



CARIBBEAN FINANCIAL DISPATCH



FX Rates				
Aruba (florin)	1.80	1.33	2.47	2.12
Bahamas (BSD)	1.00	0.73	1.36	1.18
Barbados (BBD)	2.03	1.50	2.78	2.40
Belize (BZD)	2.02	1.49	2.77	2.39
Cayman Isl. (\$)	0.83	0.61	1.14	0.98
Dom Rep	59.72	43.84	81.59	70.36
Guyana (GYD)	218.00	173.00	287.29	247.91
Haiti (HTG)	131.47	96.78	179.15	155.18
Jamaica *(JMD)	160.77	118.52	220.24	188.59
OECS (XCD)	2.71	1.99	3.69	3.18
Suriname (SRD)	37.66	27.42	51.61	44.41
T&T (TTD)	6.78	5.54	9.72	8.73

Inside This Issue:

- Jamaica financial system stable with risks
- Terms limits for non-Caymanian workers
- G7 / US tax carve-out undermines Caribbean
- UK Q1 GDP Holds at 0.7%
- OPEC+ eyes 411,000 bpd hike in August

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Bermuda Debuts 5G+ as Region Lags Behind

Bermuda has become the first Caribbean jurisdiction to roll out island-wide 5G+, marking a major leap in regional digital connectivity. Paradise Mobile's next-generation network delivers ultra-fast speeds and low latency, comparable to North America's best, enabling UHD video streaming, lag-free gaming, and instant app responses. CEO Sam Tabbara describes the upgrade as "a wide, clear highway" compared to older, congested networks. The 5G+ service is already live for Android devices and select iPhones, with full coverage expected in 12–18 months. Built on Open RAN architecture and high-capacity spectrum, the rollout positions Bermuda at the forefront of digital transformation. However, major telecom providers in other Caribbean markets claim there is no business case for 5G, exposing a growing divide in regional mobile infrastructure and innovation.

REGIONAL ROUNDUP

Term Limits for Non-Caymanian Civil Servants

In a unanimous decision, the Cayman Islands Parliament passed the Public Service Management (Amendment) Bill, 2025, capping non-Caymanian civil servant tenure at nine years, followed by a two-year rollover—aligning public sector rules with private sector immigration policy. Set to take effect in early 2026 (not retroactively), the law aims to boost Caymanian opportunities and correct systemic imbalances. Currently, non-Caymanians represent 4% of the civil service, with an average tenure of 5.8 years.

Fiscal Surplus Strengthens Barbados' Debt Reduction

Barbados posted a primary fiscal surplus of 3.7% of GDP in FY2024/25, surpassing the 3.5% target under the IMF-backed BERT III programme. The result was driven by higher personal income tax and VAT collections, alongside restrained spending. Public debt-to-GDP fell to 115.6% in March 2025, down from 120.5% a year earlier. The government made early repayments of \$139.1 million on domestic debt and plans further liability management to smooth maturities. These efforts reflect continued progress toward medium-term debt sustainability through prudent fiscal management and targeted debt reduction.

Grenada's Public Debt Ratio Falls to 71.3%

Grenada's public debt-to-GDP ratio fell to 71.3% in 2024 from 75.1% in 2023, per the Ministry of Finance's 2024 Annual Debt Report. Total public debt reached EC\$2.73 billion, with EC\$2.2 billion owed by Central Government—mainly from long-term, concessional loans. Despite Hurricane Beryl, Grenada met all debt servicing obligations, deferring select payments under hurricane clauses to create fiscal space for recovery. State-owned enterprise debt declined nearly 5%, and on-lent loans totaled EC\$201.8 million. The Ministry reaffirmed commitment to its Medium-Term Debt Strategy and the goal of reducing debt to 60% of GDP by 2035, supporting long-term fiscal sustainability and resilience.

Antigua & Barbuda Inflation Eases to 4.3% in March

Antigua & Barbuda's CPI rose 4.3% year-on-year in March 2025, marking a continued slowdown in inflation. Food prices edged up just 0.4%, with sharp declines in oils, fats (-10.8%), and fish and seafood. Core inflation climbed 4.8%, led by surges in miscellaneous goods and services (+14.2%) and restaurants and hotels (+14.0%). Month-on-month, overall prices fell 1.6%, mainly due to an 11.0% drop in the transport index. March also saw declines in supermarket staples like frozen fish, peanut butter, and dairy.

BOJ Holds Rate at 5.75% but flags Global risks

The Bank of Jamaica kept its key interest rate at 5.75%, signaling confidence in maintaining inflation within its 4–6% target. Annual inflation remained at 5.2% in May, with core inflation at 4.6%. However, the BOJ warned of upside risks from global trade shifts, geopolitical tensions, and lingering U.S. inflation. Despite these concerns, it expects GDP growth of 1–3% in FY2025/26.

Bahamas: Airport departures fall 3.2% y/y

Tourism earnings in The Bahamas slowed in May, with stopover growth limited by accommodation capacity, though cruise arrivals remained strong. Airport departures fell 3.2% year-on-year, including a 3.7% drop in U.S. departures. Year-to-date outbound traffic is down 2.3%. Meanwhile, short-term vacation rentals rose 5% in room nights sold, driven by a 10.4% increase in daily rates for entire-place listings, though occupancy rates declined due to expanded inventory.

Jamaica's Financial System Stable Amid Global Risks

At its July meeting, the BOJ Financial Policy Committee reported stable domestic macro-financial conditions in Q1, despite global uncertainty from U.S. trade and immigration policies. Key indicators like capitalisation and liquidity remained above prudential thresholds, though profitability declined. Stress tests confirmed resilience to shocks, with some vulnerabilities. Risks include inflation a prolonged trade war, and contagion from systemically important institutions. The FPC is advancing reforms including Twin Peaks supervision, a resolution regime, and Basel III's systemic buffer to bolster stability.



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REGIONAL ROUNDUP

Cruise Tourism Declines 20% in Cayman

Cruise passenger arrivals to Grand Cayman fell to 186,000 between April and June 2025, down from 233,000 in Q2 2024 — a 20% year-over-year drop. This decline offsets the strong start to the year, where Q1 saw 455,000 cruise visitors, up from 410,000 in 2024, resulting in a modest half-year increase of 3%. Tourism Director Rosa Harris emphasized that while the overall regional trend is downward, Cayman continues to receive visits from smaller vessels and expects cruise arrivals to stabilize going forward. She noted that the destination remains attractive for premium and niche lines seeking high-value experiences.

Barbados economy records growth of 4.9% in Q1

Barbados' economy expanded by 4.9% in Q1 2025, driven by a 7.4% rise in long-stay arrivals and a 27% cruise tourism surge. Growth was led by non-traded sectors, notably tourism, construction, and business services. The hotel and restaurant sector grew 10.4%, while construction rose 4.5%. Despite modest traded sector declines, the Central Bank forecasts 2025 growth between 3.5% and 4.5%, supported by sustained tourism and investment.

T&T Energy Output Slips Despite Short-Term Oil Gains

Trinidad and Tobago saw a 6.1% rise in crude oil output but a 5.9% year-on-year drop in natural gas production in Q1 2025, with methanol output down 15.3%, despite gains in ammonia (4.7%) and urea (12.5%). The Energy Chamber flagged long-term declines, noting oil output has fallen 67% since 2005 and gas production is now half of its 2009 peak. The Chamber called for reforms and increased investment to boost energy exports and sector sustainability.

G7 / US Tax Carve-Out Undermines Caribbean

Despite aligning with the OECD's global minimum tax under BEPS 2.0, Caribbean nations now face a credibility crisis. A G7-led exemption for U.S. multinationals—who dominate global trade in digital services, pharmaceuticals, and finance—has created a two-tier system, sparing U.S. firms from the 15% tax floor. This reversal undermines tax fairness and threatens the investment competitiveness of countries like Barbados, Jamaica, and Bermuda, who reformed tax systems at high cost. With investor confidence shaken and compliance penalized, the Caribbean now risks diminished FDI and shrinking fiscal space—while the OECD's legitimacy erodes.

Select Commodity Prices

Futures	Price	US\$ Change	Change
WTI Crude	US\$66.50	-0.50	-0.75%
Brent Crude	US\$68.30	-0.50	-0.73%
OPEC Basket	US\$69.79	+1.03	+1.50%
Natural Gas	US\$3.387	-0.022	-0.65%
Gold	US\$3,346.50	+3.60	+0.11%
Silver	US\$37.13	+0.05	+0.146%

Jamaica to End JPS Monopoly Seeks New Partners by 2027

The Government of Jamaica will not renew the Jamaica Public Service Company's (JPS) license when it expires on July 8, 2027, according to Energy Minister Daryl Vaz. While the government won't take over JPS, it will engage new providers to improve service quality. The decision follows reliability concerns post-Hurricane Beryl. JPS is 80% foreign-owned.

ECCB Posts Record EC\$126.2M Profit

The ECCB posted a record net profit of EC\$126.2 million for FY2024/25—a 57.5% increase—driven by higher interest income on foreign reserves. Total assets rose 6.1% to EC\$6.14 billion. Despite increased salary and admin costs, expenses held steady at EC\$97.7 million, aided by EC\$10.7 million in impairment recoveries, reflecting strong financial management.

Jamaican POS Transactions Hit \$1.1 Trillion

Jamaica recorded 84.8 million POS transactions valued at \$1.1 trillion in 2023—up 27.9% in volume and 13.5% in value over 2022. Conversely, USD-denominated POS transactions fell by 26.7% in volume and 32.1% in value to 3.1 million transactions worth US\$590.6 million. The year ended with 3.8 million JMD debit cards and 430,900 credit cards in circulation. This comes despite heightened fraud concerns, including two major breaches totaling nearly \$400 million linked to emergency POS terminal exploits.

GLOBAL PULSE

UK Q1 GDP Holds at 0.7%; Credit Growth Slows

UK GDP grew by 0.7% in Q1 2025, led by a 0.7% rise in services, with production and construction up 1.3% and 0.3%. Annual growth reached 1.3%. Household consumption, capital formation, and net trade supported the expansion, signaling cautious recovery. Mortgage approvals rose to 63,000 in May; remortgages hit 41,500. Net consumer credit fell to £0.9B, with growth easing to 6.5%. The average interest rate on new personal loans edged up 3 basis points to 8.72%.

Trump's Big Beautiful Act now law

Trump's 2025 tax megabill makes permanent the 2017 Tax Cuts and Jobs Act cuts, raises the standard deduction to \$15,750 (single) and \$31,500 (married), increases the child tax credit to \$2,200 (\$1,700 refundable), and lifts the state and local taxes (SALT) cap to \$40,000. New provisions include a \$6,000 senior "bonus," car loan and tip income deductions, \$1,000 child "Trump accounts," and school voucher credits. Offsetting these are \$1T in Medicaid cuts, SNAP reductions affecting 40M+, and the end of EV and energy-efficiency tax credits. Under the new Act Student loan forgiveness has been repealed and there is greater emphasis on immigrant activity.

Canada's Trade Deficit Shrinks to \$5.9B

Canada's merchandise trade deficit narrowed to \$5.9 billion in May from \$7.6 billion in April, driven by a 1.1% rise in exports and a 1.6% drop in imports. Unwrought gold exports jumped 30.1% to a record \$5.9 billion, while imports of similar metals fell 43.2%. Exports to the U.S. declined for the fourth consecutive month (-0.9%) to 68.3% of total exports, down from the 2024 average of 75.9%. Exports to other countries rose 5.7%. The overall trade deficit in goods and services narrowed to \$6.6 billion.

HSBC Raises Gold Forecast Amid Debt Fears

HSBC raised its 2025 gold forecast to \$3,215/oz (from \$3,015) and 2026 to \$3,125/oz (from \$2,915), citing rising geopolitical tensions and growing U.S. debt. Gold hit a record \$3,500.05/oz in April and trades near \$3,348.50. HSBC projects continued volatility between \$3,100–\$3,600/oz through year-end. While gold's safe-haven status remains strong, the bank cautions that central bank and retail demand, especially in India and China, could weaken if prices stay above \$3,300.

South Korea Exports Dip as U.S. Tariffs Hit Steel...

South Korea's exports slipped 0.03% to \$334.7B in H1 2025, with U.S.-bound shipments down 3.7% amid rising Trump-era tariffs. Steel, car, and machinery exports fell by double digits, while chip exports rose 14.7% due to global stockpiling. As a 90-day tariff grace period ends, industry leaders warn of deeper trade fallout. Exports to China also declined pressured by weaker semiconductor demand. KITA and KIET forecast a full-year export drop exceeding 2%, urging bold countermeasures.

German inflation cools to match ECB's 2% target

German inflation eased to 2.0% year-on-year in June, defying forecasts of a rise to 2.2%, while core inflation dipped to 2.7% from 2.8%. Energy prices fell 3.5%, and food inflation slowed to 2.0% from 2.8%. Services inflation edged down to 3.3%. The data bolsters expectations that eurozone inflation is stabilizing at the ECB's 2.0% target. However, Commerzbank cautioned that core inflation may stay elevated amid Germany's economic recovery.

EU tech rules not included in U.S. trade talks

The EU has firmly rejected U.S. criticism of its new tech regulations, confirming that the Digital Markets Act (DMA) and Digital Services Act (DSA) will not be altered or included in ongoing U.S.-EU trade negotiations. The DMA targets dominant firms like Alphabet, Amazon, Apple, Meta, Microsoft, ByteDance, and Booking.com, while the DSA mandates stronger action against harmful content. EU spokesperson Thomas Regnier emphasized the bloc's autonomy, stating enforcement will not be influenced by foreign governments. Apple and Meta have already faced fines under the new rules and risk further penalties for non-compliance.

OPEC+ Eyes 411,000 bpd August Hike

OPEC+ plans to raise oil output by 411,000 bpd in August, bringing 2025 hikes to 1.78 million bpd—over 1.5% of global demand. Eight members, led by Saudi Arabia, Russia, and the UAE, are reversing earlier cuts. The UAE alone is adding 300,000 bpd. Talks may explore even higher output amid geopolitical shifts, including possible easing of U.S. sanctions on Iran.



Redefining Radio

GLOBAL PULSE

Entry level job vacancies plummet 31.9%

Entry-level job vacancies in the UK have dropped 31.9% since ChatGPT's November 2022 launch, now just 25% of the jobs market. Retail (-78.2%), IT (-54.8%), and accounting/finance (-50.8%) were hardest hit, due to automation, higher NICs, minimum wage hikes, and the proposed Employment Rights Bill. Still, UK vacancies rose 0.49% year-on-year in May to 858,465. Average salaries climbed 9.4% to £42,403, while time-to-fill fell to 35.8 days.

Canada scraps its 3% digital tax

Canada scrapped its planned 3% digital services tax—set to apply retroactively from 2022 to U.S. tech giants like Amazon, Meta, and Apple—just hours before implementation. The move followed threats from President Trump to impose new tariffs and derail negotiations. Canada, the top buyer of U.S. exports, faces existing 50% U.S. tariffs on steel and aluminum. Prime Minister Carney and Trump now target a new trade deal by July 21, with Canada pledging to repeal the tax via legislation.

U.S. Job Growth Slows, Private Sector Weakens

The U.S. added 147,000 jobs in June, with nearly half from government hiring, notably state education (+40,000). Private sector growth slowed to 74,000 — the weakest since Oct 2024 — with losses in manufacturing, wholesale trade, and professional services. Healthcare and social assistance added 58,000 jobs. Unemployment edged down to 4.1%, average earnings rose 0.2%, and the workweek shortened to 34.2 hours. Tariff pressures and labor fatigue may affect Fed policy.

Maersk Flags Drop in U.S. Import Tariffs

Maersk reports U.S. import tariffs fell to 21% per container in June, down from a 54% peak after Trump's April threats. The drop follows a 90-day tariff pause, with trade partners racing to avoid hikes before the July 9 deadline. Strong container demand persists amid front-loaded shipments and shifting U.S. sourcing, with fashion firms sharply reducing reliance on China.

UK to Ease AML Rules for Professional Services

The UK will revamp anti-money-laundering (AML) rules for professional and business services (PBS) firms by end-2025 to make them clearer and more risk-based. The £300 billion sector—covering law, accounting, and consultancy—faces complex AML checks, which the government aims to simplify, especially for smaller firms. Reforms may include updated guidance and digital ID tools. The move supports Britain's aim to cut red tape 25% and remain a top global business hub.







China Offers 10% Tax Credit to Foreign Investors

China will grant foreign investors a 10% corporate income tax credit on dividends reinvested in domestic enterprises from Jan 1, 2025, to Dec 31, 2028. The incentive applies to equity expansions, new entity setups, or qualifying share purchases in industries listed under the Catalogue of Encouraged Industries. Unused credits may be carried forward, and the policy allows retroactive application for qualifying investments made since Jan 1, 2025.

	USD	EUR	JPY	GBP	CHF	CAD	
USD		0.8494	144.48	0.733	0.7936	1.3602	INTL F/X RATES
EUR	1.177		170.09	0.863	0.934	1.6031	
JPY	0.0069	0.006		0.005	0.0055	0.0094	
GBP	1.365	1.159	197.22		1.083	1.8584	
CHF	1.260	1.070	181.29	0.924		1.7155	
CAD	0.736	0.624	106.17	0.5383	0.5832		

MARKET WATCH

Caribbean Stock Market

 JSE Index	312,991.30	▲0.69%
 All T&T Index	1,503.95	▲1.30%
 BISX All Share	3,024.83	0.00%
 BSE Local	2,749.31	0.00%
 BSX Index	2,806.86	▼3.65%
 ECSE	162.64	▼0.08%

JSE Composite 360,786.78 ▲0.69%	TTSE Composite 1026.67 ▲1.00%	Carib. Exchange 910.22 ▼0.30%	BSE Composite 665.36 0.00%
TTSE X Listed 72.23 ▲0.08%	JSE X Listed 46.99 ▲0.09%	TTSE SME 96.37 ▲4.97%	JSE Select 7,546.45 ▲0.77%

Top Gainers:

Eppley Carib. Property	J\$41.97	▲14.27%
Ansa McAL	TT\$43.50	▲11.54%

Top Losers:

Eppley Ltd	J\$28.24	▼10.97%
W.I. Tobacco	TT\$4.80	▼2.24%

Carib Cement Commissions US\$42M Expansion

Caribbean Cement Company Ltd (CCCL), a subsidiary of TCL Group, has launched its US\$42 million Debottleneck Project at the Rockfort plant in Kingston. The upgraded kiln boosts production capacity, aiming to reduce imports, increase exports, and support job stability. Cemex says the expansion aligns with its long-term growth and sustainability strategy for the Caribbean.

\$14.8M Phishing Scam Rocks CIBC

Scammers defrauded CIBC Caribbean's Trinidad branch of over TT\$14.8M via AI-driven phishing, tricking the managing director into authorizing 19 transfers. Nearly TT\$9.4M remains missing. Experts urge stronger employee training and random simulations to combat rising cyber threats.

Medcorp Raises \$16.8M in Fully Subscribed IPO

Private healthcare provider Medcorp Ltd successfully raised TT\$16.8 million through a 100% subscribed IPO of 350,000 shares at TT\$48 each. The company will debut on the SME market of the Trinidad and Tobago Stock Exchange on July 7 under the symbol **MED**. Medcorp operates four facilities in northwest Trinidad, including the Brian Lara Cancer Treatment Centre. Republic Bank, Republic Wealth, M Hamel-Smith & Co, and BDO Trinity supported the IPO process.

Tropical Battery records a Q2 profit of \$2.78 M

Tropical Battery reported a second-quarter profit of \$2.78 million, a steep decline from \$26.6 million a year earlier, despite a 5% revenue increase to \$1.63 billion. The drop is primarily due to high debt servicing costs from its US\$20 million acquisition of Rose Batteries in January 2024. A restated Q1 result revealed a \$96 million loss, reversing a reported profit. With cumulative losses at \$93 million by mid-year, Tropical extended its public share offering to July 4 to repay a \$1.4 billion bridge loan and \$300 million bond debt.

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Prestige Holdings H1 Profit Jumps 46% to \$51M

Prestige Holdings Ltd (PHL), operator of KFC, Subway, and Starbucks in the Caribbean, posted a 46% rise in pre-tax profit to \$51M for H1 2025. Net profit rose to \$35M from \$23M in 2024, driven by \$707M in sales and Carnival's Q2 boost. The board declared a \$0.18 dividend, payable July 25. With \$150M in cash and \$54M in debt, PHL now faces a takeover bid from Agostini Ltd via a share swap. A shareholder vote is set for July 9.

STATISTICAL CORNER

T&T — AT A GLANCE

Category	Indicator	Value / Detail
Demographics	Population (2022)	267.8 thousands
Demographics	Literacy Rate (2014)	99.6%
Demographics	Life Expectancy (years)	77.7
Demographics	Poverty Rate (2010)	19.3%
Social	Unemployment Rate-2023 (2023)	7.9%
Social	Gini Coefficient (2010)	47.0
Economy	IMF Quota (SDRs)	94.5 million
Economy	Outstanding Purchases & Loans(SDR) – 31/03/2025	358.21 million
Economy	Per Capita GDP (2022)	US\$23.4 thousand
Exports	Main Products	Tourism, Financial Services, Rum, Sugar, and Chemicals,

International Stock Market Performance

		Index	Change	% Change
DJIA	USA	44,828.53	+344.11	+0.77
S&P 500	USA	6,279.35	+51.93	+0.83
NASDAQ	USA	20,601.10	+207.97	+1.02
FTSE 100	UK	8,822.91	-0.29	-0.00
DAX	Germany	23,787.45	-146.68	-0.61
CAC 40	France	7,696.27	-58.28	-0.75
Nikkei 225	Japan	39,810.88	+24.98	+0.06
Hang Seng	Hong Kong	23,916.06	-153.88	-0.64

COUNTRY FOCUS — TRINIDAD & TOBAGO

SELECTED ECONOMIC INDICATORS

	2022 ACTUAL	2023 ACTUAL	2024 PROJECTED	2025 PROJECTED
Real GDP Growth (%)	17.8	4.1	4.0	2.7
Inflation (avg %)	4.4	3.2	1.4	2.6
Public Debt (% of GDP)	113.7	111.5	104.8	99.5
Central Govt Primary Balance (% of GDP)	2.4	3.5	4.3	4.4
Current account (%)	-9.9	-8.8	-4.5	-6.4

Source: IMF—June 2025

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www.josephcox.org



Cherri-Ann



Joseph



The Caribbean Financial Dispatch is a weekly business news aggregation service newsletter powered by the podcast Caribbean Business Review hosted by Joseph Cox and Cherri-Ann Farquharson

Editorial manager: Joseph Cox

Email: caribbeanbusinessreview@gmail.com