Regional Market Review – Q2 2026

BARBADOS

- Barbados continued to experience economic growth and moderate inflation during the first quarter of 2026.. Estimated real GDP increased by 1.7% driven by sustained activity in tourism, business and other services, and construction. Tourism activity, particularly long-stay arrivals, strengthened during the first quarter of 2026 as total arrivals increased by 1.2%.
- By March 2026, the twelve-month moving average inflation rate edged up modestly to 1.1%, up 0.2% compared to the previous year, primarily reflecting higher prices for restaurant services.
- Gross international reserves remained robust at the end of the first quarter of 2026. Reserves stood at $3.0 billion at the end of March 2026, representing a decline of $33.4 million from the level recorded at the end of 2025.
- On April 6, 2026, Moody's maintained Barbados' B2 credit rating with a stable outlook reflecting improving economic resilience and growth, supported by a strong post-pandemic recovery, particularly in tourism.

GUYANA

- The EIU expects annual inflation to rise from 2.9% as of February to 5.7% by the end of 2026 before easing to 4.9% by 2027. All above the pre-pandemic average of 1.9%. If the trade war between the US and China re-escalates or the Iran war prolongs, import prices could rise further, placing additional upward pressure on inflation in Guyana.
- Guyana's oil boom is expected to continue in 2026-27. High global energy prices, driven by the Iran war, are expected to widen the current-account surplus from 12.7% of GDP in 2025 to 39.4% in 2026 according to estimates. This mainly reflects trends in oil exports and imports of capital goods for upcoming projects in the infrastructure, and oil and gas industries.
- The Ministry of Education in Guyana introduced the "Because we Care' grant, granting $85,000 to primary and secondary school children that qualify with the aim of assisting children with school uniforms, transportation, and general assistance.

JAMAICA

- Annual inflation declined from 4.5% in December 2025 to 4.3% in March 2026. The deceleration in inflation largely reflected lower agricultural inflation due to the improvement in agricultural supplies following the impact of Hurricane Melissa.
- Real GDP is estimated to have contracted within the range of 4.0% to 6.0% in the March 2026 quarter, relative to the contraction of 7.1% recorded for the December 2025 quarter but economic activity remained weak due to the lingering effects of Hurricane Melissa. Most industries declined, except Public Administration & Defence and Financial & Insurance Services.
- Jamaican money market rates mostly declined in the March 2026 quarter compared to December 2025. There were declines in the O/N PMMR (45 bps), 30-day PMMR (31 bps), 14-day repo (31 bps), O/N interbank PMMR (11 bps), 180-day T-Bill (5 bps), 270-day T-bill (3 bps), and 30-day CD rate (1 bp). Conversely, the 90-day T-Bill rate increased by 44 bps. The decline observed in most market rates was influenced by increased average liquidity conditions.

EASTERN CARIBBEAN

- The EIU forecasts solid real GDP growth across the OECS in 2026-27, driven by strong tourism due to continued economic strength in the US. Data from the 2025/26 winter tourism season show significant arrivals growth, with record-breaking months in some jurisdictions.
- The OECS grouping of 12 countries unleashed the Blue Economy of the Caribbean (UBEC). A series of projects, regional policies and targeted financial interventions that have been revised or developed and are being implemented to build a resilient, equitable and thriving ocean economy. These interventions are centered around three core areas: Fisheries and Aquaculture, Marine & Coastal Tourism, and Waste Management.
- In Antigua and Barbuda, the center-right labour party led by the prime minister Gaston Browne won a landslide victory at a snap general election on April 30th, securing 15 of the 17 seats in the House of Representatives.