

Table 1. Trinidad and Tobago: Selected Economic and Financial Indicators

	1995	1996	1997	1998	Est. 1999	Proj. 2000
(Annual percentage change; unless otherwise specified)						
National income and prices						
Real GDP	4.0	3.8	3.1	4.4	6.9	6.0
GDP deflator	4.0	4.7	2.9	0.1	0.5	3.9
Consumer prices						
End-of-year	3.8	4.3	3.5	5.6	2.1	3.0
Period average	5.3	3.3	3.7	5.6	3.2	2.6
External sector						
Exports, f.o.b.	25.7	1.1	1.5	-10.9	7.6	17.4
Imports, c.i.f.	37.2	14.5	40.6	-0.9	-8.3	0.4
Export volume	22.5	-12.2	2.7	12.1	12.7	16.1
Import volume	32.3	4.1	48.2	8.2	-1.5	-1.3
Oil export price (US\$ per barrel) 1/	17.8	20.5	20.1	14.4	15.5	16.0
Terms of trade (deterioration -) 2/	-1.0	12.3	1.6	-18.2	16.9	3.6
Nominal effective exchange rate;						
(1990=100) end-of-period (depreciation -)	-0.8	-0.2	4.5	-1.2	...	...
Real effective exchange rate;						
(1990=100) end-of-period (depreciation -)	-1.7	-1.7	4.2	3.4	...	...
Nominal exchange rate (TT\$/US\$)	6.0	6.2	6.3	6.3	...	...
Financial system 3/						
Net domestic assets	21.4	10.2	18.6	-10.7	3.2	5.4
<i>Of which:</i>						
Credit to public sector 4/	6.1	-1.4	7.8	-5.9	-3.0	-0.1
Credit to private sector	3.7	3.6	16.2	2.4	7.4	8.2
Broad money 5/	16.0	14.5	15.4	-5.6	5.6	7.8
Money and quasi-money	8.3	7.3	7.7	5.4	5.5	7.5
Liabilities to the private sector (LPS)	19.3	19.4	23.0	-7.2	7.5	10.1
Deposit rates (weighted) (in percent)	5.8	5.4	5.3	5.8	4.8	...
Lending rate (in percent)						
Prime 6/	15.0	15.5	15.5	17.5	16.5	...
Weighted	12.9	13.5	11.9	12.4	11.4	...
Treasury bill rate (in percent)	8.5	10.5	9.8	11.9	10.2	...
(As a percentage of GDP)						
Public sector 7/						
Overall central government balance	0.2	-0.5	0.1	-1.8	-0.5	0.0
Total revenue and grants	26.9	27.7	27.2	25.4	25.6	29.2
Total expenditure and net lending	26.7	28.2	27.1	27.2	26.1	29.2
Overall nonfinancial public sector balance 8/	1.4	0.5	-1.2	-3.3	-3.5	-1.8
Foreign financing	-5.1	0.5	-4.1	-1.6	1.7	0.3
Domestic financing	3.7	-1.0	5.2	4.9	1.8	1.4
National income and prices						
Gross domestic investment	15.9	17.0	26.8	26.4	22.0	21.0
Gross national savings	21.0	18.2	16.9	15.8	15.7	20.9
External sector						
External current account balance	5.1	1.2	-9.9	-10.6	-6.3	-0.1
Trade balance	11.1	6.0	-8.4	-12.2	-2.2	5.2
Net capital inflow 9/	-4.5	2.5	12.9	11.9	8.8	2.4
External public debt (end-of-period) 10/	37.6	35.2	25.9	22.9	23.4	18.9

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	1995	1996	1997	1998	Est. 1999	Proj. 2000
(As a percentage of exports of goods and nonfactor services)						
External public debt service	17.6	14.5	15.3	9.9	9.4	11.6
Interest payments	8.1	9.1	5.0	4.5	4.6	3.6
(In millions of U.S. dollars; unless otherwise specified)						
Overall balance of payments surplus	33	214	175	81	161	170
Gross official reserves, end-of-period	352	546	706	783	944	1,114
In months of imports 11/	1.4	1.8	2.3	2.7	3.2	3.6
As a percentage of broad money	15.2	20.6	22.7	27.0	30.5	32.7
As a percentage of base money	65.9	96.4	108.6	109.2	122.4	153.7
As a percentage of external public debt service	69.0	127.2	149.1	269.7	329.9	273.5

Sources: Data provided by the Trinidad and Tobago authorities; and Fund staff estimates and projections.

1/ For 2000, the projection given is that used in the government's budget, which is lower than current WEO projections.

2/ WEO GEE figures.

3/ In relation to liabilities to the private sector at the beginning of the period. The financial system excludes finance houses and merchant banks, thrifts, and development banks.

4/ This measure excludes the government's blocked account for open market operations in the central bank.

5/ Includes new fund-raising instruments.

6/ A general guiding rate set by the commercial banks and not necessarily the applicable rate for prime customers.

7/ The central government switched to an October 1-September 30 fiscal year as of October 1, 1998. For example, 1999 refers to October 1, 1998-September 30, 1999 and so forth. Earlier years refer to calendar years.

8/ The overall nonfinancial public sector balance for 1999/00 is not comparable to prior years owing to the changed composition of public enterprises included in the sector.

9/ Includes errors and omissions.

10/ There is minimal short-term external public debt. The data on short-term external private debt are incomplete but indicate that this debt consists mainly of some revolving trade credits.

11/ Imports of goods and services in the following year.

Table 2. Trinidad and Tobago: Summary Projections of Medium-Term Economic Indicators 1/

	2000	2001	2002	2003	2004	Average 2000-2004
(Annual percentage change)						
National accounts and prices						
Real GDP growth	6.0	5.3	5.1	5.0	4.9	5.3
Oil/gas sector	10.1	7.1	6.2	5.8	5.2	6.9
Non-oil/gas sector	4.6	4.6	4.7	4.7	4.8	4.7
Inflation 2/	3.0	3.0	2.8	2.6	2.4	2.8
External terms of trade	3.6	-4.7	0.0	0.4	-2.0	-0.5
(As a percentage of GDP)						
Gross national investment	21.0	21.0	21.0	21.0	21.0	21.0
<i>Of which:</i>						
Central government	2.9	3.4	2.4	2.9	3.3	3.0
Gross national savings	20.9	22.2	22.2	22.0	21.9	21.8
<i>Of which:</i>						
Central government	1.9	2.8	3.4	3.9	5.0	3.4
Public finances						
Overall nonfinancial public sector balance	-1.8	-0.8	0.0	0.8	1.7	0.0
Central government 3/						
Revenue	29.2	26.9	25.6	25.3	25.5	26.5
Expenditure	29.2	26.5	24.9	24.3	23.9	25.8
<i>Of which:</i>						
Capital and net lending	3.7	3.3	2.6	2.8	3.2	3.1
Current balance	1.4	2.6	3.2	3.8	4.8	3.2
Overall balance	0.0	0.4	0.7	1.1	1.6	0.8
(In millions of U.S. dollars; unless otherwise specified)						
External sector						
Current account	-4	94	104	89	92	75
Overall balance	170	231	260	235	217	223
Gross official reserves (end of period)	1,114	1,345	1,605	1,843	2,063	1,594
(As a percentage of GDP; unless otherwise specified)						
Current account	-0.1	1.2	1.2	1.0	0.9	0.8
Overall balance	2.4	3.0	3.1	2.5	2.2	2.6
Gross official reserves						
(end of period, in months of imports) 4/	3.6	4.1	4.5	4.8	5.0	4.4
External debt service ratio 5/	11.6	5.1	4.4	4.1	7.1	6.5
External debt (end of period)	18.9	17.1	15.8	14.4	13.2	15.9
Memorandum items:						
Oil price (in US\$/barrel) 6/	16.0	16.3	16.0	16.2	16.4	16.2
Crude oil production (in millions of barrels)	42.8	41.5	40.5	39.3	39.0	40.6
LIBOR (6 months; in percent per annum)	5.4	6.2	6.2	6.2	6.2	6.2

Sources: Trinidad and Tobago authorities; and Fund staff estimates and projections.

1/ The medium-term projections are based on WEO assumptions.

2/ Retail price index (end period).

3/ The central government switched to an October 1-September 30 fiscal year in 1998. 2000 refers to fiscal year 1999/2000 and similarly for subsequent years.

4/ Imports of goods and services in the following year.

5/ In percent of exports of goods and nonfactor services.

6/ Assumed budget figure for 1999/2000 and subsequently follows the change in WEO oil prices.

Table 3. Trinidad and Tobago: Summary of Central Government Operations

	1995	1996	1997	1998	Est. 1998/99	Prog. 1999/00
(In millions of Trinidad and Tobago dollars)						
Total revenue and grants	8,511	9,542	9,954	9,702	10,316	12,902
Current	8,456	9,537	9,126	9,673	10,053	11,908
Oil	2,221	2,727	1,555	661	1,051	2,111
Non-oil	6,235	6,810	7,571	9,012	9,002	9,797
Taxes	5,534	6,034	6,649	7,753	7,697	8,236
Income	2,661	3,033	3,132	3,389	3,535	4,019
Goods and services	2,252	2,370	2,739	3,426	3,240	3,290
VAT	1,345	1,414	1,624	2,154	1,879	2,018
Other	907	956	1,115	1,272	1,361	1,272
International trade	494	496	607	781	777	745
Other	67	77	114	98	84	105
Nontaxes	700	776	922	1,259	1,306	1,562
Capital revenue and grants 1/	56	6	828	29	263	994
Expenditures	8,458	9,701	9,913	10,400	10,533	12,911
Current	7,838	9,120	8,770	9,540	10,060	11,281
Wages and salaries 2/	2,884	3,484	3,227	3,522	3,706	3,407
Other goods and services	891	919	930	960	1,068	1,313
Interest payments 3/	1,577	1,581	1,690	1,916	2,033	2,357
Transfer payments	2,487	3,137	2,923	3,143	3,253	4,205
Capital and net lending 3/	620	580	1,142	860	474	1,630
Current balance	617	416	356	133	-7	627
Overall balance	53	-159	41	-698	-218	-9
Total financing	-53	159	-41	698	218	9
Foreign financing	-906	96	-1,596	-666	750	-132
Disbursements	144	1,260	377	388	1,858	891
Of which : commercial loans	0	886	0	0	1,439	315
Amortization	1,050	1,164	1,973	1,054	1,108	1,023
Domestic financing	794	18	1,555	1,245	-533	141
Banking system	157	-324	702	-1,028	-899	-400
Central bank	-916	-937	-580	-766	-919	-700
Other bank	1,073	613	1,282	-1,794	20	300
Other financial system and nonbank 3/	637	342	853	2,273	366	541
Divestment 1/	59	44	...	...	...	...
(As a percentage of GDP)						
Revenues	26.9	27.7	27.2	25.4	25.6	29.2
Oil	7.0	7.9	4.3	1.7	2.6	4.8
Nonoil 1/	19.7	19.8	20.7	23.6	22.3	22.2
Expenditures	26.7	28.2	27.1	27.2	26.1	29.2
Current 3/	24.7	26.5	24.0	25.0	24.9	25.5
Wages and salaries 2/	9.1	10.1	8.8	9.2	9.2	7.7
Capital and net lending 3/	2.0	1.7	3.1	2.3	1.2	3.7
Current balance	1.9	1.2	1.0	0.3	0.0	1.4
Overall balance	0.2	-0.5	0.1	-1.8	-0.5	0.0
Total financing	-0.2	0.5	-0.1	1.8	0.5	0.0
External financing	-2.9	0.3	-4.4	-1.7	1.9	-0.3
Domestic financing 3/	2.5	0.1	4.3	3.3	-1.3	0.3
Divestment 1/	0.2	0.1	...	...	...	...
Memorandum items:						
Overall balance on cash basis	0.7	0.5	0.6	-1.5	0.0	-1.0
Overall balance with capital revenue as financing	0.0	-0.5	-2.2	-1.9	-1.2	-2.3
Overall balance on cash basis with capital revenue as financing	0.6	0.5	-1.7	-1.6	-0.7	-3.2

Sources: Data provided by the Trinidad and Tobago authorities; and Fund staff estimates and projections.

1/ From 1997 on, privatization is treated as capital revenue.

2/ In 1995-1998/99, wage arrears bonds are included in current spending as issued (they mature two years after issue).

3/ In 1998, the police facilities project is included in capital spending (TTS121 million), interest (TTS169.9 million), and nonbank financing, although debt service begins in 1998/99 on a cash basis.

Table 4. Trinidad and Tobago: Summary Accounts of the Financial System

	1995	1996	1997	1998	Proj. 1999	Proj. 2000
(In millions of Trinidad and Tobago dollars; end of period)						
Net international reserves	2,750	4,345	5,266	6,155	7,167	8,367
Monetary authorities	1,776	3,157	4,286	4,779	5,725	6,796
Commercial banks	974	1,188	980	1,376	1,443	1,571
Net domestic assets	14,451	16,201	20,014	17,303	18,055	19,408
Credit to public sector 1/	2,146	1,913	3,515	2,026	1,330	1,294
Central government 1/	2,384	2,059	3,350	2,321	1,622	1,172
Rest of the public sector 2/	-237	-146	165	-296	-292	122
Credit to private sector	9,497	10,121	13,456	14,074	15,800	17,859
Official capital 3/	-2,687	-1,098	-1,193	-1,432	-1,620	-1,790
Other items (net) 4/	5,494	5,265	4,825	2,963	3,113	3,288
Liabilities to the private sector	17,201	20,546	25,281	23,458	25,222	27,775
Broad money	13,923	16,418	19,573	18,161	19,470	21,442
Money and quasi-money	12,802	14,057	15,637	17,006	18,298	20,197
Currency in circulation	833	910	1,063	1,047	1,073	1,194
Deposit liabilities	11,969	13,147	14,574	15,959	17,225	19,003
<i>Of which:</i> foreign deposit liabilities	2,195	2,968	3,352	3,885	4,238	4,683
Fund-raising instruments	1,121	2,361	3,936	1,155	1,171	1,244
Private capital, reserves and other liabilities	3,278	4,128	5,708	5,297	5,752	6,333
(Annual nominal percentage change)						
Net domestic assets	27.1	12.1	23.5	-13.5	4.3	7.5
Credit to public sector 1/	69.0	-10.9	83.7	-42.4	-34.3	-2.7
<i>Of which:</i> central government 1/	7.0	-13.6	62.6	-30.7	-30.1	-27.7
Credit to private sector	6.0	6.6	32.9	4.6	12.3	13.0
Liabilities to private sector	19.3	19.4	23.0	-7.2	7.5	10.1
Broad money	19.9	17.9	19.2	-7.2	7.2	10.1
Money and quasi-money (M2)	10.3	9.8	11.2	8.8	7.6	10.4
Fund-raising instruments	...	110.6	66.7	-70.7	1.4	6.2
(Contribution to liquidity growth; percentage change) 5/						
Net international reserves	-2.1	9.3	4.5	3.5	4.3	4.8
Net domestic assets	21.4	10.2	18.6	-10.7	3.2	5.4
Credit to public sector 1/	6.1	-1.4	7.8	-5.9	-3.0	-0.1
<i>Of which:</i> central government 1/	1.1	-1.9	6.3	-4.1	-3.0	-1.8
Credit to private sector	3.7	3.6	16.2	2.4	7.4	8.2
Memorandum items:						
Velocity (GDP/LPS)	1.84	1.68	1.45	1.63	1.63	1.63
Multiplier (LPS/base money)	5.37	5.85	6.17	5.22	5.20	6.09

Sources: Data provided by the authorities; and Fund staff projections.

1/ Excluding the government's blocked account at the central bank.

2/ Inclusive of National Insurance Board Deposits

3/ Includes valuation adjustments.

4/ Includes medium-and long-term foreign assets and liabilities, inter-financial claims, and SDR allocation.

5/ In relation to liabilities to the private sector at the beginning of the year.

Table 5. Trinidad and Tobago: Summary Balance of Payments

	1995	1996	1997	1998	Proj. 1999	Proj. 2000
(In millions of U.S. dollars)						
Current account balance	270	68	-579	-645	-410	-4
Trade balance	592	346	-494	-743	-323	91
Exports, f.o.b.	2,477	2,506	2,542	2,265	2,436	2,860
<i>Of which: fuels</i>	1,133	1,261	1,171	1,098	1,354	1,655
Imports, c.i.f.	-1,885	-2,159	-3,036	-3,008	-2,759	-2,769
<i>Of which: capital goods</i>	-650	-558	-1,379	-1,145	-784	-667
Services (net)	-306	-271	-89	75	-82	-90
Current transfers (net)	-16	-7	4	22	-5	-5
Capital account (net) 1/	-28	43	841	694	571	174
Investment assets and liabilities	157	314	818	678	555	234
Official, medium and long-term	-134	26	-230	-108	86	-190
Private sector (net)	203	316	1,027	836	480	444
Commercial banks (net)	89	-27	22	-50	-10	-20
Short-term (net)	-185	-271	23	13	16	-60
Net errors and omissions	-210	102	-87	32	0	0
Overall balance	33	214	175	81	161	170
Financing	-33	-214	-175	-81	-161	-170
Change in net official reserves (increase -)	-33	-214	-175	-81	-161	-170
<i>Of which: IMF</i>	-43	-25	-18	-4	0	0
Debt rescheduling	0	0	0	0	0	0
Exceptional financing	10	0	0	0	0	0
(In percent; unless otherwise indicated)						
Memorandum items:						
Exports/GDP	46.5	43.7	43.5	37.2	40.0	43.8
Imports/GDP	35.4	37.6	51.9	49.4	42.3	38.6
Current account/GDP	5.1	1.2	-9.9	-10.6	-6.3	-0.1
Capital account balance/GDP	-0.5	0.8	14.4	11.4	8.8	2.4
Overall balance/GDP	0.6	3.7	3.0	1.3	2.5	2.4
Gross international reserves (in months of imports) 2/	352	546	706	783	944	1,114
	1.4	1.8	2.3	2.7	3.1	3.6

Sources: Central Bank of Trinidad and Tobago; Central Statistical Office; and Fund staff estimates and projections.

1/ Includes short-term capital flows.

2/ Imports of goods and services in the following year.

Table 6. Trinidad and Tobago: Quantitative Benchmarks for Key Variables
in the Staff-Monitored Program (SMP) 1/

	1999		2000		
	September	December	March	June	September
(In millions of Trinidad and Tobago dollars)					
Quantitative Benchmarks					
Net domestic assets of the central bank 2/	-4,207	-4,356	-4,937	-5,254	-5,287
Net financial system credit to the central government 3/	827	1,054	404	352	-83
Indicative Targets					
Overall central government balance 4/	-218	-1,014	-1,061	-542	-9
Selected public entities balance 5/	...	-266	-673	-969	-1416
Net financial system credit to the private sector 6/	15,325	15,800	16,315	16,830	17,344
Broad money 7/	19,090	19,470	19,830	20,261	20,712
(In millions of U.S. dollars)					
Quantitative Benchmarks					
Net international reserves of monetary authorities 8/	883	927	1,024	1,080	1,091
Short-term commercial borrowing 9/	0	25	25	25	25
Medium- and long-term commercial borrowing 9/	230	150	150	150	150

1/ Program benchmarks are set with respect to quarterly targets for March 31, 2000; June 30, 2000; and September 30, 2000. December 31, 1999 benchmarks are indicative targets.

2/ Ceiling. Currency issued minus net international reserves of the central bank as specified in Table 8.

3/ Ceiling. Consolidated financial system as specified in Table 8.

4/ Floor. Total revenue and grants less expenditure. The cumulative total for the fiscal year.

5/ Floor. Selected entities as specified in Table 8. The cumulative total for the central government's fiscal year. These enterprises have various fiscal years. Prior year data are unavailable at present.

6/ Ceiling.

7/ Ceiling. Money and quasi-money of the consolidated financial system, plus fund-raising instruments.

8/ Floor. Net international reserves of the central bank plus government holdings with the Crown Agents, at end of period.

9/ Ceiling. This applies to the central government and a subset of public entities and is the cumulative total for the fiscal year.

Table 7. Trinidad and Tobago: Structural Benchmarks for 1999/2000

Sector	Measures	Timetable
Privatization	<p>Divest 30 percent of the shares held by the government in National Enterprises Limited (NEL); and prepare TANTEAK and Lake Asphalt of Trinidad and Tobago Limited for privatization as indicated in paragraph 22.</p> <p>Establish independent subsidiaries to manage Caroni's rum, rice, and citrus operations as indicated in paragraph 23.</p>	<p>June 2000</p> <p>September 2000</p>
Oil Industry	<p>Allow private distributors to enter the retail trade as indicated in paragraph 22.</p>	<p>September 2000</p>
Water and Sewerage Authority (WASA)	<p>Amend the WASA Act as indicated in paragraph 23.</p>	<p>September 2000</p>
Trinidad and Tobago Electricity Commission (T&TEC)	<p>Amend the T&TEC Act and begin reducing arrears to suppliers as indicated in paragraph 23.</p>	<p>September 2000</p>
Public Service	<p>Carry out a study of the public service to determine appropriate reforms as indicated in paragraph 24.</p>	<p>September 2000</p>
Monetary	<p>Make operational a system of secondary market trading by primary dealers as indicated in paragraph 16.</p>	<p>March 2000</p>
Statistics	<p>Commence implementation of the program to improve statistics as indicated in paragraph 26.</p>	<p>June 2000</p>

Table 8. Trinidad and Tobago: Data and Information to be Reported Quarterly for the 1999/2000 Staff-Monitored Program

Definitions

1. The financial system is defined as the consolidation of the accounts of the central bank, commercial banks, and the trust and mortgage finance companies.
2. The net domestic assets of the central bank are defined as currency issued less net international reserves.¹
3. Net central bank credit to the central government is inclusive of flows in the blocked account.
4. Net financial system (financial survey) credit to the central government is defined as advances by the financial system to the central government minus deposits of the central government, inclusive of flows in the blocked account.
5. Overall central government balance is defined as total revenue and grants (including proceeds from privatization) less total expenditure (including noncash expenses incurred at the behest of the government).
6. Overall balance of the selected public entities is defined as the balance of the following entities: Caroni (1975) Limited, Trinidad and Tobago Electricity Commission, Water and Sewerage Authority; Port Authority of Trinidad and Tobago, Public Transportation Service Corporation, and Trinidad and Tobago Airports Authority.
7. Net international reserves of the monetary authorities are defined as net foreign reserves of the central bank and government deposits with the Crown Agents.
8. Short-term commercial borrowing is defined as foreign borrowings of less than one year maturity undertaken by the central government, public enterprises, statutory bodies, and public utilities.
9. Medium- and long-term borrowing is defined as foreign borrowings of one year or longer maturity undertaken by the central government, public enterprises, statutory bodies, and public utilities.

¹ Exchange rate of TT\$6.29 per U.S. dollar until end-1999 and TT\$6.30 per U.S. dollar thereafter are assumed for the program. Non-U.S. dollar-denominated assets and liabilities are to be valued at the cross rates with the U.S. dollar on September 30, 1999.

10. Primary dealers are defined as private sector brokers dealing in government securities on behalf of the government.

11. Improvement of the statistical base is meant to imply that recommendations of the Fund's Statistics Department Multisector mission, scheduled to take place in January 2000, have started to be implemented. The mission's recommendations are expected to be submitted to the authorities by March 2000.

Adjusters

1. The ceiling on net credit to the central government will be lowered (raised) and the floor of net international reserves of the central bank will be raised (lowered) by the difference between actual external commercial borrowing by the central government and the amount of US\$50 million included in the program.

2. The reference in paragraph 11 of the MEFP will be interpreted as: one third of any excess in oil revenue above the budget estimates included in the program will be used to increase capital outlays and related maintenance of the capital stock; and the remaining two thirds will generate a corresponding larger overall central government balance and a corresponding smaller net credit of the financial system to the central government.