



MONTHLY ECONOMIC BULLETIN

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The CEO'S Remarks

The JLP government has sought to implement the promised \$1.5 million threshold, with some modification to its original intent. The threshold is to be increased in two phases, with the first increase to approximately \$1 million, on July 1, 2016, with the final increase to \$1.5 million on April 1, 2017. This will apply to all PAYE earners, contrary to the initial proposal.

We expect that there will be some inflationary pressures, from this and the other revenue measures, as we will see greater expenditure throughout the economy. This can provide opportunities for investors and businesses to take advantage of.

From a fiscal point of view, we must be careful that the expenditure does not find its way in to increased imports, and government policy must therefore be geared at encouraging local production and reducing the incentive to import for the increased consumption.

While this is happening though, businesses and consumers will face increased electricity rates, as a result of oil price increase, exchange rate depreciation, and the new SCT measure.

This will no doubt bring some challenges requiring new strategies.

Even with these expected price increases though, the main challenge to business remains inefficient government bureaucracy and crime and theft. Crime and theft in particular, seems to have worsened in

recent months, even though the police are deploying new and more effective strategies.

This is because the main challenges to fighting crime and theft lies outside of the influence of the police and more within that of government policy. For example, the inefficient, and slow, justice system is probably the major challenge to reducing crime.

For this reason, at the PSOJ, we cannot understand why then it would take so long to re-establish the Law and Order Committee, which had identified the justice system as the main challenge in addressing crime. The experience of EPOC and ESET has also shown that public-private committees of these sort, have been most effective at addressing the issues we face as a country.

In addition, the lack of urgency in naming the major public boards, such as the DBJ, NHT, HEART, and UDC, is concerning, as these entities are major drivers of economic activity. Without boards in place, it means that no major decisions have been taken since the election was called. This is an untenable situation, and a new way must be found to ensure public bodies can continue to operate at full throttle across the election process.

The Corporate Governance Framework for public sector bodies must be implemented expeditiously.

The government will also need to look at the external challenges faced by the increasing pace of Cuba's opening, and the successful "Brexit" vote.

Economic Highlights May 2016

- On Thursday, May 12, 2016, the Minister of Finance announced a \$580 billion budget and the new revenue measures to generate \$13.7 billion to help fund the budget. The government partially fulfilled their promise of increasing the income tax threshold to 1.5 million, through a two phased implementation. On July 1, the threshold will move to \$ \$1,000, 272, and to \$1, 500,000 as of April 1, 2017, which apply to all PAYE earners. In the first phase, the estimated revenue loss for the government is \$12.5 billion. The revenue measures consist of: an increase of \$2 in special consumption tax on cigarettes from \$12 per stick to \$14 per stick, special consumption tax to be introduced on LNG and revision of heavy fuel oil regime, an increase in departure tax from US\$14 to US\$35, an increase in specific consumption tax on petrol by \$7 per litre and an increase from 25% to 30% in personal income tax on salaries over \$6 million per year.
- At the end of May 2016, the value of the Jamaica Dollar depreciated by J\$2.24 or 1.83% relative to the previous month to J\$124.69=US\$1.00. The Canadian dollar appreciated by J\$0.41 or 0.424% to J\$96.20 = CAD\$1.00 relative to April. The Great Britain pound depreciated by J\$5.2 or 2.98% relative to the previous month to end at J\$179.97 = GBP£1.00.
- Inflation, measured by the All Jamaica “All Divisions” Consumer Price Index (CPI) increased by 0.2% for the period May 2016 over April 2016. This is the first increase in the CPI since the start of the calendar year. The increase in the rate for May brought inflation for the calendar year to date to -1.4%. The increase in the rate for May 2016 over April 2016 brought inflation for Fiscal Year to May to -0.1%. The 12-month point to point rate at the end of May 2016 was 2.1%.
- Data for the month ending May 2016 revealed that the stock of Net International Reserves (NIR) at the Bank of Jamaica was J\$264.26 billion (US\$2,304.72 million). This reflected a decrease of J\$3.574 billion (US\$32.18 million) relative to April 2016.
- The monetary base increased by J\$0.399 billion to

Economic Highlights May 2016

J\$120.237 billion for May 2016 relative to April this year.

- On the last trading day in May 2016, for period May 02, 2016 to May 31, 2016, the main JSE index advanced by 6,522.59 points or 4.35% to close at 156,561.77 points. The JSE Combined Index advanced by 6,777.75 points or 4.23% to close at 167,135.71 points. The JSE Junior advanced by 70.91 points or 3.43% to close at 2,135.76 points. In contrast, once again, the JSE Cross Listed Index remained firm and closed the month at 499.06 points.
- Stopover tourist arrivals for March 2016 were 219,673. This month's total was 34,401 or

15.66% higher than the 185,272 in February this year. A total of 229,111 cruise passengers visited Jamaica in March 2016. This represented a 31,644 or 16.02% increase over the 197,467 recorded in the previous month.

- There were price reductions observed in 19.05% (4) of the commodities monitored for May 2016. The price of crude oil index Brent increased in April 2016 as well as the WTI. The Brent moved up by 11.55% and the WTI increased by 14.38%. Natural gas increased by 1.05%. The IMF's Fuel Energy index increased by 11%, and the Food and Beverage Index increased by 4%. The all commodity price index increased by 6%.




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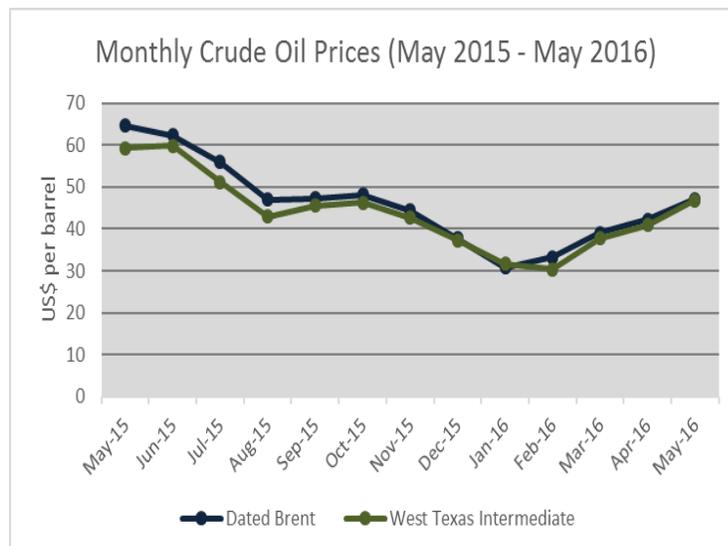
International Commodity Prices

May 2016 Issue

Crude Oil Prices

For the month ending May 2016, both the average price of the Dated Brent and the West Texas Intermediate (WTI) increased. The Brent ended the month of May at **US\$47.13 per bbl**. This represented a **US\$4.88** or **11.55%** increase from the **US\$42.25 per bbl** recorded for the previous month. The West Texas Intermediate (WTI) ended the month at **US\$46.85**. This represented a **US\$5.89** or **14.38%** increase relative to last month. A one-year comparison of prices revealed that this year's price for the Brent is **27.0%** or **US\$17.43 per bbl** lower. When compared to last year's price, this year's WTI price is **20.94%** or **US\$12.41** below. When compared to the price level two years ago both the Brent and WTI are **57.03%** and **54.07%** respectively below. The 5-year average of prices ranging from May 2011 to April 2016 for the Dated Brent and the West Texas Intermediate are **US\$91.74 per bbl** and **US\$81.62 per bbl** respectively. This month's price was **49%** below the 5-year average of prices for the Brent and **42.60%** for the WTI.

Crude oil prices rose by 12.8 percent in May, averaging \$46.0/bbl. According to the World Bank, the increase in oil prices mainly reflects a decrease in non-OPEC production and various supply outages, namely a wildfire in Canada and labor disputes in Kuwait. However, OPEC production has been increasing and their last meeting, held on June 2, concluded without reaching an agreement on oil



production. The U.S. Energy Information Administration still expects U.S. crude oil output to average 8.6 mbd in 2016, a decrease of 0.8 mbd from 2015.

Commodity prices surged 6.0 percent in May, extending gains for a fourth consecutive month and mainly driven by a continued increase in oil prices. Non-fuel prices rose 1.1 percent, while metal prices decreased on over capacity.

Natural Gas

For the month ending May 2016, natural gas price increased relative April. The price for natural gas ended at **US\$1.92** per million metric. This reflected an increase of **US\$0.02** or **1.05%** from **US\$1.9** in April as its storage surplus started to ease. In May 2015 natural gas per million metric was valued at **US\$2.84** signifying that this year's price is **US\$0.92** or **32.39%** lower. Similarly, a two-year comparison revealed that natural gas prices have decreased, this time by **US\$2.64**

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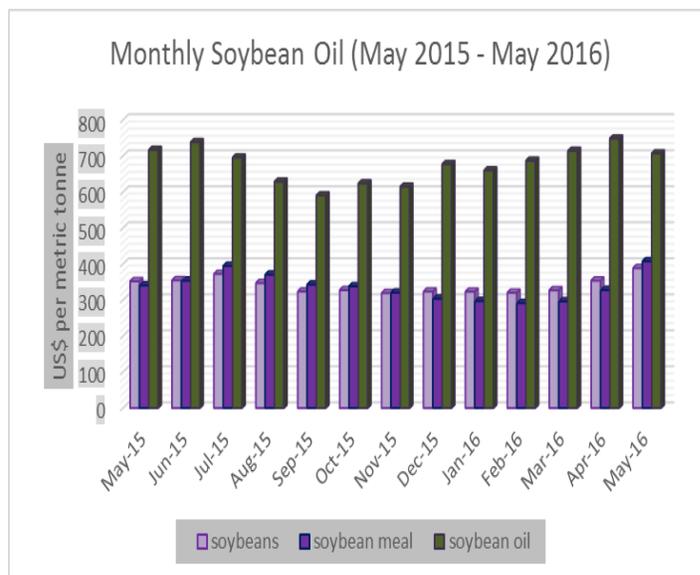
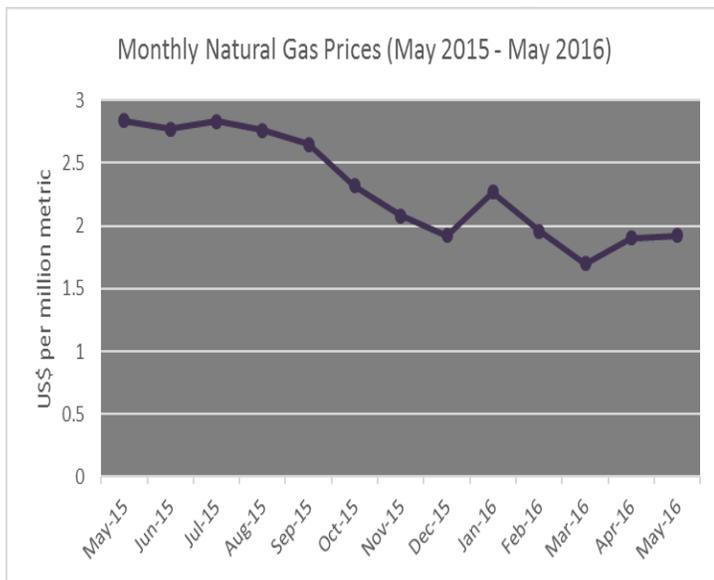
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International Commodity Prices

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or **57.89%** per million metric. The five-year average monthly price for natural gas ranging from May 2011 to April 2016 is **US\$3.38** per million metric, hence, this year's May price was **US\$1.42** or **42.56%** below.

The US Energy Information Administration (EIA) forecasted that total natural gas consumption in the US will average 76.6 billion cubic feet per day (Bcf/d) in 2016 and 77.8 Bcf/d in 2017, compared with 75.3 Bcf/d in 2015. The US EIA stated that the increases in total natural gas consumption are mainly attributable to increases in electric power sector use. The forecasted electric power sector use of natural gas increased by 5.1% in 2016, then declined by 1.5% in 2017, as a result of the rise in natural gas prices which contribute to increasing coal generation. Forecast industrial sector consumption of natural gas increases by 2.7% in 2016 and by 1.7% in 2017, as new fertilizer and chemical projects come online.

Soybean Prices

For the month ending May 2016, soybean price per metric tonne was **US\$388.51**. This denoted a **9.81%** or **US\$34.71** increase from April's value of **US\$353.8** per metric tonne. In May this year, the average price of the soybean meal increased while the average price for soybean oil price decreased. Soybean meal ended the month at **US\$407.5** per metric tonne. This represented an increase of **US\$79.8** or **24.35%**. At the end of May, the price per metric tonne for soybean oil stood at **US\$707.03** representing a **5.54%** or **US\$41.5** decrease compared to the previous month. A one-year comparison revealed that prices for soybean increased by **10.39%** or **US\$36.56**. This month soybean price was **US\$157.52** or **35.34%** lower than its price two years ago. When compared to the corresponding period last year the soybean meal price was **US\$67.03** or **19.687%** above. However, soybean oil price was below last year's price by **US\$9.46** or **1.32%**. A two-year comparison of prices for soybean meal and

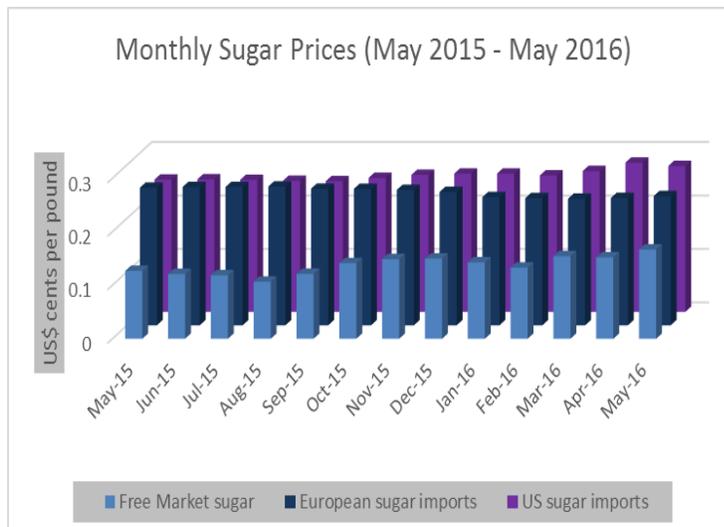
International Commodity Prices

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soybean oil revealed that they decreased by **24.92%** and **20.87%** respectively. The five-year average monthly price for soybean meal ranging from May 2011 to April 2016 is **US\$423.29** per metric tonne, which means that May's price was **US\$15.79** or **3.73%** lower. The five-year average monthly price for soybean oil ranging from May 2011 to April 2016 is **US\$935.37** per metric tonne, which means that May's price was **US\$228.34** or **24.41%** lower.

Sugar Prices

At the end of May 2016, the average price of the Free Market Sugar ended at **US\$0.1668** cents per pound. This represented an increase of **US\$0.0146** or **9.59%** when compared to April 2016. For the US Sugar imports, the average price decreased from **US\$0.279** in April to **US\$0.2726** in May. This represented a decrease of **US\$ 0.0064** or **2.29%** cents per pound. At the end of May 2016, the European Sugar imports ended the month at **US\$0.2415** cents per pound. This represented a **US\$0.0035** or **1.47%** increase compared to the previous month. For the period May 2016 relative to May 2015, the price of Free Market sugar increased by **US\$0.0398** or **31.34%** cents per pound. A one-year comparison revealed that the price of the US Sugar imports has increased by **US\$0.0254** or **10.28%**, while the European sugar imports price has decreased by **US\$0.0158** or **6.14%**. In May 2014 the price for the Free Market



sugar was **US\$0.1824** cents per pound, which means that this year's May price is **US\$0.0156** or **8.55%** lower. The price of the US sugar imports is **8.347%** higher than the 2014 price while the price of the European Sugar imports is **13.78%** lower than the 2014 price. The 5-year average of prices ranging from May 2011 to April 2016 for the US imports and the European imports are **US\$0.267** cents per pound and **US\$0.2617** cents per pound respectively. Hence, the price of US imports is above its long-term average by **2.069%** while the European imports is below its average by **7.728%**.

Coffee Prices

For the month ending May 2016 the prices for both the Coffee of the Other Mild Arabicas category and Robusta coffee increased. The price per pound for coffee of the Other Mild Arabicas category was **US\$1.554** cents per pound representing an increase of **US\$0.012** or **0.78%**. A one-year comparison revealed that this month's price was **US\$0.0277** or **1.751%**

International Commodity Prices

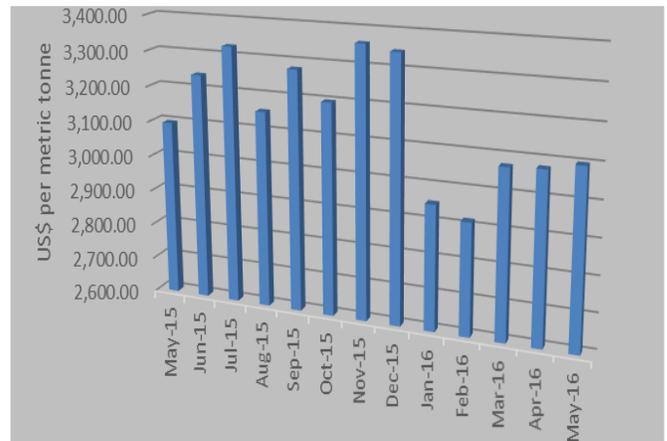
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implies that this year's May price for the Arabica was **15.55%** lower than the average price and for the Robusta coffee it was **11.81%** lower than its average price.

Cocoa Bean Prices

For the month ending May 2016, cocoa bean prices increased relative to the previous month. Prices increased by **US\$19.90** per metric tonne or **0.65%** to close at **US\$3,098.39** per metric tonne. A one-year comparison revealed that this year's price is marginally higher by **US\$2.39** or **0.0772%**. A two-year price comparison showed that the May 2016 price for cocoa beans is higher by **US\$68.39**

Monthly Cocoa Beans Prices (May 2015 - May 2016)



or **2.257%** than its price in May 2014. The five-year average for monthly prices ranging from May 2011 to April 2016 for cocoa bean is **US\$2,779.83** per metric tonne, this means that this year's May price was **US\$318.56** or **11.46%** higher.

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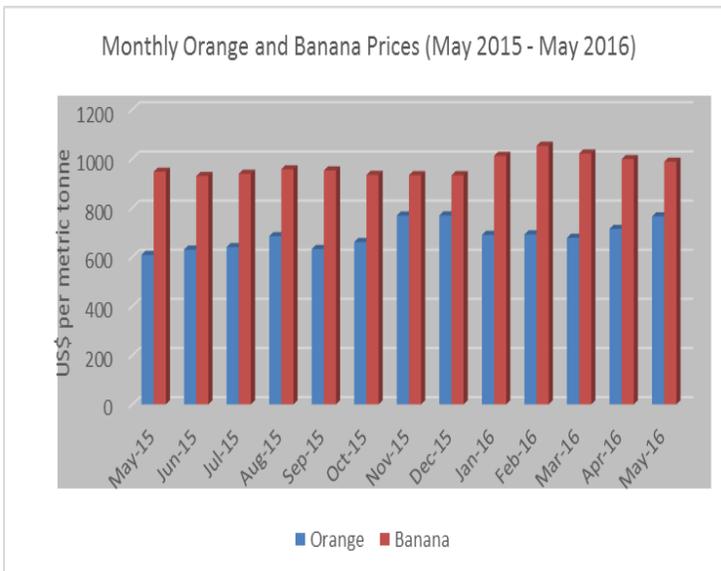
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Orange Prices

For the month ending May 2016, orange price increased to **US\$764.74** per metric tonne. The month's price increased by **7.14%** or **US\$50.94** per metric tonne, relative to April. When compared to the same period in 2015, this year's price was **US\$156.1** or **25.65%** higher. A two-year comparison revealed that prices have fallen by **US\$70.24** or **8%**. The five-year average monthly price ranging from May 2011 to April 2016 is **US\$827.11**, indicating that this month's price was **US\$62.37** or **8%**



lower.

Banana Prices

Banana prices for the month ending May 2016 decreased to **US\$987.57** per metric tonne. This represented a decline of **US\$10.52** or **1.05%** relative to the previous month. For May 2016 relative to May 2015, banana prices increased by **US\$40.78** or **4.31%** per metric tonne. A two-year comparison revealed that this year's price is above the May 2014 price of **US\$916** per metric tonne by **US\$71.57** or **7.81%**. The five-year average monthly prices ranging from May 2011 to April 2016 is **US\$957.30**, this means that this year's price was **US\$30.27** or **3.16%** above.

Corn Prices

For the month ending May 2016, corn prices increased. This time, prices increased by **US\$4.51** or **2.74%** relative to April, to close the month at **US\$168.92** per metric tonne. Between May 2015 and May 2016 prices

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International Commodity Prices

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increased by **US\$2.62** or **1.575%**. A two-year price comparison showed that this year's price was **US\$48** or **22.13%** lower. The five-year monthly average for corn prices ranging from May 2011 to April 2016 is **US\$233.64** per metric tonne, this means that this year's price was **US\$64.72** or **27.70%** lower.

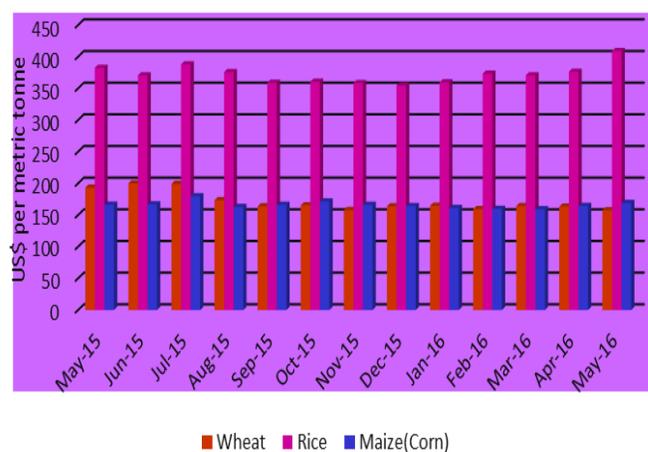
Wheat

In May 2016, wheat prices decreased by **US\$5.83** or **3.57%** relative to April 2016 to end at **US\$157.53** per metric tonne. Relative to May 2015, prices have fallen by **US\$35.62** or **18.44%** per metric tonne. A two-year comparison of wheat prices showed that this year's May price was **US\$130.32** or **45.27%** below the May 2014's price. The average five-year monthly prices ranging from May 2011 to April 2016 is **US\$262.684** per metric tonne, meaning that this year's May price was **US\$105.154** or **40.03%** below.

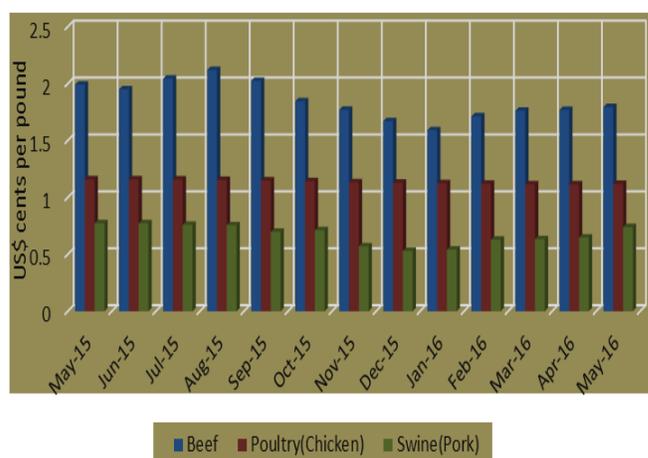
Rice

For the month ending May 2016 the price of the 5 percent broken milled white rice ended at **US\$408.91** per metric tonne. This value was **US\$32.86** or **8.74%** above the **US\$376.05** in April this year. In addition, this month's price is above the May 2015 price by **US\$26.48** or **6.92%**. A two-year comparison revealed that the commodity's price was **US\$5.32** or **1.318%** higher than its price in 2014. The five-year monthly price average for rice prices ranging from May 2011 to April 2016 is

Monthly Cereal Price (May 2015 - May 2016)



Monthly Meat Prices (May 2015 - May 2016)



US\$481.60 per metric tonne, indicating that May's price was **US\$72.69** or **15.09%** below the long term average.

Beef Prices

In May 2016, the average price for beef increased. Prices increased by **US\$0.0255** or **1.44%** when compared to April, to close at **US\$1.7945** cents per pound. When compared to May 2015, prices have



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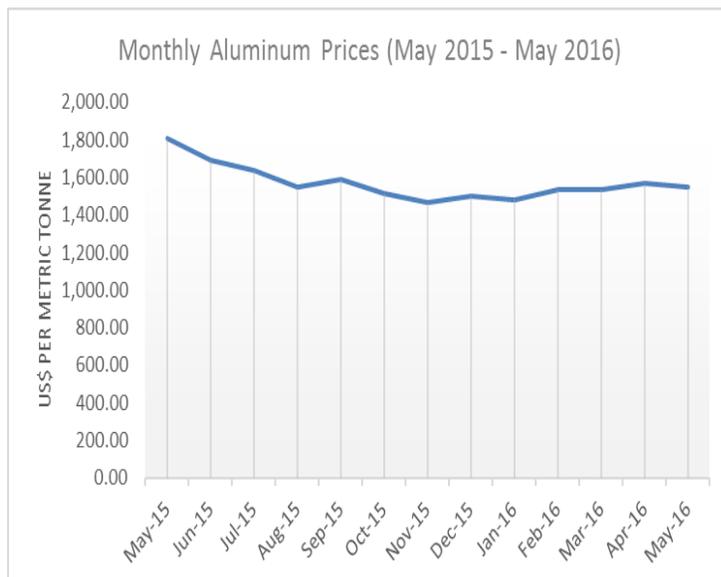
fallen by **US\$0.1976** or **9.92%** cents per pound. In May 2014 prices were **US\$1.9455** cents per pound hence this year's price was **US\$0.151** or **7.762%** below the 2014 price. The five-year average for prices ranging from May 2011 to April 2016 is **US\$1.94743** cents per pound indicating that this month's price was **US\$0.15293** or **07.85%** below.

Swine (Pork) Prices

Pork prices increased for the month ending May 2016. The price of pork was **US\$0.7399** cents per pound. This represented a **US\$0.0918** or **14.16%** increase from April's price of **US\$0.6481**. When compared with May 2015, prices decreased by **US\$0.0333** or **04.31%**. Prices are below the price level 2-years ago by **US\$0.3648** or **33.022%**. It is also below the 5-year average of **US\$0.8439** for prices ranging from May 2011 to April 2016 by **US\$0.1040** or **12.332%**.

Poultry Prices

Chicken prices ended its ten months' decrease at end May 2016. At the end of the month chicken was valued at **US\$1.1198** cents per pound, representing an increase of **US\$0.0043** or **0.39%** from April. The price in May 2016 was approximate **US\$0.0398** or **3.432%** lower than the May 2015 price. In May 2014, the price for poultry was **US\$1.0879** cents per pound, indicating that this year's price was **US\$0.0319** or **02.932%** higher. The average monthly price ranging from May 2011 to April 2016 is **US\$1.0382** cents per pound, this means that this year's price was **US\$0.0816** or **7.863%** more.



Aluminum Prices

The price of aluminum decreased in May relative to April this year. Prices decreased by **US\$20.60** or **1.31%** to end the month at **US\$1,892.72** per metric tonne. For May 2016 relative to May 2015, prices decreased by **US\$253.41** or **14.05%** per metric tonne. A two-year comparison revealed that this year's price was **US\$200.42** or **11%** below the price for the corresponding period in 2014. The five-year average for monthly prices ranging from May 2011 to April 2016 for aluminum is **US\$1,892.72** per metric tonne, this means that this year's May price was **US\$342.09** or **18.07%** lower.

Impact of global prices on Jamaica

There were price reductions observed in 19.05% (4) of the commodities monitored for May 2016. The price of crude oil index Brent increased in April 2016 as well as the WTI. The Brent moved up by 11.55% and the WTI increased by 14.38%. Natural gas increased by 1.05%. The IMF's Fuel Energy index increased by 11%, and the Food and Beverage Index increased by 4%. The all

commodity price index increased by 6%. consecutive month. Rice quotations also strengthened, especially for Indica varieties, on rising concerns about availabilities in some major trade sources and firming import demand. The FAO Meat Price Index averaged 151.8 points in May, some 3.0 points (2.0%) higher than in April. Prices of all categories of meat rose. The FAO Sugar Price Index averaged 240.4 points in May, up as much as 25.1 points (11.7%) from April. The sharp rebound in May sugar prices was driven mostly by deteriorating production prospects in India, the world's second largest sugar producer.

The Food and Agriculture Organization of the United Nations (FAO) Food Price Index averaged 155.8 points in May 2016, 3.2 points (2.1%) higher than in April, but still 7% below the corresponding period last year. The May increase marked the fourth consecutive month of rise in the value of the (FAO) Food Price Index. The FAO Cereal Price Index averaged 152.3 points in May, up 2.5 points (1.6%) from April but down 5.3 percent from May 2015. Among the major cereals, maize prices increased sharply for the second

Commodity	Unit	April Price	May Price	Monthly Change %
Aluminum	Metric tonne	1571.23	1550.63	-1.31
Bananas	Metric tonne	998.09	987.57	-1.05
Beef	Pound	1.769	1.7945	1.44
Cocoa Beans	Metric tonne	3075.7	3098.39	0.65
Coffee-Arabicas	Pound	1.542	1.554	0.78
Coffee-Robusta	Pound	0.876	0.9103	3.92
Corn-Maize	Metric tonne	164.41	168.92	2.74
Natural gas	MMBTU	1.9	1.92	1.05
Crude Brent	Barrel	42.25	47.13	11.55
Crude West Texas Intermediate	Barrel	40.96	46.85	14.38
Oranges	Metric tonne	713.8	764.74	7.14
Pork (Swine)	Pound	0.6481	0.7399	1.44
Poultry	Pound	1.1155	1.1198	0.39
Rice	Metric tonne	376.05	408.91	8.74
Soybean	Metric tonne	353.8	388.51	9.81
Soybean meal	Metric tonne	327.7	407.5	24.35
Soybean oil	Metric tonne	748.53	707.03	-5.54
Sugar (free market)	Pound	0.1522	0.1668	9.59
Sugar US (Import)	Pound	0.279	0.2726	-2.29
Sugar European (Import)	Pound	0.2367	0.2415	1.47
Wheat	Metric tonne	163.36	157.53	-3.57

International Commodity Prices

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Actual prices through

20-Jan-2016

**Table 1. Near Term Commodity Price Baseline
(In U.S. Dollars)**

Commodities	Units	Projections															
		2014Q1	2014Q2	2014Q3	2014Q4	2015Q1	2015Q2	2015Q3	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4
Food																	
Cereals																	
Wheat	\$/MT	248.8	274.3	226.3	220.6	205.0	196.3	178.8	162.3	186.3	174.8	178.4	185.0	188.8	190.7	193.4	198.2
Maize	\$/MT	210.1	213.9	173.9	173.5	174.2	168.4	169.4	167.1	156.6	146.9	149.9	153.7	157.3	159.5	159.9	158.1
Rice	\$/MT	440.7	409.4	435.0	420.8	406.6	381.8	374.0	358.3	356.0	357.6	347.8	345.9	308.9	310.3	301.8	300.2
Barley	\$/MT	162.7	166.9	132.8	122.0	132.2	128.1	127.9	123.2	121.6	124.0	125.4	110.9	134.7	137.4	138.9	122.8
Vegetable oils and protein meals																	
Soybeans	\$/MT	498.3	540.4	421.7	370.9	369.9	354.6	347.6	323.3	321.6	321.4	323.6	324.2	326.5	328.0	328.9	325.7
Soybean meal	\$/MT	493.3	531.9	436.0	406.7	372.7	348.0	369.3	320.8	297.1	300.2	304.9	307.3	310.1	311.5	312.7	312.3
Soybean oil	\$/MT	877.9	899.7	757.1	716.1	696.4	715.4	688.3	638.6	656.3	661.8	668.3	669.9	677.6	683.2	687.2	682.4
Palm oil	\$/MT	813.7	794.7	695.9	653.3	627.9	599.9	514.6	518.0	536.3	559.7	557.2	552.5	556.6	557.3	557.0	556.6
Fish meal	\$/MT	1657.9	1861.6	1973.6	2192.7	2031.9	1744.2	1558.9	1701.9	1704.5	1603.5	1405.2	1363.6	1358.2	1277.8	1119.8	1086.6
Sunflower Oil	\$/MT	1133.1	1121.5	1012.5	1054.2	974.0	1062.3	1010.4	1042.1	1022.1	1013.1	1004.0	995.9	1014.3	1005.3	996.3	988.2
Oilse oil	\$/MT	3599.0	3663.5	4122.1	4262.5	4568.3	4855.3	5616.4	4638.4	4190.4	4200.0	4248.3	4290.2	4342.4	4352.4	4402.4	4445.8
Groundnuts	\$/MT	2377.3	2228.8	2046.8	1940.1	2016.8	2023.4	2012.9	1731.8	1656.9	1616.7	1576.3	1535.9	1634.4	1694.7	1554.8	1514.9
Rapeseed oil	\$/MT	980.3	963.1	849.6	824.4	755.1	772.6	772.7	798.2	811.0	784.4	779.0	773.6	739.9	715.7	710.8	705.8
Meat																	
Beef	cts/lb	191.8	195.5	252.9	256.0	216.6	202.9	206.3	176.2	167.1	156.8	152.0	157.3	160.7	150.7	146.1	151.3
Lamb	cts/lb	124.1	135.4	132.8	130.2	122.5	112.4	101.3	95.3	95.5	95.5	96.4	97.6	98.2	98.2	99.1	100.3
Swine Meat	cts/lb	92.8	115.4	112.8	90.3	65.5	71.9	73.8	60.5	53.1	52.2	52.0	49.5	48.2	47.4	47.1	44.9
Poultry	cts/lb	104.7	109.0	113.0	113.9	114.0	115.6	115.5	113.6	113.1	117.5	120.1	118.4	120.6	125.3	128.1	126.3
Seafood																	
Salmon	\$/kg	7.8	6.9	5.9	5.8	5.6	5.1	5.3	5.3	5.8	5.4	5.4	5.0	5.1	4.7	4.7	4.5
Shrimp	\$/lb	17.1	17.8	17.0	14.3	15.7	15.7	15.0	10.0	10.1	9.4	9.3	9.8	9.5	8.8	8.7	9.2
Sugar																	
Free market	cts/lb	16.8	18.2	17.7	15.8	14.1	12.6	11.6	14.7	14.3	13.9	13.7	13.8	14.2	13.9	13.7	13.6
United States	cts/lb	22.4	25.3	26.5	25.3	24.8	24.6	24.5	25.5	25.8	25.9	26.0	26.0	25.5	25.6	25.6	25.5
EU	cts/lb	27.5	28.0	27.8	26.3	25.2	25.5	25.8	25.3	25.0	25.0	25.0	25.0	25.2	25.2	25.2	25.2
Bananas	\$/MT	947.1	929.2	939.3	911.9	974.8	978.4	948.9	932.7	932.3	921.3	900.7	891.1	897.7	887.1	867.3	858.0
Oranges	\$/MT	777.4	838.8	774.1	739.8	698.5	616.9	652.1	733.1	770.0	765.3	760.8	758.1	769.9	765.2	760.7	758.0
Beverages																	
Coffee																	
Other milds	cts/lb	175.8	213.7	208.4	213.5	177.0	161.0	153.2	150.8	132.2	113.9	117.0	120.6	123.1	124.6	126.6	128.6
Robusta	cts/lb	102.0	107.9	106.0	106.6	101.4	96.7	90.9	87.9	61.5	63.5	65.6	67.3	68.8	70.2	71.4	72.4
Cocoa Beans	\$/MT	2951.3	3085.0	3229.2	2985.6	2918.5	3068.1	3252.8	3301.5	2991.0	2863.5	2863.8	2833.2	2813.8	2813.6	2811.0	2802.3
Tea	cts/kg	247.9	222.2	233.7	247.6	291.2	320.1	387.2	369.0	343.5	343.5	355.1	364.8	345.9	345.9	357.6	367.4
Agricultural raw materials																	
Timber																	
Hardwood																	
Logs	\$/M3	289.8	291.5	286.5	260.4	249.9	245.4	243.6	245.2	244.6	244.6	244.6	244.6	254.6	254.6	254.6	254.6
Sawnwood	\$/M3	901.9	917.3	910.0	862.6	826.2	834.8	844.9	827.1	816.8	809.3	817.6	853.1	824.6	817.0	825.4	861.2
Softwood																	
Logs	\$/M3	178.4	169.7	167.4	181.5	169.8	159.1	159.8	159.4	159.4	169.1	159.4	160.5	164.0	174.0	164.0	165.2
Sawnwood	\$/M3	306.1	312.6	308.3	302.1	306.8	298.0	310.4	329.0	329.0	321.5	312.1	306.8	322.4	315.1	305.8	300.7
Cotton	cts/lb	94.0	92.6	77.1	68.7	68.8	72.3	71.0	69.5	62.0	62.3	62.6	62.0	63.0	63.3	63.5	63.6
Wool																	
Fine	cts/kg	1114.0	1086.0	1068.1	1029.4	947.8	1079.7	999.7	995.8	1028.3	1028.3	1028.3	1028.3	1028.3	1028.3	1028.3	1028.3
Coarse	cts/kg	1083.6	1058.7	1025.0	954.3	887.7	962.7	942.0	898.9	909.9	883.9	859.0	809.5	760.3	742.7	717.7	678.4
Rubber	cts/lb	102.1	96.1	83.4	73.5	78.6	81.2	66.1	57.0	57.2	58.9	58.7	60.4	61.0	62.0	62.2	62.0
Hides	cts/lb	107.6	109.8	110.8	112.7	105.8	96.8	76.1	71.7	70.0	71.5	72.2	74.5	77.7	79.3	80.1	82.7
Metals																	
Copper	\$/MT	7080.2	6795.3	6995.8	6692.3	5833.2	6056.6	5267.1	4894.9	4384.1	4357.5	4354.5	4352.0	4351.0	4351.0	4351.0	4351.0
Aluminum	\$/MT	1709.3	1800.2	1989.7	1970.4	1802.1	1770.3	1592.4	1489.9	1468.9	1471.3	1479.5	1487.9	1496.9	1507.8	1518.5	1529.1
Iron Ore	\$/MT	120.4	102.6	90.3	74.0	62.3	57.9	54.4	46.2	39.9	36.3	34.3	33.0	32.2	32.1	32.1	32.1
Tin	\$/MT	22636.3	23146.2	21915.2	19897.9	18370.0	15389.8	15229.5	15077.2	13553.8	13461.7	13430.0	13400.0	13380.0	13370.0	13316.9	13290.3
Nickel	\$/MT	14661.0	18467.8	18394.2	15860.5	14392.8	13055.8	10578.9	9423.0	8520.8	8562.0	8398.0	8691.7	8662.0	8692.0	8721.7	8745.0
Zinc	\$/MT	2026.5	2071.4	2310.7	2235.3	2079.8	2192.2	1842.8	1611.8	1484.4	1486.8	1497.5	1506.3	1514.2	1521.6	1527.8	1533.8
Lead	\$/MT	2101.4	2097.1	2182.4	2000.9	1810.4	1942.2	1717.0	1681.7	1619.9	1612.7	1615.8	1619.8	1624.5	1629.8	1635.1	1641.0
Uranium	\$/lb	35.2	29.8	31.2	37.8	37.9	36.8	36.4	36.0	35.1	30.0	30.9	35.4	35.8	30.5	31.5	36.1
Energy																	
Spot Crude 1/	\$/bbl	103.7	106.3	100.4	74.5	51.7	60.4	48.8	42.2	27.0	28.9	31.0	32.7	34.1	35.4	36.4	37.4
Natural Gas																	
Russian in Germany	\$/MMBTU	10.8	10.7	10.1	10.3	9.4	7.4	6.6	5.9	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Indonesian in Japan (LNG)	\$/MMBTU	17.8	17.6	16.5	16.1	14.4	9.6	9.8	9.8	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5
US, domestic market	\$/MMBTU	5.2	4.6	3.9	3.8	2.9	2.7	2.7	2.1	2.2	2.3	2.4	2.6	2.8	2.6	2.7	2.8
Coal																	
Australian, export markets	\$/MT	82.6	77.9	72.7	67.4	65.6	63.2	61.6	56.1	56.0	52.5	46.7	48.9	56.8	53.2	47.4	49.6

1/ Petroleum price is average of spot prices for U.K. Brent, Dubai and West Texas Intermediate.

International Commodity Prices

May 2016 Issue

Actual prices through
20-Jan-2016

Table 2. Medium Term Commodity Price Baseline
(In U.S. Dollars)

Commodities	Units	2009A1	2010A1	2011A1	2012A1	2013A1	2014A1	2015A1	2016A1	2017A1	2018A1	2019A1	2020A1	2021A1
					Actual					Projections				
Food														
Cereals														
Wheat	\$/MT	190.1	194.5	280.0	276.1	265.8	242.5	185.6	181.1	192.8	199.7	202.7	201.0	199.3
Maize	\$/MT	165.5	186.0	291.8	298.4	259.0	192.9	169.8	151.8	158.7	163.0	166.4	166.4	166.4
Rice	\$/MT	589.4	520.6	551.7	580.2	518.8	426.5	380.2	351.8	305.3	305.3	305.3	305.3	305.3
Barley	\$/MT	128.4	158.4	207.2	238.2	206.4	146.1	127.9	120.5	133.4	128.9	128.4	127.7	127.0
Vegetable oils and protein meals														
Soybeans	\$/MT	378.5	384.9	484.2	537.8	517.2	457.8	347.4	322.7	327.3	328.2	328.2	328.2	328.2
Soybean meal	\$/MT	359.3	331.3	378.9	473.3	477.3	467.0	352.7	302.4	311.6	314.9	316.9	316.9	316.9
Soybean oil	\$/MT	787.0	924.8	1215.8	1151.8	1011.1	812.7	672.2	664.1	682.6	681.0	681.0	681.0	681.0
Palm oil	\$/MT	644.1	859.9	1076.5	939.8	764.2	739.4	565.1	551.4	556.9	569.6	529.3	486.8	447.2
Fish meal	\$/MT	1255.9	1739.2	1519.3	1624.3	1710.5	1921.5	1759.2	1519.2	1210.6	1210.6	1210.6	1210.6	1210.6
Sunflower Oil	\$/MT	1041.7	1186.0	1621.8	1489.5	1341.1	1080.3	1022.2	1008.8	1001.0	1001.0	1001.0	1001.0	1001.0
Olive oil	\$/MT	3509.3	3171.3	3070.3	3135.7	3816.7	3911.8	4927.1	4232.2	4385.8	4385.8	4385.8	4385.8	4385.8
Groundnuts	\$/MT	994.6	1239.4	1724.0	1688.2	2314.5	2148.3	1946.2	1596.5	1574.7	1574.7	1574.7	1574.7	1574.7
Rapeseed oil	\$/MT	856.2	1011.7	1366.6	1239.1	1081.2	904.4	774.6	787.0	718.1	719.0	719.0	719.5	719.0
Meat														
Beef	cts/lb	119.6	152.5	183.2	187.9	183.6	224.1	200.5	158.3	152.2	152.2	152.2	152.2	152.2
Lamb	cts/lb	146.9	145.7	149.2	100.9	106.7	130.6	107.9	96.3	99.0	98.4	97.7	97.1	96.2
Swine Meat	cts/lb	55.8	74.4	89.1	82.8	86.5	102.8	67.9	51.7	46.9	47.4	46.9	46.1	45.5
Poultry	cts/lb	85.6	85.8	87.4	94.3	103.8	110.1	114.7	117.3	125.1	125.1	125.1	125.1	125.1
Seafood														
Salmon	\$/kg	4.9	6.1	5.9	4.8	6.8	6.6	5.3	5.4	4.8	4.8	4.8	4.8	4.8
Shrimp	\$/lb	9.5	10.1	11.9	10.1	14.0	16.6	14.1	9.7	9.0	9.0	9.0	9.0	9.0
Sugar														
Free market	cts/lb	18.2	20.9	26.2	21.4	17.7	17.1	13.2	13.9	13.9	13.6	14.5	14.5	14.5
United States	cts/lb	24.3	31.1	37.6	28.9	21.2	24.9	24.9	25.9	25.6	25.5	24.8	24.7	23.8
EU	cts/lb	26.0	25.7	26.7	26.4	26.0	27.4	25.4	25.0	25.2	25.2	25.2	25.2	25.2
Bananas	\$/MT	848.0	881.4	975.9	984.3	926.4	931.9	958.7	911.3	877.5	861.2	853.4	845.5	837.2
Oranges	\$/MT	909.0	1033.2	891.1	868.0	967.3	782.5	675.1	763.5	763.4	763.4	763.4	763.4	763.4
Beverages														
Coffee														
Other milks	cts/lb	141.6	194.4	273.2	187.6	141.1	202.8	160.5	120.9	125.7	132.2	137.3	137.3	137.3
Robusta	cts/lb	77.1	84.1	116.0	110.6	100.5	105.6	94.2	64.5	70.7	70.7	70.7	70.7	70.7
Cocoa Beans	\$/MT	2895.0	3130.6	2978.5	2377.1	2439.1	3062.8	3135.2	2872.9	2810.2	2760.0	2660.7	2557.4	2458.1
Tea	cts/kg	314.0	316.7	346.2	348.9	266.0	237.9	340.4	351.7	354.2	354.2	354.2	354.2	354.2
Agricultural raw materials														
Timber														
Hardwood														
Logs	\$/M3	287.2	278.2	390.5	360.5	305.4	282.0	246.0	244.6	254.6	254.6	254.6	254.6	254.6
Sawnwood	\$/M3	805.5	848.3	939.4	876.3	852.8	897.9	833.2	824.2	832.0	830.1	826.3	824.2	821.1
Softwood														
Logs	\$/M3	136.7	141.5	150.0	148.0	164.5	174.3	162.0	162.1	166.8	163.9	161.9	157.8	156.9
Sawnwood	\$/M3	291.0	281.8	280.9	284.7	301.4	307.3	311.0	317.3	311.0	309.0	304.6	301.3	298.3
Cotton	cts/lb	62.8	103.5	154.6	89.2	90.4	83.1	70.4	62.2	63.3	62.9	62.6	54.2	46.3
Wool														
Fine	cts/kg	778.5	1023.2	1638.2	1345.3	1197.7	1074.4	1005.8	1028.3	1028.3	1006.2	877.2	773.7	652.3
Coarse	cts/kg	611.4	820.1	1209.2	1212.6	1128.1	1030.4	922.8	866.8	724.3	608.7	601.8	540.2	485.4
Rubber	cts/lb	87.2	165.7	218.5	153.2	126.8	88.8	70.7	59.1	61.8	54.2	49.4	44.0	39.2
Hides	cts/lb	44.9	72.0	82.0	83.2	94.7	110.2	87.6	72.1	79.9	79.0	78.2	78.6	78.2
Metals														
Copper	\$/MT	5165.3	7538.4	8823.5	7958.9	7331.5	6863.4	5510.5	4362.0	4351.0	4360.8	4377.1	4394.7	4401.0
Aluminum	\$/MT	1669.2	2173.0	2400.6	2022.8	1846.7	1867.4	1664.7	1476.9	1513.1	1562.9	1625.4	1694.3	1751.7
Iron Ore	\$/MT	80.0	146.7	167.8	128.5	135.4	96.8	55.2	35.9	32.1	31.6	35.9	35.9	35.9
Tin	\$/MT	13602.7	20367.2	26051.4	21109.4	22281.6	21898.9	16066.6	13461.4	13339.3	13339.3	13339.3	13339.3	13339.3
Nickel	\$/MT	14672.4	21810.0	22909.1	17541.7	15090.0	16893.4	11862.6	8578.1	8705.2	8810.8	8900.8	8970.8	9017.0
Zinc	\$/MT	1638.4	2160.4	2195.5	1950.0	1910.2	2161.0	1931.7	1493.7	1524.3	1544.6	1553.8	1555.8	1555.8
Lead	\$/MT	1719.4	2148.2	2400.7	2063.6	2139.7	2095.5	1787.8	1617.0	1652.6	1659.3	1697.2	1735.0	1754.5
Uranium	\$/lb	46.7	46.0	56.2	48.9	38.6	33.5	36.8	32.9	33.5	33.5	33.5	33.4	33.5
Energy														
Spot Crude 1/	\$/bbl	61.8	79.0	104.0	105.0	104.1	96.2	50.8	29.9	35.8	39.7	43.1	45.3	46.5
Natural Gas														
Russian in Germany	\$/MMBTU	8.9	8.2	10.6	12.0	11.2	10.5	7.3	5.8	5.8	5.8	5.8	5.8	5.8
Indonesian in Japan (LNG)	\$/MMBTU	7.5	9.4	15.6	18.1	17.3	17.0	10.9	9.5	9.5	9.5	9.5	9.5	9.5
US, domestic market	\$/MMBTU	3.9	4.4	4.0	2.8	3.7	4.4	2.6	2.3	2.7	2.9	3.0	3.1	3.2
Coal														
Australian, export markets	\$/MT	77.0	106.0	130.1	103.2	90.6	75.1	61.6	51.0	51.7	51.7	51.7	51.7	51.7

1/ Petroleum price is average of spot prices for U.K. Brent, Dubai and West Texas Intermediate.

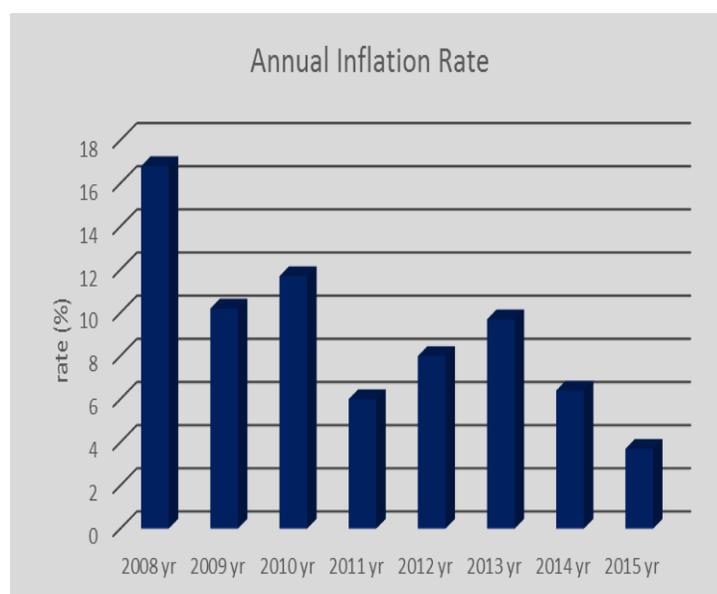
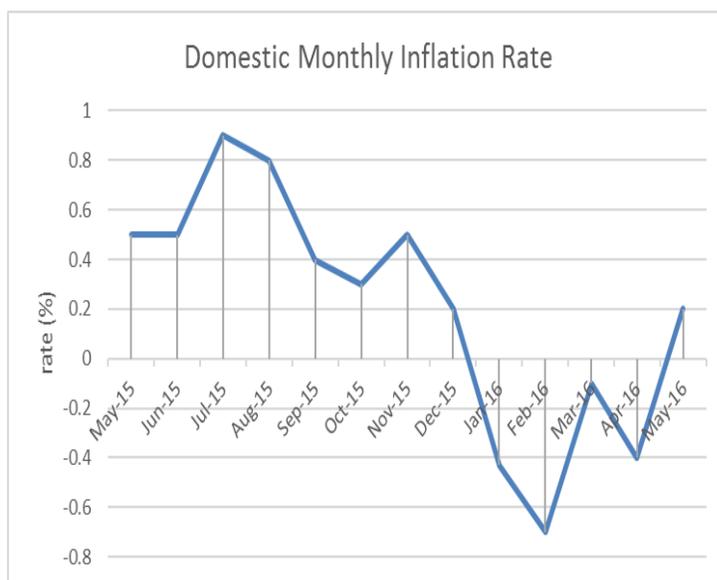
Monthly Inflation Rate

Domestic Inflation Rate

Inflation, measured by the All Jamaica “All Divisions” Consumer Price Index (CPI) increased by 0.2% for the period May 2016 over April 2016. This is the first increase in the CPI since the start of the calendar year. The increase in the rate for May brought inflation for the calendar year to date to -1.4%. The increase in the rate for May 2016 over April 2016 brought inflation for Fiscal Year to May to -0.1%. The 12-month point to point rate at the end of May 2016 was 2.1%.

According to the Statistical Institute of Jamaica, the outturn for the month was largely influenced by an increase of 0.1% in the division ‘Food and Non-Alcoholic Beverages’ and an increase of 0.6% in the division of ‘Housing, Water, Electricity, Gas and Other Fuels’. The division Transport increased by 0.8%. The increase reflected in the division of ‘Food and Non-Alcoholic Beverages’ was mostly impacted by the increases reflected in the sub-divisions ‘Food’ of 0.1% and ‘Non-Alcoholic Beverages’ of 0.6%. The increase reflected in the division of ‘Housing, Water, Electricity, Gas and Other Fuels’, was largely due to the increase in the subdivision ‘Electricity, Gas and ‘Other Fuels’ of 1.6%. However, this was offset by a fall of 1.4% in the index for the group ‘Water Supply and Miscellaneous Services Related to Dwelling’. The increase in the ‘Transport’ division was mainly as a result of higher petrol prices on the local market.

Inflation in all the three regional areas increased for the month of May 2016 relative to April 2016. Inflation for the Greater Kingston Metropolitan area (GKMA), Other Urban Centers (OUC) and Rural Areas increased by 0.2%, 0.3% and 0.3%, respectively.



Monthly Exchange Rates Update

JMD:USD

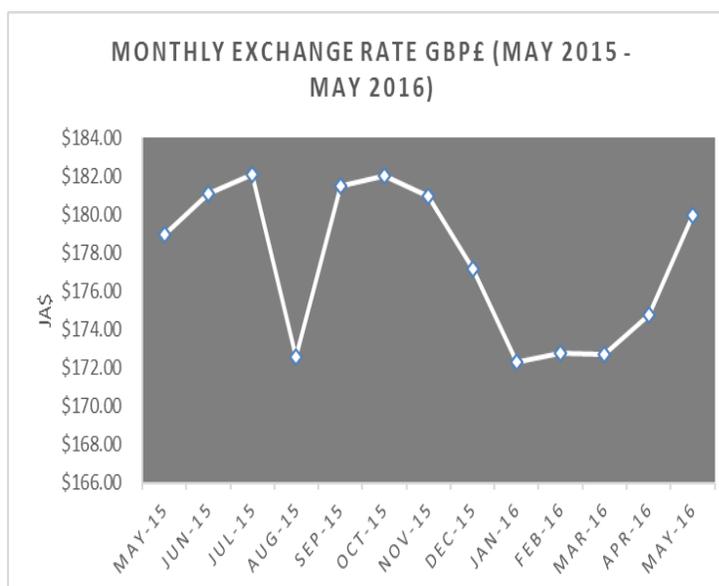
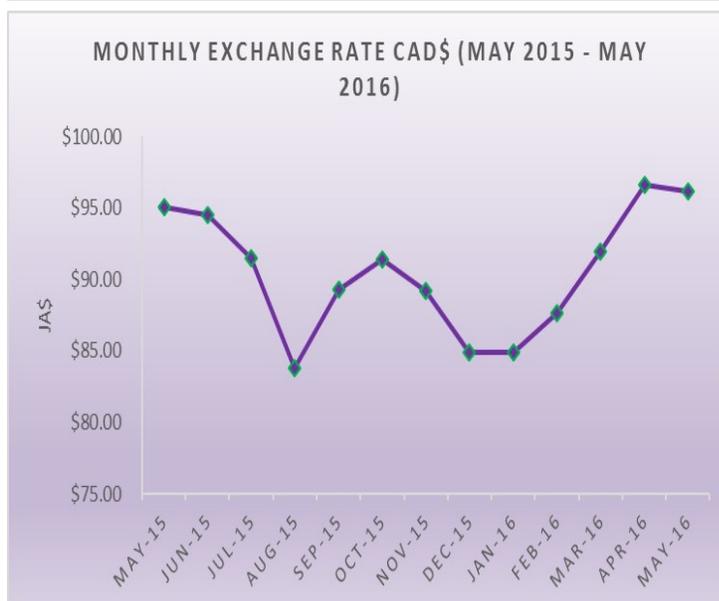
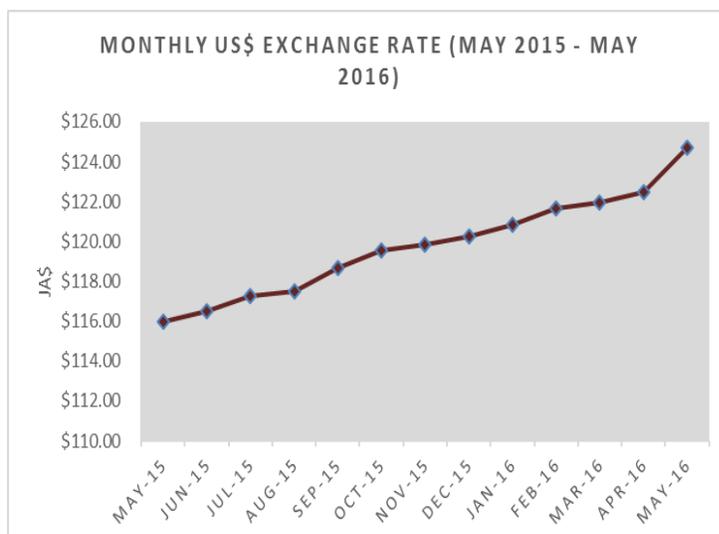
For the month of May 2016, the average value of the Jamaica Dollar depreciated by **J\$2.24** relative to the previous month. This represented an **1.83%** increase to end at **J\$124.69 = US\$1.00**. When compared to May 2015, this year's value was **J\$8.7** or **07.50%** more than the **J\$115.99** recorded in 2015. A two-year comparison revealed that the month's value was **J\$13.85** or **12.50%** more.

JMD:CAD

For May 2016 relative to April 2016 the monthly average value of the Jamaica Dollar appreciated by **J\$0.41** or **0.424%** when compared to the Canadian dollar to end at **J\$96.20 = CAD\$1.00**. A one-year comparison revealed that, this year's value was **J\$1.15** or **1.21%** more than the **J\$95.05** in 2015. In May 2014, the value of CAD\$1.00 was equivalent to **J\$101.90**, which means that the value of the dollar for May this year was **JA\$5.7** or **5.59%** below.

JMD:GBP

The Monthly average value Jamaica Dollar depreciated by **J\$5.2** or **2.98%**, relative to the Great Britain Pound for May 2016 relative to April this year. May ended with **J\$179.97 = GBP£1.00**. When compared to the corresponding period last year, the value of the GBP\$1.00 in May this year was above the **J\$178.95** by **J\$1.02** or **0.57%**. When compared to the **J\$186.91** recorded in 2014 the value of the GBP\$1.00 for this month was **JA\$6.94** or **03.71%** lower.



Net International Reserves & Money Base

May 2016 Issue

Net International Reserves

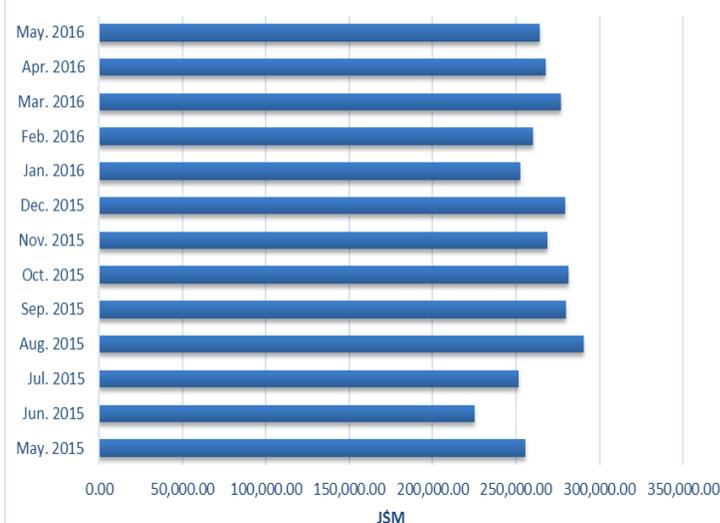
Data for the month ending May 2016 revealed that the stock of Net International Reserves (NIR) at the Bank of Jamaica was **J\$264.26** billion (US\$2,304.72 million). This reflected a decrease of **J\$3.574** billion (US\$32.18 million) relative to April 2016. The change in the NIR for the month was due to a decrease in foreign assets and in foreign liabilities. Under the category of foreign asset all of the sources decreased. Currency and Deposits decreased by **US\$21.99** million, Securities decreased **US\$8.00** million and SDR & IMF Reserve Position decreased by **US\$5.86** million, to end the month with total foreign asset **US2,781.57** million. This represented a total decrease of **US\$35.85** million. Under foreign liabilities IMF expenditures decreased while Other expenses remained unchanged; Payments to IMF decreased by **US\$4.68** million which was the total increase in foreign liabilities. At the end of May, the gross reserves were sufficient to finance **32.47** weeks of goods imports which represented **20.47** weeks over the international benchmark of **12** weeks of goods imports.

Monetary Base

The monetary base increased by **J\$0.399** billion to **J\$120.237** billion for May 2016 relative to April this year. The change in the base reflected decreases in the Commercial Banks' Current

Account and the Commercial Banks' Statutory Reserves while the Net Currency Issue increased. Commercial Banks' Current Account decreased by **J\$0.066** billion to end at **J\$0.281** billion and the Commercial Banks' Statutory Reserves decreased by **J\$0.161** billion to a total of **J\$39.985** billion. Net Currency Issue increased by **J\$0.627** billion to a total of **J\$79.971** billion.

Monthly Net International Reserve (May 2015 to May 2016)



Monthly Monetary Base (May 2015 - May 2016)



Tourism

May 2016 Issue

Stopover tourist arrivals for March 2016 were **219,673**. This month's total was **34,401** or **15.66%** higher than the **185,272** in February this year. March's total was an increase of **3.6%** over the **212,134** recorded in March last year. In 2014 total stopovers for the corresponding period was **200,732**, hence this year's March total was **18,941** or **9.44%** more. For the January to March period, arrivals increased by **3.2%**, with **584,504** stopovers compared to **566,560** in 2015.

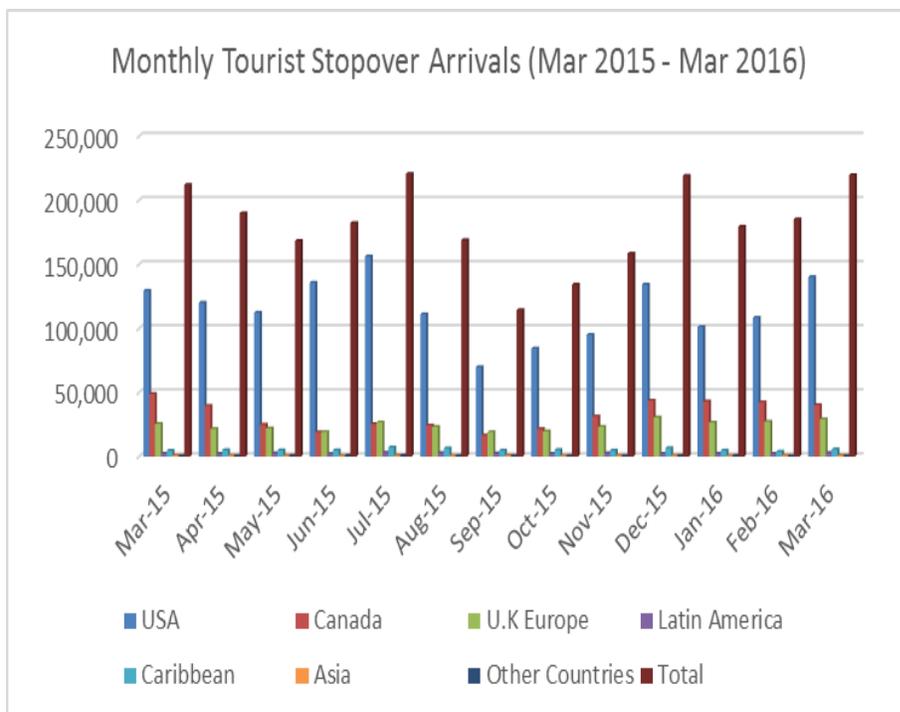
For March 2016, the changes reflected in the total stopovers observed in the seven categories of destination varied. Out of the seven categories, six recorded an increase in numbers, one recorded a decrease when compared to March 2015. The largest percentage increases were reflected in the stopovers from Latin America, the Caribbean, and Europe with **31.6%**, **23.0%**, and **14.6%** respectively. The other categories which reflected increases in stopovers are the United States with **8.3%**, Other Countries with **4.6%** and also Asia with **0.5%**. Of the Other Countries, once again Australia provided the most stopover arrivals to Jamaica, with **701** visitors in 2016 compared to **626** in 2015.

These increases were offset by a decrease in arrivals from Canada. Stopover arrivals for Canada **17.7%**. The market share of stopover visitors

for the January to March 2016 was as follows: The USA **59.8%**; Canada **21.5%**; the UK **8.7%**; Continental Europe **5.5%**, the Caribbean **2.4%**; and the others, including Latin America and Asia **2.0%**.

A total of **229,111** cruise passengers visited Jamaica in March 2016. This represented a **31,644** or **16.02%** increase over the **197,467** recorded in the previous month. For the corresponding period in 2015 total cruise passengers was **194,031** hence this year's total was **18.1%** more. In March 2014, the total arrivals stood at **149,158**, this means that this year's total was **53.60%** more.

For March 2016, Cruise passengers visiting the Falmouth port increased by **8.0%**. Cruise passengers visiting the port of Ocho Rios decreased by **11.4%** and those visiting Montego Bay increased by **111.2%**.



Stock Market Update

May 2016 Issue

On the last trading day in May 2016, for the period May 02, 2016 to May 31, 2016, the main JSE index advanced by **6,522.59 points** or **4.35%** to close at **156,561.77 points**. The JSE Combined Index advanced by **6,777.75 points** or **4.23%** to close at **167,135.71 points**. The JSE Junior advanced by **70.91 points** or **3.43%** to close at **2,135.76 points**. In contrast, once again, the JSE Cross Listed Index remained firm and closed the month at **499.06 points**.

Overall, the market activity for May resulted from trading in sixty-nine (**69**) stocks of which **36** advanced, **27** declined and **6** traded firm. In total **131,839,616.00 units** of stock were traded during the month, which had a total value of **J\$1,525,871,279.79**. This resulted in market capitalization of **J\$561,321,988,648.00 billion** as at end May 2016.

Supreme Ventures Limited was the volume leader for the month with **22,658,508 units** amounting to

16.96% of market volume. Second was Lasco Distributors Limited, which traded **20,916,456 units**

amounting to **15.65%** of the market volume. Next in line was Sagicor Group Jamaica Limited with a total of **9,527,130 units** amounting to **7.13%** of the market volume.

The top four advancing stocks for the month of May were the Ciboney Group (**64.29%**), Palace Amusement (**57.62%**), Kingston Properties Limited (**53.85%**) and Hardware & Lumber (**47.88%**). The top four declining stocks were Salada Foods Jamaica (**12.27%**), Supreme Ventures (**10.98%**), 138 Student Living Jamaica Limited (**10.89%**) and Barita Investments Limited (**9.88%**).

For the calendar year to date, the top four advancing stocks were Palace Amusement (**72.53%**), Kingston Properties Limited (**41.84%**), GraceKennedy Limited (**41.54%**) and Berger Paints (Jamaica) (**39.06%**). Meanwhile, the top four declining stocks for the calendar year to date were Radio Jamaica Limited (**60.38%**), Seprod Limited (**19.29%**), Barita Investments Limited (**18.42%**) and Scotia Investments Jamaica (**14.04%**).

Index	Date	Value	Change (\$)	Change (%)	Volume Traded
JSE-Index	3/1/2016	154435.17	-2264.11	-1.44	3850773
JSE-Index	3/2/2016	154244	-191.17	-0.12	3867337
JSE-Index	3/3/2016	154828.16	584.16	0.38	5973096
JSE-Index	3/4/2016	155747.82	919.66	0.59	4188782
JSE-Index	3/7/2016	155242.8	-505.02	-0.32	18628793
JSE-Index	3/8/2016	153186.49	-2056.31	-1.32	4908124
JSE-Index	3/9/2016	153042.48	-144.01	-0.09	2920807
JSE-Index	3/10/2016	153605.25	562.77	0.37	2875641
JSE-Index	3/11/2016	153612.85	7.6	0	2400778
JSE-Index	3/14/2016	153435.78	-177.07	-0.12	2762480
JSE-Index	3/15/2016	151473.49	-1962.29	-1.28	14645338
JSE-Index	3/16/2016	151747.82	274.33	0.18	2269814
JSE-Index	3/17/2016	152610.01	862.19	0.57	5040820
JSE-Index	3/18/2016	153083.07	473.06	0.31	5041502
JSE-Index	3/21/2016	153581.38	498.31	0.33	3385787
JSE-Index	3/22/2016	153150.85	-428.48	-0.28	2968200
JSE-Index	3/23/2016	153623.04	472.09	0.31	6240385

Previous Highlights: April 2016 Summary

May 2016 Issue

- ◆ In April, the Business and Consumer Confidence Indices for the first quarter of 2016 was released. The Business Confidence Index was 144.6 in the 1st quarter 2016 survey, up from 123.0 in the 4th quarter and 131.9 in last year's 1st quarter. According to the survey, optimism among Jamaican firms rose at the start of 2016 to its highest level in the fifteen-year history of the survey. All the index components increased. The components include, Current Return on Investments (101), Investment/Expansion Climate (137), Expected Change in Economy (147), Expected Change Firm's Finances (165), Expected Change in Profitability (166). The Consumer Confidence Index was 147.9 in the 1st quarter of 2016, up from 124.4 in the 4th quarter and 114.3 one year ago. The survey reflected an increase in the expectations index as consumers expected the new economic policies to have as significant impact on the economy and their own finances. All index components increased. The components include, Current Business Conditions (83), Current Job Prospects (18), Expected Business Conditions (114), Expected Job Prospects (111), Expected Change in Income (138).
- ◆ At the end of April 2016, the value of the Jamaica Dollar depreciated by J\$0.49 or 0.40% relative to the previous month to J\$122.45=US\$1.00. The Canadian dollar depreciated by J\$4.65 or 5.06% to J\$96.61 = CAD\$1.00 relative to March. The Great Britain pound depreciated by J\$2.07 or 1.20% relative to the previous month to end at J\$174.77 = GBP£1.00.
- ◆ Inflation, measured by the All Jamaica "All Divisions" Consumer Price Index (CPI) decreased by 0.4% for the period April 2016 over March 2016. The decrease in the rate for February brought inflation for the calendar year to date to -1.7%. The decrease in the rate for April 2016 over March 2016 brought inflation for Fiscal Year to January to -0.4%. The 12-month point to point rate at the end of April 2016 was 2.4%.
- ◆ Data for the month ending April 2016 revealed that the stock of Net International Reserves (NIR) at the Bank of Jamaica was J\$267.83 billion (US\$2,335.90 million). This reflected a decrease of J\$9.131 billion (US\$79.63 million) relative to March 2016.
- ◆ On the last trading day in April 2016, for the period April 01, 2016 to April 29, 2016, the main JSE index

Previous Highlights: April 2016 Summary

May 2016 Issue

declined by 3,872.15 points or 2.52% to close at 150,039.18 points. The JSE Combined Index declined by 2,159.96 points or 1.33% to close at 160,357.96 points. The JSE Junior advanced by 139.63 points or 7.25% to close at 2,064.85 points. In contrast, once again, the JSE Cross Listed Index remained firm and closed the month at 499.06 points.

- ◆ For the month of March 2016, the production of Alumina was 166,803 tonnes. For the month, the sale of alumina amounted to 146,371 tonnes. The production of crude bauxite, which is bauxite mined for exports, for March 2016 was 355,358 tonnes. Total bauxite production, which is the sum of bauxite mined for exports and bauxite converted to alumina, for March this year was 807,849 tonnes. The total crude bauxite sold for the month was 298,987 tonnes. For the calendar year to date, the production of crude bauxite was 1,103,208 tonnes. For the calendar year to date, the production of total bauxite was 2,315,925 tonnes.
- ◆ For February 2016, the overall weighted average lending rate on domestic currency loans de-

creased to 16.81% from 17.27% relative to the previous month. The weighted average domestic interest rates on deposits remained unchanged at 1.56% relative to January. For February this year foreign currency loans rate decreased relative to January 2016. In this regard, the foreign currency loan rate marginally declined by 1bps to 7.32%. The interest rates on foreign currency deposits decreased for February relative to January this year.

- ◆ Stopover tourist arrivals for February 2016 were 185,272. This month's total was 5,716 or 3.18% higher than the 179,556 in February this year. For the January to February period, arrivals increased by 2.9%, with 364,831 stopovers compared to 354,426 in 2015. A total of 197,467 cruise passengers visited Jamaica in January, 2016. This represented a 10,723 or 5.74% increase over the 186,744 recorded in the previous number.
- ◆ There were price reductions observed in 24% (5) of the commodities monitored for April 2016. The price of crude oil index Brent increased in March 2016 as well as the WTI. The Brent moved up by 8.14% and the WTI increased by 8.45%. Natural gas increased by 11.76%.

KEY

May 2016 Issue

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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