

# STAKEHOLDER NEWSLETTER

*"You can have data without information, but you cannot have information without data." (Daniel Keys Moran)*



## What do we do?

We capture data from various sectors of the economy to facilitate **data-driven policy-making**.

One of the key data sets compiled by the Central Bank of Trinidad and Tobago is the **international accounts**. These include the balance of payments, the international investment position, the coordinated direct investment survey, and trade in services, among others.

This newsletter explains one of the basic balance of payments concepts.

## What are the international accounts?

The international accounts for an economy summarise the economic relationships between residents of that economy and non-residents.

The international accounts provide an integrated framework for the analysis of an economy's international economic relationships, including its international economic performance, exchange rate policy, reserves management, and external vulnerability.



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## The balance of payments (BOP)

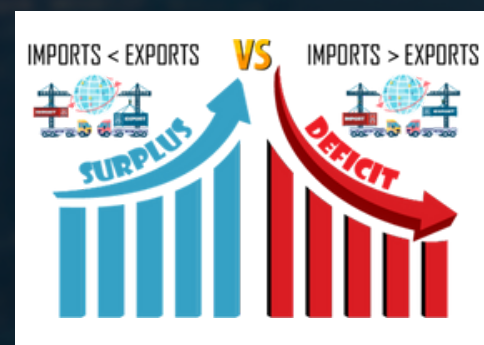
The balance of payments is a statistical statement that summarises **transactions** between residents and non-residents during a period. It consists of the current account, the capital account, and the financial account.

The different accounts within the balance of payments are distinguished according to the nature of the economic resources provided and received.

### The Current Account

The current account shows the flows of 1. goods, 2. services, 3. primary income and 4. secondary income between residents and non-residents.

The balance on these accounts is known as the current account balance. The current account balance shows the difference between the sum of exports and income receivable and the sum of imports and income payable. Where exports and income receivable are more (less) than imports and income payable, there is a surplus (deficit) on the current account. Goods and services transactions relate to items that are outcomes of production activities; primary income represents the return that accrues to institutional units for their contribution to the production process or for the provision of financial assets; and secondary income which measures current transfers between residents and non-residents. For Trinidad and Tobago, transactions on the exports and income receivables on the current account are primarily related to the energy sector, while imports and payables are related to the non-financial, non-energy sector.



### Where do you come in?

Your responses to the surveys administered by the Central Bank feed directly into the compilation of these critical economic data sets. Without them coverage will be inadequate leading to possible misinformation. The Statistics Department assures you that all data provided are treated as confidential with only aggregated data being published.