In Summary:

- Preliminary Central Bank estimates suggest that the Trinidad and Tobago economy contracted in 2019. While the non-energy sector grew modestly, the overall health of the economy was subdued by declining production in the energy sector.
- Both crude oil and natural gas prices decreased in 2019.
- The labour market remained soft in 2019.
- Headline inflation remained unchanged from 2018 – its lowest level on record – due to low food inflation.

The Central Government registered a lower fiscal deficit in the fiscal year (FY) 2018/19 when compared to FY2017/18, due to higher revenues. The increase in Central Government revenues was partly due to receipts from the tax amnesty implemented in June 2019.

The Repo rate remained at 5.00 per cent throughout 2019.

Global growth slowed in 2019 due to weak global trade and investment, heightened trade policy uncertainty and lower commodity prices.

Global growth in 2020 will be significantly affected by the emergence and spread of the novel coronavirus (COVID-19). The global pandemic will threaten the revival of the Trinidad and Tobago economy.

ECONOMIC DEVELOPMENTS

According to the Central Bank’s Quarterly Index of Real Economic Activity, domestic activity contracted by 1.1% in 2019, led by the decline in energy sector output (3.6%).

The unemployment rate averaged 4.1% in the first nine months of 2018, compared with 5.0% in the same period of 2017.

Headline inflation averaged 1.0% in 2019 – the lowest level on record – unchanged from 2018.

In FY2018/19 the Central Government recorded a lower deficit of 2.4% of GDP, compared with 3.6% of GDP in the previous period.

The Central Bank kept the Repo rate constant at 5.00% during 2019.

Gross official reserves amounted to US$6.9bn at the end 2019, representing 7.7 months of import cover.

Global economic growth slowed in 2019 to 2.9% compared with 3.6% in 2018.