The Government of the Republic of Trinidad and Tobago

Review of the Economy 2015

Restoring Confidence and Rebuilding Trust: Let us do this together

GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO

REVIEW OF THE ECONOMY 2015

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THE INTERNATIONAL ECONOMY[1]

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GLOBAL OVERVIEW

In 2015, global output is expected to expand by 3.3 percent, declining marginally from the 3.4 percent increase recorded in 2014. Supporting this outturn are anticipated output expansions in the United States, Germany, Canada and the United Kingdom. Asian, Emerging and Developing Economies are also expected to record healthy levels of economic growth, albeit at a slower pace relative to 2014. The Euro Area recovery is also anticipated to continue, buttressed by expansions from Germany, France, Spain and the Netherlands.

Growth in the United States is projected to improve slightly to 2.5 percent in 2015, following a 2.4 percent expansion in 2014. In Canada, **real GDP** is expected to moderate to 1.5 percent in 2015, following an increase of 2.4 percent in 2014. Output in the United Kingdom is anticipated to soften to 2.4 percent in 2015, from 2.9 percent in 2014.

Real GDP growth in Emerging and Developing Asia is expected to decelerate to 6.6 percent in 2015, from 6.8 percent one year earlier. During 2015, the Chinese economy is expected to expand by 6.8 percent, from 7.4 percent in 2014; whilst India's **real GDP** is projected to increase by 7.5 percent; improving marginally on the 7.3 percent expansion recorded in 2014.

Continued growth is also anticipated in the Euro Area, with output expected to accelerate to 1.5 percent, from 0.8 percent in 2014. Driving this outturn are anticipated expansions in Spain (3.1 percent), Germany (1.6 percent), France (1.2 percent) and Italy (0.7 percent). During 2015, disinflation (the decrease in the rate of inflation), is expected among advanced economies and most emerging market and developing economies. This declining trend is as a result of the protracted global contraction in oil prices. **Inflation** in Advanced Economies is expected to decelerate to 0.4 percent in 2015, from 1.4 percent in 2014.

1 Source: International Monetary Fund: World Economic Outlook April and July 2015, Fiscal Monitor April 2015, Various Regional Economic Outlooks 2015; and Various Publications from Central Banks and Statistical Offices.

BOX 1: Global Oil Prices: Market Scenario and Outlook

The Unconventional Energy Revolution in the United States

The significant and persistent rise in petroleum prices since the early 2000s, (mainly precipitated by strong demand, together with a series of supply disruptions); eventually led to major re-alignments in the global energy landscape. Crude oil prices hovered around $105 per barrel between 2011 and mid-2014, up from $25 per barrel a decade before. North America emerged as a major producer from an unconventional energy revolution (especially through shale extraction technologies and oil sand development). However, the recent collapse of oil prices may have a deleterious impact on the U.S. unconventional oil industry. Between August 2014 and February 2015, the West Texas Intermediate (WTI) spot oil price nearly halved to around $50 per barrel, below most breakeven price estimates of U.S. shale oil producers. Moreover, current forecasts project that oil prices would modestly recover to around $60 in 2016. A possible explanation for this collapse in petroleum prices is the steady increase in supply from nonconventional sources, combined with a competitive counter-strategy by OPEC (the Organisation of the Petroleum Exporting Countries). In November 2014, OPEC members decided not to lower production in response to the emergence of a positive net flow supply (the difference between global production and global consumption). They decided to maintain their collective output, despite increasing oil inventories associated with the positive net flow supply.

The Consequences of Lower Oil Prices

These combined conditions indicate that the decline in oil prices may be protracted. A major consequence of this is the reallocation of real income from global oil exporters to oil importers, and a further shifting of the global energy landscape. Whilst lower petroleum prices are expected to have a net positive impact for the U.S. economy, the effects on the oil industry will be negative. Industry analysts estimate that investment in shale and tight oil drilling and exploration could be reduced by about 40 percent of the previously planned level for 2015. However, there is significant uncertainty around these estimates as breakeven prices vary greatly by oil field, operating and financial costs also differ widely by operators, and companies may divert some of the planned investment in shale to more traditional investments. Accordingly, lower oil prices will impact the U.S. oil industry by cutting investment in projects with the lowest return and likely shutting down operations that yield negative cash flows. This may induce a healthy restructuring of the industry by stimulating mergers and spurring cost-cutting technological improvements.

The Near-term Outlook for Oil Prices

Recent IMF research indicates that the prices of oil futures point to rising prices. The baseline assumptions (as at April 2015) for the IMF's average petroleum spot price, which are based on futures prices, suggest average annual prices of $58.10 a barrel in 2015, $65.70 in 2016, and $69.20 in 2017. This pattern of increases likely reflects market perceptions that production growth will slow as weak oil prices dampen incentives for oil investment and drilling. Nevertheless, there is substantial uncertainty around the baseline assumptions for oil prices. On the upside, changes to OPEC policy could be a major factor. Additionally, oil demand could be somewhat higher with stronger economic growth after the oil price decline in 2014. Geopolitical risks remain ever present, with added stress for troubled oil-producing countries arising from lower oil export revenues. Risks to the downside include a prolonged surplus due to more subdued aggregate demand growth and sustained oil production growth. Should the industry adjust more quickly than anticipated to lower oil prices and reduced costs, production may exceed expectations, and the market could remain in surplus into 2016.

Source: International Monetary Fund: World Economic Outlook April 2015; and Regional Economic Outlook: Western Hemisphere April 2014, and April 2015

In Emerging and Developing Asia, **inflation** is also expected to decelerate to 3.0 percent in 2015, from 3.5 percent in 2014. In the Commonwealth of Independent States[2], inflation is projected to accelerate to 16.8 percent in 2015, from 8.1 percent in 2014. However, in the Middle East, North Africa, Afghanistan and Pakistan (MENAP) Region, inflation is projected to slow to 6.1 percent in 2015, from 6.7 percent in 2014.

As a percent of GDP, the global **fiscal balance** is expected to slip to -3.4 percent in 2015, from -3.3 percent in 2014. Fiscal deficits are also anticipated for: Advanced Economies (3.3 percent, from 3.9 percent in 2014); the Euro Area (2.3 percent, from 2.7 percent in 2014) and the Middle East, North African and Pakistan (MENAP) Region (7.5 percent, from 0.0 percent in 2014).

UNITED STATES

Buoyed by strengthening private demand and cheaper oil prices, the United States (US) economy is **projected to grow** by 2.5 percent in 2015. This follows an increase of 2.4 percent experienced in 2014. It is expected that the continued availability of cheap credit, the improvements in consumer spending, as well as the strengthening of business confidence and corporate, household and bank balance sheets; will collectively help to counteract the effects of the appreciating dollar.

Notwithstanding the aforementioned expansionary pressures, **inflation** is expected to decelerate to 0.1 percent in 2015, from 1.6 percent in 2014; on account of declining oil and farm commodity prices. It is expected that declines in the price of non-energy imports, will also contribute to the lower inflation rate.

The **unemployment** rate is expected to fall to 5.5 percent in 2015, from 6.2 percent, one year earlier. Recorded gains in payroll employment, (averaging 210,000 per month), during the first half of 2015 support this projected improvement in the labour market. Other conditions also point to an improving labour market; such as the increasing job openings rate (which exceeded the pre-recession level in June), and the rising attrition rate, which reflects workers' growing confidence in labour market opportunities.

The US economy's **current account balance** is projected to improve marginally from -2.4 percent of GDP in 2014, to -2.3 percent of GDP in 2015. Contributing to the continued deficit is the appreciating dollar (which is stimulating imports and dampening exports); and tepid global growth (resulting in lacklustre global demand). However an improvement in the **fiscal balance** is anticipated, from -5.3 percent of GDP in 2014 to -4.2 percent of GDP in 2015; attributable largely to the continued expansion of the domestic economy.

In its July 2015 Monetary Policy Report, the Federal Reserve (the Fed) advised that the target range for the federal funds rate of 0 to 0.25 will be maintained. However, this accommodative stance will be lifted, once the labour market continues to improve and the inflation rate shows signs of approaching the 2 percent policy target. ***Ceteris paribus***, with appropriate policy accommodation, the Fed's Federal Open Market Committee (FOMC) anticipates continued moderate increases in economic growth in the near term, accompanied by improving inflation and labour market conditions. Accordingly, the FOMC expects that these conditions will aid, over the medium-term, the Fed's attainment of its dual mandate of a 2.0 percent inflation rate, and an unemployment rate in the vicinity of 5.0 percent.

THE UNITED KINGDOM

Following an expansion of 2.9 percent in 2014, **real GDP growth** in the United Kingdom (UK) is projected to soften to 2.4 percent in 2015. Contributing to this outcome are falling oil prices, improved conditions in financial markets, and robust household spending. During 2015, **inflation** is expected to decelerate to

2 Comprises 12 countries: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyz Republic, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. Georgia, which is not a member of the Commonwealth of Independent States, is included in this group for reasons of geography and similarities in economic structure.

0.1 percent, from 1.5 percent in 2014; mainly on account of declining energy prices.

As the UK economy continues to expand and absorb economic slack, unemployment is projected to decline to 5.4 percent in 2015, from 6.2 percent in 2014. As a percent of GDP, the current account balance is expected to improve from –5.5 percent in 2014 to -4.8 percent in 2015. Similarly, during 2015, the UK's fiscal balance is expected to improve to -4.8 percent of GDP, from -5.7 percent of GDP in 2014.

THE EURO AREA[3]

Pursuant to a 0.8 percent expansion in 2014, the Euro Area output is expected to increase by 1.5 percent in 2015. Underpinning this recovery in **real GDP**, are anticipated increases for Germany (1.6 percent), France (1.2 percent), Italy (0.7 percent) and Spain (3.1 percent). Key regional growth drivers include: lower oil prices; strengthening private demand; accommodative financial conditions and increased exports on account of a more competitive exchange rate.

The European Central Bank's (ECB) continued efforts to stimulate growth and appropriately reverse weak inflation through its expanded asset purchase programme (quantitative easing) has precipitated the depreciation of the euro, especially against the U.S. dollar. Consequently, the ECB's strategic policy prescription has halted plummeting inflation expectations, boosted export competitiveness and yielded a more supportive financial environment. The ECB's facilitation of improved financial conditions complemented on-going structural reforms and fiscal consolidation efforts; thereby providing an environment conducive to increased domestic demand and investment activity.

Like many of its regional partners, Germany's output expansion is being fuelled by a strong increase in private consumption, supported by higher levels of real disposable income. These increases in real income are being stimulated by the significant declines in oil prices and increased transfer payments. The sudden collapse in petroleum prices, precipitated declines in the prices for consumer fuel and heating oil, which were passed on to consumers in a short time-frame; thereby lifting real disposable income, and, by extension, domestic demand. Lower energy prices have also contributed to reduced corporate costs, thereby facilitating higher levels of corporate profits and investment. However, lower output, investment and demand are anticipated for Greece, on account of the on-going debt crisis and consequent socio-economic upheaval.

During 2015, positive but low headline **inflation** is anticipated in the Euro Area, mainly due to the decline in energy prices. Inflation is therefore projected to decelerate from 0.4 percent in 2014 to 0.1 percent in 2015. Similar decelerations are anticipated for: Germany (from 0.8 percent to 0.2 percent); France (from 0.6 percent to 0.1 percent); and Italy (from 0.2 percent to 0.0 percent). Moreover, during the same review period, deflation is expected for Spain (from -0.2 percent to -0.7 percent), Greece (from -1.4 percent to -0.3 percent), and the Netherlands (from 0.3 percent to -0.1 percent). However, in the medium-term, the decline in inflation and general price-levels are expected to be countered by inflationary pressures resulting from the on-going economic recovery and the depreciation of the euro.

The Euro Area's improved domestic demand and gradual economic recovery are expected to lower **unemployment** marginally to 11.1 percent in 2015, from 11.6 percent in 2014. Minimal declines in unemployment are also anticipated for: Germany (from 5.0 percent to 4.9 percent); France (from 10.2 percent to 10.1 percent); Italy (from 12.8 percent to 12.6 percent); Portugal (from 13.9 percent to 13.1 percent); and the Netherlands (from 7.4 percent to 7.2 percent). However, more significant reductions in unemployment are expected for Spain (from 24.5 percent to 22.6 percent) and Ireland (from 11.3 percent to 9.8 percent).

As a percent of GDP, the Euro Area **fiscal balance** is expected to improve to -2.3 percent in 2015, from -2.7 percent in 2014. This outturn mirrors

3 Composed of 18 countries: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Luxembourg, Malta, Netherlands, Portugal, Slovak Republic, Slovenia, and Spain

improving fiscal balances (as a percent of GDP) for: France (from -4.2 percent to -3.9 percent); Ireland (from -3.9 percent to -2.4 percent); Italy (from -3.0 percent to -2.6 percent); Portugal (from -4.5 percent to -3.2 percent); and Spain (from -5.8 percent to -4.3 percent). However, Germany is expected to record a fiscal surplus of 0.3 percent of GDP in 2015, marginally lower than the surplus of 0.6 percent of GDP recorded in 2014.

JAPAN

Output in Japan is expected to increase by 0.8 percent in 2015, following a contraction of 0.1 percent in 2014. Driving this recovery are anticipated moderate expansions in exports, investment and private demand. In 2015, **inflation** is expected to moderate to 1.0 percent, from 2.7 percent previously; largely due to falling energy prices.

Unemployment is expected to increase marginally to 3.7 percent, from 3.6 percent one year earlier. As a percent of GDP, Japan's **current account** surplus is projected to improve to 1.9 percent in 2015, from 0.5 percent previously; congruent with the economic recovery of its trading partners. An improvement in the **fiscal balance** is also anticipated, from -7.7 percent of GDP in 2014 to -6.2 percent in 2015, in line with the economic expansion and on-going consolidation efforts.

In recent years, Japan's continued expansionary fiscal and monetary policy measures, together with structural reforms, helped to resuscitate Japan's Real GDP and inflation growth. This follows approximately two and a half decades of economic stagnation and deflationary challenges; (precipitated by an ageing and shrinking workforce, and significant product market and labour market rigidities). However, expansionary policy support for stimulating inflation, is being undermined by declining oil prices, persistent deflationary factors, and anticipated low growth in the near term.

EMERGING AND DEVELOPING ASIA[4]

Following an expansion of 6.8 percent in 2014, **growth** in Emerging and Developing Asia is expected to soften to 6.6 percent in 2015. This moderation in output reflects slowdowns in: China (from 7.4 percent to 6.8 percent); Malaysia (from 6.0 percent to 4.8 percent); Mongolia (from 7.8 percent to 4.4 percent); and Sri Lanka (from 7.4 percent to 6.5 percent). In contrast, accelerations in real GDP for: India (from 7.3 percent to 7.5 percent); Thailand (from 0.7 percent to 3.7 percent); Papua New Guinea (from 5.8 percent to 19.3 percent); Indonesia (from 5.0 percent to 5.2 percent); and Myanmar (from 7.7 percent to 8.3 percent); are expected to provide a regional counterweight during 2015.

China's projected slowdown in economic activity reflects a significant decline in residential investment, and falling house prices. However, local government infrastructure spending, lower commodity prices, and strengthening private consumption (buttressed by favourable labour market conditions); are expected to support growth during 2015. As such, during 2015, **unemployment** in China is expected to maintain its position at 4.1 percent. India's strengthening growth reflects the positive effects of lower oil prices, policy reforms and higher levels of investment. Reduced external vulnerabilities, stronger business confidence and continued reform initiatives are also expected to support increased output in 2015.

Malaysia's projected moderation in growth during 2015 is driven by lower commodity prices and exports. The sizeable drop in output anticipated in Mongolia is predicated on the fall in commodity prices, and its adverse impact on the Mongolian economy in 2015. However, the significant expansion of growth expected in Papua New Guinea during 2015, comes on account of the introduction of a large natural gas project, which will provide a

4 Composed of 29 countries: Bangladesh, Bhutan, Brunei Darussalam, Cambodia, China, Fiji, India, Indonesia, Kiribati, Lao P.D.R., Malaysia, Maldives, Marshall Islands, Micronesia, Mongolia, Myanmar, Nepal, Palau, Papua New Guinea, Philippines, Samoa, Solomon Islands, Sri Lanka, Thailand, Timor-Leste, Tonga, Tuvalu, Vanuatu, and Vietnam.

significant one-off boost to output. Papua New Guinea's commencement of Liquid Natural Gas (LNG) production and export is complemented by the production and export of cobalt, nickel and agricultural products.

Weighed down by lower oil prices, **inflation** in Emerging and Developing Asia is expected to decelerate to 3.0 percent in 2015, from 3.5 percent one year earlier. China's inflation is projected to slow to 1.2 percent, (from 2.0 percent previously); whilst inflation in India is expected to continue to hover around 6 percent.

As a percent of GDP, the region's **fiscal balance** is expected to worsen to -2.8 percent in 2015, from -2.1 percent in 2014. As such, fiscal deficits in China and India are expected to slip to 1.9 percent and 7.2 percent, respectively. During 2015, a marginal improvement is anticipated in India's current account balance from -1.4 percent of GDP in 2014, to -1.3 percent of GDP in 2015. China's **current account** surplus is expected to expand from 2.0 percent of GDP in 2014, to 3.2 percent of GDP in 2015.

LATIN AMERICA AND THE CARIBBEAN[5]

The Latin America and Caribbean (LAC) region is expected to record its fifth consecutive decline in **real GDP** growth in 2015, with output falling to 0.5 percent, from 1.3 percent in 2014. Key contributory factors include: falling global commodity prices; weakening business and consumer confidence; and dampening private demand. Accordingly, economic contractions are projected for three of South America's largest economies in 2015: Argentina (to -0.3 percent, from 0.5 percent in 2014); Brazil (to -1.5 percent, from 0.1 percent in 2014); and Venezuela (to -7.0 percent, from -4.0 percent in 2014).

In contrast, during 2015, economic growth is expected to accelerate in: Chile (to 2.7 percent, from 1.8 percent in 2014); Peru (to 3.8 percent, from 2.4 percent in 2014); Mexico (to 2.4 percent, from 2.1 percent in 2014); St. Vincent and the Grenadines (to 2.1 percent, from 1.1 percent in 2014); St. Lucia (to 1.8 percent, from -1.1 percent in 2014); and Jamaica (to 1.7 percent, from 0.5 percent in 2014). Interestingly, real GDP is expected to increase for the Caribbean's tourism dependent economies, from 1.5 percent in 2014 to 2.0 percent in 2015. Contrariwise, growth for the Caribbean's commodity exporters is expected to slow to 2.4 percent in 2015, from 2.8 percent one year earlier. Growth among the financially integrated economies of Latin America (Brazil, Chile, Colombia, Mexico, Peru, and Uruguay) is expected to remain flat around 2.4 percent.

During 2015, it is expected that the U.S. recovery will benefit LAC countries possessing close links with the U.S. economy, especially through trade, tourism and remittances. It is also expected that the drop in energy prices will mainly benefit the region's energy importers (mostly located in Central America and the Caribbean).

On average, the import bill for energy importers is expected to be reduced by 3 to 4 percentage points of GDP in 2015. However, the region's energy exporters are expected to experience reduced export and fiscal revenues, with the minor consolation of stable, lower, fuel prices and reduced fuel subsidy expenditures. Brazil, the region's largest economy, is undergoing its most severe economic downturn in more than two decades. Consumer demand and private investment have been undermined by elevated inflation, tighter credit supply, a weakening labour market, and the fall-out from the Petrobras scandal. In addition, it is expected that declining energy prices, worsening terms of trade and high levels of uncertainty; will further compound the situation. However, a more positive outlook is anticipated for the region's second largest economy, Mexico; on account of strengthening external demand from the U.S. and reforms in the energy and telecommunications sectors.

Inflation is expected to decline in many countries within the LAC region, on account of lower oil and commodity prices. During 2015, declines in inflation

5 Composed of 32 countries: Antigua and Barbuda, Argentina, The Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay, and Venezuela.

are projected for: Mexico (to 3.2 percent, from 4.0 percent in 2014); Chile (to 3.0 percent, from 4.4 percent in 2014); Paraguay (to 3.6 percent, from 5.0 percent in 2014); Suriname (to 1.9 percent, from 3.4 percent in 2014); and Panama (to 0.9 percent, from 2.6 percent in 2014). Moreover, deflation is anticipated for El Salvador (to -0.8 percent, from 1.1 percent in 2014) and Grenada (to -1.5 percent, from -0.9 percent in 2014). However, increases in inflation are projected for Brazil (to 7.8 percent, from 6.3 percent in 2014); Costa Rica (to 4.6 percent, from 3.2 percent in 2014); Haiti (to 6.4 percent, from 3.9 percent in 2014); St. Kitts and Nevis (to 2.0 percent, from 1.0 percent in 2014); and Venezuela (to 96.8 percent, from 62.2 percent in 2014).

Although labour markets have started to weaken, the region's **unemployment** rate remains low, especially among the larger economies. In 2015, unemployment is expected to remain at 4.1 percent in Panama, whilst recording marginal declines in Argentina and Mexico to 7.0 percent and 4.3 percent, respectively. However, Brazil's unemployment rate is expected to climb to 5.9 percent, from 4.8 percent in 2014.

Whilst declining oil prices has lowered the energy import bill for many LAC countries, it has also precipitated concomitant terms-of-trade challenges for the region's energy exporters. Consequently, as a percent of GDP, the region's **current account** deficit is projected to slip to 3.2 percent in 2015, from 2.8 percent in 2014. As a percent of GDP, similar declines are anticipated for Argentina (to -1.7 percent in 2015, from -0.9 percent in 2014) and Mexico (to -2.2 percent in 2015, from -2.1 percent in 2014). In contrast, current account balance improvements are projected for Panama (to -10.4 percent of GDP in 2015, from -12.0 percent of GDP in 2014) and Brazil (to -3.7 percent of GDP in 2015, from -3.9 percent of GDP in 2014). The prevailing balance of payments challenges in the region, underscore the critical importance of flexible exchange rates as a policy tool to help countries adjust to more difficult external circumstances.

Notably, regional policy-makers also have the responsibility to manage financial sector vulnerabilities and address structural challenges towards improving potential growth, productivity, investment and global competitiveness. In this season, prudent fiscal policy is also vitally important, towards managing expenditure trajectories, fluctuations in revenue, fiscal balances and financing commitments. In this regard, as a percent of GDP, the region's **fiscal balance** is expected to remain at -4.9 percent during the review period. Contributing to this outturn are fiscal deficits (as a percent of GDP) for Argentina, Brazil and Mexico, of 4.1 percent, 5.3 percent and 4.1 percent, respectively.

Table 1: Macroeconomic Indicators for Selected Economies

	Real GDP		Consumer Prices		Unemployment (%)		Current Account Balance[1]		Fiscal Balance[2]	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Advanced Economies	**1.8**	**2.1**	**1.4**	**0.4**	**7.3**	**6.9**	**0.4**	**0.6**	**-3.9**	**-3.3**
United States	2.4	2.5	1.6	0.1	6.2	5.5	-2.4	-2.3	-5.3	-4.2
Japan	-0.1	0.8	2.7	1.0	3.6	3.7	0.5	1.9	-7.7	-6.2
Canada	2.4	1.5	1.9	0.9	6.9	7.0	-2.2	-2.6	-1.8	-1.7
Euro Zone	**0.8**	**1.5**	**0.4**	**0.1**	**11.6**	**11.1**	**2.3**	**3.3**	**-2.7**	**-2.3**
United Kingdom	2.9	2.4	1.5	0.1	6.2	5.4	-5.5	-4.8	-5.7	-4.8
Germany	1.6	1.6	0.8	0.2	5.0	4.9	7.5	8.4	0.6	0.3
Spain	1.4	3.1	-0.2	-0.7	24.5	22.6	0.1	0.3	-5.8	-4.3
Greece	0.8	2.5	-1.4	-0.3	26.5	24.8	0.9	1.4	-2.7	-0.8
Portugal	0.9	1.6	-0.2	0.6	13.9	13.1	0.6	1.4	-4.5	-3.2
Ireland	4.8	3.9	0.3	0.2	11.3	9.8	6.2	4.9	-3.9	-2.4
Advanced Asia	**1.6**	**2.2**	**2.2**	**1.2**	**3.8**	**3.9**	**2.2**	**3.1**	**n/a**	**n/a**
Hong Kong	2.3	2.8	4.4	3.2	3.2	3.2	1.6	2.0	5.3	3.2
Korea	3.3	3.3	1.3	1.5	3.5	3.6	6.3	7.1	0.3	0.3
Singapore	2.9	3.0	1.0	0.0	2.0	2.0	19.1	20.7	4.2	1.5
Emerging and Developing Asia	**6.8**	**6.6**	**3.5**	**3.0**	**n/a**	**n/a**	**1.3**	**2.1**	**-2.1**	**-2.8**
China	7.4	6.8	2.0	1.2	4.1	4.1	2.0	3.2	-1.1	-1.9
India	7.3	7.5	6.0	6.1	n/a	n/a	-1.4	-1.3	-7.1	-7.2
Latin America	**1.3**	**0.5**	**n/a**	**n/a**	**n/a**	**n/a**	**-2.8**	**-3.2**	**-4.9**	**-4.9**
Argentina	0.5	-0.3	n/a	18.6	7.3	7.0	-0.9	-1.7	-2.7	-4.1
Brazil	0.1	-1.5	6.3	7.8	4.8	5.9	-3.9	-3.7	-6.2	-5.3
Mexico	2.1	2.4	4.0	3.2	4.8	4.3	-2.1	-2.2	-4.6	-4.1
Panama	6.2	6.1	2.6	0.9	4.1	4.1	-12.0	-10.4	n/a	n/a
Commonwealth of Independent States	**1.0**	**-2.2**	**8.1**	**16.8**	**n/a**	**n/a**	**2.2**	**2.5**	**n/a**	**n/a**
Russia	0.6	-3.4	7.8	17.9	5.1	6.5	3.1	5.4	-1.2	-3.7
Middle East, North Africa, Afghanistan, and Pakistan	**2.7**	**2.6**	**6.7**	**6.1**	**n/a**	**n/a**	**6.4**	**-1.9**	**0.0**	**-7.5**
Sub-Saharan Africa	**5.0**	**4.4**	**6.3**	**6.6**	**n/a**	**n/a**	**-3.3**	**-4.6**	**-3.1**	**-3.2**
South Africa	1.5	2.0	6.1	4.5	25.1	25.1	-5.4	-4.6	-4.1	-4.2
Nigeria	6.3	4.5	8.1	9.6	n/a	n/a	2.2	0.7	-2.3	-2.0
Ghana	4.2	3.5	15.5	12.2	n/a	n/a	-9.2	-7.0	-9.8	-6.3

Source: International Monetary Fund: World Economic Outlook April and July 2015 (Update), Fiscal Monitor April 2015
n/a: not available
1 & 2: % of GDP

ECONOMIC PERFORMANCE OF CARICOM STATES[6]

INTRODUCTION

Prolonged structural weaknesses and large external imbalances continued to impede a sustained economic recovery in most Caribbean territories[7] in 2014. In the tourism-dependent Caribbean, **average growth** measured 1.5 percent, the highest since 2007, while **growth** in the commodity-exporting Caribbean tapered to 2.8 percent from 3.1 percent in the previous year.

On balance, **economic recovery** is expected to continue in 2015, led by the Bahamas, Jamaica and several Eastern Caribbean Currency Union (ECCU) countries[8]. The major economies, including Jamaica, Barbados and Guyana are expected to register **growth** rates of 1.7 percent, 0.8 percent and 3.8 percent, respectively, in 2015.

While the plunge in world oil prices – from $105 in mid-2014 to about $40 per barrel in August 2015 – has been a boon for all Caribbean economies which are net hydrocarbon importers, with the notable exception of Trinidad and Tobago, the oil market rout has accentuated the risk of disruptions to the Petrocaribe programme through which Venezuela has subsidised oil imports to partner economies in the Caribbean.

Inflation remained generally subdued, with the exception of Haiti where it is projected to intensify to 6.1 percent in 2015, from 5.3 percent in 2014. Meanwhile, Jamaica is projected to register 7.0 percent, reversing the downward trend in inflation which had accelerated since September 2014 and due primarily to deflation related to energy, transport and a rebound in agricultural supplies from severe drought conditions of mid-2014.

Public finances remained under strain even in the face of cheaper oil imports. Among the tourism-dependent economies, the average **current account deficit**, financed mainly through foreign direct investment and official flows, was projected in excess of 13 percent of GDP in 2015, while in commodity-exporting economies, this projection was lower at 5.9 percent of GDP.

6 Source: IMF Regional Economic Report-April 2015/Western Hemisphere IMF Country Report

7 Aruba, The Bahamas, Barbados, Belize, ECCU, Guyana, Haiti, Jamaica, Suriname, Trinidad and Tobago, Curacao and Sint Maarten.

8 Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, as well as Anguilla and Montserrat which are dependent territories of the United Kingdom.

BARBADOS

Barbados' IMF led adjustment programme and tourism-led recovery in 2015 resulted in **real GDP** growth of 0.8 percent, from a negative 0.3 percent growth in the previous year. The average **unemployment rate** measured 12.3 percent at end-2014 while private sector credit remained sluggish. Conversely, a rebound in tourism stabilised foreign reserves which, supported by lower oil prices, stood at US$968 million (the equivalent of 14.4 months of imports) at the end of June 2015 and in excess of the 12-week benchmark of goods and services imports. The English Test Cricket Tour during the second quarter of 2015 contributed significantly to the tourism sector which registered increases in tourist arrivals of 25 percent, 23 percent and 14 percent from the US, Canadian and UK markets, respectively.

Notwithstanding the positive impulse of its adjustment programme, on December 19, 2014 Standard and Poor's lowered its long-term sovereign credit ratings on Barbados to 'B' from 'BB-' with a negative outlook. This downgrade mirrored prolonged, large fiscal deficits, a high and rising debt burden and narrower financing options. **Central government debt** excluding securities held by the National Insurance Scheme reached 101 percent of GDP in March 2015 (134 percent when included). **Inflation** is expected to wane to 0.9 percent by the end of 2015 from 2.3 percent in 2014, reflecting lower fuel and commodity prices.

The **central government deficit** trended down from 11.2 percent of GDP at end-March 2014 to 6.6. percent of GDP at end-March 2015. This fiscal outturn denotes an adjustment of 5 percent of GDP in the primary balance, as revenue gains derived from improved tax administration were met with cuts in the wage bill and government transfers.

The successful re-launch of the Government Savings Bonds Programme in June 2015 brought funding to the tune of $40 million by June 30, while the National Insurance Scheme funding of the deficit remained unaltered. The high spread between the Barbados and US Treasury bill (T-bill) rates, which typically does not exceed 200 basis points, widened to 300 basis points since the recent 2009 Global Recession. This high spread persisted and remained unaffected by the Central Bank's policy since April 2013 of influencing interest rates through intervention in the T-bill market.

The embryonic alternative energy sector has experienced setbacks due to administrative delays in the form of processing of licenses. Notwithstanding these delays, business and household generation of electricity by solar photovoltaic systems measured 2 percent of total electricity production at the end of June 2015.

JAMAICA

The comprehensive economic reform programme under the IMF's Extended Fund Facility (EFF)[9] has spurred significant progress in the Jamaican economy. Enhanced fiscal and monetary rules adopted since May 2013 include public sector transformation, public pension reform and reform of the securities dealers sector. Key reforms adopted in the period under review include the first stage of implementation of the tax administration's integrated tax software in February 2015 and the adoption of the National Budget ahead of the fiscal year in March 2015.

Economic growth is projected to improve to near 2 percent in 2015, as the full-year impact of moderating oil prices and the rebound from drought materialise, with the latter expected to boost growth by ¾ percentage point. Consequently, business confidence attained its highest level since 2007 in the first quarter of 2015, while consumer confidence has also strengthened with the US$625 million expansion and upgrade of the Kingston Container Terminal (KCT).

9 The EFF is intended for countries which are: (i) experiencing serious payments imbalances because of structural impediments; or (ii) characterised by slow growth and an inherently weak balance of payments position. It provides assistance in support of comprehensive programmes that include policies aimed at correcting structural imbalances over an extended period. Financing under the EFF currently carries the IMF's basic rate of charge, with a grace period of 4.5 years and a maturity of 10 years.

Debt has been positioned on a firm downward trajectory, departing from 140.6 percent in 2014 to 132.8 percent in 2015 and projected to fall further to 127.3 percent in 2016. **Inflation** measured 4.7 percent in 2014 and is expected in the range of 5.5 to 7.5 in fiscal 2015/2016. Full-fledged inflation targeting is envisioned with the Bank of Jamaica conducting annual reviews to assess institutional readiness which is expected to be completed by October 2015.

The Bank of Jamaica, in reaffirming its current accommodative policy stance, cut its 30-day **deposit rate** by 25 basis points to 5.5 percent in April 2015, while the rates on its operations for providing liquidity have been tempered by 75 basis points, effectually narrowing the interest rate corridor by 50 basis points.

Net international reserves climbed to US$2.4 billion by end-April 2015, above the projected EFF programme path while the main fiscal anchor of the programme, a primary surplus target of 7.5 percent of GDP, was comfortably met with public enterprises recording stronger surpluses.

Continued focus on strengthening the regulatory and supervisory framework includes the introduction of auctions for periodic repo operations, reinforcing the instruments that anchor the interest-rate corridor and exploring options to re-liquefy the secondary domestic bond market. The Banking Services Act was adopted in June 2014, and implementation of the related regulations should commence by end-September 2015.

GUYANA[10]

The Guyanese economy registered broad-based **real economic growth** of 3.8 percent in 2014 with a similar expansion projected for 2015, albeit at a slower rate, following 5.2 percent growth in 2013. GDP growth is attributed mainly to robust sugar, rice, forestry and manufacturing output as well as expanding activities in the services sector (construction and transportation and storage). Conversely, output of gold, bauxite, fishing as well as wholesale and retail trade activities experienced drawbacks in production activity.

Strong domestic supply, easing of commodity prices and relatively stable interest and exchange rates restrained inflationary pressures on the real economy. **Inflation** increased slightly to 1.2 percent in 2014 from a low of 0.9 percent in 2013, reflecting moderate increases in the prices of meat, fish and eggs, fruit and fruit products, tobacco and tobacco products, non-alcoholic beverages, and prepared meals and refreshments.

The **agricultural sector** (including sugar processing and rice milling) experienced an upsurge of 7.4 percent growth relative to the 2013 increase of 3.5 percent. This performance was attributable mainly to favourable weather and increased productivity levels. Both sugar and rice output exceeded the targeted amount by 15.8 percent to 216,192 tonnes and 18.6 percent to 635,238 tonnes, respectively.

The **mining sector** contracted by 11.5 percent in real terms, on account of lower gold and bauxite output. Bauxite production decreased by 8.7 percent to 1,563,563 tonnes, and represented 85.3 percent of the downward revised targeted amount of 1,833,169 tonnes for 2014; on account of Metal Grade (MAZ) and Calcined Grade (RASC) bauxite declining by 15.1 percent and 7.2 percent, respectively. Gold production declined by 19.5 percent to 387,508 ounces or 86.1 percent of the downward revised targeted amount of 450,000 ounces, owing to a contraction of small and medium scale production. The diamond industry experienced a surge in production by approximately 56.3 percent to 99,950 mt. ct. on account of higher international prices.

The **overall balance of payments** deficit narrowed marginally to US$116.4 million in 2014 from US$119.5 million in 2013, as a result of a decrease in the deficit on the current account as well as a contraction in the capital account surplus. The **current account deficit** decreased by 18.6 percent or US$84.8 million to US$371.2 million, mainly due to higher net inflows of unrequited transfers coupled with lower net payments for services which offset an expansion in the merchandise trade deficit.

10 Source:- Bank of Guyana, Annual Report 2014

The **capital account surplus** contracted by 33.1 percent or US$104.1 million to US$210.6 million, mirroring a decline in inflows to the non-financial public sector in the form of disbursements and an increase in short-term private capital due to activity of net foreign assets of commercial banks.

Net domestic credit by the banking system increased by 25.1 percent in 2014, slightly lower than the 25.2 percent increase in 2013. The stock of external debt, which represented 39.5 percent of Gross Domestic Product, fell by 2.3 percent on account of reduced disbursements received under the PetroCaribe Initiative and the Inter-American Development Bank (IADB).

ECCU

External and fiscal vulnerabilities compounded by severe financial fragilities continued to plague the ECCU region in 2015, beckoning the urgent need for stabilising weak banks and strengthening of the general legal and regulatory framework. **Output growth** for the region has, however, steadily increased over the past few years and amounted to 1.7 percent in 2014 with a prospect of 2 percent in 2015. St. Kitts and Nevis' growth measured 7 percent in 2014, the strongest in the region by far, while Antigua and Barbuda paled in comparison with a growth rate of 2.4 percent.

Under the Citizenship-By-Investment (CBI) Programme, St. Kitts and Nevis experienced a construction boom, with CBI revenues to the budget increasing to about 14 percent of GDP. Growth in St. Lucia and St. Vincent and the Grenadines deteriorated to -1.1 and 1.1 percent in 2014 from -0.5 percent and 2.4 percent in 2013, respectively.

In 2014, **inflation** in the ECCU countries edged up to 0.7 percent, from 0.0 percent in 2013. Inflationary rates varied from 2.0 percent in St. Kitts and Nevis to -0.7 percent in Grenada. The overall **external current account deficit** narrowed to 15.8 percent in 2014 from 17.2 percent in 2013. A further narrowing of the external current account deficit to 13.9 percent is envisaged for 2015. Despite strong tourism receipts and falling exports, the external current account deficit widened in Belize to 7.6 percent of GDP in 2014 from 4.4 percent the previous year.

In Grenada, recovery is maintaining momentum as significant progress has been achieved on fiscal consolidation, with almost half of the IMF's total programmed consolidation of the Extended Credit Facility implemented in 2014. Moreover, the government reached a restructuring agreement in principle with its private commercial bond creditors, a critical milestone toward restoring debt sustainability after peaking at about 107.5 percent of GDP in 2013. The current account deficit narrowed to 18 percent of GDP in 2014; the lowest deficit in a decade and a half (excluding 2004).

In Antigua and Barbuda, recovery continues to be tepid, as fiscal performance was weaker than expected. While low fuel prices, recovery in the United States and the opening of the new airport terminal are projected to assist growth, pressures persist in the financial system as the Antigua & Barbuda Investment (ABI) Bank Ltd. remains unresolved. These, coupled with high Non-Performing Loan (NPL) ratios have undermined the rest of the banking sector, occasioning a fourth consecutive year of negative credit growth.

The ECCB's Monetary Council lowered the floor on savings deposit rates by 1 percentage point to 2 percent (effective May 1, 2015) – the first effective loosening of regional monetary policy since 2002 which could strengthen bank profitability going forward.

Table 2: Macroeconomic Indicators for Selected CARICOM Economies

	Real GDP Growth			Consumer Prices (End of period, percent)			Unemployment (%)			Current Account Balance			Fiscal Balance[1]		
	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
Barbados	0.0	-0.3	0.8	1.1	2.3	0.9	11.9	12.3	n/a	-9.3	-9.1	-5.1	-7.7	-3.5	-1.6
Guyana	5.2	3.8	3.8	0.9	1.2	1.2	n/a	n/a	n/a	-13.3	-15.9	-16.4	-3.5	-4.4	-3.7
Jamaica	0.2	0.5	1.7	9.5	4.7	7.0	14.9	15.3	n/a	-8.9	-6.4	-5.0	7.7	7.7	7.5
ECCU (All Countries):	1.1	1.7	2.0	0.0	0.7	1.2	n/a	n/a	n/a	-17.2	-15.8	-13.9	0.3	0.9	-1.9
Antigua and Barbuda	1.8	2.4	1.9	1.1	1.3	1.0	n/a	n/a	n/a	-14.6	-14.5	-10.7	-1.6	-0.2	-7.4
Dominica	-0.9	1.1	2.4	-0.4	-0.1	0.9	9.8	n/a	n/a	-13.1	-13.0	-13.1	-1.0	-1.6	-1.4
Grenada	2.4	1.5	1.5	-1.2	-0.7	-1.0	n/a	n/a	n/a	-27.0	-23.6	-17.4	-4.0	-2.4	1.3
St. Kitts and Nevis	3.8	7.0	3.5	0.4	2.0	2.0	n/a	n/a	n/a	-6.7	-10.7	-16.2	16.3	13.1	3.6
St. Lucia	-0.5	-1.1	1.8	-0.7	1.7	3.1	20.6	n/a	n/a	-12.8	-12.4	-13.4	-2.1	-2.2	-2.6
St. Vincent and the Grenadines	2.4	1.1	2.1	0.0	0.6	0.1	n/a	n/a	n/a	-31.3	-29.4	-27.6	-4.1	-3.4	-3.3

Source: Regional Economic Outlook (REO), Western Hemisphere – Main Economic indicators, April 2015
n/a: not available
1 Public Sector Primary Balance of the REO, Western Hemisphere, April 2015

SUMMARY OF MACROECONOMIC PERFORMANCE OF THE TRINIDAD AND TOBAGO ECONOMY

The latest estimation of the Central Bank envisages an almost 2.0 percent contraction of the Trinidad and Tobago economy for the first half of 2015. However, the Central Statistical Office (CSO), the official source for national statistics has indicated that the Trinidad and Tobago economy is projected to grow by a marginal 0.2 percent in 2015. Nevertheless, it is widely recognised that there are risks to the projection of GDP for the full year.

According to the CSO, the slightly improved outturn is premised on the continued positive performance in the Non-Petroleum sector; offsetting the larger contraction in the Petroleum sector. Real economic activity in the Non-Petroleum sector is forecasted to expand by 2.3 percent in 2015; a marked improvement from its marginal growth of 0.1 percent in 2014. The Non-Petroleum sector has recorded an average annual growth rate of 2.3 percent since the 2008/2009 global financial crisis and the sector is expected to account for 64.7 percent of real GDP in 2015, up from 63.4 percent in 2014. The Services sub-sector is expected to continue to be the main catalyst of economic activity and is projected to contribute 56.2 percent to real GDP in 2015, slightly up from its 54.9 percent contribution in 2014.

A 3.4 percent contraction is projected for the Petroleum sector in 2015 following a smaller contraction of 2.4 percent in 2014 and predicated on lower output in the Exploration and Production, Refining (including Atlantic LNG), Petrochemicals and Asphalt Production sub-sectors. Petroleum sector's contribution to GDP is expected to decline to 34.9 percent, from 36.2 percent in 2014.

The rebasing of the **Index of Retail Prices** (RPI) from its January 2003 base has primarily resulted in an adjusted weighting structure for the items that constitute the RPI basket, with the name and composition of some items modified, and some items having been placed in a different sub-category. With effect from April 2015, the new base for the RPI is January 2015.

During 2015, headline[11] **inflation** pressures eased from a year-on-year rate of 7.6 percent in January to 5.3 percent in March, and remained stable at around 5.6 percent during the following four months, notwithstanding stronger food price pressures since June. The rate of increase in the general price level has remained within single digits for thirty-six consecutive months, since August 2012.

Unemployment ticked up marginally to 3.7 percent in the second quarter of fiscal 2015, from its historical low of 3.3 percent in the first quarter. In most industries, with the exception of Petroleum and Gas; Construction; Electricity and Water; and Wholesale and Retail Trade, Restaurants and Hotels, unemployment rates were recorded below the national average.

Central Government's fiscal operations are projected to realise an **Overall Deficit** of $7,013.7 million, or 4.2 percent of GDP compared to an overall deficit of 2.6 percent of GDP for fiscal 2014. Total Revenue and Grants is estimated at $54,803.6 million or 32.7 percent of GDP of which Tax Revenue continues to be the major component and estimated at $47,286.6 million. The Current Balance is also anticipated to turn a deficit of $3,593.3 million. Total Expenditure is estimated at $61,817.3 million or 36.9 percent of GDP, approximately the same proportion as in fiscal 2014.

The consolidated operations of the Rest of the Non-Financial Public Sector recorded a surplus of $4,820.5 million; slightly higher than the $4,310.8 million surplus for the same period of fiscal 2014.

11 Headline inflation measures the rate of change in All Items in the Index of Retail Prices.

The operational surplus generated by the State Enterprises out-weighted the deficit of the Public Utilities for the period.

Net Public Sector Debt is anticipated to rise by $6,265.3 million or 8.9 percent from $70,280.9 million in fiscal 2014 to $76,546.2 million by the end of fiscal 2015. As a percentage of GDP, Net Public Sector Debt is expected to increase by 6.1 percent from 40.2 percent in fiscal 2014 to 46.3 percent in fiscal 2015.

The Net Asset Value of the Heritage and Stabilisation Fund (HSF) appreciated to US$5,774.9 million by the end of the third quarter in fiscal 2015. The positive performance of the Fund is due to gains in the investment portfolio as no deposits we made for the fiscal year.

Potential financial challenges arising internationally and domestically prompted the Central Bank to adopt a contractionary monetary policy stance, and over the 9-month period to June 2015 increased its main policy rate, the Repo rate, for the first time in almost two years. The Central Bank increased the Repo rate by 25 basis points following four consecutive meetings of the Monetary Policy Committee and the Repo rate stood at 4.0 percent at the end of June 2015, up from 3.0 percent at the end of September 2014. The Bank also utilised a robust liquidity management approach to support the transmission of the Repo rate increases, in part resulting in significant tightening of domestic liquidity conditions during the first half of 2015.

In response, the commercial banks' prime lending rates have also increased and in June 2015, the median commercial bank prime lending rate stood at 8.13 percent compared with 7.50 percent in September 2014. The weighted average deposit rate also declined by one basis point to reach 0.54 percent over this same period.

As liquidity conditions tightened lending to the private sector by the consolidated financial system moderated as private sector borrowing rose by 5.6 percent year-on-year basis to June 2015 compared with 7.6 percent in June 2014. Commercial banks' business loans slowed to 2.3 percent in June 2015 from 6.1 percent in June 2014. Consumer credit by the financial system maintained steady growth over the period, increasing by 7.4 percent year-on-year in June 2015 compared with 6.1 percent in June 2014. Growth continued to be driven by increases in loans for motor vehicles, home improvement/renovation, as well as credit card financing. Mortgage rates continue to remain near historical lows levels and continued to support the strong demand for real estate mortgage loans and are now in single digit territory.

The Central Bank's active liquidity management approach stimulated an increase in net open market operations (OMOs) in Treasury securities, and over the nine-month period to June 2015, the Bank withdrew $4,980.4 million from the banking system via net open market operations. The Bank's activity in the financial system also influenced commercial banks' total holdings with reserves in excess of the statutory requirement falling to a daily average of $3,227.6 million in June 2015 compared with $6,841.4 million in October 2014.

The weighted average buying rate of the Trinidad and Tobago dollar appreciated slightly (by 0.72 percent) to TT$6.3167 per US$ at the end of June 2015 from TT$6.3654 per US$ in the corresponding period ending June 2014. Similarly, the weighted average selling rate appreciated to TT$6.3650 per US$ at the end of June 2015 from TT$6.4110 per US$1 over the same period; a 0.77 percent appreciation.

The **Balance of Payments** is projected to record a surplus of US$1,330 million in 2014; a 69.1 percent increase over the estimated US$786 million surplus in 2013. The shrinking of the Capital and Financial account deficit from US$ 1,134 million to US$20 million significantly outweighed the depletion of the current account balance of US$1,349 million projected in 2014, from the estimated US$1,920 million in 2013.

Although declining marginally since January 2015, Trinidad and Tobago's **gross official reserves** continued to exceed conventional benchmarks of reserve adequacy and stood at US$ 10,392.3 million at the end of August 2015, representing 11.7 months of prospective imports of goods and non-factor services.

THE REAL ECONOMY

Gross Domestic Product
Petroleum
Agriculture
Manufacturing
Services
Prices
Productivity
Population
Labour Force and Employment

GROSS DOMESTIC PRODUCT (GDP)[12]

The Central Bank has estimated an almost 2.0 percent contraction of real GDP for the first half of 2015. Notwithstanding, the Central Statistical Office (CSO), the official source for national statistics in Trinidad and Tobago has estimated that Trinidad and Tobago's real Gross Domestic Product will grow by a marginal 0.2 percent in 2015. This is premised on a stronger performance in the Non-Petroleum sector; the effect of which will be almost fully counteracted by a larger contraction in the Petroleum sector **(Appendices 1 to 3).**

Real economic activity in the Non-Petroleum sector is forecast to pick up from its marginal growth of 0.1 percent in 2014, to expand by 2.3 percent in 2015. The Non-Petroleum sector has recorded an average annual growth rate of 2.3 percent since the 2008/2009 global financial crisis. The sector is expected to account for 64.7 percent of real GDP in 2015, up from 63.4 percent in 2014.

The Services sub-sector is expected to continue to be the main catalyst of economic growth in the Non-Petroleum industry, with growth strengthening to 2.5 percent from 0.7 percent in 2014. As the largest Non-Petroleum sub-sector, Services is projected to contribute 56.2 percent to real GDP in 2015, slightly up from its 54.9 percent contribution in 2014.

Following two consecutive annual declines of 1.0 percent and 4.0 percent in 2013 and 2014 respectively, and an average decline of 0.6 percent over the last five years, the Manufacturing sub-sector is estimated to expand in real terms by 1.3 percent in 2015. The sub-sector is expected to marginally increase its share of real GDP to 8.1 percent, from 8.0 percent in 2014. However, the Agriculture sub-sector is expected to register growth of 4.4 percent. The sub-sector's share of GDP is expected to rise to 0.5 percent in 2015, from its 0.4 percent level over the past three years.

A contraction of 3.4 percent is projected for the Petroleum sector in 2015 following a contraction of 2.4 percent in 2014. This weaker performance has been predicated on lower output in the Exploration and Production, Refining (including Atlantic LNG), Petrochemicals and Asphalt Production sub-sectors. The remaining Petroleum sub-sectors (Service Contractors and Distribution) are however expected to record strong expansions in 2015. All Petroleum sub-sectors had previously recorded negative growth in 2014. Given its overall weaker performance in 2015, the Petroleum sector's contribution to GDP is expected to decline to 34.9 percent, from 36.2 percent in 2014.

12 GDP is quoted in constant (2000) prices unless otherwise stated

Exploration and Production, which accounts for more than half of the real economic activity in the Petroleum sector, is projected to contract by 3.8 percent in 2015, a worsening from its 1.7 percent decline in 2014. The sub-sector continues to be severely challenged by natural gas production curtailments by upstream producers, which surpass projected rises in crude and condensate production. Consequently, the sub-sector's contribution to GDP is projected to fall to 20.0 percent in 2015 from 20.8 percent in 2014.

Continued declines in Refining (including Atlantic LNG) (4.7 percent, down from 3.6 percent), Petrochemicals (4.4 percent, down from 1.0 percent), and Asphalt Production (16.0 percent, down from 8.0 percent) will also dampen the performance of the Petroleum sector in 2015. Within Refining, a decline in Liquefied Natural Gas (LNG) output and a fall in natural gas processing, on account of lower natural gas supplies, are expected to outweigh an increase in crude and condensate refining during 2015. Downtime at some petrochemical plants for maintenance and repair works and turnaround activity, as well as the fall in the supply of processed natural gas to downstream plants, are also expected to contribute to the projected decline in the Petrochemicals sub-sector.

Strong growth of 10.7 percent is expected in Service Contractors, a significant reversal from the sub-sector's 11.1 percent decline in 2014. The Distribution sub-sector is also forecasted to turnaround in 2015 with growth of 4.0 percent this year, following its 3.5 percent contraction in 2014.

PETROLEUM

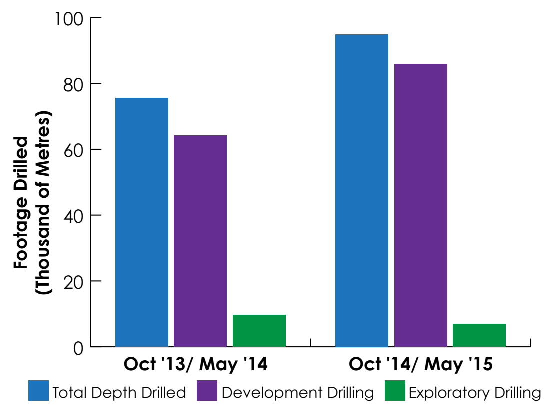
DRILLING

A total of 75 wells were drilled by petroleum companies over the period October 2014 to June 2015, a 33.9 percent increase on the 56 wells drilled during October 2013 to June 2014. This reflected a 42.9 percent expansion in development drilling from 49 wells to 70 wells, which more than outweighed a 28.6 percent contraction in exploratory drilling from 7 wells to 5 wells **(Appendix 7).**

In terms of depth drilled, an estimated 99.0 thousand metres were drilled during the first nine months of fiscal 2015, a 32.1 percent increase from the 74.9 thousand metres drilled one year earlier. Of the total depth drilled, 88.3 thousand metres were for development (up from 62.7 thousand metres) whilst 10.8 thousand metres were exploratory (down from 12.2 thousand metres) **(Figure 1).**

The sharp increase in total drilling reflected a high level of onshore drilling activity to 68.8 thousand metres from 35.7 thousand metres, which outweighed a 23.1 percent decrease in marine drilling to 30.2 thousand metres from 39.3 thousand metres.

Figure 1: Development and Exploratory Drilling



Source: Ministry of Energy and Energy Industries

CRUDE OIL AND CONDENSATE

Production of crude oil and condensate increased by 1.5 percent to 81,605 barrels per day during the first ten months of fiscal 2015, from 80,398 barrels per day during the corresponding period of fiscal 2014. The increase in overall output was driven by increases in both crude oil and condensate production. Whilst crude production remained flat, increasing by a marginal 0.1 percent to 67,337 barrels per day, condensate production rose by 8.8 percent to 14,267 barrels per day from 13,109 barrels per day **(Appendix 7).**

Offshore crude oil and condensate production increased by 1.7 percent to 58,230 barrels per day from 57,252 barrels per day one year earlier. Similarly, onshore production expanded by 1.0 percent to 23,375 barrels per day from 23,145 barrels per day. Consequently, the proportion of crude and condensate produced offshore rose slightly to 71.4 percent from 71.2 percent; whilst the proportion of crude and condensate produced on land fell marginally to 28.6 percent form 28.8 percent.

Crude oil prices fell precipitously from the levels which prevailed in fiscal 2013/2014 due to a number of factors impacting the demand and supply balance in the global oil markets. Most prominent was the November 2014 decision by OPEC members, primarily Saudi Arabia, to maintain their output quota amidst surplus global oil levels, in response to record shale oil production levels in the United States. Saudi Arabia remained committed to continue pumping at near maximum levels, to presumably regain market share from the United States' shale oil industry. However, this industry has been a more resilient lower cost producer than anticipated, through the application of more advanced technological production methods. A tepid global economic recovery; a slowing Chinese economy shaken by a volatile and bearish Chinese stock market, as well as the anticipated return of significant additional Iranian crude oil to the global market on account of a successfully negotiated nuclear deal, has placed added downward pressure on crude prices, pushing them to their lowest levels since the financial crisis of 2008/2009.

On a year-on-year basis, WTI prices plummeted by 50.9 percent to average US$50.90 per barrel in July 2015 from an average of US$103.59 per barrel in July 2014. During the course of the current fiscal year, the monthly average WTI price fell steadily from US$84.40 per barrel in October 2014 to US$47.22 per barrel in January. Thereafter, the average monthly WTI price fluctuated between US$47.00 per barrel and US$51.00 per barrel over the next three months, before recovering slightly to just over US$59.00 per barrel in May and June. However, the price subsequently trended lower to US$50.90 per barrel in July. Over the ten-month period, the WTI price of a barrel of crude oil averaged US$58.95, a 41.2 percent decrease from the average price of US$100.19 during the first ten months of fiscal 2014 **(Table 3).**

Similarly, the average Europe Brent spot price for a barrel of crude oil fell from US$87.43 in October 2014 to US$47.76 in January 2015. The price fluctuated over the ensuing six months, peaking at US$64.08 in May before falling to US$56.56 in July. The ten-month average price of a barrel of European Brent crude oil fell by 41.9 percent to US$63.26 in the fiscal 2014/2015 period, from US$108.80 in the similar previous period.

The average differential between WTI and Brent contracted to US$4.31 during the October 2014 to July 2015 period from US$8.61 one year earlier. On a monthly basis, the price differential varied significantly between its lowest level of US$0.54 in January and its high of US$8.07 in March.

Table 3: Oil and Gas Prices

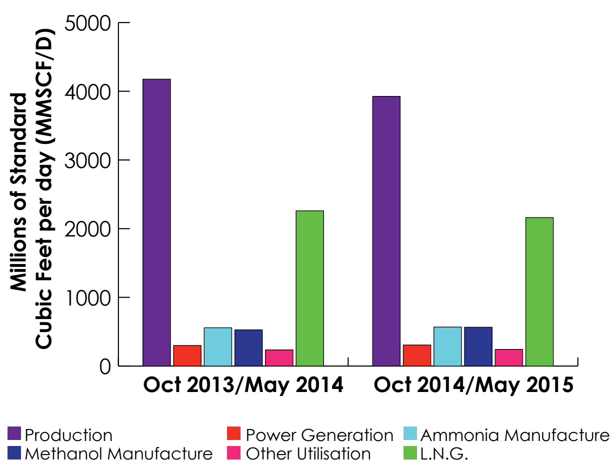
	2014			2015						
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Crude Oil (Spot Price US$/Barrel)										
West Texas Intermediate	84.40	75.79	59.29	47.22	50.58	47.82	54.45	59.27	59.82	50.90
European Brent	87.43	79.44	62.34	47.76	58.10	55.89	59.52	64.08	61.48	56.56
Natural Gas (US$/Thousand Cubic feet)										
Henry Hub	3.78	4.12	3.48	2.99	2.87	2.83	2.61	2.85	2.78	2.84

Source: Energy Information Administration (US)

NATURAL GAS

During the October 2014 to July 2015 period, production of natural gas fell by 5.3 percent to 3,886.8 million standard cubic feet per day, from 4,104.9 million standard cubic feet per day during October 2013 to July 2014 **(Appendix 8 and Figure 2).** Trinidad and Tobago's upstream natural gas output has continued to be negatively impacted by major maintenance and upgrade work to offshore infrastructure, the natural decline in production rates in ageing fields, and temporary disruptions to production to facilitate the movement of rigs under the country's active drilling programme.

Figure 2: Natural Gas Production and Utilisation



Source: Ministry of Energy and Energy Industries

Approximately 53.5 percent (2,078 million standard cubic feet per day) of the natural gas produced during the first ten months of fiscal 2014/2015 were used for the production of Liquefied Natural Gas (LNG). This represented a 3.6 percent decline from the 2,156 million standard cubic feet per day utilised in the comparative 2013/2014 period. Notwithstanding, LNG's share of natural gas utilisation had risen slightly (from 52.5 percent), as all other industries, with the exception of the Refinery (i.e. Petrotrin), have also experienced lower utilisation levels.

Approximately 13.9 percent (538.0 million standard cubic feet per day) of the natural gas output was utilised in the production of Ammonia, whilst 13.6 percent (527.7 million standard cubic feet per day) was used to produce Methanol. These amounts represent usage declines of 4.4 percent and 4.6 percent respectively. Lower utilisation were also reported for the next two largest downstream markets, namely, Power Generation (by 4.6 percent to 292.8 million standard cubic feet per day); and Iron and Steel Manufacture (by 14.5 percent to 92.2 million standard cubic feet per day). The amount of natural gas used in refining however increased by 15.8 percent on account of the increased refining activity at the Pointe-a-Pierre refinery.

The Henry Hub price of natural gas fell sharply during fiscal 2014/2015 in the wake of a larger plunge in global oil prices, and an excess supply of natural gas in the United States. During October 2014 to July 2015, the Henry Hub price declined by 30.9 percent to an average of US$3.12 per thousand cubic feet, from US$4.51 per thousand cubic feet in the comparative fiscal 2013/2014 period. On a monthly basis, the average Henry Hub price per thousand cubic feet increased from US$3.78 in October 2014 to US$4.12 in November. Thereafter, the price decreased steadily to US$2.61 per thousand cubic feet in April, before strengthening slightly over the next three months to end the period at US$2.84 in July 2015 **(Table 3).**

LIQUEFIED NATURAL GAS (LNG)

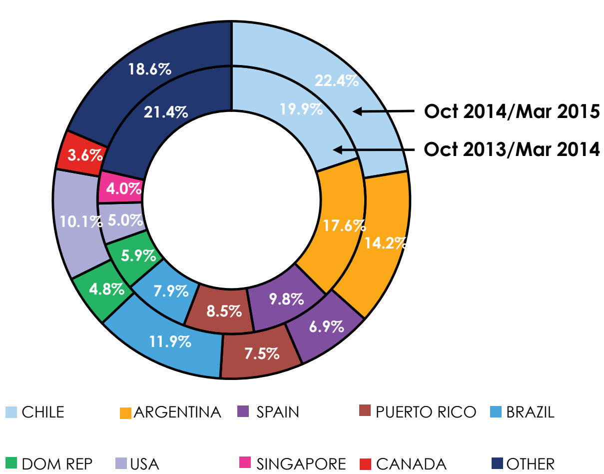
Trinidad and Tobago's LNG industry reported production declines for all four LNG trains during the first eight months of fiscal 2015. Total LNG production decreased by 1.3 percent to 468.2 trillion British Thermal Units (BTU), from 474.6 trillion BTU in fiscal 2014. The production shortfalls were most severe in October 2014, and during the three month February to April 2015 period, as the liquefaction plants continued to experience natural gas supply shortages and plant shut downs due to scheduled and unscheduled maintenance works.

During the period, approximately 468.5 trillion BTU of LNG were exported to at least twenty-one (21) different markets, a 1.2 percent decline from the 474.1 trillion BTU exported to twenty (20) or more countries for the same period of fiscal 2014 **(Appendix 8).**

Most of the country's LNG exports were directed to South America (48.5 percent), North America (16.4 percent), and the Caribbean (12.3 percent). With the sharp fall in crude oil prices and resultant sharp decline in LNG prices, it became more important for Trinidad and Tobago to export its LNG to nearby higher priced markets, such as those in South America, as compared to those further away in Asia and Europe. Consequently, only 11.5 percent of LNG exports landed in Europe; 15.0 percent less for the region compared to the previous fiscal period, whilst Asia received 6.1 percent (down from 9.6 percent).

In country terms, the leading export destinations were Chile, which received 22.4 percent (up from 19.9 percent); Argentina (14.2 percent, lower than the 17.6 percent received last year; and Brazil (11.9 percent, up from 7.9 percent). The United States gained a larger share of Trinidad and Tobago's LNG exports during the current fiscal period (10.1 percent, up from 5.0 percent). Other major LNG export destinations included Puerto Rico (7.5 percent); Spain (6.9 percent); and the Dominican Republic (4.8 percent) **(Figure 3).**

Figure 3: Exports of LNG by Destination



Source: Ministry of Energy and Energy Industries

PETROCHEMICALS (AMMONIA, UREA AND METHANOL)

The production and export of most of Trinidad and Tobago's major petrochemical products declined during the October 2014 to June 2015 period; a reversal of the gains previously experienced during the October 2013 to June 2014 period.

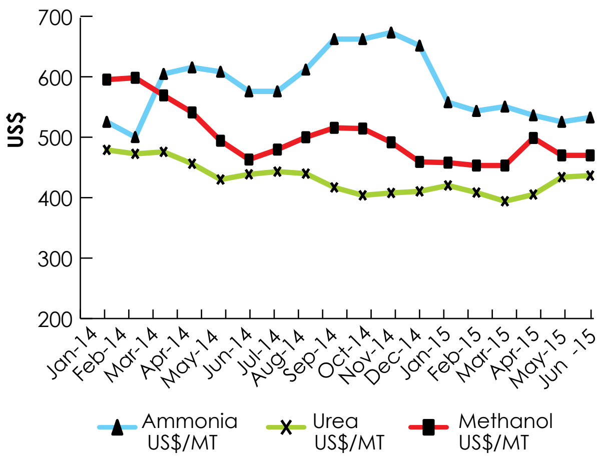
Output of ammonia decreased by 6.1 percent to 3,429.3 thousand metric tonnes, from 3,650.7 thousand metric tonnes in the corresponding fiscal 2013/2014 period. Likewise, ammonia exports fell less severely, by 2.7 percent to 3,196.4 thousand metric tonnes, from 3,286.5 thousand metric tonnes **(Appendix 9).**

Urea production fell sharply by 25.7 percent to 297.5 thousand metric tonnes, from 400.3 thousand metric tonnes during the period under review. This precipitated a decrease in urea exports to 300.0 thousand metric tonnes, 27.3 percent below the 412.4 thousand metric tonnes exported in the previous period.

Methanol production totalled 4,030.8 thousand metric tonnes, a 7.7 percent decline from the 4,369.0 thousand metric tonnes produced one year earlier. Exports of methanol fell as a consequence by 6.0 percent to 4,048.5 thousand metric tonnes, from 4,306.2 thousand metric tonnes.

The average prices earned for Trinidad and Tobago's urea and methanol exports fell during the first nine months of fiscal 2015. However, the average export price for ammonia rose over the same period. During October 2014 to June 2015, the Tampa US Gulf Spot price for ammonia averaged US$527.8 per metric tonne, 6.4 percent higher than the average of US$496.11 per metric tonne received one year earlier. On a monthly basis, after increasing slightly to US$655.00 in November 2014 from US$640.00 in October, the average Tampa US Gulf Spot price declined steadily for the most part to US$450.00 per metric tonne in May 2015, before recovering slightly to US$460.00 per metric tonne in June **(Figure 4).**

Figure 4: Petrochemical Prices (Ammonia, Urea and Methanol)



Source: Ministry of Energy and Energy Industries

During the review period, the monthly average US Gulf Granular Barge Spot price for urea increased from US$281.00 per metric tonne in October 2014 to US$304.00 per metric tonne in January 2015, before decreasing to US$268.00 per metric tonne in March. The price then picked up again increasing to US$327.00 per metric tonne in June. The average price per tonne of urea totalled US$294.43, or 11.6 percent lower than its US$333.20 average in the previous comparative period.

The monthly average US Gulf Granular Barge Spot price of methanol declined from US$435.00 per metric tonne in October 2014 to US$350.00 per metric tonne in February and March 2015, then increased to US$413.00 per tonne in April. The price however, decreased to US$373.00 per tonne in May and June, resulting in an average price of $378.88 per tonne during the review period, a 23.8 percent decrease from the US$497.27 received during the same nine months in fiscal 2013/2014.

AGRICULTURE

OVERVIEW

According to the latest GDP estimates from the CSO, the Agriculture sector is expected to expand by 4.4 percent in real terms in calendar 2015, following its growth of 2.9 percent in calendar 2014. The outturn for 2015 reflects an expected robust performance in the Domestic Agriculture sub-sector which is projected to expand by 10.4 percent. The sub-sector previously recorded four years of economic expansion, with an estimated average annual growth rate of 5.6 percent over the 2011 to 2015 period. Export Agriculture is however expected to contract by 13.8 percent, a sharp reversal from the 61.1 percent growth the sub-sector achieved in 2014. The Distilleries sub-sector is expected to decline by 4.1 percent for a third year. The contribution of the Agriculture sector to real GDP is therefore expected to increase to 0.5 percent in 2015 from its 0.4 percent share which maintained over the past three years **(Appendices 2 and 3).**

According to available estimates from the Ministry of Agriculture, Land and Fisheries (MALF) for most agricultural products, and the latest available CSO data for rice and poultry, the Domestic Agriculture sub-sector experienced mixed outcomes during the period October 2014 to March 2015. Increased acreages under cultivation, greater efficiencies, and measures to address pests, disease and infrastructure in some industries, led to an increase in production of eddoes, rice, paw paw, broiler meat, pigs, live sheep, and live goats. On the other hand, unfavourable weather conditions, pests and disease, labour shortages and competition from imports were some of the factors adversely affecting production of cassava, ginger, dasheen, sweet potatoes, pineapple, mutton, goat meat, beef and veal, cocoa and dairy milk. The apiculture industry remained stable during the review period, however a decline in cocoa bean production has negatively impacted exports of the crop.

DOMESTIC AGRICULTURE

Root Crops

Declines in production were estimated for all root crops with the exception of eddoes. Eddoes production is estimated to have increased by 23.5 percent to 822,900 kilogrammes from 666,500 kilogrammes in the comparative fiscal 2013/2014 period.

Of all other root crops, cassava is projected to have registered the sharpest decline in production of 64.3 percent, falling to 534,100 kilogrammes from 1,494,600 kilogrammes. Ginger production also decreased by 27.0 percent to 285,100 kilogrammes, from 390,400 kilogrammes. An estimated 799,700 kilogrammes of sweet potatoes were produced, a 23.1 percent decline from the previous period, whilst dasheen output is estimated to have experienced a 22.8 percent decline to 1,213,400 kilogrammes from 1,571,100 kilogrammes.

The weaker estimate for root crop production is in part driven by the continuation of challenges previously experienced by farmers, including the lack of access to markets, pests, competition from imported root crops, unfavourable weather conditions and adverse climate change.

Paddy

Rice production increased by a marginal 0.8 percent to 2,146.4 metric tonnes, from 2,130.4 metric tonnes one year earlier. Despite the MALF's efforts to boost rice output, production was lower than targeted due to the late arrival and distribution of imported rice seed to farmers, and a water supply shortfall caused by unseasonably low rainfall.

Other Crops

Pineapple

Pineapple production is estimated to have decreased by 48.4 percent to 458,200 kilogrammes, from 887,200 kilogrammes during the period under review. Less acreage under cultivation due to labour shortages accounted for the fall in production. However, the introduction of biotechnology and improved agronomic practices to prevent soil erosion, are expected to arrest the decline.

Paw Paw

Pawpaw output is estimated at 596,100 kilogrammes, a 5.9 percent increase from the 563,100 kilogrammes produced during the comparative period of October 2013 to March 2014. This improved performance can be attributed to an increase in the acreages under production, notwithstanding the prevalence of pests and diseases as well as a lack of adequate irrigation.

Livestock and Dairy Products

The livestock sub-sector is estimated to have recorded mixed performances as several of the MALF's initiatives to assist with improving the output from the sector were challenged by a number of mitigating factors. These factors include rising imports of livestock, labour shortages, higher feed costs, waste disposal challenges and pest and disease.

Poultry

There was a 16.8 percent increase in broiler meat output to 38.3 million kilogrammes during the review period, from 32.8 million kilogrammes. The number of broilers sold also increased by 8.1 percent to 18.7 million heads of chicken, from 17.3 million heads. The increase in broiler meat sales reflects a more stable poultry industry as producers adjusted to the 15 percent import surcharge imposed last year. Sale of broiler meat is expected to continue its upward trend during the remainder of fiscal 2015.

Pigs

Despite the many on-going challenges faced by the industry (including shortage of labour, increased competition from imports, high cost of feed, and waste disposal challenges), live pig sales is estimated to have increased by 3.7 percent to 34,040 animals during the review period, up from 32,787 animals.

Dairy and Beef

Dairy milk production is estimated to have declined by 19.2 percent to 1,522,151 litres in the 2014/2015 period, from 1,884,283 litres in the corresponding 2013/2014 period. However, it is expected that the dairy industry will respond favourably in the short term to initiatives recently implemented including the Dairy Development and Fertility and Forage Programmes. The establishment of the Central Dairies Milk Processing Facility, and another planned facility at Aripo, are also expected to result in the increased availability of pasteurised milk.

Beef and Veal production is estimated to have decreased to 66,066 kilogrammes from 182,800 kilogrammes, a sharp decline of 63.9 percent.

Small Ruminants

Production of mutton decreased by an estimated 13.9 percent during the period under review, to 91,590 kilogrammes, from 106,400 kilogrammes in the corresponding prior period. Comparatively, the number of live sheep sold increased by an estimated 25.0 percent to 4,000 heads from 3,200 heads. The projected decrease in mutton production may be due to reduced sales on account of a suspected Brucellosis[13] disease scare. However, laboratory test results subsequently confirmed that the disease was not present, and sales have again trended upward. An expansion of the Sheep Production Unit and improvements in infrastructure for sheep housing has led to a reduction in sheep morbidity and is expected to result in an increase in sheep sales and production at the end of the fiscal year.

Goat farmers continued to face production challenges, specifically the presence of disease in locally reared and imported animals and insufficient housing facilities for their herd. Consequently, goat meat production is estimated to have fallen sharply by 68.5 percent to 3,400 kilogrammes from 10,800 kilogrammes last year. A Goat Multiplication Unit has been established to generate breeding stock of superior quality for the farming community and to upgrade the genetic potential of the local goat herd to arrest the continued decline in goat production. Despite the unfounded suspicion of Brucellosis disease which tended to threaten the local sale of live goats, overall sales increased by an estimated 64.5 percent to 1,530 animals, from 930 animals.

Apiculture (Bees)

Notwithstanding the favourable weather conditions and the increased exposure of beekeepers to improved technology through the MALF's county extension programme, estimates of honey production indicated no notable change in output from the approximately 200,000 litres produced during the comparative period last year. Other measures being taken to support the sector include the amendment of the Beekeeping and Bee Products Act and a planned increase in staff to better service the sector.

EXPORT AGRICULTURE

Cocoa

Cocoa bean production is estimated to have fallen by 50.5 percent to 97,415 kilogrammes, from 196,897 kilogrammes. Unsuitable weather conditions, the commencement of production later in the crop year, a decline in the number of active cocoa farmers, labour shortages, and the lack of infrastructural development in some growing areas presented challenges to cocoa producers over the period. Cocoa exports are also estimated to have declined due to the loss of some international markets and the exit of private farmers from the industry.

MANUFACTURING

OVERVIEW

The Manufacturing sector is estimated to grow by 1.3 percent in real terms in calendar 2015. This represents a significant turnaround from the contractions recorded in the two preceding years; 1.0 percent in 2013 and 4.0 percent in 2014 **(Appendices 2 and 3).**

The upturn in the sector has been driven by strong growth of 6.8 percent in Food, Beverages and Tobacco, the largest Manufacturing subsector, which contrasts with the subsector's decline of 4.2 percent in calendar 2014. Within this subsector, the highest expansions in activity are expected in Citrus and Other Fruit and Vegetable Processors; Breweries (including Wine); Bakeries; and Grain and Feed Mills. Similarly, the Printing, Publishing etc. subsector is expected to register increased growth of 6.0 percent, following a decline of 2.4 percent in 2014.

The overall expansion of the Manufacturing sector is however expected to be constrained as several subsectors are projected to decline further, following their negative performances in 2014. The

13 Brucellosis is an infection with bacteria of the *Brucella* genus, frequently causing spontaneous abortions in animals and remittent fever in humans. The bacteria can spread from animals to humans.

largest declines are anticipated to be in Assembly Type and Related Industries (16.2 percent, following a contraction of 8.0 percent), which is projected to contract in most sub-industries including the manufacture of iron, steel and metal products; and Textile, Garments and Footwear (9.0 percent, a marginal improvement on its 9.3 percent downturn in 2014).

The Miscellaneous Manufacturing subsector is also projected to contract by 5.0 percent, a worsening of the 3.3 percent contraction one year earlier. In comparison, smaller contractions are expected in the Chemicals and Non-Metallic Minerals subsector (1.9 percent, after a decline of 0.4 percent in 2014); and in the Wood and Related Products subsector (0.4 percent, an improvement on its 5.2 percent decline in 2014).

MANUFACTURING EXPORTS

Total exports of manufactured goods from Trinidad and Tobago fell by 30.7 percent to $5,016.7 million during the first nine months of fiscal 2015, from $7,241.5 million in the corresponding period of fiscal 2014. This outturn was driven by a 40.1 percent decline in manufacturing exports to Non-CARICOM countries; to $3,761.2 million from $6,279.5 million. Exports to CARICOM countries however increased by 30.5 percent to $1,255.5 million over the period under review. The majority of Trinidad and Tobago's manufacturing exports during the October 2014 to June 2015 period were directed to Non-CARICOM counties (75.0 percent, down from 86.7 percent), with the remaining 25.0 percent being exported to CARICOM countries (up from 13.3 percent).

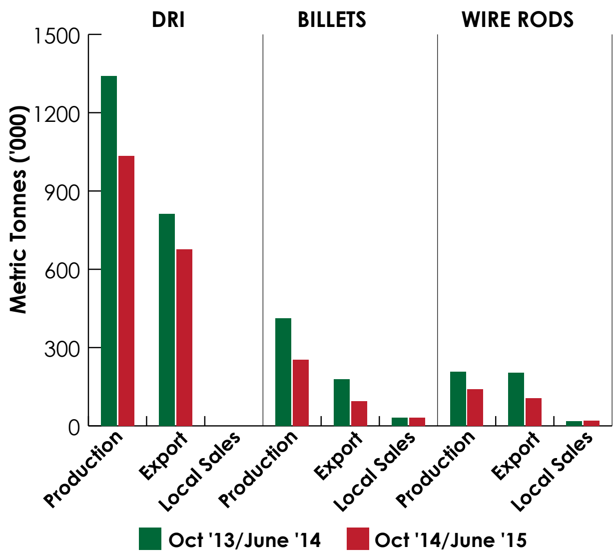
On a quarterly basis; after a strong pick up in the first quarter, the export performance of the manufacturing sector progressively weakened during the course of the fiscal year. Manufacturing exports increased by 8.3 percent to $2,527.6 million in the first quarter of fiscal 2015 from $2,333.5 million one year earlier. A doubling (103.8 percent) in exports of manufactured goods and articles to CARICOM countries greatly outweighed a 10.7 percent decline in the export of such items to non-CARICOM countries in the first quarter of 2015.

During the second and third quarters of fiscal 2015, manufacturing exports declined year-on-year by 28.0 percent and 62.4 percent respectively. Falling exports of manufactured items to non-CARICOM countries drove this outturn, with declines of 31.8 percent (from $1,634.2 million to $1,114.3 million) and 66.3 percent (from $2,699.2 million to $908.7 million) respectively. Manufacturing exports to CARICOM were also lower, but less sharply, by 1.2 percent (from $235.3 million to $232.5 million) and 31.2 percent (from $339.4 million to $233.5 million) respectively.

IRON AND STEEL

During the October 2014 to June 2015 period, iron and steel production declined by 28.1 percent, year-on-year, to 1,410.7 thousand metric tonnes, in contrast to the 5.6 percent increase recorded during the comparative fiscal 2013/2014 period. The sharp fall in overall output reflected precipitous declines in the production of all iron and steel products. Most severe was a 35.7 percent contraction in the production of billets which fell from 420.6 thousand metric tonnes in the 2013/2014 period to 270.7 thousand metric tonnes in 2014/2015. The production of wire rods also fell sharply, by 27.0 percent from 214.4 thousand metric tonnes to 156.5 thousand metric tonnes, whilst the turnout of Direct Reduced Iron (DRI) fell by almost the same extent from 1,326.8 thousand metric tonnes to 983.5 thousand metric tonnes over the review period **(Appendix 10 and Figure 5).** The iron and steel manufacturer has experienced several equipment and supply challenges at its DRI plant, meltshop and rod mill during the current fiscal period. Natural gas and water restrictions, planned shutdowns, and worker absenteeism have also negatively impacted operations at the plant.

Figure 5: Production, Exports and Local Sales of Iron and Steel



Source: ArcelorMittal Point Lisas Ltd.

Total iron and steel exports fell by 28.1 percent from 1,215.5 thousand metric tonnes to 873.8 thousand metric tonnes during the first nine months of fiscal 2015. All three products posted sharply lower export sales, with Billets exports recording the largest fall (53.6 percent) over the review period (from 172.7 thousand metric tonnes to 80.2 thousand metric tonnes). Declines of 33.3 percent and 21.6 percent respectively, were also recorded in the export of wire rods (from 205.6 thousand metric tonnes to 137.2 thousand metric tonnes) and DRI (from 837.2 thousand metric tonnes to 656.4 thousand metric tonnes).

The export price of DRI, a three-month contract price, fell steadily from US$313.00 per tonne in December 2014, to US$275.00 per tonne in March 2015, and to US$231.00 per tonne in June 2015. This translated into an average contract price of US$273.00 per tonne over the nine-month period; well below the average price of US$334.67 per tonne that prevailed one year earlier.

Billet export prices remained stable at US$480.00 per tonne during the first three months of fiscal 2015, but declined over the succeeding two months to US$425.00 per tonne in February. The price increased again to US$516.30 in March 2015 and then declined steadily thereafter to US$347.50 per tonne in June. Over the full nine-month period the price averaged US$437.40 per tonne, a fall of 13.2 percent when compared to the average price of US$503.90 per tonne earned during the corresponding fiscal 2014 period.

The export price per tonne for wire rods held steady at US$570.00 from October 2014 to January 2015, before declining to US$413.75 in March. After briefly reviving to US$505.00 during April and May, the price weakened to US$420.00 in June. This represented an average price of US$515.97 per tonne during the October 2014 to June 2015 period, 13.1 percent lower than the average price of US$593.76 per tonne one year earlier.

In contrast to the industry's weak export performance, sales of steel products to the local market increased by 4.8 percent from 46.9 thousand metric tonnes in fiscal 2014 to 49.2 thousand metric tonnes in fiscal 2015. A 26.0 percent increase in domestic sales of wire rods from 15.6 thousand metric tonnes to 19.6 thousand metric tonnes, more than outweighed a 5.8 percent fall in domestic sales of billets, from 31.4 thousand metric tonnes to 29.5 thousand metric tonnes.

CEMENT

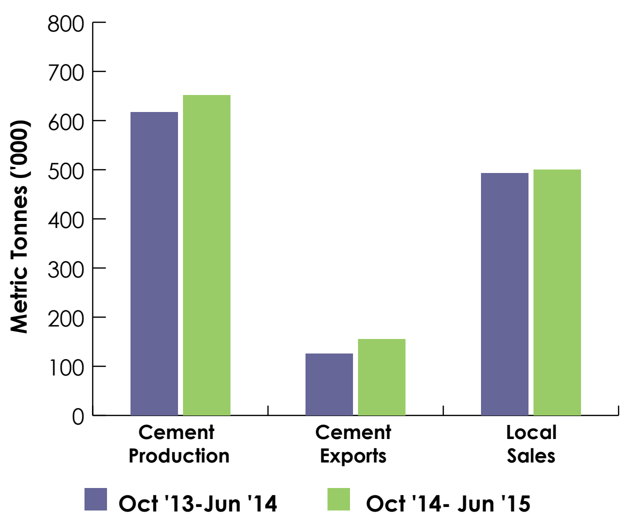
The local cement industry registered growth of 4.6 percent in cement production during the first nine months of fiscal 2014/2015 with output increasing to 640.6 thousand metric tonnes from 612.4 thousand metric tonnes in the corresponding period of fiscal 2013/2014 **(Figure 6)**. The increase in production reflected primarily the optimisation of cement export markets amidst continued strong demand from the domestic construction sector during 2015. Production peaked at 85.0 thousand metric tonnes in May 2015, an increase of 18.0 percent year-on-year.

During the October 2014 to June 2015 period, total cement sales rose by 2.5 percent to 639.7 thousand metric tonnes, from 624.2 thousand metric tonnes one year earlier. Exports of cement to Caribbean and Latin American markets increased by 11.0 percent, to 137.9 thousand metric tonnes from 124.2 thousand metric tonnes. Export sales represented 21.6 percent of total cement sales, compared to 19.9 percent in the corresponding fiscal 2013/2014 period.

The sale of cement on the domestic market increased by a marginal 0.4 percent to 501.8 thousand metric tonnes, from 500.0 thousand metric tonnes. This represented the strongest level of sales to the local construction sector since the 2008 global financial crisis. However, the share of local sales to total cement sales fell to 78.4 percent from 80.1 percent for the comparative periods.

The price of a bag of cement (calculated as an average of all brands sold on the domestic market) increased by 7.4 percent to $62.38, during the first half of fiscal 2014/2015, when compared to its price of $58.10 in the similar period earlier. During the 2014/2015 period, cement prices held stable, falling by a marginal 0.2 percent from $62.45 in the first quarter to $62.30 in the second quarter.

Figure 6: Cement Production, Export and Local Sales



Source: Trinidad Cement Limited

SERVICES

OVERVIEW

Real growth of 2.5 percent is projected for the Services sector in 2015, a marked acceleration on the 0.7 percent growth recorded in 2014 **(Appendix 2)**. This positive outcome reflects improved performances in five of the nine Services subsectors. The strongest growth (8.6 percent) is expected in Finance, Insurance and Real Estate etc, the largest Services subsector; a marked reversal from the subsector's contraction of 1.2 percent one year earlier and driven largely by increased activity in Commercial Banks, Insurance Companies and Non-Financial Services. Robust growth is also expected in the Government subsector (8.3 percent), albeit slightly lower than its 9.4 percent growth recorded in 2014; and in Personal Services (6.3 percent, up from 4.7 percent in 2014). Expansions are also projected in Construction and Quarrying (3.4 percent, up from 2.9 percent); and in Electricity and Water (2.9 percent), and Hotels and Guest Houses (2.2 percent, up from 0.9 percent); whilst growth in the Transport, Storage and Communication subsector is expected to remain the same as in the previous two years (1.2 percent).

Notwithstanding, contractions are anticipated in Distribution and Restaurants, the second largest services subsector (5.3 percent, a worsening of activity from the 1.1 percent contraction recorded one year earlier) due to weaker performances in wholesale trade and in retail trade (including restaurants); as well as in Education and Cultural Services (3.4 percent, down from a contraction of 2.0 percent).

CONSTRUCTION

Real economic activity in the Construction and Quarrying sub-sector is expected to increase for a third consecutive year to 3.4 percent in calendar 2015, up from 2.9 percent in 2014 and 6.4 percent in 2013. Consequently, the sub-sector's contribution to GDP is projected to rise marginally from 5.1 percent in 2014 to 5.3 percent in 2015 **(Appendices 2 and 3)**. The positive growth estimate for the sub-sector has been driven by the accelerated implementation of Government's Public Sector Investment Programme and the continuation of existing private sector construction projects. Notwithstanding, economic activity in the sub-sector is expected to be moderated by the advance stage of many projects that are near completion, a shifting of priorities regarding new public sector projects in light of the recent change in government, and the smaller fiscal space for capital investment as a result of the sharp fall in government revenue due to lower energy prices.

TOURISM

Visitor arrivals to Trinidad and Tobago by air and cruise rose slightly by 0.8 percent to 470,740 persons during calendar 2014. The marginal rise in overall arrivals was on account of a sharp increase in cruise passengers, which was offset for the most part by a decline in air passengers.

During the January to June 2015 period, visitor arrivals to Trinidad and Tobago by air and cruise ship totalled 277,153 persons; an increase of 19.2 percent when compared to the 232,473 persons who visited the country one year earlier.

Airline Arrivals

Trinidad and Tobago received approximately 427,918 air passengers in 2014, a 1.4 percent decrease from the 434,044 air passengers who visited in 2013. Air arrivals to Trinidad and Tobago during the first six months of calendar 2015 rose by 10.3 percent to 232,204 persons, from 210,441 persons during the corresponding 2014 period.

Cruise Ship Arrivals

A total of 39 cruise ships moored in Trinidad and Tobago in calendar 2014; 4 more or 11.4 percent greater than in the previous calendar year. Accordingly, the total number of cruise passengers increased by 29.6 percent to 42,822 persons, from 33,053 persons. The increase in total cruise passenger arrivals reflected a 2.4 percent increase in the number of cruise passengers visiting Trinidad to 13,085 persons in 2014, and a 46.7 percent increase in the number of cruise passengers visiting Tobago to 29,737 persons.

During the first six months of calendar 2015 (the annual cruise season normally extends from October to May), a total of 39 cruise vessels visited Trinidad and Tobago. This was 85.7 percent above, or 18 more vessels than during the corresponding period in 2014. Trinidad and Tobago received 44,949 passengers during this period; more than double the 22,032 passengers which arrived during the first six months of 2014. A total of 5,278 passengers landed in Trinidad onboard 8 vessels (down from 8,758 passengers on 5 vessels one year before), and 39,671 passengers landed in Tobago onboard 31 vessels (up from 13,274 passengers on 16 vessels one year before).

Yachting Arrivals

The number of yachts visiting Trinidad and Tobago during calendar 2014 increased by 6.0 percent to 1,558 vessels. This compares to 1,470 vessels which anchored in 2013. The highest yacht arrivals occurred in August 2014 (198 vessels); 48.9 percent above the previous year. In contrast, December, registered the lowest number of yacht landings (71 vessels), a 26.0 percent decline from the year before.

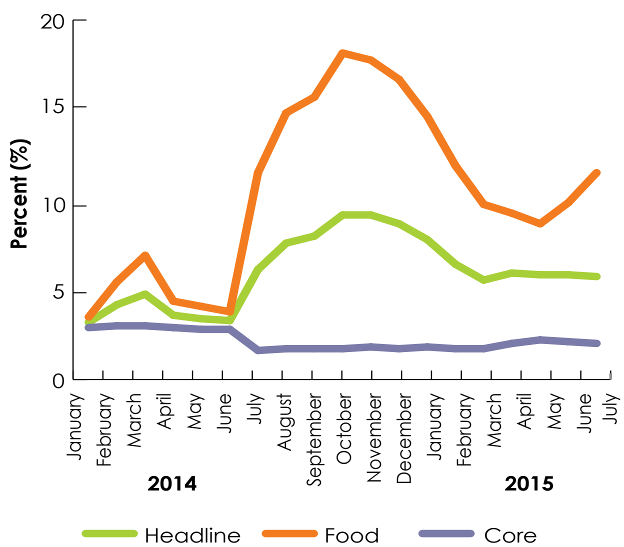
Yacht arrivals to Trinidad and Tobago fell during January to June 2015 period, to 725 vessels, or 21.8 percent below the number which berthed in the comparative 2014 period. Trinidad received 546 vessels, 25.5 percent less than the previous year (733 vessels), whilst Tobago received 179 vessels, 7.7 percent less than the previous year (194 vessels).

PRICES

In 2011, the Central Statistical Office (CSO) began the process of rebasing the Index of Retail Prices (RPI) from its January 2003 base. It became necessary to rebase the RPI in order to more accurately reflect the changes in the consumption structure of goods and services purchased by citizens of Trinidad and Tobago, due to the changing tastes of consumers as well as the exit and entry of old and new commodities respectively into the local market since the last rebasing exercise. The new RPI basket of items was developed from the Household Budgetary Survey (HBS) which was conducted from May 2008 to April 2009. The rebasing exercise has primarily resulted in an adjusted weighting structure for the items that constitute the RPI basket. It entailed the removal of some items from the list of goods and services and the addition of other items to the list. The name and composition of some items have been modified, and some items have also been placed in a different sub-category. With effect from April 2015, the new base for the RPI is January 2015.

During 2015, **headline**[14] inflationary pressures eased from a year-on-year rate of 7.6 percent in January to 5.3 percent in March, and remained stable at around 5.6 percent during the following four months, notwithstanding stronger food price pressures since June **(Figure 7).** The rate of increase in the general price level has remained within single digits since August 2012, or for thirty-six consecutive months.

Figure 7: Prices – Percentage Change (Year-on-Year)



Source: Central Statistical Office

Food price inflation declined steadily from 14.6 percent in January to 8.5 percent in May, and then rose over the succeeding two months to reach 11.4 percent in July. The drivers of food inflation during 2015 were higher prices for Meat (28.9 percent); and Bread, Cereal and Cereal Preparation (1.8 percent). Core[15] inflation remained well contained at below 2.0 percent during the 2015 period, marginally fluctuating within the 1.4 percent to 1.7 percent range.

During the seven-month period ending July 2015, the general price level **(headline)** rose by 0.7 percent (calendar year-to-date), which was sharply lower than the 3.5 percent rise recorded during the corresponding 2014 period. This reflected weaker **food** inflationary pressures (1.3 percent compared to 6.1 percent); and lower transport prices (-0.5 percent) compared to higher transport prices one year earlier (2.4 percent) **(Appendix 11).** The ease in food inflation was driven by cheaper prices for Salt, Pepper and Spices (3.0 percent); Vegetables (8.1 percent); Milk Cheese and Eggs (0.6 percent); and smaller price increases for Fruit (6.9 percent, compared to 21.8 percent); and Fish (1.7 percent, compared to 3.3 percent). **Core** inflation rose slightly to 1.6 percent from 1.4 percent, primarily on account of a 6.2 percent rise in the prices relating to Recreation and Culture, which reversed the 0.1 percent decrease in these prices one year earlier. Sharper price increases were registered for Clothing and Footwear (6.5 percent); Miscellaneous Goods and Services (4.3 percent); and Housing (0.7 percent) during the 2015 period.

In annual average terms, **headline** inflation increased to 5.8 percent in 2014 from 5.1 percent in 2013. The modest acceleration was supported by higher inflation rates for Food (10.0 percent, up from 8.7 percent); Housing (0.7 percent, up from 0.2 percent); and Clothing and Footwear (1.9 percent, up from 0.4 percent) **(Appendix 11).**

Headline inflation generally trended upwards during most of 2014. The year-on-year rate of change in the All Items Retail Price Index increased from 2.9 percent in January to 4.5 percent in March before slowing over the next three months to 3.0 percent in June. Price pressures built up during the following four months with inflation reaching 9.0 percent in October, before easing to 8.5 percent in December **(Figure 7).**

Food price inflation reflected similar movements, beginning with a low of 3.2 percent in January and remaining within single digits during the first half of 2014, before escalating to double digits during the

14 Headline inflation measures the rate of change in All Items in the Index of Retail Prices.

15 Core inflation measures the rate of change in All Items in the Index of Retail Prices excluding Food and Non-alcoholic Beverages.

entire second half of the year, with a peak rate of 18.2 percent in October. The main drivers of food price inflation during the year were faster price increases for Salt, Pepper and Spices; Vegetables; Fruit; Meat; and Milk, Cheese and Eggs.

The annual average rate of **core** inflation nudged down to 2.1 percent in 2014 from 2.3 percent in 2013. Slower price increases for Recreation and Culture (0.6 percent, from 3.7 percent); Miscellaneous Goods and Services (5.8 percent from 6.9 percent); Health (3.0 percent, from 5.2 percent); and Transport (2.8 percent, from 3.4 percent) were the main contributors to this result. In terms of the monthly year-on-year rates, core inflation decreased from 2.6 percent in January to 1.4 percent in December. Driving this decrease were a 2.5 percent decline in the prices for Recreation and Culture and slower price increases for Miscellaneous Goods and Services (2.9 percent, from 10.8 percent); Health (1.5 percent, from 3.6 percent); and Hotels, Cafes and Restaurants (1.8 percent, from 4.5 percent).

PRODUCTIVITY

The productivity of all workers in all industries, as measured by the All Items Productivity Index, increased by 1.1 percent in fiscal 2014, which was lower than the 3.2 percent increase attained in fiscal 2013 **(Appendix 11).**

On a year-on-year basis, the productivity of all workers in all industries declined by 5.2 percent in the first quarter of fiscal 2015, a significant downturn from the gain of 7.8 percent achieved in the comparative 2014 period. Losses in productivity were recorded in Petrochemicals (28.5 percent); Oil and Natural Gas Refining (20.8 percent); Textiles, Garments and Footwear (16.1 percent); Electricity (10.8 percent); Exploration and Production of Oil and Natural Gas (4.1 percent); Printing, Publishing and Paper Converters (1.9 percent); Wood and Related Products (1.9 percent); Drink and Tobacco (0.6 percent); and Assembly Type and Related Products (0.2 percent). Notwithstanding, there were gains in productivity in a few industries during the quarter, namely: Chemicals (17.3 percent); Water (13.4 percent); Food Processing (8.1 percent); and Miscellaneous Manufacturing (3.9 percent). There was an overall 1.4 percent loss in productivity in the non-energy sector; a much weaker performance than the 1.7 percent increase recorded one year earlier.

Productivity of all workers in all industries fell less sharply in the second quarter of fiscal 2015, declining by 2.0 percent (year-on-year). This was nonetheless a more severe contraction than the 0.7 percent decline recorded for the period (year-on-year) in fiscal 2014. Industries reporting declines in productivity include: Assembly Type and Related Products (19.7 percent); Petrochemicals (16.7 percent); Textiles, Garments and Footwear (15.9 percent); Exploration and Production of Oil and Natural Gas (3.7 percent); and Printing, Publishing and Paper Converters (3.0 percent). In contrast, gains in productivity were registered in a number of other industries: Oil and Natural Gas Refining (59.2 percent); Water (13.4 percent); Food Processing (10.9 percent); Drink and Tobacco (6.6 percent); Chemicals (2.3 percent); Miscellaneous Manufacturing (2.0 percent); and Electricity (1.0 percent). In terms of the overall non-energy sector, productivity contracted by 8.3 percent (year-on-year) in the second quarter of fiscal 2015, which represented a significant decline from the 1.1 percent increase registered in the prior corresponding period.

POPULATION

Based on the Central Statistical Office's mid-year estimates, the population of Trinidad and Tobago is expected to grow by 0.3 percent in 2015 to 1,349,667 persons from 1,345,343 in 2014. The country's provisional birth rate, which measures the number of births per thousand, is estimated to increase from 13.7 in 2014 to 14.0 in 2015, whereas its provisional death rate is estimated to increase from 7.91 per thousand persons in 2014 to 8.58 per thousand persons in 2015 **(Appendix 12).**

Disaggregated by age, the composition of the Trinidad and Tobago population remained relatively stable as in the year before. Young persons aged

24 years or less account for 36.6 percent of the country's population, whilst persons aged 60 years or more represent 13.4 percent of the population. Exactly half of the population consists of persons 25 to 59 years of age **(Appendix 13).** The composition of the population by gender is also estimated to have remained stable, with males accounting for 50.2 percent (677,166 persons), and females 49.8 percent (672,501 persons) **(Appendix 12).**

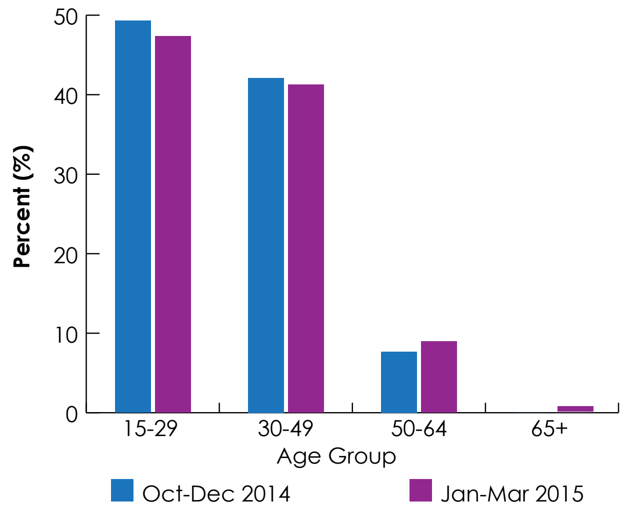
LABOUR FORCE AND EMPLOYMENT

UNEMPLOYMENT

Trinidad and Tobago's unemployment rate stood at 3.7 percent in the second quarter of fiscal 2015, up from 3.3 percent in the first quarter **(Appendix 14).** This represented an increase in the number of unemployed persons from 21,300 to 24,000 during the period. At an industrial level, most industries recorded unemployment rates below the national average, namely: Other Mining and Quarrying (0.0 percent); Other Manufacturing (2.2 percent); Transport, Storage and Communication (2.4 percent); Other Agriculture, Forestry, Hunting and Fishing (2.5 percent); Finance, Insurance, Real Estate and Business Services (3.1 percent) and; Community, Social and Personal Services (3.1 percent). In contrast, the highest unemployment rates were recorded in: Petroleum and Gas (6.5 percent); Construction (6.4 percent); Electricity and Water (4.3 percent); and Wholesale and Retail Trade, Restaurants and Hotels (3.8 percent).

During this review period, approximately 49.6 percent of the unemployed were young persons aged 15 to 29 years. This was lower than the 51.2 percent share recorded by this age group in the previous quarter. The proportion of unemployed persons aged 30 to 49 years also fell, from 42.7 percent to 40.8 percent, whilst the share of unemployed persons aged 50 to 64 years increased from 7.0 percent to 9.2 percent **(Figure 8).**

Figure 8: Distribution of Unemployed Persons by Age Group



Source: Central Statistical Office

In terms of gender, unemployment among males rose marginally from 2.9 percent in the first quarter of fiscal 2015, to 3.0 percent in the second quarter of fiscal 2015. Unemployment amongst females increased more sharply however, from 3.8 percent to 4.7 percent during the review period.

LABOUR FORCE / JOB CREATION

The number of employed persons decreased to 623,100 in the second quarter of fiscal 2015, from 629,800 in the previous quarter. The total labour force similarly contracted in the second quarter to 647,100 persons from 651,000 persons. As a result, the participation rate[16] fell from 61.1 percent to 60.8 during the period **(Appendix 12).**

The total number of persons with jobs decreased in the second quarter of fiscal 2015 due to lower levels of employment in several industrial groupings, namely; Transport, Storage and Communication (8,700 persons); Construction (7,600 persons); Finance, Insurance, Real Estate and Business Services (2,800); Other Mining and Quarrying (600 persons); Electricity and Water (500) and Petroleum and Gas

16 The participation rate is the portion of the non-institutional population, aged 15 years and over, that is part of (participates in) the labour force.

(100). Increased employment levels were however recorded in Community, Social and Personal Services (7,900 persons); Wholesale and Retail Trade, Restaurants and Hotels (3,000); Other Agriculture, Forestry, Hunting and Fishing (2,500); and Other Manufacturing (800).

Males accounted for approximately 59.0 percent (367,600 persons) of all persons with jobs during the second quarter of fiscal 2015, whilst females accounted for 41.0 percent (255,500 persons). Females continue to be employed primarily in Community, Social and Personal Services (106,500 persons); Wholesale and Retail Trade, Restaurants and Hotels (69,200); Finance, Insurance, Real Estate and Business Services (31,900 persons); Other Manufacturing (15,100 persons); and Construction (11,300 persons).

CENTRAL GOVERNMENT OPERATIONS

Overview
Revenue
Expenditure
Financing
Public Debt and Debt Service
Trinidad and Tobago Credit Ratings

OVERVIEW

The Budget for fiscal 2015 was initially premised on an average oil price of US$80 per barrel of crude and a natural gas price of US$2.75 per million of British thermal units (mmBtu). Total Revenue and Grants was estimated at $60,351.2 million, representing 34.8 percent of Gross Domestic Product (GDP)[17]. Current Revenue was expected to contribute 97.5 percent of Total Revenue and Grants, with Capital Revenue, inclusive of Grants, contributing 2.5 percent. Total Expenditure was estimated at $64,664.5 million or 37.2 percent of GDP, with a projected budget deficit of $4,313.3 million or 2.5 percent of GDP for fiscal 2015. Additionally, a Current Account Balance of $2,312.6 million was anticipated.

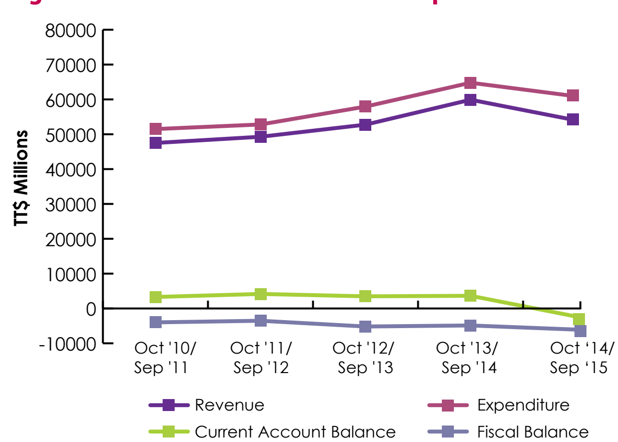
Due to the ongoing volatility of energy prices in the international markets, Mid-Year Revised projections for fiscal 2015 were predicated on an average oil price of US$45 per barrel of crude and a natural gas price of US$2.25 per million of British thermal units (mmBtu). Central Government's fiscal operations were expected to result in an Overall Deficit of $3,948.6 million or 2.3 percent of GDP. Total Revenue and Grants was estimated to decline from its budgeted target to $59,005.7 million or 34.0 percent of GDP, while Total Expenditure was revised downwards to 36.3 percent of GDP or $62,954.3 million. With this revised Budget scenario, a deficit of $3,026.7 million was anticipated on the Current Account.

17 Budget 2015 as well as Mid-Year revised projections for 2015 based on fiscal 2014 GDP. Nominal GDP for 2014 was revised by the CSO to $174,756.90 million.

Based on Revised Estimates for fiscal 2015, the Central Government's operations are now projected to realise an Overall Deficit of $7,013.7 million, or 4.2 percent of GDP[18]. Total Revenue and Grants are estimated at $54,803.6 million or 32.7 percent of GDP, while Total Expenditure is anticipated to amount to $61,817.3 million or 36.9 percent of GDP. On the Current Account, a $3,593.3 million deficit is also anticipated.

The Heritage and Stabilisation Fund (HSF) stood at US$5,533.4 million as at September 30, 2014. Although no transfers were made during the first nine months of the fiscal year, the Net Asset Value of the Fund had appreciated to US$5,774.9 million by June 30, 2015. No transfers are expected to be made to the Fund during the last quarter of fiscal 2015.

Figure 9: Central Government Fiscal Operations



Source: Ministry of Finance

18 Revised estimates for 2015 based on fiscal 2015 GDP.

REVENUE

In fiscal 2015, Total Revenue and Grants, amounting to $54,803.6 million, is expected to be $5,547.6 million lower than was initially budgeted as compared to estimated Total Revenue receipts for fiscal 2014 of $58,397.0 million. The anticipated reduction in collections from Taxes on Income and Profits and Non-Tax Revenue, of $6,689.2 million and $839.6 million respectively, are the main contributors to the weaker revenue performance in the 2015 fiscal year.

Taxes on Income and Profits

Taxes on Income and Profits are expected to be the largest contributor to Total Revenue and Grants, representing 51.9 percent. Estimated receipts of $28,441.5 million would be lower than the fiscal 2014 receipts of $35,130.7 million, mainly due to an anticipated 38.1 percent decrease in collections from Oil Companies, from $16,969.5 million to $10,500.0 million. This negative variance represents the reduced remittances by companies as a result of the fall in oil and gas prices on the global market. Collections from Other Companies, projected to decline by 9.4 percent to $9,200.0 million, also contributed to the reduction in receipts from these taxes. Companies involved in Refining and Gas Processing and the Petrochemicals industries were mainly responsible for this outturn. Along with the lower contributions of $41.4 million to the Green Fund, the anticipated $690.2 million reduction in Unemployment Fund contributions, on account of lower collections of Petroleum Profits Tax (PPT) from Oil Companies, also reflect the weaker revenue outturn in the fiscal year. The marginal decline in Business Levy to $210.0 million also contributed to the reduced collections of these taxes. However, receipts from Individual Income Tax, Withholding Tax and National Health Surcharge are all expected to increase by $580.1 million, $83.5 million and $52.4 million, in that order.

Taxes on Goods and Services

Taxes on Goods and Services are anticipated to be 13.3 percent higher than the $7,384.3 million collected for fiscal 2014. A $960.3 million upsurge in Value Added Tax (VAT) collections is expected, as a result of payments consequent to the Tax Amnesty Programme, complemented by a reduction in the quantum of VAT refunds. The $34.3 million projected rise in Excise Duties to $710.0 million is also expected to contribute to this stronger outturn, thereby offsetting the estimated $21.9 million decline in Motor Vehicle Taxes and Duties to $547.5 million.

Taxes on International Trade

Collections from Taxes on International Trade, consisting mainly of Import Duties, are estimated at $2,805.6 million, representing a 2.0 percent decline compared to collections received in fiscal 2014.

Taxes on Property

The anticipated outturn of $3.3 million on Taxes on Property is expected to be $0.2 million less than fiscal 2014 receipts. Receipts from Taxes on Property continue to be minimal as no legislation has yet been implemented to resume the collection of Land and Building Taxes.

Non-Tax Revenue

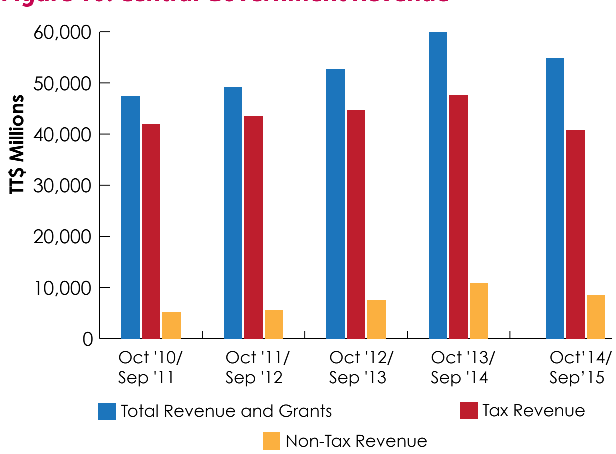
In fiscal 2015, Non-Tax Revenue receipts are projected to decline to $8,954.3 million or 8.6 percent lower than the previous fiscal year. This weaker performance reflects an expected reduction in Royalties on oil by 50.9 percent to $1,177.0 million, as oil and gas prices on the global market have fallen well below the budgeted prices. The 54.8 percent decline in Equity Profits of the Central Bank to $177.4 million, resulting from estimated losses incurred on investments from foreign company assets, also contributed to the weakened performance in this area of revenue. Reduced collections under Administrative Fees and Charges of $181.1 million, along with the fall in Profits from the National Lotteries Control Board, Profits from State Enterprises, as well as Interest Income further exacerbated the overall performance of total Non-Tax Revenue receipts. Profits from the National Lotteries Control Board, as well as Profits from State Enterprises (including dividend payments) and Interest Income fell by $37.9 million, $30.8 million and $9.5 million respectively. Notwithstanding, dividends from the National Gas Company of $5.2 billion was higher than that of fiscal 2014.

Under Non-Tax Revenues, improvements from fiscal 2014 are anticipated in the Share of Profits from Oil Companies (through Production Sharing Contracts) and Repayment of Past Lending. The Share of Profits from Oil Companies is expected to register an increase to $450.0 million in 2015 given that no receipts were recorded in fiscal 2014 as no approval was given for payments. Additionally, Repayment of Past Lending is estimated to rise marginally by $6.8 million.

Capital Revenue

Capital Revenue receipts are estimated to exceed receipts for fiscal 2014 by $3,648.5 million. The net proceeds from the sale of Methanol Holdings Trinidad Limited (MHTL) for US$1,175.0 million is the main driver of the expected increase in receipts, from $1,316.5 million in 2014 to $4,965.0 million in fiscal 2015. These revenue gains are expected to offset the 33.2 percent decline in Grants, which is expected to amount to $100.7 million, on account of an unanticipated disbursement from the European Union to Sugar Protocol Countries received in fiscal 2014.

Figure 10: Central Government Revenue



Source: Ministry of Finance

EXPENDITURE

In fiscal 2015, Total Expenditure is anticipated to decline by 1.6 percent to $61,817.3 million as compared with fiscal 2014. Recurrent Expenditure, totaling $53,431.9 million, is expected to contribute 86.4 percent of Total Expenditure, while Capital Expenditure, which is estimated to amount to $8,385.4 million, would represent 13.6 percent.

Recurrent Expenditure includes Wages and Salaries, Other Goods and Services, Interest Payments and Transfers and Subsidies. The first two aforementioned categories of Recurrent Expenditure are estimated to increase, whereas Interest Payments and Total Transfers and Subsidies are expected to register declines. Interest Payments are projected to decrease by 5.4 percent, while Transfers and Subsidies are expected to decline by 9.3 percent to $31,439.5 million.

Personnel Expenditure is expected to record the most substantial increase in Recurrent Expenditure for the current fiscal year. This area of expenditure is projected to rise by 20.7 percent, to $10,366.4 million in 2015, due to the payment of increased salaries and arrears to Public Officers consequent to the conclusion of new collective agreements.

Other Goods and Services are estimated to increase by 8.3 percent, up from $8,008.8 million in 2014 owing primarily to the 4.5 percent upsurge in expenditure on Goods and Services, particularly with respect to Contract Employment, where currently vacant contract positions are expected to be filled and increased benefits for some renewed positions expected to be paid. Moreover, Minor Equipment Purchases are anticipated to rise by $170.5 million, to $385.7 million for the purchase and replacement of computers and related accessories in various Ministries, as well as for the purchase of security equipment for the Ministry of National Security. Additionally, Management Expenses/Expense of Issue/Discounts and Other Financial Instruments are expected to increase by 49.5 percent to $457.7 million.

Expenditure on Interest Payments is anticipated at $2,954.7 million, as compared with payments of

$3,122.6 million in fiscal 2014. Domestic Interest Payments of $2,477.1 million are expected to be $184.8 million lower than 2014 on account of reduced interest payments on Government Guaranteed Bonds. On the other hand, External Interest Payments, amounting to $477.6 million, are estimated to be $16.9 million higher than the preceding fiscal year; an increase to meet the cost of interest payments due on international borrowings.

Subsidies, which contribute 0.9 percent to Transfers and Subsidies, are projected at $276.6 million compared with the previous fiscal year's balance of $268.7 million. This anticipated variance of $7.9 million is consequential to increased subsidies for the operations of the Port Authority Coastal Steamers ($9.3 million) and the Relief of Flood Damage ($7.6 million), hence offsetting the $10.5 million reduction in subsidies to the Agriculture Incentive Programme.

Current Transfers, which represent 74.9 percent of Transfers and Subsidies, is anticipated to amount to $23,535.2 million; $3,938.0 million lower than the previous fiscal year. The largest percentage decline in the components of Current Transfers is expected in Transfers Abroad, which is projected to fall by 71.3 percent to $273.8 million, owing to reduced contributions to International Bodies.

Transfers to Households, estimated at $13,050.4 million, represent the largest share of expenditure under Transfers and Subsidies. The 7.4 percent decline, as compared to fiscal 2014, reflects the shortfall in subsidies regarding the sale of petroleum products, as claims have been reduced due to declining oil prices and the ensuing impact on petroleum products. However, in this category, a $76.3 million rise in expenditure is anticipated under the Government Assistance for Tuition Expenses (GATE) Fund to $712.0 million.

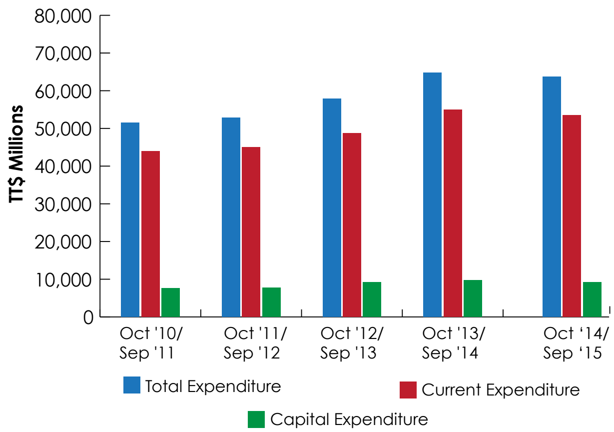
Other Transfers are also expected to decrease, by 25.7 percent to $9,643.0 million, owing to declines in the various components of Other Transfers. These include the Heritage and Stabilisation Fund (HSF), as well as the CARICOM Petroleum Fund, to which no transfers are expected to be made for the current fiscal year, with $271.7 million last transferred to the HSF in fiscal 2013 and $100 million transferred to the Petroleum Fund in 2014. Transfers to the Infrastructure Development Fund (IDF) also are projected to decrease to $3,300.0 million in fiscal 2015 from $5,415.9 million in fiscal 2014, while transfers to the GATE Fund is expected to remain unchanged at $650.0 million.

Lower levels of Transfers to State Enterprises will also contribute to the decline in Current Transfers in 2015 and is estimated to move from $3,368.3 million in 2014 to $2,237.5 million. Following the grant of $95.6 million in Loans to Other Governments in the previous fiscal year, no such loans are expected for fiscal 2015. The decline is expected to mitigate the impact of an increase in disbursements from the Green Fund of $62.3 million to $130.0 million. Furthermore, the marginal increases anticipated in the subventions to Non-Profit and Educational Institutions, in the amounts of $45.9 million and $19.8 million, in that order, are not expected to have a significant impact on Current Transfers in fiscal 2015.

Conversely, Transfers to Statutory Boards and Similar Bodies, which represent 24.2 percent of total Transfers and Subsidies, are projected to rise by $705.5 million in fiscal 2015, or 10.2 percent, to $7,627.7 million. The anticipated increase in funding for the Tobago House of Assembly ($153.8 million), Local Government Bodies ($136.9 million), as well as the rise in transfers to Public Utilities ($261.2 million) will contribute to this increase in expenditure in fiscal 2015.

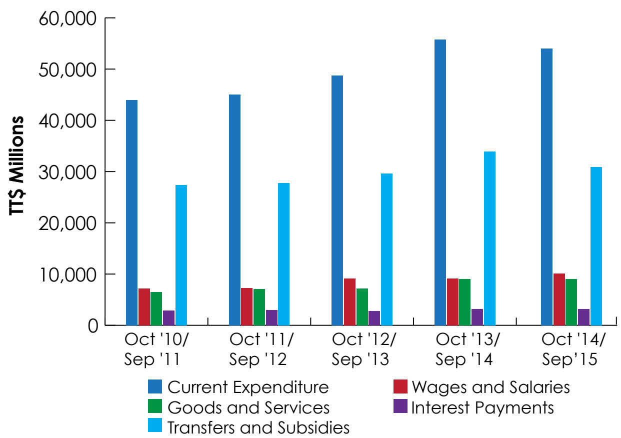
Capital Expenditure, expected to total $8,385.4 million, represents a 0.6 percent decrease from the preceding fiscal year. The expected reduction in expenditure under the Infrastructure Development Fund (IDF) to $4,117.1 million, from $4,804.8 million in fiscal 2014, is due to delays in the finalisation of many contracts, which are in turn expected to delay implementation of projects. However, Capital Expenditure funded via the Consolidated Fund is anticipated to rise from $3,630.6 million in fiscal 2014 to $4,268.3 million in the current fiscal year, with significant contributions being the refurbishment of the Magistrates' Courts and the acquisition of naval assets for the Ministry of National Security. No Acquisition of Physical Capital Assets occurred during fiscal 2015, resulting in a 100.0 percent decline from the previous year's balance of $17.5 million.

Figure 11: Central Government Expenditure



Source: Ministry of Finance

Figure 12: Current Expenditure Major Components



Source: Ministry of Finance

FINANCING

For fiscal 2015, the Central Government financing requirement is estimated at $7,013.7 million. Of this amount, $20.3 million is projected to be obtained externally, while $6,993.4 million is expected to be sourced domestically.

Total external borrowings is estimated at $576.0 million, and expected to be entirely project-related. Of this total, $256.0 million is expected to be realised from the issue of a US$40 million policy-based loan from the Caribbean Development Bank (CDB) to finance ongoing work on the Compressed Natural Gas (CNG) project. External Capital Repayments is estimated at $555.7 million, resulting in a Net External Financing balance of $20.3 million. In fiscal 2014, the Net External Financing balance of $3,312.4 million comprised external borrowings of $3,835.0 million and Capital Repayments of $522.6 million. In fiscal 2014, inflows from project-related loans were less than in the current fiscal year, amounting to $311.7 million. Foreign bond issues in fiscal 2014, however, totalled $3,523.3 million, principally on account of the issuance of a US$550 million international bond in December 2013.

In the current fiscal year, Domestic Financing is expected to include Central Government Borrowing of $3,580.0 million and a $6,067.4 million change in Cash Balances and Other Securities. Anticipated Domestic Capital Repayments of $1,793.5 million and Sinking Fund Contributions of $860.5 million is expected to result in a Net Domestic Financing balance of $6,993.4 million. Comparatively, in fiscal 2014, Central Government Domestic Borrowing totalled $1,783.4 million, while the change in Cash Balances and Other Securities amounted to $1,820.7 million. Domestic Capital Repayments of $1,607.5 million, as well as Sinking Fund transfers of $866.8 million, resulted in a Net Domestic Financing balance of $1,129.8 million in fiscal year 2014.

PUBLIC DEBT AND DEBT SERVICE

Net Public Sector Debt[19], which comprises both domestic and external borrowings is anticipated to rise by $6,265.3 million or 8.9 percent from $70,280.9 million in fiscal 2014 to $76,546.2 million by the end of the current fiscal year. Net Public Sector Debt, as a percentage of Gross Domestic Product (GDP) is expected to increase by 6.1 percent from 40.2 percent in fiscal 2014 to 46.3 percent in fiscal 2015.

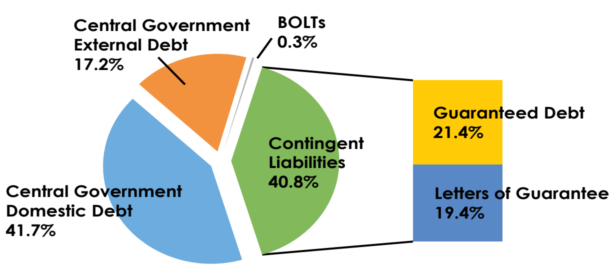
Domestic Debt inclusive of borrowings by the Central Government, as well as Contingent Liabilities represents 78.6 percent or $61,301.2 million of Net

19 Net Public Sector debt is defined as the sum of all domestic and external obligations of public debtors which include the Central Government and autonomous public bodies such as State Enterprises and Statutory Authorities. It excludes instruments of Open Market Operations (OMOs) such as Treasury Bills, Debt Management Bills, Treasury Notes and Treasury Bonds.

Public Sector Debt, whilst External Debt accounts for the remaining 21.4 percent or $15,245.0 million. Both, Domestic Debt and External Debt as a percentage of GDP[20] is projected to rise from 31.6 percent to 37.1 percent and from 8.6 percent to 9.2 percent, respectively.

Central Government Debt accounts for 59.2 percent of the Net Public Sector Debt whilst the remaining 40.8 percent is attributable to Contingent Liabilities.

Figure 13: Composition of Net Public Sector Debt



Source: Ministry of Finance

CENTRAL GOVERNMENT DEBT

Central Government Debt (both foreign and domestic) is projected to increase by 9.3 percent to $45,349.3 million or 27.4 percent of GDP, while Contingent Liabilities is projected to increase by 8.4 percent to $31,196.9 million or 18.9 percent of GDP by the end of September 2015.

Central Government Domestic Debt, which accounts for 41.7 percent of Net Public Sector Debt or 19.3 percent of GDP, is expected to grow by $3,400.6 million. This increase is mainly due to the issuance by the Government of the Republic of Trinidad and Tobago (GORTT) of six (6) bonds, four of which were issued to finance the current fiscal year budget deficit, namely; a $600 million, 0.85 percent 2015 bond, a $1,000 million, 2.3 percent 2026 bond, a $500 million, 2.4 percent 2027 bond and a $1,000 million, variable rate, 2025 bond. The former two bonds were issued in December 2014, while the latter two (2) were issued in March 2015 and September 2015, respectively. The expansion in Central Government Domestic Debt is also attributable to two (2) borrowings by the GORTT on behalf of the Ministry of National Security to finance the acquisition of naval assets for the Coast Guard, namely; a US$75 million, 6-month 2.61 percent facility and a US$31.3 million, 3.1 percent facility, due 2028.

During this fiscal year, GORTT allocated Zero-Coupon Bonds in maturities ranging from 2 to 20 years for the repayment of balances in excess of $75,000 outstanding to Hindu Credit Union (HCU) shareholders/depositors. As at August 2015, bonds in the amount of $321.9 million were allocated to HCU shareholders/depositors under the Purchase of Certain Rights (HCU) Act #7. It should be noted that the two-year Zero-Coupon Bonds matured on September 3, 2015.

Central Government External Debt, which accounts for 17.2 percent of Net Public Sector Debt is anticipated to increase by 4.2 percent to $13,179.9 million or 8 percent of GDP by the end of fiscal 2015. This increase is attributable to a Caribbean Development Bank US$40 million, 3.95 percent 2026 Policy Based Loan to finance the Compressed Natural Gas (CNG) Project. Also contributing to this increase were disbursements in the amount of $492.8 million from external facilities which were contracted in fiscal 2013, namely: a US$85 million Preferential Buyers Credit Facility from the Export-Import Bank of China for the construction of six (6) sporting facilities, a 990 million Renminbi Concessional Loan Facility from the Export-Import Bank of China for the construction of the Couva Children's Hospital and a US$26.3 million facility representing the foreign financing component for the procurement of a digital communication system for the Trinidad and Tobago Police Service. Disbursements from Multilateral Agencies, principally the Inter-American Development Bank in the amount of $301.4 million were also recorded in 2015 fiscal year.

Build, Own, Lease and Transfer (BOLT) arrangements which account for the remaining 0.3 percent of Net Public Sector Debt, is projected to decline by 75.4 million, consequent to there being no further

20 Fiscal year Gross Domestic Product (GDP) is projected to decrease from $174,756.9 million in 2014 to $165,286.1 million in 2015.

BOLT issuances in this fiscal year, together with the repayment of principal on existing facilities.

Contingent Liabilities

At the end of fiscal 2015, **Contingent Liabilities**, comprising both Letters of Guarantee and Government Guaranteed instruments are expected to grow by 8.4 percent or $2,414.8 million. As a percentage of GDP, Contingent Liabilities is projected to rise from 16.5 percent in 2014 to 18.9 percent at the end of the current fiscal year. This increase is predominantly due to the increase in **Letters of Guarantee** [21] (formerly Letters of Comfort) which accounts for 48 percent of Contingent Liabilities. Total Letters of Guarantee issued to both Statutory Authorities and State Enterprises rose by $4,655.1 million to $14,840.0 million over the period under review.

Letters of Guarantee issued to Statutory Authorities amounted to $2,084.5 million in fiscal 2015 and included: a $1,612.6 million, 1.5 percent 6-month, borrowing by the Trinidad and Tobago Electricity Commission (T&TEC) for outstanding liabilities owed to Trinidad Generation Unlimited (TGU) for the supply of electricity, and a $300 million, 1.75 percent facility due 2015 issued by the Housing Development Corporation (HDC) to finance the Corporation's housing development programme. Other Government Guaranteed Statutory Authority borrowings over the period included a National Carnival Commission (NCC) $74.9 million, 3 percent 1-year loan to fund Carnival 2015, a Port Authority of Trinidad and Tobago (PATT) $40 million, 3.25 percent 1-year loan to assist with financing of the PATT's operations and commitments to stakeholders, and a $57 million, 3.25 percent 3-month loan for the retroactive payment of wages as agreed between the Public Transport Service Corporation (PTSC) and the Transport and Industrial Workers Union (TIWU).

Letters of Guarantee issued to State Enterprises accounted for 56.4 percent or $2,627.2 million of the overall rise in Letters of Guarantee in the current fiscal year. Contributing to this increase were the issuance of Letters of Guarantee in respect of borrowings by the National Infrastructure Development Company Limited (NIDCO) ($1,500 million, 0.99 percent due 2015) for the extension of the San Fernando Highway to Point Fortin. This Bridge Loan is due to be taken out by a $1,500 million, 2.90 percent 15-year bond. Other Letters of Guarantee issued to State Enterprises and Statutory Authorities include; a US$75 million, 2.54 percent 2023 borrowing by Caribbean Airlines Limited; and a $400 million, 4 percent medium term loan due 2019 by the Estate Management and Business Development Company Ltd. (EMBD) for outstanding payments to contractors.

Guaranteed Debt (i.e. not including Letters of Guarantee or Letters of Comfort) which accounts for 52 percent of Contingent Liabilities is expected to contract by $2,240.4 million or 12 percent from fiscal 2014. This anticipated decline over the period under review is due to the non-conversion of Letters of Guarantee to Government Guaranteed Debt.

Debt Service

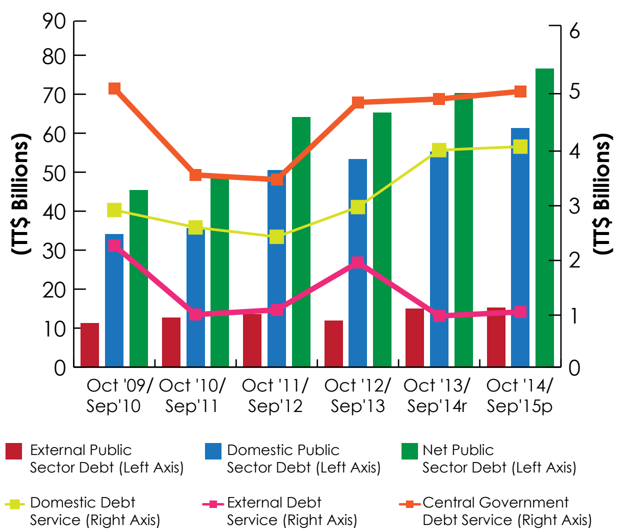
Total Central Government Debt Service Service is expected to increase to $5,304.1 million. Domestic Debt Service, which accounts for 80 percent of total debt service, is estimated to be $4,242.1 million for the year. On November 30, 2014 a GORTT $700 million, 8 percent 8-year bond issued for liquidity management purposes matured. The proceeds of this bond had been held at the Central Bank of Trinidad and Tobago (CBTT) and was utilised to repay the outstanding principal on the loan. External Debt Service is anticipated to be $1,062 million of which $461.1 million is attributed to principal and $600.8 million to interest.

21 Letters of Guarantee are issued by the Minister of Finance on behalf of the GORTT to a financial institution in respect of a Government Guaranteed borrowing by a State Enterprise or Statutory Authority. It is a precursor to a full Government Guarantee. Subsequent to the issuance of the Letter of Guarantee, the Ministry of Finance together with the Office of the Attorney General, works with the relevant financial institution, to finalise the full guarantee documents in respect of the borrowing. Once finalised, the Guarantee Documents are executed by the Minister of Finance and the debt, previously recorded under Letters of Guarantee is now recorded under Government Guaranteed debt.

Total Public Sector Debt

During the fiscal year, **Total Public Sector Debt or Gross Public Sector Debt**; which includes borrowings for Open Market Operations (OMOs); increased to $115,274.1 million from $97,180.2 million. This increase was due to the issuance by the CBTT of $9,290.6 million worth of Treasury Bills and $3,238 million worth of Treasury Notes for liquidity management purposes. The proceeds of these operations are not utilised by the Central Government, but are held or sterilised at the CBTT. The quantum of Treasury Bonds remained unchanged at $2,559.3 million. These proceeds are also held or sterilised at the Central Bank.

Figure 14: Public Sector Debt and Debt Servicing

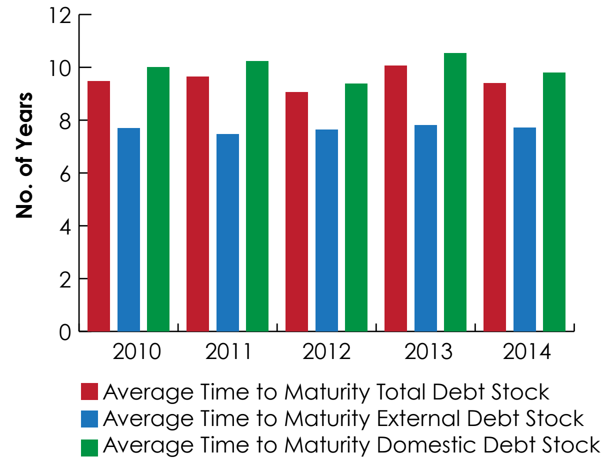


Source: Ministry of Finance

PORTFOLIO RISK

The **Average Time to Maturity (ATM)** of the debt Portfolio of the Central Government, represents the average length of time before the principal balances of the Central Government's Debt portfolio are to be repaid. Over the period fiscal 2010 to fiscal 2014, the ATM of the Central Government Debt Portfolio was 9.5 years with the domestic component of the Portfolio averaging 10 years and the external component averaging 7.7 years.

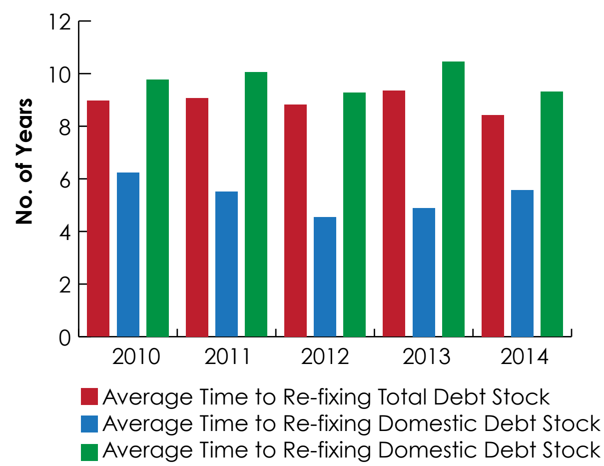
Figure 15: Average Time to Maturity of Debt Stock 2010-2014



Source: Ministry of Finance

The **Average Time to Re-fixing (ATR)** is a measure of the weighted time until all principal payments in the debt portfolio becomes subject to a new interest rate. Accordingly, ATR measures the exposure of the debt portfolio to changes in interest rates. Over the period fiscal 2010 to fiscal 2014 the ATR of the Central Government Debt Portfolio was 8.9 years. The ATR for domestic and external debt averaged 9.8 years and 5.4 respectively.

Figure 16: Average Time to Re-fixing Total Debt Stock 2010-2014



Source: Ministry of Finance

REST OF THE NON-FINANCIAL PUBLIC SECTOR OPERATIONS

Overview

Cash Operations

Current Transfers to State Enterprises and Public Utilities

Capital Expenditure

Capital Transfers from Central Government

OVERVIEW

During the first nine months of fiscal 2015, operations of the Rest of the Non-Financial Public Sector[22] recorded a surplus of $4,820.5 million; slightly higher than the $4,310.8 million surplus for the same period of fiscal 2014. State Enterprises[23] accounted for a surplus of $5,466.7 million while Public Utilities[24] accounted for a deficit of $646.2 million.

Capital Transfers from Central Government decreased by $768.7 million, from $1,727.5 million in the first three quarters of 2013/14, to $958.8 million in the same period of the current fiscal year. Current Transfers from Government to State Enterprises increased by $210.4 million and by $248.3 million for Public Utilities.

22 Rest of Non-Financial Public Sector refers to the consolidation of the operations of fourteen (14) State Enterprises (which represent approximately 80 percent of all State Enterprises) and six (6) Public Utilities.

23 State Enterprises refer to the consolidated operations of fourteen (14) companies namely: Caribbean Airlines Limited (CAL); National Maintenance Training and Security Company (MTS); National Gas Company (NGC); National Helicopter Services Limited (NHSL); National Infrastructure Development Company (NIDCO); National Quarries Company Limited (NQCL); National Petroleum Marketing Company (NPMC); Petroleum Company of Trinidad and Tobago (PETROTRIN); Trinidad and Tobago Mortgage Finance Company (TTMF); Point Lisas Industrial Port Development Company (PLIPDECO); Solid Waste Management Company Limited (SWMCOL); Trinidad Nitrogen Company Limited (TRINGEN); Urban Development Corporation of Trinidad and Tobago (UDECOTT); and Vehicle Management Corporation of Trinidad and Tobago (VMCOTT).

24 Public Utilities refer to the consolidated operations of six (6) companies namely: Airports Authority of Trinidad and Tobago (AATT); Port Authority of Trinidad and Tobago (PATT); Public Transport Service Corporation (PTSC); Telecommunications Services of Trinidad and Tobago (TSTT); Trinidad and Tobago Electricity Commission (T&TEC); and Water and Sewerage Authority (WASA).

CASH OPERATIONS

Over the review period, Total Operating Revenues and Total Operating Expenditures were recorded at $43,452.8 million and $38,632.3 million, respectively. Compared to the same corresponding period a year ago, Total Operating Revenues decreased by 17.4 percent, while Total Operating Expenditures decreased by 20.0 percent. Consequently, the cash operations of the consolidated Rest of Non-Financial Public Sector generated an operating surplus of $4,820.5 million; 11.8 percent higher than the comparative period of the previous fiscal year.

State Enterprises recorded a net surplus of $5,466.7 million, an increase of 8.1 percent when compared to the corresponding period in fiscal 2014. This net operating surplus was primarily due to surpluses from the Petroleum Company of Trinidad and Tobago (PETROTRIN) with $4,311.1 million, the National Gas Company (NGC) with $1,144.2 million, and to a lesser extent Trinidad Nitrogen Company Limited (TRINGEN) with $375.0 million. PETROTRIN maintained a higher operating surplus on account of its improved operating margin of 25.6 percent, compared to 14.6 percent in 2013/14. At the same time, the respective operating surplus positions of the NGC and TRINGEN decreased by 35.7 percent and 1.0 percent respectively, where NGC's operating margin deteriorated while TRINGEN's operating margin improved modestly. The National Petroleum Marketing Company (NPMC) was the only state enterprise from the energy sector to record an operating deficit; increasing by 48.9 percent to $428.5 million when compared to the operating deficit of $287.7 million recorded in the previous corresponding period.

Among the State Enterprises, the non-energy sector companies recorded a consolidated operating deficit of $64.9 million. Caribbean Airlines Limited (CAL) was responsible for the largest operating deficit, amounting to $104.8 million while the National Maintenance, Training and Security Company Limited (MTS) managed to offset the total operating deficit of non-energy sector companies, with an operating surplus of $135.1 million.

Over the first nine months of fiscal 2015, Public Utilities recorded a deficit of $646.2 million with operating revenues of $5,891.3 million and operating expenditures of $6,537.5 million. This operating position reflected a 13.4 percent decrease from the $746.3 million deficit recorded in the same period of fiscal 2014.

Among the Public Utilities, the Airports Authority of Trinidad and Tobago (AATT), the Telecommunications Services of Trinidad and Tobago (TSTT), and the Trinidad and Tobago Electricity Commission (T&TEC) generated surpluses of $32.0 million, $760.7 million, and $98.2 million, respectively. The other three (3) utilities operated in deficits totalling $1,537.1 million with the Water and Sewerage Authority (WASA) responsible for 86.9 percent ($1,336.2 million) of this outturn.

CURRENT TRANSFERS TO STATE ENTERPRISES & PUBLIC UTILITIES

Total Current Transfers from Central Government for the nine-month period ending June 2015 amounted to $2,683.0 million and represented a 20.6 percent increase over the previous comparative period. Of this amount, $1,068.4 million (39.8 percent) was transferred to State Enterprises while $1,614.6 million (60.2 percent) was transferred to Public Utilities.

WASA received the largest overall transfer of $1,229.6 million, or 45.8 percent of the total current transfers to the sector. The Urban Development Corporation of Trinidad and Tobago (UDECOTT) and Caribbean Airlines Limited (CAL), on the other hand, were the beneficiaries of the largest transfers of resources to the State Enterprises sector with $754.3 million and $216.4 million, respectively.

CAPITAL EXPENDITURE

For the first three quarters of fiscal 2015, Capital Expenditure incurred by both State Enterprises and Public Utilities, totalled $6,556.7 million of which, State Enterprises accounted for 82.0 percent and the Public Utilities accounted for 18.0 percent.

The bulk of the State Enterprises' capital expenditure to the energy sector was utilised by PETROTRIN and NGC in the amounts of $1,221.9 million and $995.6 million, respectively. However, the capital expenditure of the non-energy sector's State Enterprises was quite sizeable, with the National Infrastructure Development Company Limited (NIDCO) and UDECOTT expending $1,692.8 million and $826.3 million, respectively.

Among the Public Utilities, WASA accounted for the greatest proportion of the capital expenditure outlay with $785.3 million, followed by TSTT ($247.8 million) and T&TEC ($105.9 million).

CAPITAL TRANSFERS FROM CENTRAL GOVERNMENT

For the period under review, Capital Transfers from Central Government to the Rest of the Non-Financial Public Sector totalled $958.8 million, a decrease of 44.5 percent from the $1,727.5 million received in the previous corresponding period.

Capital Transfers to Public Utilities totalled $471.4 million; of which WASA accounted for $302.3 million, AATT $124.1 million, and the Port Authority of Trinidad and Tobago (PATT) $45.0 million. NIDCO received the total share of the $487.4 million in Capital Transfers disbursed to State Enterprises during the review period.

Table 4: Cash Statement of Operations of the Rest of the Non-Financial Public Sector

(TT $ millions)	State Enterprises		Public Utilities		Total State Enterprises and Public Utilities	
	Oct 2013 - Jun 2014	Oct 2014 - Jun 2015	Oct 2013 - Jun 2014	Oct 2014 - Jun 2015	Oct 2013 - Jun 2014	Oct 2014 - Jun 2015
Operating Revenues	46,497.5	37,561.5	6,128.1	5,891.3	52,625.6	43,452.8
Operating Expenditures	41,440.4	32,094.8	6,874.4	6,537.5	48,314.8	38,632.3
Operating Surplus/(Deficit)	5,057.1	5,466.7	-746.3	-646.2	4,310.8	4,820.5
Current Transfers from Central Gov't	858.0	1,068.4	1,366.3	1,614.6	2,224.3	2,683.0
Current Balance	127.8	2,484.9	1,263.5	1,763.1	1,391.3	4,248.0
Capital Expenditure	5,800.2	5,374.4	994.9	1,182.3	6,795.1	6,556.7
Capital Transfers from Central Gov't	1,012.4	487.4	715.1	471.4	1,727.5	958.8
Overall Balance	-3,841.4	-1,974.9	983.7	1,057.7	-2,857.7	-917.2
Financing	3,841.4	1,974.9	-983.7	-1,057.7	2,857.7	917.2
Net Foreign Financing	3,995.2	-468.1	-3.6	196.1	3,991.6	-272.0
Net Domestic Financing	-153.8	2,443.0	-980.1	-1,253.8	-1,133.9	1,189.2

1. Table refers to fiscal years.
2. State Enterprises refer to the consolidated operations of fourteen (14) companies namely: Caribbean Airlines Limited (CAL); National Maintenance Training and Security Company (MTS); National Gas Company (NGC); National Helicopter Services Limited (NHSL); National Infrastructure Development Company (NIDCO); National Quarries Company Limited (NQCL); National Petroleum Marketing Company (NPMC); Petroleum Company of Trinidad and Tobago (PETROTRIN); Trinidad and Tobago Mortgage Finance Company (TTMF); Point Lisas Industrial Port Development Company (PLIPDECO); Solid Waste Management Company Limited (SWMCOL); Trinidad Nitrogen Company Limited (TRINGEN); Urban Development Corporation of Trinidad and Tobago (UDECOTT); and Vehicle Management Corporation of Trinidad and Tobago (VMCOTT).
3. Public Utilities refer to the consolidated operations of six (6) companies namely: Airports Authority of Trinidad and Tobago (AATT); Port Authority of Trinidad and Tobago (PATT); Public Transport Service Corporation (PTSC); Telecommunications Services of Trinidad and Tobago (TSTT); Trinidad and Tobago Electricity Commission (T&TEC); and Water and Sewerage Authority (WASA).
4. Information for TSTT from April 2015 to June 2015 are projections.
5. Totals may vary due to rounding.

TRINIDAD AND TOBAGO CREDIT RATINGS

MOODY'S INVESTORS SERVICE

In April 2015, following its annual ratings exercise, Moody's Investors Service (Moody's) downgraded Trinidad and Tobago's government bond rating and issuer rating from Baa1 to Baa2, and changed its outlook from Stable to Negative. The key drivers for this downgrade were principally linked to persistent fiscal deficits and rigid structures for fiscal reforms, overall declining oil prices combined with limited economic diversification leading to declining growth prospects, weak macroeconomic policy framework due to prolonged delays in implementing a medium term fiscal strategy and weak catchment of macroeconomic data to inform policy.

Further, with economic activity predominantly predicated on the performance of the energy sector, Trinidad and Tobago's economy remains exposed to volatility in energy prices. The negative outlook reflects the possible impact of sharp declines in oil prices on fiscal accounts.

The Trinidad and Tobago economy has consistently maintained favorable credit ratings for its government bonds, both in foreign and local currency and its financial strengths remain very high due to moderate debt levels; the economy also has low susceptibility to event risks that can strain public finances and has experienced low levels of liquidity risks, making it easily able to meet financing needs from the domestic market. The banking sector has also been identified as well capitalised, profitable and liquid. Furthermore, the Agency has reiterated the existence of very low external vulnerability of the economy due to a strong external balance.

Subsequent to its downgrade, Moody's advised that upward rating pressure could result from an improved fiscal policy framework through adoption of a medium term strategy and return to fiscal surpluses, added support from integration of the Heritage and Stabilisation Fund (HSF) as a counter cyclical fiscal tool into a medium term fiscal framework, and concomitantly an upward trend in oil prices which can boost growth. Downward pressure on ratings were identified as lack of progress to address fiscal slippage in a durable medium term strategy and persistent low oil prices which limit the expansion of the energy sector.

Table 5: Trinidad and Tobago Credit Rating History by Moody's Investors Service: 2006 - 2015

Year	Outlook	Foreign Currency Ceiling				Government Bond Ratings	
		Bonds and Notes		Bank Deposits		Foreign Currency	Local Currency
		Long term	Short term	Long term	Short term	Long term	Short term
Apr 2015	Negative	A3	P-2	Baa2	P-3	Baa2	Baa2
Jan 2014	Stable	A1	P-1	Baa1	P-2	Baa1	Baa1
Jan 2013	Stable	A1	...	Baa1	...	Baa1	Baa1
Aug 2012	Stable	A1	...	Baa1	...	Baa1	Baa1
July 2011	Stable	A1	...	Baa1	...	Baa1	Baa1
Jun 2009	Stable	A1	...	Baa1	...	Baa1	Baa1
Dec 2008	Stable	A1	...	Baa1	...	Baa1	Baa1
Oct 2007	Stable	A1	...	Baa1	P-2	Baa1	Baa1
Jul 2006	Stable	A1	...	Baa1	P-2	Baa1	...

Source: Moody's Investors Service (2015)

STANDARD & POOR'S RATINGS SERVICES

Standard and Poor's Ratings Services, in its December 2014 ratings mission, reaffirmed its A/A-1 foreign and local currency sovereign credit ratings whilst the outlook for the economy remained Stable and its 'AA' transfer and convertibility (T&C) assessment remain unchanged.

The country's long established parliamentary democracy and stable political system once again sustained ratings, along with the economy's favorable net external asset position, sustained low external vulnerability and its policy of savings within the Heritage and Stabilisation Fund (HSF).

The agency's outlook for Trinidad and Tobago reflects the sound external profile of the economy owing to persistent current account surpluses and financing of the public sector deficit primarily through local financing. Long term growth prospects is expected to increase only moderately over the medium term following past infrastructural upgrades and increased exploration activities in the energy sector, however, an increase in downstream activities would boost these prospects. Trinidad and Tobago therefore faces the challenge of sustaining energy output while using energy sector resources to create jobs and boost productivity in non-energy avenues, whilst managing the impact of volatile energy prices. Steps to strengthen the economy's non-energy sector would expand governments' fiscal balances and in so doing reduce future debt burden.

Downward ratings pressures predominantly lie in the fact that the fate of the energy sector in a constantly capricious energy market ties to the prosperity of the Trinidad and Tobago economy at this time. A sustained fall in global energy rates would evidently drive down government fiscal revenues and dampen further the economy's growth prospects, leading to rising general government debt burdens exacerbated by unexpected contingent liabilities. Success in boosting key energy sector components such as exploration and production and facilitating development of downstream activities and non-energy sector prospects can improve long term growth prospects and credit ratings.

Table 6: Trinidad and Tobago Credit Rating History by Standard and Poor's Ratings Services: 2006 - 2014

Year	Outlook	Foreign currency		Local currency	
		Long term	Short term	Long term	Short term
Dec 2014	Stable	A	A-1	A	A-1
Dec 2013	Stable	A	A-1	A	A-1
Jan 2013	Stable	A	A-1	A	A-1
Jan 2012	Stable	A	A-1	A	A-1
Aug 2011	Stable	A	A-1	A	A-1
Jan 2011	Stable	A	A-1	A+	A-1
Dec 2009	Stable	A	A-1	A+	A-1
April 2009	Negative	A	A-1	A+	A-1
Aug 2008	Stable	A	A-2	A+	A-1
Sept 2007	Positive	A-	A-2	A+	A-1
Aug 2006	Stable	A-	A-2	A+	A-1

Source: Standard & Poor's Ratings Services (2014)

CARIBBEAN INFORMATION AND CREDIT RATING SERVICES LIMITED (CariCRIS)

Following its rating exercise completed in July 2015, CariCRIS reaffirmed once again, its regional rating of CariAAA on Foreign and Local Currency and a rating of ttAAA on the national scale to the debt issue of US$500 million. CariCRIS has, over the years, continuously adjudicated a CariAAA and ttAAA rating to Trinidad and Tobago and its obligations; the highest level of creditworthiness that can be attained.

The combined drivers of the CariAAA and ttAAA ratings for Trinidad and Tobago, as put forward by CariCRIS, were identified explicitly as a continued strong and resilient economy, diversified economic base, robust foreign exchange reserves and low external debt which translates into an overall favorable external position, low levels of public debt relative to Caribbean peers and well regulated financial and monetary systems. Trinidad and Tobago has been identified by CariCRIS as one of the wealthiest countries within the Latin American and Caribbean region, with increased performance of the non-energy sector and anticipates further strengthening of economic growth in 2015. These drivers, combined with better than budgeted fiscal performance for fiscal year 2013/2014 has supported this highest level of creditworthiness rating status.

The agency, however, cautioned that the strength of the economy is tempered by, inter alia, high crime levels which can undermine investor confidence and negatively impact business activity; high and increasing non-energy fiscal deficits and increasing perception of corruption in public affairs. Rating sensitivity factors to Trinidad and Tobago's current CariAAA and ttAAA status were consequently identified as a fiscal deficit of 5-6 percent of GDP over the next two years, heightened levels of public debt to above 65 percent of GDP and worsening debt servicing ability due to declines of crude oil and natural gas prices.

Table 7: Trinidad and Tobago Credit Rating History by CariCRIS: 2009 – 2015

Rating	2009	2010	2011	2012	2013	2014	2015
Regional scale foreign currency	CariAAA	CariAAA	CariAAA	CariAAA	CariAAA	CariAAA	CariAAA
Regional scale local currency	CariAAA	CariAAA	CariAAA	CariAAA	CariAAA	CariAAA	CariAAA
Trinidad and Tobago national scale	ttAAA	ttAAA	ttAAA	ttAAA	ttAAA	ttAAA	ttAAA

Source: Caribbean Information and Credit Rating Services Limited (CariCRIS) (2015)

THE MONETARY SECTOR

Monetary Conditions
Central Bank Operations
Financial Sector Performance
Regulatory Developments

MONETARY CONDITIONS

The Central Bank adopted a contractionary monetary policy stance over the 9-month period October 2014 to June 2015 to address potential challenges arising internationally and domestically. In September 2014, the Central Bank increased its main policy rate; the Repo rate; for the first time in almost two years. Since then the Central Bank increased the Repo rate by 25 basis points following four consecutive meetings of the Monetary Policy Committee. At the end of June 2015, the Repo rate stood at 4.0 percent, up from 3.0 percent at the end of September 2014.

The Central Bank's decision to alter its monetary stance was based on three considerations. Firstly, the imminent increase in US policy rates which has the potential to narrow TT-US interest rate differentials and prompt possible disruptive capital outflows. Secondly, rising inflationary pressures in the domestic economy; and thirdly, evidence that the non-energy sector has continued to record solid economic performance having grown for fifteen consecutive quarters. The non-energy sector's performance allowed the Central Bank to transition its monetary policy posture from the dominant objective of supporting the domestic economy, to one geared to mitigating capital outflows and curbing inflationary pressures. A robust liquidity management approach was utilised to support the transmission of the Repo rate increases; this in part resulted in significant tightening of domestic liquidity conditions during the second and third quarters of fiscal 2014/15, ending June 2015.

CENTRAL BANK OPERATIONS

EXCHANGE RATES/FOREIGN EXCHANGE MARKET

During the nine-month period to June 2015, tighter conditions prevailed in the local foreign exchange market than the corresponding period one year ago. During this period, sales of foreign exchange by the authorised dealers to the public amounted to US$5,438.7 million, roughly in-line with the amount sold (US$5,478.0 million) in the same period one year earlier. Reports by dealers on sales in excess of US$50,000 suggest that the demand for foreign exchange was mainly concentrated in the retail and distribution and manufacturing sectors, credit card centres and for the purchase of automobiles **(Table 8).**

Table 8: Commercial Banks and Non-Bank Financial Institutions Foreign Currency Sales and Purchases (US$ Mn.)

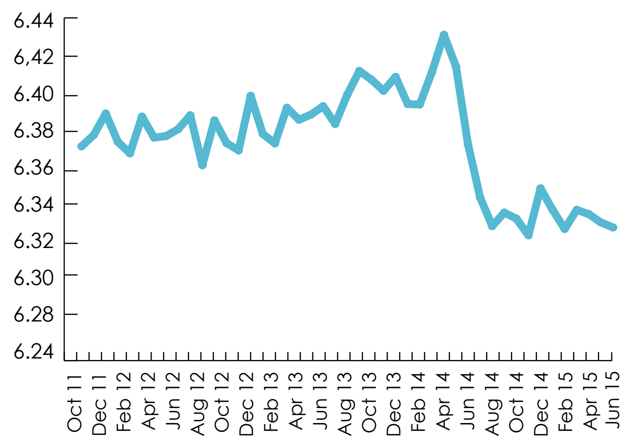
Period	Purchases from the Public	Sales to the Public	Net Sales to the Public	Purchases From the Central Bank
2013	5,802.2	7,076.4	1,274.2	1,315.0
2014	5,525.2	6,956.0	1,430.8	1,715.0
Oct 2013 – Jun 2014	4,512.9	5,478.0	956.1	1,080.0
Oct 2014 – Jun 2015	3,852.6	5,438.7	1,586.1	1,644.9
Percentage Change (year-on-year)	-14.6	-0.7	64.3	52.3

Source: Central Bank of Trinidad and Tobago.

Purchases of foreign exchange from the public (except from the Central Bank) by the authorised dealers, amounted to US$3,852.6 million, 14.6 percent lower than in the amount purchased in the same period, in 2013/2014. The Central Bank intervention of US$1,644.9 million over the period was 52.3 percent above that of the corresponding period in the previous fiscal year.

Prevailing conditions in the market impacted slightly the TT/US dollar exchange rate. The weighted average selling rate for June 2015 stood at US$1 = TT$6.3650, a slight depreciation from the US$1 = TT$6.3624 rate for October 2014. However, given the strength of the US dollar relative to other major global currencies, the TT dollar appreciated against the Euro, Sterling and Canadian dollar. Over the period September 2014 to June 2015, the TT dollar (selling rate) appreciated by 13.1 percent, 4.4 percent and 10.1 percent against the Euro, Pound Sterling and the Canadian dollar, respectively **(Figure 17).**

Figure 17: Exchange Rates – Buying Rate (TT$ per US$)



Source: Central Bank of Trinidad and Tobago

MONEY SUPPLY AND COMMERCIAL BANKS' DEPOSITS AND CREDITS

Over the nine-month period to June 2015, the growth of the monetary aggregates decelerated significantly. On a year-on-year basis, growth in narrow money (M1-A); comprising currency in active circulation and demand deposits; slowed to 7.2 percent (period average), from 23.1 percent in the comparative period one year earlier. The deceleration was driven by a slowdown in the growth of demand deposits, which rose on average by 6.2 percent per month (over October 2014 to June 2015) compared with 24.8 percent in the previous period.

The rate of increase in broad money (M-2), which includes M1-A plus savings and time deposits, also moderated over the period. On a year-on-year basis, M-2 rose by 7.0 percent on average per month, compared with 12.7 percent in the comparative period. Despite the significant deceleration in M1-A, savings deposits (8.4 percent) continued to grow moderately while time deposits (2.0 percent) recovered over the period. Concomitantly, the decline in commercial banks' foreign currency deposits eased to -1.2 percent from -3.8 percent over the comparative period.

Credit to the private sector granted by the commercial banks moderated over the review period. On a year-on-year basis to June 2015, lending to the private sector by banks rose by 5.6 percent compared with 7.6 percent in June 2014. Business loans granted by commercial banks declined by 2.3 percent in June 2015 from 6.1 percent in June 2014. The deceleration in private sector borrowing resulted from declines in loans to the construction (-8.6 percent), distribution (-3.7 percent) and other services (-8.4 percent) sectors and a moderation in lending to the finance, insurance and real estate sector (8.4 percent). These declines outweighed an increase in loans to the manufacturing sector (10.9 percent). Consumer credit maintained steady growth over the period, increasing by 7.4 percent in June 2015 compared with 6.1 percent in June 2014. Growth continued to be driven by increases in loans for motor vehicles (19.3 percent), home improvement/renovation (12.5 percent) as well as credit card financing (6.9 percent).

Despite the recent increase in the Mortgage Market Reference Rate (MMRR), mortgage rates have remained near historical lows, and continued to support the strong demand for real estate mortgage loans. On a year-on-year basis to June 2015, the growth of real estate mortgages slowed marginally to 9.7 percent from 10.4 percent in June 2014.

INTEREST RATES

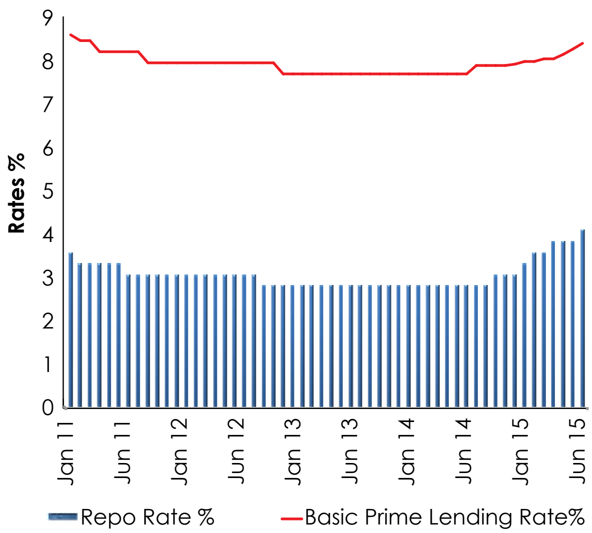
The Central Bank increased its main monetary policy rate, the Repo rate, for the first time in approximately two years in September 2014 subsequently the Central Bank raised the Repo rate by 25 basis points five consecutive times up to June 2015. As such, the Repo rate stood at 4.0 percent in June 2015 up from 3.0 percent at the end of September 2014 **(Figure 18).**

Given the movement away from the accommodative monetary policy stance and tightening liquidity conditions in the domestic banking system, interest rates in general have trended upwards. Short-term Treasury rates have been the most responsive to the changing domestic monetary environment. The discount rate on the 91 day Treasury Bill (open market operation) increased to 0.70 percent in June 2015 from 0.15 percent at the end of September 2014. Likewise, the 365-day Treasury Bill increased to 1.68 percent from 0.45 percent over the same period. In addition, the yield on the two-year Treasury Note gained 103 basis points to reach 1.73 percent as at June 2015. Meanwhile, movements at the longer end of the yield curve were slightly less pronounced. The 10-year benchmark yield rose by 21 basis points to 2.92 percent between September 2014 and the end of June 2015, while the benchmark 15-year yield increased by 24 basis points over the same period to 3.81 percent.

Prime lending rates of the commercial banks have also increased and in June 2015, the median commercial bank prime lending rate stood at 8.13 percent compared with 7.50 percent at the beginning of the fiscal year. Other lending rates have been slower to adjust upwards, with the weighted average commercial bank lending rate at 7.60 percent in June 2015 – 43 basis points lower than in September 2015. The quarter ending June 2015, however, halted a five-quarter slide in the lending rate which began in the first quarter of 2014. The weighted average deposit rate also declined by one basis point to reach 0.54 percent in June 2015 from September 2014 **(Figure 19).**

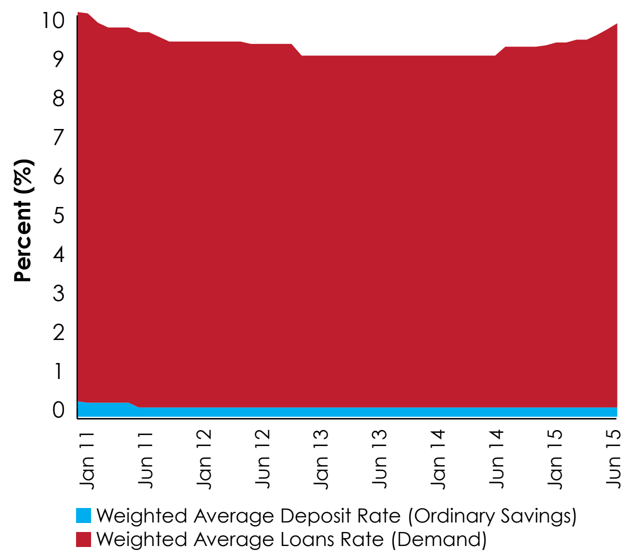
During the fiscal year 2014/ 2015 the Mortgage Market Reference Rate (MMRR) increased once to 2.50 percent in June 2015 from 2.25 percent at the start of the fiscal year. However, this increase in MMRR has not as yet, translated into higher residential mortgage rates in the banking system. The weighted average rate on outstanding residential mortgages stood at 5.35 percent in June 2015 compared with 5.58 percent in September 2014.

Figure 18: Repo Rate and Prime Interest Rates



Source: Central Bank of Trinidad and Tobago

Figure 19: Commercial Banks' weighted average deposit and loan spread

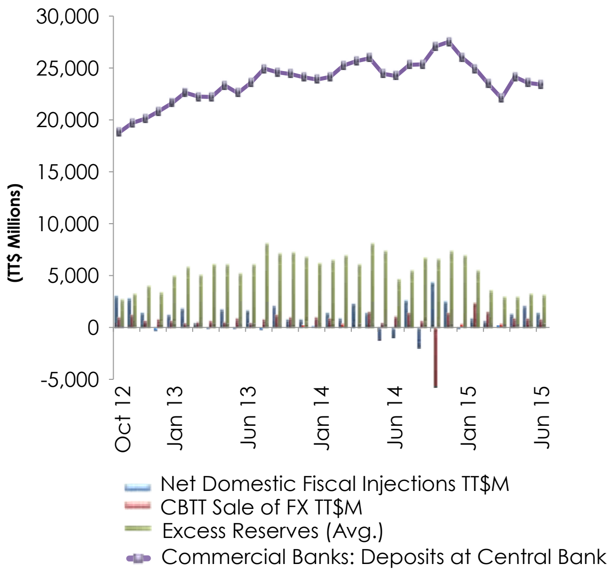


Source: Central Bank of Trinidad and Tobago

LIQUIDITY

The Central Bank's active liquidity management approach actuated an increase in net open market operations in Treasury securities over the period October 2014 to June 2015 and the Bank withdrew $4,980.4 million from the banking system via net open market operations (OMOs). This was significantly higher than the $1.3 billion sterilised via net OMOs in the same period in 2013/2014 fiscal year. Of the near $5 billion sterilised by net open market operations, $1,786.4 million represented Treasury Bills and the remaining $3,194 million were in the form of Treasury Notes. The Central Bank's activity in the financial system also influenced commercial banks' total holdings with reserves in excess of the statutory requirement falling to a daily average of $3,227.6 million in June 2015 compared with $6,841.4 million in October 2014 **(Figure 20)**.

Figure 20: Liquidity Indicators



Source: Central Bank of Trinidad and Tobago

FINANCIAL SECTOR PERFORMANCE

CAPITAL MARKET ACTIVITY

Trinidad and Tobago Securities and Exchange Commission (TTSEC)

The Trinidad and Tobago Securities and Exchange Commission (TTSEC) significantly enhanced the regulatory framework for the capital market during the review period to June 2015 through the amendment of the Securities Act 2012 and the update of associated By-laws. The Securities (Amendments) Act 2014 was assented to by the President of the Republic of Trinidad and Tobago in September 2014. The Act further clarifies and streamlines the processes and procedures contained in the Securities Act 2012.

The size of the domestic securities industry stood at an estimated TT$306.26 billion as at June 2015, representing approximately 185.0 percent of the economy's GDP. The domestic capital market comprised 221 registrants as at June 30, 2015; down from 224 registrants at June 2014.

The number of Broker Dealers, Investment Advisors, Registered Representatives (Dealers, Investment Advisors and Underwriters), and Reporting Issuers increased over the review period. Decreases were recorded in the number of Registered Representatives (Brokers) and Registered Representatives (Traders). While the number of Underwriters and Self-Regulatory Organisations remained unchanged **(Table 9).**

Table 9: Total Registrants

Type of Registrant	As at June 30, 2014	As at June 30, 2015
Registered Representatives (Brokers)	24	23
Investment Adviser	18	19
Reporting Issuers	97	96
Broker-Dealers (Securities Companies)	44	46
Self-Regulatory Organisations (SRO)	2	2
Registered Representatives (Traders)	33	28
Underwriter	1	1
Registered Representatives (Dealers, Investment Advisors & Underwriters)	5	6
Total	224	221

Source: Trinidad and Tobago Securities and Exchange Commission

Equities

The stock market registered subdued performances during the nine-month period ending June 2015 which was in keeping with the anemic economic performance during this period. The Composite Price Index (CPI) declined slightly by 0.4 percent from 1,166.59 to 1,161.95 in June 2015 (year-on-year). The volume of shares traded on the first tier

Box 3: Phoenix Park Gas Processors Limited Initial Public Offering

The Phoenix Park Gas Processors Limited ("Phoenix Park", or "PPGPL") Initial Public Offering (IPO) was launched on August 10, 2015. This is part of Government's capital market policy to widen and deepen the capital markets as a means of developing the market economy by promoting efficiency through business competition, widely spreading share ownership, and obtaining the best value for money from the sale of State assets.

This IPO follows on the heels of the FCB IPO of July 2013 which was oversubscribed by 3.12 times, or by $3 billion. The subscription, which closed on September 9, 2015, has from the most recent information been oversubscribed by 1.5 times notwithstanding falling energy prices.

A new company named Trinidad and Tobago NGL Limited (the "Company") was incorporated on September 13, 2013, by The National Gas Company of Trinidad and Tobago Limited ("NGC"), for the purpose of holding shares in Phoenix Park.

NGC proposed to have the Company acquire ConocoPhillips Trinidad and Tobago Holdings Inc. ("ConocoPhillips T&T Holdings"), which owned a 39 percent interest in Phoenix Park Gas Processors Limited in the form of 37,967,789 Class B Shares (the "Phoenix Park Class B Shares"). Upon completion of its acquisition of ConocoPhillips T&T Holdings in August 2013, the Company effectively owned 39 percent of Phoenix Park.

The NGC has now made 49 percent of its ownership in the Company available to the public for investment via this IPO. Members of the public will now directly own 49 percent of Trinidad and Tobago NGL Limited, 75.8 million class B shares at a price of $20.00 per share, with NGC owning the other 51 percent. Both the public and NGC would indirectly own 39 percent of Phoenix Park via Trinidad and Tobago NGL Limited.

market declined by 18.3 percent (year-on-year) from 74.2 million in June 2014 to 60.6 million in June 2015. For the comparative period, the value of shares traded decreased by 13.9 percent from $867.4 million to $747.2 million. Market capitalisation on the first tier stood virtually unchanged at $111.1 billion; marginally down by 0.003 percent from its June 2014 value.

Since the First Citizens Bank's initial public offering (IPO) in September 2013, two additional IPOs have come to the market. The first being Stallion Property Trust which opened for investment in May 2015; and the second, the long anticipated Phoenix Park Gas Processors Limited IPO.

The Stallion Property Trust offering which closed on July 3, 2015 was expected to add around $381 million in market capitalisation to the Mutual Fund Shares listed on the Trinidad and Tobago Stock Exchange. However, due to under subscription of the offering, and the requirement of full subscription as indicated in the proposed business model in the prospectus, the offering was subsequently cancelled with all funds being returned to the investors.

The highly anticipated IPO of Phoenix Park Gas Processors Limited (PPGPL), one of the largest gas processing facilities in the Americas, opened for investment on August 10, 2015. The IPO offered 49.0 percent of the Trinidad and Tobago NGL holdings of PPGPL. It was anticipated that the IPO would raise around $1.5 billion in financing for the company.

Primary Bond Market

Over the period October 2014 to June 2015, preliminary information indicates that the domestic primary bond market was relatively active. During the period, there were 14 new issues on the primary bond market raising approximately $5.9 billion. This compares to eight issues raising $10.5 billion in the same period one year earlier. The Central Government was the main issuer over the period issuing six bonds totaling $3.8 billion. The private sector issued five bonds totaling just over $1.7 billion.

Notwithstanding the increasing interest rate levels and falling excess liquidity, significant liquidity existed to encourage a high level of private sector activity on the domestic capital market as investors continued to take advantage of this environment with all of the private sector and government bonds issued being transacted via private placements.

Higher trading activity on the Secondary Government Bond Market occurred over the nine months ended June 2015 when compared with the same period one year ago. Central Government bonds with a combined face value of $498.0 million were traded compared with $323.8 million in the same period in 2013-2014. The number of transactions was also higher, with 88 trades occurring in the 2014-2015 period compared with 46 trades in the previous year.

Mutual Funds

Activity in the mutual fund sector slowed over the nine-month period October 2014 to June 2015 as aggregate sales fell by 3.8 percent while repurchases increased by 8.2 percent. Notwithstanding the decline in aggregate sales, funds under management grew by 2.3 percent from $41.8 billion to $42.7 billion, led primarily by the suite of funds sponsored by First Citizens Asset Management (FCB), which grew by 11.7 percent **(Figure 21c).**

Equity funds accounted for most of the growth in funds under management, growing by 7.6 percent on a year-on-year basis; moving from $7.6 billion to $8.2 billion. The money market segment of the market registered a slight increase of 1.1 percent (year-on-year) with funds under management growing from $34.2 billion to $34.6 billion.

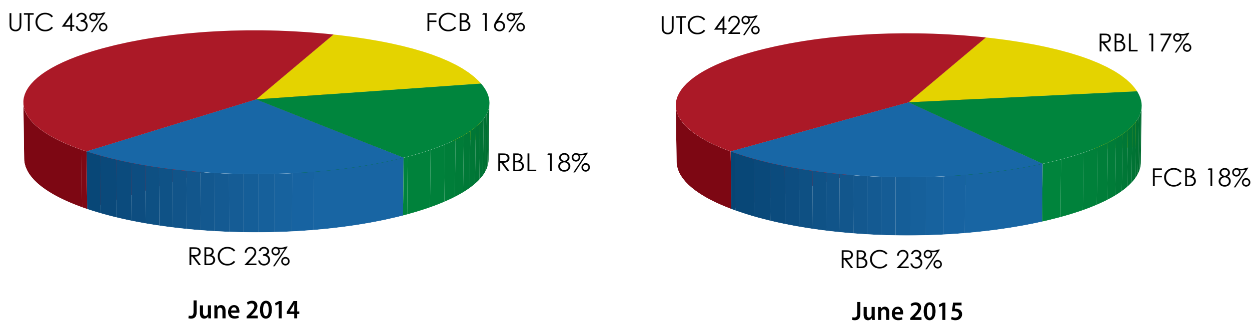
In terms of market share, the Unit Trust Corporation's (UTC) dominance of the mutual fund industry continued in the two major classifications of funds; the growth and income and money market segments.

The UTC accounted for 42 percent of the money market segment of the market at the end of June 2015 down marginally from its 43.0 percent share at the end of June 2014. RBC Royal Bank (RBC) Limited's family of mutual funds maintained its 23.0 percent share of the market while First Citizens Asset Management (FCB) continued to gain market share, increasing its share to 18.0 percent as at June 2015 up from 16.0 percent at the end of June 2014. Republic Bank Limited (RBL) held 17.0 percent of the money market segment at the end of June 2015, down from 18.0 percent in June 2014 **(Figure 21a).**

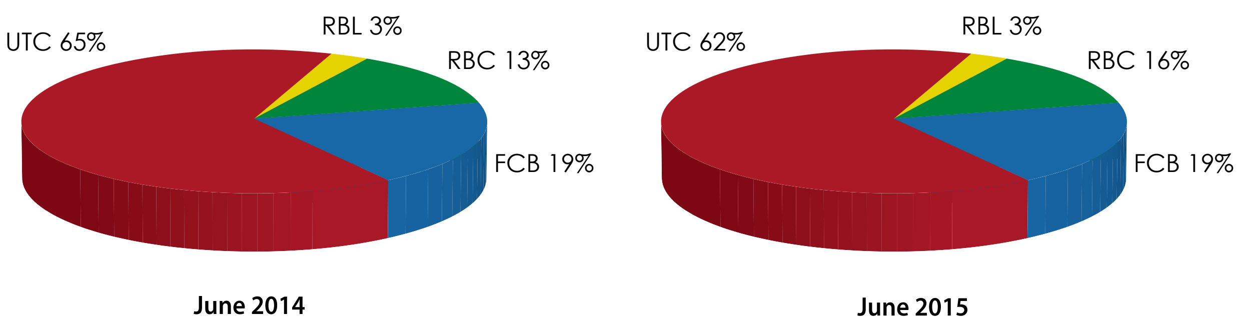
The growth and income segment of the mutual fund market was dominated by the UTC which held 62.0 percent of this market segment at the end of June 2015, three (3) percentage points lower than at the end of June 2014. RBC's share of the segment grew to 16.0 percent at the end of June 2015 up from its share of 13.0 percent at the end of June 2014. Both FCB and RBL maintained their shares of 19.0 percent and 3.0 percent, respectively, over the period **(Figure 21b).**

Figure 21: Comparative Analysis

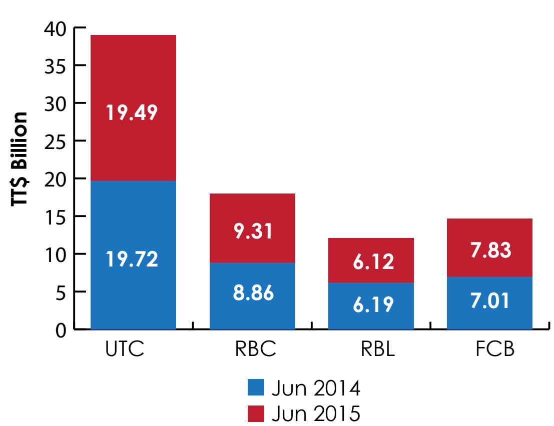
(a) Market Share - Money Market Funds



(b) Market Share - Growth and Income Funds



(c) Funds under Management



Sources: UTC, RBL, RBC and FCB

REGULATORY DEVELOPMENTS

LEGISLATIVE DEVELOPMENTS

Over the course of fiscal 2015, the Central Bank of Trinidad and Tobago (CBTT) launched initiatives for the implementation of revised and enhanced capital standards for banking institutions. Additionally, the CBTT played a key role in the Trinidad and Tobago's preparation for the Fourth Round Mutual Evaluation (ME) by the Caribbean Financial Action Task Force (CFATF) which was conducted in January 2015.

Two Bills of the legislative and supervisory frameworks for the insurance and credit union sectors were modernised and advanced to the Parliamentary stage in the period under review. However, these Bills were not enacted as Parliament was prorogued before debates on the legislation could be completed. The CBTT also updated the regulatory framework for bureaux de change to include *inter alia* fit and proper and minimum capital requirements.

Development of the Foreign Account Tax Compliance Act (FATCA) continues as the CBTT, the Ministry of Finance and the Board of Inland Revenue (BIR) continued their collaboration to ensure Trinidad and Tobago's compliance with its requirements.

The Trinidad and Tobago Securities and Exchange Commission (TTSEC) also undertook the amendment of the Securities (Amendment) Act 2014 and updated the associated By-Laws for the period under review.

Revised Capital Adequacy Standards / Implementation of Basel II

In November 2014, the CBTT issued a policy proposal document to institutions licensed under the Financial Institutions Act, 2008 which detailed proposals for the implementation of enhanced capital requirements for credit and the introduction of a capital charge for operational risk in accordance with Basel II Capital Standards. The CBTT advised that the capital treatment of market risk will remain unchanged but that the Basel II framework will be adopted on a phased basis, with immediate focus on the adoption of the simpler standardised approaches under Pillar 1 of Basel II. Pillars 2 and 3 which treat with internal capital adequacy assessments and disclosures, respectively are to be implemented at a later date. Some of the significant proposals included in the policy document included:

1. Increasing the minimum Capital Adequacy Ratio (CAR) to 10 per cent ;
2. Increasing the Minimum Tier 1 Ratio to 7 per cent; and
3. Introducing the Minimum Common Equity Tier 1 (CET1) ratio at 4.5 per cent as proposed in the Basel III framework on a phased basis.

The CBTT has since formed a Technical Working Group comprising representatives of the CBTT and licensed banks and non-banks to address issues related to the implementation of the proposals contained in the proposal document. A Basel II Subject Matter Expert has also been retained to provide technical assistance for the project.

The Draft Insurance Bill

The Insurance Bill is now at the final stages of the Parliamentary process. This Bill intends to impose additional and more stringent minimum capital requirements on insurers. The Bill also contained several proposals to enhance the corporate governance of insurance companies.

In addition to the introduction of risk based capital adequacy requirements, the Bill aimed at improving the risk management of insurance companies by introducing requirements for Financial Condition Reporting (stress testing) and an actuarial valuation methodology (the Caribbean Policy Premium Methodology (CPPM)). Provisions to enhance the Continuous Professional Development (CPD) and Market Conduct standards for insurance agents, brokers and salespersons are also included in the Bill.

The Draft Credit Union Bill

The Credit Union Bill is intended to regulate the financial activities of Credit Unions and secondary bodies carrying on the business of a Credit Union. The Credit Union Bill and consequential amendments to the Co-operatives Societies Act were laid in Parliament in November 2014 but debate on this legislation did not take place before Parliament was prorogued. A policy proposal for the amendment of the Central Bank Act to establish a mandatory protection scheme for members of Credit Unions is being prepared for the legislative stage.

Motor Vehicle Accident Fund

The CBTT in conjunction with the Ministry of Finance and the Association of Trinidad and Tobago Insurance Companies (ATTIC) collaborated on the development of policy proposals for the establishment of a motor vehicle accident fund (MVAF) to provide redress for victims of uninsured and untraced ("hit and run") drivers. Its establishment is consistent with funds in other jurisdictions which have been established to secure the satisfactory settlement of claims in respect of compensation for marginalised accident victims in instances where no motor insurance policies are in force or where victims cannot be assisted due to limitations of cover, usage or other contractual restrictions in insurance policies. The MVAF's mandate will be to compensate:

(i) victims who suffer bodily injury as a result of accidents caused by uninsured or untraced drivers;

(ii) beneficiaries of victims who are killed in similar circumstances; and

(iii) victims who suffer property damage.

Elements of the MVAF will address such issues as claims handling, compensation assessment, recoveries, exclusion clauses and funding requirements. Work on the development of legislation for the establishment of this fund is currently in progress.

Loan Loss Classification and Provisioning Standards

The CBTT is currently chairing a Technical Working Group comprising several other regional regulators (Barbados, Guyana, Cayman Islands, Haiti and Bahamas), to develop regional harmonised proposals regarding Loan Classification and Provisioning Standards that is commensurate with international standards and best practices. Consultation with the banking sector will take place following the development of the regional policy proposals.

Foreign Account Tax Compliance Act (FATCA)

In making relevant preparations for compliance with FATCA, Trinidad and Tobago engaged the Internal Revenue Service (IRS) in discussions for the adoption of Model 1: Reciprocal Intergovernmental Agreement of FATCA. Under this model, financial institutions in Trinidad and Tobago will report the required information to the Board of Inland Revenue (BIR) who would be designated the Local Competent Authority. The necessary legislation to support the transmission of tax information and to give the BIR the appropriate authority in this respect is presently being reviewed. The CBTT collaborated with the BIR on the reporting requirements to be introduced and agreed to monitor compliance of its regulated financial institutions with FATCA requirements. The obligation for reporting by institutions will initially be enshrined in the Model I reciprocal agreement for the transfer of confidential reporting to the IRS by local institutions. The BIR and IRS also met in March 2015 to discuss exemptions of reporting for certain institutions.

Regulating Systemically Important Financial Institutions (SIFIs)

In December 2013, five (5) institutions, which were previously unregulated were deemed to be Systemically Important Financial Institutions (SIFIs) and are now under the CBTT's regulatory remit. These institutions are:

(i) the Home Mortgage Bank (HMB);

(ii) the National Insurance Board under the National Insurance Act, chap.32:01;

(iii) the Unit Trust Corporation of Trinidad and Tobago (UTC);

(iv) the Trinidad and Tobago Mortgage Finance Company (TTMF); and

(v) the Agricultural Development Bank of Trinidad and Tobago (ADB).

In the period of review, the CBTT continued its evaluation of these institutions' business models and commenced on-site examinations of the entities in order to assess their risks and propose appropriate regulatory frameworks for effective oversight of these institutions.

Anti-Money Laundering and Counter Terrorist Financing (AML/CFT)

In March 2014, the CBTT, through its representation on the National Committee on AML/CFT (NAMLC) collaborated with other regulators and stakeholders to conduct a National Risk Assessment (NRA) of Trinidad and Tobago's money laundering and financing of terrorism risks. Whilst the NRA was originally intended to be completed in time for the conduct of the country's Fourth Round Mutual Evaluation (ME) in January 2015, the time and work involved for the completion of the NRA was underestimated. The ME is a process introduced by the Financial Action Task Force (FATF) to assess the robustness and compliance of a country with the FATF Recommendations for anti-money laundering and combatting of terrorism financing (AML/CFT).

The timeline for the completion for the NRA was subsequently moved to November 2015. The NRA would also facilitate the development of a detailed Action Plan for the implementation of effective AML/CFT systems and controls for Trinidad and Tobago's AML/CFT risks assessment. Further, the CBTT through NAMLC also contributed significantly to the formulation of amendments to key AML/CFT legislation, which was ratified in December 2014.

National Financial Crisis Management Plan

A task force comprising the CBTT, the Ministry of Finance, the Deposit Insurance Corporation and the Securities and Exchange Commission has been working to finalise the National Financial Crisis Management Plan. The key features of the Plan are designed to enable crisis preparedness and include:

(i) Options for recovery and resolution of a SIFI in crisis;

(ii) Inter-agency communication, co-ordination and protocols; and

(iii) Identification of roles for each stakeholder in each identified option.

Virtual Currencies

With a noted increase in popularity of Bitcoin and other virtual currencies, as well as the lack of comprehensive regulation of such virtual currency businesses, the reported volatility of the currency, potential consumer losses, and money laundering and terrorist financing (ML/TF) risks, the CBTT commenced collaboration with other regulators in order to determine an appropriate regulatory framework for the creation, distribution, exchange and transmission of virtual currencies.

The Securities Act 2014

During 2015, the Trinidad and Tobago Securities and Exchange Commission (TTSEC) undertook the amendment of the Securities (Amendment) Act 2014 and updated the associated By-Laws. The amendments of the Act further clarify and streamline the processes and procedures contained in the Securities Act 2012. The Securities (General) By-Laws 2015 replaced the Securities Industry By-Laws 1997 and was enacted in April 2015 pursuant to Section 148 of the amended Securities Act 2012 (SA 2012).

The By-Laws 2015 seeks to clarify certain obligations and standards of conduct applicable to registrants and self-regulatory organisations under the SA 2012, such as: registration requirements, disclosure obligations, business conduct practices and fit and proper requirements.

TRADE AND PAYMENTS

Balance of Payments
Heritage and Stabilisation Fund
Balance of Visible Trade

BALANCE OF PAYMENTS

The balance of payments is projected to record an overall surplus of US$1,330 million in 2014, denoting a 69.1 percent increase over the US$786 million surplus estimated in the previous year. Contributing significantly to this positive performance was the shrinking of the Capital and Financial account deficit, which decreased from US$1,134 million to US$20 million, far outweighing the depletion of the current account balance from the estimated US$1,920 million in 2013 to US$1,349 million projected in 2014 **(Table 10).**

CURRENT ACCOUNT

The Current Account decreased by US$571 million (or 29.7 percent) from US$1,920 million reported in 2013 to US$1,349 in the year 2014, due to a decline in both its supporting components; merchandise trade balance and services and transfers (net) account. The merchandise trade balance experienced a moderate decline from US$3,899 million in 2013 to US$3,420 million in 2014, reflecting declines in both imports and exports. The services and transfers (net) account increased marginally by 4.6 percent from US$1,979 million in 2013 to US$2,071 million in 2014 **(Table 10).**

CAPITAL ACCOUNT

The deficit on the capital account lessened significantly from US$1,134 million in 2013 to US$20 million in 2014 or 98.2 percent, owing chiefly to a US$284 million surplus in the private sector account and departing from a deficit of US$1,149 million the previous year. This surplus, in turn, was led by net foreign direct investment which posted a surplus of US$1,477 million, reversing the deficit of US$66 million in the corresponding previous period and stemming from gross foreign direct inflows of over US$1 billion associated with construction of bpTT's Juniper platform and BGTT's Starfish projects. The commercial banks net foreign balances waned from US$94 million in 2013 to US$66 million in 2014. Other Private Sector Capital (net) increased slightly from US$1,077 million in 2013 to US$1,092 million in 2014 **(Table 10).**

FOREIGN RESERVES

Gross Official Reserves (GOR) continued to exceed conventional benchmarks of reserve adequacy and increased by 11.7 percent from US$9,987 million or 12 months of prospective import cover in 2013 to US$11,317 million or 12.7 months of prospective import cover in 2014. This positive outturn is indicative of further improvement in the Balance of Payments account in 2014 **(Table 10).**

The most recent data from the Central Bank indicates that gross official reserves stood at US$10,392.3 million at the end of August 2015, representing 11.7 months of prospective imports of goods and non-factor services.

HERITAGE AND STABILISATION FUND (HSF)

Appreciating from US$5,653.9 million reported on December 30, 2014, the Net Asset Value of the HSF portfolio increased to US$5,779.4 million at the end of March 31, 2015 but subsequently waned to US$5,774.9 million as at the end of June 30, 2015. This decrease from April to June 2015 can be attributed to losses in equity and fixed income. The Fund is projected at US$5,533,425,248 for the period ending September 30, 2015. No deposits or withdrawals were made during the current fiscal year.

Table 10: Summary Balance of Payments (US$ million)

	2010	2011r	2012P	2013P	2014P
Current Account	**4,172**	**2,899**	**824**	**1,920**	**1,349**
Trade Balance	4,735	5,433	3,918	3,899	3,420
Exports	11,239	14,944	12,983	12,770	11,806
Energy	9,435	12,710	10,570	10,855	10,035
Non-Energy	1,804	2,234	2,414	1,915	1,771
Imports	6,504	9,511	9,065	8,871	8,386
Energy	2,664	4,309	3,942	4,892	3,906
Non-Energy	3,839	5,202	5,123	3,979	4,479
Services	488	506	261	271	317
Income	(1,080)	(3,074)	(3,390)	(2,275)	(2,367)
Transfers	29	33	34	25	(20)
Capital and Financial Account	**(3,754)**	**(2,146)**	**(1,446)**	**(1,134)**	**(20)**
Private Sector	**(3,213)**	**(1,850)**	**(820)**	**(1,149)**	**284**
Direct Investment	549	771	772	(66)	1,477
Portfolio Investment	(67)	(85)	(446)	(100)	(167)
Commercial Banks	494	(310)	(669)	94	66
Other Private Sector Capital*	(4,189)	(2,226)	(477)	(1,077)	(1,092)
Public Sector**	**(541)**	**(295)**	**(626)**	**15**	**(304)**
Overall Surplus/Deficit	418	753	(622)	786	1,330
Memo Items:					
Gross Official Reserves***	9,070	9,823	9,201	9,987	11,317
Import Cover	**13.1**	**13.5**	**10.4**	**12.0**	**12.7**

Source: Central Bank of Trinidad and Tobago and the Central Statistical Office
Figures may not sum due to rounding
R Revised
P Provisional Central Bank estimates for the period March 2012 to March 2015 are based on comparative mirror trade data with the rest of the world, and supplemental data on activity in the energy sector
* Includes Errors and Omissions
** Includes Official Borrowing, State Enterprise, Heritage and Stabilisation Fund, Other Assets and Other Liabilities.
*** End of Period

BALANCE OF VISIBLE TRADE

For the period April 2014 to June 2015, Trinidad and Tobago's balance of visible trade declined by 63.1 percent to TT$10,939.1 million (from TT$29,663.9 million) over the corresponding period one year earlier. Both exports and imports of visible trade diminished from TT$130,810.0 million to TT$100,491.9 million, and TT$101,146.1 million to TT$89,552.8 million, respectfully. This trade outturn is attributable to vast declines in Trade Excluding Mineral Fuels by 157.7 percent; Trade Excluding Mineral Fuels UPA by 63.1 percent, Trade in Mineral Fuels non – UPA (44.3 percent), and Trade in Mineral Fuels (44.3 percent). Conversely, an upsurge in Trade in Mineral Fuels UPA reduced the April to June 2014 deficit of TT$30.5 million to TT$4.2 million in 2015 **(Appendix 28).**

CARICOM TRADE

Trinidad and Tobago's balance of trade with CARICOM countries decreased from TT$20,197.6 million for the period April 2013 to June 2014, to TT$11,032.9 million for the corresponding period in 2015. This deterioration in the trade balance was primarily due to the drastic decline (56.6 percent) of exports of mineral fuels which plunged from TT$17,025.6 to TT$7,391.4. The Balance of Trade excluding mineral fuels increased moderately by 7.6 percent due to the increase in exports excluding mineral fuels surpassing the increase in imports excluding mineral fuels. The former increased from TT$4,772.5 to TT$5,116.4 while the latter increased from TT$1,003.3 to TT$1,062.6 **(Appendix 27).**

CARICOM/CANADA TRADE AND DEVELOPMENT AGREEMENT

After years of uncompromising stances that culminated in seven rounds of collapsed negotiations, the CARICOM/Canada Trade and Development Agreement was formally suspended by Canada on May 4, 2015. The inability to mend the divergences in key areas such as market access in goods, services and investment proved insurmountable. However, Canada has secured the continuation of the CARIBCAN arrangement through the World Trade Organisation (WTO) whereby preferential access is granted for Trinidad and Tobago's exports to Canada until December 2023. Also, consequent to the suspension of the CARICOM/Canada Trade and Development Agreement, Trinidad and Tobago has submitted an Agreement in Principle to Canada following which, Canada has expressed interest in negotiating.

TRINIDAD AND TOBAGO - EL SALVADOR PARTIAL SCOPE AGREEMENT

Negotiations for the Trinidad and Tobago-El Salvador Partial Scope Agreement (PSTA) concluded, after the completion of four (4) rounds, in October 2014. Currently, the legal scrub of the Spanish and English versions is being undertaken by the Legal and Market Access teams of both countries subsequent to which it will be submitted to the Secretariat of CARICOM for certification.

TRINIDAD AND TOBAGO - GUATEMALA PARTIAL SCOPE TRADE AGREEMENT

After four rounds of negotiations for the Trinidad and Tobago - Guatemala Partial Scope Agreement in Investment, Culture and Tourism, both parties signed the agreement on February 6, 2015. The Agreement allows for the entry of one hundred and forty-six (146) products into Guatemala at preferential duties as well as the elimination or reduction of import tariffs for one hundred and forty-three (143) Guatemalan products into Trinidad and Tobago. This Agreement is presently being prepared for Parliament.

TRINIDAD AND TOBAGO - PANAMA PARTIAL SCOPE TRADE AGREEMENT

The Trinidad and Tobago-Panama Partial Scope Agreement was signed on October 3, 2013. Parliament debated the TT-Panama Bill during the November 2014 to March 2015 period and the

President gave assent to the legislation on April 1, 2015. Subsequent to the exchange of instruments of ratification by Trinidad and Tobago and Panama, the Agreement is expected to be implemented by both Parties.

WORLD TRADE ORGANISATION (WTO) – AGREEMENT ON TRADE FACILITATION

The WTO Agreement on Trade Facilitation aims to elevate global trade by expediting the movement, release, and clearance of goods. The negotiations for a WTO Agreement on Trade Facilitation were concluded in December 2013 at the 9th Ministerial Conference in Bali Indonesia, and a submission by Trinidad and Tobago of the Instrument of Acceptance of the Protocol to amend the Agreement was forwarded in July 2015. Previously, in June 2015, Trinidad and Tobago notified its Category A commitments to the WTO Secretariat. Trinidad and Tobago became the 9th WTO member to accept the Protocol and a National Trade Facilitation Committee (NTFC) was established to oversee the implementation of the Agreement at the national level.

IMPLEMENTATION OF THE CARIFORUM - EUROPEAN UNION ECONOMIC PARTNERSHIP AGREEMENT (EPA)

The Third Meeting of the Joint CARIFORUM–European Union (EU) Council under the Economic Partnership Agreement (EPA) was convened in July 2015. This assembly marked the first political engagement between CARIFORUM and the EU on the Five Year Review of the Agreement and confirmed its commitment to the EPA as a comprehensive and forward looking platform for economic and social cooperation. The Government of Trinidad and Tobago has taken significant steps to implement and comply with the obligations under the EPA such as capacity building, amendments to legislation and institutional strengthening. The Implementation of the CARIFORUM-EU EPA remains an ongoing initiative between CARICOM, the Dominican Republic, and the European Union.

CARICOM-COSTA RICA FREE TRADE AGREEMENT

In July 2015, the First Meeting of the Joint Council under the Free Trade Agreement between CARICOM and the Republic of Costa Rica was held in Trinidad and Tobago. The Council agreed on a proposal for the establishment of a CARICOM-Costa Rica Business Council and Rules of Procedure of the Joint Council. The Meeting discussed issues relating to Services, the Consideration of the development of Mutual Recognition Agreements (MRAs) between CARICOM and Costa Rica, and Information on temporary entry of business persons. Other topics conversed were the temporary entry of business persons and the impact of inadequate transportation links on CARICOM-Costa Rica trade.

CARICOM-CUBA TRADE AND ECONOMIC COOPERATION AGREEMENT

The Eighth Meeting of the Joint Commission under the Trade and Economic Cooperation Agreement between the CARICOM Community (CARICOM) and the Republic of Cuba was held on 30 September to 2 October, 2014 in Havana Cuba. CARICOM Secretariat subsequently circulated a revised Draft Product Specific Rules of Origin (PSRO) proposal in April 2015. In July 2015 CARICOM circulated a list of unresolved PRSOs for which Member States had diverging views. A Technical Working Group meeting is scheduled for early September 2015 to find common ground among member states.

Appendix 1
Gross Domestic Product of Trinidad and Tobago at Constant (2000) Prices
/TT$ Millions/

SECTOR	2010re	2011re	2012re	2013re	2014re	2015p
GROSS DOMESTIC PRODUCT	**91,794.1**	**91,523.9**	**92,708.2**	**94,803.9**	**93,840.9**	**94,008.2**
PETROLEUM INDUSTRY	**36,806.3**	**35,383.1**	**34,378.5**	**34,837.4**	**34,002.8**	**32,849.9**
Exploration and Production	21,038.6	20,110.3	19,598.0	19,843.8	19,509.0	18,759.3
Refining (Incl Atlantic LNG)	9,125.2	8,600.3	8,233.9	8,418.9	8,117.5	7,734.6
Petrochemicals	4,289.7	4,087.5	3,849.7	3,786.0	3,747.8	3,583.4
Service Contractors	368.2	598.8	725.5	788.8	701.6	776.5
Distribution	1,956.8	1,946.3	1,939.1	1,952.4	1,883.2	1,959.4
Asphalt Production	27.8	39.9	32.3	47.5	43.7	36.7
NON-PETROLEUM INDUSTRY	**54,757.8**	**56,530.8**	**57,857.2**	**59,390.0**	**59,464.6**	**60,858.2**
Agriculture	**456.9**	**458.3**	**400.4**	**400.0**	**411.5**	**429.8**
Export Agriculture	5.8	11.8	9.6	3.6	5.8	5.0
Domestic Agriculture	207.7	215.3	217.3	230.0	246.2	271.8
Sugar:	243.4	231.2	173.5	166.4	159.5	153.0
Sugar refineries	0.0	0.0	0.0	0.0	0.0	0.0
Cane farming and cultivation	0.0	0.0	0.0	0.0	0.0	0.0
Distilleries	243.4	231.2	173.5	166.4	159.5	153.0
Manufacturing [1]	**7,886.0**	**7,860.9**	**7,933.4**	**7,851.5**	**7,537.2**	**7,633.2**
Food, Beverages and Tobacco	3,908.8	3,981.7	4,225.2	4,116.2	3,944.4	4,212.7
Textile, Garments & Footwear	207.5	205.4	176.0	159.8	144.9	131.9
Printing, Publishing etc.	669.5	667.2	659.4	720.1	702.7	745.1
Wood & Related Products	142.1	159.9	149.5	125.8	119.2	118.7
Chemicals & Non-Metallic Minerals	1,245.2	1,288.8	1,237.2	1,257.2	1,252.0	1,228.8
Assembly Type and Related Industries	1,327.7	1,205.5	1,103.6	1,065.8	980.9	822.4
Miscellaneous Manufacturing	385.2	352.4	382.5	406.6	393.1	373.6
Services	**46,414.9**	**48,211.6**	**49,523.4**	**51,138.5**	**51,515.9**	**52,795.2**
Electricity and Water	1,271.7	1,353.3	1,387.3	1,430.3	1,443.0	1,484.9
Construction and Quarrying	4,913.1	4,478.8	4,389.3	4,669.4	4,806.1	4,971.9
Distribution and Restaurants [2]	12,429.6	13,653.3	13,529.3	13,900.4	13,742.4	13,015.1
Hotels and Guest Houses	305.3	278.7	255.9	239.7	241.8	247.0
Transport, Storage & Communication	7,078.2	7,275.1	8,322.9	8,423.9	8,526.0	8,629.4
Finance, Insurance & Real Estate etc.	12,421.1	13,074.9	13,467.6	14,666.2	14,492.3	15,740.4
Government	5,022.8	4,989.9	5,042.1	4,599.1	5,030.4	5,446.7
Education & Cultural Services	1,901.0	1,855.2	1,844.5	1,868.5	1,830.2	1,768.0
Personal Services	1,072.1	1,252.4	1,284.5	1,341.0	1,403.7	1,491.8
FISIM [3]	(2,847.7)	(2,778.9)	(2,345.9)	(2,236.1)	(2,188.6)	(2,408.4)
Add: VALUE ADDED TAX (VAT)	3,077.7	2,388.9	2,818.4	2,812.6	2,562.1	2,708.5

Source: Central Statistical Office
1/ Excludes oil refining and petrochemical industries.
2/ Excludes distribution of petroleum products.
3/ Financial Intermediation Services Indirectly Measured.
re: revised p: provisional

Appendix 2
Gross Domestic Product of Trinidad and Tobago at Constant (2000) Prices
/Percentage Change/

SECTOR	2010re	2011re	2012re	2013re	2014re	2015p
GROSS DOMESTIC PRODUCT	**3.3**	**(0.3)**	**1.3**	**2.3**	**(1.0)**	**0.2**
PETROLEUM INDUSTRY	**2.4**	**(3.9)**	**(2.8)**	**1.3**	**(2.4)**	**(3.4)**
Exploration and Production	4.9	(4.4)	(2.5)	1.3	(1.7)	(3.8)
Refining (Incl Atlantic LNG)	(3.3)	(5.8)	(4.3)	2.2	(3.6)	(4.7)
Petrochemicals	(0.8)	(4.7)	(5.8)	(1.7)	(1.0)	(4.4)
Service Contractors	37.5	62.6	21.2	8.7	(11.1)	10.7
Distribution	5.6	(0.5)	(0.4)	0.7	(3.5)	4.0
Asphalt Production	57.1	43.5	(19.0)	47.1	(8.0)	(16.0)
NON-PETROLEUM INDUSTRY	**3.2**	**3.2**	**2.3**	**2.6**	**0.1**	**2.3**
Agriculture	**32.1**	**0.3**	**(12.6)**	**(0.1)**	**2.9**	**4.4**
Export Agriculture	26.1	103.4	(18.6)	(62.5)	61.1	(13.8)
Domestic Agriculture	(32.8)	3.7	0.9	5.8	7.0	10.4
Sugar:	660.6	(5.0)	(25.0)	(4.1)	(4.1)	(4.1)
Sugar refineries	(100.0)	0.0	0.0	0.0	0.0	0.0
Cane farming and cultivation	(100.0)	0.0	0.0	0.0	0.0	0.0
Distilleries	66.1	(5.0)	(25.0)	(4.1)	(4.1)	(4.1)
Manufacturing [1]	**1.5**	**(0.3)**	**0.9**	**(1.0)**	**(4.0)**	**1.3**
Food, Beverages and Tobacco	4.0	1.9	6.1	(2.6)	(4.2)	6.8
Textile, Garments & Footwear	22.8	(1.0)	(14.3)	(9.2)	(9.3)	(9.0)
Printing, Publishing etc.	(6.7)	(0.3)	(1.2)	9.2	(2.4)	6.0
Wood & Related Products	(12.5)	12.5	(6.5)	(15.9)	(5.2)	(0.4)
Chemicals & Non-Metallic Minerals	2.8	3.5	(4.0)	1.6	(0.4)	(1.9)
Assembly Type and Related Industries	(1.2)	(9.2)	(8.5)	(3.4)	(8.0)	(16.2)
Miscellaneous Manufacturing	(5.1)	(8.5)	8.5	6.3	(3.3)	(5.0)
Services	**3.3**	**3.9**	**2.7**	**3.3**	**0.7**	**2.5**
Electricity and Water	0.1	6.4	2.5	3.1	0.9	2.9
Construction and Quarrying	(28.4)	(8.8)	(2.0)	6.4	2.9	3.4
Distribution and Restaurants [2]	22.7	9.8	(0.9)	2.7	(1.1)	(5.3)
Hotels and Guest Houses	15.2	(8.7)	(8.2)	(6.3)	0.9	2.2
Transport, Storage & Communication	0.9	2.8	14.4	1.2	1.2	1.2
Finance, Insurance & Real Estate etc.	8.1	5.3	3.0	8.9	(1.2)	8.6
Government	1.2	(0.7)	1.0	(8.8)	9.4	8.3
Education & Cultural Services	6.5	(2.4)	(0.6)	1.3	(2.0)	(3.4)
Personal Services	(7.7)	16.8	2.6	4.4	4.7	6.3
FISIM [3]	(7.5)	(2.4)	(15.6)	(4.7)	(2.1)	10.0
Add: VALUE ADDED TAX (VAT)	5.8	(22.4)	18.0	(0.2)	(8.9)	5.7

Source: Central Statistical Office
1/ Excludes oil refining and petrochemical industries.
2/ Excludes distribution of petroleum products.
3/ Financial intermediation services indirectly measured.
Re: revised p: provisional

Appendix 3
Gross Domestic Product of Trinidad and Tobago at Constant (2000) Prices
/Percentage Contribution/

SECTOR	2010re	2011re	2012re	2013re	2014re	2015p
GROSS DOMESTIC PRODUCT	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
PETROLEUM INDUSTRY	**40.1**	**38.7**	**37.1**	**36.7**	**36.2**	**34.9**
Exploration and Production	22.9	22.0	21.1	20.9	20.8	20.0
Refining (incl Atlantic LNG)	9.9	9.4	8.9	8.9	8.7	8.2
Petrochemicals	4.7	4.5	4.2	4.0	4.0	3.8
Service Contractors	0.4	0.7	0.8	0.8	0.7	0.8
Distribution	2.1	2.1	2.1	2.1	2.0	2.1
Asphalt Production	0.03	0.04	0.03	0.05	0.05	0.04
NON-PETROLEUM INDUSTRY	**59.7**	**61.8**	**62.4**	**62.6**	**63.4**	**64.7**
Agriculture	**0.5**	**0.5**	**0.4**	**0.4**	**0.4**	**0.5**
Export Agriculture	0.01	0.01	0.01	0.00	0.01	0.01
Domestic Agriculture	0.2	0.2	0.2	0.2	0.3	0.3
Sugar:	0.3	0.3	0.2	0.2	0.2	0.2
Sugar refineries	0.00	0.00	0.00	0.00	0.00	0.00
Cane farming and cultivation	0.00	0.00	0.00	0.00	0.00	0.00
Distilleries	0.3	0.3	0.2	0.2	0.2	0.2
Manufacturing [1]	**8.6**	**8.6**	**8.6**	**8.3**	**8.0**	**8.1**
Food, Beverages and Tobacco	4.3	4.4	4.6	4.3	4.2	4.5
Textile, Garments & Footwear	0.2	0.2	0.2	0.2	0.2	0.1
Printing, Publishing etc.	0.7	0.7	0.7	0.8	0.7	0.8
Wood & Related Products	0.2	0.2	0.2	0.1	0.1	0.1
Chemicals & Non-Metallic Minerals	1.4	1.4	1.3	1.3	1.3	1.3
Assembly Type and Related Industries	1.4	1.3	1.2	1.1	1.0	0.9
Miscellaneous Manufacturing	0.4	0.4	0.4	0.4	0.4	0.4
Services	**50.6**	**52.7**	**53.4**	**53.9**	**54.9**	**56.2**
Electricity and Water	1.4	1.5	1.5	1.5	1.5	1.6
Construction and Quarrying	5.4	4.9	4.7	4.9	5.1	5.3
Distribution and Restaurants [2]	13.5	14.9	14.6	14.7	14.6	13.8
Hotels and Guest Houses	0.3	0.3	0.3	0.3	0.3	0.3
Transport, Storage & Communication	7.7	7.9	9.0	8.9	9.1	9.2
Finance, Insurance & Real Estate etc.	13.5	14.3	14.5	15.5	15.4	16.7
Government	5.5	5.5	5.4	4.9	5.4	5.8
Education and Cultural Services	2.1	2.0	2.0	2.0	2.0	1.9
Personal Service	1.2	1.4	1.4	1.4	1.5	1.6
FISIM [3]	(3.1)	(3.0)	(2.5)	(2.4)	(2.3)	(2.6)
Add: VALUE ADDED TAX (VAT)	3.4	2.6	3.0	3.0	2.7	2.9

Source: Central Statistical Office
1/ Excludes oil refining and petrochemical industries.
2/ Excludes distribution of petroleum products.
3/ Financial Intermediation Services Indirectly Measured.
re: revised p: provisional

Appendix 4
Gross Domestic Product of Trinidad and Tobago at Market Prices (Current Prices)
/TT$ Millions/

SECTOR	2010re	2011re	2012re	2013re	2014re	2015p
GROSS DOMESTIC PRODUCT	**141,268.3**	**163,007.8**	**165,203.2**	**170,371.2**	**174,756.9**	**165,286.1**
PETROLEUM INDUSTRY	**56,298.6**	**73,005.9**	**68,467.3**	**65,236.5**	**65,035.4**	**53,034.2**
Exploration and Production	31,236.3	38,506.0	38,467.5	38,435.3	37,558.4	29,169.3
Refining (Incl Atlantic LNG)	9,574.2	12,848.8	10,449.9	7,427.3	8,149.7	6,798.9
Petrochemicals	9,637.0	12,622.3	11,478.7	9,519.7	10,057.1	8,973.1
Service Contractors	2,078.6	2,552.4	2,863.8	3,889.2	3,694.7	2,683.6
Distribution	3,717.4	6,302.8	5,113.7	5,820.6	5,425.4	5,253.5
Asphalt Production	55.1	173.6	93.7	144.4	150.1	155.8
NON-PETROLEUM INDUSTRY	**84,749.9**	**90,806.7**	**95,632.7**	**103,717.3**	**108,787.5**	**111,455.9**
Agriculture	**734.8**	**744.2**	**770.1**	**795.4**	**769.4**	**814.1**
Export Agriculture	8.8	14.7	13.0	5.6	8.5	9.3
Domestic Agriculture	554.5	598.2	594.9	619.3	592.9	590.4
Sugar:	171.5	131.3	162.2	170.5	168.0	214.4
Sugar refineries	0.0	0.0	0.0	0.0	0.0	0.0
Cane farming and cultivation	0.0	0.0	0.0	0.0	0.0	0.0
Distilleries	171.5	131.3	162.2	170.5	168.0	214.4
Manufacturing [1]	**8,503.1**	**9,219.3**	**8,884.2**	**9,997.2**	**9,379.5**	**9,220.0**
Food, Beverages and Tobacco	5,337.2	5,018.2	4,941.8	5,322.1	5,150.2	5,355.7
Textile, Garments & Footwear	121.8	125.8	104.6	95.0	86.2	78.6
Printing, Publishing etc.	747.3	720.3	702.0	768.1	734.9	793.2
Wood & Related Products	178.0	207.5	200.6	167.1	158.4	149.9
Chemicals & Non-Metallic Minerals	1,497.7	1,381.3	1,475.6	1,761.3	1,812.5	1,567.4
Assembly Type and Related Industries	195.2	1,262.7	910.7	1,275.0	856.2	726.0
Miscellaneous Manufacturing	425.9	503.5	548.9	608.6	581.1	549.2
Services	**75,512.0**	**80,843.2**	**85,978.4**	**92,924.7**	**98,638.6**	**101,421.8**
Electricity and Water	1,809.7	2,000.1	1,997.3	1,940.7	2,079.8	2,120.4
Construction and Quarrying	9,410.5	8,772.3	8,778.5	9,352.3	10,243.6	10,725.3
Distribution and Restaurants [2]	24,911.9	28,994.0	31,826.9	34,749.8	36,636.7	36,016.8
Hotels and Guest Houses	587.1	574.9	591.8	574.1	604.1	660.7
Transport, Storage & Communication	8,185.1	8,653.1	8,826.1	9,179.2	9,546.3	9,737.3
Finance, Insurance & Real Estate etc.	14,812.5	16,229.5	17,506.7	19,503.2	19,504.0	21,136.4
Government	10,423.9	10,475.6	10,674.1	11,551.4	13,755.3	14,549.4
Education and Cultural Services	3,771.8	3,222.5	3,741.4	3,866.4	3,902.0	3,923.4
Personal Services	1,599.5	1,921.2	2,035.6	2,207.6	2,366.8	2,552.1
FISIM [3]	(5,812.5)	(5,721.8)	(5,234.2)	(5,240.0)	(5,473.7)	(6,387.0)
Add: VALUE ADDED TAX (VAT)	6,032.3	4,917.0	6,337.4	6,657.4	6,407.7	7,183.0

Source: Central Statistical Office
1/ Excludes oil refining and petrochemical industries.
2/ Excludes distribution of petroleum products.
3/ Financial Intermediation Services Indirectly Measured.
re: revised p: provisional

Appendix 5
Gross Domestic Product of Trinidad and Tobago at Market Prices (Current Prices)
/Percentage Change/

SECTOR	2010re	2011re	2012re	2013re	2014re	2015p
GROSS DOMESTIC PRODUCT	**16.5**	**15.4**	**1.3**	**3.1**	**2.6**	**(5.4)**
PETROLEUM INDUSTRY	**34.2**	**29.7**	**(6.2)**	**(4.7)**	**(0.3)**	**(18.5)**
Exploration and Production	37.3	23.3	(0.1)	(0.1)	(2.3)	(22.3)
Refining (Incl Atlantic LNG)	80.3	34.2	(18.7)	(28.9)	9.7	(16.6)
Petrochemicals	16.4	31.0	(9.1)	(17.1)	5.6	(10.8)
Service Contractors	(36.6)	22.8	12.2	35.8	(5.0)	(27.4)
Distribution	62.4	69.5	(18.9)	13.8	(6.8)	(3.2)
Asphalt Production	(6.3)	215.1	(46.0)	54.1	3.9	3.8
NON-PETROLEUM INDUSTRY	**6.4**	**7.1**	**5.3**	**8.5**	**4.9**	**2.5**
Agriculture	**1.8**	**1.3**	**3.5**	**3.3**	**(3.3)**	**5.8**
Export Agriculture	17.3	67.0	(11.6)	(56.9)	51.8	9.4
Domestic Agriculture	3.8	7.9	(0.6)	4.1	(4.3)	(0.4)
Sugar:	(4.8)	(23.4)	23.5	5.1	(1.5)	27.6
Sugar refineries	(100.0)	0.0	0.0	0.0	0.0	0.0
Cane farming and cultivation	(100.0)	0.0	0.0	0.0	0.0	0.0
Distilleries	(6.7)	(23.4)	23.5	5.1	(1.5)	27.6
Manufacturing [1]	**21.9**	**8.4**	**(3.6)**	**12.5**	**(6.2)**	**(1.7)**
Food, Beverages and Tobacco	39.4	(6.0)	(1.5)	7.7	(3.2)	4.0
Textile, Garments & Footwear	(2.5)	3.3	(16.9)	(9.2)	(9.3)	(8.8)
Printing, Publishing etc.	4.9	(3.6)	(2.5)	9.4	(4.3)	7.9
Wood & Related Products	(12.5)	16.6	(3.3)	(16.7)	(5.2)	(5.4)
Chemicals & Non-Metallic Minerals	(2.3)	(7.8)	6.8	19.4	2.9	(13.5)
Assembly Type and Related Industries	41.8	546.9	(27.9)	40.0	(32.8)	(15.2)
Miscellaneous Manufacturing	(1.8)	18.2	9.0	10.9	(4.5)	(5.5)
Services	**5.0**	**7.1**	**6.4**	**8.1**	**6.1**	**2.8**
Electricity and Water	1.8	10.5	(0.1)	(2.8)	7.2	2.0
Construction and Quarrying	(31.4)	(6.8)	0.1	6.5	9.5	4.7
Distribution and Restaurants [2]	38.9	16.4	9.8	9.2	5.4	(1.7)
Hotels and Guest Houses	17.9	(2.1)	2.9	(3.0)	5.2	9.4
Transport, Storage & Communication	13.8	5.7	2.0	4.0	4.0	2.0
Finance, Insurance & Real Estate etc.	2.5	9.6	7.9	11.4	0.0	8.4
Government	(6.7)	0.5	1.9	8.2	19.1	5.8
Education and Cultural Services	6.4	(14.6)	16.1	3.3	0.9	0.5
Personal Services	(2.1)	20.1	6.0	8.4	7.2	7.8
FISIM [3]	6.5	(1.6)	(8.5)	0.1	4.5	16.7
Add: VALUE ADDED TAX (VAT)	17.2	(18.5)	28.9	5.0	(3.8)	12.1

Source: Central Statistical Office
1/ Excludes oil refining and petrochemical industries.
2/ Excludes distribution of petroleum products.
3/ Financial Intermediation Services Indirectly Measured.
re: revised p: provisional

Appendix 6
Gross Domestic Product of Trinidad and Tobago at Market Prices (Current Prices) /Percentage Contribution/

SECTOR	2010re	2011re	2012re	2013re	2014re	2015p
GROSS DOMESTIC PRODUCT	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
PETROLEUM INDUSTRY	**39.9**	**44.8**	**41.4**	**38.3**	**37.2**	**32.1**
Exploration and Production	22.1	23.6	23.3	22.6	21.5	17.6
Refining (Incl Atlantic LNG)	6.8	7.9	6.3	4.4	4.7	4.1
Petrochemicals	6.8	7.7	6.9	5.6	5.8	5.4
Service Contractors	1.5	1.6	1.7	2.3	2.1	1.6
Distribution	2.6	3.9	3.1	3.4	3.1	3.2
Asphalt Production	0.04	0.11	0.06	0.08	0.09	0.09
NON-PETROLEUM INDUSTRY	**60.0**	**55.7**	**57.9**	**60.9**	**62.3**	**67.4**
Agriculture	**0.5**	**0.5**	**0.5**	**0.5**	**0.4**	**0.5**
Export Agriculture	0.01	0.01	0.01	0.00	0.00	0.01
Domestic Agriculture	0.4	0.4	0.4	0.4	0.3	0.4
Sugar:	0.12	0.08	0.10	0.10	0.10	0.13
Sugar refineries	0.00	0.00	0.00	0.00	0.00	0.00
Cane farming and cultivation	0.00	0.00	0.00	0.00	0.00	0.00
Distilleries	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	0.1
Manufacturing [1]	**6.0**	**5.7**	**5.4**	**5.9**	**5.4**	**5.6**
Food, Beverages and Tobacco	3.8	3.1	3.0	3.1	2.9	3.2
Textile, Garments & Footwear	0.1	0.1	0.1	0.1	0.0	0.0
Printing, Publishing etc.	0.5	0.4	0.4	0.5	0.4	0.5
Wood & Related Products	0.1	0.1	0.1	0.1	0.1	0.1
Chemicals & Non-Metallic Minerals	1.1	0.8	0.9	1.0	1.0	0.9
Assembly Type and Related Industries	0.1	0.8	0.6	0.7	0.5	0.4
Miscellaneous Manufacturing	0.3	0.3	0.3	0.4	0.3	0.3
Services	**53.5**	**49.6**	**52.0**	**54.5**	**56.4**	**61.4**
Electricity and Water	1.3	1.2	1.2	1.1	1.2	1.3
Construction and Quarrying	6.7	5.4	5.3	5.5	5.9	6.5
Distribution and Restaurants [2]	17.6	17.8	19.3	20.4	21.0	21.8
Hotels and Guest Houses	0.4	0.4	0.4	0.3	0.3	0.4
Transport, Storage & Communication	5.8	5.3	5.3	5.4	5.5	5.9
Finance, Insurance & Real Estate etc.	10.5	10.0	10.6	11.4	11.2	12.8
Government	7.4	6.4	6.5	6.8	7.9	8.8
Education and Cultural Services	2.7	2.0	2.3	2.3	2.2	2.4
Personal Services	1.1	1.2	1.2	1.3	1.4	1.5
FISIM [3]	(4.1)	(3.5)	(3.2)	(3.1)	(3.1)	(3.9)
Add: VALUE ADDED TAX (VAT)	4.3	3.0	3.8	3.9	3.7	4.3

Source: Central Statistical Office
1/Excludes oil refining and petrochemical industries.
2/Excludes distribution of petroleum products.
3/Financial Intermediation Services Indirectly Measured.
re: revised p: provisional

Appendix 7
Development and Exploratory Drilling and Domestic Crude Production

Development and Exploratory Drilling

	Oct '09/ Sep '10	Oct '10/ Sep '11	Oct '11/ Sep '12	Oct '12/ Sep '13	Oct '13/ Sep '14	Oct '13/ Jun '14p	Oct '14/ Jun '15p
Total Depth Drilled*	73.6	94.0	66.6	123.4	103.7	74.9	99.0
Land	19.2	50.8	40.4	65.2	55.3	35.7	68.8
Marine	54.4	43.3	26.2	58.2	48.4	39.3	30.2
Development Drilling*	60.1	87.1	66.1	110.8	88.9	62.7	88.3
Exploratory Drilling*	13.5	6.9	0.5	12.6	14.8	12.2	10.8

Number of Wells Drilled

	Oct '09/ Sep '10	Oct '10/ Sep '11	Oct '11/ Sep '12	Oct '12/ Sep '13	Oct '13/ Sep '14	Oct '13/ Jun '14p	Oct '14/ Jun '15p
No. of Wells Drilled	30	77	55	86	80	56	75
Development	27	59	55	81	73	49	70
Exploratory	3	18	0	5	7	7	5

Domestic Crude and Condensate Production

	Oct '09/ Sep '10	Oct '10/ Sep '11	Oct '11/ Sep '12	Oct '12/ Sep '13	Oct '13/ Sep '14	Oct '13/ Jul '14p	Oct '14/ Jul '15p
Total Crude and Condensate							
Barrels of Oil per day (BOPD)	102,320	91,976	83,335	80,925	80,791	80,398	81,605
Land (%)	21.9	23.4	26.6	28.3	28.6	28.8	28.6
Marine (%)	78.1	76.6	73.4	71.7	71.4	71.2	71.4
Crude Production							
Barrels of Oil per day (BOPD)	-	65,578	68,947	68,138	66,890	67,289	67,337
Condensate Production							
Barrels of Oil per day (BOPD)	-	26,399	14,388	12,787	13,901	13,109	14,267

Source: Ministry of Energy and Energy Affairs
r: Revised p: Provisional
* ALL FIGURES IN THOUSANDS OF METRES

Appendix 8
Natural Gas and Liquefied Natural Gas Production and Utilisation

	Oct '09/ Sep '10	Oct '10/ Sep '11	Oct '11/ Sep '12	Oct '12/ Sep '13	Oct '13/ Sep '14	Oct '13/ Jul '14p	Oct '14/ Jul '15p
Natural Gas Production (MMSCF/D) 1	4,372.6	4,248.8	4,101.9	4,121.6	4,105.9	4,104.9	3,886.8
Natural Gas Utilisation (MMSCF/D) 1							
Power Generation	288.2	303.4	303.2	302.0	306.0	306.8	292.8
Ammonia Manufacture	594.3	598.7	577.4	538.7	557.4	562.9	538.0
Methanol Manufacture	578.7	558.3	529.1	522.6	547.7	553.0	527.7
Refinery	38.7	49.6	74.3	62.9	58.8	60.9	70.5
Iron & Steel Manufacture	103.4	104.6	103.0	104.3	107.6	107.8	92.2
Cement Manufacture	11.8	12.0	10.0	11.5	12.6	12.4	12.3
Ammonia Derivatives	15.5	23.5	23.4	22.2	20.1	20.4	16.9
Gas Processing	38.4	36.0	32.1	27.0	26.8	26.8	25.5
Small Consumers	10.7	10.7	10.8	11.0	9.9	10.0	8.9
Liquefied Natural Gas (LNG)	2,322.0	2,260.0	2,135.9	2,226.9	2,169.2	2,155.7	2,078.0
Liquefied Natural Gas (LNG)							
Production2 (Trillion BTU)4	744.7	751.0	709.6	740.6	719.0	474.6*	468.2*
Exports3 (Trillion BTU)4	772.3	746.5	707.4	744.5	715.7	474.1*	468.5*

Source: Ministry of Energy and Energy Affairs
1 Millions of Standard Cubic Feet per day
2 Refers to output of LNG from LNG Trains
3 Not all LNG produced within a period is sold during the same period, since some LNG may be stored for export later.
4 Trillions of British Thermal Units
p: Provisional
* - Data is for the October to March period. LNG production totalled 476.9 trillion BTU during the October 2013 to May 2014 period, which reflected a decline of 4.7 percent from the 500.7 trillion BTU produced one year earlier.

Appendix 9
Petrochemicals Production and Exports
/Tonnes '000/

	Oct '09/ Sep '10	Oct '10/ Sep '11	Oct '11/ Sep '12	Oct '12/ Sep '13	Oct '13/ Sep '14	Oct '13/ Jun '14	Oct '14/ Jun '15 p
Nitrogeneous Fertilisers							
Ammonia							
Production	5,600.8	5,280.6	5,013.4	4,521.4	4,825.4	3,650.7	3,429.3
Exports	5,180.8	4,831.1	4,446.2	4,201.7	4,355.0	3,286.5	3,196.4
Urea							
Production	701.7	708.6	532.5	480.2	533.4	400.3	297.5
Exports	692.0	689.1	530.1	461.7	526.9	412.4	300.0
Methanol							
Production	6,175.1	5,937.5	5,597.1	5,380.4	5,697.1	4,369.0	4,030.8
Exports	6,089.9	5,934.7	5,575.9	5,482.0	5,674.0	4,306.2	4,048.5

Source: Ministry of Energy and Energy Affairs
p: Provisional
r: Revised

Appendix 10
Iron and Steel Production
/Tonnes '000/

	Oct '09/ Sep '10/	Oct '10/ Sep '11	Oct '11/ Sep '12	Oct '12/ Sep '13	Oct '13/ Sep '14	Oct '13/ Jun '14	Oct '14/ Jun '15
Direct Reduced Iron							
Production	1,783.2	1,754.9	1,642.9	1,635.7	1,716.2	1,326.8	983.5
Exports	1,052.0	1,040.2	1,016.3	1,028.5	1,078.3	837.2	656.4
Local Sales	-	-	-	-	-	-	-
Billets							
Production	579.7	586.0	604.8	608.2	544.6	420.6	270.7
Exports	165.7	118.4	132.8	221.0	196.8	172.7	80.2
Local Sales	37.1	41.2	36.9	39.7	44.3	31.4	29.5
Wire Rods							
Production	333.3	412.4	412.9	321.1	298.4	214.4	156.5
Exports	282.0	362.3	221.0	316.7	282.9	205.6	137.2
Local Sales	35.2	30.4	25.5	25.4	18.9	15.6	19.6
TOTAL							
Production	2,696.1	2,753.4	2,660.6	2,565.0	2,559.2	1,961.8	1,410.7
Exports	1,499.7	1,521.0	1,370.1	1,566.2	1,558.0	1,215.5	873.8
Local Sales*	72.3	71.5	62.3	65.2	63.2	46.9	49.2

Source: ArcelorMittal Point Lisas Ltd.
* Refers to Billets and Wire Rods only

Appendix 11
Change in Prices, Productivity and Average Weekly Earnings
/Percentage Change/

		2010	2011	2012	2013	2014	Jan -Jul* 2014	Jan -Jul* 2015
	Weights							
Index of Retail Prices (Calendar Year)								
All Items (Base Year = Jan 2015)	1,000	10.6	5.1	9.2	5.1	5.8	3.5	0.7
Core	827	4.3	1.7	2.5	2.3	2.1	1.4	1.6
Transport	147	11.3	0.8	1.9	3.4	2.8	2.4	-0.5
Housing	275	0.3	1.4	2.4	0.2	0.7	0.4	0.7
		2009/ 2010	**2010/ 2011**	**2011/ 2012**	**2012/ 2013**	**2013/ 2014**	**Jan '14/ Mar '14****	**Jan '15/ Mar '15 ****
Index of Productivity (Fiscal Year)								
All workers/all industries (Base Year = 1995)		6.6	7.4	-6.3	3.2	1.1	-0.7	-2.0
Non-Energy		17.6	14.9	-2.6	6.2	0.4	1.1	-8.3
Food Processing		-2.9	13.2	-8.7	-13.5	-13.7	-16.5	10.9
Drink and Tobacco		13.9	1.9	4.2	0.1	-4.0	-7.8	6.6
Textiles, Garments and Footwear		48.3	8.9	-4.1	-10.9	-13.1	-12.3	-15.9
Printing, Publishing and Paper Converters		-9.5	10.1	-0.8	16.0	8.2	14.9	-3.0
Wood and Related Products		-5.8	28.1	-5.1	-7.7	-23.7	-28.5	-0.4
Chemicals		16.8	1.4	25.8	-8.4	11.0	8.9	2.3
Assembly Type & Related Products		47.0	6.2	-1.9	33.7	18.8	26.4	-19.7
Miscellaneous Manufacturing		10.0	1.7	15.3	16.0	8.0	3.4	2.0
Electricity		14.1	31.7	-22.0	1.0	-5.6	-4.0	1.0
Water		-31.6	29.7	-11.7	24.5	14.7	14.4	13.4
Petrochemicals		4.1	4.2	-3.9	-7.5	3.4	4.2	-16.7
Exploration and Production of Oil and Natural Gas		-10.2	-13.2	-17.4	-12.6	-5.7	-10.2	-3.7
Oil & Natural Gas Refining		-1.7	3.2	-23.1	3.1	3.2	-15.3	59.2
Index of Average Weekly Earnings (Fiscal Year) All workers/all industries (Base Year = 1995)	1,000	11.6	-4.1	1.9	11.0	-1.4	-6.6	-2.2

Source: Central Statistical Office
* Calendar Year-to-date
** Refers to change in October to December period, versus October to December in the previous year

Appendix 12
Population, Labour Force and Employment (Mid-year)

	2009*	2010*	2011**	2012**	2013**p	2014**p	2015**p
TOTAL POPULATION	1,310,106	1,317,714	1,328,019	1,335,194	1,340,557	1,345,343	1,349,667
% change	0.1	0.6	0.8	0.5	0.4	0.4	0.3
TOTAL MALE	657,018	660,822	666,305	669,905	672,596	674,997	677,166
% change	0.1	0.6	0.8	0.5	0.4	0.4	0.3
TOTAL FEMALE	653,088	656,892	661,714	665,289	667,961	670,346	672,501
% change	0.1	0.6	0.7	0.5	0.4	0.4	0.3
Dependency Ratio [1] (%)	48.0	48.0	42.0	42.0	42.0	42.0	42.0
Non Institutional Pop. 15 yrs and over	991,100	996,900	1,005,700	1,044,100	1,059,600	1,063,400	1,063,800††
Labour Force* **	621,000	618,900	616,500†	646,000	650,200	658,600	647,100††
Persons Employed	588,400	582,100	585,300†	614,000	626,300	636,900	623,100††
Persons Unemployed	32,600	36,800	31,100†	32,000	23,900	21,800	24,000††
Participation Rate [2] (%)	62.7	62.1	61.3†	61.9	61.4	61.9	60.8††
Unemployment Rate (%)	5.3	5.9	5.0†	4.9	3.7	3.3	3.7††
Births per 1,000 persons	15.25	15.40	15.09	14.83	13.98	13.70	14.00
Deaths per 1,000 persons	7.68	7.68	7.05	7.21	7.74	7.91	8.58
Crude Natural Growth Rate per 1,000	7.57	7.72	8.05	7.62	6.24	5.79	5.42

Source: Central Statistical Office
1. The dependency ratio is the ratio of dependents (i.e. persons under 15 years of age or 65 years and over) to the total working age population (15 to 64 years).
2. The participation rate is the portion of the non-institutional population, aged 15 years and over, that is part of (participates in) the labour force.
* Figures based on 2000 census
** Figures based on 2011 census
*** Figures based on CSSP estimates
† For the period April to December 2011
††For the period January to September 2013
p: Provisional

Appendix 13
Mid-year Estimates of Population by Age

	2008	2009	2010	2011	2012	2013p	2014p	2015p
Total Population	1,308,587	1,310,106	1,317,714	1,328,019	1,335,194	1,340,557	1,345,343	1,349,667
Non-Institutional Population								
All Ages								
Under 15	331,651	332,036	333,965	273,415	274,892	275,996	276,982	277,872
15-19	143,547	143,714	144,548	98,379	98,911	99,308	99,662	99,983
20-24	116,080	116,215	116,890	114,240	114,857	115,319	115,730	116,102
25-29	100,142	100,258	100,841	123,518	124,185	124,684	125,129	125,531
30-34	95,569	95,680	96,235	105,580	106,150	106,577	106,957	107,301
35-39	106,329	106,452	107,070	92,539	93,039	93,413	93,746	94,047
40-44	93,680	93,789	94,333	86,163	86,629	86,976	87,287	87,568
45-49	77,562	77,652	78,103	96,114	96,633	97,021	97,368	97,681
50-54	64,719	64,794	65,170	87,184	87,655	88,007	88,321	88,605
55-59	48,201	48,256	48,537	73,215	73,611	73,906	74,170	74,408
60-64	38,468	38,512	38,736	58,647	58,964	59,201	59,412	59,603
65 and over	92,640	92,748	93,286	119,025	119,668	120,149	120,578	120,965

Source: Central Statistical Office
Figures for 2006 to 2010 are based on 2000 census
Figures for 2011 to 2014 are based on 2011 census
p: provisional

Appendix 14
Labour Force by Industry and Employment Status (CSSP Estimates)
/Hundreds ('00)/

	2013			2014												2015		
	Oct - Dec			Jan - Mar			Apr - Jun			Jul - Sep			Oct - Dec			Jan - Mar		
	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %
Total Labour Force	6,535	6,288	3.8	6,643	6,435	3.1	6,590	6,362	3.5	6,601	6,379	3.3	6,510	6,298	3.3	6,471	6,231	3.7
Other Agriculture, Forestry, Hunting & Fishing	249	249	0.0	246	240	2.0	222	221	0.9	214	209	2.8	245	245	0.0	277	270	2.5
Sugar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Petroleum and gas	196	188	4.1	207	200	3.4	225	213	5.8	234	222	5.1	225	217	4.0	230	216	6.5
Construction	1,024	945	7.6	1,020	965	5.5	1,021	951	7.1	1,015	966	4.7	1,032	982	4.8	968	906	6.4
Wholesale/Retail Trade, Restaurants & Hotels	1,212	1,156	4.5	1,182	1,132	4.2	1,252	1,200	4.1	1,240	1,191	4.0	1,222	1,168	4.5	1,246	1,198	3.8
Transport, Storage & Comm.	503	494	1.6	406	404	0.5	431	427	0.9	484	477	1.4	459	449	2.2	370	362	2.4
Finance, Insurance Real-Estate & Business Services	602	585	2.8	592	578	2.4	559	551	1.3	555	544	1.8	631	616	2.5	607	588	3.1
Community Social & Personal Services	2,110	2,037	3.4	2,269	2,205	2.8	2,308	2,241	2.9	2,207	2,139	3.0	2,009	1,959	2.5	2,102	2,038	3.1
Electricity & Water	89	87	3.4	103	102	1.0	92	92	0.0	97	96	1.0	94	94	0.0	94	89	4.3
Other Manufacturing (excluding sugar and oil)	503	500	0.8	560	553	1.3	421	411	2.4	493	480	2.6	545	526	3.5	546	534	2.2
Other Mining & Quarrying	18	18	0.0	12	12	0.0	13	11	15.4	17	17	0.0	8	8	0.0	2	2	0.0
Not stated	31	31	0.0	44	43	4.5	45	44	4.4	45	37	15.6	40	34	12.5	28	26	7.1

Source: Central Statistical Office

Appendix 15
Exchange Rate for Selected Currencies

Period	US Dollar		Canadian Dollar		U.K. Pound Sterling		EURO	
	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling
2003	6.2312[r]	6.2952	4.3681	4.5563	9.9840	10.4059	6.8813	7.2050
2004	6.2440	6.2990	4.7107	4.9058	11.1953	11.6742	7.5991	7.9244
2005	6.2318[r]	6.2996	5.0866	5.2849	11.1559	11.6325	7.6171	7.8818
2006	6.2494[r]	6.3123[r]	5.4430	5.6765	11.3205	11.8324	7.7153[r]	8.0420[r]
2007	6.2736[r]	6.3282	5.7744	6.0402	12.2988	12.8852	8.4361[r]	8.7990[r]
2008	6.2236[r]	6.2891	5.7929	6.0553	11.2925	11.8596	8.9735[r]	9.3961[r]
2009	6.2736[r]	6.3259	5.4486	5.6911	9.6108	10.0982	8.5703[r]	8.9866[r]
2010	6.3203	6.3757	6.0640	6.3055	9.6020	10.0445	8.2477[r]	8.5850[r]
2011	6.3731[r]	6.4261	6.3605	6.6262	9.9974	10.4562	8.6736[r]	9.0375[r]
2012	6.3716	6.4349	6.2971	6.5787	9.8818	10.3595	8.0181[r]	8.3414[r]
2013	6.3885	6.4426	6.1134	6.4166	9.7838	10.2313	8.2916[r]	8.6617[r]
2014	6.3613	6.4086	5.6779	5.9750	10.2525	10.7882	8.2714	8.6831
2013								
October	6.4034	6.4385	6.0637	6.3743	10.0686	10.5051	8.5158[r]	8.8974[r]
November	6.3969	6.4499	6.0234	6.3014	10.0598	10.5526	8.4348[r]	8.8214[r]
December	6.4050	6.4597	5.9188	6.2363	10.2628	10.7423	8.5887[r]	9.0037[r]
2014								
January	6.3891	6.4493	5.7671	6.0536	10.3036	10.7629	8.5045[r]	8.9013[r]
February	6.3888	6.4524	5.7058	5.9917	10.3683	10.8883	8.5390[r]	8.9008[r]
March	6.4077	6.4529	5.6739	5.9472	10.4347	10.9049	8.6730[r]	9.0697[r]
April	6.4297	6.4662	5.7495	6.0343	10.5188	10.9953	8.6892[r]	9.0318[r]
May	6.4111	6.4578	5.7917	6.0921	10.5315	11.0747	8.6167[r]	9.0315[r]
June	6.3654	6.4110	5.7664	6.0852	10.5252	11.0540	8.4349[r]	8.8854[r]
July	6.3343	6.3786	5.8088	6.1300	10.5548	11.1366	8.3815	8.8043
August	6.3175	6.3657	5.7030	6.0043	10.3284	10.9075	8.2480	8.6881
September	6.3254	6.3687	5.6648	5.9806	10.1266	10.6610	8.0033	8.4342
October	6.3218	6.3624	5.5670	5.8545	9.9332	10.5090	7.8601	8.2812
November	6.3121	6.3607	5.4961	5.8087	9.7664	10.3190	7.7301	8.1672
December	6.3396	6.3839	5.4403	5.7165	9.6817	10.2769	7.6461	8.0694
2015								
January	6.3271	6.3736	5.1547	5.4742	9.4219	9.9536	7.2234	7.6449
February	6.3158	6.3670	4.9723	5.2462	9.4871	10.0030	7.0498	7.4394
March	6.3270	6.3706	4.9385	5.2139	9.3073	9.8326	6.7380	7.0901
April	6.3245	6.3717	5.0428	5.3206	9.2987	9.7571	6.7233	7.0811
May	6.3197	6.3647	5.1218	5.4144	9.5943	10.1114	6.9254	7.3125
June	6.3167	6.3650	5.0386	5.3768	9.6505	10.1923	6.9410	7.3316

Source: Central Bank of Trinidad and Tobago
r: Revised

Appendix 16
Money Supply
/TT$ Millions/

	Currency in Circulation	Demand Deposits (adj)	Savings Deposits (adj)	Time Deposits (adj)	Foreign Currency Deposits* (adj)	Narrow Money (M1)	Broad Money (M2)
Period Ending							
2003	1,708.6	5,600.8	8,264.2	3,019.6	4,296.1	7,309.4	18,593.3
2004	1,957.4	6,420.2	8,952.4	3,511.1	6,987.8	8,377.6	20,841.2
2005	2,425.4	9,890.7	9,967.3	5,729.0	7,362.3	12,316.1	28,012.4
2006	2,654.4	10,853.5	11,523.7	7,828.4	10,505.5	13,507.9	32,859.9
2007	3,182.8	11,939.3	13,001.7	9,186.1	11,923.5	15,122.1	37,309.9
2008	3,433.7	13,226.0	13,830.6	11,680.2	16,112.7	16,659.7	42,170.5
2009	3,850.0	19,310.3	17,702.6	12,681.5	22,930.1	23,160.3	53,544.4
2010	4,242.4	21,040.7	19,953.3	10,981.4	18,926.3	25,283.0[r]	56,217.7
2011	4,689.9	26,494.9	22,468.4	10,356.0	19,510.1	31,184.8	64,009.2
2012	5,395.5	30,285.4	24,748.5	10,391.9	23,458.0	35,680.9	70,821.2
2013	6,050.0	34,073.6	27,437.8	9,473.2	21,618.9	40,123.6	77,034.6
2014	6,895.1	40,824.1	29,899.5	9,509.7	20,961.8	47,719.2	87,128.3
2013							
October	5,773.2	34,048.4	27,274.9	9,774.3	22,356.8	39,821.5	76,870.7
November	5,974.5	34,798.7	27,424.7	9,595.7	22,670.4	40,773.2	77,793.7[r]
December	6,050.0	34,073.6	27,437.8	9,473.2	21,618.9	40,123.6	77,034.6
2014							
January	5,984.7	34,726.0	27,666.1	9,168.2	21,720.4	40,710.7	77,545.0
February	6,172.0	35,713.1	28,041.3	9,424.4	21,233.1	41,885.2	79,350.8
March	6,158.7	37,196.0	28,342.3	9,486.9	21,547.9	43,354.7	81,183.9
April	6,122.4	37,827.2	28,392.2	9,326.9	22,078.0	43,949.6	81,668.7
May	6,247.3[r]	38,020.0	28,700.4	9,181.8	22,320.1	44,267.3[r]	82,149.5[r]
June	6,252.0	37,817.6	28,537.1	9,046.5	22,111.9	44,069.6	81,653.2
July	6,312.6	35,818.3	28,689.1	9,180.1	21,384.8	42,130.9	80,000.1
August	6,407.6	36,448.8	29,010.1	9,118.1	21,851.1	42,856.4	80,984.6
September	6,437.8	37,633.5	29,012.4	9,048.7	21,495.8	44,071.3	82,132.5
October	6,608.0	38,680.2	29,419.7	9,039.1	21,618.4	45,288.1	83,747.0
November	6,736.2	39,545.1	29,868.1	8,883.6	21,038.7	46,281.3	85,032.9
December	6,895.1	40,824.1	29,899.5	9,509.7	20,961.8	47,719.2	87,128.3
2015							
January	6,841.8	38,557.3	30,112.7	9,269.7	21,843.4	45,399.2	84,781.6
February	6,906.8	37,425.6	30,570.5	9,707.7	22,083.1	44,332.4	84,610.6
March	7,029.3	36,875.3	30,378.2	10,029.8	21,739.8	43,904.6	84,312.6
April	6,993.3	36,960.0	30,691.5	10,097.7	21,744.1	43,953.2	84,742.4
May	7,144.7	36,932.6	31,056.6	9,813.7	22,187.5	44,077.3	84,947.6
June [p]	7,079.7	37,278.8	31,082.7	9,717.5	22,045.7	44,358.4	85,158.6

Source: Central Bank of Trinidad and Tobago
* Foreign Currency Deposits at the Commercial Banks
p: Provisional
r: Revised

Appendix 17
Commercial Banks' Liquid Assets
/TT$ Millions/

	Reserve Position			Deposits at the Central Bank				
Period Ending	Required Reserves	Cash Reserves	Deposit Liabilities (adj.)	Cash Reserves	Special Deposits	Total Deposits	Local Cash in Hand	Treasury Bills
2003	2,327.5	2,333.8	16,625.0	2,333.8r	621.5	2,955.3	586.1	124.6
2004	2,055.1	2,121.6	18,682.7	2,121.6	660.9	2,782.5	596.8	60.2
2005	2,601.9	3,672.5	23,653.6	3,672.5	1,000.0	4,672.5	566.0	415.1
2006	3,087.8	3,626.6	28,070.9	3,626.6	2,061.4	5,688.0	906.0	561.5
2007	3,625.4	3,928.0	32,958.2	3,928.0	2,158.6	6,086.6	1,022.5	567.4
2008	6,416.7	8,352.7	37,745.3	8,352.7	2,252.4	10,605.1	1,051.9	819.7
2009	8,055.7	10,110.7	47,386.5	10,110.7	4,447.7	14,558.5	1,004.0	1,001.2
2010	8,896.9	10,634.3	52,334.7	10,634.3	5,546.7	16,181.0	800.0	1,055.6
2011	9,747.2	15,431.2	57,336.5	15,431.2	5,646.7	21,077.9	1,245.4	451.8
2012	10,906.2	14,871.9	64,154.1	14,871.9	7,273.1	22,145.0	1,246.2	287.9
2013	12,123.8	18,678.4	71,316.3	18,678.4	7,416.3	26,094.8	1,365.9	828.2
2014	13,339.0	19,262.7	78,464.5	19,262.7	7,569.3	26,832.0	1,447.5	843.6
2013								
October	11,826.2	19,332.9	69,566.1	19,332.9	7,381.3	26,714.2	870.5	654.0
November	12,084.4	19,134.9	71,084.5	19,134.9	7,411.7	26,546.6	837.7	642.7
December	12,123.8	18,678.4	71,316.3	18,678.4	7,416.3	26,094.8	1,365.9	828.2
2014								
January	12,028.3	18,553.5	70,754.6	18,553.5	7,405.1	25,958.6	797.0	770.5
February	12,168.7	18,815.1	71,580.7	18,815.1	7,421.6	26,236.7	963.9	799.8
March	12,368.9	19,901.8	72,758.3	19,901.8	7,455.2	27,356.9r	867.3	825.4
April	12,597.3	20,346.4	74,101.7	20,346.4	7,482.0	27,828.5	957.9	758.8
May	12,648.3	20,624.0	74,401.7	20,624.0	7,488.0	28,112.0	842.3	619.6
June	12,767.5	19,067.1	75,103.1	19,067.1	7,502.1	26,569.2	882.8	602.3
July	12,529.8	17,526.9	73,704.8	17,526.9	7,474.1	25,001.0	998.8	585.2
August	12,410.1	18,645.9	73,000.4	18,645.9	7,460.0	26,105.9	856.7	775.3
September	12,616.2	18,675.5	74,212.8	18,675.5	7,484.3	26,159.8	965.4	749.0
October	12,740.6	20,448.0	74,944.6	20,448.0	7,498.9	27,946.9	854.4	724.0
November	13,078.0	20,854.7	76,929.4	20,854.7	7,538.6	28,393.2	840.1	894.2
December	13,339.0	19,262.7	78,464.5	19,262.7	7,569.3	26,832.0	1,447.5	843.6
2015								
January	13,630.4	18,147.2	80,178.7	18,147.2	7,603.6	25,750.8	834.4	843.6
February	13,354.0	16,633.1	78,553.0	16,633.1	7,571.1	24,204.1	912.7	843.6
March	13,331.8	15,215.3	78,422.1	15,215.3	7,568.4	22,783.7	1,070.7	1,126.6
April	13,156.6	17,372.6	77,391.7	17,372.6	7,547.8	24,920.4	1,015.9	256.7
May	13,065.3	16,778.8	76,854.9	16,778.8	7,537.1	24,315.9	930.2	198.1
June p	13,184.5	16,604.6	77,555.9	16,604.6	7,551.1	24,155.7	1,043.1	198.1

Source: Central Bank of Trinidad and Tobago
p: Provisional
r: Revised

Appendix 18
Commercial Banks' Domestic Credit
/TT$ Millions/

Period Ending	Central Government Credit	Public Sector	Private Sector	Total Credit	Year on Year Percentage Change in Private Sector
2003r	3,114.7	1,404.4	15,234.0	19,753.0	3.7
2004r	2,756.6	1,541.7	19,805.4	24,103.7	30.0
2005r	3,646.9	3,292.8	24,662.2	31,601.9	24.5
2006r	2,627.4	2,702.3	29,225.1	34,554.8	18.5
2007r	2,834.7	4,119.8	35,574.0	42,528.5	21.7
2008r	3,350.4	4,501.4	40,452.4	48,304.2	13.7
2009r	7,943.9	7,327.7	38,689.1	53,960.8	-4.4
2010r	9,696.9	7,723.2	38,886.7	56,306.8	0.5
2011r	9,480.3	6,877.1	41,402.3	57,759.7	6.5
2012r	14,808.9	7,075.3	43,010.0	64,894.2	3.9
2013r	14,070.6	7,579.0	45,042.9	66,692.5	4.7
2014	17,156.8	9,668.8	48,311.2	75,136.7	7.3
2013					
October r	13,738.7	7,170.6	44,485.9	65,395.3	5.0
November r	14,254.4	7,152.4	45,168.7	66,575.5	4.9
December r	14,070.6	7,579.0	45,042.9	66,692.5	4.7
2014					
January r	15,146.6	7,846.8	45,431.7	68,425.1	5.6
February r	14,639.3	8,240.8	45,881.5	68,761.6	6.8
March r	14,146.6	8,258.7	45,935.3	68,340.6	6.0
April r	14,432.8	7,771.7	46,171.1	68,375.6	6.6
May r	14,311.9	7,512.4	46,768.0	68,592.3	7.3
June	14,684.9	7,738.4	46,862.5	69,285.8	7.6
July	14,789.7	7,927.1	46,918.0	69,634.8	7.4
August	15,201.0	7,866.0	47,463.7	70,530.7	8.6
September	15,766.8	7,441.5	47,397.3	70,605.5	7.2
October	16,128.6	7,304.0	47,599.8	71,032.3	7.0
November	15,890.1	7,925.2	47,963.1	71,778.4	6.2
December	17,156.8	9,668.8	48,311.2	75,136.7	7.3
2015					
January	16,748.7	9,891.7	48,524.7	75,165.1	6.8
February	15,441.4	9,807.6	48,674.2	73,923.2	6.1
March	16,392.5	9,527.0	48,734.2	74,653.7	6.1
April	15,098.8	9,394.7	48,965.3	73,458.8	6.1
May	15,084.4	9,460.6	48,913.6	73,458.6	4.6
June	16,492.3	9,950.0	49,510.0	75,952.2	5.6
July	15,163.1	9,840.7	49,635.3	74,639.2	5.8

Source: Central Bank of Trinidad and Tobago
r: Revised

Appendix 19
Commercial Banks' Interest Rates

		Prime Loan Rates						Deposits		
Period Ending	Basic Prime Rate	Term	Demand	Overdraft	Real Estate Mortgage	Savings Ordinary	Special	3 Month	3 to 6 Month	6 to 12 Month
2003[r]	9.50	9.50	9.50	9.50	10.00	2.00	2.75	2.75	3.30	3.35
2004[r]	8.75	9.13	8.75	9.13	9.50	1.44	2.38	2.05	2.69	3.21
2005[r]	9.75	9.50	9.50	9.63	9.63	1.46	2.39	2.65	3.06	3.63
2006[r]	11.75	10.63	11.75	11.75	11.75	1.40	2.39	2.35	2.92	3.38
2007[r]	11.75	10.63	11.75	11.75	11.75	1.77	2.40	3.35	3.65	4.00
2008[r]	13.00	12.88	13.00	13.00	13.00	2.13	2.39	3.00	3.86	4.13
2009[r]	10.25	10.25	10.25	10.25	9.90	0.57	0.88	1.08	1.48	2.22
2010[r]	8.38	8.25	8.25	8.25	8.25	0.32	0.30	0.52	0.79	1.33
2011[r]	7.75	7.75	7.75	7.75	7.75	0.20	0.20	0.22	0.79	1.51
2012	7.50[r]	7.63[r]	7.50[r]	7.50[r]	7.50[r]	0.20	0.23	0.23	0.61	0.71
2013	7.50	7.50	7.50	7.50	7.50	0.20	0.41[r]	0.38[r]	0.45[r]	0.77[r]
2014	7.75	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
2013										
October	7.50	7.50	7.50	7.50	7.50	0.20	0.22[r]	0.22[r]	0.61	0.71
November	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77[r]
December	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77[r]
2014										
January	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77[r]
February	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77[r]
March	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77[r]
April	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77[r]
May	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77[r]
June	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
July	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
August	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
September	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
October	7.50	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
November	7.63	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
December	7.75	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
2015										
January	7.75	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
February	7.75	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
March	7.75	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
April	7.88	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
May	8.00	7.50	7.50	7.50	7.50	0.20	0.41	0.38	0.45	0.77
June[p]	8.13	8.00	8.00	8.00	8.00	0.20	0.41	0.38	0.45	0.77

Source: Central Bank of Trinidad and Tobago
p: Provisional
r: Revised

Appendix 20
Secondary Market Activities

Period Ending	Number of Transactions	Volume of Shares Traded (Mn)	Market Value ($Mn)	Composite Index (Period End)
2003	16,690	409.6	2,303.2	694.1
2004	36,057r	312.5r	3,033.4r	1,074.6
2005	32,316	209.1r	4,326.3r	1,067.4
2006	20,791r	220.8r	2,498.0r	969.2
2007	17,744r	120.7r	2,250.0r	982.0
2008	22,053	135.0r	2,191.0r	842.9
2009	9,884	76.9	1,474.2	765.3
2010	8,496	77.6r	864.5	835.6
2011	9,200	564.1r	1,029.0r	1,012.9
2012	8,778	50.7	746.6	1,065.0
2013	11,595	98.0r	1,105.2	1,185.1
2014	11,643	91.6	1,115.7	1,150.9
2013				
October	1,472	11.6	114.2	1,179.0
November	842	5.6	76.4	1,176.5
December	793	7.0	83.8	1,185.1
2014				
January	1,296	8.0r	133.3	1,192.0
February	843	22.8	102.0	1,190.7
March	995	5.6r	92.6	1,171.3
April	1,148	3.6	67.8	1,179.7
May	1,026	5.7	145.7	1,181.9
June	858	4.2	51.6	1,166.6
July	1,077	5.2	113.0	1,160.8
August	893	8.4	67.8	1,149.8
September	897	4.4	53.5	1,145.1
October	837	10.7	100.1	1,146.0
November	859	6.5	40.4	1,143.1
December	914	6.4	148.0	1,150.9
2015				
January	1,110	5.9	98.3	1,150.8
February	815	5.7	45.0	1,148.8
March	1,000	5.6	71.3	1,154.3
April	722	6.6	62.0	1,151.3
May	790	5.9	73.2	1,159.9
June	908	7.3	108.8	1,162.0

Source: Central Bank of Trinidad and Tobago
r: Revised

Appendix 21
Central Government Fiscal Operations
/TT$ Millions/

	Oct '09/ Sep '10r	Oct '10/ Sep '11r	Oct '11/ Sep '12r	Oct '12/ Sep '13r	Oct '13/ Sep '14r	Oct '14/ Sep '15p
Total Revenue and Grants	**43,892.6**	**47,535.9**	**49,309.9**	**52,782.2**	**58,397.0**	**54,803.6**
Current Revenue	43,661.7	47,248.9	49,266.5	52,280.8	57,080.5	49,838.6
of which: Energy Sector Revenue	22,772.2	27,513.5	26,923.0	26,420.5	28,056.9	19,567.1
Tax Revenue	37,074.4	42,118.3	43,568.8	44,641.6	47,286.6	40,884.3
Non-Tax Revenue	6,587.3	5,231.6	5,697.7	7,639.2	9,793.9	8,954.3
Capital Receipts	230.9	45.0	42.2	419.4	1,165.8	4,864.3
Grants	0.0	242.0	1.2	82.0	150.7	100.7
Total Expenditure	**46,731.1**	**49,853.3**	**53,840.3**	**58,827.2**	**62,839.2**	**61,817.3**
Current Expenditure	40,373.4	41,644.3	44,475.2	49,230.0	54,386.3	53,431.9
Capital Expenditure	6,357.7	6,987.9	7,019.7	8,461.9	8,452.9	8,385.4
Current Account Balance	**3,288.3**	**5,604.6**	**4,834.7**	**3,050.8**	**2,694.2**	**-3,593.3**
Overall Balance	**-2,838.5**	**-2,317.4**	**-4,530.3**	**-6,045.0**	**-4,442.2**	**-7,013.7**
Financing Requirements	**2,838.5**	**2,317.4**	**4,530.3**	**6,045.0**	**4,442.2**	**7,013.7**
External Financing (net)	-1,055.5	545.2	1,054.1	-155.1	3,312.4	20.3
Domestic Financing (net)	3,894.0	1,772.2	3,476.2	6,200.1	1,129.8	6,993.4

Source: Budget Division, Ministry of Finance
r: Revised
p: Provisional

Appendix 22
Central Government Revenue
/TT$ Millions/

	Oct '09/ Sep '10r	Oct '10/ Sep '11r	Oct '11/ Sep '12r	Oct '12/ Sep '13r	Oct '13/ Sep '14r	Oct '14/ Sep '15p
Total Revenue and Grants	**43,892.6**	**47,535.9**	**49,309.9**	**52,782.2**	**58,397.0**	**54,803.6**
Current Revenue	**43,661.7**	**47,248.9**	**49,266.5**	**52,280.8**	**57,080.5**	**49,838.6**
Tax Revenue	**37,074.4**	**42,118.3**	**43,568.8**	**44,641.6**	**47,286.6**	**40,884.3**
Non-Tax Revenue	**6,587.3**	**5,231.6**	**5,697.7**	**7,639.2**	**9,793.9**	**8,954.3**
Taxes on Income & Profits	**27,538.4**	**33,266.4**	**33,105.0**	**33,508.8**	**36,752.3**	**29,331.5**
of which:-						
Companies	20,463.8	25,056.1	24,473.3	24,446.9	27,120.0	19,700.0
Oil	13,834.4	16,022.5	15,826.8	14,771.8	16,969.5	10,500.0
Other	6,629.5	9,033.6	8,646.4	9,675.1	10,150.5	9,200.0
Individuals	4,467.4	4,960.8	5,434.7	6,207.4	6,619.9	7,200.0
Withholding Taxes	880.5	1,197.3	1,083.6	884.6	941.5	1,025.0
Health Surcharge	184.9	216.0	187.4	218.0	209.6	262.0
Business Levy	205.7	208.9	293.6	186.6	210.2	210.0
Unemployment Fund	989.0	1,240.2	1,259.2	1,162.6	1,240.2	550.0
Green Fund	325.1	365.7	346.5	369.7	381.4	340.0
Taxes on Property	**22.1**	**10.7**	**4.6**	**4.2**	**3.5**	**3.3**
Land & Buildings	22.1	10.7	4.6	4.2	3.5	3.3
Taxes on Goods and Services	**7,436.8**	**6,387.7**	**7,925.6**	**8,295.2**	**7,384.3**	**8,368.9**
of which:-						
Excise Duties	705.1	705.4	725.2	703.8	675.7	710.0
VAT	6,032.3	4,917.0	6,337.4	6,657.4	5,744.7	6,705.0
Motor Vehicle Taxes & Duties	375.5	428.6	524.3	551.5	569.4	547.5
Taxes on International Trade	**1,905.5**	**2,167.8**	**2,319.4**	**2,587.7**	**2,861.5**	**2,805.6**
of which:-						
Import Duties	1,904.7	2,166.9	2,318.6	2,577.5	2,861.0	2,805.1
Other						
Stamp Duties	**171.6**	**184.7**	**214.2**	**245.7**	**285.0**	**375.0**
Non-Tax Revenue	**6,538.0**	**5,231.6**	**5,697.7**	**7,639.2**	**9,793.9**	**8,954.3**
of which: -						
Royalty on Oil	1,898.9	2,415.2	2,448.5	2,379.6	2,399.2	1,177.0
Profits - State Enterprises	960.1	215.0	245.8	179.7	5,357.4	225.0
Profits - National Lottery	205.0	998.8	1,347.3	1,978.2	262.9	5,326.6
Production Sharing	900.0	0.0	0.0	800.0	0.0	450.0
Equity Profits - Central Bank	920.2	478.6	478.8	555.3	392.5	177.4
Interest Income	121.5	50.0	59.7	37.6	32.0	22.5
Repayment of Past Lending	29.7	35.3	32.0	22.1	18.3	25.1
Administrative Fees and Charges	419.9	593.7	419.4	522.5	803.8	622.7
Capital Revenue	**230.9**	**45.0**	**42.2**	**419.4**	**1,165.8**	**4,864.3**
Grants	**0.0**	**242.0**	**1.2**	**82.0**	**150.7**	**100.7**

Source: Budget Division, Ministry of Finance
r: Revised
p: Provisional

Appendix 23
Central Government Expenditure and Net Lending
/TT$ Millions/

	Oct '09/ Sep '10r	Oct '10/ Sep '11r	Oct '11/ Sep '12r	Oct '12/ Sep '13r	Oct '13/ Sep '14r	Oct '14/ Sep '15p
Total Expenditure	**46,731.1**	**49,853.3**	**53,840.3**	**58,827.2**	**62,839.2**	**61,817.3**
Current Expenditure	**40,373.4**	**41,644.3**	**44,475.2**	**49,230.0**	**54,386.3**	**53,431.9**
Wages and Salaries	**6,711.0**	**7,179.7**	**7,282.3**	**9,171.5**	**8,590.8**	**10,366.4**
Goods & Services	**6,441.2**	**6,504.3**	**7,061.6**	**7,180.1**	**8,008.8**	**8,671.3**
Interest Payments	**3,290.3**	**2,866.4**	**2,937.1**	**2,808.7**	**3,122.6**	**2,954.7**
of which:-						
Domestic	2,846.1	2,486.9	2,547.9	2,437.3	2,661.9	2,477.1
External	444.2	379.5	389.2	371.4	460.7	477.6
Transfers & Subsidies	**24,358.5**	**25,093.9**	**27,194.2**	**30,069.7**	**34,664.1**	**31,439.5**
Capital Expenditure	**6,357.7**	**6,987.9**	**7,019.7**	**8,461.9**	**8,452.9**	**8,385.4**
of which:-						
Development Programme (PSIP)	3,009.3	3,276.6	3,335.8	3,315.4	3,630.6	4,268.3
Infrastructure Development Fund	3,348.4	3,552.3	3,683.9	5,146.5	4,804.8	4,117.1
Acquisition of Foreign Fixed Assets	71.2	159.0	0.0	0.0	17.5	0.0

Source: Budget Division, Ministry of Finance
r: Revised
p: Provisional

Appendix 24
Central Government Financing Transaction
/TT$ Millions/

	Oct '09/ Sep '10r	Oct '10/ Sep '11r	Oct '11/ Sep '12r	Oct '12/ Sep '13r	Oct '13/ Sep '14r	Oct '14/ Sep '15p
TOTAL FINANCING	**2,838.5**	**2,317.4**	**4,530.3**	**6,045.0**	**4,442.2**	**7,013.7**
NET EXTERNAL	**-1,055.5**	**545.2**	**1,054.1**	**-155.1**	**3,312.4**	**20.3**
External Borrowings	840.6	1,175.3	1,765.6	440.7	3,835.0	576.0
Capital Repayments	-1,896.1	-630.1	-711.5	-595.8	-522.6	-555.7
NET DOMESTIC	**3,894.0**	**1,772.2**	**3,476.2**	**6,200.1**	**1,129.8**	**6,993.4**
Domestic Borrowings	301.3	446.6	2,880.9	1,579.0	1,783.4	3,580.0
Capital Repayments	-1,370.5	-1,364.4	-1,126.7	-1,885.8	-1,607.5	-1,793.5
Sinking Fund Transfers	-442.9	-1,950.5	-1,021.7	-923.2	-866.8	-860.5

Source: Budget Division, Ministry of Finance
r: Revised
p: Provisional

Appendix 25
Total Public Debt and Debt Service
/TT$ Millions/

	Oct '09/ Sep'10r	Oct '10/ Sep'11r	Oct '11/ Sep'12r	Oct '12/ Sep'13r	Oct '13/ Sep'14r	Oct '14/ Sep'15p
NET PUBLIC SECTOR DEBT [1]	**45,403.3**	**48,367.2**	**64,134.5**	**65,296.4**	**70,280.9**	**76,546.2**
Domestic Public Sector Debt	**34,160.9**	**35,672.1**	**50,571.5**	**53,374.9**	**55,260.9**	**61,301.2**
External Public Sector Debt	**11,242.4**	**12,695.0**	**13,563.0**	**11,921.5**	**15,020.0**	**15,245.0**
CENTRAL GOVERNMENT	**22,842.3**	**23,218.1**	**36,546.2**	**37,188.4**	**41,498.8**	**45,349.3**
Domestic	13,501.9	13,210.6	25,491.7	27,595.0	28,525.1	31,925.7
BOLTs and Leases	611.5	544.7	471.2	395.0	319.1	243.8
External	8,728.9	9,462.8	10,583.3	9,198.4	12,654.6	13,179.9
CONTINGENT LIABILITIES	**22,561.0**	**25,149.1**	**27,588.3**	**28,107.9**	**28,782.1**	**31,196.9**
Guaranteed	14,653.6	19,022.8	21,302.2	20,094.9	18,597.2	16,356.9
Statutory Authorities	7,951.9	9,603.7	9,158.2	8,506.7	7,752.7	6,951.3
State Enterprises	6,701.7	9,419.2	12,144.0	11,588.1	10,844.6	9,405.6
Letters of Guarantee	**7,907.4**	**6,126.3**	**6,286.1**	**8,013.1**	**10,184.9**	**14,840.0**
Statutory Authorities	2,051.0	1,577.0	1,337.6	1,978.4	2,597.8	4,625.7
State Enterprises	5,856.4	4,549.3	4,948.4	6,034.6	7,587.1	10,214.3
CENTRAL GOVERNMENT DEBT SERVICE	**5,362.0**	**3,697.2**	**3,608.1**	**5,092.4**	**5,157.9**	**5,304.1**
Domestic [2]	3,021.6	2,687.6	2,507.4	3,078.6	4,174.7	4,242.2
External	2,340.4	1,009.6	1,100.7	2,013.8	983.2	1,061.9
	(% of GDP)					
Net Public Sector Debt	**32.1**	**29.7**	**38.8**	**38.3**	**40.2**	**46.3**
External Public Sector Debt	**8.0**	**7.8**	**8.2**	**7.0**	**8.6**	**9.2**
Central Government Debt	**16.2**	**14.2**	**22.1**	**21.8**	**23.7**	**27.4**
Contingent Liabilities	**16.0**	**15.4**	**16.7**	**16.5**	**16.5**	**18.9**

Source: Ministry of Finance
Fiscal Years 2010-2015 were revised, and some instruments were recategorised.
1. Treasury Bills, Treasury Notes and Treasury Bonds issued for Open Market Operations (OMOs) are not included.
2. Includes the principal repayment of a $700 million 8-year bond issued on November 30, 2006.
r: Revised
p: Provisional

Appendix 26
Trinidad and Tobago - Net Foreign Reserves
/US$ Millions/

Period Ending	Central Bank				Commercial Banks					
	Foreign Assets	Foreign Liabilities	Net Internat. Reserves	Gov't Balances	Foreign Assets	Foreign Liabilities	Net Foreign Position	Gross Foreign Assets	Total Foreign Liabilities	Net Foreign Position
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
								(1)+(4)+(5)	(2)+(6)	(8)-(9)
2004	2,992.9	16.2	2,976.7	0.1	1,262.0	740.5	521.5	4,255.0	756.7	3,498.3
2005	4,885.6	16.1	4,869.5	0.1	1,407.2	1,151.6	255.6	6,292.9	1,167.7	5,125.2
2006	6,530.7[r]	16.1	5,117.8[r]	0.1	1,945.8	948.8	997.1[r]	7,079.8[r]	964.9	6,114.9[r]
2007	6,673.4	14.8	6,658.6	0.1	1,959.7	1,069.5	890.1	8,633.2	1,084.3	7,548.8
2008	9,380.2	16.1	9,364.1	0.1	2,203.5	953.3	1,250.2	11,583.8	969.4	10,614.5
2009	8,651.5	0.0	8,651.5	0.1	2,739.3	787.3	1,952.0	11,390.9	787.3	10,603.6
2010	9,069.8	0.0	9,069.8	0.2	2,188.6	730.6	1,458.1	11,258.7	730.6	10,528.1
2011	9,822.4	0.0	9,822.4	0.3	2,490.9	723.0	1,767.8	12,313.6	723.0	11,590.5
2012	9,200.3	0.0	9,200.3	0.4	3,050.8	614.2	2,436.6	12,251.4	614.2	11,637.3
2013	9,987.0	0.0	9,987.0	0.0	3,087.3	745.2	2,342.1	13,074.4	745.2	12,329.2
2014	11,316.4	0.0	11,316.4	0.2	3,066.7	790.6	2,276.1	14,383.3	790.6	13,592.7
2013										
October	9,360.6	0.0	9,360.6	0.0	3,242.8	728.7	2,514.1	12,603.4	728.7	11,874.7
November	9,306.0	0.0	9,306.0	0.5	3,325.3	764.1	2,561.2	12,631.8	764.1	11,867.7
December	9,987.0	0.0	9,987.0	0.0	3,087.3	745.2	2,342.1	13,074.4	745.2	12,329.2
2014										
January	9,923.8	0.0	9,923.8	0.0	3,014.3	751.4	2,262.9	12,938.1	751.4	12,186.7
February	9,843.5	0.0	9,843.5	0.0	2,926.6	769.5	2,157.1	12,770.0	769.5	12,000.5
March	10,013.2	0.0	10,013.2	0.0	3,076.7	738.3	2,338.3	13,089.9[r]	738.3	12,351.5
April	10,361.9	0.0	10,361.9	0.3	3,149.8	757.1	2,392.7	13,512.0	757.1	12,754.9
May	10,204.2	0.0	10,204.2	0.0	3,214.5	743.4	2,471.1	13,418.7	743.4	12,675.2
June	10,305.2	0.0	10,305.2	0.0	3,199.9	746.9	2,453.0	13,505.1	746.9	12,758.2
July	10,219.8	0.0	10,219.8	0.0	3,090.4	723.1	2,367.3	13,310.1	723.1	12,587.1
August	10,047.0	0.0	10,047.0	0.0	3,069.4	715.1	2,354.2	13,116.4	715.1	12,401.2
September	10,119.3	0.0	10,119.3	0.0	3,175.5	716.3	2,459.3	13,294.8	716.3	12,578.5
October	11,110.8	0.0	11,110.8	0.2	3,163.1	746.2	2,416.9	14,274.1	746.2	13,527.9
November	11,127.9	0.0	11,127.9	0.2	3,018.7	734.5	2,284.2	14,146.8	734.5	13,412.3
December	11,316.4	0.0	11,316.4	0.2	3,066.7	790.6	2,276.1	14,383.3	790.6	13,592.7
2015										
January	10,921.2	0.0	10,921.2	0.2	3,104.7	752.0	2,352.8	14,026.1	752.0	13,274.2
February	10,676.8	0.0	10,676.8	0.2	3,244.3	883.4	2,360.9	13,921.4	883.4	13,037.9
March	10,710.0	0.0	10,710.0	0.2	3,209.4	680.7	2,528.7	13,919.6	680.7	13,238.9
April	10,812.2	0.0	10,812.2	0.2	3,114.1	664.4	2,449.7	13,926.5	664.4	13,262.1
May	10,658.3	0.0	10,658.3	0.4	3,231.6	680.3	2,551.3	13,890.3	680.3	13,209.9
June	10,592.1	0.0	10,592.1	0.4	3,127.3	777.7	2,349.6	13,719.8	777.7	12,942.1

Source: Central Bank of Trinidad and Tobago
r: Revised

Appendix 27
Trade with CARICOM Countries
/TT$ Millions/

	Imports	Exports	Balance of Trade	Exports of Mineral Fuels	Imports of Mineral Fuels	Imports Excluding Mineral Fuels	Exports Excluding Mineral Fuels	Balance of Trade Excluding Mineral Fuels
1998	668.8	4,309.9	3,641.1	1,827.6	248.7	420.1	2,482.3	2,062.2
1999	827.9	4,708.1	3,880.2	2,323.3	454.6	373.3	2,384.8	2,011.5
2000	791.2	6,284.4	5,493.2	3,880.3	399.9	391.3	2,404.1	2,012.8
2001	750.8	6,415.2	5,664.4	3,808.7	218.2	532.6	2,606.5	2,073.9
2002	574.4	5,152.0	4,577.6	2,531.9	167.6	406.8	2,620.1	2,213.3
2003	588.9	6,585.5	5,996.6	4,146.8	69.0	519.9	2,438.7	1,918.8
2004	634.6	5,620.7	4,986.1	2,954.4	87.5	547.1	2,666.3	2,119.2
2005	700.2	13,153.1	12,452.9	9,931.0	126.6	573.6	3,222.1	2,648.5
2006	611.1	15,528.3	14,917.2	12,027.2	158.7	452.4	3,501.1	3,048.7
2007	762.3	11,462.3	10,700.0	7,571.5	177.9	584.4	3,890.8	3,306.4
2008	772.0	21,231.8	20,459.8	16,994.9	146.5	625.5	4,236.9	3,611.4
2009	700.0	9,141.4	8,441.4	5,945.8	101.7	598.3	3,195.6	2,597.3
2010	793.2	13,238.6	12,445.4	10,506.2	141.0	652.2	2,732.4	2,080.2
2011	1,545.8	13,442.5	11,896.7	9,630.5	218.8	1,327.0	3,812.0	2,485.0
2012p	1,402.2	11,129.3	9,727.1	7,394.0	450.8	951.4	3,735.3	2,783.9
2013p	1,230.9	19,933.4	18,702.5	15,671.0	421.8	809.1	4,262.4	3,453.3
2014p	1,212.4	12,770.2	11,557.8	8,553.3	399.9	812.5	4,216.9	3,404.4
Apr '13/Jun '14p	1,600.5	21,798.1	20,197.6	17,025.6	597.2	1,003.3	4,772.5	3,769.2
Apr '14/Jun '15p	1,475.0	12,507.9	11,032.9	7,391.4	412.4	1,062.6	5,116.4	4,053.8

Source: Central Statistical Office
r: Revised
p: Provisional

Appendix 28
Balance of Visible Trade
/TT$ Millions/

	2009	2010	2011	2012p	2013p	2014p	Apr '13 / Jun '14p	Apr '14 / Jun '15p
Total Visible Trade								
Exports	58,091.9	71,344.7	95,634.0	82,786.5	120,294.3	93,092.7	130,810.0	100,491.9
Imports	43,973.3	41,284.1	60,748.6	74,635.9	80,784.3	73,609.8	101,146.1	89,552.8
Balance	14,118.6	30,060.6	34,885.4	8,150.6	39,510.0	19,482.9	29,663.9	10,939.1
Trade Excluding Mineral Fuels								
Exports	13,963.5	27,619.1	42,246.6	40,567.9	48,698.1	41,286.3	55,426.4	49,455.4
Imports	29,490.8	27,528.7	37,107.6	43,433.7	39,876.9	41,078.3	50,492.5	52,300.0
Balance	(15,527.3)	90.4	5,139.0	(2,865.8)	8,821.2	208.0	4,933.8	(2,844.6)
Trade Excluding Mineral Fuels U.P.A.								
Exports	58,091.9	71,221.2	95,470.9	82,657.3	120,123.9	93,006.1	130,636.5	100,359.1
Imports	43,920.7	41,150.9	60,599.6	74,422.4	80,634.9	73,508.7	100,942.1	89,415.8
Balance	14,171.2	30,070.3	34,871.3	8,234.9	39,489.0	19,497.4	29,694.4	10,943.3
Trade in Mineral Fuels non - U.P.A								
Exports	44,128.4	43,602.1	53,224.3	42,089.4	71,425.8	51,719.8	75,210.2	50,903.8
Imports	14,429.9	13,622.2	23,492.0	30,988.7	40,758.0	32,430.4	50,449.5	37,115.8
Balance	29,698.5	29,979.9	29,732.3	11,100.7	30,667.8	19,289.4	24,760.6	13,787.9
Trade in Mineral Fuels UPA								
Exports	0.0	123.5	163.1	129.2	170.4	86.6	173.5	132.8
Imports	52.6	133.2	149.0	213.5	149.4	101.1	204.0	137.0
Balance	(52.6)	(9.7)	14.1	(84.3)	21.0	(14.5)	(30.5)	(4.2)
Trade in Mineral Fuels								
Exports	44,128.4	43,725.6	53,387.4	42,218.6	71,596.2	51,806.4	75,383.7	51,036.6
Imports	14,482.5	13,755.4	23,641.0	31,202.2	40,907.4	32,531.5	50,653.5	37,252.8
Balance	29,645.9	29,970.2	29,746.4	11,016.4	30,688.8	19,274.9	24,730.1	13,783.7

Source: Central Statistical Office
r: Revised
p: Provisional

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Eric Williams Finance Building
Independence Square
Port of Spain
Tel: (868) 627-9700 ext. 2801-9
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