



Monthly Economic Bulletin



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June 2018 Issue

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The CEO'S Remarks

The Private Sector Organization of Jamaica (PSOJ) welcomes the new national minimum wage increase that was announced by the Minister of Labour and Social Security in June 2018 scheduled to take effect on Emancipation Day, August 1, 2018. The Cabinet in their final decision gave the green light for 12.9 % increase, that is, \$800 more than the \$6200 currently on the books. This increase is seen as a balancing act between employers who are wage earners themselves while protecting the jobs of the minimum wage earners. The continued increase in business and consumer confidence and the new increase in the national minimum wage could suggest that the Jamaican economy is recovering.

Additionally, the Tourism Enhancement Fund (TEF) is also playing its part in ensuring that Small and Medium Enterprises (SMEs) take ownership of the services side of our tourism product. Through a revolving loan scheme provided by the EXIM Bank, a commitment of J\$1 billion was set up for businesses to have access to in order to upgrade their operations. There are still 'untapped funds' which are available for local entrepreneurs, agricultural interests, and businesses to make use of. Also, there

are opportunities arising from the additional allocation of J\$350 million.

These positive signs of recovery in the Jamaican economy, notwithstanding crime and violence and the threats they pose to the 2030 Agenda; the Sustainable Development Goals (SDGs), continue to challenge the business community. The Commissioner of Police speech to various Diaspora communities highlighted the different measures implemented to make Jamaica safe; noting that crime and violence hinder economic development hence expenditure on crime and violence should be viewed as an investment.

“Together, we can achieve more.” A famous quote that Jamaica can adopt in its approach to growth and sustained development. With business and consumer confidence at an all-time high, increases in minimum wages and investment, but with less crime and violence, Jamaica would be a beautiful place to “...live, work, raise family and do business”.

Jamaica Land we Love!

Economic Highlights June 2018

- The business confidence index for the second quarter of 2018 increased to 140.4; this is 4.2 points below its peak recorded in the second quarter of 2016 (144.6 points). The survey showed that expectations for economic growth served as the main driver for the increase in business confidence in which the index moved from 125.8 points to 132.0 points. The survey reported high economic outlook, continued robust investment plans, stability in financial prospects and profitability as well as the 2018 goals being on their way to realization. The proportion of firms that expected an improved economy increased by 16%, from the 48% recorded, in the first quarter to 64%.
- Consumer confidence index for the second quarter of 2018 increased relative to the 1st quarter of 2018. The index was 159.1 points compared with the 156.4 points recorded the previous quarter. The consumer confidence index revealed continued optimism, positive assessment of current and future business conditions, improvement in job expectations, as well as decreased income expectations, and no expectations for change in personal finances.
- At the end of June 2018, the monthly average value of the Jamaican Dollar depreciated against all three major trading currencies. The Jamaican Dollar depreciated against the US\$ by J\$4.38 to end at J\$130.38 = US\$1.00. The Dollar depreciated by J\$1.45 or 1.47% against the Canadian Dollar to end at J\$100.24 = CAD\$1.00. The value of the Jamaican Dollar depreciated by J\$4.2 or 2.47% against the British Pound to end at J\$174.36 = GBP£1.00.

Economic Highlights June 2018

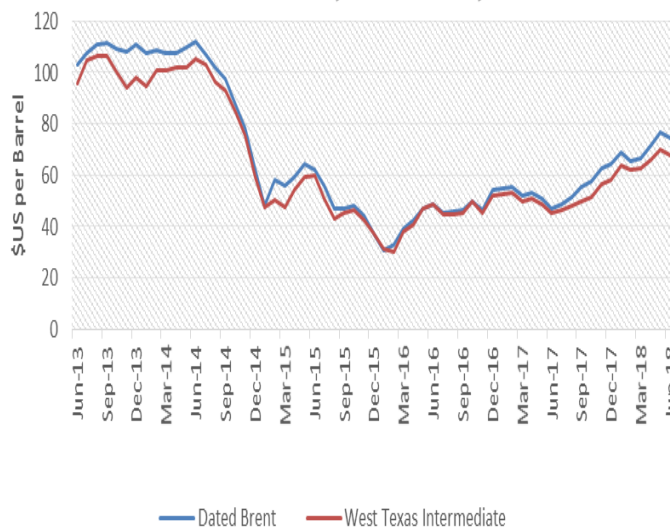
- Inflation, measured by the All Jamaica “All Divisions” Consumer Price Index (CPI) for the period June 2018 over May 2018 showed that prices increased by 0.1% according to the June 2018 Consumer Price Index (CPI) Bulletin. The calendar year-to-date prices showed declines by 0.3%. Inflation for the fiscal year-to-date was 0.0% and the point to point movement was 2.1%.
- As at the end of June 2018 the stock of Net International Reserves (NIR) at the Bank of Jamaica was J\$393.74 billion (US\$3,135.49 million). The monetary base increased by J\$3.6 billion to end the month of June at J\$169.8 billion.
- For the month of June 2018 yields on the Government of Jamaica 91-day and 182-day treasury bills were 2.54% and 2.66% respectively.
- Stopover tourist arrivals for May 2018 were 195,491. For the calendar year-to-date, arrivals increased by 5.4%, with 1,025,227 stopovers compared to 972,634 in 2017.
- A total of 124,781 cruise passengers visited Jamaica in May 2018. Cruise passengers visiting the port of Falmouth grew by 28.1% with 55,772 passengers. Visits to the port of Montego Bay also grew by 11.5% with 37,624 passengers.
- Both the price of Brent and the West Texas Intermediate (WTI) decreased for the period June 2018 relative to April 2018. The Brent decreased by 2.53% while the WTI decreased by 3.03%.

International Commodity Prices

Crude Oil Prices

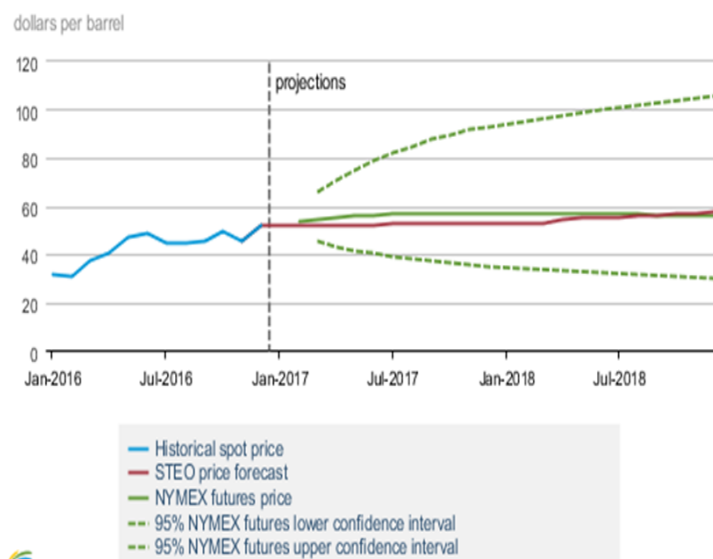
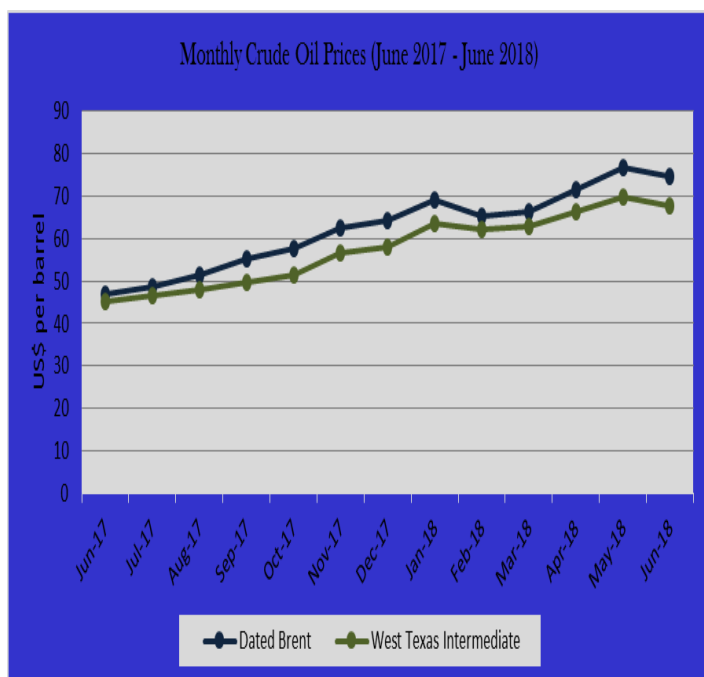
For the month ending June 2018, the average price of both the Dated Brent and the West Texas Intermediate (WTI) decreased. The Brent ended the month of June at US\$74.71 per bbl. This represented a US\$1.94 or 2.66% decrease relative to the US\$76.65 per bbl recorded for May 2018. The WTI ended the month at US\$67.86. This represented a US\$2.12 or 3.03% decrease relative to last month. A one-year comparison of prices revealed that the June 2018 price for the Brent is 59.33% or US\$27.82 per bbl lower. When compared to last year's price, this year's WTI price is 50.23% or US\$22.69 lower. When compared to

Crude Oil Prices June 2013-June 2018



the price level two years ago, the Brent was 54.1% and the WTI was 39.2% below. The five-year average of prices from June 2013 to May 2018 for the Dated Brent and the West Texas Intermediate are US\$68.330per bbl and US\$64.27per bbl respectively. June 2018 price was

West Texas intermediate (WTI) crude oil price



Source: Short-Term Energy Outlook, January 2017

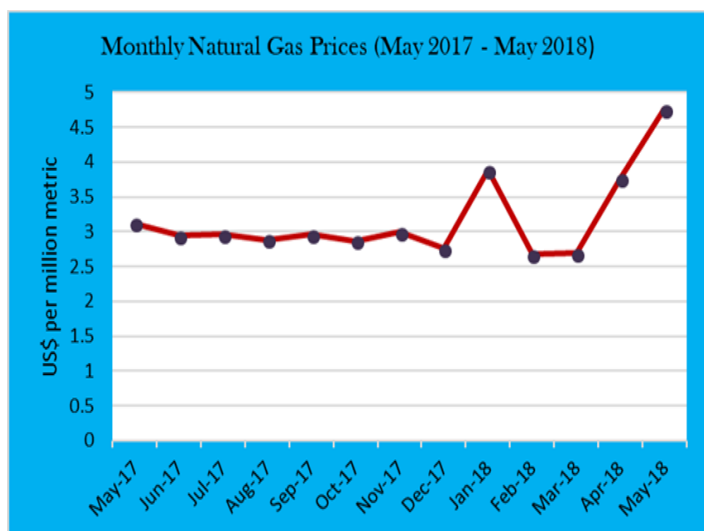
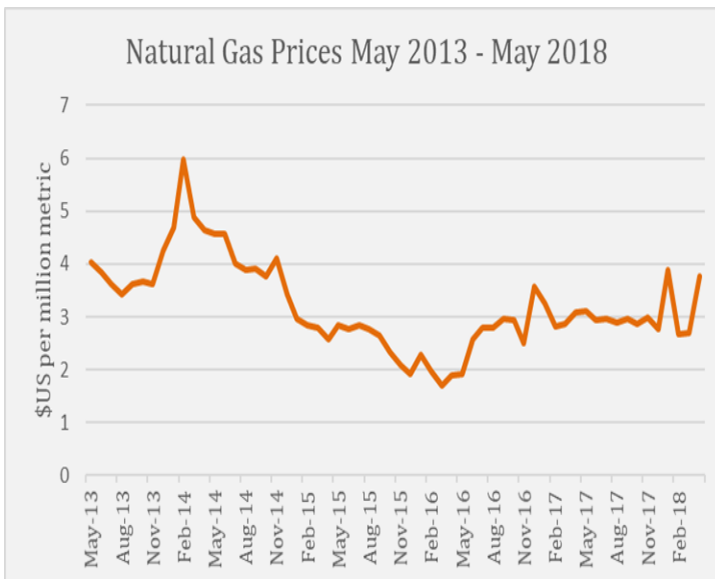
Note: Confidence interval derived from options market information for the 5 trading days ending Jan. 5 2017. Intervals not calculated for months with sparse trading in near-the-money options contracts.

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12.00% below the five-year average of prices for the Brent and 8.88% for the WTI.

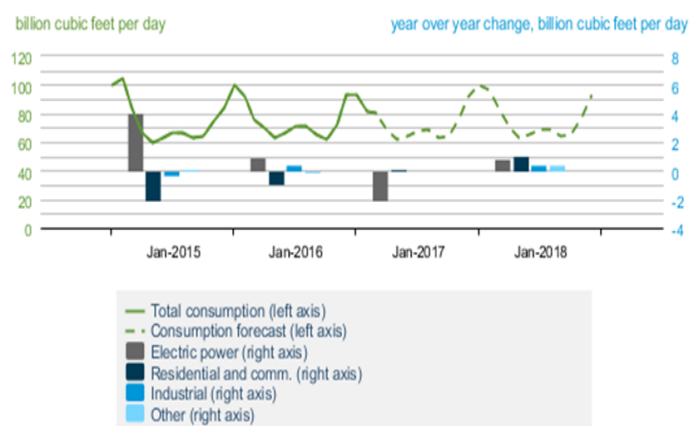
In June 2018, the US Energy Information Administration (EIA) reported in its June Short-Term Energy Outlook (STEO) forecasts that Brent crude oil prices will average \$74 per barrel (b); \$3/b lower than last month's STEO. EIA expects West Texas Intermediate (WTI) crude oil prices to average \$6/b lower than Brent prices in 2018.



Natural Gas

For the month ending May 2018, natural gas price has increased. The price for natural gas ended at US\$4.76 per million metric, which represented an increase of US\$1.00 or 26.60%. In May 2017, natural gas per million metric was valued at US\$3.12, signifying that

U.S. natural gas consumption



Source: Short-Term Energy Outlook, April 2017

this year's price is US\$1.64 or 52.56% higher. A two-year comparison revealed that natural gas prices have increased by US\$2.84 or 147.92% per million metric. The five-year monthly average price for natural gas from May 2013 to April 2018 is US\$3.20 per million metric, hence this year's May price was US\$1.55 or 48.54% above.

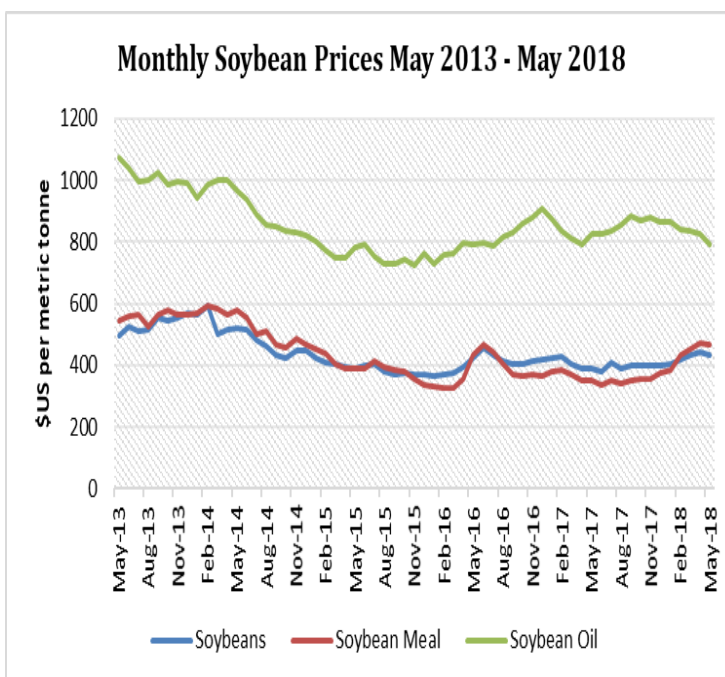
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In June, the EIA forecasts that U.S. dry natural gas production will average 8.13 billion cubic feet per day (Bcf/d) in 2018, establishing a new record. The EIA expect natural gas production to rise again in 2019 to 84.5 Bcf/d. Increased forecast of U.S. natural gas production supports increasing forecast liquefied natural gas (LNG) exports. LNG exports averaged 1.9 Bcf/d in 2017. EIA forecasts LNG exports to average 3.0 Bcf/d in 2018 and 5.1 Bcf/d in 2019. The EIA expects Henry Hub natural gas spot prices to average \$2.97/million British thermal units (MMBtu) in June 2018 and \$3.04/MMBtu in 2019.

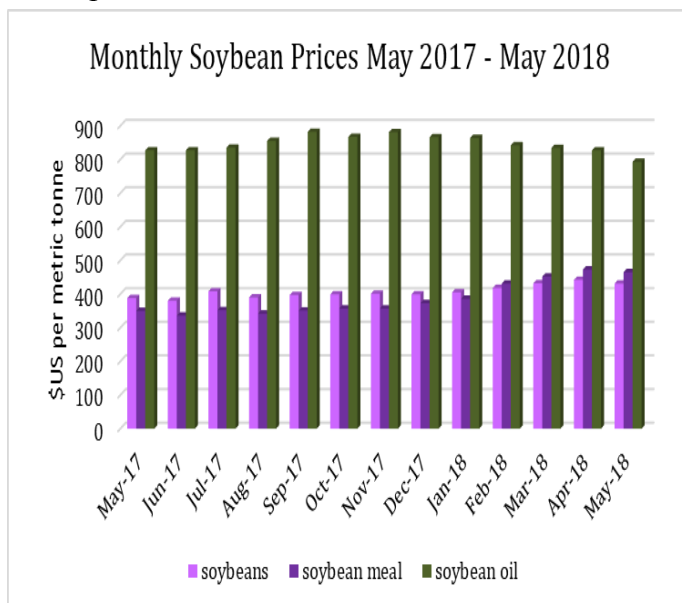
Soybean Prices

For the month ending May 2018, soybean price per metric ton was US\$431.00, a US\$11.00 or 2.49% decrease from April's value of US\$442.00 per metric ton. In May 2018, the average prices of soybean meal and soybean oil decreased. Soybean meal prices ended the month at US\$465.00 which



was a US\$8.00 or 1.69% decrease relative to April 2018. At the end of May, the price per metric ton for soybean oil stood at US\$793.00 per metric ton, representing a US\$34.00 or 4.11% decrease compared to the previous month. A one-year comparison revealed that prices for soybean increased by 11.08% or US\$43.00. For the month of May 2018, soybean price was US\$49.00 or 12.47% higher than its price in May 2016. When compared to the corresponding period in May 2017 the soybean meal price was US\$115.00 or 32.86% higher. Soybean oil price was below last year's price by US\$34.00 or 4.11%.

A two-year comparison of prices for soybean meal revealed that this year's price is above prices two years ago by US\$31.00 or 7.14%. When the May 2018 soybean oil price was compared to the corresponding period in 2016, the 2018 price is US\$2.00 or 0.25% higher. The five-year monthly average price for



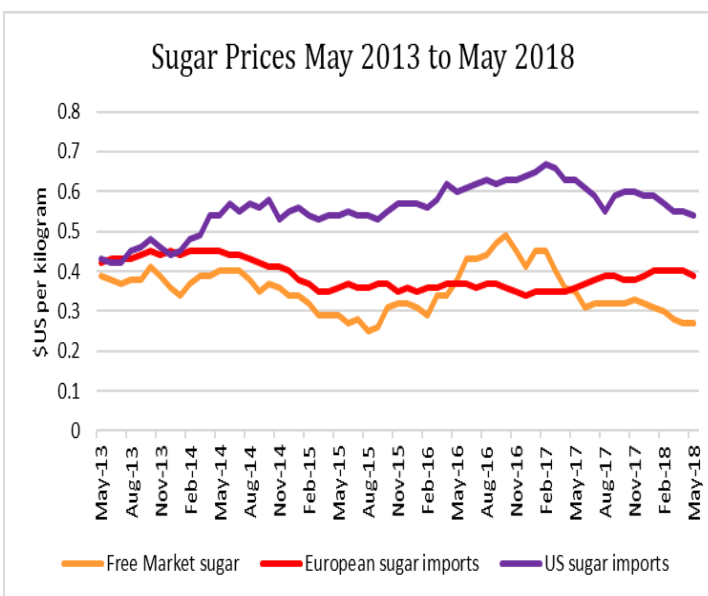
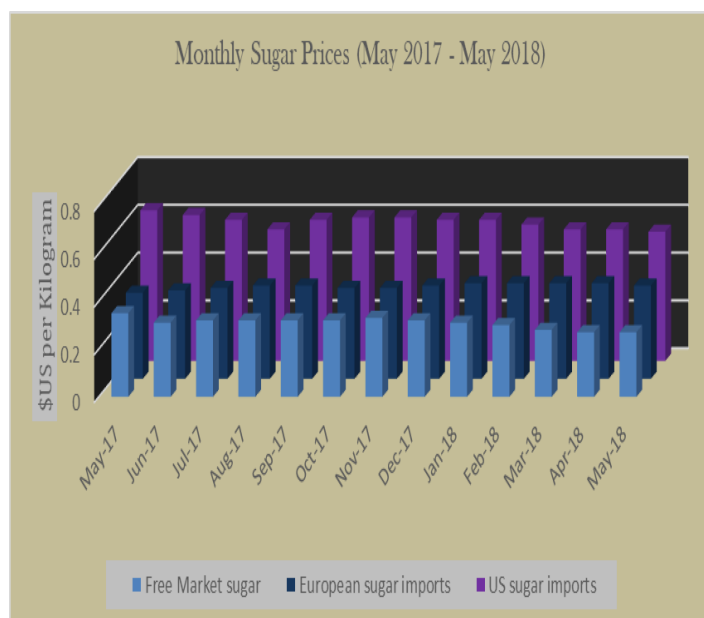
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soybean from May 2013 to April 2018 is US\$437.09 per metric ton, indicating that April's price was US\$6.09 or 1.39% higher. The five-year average monthly price for soybean meal ranging from May 2013 to April 2018 is US\$435.66 per metric ton, suggesting that May's price was US\$29.34 or 6.73% higher. The five-year monthly average price for soybean oil ranging from May 2013 to April 2018 is US\$855.37 per metric ton, which means that May's price was US\$62.37 or 7.29% lower.

Sugar Prices

At the end of May 2018, the average price of the Free Market Sugar ended the month at US\$0.27 per kg, which was the same relative to last month. For the US Sugar imports, the average price was US\$0.54 per kg, representing a US\$0.01 or 1.82% decrease over last month. At the end of May 2018,



the European Sugar imports ended the month at US\$0.39 per kg. This was US\$0.01 or 2.50% less than last month. For the period May 2018 relative to May 2017, the price of Free Market sugar decreased by US\$0.08 or 22.86% dollar per kg. A one-year comparison revealed that the price of the US Sugar imports has decreased by US\$0.09 or 14.28%, while the European sugar imports price has increased by US\$0.03 or 8.33% for the same period. In May 2016, the price for the Free Market sugar was US\$0.38 per kg, representing a decrease of US\$0.11 or 20.94%. The price of the US sugar imports is US\$0.06 or 10.00% lower than the 2016 price while the price of the European Sugar imports is US\$0.02 or 5.40% higher than the 2016 price. The 5-year average of prices ranging from May 2013 to April 2018 for the US imports and the European imports are US\$0.56 per kg and US\$0.39 per kg respectively. Hence, the price of US imports is above its long-term average by 3.1% while the European imports is same as its average.

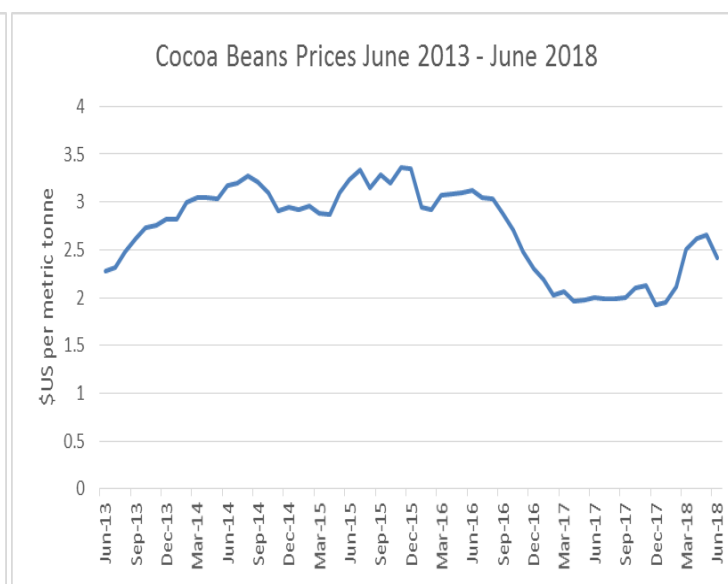
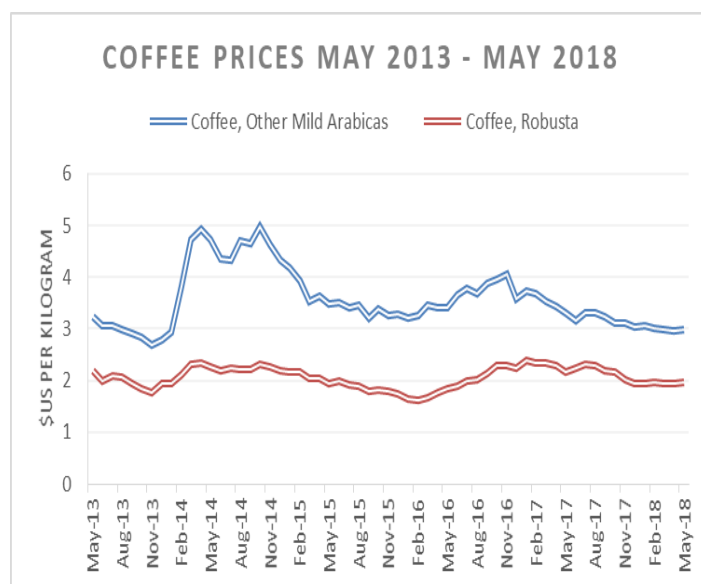
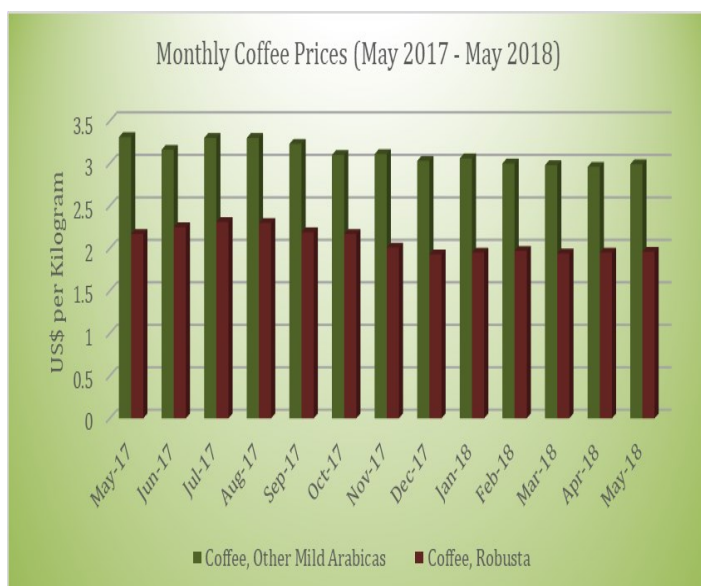
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Coffee Prices

For the month ending June 2018 the price of the Coffee of the Other Mild Arabica's category increased while the price of the Robusta coffee decreased. The price per kg for coffee of the Other Mild Arabica's category was US\$3.03 per kg, representing an increase of US\$0.04 or 1.34%. A one-year comparison revealed that June's 2018 price was US\$0.13 or 4.1% lower than June 2017 price. Robusta Coffee ended the month at US\$1.94

per kg. This month's price is below the previous month's price by US\$0.02 or 1.02%. A one-year comparison revealed that the price of coffee in the Robusta category has decreased by US\$0.37 or 13.8%. A two-year comparison revealed that the price decreased by 17% for coffee of the 'Other Mild Arabica's category while prices rose by 2.64% for coffee in the Robusta category. The five-year average monthly prices ranging from June 2013 to May 2018 for Arabica and Robusta are US\$3.57 and US\$2.06,



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respectively. This implies that this year's June price for both the Arabica and Robusta coffee were 15% and 5.7% lower than their average prices.

Cocoa Beans

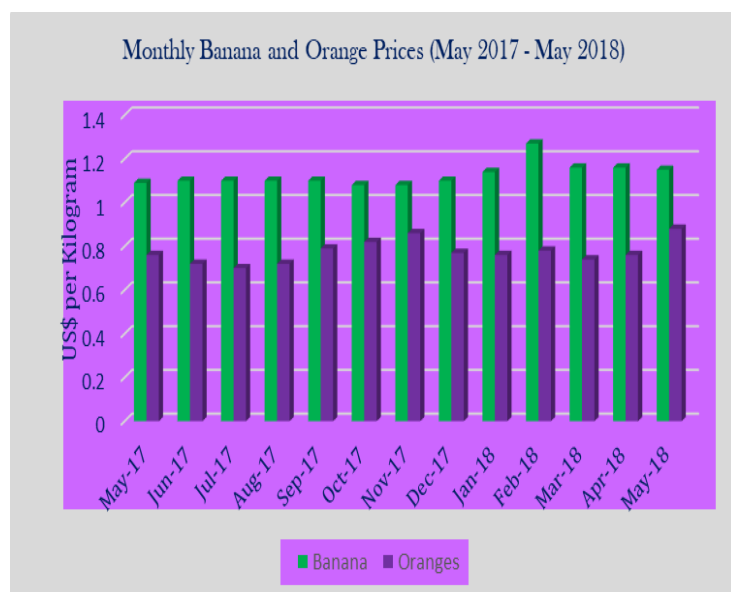
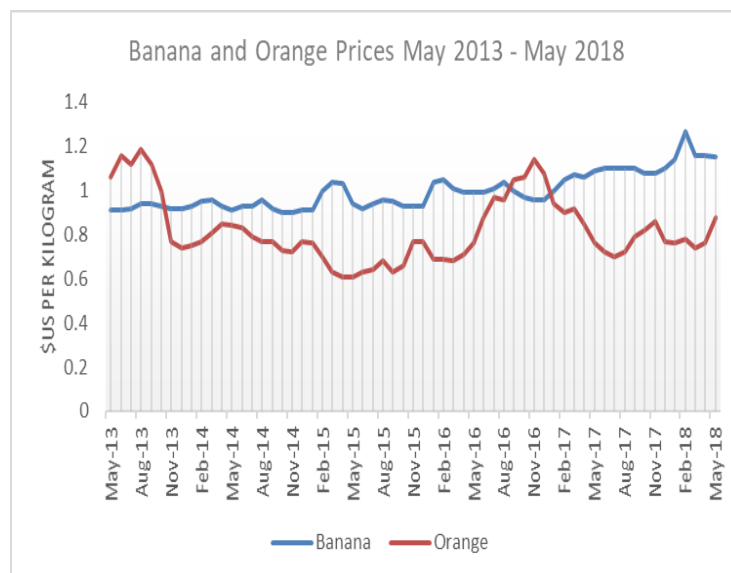
For the month ending June 2018, cocoa bean prices decreased relative to the previous month. Prices for the month ending were US\$2.41 per kg, representing a US\$0.25 or 9.39% decrease. A one-year comparison revealed that this year's price is higher by US\$0.21 per kg or 41%. A two-year price comparison showed that the June 2018 price for cocoa beans is lower by US\$0.71 per kg or 22.7% than its price in June 2016. The five-year average of monthly prices ranging from June 2013 to May 2018 for cocoa bean is US\$2.72 per kg, this means that June 2018 price was US\$0.31 or 11% higher.

Banana Prices

For the month ending May 2018, banana prices ended at US\$1.15 per kg which was \$US0.01 or 0.86% lower than the previous month. When compared to the same period in 2017, this year's price was US\$0.06 or 5.50% higher. A two-year comparison revealed that prices in 2018 have risen by US\$0.16 or 16.16. The five-year monthly average price ranging from May 2013 to April 2018 is US\$1.00, indicating that this month's price was US\$0.15 or 15.47% higher.

Orange Prices

Orange prices for the month ending May 2018



increased relative to April 2018. In this regard prices increased by 15.79% or US\$0.12 to end at US\$0.88 per kg. For May 2018 relative to May 2017, oranges prices decreased by US\$0.12 or 15.79% per metric ton. A two-year comparison revealed that May 2018 price is US\$0.12 or 15.79% higher than the April 2016 price. The five-year monthly average prices from May 2013 to April 2018 is US\$0.81, this means that this year's price was US\$0.06 or 8.05% lower.

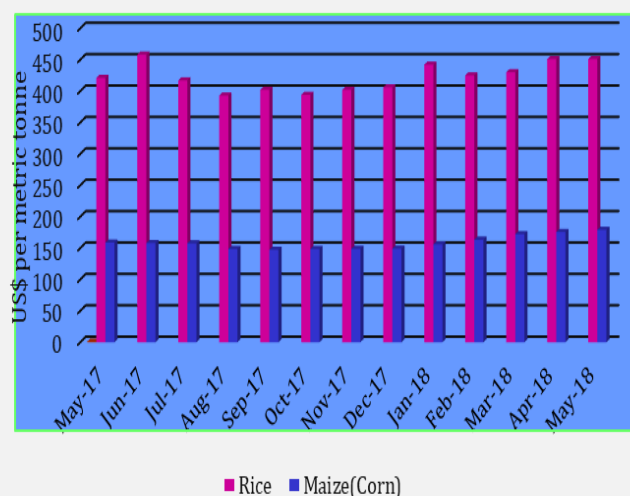
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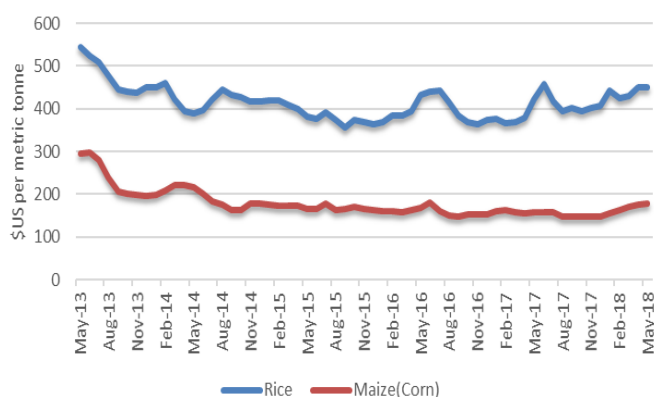
Rice

For the month ending May 2018 the price of the Thailand 5 % rice ended at US\$451.00 per metric ton, which was the same as last month. The May 2018 price is above the May 2017 price by US\$30.00 or 7.12%. A two-year comparison revealed that the commodity's price was US\$18.00 or 4.16% higher than its price in 2016. The five-year average monthly price for rice prices from May 2013 to April 2018 is US\$411.51 per metric ton, indicating that April's price was US\$39.49 or 9.60% above the long-term average.

Monthly Cereal Price (May 2017 - May 2018)



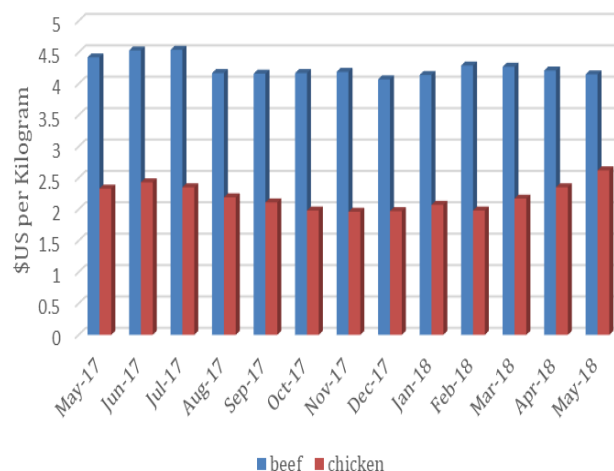
Cereal Prices May 2013 - May 2018



Corn Prices

For the month ending May 2018, corn prices increased. Prices increased by **US\$3.49** or **1.99%** relative to April, to close the month at **US\$179.09** per metric ton. Between May 2017 and May 2018 prices increased by **US\$20.5** or **12.92%**. A two-year price comparison showed that 2018 price was **US\$10.13** or **5.99%** higher. The five-year monthly average for corn prices ranging from May 2013 to March 2018 is **US\$176.35** per metric ton, this means that this month's price was **US\$2.73** or **1.55%** lower.

Meat Prices for May 2017 - May 2018



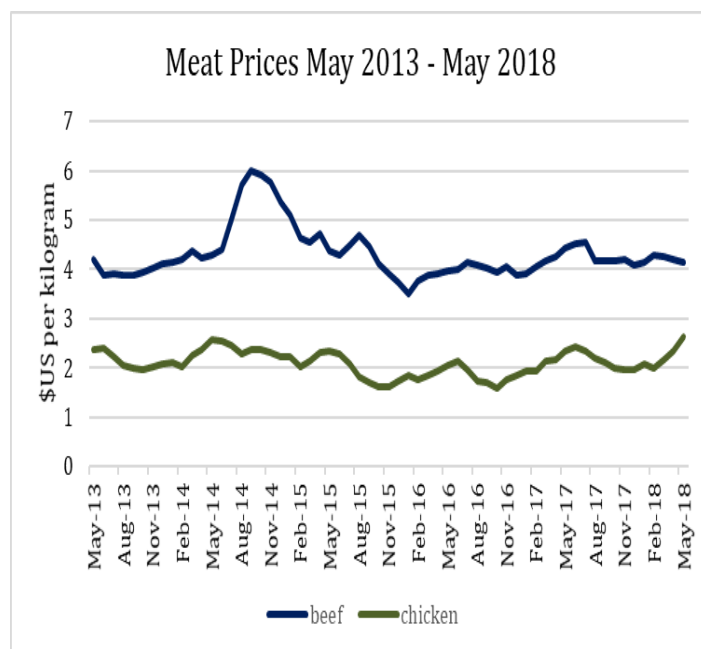
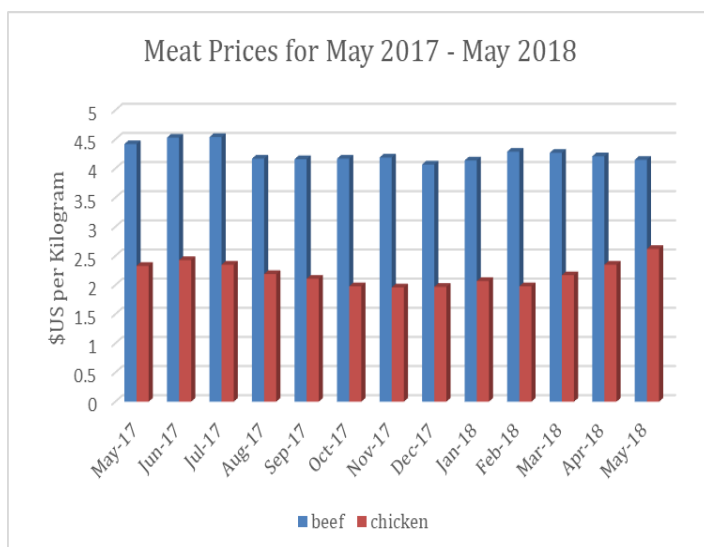
Beef Prices

In May 2018, beef prices decreased relative to the previous month. Prices decreased by **US\$0.06** per kg or **1.43%** when compared to the previous month, to close at **US\$4.15** per kg. When compared to May 2017, prices have decreased by **US\$0.27** or **6.11%** per kg. In May 2016 prices were **US\$3.96** cents per

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pound hence this year's price was **US\$0.19** or **4.80%** above the 2016 price. The five-year average for prices ranging from May 2013 to April 2018 is **US\$4.32** cents per pound indicating that May 2018 price was **US\$0.17** or **3.89%** lower.



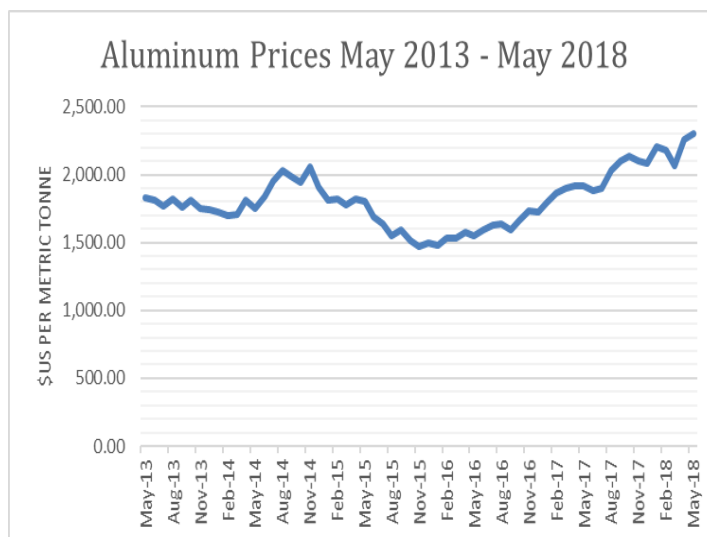
Chicken Prices

Chicken prices were **US\$2.62** per kg at the end of May 2018. This was approximately **US\$0.27** or

11.49% higher relative to the April 2018 price. A one-year comparison showed that April 2018 price was **US\$0.29** or **12.45%** higher relative to May 2017 price. In May 2016, the price for poultry was **US\$2.06** per kg, indicating that this year's price was **US\$0.56** or **27.18%** higher. The monthly average price ranging April 2013 to May 2018 is **US\$2.08** cents per pound, this means that May 2018 price was **US\$0.54** or **25.96%** more.

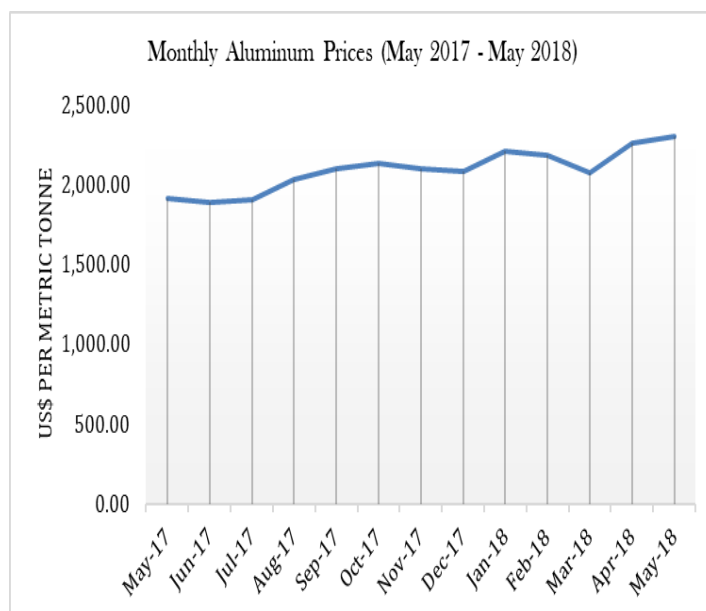
Swine (Pork)

For the month ending July 2017 the price of pork increased relative to the previous month, using data from the World Bank Commodity Price Data. The price of pork was **US\$0.8205** cents per pound. This represented a **US\$0.0864** or **20.22%** increase from May's price of **US\$0.6825**. When compared with June 2016, prices increased by **US\$0.03** or **3.795%**. Prices are below the price level two-years ago by **US\$0.0394** or **1.547%**. It is above the five-year average of **US\$0.7908** for prices from June 2012 to May 2017 by **US\$0.0297** or **3.75%**.



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Aluminum Prices

The price of aluminum increased in May 2018 relative to April. Prices increased by **US\$44.98** or **1.99%** to end the month at **US\$2,299.67** per metric ton. For May 2018 relative to May 2017, prices increased by **US\$386.65** or **20.21%** per metric ton. A two-year comparison revealed that this year's price was **US\$749.04** or **48.30%** above the price for the corresponding period in 2016. The five-year for monthly average prices ranging from May 2013 to April 2018 for aluminum is **US\$1,803.87** per metric ton, this means that May 2018 price was **US\$495.80** or **27.48%** higher.

Impact of global prices on Jamaica

There were price reductions observed in 4 of the 5 commodities monitored for June 2018. Both the price of Brent and the WTI decreased for the period June 2018 relative to May 2018. The Brent decreased by 2.66% and the WTI decreased by 3.03%.

The Food and Agriculture Organization (FAO) of the United Nations Food Price Index (FFPI) averaged 173.7 points in June 2018, down 3.0 points (1.3%) from May's level. The FAO Cereal Price Index fell 3.7 per cent in June, while the FAO Vegetable Oil Price Index declined 3.0 per cent.

The FAO Dairy Price Index also fell in June 2018. The index declined by 0.9 per cent. The FAO Sugar Price Index increased by 0.3 per cent in June, reversing some six consecutive months of declines.

The declines were due mostly to concerns that the dry weather in Brazil (the world's largest sugar producing and exporting country) would negatively affect yields and production.

The FAO Meat Price Index increased by 0.3 per cent from the May's index.

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

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Actual prices through
29-May-2017Table 2. Medium Term Commodity Price Baseline
(In U.S. Dollars)

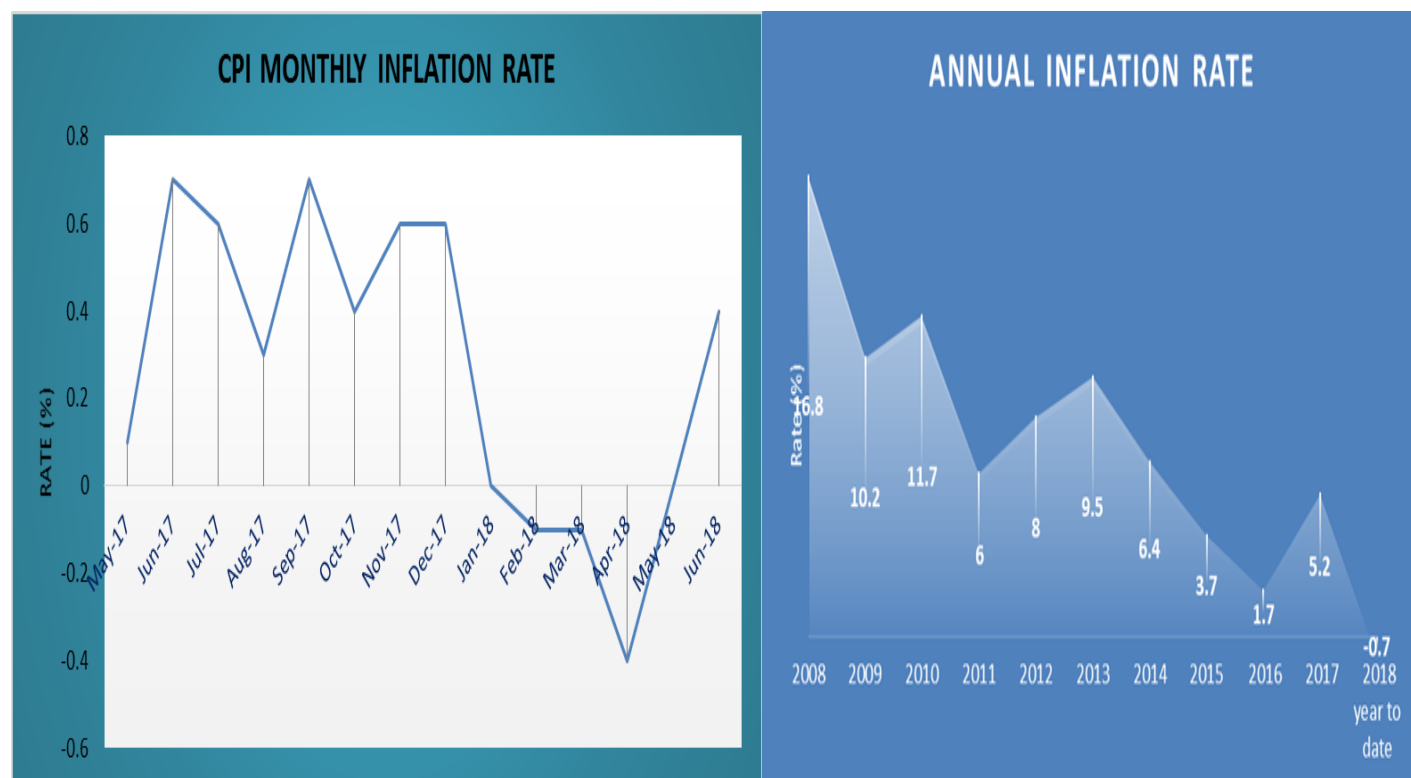
		(In U.S. Dollars)												
Commodities	Units	2010A1	2011A1	2012A1	2013A1	2014A1	2015A1	2016A1	2017A1	2018A1	2019A1	2020A1	2021A1	2022A1
Actual									Projections					
Food														
Cereals														
Wheat	\$/MT	194.50	279.99	276.12	265.75	242.50	185.61	143.16	150.24	174.35	185.46	185.46	185.46	185.46
Maize	\$/MT	186.01	291.78	298.41	258.96	192.88	169.78	159.16	163.17	176.21	180.17	180.17	180.17	180.17
Rice	\$/MT	520.56	551.71	580.24	518.81	426.48	380.05	388.26	406.70	446.08	446.08	446.08	446.08	446.08
Barley	\$/MT	158.37	207.22	238.23	206.36	146.09	127.87	129.39	139.86	151.21	161.53	167.49	167.49	167.49
Vegetable oils and protein meals														
Soybeans	\$/MT	384.95	484.25	537.76	517.20	457.81	347.36	362.71	351.06	346.80	347.53	347.53	347.53	347.53
Soybean meal	\$/MT	331.32	378.86	473.28	477.30	466.97	352.72	350.17	343.53	339.76	339.79	340.06	340.06	340.06
Soybean oil	\$/MT	924.83	1215.82	1151.75	1011.11	812.71	672.16	721.16	713.29	716.61	722.93	723.56	723.56	723.56
Palm oil	\$/MT	859.94	1076.50	939.83	764.20	739.41	565.09	639.85	630.66	586.71	589.20	589.20	589.20	589.20
Fish meal	\$/MT	1739.22	1519.25	1624.30	1710.51	1921.47	1759.21	1418.45	1123.83	1121.52	1121.52	1121.52	1121.52	1121.52
Sunflower Oil	\$/MT	1186.00	1621.84	1489.48	1341.09	1080.31	1022.18	1009.74	951.29	948.66	948.66	948.66	948.66	948.66
Olive oil	\$/MT	3171.26	3062.24	3019.37	3894.42	3780.56	4292.83	3978.47	4407.26	4407.54	4407.54	4407.54	4407.54	4407.54
Groundnuts	\$/MT	1239.38	1724.04	1688.20	2314.47	2148.26	1946.21	1798.30	1862.84	1874.53	1874.53	1874.53	1874.53	1874.53
Rapeseed oil	\$/MT	1011.75	1366.63	1239.08	1081.22	904.37	774.61	821.95	830.13	810.39	810.39	810.39	810.39	810.39
Meat														
Beef	cts/lb	152.47	183.18	187.94	183.59	224.06	200.49	178.21	185.62	170.80	170.80	170.80	170.80	170.80
Lamb	cts/lb	145.69	149.20	100.94	106.66	130.61	107.87	106.92	135.91	140.41	140.41	140.41	140.41	140.41
Swine Meat	cts/lb	74.45	89.06	82.80	86.55	102.81	67.91	62.41	66.95	63.90	63.90	63.90	63.90	63.90
Poultry	cts/lb	85.85	87.38	94.30	103.84	110.13	114.67	111.48	141.04	153.07	153.07	153.07	153.07	153.07
Seafood														
Salmon	\$/kg	6.14	5.96	4.74	6.72	6.60	5.31	7.14	7.43	7.07	6.68	5.48	5.35	5.35
Shrimp	\$/kg	10.11	11.93	10.06	14.03	16.57	14.08	11.03	12.13	12.13	12.13	12.13	12.13	12.13
Sugar														
Free market	cts/lb	20.89	26.24	21.37	17.71	17.13	13.22	18.51	16.44	15.98	16.38	16.51	16.51	16.51
United States	cts/lb	31.05	37.57	28.90	21.21	24.87	24.83	27.01	28.54	27.27	26.75	26.75	26.75	26.75
EU	cts/lb	25.71	26.67	26.36	26.01	27.39	25.42	22.54	21.25	21.52	21.52	21.52	21.52	21.52
Bananas	\$/MT	881.42	975.91	984.28	926.35	931.88	958.71	1002.43	1076.16	1096.85	1096.85	1096.85	1096.85	1096.85
Oranges	\$/MT	1033.20	891.10	867.96	967.32	782.51	675.03	889.14	866.93	849.37	849.37	849.37	849.37	849.37
Beverages														
Coffee														
Other milds	cts/lb	194.36	273.21	187.61	141.06	202.85	160.48	164.53	156.44	165.83	176.12	180.32	180.32	180.32
Robusta	cts/lb	84.10	116.00	110.64	100.53	105.60	94.20	94.26	105.32	103.65	103.65	103.65	103.65	103.65
Cocoa Beans	\$/MT	3130.60	2978.49	2377.07	2439.09	3062.76	3135.17	2892.02	1974.18	2015.36	2107.39	2107.39	2107.39	2107.39
Tea	cts/kg	316.74	346.16	348.92	265.99	237.86	340.39	287.43	373.90	378.28	378.28	378.28	378.28	378.28
Agricultural raw materials														
Timber														
Hardwood														
Logs	\$/M3	278.17	390.51	360.51	305.43	282.04	246.02	274.38	268.22	270.34	270.34	270.34	270.34	270.34
Sawnwood	\$/M3	848.27	939.45	876.34	852.80	897.94	833.25	738.88	685.06	688.44	688.44	688.44	688.44	688.44
Softwood														
Logs	\$/M3	141.46	149.99	148.00	164.54	174.25	161.99	156.81	156.66	150.57	150.57	150.57	150.57	150.57
Sawnwood	\$/M3	281.76	280.85	284.75	301.36	307.27	308.72	297.15	300.26	300.42	300.42	300.42	300.42	300.42
Cotton	cts/lb	103.54	154.61	89.24	90.40	83.10	70.42	74.21	85.33	81.38	79.69	79.86	79.86	79.86
Wool														
Fine	cts/kg	1023.23	1638.18	1345.33	1197.75	1074.38	1005.75	1112.01	1398.54	1402.86	1402.86	1402.86	1402.86	1402.86
Coarse	cts/kg	820.12	1201.08	1208.86	1117.01	1034.62	927.79	1016.37	1007.41	993.36	993.36	993.36	993.36	993.36
Rubber	cts/lb	165.72	218.51	153.19	126.76	88.75	70.73	74.48	98.73	87.33	87.33	87.33	87.33	87.33
Hides	cts/lb	71.95	82.04	83.16	94.71	110.22	87.71	74.08	70.62	67.50	67.50	67.50	67.50	67.50
Metals														
Copper	\$/MT	7538.37	8823.45	7958.92	7331.49	6863.40	5510.46	4867.90	5705.94	5710.00	5731.96	5737.13	5732.58	5732.50
Aluminum	\$/MT	2173.00	2400.64	2022.80	1846.68	1867.42	1664.68	1604.18	1922.07	1971.00	1987.29	2010.96	2038.29	2078.00
Iron Ore	\$/MT	146.72	167.79	128.53	135.36	97.39	56.14	58.57	65.09	51.71	48.13	44.15	44.15	44.15
Tin	\$/MT	20367.25	26051.45	21109.36	22281.58	21898.87	16066.63	17933.76	20254.08	20171.25	20171.25	20171.25	20171.25	20171.25
Nickel	\$/MT	21810.00	22909.14	17541.74	15029.99	16893.37	11862.63	9595.18	9440.26	9264.92	9458.67	9617.67	9750.50	9863.22
Zinc	\$/MT	2160.36	2195.53	1950.02	1910.17	2160.97	1931.68	2089.98	2670.58	2624.40	2534.21	2437.58	2349.83	2314.50
Lead	\$/MT	2148.19	2400.70	2063.56	2139.75	2095.46	1787.82	1866.65	2171.51	2145.85	2146.75	2131.00	2122.50	2122.50
Uranium	\$/lb	45.96	56.24	48.90	38.57	33.49	36.76	26.31	21.12	20.27	21.45	22.25	22.25	22.25
Energy														
Spot Crude 1/ Natural Gas	\$/bbl	79.03	104.01	105.01	104.07	96.25	50.79	42.84	51.92	52.00	51.54	51.75	52.53	53.71
EU Price	\$/MMBTU	8.22	10.60	11.98	11.19	10.46	7.31	4.35	5.32	5.36	5.31	5.25	5.20	5.20
Northeast Asian Price	\$/MMBTU	9.38	15.55	18.15	17.34	17.00	10.96	7.44	6.08	5.64	5.64	5.64	5.64	5.64
US, domestic market	\$/MMBTU	4.39	4.00	2.75	3.72	4.37	2.61	2.49	3.24	3.11	2.86	2.83	2.87	2.93
Coal														
Australian, export markets	\$/MT	104.60	129.61	101.44	90.13	75.73	62.69	70.08	82.07	72.39	69.19	67.90	67.82	67.80

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) for the period June 2018 over May 2018 showed a negligible movement according to the June 2018 Consumer Price Index (CPI) Bulletin. The CPI registered an increase of 0.1 % up from the 110.5 registered in May. The calendar year to date prices have declined by 0.3%. Inflation for the fiscal year to date remained unchanged and the point to point movement in the CPI was 2.1%.



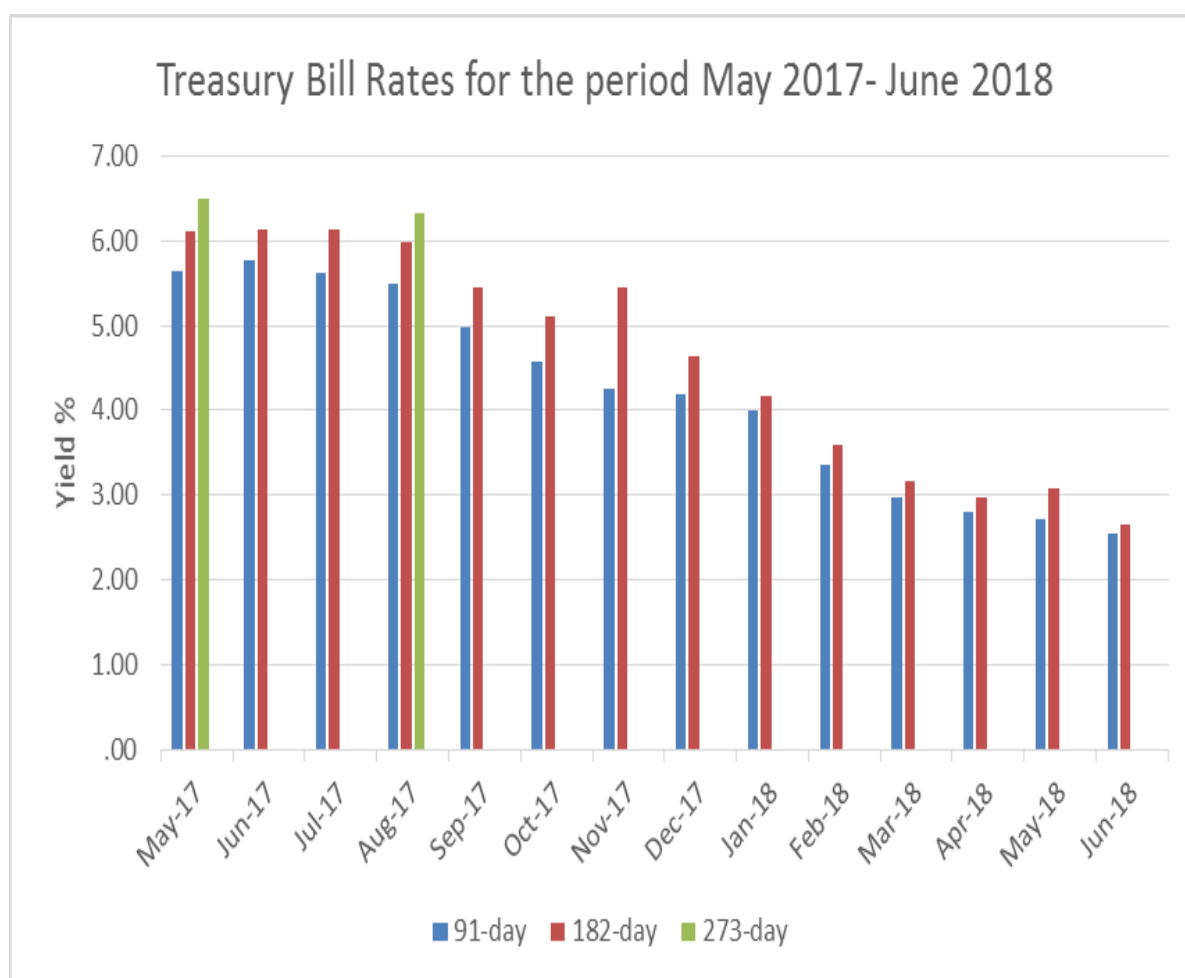
Four (4) groups recorded decreases for the June 2018. The groups were “Transport” down 2.3%, “Health” by 0.4%, “Food and Non-alcoholic Beverages” and “Alcoholic Beverages, Tobacco & Narcotics” each by 0.2%. Three (3) groups recorded increases, “Recreation and Culture” up by 2.0%, “Housing, Water, Electricity, Gas and Other Fuels” by 1.1% and “Clothing and Footwear” up by 0.3%. Five (5) groups remained unchanged. These were “Furnishings, Household equipment and Household Maintenance”, “Communication”, “Education”, “Hotels and restaurants” and “Miscellaneous Goods and Services”.

Monthly Inflation Rate and Treasury Bill Rates

Treasury Bill Rates

For the month of June 2018 yields on the Government of Jamaica 91-day and 182-day treasury bills were **2.54%** and **2.66%**, respectively. For June relative to May yields on both the 91-day and 182-day bills decreased by 17bps and 42bps respectively.

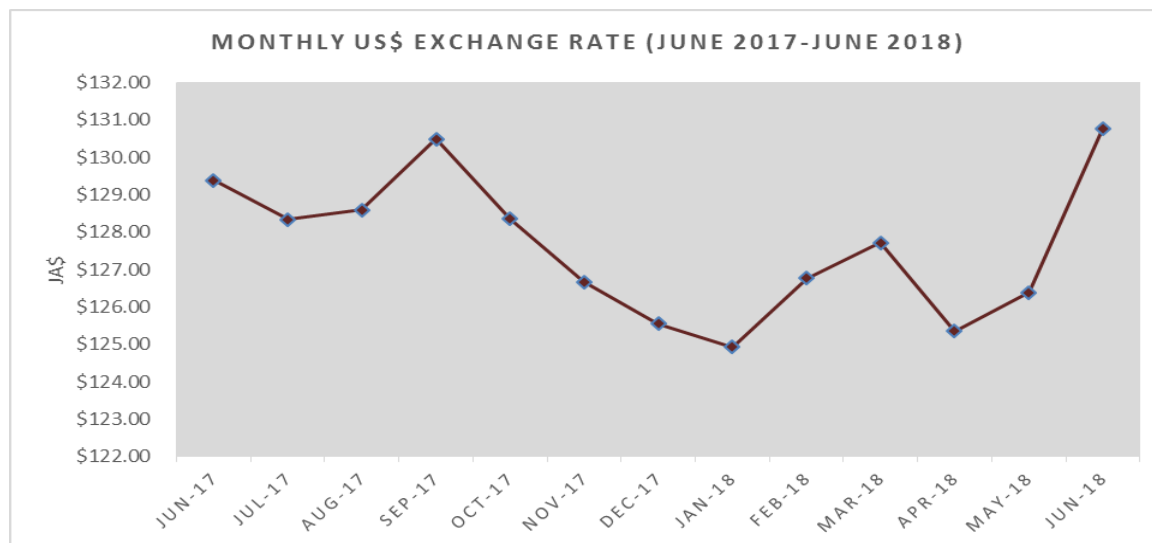
For the period June 2018 in comparison to June 2017, yields on GOJ 91-day and 182-day decreased by 323bps and 347bps respectively. A two-year comparison showed decreases of 293bps and 320bps on the yields of the 91-day and 182-day.



Monthly Exchange Rates Update

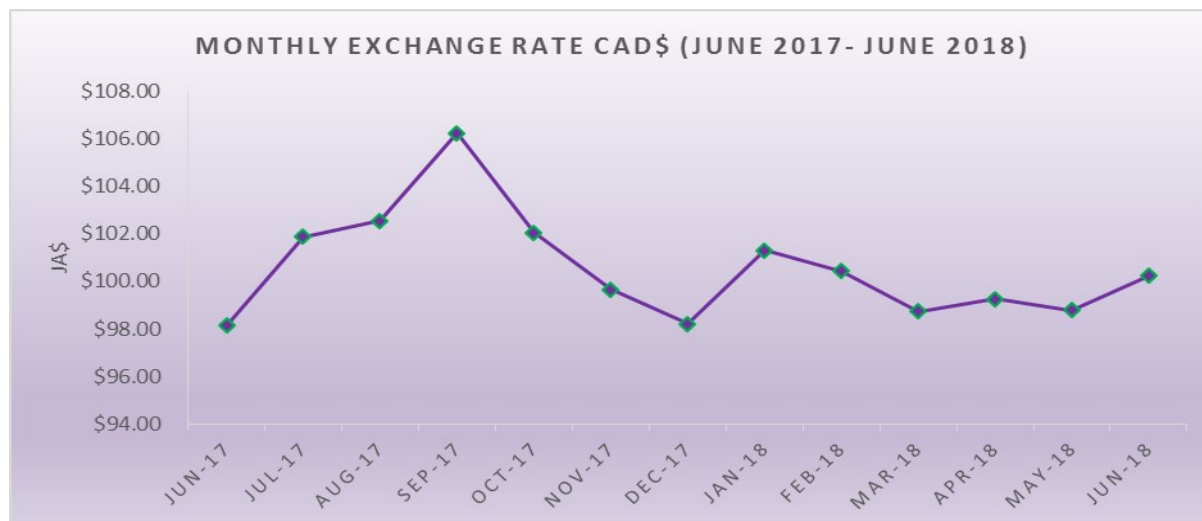
JMD:USD

For the month of June 2018, the average value of the Jamaica Dollar depreciated by **J\$4.38** relative to the previous month. This represented a **3.47%** increase to end at **J\$130.38 = US\$1.00**. When compared to June 2017, June 2018 value was **J\$1.38** or **1.07%** more than the **J\$129.38** recorded in 2017. A two-year comparison revealed that the month's value was **J\$4.75** or **3.77%** more.



JMD:CAD

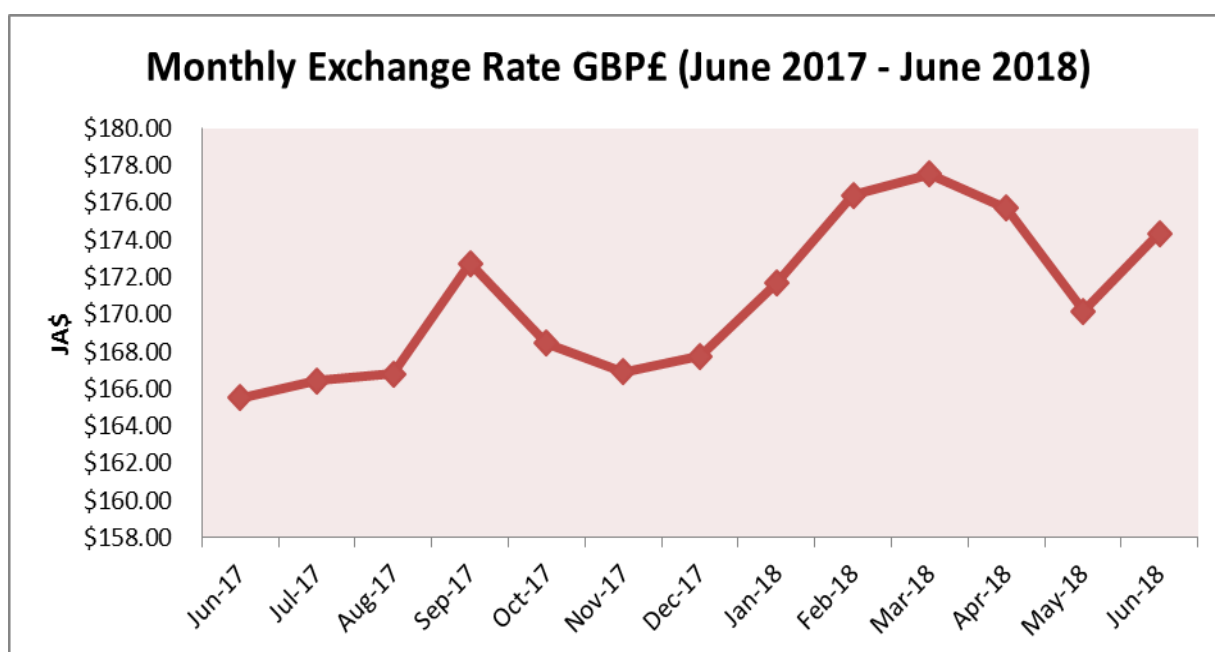
For June 2018 relative to May 2018 the monthly average value of the Jamaica Dollar depreciated by **J\$1.45** or **1.47%** when compared to the Canadian dollar, to end at **J\$100.24 = CAD\$1.00**. A one-year comparison revealed that this year's value was **J\$2.09** or **2.13%** more than the **J\$98.15** in 2017. In May 2016, the value of CAD\$1.00 was equivalent to **JA\$97.82**, which means that the value of the dollar for June this year was **JA\$2.4** or **2.47%** lower.



Monthly Exchange Rates Update

JMD:GBP

The Monthly average value of the Jamaica Dollar depreciated by **J\$4.2** or **2.47%**, relative to the Great Britain Pound for June 2018 relative to May this year. June ended with **J\$174.36 = GBP£1.00**. The value of the GBP\$1.00 in June this year was above the **J\$174.36** by **J\$8.84** or **5.34%** when compared to the corresponding period last year. When compared to the **J\$179.13** recorded in 2016, the Jamaican dollar appreciated in value relative to the GBP\$1.00, valuing **JA\$4.77** or **2.66%** higher than it did in 2016.



Net International Reserves & Money Base

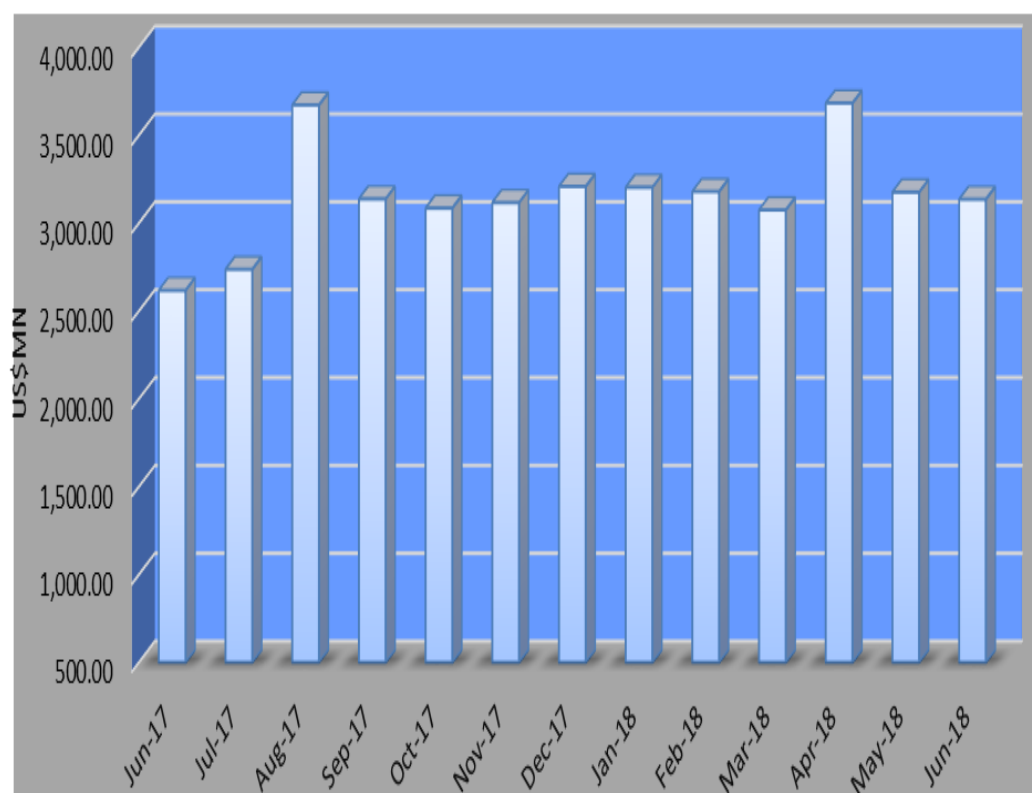
June 2018 Issue

Net International Reserves

Data for the month ending June 2018 revealed that the stock of Net International Reserves (NIR) at the Bank of Jamaica was **J\$393.74** billion (US\$3,135.49million). This reflected a decrease of **J\$4** billion (US\$40.39 million) relative to May2018. The change in the NIR for the month was due to decreases in both the foreign assets and the foreign liabilities. Under the category of foreign asset two sources decreased while one increased. Currency and Deposit decreased by **US\$57.24** million. Special Drawing Rights (SDR) & IMF Reserve decreased by **US\$1.87** million. Securities increased by **US\$12.41** June 2018 ended with total

foreign asset **US\$3,687.40** million representing a total decrease of **US\$46.70** million. Under the category of Foreign liabilities payments to the IMF decreased while Other payments remained the same. Payments to the IMF decreased by **US\$6.31** million which was the total decrease in Foreign liabilities. Foreign Liabilities ended the month at **US\$551.91** million. At the end of June 2018, the gross reserves were sufficient to finance **32.49** weeks of goods imports which represented **20.49** weeks over the international benchmark of **12** weeks of goods imports.

Bank of Jamaica's Net International Reserve (June 2017-June 2018)

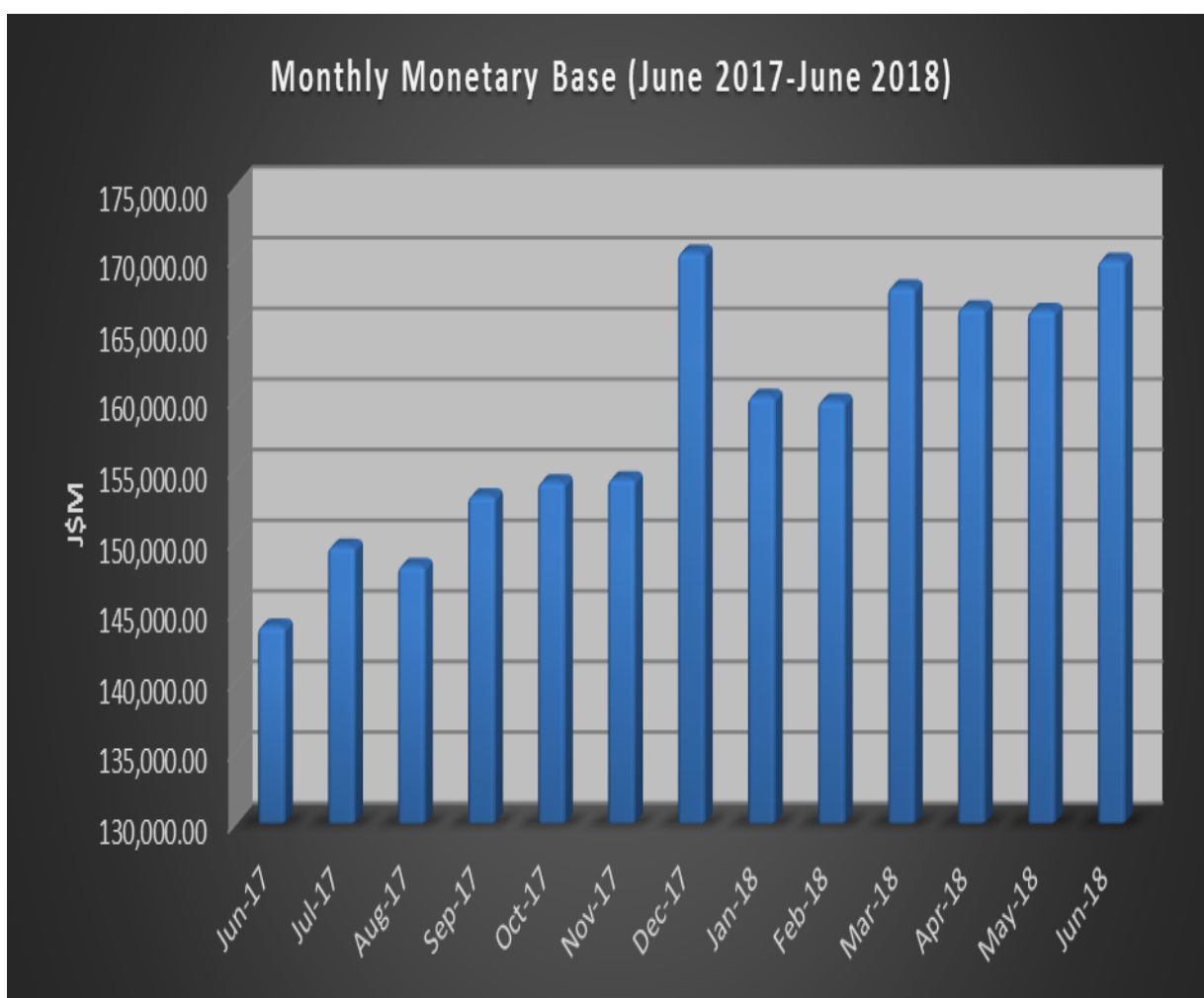


Net International Reserves & Money Base

June 2018 Issue

Monetary Base

The monetary base increased by **J\$3.6** billion to end the month of June 2018 at **J\$169.8** billion. The change in the base reflected a net increase in the Net Domestic Asset category. Net Currency Issue increased by **J\$1.9** billion to end at **J\$103.7** billion. Commercial Banks' Statutory Reserves increased by **J\$1.8** billion to a total of **J\$65.9** billion. The Commercial Banks' Current Account decreased by **J\$0.17** billion to a total of **J\$0.21** billion.



Tourist Arrivals

June 2018 Issue

Stopover tourist arrivals for May 2018 were **195,491** (9.6%), and the Caribbean (2.0%). Decreases were May's 2018 total was **9,243** or **4.51%** lower than the seen in arrivals from Asia and other countries. 204,734 in April 2018. May 2018 total saw an Decreases recorded for the latter categories were increase of **7.61%** over the **181,669** recorded in May 26.1% and 29.1%, respectively.

2017.

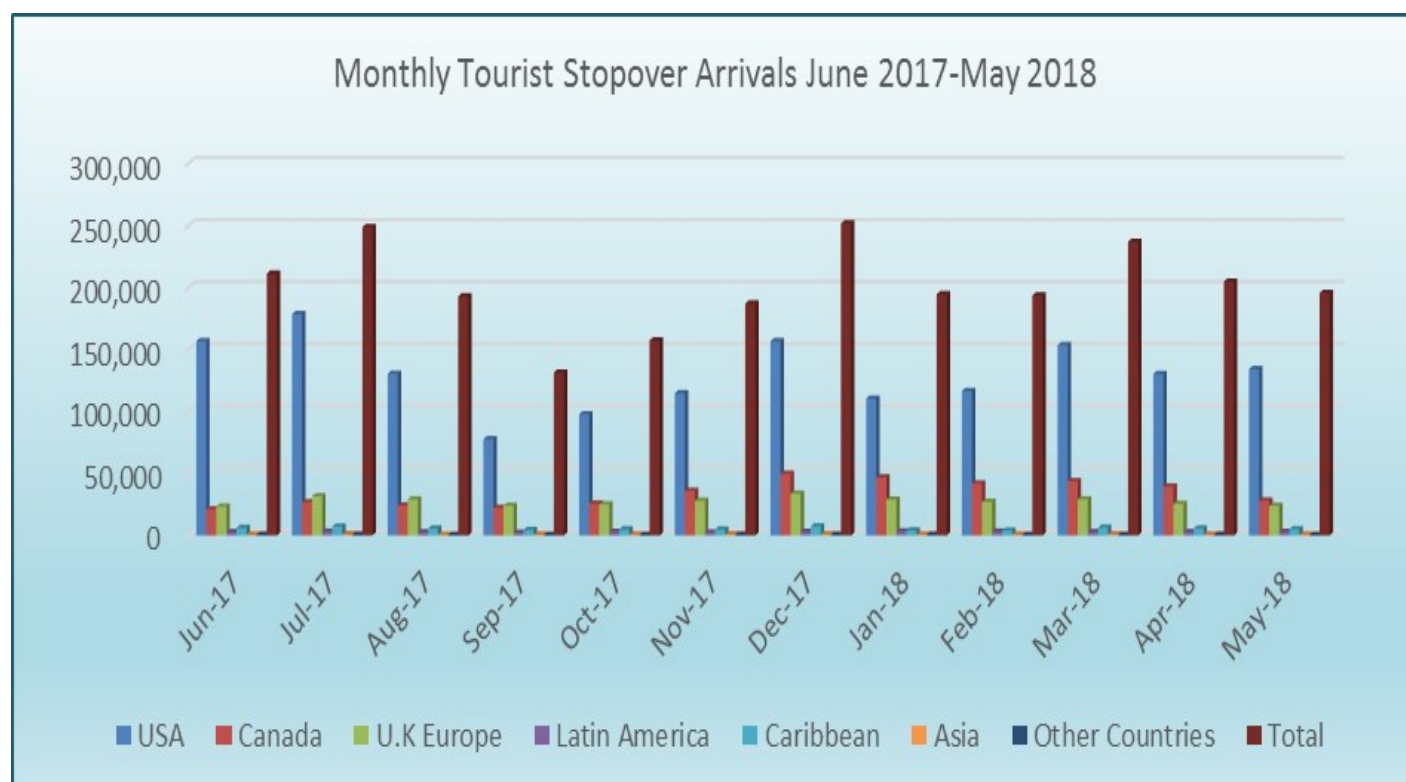
A total of **124,781** cruise passengers visited Jamaica

The calendar year-to-date arrivals increased by **5.4%**, in May 2018. This represented a **14,501** or **10.41%** with **1,025,227** stopovers compared to **972,634** in overall decrease compared to the **139,282** recorded in 2017.

April 2018. For the corresponding period in 2017

For May 2018, the changes reflected in the total stopovers observed in the seven regions varied. Out total cruise passengers were **110,712** showing a **12.7%** increase over last year's total.

of the seven regions, five recorded increases while For May 2018, Cruise passengers visiting the port of two recorded decreases in stopovers over the Falmouth grew by 28.1% with 55,772 passengers. corresponding period last year. Increases were seen in Those visiting Ocho Rios fell by 6.1% with 31,385 arrivals from Canada (2.9%), Europe (6.6%), Latin passengers and arrivals at the port of Montego Bay America (3.7%), the United States of America rose by 11.5% with 37,624 passengers.



Previous Highlights: March 2018 Summary

June 2018 Issue

- At the end of May 2018, the monthly average value of the Jamaican Dollar appreciated against the Canadian dollar and the Great Britain Pound while the Dollar depreciated against the US dollar. The Dollar depreciated against the US\$ by **\$1.03** or **0.82%** to end at **J\$126.38=US\$1.00**. The value of the Dollar appreciated by **J\$0.46** or **0.46%** against the Canadian Dollar to end at **CAD\$1.00=J\$98.79**. The value of the Jamaican dollar appreciated by **J\$5.56** or **3.16%** to end at **GBP1.00=J\$170.16**.
- Inflation, measured by the All Jamaica “All Divisions” Consumer Price Index (CPI) for the period May 2018 over April 2018 showed a negligible movement according to the April 2018 Consumer Price Index (CPI) Bulletin. For the calendar year-to-date prices have declined by **0.7%**. Inflation for the fiscal year-to-date was **-0.4%** and the point to point movement was **3.1%**.
- Data for the month ending May 2018 revealed that the stock of Net International Reserves (NIR) at the Bank of Jamaica was **J\$405.15** billion (**US\$3,175.88** million). This reflected an increase of **J\$8.8** billion (**US\$69.31** million) relative to April 2018.
- The monetary base decreased by **J\$2.5** billion to end the month of May at **J\$163.7** billion. For the month of May 2018 yields on the Government of Jamaica 91-day and 182-day treasury bills were **2.71%** and **3.08%** respectively.
- Stopover tourist arrivals for April 2018 were **204,734**. April’s 2018 total was **32,084** or **15.67%** lower than the **236,818** in March 2018. A total of **139,282** cruise passengers visited Jamaica in April 2018.
- Both the price of Brent and the WTI increased for the period April 2018 relative to March 2018. The Brent increased by **7.01%** and the WTI decreased by **5.52%**. Natural gas price increased by **26.60%** for the corresponding period.

KEY

June 2018 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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