



Economic Highlights and Statistics – August 2021

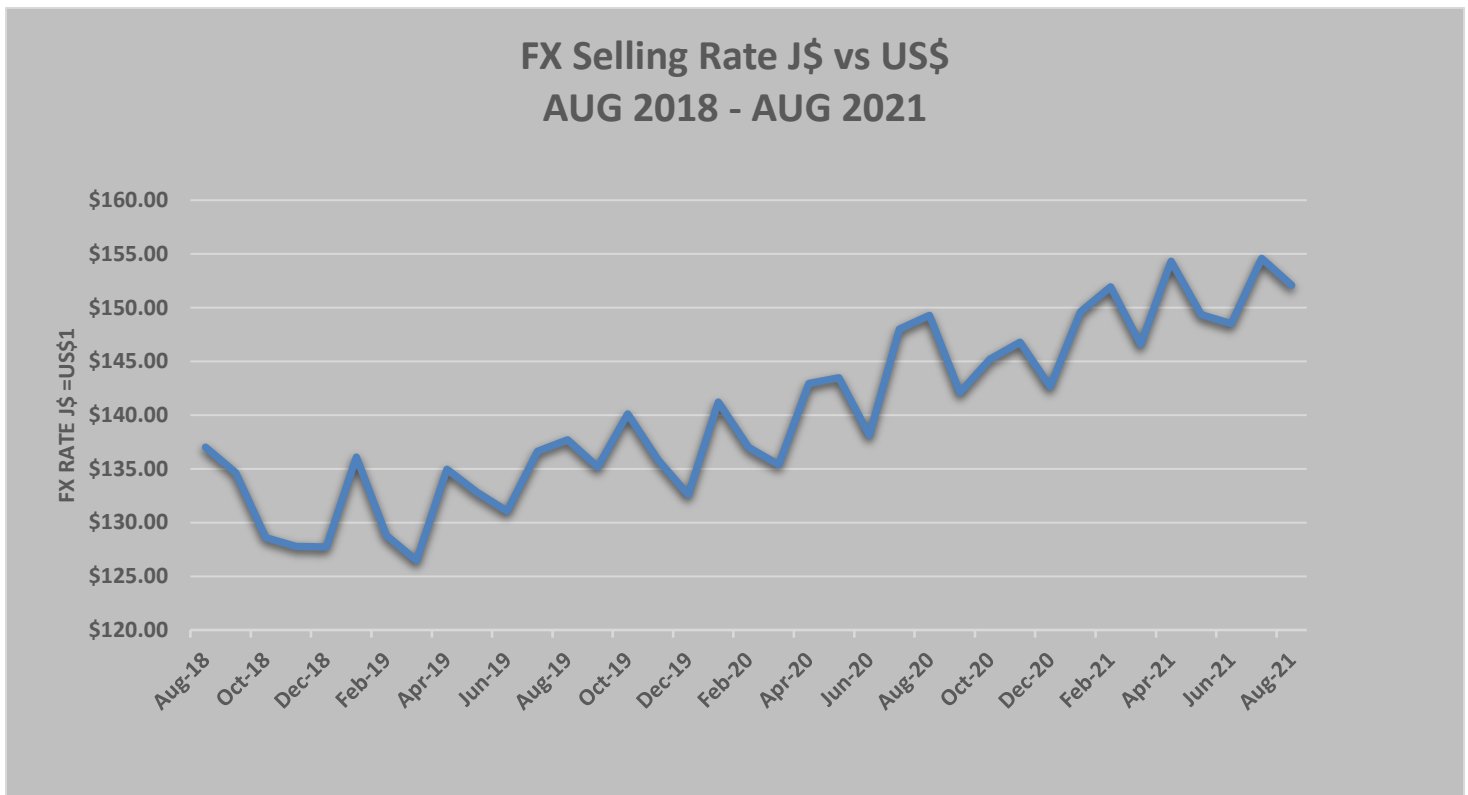
OVERVIEW

- GOJ's fiscal outturn YTD for the 2021/22 fiscal year recorded revenues above budget by \$17.26B and expenditures underbudget by \$7.33B as at July 31, 2021. The YTD fiscal balance was reported at negative \$4.31B vs. budget of negative \$28.9B.
- The BOJ policy (overnight lending) rate remained unchanged at 0.50% in August 2021. However, the Central Bank hinted at an increase at the next policy decision announcement that is set for September 30, 2021, in an attempt at moderating inflation.
- The JA dollar appreciated by \$2.50 against the US dollar during the month to end at US\$1: J\$152.09. Over the past 12 months, the JAD has slid \$2.80 or 1.88% against the USD.
- The NIR increased by US\$529M or 15.75% to US\$3,888.7M. The current level represents 32.92 weeks of goods and services imports and 144.84 percentage of ARA Metric. The increase in the reserves is attributable to the US\$500M special drawing rights facility obtained from the IMF by the Government.
- Inflation for the month of August 2021 increased by 0.90 per cent. The calendar year-to-date was 4.70 per cent while the point-to-point rate (year over year) was 6.1 per cent. The point-to-point rate has breached the BOJ's targeted inflation range of 4%-6%.
- The Jamaica Stock Exchange main index ended August at 417,864.91, a decrease of 6,270.10 points or 1.48% over July. Year to date, the index has advanced 5.62%.
- Crude oil price decreased by US\$5.45 or 7.37% during August to US\$68.50 per barrel.
- US unemployment rate declined by 0.2% to 5.2% as nonfarm payroll jobs reported by the US Labor Department for August 2021 totalled 235,000. Notable job gains were recorded in the professional and business services sector (namely architectural and engineering services, computer systems designs and scientific research and development services) which accounted for 74,000 of the jobs added. The area of transportation and warehousing was responsible for 53,000 jobs as the demand for couriers and warehousing storage increased. Other sectors experiencing significant gains included manufacturing (+37,000), and private education (+40,000).

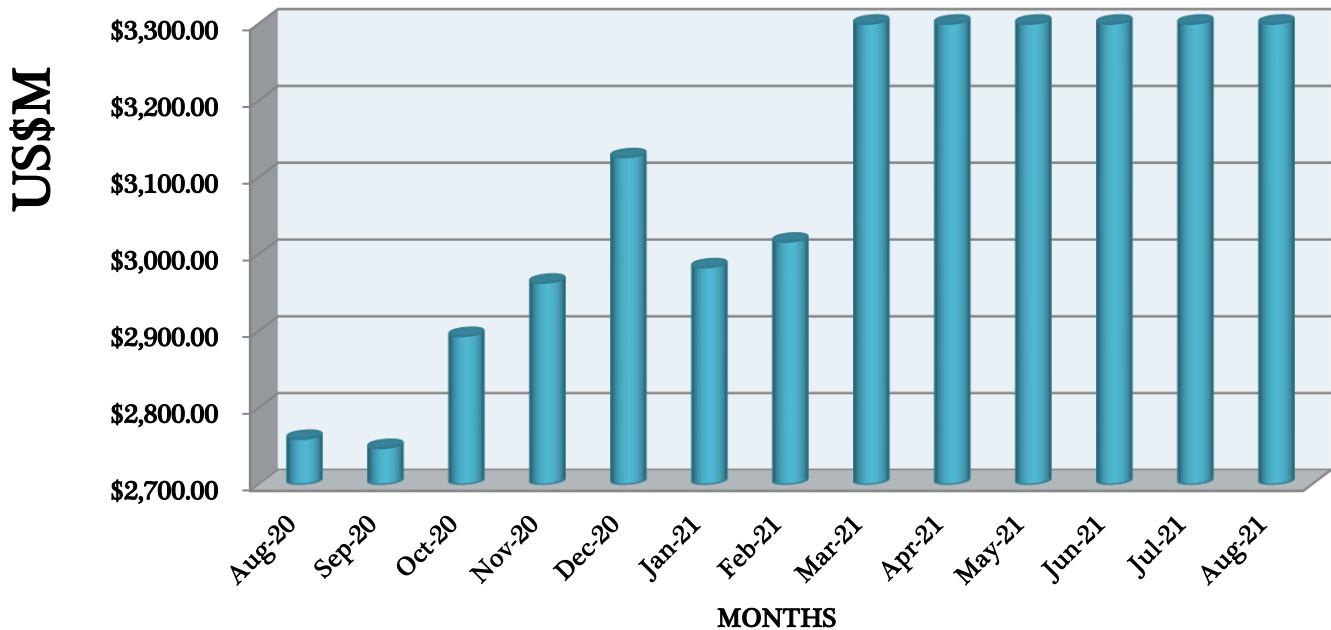
FOREIGN EXCHANGE MARKET

Foreign Exchange

FX Developments	AUG-20	JUN-21	JUL-21	AUG-21	Change(p.m.)
FX Rate - Selling (US\$1: JA\$)	149.2881	148.5164	154.5879	152.0910	-1.62%
FX Rate - Selling (£1: JA\$)	200.2044	207.0185	216.1932	208.7745	-3.43%
FX Rate - Selling (Can\$1: JA\$)	114.0207	122.7285	126.2957	120.7915	-4.36%
Net International Reserves (US\$'M)	2,759.39	3,388.71	3,359.55	3,888.67	15.75%



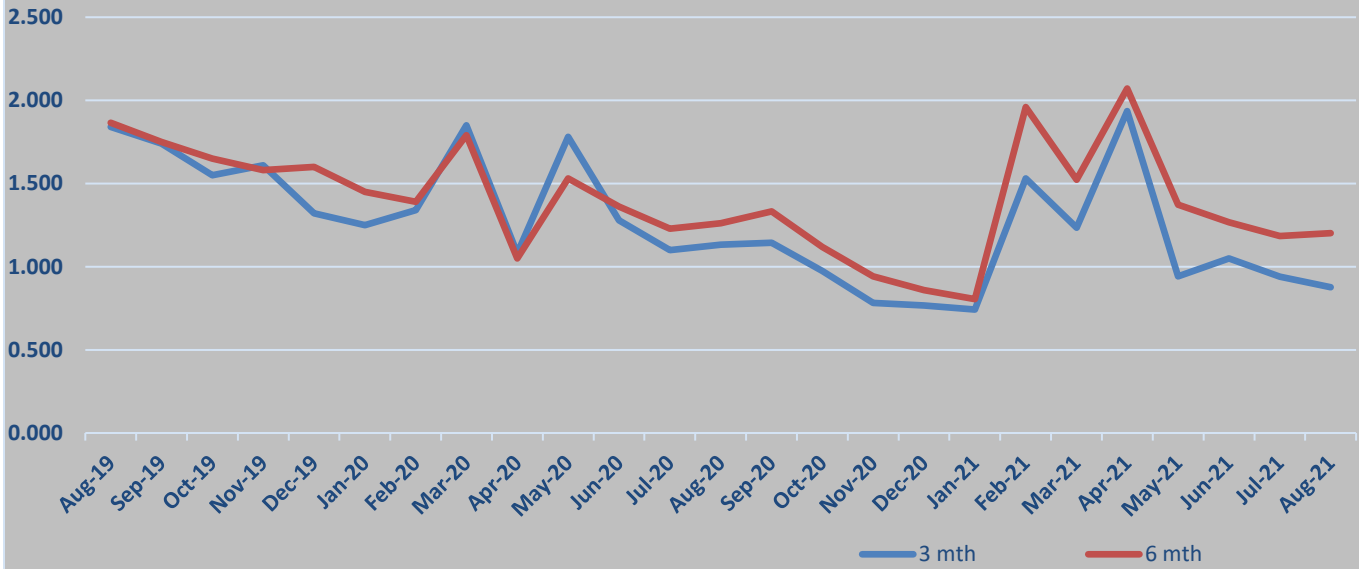
NIR AUG 2020 - AUG 2021



BOND AND MONEY MARKET

J\$ - BOJ Open Market Operation	Aug -20	Jun-21	Jul-21	Aug -21	% 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	1.13%	1.05%	0.94%	0.88%	-0.06
6-Mth T-Bill	1.26%	1.27%	1.18%	1.20%	-0.02
9-Mth T-Bill	1.65%	n/a	n/a	1.31%	-
J\$ - Repo Rates JSDA Bid Yield Curve					% pts Change (p.m.)
30-days	1.50%	1.00%	1.25%	1.50%	0.25
90-days	1.90%	1.25%	1.70%	1.90%	0.20
180-days	2.25%	1.50%	2.125%	2.25%	0.125
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 AUG 2019 - AUG 2021



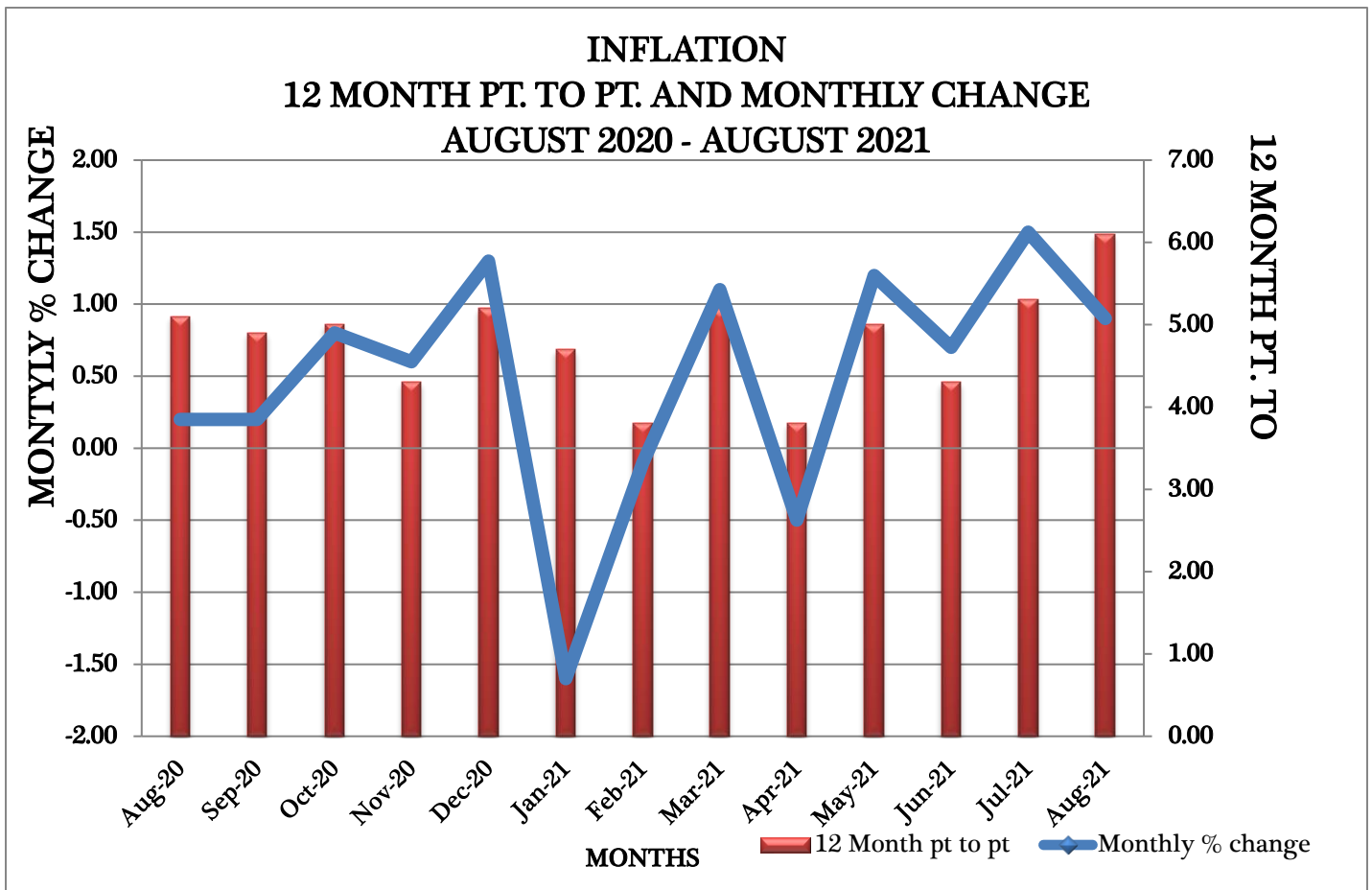
GOJ Global Bonds	BID LEVEL		COUPON	BID YIELD	
	JUL -21	AUG -21		JUL -21	AUG -21
2025	114.85	114.55	7.625%	2.343%	2.310%
2025	120.95	121.00	9.25%	3.809%	3.710%
%2028	117.05	117.85	6.75%	3.442%	3.261%
2036	139.45	138.80	8.50%	4.723%	4.762%
2045	139.85	142.15	7.875%	5.003%	4.871%

GOJ FISCAL REPORT

	Actual Jul 20' \$B	Actual July 21' \$B	Budget July 21' \$B	Difference' \$B
Revenue	39.09	50.15	44.47	5.68
Expenditure	64.57	64.18	63.92	0.26
Fiscal Balance	(25.48)	(14.03)	(19.45)	5.42
Fiscal YTD - Revenue	161.74	225.53	208.27	17.26
Fiscal YTD - Expenditure	212.65	229.84	237.17	(7.33)
Fiscal Balance YTD	(50.91)	(4.31)	(28.90)	24.59

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

- Revenue for the month of July 2021 exceeded the targeted budget by \$5.68B. This is attributable to tax revenue and grants out-performing expectations by the 12.28% and 710% respectively.
- Expenditure for July 2021 totalled \$64.18B, which represents additional spending of \$260M when compared to budget of \$63.92B.
- YTD, the fiscal balance outperformed budget by \$24.59B.

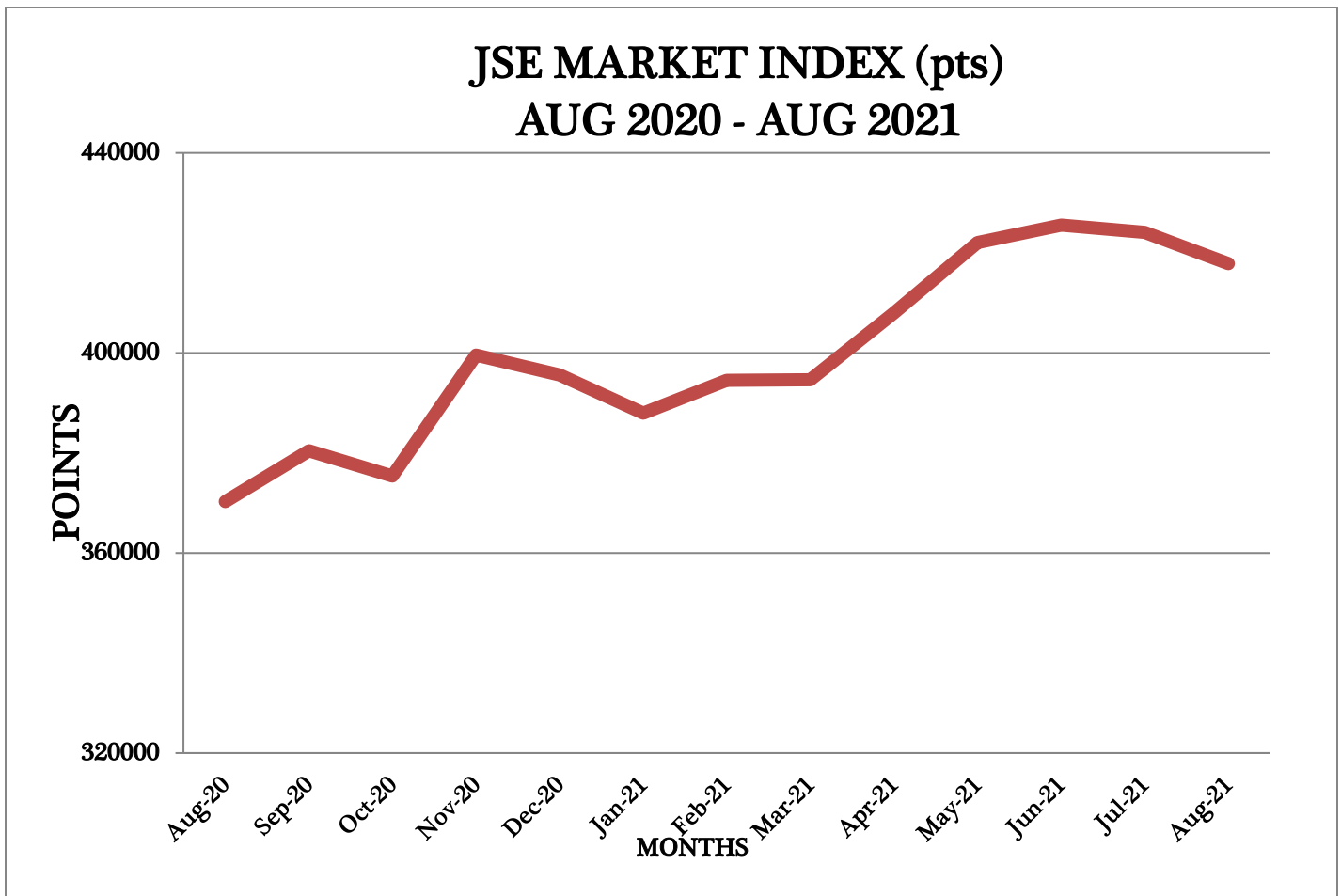


STOCK MARKET

Jamaica Stock Exchange

	Jun-21	Jul-21	Aug-21	% Change (mth.)
JSE Market Index (pts)	425,564.15	424,135.01	417,864.91	-1.48
Volume Traded (units – M)	273.822	353.921	477.209	34.83
Value Traded - J\$M	4,253.733	16,605.196	8,514.822	-48.72
Market Capitalization (J\$B)	1,817.17	1,816.60	1,789.74	-1.48
Junior Stock Exchange Index (pts)	3,370.59	3,322.77	3,308.60	-0.43
Junior Stock Market Cap. -J\$M	160,358.41	152,691.37	152,039.95	-0.43
USD Equities Market Index (pts)	194.70	186.75	185.29	-0.78
USD Equities Market Cap. -US\$M	542.54	520.38	516.32	-0.78

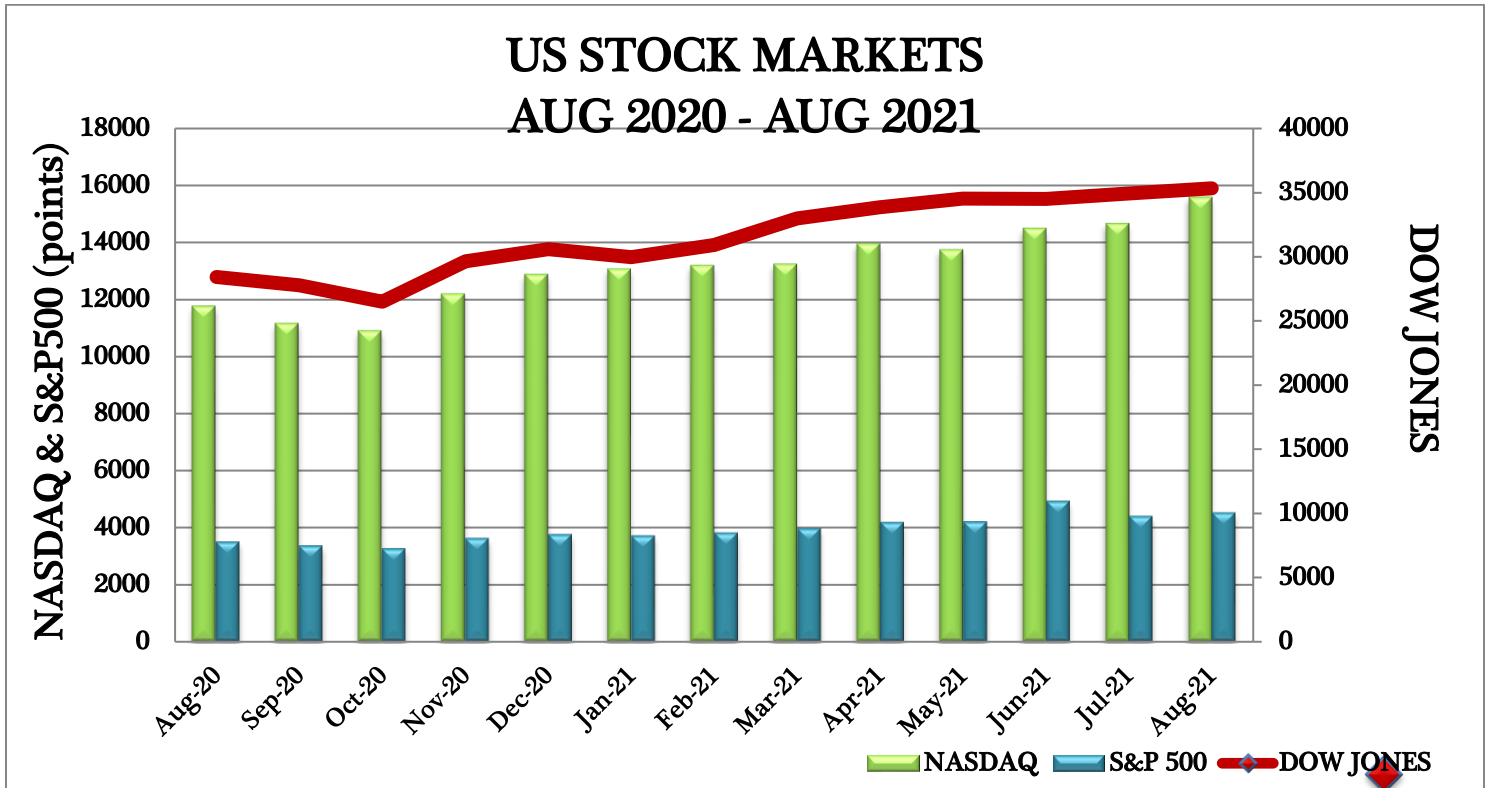
Source: Jamaica Stock Exchange Website (www.jamstockex.com)



- Trading on the main index took place with 477.2M units changing hands at a value of \$8.5B as the market index decreased by 6,270.10 points or 1.48% to 417,864.91 points.
- The junior market index decreased by 14.17 points (-0.43%) to close at 3,308.60 points.
- The USD equities index decreased by 1.46 points (-0.78%) to close at 185.29 points.

INTERNATIONAL MARKETS

International Rates	JUN-21	JUL-21	AUG-21	% pts Change (p.m.)
1-Mth Libor	0.104%	0.092%	0.086%	-0.006
US Prime Rate	3.25%	3.25%	3.25%	Nil
FED Rate	0.10%	0.10%	0.08%	-0.02

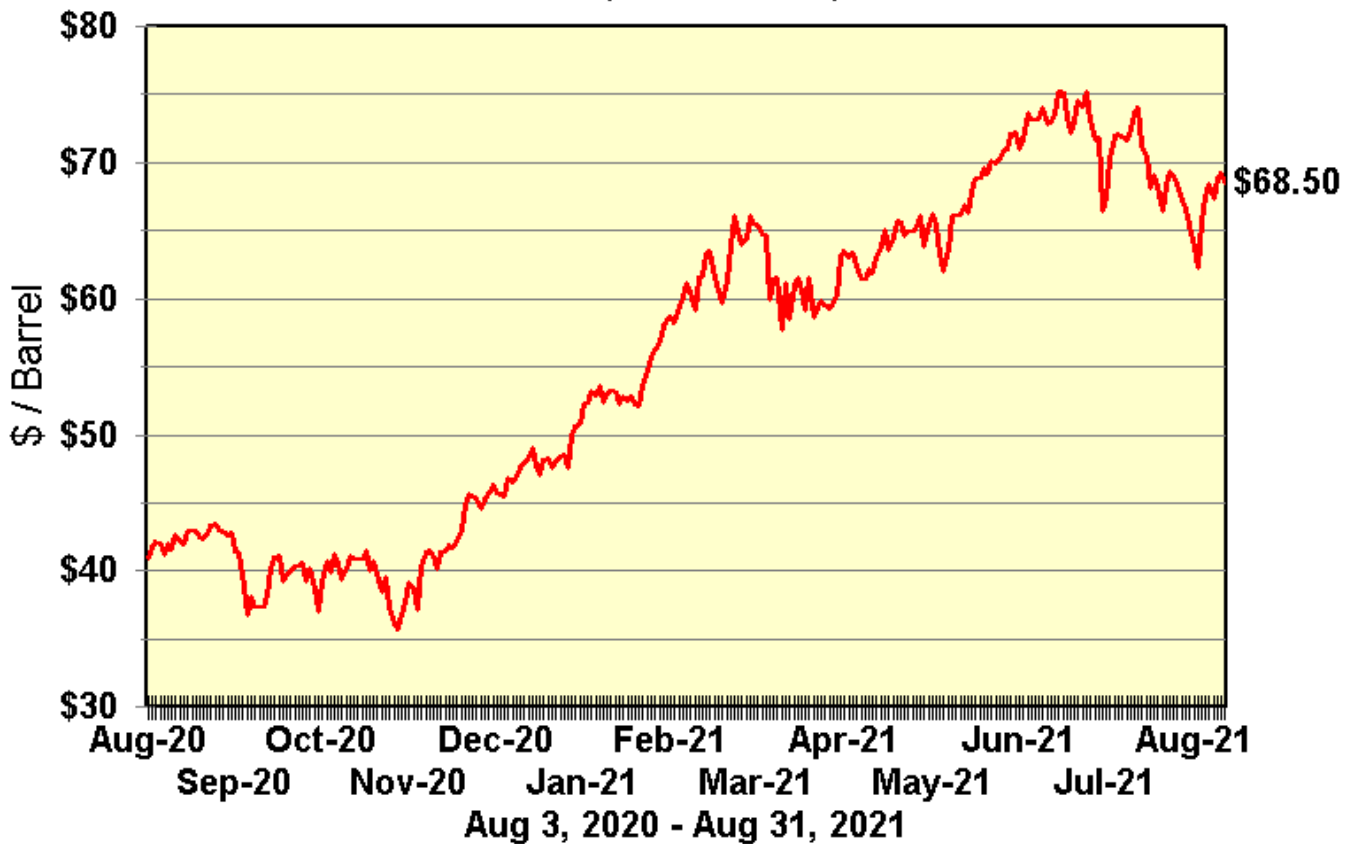


Oil & Gold Prices (US\$)

Index	Jun 2021	Jul 2021	Aug 2021	Month % change
Crude Oil	73.47	73.95	68.50	-7.37
Gold	1,770.80	1,812.60	1,815.00	0.13

- Crude Oil price decreased by US\$5.45 over the previous month to close at US\$68.50 per barrel.
- Gold futures increased by US\$2.40 to close the month at US\$1,815.00 per troy ounce.

NYMEX Crude Oil Futures Close (Front Month)



— Close

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