



MONTHLY ECONOMIC BULLETIN

Inside This Issue

September 2017 Issue

CEO's Report	3
Economic Highlights	4-6
International Commodity Prices	7-16
International Commodity Prices: Impact	16-19
Monthly Inflation Rate and Treasury Bill Rates	20-21
Exchange Rates	22-23
NIR & Money Base	24-25
Tourism	26
Previous Economic Highlights	27
Appendices	28-29

The CEO'S Remarks

The recent Confidence numbers shows that Jamaican consumers and businesses remain optimistic about the economic prospects. This optimism is against the background of two very poor GDP quarterly performances, and this poor performance I expect to continue in the September 2017 quarter.

Despite the poor GDP performance, we have managed to maintain the much needed fiscal discipline and tourism continues to do well, as expected. We continue to maintain high levels of NIR and other indicators, such as inflation and interest rates remain favourable.

The question we must all ask, if we are to address the continued poor GDP performance is, why have we not been able to transform the confidence numbers to overall GDP performance. Or we may ask how long can this confidence continue in light of the poor GDP numbers. In other words what is the lag time between GDP performance, and when it starts to hit income levels and confidence.

After two quarters of poor performance, following very low growth, just over one percent, my own view is that we are approaching that time.

My conclusion is anecdotal, but it seems logical to me that unless we can get acceptable levels of growth, for a few quarters, then income and confidence will be affected.

It is therefore imperative that the government implements policies that will cause that growth to happen. Policy must encourage greater vibrancy and employment of capital. Policy must encourage

greater compliance with law and order. Policy must encourage greater labour productivity, and address the crime issue.

This need can be seen in the fact that since the 2014/15 Global Competitiveness Report (GCR), Jamaica over that period has been plagued with the impediments of Crime, Inefficient Government Bureaucracy, and Tax Rates, accounting for an average of 50% of the impediments to doing business in Jamaica.

The question therefore is why doesn't it seem logical that if we do not address these four major impediments then we will continue to face challenges to doing business, which is what drives growth.

Conversely it can be looked at as, if we were to address these impediments then we could improve business conditions by 50%, which would translate into development and jobs.

It therefore seems like a no brainer and one needs to question why we have not been able to see the logic in dealing with these four impediments with greater urgency.

I speak to issues such as the foreign exchange control regulations we persist with, like the exempt distributions and high cash reserves. I also speak to issues like the regulatory stranglehold our regulators place on capital, such as the MCT for Insurance Companies and the restrictions on pension investments.

My strong belief is that unless we take the necessary steps to free up the capital needed to invest and make the country grow then we will continue to grapple with low, or no, growth rates.

Economic Highlights September 2017

- ◇ On October 10th, 2017, the Jamaica Chamber of Commerce released the third quarter 2017 business and consumer confidence indices. The Business Confidence Index for the third quarter of 2017 was 135.2, slightly below the second quarter's 137.1 and last year third quarter 139.2. The survey showed that Jamaican firms showed a greater degree of economic confidence in the most recent survey that any other time prior to 2016. The decline over the past seven years quarters has totaled a minimal of 9.4 index-points from the all-time peak of 144.6 set in 2016. The proportion of firms that expected an improved economy was 50% in the 3rd quarter, just below last quarter's 52%.
- ◇ Consumer Confidence index for the third quarter of 2017 was 151.1 slightly above the 149.3 in the 2nd quarter of 2017, and nearly identical with last year's 151.6. The survey reflected that consumer confidence has been more favourable for a longer period than at any time since the survey started in 2001. Confidence has averaged 149.4 in the past seven past quarters. The current state of the economy was viewed quite favourably as the index of Current Economic Conditions reached a new all-time peak of 161.4 in the 3rd quarter of 2017.
- ◇ At the end of September 2017, the monthly average value of the Jamaican Dollar depreciated against the US dollar, the Canadian dollar and the Great Britain Pound. The Dollar depreciated against the US\$ by \$1.90 or 1.477% to end at J\$130.49=US\$1.00. The Jamaican dollar depreciated by J\$3.69 or 3.598% against the Canadian Dollar to end at CAD\$1.00=J\$106.23. The value of the Great Britain Pound depreciated by J\$5.91 or 3.543% to end at GBP1.00=J\$172.72.
- ◇ Inflation, measured by the All Jamaica "All Divisions" Consumer Price Index (CPI) increased by 0.7% for September 2017, over August 2017. The increase in the rate for September 2017, over August 2017, brought inflation calendar year-to-date to 3.7% and inflation for the fiscal year to September 2017 was 2.6% and the point-to-point rate was 4.6%.
- ◇ Data for the month ending September 2017 revealed that the stock of Net International Reserves (NIR) at the Bank of Jamaica was J\$400.20 billion (US\$3,137.14 million). This reflected a decrease of J\$67.90 billion (US\$532.23 million) relative to August.
- ◇ The monetary base increased by J\$4.944 billion to J\$153.150 billion for September 2017 relative to August.
- ◇ For the month of September 2017 relative to August 2017, yields on the Government of Jamaica 91-day bill decreased by 54bps. Yields on the 91-day treasury bill was 4.98%.
- ◇ Stopover tourist arrivals for July 2017 were 248,626. This year's July total is an increase of 9.0% over the 228,169 recorded in July 2016. Total stopovers for January to July 2017 was 1,432,379, representing an increase of 5.1% compared to 1,363,249 for the corresponding period last year. A total of 110,034 cruise passengers visited Jamaica in July 2017. The

Economic Highlights September 2017

January to June 2017 period saw 1,088,718 cruise passenger arrivals at the three major ports, an increase of 50,823 passengers or 4.9%.

- ◇ There were price reductions observed in 21.05% (4) of the commodities monitored for September 2017. Both the price of Brent and the WTI

increased for the period September relative to August. The Brent increased by 7.39% and the WTI increased by 3.75%. Natural gas price increased by 2.78% for the period September over August.



**THE PRESIDENT AND COUNCIL OF
THE PRIVATE SECTOR ORGANISATION OF JAMAICA**

Request the Pleasure of Your Company at its

HALL of FAME AWARDS

Banquet

THE JAMAICA PEGASUS HOTEL

Monday NOVEMBER 13th | 8:00pm, Cocktails at 7:00 pm

Dress: Black Tie



INDUCTEE

Richard O. Byles

B.SC., M.SC
Chairman, Sagcor Group Jamaica

CONTRIBUTION:
Per Person: \$13,500

Table of 8: \$104,000 | Table of 10: \$127,500

FOR TICKET INFORMATION CONTACT:
Jodi-Ann Reid | Kimecha Leonard at 927.6238 ext 2051 | 2000
jodir@psoj.org | kimechal@psoj.org






Economic Highlights September 2017

Automation Today

The effects of technology used to enhance have engendered arguments on the sides of the employees and the employers. An equilibrium between the two parties is required. The major concern about using technology instead of manually performing tasks is the loss of jobs that it will create. The concern is that many low skilled jobs and repetitive jobs will be replaced by machines. This was confirmed in the 2017 Global Services Location Index Report, as it was reported that more than four million jobs will be at risk in four countries alone namely the United States, Poland, India and the Philippines.

While evidently there will be job loss, however, new high skilled jobs created. With the introduction of new technology higher skills will be required to manage and operate the machinery. The report highlighted that on average, one new automation management position is created for every four jobs that automation replaces. It mentioned that the role of technology in making the remaining jobs more productive and creating new jobs is oftentimes overlooked.

The 2017 Global Services Location Index Report placed Jamaica 43 of 55 countries. The index measures the contours of the offshoring landscape in countries across three major categories: financial attractiveness, people skills, and availability, and

business environment. The countries strongest area was in the category financial attractiveness. While the lowest was in the area skills and availability.

Automation in the BPO

The Business Process Outsourcing Sector (BPO) is one of the leading sources of employment. With approximately 4000 new jobs were added in the last 3 years the BPO sector currently has about 22,000 persons employed. The industry has seen rapid growth in the last five years, with over 40%. The sector has employed many university graduates since its introduction. Contribution to GDP US\$400 million. The government has expressed the sectors critical role in job creation and noted the importance for investments especially human capital to continue to be placed in the industry. According to the Finance and the Public Service Minister, the Business Process Outsourcing (BPO) sector is critical in the plan for inclusive economic growth and job creation.

Evidently, the BPO industry has helped developing countries provide jobs for young people which will otherwise have idle time. However, one area of concern is the future of the BPO sector. With the increase in emerging technologies and robotic process automation (RPA), there are concerns about the future of the BPO sector as only those able to change with the times will survive.

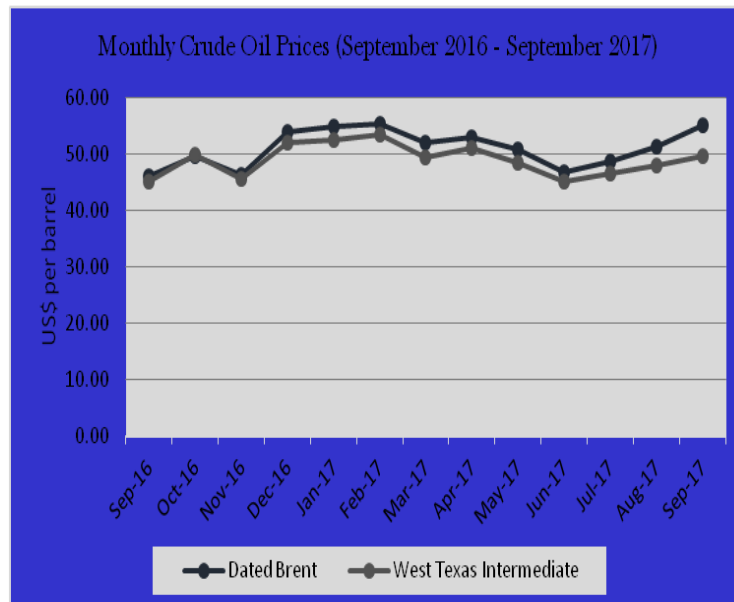
Janell Atkinson

International Commodity Prices

September 2017

Crude Oil Prices

For the month ending September 2017, the average price of both the Dated Brent and the West Texas Intermediate (WTI) increased. The Brent ended the month of September at **US\$55.20 per bbl**. This represented a **US\$3.8** or **7.39%** increase from the **US\$51.40 per bbl** recorded for the previous month. The West Texas Intermediate (WTI) ended the month at **US\$49.80**. This represented a **US\$1.80** or **3.75%** increase relative to last month. A one-year comparison of prices revealed that this year's price for the Brent is **19.51%** or **US\$9.01 per bbl** higher. When compared to last year's price, this year's WTI price is **10.18%** or **US\$4.6** higher. When compared to the price level two years ago, both the



spot prices to average \$52/b in 2017 and \$54/b in 2018, which is \$1/b higher in 2017 and \$2/b higher in 2018 compared with last month's forecast. West Texas

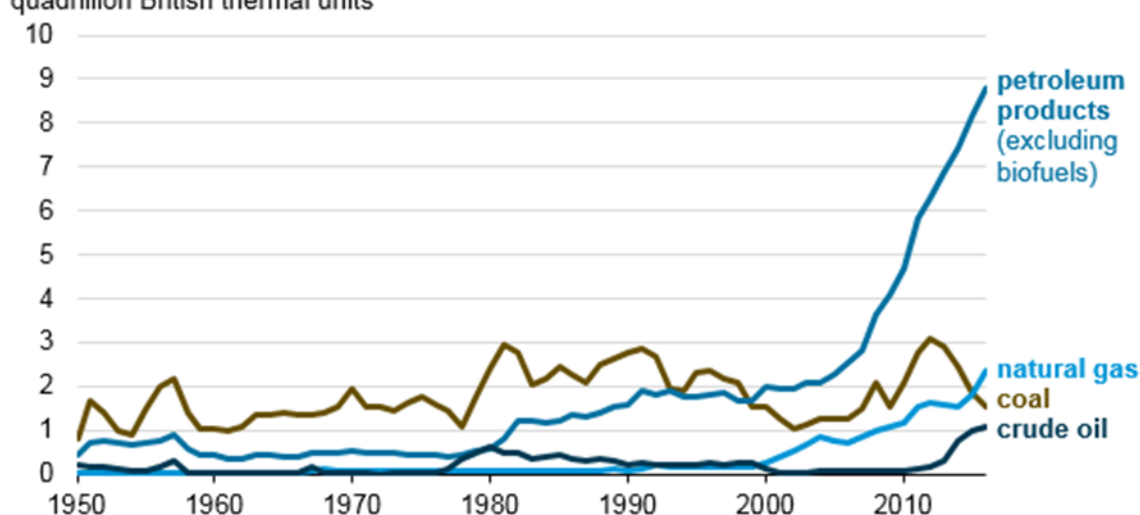
Brent is **16.85%** and the WTI is **9.57%**

above. The 5-year average of prices ranging from September 2012 to August 2017 for the Dated Brent and the West Texas Intermediate are **US\$75.14 per bbl** and **US\$69.15 per**

bbl respectively. This month's price was **27%** below the 5-year average of prices for the Brent and **27.99%** for the WTI.

North Sea Brent crude oil spot prices averaged \$56 per barrel (b) in September, an increase of \$4/b from the average in August. EIA forecasts Brent

U.S. gross energy exports of selected fuels (1950-2016)
quadrillion British thermal units



Intermediate (WTI) average crude oil prices are forecast to be \$3.50/b lower than Brent prices in 2018.

EIA forecasts overall U.S. crude oil production will continue to grow in the coming months. EIA forecasts total U.S. crude oil production to average 9.3 million b/d for all of 2017 and 9.8 million b/d in 2018, which would mark the highest annual average production in

LENNOX

Innovation never felt so good.™



Affordable inverter air conditioning units.

Exclusively Distributed by Geddes Refrigeration Ltd.



226 Spanish Town Road • 923-6521-3 • www.grlja.com

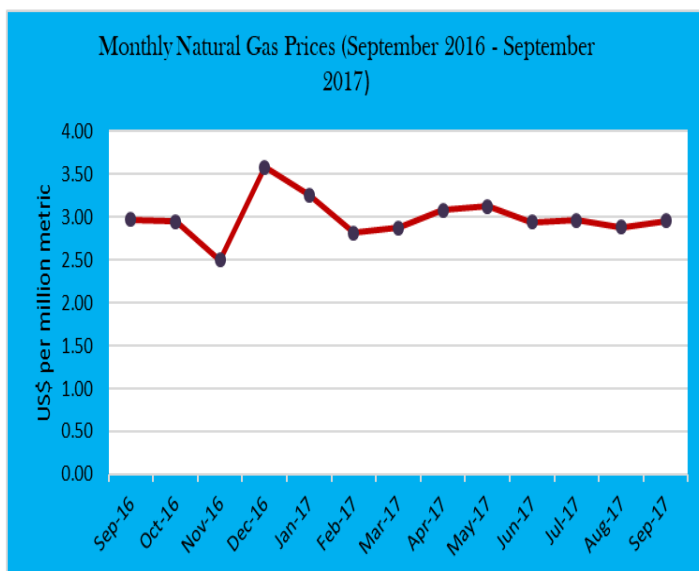
International Commodity Prices

September 2017

U.S. history, surpassing the previous record of 9.6 million b/d set in 1970.

Natural Gas

For the month ending September 2017, natural gas price increased. The price for natural gas ended at **US\$2.96** per million metric which represented an increase of **US\$0.08** or **2.78%**. In September 2016, natural gas per million metric was valued at **US\$2.97** signifying that this year's price is **US\$0.0089** or **0.2998%** lower. A two-year comparison revealed that natural gas prices have increased by **US\$0.3139** or **11.86%** per million metric. The five-year average monthly price for natural gas ranging from September 2012 to August 2017 is **US\$3.26** per million metric, hence, this year's September price was **US\$0.2971** or **9.123%** below.



U.S. natural gas consumption



eia Source: Short-Term Energy Outlook, April 2017

MMBtu in 2018.

In September, the average Henry Hub natural gas spot price was \$2.98 per million British thermal units (MMBtu), up 8 cents/MMBtu from the August level.

Soybean Prices

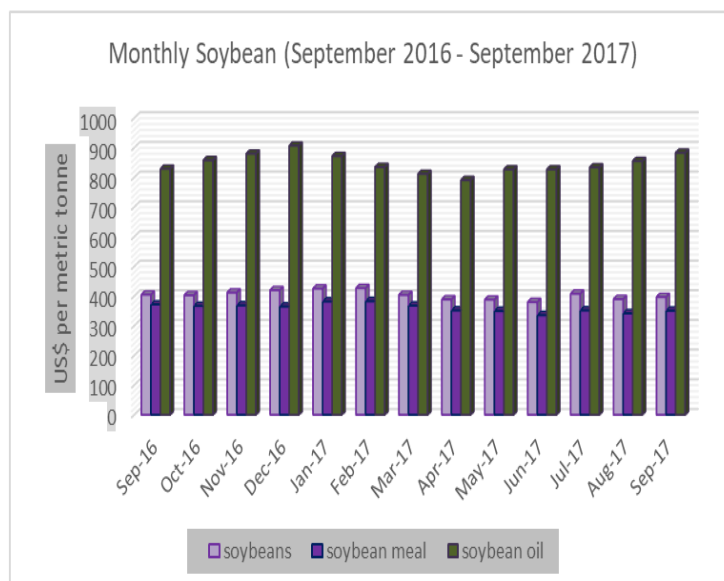
Expected growth in natural gas exports and domestic natural gas consumption in 2018 contribute to the forecast Henry Hub natural gas spot price rising from an annual average of \$3.03/MMBtu in 2017 to \$3.19/

For the month ending September 2017, soybean price per metric tonne was **US\$397.00**. This denoted a **US\$7.00** or **1.79%** increase from August's value of **US\$390.00** per metric tonne. In September, this year,

International Commodity Prices

September 2017

the average price of soybean meal and soybean oil increased. Soybean meal prices ended the month at **US\$351.00** per metric tonne. This represented an increase of **US\$9.00** or **2.63%**. At the end of September, the price per metric tonne for soybean oil stood at **US\$883.00** per metric tonne representing a **US\$28** or **3.27%** increase compared to the previous month. A one-year comparison revealed that prices for soybean decreased by **1.975%** or **US\$8.00**. This month soybean price was **US\$29.00** or **7.8804348%** higher than its price two years ago. When compared to the corresponding period last year the soybean meal price was **US\$21.00** or **5.645%** lower. Soybean oil price was above last year's price by **US\$54.00** or **6.514%**. A two-year comparison of prices for soybean meal revealed that this year's price is below the two year price by **US\$35.00** or **9.067%**. When the September 2017 soybean oil price was compared to corresponding period in 2015 this year's price is **US\$156.00** or **21.46%** above. The five-year average monthly price for soybean ranging from September 2012 to August 2017 is **US\$460.16** per metric tonne, which means that September's price was **US\$63.16** or **13.72%** lower. The five-year average monthly price for soybean meal ranging from September 2012 to August 2017 is **US\$457.38** per metric tonne, which means that September's price was **US\$106.38** or **23.26%** lower. The five-year average monthly price for soybean oil ranging from September 2012 to August 2017 is **US\$896.50** per metric tonne, which means that September's price was **US\$13.50** or **1.506%** lower.



Sugar Prices

At the end of September 2017, the average price of the Free Market Sugar ended the month at **US\$0.32** per kg similar August relative to July, there was no month over month change. For the US Sugar imports, the average price increased from **US\$0.55** in August to **US\$0.59** in September this year. This represented a increase of **US\$0.04** or **7.27%** per kg. At the end of September 2017, the European Sugar imports ended the month at **US\$0.39** per kg which was the same as the previous month. For the period September 2017 relative to September 2016, the price of Free Market sugar decreased by **US\$0.15** or **32.28%** dollar per kg. A one-year comparison revealed that the price of the US Sugar imports has decreased by **US\$0.03** or **4.25%**, while the European sugar imports price has increased by **US\$0.0239** or **6.517%** for the same period. In September 2015, the price for the Free Market sugar was **US\$0.26** per kg, which means that this year's September price is **US\$0.06** or **22.93%** higher. The price of the US sugar imports is **US\$0.0563** or **10.54%** higher than the 2015 price and the price of the



7 Hillview Avenue, Kingston 10
 Phone: 876-978-5902 / 978-6297
 Web: www.eslcaribbean.com
 Visit us on Facebook

Everything Environmental Since 1991

Environmental Management and Environmental Health Services

ISO 17025 Accredited

- ◆ *Quality and Environmental Health Laboratory Services*
 - ◆ Microbiology
 - ◆ Physical and Chemical Analysis
 - ◆ Occupational Health and Safety
- ◆ *Environmental Consulting Services*
 - ◆ Environmental Risk Management
 - ◆ Environmental Planning and Management Systems
 - ◆ Pollution Prevention and Control
 - ◆ Food Safety and Security

*“Committed to
 Harmonizing Development and the Environment”*

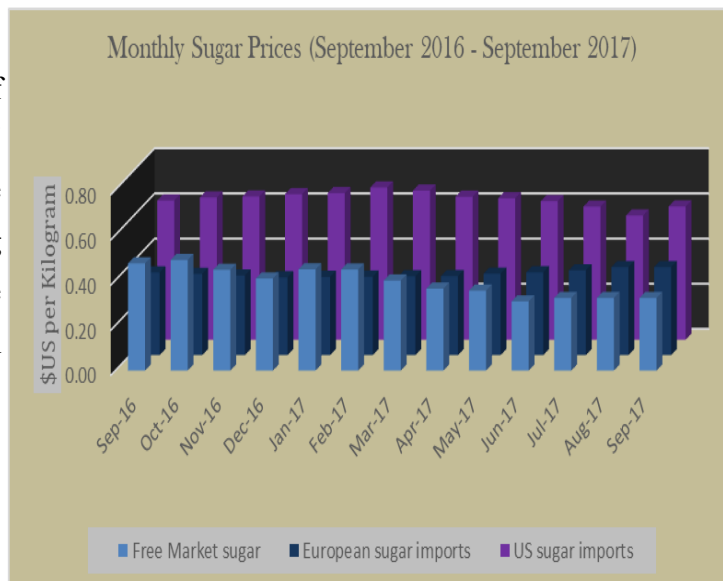
International Commodity Prices

September 2017

European Sugar imports is **US\$0.0233** or **6.356%** higher than the 2015 price. The 5-year average of prices ranging from September 2012 to August 2017 for the US imports and the European imports are **US\$0.5460** per kg and **US\$0.3947** per kg respectively. Hence, the price of US imports is above its long-term average by **8.066%** while the European imports is below its average by **1.1843%**.

Coffee Prices

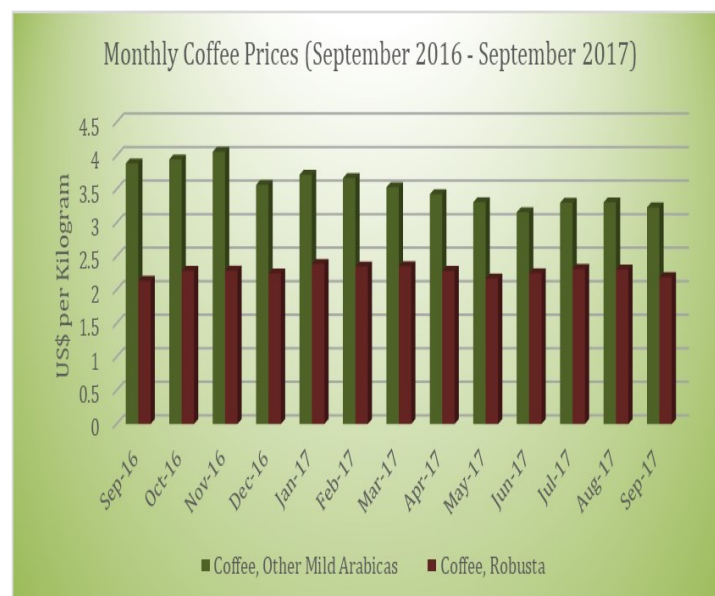
For the month ending September 2017 both the average prices of the Coffee of the Other Mild Arabicas and the Robusta coffee decreased. The price per kg for coffee of the Other Mild Arabicas category was **US\$3.23** per kg representing a decrease of **US\$0.0743** or **2.25%**. A one-year comparison revealed that this month's price was **US\$0.6567** or **16.90%** lower than last year's September price. Robusta Coffee ended the month at **US\$2.19** per kg. This month's price is below the previous month's price by **US\$0.1143** or **4.96%**. A one-year comparison revealed that the price of coffee in the Robusta category has increased by **US\$0.0542** or **2.536%**. A two-year comparison revealed that prices have risen by **0.2467%** for coffee of the 'Other Mild Arabica's category and prices rose by **21.90%** for coffee in the Robusta category. The five-year average monthly prices ranging from September 2012 to August 2017 for Arabica and Robusta are **US\$3.628** and **US\$2.092** respectively. This implies that this year's September price for the Arabica was **10.98%** lower than the average price while the



Robusta coffee was **4.664%** higher than its average price.

Cocoa Beans

For the month ending September 2017, cocoa bean prices marginally increased relative to the previous month. Prices for the month ending was **US\$2.00** per kg representing a **US\$0.01** or **0.58%**. A one-year comparison revealed that this year's price is lower by





The power of Partnership

with CIBC FirstCaribbean Corporate and Investment Banking

When you partner with the CIBC FirstCaribbean Corporate and Investment Banking team, you benefit from a one-on-one relationship with trusted, experienced, financial experts. Our team provides leading-edge advice, and takes pride in creating innovative financing solutions that will help your business to succeed.

At CIBC FirstCaribbean, our track record speaks for itself. As one of the largest regional banks, with strong international linkages and our unique understanding of the Caribbean, we have helped our clients to achieve over US\$1 billion in financing solutions in the last year.

Our relationship management team can offer you the same commitment to grow your business. Let's talk today.

For more information, contact: 935-4747.

The CIBC Logo is a trademark of Canadian Imperial Bank of Commerce, used by FirstCaribbean International Bank under license.



International Commodity Prices

September 2017

US\$0.88 per kg or **30.58%**. A two-year price comparison showed that the September 2017 price for cocoa beans is lower by **US\$1.28** per kg or **38.99%** than its price in September 2015. The five-year average of monthly prices ranging from September 2012 to August 2017 for cocoa bean is **US\$2.74** per kg, this means that this year's September price was **US\$0.74** or **27.05%** lower.

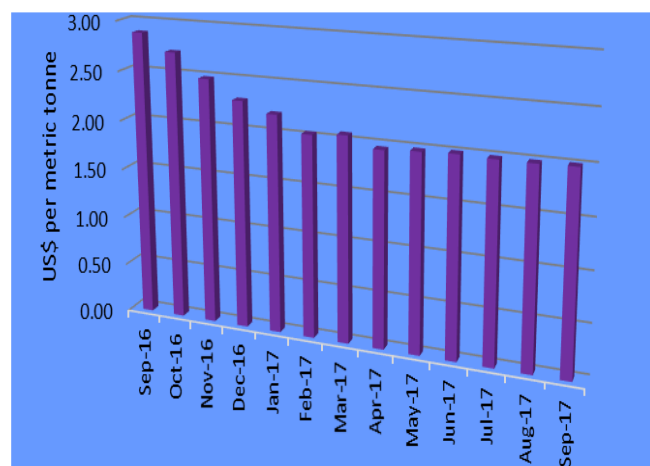
Orange Prices

Orange prices for the month ending September 2017 increased relative to August. In this regard prices increased by **10.19%** or **US\$0.073** to end at **US\$0.79** per kg. For September 2017, relative to September 2016, oranges prices decreased by **US\$0.2606** or **24.81%** per metric tonne. A two-year comparison revealed that this year's price is above the September 2015 price of **US\$0.6317** per metric tonne by **US\$0.1583** or **25.06%**. The five-year average monthly prices ranging from September 2012 to August 2017 is **US\$0.8314**, this means that this year's price was **US\$0.0414** or **4.977%** below.

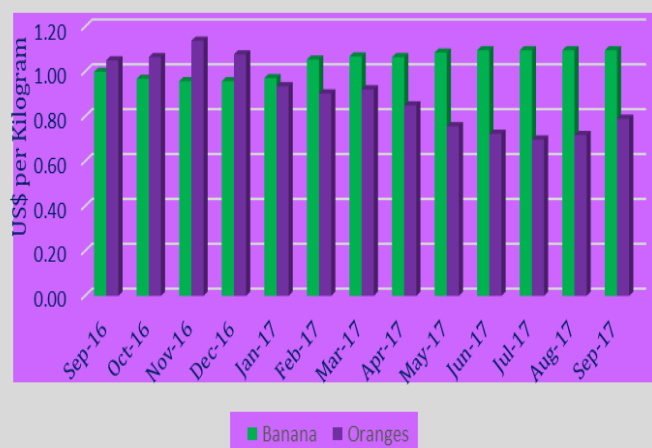
Banana Prices

For the month ending September 2017, once again banana prices remained the same relative to the previous month. In this regard prices remained at **US\$1.10** per kg. When compared to the same period in 2016, this year's price was **US\$0.10** or **9.655%** higher. A two-year comparison revealed that prices have risen by **US\$14.81** or **16%**. The five-year average monthly price ranging from September

Monthly Cocoa Beans Prices (September 2016 - September 2017)



Monthly Banana and Orange Prices (September 2016 - September 2017)



2012 to August 2017 is **US\$0.97**, indicating that this month's price was **US\$0.1280** or **13.23%** higher.

Corn Prices

For the month ending September 2017, corn prices decreased. Prices decreased by **US\$1.196** or **0.81%** relative to August, to close the month at **US\$147.3** per metric tonne. Between September 2017 and September 2016 prices decreased by **US\$1.125** or **0.7581%**. A two-year price comparison showed that this year's price

International Commodity Prices

September 2017

was **US\$18.32** or **11.06%** lower. The five-year monthly average for corn prices ranging from September 2012 to August 2017 is **US\$198.45** per metric tonne, this means that this month's price was **US\$51.15** or **25.78%** lower.

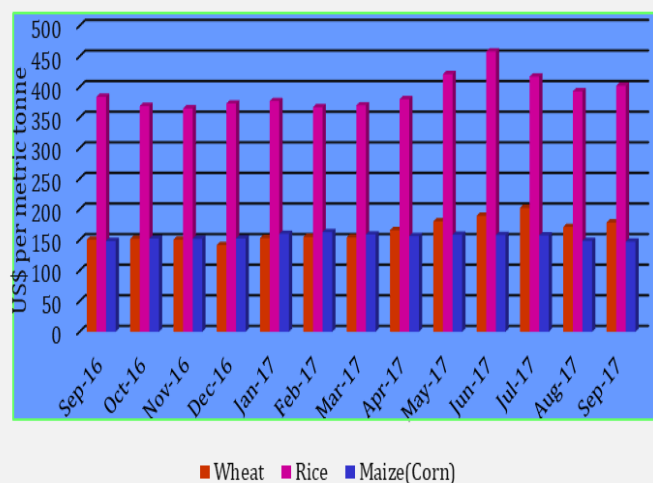
Wheat

For the month ending September 2017 wheat prices increased relative to the previous month. Prices increased by **US\$7.374** or **4.31%** relative August 2017 to end at **US\$178.6** per metric tonne. Relative to September 2016, prices have increased by **US\$27.95** or **18.55%** per metric tonne. A two-year comparison of wheat prices showed that this year September price was **US\$5.905** or **3.419%** above the September 2015's price. The average five-year monthly prices ranging from September 2012 to August 2017 is **US\$240.19** per metric tonne, meaning that this year's September price was **US\$61.59** or **25.64** below.

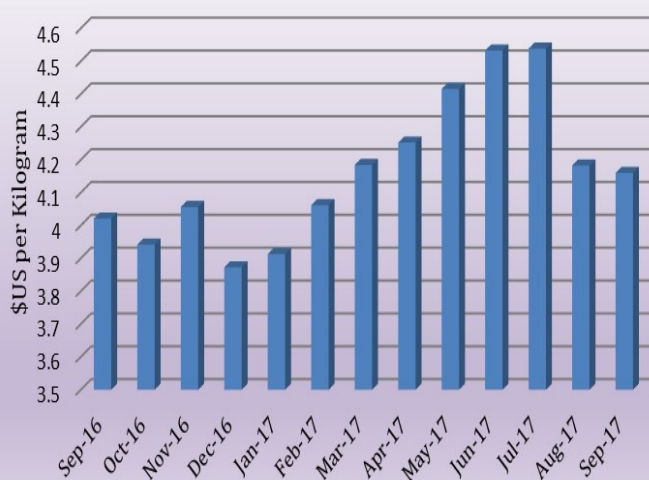
Rice

For the month ending September 2017 the price of the 5 percent thai rice ended at **US\$402** per metric tonne. This value was **US\$9.00** or **2.29%** above the **US\$393** in August. This month's price is above the September 2016 price by **US\$18.00** or **4.687%**. A two-year comparison revealed that the commodity's price was **US\$45.00** or **12.60%** higher than its price in 2015. The five-year monthly price average for rice prices ranging from September 2012 to August 2017 is **US\$432.54** per metric tonne, indicating that

Monthly Cereal Price (September 2016 - September 2017)



Beef Prices for September 2016 - September 2017



September's price was **US\$30.54** or **7.06%** below the long term average.

Beef Prices

In September 2017, beef prices decreased relative to the previous month. Prices decreased by **US\$0.0227** per kg or **0.54%** when compared to the previous month, to close at **US\$4.16** per kg. When compared to September 2016, prices have risen by **US\$0.1388** or

International Commodity Prices

September 2017

3.451% per kg. In September 2015 prices were **US\$4.473** cents per pound hence this year's price was **US\$0.3126** or **6.990%** below the 2015 price. The five-year average for prices ranging from September 2012 to August 2017 is **US\$4.318** cents per pound indicating that this month's price was **US\$0.1585** or **3-3.811%** below.

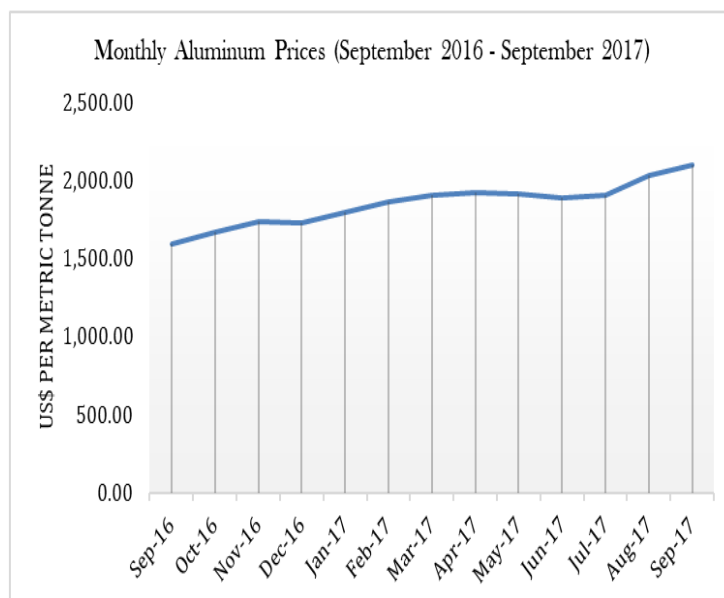
Aluminum Prices

The price of aluminum increased in September 2017 relative to the previous month. Prices increased by **US\$65.99** or **3.25%** to end the month at **US\$2,096.00** per metric tonne. For September 2017 relative to September 2016, prices increased by **US\$503.64** or **31.63%** per metric tonne. A two-year comparison revealed that this year's price was **US\$506.40** or **31.86%** above the price for the corresponding period in 2015. The five-year average for monthly prices ranging from September 2012 to August 2017 for aluminum is **US\$1,784.59** per metric tonne, this means that this year's September price was **US\$311.41** or **17.45%** higher.

Impact of global prices on Jamaica

There were price reductions observed in **21.05%** (4) of the commodities monitored for September 2017. Both the price of Brent and the WTI increased for the period September relative to August. The Brent increased by **7.39%** and the WTI increased by **3.75%**. Natural gas price increased by **2.78%** for the period September over August.

The Food and Agriculture Organization of the United Nations (FAO) Food Price Index (FFPI)



averaged 78.4 points in September 2017, up 1.4 points (0.8%) from August and 7.4 points (4.3%) above September 2016. The FAO Cereal Price Index averaged 152.2 points in September, down 1.6 points (1.0%) from August. While the Index declined for the second consecutive month, it remained 8 percent above the corresponding month last year. The FAO sugar price index 204.2 points in September, nearly unchanged from August but as much as 101 points (33%) below the same period last year. The rapid decline in sugar quotations since the beginning of this year reflects a continuing oversupply situation prevailing in world markets, in parallel with the slow-down in demand. The FAO Meat Price Index averaged 173.2 points in September, unchanged from August but up 9.5 points (5.8%) compared to the same period last year.

International Commodity Prices

September 2017

Commodity	Unit	August Price	September Price	Monthly Change %
Aluminum	Metric tonne	2030.01	2096.00	3.25%
Bananas	Kilogram	1.10	1.10	0.00%
Beef	Kilogram	4.18	4.16	-0.54%
Cocoa Beans	Metric tonne	1.99	2.00	0.50%
Coffee-Arabicas	Kilogram	3.30	3.23	-2.24%
Coffee-Robusta	Kilogram	2.30	2.19	-4.96%
Corn-Maize	Metric tonne	148.50	147.30	-0.81%
Natural gas	MMBTU	2.88	2.96	2.78%
Crude Brent	Barrel	51.40	55.20	7.39%
Crude West Texas Intermediate	Barrel	48.00	49.80	3.75%
Oranges	Kilogram	0.72	0.79	10.18%
Rice	Metric tonne	393.00	402.00	2.29%
Soybean	Metric tonne	390.00	397.00	1.79%
Soybean meal	Metric tonne	342.00	351.00	2.63%
Soybean oil	Metric tonne	855.00	883.00	3.27%
Sugar (free market)	Kilogram	0.32	0.32	0.00%
Sugar US (Import)	Kilogram	0.55	0.59	7.27%
Sugar European (Import)	Kilogram	0.39	0.39	0.00%
Wheat	Metric tonne	171.22	178.60	4.31%

International Commodity Prices

September 2017

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	799.9	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

September 2017

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	389.4	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 milds	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	1689.2	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 and Treasury Bill Rates

Monthly Inflation Rate

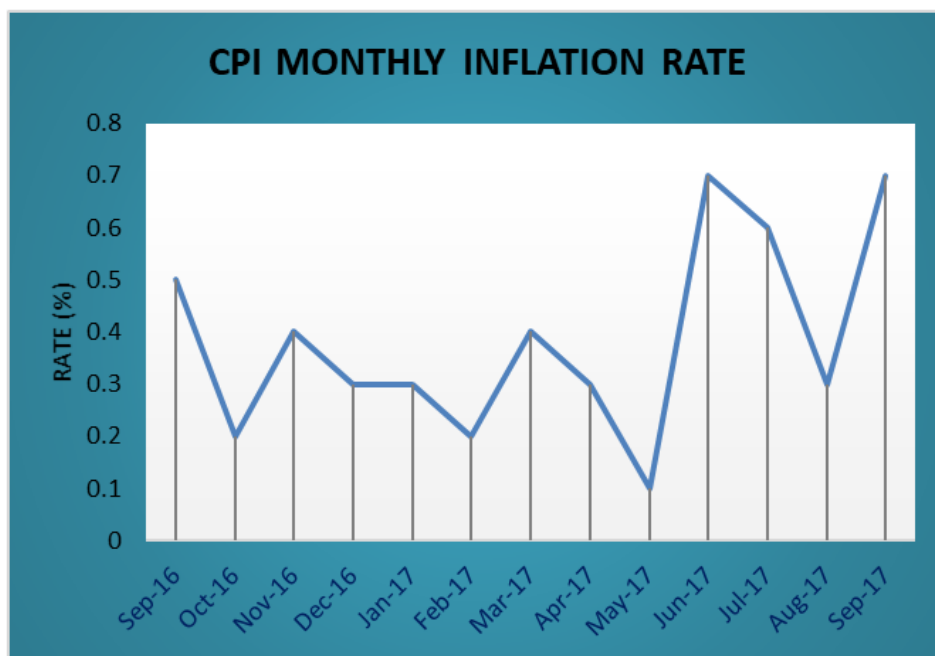
Inflation, measured by the All Jamaica “All Divisions” Consumer Price Index (CPI) increased by **0.7%** for the period September 2017 over August 2017. The increase in the rate for September 2017 over August 2017 brought inflation calendar year-to-date to **3.7%** and inflation for the fiscal year to September 2017 was **2.6%** and the point-to-point rate was **4.6%**.

According to the Statistical Institute of Jamaica, this figure, as well as the movement for June 2017, represents the highest monthly inflation rate for the calendar year to date. The outturn for the month was largely influenced by the increase movement of 2.6% in the index for the division Housing, Water, Electricity, Gas and Other Fuels. The movement for this division was largely impacted by higher

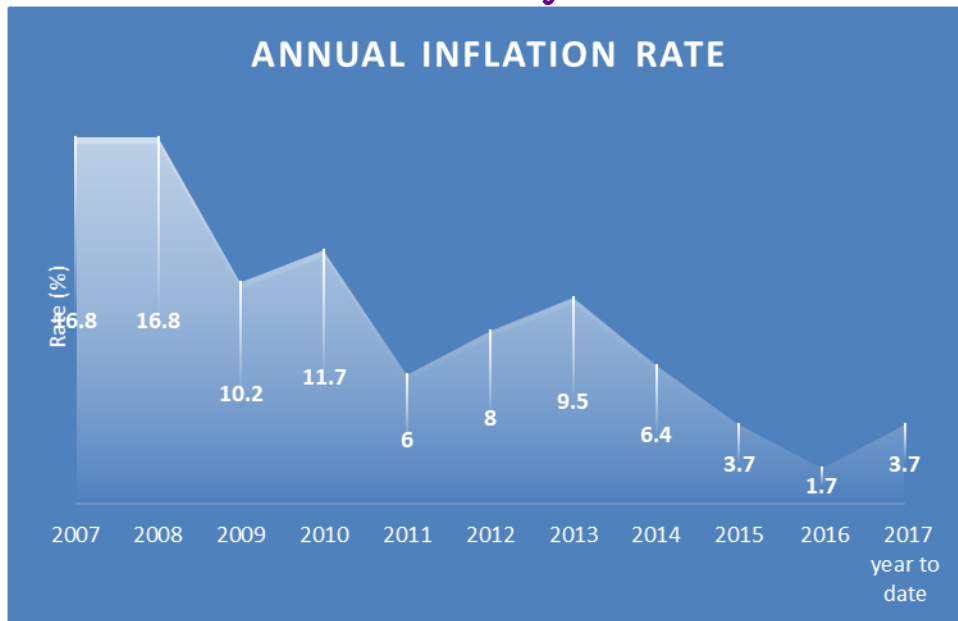
electricity rates. The Food and Non Alcoholic Beverages division increased by 0.4%. The movement in this division was significantly affected by a rise of 1.1% for the sub division Vegetable and Starchy Foods. Other increase were seen in the divisions Restaurants and Accommodation and Education by 1.0% and 2.0%.

Inflation in all the three regional areas increased for the month of September 2017 relative to August 2017.

Inflation in the Greater Kingston Metropolitan area (GKMA), Other Urban Centers (OUC) and Rural Areas increased by 0.6%, 0.7% and 0.8%, respectively.



Monthly Inflation Rate and Treasury Bill Rates

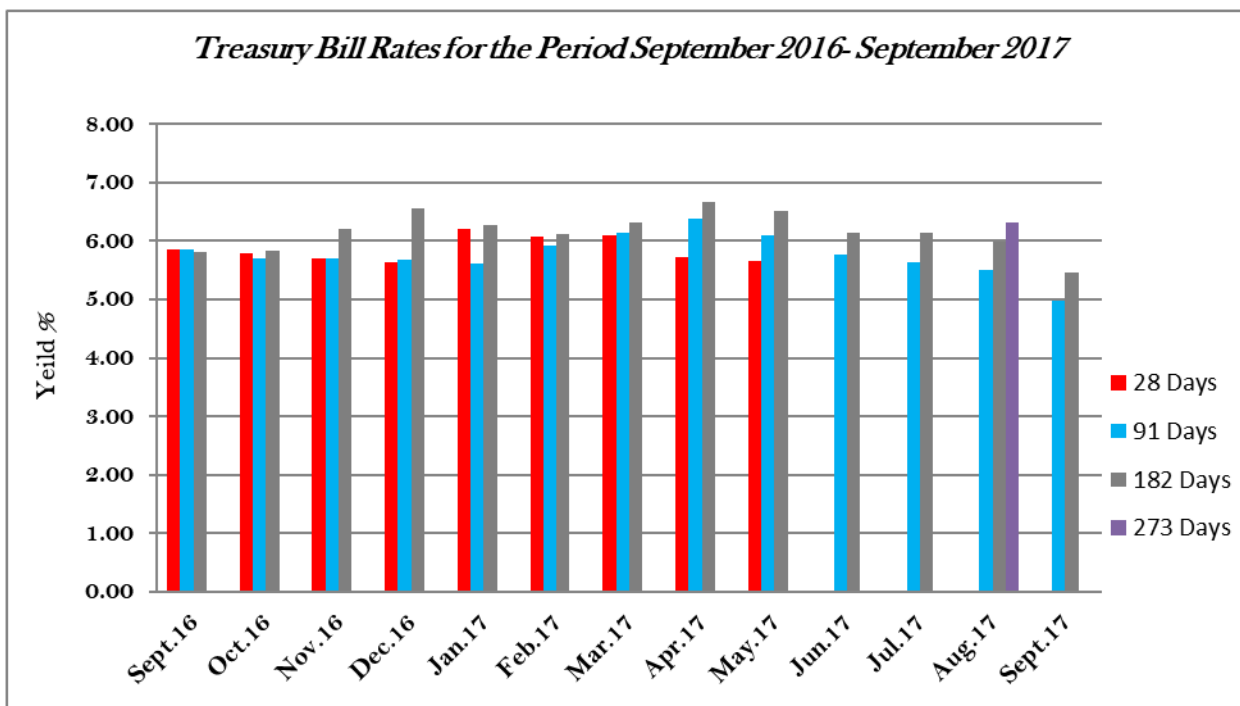


Treasury Bill Rates

For the month of September 2017 relative to August 2017, yields on the Government of Jamaica 91-day bill decreased by **54bps**. Yields on the 91-day treasury bill was 4.98%. For the period September 2017 in comparison to September 2016, yields on GOJ 91-day treasury bill decreased by 88bps and

yields on the 182-day decreased of 36bps. A two-year comparison showed decreases in the rate of **122bps** and **90bps** on the yields of the 91-day, and 182-day.

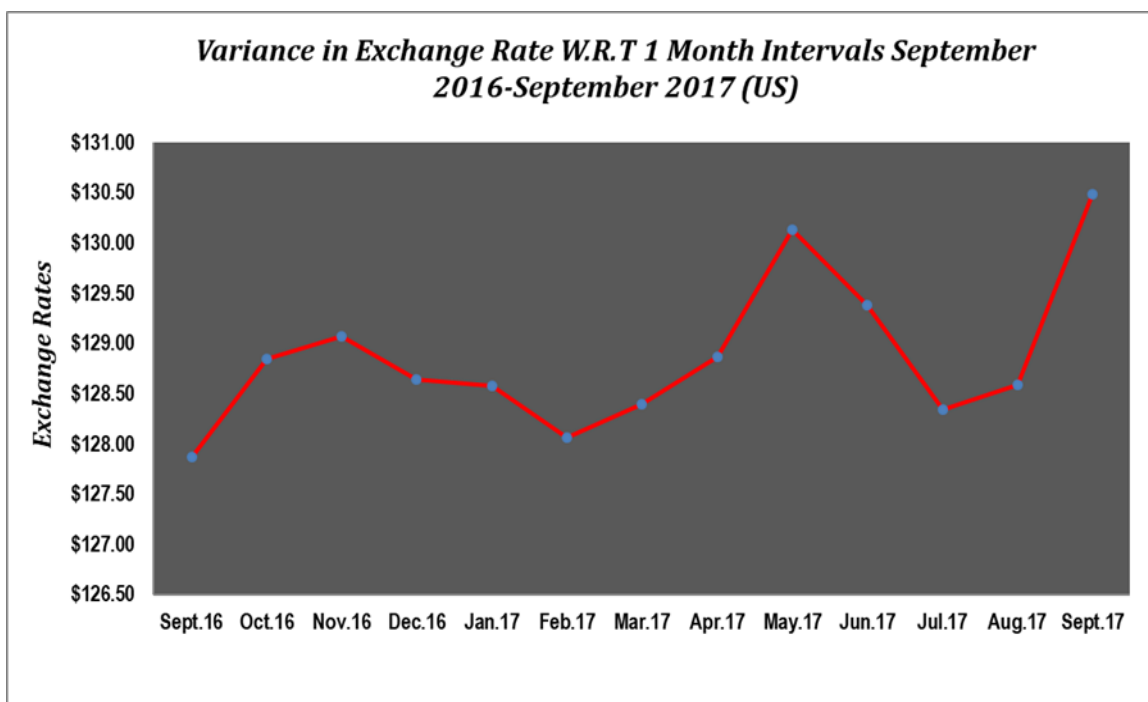
NB: All 90-day will now and hereafter be referred to as 91-day.



Monthly Exchange Rates Update

JMD:USD

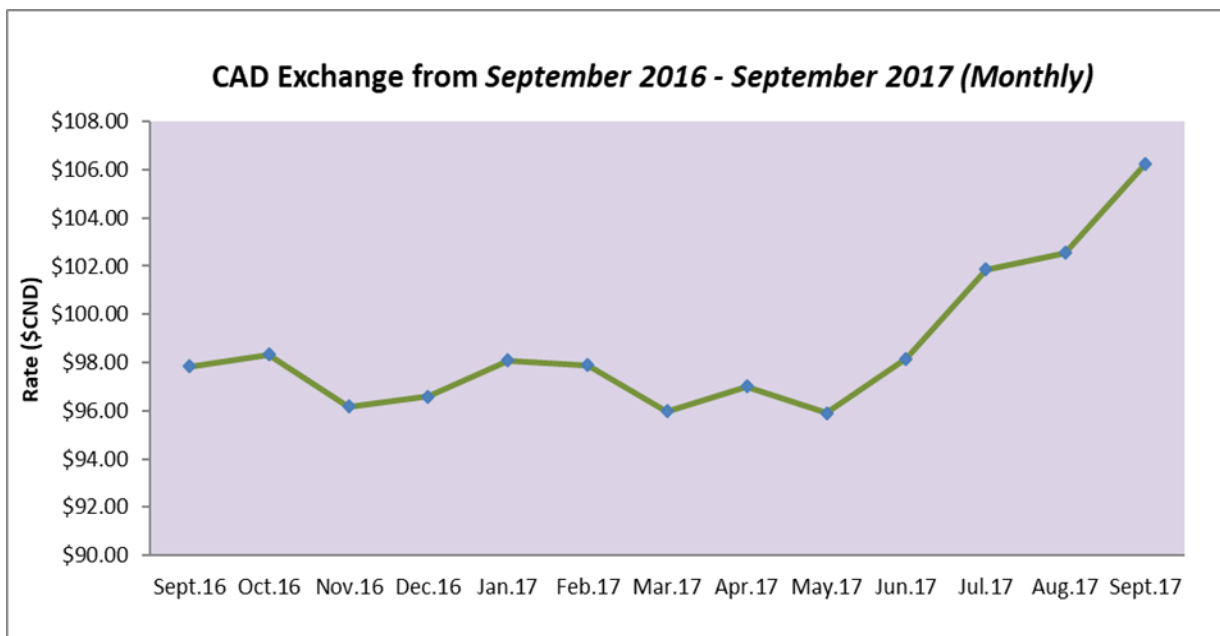
In analysis of the exchange rates over the period September 2017 to August 2017, the monthly average value of the Jamaican dollar depreciated by **\$1.90** or **1.477%** relative to the US dollar. As a result, the exchange rate progressed to settle at **US\$1.00=J\$130.49**. A one-year comparison revealed depreciation in the currency ratio of J\$2.62, resulting in an overall increase in the value of the \$US by 2.049%. The month's exchange rate was further compared with the rate of the same month recorded previously in 2015, the comparison showed that there was an increase in the value of the \$US by J\$11.82 (percentage increase of 9.96).



JMD:CAD

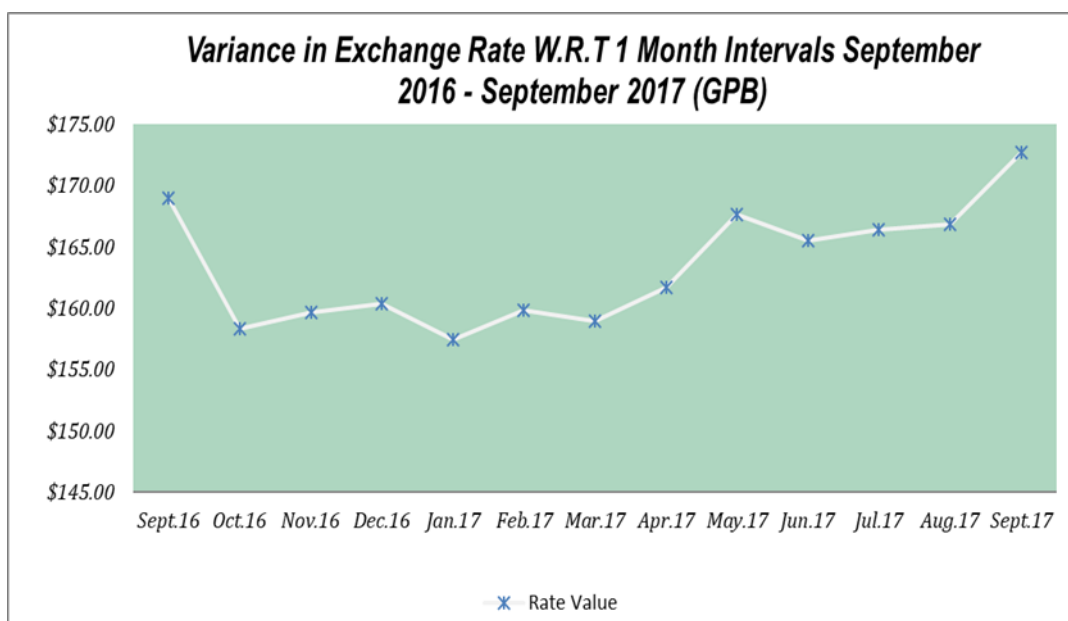
In relation to the exchange rate recorded for the month of September 2017, calculations accentuated the fact that the Jamaican dollar depreciated by **3.598%** (**\$J3.69**) relative to the previous month. In this regard, the value of the Jamaican dollar to the Canadian dollar at the end of September was **CAD\$1.00=J\$106.23**. The exchange rate of September 2017 was further set side by side with the rate 1 year earlier (September 2016) which revealed that the value of the Jamaican dollar depreciated by J\$8.38 or 8.564%. Furthermore, calculations comparing the exchange rate values for September 2017 and September 2015 made clear the overall depreciation of the dollar over the 2-year period. This conclusion was made because of the difference in the value of the dollar of J\$16.98 (depreciation of 19.02%).

Monthly Exchange Rates Update



JMD:GBP

The exchange rate's monthly variance of **J\$5.91** was seen to exist within the boundaries of September 2017 and August 2017, this indicates that the Jamaican dollar depreciated by some **3.543%**. The exchange rate at end September was **GPB1.00=J\$172.72** in comparison to the previous month GPB1.00=J\$166.81. The annual comparison of the exchange rates for the months September 2017 and September 2016 revealed that the Jamaican dollar depreciated in such a way that there was an increase in the price of the \$GPB equal to J\$3.78 (2.237%). Further investigation of the exchange rate extending to September 2015 showed that the cost of the Pound decreased by J\$8.74 or 4.816%.



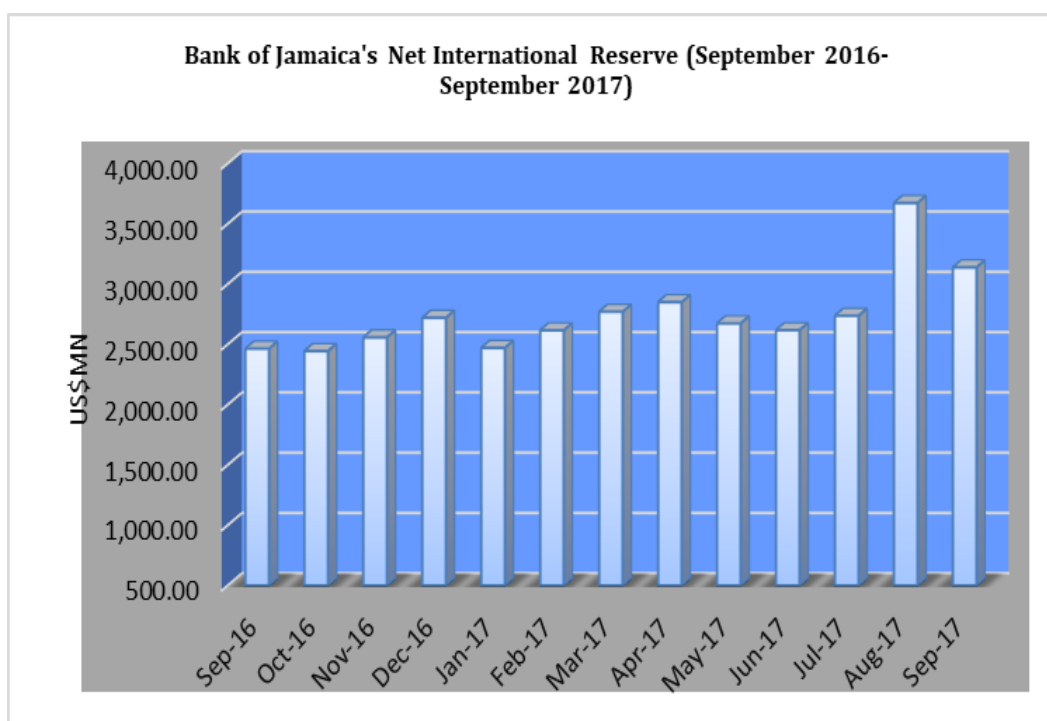
Net International Reserves & Money Base

September 2017

Net International Reserves

Data for the month ending September 2017 revealed that the stock of Net International Reserves (NIR) at the Bank of Jamaica was **J\$400.20 billion (US\$3,137.14 million)**. This reflected a decrease of **J\$67.90 billion (US\$532.23 million)** relative to August. The change in the NIR for the month was due to a decrease in foreign assets and foreign liabilities. Under the category of foreign asset, Currency and Deposit and SDR & IMF Reserve decreased while Securities increased. Currency and Deposit decreased by **US\$604.10 million**, SDR &

IMF Reserve Position decreased by **US\$0.15 million**. Securities increased by **US\$71.99 million** to end the month with total foreign asset **US\$3,714.94 million**. This represented a total decrease of **US\$532.27 million**. Under the category of Foreign liabilities payments to the IMF while Other payments remained the same. Payments to the IMF decreased by **US\$0.04 million** which was the total decrease in Foreign liabilities. Foreign Liabilities ended the month at **US\$577.80 million**. At the end of September, the gross reserves were sufficient to finance **40.87** weeks of goods imports which represented **28.87** weeks over the international benchmark of **12** weeks of goods imports.

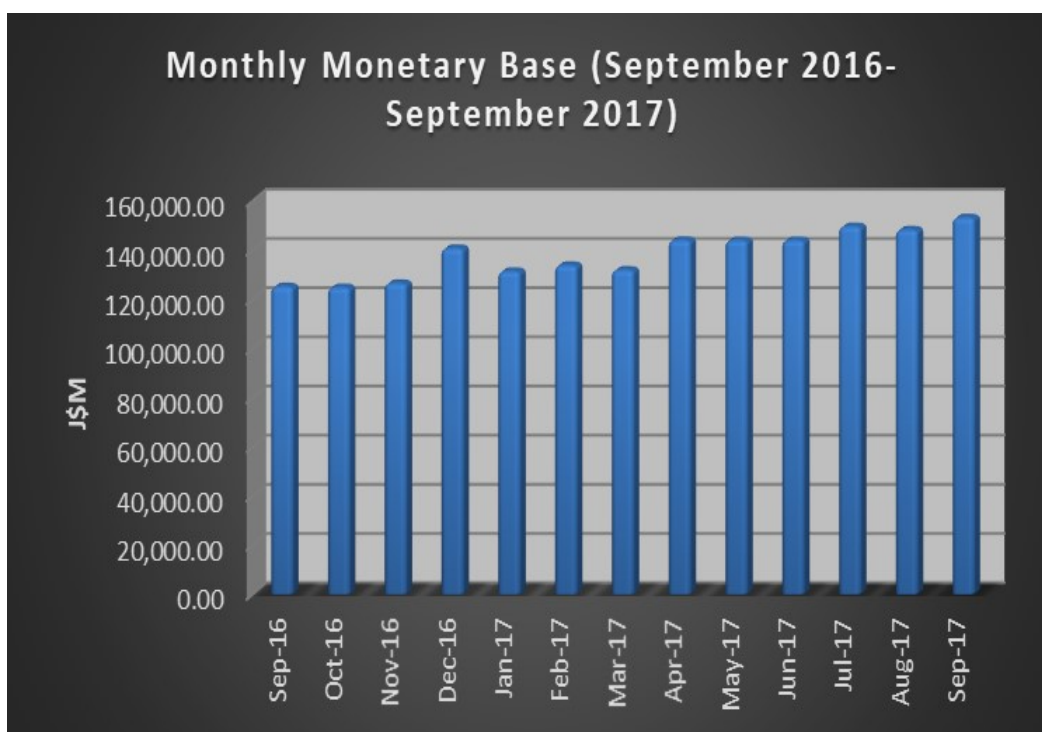


Net International Reserves & Money Base

September 2017

Monetary Base

The monetary base increased by **J\$4.944** billion to **J\$153.150** billion for September 2017 relative to August. The change in the base reflected increases in two sources while one source decreased. Commercial Banks' Statutory Reserves decreased by **J\$2.182** billion to end at **J\$57.498** billion. Commercial Banks' Current Account Reserves decreased by **J\$3.292** billion to a total of **J\$3.485** billion. The Net Currency Issue increased by **J\$0.531** billion to a total of **J\$92,167** billion.



Tourist Arrivals

September 2017

Stopover tourist arrivals for July 2017 were **248,626**. This month's total was **37,507** or **17.77%** higher than the 211,119 in June 2017. This year's July total is an increase of **9.0%** over the **228,169** recorded in July 2016. May to July stopover totaled 641,414, an 8.7% increase over the 591,141 in 2016. Total stopovers for January to July 2017 was 1,432,379, representing an increase of 5.1% compared to 1,363,249 for the corresponding period last year.

For July 2017, the changes reflected in the total stopovers observed in the seven categories of destination were mostly that of increases. Out of the seven categories six recorded increases in numbers while one recorded a decrease when compared to July 2016. Increases in arrivals were reflected in stopovers from the Latin America, Canada, Asia, Europe, the United State and Other Countries with **35.2%**, **17.9%**, **12.7%**, **12.3%**, **6.5%** and **2.1%** respectively. Of the Other Countries Australia provided the most stopover arrivals to Jamaica, with 1,550 visitors in

2017 compared to 1,628 in 2016. This represented a decrease of 4.8%.

The overall impact of increases was offset by a decrease in arrivals from the Caribbean. Stopover arrivals decreased by 10.3% in the Caribbean. The market share of stopover visitors for the winter period, January to July 2017 was as follows: USA 65.1%; Canada 17.3%; UK 8.8%; Continental Europe 4.2%, the Caribbean 2.6%; and the other, including Latin America and Asia 2.0%.

A total of **110,034** cruise passengers visited Jamaica in July 2017. This represented a **16,581** or **15.07%** overall increase compared to the **93,453** recorded in June 2017. For the corresponding period in 2016 total cruise passengers was **88,015** hence this year's total was **25.0%** less.

The January to July period saw 1,088,718 cruise passenger arrivals at the three major ports an increase of 50,823 passengers or 4.9%.



Previous Highlights: August 2017

September 2017

- ◇ At the end of August 2017, the monthly average value of the Jamaican Dollar depreciated against the US dollar, the Canadian dollar and the Great Britain Pound. The Dollar depreciated against the US\$ by \$0.25 or 0.1948% to end at J\$128.59=US\$1.00. The value dollar depreciated by J\$0.67 or 0.6577% against the Canadian Dollar to end at CAD\$1.00=J\$102.54. The value of the Great Britain Pound depreciated by J\$0.39 or 0.2343% to end at GBP1.00=J\$166.81.
- ◇ Inflation, measured by the All Jamaica “All Divisions” Consumer Price Index (CPI) increased by 0.3% for the period August 2017 over July 2017. The increase in the rate for August 2017 over July 2017 brought inflation calendar year-to-date to 3.0% and inflation for the fiscal year to August 2017 was 2.0% and the point-to-point rate was 4.4%.
- ◇ Data for the month ending August 2017 revealed that the stock of Net International Reserves (NIR) at the Bank of Jamaica was J\$468.10 billion (US\$3,671.68 million).
- ◇ The monetary base decreased by J\$1.367 billion to J\$148.21 billion for August 2017 relative to July.
- ◇ For the month of August 2017 relative to July 2017, yields on the Government of Jamaica 91-day and 182-day treasury bills decreased by 13bps and 14bps.
- ◇ Stopover tourist arrivals for July 2017 were 248,626. This month’s total was 37,507 or 17.76% higher than the 211,119 in June 2017. This year’s July total is an increase of 9.0% over the 228,169 recorded in July 2016. A total of 110,034 cruise passengers visited Jamaica in July 2017. This represented a 17,259 or 18.47% overall decrease compared to the 93,453 recorded in June 2017. The January to June 2017 period saw 1,088,718 cruise passenger arrivals at the three major ports, an increase of 50,823 passengers of 4.9% in comparison to the same period last year.
- ◇ There were price reductions observed in 50% (10) of the commodities monitored for August 2017. Both the price of Brent and the WTI increased for the period August relative to July. The Brent increased by 5.57% and the WTI increased by 2.89%. Natural gas price decreased by 2.57% for the period August over July.

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)	

The contents of this bulletin are only for use by the addressee. The information is provided on a strictly confidential basis to subscribers.

All **opinions and estimates** constitute the PSOJ's judgment as at the date of the bulletin and are subject to change without notice.

Copyright Reserved © 2003.

The Private Sector Organization of Jamaica, 39 Hope Road, Kingston 10

Tel: 927-6238/6958 Fax: 978-2709 Email: Web site: <http://www.psoj.org>

September 2017

SUBSCRIBE TO THE ECONOMIC BULLETIN

Please **complete form** and return to PSOJ by fax as soon as possible. Thank you.

(Complete form in **Capital Letters** and make a **mark** where appropriate)

FAX # : (876) 927-5137

Subscriber: _____ (Company / Individual)

Address: _____

Contact Person Information (Matters pertaining to Subscription)

Name: _____ (Mr. / Mrs. / Miss. / Dr. / Hon)

Position: _____

Telephone: (_____) _____

Fax: (_____) _____

Email: _____

Bulletin Recipients (additional recipients) [*first then last name*]

NAME 1: _____ (Mr. / Mrs. / Miss. / Dr. / Hon)

Position: _____

Email: _____

NAME 2: _____ (Mr. / Mrs. / Miss. / Dr. / Hon)

Position: _____

Email: _____

**Annual
Subscription
(Jan-Dec)**

PSOJ Members:
\$10,500.00

(Plus G.C.T.)

Non-members:
\$14,000.00

(Plus G.C.T.)

Payment Options

Cheque

Money Order

(No Cash Payment)

(Payment must be included with
your order form)

The Economic Bulletin is a monthly synopsis of the major developments impacting the Jamaican economy. It covers a wide range of areas including inflation, the financial markets, fiscal accounts, tourism, the productive sectors and external trade. In addition to tracking changes in the main indicators, it also goes behind the numbers to examine the underlying factors driving those changes. The Bulletin also provides insight into how current trends may shape developments going forward in order to help inform your business decisions.