

INVESTED

NEWSLETTER

December
2022

SECURITIES INSURANCE FINANCIAL LITERACY AML
PRIVATE PENSION TRUST & CORPORATE SERVICES COMPLAINTS

Promoting integrity in the Jamaican financial sector

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SECURITIES INDUSTRY SEPTEMBER 2022 QUARTERLY SUMMARY

MARKET INTERMEDIARIES

As at September 30, 2022, there were 37 companies licensed as securities dealers. Of these 37 companies, this analysis will concentrate on the 30 companies whose primary activity is dealing in securities. [1]

The combined total balance sheet assets at the end of the September 2022 quarter stood at \$867 billion, a marginal increase compared to the previous quarter (April to June 2022), where assets amounted to \$865.9 billion. A year-over-year comparison showed an improvement of 6 per cent, where total assets grew from \$817 billion as at September 30, 2021. Aggregate funds under management (FUM) were approximately \$1.587 trillion as at September 30, 2022, representing a \$121 billion or 7.1 per cent decrease from the previous quarter. The year-over-year comparison saw a 3.4 per cent decline in FUM from the amount seen as at September 2021, arising from a contraction primarily in balance sheet positions. See Table 1.

Table 1: Selected Indicators of the Core Securities Firms, September 2021 to September 2022							
Selected Indicators	Sept 21 \$'B	Dec 21 \$'B	Mar 22 \$'B	June 22 \$'B	Sept 22 \$'B	%age Change between Jun '22 & Sept '22	%age Change between Sept '21 & Sept '22
Total Assets	817	837	856.6	865.9	867	0.13	6.12
Total Liabilities	668.1	691.8	715.2	729.6	743	1.84	11.21
Total Capital	148.9	145.2	141.4	136.3	124	-9.10	-16.72
Total Repo Liabilities (including COP) ¹	559.2	560	511	605.2	617.3	2.00	10.39
FUM ²	1,642.82	1,684.18	1,704.58	1,708.46	1,587.44	-7.10	-3.40

The aggregate balance sheet capital at the end of the reporting period was \$124 billion, a decrease of 9.10 per cent from the \$136.3 billion reported for the June 2022 quarter. On a year-over-year (y-o-y) basis, securities dealers had a 16.72 per cent decline in the total balance sheet capital. Revaluation losses contributed to the fall in the capital base. See Table 1.

The changes in average capital ratios for the securities dealers varied compared to the previous quarter and the September quarter of last year. For example, the Capital to Risk-weighted asset ratio (CAR) decreased by 450 basis points, while the Capital to Total Assets ratio (C/TA) increased by 60 basis points compared to the June 2022 quarter. Compared to the corresponding period of 2021, the CAR decreased by 440 basis points, while the C/TA rose by 390 basis points. See Table 3.

There was an approximate \$1.8 billion or 10.3 per cent year-over-year decrease in combined total revenues (comprising of interest income and other income) reported for the September 2022 quarter. This is due to the 40 per cent fall in non-interest income (other income) compared to the corresponding period of 2021. Some contributing factors to the contraction in the non-interest income included trading losses, foreign exchange losses and revaluation losses. Bond prices have also fallen due to higher yields on Government of Jamaica (GOJ) bonds stemming from central bank action.

The accumulated interest income and combined interest expense fell by 22 per cent and rose by 55 per cent, respectively, for September 2022 when compared to the same period last year. This is in the context of the policy rate of the Bank of Jamaica (BOJ), which was increased to 6.50 per cent within the reporting quarter against the backdrop of high inflation, driven by soaring energy and food prices, supply chain disruptions and the adverse effects of the ongoing Russia-Ukraine war. The elevated inflationary pressure has led the BOJ, like other central banks across the globe, to adopt a hawkish stance on its monetary policy.

Cumulative total expenses remained the same as last quarter, amounting to approximately \$13.3 billion, but it increased by \$2.4 billion or 22 per cent compared to the corresponding period of 2021. A net profit of \$2 billion was generated in the September 2022 quarter, reflecting a \$1 billion decrease quarter over quarter. See Table 2.

Table 2: Selected Profit & Loss Indicators of the Core Securities Firms, September 2021 to September 2022							
Selected Profit & Loss Indicators	Sept 21 \$'B	Dec 21 \$'B	Mar 22 \$'B	Jun 22 \$'B	Sept 22 \$'B	%age Change between Jun '22 & Sept '22	%age Change between Sept '21 & Sept '22
Total Revenue	17.4	18.5	16.2	16.8	15.6	-7.1	-10.3
Of Which							
total Interest Income	7.6	7.6	7.6	7.6	9.7	27.6	27.6
total non-interest income	9.8	10.9	8.6	9.2	5.9	-36	-40
Total Expense	10.9	13.4	13.3	13.3	13.3	0.0	22
Of Which							
total Interest Expense	4.9	5	4.9	5.8	7.6	31	55
total non-interest expense	6.0	8.5	8.4	7.5	5.7	-24	-5
Net Interest Income	2.7	2.7	2.7	1.9	2.1	10.5	-22
Net Profit	-1.2	3.5	2.4	3	2	-33	NA

This resulted in a return on equity of 0.68 per cent for the quarter that ended September 2022 compared to -0.8 per cent for the corresponding period last year and 4.8 per cent for the June 2022 quarter. See Table 3.

Table 3: Selected Prudential Ratios for the Core Securities Firms						
Ratio	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	FSC Benchmark
Capital/Risk Weighted Asset	24.5%	25%	23.5%	24.6%	20.1%	≥ 14%
Capital/Total Assets	18.2%	17.4%	16.5%	13.7%	14.3%	≥ 6%
Return on Equity	-0.8%	2.33%	1.6%	4.8%	0.68%	N/A

LOCAL COLLECTIVE INVESTMENT SCHEMES

Currently, Jamaica has two types of collective investment schemes (CIS) – unit trust and mutual funds. On September 30, 2022, there were 12 local CIS managers. Of these 12 managers, only ten were operational. Of the ten, nine were unit trust managers, while one was a mutual fund manager. These managers operated 19 funds with 79 portfolios. Table 4 displays the aggregate FUM and the portfolio composition for the local CIS industry.

Asset Class	Sep 2021 J\$' B	Dec 2021 J\$' B	Mar 2022 J\$' B	Jun 2022 J\$' B	Sep 2022 J\$' B	%age Change between Jun '22 & Sep '22	%age Change between Sep '21 & Sep '22
(a) Real Estate	24.5	26.5	26.8	27.0	29.67	9.9	21.1
(b) Equities	96.1	82.4	80.8	81.8	86.13	5.3	-10.4
(c) Fixed Inc. Securities	232.0	241.1	240.5	239.0	203.71	-14.7	-12.2
(d) Cash	8.3	9.3	9.9	10.0	9.3	-7.0	12
(e) Other assets	-8.6	0.8	6.5	8.0	15.3	91.25	
Total	352.2	360.1	364.5	365.8	344.07	-5.9	-2.3

OVERSEAS MUTUAL FUNDS

On September 30, 2022, three overseas mutual funds were registered with the Financial Services Commission (FSC) for sale in Jamaica. These overseas mutual fund investment portfolios mainly comprise of equities and fixed-income securities. Table 5 displays the total amount invested in these funds by Jamaicans.

Selected Indicators	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22
Value of Units (US\$' M)	341.5	339.1	323.9	288.3	247.6

EXEMPT DISTRIBUTIONS

The FSC's Guidelines for Exempt Distributions (XD Guidelines) facilitate, under certain conditions, the distribution of securities without the need to register a prospectus or an offering document with the FSC. Under the said XD Guidelines, issuers of securities are permitted to register both debt and equity securities with the FSC, Table 6 illustrates the total number and value (both J\$ and US\$) of instruments registered and issued for the quarters of September 2021 to September 2022. As seen in Table 6, the demand for XD instruments remained vibrant, despite the macroeconomic challenges precipitated by the COVID19 Pandemic and exacerbated by the Russia-Ukraine war.

Table 6:
Quarterly Registration & Issued Summary

Quarterly XD Registration Summary	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22
Number of XDs Registered for the Quarter	35	49	31	30	46
Number of Registered Issuers for the quarter	22	25	20	23	31
Amount Registered by Currency "in Millions"					
JMD	73,262	53,444	45,047	27,271	61,729
USD	223	367	30	141	26
Quarterly XD Issued Summary	Jun-21	Sep-21	Dec-21	Mar-22	Sep-22
Number of XDs Issued for the Quarter	39	24	38	20	30
Number of Issuers for the Quarter	22	18	23	14	18
Amount Issued by Currency "in Millions"					
JMD	53,321	10,891	25,991	8,920	30,945
USD	30	65	186	35	151

Table 7 provides information regarding the total number and value (both J\$ and US\$) of securities outstanding in each quarter from September 2021 to September 2022. The majority of outstanding XD instruments are debt and denominated in local currency. As general interest rates rise, XD debt instruments typically become more attractive to investors as they seek higher investment returns.

Table 7:
Summary of Outstanding Exempt Distributions

Description	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22
Total number of Issues Outstanding	327	339	349	368	376
Debt	285	294	304	325	327
Ordinary/Preference Shares	42	45	45	43	49
Total number of Issuers	147	146	154	155	160
Total number of securities dealers acting as arrangers	17	17	16	16	16
JMD Securities Outstanding (J\$'M)					
Issued	360,735	388,087	394,894	406,872	392,646
Amount Paid Down	3,251	5,760	6,994	7,474	11,740
Outstanding	357,484	382,326	387,959	399,398	380,906
USD Securities Outstanding (US\$'M)					
Issued	848	915	966	1,061	1,213
Amount Paid Down	5	5	5	3	9
Outstanding	843	910	961	1,057	1,204

INSURANCE INDUSTRY SEPTEMBER 2022 QUARTERLY SUMMARY

Seventeen registered insurance companies were operational as of September 30, 2022. The six life insurance companies continued their dominance within the insurance sector, accounting for 77 per cent of the sector's total assets, while the 11 general insurance companies were responsible for the remaining 23 per cent.

LIFE INSURANCE

Aggregate total assets for the life insurance companies declined by \$ 1.1 billion or 0.3 per cent to \$396.5 billion. Table 1 displays the asset composition for life insurers for the quarters as at December 31, 2021 and September 30, 2022.

Table 1:
Asset Composition for Life Insurance Companies

Types of Assets	Sep-22		Dec-21	
	\$' Millions	Percentage of Total Assets (%)	\$' Millions	Percentage of Total Assets (%)
Investments				
Cash	17,371.6	4.4	10,187.3	2.6
Short term investments	9,643.8	2.4	12,296.8	3.1
Bonds	252,848.2	63.8	262,446.6	66.0
Equities	51,038.0	12.9	51,408.1	12.9
Real Estate	10,941.6	2.8	9,886.2	2.5
Other Investments & Loans	7,998.1	2.0	8,162.7	2.1
Total Investments	349,841.2	88.2	354,387.7	89.1
Receivables	25,072.2	6.3	22,055.3	5.5
Fixed Assets	9,017.3	2.3	7,289.4	1.8
Other Assets	12,531.7	3.2	13,874.6	3.5
Total Assets	396,462.4	100.0	397,607.0	100.0

Combined liabilities fell by 4.2 per cent to \$253.4 billion as at end-September 2022. Aggregate capital and surplus rose 7.5 per cent to \$143.1 billion from \$133.1 billion at December 2021 due to a 13.5 per cent increase in retained earnings.

For the nine months ended September 2022, net premiums earned (NPE) for the industry amounted to \$58.6 billion, reflecting a 7.6 per cent increase compared to the NPE of \$54.5 billion for a similar period in 2021. Due to a fall in proceeds from management fees, service charges and other revenue, combined other income fell by 17.4 per cent from the \$5.3 billion in the corresponding period in 2021. Aggregate net investment income declined by 38.1 per cent from \$19.1 billion at September 2021 to \$11.8 billion in the reporting period.

Consequently, combined total revenue decreased by 5.1 per cent to \$74.8 billion (September 2021: \$78.8 billion). Accumulated total expenses, excluding taxes for life insurers, declined by 8.6 per cent to \$54.3 billion (September 2021: \$59.4 billion). Subsequently, net income before tax rose by 5.7 per cent to reach \$20.5 billion at September 2022 (September 2021: \$19.4 billion). Table 2 illustrates some statistical information.

Table 2:
Statistical Information and Financial Position of the Life Insurance Industry

As at	September 22 \$'B	June' 22 \$'B	Mar' 22 \$'B	Dec'21 \$'B	September 21 \$'B	%age Change between December 2021 & September 2022
Balance Sheet						
Total Investment Assets	349.8	352.4	353.6	354.4	340.8	-1.3
Total Assets	396.4	396.3	397.3	397.6	382.8	-0.3
Insurance Liabilities	120.6	124.6	126.7	128.5	125.9	-6.1
Other Liabilities	132.8	134.5	135.5	136	127.8	-2.4
Total Liabilities	253.4	259.1	262.2	264.5	253.7	-4.2
Capital & Surplus	143.1	137.2	135.1	133.1	133.1	7.5
Profit and loss (YTD)						
Total Revenue	74.8	49.4	25.0	111.0	78.8	-5.1
Of which:						
Net Premium Earned	58.5	38.1	18.8	76.5	54.5	7.6
Net Investment Income	11.8	8.5	4.7	27.1	19.1	-38.1
Other Income	4.4	2.8	1.5	7.4	5.3	-17.4
Total Expenses before tax	54.3	37.3	18.2	82.2	59.4	-8.6
Net income before tax	20.5	12.1	6.8	28.5	19.4	5.7
Net Income	16.6	9.4	5.3	23.1	15.4	8.3

GENERAL INSURANCE

Driven by growth in receivables from reinsurers, policyholders, brokers and agents, the total assets of general insurance companies grew by 12.8 per cent to \$116.4 billion as at September 30, 2022. Combined total liabilities increased by 18.2 per cent to \$87.3 billion in September 2022 compared to \$73.9 billion for December 2021. Contributing factors to the growth in liabilities included unearned premiums and payables to reinsurers. The changes in these receivables and payables are based on the timing of cash inflows and outflows associated with insurance policies and reinsurance arrangements. See Tables 3 and 4.

Table 3:
Asset Composition for General Insurance Companies

Type of Assets	Sep-22		Dec-21	
	\$' Millions	Percentage of Total Assets (%)	\$' Millions	Percentage of Total Assets (%)
Investments				
Cash	9,864.9	8.5	10,679.5	10.4
Term Deposits	21,240.6	18.3	19,521.5	18.9
Bonds	21,595.6	18.6	22,184.1	21.5
Unit Trust Funds	30.1	0.0	82.2	0.1
Equities	3,419.9	2.9	3,559.0	3.4
Real Estate	1,120.5	1.0	1,232.2	1.2
Other Investments & Loans	9.1	0.0	84.8	0.1
Total Investments	57,280.9	49.2	57,343.4	55.6
Reinsurance Receivables	32,479.0	27.9	24,077.5	23.3
Investment in Subsidiaries, Associates and Partnerships	835.2	0.7	911.9	0.9
Other Assets	25,772.8	22.1	20,846.2	20.2
Total Assets	116,367.8	100.0	103,179.1	100.0

For the nine months ended September 2022, the aggregate net premium earned (NPE) declined by 8.7 per cent to \$14.5 billion (September 2021: \$ 15.9 billion). The decline in NPE was primarily due to a 29 per cent increase in reinsurance ceded. Combined net investment income improved by 33 per cent to reach \$1.9 billion for the reporting period compared to \$1.4 billion over the comparative period in 2021, as there were higher interest rates in 2022 than in 2021. Other income declined by 67 per cent due to foreign exchange losses as the Jamaica dollar appreciated against the US dollar. Consequently, the general insurers' total revenue for the reporting period was \$16.8 billion, a reduction from the \$18.3 billion in the comparative period in 2021.

Cumulative total expenses before taxes increased by 1.5 per cent to reach \$15.8 billion. As a result, net profit before taxes amounted to \$1.0 billion. (September 2021: \$2.8 billion). Table 5 displays a few prudential indicators for both life and general insurance companies.

Table 4:
Statistical Information and Financial Position of the General Insurance Industry

As at	Sept' 22 \$'B	June.' 22 \$'B	Mar.' 22 \$'B	Dec.' 21 \$'B	Sept.' 21 \$'B	%age Change between December 2021 & September 2022
Balance Sheet						
Total Investment Assets	57.3	58.7	59.1	57.3	56.2	-0.1
Total Assets	116.4	120.3	110.5	103.2	106.2	12.8
Insurance Liabilities	66	66.1	61.8	59	60.4	11.7
Other Liabilities	21.3	25.6	19.8	14.9	16.7	43.7
Total Liabilities	87.3	91.6	81.6	73.9	77.1	18.2
Capital & Surplus	28.8	28.5	28.8	29.1	29	-0.9
Profit and loss (YTD)	Sept' 22 \$'B	June.' 22 \$'B	Mar.' 22 \$'B	Dec.' 21 \$'B	Sept.' 21 \$'B	%age Change between September 2021 & September 2022
Total Revenue	16.7	10.7	4.9	25.1	18.3	-8.8
Of Which:						
Net Premium Earned	14.5	9.6	4.3	21.4	15.9	-8.7
Net Investment Income	1.9	1.2	0.5	2.2	1.4	33.1
Other Income	0.3	0	0.1	1.7	0.9	-67.2
Total Expenses before taxes	15.8	10.8	5.2	22.2	15.6	1.5
Income (Loss) before Tax	1	0.2	-0.2	3.4	2.8	-64.6
Net Income	0.5	-0.1	-0.3	2	1.9	-74

Table 5:
Selected Prudential Ratios for Insurance Companies

Ratio	September 22	June 22	Mar 22	Dec 21	September 21	FSC Benchmark
Life Companies						
Solvency Ratio	56.5	53.0	51.5	50.3	50.9	≥ 10%
Return on Capital (YTD)	14.3	8.9	5.0	21.4	15.0	≤ 20%
General Companies						
Solvency Ratio	33	31.1	35.3	39.3	37.7	≥ 25%
Return on Capital (YTD)	3.8	0.8	-0.7	11.7	10.9	≤ 20%
Underwriting Ratio (YTD)	108.7	109.9	118.4	102	97.7	≤ 100%

IOSCO IDENTIFIES SOUND EDUCATION PRACTICES FOR SECURITIES REGULATORS TO CONSIDER IN A CRISIS TO SUPPORT INVESTOR PROTECTION

IOSCO NEWS RELEASE

IOSCO published a report on Investor Behaviour and Investor Education in Times of Turmoil: Recommended Framework for Regulators based on Lessons Learned from the COVID-19 Pandemic, which found that the pandemic did not hinder investor education efforts. In fact, many regulators continued, expanded and/or adapted their investor education activities to support investor protection throughout the pandemic.

Well before COVID-19, regulators were already working to protect investors who had limited investment knowledge and faced an array of complex investment choices, while also addressing behavioural biases that could hurt investors.

However, the report highlights that the pandemic introduced new challenges and exacerbated some existing issues. For example, the COVID-19 period featured high levels of market volatility, an upward trend in self-directed investing, an increase in gamification of investing and growing investor reliance on social media for advice, as well as a surge in frauds and scams in a context of increased retail (and young and demographically diverse) investor participation.

Nevertheless, looking forward, high-quality measures aimed at protecting investors and enhancing investor education continue to be critical. Indeed, some of the changes observed during the pandemic are expected to endure, e.g., it is easier to participate in the financial market today than ever before and retail investors continue trading riskier investments, while regulators report a higher volume of investor claims and complaints.

The report proposes seven sound practices that regulators should consider when designing financial and investor education initiatives to mitigate and address retail investor risks and vulnerabilities during periods of crisis. The report also provides practical examples of the financial education and investor protection initiatives implemented by different jurisdictions from both developed and emerging markets.

Pasquale Munafò, Chairman of the IOSCO Committee on Retail Investors, said "The COVID-19 pandemic has reminded us that investor education pays off. Investor education initiatives need to continue adapting to market developments, changing investors' needs and characteristics and evolving risks that challenge investor protection. In a context in which retail participation in the capital markets is easier than before, investor education should explore and find new and proper ways to reach out to current and new investors and help them develop knowledge and sound behaviours under normal and crisis situations."

JAMAICA AND IMF REACH STAFF LEVEL AGREEMENT

DOUGLAS MCINTOSH

Jamaica and the International Monetary Fund (IMF) have reached a Staff Level Agreement that will enable the Government to access approximately US\$1.7 billion under the IMF's Precautionary and Liquidity Line (PLL) and Resilience and Sustainability Facility (RSF).

This provision is being made at the Government's request and forms part of the policy response to prevailing global shocks. The request is expected to be considered by the IMF's Executive Board in early 2023.



The Agreement was reached during in-person and virtual meetings between IMF executives and government officials, from December 5 to 15, to conduct the latest Article IV Consultation.

It will see the Government accessing approximately US\$967 million under the PLL and about US\$763 million through the RSF.

The PLL will provide valuable insurance to Jamaica against downside risks, including those arising from extreme weather events, while the RSF will help support the country's ambitious agenda to increase resilience to the effects of climate change, transition to a zero-carbon economy and catalyse official and private climate-related financing.

Minister of Finance and the Public Service, Dr. the Hon. Nigel Clarke, said in a statement that Jamaica is in a different era of its economic development where the Government anticipates disruptive events and provides for them.

Consequently, he said, the Administration has instituted a natural disaster strategy, capitalised a national disaster fund and launched the first global catastrophe bond independently sponsored by a small country.

The Minister noted that "these financing arrangements are designed to protect us from natural disaster shocks". He pointed out, however, that "thinking ahead", the Staff Level Agreement was reached for the RSF and PLL, "to ensure that our development can proceed and continue, even in the event of possible external shock".

"This is an engagement of choice. These are not arrangements that we have to make, but rather financing we are choosing to take advantage of to keep us strong, to build our economic and climate resilience, to create buffers, to expand our fiscal space, to broaden our options, and to help us prepare in advance for any adverse external development that may arise," the Minister outlined.

He assured that these arrangements "will not interfere with our already planned programmes and activities", adding that "it is and will be business as usual, with the ability to access financing if the global outlook worsens". "With God's continued guidance, we are taking charge of our economic future and even in a time of great economic recovery and expansion and job creation, we are making preparations for possible shocks in the same way that strong and empowered countries do," he said.

The IMF, in a statement, said the Government's response to the recent shocks associated with the COVID-19 pandemic has been "well designed" and "nimble" and aimed to contain inflationary pressures, support those worst hit by the increase in the cost of living and steadily reduce the public debt.

The organisation noted that the country's efforts have facilitated a steady recovery in growth and job creation, despite the difficult global environment.

The IMF said that the measures "have struck the right balance in responding to shocks, protecting the vulnerable, countering inflationary pressures and securing debt sustainability", while pointing out that "the authorities continue to improve their policy frameworks".

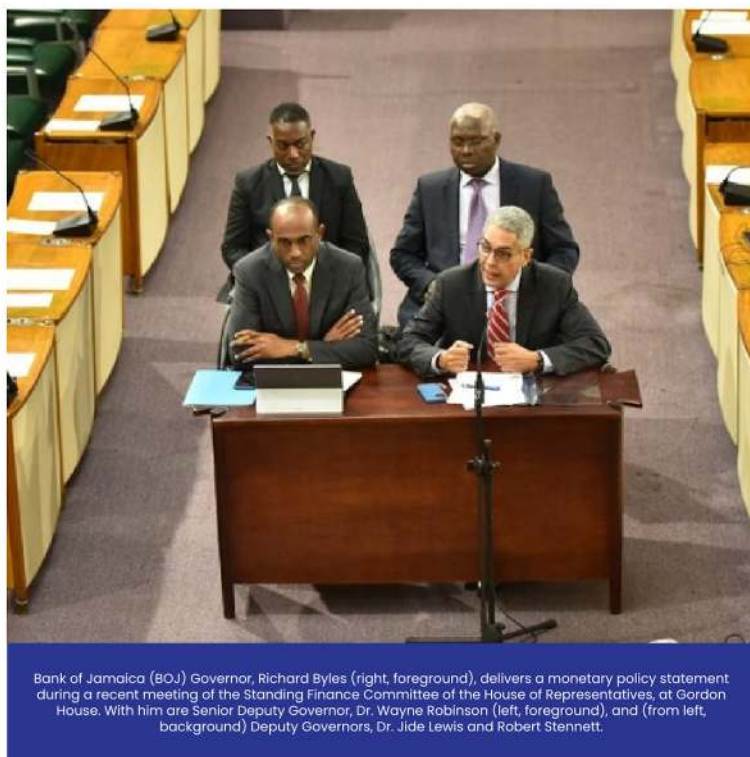
BOJ USING THREE-PRONGED APPROACH TO ADDRESS HIGH DOMESTIC INFLATION

CHRIS PATTERSON

The Bank of Jamaica (BOJ) has continued to use a three-pronged approach to address high domestic inflation, since October 2021.

This was disclosed by Governor, Mr. Richard Byles, while delivering a monetary policy statement during a recent meeting of the Standing Finance Committee of the House of Representatives, at Gordon House.

These include gradual increases in the Bank's policy interest rate by 650 basis points, the provision of US dollar liquidity support to the foreign exchange market to foster stability and ensuring the maintenance of tight Jamaican dollar liquidity conditions in the money market.



Bank of Jamaica (BOJ) Governor, Richard Byles (right, foreground), delivers a monetary policy statement during a recent meeting of the Standing Finance Committee of the House of Representatives, at Gordon House. With him are Senior Deputy Governor, Dr. Wayne Robinson (left, foreground), and (from left, background) Deputy Governors, Dr. Jide Lewis and Robert Stennett.

Mr. Byles said the package of mutually reinforcing policy measures is meant to achieve several outcomes.

These include a rise in interest rates on deposits and loans in the financial system to encourage savings in Jamaican dollars by making this undertaking more attractive relative to foreign currency assets and hence help to manage aggregate spending in the economy. In so doing, this would help to maintain the stability of the foreign exchange rate

Mr. Byles further said the timely sale of foreign currency by the BOJ during periods of temporary gaps between supply and demand is also aimed at stabilising the market while preserving the Government's flexible exchange rate system.

"Selling US dollars also removes Jamaican dollars from the financial system, which causes a premium to be placed on Jamaican dollar liquidity by the participants in the system and reducing demand-induced inflationary pressures," he said.

The Governor also highlighted the use of open market operations, which involves the BOJ issuing certificates of deposit to banks, removing liquidity from the system and causing money market interest rates to rise, thereby forcing the rate of inflation down.

Mr. Byles said these interventions are intended to cushion the impact on consumers of the large changes in global prices for oil, grains and other imported commodities, through the exchange rate channel.

"They are also meant to reduce demand in the economy and consequently, the ability of businesses to pass on price increases to consumers. Finally, they are meant to assure people that inflation in the future will not continue to rise unpredictably and so allow for them to act today in ways that are consistent with the maintenance of low, stable and predictable inflation in the future," he said.

Mr. Byles stated that the foreign exchange market has remained relatively stable, reflecting, in part, the actions taken by the Bank in response to the higher-than-targeted inflation.

"This stability in the exchange rate continues to play a role in moderating the cost of imported goods and tempering inflation expectations," he added.

5.9% GROWTH IN SEPTEMBER QUARTER PUTS J'CAN ECONOMY ALMOST AT PRE-COVID LEVEL

GLENER ONLINE

The Statistical Institute of Jamaica (STATIN) has reported that the economy is almost back to its pre-COVID level.

At its quarterly media briefing recently, STATIN reported economic growth of 5.9 per cent for the September quarter compared with the same quarter in the previous year.

This means economic output, in real terms, has now surpassed the March 2020 level and is 99.9 per cent of the pre-COVID level of December 2019.

During the quarter from July to September, the services industries grew by 6 per cent, while goods-producing industries grew by 5.6 per cent.

In October, STATIN indicated that the country was on track to return to pre-COVID-19 levels of economic output by 2023.



THE MOST HONOURABLE ANDREW HOLNESS, PRIME MINISTER OF JAMAICA, KEYNOTE SPEAKER AT JSE'S CONFERENCE ON JANUARY 24, 2023

JAMAICA STOCK EXCHANGE



The Most Honourable Andrew Michael Holness, ON, PC, MP, Prime Minister of Jamaica, will be the Keynote Speaker at the Jamaica Stock Exchange's 18th Regional Investments and Capital Markets Conference to be held January 24 – 26, 2023, at The Jamaica Pegasus Hotel, in Kingston, Jamaica. The Prime Minister will address the JSE's Conference at the Opening Ceremony on January 24 and will be speaking on the topic, "The Digital Economy – Growth and Employment Across the Caribbean". The Conference's theme is 'Capital Markets Redefined: Achieving the Impossible'.

The Conference patrons look forward to the Prime Minister's presentation at this premier financial forum and the deliberations which will follow as a guide to their annual outlook and planning. JSE's annual conference is a unique forum for participants from both public and private sectors, representing different segments of the economy, to exchange views and develop strategies for engineering an environment that will foster the successful growth of businesses, industries, economies and careers.

Prime Minister Holness was first elected as Member of Parliament (MP) to represent the Constituency of West Central St. Andrew in 1997, at the age of 25. Now in his fourth consecutive term as MP, Mr. Holness became Jamaica's ninth Prime Minister after the Jamaica Labour Party defeated the People's National Party at the polls on February 25, 2016. Mr. Holness has pledged to build real partnerships with the Private Sector, Civil Society, the Diaspora, the Opposition and International Partners in order to achieve the vision of shared prosperity for all Jamaicans through inclusive economic growth and meaningful job creation.

With a Master of Science in Development Studies and a Bachelor of Science in Management Studies from the University of the West Indies (Mona Campus), Mr. Holness brings a vibrant, pragmatic energy to the transformation of Public Sector Administration and to making Government more agile and responsive. The focus of his government is to grow the economy, create jobs and improve the well-being of the Jamaican people.

On May 26, 2021, Prime Minister Andrew Holness was appointed a member of the Privy Council.

GOV'T TO PROVIDE HEALTH INSURANCE FOR CULTURAL AND ENTERTAINMENT PRACTITIONERS

ROCHELLE WILLIAMS

Members of the local entertainment and cultural industries will soon have a dedicated health insurance scheme.

Minister of Culture, Gender, Entertainment and Sport, Hon. Olivia Grange, made the disclosure at the Rebel Salute media launch on December 21 at the ROK Hotel in downtown Kingston.

She said that local actuarial consulting firm, Eckler Limited, has been engaged to assist in the tender process.

The Culture Minister said the establishment of the scheme will provide critical assistance to practitioners who have made significant contributions to the development of brand Jamaica.

"Wherever you go in the world they speak about our music and I felt it was important that, as part of our Jamaica 60 legacy, we ensure that we introduce insurance coverage for our artists, our writers, our cultural practitioners, to ensure that they benefit from what they have provided to this country," she said.

Minister Grange noted that some veterans of the cultural and entertainment fraternities, who have reached an advanced stage of life, are in need of this kind of assistance.

"Every day, we lose one of our veterans. If they are very ill or they pass, there is always an issue about dealing with the funeral; there is always an issue about dealing with the health insurance or health coverage and I thought it was about time," she said.

Minister Grange said the insurance coverage is a way of giving back to a community whose talents in promoting Jamaican culture on the international stage have been inestimable.



Minister of Culture, Gender, Entertainment and Sport, Hon. Olivia Grange (centre), engages in conversation with Rebel Salute conceptualiser, Tony Rebel (left); and Group Chief Executive Officer, JMMB, Keith Duncan. They were at the 2023 Rebel Salute media launch on Wednesday (December 21), at the ROK Hotel, downtown Kingston.

THANK YOU

FOR READING!

The editorial staff of the Invested Newsletter welcomes your comments, suggestions and articles as we strive to share financial information with our many stakeholders.

The Financial Services Commission also welcomes invitations to speak at forums as well as community meetings.

Public education and financial literacy are critical elements as we pursue financial inclusion!

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