

Wednesday 3<sup>rd</sup> June 2015 - 2:45pm

Regional

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## Jamaica upgraded to “B” by S&P

- 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 upgrade reflects the country's improved ability to meet its fiscal targets over the past two years, which has led to strengthened fiscal credibility and stabilized its debt trajectory.
- Provisional estimates by S&P show a primary budget surplus of 7.5% of GDP in the 2014/2015 fiscal year.
- Sustained high primary surpluses could lead to a gradual decline in its general government debt to less than 120% of GDP by from an estimated 128% this year.
- Net foreign exchange reserves have continued to increase, reaching US\$2.4 billion as of April 2015.
- S&P projects economic growth of 2.0% in 2015, following real GDP growth of approximately 0.4% in 2014. Growth will be supported by stronger tourism activity on the back of higher economic growth in the U.S.
- A recovery in the agricultural sector and improved water supply due to favourable weather conditions, higher mining and manufacturing output will assist in boosting the local economy.

<b>Selected Indicators</b>	<b>2013</b>	<b>2014</b>	<b>2015f</b>	<b>2016f</b>
Real GDP growth (%)	0.2	0.4	2.0	2.2
General government balance/GDP (%)	0.2	(0.4)	(0.1)	(0.9)
General government debt/GDP (%)	132.2	128.9	127.7	124.6
Net general government debt/GDP (%)	129.5	126.0	124.9	122.0
General government interest expenditure/revenues (%)	27.6	30.2	27.5	24.6
CPI growth (%)	9.3	8.3	4.5	5.0
Current account balance/CARs (%)	(18.6)	(16.2)	(10.6)	(6.8)

Source: Standard & Poor's

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