from the *Mango* field was achieved in the first quarter of calendar 2023 while production from the *Savonette* field commenced in the third quarter of calendar 2023. Output from BPTT's other infill drilling progamme in the *Angelin* field is projected to come onstream later in 2023. The *Angelin* field will include three (3) wells, with an estimated average twelve-month total production of 200 million standard cubic feet per day. The company's other medium-term investment projects include the *Cypre*, *Ginger* and *Coconut* developments. The *Cypre* project will include seven (7) development wells and its output is expected to peak at 300 million standard cubic feet per day. The capital expenditure for this project is estimated at US$854 million.

Similar to fiscal 2022, **Heritage** accounted for the majority of development wells spudded during fiscal 2023. Heritage drilled six (6) onshore development wells and three (3) offshore development wells during the current review period. Additionally, twenty-four (24) development wells were spudded by the company's Lease Out/Farmout (LO/FO) and Enhanced Production Service Contract (EPSC)[21] operators during the first nine months of fiscal 2023. Regarding exploration activity, one (1) offshore exploratory well was drilled in South East Soldado in February 2023, in which hydrocarbons were discovered. The well subsequently came onstream but

[20] Infill drilling refers to the drilling of additional development wells within a discovered and producing field. These additional development wells are used to further drain reserves from the field which are not able to be produced with the existing wells. The existing wells may be unable to drain these reserves due to the drainage radius of the existing well (extent of the reservoir drained by the well), faults (geological barriers to flow) or the location of reservoir being targeted.

[21] Heritage Petroleum Company Limited has renamed its sub-license from Incremental Production Service Contract to Enhanced Production Service Contract.

was taken offline due to sand control issues. The company's LO/FO and EPSC operators also spudded one (1) exploration well in June 2023.

Likewise, in October 2022, **EOG** drilled one (1) exploration well in the *Osprey* field. The company plans to further develop the *Osprey* field by drilling five (5) more wells (two (2) exploration wells and three (3) development wells) from its *Osprey A* platform to the west of *Osprey*. In terms of development projects, first output is anticipated from phases one (1) and two (2) of *Osprey East* in calendar 2023. EOG's projects in its *South East Coast Consortium (SECC)* Block and *TSP-SMR (Mento)* Block (a joint venture with BPTT) are projected to come online over the medium-term horizon. Twelve (12) wells are expected to be drilled and completed in the *Mento* Block. Moreover, *Mento's* planned phase 1 and phase 2 production wells are estimated to produce a combined 225 million standard cubic feet of gas per day and 8,400 barrels of crude oil and condensate per day.

Shell was the other upstream company to spud one (1) exploration well during the nine-month fiscal period ended June 2023. This well, (*Aphrodite-2X*) was drilled in Block 5A in November 2022, and resulted in the discovery of a commercial volume of natural gas. The company is currently contemplating development plans regarding this discovery. Moreover, output from *Aphrodite-2*; another of the company's previously spudded wells, is projected to come onstream over the medium-term. In terms of the *Manatee* field, Shell has submitted a field development plan for the project. The plan is expected to be approved in calendar 2023.

No drilling campaign was undertaken by **Woodside** during the October 2022 to June 2023 fiscal period. The company is, however, continuing its search for new drilling opportunities in the shallow water acreage (Blocks 2(c) and 3(a)), while pursuing the *Calypso* project in the deep water acreage (Blocks TTDAA14 and 23(a)). **Trinity Exploration and Production Ltd. (Trinity)** also did not conduct any drilling activity during the first three quarters of fiscal 2023. The company has indicated its intent to submit a revised field development plan for the TGAL area, which would entail the drilling of new wells to drain oil reserves off the east coast of Trinidad.

In keeping with its mandate to make acreage available for exploration, the Ministry of Energy and Energy Industries (MEEI) continued its Competitive Bid Rounds campaign over the 2022 to 2023 period. Regarding the **2021 Deep Water Competitive Bid Round**, the Government of Trinidad and Tobago approved the award of three (3) deep water blocks to the Consortium of BP Exploration Operating Company and BG International Limited, a subsidiary of Shell, in September 2023. Additionally, the MEEI is engaged in ongoing negotiations with the Consortium to enhance the bid received for another block, having completed similar negotiations on the above-mentioned three (3) blocks.

Subsequent to the closure of the Deep Water Competitive Bid Round on June 02, 2022, the MEEI launched the **2022 Onshore and Nearshore Competitive Bid Round** on July 08, 2022. At the close of the Bid Round on January 09, 2023, sixteen (16) bids were received for eight (8) blocks, out of the eleven (11) blocks made available for bidding. Following the evaluation process, preferred bidders were recommended for five (5) of the eight (8) blocks which received bids. The preparation of Exploration and Production Licenses for execution is ongoing. In terms of the remaining three (3) blocks, the MEEI commenced negotiations in August 2023, in an effort to improve the bids.

The **2023 Shallow Water Competitive Bid Round** is expected to be launched in the fourth quarter of calendar 2023. A total of thirteen (13) blocks will be made available for bidding. In order to improve the attractiveness of this Bid Round, the MEEI conducted a comprehensive review of the Bid Round process, including the fiscal and legal terms. The MEEI also received feedback from stakeholders following the completion of the 2018 Shallow Water Competitive Bid Round. Several recommendations from these processes have been incorporated into the 2023 Shallow Water Competitive Bid Round.

Drilling

A total of forty-two (42) wells were spudded by petroleum companies operating in Trinidad and Tobago during the first three quarters of fiscal 2023, representing a notable **90.9 percent** increase from the twenty-two (22) wells drilled in the corresponding period of the previous fiscal year. Detailed by well type, the country recorded an expansion in the well count of both development[22] and exploratory[23] wells spudded during the October 2022 to June 2023 period. Whereas the number of development wells drilled doubled (from 19 to 38), the number of exploratory wells rose by 33.3 percent (from 3 to 4), in comparison to the similar period one year earlier **(Appendix 7)**.

Increased drilling activity by Heritage, BPTT and Touchstone during the nine-month period ended June 2023 was the primary driver of the overall growth in the country's spud rate. During the October 2022 to June 2023 period, Heritage's LO/FO and EPSC operators cumulatively drilled twenty-five (25) wells; twenty-four (24) development wells and one (1) exploration well. Comparatively, the company's LO/FO and EPSC operators would have spudded thirteen (13) wells, all of which were development wells, in the previous fiscal 2022 period.

[22] A development well is drilled in a proven producing area for the production of oil or gas, with the intent to exploit it for maximum economic production and recovery of a reservoir's known reserves. It is drilled to a depth that is likely to be productive, so as to maximize the chances of success.

[23] An exploratory or 'wildcat' well is a well drilled to locate proven reserves of recoverable gas and oil in an unproven area (both onshore and offshore) with the intent to discover a new petroleum reservoir.

The LO/FO and EPSC operators' improved drilling campaign was mainly attributable to the increase in activity following the discontinuation of the measures implemented to curb the spread of the COVID-19 virus, coupled with the rise in crude oil prices.

Similarly, the number of wells spudded by Heritage for its onshore and offshore operations increased during the first nine months of fiscal 2023. Six (6) development wells were drilled on land during the current review period, as part of the company's campaign to bolster its onshore crude oil production levels; one (1) more than the five (5) development wells spudded in the comparative fiscal 2022 period. Additionally, Heritage Offshore operators drilled four (4) wells off the south-west coast of Trinidad during the first three quarters of fiscal 2023; three (3) development wells and one (1) exploration well, subsequent to no drilling activity being conducted in the company's marine acreages in the corresponding period one year earlier. The company spudded these three (3) development wells in an effort to boost its output of crude oil from offshore assets.

BPTT and Touchstone also contributed to the country's improved spud rate during the October 2022 to June 2023 period. BPTT drilled four (4) development wells in fiscal 2023 for its infill drilling programme in the *Mango* and *Savonette* fields; three (3) wells in the *Mango* field and one (1) well in the *Savonette* field. Similarly, Touchstone spudded one (1) development well (*Royston-1X*) in the *Ortoire* Block during the current review period, in order to further evaluate the Herrera sands encountered in the original previously drilled *Royston-1* well. Conversely, no new wells were spudded by BPTT and Touchstone in the previous fiscal 2022 period.

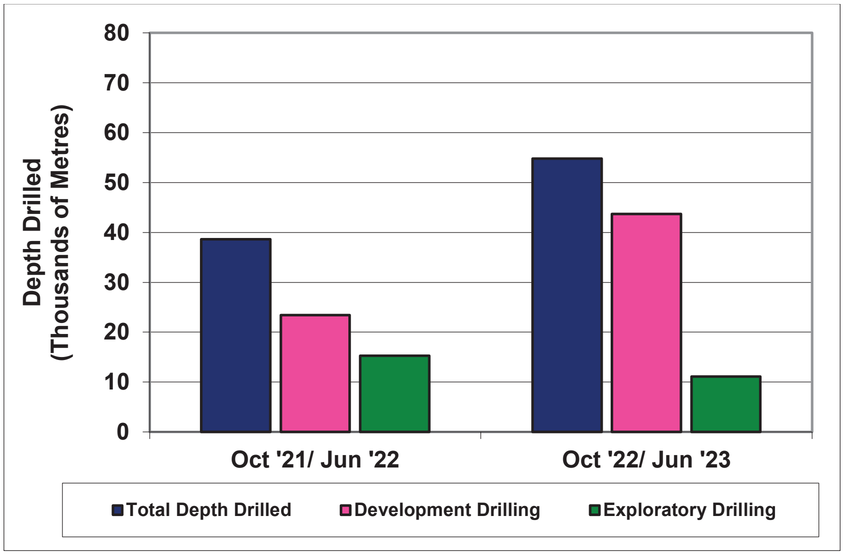
EOG's well count remained constant across both current and previous fiscal periods. The company drilled one (1) exploratory well in its *Osprey* field during the nine-month fiscal period ended June 2023 and likewise spudded one (1) exploratory well in the *Trinidad Northern Areas (TNA)* Block in the similar period one year earlier. Other upstream operators such as Woodside, Perenco Trinidad and Tobago (Perenco) and Trinity also maintained their fiscal 2022 spud rates during the first three quarters of fiscal 2023. These companies did not conduct any new drilling activities during the current and previous review periods.

The overall expansion in the total well count was slightly moderated by a reduction in the number of wells drilled by Shell and Denovo in fiscal 2023. Shell spudded one (1) exploratory well (*Aphrodite-2X*) in Block 5A during the first nine months of fiscal 2023, down from the two (2) exploratory wells (*Ice-1* in Block 5C and *Aphrodite-1* in Block 5A) drilled in the preceding fiscal 2022 period. Following the one (1) development well spudded by DeNovo in its *Zandolie* field in the October 2021 to June 2022 period, no new wells were drilled by the company during the fiscal period under review.

Mirroring the trend in the number of wells spudded, total depth drilled increased to 54.8 thousand metres during the first three quarters of fiscal 2023. This represented a **41.8 percent** expansion from the 38.6 thousand metres drilled during the nine-month period ended June 2022. The rise in depth drilled was on account of increased drilling activity by Heritage, BPTT and Touchstone. Similar to the previous fiscal period, development drilling dominated, as 43.7 thousand metres (or 79.7 percent of total depth drilled) were drilled for this purpose, whereas 11.1 thousand metres (or 20.3 percent) were drilled for exploration activities **(Figure 6)**.

The increase in drilling activity during October 2022 to June 2023 was reflected in both onshore and offshore drilling. Drilling on land rose from 22.2 thousand metres during the first nine months of fiscal 2022 to 35.2 thousand metres in the current period, a **59.1 percent** upsurge. Likewise, drilling in marine acreages grew by 18.6 percent to 19.6 thousand metres, as compared to the 16.5 thousand metres drilled in the comparative period one year earlier.

Figure 6: Development and Exploratory Drilling



Source: Ministry of Energy and Energy Industries

Crude Oil and Condensate Extraction

Update to July 2023

The latest available information received from the MEEI just prior to publication of this document reflects data up to July 2023. According to the updated data received, total crude oil and condensate production amounted to

51,582 barrels in July, which led to an average production of 56,059 barrels per day over the ten-month fiscal 2023 period. This represented a 5.9 percent decline in output compared to the similar period one year earlier.

October 2022 to June 2023

Following a turnaround in the sector's performance in fiscal 2021 and a further improvement in fiscal 2022, the country's total output of crude oil and condensate slipped to 56,537 barrels per day during the first nine months of fiscal 2023. This represented a 5.4 percent decrease in output when compared to the 59,736 barrels produced per day in the similar period one year earlier. Ultimately, reduced output from several upstream companies such as Perenco, Woodside, BPTT, EOG, Touchstone and DeNovo outweighed increased production from major companies namely Heritage, Trinity and Shell.

Consequent to the natural rate of decline in production, output from Perenco, Woodside, BPTT, EOG, Touchstone and DeNovo contracted during the October 2022 to June 2023 period. Woodside's crude oil output was also constrained by the company's increased focus on the blow down of the gas caps[24] in its *Greater Angostura* field during the fiscal 2023 period. Furthermore, the cessation of production from Block U(b) also contributed to EOG's lower output of condensate, while water breakthrough in DeNovo's major condensate producer well in its *Iguana* field partly influenced the company's condensate outturn during the current review period.

The magnitude of the overall reduction in the country's crude oil and condensate production during the nine-month period ended June 2023 was slightly moderated by an expansion in crude oil output from Heritage. The company's production rose by 1.3 percent, from an average of 34,639 barrels produced per day during the October 2021 to June 2022 period to an estimated 35,095 barrels per day in the comparative period of fiscal 2023. An increase in Heritage's land production, together with a boost in output from the company's LO/FO and EPSC operators, counteracted the fall in the company's offshore production during the first three quarters of fiscal 2023.

Heritage's output from onshore activities and LO/FO and EPSC operators grew by 2.7 percent and 8.2 percent respectively, as a result of additional production from new development wells being brought online during the

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[24] "Blow down of the gas caps" refers to the production of natural gas from the gas cap zone of the reservoir. The reservoirs in this area consist of crude oil with a gas cap on top of it. The production strategy previously used involved the injection of gas into the gas cap to increase the pressure and "drive" the oil out of the reservoir into the well. Given that the oil production zone of these wells has matured, the production strategy has changed to maximize the gas recovery. The production zone of the well has been changed to the gas zone and production has commenced from the gas zone. This change in the production zone has resulted in reduced oil production (to 0 barrels) from the well, hence the drop in oil production from the field.

period under review[25]. Workover operations on existing wells by FO operators also contributed to the company's overall expansion in output. Heritage's production in marine acreages however, fell by 2.2 percent primarily due to the natural rate of output decline, which was partially mitigated by additional production from the company's improved development drilling campaign in offshore fields[26].

Heritage's overall output is expected to maintain its upward trajectory over the medium-term period, particularly as the company's focus since its inception has been on maximizing returns from exploration and production activities. Furthermore, the notable improvement in Heritage's development drilling programme during the current fiscal period is expected to positively impact the company's output of crude oil. Heritage spudded a total of thirty-three (33) development wells over the nine-month fiscal period ended June 2023 when compared to the eighteen (18) such wells drilled in the corresponding period of fiscal 2022. Moreover, the MEEI has instructed Heritage to allow independent operators with an interest in engaging in LO/FO operations with Heritage, the available capital and the willingness to work, to undertake production activities on Heritage's acreages, in an effort to at least maintain and thereafter increase production.

Trinity and Shell also contributed to mitigating the overall contraction in crude oil and condensate production during the October 2022 to June 2023 period. Crude oil output from Trinity was bolstered by improved well maintenance while Shell's output of condensate rose on account of increased production from its *Bounty* development well.

In light of the ongoing resilience in the demand for fossil fuels as a prime source of energy despite the global thrust toward renewable energy sources, major upstream oil companies, including Heritage, remain committed to planned and ongoing exploration and development projects in Trinidad and Tobago. Accordingly, the country's total production of crude oil and condensate is anticipated to increase over the medium-term[27].

Disaggregated by hydrocarbon type, the country recorded lower levels of output of both crude oil and condensate during the first nine months of fiscal 2023 when compared to the corresponding period one year earlier. Crude oil production decreased by 4.9 percent to 50,708 barrels per day during the current review period, from the 53,306 barrels produced per day during the previous fiscal 2022 period. Similarly, condensate output averaging

[25] Heritage spudded six (6) development wells on land while twenty-four (24) development wells were drilled by the company's LO/FO and EPSC operators in fiscal 2023, in comparison to the five (5) onshore development wells spudded and the thirteen (13) development wells drilled by LO/FO and EPSC in the corresponding period one year earlier.

[26] Three (3) offshore development wells were spudded by Heritage during the first three quarters of fiscal 2023, subsequent to no drilling activity being conducted in marine acreages in the previous comparative fiscal 2022 period.

[27] Increases in output, primarily from Heritage Petroleum, EOG Resources and the Touchstone Ortoire Block are anticipated to boost the country's total production of crude oil and condensate over the next few years.

5,829 barrels per day during the October 2022 to June 2023 period, was 9.3 percent lower than the daily average production rate of 6,430 barrels in the comparative period of fiscal 2022 **(Appendix 7).**

On average, 38,339 barrels of crude oil and condensate were produced per day from offshore fields during the nine-month fiscal 2023 period; representing a 9.3 percent decline as compared to the 42,280 barrels extracted per day from marine acreages in the comparative period of fiscal 2022. Accordingly, offshore production accounted for 67.8 percent of the country's overall output of crude oil and condensate (56,537 barrels per day) in the current fiscal 2023 period; slightly lower than its 70.8 percent contribution in the corresponding period one year earlier. Contrastingly, onshore production which averaged 17,455 barrels per day in the first three quarters of fiscal 2022 increased by 4.3 percent to 18,199 barrels per day in the October 2022 to June 2023 fiscal period. Consequently, onshore production's share of the country's daily average production rate rose to 32.2 percent in the current fiscal period, from 29.2 percent during the preceding fiscal 2022 period.

Following Russia's invasion of Ukraine on February 24, 2022, West Texas Intermediate (WTI) and European Brent spot prices soared above US$100.00 per barrel. However, in the latter months of 2022, crude oil prices tempered and have since been volatile, trending lower, primarily on account of weakened global economic conditions, which have dampened the demand for oil. The slower-than-anticipated post COVID-19 recovery in China; the world's second largest economy, has also exerted downward pressure on crude oil prices. Moreover, the perceived risk around the global banking sector, following the collapse of the Silicon Valley Bank and Signature Bank in the United States of America, which fueled fears of a global recession, has also contributed to the lower oil price environment.

Despite ongoing production cuts by the Organization of Petroleum Exporting Countries and its allied countries (OPEC+), crude oil prices have remained somewhat subdued during the fiscal 2023 review period. Noting the adverse impact of volatility and the decline in liquidity on the current oil market, as well as its commitment to sustain a stable oil price market, the cartel at its meeting in September 2022 agreed to reduce output by 100,000 barrels per day in October 2022, by reverting to its August 2022 production target[28]. The group subsequently decided at its October 2022 meeting to lower overall monthly production by 2,000,000 barrels per day from its previously agreed August 2022 output level, starting in November 2022. This represented the alliance's largest

[28] Despite soaring oil prices in the first few months of calendar 2022 on account of Russia's invasion of Ukraine, OPEC+ agreed to continue with its plan of gradually raising the group's overall monthly production by 400,000 barrels per day. However, as the Russia/Ukraine conflict intensified and prices remained high, OPEC+ eventually agreed to further increase its production targets by 432,000 barrels per day for the months of May and June 2022, whilst still adhering to the existing strategy of gradually unwinding record supply cuts. Moreover, as Russian oil output declined due to Western sanctions, the cartel subsequently agreed to raise output by 648,000 barrels per day in July and August 2022 but adjust its production targets upward by an additional 100,000 barrels per day in September 2022.

production cut since the start of the COVID-19 pandemic and was attributed to the uncertainty that surrounds the global economic and oil market outlooks.

Without consulting its OPEC+ counterparts, in February 2023, Russia's administration decided to reduce the country's output of crude oil by 500,000 barrels per day for the month of March 2023. This decision was taken in response to sanctions imposed on Russia's oil trade by Western countries, including a US$60.00 oil price cap on Russian oil and refined products. Subsequently, in March 2023, Russia's administration indicated that the country's production cut of 500,000 barrels per day would be extended to June 2023. However, one month later, the administration stated that Russia would continue reducing output by 500,000 barrels per day for the remainder of 2023 while other OPEC+ members, including Saudi Arabia announced voluntary production cuts from May 2023 until year-end, in order to support the stability of the oil market. Collectively, OPEC+ members agreed to voluntarily reduce output by an additional 1.66 million barrels per day until the end of 2023. Also noteworthy is the decision initially taken by Saudi Arabia to voluntarily adjust the country's production level downward by 500,000 barrels per day but later to unilaterally pledge to reduce output by 1,000,000 barrels per day in July 2023 and extend this production cut into August and September 2023.

The announcements of production cuts generally led to increases in crude oil prices. However, these increases were usually short-lived on account of concerns over slower global economic growth and weaker demand for crude oil. Additionally, opposing forces such as the sale of millions of barrels of crude oil from the Strategic Petroleum Reserve of the United States of America may have also contributed to the temporary nature of increased crude oil prices. Nonetheless, the oil market continues to be volatile and the operations of OPEC+, global economic conditions and other unforeseen circumstances are expected to play a pivotal role in the future direction of oil prices.

In light of the counteracting bullish and bearish global factors at play, the average WTI price per barrel of crude oil was volatile but trended downward, falling by 17.5 percent to US$77.76 during the period October 2022 to August 2023, from an average price of US$94.29 per barrel in the similar period of fiscal 2021/2022 **(Table 3).** Based on monthly trends, the average WTI price opened the fiscal 2023 period at US$87.55 per barrel in October 2022, and thereafter fell to US$76.44 per barrel in December 2022, before increasing to US$78.12 per barrel one month later. The monthly average price fell over the ensuing months, declining to US$73.28 per barrel in March 2023, before rising momentarily to US$79.45 per barrel in April 2023. The average monthly WTI benchmark subsequently recommenced its monthly descent to record its lowest level over the ten-month period of US$70.25 per barrel in June 2023. The average monthly price then increased to end the period at US$81.39 per barrel in August 2023. The price then accelerated to cross US$90.00 per barrel in September 2023.

During the period September 01 to 27, 2023, the daily WTI price averaged US$89.23 per barrel. The daily price trended upward during the first twenty-seven days of September 2023, recording a period low of US$85.52 per barrel on September 01, 2023 and peaking at US$93.67 on September 27, 2023.

Mirroring its United States benchmark counterpart, the European Brent spot price, which averaged US$82.76 per barrel during the first eleven months of fiscal 2023, was 16.7 percent lower than the average price of US$99.33 per barrel in the comparative fiscal 2022 period. The monthly average price trended downward during the first quarter of fiscal 2023, from a fiscal period high of US$93.33 per barrel in October 2022 to US$80.92 per barrel in December 2022. The average price thereafter increased to US$82.59 per barrel in February 2023, before dipping to US$78.43 per barrel in the subsequent month. Thereafter, the monthly price climbed to US$84.64 per barrel in April 2023, then fell steadily to reach a fiscal period low of US$74.84 per barrel in June 2023. The current review period ended with the monthly average price rising again to US$86.15 per barrel in August 2023 **(Figure 7)**. The price then accelerated to cross US$95.00 per barrel in September 2023.

During the first twenty-seven days of September 2023, the daily Brent spot price averaged US$93.46 per barrel. The Brent price trended upward during the period September 01 to 27, 2023, opening the period at its lowest level of US$89.98 per barrel on September 01, 2023 and ending the period at a high of US$97.10 on September 27, 2023.

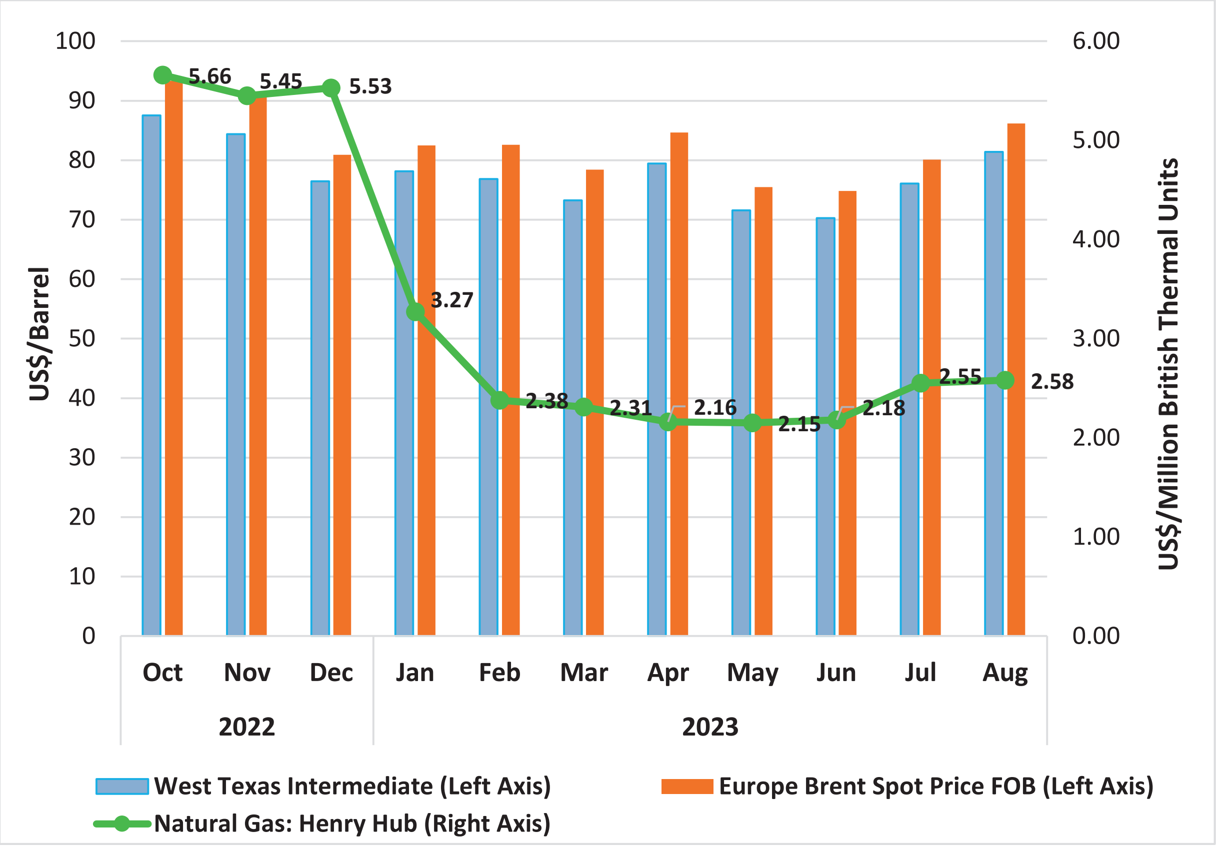
Monthly average WTI prices continued to be below European Brent spot prices for the duration of the fiscal 2023 period. The US$5.78 per barrel variance between the average price for both crudes at the beginning of fiscal 2023 widened to a peak differential of US$7.05 per barrel one month later; subsequently narrowing to close the period at US$4.76 per barrel in August 2023.

Table 3: Annual Average Oil and Gas Prices

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22	Oct '21/ Aug '22	Oct '22/ Aug '23[29]
Crude Oil (Spot Price US$/Barrel)							
West Texas Intermediate	64.01	57.51	42.85	59.24	93.45	94.29	77.76
European Brent	69.52	65.43	46.54	61.85	98.54	99.33	82.76
Natural Gas (US$/Million British Thermal Units)							
Henry Hub	2.94	2.92	2.00	3.35	6.23	6.07	3.29

Source: Energy Information Administration (US)

Figure 7: Monthly Average Oil and Gas Prices



Source: Energy Information Administration (US)

[29] During the period September 01 to 27, 2023, the daily WTI price averaged US$89.23 per barrel, while the daily Brent spot price averaged US$93.46 per barrel. The daily Henry Hub price for natural gas averaged US$2.62 per MMBtu during the period September 01 to 26, 2023.

Natural Gas Extraction

Update to July 2023

The latest available information received from the MEEI just prior to publication of this document reflects data up to July 2023. According to the updated data received, natural gas production totalled 2,535.5 million standard cubic feet per day in July, which led to an average production of 2,617.0 million standard cubic feet per day over the ten-month fiscal 2023 period. This represented a 1.1 percent decrease in output compared to the similar period one year earlier.

October 2022 to June 2023

During the nine-month fiscal period ended June 2023, natural gas output averaged 2,618.0 million standard cubic feet per day; a marginal 0.1 percent decline from the 2,621.5 million standard cubic feet produced per day in the corresponding fiscal 2022 period **(Appendix 8 and Figure 8).** This was nevertheless a slight improvement from the 0.7 percent contraction recorded during the comparative period one year earlier. The sector's lower outturn during the October 2022 to June 2023 period was attributed to reduced output from BPTT, Woodside and EOG, which slightly outweighed increased production from Shell, first gas from Touchstone's *Coho* field and relatively stable output from DeNovo.

BPTT's production during the first three quarters of fiscal 2023 was constrained by the company's infill drilling activities in its *Mango* field (output was reduced to facilitate these activities) as well as mechanical issues encountered by its *Cassia C* offshore compression facility, which had to be taken offline in the latter half of the current review period. Lower demand for gas[30] from Atlantic, on account of scheduled maintenance activities at *Train IV*, which was conducted in October and November 2022, also contributed to the company's 8.9 percent reduction in output during the fiscal 2023 period. Notwithstanding BPTT's *Trinidad Onshore Compression (TROC)* project (which allows for the extension of the productive lifespan of wells connected to the onshore compressor at the Atlantic facility), the natural decline in the company's base production persisted, thus also impacting the company's outturn level during the fiscal period under review. Moreover, BPTT's production was further

[30] Contractual requirements play a key role in the quantities of additional natural gas that can be redirected to a consumer, in the event that other consumers demand less gas. While there is generally some degree of flexibility in the quantities that can be accepted by gas consumers, the overall limit on the levels of gas which can be directed to other consumers in other industries could result in a reduction in gas production from specific facilities and production hubs. The available gas supply is actively managed to achieve, as far as possible, a balance with the prevailing gas demand during the period.

influenced in June 2023 when the company's *Kapok* and *Immortelle* platforms, together with its *Beachfield Gas Processing* facility were taken offline. Nevertheless, BPTT's outturn is anticipated to be bolstered by new output from its infill drilling programmes in the *Mango* and *Savonette* fields, which commenced production in the first and third quarters of 2023, respectively.

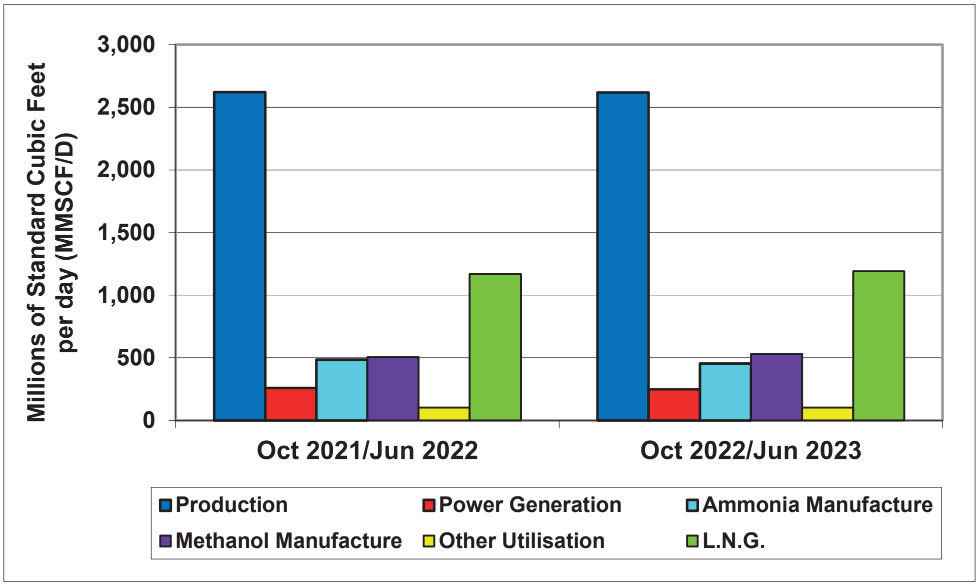
Also contributing to the overall fall in natural gas production during the nine-month period ended June 2023 were output declines from Woodside (by 8.0 percent) and EOG (by 24.5 percent). Woodside's reduced outturn in fiscal 2023 was mainly due to a lower volume of gas requested by the Natural Gas Company of Trinidad and Tobago (NGC) during the fiscal period, coupled with downtime to facilitate the replacement of a Gas Compressor Engine at the company's *Angostura's Gas Export* platform in February 2023. EOG's production during the October 2022 to June 2023 period was however influenced by the natural rate of output decline, water breakthrough in wells and the cessation of production from wells.

On the other hand, increased natural gas production from Shell (by 44.0 percent) partially mitigated the contractions in output from other companies during the first nine months of fiscal 2023. The company's improved performance during the current review period was primarily driven by nine months of output in the current fiscal period, from its *Cassra* and *Orchid* fields, which achieved first gas in March 2022 and April 2022, respectively. Shell's overall outturn was however tempered by scheduled maintenance activities at Atlantic's *Train IV*, which was conducted in October and November 2022 (which resulted in lower gas demand), as well as the company's own maintenance works on its assets in the *North Coast Marine Area (NCMA)* and *East Coast Marine Area (ECMA)*, which occurred in April 2023.

Additionally, Touchstone's achievement of first gas in October 2022 from its *Coho-1* well in its *Coho* field also contributed to moderating the overall reduction in natural gas production during the first nine months of fiscal 2023. Touchstone's overall output is anticipated to be further boosted by new production from its *Cascadura* field, which came online in September 2023.

DeNovo's outturn remained relatively stable as the company's production during the October 2022 to June 2023 period was approximately 2.5 million standard cubic feet per day lower than its output level during the similar period one year earlier. The company's production was largely unaffected by water breakthrough in two (2) wells in its *Iguana* field, which ultimately resulted in the wells being taken offline in fiscal 2023.

Figure 8: Natural Gas Production and Utilisation



Source: Ministry of Energy and Energy Industries

Natural Gas Utilisation

During the first nine months of fiscal 2023, natural gas utilisation by local end-users remained fairly stable, averaging 2,529.5 million standard cubic feet per day, a negligible 0.3 percent increase from the 2,521.4 million standard cubic feet utilised per day in the corresponding period of fiscal 2022. Despite the country's overall stable gas usage, consumption rates of the various industries generally differed between the two fiscal periods.

Atlantic remained the dominant user of natural gas, utilising 45.5 percent of total gas produced during the nine-month fiscal 2023 period ended June 2023; slightly higher than the 44.6 percent consumed by the company in the similar period of fiscal 2022. Accordingly, Atlantic's utilisation rate increased by 2.0 percent as 1,192.0 million standard cubic feet per day of natural gas was directed to **LNG** production during the first three quarters of fiscal 2023, in comparison to the 1,169.0 million standard cubic feet utilised per day during the preceding fiscal 2022 period. Gas usage by Atlantic for the production of LNG rose on account of increased gas supply to *Trains II* and *IV* during the October 2022 to June 2023 period.

Methanol manufacturers were the second largest users of domestically produced natural gas, as 531.4 million standard cubic feet per day (or 20.3 percent of total gas output) was consumed during the first nine months of fiscal 2023. This represented a 5.4 percent increase in the industry's gas usage rate when compared to the 504.1 million standard cubic feet utilised per day in the corresponding period one year earlier (or 19.2 percent of total natural gas produced). The methanol industry's increased intake of natural gas during the fiscal 2023 period was largely due to higher operating rates at certain times during the current review period, coupled with reduced downtime at methanol plants.

Notwithstanding a 6.3 percent contraction in its utilisation rate during the first three quarters of fiscal 2023, the **ammonia** manufacturing industry maintained its status as the third largest domestic utiliser of natural gas. Ammonia producers utilised 454.6 million standard cubic feet per day during the current fiscal 2023 period, down from the 485.1 million standard cubic feet consumed per day in the preceding fiscal 2022 period. The industry's share of total gas output accordingly decreased to 17.4 percent in fiscal 2023, from 18.5 percent in fiscal 2022. Less gas was used for ammonia production as a result of increased downtime at the plants for scheduled and unscheduled maintenance activities, together with gas curtailment during the fiscal period under review.

Natural gas intake by the **power generation** industry also fell by 4.1 percent from 260.1 million standard cubic feet utilised per day in the October 2021 to June 2022 period, to 249.3 million standard cubic feet per day in the current fiscal period. As a consequence, the industry utilised 9.5 percent of total gas produced during the nine-month period ended June 2023; a minor reduction from its 9.9 percent share of total gas output in the comparative fiscal 2022 period. The power generator's usage of natural gas declined in fiscal 2023, as compared to the increases observed in fiscal 2022, on account of an unexpected outage experienced at the Trinidad Generation Unlimited (TGU) plant which resulted in the Independent Power Producers (IPPs) using more gas than usual to provide the normal amounts of power.

Likewise, the proportion of natural gas used for the production of **iron and steel** decreased to 1.5 percent during the first nine months of fiscal 2023, from 1.6 percent in the corresponding fiscal 2022 period. The reduction in the industry's share reflected an 8.3 percent fall in its total usage from 41.8 million standard cubic feet per day during the October 2022 to June 2022 period to 38.3 million standard cubic feet per day in the current fiscal 2023 period.

Natural gas deliveries for the production of **ammonia derivatives**[31] also contracted by 19.5 percent from 20.8 million standard cubic feet utilised per day during the first three quarters of fiscal 2022 to 16.8 million standard cubic feet per day during the current review period. Consequently, the industry consumed 0.6 percent of total natural gas produced in the current fiscal period, down from 0.8 percent in the preceding fiscal period.

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[31] Ammonia derivatives include urea, urea-ammonium nitrate (UAN) and melamine.

Collectively, **small consumers, gas processors, and cement manufacturers** reduced their gas utilisation rate by 8.5 percent during the nine-month period ended June 2023 to 36.7 million standard cubic feet per day, in comparison to 40.1 million standard cubic feet per day in the similar period one year earlier. The group's combined share also slipped to 1.4 percent of total natural gas produced during fiscal 2023; marginally lower than its 1.5 percent share in the fiscal 2022 period.

Following the temporary closure of NiQuan Energy Trinidad Limited's (NiQuan) **gas-to-liquids** (GTL) plant, due to an explosion on April 07, 2021, no gas was supplied for the manufacture of GTL products during the majority of fiscal 2022, with the exception of June 2022 (4.0 million standard cubic feet of gas per day was directed to GTL production in June 2022). During the October 2022 to June 2023 period, 10.4 million standard cubic feet of gas per day was consumed by NiQuan. The company has however not yet attained Commercial Operations status and was taken offline in calendar 2023.

Consequent to the closure of the Petroleum Company of Trinidad and Tobago Limited (Petrotrin) Refinery in November 2018, no gas was utilised for **refining** purposes after fiscal 2019, as refining operations have yet to be restarted. Trinidad Petroleum Holding Limited (TPHL) has received Expressions of Interest (EOIs) from various parties and continues to actively evaluate information provided by these parties to assess their credentials until a preferred bidder is selected.

Natural Gas Prices

Natural gas prices trended downward during the fiscal 2023 period, with prices once again recorded at levels last seen prior to Russia's invasion of Ukraine in February 2022. Lower demand for natural gas for heating purposes, on account of mild temperatures during the winter period, coupled with above average storage inventory levels has contributed to the subdued price environment.

As a consequence, the Henry Hub price of natural gas which averaged US$3.29 per MMBtu during the period October 2022 to August 2023, reflected a fall of 45.8 percent from an average price of US$6.07 per MMBtu in the comparative period of fiscal 2022 **(Table 3)**. In monthly terms, the average Henry Hub price peaked at US$5.66 per MMBtu in October 2022, before declining to US$5.45 per MMBtu in the following month and later temporarily rising to US$5.53 per MMBtu in December 2022. Following a sharp decline to US$3.27 per MMBtu in January 2023, the monthly average price continued its descent reaching a fiscal period low of US$2.15 per MMBtu in May 2023. The average price however trended upward in the subsequent months, closing the period at US$2.58 per MMBtu in August 2023 **(Figure 7)**.

During the period September 01 to 26, 2023, the daily Henry Hub price averaged US$2.62 per MMBtu. The daily price trended upward during the first twenty-six days of September 2023, opening the period at US$2.70 per MMBtu on September 01, 2023, peaking at US$2.81 per MMBtu on September 14, 2023, and narrowing to end the period at US$2.55 per MMBtu on September 26, 2023.

Notably, the price that Trinidad and Tobago receives for its natural gas output is commonly referred to as the net back price, which takes into account the cost of liquefaction, transportation, regasification and marketing. Moreover, the net back price is a combination of natural gas and LNG prices (including the National Balancing Point (NBP) and the Japan/Korea Marker (JKM))[32]. During the first nine months of fiscal 2023, the net back price averaged US$5.81 per MMBtu; a 10.0 percent decline from the US$6.46 per MMBtu received in the corresponding period one year earlier **(Table 4)**.

Table 4: Natural Gas Net Back Prices received by Trinidad and Tobago

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22	Oct '21/ Jun '22	Oct '22/ Jun '23
Net Back Price (US$/Million British Thermal Units)	2.45	2.56	1.53	3.13	6.92	6.46	5.81

Source: Inland Revenue Division, Ministry of Finance

REFINING (incl. LNG)[33]

Liquefied Natural Gas (LNG)

Production

Update to July 2023

The latest available information received from the MEEI just prior to publication of this document reflects data up to July 2023. According to the updated data received, LNG production amounted to 30.6 trillion British thermal units (BTU) in July, which led to total production of 325.7 trillion BTU over the ten-month fiscal 2023 period. This represented a 0.3 percent increase in output compared to the similar period one year earlier.

[32] Further details on LNG prices are provided in the next section "Liquefied Natural Gas".

[33] Refining activities include the production of liquefied natural gas (LNG), as well as the refining of both crude oil and natural gas.

October 2022 to June 2023

During the October 2022 to June 2023 period, total production of LNG by Atlantic increased by 2.5 percent to 295.1 trillion BTU, from the 287.9 trillion BTU produced in the similar period of fiscal 2022. Notwithstanding the contraction in the country's natural gas output during the first nine months of fiscal 2023, Atlantic's outturn of LNG rose, likely due to the higher volume of gas (1,192.0 million standard cubic feet) utilised by Atlantic over the same nine-month period, as compared to the volume of gas (1,169.0 million standard cubic feet) consumed for LNG production in the corresponding period one year earlier[34].

Natural gas output declined during the first three quarters of 2023 on account of reduced production from BPTT, Woodside and EOG, which offset an expansion in Shell's output, first gas from Touchstone's *Coho* field and relatively stable production from DeNovo. The natural rate of decline in production, reduced gas demand as a result of maintenance activities at Atlantic's *Train IV* and operational issues experienced by upstream operators contributed to the lower outturn of natural gas in fiscal 2023[35].

The country's overall output of natural gas is however anticipated to increase over the medium to long term horizon, due to investments by upstream companies in major gas projects, which would improve the supply of natural gas for LNG and other downstream industries[36]. Gas production in the current review period is being supported by Touchstone's *Coho* and *Cascadura* fields, which came online in October 2022 and September 2023, respectively; BPTT's *Cassia C* compression facility which commenced production in November 2022, together with first gas from the company's infill drilling programme in its *Mango* and *Savonette* fields, which came onstream in the first and third quarter of calendar 2023 respectively; and nine months of output in the current fiscal period from Shell's *Colibri* project, which achieved first gas in the fiscal 2022 period.

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[34] Details on natural gas usage by Atlantic for the production of LNG are provided in the previous section on "Natural Gas Extraction".

[35] Further details on natural gas production are provided in the previous section "Natural Gas Extraction."

[36] The downstream industry in Trinidad and Tobago is comprised of the following companies: Aerogas Processors Limited, Atlantic LNG, Caribbean Gas Chemical Limited (CGCL), Contour Global Trinity Power Limited, La Brea Industrial Development Company Limited, Lake Asphalt of Trinidad and Tobago (1978) Limited (Lake Asphalt), Massy Gas Products Holdings Limited, Methanex Trinidad Limited, National Energy Corporation of Trinidad and Tobago Limited, NiQuan Energy Trinidad Limited (NiQuan), Nu-Iron Unlimited, Nutrien Trinidad (Nutrien), Paria Fuel Trading Company, Phoenix Park Gas Processors Limited, Point Lisas Industrial Port Development Corporation Limited, Point Lisas Nitrogen Limited (PLNL), Proman Trinidad and Tobago (Proman) [Caribbean Nitrogen Company Limited (CNC), Methanol Holdings (Trinidad) Limited (MHTL), Nitrogen (2000) Unlimited (N2000)], Rahamut Enterprises Limited, Ramco Industries Limited, The National Gas Company of Trinidad and Tobago Limited, The Power Generation Company of Trinidad and Tobago Limited, Trinidad and Tobago National Petroleum Marketing Company Limited, Trinidad Cement Limited, Trinidad Generation Unlimited (TGU), Trinidad Nitrogen Company Limited (Tringen), United Independent Petroleum Marketing Company Limited, and Yara Trinidad Limited.

Furthermore, EOG's *Ospery East* project, together with its developments in the *SECC* and *Mento* Blocks; BPTT's infill drilling programme in the *Angelin* field, as well as its *Cypre*, *Coconut* and *Ginger* projects; Woodside's *Calypso* deep water project; and Shell's *Manatee* field are anticipated to bolster the country's natural gas outturn and positively impact the production of LNG over the next few years. Notably, Trinidad and Tobago and Venezuela signed agreements in September 2023 for the joint exploitation of gas in the territorial waters shared by both countries. This is expected to generate resources and wealth to invest in both nations and increase Caribbean energy security. Moreover, the restructuring of Atlantic into a Unitized Facility is expected to be completed by year-end calendar 2023. Atlantic's restructuring is anticipated to yield favourable long term returns and enhance the efficiency of the local LNG business.

LNG production during the first three quarters of fiscal 2023 was tempered by restricted rates at Atlantic's *Trains II, III* and *IV*. Contributing to these restricted rates were relatively high ambient temperatures, maintenance activities and mechanical and other operating issues which occurred during the current review period.

In terms of monthly year-on-year data, expansions in Atlantic's LNG output in five (5) months of the fiscal 2023 period, namely November 2022 (by 27.8 percent), March 2023 (by 17.9 percent), April 2023 (by 15.2 percent), December 2022 (by 10.1 percent) and May 2023 (by 5.2 percent) counteracted the declines registered in the remaining four (4) months of the fiscal 2023 period.

Exports

Despite the expansion in LNG production, total exports of LNG fell to 286.0 trillion BTU during the nine-month period ended June 2023; marginally lower (by 0.4 percent) than the 287.0 trillion BTU exported in the similar period of fiscal 2022 **(Appendix 9)**. During the October 2022 to June 2023 fiscal period, Trinidad and Tobago exported LNG to at least twenty-five (25) countries in comparison to a minimum of twenty-three (23) countries in the corresponding period one year earlier.

Chile retained its position as Trinidad and Tobago's largest LNG export destination during the first nine months of fiscal 2023, as its share of total sales increased to 16.5 percent from 11.9 percent in the preceding fiscal 2022 period. Countries in South America are among the preferred destinations for Trinidad and Tobago's LNG cargoes, due to this country's strategic location and ease of accessibility to markets within these territories via the Panama Canal **(Figure 9)**.

Spain received the second largest share of this country's total LNG sales, on account of an increase from 4.9 percent during the first three quarters of fiscal 2022 to 8.0 percent in the current review period. Netherlands emerged as the third leading export destination as its share of total sales rose to 7.8 percent (or 22.4 trillion BTU) in the October 2022 to June 2023 period, from 4.9 percent in the comparative fiscal 2022 period. Steep price increases and the substantial premiums in the European market, together with heightened demand led to more cargoes being exported to European countries.

With only a marginal difference in the share of exports received by Netherlands and Jamaica, the latter became the fourth largest recipient of Trinidad and Tobago's LNG cargoes. During the nine-month fiscal period ended June 2023, 7.8 percent (22.3 trillion BTU) of this country's cargoes was sold to Jamaica when compared to 4.6 percent in the similar period of fiscal 2022.

Notwithstanding a fall in Puerto Rico's share of total sales to 6.2 percent during the first nine months of fiscal 2023, from 6.8 percent in the corresponding period of fiscal 2022, that country maintained its position as the fifth largest export destination.

China received 6.0 percent of this country's LNG exports during the October 2022 to June 2023 period; significantly lower than the 11.3 percent sold to that country in the fiscal 2022 period. Accordingly, China slipped from the position of second leading export destination to the sixth largest recipient of Trinidad and Tobago's LNG exports.

In light of the recent market dynamics, this country's LNG cargoes were also sold to other countries such as Poland, Kuwait, Japan and Croatia, with shares of 2.0 percent, 1.4 percent, 1.2 percent, 1.2 percent, and respectively, during the current fiscal 2023 period.

On the other hand, the United States, Thailand and Dominican Republic relinquished their positions as third, fourth and sixth largest LNG export destinations, respectively. Those countries shares of total sales fell from 9.4 percent, 7.2 percent and 5.5 percent during the first three quarters of fiscal 2022 to 4.1 percent. 2.3 percent and 5.3 percent, in that order.

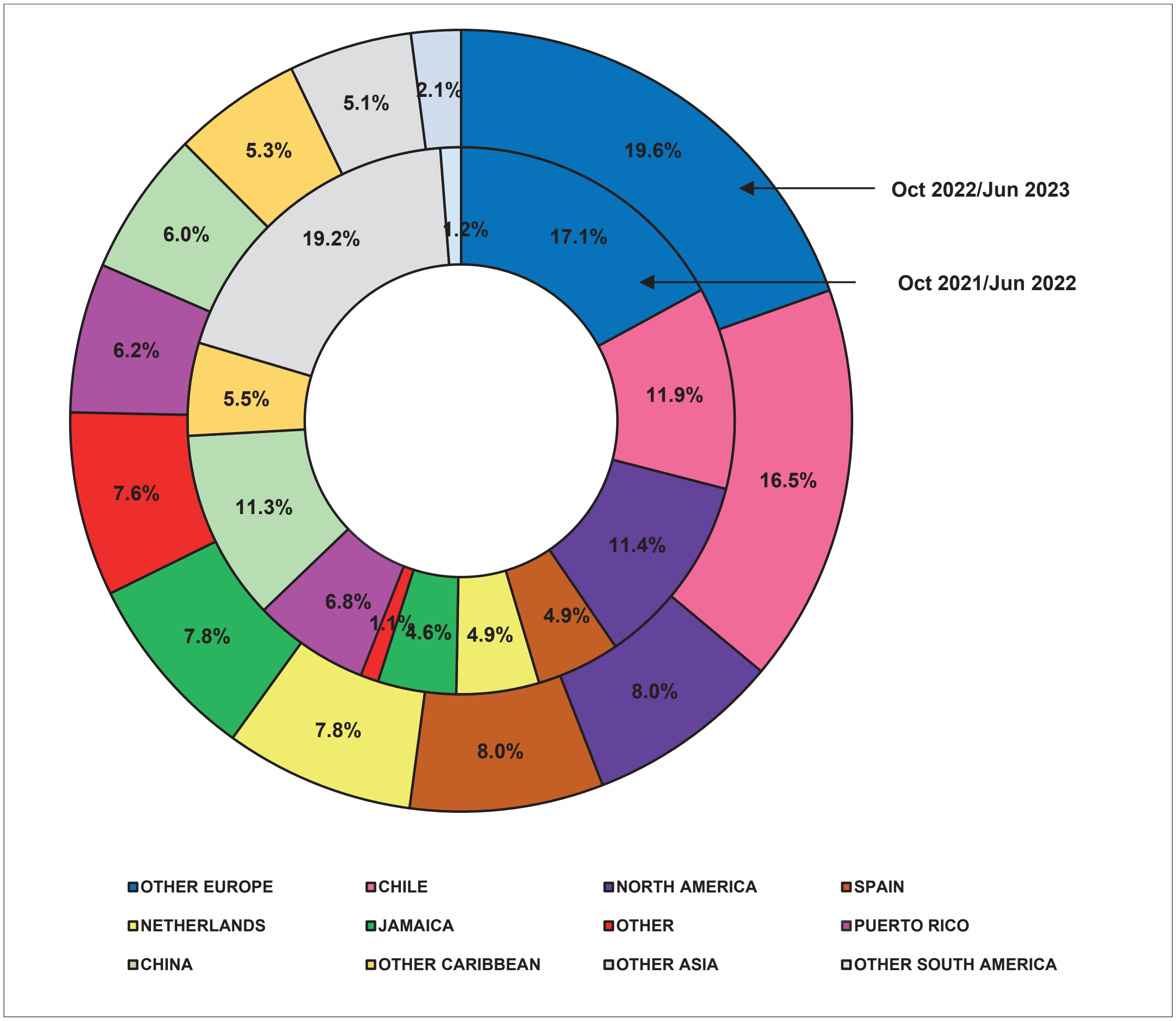
Consequent to the distribution of exports by country, Europe surpassed Asia to become Trinidad and Tobago's leading LNG market region during the October 2022 to June 2023 period, on account of a notable expansion in the region's share of total sales to 35.4 percent from 26.9 percent in the similar period of the preceding fiscal year. Europe was previously the second largest export region.

The Caribbean moved from third to second place, as its export share rose to 19.3 percent in the current 2023 fiscal period from 17.0 percent in fiscal 2022. Likewise, South America, having received a higher export share of

18.5 percent during the nine-month fiscal period ended June 2023, in comparison to 13.2 percent in the previous review period, ascended from its former fourth place ranking to third place.

Conversely, Asia plunged from being Trinidad and Tobago's largest LNG market to fourth place during the first three quarters of the current fiscal year, as the region's share of total sales drastically declined from 30.5 percent in October 2021 to June 2022 period to 11.1 percent in the current fiscal period. Despite a reduction in its export share to 8.0 percent during the current period, in comparison to 11.4 percent in the previous period, North America maintained its fifth place position.

Figure 9: Exports of LNG by Destination



Source: Ministry of Energy and Energy Industries

***LNG Export Prices*[37]**

Subsequent to historically high LNG prices in fiscal 2022, largely due to Russia's invasion of Ukraine in February 2022, LNG prices weakened during the current fiscal period. A notably mild winter in the northern hemisphere, subdued demand and robust LNG supplies have led to higher storage inventory levels, thus placing downward pressure on prices.

Accordingly, during the October 2022 to August 2023 period, the historically settled NBP futures price, averaging US$14.15 per million BTU reflected a fall of 48.5 percent from US$27.46 per million BTU in the corresponding period one year earlier **(Table 5)**. The monthly average NBP futures price trended upward during the first quarter of fiscal 2023, from US$10.91 in October 2022 to a fiscal period high of US$31.54 per million BTU in December 2022. The average price then commenced its decent to record its lowest level over the eleven-month period of US$8.95 per million BTU in May 2023. Thereafter, the average price rose to US$10.14 per million BTU in the following month, before falling again to close the period at US$8.97 per million BTU in August 2023 **(Figure 10)**.

Similarly, the average historically settled JKM futures price declined by 24.2 percent to US$23.01 per million BTU during the first eleven months of fiscal 2023, from an average price of US$30.34 per million BTU in the comparative fiscal 2022 period. In monthly terms, the average JKM price fell from its fiscal peak of US$53.51 per million BTU at the beginning of fiscal 2023 to US$27.40 per million BTU in December 2022. The monthly average JKM futures price after increasing to US$33.44 per million BTU in the subsequent month, continued on its downward trend, reaching a fiscal period low of US$9.58 per million BTU in July 2023. The average price rose again to end the period at US$11.87 per million BTU in August 2023.

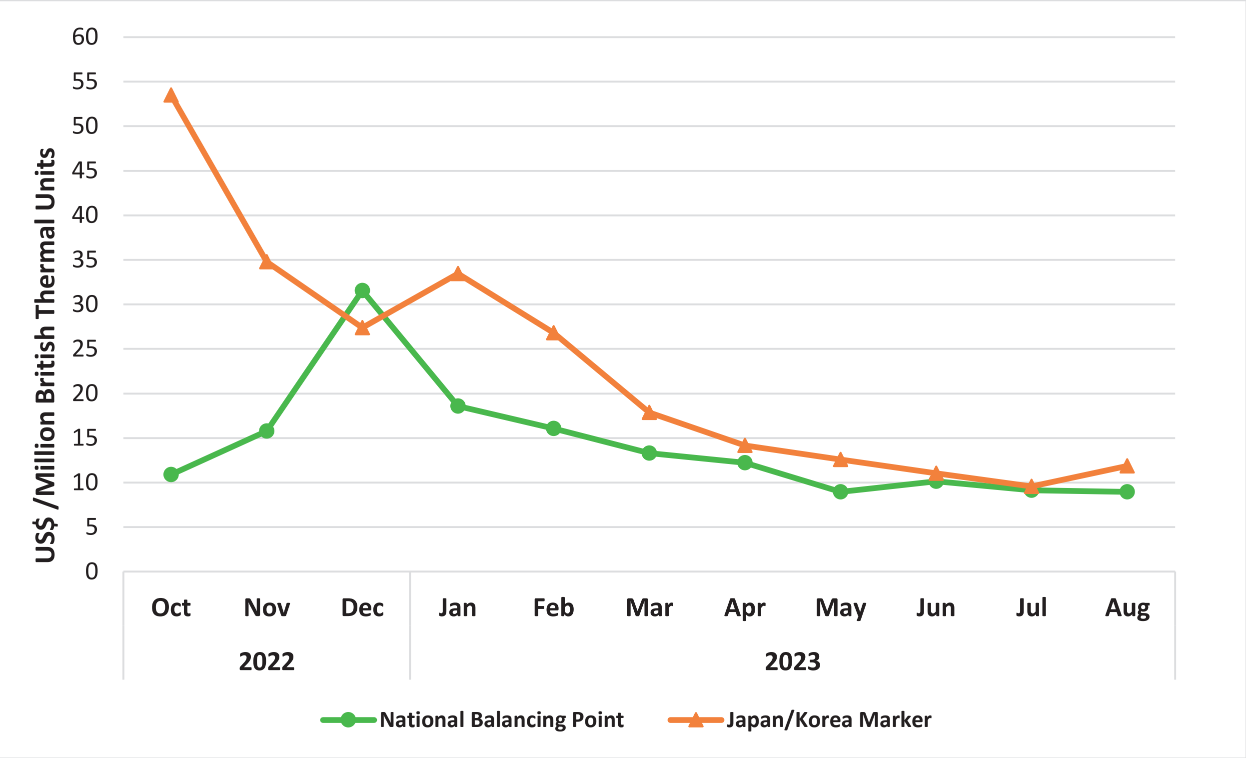
Table 5: Annual Average LNG Futures Prices

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22	Oct '21/ Aug '22	Oct '22/ Aug '23
LNG Futures Prices (US$/Million British Thermal Units)							
National Balancing Point	7.68	5.52	2.91	9.41	27.53	27.46	14.15
Japan/Korea Marker	9.08	7.35	3.84	9.41	31.59	30.34	23.01

Source: S&P Global Platts.

[37] The National Balancing Point (NBP) and the Japan/Korea Marker (JKM) are widely used benchmark prices for LNG exports in European and Asian markets, respectively.

Figure 10: Monthly Average LNG Futures Prices



Source: S&P Global Platts.

Natural Gas Liquids (NGLs)

During the October 2022 to June 2023 period, total production of NGLs by PPGPL amounted to 3,452.1 thousand barrels; 23.4 percent lower than the 4,506.3 thousand barrels produced during the corresponding fiscal 2022 period. Notable declines in the output of all three (3) liquids, namely propane, butane and natural gasoline[38], during the first nine months of fiscal 2023 led to the steep fall in the total production of NGLs. Propane registered a sharp 27.7 percent decrease, while butane and natural gasoline recorded slightly milder contractions of 24.8 percent and 19.3 percent, respectively **(Appendix 9 and Figure 11)**.

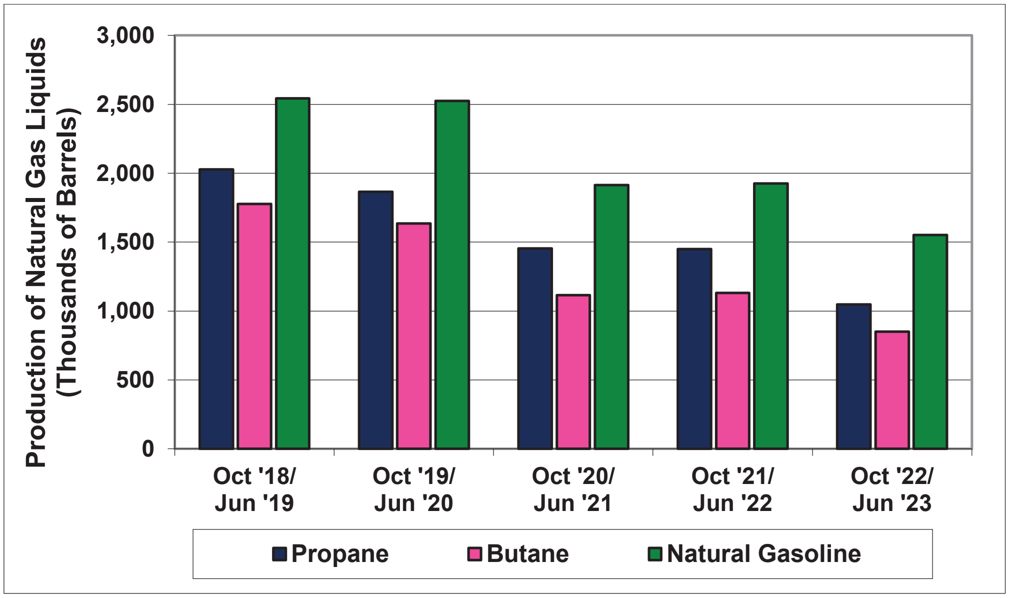
PPGPL's weaker output of NGLs during the first three quarters of fiscal 2023 was partly influenced by a lower supply of liquids from Atlantic for fractionation. Atlantic's supply of liquids to PPGPL fell by 11.5 percent during the nine-month period, primarily due to the increase in downtime at the LNG facility. Also contributing to the

[38] Natural gasoline is a Natural Gas Liquid which is volatile and unstable. Natural gasoline is often used as a denaturant for fuel-grade ethanol. It has a lower octane content than conventional commercial distilled gasoline, so it cannot normally be used by itself for fuel for modern automobiles. It can be blended with other hydrocarbons to produce commercial gasoline.

constrained outturn of NGLs during the October to June 2022/2023 review period was a 15.3 percent fall in the supply of inlet gas to the PPGPL facility; likely due to the contraction in natural gas production over the same nine months of the current period.

Another contributing factor negatively impacting the lower output of NGLs during the October 2022 to June 2023 period was facility-wide turnaround (FTAR[39]) activities conducted at the PPGPL facility, which commenced in April 2023 and ended at the beginning of May 2023. This resulted in all three (3) gas processing units being offline during the period. Further production disruptions at *Gas Plant 1* and *Gas Plant 3* also led to downtime at these units, thereby contributing to the overall reduction in NGLs production in fiscal 2023. *Gas Plant 1* remained offline for the entire month of May 2023 and part of June 2023 due to low gas supply pressures, whereas *Gas Plant 3* was previously taken offline in December 2022 to facilitate turnaround (TAR[40]) activities.

Figure 11: Production of NGLs (Propane, Butane and Natural Gasoline)



Source: Ministry of Energy and Energy Industries.

[39] **FTAR** refers to a 24/7 shutdown of operations across all plants to conduct critical plant maintenance and upgrade.

[40] **TAR** is an extensive, planned exercise during which a plant is taken offline to conduct maintenance, repairs and upgrades. Plants typically undergo a TAR every three to five years, and the exercise may last more than a month.

Total exports of these liquids moved in tandem with production, registering a 24.2 percent decline during the nine-month period ended June 2023, to 2,864.2 thousand barrels from the 3,781.0 thousand barrels exported during the comparative period one year earlier.

MANUFACTURE OF PETROCHEMICALS[41]

Update to July 2023

The latest available information received from the MEEI just prior to publication of this document reflects data up to July 2023. According to the updated data received, methanol production amounted to 4,703.7 thousand metric tonnes over the ten-month period ended July 2023, while the other petrochemical products namely ammonia, urea and urea ammonium nitrate (UAN) totalled 3,570.2 thousand metric tonnes, 350.3 thousand metric tonnes and 905.0 thousand metric tonnes, respectively during the same period. As a consequence, output of methanol increased by 8.2 percent, whilst output of ammonia, urea and UAN declined by 7.2 percent, 21.0 percent and 25.0 percent, in that order, when compared to the similar period one year earlier.

October 2022 to June 2023

The production and export volumes of Trinidad and Tobago's petrochemical products, with the exception of methanol, contracted during the first three quarters of fiscal 2023 **(Appendix 10)**. Increased plant downtime, as a result of planned and unplanned outages, TAR activities and natural gas supply challenges, led to the sector's downturn during the current review period.

The production of **methanol** amounted to 4,214.2 thousand metric tonnes during the October 2022 to June 2023 period; representing a 9.7 percent increase from the 3,841.1 thousand metric tonnes produced in the comparative period one year earlier. This was an improvement from the 2.0 percent decline registered in the corresponding fiscal 2022 period. *Proman's Methanol Holdings (Trinidad) Limited (MHTL)* plants and the *Caribbean Gas Chemical Limited (CGCL)* methanol plant were the main drivers of the higher outturn of methanol during the current fiscal period, as output from these plants expanded by 11.9 percent and 43.6 percent, respectively. Moreover, a 24.9 percent reduction in total plant downtime, from two hundred and forty-one (241) days in fiscal 2022 to one hundred and eighty-one (181) days in fiscal 2023, was the primary contributing factor to the industry's improved performance. Methanol producers previously experienced significant downtime in the 2022

[41] The Manufacture of Petrochemicals includes the production of Methanol, Ammonia, Urea, Urea-Ammonium Nitrate (UAN) and Melamine.

review period to facilitate TAR activities, which were mainly conducted at *CGCL's* methanol plant and *Proman's MHTL M3* plant. However, the downtime which occurred in the current review period was largely on account of *Proman's MHTL M4* being offline in May and June 2023 due to natural gas curtailment.

Accordingly, during the nine-month fiscal period ended June 2023, methanol exports grew by 15.1 percent to 4,206.7 thousand metric tonnes, from 3,655.6 thousand metric tonnes in the preceding fiscal 2022 period.

Conversely, ammonia production slipped to 3,233.4 thousand metric tonnes during the first three quarters of fiscal 2023; 6.8 percent lower than the 3,469.5 thousand metric tonnes produced in the similar period of fiscal 2022. With the exception of the *Tringen Nitrogen Company Limited (Tringen) I* ammonia plant and the *Point Lisas Nitrogen Limited (PLNL)* ammonia plant, output declines were recorded across all other plants, as a result of increased downtime in fiscal 2023. Total downtime rose by 20.5 percent during the October 2022 to June 2023 period to five hundred and ninety-three (593) days, from four hundred and ninety-two (492) days in the previous review period. During the first nine months of fiscal 2023, output from the *Tringen II* ammonia plant was influenced by several unplanned outages, coupled with natural gas curtailment. Notably, the *Nutrien 03* ammonia plant was idled in August 2022 due to the unavailability of natural gas and has remained offline as at June 2023. Production from the *Nutrien 04* ammonia plant was however lower in the current fiscal 2023 as a result of increased unplanned outages. Similarly, the outturn of ammonia from the *Caribbean Nitrogen Company Limited (CNC)* plant and the *Nitrogen (2000) Unlimited* (*N2000)* ammonia plant was constrained by unplanned outages at these plants during the fiscal period under review. Moreover, the *N2000* ammonia plant was offline in October and November 2022 due to natural gas curtailment. Conversely, ammonia production from the *Tringen I* plant and *PLNL* plant increased by 20.4 percent and 26.8 percent, respectively, thus partially mitigating the contractions in output from the other plants in fiscal 2023.

As a consequence, exports of ammonia decreased by 4.0 percent to 2,678.6 thousand metric tonnes during the first nine months of fiscal 2023, from 2,788.9 thousand metric tonnes in the comparative period one year earlier. Petrochemical exports, including ammonia, are generally correlated with output trends, so as to manage inventory and ensure that adequate levels are maintained.

Additionally, **urea** production fell from 431.6 thousand metric tonnes during the October 2021 to June 2022 period to 293.2 thousand metric tonnes in the current fiscal 2023 period. This sharp 32.1 percent reduction in output was on account of the *Nutrien* urea plant being offline for a longer duration in the current period under review when compared to the preceding review period; ninety-five (95) days in fiscal 2023, in comparison to forty-six (46) days in fiscal 2022. The urea plant was taken offline for twenty-five (25) days in February 2023 and the entire month of March 2023 due to planned outages. The plant later resumed operations and was again taken offline for twenty (20) days in May 2023, followed by four (4) days in June 2023. Notably, based on monthly year-on-year production data, urea output expanded by a significant 1,071.0 percent in January 2023.

Accompanying the fall in urea production during the first three quarters of fiscal 2023 was a steep 32.1 percent decline in urea exports to 296.8 thousand metric tonnes, from 437.4 thousand metric tonnes in the comparative fiscal 2022 period.

The production of **UAN** also decreased by 26.0 percent to 792.9 thousand metric tonnes during the nine-month period ended June 2023, from the 1,071.2 thousand metric tonnes produced in the similar period of fiscal 2022. The *UAN* facility was offline for a total of sixty-eight (68) days during the current review period; thirty-four (34) days to facilitate TAR activities and thirty-four (34) days as a result of unplanned outages; thus influencing the output of UAN. Comparatively, in the corresponding period one year earlier, the facility was offline for sixteen (16) days.

Similarly, UAN exports fell by 22.4 percent during the first nine months of fiscal 2023 to 791.7 thousand metric tonnes, from 1,019.7 thousand metric tonnes in the comparative period of fiscal 2022.

Melamine production likewise declined by 24.2 percent during the October 2022 to June 2023 period, as output amounted to 17.1 thousand metric tonnes, down from 22.6 thousand metric tonnes in the previous fiscal period. The lower outturn of melamine in the current period under review was on account of increased plant downtime (seventy-five (75) days in fiscal 2023 in comparison to eleven (11) days in fiscal 2022) to facilitate TAR activities in November and December 2022, together with unplanned outages in February and March 2023.

Melamine exports mirrored the trend in production by registering a 24.5 percent contraction during the first three quarters of fiscal 2023, to 16.9 thousand metric tonnes, from 22.3 thousand metric tonnes in similar period of fiscal 2022.

PETROCHEMICAL PRICES[42]

Petrochemical export prices declined during the ten-month fiscal period ended July 2023, subsequent to heightened prices in fiscal 2022 on account of Russia's invasion of Ukraine in February 2022. Weakened demand for petrochemical products, coupled with increased supply of these products has placed downward pressure on petrochemical prices in the current review period.

[42] The US Gulf Spot Prices for ammonia, methanol and urea are widely used benchmark prices for petrochemical exports.

The US Gulf Granular Barge Spot Price for **methanol** averaged US$304.86 per metric tonne during the October 2022 to July 2023 period, which was 23.1 percent lower than the US$396.68 per metric tonne recorded in the corresponding period of fiscal 2022. In monthly terms, the average methanol export price opened the fiscal period at US$355.88 per metric tonne in October 2022, before falling to US$318.05 per metric tonne in the following month and subsequently increasing to peak at US$365.03 per metric tonne in February 2023. After decreasing to US$266.08 per metric tonne in April 2023, the average methanol price rose to US$282.71 per metric tonne one month later. The monthly average price then once again declined to record its lowest level over the ten-month fiscal period and close the period at US$228.66 per metric tonne in July 2023 **(Figure 12).**

At the beginning of the fiscal 2023 period, methanol prices trended downward, primarily due to higher levels of methanol output, together with lower demand. Methanol prices however rose in some months of fiscal 2023 on account of curtailed production rates. Notably, reduced rates in December 2022 and January 2023 were largely as a result of harsh weather conditions. Economic challenges, operational reductions and shutdowns in Europe also exerted upward pressure on prices. Ultimately, higher production rates and subdued demand counteracted the price increases observed in the current review period, thus resulting in the overall lower price environment.

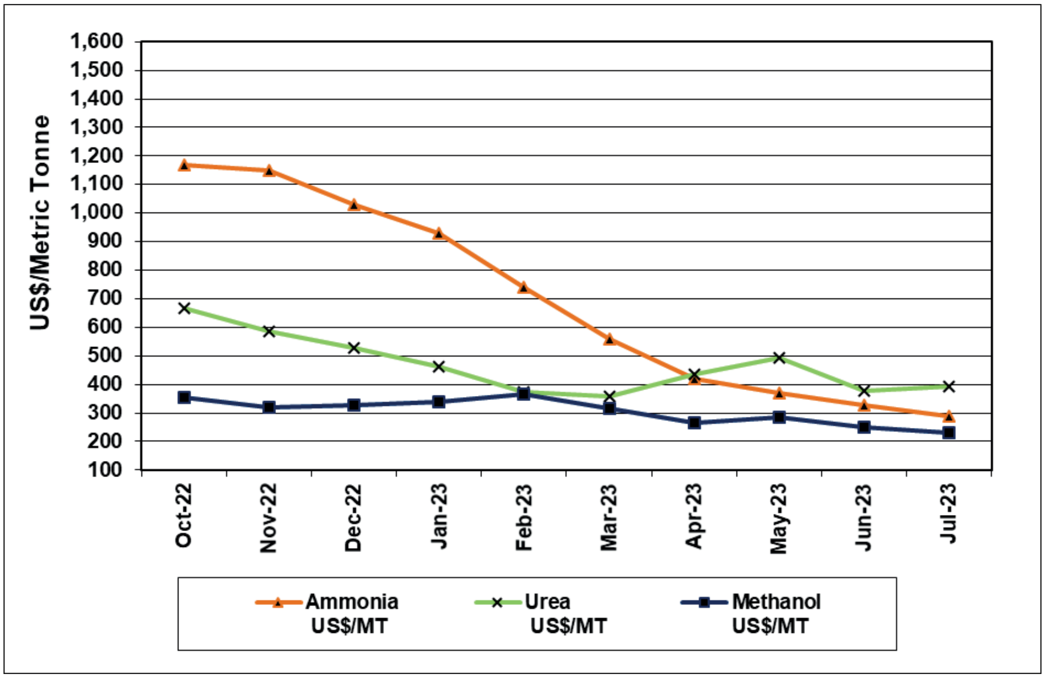
The average Tampa US Gulf Spot Price for **ammonia** also fell by 36.3 percent during the ten-month period ended July 2023 to US$698.43 per metric tonne, from US$1,095.83 per metric tonne during the comparative fiscal 2022 review period. On a monthly basis, the average price peaked at US$1,168.75 in October 2022, before commencing its descent to end the period at a fiscal low of US$287.50 per metric tonne in July 2023 **(Figure 12)**.

Ammonia prices contracted in the fiscal 2023 period on account of weakened ammonia demand and a growing supply of ammonia. Notably, some fertiliser and industrial buyers chose to hold high inventory levels or produce their own supply of ammonia during the fiscal period under review. Moreover, ammonia plants which were previously offline have resumed production and some ammonia producers have increased their output levels. The European Union's (EU) decision to remove import duties on ammonia for the first half of calendar 2023, along with the fall in natural gas prices has also contributed to subdued ammonia prices.

The US Gulf NOLA Granular Spot Price of **urea** declined to US$467.47 per metric tonne during the first ten months of fiscal 2023, representing a 38.8 percent reduction in the average export price from US$763.45 per metric tonne in the similar period one year earlier. The monthly average urea price, after peaking at US$666.90 per metric tonne at the beginning of the fiscal period fell to a fiscal period low of US$358.03 per metric tonne in March 2023. The average price then climbed to US$494.66 per metric tonne in May 2023, before once again declining to US$375.89 per metric tonne in the following month. The current review period ended with the average export urea price increasing again to US$394.08 in July 2023 **(Figure 12)**.

Consequent to Russia's invasion of Ukraine in February 2022, urea prices surged on account of supply shortages, primarily due to restrictions placed on Russia's trade. Hence, global suppliers such as the United States and China increased their production capacities, in order to stabilise the supply-demand balance. Urea prices have accordingly trended downward in fiscal 2023 to normalise at levels recorded before the Russia/Ukraine conflict.

Figure 12: Petrochemical Prices (Ammonia, Urea and Methanol)



Source: Ministry of Energy and Energy Industries

AGRICULTURE

Overview

The effect of climate change and its related incidences, particularly excessive rainfall, continued to negatively impact the development of the agricultural sector during the period under review. In addition, the persistent rise in the international price of inputs, primarily fertilizer and feed, also posed an ongoing challenge for both vegetable and livestock farmers. The Ministry of Agriculture, Land and Fisheries (MALF) remained committed to implementing activities under its Public Sector Investment Programme (PSIP) and its Recurrent Expenditure Programme to target sector developmental initiatives such as: the surveillance of invasive species; the acquisition and distribution of superior seeds and seedlings that can withstand pests and diseases while also producing increased volumes; the reduction in the incidences of praedial larceny through the strengthening of the Praedial Larceny Squad; and meeting the emerging and increasing demand for training by the farming population.

The Agriculture, Forestry and Fishing sector registered a sharp contraction in Real GDP of 17.8 percent during the January to March 2023 period, which was nonetheless an improvement from the 25.5 percent decline reported during the three-month period ending December 2022. The sector's contribution to GDP marginally inched upwards to 1.1 percent from 1.0 percent during the review period **(Appendices 2 and 3)**.

According to most recent Labour Force data from the CSO, the number of persons employed in the Agriculture, Forestry, Hunting and Fishing sector (excluding sugar) increased by 9.4 percent to 22,200 persons during the first quarter of calendar 2023, from 20,300 persons in the preceding quarter. This represented 3.9 percent of Trinidad and Tobago's total employment in the most recent quarter **(Appendix 15)**.

Domestic Agriculture

Domestically, farmers continued to be challenged by excessive rainfall, pests and diseases, praedial larceny and the high cost and availability of inputs coupled with continued unfavourable weather related events (extreme dry weather and increased rainfall). Consequently, farmers reported lower output volumes in their production of copra fruits, several root crops (namely yam, cassava and eddoes), some vegetables (inclusive of cucumber, hot pepper, celery, lettuce, sweet pepper, pumpkin, chive, ochro, cabbage and dasheen bush), broiler meat, small ruminants, number of pigs sold, beef/veal and milk **(Table 6)**.

Notwithstanding this, the continued efforts by the MALF coupled with developments in the domestic economy which created new market niches and higher demand for agricultural inputs, facilitated production increases in the production of rice, other pulses, a few root crops (including ginger, sweet potatoes and dasheen), several vegetables (such as of watermelon, melongene, tomato, cauliflower, sorrel, patchoi, and bodi), eggs, pork and the number of broilers sold **(Table 6)**.

Table 6: Domestic Production of Agricultural Products

Type	2017	2018	2019	2020	2021	2022	Oct 2021- Mar 2022	Oct 2022-Mar 2023
ROOT CROPS ('000 kgs)	**9,681.0**	**7,268.8**	**6,271.7**	**11,053.0**	**9,965.6**	**5,844.7**	**4,218.8**	**2,722.9**
of which:								
Cassava	1,333.3	2,059.8	1,285.2	3,947.4	3,546.4	854.7	1,492.5	220.0
Dasheen	3,224.3	2,511.2	2,097.2	2,084.6	2,546.9	2,717.3	1,311.0	1,645.3
Yam	21.5	9.6	33.8	76.3	39.5	14.8	17.7	2.0
Eddoes	2,336.8	2,080.4	2,123.5	2,174.6	1,985.9	931.7	1,059.7	237.5
Ginger	857.1	10.0	0.0	11.4	14.5	161.3	2.3	104.1
Sweet Potato	1,908.1	597.8	732.0	2,758.7	1,832.4	1,164.9	335.7	514.0
COPRA ('000 kgs)	**37.0**	**88.7**	**103.1**	**56.2**	**53.8**	**56.9**	**36.7**	**20.2**
RICE (PADDY) ('000 kgs)	**1,619.9**	**584.9**	**574.6**	**734.9**	**351.1**	**125.5**	**85.4**	**124.7**
VEGETABLES ('000 kgs)	**24,595.0**	**24,380.3**	**20,672.4**	**30,257.5**	**21,459.8**	**20,720.1**	**9,564.4**	**7,375.0**
Tomato	2,645.1	1,678.2	1,699.9	2,624.4	2,190.1	3,343.4	647.7	1,200.7
Cabbage	434.9	755.5	364.7	740.8	1,367.0	1,716.9	692.4	623.3
Cucumber	803.9	967.2	972.5	1,227.1	1,222.8	1,896.8	864.9	208.1
Melongene	913.3	487.1	1,466.6	2,325.1	1,333.5	885.9	428.3	874.0
Bodi	1,965.6	587.1	657.1	1,876.3	717.2	594.4	54.3	56.8
Ochro	1,351.9	1,729.2	1,205.5	976.5	1,582.4	1,440.9	560.5	502.8
Lettuce	1,702.0	1,335.4	929.2	1,199.9	1,742.5	1,749.9	1,308.4	680.2
Pumpkin	1,884.2	4,532.7	2,410.1	1,791.7	740.5	712.1	479.6	295.0
Patchoi	1,464.4	846.1	925.3	488.2	1,174.1	1,718.1	702.3	777.8
Water Melon	547.8	402.9	2,067.6	1,327.2	398.5	396.1	55.2	442.7
Sweet Pepper	447.7	1,003.5	302.8	384.2	1,367.6	1,925.2	941.7	557.0
Celery	6,670.7	4,891.3	4,158.4	10,538.4	1,668.3	1,774.8	1,355.0	363.0
Cauliflower	158.7	131.6	70.4	156.5	228.4	100.4	36.2	46.5
Chive	2,473.9	2,448.1	1,972.7	2,499.5	2,964.5	778.8	295.9	200.1
Hot Pepper	718.0	2,203.5	703.5	1,639.4	1,987.5	1,167.1	807.9	203.8
Dasheen Bush	224.0	295.1	620.8	359.3	709.7	390.5	237.5	229.6
Sorrel	188.9	85.8	145.3	103.0	65.2	129.1	96.9	113.6
OTHER PULSES ('000 kgs)	**3,439.6**	**3,274.3**	**2,607.4**	**2,259.9**	**2,281.0**	**1,567.9**	**850.8**	**2,035.5**
Green Corn	1,274.6	592.4	1,308.2	1,495.9	529.6	825.5	214.1	632.5
Beans	122.5	80.8	76.6	140.9	140.7	144.2	60.6	82.8
Pigeon Peas	2,042.5	2,601.1	1,222.6	623.1	1,610.7	598.2	576.2	1,320.2
FRUITS ('000 kgs)	**3,611.2**	**4,277.3**	**4,143.7**	**4,322.0**	**3,517.7**	**3,196.1**	**1,788.7**	**1,071.4**
of which:								
Pineapple	1,980.0	2,463.2	2,157.7	2,163.7	1,668.4	1,521.3	849.1	503.3
Paw Paw	1,269.6	1,312.2	1,640.2	1,659.2	1,399.8	1,228.4	674.6	382.2
Christophene	361.7	501.9	345.8	499.1	449.5	446.4	265.0	185.9
POULTRY ('000)								
Broilers (number sold)	33,267.0	31,889.0	33,651.0	32,686.0	30,345.0	33,003.0	16,815.0	17,018.0
Broilers (kgs)	63,906.0	65,039.0	65,913.0	60,389.0	63,898.0	65,576.0	35,872.0	34,408.0
SMALL RUMINANTS ('000)								
Mutton (kgs)	155.6	48.9	41.2	117.3	93.2[r]	82.0	**60.0**	46.1
Sheep (number sold)	10.6	3.2	4.4	8.5	7.5[r]	7.2	4.2	3.3
Goat Meat (kgs)	78.9	58.7	40.8	87.5	52.6[r]	44.5	25.8	24.3
Goat (number sold)	6.9[r]	3.4	4.0	7.6	5.9[r]	4.4	3.0	1.7
DAIRY ('000)								
Milk (Litres)	2,428.4	3,456.3	2,933.7	2,184.1	1,708.1	1,394.2	679.5	627.7
Beef/Veal (kgs)	225.9	96.9	153.1	167.4	168.4	155.1	94.5	71.2
Eggs (dozens)	6,910.0	7,496.0	8,023.5	7,890.7[r]	6,792.8[r]	7,493.0	**3,632.7**	3,800.6
PIGS ('000)								
Pork (kgs)	2,178.1	2,278.3	2,036.0	1,728.8	1,971.9	1,890.9	964.7	1,055.3
Pigs (number sold)	42.7	46.6	49.1	36.2	46.4	42.1	24.2	22.6

Source: Ministry of Agriculture, Land and Fisheries and the Central Statistical Office (CSO)
r: revised

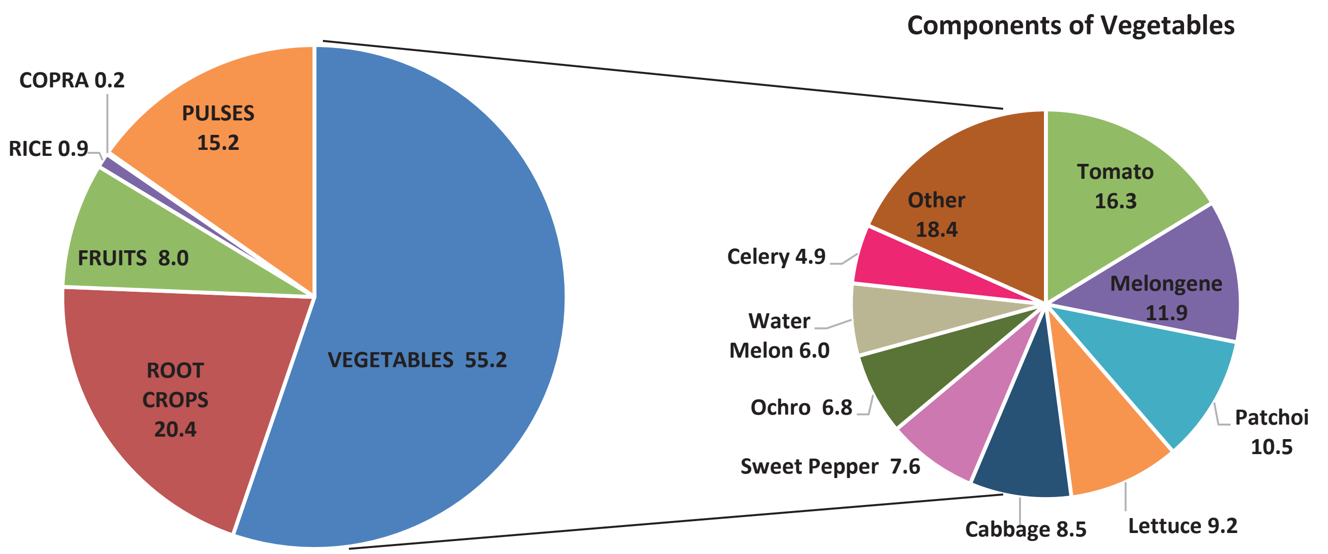
Composition of Food Crop[43] Production

Over the first half of fiscal 2023, vegetable production retained its position as the largest contributor of total food crop production, comprising 55.2 percent of total output. The primary shares of vegetable output were provided by tomato (16.3 percent); melongene (11.9 percent); patchoi (10.5 percent); lettuce (9.2 percent); cabbage (8.5 percent); sweet pepper (7.6 percent); and ochro (6.8 percent) **(Figure 13)**.

Within the same period, root crop production retained the second largest segment of total food crop production, which accounting for 20.4 percent **(Figure 13)**. The largest shares of root crops were in the production of dasheen (60.4 percent); sweet potatoes (18.9 percent); eddoes (8.7 percent); and cassava (8.1 percent), which cumulatively represented 96.1 percent of total root crop production. The remaining 3.9 percent originated from the production of ginger and yam.

The third largest contribution came from the production of fruits, which represented 8.0 percent of total food crop output **(Figure 13)**. This segment comprised of pineapple (47.0 percent); pawpaw (35.7 percent); and christophene (17.3 percent).

Figure 13: Composition of Food Crop Production (October 2022 to March 2023)



Source: Central Statistical Office and Ministry of Agriculture, Land and Fisheries.

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[43] The CSO conducts food crop surveys using an area sampling method. The survey covers twenty-nine (29) major food crops under the categories, Vegetables, Root Crops and Pulses. A separate survey is conducted for selected fruits (paw paw, pineapple, christophene and watercress).

Root Crops

During October 2022 to March 2023, the total quantity of root crops produced fell by 35.5 percent to 2,722.9 thousand kilograms, from the 4,218.8 thousand kilograms produced in the corresponding period one year earlier. Primarily driving this contraction were significant reductions in the output volumes of yam (-88.8 percent), cassava (-85.3 percent) and eddoes (-77.6 percent). Partially offsetting this decline were increased production levels of ginger (4,427.0 percent), sweet potatoes (53.1 percent) and dasheen (25.5 percent).

Extreme weather conditions, inclusive of prolonged dry spells and excessive rainfall, hampered the cultivation and harvest of some root crops, particularly cassava. Additionally, the excessive rainfall stimulated an increase in the presence of the Giant African Snails which hindered farmers' ability to access their fields. Moreover, farmers continued to be challenged by reported incidences of praedial larceny.

Notwithstanding this, NAMDEVCO's training efforts which encouraged the use of root crop flour as an alternative to wheat flour, motivated farmers to increase production (particularly sweet potato) to meet this growing demand for inputs. In addition, the provision of new and improved climate resilient and disease tolerant planting material to farmers positively impacted on yield levels of some root crops.

Copra

Copra production contracted substantially by 44.9 percent to 20.2 thousand kilograms during the first two quarters of fiscal 2023, from 36.7 thousand kilograms during the comparative period of fiscal 2022.

Although the MALF continued to undertake efforts to revitalize the coconut industry through its' PSIP Project '*The Coconut Rehabilitation and Replanting Programme in the East Coast of Trinidad*', heavy rainfall resulted in flooding and destruction of utilities along the East Coast, the area targeted for this rehabilitation programme. In addition, the sector continued to be significantly challenged by pests and diseases, particularly the Red Ring disease, Red Palm Mite and Lethal Yellowing. The MALF however continued to implement activities relating to its' PSIP Project to target sector developmental initiatives such as the surveillance of invasive species and the acquisition and distribution of superior coconut varieties to deal with the impending threat of the Red Ring Disease and Red Palm Mite.

Rice

During the six-month period ending March 2023, a **46.0 percent** increase in paddy production was registered as rice output moved to 124.7 thousand kilograms, from 85.4 thousand kilograms in the previous comparative period.

This improvement in paddy yields was consequential to the required presence of wet conditions in the growing periods and dry conditions during harvesting periods, allowing for efficient harvesting of paddy. Additionally, farmers' interest in rice production reignited with the launch of the Rice Parboiling Plant in April 2021. Furthermore, the signing of the Memorandum of Understanding (MOU) with Guyana in May 2022 presented opportunities to boost rice output as high quality rice seeds can now be sourced from Guyana for distribution to local farmers.

Vegetables

The first half of fiscal 2023 registered a 22.9 percent fall in the output of vegetables with 7,375.0 thousand kilograms produced, down from the 9,564.4 thousand kilograms produced during the first half of fiscal 2022.

Segregated, substantially reduced production volumes were registered for cucumber (75.9 percent); hot pepper (74.8 percent); celery (73.2 percent); lettuce (48.0 percent); sweet pepper (40.8 percent); and pumpkin (38.5 percent). The decline in the output levels of chive (32.4 percent); ochro (10.3 percent); and cabbage (10.0 percent) were more modest, while dasheen bush reported a small fall of 3.4 percent. Vegetable yield, particularly of sweet pepper, pumpkin, celery, and ochro, were severely impacted by the significant levels of rainfall experienced which contributed to waterlogged fields, droppage of flower and fruit and in many instances delays in replanting crops. Farmers', particularly those located in the Southern Region, were further impacted by the frequent and severe Moruga Grasshopper infestations arising from the temperature changes and excessive rainfall. The extreme rainfall also caused an increase in the prevalence of the Giant African Snails, particularly in the Central Region.

Significant increases in the production of watermelon (701.5 percent); melongene (104.1 percent); and tomato (85.4 percent), along with moderate improvements in the output volumes of cauliflower (28.5 percent); sorrel (17.3 percent); patchoi (10.8 percent); and bodi (4.6 percent), tempered these production losses. The increased production volumes of tomatoes occurred to capture the high prices typically experienced during the Christmas season for this commodity, while cauliflower, patchoi and bodi were influenced by farmers' decision to increase production of commodities with shorter growing cycles.

Fruits

Pineapple

Although there was an uptick in acreages cultivated of 3.1 percent from 482.6 hectares in October 2021 to March 2022, to 497.9 hectares during October 2022 to March 2023, the production of pineapples declined by 40.7 percent to 503.3 thousand kilograms, from 849.1 thousand kilograms, during the same period. The increased rainfall which impacted the yield and size of pineapples, was the primary cause of this reduction in output. Contributing to the falling production levels reported was the decision of farmers to cultivate short term crops, instead of pineapples, in a bid to increase cash flow.

PawPaw

Similarly, pawpaw production declined by 43.3 percent to 382.2 thousand kilograms in the first six (6) months of fiscal 2023, from 674.6 thousand kilograms during the comparative period one year earlier. As farmers' increased their cultivation of short-term crops, the acreage allocated to the production of this fruit was reduced by 28.7 percent contributing to the decline in output. Moreover, unfavourable weather conditions, such as excessive rainfall, impacted the flowering and fruiting process and led to an increased incidence of anthracnose disease[44].

Livestock and Dairy Products

Poultry

The live weight of broiler meat decreased by 4.1 percent to 34,408.0 thousand kilograms during the first two quarters of fiscal 2023, from 35,872.0 thousand kilograms in the corresponding period of fiscal 2022, despite a 1.2 percent expansion in the number of broilers produced to 17,018.0 thousand birds, from 16,815.0 thousand birds, during the same period.

The rise in broiler production can be attributed to an increased demand for chickens by the fast food industry to satisfy the growing market for chicken fillet sandwiches. Additionally, according to poultry industry sources, the growing trend by grocery chains to offer precooked and ready to eat chicken, has fuelled the increased in demand for smaller birds, resulting in a decrease in the live weight recorded.

[44] Anthracnose disease is fungal disease caused by fungi in the genus Colletotrichum. Infected plants develop dark, water soaked lesions on stems, leaves or fruit.

Small Ruminants

The number of heads of sheep sold during the six month period ending March 2023 fell by 22.2 percent when compared to the corresponding six month period one year earlier. This resulted in a 23.2 percent decline in the quantity of mutton produced. During the same period, the number of heads of goat sold registered a similar contraction of 42.7 percent, corresponding to a 5.8 percent reduction in quantity of goat meat produced.

According to industry sources these reductions can be attributed to the unavailability of sufficient breeding stock and the lack of organized breeding programmes by farmers, resulting in the decline in the reproduction of animals. Additionally, increasing feed cost, unavailability of high quality grass and the increased incidences of praedial larceny continued to challenge farmers resulting in some farmers exiting the industry.

Dairy

The production of table egg increased by 4.6 percent to 3,800.6 thousand dozens during the first half of fiscal 2023, from 3,632.7 thousand dozens in the comparative period one year earlier. This was the result of higher levels of egg production from local producers to match the growing demand of consumers.

During the same period, dairy milk production fell by 7.6 percent to 627.7 thousand litres, from 679.5 thousand litres. Industry sources suggest that this uptick in production was motivated by higher demand for fresh milk needed in the preparation of cheese and yogurt by value chain producers leading to lower quantities available for the local market.

The production of beef/veal however contracted by 24.7 percent from 94.5 thousand kilograms, to 71.2 thousand kilograms in the review period, consequent to the continued increase in the cost of animal feed and other inputs.

Pigs

The sale of live pigs declined by 6.9 percent to 22,568 animals during the first two quarters of fiscal 2023, from 24,235 animals in the first two quarters of fiscal 2022. Conversely, the production of pork increased by 9.4 percent to 1,055.3 thousand kilograms, from 964.7 thousand kilograms during the period under review.

The increase in pork production can be attributed to improvements made to farm management practices over the last fiscal period which resulted in the sale of larger animals in the market. On the other hand, the fall in the number of pigs sold was as a result of increased competition from imported pork being sold at cheaper prices leading to many of the smaller pork producers going out of business. Furthermore, the rising cost of inputs, particularly feed and medication, continue to challenge existing farmers, while the infrastructural costs for the construction of pens continue to be a deterrent to potential farmers.

Forestry[45]

As at July 2023, 308.4 thousand cubic feet of teak and 207.3 thousand cubic feet of pine provided raw materials to 122 Sawmills and 73 registered furniture shops. A total of 3,921 private removal permits were also issued for the removal of 935.3 thousand cubic feet of logs from private lands. For the review period, there were no sales in the Periodic Block System, however, the sale of trees from State leased lands produced 13.8 thousand cubic feet of logs.

The National Reforestation and Watershed Rehabilitation Programme (NRWRP) [46] produced 87,000 seedlings comprising 70,000 teak species, 14,000 pine species, and 3,000 mixed species. The lack of funding and staffing constraints severely impeded the implementation of reforestation measures during the period under review.

Under the Private Forestry, Agro Forestry and Forestry Assistance Programme, extension and incentive services were provided to 2,288 registered foresters. As at June 2023, a total of thirty (30) Special Game Licenses were issued. A total of 9,137 permits were sold to enter prohibited areas for the purpose of turtle viewing, while National Parks and Recreational Sites managed by the Forestry Division received a total of 102,400 visitors for the period May 2022 to May 2023. Additionally, the Forestry Division carried out 7,966 man/days of fire tracing island-wide at a cost of $2.07 million and conducted 7,191 fire patrols within the North West Conservancy during the period October 2022 to June 2023.

Fisheries[47]

A total of 75 non-artisanal (large-scale) vessels (64 for Trinidad and 11 for Tobago) were associated with approximately 300 fishers during fiscal 2022/2023. During the same fiscal period, an estimated 3,106 commercial small-scale fishing vessels (2,207 for Trinidad and 899 for Tobago) were registered with roughly 6,212 fishers (4,414 for Trinidad and 1,798 for Tobago). During the period under review, the catch and revenue for the

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[45] Forest conservation is critical to the livelihood of humans, habitats for biodiversity and protection of watersheds. Accordingly, the State continues to manage over 192,000 hectares of forests, distributed within 35 Forests Reserves, 11 Wildlife Sanctuaries and other State Lands.

[46] New plantations and second rotation teak were also utilized by the NRWRP to reforest 32.5 hectares of land.

[47] The fisheries sub sector mainly consists of small to medium size commercial operators.

artisanal long line fleet contracted to 486.3 thousand kilograms (from 1,039.0 thousand kilograms) and $31.9 million (from $68.4 million), respectively.

Forty-two (42) commercial fish farmers (including six (6) hatchery operators) are currently registered in the Aquaculture sub-sector, with an estimated 25 percent operating at capacity. The major factors influencing production were the high cost of inputs (feed) and inadequate market development opportunities. Operating capacity was also constrained by the unavailability of imported breeding stock from the United Kingdom. The sector is expected to benefit from a new batch of brood stock fry, received in July 2023, which will be grown out to produce fingerlings for the expansion of local operations. Conversely, there was an uptick in the ornamental component of the aquaculture subsector to 120 consignments, exported at a value of $810.6 million. The improvement in the sub-sector can be attributable to the training of 80 participants in commercial aquaculture and aquaponics. Additionally, the MALF continued to be innovative in its approach to the sustainable and environmentally safe management of aquaculture by embarking on the construction of an integrated flow-through aquaculture system and a series of black conch/ taro culture beds.

Regional and international projects geared towards reducing the negative ecosystem impact and achieving sustainable fishing, along with the provision of upgrades fishing facilities[48] continued in the current review period.

Export Agriculture

Cocoa

According to the Cocoa Development Company of Trinidad and Tobago Limited (CDCTTL), cocoa production declined significantly by 90.0 percent to 8.5 thousand kilograms during the first half of fiscal 2023, from 85.0 thousand kilograms during the first half of fiscal 2022.

The drastic reduction in production was primarily as a result of an increase in the incidence of Witches Broom and Black Pods; and the damage to pods by parrots, primarily in Rio Claro and surrounding areas (with losses ranging between 50 and 80 percent). The increased rainfall during harvest time further impacted the farmers output as access to fields was impeded. Additionally, limited cash flow due to the long lead times taken for

[48] The improvement in fishing facilities allows for improved sanitary and phytosanitary conditions and safety and security for fisher folks. It is expected that approximately $1.3 million will be expended on these works and an estimated one hundred and fifty-six (156) fisher folks would benefit from these improved facilities at Erin and Maracas.

receiving payments from European Cocoa processors continued to constrain farmers, impacting their ability to pay for labour to harvest cocoa pods.

MANUFACTURING

Quarterly GDP

January to March 2023

During the first three months of calendar 2023, the Manufacturing industry registered its seventh consecutive quarter of year-on-year growth. The industry grew by 1.6 percent, representing a deceleration from the 7.7 percent growth reported in the last quarter of 2022. Notwithstanding this, the industry retained its 17.5 percent contribution to GDP during both periods **(Appendices 2 and 3)**. The positive performance of the Manufacturing industry in the most recent quarter was driven by expansions in real economic activity in the Food, Beverages and Tobacco Products; and Textiles, Clothing, Leather, Wood, Paper and Printing sub-industries, albeit at lower rates than the previous quarter. The growth momentum in these sub-industries were slightly offset by small contractions within the Petroleum and Chemical Products and Other Manufactured Products sub-industries.

Growth slowed to 7.6 percent from 28.9 percent within the **Food, Beverages and Tobacco Products** sub-industry, the second largest contributor to Manufacturing GDP. The most notable sub-sectors that contributed to this lower economic performance were *Processing and Preserving of Fruits and Vegetables*; *Distilling, Rectifying and Blending of Spirits; Manufacture of Wines*; and *Manufacture of Bakery Products* which recorded sharp decelerations in growth. Growth also slowed on account of the *Manufacture of Tobacco Products* which contracted more sharply in the current review period and *Processing of Vegetable and Animal Oils and Fats,* which reversed its fourth quarter 2022 growth to record a contraction in the first quarter of 2023. The slight slowdown in growth to 31.5 percent in the **Textiles, Clothing, Leather, Wood, Paper and Printing** sub-industry during January to March 2023, from 35.0 percent in the quarter before, was consequent to a stronger contraction in the *Manufacture of Wood and Paper Products; Printing and Reproduction of Recorded Media* sub-sector and a slowdown in growth in the *Manufacture of Textiles, Wearing Apparel, Leather and Related Products*.

A less severe contraction of 1.9 percent was reported for the **Other Manufactured Products** sub-industry in the first quarter of calendar 2023, following an economic decline of -6.9 percent in the fourth quarter of calendar 2022. This outturn was mainly consequent to much lower contractions in the *Manufacture of Basic Metals and*

Fabricated Metal Products, Except Machinery; and *Manufacture of Machinery and Equipment N.E.C.;* as well as a slightly lower economic decline in the *Manufacture of Rubber and Plastics Products, and other Non-Metallic Mineral Products*.

Contrastingly, **Petroleum and Chemical Products**, the largest contributor to Manufacturing activity, experienced stronger recessionary pressures during the first three months of 2023 and recorded a contraction of 1.8 percent following a marginal decline of 0.1 percent during the October to December 2022 period. Accounting for this decline in real economic activity was a stronger deterioration in economic activity within the *Manufacture of Chemicals and Chemical Products* sub-sector, along with a reversal of the growth previously experienced in the *Manufacture of Coke and Refined Petroleum Products*.

Other Developments in the Manufacturing Sector during Fiscal 2023

During fiscal 2023, the Ministry of Trade and Industry (MTI), continued to aggressively drive government's policy of economic diversification and expanding the Non-Energy sectors of Trinidad and Tobago, while also developing new and innovative avenues to improve business and investment.

To this end, the MTI pursued programs geared towards providing training to apprentices within the Non-Energy Manufacturing sectors to fill labour market voids, build skilled human resources, drive innovation, promote the advancement into higher value added manufacturing and provide opportunities for diversification of Trinidad and Tobago's manufacturing profile thereby ensuring growth and expansion. In the areas of building skilled human resources, the following were achieved during fiscal 2023:

i. The **National Apprenticeship Programme for the Non-Energy Manufacturing Sector** which focuses on four (4) main operational areas including: *Mechanical Engineering Technology, Electrical Electronics Technology, Industrial Maintenance Technology* and *Mechatronics* completed its first Cohort in May 2023. Cohort 2 commenced in June 2023 with an enrolment of one hundred (100) trainees.

ii. Over a period of two (2) years, the **Apprenticeship Programme for Wood and Wood Products Manufacturing Subsector** is providing training in three (3) areas, namely: *Carpentry, Woodworking* and *Joinery Technology*. Cohort 1 commenced training in November 2022 with an enrolment of fifty (50) apprentices.

iii. Training was also provided to firms to improve entrepreneurship and drive real economic growth. Ten (10) firms were enrolled in November 2022 as the second Cohort under the **ScaleUp TT** initiative. This programme is a fourteen (14) month business accelerator programme that aims to increase the growth rates of participating firms through increased exports, revenue and job creation of the local economy by enhancing their entrepreneurial knowledge, and improving their technical and managerial competence.

In the **Fashion industry**, support and mentorship was provided to one hundred and seventy (170) local designers in fiscal 2023 through the **Value Chain Investment Programme (VCIP).** This Programme provides four (4) tiers of training namely: (i) *the Global Value Chain (GVC) Support Programme* which provides support to designers in strategically penetrating regional and international markets for the purpose of boosting exports and revenues; (ii) *the Non-Global Value Chain (Non-GVC) Support Programme* which seeks to improve designers export readiness and enable them to compete in the global market; (iii) *the Business Advisory Support Programme* which provides business mentoring, training and financing to designers who require one-on-one business support in gaining a comprehensive understanding of their business value chain; and (iv) *the Entrepreneurial Proficiency Support Programme* which provides monthly training to designers in areas such as Business Plan Development, Costing and Pricing, Record Keeping and Cash Flow Management, Business Taxation and Marketing Strategy.

In further efforts to transform and grow the Non-Energy sectors, the MTI developed **financing options** for small and medium-sized enterprises (SMEs), these include:

i. The **Grant Fund Facility** whereby which SMEs can access funding for 50 percent, of the cost of new capital requirements/expenditure, excluding working capital and land and building costs including leasing, up to a maximum of TT$250,00.00. In fiscal 2023, six (6) applicants were approved for funding enabling several of the beneficiaries to penetrate new export markets, including CARICOM countries, Cuba and the United Kingdom.

ii. The **Research and Development Facility** (RDF) focuses heavily on the innovativeness of products, services and processes, and provides funding from the ideation stage, to product/service development, to commercialization. In fiscal 2023, four (4) SMEs received funding under this Facility.

iii. Launched on January 14, 2020, the **Steelpan Manufacturing Grant Fund Facility** (SMGFF) provides financial support to steelpan manufacturers for the acquisition of machinery, equipment, software, tools, raw material and training for new product development and innovation, as well as for improving processes and cost efficiency, thereby increasing their export competitiveness. Funding is made available in tranches of up to $250,000.00, not exceeding $1,000,000.00 per entity. In fiscal 2023, the Government approved an expansion of the SMGFF to cover funding assistance for eligible applicants to attend both local and foreign trade shows, as well as establishing an online presence in reputable online market places.

To increase market access and improve competitiveness, especially for firms in the Non-Energy Manufacturing sector, the National Export Promotion Agency, exporTT, continued to provide support to manufacturing companies under two (2) of its main programmes:

1. During fiscal 2023, seventeen (17) companies benefitted from co-financing assistance for export related costs including trade show participation, website development, IP registration in overseas markets, shipping samples under the *Export Capacity Building Programme*. Fifteen (15) companies also received support to be compliant with international food safety fundamentals and Good Manufacturing Practices required to export to new markets. While ten (10) companies obtained assistance in developing export support plans and received training in developing export marketing plans, export costing and pricing and intellectual property rights.

2. The *Export Booster Initiative* (EBI), which is designed to assist the development and growth of the Non-Energy Manufacturing sector, provided support as follows:

i. *The International Certification Fund (ICF)* was designed to aid exporters in achieving international certification in food/beverage and other product compliance to meet the quality and safety standards of international markets, increase import substitution, and boost the production of Non-Energy exports. Under the ICF two (2) companies from the Food and Beverage and Construction Sub-Sectors were provided support to attain GMP Compliance, Hazard Analysis Critical Control Point (HACCP) Certification and ISO 9001:2015 Quality Management System Certification.

ii. *The Export Accelerator Programme* provides training from industry experts and business coaches on how to overcome export barriers and reach new markets faster, access consultants to help understand how to minimize operational risk and close sales and conduct market research to assist in understanding market entry requirements, best practices and product/service competitiveness. Under this Programme, nine (9) companies from the Household and Industrial Chemicals, Construction, Packaging, and Food and Beverage sub-sectors benefitted from targeted training and support to help propel their businesses and products into the international markets in fiscal 2023. Through this programme, these companies were able to access new markets such as Guyana, Jamaica, Grenada, Dominica and Colombia.

iii. *The Labelling and Product Testing Fund* is designed to facilitate product testing, product and/or packaging modification and labelling redesign required to meet export market preferences and requirements in export markets. This Fund provided assistance to four (4) companies from the Household and Industrial Chemicals, Food and Beverage, and Agro-Processing sub-sectors to facilitate product testing and improve their product labelling to meet the entry requirements of the USA, Antigua, St. Vincent, Grenada, Barbados, and Dominica.

iv. During fiscal 2023, the MTI in collaboration with the Trinidad and Tobago Manufacturers' Association and exporTT facilitated twelve (12) *Trade Missions* to Guyana; Curaçao; China; Cuba; Jamaica; Grenada; Panama; the Dominican Republic; Colombia; and Suriname.

During fiscal 2023, the MTI continued to advance with the creation of new economic spaces. The **Phoenix Park Industrial Estate (PPIE)** is 95 percent completed and is expected to be commissioned at the end of fiscal 2023. To date, there are fourteen (14) closed investments at the Park – twelve (12) local and two (2) foreign. These firms are involved in: logistics services, manufacturing, assembly, food and beverage, distribution, agro-processing, environmental management services, and consumer products.

The **Moruga Agro-Processing and Light Industrial Park** consists of twelve (12) developed land lots, six (6) of which comprise purpose-built factory shells available for leasing, while the other six (6) lots are developed sites for leasing. The factory shells are outfitted with all major utilities, offices and washrooms; and have the potential to process fruits, fish, root crops, cocoa and pepper. Currently three (3) factory shells and four (4) land lots are available at the Park. In addition, there are thirteen (13) pipeline investors that have indicated interest in establishing operations at the Park. The proposed areas of activity include the processing of peppers, ginger, plantains, vegetables and the production and bottling of cream liqueurs.

The draft **Special Economic Zones (SEZ)** Regulations, which are required for the implementation of the SEZ regime, are currently before the Legislative Review Committee of Cabinet for consideration. Additionally, the fiscal incentives under the new SEZ regime are currently being finalized. Furthermore, the project to operationalise the Trinidad and Tobago SEZ Authority (TTSEZA), also a requirement to give effect to the SEZ regime, is currently in its third and final phase (finalization of a Strategic Framework), which involves the development of job descriptions for key positions in the Authority, and the design of an Organizational Structure. The Board of the TTSEZA is in the process of recruiting key personnel to lead the Authority, including the Chief Executive Officer, the Finance Manager and Human Resources Manager.

CONSTRUCTION

Quarterly GDP

January to March 2023

According to the most recent quarterly GDP data released by the CSO, the economic performance of the construction sector declined by 8.6 percent year-on-year in the first quarter of 2023, after registering growth of 4.0 percent in the preceding quarter. Notwithstanding the decline in economic activity, the sector's contribution to Real GDP grew marginally to 4.9 percent from 4.8 percent during the period under review **(Appendices 2 and 3)**.

One indication of construction activity, the domestic output of various building aggregates and construction material, varied widely during the first three months of 2023. Moderate improvements in the domestic production of glass and plastic products for construction; iron, steel, and related products; and wood and related products were countered by more significant reductions in the output of concrete products; clay bricks, blocks and tiles; and metal building materials, along with a marginal fall in the production volumes for sawmills and wooden building materials.

Notably, during the period January to March 2023 Trinidad Cement Limited (TCL), the local manufacturer of cement, reported a minor 0.3 percent uptick in domestic cement sales. This outturn continued over the subsequent five-month period leading up to August 2023, with local sales of cement further expanding by 2.9 percent.

Construction Developments

At the time of publication, several public sector projects were completed during calendar 2023, namely: Restoration and Rehabilitation of the Heritage Library Phase III and Hayes Court; the San Fernando Parkade; the San Fernando Waterfront Re-development Relocation of the Customs and Excise Building; Maracas Beach Facility Upgrade; Renovation of the Manta Lodge Hotel in Tobago; construction of the Signal Hill Sewer Link System also in Tobago; construction of the Desperadoes Pan Theatre; upgrade and construction of several Community Centres and Facilities (such as the Belle Vue and Cascade community centres, Youth Development Centres and Recreational grounds and facilities); and the Re-development of Skinner Park. The partial completion of the Solomon Hochoy Highway Extension to Point Fortin and Valencia Toco Road also contributed to construction activities in the review period.

The following ongoing construction projects are also expected to support construction activity for the remainder of 2023: the Sangre Grande Hospital; Port of Spain Hospital Phase II; Assessment Centre and Temporary Facility for socially displaced people; Diego Martin Public Library; Point Fortin Fire Station; and various community centres and government buildings throughout the country. Other projects also expected to contribute to economic activity within the Construction sector over the medium term include, but are not limited to, various sub-projects under the: San Fernando Waterfront Development Plan; Piccadilly Street Urban Regeneration Project; Improvement and Expansion of the Emperor Valley Zoo; Trinidad House Refurbishment; Revitalization of Port of Spain: Ariapita Avenue Enhancement Project Phase I; and the Dwight Yorke Stadium Refurbishment Phase II.

TOURISM

Total Visitor arrivals

The total number of visitors welcomed to Trinidad and Tobago expanded robustly by **521.2 percent** to 252,338 persons during calendar 2022, from the 40,621 persons arriving one year earlier. The surge in visitor arrivals was primarily driven by the reopening of the twin island's borders and gradual removal of COVID-19 related travel restrictions. As the world adapted to "*the new normal*" and confidence was restored among travelers, visitor arrivals continued on this upward trajectory, growing by **184.1 percent** to 198,778 persons during January to May 2023, from the 69,964 visitors arriving between January to May 2022 **(Table 7)**.

Table 7: Air Arrivals, Cruise Vessels and Passenger Arrivals

TYPE	2018	2019	2020	2021	2022	Jan - May 2022	Jan - May 2023
TOTAL VISITOR ARRIVALS	**501,088**	**479,967**	**141,093**	**40,621**	**252,338**	**69,964**	**198,778**
Trinidad	413,416	422,315	112,472	40,618	232,641	67,176	153,789
Tobago	87,672	57,652	28,621	3	19,697	2,788	44,989
International Air Arrivals (No. of persons)	**375,485**	**388,576**	**95,284**	**40,621**	**226,483**	**69,964**	**129,546**
Trinidad	356,044	367,119	88,036	40,618	216,017	67,176	122,190
Tobago	19,441	21,457	7,248	3	10,466	2,788	7,356
Cruise Passengers (No. of persons)	**125,603**	**91,391**	**45,809**	**0**	**25,855**	**0**	**69,232**
Trinidad	57,372	55,196	24,436	0	16,624	0	31,599
Tobago	68,231	36,195	21,373	0	9,231	0	37,633
Cruise Ships (No. of ships)	**75**	**52**	**25**	**0**	**18**	**0**	**50**
Trinidad	27	25	8	0	11	0	18
Tobago	48	27	17	0	7	0	32
Yachts (No. of vessels)	**1,061**	**949**	**255**	**108**	**476**	**188**	**329**
Trinidad	785	685	170	106	445	188	273
Tobago	276	264	85	2	31	0	56

Source: Ministry of Tourism, Port Authority of Trinidad and Tobago and the Immigration Division

Airline Arrivals

Calendar 2022

During calendar 2022, the discontinuation of the 'TT Travel Pass System' along with the removal of other restrictions to enter the country, facilitated a conducive environment for increased airline activity. Resultantly, Trinidad and Tobago received 226,483 international air arrivals[49], a **457.6 percent** increase from the 40,621 visitors arriving in the previous year. Disaggregated by island, during the review period, air passenger arrivals to Trinidad grew robustly with 232,641 visitors being welcomed in 2022 (up from 40,618 persons in 2021). Tobago registered an even more robust expansion with 10,463 additional visitors (up from 3 persons).

[49] Data captures international stop-over tourists, both regional and extra-regional. These are visitors who stay at least one night in a collective or private accommodation in Trinidad and Tobago. Same-day visitors are not included in this measure. The same person who makes several trips to Trinidad and Tobago during a given period will be counted as a new arrival each time. A person who travels through several countries on one trip is also counted as a new arrival each time. Citizens of Trinidad and Tobago travelling on a Trinidad and Tobago passport are not included in this measure.

January to May 2023

Air arrivals to Trinidad and Tobago increased by **85.2 percent** to 129,546 persons over the period January to May 2023, from the 69,964 visitors arriving in the comparative period of 2022. Of this, Trinidad accounted for 94.3 percent of total visitor visitors, while Tobago welcomed the remaining 5.7 percent of arrivals. This represented an increase in air arrivals to Trinidad of 81.9 percent (to 122,190 persons), while arrivals to Tobago expanded by 163.8 percent (to 7,356 persons) **(Table 7)**.

The main reasons provided by persons for traveling to the twin islands during the first five months of 2023 were: leisure and recreation[50] (44.0 percent); visiting friends and relatives (31.5 percent); and conducting business or work[51] activities (14.4 percent).

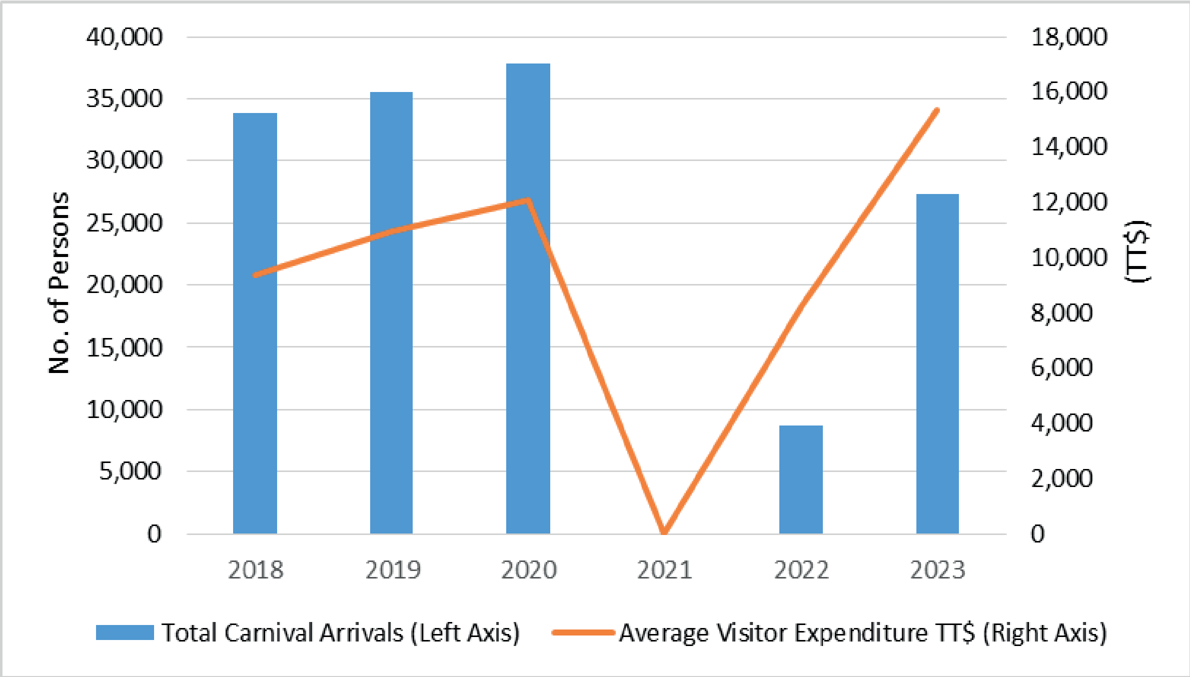
Carnival Arrivals

The return of the full schedule of Carnival events for the first time since calendar 2020 resulted in a substantial uptick in the number of Carnival visitors in 2023. According to the most recent available data from the CSO, Trinidad and Tobago welcomed a total of 27,375 visitors for the 2023 Carnival period, marking a substantial rebound and a tripling of the 8,711 visitors received in the previous year. During the carnival period visitors on average spent TT$15,313, or almost double the TT$8,230 spent in the previous calendar year. Total visitor arrivals and expenditure during 2023 however remained below pre-pandemic levels **(Figure 14)**.

[50] Leisure and recreation captures persons visiting for Carnival, Cruise, Eco-tourism, Incentive Vacation, Leisure/Beach Vacation, Scuba diving, Sports/Golf/Game Fishing, Wedding/Honeymoon and Yachting.

[51] Business or work captures persons visiting for Business/Convention, Diplomatic/Official Posting, Missioning Work, Study and Work.

Figure 14: Total Carnival Arrivals and Average Visitor Expenditure (2018-2023)[52]



Source: Central Statistical Office

Cruise Ship Arrivals

Calendar 2022

In calendar 2021, the country recorded nil arrivals of vessels and passengers consequent to the suspension of the cruise ship season. Subsequently, the cruise season resumed in November 2022, enabling 18 vessels and 25,855 passengers to berth in Trinidad and Tobago. Of the total number of ships berthed, 11 cruise ships with 16,624 passengers arrived in Trinidad, while 7 vessels with 9,231 passengers arrived in Tobago.

January to May 2023

Cruise ship activity in Trinidad and Tobago reverted to pre-COVID levels during the first five months of 2023, as 50 vessels docked with 69,232 passengers aboard. This represented a substantial increase from the comparative period of calendar 2022 when the cruise season was suspended. Broken down by island, 18 cruise ship calls were

[52] There was no carnival activity in 2021 due to the COVID-19 pandemic and consequent closure of international borders to all travellers, including Trinidad and Tobago nationals from March 22, 2020 to July 17, 2021.

made to Trinidad with 31,599 passengers arriving, while Tobago received 37,633 passengers during 32 cruise ship calls **(Table 7)**.

Yachting Arrivals

Calendar 2022

The number of yachts anchored in Trinidad and Tobago during calendar 2022 expanded by **340.7 percent** to 476 vessels, from 108 vessels one year earlier. Separated by island, yacht arrivals to Trinidad increased to 445 vessels (from 106 vessels), while yacht arrivals to Tobago expanded to 31 vessels in the period under review (up from 2 vessels).

January to May 2023

The upward trend in yacht arrivals to Trinidad and Tobago was maintained during the period January to May 2023 as the country reported a **75.0 percent** expansion to 329 vessels from 188 yachts in the comparative period of calendar 2022. The steepest year-on-year increases in yacht arrivals were recorded in the months of January (with 42 additional yachts), February (with 32 additional yachts) and May (with 45 additional yachts) of 2023. Categorized by island, Trinidad received 273 yachts (compared with 188 yachts previously) while Tobago received 56 yachts (in contrast with no yacht arrivals in the previous year) **(Table 7)**.

Hotel and Accommodation

Improved Hotel and Accommodation performance was observed due to increased travel for recreational purposes, driven by the relaxation of COVID-19 restrictions and the reopening of Trinidad and Tobago's borders. The average occupancy[53] rate in Trinidad increased to 43.2 percent in calendar 2022, from 38.6 percent in the previous year. Similarly, Tobago's net occupancy rate[54] climbed to 35.3 percent from 13.2 percent during the review period.

[53] The Occupancy rate is the ratio of room nights sold to room nights available. This does not take into account the number of rooms that were not in service for the month.

[54] The net Occupancy rate is the ratio of room nights sold to room nights available, net of nights not in service for the month.

During the first five months of calendar 2023, the average occupancy rate in Trinidad stood at 48.0 percent, an increase from 39.1 percent in the comparative period of 2022. Similarly, Tobago's net occupancy rate rose from 30.6 percent to 39.2 percent during the same comparative period.

INFLATION

Following a peak of 8.7 percent in December 2022, **Headline inflation**[55], as measured by the year-on-year rate of change in the **All Items Retail Price Index (RPI)**[56], slowed steadily from 8.3 percent in January 2023[57] to 5.7 percent in May 2023. There was a marginal increase in headline inflation to 5.8 percent in June 2023, before it resumed its downward trajectory, to reach 4.0 percent in August 2023. The easing of headline pricing pressures over the eight-month period can be attributed to decelerations in both **Food and Core price inflation.** Food inflation rose above 17 percent for the first time in eight (8) years, peaking at 17.3 percent in December 2022 and January 2023. The change in the Food and Non-Alcoholic Beverages Index subsequently fell to 9.7 percent in May 2023, before recording a small uptick to 10.1 percent in June. Thereafter, food inflation declined once again to reach 5.6 percent in August 2023. **Core inflation**[58] contributed more modestly to the overall easing of inflationary pressures in 2023, declining from 6.2 percent in January to 4.7 percent in April and remained stable at this rate until June 2023. Core inflation then declined to 3.7 percent in July, and maintained this rate in August 2023 **(Figure 15)**.

In May 2023, the World Health Organisation (WHO) declared an end to COVID-19 as a global health emergency. Prior to this, the Price Cap Coalition[59] introduced in December 2022 and February 2023 set price caps on products originating in or exported from Russia. These developments led to softer energy prices, which along with the normalization of supply chains, lower shipping costs and improved delivery timelines, resulted in a deceleration of inflation rates in most countries during 2023. The global tempering of inflationary pressures was

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[55] Headline inflation which measures the rate of change in All Items in the Index of Retail Prices includes: Food and Non-Alcoholic Beverages; Alcoholic Beverages and Tobacco; Clothing and Footwear; Housing, Water, Electricity, Gas and Other Fuels; Furnishings, Household Equipment and Routine Maintenance of the House; Health; Transport; Communication; Recreation and Culture; Education; Hotels, Cafes and Restaurants; and Miscellaneous Goods and Services.

[56] The Index of Retail Prices is a weighted average of the proportionate changes in the prices of a specified set or 'basket' of consumer goods and services between two periods of time. The RPI monitors the prices of a fixed basket of goods and services in 15 areas (locale) in Trinidad and Tobago; and is one of the most frequently used statistics for identifying periods of inflation or deflation. Changes in the RPI can be used to assess price changes associated with the cost-of-living.

[57] Headline inflation stood at 3.8 percent in January 2022, and averaged 5.8 percent over the twelve-month period, January to December 2022.

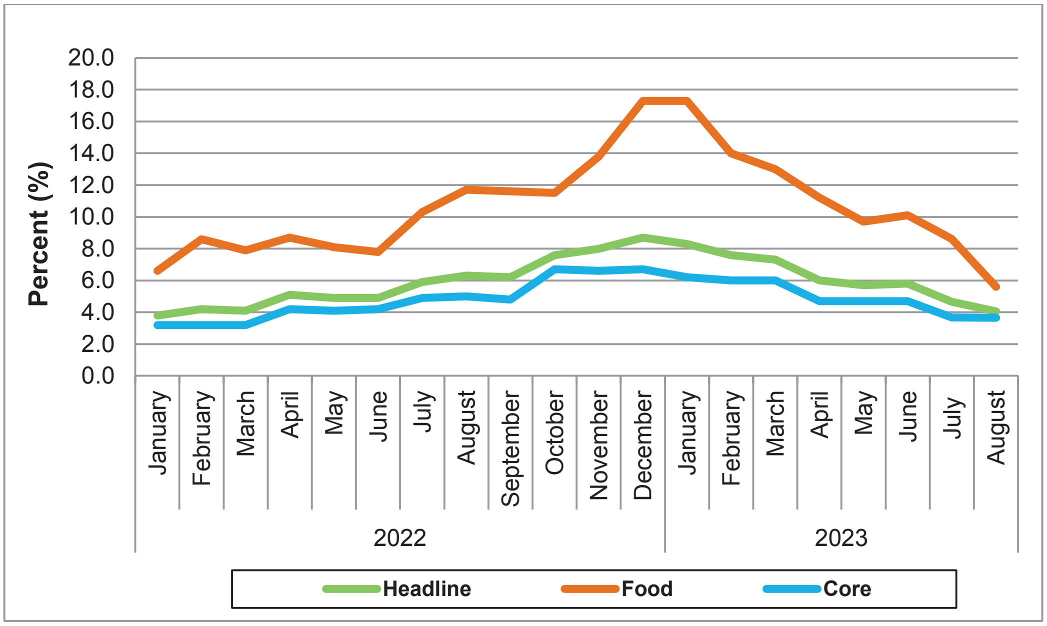
[58] Core inflation measures the rate of change in All Items in the Index of Retail Prices excluding Food and Non-alcoholic Beverages.

[59] The Price Cap Coalition (PCC) comprises Australia, Canada, the European Union, Japan, the United Kingdom and the United States.

also supported by the tightened monetary policy actions of major central banks in advanced economies, in response to the surge in inflation, on account of the sharp rise in energy commodity prices and release of pent up consumer demand post-pandemic.

Domestically, reduced shipping costs and transportation bottlenecks, along with lower international food commodity prices, have relieved input price pressures. The Central Bank of Trinidad and Tobago (CBTT) has also remained vigilant to potential global financial stability risks, while considering the possible domestic impact of unexpected external pricing pressures. Accordingly, unlike the monetary tightening stance of many other Central Banks across the globe, the CBTT has to date maintained its repo rate at 3.5 percent which has helped to maintain domestic financial stability and mitigate imported inflation.

Figure 15: Inflation – Percentage Change (Year-on-Year)



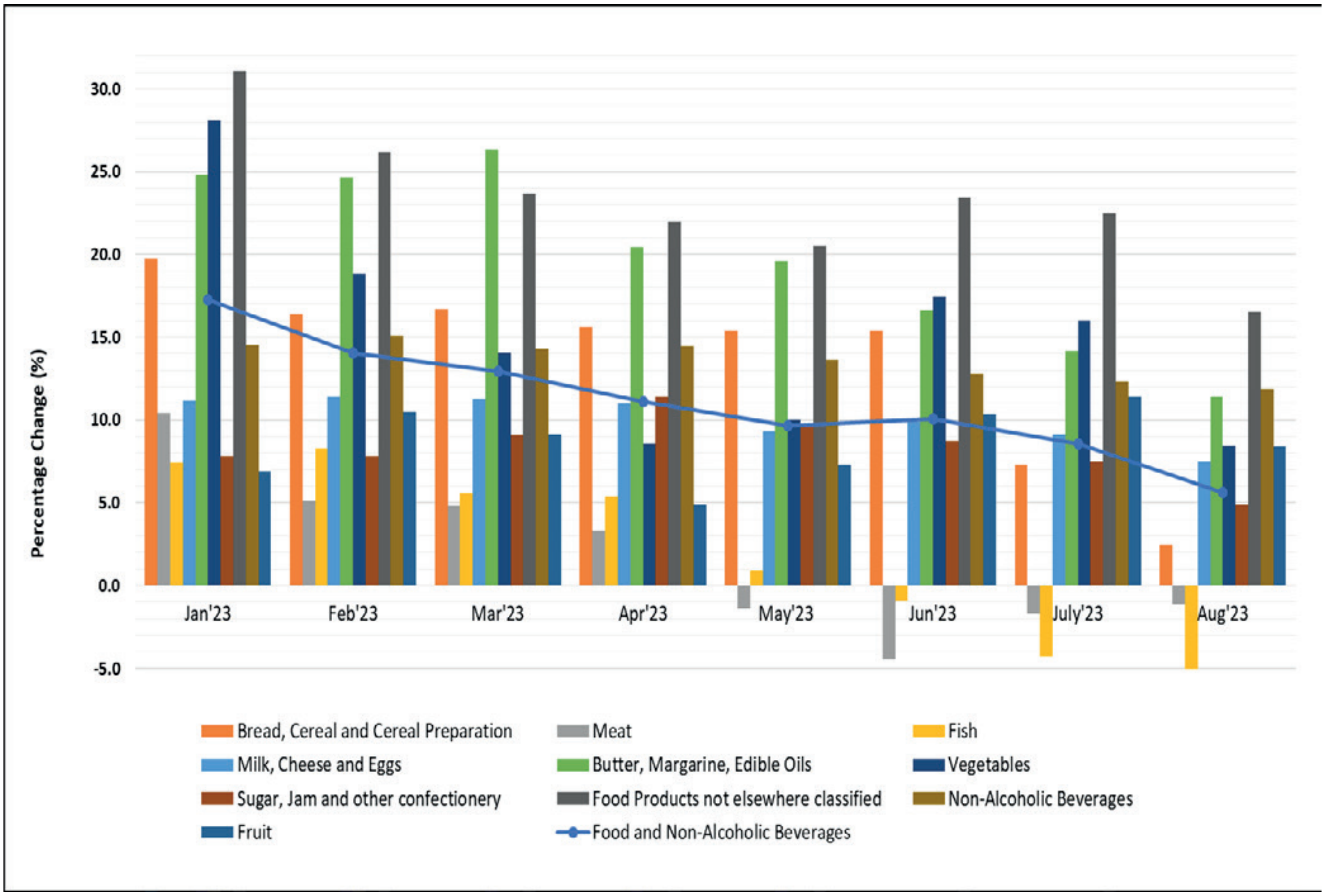
Source: Central Statistical Office

Food Inflation decelerated from January to August 2023 owing mainly to lower monthly year-on-year prices in nine (9) of ten (10) food categories, namely: *Food Products not elsewhere classified* (from 31.1 percent to 16.5 percent); *Non-Alcoholic Beverages* (11.8 percent, compared to 14.5 percent); *Vegetables* (8.4 percent, from 28.1 percent); *Milk, Cheese and Eggs* (7.5 percent, compared to 11.2 percent); *Butter, Margarine, Edible Oils* (from 24.8 percent to 11.4 percent); *Bread, Cereal and Cereal Preparations* (from 19.8 percent to 2.5 percent); and *Sugar, Jam, Honey, Syrups, Chocolate and Other Confectionery* (4.9 percent, compared to 7.8 percent). Additionally, both *Fish* and *Meat* experienced deflation of -6.2 percent and -1.1 percent respectively, reversing previous price increases of 7.4 percent and 10.4 percent respectively **(Figure 16)**.

The deceleration in the year-on-year price of *Food Products not elsewhere classified* emanated from lower year-on-year price changes for most sub-components, primarily: salt, pepper and spices to 21.8 percent (from 24.8 percent); sauces, condiments to 15.5 percent (from 30.2 percent); culinary herbs and seasoning mix to 19.9 percent (from 63.8 percent); and baby foods to 11.3 percent (from 17.9 percent).

The downward trend in food inflation was however partially offset by an acceleration in year-on-year prices for *Fruit* (8.4 percent, from 6.9 percent) **(Figure 16)**.

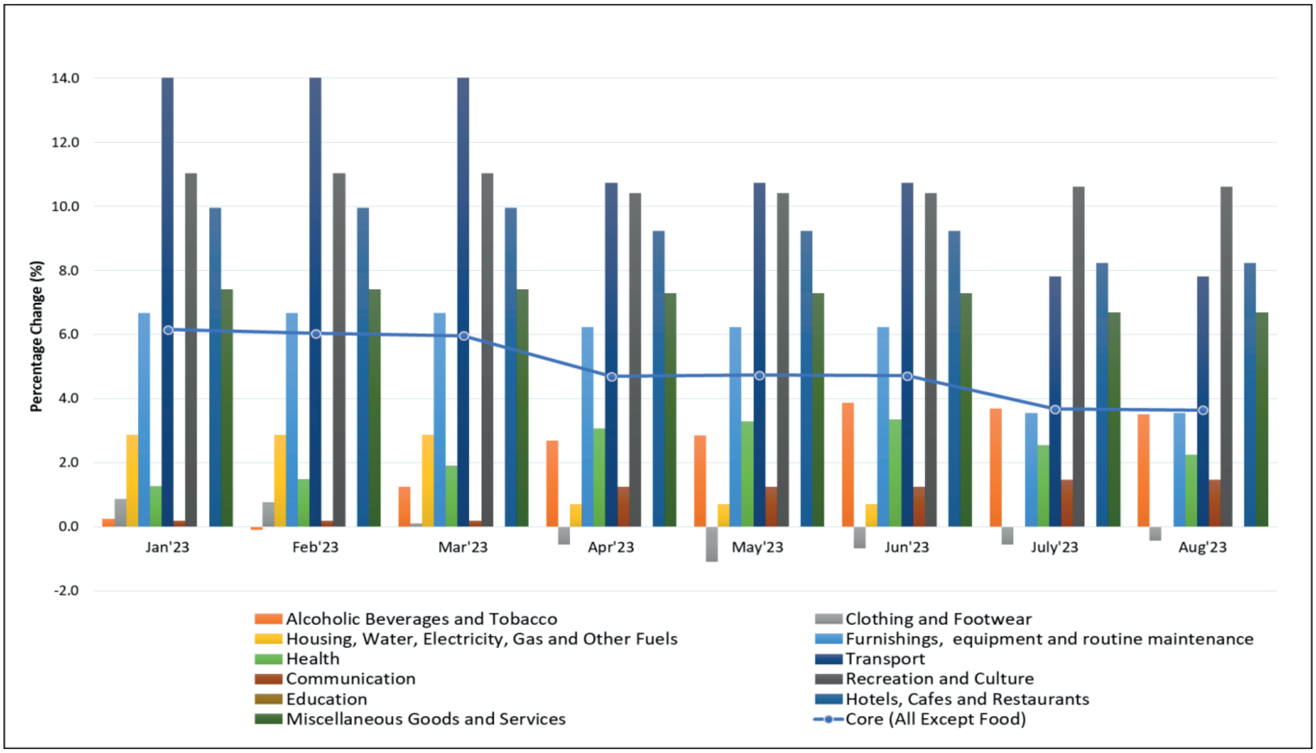
Figure 16: Food and Non-Alcoholic Beverages Inflation – Percentage Change (Year-on-Year)



Source: Central Statistical Office

Similarly, the easing of the **Core inflation** rate during the eight-month period January to August 2023, was driven by smaller price increases within the following non-food categories: *Transport* (from 14.0 percent to 7.8 percent); *Furnishings, Household Equipment and Routine Maintenance* (3.5 percent, from 6.7 percent); *Miscellaneous Goods and Services* (6.7 percent, compared to 7.4 percent); *Hotels, Cafes and Restaurants* (from 10.0 percent to 8.2 percent); and *Recreation and Culture* (from 11.0 percent to 10.6 percent). Also contributing to lower core inflation during the review period were *Housing, Water, Electricity, Gas and Other Fuels*, which reported no change in prices, following a 2.9 percent price increase in January; and *Clothing and Footwear*, which recorded marginally lower (-0.4 percent) prices at the end of the period **(Figure 17)**.

Figure 17: Core Inflation – Percentage Change (Year-on-Year)



Source: Central Statistical Office

Lower inflation rates for fuel and lubricants for transport equipment, as well as passenger travel by road, particularly taxi and maxi taxi, emerged as the primary contributors driving the decline in ***Transport*** prices over the January to August 2023 period. However, this decline was partially counteracted by a resurgence in pricing pressures related to the purchase of new motor vehicles, as well as spares, accessories and care products for motor vehicles (especially for tyres and batteries).

The inflationary outturn in ***Furnishings, Household Equipment and Routine Maintenance*** was largely influenced by lower inflation rates for cleaning and maintenance products (specifically, laundry supplies) and other non-durable household articles, as well as a decrease in the prices of bedroom and living room furniture. Meanwhile, the decelerated inflation rates reported in ***Miscellaneous Goods and Services*** were mainly due to smaller price increases for hair dressing and personal grooming establishments and care of the elderly, disabled and young. Price declines for other personal effects such as handbags and carrying cases also contributed to the outturn for miscellaneous goods and services. Tempering these however, were sharper price increases for articles and products used for personal care and jewellery, clocks and watches. Meanwhile, the price levels for non-life insurance and other services and expenses not elsewhere classified, remained constant.

The slowdown in inflation within the ***Hotels, Cafes and Restaurants*** category over the January to August 2023 period was mainly driven by a drop in inflation for all sub-categories, namely, food and drink served by vendors; food and drink served in restaurants and cafés; drinks served in bars; and accommodation services.

The lower inflation rates recorded for ***Recreation and Culture*** were the result of the easing of price pressures in several of its sub-components over the referenced period. Pricing pressures eased for package tours and foreign vacations; pets and related products; animal husbandry; equipment for sport, camping and open-air recreations; recording media for pictures and sound; cinemas, theatres and concerts; and other cultural services (including services for parties and weddings etc.); and products for gardens, plants and flowers, while there was a downturn in prices for games and toys. Several other sub-categories of recreation and culture recorded either continued price decreases or no change in price over the twelve-month period.

Modest price decreases for imputed rentals of owner-occupiers, supported by decelerated rates of inflation for general carpentry, repairs, masonry and plastering, contributed to the stable price levels within ***Housing, Water, Electricity, Gas and Other Fuels***. Balancing these were accelerations in inflation for internal and external painting and electrical repairs and replacement parts.

Within the ***Clothing and Footwear sector***, the fall in footwear prices for children and infants, along with a downturn in inflation for readymade clothing, particularly for women and men, were the major contributors to the decline in prices in the clothing and footwear component. This was however partially counteracted by price surges for homemade clothing, and made to order clothing.

Contrastingly, an acceleration in inflationary pressures occurred during the first eight months of 2023 within the Communication, Health, and Alcoholic Beverages and Tobacco categories. An upsurge in prices for telephone services and equipment drove the uptick in the ***Communication*** category; while accelerations in the prices for prescription medication, over the counter pharmaceutical products, medical services (primarily for doctors), and services of medical labs and x-ray centres, drove the outturn in the ***Health*** category. Likewise, sharper price increases for Shandy; local rum; local and imported wine; and other alcoholic drinks, drove the stronger price increases in the ***Alcoholic Beverages and Tobacco*** category.

It should be noted that there has been no change in price levels in the ***Education*** category since December 2021.

PRODUCTIVITY

Fiscal 2022

During fiscal 2022, the productivity of all workers in all industries in Trinidad and Tobago, as measured by the All Items Productivity Index[60], increased by **106.2 percent**, more than quadrupling the 26.2 percent productivity gain reported in the previous fiscal year. Propelling the increase in productivity during the 12-month period ending September 2022 were enormous improvements in productivity in Assembly Type and Related Products (907.0 percent) specifically due to sizable productivity gains in the metal furniture component; and Drink and Tobacco (104.0 percent). A substantial improvement was also recorded in Food Processing (41.1 percent) **(Appendix 12)**.

January to March 2023

According to the latest data available from the CSO, worker productivity continued to rise during fiscal 2023, expanding by **27.4 percent** during the quarter ended March 2023. This gain, while smaller than the 104.7 percent rise in productivity registered in the comparative quarter of fiscal 2022, was significant. Buttressing this continued rise in productivity levels were improvements in productivity in **Food Processing**, followed by gains in **Assembly Type and Related Products**; **Drink and Tobacco**; and **Exploration and Production of Oil and Natural Gas**, that were albeit lower than the rates recorded in the comparative period of 2022 **(Appendix 12)**.

Productivity almost doubled to 43.4 percent in the **Food Processing** industry due to a marked improvement in domestic production volumes, partially offset by a small increase in the number of hours worked. The increase in productivity in the **Assembly Type and Related Products** (57.8 percent) and **Drink and Tobacco** (14.1

[60] The All Items Productivity Index is calculated as the ratio of the Index of Domestic Production (DPI) to the Index of Hours Worked, where the DPI is a quarterly series of indices showing changes in the volume of production over time in various industries of the economy and the Index of Hours Worked is a quarterly series showing the weighted percentage change in hours worked in various industries.

percent) industries resulted from increased production volumes outweighing the reduction in hours worked. A small decline in the quantity of output, along with a larger reduction in hours worked gave rise to the modest 1.0 percent productivity gain in the upstream **Exploration and Production of Oil and Natural Gas** industry. The Assembly Type and Related Products industry has been reporting very sharp increases in productivity since fiscal 2020/2021, primarily as a result of marked improvements in the output of metal furniture[61] **(Appendix 12)**.

Counteracting the aforementioned productivity gains and thereby tempering the overall increase in the All-Items Productivity Index during the second quarter of fiscal 2023, were productivity losses in nine (9) industries. The **Electricity (**-24.0 percent) and **Miscellaneous Manufacturing** (-5.9 percent) industries reported large reversals in the productivity gains that occurred one year earlier. The productivity outturn in the Electricity industry resulted from marginally longer working hours amidst a sizeable reduction in the quantity of electricity generated. While a more modest fall in production volumes together with an increase in hours worked drove the outcome in Miscellaneous Manufacturing. Simultaneously, the continued deterioration in productivity within the **Printing, Publishing and Paper Converters** (-13.8 percent); and **Textiles, Garments and Footwear** (-8.9 percent) industries resulted from mild increases in working hours accompanied by reductions in output volumes. Similarly, a fall in the domestic production index amidst stable working hours resulted in productivity losses of -14.8 percent in **Natural Gas Refining (Appendix 12)**.

Decreases in production volumes and less than proportionate declines in working hours, resulted in productivity losses in the **Petrochemicals** (-10.6 percent) and **Water** (-4.6 percent) industries. Contrastingly, the declines in productivity in **Chemicals** (-4.3 percent) and **Wood and Related Products** (-1.3 percent) were consequent to increases in both the number of hours worked as well as in production volumes, with the former (hours worked) registering larger gains in both industries **(Appendix 12)**.

POPULATION

Based on mid-year estimates provided by the CSO[62], the nation's population[63] reached an estimated 1,367,510 individuals as at 30 June, 2023; signifying a modest 0.1 percent increase of 1,705 individuals compared to the

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[61] The following are examples of metal furniture manufactured: chairs, tables/credenzas, filing cabinets, desks and cupboards.

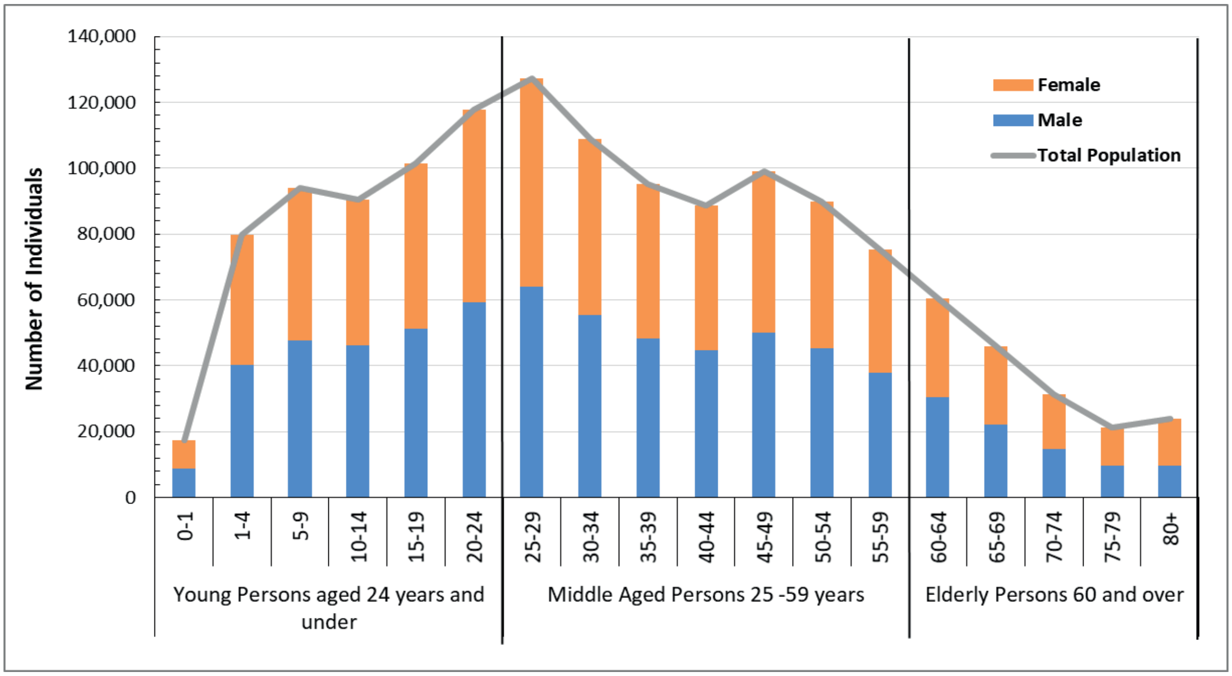
[62] The Central Statistical Office calculates the estimates of Trinidad and Tobago's total population in the middle of each calendar year, inclusive of non-nationals (resident in Trinidad and Tobago).

[63] The total population of Trinidad and Tobago, as reported by the 2011 Population and Housing Census, encompasses all persons whose usual residence is Trinidad and Tobago, inclusive of: Household or Non-institutionalized population usually resident in the country and who were present on Census Night; Household or Non- institutional population usually resident in the country who were abroad for less than 6 months on Census

equivalent period in the previous year. This change in the populace size is partly attributed to a decline in the provisional birth rate to 9.6 births per 1,000 persons; down from 10.3 births per 1,000 persons in 2022. Concurrently, the provisional death rate dropped to 10.2 deaths per 1,000 persons, from 13.4 deaths per 1,000 persons the previous year. These developments reflected improvements in healthcare management as well as the easing impact of the COVID-19 pandemic and yielded a natural growth rate of -0.7 in 2023, compared to -3.2 in 2022[64] **(Appendix 13)**.

The gender distribution of the population is anticipated to remain relatively balanced over the twelve-month period, with males accounting for 50.2 percent (686,119), and females, 49.8 percent (681,391) of the total population.

Figure 18: Mid-year Estimates of Population by Gender and Age Group for 2023[p]



Source: Central Statistical Office

Figure 18 depicts a detailed breakdown of the population by gender and age groups. The largest of the three main population segments comprises **middle age persons aged 25-59**, and constitute 50.0 percent of the total

Night; Population in institutions and Workers camps, Street Dwellers; and Trinidad and Tobago students studying abroad. The count does not include foreign students studying in Trinidad and Tobago, and foreign diplomats residing in Trinidad and Tobago.

[64] The Crude Natural Growth Rate per thousand or the Rate of Natural Increase refers to the difference between the number of live births and the number of deaths occurring in a year, divided by the mid-year population of the year, multiplied by a 1000.

population, with males within this category accounting for 50.6 percent, and females, 49.4 percent. Within this segment, individuals aged 25-29 hold the highest share at 9.3 percent of the total population.

The second-largest segment encompasses **young persons aged 24 years and under**, and contributes 36.6 percent of the total populace, with 50.7 percent being males and 49.3 percent females. Within this segment, persons under 15 years are the most substantial subgroup, accounting for 20.6 percent of the population[65] .

Lastly, **elderly persons aged 60 years and over**, the smallest segment, constitute 13.4 percent of the total population, and is primarily dominated by females at 52.7 percent, in contrast to 47.3 percent for males. Most of the persons in this segment, which represent 9.0 percent of the total population, are aged 65 and over[66] **(Appendix 14)**. A country's age structure has implications for social services, healthcare, and economic planning, necessitating appropriate policies that cater to the diverse needs of each age segment.

LABOUR FORCE AND EMPLOYMENT

Unemployment[67]

Overview

2022

The annual average unemployment rate in Trinidad and Tobago decreased to 4.9 percent in calendar 2022, from the 5.4 percent rate recorded in the previous calendar year. As the economy entered into the post-pandemic recovery phase following the full resumption of economic activity, the number of unemployed persons increased by 2,500, while the number of employed persons increased more sharply by 4,900, reflective of the addition of 2,400 persons to the labour force. Consequently, the labour force participation rate[68] edged up marginally from 54.8 percent to 55.0 percent between calendar 2021 and 2022, respectively **(Appendix 13)**.

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[65] The Young Persons aged 24 years and under category was further divided into three subgroups: Under 15 years, 15-19 years and 20-24 years.

[66] The age group of persons 60 years and over was further divided into two subgroups: 60-64 years and 65 years and over.

[67] Unemployed persons are defined by the CSO as the group of persons included in the labour force who do not have jobs, but were willing and able to work, and were actively seeking employment, during the specific survey reference period, or otherwise would have been looking for work except for one or other of a few specified conditions.

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

According to the most recent data on retrenchment notices from the Ministry of Labour (MoL)[69], the number of persons laid off between January to July 2023 fell to 329 persons, as compared to 846 persons retrenched in the comparative period of calendar 2022. The Transport, Storage and Communication industry accounted for the largest share (40.1 percent) of total retrenchments, with the number of layoffs in the sector decreasing sharply from 456 to 132 persons during the same period. All of the retrenchments within this industry were on account of layoffs in the Communication industry during both periods. Retrenchments also plummeted in the Financing, Insurance, Real Estate and Business Services industry, with 86 persons being retrenched in the seven months to July 2023, as compared to 222 persons in the previous comparative period of 2022. Similarly, retrenchments in the Construction industry fell from 14 to 7 persons during the same period. The MoL data suggests that for the current period under review, there were no retrenchments in the Manufacturing; Other Agriculture, Forestry, Hunting and Fishing; and Electricity and Water industries. In the Manufacturing industry the number of retrenched persons would have fallen to 0 from 134 persons being retrenched over the same period a year ago; while in the two (2) latter industries, there were also no layoffs in the prior corresponding period of 2022. Contrastingly, for the first seven months of calendar 2023, retrenchment levels increased in three (3) industries, namely; the Petroleum and Gas including Production, Refining and Service Contractors (from 14 to 54 persons); Wholesale and Retail Trade, Restaurants and Hotels (from 6 to 23 persons) and Community, Social and Personal Services (from 0 to 27 persons).

April to June 2023

According to the CSO's latest[70] quarterly Labour Force data, Trinidad and Tobago's average unemployment rate declined to 3.7 percent in the second quarter of calendar 2023, from 4.9 percent in the first quarter of calendar 2023 **(Appendix 15)**. This contraction was reflective of a fall in the number of individuals without jobs (by 6,800 persons) and the entrance of 14,600 persons into the labour force[71].

Categorized by industry; the number of persons without jobs decreased in Wholesale and Retail Trade, Restaurants and Hotels (by 3,200 persons); Community Social and Personal Services (2,700 persons); Finance Insurance, Real Estate and Business Services (2,100 persons); Other Manufacturing (excluding sugar and oil) (1,000 persons); and Electricity and Water (200 persons). Mitigating this contraction were increases in joblessness in all other industries namely: Construction (1,800 persons); Petroleum and Gas including Production, Refining

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[69] The Ministry of Labour receives Retrenchment notices in accordance with Section IV, of the Retrenchment and Severance Benefits Act (Chapter 88:13).

[70] The CSO's most recent Labour Force Bulletin is for the second quarter of calendar 2023.

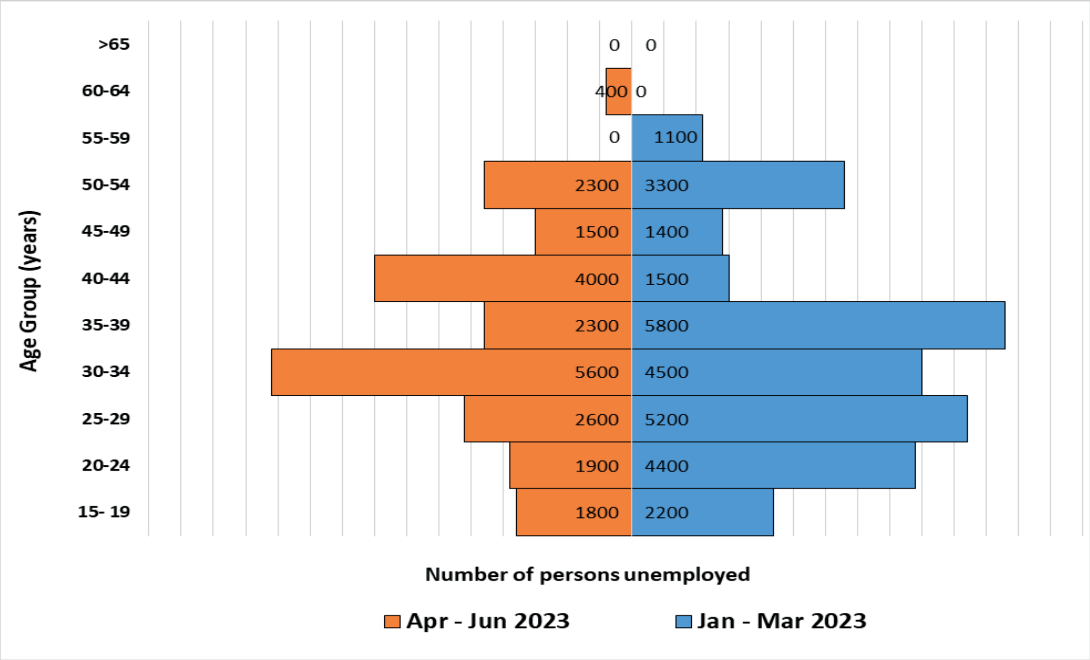
[71] The labour force comprises all persons aged 15 years and over who either had jobs (the employed), or if they did not have jobs, were willing and able to work (the unemployed) during a specified period of time. It includes employees, employers and the self-employed persons.

and Service Contractors (700 persons); and Transport, Storage and Communication (200 persons). During the review period, there were no changes to the number of unemployed persons in Other Agriculture, Forestry, Hunting and Fishing industry.

Relative to the national average unemployment rate, higher unemployment levels were recorded in the following industries: Petroleum and Gas including Production, Refining and Service Contractors (11.7 percent); Construction (7.2 percent); and Wholesale and Retail Trade, Restaurants and Hotels (4.0 percent). Unemployment rates below the national average were reported in all other industries.

There was a shift in the age category that has traditionally accounted for the largest share of the unemployed population. During the period April to June 2023, middle aged individuals (30 to 49 years) represented the largest share of unemployed persons at 59.8 percent or 13,400 persons. Consequent to the entrance of 1,400 middle aged persons to the labour force (possibly reflecting a greater willingness and/or ability of more such persons to work), the incidence of joblessness within this age group increased by 1.5 percent (or 200 persons). During the same period, young individuals aged 15-29 registered the second highest incidence of unemployment at 28.1 percent of unemployed persons or 6,300 individuals. This represented a 46.6 percent, or 5,500-person reduction in youth unemployment as 4,400 young persons exited the labour force. During the three-month period ending June 2023, unemployed persons aged 50 to 64 accounted for the remaining 2,700 or 12.1 percent of the unemployed population. The number of jobless persons within this age group decreased by 38.6 percent (or 1,700 persons), with 21,500 persons of this cohort entering the labour force. Participants in the labour force aged 65 years and above continued to be fully employed during the same period **(Figure 19)**.

Figure 19: Number of Persons Unemployed by Age Group



Source: Central Statistical Office

Despite middle aged individuals making up the largest portion of unemployed persons, the highest unemployment rate was observed among persons in the younger age grouping. Youth unemployment edged down to 5.2 percent in the first quarter of calendar 2023, from 9.4 percent in the first quarter of calendar 2023. Unemployment among middle aged individuals remained constant at 4.2 percent, while unemployment among individuals aged 50 to 64 years declined from 3.3 percent to 1.7 percent **(Table 8)**.

Table 8: Labour Force and Unemployment by Age Group (Hundreds/'00)

	Jan - Mar 2023			Apr - Jun 2023		
Distribution by Age Group	Labour Force	Number of persons unemployed	Unemployment rate (%)	Labour Force	Number of persons unemployed	Unemployment rate (%)
15-29 years	1,260	118	9.4	1,216	63	5.2
30-49 years	3,170	132	4.2	3,184	134	4.2
50-64 years	1,346	44	3.3	1,561	27	1.7
65 years and over	170	0	0.0	138	0	0.0
Total All Ages	**5,952**	**292**	**4.9**	**6,098**	**224**	**3.7**

Source: Central Statistical Office

In terms of gender, male joblessness fell to 3.5 percent (or by 2,300 persons) in the second quarter of calendar 2023, from 4.2 percent in the previous quarter largely on account of 9,700 males joining the labour force during the quarter. Similarly, joblessness among females declined to 3.9 percent (or by 4,500 persons) from 5.8 percent, consequent to 4,900 females joining the labour force **(Table 9)**.

Table 9: Labour Force and Unemployment by Gender (Hundreds/'00)

	Jan - Mar 2023				Apr - Jun 2023			
Distribution by Gender	Labour Force	Persons with Jobs	Number of Persons Unemployed	Unemployment rate (%)	Labour Force	Persons with Jobs	Number of Persons Unemployed	Unemployment rate (%)
Total Male	**3,442**	**3,296**	**146**	**4.2**	**3,539**	**3,416**	**123**	**3.5**
Other Agriculture, Forestry, Hunting and Fishing	199	195	4	2.0	180	180	0	0.0
Petroleum and Gas incl. Production, Refining & Service Contractors	92	89	4	4.3	68	56	11	16.2
Construction	601	560	41	6.8	745	692	53	7.1
Wholesale and Retail Trade, Restaurants and Hotels	596	560	37	6.2	550	524	26	4.7
Transport, Storage and Communication	233	229	4	1.7	261	261	0	0.0
Finance, Insurance, Real Estate & Business Services	300	289	11	3.7	282	282	0	0.0
Community, Social and Personal Services	999	974	24	2.4	1,107	1,088	19	1.7
Electricity & Water	60	56	4	6.7	43	40	2	4.7
Other Manufacturing (excluding sugar and oil)	322	307	15	4.7	289	282	8	2.8
Other Mining & Quarrying	15	15	0	0.0	0	0	0	0.0
Total Female	**2,510**	**2,364**	**146**	**5.8**	**2,559**	**2,458**	**101**	**3.9**
Other Agriculture, Forestry, Hunting and Fishing	27	27	0	0.0	26	23	4	15.4
Petroleum and Gas incl. Production, Refining & Service Contractors	11	11	0	0.0	26	26	0	0.0
Construction	91	89	2	2.2	99	92	8	8.1
Wholesale and Retail Trade, Restaurants and Hotels	713	669	44	6.2	681	658	23	3.4
Transport, Storage and Communication	64	60	4	6.3	91	81	10	11.0
Finance, Insurance, Real Estate & Business Services	298	279	18	6.0	319	311	8	2.5
Community, Social and Personal Services	1,175	1,108	67	5.7	1,158	1,112	45	3.9
Electricity & Water	7	7	0	0.0	11	11	0	0.0
Other Manufacturing (excluding sugar and oil)	106	99	7	6.6	132	129	4	3.0
Other Mining & Quarrying	0	0	0	0.0	0	0	0	0.0

Source: Central Statistical Office

Labour Force/ Job Creation

Trinidad and Tobago's labour force averaged 594,600 individuals in calendar 2022, as compared to 592,200 individuals in the previous calendar year. On the other hand, the number of unemployed individuals declined by 2,500, while the number of employed persons increased by 4,900, supporting a decrease in the rate of unemployment in 2022 **(Appendix 13)**.

Labour force participants further expanded to 609,800 persons during the period April to June 2023 from 595,200 persons during January to March 2023 as 14,600 persons entered the labour force, resulting in the labour force participation rate marginally increasing to 56.2 percent from 55.2 percent. Moreover, the number of employed persons increased from 566,000 persons to 587,400 persons over the two quarters under review.

A review of labour force data at the industry level revealed that the number of employed persons increased in five (5) industries, namely: Construction (13,500 persons); Community Social and Personal Services (11,800 persons); Transport, Storage and Communication (5,300 persons); Finance, Insurance, Real Estate and Business Services (2,500 persons); and Other Manufacturing (excluding sugar and oil) (500 persons). The growth in employment in these industries outweighed the reductions in employment recorded in: Wholesale and Retail Trade, Restaurants and Hotels (4,700 persons); Other Agriculture, Forestry, Hunting and Fishing (1,900 persons); Petroleum and Gas including Production, Refining and Service Contractors (1,800 persons); and Electricity and Water (1,200 persons) **(Appendix 15)**.

Employment data segregated by gender showed that males comprised the larger share (58.0 percent) of the total number of employed persons during the second quarter of calendar 2023, representing 341,600 men, as an additional 12,000 males gained employment. Female employment accounted for the remaining 42.0 percent with the total number of females with jobs increasing by 9,400 women to 245,800 **(Table 9)**.

In the second quarter of calendar year 2023, six (6) industries employed more males than females. These were: Construction (69,200 males); Other Manufacturing (excluding sugar and oil) (28,200 males); Transport, Storage and Communication (26,100 males); Other Agriculture, Forestry, Hunting and Fishing (18,000 males); Petroleum and Gas including Production, Refining and Service Contractors (5,600 males); and Electricity and Water (4,000 males) **(Table 9)**.

Over the same reporting period, more females than males were employed in the following industries: Community, Social and Personal Services (111,200 females); Wholesale and Retail Trade, Restaurants and Hotels industry (65,800 females); and Finance, Insurance, Real Estate and Business Services (31,100 females) **(Table 9)**.

CENTRAL GOVERNMENT OPERATIONS

- **Introduction**
- **Revenue**
- **Expenditure**
- **Financing**
- **Public Debt and Debt Service**
- **Trinidad and Tobago Credit Ratings**

INTRODUCTION

Central Government's fiscal performance during 2023 was affected by lower than anticipated global oil and natural gas prices. Total Revenue and Grants was estimated at $56,175.4 million (29.5 percent of Gross Domestic Product (GDP[72])) at the beginning of fiscal 2023, largely on the basis of an estimated oil price of US$92.50 per barrel and natural gas price of US$6.00 per million British thermal units (MMBtu). Revenue from oil and gas was estimated at $25,019.0 million, while non-oil revenue and capital revenue were estimated at $30,150.0 million and $1,006.0 million respectively. Current revenue was expected to account for 98.2 percent ($55,168.9 million) of Total Revenue, with capital revenue accounting for the remaining 1.8 percent of Total Revenue. Total Expenditure for fiscal 2023 was estimated at $57,684.6 million (30.3 percent of GDP), resulting in an estimated deficit of $1,509.2 million (-0.8 percent of GDP).

Due to the economic head winds which dampened global oil and gas prices in the first quarter of 2023, the estimate for Total Revenue and Grants for 2023 was adjusted downwards to $55,598.6 million (28.8 percent of GDP, and 1.0 percent lower than originally estimated) at the time of the Mid-Year Budget Review on May 10, 2023. The new revenue estimate was based on an estimated oil price of US$80.00 per barrel and natural gas price of US$5.00 per MMBtu. While there was a downward revision on the revenue side, there was however, an increase in Total Expenditure at the time of the Mid-Year Review by $4,381.9 million to $62,066.5 million, an increase of 7.6 percent over the original budget. The budgetary appropriation was increased mainly to assist Ministries and State agencies in settling liabilities on hand and to meet expenditure to the end of the fiscal year.

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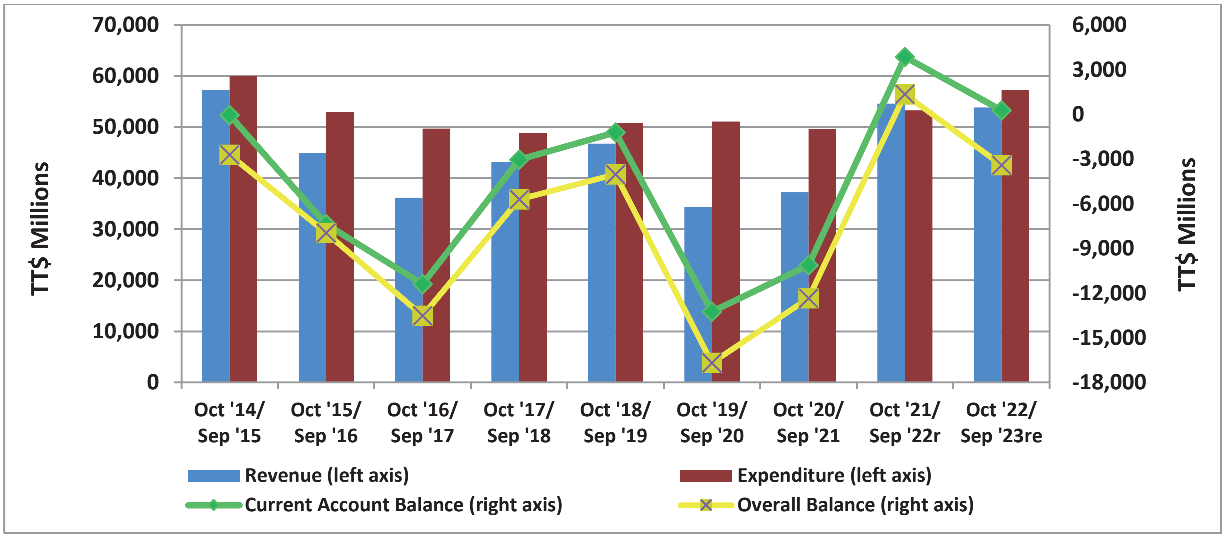
[72] Gross Domestic Product (GDP) at the time of the 2023 Budget was estimated at $190,141.8 million and $193,253.7 million at the time of the Mid-Year Revised Projections.

Central Government Operations was therefore expected to register an overall deficit of $6,467.9 million, or 3.3 percent of GDP for fiscal 2023.

Post the Mid-Year Review, in the latter half of the fiscal year, Total Revenue and Grants is now expected to amount to $53,819.3 million, or 27.8 percent of GDP[73] based on Revised Estimates of Revenue and Expenditure. Total Expenditure is now anticipated to be $57,230.8 million, or 29.6 percent of GDP, a 7.8 percent reduction from the Mid-Year Review figure of 62,066.5 million. The anticipated lower Total Expenditure for the latter half of the fiscal year is mainly on account of the lower level of spending that has occurred (both on the capital programme and recurrent expenditure) since the full proclamation of the Public Procurement and Disposal of Public Property Act on April 26, 2023, as Ministries and State agencies take time to become familiar with and adapt to the operationalization of the new procurement rules. Central Government operations are now anticipated to realize an Overall Deficit of $3,411.5 million, or 1.8 percent of GDP, well below the international benchmark of 3.0 percent of GDP, while a Current Account surplus of $261.9 million is anticipated for fiscal 2023 **(Figure 20)**.

Figure 20: Central Government Fiscal Operations



Source: Ministry of Finance

The Net Asset Value (NAV) of the Heritage and Stabilisation Fund (HSF) stood at US$4,720.6 million at the end of September 2022. The NAV increased to US$5,139.7 million by the end of December 2022, on account of interest income earned during the period and two deposits made into the Fund of US$164.0 million and

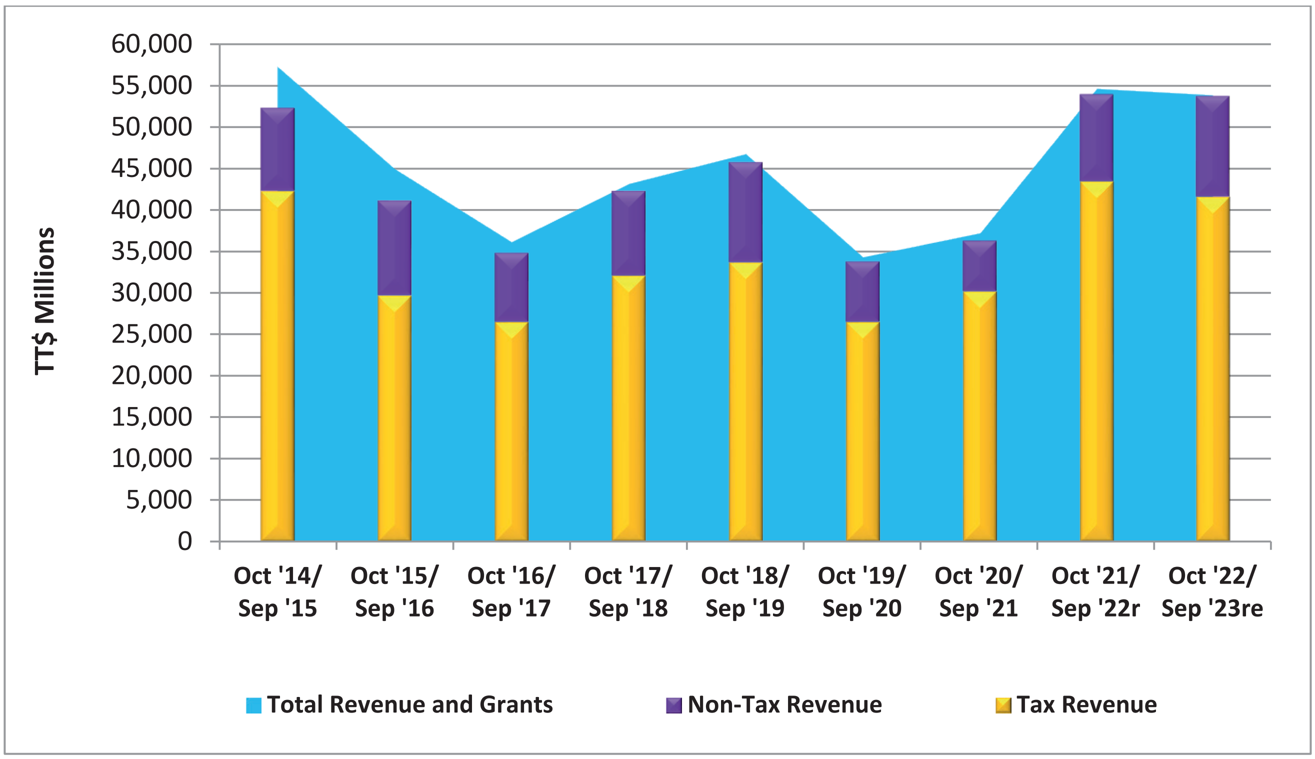
[73] The latest GDP at Current Prices for fiscal 2023 is now estimated by the Ministry of Finance at $193,407.0 million.

US$182.2 million on September 23, 2022 and December 23, 2022, respectively. There were no withdrawals made from the Fund during fiscal 2023. As at September 15, 2023 the HSF's NAV stood at US$5,502.5 million, up US$781.9 million from the level recorded at the end of September 2022.

REVENUE

Total Revenue and Grants for fiscal 2023 was $787.7 million less than the $54,607.0 million received in fiscal 2022 **(Appendix 23 and Figure 21)**. The main sources of income were Taxes on Income and Profits, Taxes on Goods and Services and Non-Tax Revenue in the amounts of $30,507.3 million, $8,040.3 million and $12,118.6 million respectively. Tax Revenue continues to account for the largest share of Total Revenue and Grants, comprising 77.3 percent of total revenue earned during the period.

Figure 21: Central Government Revenue



Source: Ministry of Finance

TAX REVENUE

Taxes on Income and Profits

Taxes on Income and Profits in fiscal 2023 are estimated to be lower by $3,403.5 million or 10.0 percent, from $33,910.8 million in fiscal 2022 to $30,507.3 million in the current fiscal year **(Appendix 23)**. The provisional outturn of receipts from Oil Companies fell by $1,333.3 million or 11.6 percent, from $11,461.8 million in fiscal 2022 to $10,128.5 million in fiscal 2023, mainly on account of lower relative prices in fiscal year 2023 as compared to fiscal year 2022. Similarly, there was a significant deterioration in the amount of revenue collected under Other Companies. This shortfall amounted to $2,367.1 million or 20.1 percent from $11,768.1 million in 2022 to $9,401.0 million in 2023 consequent to lower petrochemical prices in fiscal 2023.

Payments by firms toward both the Unemployment Fund and Green Fund Levy are also estimated to have diminished to $1,472.0 million and $1,092.3 million respectively. Both the Unemployment Fund and Green Fund Levy recorded reduced collections due to lower than anticipated crude oil and natural gas prices and sales.

Collections of Withholding Taxes are estimated to have increased by **56.9 percent**, or $590.9 million, from $1,038.2 million in fiscal 2022 to $1,629.1 million in fiscal 2023. This was mainly as a result of tax amnesty[74] payments and increased payments by the Energy Sector through mainly dividends, management charges and interest. Likewise, enhanced income was realized from the Business Levy which increased by $128.0 million or 19.9 percent to $770.2 million in fiscal 2023 due to increased collections from the Energy sector and Non-Energy sector, in particular the Electricity and Water, Transportation, Communication and Storage Industries. This was primarily as a result of their economic recovery from the debilitating effects of the COVID-19 pandemic, as well as increased collections under the tax amnesty.

Taxes on Goods and Services

Income from Taxes on Goods and Services is estimated at $8,040.3 million in fiscal 2023; an increase of 22.5 percent, from the $6,562.1 million earned in fiscal 2022 **(Appendix 23)**. Higher net Value Added Tax (VAT) collections in the sum of $6,499.4 million; representing an increase of **27.5 percent** from $5,097.0 million collected in fiscal 2022, is the primary contributor to the improvement in this revenue stream. Motor Vehicle Taxes and Duties also recorded an increase in revenue, albeit of a smaller magnitude, of $25.3 million or 9.7 percent to $285.8 million in fiscal 2023.

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[74] The Government's tax amnesty was in effect for the period 14th November to 31st August, 2023.

Excise Duties, however suffered a decline in collections of 6.3 percent to $634.7 million in fiscal 2023, from $677.2 million in fiscal 2022. This decline is as a result of a pause in cigarette production by West Indian Tobacco Company Limited (WITCO) for two (2) weeks in February 2023 coupled with lower sales due to WITCO's rebranding of Du Maurier cigarettes. Collection of Excise Duties was also negatively affected by reduced production of regular items by CARIB Brewery.

Taxes on International Trade

Collections from Taxes on International Trade, consisting primarily of import duties, registered a small increase of 5.3 percent, from $2,608.4 million in fiscal 2022 to $2,746.3 million in fiscal 2023 reflecting a rise in the volume and value of imported goods for local consumption as well an increase in duties **(Appendix 23)**.

Other Taxes

Other Taxes, predominantly comprising Stamp Duties, are estimated at $289.0 million; a decline of 15.6 percent, from $342.3 million recorded under this category in fiscal 2022. This decrease is attributable to a decline in both residential conveyances and first time owner residential mortgages **(Appendix 23)**.

The following text box provides a status update of ongoing revenue enhancing measures.

Text Box 3: Update on Measures for Revenue Enhancement

<u>Gaming Control Commission</u>

During fiscal 2023 the Board of Commissioners of the Gaming Control Commission of Trinidad and Tobago (Commission) made significant advancements in the operationalisation of the Regulatory Authority since its appointment in May 2022 and has achieved important milestones that bring the Commission closer to the full proclamation of the Act. These include advancements made in improving its accommodations, staff training plans, completion of regulations, planning for consultation sessions and designing operational business processes.

The Commission has completed the existing regulations, which form the basis for the new regulatory regime, by comprehensively reviewing the existing regulatory framework, addressing emerging gambling industry properties have been valued and have been included in the first Valuation Roll, which has been sent to the Minister of Finance in accordance to the law. This is more than 50.0 percent of residential properties in Trinidad and Tobago.

Several legislative amendments have been made to the Valuation of Land Act in fiscal 2023, including:

(i) Amendments to section 14 of the Valuation of Land Act, to enable the Valuation Division of the Ministry of Finance to obtain information in the possession of agencies such as TTPost, WASA and T&TEC, which may assist in preparation and improvement of the accuracy of the Valuation Roll.

(ii) By Legal Notice No. 212 dated July 20, 2023, the Valuation of Land (Forms) Regulations, 2023 were made by the President under section 34 of the Valuation of Land Act, which provides inter-alia, for the form of the Valuation Roll.

The Commissioner of Valuations will continue to build the Valuation Roll to include the other 50.0 percent of residential properties and all commercial, agricultural and industrial properties.

The Valuation Division and Inland Revenue Division (IRD) are currently engaged in testing of the valuation data to ensure compatibility. Upon finalization, the Minister of Finance will, by Order cause the Valuation Roll to go into effect. It will then be sent to the Inland Revenue Division for creation of the Assessment Roll for issue of assessment notices for Property Tax. Property Tax on residential properties will be calculated at 3.0 percent of the annual rental value provided in the Valuation Roll. Collections are initially estimated at $432.0 million for fiscal 2024. The annual rental values associated with the 248,045 residential properties that are ready for the Valuation Roll amount to approximately $16.0 billion.

Trinidad and Tobago Revenue Authority (TTRA)

The Trinidad and Tobago Revenue Authority Act was passed in 2021. Subsequently, the Board of Management was established and successfully delivered to the Minister of Finance its Strategic and Operational Plans which was laid in Parliament early in 2023. Following these key milestones, the Board, in collaboration with the Ministry of Finance, set about to activate the provisions for the initial staffing of the TTRA in accordance with the Act. These provisions include four options for affected employees of the Inland Revenue and Customs and Excise Divisions, namely to: (i) retire; (ii) transfer to the TTRA; (iii) remain in the Public Service, if a suitable position can be found; or (iv) remain in the Public Service through assignment to the TTRA's enforcement division. This process has however been stymied by ongoing legal action, including a constitutional challenge to the creation of the TTRA. It is envisaged that these legal matters will be resolved early in the new fiscal year and this critical phase of the recruitment process can proceed. In the interim, the TTRA Board of Management and Strategic Advisers continue to work on other aspects of the TTRA implementation, including recruitment of the Director General and Senior Executives as well as on the design and operationalization of key systems and processes.

NON-TAX REVENUE

Non-Tax Revenue is estimated at $12,118.6 million in fiscal 2023, surpassing the amount earned in fiscal 2022 by $1,623.3 million or 15.5 percent **(Appendix 23)**. The main contributors to improved collections in this category were Royalty on Oil and Gas, Profits from State Enterprises and Profits from the National Lotteries Control Board. Royalty on Oil and Gas increased by $1,218.4 million or 21.0 percent from $5,802.4 million in fiscal 2022 to $7,020.8 million in fiscal 2023. This increase in revenue is mainly attributable to the receipt of royalty payments from Production Sharing Contracts (PSCs) for fiscal 2022, in fiscal 2023. Profits from State Enterprises also registered improved collections of $129.6 million or 13.1 percent, resulting in total receipts of $1,116.5 million in fiscal 2023 owing to increased dividends from First Citizens Holding Limited (FCHL), unanticipated dividends from Republic Bank Holding Limited (RBHL), as well as remittances from the National Gas Company (NGC) and National Enterprises Limited (NEL). Profits from the National Lotteries Control Board also contributed to bolstering the overall performance of the category, as receipts increased by $108.4 million or **47.8 percent** from $226.7 million in fiscal 2022 to $335.1 million in fiscal 2023.

Although, Non-Tax Revenue is estimated to have improved in fiscal 2023 compared to fiscal 2022, the decreased collections from some items in this category have somewhat dampened its overall performance. In particular, Equity Profits from the Central Bank declined by $205.8 million or 27.2 percent to $550.7 million in fiscal 2023 when compared to the $756.5 million collected in fiscal 2022. Administrative Fees and Charges also fell by 16.5 percent from $597.7 million in fiscal 2022, to $498.9 million in fiscal 2023.

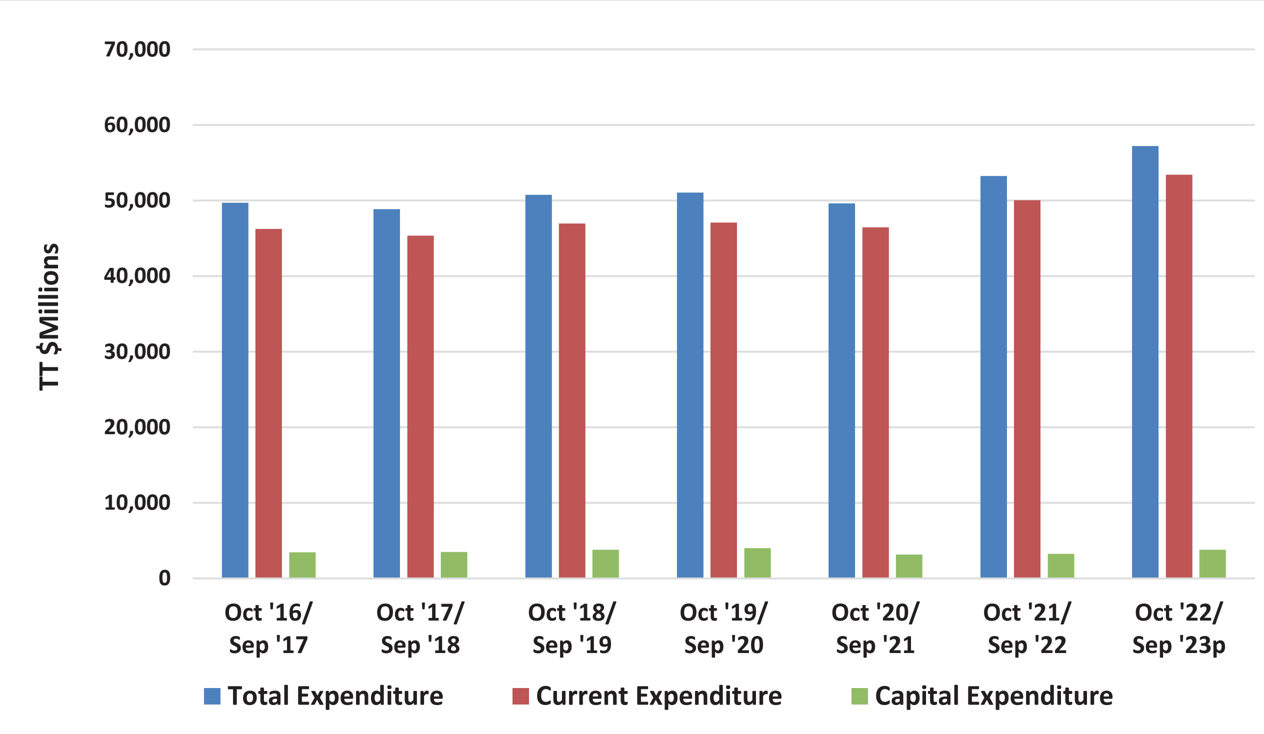
CAPITAL REVENUE

Capital Revenue receipts, at $116.3 million in fiscal 2023, was 83.0 percent less than the $685.7 million collected in fiscal 2022 **(Appendix 23)**. The main contributor to the lower receipts was less than anticipated collections under Sale of Assets in respect to partial settlement of CLICO's debt to the GORTT, as well as repayment to the GORTT by the British American Insurance Company Limited, in fiscal 2023.

EXPENDITURE

Total Expenditure is estimated to have increased by 7.4 percent to $57,230.8 million in fiscal 2023, from $53,274.0 million in fiscal 2022. **Recurrent Expenditure** amounted to approximately $53,441.1 million or 94.0 percent of Total Expenditure, with **Capital Expenditure** estimated at $3,789.7 million **(Appendix 24 and Figure 22)**.

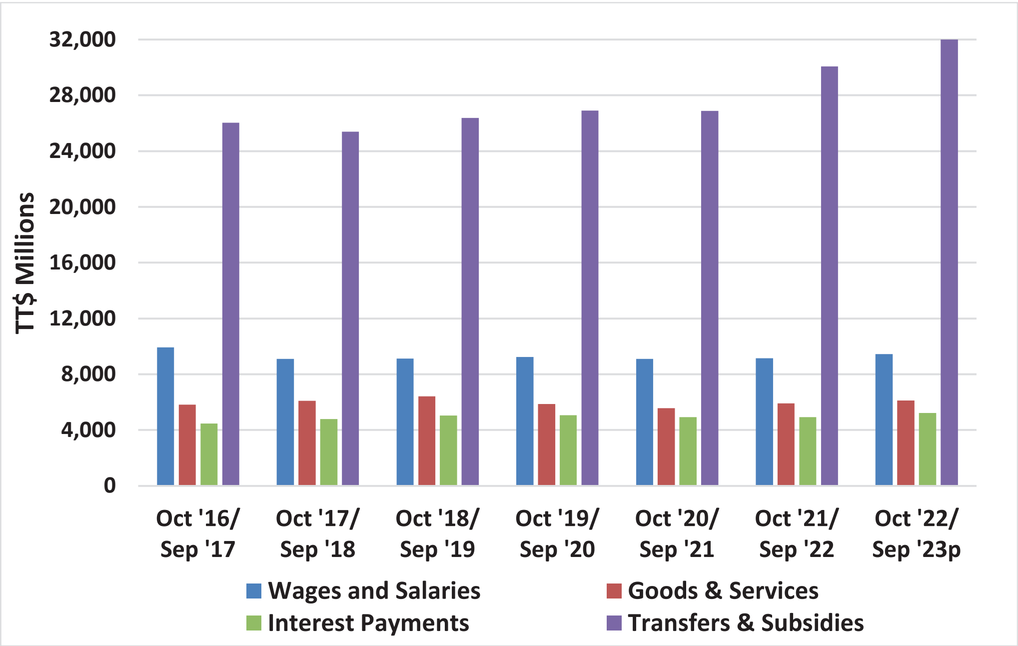
Figure 22: Central Government Expenditure



Source: Ministry of Finance

Of **Recurrent Expenditure**, the most substantial increases are estimated for **Transfers and Subsidies** (by 8.5 percent) and **Interest Payments** (by 6.1 percent). **Other Goods and Services** and **Wages and Salaries** are also estimated to increase moderately by 3.7 percent and 3.2 percent, respectively **(Figure 23)**.

Figure 23: Major Components of Current Expenditure



Source: Ministry of Finance

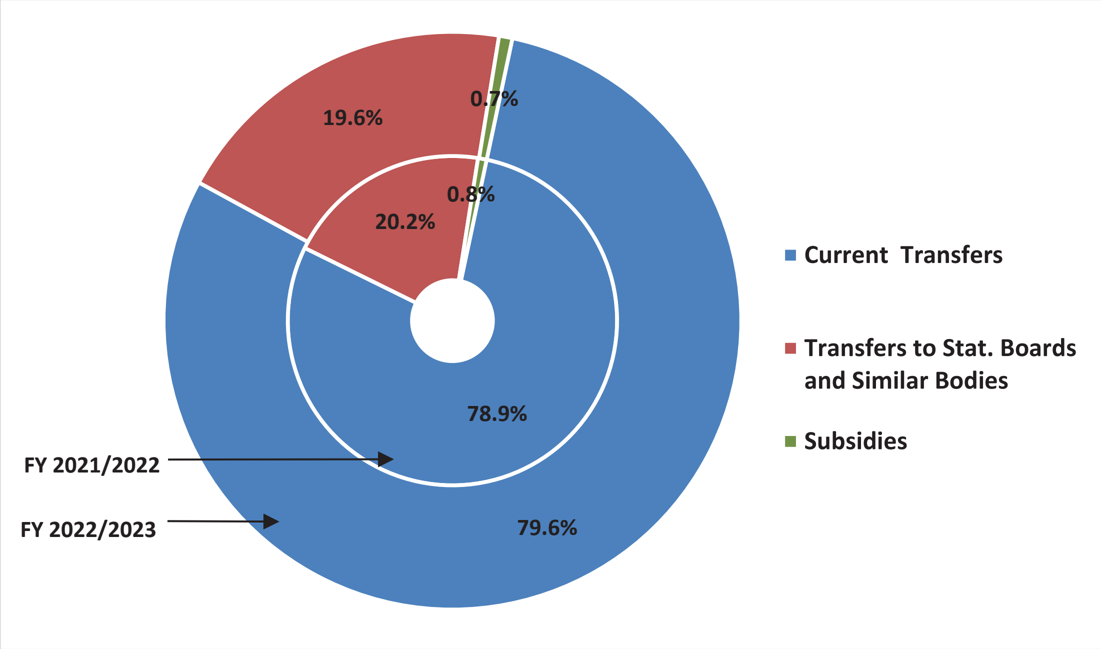
Wages and Salaries, which accounts for 17.7 percent of Recurrent Expenditure, increased by an estimated $294.8 million to $9,443.3 million in fiscal 2023, compared to $9,148.5 million in the previous fiscal year, on account of higher payments of arrears for salary increments spread across all Ministries and Departments **(Appendix 24)**.

Similarly, an estimated $6,129.3 million was expended on **Other Goods and Services** in fiscal 2023, a projected increase of $217.6 million from the $5,911.7 million spent in fiscal 2022. In fiscal 2023, Other Goods and Services accounted for an estimated 11.5 percent of Recurrent Expenditure; a slight increase from the preceding year, due to higher spending on Goods and Services (by $158.5 million) and Minor Equipment Purchases (by $63.6 million). Conversely, expenditure on Management Expenses/Expenses of Issue/Discounts and Other Financial Instruments declined by $4.5 million.

Expenditure on **Interest Payments**, which accounts for the smallest share of Recurrent Expenditure (9.8 percent), also increased by $302.4 million to $5,229.8 million in fiscal 2023, from $4,927.4 million in fiscal 2022.

When disaggregated, $4,167.3 million is estimated for Domestic Interest Payments i.e. interest on both the domestic debt of the Central Government and the Central Government's Overdraft facility at the CBTT; $213.1 million higher than the $3,954.2 million in fiscal 2022. External Interest Payments i.e. interest payment on the external debt of the Central Government; which amounted to roughly $1,062.5 million, was approximately $89.3 million higher than in the previous fiscal year.

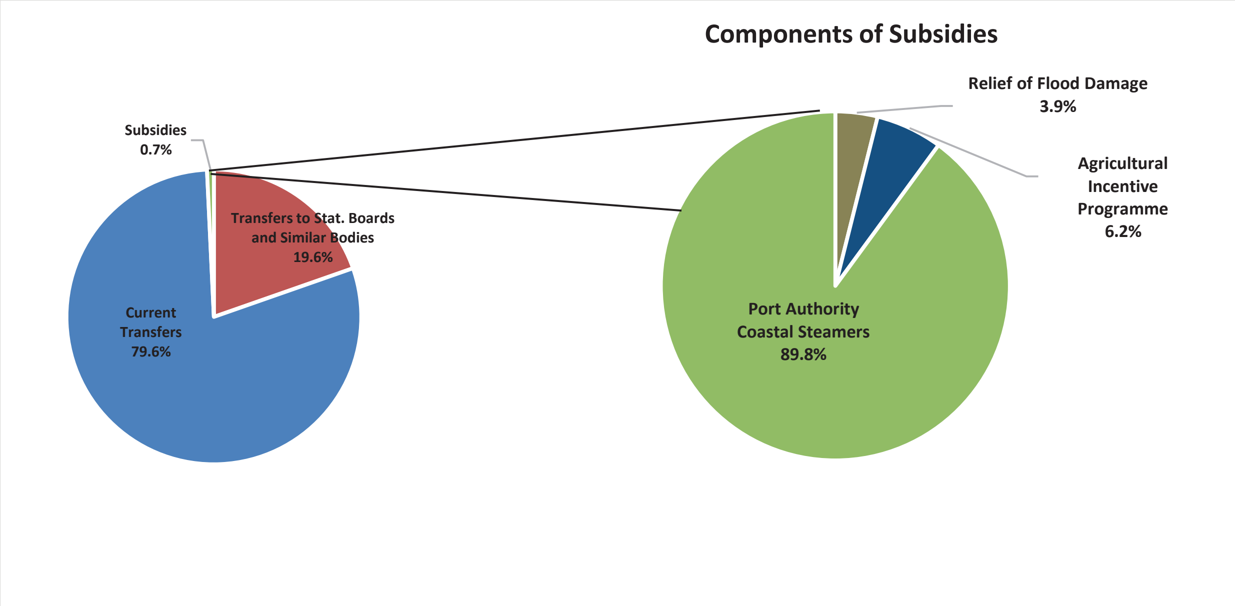
Figure 24: Components of Transfers and Subsidies



Source: Ministry of Finance

Transfers and Subsidies which includes a number of expenditure items, remain the single largest category of expenditure; accounting for 61.1 percent of Current Expenditure and 57.0 percent of Total Expenditure in fiscal 2023. **Subsidies**, which account for 0.7 percent of Transfers and Subsidies **(Figure 24)**, stood at $243.7 million in fiscal 2023 or 4.1 percent lower than the fiscal 2022 balance of $254.0 million. This item comprises in the main, subsidies in respect of the Port Authority Coastal Steamers; the Agricultural Incentive Programme; and the Relief of Flood Damage Programme **(Figure 25)**. This reduction of $10.3 million in fiscal year 2023 is consequent to a lower level of support for the Port Authority Coastal Steamers (by $217.6 million) and the Agricultural Incentive Programme (by $9.2 million). Conversely, there was a $216.3 million increase in support for the Relief of Flood Damage.

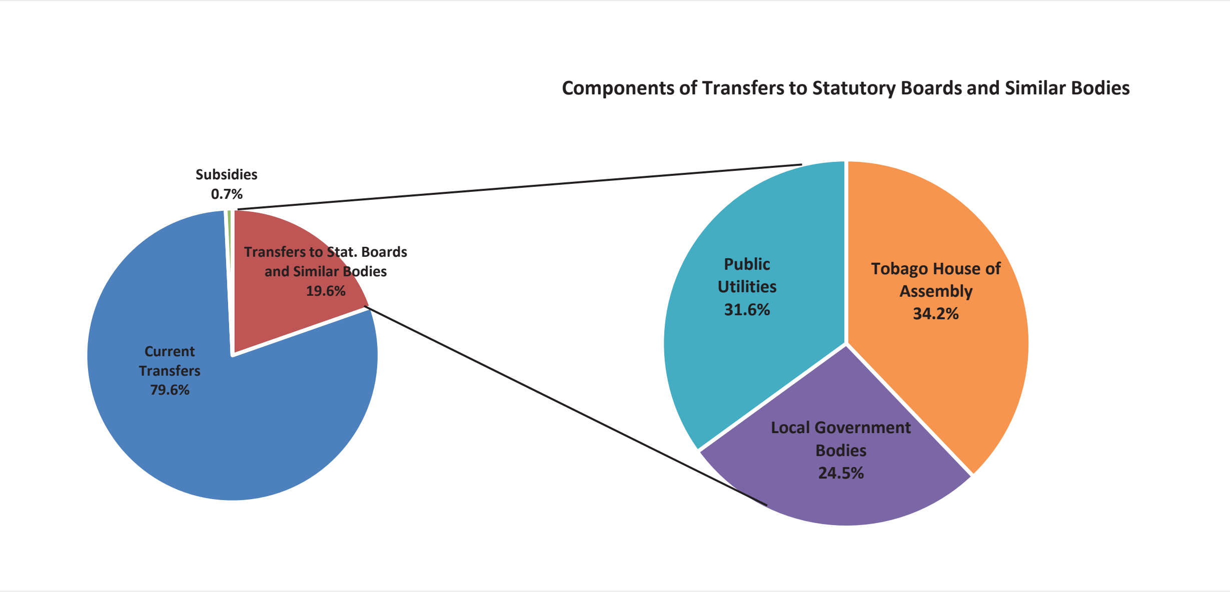
Figure 25: Composition of Subsidies



Source: Ministry of Finance

On the other hand, **Transfers to Statutory Boards and Similar Bodies**, which account for 19.6 percent of Total Transfers and Subsidies **(Figure 24)**, also increased by an estimated $335.6 million to $6,412.3 million in fiscal 2023 when compared to $6,076.7 million in fiscal 2022. The higher transfers in fiscal 2023 are on account of higher remittances to Public Utilities (by $160.3 million), Local Government Bodies (by $108.3 million) and the Tobago House of Assembly (by $71.0 million) **(Figure 26)**. The increased transfers to Public Utilities was a result of higher-than-anticipated outlays to the Water and Sewerage Authority (WASA) to cover shortfalls related to wages and salaries. The higher transfer to the Tobago House of Assembly mainly comprised additional funding for the payment of an ex gratia award to health sector workers ($30.0 million) and the creation of a new division; the Office of the Deputy Chief Secretary ($30.0 million).

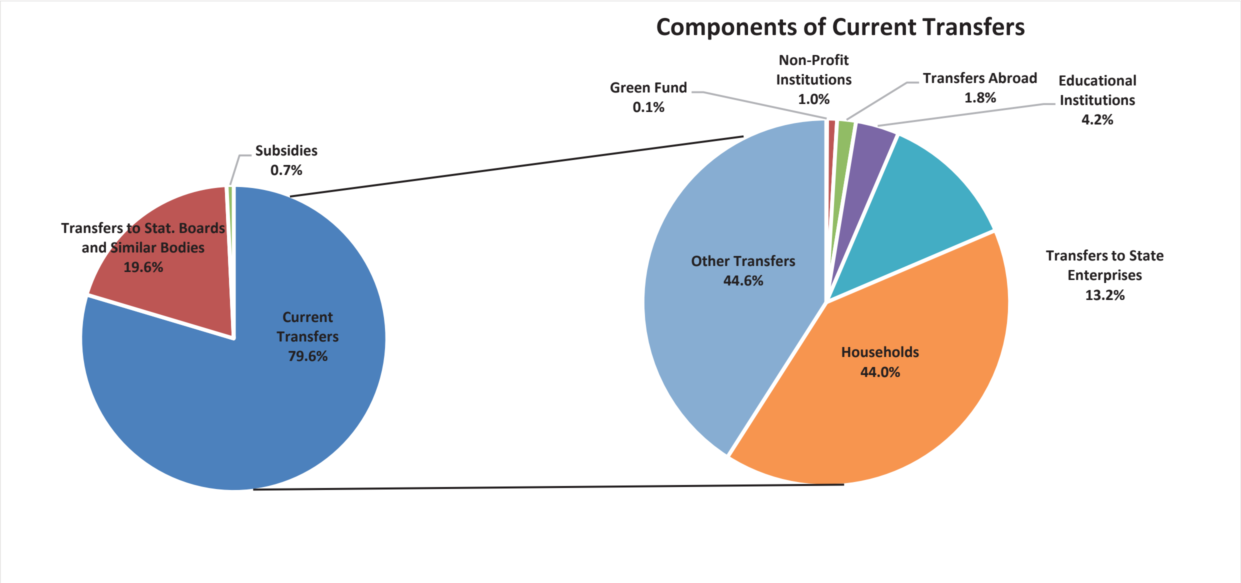
Figure 26: Composition of Transfers to Statutory Boards and Similar Bodies



Source: Ministry of Finance

Current Transfers, which constitute the bulk (79.6 percent) of Total Transfers and Subsidies **(Figure 24)**, are estimated at $25,982.7 million for the current review period; $2,239.5 million higher than in fiscal 2022. The largest percentage increases in the components of Current Transfers were reported in **Non-Profit Institutions** (18.6 percent), **Transfers Abroad** (16.9 percent), **Other Transfers** (15.1 percent) and **Transfers to State Enterprises** (10.0 percent). Expenditure under the Green Fund is also estimated to have risen markedly by $17.5 million. Lower transfers are however estimated for **Educational Institutions** (9.0 percent) **(Figure 27).**

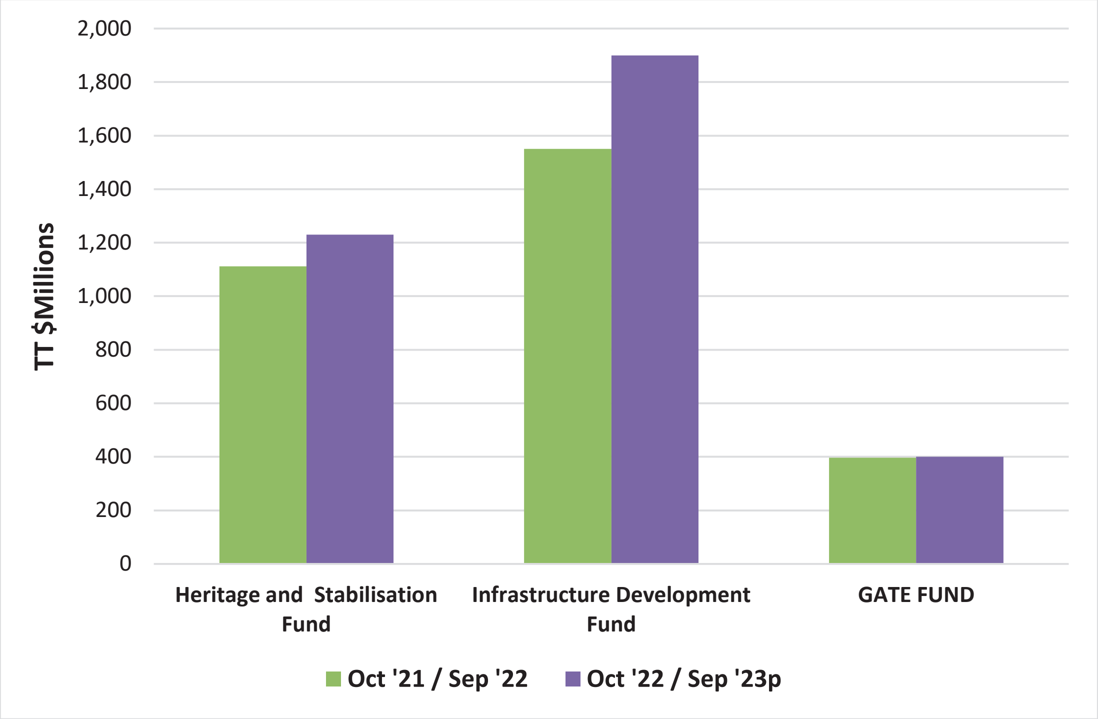
Figure 27: Composition of Current Transfers



Source: Ministry of Finance

Other Transfers; the main component of Current Transfers (44.6 percent) **(Figure 27)**, is estimated at $11,582.6 million for the current fiscal period; 15.1 percent higher than the preceding year's outlay of $10,063.3 million. The estimated increase of $1,519.3 million in fiscal 2023 is on account of an increase in deposits into the HSF by $119.0 million and higher transfers to the Infrastructure Development Fund (IDF) and the Government Assistance for Tertiary Education (GATE) Fund by $350.0 million and $3.5 million, respectively **(Figure 28)**. Supplemental funding was provided at the Mid-Year Budget Review, through the IDF to meet outstanding payments to contractors and cover costs associated with ongoing and new projects. Other components that comprise this category of spending include transfers in respect to the CARICOM Development Fund, the First Citizens Bank Ltd. – Indemnity Calls, the Government's Agent Administered Loan-by-Loan Guarantee, the Fiscal Incentive to Farmers and the Regional Health Authorities.

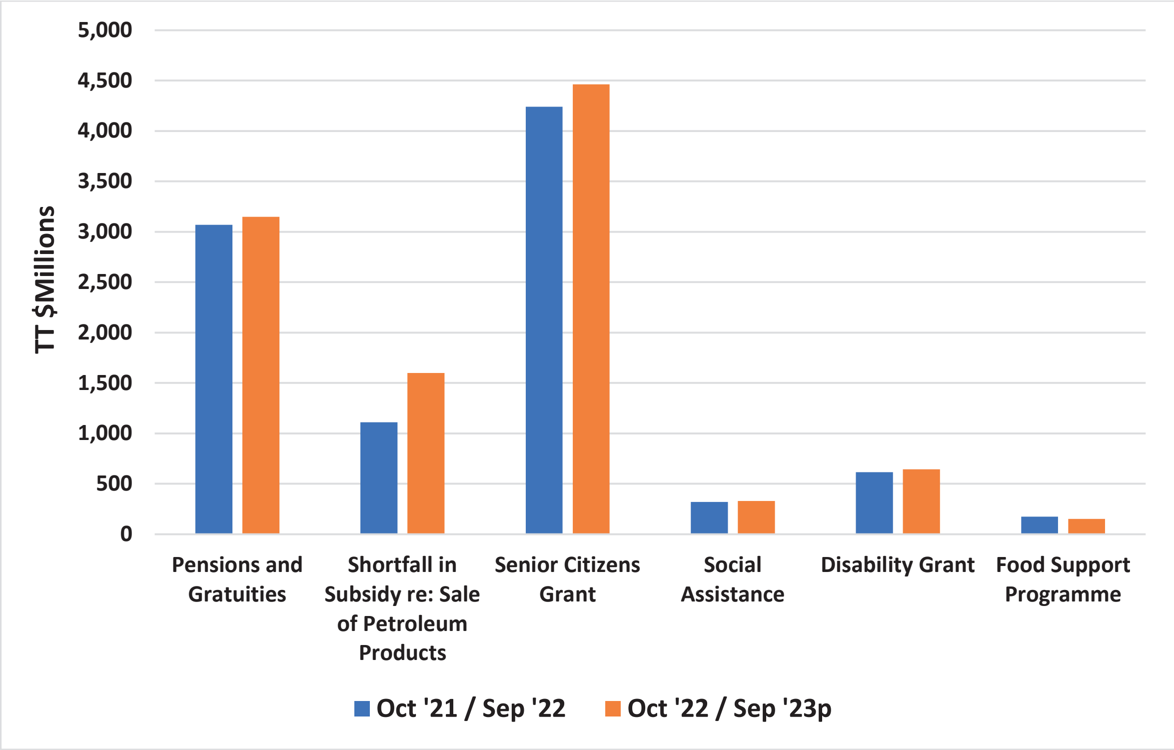
Figure 28: Main Components of Other Transfers



Source: Ministry of Finance

Transfers to **Households**, which includes payments for Pensions and Gratuities, Senior Citizens Grant, Social Assistance, Disability Grant and the Food Price Support Programme **(Figure 29)**, represents 44.0 percent of Current Transfers **(Figure 27)** and is estimated at $11,442.7 million for the current fiscal period, 6.9 percent higher than fiscal 2022. This increase from the previous fiscal year's balance can be attributed to higher remittances (in the amount of $1,600.0 million) to meet the shortfall in subsidies relating to the sale of petroleum products as well as increases recorded under the Senior Citizens Grant in addition to the one-off Transportation Grant given to all recipients of the social grants programme. This one-off grant was one of the fiscal measures included in the 2023 Budget.

Figure 29: Main Components of Transfers to Households



Source: Ministry of Finance

An estimated $3,441.2 million or 13.2 percent of Current Transfers **(Figure 27)**, was transferred to **State Enterprises**, with the largest ($842.4 million) being remitted under the Ministry of Works and Transport to the National Infrastructure Development Company Limited (NIDCO) for the operation and maintenance of the inter-island ferries, A.P.T. James, HSC Buccoo Reef and the M.V. Galleons Passage as well as for various road works. Payments to the Agricultural Development Bank ($88.4 million), the Trinidad and Tobago Mortgage Finance Co. Ltd. ($151.1 million), the National Schools Dietary Services Ltd. ($270.7 million) and the Rural Development Company for its National Reforestation and Watershed Rehab ($80.0 million) also contributed to the 10.0 percent higher spending under this category when compared to the $3,128.7 million transferred in fiscal 2022. Likewise, **Transfers Abroad**, which mainly constitute payments to Regional Bodies, International Bodies, Commonwealth Bodies and United Nations Organisations, increased by $67.8 million to $469.3 million.

Similarly, contributions to **Non-Profit Institutions** increased by $39.0 million to $248.3 million in fiscal 2023. Transfers to Non-Profit Institutions includes transfers to the Office of the Prime Minister ($62.8 million) for funding to institutions such as the St. Jude's Home for Girls, the St. Dominic's Children's Home and the St. Mary's Children's Home; to the Office of the Attorney General and Ministry of Legal Affairs ($54.2 million) for the Legal Aid and Advisory Authority; to the Ministry of Sport and Community Development ($50.7 million) for funding Community Based Organizations and other institutions; to the Ministry of Agriculture, Land and Fisheries ($23.6 million) for funding towards agricultural research, training and development as well as to other agricultural institutions; the National Alcohol and Drug Abuse Prevention Programme along with other Non-Profit Institutions under the Ministry of Health ($18.4 million) and to Cultural Organisations under the Ministry of Tourism, Culture and the Arts ($14.8 million). Payments to the **Green Fund** also increased from $1.2 million to $18.7 million **(Figure 27)**.

Conversely, **Transfers to Educational Institutions**, which represents 4.2 percent of Current Transfers **(Figure 27)**, are estimated at $1,079.9 million in fiscal 2023, $106.2 million lower than the previous fiscal 2022 balance. This was on account of lower spending on grants to Assisted Primary Schools and Private Secondary Schools; reduced funding to institutions such as SERVOL Junior Life Centres; the Eric Williams Medical Sciences Complex; the University of Trinidad and Tobago; School of Nursing; Council of Legal Education and the Accreditation Council of Trinidad and Tobago; along with decreased spending on the Higher Education Loan Programme.

Capital Expenditure increased by approximately 18.0 percent to $3,789.7 million in fiscal 2023, from the preceding year's total of $3,212.5 million **(Figure 22)**. This can be attributed to increases in expenditure via the Consolidated Fund (by 18.8 percent) and the Infrastructure Development Fund (IDF) (by 17.0 percent).

Expenditure under the Infrastructure Development Fund rose from an estimated $1,509.6 million in fiscal 2022 to $1,766.9 million in the current fiscal year, to meet the cost of ongoing and new projects. Similarly, Capital Expenditure funded via the Consolidated Fund increased to an estimated $2,022.8 million in fiscal 2023, from $1,702.9 million in the previous fiscal year.

FINANCING

The provisional estimate of the Central Government fiscal deficit of $3,411.5 million was financed through a combination of Net External Financing of $321.8 million and Net Domestic Financing of $3,089.7 million **(Appendix 25)**.

Total Borrowings under Net External Financing amounted to $1,323.3 million with the main sources of funding comprising loan financing from the Development Bank of Latin America (CAF) and Unicredit Bank of Austria in the amounts of $908.9 million and $200.5 million respectively, with $1,001.5 million allocated towards Capital Repayments. There were no drawdowns from the Heritage and Stabilisation Fund in fiscal 2023.

In fiscal 2023, Net Domestic Financing is estimated at $3,089.7 million, of which $9,714.8 million is related to domestic borrowings and $2,072.2 million to Other Financing, while $8,697.3 million was utilised for Capital Repayments.

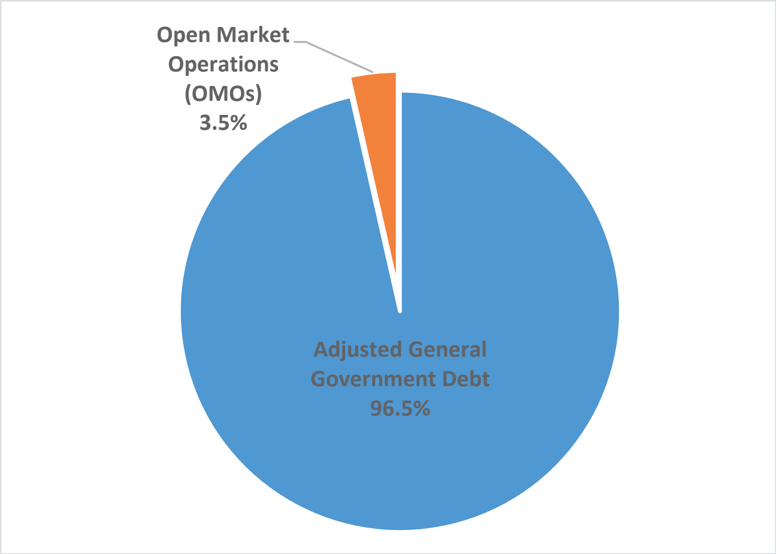
GENERAL GOVERNMENT DEBT AND DEBT SERVICE

Total General Government Debt[75] is estimated to move from $137,814.4 million in fiscal 2022 to $142,246.1 million in fiscal 2023. This increase of $4,431.7 million reflects the net effect of repayments, disbursements and new facilities; inclusive of those issued to repay existing facilities. This figure comprises Adjusted General Government Debt[76] ($137,209.6 million) plus borrowings for Open Market Operations (OMOs) at $5,036.5 million **(Figure 30).** In turn, borrowings for OMOs consist of Treasury Bills ($3,126.5 million) and Treasury Notes ($1,910.0 million). Further, it should be noted that proceeds of OMOs are Monetary Policy instruments, and as such, are not utilized by the Central Government for its operations, but are held or sterilized at the Central Bank of Trinidad and Tobago (CBTT) and used to repay principal balances at maturity. In accordance with the CBTT's monetary policy, borrowings for the purpose of OMOs are expected to decline by $3,791.3 million in 2023. This notwithstanding, the overall $4,431.7 million increase in Total General Government Debt from fiscal 2022 to fiscal 2023 is due to an increase of $8,223.0 million in Adjusted General Government Debt.

[75] Figures are quoted in Trinidad and Tobago Dollars unless otherwise specified.

[76] Adjusted General Government Debt is defined as the sum of all domestic and external direct obligations of the Central Government as well as the Non-Self Serviced Government Guaranteed debt of State Enterprises and Statutory Authorities. It excludes instruments of Open Market Operations (OMOs) such as Treasury Bills, Treasury Notes and Treasury Bonds; the proceeds of which are held or sterilized at the Central Bank of Trinidad and Tobago and are not utilized by the Government of the Republic of Trinidad and Tobago for its operations.

Figure 30: Composition of Total General Government Debt



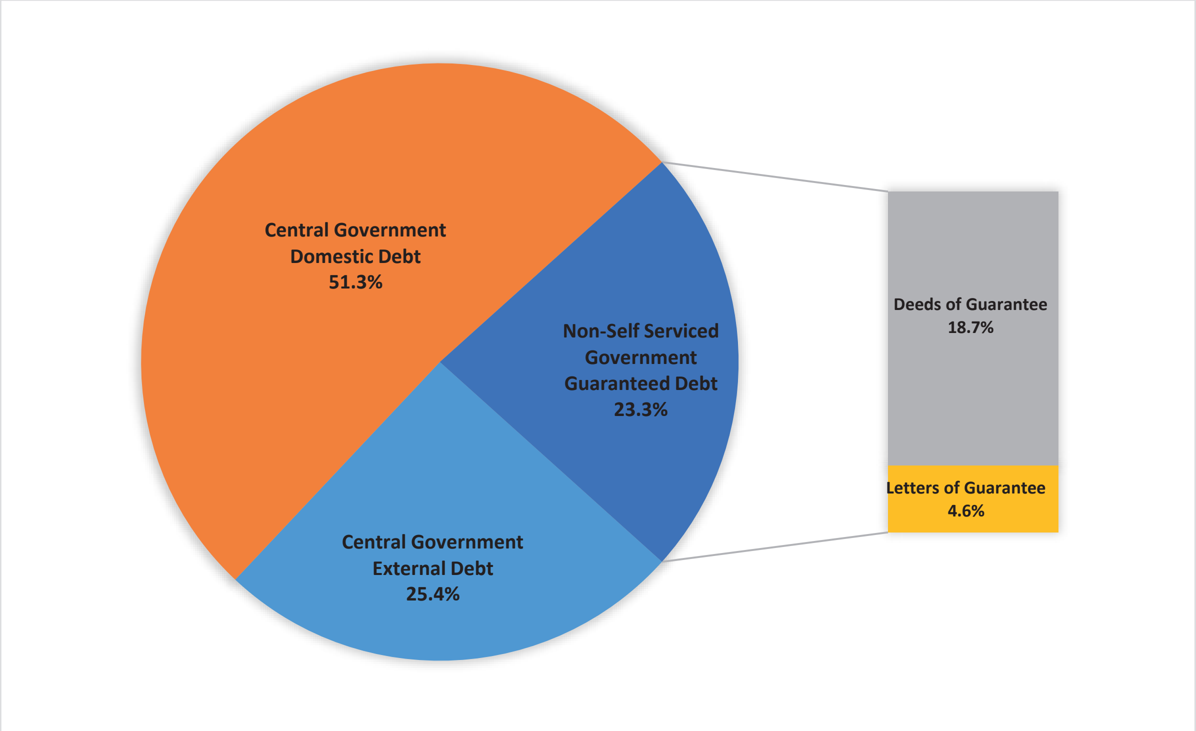
Source: Ministry of Finance

Adjusted General Government Debt comprises Central Government Domestic Debt (51.3 percent), Central Government External Debt (25.4 percent) and Non-Self Serviced Government Guaranteed Debt[77] (23.3 percent) **(Figure 31).** It is estimated that Adjusted General Government Debt will increase by 6.4 percent from $128,986.7 million in fiscal 2022 to $137,209.6 million by the end of fiscal 2023. Adjusted General Government Debt as a percentage of GDP[78] is estimated to increase by 4.3 percentage points from 66.6 percent at the end of fiscal 2022 to 70.9 percent at the end of fiscal 2023.

[77] Non-Self Serviced Government Guaranteed Debt is debt of State Enterprises and Statutory Authorities that is serviced directly through government transfers.

[78] Based on the Ministry of Finance's Projected Estimates of Nominal GDP for Fiscal Year 2023.

Figure 31: Composition of Adjusted General Government Debt



Source: Ministry of Finance

Of the components of Adjusted General Government Debt; **Central Government Debt** is expected to increase by 7.2 percent or $7,039.4 million from $98,177.0 million or 50.7 percent of GDP in fiscal 2022 to $105,216.5 million or 54.4 percent of GDP in fiscal 2023.

Domestic Debt[79] accounts for 74.6 percent of Adjusted General Government Debt and is projected to increase by $5,549.8 million or 5.7 percent in fiscal 2023 and equates to 53.0 percent of GDP in fiscal 2023. Of this increase in Domestic Debt, 76.2 percent is attributed to Central Government Domestic Debt and 23.8 percent is attributed to Non-Self Serviced Government Guaranteed Debt.

Central Government Domestic Debt, which accounts for 51.3 percent of Adjusted General Government Debt, is projected to rise by 6.4 percent from $66,201.8 million in fiscal 2022 to $70,433.5 million in fiscal 2023. Central Government Domestic Debt is estimated to be 36.4 percent of GDP by the end of fiscal 2023.

[79] Domestic Debt comprises of Central Government Domestic Debt and Non-Self Serviced Government Guaranteed Debt issued domestically.

During the fiscal year, the Government issued nine (9) new bonds on the domestic capital market totaling $12,736.0 million. Six (6) of these bonds were issued for the purpose of refinancing existing Central Government domestic facilities which totaled $6,736.0 million. These include:

- $1,000 million Dual Tranche Fixed Rate Bond: $200 million 2-year 1.90 percent, $800 million 10 year 4.24 percent;
- $1,544 million Triple Tranche Fixed Rate Bond: $500 million 5-year 2.60 percent, $400 million 10-year 4.95 percent, $644 million 18-year 6.15 percent;
- $1,000 million Dual Tranche Fixed Rate Bond: $600 million 9-year 4.44 percent, $400 million 14-year 5.74 percent;
- $2,000 million Triple Tranche Fixed Rate Bond: $600 million 5-year 4.09 percent, $400 million 12-year 4.91 percent, $1,000 million 20-year 6.50 percent;
- $500 million 7-year 4.23 percent Fixed Rate Bond; and
- US$102.4 million 5-year 5.65 percent Fixed Rate Bond.

The remaining three (3) bonds were new issuances on the domestic capital market which totaled $6,000 million. These include $3,000 million, 3-year, 3.15 percent VAT Bonds, the proceeds of which were utilized to assist with the settlement of outstanding VAT refunds and two (2) bonds for budgetary support:

- $2,000 million Triple Tranche Fixed Rate Bond: $1,000 million 6-year 4.34 percent, $400 million 10-year 4.97 percent, $600 million 20-year 6.15 percent; and
- $1,000 million 4-year 3.71 percent Fixed Rate Bond.

Debt Management Bills or **Treasury Bills issued for the purpose of Budgetary Financing** as opposed to Open Market Operations, constitute 9.3 percent of Central Government Domestic Debt and 4.7 percent of Adjusted General Government Debt and is anticipated to decline from $6,636.0 million in fiscal 2022 to $6,515.1 million by the end of fiscal 2023.

Build, Own, Lease and Transfer (BOLT) arrangements are expected to increase by 24.4 percent or $56.7 million from $232.5 million in fiscal 2022 to $289.2 million in 2023. During the fiscal year, $69.2 million was disbursed from the $280 million BOLT facility for the construction of the Ministry of Health Administrative Building and repayments of $12.5 million were made on other existing facilities. BOLTs account for a marginal 0.2 percent of Adjusted General Government Debt in fiscal 2023.

Central Government External Debt accounts for 25.4 percent of Adjusted General Government Debt and is projected to increase by 8.8 percent from $31,975.2 million in fiscal 2022 to $34,783.0 million in fiscal 2023. It is estimated that by the end of fiscal 2023, Central Government External Debt will account for 25.4 percent of Adjusted General Government Debt and 18.0 percent of GDP.

A major component of the increased Central Government External Debt was the issuance of a US$560 million 7-year 5.95 percent Eurobond with an any and all tender option to facilitate the repayment of a Government of the Republic of Trinidad and Tobago (GoRTT) US$550 million bond due to mature on January 16th, 2024. Following the closure of the tender, US$227.8 million of the US$550 million bond was retired, leaving a balance of US$322.2 million to be repaid at maturity in January 2024. Accordingly, as at the end of fiscal year 2023, the total Central Government External Debt included a negative carry of US$324.5 million which will persist until the repayment of the US$550 million in January 2024. However, in order to mitigate the impact of the negative carry, the US$322.2 million net proceeds has been invested in short term, low risk investments.

During fiscal 2023, the Government also contracted a US$120 million, 20-year, floating rate loan from the Corporación Andina De Fomento (CAF) for the implementation of a Sector Wide Approach Programme (SWAP) to support the Digital Transformation and Digital Inclusion Strategy. This loan was fully disbursed during the fiscal year.

In addition, disbursements totaling $748.3 million were effected from existing facilities from the Export-Import Bank of China, the UniCredit Bank of Austria, the International Bank for Reconstruction and Development (IBRD) and the Inter-American Development Bank (IDB) as follows:

i. Export-Import Bank of China - CNY 40.4 million disbursed under the Phoenix Park Industrial Park Project;

ii. UniCredit Bank of Austria - EUR 28.2 million disbursed under the EUR 106.1 million export credit facility for the construction of the Sangre Grande Hospital;

iii. IBRD - US$19.95 million disbursed under the US$20.0 million COVID-19 Emergency Response loan; and

iv. IDB – US$16.8 million under the project loan for the Multi-Phase Wastewater Rehabilitation Programme; US$15.0 million under the Health Services Support Programme loan; US$5.0 million under the loan to Support Vulnerable Populations affected by Coronavirus in Trinidad and Tobago; US$6.3 million under the Urban Upgrading and Revitalization Programme – Multi-Works Programme loan; US$5.0 million under the loan to strengthen Trinidad & Tobago's Public Financial Management System.

Non-Self Serviced Government Guaranteed Debt[80] is anticipated to increase by $1,183.5 million or 3.8 percent from $30,809.6 million in fiscal 2022 to $31,993.2 million in fiscal 2023. This equates to 16.5 percent of GDP in fiscal 2023 as compared to 15.9 percent in fiscal 2022.

Non Self-Serviced Letters of Guarantee Debt is forecasted to decrease by $11,098.2 million or 63.8 percent from $17,390.7 million in fiscal 2022 to $6,292.5 million in fiscal 2023 due mainly to the conversion of fifty-six (56) Letters of Guarantee to Deeds of Guarantee during the year and the consequent re-categorization of this debt from Letters of Guarantee to Deeds of Guarantee. This progress followed an agreement amongst the GoRTT, issuing entities and financial institutions on a standard form of the Deed of Guarantee. Of this conversion, Statutory Authorities and State Enterprises account for 28.3 percent and 71.7 percent, respectively. In addition, principal repayments and disbursements of new debt backed by Letters of Guarantee totaled $1,239.4 million and $2,785.5 million, respectively.

Non Self-Serviced Letters of Guarantee Debt issued by Statutory Authorities at the end of fiscal 2023 is expected to decrease to $1,780.1 million, representing a 66.7 percent or $3,562.2 million decrease from fiscal 2022. This decrease in Letters of Guarantee is mainly attributable to seventeen (17) guaranteed loans being converted from Letters of Guarantee to Deeds of Guarantee and re-categorized accordingly. These conversions were in respect of Government Guaranteed loans of the Airports Authority of Trinidad and Tobago (AATT); the Eastern Regional Health Authority (ERHA); the Housing Development Corporation (HDC); the National Carnival Commission (NCC) and the Water and Sewerage Authority (WASA).

Non Self-Serviced Letters of Guarantee Debt issued by State Enterprises at the end of fiscal 2023 is projected to decrease by $7,536.0 million or 62.5 percent from $12,048.4 million in fiscal 2022 to $4,512.4 million in fiscal 2023. This decrease in Letters of Guarantee is again mainly due to thirty-nine (39) guaranteed loans being converted from Letters of Guarantee to Deeds of Guarantee. These loans were issued by: Caribbean Airlines Limited (CAL); the Estate Management and Business Development Company (EMBD); the Evolving TecKnologies and Enterprises Development Company (eTecK); the National Infrastructure Development Company (NIDCO); the National Insurance and Property Development Company (NIPDEC); the National

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[80] Non-Self Serviced Government Guaranteed Debt comprises the Government Guaranteed Debt of State Enterprises and Statutory Bodies that are serviced by the Central Government on behalf of the borrower and backed either by Letters of Guarantee or Deeds of Guarantee. Government Guaranteed facilities are initially secured by a Letter of Guarantee which is subsequently converted to a Deed of Guarantee.

Maintenance Training and Security Company Limited (NMTS); the Rural Development Corporation (RDC) and the Urban Development Corporation of Trinidad and Tobago (UDeCOTT).

In addition, it should be noted that eight (8) Letters of Guarantee were converted to Deeds of Guarantee for State Enterprise ***Self-Serviced*** facilities in fiscal 2023 in respect of Government Guaranteed loans of the Petroleum Company of Trinidad and Tobago Limited (PETROTRIN); and the Export Import Bank of Trinidad and Tobago (EXIMTT).

By the end of fiscal year 2023, **Guaranteed Debt** of Statutory Authorities and State Enterprises, that is, those backed by Deeds of Guarantee as opposed to Letters of Guarantee, is expected to increase by 91.5 percent or $12,281.8 million from $13,418.9 million in fiscal 2022 to $25,700.7 million in fiscal 2023, mainly on account of the aforementioned conversions of Government Guaranteed Debt from Letters of Guarantee to Deeds of Guarantee. At the end of fiscal year 2023, Statutory Authorities borrowings would account for 39.0 percent of Government Guaranteed Debt backed by Deeds of Guarantee, while debt issued by State Enterprises represent the remaining 61.0 percent. Principal repayments and disbursements on existing State Enterprises and Statutory Authorities debt backed by Deeds of Guarantee totaled $1,574.4 million and $713.2 million respectively.

Guaranteed Debt of Statutory Authorities secured by Deeds of Guarantee is forecasted to increase by $4,009.7 million or 66.6 percent to $10,034.3 million by the end of fiscal 2023. This increase in Guaranteed Debt of Statutory Authorities is primarily due to the increase in the number of facilities being converted from Letters of Guarantee to Deeds of Guarantee in fiscal 2023.

Guaranteed Debt of State Enterprises secured by Deeds of Guarantee is forecasted to rise by $8,272.1 million or 111.9 percent to $15,666.3 million by the end of fiscal 2023, primarily on account of the re-categorization of this debt from Letters of Guarantee to Deeds of Guarantee.

Self-Serviced Government Guaranteed Debt[81] is expected to be $3,028.6 million in fiscal 2023 and equates to 1.57 percent of GDP in fiscal 2023. Furthermore, no additional self-serviced borrowings were contracted.

[81] Self-Serviced Government Guaranteed Debt is Government Guaranteed Debt of State Enterprises and Statutory Authorities serviced by the entities themselves.

Debt Service

Total Central Government Debt Service[82] is expected to increase by 62.6 percent or $5,990.4 million, from $9,574.7 million in fiscal 2022 to $15,565.1 million in fiscal 2023; $11,247.8 million being principal repayments and $4,317.3 million, interest payments. Of these principal repayments, $6,736.0 million was repaid via the proceeds from new issuances and the remainder was met from Central Government Revenue.

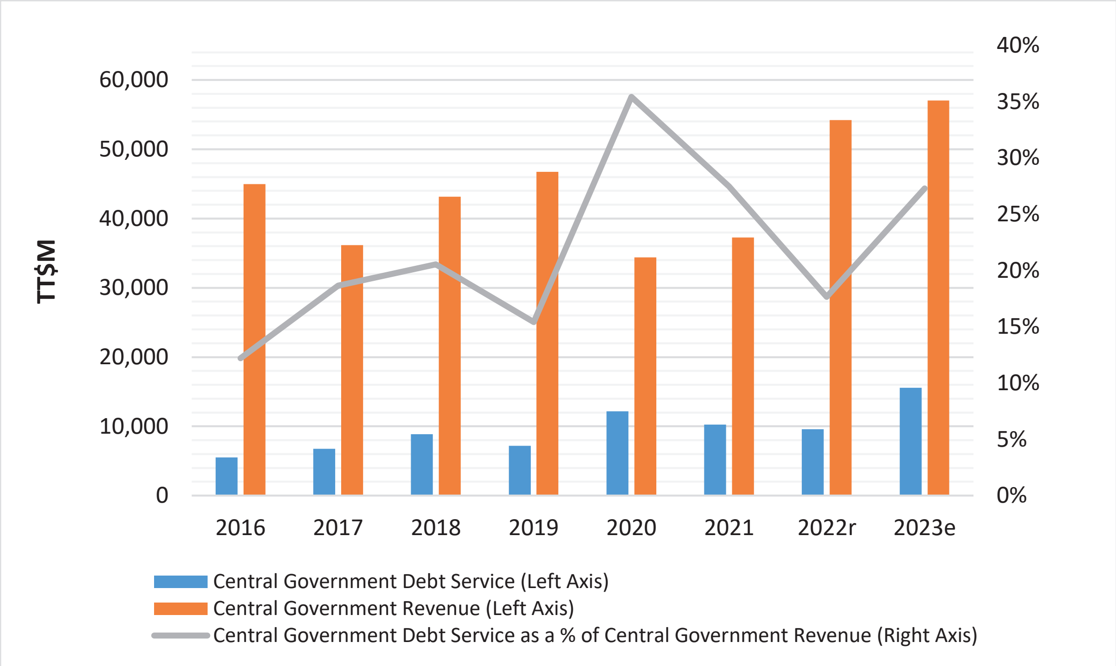
Domestic Debt Service, which currently accounts for 72.7 percent of total debt service, is estimated at $11,322.9 million for fiscal 2023, of which $8,515.6 million is attributed to principal repayments and $2,807.3 million to interest.

External Debt Service, which currently accounts for 27.3 percent of total debt service, is estimated at $4,242.3 million for fiscal 2023, of which $2,732.3 million is attributed to principal repayments and $1,510.0 million to interest.

Total Central Government Debt Service as a percentage of Central Government Revenue is expected to increase from 17.7 percent in fiscal 2022 to 27.3 percent in fiscal 2023. **(Figures 32 and 33)**.

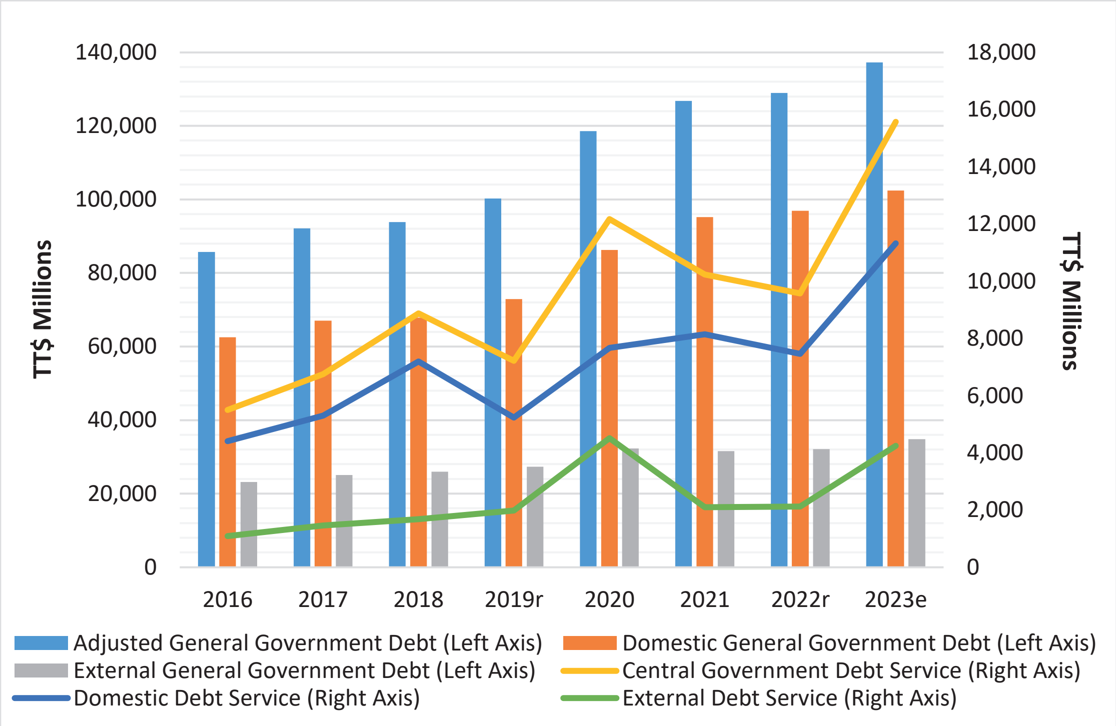
[82] Total Central Government Debt Service includes interest and principal repayments on Central Government Domestic and External Debt only and also includes debt service related to the refinancing of existing debt. However, it excludes principal repayments on Treasury Bills, Treasury Notes and Treasury Bonds.

Figure 32: Central Government Debt Service and Revenue



Source: Ministry of Finance

Figure 33: General Government Debt and Debt Servicing

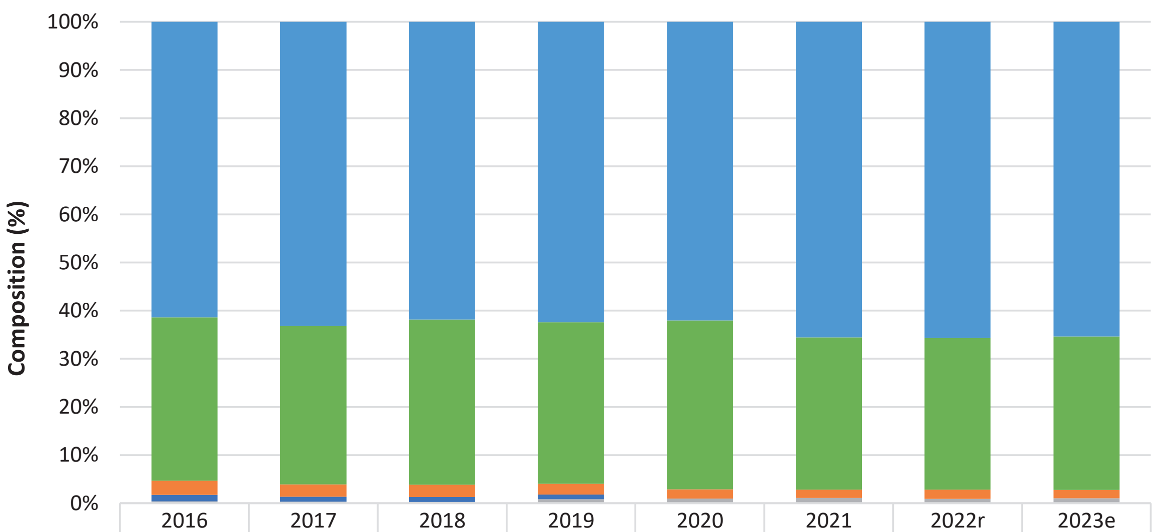


Source: Ministry of Finance

Currency Composition

As at the end of fiscal 2023, an estimated 65.3 percent of Adjusted Central Government Debt[83] was denominated in Trinidad and Tobago Dollars (TTD) with 31.9 percent held in United States Dollars (USD), 1.7 percent in Chinese Yuan Renminbi (CNY) and 1.0 percent in Euros (EUR). The proportion of Adjusted Central Government foreign currency denominated debt decreased from 38.6 percent in fiscal 2016 to 34.3 percent in fiscal year 2022 and then to 33.2 percent in fiscal 2023. **(Figure 34)**.

Figure 34: Currency Composition of Adjusted Central Government Debt



	2016	2017	2018	2019	2020	2021	2022r	2023e
TTD	61.4%	63.2%	61.9%	62.4%	62.0%	65.5%	65.7%	65.3%
USD	33.9%	33.0%	34.3%	33.5%	35.1%	31.7%	31.5%	31.9%
CNY	3.0%	2.5%	2.6%	2.3%	1.9%	1.7%	1.9%	1.7%
JPY	1.3%	1.0%	1.0%	0.9%	0.0%	0.0%	0.0%	0.0%
EUR	0.3%	0.3%	0.2%	0.8%	0.9%	1.1%	0.9%	1.0%
XEU	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

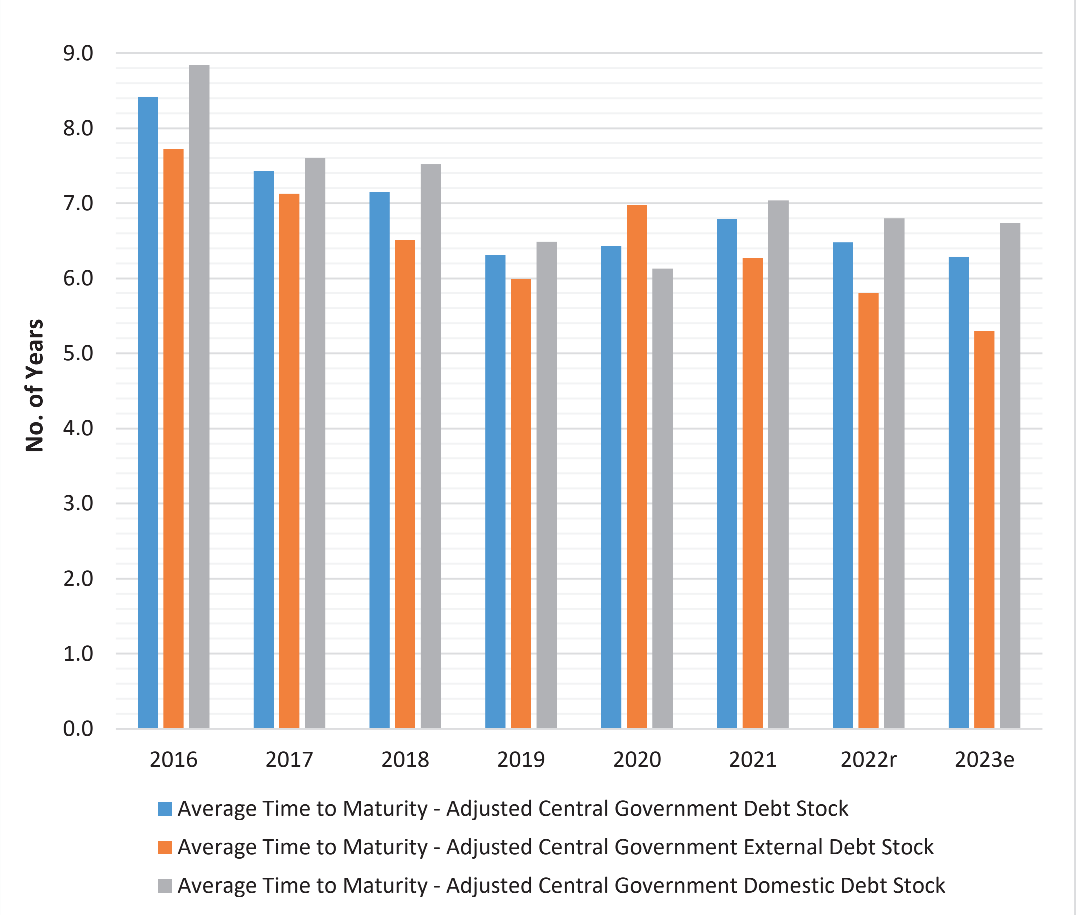
Source: Ministry of Finance

[83] Adjusted Central Government Debt is defined as the sum of all domestic and external direct obligations of the Central Government. It excludes instruments of Open Market Operations (OMOs) such as Treasury Bills, Treasury Notes and Treasury Bonds; the proceeds of which are held or sterilized at the Central Bank of Trinidad and Tobago and are not utilized by the Government of the Republic of Trinidad and Tobago for its operations.

Portfolio Risk

Over the period fiscal 2016 to fiscal 2023, the **Average Time to Maturity (ATM)**[84] of the Adjusted Central Government debt portfolio was 6.91 years, with the domestic component of the portfolio averaging 7.15 years and the external component averaging 6.46 years in fiscal 2023. **Figure 35** indicates that the ATM for Adjusted Central Government domestic debt declined over the period fiscal 2016 to fiscal 2023 from 8.84 years in fiscal 2016 to 6.74 years in fiscal 2023.

Figure 35: Average Time to Maturity of Adjusted Central Government Debt 2016-2023



Source: Ministry of Finance

[84] The Average Time to Maturity (ATM) is the average length of time before principal balances are repaid

TRINIDAD AND TOBAGO CREDIT RATINGS[85]

Due to differing methodologies employed by the rating agencies, that rate Trinidad and Tobago, the country is currently assigned ratings of investment grade by S&P (BBB-/A-3) and non-investment grade by Moody's (Ba2 positive). CariCRIS has not yet issued its 2023 rating for Trinidad and Tobago, therefore the 2022 investment-grade rating of CariAA holds. S&P and CariCRIS view Trinidad and Tobago's outlook as 'Stable' while Moody's has recently upgraded its outlook for the sovereign to "Positive".

Moody's Investors Service

Moody's Investors Service (Moody's) conducted its credit rating surveillance of Trinidad and Tobago in November 2022 and subsequently published its Issuer In-Depth report on December 15, 2022, which represents one (1) of six (6) reports issued on Trinidad and Tobago during fiscal 2023. This section reports on three (3) of those six (6) reports, namely the December 2022 Issuer In-Depth report, the January 2023 Issuer Comment report and the July 2023 Rating Action report.

Subsequent to the credit rating surveillance exercise, Moody's in its **December 15, 2022 Issuer In-Depth report** reaffirmed Trinidad and Tobago's credit rating score at Ba2 Stable **(Table 10)**. Moody's also reaffirmed the Foreign Currency Ceiling at Ba1 and the Local Currency Ceiling at Baa2. The report stated that Trinidad and Tobago's credit profile is benefitting from an unexpected improvement in hydrocarbon prices in 2022, which led to a significant fiscal revenue windfall of about six percentage points of GDP in the fiscal year that ended September 2022, resulting in a primary surplus of 3.2 percent of GDP from a primary deficit of 4.6 percent the year before, and an almost ten percentage points reduction in the debt-to GDP ratio to about 70 percent of GDP in fiscal 2022. Moody's further stated that the shift in the current account balance to an estimated surplus of more than 15 percent of GDP helps stabilize the country's foreign-exchange reserve buffer after seven (7) years of drawdown. Moody's elaborated that the country's credit profile is also supported by substantial government financial assets (GFA), amounting to more than 40 percent of GDP in fiscal 2021 and 37 percent in fiscal 2022, comprising the Heritage and Stabilization Fund plus cash and cash equivalent holdings of the government of a similar amount.

Moody's specified that a sustained improvement in the Government's debt levels and debt affordability, supported by an increase in non-energy revenue and improved tax collection, in addition to steady progress in

[85] Trinidad and Tobago is rated by two international credit rating agencies; Moody's Investors Service (Moody's) and Standard & Poor's Global Ratings (S&P) and one regional rating agency, Caribbean Information and Credit Rating Services Limited (CariCRIS).

structural reforms that lead to increased economic diversification and competitiveness would be credit positive to Trinidad and Tobago.

The report indicates that Trinidad and Tobago's credit challenges include structurally weak trend growth over 2017-26 which reduces the economy's shock absorption capacity and that Trinidad and Tobago is a mature hydrocarbon producer with weakening long-term oil and gas production prospects in the absence of continued investments, highlighting the economy's increasing carbon transition challenges during this decade. Moody's also added that weakening long-term hydrocarbon production affecting economic growth and straining government finances, resulting in renewed debt accumulation, would be credit negative.

On **January 27, 2023,** Moody's published an **Issuer Comment report** on Trinidad and Tobago's acquisition of a license from the United States of America, via an Office of Foreign Assets Control waiver from sanctions with specific terms to be finalized, to develop the 4.2 trillion cubic feet (tcf) Dragon gas field offshore Venezuela. Moody's commented that Trinidad and Tobago's access to natural gas from Venezuela is credit positive because it will allow the country to enhance utilization of its existing LNG and fertilizer production infrastructure and meet growing regional and international demand as its domestic natural gas production matures. Moody's further remarked that Trinidad and Tobago, as the only Caribbean nation with significant LNG and fertilizer production capacity in place, is well positioned to potentially assume the regional energy hub role by harnessing, processing and re-exporting natural gas from other Caribbean countries that have proven hydrocarbon reserves, including Guyana, Suriname, Grenada and Barbados.

Moody's subsequently issued a **Rating Action report,** dated **July 10, 2023**, on Trinidad and Tobago titled, *"Moody's affirms Trinidad and Tobago's rating at Ba2, changes outlook to positive"* prior to conducting an official rating surveillance visit to the country. Moody's affirmed Trinidad and Tobago's long-term local and foreign currency issuer and senior unsecured ratings at **Ba2** while the outlook was changed **to positive from stable (Table 10)**.

Moody's explained that the positive outlook reflects improved prospects that Trinidad and Tobago's fiscal consolidation momentum, triggered by energy price windfall gains, will be more sustained than projected in its baseline scenario, despite lower gas prices, owing to the implementation of structural spending and revenue measures aimed at reducing fiscal accounts' sensitivity to energy prices. Moody's further stated that a sustained return to economic expansion after several years of contraction, supported by the projected increase in oil production starting this year would also enhance economic resiliency, as would continued diversification efforts in the non-energy sector. Moody's acknowledged that the government's adopted structural fiscal and economic reforms are reflected in an improving institutions and governance strength assessment as a driver of this action.

It was pointed out that the rating affirmation of the Ba2 ratings reflect Trinidad and Tobago's very high exposure to carbon transition risks stemming from a declining oil and gas production profile that informs its weak trend growth projected for 2018-27. Moody's elaborated that the Ba2 ratings also capture the relatively high adjusted general government debt/GDP ratio in comparison with peers, mitigated by sizable Government financial assets.

Moody's further indicated that Trinidad and Tobago's credit rating could be upgraded by a track record of continued primary surpluses that places the debt/GDP ratio on a downward trajectory. It was also detailed that Trinidad and Tobago's credit standing would also benefit from measures that prove effective in addressing the weakening energy production trend with a boost to oil production, or by accessing gas supplies from neighboring countries, as these elements would support growth and economic resiliency.

Table 10: Trinidad and Tobago Credit Rating History by Moody's Investors Service: 2010 - 2023

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
2023	Positive	-	-	-	-	Ba2	Ba2
2022	Stable	-	-	-	-	Ba2	Ba2
2021	Stable	-	-	-	-	Ba2	Ba2
2020	Negative	Baa3	P-3	Ba2	NP	Ba1	Ba1
2019	Stable	Baa3	P-3	Ba2	NP	Ba1	Ba1
2018	Stable	Baa3	P-3	Ba2	NP	Ba1	Ba1
2017	Stable	Baa3	P-3	Ba2	NP	Ba1	Ba1
2016	Negative	Baa2	P-3	Baa3	P-3	Baa3	Baa3
2015	Negative	A3	P-2	Baa2	P-3	Baa2	Baa2
2014	Stable	A1	P-1	Baa1	P-2	Baa1	Baa1
2013	Stable	A1	-	Baa1	-	Baa1	Baa1
2012	Stable	A1	-	Baa1	-	Baa1	Baa1
2011	Stable	A1	-	Baa1	-	Baa1	Baa1
2010	Stable	A1	-	Baa1	-	Baa1	Baa1

Source: Moody's Investors Service (2010-2023)

Standard and Poor's Global Ratings Services

In June 2023, S&P conducted its rating surveillance of Trinidad and Tobago. Subsequently on July 26, 2023 S&P reaffirmed Trinidad and Tobago's foreign and local currency sovereign credit ratings of 'BBB-' and its short-term foreign and local currency sovereign credit ratings of 'A-3'. S&P also reaffirmed its transfer and convertibility assessment of 'BBB' and maintained Trinidad and Tobago's outlook as stable **(Table 11)**.

The stable outlook reflects S&P's view that Trinidad and Tobago's economy will continue expanding over the next two (2) years, which will in turn support government revenue collection and help stem the rise in government debt, while energy exports will support the country's external balances.

S&P has indicated that Trinidad and Tobago can achieve an upgrade of its rating over the next twenty-four (24) months if stronger economic performance and favourable long-term GDP growth prospects lead to a sustained decline in the government's debt burden and easing of external pressures.

Conversely, Trinidad and Tobago's rating could be downgraded over the next two (2) years if GDP per capita fails to recover to the degree that S&P anticipates and if the pace of fiscal consolidation is materially slower than expected. S&P also cites economic policies that contribute to a weakening of the long-term sustainability of public finances, limit the prospects for balanced GDP growth, or materially worsen the country's external position beyond its base-case scenario, as an issue which could also negatively impact the country's rating.

Table 11: Trinidad and Tobago Credit Rating History by Standard and Poor's Ratings Services: 2011 - 2023

Year	Outlook	Foreign currency		Local currency	
		Long term	Short term	Long term	Short term
July 2023	Stable	BBB-	A-3	BBB-	A-3
July 2022	Stable	BBB-	A-3	BBB-	A-3
July 2021	Negative	BBB-	A-3	BBB-	A-3
March 2020	Stable	BBB-	A-3	BBB-	A-3
July 2019	Stable	BBB	A-2	BBB	A-2
Apr 2018	Negative	BBB+	A-2	BBB+	A-2
Apr 2017	Stable	BBB+	A-2	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

Source: Standard & Poor Global Ratings Services (2011-2023)

Caribbean Information and Credit Rating Services Limited (CariCRIS)

CariCRIS conducted its annual rating exercise in July 2023, however their rating for 2023 has not yet been issued, therefore the rating for 2022 remains in effect. On November 2, 2022, CariCRIS reaffirmed the rating of CariAA (Foreign and Local Currency Ratings) assigned to the Government of Trinidad and Tobago (GORTT) on its regional rating scale, and maintained its stable outlook for the sovereign **(Table 12)**. These ratings indicate that the level of creditworthiness of the GORTT, adjudged in relation to other rated sovereigns in the Caribbean, is **high.** An investment grade rating was also assigned by CariCRIS to the GORTT as an issuer, both on its regional rating scale and on the national rating scale.

The agency indicated that the ratings were driven by the following strengths: Trinidad and Tobago (T&T) is a large regional economy, supported by both energy and non-energy activities; there is a satisfactory financial sector and monetary and exchange rate conditions; T&T retains comfortable debt service coverage; and T&T has strong underlying balance of payments characteristics and adequate international reserves. However, the strengths identified are constrained by fiscal performance which is linked to volatile energy supply and prices; high expenditure; social vulnerabilities and continued inadequacies in statistical compilations.

According to CariCRIS, the stable outlook is based on projected macroeconomic stability over the next twelve (12) to eighteen (18) months, led by: a return to Real GDP growth in 2022 and continued expansion in 2023; robustness in T&T's sovereign wealth fund over the medium term; improvement in fiscal balances as COVID-19 impacts draw to a close, along with continued financial sector soundness; and adequacy in international reserves and import cover among others.

Table 12: Trinidad and Tobago Credit Rating History by Caribbean Information and Credit Rating Services Limited: 2013 – 2022

Year	Regional Scale		Trinidad and Tobago National Scale
	Foreign Currency	Local Currency	
2022	CariAA	CariAA	ttAAA
2021	CariAA	CariAA	ttAAA
2020	CariAA+	CariAA+	ttAAA
2019	CariAA+	CariAA+	ttAAA
2018	CariAA+	CariAA+	ttAAA
2017	CariAA+	CariAA+	ttAAA
2016	CariAA+	CariAA+	ttAAA
2015	CariAAA	CariAAA	ttAAA
2014	CariAAA	CariAAA	ttAAA
2013	CariAAA	CariAAA	ttAAA

Source: Caribbean Information and Credit Rating Services Limited (CariCRIS) (2013-2022)

REST OF THE NON-FINANCIAL PUBLIC SECTOR OPERATIONS

- Overview
- Cash Operations
- Current Transfers from Central Government
- Capital Expenditure
- Capital Transfers from Central Government
- Overall Balance

Overview

The fiscal operations of the Rest of the Non-Financial Public Sector[86] severely weakened over the period October 2022 to June 2023, resulting in an **Operating Deficit** of $1,737.8 million from a surplus of $1,782.1 million for the same period in fiscal 2022 **(Appendix 27).** This outturn in the Operating Balance was due to an Operating Deficit of $1,806.7 million from Public Utilities[87] which greatly overshadowed the Operating Surplus of $68.9 million from State Enterprises[88] **(Figure 36)**.

Current Transfers from Central Government[89] increased by 5.9 percent to $3,409.7 million as at June 2023 compared to $3,220.5 million reported as at June 2022. **Capital Transfers from Central Government**[90] likewise increased over the first three quarters of fiscal 2023, moving to $3,017.8 million from the $2,594.7 million recorded over the October to June 2022 period. **Total Other Income and Capital Revenues and Grants** also expanded by 22.4 percent to $4,708.8 million in fiscal 2023 from $3,846.5 million in fiscal 2022.

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86 Rest of the Non-Financial Public Sector refers to the consolidation of the operations of twenty-one (21) State Enterprises and six (6) Public Utilities.

87 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 Limited (TSTT); Trinidad and Tobago Electricity Commission (T&TEC); and Water and Sewerage Authority of Trinidad and Tobago (WASA).

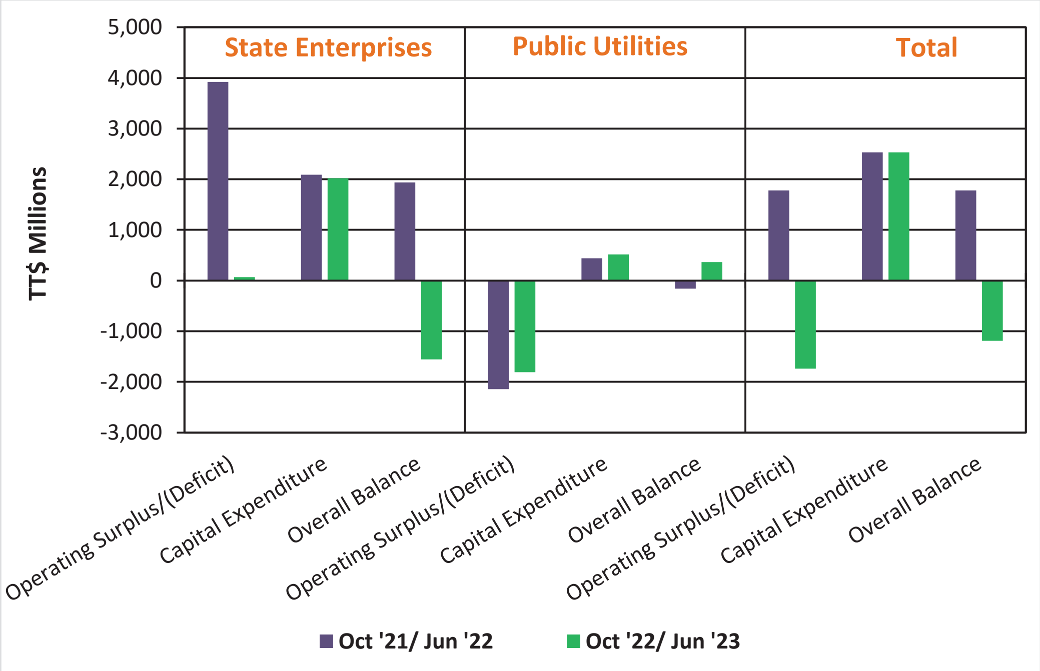
88 State Enterprises refer to the consolidated operations of twenty-one (21) companies namely: Agricultural Development Bank (ADB); Caribbean Airlines Limited (CAL); Evolving TecKnologies & Enterprise Development Company Limited (e TecK); Export-Import Bank (EXIMBANK); Heritage Petroleum Company Limited (HPCL); Lake Asphalt of Trinidad and Tobago (1978) Limited (Lake Asphalt); National Energy Corporation (NE); The National Gas Company of Trinidad and Tobago Limited (NGC); National Maintenance, Training and Security Company Limited (MTS); National Helicopter Services Limited (NHSL); National Infrastructure Development Company Limited (NIDCO); Paria Fuel Trading Company Limited (Paria); Petroleum Company of Trinidad and Tobago Limited (Petrotrin); Trinidad and Tobago National Petroleum Marketing Company Limited (NPMC); Point Lisas Industrial Port Development Corporation Limited (PLIPDECO); Solid Waste Management Company Limited (SWMCOL); Trinidad Generation Unlimited (TGU); The Trinidad and Tobago Trinidad Nitrogen Company Limited (TRINGEN); Trinidad and Tobago Mortgage Finance Company Limited (TTMF); Urban Development Corporation of Trinidad and Tobago Limited (UDeCOTT); and The Vehicle Management Corporation of Trinidad and Tobago Limited (VMCOTT).

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

90 Capital Transfers from Central Government are utilised for expenditure on projects, principal repayments and purchase of equity/equity injections.

Taking into account Other Operational Costs and Capital Expenditure, the **Overall Balance**[91] of the Rest of the Non-Financial Public Sector deteriorated from a surplus of $1,782.8 million over the period October 2021 to June 2022; to a deficit of $1,186.8 million in the corresponding period of fiscal 2023. The $2,969.0 million downturn in the Overall Balance was primarily attributable to a reversal in the Current Balance of the State Enterprises Sector, from a surplus of $1,406.5 million over the first nine months of fiscal 2022 to a deficit of $2,722.2 million in the current review period. The Current Balance outturn for the State Enterprises sector was primarily due to a 98.2 percent reduction in the Operating Surplus of State Enterprises to $68.9 million during the current quarter, from $3,923.8 million previously. Contrastingly, the Current Balance of the Public Utilities sector made a turnaround, moving from a deficit of $208.4 million to a surplus of $505.5 million over the reference periods.

Figure 36: Performance Indicators of the Rest of the Non-Financial Public Sector



Source: Ministry of Finance

91 The Overall Balance refers to the Operating Surplus/Deficit plus Transfers from Central Government, Other Income and Capital Revenues and Grants minus Other Operational Costs and Capital Expenditure.

Cash Operations

Total Operating Expenditure[92] outweighed **Total Operating Revenue**[93] to generate an Operating Deficit of $1,737.8 million at the end of June 2023, in comparison to the surplus of $1,782.1 million recorded at the end of June 2022. Both Total Operating Revenues and Total Operating Expenditures for the Rest of the Non-Financial Public Sector however declined by 11.6 percent and 4.7 percent, to $44,591.3 million and $46,329.1 million, respectively, when compared with the corresponding period one year earlier **(Appendix 27)**.

This outturn in the Rest of the Non-Financial Public sector was driven by the Operating Balance of **State Enterprises** which plummeted to a surplus of $68.9 million during the current review period, from the $3,923.8 million recorded one year earlier **(Figure 36)**. The consolidated activities of **Energy Sector State Enterprises**[94], which returned an Operating Surplus of $437.7 million, in comparison to an Operating Surplus of $4,524.0 million in fiscal 2022, was the main contributor. This sharply lower surplus nevertheless offset the smaller Operating Deficit of $368.8 million generated by **Non-Energy Sector State Enterprises**[95]. The cash operations of the Energy Sector State Enterprises weakened drastically due to the sharply higher deficits generated from the fiscal operations of the National Gas Company of Trinidad and Tobago (NGC) ($2,858.8 million), and Trinidad and Tobago National Petroleum Marketing Company Limited (NPMC) ($1,073.4 million).

NGC's Operating Deficit increased by more than tenfold, primarily due to a decline in Operating Revenues resulting from lower than anticipated petrochemical prices, particularly for ammonia and methanol, accompanied by less than budgeted volumes of gas sales. Similarly, NPMC's Operating Deficit increased on account of higher Operating Expenditure which amounted to $5,491.1 million owing to an increase in the price of fuel paid to Paria Fuel Trading Company (Paria) along with an increase in the cost of the base oil that is required for blending lubricants.

Also contributing to the decline in the cash operations of Energy State Enterprises was the smaller Operating Surplus generated by Heritage Petroleum Company Limited (HPCL), which declined by 62.5 percent during the review period. This decline was primarily driven by lower Operating Revenues as a result of lower than anticipated

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92 Total Operating Expenditures refer to the total amount expended on Wages and Salaries (including P.A.Y.E and N.I.S), Pension and Gratuities, Severance Benefits, Domestic and Foreign Interest Payments, Other Goods and Services and Other Operational Costs (including Pension Fund, NIS and Exceptional Items).

93 Total Operating Revenues refer to the total amount generated from the Domestic, Foreign and Other Sale of Goods and Services.

94 Energy Sector State Enterprises include: HPCL, Lake Asphalt, National Energy Corporation (NEC), NGC, NPMC, Paria, Petrotrin, TGU and TRINGEN.

95 Non-Energy Sector State Enterprises include: ADB, CAL, e TecK, EXIMBANK, MTS, NHSL, NIDCO, PLIPDECO, SWMCOL, TTMF, UDeCOTT and VMCOTT.

energy prices coupled with reduced sales volumes of crude oil. HPCL's Operating Expenditure also increased over the review period, which led to a further deterioration of HPCL's cash operations.

The consolidated activities of the Non-Energy Sector State Enterprises resulted in a 38.6 percent reduction in Operating Deficit between the fiscal 2022 and 2023 review periods. Although reporting Operating Deficits for the nine-month 2023 reference period, the following Non-Energy Sector companies recorded improvements in their cash operations when compared to the 2022 reference period and contributed to the outturn in the operations of Non-Energy Sector State Enterprises: Caribbean Airlines (CAL) (improving by 68.8 percent); Agriculture Development Bank (ADB)(improving by 48.1 percent); the National Helicopter Services Limited (NHSL) (improving by 46.8 percent); the National Infrastructure Development Company Limited (NIDCO) (improving by 23.7 percent); and the Urban Development Corporation of Trinidad and Tobago Limited (UDeCOTT) (improving by 8.0 percent).

The Export-Import Bank (EXIMBANK) and the National Maintenance Training and Security Company Limited (MTS) recorded surpluses of $79.7 million and $3.1 million, respectively, which also contributed to the improvement in the fiscal outturn for Non-Energy Sector State Enterprises.

The following Non-Energy Sector companies however recorded a worsening in their cash operations, reporting higher Operating Deficits over the October 2022 to June 2023 period: the Vehicle Management Corporation of Trinidad and Tobago Limited (VMCOTT) (up by 394.6 percent); Evolving Tecknologies and Enterprise Development Company Limited (e TecK) (up by 375.4 percent); the Trinidad and Tobago Solid Waste Management Company Limited (SWMCOL) (up by 112.6 percent); and the Trinidad and Tobago Mortgage Finance Company (TTMF)(up by 13.3 percent). Also reporting weaker cash operations, was the Point Lisas Industrial Port Development Corporation Limited (PLIPDECO) which recorded a 44.8 percent decline in its Operating Surplus during the period.

Five (5) **Public Utilities** ran fiscal deficits over the period resulting in a total operating deficit of $1,806.7 million for Public Utilities, which was nevertheless a 15.6 percent reduction from the deficit of $2,141.7 million generated over the period October 2022 to June 2023 **(Figure 36)**. The Water and Sewerage Authority (WASA) continued to be largely responsible for the Operating Deficit of Public Utilities, accounting for 66.6 percent or $1,196.7 million. The main contributors to WASA's outturn were the shortfall in budgeted Operating Revenue of $89.3 million combined with increased Operating Expenditure resulting from higher than budgeted employment costs and payments made to supplier/contractors for desalinated water, the purchase of materials and chemicals, road restoration, security services and rental/leases. The other four (4) Utilities, namely the Trinidad and Tobago Electricity Commission (T&TEC), the Public Transport Service Corporation (PTSC), the Port Authority of

Trinidad and Tobago (PATT) and the Telecommunications Services of Trinidad and Tobago Limited (TSTT) reported operation deficits of $442.7 million, $172.6 million, $5.8 million and $1.6 million, respectively.

Contrastingly, only one (1) Public Utility recorded an Operating Surplus over the period October 2022 to June 2023, namely: the Airports Authority of Trinidad and Tobago (AATT) posting a surplus of $12.7 million.

Current Transfers from Central Government

Total **Current Transfers from the Central Government** to the Rest of the Non-Financial Public Sector for the nine-month period ending June 2023 grew by 5.9 percent to $3,409.7 million, from $3,220.5 million during the corresponding period in 2022. State Enterprises received 52.2 percent of Current Transfers amounting to $1,778.9 million, while Public Utilities received 47.8 percent, or $1,630.8 million **(Appendix 27)**.

In respect to Current Transfers from Central Government to State Enterprises; NPMC received the largest fiscal injection from Central Government in the sum of $913.4 million, followed by UDeCOTT, NIDCO and CAL, receiving $225.3 million; $185.7 million; and $150.5 million, respectively, over the review period. NPMC's Current Transfers represented subsidy payments on the sale of petroleum products from the Ministry of Energy and Energy Industries which were remitted to Paria. Current transfers to NIDCO and UDeCOTT were however lower by $77.3 million and $23.4 million, respectively. NIDCO's Current Transfers were utilised for loan interest payments and subsidies for the operations of the Water Taxi service and inter-island ferries, APT James, Buccoo Reef, Galleons Passage and Jean De La Valette. Similar to fiscal 2022, UDeCOTT's Current Transfers were utilised for debt service payments. CAL received support of $21.0 million which was utilised for expenses in respect to the Trinidad and Tobago air-bridge and debt servicing (interest payments).

The following **Non-Energy Sector State Enterprises** also received fiscal support during the nine-month period of fiscal 2023 that were albeit lower than the previous fiscal period: SWMCOL ($67.5 million); MTS ($10.4 million); and e Teck ($5.9 million). Conversely, TTMF and VMCOTT received additional fiscal support during fiscal 2023 amounting to $106.0 million and $7.5 million, respectively. NHSL received $31.1 million, having received no transfers in fiscal 2022.

With respect to the six (6) **Public Utilities**, WASA was the beneficiary of the largest transfer of Central Government resources ($1,290.0 million), with PTSC, T&TEC and AATT being allocated sums of $203.5 million, $134.9 million and $2.4 million, respectively. WASA's Current Transfers were utilized for interest payments on loans as well as emoluments, whereas PTSC's Current Transfers were mainly expended for deficit/operational financing to cover costs such as wages and salaries and goods and services. TSTT and PATT did not receive Current Transfers over the review period.

Capital Expenditure

Expenditure on capital projects by the Rest of the Non-Financial Public Sector totalled $2,532.2 million as at June 2023, a marginal increase from the $2,528.5 million expended over the nine-month period ended June 2022 **(Appendix 27)**. **Total Capital Expenditure** incurred by State Enterprises and Public Utilities amounted to $2,017.1 million and $515.1 million, respectively **(Figure 36)**.

Of the $2,017.1 million spent on capital projects, **Non-Energy Sector State Enterprises** incurred the larger spend, amounting to $1,211.4 million. The largest expenditures were incurred by NIDCO ($502.3 million) and UDeCOTT ($447.3 million). NIDCO expended the majority of its Capital Expenditure as at June 2023 on: the Sir Solomon Hochoy Highway Extension to Point Fortin; construction of the San Fernando Magistrate Court; construction of the Churchill- Roosevelt Highway (CRH) extension to Manzanilla; construction of the Curepe Interchange; the Diego Martin Vehicular Overpass and Regional Corporation Administrative Complex; the Landslip Repair Programme; construction of the Moruga Fishing Facility; the Bridges Reconstruction Programme; shoreline stabilisation and protection works at Cap de Ville and Calmapass; the Maracas Beach Improvement Programme, Tobago Marina Project; upgrades to the gate structure in the Caroni Irrigation Area; and rehabilitation works to the Mausica River. On the other hand, UDeCOTT's main capital projects for the period ending June 2023 included: the redevelopment of the Port of Spain General Hospital; Old Fort Hospital-Tobago Rehabilitation and Empowerment Centre; Sangre Grande Hospital; Red House Restoration; Ministry of Health Headquarters; Restoration of the Sisters of St. Joseph of Cluny Convent Building; Diego Martin Sporting Complex; San Fernando Multi-storey Car park; Heritage Library; Picadilly Street Urban Regeneration Project; and the San Fernando Redevelopment Project.

With respect to **Energy Sector State Enterprises**, capital spending amounted to $805.7 million, the majority of which was utilised by NGC ($645.2 million) and Paria ($22.3 million). For the nine-month period, the majority of NGC's capital expenditure consisted of major ongoing projects such as the Charlieville Diversion Pipeline; TGU Alternative Gas Supply; Beachfield Condensate Stabilisation; 16" Low Pressure Switchover; and Pipeline to Touchstone Ortoire Block, to name a few. Other assets under construction, business software upgrades and cash calls[96] also formed NGC's Capital Expenditure. Likewise, Paria's capital programme comprised spending on the following projects: Tankage; Fire Protection; Laboratory Upgrade; Road Tank Wagon (RTW) Loading Upgrades – Bond; Electrical Upgrades; ICT; Security; Environmental Upgrades/Protection; and Terminal Operational Upgrades.

Capital Expenditure was reduced by the following companies: HPCL (by $173.9 million); Trinidad Nitrogem Company Limited (TRINGEN) (by $53.3 million); National Energy Corporation (NEC) (by $14.2 million); Paria (by $11.7 million); NPMC (by $8.1 million); and PLIPDECO (by $3.8 million), which contributed to the overall decline of $70.3 million in capital spending by State Enterprises over the first nine months of fiscal 2022 and 2023.

Capital Expenditure by **Public Utilities** increased by 16.8 percent to $515.1 million from $441.0 million, owing largely to increased spending on capital projects by TSTT, WASA and AATT (collectively rising by $118.4 million). TSTT's capital projects were mainly for expansion of TSTT's Wireless Network Infrastructure and deployment of customer experience enhancement platforms; expansion of Wireless to the "X" (WTTX) sites and migration cost for moving customers from Copper to WTTX; Roll out of Fiber to Home and equipment along with labour for installation; expansion of the Data Centre facilities; Converged Billing Project; and the launch of Voice-over-LTE services, to name a few. WASA continued its roll out of projects such as the Multi-Phase Wastewater Rehabilitation; the 12-month Water Development Programme, the National Social Development Programme, the Fixed Asset Verification Exercise - Asset Tagging Equipment; various pipelines projects; and other refurbishment, upgrade and rehabilitation works. Partly mitigating the higher capital expenditure recorded by the aforementioned companies were reduced spending on capital projects by PATT (falling by $ 26.0 million), T&TEC (falling by $11.7 million), and PTSC (falling by $6.5 million).

Capital Transfers from Central Government

For the nine-month period ending June 2023, Central Government's Total Capital Transfers to the Rest of the Non-Financial Public Sector increased by 16.3 percent, to $3,017.8 million from $2,594.7 during the same period one year earlier. State Enterprises received the bulk (87.5 percent) of these capital transfers amounting to $2,640.6 million, with the remaining 12.5 percent, totaling $377.3 million, going to Public Utilities **(Appendix 27)**.

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[96] A call on NGC or one of its subsidiaries for cash payment to either reimburse an entity for expenses incurred based on a contractual agreement or to fund an operation by covering the cost of the venture.

The entirety of Capital Transfers to State Enterprises in fiscal 2023, remained with Non-Energy Sector companies, with the majority directed to UDeCOTT ($1,399.8 million), NIDCO ($833.4 million) and MTS ($179.3 million). Similar to fiscal 2022, UDeCOTT's Capital Transfers were utilized for principal repayments of loans and for financing of infrastructural projects which includes Old Fort Hospital – Tobago Rehabilitation and Empowerment Centre; Re-development of POS Hospital; Sangre Grande Hospital; Heritage Library; Red House Restoration; Josephine Shaw House; Ministry of Health Headquarters; Restoration of the Sisters of St. Joseph of Cluny Convent building; Diego Martin Sporting Complex; Multi-storey Carpark in San Fernando; Piccadilly Street Urban Re-generation Project; and San Fernando Waterfront Re-development. Likewise, NIDCO's Capital Transfers were expended on principal repayment on loans and capital projects such as subsidies for the Water Taxi Operations; Vessel Operations regarding the Inter Island Seabridge for the APT James, the Galleons Passage, the Buccoo Reef and the Jean De La Valette. Capital Transfers to the MTS were utilised for repairs to Early Childhood Care and Education Centres; primary and secondary schools; youth development centres and facilities; community centres; fishing facilities; public libraries; Tetron Barracks; and the Tunapuna Administrative Complex . Capital Transfers totaling $141.57 million were also received by e TecK, ADB and SWMCOL. SWMCOl's Capital Transfers, in the amount $3.8 million, were utilized for the upgrade of Recovery and Recycling Facilities, Plant and Equipment; and the establishment of an Engineered Sanitary Municipal Solid Waste Landfill at Forrest Park.

Capital Transfers were allocated to Public Utilities as follows: T&TEC ($342.3 million); WASA ($29.2 million); AATT ($2.4 million); PTSC ($2.2 million); and PATT ($1.2 million). T&TEC used its Capital Transfers for principal repayments of loans and on the following capital projects in respect of: the provision of Bulk Power; recreational grounds; Street Lighting; Electrification; Disaster Preparedness; replacement of aged infrastructure; and public spaces. WASA's Capital Transfers were utilized for principal repayments of loans and capital projects undertaken on behalf of the Government. AATT's Capital Transfers were expended on the replacement of existing and installation of additional airfield signage and repairs to the Perimeter Fence at the ANR International Airport. PTSC utilized its Capital Transfers primarily for the cleaning of Electrical Power Systems; upgrade of the Port of Spain Maxi Taxi Facility; design and construction of the Deluxe Coach Service Lounge; refurbishment of work areas; development of terminal facilities; and upgrade of passenger facilities. On the other hand, PATT's Capital Transfers were utilized for the paving of the empty Container Yard; repairs to the Container Terminal; and for the CARICOM Wharf Refurbishment.

Overall Balance

A negative **Overall Cash Balance** of $1,186.8 million was generated by the Rest of the Non-Financial Public Sector over the period October 2022 to June 2023. This represented a significant contraction when compared with the Overall Cash Surplus of $1,782.2 million recorded in the previous fiscal year **(Appendix 27)**. The Overall Cash Balance of **State Enterprises** recorded a substantial deterioration of $3,493.5 million owing to the sharp reversal in the cash operations balance of Energy Sector State Enterprises from a surplus of $1,513.1 million to a deficit of $2,915.1 million, which resulted in an Overall Financing need of $2,915.1 million for Energy Sector State Enterprises. Mitigatingly, the Overall Balance for Non-Energy State Enterprises increased by $934.69 million, from a cash surplus of $425.9 million as at June 2022, to $1,360.6 million as at June 2023.

In terms of State Enterprises, the following **Non-Energy Sector Enterprises** generated cash surpluses totaling $1,452.1 million for the nine-month period ending June 2022: UDeCOTT ($903.3 million); NIDCO ($274.1 million); TGU ($255.1 million); MTS ($122.5 million); CAL ($95.5 million); EXIMBANK ($57.5 million); e TecK ($29.7 million); NHSL ($16.3 million); and VMCOTT ($2.6 million). Simultaneously, four (4) **Energy Sector State Enterprises** also yielded collective surpluses of $536.5 million: Paria ($339.6 million); NE ($71.8 million); NPMC ($65.6 million); and Lake Asphalt ($59.5 million). Despite generating an overall cash deficit, TTMF reported a 61.1% improvement in its overall cash balance of during the nine (9) month period ended June 2023.

In contrast to State Enterprises, **Public Utilities** reported an Overall Cash Surplus of $ 367.6 million during the first nine (9) months of fiscal 2023; a substantial improvement from an Overall Cash Deficit of $156.8 million for the comparative period of fiscal 2022. With the exception of TSTT and PATT, who required deficit financing in the sum of $365.9 million and $15.9 million, respectively, all other Public Utilities reported a total surplus of $749.4 million.

THE MONETARY SECTOR

- Monetary Conditions
- Central Bank Operations
- Financial Sector Performance
- Regulatory Developments

MONETARY CONDITIONS

Amid a macroeconomic environment of international uncertainty triggered by the ongoing Russia-Ukraine conflict and tighter monetary policies to combat inflation, the Monetary Policy Committee[97] (MPC), having assessed the widening of the TT/US differential and domestic slowdown in inflation, maintained a 3.50 percent **Repo rate**[98] in September 2023; unchanged since March 2020. This accommodative monetary policy was geared towards the continued support of the domestic economic recovery in fiscal year 2023.

CENTRAL BANK OPERATIONS

Foreign Exchange Market

Relatively tight conditions prevailed in the domestic foreign exchange market during the first eleven months of fiscal year 2023. In this circumstance, the market was bolstered by the Central Bank's intervention of US$1,158.1 million, a marginal increase compared to the US$1,150.0 million sold to authorized dealers in the same period of the previous fiscal year.

Between October 2022 and August 2023, **sales of foreign exchange to the public by authorized dealers** totalled US$5,924.4 million, 4.7 percent above the sales of US$5,661.1 million during the corresponding 2021/2022 period. Reports by dealers on sales in excess of US$20,000 suggested that the demand for foreign exchange primarily originated from the settlement of credit card transactions, the distribution sector and energy companies. Concomitantly, **purchases of foreign exchange from the public** (except the Central Bank) **by**

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97 The Monetary Policy Committee is responsible for the development and implementation of the Bank's monetary policy framework. This Committee sets the Repo rate, issues the Monetary Policy Announcement and oversees the preparation and publication of the semi-annual Monetary Policy Report.

98 The Repo rate is the rate at which the Central Bank of Trinidad and Tobago (CBTT) is willing to provide overnight credit to commercial banks that are temporarily unable to meet their liquidity deficits. Changes in the Repo rate by the CBTT are expected to influence short-term market interest rates (inter-bank rate), which are then expected to influence banks' funding costs and interest rate levels.

authorized dealers amounted to US$4,546.5 million, a 3.6 percent decline from the US$4,716.2 million purchased in the same period one year earlier **(Table 13)**.

Table 13: Commercial Banks and Non-Bank Financial Institutions' Foreign Currency Sales and Purchases (US$ Million)

Period	Purchases from the Public	Sales to the Public	Net Sales to the Public	Purchases From the Central Bank[1]
2021	4,148.9	4,969.4	820.5	1,212.1
2022	5,528.8	6,551.2	1,022.4	1,270.6
October 2021 - August 2022	4,716.2	5,661.1	944.9	1,150.0
October 2022 - August 2023	4,546.5	5,924.4	1,377.9	1,158.1
Percentage Change (year-on-year)	-3.6	4.7	45.8	0.7

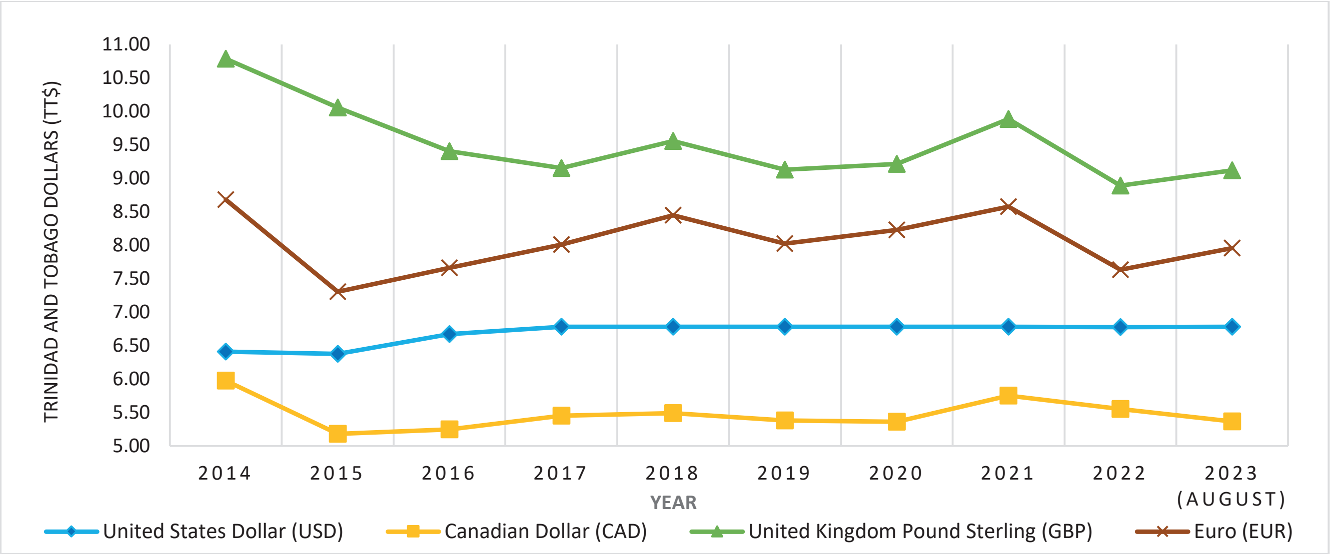
Source: Central Bank of Trinidad and Tobago (CBTT)

[1] Purchases from the Central Bank of Trinidad & Tobago include transactions under the Foreign Exchange Liquidity Guarantee Facility.

Foreign Exchange Rates

Prevailing market conditions resulted in a slight depreciation of the **weighted average TT/US dollar selling rate** from US$1 = TT$6.7740 in October 2022 to US$1 = TT$6.7815 in August 2023. The US dollar depreciated against the Euro, the UK pound sterling and the Canadian dollar over the reference period, given the increased pace of monetary policy tightening in the latter countries relative to that of the United States. Consequently, this devaluation passed through to the TT dollar's value, which lowered against the **UK pound sterling** (by 12.7 percent), the **Euro** (by 11.6 percent), and the **Canadian dollar** (by 2.0 percent) **(Appendix 16 and Figure 37)**.

Figure 37: Exchange Rates - Selling Rate (TTD per USD/CAD/GBP/EUR)



Source: Central Bank of Trinidad and Tobago

Money Supply and Commercial Banks' Deposits

As preferences gradually shifted toward longer-term deposits over the period October 2022 to June 2023[99], the growth rate of **Broad Money (M2)**[100] exceeded that of **Narrow Money (M-1A)**[101]. On a year-on-year basis, M2 expanded by 1.4 percent in June 2023, marginally lower than the 2.0 percent expansion in October 2022. This was the consequence of a 1.2 percent increase in savings deposits in June 2023 compared to a 0.4 percent expansion in October 2022, coupled with a strong rebound in time deposits of 6.4 percent in June 2023, up from a 7.6 percent contraction eight months earlier. Further, the year-on-year deceleration in M-1A from 4.9 percent in October 2022 to 0.8 percent in June 2023 reflected drawdowns in demand deposits and a contraction in currency in active circulation. In June 2023, demand deposits rose by 1.1 percent (slower than the 5.5 percent recorded in October 2022), offsetting the 0.9 percent year-on-year contraction in currency in active circulation **(Appendix 17)**.

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99 The latest available data received from the CBTT just prior to publication of the document reflected that, as at July 2023, Broad Money and Narrow Money increased year-on-year by 3.8 percent and 2.1 percent, respectively.

100 Broad Money comprises Narrow Money, time deposits and savings deposits.

101 Narrow Money comprises demand deposits and currency in circulation.

Private Sector Credit

The first nine months[102] of fiscal year 2023 saw steady growth in **private sector credit**. This growth was primarily fueled by **non-bank financial institution lending**, accelerating in June 2023 by 17.7 percent from a 4.4 percent rise eight months prior. This boost was supported by increased lending to businesses and consumers and a slower decline in real estate mortgage loans. The expansion in private sector credit was further reinforced by a 6.9 percent year-on-year increase in **credit granted by commercial banks** in June 2023, slightly higher than the 6.1 percent rise observed in October 2022. This expansion was mainly attributed to the uptick in consumer lending and real estate mortgages which was partially offset by a decline in lending to businesses **(Appendix 18)**.

Consumer lending by commercial banks remained robust, growing by 8.2 percent in June 2023, compared to a 4.3 percent increase in October 2022, whilst non-bank consumer lending rebounded from a 1.4 percent contraction recorded in October 2022 to a 7.7 percent expansion eight months later. Data for the first nine months of fiscal 2023 revealed a 5.6 percent rebound in commercial bank Motor Vehicle loans after ten consecutive quarters of contractions, in tandem with increased lending for Home Improvement/Renovation (15.6 percent), Other Purposes (12.4 percent), Consolidation of Debt (5.9 percent) and Refinancing (3.5 percent). Concurrently, the overall recovery in non-bank consumer lending was driven by Travel (39.5 percent), Electrical and Non-Electrical Appliances (31.2 percent), Home Improvement/Renovation (16.7 percent), and Other Purposes (14.6 percent) loans. Moreover, the contraction in lending by non-bank financial institutions for Motor Vehicle purchases lessened to -5.3 percent by June 2023.

The low interest rate environment continued to spur demand for **real estate mortgages**, resulting in a year-on-year expansion for commercial banks of 6.4 percent in June 2023, compared to growth of 3.9 percent observed in October 2022. In contrast, non-bank real estate mortgage loans continued to decline, though year-on-year contractions lessened from -9.8 percent to -2.8 percent over the reference period.

On a year-on-year basis, though positive, commercial bank **lending to businesses** decelerated from a 10.4 percent increase in October 2022 to a 6.6 percent rise in June 2023, obscuring the robust regrowth in business lending by non-bank financial institutions (up from a 1.8 percent rise to a 15.2 percent increase) over the same period. Data to June 2023 reported expansions on a sectoral level albeit slowdowns in Electricity and Water (20.0 percent), Petroleum (17.0 percent), Agriculture (13.6 percent), Construction (11.1 percent), Distribution (8.4 percent), and Finance, Insurance and Real Estate (5.5 percent), when compared to September 2022. Moreover,

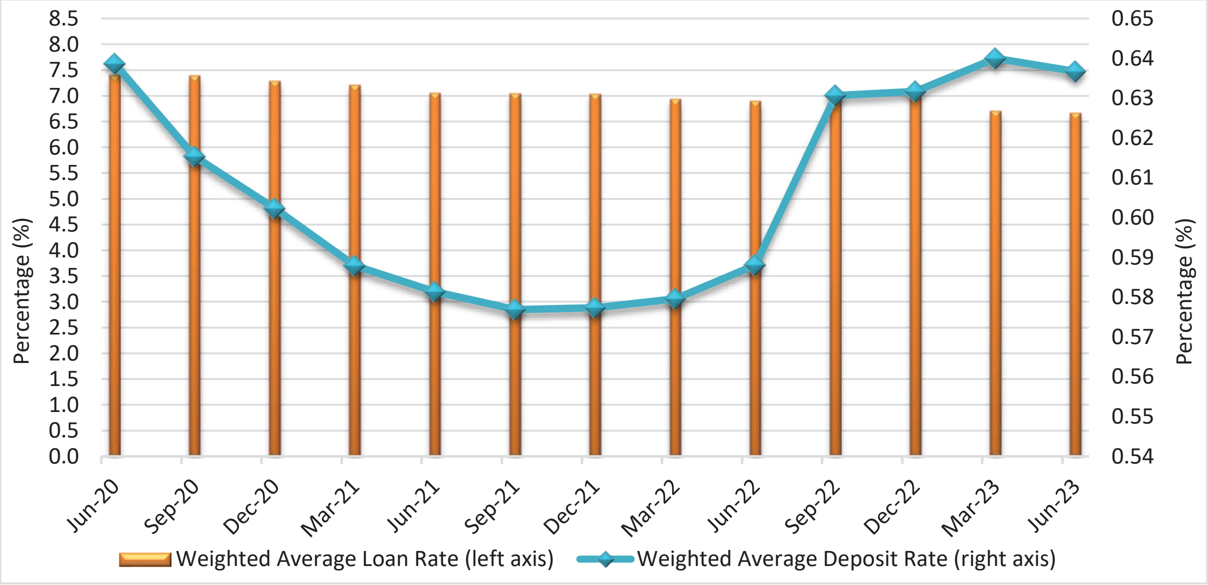
[102] The latest available data received from the CBTT just prior to publication of the document reflected that, as at July 2023, Private Sector Credit increased year-on-year by 6.4 percent.

notable upticks were observed in the following commercial bank business loan categories: Hotels and Guest Houses (27.0 percent); Manufacturing (13.4 percent); and Personal Services (13.4 percent). Moreover, Transport, Storage and Communication recorded a 14.2 percent decline by June 2023. For non-banks, the performance of loans for services paled in comparison to production loans. Significant jumps were observed mainly due to a base effect resulting from the lack of activity during the pandemic. Sectoral data to June 2023 suggested expansions in Petroleum, Manufacturing, Transport, Storage and Communication, Agriculture, and Finance, Insurance and Real Estate.

Interest Rates

Concomitant with the maintenance of the **Repurchase rate** at 3.50 percent by the Central Bank, the **median commercial bank prime lending rate** remained anchored at 7.50 percent over the period October 2022 to September 2023 (**Appendix 19**). In an effort to encourage borrowing over the period October 2022 to June 2023, the **weighted average commercial bank lending rate (WALR)** reached 6.66 percent in June 2023 (28 basis points down from September 2022), the **weighted average rate on new residential mortgages** fell to 4.97 percent by June 2023 (7 basis points lower than in September 2022), and the **weighted average rate on outstanding residential mortgages** declined by 4 basis points to 5.23 percent as at June 2023. Conversely, the **banks' weighted average deposit rate (WADR)** stood at 0.64 percent, a minimal increase over the referenced period **(Figure 38)**.

Figure 38: Commercial Banks' Weighted Average Deposit and Loan Spread

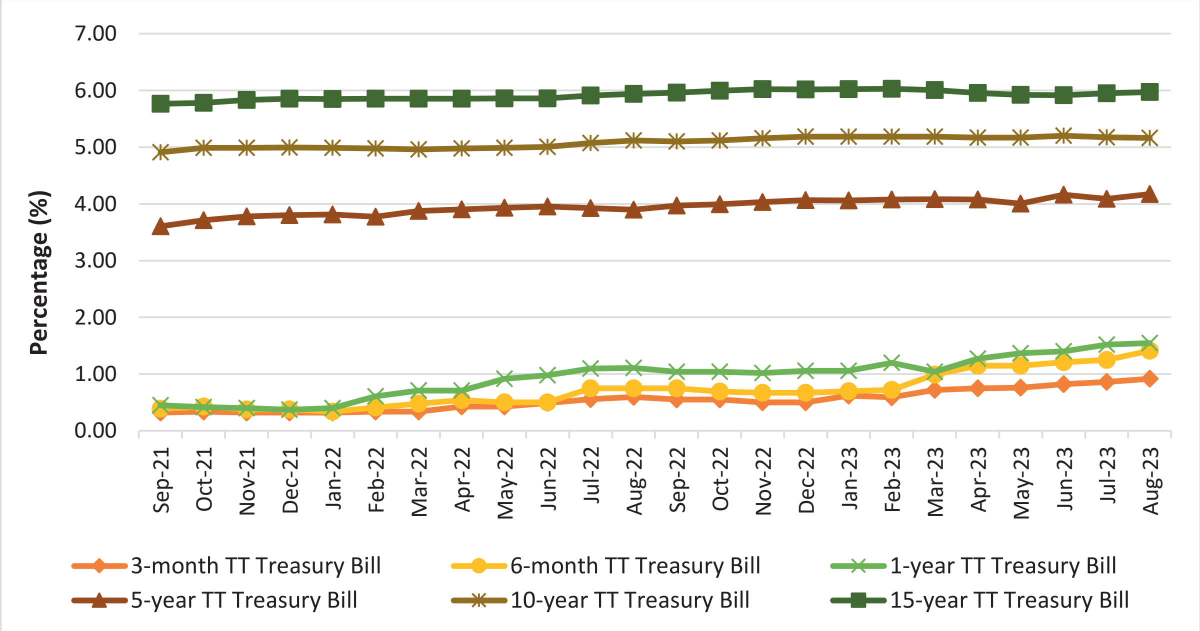


Source: Central Bank of Trinidad and Tobago

Central Government Yield Curve[103]

Increased open market operations by the Central Bank over the period October 2022 to August 2023 precipitated a pickup in short-term Treasury Securities. The discount rate on the **91-day Treasury bill** (open market operation) increased by 37 basis points to reach 0.92 percent in August 2023, while the **6-month Treasury bill** stood at 1.41 percent, up by 66 basis points from September 2022. Concurrently, the **1-year Treasury bill** rate increased by 51 basis points to 1.55 percent followed by a rise in the yield on the **5-year Treasury note** by 21 basis points to reach 4.18 percent by August 2023. Rates at the longer end of the curve also recorded increases. The **10-year benchmark yield** gained 6 basis points to reach 5.16 percent whilst the **benchmark 15-year yield** rose marginally to 5.97 percent over the eleven-month period ending August 2023 **(Figure 39)**.

Figure 39: Standardized TT Treasury Yield Curve



Source: Central Bank of Trinidad and Tobago

103 The TT Treasury Yield Curve is constructed monthly by the Central Bank of Trinidad and Tobago and is based on information from Domestic Market Operations, the Trinidad and Tobago Stock Exchange (TTSE) Secondary Government Bond Market, and market reads from market participants.

Liquidity

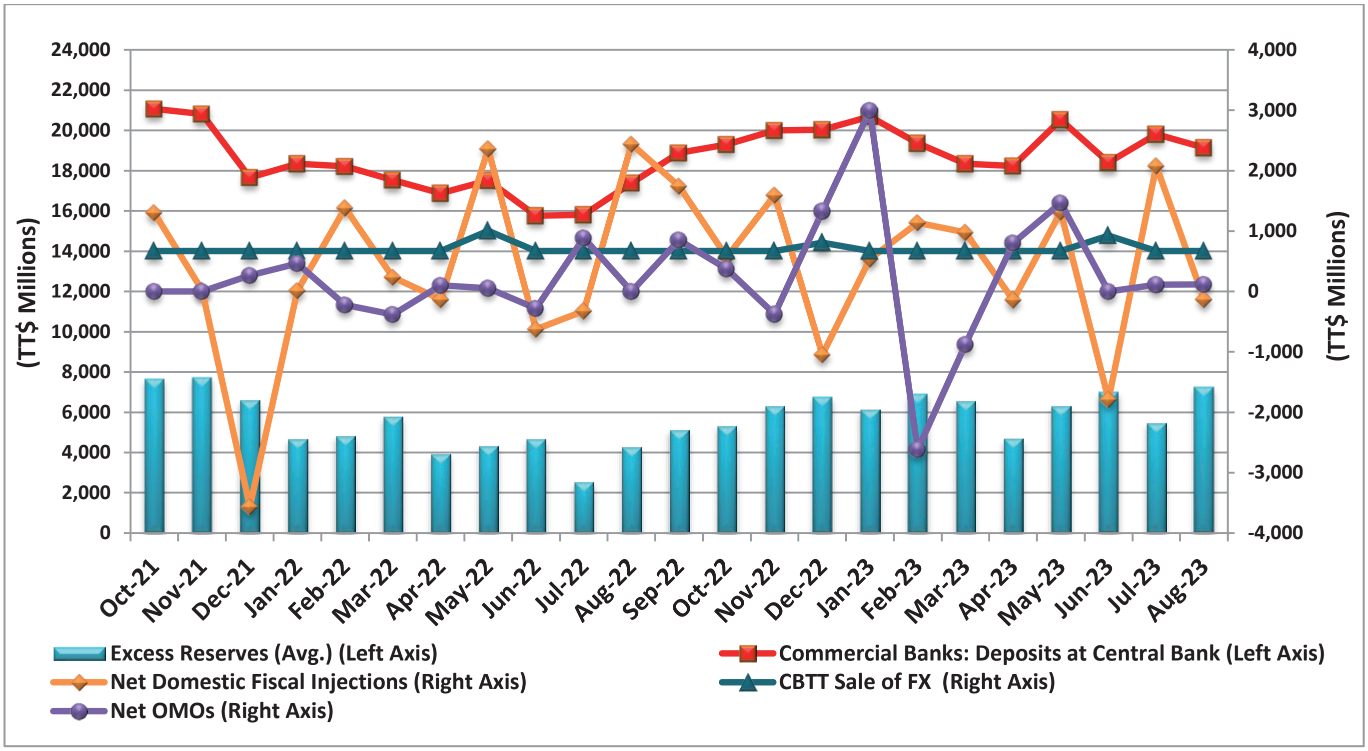
Liquidity in the financial system as measured by commercial banks' **Excess Reserves**[104] held with the Central Bank averaged $6,250.2 million monthly over the period October 2022 to August 2023, compared with a monthly average of approximately $5,178.8 million in the corresponding period one year earlier. This build-up was fueled by **Net Domestic Fiscal Injections** amounting to $5,103.1 million over the eleven-month period; 64.2 percent greater than the injections conducted over the same period one year prior.

The liquidity management approach employed by the Central Bank over the review period continued to encourage economic recovery following the COVID-19 pandemic as well as government financing operations on the domestic capital market. The Bank allowed $3,332.0 million of **Net Open Market Operations (OMOs)**[105] treasury securities to mature over the period October 2022 to August 2023, with significant activity occurring during December 2022 to February 2023 and in May 2023. This activity was significantly greater than the $894.0 million in maturities of net OMOs during the same eleven-month period of fiscal year 2022. Total net OMOs comprised $3,610.0 million in net maturities of Treasury Bills and $278.0 million in net issuances of Treasury Notes over the period **(Figure 40)**.

[104] Excess Reserves are defined as the excess of the minimum reserve requirement that must be in reserve at the Central Bank.

[105] Net Open Market Operations entail the purchase/maturity and sale/issuance of Government securities (Treasury Bills and Treasury Notes) by the Central Bank and is the main policy tool for influencing the level of liquidity in the domestic financial system.

Figure 40: Liquidity Indicators



Source: Central Bank of Trinidad and Tobago

FINANCIAL SECTOR PERFORMANCE

Capital Market Activity

Trinidad and Tobago Securities and Exchange Commission

The total number of **domestic capital market participants** registered with the Trinidad and Tobago Securities and Exchange Commission (TTSEC) as at June 2023 was 702 registrants. This represents an increase of 10 participants over the amount recorded twelve months prior. Categories of registrants recording increases were: Registered Representatives[106] (9 new entities); Reporting Issuers[107] (1 new entity); and Sponsored Broker-

[106] A Registered Representative is a person who works for a Brokerage company that is licensed by the TTSEC and acts as an Account Executive for clients trading investment products such as stocks, bonds and mutual funds.

[107] A Reporting Issuer is a corporation that has issued securities to the public.

Dealers[108] (1 new entity). No new registrants were reported in the categories of Broker-Dealers[109], Underwriters[110], Sponsored Investment Advisers[111] and Self-Regulatory Organisations[112]. The registration of 1 Investment Adviser[113] expired during the review period and was subsequently removed from the TTSEC's register of Investment Advisors **(Table 14)**.

Table 14: Total TTSEC Registrants

Type of Registrants	As at June 2022	As at June 2023
Reporting Issuers	93	94
Broker-Dealers	43	43
Investment Advisors	10	9
Underwriters	1	1
Registered Representatives	536	545
Sponsored Broker-Dealers	7	8
Sponsored Investment Advisors	0	0
Self-Regulatory Organisations	2	2
Total	**692**	**702**

Source: Trinidad and Tobago Securities and Exchange Commission.

[108] A Sponsored Broker-Dealer is an individual who is employed by a Brokerage firm from a foreign jurisdiction. This individual aligns himself/herself with a local Broker-Dealer who sponsors his/her registration with the Commission. A Sponsored Broker-Dealer that is registered with the Commission can conduct securities business in Trinidad and Tobago for a maximum of 90 days in a calendar year.

[109] A Broker-Dealer is a firm acting as an intermediary between a buyer and a seller of securities, usually for a fee or a commission. When acting as a Broker, a Broker-Dealer executes orders on behalf of his/her client. When acting as a Dealer, a Broker-Dealer executes trades for his/her firm's own account.

[110] An Underwriter is a company that arranges for the issuance or distribution of securities and/or agrees to purchase any unsold securities thereby guaranteeing full subscription.

[111] A Sponsored Investment Adviser is an individual who is registered under section 51(5) of the Securities Act, 2012, to provide investment advice in Trinidad and Tobago on behalf of an Investment Adviser (or its equivalent) who is registered under the securities legislation of a designated foreign jurisdiction.

[112] A Self-Regulatory Organisation means: (a) a clearing agency; (b) securities exchange; (c) an association of market actors registered or required to be registered under the Securities Act, Chap. 83:02; or (d) such other entity, that sets standards for, or monitors the conduct of its members or participants relating to, trading in, or advising on securities. The Trinidad and Tobago Central Depository Limited and the Trinidad and Tobago Stock Exchange (TTSE) are the only Self-Regulatory Organizations that currently operate within Trinidad and Tobago's jurisdiction.

[113] An Investment Adviser is a person engaging in, or holding himself out as engaging in, the business of providing investment advice, and includes a person that provides investment advice to a Manager of a Collective Investment Scheme (CIS).

Equity Markets

During the eleven-month period ending August 2023, Trinidad and Tobago's stock market recorded a downturn in its performance. The **Composite Price Index (CPI)**[114] declined by 9.1 percent to 1,220.4 in August 2023 from 1,343.2 in September 2022 **(Appendix 21)**. This decline was mainly attributable to a 13.2 percent fall in the **Cross Listed Index (CLI)**[115], reflective of challenging regional market conditions and an 8.0 percent decrease in the **All Trinidad and Tobago Index (ATI)**[116]. The ATI weakened on account of challenging market conditions arising from inflationary pressures, ongoing supply-chain issues, higher energy costs, and monetary policy tightening measures implemented in most advanced and emerging economies. When compared to the same period of fiscal 2022, the CPI fell by 4.8 percent, primarily driven by a 28.0 percent reduction in the CLI which was partially offset by a 5.1 percent improvement in the ATI.

With respect to trading activity, the **volume of shares** traded on the First Tier Market during the first eleven months of fiscal 2023 was 124.2 million, compared to 149.2 million shares traded over the same eleven-month period one year earlier. Accordingly, the **value of shares** declined by 12.2 percent to settle at $1,214.4 million in August 2023, from $1,382.9 million in August 2022. **First Tier stock market capitalization**[117] contracted by 7.1 percent to $116.8 billion over the eleven-month fiscal period to August 2023, compared with a 4.4 percent decline in value to $130.0 billion in the corresponding period of the prior fiscal year.

Most of the subsector indices also recorded declines over the review period ending August 2023. The **Manufacturing I**[118] **sub-index** waned by 29.1 percent, prompted mainly by a 51.1 percent decline in the share price for West Indian Tobacco Company Limited (WITCO) due to a fall in its revenues. A 35.5 percent decrease in the share price for Guardian Media Limited (GML), owing to an increase in the company's operating expenses, also contributed to the decline in the sub-index. The **Energy sub-index** likewise deteriorated by 31.8 percent, driven by a decrease in Trinidad and Tobago NGL Limited (TTNGL) attributable to a decline in Mont Belvieu

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114 The Composite Price Index is a collective measure of the movement in the price of shares of all the companies listed on the TTSE's First Tier Market.

115 The Cross-Listed Index is a price index which measures the price changes in cross-listed securities i.e. securities from companies that are domiciled in a foreign jurisdiction. It is calculated using the ordinary shares of foreign companies only.

116 The All T&T Index is a price index which measures the price changes in securities that are registered and domiciled in Trinidad and Tobago.

117 The Stock Market Capitalization of a company refers to the aggregate valuation of the company based on its current share price and the total number of outstanding stocks. It is calculated by multiplying the current market price of the company's share with the total outstanding shares of the company.

118 The TTSE classifies the following companies under the Manufacturing I sub-index: Angostura Holdings Limited (AHL); Guardian Media Limited (GML); National Flour Mills Limited (NFM); One Caribbean Media Limited (OCM); Unilever Caribbean Limited (UCL); and West Indian Tobacco Company Limited (WITCO).

natural gas liquids prices and lower production recorded in gas processing. Other sub-indices which recorded declines were **Non-Banking Finance** (-17.1 percent), **Conglomerates** (-10.7 percent), **Manufacturing II**[119] (-8.6 percent), and **Banking** (-5.5 percent).

On the other hand, the **Trading sub-index** recorded a notable **47.6 percent** expansion which was supported by increases in the share prices of Agostini's Limited (AGL) by 51.0 percent; LJ Williams Limited (LJWB) by 26.3 percent; and Prestige Holdings Limited (PHL) by 23.6 percent. Following the re-opening of the retail sector during the post pandemic period, these firms achieved growth in revenue, sales and profits, as well as further benefitted from boosted economic activity during the 2023 Carnival season. The performance of AGL's share price was also supported by the success of the company's strategic acquisitions and divestments. Similarly, the **Property sub-index** registered a 9.3 percent improvement over the review period.

Primary Debt Market Activity

According to provisional data for the period October 2022 to September 2023, 13 private placements valued at $13,846.0 million were issued on the **primary debt market**, suggesting a substantial increase in activity over the comparative period of fiscal 2022. This is in comparison to the 5 placements valued at $4,937.8 million which were issued over the same period one year prior. The Central Government remained the major borrower, issuing 9 private placements valued at $12,736.0 million for budgetary support, debt refinancing, repayment of maturing facilities, and funding the settlement of VAT refunds. Moreover, three state enterprises issued 4 primary bonds valued at $1,110.0 million, while no private sector entity recorded activity during the review period.

Secondary Bond Market Activity

An extensive increase in trading activity on the **secondary government bond market** was recorded over the eleven-month period ending August 2023, primarily attributable to the trading of the Government 2037 series II bond[120] listed on the stock exchange in January 2023. The market recorded 761 trades executed at a face value of $907.7 million; a sharp increase from the 26 trades executed at a face value of $248.3 million during the

[119] The TTSE classifies the Trinidad Cement Limited (TCL) under the Manufacturing II sub-index.

[120] A Government 2037 series II bond, with a face value of $702.9 million, was initially issued in October 2012 as part of the CLICO Investment Fund (CIF) package. In January 2023, the bond was listed on the TTSE secondary government bond market as part of the CIF distribution of assets.

comparative period one year prior. Over the referenced period, the **corporate bond market** recorded 103 bonds at a face value of $12.8 million; down from the 280 bonds valued at $109.4 million in the previous financial year.

Mutual Funds Industry

Activity in the mutual funds industry improved slightly over the first nine months of fiscal 2023. **Aggregate funds under management**[121] increased by 1.3 percent to $52,033.6 million, in comparison to a 1.6 percent decrease over the same period one year earlier. The improved performance was largely on account of gains in **Money Market funds** by 5.0 percent to $15,073.5 million. **Fixed Income funds** and '**Other Funds**'[122] remained relatively stable over the period, closing at $28,098.7 million and $453.8 million respectively, by August 2023. **Equity Funds** marginally fell by 0.4 percent to $8,407.6 million during the same period **(Figure 41)**.

Moreover, over the review period, volatility in global equity markets and challenges in domestic equities, coupled with tightening monetary policy measures in most advanced and emerging economies, placed downward pressure on asset valuation. A movement towards the safety of principal protection offered by the fixed **Net Asset Value (NAV) funds**, was evidenced by a 1.8 percent increase in their value to $38,545.9 million as opposed to the floating NAV funds which steadied at $13,487.7 million by June 2023. Additionally, in terms of currency composition, improvements were recorded in **TT dollar-denominated mutual funds** of 1.1 percent to $42,689.3 million and in **foreign currency denominated funds** of 2.6 percent to $9,344.4 million.

Over the nine-month period ending June 2023, the mutual funds industry recorded $164.1 million in **net redemptions**, comprising $12,881.0 million in **sales** and $13,045.0 million in **redemptions**, compared with the $1,142.9 million in net sales recorded in the corresponding period of 2022. Overall, net sales (deposits) of fixed NAV funds was $346.3 million while floating NAV funds recorded $510.4 million in net redemptions (withdrawals). Moreover, net sales of $580.8 million were observed in Money Market funds, confirming that investors were seeking to protect investment principals. Conversely, over the same period, net redemptions of $486.9 million in Income funds and $262.7 million in Equity funds were recorded.

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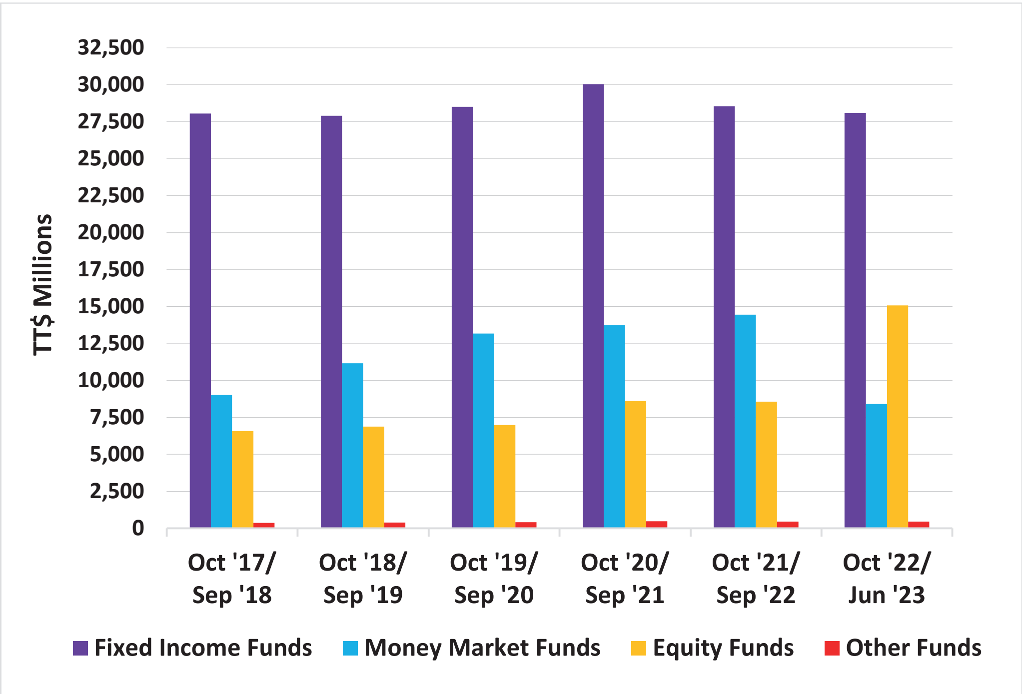
121 Aggregate funds under management refer to mutual funds information collected by the Central Bank of Trinidad and Tobago (CBTT), including funds managed by the Trinidad and Tobago Unit Trust Corporation (UTC), Royal Bank of Trinidad and Tobago (RBTT), Republic Bank Limited (RBL) and First Citizens Bank Limited (FCB). As at the end of June 2023, data collected by the CBTT accounted for 83.9 percent of the industry's 79 TTSEC registered funds.

122 Funds classified as "Other" represent high yield funds and retirement funds.

Based on data[123] published by the TTSEC on Collective Investment Schemes (CIS), the total value of **Assets Under Management (AUM)** for all registered funds grew by 2.3 percent to reach $62,283.8 million over the period ending July 2023, with net redemptions amounting to $188.7 million.

Figure 41: Composition of Mutual Funds Industry



Source: Central Bank of Trinidad and Tobago

REGULATORY DEVELOPMENTS

Legislative Developments

The Insurance Act, 2018 (IA 2018)

Pursuant to the partial proclamation of the IA 2018[124] on January 1, 2021, the following activities were conducted over the first nine months of fiscal year 2023:

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[123] As at July 2023, CIS data from the TTSEC represented 79 registered funds from 16 issuers.

[124] During the debate of the Insurance (Amendment) Act 2020, it was agreed that sections 184 and 185 of the Act would not be proclaimed until Parliament has had an opportunity to interrogate, more comprehensively, the effect of the proposed changes to the law as it relates to married persons. The non-proclamation of these sections of the Act would effectively preserve the current position with respect to the irrevocable trust created in favour of a spouse and children under the Married Persons Act, Chap. 45:50.

- Foreign insurers that were previously registered to operate in Trinidad and Tobago, reorganised their operations pursuant to Section 281 of the IA 2018; and
- The Inspector of Financial Institutions specified the format of the annual Financial Conditions Report (FCR), which enabled insurers to submit their first FCR in 2023.

In addition, some activities are still ongoing, namely:

- Restructuring of mixed conglomerates to separate financial entities and establish financial groups, where necessary;
- Gap analysis on measures being undertaken by insurers to become compliant with the IA 2018;
- Preparations for the implementation of the new International Financial Reporting Standards (IFRS) 17 for insurance contracts that came into effect on January 1, 2023, including amended regulatory forms and legislative changes which are in the developmental phase, and consultations with the industry which are well underway;
- Appointment of a general insurance actuary by all general insurers by December 31, 2023; and
- Industry collaboration, where applicable.

The Trinidad and Tobago Securities and Exchange Commission (TTSEC) Collective Investment Schemes (CIS) Bye-Laws

On March 28, 2023, parliamentary ratification of the TTSEC's CIS Bye-laws marked a milestone achievement for regulation of the mutual funds sector and protection of the interest of investors. The CIS Bye-laws were established under section 148(1)(a) of the Securities Act, Chapter 83:02, thereby replacing the TTSEC's 2008 CIS Guidelines which were issued under the former Securities Industry Act. The Bye-laws aim to:

- develop a legal authority within the Securities Sector of Trinidad and Tobago, to comply with the International Organization of Securities Commissions (IOSCO) Principles (Principles 24 – 27) - Relating to CIS;
- establish jurisdiction over CIS and parties to CIS (e.g. Responsible Person and CIS Manager); and
- protect investors by providing a level of surveillance for the market and persons taking part in the arrangement, whether by becoming owners of the property or any part of it, or otherwise participating in

or receiving profits or income arising from the acquisition, holding, arrangement or disposal of the property or sums paid out of such profits or income.

The Central Bank of Trinidad and Tobago (CBTT)

Guidelines

During fiscal 2023, in continued efforts to promote sound risk management practices in the financial sector, the CBTT published the following guidelines and consultation papers:

- Guideline on the Publication of Abridged Financial Statements (October 2022);
- Updated Guideline for the Application of Simplified Due Diligence for Basic Banking Accounts (March 2023);
- Guideline on Amending a Pension Plan's Trust Deed and Rules and Correcting the Register of Pension Plans (June 2023);
- Cybersecurity Best Practices Guideline (June 2023); and
- Market Conduct Guideline for Registrants under the IA 2018 (July 2023).

Anti-Money Laundering, Combatting the Financing of Terrorism & Countering Proliferation Financing (AML/CFT/CPF)

Support is being rendered by way of Technical Assistance from the World Bank to the National Anti-Money Laundering and Counter Terrorism Financing Committee, in an effort to complete Trinidad and Tobago's second National Risk Assessment (NRA) exercise which commenced in March 2021. This assessment seeks to identify the sources of illicit financial flows and areas in the financial and non-financial sectors which may be vulnerable to money laundering and terrorist financing. The assessments of the sectors regulated by the Central Bank were completed and submitted to the NRA Coordinator for inclusion in the overall NRA report, which is in the process of being drafted. Concurrently, the country is receiving Technical Assistance from King's College of London to conduct a Proliferation Financing Risk Assessment (PFRA).

Basel II/III Implementation

Implementation of the Basel II/III Capital Adequacy Framework for the banking sector continued in 2023, with preparation underway for the introduction of the Basel III components of the Liquidity Coverage Ratio[125] (LCR), Leverage Ratio[126], Capital Conservation Buffer[127] (CCB) and Capital add-on for Domestic Systemically Important Banks[128] (DSIBs).

In November 2022, a draft LCR Consultation Paper was dispensed to the industry following which feedback was received in February 2023. A Quantitative Impact Study (QIS) to assess institutions' compliance with the LCR is scheduled to conclude in the second half of 2023, the results of which will inform the final policy framework and the Regulations which are needed to implement the LCR. The LCR Regulations to be implemented are subject to the negative resolution of Parliament.

In addition, the Financial Institutions (Capital Adequacy) Regulations ("Regulations") promulgated in May 2020 included provisions for the introduction of the Leverage Ratio, CCB and DSIB Capital add-on at the appropriate time. The Central Bank completed its preparations to institute these requirements which will be effected via Notice published in the Gazette by the Minister of Finance in accordance with Regulation 2 of the Regulations. The LCR, Leverage Ratio, CCB and the DSIB capital add-on are expected to come into effect in 2024.

Companies under Emergency Control

On December 1 and December 22, 2022, the Central Bank renounced emergency control over Colonial Life Insurance Company (Trinidad) Limited (CLICO) and British American Insurance Company (Trinidad) Limited (BAT), respectively, as they no longer pose a threat to financial sector stability. The CBTT exercised control of the two entities for just under fourteen (14) years following the financial collapse of CL Financial Limited (the

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[125] The LCR is a short-term quantitative prudential measure to ensure banking institutions are able to withstand an acute liquidity stress scenario over a 30-day horizon at both the individual and consolidated level.

[126] The Leverage Ratio is a non-risk based "back stop" measure to safeguard against unsustainable levels of leverage in the banking sector. This ratio will apply to a licensee on an individual and consolidated basis and to a financial holding company (FHC) on a consolidated basis.

[127] The CCB is additional high quality capital (2.5 percent Common Equity Tier (CET) 1) above the minimum that could be used to absorb losses during periods of financial and economic stress. This ratio will apply to a licensee on an individual and consolidated basis and to a FHC on a consolidated basis.

[128] The DSIB add-on ranges between 1.0 percent to 2.5 percent of CET 1 capital above the minimum ratio and is meant to add a further layer of protection to the financial system to guard against the potential failure of a systemically important financial institution. This add-on will apply to the licensee only.

parent company). Notwithstanding, the two companies will continue to operate and be regulated by the Central Bank under the IA 2018.

The Co-operative Credit Union League of Trinidad and Tobago Limited (CCULTT)

Development of an Independent Co-operative Authority

In October 2021, Cabinet agreed to the establishment of a Team for the Implementation of Recommendations of a Cabinet-appointed Committee on the Future Role of the Credit Union Sector in National Development.

Subsequently, in April 2023, a request was made to the World Bank for Technical Assistance to advance the work of the Team, with a focus on the establishment of, *inter alia,* a Deposit Insurance Scheme and an Independent Authority for Credit Unions.

Subsequent to the mission hosted at the end of April 2023, the World Bank team presented an Aide Memoire outlining challenges and possible roadmaps on the way forward regarding the establishment of the Deposit Insurance Scheme as well as the Independent Authority.

The Credit Union Movement has also been engaged in discussions on a draft Policy Proposal Document for the development of an Independent Co-operative Authority which, once enacted by law, will serve as the regulator for Credit Unions within Trinidad and Tobago.

The Financial Intelligence Unit of Trinidad and Tobago (FIUTT)

Guidance Notes

For the period October 2022 to July 2023, the FIUTT published the following three (3) Guidance Notes, pursuant to section 8(3)(i) of the Financial Intelligence Unit of Trinidad and Tobago Act, Chap. 72:01:

1. FIUTT Guidance to Reporting Entities on Proliferation Financing Orders, dated April 14, 2023;
2. Guidance Note for Jewelers, dated May 9, 2023; and
3. Guidance to Financial Institutions on the Procedures for Submitting Quarterly Terrorist Reports, dated July 14, 2023.

Memoranda of Understanding (MOUs)

Pursuant to section 8(3)(k) of the Financial Intelligence Unit of Trinidad and Tobago Act, Chap. 72:01, the FIUTT executed the following three (3) MOUs over the nine-month period ending June 2023:

1. MOU between the FIUTT and the Counter Trafficking Unit, Ministry of National Security, Trinidad and Tobago, dated October 17, 2022;

2. MOU between the FIUTT and the Ministry of Agriculture, Land and Fisheries, Trinidad and Tobago, dated November 1, 2022; and

3. MOU between the FIUTT and the Unite' Centrale of Renseignements Financiers (UCREF) of the Republic of Haiti, dated February 28, 2023.

Financial Intelligence Analysis

Consistent with the Financial Action Task Force's (FATF's) Recommendation 29, which entails the FIUTT's provision of 'Strategic' and 'Operational' intelligence reports to Law Enforcement Agencies (LEAs) and other Competent Authorities in the ongoing fight against AML/CFT/CPF, the FIUTT completed its strategic analysis on **The Romance Scam/Fraud Phenomenon in Trinidad and Tobago** during the reporting period. This report provided stakeholders with useful information relative to romance scams/fraud; victim and perpetrator profiles; indicators of romance scams/fraud; and recommendations for prevention and detection, amongst others.

TRADE AND PAYMENTS

- Balance of Payments
- Heritage and Stabilisation Fund
- Balance of Visible Trade
- CARICOM Trade
- Trade Policy Developments
- Trade Agreements

BALANCE OF PAYMENTS

January to March 2023

Trinidad and Tobago's Balance of Payments recorded an overall deficit of US$47.8 million, for the first quarter of 2023, an improvement on the US$227.6 million deficit recorded in the same period one year earlier. This reduced deficit was realised on account of reduced outflows from the Financial Account, coupled with moderate growth in the Current Account balance. The improved outturn in the Current Account was driven by narrowed deficits in the services and primary income accounts, along with an improvement in the secondary income account. These were partially offset by a reduced surplus in the goods and services account. At the end of March 2023, Gross Official Reserves amounted to US$6,784.6 million, equivalent to 8.5 months of perspective import cover **(Table 15)**.

Calendar Year 2022

For the 2022 calendar year, the overall deficit on the Balance of Payment was reduced to US$47.2 million, from the deficit of US$74.2 million recorded one year earlier. This was primarily reflective of the surplus on the Current Account which near doubled when compared to 2021, partially mitigated by an increase in net outflows in the Financial Account. The sharp increase in the Current Account balance was due to higher energy receipts resulting from elevated international energy prices consequent to the war in Ukraine, which placed further pressure on already high commodity prices. The higher net outflow in the Financial Account resulted from movements in direct investment, and to a lesser extent in portfolio investment in the period under review. At the end of 2022, Gross Official Reserves stood at US$6,832.4 million or 8.6 months of prospective import cover.

Current Account and Capital Account

January to March 2023

In the first quarter of 2023, the **Current Account** surplus grew moderately by 2.6 percent, to US$1,320.3 million from US$1,287.0 million in the same period one year earlier. This growth was realized as a result of improvements in the services and primary and secondary income accounts which outstripped the contraction in the net good trading position.

For the period January to March 2023, the deficit in **services trade** declined by 75.0 percent to US$174.7 million from a deficit of US$698.1 million in the comparative 2022 period. Primarily contributing to this decline was the deficit on the financial services sub-account which contracted by 97.8 percent in the first quarter of 2023, compared to the same period in 2022, due to lower domestic demand for international financial services. Also contributing to the improved performance in the services trade account was the deficit on the 'other business' services sub-account, which likewise registered a 45.3 percent reduction due to lower imports of technical, trade-related and other business services over the quarterly review period. The deficit on the transport services account also fell by 52.5 percent to US$50.1 million, mainly due to higher purchases of domestic air transport services by non-residents. Simultaneously, the surplus on the travel services account more than tripled to US$156.7 million over the first three months of 2023, from US$43.8 million in the same 2022 period, owing to an uptick in travel receipts associated with the Carnival season.

During the first quarter of 2023, the **primary income account** recorded a smaller deficit of US$152.2 million compared to a deficit of US$313.9 million in the same period one year prior. The improved performance resulted from a reduction in reinvested earnings abroad by energy sector companies. At the same time, the surplus on the **secondary income account** almost doubled, moving from US$11.5 million to US$22.3 million in the quarterly periods under review, on account of lower outbound private transfers.

During the first three months of 2023, the **net goods trading position** declined by 29.0 percent moving from US$2,287.6 million to US$1,624.9 million. This was reflective of a fall-off in goods exported which outpaced the simultaneous reduction in imports. Specifically, exports declined by 21.7 percent to US$3,133.6 million from US$4,000.1 million in the quarterly periods under review, primarily due to a reduction in energy exports, underpinned by a combination of lower international commodity prices and reduced export volumes. In the first three months of 2023, energy exports declined by 24.2 percent to US$2,683.4 million from US$3,539.3 million in the similar period one year earlier. This resulted from lower export earnings for petrochemicals (28.6 percent), petroleum crude and refined products (26.8 percent) and gas (16.0 percent). Compounding the position in the export of goods during the first quarter of 2023 was a decline in non-energy exports, which fell by 2.3 percent to US$450.1 million from US$460.8 million, in the period under review, as a result of lower external demand.

Total imports decreased by 11.9 percent to US$1,508.7 million in the first three months of 2023, from US$1,712.5 million in the first quarter of 2022, owing to a reduction in fuel and non-fuel products. In particular, fuel imports declined by 33.8 percent in the first quarter of 2023 compared to the same period in 2022. At the same time, non-fuel imports fell by 3.9 percent to US$1,206.1 million, as a result of a 16.2 percent reduction in capital imports.

The **Capital Account**, in the first quarter of 2023, recorded a minor surplus of US$0.03 million owing to the receipt of capital transfers from foreign agencies.

Calendar Year 2022

For 2022, the Current Account recorded its largest surplus of US$5,381.9 million since 2013, as Trinidad and Tobago continued the recovery initiated in 2021, following the 2020 Current Account deficit. This represents an increase of just under 100.0 percent from the surplus of US$2,695.2 million recorded for 2021. This resulted from the **net goods trading position** almost doubling (94.8 percent) to reach US$9,180.9 million in 2022, when compared to the US$4,711.9 million registered for 2021. The drastic improvement in the net goods trading position was due to the surge in export earnings, which more than outweighed the simultaneous growth in imports and was led by a boost in exports to the country's major traditional destination markets such as the United States (US), European Union (EU) and CARICOM. Exports rose by 50.6 percent to US$16,687.1 million in 2022 from US$11,082.0 million in 2021, due to increased energy export earnings, reflecting higher international commodity prices[129]. Energy exports[130] grew by 59.6 percent to US$14,305.1 million during 2022, as all commodity sub-categories recorded increases, namely, gas (106.1 percent), petrochemicals (48.3 percent), and petroleum, crude and refined products (33.6 percent). Non-energy exports also continued to expand, registering growth of 12.4 percent moving from US$2,119.9 million in 2021 to US$2,382.0 million in 2022, reflective of increased external demand for locally produced goods. Leading the exports of non-energy products was manufactured goods, followed by machinery and transport equipment, and beverages and tobacco.

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[129] West Texas Intermediate (WTI) oil prices averaged US$94.43 per barrel over 2022 compared to US$67.96 per barrel one year earlier. Similarly, Henry Hub natural gas prices averaged US$6.38 per MMBtu during 2022, compared to US$3.85 per MMBtu in 2021.

[130] Energy goods data for 2021 and 2022 comprise estimates by the Central Bank of Trinidad and Tobago.

In the year under review, total imports grew by 17.8 percent to US$7,506.2 million in 2022 from US$6,370.1 million in 2021, owing to expansions in both fuel and non-fuel imported products. Fuel imports rose by US$702.2 million to US$1,863.0 million in 2022 due to the upward surge in international commodity prices. Simultaneously, non-fuel imports increased by 8.3 percent to US$5,643.1 million from US$5,209.3 million one year earlier. Higher spending on food and live animals, chemicals and related products, and miscellaneous manufactured articles[131] spurred non-fuel imports over the 12-month period. The US, EU and China accounted for Trinidad and Tobago's main source markets for imports, with each of these markets recording increases when compared to 2021. Also, imports from CARICOM increased by 20.9 percent in the year under review, driven mainly by increased spending on food and live animals.

For 2022, **services trade** recorded an increased deficit by 26.9 percent, moving from a deficit of US$1,805.7 million in 2021 to a deficit of US$2,291.5 million. This was driven by the other business services sub-account which saw the largest deficit across all sub-categories owing mainly to resident spending on technical, trade-related, and other business services abroad. The deficit on the financial services sub-account also worsened to US$932.7 million during 2022 compared to US$76.3 million one year earlier. However, the deficit on the transport services sub-account narrowed by 3.2 percent to US$393.3 million, on account of higher purchases of domestic air transport services, due to the easing of travel restrictions. In particular, travel services recorded a surplus of US$264.8 million, a significant increase from a surplus of US$15.1 million in 2021. Despite the rebound in the travel sub-account, the surplus remained below the 2019 pre-pandemic level.

The primary account deficit more than quadrupled, moving from a deficit of US$325.8 million in 2021 to a deficit of US$1,584.2 million in 2022. This resulted from increased repatriation of earnings abroad by energy sector companies, likely stemming from the improvement in the energy sector performance during 2022. Nevertheless, the surplus on the secondary income account narrowed by 33.2 percent to US$76.6 million, owing to higher outbound private transfers.

In 2022, the **Capital Account** recorded a surplus of US$0.2 million, largely reflective of capital transfers, in the form of real resources, from international and regional agencies to the Government.

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[131] Miscellaneous manufactured articles" refers to category 8.0 of the Standard International Trade Classification (SITC). and includes, inter alia, 'prefabricated buildings; sanitary plumbing, heating and lighting fittings', 'travel goods, handbags and similar containers', 'articles of apparel and clothing accessories', 'footwear', 'professional, scientific and controlling instruments and apparatus', ' photographic apparatus, equipment and supplies, optical goods, watches and clocks.

Financial Account

January to March 2023

In the first quarter of 2023, the net outflow on the **Financial Account** reduced to US$492.0 million, compared to the net outflow of US$543.7 million recorded for the same 2022 period, resulting from movements in the direct investment and portfolio investment sub-accounts. **Direct investment** registered a net outflow of US$999.4 million mainly as a result of a reduction in direct investment liabilities[132] in the first three months of 2023. Direct investment liabilities fell by US$748.5 million mainly due to the fall-off in the reinvestment of earnings primarily by upstream energy sector companies. In addition to this outturn was the simultaneous increase in direct investment assets, which registered a net outflow of US$250.9 million, owing to increases in intercompany lending between fellow enterprises within the energy sector, and to a lesser extent an increase in equity capital holdings abroad, primarily by financial holding companies.

On the **portfolio investment** account, increased holdings of foreign assets were mainly responsible for a net outflow of US$53.9 million over the period January to March 2023. Portfolio assets increased by US$52.9 million, reflecting an increase in the holdings of long-term foreign debt securities primarily by domestic financial institutions in the quarter under review. This was partially offset by reduced holdings of foreign equity securities and short-term debt securities held by domestic financial institutions. For the January to March 2023 quarter, portfolio investment liabilities registered a modest reduction of US$1.0 million, as foreign investors decreased their holdings of domestic debt securities.

During the period January to March 2023, the **other investment** sub-account, registered a net inflow of US$507.0 million due to the reduction in assets held abroad. The decline in 'other investment' assets of US$582.2 million over the review period was attributed to a reduction in currency and deposits and other accounts receivable owed by non-residents, notwithstanding a modest increase in loan assets. Simultaneously, other investment liabilities fell by US$75.2 million, driven by repayments in other accounts payable owed to non-residents. However, there was a rise in currency and deposits and loan liabilities held by non-residents. Partially offsetting the net outflows on the financial account was a small net inflow of US$54.3 million recorded in the financial derivatives category which mainly reflected transactions involving the Heritage and Stabilization Fund (HSF).

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[132] Direct investment liabilities capture the direct investment in Trinidad and Tobago by foreign investors.

Calendar Year 2022

For 2022, the Financial Account[133] recorded a net outflow of US$3,034.1 million, increasing by 14.8 percent from the net outflow of US$2,642.4 million recorded one year earlier. This was driven by transactions in the direct investment and portfolio investment categories. **Direct investment** registered a net outflow of US$2,085.9 million, driven by a simultaneous increase in assets and a reduction in liabilities over the 12-month period. Direct investment assets increased by US$1,172.4 million in 2022, which largely stemmed from increased intercompany lending abroad within the energy sector. Additionally, an increase in equity capital holding abroad by financial holding companies augmented direct investment assets in the period under review. Concurrently, the reduction of direct investment liabilities of US$913.5 million resulted from repayments on intercompany borrowings in the upstream energy sector companies coupled with a fall-off in the reinvestment of earnings by non-resident enterprises in 2022.

Activity in the **portfolio investment** category registered a net outflow of US$754.2 million in 2022, primarily owing to increased holdings of foreign assets. More specifically, portfolio assets increased by US$674.4 million in 2022, reflecting a rise in long-term debt securities held abroad, mainly by domestic financial institutions and the HSF. Partially offsetting this outturn was a reduction in non-resident holdings of domestic long-term debt securities.

In the **other investment** category, a pickup in assets held abroad also led to a net outflow of US$294.0 million in 2022; albeit a smaller outturn compared to the direct investment and portfolio investment categories. In 2022, other investment assets increased by US$881.1 million as a result of an increase in currency and deposits, other accounts receivable owed to residents, as well as loan assets. Simultaneously, other investment liabilities increased by US$587.1 million, due to a rise in currency and deposits, other accounts payable, and trade credits owed to non-residents.

Gross Official Reserves

As at September 22, 2023, gross official reserves amounted to US$6,358.6 million, equivalent to 8.0 months of prospective import cover, US$473.8 million lower when compared to the end of December 2022.

[133] Latest estimates of the balance of payments for 2021 and 2022 includes information on four financial holding companies which is primarily reflected in the direct investment category.

HERITAGE AND STABILISATION FUND

As at September 15, 2023, the estimated Net Asset Value (NAV) of the Heritage and Stabilisation Fund (HSF) was US$5,502.1million compared to the Fund's NAV of US$4,720.6 million as at the end of fiscal 2022. This represents an increase of US$781.9 million, due to the overall positive returns on the HSF portfolio of investments, as well as, a deposit to the Fund totalling US$182.2 million in December 2022. A deposit of US$164.0 million was previously made in September 2022.

Table 15: Trinidad and Tobago: Summary Balance of Payments (US$ Million)

	2019	2020	2021r	2022p	Qtr.1 2022p	Qtr.1 2023p
Current Account	**1,020.1**	**-1,356.4**	**2,695.2**	**5,381.9**	**1,287.0**	**1,320.3**
Goods and Services	**1,605.4**	**-344.8**	**2,906.2**	**6,889.5**	**1,589.5**	**1,450.2**
Goods, net*	2,731.8	984.1	4,711.9	9,180.9	2,287.6	1,624.9
Exports**	8,764.3	6,002.9	11,082.0	16,687.1	4,000.1	3,133.6
Energy	6,973.6	4,357.2	8,962.1	14,305.1	3,539.3	2,683.4
Non-energy	1,790.7	1,645.7	2,119.9	2,382.0	460.8	450.1
Imports**	6,032.5	5,018.8	6,370.1	7,506.2	1,712.5	1,508.7
Fuels***	1,222.1	723.3	1,160.8	1,863.0	457.2	302.6
Other	4,810.4	4,295.5	5,209.3	5,643.1	1,255.4	1,206.1
Services, net	-1,126.4	-1,328.9	-1,805.7	-2,291.5	-698.1	-174.7
Primary income, net	**-607.1**	**-1,055.6**	**-325.8**	**-1,584.2**	**-313.9**	**-152.2**
Secondary income, net	**21.8**	**44.0**	**114.7**	**76.6**	**11.5**	**22.3**
Capital Account	**10.3**	**0.5**	**6.7**	**0.2**	**0.0**	**0.0**
Financial Account	**574.7**	**-1,513.3**	**2,642.4**	**3,034.1**	**543.7**	**492.0**
Direct investment	**-69.8**	**-958.0**	**1,702.3**	**2,085.9**	**546.1**	**999.4**
Net acquisition of financial assets	114.2	98.0	767.5	1,172.4	441.8	250.9
Net incurrence of liabilities	184.0	1,056.0	-934.8	-913.5	-104.3	-748.5
Portfolio investment	**1,453.9**	**-184.6**	**256.3**	**754.2**	**68.7**	**53.9**
Net acquisition of financial assets	1,245.4	-85.5	257.6	674.4	68.8	52.9
Net incurrence of liabilities	-208.5	99.2	1.3	-79.8	0.1	-1.0
Financial derivatives	**-0.2**	**-8.7**	**137.4**	**-99.9**	**23.7**	**-54.3**
Net acquisition of financial assets	-0.4	-9.1	176.3	-65.1	-2.7	-38.7
Net incurrence of liabilities	-0.2	-0.4	38.9	34.8	-26.4	15.6
Other investment******	**-809.1**	**-362.1**	**546.4**	**294.0**	**-94.9**	**-507.0**
Net acquisition of financial assets	329.1	-267.1	951.2	881.1	11.3	-582.2
Net incurrence of liabilities	1,138.2	95.0	404.9	587.1	106.2	-75.2
Net errors and omissions	**-1,101.9**	**-132.6**	**-133.6**	**-2,395.2**	**-971.0**	**-876.1**
Overall Balance	**-646.1**	**24.8**	**-74.2**	**-47.2**	**-227.6**	**-47.8**
Memorandum Items:						
Gross Official Reserves^	6,929.0	6,953.8	6,879.6	6,832.4	6,652.0	6,784.6
Import Cover (months)^	7.7	8.5	8.4	8.6	8.1	8.5

Source: Central Bank of Trinidad and Tobago

Figures may not sum due to rounding.

r: Revised. p: Provisional.

* Energy goods data comprise estimates by the Central Bank of Trinidad and Tobago.

** Exports and Imports are reported on a FOB (Free on Board) basis. Energy exports include exports of petroleum, petroleum products and related materials and the exports of petrochemicals.

*** Includes petroleum, petroleum products and related materials.

**** Other investment comprise currency and deposits, loans, insurance, pension, and standardised guarantee schemes, trade credit and advances, other accounts receivable/payable and special drawing rights (liabilities).

^ End of Period.

Summary Balance of Payments Table

Trinidad and Tobago's Summary Balance of Payments Table (Table 14) is an analytical presentation of the Balance of Payments and is presented in accordance with the IMF's Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6).

The following financial account movements are represented with a negative sign:

- A decrease in assets (inflow)
- A decrease in liabilities (outflow)
- A net inflow in net balances

The following financial account movements are represented with a positive sign:

- An increase in assets (outflow)
- An increase in liabilities (inflow)
- A net outflow in net balances

BALANCE OF VISIBLE TRADE[134]

All values are denominated in TT$ unless otherwise indicated.

Over the period October 2022 to June 2023, *Trinidad and Tobago's Balance of Visible Trade* registered an overall surplus of $23,877.0 million, representing a 31.9 percent decline from the $35,085.5 million surplus recorded over the corresponding period one year earlier. Both exports and imports of visible trade diminished in the period under review. Total exports declined by 18.0 percent from $65,943.7 million in the fiscal 2022 period to $54,060.6 million in the fiscal 2023 period; whilst imports decreased by 2.2 percent, dropping from $30,858.2 million to $30,183.6 million **(Appendix 29).**

The overall trade outturn was due primarily to trading activity within *Trade, Excluding Mineral Fuels*, which resulted in a 59.8 percent decline in its Trade Balance to $6,056.0 million in fiscal 2023 from $15,079.6 million in the fiscal

[134] The Balance of Visible Trade records the exchange of physically tangible goods between countries; a country's imports and exports of merchandise.

2022 reporting period. A 10.9 percent fall in the *Trade in Mineral Fuels Balance* also contributed to the deteriorated Balance of Visible Trade.

For calendar year 2022, the Balance of Visible Trade surplus increased by over 146.5 percent, growing from $19,321.5 million in calendar 2021 to $47,635.0 million. This expansion in the Visible Trade balance was due to a 54.0 percent increase in exports, which grew from $58,260.1 million in 2021 to $89,733.1 million in 2022, and eclipsed a moderate 8.1 percent increase in imports, rising from $38,938.6 million in 2021 to $42,098.1 million in 2022.

This upturn in the calendar 2022 Visible Trade Balance was reflected through improvements in the Trade, Excluding Mineral Fuels and Trade in Mineral Fuels balances. The *Trade, Excluding Mineral Fuels Balance* more than quintupled, from $3,702.5 million in 2021 to $19,100.3 million in 2022, owing to a 43.6 percent increase in exports. Simultaneously, *Trade in Mineral Fuels* expanded by 82.7 percent, as the balance moved from $15,619.0 million in 2021 to $28,534.7 million in 2022; significantly impacted by an 81.9 percent rise in the total exports, as gas exports surged by 126.3 percent and oil exports increased by 68.3 percent.

CARICOM TRADE

All values are denominated in TT$ unless otherwise indicated.

Trinidad and Tobago's Balance of Trade with CARICOM countries recorded a $5,198.3 million surplus for the ***nine-month period ending June 2023***; a 39.2 percent decrease from the $8,554.1 million surplus recorded in the parallel period one year earlier. This decline was due to a decrease in the value of exports to CARICOM countries, coupled with an increase in the value of imports. Over the period exports fell by 35.4 percent to $5,909.3 million, from $9,144.3 million in the corresponding 2022 period; whilst imports increased by 20.5 percent to $711.0 million, from $590.2 million one year earlier. The overall fall in exports resulted from a 66.7 percent reduction in the *Exports of Mineral Fuels*, which moved from $5,262.6 million to $1,750.6 million in the period under review; though *Exports Excluding Mineral Fuels* improved by 7.1 percent to $4,158.8 million in 2023, from $3,881.7 million in 2022. Concurrently, *Imports Excluding Mineral Fuels* increased by 21.5 percent to $670.9 million from $552.2 million, together with a 5.8 percent increase in *Imports of Mineral Fuels*, which moved from $38.0 million to $40.2 million in the nine month period under review **(Appendix 30).**

During the October 2022 to June 2023 period, Trinidad and Tobago's principal CARICOM trading partners were Guyana, Barbados and Jamaica. Goods exported to these countries accounted for 69.1 percent of total exports to CARICOM countries. The main products exported were motor spirit[135]; diesel oil; bunker "C" grade fuel oil; printed books, leaflets and similar printed matter, not in single sheets; pre-cooked/prepared foods from cereals NES; other non-alcoholic beverages excluding fruits or vegetables; and aerated waters. Concomitantly, Trinidad and Tobago's imports from Jamaica, Guyana and Barbados accounted for 72.5 percent of the country's imported products from CARICOM countries; with the main imports comprising margarine, excluding liquid margarine; cut backs[136]; rigid aluminium cans; rice; vermouth and other flavoured grape wine.

In calendar year 2022, Trinidad and Tobago's Balance of Trade Surplus with CARICOM countries increased by 25.4 percent to $10,098.7 million from $8,052.1 million in 2021, primarily due to a 25.1 percent upsurge in exports to CARICOM countries, which moved to $10,925.5 million from $8,735.9 million in 2021. Notwithstanding an increase of 20.9 percent in imports to CARICOM countries, the trade surplus was supported by a 42.1 percent rise in the *Exports of Mineral Fuels* (which grew from $3,932.1 million in 2021 to $5,586.1 million in 2022) and an 11.1 percent improvement in the *Exports Excluding Mineral Fuels* (which grew from $4,803.8 million in 2021 to $5,339.4 million in 2022). During calendar year 2022, Trinidad and Tobago's main CARICOM trading partners were also Guyana, Barbados and Jamaica.

TRADE POLICY DEVELOPMENTS

Trinidad and Tobago's trade policies have undergone significant advancements over the past fiscal year. These encompass export promotion, business reform initiatives such as modernized online services, the pursuit of trade agreements; and other proactive measures to bolster trade opportunities.

Export Promotion

Appointment of Commercial Officers and Attachés

In its attempts to expand export opportunities for the country's local manufacturers and exporters, the Ministry of Trade and Industry (MTI) appointed three Commercial Officers and two Commercial Attachés in July 2023. The Commercial Officers and Attachés are responsible for, *inter alia*, providing in-country support to Trinidad and Tobago's exporters, identifying trade opportunities for local businesses, facilitating visits of business delegations and serving as liaisons for the Trinidad and Tobago Trade and Investment Promotion Agency

135 Motor Spirit is a volatile liquid used as a fuel in internal-combustion engines; specifically: gasoline, petrol.

136 Cut backs are a type of bituminous mixtures based on natural asphalt, natural bitumen, petroleum bitumen, mineral tar or mineral tar pitch.

(TTTIPA). The Commercial Officers will be based in Panama, with whom Trinidad and Tobago has a Partial Scope Trade Agreement; the United Kingdom, with whom CARICOM has an Economic Partnership Agreement; and the United States of America (US), one of the primary trading partners of Trinidad and Tobago. The Commercial Attachés will be based in Guyana and Jamaica, two of the country's top CARICOM trading partners.

Business Reform

During the fiscal year, the MTI, in collaboration with twenty-three (23) government Ministries and agencies[137], upgraded its online services offered through the TTBizLink Platform, including the addition of an online payment feature designed to streamline processes for over forty (40) diverse trade and business services.

E-Payments across Ministries

As part of the improvements on TTBizLink, the MTI facilitated the online payments for trade-related services offered by some Ministries and Agencies, these include:

1. e-Applications for Certificates of Origin for Preferential Markets (exporTT) and Non-Preferential Markets (Trinidad and Tobago Chamber of Industry and Commerce);
2. e-Goods Declaration (Trinidad and Tobago Bureau of Standards);
3. e-Application for Animal Import Permit (Animal Production & Health Division, Ministry of Agriculture, Land and Fisheries);
4. e-Applications for Animal Export Permits – Meat and Poultry Products and Dairy and Dairy Products (Animal Production & Health Division, Ministry of Agriculture, Land and Fisheries);

[137] These include the Ministry of Finance (Customs and Excise Division); Ministry of Public Administration and Digital Transformation (ttconnect, iGovTT); Ministry of Trade and Industry (Investment Directorate, exporTT and Trade License Unit); Ministry of National Security (Work Permit Secretariat, Trinidad and Tobago Coast Guard and Immigration Division); Ministry of Works and Transport Maritime Services Division, Environmental Health Unit, Port of Point Lisas, Port of Port-of-Spain and La Brea Industrial Development Company Limited); Ministry of Agriculture, Land and Fisheries (Fisheries Division, Animal Production and Health Division and Plant Quarantine Services); Ministry of Health (Chemistry, Food and Drugs Division, Food and Drug Inspectorate, Pharmacy/Drug Inspectorate and Chemistry, Food and Drugs Division, Pesticides and Toxic Chemicals Inspectorate); Ministry of Energy and Energy Industries; Ministry of Labour; Trinidad and Tobago Bureau Standards; and Trinidad and Tobago Chamber of Industry and Commerce.

5. e-Applications for Export Health Certificates – Fish and Fishery Products; Food and Beverage; and Food and Beverage/Colombia (Food and Drug Inspectorate, Chemistry, Food and Drugs Division (CFDD), Ministry of Health);

6. e-Application for Free Sale Certificate – Food and Drug Inspectorate, CFDD, Ministry of Health;

7. e-Applications for Licences of Premises – Pesticides and Toxic Chemicals (Pesticides and Toxic Chemicals Inspectorate, CFDD, Ministry of Health);

8. e-Applications for Licences to Import a Pesticide or a Toxic Chemical (Pesticides and Toxic Chemicals Inspectorate, CFDD, Ministry of Health);

9. e-Application for Export Licence/Permit for Toxic Chemicals (Pesticides and Toxic Chemicals Inspectorate, CFDD, Ministry of Health);

10. e-Application for Individual/Group Work Permit (Work Permit Secretariat, Ministry of National Security); and

11. e-Application for Extension of Individual/Group Work Permit (Work Permit Secretariat, Ministry of National Security).

TRADE AGREEMENTS

Trinidad and Tobago currently benefits from preferential trade through twelve (12) trading arrangements, encompassing various regions and countries[138]. The primary objectives of establishing these trade agreements is to expand market access for domestically produced goods, through reduced duty rates, to enhance their competitiveness within the respective markets; and offer manufacturers the chance to acquire production inputs at more cost-effective prices.

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[138] These include: (i) CARICOM; (ii) Caribbean Basin Initiative with the USA; (iii) CARIBCAN with Canada; (iv) CARICOM-Costa Rica Free Trade Agreement; (v) CARICOM-Dominican Republic Free Trade Agreement; (vii) CARICOM-Colombia Agreement on Trade, Economic and Technical Cooperation; (viii) CARICOM-Cuba Agreement on Trade, Economic and Technical Cooperation; (ix) CARICOM-Venezuela Agreement on Trade, Economic and Technical Cooperation; (x) Trinidad and Tobago-Panama Partial Scope Trade Agreement; (xi) CARIFORUM-EU Economic Partnership Agreement; and (xii) CARIFORUM-UK Economic Partnership Agreement.

Presently, Trinidad and Tobago is engaged in negotiations for two additional trade agreements: a Partial Scope Trade Agreement (PSTA) with Chile and an expansion of the CARICOM-Colombia Agreement on Trade, Economic and Technical Cooperation.

In fiscal 2024, negotiations will commence with Curaçao for a PSTA, further expanding the country's trade relations.

Partial Scope Agreements[139]

Trinidad and Tobago – Chile Partial Scope Trade Agreement (PSTA).

According to the Ministry of Trade and Industry (MTI), for the period October 2022 to June 2023, Trinidad and Tobago maintained a trade surplus[140] of TT$251.5 million with Chile, with total exports valued at TT$445.9 million, and total imports valued at TT$194.4 million. The main products exported were anhydrous ammonia, liquefied natural gas, argon, and aromatic bitters.

Substantial headway was made in the country's ongoing bilateral negotiations, with a notable achievement being the successful conclusion of negotiations within the Sanitary and Phytosanitary Measures (SPS) and Competition Policy negotiating groups during the fourth negotiation rounds. This underscores substantive progress toward fostering economic collaboration and understanding between the two nations.

Over the course of the fiscal year 2023, two rounds of negotiations (representing the third and fourth rounds) took place. The third round was held in Trinidad and Tobago in December 2022, followed by the fourth round in Chile from 30 May to 1 June 2023. Discussions during the third round encompassed Market Access, Legal and Institutional Issues, SPS, Rules of Origin and Origin Procedures, Trade Facilitation, Technical Barriers to Trade (TBT), Trade Remedies and Competition Policy. Emerging from these discussions, Trinidad and Tobago provided a revised Market Access Offer (with additional products) to Chile during the subsequent round of negotiations.

[139] A Partial Scope Agreement (PSA) is a trade agreement between two or more countries that aims to reduce trade barriers, such as tariffs, for a specific range of products. PSAs target sectors of mutual interest to promote bilateral trade and economic cooperation between countries.

[140] Trade figures in this section are a combination of data from the Central Statistical Office (CSO) and the MTI's Single Electronic Window (SEW). CSO data was utilized for the period October to December 2022 and SEW data was utilized for the period January – June 2023. It must be noted that SEW data is uncleaned raw data that has not been checked for errors and should therefore only be used as a proxy. The CSO remains the official source of data.

Negotiations are expected to conclude in the Fifth Round scheduled for December 2023 in Trinidad, where the list of products eligible for preferential treatment will be finalized. Upon the Agreement's conclusion, Trinidad and Tobago can anticipate expanded trade opportunities and a strengthened economic partnership with Chile.

Trinidad and Tobago – Curaçao Partial Scope Trade Agreement (PSTA)

Over the period October 2022 to June 2023, Trinidad and Tobago recorded a trade surplus of TT$11.4 million with Curaçao. The primary commodities exported included cement, aerated beverages, cereals and toilet paper, with an estimated value of TT$16.5 million. On the other hand, for the period under review, total imports from Curaçao was valued at TT$5.1 million.

In November 2022, Trinidad and Tobago achieved a significant milestone through the signing of a General Framework Agreement (GFA) with Curaçao which solidified the commitment of both countries to deepen integration and marked the onset of negotiations toward a PSTA.

The First Round of Negotiations is set to begin in fiscal year 2024, with negotiations projected to span a three-year period. Some key matters for discussion include market access for goods, investment, and critical non-tariff measures such as sanitary and phytosanitary measures and technical trade barriers.

Trinidad and Tobago – Panama Partial Scope Trade Agreement (PSTA)

Exports from Trinidad and Tobago to Panama between October 2022 and June 2023 held a total value of TT$492.5 million, with pre-cooked cereals, urea, plastic and glass bottles, and sugar confectionery being the primary exports. Total imports from Panama over the same period was valued at TT$125.0 million; resulting in a trade surplus of TT$367.5 million.

The Trinidad and Tobago – Panama PSTA is presently in effect, and both parties are actively working to ensure its smooth and efficient operation. Following the First Meeting of the Joint Administration Commission in April 2021, both parties prioritized the resolution of export-related market access challenges.

In fiscal 2023, a Working Group, dedicated to Market Access, was established to engage in discussions and explore potential solutions for challenges faced by exporters under the agreement. The group met in April 2023 and focused on addressing market access challenges and matters related to the transposition of tariff lines[141], outlined in Annex A and B of the Agreement.

In fiscal 2024, the MTI intends to continue collaboration with Panama and a Second Meeting of the Working Group on Market Access is expected to take place; and is envisaged to focus on solving market access challenges, and consider adding more items to the Agreement. Work is also expected to commence on the First Meeting of the Working Group on Rules of Origin.

CARICOM Trade Agreements

CARICOM–Colombia Trade, Economic and Technical Cooperation Agreement

As a Member of CARICOM, Trinidad and Tobago's trade with Colombia is regulated by the CARICOM–Colombia Agreement on Trade, Economic and Technical Cooperation.

Between October 2022 and June 2023, Trinidad and Tobago recorded a trade surplus of TT$165.4 million. The value of Trinidad and Tobago's exports to Colombia amounted to TT$447.4 million, with the major export items being urea, anhydrous ammonia, methanol, and cigarettes containing tobacco; while imports from Columbia totaled TT$282.0 million.

Negotiations for expanding the scope of products covered by the CARICOM–Colombia Agreement took place during the First Negotiating Meeting, which occurred in Jamaica from 31 May to 1 June 2022. Trinidad and Tobago's consultations on the list of products are ongoing. The Second Negotiating Meeting is expected to take place in the first quarter of fiscal 2024, and will see CARICOM presenting its Initial Consolidated Offer and stakeholders will be expected to share feedback on both the regional offer and Colombia's Initial Offer.

CARIFORUM[142]-EU Economic Partnership Agreement (EPA)

Between October 2022 and June 2023, Trinidad and Tobago's trade surplus with the European Union (EU) amounted to TT$6.9 billion, with exports to the EU valued at TT$10.5 billion, and imports from the EU valued

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141 This refers to the updating of the schedules of concessions or goods schedule to include the accurate Codes for goods, in order to reflect any changes/updates in the tariff classification under the Harmonized System (HS) and compare countries obligations with the tariffs that are actually applied by their national customs administration.

142 CARIFORUM member states include Antigua and Barbuda, The Bahamas, Barbados, Belize, Cuba, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname and Trinidad and Tobago.

at TT$3.6 billion. Among the EU member countries, Spain emerged as the primary destination for Trinidad and Tobago's exports, accounting for TT$3.2 billion, or 30.0 percent of the total exports to the EU. Primary exports to the region comprised methanol, anhydrous ammonia, mixtures of urea and ammonium nitrate, other petroleum gases and oils and liquefied natural gas. On the import side, Germany was the dominant source market, accounting for TT$810.2 million or 22.0 percent of Trinidad and Tobago's imports from the EU.

Trinidad and Tobago's involvement in the CARIFORUM-European Union (EU) Economic Partnership Agreement (EPA) has played a crucial role in shaping the trade landscape. The ongoing Second Five-Year Review, which commenced in November 2020, is expected to conclude at the end of calendar 2023.

CARIFORUM-UK Economic Partnership Agreement (EPA)

During the October 2022 to June 2023 period, Trinidad and Tobago recorded a trade surplus of TT$51.1 million with the United Kingdom (UK); with total exports amounting to TT$765.2 million, and primarily including anhydrous ammonia, methanol, urea, and aromatic bitters. Over the same period, imports from the UK stood at TT$714.1 million.

Trinidad and Tobago signed onto the CARIFORUM-UK EPA in April 2019, and this Agreement has been provisionally applied[143] since 31 March, 2021. The First Meeting of the Joint CARIFORUM-UK Council is expected to occur in the upcoming fiscal year. The Council is responsible for overseeing the implementation of the EPA, addressing issues that may arise within the framework of the EPA or any other matters of mutual interest that impact trade and reviewing proposals and recommendations from the Parties regarding potential revisions to the CARIFORUM-UK EPA.

[143] Provisional application of the CARIFORUM-UK EPA enables Trinidad and Tobago to implement certain or all components of the CARIFORUM-UK EPA on a temporary basis until the agreement formally enters into force. The CARIFORUM-UK EPA will formally enter into force once all CARIFORUM Member States and the UK have completed their respective domestic procedures, including the submission of Ratification Instruments, to fully enact this agreement.

Appendix 1
Gross Domestic Product of Trinidad and Tobago at Constant (2012) Market Prices
/TT$ Millions/

INDUSTRY	ISIC[1]	2019[r]	2020[r]	2021[r]	2022[p]	Q4* 2022[p]	Q1* 2023[p]	2023[f]
Agriculture, forestry and fishing	A	2,442.6	2,145.3	2,070.1	1,832.0	376.3	415.6	-
Mining and quarrying	B	27,676.8	24,332.7	22,908.6	23,099.6	5,751.3	5,719.2	23,142.1
Manufacturing	C	27,666.3	24,320.6	24,313.5	25,806.3	6,633.8	6,388.4	26,389.8
Food, beverages and tobacco products	CA	5,406.3	4,960.3	5,607.5	7,387.2	1,984.8	1,815.1	8,165.2
Textiles, clothing, leather, wood, paper and printing	CB-C	827.7	735.4	701.8	812.4	249.7	237.5	-
Petroleum and chemical products	CD-E	19,212.9	16,611.5	15,887.9	15,552.6	3,935.7	3,822.1	15,196.9
Other manufactured products	CF-M	2,219.4	2,013.4	2,116.3	2,054.0	463.6	513.7	-
Electricity and gas	D	4,867.6	4,342.6	4,647.4	4,606.7	1,159.5	1,140.3	-
Water supply and sewerage	E	1,894.2	1,946.1	2,004.8	1,994.0	496.8	494.0	-
Construction	F	7,670.5	6,686.5	7,274.2	7,584.8	1,813.5	1,793.1	7,586.8
Trade and repairs	G	38,625.7	33,908.7	31,960.0	33,905.1	9,692.4	8,530.5	35,487.2
Transport and storage	H	5,023.3	3,614.8	3,664.1	4,673.0	1,294.4	1,213.6	4,859.8
Accommodation and food services	I	2,069.2	1,672.5	1,572.0	1,871.3	474.5	501.2	-
Information and communication	J	4,501.7	4,430.3	4,417.0	4,430.5	1,128.9	1,111.6	-
Financial and insurance activities	K	9,856.8	9,660.7	10,152.3	9,838.8	2,441.7	2,458.2	9,839.2
Real estate activities	L	3,217.1	3,193.7	3,181.5	3,170.1	793.9	792.9	-
Professional, scientific and technical services	M	2,855.6	2,559.0	2,021.8	2,983.4	729.2	746.8	-
Administrative and support services	N	4,062.0	3,973.4	3,964.5	4,022.7	1,017.0	1,016.3	-
Public administration	O	11,253.1	11,326.5	11,391.7	11,330.5	2,814.2	2,788.3	11,391.0
Education	P	3,866.0	3,843.8	3,829.4	3,825.8	960.9	958.6	-
Human health and social work	Q	600.3	598.4	598.5	600.9	151.8	151.7	-
Arts, entertainment and recreation	R	383.9	382.3	382.4	384.2	97.3	97.2	-
Other service activities	S	377.7	362.3	413.0	407.6	97.9	90.4	-
Domestic services	T	174.5	176.4	178.1	179.6	45.0	45.1	-
GDP AT BASIC PRICES[2]		**159,084.9**	**143,476.6**	**140,944.8**	**146,546.9**	**37,970.3**	**36,453.0**	**-**
Taxes less subsidies on products		5,576.6	6,237.1	7,215.7	3,809.7	N/A	N/A	-
GDP AT PURCHASER PRICES[3]		**164,661.5**	**149,713.7**	**148,160.5**	**150,356.6**	**N/A**	**N/A**	**154,346.2**
Memo Items:								
Non-Energy Industry GDP[4]		***107,132.5***	***98,355.7***	***97,285.7***	***102,898.7***	***26,991.3***	***25,629.1***	**105,938.6**
Energy Industry GDP[4/5]		***51,952.3***	***45,120.9***	***43,659.2***	***43,648.2***	***10,978.9***	***10,823.9***	**43,366.0**
Crude oil exploration and extraction		*9,022.1*	*8,570.3*	*9,293.1*	*9,279.9*	*2,342.7*	*2,239.4*	*9,185.3*
Condensate extraction		*3,189.4*	*3,045.4*	*2,749.7*	*2,295.2*	*514.8*	*542.7*	*2,290.6*
Natural gas exploration and extraction		*13,715.3*	*11,576.0*	*9,544.7*	*10,096.3*	*2,476.2*	*2,556.0*	*10,070.2*
Asphalt		*226.0*	*279.9*	*78.8*	*99.0*	*45.2*	*57.8*	-
Petroleum support services		*1,427.2*	*769.7*	*1,142.8*	*1,228.1*	*363.2*	*310.9*	-
Refining (incl. LNG)		*6,186.7*	*5,075.0*	*3,517.5*	*3,926.2*	*926.9*	*1,009.4*	-
Manufacture of Petrochemicals		*12,297.8*	*10,784.5*	*11,577.8*	*10,792.3*	*2,806.6*	*2,622.6*	*10,468.0*
Petroleum and natural gas distribution		*5,887.9*	*5,020.1*	*5,754.8*	*5,931.2*	*1,503.3*	*1,485.2*	-

Source: Central Statistical Office and Ministry of Finance

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/ 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).

3/ 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). GDP at Purchaser Prices is the measure of GDP normally referred to in public analysis. GDP at Basic Prices is used to derive GDP at Purchaser Prices. (GDP Purchaser Price = GDP Basic Price + Taxes less subsidies on products).

4/ For the quarterly data: Calculated by the Ministry of Finance based on the Central Statistical Office's GDP estimates under TTSNA industrial groupings.

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

* Q4 refers to the period October to December, while Q1 refers to the period January to March.

r: Revised p: Provisional f: Ministry of Finance Forecast N/A: Not Available

Appendix 2
Gross Domestic Product of Trinidad and Tobago at Constant (2012) Market Prices
/Percentage Change/

INDUSTRY	ISIC[1]	2019[r]	2020[r]	2021[r]	2022[p]	Q4* 2022[p]	Q1* 2023[p]	2023[f]
Agriculture, forestry and fishing	A	(14.2)	(12.2)	(3.5)	(11.5)	(25.5)	(17.8)	-
Mining and quarrying	B	(3.4)	(12.1)	(5.9)	0.8	1.4	2.6	0.2
Manufacturing	C	(2.9)	(12.1)	(0.03)	6.1	7.7	1.6	2.3
Food, beverages and tobacco products	CA	4.0	(8.2)	13.0	31.7	28.9	7.6	10.5
Textiles, clothing, leather, wood, paper and printing	CB-C	(10.4)	(11.1)	(4.6)	15.8	35.0	31.5	-
Petroleum and chemical products	CD-E	(5.5)	(13.5)	(4.4)	(2.1)	(0.1)	(1.8)	(2.3)
Other manufactured products	CF-M	8.7	(9.3)	5.1	(2.9)	(6.9)	(1.9)	-
Electricity and gas	D	1.6	(10.8)	7.0	(0.9)	0.7	(0.8)	-
Water supply and sewerage	E	(3.1)	2.7	3.0	(0.5)	(0.3)	(0.7)	-
Construction	F	(5.5)	(12.8)	8.8	4.3	4.0	(8.6)	0.03
Trade and repairs	G	8.0	(12.2)	(5.7)	6.1	5.3	10.9	4.7
Transport and storage	H	(2.6)	(28.0)	1.4	27.5	29.4	16.7	4.0
Accommodation and food services	I	(0.5)	(19.2)	(6.0)	19.0	13.3	17.5	-
Information and communication	J	2.0	(1.6)	(0.3)	0.3	1.2	1.4	-
Financial and insurance activities	K	8.0	(2.0)	5.1	(3.1)	(3.7)	(2.1)	0.004
Real estate activities	L	(0.5)	(0.7)	(0.4)	(0.4)	(0.1)	(0.05)	-
Professional, scientific and technical services	M	7.2	(10.4)	(21.0)	47.6	16.0	4.6	-
Administrative and support services	N	(0.2)	(2.2)	(0.2)	1.5	2.1	2.0	-
Public administration	O	1.3	0.7	0.6	(0.5)	(1.2)	(0.6)	0.5
Education	P	0.7	(0.6)	(0.4)	(0.1)	0.3	0.1	-
Human health and social work	Q	(0.5)	(0.3)	0.02	0.4	1.4	1.4	-
Arts, entertainment and recreation	R	(0.05)	(0.4)	0.01	0.5	1.6	1.7	-
Other service activities	S	1.8	(4.1)	14.0	(1.3)	(19.5)	(19.3)	-
Domestic services	T	1.2	1.1	1.0	0.8	0.8	0.8	-
GDP AT BASIC PRICES[2]		**0.8**	**(9.8)**	**(1.8)**	**4.0**	**3.6**	**3.0**	**-**
Taxes less subsidies on products		(10.3)	11.8	15.7	(47.2)	N/A	N/A	-
GDP AT PURCHASER PRICES[3]		**0.4**	**(9.1)**	**(1.0)**	**1.5**	**N/A**	**N/A**	**2.7**
Memo Items:								
Non-Energy Industry GDP[4]		***2.0***	***(8.2)***	***(1.1)***	***5.8***	***5.0***	***4.2***	***3.0***
Energy Industry GDP[4,5]		***(1.6)***	***(13.1)***	***(3.2)***	***(0.03)***	***0.4***	***0.3***	***(0.6)***
Crude oil exploration and extraction		*(7.7)*	*(5.0)*	*8.4*	*(0.1)*	*(5.3)*	*(4.5)*	*(1.0)*
Condensate extraction		*(2.1)*	*(4.5)*	*(9.7)*	*(16.5)*	*(9.0)*	*(8.2)*	*(0.2)*
Natural gas exploration and extraction		*0.01*	*(15.6)*	*(17.5)*	*5.8*	*4.0*	*1.7*	*(0.3)*
Asphalt		*31.5*	*23.8*	*(71.8)*	*25.6*	*224.6*	*2,487.8*	-
Petroleum support services		*(11.8)*	*(46.1)*	*48.5*	*7.5*	*49.0*	*139.5*	-
Refining (incl. LNG)		*(28.0)*	*(18.0)*	*(30.7)*	*11.6*	*1.9*	*(1.0)*	-
Manufacture of Petrochemicals		*11.4*	*(12.3)*	*7.4*	*(6.8)*	*(2.1)*	*(3.5)*	*(3.0)*
Petroleum and natural gas distribution		*27.5*	*(14.7)*	*14.6*	*3.1*	*1.7*	*0.4*	-

Source: Central Statistical Office and Ministry of Finance

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/ 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).

3/ 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). GDP at Purchaser Prices is the measure of GDP normally referred to in public analysis. GDP at Basic Prices is used to derive GDP at Purchaser Prices. (GDP Purchaser Price = GDP Basic Price + Taxes less subsidies on products).

4/ For the quarterly data: Calculated by the Ministry of Finance based on the Central Statistical Office's GDP estimates under TTSNA industrial groupings.

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

* Refers to the quarterly year-on-year percentage change

r: Revised p: Provisional f: Ministry of Finance Forecast N/A: Not Available

Appendix 3
Gross Domestic Product of Trinidad and Tobago at Constant (2012) Market Prices
/Percentage Contribution/

INDUSTRY	ISIC[1]	2019[r]	2020[r]	2021[r]	2022[p]	Q4* 2022[p]	Q1* 2023[p]	2023[f]
Agriculture, forestry and fishing	A	1.5	1.4	1.4	1.2	1.0	1.1	-
Mining and quarrying	B	16.8	16.3	15.5	15.4	15.1	15.7	15.0
Manufacturing	C	16.8	16.2	16.4	17.2	17.5	17.5	17.1
Food, beverages and tobacco products	CA	3.3	3.3	3.8	4.9	5.2	5.0	5.3
Textiles, clothing, leather, wood, paper and printing	CB-C	0.5	0.5	0.5	0.5	0.7	0.7	-
Petroleum and chemical products	CD-E	11.7	11.1	10.7	10.3	10.4	10.5	9.8
Other manufactured products	CF-M	1.3	1.3	1.4	1.4	1.2	1.4	-
Electricity and gas	D	3.0	2.9	3.1	3.1	3.1	3.1	-
Water supply and sewerage	E	1.2	1.3	1.4	1.3	1.3	1.4	-
Construction	F	4.7	4.5	4.9	5.0	4.8	4.9	4.9
Trade and repairs	G	23.5	22.6	21.6	22.5	25.5	23.4	23.0
Transport and storage	H	3.1	2.4	2.5	3.1	3.4	3.3	3.1
Accommodation and food services	I	1.3	1.1	1.1	1.2	1.2	1.4	-
Information and communication	J	2.7	3.0	3.0	2.9	3.0	3.0	-
Financial and insurance activities	K	6.0	6.5	6.9	6.5	6.4	6.7	6.4
Real estate activities	L	2.0	2.1	2.1	2.1	2.1	2.2	-
Professional, scientific and technical services	M	1.7	1.7	1.4	2.0	1.9	2.0	-
Administrative and support services	N	2.5	2.7	2.7	2.7	2.7	2.8	-
Public administration	O	6.8	7.6	7.7	7.5	7.4	7.6	7.4
Education	P	2.3	2.6	2.6	2.5	2.5	2.6	-
Human health and social work	Q	0.4	0.4	0.4	0.4	0.4	0.4	-
Arts, entertainment and recreation	R	0.2	0.3	0.3	0.3	0.3	0.3	-
Other service activities	S	0.2	0.2	0.3	0.3	0.3	0.2	-
Domestic services	T	0.1	0.1	0.1	0.1	0.1	0.1	-
GDP AT BASIC PRICES[2]		**96.6**	**95.8**	**95.1**	**97.5**	**100.0**	**100.0**	**-**
Taxes less subsidies on products		3.4	4.2	4.9	2.5	N/A	N/A	-
GDP AT PURCHASER PRICES[3]		**100.0**	**100.0**	**100.0**	**100.0**	**N/A**	**N/A**	**100.0**
Memo Items:								
Non-Energy Industry GDP[4]		***65.1***	***65.7***	***65.7***	***68.4***	***71.1***	***70.3***	**68.6**
Energy Industry GDP[4,5]		***31.6***	***30.1***	***29.5***	***29.0***	***28.9***	***29.7***	**28.1**
Crude oil exploration and extraction		*5.5*	*5.7*	*6.3*	*6.2*	*6.2*	*6.1*	*6.0*
Condensate extraction		*1.9*	*2.0*	*1.9*	*1.5*	*1.4*	*1.5*	*1.5*
Natural gas exploration and extraction		*8.3*	*7.7*	*6.4*	*6.7*	*6.5*	*7.0*	*6.5*
Asphalt		*0.1*	*0.2*	*0.1*	*0.1*	*0.1*	*0.2*	-
Petroleum support services		*0.9*	*0.5*	*0.8*	*0.8*	*1.0*	*0.9*	-
Refining (incl. LNG)		*3.8*	*3.4*	*2.4*	*2.6*	*2.4*	*2.8*	-
Manufacture of Petrochemicals		*7.5*	*7.2*	*7.8*	*7.2*	*7.4*	*7.2*	*6.8*
Petroleum and natural gas distribution		*3.6*	*3.4*	*3.9*	*3.9*	*4.0*	*4.1*	-

Source: Central Statistical Office and Ministry of Finance

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/ 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).

3/ 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). GDP at Purchaser Prices is the measure of GDP normally referred to in public analysis. GDP at Basic Prices is used to derive GDP at Purchaser Prices. (GDP Purchaser Price = GDP Basic Price + Taxes less subsidies on products).

4/ For the quarterly data: Calculated by the Ministry of Finance based on the Central Statistical Office's GDP estimates under TTSNA industrial groupings.

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

* Refers to percent contribution of GDP at basic prices for the period October to December 2022 and January to March 2023, respectively.

r: Revised p: Provisional f: Ministry of Finance Forecast N/A: Not Available

Appendix 4
Gross Domestic Product of Trinidad and Tobago at Market Prices (Current Prices)
/TT$ Millions/

INDUSTRY	ISIC[1]	2019[r]	2020[r]	2021[r]	2022[p]	Q4* 2022[p]	Q1* 2023[p]	2023[f]
Agriculture, forestry and fishing	A	2,545.4	2,496.2	2,435.3	2,186.1	511.6	577.7	-
Mining and quarrying	B	20,043.1	12,238.7	22,329.2	40,147.1	9,362.3	6,904.5	28,277.4
Manufacturing	C	24,925.3	20,087.1	31,153.6	45,147.3	10,935.3	8,646.1	40,418.1
Food, beverages and tobacco products	CA	9,550.6	8,999.1	9,903.7	12,585.2	3,277.5	3,036.6	13,910.6
Textiles, clothing, leather, wood, paper and printing	CB-C	1,011.2	905.9	891.5	1,070.8	349.8	338.4	-
Petroleum and chemical products	CD-E	12,290.8	8,282.7	18,293.9	29,432.0	6,888.7	4,774.6	23,065.8
Other manufactured products	CF-M	2,072.8	1,899.5	2,064.5	2,059.3	419.3	496.5	-
Electricity and gas	D	2,014.2	1,567.6	2,209.9	2,755.0	689.1	567.6	-
Water supply and sewerage	E	2,168.9	2,096.3	2,171.6	2,189.7	540.1	569.7	-
Construction	F	8,207.9	7,241.1	8,286.0	9,104.4	2,162.4	2,116.2	9,106.9
Trade and repairs	G	37,384.3	35,107.5	35,258.6	39,619.5	11,545.1	9,847.5	39,899.1
Transport and storage	H	6,082.2	4,359.1	4,498.8	6,352.3	1,827.1	1,793.4	7,184.7
Accommodation and food services	I	2,555.2	2,168.6	2,112.8	2,565.6	661.2	695.6	-
Information and communication	J	3,977.5	3,888.9	3,879.2	3,968.0	1,006.4	992.1	-
Financial and insurance activities	K	12,340.2	10,123.2	11,185.3	11,440.5	2,907.8	2,868.1	11,441.0
Real estate activities	L	3,385.5	3,404.4	3,407.2	3,429.2	870.1	866.8	-
Professional, scientific and technical services	M	3,791.7	3,416.6	2,743.9	4,171.0	1,020.7	1,057.2	-
Administrative and support services	N	5,129.2	5,074.0	5,137.2	5,335.6	1,362.8	1,379.2	-
Public administration	O	13,661.5	13,689.1	13,795.1	13,728.0	3,409.6	3,378.3	13,801.2
Education	P	4,224.3	4,167.5	4,145.9	4,140.4	1,033.9	1,030.6	-
Human health and social work	Q	864.7	890.5	916.4	921.0	234.2	236.1	-
Arts, entertainment and recreation	R	415.8	413.2	417.7	425.8	109.3	112.9	-
Other service activities	S	629.8	602.0	699.5	719.0	172.3	159.2	-
Domestic services	T	294.3	297.5	300.4	302.8	75.9	76.1	-
GDP AT BASIC PRICES[2]		**154,641.0**	**133,329.0**	**157,083.5**	**198,648.2**	**50,437.2**	**43,875.0**	**-**
Taxes less subsidies on products		5,947.6	7,145.0	8,476.1	4,336.6	N/A	N/A	-
GDP AT PURCHASER PRICES[3]		**160,588.6**	**140,474.0**	**165,559.6**	**202,984.9**	**N/A**	**N/A**	**190,214.3**
Memo Items:								
Non-Energy Industry GDP[4]		**121,157.9**	**112,302.9**	**114,069.8**	**125,759.9**	**33,441.4**	**31,659.1**	**130,067.6**
Energy Industry GDP[4,5]		**33,483.1**	**21,026.1**	**43,013.7**	**72,888.3**	**16,995.8**	**12,215.9**	**53,672.3**
Crude oil exploration and extraction		*5,702.7*	*3,601.6*	*6,498.7*	*9,197.5*	*2,048.1*	*1,725.6*	*7,460.9*
Condensate extraction		*1,926.7*	*1,225.4*	*1,805.0*	*2,178.1*	*427.8*	*397.8*	*1,860.6*
Natural gas exploration and extraction		*10,898.1*	*6,541.5*	*12,737.5*	*27,302.9*	*6,457.3*	*4,401.6*	*17,453.3*
Asphalt		*(3.3)*	*(7.2)*	*(5.0)*	*(5.8)*	*(2.1)*	*(2.5)*	-
Petroleum support services		*1,390.2*	*755.9*	*1,153.8*	*1,327.3*	*398.1*	*340.6*	-
Refining (incl. LNG)		*4,346.3*	*2,096.7*	*4,559.6*	*10,416.8*	*2,335.6*	*1,583.2*	-
Manufacture of Petrochemicals		*7,327.3*	*5,548.2*	*13,053.6*	*18,298.2*	*4,369.1*	*3,015.8*	*14,775.3*
Petroleum and natural gas distribution		*1,895.0*	*1,264.1*	*3,210.7*	*4,173.4*	*961.9*	*753.7*	-

Source: Central Statistical Office and Ministry of Finance

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/ 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).

3/ 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). GDP at Purchaser Prices is the measure of GDP normally referred to in public analysis. GDP at Basic Prices is used to derive GDP at Purchaser Prices. (GDP Purchaser Price = GDP Basic Price + Taxes less subsidies on products).

4/ For the quarterly data: Calculated by the Ministry of Finance based on the Central Statistical Office's GDP estimates under TTSNA industrial groupings.

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

* Q4 refers to the period October to December, while Q1 refers to the period January to March.

r: Revised p: Provisional f: Ministry of Finance Forecast N/A: Not Available

Appendix 5

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

INDUSTRY	ISIC[1]	2019[r]	2020[r]	2021[r]	2022[p]	Q4* 2022[p]	Q1* 2023[p]	2023[f]
Agriculture, forestry and fishing	A	(10.1)	(1.9)	(2.4)	(10.2)	(10.3)	(6.2)	-
Mining and quarrying	B	(6.6)	(38.9)	82.4	79.8	29.6	(26.1)	(29.6)
Manufacturing	C	(12.2)	-19.4	55.1	44.9	11.6	(23.5)	(10.5)
Food, beverages and tobacco products	CA	0.02	(5.8)	10.1	27.1	18.7	3.9	10.5
Textiles, clothing, leather, wood, paper and printing	CB-C	(7.9)	(10.4)	(1.6)	20.1	47.8	45.8	-
Petroleum and chemical products	CD-E	(20.9)	(32.6)	120.9	60.9	8.4	(37.2)	(21.6)
Other manufactured products	CF-M	(6.2)	(8.4)	8.7	(0.3)	(7.3)	(8.5)	-
Electricity and gas	D	(40.3)	(22.2)	41.0	24.7	6.5	(15.2)	-
Water supply and sewerage	E	(5.2)	(3.3)	3.6	0.8	2.1	1.7	-
Construction	F	(4.7)	(11.8)	14.4	9.9	6.2	(9.4)	0.03
Trade and repairs	G	(0.2)	(6.1)	0.4	12.4	9.5	12.0	0.7
Transport and storage	H	5.3	(28.3)	3.2	41.2	46.1	38.5	13.1
Accommodation and food services	I	1.2	(15.1)	(2.6)	21.4	17.6	20.3	-
Information and communication	J	2.8	(2.2)	(0.2)	2.3	2.2	0.4	-
Financial and insurance activities	K	8.2	(18.0)	10.5	2.3	0.4	0.2	0.004
Real estate activities	L	1.1	0.6	0.1	0.6	2.2	2.1	-
Professional, scientific and technical services	M	10.1	(9.9)	(19.7)	52.0	18.6	7.3	-
Administrative and support services	N	0.6	(1.1)	1.2	3.9	5.1	5.8	-
Public administration	O	(0.5)	0.2	0.8	(0.5)	(1.2)	(0.6)	0.5
Education	P	3.6	(1.3)	(0.5)	(0.1)	(0.2)	(0.5)	-
Human health and social work	Q	12.8	3.0	2.9	0.5	0.2	1.4	-
Arts, entertainment and recreation	R	1.4	(0.6)	1.1	1.9	4.2	10.5	-
Other service activities	S	3.5	(4.4)	16.2	2.8	(17.8)	(18.1)	-
Domestic services	T	1.2	1.1	1.0	0.8	0.8	0.8	-
GDP AT BASIC PRICES[2]		**(3.2)**	**(13.8)**	**17.8**	**26.5**	**11.7**	**(7.7)**	**-**
Taxes less subsidies on products		(9.6)	20.1	18.6	(48.8)	N/A	N/A	-
GDP AT PURCHASER PRICES[3]		**(3.5)**	**(12.5)**	**17.9**	**22.6**	**N/A**	**N/A**	**(6.3)**
Memo Items:								
Non-Energy Industry GDP[4]		**1.0**	**(7.3)**	**1.6**	**10.2**	**8.7**	**6.5**	**3.4**
Energy Industry GDP[4,5]		**(15.9)**	**(37.2)**	**104.6**	**69.5**	**18.0**	**(31.4)**	**(26.4)**
Crude oil exploration and extraction		*(8.6)*	*(36.8)*	*80.4*	*41.5*	*7.7*	*(23.8)*	*(18.9)*
Condensate extraction		*(2.4)*	*(36.4)*	*47.3*	*20.7*	*3.3*	*(26.9)*	*(14.6)*
Natural gas exploration and extraction		*(5.8)*	*(40.0)*	*94.7*	*114.4*	*39.7*	*(30.8)*	*(36.1)*
Asphalt		*(189.0)*	*117.9*	*(30.2)*	*16.2*	*77.5*	*416.8*	-
Petroleum support services		*(10.9)*	*(45.6)*	*52.6*	*15.0*	*59.4*	*153.8*	-
Refining (incl. LNG)		*(34.1)*	*(51.8)*	*117.5*	*128.5*	*24.2*	*(39.3)*	-
Manufacture of Petrochemicals		*(12.1)*	*(24.3)*	*135.3*	*40.2*	*1.6*	*(37.5)*	*(19.3)*
Petroleum and natural gas distribution		*(46.7)*	*(33.3)*	*154.0*	*30.0*	*(7.5)*	*(29.7)*	-

Source: Central Statistical Office and Ministry of Finance

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/ 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).

3/ 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). GDP at Purchaser Prices is the measure of GDP normally referred to in public analysis. GDP at Basic Prices is used to derive GDP at Purchaser Prices. (GDP Purchaser Price = GDP Basic Price + Taxes less subsidies on products).

4/ For the quarterly data: Calculated by the Ministry of Finance based on the Central Statistical Office's GDP estimates under TTSNA industrial grouping.

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

* Refers to the quarterly year-on-year percentage change

r: Revised p: Provisional f: Ministry of Finance Forecast N/A: Not Available

Appendix 6

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

INDUSTRY	ISIC[1]	2019[r]	2020[r]	2021[r]	2022[p]	Q4* 2022[p]	Q1* 2023[p]	2023[f]
Agriculture, forestry and fishing	A	1.6	1.8	1.5	1.1	1.0	1.3	-
Mining and quarrying	B	12.5	8.7	13.5	19.8	18.6	15.7	14.9
Manufacturing	C	15.5	14.3	18.8	22.2	21.7	19.7	21.2
Food, beverages and tobacco products	CA	5.9	6.4	6.0	6.2	6.5	6.9	7.3
Textiles, clothing, leather, wood, paper and printing	CB-C	0.6	0.6	0.5	0.5	0.7	0.8	-
Petroleum and chemical products	CD-E	7.7	5.9	11.0	14.5	13.7	10.9	12.1
Other manufactured products	CF-M	1.3	1.4	1.2	1.0	0.8	1.1	-
Electricity and gas	D	1.3	1.1	1.3	1.4	1.4	1.3	-
Water supply and sewerage	E	1.4	1.5	1.3	1.1	1.1	1.3	-
Construction	F	5.1	5.2	5.0	4.5	4.3	4.8	4.8
Trade and repairs	G	23.3	25.0	21.3	19.5	22.9	22.4	21.0
Transport and storage	H	3.8	3.1	2.7	3.1	3.6	4.1	3.8
Accommodation and food services	I	1.6	1.5	1.3	1.3	1.3	1.6	-
Information and communication	J	2.5	2.8	2.3	2.0	2.0	2.3	-
Financial and insurance activities	K	7.7	7.2	6.8	5.6	5.8	6.5	6.0
Real estate activities	L	2.1	2.4	2.1	1.7	1.7	2.0	-
Professional, scientific and technical services	M	2.4	2.4	1.7	2.1	2.0	2.4	-
Administrative and support services	N	3.2	3.6	3.1	2.6	2.7	3.1	-
Public administration	O	8.5	9.7	8.3	6.8	6.8	7.7	7.3
Education	P	2.6	3.0	2.5	2.0	2.0	2.3	-
Human health and social work	Q	0.5	0.6	0.6	0.5	0.5	0.5	-
Arts, entertainment and recreation	R	0.3	0.3	0.3	0.2	0.2	0.3	-
Other service activities	S	0.4	0.4	0.4	0.4	0.3	0.4	-
Domestic services	T	0.2	0.2	0.2	0.1	0.2	0.2	-
GDP AT BASIC PRICES[2]		**96.3**	**94.9**	**94.9**	**97.9**	**100.0**	**100.0**	**-**
Taxes less subsidies on products		3.7	5.1	5.1	2.1	N/A	N/A	-
GDP AT PURCHASER PRICES[3]		**100.0**	**100.0**	**100.0**	**100.0**	**N/A**	**N/A**	**100.0**
Memo Items:								
Non-Energy Industry GDP[4]		**75.4**	**79.9**	**68.9**	**62.0**	**66.3**	**72.2**	**68.4**
Energy Industry GDP[4,5]		**20.9**	**15.0**	**26.0**	**35.9**	**33.7**	**27.8**	**28.2**
Crude oil exploration and extraction		*3.6*	*2.6*	*3.9*	*4.5*	*4.1*	*3.9*	*3.9*
Condensate extraction		*1.2*	*0.9*	*1.1*	*1.1*	*0.8*	*0.9*	*1.0*
Natural gas exploration and extraction		*6.8*	*4.7*	*7.7*	*13.5*	*12.8*	*10.0*	*9.2*
Asphalt		*(0.002)*	*(0.005)*	*(0.003)*	*(0.003)*	*(0.004)*	*(0.006)*	-
Petroleum support services		*0.9*	*0.5*	*0.7*	*0.7*	*0.8*	*0.8*	-
Refining (incl. LNG)		*2.7*	*1.5*	*2.8*	*5.1*	*4.6*	*3.6*	-
Manufacture of Petrochemicals		*4.6*	*3.9*	*7.9*	*9.0*	*8.7*	*6.9*	*7.8*
Petroleum and natural gas distribution		*1.2*	*0.9*	*1.9*	*2.1*	*1.9*	*1.7*	-

Source: Central Statistical Office and Ministry of Finance

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/ 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).

3/ 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). GDP at Purchaser Prices is the measure of GDP normally referred to in public analysis. GDP at Basic Prices is used to derive GDP at Purchaser Prices. (GDP Purchaser Price = GDP Basic Price + Taxes less subsidies on products).

4/ For the quarterly data: Calculated by the Ministry of Finance based on the Central Statistical Office's GDP estimates under TTSNA industrial groupings.

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

* Refers to percent contribution of GDP at basic prices for the period October to December 2022 and January to March 2023, respectively.

r: Revised p: Provisional f: Ministry of Finance Forecast N/A: Not Available

Appendix 7
Development and Exploratory Drilling and Domestic Crude Production

Development and Exploratory Drilling (thousand metres)

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22	Oct '21/ Jun '22	Oct '22/ Jun '23p
Total Depth Drilled	94.6	99.0	61.5	67.8	69.7	38.6	54.8
Land	36.2	35.0	15.3	12.4	39.0	22.2	35.2
Marine	58.5	64.0	46.2	55.3	30.7	16.5	19.6
Development Drilling	81.9	59.3	17.4	47.4	40.2	23.4	43.7
Exploratory Drilling	12.7	39.8	44.1	20.4	29.5	15.3	11.1

Number of Wells Drilled

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22	Oct '21/ Jun '22	Oct '22/ Jun '23p
No. of Wells Drilled*	50	45	22	25	35	22	42
Development	46	34	9	19	29	19	38
Exploratory	4	11	13	6	6	3	4

Domestic Crude and Condensate Production

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22	Oct '21/ Jun '22	Oct '22/ Jun '23p
Total Crude and Condensate							
Barrels of Oil per day (BOPD)	66,878	58,351	57,211	58,619	59,266	59,736	56,537**
Land (%)	32.2	32.5	31.6	30.2	29.5	29.2	32.2
Marine (%)	67.8	67.5	68.4	69.8	70.5	70.8	67.8
Crude Production							
Barrels of Oil per day (BOPD)	57,153	49,141	48,999	50,220	52,791	53,306	50,708
Condensate Production							
Barrels of Oil per day (BOPD)	9,726	9,210	8,212	8,398	6,475	6,430	5,829

Source: Ministry of Energy and Energy Industries

p: Provisional

* Refers to wells started during the period

** Updated data for crude oil and condensate production (up to July 2023) indicates that output totalled 51,582 barrels per day in July. The average production over the period October 2022 to July 2023 was therefore 56,059 barrels per day, reflecting a decline of 5.9 percent compared to the similar period one year earlier.

Appendix 8

Natural Gas Production and Utilisation

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22	Oct '21/ Jun '22	Oct '22/ Jun '23p
Natural Gas Production (MMSCF/D)[1]	3,582.3	3,592.3	3,284.5	2,574.0	2,677.6	2,621.5	2,618.0*
Natural Gas Utilisation (MMSCF/D)[1]							
Power Generation	243.9	251.3	238.3	245.2	266.8	260.1	249.3
Ammonia Manufacture	546.2	570.9	503.6	503.1	483.5	485.1	454.6
Methanol Manufacture	493.2	534.7	461.4	524.8	516.6	504.1	531.4
Refinery	73.7	9.3	0.0	0.0	0.0	0.0	0.0
Iron & Steel Manufacture	43.5	43.4	39.5	45.6	42.7	41.8	38.3
Cement Manufacture	11.1	11.1	10.3	11.7	12.2	11.9	11.1
Ammonia Derivatives	20.3	19.8	25.5	21.9	19.1	20.8	16.8
Gas Processing	24.3	23.9	22.8	21.4	18.9	19.2	16.1
Gas to Liquids	n/a	n/a	n/a	4.9	3.3	0.5	10.4
Small Consumers	8.0	7.8	8.3	8.7	9.3	9.0	9.5
Liquefied Natural Gas (LNG)	1,912.6	1,968.6	1,838.9	1,062.6	1,203.2	1,169.0	1,192.0

Source: Ministry of Energy and Energy Industries

[1] Millions of Standard Cubic Feet per day

p: Provisional

n/a: not available

* Updated data for natural gas production (up to July 2023) indicates that output totalled 2,535.5 million standard cubic feet per day in July. The average production over the period October 2022 to July 2023 was therefore 2,617.0 million standard cubic feet per day, reflecting a decrease of 1.1 percent compared to the similar period one year earlier.

Appendix 9

Liquefied Natural Gas and Natural Gas Liquids Production and Export and Refinery Throughput

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22	Oct '21/ Jun '22	Oct '22/ Jun '23p
Liquefied Natural Gas (LNG)							
Production[1] (Trillion Btu)[3]	629.0	644.0	600.9	346.6	398.1	287.9	295.1*
Export[2] (Trillion Btu)[3]	633.9	643.0	601.0	336.9	394.8	287.0	286.0
Natural Gas Liquids (Thousands of Barrels)							
Production	9,216.8	8,538.2	7,759.2	5,953.9	5,906.3	4,506.3	3,452.1
Export	8,047.4	7,818.1	7,130.2	5,271.3	4,992.8	3,781.0	2,864.2
Propane							
Production	3,082.2	2,766.8	2,407.0	1,931.5	1,874.6	1,450.4	1,048.2
Export	2,880.2	2,467.9	2,065.0	1,757.2	1,441.5	1,092.8	793.7
Butane							
Production	2,603.2	2,344.1	2,103.1	1,488.9	1,483.8	1,131.3	851.2
Export	1,380.6	1,919.6	1,602.4	983.0	1,016.0	799.1	524.2
Natural Gasoline							
Production	3,531.4	3,427.2	3,249.2	2,533.5	2,547.9	1,924.5	1,552.7
Export	3,786.6	3,430.6	3,462.8	2,531.1	2,535.3	1,889.1	1,546.3
Petrotrin Refinery Throughput (BOPD)	128,878	4,104^	0	0	0	0	0

Source: Ministry of Energy and Energy Industries

1 Refers to output of LNG from LNG Trains.

2 Not all LNG produced within a period is sold during the same period, as some LNG may be stored for export later.

3 Trillions of British Thermal Units

* Updated data for LNG production (up to July 2023) indicates that output amounted to 30.6 trillion BTU in July. The total production over the period October 2022 to July 2023 was therefore 325.7 trillion BTU, reflecting an increase of 0.3 percent compared to the similar period one year earlier.

^Output of refined products averaged 49,242 bopd during the only month for which production occurred in fiscal 2019, consequent to the cessation of operations at the Refinery at the end of October 2018.

p: Provisional

Appendix 10
Petrochemical Production and Export
/Tonnes '000/

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22	Oct '21/ Jun '22p	Oct '22/ Jun '23p
Nitrogeneous Fertilisers							
Ammonia							
Production	4,872.0	5,504.3	5,040.5	4,900.5	4,601.8	3,469.5	3,233.4*
Export	4,458.8	4,630.0	4,022.1	3,825.6	3,734.1	2,788.9	2,678.6
Urea							
Production	638.0	583.5	690.1	719.5	459.0	431.6	293.2*
Export	648.0	582.6	694.4	714.6	475.0	437.4	296.8
Methanol							
Production	5,104.0	5,564.9	4,698.3	5,377.1	5,317.1	3,841.1	4,214.2*
Export	5,006.6	5,569.1	4,779.2	5,275.2	5,158.0	3,655.6	4,206.7
Urea Ammonium Nitrate							
Production	1,142.5	1,386.6	1,421.9	1,457.8	1,425.5	1,071.2	792.9*
Export	1,157.1	1,466.5	1,367.7	1,493.7	1,409.7	1,019.7	791.7
Melamine							
Production	24.9	27.7	27.3	26.0	30.2	22.6	17.1
Export	24.9	28.6	25.8	25.9	29.6	22.3	16.9

Source: Ministry of Energy and Energy Industries

p: Provisional

* Updated data for petrochemical production (up to July 2023) indicates that over the period October 2022 to July 2023, methanol production totalled 4,703.7 thousand metric tonnes; ammonia output totalled 3,570.2 thousand metric tonnes; urea output amounted to 350.3 thousand metric tonnes; and urea ammonium nitrate production was 905.0 thousand metric tonnes. These represented an increase in output of methanol by 8.2 percent and declines in output of other petrochemical products; ammonia (7.2 percent), urea (21.0 percent), and UAN (25.0 percent); when compared to the similar period one year earlier.

Appendix 11
Change in the Index of Retail Prices
/Percentage Change/

	Weights	2018	2019	2020	2021	2022	August * 2022	August * 2023
Index of Retail Prices (Calendar Year)								
All Items (Base Year = Jan 2015)	***1,000***	**1.0**	**1.0**	**0.6**	**2.1**	**5.8**	**6.3**	**4.0**
Food and Non-Alcoholic Beverages	*173*	1.1	0.5	2.8	4.4	10.5	11.7	5.6
Core	*827*	1.0	1.1	0.1	1.5	4.7	5.0	3.7
Alcoholic Beverages and Tobacco	*9*	-0.1	1.9	2.4	3.2	2.3	3.6	3.5
Clothing and Footwear	*57*	-4.5	-2.6	-3.8	-2.8	0.4	0.0	-0.4
Home Ownership**	*193*	2.9	1.0	0.5	3.9	7.6	7.4	-0.1
Rent**	*22*	1.1	1.6	1.5	0.6	0.6	0.6	1.5
Water, Electricity, Gas and Other Fuels**	*60*	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Furnishings, Household Equip. and Routine Maint. of the House	*67*	-0.5	-0.1	0.7	0.9	6.2	7.7	3.5
Health	*41*	1.6	5.5	2.7	2.9	2.2	3.0	2.2
Transport	*147*	1.9	1.4	-1.0	1.8	7.8	8.6	7.8
Communication	*45*	-1.4	0.4	-0.2	0.2	2.4	1.7	1.5
Recreation and Culture	*66*	0.8	0.3	-0.5	0.3	0.5	0.5	10.6
Education	*10*	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hotels, Cafes and Restaurants	*25*	2.6	2.0	1.7	0.9	5.5	5.9	8.2
Miscellaneous Goods and Services	*85*	0.6	2.8	1.0	-0.1	3.0	2.8	6.7

Source: Central Statistical Office

* Year-on-Year, end of period inflation rate.

** The overall category of Housing, Water, Electricity, Gas and Other Fuels includes the following sub-components: Home Ownership; Rent; and Water, Electrictiy, Gas and Other Fuels.

Appendix 12
Change in Productivity and Average Weekly Earnings
/Percentage Change/

	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	Jan '22/ Mar '22	Jan '23/ Mar '23
Index of Productivity (Fiscal Year)							
All workers/all industries (Base Year = 1995)	**6.3**	**7.7**	**-0.4**	**26.2**	**106.2**	**104.7**	**27.4**
Non-Energy	**6.9**	**27.3**	**5.5**	**35.2**	**134.8**	**135.1**	**30.7**
Food Processing	6.0	39.5	13.8	31.6	41.1	26.5	43.4
Drink and Tobacco	19.2	35.2	-1.6	55.0	104.0	200.5	14.1
Textiles, Garments and Footwear	2.9	0.5	0.9	-2.1	-3.5	-3.6	-8.9
Printing, Publishing and Paper Converters	-20.0	-12.8	-12.2	-13.1	-10.9	-9.9	-13.8
Wood and Related Products	-11.6	-7.8	0.4	5.0	4.1	4.0	-1.3
Chemicals	5.4	26.0	13.6	3.5	0.6	0.4	-4.3
Assembly Type & Related Products	-3.9	9.7	15.0	98.7	907.0	1,000.2	57.8
Miscellaneous Manufacturing	7.6	4.9	0.7	19.4	8.5	19.0	-5.9
Electricity	-4.7	-2.1	6.3	-0.7	7.1	8.3	-24.0
Water	-11.4	0.004	3.6	8.3	-2.6	4.5	-4.6
Petrochemicals	3.5	6.3	-10.3	15.5	-22.6	-22.9	-10.6
Exploration and Production of Oil and Natural Gas	4.5	-2.1	0.2	-3.9	7.5	4.0	1.0
Oil Refining	9.8	-90.8 *	-100.0	n/a	n/a	n/a	n/a
Natural Gas Refining	-6.8	-7.2	-9.8	-23.1	-1.2	-9.9	-14.8
Index of Average Weekly Earnings (Fiscal Year)							
All workers/all industries (Base Year = 1995) ***1,000***	**5.2**	**-19.7**	**-15.2**	**0.1**	**2.7**	**1.5**	**4.6**

Source: Central Statistical Office

* Data available for the period October to December only, due to the cessation of operations at the Refinery at the end of October 2018.

n/a: not applicable due to the closure of the Petrotrin Refinery in the 1st quarter of fiscal 2019.

Appendix 13
Population, Labour Force and Employment (Mid-year)

	2017*p	2018*p	2019*p	2020*p	2021*p	2022*p	2023*p
TOTAL POPULATION+	1,356,633	1,359,193	1,363,985	1,366,725	1,367,558	1,365,805	1,367,510
% change	0.2	0.2	0.4	0.2	0.1	-0.1	0.1
TOTAL MALE+	680,661	681,946	684,350	685,725	686,143	685,263	686,119
% change	0.2	0.2	0.4	0.2	0.1	-0.1	0.1
TOTAL FEMALE+	675,972	677,247	679,635	681,000	681,415	680,542	681,391
% change	0.2	0.2	0.4	0.2	0.1	-0.1	0.1
Dependency Ratio[1] (%)	42.0	42.0	42.0	42.0	41.9	41.9	41.9
Non Institutional Pop.15 yrs and over	1,071,200	1,072,400	1,076,400	1,079,700	1,080,200	1,080,700	1,081,400^
Labour Force**	633,700	633,900	617,300	603,800	592,200	594,600	602,500^
Persons Employed	603,100	609,100	591,100	569,800	560,400	565,300	576,700^
Persons Unemployed	30,600	24,900	26,300	34,100	31,800	29,300	25,800^
Participation Rate[2] (%)	59.2	59.1	57.3	55.9	54.8	55.0	55.7^
Unemployment Rate (%)	4.8	3.9	4.3	5.6	5.4	4.9	4.3^
Births per 1,000 persons+	12.82	12.67	11.77	11.51	10.40	10.25	9.56
Deaths per 1,000 persons+	8.59	8.58	8.26	9.50	9.79	13.44	10.21
Crude Natural Growth Rate per 1,000+	4.23	4.09	3.51	2.01	0.61	-3.19	-0.65

Source: Central Statistical Office

+ Mid-Year Population estimates refer to the period July-June for each respective year.

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.

p: Provisional

^ data available for first half of 2023 only.

Appendix 14
Mid-year Estimates of Population by Age+

	2017p	2018p	2019p	2020p	2021p	2022p	2023p
Total Population[1]	1,356,633	1,359,193	1,363,985	1,366,725	1,367,558	1,365,805	1,367,510
Non-Institutional Population[2] **All Ages**							
Under 15	279,306	279,833	280,820	281,384	281,555	281,194	281,545
15-19	100,499	100,688	101,043	101,246	101,308	101,178	101,304
20-24	116,701	116,922	117,334	117,570	117,641	117,490	117,637
25-29	126,179	126,417	126,863	127,118	127,195	127,032	127,191
30-34	107,855	108,058	108,439	108,657	108,723	108,584	108,720
35-39	94,533	94,711	95,045	95,236	95,294	95,172	95,291
40-44	88,020	88,186	88,497	88,674	88,728	88,615	88,725
45-49	98,185	98,370	98,717	98,915	98,976	98,849	98,972
50-54	89,062	89,231	89,545	89,725	89,780	89,665	89,777
55-59	74,793	74,934	75,198	75,349	75,395	75,298	75,392
60-64	59,911	60,024	60,235	60,356	60,393	60,316	60,391
65 and over	121,590	121,819	122,248	122,494	122,569	122,412	122,564

Source: Central Statistical Office

+ Mid-Year Population estimates refer to the twelve month period July to June for each corresponding year.

Figures for 2017 to 2023 are based on 2011 census.

p: Provisional

1. Refers to all persons whose usual residence is Trinidad and Tobago, inclusive of: Household or Non-institutionalised population usually resident in the country and who were present on Census Night; Household or Non-institutionalised population usually resident in the country who were abroad for less than 6 months on Census Night; Population in institutions and Workers camps, Street Dwellers; and Trinidad and Tobago students studying abroad.
2. Comprises households found in private dwellings.

Appendix 15
Labour Force by Industry and Employment Status (CSSP Estimates)
/Hundreds ('00)/

	2022												2023					
	Jan - Mar			Apr - Jun			Jul - Sep			Oct - Dec			Jan - Mar			Apr - Jun		
	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	**6,049**	**5,741**	**5.1**	**5,889**	**5,627**	**4.5**	**5,956**	**5,634**	**5.4**	**5,888**	**5,611**	**4.7**	**5,952**	**5,660**	**4.9**	**6,098**	**5,874**	**3.7**
Other Agriculture, Forestry, Hunting & Fishing	247	243	1.6	205	205	0.0	223	223	0.0	207	203	1.9	226	222	1.8	206	203	1.9
Sugar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Petroleum and Gas including Production, Refining and Service Contractors	125	106	15.2	94	69	27.7	110	102	6.4	116	113	3.4	103	100	3.9	94	82	11.7
Construction	771	696	9.6	739	688	6.9	754	682	9.5	684	630	7.7	692	649	6.2	844	784	7.2
Wholesale/Retail Trade, Restaurants & Hotels	1,103	1,026	7.1	1,166	1,105	5.2	1,084	999	7.8	1,163	1,110	4.6	1,309	1,229	6.2	1,231	1,182	4.0
Transport, Storage & Communication	388	377	2.8	379	364	4.0	353	346	2.0	314	303	3.5	297	289	2.7	352	342	2.8
Finance, Insurance, Real-Estate & Business Services	609	590	3.1	617	599	2.9	631	613	2.9	707	679	4.0	598	568	4.8	601	593	1.3
Community, Social & Personal Services	2,300	2,221	3.5	2,190	2,125	3.0	2,232	2,159	3.2	2,190	2,100	4.1	2,174	2,082	4.2	2,265	2,200	2.8
Electricity & Water	56	56	0.0	53	53	0.0	57	57	0.0	44	44	0.0	67	63	6.0	54	51	3.7
Other Manufacturing (excluding sugar and oil)	405	386	4.7	405	383	5.4	429	404	5.8	364	353	3.0	428	406	5.1	421	411	2.9
Other Mining & Quarrying	7	7	0.0	3	3	0.0	4	4	0.0	42	42	-	15	15	0.0	-	-	0.0
Not stated	41	33	19.5	39	33	15.4	78	46	42.3	57	32	42.1	44	37	18.2	30	26	13.3

Appendix 16
Exchange Rate for Selected Currencies /TT$/

Period	US Dollar		Canadian Dollar		U.K. Pound Sterling		EURO	
	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling
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
2017	6.7283	6.7795	5.1182	5.4517	8.6071	9.1537	7.5373	8.0093
2018	6.7321	6.7813	5.1438	5.4918	8.9231	9.5572	7.9261	8.4500
2019	6.7306	6.7800	5.0538	5.3813	8.5342	9.1294	7.5445	8.0224
2020	6.7203	6.7803	5.0236	5.3599	8.6155	9.2146	7.7617[r]	8.2307[r]
2021	6.7332	6.7811	5.3793	5.7538	9.2233	9.8876	8.1154[r]	8.5767[r]
2022	6.7298	6.7777	5.2092	5.5522	8.2883	8.8909	7.2622	7.6332
2021								
October	6.7333	6.7833	5.4118	5.7870	9.1734	9.8848	8.0205	8.4338
November	6.7253	6.7796	5.3723	5.7548	9.0382	9.6957	7.7998	8.3334
December	6.7469	6.7827	5.2599	5.6499	8.8900	9.5408	7.8156	8.2557
2022								
January	6.7448	6.7820	5.3965	5.7368	9.0902	9.7402	7.8546	8.1761
February	6.7283	6.7756	5.3369	5.6826	9.1137	9.7528	7.8384	8.2368
March	6.7384	6.7779	5.3667	5.6960	8.8458	9.4998	7.6269	7.9958
April	6.7312	6.7791	5.3733	5.7164	8.7141	9.3468	7.5488	7.8731
May	6.7254	6.7719	5.2577	5.6071	8.3107	8.9041	7.3605	7.6291
June	6.7404	6.7762	5.3038	5.6456	8.2610	8.8750	7.2586	7.6587
July	6.7335	6.7771	5.2178	5.5697	8.0156	8.6276	7.1124	7.3710
August	6.7183	6.7798	5.2252	5.6044	7.9642	8.6035	6.9355	7.3502
September	6.7318	6.7803	5.1328	5.4328	7.5727	8.1470	6.8230	7.1818
October	6.7101	6.7740	4.9108	5.2595	7.5647	8.0925	6.6481	7.1261
November	6.7243	6.7790	5.0423	5.3612	7.8773	8.4164	6.9180	7.3875
December	6.7306	6.7782	4.9524	5.3269	8.1977	8.7535	7.2724	7.6582
2023								
January	6.7315	6.7793	5.0182	5.3693	8.1969	8.7880	7.3823	7.7628
February	6.7164	6.7785	5.0647	5.3700	8.1217	8.6916	7.4255	7.7551
March	6.7258	6.7802	4.9280	5.2773	8.1489	8.7015	7.3673	7.7096
April	6.7281	6.7786	5.0680	5.3730	8.3477	8.9662	7.3957	7.9232
May	6.7240	6.7784	5.0038	5.3656	8.3855	8.9839	7.3756	7.8484
June	6.7174	6.7797	5.0814	5.4476	8.4504	9.0497	7.4770	7.8681
July	6.7211	6.7785	5.0910	5.4581	8.6334	9.2442	7.4937	8.0186
August	6.7099	6.7815	5.0259	5.3667	8.5373	9.1221	7.4081	7.9560

Source: Central Bank of Trinidad and Tobago
r: Revised

Appendix 17
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-A)	Broad Money (M2)
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
2017	8,104.1	35,908.7	32,578.3	10,163.5	23,986.1	44,012.7	86,754.6
2018	7,941.2	37,035.6	34,218.0	10,231.1	24,416.5	44,976.8	89,425.8
2019	4,782.3	38,254.4	34,967.6	11,470.9	24,223.6	43,036.7	89,475.2
2020	7,318.1	44,786.6	36,783.6	10,341.6	24,813.1	52,104.7	99,229.8
2021	7,503.6	44,324.8	38,351.3	8,946.4	26,004.7	51,828.4	99,126.0
2022	7,562.7	46,604.1	38,999.2	8,065.9	26,170.7	54,166.8	101,232.0
2021							
October	7,335.9	42,444.8	38,654.0	8,820.9	26,406.4	49,780.7	97,255.6
November	7,395.1	43,367.0	38,677.0	8,881.8	25,730.9	50,762.1	98,320.8
December	7,503.6	44,324.8	38,351.3	8,946.4	26,004.7	51,828.4	99,126.0
2022							
January	7,436.6	43,544.6	38,397.3	8,895.5	26,075.8	50,981.1	98,274.0
February	7,457.3	42,899.5	38,772.8	8,570.1	26,379.3	50,356.9	97,699.8
March	7,478.3	43,253.9	38,742.9	8,463.5	26,288.3	50,732.2	97,938.5
April	7,532.6	42,514.5	38,935.4	8,628.3	25,460.5	50,047.1	97,610.8
May	7,587.4	42,826.7	38,653.4	8,524.5	26,555.9	50,414.2	97,592.2
June	7,432.8	43,201.5	38,812.0	8,539.7	26,729.6	50,634.3	97,986.1
July	7,475.0	42,121.3	38,999.8	8,381.8	25,281.4	49,596.3	96,977.9
August	7,461.0	43,347.0	38,895.2	8,290.0	25,383.2	50,808.0	97,993.2
September	7,380.8	44,197.9	38,896.6	8,190.2	25,568.1	51,578.7	98,665.6
October	7,452.2	44,791.8	38,820.4	8,152.3	24,729.6	52,244.0	99,216.7
November	7,352.9	44,943.4	39,024.7	8,097.3	25,599.3	52,296.3	99,418.2
December	7,562.7	46,604.1	38,999.2	8,065.9	26,170.7	54,166.8	101,232.0
2023							
January	7,368.7	44,667.6	38,687.9	8,024.0	26,313.5	52,036.3	98,748.2
February	7,464.7	45,267.7	39,038.4	8,065.9	25,533.0	52,732.3	99,836.7
March	7,500.8	46,016.7	38,922.6	8,440.6	25,351.1	53,517.5	100,880.6
April	7,450.7	44,538.3	39,408.6	8,605.6	25,270.0	51,988.9	100,003.1
May	7,521.7	43,764.4	39,239.7	9,137.4	25,902.8	51,286.1	99,663.2
June	7,366.6	43,673.6	39,263.3	9,085.3	25,967.6	51,040.2	99,388.8

Source: Central Bank of Trinidad and Tobago
* Foreign Currency Deposits at the Commercial Banks
Data available to July 2023 from the CBTT revealed that Broad Money and Narrow Money increased to TT$100,673.6Mn. and TT$50,643.5Mn., respectively.

Appendix 18
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
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	77,559.4	6.1
2016	19,566.7	11,452.8	53,330.8	84,350.3	4.1
2017	17,564.5	11,027.8	56,046.9	84,639.3	5.1
2018	17,988.5	11,299.5	57,649.1	86,937.1	2.9
2019	13,988.7	12,461.2	60,329.6	86,779.5	4.6
2020	18,875.8	11,373.1	60,599.1	90,848.0	0.4
2021	21,345.2	10,503.7	62,248.6	94,097.6	2.7
2022	15,492.1	10,185.0	66,409.9	92,087.0	6.7
2021					
October	19,046.7	11,346.8	61,372.3	91,765.7	1.8
November	20,922.0	10,796.7	61,673.1	93,391.8	2.3
December	21,345.2	10,503.7	62,248.6	94,097.6	2.7
2022					
January	19,074.9	10,734.9	62,616.8	92,426.7	3.0
February	19,499.2	10,808.4	62,874.3	93,181.9	3.4
March	19,587.4	10,861.1	63,197.2	93,645.7	4.0
April	19,219.3	10,760.2	63,652.8	93,632.3	4.4
May	18,817.5	10,497.8	63,956.7	93,272.0	5.2
June	19,141.3	10,667.2	64,188.7	93,997.2	6.3
July	18,235.8	10,777.8	64,763.8	93,777.4	6.8
August	18,425.2	10,756.0	64,706.4	93,887.7	6.3
September	16,685.0	11,215.7	64,873.2	92,773.8	7.0
October	16,638.8	10,624.8	65,105.0	92,368.6	6.1
November	17,049.5	10,539.0	65,842.5	93,431.0	6.8
December	15,492.1	10,185.0	66,409.9	92,087.0	6.7
2023					
January	13,890.1	10,480.9	66,662.0	91,033.0	6.5
February	15,168.8	10,366.8	66,680.6	92,216.2	6.1
March	16,067.0	10,531.0	67,135.9	93,733.8	6.2
April	14,842.3	11,249.9	67,580.6	93,672.8	6.2
May	13,529.8	11,126.5	67,994.8	92,651.1	6.3
June	14,176.1	11,086.6	68,605.4	93,868.1	6.9

Source: Central Bank of Trinidad and Tobago
Data available to July 2023 from the CBTT revealed that Private Sector Credit increased year-on-year by 6.4 percent to TT$68,933.0Mn. and Public Sector Credit increased to TT$10,859.4Mn.

Appendix 19
Commercial Banks' Interest Rates
/Percentage/

Period Ending	Basic Prime Rate*	Prime Loan Rates: Term	Demand	Overdraft	Real Estate Mortgage	Ordinary Savings	Special Savings	Time Deposits: 3 Month	3 to 6 Month	6 to 12 Month
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	0.86	0.95	0.53
2014	7.75	7.50	7.50	7.50	7.50	0.20	0.20	0.86	0.95	0.53
2015	8.93	7.50	7.50	7.50	7.50	0.20	0.20	0.86	0.95	0.53
2016	9.00	7.50	7.50	7.50	7.50	0.20	0.20	0.86	0.95	0.53
2017	9.00	7.50	7.50	7.50	7.50	0.20	0.20	0.86	0.95	0.53
2018	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.86	0.95	0.53
2019	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.86	0.95	0.53
2020	7.50	6.63	7.38	7.50	7.38	0.05	0.08	0.29	0.34	0.66
2021	7.50	5.88	7.38	7.50	7.25	0.09	0.08	0.21	0.26	0.66
2022	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
2021										
October	7.50	5.88	7.38	7.50	7.25	0.09	0.08	0.21	0.26	0.66
November	7.50	5.88	7.38	7.50	7.25	0.09	0.08	0.21	0.26	0.66
December	7.50	5.88	7.38	7.50	7.25	0.09	0.08	0.21	0.26	0.66
2022										
January	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
February	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
March	7.50	4.50	7.38	7.50	5.88	0.04	0.08	0.15	0.23	0.65
April	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
May	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
June	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
July	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
August	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
September	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
October	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
November	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
December	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
2023										
January	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.38
February	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.38
March	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.38
April	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.38
May	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65
June	7.50	4.50	7.25	7.50	5.88	0.04	0.08	0.15	0.23	0.65

Source: Central Bank of Trinidad and Tobago
*The latest available data received from the CBTT just prior to publication of the document reflected that, as at September 2023, the Basic Prime Rate stood at 7.50 percent.

Appendix 20
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		
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
2017	13,343.2	15,522.6	78,489.4	15,522.6	1,569.8	17,092.3	1,305.8	565.6
2018	13,751.9	16,082.5r	80,893.4	16,082.5r	0.0	16,082.5r	1,440.2	302.9
2019	14,391.5	20,862.0	84,655.6	20,862.0	0.0	20,862.0	3,990.1	2,486.4
2020	13,303.4	23,448.4	95,024.2	23,448.4	0.0	23,448.4	1,662.0	4,489.5
2021	13,197.4	17,659.1	94,267.2	17,659.1	0.0	17,659.1	1,738.8	4,853.6
2022	13,296.0	19,549.7	94,971.4	19,549.7	0.0	19,549.7	1,736.1	4,616.7
2021								
October	12,953.4	21,067.4	92,524.1	21,067.4	0.0	21,067.4	1,396.1	4,576.5
November	12,991.7	20,813.8	92,797.5	20,813.8	0.0	20,813.8	1,590.7	4,372.0
December	13,197.4	17,659.1	94,267.2	17,659.1	0.0	17,659.1	1,738.8	4,853.6
2022								
January	13,232.1	18,353.3	94,515.1	18,353.3	0.0	18,353.3	1,277.6	4,562.8
February	13,032.4	18,029.0r	93,088.6	18,029.0r	0.0	18,029.0r	1,241.6	4,711.4
March	13,006.0	17,540.5	92,899.7	17,540.5	0.0	17,540.5	1,285.2	5,070.9
April	12,958.6	16,885.7	92,561.6	16,885.7	0.0	16,885.7	1,373.4	4,288.5
May	12,875.9	17,521.9	91,970.6	17,521.9	0.0	17,521.9	1,207.8	4,825.6
June	12,998.1	15,770.2	92,843.4	15,770.2	0.0	15,770.2	1,348.6	4,800.5
July	12,905.5	15,809.4	92,182.3	15,809.4	0.0	15,809.4	1,392.1	4,655.5
August	12,773.2	17,390.4	91,237.1	17,390.4	0.0	17,390.4	1,551.4	4,811.0
September	12,894.6	18,885.0	92,104.4	18,885.0	0.0	18,885.0	1,434.2	4,820.3
October	12,991.3	19,295.9	92,794.9	19,295.9	0.0	19,295.9	1,438.5	4,930.9
November	13,133.4	19,999.6	93,810.3	19,999.6	0.0	19,999.6	1,440.0	4,866.3
December	13,296.0	19,549.7	94,971.4	19,549.7	0.0	19,549.7	1,736.1	4,616.7
2023								
January	13,238.4	20,294.1	94,559.9	20,294.1	0.0	20,294.1	1,469.4	4,580.8
February	13,289.9	19,265.0	94,927.6	19,265.0	0.0	19,265.0	1,536.2	4,795.2
March	13,379.7	18,510.6	95,569.1	18,510.6	0.0	18,510.6	1,426.8	4,450.2
April	13,331.9	18,228.0	95,228.0	18,228.0	0.0	18,228.0	1,491.9	4,286.3
May	13,254.5	20,523.6	94,675.0	20,523.6	0.0	20,523.6	1,462.5	4,551.8
June	13,426.6	18,415.6	95,903.5	18,415.6	0.0	18,415.6	1,500.6	4,931.0

Source: Central Bank of Trinidad and Tobago
* Incudes other balances held at the Central Bank such as the Secondary Reserve Requirement and Fixed Deposits.
r: Revised

Appendix 21
Secondary Market Activities

Period Ending	Number of Transactions	Volume of Shares Traded (Mn)	Market Value ($Mn)	Composite Index (Period End)
2012	8,778	50.7	746.6	1,065.0
2013	11,595	98.0	1,105.2	1,185.1
2014	11,643	91.6	1,115.7	1,150.9
2015	11,009	78.2	1,152.9	1,162.3
2016	10,519	92.0	951.9	1,209.5
2017	11,221	84.6	1,024.7	1,266.4
2018	11,721	72.3	1,148.4	1,302.5
2019	12,054	76.9	1,102.3	1,468.4
2020	11,668	61.3	1,042.9	1,323.1
2021	14,936	94.8	1,314.7[r]	1,496.9
2022	20,944	184.3	1,706.9	1,332.2
2021				
October	1,269	8.5	79.2	1,423.3
November	1,381	11.9	91.2	1,452.9
December	1,439	7.4	98.2	1,496.9
2022				
January	1,521	15.3	134.9	1,522.7
February	1,586	16.8	170.6	1,487.3
March	2,609	14.3	167.3	1,455.2
April	1,999	14.7	138.0	1,436.1
May	1,820	14.7	139.5	1,412.7
June	1,553	21.5	168.3	1,381.6
July	1,422	9.7	86.6	1,390.9
August	1,928	14.4	109.1	1,361.7
September	1,721	18.0	176.4	1,343.2
October	1,542	10.2	112.4	1,315.5
November	1,654	19.9	164.5	1,304.5
December	1,589	14.7	139.1	1,332.2
2023				
January	1,607	10.0	83.9	1,323.4
February	1,559	15.6	153.9	1,325.5
March	2,335	9.8	100.6	1,312.4
April	1,692	5.9	87.0	1,319.0
May	2,061	8.9	91.5	1,258.8
June	1,850	8.8	83.8	1,216.4
July	1,791	14.8	122.3	1,247.9
August	1,701	5.6	75.4	1,220.4

Source: Central Bank of Trinidad and Tobago
r: Revised

Appendix 22
Central Government Fiscal Operations
/TT$ Millions/

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22[r]	Oct '22/ Sep '23[p]
Total Revenue and Grants	**43,169.7**	**46,748.6**	**34,369.0**	**37,266.5**	**54,607.0**	**53,819.3**
Current Revenue	42,331.9	45,768.8	33,842.4	36,345.5	53,921.3	53,703.0
of which: Energy Sector Revenue	11,380.9	16,291.0	7,897.3	9,474.3	30,114.3	28,695.5
Tax Revenue	32,143.6	33,710.9	26,572.5	30,235.3	43,426.0	41,584.4
Non-Tax Revenue	10,188.3	12,057.9	7,269.9	6,110.2	10,495.3	12,118.6
Capital Revenue	**837.8**	**979.8**	**526.6**	**921.0**	**685.7**	**116.3**
of which: Grants	1.3	7.0	7.3	7.3	5.8	1.3
Sale of Assets	1.6	856.3	515.0	895.7	675.2	109.7
Total Expenditure	**48,866.5**	**50,777.5**	**51,058.9**	**49,617.2**	**53,274.0**	**57,230.8**
Current Expenditure	45,374.4	46,986.8	47,081.2	46,482.2	50,061.5	53,441.1
Capital Expenditure	3,492.1	3,790.7	3,977.7	3,135.0	3,212.5	3,789.7
Current Account Balance	**-3,042.5**	**-1,218.0**	**-13,238.8**	**-10,136.7**	**3,859.8**	**261.9**
Overall Balance	**-5,696.8**	**-4,028.9**	**-16,689.9**	**-12,350.7**	**1,333.0**	**-3,411.5**
Financing Requirements	**5,696.8**	**4,028.9**	**16,689.9**	**12,350.7**	**-1,333.0**	**3,411.5**
External Financing (net)	1,239.4	1,094.0	13,260[r]	5,169.5	534.3	321.8
Domestic Financing (net)	4,457.4	2,934.9	3,429.9[r]	7,181.2	-1,867.3	3,089.7

Source: Budget Division, Ministry of Finance

p: Provisional

r: Revised

Appendix 23
Central Government Revenue
/TT$ Millions/

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22r	Oct '22/ Sep '23p
Total Revenue and Grants	**43,169.7**	**46,748.6**	**34,369.0**	**37,266.5**	**54,607.0**	**53,819.3**
Current Revenue	**42,331.9**	**45,768.8**	**33,842.4**	**36,345.5**	**53,921.3**	**53,703.0**
Tax Revenue	**32,143.6**	**33,710.9**	**26,572.5**	**30,235.3**	**43,426.0**	**41,584.4**
Non-Tax Revenue	**10,188.3**	**12,057.9**	**7,269.9**	**6,110.2**	**10,495.3**	**12,118.6**
Taxes on Income & Profits	**20,224.1**	**23,302.9**	**15,989.0**	**17,987.4**	**33,910.8**	**30,507.3**
of which:-						
Companies	10,951.5	12,449.0	7,403.7	9,395.4	23,229.9	19,529.5
Oil	2,093.1	3,755.3	1,762.3	3,103.8	11,461.8	10,128.5
Other	8,858.4	8,693.7	5,641.4	6,291.6	11,768.1	9,401.0
Individuals	6,598.7	6,915.2	5,947.8	5,555.5	5,512.3	5,777.8
Withholding Taxes	858.4	1,359.7	937.5	1,005.5	1,038.2	1,629.1
Health Surcharge	183.6	190.6	170.1	165.7	180.1	169.5
Business Levy	608.1	648.6	571.3	650.0	642.2	770.2
Unemployment Fund	153.3	717.9	211.0	338.9	1,944.6	1,472.0
Green Fund	813.2	957.2	688.6	811.1	1,283.7	1,092.3
Taxes on Property	**3.9**	**49.6**	**1.8**	**2.0**	**2.4**	**1.5**
Taxes on Goods and Services	**8,824.5**	**7,330.5**	**8,022.6**	**9,671.5**	**6,562.1**	**8,040.3**
of which:-						
Excise Duties	759.1	650.8	658.4	649.1	677.2	634.7
VAT	7,244.8	5,847.5	6,682.3	8,296.1	5,097.0	6,499.4
Motor Vehicle Taxes & Duties	333.7	291.0	221.1	251.5	260.5	285.8
Taxes on International Trade	**2,732.5**	**2,672.3**	**2,301.2**	**2,287.2**	**2,608.4**	**2,746.3**
of which:-						
Import Duties	2,732.1	2,671.9	2,301.2	2,287.0	2,608.3	2,746.2
Other Taxes - Stamp Duties	**358.6**	**355.6**	**257.9**	**287.2**	**342.3**	**289.0**
Non-Tax Revenue	**10,188.3**	**12,057.9**	**7,269.9**	**6,110.2**	**10,495.3**	**12,118.6**
of which: -						
Royalty on Oil and Gas	2,288.2	4,091.1	2,834.8	2,004.1	5,802.4	7,020.8
Profits - State Enterprises	1,279.1	1,574.6	479.8	479.0	986.9	1,116.5
Profits - National Lottery	213.6	272.2	205.2	192.6	226.7	335.1
Production Sharing	1,000.0	0.0	0.0	0.0	0.0	0.0
Equity Profits - Central Bank	1,046.6	1,471.9	1,884.0	1,377.6	756.5	550.7
Interest Income	28.5	25.3	15.2	17.4	5.2	8.8
Repayment of Past Lending	32.7	1,367.0	11.1	9.5	13.4	8.4
Administrative Fees and Charges	516.9	596.3	542.4	499.6	597.7	498.9
Capital Revenue	**837.8**	**979.8**	**526.6**	**921.0**	**685.7**	**116.3**
of which:-						
Sale of Assets	1.6	856.3	515.0	895.7	675.2	109.7
Grants	1.3	7.0	7.3	7.3	5.8	1.3

Source: Budget Division, Ministry of Finance
p: Provisional r: Revised

Appendix 24
Central Government Expenditure and Net Lending
/TT$ Millions/

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20	Oct '20/ Sep '21	Oct '21/ Sep '22[r]	Oct '22/ Sep '23[p]
Total Expenditure	**48,866.5**	**50,777.5**	**51,058.9**	**49,617.2**	**53,274.0**	**57,230.8**
Current Expenditure	**45,374.4**	**46,986.8**	**47,081.2**	**46,482.2**	**50,061.5**	**53,441.1**
Wages and Salaries	**9,094.4**	**9,137.2**	**9,248.0**	**9,093.5**	**9,148.5**	**9,443.3**
Other Goods & Services	**6,102.1**	**6,426.4**	**5,861.6**	**5,570.9**	**5,911.7**	**6,129.3**
Goods and Services	5,758.7	5,595.3	5,718.4	5,469.9	5,801.2	5,959.7
Minor Equipment Purchases	113.1	56.5	61.9	51.8	75.8	139.4
Management Expenses/ Expenses of Issue /Discounts & Other Financial Instruments	230.4	774.7	81.4	49.2	34.7	30.2
Interest Payments	**4,786.8**	**5,045.5**	**5,062.0**	**4,938.1**	**4,927.4**	**5,229.8**
Domestic	3,795.6	3,919.0	3,960.3	3,982.4	3,954.2	4,167.3
External	991.2	1,126.5	1,101.7	955.7	973.2	1,062.5
Transfers & Subsidies	**25,391.1**	**26,377.7**	**26,909.6**	**26,879.7**	**30,073.9**	**32,638.7**
Subsidies	315.0	286.8	277.0	272.3	254.0	243.7
Transfers Abroad	207.5	205.7	343.1	359.3	401.5	469.3
Transfers to Households	8,741.0	9,396.9	10,087.1	9,696.7	10,699.6	11,442.7
Transfers to Stat. Boards and Similar Bodies	6,328.1	6,167.4	5,877.1	5,751.4	6,076.7	6,412.3
Transfers to State Enterprises	2,371.0	3,298.4	2,486.2	2,952.3	3,128.7	3,441.2
Transfers to Educational Institutions	1,299.7	1,256.0	1,257.0	1,104.7	1,186.1	1,079.9
Transfers to Non-Profit Institutions	202.9	202.0	250.3	217.6	209.3	248.3
Other Transfers	7,959.4	8,135.9	9,039.4	8,340.1	10,063.3	11,582.6
Green Fund	0.8	13.6	2.4	5.3	1.2	18.7
Less: Transfers to the Infrastructure Development Fund	*-1,600.0*	*-2,150.0*	*-2,275.0*	*-1,500.0*	*-1,550.0*	*-1,900.0*
Less: Transfers to the GATE Fund	*-434.3*	*-435.0*	*-435.0*	*-320.0*	*-396.5*	*-400.0*
Capital Expenditure	**3,492.1**	**3,790.7**	**3,977.7**	**3,135.0**	**3,212.5**	**3,789.7**
Consolidated Fund	1,652.2	1,609.8	1,673.4	1,604.3	1,702.9	2,022.8
Infrastructure Development Fund	1,839.9	2,180.9	2,304.3	1,530.7	1,509.6	1,766.9

Source: Budget Division, Ministry of Finance
p: Provisional
r: Revised

Appendix 25
Central Government Budget Financing
/TT$ Millions/

	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '19/ Sep '20r	Oct '20/ Sep '21	Oct '21/ Sep '22r	Oct '22/ Sep '23p
TOTAL FINANCING	**5,696.8**	**4,028.9**	**16,689.9**	**12,350.7**	**-1,333.0**	**3,411.5**
NET EXTERNAL FINANCING	**1,239.4**	**1,094.0**	**13,260.0**	**5,169.5**	**534.3**	**321.8**
External Borrowings	1,935.3	1,951.0	7,654.9	291.4	1,685.0	1,323.3
Transfer from the Heritage and Stabilisation Fund (HSF)	-	-	6,635.4	6,040.6	-	-
Capital Repayments	-695.9	-857.0	-1,030.3	-1,162.5	-1,150.7	-1,001.5
NET DOMESTIC FINANCING *of which:*	**4,457.4**	**2,934.9**	**3,429.9**	**7,181.2**	**-1,867.3**	**3,089.7**
Domestic Borrowings	6,349.1	6,405.5	8,899.7	13,471.4	5,653.1	9,714.8
Capital Repayments	-5,183.2	-3,164.5	-8,001.7	-5,733.5	-4,397.5	-8,697.3
Other Financing	3,291.5	-306.0	2,531.9	-556.7	-3,122.9	2,072.2

Source: Budget Division, Ministry of Finance
p: Provisional
r: Revised

Appendix 26
General Government Debt and Debt Service
/TT$ Millions/

	Oct '17/ Sep'18r	Oct '18/ Sep'19r	Oct '19/ Sep'20r	Oct '20/ Sep'21r	Oct '21/ Sep'22r	Oct '22/ Sep'23p
Total General Government Debt	**117,175.5**	**118,037.9**	**130,663.1**	**137,377.5**	**137,814.4**	**142,246.1**
Open Market Operations	23,367.7	17,802.8	12,070.3	10,570.3	8,827.8	5,036.5
Adjusted General Government Debt	**93,807.8**	**100,235.1**	**118,592.9**	**126,807.2**	**128,986.7**	**137,209.6**
Domestic	67,807.7	72,912.4	86,268.6	95,224.9	96,876.8	102,426.6
External	26,000.1	27,322.7	32,324.3	31,582.4	32,109.9	34,783.0
Central Government	**67,070.7**	**73,325.8**	**88,110.6**	**95,635.6**	**98,177.0**	**105,216.5**
Domestic	42,327.9	46,976.4	56,490.2	64,468.3	66,201.8	70,433.5
External	24,742.8	26,349.5	31,620.4	31,167.3	31,975.2	34,783.0
Non-Self Serviced Government Guaranteed Debt	**26,737.1**	**26,909.3**	**30,482.2**	**31,171.7**	**30,809.6**	**31,993.2**
Guaranteed Debt	16,230.1	15,883.5	15,548.1	14,081.4	13,418.9	25,700.7
Statutory Authorities	7,783.4	7,111.8	6,591.0	5,767.2	6,024.7	10,034.3
State Enterprises	8,446.8	8,771.7	8,957.0	8,314.2	7,394.2	15,666.3
Letters of Guarantee	**10,507.0**	**11,025.8**	**14,934.2**	**17,090.3**	**17,390.7**	**6,292.5**
Statutory Authorities	2,215.6	2,298.8	3,812.9	5,192.2	5,342.3	1,780.1
State Enterprises	8,291.4	8,727.0	11,121.3	11,898.1	12,048.4	4,512.4
Central Government Debt Service	**8,872.6**	**7,211.3**	**12,173.3**	**10,234.4**	**9,574.7**	**15,565.2**
Domestic	7,192.0	5,227.9	7,664.4	8,141.8	7,457.8	11,322.9
External	1,680.6	1,983.4	4,508.9	2,092.6	2,117.0	4,242.3
			% of GDP			
Total General Government Debt	**70.8**	**72.8**	**89.8**	**86.2**	**71.2**	**73.5**
Adjusted General Government Debt	**56.7**	**61.9**	**81.5**	**79.6**	**66.6**	**70.9**
Central Government Debt	**40.5**	**45.3**	**60.6**	**60.0**	**50.7**	**54.4**
Domestic	25.6	29.0	38.8	40.5	34.2	36.4
External	14.9	16.3	21.7	19.6	16.5	18.0
Non-Self Serviced SOE Debt	**16.2**	**16.6**	**20.9**	**19.6**	**15.9**	**16.5**

Source: Ministry of Finance
p: Provisional
r: Revised

Appendix 27
Cash Statement of Operations for the Rest of the Non-Financial Public Sector
/TT$ Millions/

	Oct '20/ Sep '21			Oct '21/ Sep '22			Oct '21/ Jun '22			Oct '22/ Jun '23		
	State Enterprises[1]	Public Utilities[2]	Total State Enterprises & Public Utilities	State Enterprises[1]	Public Utilities[2]	Total State Enterprises & Public Utilities	State Enterprises[1]	Public Utilities[2]	Total State Enterprises & Public Utilities	State Enterprises[1]	Public Utilities[2]	Total State Enterprises & Public Utilities
Operating Revenues	**35,614.0**	**5,901.5**	**41,515.4**	**62,325.5**	**6,204.4**	**68,529.9**	**45,862.6**	**4,553.8**	**50,416.4**	**39,923.5**	**4,667.8**	**44,591.3**
Operating Expenditures	**35,244.3**	**8,135.8**	**43,380.0**	**57,328.1**	**9,084.9**	**66,413.0**	**41,938.8**	**6,695.5**	**48,634.2**	**39,854.5**	**6,474.6**	**46,329.1**
OPERATING SURPLUS/DEFICIT	**369.7**	**-2,234.3**	**-1,864.6**	**4,997.3**	**-2,880.4**	**2,116.9**	**3,923.8**	**-2,141.7**	**1,782.1**	**68.9**	**-1,806.7**	**-1,737.8**
Current Transfers from Central Gov't	1,103.6	1,812.8	2,916.4	2,211.5	1,812.8	4,024.3	1,395.8	1,824.7	3,220.5	1,778.9	1,630.8	3,409.7
Other Income	4,405.5	761.2	5,166.7	3,947.7	761.2	4,708.9	2,760.4	568.3	3,328.7	3,082.0	1,082.5	4,164.6
Other Operational Costs	4,101.7	558.7	4,660.4	8,839.9	558.7	9,398.5	6,673.4	459.7	7,133.1	7,652.0	401.1	8,053.1
CURRENT BALANCE	**1,777.1**	**-219.0**	**1,558.1**	**2,316.7**	**-538.9**	**1,777.9**	**1,406.5**	**-208.4**	**1,198.2**	**-2,722.2**	**505.5**	**-2,216.7**
Capital Revenues and Grants	821.9	0.0	821.9	673.8	3.3	677.2	517.8	0.0	517.8	544.2	0.0	544.2
Capital Expenditure	2,800.5	651.3	3,451.8	2,847.2	567.7	3,414.9	2,087.4	441.0	2,528.5	2,017.1	515.1	2,532.2
Capital Transfers from Central Gov't	3,346.5	410.0	3,756.5	3,023.3	611.3	3,634.6	2,102.2	492.6	2,594.7	2,640.6	377.3	3,017.8
OVERALL BALANCE	**3,145.0**	**-460.3**	**2,684.8**	**3,166.6**	**-491.9**	**2,674.7**	**1,939.0**	**-156.8**	**1,782.2**	**-1,554.5**	**367.6**	**-1,186.8**
FINANCING	**-3,145.0**	**460.3**	**-2,684.8**	**-3,166.6**	**491.9**	**-2,674.7**	**-1,939.0**	**156.8**	**-1,782.2**	**1,554.5**	**-367.6**	**1,186.8**
Net Foreign Financing	-2,649.1	0.0	-2,649.1	-1,588.0	0.0	-1,588.0	-1,491.2	0.0	-1,491.2	2,796.4	0.0	2,796.4
Net Domestic Financing	-495.9	460.3	-35.7	-1,578.6	491.9	-1,086.7	-447.8	156.8	-291.0	-1,241.9	-367.6	-1,609.5

Source: Investments Divison, Ministry of Finance

Totals may vary due to rounding.

1 State Enterprises refer to the consolidated operations of twenty-one (21) companies namely: ADB; CAL; e TecK; EXIMBANK; HPCL; Lake Asphalt; NE; NGC; MTS; NHSL; NIDCO; NPMC; Paria; Petrotrin; PLIPDECO; SWMCOL; TGU; TRINGEN; TTMF; UDeCOTT; and VMCOTT.

2 Public Utilities refer to the consolidated operations of six (6) companies namely: AATT; PATT; PTSC; TSTT; T&TEC; and WASA.

Appendix 28
Trinidad and Tobago - Net Foreign Reserves
/US$ Millions/

	Central Bank				Commercial Banks					
Period Ending	**Foreign Assets**	**Foreign Liabilities**	**Net Internat. Reserves**	**Gov't Balances**	**Foreign Assets**	**Foreign Liabilities**	**Net Foreign Position**	**Gross Foreign Assets**	**Total Foreign Liabilities**	**Net Foreign Position**
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (1)+(4)+(5)	(9) (2)+(6)	(10) (8)-(9)
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
2017	8,366.2	0.0	8,366.2	3.6	3,332.5	559.2	2,773.3	11,702.3	559.2	11,143.1
2018	7,571.4	0.0	7,571.4	3.6	3,420.4	647.2	2,773.2	10,995.4	647.2	10,348.3
2019	6,924.7	0.0	6,924.7	4.3	3,608.9	918.6	2,690.3	10,537.9	918.6	9,619.3
2020	6,949.1	0.0	6,949.1	4.7	4,060.4	706.0	3,354.4	11,014.1	706.0	10,308.1
2021	6,874.6	0.0	6,874.6	5.0	4,643.3	663.6	3,979.7	11,522.9	663.6	10,859.3
2022	6,827.4	0.0	6,827.4	5.0	4,806.6	640.8	4,165.7	11,639.0	640.8	10,998.1
2021										
October	7,028.3	0.0	7,028.3	5.0	4,346.2	643.1	3,703.1	11,379.4	643.1	10,736.4
November	6,859.6	0.0	6,859.6	5.0	4,289.2	687.6	3,601.6	11,153.9	687.6	10,466.3
December	6,874.6	0.0	6,874.6	5.0	4,643.3	663.6	3,979.7	11,522.9	663.6	10,859.3
2022										
January	6,740.8	0.0	6,740.8	5.0	4,561.5	623.7	3,937.7	11,307.3	623.7	10,683.6
February	6,644.0	0.0	6,644.0	5.0	4,519.5	628.3	3,891.2	11,168.5	628.3	10,540.2
March	6,647.0	0.0	6,647.0	5.0	4,626.7	676.8	3,949.9	11,278.7	676.8	10,601.9
April	6,718.2	0.0	6,718.2	5.0	4,555.1	654.4	3,900.7	11,278.3	654.4	10,624.0
May	6,703.6	0.0	6,703.6	5.0	4,630.4	656.9	3,973.5	11,339.1	656.9	10,682.2
June	6,751.8	0.0	6,751.8	5.0	4,719.4	630.7	4,088.7	11,476.2	630.7	10,845.5
July	6,818.8	0.0	6,818.8	5.0	4,518.5	616.5	3,902.0	11,342.3	616.5	10,725.8
August	6,802.0	0.0	6,802.0	5.0	4,454.4	578.8	3,875.6	11,261.4	578.8	10,682.6
September	6,764.0	0.0	6,764.0	5.0	4,541.7	588.9	3,952.7	11,310.6	588.9	10,721.7
October	6,865.4	0.0	6,865.4	5.0	4,446.6	640.7	3,805.9	11,316.9	640.7	10,676.2
November	6,780.0	0.0	6,780.0	5.0	4,467.6	649.3	3,818.2	11,252.5	649.3	10,603.2
December	6,827.4	0.0	6,827.4	5.0	4,806.6	640.8	4,165.7	11,639.0	640.8	10,998.1
2023										
January	6,821.0	0.0	6,821.0	5.0	4,619.8	656.7	3,963.2	11,445.8	656.7	10,789.1
February	6,749.9	0.0	6,749.9	5.0	4,406.1	606.4	3,799.7	11,161.0	606.4	10,554.6
March	6,779.7	0.0	6,779.7	5.0	4,487.9	687.8	3,800.1	11,272.6	687.8	10,584.8
April	6,949.5	0.0	6,949.5	5.0	4,509.1	736.4	3,772.7	11,463.6	736.4	10,727.2
May	6,749.9	0.0	6,749.9	5.0	4,521.4	722.2	3,799.2	11,276.3	722.2	10,554.1
June	6,590.8	0.0	6,590.8	5.0	4,600.3	744.6	3,855.6	11,196.0	744.6	10,451.4
July	6,456.5	0.0	6,456.5	5.0	n/a	n/a	n/a	n/a	n/a	n/a
August	6,253.4	0.0	6,253.4	5.0	n/a	n/a	n/a	n/a	n/a	n/a

Source: Central Bank of Trinidad and Tobago
n/a: Not Available

Appendix 29
Balance of Visible Trade
/TT$ Millions/

	2018r	2019r	2020r	2021r	2022p	Oct'21 / Jun '22p	Oct'22 / Jun '23p
Total Visible Trade							
Exports	65,145.7	48,576.0	37,261.6	58,260.1	89,733.1	65,943.7	54,060.6
Imports	52,177.6	42,758.7	32,924.9	38,938.6	42,098.1	30,858.2	30,183.6
Balance	12,968.1	5,817.2	4,336.7	19,321.5	47,635.0	35,085.5	23,877.0
Trade Excluding Mineral Fuels							
Exports	31,358.2	28,584.2	24,302.6	42,384.1	60,848.0	45,691.7	35,255.1
Imports	36,062.6	35,636.5	31,839.7	38,681.5	41,747.7	30,612.1	29,199.1
Balance	(4,704.4)	(7,052.2)	(7,537.0)	3,702.5	19,100.3	15,079.6	6,056.0
Trade in Mineral Fuels Total							
Exports	33,787.4	19,991.7	12,959.0	15,876.0	28,885.2	20,252.0	18,805.4
Imports	16,115.0	7,122.3	1,085.3	257.0	350.5	246.0	984.5
Balance	17,672.4	12,869.4	11,873.7	15,619.0	28,534.7	20,005.9	17,821.0
of which							
Oil							
Exports	21,014.2	10,804.8	9,588.2	12,141.4	20,433.7	14,277.6	12,560.3
Imports	16,063.3	7,047.5	1,069.0	243.4	335.1	236.5	973.6
Balance	4,950.8	3,757.4	8,519.3	11,898.0	20,098.6	14,041.1	11,586.6
Gas							
Exports	12,745.5	9,186.8	3,370.7	3,734.5	8,451.2	5,974.2	6,245.0
Imports	43.4	66.8	2.7	1.7	3.4	1.9	2.0
Balance	12,702.1	9,120.0	3,368.0	3,732.8	8,447.8	5,972.3	6,243.0

Source: Central Statistical Office
p: Provisional
r: Revised
Petrotrin's refinery closed in November 2018.
COVID restrictions began in 2020.
Russia invaded Ukraine in February 2022.

Appendix 30
Trade with CARICOM Countries
/TT$ Millions/

	Exports	Imports	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
2000	6,442.8	792.1	**5,650.8**	4,010.2	399.9	392.2	2,432.7	2,040.5
2001	6,442.6	752.1	**5,690.4**	3,822.3	218.2	533.9	2,620.3	2,086.4
2002	5,152.8	515.3	**4,637.5**	2,532.8	108.8	406.5	2,620.0	2,213.5
2003	6,585.5	589.0	**5,996.5**	4,146.8	69.0	520.0	2,438.7	1,918.7
2004	5,620.7	634.6	**4,986.1**	2,954.4	87.5	547.1	2,666.2	2,119.1
2005	13,153.1	700.2	**12,452.8**	9,931.0	126.6	573.7	3,222.1	2,648.4
2006	15,528.3	611.2	**14,917.1**	12,027.2	158.7	452.5	3,501.1	3,048.6
2007	11,462.3	762.3	**10,700.0**	7,571.5	177.9	584.4	3,890.8	3,306.4
2008	21,231.8	772.0	**20,459.9**	16,994.9	146.4	625.5	4,236.9	3,611.4
2009	9,141.5	700.0	**8,441.5**	5,945.8	101.7	598.3	3,195.7	2,597.4
2010	13,238.6	793.2	**12,445.4**	10,506.2	141.0	652.2	2,732.4	2,080.2
2011	13,442.5	1,545.8	**11,896.7**	9,630.5	218.8	1,327.0	3,812.0	2,485.1
2012	11,128.9	1,402.2	**9,726.7**	7,393.7	450.8	951.4	3,735.2	2,783.8
2013	19,930.8	1,221.3	**18,709.5**	15,671.4	419.6	801.7	4,259.4	3,457.7
2014	12,766.9	1,207.7	**11,559.2**	8,552.7	399.9	807.9	4,214.2	3,406.4
2015	7,580.2	1,014.5	**6,565.7**	3,817.4	183.4	831.1	3,762.8	2,931.7
2016	5,750.9	723.6	**5,027.3**	2,038.1	111.7	611.9	3,712.8	3,100.9
2017	8,995.1	746.0	**8,249.1**	5,454.4	118.4	627.6	3,540.7	2,913.1
2018r	10,958.9	940.0	**10,019.0**	7,029.2	273.4	666.6	3,929.7	3,263.1
2019r	7,474.1	785.0	**6,689.1**	2,793.1	138.3	646.7	4,681.1	4,034.4
2020r	7,972.0	670.8	**7,301.2**	4,167.9	36.7	634.1	3,804.2	3,170.1
2021r	8,735.9	683.8	**8,052.1**	3,932.1	19.7	664.1	4,803.8	4,139.8
2022r	10,925.5	826.8	**10,098.7**	5,586.1	54.2	772.6	5,339.4	4,566.8
Oct '21 /Jun '22p	9,144.3	590.2	**8,554.1**	5,262.6	38.0	552.2	3,881.7	3,329.6
Oct '22 /Jun '23p	5,909.3	711.0	**5,198.3**	1,750.6	40.2	670.9	4,158.8	3,487.9

Source: Central Statistical Office
p: Provisional
r: Revised
Petrotrin's refinery closed in November 2018.
COVID restrictions began in 2020.
Russia invaded Ukraine in February 2022.

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