THE PRIVATE SECTOR ORGANISATION OF JAMAICA

PSOJ

Monthly Economic Bulletin

Inside This Issue

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CEO's Report	**3**
Economic Highlights	4-5
International Commodity Prices	6-19
International Commodity Prices: Impact on Jamaica	20-22
Inflation Rate & GOJ Treasury Bills	23
Exchange Rates: Jamaica Dollar Vis-à-vis USD, GBP, CAD	24
Net International Reserves and Money Supply	25-26
Commercial Banks' Interest Rates	27
Jamaica's Tourist Arrivals	28
Remittance Inflows to Jamaica	29
Domestic Bauxite and Alumina Production	30
Stock Market Update	31
Previous Month's Highlights	32-33
Appendices	34-36

The CEO'S Remarks

At the time of writing the 2015/16 the main part of the budget debate would have concluded, and is now awaiting the sectoral debates.

The budget, as presented by the Finance Minister, speaks to the evident fiscal and macroeconomic gains (which is highlighted in the economic overview) and also shows that the focus is now being turned to developing and implementing a growth agenda. This is something that the PSOJ has pushed for, as the reality is that despite the fiscal and macroeconomic gains, it is going to be necessary to focus on growth if we are to see sustainable economic development.

From the first quarter of 2014, the PSOJ, through its then EPC chairman, Don Wehby, had publicly stated that we expected to see a significant slow down in the exchange rate depreciation. This we are seeing today, which is being enhanced by the significant reduction in oil prices.

It is for this reason that the PSOJ is now focused on examining the growth agenda put forward by the government, and reconciling it with our own analysis on the growth initiatives needed.

The general framework of the growth agenda is very similar to the focus areas that the PSOJ had identified, with two primary focal points being the need for **public sector transformation** and **Agro Parks**.

In addition to these initiatives, the major projects of KCT, other Logistics Hub development projects, and the highway construction should add significant stimulus to the economy, if the government ensures that the procurement process does not slow down the implementation of the projects.

We have also seen private sector investments (locally and overseas) over the past one to two years and these should start to pay off in 2015, in terms of (i) local economic activity; (ii) export earnings; and (iii) import substitution.

The move by the government to put in place a hedge against fuel prices is also a welcome move, as it will guarantee a relatively stable price for oil, in the event of any sharp rise in oil prices. This will provide greater predictability for our balance of payments. This is also within the context of a strong NIR balance at end of February of over 24 weeks of imports.

Given these positive developments, buoyed by low inflation rates, this should continue to support a stable exchange rate.

The result of these conditions is that businesses should be able to forecast better, and can have greater confidence that economic activity, and spending power should improve. This will also be supported by the expected increase in public sector wages. Although the increase I expect to be between 6 to 8 percent, this is in the context of an inflation expectation for the 2014/15 year of under 5 percent. This level has not been seen since the 1970s, and is supported by global conditions and in particular the reduction in oil prices.

Going forward therefore, and absent any shocks (natural or man made), the country should see growth for 2015 in the projected id range of 2 percent or above.

Achieving this growth will of course depend on how we manage our governance. We saw for example the effect of the Chickungunya virus costing us approximately 0.5% of GDP and more recently the Riverton Dump fire would have cost hundreds of millions in GDP (estimated conservatively at $272 million by CAPRI.

Going forward it is going to be very important to manage these avoidable occurrences so that it does not have the negative impact we have seen in the last two quarters. Last year drought also cost approximately 1 percent of GDP, and again this points to the poor infrastructure and preparedness by the NWC in many respects. It is therefore going to be critical that the NWC put plans in place to counter the effects of any prolonged drought.

We are also faced with the need to upgrade the skill set of our labour force, as labour productivity continues to be an issue.

It is clear therefore that while we agree on the general growth agenda framework, our emphasis must be on the specific initiatives and encouraging the Government to ensure that proper plans and controls are in place to protect against and man made disasters.

Economic Highlights: February 2015

*Macroeconomic conditions continue to strengthen in February 2015 and analysts expect this trajectory to continue throughout much of 2015. The observed health in economic conditions was manifested in key variables which include a relatively robust NIR , a stable exchange rate, low consumer prices, increased levels of remittances, robust growth in tourism and mining and quarrying. The PSOJ expect these positive signs should augur well for growth in real GDP for 2015 in the range of **1.2%** to **2.2%**. Growth in 2015 will be significantly influenced by the type of budget that is passed in April of 2015.*

In addition to these fundamentals, The country continues to perform relatively well under the current IMF Extended fund Facility. On the down side there continues to be failure on the revenue targets as the economy has not been able to grow at the desired rate over the last year even in the face of two good quarters of growth in real GDP in 2014. Major economic indicators continue to move on the right trajectory which is reflected in business and consumer confidence which continues to move in the right direction. In support of the improvement in economic conditions, the international rating agencies Fitch and Moody's have upgraded Jamaica's credit worthiness.

⇒ This continued improvement in business and economic conditions is further manifested in the positive movement in the Stock markets which had market capitalization growth of **5.9%** in February when compared to the **0.23%** in January. On the last trading day in February 2015, the main JSE index advanced by **1384** points **(1.73%)** to **79,880** points while both the JSE US Equities Index and the JSE Cross Listed Index remained unchanged . The JSE combined Index , the All Jamaica composite and the JSE Select Index all advanced by **1.5%, 1.8% and 2.2%** respectively.

⇒ The significant reduction in global commodity prices, especially crude will continue to have a positive impact on general economic conditions especially inflation and growth in Jamaica. In this regard There were price reductions in **68%** of the commodities monitored for February 2015. The price of both crude oil indices increased, breaking the seven consecutive months of price reductions. The Brent and the WTI increased by **17.6%** and **6.5%,** respectively. Natural gas fell **4.3%**. The IMF's Fuel Energy Index increased by **12.8%**, the Food and Beverage Index fell by **3.5%**.

⇒ In line with global price movements, domestic inflation, measured by the All Jamaica "All Divisions" Consumer Price Index (CPI) declined by **0.7%** for February 2015, following declines of **0.5%**, **0.3% and 0.5%** observed in the later part of 2014, For CY-February 2015, inflation rate is **–1.2%** compared to **0.6%** for CY-February 2014. Inflation for FY-to-February 2015 was **3.4%**

⇒ Following the February 2015 auction, there was a reduction of **46 bps** and **11 bps** in the yields on the 30-day and 90-day tenors of GOJ Treasury Bills. However, the yields on the 90-day tenor increased by **86 bps.** On an annual basis, yields on the 30-day, 90-day and 182-day tenors fell by **9 bps, 120 bps** and **162 bps,** respectively.

⇒ The overall weighted average lending rate on local currency loans declined by **0.18 percentage points (pps)** to **17.01%** for January 2015 relative to December 2014. Similarly, interest rates on foreign currency loans for January 2015 fell by **0.02 pps** to **7.25%** relative to December 2014.

⇒ The Jamaica Dollar appreciated by **$0.17 (0.2%)** vis-à-vis the US Dollar at end-February 2015 relative to January 2015. At end-February 2015 the Dollar traded at **J$115.64=US$1.00.** On the other hand, the Dollar depreciated by **J$0.76 (0.8%)** and **J$3.72(2.2%)** against the Canadian dollar and Great Britain pound, respectively. At end-February 2015, the Jamaica Dollar traded at **J$178.63=GBP£1.00** and **J$92.64=CAD1.00**, respectively.

⇒ The stock of Net International Reserves (NIR) at the Bank of Jamaica was **J$204.38 billion** (**US$2301.76 million)**, at end-February 2015 reflecting a increase of **J$14.4 billion** (**US$135.82 million**) relative to the previous month. At end-February, the gross reserves at the Central Bank were sufficient to finance **24.49** weeks of goods imports which represents **12.49** weeks over the international benchmark of **12** weeks of goods imports.

⇒ For February 2015, there was an expansion of **J$1.18 billion (1.2%)** in the monetary base relative to the previous month. This expansion resulted in an end-month stock of **J$103.28 billion**. The movement in the base mainly reflected net currency issue of **J$1.11 billion** and to a lesser extent an increase of **$151.77 million** in commercial banks' statutory cash reserves.

⇒ The dollarization ratio increased by 9.6 percentage points to **52.8%** at December 2014 from **43.2%** at December 2014. This increase reflected the stronger accumulation of foreign currency deposits in the commercial banking system relative to local currency deposits. This is reflective of consumers' converting their holdings of local currency deposits to foreign currency deposits for speculative and business demand purposes primarily, based on feedback.

⇒ Tourist stopover arrivals rose to **176,621** for January 2015, reflecting an increase of **4.3%** relative to the January 2014. At the end of December 2014, on a year-to-date basis, stopover arrivals increased to **2,080,181**, reflecting growth of **3.6%** or **71,772** relative to the corresponding period of 2013. Cruise passenger arrivals increased by **4.1%** to **167,591** for January 2015 when compared to 2014. For calendar year 2014, cruise ship arrivals increased by **14.5%** to **1,413,151** relative to **1,208,539**. recorded in 2013 .

⇒ For December 2014, gross remittance inflows were **US$204.9 million**, reflecting an increase of **US$10.4 million (5.4%)** relative to the corresponding month of the previous year. This monthly increase in remittances pushed the gross remittance inflows for 2014 to a record **US$2,159.7**, an increase of **US$94.7 (4.2%)** over the flows for 2013**.** Net remittance inflows were **US$183.7** million, an increase of **US$9.8** million or **(5.6%**) relative to the December of 2013. The uptick in remittance for the month contributed to the total net remittance of **US$1,926.5 million** for the calendar year 2014.

⇒ For February 2015, the production of alumina was **154,442 tonnes**, representing a reduction of **7,728 (4.8%) tonnes**, relative to February 2014. This brought an annual increase of **4,611 tonnes (3.1%)** for the month of February. The sale of alumina fell by **83.494 tonnes (41.2%)** relative to January 2014. Similarly, alumina sales fell by **23, 312 tonnes (16.4%)** in comparison to February 2014. Year-to-date crude bauxite production and exports increased by **73,002 (10.6%)** and **82,569 (12%) r**espectively**.** Year-to-date total bauxite production and exports increased, by **(0.25%)** and **(8.4%)** respectively.

International Commodity Prices

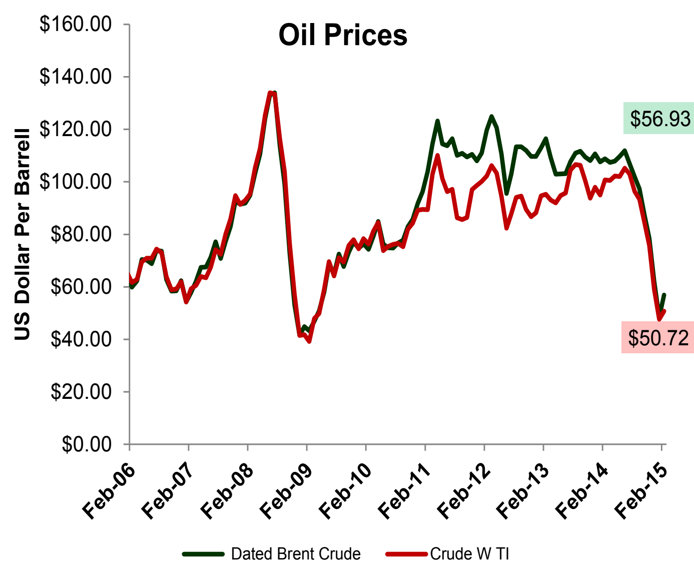
Crude Oil Prices

Both benchmark crude oil indices increased for February 2015, in comparison to January 2015 when they both fell significantly from the previous month. The European Brent started the month at **US$48.42** per barrel and ended at **US$56.93** per barrel. This reflected an increase of **US$7.73 (17.6%)** for the month. In February 2014 the sale price for the European Brent was **US$108.81**. In this context, the outturn for 2015 reflected a price reduction of **US$51.88 (47.7%)** . Notably, for the last two years the price for this commodity has decreased by **US$59.53 (51%).** The price per barrel of West Texas Intermediate (WTI) increased from **US$47.6** at the end of January 2014 to **US$50.72** at end of February 2015, resulting in an increase of **US$3.12 (6.6%).**

In comparison to February 2014, the price per barrel of the WTI has fallen by **US$49.98 (49.6%)**. Notably, for the last two years, the price for this commodity has declined by **US$44.58 (46.8%).** For February 2015 relative to February 2012, prices fell by **US$51.54 (50.4%)** per barrel. The five year average monthly price for both crude oil indices are **US$101.17** and **US$87.67** per barrel. The Brent is currently **US$44.24 (77.7%)** below while the WTI is **US$36.95 (72.85%)** below the five year average price. The oil crash which started seven months prior, following a dramatic decrease in the prices of oil, is still a major economic issue.

Regardless of the slight increases in both crude oil prices for the past month, it is predicted by experts to further decline due to the wide range of uncertainty currently in the market. Increased inventories and low demand were said to be the cause of the price decline, both in the US and for OPEC oil producers. Edward Morse, Global Head of Commodities Research, CitiBank, on February 23, 2015, stated that the US production growth was in the region of one million barrels per day. He asserted that production growth and inventory pile-up will continue in the second quarter while the US' capacity for storing inventories are depleting. The EIA, 2015, however reported that the economies of storage for the international Brent were different than that of the US' WTI.

It is predicted that after the second quarter, demand will start to increase and supplies will decline, so the price will improve by the year end to approximate **US$60** per barrel. This was supported by Katherine Spector, Head of Committee Research, CIBC World Market, at the Council on Foreign Relations. She stated that rather than demand, it is supply that will respond to prices, meaning that supply will have to be reduced to stimulate the increase in prices. However, the US will not be the country to do



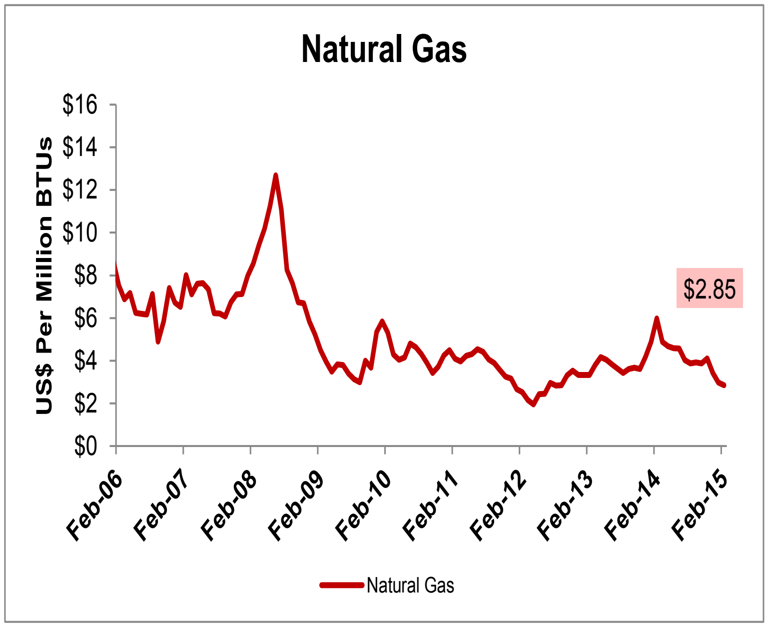
so as it will be more beneficial to them and other non US countries such as OPEC to cut their supplies.

Richard Fisher, a US government official, earlier in the year intimated that Saudi Arabia was primarily responsible for the continued crisis as, when the prices started to decline, OPEC, led by Saudi Arabia refused to cut back on productions, sending oil prices plummeting in the following months. A positive side effect for those countries is that this reduction in prices could put many shale oil production companies out of business, reducing competition in the market. Given this motivation to keep prices low, Fisher stated that it is unlikely that prices will return to the previous **$100** per barrel any time soon.

However, corroborating the statements made by Katherine Spector, experts report that the oil price is just not right for oil rich nations such as Venezuela, Saudi Arabia, Russia, Iran and the others. This is so as they need to trade the oil at higher prices in order to balance their budget. Phil Flynn, an energy analyst says it all comes down to which countries can best withstand the pressures of the persistent low prices as these large producers will continue to increase production as they do not want to lose market share. In the past, OPEC would have intervened and urged its members to reduce production, however, due to diplomatic disputes and shifting political allegiances, the oil cartel cannot. This persistently low oil prices could result in geopolitical fallouts, shifting of the economic structure to new commodities and budget constraints for these nations.

Natural Gas

At the end of February 2015, the price for natural gas moved from **US$2.97** to **US$ 2.85** relative to the previous month, reflecting a reduction of **US$0.12 (4%)** per thousand cubic meters. For the period February 2014 relative to February 2015, natural gas prices fell by **US$3.12 (52.26%).** Similarly, natural gas prices have decreased, by **US$0.48 (14.41%)** per thousand cubic meters when prices of February 2015 are compared to February 2013. The five year average monthly price for natural gas was **US$3.76** indicating that current prices are **US$0.91 (31.9%)** lower than the long term average.



The EIA in its weekly natural gas inventory, ending February 19, showed that stocks dropped by 111 billion cubic feet, or Bcf, to 2,157 Bcf. Analysts were expecting a drop of 110 Bcf. Business Insider, Andrew Chrichlow, reports that, following the major oil crisis, the huge price movements in the energy markets will begin to happen to other hydro carbon products, natural gas. LNG production has grown other the past year, this due to the increases in demand, particularly from the ASEAN economies now in a boom and also the need to cut carbon emissions. The BG group, a UK energy company, estimates that production will grow from 243m tonnes to 400m tonnes, increasing the need for infrastructure and giant tankers.

An annual increase of 5pc in demand will follow over the next decade and twice the rate of growth and consumption. It is now a concern for experts that the market will be unable to keep pace with supply, leaving some LNG projects redundant. Having started last year strongly, the Asian spot market for LNG tanked after it was

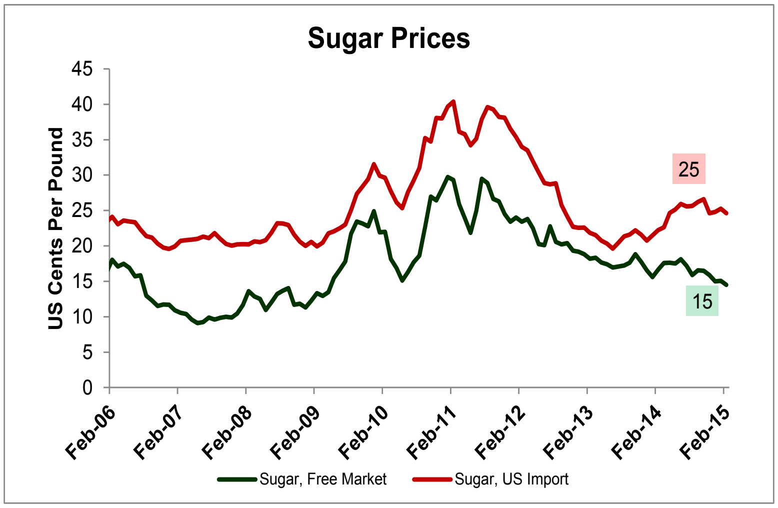
International Commodity Prices

dragged back by the sharp fall in crude oil, which started to take hold in August. By the third quarter, spot LNG prices in Asia had reached a three-year low and have barely recovered.

However, a bigger concern to the overall health of the LNG market will come from the glut of new supply, which will begin to increase this year and reach a peak by 2017 as major projects in Australia come to fruition. Some experts fear the market for LNG could soon become saturated, despite the steady increases in demand being forecasted. Australia's production from new projects will add 58m tonnes of LNG to the market by 2019, becoming the world's largest exporter of LNG, taking Qatar's place with 84m tonnes of total capacity. Worldwide, the figures grow to 122m tonnes of new LNG supply by the end of the decade. The LNG market is expected to become more volatile over the next few years as it responds to 'lumpy' supply and market-side additions plus exogenous supply and demand factors.

Sugar

The Free Market and the US Import indices had akin price changes for February 2015. The Free Market Index declined by less than a cent **(0.5%),** whereas the US Import Index fell by **US$0.01 cent (1.7%).** February prices ended at approximately **US$0.14** and **US$0.24** per pound, respectively. For the period February 2015 relative to February 2013, the price of Free Market sugar decreased by **20%**, while US import prices increased by **13%**. The five year average monthly price for both sugar indices are **US$0.20** and **US$0.29,** respectively. This suggests that prices for both the Free Market and the US Import are **29%** and **14%** below their respective 5 year averages.



Global output is set to exceed demand for a fifth consecutive year, leaving the biggest stockpiles on record, the International Sugar Organization said. Just as cane harvests expand in India and Thailand, farmers in Brazil, the world's largest producer, are ramping up exports to take advantage of a tumble in the exchange rate that has swelled their profit margins. In Brazil, which supplies one-fifth of the world's sugar, the incentive to sell more overseas has increased in the past few months, as budget deficits and a stalled economy sent Brazilian currency (the real) plunging to the lowest in almost 11 years against the dollar. These are indications that sugar prices are set to fall even further, despite being 50% lower than prices 3 years ago. Raw sugar for May delivery has tumbled 12 per cent this year to 12.71 cents on ICE Futures U.S. in New York, among the biggest declines.

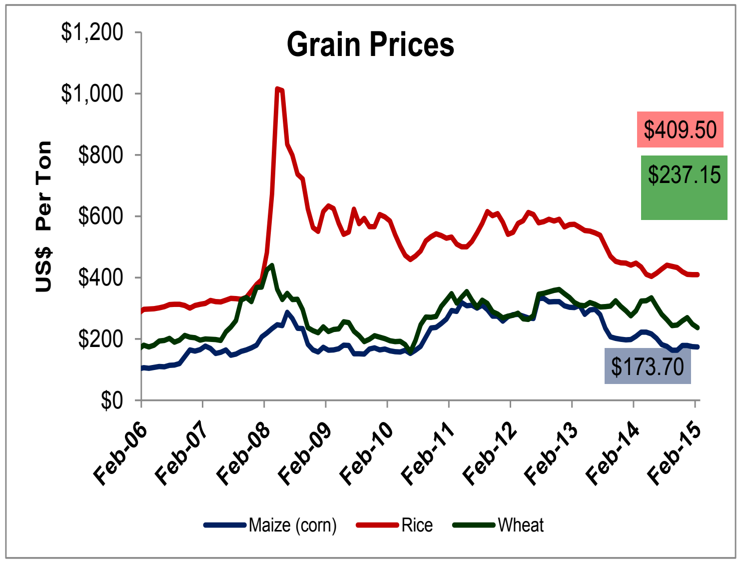
India's sugar output could rise nearly 2 per cent this year from a previous forecast, as production in top-producing Maharashtra state is expected to hit a record high. The drop in the Brazilian real though has thwarted India's efforts to step up raw sugar exports despite New Delhi's decision to give an incentive to boost shipments.

Rice

Comparing February 2014, to February 2015, we see that prices fell by **US$37.5 (8.39%)** per metric tonne. Similarly, prices had fallen from **US$ 441.04** to **US$409.68,** a reduction of **US$31.36 (7.11%)** per tonne between January 2014 and January 2015. The five year monthly price average for rice is **US$502.17**, indicating that February prices of **$409.50** are **US$92.67 (18.5%)** below the long term average.

Rice exports from Vietnam, the world's third-largest shipper, will probably rebound this year as lower prices boost demand, says one analyst. Competition with Thailand keeps the gain to single digits, according to the government. Already though, since the start of the year, Vietnam has exported about **64%** less rice when compared to similar period last year.

Planting for India's secondary rice crop that runs for the November to May season, has been recorded (as at March 20, 2015) to be **10%** less than levels last year. For the Indian rice marketing year (October 2015 – September 2015), local officials are estimating production to be **3%** lower. Note that



supply and demand dynamics predict that lower supplies with constant demand results in higher prices. Interestingly, the USDA also estimates that Pakistan's marketing year 2014-2015 (November – October) milled rice production will be down **3%** as well.

Recent developments to keep in mind, on March 12, 2015, the ministers of Agriculture for Thailand and Vietnam, came to an agreement to work closely to develop sustainable rice markets in order to increase the quality and value of rice production in the long-run. The Thai minister noted that rice prices in both countries have been declining due to competition, despite both being the world's largest rice exporters. The minister noted that since both countries grow similar types of rice, it would be beneficial to jointly establish common standards, quality and prices

Wheat

In February 2015, global wheat prices fell again, this time by **US$11.33 (4.55%)** when compared to January 2015 to close at **US$237.15 per tonne**. In comparison to February 2014, prices have fallen by **US$55.00 (18%)** per tonne. A two year comparison of prices reveals a reduction in prices of **US$82.00 (26%)**. The average five year monthly price for the month of February is **US$294.85.** This represents a reduction of **US$57.70 (19.6%)** when compared to current prices.

Russia's export and domestic prices for wheat fell last week (starting March 9) partly due to increased offers from farmers who needed funds for spring sowing after the Rouble's slump. Farmers were selling out the remaining grain stock to increase working capital before the spring sowing. While wheat exports will remain under pressure from an export tax launched on February 1 by the state, wheat exports are also expected to rise month on month.

European wheat prices rose 1 percent on Thursday March 12, boosted by the award of a large volume of European Union export certificates and a rise in US markets, traders said EU wheat futures started rising after official data showed the EU this week granted export licenses for 1.59 million tonnes of soft wheat, the second-largest weekly volume ever awarded by the bloc. The rise was amplified by a sharp jump in Chicago where wheat futures and additional support stemmed from concerns about dry conditions in the southern US Plains as the winter wheat crop emerges. U.S. wheat futures inched higher on Thursday, March 12, extending gains into a fifth session as dry weather across key U.S. growing regions stoked concerns over potential yield losses.

Maize/ Corn

Corn prices fell in February 2015 relative to January of 2014 by **US$1.01 (0.58%).** In this regard**,** corn prices closed the month at **US$173.71** per tonne. Between February 2014 and February 2015 prices fell by **US$35.63 (17.02%)**. A two year price comparison from February 2013 to February 2015 shows a total price decline of **US$129** (**43%**). The five year monthly average for corn is **US$251.68;** this means that current prices are **US$77.98 (31%)** lower. Data from the IMF shows that the price will fall to about **US$162.00** per tonne at the end of the first quarter and will increase marginally thereafter to **US$160.40 (1.1%)** at the close of 2015.

New developments from the USDA March 2015 report shows that World corn production is lowered as South Africa's crop is cut because of dryness and heat, more than offsetting improved prospects in Argentina. Trade is boosted slightly on stronger demand, primarily from Saudi Arabia as it substitutes corn for barley. Global corn production for 2014/15 is lowered **1.6** million tons with reductions for South Africa and Belarus only partly offset by an increase for Argentina. South Africa corn output is lowered **2.0** million tons as February dryness and periodic heat, particularly in the western and central corn growing regions, coincided with corn pollination. Corn production is lowered **0.1** million tons for Belarus based on indications of lower harvested area from the Ministry of Agriculture. Argentina corn production is raised 0.5 million tons as a small reduction in harvested area due to recent flooding is more than offset by higher expected yields with abundant soil moisture available for pollination and grain fill in other areas. Developing dryness in southern growing areas, however, limits this month's yield increase.

Since the release of the February WASDE report, U.S. corn quotes declined only slightly to $178/ton. Argentine quotes have dropped nearly $10 to $171/ton on improved new-crop prospects. Black Sea quotes fell slightly and remain about $10/ton below U.S. prices.

U.S. corn is boosted 1.0 million tons to 45.5 million on recent strong sales and shipments and a longer-than-expected window of competitiveness compared with Brazil and Argentina. Argentine corn is raised 1.0 million tons to 14.5 million on a larger crop. South African corn is halved to 1.0 million tons because of a sharply lower crop and carrying. (Consumption is revised upward from 2005/06-2009/10 resulting in lower stock levels for subsequent years). Selected Importers such as Israeli's corn is raised 200,000 tons to 1.7 million as competitively priced corn is expected to replace wheat in feed rations. Saudi corn is also boosted 600,000 tons to 3.5 million on higher compound feed production bolstered by strong demand from the poultry sector.

Since the USDA released its World Agricultural Supply and Demand Estimates (WASDE) report on March 10th, Expert Dan O' Brien reports that corn futures prices have moved sideways-to-lower, at least temporarily diminishing farmer's hopes that seasonal lows have occurred during January-March 2015. As of yet, U.S. corn producers have not observed enough market price strength to allow cash prices to move higher into the spring and provide eventual returns to storage for U.S. crop producers resisting sales at sub-$4.00 cash sales. With 1) a record high 2014 U.S. corn crop, and 2) prospects for record or near-record World corn production and ending stocks in the "current crop" 2014/15 marketing year, the likelihood of corn futures prices rallying above say $5.00 before spring planting appear limited – unless unexpected, substantial crop production or export availability problems occur in other major coarse grain production regions of the World

Darin Newsom reports relative stability in the corn market. He believes the USDA numbers don't hold much. He pays particular interest the increase in export figures for corn to 1.8billion bushels despite the fact that they are still trailing the previous projection of 1.75. He believes corn can move higher as they move into spring, early summer. He believes there will be some short term demand that comes to the corn market.

Soybean Prices

The prices of both soybean meal and soybean oil showed marginal declines for February 2015. At the end of February 2015 the price per metric tonne for soybean oil material stood at **US$697.94.** The price for Soybean oil material decreased, when compared to January, by **US$9.94 (1.4%)** per metric tonne. This represents an annual decrease of **US$175.72 (20%)** for the period February 2014 to February 2015. The five year average monthly price for Soybean oil is **US$1,028.43**, which is **US$330.49 (32%)** higher than current prices.

Soybeans for May ended last week march 13, down 0.5% at $9.69 ¼ a bushel in Chicago, undermined by some somewhat disappointing US industry data, showing that US processors crushed 146.97m bushels of the oilseed last month, below market expectations of a figure of more than 148.5m bushels. Brazil's government crop supply agency cut its forecast for the 2014/15 soybean crop now being harvested to 93.3 million tonnes on Tuesday March 10, from 94.6 million tonnes seen in February; reducing area planted as well as yield estimates.

Coffee

The price of the Arabica and the Robusta coffee had larger disparities in February 2015. The Arabica fell by **US$0.12 (5.74%)** to **US$1.80** while the Robusta fell by **US$0.014(1.39%) to US$1.04.** The five year average monthly prices for both types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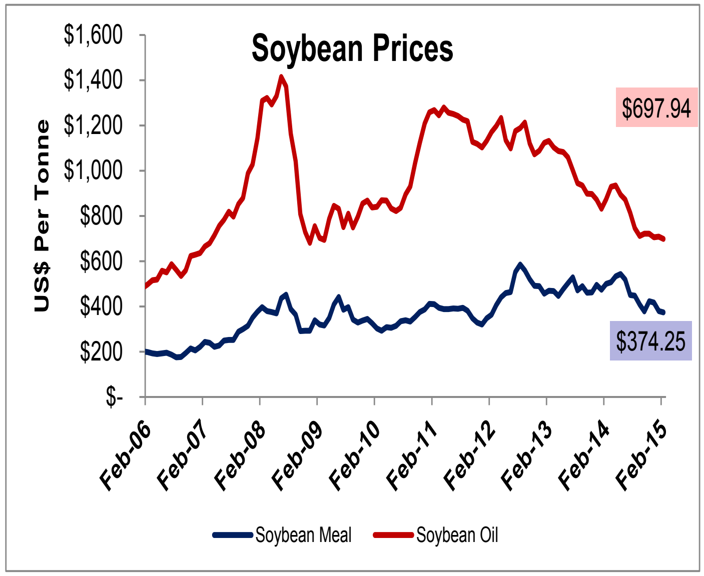
of coffee are **US$2.05** and **US$1.08,** respectively. This implies that the current prices of the Arabica and the Robusta are **12% and 4% lower** than the five year average prices.

In a report by ICO, February saw a continuation of the downward trend of recent months in the coffee market. The ICO daily composite price indicator fell to just below $1.30, more than $0.50 less than the most recent peak of $185.09 in October 2014. Despite this downward pressure on prices, it is expected that world production will be 142 million bags in crop year 2014/15, 4.6 million less than in 2013/14 and the lowest level in three years. That means a deficit in the coffee market in the year, although stocks in exporting countries have so far allowed exports to keep up a strong pace.

The coffee market saw a sharp drop in February, because of better weather in Brazil which meant the selling pressure to sell was strong. The ICO daily composite indicator price fell from $148.25 to $128.75 per pound, the lowest level since February 2014. The monthly average was $141.10, 4.8% lower than in January and the lowest in the last twelve months.

SCASA (Specialty coffee association of Southern Africa) reports that The National Coffee Council of El Salvador have announced that the countries coffee exports for the month of February were 29,524 bags or 52.06% higher than the same month last year, at a total of 86,233 bags. This has contributed to the countries cumulative exports for the first five months of the present October 2014 to September 2015 coffee year being 16,956 bags or 9.59% higher than the same period in the previous coffee year, at a total of 193,777 bags.

The U.S.A. Maryland Weather Services have forecasted that while the main coffee districts in Brazil shall continue to encounter fair rains during the month of March that dry autumn weather shall start to impact in April and into May, which is in reality normal conditions for this time of the year. They have likewise forecasted that there shall be some rains for the southern coffee districts of Brazil, which shall cause some short hiccups for the new crop harvest. This is however not a report that indicates anything unusual and for the present, does little to influence the prevailing bearish sentiment within the coffee markets.



Cocoa

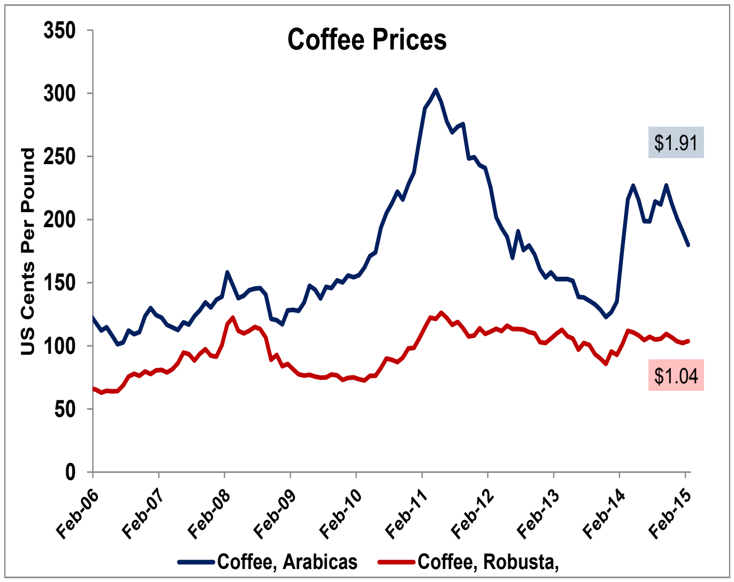
For February 2015, Cocoa prices increased by US$46.34 per tonne (1.6%) to close at US$2,961.94 per tonne. Relative to February 2014, prices decreased by US$30.82 (1.03%). The two year price comparison shows that prices are lower by US$764.24(34.8%) when February 2015 is compared with February 2013. The five year average monthly price for cocoa is US$2,795.95, this means that current prices are US$165.99 (5.6%) higher.

ICCO reports that the trend for cocoa beans futures is an upward swing in prices. Côte d'Ivoire purchases were strong for the first two months of the year, however, Ghana showed disappointing figures for its purchases, which were forecasted to be a huge increase. This, combined with continued concerns about dry weather conditions in some of the cocoa-producing areas in West Africa and their probable negative impact on the upcoming mid-crops, were the main fundamental reasons, reported by ICCO that influenced the increase in cocoa futures prices.

The U.S. dollar was stable compared to other currencies during the month, thereby having a minimal impact on commodity price developments. Cocoa futures prices rose at a stronger pace than the broader commodity complex, mainly due to supply concerns. Data from news agencies indicated that cocoa arrivals at ports in Côte d'Ivoire reached 1,218,000 tonnes. This was four per cent higher than the data for the corresponding period of the previous season. However, as the main crop tails off, expectations for the mid-crop remain mixed.

Total output for Ghana is expected to be lower than that of the previous season due to unfavourable weather conditions and the spread of small-scale mining. There are investigations underway, to verify if there are other factors causing the decline in the country's cocoa production. The ICCO Secretariat's first forecasts for the current 2014/2015 cocoa year, published in the latest issue of the Quarterly Bulletin of Cocoa Statistics, envisage a supply deficit of around 17,000 tonnes.

World cocoa bean production is expected to decrease by almost three per cent to 4.232 million tonnes. Grindings are also forecast to decrease by 1.7% to 4.207 million tonnes. If realized this would decrease the total statistical stocks of cocoa beans as at the end of the 2014/2015 cocoa year from 1.626 million tonnes in the previous season to 1.609 million tonnes, which would be equivalent to 38% of projected annual grinding for the current season.



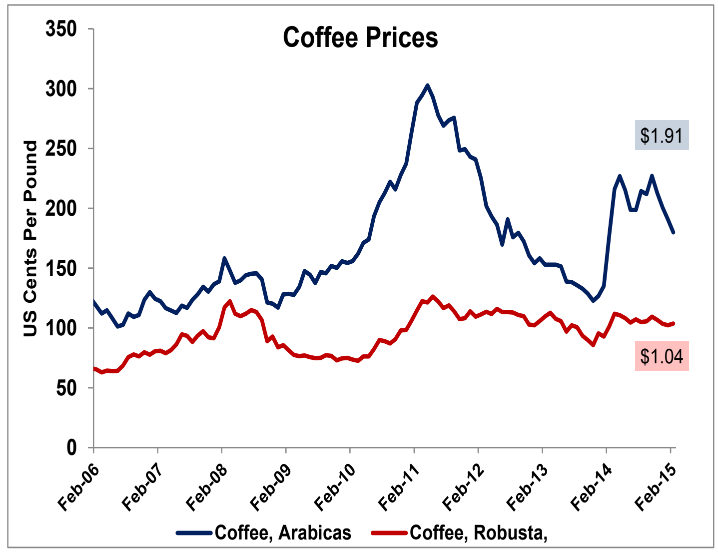
Oranges

Orange prices fell by **US$58.02 (7.65%)** in February 2015 to **US$700.00 per metric tonne**, relative to January 2015. Relative to February 2014, prices increased by **US$110.00 (13.58%).** The five year average monthly price is **US$798.64**, which indicates that current prices are **US$98.64 (12.4%)** lower.

With the next USDA report on citrus expected in July, USDA has however provided a few updates on the crops. The United States all orange forecast for the 2014-2015 season is 6.68 million tons, down 1 percent from the previous forecast and down 2 percent from the 2013-2014 final utilization. The Florida all orange forecast, at 102 million boxes (4.59 million tons), is down 1 percent from the previous forecast and down 2 percent from last season's final utilization. Early, midseason, and Navel varieties in Florida are forecast at 47.0 million boxes (2.12 million tons), down 2 percent from the previous forecast and down 12 percent last season's final utilization. The Florida Valencia orange forecast, at 55.0 million boxes (2.48 million tons), is unchanged from previous forecast but up 7 percent from last season's final utilization. The California Valencia orange forecast is 10.0 million boxes (400,000 tons), unchanged from previous forecast but down 9 percent from the previous season. This results in a California all orange forecast of 50.0 million boxes (2.00 million tons), unchanged from the January forecast. Objective survey measurements taken during January and February indicated that fruit set per tree was lower than the previous year and the lowest since 2009, but the measured average fruit size was slightly larger than the previous year. The forecast for Texas is carried forward from January.

According to the USDA, the reduction came entirely in the harvest of early and mid-season varieties, dropping to 47m boxes, including 1.4m boxes on Navel oranges.

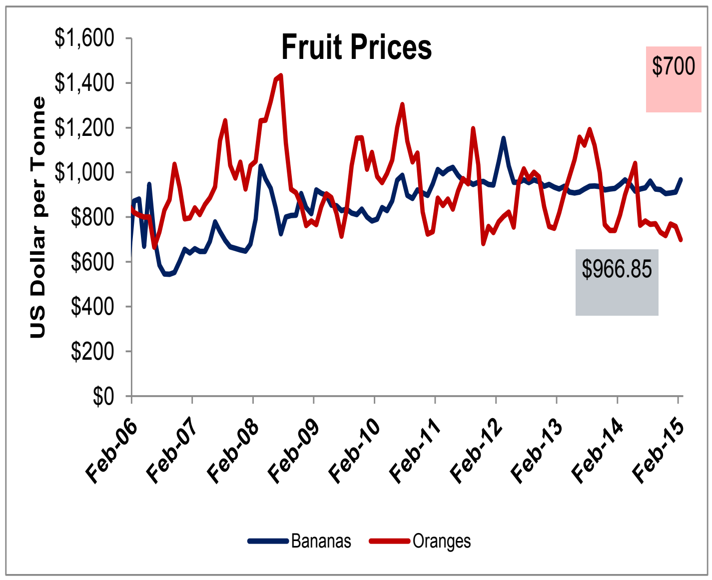
In light of all these numbers, experts expect higher prices on the market for citrus. Citrus farmers have less fruit to harvest this year which is believed to be a direct result of the drought. In places like Lindsay and Terra Bella, Valencia orange trees produced a lighter crop. It could lead to higher prices on the market, which is good for some growers but others will have to make tough choices soon.



In Greece, prices of Greek oranges suitable for export have increased in many parts of the country after the damages resulting from adverse weather. As stated by Mr. C. Polihronakis, Special Advisor to the Association of Greek Businesses, Exporters and Distributors of Fruit and Vegetable Juices, Incofruit - Hellas.

Vladimir Pekic reported that Citrus growers in São Paulo have successfully signed advance fruit supply deals with the Brazilian juice industry at a price of USD5.00 per box (40.8 kilos), or BRL16.24 per box according to the March 14 exchange rate.

The citrus greening disease hit China hard in 2014, pushing overall orange production there down by 10 percent to just 6.9 million metric tons, according to a new report published by USDA's Foreign Agricultural Service officials in Beijing. But the bad news for Chinese farmers could be especially good news for the U.S. orange industry, which already maintains a 13 percent share of China's orange import market — third largest behind South Africa and Australia.



Banana

Banana prices moved in February 2015 to US$966.85 per tonne. In this regard, prices increased by US$55.25 (6%), from US$911.60 in January. For February 2015 relative February 2014, banana prices rose by US$20.72 (2.19%) per metric tonne. A two year price comparison for February 2013 and February 2015 revealed that banana prices increased by US$41.44 (4.48%) per metric tonne. The five year average monthly price is US$979.33, indicating that current prices are US$12.48 (1.3%) lower than the long term average.

In the banana market, the Panama disease continues to devastate producers and according to McCarthy, it is no one's fault but the producers'. Banana, being a monoculture has focused its production and trade mainly on the Cadavish which is the world's largest commercial banana crop, the majority being from Central America, with Australia producing a variety of different ones, mainly for local production. The Cadavish however is the banana type that is susceptible to the fungus which cannot be cured.

Dan Keopel, a banana researcher stated that the world has put its bananas in one basket and is now paying the price. Mr Koeppel said the spread of Panama disease was putting the growing industry at risk, and the industry needed to shift its focus away from Cavendish to ensure its viability into the future.

Beef

In February2015, beef prices fell to **US$2.10** per pound, a reduction of **US$0.22 (9.55%)** relative to January 2015. Relative to February of 2014, current prices are **US$0.196** or **10.32%** higher than they were. The five year average monthly price is **US$1.94** which tells us that current prices are **US$0.15 (7.9%)** higher than the long term average.

USDA in its March report states that the 2015 forecast of total red meat and poultry production is lowered from last month as lower beef production more than offsets increases in pork and broiler production. The 2015 beef import forecast is higher than last month as demand for processing grade beef remains strong and strength of the dollar makes the United States an attractive market. Beef exports for 2015 are reduced due to relatively high U.S. prices and the strong dollar. The IMF believes that Beef prices dropped 10 percent due to weak seasonal demand and rising U.S. herd size.

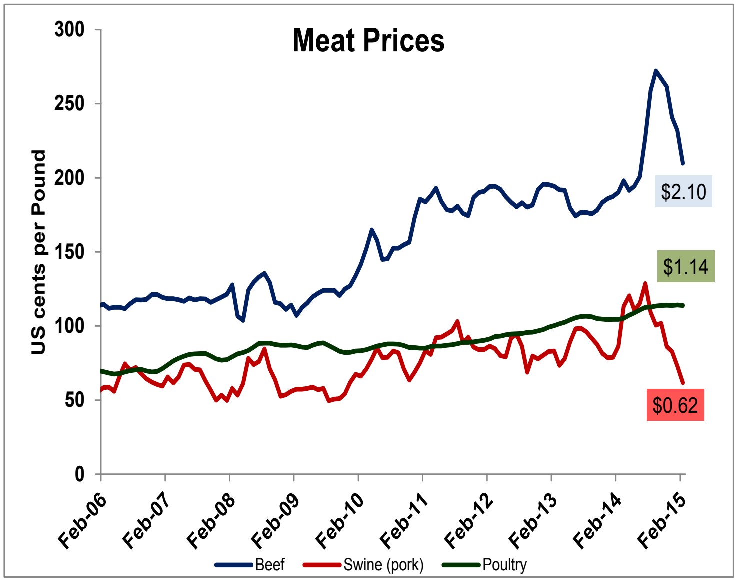
Andrew P. Griffith, University of Tennessee agricultural economist, explains that seasonally speaking, fed cattle prices will be supported as the market moves through early spring,". Griffith believes "the primary resistance to increases in fed cattle prices will be the retail price of beef and its inability to moderate in the near term. Cattle feeders will find it difficult to pressure fed cattle prices continually higher due to the difficulty packers will have pressuring boxed beef prices higher. Packers (processors) are finding it difficult to pay higher prices for fed cattle while beef cutout prices are faltering," Griffith explains. "Neither Choice cuts nor select cuts are immune to price decline. However, choice beef is feeling more of the pressure than Select beef." Live Cattle futures were an average of 80¢ lower week-to-week (35¢ to $1.82 lower).

Beef Magazine update shows that Yearling feeder cattle sold firm to $5 per cwt higher this week, according to the Agricultural marketing Service (AMS). Calves sold as much as $10-$15 higher compared to the most recent broad market test. Grazing demand, cattle moving from wheat pasture in the South Central Plains, and the first week of weather out of several conducive to widespread marketing, helped to push the market ahead according to experts. "It is currently prime time for the stock market during the narrow window between the end of wintry weather and the beginning of warmer weather and green grass in the major cattle production areas," AMS analysts say.

USDA showed concern for the drought conditions that persisted in the Southwestern United States, but stated however that Southern Plains wheat pasture has received sufficient moisture to remain in relatively good shape. As a result, wheat-pasture cattle will likely be able to remain on pasture until mid-March before heading to feedlots. This could lead to second-quarter 2015 net placements in feedlots of 1,000-plus head, slightly higher year over year but not enough higher to push first-half placements higher year over year. However, despite expected year-over-year lower total first-half net placements in 1,000-plus head feedlots, second-half 2015 beef production is forecast to be near 2014 production for the same period because of longer feeding times for steers and heifers, heavier dressed weights for all cattle, and more steers and dairy cows in the slaughter mix.

International Commodity Prices

The undertone in the wholesale beef market remains soft but should not be confused with poor demand. From a historical perspective, the USDA report pointed out that total meat consumption tends to languish during the winter quarter but is followed by a period of increased consumption as the spring grilling season approaches. At least in the short term, packers continue to operate in the red as buyers at the wholesale level remain reluctant to significantly increase beef purchases. While wholesale beef cutout values did rally noticeably in late February as a result of reduced steer and heifer slaughter, prices have not been high enough for packers to experience a sustained period of positive margins, even though certain components of the cutout—such as 90 percent lean beef—remain at historical record levels. Retail beef prices rose to record highs in January, with January 2015 Choice retail beef at $6.33/lb—up almost a dollar from this time last year—and All Fresh retail



beef at $6.00/lb, up over a dollar from January 2014.

Swine (Pork)

In February 2015 the prices for pork decreased by US$11.16 (15.29%) to close at US$61.84 per pound. The price of pork was

US$86.35 per pound in February 2014, which reflects a US$24.51 (28.4%) price decrease relative to February 2015. A two year analysis of pork prices shows that current prices are US$21.24 (25.57%) lower than they were in 2013. The five year monthly average price per pound for pork is US$80.18, this means that current prices are US$18.34 (29.7%) higher than the long run average.

The PigSite reports that it was a relatively hard week for this commodity market even though the supply was strong given large slaughter totals. Also, there was news of an avian influenza that could negatively impact the market. It is expected, according to Chris Hurt, an agricultural economist at Purdue University that prices of swine will be down by 23 cents per pound for this coming year. As a result, suppliers will see a decline in their profits. Hurt noted that prices last year were at a record high, where national live prices being at a price of $100 per live hundred weight that is $4.22 per pound. This was because of the outbreak of the deadly porcine epidemic virus, (PEDv), where consumers feared that the virus would result in a shortage of the commodity.

The actual drop in production that was recorded was however only two percent.

February's pork production was expected to be up by three per cent but surpassed expectations by 4 percent, going up to seven percent. The US Department of Agriculture in its inventory count for December estimates appears to have undercounted young pig numbers. As of January, pork was at $3.99 per pound. By the end of this year, it is estimated that pork supplies will be up an average of six per cent to seven per cent. The increase in pork supply mirrors other meats such as beef and chicken.

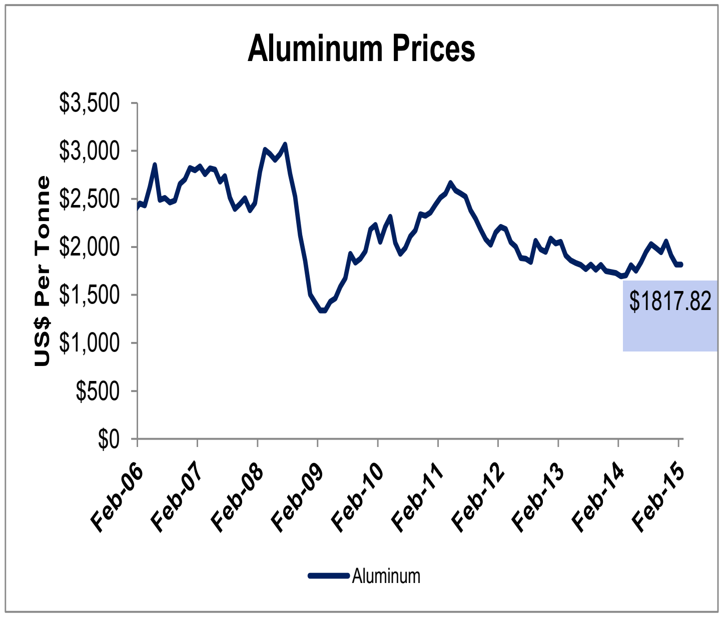
Mr. Hurt said prices might be down in meat industries this quarter because of the weak world economy and the slowdowns in the West Coast ports, which account for nearly half of all pork exports. Exports are expected to stabilize in coming weeks. Mr. Hurt also said the costs of pork production are expected to be down this year, especially in soybeans. Despite that, modest profit losses are anticipated in the first and fourth quarters of the year, resulting in an average year profit of about $8 per head, compared with last year's average profit of $53. Mr. Hurt advises pork producers to wait on expanding their farms until more information can be gathered this year.

Poultry

The price of chicken remained relatively unchanged in February 2015, decreasing by a negligible **(0.3%)** and ended at **US$1.13per lbs**. Prices in February 2015 were approximately **US$0.09 (8.87%)** lower than they were in February 2014. In January 2013, the price for poultry was **US$1.00**, indicating that prices are **US$0.14 (14%)** higher than they were two years ago. The five year average monthly price per pound is **US$0.99**, this means that current prices are **US$0.15 cents (15%)** higher. This long term movement in poultry prices even in the presence of crude oil reduction reflects relatively higher demand.

Shares in poultry producers tumbled after US officials confirmed "the presence of highly pathogenic H5N2 avian influenza (HPAI) in a commercial turkey flock in Boone County, Arkansas", (Agrimoney.com). Arkansas livestock inspectors have been going door-to-door and checking properties within the quarantine zone to look for backyard flocks that could be infected. In last month's bulletin, we had reported the USDA pointed out that no cases were detected near commercial poultry locations. To control recent developments, the USDA added that "state officials quarantined the affected premises and birds on the property will be depopulated to prevent the spread of the disease".

Arkansas is the third largest US turkey-producing state, as well as the headquarters for Tyson Foods, the nation's largest chicken company. The discovery raised concerns over further curbs on US broiler exports, with countries such as Singapore and Taiwan already having curbed imports of poultry from some US states on grounds of bird flu outbreaks. The list of countries that have restricted poultry imports from the US has grown to around 30. The market fear is that poultry companies, denied export markets, will attempt to sell extra meat into the domestic market and might have put prices down to sell it (Agrimoney.com).



Aluminum

Aluminum prices fell by **US$3.10 (0.17%)** per tonne and closed February 2015 at **US$1817.82** per tonne. Relative to February 2014, prices increased by **US$122.66 (7.24%)** per tonne. When February 2015 is compared to February 2014, prices fell by **US$122.66 (7.24%).** The five year average monthly price for aluminum is **US$2057.95** per tonne; this means that current prices are **US$240.13 (11.7%)** lower.

In a March 2015 PR newswire release, experts report that the economic crisis of 2008 caused a sharp decline in the demand for aluminum worldwide. As a result of the lower demand, the market became oversupplied, which pushed the prices down. Excessive warehousing of aluminium is a result of this oversupply, with an estimated 5.5 million tonnes currently stored only in London Metal Exchange (LME).

Previous years have seen continuous volatility in aluminium market prices, with prices declining by 19% in December 2008 and further 11.7% down in May 2010. However, as a result of the current tight aluminium supply, aluminium premiums started to rise, reaching record figures by the end of 2013.

Visiongain anticipated balanced aluminium market results for 2014 due to a number of industry-wide capacity curtailments. For 2015 we forecast global aluminium production to reach 55.01 million tonnes, while consumption levels to reach 55.04 million tonnes. This will result in a deficit of 0.03 million tonnes to the current aluminium supply/demand balance. Such deficit is necessary to cut the current level of aluminium inventories. Visiongain calculates that global aluminium market will be worth $105.63 billion in 2015.

With electricity accounting for approximately 37% of the total cost of aluminum production, experts expect to see aluminium production shift to nations that have access to low cost energy sources. We are very optimistic for the future of Middle Eastern aluminium production, with its access to gas and oil, as well as North Western China with its access to coal. Though North West China is extremely remote, the lower energy costs more than offset the increased transportation costs.

In the long-term, we anticipate the prospects for aluminium to remain bright as global megatrends will continue driving aluminium consumption in the future. Visiongain forecasts the largest growth in aluminium demand to come from the BRIC nations and Middle East region. We also expect major contributors to this growth will to be the transportation and construction sectors.

CRU's **Aluminum Market Outlook** Monthly Update, published March 10, speaks to ROW's primary aluminum demand has been weakened by booming Chinese exports of aluminum semis and increased scrap availability in the US.

International Commodity Prices

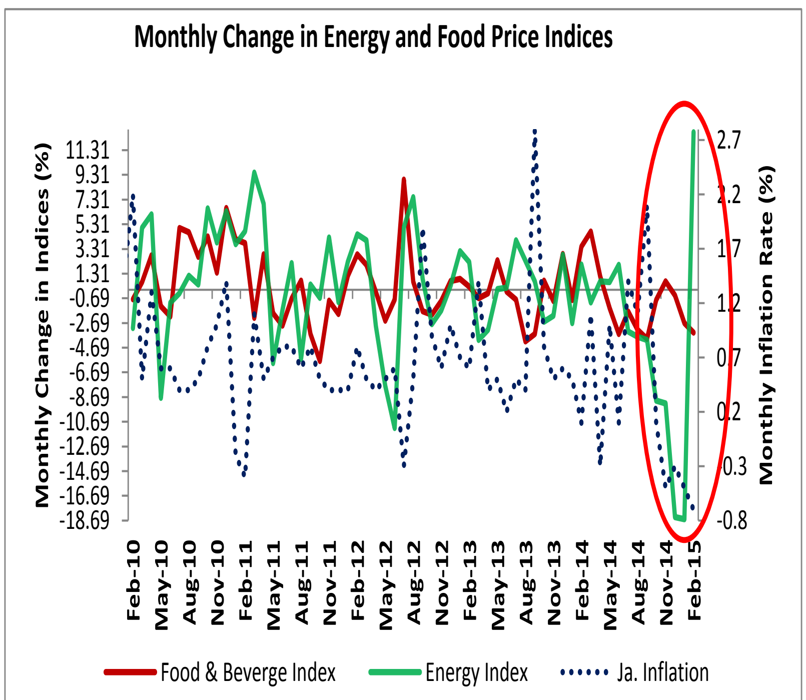
Impact of global prices on Jamaica

There were prices reductions in **68%** of the commodities monitored for February 2015. The price of both crude oil indices increased, breaking the seven consecutive month of price reductions. The Brent and the WTI increased by **17.6%** and **6.5%,** respectively. Natural gas fell **4.3%**. The IMF's Fuel Energy Index increased by **12.8%**, the Food and Beverage Index fell by **3.5%**. With the projected low international commodity prices, inflation for Jamaica is expected to remain relatively low throughout 2015 and into 2016. However, while imports , especially fuel prices, will be significantly lower in 2015, export prices will also be significantly lower, therefore, forecasting economic growth in Jamaica will be challenging given the uneven pass through of commodity prices, however, economic growth should be positively impacted.

The graph below shows the relationship between movements in commodity prices and movements in domestic inflation. The movements in the international price indices for February should be observed in Jamaica around end-April 2015. In addition, inflation of **-0.8%** for February 2015 would have been influenced by the downward movements in commodity prices between November of 2014 and December 2014.

The PSOJ is cautious on its inflation forecast cautious even in the face of the reduction in commodity prices. Significant risks come through exchange rate movements, lower domestic agricultural production, wage increases, higher taxes, adverse weather, back to school expenses in September and money growth. In this regard, the forecast is for inflation to between **2%** and **6%** will remain until end of April 2015.

Commodities	Unit	Price	Price	Monthly Change
		Feb-15	Jan-15	Per cent
Aluminum	Metric ton	1817.82	1814.72	0.2%
Bananas	Metric ton	966.85	911.60	6.1%
Beef	Pound	209.88	232.02	-9.5%
Cocoa beans	Metric ton	2961.94	2915.60	1.6%
Coffee- Arabicas	Pound	179.94	190.90	-5.7%
Coffee- Robusta	Pound	103.74	102.33	1.4%
Maize (corn)	Metric ton	173.70	174.71	-0.6%
Natural Gas	MMBTU	2.85	2.97	-4.3%
Dated Brent Crude	Barrel	56.93	48.42	17.6%
Crude W TI	Barrel	50.72	47.60	6.5%
Oranges	Metric ton	700.00	758.02	-7.7%
Swine (pork)	Pound	61.84	73.00	-15.3%
Poultry	Pound	113.77	114.10	-0.3%
Rice	Metric ton	409.50	409.68	-0.04%
Soybean Meal	Metric ton	374.25	379.04	-1.3%
Soybean Oil	Metric ton	697.94	707.88	-1.4%
Sugar- Free Market	Pound	14.51	15.06	-3.7%
Sugar- US Import	Pound	24.62	25.24	-2.5%
Wheat	Metric ton	237.15	248.46	-4.6%

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PRICES & PROJECTIONS

Commodities	Units	2014Q1	2015Q1	2015Q2	2015Q3	2015Q4	2016Q1	Q1-15/Q1-14	Q2-15/Q1-15	Q4-15/Q1-15
Food		ACTUAL	PROJECTIONS							
Cereals										
Wheat	$/MT	297.1	223.7	196.9	199.8	205.5	207.8	**-25%**	**-12.0%**	**-8.1%**
Maize	$/MT	210.1	162.3	152.5	156.1	160.4	163.7	**-23%**	**-6.0%**	**-1.1%**
Rice	$/MT	440.7	383.9	385.6	375.0	372.9	333.1	**-13%**	**0.4%**	**-2.9%**
Barley	$/MT	162.7	143.8	146.6	148.2	131.1	159.2	**-12%**	**1.9%**	**-8.8%**
Vegetable oils and protein meals										
Soybeans	$/MT	498.3	367.2	366.4	366.7	358.8	362.0	**-26%**	**-0.2%**	**-2.3%**
Soybean meal	$/MT	493.3	368.1	355.2	354.8	348.8	349.8	**-25%**	**-3.5%**	**-5.2%**
Soybean oil	$/MT	877.9	728.0	730.4	733.1	724.6	728.4	**-17%**	**0.3%**	**-0.5%**
Palm oil	$/MT	813.7	666.8	649.5	627.6	620.2	626.4	**-18%**	**-2.6%**	**-7.0%**
Fish meal	$/MT	1657.9	2032.4	1912.0	1675.6	1625.9	1619.5	**23%**	**-5.9%**	**-20.0%**
Sunflower Oil	$/MT	1133.1	1066.4	1056.9	1047.5	1039.0	1058.2	**-6%**	**-0.9%**	**-2.6%**
Olive oil	$/MT	3599.0	4137.1	4146.5	4194.4	4235.7	4287.3	**15%**	**0.2%**	**2.4%**
Groundnuts	$/MT	2377.3	1969.7	1921.9	1873.8	1825.8	1942.8	**-17%**	**-2.4%**	**-7.3%**
Rapeseed oil	$/MT	980.3	798.1	772.0	766.6	761.2	728.1	**-19%**	**-3.3%**	**-4.6%**
Meat	cts/lb									
Beef	cts/lb	191.8	236.3	233.6	230.9	228.3	233.2	**23%**	**-1.1%**	**-3.4%**
Lamb	cts/lb	124.1	131.0	131.0	132.3	133.9	134.7	**6%**	**0.0%**	**2.2%**
Swine Meat	cts/lb	92.8	116.5	115.1	115.1	115.1	112.0	**26%**	**-1.2%**	**-1.2%**
Poultry	cts/lb	104.7	116.0	120.5	123.2	121.4	123.6	**11%**	**3.9%**	**4.7%**
Seafood										
Salmon	$/kg	7.8	5.6	5.3	5.3	5.0	5.1	**-28%**	**-5.4%**	**-10.7%**
Shrimp	$/lb	17.1	16.6	15.5	15.4	16.3	15.8	**-3%**	**-6.6%**	**-1.8%**
Sugar										
Free market	cts/lb	16.8	15.2	15.6	15.8	16.2	16.9	**-10%**	**2.6%**	**6.6%**
United States	cts/lb	22.4	25.4	25.6	25.3	25.4	25.2	**13%**	**0.9%**	**0.2%**
EU	cts/lb	27.5	27.7	27.7	27.7	27.7	27.9	**1%**	**0.0%**	**0.0%**
Bananas	$/MT	947.1	926.6	915.8	895.2	885.8	892.4	**-2%**	**-1.2%**	**-4.4%**
Oranges	$/MT	777.4	782.0	777.1	772.6	769.8	781.8	**1%**	**-0.6%**	**-1.6%**
Beverages										
Coffee										
Other milds	cts/lb	175.8	187.0	179.3	182.8	186.7	188.9	**6%**	**-4.1%**	**-0.2%**
Robusta	cts/lb	102.0	89.2	91.9	93.5	94.3	95.0	**-13%**	**3.0%**	**5.7%**
Cocoa Beans	$/MT	2951.3	3058.1	3009.3	2980.9	2933.5	2899.4	**4%**	**-1.6%**	**-4.1%**
Tea 3/	cts/kg	247.9	240.7	240.7	248.9	255.7	242.4	**-3%**	**0.0%**	**6.2%**
Agricultural raw materials										
Timber										
Hardwood										
Logs	$/M3	178.4	177.8	188.6	177.8	178.9	182.9	**0%**	**6.1%**	**0.6%**
Sawnwood	$/M3	306.1	311.2	304.2	295.2	290.2	304.9	**2%**	**-2.2%**	**-6.7%**
Softwood										
Logs	$/M3	178.4	177.8	188.6	177.8	178.9	182.9	**0%**	**6.1%**	**0.6%**
Sawnwood	$/M3	306.1	311.2	304.2	295.2	290.2	304.9	**2%**	**-2.2%**	**-6.7%**
Cotton	cts/lb	94.0	59.4	60.0	60.9	62.4	64.1	**-37%**	**0.9%**	**5.0%**

Monthly Inflation and Treasury Bill Rates

Domestic Inflation Rate

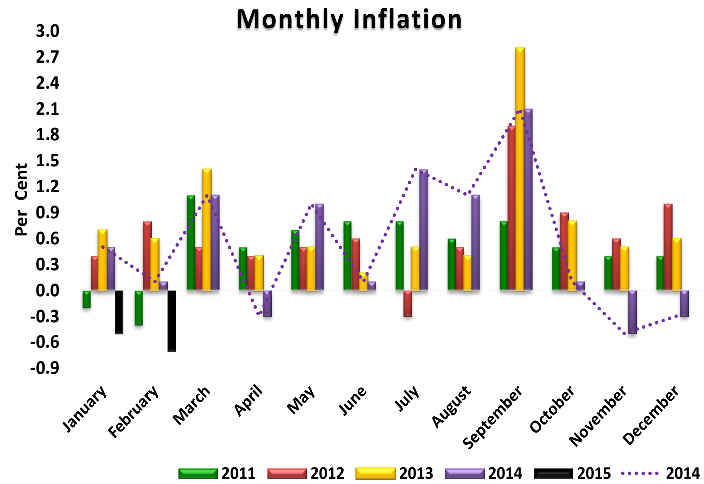
Domestic inflation, measured by the All Jamaica “All Divisions” Consumer Price Index (CPI) declined by **0.7%** for February 2015, following declines of **0.5%**, **0.3% and 0.5%** observed in November, December of 2014 and January 2015, respectively. According to the Statistical Institute of Jamaica, the outturn for the month was largely influenced by downward movements in *Food and Non-Alcoholic Beverages, Housing, Electricity, Gas, and other Fuels*. These reductions resulted from lower prices for vegetables and starches, lower rates for water, sewage and electricity and reduction which impacted the price of petrol on the domestic market.

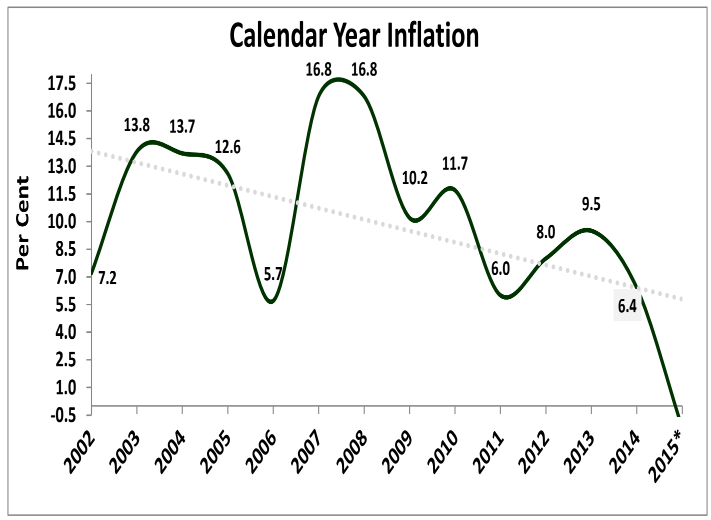
Consequently, inflation for all the three regional areas declined for January 2014. Inflation for the Greater Kingston Metropolitan area (GKMA), Other Urban Centers (OUC) and Rural Areas declined by **0.8%, 0.6%** and **0.5%**, respectively.

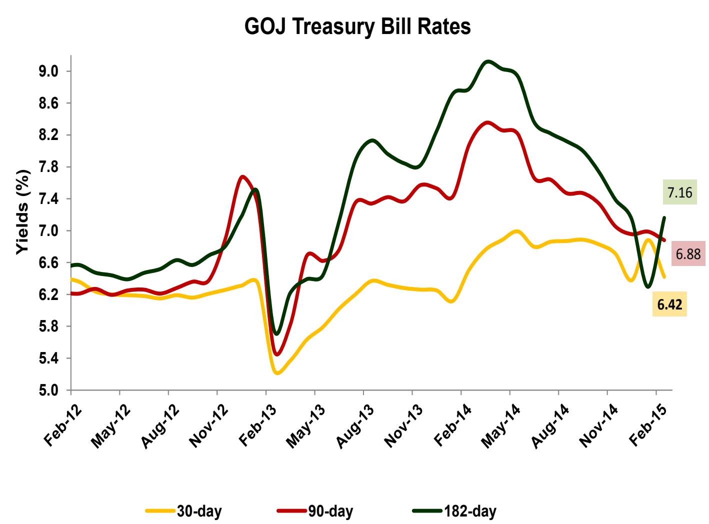
For CY-February 2015, inflation rate is **–1.2%** compared to **0.6%** for CY-February 2014. Inflation for FY-to-February 2015 was **3.4%**. In a media release on 21 January, the Bank of Jamaica stated that the inflation for the FY2014/15 is expected to fall below the **7%-9%** target range. The Bank said this outlook was derived from the changed inflation environment. The significant reduction in the global commodity prices will continue to impact this environment through 2016.

GOJ Treasury Bill Rates

Following the February 2015 auction, there was a reduction of **46 bps** and **11 bps** in the yields on the 30-day a 90-day tenors of GOJ Treasury Bills. However, the yields on the 90-day tenor increased by **86 bps.** On an annual basis, yields on the 30-day, 90-day and 182-day tenors fell by **9 bps, 120 bps** and **162 bps,** respectively. The continued decline in the yields may be an indication of improved domestic liquidity and improved outlook for economic performance over the medium to long term. Additionally, lower yields on the instruments may also reflect the improved outlook for the inflation environment, primarily in light of the announcement by the Governor of the Bank of Jamaica that inflation for the FY2014/15 will fall within the range of **7%-9%**,and is expected to be within the **3%- 5%** range for FY2015/16.







Monthly Exchange Rates Update

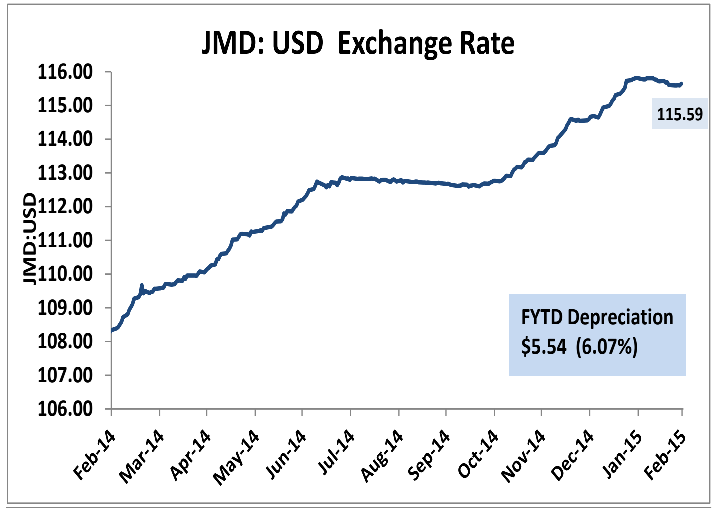
February 2015 Issue

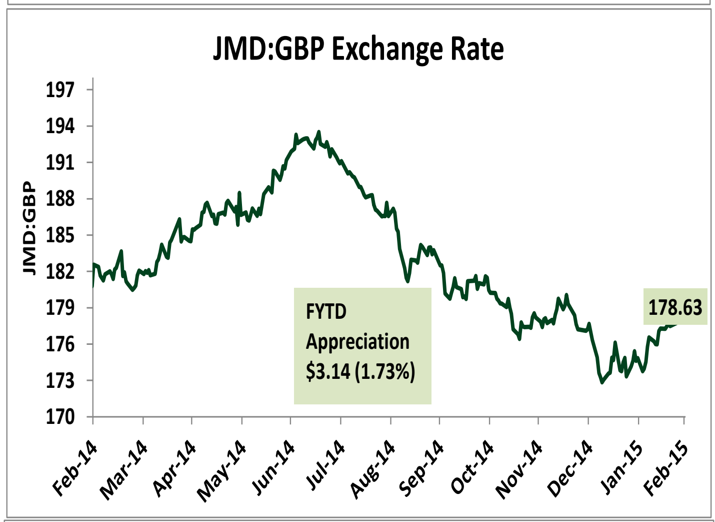
Relative to January 2015, the Jamaica Dollar appreciated vis-à-vis the US Dollar while the Dollar depreciated relative to the Great British Pound and the Canadian dollar at end-February 2015. The depreciation in the Jamaica Dollar vis-à-vis the Great British Pound and Canadian Dollar reflected a break in the appreciation observed since end-July 2014. The outturn for the month brought the Fiscal year depreciation to 6.07% (J$ 5.54) relative to the US dollar and the fiscal year appreciation to 1.73% (J$3.14) and 6.36% (J$6.29) relative to the Great British Pound and Canadian dollar, respectively.

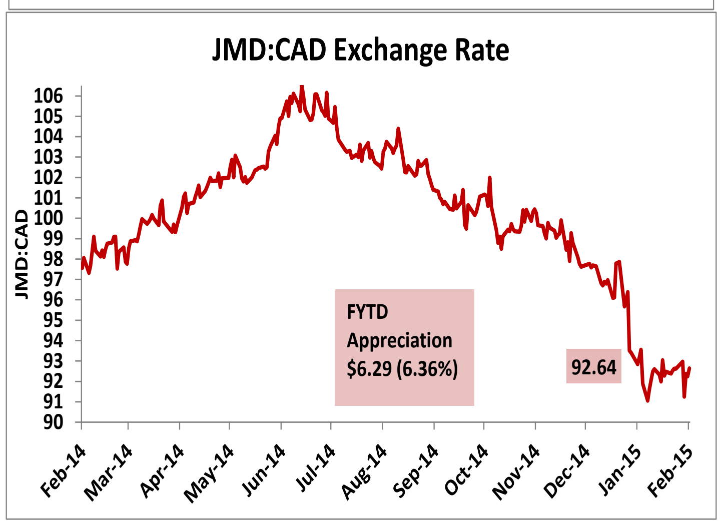
The Jamaica Dollar appreciated by **$0.17 (0.2%)** vis-à-vis the US Dollar at end-February 2015 relative to January 2015. At end-February 2015 the Dollar traded at **J$115.64=US$1.00.** On the other hand, the Dollar depreciated by **J$0.76 (0.8%)** and **J$3.72 (2.2%)** against the Canadian dollar and Great British pound, respectively. At end-February 2015, the Jamaica Dollar traded at **J$178.63=GBP£1.00** and **J$92.64=CAD1.00**, respectively.

The outturn for the month reflects an improvement in the performance of the currency relative to previous months, largely reflecting the impact of the progressively successful performance of Jamaica under the EFF, particularly in light of the most recent successful performance for the December 2014 quarter. The movement in the rates also reflects the improved confidence following the successful issue of the GOJ Eurobond in the September 2014 quarter. In addition, the movement in the rate has been largely responsive to the stock of Net International Reserves (NIR) at the Central Bank which continues to be boosted by disbursements from the International Monetary Fund (IMF) following each successful quarterly review.

The Bank of Jamaica explained that the slowdown in the pace of depreciation relative to last year in the rate was expected because of changes in the fundamentals that drive exchange rate. Net demand from the current account was much lower given the narrowing of the deficit. In addition, the fall in inflation in recent months has significantly narrowed the inflation differential. The





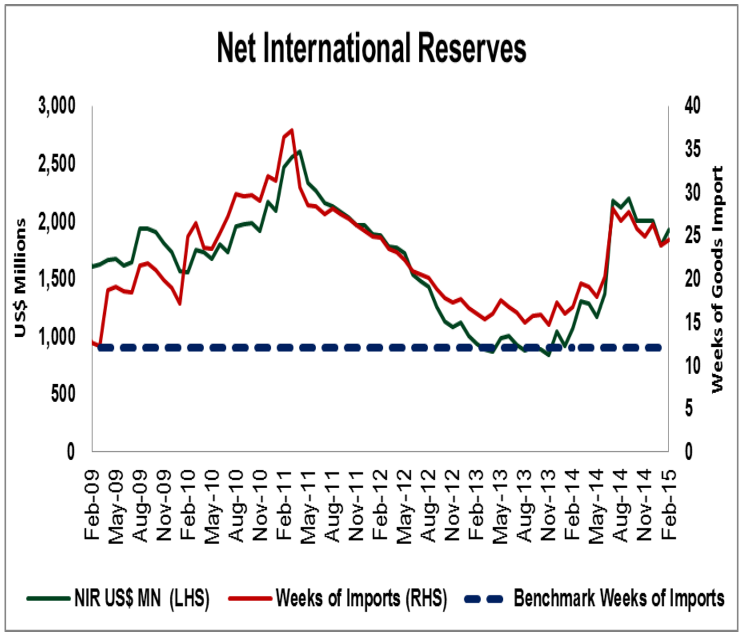


FX-Trends CY Changes

	J$/USD	%	J$/GBP	%	J$/CAD	%
CYT-Feb 2015	0.98	0.9%	0.95	0.5%	-5.05	-5.2%
CY-2014	8.28	7.8%	1.98	1.1%	-2.03	-2.0%
CY-2013	13.40	14.4%	27.03	18.0%	2.71	2.9%

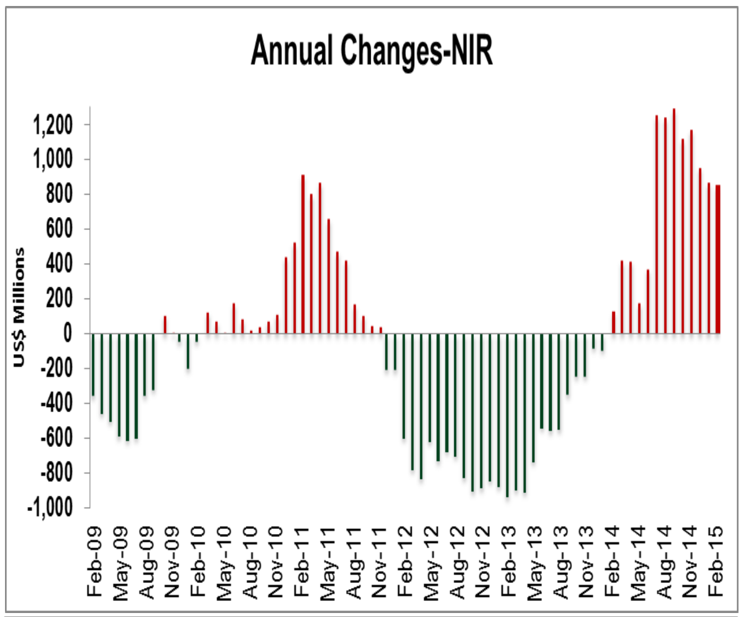
Net International Reserves & Money Supply

BOJ expects that exchange rate depreciation will continue to slowdown.



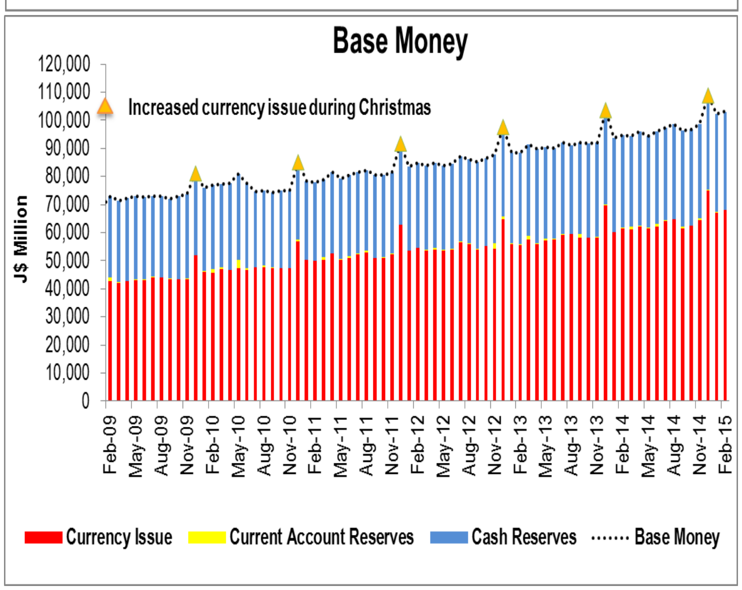
Net International Reserves

The stock of Net International Reserves (NIR) at the Bank of Jamaica was **J$204.38 billion** (**US$2301.76 million**), at end-February 2015 reflecting a increase of **J$14.4 billion** (**US$135.82 million**) relative to the previous month. The change in the NIR for the month was largely due to a increase of **US$67.01 million** in the external holdings of foreign assets which was supported by a decline of **US$73.62 million** in liabilities to the IMF. At end-February, the gross reserves at the Central Bank were sufficient to finance **24.49** weeks of goods imports which represents **12.49** weeks over the international benchmark of **12** weeks of goods imports.

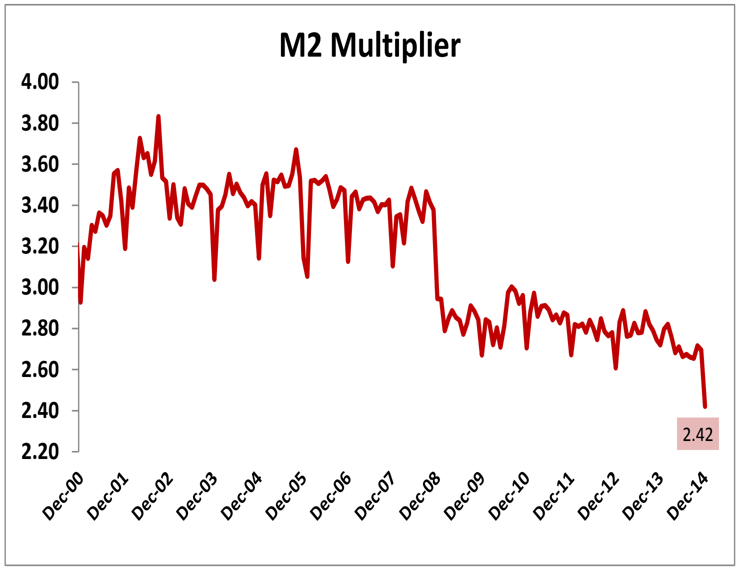


Base Money

For February 2015, there was an expansion of **J$1.18 billion (1.2%)** in the monetary base relative to the previous month. This expansion resulted in an end-month stock of **J$103.28 billion**. The movement in the base mainly reflected net currency issue of **J$1.11 billion** and to a lesser extent an increase of **$151.77 million** in commercial banks' statutory cash reserves. The impact of these transactions was partially offset by a reduction of **J$77.08 million** in commercial banks' current account balances. The expansion in the base resulted from an increase of **J$14.4 billion** in the Net international Reserves (NIR) which was partially offset by an decline of **J$13.27 billion** in the Net Domestic Assets (NDA), largely resulting from placements on BOJ's OMO instruments.

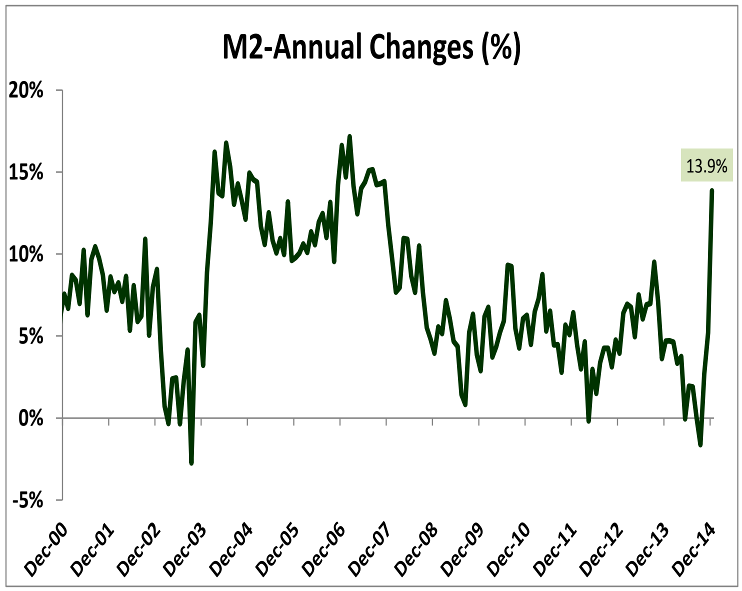


On an annual basis, the multiplier declined from **2.72** at December 2013 to **2.42** at December 2014. For the same period, the monetary base increased by **J$5.25 billion (5.07%).** Consistent with the movements in the base and the multiplier, money supply increased by **J$32.06 billion (13.9%)** for December 2014 relative to 2013. The increase in the supply of broad money would have contributed to the observed increase in private sector credit for the period.

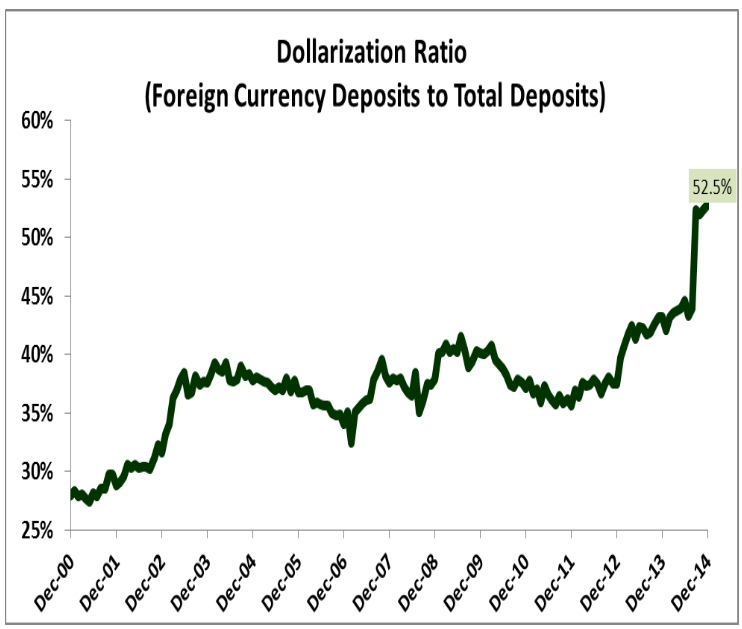


Dollarization Ratio

The dollarization ratio increased by 9.6 percentage points to **52.8%** at December 2014 from **43.2%** at December 2014. This increase reflected the stronger accumulation of foreign currency deposits in the commercial banking system relative to local currency deposits. This is reflective of consumers' converting their holdings of local currency deposits to foreign currency deposits in light of a depreciation of **7.8%** in the exchange rate vis-à-vis the US dollar.



The dollarization ratio is the proportion of foreign currency deposits relative to total deposits in domestic financial institutions, in this case, the domestic financial institutions include only commercial banks. The dollarization ratio measures the extent to which citizens of Jamaica officially or unofficially use foreign currency as a legal tender for transacting businesses. Dollarization is an important indicator of currency substitution. Its presence is generally an indication that there is greater stability in the value of the foreign currency relative to the domestic currency. While dollarization is not unique to Jamaica as a developing country, the adverse effect is that it may increase the volatility of money demand and impinge on the capacity of the Central Bank to conduct monetary policy. In addition, it contributes to the depreciation of the local currency. Finally, dollarization, is regarded as an obstacle to the conduct of monetary policy, given that in the presence of dollarization, domestic monetary policy is also impacted by foreign economic variables, therefore the Central Bank's autonomy is limited.



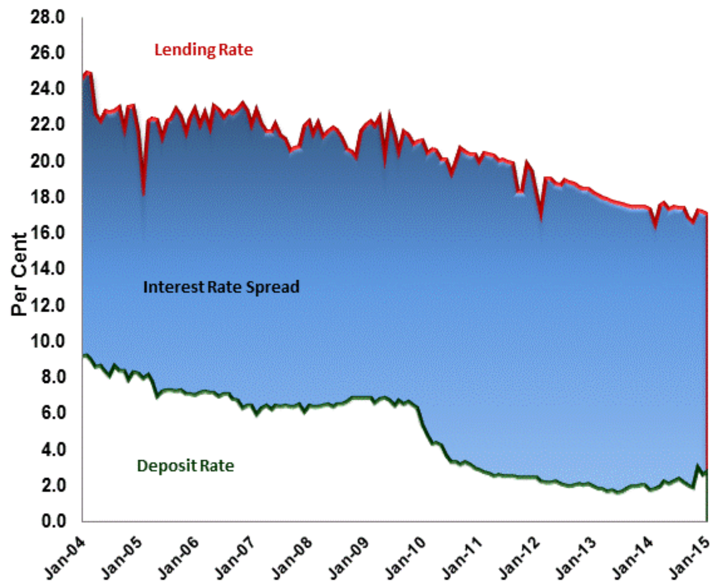
Commercial Banks Interest Rates

Commercial Bank Interest Rates

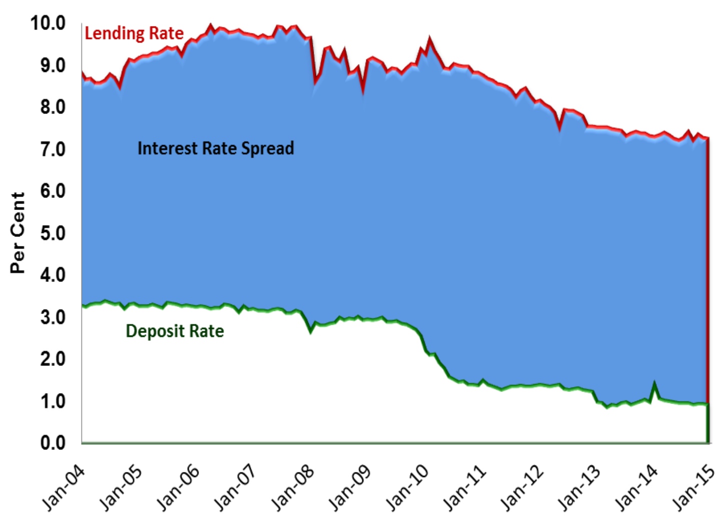
The overall weighted average lending rate on local currency loans declined by **0.18 percentage points (pps)** to **17.01%** for January 2015 relative December 2014. This reduction largely occurred in the context of contractions of **0.27 pps** and **0.14 pps** in the rates charged on personal and commercial loans, respectively. Despite the overall decline in rates, there was an increase of **0.22 pps** and **0.08 pps** in rates charged on loans to Local Government & Other Public entities and Central Government**.** The reduction in the loan rates corresponded with a **0.20 pps** decline in deposit rates. As a consequence, the spread on domestic currency loans narrowed to **14.17%** at January 2015 relative to **14.54%** at December 2014.

Similarly, interest rates on foreign currency loans for January 2015 fell by **0.02 pps** to **7.25%** relative to December 2014. This change largely resulted from reductions in the rates on foreign currency commercial loans by **0.25 pps**. Similarly, foreign currency deposit rates increased by **0.01 pps** for the period. As a result, the interest rate spread on foreign currency loans in commercial banks fell to **6.31%** for January 2015 from **6.32%** for December 2014.

Local Currency Interest Rates



Foreign Currency Interest Rates



Domestic Currency Weighted Loan Interest Rates (%) January 2015							
	Instalment Credit	Mortgage Credit	Personal Credit	Commercial Credit	LGOPE	Central Govt.	Overall A/W Rate
Monthly Change	-0.04	0.00	-0.27	-0.14	0.22	0.08	-0.18
Annual Change	-0.50	-0.14	0.64	0.02	-1.00	-0.19	-0.32
End of Month	16.07	9.73	25.29	12.79	10.38	9.85	17.01
Foreign Currency Weighted Loan Interest Rates (%) January 2015							
Monthly Change	0.11	-0.02	-0.06	-0.25	0.14	n.a	-0.17
Annual Change	0.01	-0.08	1.55	-0.14	-0.05	n.a	-0.08
End of Month	8.57	6.72	16.97	6.83	6.32	n.a	7.25

Tourist Arrivals

Tourist stopover arrivals rose to **176,621** for January 2015, reflecting an increase of **4.3%** relative to the January 2014. The uptick in the monthly arrivals largely resulted from an increase of 7,**453** in stopover by foreign nationals.

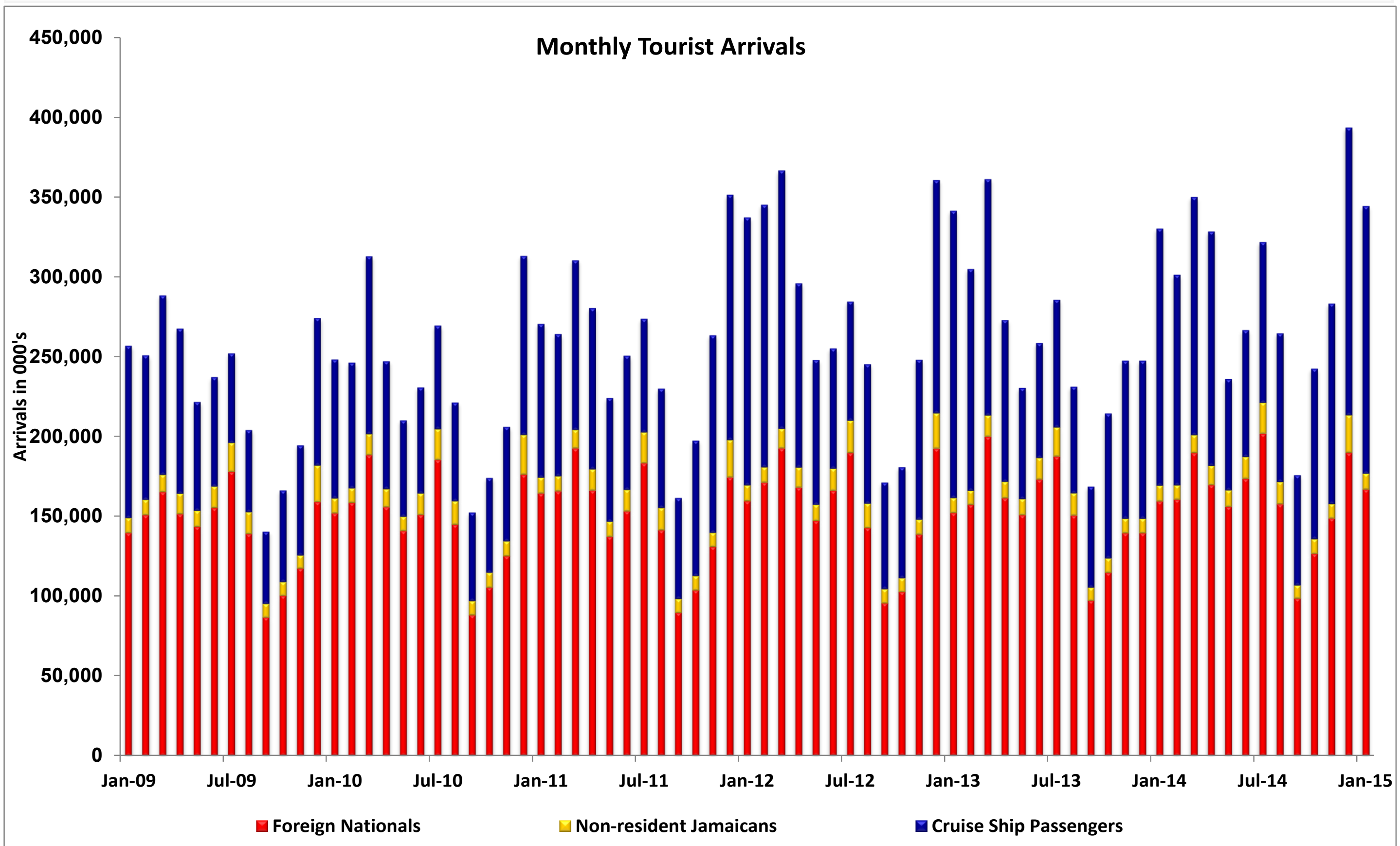
At the end of December 2014, on a year-to-date basis, stopover arrivals increased to **2,080,181**, reflecting growth of **3.6%** or **71,772** relative to the corresponding period of 2013. The YTD increase in stopover arrivals largely resulted from greater number of foreign nationals visiting the island.

Data from the Jamaica Tourist Board indicates that approximately **53.8%** of all stopover arrivals originate from the USA market region, approximately **57%** of which originated in the north western region. The remaining **46.2%** of the arrivals originated from Canada, UK and other regions including the Latin America, the Caribbean and Asia.

For the calendar year, approximately **76.6%** of all visitor arrivals was leisure for the purpose of vacation while the remaining **23.4%** was mainly for the purposes of among business, weddings/honeymoons and visiting friends and relatives.

Cruise passenger arrivals increased by **4.1%** to **167,591** for January 2015 when compared to 2014. For calendar year 2014, cruise ship arrivals increased by **14.5%** to **1,413,151** relative to **1,208,539**. recorded in 2013

The PSOJ is forecasting a relatively healthy 2014/15 tourist season for Jamaica. This forecast is due in part to the relatively strong growth in the major determinants of tourist arrivals to Jamaica. These include the overall growth in the US economy and improvement in rates of employment. The US economy is expected to grow by **2.8%** in 2015, while real consumer spending is expected to grow by **3.3%** over the **2.8%** recorded in 2014, These determinants should have a very positive impact on the arrivals from the States. With the Stronger US economy, disposable incomes of Americans should increase, hence expenditure per visitor should also increase.



Remittance Inflows Update

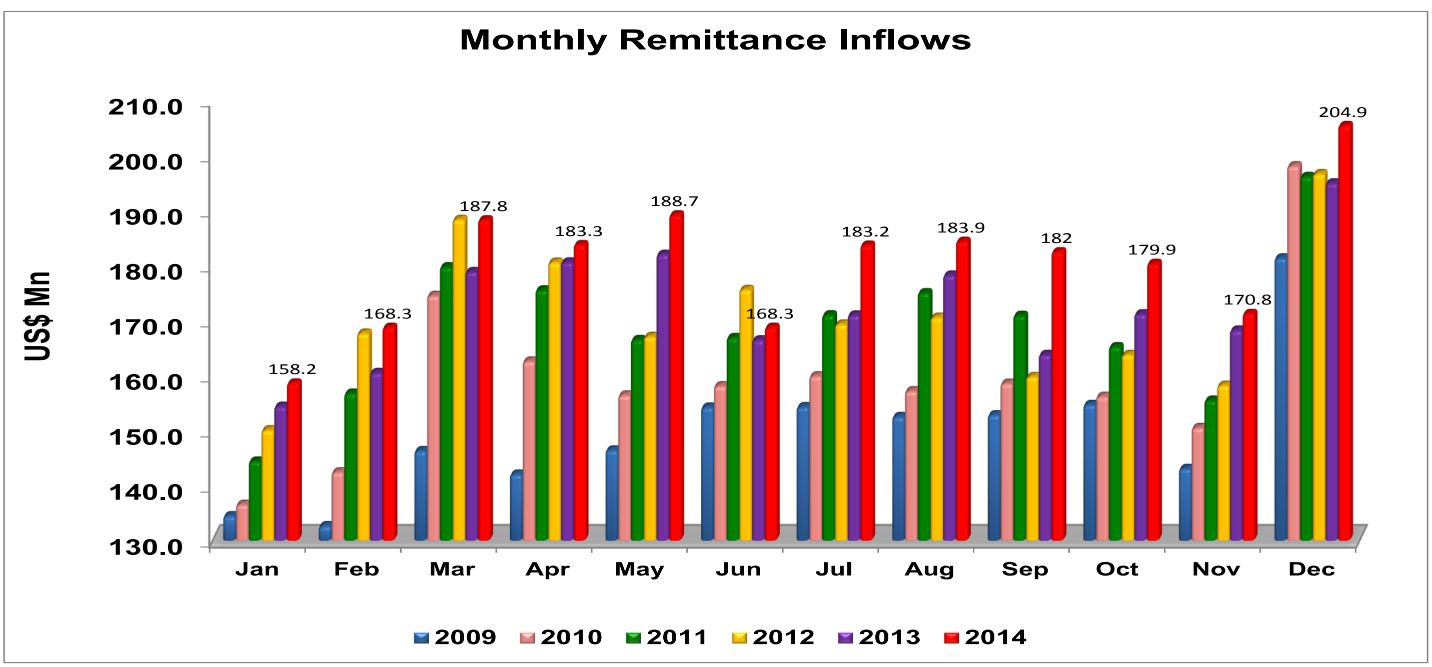
The PSOJ is projecting robust growth in remittance flows to Jamaica for the 2015 calendar year, this position is supported by the projected robust growth in real GDP, employment and real consumer spending in the United States. Major indicators and trends suggest that remittance flows could grow as much as **6 %** over 2015.

For December 2014, gross remittance inflows were **US$204.9 million**, reflecting an increase of **US$10.4 million (5.4%)** relative to the corresponding month of the previous year. The outturn for monthly remittance inflows for December was above the average inflows of **US$193 million** for the previous five corresponding periods. The growth in total remittance inflows largely reflected increases of **US$12.6 million** in flows through remittance companies and an additional **US$2.2 million** in inflows via other remittances. This monthly increase in remittances pushed the gross remittance inflows to for 2014 to a record **US$2,159.7**, an increase of **US$94.7 (4.2%)** over the flows for 2013**.**

Similarly, for December 2014, net remittance inflows were **US$183.7** million, an increase of **US$9.8** million or **(5.6%)** relative to the December of 2013. The uptick in remittance for the month contributed to the total net remittance of **US$1,926.5 million** for the calendar year 2014. This reflected an increase of **US$102.1 million (5.6%)** relative to remittance inflows for of 2013.

For the FY-to-December 2014, net remittance inflows rose by **US$72. million (5.2%)** to **US$1, 465.9 million** relative to the corresponding period of FY2012/2013. The growth in net remittances reflected an increase in gross remittance inflows which was supported by a contraction in outflows.

According to the BOJ Monthly remittance report, remittance inflows to Jamaica show some congruence with trends in key sectors in which Jamaican workers are employed. The report stated that the trend in the growth of earnings in the Leisure and Hospitality sector typically moves in line with the pattern of growth in gross remittance inflows from US to Jamaica prior to 2013. However, for the third quarter of 2014, the downward trend in average weekly earnings in the Leisure and Hospitality sector shows a reversal of the strong co-movements with gross remittance inflows from US observed in previous quarters. This was attributable to an increase in employment of the Jamaican diaspora in other sectors of the US economy.



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Domestic Bauxite and Alumina Production

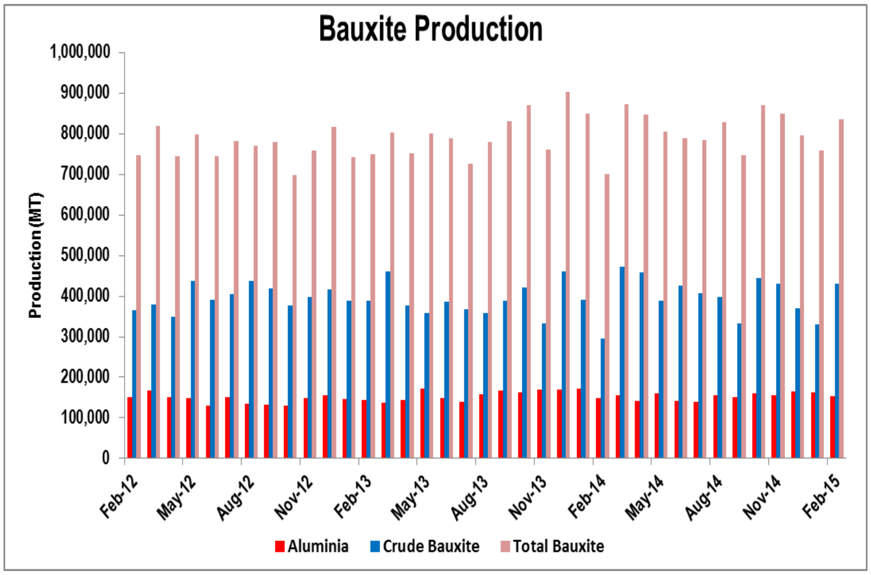
February 2015 Issue

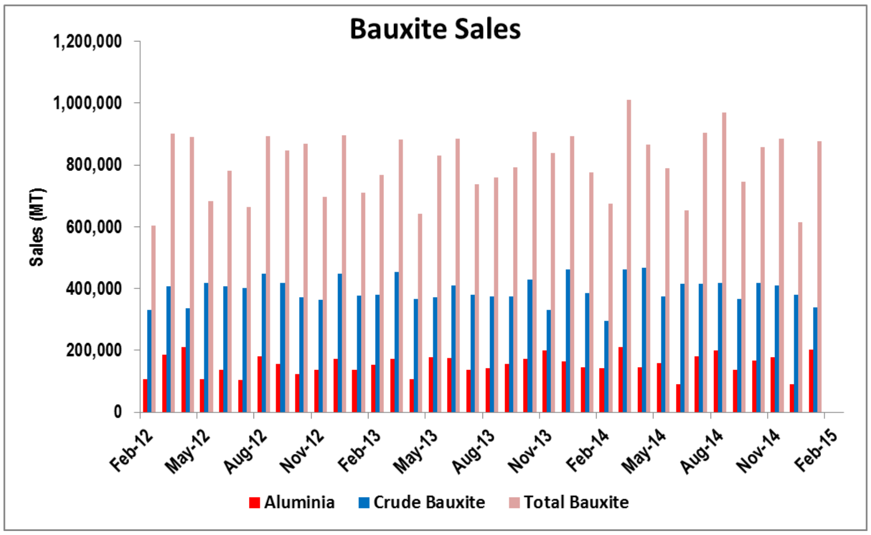
Market Analysts at Reuters projects that the market for aluminum is expected to move from an oversupply of **235,500 tons** in 2014 to a deficit of **4,444 tons** in 2015. If this materializes, there should be greater demand for local alumina given the fall in crude oil prices this state of the market, subject to existing contracts, should be good news for Jamaica. IMF price projections show an increase in price by **4%** in first quarter relative to 2014 and by **2.2%** by the end of 2015.

For February 2015, the production of alumina was **154,442 tonnes**, representing a reduction of **7,728 (4.8%) tonnes**, relative to February 2014. This brought an annual increase of **4,611 tonnes (3.1%)** for the month of February. The sale of alumina fell by **83.494 tonnes (41.2%)** relative to January 2014. Similarly, alumina sales fell by **23, 312 tonnes (16.4%)** in comparison to February 2014.

The production of crude bauxite Increased in February 2015 relative to January 2015 by **100,794 tonnes (30.6%).** Similarly, the figures for crude bauxite for the period February 2015 relative to February 2014 show an increase of **134,220** tonnes **(45.4%).** Year-to-date crude bauxite production and exports increased by **73,002 (10.6%)** and **82,569 (12%) r**espectively**.**

The production of total bauxite increased in February 2015 relative to January 2015 by **77,115 tonnes (10.2%).** Similarly, the figures for total bauxite for the period February 2015 relative to February 2014 show an increase of **135,982** tonnes **(19.4%).** Year-to-date total bauxite production and exports increased, by **(0.25%)** and **(8.4%)** respectively.





	PRODUCTION			SALES		
	ALUMINA	CRUDE BAUXITE	TOTAL BAUXITE	ALUMINA	CRUDE BAUXITE	TOTAL BAUXITE
Monthly Changes						
2015	154,442	430,089	835,866	119,210	422,518	736,011
2014	149,831	295,829	699,884	142,522	294,894	674,340
Change 2015/14	*3.08%*	*45.38%*	*19.43%*	*-16.36%*	*43.28%*	*9.15%*
2013	143,242	387,506	748,664	153,690	380,956	768,274
Change 2014/13	*4.60%*	*-23.66%*	*-6.52%*	*-7.27%*	*-22.59%*	*-12.23%*
Calendar Year to February 2015						
2015	316,612	759,384	1,554,496	321,914	762,951	1,572,023
2014	321,089	686,382	1,550,255	287,579	680,382	1,450,821
Change 2015/14	*-1.39%*	*10.64%*	*0.27%*	*11.94%*	*12.14%*	*8.35%*
2013	288,815	774,945	1,490,587	291,261	757,445	1,479,092
Change 2014/13	*11.17%*	*-11.43%*	*4.00%*	*-1.26%*	*-10.17%*	*-1.91%*

Stock Market Update

On the last trading day in February 2015, the main JSE index advanced by **1384** points **(1.73%)** to **79,880** points while both the JSE US Equities Index and the JSE Cross Listed Index remained unchanged . The JSE combined Index , the All Jamaica composite and the JSE Select Index all advanced by **1.5%, 1.8% and 2.2%** respectively.

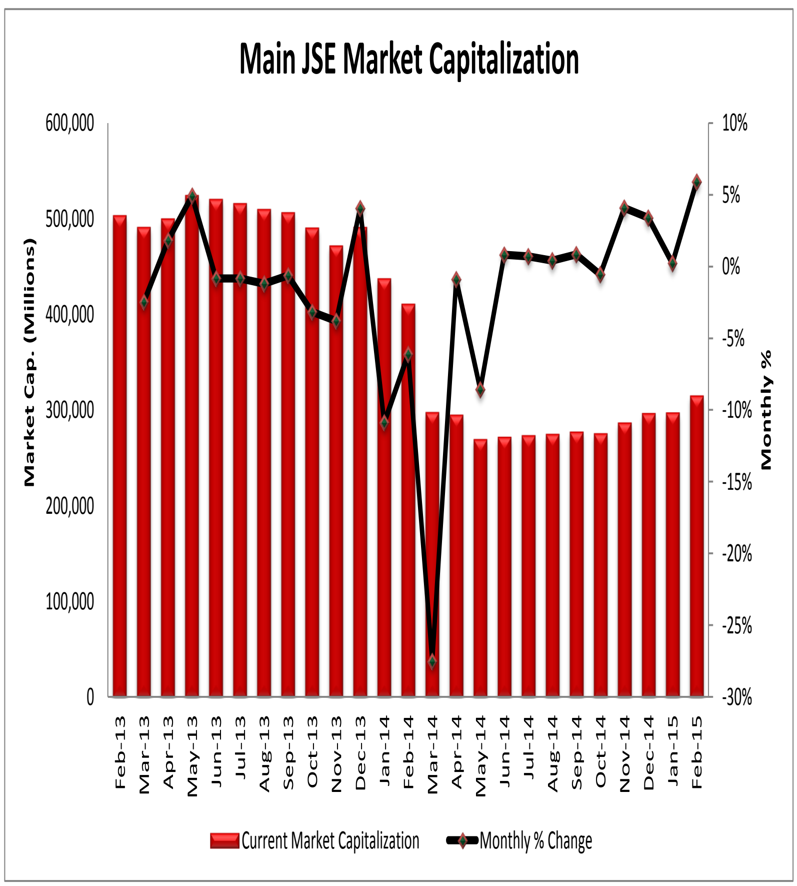
The overall market activity for the last trading day of February 2015 resulted from the trading of twenty two **(22)** stocks, of which **11** advanced, **5** declined and **6** traded firm. Resulting from these trades, a total of **1,048,811** units of stock were traded at a total value of **$9,896,877**. Consequently, at end-February 2015, market capitalization was **$315.06** billion relative to the capitalization value of **$297.53** billion at end-January 2015. This reflects a monthly increase of **$17.53** billion (**5.9%).**

The volume leaders on the last trading day of February were Jamaica Money Brokers Limited **(72.%)**, Sagicor with **(18.5%),** and Lasco Manufacturing Limited **(7.9%).** The companies with the highest growth in stock price for the month of February 2015 were Radio Jamaica (**21.62%),** the Gleaner Company Limited **(14.5%),** Kingston Wharves (14.3) and Desnoes and Geddes (14.2%)**.** The top four companies with the biggest prices loss for the month were Supreme Ventures **(3.5%),** Jamaica Stock exchange **(2.3%),** Grace Kennedy Limited **(2.4%),** and Salada Food Jamaica **(0.9%) .**

On annual basis, the top four advancing stocks were Mayberry Limited **(36.2%)**, Jamaica Stock Exchange **(27.4%),** Carrereas **(22%)** and Radio Jamaica **(19.5%).** Meanwhile, Pan Jamaican Investment (**10.5%),** Berger Paints Jamaica **(9.8%)**, Hardware and Lumber (**7%)** and Sagicor Real Estate X Fund **(5.6%)** incurred the most significant price losses for the period under review**.**

Following three relatively good months of trading with market capitalization growth of **4%, 0.23% 5.9%** respectively, one can conclude that investors are more positive about the economy than they were a year ago. The relative slower growth in the Main JSE in January reflected the impact of the drought on production in the economy in the last four months of 2014 which resulted in a second consecutive decline in quarterly real output. With Many analysts predicting positive growth in 2015, the stock market should continue to pick up steam in the second quarter.

These positive developments the JSE continue to signal the slow but progressive recovery of economic conditions. This gradual recovery in the stock markets is expected to strengthen throughout the remainder of 2015 in which greater economic growth is expected these improvements also suggest a return of confidence to the markets generally in line with the expectation that economy is moving in the right direction albeit slowly.



Previous Highlights: January 2015 Summary

The economy declined by **0.3%** in the last quarter of 2014, which followed the decline of **1.4%** in the third quarter, pushing the Jamaican economy below growth expectations for 2014. Nonetheless, the economy grew by approximately **0.4%** in 2014 according to the Director of the Planning Institute of Jamaica. It is in this regard that the PSOJ declared last month that economic conditions strengthened in 2014 and this has placed the country on a trajectory that should augur well for continued success in 2015.

The country continues to perform relatively well under the current IMF Extended fund Facility and is expected to pass the next test that is due at the end of March 2015. On the down side there continues to be failure on the revenue targets as the economy has not been able to grow at the desired rate over the year even in the face of two good quarters of growth in real GDP in 2014. Major economic indicators continue to move on the right trajectory which is reflected in business and consumer confidence which continues to move in the right direction

⇒ Amidst the cooling of economic performance in the last two quarters of 2014 due to the drought and chickungunya, investors were less optimistic in the very near term and hence the stock market recovery waned - growth for the month of January 2015 came in at a meager **0.23%** when compared with the growth of **4%** and **3.3%** for the two previous months. The last quarter slump is not expected to be long lived, as the economy is expected to grow in the first quarter of 2015, hence the stock market is expected to move in a similar direction.

⇒ As proposed last month, the falling oil prices should further strengthen the prospect for economic growth. In this vein, there were prices reductions in **74%** of the commodities monitored for January 2015. The price of both crude oil indices fell for the seventh consecutive month. The Brent and the WTI fell by **22.1%** and **19.5%,** respectively. Natural gas also fell **13.3%**. The IMF's Fuel Energy Index fell by **18.6%**, the Food and Beverage Index fell by **2.7%**. However, while import prices will be significantly lower in 2015, export prices will also be significantly lower. Therefore, forecasting economic growth in Jamaica will be challenging given the uneven pass through of commodity prices, however, economic growth should be positively impacted. In addition, the reduction in international prices will impact inflation, the cost of capital and the value of the domestic currency in 2015.

⇒ With respect to prices, domestic inflation, measured by the All Jamaica "All Divisions" Consumer Price Index (CPI) declined by **0.5%** for January 2015, following declines of **0.3%** and **0.5%** observed in November and December 2014, respectively. The outturn for the month was largely influenced by downward movements in *Food and Non-Alcoholic Beverages, Housing, Electricity, Gas, and other Fuels* and *Transport* divisions. These price movements rate will impact the cost of capital and other key macroeconomic variables.

In this light, the yields on the 90-day tenor declined by **85 bps** and closed January 2015 at **6.99%.** On an annual basis, yields on the 30-day tenor have increased by **76 bps** and closed at **6.88%** while yields on the 182-day fell by **242 bps**, and closed at **6.3%**. This reduction in Treasury Bill rates is consistent with the view that inflation and risk from the GOJ is trending down. In addition, both the monthly and annual average weighted interest rates 0n deposits continue to

⇒ fall. Local currency interest rates fell by **5 bps to** settle at **17.18%** while rates on foreign currency fell by **8 bps** to settle at **7.27%.**

Previous Highlights: December 2014 Summary

⇒ In respect to other prices, the Jamaica Dollar depreciated by **$1.15 (1.0%)** vis-à-vis the US Dollar for the month of January 2015 relative to December 2014. At end-January 2015 the Dollar traded at **J$115.81=US$1.00.**On the other hand, the Dollar appreciated by **J$2.83 (1.6%)** and **J$5.81 (6.0%)** against the Canadian dollar and Great British pound, respectively. In this context, the value of the Jamaica Dollar was **J$174.61=GBP£1.00** and **J$91.88=CAD1.00** at end-January 2015. Our information is that the current slide in the local currency may very well have some amount of speculative and investment motive as investors move funds out of J$ to US$ investments, but is not expected to significantly impact the NIR.

⇒ To this end, the stock of Net International Reserves (NIR) at the Bank of Jamaica was **J$189.93** billion (**US$1,785.36** million), reflecting a decline of **J$23.04** billion (**US215.73 million**) relative to the previous month. At end-January, the gross reserves at the Central Bank were sufficient to finance **23.86** weeks of goods imports which represents **11.86** weeks over the international benchmark of **12** weeks of goods imports.

⇒ The dollarization ratio increased by **9.6** percentage points to **52.8%** at December 2014 from **43.2%** at December 2014. This increase reflected the stronger accumulation of foreign currency deposits in the commercial banking system relative to local currency deposits. This is reflective of consumers' converting their holdings of local currency deposits to foreign currency deposits in light of a depreciation of **7.8%** in the exchange rate vis-à-vis the US dollar.

⇒ For January 2014, there was a contraction of **J$6.78** billion **(6.2%)** in the monetary base relative to the previous month. This expansion resulted in an end-month stock of **J$102.11** billion. The movement in the base mainly reflected net currency redemption of **J$8.00** billion, the impact of which was partially offset by respective increases of **J$1.18** billion and **$41.54** million in statutory cash reserves and commercial banks' current account balances.

⇒ For October 2014, gross remittance inflows were **US$179.9** million, reflecting an increase of **US$8.9** million **(5.2%)** relative to the corresponding month of the previous year. Similarly, for October 2014, net remittance inflows were US$160.3 million, an increase of US$8.0 million or (5.3%) relative to the October of 2013

⇒ Tourist stopover arrivals rose to **213,129** for December 2014, reflecting an increase of **5.9%** relative to the December 2013. The uptick in the monthly arrivals largely resulted from an increase of **50,253** in stopover by foreign nationals. Similarly, on a year-to-date basis, stopover arrivals increased to **2,080,181**, reflecting growth of **3.6%** or **71,772** relative to the corresponding period of 2013. Cruise passenger arrivals increased by **12.6%** to **180,242** for December 2014 when compared to 2013. For the calendar year 2014, cruise ship arrivals increased by **14.5%** to **1,413,151** relative to **1,208,539.**

⇒ The production of total bauxite fell in January 2014 relative to December 2014 by **38,087 tonnes (4.7%).** Similarly, the figures for total bauxite for the period January 2015 relative to January 2014 show a reduction by **91,701** tonnes **(10.8%).** Year-to-date total bauxite exports increased, by **100,206 (12.92%).**

Statistical Index: Major Macro-Economic Indicators

February 2015 Issue

Month	Monthly Inflation %	Saving Rate %	Lending Rate %	Exchange Rate J$/US$	NIR US$B	Gross Remittance Inflows US$M	Tourist Arrivals Total (000s)	Oil Price-Brent US$ Per barrel	Oil Price-WTI US$ Per barrel
Jan-12	0.40	2.45	18.13	86.78	1.88	149.70	337,100	119.70	102.26
Feb-12	0.80	2.25	17.13	86.91	1.87	167.24	345,007	124.93	106.15
Mar-12	0.50	2.19	19.03	87.25	1.78	187.87	366,518	120.59	103.28
Apr-12	0.40	2.19	19.04	87.33	1.77	180.11	295,858	120.59	103.28
May-12	0.50	2.24	18.76	87.75	1.72	166.65	247,937	110.52	94.51
Jun-12	0.60	2.14	18.65	88.48	1.54	175.16	255,121	95.59	82.36
Jul-12	-0.30	2.02	18.92	89.24	1.48	168.89	284,514	103.14	87.89
Aug-12	0.50	2.00	18.84	89.73	1.43	170.13	245,204	113.34	94.11
Sep-12	1.90	2.02	18.70	89.90	1.26	159.37	171,229	113.38	94.61
Oct-12	0.90	2.14	18.53	90.64	1.13	163.37	180,835	111.97	89.52
Nov-12	0.60	2.05	18.42	91.46	1.08	157.79	248,141	109.71	86.69
Dec-12	1.00	2.10	18.44	92.65	1.13	196.18	360,493	109.64	88.19
Jan-13	0.70	1.98	18.23	93.45	1.01	153.98	341,365	112.93	94.65
Feb-13	0.60	1.82	18.09	95.66	0.94	160.11	304,889	116.46	95.30
Mar-13	1.40	1.80	17.97	97.76	0.88	178.42	361,131	109.24	93.12
Apr-13	0.40	1.67	17.92	99.55	0.87	180.15	272,891	102.88	92.02
May-13	0.50	1.74	17.77	99.12	0.99	181.54	230,392	103.03	94.72
Jun-13	0.20	1.61	17.66	100.82	1.00	166.03	258,535	103.11	95.79
Jul-13	0.50	1.71	17.58	101.76	0.93	170.54	285,601	107.72	104.55
Aug-13	0.40	1.81	17.53	101.94	0.88	177.77	231,205	110.96	106.55
Sep-13	2.80	1.97	17.45	102.64	0.91	163.37	168,650	111.62	106.31
Oct-13	0.80	1.97	17.48	104.65	0.89	170.75	214,430	109.48	100.50
Nov-13	0.50	2.03	17.44	105.60	0.84	167.79	247,512	108.08	93.81
Dec-13	0.60	2.04	17.49	106.15	1.05	194.50	247,512	110.63	97.90
Jan-14	0.50	1.77	17.33	106.90	0.92	158.20	330,201	107.57	95.00
Feb-14	0.10	1.85	16.45	107.93	1.07	168.30	301,276	108.81	100.70
Mar-14	1.10	1.98	17.57	109.21	1.30	187.80	349,890	107.41	100.57
Apr-14	-0.30	2.26	17.66	110.16	1.29	183.30	328,304	107.88	102.18
May-14	1.00	2.12	17.35	111.26	1.17	188.70	235,856	109.68	102.00
Jun-14	0.10	2.29	17.50	112.20	1.38	168.30	266,550	111.87	105.24
Jul-14	1.4	2.41	17.38	112.85	2.18	183.2	321,765	106.98	102.99
Aug-14	1.1	2.21	17.42	112.74	2.12	183.9	264,592	101.92	96.38
Sep-14	2.10	2.05	16.91	112.67	2.20	na	175,758	97.34	93.35
Oct-14	0.10	1.93	16.62	112.76	2.00	na	242,543	87.27	84.40
Nov-14	-0.5	na	na	113.59	2.00	na	283,246	78.44	75.70
Dec-14	-0.3	3.01	17.24	114.66	2.0	182.0	393371	62.16	59.10
Jan-15	-0.5	2.64	17.18	115.81	1.78	179.9	344,212	48.42	47.60
Feb-15	-0.7	2.84	17.01	115.64	2.302	204.9	na	56.93	50.72

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KEY

ACP— Africa Caribbean Pacific States	Loan – Average Loan Rate
BM – Base Money	M – Monthly Percentage Change
BP — Basis Points	M2 – Money Supply
CaPRI— Caribbean Policy and Research Institute	MT – Million tonnes
CARICOM— Caribbean Community & Common Market	N/A – Not Available
CARIFORUM— CARICOM and Dominican Republic	NIR – Net International Reserves
CPI – Consumer Price Index	OMO – Open Market Operation
CSME— Caribbean Single Market & Economy	P – Point-to-Point Percentage Change
EC— European Commission	R – Revised
EPA—Economic Partnership Agreement	S – Stopover
EU—European Union	Save – Average Savings Deposit Rate
FX Dep – Foreign Exchange Deposit	T-bill – 6-month Treasury Bill Yield
JCB – Jamaica Conference Board	Tourism – Total Tourist Arrivals
JCC – Jamaica Chamber of Commerce	WATBY- weighted average Treasury bill yield
KMA — Kingston and Metropolitan Area	WTO—World Trade Organization
KSA—Kingston and St. Andrew	OECD—Organisation for Economic Co-operating and Development (membership of 30 major countries)
WTI — West Texas Intermediate (Spot Oil Price)	

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