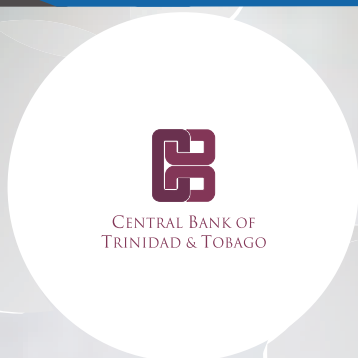


HIGHLIGHTS

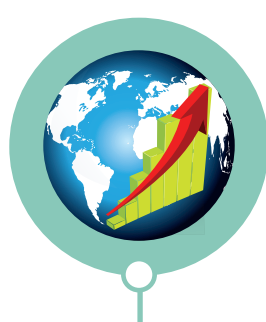


In Summary:

- Global economic activity continued to recover during the first half of 2021, despite intensification of the COVID-19 pandemic in some countries.
- Domestically, economic activity declined in the first quarter of 2021 due to reduced output in both the energy and non-energy sectors.
- Headline inflation remained muted during the first six months of 2021, reflective of subdued domestic economic activity. However, food prices have begun to inch up.
- Higher non-energy receipts coupled with lower spending during the first nine months of fiscal 2020/2021 contributed to a smaller deficit in the Central Government accounts compared to one year earlier.
- The Repo rate remained unchanged at 3.5 per cent during the first half of 2021 as the monetary policy stance of the Central Bank remained supportive of the domestic economic recovery.
- Gross official reserves stood at US\$6,649.2 million - an import cover of 8.1 months- at the end of July 2021.

The short-term economic outlook for Trinidad and Tobago will be directly impacted by the virus' path and the domestic response. If sustained, the gradual relaxation of restrictions on movement and business activity from August could see, by the end of 2021, a meaningful recovery of non-energy output lost during the first 2½ quarters of the year. Overall, and in light of the uncertainties regarding the evolution of the pandemic globally and locally, fiscal, monetary and structural policies will continue to play key roles, supported by private sector actions.

EXTERNAL DEVELOPMENTS



A global economic recovery is underway but remained mixed over the first half of 2021.



Several Emerging Market and Developing Economies (EMDEs) experienced economic setbacks amid a resurgence in virus caseloads during the first half of 2021.

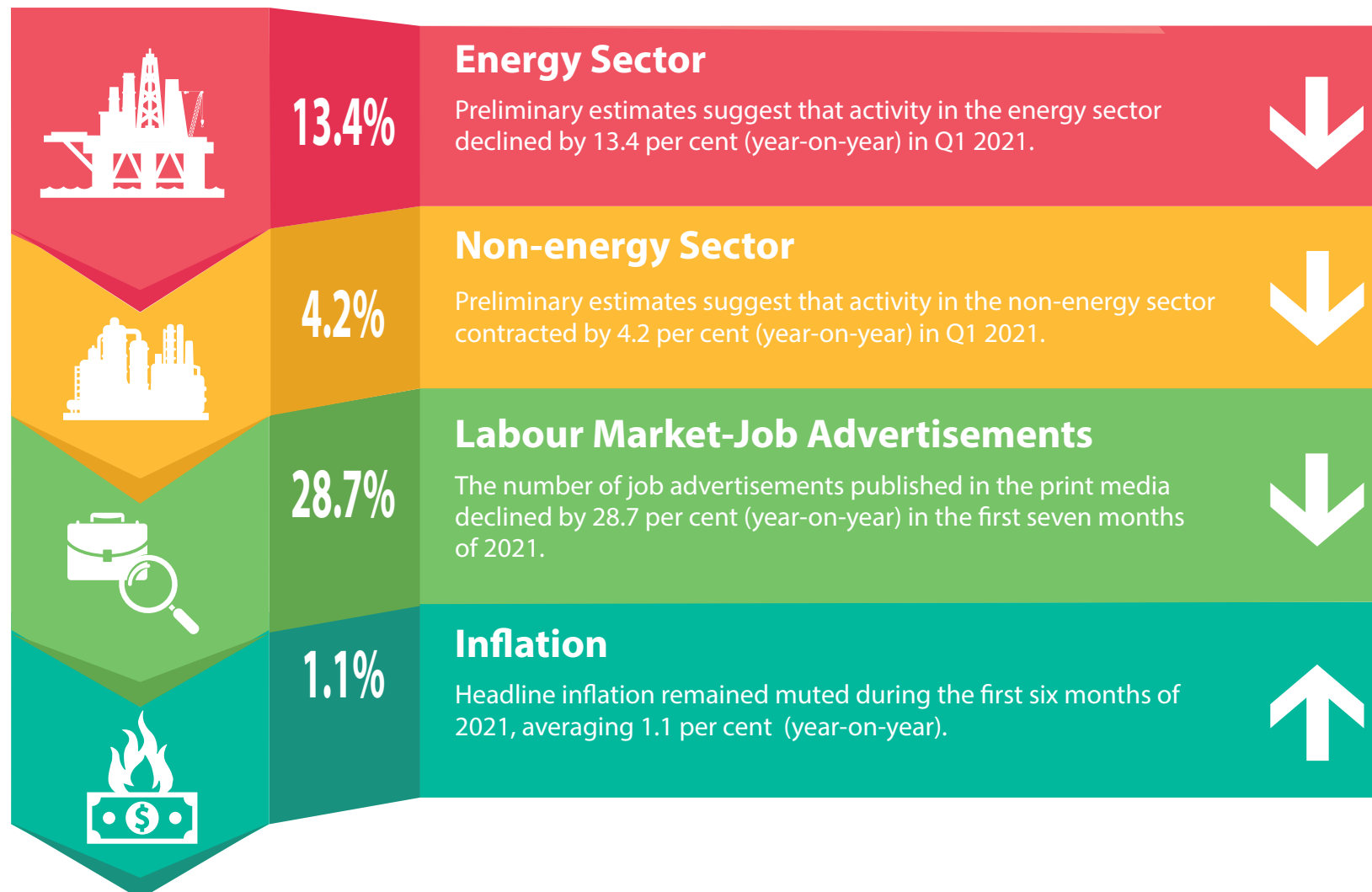


A healthy rebound in crude oil and natural gas prices was experienced over the first seven months of 2021, compared to the similar period in 2020.

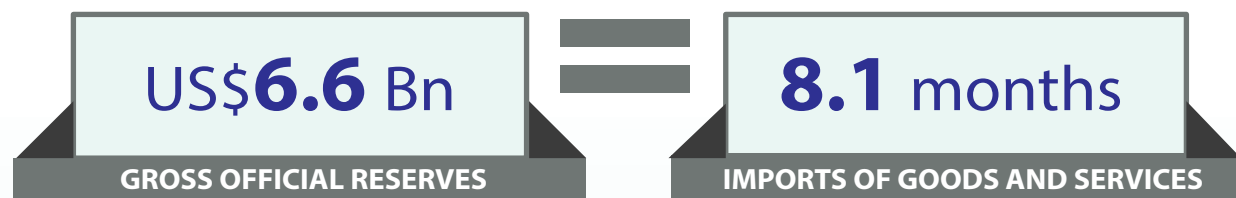


Inflation rates accelerated above targets in several advanced economies.

DOMESTIC DEVELOPMENTS



JULY 2021



BUSINESS SECTOR CREDIT GROWTH
y-o-y, JUNE 2021
-2.1%

REPO RATE
3.50%
Maintained in June 2021

CENTRAL GOV'T DEFICIT
OCT 2020 – JUNE 2021

-\$7.2Bn

NET DEBT
MAY 2021

\$126.8Bn

CONSUMER SECTOR CREDIT GROWTH
y-o-y, JUNE 2021

-4.0%