

BARBADOS

- Barbados' economy continued to grow during the first half of 2023, with real GDP increasing by 3.9% between January and June 2023. This growth stemmed from tourism increasing by 6.6% and non-traded activity increasing by 3.2%.
- The unemployment rate declined to 8.9% during the first half of 2023 relative to 9.3% in 2022 and was driven by employment opportunities in construction, wholesale and retail trade and the tourism sector.
- The 12-month moving average inflation rate recorded 5.9% as at May 2023. Domestic inflation started to slow but remained elevated. The point-to-point inflation rate slowed to 4.6% in May 2023 as compared to 6.6% in May 2022. The gasoline and electricity sub-indices continued to decline, reflecting the downward trend in international energy prices.
- Over the period January to June 2023, foreign reserves of \$338.5 million were added, pushing the stock to \$3,108.8 million at the end of June 2023. This represented 33 weeks of import cover. The performance in tourism inflows and substantial disbursements from multilateral development institutions (MDIs) to the public sector were the main sources of the reserve expansion.

GUYANA

- The Guyanese economy continues to exhibit strong growth with real-oil GDP growth of 59.5% and non-oil GDP growth of 12.3%. Real oil growth benefited from crude oil production of 68.7 million barrels, while construction, agriculture, and the services sector activities were the major contributors to real non-oil growth.
- The inflation rate at the end of June 2023 was -0.3% versus 4.9% at the end of June 2022. This change was primarily due to a decline in prices within the category of food, driven by lower world food prices.
- The overall balance of payments recorded a larger deficit of US\$196.4 million for HY2023 compared to US\$100.0 million for HY2022, largely owing to a capital account deficit due to outflows of oil revenues to the National Resource Fund (NRF). The cost recovery by the oil and gas sector also contributed despite higher inflows to the private sector in the form of foreign direct investments (FDIs) which expanded from US\$1,946.3 million to US\$4,045.3 million.

JAMAICA

- The Jamaican economy grew by an estimated 1.0%-3.0% for quarter ended June 2023, slower relative to 4.2% recorded for the previous quarter. There was estimated growth in all industries for the June 2023 quarter with the exception of agriculture, forestry & fishing, construction and procedures of government services.
- Real GDP growth for FY2023/24 is projected to moderate within the range of 1.0% to 3.0%, from 4.7% for FY2022/23. Core inflation as at June 2023 recorded 5.3% as compared to 10.9% in June 2022.
- The current account is estimated to have recorded a surplus ranging between 0.5% to 1.5% of GDP for June 2023, higher than the surplus of 0.01% of GDP for the corresponding period last year. The improvement is primarily reflected in the trade and services sub-accounts, partially offset by a deterioration on the current transfers sub-account.
- For June 2023 quarter, the Jamaican dollar depreciated 2.0% relative to June 2022, due to decreased demand pressures by Bank of Jamaica's Foreign Exchange Intervention & Trading Tool sales.
- On Sept 29th, 2023, the BOJ decided to maintain its policy interest rate at 7.0%.

EASTERN CARIBBEAN

- According to the Economist Intelligence Unit (EIU), 2023 GDP is likely to weaken slightly in tourism-dependent countries due to a global economic slowdown, before picking back again in 2024.
- EIU also expects the OECS to remain politically stable, but governments will come under strain due to a weak economic backdrop and inflationary pressures.
- 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 global commodity prices. Tourism would only go so far towards easing this strain for the 2023-24 forecasted period.