



Economic Highlights and Statistics – October 2021

OVERVIEW

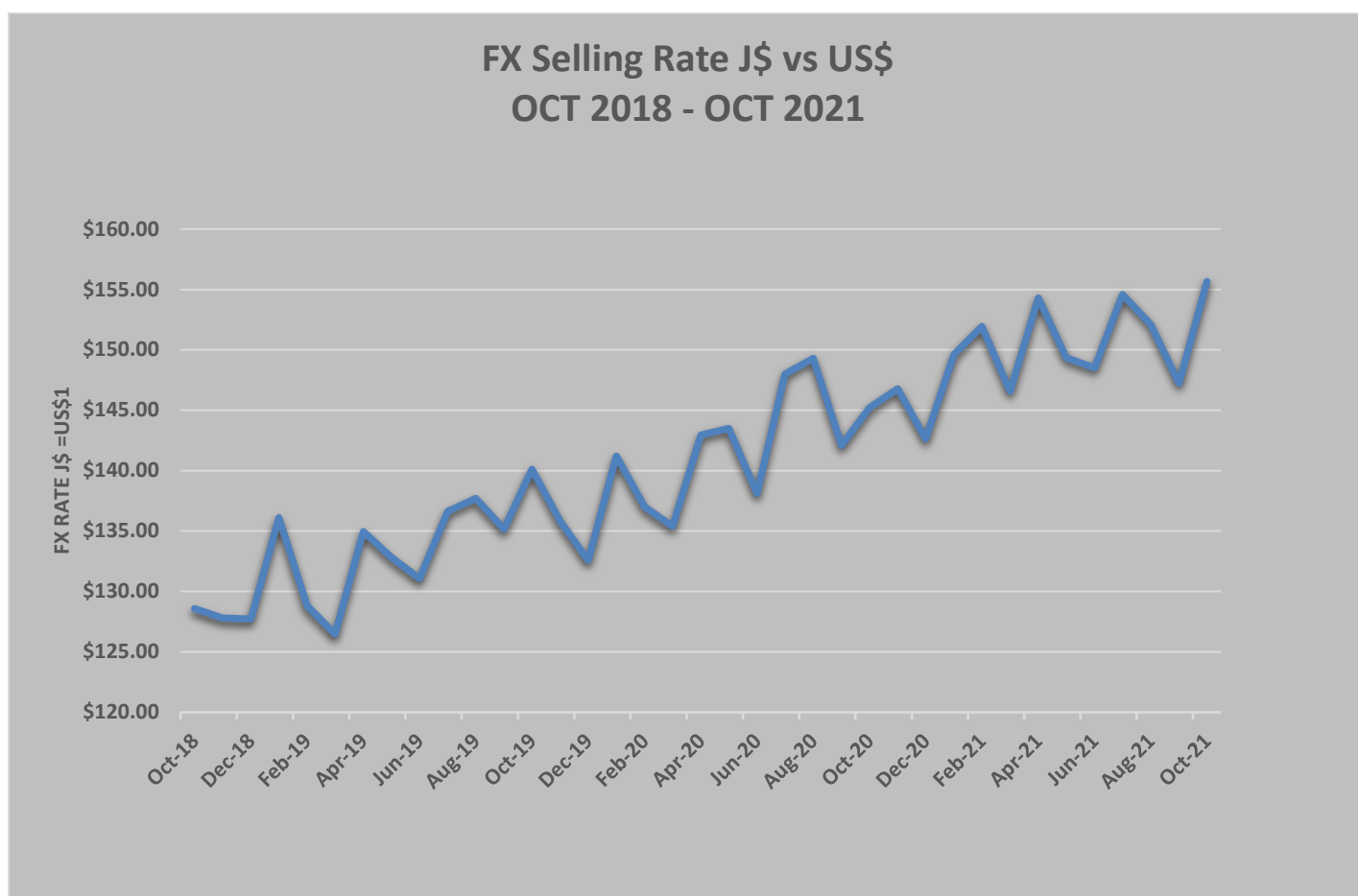
- GOJ's year to date fiscal performance at the end of Q2 of fiscal year 2021/2022 recorded revenues above budget by \$14.08B and expenditures below budget by \$15.31B. The fiscal balance as at the end of September 2021 was reported as a surplus of \$29.4B vs. a budgeted deficit of \$33.94B.
- The Jamaican economy improved by 14.2 per cent in Q2 of 2021 when compared to the similar 2020 period. The performance for Q2 was largely owing to increases in the Services and Goods Producing industries by 14.8 per cent and 12.7 per cent respectively. When compared to the first quarter of 2021, the total value added in Q2 for the economy rose by 2.4 per cent.
- The BOJ policy (overnight lending) rate remained at 1.50 per cent in October 2021. The Central Bank hinted at an increase at the next policy decision announcement that is set for November 16, 2021.
- The JA dollar depreciated by \$8.41 against the US dollar during the month to end at US\$1: J\$155.66. Over the past 12 months, the JAD has slid \$10.46 or 7.20 per cent against the USD.
- The country's Net International Reserves (NIR) decreased by US\$96M or 2.43 per cent to US\$3,868.07M. The current level represents 32.62 weeks of goods and services imports and 143.51 percentage of ARA Metric¹.
- Inflation for the month of September 2021 increased to 2.30 per cent. The calendar year-to-date was 7.10 per cent while the point-to-point rate (year over year) was 8.2 per cent. The point-to-point rate has breached the BOJ's targeted inflation range of 4 per cent- 6 per cent.
- The Jamaica Stock Exchange main index ended October at 403,965.03, a decrease for another month. The index decreased by 10,924.93 points or 2.63 per cent over September. Year to date, the index has advanced 2.11 per cent.
- Crude oil price increased by US\$8.54 or 11.38 per cent during October 2021 to US\$83.57 per barrel.
- US unemployment rate declined by 0.2 per cent to 4.6 per cent as nonfarm payroll jobs reported by the US Labor Department for October 2021 totalled 531,000. Notable job gains were recorded in the leisure and hospitality industry (up by 164K), professional and business services (up by 100K), manufacturing, transportation and warehousing (up by 54K).

¹ Assessing Reserve Adequacy Metric (ARA) is comprised of 4 components, each reflecting a potential drain on the external accounts. The components include Exports of Goods and Services, Broad Money, Short-term External Debt and other portfolio liabilities - BOJ

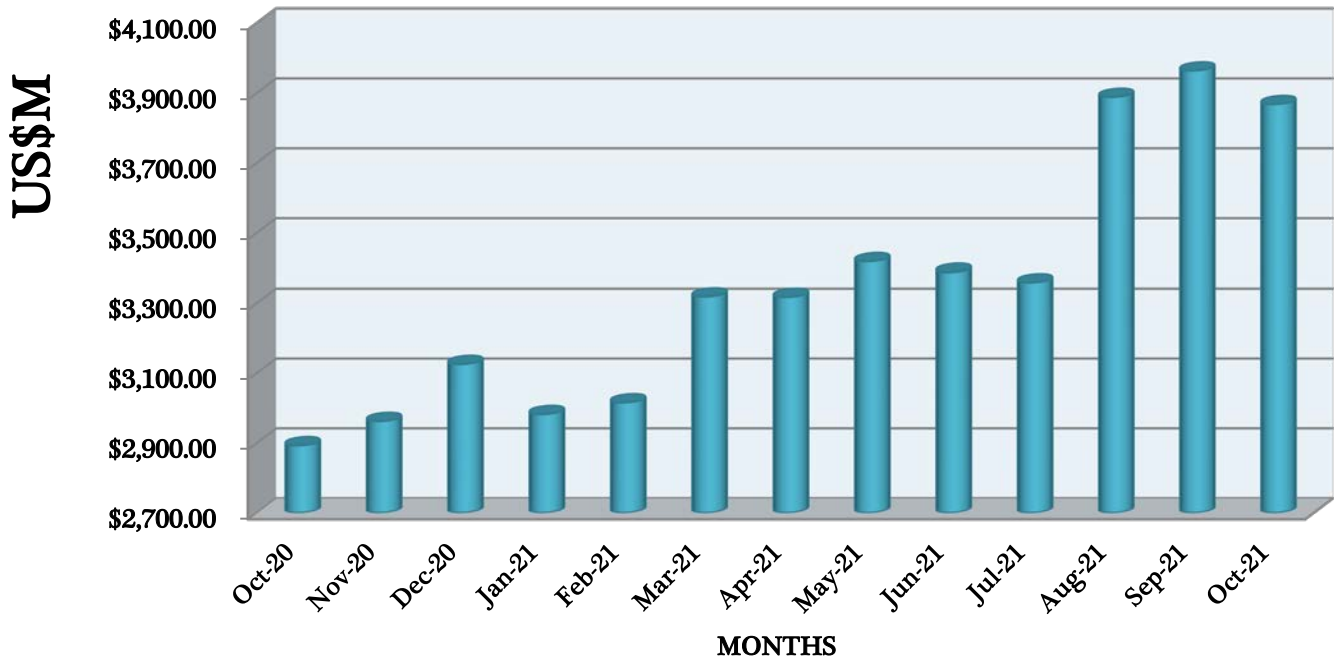
FOREIGN EXCHANGE MARKET

Foreign Exchange

FX Developments	OCT-20	AUG-21	SEP-21	OCT-21	Change(p.m.)
FX Rate - Selling (US\$1: JA\$)	145.1981	152.0910	147.2441	155.6587	5.71%
FX Rate – Selling (£1: JA\$)	191.0729	208.7745	202.9298	215.0163	5.95%
FX Rate – Selling (Can\$1: JA\$)	110.9349	120.7915	117.6625	126.5610	7.56%
Net International Reserves (US\$'M)	2,893.31	3,888.67	3,964.22	3,868.07	-2.43%



NIR OCT 2020 - OCT 2021



BOND AND MONEY MARKET

J\$ - BOJ Open Market Operation	Oct -20	Aug -21	Sep -21	Oct -21	% pts Change (p.m.)
Overnight (Policy) Rate	0.50%	0.50%	1.50%	1.50%	-
30-days	1.00%	1.00%	1.00%	2.00%	1.00
Treasury Bills					% pts Change (p.m.)
3-Mth T-Bill	0.98%	0.88%	1.41%	2.16%	0.75
6-Mth T-Bill	1.12%	1.20%	1.66%	2.57%	0.91
9-Mth T-Bill	n/a	1.31%	n/a	3.69%	-
J\$ - Repo Rates JSDA Bid Yield Curve					% pts Change (p.m.)
30-days	1.50%	1.50%	1.75%	1.50%	-0.25
90-days	1.90%	1.90%	2.25%	1.90%	-0.35
180-days	2.25%	2.25%	2.60%	2.25%	-0.35
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 2019 - OCT 2021



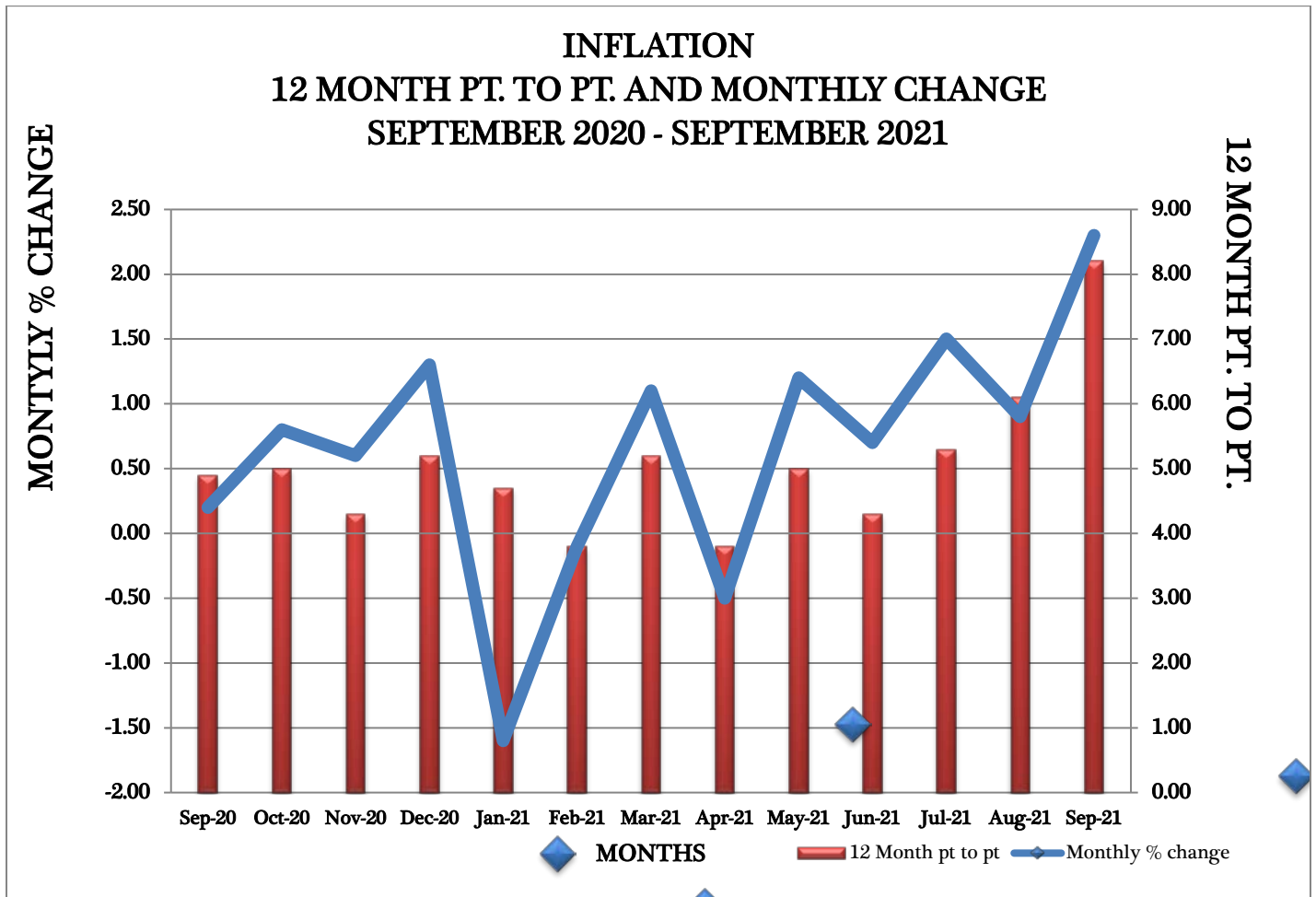
GOJ Global Bonds	BID LEVEL		COUPON	BID YIELD	
	SEP -21	OCT -21		SEP -21	OCT -21
2025	114.10	113.70	7.625%	2.313%	2.318%
2025	119.90	119.60	9.25%	3.876%	3.862%
2028	116.45	116.75	6.75%	3.468%	3.375%
2036	139.50	139.75	8.50%	4.694%	4.663%
2045	139.20	141.00	7.875%	5.031%	4.92%

GOJ FISCAL REPORT

	Actual Sep 20' \$B	Actual Sep 21' \$B	Budget Sep 21' \$B	Difference' \$B
Revenue	42.11	60.57	63.79	(3.22)
Expenditure	59.98	50.29	55.91	(5.62)
Fiscal Balance	(17.87)	10.28	7.88	2.40
Fiscal YTD - Revenue	246.85	329.92	315.84	14.08
Fiscal YTD - Expenditure	323.56	334.47	349.78	(15.31)
Fiscal Balance YTD	(76.71)	(4.54)	(33.94)	29.40

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

- Revenue for the month of September fell short of budget by \$3.22B.
- Expenditure for September 2021 totalled \$50.29B, which represents government saving of \$5.62B when compared to budget of \$55.91B.
- YTD, the fiscal balance outperformed budget by \$29B.

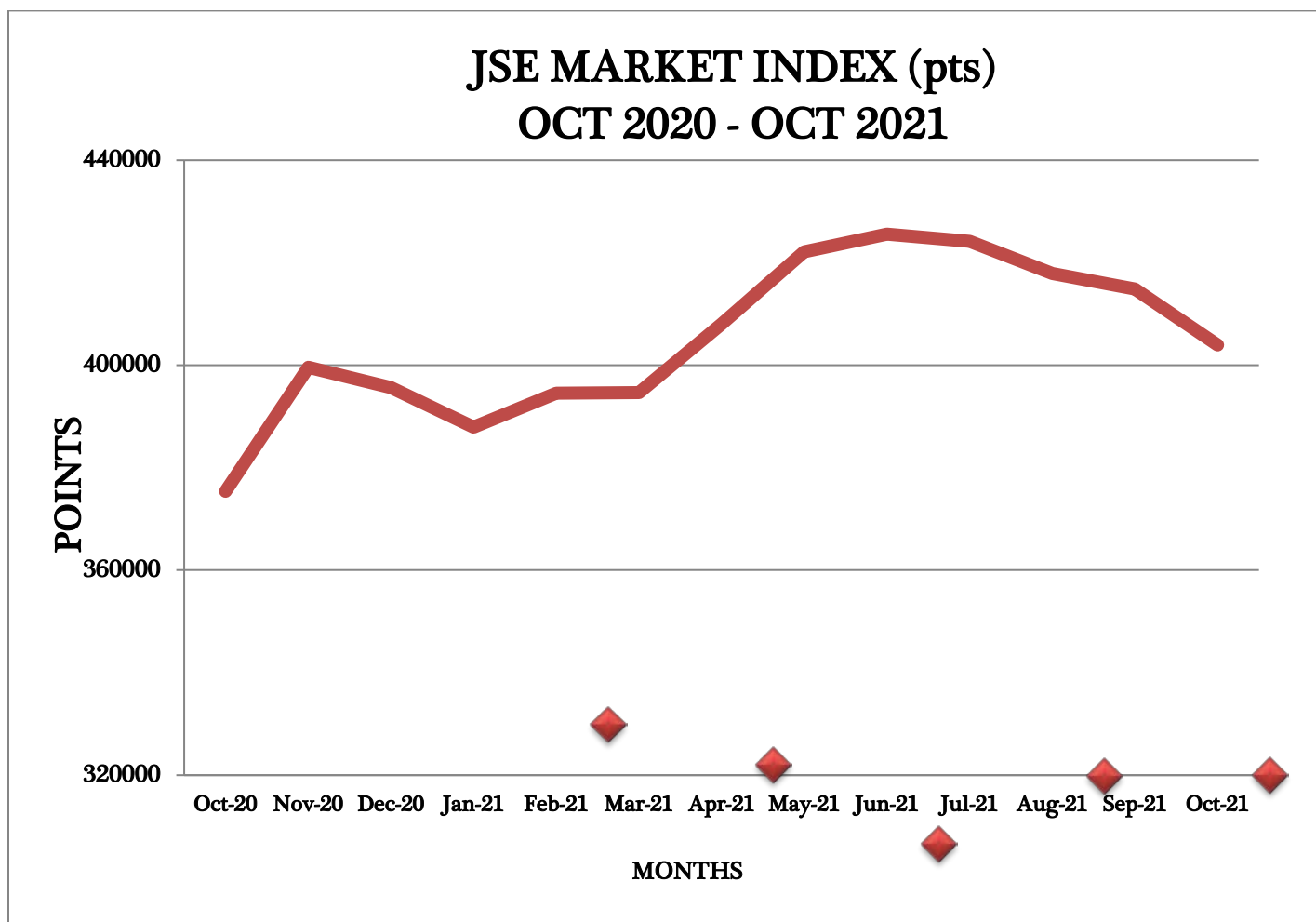


STOCK MARKET

Jamaica Stock Exchange

	Aug-21	Sep-21	Oct-21	% Change (mth.)
JSE Market Index (pts)	417,864.91	414,889.96	403,965.03	-2.63
Volume Traded (units – M)	477.209	374.271	255.874	-31.63
Value Traded - J\$M	8,514.822	8,370.596	2,823.126	-66.28
Market Capitalization (J\$B)	1,789.74	1,791.26	1,747.65	-2.43
Junior Stock Exchange Index (pts)	3,308.60	3,296.35	3,404.40	3.28
Junior Stock Market Cap. -J\$M	152,039.95	151,477.23	156,442.37	3.28
USD Equities Market Index (pts)	185.29	195.60	199.26	1.87
USD Equities Market Cap. -US\$M	516.32	597.68	627.02	4.91

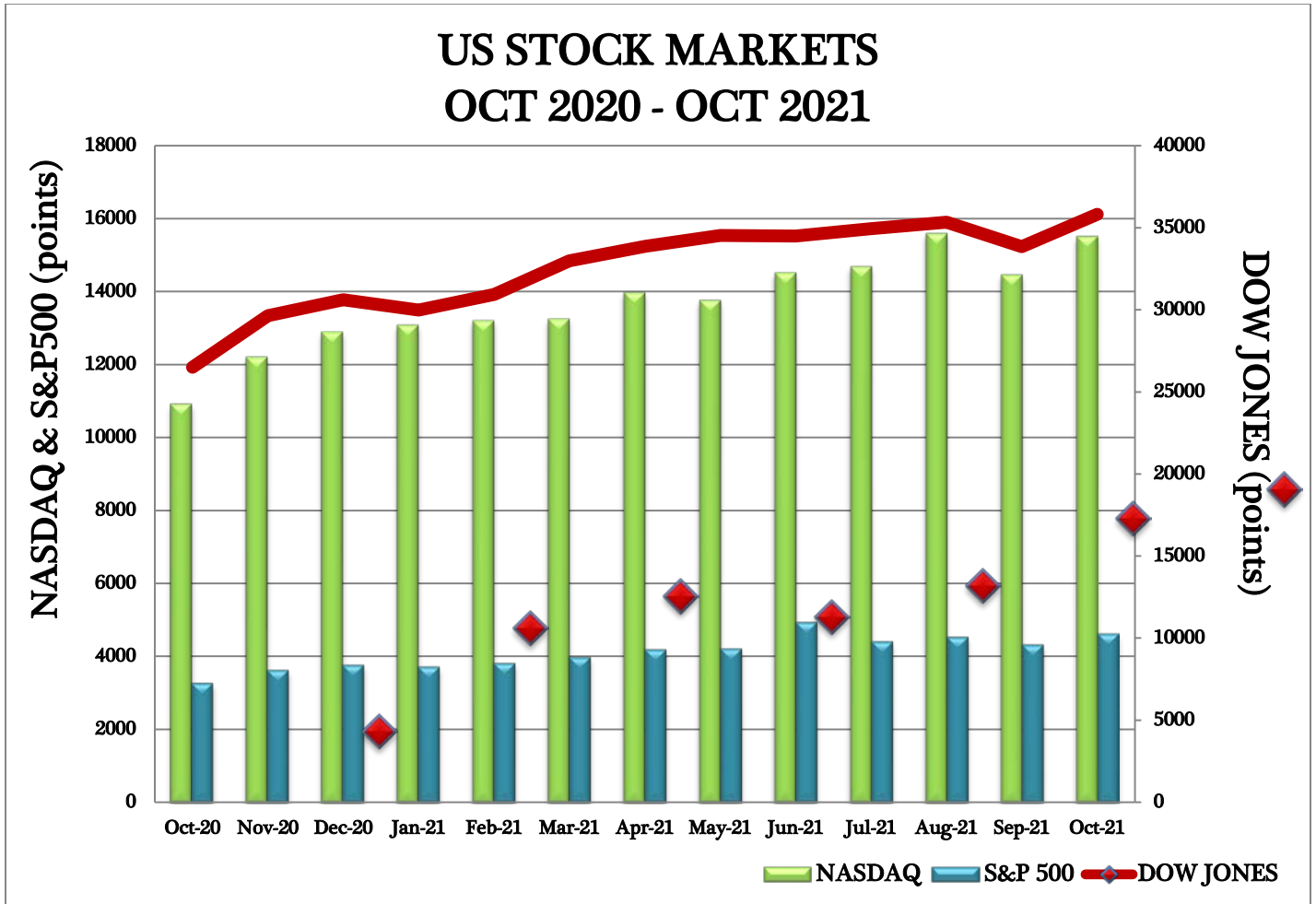
Source: Jamaica Stock Exchange Website (www.jamstockex.com)



- Trading on the main index took place with 255.8M units changing hands at a value of \$2.8B as the market index decreased by 10,924.93 points or 2.63 per cent to 403,965.03 points.
- The junior market index increased by 108.05 points (3.28%) to close at 3,404.40 points.
- The USD equities index increased by 3.66 points (1.87%) to close at 199.26 points.

INTERNATIONAL MARKETS

International Rates	AUG-21	SEP-21	OCT-21	% pts Change (p.m.)
1-Mth Libor	0.086%	0.084%	0.087%	0.003
US Prime Rate	3.25%	3.25%	3.25%	Nil
FED Rate	0.08%	0.08%	0.08%	Nil

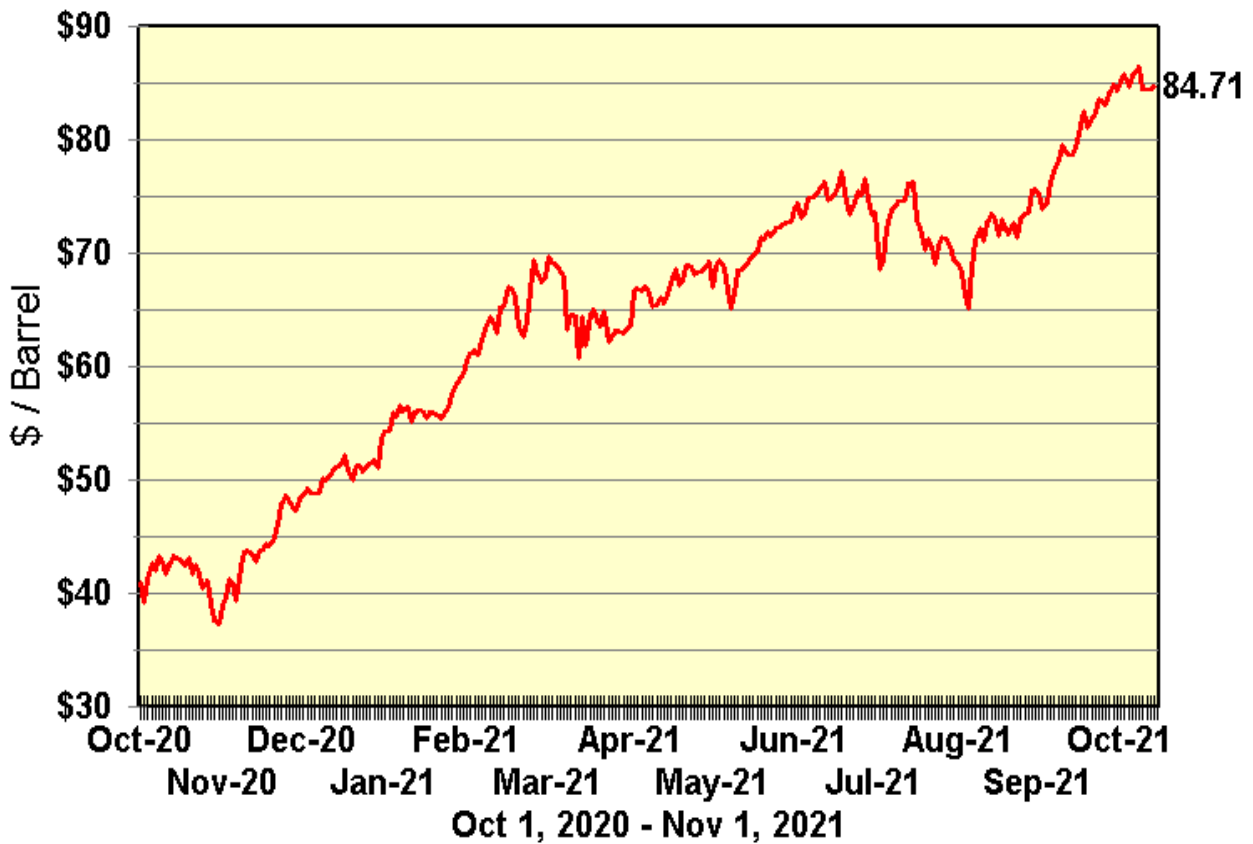


Oil & Gold Prices (US\$)

Index	Aug 2021	Sep 2021	Oct 2021	Month % change
Crude Oil	68.50	75.03	83.57	11.38
Gold	1,815.00	1,755.30	1,783.00	1.58

- Crude Oil price increased by US\$8.54 over the previous month to close at US\$83.57 per barrel.
- Gold futures increased by US\$27.70 to close the month at US\$1,783 per troy ounce.

**Brent Crude Oil Futures
Close (Front Month)**



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