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Regional

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Recap:

- On 1 May 2013, the Executive Board of the International Monetary Fund (IMF) approved a four-year Extended Fund Facility (EFF) arrangement for Jamaica to support the authorities' comprehensive economic reform agenda.
- The EFF arrangement amounts to SDR 615.38 million (about USD932.3 million), the equivalent of 225% of Jamaica's quota in the IMF.
- The financing arrangement forms a critical part of a total funding package of USD2 billion from Jamaica's multilateral partners including the World Bank and the Inter-American Development Bank, with each having preliminarily agreed to allocate USD510 million for 2013/14 through 2016/17.

Ninth review of Jamaica's IMF supported program:

- An International Monetary Fund (IMF) mission led by Uma Ramakrishnan visited Jamaica from August 12-21, 2015, to conduct discussions on the ninth review of Jamaica's IMF-supported program under the Extended Fund Facility (EFF).
- Consideration by the IMF's Executive Board is tentatively scheduled for September 2015. Upon approval, SDR 28.32 million (about USD40 million) would be made available to Jamaica.

Jamaica's economic performance:

- The growth outlook is improving, although the drought is hampering agricultural recovery for the second year in a row.
- Growth is now projected at 1.4% in 2015-16.
- The unemployment rate declined to 13.2% in April, with strong employment growth in tourism and in the business process outsourcing (BPO) sector.
- Inflation remained at a historic low of 4% in July, in spite of higher food prices on account of the drought.
- International reserves have continued to increase, standing at USD2.4 billion at end-July.

PetroCaribe:

- On 23rd July the Government of Jamaica raised USD2 billion on the international capital market through the issue of two new Eurobonds.
- Three quarters of this sum or USD1.5 billion is being used to purchase USD3.2 billion in debt owed to state owned Venezuela oil company Petroleos de Venezuela SA (PDVSA) by Jamaica's PetroCaribe Development Fund (PDF), at USD0.46 on the dollar or a discount of 54%.
- The recent PetroCaribe liability management operation is an important step in reducing Jamaica's public debt.
- The buyback has immediately reduced the debt-to-GDP ratio by about 10% of GDP, and the Net Present Value (NPV) gain of the transaction is estimated at about USD300 million.
- This proactive operation will help keep public debt on a clear downward trajectory, with debt-to-GDP now projected at 125% by the end of this fiscal year from the current 137%.

Rating action:

- On June 3, 2015, Standard & Poor's Ratings Services raised its long-term foreign and local currency sovereign credit ratings on Jamaica to 'B' from 'B-'. The outlook on the long-term ratings is stable.
- Fitch Ratings has affirmed Jamaica's long-term foreign and local currency Issuer Default Ratings (IDRs) at 'B-'. The issue ratings on Jamaica's senior unsecured foreign and local currency bonds are also affirmed at 'B-'. The Rating Outlooks on the long-term IDRs are revised to Positive from Stable.

Selected Jamaican companies performance cross listed on the Trinidad and Tobago Stock Exchange.**As at Q2 2015**

Financial Indicator	NCBJ	SIJL
P/E	6.17	8.11
Return on Equity	13.97	10.48
Dividend Yield	7.53	6.67
Payout Ratio	34.09	60.09
Basic EPS	4.54	0.75
Return on Assets	2.29	1.98
Return on Capital	4.98	2.55
Profit Margin	23.23	24.74
Operating Margin	29.20	52.09
Sales Growth	10.68	-21.04

Total debt growth (1 year)	-12.90	-12.82
Debt to Equity	160.55	279.70
Efficiency Ratio	60.39	48.02
Last Price (TTD)	1.52	1.51

Jamaica Government International Bonds and Yields

Name	Yield
Jamaican Gov't Bond 2017	2.65
Jamaican Gov't Bond 2025	6.39
Jamaican Gov't Bond 2028	6.71
Jamaican Gov't Bond 2045	7.90

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