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- Point Lisas Industrial Port Development Corporation Limited rating reaffirmed at *Cari***A+**
- The Government of Saint Lucia rating downgraded to *Cari***BBB-**
- The Beacon Insurance Company Limited's rating reaffirmed at *Cari***A-**
- The Government of Trinidad and Tobago's rating reaffirmed at *Cari***AA+**
- National Investment Fund Holding Company Limited's bond rating reaffirmed at *Cari***AA**
- JMMB International Limited's bond rating assigned at *jm***A**
- The Development Bank of Jamaica Limited's rating reaffirmed at *Cari***A-**
- Goddard Enterprises Limited's rating downgraded to *Cari***A+**
- The Government of the Commonwealth of Dominica rating reaffirmed at *Cari***BB**
- Sagicor Financial Company Limited's rating reaffirmed at *Cari***AA**
- NCB Global Finance Limited's rating reaffirmed at CariA
- Eastern Credit Union Co-operative Society Limited rating reaffirmed at *Cari***BBB-**

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REGIONAL

Trinidad and Tobago

NGC, BHP sign gas sales deal - Negotiations completed for Rudy Field...
THE National Gas Company (NGC) and energy giant BHP have completed negotiations for a gas sales agreement for the Ruby Field off the east coast of Trinidad.

CAL starts EC service today
Caribbean Airlines Ltd (CAL) says it will launch its services to the Eastern Caribbean today.

Witco leads trading
OVERALL stock market activity yesterday resulted from trading in 14 securities of which five advanced, three declined and six traded firm.

PriceSmart lockdown sales jump...but warehouse club still troubled at US$ availability
PRICESMART'S four warehouse club outlets in Trinidad increased their net merchandise sales for the three-month period between March 1 and May 31, 2020 by 16.4 per cent, according to the company's filing with the US Securities and Exchange Commission (US SEC).

Barbados

Trust Loan Fund disburses more than $13m
The Barbados Trust Fund Limited (BTFL) has so far disbursed over $13.6 million for 3 008 loan applications to businesses and entrepreneurs.

LIAT's Barbadian pilots say they're on the brink
Barbadian pilots for the collapsed regional airline, LIAT, said on Tuesday that the plan to save the company from liquidation does not address their dire financial plight in which some are now on the brink of eviction from their homes.

Jamaica

Business and consumer confidence dip amid COVID-19 outbreak

With the COVID-19 pandemic weighing on the local economy, causing social disruptions and shutdowns across sectors, consumer and business confidence took a knock during the first and second quarters of the year. This was according to the latest findings of the Jamaica Chamber of Commerce (JCC) business and consumer confidence indices.

RJR posts profit for 2020 financial year

Radio Jamaica Limited, parent company of the RJR/Gleaner Communications Group, posted a turnaround profit of $37.6 million for the financial year ended March 31, 2020.

Medical Disposables and Supplies records $35-million net profit

Health care and consumer products distributor Medical Disposables and Supplies Limited (MDS) recently reported an after-tax profit of $35 million for the financial year which ended on March 31, 2020. This represents a $78-million decrease when compared with the previous corresponding period.

Barita finalises details of APO set to open on August 26

Local investment firm Barita Investments Limited has finalised the details of its additional public offer (APO), which opens next month.

Jamalco to list on JSE - Noble Group, GOJ strike deal on refinery

The Noble Group has formed a pact with the Jamaican Government to reorganise the assets and operations of alumina refinery Jamalco into a holding company that will raise equity capital on the stock market.

The Bahamas

Offshore Banks: 65% Report No Covid Impact

Some 65 percent of Bahamas-based international banks have suffered “little or no financial impact” from COVID-19, the Central Bank revealed yesterday, marking the sector as one of the few to emerge relatively unscathed to-date.

'Increase Subsidy Or Bahamasair Closes'

Bahamasair's chairman yesterday warned the airline will "close down" without an increase in taxpayer subsidies after its top-line was cut by $22m due to Hurricane Dorian and COVID-19.

The Bahamas Continued

Cruise Line Confirms CDC-Delayed Return
Bahamas Paradise Cruise Line yesterday said US health authorities had left it with "no choice" but to delay its operational restart until October 1.

'DEVASTATING': John Bull fires 103 employees
Luxury goods retailer John Bull yesterday announced it has been forced to make the "extremely difficult, however necessary decision" to cut 103 employees.

Dominica

LIAT's major shareholders reach agreement; airline could soon fly again
If everything goes as planned, the beleaguered airline LIAT could be back in the skies between sixty to ninety days from now.

July 28 is Budget Day in Dominica
Prime Minister Skerrit in 2018 making his way to parliament to deliver the National Budget.

Grenada

Significant moves being made to fill Void left by Regional Airline LIAT
Tourism and Civil Aviation Sectors in the region are making significant moves to ensure there is alternative transport in the face of the possible demise of regional airline LIAT, which has served the region for more than forty years.

Pure Grenada Takes First Step in Tourism "Comeback" By Resuming Flights for Regional Travel
As part of the government of Grenada's careful approach to reopening the destination to international travellers, Grenada's Maurice Bishop International Airport began welcoming visitors from neighbouring CARICOM nations on July 15, 2020.

Other Regional

Covid-19 weakens Central American, Caribbean utility liquidity

Sharply lower electricity demand and government programs recently introduced to provide end-users relief during the coronavirus pandemic are stressing cash flows and liquidity for some generation companies (GenCos) and distribution companies (DisCos) in Central America and the Caribbean, says Fitch Ratings. Adequate cash, laddered debt maturities, working capital management and lines of credit should help alleviate the pressure for some issuers.

LIAT shareholders reach agreement to sell 3 planes; airline could fly again in 90 days

LIAT's major shareholders have reached an agreement, which Antigua and Barbuda's Prime Minister Gaston Browne said could see the airline flying again "in 60 to 90 days."

INTERNATIONAL

United States

S&P 500 turns positive for 2020, but most stocks are missing the party

The benchmark S&P 500 .SPX U.S. stock index is now positive for the year, yet most of its components have sat out the rally.

Biogen lifts full-year profit forecast as Tecfidera boosts quarter

Biogen Inc (BIIB.O) raised its 2020 earnings forecast after better-than-expected sales of its multiple sclerosis treatment Tecfidera helped the drugmaker beat second-quarter profit estimates.

Futures retreat as Sino-U.S. relations sour

U.S. stock index futures fell on Wednesday as investors shunned risky assets after Washington ordered a shutdown of the Chinese consulate in Houston, escalating tensions between the world's two largest economies.

China

China's first-half solar panel output jumps 15.7%, industry body says

China produced 59 gigawatts (GW) worth of solar panels in the first half of the year, up 15.7% from a year ago, an official with the country's solar industry association said on Wednesday, with the sector barely affected by the coronavirus outbreak.

Japan

Japan kicks off domestic tourism campaign as critics point to virus surge

Japan launched a national travel campaign on Wednesday that aims to revive a battered tourism industry, but the effort has drawn heavy criticism as major cities have racked up a jump in new coronavirus cases.

Japan raises economic view for second month, but wary over virus resurgence

Japan's government slightly raised its economic view for a second straight month in July, though authorities conceded that the situation remained severe in light of a renewed spike in coronavirus cases in many parts of the world.

Global

Oil prices slip as U.S. inventories and virus fears grow

Oil prices fell on Wednesday as industry data showed a bigger than expected inventory build in the United States, where a surge in coronavirus cases could further dent fuel demand in the world's biggest oil consumer.

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FULL ARTICLES

Business and consumer confidence dip amid COVID-19 outbreak

Wednesday 22nd July, 2020 – Jamaica Observer

With the COVID-19 pandemic weighing on the local economy, causing social disruptions and shutdowns across sectors, consumer and business confidence took a knock during the first and second quarters of the year. This was according to the latest findings of the Jamaica Chamber of Commerce (JCC) business and consumer confidence indices.

The consumer confidence index revealed a downward trend over the last two quarters moving from 180.1 points in quarter four of 2019 to 172.9 and 165.2 points in the first and second quarters of 2020 respectively.

According to pollster Don Anderson, who presented the findings yesterday via Zoom and YouTube live stream, these indices are relatively high considering the lowest ever recorded was 82.7 in the second quarter of 2003.

Consumer confidence in current economic conditions fell below 200 points to 135.4 points in the second quarter for the first time over eight quarters. Consumers' assessment of the current business conditions also moved downwards from 111 points in the fourth quarter of 2019 to 105 and 82 points in the first and second quarter of 2020 respectively.

The results also indicated that the most common impacts of COVID-19 among consumers were job loss, reduced income and movement restrictions. The current job index dropped from 62 points in quarter one to 25 points in quarter two.

Thirty-one per cent of consumers in the second quarter compared to 15 per cent in the first quarter expressed the view that business conditions were bad in the country at the time of the survey.

However, despite these findings, Anderson contented that consumers remain optimistic about the future as expectations for the economy revealed an upward movement in the index from 159.8 points in the first quarter to 175.2 in the second quarter of 2020.

The index of future business conditions recorded the highest in the history of these surveys with 148 index points, while consumers' expectations are high for future jobs with the index reaching its peak at 139 points in the second quarter of 2020.

The top two survival strategies during COVID-19 are starting a new business and looking for a new job. Consumers who intend to start up a business will fund such activity primarily from their own savings (35 per cent) but many will also be looking to the financial institutions for a loan (25 per cent). Support from family and the community partner plans were equally mentioned (13 per cent).

When asked to indicate the most important thing the Government should focus on, consumers rated controlling the spread of the virus, the health of the people including health education, opening of the economy/businesses and job losses due to the pandemic.

BUSINESS CONFIDENCE REACHES ITS LOWEST SINCE 2015

Optimism among businesses recorded a steady downward trend with 115.4 index points in the second quarter of 2019 — the lowest recorded since the third quarter of 2015.

Concerns around the climate for investment/expansion, as well as the performance in firms' profitability being worse than expected are the main drivers of this decline. While these concerns are consistent with those expressed in the fourth quarter of 2019, the extent of the concern was amplified due to the effects of the COVID-19 pandemic.

Sixty-eight per cent of businesses reported loss in revenue as a change they experienced due to COVID-19. This was followed by changes to staff (52 per cent), including layoffs, reduction in staff hours, and/or salary cuts. Farming/agriculture, tourism and construction and installation were the industries that mostly reduced staff.

Concurrently, businesses expect a bright future for the economy despite the global pandemic. These expectations are driven by three main factors — the anticipation that businesses will be opened up fully within the next 12 months, learnings from the effective management of a crisis, as well as expectations for a steady flow of tourist into the country following the pandemic.

Approximately 49 per cent of firms interviewed are optimistic that their business will survive the effects of COVID-19, the remaining were of the view that they would likely survive the virus, while others did not know what the fate of the business will be after COVID-19. While most firms (64 per cent), expect an improvement in their financial standing in the next 12 months, they do not expect this to translate into increased profits. The large majority of firms (76 per cent) anticipate recovery within the short term — that is, 1 to 3 years, 18 per cent anticipate recovery within less than one year.

Conducted by Market Research Services, the index is derived from quarterly surveys, of CEOs and senior officers of approximately 100 Jamaican firms, and 600 consumers islandwide, on business and consumer opinions related to current conditions and future expectations of the economy.

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RJR posts profit for 2020 financial year

Wednesday 22nd July, 2020 – Jamaica Observer

Radio Jamaica Limited, parent company of the RJR/Gleaner Communications Group, posted a turnaround profit of $37.6 million for the financial year ended March 31, 2020.

The company recorded a loss of $22.4 million in the previous financial year.

The media group reported a two per cent increase in revenues, which went up to $5.6 billion with the final month of March seeing almost $50 million in advertising contracts cancellations due to the impact of COVID-19 on advertising spend.

Revenues from the radio segment went up six per cent while earnings from audio/visual and print segments inched up by one per cent each for the financial year in review.

The small increase in revenues was attributed to the group's launch of TVJ's international channel, higher retransmission fees through the islands largest cable provider and various radio and television transmission networks.

Direct expenses declined by $156.4 million to $2.59 billion due to the Fifa World Cup expenses not being repeated during the just-ended fiscal year. This left the group with a gross profit of $3 billion, which is 10 per cent higher than the previous comparative period.

Selling and other operating expenses increased primarily due to higher commissions, fees for a business feasibility study and acquisition costs related to new software deployed across the group. Administrative expenses and other income declined as a result of a reduction in amortisation costs for intangible assets and a one-off non-recurring income in the prior year.

These varied increase and declines resulted in an operating profit of $90.5 million which was a 184 per cent increase compared to the $31.8 million recorded in the prior year. With the decline in finance expenses and a taxation charge for the year, the group managed to post earnings per share of $0.02 compared with a $0.01 loss in 2019.

Total assets rose by two percent to $3.8 billion with non-current assets up by five per cent to $2.3 billion and current assets down three per cent to $1.46 billion. Total liabilities grew by eight per cent to $1.47 billion with current liabilities up by 18 per cent at $777.6 million and non-current liabilities down to $695.1 million.

Shareholder's equity attributable to shareholders closed the year down by two per cent to $2.3 billion. During the year, the group acquired a 25 per cent stake in Puerto Rican company Jamaica Holding LLC and 6.89 per cent stake in SiFi Studios Jamaica Limited.

Group chief financial officer, Andrea Wilson-Messam, confirmed that Jamaica Holding LLC was related to the group's investment in Gustazos while SiFi Studios represented their investment in digital advertising in real estate. Based on the audited financials surrounding the associates, Jamaica Holding LLC was valued at $160.7 million and SiFi was valued at $249.3 million when calculated off the investment cost.

Subsequent to the end of the 2020 financial year, the group took measures to cut costs associated with its print division which saw a reduction in revenues due to COVID-19. These included laying off staff and pay cuts to close the gap associated with the reduced revenue.

There has also been a pivot towards educational programmes and virtual parties through its TV segment along with other cost-cutting measures.

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Medical Disposables and Supplies records $35-million net profit

Wednesday 22nd July, 2020 – Jamaica Observer

Health care and consumer products distributor Medical Disposables and Supplies Limited (MDS) recently reported an after-tax profit of $35 million for the financial year which ended on March 31, 2020. This represents a $78-million decrease when compared with the previous corresponding period.

The company, however, was able to increase its revenue for the period under review by 12 per cent or $259 million to $2.48 billion. According to General Manager Kurt Boothe this was attributable to a combination of an increase in product offerings, price increases and above-average growth in the pharmaceutical division.

Operating expenses amounted to $460.2 million, a 27 per cent increase due mainly to the costs associated with the growth in sales and talent acquisition and retention.

"The increase in staff-related expenses was due to the activation of the company's long-term strategic plan to build out the expansion model which will guide the company into the future. This required the hiring of talent in several strategic positions. The company was restructured into three divisions, thereby requiring persons at the management level to oversee the operations and drive the growth in each segment," Boothe stated in company's report to shareholders.

Described as a reset year for MDS, Boothe further indicated that the company is systematically equipping itself to take on the challenges that will inevitably present themselves once the expansion takes shape.

As at March 31, 2020, MDS's total asset stood at $1.74 billion, reflecting an increase of 5.7 per cent or $94 million year over year.

Shareholders' equity increased by 10 per cent to $834 million during the period under review, while earnings per share ended at $0.13.

Medical Disposables and Supplies Limited is an islandwide distributor with a catalogue spanning pharmaceuticals, vaccines, injectables, hospital supplies, medical disposable items, consumer products, and beauty items.

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Barita finalises details of APO set to open on August 26

Wednesday 22nd July, 2020 – Jamaica Observer

Local investment firm Barita Investments Limited has finalised the details of its additional public offer (APO), which opens next month.

Subscription to the APO for 200 million ordinary shares opens on August 26 and closes three weeks later on September 16. In the event that the APO is oversubscribed, Barita reserves the right to upsize the offer by an additional 100 million shares.

The price per share has been fixed at between $48.00 to $53.00, which represents a discount as the current trading price is $57.56. The company expects to raise upwards of $1.45 billion from the APO.

The capital raised will be used for pipeline investments and boosting the company's capital base. Barita has reserved new ordinary shares for the benefit of certain specified investors at prices to be determined at the discretion of the company.

The out-turn for the last six months saw Barita recording a profit of $1.01 billion, which represents a 95.9 per cent increase over the net profits of $516.7 for the corresponding period in 2019.

The profit out-turn for the six-month period ended March 2020 represents Barita's highest net profit for this period in its history.

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Jamalco to list on JSE - Noble Group, GOJ strike deal on refinery

Wednesday 22nd July, 2020 – Jamaica Gleaner

The Noble Group has formed a pact with the Jamaican Government to reorganise the assets and operations of alumina refinery Jamalco into a holding company that will raise equity capital on the stock market.

The company, which was unnamed, is expected to list on the Jamaica Stock Exchange, JSE.

"Subsequent to the year end, Noble and the Government of Jamaica agreed to put their respective interests in Jamalco into a newly incorporated Jamaican company which will own and operate the assets and business going forward," Noble said in its newly released financial results.

Jamalco is owned 55 per cent by Hong Kong-based Noble Group and 45 per cent by Jamaica through Clarendon Alumina Production, CAP.

Under its economic reform programme with the IMF, Jamaica had committed to divesting its holdings in CAP, and was said to have chosen the stock market as the route it would pursue for privatisation. Jamalco is CAP's chief asset.

The refinery is currently operated as a joint venture between CAP and General Alumina Jamaica, which is owned by Noble Group.

The benefits of incorporating the new holding company include the restructuring of the Government's debt obligations to the joint venture and would see Jamalco conducting direct alumina sales, with Noble providing marketing agency support. The new holding company would also be able to raise its own long-term debt and working capital rather than relying solely on shareholder funding.

Capital Backing

Noble also announced that it will back Jamalco with up to US$48.7 million in working capital as the need arises.

"The new company will have the ability to raise new capital and will form part of the Jamaican Government's ongoing privatisation programme, with an initial public offering being planned in due course," said Noble in its latest market filings.

Jamalco had a challenging year in the face of falling alumina prices even prior to the mining sector's fallout from the COVID-19 pandemic.

Jamalco's March quarter 2020 results show a net loss of US$2.8 million compared to US$18.4 million profit a year earlier, as reported in Noble's financials. The refinery's assets were estimated at US$477 million, down from US$499 million a year earlier.

Jamalco, when contacted on next steps prior to approaching the market in a capital raise, referred the Financial Gleaner to CAP for comment. None was forthcoming up to press time, neither from CAP nor Finance Minister Nigel Clarke, who last year had confirmed discussions with Noble over the treatment of Jamalco.

Financial Gleaner sources had indicated last year that GOJ was weighing the potential merger of CAP with another state agency, Jamaica Bauxite Mining Limited, and listing that entity on the stock market, but that those plans had been complicated by Noble's use of its Jamalco holdings to guarantee debt.

The JSE listing of Jamalco is unlikely to happen this year due to the fallout of the local market, according to an investment banker familiar with energy projects who spoke to the Financial Gleaner on Monday. Only a few main market listings are on the table, including an additional share offer by Barita.

"I haven't heard of Jamalco this year," the investment banker said. "That would be a massive raise, especially now."

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Trust Loan Fund disburses more than $13m

Wednesday 22nd July, 2020 – Nation News

The Barbados Trust Fund Limited (BTFL) has so far disbursed over $13.6 million for 3 008 loan applications to businesses and entrepreneurs.

Minister of Small Business, Entrepreneurship and Commerce, Dwight Sutherland, gave a breakdown of the funds disbursed while speaking during the opening ceremony for a joint BTFL, National Conservation Commission training series on debt and money management at the Christ Church Parish Church on Monday.

In a media release, Sutherland said 48 per cent of the loans were distributed to males, and 52 per cent to females. The Minister said 350 loans, amounting to $1 652, 316, were disbursed to the agricultural sector, and the 144 loans made to the cultural and creative industries totalled $652, 823. Loans to the 283 businesses in the manufacturing sector were valued at $1 262, 001, while there were 896 loans disbursed to the retail sector worth $3 948 498.37.

In the services sector, 1 308 loans totalling $6 035 798 were processed; while the tourism sector received 27 loans valued at $130 003.

Sutherland said the BTFL had provided training for 1 300 clients in topics such as: An Introduction to Management; Financial Literacy; Customer Service Excellence and Marketing & Promotion.

"A training workshop of this kind is most critical at this time when many small businesses in Barbados and around the world are struggling and trying to hold their heads above water because of the severe negative impact that the onset of the COVID-19 pandemic is having on the world's economies," the minister said.

The workshops began on Monday and end today with a discussion on when customer service.

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LIAT's Barbadian pilots say they're on the brink

Wednesday 22nd July, 2020 – Barbados Today

Barbadian pilots for the collapsed regional airline, LIAT, said on Tuesday that the plan to save the company from liquidation does not address their dire financial plight in which some are now on the brink of eviction from their homes.

The bleak picture was painted by the National Union of Public Workers (NUPW) which represents the Barbadian commercial flyers.

An agreement reached last night by the four shareholder governments – Barbados, St Vincent and the Grenadines, Dominica and Antigua and Barbuda – to sell the three planes owned by LIAT and charged to the Caribbean Development Bank (CDB) was part of the plan proposed by St John's to reorganize the airline.

Antiguan Prime Minister Gaston Browne said the sale of the aircraft would wipe out the debt for those planes.

But Browne is also sticking to his guns that severance payments should be slashed by half and the amounts due to other creditors be cut as the only way for the reorganization to work.

But a Barbadian LIAT pilot, who declined to be named, told Barbados TODAY that he and his colleagues are not only worried about a plan that does not offer any financial solutions to their desperate situation but the state of mind that could exist if called upon to fly the planes again in an unsettled environment.

He said: "Not only that you have had to deal with COVID, had to deal with the layoffs which so many people have, but the fact is, you are not getting your due entitlements including what was due from March; you are not getting severance, you are not getting notice of pay, you have gotten nothing.

"The next thing is that at the end of the day when all is said and done, these people that are suffering – aviation is a very serious business that requires a lot of focus – so, at the end of the day when people go through all of this, you still talking about putting these people back in airplanes, at the tail-end of a hurricane season, in this kind of mindset?"

He described as a very serious and terrible situation the idea of putting the lives of people in the hands of pilots who have been shaken by the coronavirus pandemic, cannot put food on their tables, pay their bills or get a cent of what is due to them.

The pilot also expressed concern that some of his colleagues have reported being on the brink of eviction from their homes.

He said: "We have young pilots that are the sole breadwinners that are essentially… on the verge of losing their homes and cannot buy basic things. So it is very, very concerning and is getting to a critical point for many of the pilots because it has been literally four months without one penny coming in from anywhere, and LIAT owes us a lot of money."

Acting General Secretary of the National Union of Public Workers (NUPW) Delcia Burke also told Barbados TODAY of reports from members who are about to be thrown out of their homes.

"I also have had information that some of our pilots in Barbados, the ones who have been renting, have been threatened with eviction. In all of this, nobody is paying the pilots any mind," Burke said.

The NUPW leader also condemned the proposal to cut the pilots' pay by 50 per cent as part of the plan, suggesting that such a figure was way too much.

Burke noted that the Grenada Government had announced its intention to give its LIAT staff some form of remuneration even though they were working under the airline legislation. However, she said, the union has not heard anything like this from the Barbados Government.

"I think that each government should pay the persons from their jurisdiction and I think 50 per cent is way too much to be cutting anybody's salary," the NUPW Acting General Secretary argued.

Burke said while the reorganization plan called for the sale of LIAT planes to pay off debt, nothing is mentioned about the pilots.

Barbadian pilot Patterson Thompson, president of the Leeward Islands Airline Pilots Association (LIALPA), which represents LIAT pilots, told Barbados TODAY the details of the plan are too sketchy at the moment and he would have to find out much more in order to make an informed comment.

"The three governments had an understanding among themselves and I don't know enough to say that I have anything really to say about it, because we now have to put some flesh on these bones and see how it affects us," said Thompson.

Explaining the agreement, Browne explained: "What that will do, that will help to literally eliminate the debt from LIAT's books for those planes, and, in addition, the proceeds will be utilized to pay down the loan, even though there would be a residual value. The governments will continue to make payment on the residual value after the proceeds of the planes are applied to the loans at the Caribbean Development Bank,".

The plan could also see LIAT flying again within 60 days to 90 days, he said.

Barbados and St Vincent and the Grenadines also agreed to transfer their shares to Antigua and Barbuda for $1 each.

He described the move by Prime Ministers Mia Mottley of Barbados and Ralph Gonsalves of St Vincent and the Grenadines as a responsible proposition in that the aggregate shares which would be transferred to St John's would be about 60 per cent between the two governments.

Speaking for his colleagues, the Barbadian pilot said: "The fellows here feel our Prime Minister will do the right thing as a shareholder, but the other ones we are not too sure about."

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Significant moves being made to fill Void left by Regional Airline LIAT

Tuesday 21st July, 2020 – Government of Grenada

Tourism and Civil Aviation Sectors in the region are making significant moves to ensure there is alternative transport in the face of the possible demise of regional airline LIAT, which has served the region for more than forty years.

LIAT, which has for years experienced financial and other challenges, was hard hit by COVID-19, which forced countries in the region to shut their borders.

During a recent interview, Prime Minister Dr. Rt. Hon Keith Mitchell said the regional Tourism and Civil Aviation sectors are "deep in discussion with Caribbean Airlines (CAL) to take up some of the slack. They have indicated they have additional aircraft now, so expect to see some serious movement with Caribbean Airlines."

Grenada's Ministry of Tourism and Civil Aviation says from Friday July 24th, Caribbean Airlines will fly between Grenada and Barbados, with connections to St. Lucia and Dominica. Some flights will also go via St. Vincent into Barbados.

Dr. Mitchell also said the Turks and Caicos based Inter-Caribbean Airways is showing tremendous interest in the region.

Following successful discussions, the airline was issued an operating permit by the Ministry of Tourism and Civil Aviation. Inter-Caribbean Airways has indicated that systems are being put in place to commence flights on 1st August 2020.

SVG Air meanwhile, plans to introduce service using a twin otter, between Grenada/St. Vincent/Barbados, to provide connections to the larger islands. Both of these regional and domestic services will commence on 22 July 2020. "So there is a combination of opportunities that will be available to ensure that we not just replace what LIAT was bringing if it does not return, but to have expanded opportunities," Dr. Mitchell said.

In addition to increased air transport opportunities, Dr. Mitchell said Grenada will soon join other regional countries that have reduced taxes on airline tickets to encourage greater intra-regional travel.

The Prime Minister has consistently called for the reduction of taxes and other measures that would make it easier for people to travel.

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Pure Grenada Takes First Step in Tourism "Comeback" By Resuming Flights for Regional Travel

Tuesday 21st July, 2020 – Government of Grenada

As part of the government of Grenada's careful approach to reopening the destination to international travellers, Grenada's Maurice Bishop International Airport began welcoming visitors from neighbouring CARICOM nations on July 15, 2020.

Though identified as Low-Risk Countries due to inactive community transmission, travellers originating from these destinations will still need to observe and agree to mandatory protocols prior to booking and on arrival to the three-island destination.

"We are pleased to be able to welcome visitors from our closest neighbours in the region," noted Patricia Maher, CEO of the GTA.

"The Grenada Tourism Authority and all of its partners in the private and public sector recognize that it is necessary for us to take gradual steps with the relaunch of tourism, not only for the benefit of our travellers but to also ensure the health and safety of our residents as well as protect the sustainability and viability of the Grenadian tourism industry."

Pure Grenada, the Spice of the Caribbean, provides visitors with limitless opportunities to explore, relax and unwind. With diverse offerings such as culinary, soft adventure, romance, leisure, and sailing experiences targeting a varied audience including solo travellers, couples and families, travellers can easily tailor their trip to suit their needs. "Grenada, Carriacou and Petite Martinique has so much to offer our neighbours and with a quick flight over, they won't need to go far to start their vacation," commented Maher.

Regional partner SVG Air is slated to begin regular flight service to sister-island Carriacou's Lauriston Airport on July 22. Regional carrier Caribbean Airlines have confirmed their schedule from Barbados to Grenada to start on July 22. Turks & Caicos-based interCaribbean Airways is also set to launch nonstop flight service to Grenada's Maurice Bishop International Airport, beginning August 1.

For complete details on required travel protocols and general destination information, visit www.puregrenada.com.

About PURE GRENADA

Grenada, Carriacou, and Petite Martinique: three islands, one unique destination, located in the southernmost region of the Caribbean, is best known as the “Spice Island of the Caribbean.” The island’s careful approach to tourism, infused with warm charm and friendly hospitality allows visitors to seamlessly tailor a “Pure Grenada” experience, whether staying at luxury beach-front resorts or barefoot-chic boutique hotels and villas.

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Covid-19 weakens Central American, Caribbean utility liquidity

Tuesday 21st July, 2020 – Dominican Today

Sharply lower electricity demand and government programs recently introduced to provide end-users relief during the coronavirus pandemic are stressing cash flows and liquidity for some generation companies (GenCos) and distribution companies (DisCos) in Central America and the Caribbean, says Fitch Ratings. Adequate cash, laddered debt maturities, working capital management and lines of credit should help alleviate the pressure for some issuers.

Electricity demand declined 13% across all of Central America and the Dominican Republic yoy in May. We project demand to remain weak, declining about 10% in 2020 versus 2019. In El Salvador, Guatemala and Panama, specifically, electricity demand fell 16%, 20% and 11%, respectively, yoy in May. The price of electricity in wholesale markets also declined. Spot prices dropped 60% yoy in May to USD43.20/MWh in Panama, 59% to USD67.40/MWh in the Dominican Republic, 55% to USD54.40/MWh in El Salvador and 43% to USD49.80/MWh in Guatemala.

Measures to protect consumers from losing access to electricity constrained DisCos' cash flow and, in turn, slowed DisCos' payments to GenCos. Panama declared a four-month moratorium on payments for consumers affected by the virus pandemic and lowered power costs for residential users consuming less than 1,000kWh. These measures were extended to September 2020.

Guatemala's government barred DisCos from disconnecting customers during the pandemic and is allowing customers to pay off arrears over 12 months with no additional fees. The government temporarily increased subsidy payments for users who consume less than 300kWh to mitigate the effects on DisCos. In El Salvador, the relief program allowed end-users to temporarily delay electricity payments if they consume 250kWh or less and are affected financially by the coronavirus.

DisCos AES El Salvador Trust II (B-/Negative) and Panama's Elektra Noreste (BBB/Stable) are mitigating the effect of payment arrears from end-customers by managing working capital. Cash on hand plus delayed payments to GenCos should help support liquidity, assuming government relief programs are not extended. However, ENERGUATE Trust's (BB-/Stable) liquidity may be challenged due to the open-ended nature of Guatemala's payment holiday.

Liquidity may be less of an issue for regional GenCos AES Panama (BBB-/Stable) and Instituto Costarricense de Electricidad y Subsidiarias (B/Negative). AES Panama has a favorable debt maturity profile and cash flow generation that is relatively stronger than peers.

The utility borrowed USD25 million from its credit lines in anticipation of slower receivables from DisCos due to the pandemic. Instituto Costarricense de Electricidad y Subsidiarias' cash balance of CRC30.5 billion as of May 2020 was enough to cover 2020 debt maturities.

Conversely, Investment Energy Resources' (B/Rating Watch Negative) high exposure to state-owned Empresa Nacional de Energia Electrica (ENEE) in Honduras compromised liquidity at the GenCo's operating companies. ENEE, Investment Energy Resources' main counterpart, has a stressed financial profile which is resulting in overdue receivables.

AES Andres (BB-/Negative) and Empresa Generadora de Electricidad Itabo (BB-/Negative), which operate both DisCos and GenCos, face working capital pressure as falling collection rates and sizable subsidies for end-users created dependence on government transfers. Delayed transfers add volatility to cash flows.

Restrictions on travel and economic activity have essentially shut down tourism, which accounts for an average of 8% of GDP across most of the region. In recent weeks, governments are beginning to gradually lift some lockdown measures, but the process was stalled and remains subject to reversal.

Panama re-imposed a curfew on the capital after a spike in infections but allowed the resumption of some activities including construction and non-metal mining. The country is also instituting weekend quarantines with staggered weekday working hours. El Salvador's presidential office suspended the second phase of reopening until further notice, due to the rising number of infections.

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LIAT shareholders reach agreement to sell 3 planes; airline could fly again in 90 days

Tuesday 21st July, 2020 – Barbados Today

LIAT's major shareholders have reached an agreement, which Antigua and Barbuda's Prime Minister Gaston Browne said could see the airline flying again "in 60 to 90 days."

The shareholder, which also includes the governments of Barbados, St. Vincent and the Grenadines and Dominica, met virtually late on Monday for Browne to present a plan to reorganize the cash strapped LIAT.

"I think that our colleagues understand that there's significant merit in the proposed reorganization plan and we were able to come to a consensus," Browne announced Tuesday morning.

"The meeting went very well, the tone of the meeting was very respectful, the interventions were heard and we came to the consensus that we should sell the three planes that are owned by LIAT and charged to the Caribbean Development Bank (CDB).

"What that will do, that will help to literally eliminate the debt from LIAT's books for those planes, and, in addition, the proceeds will be utilized to pay down the loan, even though there would be a residual value. The governments will continue to make payment on the residual value after the proceeds of the planes are applied to the loans at the Caribbean Development Bank," Browne explained.

The Antiguan leader said there are a number of LIAT-related loans with the CDB.

"There's a re-fleeting loan and you also would have had a number of additional loans that were extended to the governments in order to support LIAT over the years. So, if you were to aggregate all of them, after the aircraft would have been sold and the proceeds applied, I believe there will be a shortfall of about US$45 million, which will be shared proportionally by the shareholder governments and obviously we will have to service those loans until they are retired.

Company is not out of the woods yet. Administer to be appointed

Browne noted that the CDB is a preferred creditor, so the governments cannot allow the loans to go into default, But in essence LIAT would be able to rid it's books of those debts and give Antigua and Barbuda the opportunity to speak to other creditors to try and reorganize LIAT and make the institution viable.

Antigua and Barbuda will be submitting three names for the position of administrator — among them Wilbur Harrigan of PKF Chartered Accountants and Business Advisers, and Cleveland Seaforth of BDO.

"Antigua and Barbuda will be moving almost immediately to appoint the administrator and the administrator on the other hand will have to present the plan to the court within a matter of weeks for the reorganization of LIAT. If the administrator fails to get the haircut from the various creditors, then LIAT will still be faced with liquidation, so the company is not out of the woods as yet," Browne explained.

"Having done that plan, we will negotiate with creditors to bring down the debt or to bring liabilities and assets to some form of balance and at the same time to come up with an operational plan, which will see a very lean LIAT, especially during this period of COVID."

Transfer of shares to Antigua and Barbuda

Prime Minister Browne said his colleague prime ministers must be congratulated for this very important step towards saving the LIAT brand.

"One of the interesting things coming out of the meeting is that both Barbados and St. Vincent and the Grenadines, they have agreed to transfer their shares to Antigua and Barbuda for the grand sum of $1 each; and the aggregate shares that would be transferred to Antigua and Barbuda would be around 60 per cent between the two governments. So I think that's a responsible proposition," he said.

"I also want to make the point that our challenges, they have just begun in the sense that raising the capital and keeping LIAT alive will be far more challenging than the little battle that we had there to get St. Vincent and the Grenadines and Barbados to surrender the shares so that we could move forward.

"No one should really gloat about this. In fact, I would say if anything that both Prime Ministers [Mia Mottley and Dr. Ralph Gonslaves] should be complimented for the fact that they have seen the need to cooperate with Antigua and Barbuda recognizing how important LIAT is to Antigua and Barbuda and the wider Caribbean.

"But in essence our challenges have just started but we are not daunted by challenges and we feel confident that we will be able to raise the necessary capital so that we can put LIAT back into the air to have it flying and to restore LIAT to profitability and sustainability and we will be using every effort in order to ensure that those objectives are achieved.

What will happen to the employees?

Browne said St. John's wants to ensure that people go back to work as soon as possible.

He is also maintaining a position of 50 per cent cut on severance payments.

"It's the only way that it would work [that is] by significantly reducing the severance payments and also by slashing the amounts due to other creditors," he said.

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Oil prices slip as U.S. inventories and virus fears grow

Wednesday 22nd July, 2020 – Reuters

Oil prices fell on Wednesday as industry data showed a bigger than expected inventory build in the United States, where a surge in coronavirus cases could further dent fuel demand in the world's biggest oil consumer.

Brent crude fell 60 cents, or 1.4%, to $43.72 a barrel by 0912 GMT. U.S. West Texas Intermediate (WTI) crude dropped 70 cents, or 1.7%, to $41.22.

The American Petroleum Institute (API) industry group reported U.S. crude inventories rose last week by 7.5 million barrels, against expectations for a draw of 2.1 million barrels.

The U.S. Energy Information Administration (EIA) releases official oil data later on Wednesday.

"U.S. glut fears have become a permanent fixture of the oil market," said Stephen Brennock of oil broker PVM. "This will remain the case so long as the U.S. oil demand outlook is being undermined by the country's failure to contain the COVID pandemic."

Global coronavirus infections surged past 15 million on Wednesday, according to a Reuters tally, with the pandemic gathering pace even as countries remain divided in their response to the crisis.

In his first pandemic press briefing in months, U.S. President Donald Trump said the outbreak would probably worsen before it gets better. His comments were a shift in strategy from his previously robust emphasis on reopening the U.S. economy.

However, the markets could soon view Trump's words positively, said Rystad Energy's head of oil markets, Bjornar Tonhaugen, because it was one of the administration's most reasonable announcements on the pandemic.

"This could be a positive for oil demand prospects. Instead of an uncontrolled, disruptive second wave of lockdowns, maybe chances have now increased that the United States will eventually get the spread under control," Tonhaugen said.

Republicans and Democrats are also struggling to come to terms over more fiscal support for the economy, contrasting with the European Union deal that lifted oil prices on Tuesday.

Rising tension between the United States and China over the coronavirus and Hong Kong also pressured prices.

China said that the United States had abruptly told it to close its consulate in Houston - a move that Beijing said it strongly condemns, threatening retaliation.

There are also signs that Iraq, the second-largest producer in the Organization of the Petroleum Exporting Countries (OPEC), is still not meeting its target under an OPEC-led supply pact.

Russia, meanwhile, plans to cut its oil loadings from Baltic ports and Black Sea port Novorossiisk over Aug. 1-10 by nearly a quarter compared with the corresponding period in July, according to a preliminary loading schedule and Reuters calculations, which could support prices.

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S&P 500 turns positive for 2020, but most stocks are missing the party

Wednesday 22nd July, 2020 – Reuters

The benchmark S&P 500 .SPX U.S. stock index is now positive for the year, yet most of its components have sat out the rally.

After a steep, months-long climb, the index is up 0.8% on the year and at its highest level since Feb. 21.

Yet for every stock that has advanced on the S&P 500 this year, 1.7 have declined, according to Michael O'Rourke, chief market strategist at JonesTrading in Greenwich, Connecticut.

That is partially because investors have gravitated to a small group of tech-related stocks they believe have the best chance of delivering steady profits in a climate fraught with uncertainty over the coronavirus pandemic and its economic fallout.

The five most valuable S&P 500 companies - Apple Inc (AAPL.O), Microsoft Corp (MSFT.O), Amazon.com Inc (AMZN.O), Alphabet Inc (GOOGL.O) and Facebook Inc (FB.O) - account for some 23% of the index's market capitalization, the highest level on record, according to Goldman Sachs.

"It's hard to imagine the index going up if you lose that leadership," said Robert Phipps, director at Per Stirling in Austin, Texas. "Most of the market is really not participating here."

Tech-related sectors to which those stocks belong have outperformed other sectors by significant margins this year. The technology .SPLRCT index, which includes Apple and Microsoft, has climbed about 18%, while the consumer discretionary .SPLRCD index, which includes Amazon, has jumped 15%. The communication services .SPLRCL index, which includes Alphabet and Facebook, has risen nearly 6%.

Only one other sector, healthcare .SPXHC, has had year-to-date gains.

While U.S. equity valuations stand at their highest level since the dot-com boom, the flight to large-cap, tech-related companies reflects caution rather than euphoria, said Quincy Krosby, chief market strategist at Prudential Financial in Newark, New Jersey.

Moreover, the top five S&P 500 companies today have a greater share of the index's earnings and trade at a lower multiple than the top five companies in 2000 did, Jonathan Golub, chief U.S. equity strategist at Credit Suisse, wrote in a research note on Tuesday.

Given their relatively strong balance sheets and steadier revenue streams, many investors believe large-cap, tech-related companies are better positioned to withstand the economic pressures resulting from the novel coronavirus pandemic.

"These are strong companies," Krosby said. "You're not seeing a move to tech that is experimental, that doesn't have any profits."

Meanwhile, the underperformance of the Russell 2000 small-cap index and shares in cyclical sectors such as financials .SPSY and industrials .SPLRCI suggests a still-tentative outlook toward the U.S. economic recovery, Krosby noted.

Such shares have outperformed for brief periods over the past couple of months, but tech-related shares have then quickly resumed leadership.

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Biogen lifts full-year profit forecast as Tecfidera boosts quarter

Wednesday 22nd July, 2020 – Reuters

Biogen Inc (BIIB.O) raised its 2020 earnings forecast after better-than-expected sales of its multiple sclerosis treatment Tecfidera helped the drugmaker beat second-quarter profit estimates.

The company's shares rose 2.8% before the opening bell as the results allayed investor apprehensions over rising competition to Tecfidera.

Tecfidera, Biogen's best-selling treatment, generated sales of $1.18 billion in the quarter, ahead of Wall Street estimates of $1.11 billion.

The drug faces increasing competition from newer treatments, including Roche Holding AG's (ROG.S) Ocrevus, and Biogen in June lost a patent dispute with Mylan NV (MYL.O) over Tecfidera. Analysts have said the ruling opens the threat of cheaper rivals in the United States.

Biogen said on Tuesday the raised forecast does not include any impact from the potential entry of generic versions of Tecfidera in the United States in 2020.

The company, which named a new chief financial officer on Tuesday, now expects 2020 full-year adjusted profit to be between $34 and $36 per share, up from its prior forecast of between $31.50 and $33.50.

The results come as investors await U.S. regulatory action on Biogen's application seeking approval of its closely watched Alzheimer's drug, as well as the company's COVID-19 treatment program with Vir Biotechnology (VIR.O).

However, overall sales of Biogen's multiple sclerosis treatments fell 2% in the quarter. Analysts had said sales of the treatments could be hurt by physician offices staying shut due to the COVID-19 pandemic.

Net income attributable to the company rose to $1.54 billion, or $9.59 per share, in the three months ended June 30 from $1.49 billion, or $7.85 per share, a year earlier. (bit.ly/3jE7NBM)

Excluding items, Biogen earned $10.26 per share, above Refinitiv IBES estimates of $8.03.

Total revenue rose 1.8% to $3.68 billion, beating expectations of $3.43 billion.

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Futures retreat as Sino-U.S. relations sour

Wednesday 22nd July, 2020 – Reuters

U.S. stock index futures fell on Wednesday as investors shunned risky assets after Washington ordered a shutdown of the Chinese consulate in Houston, escalating tensions between the world's two largest economies.

In response, China is considering the closure of U.S. consulate in Wuhan, a person with direct knowledge of the matter said.

The news comes after three straight sessions of gains for the S&P 500, driven by optimism about an eventual coronavirus vaccine, further fiscal support for the pandemic-hit economy and a batch of positive second-quarter reports.

The benchmark index is less than 4% below its record closing high hit in February.

As the second-quarter earnings season continues, investors are looking for clues to gauge how long it would take for companies to emerge from the economic damage due to the pandemic.

United Airlines Holdings Inc (UAL.O) warned travel demand would remain suppressed until there was a widely accepted treatment or vaccine for COVID-19, which plunged the carrier to a deep quarterly loss. Its shares fell 0.1% in premarket trading.

Check Point Software Technologies Ltd (CHKP.O) rose 0.4% after reporting a better-than-expected quarterly net profit, boosted by increased demand for network security as more people work remotely.

Investors will also keep an eye out for quarterly results from Tesla Inc (TSLA.O) and Microsoft Corp (MSFT.O) after markets close.

At 6:18 a.m. ET, Dow e-minis 1YMcv1 were down 142 points, or 0.53%. S&P 500 e-minis EScv1 were down 14.75 points, or 0.45% and Nasdaq 100 e-minis NQcv1 were down 3.25 points, or 0.03%.

Snap Inc (SNAP.N) declined 8.3% as it said a bump in user growth at the start of coronavirus-induced lockdowns petered out sooner than expected, and it forecast fewer current-quarter users than the Wall Street consensus.

President Donald Trump, in a shift in rhetoric and tone, encouraged Americans on Tuesday to wear masks and warned the coronavirus pandemic would get worse before it got better in his first press briefing in months focused on the outbreak.

The United States reported 1,000 deaths from the disease on Tuesday, surpassing the grim milestone for the first time since June 10.

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Japan kicks off domestic tourism campaign as critics point to virus surge

Wednesday 22nd July, 2020 – Reuters

Japan launched a national travel campaign on Wednesday that aims to revive a battered tourism industry, but the effort has drawn heavy criticism as major cities have racked up a jump in new coronavirus cases.

“Go To Travel”, dubbed instead “Go To Trouble” by some domestic media, offers subsidies of up to 50% for trips to and from prefectures except for Tokyo, which was dropped from the programme last week after infections surged to new highs.

But many of Japan’s governors wanted the campaign delayed or altered, for fear visitors could carry the virus to rural areas with few infections. A Mainichi newspaper poll this week showed 69% of the public wanted the programme cancelled entirely.

The criticism underlines the public’s growing exasperation with what critics say are the government’s mixed messages as it tries to boost the economy while reining in the virus.

“There is no change to our stance to cautiously restart economic activity, while asking the public to cooperate in preventing the spread of the coronavirus,” Prime Minister Shinzo Abe told reporters on Wednesday, when asked about the campaign.

However, Tokyo governor Yuriko Koike has urged residents of the capital to stay home during a four-day weekend from Thursday.

“It’s essential for the elderly and people with pre-existing conditions to refrain from making unnecessary outings,” she added.

Many in the travel industry were frustrated at what they called a lack of clarity.

“It’s clear the government is scrambling and was totally unprepared,” said the general manager of a mid-sized business hotel in Osaka, who sought anonymity, as the topic is sensitive.

“It’s also so hard to get information about this scheme because things change a lot.”

Another hotel official said he hoped the campaign would boost the ailing tourism industry, but was not overly optimistic.

"Tokyo is our big market," said Hiroaki Gofuku, the president and general manager of Hotel Nikko Osaka. "With this mess, we're actually seeing more cancellations."

Osaka set a record daily high with about 120 new infections on Wednesday, Kyodo news agency cited Governor Hirofumi Yoshimura as saying, while daily infections in Tokyo were 238.

Japan had been planning to relax curbs on stadiums and concert venues from August 1, allowing them to operate at half of maximum capacity, without the current 5,000-person limit.

But the target date will be pushed to the end of August, Economic Minister Yasutoshi Nishimura told reporters on Wednesday, after a meeting with experts.

Although Japan has not suffered the rapid spread that has killed tens of thousands elsewhere, new cases in Tokyo and other cities have sounded the alarm over the virus once thought to be under control.

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Japan raises economic view for second month, but wary over virus resurgence

Wednesday 22nd July, 2020 – Reuters

Japan's government slightly raised its economic view for a second straight month in July, though authorities conceded that the situation remained severe in light of a renewed spike in coronavirus cases in many parts of the world.

The government described the world's third-largest economy as "showing signs of picking up" from the recession induced by COVID-19, underscoring cautious optimism among policymakers as more countries started re-opening economies from lockdowns to rein in the virus.

Although the global economy has shown some recent signs of bottoming out, analysts say demand for cars and other durable goods is unlikely to recover strongly, given the resurgence of infections in major economies.

"The Japanese economy remains in a severe situation due to the novel coronavirus, but it is showing signs of picking up recently," the government said in its economic report for July.

"The pick-up trend in the economy is expected to continue," it added. "However, attention should be paid to the risk that domestic and overseas infections would affect economies."

Japan is in the grip of its worst postwar recession as the health crisis takes a heavy toll of business and consumer activity. The economy is forecast to shrink 5.3% this fiscal year, the biggest contraction in decades, followed by a 3.3% bounce next year, a Reuters poll showed.

With car exports to China, the United States and the European Union bottoming out, and with auto production starting to pick up from June, the government raised its view on exports and output.

Shipments were about to stop contracting, and output showed signs of picking up in some industries, although declining as a whole, it said.

However, a cabinet office official said an exports recovery was unlikely to be very strong.

The government raised its view on private consumption, which accounts for more than half the economy, saying it was "picking up", citing the effect of its 100,000-yen ($934.67) cash payouts per citizen and demand for household appliances and eating out.

But it also warned a renewed rise in virus cases could weigh on consumer sentiment.

The government also lifted its view on business sentiment for a second straight month in July, saying corporate morale showed a trend towards improvement, a slightly better assessment than the previous month.

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China's first-half solar panel output jumps 15.7%, industry body says

Wednesday 22nd July, 2020 – Reuters

China produced 59 gigawatts (GW) worth of solar panels in the first half of the year, up 15.7% from a year ago, an official with the country's solar industry association said on Wednesday, with the sector barely affected by the coronavirus outbreak.

Wang Bohua, vice-chairman of the China Photovoltaic Industry Association, told an online briefing that newly installed solar power capacity also inched up 0.9% in the first half, reaching 11.5 GW. The full-year increase is expected to reach 35-45 GW, he said.

China has been stripping new solar power projects of subsidy after a record 53-GW capacity increase in 2017 left the state with a payment backlog now in excess of 200 billion yuan ($28.70 billion).

Many plants can now operate without subsidy, with 36 GW of the projects approved so far this year set to sell power to the grid at the same price as coal-fired plants, up 145% compared with last year, Wang said.

"The cost of solar products are falling more rapidly than expected," he said, noting that construction costs were now as low as 3.96 yuan per watt, a milestone reached three years earlier than forecast.

However, the coronavirus outbreak also had an impact on the costs of raw materials in the first half, he said.

Exports were also robust this year, he said, with shipments of completed solar modules hitting 27.7 GW from January to May, down 1.8% on the year, though earnings fell as a result of the price decline.

Solar module exports to the United States reached $310 million from January to May, Wang said, twenty times higher than last year, with trade hit by punitive tariffs.

China's total solar exports were worth $6.5 billion over the first five months of the year.

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Offshore Banks: 65% Report No Covid Impact

Tuesday 21st July, 2020 – The Tribune

Some 65 percent of Bahamas-based international banks have suffered "little or no financial impact" from COVID-19, the Central Bank revealed yesterday, marking the sector as one of the few to emerge relatively unscathed to-date.

The regulator, unveiling a survey of 71 licensees, said some 47 respondents said they had sustained minimal if any impact from the pandemic and the Bahamian economy's near-three month lockdown. But, while the fall-out had been "manageable", the Central Bank said the industry continued to face ongoing uncertainty amid the global struggle to combat the virus.

"In response to the question on assets growth/structure, provisioning or profitability, 47 supervised financial institutions (SFIs) (65 percent) responded that the pandemic has had little or no financial impact," the Central Bank reported.

"For the minority of respondents reporting an impact, eight SFIs (11 percent) cited concerns with loan loss provisioning or asset devaluation, while 16 SFIs (24 percent) expressed concerns with revenue (fee/interest income) or growth potential. One SFI reported concerns with both."

The regulator added: "The COVID pandemic's impacts on internationally active SFIs have so far proven manageable. Many respondents, however, noted the unknown nature of emerging risks, especially market risk (chiefly interest rate risk).

"In some cases, movements had an offsetting impact (one revenue stream increases while another revenue stream decreases - for example, increased transaction fee revenue versus decreased interest income."

All 72 Bahamas-based bank and trust companies who responded to the Central Bank's survey confirmed that their overseas parent groups were able to provide them with liquidity support should it become necessary.

"When asked 'what are the key economic/business challenges faced by your institution arising from the COVID-19 pandemic', 21 SFIs (29 percent) responded that there was little or no impact. Of those indicating a more than insignificant impact, 17 SFIs (24 percent) cited business continuity concerns or remote working challenges," the Central Bank said.

"One SFI reported challenges from travel restrictions or the inability to onboard clients. Fourteen SFIs (19 percent) expressed concerns over market volatility or economic downturn fears. Nineteen SFIs (26 percent) indicated a combination of two or more of the above-noted impacts."

Focusing the survey on business continuity challenges, the Central Bank added: "Responses included the use of laptops/tablets, and use of employee home computers to access private networks. Respondents also noted challenges with local utility dependability [Bahamas Power & Light], which decreased productivity of some work at home staff.

"In some cases, these steps were rolled out as a part of a pre-existing business continuity plan. Other SFIs had to adopt quickly, without an existing plan. With regard to group structures, respondents described challenges experienced by parent entities similar to those of the subsidiary entities, mostly related to environmental, economic and market concerns.

"SFIs with Brazilian parents conveyed more turmoil than for any other geographic area."

Satisfied with the results, the Central Bank added: "The results from the survey are reassuring. All institutions have been able to maintain effective operations in the new environment, and to-date financial impacts have been minimal.

"Some institutions relied on their pre-existing business continuity plans, and others needed to rapidly create new measures to address the combination of curfews, work from home, and the need to maintain in-office staff for procedures such as wire transfers.

"The Central Bank is satisfied that its internationally active licensees are operating soundly in the pandemic environment, and that they can continue such operations as long as is necessary. At least at this stage, there is no indication of undue financial or operational stress arising from the pandemic."

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'Increase Subsidy Or Bahamasair Closes'

Tuesday 21st July, 2020 – The Tribune

Bahamasair's chairman yesterday warned the airline will "close down" without an increase in taxpayer subsidies after its top-line was cut by $22m due to Hurricane Dorian and COVID-19.

Tommy Turnquest, speaking after the national flag carrier was ordered to cease commercial flights into the US, told Tribune Business that revenues for the 2020 financial year that just closed at end-June were likely to be down 24 percent year-over-year - from $92m to $70m.

With taxpayers already pumping an eight-figure sum annually into Bahamasair to keep it flying prior to COVID-19, Mr Turnquest said "you don't have to be a rocket scientist" to realise that a further cash call on the Public Treasury beyond the $19m provided in the 2020-2021 budget will be forthcoming.

He added, though, that the government's decision to halt all the carrier's commercial flights into Florida as a means to prevent Bahamians bringing COVID-19 home could actually end up saving the airline money.

Bahamasair's chairman said the airline had been poised to "aggressively" cut back its services into Orlando with effect from yesterday, given that it had been transporting just six passengers both ways in its 60-70 seater ATR planes.

Acknowledging that the prime minister had effectively "made the decision" for Bahamasair, Mr Turnquest said it may "be 2021" when the airline returns to Florida if the state fails to get its COVID-19 outbreak under control before year-end.

He explained that the carrier appeared poised to lose four of the five months it relies upon to minimise Bahamian taxpayer exposure, with the only peak traffic period remaining in 2020 being the November/December period containing the Thanksgiving and Christmas holidays.

"Bahamasair would have a boom for five months, and those five months are what carries Bahamasair for the year," Mr Turnquest said, referring to Easter and the June-August summer period.

"For October, November and December last year, Grand Bahama and Abaco were out of the mix because of Hurricane Dorian. We estimate probably a loss of around $8m as a result of that shortfall. Then we were in lockdown in mid-March with the COVID-19 virus."

Bahamasair previously estimated that it lost $10.5m as a result of its near-three month shutdown, as it was forced to cover staff salaries and other overheads on zero revenue income. Mr Turnquest confirmed that the full consequences of that combined $18.5m hit will be felt in the results for its just-closed 2020 financial year.

"In the financial year ending on June 2019, our revenues were $92m," Mr Turnquest told Tribune Business. "This year it's going to be around $70m." The latest lockdown, coming just three weeks into the airline's new financial year, means the COVID-19 direct impact will also be felt in its 2021 financial results for at least the first quarter.

"Depending in when we're back up, we may get a bump at Thanksgiving and Christmas if the US gets the situation under control," he added. "If they don't it will be 2021." While there have been no discussions with government yet, Mr Turnquest said an increase in the Public Treasury subvention to fill growing financial holes was inevitable if it wanted to keep the national flag carrier in the air.

"There's an increase in subvention or we close down. You don't need to be a rocket scientist to figure that out," he told Tribune Business. "We'd just got started, and the loads were really, really low. For example, last week Tuesday or Wednesday, we took six people to Orlando and brought six people back in a 60-70 seater ATR.

"That's just straight losing money. In the summer months, we would normally go into Orlando three times a day. Sometimes, on a good weekend, we'd squeeze in four flights; the loads were that good going into Orlando in the summer months. You put those current load factors against three to four flights that were just chock-a-block.

"The Florida routes, we really weren't making any money anyway since we restarted because the loads were low," Mr Turnquest continued. "Even to Fort Lauderdale we were around 40-60 persons on a 120-seater aircraft, so we were around 40-50 percent load factors, sometimes 60-70 percent, but very rarely.

"They [the Government] have made the decision for us. We save money by not going there. We've been going in every day to Orlando since July 1, and were going to cut back on that aggressively from today [yesterday]. We were going to cut back to four times a week."

Mr Turnquest added that Bahamasair will also have to contend with the loss of its routes to and from Freeport for the time being, after the Government suspended all domestic aviation into and out of that island to counter the surge in COVID-19 cases on that island.

"That's going to cause some financial strain," he conceded. "We've still got Marsh Harbour and Rock Sound in Eleuthera. The load factors on both those flights have not been bad. We've been running two flights a day into each of those. They're surprisingly better than we thought but it's still a struggle."

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Cruise Line Confirms CDC-Delayed Return

Tuesday 21st July, 2020 – The Tribune

Bahamas Paradise Cruise Line yesterday said US health authorities had left it with "no choice" but to delay its operational restart until October 1.

The operator of the Grand Celebration and Grand Classica, which sail to Freeport and Nassau respectively, also acknowledged that The Bahamas' ban on commercial passenger vessels also threatened its previous plan to resume voyages on August 28.

However, the more immediate impact has come from the US Centres for Disease Control and Prevention (CDC) extending its 'no sail' order on the cruise line industry until September 30, 2020. Bahamas Paradise Cruise Line, along with the likes of Carnival, Royal Caribbean, Norwegian Cruise Lines and Princess Cruise Lines.

Oneil Khosa, Bahamas Paradise Cruise Line's chef executive, said in a statement: "As you know, we recently announced that we would finally return to sea this August – offering travellers the chance to enjoy a much-needed, two-night getaway to paradise.

"However, given the Centre for Disease Control and Prevention's (CDC) extension of its 'no sail' order, we have no choice but to delay our resumption of cruise operations to October 1, 2020.

"Since the outbreak of COVID-19, we have remained one of the few cruise lines that reported no cases of the virus onboard our ships. We have also followed all required guidelines, including adhering to strict requirements for our onboard crew members, and installed the best safety protocols in the industry across our fleet to protect our guests and crew, who are always our top priority," Mr Khosa added.

"In addition, we remain the only cruise line in the country to receive 'green status' from the CDC on our 'no sail response' plan, meaning we have met their requirements in providing a safe environment for our crew members to work and disembark via commercial travel. This was also recognised in the CDC's own statement.

"While we are disappointed that we are not able to sail as planned, we will of course continue to work side by side with the CDC and have therefore suspended all future sailings until October 1. We are also aware of the recent announcement from Bahamas Prime Minister Hubert Minnis regarding the travel ban on travellers from the US, and we are prepared to make necessary changes to our sailing schedule as needed.

"Until then, we will continue our preparations to return to Grand Bahama while keeping a close eye on the overall landscape. We look forward to welcoming guests back onboard and appreciate everyone's patience throughout this process."

Given the surge in Grand Bahama COVID-19 cases in particular, thought to be linked to Bahamians travelling to Florida via the Balearia ferry service, the delay in Bahamas Paradise Cruise Line's resumption - enforced as it is by the CDC - is likely to be welcomed by the Government and local health authorities, if not cruise-dependent businesses.

The CDC's action, in extending a 'no sail' order that was due to expire on July 24, pushes the cruise industry's sailing resumption back at least two weeks beyond the September 15 suspension it previously announced voluntarily through the Cruise Lines International Association (CLIA).

"In line with CLIA's announcement of voluntary suspension of operation by its member companies, CDC has extended its 'no sail' order to ensure that passenger operations on cruise ships do not resume prematurely," the US regulator said.

"Cumulative CDC data from March 1 through July 10, 2020, shows 2,973 COVID-19 or COVID-like illness cases on cruise ships, in addition to 34 deaths. These cases were part of 99 outbreaks on 123 different cruise ships.

"During this timeframe, 80 percent of ships were affected by COVID-19. As of July 3, nine of the 49 ships under the 'no sail' order have ongoing or resolving outbreaks. According to US Coast Guard data, as of July 10, 2020, there are 67 ships with 14,702 crew onboard."

The CDC then made clear its concern that cruise ships are a floating breeding ground for COVID-19 to spread rapidly, especially given how congested they are at full occupancy and how frequently crew members and passengers interact among themselves and with each other.

"On cruise ships, passengers and crew share spaces that are more crowded than most urban settings," the CDC added. "Even when only essential crew are on board, ongoing spread of COVID-19 still occurs.

"If unrestricted cruise ship passenger operations were permitted to resume, passengers and crew on board would be at increased risk of COVID-19 infection and those that work or travel on cruise ships would place substantial unnecessary risk on healthcare workers, port personnel and federal partners (Customs and Border Protection and the US Coast Guard), and the communities they return to."

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‘DEVASTATING’: John Bull fires 103 employees
Wednesday 22nd July, 2020 – Eyewitness News

Luxury goods retailer John Bull yesterday announced it has been forced to make the “extremely difficult, however necessary decision” to cut 103 employees.

In a statement, the retailer underscored its revenues have suffered a ‘devastating blow’.

“Despite every effort to secure employment for each of our team members throughout this pandemic; the economic fallout has been greater than we could have ever imagined,” the statement read.

“Going into this pandemic we stood firm by our commitment to always put our team first; and promised that we would assist in mitigating the financial impact as much as; and as long as corporately possible.

“Delivering on our word; John Bull’s team members were extended full salary throughout the first few weeks of the Emergency Powers (COVID 19) Orders 2020; during a time when all of the company’s locations were closed. This scenario was not sustainable and in the ensuing weeks the company eventually extended ex-gratia payments to each employee representing up to 50 per cent of their salary,” the company said.

It further noted that as the economic downturn continues with the announcement of delayed cruise ship arrivals to the port of Nassau along with uncertain reopening dates for local resorts; “some very tough decisions” are necessary to secure the company if it is to have a future in retail beyond its 91 year legacy.

“We had hoped to be in a position to retain all of our staff; but given the current and foreseeable future state of affairs it is impossible,” the statement continued.

“With over 60 percent of our locations still closed for business; and a devastating blow to the company’s revenue; it is with a heavy heart and great regret that we must now move to reducing our staff complement by 15 percent.

“This action is extremely difficult however very necessary in order for John Bull to continue to be able to function now, as well as on the other side of this pandemic, by way of a healthy employer and place of empowerment.

“We remain hopeful and prayerful that things will turnaround sooner rather than later to avoid continued economic fallout for our company and nation,” the company said.

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NGC, BHP sign gas sales deal - Negotiations completed for Rudy Field...

Wednesday 22nd July, 2020 – Trinidad Express Newspaper

THE National Gas Company (NGC) and energy giant BHP have completed negotiations for a gas sales agreement for the Ruby Field off the east coast of Trinidad.

When production comes on stream, it is expected to boost the country's oil production by nearly 16,000 barrels per day (bpd), and natural gas production by approximately 80 million standard cubic feet per day (mmscfd).

NGC and BHP announced the completion of negotiations for the Ruby Field during a signing ceremony at the Energy Ministry in Port of Spain yesterday.

Ruby is located in Block 3(a), off the east coast of Trinidad, and is expected to be commissioned in the fourth quarter of 2021.

BHP is the operator of the block, with NGC, through its subsidiary NGC E& P (Netherlands) BV, and Heritage Petroleum as partners, the NGC said in a statement later yesterday.

The Ruby project will comprise five development wells and one platform producing from the Ruby and Delaware fields in Block 3(a).

Production from this Block will tie-in to adjacent infrastructure in Block 2(c) resulting in synergies for both blocks.

The Ruby project's expected production is 16,000 barrels per day of crude oil along with 85 mmscfd of gas production.

'To put this into perspective, the latter is sufficient to supply a large-scale ammonia or methanol plant which would normally use between 40 to 100 mmscfd depending on the plant's output,' the NGC stated.

Speaking at the signing ceremony, Energy Minister Franklin Khan said: 'Block 3a, where the Ruby project is located, has certainly come a long way since the PSC was executed in 2002. When this journey began, the initial parties to the contract were BHP Billiton (Trinidad-3A) Ltd, BG Trinidad EC Ltd, Talisman (Trinidad Block 3A) Ltd and Elf Exploration Trinidad BV.

'However, the other parties opted out along the way and BHP remained. Fortunately, BHP did not shy away from the complexity of Block 3(a). When all is said and done, BHP would have spent at least US$0.5 billion on this project, which is no small amount.'

Khan said BHP holds a 68.46 per cent interest, while two T& T companies- Heritage Petroleum and NGC-hold the remaining 20.13 per cent and 11.41 per cent interest, respectively.

He noted that the last major oil discovery was in the Angostura field offshore in 2005.

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CAL starts EC service today

Wednesday 22nd July, 2020 – Trinidad Express Newspaper

Caribbean Airlines Ltd (CAL) says it will launch its services to the Eastern Caribbean today.

CAL said in a statement yesterday the service will operate from Barbados and the flights will initially operate between Barbados to St Vincent and the Grenadines and Grenada with other destinations to be added once the regulatory approvals are received.

Dominica's Prime Minister Roosevelt Skerrit yesterday announced that his administration had given the green light for CAL to fly into Dominica.

CAL said the route expansion into the Eastern Caribbean is part of its 'current strategic plan' and that earlier this year it had acquired additional aircraft and resources including pilots and cabin crew to support this initiative.

'Transport is a main pillar of Caribbean states, where it provides a space for the facilitation of trade, investment, and the movement of people. Regionally and internationally, there is a lot to restart, and subject to regulatory approvals Caribbean Airlines is resuming our 2020 plans to expand routes in the Eastern Caribbean,' said CAL chief executive officer Garvin Medera.

'This will begin from Barbados, as its borders are now open to commercial services. For us, improving connectivity is a strategy that has been in the making and we have carefully planned for this expansion, using data and other research to guide our decisions.'

The move by CAL comes as shareholder governments of the regional airline, LIAT, move towards the liquidation of the Antigua-based airline.

But Antigua's Prime Minister Gaston Browne announced yesterday that he had unveiled a reorganisation plan for the airline including the acquisition of the LIAT shares owned by Trinidad and Tobago and Barbados.

Browne said he expects the 'far leaner and commercially viable' LIAT to become operations within the next 60 to 90 days.

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Witco leads trading

Wednesday 22nd July, 2020 – Trinidad Express Newspaper

OVERALL stock market activity yesterday resulted from trading in 14 securities of which five advanced, three declined and six traded firm.

Trading activity on the First Tier Market registered a volume of 116,187 shares crossing the floor of the Exchange valued at $ 2,989,233.91.

The West Indian Tobacco Company Ltd was the volume leader with 39,140 shares changing hands for a value of $ 1,361,465.82.

CLICO Investment Fund registered the day's largest gain, increasing $1.14 to end the day at $26.14.

Conversely, Scotiabank Trinidad & Tobago Ltd registered the day's largest decline, falling $0.15 to close at $54.75.

CLICO Investment Fund was the only active security on the Mutual Fund Market, posting a volume of 48,799 shares valued at $1,275,575. The Second Tier Market did not witness any activity.

The SME Market did not witness any activity. The USD Equity Market did not witness any activity.

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PriceSmart lockdown sales jump...but warehouse club still troubled at US$ availability

Wednesday 22nd July, 2020 – Trinidad Express Newspaper

PRICESMART'S four warehouse club outlets in Trinidad increased their net merchandise sales for the three-month period between March 1 and May 31, 2020 by 16.4 per cent, according to the company's filing with the US Securities and Exchange Commission (US SEC).

The double-digit increase in sales includes the period from mid-March when scores of people formed long lines outside PriceSmart outlets throughout the country as they looked to stock up on goods for the lockdown.

PriceSmart opened its first warehouse outlet at Invaders Bay in Port of Spain in 2000 and now has outlets in Chaguanas, Mausica and San Fernando.

While the company experienced double- digit sales growth for its most recent three-month reporting period, the growth in its net merchandise sales for the nine month period from September 1, 2019 to May 31, 2020 was a more modest 6.8 per cent.

In its US SEC filing PriceSmart said:'Net merchandise sales in our Caribbean segment grew 9.6 per cent and 6.2 per cent for the third quarter and the nine months ended May 31, 2020, respectively, when compared to the same periods last year. These increases had a 290 basis point (2.9 per cent) and 190 basis point (1.9 per cent) positive impact on total net merchandise sales growth, respectively.

'Our Dominican Republic, Trinidad, and Jamaica markets led the way in this segment with 21.4 per cent, 16.4 per cent, and 11.8 per cent growth for the third quarter ended May 31, 2020, and 17.9 per cent, 6.8 per cent, and 11.5 per cent growth for the nine months ended May 31, 2020, respectively.

'In the Dominican Republic, we opened our fifth club in June 2019, while in Jamaica and Trinidad, strong comparable sales growth was the primary driver of growth for the third quarter and the nine months ended May 31, 2020.'

PriceSmart, which reported net merchandise sales for the group of US$2.4 billion for the nine-month period, has 46 warehouse clubs located in 13 countries in Latin America and the Caribbean. I Although its warehouse clubs and local distribution centres are located in Latin America and the Caribbean, its corporate headquarters is in San Diego in California, its buying operations and regional distribution centres are located primarily in the United States.

Not enough US dollars

The company complained that it continues to experience a lack of availability of US dollars to purchase merchandise in the Trinidad market. PriceSmart has been complaining about US dollar illiquidity in the local market since 2016.

Of the lack of availability of US dollars in T& T, PriceSmart said:'This can impede our ability to convert local currencies obtained through merchandise sales into US dollars to settle the US dollar liabilities associated with our imported products, or otherwise redeploy in our company, increasing our foreign exchange exposure to any devaluation of the local currency relative to the US dollar.'

According to the company: 'We are working with our banks in Trinidad to source tradeable currencies, but until more US dollars become available, this illiquidity condition is likely to continue.

'As of May 31, 2020, our Trinidad subsidiary had Trinidad dollar-denominated cash and cash equivalents and short and long-term investments measured in US dollars of approximately $72.3 million (TT$490 million), an increase of US$47.4 million from August 31, 2019 when these same balances were approximately US$24.9 million.'

In its filing with the US SEC, Price also indicated it has sought to protect itself somewhat in the event that the TT dollar is devalued against the US dollar. It said: 'Illiquidity of the Trinidad dollar could signify that it is overvalued, and the Trinidad government could decide to devalue the currency to improve market liquidity, resulting in a devaluation in the US dollar value of these (TT$490 million) cash and investments balances.

'If, for example, a hypothetical 20 per cent devaluation of the Trinidad dollar were to occur, the value of our Trinidad dollar cash and investments position, measured in US dollars, would decrease by approximately US$14.5 million, with a corresponding decrease in our stockholders'equity recorded in the accumulated other comprehensive loss caption of our consolidated balance sheet.

'Separate from the Trinidad dollar- denominated cash and investments illiquidity situation described above, as of May 31, 2020, we had a US dollar denominated net monetary asset position of approximately US$11.2 million in Trinidad that would produce a gain from a potential devaluation of Trinidad dollars.

'If, for example, a hypothetical 20 per cent devaluation of the Trinidad dollar occurred, the net effect on other income (expense), net of revaluing these US dollar net monetary assets would be an approximate US$2.2 million gain.

'We are carefully monitoring the situation, which may require us to limit future shipments from the US to Trinidad in line with our ability to exchange Trinidad dollars for tradeable currencies to manage our exposure to any potential devaluation.'

PriceSmart said while it continued to experience US-dollar illiquidity in Trinidad during fiscal year 2020, its Trinidad subsidiary was current on its US dollar payables for imported merchandise as of May 31, 2020.

US dollar loan

Although PriceSmart's filing with the US SEC does not explicitly say so, a contributor to the fact that it is current on its US dollar payables as at May 31, 2020, is likely to be as a result of the US$12 million, two-year loan it received from Citibank NA on April 17, 2020.

The rate Citibank charged PriceSmart for the loan was 5.63488 per cent above LIBOR, which works out to be about 6.68 per cent, according to Express Business calculations.

According to PriceSmart's US SEC filing:'The proceeds of this Note shall be used solely to finance trade activities of the borrower in Trinidad and Tobago which activities, and all documentation relating to such activities and trade transactions, are valid and fully enforceable in Trinidad and Tobago, and not to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock.'

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LIAT's major shareholders reach agreement; airline could soon fly again

Tuesday 21st July, 2020 – Dominica News Online

If everything goes as planned, the beleaguered airline LIAT could be back in the skies between sixty to ninety days from now.

Last night, Antigua and Barbuda's Prime Minister Gaston Browne was given a chance, after two failed attempts, to discuss his plan with shareholders on how he intends to save LIAT.

The meeting also included the governments of Dominica, Barbados, and St. Vincent and the Grenadines.

Browne reported on Tuesday that an agreement has been met to reorganize the cash strapped airline.

One of these plans includes the selling of the shares of Barbados and St Vincent and the Grenadines in LIAT to Antigua and Barbuda at $1 per share.

In addition to selling these shares, the shareholders agreed to sell three of the airline's planes that are charged to the Caribbean Development Bank, CDB.

"I think that our colleagues understand that there's significant merit in the proposed reorganization plan and we were able to come to a consensus," Browne said.

Browne has been at loggerheads with St Vincent's Prime Minister Ralph Gonzalves and Barbados's Mia Mortley on the LIAT issue.

These majority shareholders insisted that liquidating the airline was best.
Dominica's Prime Minister, Roosevelt Skerrit, seemed to have been the only one in Browne's corner.

However, Browne reported that the virtual meeting was very tempered and respectful.

"The meeting went very well. The tone of the meeting was very respectful, the interventions were heard and we came to the consensus that we should sell the three planes that are owned by LIAT and charged to the Caribbean Development Bank (CDB)," Browne said.

According to Browne, who seemed to have been the only shareholder government fighting to save LIAT, "What that will do, that will help to literally eliminate the debt from LIAT's books for those planes, and, in addition, the proceeds will be utilized to pay down the loan, even though there would be a residual value".

He said the governments will continue to make payments on the residual value after the proceeds of the planes are applied to the loans at the Caribbean Development Bank.

The Antiguan leader said there are a number of LIAT-related loans with the CDB and according to him, because the CDB is a preferred creditor, the governments cannot allow the loans to go into default.

"But in essence, LIAT would be able to rid its books of those debts and give Antigua and Barbuda the opportunity to speak to other creditors to try and reorganize LIAT and make the institution viable," Browne said.

Meantime Dominica's prime minister, Roosevelt Skerrit, reportedly said on Tuesday that the proposal submitted by Browne regarding the efforts to prevent the liquidation of the financially burdened regional airline, LIAT "needs to be further fine-tuned".

"As I have indicated publicly and privately, we will provide support [to what] the Prime Minister of Antigua and Barbuda is pursuing because if it works, it can certainly ensure more access, more flights coming into our country because the Antigua-Dominica connection is critical," Prime Minister Skerrit said to CMC.

Adding, "We wait and see. Once we have more details, obviously it is an initial proposal that was submitted that has to be further fine-tuned based on the discussions last night and then I could share some of the details of that subsequently to the Dominican public".

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July 28 is Budget Day in Dominica

Tuesday 21st July, 2020 – Dominica News Online

Prime Minister Skerrit in 2018 making his way to parliament to deliver the National Budget.

Prime Minister Roosevelt Skerrit has announced Tuesday 28th July 2020 as Budget Day in Dominica.

“Budget day 2020 is set for July 28th 2020. The 2020/2021 Budget Address will be delivered to the nation…,” the prime minister revealed said during his weekly Anou Palay Programme on Sunday.

He said the Budget will be presented in the context of all of the challenges which the world is experiencing with Covid-19.

“We never had this in our life with our country’s borders completely closed, the entire world borders closed, hotels shutdown, restaurants shutdown, barbershops, churches,” Prime Minister Skerrit stated. “This has affected every citizen.”

He told the public to expect some very exciting things in the Budget notwithstanding the challenges, “because in every challenge, in every crisis we have to look for the opportunity and this is what we are seeking to do in this year’s Budget.”

The Prime Minister said one has to appreciate that a Budget is a plan for 12 months.

“You implement the projects that can benefit the country in years to come,” he stated.

He said the government intends to launch a major initiative to provide financing for small and medium size businesses.

“Because many small and medium size businesses keep complaining that they do not have access to financing and those who do it’s expensive,” he stated. “And small and medium size businesses are critical to the continued survival of the economy and creation of jobs.”

He continued, “We are going to be launching a three-year programme of financing to small businesses, that will also include the passage of legislation to create the legal framework for the operation of small businesses where concessions are concerned, physical incentives are concerned and recognition to the small business sector in our country.”

Prime Minister Skerrit went on to say his government will be launching a 3 year $30 million initiative for the small businesses in Dominica.

He said the funds will be managed by the AID Bank and lent to the small business owners at 1 percent.

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Caribbean Information &
Credit Rating Services Limited

3rd Floor Furness House,
90 Independence Square, Port of Spain, Trinidad

Tel: (868) 627-8879| Email: info@caricris.com | Website: www.caricris.com