'ECONOMIC TURNAROUND' IN THE TIME OF STATE SANCTIONED MISOGYNY & INTOLERANCE OF DISSENT

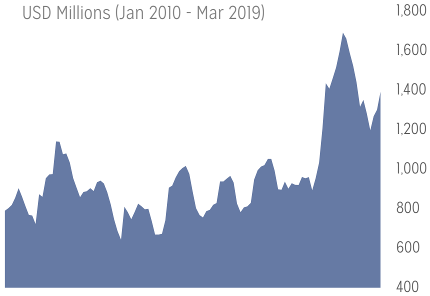
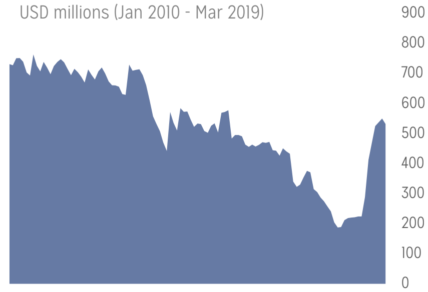
Not to trivialize for a moment the immeasurable devastation undoubtedly caused by rejection, love-sickness, or cholera for that matter, but imagine that an even graver dystopian reality than Márquez's exists in today's so-called 'free world', with potentially more persistent and extensive harmful implications; one where information is only deemed relevant and accurate if released or sanctioned by the Minister of Finance, even forsaking all other domestic official sources; where conflicting (even if 'official') information / data are summarily dismissed by the Minister as irrelevant, inaccurate, and subject to revision; where those who dare to publicly express contradictory opinions are consequentially 'blocked', discredited as biased, irrelevant, or 'incorrect' by the Minister; where the risk of being dismissed as such by the Minister appears to be greater for females; and where the Minister consistently attempts to alter the 'facts' in the public domain.

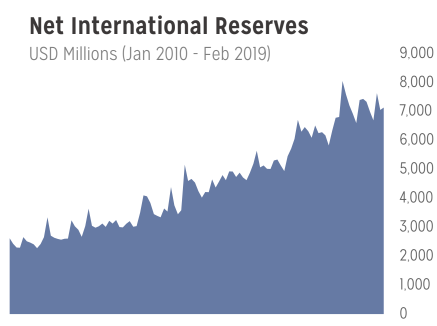
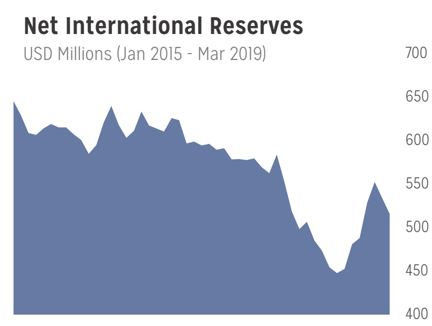
The use of propaganda or 'fake news' in pursuit of public persuasion is almost as old as humanity itself, and as such, the selective use of data and (mis)information is not entirely unexpected, particularly as elections draw closer. What is disturbingly but increasingly common in T&T however, is the state's apparent growing intolerance of dissent, and its concomitant agenda to manipulate public information – behaviour typically reserved for dictatorships or otherwise oppressive regimes. It's no surprise therefore, that on the 2019 Index of Economic Freedom, T&T is categorized as 'mostly unfree' with a score of 57.0, down by 0.7, and well below regional and global averages. T&T is the 112th freest country out of 180 countries measured. This erosion of freedom and democracy carries untold risks which cannot be overemphasized.

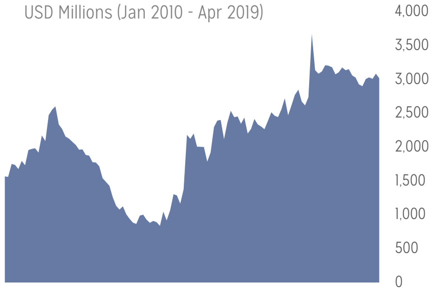
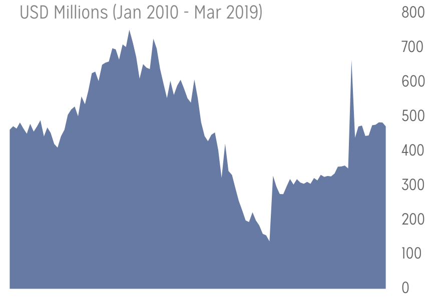
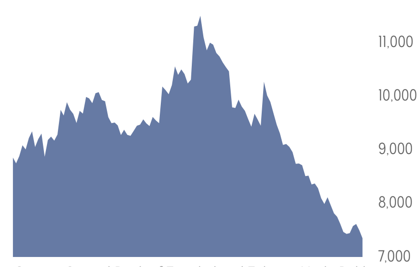
T&T's 2019 Economic Freedom score is well below regional and global averages

Regardless of which data we cite, the 'economic turnaround' touted by the Minister on the basis of three quarters of positive growth is everything but. In the context of an economy which has averaged ZERO real GDP growth for the past 10 years, and where the size of the economy remains 10% smaller in nominal terms than it was in 2008, three quarters of positive growth is welcomed, certainly, but is decidedly NOT a reflection of an economic turnaround by any standard commonly used by economists, much less engineers. Furthermore, a true economic turnaround would be characterized not just by a sustained return to growth, but by lower fiscal deficits and falling debt, as fiscal stimulation would become unnecessary. In stark contrast however, the Minister has inexplicably chosen to expand fiscal expenditure by TTD300 million, driving the deficit to TTD7.6 billion or 4.8% of GDP, while gross public sector debt already stood at 78.3% of GDP in 2018. Perhaps engineers consider these levels "well within international benchmarks", but economists generally do not.

The Central Bank's (CBTT) 2018 Annual Economic Survey stated "According to initial projections from the Central Statistical Office (CSO), real GDP grew by 1.9% in 2018 after declining by 1.9% in 2017 (Table 1)." However, Table 1 actually shows 2018 growth at -2.3% and 2017 at -6.0%, for which the relevant footnote states "Real GDP growth rates are sourced from the CSO." Perhaps it was simply an oversight that the CBTT did not update Table 1, or could this have been a Freudian slip, or a passive-aggressive expression of dissent, or even a cry for help, if not their independence? Time, as always, will tell.

	BAHAMAS	BARBADOS	CAYMAN ISLANDS
UPDATE	Growth accelerated to 2.3% in 2018 from 1.4% in 2017, based on strong tourism performance and FDI-led construction. Inflation increased to 4.5% in 2018 as a result of the VAT increase in July 2018. Growth in the labor force drove unemployment up 0.6 p.p. y/y to 10.7%, though job gains were sustained. Debt/GDP reached 64.6% in December 2018, down 0.2% y/y. In the first 6 months of the fiscal year, tax receipts rose 15% y/y as a result of the VAT increase, and non-tax revenues were up 13% y/y. External reserves declined, ending 2018 at USD1.196 billion, or 17.5 weeks of imports. Reserves strengthened by USD195 million in Q1 2019, reaching USD1.39 billion or 20 weeks of imports. Gains in tourism continue in 2019, with air arrivals up 29% y/y in January and sea arrivals up 17% y/y. For Jan-Feb 2019, the Hotel and Tourism Assoc. estimates room revenues improved by 44% y/y. For Q1 2019, total short-term vacation rentals were up 24.7% y/y.	The economy contracted 0.2% y/y in Q1 2019 as economic gains from tourism and the medical education sector were offset during the quarter by the 9% contraction in construction activity. Tourism activity expanded 2.2% y/y in Q1 2019 - significantly below the 5.7% growth registered in Q1 2018. Inflation slowed to 2.5% in March 2019, following the elimination of the NSRL tax. Funding inflows from multilaterals brought gross international reserves to the highest level in 4 years at USD531.7 million in March 2019, or 14 weeks of imports. During FY2018/2019, government registered a primary surplus of 3.5% of GDP as tax revenues increased and interest costs fell by 50% as a result of the domestic debt restructuring and suspension of commercial external debt repayments. Gross public sector debt to GDP was estimated at 125.6% at the end of March 2019. Achieving a primary fiscal surplus of 6.0% of GDP for this fiscal year is central to implementation of the BERT program, and the Government seems set to achieve it.	The Government's 2020 Strategic Policy Statement estimates GDP growth at 2.2% for 2020, 2.1% in 2021 and 2.0% for 2022, led by construction projects for hotels, ports, landfill, John Gray High School, and Residential Mental Health Facility. Unemployment is forecast at 3.5% for 2020, 3.6% for 2021 and 3.8% for 2022, while inflation is projected to remain flat at 2.2% over the 3-year period. This will be achieved alongside fiscal surpluses, which will be used to fund capital investments and pay down debt. Reductions in import duties will remain in place on building materials (15%), consumer goods imports for retail (20%), and fuel for power generation by utility CUC (25 cents per gallon). Government does not plan to borrow and expects to reduce public debt to KYD104 million by the end of 2022 - the lowest level in 20 years. Crime rates were down in 2018, with property crime and burglary falling to the lowest level in 18 years. The number of serious crimes was down 10% y/y and total crimes were down 4% y/y.
TOURISM	Stay-over: 2018: +17% y/y; 2019: 129,912 (Jan) +29% y/y Cruise pax: 2018: +5.4% y/y; 2019: 498,913 (Jan) +17% y/y	Stay-over: 2018: 680,269 +2.5% y/y Cruise pax: 2018: 614,993 -9.7% y/y	Stay-over: 2019: 146,804 (Mar 2019) +8.7% Cruise pax: 2019: 641,045 (Mar 2019) -4.6%
GROWTH	2.3% (2018 est.)	-0.6% (2018 est.)	3.4% (2018 est.)
RESERVES	**External Reserves** USD Millions (Jan 2010 - Mar 2019)  Source: Central Bank of The Bahamas, Marla Dukharan	**International Reserves** USD millions (Jan 2010 - Mar 2019)  Source: Central Bank of Barbados, Marla Dukharan	n/a
OUTLOOK	IMF estimates growth will slow to 2.1% in 2019, and averaging 1.5% for 2020 to 2023, contingent on improvements in tourism activity, and fiscal consolidation.	IMF forecasted 0.5% contraction in 2018, 0.1% in 2019, and growth of 1.8% by 2023. The Central Bank expects growth of 0-0.25% for 2019. We are working with a projection of roughly zero growth in 2019.	Growth is estimated at 2.7% for 2019 based on sound fiscal management and stronger construction and tourism activity, but less so on financial services. Government projects growth will slow to 2% by 2022.

	CUBA	DOMINICAN REPUBLIC	GUYANA
UPDATE	Government maintains its target of 5 million tourists in 2019, after missing this same target last year by around 5%. Arrivals from the US are expected to continue to fall as the Trump Administration has said it will restrict non-family travel. The US also announced restrictions on remittances to USD1,000 per quarter per person, with significant impacts expected for those receiving an estimated USD4 billion in annual remittances after the US Treasury lifted restrictions in January 2015. Cross-border payments will be further affected by new restrictions to be placed on USD transactions, complicating investment and trade. Furthermore, the end to the Helms-Burton waiver means that US nationals whose property was illegally seized by the Cuban regime can seek damages against those who trafficked in or benefitted from those assets. Power outages and rationing are becoming more frequent as oil shipments from the Venezuela have fallen.	Remittances totaled USD675 million in the month of March 2019 - the highest figure ever recorded for a single month. The country received over USD1.7 billion in remittances during Q1 2019, up 10% y/y. Stay-over arrivals grew 4.6% y/y in Q1 2019, reaching nearly 1.88 million for the quarter. Macroeconomic fundamentals continue to move in the right direction. The Monthly Economic Activity Index in Jan-Feb 2019 expanded at a pace of 5.9% y/y driven by investment and consumption. Domestic demand remains robust, and credit to the private sector in local currency continues to grow at a pace of around 10% y/y. The Central Bank (BCRD) left its policy rate flat at 5.0% in April. At 1.47% in March, inflation was below the BCRD target of 4.0% ± 1.0%, Depreciation of the currency slowed to the lowest pace since September 2016 at 2.3% y/y in April 2019, with the exchange rate reaching DOP50.5524 : USD1.00.	Economic growth accelerated to 4.1% in 2018, nearly double the 2.1% growth for 2017. Inflation was low at 1.6% in 2018. Growth was broad-based, with gains in construction, manufacturing, services, as well as production of bauxite, livestock and forestry. Declines were reported in output for gold due to smuggling and heavy rains, and sugar and rice were affected by weather and pests. Merchandise and service imports related to FDI projects in the oil and gas sector drove the overall balance of payments deficit up and gross international reserves ended the year at USD528.4 million or 2.3 months of imports, falling to USD518.5 million or 2 months of imports in March 2019. Public sector debt increased by 1.5% y/y, bringing total debt/GDP to 43.9%. For 2019, the Bank of Guyana expects the economy will grow by 4.4%, supported by growth of 3.2% in agriculture, 3.4% in mining & quarrying, 10.5% in construction and 3.8% in manufacturing.
TOURISM	Stay-over: 2019: 1,800,000 (est. April) +7.2% y/y Cruise pax: 2018: 703,519 (Oct 2018) +20% y/y	Stay-over: 1,876,144 (YTD Mar 2019) +4.6%y/y Cruise pax: 380,699 (YTD Mar 2019) +1.7%y/y	Stay-over ([CTO]()): 2018: 211,448 (Sept 2018) +17.5% y/y Cruise pax: n/a
GROWTH	1.2% in 2018	7.0% 2018	4.1% (2018 est.)
RESERVES	n/a	 Source: Central Bank of the Dominican Republic, Marla Dukharan	 Source: Bank of Guyana, Marla Dukharan
OUTLOOK	Low growth (<1.5%) likely to persist as a result of Venezuela's crisis and shifts in US policy. Availability of foreign currency will remain a challenge. Government projects growth of 1.5% in 2019.	Growth is expected by the IMF to moderate to 5.0% through 2023.	Bank of Guyana expects growth of 4.4% for 2019. Growth is expected by the IMF at 3.8% in 2019, and with the impact of oil production, almost 30% in 2020. The IMF forecasts growth will average 21% from 2021-2024.

	JAMAICA	SURINAME	TRINIDAD & TOBAGO
UPDATE	Debt/GDP has fallen below 100% for the first time since FY2000/2001 and was reported at 98.7% for FY2018/2019. International reserves reached USD3.0 billion at end-April 2019, providing 22 weeks of import cover. Non-borrowed reserves ended March 2019 at USD2.63 billion - 20% above target. Inflation in March increased to 3.4% - below the BoJ's 4-6% target range. BoJ has responded by lowering its policy rate, now at a record low 0.75% effective May 20, 2019 and has reduced the cash reserve requirement by 2 p.p. to 7% effective June 3. This policy decision seeks to stimulate private sector credit growth. At the end of February 2019, loans to the productive sector grew 20.2% y/y and consumer loans expanded at a pace of 14% y/y. The exchange rate remains stable, with slight fluctuations in both directions. Economic growth accelerated to 2.0% y/y in Q4 2018, with growth estimated at 1.8% for the year, underpinned by stronger activity in mining, construction and agriculture.	The commodity sector accounts for 80% of total exports, with greater diversification needed. While the start of the Saramacca mining project in late 2019 will benefit fiscal revenues, it reinforces an already high exposure to this single sector. Furthermore, ahead of 2020 elections, fiscal spending is unlikely to yield improvements. The monetary base (narrow money) grew 39% y/y in March 2019 indicating that Central Bank financing of the government is ongoing. The expansion of the monetary base could be offsetting economic gains achieved over the last year. Inflation has continued to decline in 2019, falling to 4.2% y/y in March. Foreign currency reserves have continued to improve to USD471.6 million in March 2019, up 32% y/y. The average exchange rate has remained stable at SRD7.52 : USD1.00 for 9 consecutive months.	An exchange offer for Petrotrin 2019 and 2022 bonds was announced, rolling the debt out to 2026 and removing guarantees. It is unclear where the cash will come from to pay bondholders opting not accept the offer. The CBTT estimated growth for 2018 at 1.9% - well above the IMF estimate of 0.3%, the World Bank estimate of 0.7%. GDP per capita was reported by CBTT at USD17,300, 6% below the average over the past 10 years. The Petroleum sector directly accounted for 26.1% of GDP in 2018, up from 22.5% in 2017. Meanwhile, the index of economic activity has posted 12 consecutive quarters of decline. International reserves were down 8% y/y in March 2019 to USD7.35 billion, or 8.3 months of imports. Crime continues to be a problem that stifles growth, with 118 murders reported in the first 3 months of 2019. While down 13% y/y, this brought the 12-month rolling total to 500 in March 2019.
TOURISM	Stay-over: 2018: +5.1% y/y / 216,509 (Jan 2019) +11.3%y/y Cruise pax: 2018: / 249,239 (Jan 2019) -0.2% y/y	n/a	Stay-over: 2018: 311,912 (Oct 2018) -5.2% y/y (CTO) Cruise pax: 2018: 96,610 (Oct 2018) +159% y/y (CTO)
GROWTH	1.8% (IMF 2018 est.)	2.0% (IMF 2018 est.)	0.8% (2018 CSO est.)
RESERVES	**Net International Reserves** USD Millions (Jan 2010 - Apr 2019)  Source: Bank of Jamaica, Marla Dukharan	**Foreign Currency Reserves** USD Millions (Jan 2010 - Mar 2019)  Source: Centrale Bank van Suriname, Marla Dukharan	**Net Official Reserves** USD Millions (Jan 2010 - Mar 2019)  Source: Central Bank of Trinidad and Tobago, Marla Dukharan
OUTLOOK	The IMF expects growth at 1.7% in 2019, ramping up to 1.9% in 2020 and averaging 2.3% for 2021-2024.	IMF forecasts growth at 2.2% in 2019, 2.5% in 2020 and 2.1% in 2021, rising to 3% by 2023.	The IMF is projecting growth at 0.01% for 2019 (revised downward in April 2019 from the previous forecast of 0.9%) then averaging 1.8% through 2023. We maintain our projection of average growth of 1% in 2019-2020.