

# HIGHLIGHTS



## In Summary:

- World output improved moderately in the third quarter of 2020, driven by the gradual easing of COVID-19 restrictions alongside fiscal and monetary stimuli.
- Domestically, economic activity declined in the third quarter of 2020 due to a relatively large drop in energy output.
- Headline inflation remained subdued in the second half of 2020 despite pandemic-induced supply challenges.
- Reduced revenue contributed to a larger deficit in the Central Government accounts for the first quarter of FY2020/21 compared to one year earlier.
- The policy stance of the Central Bank centred on maintaining support for economic activity during the COVID-19 pandemic and resulted in substantially higher liquidity levels.
- The level of gross official reserves stood at US\$6,862.6 million – an import cover of 8.4 months – at the end of January 2021.

The short-term outlook for Trinidad and Tobago will be dictated by the evolution of the coronavirus. The public sector will continue to face the balancing act of maintaining much-needed support to the vulnerable, shoring up the health services and keeping priority investments, while assuring that debt remains sustainable.

## EXTERNAL DEVELOPMENTS



**Global growth** showed moderate improvements in the third quarter of 2020.



Economic growth in **Emerging Market and Developing Economies** edged up during the third quarter of 2020.

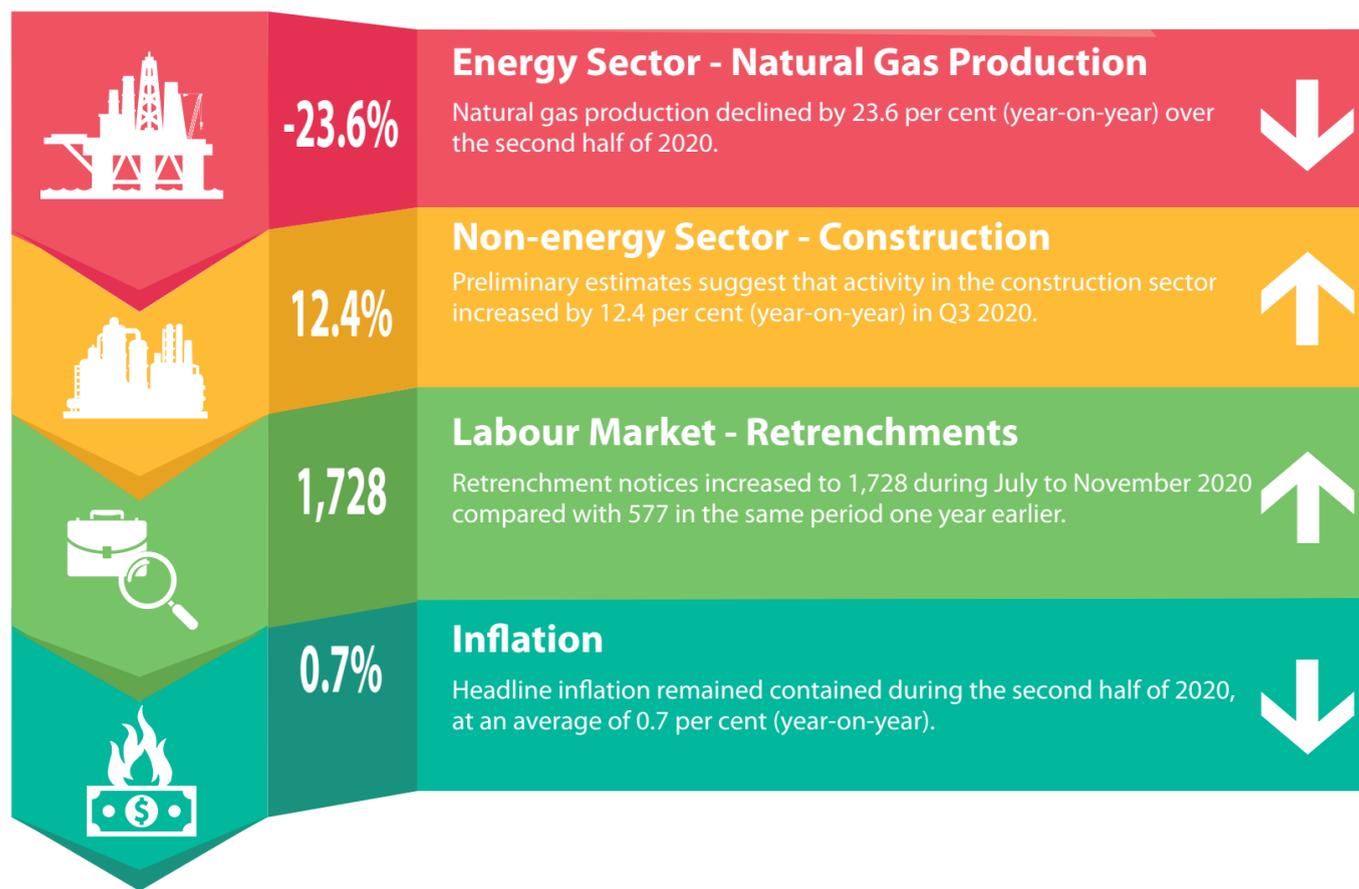


**Crude oil and natural gas prices** declined over the period July 2020 to January 2021, compared to the similar period one year earlier.

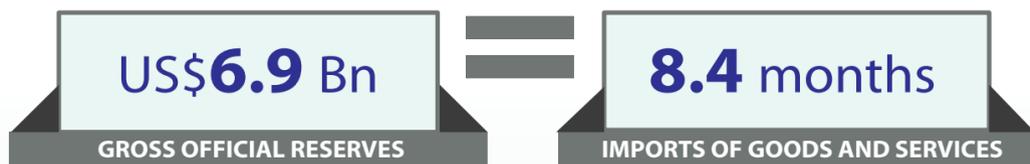


**Inflation rates** remained below target in several Advanced Economies.

## DOMESTIC DEVELOPMENTS



## JANUARY 2021



**BUSINESS SECTOR CREDIT GROWTH**  
y-o-y, SEP 2020  
**-4.6%**

**REPO RATE**  
**3.50%**  
Maintained in December 2020

**CENTRAL GOV'T DEFICIT**  
OCT 2020 – DEC 2020  
**-\$1.0Bn**

**NET DEBT**  
DEC 2020  
**\$122.2Bn**

**CONSUMER SECTOR CREDIT GROWTH**  
y-o-y, SEP 2020  
**0.8%**

