

➤ Regional Market Review

BARBADOS

- The Barbados economy experienced estimated GDP growth of 6.4% which was recorded between the period of January to March 2023. This growth stemmed mainly from increased activity in tourism which in turn led to improvements and expansion in the trade and non-traded sectors by an estimated 21.1% and 3.3% respectively.
- The unemployment rate declined by 3.7% to 7.2% in the last quarter of 2022 relative to 2021. This decline was driven by employment opportunities in construction, wholesale and retail trade and the tourism sector.
- Inflation is estimated to be 5.9% at the end of March 2023 compared to 5% in December 2022. This was primarily driven by higher demand for dining services and recreational and cultural activities, commensurate with the economic rebound post-pandemic.
- Total expenditure for the FY2022/23 rose by \$250.8 million, primarily due to large increases in interest expenses.
- International reserves stood at \$3.2 billion at the end of March 2023 covering 34 weeks of import. The expansion in the reserves was driven by the tourism inflows and substantial disbursements from multilateral development institutions (MDIs) to the public sector.

JAMAICA

- The Jamaican economy grew by an estimated 3.5%-4.5% for quarter ended March 2023, a faster pace relative to the expansion of 3.8% recorded for the previous quarter. Barring construction, there was estimated growth in all industries for March 2023.
- Real GDP growth for FY2023/24 is projected to moderate within the range of 1.0% to 3.0%, from the range 4.0% to 5.5% for FY2022/23.
- Core inflation as at April 2023 recorded 5.7% as compared to 8.4% in April 2022.
- The current account is estimated to record a surplus ranging between 0.0% to 1.0% of GDP for March 2023, better than the deficit of 2.23% of GDP for the March 2022 quarter. The improvement was primarily reflected in the services account, underpinned by higher tourism inflows and lower transportation outflows.
- On March 29th, 2023, the Central Bank of Jamaica (BOJ) decided to maintain its policy interest rate at 7.00%. The next meeting is scheduled for June 29th 2023.

GUYANA

- The Guyanese economy continues to exhibit strong growth with an estimated real GDP growth of 62.3% for 2022 attributable to expansion of 11.5% in non-oil real GDP.
- The oil and gas sector grew by 124.8% in 2022, with a total of 101.4 million barrels of oil as compared to 42.7 million in 2021.
- Inflation continued on the uptrend, with the 12-month inflation rate estimated at 7.2% in December 2022 as compared to 5.7% in 2021, primarily due to higher food prices which contributed to 6.4% to inflation rate.
- The overall balance of payments declined in 2022 to US\$128.3 million compared to US\$130.2 million in 2021. This decrease is largely owed to a capital account deficit due to outflows from private enterprises in the oil & gas sector as well to the National Resource Fund (NRF).

EASTERN CARIBBEAN

- According to the Economist Intelligence Unit (EIU), 2023 GDP is likely to weaken due to a global economic slowdown before picking back again in 2024.
- EIU also expects that governments will come under strain due to a weak economic backdrop and inflationary pressure.
- OECS countries may experience narrower fiscal deficits as governments withdraw support measures. Revenues are expected to increase as tourism picks up. However, should inflationary pressures persist, governments may be inclined to support vulnerable households using public finances.
- Being heavily dependent on imports, the OECS countries' external balances may become pressured by high commodity prices. Tourism would only contribute a little to ease this strain for the 2023-24 forecasted period.