



CENTRAL BANK OF
TRINIDAD & TOBAGO

2025



ANNUAL ECONOMIC
SURVEY

Central Bank of Trinidad and Tobago
P.O. Box 1250
Port of Spain
Republic of Trinidad and Tobago
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Central Bank of Trinidad and Tobago

ANNUAL ECONOMIC SURVEY 2025

Review of Economic and Financial Developments

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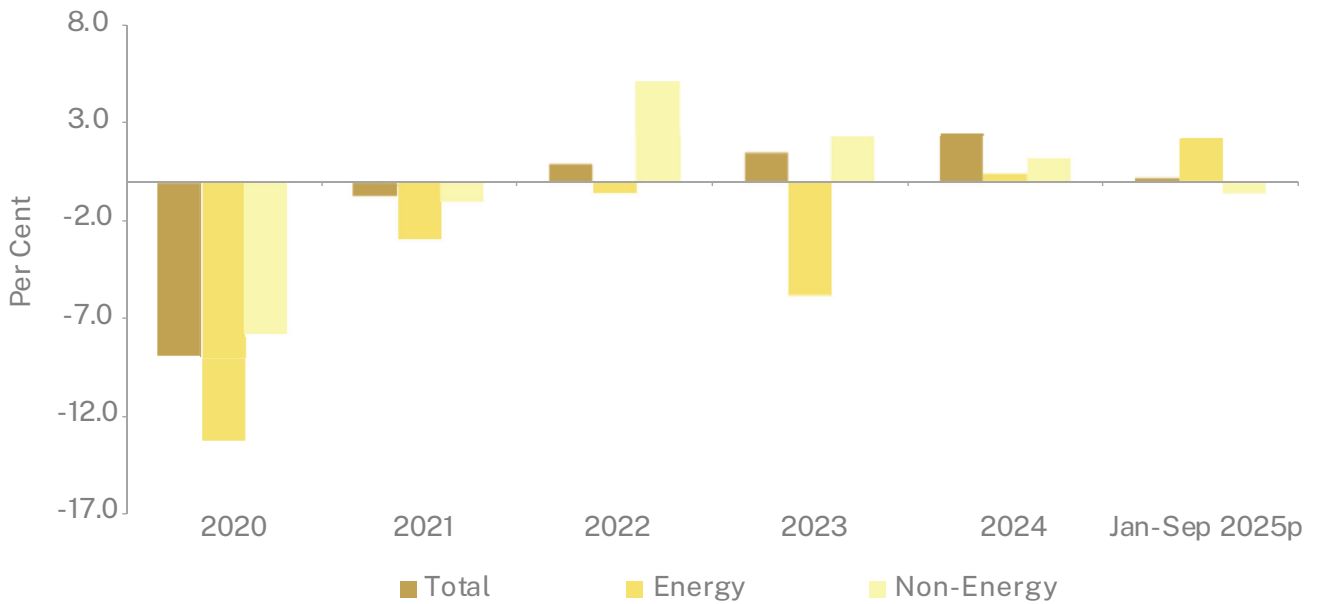
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CHARTS ON SELECTED ECONOMIC INDICATORS

CHART 1

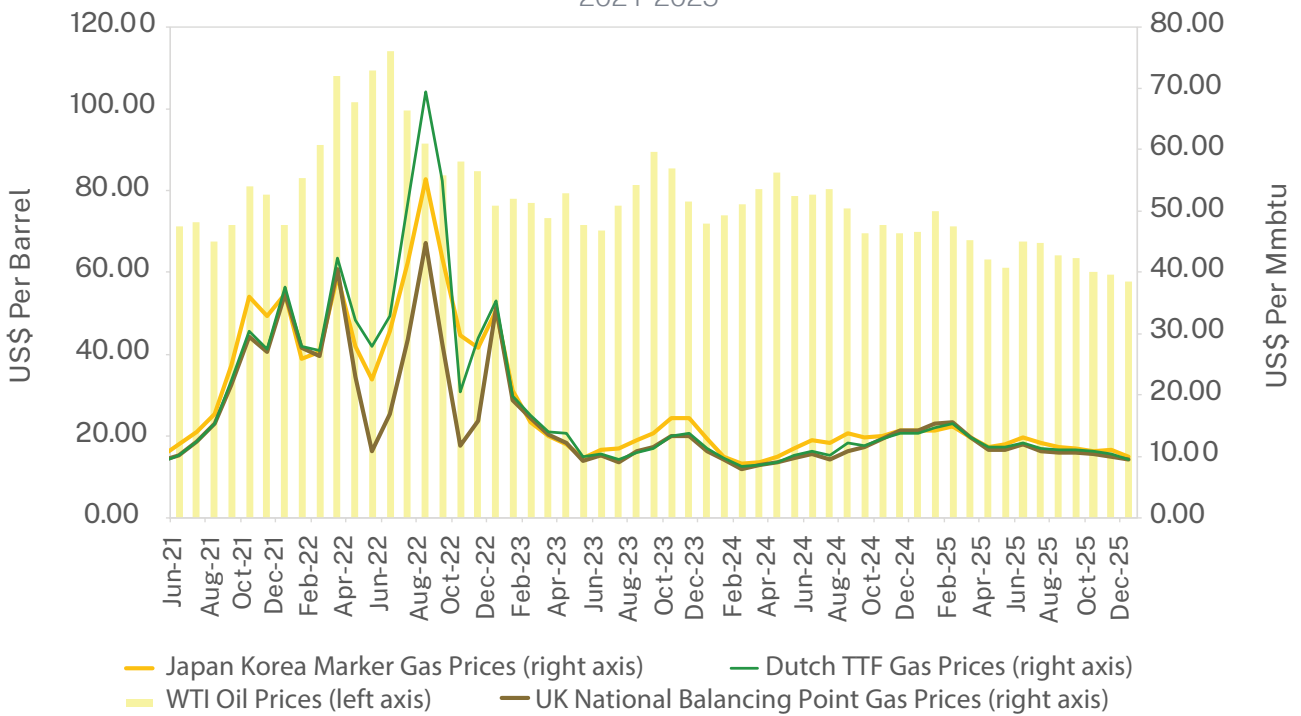
REAL GDP GROWTH, 2020 - SEPTEMBER 2025^p
(Per Cent Change)



Source: Central Statistical Office; Annual data are compiled at Purchaser Prices, Quarterly data at Producer Prices
p Provisional.

CHART 2

CRUDE OIL AND NATURAL GAS PRICES,
2021-2025

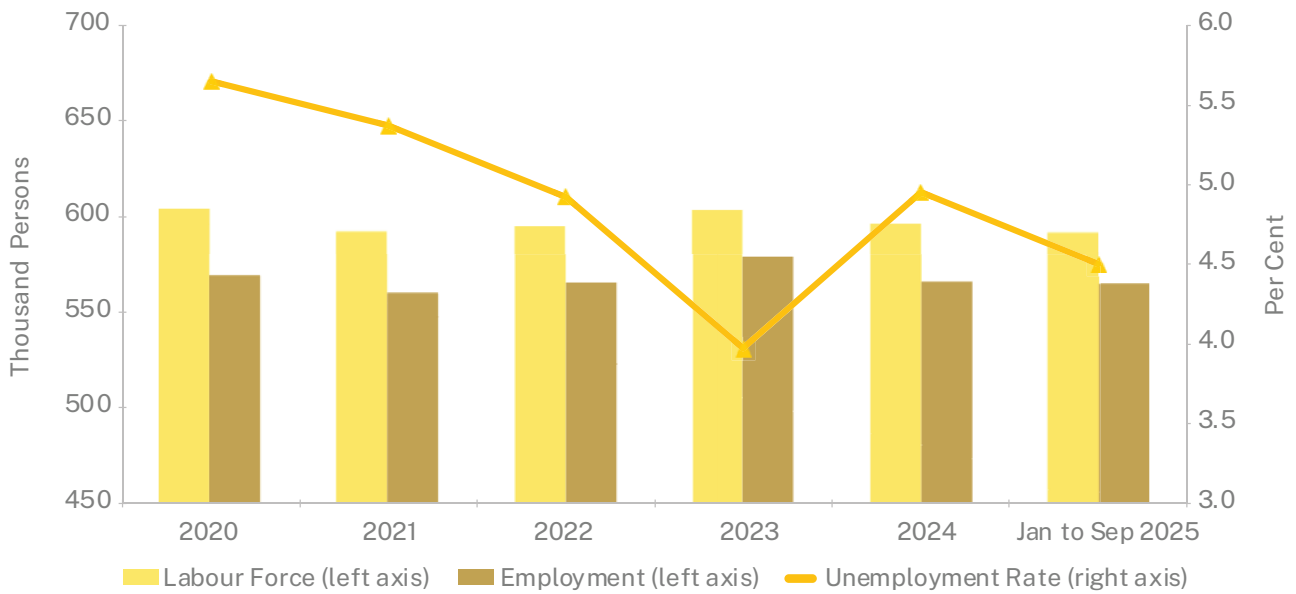


Source: Bloomberg (NBP price converted from Pence Sterling per therm to US\$ per mmbtu).

CHARTS ON SELECTED ECONOMIC INDICATORS (CONTINUED)

CHART 3

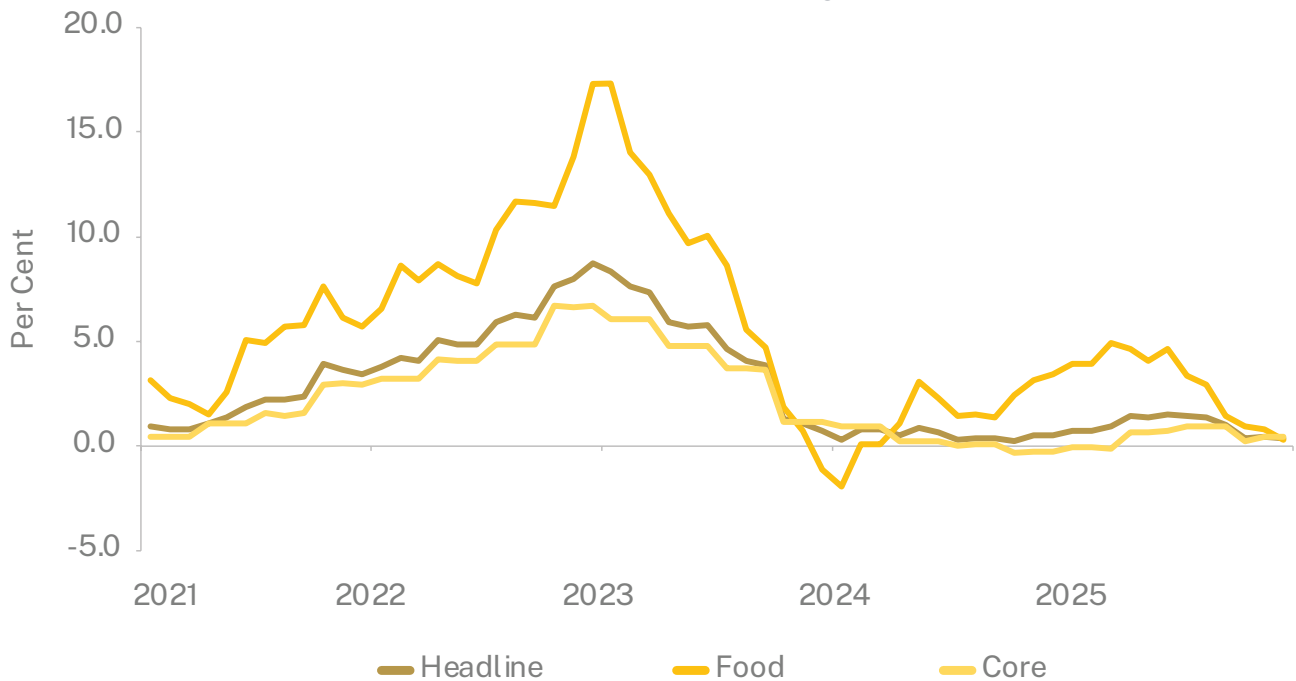
LABOUR FORCE AND UNEMPLOYMENT,
2020 - SEPTEMBER 2025



Source: Central Statistical Office

CHART 4

PER CENT CHANGES IN THE CONSUMER PRICE INDEX,
2021 – 2025¹
(Year-on-Year Per Cent Change)



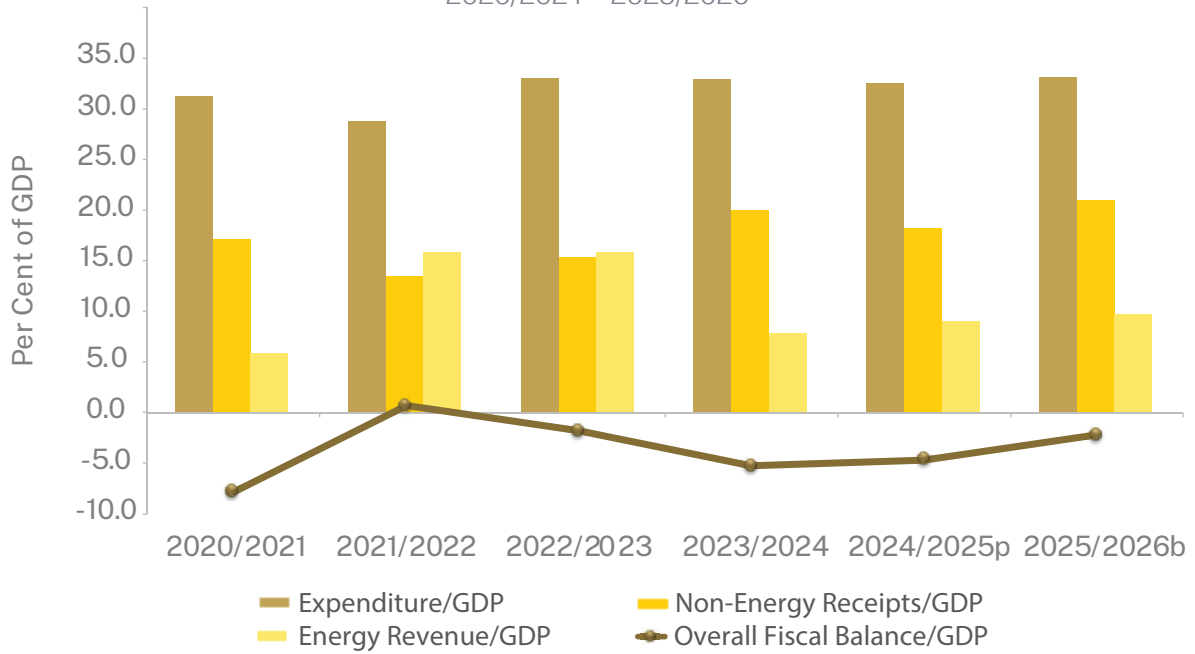
Source: Central Statistical Office

¹ Effective January 2024, the Central Statistical Office (CSO) renamed the Index of Retail Prices (RPI) to the Consumer Price Index (CPI) in an effort to maintain consistency with international terminology.

CHARTS ON SELECTED ECONOMIC INDICATORS (CONTINUED)

CHART 5

FISCAL BALANCES IN PER CENT OF GDP,
2020/2021 - 2025/2026¹



Source: Ministry of Finance

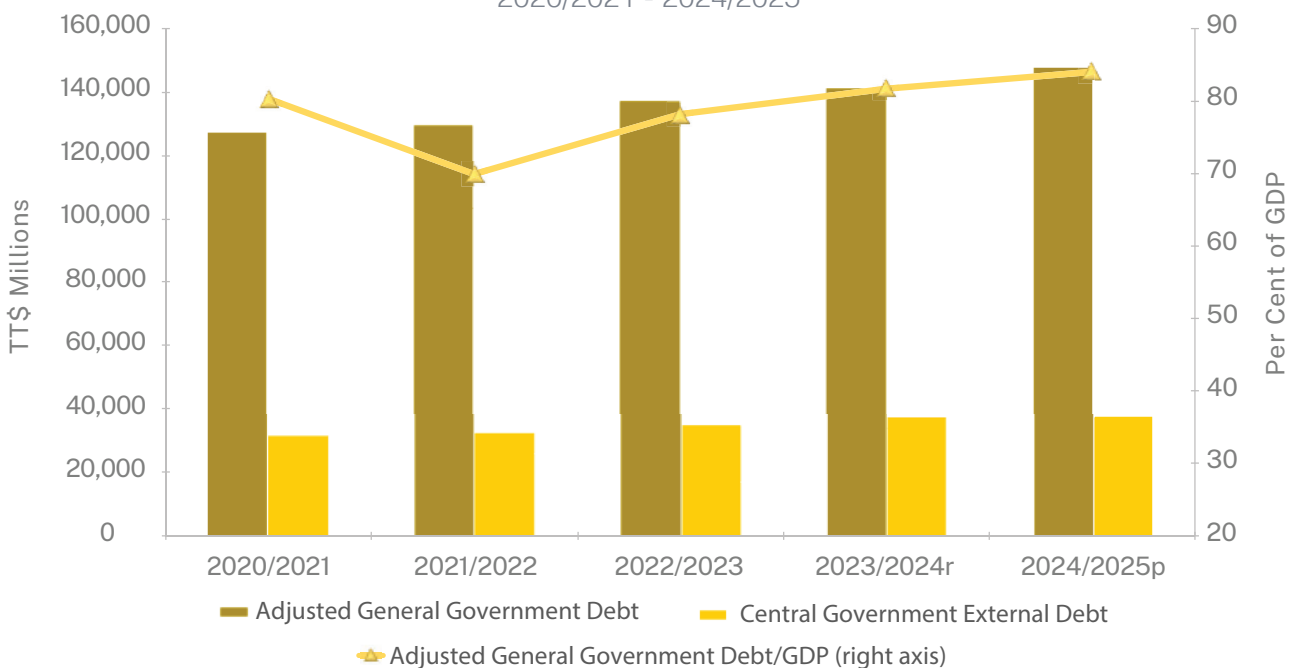
¹ GDP data used for ratios to GDP prior to FY2025 are sourced from the CSO; data for FY2025 are Central Bank estimates while data for FY2026 are based on budgeted estimates from the Ministry of Finance.

p Provisional.

b Budgeted.

CHART 6

ADJUSTED GENERAL GOVERNMENT DEBT,
2020/2021 - 2024/2025



Sources: Ministry of Finance and Central Bank of Trinidad and Tobago

Note: Adjusted General Government debt excludes all sterilised debt (OMO Bills, Treasury Notes and Treasury Bonds).

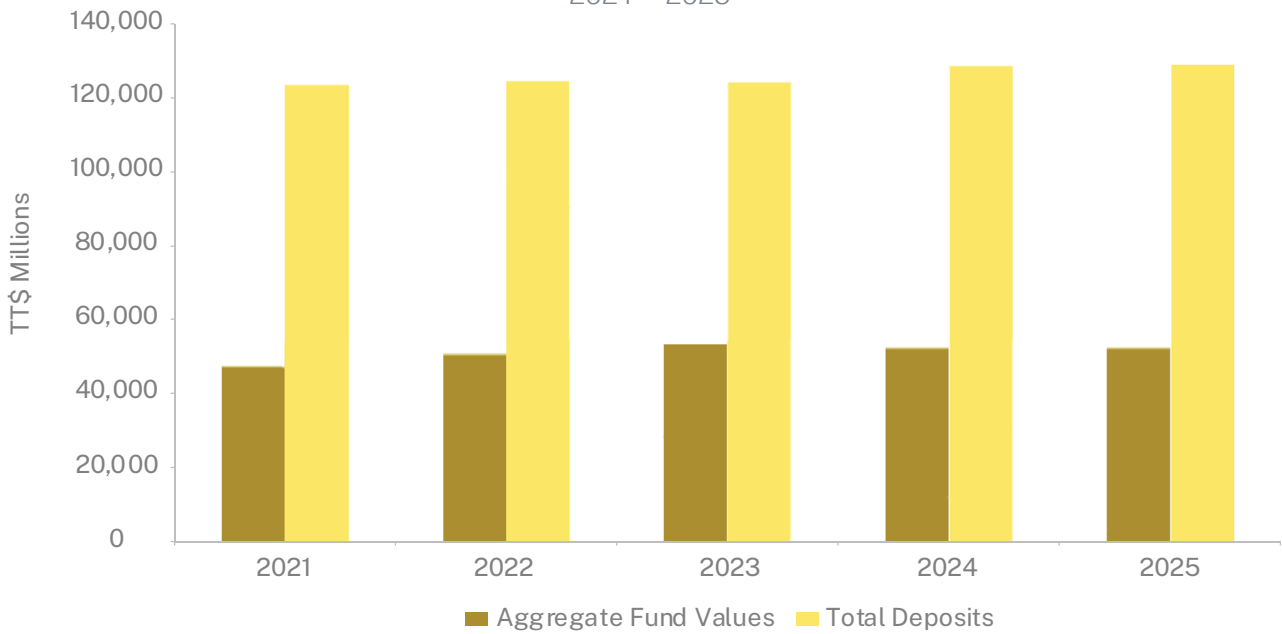
r Revised.

p Provisional.

CHARTS ON SELECTED ECONOMIC INDICATORS (CONTINUED)

CHART 7

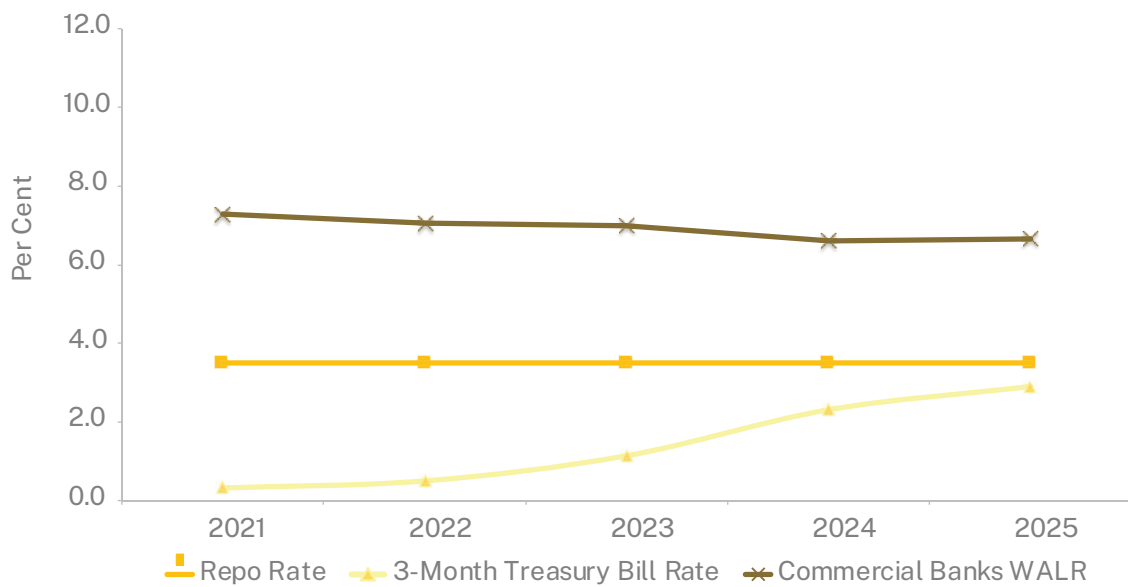
AGGREGATE MUTUAL FUND VALUES AND COMMERCIAL BANK DEPOSITS,
2021 – 2025



Source: Central Bank of Trinidad and Tobago

CHART 8

COMMERCIAL BANKS' WEIGHTED AVERAGE LENDING RATE, REPO RATE AND
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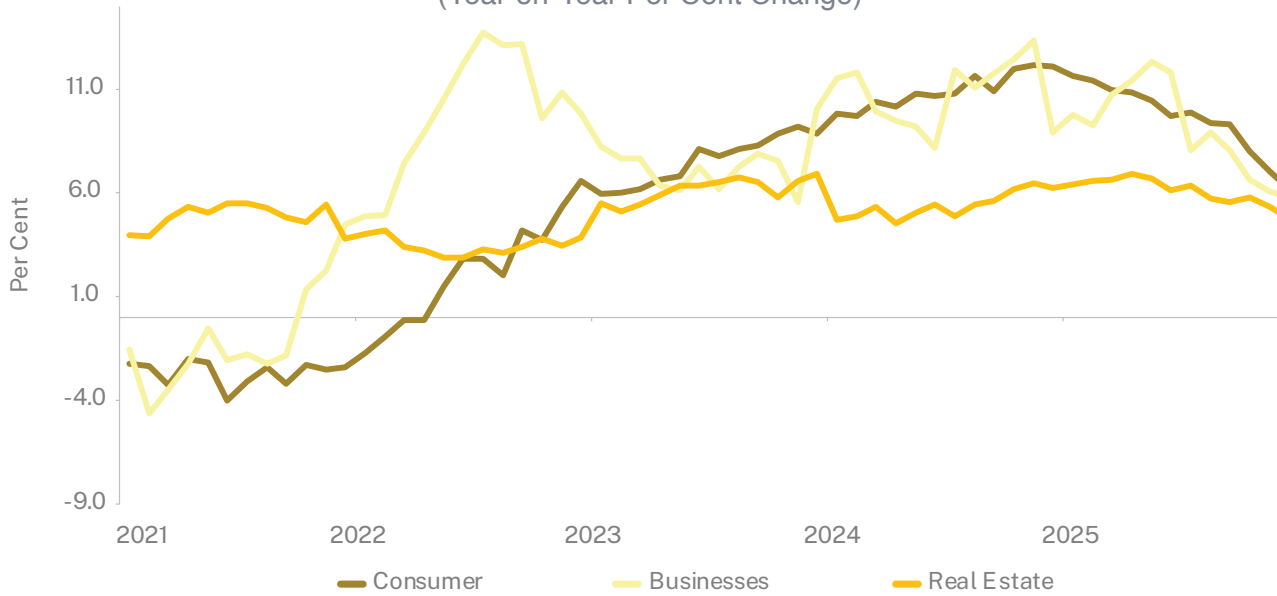


Source: Central Bank of Trinidad and Tobago

CHARTS ON SELECTED ECONOMIC INDICATORS (CONTINUED)

CHART 9

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Source: Central Bank of Trinidad and Tobago

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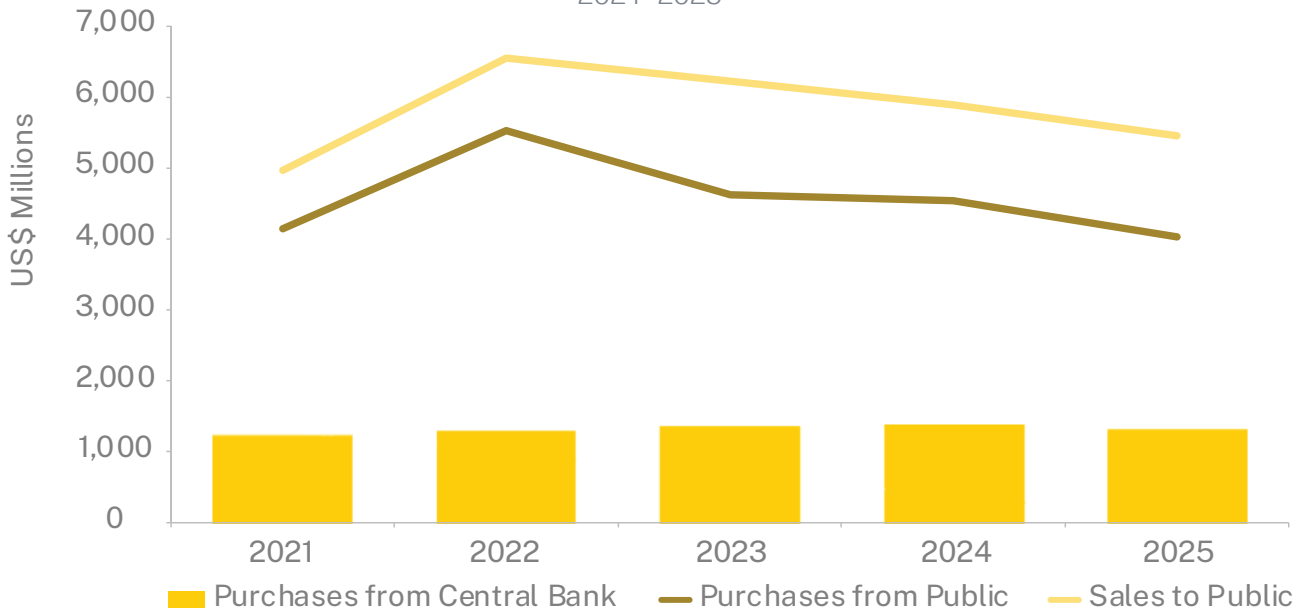


Source: Central Bank of Trinidad and Tobago

CHARTS ON SELECTED ECONOMIC INDICATORS (CONTINUED)

CHART 11

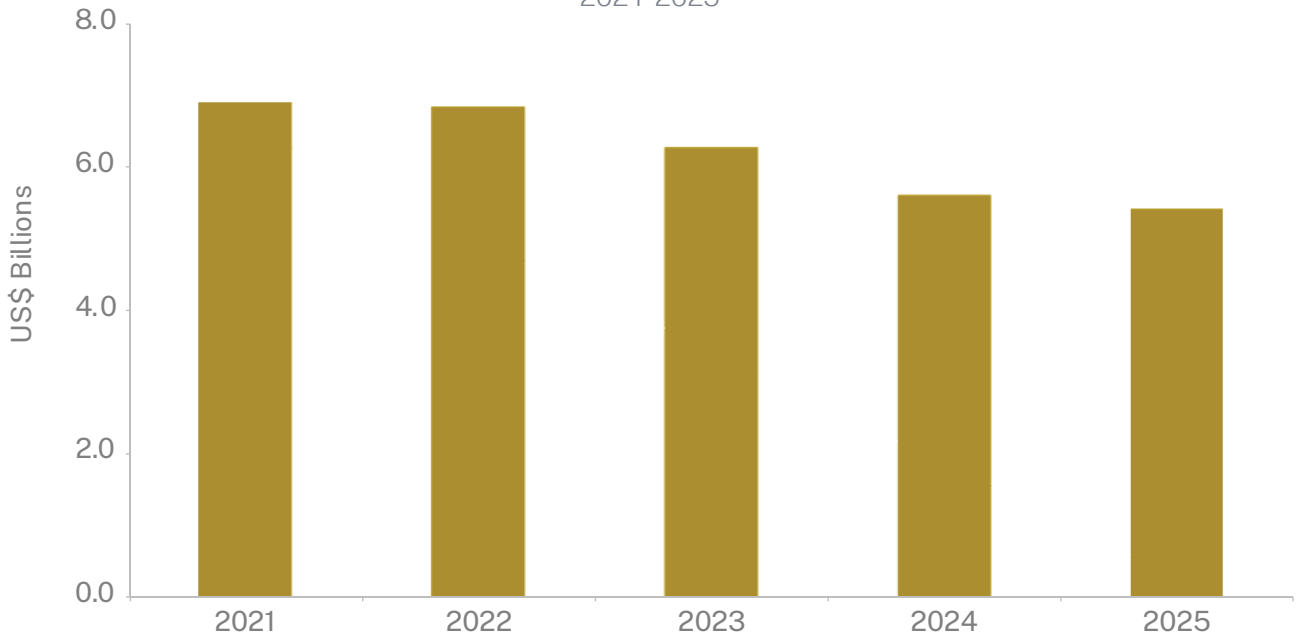
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Source: Central Bank of Trinidad and Tobago

CHART 12

GROSS OFFICIAL RESERVES, 2021-2025

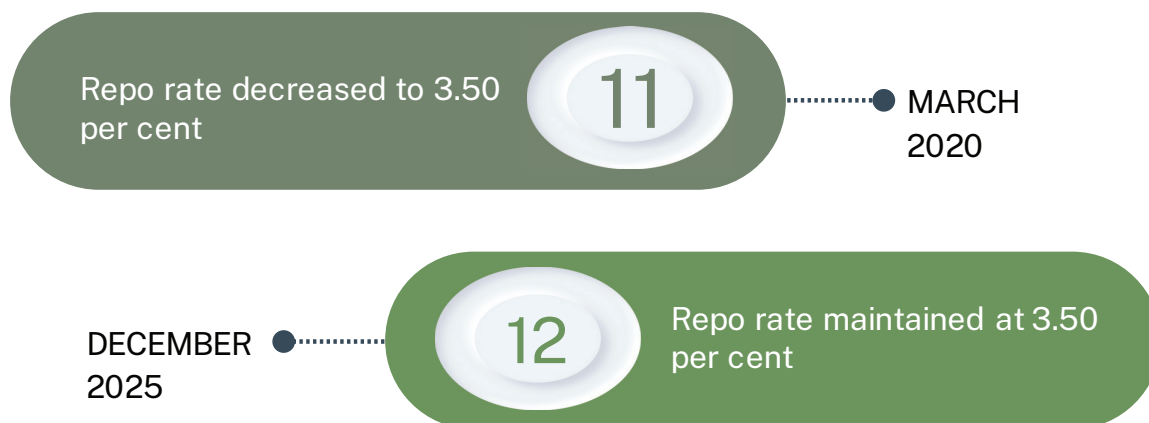


Source: Central Bank of Trinidad and Tobago

CHARTS ON SELECTED ECONOMIC INDICATORS (CONTINUED)

CHART 13
MONETARY POLICY ACTIONS,
2020-2025

Central Bank Policy Rate Decisions



Liquidity Management Measures



Source: Central Bank of Trinidad and Tobago

CHAPTER 1

Overview of Economic Conditions

ECONOMIC DEVELOPMENTS IN 2025

Amid a combination of ongoing risks and emerging challenges, the global economy remained resilient in 2025. In its April 2026 World Economic Outlook (WEO), the International Monetary Fund (IMF) estimated that global output grew by 3.4 per cent in 2025, the same as in the previous year. Global economic expansion, in 2025, occurred in an environment characterised by persistent inflationary pressures, geopolitical tensions, and tariff uncertainty. A resilient US economy, which grew by an estimated 2.1 per cent, and Emerging Market and Developing Economies (EMDEs), 4.4 per cent, kept global growth steady in 2025. Domestic demand, investments and exports in larger EMDEs - including India, China and Brazil - supported their growth. US growth centred around artificial intelligence (AI) related investments and high equity and real estate prices, which kept domestic consumption fairly stable despite inflation and tariff concerns. Among the Advanced Economies (AEs), economic growth measured 1.9 per cent, marginally higher than 1.8 per cent in 2024.

Though still elevated, most countries continued on a disinflationary path. Global inflation fell from 5.8 per cent in 2024 to an estimated 4.1 per cent in 2025, with inflation

in the AEs converging to more stable levels albeit at a faster pace than the EMDEs. In light of this, most central banks continued to reduce their monetary policy rates while remaining cautious about downside risks stemming from geopolitical tensions and uncertainty surrounding US trade policy.

Domestically, overall economic growth showed signs of moderation in the first three quarters of 2025, premised by waning non-energy sector activity. Official data from the Central Statistical Office (CSO) revealed that real GDP increased by 0.2 per cent over the first nine months of 2025, reflecting an expansion of energy sector output (2.2 per cent), which countered a marginal reduction in non-energy sector production (-0.6 per cent) (**Table 1**). Energy sector buoyancy largely reflected a base effect, given maintenance activity by key upstream producers in the first half of 2024. Added impetus to growth accrued from the start-up of production at two new natural gas fields in the second quarter of 2025.

Unemployment remained relatively low, averaging 4.5 per cent over the first three quarters of 2025. Based on the official data, this signalled stabilised labour market conditions when compared with the unemployment rate of 4.8 per cent during the same period of 2024. An uptick occurred in the number of persons with jobs alongside a more than proportionate decline in the number of persons without jobs. However, the labour force fell while the participation rate remained relatively unchanged at 54.7 per cent. Job gains were notably observed in the

Wholesale and Retail Trade, Restaurants and Hotels, and Manufacturing sectors. A review of broader labour market indicators presents a more mixed perspective. There was a reduction in the number of persons retrenched in 2025, while a decline in the number of job advertisements published in the print media points to eased hiring activity.

Price pressures were generally contained in 2025 as headline inflation remained low, increasing to 1.0 per cent from 0.5 per cent in 2024. This was underpinned by an increase in both food (3.0 per cent in 2025 compared to 1.5 per cent in 2024) and core inflation (0.5 per cent in 2025 compared to 0.2 per cent in 2024).

Higher energy receipts outstripped the increase in government expenditure during the Fiscal Year (FY) ended September 2025, resulting in a much lower overall deficit than budgeted. The preliminary outturn from the Ministry of Finance shows that the Central Government accounts recorded an overall deficit of \$8.1 billion in FY2024/25. This compares with a fiscal deficit of \$9.1 billion recorded in the previous fiscal year (FY2023/24) and the mid-year revised budget deficit of \$9.7 billion for FY2024/25¹. Central Government revenue climbed to \$49.1 billion driven mainly by stronger energy receipts while expenditure increased moderately to \$57.2 billion owing to higher outlays in transfers and subsidies and

goods and services. Domestic and external borrowings, along with withdrawals from the Heritage and Stabilisation Fund (HSF) were used to finance the fiscal deficit. Meanwhile, at the end of September 2025, adjusted General Government debt outstanding (which excludes debt issued for sterilisation purposes) reached \$146.9 billion, \$6.2 billion more than in September 2024.

The Central Bank allowed treasury bills and notes to mature in the financial system and kept the repo rate unchanged at 3.50 per cent during 2025 to support favourable funding conditions to aid domestic economic activity. Continued Government borrowing activity (both the size and timing) led to tighter market liquidity conditions, which the Bank addressed by allowing open market operation treasury securities to mature to keep ample liquidity in the banking system. After declining to \$3.5 billion in October 2025, commercial banks' excess reserves at the Central Bank increased to \$4.2 billion by end-December 2025. Meanwhile, private sector credit demand (local and foreign currency) decelerated in 2025, reflecting in part the softness in non-energy sector activity. At the same time, the TT-US short-term interest rate differential narrowed to -74 basis points in December 2025 compared with -206 basis points in December 2024, mainly on account of a 25 basis-point cut in the US Federal Funds rate.

¹ Revised from a provisional budget deficit of \$8.7 billion in FY2024/25. See the Review of the Economy 2025 for further details [WEB--REVIEW-OF-THE-ECONOMY-2025.pdf](#).

Trinidad and Tobago's external accounts recorded a deficit of US\$908.2 million in the first nine months of 2025. This outturn reflected the combined effects of a surplus on the current account and a net outflow on the financial account. The current account recorded a slightly larger surplus when compared to the corresponding period in

2024, principally driven by an improved net goods trading position. Simultaneously, the financial account recorded a net outflow led by movements in the other investments², portfolio investment and direct investment categories. During 2025, gross official reserves fell by US\$235.3 million to US\$5,369.0 million, representing 6.3 months of import cover.

² Some of the main components of other investment include currency and deposits, loans, trade credit and advances, and other accounts receivable/payable.

TABLE 1
TRINIDAD AND TOBAGO SELECTED ECONOMIC INDICATORS

	2021	2021	2023	2024	2025 ^p
Real GDP Growth (%) (2012 = 100) ¹	-0.7	0.9	1.5	2.5	0.2*
Energy Sector	-2.9	-0.6	-5.8	0.4	2.2*
Non-Energy Sector	-1.0	5.1	2.3	1.2	-0.6*
Agriculture, Forestry and Fishing	-15.9	-13.2	-5.8	-5.4	-3.4*
Trade and Repairs	-5.8	5.8	8.6	1.4	-5.3*
Construction	8.8	3.7	-6.4	-5.6	-3.5*
Financial and Insurance Activities	5.0	-3.3	-0.2	0.6	1.4*
Inflation Rate (%) ²					
(period average)	2.1	5.8	4.6	0.5	1.0
(end of period)	3.5	8.7	0.7	0.5	0.4
Unemployment Rate (%) ³	5.4	4.9	4.0	5.0	4.5*
(Per Cent of GDP)⁴					
Central Government Operations	-7.8	0.7	-1.8	-5.3	-4.6
Surplus(+)/Deficit(-), (end of fiscal year)					
Adjusted General Government Debt, (end of fiscal year) ⁵	80.2	69.9	78.2	81.8	84.0
Central Government External Debt, (end of fiscal year)	19.7	17.3	19.8	21.5	21.1
Balance of Payments Current Account Balance	10.9	10.2	11.5	2.5	6.9*
Surplus(+)/Deficit(-)					
Memorandum Items:					
Central Government External Debt in US\$Mn (end of fiscal year)	4,659.5	4,792.7	5,121.3	5,482.5	5,476.7
Debt Service Ratio (fiscal year; %) ⁶	3.3	1.8	5.0	7.3	n.a.
West Texas Intermediate (US\$/barrel, annual average)	68.0	94.4	77.7	75.8	64.9
National Balancing Point (US\$/mmbtu, annual average)	16.0	26.5	12.3	10.7	11.7
Japan Korea Marker (US\$/mmbtu, annual average)	18.5	33.7	13.8	11.9	12.2
Net Official Reserves (US\$ Mn) ⁷	6,879.6	6,832.4	6,257.9	5,604.3	5,369.0

Sources: Central Bank of Trinidad and Tobago, Central Statistical Office and Ministry of Finance

1 Real GDP growth rates are sourced from the Central Statistical Office.

2 Changes in the Consumer Price Index (CPI), January 2015 = 100. Effective January 2024, the Central Statistical Office (CSO) renamed the Index of Retail Prices (RPI) to the Consumer Price Index (CPI) in an effort to maintain consistency with international terminology.

3 This represents the average of the four quarters.

4 GDP data used for ratios to GDP prior to FY2025 are sourced from the CSO; data for FY2025 is estimated by CBTT

5 Includes the external and internal debt of the Central Government (net of sterilised debt), as well as non self-serviced guaranteed debt of public entities.

6 This is defined as the ratio of external Central Government debt service to exports of goods and non-factor services.

7 International reserves have been revised to include Trinidad and Tobago's reserve position in the IMF. International reserves are defined as external assets that are readily available to and controlled by monetary authorities for direct financing of payments imbalances, for indirectly regulating the magnitudes of such imbalances through intervention in exchange markets and for other purposes. Typically, they include securities, gold, IMF special drawing rights (SDRs), a country's holding of foreign currency and deposits, reserve position in the IMF, and other claims (Balance of Payments Manual 6th Edition Paragraph 6.64).

* For the period January to September 2025.

^p Provisional.

n.a. Not Available.

OUTLOOK FOR 2026

The outbreak of the US-Israel-Iran war may undermine global economic growth prospects for 2026. According to estimates from the IMF's April 2026 World Economic Outlook (WEO), world growth is projected at 3.1 per cent in 2026. However, the escalation of geopolitical tensions in the Middle East places increased downside risks to the global economy's outlook. Resultantly, several markets are likely to reflect higher goods prices, greater fiscal vulnerabilities, increased financial market volatility, and shifting investor sentiment away from equities toward commodity-based assets³. Against this backdrop, global headline inflation is expected to accelerate to 4.4 percent in 2026, from 4.1 per cent in 2025 and 5.8 per cent in 2024. Notably, higher crude oil and natural gas prices—driven by the war—are expected to induce upward pressure on global commodity prices.

Domestic economic activity is likely to stabilise in the short to medium term. Activity in the energy sector will continue to benefit from the start-up of production at the bpTT Cypre and Mento fields. However, production levels are unlikely to elevate beyond already achieved levels. Higher energy revenues may support achievement of the budgeted fiscal deficit in FY2025/26, estimated at \$3.9 billion (2.2 per cent of GDP)⁴. However, a number of unbudgeted expenditure items may result in a slightly higher fiscal deficit. The pick-up in domestic energy production, coupled with

higher international gas prices, may facilitate solid energy exports and inform a favourable net goods trading position. However, the overall balance of payments is likely to record a deficit in 2026 owing to net outflows on the financial account. Compounding this category would be net outflows resulting from increased holdings of financial assets abroad. The non-energy sector faces some uncertainty as recent policy initiatives and proposals have had a dampening effect on economic sentiment and may push prices upward. These include higher public service wage settlements, electricity surcharges for commercial entities, higher customs fees, increased cement prices and an increase in the price of natural gas for the light manufacturing sector. Employment conditions in the medium-term will be heavily dependent on the pace of implementation for Government's Revitalisation Plan which is expected to ramp up jobs in the construction sector, with spill over effects to other non-energy sectors. Financial conditions are expected to remain broadly favourable, but lending to the private sector is projected to slow as both consumers and businesses exercise caution in contracting additional debt in an environment marked by elevated economic uncertainty.

³ For example, the price of gold has surpassed US\$5,000 for the first time ever in January 2026.

⁴ The National Budget of Trinidad and Tobago for FY2025/26 was presented to the House of Representatives on October 13, 2025. Themed "Steadfast and Resolute: Forging Pathways to Prosperity," the fiscal package is based on an estimated crude oil price of US\$77.80 per barrel and a natural gas price of US\$3.59 per mmbtu.

CHAPTER 2

Domestic Economic Activity

GROSS DOMESTIC PRODUCT

Estimates suggest that domestic economic activity moderated in 2025. Indicators monitored by the Central Bank point to reduced non-energy sector activity, which countered the positive performance of the energy sector. According to official data from the Central Statistical Office (CSO)⁵, real GDP increased by 0.2 per cent (year-on-year) in the first nine months of 2025 (**Table 2**). During this period, a decline of 0.6 per cent in non-energy output partially offset an expansion of 2.2 per cent in the energy sector. This compares with real GDP growth of 2.5 per cent in 2024 (**Chart 1**).

Data from the Ministry of Energy and Energy Industries indicate a year-on-year increase in energy sector production over the period January to November 2025. This was partially the result of a base effect, as major upstream producers undertook maintenance activities in the first half of 2024. Production also benefitted from new output at

bpTT's Cypre field and the Mento development operated by bpTT and EOG Resources. Resultantly, crude oil production rose by 5.2 per cent, while natural gas output increased by 0.7 per cent over the 11 month period. Higher upstream production supported growth in the Refining sub-sector. Liquefied natural gas (LNG) output increased by 10.3 per cent and natural gas liquids (NGLs) production rose by 10.6 per cent. Further downstream, production of nitrogenous fertilisers improved by 9.7 per cent, supported by an uptick in ammonia (7.7 per cent) and urea (28.0 per cent). In contrast, methanol production declined by 16.3 per cent due to disruptions associated with the shutdown of the Atlas facility in late 2024. Methanol production was further constrained by maintenance at the MIV facility in April 2025 and the CMC and TTMC II facilities in August 2025.

Preliminary estimates point to a falloff in non-energy sector activity over the course of 2025. Data from the CSO observed a marginal reduction in sectoral output (-0.6 per cent) during the first three quarters of the year. Reduced output from the Wholesale and Retail Trade (excluding Energy) (-5.3 per cent) and Construction (-3.5 per cent) sectors spearheaded the falloff. Conversely, production gains occurred in the Manufacturing (excluding

⁵ The CSO is the official source of National Accounts (GDP) data in Trinidad and Tobago. Separately, the Bank compiles a Quarterly Index of Real Economic Activity (QIEA) to gauge short-term economic activity. The industry classification conforms to the International Standard Industrial Classification Revision 4 (ISIC Rev.4). The QIEA differs from the CSO's national accounts statistics in terms of methodologies and coverage. The QIEA is based on production indicators, excludes price effects and does not comprehensively cover all sub-industries measured by the CSO. In 2019, the QIEA was rebased from a 2010 to 2012 base year and the classification system was migrated from the Trinidad and Tobago System of National Accounts to the International Standard Industrial Classification, Revision 4. Under this classification, the output of crude oil and natural gas are included in Mining and Quarrying, the production of LNG, NGLs and petrochemicals are included in Manufacturing, and the retail sale of automotive fuels is included in Wholesale and Retail Trade. For comparison purposes, the sectoral breakdown of real economic activity into Energy and Non-energy, presented previously is maintained. For further details on the QIEA methodology and differences in the data see Box 2 of the January 2020 Economic Bulletin (pages 15-17); Box 2 of the March 2017 Economic Bulletin (pages 19-20); and Public Education Statement – November 2016. See link to the CSO's [quarterly National Accounts \(GDP\) data](#).

Refining and Petrochemicals) (9.8 per cent); and Financial and Insurance Activities (1.4 per cent) sectors.

Preliminary estimates from the Central Bank suggest that reduced non-energy sector activity persisted in the final quarter of 2025.

Indicators offered evidence of reduced activity in the Construction sector, reflecting a falloff in the local sales of cement. Activity in the Financial and Insurance Activities sector also waned, given a reduction in the volume of gross insurance premiums. Conversely, estimates suggest that several sectors remained buoyant in the final quarter of the year. These include Electricity and Water, premised by increased water supply. Additionally, activity in the Transport and Storage; Agriculture; and Real Estate sectors improved (year-on-year) in the fourth quarter of 2025.

Manufacturers continued to operate with spare capacity, producing at 71.6 per cent of their capacity over the first three quarters of 2025 (Table 3).

Notwithstanding, this compares to 69.7 per cent over the same period of the previous year, indicating an improvement. Gains occurred in the Textiles, Clothing, Leather, Wood, Paper and Printing; and Food, Beverages and Tobacco Products sub-sectors. Meanwhile, the Chemical Products and Other Manufactured Products sub-sectors registered minor declines.

TABLE 2
GROSS DOMESTIC PRODUCT AT CONSTANT 2012 PRICES
 / PER CENT CHANGE /

	2021	2022	2023	2024	Jan to Sep 2025 ^p
GDP	-0.7	0.9	1.5	2.5	0.2
Energy	-2.9	-0.6	-5.8	0.4	2.2
Non-Energy	-1.0	5.1	2.3	1.2	-0.6
Construction	8.8	3.7	-6.4	-5.6	-3.5
Wholesale and Retail Trade (Exc. Energy)	-9.3	6.5	10.8	1.2	-5.3
Manufacturing (Exc. Refining and Petrochemical)	9.1	18.3	-0.7	13.0	9.8
Financial and Insurance Activities	5.0	-3.3	-0.2	0.6	1.4

Source: Central Statistical Office

Note: Annual GDP are compiled at Purchaser Prices; Quarterly GDP at Basic Prices.

p Provisional.

TABLE 3
MANUFACTURING SECTOR CAPACITY UTILISATION RATE

	2021	2022	2023	2024	Jan to Jun 2025 ^p
Manufacturing	62.4	61.9	67.9	70.7	71.6
Food, Beverages and Tobacco Products	67.4	68.0	77.3	77.9	81.6
Textiles, Clothing, Leather, Wood, Paper and Printing	56.6	53.4	59.0	72.7	71.4
Chemical Products	55.8	54.7	56.1	53.8	52.9
Other Manufactured Products	64.8	66.3	67.1	65.7	62.0

Source: Central Bank of Trinidad and Tobago

CHAPTER 3

Labour Market

UNEMPLOYMENT

During the first nine months of 2025, available indicators suggest mixed labour market conditions. Official CSO data show that the unemployment rate averaged 4.5 per cent between January to September 2025, an improvement from the 4.8 per cent recorded over the same period in 2024 (**Table 4**). This occurred alongside a marginally smaller labour force, which contracted by roughly 0.7 thousand persons to 591.7 thousand persons (**Chart 3**). The number of persons with jobs increased by 0.8 thousand persons (to 565.0 thousand persons), while the number of persons without jobs and seeking employment (unemployed) decreased by 1.6 thousand persons (to 26.7 thousand persons). Meanwhile, the relatively steady labour force participation rate of 54.7 per cent, just below the 54.8 per cent one year earlier, suggests that labour force engagement remained sluggish. Additionally, the number of persons outside the labour force rose by 0.9 thousand persons. Data from the CSO shows that the rise in non-participation was driven largely by increases in the number of persons who were reportedly “retired” (an increase of 14.4 thousand persons).

Employment outcomes across sectors were largely favourable over the nine-month period, with expansions evident in several key sectors. The Wholesale and Retail Trade, Restaurants and Hotels category led the gains in the number of employed persons (3.8 thousand persons), followed by Manufacturing (including Mining and Quarrying and excluding Sugar and Oil) (2.2 thousand persons). Employment also rose within the Finance, Insurance and Real Estate (1.9 thousand persons); Transport, Storage and Communications (1.8 thousand persons); and Agriculture (including Other Agriculture, Forestry, Hunting and Fishing) (1.4 thousand persons) sectors (**Table 5**). In contrast, a significant falloff in employment occurred in the Community, Social and Personal Services sector, by 10.6 thousand persons, which coincided with announced reforms to Government-supported employment arrangements and intentions to phase out contractual roles in favour of more stable, permanent positions. This sector remains the largest employer, accounting for roughly 37.0 per cent⁶ of total employment over the 2020–2025 period, making it particularly sensitive to policy-driven adjustments such as the mid-2025 suspension of several State-funded employment programmes, including the Community-Based Environmental Protection and Enhancement Programme (CEPEP) and Unemployment Relief Programme (URP). A smaller reduction of 0.8 thousand persons registered in the Construction (including Electricity and Gas) sector.

⁶ Between 2020 and 2025, employment within the sector ranged from 196.5 thousand persons to 227.6 thousand persons.

Gender-disaggregated data revealed diverging trends. The female unemployment rate marginally increased to 5.5 per cent in the first three quarters of 2025 (from 5.4 per cent in the corresponding period of 2024). At the same time, the female participation rate increased to 48.4 per cent (47.0 per cent in the first nine months of 2024), reflecting growth in the female labour force (1.3 per cent) alongside a contraction in the female non-institutional population (-1.8 per cent). Among males, the unemployment rate declined to 3.7 per cent in the first three quarters of 2025 (4.2 per cent in the corresponding period of 2024), although the male participation rate fell to 61.1 per cent, down from 63.0 per cent a year earlier. Youth unemployment measured 9.2 per cent, down from 14.6 per cent in 2024, but remained well above the national average.

Lower retrenchments contrasted with softer indicators of hiring activity. Retrenchment notices⁷ filed with the Ministry of Labour during 2025 indicated that 224 persons were retrenched, representing a 15.5 per cent reduction from 2024 (265 persons retrenched). Reported job separations during 2025 were concentrated in the Transportation,

Communication and Storage (84 persons), Manufacturing (41 persons), Distribution (36 persons), Petroleum and Mining (30 persons), Finance, Insurance, Real Estate and Business Services (23 persons), Construction (6 persons) and Personal Services (4 persons) sectors. Meanwhile, job advertisements published in the print media⁸ between January and December 2025 (an indicator of hiring intentions) declined by 11.8 per cent over the period, signalling softer labour demand conditions. Taken together, these developments suggest employers appeared more restrained in workforce expansion, consistent with a moderation in labour demand over the year.

⁷ This indicator for job separation is limited insofar as it only includes registered retrenchment notices and does not capture other forms of job separation, especially the non-renewal of contracts of temporary or short-term workers. Retrenchment refers to the termination of employment of a worker at the initiative of an employer for the reason of redundancy according to the Retrenchment and Severance Benefits Act (No. 32 of 1985). The Act states that, "where an employer proposes to terminate the services of five or more workers for the reason of redundancy, he shall give formal notice of termination in writing to each involved worker, to the recognised majority union and to the Minister of Labour". As such, if fewer than five employees are retrenched, employers are not obligated to report to the Ministry. Furthermore, it is important to note that reports of job losses at establishments cannot be equated with an equal rise in the unemployment rate. Official Central Statistical Office (CSO) data on the labour market are not collected from firms and other establishments but from households via the conduct of the Continuous Sample Survey of Population (CSSP). Moreover, persons who have been retrenched or lost their jobs otherwise (expired contract, retired, etc.) and have not sought re-employment during the reference period are not classified as unemployed.

⁸ This indicator is constructed by the Central Bank using the number of employment vacancies (in both the main pages and the classifieds) advertised in the Daily Express, Newsday and Guardian newspapers.

TABLE 4
LABOUR STATISTICS, 2020 - 2025
/ THOUSANDS /¹

	2020	2021	2022	2023	2024	Jan to Sep 2025
Non-Institutional Population						
- 15 years and over	1,079.7	1,080.2	1,080.7	1,083.7	1,081.8	1,081.8
Labour Force	603.8	592.2	594.6	602.8	595.7	591.7
Persons with Jobs	569.8	560.4	565.3	578.8	566.2	565.0
Persons without Jobs	34.1	31.8	29.3	24.0	29.5	26.7
Participation Rate (%)	55.9	54.8	55.0	55.6	55.1	54.7
Male	64.8	63.1	62.7	64.6	62.9	61.1
Female	47.2	46.8	47.6	47.1	47.7	48.4
Unemployment Rate (%)	5.7	5.4	4.9	4.0	5.0	4.5
Male	5.4	4.8	4.4	3.5	4.6	3.7
Female	6.0	6.1	5.6	4.6	5.4	5.5

Source: Central Statistical Office

¹ Numbers may not sum due to rounding.

TABLE 5
THE SECTORAL DISTRIBUTION OF EMPLOYMENT¹

	2020		2021		2022		2023		2024		Jan to Sep 2025	
	(000 s)	%	(000 s)	%	(000 s)	%	(000 s)	%	(000 s)	%	(000 s)	%
Agriculture	28.1	4.9	26.8	4.8	21.9	3.9	22.6	3.9	24.6	4.3	26.2	4.6
Petroleum and Gas	12.8	2.2	12.1	2.2	9.8	1.7	10.3	1.8	11.1	2.0	12.5	2.2
Manufacturing (including												
Mining and Quarrying)	35.9	6.3	40.8	7.3	39.6	7.0	41.6	7.2	38.8	6.9	41.2	7.3
Construction (including												
Electricity and Water)	69.9	12.3	68.7	12.3	72.7	12.9	75.3	13.0	69.9	12.3	69.0	12.2
Transport, Storage and												
Communications	35.4	6.2	33.1	5.9	34.8	6.1	33.4	5.8	32.1	5.7	34.2	6.1
Other Services	387.7	68.0	379.0	67.6	386.8	68.4	395.7	68.4	389.7	68.8	381.9	67.6
Of which:												
<i>Wholesale and Retail</i>	111.2	19.5	104.7	18.7	106.0	18.8	117.1	20.2	110.6	19.5	113.8	20.1
<i>Community, Social and</i>												
<i>Personal Services</i>	212.6	37.3	207.6	37.1	215.1	38.1	216.2	37.4	214.2	37.8	203.2	36.0
<i>Finance, Insurance and</i>												
<i>Real Estate</i>	60.1	10.6	63.4	11.3	62.0	11.0	58.1	10.0	60.7	10.7	60.0	10.6
<i>Not Classified</i>	3.8	0.7	3.3	0.6	3.6	0.6	4.3	0.7	4.3	0.8	4.9	0.9
Total Employment	569.8	100.0	560.4	100.0	565.3	100.0	578.8	100.0	566.2	100.0	565.1	100.0

Source: Central Statistical Office

¹ Numbers may not sum due to rounding.

SECTORAL WAGES

Wage growth remained subdued in 2025. Information from collective bargaining agreements filed with the Industrial Court of Trinidad and Tobago indicated that the median yearly wage increase rose to 2.7 per cent in 2025, compared with 2.5 per cent in 2024 and 2.3 per cent in 2023. Over the course of the year, negotiated wage increases ranged between 1.0 per cent and 5.0 per cent. Average wage growth was highest in the Administrative and Support Services; Trade and Repairs; and Information and Communication sectors, where negotiated increases averaged 3.0 per cent. By comparison, the smallest average wage increase (1.0 per cent) occurred in the Construction sector (**Table 6**).

Nominal wages increased during the first three quarters of 2025, supported by gains in both energy and non-energy industries. In the non-energy sector, the Index

of Average Weekly Earnings (AWE)⁹ rose by 5.2 per cent, accelerating from 2.1 per cent over the corresponding period of 2024. The rise in earnings was particularly strong in the Printing, Publishing and Paper Converters (69.2 per cent); Drink & Tobacco (30.8 per cent); and Electricity (6.3 per cent) sub-industries (**Appendix Table A.10**). Lower earnings were recorded in the Wood and Related Products (-14.6 per cent); Chemicals (-7.2 per cent); Food Processing (-5.5 per cent); and Textiles, Garments and Footwear (-4.7 per cent) sub-industries. The overall AWE Index (which includes the energy sector) grew by 4.6 per cent during the first three quarters of 2025. Within the Petrochemicals sub-industry, earnings rose by 1.7 per cent, while wages in the Exploration and Production of Oil and Gas sub-industry contracted by 2.9 per cent over the period.

TABLE 6
WAGE AGREEMENTS REGISTERED FOR 2025

Sector	No. of Agreements Analysed	Duration of Agreements	Range of Yearly Increases for 2025	Average Wage Increase for 2025	Median Wage Increase for Agreements Analysed
Financial and Insurance	9	2020-2026	1.00-4.00	2.7	
Manufacturing	7	2022-2026	1.00-3.00	2.4	
Administrative & Support Services	1	2025-2027	3.00	3.0	
Trade and Repairs	5	2021-2027	1.00-5.00	3.0	2.7
Construction	1	2024-2026	1.00	1.0	
Information and Communication	1	2023-2027	3.00	3.0	
Other Services	1	2024-2026	2.00	2.0	

Source: Industrial Court of Trinidad and Tobago

⁹ The Index of Average Weekly Earnings, computed by the Central Statistical Office, is based on surveyed companies' employment and wage bill. The average of weekly earnings is calculated as the earnings (total amount paid to employees) divided by the number of employees.

CHAPTER 4

Prices

CONSUMER PRICE INFLATION

Inflation edged upwards in 2025, primarily underpinned by higher international food commodity prices. During 2025, headline inflation rose to an average of 1.0 per cent, up from 0.5 per cent recorded in 2024 (**Table 7**). Some administrative areas in Trinidad and Tobago, namely Chaguanas and Siparia observed increased prices over the review period (**Figure 1**). Food inflation increased to an average of 3.0 per cent in 2025 compared to 1.5 per cent in 2024. Core inflation also inched up to 0.5 per cent in 2025 from an average of 0.2 per cent in 2024 (**Chart 4**).

Over 2025, food inflation edged up, averaging 3.0 per cent compared to 1.5 per cent in 2024. This reflected an overall uptick in international food prices in 2025, despite some easing in the latter part of the year¹⁰. Supply constraints, which coincided with robust demand for Sugar, Dairy and Vegetable Oils, drove higher international prices. Domestically, over the 12 months, stronger price increases were recorded in several categories of food. The prices of Food Products Not Elsewhere Classified accelerated to an average of 4.9 per cent in 2025 (from 1.9 per cent in 2024). Faster price increases

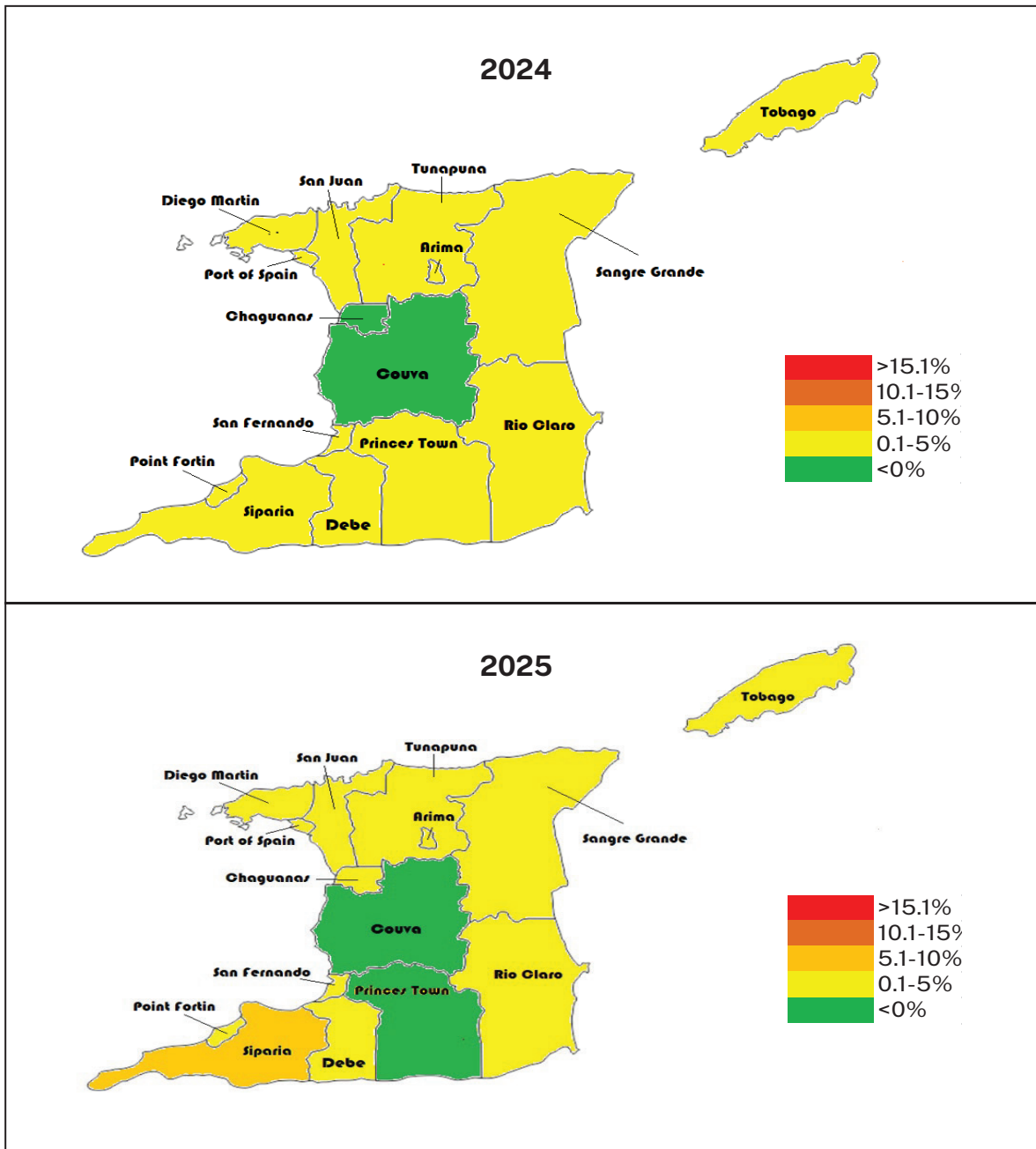
also occurred in the Milk, Cheese and Eggs (3.1 per cent in 2025 from 0.9 per cent in 2024); Meats (5.5 per cent in 2025 from 1.8 per cent in 2024) and Fruits (4.6 per cent from 0.4 per cent in 2024) categories. Further, the Fish sub-index increased to 3.4 per cent in 2025 compared to -1.1 per cent in 2024. The Bread and Cereals and the Oil and Fat sub-indices also registered price increases. The movements in these indices may reflect a combination of higher international food prices and limited supply or increased demand.

Core inflation, which omits food prices and is a measure of underlying inflation, averaged 0.5 per cent in 2025, up from an average of 0.2 per cent in 2024. The increase in core inflation reflected higher prices in several sub-indices, particularly the Alcoholic Beverages; and Tobacco; Housing, Water, Electricity, Gas and Other Fuels; and Recreation and Culture sub-indices. A faster price increase was recorded in the Alcoholic Beverages and Tobacco category (5.8 per cent in 2025 compared to 3.7 per cent in 2024) due to higher prices for whisky, brandy, vodka, shandy and cigarettes. The primary driver of the increase in prices was higher excise and custom duties for alcoholic beverages and tobacco, as announced in the FY2025/26 national budget. Notably, higher prices in a few housing sub-components (mainly imputed rent on homeownership and general masonry and plastering) influenced the increase in the Housing, Water, Electricity, Gas and Other Fuels sub-index (0.3 per cent

¹⁰ International food prices, as measured by the United Nations FPPI, increased by 4.3 per cent in 2025 compared to a decline of 2.1 per cent in 2024.

in 2025 compared to -1.3 per cent in 2024). Similarly, the Recreation and Culture sub-index rose in 2025 (0.6 per cent compared to -0.8 per cent in 2024).

FIGURE 1
THE CONSUMER PRICE INDEX ACROSS ADMINISTRATIVE AREAS
 / ANNUAL PER CENT CHANGE /



Green reflects an inflation rate that is less than or equal to 0.0 per cent,
Yellow reflects an inflation rate between 0.1 and 5.0 per cent,
Light orange reflects an inflation rate between 5.1 per cent and 10.0 per cent,
Dark orange reflects an inflation rate between 10.1 per cent and 15.0 per cent,
Red reflects an inflation rate greater than 15.1 per cent.

Sources: Central Statistical Office and Central Bank of Trinidad and Tobago

TABLE 7
ANNUAL AVERAGE MOVEMENT OF SELECTED CATEGORIES
OF THE CONSUMER PRICE INDEX
 / ANNUAL PER CENT CHANGE /

	2021	2022	2023	2024	2025
Headline Inflation	2.1	5.8	4.6	0.5	1.0
Food Inflation	4.4	10.4	7.7	1.5	3.0
Fish	4.4	7.8	-0.2	-1.1	3.4
Food Products NEC	5.2	11.7	15.4	1.9	4.9
Meat	5.7	12.4	0.4	1.8	5.5
Milk, Cheese and Eggs	3.4	6.9	8.3	0.9	3.1
Vegetables	5.8	11.3	10.4	4.5	-0.5
Bread and Cereals	2.9	13.1	8.1	-1.0	3.0
Sugar, Jam, Confectionery, etc.	4.7	5.1	6.8	7.6	2.1
Non-Alcoholic Beverages	1.2	5.6	12.0	4.5	1.9
Oils and Fats	6.7	13.8	13.7	-4.2	2.0
Fruits	6.1	8.6	7.3	0.4	4.6
Core Inflation	1.5	4.7	3.9	0.2	0.5
Communication	0.2	2.4	1.7	7.2	0.6
Education	0.0	0.0	0.0	0.0	0.0
Miscellaneous Goods and Other Services	-0.1	3.0	6.1	2.0	1.4
Hotels, Cafes and Restaurants	0.9	5.5	8.1	3.0	1.3
Health	2.9	2.2	3.6	6.4	1.5
Transport	1.8	7.9	8.1	-0.4	-0.3
Recreation and Culture	0.2	0.5	9.8	-0.8	0.6
Alcoholic Beverages and Tobacco	3.2	2.4	3.6	3.7	5.8
Clothing and Footwear	-2.8	0.5	-1.4	-2.1	0.0
Housing, Water, Electricity, Gas and Other Fuels	3.2	6.0	0.5	-1.3	0.3
Furnishings, Household Equipment and Routine Maintenance	0.8	6.2	3.7	-2.7	-0.1

Sources: Central Statistical Office and Central Bank of Trinidad and Tobago

PRODUCERS' PRICES

Producers' prices inched up in 2025. The Index of Producers' Prices rose by 1.8 per cent during the first three quarters of 2025, compared with an increase of 1.4 per cent in the similar period of 2024 (**Appendix Table A.13**). Over the period, stronger year-on-year price increases were observed for Chemicals and Non-Metallic Products (4.4 per cent in 2025 compared to 3.0 per cent in 2024). Slower price increases were recorded for Print and Publishing (0.5 per cent in 2025 compared to 5.2 per cent in 2024) and Assembly-type and Related industries (2.4 per cent in 2025 compared to 5.4 per cent in 2024). A price increase was registered for Food Processing (2.9 per cent in 2025 compared to -1.1 per cent in 2024). Weaker prices were recorded for Wood Products (-0.3 per cent in 2025 compared to -0.5 per cent in 2024). Meanwhile, prices in the Drink and Tobacco and Textiles, Garments and Footwear category were constant.

BUILDING MATERIAL PRICES

In 2025, building material prices, as measured by the CSO's Index of Retail Prices of Building Materials (BMI), increased but at a slower pace compared to the same period a year prior. The BMI rose by 1.4 per cent in 2025 compared to 2.5 per cent in 2024. Softer price increases were registered for a few categories which included the Site Preparation, Structure & Concrete Frame (2.1 per cent in 2025 compared to 7.0 per cent in 2024), Walls and Roofs (1.7 per cent in 2025 compared to 1.8 per cent in 2024) and Electrical (2.8 per cent in 2025 compared to 5.1 per cent in 2024). A price increase was recorded for Windows, Doors and Balustrading (0.1 per cent in 2025 compared to -0.6 per cent in 2024). Moreover, the Finishing, Joinery Units and Painting and External Works (-0.9 per cent in 2025 compared to a flat position in 2024) and Plumbing and Plumbing Fixtures (-2.4 per cent in 2025 compared to -5.5 per cent in 2024) recorded weaker prices.

CHAPTER 5

Public Finance and Debt

FISCAL OPERATIONS

The preliminary outturn for FY2024/25 shows that the Central Government fiscal accounts recorded a deficit of \$8.1 billion (4.6 per cent of GDP), compared with a revised budgeted deficit of \$9.7 billion (5.3 per cent of GDP), and a deficit of \$9.1 billion (5.3 per cent of GDP) in FY2023/24 (Table 8). Higher energy receipts which offset the decline in non-energy revenue, led to a more favourable fiscal outturn when compared to the previous fiscal year. Meanwhile, consistent with the fall in non-energy revenue, the non-energy fiscal deficit widened to \$24.0 billion (13.7 per cent of GDP) in FY2024/25 from \$22.5 billion (13.1 per cent of GDP) in FY2023/24 (Table 9). The Central Government financed the FY2024/25 deficit primarily through borrowing from domestic and external sources. Additional funds were sourced from the Heritage and Stabilisation Fund (HSF). Over the 12-month period, a total of \$2.8 billion (US\$410.8 million) was withdrawn from the HSF for budget financing compared with \$2.5

billion (US\$369.9 million) in the previous fiscal year.

Total revenue increased by \$1.2 billion to \$49.1 billion due primarily to stronger energy receipts (Table 10). Energy revenue grew by \$2.5 billion, owing to higher natural gas prices and energy production¹¹. Taxes from the energy sector - which include Supplemental Petroleum Tax and Petroleum Profits Tax, rose by \$1.9 billion to \$12.0 billion in FY2024/25. Likewise, non-tax energy receipts increased to \$3.9 billion from \$3.3 billion in the year prior as royalties on oil and gas and surplus income from the sale of petroleum products grew by \$873.2 million and \$113.9 million, respectively.

In contrast, revenue from the non-energy sector fell by \$2.7 billion to \$31.7 billion during the 12-month period. The fall-off in non-energy revenue was mostly attributed to reduced collections from goods and services, of which Value Added Tax (VAT) receipts were the largest component. Gross VAT receipts of \$10.0 billion, and VAT refunds totalling \$1.9 billion, resulted in lower net VAT receipts of \$8.1 billion¹². Non-tax revenue also decreased significantly by \$2.0 billion to \$4.7 billion, owing to lower profits from public financial institutions. Conversely, capital revenue rose sharply to \$1.5 billion

¹¹ In FY2024/25 West Texas Intermediate (WTI), crude oil prices averaged US\$67.68 per barrel, compared to US\$77.83 per barrel in the previous fiscal year. Henry Hub natural gas prices averaged US\$3.20 per million British Thermal Units (mmbtu), compared to US\$2.27 per mmbtu in the previous fiscal year. In FY2024/25, crude oil production averaged 52,836 bbl/d, compared to 50,307 bbl/d in the year earlier period. Natural gas production averaged 2,586 mmscf/d compared to 2,502 mmscf/d in FY2023/24.

¹² In comparison, in FY2023/24, gross VAT collections amounted to \$9.7 billion, while refunds amounted to \$730.7 million. Net VAT receipts totalled \$9.3 billion.

in FY2024/25, compared with just \$19.3 million in the previous year, driven primarily by higher extraordinary revenue. This comprised mainly residual funds from various escrow accounts, a sum of \$130.7 million from the Small and Medium Enterprises (SME) Loan Guarantee Programme, and unanticipated receipts from the liquidation of the Secondary Road Rehabilitation and Improvement Company Limited. Additionally, the Central Government's revenue performance during the fiscal year benefitted from the implementation of the Tax and National Insurance Amnesty, which generated \$2.4 billion as at the end of January 2025.

Total expenditure rose by \$261.5 million to \$57.2 billion in FY2024/25. This growth was driven primarily by higher outlays in most sub-categories of recurrent spending (**Table 11**). Spending on transfers and subsidies increased by \$1.2 billion to \$30.8 billion, largely due to a rise in transfers to households, namely pensions and gratuities and the senior citizens grant by \$120.4 million and \$75.2 million, respectively. Furthermore, outlays on goods and services expanded by \$606.3 million owing mainly to payments of rental properties and administrative fees¹³. Meanwhile, spending on wages and salaries fell by \$639.8 million when compared to FY2023/24, as higher payments of outstanding salary arrears to public servants

had been made in FY2023/24¹⁴. Capital expenditure also decreased by \$507.1 million to \$3.7 billion during the year, given delays in approval for the commencement of some projects and variations in the scope of work for some projects (**Table 12**).

The FY2025/26 budget forecasts an overall deficit of \$3.9 billion (2.2 per cent of GDP)¹⁵. Total revenue is projected to increase to \$55.4 billion, comprising energy revenue of \$17.3 billion, non-energy revenue of \$37.4 billion and capital revenue of \$711.2 million. Total expenditure is budgeted at \$59.2 billion, with current and capital expenditure of \$55.1 billion and \$4.1 billion, respectively. The FY2025/26 revenue-expenditure gap is expected to be financed through funds sourced from domestic and international markets.

¹³ Expenditure on goods and services included Rent/Lease for Office Accommodation and Storage (\$207.1 million) and administrative fees (\$132.0 million).

¹⁴ In FY2023/24 teachers coupled with some arms of national security received payments of outstanding salary arrears. Meanwhile, in FY2024/25, lecturers at the University of the West Indies received wage settlement payments along with senior public servants whose terms of employment are guided by the Salary Review Commission (SRC).

¹⁵ The National Budget of Trinidad and Tobago for FY2025/26 was presented in the House of Representatives on October 13, 2025. Themed "Steadfast and Resolute: Forging Pathways to Prosperity," the fiscal package is based on an estimated crude oil price of US\$73.25 per barrel and a natural gas price of US\$4.25 per mmbtu.

TABLE 8
SUMMARY OF CENTRAL GOVERNMENT FINANCES, 2019/2020 - 2025/2026¹
 / TT\$ MILLIONS /

	2021/2022	2022/2023	2023/2024 ^r	2024/2025 ^p	2025/2026 ^b
Current Revenue	53,921.3	54,525.0	47,821.2	47,628.2	54,655.7
Current Expenditure	50,061.6	53,620.3	52,710.2	53,478.7	55,131.5
Current Surplus (+)/ Deficit (-)	3,859.7	904.7	-4,889.0	-5,850.5	-475.8
Capital Receipts	685.7	158.9	19.3	1,450.9	711.2
Capital Expenditure and Net Lending	3,212.5	4,236.1	4,182.5	3,675.5	4,100.0
Overall Surplus(+)/ Deficit (-)	1,333.0	-3,172.5	-9,052.3	-8,075.0	-3,864.7
Financing	-1,333.0	3,172.5	9,052.3	8,075.0	3,864.7
External (Net)	534.3	-138.9	7,076.5	2,633.8	9,777.4
Domestic (Net)	-1,867.3	3,311.4	1,975.8	5,441.2	-5,912.7
(Per Cent of GDP)					
Current Surplus (+)/ Deficit (-)	2.1	0.5	-2.8	-3.3	-0.3
Overall Surplus(+)/ Deficit (-)	0.7	-1.8	-5.3	-4.6	-2.2

Source: Ministry of Finance

¹ GDP data used for ratios to GDP prior to FY2025 are sourced from the CSO; data for FY2025 is estimated by CBTT and FY2026 is based on budgeted estimates from the Ministry of Finance.

r Revised.

p Preliminary Outturn.

b Budgeted.

TABLE 9

SUMMARY OF CENTRAL GOVERNMENT FISCAL OPERATIONS, 2021/2022-2025/2026¹

/ TT\$ MILLIONS /

	2021/2022	2022/2023	2023/2024	2024/2025 ^p	2025/2026 ^b
Revenue	54,607.0	54,683.9	47,840.4	49,079.1	55,366.8
Current	53,921.3	54,525.0	47,821.2	47,628.2	54,655.7
Energy*	29,347.7	27,794.9	13,403.4	15,895.4	17,294.2
Non-Energy*	24,573.6	26,730.1	34,417.8	31,732.8	37,361.5
Capital	685.7	158.9	19.3	1,450.9	711.2
Expenditure	53,274.0	57,856.4	56,892.7	57,154.1	59,231.5
Current	50,061.6	53,620.3	52,710.2	53,478.7	55,131.5
Wages and Salaries	9,148.5	9,420.1	10,431.9	9,792.1	10,629.9
Goods and Services	5,911.7	6,106.2	6,061.2	6,667.4	7,231.7
Interest Payments	4,927.4	5,779.7	6,581.8	6,227.7	5,392.0
Transfers and Subsidies ²	30,073.9	32,314.3	29,635.4	30,791.5	31,877.9
Capital Expenditure and Net Lending	3,212.5	4,236.1	4,182.5	3,675.5	4,100.0
Overall Non-Energy Balance	-28,014.7	-30,967.4	-22,455.7	-23,970.4	-21,158.8
Overall Balance	1,333.0	-3,172.5	-9,052.3	-8,075.0	-3,864.7
Total Financing (Net)	-1,333.0	3,172.5	9,052.3	8,075.0	3,864.7
Net Foreign Financing	534.3	-138.9	7,076.5	2,633.8	9,777.4
Net Domestic Financing	-1,867.3	3,311.4	1,975.8	5,441.2	-5,912.7
Of Which: Transfers to Heritage and Stabilisation Fund	1,111.3	1,230.3	-2,495.6	-1,014.0	0.0
(Per Cent of GDP)					
Revenue	29.6	31.3	27.8	28.1	31.1
Current	29.2	31.2	27.8	27.2	30.7
Energy	15.9	15.9	7.8	9.1	9.7
Non-Energy	13.3	15.3	20.0	18.1	21.0
Capital	0.4	0.1	0.0	0.8	0.4
Expenditure	28.9	33.1	33.1	32.7	33.2
Current	27.1	30.7	30.6	30.6	30.9
Wages and Salaries	5.0	5.4	6.1	5.6	6.0
Goods and Services	3.2	3.5	3.5	3.8	4.1
Interest Payments	2.7	3.3	3.8	3.6	3.0
Transfers and Subsidies	16.3	18.5	17.2	17.6	17.9
Capital Expenditure and Net Lending	1.7	2.4	2.4	2.1	2.3
Overall Non-Energy Balance³	-15.2	-17.7	-13.1	-13.7	-11.9
Overall Balance	0.7	-1.8	-5.3	-4.6	-2.2
Total Financing (Net)	-0.7	1.8	5.3	4.6	2.2
Net Foreign Financing	0.3	-0.1	4.1	1.5	5.5
Net Domestic Financing	-1.0	1.9	1.1	3.1	-3.3
Of which: Transfers to Heritage and Stabilisation Fund	0.6	0.7	-1.5	-0.6	0.0
Memo:					
Primary Fiscal Balance (TT\$m)	6,260.4	2,607.2	-2,470.5	-1,847.3	1,527.3
Cyclically Adjusted Balance (TT\$m) ⁴	5,426.5	-35.0	-7,197.1	-9,168.4	-4,002.0
Structural Fiscal Balance (TT\$m) ⁵	4,432.7	2,014.3	-228.5	-725.6	-1,364.2
Non-Energy Primary Balance ⁶	-23,087.3	-25,187.7	-15,873.9	-17,742.7	-15,766.9
Cyclically Adjusted Primary Balance (TT\$m) ⁷	9,717.5	5,518.2	-841.8	-2,640.1	1,163.4
Interest Payments/Current Revenue (Per cent)	9.1	10.6	10.6	13.1	9.9

Sources: Ministry of Finance and Central Bank of Trinidad and Tobago

1 GDP data used for ratios to GDP prior to FY2024 are sourced from the CSO; data for FY2024 is estimated by CBTT and FY2025 is based on budgeted estimates from the Ministry of Finance.

2 Adjusted for transfers to the Infrastructure Development Fund, Government Assisted Tertiary Education Fund and CARICOM Petroleum Fund.

3 Computed as the sum of non-energy revenue and capital revenue less total expenditure.

4 The cyclically adjusted balance provides an estimate of the fiscal position net of cyclical effects by adjusting revenue and expenditure for business cycle effects.

5 The structurally fiscal balance is an estimate of the fiscal position after excluding the effects of the business cycle and fluctuations in commodity prices, as well as one-off factors that temporarily affect revenue and expenditure.

6 The non-energy primary balance measures a government's ability to pay for public goods and services using only its non-resource generated revenues. It also highlights the cyclicity of fiscal policy by excluding energy revenues which are subject to fluctuations in international commodity prices.

7 The cyclically adjusted primary balance provides an estimate of the fiscal position net of cyclical effects and past financing policies. It measures the Government's capacity to fund its current operations without incurring additional debt.

* Energy and Non-Energy revenues for FY2023/24 have been estimated by the Central Bank.

r Revised.

p Preliminary Outturn.

b Budgeted.

n.a. Not Available.

TABLE 10
ENERGY-BASED GOVERNMENT REVENUE, 2019/2020 - 2024/2025¹

	2020/2021	2021/2022	2022/2023	2023/2024 ^r	2024/2025 ^p
	(Per Cent of Government Revenue)				
Energy Sector	25.1	53.7	50.8	28.0	32.4
Petroleum Profit Tax (PPT)	6.9	16.4	13.7	9.1	9.6
Supplemental Petroleum Tax (SPT)	1.4	4.6	4.9	3.1	2.0
Corporation tax	6.6	13.9	9.7	6.0	6.4
Royalties	5.4	10.6	13.6	5.0	6.7
Unemployment Levy	0.9	3.6	2.7	1.4	1.2
Withholding Tax	1.5	1.0	2.2	1.5	5.3
Exercise Duty	0.0	0.0	0.0	0.0	0.0
Oil Impost ²	0.3	0.2	0.2	0.2	0.3
Signature Bonus	0.1	0.2	0.0	0.0	0.1
Production Sharing Contracts	0.0	0.0	0.0	0.0	0.0
Extraordinary Revenue from Oil and Gas Companies	0.7	3.2	3.8	1.5	0.5
Surplus Income - Sale of Pet. Products	1.2	0.0	0.0	0.1	0.3
	(Per Cent of GDP)				
Energy Sector	5.9	15.9	15.9	7.8	9.1
Petroleum Profit Tax (PPT)	1.6	4.9	4.3	2.5	2.7
Supplemental Petroleum Tax (SPT)	0.3	1.4	1.5	0.9	0.6
Corporation tax	1.6	4.1	3.0	1.7	1.8
Royalties	1.3	3.1	4.3	1.4	1.9
Unemployment Levy	0.2	1.1	0.8	0.4	0.3
Withholding Tax	0.4	0.3	0.7	0.4	1.5
Exercise Duty	0.0	0.0	0.0	0.0	0.0
Oil Impost ²	0.1	0.1	0.1	0.1	0.1
Signature Bonus	0.0	0.1	0.0	0.0	0.0
Production Sharing Contracts	0.0	0.0	0.0	0.0	0.0
Extraordinary Revenue from Oil and Gas Companies	0.2	1.0	1.2	0.4	0.2
Surplus Income - Sale of Pet. Products	0.3	0.0	0.0	0.0	0.1

Sources: Ministry of Finance and Central Bank of Trinidad and Tobago

1 GDP data used for ratios to GDP prior to FY2025 are sourced from the CSO; data for FY2025 is estimated by CBTT.

2 Oil Impost refers to a tax on petroleum producing companies to cover the administration expenses of the Ministry of Energy and Energy Industries.

r Revised.

p Preliminary.

TABLE 11
CENTRAL GOVERNMENT RECURRENT EXPENDITURE¹:
A FUNCTIONAL CLASSIFICATION, 2021/2022 - 2025/2026

/ TT\$ MILLIONS /

	2021/2022	2022/2023	2023/2024 ^r	2024/2025 ^{re}	2025/2026 ^b
Economic Services	4,622.8	4,933.8	3,585.7	4,109.7	4,007.3
Energy	1,622.3	2,049.9	645.4	633.2	548.0
Agriculture, Land and Fisheries	738.5	598.1	652.2	640.5	722.5
Works and Transport	2,157.0	2,176.3	2,131.6	2,684.4	2,545.4
Trade and Industry	105.1	109.5	156.5	151.6	191.4
Social Services	20,780.6	22,143.4	25,278.6	25,976.8	26,401.9
Education	5,074.6	5,255.5	5,970.3	5,515.2	6,590.6
Health	5,445.0	5,936.6	5,823.1	6,845.6	6,752.6
Housing and Urban Development	566.9	812.6	938.2	684.4	588.6
Labour	359.5	373.5	453.8	445.5	168.9
Public Utilities	2,877.1	2,934.9	3,115.1	3,429.2	3,173.9
Social Services ²	6,457.5	6,830.4	8,978.1	9,056.9	9,127.3
Public Services	5,476.1	5,698.4	6,162.3	5,790.6	5,860.0
National Security	5,476.1	5,698.4	6,162.3	5,790.6	5,860.0
Other³	20,815.8	22,770.6	20,268.9	22,193.3	20,858.0
Total Recurrent Expenditure⁴	51,695.4	55,546.2	55,295.5	58,070.4	57,127.2

Sources: Ministry of Finance and Central Bank of Trinidad and Tobago

1 Classified according to recurrent expenditure allocated to the respective ministry head.

2 Includes Ministry of Sport and Community Development, Ministry of Tourism, Culture and the Arts, Ministry of Social Development and Family Services, Ministry of Youth Development and National Service, Ministry of Sport and Youth Affairs, Ministry of Culture and Community Development, Ministry of Rural Development and Local Government, Ministry of Land and Legal Affairs and Ministry of Planning, Economic Affairs and Development.

3 Includes Office of the President, Auditor General, Judiciary, Industrial Court, Parliament, Service Commissions, Statutory Authorities Service Commission, Elections & Boundaries Commission, Tax Appeal Board, Registration, Recognition and Certification Board, Public Service Appeal Board, Office of the Prime Minister, Tobago House of Assembly, Central Administrative Services, Tobago and all other Ministries. Other excludes Charges on Account of the Public Debt.

4 Represents Recurrent Expenditure from the Consolidated Fund only.

r Revised.

re Revised Estimate.

b Budgeted.

TABLE 12
COSTING OF SELECTED CAPITAL PROJECTS IN THE FY2024, FY2025 AND FY2026
 / TT\$ MILLIONS /

Projects	2024 ^r	2025 ^{re}	2026 ^b
Total Capital Expenditure	4,182.5	3,906.5	4,100.0
<i>of which:</i>			
Construction/upgrade and refurbishment of Early Childhood, Primary, Secondary Schools	292.5	202.4	480.3
Restoration of Public Buildings	400.4	650.8	474.2
Construction of Hospitals and Health Centres	268.0	154.1	312.2
Accelerated Housing Programme and Housing Settlement Development	365.0	507.5	296.0
Upgrade of Equipment and Facilities for Coast Guard, Regiment and Air Guard	136.0	122.3	286.2
Local Government Services	60.1	66.5	271.6
Construction and upgrade of Community Centers, Social Displacement Centers	241.6	185.8	220.3
Drainage and Irrigation and Upgrading of Water Resources	303.2	166.2	200.9
Construction and Rehabilitation of Roads and Bridges	584.1	554.3	185.9
<i>ICT and Digital Transformation</i>	141.2	134.7	181.5
Construction and Upgrade of Fire Stations & Prison Facilities	42.7	25.2	99.8
Development of Tourism Facilities	105.4	70.1	74.9
Construction of Terminal for ANR Robinson Airport, Airfield Renovation and Port Refurbishment	372.9	380.1	73.9
Construction, refurbishment and equipping of Police Stations	13.8	8.4	70.3
Construction and upgrade of Sport and Youth Training Facilities	94.6	69.1	60.5
Upgrade of National Security Equipment	47.7	44.8	58.0
Upgrade of Fishing Facilities and Agriculture Access Roads and Land Development Works	48.3	45.1	57.2
Development of Industrial Sites and Technology Parks	75.7	22.4	53.7
Bulk Power Infrastructure Projects	50.0	30.4	23.3

Sources: Ministry of Finance, Estimates of the Development Programme 2026

r Revised.

re Revised Estimate.

b Budgeted.

GENERAL GOVERNMENT DEBT¹⁶

General Government Debt increased to \$147.8 billion (84.5 per cent of GDP)¹⁷ at the end of September 2025, from \$143.4 billion (83.4 per cent of GDP) at the end of September 2024 (Table 13). Adjusted General Government debt outstanding (which excludes debt issued for sterilisation purposes) increased to \$146.9 billion (84.0 per cent of GDP) at the end of September 2025 from \$140.7 billion (81.8 per cent of GDP) at the end of September 2024.

Central Government domestic debt¹⁸ (which excludes sterilised debt) increased by \$5.5 billion to \$82.3 billion (46.6 per cent of GDP) at the end of September 2025, from \$76.7 billion (43.0 per cent of GDP) at the end of September 2024 (Table 13). The Central Government borrowed \$13.7 billion, of which \$10.5 billion was allocated for budget support, and \$3.2 billion for debt refinancing. This compares with domestic borrowing of \$9.0 billion in the previous fiscal year, the majority of which (\$6.8 billion) was used for budget support. During the 12-month period, the Central Government issued 11 bonds totalling \$12.4 billion on the domestic capital market. Under the Development Loans Act, the Central Government borrowed \$9.4 billion in FY2024/25, compared with \$8.1 billion in FY2023/24. These bonds issues increased the amount outstanding under the

Development Loans Act to \$67.7 billion, bringing down the remaining headroom to \$7.3 billion. An additional \$3.0 billion fixed rate (4.01 per cent) bond was contracted under the Value Added Tax Act and \$1.3 billion in Debt Management Bills under the Treasury Notes Act (Table 14B). Principal repayments on Central Government domestic debt amounted to \$6.8 billion, while interest payments totalled \$3.5 billion. This compares with principal repayments of \$11.2 billion and interest payments of \$3.2 billion recorded in the year earlier period. Principal repayments mainly comprised the settlement of two fixed rate bonds amounting to \$2.1 billion, and the repayment of the first tranche (\$800.0 million) of a dual tranche fixed rate bond.

Central Government external debt rose by \$28.9 million (equivalent to US\$4.3 million) to \$37.0 billion (equivalent to US\$5.5 billion), equal to 21.1 per cent of GDP at the end of September 2025 (Table 13). During the fiscal year, project-related disbursements totalling \$1.3 billion were received from existing facilities, including the Corporación Andina De Fomento (CAF) Sector Wide Approach Programme (SWAP) and the CAF project for strengthening the Export-Import (EXIM) Bank (Table 14A). Additionally, a disbursement was received from the Export-Import Bank of China for the Phoenix Park Industrial Estate Project. This compares with project-related disbursements

¹⁶ General Government Debt is defined as the sum of all domestic and external direct obligations of the Central Government as well as the Non-Self-Serviced Government Guaranteed debt of State Enterprises and Statutory Authorities. It includes instruments of Open Market Operations (OMOs) such as Treasury Bills, Treasury Notes and Treasury Bonds; proceeds of which are held or sterilised at the Central Bank.

¹⁷ Nominal GDP for FY2024/25 is estimated at \$174.9 billion, up from \$172.0 billion in FY2023/24.

¹⁸ Data on external debt is reported in the domestic currency.

of \$846.6 million in the previous fiscal year. Central Government repayments to external creditors amounted to \$1.3 billion, while interest payments totalled \$2.1 billion. This compares to principal repayments of \$3.5 billion and interest payments of \$1.9 billion in the twelve months ending September 2024.

For the year ending September 2025, non-self-serviced guaranteed debt, which comprise borrowings by state-owned enterprises and statutory bodies, fell by \$1.2 billion to \$28.5 billion (16.3 per cent of GDP) (Table 13). A total of \$1.7 billion was raised for project-related activities, of which \$885.7 million was allocated for budget

support and \$317.0 million was used to refinance maturing obligations. Project-related borrowing mainly comprised disbursements of \$350.0 million to the Water and Sewerage Authority (WASA), \$250.0 million to the National Infrastructure Development Company (NIDCO) and \$250.0 million to the National Maintenance Training Services (NMTS). The impact of new borrowings on the stock of debt was tempered by principal repayments of \$4.2 billion, higher than repayments of \$3.0 billion in the previous fiscal year. In FY2024/25, debt servicing mainly comprised principal and interest payments by the Urban Development Corporation of Trinidad and Tobago (UDeCOTT), the Housing Development Corporation (HDC) and NIPDEC.

TABLE 13
GENERAL GOVERNMENT DEBT OUTSTANDING,
SEPTEMBER 2021 – SEPTEMBER 2025
 / TT\$ MILLIONS /

	Sep-21	Sep-22	Sep-23	Sep-25 ^r	Sep-25 ^p
General Government Debt	137,377.2	137,814.2	141,548.2	143,386.7	147,784.0
Of which; Sterilisation ¹	10,570.3	8,827.8	5,010.0	2,730.0	870.0
Adjusted General Government Debt ²	126,806.9	128,986.4	136,538.2	140,656.7	146,914.0
Central Government Domestic	75,038.5	75,029.6	75,550.9	76,729.8	82,270.5
General Development Bonds	39,722.7	41,354.1	46,519.9	50,353.2	54,328.7
CLICO and HCU Bonds	15,463.5	14,962.4	14,073.9	13,998.0	13,941.5
VAT Bonds ³	3,000.0	3,000.0	3,000.0	3,000.0	6,000.0
BOLTS and Leases	129.3	232.5	296.3	281.8	266.3
Debt Management Bills	6,136.0	6,636.0	6,634.1	6,350.0	6,864.0
Open Market Operations	10,570.3	8,827.8	5,010.0	2,730.0	870.0
Treasury Bills	8,479.0	6,736.5	3,100.0	650.0	0.0
Treasury Notes	1,632.0	1,632.0	1,910.0	2,080.0	870.0
Treasury Bonds	459.3	459.3	0.0	0.0	0.0
Liquidity Absorption Bonds	0.0	0.0	0.0	0.0	0.0
Other Debt Liabilities ⁴	16.7	16.7	16.7	16.7	0.0
Central Government External	31,167.0	31,975.0	34,566.3	36,945.4	36,974.3
Non Self-Serviced Guaranteed Debt ⁵	31,171.6	30,809.6	31,431.0	29,711.5	28,539.3
State Owned Enterprises	20,212.3	19,442.6	20,178.4	18,782.8	17,297.0
Statutory Authorities	10,959.4	11,366.9	11,252.6	10,928.7	11,242.3
(Per Cent of GDP)⁶					
General Government Debt	86.9	74.7	81.1	83.4	84.5
Adjusted General Government Debt	80.2	69.9	78.2	81.8	84.0
Central Government Domestic Debt ²	40.8	35.9	40.4	43.0	46.6
External Debt	19.7	17.3	19.8	21.5	21.1
Non-Self Serviced Guaranteed Debt	19.7	16.7	18.0	17.3	16.3
Memo:					
Self-Serviced Guaranteed Debt	3,136.4	3,137.5	3,052.7	4,052.8	2,894.0
Of which; State Enterprises	3,131.5	3,133.0	3,048.6	4,049.1	2,890.7
Statutory Authorities	4.9	4.5	4.1	3.7	3.3

Sources: Ministry of Finance and Central Bank of Trinidad and Tobago

- 1 Comprise Treasury Bills and Treasury Notes issued for Open Market Operations (OMOs) and Treasury Bonds issued for liquidity management.
 - 2 Excludes debt issued for sterilisation purposes.
 - 3 Refers to bonds issued by the Government under the Value Added Tax Act for the settlement of VAT refunds owed to businesses in Trinidad and Tobago.
 - 4 Comprises outstanding balances of national tax-free saving bonds, public sector arrears and Central Bank fixed-rate bonds.
 - 5 Refers to Government-guaranteed debt of public entities that are directly serviced by the Central Government.
 - 6 Debt ratios prior to FY2025 are based on Nominal GDP data from the Central Statistical Office. Ratios for FY2025 are computed using Nominal GDP estimates from the Central Bank.
- r Revised.
p Provisional.

TABLE 14A
GOVERNMENT AND GOVERNMENT-GUARANTEED BORROWINGS UNDERTAKEN IN
FY2024/25*

Date	Borrower	Amount (\$Mn)	Source of Financing	Purpose of Financing	Borrowing Act Utilised
25-Oct-24	Central Government	\$1,000.00	Domestic	Budget Financing	Development Loans Act
28-Oct-24	Central Government	\$500.00	Domestic	Debt Refinancing	Development Loans Act
26-Nov-24	Central Government	\$1,200.00	Domestic	Budget Financing	Development Loans Act
13-Dec-24	Central Government	US\$150.00	External	Support Resilient Road Infrastructure in T&T	CAF Act
9-Oct-24	Central Government	US\$35.00	External	Project for Strengthening of the Exim Bank	CAF Act
31-Jan-24	Central Government	\$3,000.00	Domestic	Settlement of VAT Refunds	VAT ACT
7-Feb-25	Central Government	\$459.30	Domestic	Debt Refinancing	Development Loans Act
10-Feb-25	LSA	\$150.00	Domestic	Construction of Houses and Development Projects	Guarantee of Loans (Statutory Authorities) Act
14-Feb-25	Central Government	\$1,000.00	Domestic	Debt Refinancing - Tranche 1 of \$1,000 Mn	Development Loans Act
17-Feb-25	RDC	\$200.00	Domestic	Current Expenses and Infrastructure Projects	Guarantee of Loans (Statutory Authorities) Act
20-Mar-25	NIPDEC	\$250.00	Domestic	For P.U.R.E	Guarantee of Loans (Companies) Act
21-Mar-25	Central Government	US\$21.00	Domestic	Debt Refinancing	Development Loans Act
24-Mar-25	Central Government	\$1,100.00	Domestic	Debt Refinancing	Development Loans Act
28-Mar-25	NIDCO	\$250.00	Domestic	To Finance Infrastructure Projects	Guarantee of Loans (Companies) Act
3-Apr-25	HDC	\$200.00	Domestic	To Finance Recurring Expenditure and Maintenance	Guarantee of Loans (Statutory Authorities) Act
4-Apr-25	NCC	\$200.00	Domestic	To settle obligations for Carnival 2025	Guarantee of Loans (Statutory Authorities) Act
7-Apr-25	NMTS	\$250.00	Domestic	School Construction and Repairs	Guarantee of Loans (Companies) Act
8-Apr-25	PSAEL	\$200.00	Domestic	To Finance Infrastructure Projects	Guarantee of Loans (Companies) Act
17-Apr-25	WASA	\$350.00	Domestic	Water Supply Projects and Road Works	Guarantee of Loans (Statutory Authorities) Act
23-May-25	Central Government	\$2,000.00	Domestic	Budget Financing	Development Loans Act
24-Jun-25	Central Government	\$1,268.86	Domestic	Budget Financing	Development Loans Act
31-Jul-25	Central Government	\$700.00	Domestic	Budget Financing	Development Loans Act
7-Aug-25	Central Government	US\$35.00	External	Digital Infrastructure	CAF Act
21-Aug-25	NIPDEC	\$339.00	Domestic	Debt Refinancing	Guarantee of Loans (Companies) Act
22-Aug-25	HDC	\$306.00	Domestic	Debt Refinancing	Guarantee of Loans (Statutory Authorities) Act
5-Sep-25	UDECOTT	US\$ 35.68	Domestic	Debt Refinancing	Guarantee of Loans (Companies) Act

Sources: Ministry of Finance and Central Bank of Trinidad and Tobago

* Excludes Government-guaranteed borrowings not directly serviced by the Central Government.

TABLE 14B
BORROWINGS LIMITS AND TRENDS IN OUTSTANDING DEBT

Borrowing Act	Borrowing Limit (TT\$ Mn)	Outstanding Debt FY2024 (TT\$ Mn)	Outstanding Debt FY2025 (TT\$ Mn)	Remaining Headroom as at 30-Sep-25 (TT\$ Mn)
Development Loans Act	75,000.0	63,753.0	67,728.5	7,271.5
External Loans Act	30,000.0	23,789.5	23,403.9	6,596.1
Guarantee of Loans (Companies) Act ¹	45,000.0	18,782.8	17,297.0	27,703.0
Guarantee of Loans (Statutory Authorities) Act ¹	No Limit	10,928.7	11,242.3	No Limit
IADB Act	No Limit	4,468.3	4,202.8	No Limit
IBRD Act	No Limit	134.3	133.5	No Limit
CDB Act	No Limit	61.9	34.4	No Limit
CAF Act	No Limit	8,491.5	9,199.6	No Limit
Treasury Bills Act	37,000.0	7,000.0	6,864.0	30,136.0
<i>Of which: OMOs</i>	<i>n.a.</i>	<i>650.0</i>	<i>0.0</i>	<i>n.a.</i>
<i>Debt Management Bills</i>	<i>n.a.</i>	<i>6,350.0</i>	<i>6,864.0</i>	<i>n.a.</i>
Treasury Notes Act	15,000.0	2,080.0	870.0	14,130.0
Treasury Bonds Act	No Limit	0.0	0.0	No Limit
Purchase of Certain Rights and Validation Act (CLICO) ²	10,700.0	435.8	379.3	None
Purchase of Certain Rights and Validation Act (HCU) ²	400.0	162.4	162.4	None
VAT Act	6,000.0	3,000.0	6,000.0	0.0

Sources: Ministry of Finance and Central Bank of Trinidad and Tobago

1 The outstanding balances and remaining headroom reported under this Act excludes borrowing serviced directly by public entities.

2 Debt incurred under this Act represents one-off financing made by the Central Government towards CLICO and HCU policyholders.

n.a. Not available

CHAPTER 6

Monetary and Financial Developments

MONETARY POLICY

Monetary policy in 2025 focused broadly on fostering conditions supportive of domestic economic activity and, more specifically, on managing volatile liquidity.

Global output was projected to marginally decline in 2025, while inflation in advanced economies came down but remained elevated. Major supply-side risks persisted amid escalating geopolitical tensions. Nevertheless, domestic inflation remained well contained in 2025. While the performance of the energy sector improved, non-energy sector performance faltered. Continued Government borrowing led to episodes of tightened liquidity conditions. At the meetings held during the year, the Monetary Policy Committee (MPC) maintained the repo rate at 3.50 per cent **(Chart 13)**.

LIQUIDITY

Liquidity levels in the domestic banking system increased in 2025. Commercial banks' holdings of excess reserves increased to a monthly average of \$5,149.9 million from \$4,849.0 million in 2024. Net domestic fiscal injections – the main driver of liquidity – amounted to a net injection of \$6,388.1 million, a reversal of the withdrawal of

\$1,081.0 million in 2024. During the year, the Bank conducted net withdrawals of \$745.0 million via net open market operations (OMOs), compared with net maturities of \$2,285.0 million in 2024.

The stock of outstanding OMO instruments was briefly depleted in 2025, as total outstanding short-term Treasury bills and notes issued by the Central Bank temporarily reached zero by October. This meant that the Bank injected liquidity into the financial system during January to October via net maturities of \$2,455.0 million, in order to maintain ample liquidity to support credit conditions. In December 2025, pending sale transactions in foreign markets were likely to increase banking system liquidity and the Bank issued \$3,200.0 million in OMOs to keep liquidity within the ample range. Meanwhile, although not a liquidity absorption tool, Central Bank sales of foreign exchange to authorised dealers indirectly removed \$8,605.3 million from the system in 2025, compared to \$9,121.2 million in 2024.

Episodes of tight liquidity resulted in increased interbank activity in 2025. In 2025, daily average interbank borrowing reached \$172.7 million compared to \$118.0 million in 2024. Commercial banks accessed the Repurchase Facility for a daily average of \$55.4 million during the year (109 days), compared with a daily average of \$24.2 million (32 days) in the previous year. In 2025, banks were able to borrow on the interbank market at a rate of 0.71 per cent, 17 basis points higher than in 2024.

INTEREST RATES

The short-term TT-US interest rate differential improved in 2025. The TT 91-day OMO Treasury Bill rate increased by 59 basis points during 2025, settling at 2.90 per cent, reflecting episodes of tight liquidity conditions during the year. Cuts to the policy rate of the US impacted yields on US short-term instruments. The yield on the US 91-day short-term benchmark decreased by 70 basis points in 2025, on account of action by the US Fed, to reach 3.67 per cent by the end of December. As a result, the TT-US 91-day differential narrowed to -77 basis points in December 2025 compared with -206 basis points in December 2024.

Commercial banks' interest rates increased in 2025, reflecting liquidity conditions.

The commercial banks' weighted average lending rate (WALR) reached 6.79 per cent in December 2025, 13 basis points higher than in December 2024. The increased WALR likely reflects tight liquidity conditions in 2025, with the diminishing effect of the previous years' reserve requirement injection. The weighted average deposit rate increased by 12 basis points to reach 0.86 per cent by the end of the reference period. As a result, the 'rounded' banking spread increased by 2 basis points from December 2024 to December 2025 to reach 5.93 per cent. Commercial banks' return on assets increased from 2.7 per cent in December 2024 to 2.8 per cent in December 2025, while return on equity increased from 13.9 per cent to 14.5 per cent over the same

period. The interest margin-to-gross income of commercial banks decreased from 67.6 per cent to 64.3 per cent over the period.

CONSOLIDATED¹⁹ FINANCIAL SYSTEM CREDIT DEVELOPMENTS

Private sector credit growth moderated in 2025. On a year-on-year basis, consolidated system credit expanded by 5.3 per cent in December 2025, compared to an increase of 8.0 per cent in December 2024. The pace of growth in commercial bank lending slowed down, and non-bank lending continued to contract for most of 2025 before recovering in December. In December 2025, commercial bank lending increased by 5.6 per cent (year-on-year), down from an expansion of 9.3 per cent in December 2024, while non-bank lending expanded by 2.9 per cent (compared with a decline of 4.5 per cent in December 2024).

Consumer credit demand eased in the twelve months of 2025. Although financing terms remained attractive, consumer lending ended 2025 in single digits (6.2 per cent, year-on-year), down from double digits (12.1 per cent) in December 2024. Quarterly data for the fourth quarter of 2025 showed a deceleration in consumer loan value and volume growth compared to the fourth quarter of 2024, recording increases of 6.2 per cent and 2.7 per cent, respectively. Albeit at a slower pace, notable year-on-year increases were recorded in loans for Motor Vehicles (10.2 per cent), Consolidation of Debt (5.8

¹⁹ Refers to commercial banks and other deposit-taking institutions (excluding credit unions).

per cent), Refinancing (2.2 per cent), Bridging Finance (7.5 per cent) and Other Purposes (7.1 per cent), which includes credit card debt (1.2 per cent). Of note, the growth in the volume of loans for private motor vehicles²⁰, consolidation of debt and refinancing accelerated, possibly suggesting affordability pressures.

Business credit growth also lost momentum in 2025. In December 2025, business credit expanded by 5.8 per cent, down from 8.9 per cent in December 2024. According to sectoral business lending data²¹, loan value growth accelerated (8.1 per cent) while loan volume growth decelerated (3.9 per cent) in the fourth quarter of 2025. Notable increases were observed for loans to the Finance, Insurance and Real Estate sector (15.2 per cent) and the Manufacturing sector (3.4 per cent). On the other hand, loans to the Petroleum sector (9.3 per cent), the Other Services sector (3.0 per cent), the Distribution sector (5.8 per cent) and the Construction sector (4.4 per cent) decelerated, and the contraction in Agriculture loans continued (-5.6 per cent).

For real estate mortgages, slower loan growth was also observed. In December 2025, real estate mortgage lending steadily decelerated (4.7 per cent), down from 6.3 per cent in December 2024. Residential real estate mortgage lending continued to outstrip commercial real estate mortgage lending

over the year. In December 2025, residential and commercial real estate mortgage lending recorded increases of 6.0 per cent and 2.2 per cent, respectively, compared to 6.4 per cent and 5.9 per cent in December 2024. According to quarterly data, interest rates on 'new' commercial bank real estate mortgages edged up over 2025, moving from 4.84 per cent in March to 5.14 per cent in September 2025. By the fourth quarter in 2025 the interest rate on 'new' commercial bank real estate mortgages reached 5.23 per cent up from 4.85 per cent in the last quarter of 2024—reflecting a moderate acceleration in both residential (0.4 percentage point rise) and commercial (0.7 percentage point rise) mortgage rates. The higher MMRR also signalled tighter credit conditions—in the fourth quarter of 2025, the MMRR increased to 3.50 per cent (up from 3.25 per cent). Of note, over 90 per cent of outstanding mortgages are variable-rated. Over the period, the volume and value of disbursed real estate mortgages contracted (-11.1 per cent and -11.9 per cent, respectively). The volume of loans to acquire a new house (-23.1 per cent), existing houses (-7.2 per cent) and land (-11.6 per cent) contracted in the fourth quarter of 2025. However, growth picked up for the volume of renovation loans (6.5 per cent) in the fourth quarter of 2025.

²⁰ As of the fourth quarter of 2025, loans for private vehicles accounts for 70.0 per cent of total motor vehicle loans.

²¹ Includes lending to both resident and non-resident businesses.

MONETARY AGGREGATES

Despite fluctuating, monetary aggregates improved overall in 2025. Narrow money (M1-A), which consists of currency in active circulation plus demand deposits, remained in negative territory for most of 2025—contracting by 0.5 per cent in December 2025, an improvement from the decline of 4.6 per cent recorded in December 2024 (**Appendix Table A.23**). Demand deposits had a bright spot over the sixth-to-eighth months of 2025 before returning to negative territory, outweighing the acceleration in the growth of currency in active circulation. In December 2025, demand deposits contracted by 1.1 per cent (compared to -5.0 per cent in December 2024), while currency in active circulation expanded by 2.8 per cent (compared to -2.4 per cent in December 2024). Of note, business demand deposits were a main contributor to the decline in demand deposits as it steadily declined over the period, likely suggesting working capital pressures. For broad money (M2), which consists of M1-A plus time and savings deposits, modest growth was observed—reaching 1.8 per cent in December 2025, up from -0.7 per cent in December 2024. The growth in time deposits remained unchanged, and the growth in saving deposits accelerated slightly. In December 2025, time deposits expanded by 16.3 per cent and saving deposits expanded by 0.4 per cent (compared to 0.2 per cent in December 2024).

FOREIGN CURRENCY CREDIT AND DEPOSITS

The growth in foreign currency credit steadily decelerated in 2025, while foreign currency deposits gradually eased. In December 2025, foreign currency credit expanded by 4.8 per cent (year-on-year), down from 11.6 per cent in December 2024. For businesses, foreign currency credit also lost momentum, reaching 5.7 per cent (compared to 11.8 per cent in December 2024). Growth in foreign currency deposits eased to 7.2 per cent from 7.6 per cent in December 2024. Consumer foreign currency deposits rebounded strongly (9.7 per cent) while foreign currency deposits held by entities from the public sector, commercial banks and private financial institutions expanded at a slower pace (15.7 per cent)²², overshadowing the notable deceleration in business foreign currency deposits (0.1 per cent).

FOREIGN EXCHANGE MARKET

The local market for foreign currency remained tight in 2025. Purchases of foreign exchange from the public by authorised dealers amounted to US\$4,030.6 million during 2025, a decrease of 11.3 per cent relative to the prior year. Decreased purchases from the public followed a 15.8 per cent reduction in conversions by energy companies relative to 2024. This was on account of VAT bond redemptions by energy companies which reduced the need for conversions to cover

²² Accounted for roughly 28 per cent of total foreign currency deposits as of November 2025.

domestic expenses. In 2025, purchases from the energy sector accounted for 67.7 per cent of total foreign currency purchases over US\$20,000 in value.

Sales of foreign exchange by authorised dealers to the public reached US\$5,462.6 million in 2025, a decrease of 7.4 per cent relative to the previous year. Based on reported data for transactions above US\$20,000, credit cards (44.6 per cent), retail and distribution (20.2 per cent), energy companies (10.6 per

cent) and automobile companies (5.7 per cent) made up the bulk of foreign exchange sales by authorised dealers to the public. The net sales gap reached US\$1,432.0 million during the period. To support the market, the Central Bank sold US\$1,287.7 million to authorised dealers. The weighted average TTD/USD selling rate depreciated slightly from TT\$6.7762/US\$1 in December 2024 to TT\$6.7780/US\$1 in December 2025.

CHAPTER 7

Capital Markets

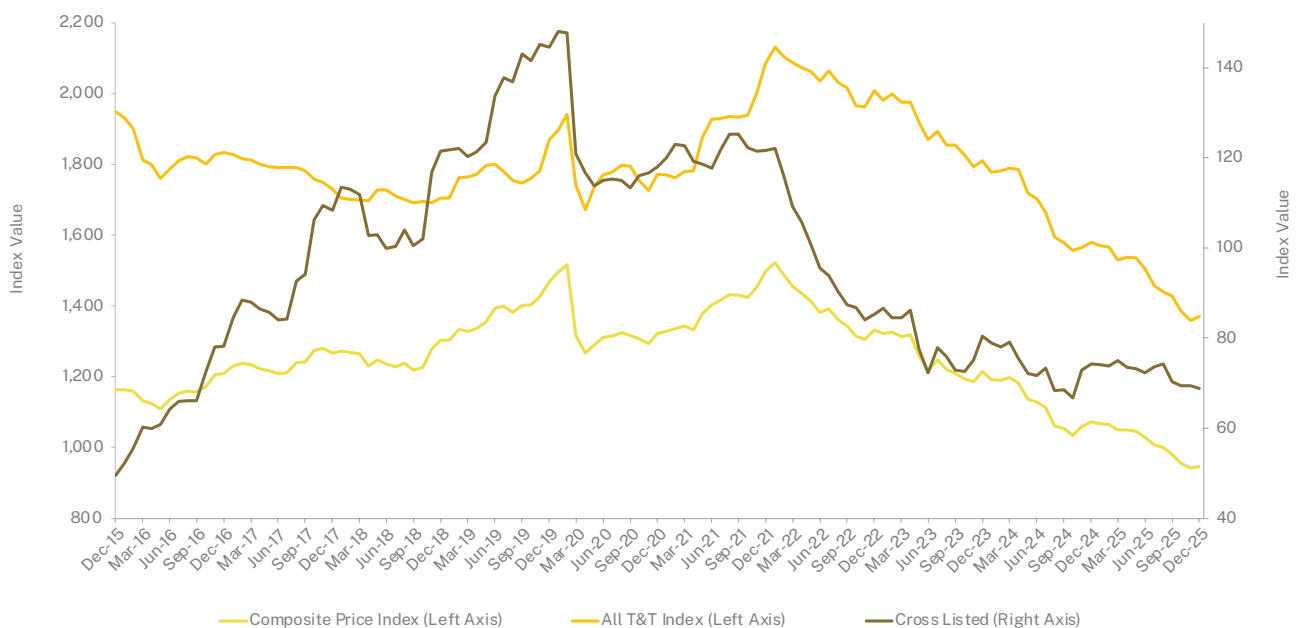
STOCK MARKETS

The domestic stock market experienced its fourth consecutive year of decline, with two highlights being the performance of the Small and Medium-sized Enterprise (SME) market and trading activity. Over 2025, the contractions in the Composite Price Index (CPI) worsened, declining by 11.8 per cent, driven by a fall of 13.2 per cent in the All T&T Index (ATI) and a contraction of 7.3 per cent in the Cross Listed Index (CLI) (Figure 2). Consequently, total stock market capitalisation fell by 10.2 per cent to \$91.9 billion. By comparison, in 2024, the CPI fell by 11.6 per

cent owing to declines in the ATI and CLI of 12.7 per cent and 7.7 per cent, respectively. The underperformance of the domestic energy and non-energy sectors, global policy uncertainty, and domestic uncertainty, fuelled investor pessimism. In contrast, the SME Market index rebounded, recording double-digit gains for most of 2025, though it ended 2025 modestly at 1.6 per cent. Improvements in Eric Solis Marketing Ltd.'s performance, and the addition of Medcorp Limited, the fourth company to be listed on the SME Market, contributed positively to the overall gains observed.

Similarly, the performance of regionally-listed stocks deteriorated. Though positive for most of 2025, the Caribbean Exchange Index (CEI)²³ reported a 4.7 per cent decline, turning negative in the eleventh month. The Barbados Stock Exchange Index slipped into negative

FIGURE 2
TRINIDAD AND TOBAGO STOCK INDEX RETURNS



Source: Trinidad and Tobago Stock Exchange

²³ The CEI was launched in October 2022 as a collaborative effort by five regional stock exchanges: Jamaica, Barbados, The Eastern Caribbean, Guyana, and Trinidad and Tobago. The index consolidates the activity of the main market stocks across the different exchanges into a single performance measure and is intended to be an indicator of the performance of the Caribbean region.

territory (-1.2 per cent) due to slower economic growth and external factors weakening investor sentiment. After fluctuating, the Jamaican Stock Market Index ended the year in decline (-5.3 per cent). The decline in stock exchanges in Barbados and Jamaica contributed to the falls in the CEI. However, stock market capitalisation in Guyana rebounded strongly, increasing by 29.9 per cent.

Most sub-indices recorded losses, with double-digit declines observed in six of the eight sub-sectors (Figures 3 and 4).

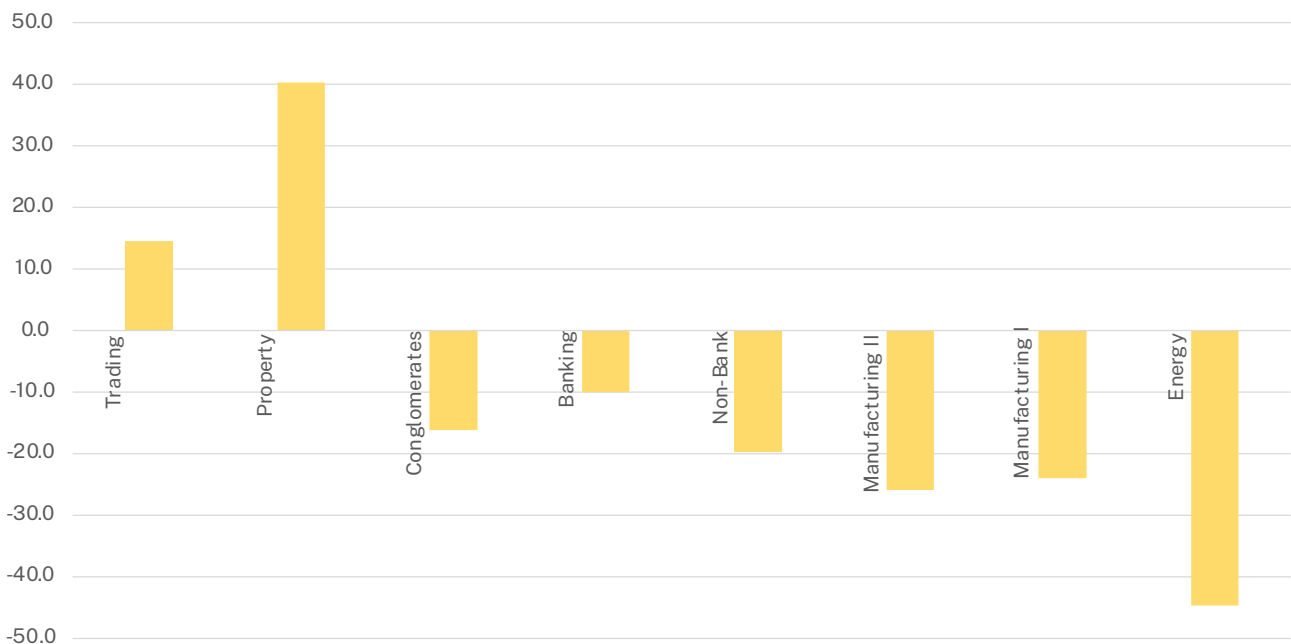
The weakest performer was the Energy sub-index (-44.7 per cent) on account of Trinidad and Tobago NGL Limited (NGL), despite the company’s favourable performance (owing to its investment in Phoenix Park Gas Processors Ltd). The second and third-weakest performers were the Manufacturing II (-26.0 per cent) and Manufacturing I sub-indices (-24.0 per cent). Trinidad Cement Limited (Manufacturing II) and the majority of

listed companies, except Unilever Caribbean Limited, which continued to perform despite some strategic divestments (Manufacturing I), experienced declines. Broad-based falloffs were also recorded for the Non-Bank (-19.8 per cent), Banking (-10.1 per cent), and Conglomerates (-16.2 per cent) sub-indices. However, the Trading (14.6 per cent) and Property (40.2 per cent) sub-indices improved. For the Trading listings, Agostini Limited (AGL) and Prestige Holdings Limited (PHL) demonstrated strong earnings growth²⁴.

Bursts of activity contributed to an overall improvement in turnover over the period.

Over 2025, the first tier market observed 129.5 million shares exchanged at a value of \$994.1 million, corresponding to a turnover ratio of 1.02. The Conglomerates index recorded the highest trading volume, accounting for 44.5 per cent or 57.6 million shares, while the Banking index captured 55.6 per cent of total trading value,

FIGURE 3
TRINIDAD AND TOBAGO STOCK MARKET SUB-INDEX RETURNS
(DECEMBER 2024 TO DECEMBER 2025)



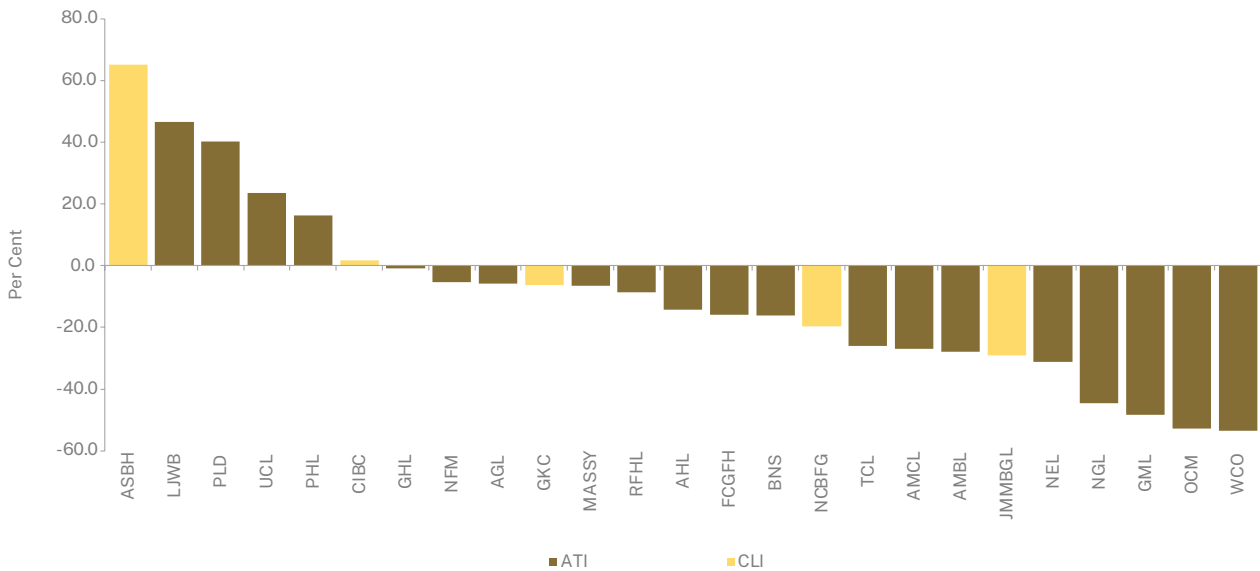
Source: Trinidad and Tobago Stock Exchange

²⁴ Agostini’s planned takeover of Prestige Holding is still on hold until May 2026, awaiting final required regulatory approvals. Prestige Holdings Limited is expected to delist from the Trinidad and Tobago Stock Exchange, integrating into the Agostini Group.

amounting to \$552.4 million. In comparison, during 2024, the market recorded 88.1 million shares traded at a value of \$840.8

million, corresponding to a turnover ratio of 0.79.

FIGURE 4
TRINIDAD AND TOBAGO INDIVIDUAL STOCK RETURNS
(DECEMBER 2024 TO DECEMBER 2025)



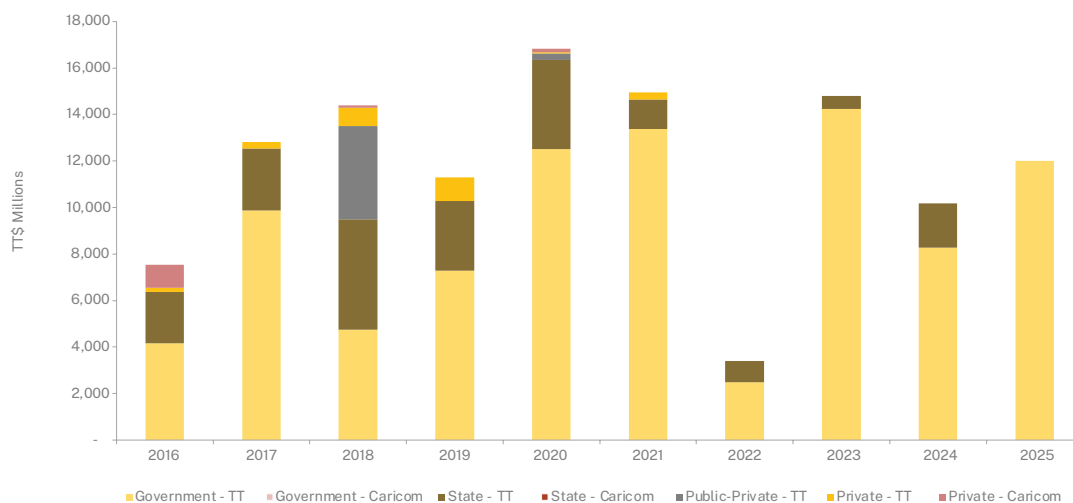
Source: Trinidad and Tobago Stock Exchange

PRIMARY DEBT MARKET

Activity on the primary debt market grew in 2025 in spite of lower issuances (Figure 5 and Table 15). During 2025, the local bond market recorded 11 primary

issues at a face value of \$11,992.41 million. In comparison, in 2024, 16 issues were recorded at a face value of \$10,175.6 million. The Government was the only issuer in the market, raising funds for budget support and debt refinancing.

FIGURE 5
PRIMARY DEBT SECURITY ACTIVITY, 2016-2025^P



Sources: Ministry of Finance and market participants
p Provisional.

TABLE 15
PRIMARY DEBT SECURITY ACTIVITY, JANUARY TO DECEMBER 2025^P

Period Issued	Borrower	Face Value (TT\$ Mn)	Period to Maturity	Coupon Rate Per Annum	Placement Type
Jan-25	Government of Trinidad and Tobago	3,000.0	3.0 years	Fixed Rate 4.01%	Private
Feb-25	Government of Trinidad and Tobago	459.3	5.0 years	Fixed Rate 5.095%	Private
	Government of Trinidad and Tobago (Tranche 1 of 2)	550.0	8.0 years	Fixed Rate 5.57%	Private
Mar-25	Government of Trinidad and Tobago	450.0	7.0 years	Fixed Rate 6.87%	Private
	Government of Trinidad and Tobago	141.75 (US\$21.0 Mn)	4.0 years	Fixed Rate 5.75%	Private
	Government of Trinidad and Tobago (Tranche 1 of 2)	200.0	7.0 years	Fixed Rate 5.60%	Private
May-25	Government of Trinidad and Tobago (Tranche 2 of 2)	900.0	18.0 years	Fixed Rate 6.90%	Private
	Government of Trinidad and Tobago (Tranche 1 of 3)	800.0	5.0 years	Fixed Rate 5.20%	Private
	Government of Trinidad and Tobago (Tranche 2 of 3)	400.0	10.0 years	Fixed Rate 5.75%	Private
Jun-25	Government of Trinidad and Tobago (Tranche 3 of 3)	800.0	18.0 years	Fixed Rate 6.99%	Private
	Government of Trinidad and Tobago (Tranche 1 of 2)	750.0	4.0 years	Fixed Rate 4.90%	Private
Jul-25	Government of Trinidad and Tobago (Tranche 2 of 2)	518.9	16.0 years	Fixed Rate 6.80%	Private
	Government of Trinidad and Tobago (Tranche 1 of 2)	300.0	6.0 years	Fixed Rate 5.50%	Private
Oct-25	Government of Trinidad and Tobago (Tranche 2 of 2)	400.0	20.0 years	Fixed Rate 7.15%	Private
	Government of Trinidad and Tobago (Tranche 1 of 2)	350.0	6.0 years	Fixed Rate 5.50%	Private
Nov-25	Government of Trinidad and Tobago (Tranche 2 of 2)	760.0	20.0 years	Fixed Rate 7.25%	Private
	Government of Trinidad and Tobago	700.0	20.0 years	Fixed Rate 6.75%	Private
Nov-25	Government of Trinidad and Tobago	1,012.5			Private
	Government of Trinidad and Tobago	(US\$150.0 Mn)	3.0 years	Fixed Rate 6.00%	Private

Sources: Ministry of Finance and market participants
p Provisional.

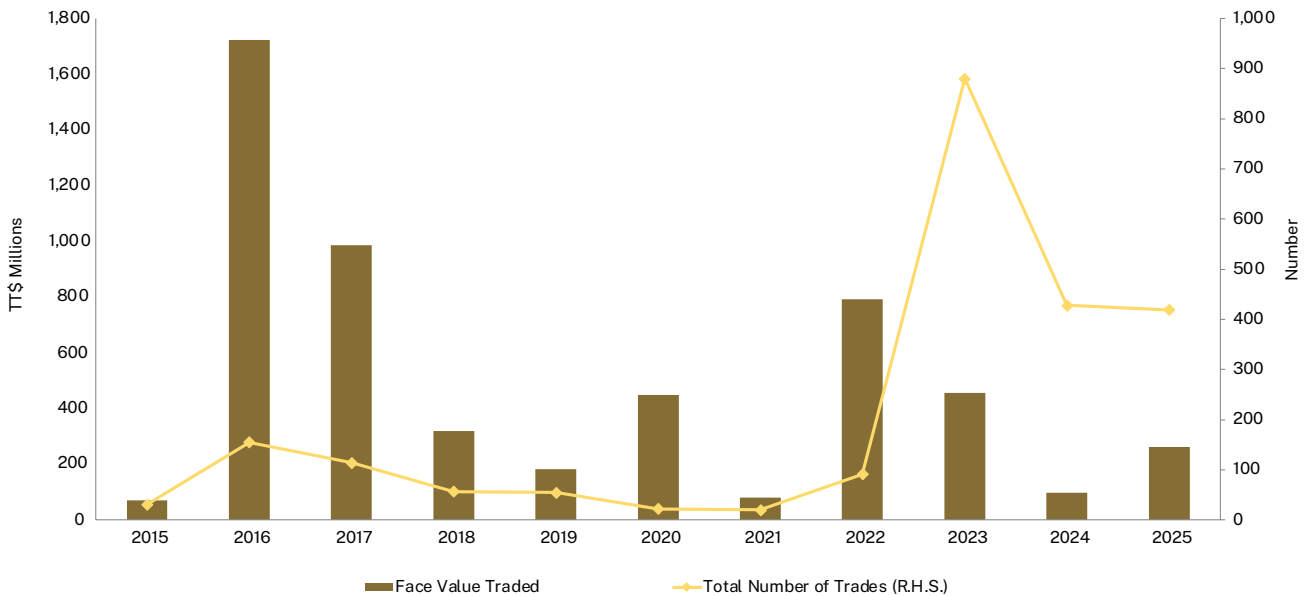
SECONDARY DEBT MARKET

The value of trades on the secondary government bond market was higher, while the volume of trades dipped in 2025 (Figure 6). During 2025, the secondary market recorded 419 trades at a face value of \$262.6 million. In comparison, a total of 428 trades were recorded at a face value of \$96.9 million in 2024. Active trading of the Government Series II bond, which

was listed in January 2023²⁵, continued to influence trading volumes. During 2025, the Government Series II bond was traded 403 times at a face value of \$14.7 million.

The secondary corporate bond market also recorded a favourable performance in 2025. The market registered 173 trades at a face value of \$83.6 million, compared with 112 trades at a face value of \$8.0 million in 2024.

FIGURE 6
SECONDARY GOVERNMENT DEBT SECURITY ACTIVITY



Source: Trinidad and Tobago Stock Exchange

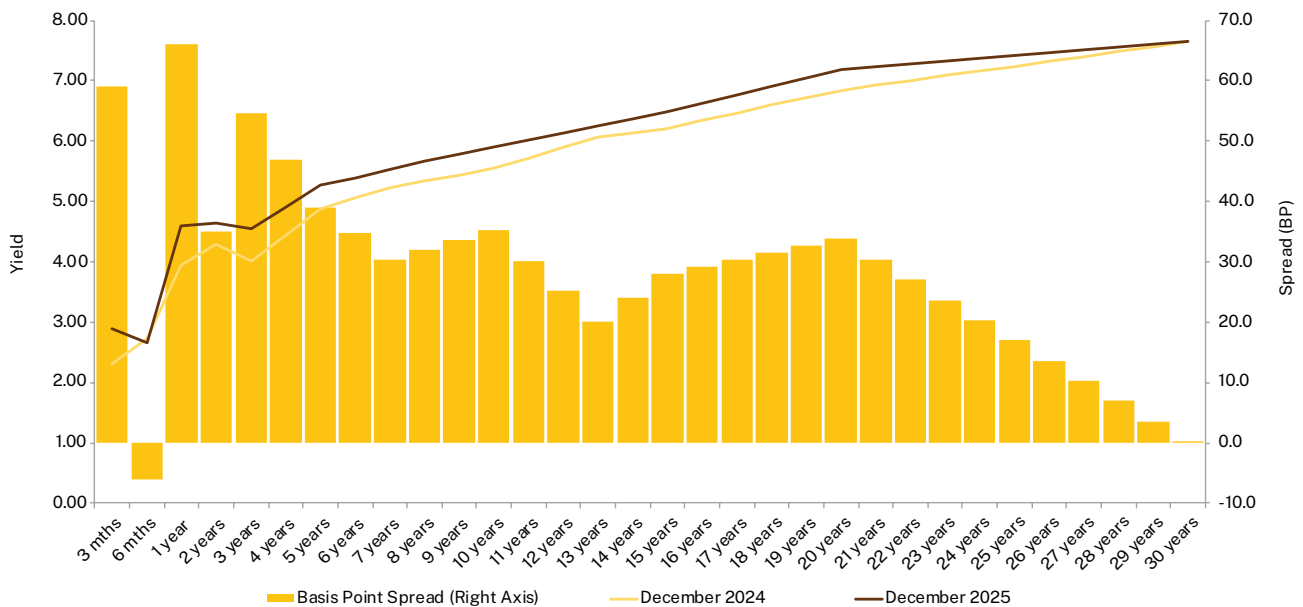
²⁵ In January 2023, a \$702.9 million series II 2037 Government bond was listed on the Trinidad and Tobago Stock Exchange secondary Government Bond Market. This bond was previously issued in 2012 and formed part of the CLICO Investment Fund (CIF) distribution of assets.

CENTRAL GOVERNMENT YIELD CURVE²⁶

In 2025, the standardised Government yield curve continued to display an upward trend (Figure 7). Across all tenors, with the exception of the 6-month, there were notable advances in rates. At the curve’s very short end, the 3-month rate advanced by 59 basis points to 2.90 per cent while the 6-month rate fell by six basis points to 2.67 per cent at the end of December 2025 from 2.73 per cent one year earlier²⁷. Liquidity conditions continued to influence treasury yields. The 1-year rate increased by 66 basis points to

4.60 per cent while the 2-year rate jumped by 35 basis points to 4.65 per cent. During the period, the 3-year and 5-year rates advanced by 55 basis points and 39 basis points to 4.56 per cent and 5.26 per cent, respectively. The benchmark 10-year rate gained 35 basis points to 5.91 per cent, while the 15-year rate rose by 28 basis points to 6.50 per cent. The 25-year rate jumped by 17 basis points to 7.41 per cent while the 30-year rate held steady at 7.65 per cent.

FIGURE 7
TRINIDAD AND TOBAGO GOVERNMENT TREASURY YIELD CURVE



Source: Central Bank of Trinidad and Tobago

²⁶ The TT Treasury Yield Curve is constructed monthly by the Central Bank of Trinidad and Tobago and is based on information from Domestic Market Operations (Central Bank), the Trinidad and Tobago Stock Exchange (TTSE) secondary Government Bond Market and market reads from market participants.

²⁷ Yields for short-term tenors (2-year and below) are allocated based on the Central Bank’s Open Market Operations of Treasury Bills and Notes.

MUTUAL FUNDS MARKET

During 2025, the domestic mutual fund industry inched up (Figure 8).

Aggregate funds under management²⁸ rose by 4.4 per cent to \$54,872.5 million²⁹ at the end of December 2025 compared to \$52,570.3 million one year earlier. This was largely driven by an increase in the Money Market fund, which gained 9.0 per cent to reach \$17,196.7 million. The Income and 'Other'³⁰ funds categories also rose, by 3.0 per cent to \$29,330.5 million for the former, and 1.3 per cent to \$451.8 million for the latter. Equity funds marginally increased to \$7,893.5 million. Volatility in advanced economy capital markets posed concerns for the industry as it can influence investors' behaviour and result in liquidity challenges.

The industry continued to be supported by fixed net asset value (NAV) funds (Box 1). Fixed Net Asset Value edged up by 6.1 per cent to \$42,627.3 million. This reflected greater investors' preference for fixed/guaranteed returns in light of uncertain economic conditions globally. On the other hand, floating NAV funds decreased by 1.3 per cent to \$12,245.2 million. In terms of currency composition, domestic and foreign currency

dollar-denominated mutual funds increased by 5.3 per cent to \$44,690.6 million for the former and 0.7 per cent to \$10,181.9 million for the latter.

The mutual fund industry recorded a net redemption position. The industry recorded net withdrawals of \$14.1 million in 2025. This comprised \$18,292.2 million in sales and \$18,306.2 million in redemptions. The net redemption position in 2025 was attributed to \$907.2 million, \$140.4 million and \$4.46 million in net withdrawals from Income Funds, Equity funds and Other Funds, respectively. Domestic currency funds registered \$1,286.2 million in net sales while foreign currency funds recorded \$1,300.3 million in net redemptions.

Collective Investment Scheme (CIS) data, published by the Trinidad and Tobago Securities and Exchange Commission (TTSEC)³¹, indicated an improvement in 2025. Data suggest that the total value of Assets Under Management (AUM) for all registered funds increased by 2.2 per cent to \$65,295.3 million compared to 2024. Despite the increase, the industry recorded net withdrawals of \$1,318.7 million, encompassing \$2,280.5 million in sales and \$3,599.2 million in redemptions.

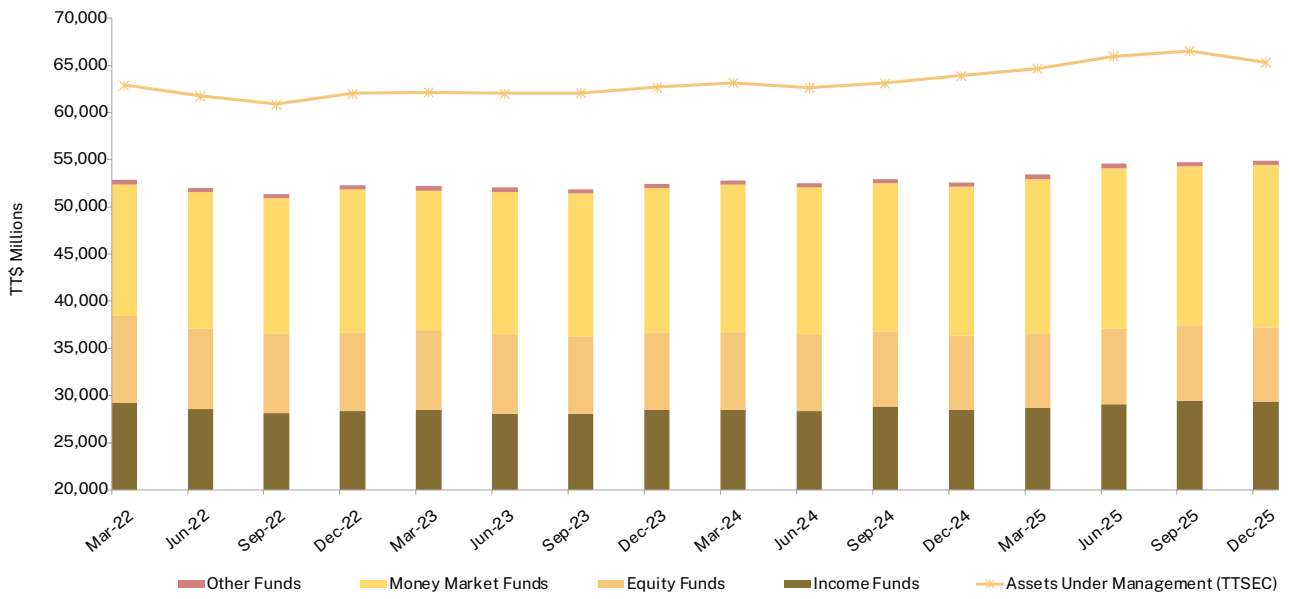
²⁸ Aggregate funds under management refer to mutual fund information collected by the Central Bank of Trinidad and Tobago, including funds managed by the Trinidad and Tobago Unit Trust Corporation, Royal Bank of Trinidad and Tobago, Republic Bank Limited and First Citizens Bank Limited.

²⁹ As at the end of December 2025, data collected by the Central Bank accounted for 84.0 per cent of the industry's 81 TTSEC registered funds.

³⁰ Other funds represent high yield funds and special purpose funds.

³¹ CIS data from the TTSEC represents 81 registered funds from 16 issuers at the end of 2025.

FIGURE 8
MUTUAL FUNDS: AGGREGATE FUND VALUE



Sources: Trinidad and Tobago Securities and Exchange Commission and Central Bank of Trinidad and Tobago

BOX 1:**From Fixed to Floating Net Asset Value Mutual Funds in Trinidad and Tobago**

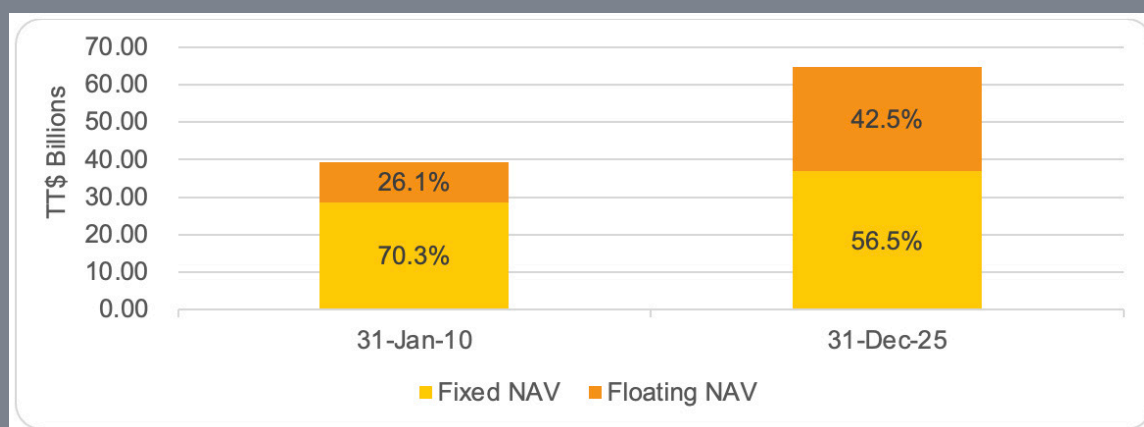
The domestic mutual fund industry offers both fixed and floating net asset value (NAV) mutual funds. Fixed NAV mutual funds maintains an unchanged unit price whilst floating NAV mutual funds experience fluctuations in the unit price based on the performance of the pooled securities (TTSEC 2020). This Box investigates the recent developments moving from fixed to floating NAV by the UTC.

Domestically, recent developments point toward a shift from fixed NAV structures toward floating NAV frameworks. The UTC announced the removal of the 'Price Guarantee Provision' on the Growth & Income Fund, effective February 2, 2026 (UTC 2025). Moreover, on September 21, 2022, UTC indicated that buying and selling units in the Growth & Income Fund and Universal Retirement Fund will be based on the end-of-day NAV calculations; thus making its floating nature more transparent to investors (UTC 2022). These developments signalled intent toward removing safety nets, creating a more typical floating NAV product, and improving pricing transparency for investors.

Domestic data confirms that although fixed NAVs hold the largest share of total funds under management, floating NAVs are growing. Data from the Trinidad and Tobago Securities and Exchange Commission (TTSEC) indicate that fixed NAV funds³² dominate the mutual funds industry. Notably however, floating NAV funds have ballooned by approximately 160.0 per cent to \$27.7 billion in December 2025 compared to January 2010. Further, based on the mutual funds information collected by the Central Bank of Trinidad and Tobago, 13 of the 20 funds are floating, mainly comprising Income Funds, Income Growth Funds and Other Funds.

FIGURE 1

FIXED AND FLOATING NAV AND SHARE OF TOTAL FUNDS UNDER MANAGEMENT (%)



Source: Trinidad and Tobago Securities and Exchange Commission

³² Grew by 28.6 per cent to \$36.9 billion between January 2010 to December 2025. (See Chapter 7).

BOX 1:
From Fixed to Floating Net Asset Value Mutual Funds in Trinidad and Tobago
(Cont'd)

The growth in floating NAVs may be due to its generation of higher returns, as well as the risk associated with fixed NAV funds. During the 1980s, there was a greater preference for safe and stable fund types as global equity markets weakened (Seerattan 2005). However, floating NAV funds gained prominence for investors seeking equity exposure, regional diversification and higher returns resulting in several floating NAV fund options made available by financial institutions. Further, Dhanesser, Edwards and Ramlogan (2021) highlighted that fixed NAVs can pose systemic risk domestically due to interdependencies among institutions, citing the 2008 global financial crisis (United States experience³³). They also indicated that the IMF's 2020 Financial System Stability Assessment noted insufficient regulation to capture risk, both at the investor and the financial group level. Subsequently, to enhance the resilience of the mutual funds industry and to align with international best practices, regulations to manage the operation of mutual funds (CIS Bye-Laws in 2023) and to mitigate risk (Draft Risk-Based Capital and Liquidity Bye Laws in 2024) have been developed. Under the latter, there are proposals for imposed risk based capital requirements and the incorporation of risk management to manage risks associated with Fixed NAV funds.

The transition from fixed NAV to floating NAV mutual funds comes with both challenges and benefits. Floating NAV funds enhance pricing transparency, aligns the industry with international standards and reduces systemic risk, as fund values will be reflective of true market conditions. However, fixed NAV investors may deem floating NAVs as riskier and resistance to change may arise, potentially unsettling investors and reducing inflows. Consequently, building transparency and fair valuation would need to be encouraged.

³³ The 2008 Global financial crisis highlighted vulnerabilities in Fixed NAV types where major US money market funds “broke the buck” resulting in major losses for investors and redemptions (Dhanesser, Edwards and Ramlogan 2021).

**BOX 1:
From Fixed to Floating Net Asset Value Mutual Funds in Trinidad and Tobago
(Cont'd)**

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CHAPTER 8

International Trade and Payments

(Data in this section are in US dollars unless otherwise stated)

BALANCE OF PAYMENTS

Trinidad and Tobago's external accounts recorded a deficit of \$908.2 million in the first nine months of 2025 (Table 16A). This occurred as a stronger year-on-year current account surplus—driven by higher energy exports and lower imports—was more than offset by net financial outflows. These outflows reflected increased resident investment abroad, particularly by financial institutions and the Heritage and Stabilisation Fund, alongside lower reinvestment of earnings in the energy sector and repayments on external obligations. As a result, external outflows exceeded inflows, despite support from oil and gas receipts and withdrawals from the Heritage and Stabilisation Fund. Over 2025, gross official reserves declined by \$235.3 million to US\$5,369.0 million, equivalent to 6.3 months of import cover. Notwithstanding this decline, reserve levels remained above the conventional benchmark for commodity-exporters of six months.

The current account surplus widened by 44.5 per cent (year-on-year), driven primarily by a strong improvement in the net goods trading position. This more than offset weaker performances in services

and primary income, indicating that trade in goods increasingly supported the external position rather than income flows. The trade surplus expanded sharply, reflecting higher exports alongside lower imports, with export growth concentrated almost entirely in the energy sector. Energy exports rose by 12.8 per cent to \$6,642.9 million, driven largely by robust growth in gas exports (49.7 per cent) and, to a lesser extent, petrochemicals (4.8 per cent). This expansion primarily reflected higher international energy prices for some commodities. However, these gains were partly offset by a decline in crude oil and refined products exports (-7.9 per cent), consistent with softer oil prices. Meanwhile, non-energy exports declined by 11.8 per cent to \$1,337.4 million, reflecting reductions in machinery and transport equipment, crude materials inedible, except fuels and beverages and tobacco. The decline was partly attributable to moderate economic growth among key trading partners, which constrained external demand.

Total imports declined by 7.5 per cent (year-on-year) to \$5,108.7 million owing to reductions in both fuel and non-fuel imports. Over the period, fuel imports declined by 9.1 per cent (year-on-year) to \$1,161.7 million, primarily due to lower prices for crude products. Similarly, other imports fell by \$297.8 million (7.0 per cent) to \$3,947.0 million, owing to declines in capital imports of 25.0 per cent and, to a lesser extent, manufactured goods, suggesting subdued domestic economic conditions and weaker investment activity.

Services trade recorded a deficit of \$1,102.5 million over the first nine months of 2025, widening from a deficit of \$991.4 million over the corresponding period one year earlier.

In particular, domestic spending on foreign services amounted to \$2,080.5 million, exceeding receipts from non-resident consumption of local services, which totalled \$978.0 million. Large deficits in the travel, other business services, and financial services sub-accounts were primarily responsible for this outturn. More specifically, the travel account registered a larger deficit of \$77.6 million, compared with \$15.6 million one year earlier, owing to an increase in resident spending abroad. The deficit on the other business services sub-account increased by 4.1 per cent, reflecting higher domestic spending on professional and management consulting fees, as well as technical, trade-related, and other business services. Likewise, the deficit on the financial services sub-account expanded to \$63.2 million, from \$17.4 million in the year-earlier period, due to increased resident spending on international financial services. However, the transport services sub-account recorded a smaller deficit, which helped to partially temper the overall deficit on the services account.

The primary income account recorded a deterioration, while the secondary income account posted a small surplus. Over the nine months to September 2025, the primary income account registered a deficit of \$497.0 million, compared with a much smaller deficit of \$5.8 million in the corresponding period one year earlier. This outturn was driven largely by increased dividend payments abroad.

Meanwhile, higher private inbound transfers resulted in a surplus of \$66.4 million in the secondary income account, compared with a surplus of \$16.9 million in the same period one year earlier.

The financial account recorded a net outflow of \$1,534.8 million.

This outcome was primarily due to transactions in the other investment, portfolio investment and direct investment categories. The other investment category registered a net outflow of \$740.6 million, largely on account of a reduction in liabilities. This was primarily associated with declines in other accounts payable, repayments on foreign loans by the Government and financial institutions, as well as lower non-resident holdings of currency and deposits in local financial institutions. Over the same period, other investment assets recorded an outflow of \$26.5 million, driven by increases in loan assets and currency and deposits held abroad by local banks and energy sector companies.

Portfolio investment registered a net outflow of \$654.7 million, mainly driven by increased holdings of foreign assets by residents of Trinidad and Tobago.

This outturn reflected an increase in the holding of foreign equity securities by pension funds, the HSF and mutual funds. The rise in overseas portfolio investments was possibly influenced by global financial conditions. Although the United States Federal Reserve reduced policy rates, interest rates remained relatively high by historical standards, making foreign securities still attractive to investors. Additionally, positive performance in major international stocks,

particularly index funds, supported higher investments in foreign equities. Together, these global developments contributed to the rise in portfolio investments by local financial institutions and the HSF, as investors sought improved returns and greater diversification of risk. Over the same period, portfolio investment liabilities recorded an outflow of \$80.7 million due to a reduction in non-resident holdings of debt securities.

Net outflows were also recorded in the direct investment category over the nine months to September 2025. Outflows in the direct investment category amounted to \$274.8 million. This movement reflected a reduction

in direct investment liabilities of \$867.0 million, due to lower reinvestment of earnings in the energy sector, and to a lesser extent the manufacturing sector. Compounding this was repayments on intercompany borrowing mainly by affiliated companies in the energy sector. Overall, the pattern of flows indicates a moderation in foreign investor engagement, consistent with lower reinvestment and subdued investment sentiment, particularly in the energy and manufacturing sectors. Tempering the overall outflow was a reduction in direct investment assets of \$592.2 million, due to non-resident repayments of intercompany loans by associated enterprises within the energy sector.

TABLE 16A
TRINIDAD AND TOBAGO: SUMMARY BALANCE OF PAYMENTS
 / US\$ MILLIONS /

	2021	2022 ^r	2023 ^r	2024 ^r	Jan-Sep 2025 ^p
Current Account	2,629.3	2,882.6	2,891.5	645.5	1,338.5
Goods and Services	2,906.3	6,616.0	2,325.9	1,022.7	1,769.1
Goods, net*	4,711.9	9,180.9	3,762.7	2,474.5	2,871.5
Exports**	11,082.0	16,687.1	10,378.3	10,019.1	7,980.3
Energy	8,962.1	14,305.1	8,460.0	8,001.4	6,642.9
Non-Energy	2,119.9	2,382.0	1,918.4	2,017.7	1,337.4
Imports**	6,370.1	7,506.2	6,615.7	7,544.6	5,108.7
Fuels***	1,160.8	1,863.0	1,299.7	1,698.2	1,161.7
Other	5,209.3	5,643.1	5,316.0	5,846.4	3,947.0
Services, net	-1,805.6	-2,565.0	-1,436.8	-1,451.8	-1,102.5
Primary Income, net	-391.7	-3,806.4	448.0	-406.9	-497.0
Secondary Income, net	114.7	73.0	117.5	29.7	66.4
Capital Account	6.7	0.2	0.3	0.5	0.5
Financial Account	2,800.6	1,074.0	1,553.2	865.3	1,534.8
Direct Investment	1,704.2	181.6	2,029.1	979.8	274.8
Net Acquisition of Financial Assets	769.5	1,354.1	530.7	526.6	-592.2
Net Incurrence of Liabilities	-934.8	1,172.5	-1,498.4	-453.2	-867.0
Portfolio Investment	256.3	754.2	-370.1	153.5	654.7
Net Acquisition of Financial Assets	257.6	674.4	-37.7	587.0	574.0
Net Incurrence of Liabilities	1.3	-79.8	332.5	433.5	-80.7
Financial Derivatives	137.4	-99.9	-16.1	55.2	-135.3
Net Acquisition of Financial Assets	176.3	-65.1	-2.0	51.5	-118.9
Net Incurrence of Liabilities	38.9	34.8	14.1	-3.7	16.4
Other Investment****	702.8	238.2	-89.7	-323.2	740.6
Net Acquisition of Financial Assets	1,107.6	881.5	-220.9	-1,133.1	26.5
Net Incurrence of Liabilities	404.9	643.4	-131.2	-809.9	-714.0
Net Errors and Omissions	90.5	-1,855.9	-1,913.1	-434.2	-712.4
Overall Balance	-74.2	-47.2	-574.5	-653.6	-908.2
(Per Cent of GDP)					
Current Account	10.9	10.2	11.5	2.5	6.9
Goods, net	19.4	32.4	15.0	9.7	14.8
Exports	45.7	58.9	41.4	39.1	41.1
Imports	26.3	26.5	26.4	29.4	26.3
Services, net	-7.5	-9.0	-5.7	-5.7	-5.7
Primary Income, net	-1.6	-13.4	1.8	-1.6	-2.6
Overall Balance	-0.3	-0.2	-2.3	-2.5	-4.7
Memorandum Item					
Gross Official Reserves [^]	6,879.6	6,832.4	6,257.9	5,604.3	4,696.1

Source: Central Bank of Trinidad and Tobago

Notes:

- 1 GDP data used for ratios to GDP prior to 2025 are sourced from the CSO; data for 2025 are Central Bank estimates
 - 2 This table is an analytical presentation of the Balance of Payments and is presented in accordance with the IMF's Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6). Refer to Box 3 of the Economic Bulletin, March 2017 for a Technical Note on the Transition to BPM6.
 The following financial account movements are represented with a negative sign:
 - A decrease in assets (inflow)
 - A decrease in liabilities (outflow)
 - A net inflow in net balances
 The following financial account movements are represented with a positive sign:
 - An increase in assets (outflow)
 - An increase in liabilities (inflow)
 - A net outflow in net balances
- * Energy goods data comprise estimates by the Central Bank of Trinidad and Tobago.
 ** Exports and imports are reported on a FOB (Free on Board) basis. Energy exports include exports of petroleum, petroleum products and related materials and the exports of petrochemicals.
 *** Includes petroleum, petroleum products and related materials.
 ^ End of Period.
 r Revised.
 p Provisional.

INTERNATIONAL INVESTMENT POSITION

(Data in this section are in US dollars unless otherwise stated)

Trinidad and Tobago's net international investment position (NIIP)—which measures the country's financial assets abroad net of its external liabilities—was estimated at \$5,975.3 million at the end of September 2025. This represents a decline of \$600.4 million from its position at the end of 2024 (Table 16B). The country's weakened NIIP stemmed from a larger reduction in the stock of external assets, which more than offset the decline in the stock of external liabilities. The reduction in the level of external assets was driven by reduced holdings of financial derivatives and to a lesser extent, drawdowns on reserve assets. Meanwhile, the decrease in external liabilities was mainly due to a reduction in other investments, particularly a falloff in other accounts payable and a decline in loan liabilities as well as a reduction in portfolio investment liabilities.

As of September 2025, the stock of external assets fell by \$665.8 million to \$30.4 billion, driven by reductions financial derivatives and reserve assets. Reserve assets fell by \$908.2 million to \$4,696.1 million, at the end of September 2025. This movement was largely attributable to central bank interventions in the domestic foreign exchange market as well as capitalisation of government-supported foreign exchange facilities, outweighing the level of

inflows during the period. Additionally, at the end of September 2025, direct investment assets fell to \$5,770.0 million from \$6,320.5 in December 2024. This position reflected non-resident repayments on intercompany loans by fellow enterprises within the energy sector. On the upside, the overall decline in external assets was partially offset by greater portfolio investments abroad by residents of \$872.3 million, to reach \$14.2 billion in September 2025. Increased holdings of equity securities, coupled with an uptick in long-term debt securities, held by the HSF and financial institutions were responsible for this improved position.

The stock of external liabilities decreased by \$65.4 million to \$24.5 billion at the end of September 2025, primarily reflecting movements in the other investment and portfolio investment categories. The stock of other investment liabilities recorded a reduction of \$841.5 million at the end of the period, declining to \$6.3 billion, from \$7.1 billion at the end of 2024. This movement reflected a combination of a reduction in other accounts payable owed to non-residents and repayments by residents on loan liabilities held abroad. To a lesser extent, a decline in portfolio investment liabilities of \$149.6 million contributed to overall decline in external liabilities. The reduction in portfolio investments liabilities largely reflected reduced holdings of long-term debt securities by the Government. This overall reduction in external liabilities was tempered by a \$908.3 million increase in direct investment liabilities to \$13.4 billion, driven by increased equity capital and reinvested earnings attributable to non-resident affiliated enterprises in the energy sector.

TABLE 16B
TRINIDAD AND TOBAGO: INTERNATIONAL INVESTMENT POSITION
(AT END OF PERIOD)
 / US\$ MILLIONS /

	2021	2022 ^r	2023 ^r	2024 ^r	Sep 2025 ^p
Net International Investment Position	6,105.0	4,996.6	7,186.2	6,575.7	5,975.3
Assets	28,721.7	30,461.8	30,948.7	31,094.4	30,428.6
Direct Investment	4,018.2	5,105.0	5,740.2	6,320.5	5,768.8
Portfolio Investment	11,768.4	11,466.1	12,227.7	13,302.5	14,174.8
Financial Derivatives	136.5	68.2	74.0	116.8	1.4
Other Investment*	5,919.0	6,990.1	6,648.8	5,750.3	5,787.5
Reserve Assets	6,879.6	6,832.4	6,257.9	5,604.3	4,696.1
Liabilities	22,616.6	25,465.2	23,762.5	24,518.8	24,453.4
Direct Investment	11,105.0	13,630.2	11,769.4	12,456.2	13,364.5
Portfolio Investment	3,935.8	3,982.1	4,277.8	4,837.8	4,688.2
Financial Derivatives	38.9	72.8	89.6	82.8	100.1
Other Investment*	7,536.9	7,780.1	7,625.7	7,142.0	6,300.6

Source: Central Bank of Trinidad and Tobago

* Other investment comprises currency and deposits, loans, insurance, pension, and standardised guarantee schemes, trade credit and advances, other accounts receivable/payable and special drawing rights (liabilities).

r Revised.

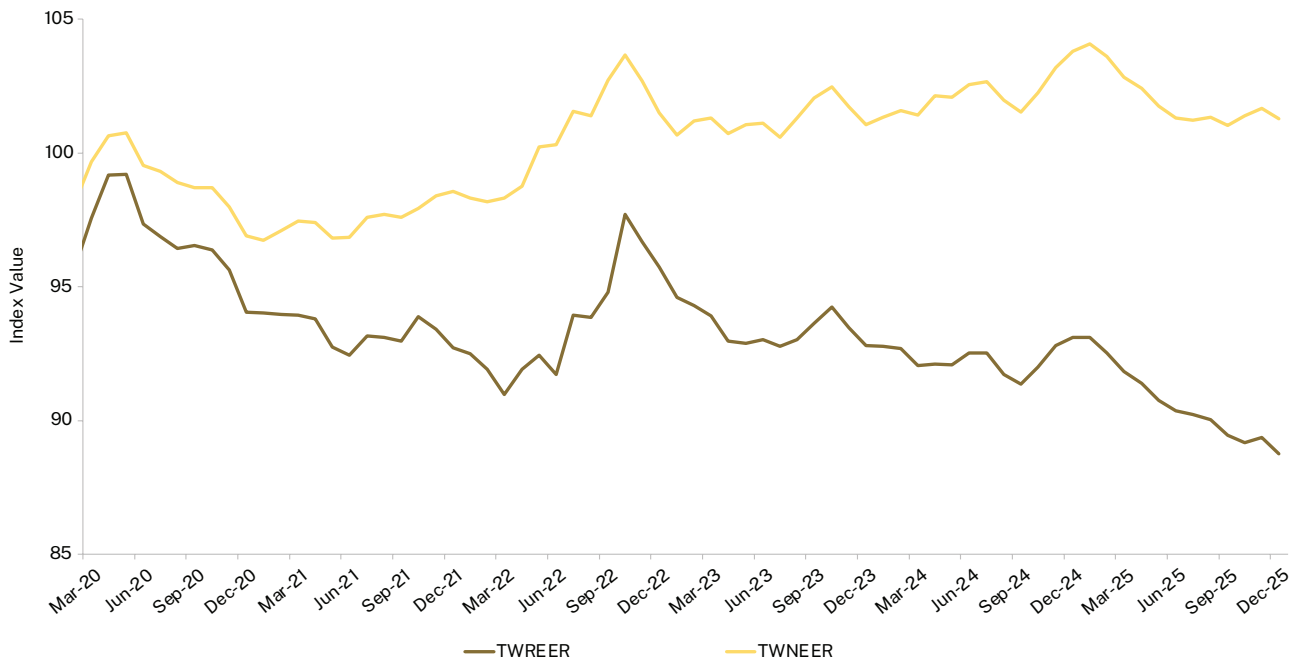
p Provisional.

EFFECTIVE EXCHANGE RATES

Trinidad and Tobago’s international price competitiveness, as measured by the trade-weighted real effective exchange rate (TWREER), experienced an improvement of 1.9 per cent over the twelve months of 2025 (Figure 9). Movements in the TWREER were largely influenced by a combination of the inflation effect—as measured by an index of relative prices—and to a lesser extent, the exchange rate effect—as measured by the

trade-weighted nominal effective exchange rate (TWNEER). Over the year, the increase in competitiveness was due to smaller changes in domestic prices (1.0 per cent) compared to the country’s main trading partners (2.7 per cent). Compounding this was the relative stability of the domestic currency against the US dollar. Overall, the outturn on the TWREER indicates that Trinidad and Tobago’s exports were relatively more price-competitive than those of its major trading partners.

FIGURE 9
TRADE WEIGHTED REAL AND NOMINAL EFFECTIVE EXCHANGE RATES
(2015 = 100)



Source: Central Bank of Trinidad and Tobago

CHAPTER 9

International and Regional Economic Developments

INTERNATIONAL ECONOMIC DEVELOPMENTS

Global economic activity remained resilient despite a combination of elevated prices and the broad imposition of US-led trade tariffs. According to the International Monetary Fund's (IMF) April 2026 World Economic Outlook (WEO), growth is estimated at 3.4 per cent in 2025, unchanged from the previous year. Emerging Market and Developing Economies (EMDEs) remained the main engine of growth, expanding by an estimated 4.4 per cent in 2025. This movement was supported by domestic demand, investments and exports in some of the larger EMDEs, including India, China and Brazil. Economic performance among the Advanced Economies (AEs) measured 1.9 per cent, slightly up from 1.8 per cent in 2024. Though still elevated, most countries continued on a disinflationary path. Global inflation fell from 5.8 per cent in 2024 to an estimated 4.1 per cent in 2025, with AEs returning converging to more stable inflation levels faster than EMDEs. In light of this, most central banks have continued to reduce their monetary policy rates while remaining cautious about downside risks stemming from geopolitical tensions, and uncertainty surrounding US trade policy.

Growth among the AEs was relatively unchanged in 2025, despite several headwinds (Table 17). Real GDP in the US is estimated to have slowed to 2.1 per cent in 2025, down from 2.8 per cent in the previous year due to moderating consumption and the drag from higher trade policy uncertainty. The Euro area and the United Kingdom (UK) experienced modest growth of 1.4 per cent and 1.3 per cent respectively during 2025. Growth in the Euro area was propelled by consumer spending, which increased from 0.9 per cent in 2024. Similarly, in the UK, easing interest rates, and government and consumer spending supported growth in 2025, up from 1.1 per cent in 2024. Economic activity in Japan rebounded from a contraction of 0.2 per cent in 2024, to record an expansion of 1.2 per cent in 2025. This momentum was driven by higher domestic demand.

In 2025, economic activity across EMDEs remained strong, largely supported by solid growth in China and India (Table 18). China's real GDP was estimated to have expanded by 5.0 per cent in 2025, unchanged from 2024. Notwithstanding continued challenges posed by China's property market downturn, the economy benefitted from solid export demand and accommodative fiscal and monetary policies. At the same time, economic growth in India accelerated by an estimated 7.6 per cent in 2025, up from 7.1 per cent recorded in the previous year. This stronger performance was underpinned by robust consumer demand and investment activity.

For most countries, inflation continued on a downward trajectory, but remained above target in some AEs and EMDEs. According to the IMF's April 2026 WEO, inflation in the US edged down to 2.7 per cent in 2025, from 3.0 per cent in 2024. Lower energy prices and a continued unwinding of earlier supply-chain disruptions drove this deceleration. However, it remained above the US Federal Reserve's (the Fed) 2.0 per cent long-run target. Similarly, lower prices for services, food and energy commodities dampened inflationary pressures in the Euro area. Inflation measured 2.1 per cent in 2025, down from 2.4 per cent in the previous year, but still above the 2.0 per cent target. On the other hand, in the UK, inflation accelerated to 3.4 per cent in 2025 from 2.5 per cent in 2024, on account of higher labour costs and price pressures in the food and hospitality categories. Japan's inflation rose to 3.3 per cent in 2025 from 2.7 per cent in 2024, driven by higher food prices and increased electricity and gas costs following a reduction in government energy subsidies. Regarding the EMDEs, China's inflation rate was flat (0.0 per cent) in 2025—down from 0.2 per cent in 2024 and well below the People's Bank of China's (PBoC) target of 3.0 per cent. The weak inflationary position reflected subdued domestic demand amid low consumer confidence and continued property sector adjustment. Consumer prices in India decelerated to 2.1 per cent in 2025, from 4.6 per cent in 2024, reflecting price slowdowns in the categories of food and energy products.

Amid easing inflationary pressures, most central banks continued to reduce policy rates in 2025, while remaining cautious of trade policy uncertainty. During the first eight

months of 2025, the Fed maintained the federal funds rate at a range of 4.25 to 4.50 per cent. This was intended to support the convergence of inflation toward target as the economy navigated the heightened uncertainty associated with the imposition of trade restrictions. Even so, the Fed highlighted that tariff-induced inflation was not as significant as expected, with the disinflation process continuing. With unemployment inching up and to further stimulate economic activity, in September 2025, the Fed made its first rate cut for 2025, reducing the rate by 25 basis points to a range of 4.0 to 4.25 per cent. As inflation continued to ease, two subsequent 25 basis points reductions were made in October and December, bringing the rate to a range of 3.50 to 3.75 per cent by the end of 2025. Following the start of their monetary easing cycles in 2024, both the Bank of England (BoE) and the European Central Bank (ECB) continued to lower their interest rates in 2025. The ECB engaged in four rate cuts in 2025, bringing the interest rate to 2.15 per cent in December 2025 from 3.15 per cent at the beginning of the year. While the BoE started the year with an interest rate of 4.75 per cent, the monetary authority engaged in four 25 basis points reductions in February, May, August and December, bringing the policy rate to 3.75 per cent. In contrast to most major AE Central Banks, the Bank of Japan (BoJ) increased its key short-term interest rate by a total of 50 basis points over 2025. As inflationary pressures persisted, the BOJ raised its policy rate to 0.5 per cent in January and implemented a further increase to 0.75 per cent in December.

Among the EMDEs, the People's Bank of China (PBoC) lowered its one-year and

five-year loan prime rates (LPR) by 10 basis points each to manage inflation whilst supporting growth. The reductions occurred in May 2025, bringing the one-year LPR and the five-year LPR to 3.0 per cent and 3.5 per cent,

respectively. Similarly, as the inflation outlook softened in India, the Reserve Bank of India (RBI) lowered its key repo rate on four occasions in 2025 to end the year at a rate of 5.25 per cent.

TABLE 17
ADVANCED ECONOMIES: REAL GDP GROWTH
/ PER CENT /

	2020	2021	2022	2023 ^r	2024 ^r	2025 ^e	2026 ^f	2027 ^f
United States	-2.1	6.2	2.5	2.9	2.8	2.1	2.3	2.1
United Kingdom	-10.1	8.5	5.2	0.3	1.1	1.3	0.8	1.3
Euro Area	-6.0	6.4	3.6	0.4	0.9	1.4	1.1	1.2
Japan	-4.2	3.6	1.3	0.7	-0.2	1.2	0.7	0.6

Source: International Monetary Fund, World Economic Outlook Database (January 2026)

r Revised.
e Estimate.
f Forecast.

TABLE 18
EMERGING ECONOMIES: REAL GDP GROWTH
/ PER CENT /

	2020 ^r	2021 ^r	2022 ^r	2023 ^r	2024 ^r	2025 ^e	2026 ^f	2027 ^f
China	2.3	8.6	3.1	5.4	5.0	5.0	4.4	4.0
India*	-5.8	9.7	7.6	7.2	7.1	7.6	6.5	6.5
Brazil	-3.3	4.8	3.0	3.2	3.4	2.3	1.9	2.0

Source: International Monetary Fund, World Economic Outlook Database (January 2026)

* Data are presented on a fiscal year basis.
r Revised.
e Estimate.
f Forecast.

REGIONAL ECONOMIC DEVELOPMENTS

For the second consecutive year, economic growth in the Latin American and Caribbean region (LAC) remained unchanged (Table 19). Over 2023 to 2025, real GDP was estimated to have expanded by 2.4 per cent annually, according to the IMF's April 2026 WEO Update. Despite global policy shifts, including the imposition of reciprocal tariffs by the US, structural and external factors buffered the region from these factors. These included both lower tariff rates than other emerging market economies and relatively low trade exposure to the US. Further, as inflation gradually converged to targets, Central Banks continued to ease monetary policy rates. The combination of these circumstances created a favourable environment for economic activity.

THE CARIBBEAN

Within the Caribbean, economic growth decelerated sharply in 2025, when compared to the previous year's performance. According to the IMF's Regional Economic Outlook (REO) October 2025, real GDP in the Caribbean was estimated to have expanded by 3.6 per cent in 2025, down from a high of 12.1 per cent in 2024³⁴. The weakened outturn was driven by non-tourism dependent economies, with growth sliding

from 17.3 per cent in 2024 to 4.2 per cent in 2025. Dampened performances across all commodity exporters propelled this decline, moving from 23.5 per cent in 2024 to 6.1 per cent in 2025. Notwithstanding, tourism-dependent economies experienced a small improvement, recording growth of 2.3 per cent in 2025, compared to 2.1 per cent in the previous year. At the same time, the Caribbean faced slightly higher inflation rates, with prices climbing by 6.9 per cent in 2025, from 6.1 per cent in 2024.

Even as Guyana continues to lead economic growth among the commodity exporters, the country experienced a sizeable slowdown in 2025. Following an expansion of 43.8 per cent in 2024, real GDP decelerated to 19.3 per cent in 2025 (IMF's April 2026 WEO) (Table 19). While growth continues to be dominated by the energy sector, production of crude oil expanded modestly in 2025 when compared to the previous year. Meanwhile, the non-oil sector was supported by increased output from the agriculture, mining, manufacturing, construction, and services sub-sectors. Amid higher food prices, Guyana's inflationary pressures increased in 2025, recording 3.3 per cent, above the previous year's rate of 2.9 per cent.

Faced with a combination of improved economic activity and lower inflation, the Bank of Jamaica (BOJ) held its

³⁴ Based on the Caribbean Development Bank's (CDB) 2026 Annual News Conference, the Caribbean was estimated to have expanded by 4.7 per cent in 2025.

interest rate steady for the majority of 2025. Real GDP was estimated to have contracted by 0.1 per cent in 2025, following a contraction of 0.5 per cent in 2024³⁵. This growth outturn follows from the passage of Hurricane Melissa, which devastated Jamaica in October 2025, eroding progress made from the recovery following Hurricane Beryl in July 2024. According to the Inter-American Development Bank, the physical damage to Jamaica caused by Hurricane Melissa totalled US\$8.8 billion, equivalent to 41 per cent of the country's 2024 GDP³⁶.

Notwithstanding upward price pressures brought on by Hurricane Melissa in late 2025, inflation fell below the BOJ's target range of 4.0 to 6.0 per cent in 2025. While inflation rates fluctuated throughout the year, it did not breach the upper bound of the range. Overall, Jamaica's inflation rate was estimated to have dipped to 3.9 per cent in 2025, lower than the previous year's recording of 5.5 per cent. As monthly inflation trended below target in early 2025, the BOJ reduced its monetary policy rate by 25 basis points to 5.75 per cent in May 2025. Subsequently, the rate was maintained at 5.75 per cent throughout the remainder of the year. At its final meeting of the year, the Monetary Policy Committee maintained the policy rate at 5.75 per cent, despite upside risks to inflation, to support economic activity in the aftermath of Hurricane Melissa.

In support of Jamaica's recovery efforts after Hurricane Melissa, a consortium of multilateral agencies³⁷ coordinated a relief package. The long-term recovery framework totals US\$662 million and includes a combination of emergency preparedness financing, sovereign financing, grant support and private sector investments.

The Barbadian economy continued to record moderate growth, while inflation accelerated in 2025. Stronger tourism activity and agriculture supported the traded sector, while higher construction, wholesale and retail trade, and business services drove the non-traded sector. Economic activity was estimated to have grown by 2.7 per cent in 2025, following an expansion of 3.4 per cent in the previous year. Lower services prices contributed to a deceleration in Barbados' inflation rate to 0.8 per cent in 2025, from 1.5 per cent in 2024. In other developments, the IMF completed its Fifth, and final, Review of the Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF) with Barbados. Barbados' reforms under these programs remain strong, allowing for the disbursement of SDR14.18 million (approximately US\$19 million) under the EFF and SDR28.35 million (approximately US\$39 million) under the RSF. This brought total disbursements to SDR85.05 million (about US\$116 million) and SDR141.75 million (about US\$193 million) under the EFF and RSF arrangements, respectively³⁸.

³⁵ More recent data from the CDB's 2026 Annual News Conference, estimated that Jamaica's economy contracted by 1.1 per cent in 2025.

³⁶ IADB, November 19 2025, "IDB, World Bank Estimate Hurricane Melissa Damage to Jamaica Totals All-Time High of US\$8.8 Billion." <https://www.iadb.org/en/news/idb-world-bank-estimate-hurricane-melissa-damage-jamaica-totals-all-time-high-us88-billion>

³⁷ The agencies include: The Development Bank of Latin America and the Caribbean (CAF), the Inter-American Development Bank Group (IADB Group), the IMF and the World Bank Group (WBG).

³⁸ IMF executive board concludes the fifth reviews under the extended fund facility and the resilience and sustainability facility with Barbados. Press release no. 25/210. June 20, 2025. <https://www.imf.org/en/news/articles/2025/06/20/pr-25210-barbados-imf-concludes-5th-reviews-under-the-eff-and-resil-and-sustainability-facility>

TABLE 19
SELECTED LAC: REAL GDP GROWTH
 / PER CENT /

Country	2020 ^r	2021 ^r	2022 ^r	2023 ^r	2024 ^r	2025 ^e	2026 ^f	2027 ^f
Argentina	-9.9	10.4	6.0	-1.9	-1.3	4.4	3.5	4.0
The Bahamas	-20.1	17.6	10.9	3.0	3.4	2.8	2.1	1.9
Barbados	-17.4	8.0	16.0	1.8	3.4	2.7	2.47	2.2
Belize	-13.5	18.0	9.3	0.5	3.5	2.8	2.2	2.1
Chile	-6.1	11.3	2.2	0.5	2.6	2.3	2.4	2.6
Colombia	-7.2	10.8	7.3	0.8	1.5	2.6	2.3	2.5
Eastern Caribbean Currency Union	-16.6	5.5	11.7	3.7	3.6	3.0	3.3	3.0
Guyana	43.5	20.1	63.3	33.8	43.8	19.3	16.2	19.7
Haiti	-3.3	-1.8	-1.7	-1.9	-4.2	-2.7	-1.7	0.5
Jamaica	-8.3	5.7	6.4	2.7	-0.5	-0.1	-1.2	3.1
Mexico	-8.4	6.0	3.7	3.1	1.4	0.6	1.6	2.2
Suriname	-16.0	-2.4	2.4	2.4	1.7	1.5	3.9	4.4

Source: International Monetary Fund, World Economic Outlook Database (October 2025)

r Revised.
 e Estimate.
 f Forecast.

CHAPTER 10

International Commodity Markets

ENERGY COMMODITY PRICE INDEX

In 2025, the Energy Commodity Price Index (ECPI)³⁹ rose marginally by 1.6 per cent, averaging 100.03. This modest increase masked divergent price movements, with six commodities recording declines while four posted gains.

Crude oil prices remained well below US\$80.00 per barrel throughout 2025, reflecting persistently weak market fundamentals. The average of West Texas Intermediate (WTI) and Brent crude oil prices declined to US\$67.00 per barrel, representing a 14.3 per cent reduction relative to 2024. WTI prices fell below US\$60.00 per barrel for the first time since 2021, with November and December recording the lowest monthly averages at US\$59.57 and US\$57.94, respectively. Brent crude prices also softened, reaching lows of US\$63.80 in November and US\$62.54 in December. Price weakness was largely driven by sustained global supply growth that outpaced demand. Strong oil production,

particularly from non-OPEC producers such as the United States, Brazil, and Guyana, kept markets well supplied, while efforts by OPEC+ to limit output were less effective during the year. At the same time, global oil demand growth slowed, amid weaker economic momentum in major economies, gains in energy efficiency, and continued transitions toward alternative energy sources in advanced countries. These developments contributed to rising oil inventories, placing further downward pressure on prices. The decline in crude oil prices was transmitted to refined petroleum products included in the ECPI, resulting in price reductions for motor gasoline (-9.7 per cent), jet fuel (-9.4 per cent), and gas oil (-5.9 per cent).

The basket of LNG prices⁴⁰ recorded a moderate decline in 2025, despite firm conditions in key gas markets. The natural gas basket price averaged US\$11.93 per million British Thermal Units (mmbtu), representing a decrease of 1.9 per cent. This overall movement masked stronger performance in major gas markets. Prices in the European market, as measured by the UK National Balancing Point (NBP), rose by 9.0 per cent to average US\$11.72 per mmbtu, while the Japan/Korea Marker (JKM) price increased by 2.5 per cent to average US\$12.19 per mmbtu. Gas market conditions

³⁹ The Energy Commodity Price Index (ECPI) is a summary measure of the price movements of Trinidad and Tobago's top ten energy-based commodity exports. In 2024, the Central Bank updated the ECPI's base year to Q3 2023 and revised the weighting structure of the export commodities included in the index. See Technical Note in Appendix 1 of AES 2024 for more details.

⁴⁰ The LNG price basket consists of Brent crude oil prices, the National Balancing Point (NBP) gas price and the Japan Korea Marker (JKM) gas price. Both NBP and JKM prices cover key destination markets for domestic LNG exports. Crude oil prices are included in the calculation since it is generally used as a gauge of the international energy environment.

were particularly strong in Europe, supported by continued reliance on LNG imports, steady demand for gas-fired power generation, and efforts to maintain adequate storage levels. In Northeast Asia, prices were underpinned by stable demand from key importers and a greater use of longer-term supply contracts, which helped limit volatility. Despite these gains, the overall LNG basket declined, as the sharp fall in crude oil prices (used in the

basket as a proxy for broader energy market conditions) exerted a dampening effect on the composite index. With the exception of natural gasoline, which fell by 13.1 per cent, most gas-based commodities included in the index recorded price increases, including UAN⁴¹ (37.5 per cent), urea (24.1 per cent), methanol (16.3 per cent), and ammonia (5.9 per cent), reflecting stronger conditions in fertilizer and industrial markets.

⁴¹ Urea-Ammonium Nitrate (UAN) is liquid fertilizer export product used for tree crops such as almonds, cereal grains and potatoes. [Ministry of Energy and Energy Industries | UAN & Melamine](#). Following the 2024 revision of the ECPI, UAN replaced propane in the overall index and overtook five other commodities to become the fifth largest exported energy commodity for Trinidad and Tobago.



ANNEX ONE
ECONOMIC DEVELOPMENTS
IN TOBAGO



ECONOMIC DEVELOPMENTS IN TOBAGO

Latest available data point to an expansion in Tobago's economic activity in 2024, as growth rates accelerated from levels achieved in 2023. Official data from the Tobago House of Assembly⁴² (THA) noted an uptick in real GDP by 2.9 per cent in 2024, as the growth trend extended from 1.0 per cent reported the previous year. By comparison, data from the Central Statistical Office (CSO) indicates that national economic activity (for Trinidad and Tobago) expanded by 2.5 per cent in 2024 and 1.5 per cent in 2023. Production gains occurred in key sectors of the Tobago economy. Notable among these were the Government and Finance, Insurance, Real estate and Business Services sectors, which grew by 4.4 per cent and 4.9 per cent, respectively. By measure of share of GDP, these two sectors accounted for 74.6 per cent of real GDP in 2024. Elsewhere, the Services⁴³ sector, grew by 0.2 per cent, as strong activity in the Electricity (7.4 per cent) and Tourism (6.2 per cent) sub-sectors outweighed a sizable falloff in the Construction and quarrying sub-sector (-25.6 per cent). Meanwhile, declines occurred in the Manufacturing sector (-30.4 per cent), reflecting reduced output from bakeries, fish processors and concrete products. Production

falloffs also characterised the Agriculture sector (-11.7 per cent), owing to reduced output of root crops and vegetables and eggs.

In the absence of official data, several indicators monitored by the Central Bank displayed a mixed performance in economic activity for 2025. Local sales of cement in Tobago declined by 41.4 per cent in 2025 (year-on-year)⁴⁵, suggesting a continued decline in the Construction and Quarrying sub-sector over the course of the year. Vehicle registrations also declined (-13.9 per cent) in 2025. Conversely, cargo statistics improved (2.1 per cent) in 2025. This reflected an uptick in the number of vehicles transporting cargo and the number of trips undertaken by the inter-island cargo facility. Similarly, domestic travel improved by 1.5 per cent (year-on-year) over the first three quarters of 2025. Data from Caribbean Airlines revealed an uptick in visitors arriving by air (1.3 per cent), which coincided with an improvement in visitors arriving by ferry (1.9 per cent).

Tobago's labour market statistics improved during 2025. The unemployment rate averaged 1.2 per cent over the first three quarters of 2025, compared to 3.1 per cent over the similar period one year earlier. Labour market conditions reflected a reduction in the size of the labour

⁴² Economic Management Research Unit, Division of Finance and the Economy, THA in collaboration with Analytica Consulting Group.

⁴³ This sector accounted for 21.5 per cent of real GDP in 2024

⁴⁴ Based on data from Trinidad Cement Limited.

force, informed by a decline in the number of persons without jobs and actively seeking employment (unemployed), alongside a more than proportionate falloff in the number of persons with jobs (employed). Over the period, the labour force contracted to 31.7 thousand persons compared to 33.4 thousand persons over the same period one year prior. The number of persons employed measured 31.3 thousand, compared to 32.3 thousand in the corresponding period of 2024. Similarly, the unemployed declined by 0.7 thousand persons to 0.4 thousand persons. Meanwhile, the labour force participation rate measured 65.1 per cent, down from 68.5 per cent in the previous year.

Inflationary pressures accelerated on the island in 2025 as headline averaged 2.2 per cent, in comparison to 1.0 per cent in 2024.

The period observed faster price increases for both food and core inflation. Over the year, food inflation measured 2.5 per cent, up from 1.3 per cent one year prior, as several categories reported either price turnarounds or faster price increases during the year. Notable among these were Fish (7.2 per cent compared to -7.6 per cent in 2024); Milk, Cheese and Eggs (3.8 per cent compared to 1.5 per cent in 2024); Butter, Margarine and Edible oils (1.6 per cent compared to -2.7 per cent in 2024); and Meat (1.6 per cent compared to 0.0 per cent in 2024). Elsewhere, slower price increases were registered in the Sugar, Jam, Honey, Chocolate and Other Confectionery (1.9 per cent compared to 5.0 per cent in 2024) and Non-Alcoholic Beverages (2.4 per cent compared to 3.6 per cent in 2024)

categories. Elsewhere, price declines occurred in the Vegetables category (-2.4 per cent compared to 8.8 per cent in 2024).

Core inflation accelerated to 2.1 per cent in 2025 from 0.8 per cent in 2024.

This largely reflected faster price increases in the Alcoholic Beverages and Tobacco category (6.9 per cent compared to 2.3 per cent in 2024), as the National Budget for FY 2025/26, imposed price hikes on alcohol. Faster price increases were also incurred in Housing, Electricity, Gas and Other Fuels category (3.6 per cent compared to 0.3 per cent in 2024), given higher costs for imputed rentals of owner-occupiers and paint. Slower price increases were registered for Health (0.2 per cent compared to 4.6 per cent in 2024), due to price declines for over the counter pharmaceuticals, cough and cold preparations, and ear and eye medication. In 2025, price declines occurred in the Furnishings, Household Equipment and Routine Maintenance (-1.6 per cent) and Transport (-0.3 per cent) categories.

Government subventions to the THA increased (2.7 per cent) in fiscal year 2024/25 to \$2,408.5 million.

The increased allocation facilitated upticks in Wages and Salaries (5.8 per cent); Minor Equipment (50.0 per cent); and Transfers and Subsidies (5.5 per cent). Conversely, spending on Goods and Service fell (-4.1 per cent) during the period. Subventions for FY2025/26 are budgeted to increase by 13.9 per cent to \$2,742.1 million. Capital expenditure declined during the period (21.2 per cent) to \$205.0 million. Capital expenditure largely

facilitated road and bridges (\$26.0 million); hospitals and health facilities (TT\$23.5 million); educational institutions (\$19.8 million); housing and settlements (\$19.5 million); public buildings (\$19.3 million); tourism infrastructure (\$18.7 million); and upgrade of community and social displacement centres (\$5.0 million).

Several indicators suggest a mixed economic performance in Tobago in 2025.

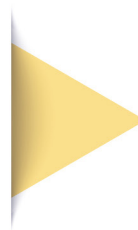
Despite a reduction in the unemployment rate, concerns remain from an apparent falloff in labour demand, coupled with falling participation rates. Looking ahead, improved cargo services are likely for 2026 with the acquisition of the Blue Wave Harmony,

which replaced the Cabo Star. The upgraded vessel brings added carrying and passenger capacity. Further, increased budgetary allocations to Tobago may lend support to the THA's Strategic Development Planning Pathway, which focuses on investments in tourism, agriculture, infrastructure, education and digital innovation. Inflationary pressures may persist in the short to medium term. Recent imposition of taxes and added penalties may spur price increases on alcohol and transportation. Added price pressures emanate from the dependence on port facilities in Trinidad, which should keep prices above the national average.



APPENDIX ONE
ECONOMIC STATISTICS

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TABLES A.1 - A.36

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p - Provisional

r - Revised

n/a - Not Applicable

n.a - Not Available

c - Confidential

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TABLE A.1

REAL GDP GROWTH
BY SECTOR OF ORIGIN, 2021-2025
/ PER CENT /

SECTOR	2021	2022	2023	2024	Jan to Sep 2025 ^p
Agriculture, Forestry and Fishing	-15.9	-13.2	-5.8	-5.4	-3.4
Mining and Quarrying	-5.1	0.5	-5.5	-1.9	2.8
Manufacturing	-0.1	4.8	-4.8	7.6	5.7
Electricity, Gas, Steam and Air Conditioning Supply	7.0	-1.1	-2.7	2.4	-0.7
Water Supply; Sewerage, Waste Management and Remediation Activities	3.0	-0.8	-1.9	2.0	1.3
Construction	8.8	3.7	-6.4	-5.6	-3.5
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	-5.8	5.8	8.6	1.4	-4.5
Transportation and Storage	1.2	26.9	5.7	5.6	1.5
Accommodation and Food Service Activities	-7.3	20.7	8.1	0.1	4.3
Information and Communication	-0.3	0.2	-0.3	-6.2	-2.4
Financial and Insurance Activities	5.0	-3.3	-0.2	0.6	1.4
Real Estate Activities	-0.4	-0.4	-0.5	-0.2	1.1
Professional, Scientific and Technical Activities	-14.1	23.5	-5.0	-3.2	0.0
Administrative and Support Service Activities	-0.2	1.1	0.4	0.1	0.1
Public Administration and Defence; Compulsory Social Security	0.6	-0.5	-1.8	-1.4	-1.1
Education	-0.4	-0.2	-0.6	-0.6	-0.3
Human Health and Social Work Activities	0.0	0.2	0.0	-0.1	0.1
Arts, Entertainment and Recreation	0.0	0.2	0.0	-0.1	0.1
Other Service Activities	14.0	-1.7	-8.3	-1.9	5.3
Activities of Households as Employers; Undifferentiated Goods- and Services-Producing Activities of Households for Own Use	1.0	0.9	1.0	1.0	0.9
GDP At Producer Prices	-1.6	3.3	-0.2	1.0	0.2
Taxes Less Subsidies on Products	20.3	-46.0	60.8	36.3	n.a.
GDP At Purchasers Prices/Market Prices	-0.7	0.9	1.5	2.5	n.a.

SOURCE: Central Statistical Office

p Provisional.

n.a Not Available.

TABLE A.2

GROSS DOMESTIC PRODUCT AT CURRENT MARKET PRICES
BY SECTOR OF ORIGIN, 2021-2025

/ TT\$ Millions /

SECTOR	2021	2022	2023	2024 ^p	Jan to Sep 2025 ^p
Agriculture, Forestry and Fishing	1,487.1	1,460.2	1,412.6	1,345.5	1,105.2
Mining and Quarrying	22,336.4	40,111.7	22,518.1	21,129.7	18,024.7
Manufacturing	28,254.7	33,570.4	23,757.8	24,879.9	18,556.5
Electricity, Gas, Steam and Air Conditioning Supply	2,850.6	2,427.0	1,175.5	3,645.8	3,521.7
Water Supply; Sewerage, Waste Management and Remediation Activities	2,171.4	2,186.9	2,211.1	2,217.5	1,645.9
Construction	8,312.1	9,136.6	8,653.9	8,071.0	5,853.3
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	36,257.7	41,091.9	42,353.1	43,586.9	30,091.3
Transportation and Storage	5,250.5	6,633.7	7,759.5	7,651.3	5,882.4
Accommodation and Food Service Activities	1,941.1	2,391.7	2,679.8	2,754.8	2,163.8
Information and Communication	3,878.4	3,966.7	4,014.9	3,989.8	2,933.5
Financial and Insurance Activities	11,198.1	11,436.0	12,933.1	12,190.7	9,131.6
Real Estate Activities	3,407.2	3,427.9	3,461.9	3,499.3	2,675.0
Professional, Scientific and Technical Activities	2,936.6	3,730.7	3,675.5	3,657.5	2,841.1
Administrative and Support Service Activities	5,281.9	5,477.8	5,687.8	5,882.4	4,439.9
Public Administration and Defence; Compulsory Social Security	13,795.1	13,727.0	13,479.7	13,284.4	9,863.2
Education	3,553.1	3,544.7	3,517.0	3,491.1	2,611.8
Human Health and Social Work Activities	775.7	778.1	804.3	852.6	648.9
Arts, Entertainment and Recreation	417.7	425.3	459.7	454.2	342.8
Other Service Activities	829.9	879.1	834.5	798.0	609.2
Activities of Households as Employers; Undifferentiated Goods-and Services-Producing Activities of Households for Own Use	300.4	302.9	306.0	309.0	233.5
GDP At Producer Prices	155,235.0	186,706.0	161,696.0	163,691.0	123,175.4
Taxes Less Subsidies on Products	8,476.0	4,714.0	7,311.0	9,338.0	n.a.
GDP At Purchasers Prices/Market Prices	163,711.6	191,419.9	169,006.3	173,029.6	n.a.

SOURCE: Central Statistical Office

p Provisional.

n.a Not Available.

TABLE A.3

SECTORAL COMPOSITION OF G.D.P.¹
AT CURRENT MARKET PRICES, 2021-2025
/ PER CENT /

SECTOR	2021	2022	2023	2024 ^p	Jan to Sep 2025 ^p
Agriculture, Forestry and Fishing	0.9	0.8	0.8	0.8	0.9
Mining and Quarrying	13.6	21.0	13.3	12.2	14.6
Manufacturing	17.3	17.5	14.1	14.4	15.1
Electricity, Gas, Steam and Air Conditioning Supply	1.7	1.3	0.7	2.1	2.9
Water Supply; Sewerage, Waste Management and Remediation Activities	1.3	1.1	1.3	1.3	1.3
Construction	5.1	4.8	5.1	4.7	4.8
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	22.1	21.5	25.1	25.2	24.4
Transportation and Storage	3.2	3.5	4.6	4.4	4.8
Accommodation and Food Service Activities	1.2	1.2	1.6	1.6	1.8
Information and Communication	2.4	2.1	2.4	2.3	2.4
Financial and Insurance Activities	6.8	6.0	7.7	7.0	7.4
Real Estate Activities	2.1	1.8	2.0	2.0	2.2
Professional, Scientific and Technical Activities	1.8	1.9	2.2	2.1	2.3
Administrative and Support Service Activities	3.2	2.9	3.4	3.4	3.6
Public Administration and Defence; Compulsory Social Security	8.4	7.2	8.0	7.7	8.0
Education	2.2	1.9	2.1	2.0	2.1
Human Health and Social Work Activities	0.5	0.4	0.5	0.5	0.5
Arts, Entertainment and Recreation	0.3	0.2	0.3	0.3	0.3
Other Service Activities	0.5	0.5	0.5	0.5	0.5
Activities of Households as Employers; Undifferentiated Goods-and Services-Producing Activities of Households for Own Use	0.2	0.2	0.2	0.2	0.2

SOURCE: Central Statistical Office

¹ Annual GDP are compiled at Purchaser Prices; Quarterly GDP at Producer Prices.

^p Provisional.

TABLE A.4

MAJOR AGRICULTURAL COMMODITIES, 2020-2024

PRODUCT	2020	2021	2022	2023	2024
VEGETABLES (000 kgs)					
Tomato	2,624	2,190	3,343	1,372	536
Cabbage	741	1,367	1,717	987	812
Cucumber	1,227	1,223	1,897	421	817
Dasheen	2,085	2,547	2,717	2,905	2,911
Rice	n.a	351	126	326	785
Pigeon Peas	623	1,611	598	1,338	1,009
Pumpkin	1,792	741	712	1,252	1,369
Melongene	2,325	1,333	886	1,051	812
MEAT PRODUCTION (000 kgs)					
Beef and Veal	167	168	155	195	166
Pork	1,729	1,972	1,891	1,890	689*
Mutton	117	93	82	108	74*
Broilers (000 birds)	32,686	30,345	33,003	32,761	16,310*
Table Eggs (000 doz)	7,891	6,793	7,493	7,676	2,929*
Milk (000 litres)	2,184	1,708	1,394	1,441	1,720

SOURCE: Central Statistical Office

* For the period January to June 2024.

TABLE A.5

PRODUCTION AND UTILISATION OF CRUDE OIL AND
RELATED PRODUCTS AND PETROCHEMICALS, 2021-2025

COMMODITY GROUP	2021	2022	2023	2024	Jan to Nov 2025
CRUDE OIL					
Exploration (meters)					
Depth Drilled	60,400	76,187	78,716	82,742	106,278
Production (000 barrels)					
Crude Oil and Condensates	21,845	21,329	19,610	18,626	17,930
Of which: Condensates	2,810	2,334	2,322	2,607	2,758
Daily Average (b/d)	59,838	58,441	53,743	50,884	53,666
Imports (000 barrels)					
Crude Oil Imports	0	0	0	0	0
Of which: u.p.a.	0	0	0	0	0
Refining (000 barrels)¹					
Refinery Throughput	0	0	0	0	0
Refinery Output	0	0	0	0	0
Capacity Utilisation (%)	n/a	n/a	n/a	n/a	n/a
Exports (000 barrels)					
Crude Oil Exports	21,681	19,661	20,044	18,735	18,025
Petroleum Products	7,018	5,331	3,949	8,614	8,233
Natural Gas (Mn cubic feet/day)					
Production	2,579	2,683	2,587	2,537	2,547
Utilisation ²	2,460	2,585	2,488	2,422	2,367
Of which: Petrochemicals	1,071	1,020	977	974	914
Electricity Generation	248	262	262	268	266
LNG	1,051	1,219	1,167	1,087	1,105
Natural Gas Liquids (000 barrels)					
Production	6,112	5,585	5,097	5,861	5,900
Exports	5,226	4,955	4,206	4,749	5,414
Local Sales	865	859	882	877	798
Stock Change	22	-228	9	234	-311
Fertilisers (000 tonnes)					
Production	5,648	4,926	4,227	4,541	4,572
Exports	4,607	3,958	3,737	3,702	3,756
Local Sales	2	2	3	2	1
Stock Change	1,040	965	487	837	815
Methanol (000 tonnes)					
Production	5,510	5,494	5,778	5,389	4,128
Exports	5,451	5,272	5,864	5,554	3,963
Local Sales	9	9	7	8	8
Stock Change	50	214	-92	-173	157

SOURCES: Ministry of Energy and Energy Industries and Central Bank of Trinidad and Tobago

1 Petrotrin's Refinery was closed in November 2018. Therefore, refinery capacity (estimated at 168,000 barrels per day prior to its closure) and capacity utilisation are not applicable from 2019.

2 Utilisation refers to gas sales and does not include natural gas used in own consumption.

n/a Not Applicable.

TABLE A.6

PRODUCTION AND SALES OF CEMENT, 2021-2025

PRODUCT	2021	2022	2023	2024	2025
CEMENT (000 TONNES)					
Production	723.4	707.1	719.4	673.2	713.7
Local Sales	410.4	427.0	453.8	463.0	415.5
Exports	303.0	288.0	277.3	234.6	332.2

SOURCE: Central Bank of Trinidad and Tobago

TABLE A.7

PRICES OF SELECTED EXPORT COMMODITIES, 2021-2025

COMMODITY	2021	2022	2023	2024	2025
Crude Oil (WTI ¹ ; US\$/bbl ²)	67.9	94.2	77.6	75.8	64.9
Crude Oil (Brent; US\$/bbl ²)	70.7	100.8	82.5	80.5	69.1
NBP ³ (US\$/mmbtu ⁴)	16.0	26.5	12.3	10.7	11.7
JKM ⁵ (US\$/mmbtu)	18.5	33.7	13.8	11.9	12.2
Ammonia (FOB Caribbean; US\$/tonne)	546.7	1,113.2	458.8	441.6	467.7
Urea (FOB Caribbean; US\$/tonne)	483.1	644.5	351.7	320.8	398.2
Methanol (FOB Rotterdam; US\$/tonne)	502.6	556.4	463.2	567.4	660.2
Billets (FOB Latin America; US\$/tonne)	616.9	692.5	559.2	516.3	495.8
Wire Rods (FOB Latin America; US\$/tonne)	755.2	841.8	642.1	593.5	549.2

SOURCE: Bloomberg; Green Markets; Fertiliser Week; European Chemical News; Monthly Methanol Newsletter (TECNON); Metal Bulletin; Platts

All prices are monthly averages of published quotations and not necessarily realised prices.

1 West Texas Intermediate.

2 US dollars per barrel.

3 National Balancing Point (price converted from Pence Steling per therm to US\$ per mmbtu).

4 Million British thermal units.

5 Japan Korea Marker.

TABLE A.8

INDEX OF DOMESTIC PRODUCTION, 2021-2025
/ 1995=100 /

INDUSTRY	WEIGHT	2021	2022	2023	2024	2025
Food Processing	58	2,977.4	5,151.4	5,693.1	11,170.2	15,247.0
Drink and Tobacco	63	1,729.4	2,891.7	2,970.5	3,494.3	3,976.3
Textiles, Garments and Footwear	6	1,349.4	1,300.8	1,270.9	1,241.7	1,226.4
Printing, Publishing and Paper Converters	27	162.5	146.1	130.7	128.5	126.0
Wood and Related Products	7	674.4	683.0	693.2	702.5	708.7
Chemicals and Non-Metallic Minerals	43	379.4	393.0	392.7	436.3	421.8
Assembly-Type and Related Industries	61	709.6	6,956.8	19,333.1	42,800.0	104,352.1
Miscellaneous Manufacturing Industries	10	177.0	176.6	172.8	169.5	165.8
Electricity	40	70.9	75.2	71.1	73.9	74.3
Water	6	119.5	119.6	119.9	114.0	117.8
All Industry Index						
(Excluding Petrochem, Oil and Natural Gas, Explor., Product. and Refining)	320	1,137.8	2,953.9	5,427.3	11,008.1	23,587.0
Explor., and Product. of Oil, Natural Gas, etc.	445	95.5	96.2	90.5	86.8	84.3
Petrochemicals	182	214.2	169.2	133.5	155.3	167.9
Oil and Natural Gas Refining ¹	53	147.5	133.5	123.9	144.2	143.3
All Industry Index						
(Including Petrochem, Oil and Natural Gas, Explor., Product. and Refining)	1,000	448.5	1,021.4	1,803.5	3,591.9	7,617.9

SOURCE: Central Statistical Office

1 From 2019, the index for natural gas refining is reported as oil refining fell to zero following the closure of Petrotrin's Refinery in November 2018.

TABLE A.9

ANNUAL CHANGES IN THE INDICES OF PRODUCTION AND
HOURS WORKED (ALL EMPLOYEES), 2023-2025
/ PER CENT /

INDUSTRY	DOMESTIC PRODUCTION (1995=100)			INDEX OF HOURS WORKED (1995=100)		
	2023	2024	Jan to Sep 2025 ^p	2023	2024	Jan to Sep 2025 ^p
Food Processing	10.5	96.2	26.7	2.8	3.6	-2.9
Drink and Tobacco	2.7	17.6	17.9	-4.4	-12.5	-15.2
Textiles, Garments and Footwear	-2.3	-2.3	-2.3	2.6	5.1	5.3
Printing, Publishing and Paper Converters	-10.5	-1.7	-2.3	2.2	-6.2	8.0
Wood and Related Products	1.5	1.3	0.6	2.8	3.2	3.2
Chemicals and Non-Metallic Minerals	-0.1	11.1	-2.8	3.8	-6.3	-4.3
Assembly-Type and Related Industries	177.9	121.4	184.1	-9.1	4.3	-8.0
Miscellaneous Manufacturing Industries	-2.2	-1.9	-2.4	-4.2	-9.5	-4.4
Electricity	-5.4	3.9	0.2	-0.3	-0.6	-15.8
Water	0.3	-5.0	3.9	-2.6	-2.7	-1.1
All Industry Index						
(Excluding Petrochem, Oil and Natural Gas, Explor., Product. and Refining)	83.7	102.8	136.3	0.2	-1.2	-2.5
Explor., and Product. of Oil, Natural Gas, etc.	-5.9	-4.1	-1.1	3.4	10.1	10.3
Petrochemicals	-21.1	16.3	9.7	0.4	3.7	2.7
Oil and Natural Gas Refining ¹	-7.2	16.4	1.7	0.0	0.0	0.0
All Industry Index						
(Including Petrochem, Oil and Natural Gas, Explor., Product. and Refining)	76.6	99.2	133.5	0.3	-0.7	-1.9

SOURCE: Central Statistical Office

1 From 2019, the index for natural gas refining is reported as oil refining fell to zero following the closure of Petrotrin's Refinery in November 2018.

TABLE A.10

ANNUAL CHANGES IN THE INDICES OF AVERAGE
WEEKLY EARNINGS AND EMPLOYMENT
(ALL EMPLOYEES), 2023-2025
/ PER CENT /

INDUSTRY	AVERAGE WEEKLY EARNINGS (1995=100)			EMPLOYMENT (1995=100)		
	2023	2024	Jan to Sep 2025 ^p	2023	2024	Jan to Sep 2025 ^p
Food Processing	5.0	-0.8	-5.5	1.2	2.3	2.9
Drink and Tobacco	6.2	6.7	30.8	-2.4	-8.6	-7.0
Textiles, Garments and Footwear	-7.4	-9.0	-2.6	2.4	6.8	9.4
Printing, Publishing and Paper Converters	4.0	3.3	69.2	-1.0	-5.2	-2.6
Wood and Related Products	-11.6	-17.3	-14.6	4.9	8.9	10.7
Chemicals and Non-Metallic Minerals	-1.9	-8.3	-7.2	8.8	9.5	9.6
Assembly-Type and Related Industries	5.1	3.1	-0.5	-10.9	-2.1	-7.3
Miscellaneous Manufacturing Industries	-1.7	6.3	3.2	-0.4	-3.1	-0.3
Electricity	-3.8	2.0	6.3	2.8	-2.3	-15.0
Water	7.8	6.5	1.9	-3.2	-2.4	-1.1
All Industry Index						
(Excluding Petrochem, Oil and Natural Gas, Explor., Product. and Refining, etc)	3.1	2.7	5.2	-0.2	0.5	1.2
Explor., and Product. of Oil, Natural Gas, etc.	-7.0	-1.3	-2.9	-3.6	-6.5	-6.9
Petrochemicals	-3.6	12.2	1.7	-1.0	3.8	2.7
Oil and Natural Gas Refining ¹	0.0	0.0	0.0	0.0	0.0	0.0
All Industry Index						
(Including Petrochem, Oil and Natural Gas, Explor., Product. and Refining)	2.2	3.3	4.6	-0.5	0.0	0.6

SOURCE: Central Statistical Office

1 From 2019, the index for natural gas refining is reported as oil refining fell to zero following the closure of Petrotrin's Refinery in November 2018.

TABLE A.11

ANNUAL CHANGES IN THE INDICES OF REAL EARNINGS AND
OUTPUT PER MAN HOUR WORKED (ALL EMPLOYEES), 2023-2025
/ PER CENT /

INDUSTRY	REAL EARNINGS (1995=100)			INDEX OF OUTPUT PER MAN HOUR WORKED (1995=100)		
	2023	2024	Jan to Sep 2025 ^p	2023	2024	Jan to Sep 2025 ^p
Food Processing	0.4	-1.3	-6.6	7.8	89.3	30.4
Drink and Tobacco	1.5	6.1	29.3	8.5	33.7	38.9
Textiles, Garments and Footwear	-11.6	-9.4	-3.7	-5.9	-7.0	-7.2
Printing, Publishing and Paper Converters	-0.6	2.8	67.2	-12.4	4.9	-9.5
Wood and Related Products	-15.5	-17.7	-15.6	-1.2	-1.8	-2.5
Chemical and Non-Metallic Minerals	-6.3	-8.8	-8.3	-3.8	18.6	1.5
Assembly-Type and Related Industries	0.3	2.6	-1.6	198.5	113.2	214.0
Miscellaneous Manufacturing Industries	-6.1	5.8	2.0	2.1	8.4	2.0
Electricity	-8.1	1.4	5.1	-5.3	4.6	19.2
Water	3.0	6.0	0.7	3.0	-2.3	5.1
All Industry Index						
(Excluding Petrochem, Oil and Natural Gas, Explor., Product. and Refining)	-1.5	2.2	4.0	83.6	104.9	142.8
Explor., and Product. of Oil, Natural Gas, etc.	-11.2	-1.8	-4.0	-9.4	-13.1	-10.3
Petrochemicals	-7.7	11.6	0.6	-21.3	12.1	6.8
Oil and Natural Gas Refining ¹	-4.5	-0.5	-1.2	-7.4	16.5	1.7
All Industry Index						
(Including Petrochem, Oil and Natural Gas, Explor., Product. and Refining)	-2.3	2.8	3.4	76.2	93.4	138.4

SOURCE: Central Statistical Office

1 From 2019, the index for natural gas refining is reported as oil refining fell to zero following the closure of Petrotrin's Refinery in November 2018.

TABLE A.12

CONSUMER PRICE INDEX FOR MAJOR EXPENDITURE CATEGORIES, 2021-2025
/ JANUARY 2015=100 /

ITEM	WEIGHTS	2021	2022	2023	2024	2025
Inflation Rate (%)¹						
All Sections	1,000	2.1	5.8	4.6	0.5	1.0
Food	173	4.4	10.4	7.7	1.5	3.0
Core ²	827	1.5	4.7	3.9	0.2	0.5
Retail Price Index						
All Sections	1,000	111.4	117.9	123.4	124.0	125.3
Food	173	123.4	136.3	146.8	149.0	153.4
Core	827	108.9	114.0	118.5	118.8	119.3
Per cent Contribution To Change In Index						
Food	173	40.1	34.3	33.1	61.2	61.8
Core	827	59.9	65.7	66.9	38.8	38.2

SOURCE: Central Statistical Office

1 Annual figures represent the percentage change over the average for the previous year.

2 The component of measured inflation that has no medium to long term-run impact on real output in Trinidad and Tobago. This measure excludes food prices.

TABLE A.13

INDEX OF PRODUCERS' PRICES, 2021-2025¹
/ OCT. 1978=100 /

ITEM	WEIGHTS	2021	2022	2023	2024	Jan to Sep 2025 ^p
Food Processing	191	728.4	764.7	779.9	777.9	795.4
		<i>0.1</i>	<i>5.0</i>	<i>2.0</i>	<i>-0.3</i>	<i>2.9</i>
Drink and Tobacco	121	1,734.3	1,734.2	1,797.6	1,808.3	1,814.5
		<i>2.3</i>	<i>0.0</i>	<i>3.7</i>	<i>0.6</i>	<i>0.5</i>
Textiles, Garments and Footwear	101	303.5	303.5	303.5	303.5	303.5
		<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Printing, Publishing and Paper Converters	93	401.9	405.4	458.7	476.4	478.8
		<i>0.6</i>	<i>0.9</i>	<i>13.1</i>	<i>3.9</i>	<i>0.5</i>
Wood and Related Products	89	348.6	349.0	349.0	346.9	346.2
		<i>0.1</i>	<i>0.1</i>	<i>0.0</i>	<i>-0.6</i>	<i>-0.3</i>
Chemicals and Non-Metallic Minerals	148	561.4	562.5	590.3	608.3	630.2
		<i>-2.7</i>	<i>0.2</i>	<i>4.9</i>	<i>3.0</i>	<i>4.4</i>
Assembly-Type and Related Industries	257	350.1	353.5	354.4	376.0	382.7
		<i>0.3</i>	<i>1.0</i>	<i>0.3</i>	<i>6.1</i>	<i>2.4</i>
All Industry	1,000	621.1	629.4	649.3	659.9	669.0
		<i>0.5</i>	<i>1.3</i>	<i>3.2</i>	<i>1.6</i>	<i>1.8</i>

SOURCE: Central Statistical Office

1 Annual figures in italics represent percentage changes (year-on-year).

TABLE A.14

CENTRAL GOVERNMENT FISCAL OPERATIONS, 2021-2025¹
/ TT\$ Millions /

INDICATOR	2021	2022	2023	2024	2025 ^p
Current Revenue	36,345.6	53,921.3	54,525.0	47,821.2	47,628.2
Current Expenditure ²	46,482.3	50,061.6	53,620.3	52,710.2	53,478.7
Current Account Surplus(+)/Deficit(-)	-10,136.7	3,859.7	904.7	-4,889.0	-5,850.5
Capital Revenue	921.0	685.7	158.9	19.3	1,450.9
Capital Expenditure and Net lending	3,135.0	3,212.5	4,236.1	4,182.5	3,675.5
Overall Surplus(+)/Deficit(-)	-12,350.7	1,333.0	-3,172.5	-9,052.3	-8,075.0
Total Financing (Net)	12,350.7	-1,333.0	3,172.5	9,052.3	8,075.0
External Financing (Net)	4,890.0	534.3	-138.9	7,076.5	2,633.8
Net External Borrowing	-1,150.6	534.3	-138.9	4,580.9	-141.9
Disbursements	11.9	1,685.0	2,601.6	8,033.5	1,206.7
Repayments	1,162.5	1,150.7	2,740.5	3,452.6	1,348.6
Divestment Proceeds	0.0	0.0	0.0	0.0	0.0
Transfers from HSF (Withdrawals)	6,040.6	0.0	0.0	2,495.6	2,775.7
Domestic Financing (Net)	7,460.7	-1,867.3	3,311.4	1,975.8	5,441.2
Debt Management Treasury Bills (Net)	0.0	500.0	-1.9	-284.1	514.0
Bonds(Net)	7,620.6	1,255.6	1,037.9	4,967.7	3,993.5
Disbursements	13,354.1	5,653.1	9,793.1	8,135.6	9,339.7
Repayments	5,733.5	4,397.5	8,755.2	3,167.9	5,346.2
Divestment Proceeds	0.0	0.0	0.0	0.0	0.0
Uncashed Balances (Net) ³	-159.9	-3,622.9	2,275.4	-2,707.8	933.7
Memo Items:					
Primary Balance ⁴	-7,412.6	6,260.4	2,607.2	-2,470.5	-1,847.3
Surplus(+)/Deficit(-) as a Per Cent of GDP (current market prices)⁵					
Current Account Surplus(+)/Deficit(-)	-6.4	2.1	0.5	-2.8	-3.3
Overall Surplus(+)/Deficit(-)	-7.8	0.7	-1.8	-5.3	-4.6
Primary Surplus(+)/Deficit(-)	-4.7	3.4	1.5	-1.4	-1.1

SOURCES: Ministry of Finance and the Central Bank of Trinidad and Tobago

- 1 Refers to accounts of Consolidated Fund, Unemployment Fund, Road Improvement Fund and the Infrastructure Development Fund. Data are in fiscal years (October 1st - September 30th).
 - 2 Includes an adjustment for transfers to the Heritage and Stabilisation Fund and funds expended from the Infrastructure Development Fund.
 - 3 Includes errors and omissions, advances from the Central Bank and drawdowns from the treasury deposit accounts. Negative numbers represent an increase in deposits at the Central Bank.
 - 4 The primary balance, also known as the non-interest balance, is equal to the overall balance exclusive of interest payments.
 - 5 GDP data used for ratios to GDP prior to FY2025 are sourced from the CSO; data for FY2025 is estimated by CBTT.
- p Provisional.

TABLE A.15

CENTRAL GOVERNMENT REVENUE, 2021-2025¹

/ TT\$ Millions /

REVENUE	2021	2022	2023	2024	2025 ^p
A. Oil Sector	6,878.0	21,748.3	22,509.5	10,552.3	12,748.1
Corporation ²	3,865.0	13,340.4	12,275.6	6,613.6	6,154.1
Withholding Tax	561.1	547.9	1,218.0	732.8	2,603.1
Royalties	2,004.1	5,802.4	7,424.9	2,410.3	3,283.5
Oil Impost	108.6	112.6	117.2	112.4	124.8
Unemployment Levy	339.0	1,944.6	1,473.5	683.0	582.3
Excise Duties	0.3	0.3	0.3	0.3	0.3
B. Non Oil Sector	29,467.5	32,172.9	32,015.4	37,268.9	34,880.1
Taxes on Income	13,983.7	19,960.9	17,884.3	16,229.2	17,266.5
Companies	6,291.6	11,768.1	9,587.5	7,622.3	8,525.6
Individuals	5,555.5	5,512.3	5,780.1	6,217.3	6,417.7
Unemployment Levy	0.0	0.0	0.0	0.0	0.0
Health Surcharge	165.7	180.1	170.1	176.9	173.1
Business Levy	650.0	642.2	763.2	767.5	650.4
Green Fund	811.1	1,288.2	1,116.8	975.0	1,081.9
Other ³	509.8	569.9	466.6	470.2	417.8
Taxes on Property	2.0	2.4	1.4	100.4	38.6
Lands and Buildings Taxes	2.0	2.4	1.4	1.4	1.9
Other Property Taxes	0.0	0.0	0.0	99.1	36.6
Taxes on Goods and Services	9,958.4	6,904.1	8,408.0	11,402.9	10,073.0
Excise Duties	648.7	676.8	613.2	619.2	531.1
Motor Vehicles	251.5	260.5	289.9	221.4	203.4
Value Added Tax	8,296.1	5,097.0	6,613.2	9,460.2	8,111.7
Other	762.1	869.8	891.7	1,102.2	1,226.9
Taxes on International Trade	2,287.2	2,608.4	2,740.4	2,785.5	2,778.3
Import Duties	2,287.0	2,608.3	2,740.4	2,785.4	2,778.2
Other	0.2	0.0	0.0	0.1	0.1
Non-Tax Revenue	3,236.3	2,697.2	2,981.4	6,750.8	4,723.7
National Lottery	192.6	226.7	426.0	375.4	238.8
Interest	17.4	5.2	8.5	12.0	14.6
Central Bank	1,428.2	756.5	550.7	1,587.5	2,019.8
State Enterprises	348.6	899.0	1,051.0	1,867.1	1,104.1
Fees and Charges	370.7	383.5	405.1	408.5	288.0
Other	878.8	426.3	540.2	2,500.3	1,058.3
TOTAL CURRENT REVENUE	36,345.5	53,921.2	54,524.9	47,821.2	47,628.2
Capital Revenue	921.0	685.7	158.9	19.3	1,450.9
TOTAL REVENUE	37,266.5	54,606.8	54,683.9	47,840.4	49,079.1

SOURCES: Ministry of Finance and Central Bank of Trinidad and Tobago

- 1 Refers to accounts of Consolidated Fund, Unemployment Fund, Road Improvement Fund and the Infrastructure Development Fund. Data are in fiscal years (October 1st -September 30th).
 - 2 Includes receipts from Supplemental Petroleum Tax (SPT), Petroleum Profit Tax (PPT), signature bonuses, surplus sale of petroleum products, Extraordinary Revenue from Oil and Gas Companies and for the award of Production Sharing Contracts (PSC).
 - 3 Includes withholding tax from the non-oil sector, insurance surrender tax and income tax surcharge.
- p Provisional.

TABLE A.16

CENTRAL GOVERNMENT EXPENDITURE, 2021-2025¹
/ TT\$Millions /

EXPENDITURE	2021	2022	2023	2024	2025 ^p
Current Expenditure	46,482.3	50,061.6	53,620.3	52,710.2	53,478.7
Wages and Salaries	9,093.6	9,148.5	9,420.1	10,431.9	9,792.1
Goods and Services	5,570.9	5,911.7	6,106.2	6,061.2	6,667.4
Interest	4,938.1	4,927.4	5,779.7	6,581.8	6,227.7
External	955.7	973.3	1,514.1	1,865.5	2,060.9
Domestic	3,982.4	3,954.2	4,265.6	4,716.3	4,166.8
Transfers and Subsidies	26,879.7	30,073.9	32,314.3	29,635.4	30,791.5
Of which:					
Statutory Boards and State Enterprises	8,703.6	9,205.4	9,715.5	10,071.1	10,716.0
Households	9,696.0	10,699.6	11,479.2	9,813.0	9,770.9
Capital Expenditure and Net-Lending	3,135.0	3,212.5	4,236.1	4,182.5	3,675.5
TOTAL EXPENDITURE	49,617.3	53,274.0	57,856.4	56,892.7	57,154.1
(in % of GDP at current market prices)	31.4	28.9	33.1	33.1	32.7
Memo Items (% of Expenditure):					
Current Expenditure	93.7	94.0	92.7	92.6	93.6
Capital Expenditure and Net-Lending	6.3	6.0	7.3	7.4	6.4

SOURCES: Ministry of Finance and Central Bank of Trinidad and Tobago

¹ Refers to accounts of Consolidated Fund, Unemployment Fund, Road Improvement Fund and the Infrastructure Development Fund. Data is in fiscal years (October 1st - September 30th).

^p Provisional.

TABLE A.17 (A)

CENTRAL GOVERNMENT EXTERNAL DEBT, 2021-2025¹
/ US\$ Millions /

SECTOR	2021	2022	2023 ^r	2024 ^p	2025 ^p
CENTRAL GOVERNMENT					
Receipts	123.0	297.3	759.1	872.0	189.6
Amortisation	171.5	169.9	405.3	510.8	195.3
Interest	142.7	143.9	223.2	275.6	306.9
Balance Outstanding (end of period)	4,659.5	4,792.7	5,121.3	5,482.5	5,477.9
Balance Outstanding/GDP (%)	19.7	17.3	19.8	21.5	21.1
External Debt Service/Exports (%)	3.3	1.8	5.0	7.1	4.2

SOURCE: Central Bank of Trinidad and Tobago
¹ Data are in Fiscal Years (October-September).
^r Revised.
^p Provisional.

TABLE A.17 (B)

CENTRAL GOVERNMENT INTERNAL DEBT, 2021-2025¹
/ TT\$ Millions /

SECTOR	2021	2022	2023	2024 ^r	2025 ^p
BONDS & NOTES					
Issue	13,325.5	5,652.1	12,768.5	8,135.7	19,946.3
Redemption	5,420.4	4,074.3	8,468.7	4,301.1	5,536.6
Outstanding	56,916.6	58,547.9	62,919.7	66,753.0	73,728.5
CLICO AND HCU ZERO-COUPON BONDS					
Issue	0.0	0.0	0.0	0.0	0.0
Redemption ²	500.3	501.0	505.2	75.9	74.8
Outstanding	1,269.7	787.2	674.1	598.2	541.7
BOLTS AND LEASES					
Issue	79.0	122.6	76.3	0.0	0.0
Redemption	28.3	21.0	12.5	14.5	15.5
Outstanding	129.3	232.6	296.3	281.8	266.3
OTHER³					
Issue	0.0	0.0	0.0	0.0	0.0
Redemption	0.0	0.0	0.0	0.0	0.0
Outstanding	16.7	16.7	16.7	16.7	0.0
DEBT MANAGEMENT BILLS					
Issue	6,109.0	6,816.0	7,077.2	9,623.0	7,839.0
Redemption	6,109.0	6,421.0	7,079.1	9,907.1	7,325.0
Outstanding	6,136.0	6,636.0	6,634.1	6,350.0	6,864.0
Total Internal Debt Outstanding	64,468.3	66,220.4	70,540.9	73,999.8	81,400.5
Internal Debt Outstanding/GDP (%)	40.8	35.9	40.4	43.0	46.6
Internal Debt Service/Revenues (%)	20.9	13.1	18.8	27.3	18.7

SOURCES: Ministry of Finance and Central Bank of Trinidad and Tobago

¹ Data is in Fiscal Years (October 1st -September 30th) and excludes all securities issued for sterilisation purposes (OMO Bills, Treasury notes, Treasury Bonds).

² Includes the exchange of bonds for shares in the CLICO Investment Fund (CIF).

³ Comprises tax-free saving bonds, central bank fixed interest rate bonds and public sector emolument bonds.

^r Revised.

^p Provisional.

TABLE A.18 (A)

COMMERCIAL BANKS: SELECTED DATA, 2021-2025
/ TT\$ Millions /

ITEM	END OF PERIOD				
	2021	2022	2023	2024	2025
A. OUTSTANDING					
1. Aggregate Deposits (adj.)	117,627.1	119,840.0	120,714.7	122,290.2	125,900.7
Demand Deposits (adj.) ¹	44,324.8	46,604.1	45,517.0	43,248.3	42,770.5
Time Deposits (adj.) ²	8,946.4	8,065.9	10,412.8	12,111.3	14,079.8
Savings Deposits (adj.) ³	38,351.3	38,999.2	40,022.6	40,099.7	40,263.5
Foreign Currency Deposits (adj.) ⁴	26,004.7	26,170.7	24,762.3	26,830.9	28,787.0
2. Gross Bank Credit ⁵	70,398.4	74,926.5	81,384.2	88,661.2	92,839.3
Of which:					
Business Purposes	26,500.5	28,439.3	31,176.1	33,862.8	35,732.2
Corporate	24,673.4	26,598.1	29,343.2	31,924.6	33,246.8
Non-Corporate	1,827.1	1,841.3	1,832.8	1,938.2	2,485.4
3. Investments	40,890.2	34,732.4	34,308.5	34,047.0	32,714.7
Government Securities	21,874.5	16,032.4	17,237.2	15,063.8	17,019.9
Other Investments ⁶	19,015.7	18,700.0	17,071.3	18,983.2	15,694.8
Of which:					
Interest-bearing Special Deposit Facility	0.0	0.0	0.0	0.0	0.0
B. ANNUAL CHANGE					
1. Aggregate Deposits (adj.)	902.2	2,212.9	874.7	1,575.5	3,610.5
Demand Deposits (adj.)	-461.8	2,279.3	-1,087.1	-2,268.7	-477.8
Time Deposits (adj.)	-1,395.2	-880.4	2,346.9	1,698.5	1,968.4
Savings Deposits (adj.)	1,567.7	648.0	1,023.3	77.1	163.8
Foreign Currency Deposits (adj.)	1,191.5	166.0	-1,408.4	2,068.7	1,956.1
2. Gross Bank Credit	425.2	4,528.1	6,457.7	7,277.0	4,178.1
Of which:					
Business Purposes	1,256.4	1,938.8	2,736.7	2,686.7	1,869.4
Corporate	1,112.7	1,924.6	2,745.2	2,581.4	1,322.1
Non-Corporate	143.7	14.2	-8.4	105.3	547.2
3. Investments	4,524.8	-6,157.7	-424.0	-261.4	-1,332.3
Government Securities	2,510.2	-5,842.1	1,204.8	-2,173.4	1,956.1
Other Investments	2,014.5	-315.6	-1,628.8	1,912.0	-3,288.4
Of which:					
Interest-Bearing Special Deposit Facility	0.0	0.0	0.0	0.0	0.0

SOURCE: Central Bank of Trinidad and Tobago

- 1 Total demand deposits minus non-residents' and Central Government's demand deposits, cash items in process of collection on other banks, and branch clearings, plus cashiers and branch clearings.
- 2 Total time deposits minus Central Government's deposits and deposits of non-residents.
- 3 Total savings deposits minus Central Government's deposits and deposits of non-residents.
- 4 Total demand, savings and time deposits in foreign currency minus those of non-residents.
- 5 Total loans excluding loans to non-residents and central government.
- 6 Interest-bearing deposits at the Central Bank, other local and foreign securities, and equity in subsidiaries and affiliates.

TABLE A.18 (B)

SUMMARY ACCOUNTS OF THE MONETARY SYSTEM, 2021-2025

/ TT\$ Millions /

ITEM	END OF PERIOD				
	2021	2022	2023	2024	2025
Net Foreign Assets	65,941	67,129	60,308	55,666	49,745
Monetary Authorities	39,027	39,042	34,991	30,925	25,786
Commercial Banks	26,914	28,087	25,317	24,741	23,959
Net Domestic Assets	57,037	57,016 ^r	68,168	74,078	83,376
Net Claims on Public Sector	14,885	8,343 ^r	15,458	14,328	22,245
Central Government (net)	17,424	12,875 ^r	17,896	14,957	24,202
Treasury Bills	12,444	9,536	6,693	5,393	8,403
Other Government Securities	9,529	6,770	10,644	9,763	8,956
Other Credit (net)	-3,253	-2,252 ^r	2,270	3,233	8,833
Local Government (net)	-474	-1,177	-587	-304	-352
Statutory Bodies (net)	-5,074	-4,036	-3,534	-3,036	-2,296
Public Enterprises (net)	3,009	680 ^r	1,683	2,712	690
Official Capital and Surplus	-136	-6,728	-7,344	-7,207	-7,379
Credit to Other Financial Institutions (net)	-11,998	-11,677	-9,252	-12,538	-12,867
Credit to Private Sector	62,249	66,410 ^r	71,842	78,513	82,881
Interbank Float	2,424	2,104	-300	1,642	-304
Other Assets (net)	-10,386	-1,436 ^r	-2,237	-662	-1,200
Liabilities to Private Sector (M3)	122,977	124,144 ^r	128,475	129,744	133,121
Money and Quasi-Money	100,712	101,427 ^r	104,578	106,006	107,625
Money	44,126	44,597 ^r	45,343	46,392	45,206
Currency in Circulation	7,504	7,551	7,697	7,513	7,726
Demand Deposits	36,622	37,045 ^r	37,645	38,879	37,480
Quasi-Money	56,586	56,830	59,235	59,614	62,419
Time Deposits	7,218	6,740	8,758	9,143	11,832
Savings Deposits	49,368	50,090	50,478	50,471	50,586
Securitised Instruments	212	83	77	106	36
Private Capital and Surplus	22,053	22,635	23,821	23,631	25,460
	Changes as a per cent of beginning-of-period M3				
Net Foreign Assets	-0.4	1.0	-5.5	-3.6	-4.6
Net Domestic Assets	3.3	0.1	9.0	4.6	7.2
Net Claims on Public Sector	0.2	-5.3	7.0	-0.9	6.1
Of which: Central Government	0.7	-3.7	11.3	-2.3	7.1
Credit to Private Sector	1.4	3.5	4.4	5.2	3.4
Other Assets (net)	-4.4	1.7	-0.6	1.2	-0.4
Liabilities to private sector (M3)	2.9	1.1	3.5	1.0	2.6
Memorandum items:					
Net Domestic Assets	57,037	57,016	68,168	74,078	83,376
Net Claims on Public Sector	14,885	8,343	15,458	14,328	22,245
Central Government	17,424	12,875	17,896	14,957	24,202
Credit to the Private Sector	62,249	66,410	71,842	78,513	82,881
(12-month increase in per cent) M3 Velocity	1.3	1.5	1.3	1.3	n.a.

SOURCE: Central Bank of Trinidad and Tobago
^r Revised.

TABLE A.19

LIQUIDITY POSITION OF COMMERCIAL BANKS, 2024-2025
/ TT\$ Millions /

ITEM	2024				2025			
	I	II	III	IV	I	II	III	IV
Legal Reserves Position								
Required Reserves ¹	13,676.0	13,644.2	9,736.2	9,810.8	9,921.2	9,994.3	9,825.9	9,796.4
Cash Reserves	17,939.4	16,503.1	15,546.7	14,756.8	17,174.8	13,990.8	12,658.7	13,998.2
Excess (+) or Shortage (-) ²	4,263.4	2,858.9	5,810.5	4,946.0	7,253.5	3,996.4	2,832.8	4,201.9
Average Excess(+) or Shortage(-) ³	3,777.6	4,033.9	5,299.4 ^r	6,296.9	6,249.2	5,982.2	3,948.6	4,105.5
Liquid Assets								
Total Deposits at Central Bank	17,939.4	16,503.1	15,546.7	14,756.8	17,174.8	13,990.8	12,658.7	13,998.2
Local Cash in Hand	1,458.0	1,296.5	1,370.0	1,812.1	1,376.3	1,406.8	1,493.6	1,636.7
Treasury Bills	4,130.9	4,544.4	5,640.4	4,661.1	5,497.0	5,380.3	5,370.0	5,430.5
Total Liquid Assets	23,528.3	22,344.0	22,557.1	21,230.0	24,048.1	20,777.9	19,522.3	21,065.4
Total Deposit Liabilities (adj.)	97,685.6	97,458.3	97,361.7	98,107.9	99,212.4	99,943.4	98,258.5	97,963.5
As at Percentage of Total Deposit Liabilities (Adj.)								
Legal Reserves Position								
Required Reserves	14.0	14.0	10.0	10.0	10.0	10.0	10.0	10.0
Actual Reserves	18.4	16.9	16.0	15.0	17.3	14.0	12.9	14.3
Cash Reserves	18.4	16.9	16.0	15.0	17.3	14.0	12.9	14.3
Excess (+) or Shortage (-)	4.4	2.9	6.0	5.0	7.3	4.0	2.9	4.3
Average Excess(+) or Shortage(-)	3.9	4.1	5.4	6.4	6.3	6.0	4.0	4.2
Liquid Assets								
Total Deposits at Central Bank	18.4	16.9	16.0	15.0	17.3	14.0	12.9	14.3
Local Cash in Hand	1.5	1.3	1.4	1.8	1.4	1.4	1.5	1.7
Treasury Bills	4.2	4.7	5.8	4.8	5.5	5.4	5.5	5.5
TOTAL LIQUID ASSETS	24.1	22.9	23.2	21.6	24.2	20.8	19.9	21.5

SOURCE: Central Bank of Trinidad and Tobago

1 Required reserves comprise the statutory cash reserves requirement which was reduced from 17 per cent to 14 per cent on March 17, 2020. A secondary reserve requirement of 2 per cent, which was introduced on a temporary basis, on October 04, 2006 was suspended effective August 02, 2018.

2 Represents the excess/shortage as at the end of the quarter.

3 Represents the excess/shortage as an average for the quarter.

r Revised.

TABLE A.20

COMMERCIAL BANKS:
DISTRIBUTION OF LOANS AND ADVANCES BY SECTOR, 2021-2025
/ TT\$ Millions /

SECTOR	END OF PERIOD				
	2021	2022	2023	2024	2025
Central and Local Government	443.4	334.5	332.9	217.9	161.5
Agriculture	158.1	167.0	188.0	168.3	164.5
Petroleum	3,287.6	3,327.8	4,123.1	4,277.6	5,107.4
Manufacturing	3,766.8	4,037.4	4,603.3	4,693.9	4,928.9
Construction	2,655.1	3,337.2	4,131.4	6,166.8	5,176.6
Distributive Trades	3,802.3	4,272.0	4,589.5	5,078.8	5,361.6
Hotels and Guest Houses	1,738.1	2,085.5	2,237.9	2,278.6	2,541.7
Transport, Storage and Communication	1,301.1	1,633.2	1,603.5	1,845.3	1,951.3
Finance, Insurance and Real Estate	11,758.7	13,131.3	13,812.5	13,036.2	14,463.4
Education, Cultural and Community Services	279.4	171.2	171.1	132.3	264.6
Personal Services	1,207.4	1,243.4	1,249.5	1,305.1	1,403.2
Electricity and Water	1,128.8	1,052.2	1,435.1	1,435.5	1,561.8
Consumers	18,391.4	19,712.6	21,432.0	24,213.3	25,649.7
TOTAL (Excluding Real Estate Mortgage Loans)	49,918.2	54,505.4	59,909.8	64,849.7	68,736.1
Real Estate Mortgage Loans and Lease Financing	25,744.1	26,830.1	28,686.7	30,484.6	31,952.0
TOTAL LOANS	75,662.3	81,335.5	88,596.6	95,334.3	100,688.1

SOURCE: Central Bank of Trinidad and Tobago

TABLE A.21

COMMERCIAL BANKS:
 PERCENTAGE DISTRIBUTION OF LOANS AND ADVANCES BY SECTOR, 2021-2025¹
 / PER CENT /

SECTOR	END OF PERIOD				
	2021	2022	2023	2024	2025
Central Government	0.6	0.4	0.4	0.2	0.2
Agriculture	0.2	0.2	0.2	0.2	0.2
Petroleum	4.3	4.1	4.7	4.5	5.1
Manufacturing	5.0	5.0	5.2	4.9	4.9
Construction	3.5	4.1	4.7	6.5	5.1
Distributive Trades	5.0	5.3	5.2	5.3	5.3
Hotels and Guest Houses	2.3	2.6	2.5	2.4	2.5
Transport, Storage and Communication	1.7	2.0	1.8	1.9	1.9
Finance, Insurance and Real Estate	15.5	16.1	15.6	13.7	14.4
Education, Cultural and Community Services	0.4	0.2	0.2	0.1	0.3
Personal Services	1.6	1.5	1.4	1.4	1.4
Electricity and Water	1.5	1.3	1.6	1.5	1.6
Consumers	24.3	24.2	24.2	25.4	25.5
TOTAL (Excluding Real Estate Mortgage Loans)	66.0	67.0	67.6	68.0	68.3
Real Estate Mortgage Loans and Lease Financing	34.0	33.0	32.4	32.0	31.7
TOTAL LOANS	100.0	100.0	100.0	100.0	100.0

SOURCE: Table A.20

¹ Figures may not sum to 100 due to rounding.

TABLE A.22

COMMERCIAL BANKS: INTEREST RATES, 2023-2025¹
/ PER CENT /

INTEREST RATES		2023	2024	2025	2025			
					I	II	III	IV
A. LOAN RATES (MARKET)								
(i) Installment	Range	0.00-20.75 ^r	0.00-23.66 ^r	0.00-21.36	0.00-21.36	0.00-19.75	0.00-19.75	0.00-19.75
	Median	4.00	3.99	4.00	4.00	4.00	4.15	4.00
(ii) Demand	Range	0.00-17.00	0.00-15.00	0.00-15.00	0.00-15.00	0.00-15.00	0.00-15.00	0.00-14.00
	Median	5.11	5.35	5.09	5.35	5.09	5.09	5.09
(iii) Overdraft	Range	0.00-29.00	0.00-29.00	0.00-29.00	0.00-29.00	0.00-29.00	0.00-29.00	0.00-29.00
	Median	7.50	7.50	7.38	7.50	7.50	7.38	7.38
(iv) Basic Prime Rate	Range	7.25-7.80	7.25-7.80	7.25-7.80	7.25-7.80	7.25-7.80	7.25-7.80	7.25-7.80
	Median	7.50	7.50	7.50	7.50	7.50	7.50	7.50
(v) Real Estate Mortgage	Range	3.00-11.50	3.00-11.50	3.25-11.50	3.00-11.50	3.00-11.50	3.00-11.50	3.00-11.50
	Median	5.75	5.75	4.30	4.30	4.30	4.30	4.45
B. DEPOSIT RATES (Announced)								
(i) Ordinary Savings	Range	0.00-0.20	0.00-0.20	0.00-0.20	0.00-0.20	0.00-0.20	0.00-0.20	0.00-0.20
	Median	0.04	0.05	0.05	0.05	0.05	0.05	0.05
(ii) Special Savings	Range	0.00-2.00	0.00-1.75	0.00-1.75	0.00-1.75	0.00-1.75	0.00-1.75	0.00-1.75
	Median	0.08	0.08	0.08	0.08	0.08	0.09	0.20
(iii) 3-Months Time	Range	0.00-0.50	0.00-0.50	0.00-0.50	0.00-0.50	0.00-0.50	0.00-0.50	0.00-0.50
	Median	0.04	0.15	0.15	0.15	0.15	0.15	0.15
(iv) 3-6 Months Time	Range	0.00-0.50	0.00-0.50	0.00-3.40	0.00-0.50	0.00-3.40	0.00-3.40	0.00-3.40
	Median	0.05	0.23	0.28	0.23	0.23	0.28	0.28
(iv) 6-Months Time	Range	0.00-0.35	0.04-0.35	0.04-0.35	0.04-0.35	0.20-0.35	0.20-0.35	0.20-0.35
	Median	0.02	0.16	0.28	0.16	0.28	0.28	0.28
(v) 1-Year Time	Range	0.00-1.85	0.00-1.85	0.00-4.20	0.00-1.85	0.00-4.20	0.00-4.20	0.00-4.20
	Median	0.50	0.43	0.70	0.43	0.43	0.70	0.70

SOURCE: Central Bank of Trinidad and Tobago

Note: The Central Bank of Trinidad and Tobago (the Central Bank) undertook an exercise to review both TT dollar and foreign currency interest rate data submitted by the licensed reporting institutions over a 2-year period. The Central Bank identified inconsistencies and required institutions to re-evaluate all data submitted for the period January 2020 to present. Resubmitted amendments resulted in a structural break in data trends which is reflected in selected series.

¹ Annual data represent the rates for the twelve (12) months of the year and quarterly data represent the rates for the three (3) months of the quarter.

^r Revised.

TABLE A.23

MONEY SUPPLY, 2021-2025
/ TT\$ Millions /

ITEM	END OF PERIOD				
	2021	2022	2023	2024	2025
A. Narrow Money Supply (M-1A)	51,828.4	54,155.4	53,214.20	50,761.2	50,496.4
Currency in Active Circulation	7,503.6	7,551.3	7,697.2	7,512.9	7,725.9
Demand Deposits (adj.)	44,324.8	46,604.1	45,517.0	43,248.3	42,770.5
B. Factors Affecting Changes in Money Supply					
1. Net Bank Credit to Central Government	-13,878.3	-20,572.7	-7,903.5	-19,128.9 ^r	-16,518.6
(a) Central Bank	-35,223.5	-36,064.8	-24,375.0	-32,492.4 ^r	-32,544.1
(b) Commercial Banks	21,345.2	15,492.1	16,471.5	13,363.5	16,025.5
2. Bank Credit	73,872.7	77,878.5	83,896.3	-90,946.6 ^r	94,580.1
(a) Public Sector ¹	10,569.9	10,216.7	10,856.7	-11,332.0 ^r	10,705.7
(b) Private Sector ²	63,302.8	67,661.8	73,039.6	79,614.6	83,874.3
3. External Assets (net)	62,787.1	63,199.9	54,877.6	-51,081.4 ^r	45,173.2
4. Quasi-Money ³	-47,297.6	-47,065.2	-50,435.4	-52,211.0	-54,343.2
5. Foreign Currency Deposits (Adj.)	-26,004.7	-26,170.7	-24,762.3	-26,830.9	-28,787.0
6. NFIs Foreign Currency Deposit (Adj.)	-1,766.5	-1,069.9	-746.7	-615.9	-642.7
7. Other Items (Net)	2,349.2	6,885.5	-2,458.5	-8,566.8 ^r	10,392.0
C. Broad Money Supply (M-2)	99,126.0	101,220.5	103,649.6	102,972.1	104,839.7
D. Broad Money Supply (M-2*)⁴	125,130.7	127,391.2	128,411.8	129,803.1	133,626.6
Memorandum Items:⁵					
Money Supply M-3	102,228.7	104,515.2	107,977.4	106,848.0	108,880.1
Money Supply M-3*	129,999.5	131,680.3	133,340.2	134,224.8	138,309.4

SOURCE: Central Bank of Trinidad and Tobago

1 Includes Central Bank's and commercial banks' loans and holdings of public sector securities.

2 Includes commercial banks' loans and holdings of private sector securities.

3 Excludes foreign currency deposits of residents which are shown separately below.

4 Includes foreign currency deposits of residents.

5 In addition to M-2, M-3 includes the time deposits of non-bank financial institutions (NFIs), while in addition to M-2*, M-3* includes foreign currency deposits of residents at NFIs.

r Revised.

TABLE A.24

FINANCE COMPANIES AND MERCHANT BANKS:
SUMMARY OF ASSETS AND LIABILITIES, 2021-2025
/ TT\$ Thousands /

END OF PERIOD	EXTERNAL ASSETS (NET)	CASH AND DEPOSITS AT CENTRAL BANK	BALANCES DUE FROM BANKS (NET)	DOMESTIC CREDIT		
				INVESTMENTS	LOANS (GROSS)	TOTAL
	(1)	(2)	(3)	(4)	(5)	(6)
2021	180,822	261,993	1,685,811	3,506,489	3,702,140	7,208,629
2022	507,096	293,132	1,057,207	4,188,357	3,843,578	8,031,935
2023	65,581	367,185	707,265	4,838,346	4,631,558	9,469,904
2024	15,998	353,525	1,097,150	4,996,975	3,960,060	8,957,035
2025	77,623	698,297	556,865	5,124,449	4,188,362	9,312,811
2024						
I	27,662	376,361	871,627	4,819,214	4,480,481	9,299,695
II	9,866	361,199	709,588	4,931,752	4,266,840	9,198,592
III	-29,825	349,270	832,226	4,775,760	4,092,021	8,867,781
IV	15,998	353,525	1,097,150	4,996,975	3,960,060	8,957,035
2025						
I	49,174	344,217	879,216	4,996,294	3,976,144	8,972,438
II	69,072	351,088	800,467	4,949,980	4,183,869	9,133,849
III	218,354	368,314	827,824	5,009,922	4,146,309	9,156,231
IV	77,623	698,297	556,865	5,124,449	4,188,362	9,312,811
END OF PERIOD	TOTAL ASSETS/ LIABILITIES	DEPOSITS	BORROWINGS ¹	PROVISIONS	CAPITAL AND RESERVES	OTHER ITEMS (NET)
	(7)	(8)	(9)	(10)	(11)	(12)
2021	9,135,041	4,021,040	883,435	202,214	3,962,641	284,950
2022	9,710,188	4,249,066	571,969	179,183	4,347,32 ¹	618,380
2023	10,455,750	4,860,197	744,434	154,169	4,384,673	543,265
2024	10,268,720	4,389,020	916,492	145,046	4,241,776	848,359
2025	10,481,070	4,562,705	882,778	155,102	4,349,169	694,683
2024						
I	10,423,170	4,778,610	730,745	152,172	4,408,129	608,055
II	10,124,200	4,553,886	723,175	150,404	4,043,437	963,662
III	9,865,410	4,338,938	760,914	140,242	4,056,159	869,172
IV	10,268,720	4,389,020	916,492	145,046	4,241,776	848,359
2025						
I	10,073,580	4,374,534	912,149	162,390	4,132,666	760,268
II	10,174,940	4,509,780	891,179	170,035	4,042,181	751,211
III	10,401,430	4,651,555	882,865	159,768	3,992,313	897,683
IV	10,481,070	4,562,705	882,778	155,102	4,349,169	694,683

SOURCE: Central Bank of Trinidad and Tobago

1 Borrowings from all sources other than commercial banks. Borrowings from commercial banks are reflected in Column 3.

TABLE A.25

FINANCE COMPANIES AND MERCHANT BANKS:
DISTRIBUTION OF LOANS AND ADVANCES BY SECTOR, 2021-2025
/ TT\$ Millions /

SECTOR	END OF PERIOD				
	2021	2022	2023	2024	2025
Public Sector	460.1	471.9	979.7	272.8	272.8
Private Sector	2,969.4	3,123.1	3,391.0	3,371.3 ^r	3,607.3
Agriculture	32.3	28.1	33.1	33.9	33.9
Petroleum	10.3	8.6	8.5	10.7	10.7
Manufacturing	56.9	143.2	213.5	132.1	132.1
Construction	220.6	207.2	201.9	248.4	248.4
Distributive Trades	129.5	99.3	121.7	135.8	135.8
Hotels and Guest Houses	48.8	46.9	44.6	12.4	12.4
Transport, Storage and Communication	114.3	128.2	120.5	117.6	117.6
Finance, Insurance, Real Estate and Services	479.2	689.1	777.2	895.8	895.8
Education, Cultural and Community Services	0.0	0.2	1.3	1.7	1.7
Personal Services	135.4	104.9	83.8	57.3	57.3
Consumers	1,741.9	1,667.4	1,784.8	1,725.5 ^r	1,961.5
TOTAL (Excluding Real Estate Mortgage Loans and Leases)	3,429.5	3,595.0	4,370.7	3,644.2^r	3,880.2
Real Estate Mortgage Loans	91.7	87.1	86.6	89.2	89.2
Leases	169.3	156.2	174.0	178.4	178.4
TOTAL LOANS	3,690.4	3,838.4	4,631.3	3,911.8^r	4,147.8

SOURCE: Central Bank of Trinidad and Tobago
r Revised.

TABLE A.26

FINANCE COMPANIES AND MERCHANT BANKS:
 PERCENTAGE DISTRIBUTION OF LOANS AND ADVANCES BY SECTOR, 2021-2025
 / PER CENT /

SECTOR	END OF PERIOD				
	2021	2022	2023	2024	2025
Public Sector	12.5	12.3	21.2	7.0 ^r	6.6
Private Sector	80.5	81.4	73.2	86.2 ^r	87.0
Agriculture	0.9	0.7	0.7	0.9 ^r	0.8
Petroleum	0.3	0.2	0.2	0.3	0.3
Manufacturing	1.5	3.7	4.6	3.4 ^r	3.2
Construction	6.0	5.4	4.4	6.3 ^r	6.0
Distributive Trades	3.5	2.6	2.6	3.5 ^r	3.3
Hotels and Guest Houses	1.3	1.2	1.0	0.3	0.3
Transport, Storage and Communication	3.1	3.3	2.6	3.0 ^r	2.8
Finance, Insurance, Real Estate and Business Services	13.0	18.0	16.8	22.9 ^r	21.6
Education, Cultural and Community Services	0.0	0.0	0.0	0.0	0.0
Personal Services	3.7	2.7	1.8	1.5 ^r	1.4
Consumers	47.2	43.4	38.5	44.1 ^r	47.3
TOTAL (Excluding Real Estate Mortgage Loans and Leases)	92.9	93.7	94.4	93.2	93.5
Real Estate Mortgage Loans	2.5	2.3	1.9	2.3 ^r	2.2
Leases	4.6	4.1	3.8	4.6 ^r	4.3
TOTAL LOANS	100.0	100.0	100.0	100.0	100.0

SOURCE: Table A.25
 r Revised.

TABLE A.27

TRUST AND MORTGAGE FINANCE COMPANIES:
SUMMARY OF ASSETS AND LIABILITIES, 2021-2025
/ TT\$ Thousands /

END OF PERIOD	CASH AND DEPOSITS AT CENTRAL BANK	BALANCES DUE FROM BANKS (NET)	DOMESTIC CREDIT			TOTAL ASSETS/ LIABILITIES
			INVESTMENTS	LOANS (GROSS)	TOTAL	
	(1)	(2)	(3)	(4)	(5)	(6)
2021	93,120	625,029	1,227,548	629,700	2,451,841	2,544,961
2022	67,223	476,465	2,916,074	718,020	4,085,846	4,153,070
2023	48,815	474,520	2,688,372	1,002,288	4,136,015	4,184,830
2024	56,707	416,365	587,332	1,091,060	2,062,721	2,119,428
2025	52,147	419,132	832,360	791,404	2,010,182	2,062,329
2024						
I	71,540	554,796	789,204	1,125,343	2,438,664	2,510,204
II	56,742	436,883	571,512	994,550	1,972,540	2,029,282
III	53,138	509,105	575,361	995,901	2,049,340	2,102,478
IV	56,707	416,365	587,332	1,091,060	2,062,721	2,119,428
2025						
I	55,345	534,214	639,091	991,247	2,132,153	2,187,498
II	103,757	451,589	703,212	800,448	1,921,432	2,025,189
III	68,915	430,404	788,101	809,178	1,996,446	2,065,361
IV	52,147	419,132	832,360	791,404	2,010,182	2,062,329
END OF PERIOD	DEPOSITS	BORROWINGS	PROVISIONS	CAPITAL AND RESERVES	OTHER ITEMS (NET)	
	(7)	(8)	(9)	(10)	(11)	
2021	1,251,756	-68	31,466	1,423,628	-131,385	
2022	2,940,936	0	25,742	1,279,176	-68,072	
2023	2,779,029	0	30,201	1,418,656	-13,891	
2024	601,249	50,000	32,113	1,480,789	37,313	
2025	551,872	0	32,768	1,423,299	87,104	
2024						
I	882,044	30,000	30,747	1,447,608	180,484	
II	547,852	25,000	30,480	1,457,302	24,053	
III	564,378	20,000	31,104	1,479,335	58,688	
IV	601,249	50,000	32,113	1,480,789	37,313	
2025						
I	590,733	0	32,471	1,495,090	101,603	
II	561,598	0	33,872	1,394,989	68,547	
III	522,186	0	31,292	1,408,643	134,477	
IV	551,872	0	32,768	1,423,299	87,104	

SOURCE: Central Bank of Trinidad and Tobago

TABLE A.28

DEVELOPMENT BANKS: SUMMARY OF ASSETS AND LIABILITIES, 2021-2025
/ TT\$ Thousands /

END OF PERIOD	EXTERNAL ASSETS (NET)	NET DOMESTIC ASSETS			TOTAL	TOTAL ASSETS/ LIABILITIES	CAPITAL AND RESERVES	OTHER ITEMS (NET)
		DEPOSITS IN LOCAL BANKS	PUBLIC SECTOR CREDIT	PRIVATE SECTOR CREDIT				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2021	0	-6,721	0	4,600,455	4,593,734	4,593,734	1,897,745	2,695,989
2022	0	7,767	0	4,892,273	4,900,040	4,900,040	1,956,090	2,943,950
2023	0	11,065	0	5,096,510	5,107,575	5,107,575	2,084,168	3,023,407
2024	0	9,700	0	6,332,150	6,341,850	6,341,850	3,231,676	3,110,174
2025	0	12,828	0	6,376,971	6,389,899	6,389,899	3,375,702	3,014,198
2021								
I	0	-141,518	0	4,512,550	4,371,032	4,371,032	1,806,569	2,564,463
II	0	-116,255	0	4,510,271	4,394,016	4,394,016	1,860,529	2,533,486
III	0	-143,725	0	4,616,717	4,472,992	4,472,992	1,882,337	2,590,656
IV	0	-6,721	0	4,600,455	4,593,734	4,593,734	1,897,745	2,695,989
2022								
I	0	5,794	0	4,666,775	4,672,569	4,672,569	1,923,300	2,749,269
II	0	8,926	0	4,670,875	4,679,801	4,679,801	1,949,119	2,730,683
III	0	9,598	0	4,794,920	4,804,518	4,804,518	1,925,920	2,878,598
IV	0	7,767	0	4,892,273	4,900,040	4,900,040	1,956,090	2,943,950
2023								
I	0	9,106	0	4,978,832	4,987,938	4,987,938	1,988,846	2,999,092
II	0	9,498	0	4,957,347	4,966,845	4,966,845	2,002,623	2,964,222
III	0	9,475	0	5,003,807	5,013,282	5,013,282	2,041,781	2,971,501
IV	0	11,065	0	5,096,510	5,107,575	5,107,575	2,084,168	3,023,407
2024								
I	0	8,047	0	6,265,650	6,273,697	6,273,697	3,214,737	3,058,960
II	0	7,749	0	6,319,963	6,327,711	6,327,711	3,221,361	3,106,350
III	0	-15,073	0	6,416,567	6,401,494	6,401,494	3,193,389	3,208,105
IV	0	9,700	0	6,332,150	6,341,850	6,341,850	3,231,676	3,110,174
2025								
I	0	8,302	0	6,386,430	6,394,732	6,394,732	3,267,222	3,127,510
II	0	5,488	0	6,342,402	6,347,889	6,347,889	3,318,183	3,029,706
III	0	30,852	0	6,364,783	6,395,635	6,395,635	3,378,508	3,017,128
IV*	0	12,828	0	6,376,971	6,389,899	6,389,899	3,375,702	3,014,198

SOURCE: Central Bank of Trinidad and Tobago
* TTMB data as at Sept 2025

TABLE A.29

THRIFT INSTITUTIONS: SUMMARY OF ASSETS AND LIABILITIES, 2021-2025
/ TT\$ Thousands /

END OF PERIOD	EXTERNAL ASSETS (NET)	NET DOMESTIC ASSETS				TOTAL ASSETS/ LIABILITIES	DEPOSITS			SHARES	OTHER ITEMS (NET)
		NET DEPOSITS IN LOCAL BANKS	PUBLIC SECTOR CREDIT	PRIVATE SECTOR CREDIT	TOTAL		TIME	SAVINGS	TOTAL		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
2021	0	8,557	11,527	106,338	126,422	126,422	26,181	8,590	34,771	23,506	68,143
2022	0	12,673	9,204	102,241	124,118	124,118	23,787	8,836	32,623	21,337	70,157
2023	0	10,366	8,832	103,895	123,093	123,093	24,181	9,530	33,711	18,179	71,203
2024	0	11,862	7,091	103,927	122,880	122,880	24,095	9,397	33,492	18,051	71,337
2025	0	13,378	7,333	104,122	124,833	124,833	23,387	9,459	32,846	19,053	72,933
2021											
I	0	6,359	7,778	111,704	125,841	125,841	29,862	7,882	37,744	22,104	65,994
II	0	8,845	8,443	109,382	126,670	126,670	30,079	7,975	38,054	22,308	66,306
III	0	8,962	11,563	107,822	128,347	128,347	30,117	8,042	38,159	22,909	67,279
IV	0	8,557	11,527	106,338	126,422	126,422	26,181	8,590	34,771	23,506	68,143
2022											
I	0	8,249	10,375	105,689	124,313	124,313	25,044	7,906	32,950	21,585	69,778
II	0	9,309	9,133	104,962	123,404	123,404	24,919	7,796	32,715	22,024	68,665
III	0	12,984	9,045	102,148	124,177	124,177	24,701	7,786	32,487	20,480	71,211
IV	0	12,673	9,204	102,241	124,118	124,118	23,787	8,836	32,623	21,337	70,157
2023											
I	0	11,257	9,618	102,919	123,794	123,794	23,463	8,844	32,307	19,902	71,586
II	0	15,286	5,841	102,469	123,596	123,596	23,597	8,999	32,596	19,393	71,608
III	0	11,203	8,412	104,161	123,776	123,776	24,065	8,683	32,748	18,040	72,968
IV	0	10,366	8,832	103,895	123,093	123,093	24,181	9,530	33,711	18,179	71,203
2024											
I	0	9,080	6,866	104,779	120,725	120,725	22,703	9,429	32,132	17,451	71,143
II	0	11,073	6,882	104,000	121,955	121,955	23,532	9,601	33,133	17,615	71,206
III	0	11,176	6,903	103,756	121,835	121,835	23,763	9,604	33,367	17,404	71,065
IV	0	11,862	7,091	103,927	122,880	122,880	24,095	9,397	33,492	18,051	71,337
2025											
I	0	12,660	7,107	103,112	122,879	122,879	23,990	9,464	33,454	17,868	71,557
II	0	15,385	7,124	101,442	123,951	123,951	23,662	9,471	33,133	18,617	72,202
III	0	13,067	7,140	104,724	124,931	124,931	24,058	9,753	33,811	18,233	72,889
IV	0	13,378	7,333	104,122	124,833	124,833	23,387	9,459	32,846	19,053	72,933

SOURCE: Central Bank of Trinidad and Tobago

TABLE A.30

NON-BANK FINANCIAL INSTITUTIONS INTEREST RATES, 2023-2025¹
/ PER CENT /

INTEREST RATES	2023	2024	2025	2025			
				I	II	III	IV
1. Thrift Institutions							
(a) Savings Deposits							
Range	0.50-0.50	0.50-0.50	0.50-0.50	0.50-0.50	0.50-0.50	0.50-0.50	0.50-0.50
Median	0.50	0.50	0.50	0.50	0.50	0.50	0.50
(b) Time Deposits							
(i) 1-3 years							
Range	0.50-3.75	0.50-3.75	0.50-3.75	0.50-3.75	0.50-3.75	0.50-3.75	0.50-3.75
Median	2.13	2.13	2.13	2.13	2.13	2.13	2.13
(c) Mortgage Loans (Residential)							
Range	6.50-9.00	6.50-9.00	6.50-9.00	6.50-9.00	6.50-9.00	6.50-9.00	6.50-9.00
Median	7.75	7.75	7.75	7.75	7.75	7.75	7.75
2. Trust and Mortgage Finance Companies							
(a) Time Deposits							
(i) 1-3 years							
Range	0.00-3.55	0.00-3.55	0.00-3.55	0.00-3.55	0.00-3.55	0.00-3.55	0.00-3.55
Median	0.38	0.00	0.03	0.00	0.05	0.05	0.00
(ii) Over 3 years							
Range	0.00-3.00	0.00-0.10 ^r	0.00-0.10	0.00-0.10	0.00-0.10	0.00-0.10	0.00-0.10
Median	0.04	0.00	0.00	0.00	0.00	0.00	0.00
(b) Mortgage Loans							
(i) Residential							
Range	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
3. Finance Companies and Merchant Banks							
(a) Time Deposits							
(i) 1-3 years							
Range	0.00-7.00	0.00-4.85	0.00-5.00	0.00-4.50	0.00-4.50	0.00-5.00	0.00-5.00
Median	2.85	2.75	3.00	3.00	3.00	3.00	3.00
(b) Installment Loans							
Range	2.36-60.18	0.00-60.99	0.00-62.77	0.00-60.68	0.00-60.68	0.00-59.25	0.00-62.77
Median	10.00	9.36 ^r	8.42	9.75	8.26	6.39	9.75

SOURCE: Central Bank of Trinidad and Tobago

Note: The Central Bank of Trinidad and Tobago (the Central Bank) undertook an exercise to review both TT dollar and foreign currency interest rate data submitted by the licensed reporting institutions over a 2-year period. The Central Bank identified inconsistencies and required institutions to re-evaluate all data submitted for the period January 2020 to present. Resubmitted amendments resulted in a structural break in data trends which is reflected in selected series.

¹ Annual and quarterly data represent the rates for the twelve (12) months of the year and the three (3) months of the quarter, respectively.

^r Revised.

TABLE A.31

MONEY AND CAPITAL MARKET ACTIVITY, 2021-2025¹

END OF PERIOD	NEW ISSUES (\$MN)			SECONDARY MARKET TURNOVER ²						
	GOVERNMENT SECURITIES	TREASURY BILLS	OTHER ⁴	GOVERNMENT SECURITIES ³		TREASURY BILLS		PUBLIC COMPANY SHARES		
				FACE VALUE (\$MN)	NO. OF TRANS-ACTIONS	FACE VALUE (\$MN)	NO. OF TRANS-ACTIONS	MARKET VALUE (\$MN)	NO. OF TRANS-ACTIONS	VOLUME OF SHARES TRADED (\$MN)
2021	13,370.3	500.0	5,034.1	79.4	20	35.2	4	1,314.7	14,936	94.8
I	3,545.3	0.0	439.2	74.0	12	0.0	0	325.7	3,312	13.5
II	3,725.0	0.0	799.1	0.2	2	0.0	0	417.8	3,841	27.4
III	3,000.0	0.0	2,651.3	3.4	3	0.1	1	302.6	3,694	26.1
IV	3,100.0	500.0	1,144.5	1.9	3	35.2	3	268.5	4,089	27.8
2022	2,500.0	0.0	6,003.6	792.2	91	359.6	56	1,706.9	20,944	184.3
I	0.0	0.0	824.5	0.0	0	0.3	3	472.9	5,716	46.5
II	0.0	0.0	373.8	0.0	0	141.5	17	445.7	5,372	50.9
III	1,500.0	0.0	3,079.5	293.1	39	147.5	30	372.2	5,071	42.2
IV	1,000.0	0.0	1,725.8	499.2	52	70.3	6	416.1	4,785	44.8
2023	14,236.0	0.0	4,074.0	455.1	880	741.6	34	1,092.8	21,264	106.2
I	2,044.0	0.0	1,386.2	26.2	342	129.9	12	338.4	5,501	35.5
II	6,692.0	0.0	951.9	293.3	244	255.3	7	262.3	5,603	23.6
III	3,000.0	0.0	1,686.0	102.8	165	200.8	7	269.9	5,150	28.4
IV	2,500.0	0.0	350.0	32.8	129	155.6	8	222.3	5,010	18.7
2024	8,275.6	860.0	500.0	96.9	428	968.5	62	840.8	19,332	88.1
I	1,575.6	0.0	500.0	4.1	117	133.4	14	194.4	4,608	22.7
II	4,000.0	300.0	0.0	5.6	137	284.5	16	161.1	5,403	16.1
III	0.0	560.0	0.0	37.9	97	384.4	14	156.3	4,633	19.2
IV	2,700.0	0.0	0.0	49.4	77	166.3	18	328.9	4,688	30.1
2025	7,896.6	1,360.0	500.0	262.6	419	288.2	54	994.1	21,995	129.5
I	1,575.6	0.0	500.0	15.3	103	137.6	5	180.4	4,705	21.0
II	4,000.0	300.0	0.0	70.0	104	20.2	4	171.2	5,106	22.9
III	0.0	560.0	0.0	4.0	106	10.8	21	308.4	6,151	44.3
IV	2,321.0	500.0	0.0	173.3	106	119.5	24	334.1	6,033	41.3

SOURCES: Central Bank of Trinidad and Tobago and Trinidad and Tobago Stock Exchange

- 1 Totals may not add due to rounding.
- 2 Data refer to the double transactions of buying and selling.
- 3 Trading in Government Securities and Treasury Bills was conducted under the aegis of the Investment Division, Central Bank of Trinidad and Tobago.
From 1993 trading in government securities has been conducted by the Stock Exchange of Trinidad and Tobago.
- 4 Data include domestic bonds issued by public entities which have been guaranteed by the Government of Trinidad and Tobago.

TABLE A.32

SELECTED INTEREST RATES, 2023-2025¹
/ PER CENT PER ANNUM /

INTEREST RATES	2023	2024	2025	2025			
				I	II	III	IV
A. Central Bank							
(i) Bank Rate	5.50	5.50	5.50	5.50	5.50	5.50	5.50
(ii) Special Deposits Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Repo Rate ²	3.50	3.50	3.50	3.50	3.50	3.50	3.50
(iv) Reverse Repo Rate ²	3.00	3.00	3.00	3.00	3.00	3.00	3.00
(v) Mortgage Market Reference Rate (MMRR) ³	3.00	3.25	3.25	3.25	3.25	3.25	3.25
B. Government							
(i) Treasury Bills	1.14	2.31	2.90	2.18	2.12	2.53	2.90
C. Commercial Banks -Local Currency							
(i) Weighted Average Rate on Loans	6.65	6.62	6.70	6.65	6.65	6.72	6.79
(ii) Weighted Average Rate on Deposits	0.65	0.73	0.82	0.77	0.80	0.83	0.86
(iii) Interest Spread (i - ii)	6.01	5.90	5.89	5.87	5.86	5.88	5.93
D. Non-Bank Financial Institutions⁴-Local Currency							
(i) Weighted Average Rate on Loans	7.49	10.40	11.31	10.98	11.13	11.46	11.66
(ii) Weighted Average Rate on Deposits	2.76	3.10	3.52	3.36	3.53	3.49	3.69
(iii) Interest Spread (i - ii)	4.73	7.30	7.79	7.62	7.59	7.97	7.97

SOURCE: Central Bank of Trinidad and Tobago

- 1 Annual data refer to the average of the quarterly averages for the respective years, except for the Bank Rate, Repo Rate, the Reverse Repo Rate and the Treasury Bill Rate which reflect the end of quarter/year position.
- 2 In May 2002, the Central Bank introduced a system of announced overnight repurchase or 'repo' rates for short-term government paper. The repo rate is the Bank's key policy interest rate and applies to collateralised overnight financing provided to commercial banks. The reverse repo rate is paid on occasions that the Central Bank offers to take overnight funds from commercial banks and is set as the repo rate less 50 basis points.
- 3 The Mortgage Market Reference Rate (MMRR) was introduced by the Central Bank on December 01, 2011 and represents a reference mortgage rate against which residential mortgages can be priced and re-priced. Following representation by the Bankers Association of Trinidad and Tobago (BATT), the Central Bank agreed to suspend the calculation of the MMRR for a two-year period commencing October 01, 2021. Over this period, the MMRR will remain at 3.00 per cent. Refer to the Circular Letter for more details at https://www.central-bank.org.tt/cbtt_storage/pdf/circular-letter-covid-19-relief-measures-restructuring-and-mortgage-market-rates-sep2021.pdf
- 4 Includes Finance Houses and Trust and Mortgage Finance Companies and represents rates for licensed institutions only.

TABLE A.33 (A)

BALANCE OF PAYMENTS, STANDARD PRESENTATION 2021-2025^{1,2}
/ US\$ Millions /

ITEM	2021	2022 ^r	2023 ^r	2024 ^r	Jan-Sep 2024	Jan-Sep 2025 ^p
Current Account	2,629.3	2,882.6	2,891.5	645.5	926.3	1,338.5
Goods and Services	2,906.3	6,616.0	2,325.9	1,022.7	893.3	1,769.1
Goods, net*	4,711.9	9,180.9	3,762.7	2,474.5	1,884.7	2,871.5
Exports**	11,082.0	16,687.1	10,378.3	10,019.1	7,407.2	7,980.3
Petroleum Crude and Refined	2,238.6	2,991.2	2,333.0	2,513.5	1,906.9	1,757.1
Gas	2,321.8	4,784.5	2,752.9	2,209.7	1,580.6	2,366.8
Petrochemicals	4,401.7	6,529.4	3,374.0	3,278.3	2,403.2	2,519.0
Other	2,119.9	2,382.0	1,918.4	2,017.7	1,516.5	1,337.4
Imports**	6,370.1	7,506.2	6,615.7	7,544.6	5,522.5	5,108.7
Fuel***	1,160.8	1,863.0	1,299.7	1,698.2	1,277.6	1,161.7
Capital	1,584.3	1,423.5	1,388.1	1,516.4	1,151.5	864.1
Other	3,625.0	4,219.6	3,927.8	4,330.0	3,093.4	3,083.0
Services, net	-1,805.6	-2,565.0	-1,436.8	-1,451.8	-991.4	-1,102.5
Transport	-406.5	-393.3	-205.1	-198.4	-129.8	-127.1
Travel	15.1	-11.7	-95.2	-103.5	-15.6	-77.6
Telecommunications, Computer, and Information Services	-4.3	-13.3	-4.4	-36.8	-25.8	-30.9
Insurance and Pension Services	-215.0	-208.2	-242.6	-238.8	-160.1	-191.4
Other Services [^]	-1,195.0	-1,938.4	-889.5	-874.2	-660.1	-675.6
Primary Income, net	-391.7	-3,806.4	448.0	-406.9	16.9	-497.0
Secondary Income, net	114.7	73.0	117.5	29.7	16.1	66.4
Capital Account	6.7	0.2	0.3	0.5	0.5	0.4
Financial Account	2,800.6	1,074.0	1,553.2	865.3	684.9	1,534.8
Direct Investment	1,704.2	181.6	2,029.1	979.8	828.4	274.8
Net Acquisition of Financial Assets	769.5	1,354.1	530.7	526.6	471.9	-592.2
Net Incurrence of Liabilities	-934.8	1,172.5	-1,498.4	-453.2	-356.5	-867.0
Portfolio Investment	256.3	754.2	-370.1	153.5	124.6	654.7
Net Acquisition of Financial Assets	257.6	674.4	-37.7	587.0	556.6	574.0
Net Incurrence of Liabilities	1.3	-79.8	332.5	433.5	432.0	-80.7
Financial Derivatives	137.4	-99.9	-16.1	55.2	51.7	-135.3
Net Acquisition of Financial Assets	176.3	-65.1	-2.0	51.5	47.1	-118.9
Net Incurrence of Liabilities	38.9	34.8	14.1	-3.7	-4.6	16.4
Other Investment [^]	702.8	238.2	-89.7	-323.2	-319.9	740.6
Net Acquisition of Financial Assets	1,107.6	881.5	-220.9	-1,133.1	-993.4	26.5
Net Incurrence of Liabilities	404.9	643.4	-131.2	-809.9	-673.6	-714.0
Net Errors and Omissions	90.5	-1,855.9	-1,913.1	-434.2	-835.3	-712.4
Overall Balance	-74.2	-47.2	-574.5	-653.6	-593.4	-908.2
Memorandum Items:						
Current Account/GDP (per cent)	10.9	10.2	11.5	2.5	4.8	6.9
Gross Official Reserves (US\$m) ^{^^}	6,879.6	6,832.4	6,257.9	5,604.3	5,664.5	4,696.1
Debt Service Ratio	2.7	1.8	5.6	7.0	8.0	5.5
Net International Investment Position (US\$m) ^{^^}	6,105.0	4,996.6	7,186.2	6,575.7	6,709.3	5,975.3

SOURCE: Central Bank of Trinidad and Tobago

NOTES:

1 GDP data prior to 2024 are sourced from the CSO and that for 2024 are Central Bank estimates.

2 This table is an analytical presentation of the Balance of Payments and is presented in accordance with the IMF's Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6). Refer to Box 3 of the Economic Bulletin, March 2017 for a Technical Note on the Transition to BPM6.

The following financial account movements are represented with a negative sign:

- A decrease in assets (inflow)
- A decrease in liabilities (outflow)
- A net inflow in net balances

The following financial account movements are represented with a positive sign:

- An increase in assets (outflow)
- An increase in liabilities (inflow)
- A net outflow in net balances

* Energy goods data comprise estimates by the Central Bank of Trinidad and Tobago.

** Exports and imports are reported on a FOB (Free on Board) basis. Energy exports include exports of petroleum, petroleum products and related materials and the exports of petrochemicals.

*** Includes petroleum, petroleum products and related materials.

[^] Other Services consists of manufacturing services on physical inputs owned by others, maintenance and repair services n.i.e., construction, financial services, charges for the use of intellectual property n.i.e., other business services and government goods and services n.i.e.[^] Other investment comprise currency and deposits, loans, insurance, pension, and standardised guarantee schemes, trade credit and advances, other accounts receivable/payable and special drawing rights (liabilities).^{^^} End of Period.^r Revised.^p Provisional.

TABLE A.33 (B.1)

DIRECT INVESTMENT: NET INCURRENCE OF LIABILITIES (BY SECTOR)

/ US\$ Millions /

ITEM	2016	2017	2018	2019
Petroleum Industries	-431.9	-566.7	-716.4	-231.1
Petroleum Industries	75.2	-544.9	-366.9	18.8
Mining, Exploration and Production and Refineries	-534.0	-30.4	-384.1	-261.4
Petrochemicals	26.9	8.7	34.5	11.5
Food, Drink and Tobacco	47.6	23.6	-7.4	4.7
Chemicals and Non-Metallic Minerals	4.0	26.1	-7.8	-2.7
Assembly Type and Related Industries	65.2	32.5	28.9	-4.8
Distribution	88.2	-4.8	23.7	12.4
All Other Sectors ¹	203.3	18.3	-21.1	405.5
TOTAL	-23.6	-470.9	-700.2	184.0
Memorandum Items:				
Energy Sector	-431.9	-566.7	-716.4	-231.1
Non-Energy Sector	408.3	95.8	16.2	415.1

SOURCE: Central Bank of Trinidad and Tobago

NOTE: This table shows net changes (increases less decreases) in direct investment liabilities (direct investment in Trinidad and Tobago). A decrease in liabilities (outflow) is represented with a negative sign. An increase in liabilities (inflow) is represented with a positive sign.

- 1 "All Other Sectors" include Textiles, Garments, Footwear, Headwear, Printing, Publishing and Paper Converters, Wood and Related Products, Miscellaneous Manufacturing, Electricity and Water, Construction, Hotels and Guest Houses, Transportation, Communication and Storage, Finance, Insurance, Real Estate and Business Services, Educational and Cultural Community Services, Personal Services and Other sectors.

TABLE A.33 (B.2)

DIRECT INVESTMENT: NET INCURRENCE OF LIABILITIES (BY SECTOR)

/ US\$ Millions /

ITEM	2023 ^r	2024 ^r	Jan-Sep 2024	Jan-Sep 2025 ^p
Mining and Quarrying	-1,255.4	207.8	-0.6	-875.5
Manufacturing	-412.9	-604.1	-171.3	-99.6
Wholesale and Retail Trade	-14.7	31.4	-26.4	2.4
Financial and Insurance Activities	180.8	-101.1	-167.5	103.1
Other Sectors	3.8	12.9	9.4	2.6
TOTAL	-1,498.4	-453.2	-356.5	-867.0
Memorandum Items:				
Energy Sector	-1,550.5	-397.3	-185.7	-938.9
Non-Energy Sector	52.1	-55.8	-170.8	71.9

SOURCE: Central Bank of Trinidad and Tobago

NOTES:

- 1 This table shows net changes (increases less decreases) in direct investment liabilities (direct investment in Trinidad and Tobago). A decrease in liabilities (outflow) is represented with a negative sign. An increase in liabilities (inflow) is represented with a positive sign.
- 2 Effective 2020 data, the industry breakdown now conforms to the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC, Rev 4).
- 3 "Other Sectors" include Agriculture, forestry and fishing, Electric power generation, transmission and distribution, Construction, Transportation and storage, Manufacture of gas; distribution of gaseous fuels through mains, Steam and air conditioning supply, Water supply; sewerage, waste management and remediation activities, Accommodation and food service activities, Information and communication, Real estate activities, Professional, scientific and technical activities, Administrative and support service activities, Public administration and defence; compulsory social security, Education, Human health and social work activities, Arts, entertainment and recreation and Other service activities.

r Revised.

p Provisional.

TABLE A.33 (C)

DIRECT INVESTMENT: NET INCURRENCE OF LIABILITIES (BY COUNTRY)
/ US\$ Millions /

ITEM	2021	2022 ^r	2023 ^r	2024 ^r	Jan-Sep 2024	Jan-Sep 2025 ^p
U.S.A.	-402.5	893.2	-1,751.5	304.1	284.9	-110.9
U.K.	373.0	231.7	239.2	-443.6	-242.1	-1,249.9
Canada	-53.7	-32.3	39.3	15.4	-14.7	-36.2
Barbados	76.3	211.4	-101.2	-332.1	-287.9	206.4
Netherlands	-32.9	-28.5	30.4	34.3	-16.7	-2.2
St. Lucia	-133.2	-169.7	-67.0	-147.6	7.1	457.1
Other	-761.8	66.8	112.4	116.3	-87.1	-131.4
TOTAL	-934.8	1,172.5	-1,498.4	-453.2	-356.5	-867.0

SOURCE: Central Bank of Trinidad and Tobago

NOTE: This table shows net changes (increases less decreases) in direct investment liabilities (direct investment in Trinidad and Tobago). A decrease in liabilities (outflow) is represented with a negative sign. An increase in liabilities (inflow) is represented with a positive sign. Data are presented in accordance with the International Monetary Fund's Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6) which prescribes that geographical distribution of direct investment is based on the immediate investing country.

r Revised.

p Provisional.

TABLE A.34

WEIGHTED AVERAGE TT DOLLAR EXCHANGE RATES
FOR SELECTED CURRENCIES 2021-2025¹

PERIOD	UNITED STATES DOLLAR		CANADIAN DOLLAR		UK POUND STERLING		JAPANESE YEN		EURO	
	BUYING	SELLING	BUYING	SELLING	BUYING	SELLING	BUYING	SELLING	BUYING	SELLING
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2021	6.7333	6.7811	5.3779	5.7525	9.2204	9.8850	0.0613	0.0649	8.1154	8.5767
2022	6.7298	6.7777	5.2092	5.5522	8.2883	8.8909	0.0515	0.0547	7.2622	7.6332
2023	6.7206	6.7789	5.0186	5.3706	8.3490	8.9470	0.0479	0.0507	7.4157	7.8668
2024	6.7196	6.7786	4.9723	5.3308	8.5930	9.2398	0.0444	0.0473	7.5882	8.0463
2025	6.7184	6.7792	4.9193	5.3321	8.8991	9.5774	0.0449	0.0482	8.1075	8.7256
2025										
January	6.7229	6.7811	4.7940	5.1853	8.3501	8.9606	0.0430	0.0453	7.3942	8.0298
February	6.7170	6.7803	4.9196	5.2718	8.4861	9.1303	0.0443	0.0470	7.4866	8.0576
March	6.7372	6.7779	4.9057	5.2116	8.7167	9.4338	0.0451	0.0486	7.7608	8.4127
I	6.7252	6.7799	4.8694	5.2220	8.5054	9.1591	0.0441	0.0469	7.5350	8.1540
April	6.7204	6.7769	4.9520	5.3954	8.8688	9.4674	0.0466	0.0506	7.8981	8.5745
May	6.7249	6.7825	4.9437	5.3740	9.0342	9.7504	0.0466	0.0499	8.2044	8.6728
June	6.7106	6.7786	5.0227	5.3552	9.1724	9.8243	0.0466	0.0500	8.4065	8.9002
II	6.7188	6.7795	4.9718	5.3748	9.0255	9.6831	0.0466	0.0502	8.1709	8.7144
July	6.7214	6.7795	5.0015	5.4846	9.1180	9.7935	0.0457	0.0495	8.4950	9.0589
August	6.7142	6.7798	4.9487	5.3442	9.0925	9.7674	0.0454	0.0485	8.3374	9.0780
September	6.7192	6.7764	4.9268	5.3263	9.0966	9.8062	0.0454	0.0493	8.2562	9.0067
III	6.7184	6.7786	4.9610	5.3898	9.1031	9.7892	0.0455	0.0491	8.3692	9.0484
October	6.7117	6.7790	4.8595	5.3605	8.9988	9.7246	0.0441	0.0479	8.4050	9.0798
November	6.7039	6.7795	4.9081	5.3711	8.8645	9.5488	0.0431	0.0462	8.1251	8.9168
December	6.7184	6.7780	4.8631	5.2870	8.9856	9.7135	0.0431	0.0459	8.4516	8.8695
IV	6.7115	6.7788	4.8761	5.3394	8.9518	9.6651	0.0434	0.0467	8.3317	8.9580

SOURCE: Central Bank of Trinidad and Tobago

¹ Monthly and quarterly rates are an average of daily rates.

TABLE A.35

TRINIDAD AND TOBAGO - INTERNATIONAL RESERVES, 2021-2025¹
/ US\$ Millions /

END OF PERIOD	CENTRAL BANK						NET OFFICIAL RESERVES (5+6)
	FOREIGN ASSETS	Of which		FOREIGN LIABILITIES	NET INTERNATIONAL RESERVES (1-4)	CENTRAL GOVERNMENT	
		IMF RESERVE TRANCHE POSITION	SDR HOLDINGS				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2021	6,874.6	173.9	1,079.7	0.0	6,874.6	5.0	6,879.6
2022	6,827.4	178.0	1,027.8	0.0	6,827.4	5.0	6,832.4
2023	6,252.9	178.2	1,041.9	0.0	6,252.9	5.0	6,257.9
2024	5,599.1	157.7	1,018.9	0.0	5,599.1	5.2	5,604.3
2025	5,363.6	162.0	1,074.8	0.0	5,363.6	5.5	5,369.0
2024							
I	5,516.7	169.8	1,029.4	0.0	5,516.7	5.1	5,521.8
II	5,978.0	168.7	1,024.7	0.0	5,978.0	5.2	5,983.2
III	5,659.3	167.0	1,057.2	0.0	5,659.3	5.2	5,664.5
IV	5,599.1	157.7	1,018.9	0.0	5,599.1	5.2	5,604.3
2025							
I	5,266.7	154.0	1,037.0	0.0	5,266.7	5.3	5,272.1
II	4,899.2	177.5	1,076.0	0.0	4,899.2	5.3	4,904.5
III	4,690.9	167.7	1,074.8	0.0	4,690.9	5.3	4,696.1
IV	5,363.6	162.0	1,074.8	0.0	5,363.6	5.5	5,369.0
END OF PERIOD	COMMERCIAL BANKS			GROSS FOREIGN ASSETS (1+6+8)	TOTAL FOREIGN LIABILITIES (4+9)	NET FOREIGN RESERVES (11-12)	
	FOREIGN ASSETS	FOREIGN LIABILITIES	NET FOREIGN POSITION (8-9)				
	(8)	(9)	(10)	(11)	(12)	(13)	
2021	4,643.3	663.6	3,979.7	11,522.9	663.6	10,859.3	
2022	4,806.6	640.8	4,165.7	11,639.0	640.8	10,998.1	
2023	4,456.0	688.0	3,768.1	10,713.9	688.0	10,025.9	
2024	4,553.3	887.0	3,666.3	10,157.6	887.0	9,270.6	
2025	4,099.1	573.7	3,525.4	9,468.1	573.7	8,894.4	
2024							
I	4,545.0	723.6	3,821.5	10,066.8	723.6	9,343.3	
II	4,644.7	839.1	3,805.6	10,627.9	839.1	9,788.8	
III	4,686.6	976.0	3,710.6	10,351.1	976.0	9,375.1	
IV	4,553.3	887.0	3,666.3	10,157.6	887.0	9,270.6	
2025							
I	4,567.9	810.8	3,757.1	9,840.0	810.8	9,029.2	
II	4,879.5	756.6	4,122.9	9,784.1	756.6	9,027.5	
III	4,647.5	669.0	3,978.5	9,343.6	669.0	8,674.6	
IV	4,099.1	573.7	3,525.4	9,468.1	573.7	8,894.4	

SOURCE: Central Bank of Trinidad and Tobago

¹ International reserves have been revised to include Trinidad and Tobago's reserve position in the IMF. International reserves are defined as external assets that are readily available to and controlled by monetary authorities for direct financing of payments imbalances, for indirectly regulating the magnitudes of such imbalances through intervention in exchange markets and for other purposes. Typically, they include securities, gold, IMF special drawing rights (SDRs), a country's holding of foreign currency and deposits, reserve position in the IMF, and other claims (Balance of Payments Manual 6th Edition Paragraph 6.64).

TABLE A.36

SUMMARY ACCOUNTS OF THE CENTRAL BANK, 2021-2025
/ TT\$ Millions /

ITEM	2021	2022	2023	2024	2025
Net Foreign Assets	39,026.6	39,041.8	34,991.2	30,925.0	25,785.9
Net International Reserves	46,489.6	46,026.4	41,993.8	37,779.8	32,913.3
Assets	46,489.6	46,026.4	41,993.8	37,779.8	32,913.3
Liabilities	0.0	0.0	0.0	0.0	0.0
Other Foreign Assets	-7,463.0	-6,984.6	-7,002.6	-6,854.8	-7,127.4
Other External Assets	1.1	59.5	55.3	32.1	28.0
Medium and Long-Term Foreign Liabilities	-169.7	-174.3	-97.9	-55.8	-40.9
SDR Allocation	-7,294.4	-6,869.7	-6,960.0	-6,831.1	-7,114.6
Net Domestic Assets	-11,749.5	-9,340.9	-8,614.9	-6,431.1	-1,672.6
Net Credit to the Public Sector	-3,989.0	-2,659.4	1,322.3	1,521.1	8,107.7
Central Government (net)	-3,921.6	-2,579.2	1,424.8	1,593.3	8,176.8
Treasury Bills	0.2	194.5	8.3	0.0	234.5
Other Government Securities	98.1	78.8	91.1	92.7	104.5
Loans to Government	46,320.1	56,651.2	66,045.5	49,953.8	56,367.1
Use of Reserves (-addition)	-50,340.0	-59,503.6	-64,720.0	-48,453.2	-48,529.4
Rest of Public Sector	-67.4	-80.2	-102.5	-72.2	-69.1
<i>of which: Public Enterprises</i>	0.0	0.0	0.0	0.0	0.0
Net Claims on Financial Institutions	0.0	0.0	0.0	0.0	0.0
Other Items (net)	-7,760.5	-6,681.6	-9,937.1	-7,952.2	-9,780.2
Reserve Money	27,277.0	29,700.9	26,376.4	24,493.9	24,113.4
Currency in Circulation	9,253.1	9,301.1	9,499.8	9,325.0	9,362.6
Deposits of Commercial Banks	17,659.1	20,039.1	16,459.7	14,756.8	13,998.2
Deposits of Non-Bank Financial Institutions	364.9	360.7	416.9	412.1	752.5
Changes as a Per Cent of Beginning-of-Period Reserve Money					
Net Foreign Assets	-14.5	0.1	-13.6	-15.4	-21.0
Net Domestic Assets	-0.6	8.8	2.4	8.3	19.4
<i>Of which: Central Government</i>	<i>-5.0</i>	<i>4.9</i>	<i>13.5</i>	<i>0.6</i>	<i>26.9</i>
Reserve Money	-15.1	8.9	-11.2	-7.1	-1.6
Memorandum Item:					
Government Blocked Account	10,265.7	7,465.3	4,698.1	2,439.9	0.0

SOURCE: Central Bank of Trinidad and Tobago



APPENDIX TWO

FEATURE ARTICLE

Estimating Total Factor Productivity for Trinidad
and Tobago



FEATURE ARTICLE

Estimating Total Factor Productivity For Trinidad And Tobago

by *Timothy Woolford and Christopher Wanliss*

INTRODUCTION

Eita and Pedro (2000) note that stimulating total factor productivity (TFP) is a key objective of policy makers, given its role as an essential component of economic growth. Total factor productivity is, at times, considered a relatively obscure term, though Campodonico and Reyes-Tagle (2023) suggest that it is the portion of output unexplained by the number of inputs used in the process of production. Such measurements grant valuable insight on the extent of an economy's ability to optimise an efficient mix of factor inputs. While several bodies of literature speak to varying techniques of estimating TFP, the literature on Trinidad and Tobago is relatively scarce. The authors therefore hope to add to the existing literature while simultaneously facilitating an understanding of the domestic context.

Overall goals of this article therefore involve two stages. Firstly, the analysis aims to derive a comprehensive estimate of total factor productivity. This allows for a new statistical measure of economic conditions, which can aid economic reporting and policy formulation. To facilitate this, we utilise the growth accounting framework, an approach

that features prominently in the literature. This approach allows us to isolate the growth rate of total factor productivity, thereby facilitating the development of a TFP index, estimated for the period 2000 to 2023.

Secondly, we aim to offer insights on factors that inform total factor productivity. Using an autoregressive distributive lag (ARDL) model, similar to that proposed by Saad (2017), total factor productivity growth rates are modelled against a measure of financial development, lending from multi-lateral agencies, economic openness, foreign direct investment, and commodity prices. Results suggest that growth in TFP has positive and statistically significant relationships with credit conditions and foreign direct investment. Meanwhile, lending from multi-lateral agencies appears to drive factor productivity downward, while also having a statistically significant relationship.

LITERATURE REVIEW

Measurements of total factor productivity (TFP) are critical to an assessment of a country's economic performance and growth potential. TFP growth signals a more efficient input utilisation, which propels higher levels of income and welfare. Ghosh and Kray (2000) emphasise that cross-country TFP disparities explain much of the variation in income levels and growth rates globally. Notwithstanding, the authors noted the existence of several difficulties to facilitating estimations of total factor productivity. Assuming an economy's output is produced using physical capital (K)

and human-capital-adjusted labour input (H); a 'Cobb-Douglas production function'⁴⁶ is initially estimated, citing data from the Republic of Korea over the period 1960 to 1997. Estimations proved challenging for broadly two reasons. Firstly, data sensitivity implies that TFP growth estimates differ depending on assumptions about capital stock derivation (starting values, depreciation rates) and labour inputs (education levels). Further, issues may arise in matters of interpretation, particularly when TFP growth may emanate from things other than technological change, such as increased returns to scale, imperfect competition mark-ups, or gains from sectoral reallocation.

Cororaton and Caparas (1999) aimed to estimate TFP at both the national and sectoral levels, using two methodologies from the empirical literature. These included the 'growth accounting approach' and the 'Cobb-Douglas production function approach'. The authors proposed use of the former, wherein factor shares in national income are utilised as weights in combining the individual factor inputs to generate an index of TFP. It is suggested that this approach generates better estimates on an annual basis than the other available methods. Various other factors were also identified as contributors to changes in TFP. Notable among these were quality inputs such as education and technology; a stable macroeconomic environment with low inflation and interest rates; good research and development infrastructure; efficient markets for product and factor markets; and population change. Growth accounting is

also utilised by Tufail and Ahmed (2015), with further consideration given to the role of factor input prices, in driving growth conditions.

Sectoral analyses add another layer of understanding. Eita and Pedro (2020) investigate the determinants of TFP in Angola using an autoregressive distributed lag (ARDL) model, which accounts for time-varying relationships between variables. The study revealed that foreign direct investment is positively and significantly associated with increased total factor productivity in all sectors. Meanwhile, openness of the economy and the exchange rate positively influences the TFP in the manufacturing sector. However, these factors (openness and exchange rate) have negative effects on TFP in primary and service sectors. Inflation decreases productivity in manufacturing and service sectors, while increasing it in the primary sector. Official development assistance negatively affects productivity in primary and service sectors, but positively affects it in manufacturing. Given that the impact of factors varied by sector, this highlighted the need for sector-specific policies to enhance total factor productivity growth.

Lebanon's post-war economy, analysed by Saad (2017), offers another perspective. Using a growth accounting methodology, the author explores the drivers of economic growth and total factor productivity between 1980 and 2014, a period that included both a civil war and post-war reconstruction and rehabilitation. The paper employs a two-step methodology. It

⁴⁶ Cobb-Douglas production function of form: $Y=A(K\alpha H^{1-\alpha})^\gamma$, where A is TFP, γ measures the extent of returns to scale, and α measures the importance of physical capital in output.

begins with an estimation of TFP using a Cobb-Douglas production function via a growth accounting framework, followed by use of an ARDL model to examine individual long and short-term relationships of TFP and economic growth against other macroeconomic variables. Findings showed that claims on the private sector and openness have a positive and significant effect on TFP, whereas foreign direct investment (FDI) and official development assistance (Aid flows) have an insignificant relationship with TFP. The insignificance of private sector claims was attributed to Lebanon's banking sector prioritizing government debt over private investment.

STYLISTED FACTS

Despite the relative obscurity surrounding estimates of domestic total factor productivity, growth dynamics of the Trinidad and Tobago economy are well documented. Edwards and Woolford (2018) suggest that economic prosperity generally coincides with periods of statistically high commodity prices. The authors further suggest that policy formulation, which carefully targets interest and exchange rate conditions, can derive favourable growth conditions. Roopnarine, Bowrin and Ramirez (2019) reinforce the significance of commodity prices shocks, noting evidence over the four-decade period, 1980-2021. Roopnarine, Woolford and Sonnylal (2023) again support this. In the initial stages of this period, speculative factors associated with the Iranian

Revolution, spurred elevated commodity price levels. This supported accelerated growth levels. Subsequently, the 1982 collapse in oil prices, triggered a recessionary climate, which characterised economic performance over the next seven years.

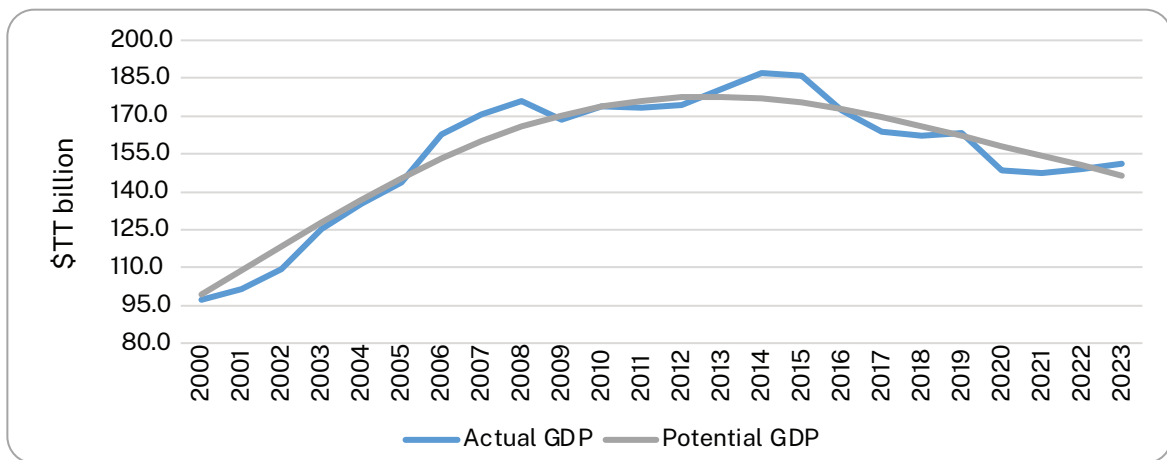
Henceforth, structural adjustments prompted a more diversified energy production base, which coincided with a period of elevated commodity prices. Resultantly, this facilitated a prolonged positive economic climate, eventually disrupted by the global financial crisis (GFC) in 2008. Following the GFC, the domestic economy again trended directly with commodity prices, informed by a series of exogenous shocks over the period 2009 to 2021. These included a supply side shock brought on by the advent of shale oil and the more recent COVID-19 pandemic. Prominence of international prices is further underscored by comparisons of actual to potential GDP⁴⁷ (**Figure 1**), wherein, instances of positive and negative gaps can be reconciled with commodity price boom and bust cycles, respectively. Melville (2017) deduced that the underperformance of the macro-economy over the period 2000-2002, emanated from a slowdown in financial sector developments. Resultantly, this may have aided the negative output gap during the period. Similarly, over the period 2011-2012, the negative output gap coincided with a period of retracted bank system lending, as institutions exhibited a preference to maintain liquidity levels.

⁴⁷ Potential GDP is estimated using the Hodrick-Prescott (HP) filter

Estimates of total factor productivity are generally ‘backed out’ from some variation of a Cobb-Douglas production function. In such cases, output is a function of traditional factor inputs- labour and capital- and changes in efficiency related to the use of inputs and technology. Over the period 2000 to 2023, both labour and capital have trended in line with gross domestic product (**Figure 2**). Estimates of total factor productivity from the Penn World Tables, however paint an interesting trend (**Figure 3**). Over the period, 2000-2010 total factor productivity trended upward, in line with real GDP. Subsequently, post-2010 total factor productivity trended downward, while

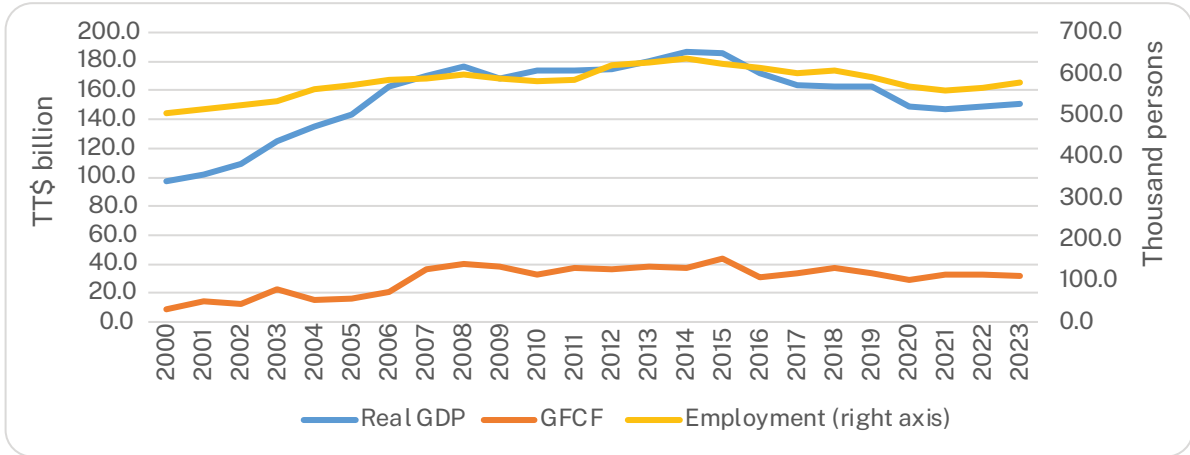
real GDP remained relatively flat. This period coincided with several, previously mentioned exogenous shocks. Additionally, this period represents the commencement of widespread maintenance activity undertaken by the energy sector. Alongside the natural falloff in energy sector reserves, this phenomenon continues to have contemporaneous adverse effects on real economic growth. This potentially points to the prominence of the energy sector in driving total factor productivity. It further reinforces the dependency on the energy sector and an inherent inability to decouple from the volatility of commodity prices.

FIGURE 1
ACTUAL VS POTENTIAL GDP 2000-2023



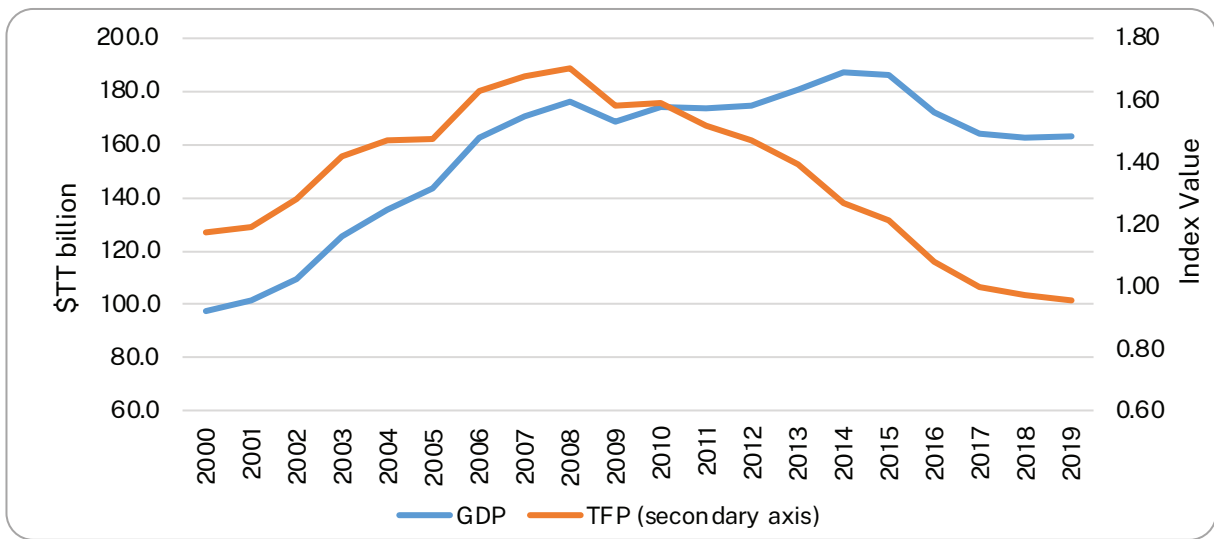
Sources: Central Statistical Office and Authors' Calculations

FIGURE 2
MOVEMENTS IN REAL GDP, GROSS FIXED CAPITAL
FORMATION AND EMPLOYMENT 2000-2023



Source: Central Statistical Office

FIGURE 3
TOTAL FACTOR PRODUCTIVITY VS. REAL GDP 2000-2019



Sources: Source: Central Statistical Office and Penn World Tables

METHODOLOGY AND DATA

Given the aim of this paper, the methodology is broken into two stages. In the first stage, estimates of total factor productivity are derived using the growth accounting framework as described by Tufail and Ahmed (2015). Secondly, we examine the impact of macroeconomic variables on these estimates, in order to glean insights on the driving forces of domestic total factor productivity.

We first assume a general neo-classical production function as shown in equation (1) below:

$$Y_t = A_t \cdot F[K_t, L_t] \quad (1)$$

Where Y_t is gross domestic product, in current prices in time t ; A_t represents some unknown level of technological usage in time t ; K_t is gross fixed capital formation in time t ; and L_t is the level of employment in time t . By log linearizing the equation we can deduce the following:

$$\ln Y_t = \ln A_t + \ln F[K_t, L_t] \quad (2)$$

Differentiating with respect to time and using the identity $\frac{d \ln x_t}{dt} = \frac{\widehat{x}_t}{x_t}$, we derive:

$$\frac{\widehat{Y}_t}{Y_t} = \frac{\widehat{A}_t}{A_t} + \frac{F_k}{F[K_t, L_t]} \cdot \widehat{K}_t + \frac{F_l}{F[K_t, L_t]} \cdot \widehat{L}_t \quad (3)$$

From equation (1), we can deduce that $\frac{Y_t}{A_t} = F[K_t, L_t]$ and thus (3) can be rewritten as:

$$\frac{\widehat{Y}_t}{Y_t} = \frac{\widehat{A}_t}{A_t} + \frac{A_t}{Y_t} \cdot F_k \cdot \widehat{K}_t + \frac{A_t}{Y_t} \cdot F_l \cdot \widehat{L}_t \quad (4)$$

Rearranging the equation:

$$\frac{\widehat{Y}_t}{Y_t} = \frac{\widehat{A}_t}{A_t} + \frac{A_t \cdot F_k \cdot K_t}{Y_t \cdot K_t} \cdot \widehat{K}_t + \frac{A_t \cdot F_l \cdot L_t}{Y_t \cdot L_t} \cdot \widehat{L}_t \quad (5)$$

Assuming that the capital and labour market are competitive, it would then imply that share of the marginal product of each factor is equivalent to its price. Therefore, the marginal product of capital and labour is represented by:

$$\frac{\Delta Y}{\Delta K} = A \frac{\partial Y}{\partial K} = A F_k \quad \text{and} \quad \frac{\Delta Y}{\Delta L} = A \frac{\partial Y}{\partial L} = A F_l$$

By the above premise, denoting the price of capital and labour by 'r' and 'w', we can derive equation 6:

$$\frac{\widehat{Y}_t}{Y_t} = \frac{\widehat{A}_t}{A_t} + r \cdot \frac{K_t}{Y_t} \cdot \widehat{K}_t + w \cdot \frac{L_t}{Y_t} \cdot \widehat{L}_t \quad (6)$$

From this equation, we can deduce the growth rate for total factor productivity:

$$\frac{\widehat{A}_t}{A_t} = \frac{\widehat{Y}_t}{Y_t} - r \cdot \frac{K_t}{Y_t} \cdot \frac{\widehat{K}_t}{K_t} - w \cdot \frac{L_t}{Y_t} \cdot \frac{\widehat{L}_t}{L_t} \quad (7)$$

Data on output, capital, labour and wages were sourced from the Central Statistical Office, while the price of capital, “*r*”, is represented by the prime lending rate and sourced from the Central Bank of Trinidad and Tobago. Initial calculations of total factor productivity are generated annually, but data constraints could only facilitate estimates as far back as the year 2000. Wage data, which was available for the period 2014 to 2023 had to be discounted for years prior (2000-2013) using the growth rate of the Index of Average Weekly Earnings. Following these estimations, we then create an index of TFP, using 2014 as the base year, given that this is the first year for which official data is available for all variables in the model.

However, the short nature of the time series creates challenges for econometric analysis. Therefore, estimates were converted to a quarterly frequency, for which GDP data was available from the first quarter of 2012. Data for gross fixed capital formation is interpolated to a quarterly frequency. This process had the effect of expanding the length of the time series, while truncating the time-period under review.

Saad (2017) notes the usefulness of Autoregressive Distributed Lag models (ARDL) in examining cointegrating relationships on total factor productivity, given that this technique does not require variables to have the same order of integration. A further advantage includes the model’s ability to determine sufficient lags to capture data generating processes. Additionally, it has the ability to generate a dynamic error correction model through a simple linear transformation. ARDL models are also more efficient than other techniques with limited sample data. In his examination of total factor productivity in Lebanon, the author notes that growth in the variable is largely informed by a strong financial sector, technological progress through foreign direct investments, openness of the economy and foreign intervention. Premised by the work of Saad and consistent with other bodies of literature along with stylised facts of the Trinidad and Tobago economy, the total factor productivity growth equation is given by:

$$\begin{aligned} \Delta TFP = & \beta_0 + \sum_{t=1}^n \beta_{1i} \Delta credit_growth_{t-1} + \sum_{t=1}^n \beta_{1i} \Delta LMA_{t-1} + \sum_{t=1}^n \beta_{1i} \Delta open_{t-1} + \\ & \sum_{t=1}^n \beta_{1i} \Delta fdi_{t-1} + \sum_{t=1}^n \beta_{1i} \Delta wti_{t-1} + \alpha_1 credit_growth_{t-1} + \alpha_2 LMA_{t-1} + \alpha_3 open_{t-1} + \\ & \alpha_4 fdi_{t-1} + \alpha_5 wti_{t-1} + \varepsilon_t \quad (8) \end{aligned}$$

The latter part of (8) which encompasses α coefficient represents the error correction model aspect of the equation, which speaks to the long run convergence properties of our variables. Equation 8 is thus rewritten as:

$$\Delta TFP = \beta_0 + \sum_{t=1}^n \beta_{1i} \Delta \text{credit_growth}_{t-1} + \sum_{t=1}^n \beta_{1i} \Delta LMA_{t-1} + \sum_{t=1}^n \beta_{1i} \Delta \text{open}_{t-1} + \sum_{t=1}^n \beta_{1i} \Delta \text{fdi}_{t-1} + \sum_{t=1}^n \beta_{1i} \Delta \text{wti}_{t-1} + \alpha ECM_{t-1} + \varepsilon_t \quad (9)$$

Where: 'TFP' is the calculated year-on-year growth rate in total factor productivity; 'credit_growth' represents the year-on-year change in credit lending (used in this instance as a measure of financial development); 'LMA' represents the year-on-year change in lending from multilateral agencies; 'open' is a measure of openness calculated as the sum of imports and exports as a percentage of GDP; 'fdi' represents foreign direct investment into Trinidad and Tobago; and 'wti' represents the West Texas Intermediate (WTI) oil prices. Δ is a first difference, β_0 is a constant and ε_t is the error term. Meanwhile α represents the coefficient of our error correction model (ECM). It measures the speed of adjustment to the long-run equilibrium. A negative and statistically significant coefficient, α will be an indication of an existing cointegrating relationship among the variables. Data spans the period from the first quarter of 2015 to the fourth quarter of 2023.⁴⁸

Theoretically, TFP growth largely stems from efficiency gains or technological progress. As such the inclusion of all variables in the model are largely for exploratory purposes, as the source of TFP growth domestically is not widely discussed in economic literature. A priori expectations include a positive relationship between credit growth and TFP. As noted by Saad (2017), higher savings and consequent economic growth, are supported by a strong financial sector. Domestically, the financial sector is dominated by a strong banking sector, hence the inclusion of credit growth as a proxy for financial sector strength. Long run improvements in TFP are also stimulated by foreign direct investments via the transfer of advanced technology. As a result, a positive relationship is also expected between TFP and 'fdi'. For small open economies the relationship with between economic openness and TFP, is largely informed by structural dynamics of economic consumption. Hence, this relationship is generally unclear with an undetermined a priori expectation. Saad (2017) also notes that foreign aid plays an important role if it finances investment rather than consumption. An inflow of foreign exchange has the advantage of limiting the strain on the domestic tax base, thus enhancing the productive capacity of an economy. Contrary to Saad (2017) we attempt to mirror this effect via the use of lending from multi-lateral agencies, LMA. A priori expectations here are also undetermined. Consistent with the stylised facts, WTI prices were included, given the energy dependent nature of the economy. Theoretically, this should lend itself to a positive relationship between wti and TFP.

⁴⁸ Cobb-Douglas production function of form: $Y=A(K\alpha H^{1-\alpha})^\gamma$, where A is TFP, γ measures the extent of returns to scale, and α measures the importance of physical capital in output.

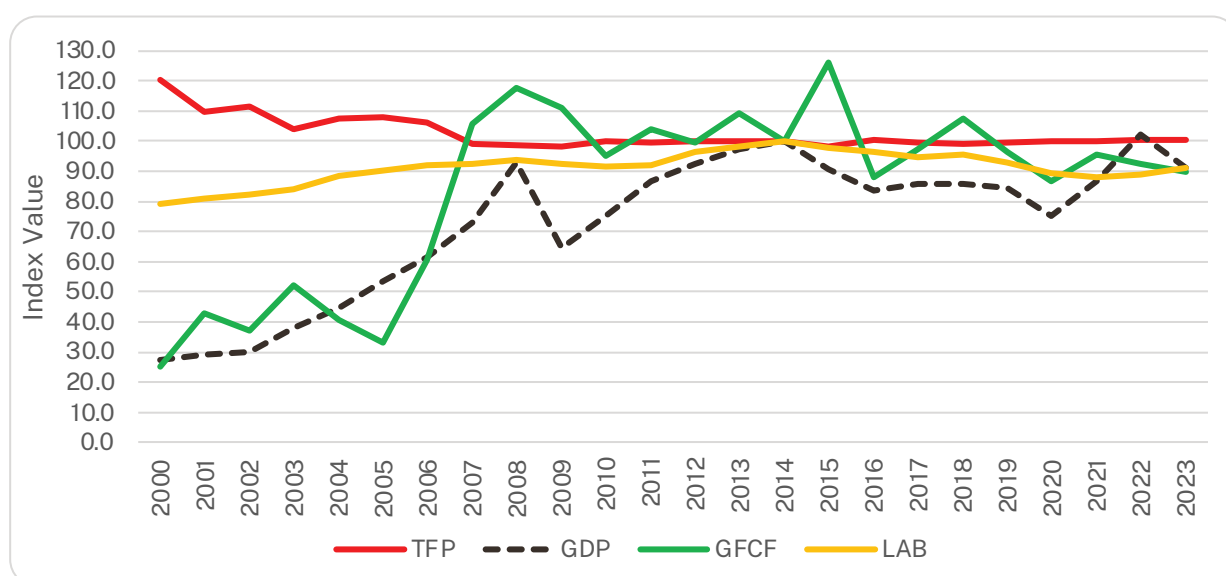
ARDL procedures are performed in two steps. In the first instance a long run relationship has to be determined for the variables under observation. This is done using Bound test, which derive lower and upper bounds, depicting instances of $I(0)$ and $I(1)$ orders of integration. If the calculated F-statistic falls below the lower bound, then we fail to reject the null hypothesis of no cointegration. In instances where it is higher than the upper bound the null hypothesis is rejected. Where it falls within the range of the lower and upper bound, the result is inconclusive. Once evidence of cointegration exists (rejection of the null) the second part of the procedure can be undertaken, wherein the true dynamics of the model can be ascertained using Schwarz Bayesian Criterion and checks can be conducted for model validity. Consideration is given to coefficient, residual and stability diagnostics, in order to determine the performance of the model.

RESULTS AND ANALYSIS

Using the growth accounting framework, estimates of TFP are calculated in logarithmic form before conversion to an index, using 2014 as a base year (**Figure 4**). For the purpose of analysis, we also convert growth rates of other factor inputs and GDP into indices. Growth in TFP trended downward between 2000 and 2007, subsequently entering into a state of relative stagnation, despite the relative volatility of gross domestic product (GDP). In fact, much

of the variability in economic growth appears mirrored by the growth of gross fixed capital formation (GFCF), particularly beyond 2006. Interestingly, this period coincided with a surge in investments associated with the Construction sector. Meanwhile, employment levels (LAB) have displayed relative constancy despite trending marginally upward over the period. Notably, GDP growth appears to constantly trend below all three lines, suggesting some level of inefficiency among factor usage.

FIGURE 4
GROWTH RATES OF FACTOR INPUT INDICES



Source: Authors' Calculation

Roopnarine, Woolford and Sonnylal (2022) noted that investments appeared largely inefficient at driving growth. The fact that investments appear to grow at a faster pace than output, may lend credence to this suggestion of inefficiency, hinting at an inability of investments to yield expected returns. Berg et al. (2015) characterises such investment as non-productive and largely reflective of “waste” or “corruption”. In a state of “waste”, real resources are used up, with zero rate of return. A case of “corruption” implies that some portion of investment yields limited return, with some significant portion transferred as a lump sum back to private consumption. Coupled with the relative constancy of TFP growth, the domestic case may also reflect a case of investments not being steered toward technological advancements and innovation, thus creating a state of technological stagnation. Similar sentiments can be expressed about the labour market. Roopnarine and Spencer (2021) note the existence of distortions to the domestic labour market statistics, given several state-funded unemployment relief programmes. Resultantly, this has prompted the emergence of a low, artificially created unemployment rate, which may mask other labour market inefficiencies such as underemployment.

Notwithstanding labour market growth remains elevated above economic activity, further hinting at an inefficient use of labour.

ARDL MODEL

As previously stated, an ARDL is used to investigate factors that influence total factor productivity. Appropriate justification of this methodology requires that our variables be a mix of $I(0)$ and $I(1)$. Investigations comprise the Augmented Dickey-Fuller (ADF), Phillips-Perron and Kwiatkowski-Phillips-Schmidt-Shin (KPSS) tests. The order of integration required confirmation from at least two of these three traditional unit root tests (**Table 1**). Having confirmed the appropriateness of the methodological choice, Bound tests are undertaken to gauge the existence of a long-run relationship between total factor productivity (TFP) and its determinants. Results (**Table 2**) suggest a rejection of the null hypothesis at all conventional levels, thereby confirming the existence of a long-run relationship between TFP and the variables listed in the model. With these criteria satisfied, dynamics of the model are next ascertained, wherein we can isolate the short-run and long-run parameters of total factor productivity.

TABLE 1
RESULTS OF UNIT ROOT TESTS

Variable	Augmented Dickey Fuller		Phillips-Perron		KPSS		order
	Level	First Difference	Level	First Difference	Level	First Difference	
<i>TFP</i>	-4.772783		-2.664823	-3.984772	0.049132		I(0)
<i>credit growth</i>	-2.472272	-4.622009	-2.70211	-6.648577	0.098563		I(1)
<i>LMA</i>	-1.980413	-5.748546	-2.160689	-5.748565	0.138013	0.052787	I(1)
<i>open</i>	-4.313328		-4.357519		0.153089	0.081693	I(1)
<i>fdi</i>	-6.628964		-6.694811		0.104042		I(0)
<i>wti</i>	-2.893194	-5.052567	-2.970214	-5.025475	0.083366		I(1)

Note: **Denotes significance at 1, 5 and 10 per cent levels**

Source: Authors' Calculation

TABLE 2
BOUND TESTS FOR TFP MODEL

F-statistic	I(0) Bound	I(1) Bound	significance
19.83347	2.26	3.35	10%
	2.62	3.79	5%
	2.96	4.18	2.5%
	3.41	4.68	1%

Null Hypothesis: No levels relationship

Source: Authors' Calculation

Results (**Appendix 1**) show that all variables are statistically significant in the short run. Analysis by variable indicates that credit growth is also significant in the long-run. Further, it appears to have a strong positive relationship with total factor productivity in both the short and long-run, with the model noting a contemporaneous effect. Arizala et al. (2013) deduce that the availability of credit fosters the adoption of better technologies in developed, as well as developing countries, thereby inducing economic growth through accelerations in total factor productivity. The relative stagnation of our calculated TFP index over the period 2000 to 2023, however suggests that this may not have been the case domestically. Rioja and Valev (2004) contend that the impact of financial development is predominantly contingent on an economy's stage of development. They suggest that in developed countries there is greater incentive for innovation and technological development, which in turn initiates total factor productivity gains. In less developed countries, financial developments largely affect capital accumulation and drive total factor productivity downward.

Domestically, a strong banking sector dominates the financial sector, historically comprising in excess of 40.0 per cent of total financial sector assets. Dhanessar and Woolford (2022) note that financial developments in Trinidad and Tobago have offered a positive impulse to economic growth over the period 1980 to 2020. Financial development has however been mainly fostered by financial institutions as opposed to financial markets. In the early 2000s, financial development benefitted from an accommodative monetary policy

position, which enabled improvements in the depth and efficiency of financial institutions, despite subdued access to such institutions. By 2020 however, minimal developments were reported in the areas of efficiency and access. They further suggest that the structural dynamics of the financial system may not adequately accommodate the private sector or small and medium enterprises. This position is exacerbated in an economic downturn, where priority may be given to prime borrowers and the Government. Therefore, despite the strong relationship between TFP and credit growth, evidence suggests that the seemingly risk averse position of the banking sector may not facilitate investment in requisite innovation to appropriately drive total factor productivity, hence its relative stagnation.

Lending from multi-lateral agencies is also statistically significant in the long-run. The model suggests a negative relationship with total factor productivity in both the short- and long-run. Theoretically, these inflows could positively impact economic growth so long as it prioritises investment over consumption. Further, the impact to total factor productivity requires an ability to ensure technology transfer, innovation, and an expansion in human capital. Thus, the inverse relationship derived in the model may suggest that much of our LMA variable facilitated capital accumulation, but did not necessarily bolster factor productivity. A closer examination of the LMA time series showcased that most, if not all of the funding over the time period, was targeted at infrastructure and construction, as opposed to innovative mechanisms. Rajan and Subramanian (2005) argue that such initiatives tend to stymie competitiveness as they prevent growth of key export sectors. This effect largely

manifests through the channel of an overvalued exchange rate. Domestically, it may be the case that such borrowing crowds out the need for sectors to adopt innovative practices, which in turn can bolster the appropriate revenue generation to otherwise fund these initiatives. In other words, the ready access to such funding fails to reduce the strain on the domestic tax base in a manner that could induce an environment conducive to innovation.

Estimates of economic openness display long-run statistical insignificance. In the short-run the impact on TFP is reflected by a contemporaneous effect. In both instances, there is an inverse relationship with TFP. Domestically, the composition of the open variable reflects an export-led economy, dominated by the energy sector. The non-energy sector meanwhile dominates imports, which largely reflect goods targeted at final consumption. Saad (2017) notes that in the case of Lebanon, a negative short-run relationship between openness and total factor productivity reflected the import-led nature of the economy coupled with the nature of goods that were being imported. This view partially reconciles with the Trinidad and Tobago economy. Given that the domestic 'open' variable is dominated by exports, it may suggest that any notion of productivity attained by the dominant energy sector is eroded by a less productive import-dominant non-energy sector.

As is the case in the short-run, foreign direct investment, *fdi*, is also statistically significant in the long-run. The model notes that its effect on TFP is contemporaneous, in addition to having a memory of one period. An inverse relationship exists one period prior, while in

the contemporaneous instance the relationship is positive. Consistent with the literature, the model suggests that foreign direct investment appears to facilitate a transfer of technology that prompts improvement in factor productivity. Notably, data reveals that the non-energy sector dominated 'fdi' over the review period. This counters previous assertions made by the relationship between TFP and the 'open' variable, hinting instead at the relative importance of the non-energy sector as a facilitator of productivity. This highlights the need for future sectoral analysis of productivity. Interestingly, oil prices, WTI, show an inverse and statistically significant long-run relationship with TFP. In the short-run, the relationship is positive and possesses a contemporaneous impact. Gains from commodity prices are therefore short-lived and immediate. In the long-run, commodity prices appear to drive productivity downward, which suggests an inability to capitalise on economic gains from oil prices. As a commodity exporter, the growth cycle of the domestic economy has been largely informed by movements in prices. Further, Edwards and Woolford (2018) note that growth has historically benefitted from statistically high commodity prices. It appears that much of this growth was not transmitted through improved total factor productivity.

The coefficient of the error correction model, ECM, is negative and statistically significant at all conventional levels. Its value also lies between 0 and -1 suggesting that the model converges to a long-run equilibrium, further reinforcing the presence of cointegration. The coefficient value of -0.914229 implies that deviations from the long-run equilibrium are corrected at a rate of 91.4 per cent quarterly.

All diagnostic and stability tests (Appendix 2) also support the validity of the model.

CONCLUSION AND RECOMMENDATION

This article utilises the growth accounting framework to estimate growth rates of total factor productivity in logarithmic form. Conversion of these rates to an index highlighted that since 2008, growth in total factor productivity has been relatively stagnant. Furthermore, evidence points to inefficiencies in the labour market and investments, which may have prompted an inability to appropriately stimulate productive growth. Further analysis showcased that total factor productivity is informed by a positive relationship, in both the short and long-run, with credit growth and foreign direct investments. Notwithstanding, challenges exist in the transmission of these variables to an improvement in total factor productivity. Inverse relationships appear to exist with lending from multi-lateral agencies and our openness variable over both periods. Commodity prices appear to have a positive impact on TFP in the short run and an inverse long-run relationship.

Credit creation appears to largely reflect a risk averse position, which may stymie factor productivity. Policy mechanisms are required to incentivise lending to sectors prone to innovation that may bolster growth in TFP. This may prove difficult given the profitability of the local banking sector, which in turn does not necessitate risk-loving behaviour. Moreira (2024) argues that reduced capital requirements on the path of the regulator can induce greater risk-taking in the banking sector as capital is less expensive than

debt. From a policy perspective this may be facilitated through a measured reduction in the reserve requirement ratio, which in turn gives banks access to a larger pool of capital. Such initiatives, however, require careful monitor by the regulator as more risk-taking behaviours can lead to financial crises.

Results further hint at a need to assess levels of productivity on a sectoral basis. There appears to be strong energy sector productivity, in some instances, potentially eroded by a supposedly less productive non-energy sector. In other instances, evidence suggests that the non-energy sector acts as a primary contributor to total factor productivity. Sectoral contributions to total factor productivity thus remain unclear. Further, it appears that the domestic economy has been largely unable to ensure an adoption of innovation and transfer of technology through its access to external lending facilities. Further implications of this include an overvalued exchange rate (Rajan and Subramanian, 2005). This coupled with a propensity to import goods for final consumption over those for technological advancement and productivity gain, have mitigated hopes of strengthening total factor productivity. Government initiatives can seek to curb this by prioritising borrowing that targets innovation, while simultaneously seeking to create a non-energy sector, incentivised by a desire to innovate. Successful execution of this may potentially facilitate a broadened tax base that can fund infrastructure and construction thus allowing for funds borrowed to be put to more productive uses. Again, in this regard greater risk has to be facilitated by lending agencies.

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APPENDIX 1: RESULTS OF ARDL MODEL

APPENDIX 1.1

ERROR CORRECTION ESTIMATION

Variable	Coefficient	t-statistic	Prob
C	0.871379	10.256990	0.0000
D(TFP(-1))	0.355314	5.399363	0.0000
D(TFP(-2))	0.622871	8.326099	0.0000
D(TFP(-3))	0.336843	4.264243	0.0005
D(credit_growth)	5.798547	8.226944	0.0000
D(ODA)	-0.012666	-2.901171	0.0099
D(ODA(-1))	-0.012692	-2.866552	0.0107
D(open)	-1.706997	-3.288322	0.0043
D(fdi)	0.000803	7.137659	0.0000
D(fdi(-1))	-0.00068	-6.269676	0.0000
D(wti)	0.026199	3.885284	0.0012
ECM(-1)	-0.914229	-12.409720	0.0000

Source: Authors' Calculation

*Indicates significance at 5 and 10 per cent levels***APPENDIX 1.2**

LONG-RUN ESTIMATION EQUATION

Variable	Coefficient	t-statistic	Prob
credit_growth	4.343274	3.289372	0.0043
LMA	-0.012205	-3.184397	0.0054
open	-0.298517	-0.331873	0.7440
fdi	0.001902	3.44085	0.0031
wti	-0.018333	-2.784391	0.0127

$$ECM = TFP - (4.3433 * credit_growth - 0.0122 * LMA - 0.2985 * open + 0.0019 * fdi - 0.0183 * wti)$$

Source: Authors' Calculation

Indicates significance at 5 and 10 per cent levels

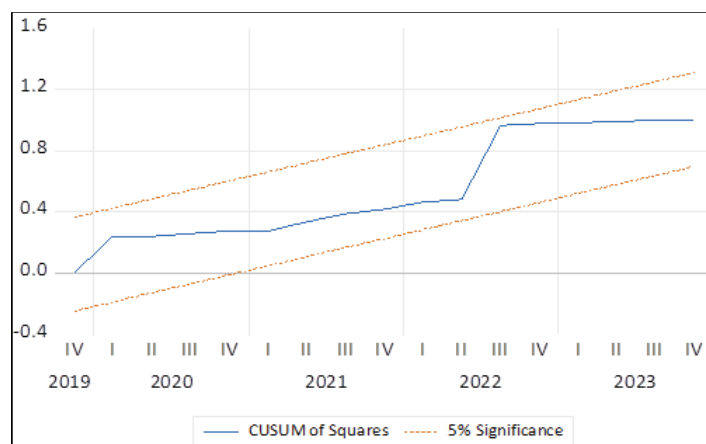
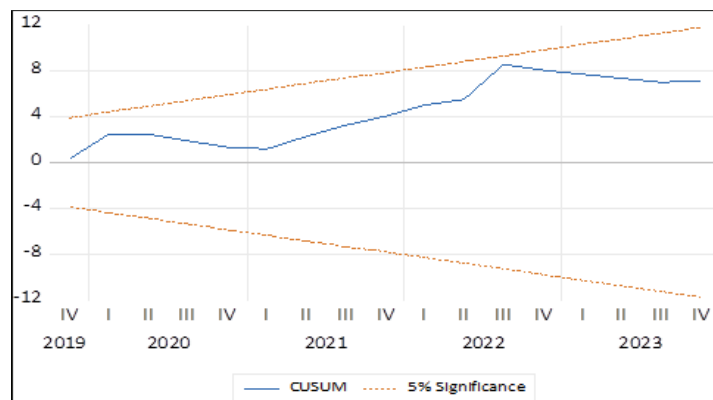
APPENDIX 2: RESIDUAL DIAGNOSTICS AND STABILITY TESTS

APPENDIX 2.1: RESIDUAL DIAGNOSTICS SUMMARY OF RESIDUAL DIAGNOSTIC TESTS

Test	Test Statistic	Probability	Null Hypothesis	Prob
Jarque-Bera	1.241488	0.5375	Normality	Yes
Breusch-Godfrey	1.825501	0.1952	No Serial Correlation	Yes
Breusch-Pagan-Godfrey	1.287447	0.3050	Homoskedasticity	Yes

Source: Authors' Calculation

APPENDIX 2.2: STABILITY TESTS CUSUM AND CUSUM OF SQUARES TESTS



Source: Authors' Calculation



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