



Economic Highlights and Statistics – OCTOBER 2020

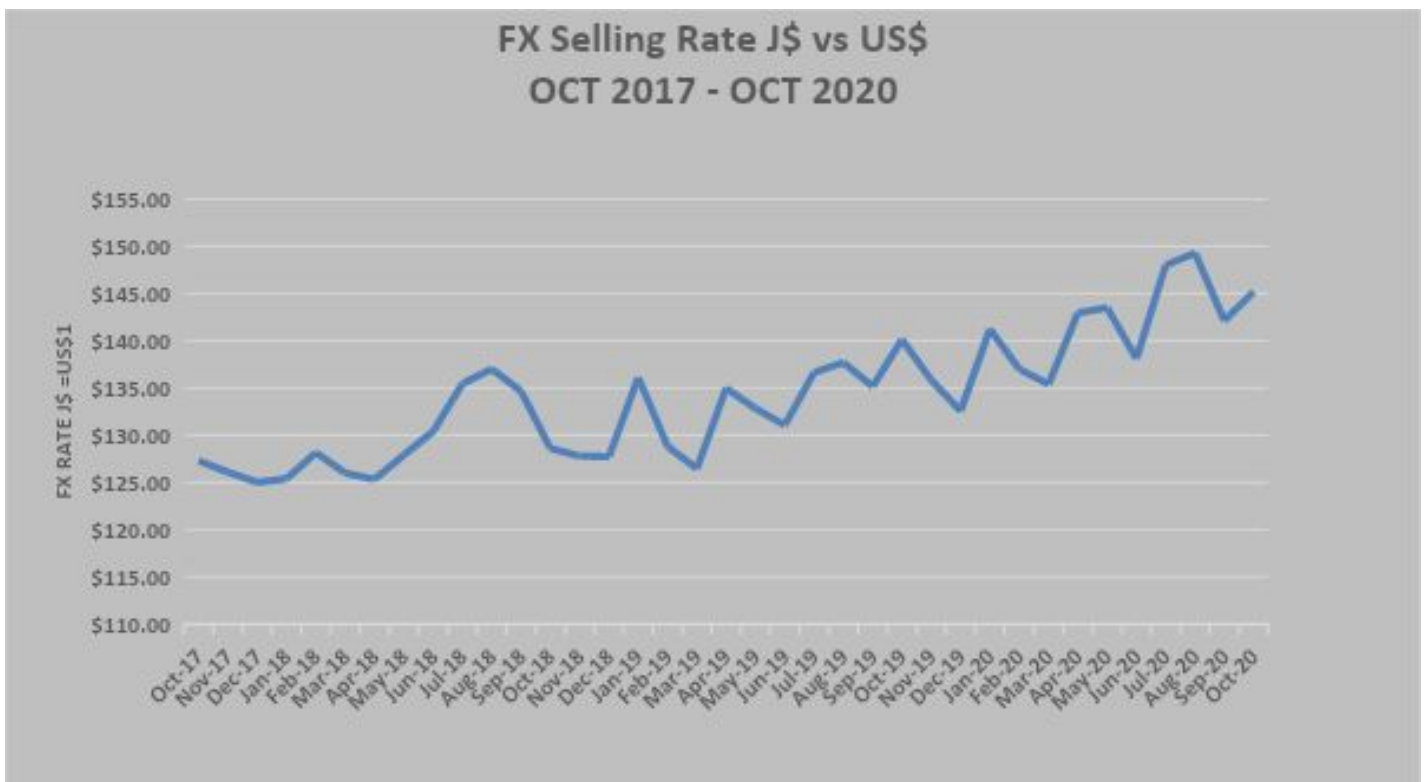
OVERVIEW

- GOJ's fiscal outturn YTD for the 2020/21 fiscal year showed revenues above budget by \$9.72B and expenditures coming out below budget by 5.69B as at September 30, 2020. The YTD fiscal balance was negative \$61.29B vs. budget of negative \$76.71B.
- The Jamaican economy declined by 18.4 per cent in Q2 of 2020 when compared to the similar 2019 period. This resulted from declines in the Services industries (down 20.3% and the Goods producing industries (down by 12.7%). The novel Corona virus 2019 was the main cause of this result along with drought conditions which affected agriculture and the closure of mining and quarrying co. Alpart and Jiuquan Iron and Steel Co. (JISCO).
- The BOJ policy (overnight lending) rate remained unchanged at 0.50% in October since its last reduction (from 0.75%) in August 2019.
- The Jamaican dollar lost \$3.09 against the US\$ during the month to end at US\$1: J\$**145.1981**. Over the past 12 months, the JAD has lost \$5.08 or 3.62% against the USD.
- The NIR decreased by US\$145.81M to US\$2,893.31M. This represents 36.70 weeks of goods and services imports.
- Inflation for the month of September 2020 was 0.2 per cent. For calendar year-to-date, the rate was 3.6 percent and the fiscal year-to-date was 2.3 per cent. The point to point rate (year over year) was 4.9 percent.
- The Jamaica Stock Exchange main index ended October at 375,386.38 points, a decrease of 5,039.60 points or 1.32% over September. Year to date, the index has lost 26.38%.
- Crude oil price declined by US\$4.43 or 11.01% during October to US\$35.79 per barrel.
- The US economy added 638,000 jobs in October. The rate of unemployment fell to 6.9%. The improvement in the labour market reflects the continued resumption of economic activity that had been curtailed due to the corona virus pandemic.

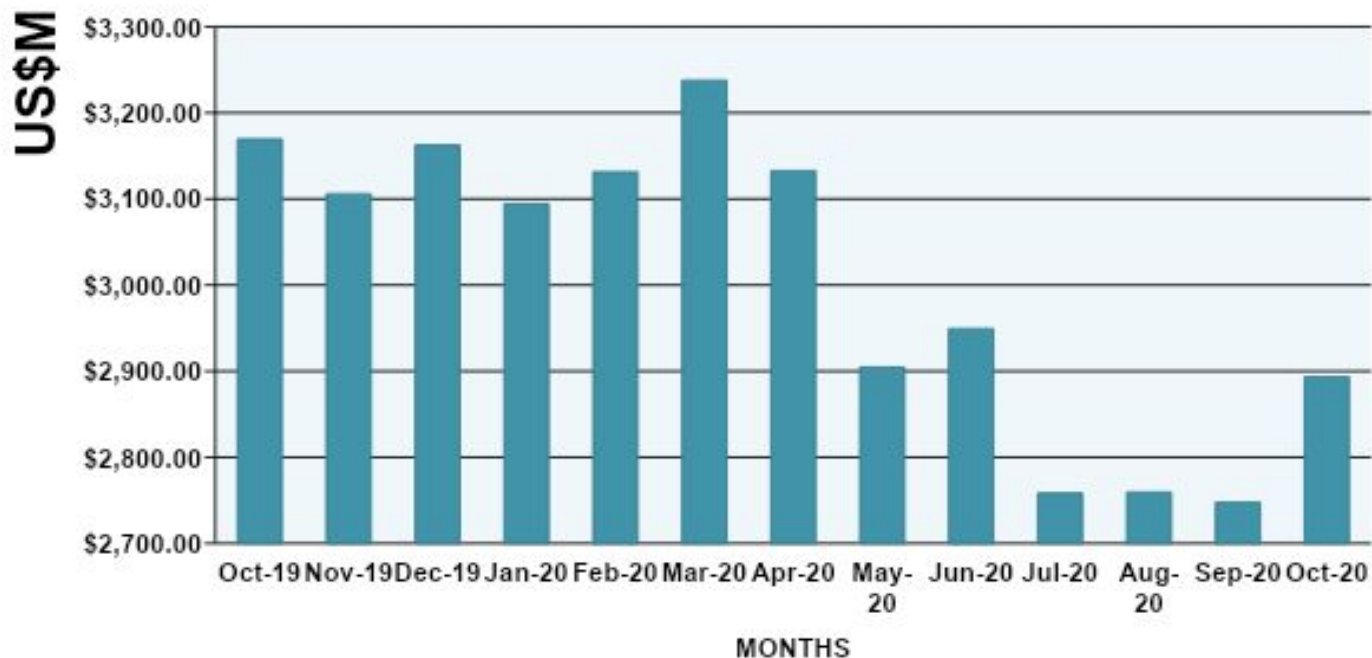
FOREIGN EXCHANGE MARKET

Foreign Exchange

FX Developments	OCT-19	AUG-20	SEP-20	OCT-20	Change(p.m.)
FX Rate - Selling (US\$1 : JA\$)	140.121 5	149.288 1	142.104 8	145.198 1	-2.18%
FX Rate – Selling (£1 : JA\$)	179.117 5	200.204 4	185.550 8	191.072 9	-2.98%
FX Rate – Selling (Can\$1 : JA\$)	104.824 2	114.020 7	107.753 3	110.934 9	-2.95%
Net International Reserves (US\$'M)	3,169.57	2,759.39	2,747.49	2,893.31	5.31%



NIR OCT 2019 - OCT 2020



BOND AND MONEY MARKET

J\$ - BOJ Open Market Operation	Oct- 19	Aug -20	Sep -20	Oct -20	% pts Change (p.m.)
Overnight (Policy) Rate	0.50%	0.50%	0.50%	0.50%	-
30-days	1.00%	1.00%	1.00%	1.00%	-
Treasury Bills					% pts Change (p.m.)
3-Mth T-Bill	1.55%	1.13%	1.14%	0.98%	-0.16
6-Mth T-Bill	1.65%	1.26%	1.33%	1.12%	-0.21
9-Mth T-Bill	1.81%	1.65%	n/a	n/a	nil
J\$ - Repo Rates JSDA Bid Yield Curve					% pts Change (p.m.)
30-days	1.00%	1.50%	1.50%	1.50%	NIL
90-days	1.35%	1.90%	1.90%	1.90%	NIL
180-days	1.55%	2.25%	2.25%	2.25%	NIL
US\$ - Repo Rates JSDA Bid Yield Curve					% pts Change (p.m.)
30-days	2.35%	2.35%	2.35%	2.35%	-
90-days	2.58%	2.58%	2.58%	2.58%	-
180-days	2.80%	2.80%	2.80%	2.80%	-

T- BILL RATES OCT 2018 - OCT 2020



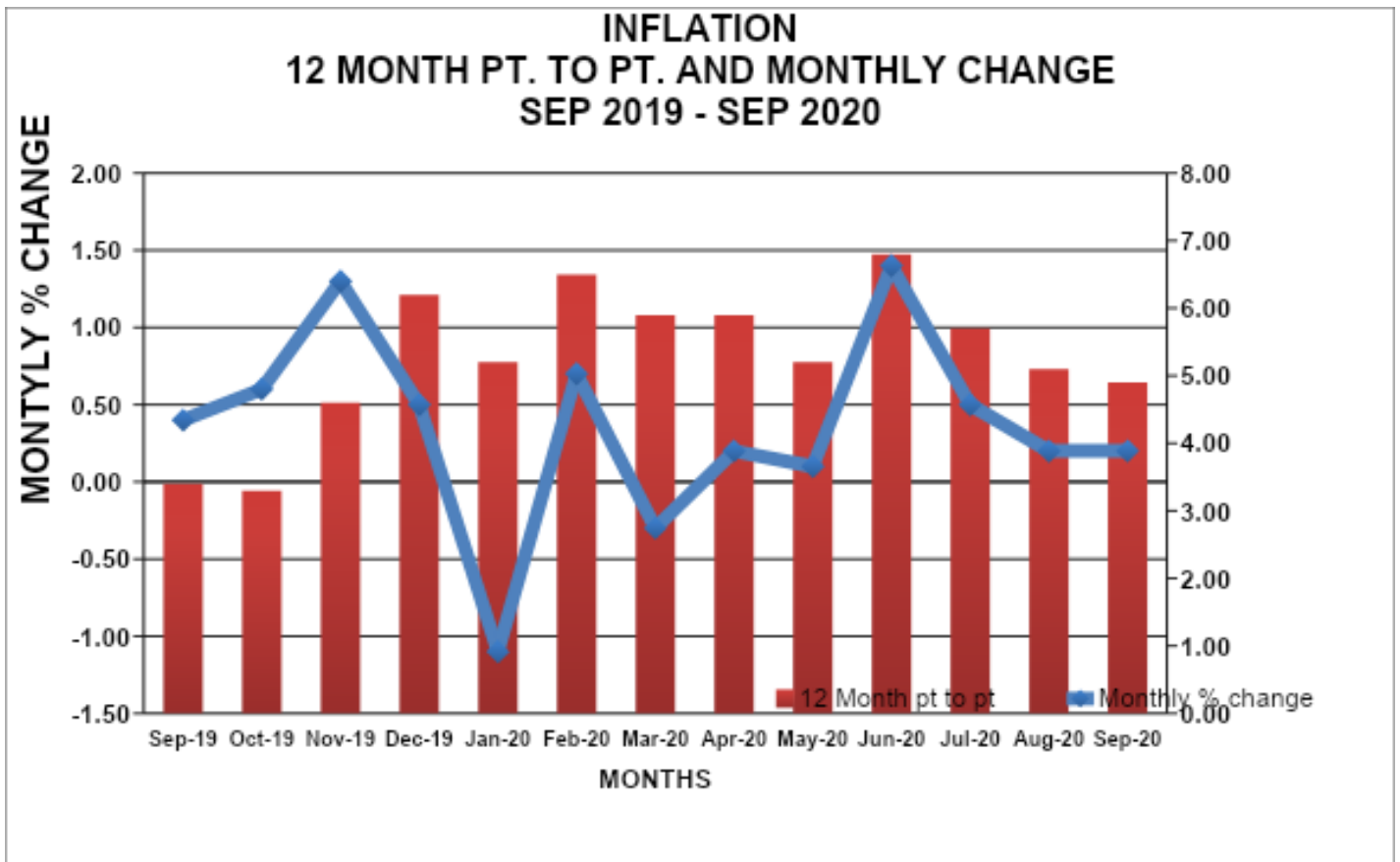
GOJ Global Bonds/Corporates	BID LEVEL		COUPON	BID YIELD	
	SEP -20	OCT -20		SEP -20	OCT -20
2025	113.70	114.75	7.625%	3.685%	3.323%
2025	119.25	120.45	9.25%	4.894%	4.588%
2028	113.55	115.20	6.75%	4.352%	4.056%
2036	131.00	133.00	8.50%	5.491%	5.322%
2045	126.60	130.15	7.875%	5.833%	5.606%
Sagikor 2022	100	100	8.875%	8.85%	8.842%

GOJ FISCAL REPORT

	Actual Sept 19' \$B	Actual Sep 20' \$B	Budget Sep 20' \$B	Difference' \$B
Revenue	63.32	56.52	42.11	14.41
Expenditure	46.76	46.82	59.98	(13.16)
Fiscal Balance	16.55	9.70	(17.87)	27.57
Fiscal YTD - Revenue	313.95	256.58	246.85	9.72
Fiscal YTD - Expenditure	299.55	317.87	323.56	(5.69)
Fiscal Balance YTD	14.40	(61.29)	(76.71)	15.41

Source: Ministry of Finance website (www.mof.gov.jm)

- Revenue for the month of September outperformed budget by \$14.41B.
- Expenditure for the month reported lower than budgeted expenses for the month by \$13.16B.
- YTD, the fiscal balance improved over budget by \$15.41B.

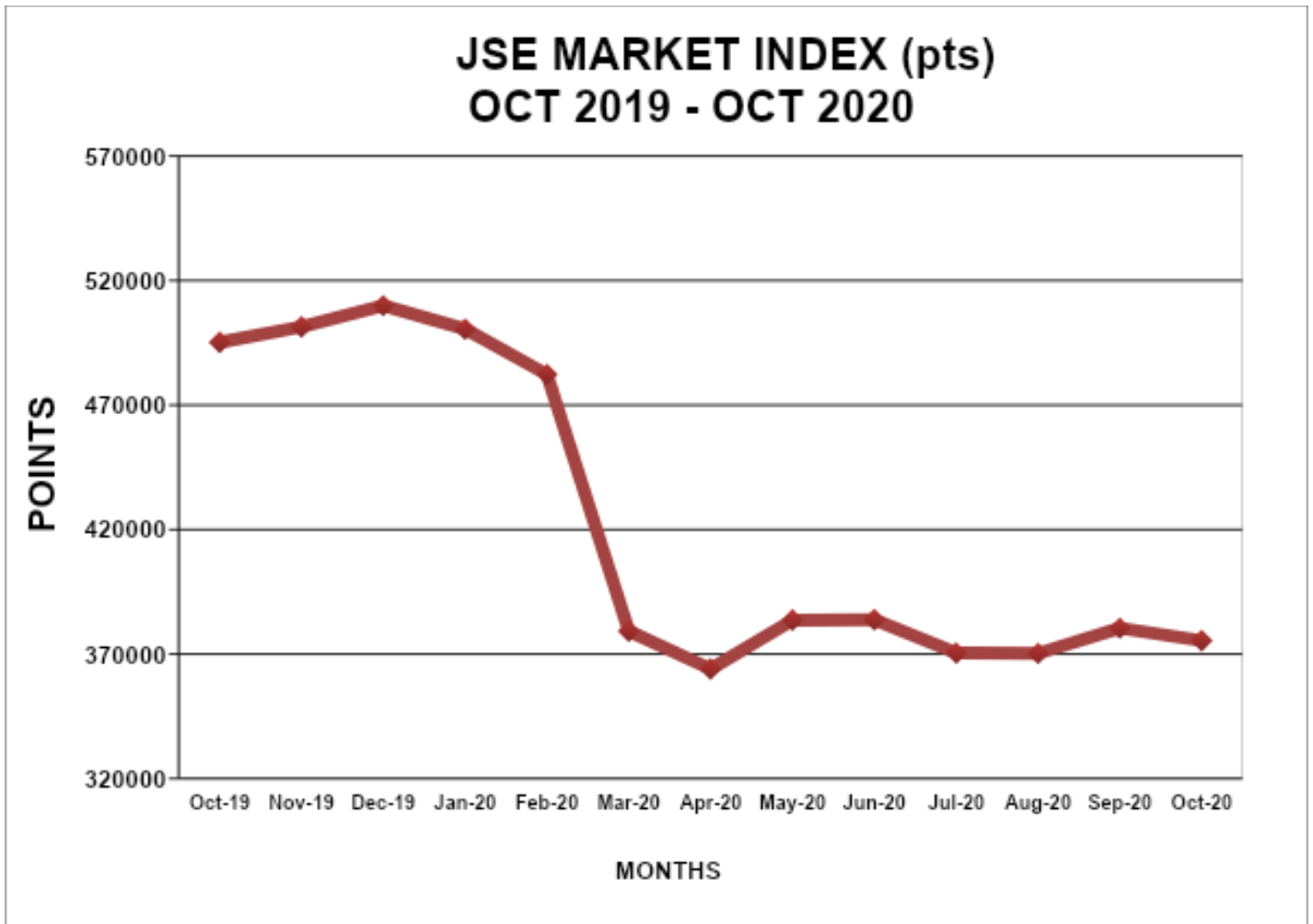


STOCK MARKET

Jamaica Stock Exchange

	Aug-20	Sep-20	Oct-20	% Change (mth.)
JSE Market Index (pts)	370,282.72	380,425.98	375,386.38	-1.32
Volume Traded (units - M)	426.307	249.525	361.964	45.06
Value Traded - J\$M	2,744.057	3,078.599	4,201.876	36.49
Market Capitalization (J\$B)	1,423.02	1,462.74	1,468.02	0.36
Junior Stock Exchange Index (pts)	2,480.92	2,555.67	2,470.24	-3.34
Junior Stock Market Cap. -J\$M	111,017.94	115,681.45	111,814.31	-3.34
USD Equities Market Index (pts)	187.50	189.90	197.41	3.95
USD Equities Market Cap. -US\$M	462.26	468.18	486.73	3.96

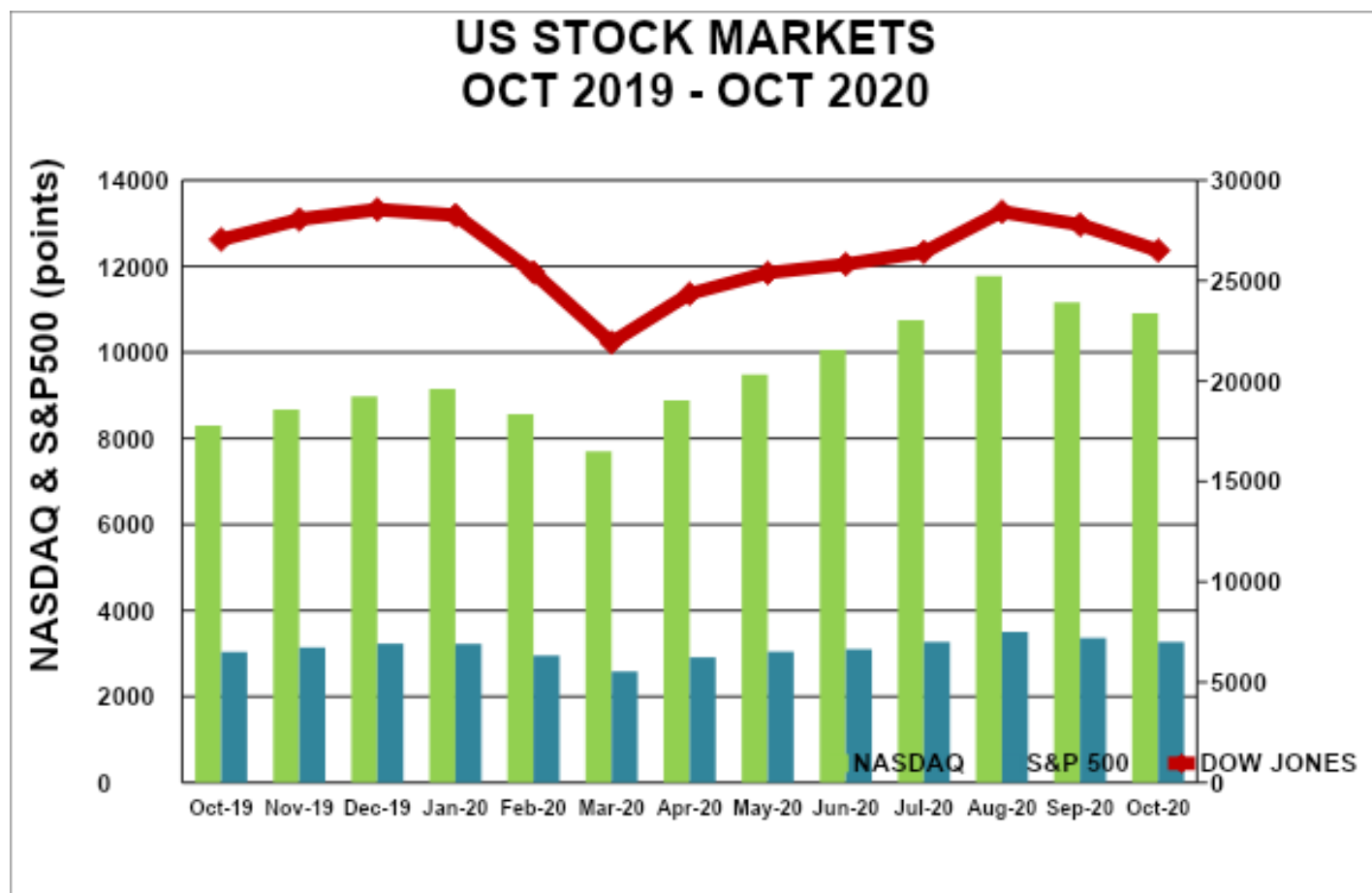
Source: Jamaica Stock Exchange Website (www.jamstockex.com)



- Trading on the main index took place with 361.9M units changing hands at a value of \$4.2B as the market index decreased by 5,039.6 points or 1.32% to 375,386.38 points.
- The Junior Market Index decreased by 85.43 points (3.34%) to close at 2,470.24 points.
- The USD equities Index increased by 7.51 points (3.95%) to close at 197.41 points.

INTERNATIONAL MARKETS

International Rates	AUG-20	SEP-20	OCT-20	% pts Change (p.m.)
1-Mth Libor	0.157%	0.147%	0.148%	+0.001
US Prime Rate	3.25%	3.25%	3.25%	Nil
FED Rate	0.08%	0.09%	0.09%	Nil



Oil & Gold Prices (US\$)

Index	Aug 2020	Sep 2020	Oct 2020	Month % change
Oil	42.61	40.22	35.79	-11.01%
Gold	1,967.60	1,887.80	1,877.40	-0.55%

- Crude Oil price declined by US\$4.43 over the previous month to close at US\$35.79 per barrel.
- Gold futures declined by US\$10.40 to close the month at US\$1,877.40 per troy ounce.

NYMEX Crude Oil Futures Close (Front Month)



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