

# Comment on the mid year review: did the economy turnaround?

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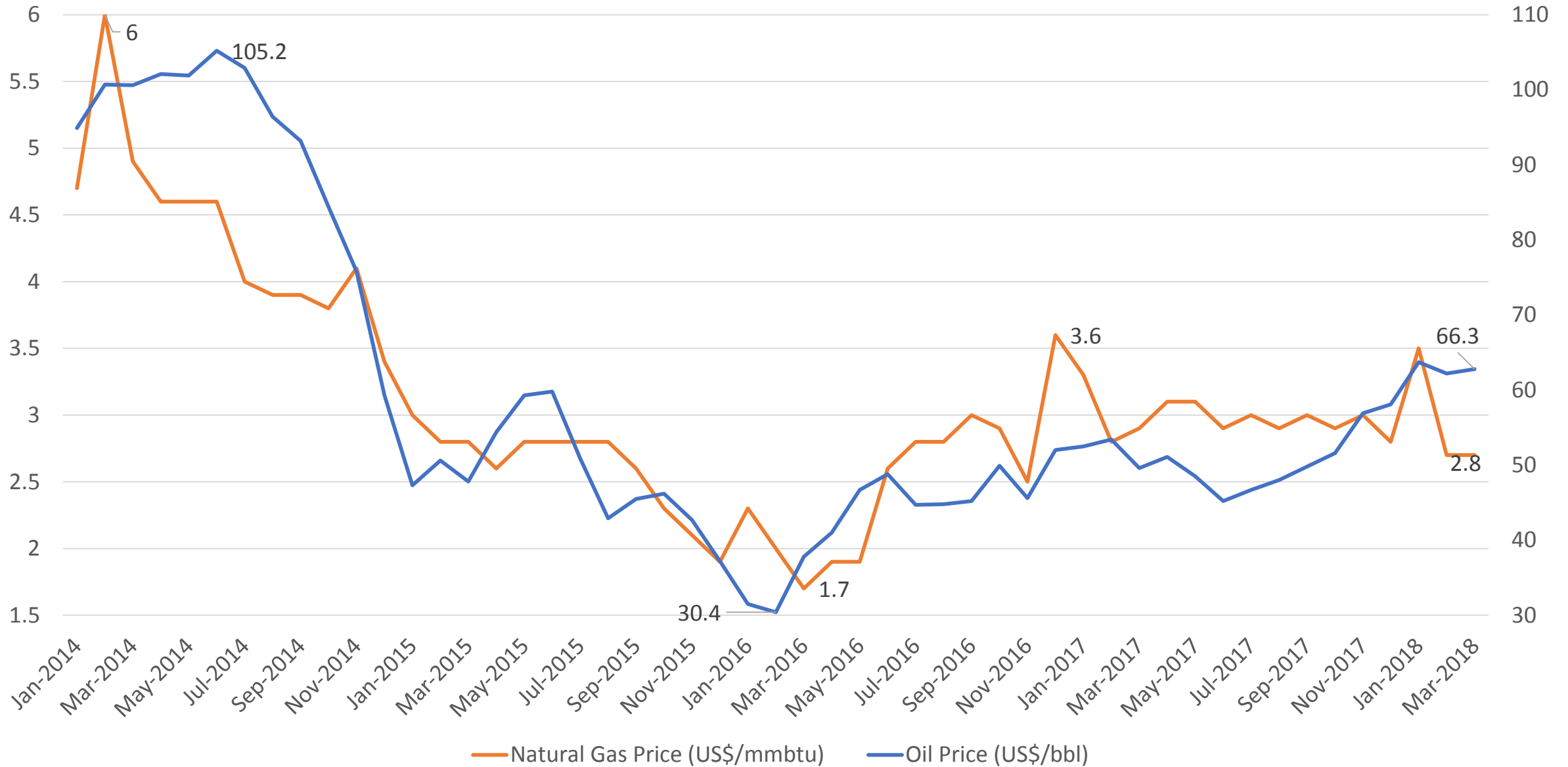
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Alternative growth rates forecasted for the TT economy by different entities, 2018-2020.

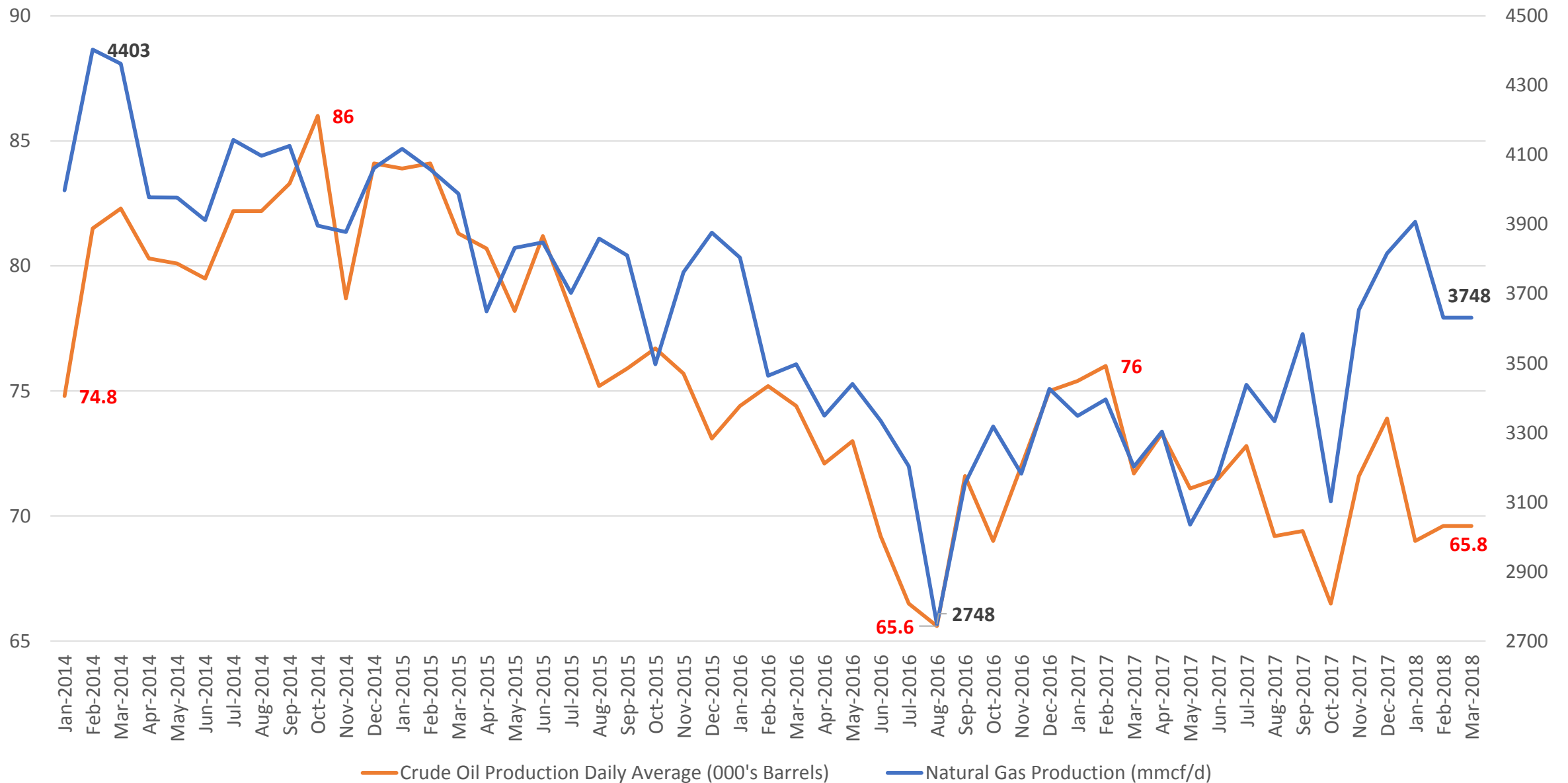
	2018	2019	2020
IMF April (2018) WEO	0.2	0.2	1.9
EIU (February 2018)	1.2	1.9	0.5
Standard and Poor	1.6		
IMF real GDP (Nov 2017)	1.9	2.2	1.6
Energy Sector	7.7	6.7	1.9
Non-Energy Sector	-1.2	-0.3	1.5
Minister of Finance May 10 <sup>th</sup> 2018	2	2.2	2.5
Non-Energy	'break even'	1.2	2.9
Moody's	2.1	2.2	

Source: IMF Article 4 (2017), Standard and Poor (2018), EIU (February 2018) and own derivations.

Trends in oil and gas prices, January 2014 to April 2018



# Trends in production of oil and gas, January 2014 to March 2018

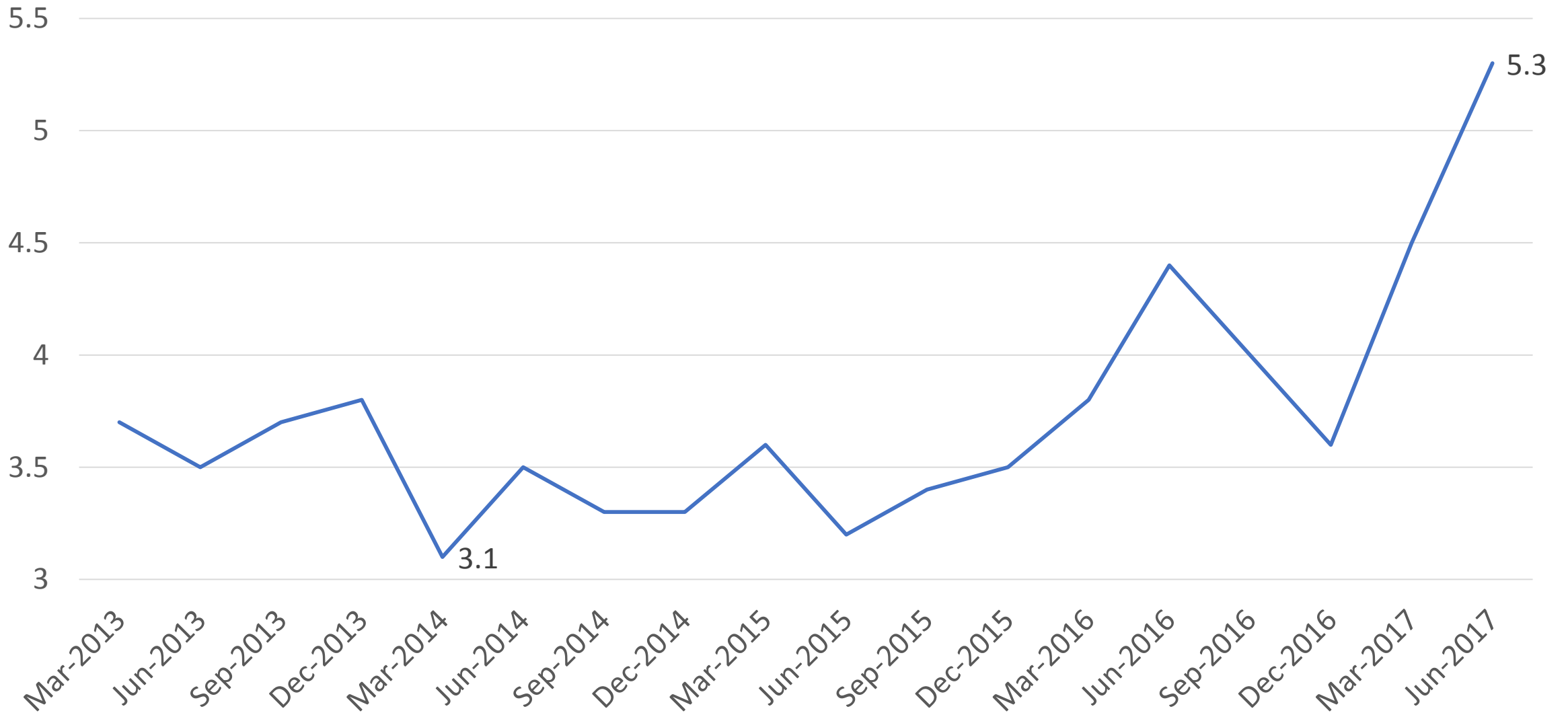


	<b>Oil Price (US\$/bbl)</b>	<b>Natural Gas Price (US\$/mmbtu)</b>	<b>Natural Gas Production (mmcf/d)</b>	<b>Crude Oil Production Daily Average (000's Barrels)</b>
<b>Aug-2016</b>	44.8	2.8	2748	65.6
<b>Mar-2018</b>	66.3	2.8	3748	65.8
<b>% change</b>	47.99	0.00	36.39	0.30

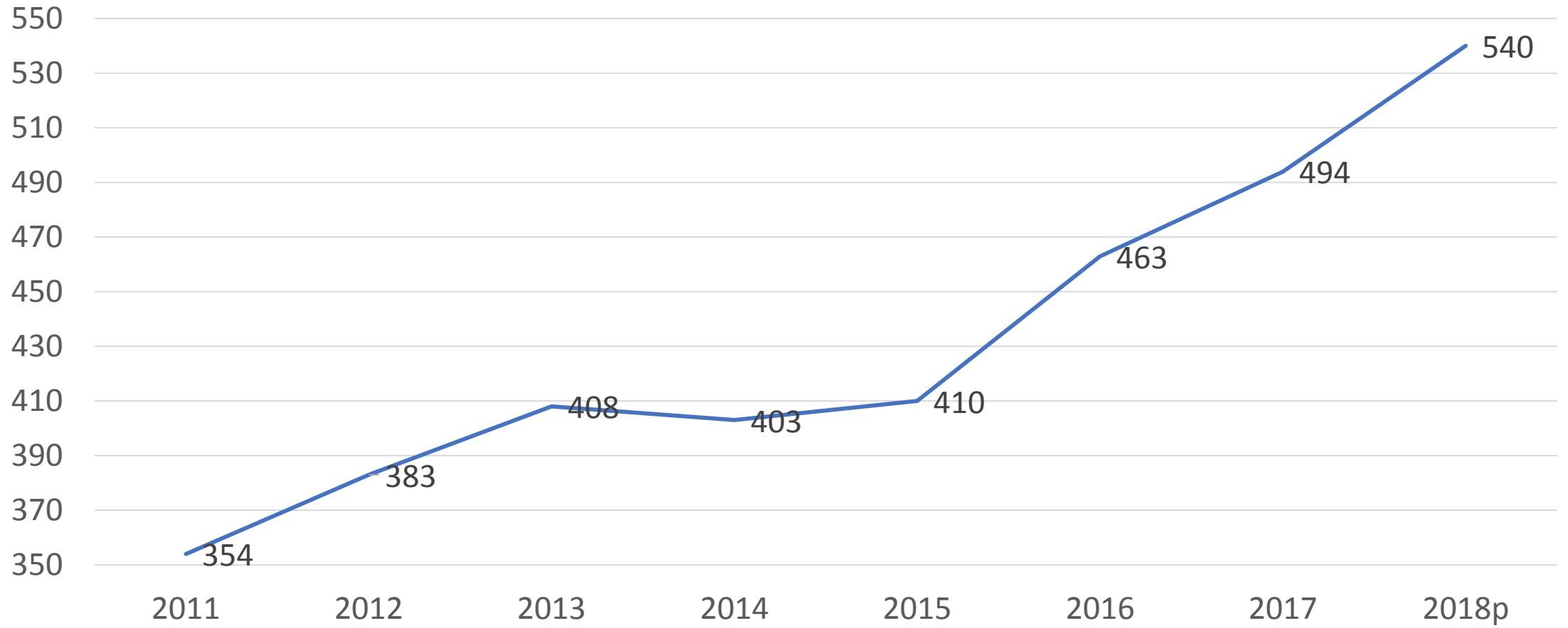
**Source: CBTT website and own calculations**

**a: refers to April 2018**

## Unemployment Rate (%)

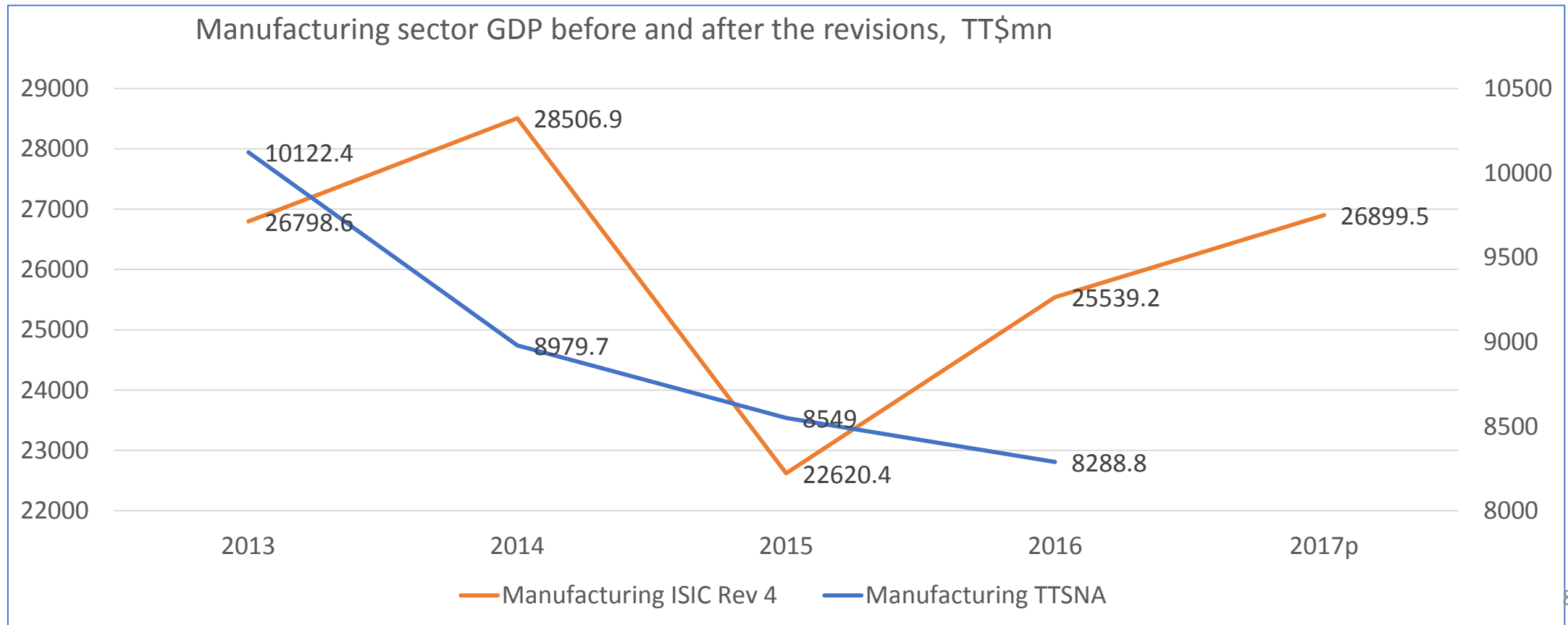


Murder rate in TT, 2011-2018p



# Is some of the non energy sector growth, sleight of hand growth?

The ISIC Rev. 4 classifies establishments according to kind of economic activity. The previous TTSNA classification system attempted to mostly comply with this philosophy but made a few compromises by grouping certain establishments that were dissimilar by kind of economic activity but which had a significant relationship in terms of economic linkages. Thus, for example, certain establishments **previously presented under the 'Petrochemicals' industry and displayed under the broader heading of the 'Petroleum' Industry, but whose primary economic activity involved the transformation of goods by some process, are now classified under Manufacturing or ISIC C.** Similarly, quarrying establishments whose primary economic activity is the extraction of naturally occurring minerals but whose economic output were grouped with construction is now properly assigned to ISIC B: Mining and Quarrying. **The output resulting from the extraction of Oil and Natural Gas are by similar reasoning also assigned to ISIC B.**





# Did the economy turnaround: don't get runout

	Real GDP IMF	Real GDP midyear review	Primary balance/ GDP (%)	(%) Govt debt /revenues	Interest payments/GDP (%)	(%) CAB/GDP	External Vulnerability (a)
<b>2015</b>	100	100	0.5	133.7	6	3.8	14.8
<b>2016</b>	94.0	94.0	-2.8	195.8	8.4	-11.8	14.5
<b>2017imf</b>	91.0	93.1	-5.4	247.5	12	-3.5	16.5
<b>2018imf</b>	92.7	94.9	0	232.5	12.5	-3	19.1
<b>2019imf</b>	94.8	97.0	-0.2	234.7	12.5	-2.9	20.9
<b>% change 2015 to 2019</b>	-5.2	-3.0					
<b>Generalised trend</b>			Still negative	rising	rising	negative	rising

Source: IMF 2017, TT's midterm review of the budget 2018, Moody's May 2018 and own derivations.

a: (short-term external debt + currently maturing long-term external debt + total nonresident deposits over one year)/Official Foreign Exchange Reserves

Thanks

Questions and comments