



CENTRAL BANK OF  
TRINIDAD & TOBAGO

# **THE RESEARCH DEPARTMENT:**

## **A CORNERSTONE OF THE CENTRAL BANK OF TRINIDAD & TOBAGO**

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# OUTLINE

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1. Why do we exist?
2. How do we function?
3. What do we do?
4. Whom do we serve?



# 1. WHY DO WE EXIST?

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## What is a Central Bank?

*“A Central Bank can be defined as the National Financial Institution that exercises control over key aspects of the financial system.”*

# MISSION OF THE CENTRAL BANK OF TRINIDAD AND TOBAGO

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*The promotion of such monetary, credit and exchange policies that would foster monetary and financial stability and public confidence and be favourable to economic growth and development.*

# WHY A RESEARCH DEPARTMENT?

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The Central Bank Act requires the Bank to ***"undertake continuous economic, financial and monetary research"*** as well as to provide advice on economic, financial and monetary matters to the Government.



# MISSION OF THE RESEARCH DEPARTMENT

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- ❑ To investigate and analyze economic, monetary, financial and social phenomena (local, regional and international), in order to inform the policy making process of the monetary authorities.
- ❑ To advise the monetary authorities on the implications of monetary and financial developments and policies, whether solicited or unsolicited, and to prescribe the appropriate policy action.
- ❑ To undertake basic and applied economic research on a continuous basis to provide accurate and professional advice and prescriptions.

# VISION OF THE RESEARCH DEPARTMENT

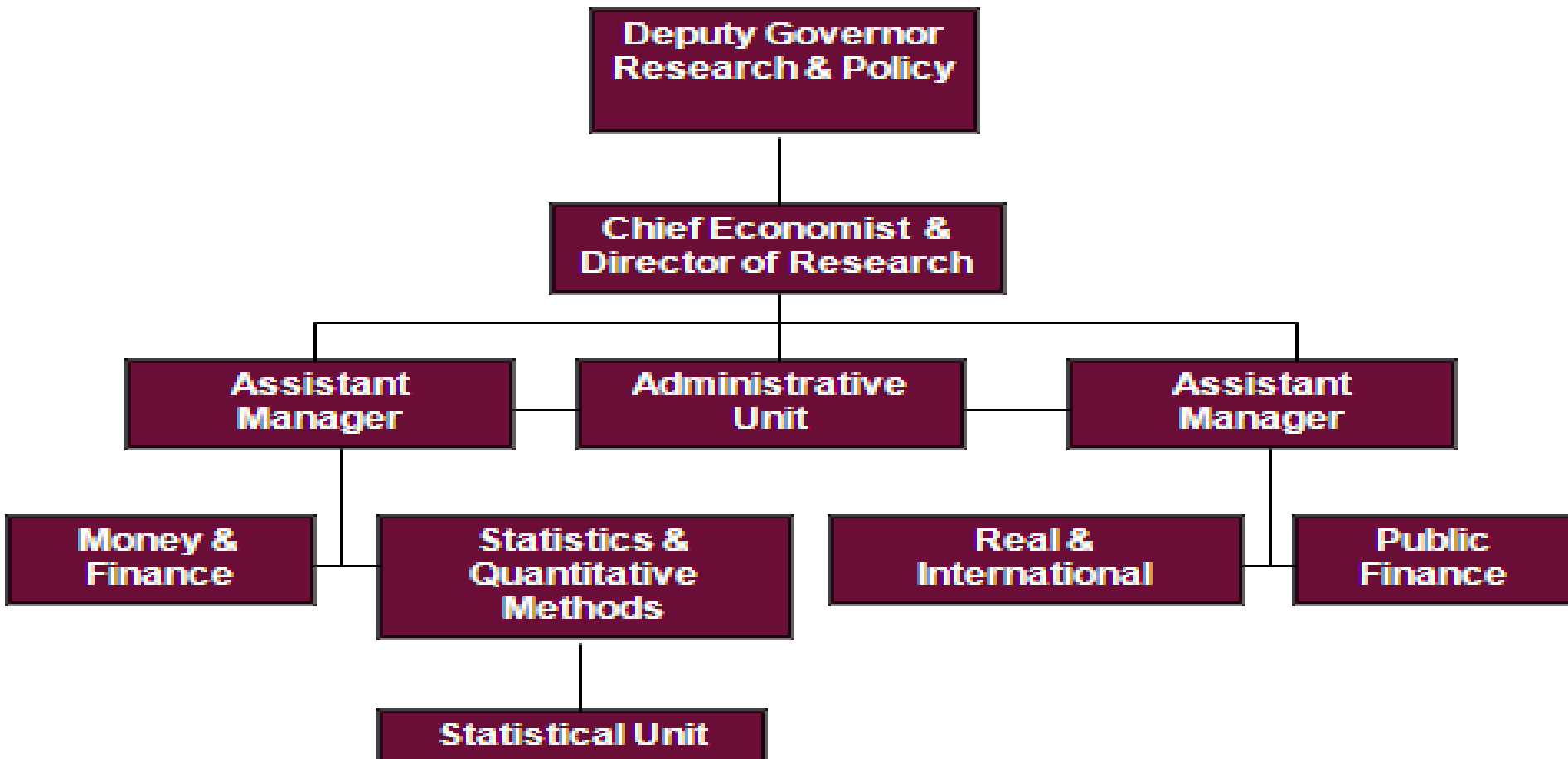
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The Research Department will be the foremost, most respected and proactive provider of timely, relevant and accurate policy advice, research and economic intelligence with a highly trained, well paid, motivated and professional staff utilizing the most technologically advanced and efficient systems.



## 2. HOW DO WE FUNCTION?

### ORGANIZATIONAL CHART





# 3. WHAT DO WE DO?

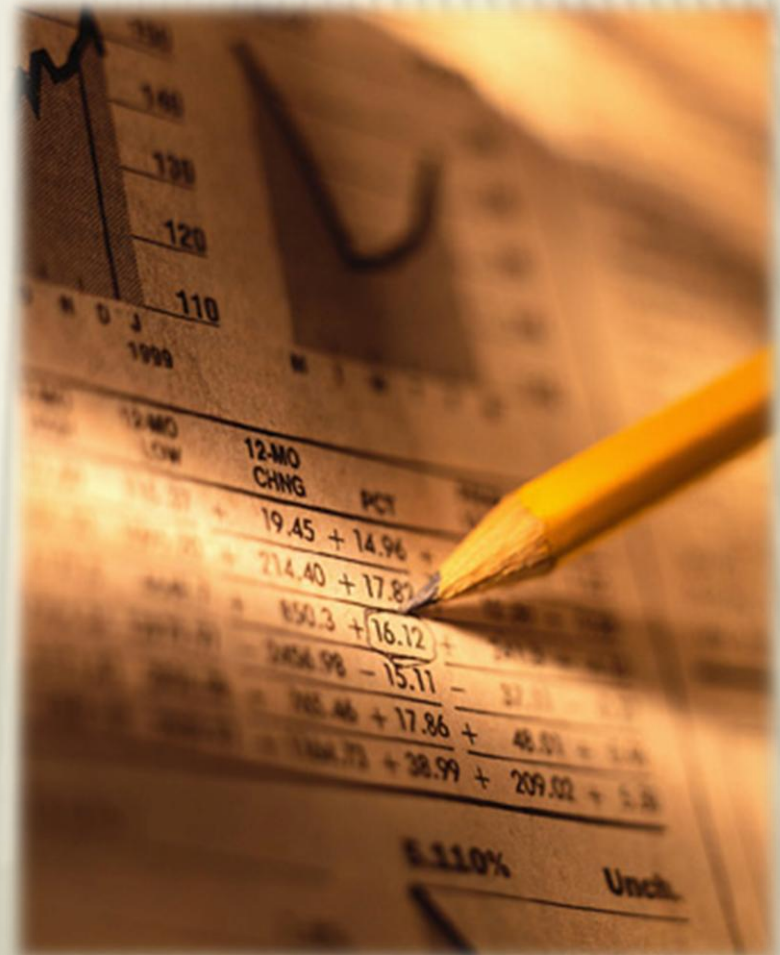
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1. Economic Intelligence
2. Research
3. Policy Support

# ECONOMIC INTELLIGENCE

- Data  
Collection, Compilation and Production.
- Analysis of the Data
  - Current values/levels
  - Identify Trends
  - Uncover relationships



# MAJOR DATABASES

## × FAME:

- Money and Banking Statistics
- Central Bank Statistics
- Exchange Rates
- Government Fiscal Operations
- Labour Market
- Domestic Production and Prices



# OTHER DATABASES

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- ❑ QGDP and National Accounts;
- ❑ Balance of Payments;
- ❑ Domestic and External Debt;
- ❑ Payments System;
- ❑ Capital markets;
- ❑ Other Administrative Records
  - ❑ CSO.
  - ❑ Other public entities.



# PUBLICATIONS

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- ❑ Provide the public with knowledge and information about economic developments.
- ❑ Ensure that economic agents can make informed decisions.
- ❑ Make the public aware of the Bank's monetary policy stance.





# RESEARCH

- ❑ In depth applications of economic theory to the domestic and international economy.
- ❑ Understanding how economic variables interact with each other.
- ❑ Annual Research Review Seminar.



# RESEARCH

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## What is on the agenda this year?

- Inflation Dynamics.
- A Financial Programme for Trinidad and Tobago.
- Financial System Health and Stability.
- Foreign Exchange Market.
- Economic Indicators.



# POLICY SUPPORT

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## Research Department



## Weekly Monetary Policy Support Committee Meetings

(Deputy Governors, Advisor to the Governor, Senior Manager Operations, Manager DMO, Manager FISD, Director of Research, Asst. Manager of Research, Economists and Senior Market Analysts)



## Monthly Monetary Policy Committee Meeting

(Governor, Deputy Governors, Advisor to the Governor, Senior Manager Operations, Director of Research, Asst. Manager of Research and DMO.)

# POLICY SUPPORT

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- Analyze and report on economic trends.
- Anticipate/forecast future trends.
- Recommend monetary policy actions:
  - Tighten monetary policy;
  - Loosen monetary policy;
  - Hold.



# POLICY SUPPORT

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- ✖ **Monetary Policy Tools:**
  - ✖ Repo Rate.
  - ✖ Reserve Requirement.
  - ✖ Open Market Operations.
  - ✖ Moral Suasion.



# POLICY SUPPORT

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- Collaborate with IMF, other international agencies, Central Statistical Office, Ministry of Finance and other economic ministries.
- Speech Writing
  - For the Governor, Deputy Governors and Senior Executives.



# 4. WHOM DO WE SERVE?

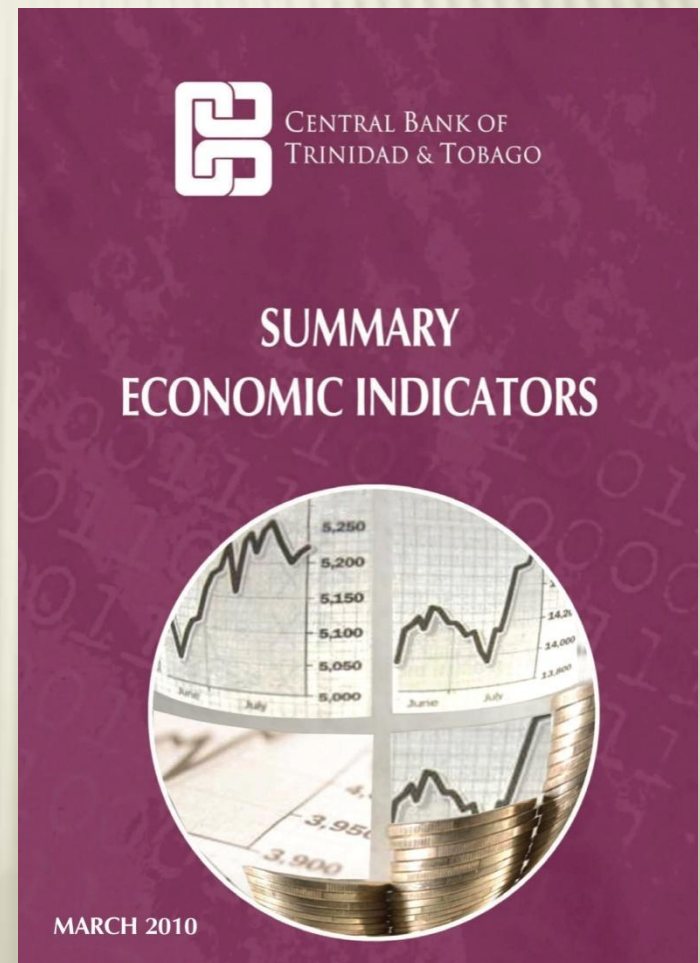
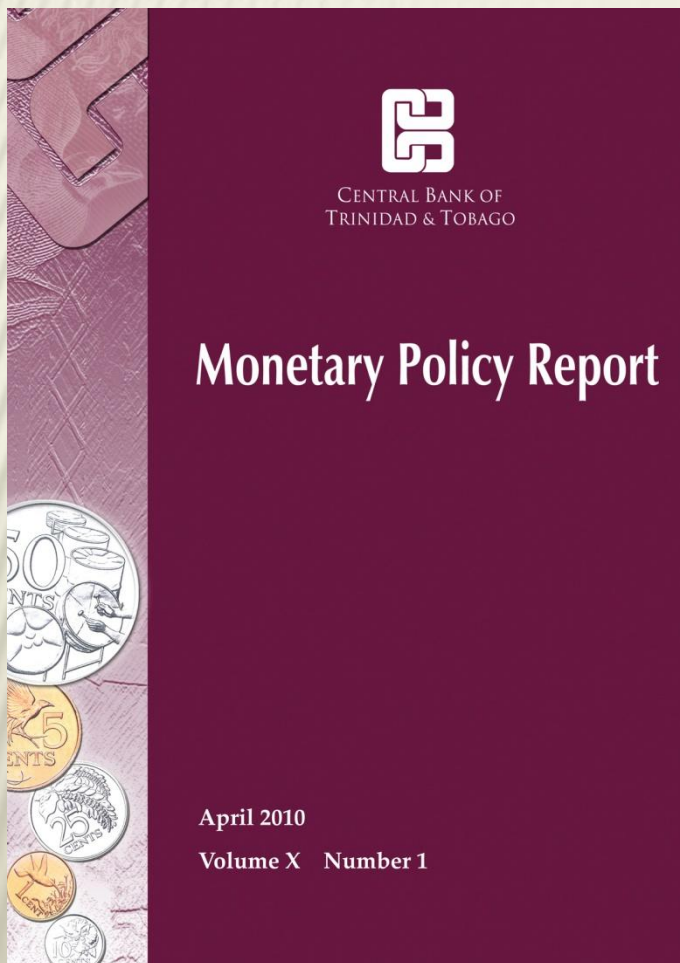
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## □ Internal publics

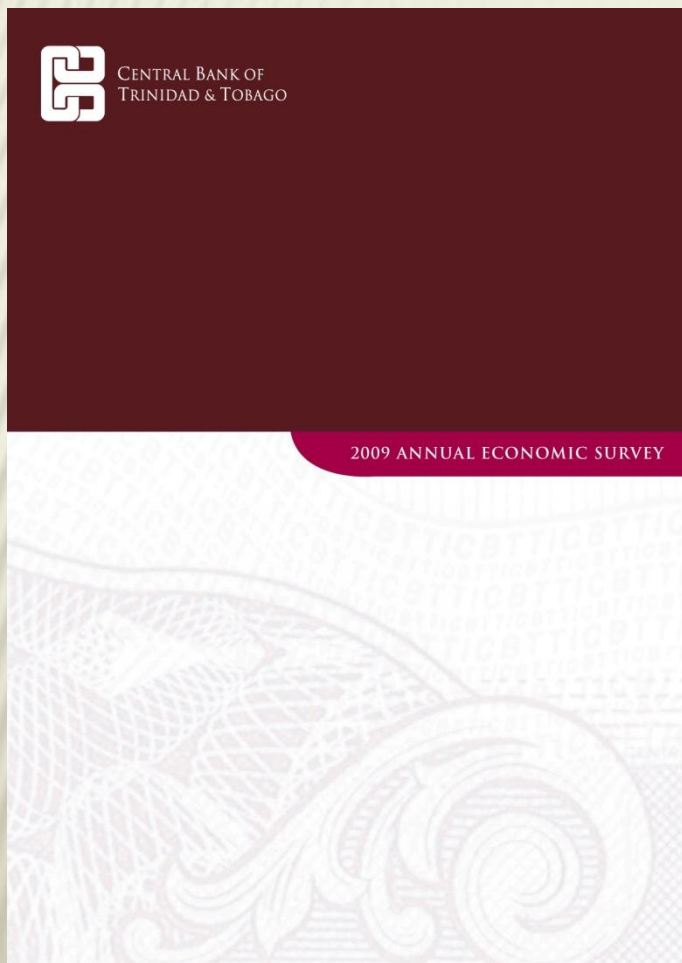
- CBTT's Board of Directors.
- CBTT's Senior Management and Executive.
- Research Department.
- Other Departments.



# PUBLICATIONS

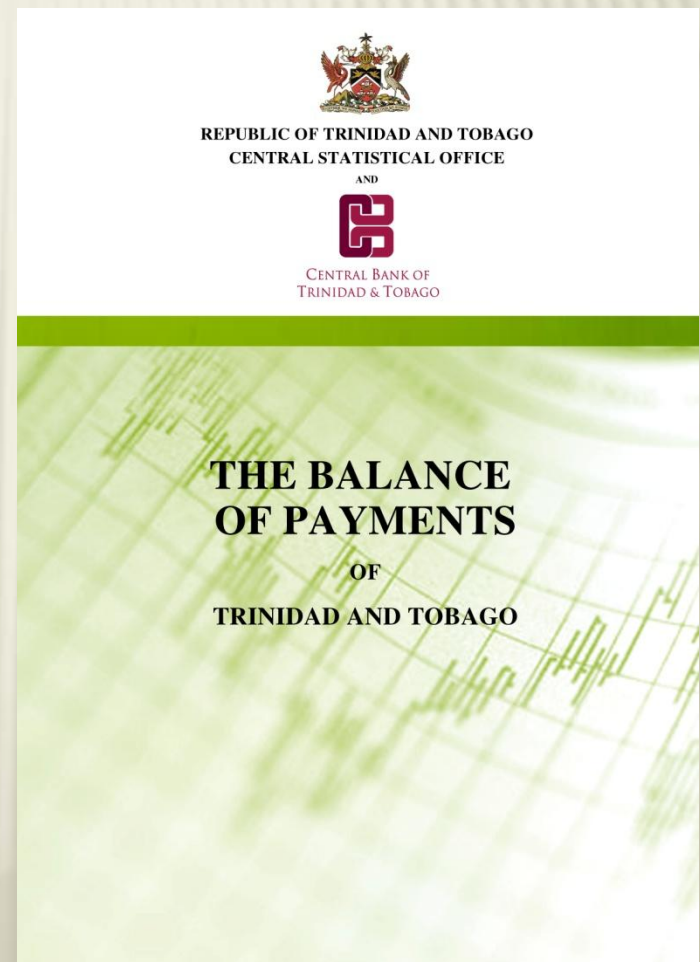


# PUBLICATIONS





# PUBLICATIONS





# POP QUIZ!!!

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**THANK YOU!**